



June 24, 2008

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

North Carolina Statistical Plan Manual Revision

The Bureau has adopted and the North Carolina Commissioner of Insurance has approved revisions to the *North Carolina Statistical Plan Manual*. The changes to the manual have been approved effective July 1, 2008. The changes are the result of clarifications, changes to internal procedures and the approval of recent rate or rule filings. A table outlining the changes is attached. A complete copy of the revised manual can be found on our website at www.ncrb.org.

Contact the Information Center at 919-582-1056 or wcinfo@ncrb.org if you have questions regarding the information contained in this circular.

Sincerely,

Sue Taylor

Director of Insurance Operations

C-08-9

SECTION	CURRENT	APPROVED EFFECTIVE 7/1/08	REASON FOR CHANGE
TABLE OF CONTENTS		SEE ATTACHMENT	Changes to pages i through v reflects changes in the body of the manual.
SECTION 2- PAGE 2	<p>3. Form of Report Reports consist of experience comprising an exhibit of exposures, premiums and losses. All reports must be submitted on the approved Unit Statistical Report Form. The Supplemental Loss Report may be used as a supplement to the first report, as a loss correction report or as a subsequent report. (See Section Eleven - Sample Forms). Forms may be reproduced or ordered from a forms vendor. All reports must be typed or clearly printed. Electronic submission of unit stat data in WCSTAT format is encouraged. (See Appendix B). Detailed specifications for reporting unit stat data on magnetic tape are contained in the <i>WCIO Workers Compensation Data Specifications Manual</i>. * Transmission of unit stat data may also be via diskette or other electronic media through the Bureau Entry and Edit Package (BEEP) software. Detailed instructions for the use of the product are contained in the <i>BEEP User Guide</i>. Contact The Information Center at 919-582-1056 or wcinfo@ncrb.org for additional information.</p>	<p>3. Form of Report</p> <ul style="list-style-type: none"> * Reports consist of experience comprising an exhibit of exposures, premiums and losses. All hard copy reports must be submitted on the approved Unit Statistical Report Form. The form may be reproduced or ordered from a forms vendor. All reports must be typed or clearly printed. * Electronic submission of unit stat data in WCSTAT format is encouraged. (See Appendix B). Detailed specifications for reporting unit stat data is contained in the <i>WCIO Workers Compensation Data Specifications Manual</i> For further information regarding electronic reporting, please contact the Information Center at 919-582-1056 or wcinfo@ncrb.org 	<p>The verbiage referring to the Supplemental Loss Report is removed. ASWG request</p> <p>The verbiage referencing unit to be sent via diskette and magnetic tape is removed. WCIO request.</p>
SECTION 3- PAGE 4.	<p>24. Policy Type ID Code Identifies the type of coverage, plan indicator and non-standard provisions of the policy.</p>	<p>24. Policy Type ID Identifies the type of coverage, plan indicator and non-standard provisions of the policy.</p>	<p>The Policy Type ID Code is changed to Policy Type ID. WCIO Request.</p> <p>Plan Indicator is changed to Plan. WCIO request.</p> <p>Non Standard Indicator is changed to Non Standard. WCIO request.</p>

