

February 21, 2014

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: 2014 North Carolina Workers Compensation  
Statistical Plan Manual

The North Carolina Rate Bureau has adopted and the North Carolina Commissioner of Insurance has approved an updated version of the North Carolina Workers Compensation Statistical Plan Manual effective April 1, 2014. NCGS 58-36-100(f) requires insurers to "...file data in accordance with the uniform statistical plan approved by the Commissioner". Although Workers Compensation carriers have the option of filing unit statistical reports directly with NCCI or NCRB, workers compensation unit statistical data must be filed in accordance with the approved manual for North Carolina.

Please note the following:

- References to hard copy unit statistical reporting have been removed from the manual.
- References to data fields that are not applicable to North Carolina have not been included in the manual.
- Examples of reporting scenarios have been included in an effort to offer greater clarification on reporting requirements

Attached for your reference is a PDF version of the updated manual. Additionally, we have included a side-by-side document outlining the changes within the manual. The manual is available on the NCRB website ([www.ncrb.org](http://www.ncrb.org)). To access the manual, select the NCRB button and then select Workers Compensation. Under the Services heading on the Workers Compensation page, select Carrier and under the Manuals and Instructions link there is a link to the Statistical Plan Manual.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or [wcinfo@ncrb.org](mailto:wcinfo@ncrb.org).

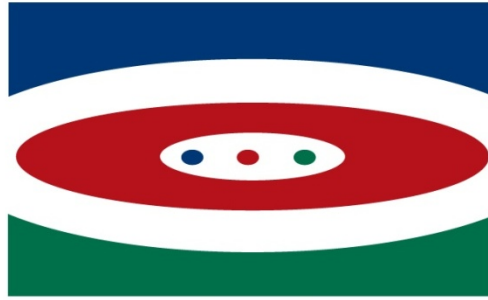
Sincerely,

Sue Taylor

Director – Insurance Operations

ST:dms  
Attachments  
C-14-2

NCRB-NCRF-NCIGA



north carolina

RATE BUREAU

REINSURANCE FACILITY

INSURANCE GUARANTY ASSOCIATION

# **NORTH CAROLINA WORKERS COMPENSATION STATISTICAL PLAN MANUAL**

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Issued by

**NORTH CAROLINA RATE BUREAU**

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Raleigh, North Carolina 27619

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## **INTRODUCTION**

- The North Carolina Rate Bureau is a rating bureau created by the General Assembly of North Carolina under the provisions of Chapter 58, Article 36 of the General Statutes of North Carolina. Every insurance company authorized to write workers' compensation insurance in the State of North Carolina must be a member of the Bureau.
- Pursuant to North Carolina law, insurance companies are required to "file data in accordance with the uniform statistical plan approved by the Commissioner," *The North Carolina Rate Bureau Workers Compensation Statistical Plan*, which has been filed with and approved by the North Carolina Commissioner of Insurance as the uniform statistical plan for workers' compensation, contains instructions for the reporting of experience on workers' compensation and employers liability insurance in North Carolina.
- The North Carolina Rate Bureau will hereinafter be referred to as "NCRB" or "Bureau."
- Whenever a change is made in these instructions, the appropriate page will be updated and the change will be identified by a star (\*) in the margin of the updated page. The effective date of the change will be shown at the top of the updated page.
- Elsewhere in this manual, this plan will be referred to as the "Stat Plan" or the "Statistical Plan."
- The North Carolina Rate Bureau Workers Compensation Statistical Plan Manual contains information regarding the data elements required for unit statistical reporting to NCRB. Optional data elements or data elements that are not applicable are not included in the content of this manual.

**PART 1 – RULES AND DEFINITIONS****A. General Rules**

- A unit statistical report (USR or unit) must be submitted for every Workers Compensation and Employers Liability policy written by a member of the North Carolina Rate Bureau.
- USR's are **not** required for policies providing coverage under the National Defense Projects Rating Plan.
- USR's are **not** required for Employers Liability Insurance on residence and farm employees provided in conjunction with other liability insurance or workers compensation on domestic workers provided in conjunction with Homeowners Insurance.
- A separate USR must be reported for each policy written with estimated exposure or written on an "if any" basis, including those on which no exposure has developed, provided that the policy was not cancelled effective the same day on which it was written. (This type of cancellation may also be referred to as a "flat" cancel.)
- The USR must conform to the rules found in the *Basic Manual for Workers Compensation and Employers Liability Insurance*, *Experience Rating Plan Manual*, *Retrospective Rating Plan Manual* and other guides and manuals distributed by or on behalf of the NCRB. Nothing in this Statistical Plan should be construed to supersede any rules or procedures set forth in the above mentioned manuals or guides.
- Data submissions must follow the specifications outlined in the WCSTAT section of the *Workers Compensation Insurance Organizations (WCIO) Data Specifications Manual*. This manual is available on the WCIO website: [www.wcio.org](http://www.wcio.org).
- All USR's required by this Plan shall be submitted electronically to either the North Carolina Rate Bureau or the National Council on Compensation Insurance, Inc. (NCCI). Data Providers submitting units to NCCI should be aware that USR's are validated by NCCI and NCRB.

**B. Validity & Editing of the Unit Statistical Report**

When a USR is received, it is edited for accuracy and validity based on the following criteria:

- The USR reflects coverage and benefits afforded under North Carolina statutes.
- The statistical codes and other reported elements must conform to this Statistical Plan.
- Each field is consistently coded with all other related fields.

Once the edit process is completed, the USR will exist in the ManagePolicyUSR web application with a status of accepted, accepted with warnings (AWW) or rejected. The status of the unit is defined as follows:

- Accepted units have been validated via the Bureau edit process and require no further action from the data provider.
- Accepted with Warning units have been validated via the Bureau edit process and have produced one or more warnings.
- Rejected units have been validated via the Bureau edit process, but one or more errors have been detected.

Errors detected during the editing process must be promptly corrected or reconciled. NCRB uses policy information to manage and process USRs.

**Example:**

Reject Edit 000085 "Matching policy not found" is generated when a USR is submitted and the matching policy is not accepted in the Bureau database. When this edit occurs, one or more of the following actions are required:

- The carrier should not resubmit the rejected USR if the policy is being submitted for the USR.
- If the unit has been reported in error:
  - a. A purge request must be submitted to NCRB if you report USR data to NCRB.
  - b. A purge request must be submitted to NCCI if you report USR data to NCCI.

Once a policy has been accepted, the system will automatically process the rejected unit and the edit process will be completed. The additional processing will result in the USR being accepted or rejected.

**C. Date of Valuation and Filing**

Losses included in the first report of a unit shall be valued during the eighteenth month after the effective date of the policy and the report shall be submitted no later than twenty months after the effective date of the policy. Second through tenth reports are valued every twelfth month after the valuation of the first report. The table shown below displays the correct valuation and reporting dates.

**VALUATION AND FILING DATES TABLE**

| <b><u>Effective Month</u></b> | <b><u>Valuation Month</u></b><br>18 months after policy effective Month | <b><u>Reporting Month</u></b><br>20 months after policy effective Month |
|-------------------------------|---|---|
| January                       | July  | September   |
| February                      | August  | October   |
| March                         | September   | November  |
| April                         | October   | December  |
| May                           | November  | January   |
| June                          | December  | February  |
| July                          | January   | March   |
| August                        | February  | April   |
| September                     | March   | May   |
| October                       | April   | June  |
| November                      | May   | July  |
| December                      | June  | August  |

**NOTE:** When a unit is not received as of the expected valuation date, the unit may become delinquent. Delinquent units are subject to fines. Refer to **Part 8- Fine System for Late Unit Reports** for information concerning fines. For instructions regarding the submission of USR's for policies covering more than one year, refer to **Part 1- Rules and Definitions** items **D and E**.

