

June 10, 2013

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Catastrophe 14  
Oklahoma Tornado and Severe Storms

The purpose of this filing is to establish Catastrophe Number 14 for identification of claims resulting from the tornado and severe storms that recently occurred in Moore, Oklahoma and surrounding areas.

Beginning May 18, 2013, the suburb of Moore, Oklahoma and surrounding areas experienced a tornado and severe storms. The event has been classified as an Extraordinary Loss Event. An Extraordinary Loss Event is a significant loss that requires the establishment of a unique Catastrophe Number for identification of all claims involved. Catastrophe Number 14 has been established to identify all claims involved. The accident date range that has been established for Catastrophe Number 14 is May 18 through May 22, 2013. The accident range covers losses sustained on the day of the event and any claims associated with responders.

The North Carolina Rate Bureau will accept loss records with Catastrophe Number 14 for North Carolina employers who had employees in Oklahoma that were injured as a result of the event.

Statistical reporting information for Catastrophe 14 claims for North Carolina employers will follow the guidelines outlined in NCCI Circular DR-2013-02 issued on May 29, 2013.

A copy of the NCCI circular is attached for your review.

Sincerely

Sue Taylor

Director of Insurance Operations

ST:dms

Attachment

C-13-6



## Data Reporting—Catastrophe Number 14 for Oklahoma Tornado and Severe Storms

### **ACTION NEEDED**

NCCI is providing reporting instructions for Catastrophe Number 14, which has been established for data providers to identify claims resulting from the tornado and severe storms that recently occurred in Moore, Oklahoma, and surrounding areas.

Please review this information in order to properly code and report any associated claims when submitting Unit Statistical, Detailed Claim Information, and Financial Call data to NCCI.

### **BACKGROUND**

Beginning May 18, 2013, the suburb of Moore, Oklahoma, and surrounding areas experienced severe storms and a tornado.

NCCI determined that this qualifies as a workers compensation Extraordinary Loss Event, which is a significant loss event that requires a unique Catastrophe Number to identify all claims involved.

Catastrophe Number 14 has been established for reporting these claims, and the accident date range is May 18 through May 22, 2013. The reason for this range is to cover losses sustained on the day of the event and any claims for responders (rescue, recovery, firefighters, etc.) thereafter.

### **IMPACT**

#### **Unit Statistical Reporting Instructions**

The earliest possible reporting of Unit Statistical reports containing Catastrophe Number 14 claims will be for policies effective May 2012, which will be valued as of November 2013 and will be due for reporting by January 2014. For these claims, report 14 in the Catastrophe Number field on the Loss Record.

#### **Detailed Claim Information (DCI) Reporting Instructions**

The earliest reporting of DCI claims for this catastrophe will be based on claims with a Reported to Insurer Date of May 18, 2013, which will be valued as of November 2014 and will be due for reporting in February 2015.

For these claims, report Y in the Extraordinary Loss Claim Indicator on the DCI claim record.

#### **Financial Call Catastrophe Instructions**

Financial Call reporting for claims identified with Catastrophe Number 14 will begin with the 2014 reporting season for Calls valued as of December 31, 2013.

Claims impacted by this catastrophe must be included in the applicable financial Calls:

- Call #3—Policy Year
- Call #3A—Policy Year—Assigned Risk
- Call #5—Calendar-Accident Year
- Call #5A—Calendar-Accident Year—Assigned Risk
- Call #8—Reconciliation Report
- Call #19—Accident Year Countrywide Loss Adjustment Expense
- Call #31—Large Loss and Catastrophe Call

**NCCI ACTION****Experience Rating**

NCCI is currently analyzing how Catastrophe Number 14 claims will be treated for experience rating modification purposes. When a decision is reached, NCCI will communicate this information to the industry.

**Editing Requirements**

NCCI will update Unit Statistical Edit 0029-13 and DCI Edit 0412-02 to validate that the accident date range and accident state combination are appropriate for the Catastrophe Number 14 claims.

When these requirements are developed, we will include them in the online edit matrices in the following NCCI manuals via **ncci.com**.

- *Unit Statistical Reporting Guidebook*—Unit Edit Matrix
  - *Financial Call Reporting Guidebook*—Financial Call Edit Matrix
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**PERSON TO CONTACT**

If you have questions, please contact our Customer Service Center at 800-NCCI-123 (800-622-4123). We're here to assist you Monday–Friday, 8:00 a.m.–8:00 p.m. ET. For faster service, use our simple online form at **ncci.com**.

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