SECTION	CURRENT				APPROVED EFFECTIVE 7/1/08				REASON FOR CHANGE	
	PART	DESCRIPTION	CO DE	DEFINITION	PART	DESCRIPTION	CODE	DEFINITION		
	<i>Type of Coverage</i>	Standard Workers Compensation Policy	01	The standard Workers Compensation and Employers Liability coverages.	<i>Type of Coverage</i>	Standard Workers Compensation Policy	01	The standard Workers Compensation and Employers Liability coverages.		
		Non-Standard Policy	09	The standard Workers Compensation policy has been endorsed to either provide additional coverage or to limit the coverage.		Non-Standard Policy	09	The standard Workers Compensation policy has been endorsed to either provide additional coverage or to limit the coverage.		
	<i>Plan Indicator</i>	Voluntary	01	Policy was written voluntarily by the carrier.	<i>Plan</i>	Voluntary	01	Policy was written voluntarily by the carrier.		
		Assigned Risk	02	The insured obtained coverage under the provisions of the NC Workers Compensation Insurance Plan, including coverage extended to NC after being assigned in another state.		Assigned Risk	02	The insured obtained coverage under the provisions of the NC Workers Compensation Insurance Plan, including coverage extended to NC after being assigned in another state.		
	Non-Standard Indicator	Non-Standard does not apply	01	The standard Workers Compensation and Employers Liability coverages apply.	Non-Standard	Non-Standard does not apply	01	The standard Workers Compensation and Employers Liability coverages apply.		
		Excluding Medical	02	The standard Workers Compensation and Employers Liability coverages, except the insured has qualified as a self-insurer for the medical portion of the benefits.		Excluding Medical	02	The standard Workers Compensation and Employers Liability coverages, except the insured has qualified as a self-insurer for the medical portion of the benefits.		
			99	Self insured in conjunction with a self insured group.			99	Self insured in conjunction with a self insured group.		
SECTION 3- PAGE 5-	25.	Deductible Type			25.	Deductible Type			Second two positions, 01 changed to Per Claim Deductible Amount. 02 changed to Per Accident Deductible Amount and 03 changed to Per Policy Deductible Aggregate Limit. 09 changed to Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit. WCIO Request.	
		Report the 4-digit code that identifies the type of deductible being reported.				Report the 4-digit code that identifies the type of deductible being reported.				
		<u>First Two Positions</u>		<u>Second Two Positions</u>		<u>First Two Positions</u>		<u>Second Two Positions</u>		
		<u>Code</u>	<u>Description</u>	<u>Code</u>	<u>Description</u>	<u>Code</u>	<u>Description</u>	<u>Code</u>	<u>Description</u>	
		00	No Deductible Applies	00	No Deductible Applies	00	No Deductible Applies	00	No Deductible	
		01	Medical Losses	01	Per Claim	01	Medical Losses	01	Per Claim Deductible amount	
		02	Indemnity Losses	02	Per Accident	02	Indemnity Losses	02	Per Accident Deductible Amount	
		03	Medical & Indemnity Losses	03	Per Policy (Aggregate)	03	Medical & Indemnity Losses	03	Per Policy Deductible Aggregate Limit	
				09	Per Accident & Policy (Aggregate)			09	Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit	
SECTION 4- PAGE 1	4.	Exposure Amount			4.	Exposure Amount			Exposure Amount, C & D are added to extend the definition of no	