**D. One-Year Policies**

A policy issued for a period of one year or a period not longer than one year and sixteen days is treated as a one-year policy.

**Example:**

A policy issued with an effective date of January 8, 2013 and expiration date of January 24, 2014 is considered a one-year policy. The USR would reflect a policy period of January 8, 2013 to January 24, 2014.

**E. Multiple Year Policies - Other than Three-Year Fixed Rate**

Multiple year policies other than three-year fixed rate policies are considered separate policies for USR data reporting purposes. Reports for each unit of twelve months or less must be submitted at the time all other reports on policies with the same effective date are being submitted. Losses must be valued during the eighteenth month after the effective date of each unit of experience and at annual periods thereafter.

**Examples:**

- a. The reports on a three-year policy effective July 1, 2010 shall be submitted with the regular reports on policies effective in July 2010, July 2011 and July 2012. Losses shall be valued January 2012, January 2013 and January 2014, respectively.
- b. The reports on a policy covering the period July 1, 2010, to January 1, 2013, with the last six months considered as a unit, shall be submitted with the regular reports on policies effective in July 2010, July 2011 and July 2012. Losses shall be valued January 2012, January 2013 and January 2014, respectively.
- c. A policy issued with an effective date of January 8, 2013 and expiration date of January 31, 2014 would **not** be considered a one-year policy. In this case, the first reported USR would reflect a policy period of January 8, 2013 to January 8, 2014. At the next valuation date, a second USR would be reported for the policy period of January 8, 2014 to January 31, 2014.

**F. Three-Year Fixed Rate Policies**

Reports for Three-Year Fixed Rate Policies shall be first reported as of the 42<sup>nd</sup> month after the month in which the policy became effective and the reports shall be submitted no later than 44 months after the month in which the policy became effective. These reports shall be specifically identified as three-year fixed rate policy experience. See **Part 2- Header/Policy Information** for additional details on policy identification data.

**G. Uncollectible Premiums**

For policies on which an audit has been conducted and the earned premium is known, but uncollectible, report all earned premiums with corresponding exposures and losses.

**H. Reinsurance**

Only policies written on a direct basis should be included in the USR reporting. No deductions shall be made for, or as a result of, reinsurance ceded. Premiums and losses arising from reinsurance assumed by the reporting carrier shall be excluded from the experience.

**I. National Defense Projects**

Do not report the experience of policies written under the National Defense Projects Rating Plan to the North Carolina Rate Bureau.

**J. Radiation Exposure**

Experience in connection with either construction or operation work performed for or under the direction of the Nuclear Regulatory Commission or any government agency shall be reported under Statistical Code 9984.

When the following operations are not performed for or under the direction of any government agency, the experience in connection with radiation exposure must be reported under Statistical Code 9985:

- Research
- Manufacturing
- Handling
- Transporting
- Use of Radioactive Material
- Exposure to Radioactive Material

The payroll reported for radiation exposures shall not be added to payrolls shown for other manual classifications in determining the employer payroll total. Radiation losses for employers where a supplemental loading has been applied shall be assigned to Statistical Code 9985. If no supplemental radiation loading has been applied, then radiation losses shall be assigned to the appropriate classification code. However, any radiation loss whether reported under Statistical Code 9985 or a classification code must be identified as an occupational disease loss and the Type of Loss must be set accordingly.

**K. Excess Policies**

Experience in connection with excess policies must be excluded from the experience reported under this Stat Plan.

**L. Deductible Programs**

Deductible programs are available as an optional feature of the insurance policy. The premium credit amount associated with the deductible program is reported either prior to the application of the experience mod (Statistical Code 9664) or after the application of the experience mod (Statistical Code 9663).

When a deductible program applies, all losses are to be reported on a gross basis prior to the application of the deductible.

**PART 2 - HEADER/POLICY INFORMATION****A. Report Level Code/Report Number**

This numeric code indicates whether the USR is a first or a subsequent report. Refer to **Part 6-Coding Values** for applicable Report Number codes.

**B. Correction Sequence Number**

The sequence number indicates the USR correction within a particular report level. For example, the third correction to a 1<sup>st</sup> report USR would be submitted as USR number 1 and USR correction sequence number 3. USR corrections must be submitted as 1 through 9 and then if necessary, A through Z. If the number of USR corrections exceeds Z within a particular report level, contact the Bureau for further data reporting instructions.

**C. Correction Type Code**

This code identifies the type of USR correction report. Refer to **Part 6-Coding Values** for applicable Correction Type Codes.

**D. Replacement Report Code**

This alpha code (R) indicates that the USR is a replacement for a USR in a rejected status.

**E. Carrier Code**

The numeric code assigned to the data reporter by NCCI.

**F. Policy Number**

The alpha-numeric code that uniquely identifies the policy.

**G. Policy Effective Date**

The date that the policy or period became effective.

The policy effective date reported for the USR must equal the effective date of the policy except as described below for extended term and three-year variable rate policies.



*Extended Term Policy (Policy Term Greater than 1 year and 16 days but less than 3 years):*

When reporting the USR for the first period of an extended-term policy, the policy effective date for the corresponding USR must equal the effective date of the policy.

When reporting the USR for the second or third period of an extended-term policy, the policy effective date for the corresponding USR must equal the date the second or third period began, respectively, as shown on the policy period endorsement. Do not report the effective date of the policy. The USR effective date for the second period must be a year after the policy effective date, and the USR effective date for the third period, when applicable, must be two years after the policy effective date.

*Three-Year Variable Rate Policy:*

When reporting the USR for the first period of a three-year variable rate policy, the policy effective date reported for the corresponding USR must equal the effective date of the policy.

When reporting the USR for the second or third period of a three-year variable rate policy, the policy effective date reported for the corresponding USR must equal the date the second or third period began, respectively, as shown on the policy period endorsement. Do not report the effective date of the policy. The USR effective date for the second period must be a year after the policy effective date, and the USR effective date for the third period, when applicable, must be two years after the policy effective date.

**H. Policy Expiration Date or Cancellation Date**

The date the policy or period expired or was cancelled.

Report the cancellation date for a policy that was cancelled.

*Extended Term Policy (Policy Term Greater than 1 year and 16 days but less than 3 years):*

When reporting the USR for the first period of an extended-term policy, the policy expiration date reported for the corresponding USR must equal the date the first period of the policy ends as shown on the policy period endorsement. Do not report the expiration date of the policy.

When reporting the USR for the second or third period of an extended-term policy, the policy expiration date for the corresponding USR must equal the expiration date of the second or third period, respectively, as shown on the policy period endorsement. The last period expiration date for the corresponding USR should equal the expiration date of the policy.

*Three-Year Variable Rate Policy:*

When reporting the USR for first period of a three-year variable rate policy, the policy expiration date reported for the corresponding USR must equal the date the first period of the policy ends as shown on the policy period endorsement.

When reporting the USR for the second or third period of a three-year variable rate policy, the policy effective date reported for the corresponding USR must equal the date the second or third period began, respectively, as shown on the policy period endorsement. Do not report the expiration date of the policy. The USR expiration date for the first period must be a year after the actual policy effective date, and the USR expiration date for the third period, when applicable, must be two years after the policy effective date. The last period expiration date for the corresponding USR should equal the expiration date of the policy

**I. Exposure State**

The numeric code (32) that identifies North Carolina coverage.

**J. State Effective Date**

The date North Carolina coverage was added mid-term to a multi-state policy. Do not report if North Carolina was included at policy inception.

**K. Name of Insured**

The name of the person or business entity with whom the insurance contract was made

**L. Policy Condition Indicators**

Indicates the policy conditions that applied to the policy. Refer to **Part 6-Coding Values** for specific Policy Condition codes.

