March 26, 2018

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation
          North Carolina Workers Compensation Statistical Plan
          Manual Revisions Part 6 – Coding Values
          Miscellaneous Updates

The NC Rate Bureau filed and the North Carolina Commissioner of Insurance approved revisions to Part 6- Coding Values of the North Carolina Workers Compensation Statistical Plan Manual. The approved revisions are as follows:

- Addition of Code 12 – Variable
- Deletion of Code 05 – Joint Coverage Without Subrogation
- Deletion of Code 06 – Joint Coverage With Subrogation.

For additional information on these revisions please review the following attachments:

- NCRB Filing Memorandum
- NCRB Exhibits 1 and 2

These revisions are applicable to the reporting of statistical data for all new and renewal polices with an effective date on or after March 16, 2018.

If you have questions, contact the NCRB Information Center at 919-582-1056 or via email at wcinfo@ncrb.org.

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:ko

C-18-9

North Carolina Rate Bureau

FILING MEMORANDUM

RE: Revisions to North Carolina Statistical Plan Manual
Part 6 – Coding Values
Miscellaneous Updates

PURPOSE

This filing revises Part 6 of the North Carolina Statistical Plan Manual (NCSPM) by adding a new code for Basis of Deductible Calculation and deleting two obsolete codes for Type of Recovery – Loss Conditions. The specific changes are as follows:

Add New Code:
> Add Code 12, *Variable – As per ASWG decision to allow flexibility for reporting deductible programs not otherwise defined*, to Part 6 – Coding Values, F. Deductible Type Code Conditions, 2. Basis of Deductible Calculation

Delete Obsolete Codes:
> Delete Codes 05– *Joint Coverage Without Subrogation* and Code 06 – *Joint Coverage With Subrogation* from Part 6 – Coding Values, L. Loss Conditions, 3. Type of Recovery

BACKGROUND

A review of the North Carolina Statistical Plan Manual (NCSPM) revealed that Code 12 Variable, needed to be added to Part 6.F.2 of the NCSPM. The Basis of Deductible Calculation Code 12 allows carriers to report variable data for deductible programs that are not otherwise defined. This edit is available for carriers reporting deductible data using the WCPOLS format for the reporting of policy data. This code is also available for carriers reporting unit statistical data using the WCSTAT format.

Also discovered during the review of the NCSPM, were two, Type of Recovery – Loss Condition codes that were previously eliminated from the WCSTAT format for the reporting of unit statistical data. The NCSPM will be updated to reflect the elimination of these codes which have been identified as obsolete.

PROPOSAL

The changes being proposed for the NCSPM are the addition of Code 12 - *Variable* in Part 6.L.3, and the elimination of Code 05 *Joint Coverage Without Subrogation* and Code 06 *Joint Coverage With Subrogation* from Part 6.L.3 of the NCSPM.

IMPACT

There is no premium impact for the proposed changes to the NCSPM.

IMPLEMENTATION

Upon approval

North Carolina Statistical Plan Manual

Part 6 - Coding Values

F. Deductible Type Code

The two digit numeric code that indicates the type of losses subject to the deductible and the basis of the deductible applied to the policy.

2. Basis of Deductible Calculation Code

Code	Description
00	No Deductible Applies
01	Per Claim
02	Per Accident
03	Per Policy (Aggregate)
06	Coinsurance Only
09	Per Policy and Accident (Aggregate)
10	Per Claim and Policy (Aggregate)
12	Variable- As per ASWG decision to allow flexibility for reporting deductible programs not otherwise defined

North Carolina Statistical Plan Manual

Part 6 - Coding Values

L. Loss Conditions

The two digit numeric code for each type of loss condition

3. Type of Recovery- Loss Conditions

Code	Description
01	No Recovery
02	Second Injury Fund Only
03	Subrogation Only (Third Party)
04	Subrogation with Second Injury Fund (Third Party)
~~05~~	~~Joint Coverage Without Subrogation~~
~~06~~	~~Joint Coverage With Subrogation~~