SECTION	CURRENT	APPROVED EFFECTIVE 7/1/08	REASON FOR CHANGE												
	<p>Exposures are required for all classification codes. The exposure reported shall be the audited exposure corresponding to the charged premium amount. When a final audit has not been made at the time of filing a report, the policy condition field Estimated Exposures should be marked with the symbol "Y" and, without further request must be replaced by a correction report as soon as audited payrolls are available.</p> <p>When reporting a "no exposure developed" unit report, use class code 1111 and leave the exposure field blank.</p> <p>A. Payroll Base. Report the estimated or audited payroll in whole dollars. Payrolls must be separated as of the appropriate date whenever there is a change in modification effective date or rate effective date.</p> <p>B. Per Capita Classifications. Report the number of employee(s) covered based on the duration of coverage for one year intervals. Do not add per capita exposures to the total standard exposure.</p> <p>Exposure shall be governed by the duration of coverage and not by the number of days worked. (For example, one employee covered for one year is reported as 1.0. For coverage less than one year, report the exposure by multiplying the factor shown below by the number of employees.</p>	<p>Exposures are required for all classification codes. The exposure reported shall be the audited exposure corresponding to the charged premium amount. When a final audit has not been made at the time of filing a report, the policy condition field Estimated Exposures should be marked with the symbol "Y" and, without further request must be replaced by a correction report as soon as audited payrolls are available.</p> <p>A. Payroll Base. Report the estimated or audited payroll in whole dollars. Payrolls must be separated as of the appropriate date whenever there is a change in modification effective date or rate effective date.</p> <p>B. Per Capita Classifications. Report the number of employee(s) covered based on the duration of coverage for one year intervals. Do not add per capita exposures to the total standard exposure.</p> <p>C. No Exposure Units. When a policy is issued, either on an "if any" basis or as a multi-state policy, and upon audit it is determined that exposure did not develop, a first level unit report must be submitted containing a single exposure record with Class Code 1111. The class must be reported above line "A" with no corresponding exposure, rate or premium amounts. All no exposure unit totals must be equal to zero. And there should be no corresponding exposure or loss records reported. The use of class 1111 alerts the Bureau that no exposure was developed in the state.</p> <p>D. Minimum Premium Units. Payrolls reported must be audited payrolls even on minimum premium risks. When a final audit has not been made at the time of filing a report, the policy condition field Estimated Exposures should be marked with the symbol "Y" and a correction report must be submitted as soon as audited payrolls are available.</p> <p>Exposure shall be governed by the duration of coverage and not by the number of days worked. (For example, one employee covered for one year is reported as 1.0. For coverage less than one year, report the exposure by multiplying the factor shown below by the number of employees.</p>	<p>exposure and minimum premium units. NCRB change request.</p>												
<p>SECTION 5 PAGE 10</p>	<p>9. Loss Conditions</p> <p>Report the 2-digit code for each loss condition.</p> <p>A. Loss Conditions (Act)</p> <table border="1" data-bbox="244 1380 1204 1503"> <thead> <tr> <th><u>DESCRIPTION</u></th> <th><u>CODE</u></th> <th><u>DEFINITION</u></th> </tr> </thead> <tbody> <tr> <td>State or Federal Act excluding</td> <td>01</td> <td>A claim for which benefits are determined in accordance with the State Workers' Compensation Law, or Federal</td> </tr> </tbody> </table>	<u>DESCRIPTION</u>	<u>CODE</u>	<u>DEFINITION</u>	State or Federal Act excluding	01	A claim for which benefits are determined in accordance with the State Workers' Compensation Law, or Federal	<p>9. Loss Conditions</p> <p>Report the 2-digit code for each loss condition.</p> <p>A. Act</p> <table border="1" data-bbox="1209 1380 2233 1503"> <thead> <tr> <th><u>DESCRIPTION</u></th> <th><u>CODE</u></th> <th><u>DEFINITION</u></th> </tr> </thead> <tbody> <tr> <td>State or Federal Act excluding USL&HW</td> <td>01</td> <td>A claim for which benefits are determined in accordance with the State Workers' Compensation Law, or Federal</td> </tr> </tbody> </table>	<u>DESCRIPTION</u>	<u>CODE</u>	<u>DEFINITION</u>	State or Federal Act excluding USL&HW	01	A claim for which benefits are determined in accordance with the State Workers' Compensation Law, or Federal	<p>The words Loss Conditions are removed from ACT. WCIO Request.</p>
<u>DESCRIPTION</u>	<u>CODE</u>	<u>DEFINITION</u>													
State or Federal Act excluding	01	A claim for which benefits are determined in accordance with the State Workers' Compensation Law, or Federal													
<u>DESCRIPTION</u>	<u>CODE</u>	<u>DEFINITION</u>													
State or Federal Act excluding USL&HW	01	A claim for which benefits are determined in accordance with the State Workers' Compensation Law, or Federal													