**M. Policy Type ID Code**

The different type of policy provisions consist of Coverage, Plan and Non-Standard. Refer to **Part 6-Coding Values** for specific Policy Type ID codes.

**N. Losses Subject to Deductible Code**

Indicates the type of losses subject to the deductible plan that applies to the policy. Refer to **Part 6-Coding Values** for specific Losses Subject to Deductible codes.

**O. Basis of Deductible Calculation Code**

Indicates the type of deductible plan that applies to the policy. Refer to **Part 6-Coding Values** for specific Basis of Deductible Calculation codes.

**P. Deductible Amount Per Claim/Accident**

The loss amount per claim and per accident to be paid by the employer, if applicable, as defined by the policy's deductible program.

**Q. Deductible Amount - Aggregate**

The maximum loss amount for all claims to be paid by the employer, if applicable, as defined by the policy's deductible program.

**R. Unit Format Submission Code**

Report 'A' to indicate ASWG (Advisory Statistical Working Group) format.

**NOTE:** The following fields are only to be used when correcting the link data record (WCIO WCSTAT Record Type 1):

**S. Previous Report Level Code/Report Number**

Submit the report number code that was previously submitted.

**T. Previous Correction Sequence Number**

Submit the correction sequence number that was previously submitted.

**U. Previous Carrier Code**

Submit the carrier code that was previously submitted.

**V. Previous Policy Number Identifier**

Submit the policy number identifier that was previously submitted.

**W. Previous Policy Effective Date**

Submit the policy effective date that was previously submitted.

**X. Previous Exposure State Code**

Submit the exposure state code that was previously reported.

**PART 3 - EXPOSURE INFORMATION****A. Experience Modification Effective Date**

The effective date of the applicable experience modification that is required for all exposures. If the risk is not currently experience rated, the policy effective date must be used. If the experience modification changes during the policy period then the effective date of the modification which applies to the reported exposure(s), subject to the rules of the *Experience Rating Plan Manual*, must be reported. The date must be within the policy period.

**B. Rate Effective Date**

This date reflects the rate effective date that corresponds to the class code and its associated rate, exposure and premium. If the rate changes during the policy period, report the rate effective date that applies to the reported class code, rate, exposure and premium.

**C. Update Type Code**

The alpha code that identifies the exposure activity. Refer to **Part 6-Coding Values** for the appropriate Update Type codes.

**D. Exposure Act/Exposure Coverage Code**

The numeric code that identifies the type of exposure coverage for each classification code. Refer to **Part 6-Coding Values** for specific Exposure Act/Exposure Coverage codes.

**E. Classification Code**

The classification code assigned to the employer pursuant to the rules of the *Basic Manual for Workers Compensation and Employers Liability Insurance*.

**F. Exposure Amount****1. Payroll Exposure**

Exposures are required for all classification codes. The exposure reported shall be the audited exposure corresponding to the charged premium amount. If the final audit has not been completed by the USR valuation date, the Estimated Audit Code field should contain the symbol Y or U when the unit is submitted to the Bureau. In both instances and without further request, the USR must be replaced by a correction report as soon as audited payrolls are available.

## 2. No Exposure Units

When a policy is issued with "NC" listed in item 3A and upon audit it is determined that North Carolina exposure did not develop, a first level unit report must be submitted with Statistical Code 1111. Statistical Code 1111 must be reported with no corresponding exposure, corresponding rate, premium amounts or losses. Units reported for policies with no exposure should not contain any classification codes.

## 3. Minimum Premium Units

Minimum premium units should not be considered the same as no exposure units. When no exposure develops under a minimum premium policy, a unit must be submitted with Statistical Code 1111 and include the balance to minimum premium Statistical Code 0990. The balance to minimum premium is the additional premium required to bring the total policy standard premium up to the minimum premium amount. When exposure develops (payroll greater than 0) and the premium is less than or equal to the minimum premium, the appropriate class code(s) for the employer must be reported with the corresponding rates, premium and statistical codes including Statistical Code 0990(balance to minimum premium stat code). Refer to **Part 3-F.2-Exposure Information** for instructions regarding the reporting of No Exposure Units.

## 4. Non-Payroll Exposure

Class codes that have an exposure base other than payroll:

- a. **Per Capita Classifications** - The number of employee(s) based on the duration of coverage for one- year intervals. Per Capita exposures should not be added to the total standard exposure.
- b. **Aircraft Operation-Passenger Seat Surcharge** - The number of passenger seats on the aircraft. The number of seats should not be added to the total standard exposures.
- c. **Other Miscellaneous Exposures** - Refer to **Part 1- Rules and Definitions**.

## G. Manual Rate/Charged Rate

Submit the applicable carrier rate (charge per unit of exposure) for each classification code.

## H. Split Period Code

The numeric code used to indicate a change in manual/charged rates or modification factors during the life of a policy. For policies with no change in manual/charged rates or modification factors, zero-fill. For policies with changes in manual/charged rates or modification factors, report 0 for the first period, 1 for the second period, 2 for the third period, etc., through 9.

If the anniversary rating date is different than the policy effective date, the exposure, rate and corresponding premium must be split.

Contact the Bureau for questions regarding the reporting of the Split Period Code when processing corrections which are adding or deleting splits.

#### **I. Premium Amount**

The premium by classification is determined by:

- **Payroll** - The premium obtained by extension of payroll or other exposure at the applicable carrier rate should be reported for the appropriate classification code. Report whole dollars only.
- **Flat Charges or Credits** - This premium does not vary by payroll and should be reported for the appropriate statistical code.

#### **J. Premium Amount - Subject to Experience Modification Factor**

The premium credit or debit amount per classification that is subject to experience modification.

#### **K. Subject Premium Total**

The sum of premium amounts subject to experience modification prior to the application of the modification factor.

#### **L. Experience Modification Factor**

The numeric value that identifies the experience modification of the insured. If a change in experience modification occurs after the policy effective date, the exposures, manual rate and corresponding premium must be reported. The effective date of the mid-term change in experience modification shall be reported in the Mod Effective Date field.

#### **M. Premium Amount - Not Subject to Experience Modification Factor**

The classification codes, corresponding exposures, rates (if applicable) and premium amounts for those classifications that are not subject to experience modification.

#### **N. Exposure-Payroll Total**

The sum of all payroll and exposure amounts included in standard exposure.

#### **O. Standard Premium Total**

The sum of all premium dollars both subject to modification and not subject to modification which are to be included in standard premium.

**P. Premium Discount Amount**

The premium adjustment resulting from the application of the premium discount plan.

**Q. Expense Constant Amount**

The premium adjustment resulting from the application of the expense constant.

**R. Minimum Premiums**

The determination of whether or not an employer falls under the minimum premium criteria is made by comparing the premium obtained by extension of payroll plus the expense constant to the highest minimum premium shown for the carrier's filed rates for the classifications on the policy. When the premium, including the expense constant, is less than the policy minimum premium, the additional premium necessary to balance to the minimum premium shall be reported. The amount reported under the statistical code should not include expense constants. Expense constants are reported separately.

If the minimum premium applies to a multi-state policy, the additional premium required to bring the total employer standard premium up to the minimum premium shall be allocated to the state with the highest minimum premium.

**S. Non-Standard Premium Statistical Codes**

The amount of premium credit or debit associated with a statistical code that is not part of standard premium. Refer to **Part 6-Coding Values** for a list of Premium Amount Not Subject to Standard Premium (Non-standard) statistical codes.



## PART 4 - LOSS AND EXPENSE INFORMATION

### A. Incurred Indemnity Losses

These losses consist of all paid and outstanding benefits, as defined below; including compensation paid to the deceased prior to death, burial expenses, payments to the state, employer's liability losses and related expenses. Allocated loss adjustment expenses must be included in incurred indemnity for employer's liability losses.

#### 1. Death and Permanent Disability Claims

Report each death claim unless the carrier has not incurred any liability. If payment is made prior to the death of a claimant and the carrier has not incurred liability on the death, report the loss on the basis of the injury prior to death.

The amount reported as incurred indemnity must include all paid and outstanding benefits, including compensation prior to death, at the time of death (such as burial expenses) and following the death (such as to survivors and/or the North Carolina Second Injury Fund).

The outstanding costs will be the carrier's estimates of future payments with the following exceptions:

- a. The surviving spouse's benefits that are not limited by duration or aggregate amount but are payable to the surviving spouse until death or remarriage must be calculated by using the appropriate table. Refer to **Part 7-Pension Tables**.
- b. The portion of the reserve representing the lump-sum dowry payable to the surviving spouse upon remarriage in death claims where benefits are not limited by duration or aggregate amount must be calculated by using the appropriate table. Refer to **Part 7-Pension Tables**.
- c. The portion of the reserve where there is no surviving spouse, but a parent, brother or sister receives lifetime benefits, must be calculated by using the appropriate table. Refer to **Part 7-Pension Tables**.
- d. For USL&HW claims, when valuing a surviving spouse's benefits when benefits are payable to the surviving spouse (widow or widower) until death or remarriage and are not limited by duration or aggregate; when a lump-sum dowry is payable to the surviving spouse upon remarriage and the benefits are not limited by duration or aggregate; or when benefits are payable for life and there is no surviving spouse but there is a parent, brother or sister, use the appropriate table. Refer to **Part 7-Pension Tables**.

## 2. North Carolina Second Injury Fund Reporting

The North Carolina Workers Compensation Act specifies that, in connection with certain types of injury, a specified amount shall be paid into the North Carolina Second Injury Fund. The amounts paid into the fund are in addition to the compensation payable to the injured worker or the dependents and must be reported as incurred indemnity losses.

Examples are: (1) payments in no dependent death claims and (2) a specified percentage of the permanent partial award.

Any special payments assessed on the total premium writings or total losses paid or incurred must not be reported under this Plan. This includes North Carolina Second Injury Fund assessments paid to the state and not paid on a per claim basis.

In all cases where a claim has been determined to be eligible for reimbursement to the carrier from the North Carolina Second Injury Fund, the gross incurred cost of the claim and the paid cost of the claim must be reduced by the amount of paid or anticipated reimbursement from the fund and the net incurred and net paid costs of the claim must be reported on the unit. The gross incurred cost of the claim is defined as the gross evaluation of the claim prior to any actual or expected recovery on which the reimbursement was based, whether or not the claim is still open. The net incurred cost of the claim is the gross incurred cost less net reimbursement.

Anticipated reimbursement for the above purpose is defined as the amount of reimbursement expected based on:

- The rules governing the North Carolina Second Injury Fund
- A written agreement between the carrier and the North Carolina Second Injury Fund
- Percentage of the incurred cost to be reimbursed to the carrier on a particular claim

When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the gross incurred indemnity and medical amounts.

When the reimbursement becomes known by the carrier or the reimbursement is paid to the carrier after the first reporting of the claim but within one year after the 5<sup>th</sup> report due date, a correction report must be filed reducing the incurred cost of the claim by the amount of the paid or anticipated reimbursement. Correction reports are only required for prior reports that reflect an amount higher than the net incurred cost.

If reimbursement becomes known by the carrier or the reimbursement is paid to the carrier as of the 6<sup>th</sup> report due date or subsequent report due date, a correction report is not required. In these situations, all adjustments are reported at the next valuation date as long as the claim remains open.

The submission of correction reports may impact experience modifications pursuant to the rules of the ***Experience Rating Plan Manual***.

**Example:**

A claim was reported as \$20,000 (1<sup>st</sup> report), \$50,000 (2<sup>nd</sup> report) and \$70,000(3<sup>rd</sup> report). A notification of an anticipated Second Injury Fund reimbursement in the amount of \$35,000 was received between the 3<sup>rd</sup> and 4<sup>th</sup> report levels. The net incurred cost of the claim is the latest value minus the anticipated reimbursement: ( $\$70,000 - \$35,000 = \$35,000$ ). The net incurred cost of claim (\$35,000) is less than the total incurred loss amounts reported on the 2<sup>nd</sup> and 3<sup>rd</sup> reports. Correction reports must be submitted for the 2<sup>nd</sup> and 3<sup>rd</sup> reports. A correction report is not needed for the 1<sup>st</sup> report because the net incurred cost of \$35,000 is higher than the \$20,000 reported on the 1<sup>st</sup> report.

Refer to **Part 5-Subsequent and Correction Reports** for further information regarding correction reports.

**B. Incurred Medical Losses**

Incurred Medical Losses include all payments to doctors and hospitals, as well as physical rehabilitation costs and reserves for future payments but shall not include any claim expense. These losses consist of all paid and outstanding benefits.

**C. Expenses Included in Losses**

Expenses must be included in reported losses except as noted in Section D below.

**1. Medical or Legal Expenses Incurred for the Benefit of the Claimant**

Medical or legal expenses incurred for the benefit of the claimant or that the carrier is required to produce for the benefit of the claimant must be reported as either an indemnity or medical loss depending upon the nature of the expense.

**2. Employers Liability Loss Adjustment Expenses**

Employer's liability losses must include allocated loss adjustment expenses. The entire amount of losses and allocated loss adjustment expenses must be reported as incurred indemnity losses on the unit statistical report.

**3. Awards**

When an award to a claimant includes the cost of witness fees, attorney fees, other court costs or expert medical witness fess, the amount so awarded will be considered as part of the cost of benefit and shall be included with the incurred indemnity reported. With respect to claims brought by persons against whom an employee has brought a third party common law action, such special costs must be reported as incurred indemnity losses whether or not a recovery is made against the third party by the employee.

#### **4. Vocational Rehabilitation Evaluation/Testing Expense**

Evaluation expenses (which are defined as costs incurred in testing and evaluating the claimant's ability, aptitude or attitude in determining suitability for vocational rehabilitation or placement) must be reported as incurred indemnity loss if such evaluation services are purchased from outside vendors.

Evaluation expenses incurred by carrier personnel may be reported as incurred loss if such expenses are related to the activities of individuals (other than claims supervisors or claims adjusters engaged in efforts to return an injured worker to gainful employment) that, at a minimum, satisfy the qualifications established by the state having jurisdiction over the particular claim.

#### **5. Physical Rehabilitation**

Physical rehabilitation costs incurred due to the purchase of physical rehabilitation services from outside vendors must be reported as part of incurred medical loss. For the purposes of this rule, physical rehabilitation concerns all medical activities performed and/or services rendered, in the treatment of an industrial injury or disease to achieve maximum recovery, relief and/or cure. The following physical rehabilitation activities by medically trained persons, including registered nurses, performed by outside vendors must be reported as incurred medical losses:

- Various necessary evaluations and therapies including physical, occupational, speech and hearing
- Coordination of services such as necessary medical equipment or special nursing care in a facility or the home
- Necessary consultation(s) with physician(s)
- Monitoring the treatment and progress of a claimant's medical condition
- Coordination of family, agency and community services to provide optimal recovery

Additionally, expenses associated with the above activities performed by carrier personnel (other than claims supervisors or claims adjusters efforts to return an injured worker to gainful employment) may also be reported as part of medical losses if the carrier personnel are medically trained as one of the following:

- Physicians
- Licensed registered nurses
- Licensed speech therapists
- Registered physical therapists
- Dentists and dental technicians
- Occupational therapists

- Chiropractors
- Podiatrists
- Licensed physician assistants
- Licensed cardio-pulmonary technicians

#### **D. Expenses Excluded from Losses**

Medical or legal expenses incurred for the benefit of the carrier must be treated as loss adjustment expense and excluded from the paid and incurred loss amounts.