SECTION	CURRENT			APPROVED EFFECTIVE 7/1/08			REASON FOR CHANGE
	USL&HW and Federal Coal Mine Health and Safety Act		Compensation Laws excluding United States Longshore and Harbor Workers' Compensation Act and excluding coverage under Federal Coal Mine Health and Safety Act.	and Federal Coal Mine Health and Safety Act		Compensation Laws excluding United States Longshore and Harbor Workers' Compensation Act and excluding coverage under Federal Coal Mine Health and Safety Act.	
	USL&HW "F" or USL&HW on Non "F" classes	02	A claim for which benefits are determined in accordance with the United States Longshore and Harbor Workers' Compensation Act	USL&HW "F" or USL&HW on Non "F" classes	02	A claim for which benefits are determined in accordance with the United States Longshore and Harbor Workers' Compensation Act	
SECTION 5 PAGE 10 (con't)	B. Loss Conditions (Type of Loss)			B. Type of Loss			The words Loss Conditions are removed from Type of Loss. WCIO Request.
	<u>DESCRIPTION</u>	<u>CODE</u>	<u>DEFINITION</u>	<u>DESCRIPTION</u>	<u>CODE</u>	<u>DEFINITION</u>	
	Trauma	01	An injury caused by a work related accident.	Trauma	01	An injury caused by a work related accident.	
	Occupational Disease	02	An abnormal condition or disorder, other than a work place injury, caused by extended exposure to environmental factors associated with employment, including acute and chronic illness or disease caused by inhalation, absorption, ingestion or direct contact.	Occupational Disease	02	An abnormal condition or disorder, other than a work place injury, caused by extended exposure to environmental factors associated with employment, including acute and chronic illness or disease caused by inhalation, absorption, ingestion or direct contact.	
	Cumulative Injury other than Disease	03	An injury occurring from repetitive mental or physical traumatic activities extending over a period of time, the disability or need for medical treatment (other than disease).	Cumulative Injury other than Disease	03	An injury occurring from repetitive mental or physical traumatic activities extending over a period of time, the combined effect or which caused disability or need for medical treatment (other than disease).	
SECTION 5- PAGE 11	C. Loss Condition (Type of Recovery)			C. Type of Recovery			The words Loss Condition are removed from Type of Recovery. WCIO request.
SECTION 5- PAGE 12	D. Loss Condition (Type of Claim)			D. Type of Claim			The words Loss Condition are removed from Type of Claim. WCIO request.
SECTION	CURRENT			APPROVED EFFECTIVE 7/1/08			REASON FOR CHANGE
SECTION 5- PAGE 13	E. Loss Condition (Type of Settlement)			* E. Type of Settlement			The words Loss Condition are removed from Type of Settlement. WCIO request. WCIO Request.
SECTION 5 – PAGE 13 (con't)	Finding and Award 04 An award which had been issued by a judge based on evidence presented in the process of litigation.			Finding and Award (Judicial Award) 04 An award which had been issued by a judge based on evidence presented in the process of litigation.			Code 04 verbiage changed to Finding & Award (Judicial Award)
	Dismissal or Take Nothing 05			Dismissal or Take Nothing (Noncompensable) 05			Code 05 verbiage changed to Dismissal or Take Nothing