##### **1. Allocated Loss Adjustment Expenses (ALAE)**

ALAE encompass the following costs to a carrier which can be **directly** allocated to a particular claim:

- a. Fees of attorneys or other authorized representatives where permitted for legal services.
- b. Court, Alternate Dispute Resolution and other specific items of expense such as:
  - Medical examinations of a claimant to determine the extent of the carrier's liability, degree of permanency or length of disability
  - Expert medical or other testimony
  - Autopsy
  - Witnesses and summonses
  - Copies of documents such as birth certificates, death certificates or medical treatment records
  - Arbitration fees
  - Surveillance
  - Cost of appeals such as bond costs or filing fees
- c. Medical cost containment expenses incurred with respect to a particular claim, to ensure that only reasonable and necessary costs of services are paid. These expenses include:

- Bill auditing expenses for medical services rendered, including hospital bills (inpatient or outpatient), nursing home bills, physician bills, chiropractic bills, medical equipment charges, pharmacy charges, physical therapy bills and medical vendor bills.
  - Hospital and other treatment utilization reviews, including pre-certification/ pre-admission, concurrent or retrospective reviews
  - Preferred provider network/organization expenses
  - Medical fee review panel expenses
- d. Expenses which are not defined as losses and are directly related to and directly allocated to the handling of a particular claim for services which are required to be performed by statute or regulation.

## 2. Unallocated Loss Adjustment Expense (ULAE)

ULAE includes loss adjustment expenses that are not defined as part of allocated loss adjustment expenses. ULAE is excluded from paid losses, incurred losses and ALAE. ULAE includes but is not limited to:

- a. Carrier employees' salaries, overhead and travel expenses which are considered loss adjustment expenses and are not included while performing activities previously listed as allocated loss adjustment expenses.
- b. Fees paid to independent claims professionals or attorneys (hired to perform the function of claim investigation normally performed by claim adjusters) for developing and investigating a claim so that a determination can be made of the cause, extent of responsibility for the injury or disease, including evaluation and settlement of covered claims.
- c. Penalties for which the carrier is liable for reasons beyond its control that accrue as benefits to the injured worker or the injured worker's dependents such as for interest on awards or for penalties imposed upon the employer for improper conversion of awards must be reported as indemnity losses. Whenever the reason for a penalty is within the carrier's control, it should be reported as unallocated loss adjustment expense and **not** as loss.

## E. Fraudulent Claims

### 1. Definition

A fraudulent claim for policies effective before April 1, 2013 is a claim that meets either of the following requirements:

- The claim has been ruled or declared fully fraudulent by a court decision

- The claim or a portion of the claim has been deemed to be partially fraudulent by a court decision

## 2. Reporting

### a. Reporting Fraudulent Claims for Policies Effective On or After April 1, 2013

- If a claim is ruled or declared to be fraudulent and does not include any paid losses, incurred losses and/or ALAE as of the 1st report valuation, the claim must not be reported.
- If a claim is ruled or declared to be fraudulent and includes any paid losses, incurred losses and/or ALAE, the claim must be reported with the appropriate loss values and Claim Code 02-Fully Fraudulent.
- If a claim is ruled or declared to be fraudulent after the 1st report valuation and prior to the 6th report, correction reports are required for all previously submitted unit reports. The paid losses, incurred losses and /or ALAE must reflect the loss values as of the specific report level and the claim must be reported with Claim Code 02-Fully Fraudulent.
- If the claim is ruled or declared to be fraudulent after the 6th report valuation or subsequent report valuations, report the claim with Claim Code 02-Fully Fraudulent. The paid losses, incurred losses and/or ALAE must reflect the losses valued at the specific report level. Correction report(s) must not be reported for all previously submitted report levels.

The submission of correction reports may impact experience modifications pursuant to the rules of the *Experience Rating Plan Manual*.

**NOTE:**-The Claim Code 02-Fully Fraudulent will be used when reporting all fraudulent claims for new and renewal policies effective on or after April 1, 2013.

### b. Reporting Fully Fraudulent Claims for Policies Effective Prior to April 1, 2013

When the claim has been ruled or declared fully fraudulent, the whole cost of the claim must be netted to zero for unit statistical reporting.

- If the claim is deemed to be fully fraudulent prior to the 1st report level, the claim is considered non-compensable and is not to be reported.
- If the claim is deemed fully fraudulent subsequent to the 1st report level, but within one year after the 5th report due date of the unit report on which the claim appears, a correction report must be filed. Reduce the incurred claim cost to zero.
- If the claim is deemed to be fully fraudulent as of the 6th report due date or subsequent, reduce the incurred claim cost to zero at the next valuation date.

The submission of correction reports may impact experience modifications pursuant to the rules of the *Experience Rating Plan Manual*.

**c. Reporting Partially Fraudulent Claims for Policies Effective Prior to April 1, 2013**

- When a claim or portion of the claim is deemed to be partially fraudulent, the cost of the claim must be netted down to reduce the net incurred loss by the declared fraudulent amount.
- If the claim or portion of the claim is deemed to be partially fraudulent prior to the 1st report level, the net incurred cost of the claim must reflect the reduction of the claim by the partially fraudulent amount
- If the claim or portion of the claim is deemed to be partially fraudulent subsequent to the 1st report level but within one year after the 5th report due date of the unit report on which the claim appears, a correction must be filed. The cost of the claim must be netted down to reduce the net incurred loss by the declared fraudulent amount. This must be corrected on all report levels impacting the current and two prior modifications.
- If the claim or a portion of the claim is deemed to be partially fraudulent as of the 6th report due date or subsequent, a correction report is not required. If the claim remains open, reduce the net incurred loss by the declared fraudulent amount at the next valuation date.
- When a partially fraudulent amount has not been allocated into indemnity and medical components by the adjudicator, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the original gross incurred indemnity and medical.

**Example:**

A claim has been reported as \$10,000 (1<sup>st</sup> report), \$50,000 (2<sup>nd</sup> report) and \$70,000 (3<sup>rd</sup> report). After the 3<sup>rd</sup> report, the claim was determined to be partially fraudulent with the partially fraudulent amount established at \$35,000. The net incurred cost of the claim is the latest value of the claim minus the partially fraudulent claim amount ( $\$70,000 - \$35,000 = \$35,000$ ). The net incurred cost of \$35,000 is less than the claim value amount reported on the 2<sup>nd</sup> and 3<sup>rd</sup> reports. Correction reports must be submitted for the 2<sup>nd</sup> and 3<sup>rd</sup> reports. No correction report is needed for the first report because the net incurred cost of \$35,000 is higher than the \$10,000 reported on the 1<sup>st</sup> report.

**3. Fraudulent Claim Code**

This code identifies claims that are fraudulent. Report each claim with the appropriate fraudulent claim code.



## F. Non-compensable Claims

### 1. Definition

A claim is considered to be non-compensable if it meets one or more of the following requirements:

- There is an official ruling denying benefits
- The claimant has failed to file for benefits
- The claimant has failed to prosecute the claim following the insurer's denial of the claim

### 2. Reporting

#### Reporting Non-compensable Claims for Policies Effective on or After April 1, 2013

- If a claim is determined to be non-compensable based on **Part 4.G.5.1-Noncompensable Claim Definition** and does not include any paid losses, incurred losses and/or ALAE, the claim must not be reported.
- If a claim is determined to be non-compensable based on **Part 4.G.5.1-Noncompensable Claim Definition** and does include paid losses, incurred losses and/or ALAE, the claim must be reported with the appropriate loss values. Report the claim with Type of Settlement (Loss Condition) Code 05.
- If a claim is determined to be non-compensable after the 1<sup>st</sup> report valuation and prior to the 6<sup>th</sup> report valuation based on **Part 4.G.5.1-Noncompensable Claim Definition**, correction reports are required for all previously submitted unit reports. The paid losses, incurred losses and/or ALAE must continue to reflect the loss values as of each specific report level and the claim must be reported with Type of Settlement (Loss Condition) Code 05.
- If the claim is determined to be non-compensable after the 6<sup>th</sup> report valuation or subsequent report valuations based on **Part 4.G.5.1-Noncompensable Claim Definition**, report the claim with Type of Settlement (Loss Condition) Code 05. The paid losses, incurred losses and/or ALAE must reflect the losses valued at the specific report level. Correction report(s) must not be reported for all previously submitted report levels.

### 3. Loss Condition Code-Type of Settlement

Non-compensable claims are to be reported with Type of Settlement Code 05.

## G. Subrogation and Third Party Cases

In all cases where there has been recovery of loss due to subrogation, or where the injured worker or his dependents have recovered from a third party, the amount of loss reported must be the net incurred loss.

For subrogation cases, the net incurred loss is defined as the gross incurred loss (i.e., the gross evaluation of the claim prior to any actual or expected recovery on which the award was based, whether the claim is still open or not) minus the amount recovered less recovery expenses. When the recovery expenses exceed the amount recovered, report the gross incurred loss amount instead of the net incurred loss amount.

For cases involving recovery by the injured employee or his dependents, the net incurred loss shall be:

- a.** the deficiency, if any, between the outstanding compensation provided by the North Carolina Workers' Compensation law and the net amount of recovery actually collected by the claimant, and
- b.** any other incurred indemnity and medical losses not recovered by the carrier's lien on the proceeds of the claimant's third party recovery or by a third party action pursued by the insurance carrier.

When recovery by the injured worker or his dependents relieves the carrier of the liability for further compensation benefits as, for example, in cases involving recovery without the consent of the carrier, or where the recovery exceeds all future compensation benefits due, the net incurred loss shall be the sum of all amounts paid and any amounts payable into Special Funds, less the net recovery, if any, received from the claimant or third party.

When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the original gross incurred indemnity and medical losses.

When the carrier is (1) relieved of liability for death benefits to dependents who have made a compromise settlement with a third party without the consent of the carrier, but (2) liable for payments to the dependents not involved in such settlement, the sum of the net liabilities for dependency groups (1) and (2), each calculated separately in accordance with the foregoing rules, shall be added to any other indemnity and medical losses to determine the net liability for the case.

When a subrogation recovery or reimbursement by a third party is received by the carrier after the 1<sup>st</sup> reporting of the claim but within one year after the fifth report due date, a correction report must be submitted when the net incurred loss amount is less than the previously reported total incurred loss amount. Correction reports are only required for prior reports that reflect an amount higher than the net incurred cost

If a subrogation recovery becomes known by the carrier or when the subrogation recovery is paid to the carrier as of the 6<sup>th</sup> or subsequent report due date, a correction report is not required. All adjustments are reported at the next valuation date as long as the claim remains open.

The submission of correction reports may impact experience modifications pursuant to the rules of the ***Experience Rating Plan Manual***.

**Example:**

A claim has been reported as \$10,000 (1st report), \$50,000 (2nd report) and \$70,000 (3rd report). Subrogation recovery is received in the amount of \$35,000 between the 3rd and 4th reports and recovery expenses are \$6,000. The net incurred cost of the claim is the latest value minus the recovery reduced for the recovery expenses ( $\$70,000 - [\$35,000 - \$6,000] = \$41,000$ ). The net incurred cost (\$41,000) of the claim is less than the claim amount reported on the 3rd and 2nd reports and correction reports must be submitted for the 3rd and 2nd reports.

Refer to **Part 5-Subsequent and Correction Reports** for further information regarding correction reports.

**EXCEPTION:** If the sum of the total recovery amount is less than 10% of the gross incurred cost of the claim, do not submit a correction report.

## H. Claim Components

### 1. Loss Amounts

The required loss amount fields for each claim are as follows:

- a. Incurred Indemnity Amount
- b. Paid Indemnity Amount.
- c. Incurred Medical Amount
- d. Paid Medical Amount
- e. Paid Allocated Loss Adjustment Expense (ALAE) Amount

### 2. Claim Number

Submit the alphanumeric code that uniquely identifies a specific claim. If the claim number changes, correction reports are required for all previously reported levels.

### 3. Claim Count

Cases to be counted as claims must be only those in connection with which a loss payment has been made or a loss reserve established. A case closed without loss payment shall not be counted as a claim. A claim on which more than one payment is made shall be counted only once. An accident resulting in two or more reported claims shall have each claim counted separately.

#### 4. Accident Date

The month, day and year in which the accident occurred. The accident date must be within the policy period.

**NOTE:** The policy period does not include the policy expiration date. An accident that occurs on the last day of the policy must be included on the unit for the next policy period.

#### 5. Classification Code

Submit the classification code corresponding to the injured employee's payroll determined in accordance with the rules of the *Basic Manual for Workers Compensation and Employers Liability Insurance*.

No claim may be assigned to any classification unless exposure has also been reported for that classification. Report the classification code under which the injured employee's payroll is assigned, even if, at the time of injury, the employee may have been involved in an activity that would be classified differently.

#### 6. Injury Code (Injury Type)

Report the two-digit code that corresponds to the carrier's estimate, as of the valuation date, of the ultimate injury type of the claim; it does not have to correspond to the type of benefit being paid as of the valuation date.

##### a. Death

Submit each death claim unless the carrier has not incurred any liability. If payment is made prior to the death of a claimant and the carrier has not incurred liability on the death, report the loss on the basis of the injury prior to death. The amount reported as incurred indemnity must include all paid and outstanding benefits, including compensation prior to death, at the time of death (such as burial expenses) and following the death (such as to survivors and/or the North Carolina Second Injury Fund). The outstanding costs will be the carrier's estimates of future payments.

##### b. Permanent Total Disability

Submit as permanent total disability each claim which meets the requirements identified in the North Carolina Workers Compensation Act.

##### c. Permanent Partial Disability

Submit as permanent partial disability each claim which meets the requirements identified in the North Carolina Workers Compensation Act.

#### 1. For Claims with Accident Dates Effective on or After April 1, 2013

Permanent partial losses are defined as any permanent injury that does not involve permanent total disability.

**2. For Claims with Accident Dates Effective Prior to April 1, 2013**

A permanent partial loss is defined as:

- i. Any permanent injury that does not involve permanent total disability.
- ii. Any temporary injury that satisfies any one of the following criteria:
  - a. The duration of disability benefits exceeds or is expected to exceed one full year. No loss is to be reported as temporary total if the duration of total disability exceeds or is expected to exceed 52 weeks.
  - b. A lump sum settlement is made or, in the judgment of the carrier, will be required to settle future benefits.
  - c. The extent of the liability for future payments cannot be determined.

**3. Permanent Partial Amount**

The amount entered as incurred indemnity shall include specific benefits and compensation for temporary disability as well as loss of earning capacity.

**d. Temporary or Temporary Partial Disability**

Submit as temporary every claim that involves or is expected to involve, indemnity benefits but does not constitute a case of death, permanent total disability or permanent partial disability as defined in the North Carolina Workers Compensation Act.