SECTION	CURRENT	APPROVED EFFECTIVE 7/1/08	REASON FOR CHANGE
	<p>The claim will generate no payments or reserves due to one of the following:</p> <ul style="list-style-type: none"> a. Official ruling denying benefits b. Claimant's failure to file for benefits c. Claimant's failure to prosecute claim following carriers denial for the claim <p>Catastrophe Number</p> <p>Any accident resulting in two or more reported claims must be reported as a catastrophe. In reporting catastrophes, all claims (compensable as well as non-compensable and contract medical) resulting from this accident shall be designated by placing the numeral "1" in the column captioned Cat. No. opposite each claim. If there is more than one catastrophe under the policy, each succeeding catastrophe should be designated by means of a separate serial number "2", "3", etc. up to and including "10". After the number "10" is assigned the next number in the sequence will reprocess to number "1". Numbers "11" through "99" are reserved for ISO assigned catastrophe codes. A separate series of catastrophe numbers shall be used for each policy.</p> <p>* Exception: Catastrophe code 87 was established to identify all occupational disease claims emanating from the rescue, recovery and clean-up operations at the World Trade Center site. The Exposure State must equal 32. The Jurisdiction State must equal 31. The Type of Loss - Loss Condition Code must equal 02, Occupational Disease and the Injury Description – Cause of Loss Code must equal 96, Terrorism</p>	<p>The claim will generate no payments or reserves due to one of the following:</p> <ul style="list-style-type: none"> a. Official ruling denying benefits b. Claimant's failure to file for benefits c. Claimant's failure to prosecute claim following carriers denial for the claim <p>Catastrophe Number</p> <p>Any accident resulting in two or more reported claims must be reported as a catastrophe. In reporting catastrophes, all claims (compensable as well as non-compensable and contract medical) resulting from this accident shall be designated by placing the numeral "1" in the column captioned Cat. No. opposite each claim. If there is more than one catastrophe under the policy, each succeeding catastrophe should be designated by means of a separate serial number "2", "3", etc. up to and including "10". After the number "10" is assigned the next number in the sequence will reprocess to number "1". Numbers "11" through "99" are reserved for ISO assigned catastrophe codes. A separate series of catastrophe numbers shall be used for each policy.</p> <p>Exception: Catastrophe code 87 was established to identify all occupational disease claims emanating from the rescue, recovery and clean-up operations at the World Trade Center site. The Exposure State must equal 32. The Jurisdiction State must equal 31. The Type of Loss - Loss Condition Code must equal 02, Occupational Disease and the Injury Description – Cause of Loss Code must equal 96, Terrorism. . Other catastrophe exception codes may exist, go to www.iisprojects.com/WCIO/bin/view/PublicView/ProductsWCIO for additional information.</p>	<p>(Noncompensable) WCIO request.</p> <p>The verbiage is added to indicate other exception codes may be applicable.</p>
<p>SECTION 5 PAGE 14</p>	<p>13. Social Security Number</p> <p>Report the claimant's social security number assigned by the Social Security Administration. Reporting of social security number is optional for North Carolina.</p>	<p>13. Social Security Number</p> <p>Report the claimant's social security number assigned by the Social Security Administration. When reported, the Bureau will not store or make the Social Security Number available to view.</p>	<p>The verbiage is changed to indicate that NCRB will not store or display the Social Security Number. NCRB change request.</p>

SECTION	CURRENT	APPROVED EFFECTIVE 7/1/08	REASON FOR CHANGE
SECTION 8 PAGE 1	4. Policy Type ID Code	4. Policy Type ID	The word Code was removed for the Policy Type ID. The words plan indicator was removed from 4. WCIO request.
SECTION 8 PAGE 2	Deductible Type Identifies the type of deductible being reported. <u>First Two Positions</u> Code Description 00 No Deductible Applies 01 Medical Losses Only 02 Indemnity Losses Only 03 Medical & Indemnity Losses <u>Second Two Positions</u> Code Description 00 No Deductible Applies 01 Per Claim 02 Per Accident 03 Per Policy (Aggregate) 09 Per Accident & Policy (Aggregate)	Deductible Type Identifies the type of deductible being reported. <u>First Two Positions</u> Code Description 00 No Deductible Applies 01 Medical Losses Only 02 Indemnity Losses Only 03 Medical & Indemnity Losses <u>Second Two Positions</u> Code Description 00 No Deductible Applies 01 Per Claim Deductible Amount 02 Per Accident Deductible Amount 03 Per Policy Deductible Aggregate Limit 09 Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit	Second 2 positions 01 changed to Per Claim Deductible Amount. 02 changed to Per Accident Deductible Amount. 03 changed to Per policy Deductible Aggregate Limit. 09 changed to Pr Accident Deductible Amount With Per Policy Deductible Aggregate limit. WCIO request.
SECTION 8 PAGE 14	Nature of Injury specific Injury 54. Asphyxiation is listed twice on the page	Nature of Injury specific Injury 54. Asphyxiation is listed twice on the page	Nature of Injury specific Injury 54. Asphyxiation is listed twice on the page.
SECTION 8 PAGE 15	Nature of Injury 79.Hepatitis C	Nature of Injury 79. Hepatitis	Typo error
SECTION 11 PAGES 2 & 3	Page 2 Supplemental Loss Report	Remove the report and the page is reserved for future use.	No longer needed. WCIO request.
APPENDIX A	Page 1 Fine System For Late Unit Reports	The fines will be assessed as of the last Saturday of the month.	Verbiage added. NCRB change request.
APPENDIX C-PAGE 4	Type of Coverage Plan Indicator Non Standard Indicator First 2 Positions Second 2 Positions Third 2 Positions 01 Standard WC Policy 01 Voluntary Policy 01 Non standard code does not apply 09 Non Standard 02 Assigned Risk Policy 02 Excluding medical 99 Self insured in conjunction with a self insured group	Type of Coverage Plan Non Standard First 2 Positions Second 2 Positions Third 2 Positions 01 Standard WC Policy 01 Voluntary Policy 01 Non standard code does not apply 09 Non Standard 02 Assigned Risk Policy 02 Excluding medical 99 Self insured in conjunction with a self insured group	Removed the word Indicator. WCIO request.
APPENDIX C	Deductible Type	Deductible Type	Deductible Type Second Two