**e. Medical Only Claims**

Submit as medical only every claim that involves medical costs with no indemnity costs incurred or expected to be incurred. Do not report any data in the incurred indemnity field when reporting claims involving medical only losses.

**f. Contract Medical**

Contract medical costs that cannot be allocated to individual claims must be reported in the aggregate as incurred medical and must be assigned to the governing classification of the employer. Contract medical costs allocated to individual claims must be reported in connection with these claims and will not be included in the amount reported as contract medical. The amount reported as contract medical must be the actual incurred costs to the carrier for such medical contracts, including payment to physicians and hospitals under contract.

**7. Claim Status Code**

Report the one digit code that indicates the status of the claim.

## 8. Loss Condition Code

Report the loss condition codes as described in **Part 6-Coding Values - Loss Conditions**:

- a. Act
- b. Type of Loss
- c. Type of Recovery
- d. Type of Claim
- e. Type of Settlement

## 9. Jurisdiction State Code

Report the state code of the governing jurisdiction that will administer the claim and whose statutes will apply to the claim adjustment process when that state is not North Carolina. Refer to **Part 6-Coding Values-Exposure State/Jurisdiction State** for a list of state codes.

## 10. Lump Sum Claims

### a. Lump Sum Amount

When the claim involves a lump sum representing the commuted value of a specific award or benefit, report the actual lump sum amount.

### b. Lump Sum Indicator

Report the one-digit alpha code that is used to indicate whether the claim has been settled with a lump sum amount as described in **Part 6-Coding Values-Lump Sum Indicator**.

## 11. Injury Description Code (Part, Nature, Cause)

Report the injury description code as described in **Part 6-Coding Values – Injury Description Code (Part, Nature, Cause)**:

### a. Part of Body

The part of the body that is injured and expected to be the most significant contributor to the cost of the claim.

### b. Nature of Injury

The nature of the claim.

### c. Cause of Injury

The cause of the injury.

## 12. Update Type

Report the alpha code that identifies the loss activity. Refer to **Part 6-Coding Values** for the appropriate Update Type codes.

## 13. Catastrophe Number

Any accident resulting in two or more reported claims must be reported as a catastrophe. All claims resulting from the accident are assigned a number beginning with 01. If there is more than one catastrophe under the policy, each succeeding catastrophe should be increased by one with the highest number available being 10. In the event the number of catastrophes under the policy exceeds 10, report another set of catastrophes beginning with 01. A separate set of catastrophe numbers beginning with 01 must be used for each policy. Numbers 11 through 99 are reserved for Extraordinary Loss Event Catastrophe Numbers.

## 14. Managed Care Organization (MCO) Type

Report the two digit code that corresponds to the type of organization which will administer the applicable medical losses. If the claimant is receiving treatment from more than one physician, report the MCO of the primary care physician. Refer to **Part 6-Coding Values** for the appropriate Managed Care Organization (MCO) codes.

## 15. Occupation Description

Include a narrative description of the regular occupation of the claimant.

## 16. Vocational Rehabilitation Indicator

The alpha code that indicates the inclusion of vocational rehabilitation costs in the losses.

## 17. Fraudulent Claim Code

This code identifies whether the claim is not fraudulent, partially fraudulent or fully fraudulent. Refer to **Part 6-Coding Values** for the applicable Fraudulent Claim Code.

## 18. Paid Indemnity Amount

Report the dollar amount of paid indemnity expenses for the claim as of the loss valuation date. These losses consist of all paid benefits due to an employee's lost wages or inability to work, including compensation paid to a deceased prior to death, burial expense, claimant's attorney fees, vocational rehabilitation benefits, payments to the state and employers liability losses and expenses.

## 19. Paid Medical Amount

Report the whole dollar amount of medical losses paid for the claim as of the loss valuation date.

**20. Allocated Loss Adjustment Expense (ALAE) Paid**

Report the dollar amount of allocated loss adjustment expense paid for this claim as of the loss valuation date.

**21. Claim Count Total**

Submit the total number of claims reported for North Carolina. In the case of corrections and subsequent reports, this must be the revised total. Contract medical claims are not to be included in this total.

**22. Incurred Indemnity Amount Total**

Submit the total of the Incurred Indemnity amounts reported for North Carolina within the USR. In the case of corrections and subsequent reports, this must be the revised total.

**23. Incurred Medical Amount Total**

Submit the total of the Incurred Medical amounts reported for North Carolina within the USR. In the case of corrections and subsequent reports, this must be the revised total.

**24. Paid Indemnity Amount Total**

Submit the total of the Paid Indemnity amounts reported for North Carolina within the USR. In the case of corrections and subsequent reports, this must be the revised total.

**25. Paid Medical Amount Total**

Submit the total of the Paid Medical amounts reported for North Carolina within the USR. In the case of corrections and subsequent reports, this must be the revised total.

**26. Paid Allocated Loss Adjustment Expense (ALAE) Amount Total**

Submit the total of the paid ALAE amounts reported for North Carolina within the USR. In the case of corrections and subsequent reports, this must be the revised total.



## **PART 5 - SUBSEQUENT AND CORRECTION REPORTS**

### **A. Subsequent Reports**

Subsequent reports shall be submitted in accordance with the valuation schedule set forth in **Part 1- Rules and Definitions** for each policy where one or more claims have been:

- Reported as open on the previous report
- Previously reported as closed but are now open
- Previously unreported
- Previously reported and the current valuation differs from the previously submitted data

### **B. When Correction Reports Are Required**

Correction reports must be submitted whenever an error of any kind is discovered on a previously submitted USR. Correction reports must be submitted as soon as the changes are known.

#### **1. Exposure Corrections**

A correction of an exposure report must be submitted when any of the following occur:

- a. A final audit has been made of previously reported estimated exposures.
- b. A clerical error in a classification, exposure amount, premium amount or experience modification has been discovered.
- c. The experience modification has been revised.
- d. The exposure of the claimant has been reassigned to another classification through the revision of an audit.
- e. Any other adjustment affecting a classification, exposure amount or premium amount

#### **2. Loss Corrections**

A correction of a loss report must also be submitted when any of the following occur between valuation dates:

- a. Loss values are found to have been included or excluded through a mistake other than error of judgment.
- b. One or more claims are declared non-compensable as defined in the *Experience Rating Plan Manual*.

- c. The carrier of the claimant has obtained a subrogation recovery in an action against a third party or has received reimbursement from the North Carolina Second Injury Fund. Correction reports are required only for prior reports which reflect an amount higher than the net incurred cost.

**EXCEPTION:** If the total recovery amount is less than 10% of the gross incurred cost of the claim, do not submit a correction report.

- d. A clerical error in either the classification code or the injury code of a claim has been discovered.

**NOTE:** Do not submit correction reports to revise values because of developments in the claim amounts and/or injury type between two valuation dates.

## C. Correction Type Reporting

### 1. Link Data Corrections

Link Data is the set of header elements which uniquely identifies a unit and groups units as the statistical reports to a policy for a specified policy period. The Link Data elements are: report number, correction number, carrier code, policy number, policy effective date and exposure state.

- a. Link Data corrections must include:

- Link Data
- Header Record
- Name Record

- b. Link Data changes must be submitted using the Correction Type Code Header (H). The following Link Data fields can be corrected:

- Carrier code
- Policy number
- Policy effective date
- Exposure State

**NOTE:** When changing Link Data fields, submit the previous value and the new value. Link Data corrections are applied directly to each individual USR. For example: If three reports (1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup>) have already been submitted and an error in the Link Data is discovered, corrections for all three reports are necessary. The report number cannot be corrected.