SECTION	CURRENT	APPROVED EFFECTIVE 7/1/08	REASON FOR CHANGE
PAGE 5	<p> <u>First 2 Positions</u> 00 No Deductible Applies 01 Medical Losses 02 Indemnity Losses 03 Medical & Indemnity Losses (aggregate) </p> <p> <u>Second 2 positions</u> 00 No Deductible Applies 01 Per Claim 02 Per Accident 03 Per Policy (aggregate) 09 Per Accident & Policy (Aggregate) </p> <p>Second 2 positions - Item 4 through 11 - Not applicable in North Carolina.</p> <p>Action-Reject</p>	<p> <u>First 2 Positions</u> 00 No Deductible Applies 01 Medical Losses 02 Indemnity Losses 03 Medical & Indemnity Losses </p> <p> <u>Second 2 positions</u> 00 No Deductible Applies 01 Per Claim Deductible Amount 02 Per Accident Deductible Amount 03 Per Policy Deducible Aggregate Limit 09 Per Accident Deductible Amount With Per Policy Limit </p> <p>Action-Reject</p>	<p>Positions 01 changed to Per Claim Deductible Amount. 02 changed to Per Accident Deductible Amount. 03 changed to Per Policy Deductible Aggregate Limit. 09 changed to Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit. WCIO request</p>
APPENDIX C PAGE 9	<p>Loss Conditions-Act</p>	<p>Act</p>	<p>The words Loss Conditions is removed from ACT. WCIO request.</p>
APPENDIX C Page 9 (cont)	<p>Type of Settlement</p> <p>00 Claim not subject to Settlement</p> <p>03 Stipulated Award</p> <p>04 Finding and Award</p> <p>05 Dismissal or take nothing</p> <p>06 Comprise Settlement</p> <p>09 All Other Settlements</p> <p>Action-Reject</p>	<p>Type of Settlement</p> <p>00 Claim not subject to Settlement</p> <p>03 Stipulated Award</p> <p>04 Finding and Award (Judicial Award)</p> <p>05 Dismissal or take nothing(Noncompensable)</p> <p>06 Comprise Settlement</p> <p>09 All Other Settlements</p>	<p>Added Judicial Award to the 04 Type of Settlement. WCIO request</p> <p>Added Noncompensable to 05 Type of Settlement. WCIO request</p>
APPENDIX C PAGE 10	<p>Social Security Number</p> <p>Report the claimants social security number assigned by the Social Security Administration.</p> <p>Optional in North Carolina.</p> <p>Action-Warning</p>	<p>Social Security Number</p> <p>Report the claimants social security number assigned by the Social Security Administration.</p> <p>When reported, the Bureau will not store or make the Social Security Number available to view.</p> <p>Action-None</p>	<p>The verbiage is added to state that NCRB will not store or display Social Security Numbers. NCRB change request.</p>