## 2. Header Corrections

a. Header corrections must include:

- Link Data
- Header Record
- Name Record

b. Header corrections must be filed using the Correction Type Code Header (H). The following Header fields can be corrected:

- Policy Expiration Date or Cancellation Date
- Risk ID Number
- State Effective Date
- Federal Employer Identification Number
- Three Year Fixed Rate Policy Indicator
- Multistate Policy Indicator
- Interstate Rated Policy Indicator
- Estimated Audit Code
- Retrospective Rated Policy Indicator
- Cancelled Mid-term Policy Indicator
- Managed Care Organization (MCO) Policy Indicator
- Type of Coverage ID Code
- Type of Plan ID Code
- Type of Non-Standard ID Code
- Losses Subject to Deductible Code
- Deductible Amount Per Claim/Accident
- Deductible Amount-Aggregate

**NOTE:** Header Correction information can only be submitted for the first report.

### 3. Exposure Corrections

a. Exposure corrections must include:

- Link Data
- Header Record
- Name Record
- Exposure Record
- Unit Total Record

b. **Exposures**

When there is a change to any of the data previously reported for a particular classification code:

- Previously reported data (Update Type 'P') should include all data for the classification code previously reported.
- Revised data (Update Type 'R') should include all data being revised as well as data previously reported for the classification code that is not changing.

Both the previous and revised data must always be reported for each split period.

c. **Experience Modification**

If a change in the experience modification occurs, a correction report must be submitted reporting each item affected by the experience modification change on a previously reported and revised basis.

Both the previous and revised data must always be reported for each split period.

d. **Statistical Codes**

- Revised values for applicable statistical codes (e.g., premium discount) must also be reported.
- Previously reported data (Update Type 'P') should include all data for the statistical code previously reported.
- Revised data (Update Type 'R') should include all data being revised as well as data previously reported for the statistical code that is not changing.

#### 4. Loss Corrections

a. Loss corrections must include:

- Link Data
- Header Record
- Name Record
- Loss Record
- Unit Total Record

b. When there is a change in any of the data previously reported for a particular claim number:

- Previously reported data (Update Type 'P') should include all data for the claim previously reported.
- Revised data (Update Type 'R') should include all data being revised as well as data previously reported for the claim that is not changing.

#### 5. Totals Corrections

a. Total corrections must include:

- Link Data
- Header Record
- Name Record
- Unit Total Record

**NOTE:** Submit the revised USR totals resulting from any changes to the exposure and/or loss information.

#### D. Replacement Reports

Carriers approved to directly report USR data to NCRB have the option of filing a replacement report for any rejected reports. Report the alpha code "R" in the replacement report code field to identify a replacement is being submitted in response to a rejected unit at NCRB.

**PART 6 – CODING VALUES****A. Report Number**

The two digit numeric code that identifies the loss valuation date.

| Code | Report Level               | Valuation Date             | Filing Due Date         |
|------|----------------------------|----------------------------|-------------------------|
| 01   | 1 <sup>st</sup><br>Report  | 18 <sup>th</sup> Month     | 20 <sup>th</sup> Month  |
| 02   | 2 <sup>nd</sup><br>Report  | 30 <sup>th</sup> Month     | 32 <sup>nd</sup> Month  |
| 03   | 3 <sup>rd</sup><br>Report  | 42 <sup>nd</sup> Month     | 44 <sup>th</sup> Month  |
| 04   | 4 <sup>th</sup><br>Report  | 54 <sup>th</sup> Month     | 56 <sup>th</sup> Month  |
| 05   | 5 <sup>th</sup><br>Report  | 66 <sup>th</sup> Month     | 68 <sup>th</sup> Month  |
| 06   | 6 <sup>th</sup><br>Report  | 78 <sup>th</sup> Month     | 80 <sup>th</sup> Month  |
| 07   | 7 <sup>th</sup><br>Report  | 90 <sup>th</sup> Month     | 92 <sup>nd</sup> Month  |
| 08   | 8 <sup>th</sup><br>Report  | 102 <sup>nd</sup><br>Month | 104 <sup>th</sup> Month |
| 09   | 9 <sup>th</sup><br>Report  | 114 <sup>th</sup> Month    | 116 <sup>th</sup> Month |
| 10   | 10 <sup>th</sup><br>Report | 126 <sup>th</sup> Month    | 128 <sup>th</sup> Month |

**B. Correction Type Code**

The one digit alpha code that identifies the type of correction report.

| Code | Description   |
|------|---|
| H    | Header Record Correction (including link data-1 <sup>st</sup> Reports Only) |
| E    | Exposure Record Correction (1 <sup>st</sup> Reports Only)                   |
| L    | Loss Record Correction  |
| T    | Total Record Correction   |
| M    | Multiple Record Type Corrections  |

**C. Exposure State/Jurisdiction State**

The two digit numeric code identifies the state.

| State                     | Code | State               | Code | State               | Code |
|---------------------------|------|---------------------|------|---------------------|------|
| Alabama (AL)              | 01   | Louisiana (LA)      | 17   | Ohio (OH)           | 34   |
| Alaska (AK)               | 54   | Maine (ME)          | 18   | Oklahoma (OK)       | 35   |
| Arizona (AZ)              | 02   | Maryland (MD)       | 19   | Oregon (OR)         | 36   |
| Arkansas (AR)             | 03   | Massachusetts (MA)  | 20   | Pennsylvania (PA)   | 37   |
| California (CA)           | 04   | Michigan (MI)       | 21   | Puerto Rico (PR)    | 58   |
| Colorado (CO)             | 05   | Minnesota (MN)      | 22   | Rhode Island (RI)   | 38   |
| Connecticut (CT)          | 06   | Mississippi (MS)    | 23   | South Carolina (SC) | 39   |
| Delaware (DE)             | 07   | Missouri (MO)       | 24   | South Dakota (SD)   | 40   |
| District of Columbia (DC) | 08   | Montana (MT)        | 25   | Tennessee (TN)      | 41   |
| Florida (FL)              | 09   | Nebraska (NE)       | 26   | Texas (TX)          | 42   |
| Georgia (GA)              | 10   | Nevada (NV)         | 27   | Utah (UT)           | 43   |
| Hawaii (HI)               | 52   | New Hampshire (NH)  | 28   | Vermont (VT)        | 44   |
| Idaho (ID)                | 11   | New Jersey (NJ)     | 29   | Virginia (VA)       | 45   |
| Illinois (IL)             | 12   | New Mexico (NM)     | 30   | Washington (WA)     | 46   |
| Indiana (IN)              | 13   | New York (NY)       | 31   | West Virginia (WV)  | 47   |
| Iowa (IA)                 | 14   | North Carolina (NC) | 32   | Wisconsin (WI)      | 48   |
| Kansas (KS)               | 15   | North Dakota (ND)   | 33   | Wyoming (WY)        | 49   |
| Kentucky (KY)             | 16   |                     |      |                     |      |

**D. Policy Conditions Indicators**

The one digit alpha code that indicates the Policy Conditions applied to the policy.

**1. Three-Year Fixed Rate Indicator**

|   |  |
|---|--|
| Y | Policy is a three-year fixed rate policy     |
| N | Policy is not a three-year fixed rate policy |

**2. Multistate Policy Indicator**

|   |                                   |
|---|-----------------------------------|
| Y | Policy is a multistate policy     |
| N | Policy is not a multistate policy |

**3. Interstate Rated Policy Indicator**

|   |                                |
|---|--------------------------------|
| Y | Policy is interstate rated     |
| N | Policy is not interstate rated |

**4. Estimated Audit Code**

|   |  |
|---|--|
| Y | Exposures expressed on unit report are estimated           |
| N | Exposures expressed on unit report are result of the audit |
| U | Uncooperative  |

**5. Retrospective Rated Policy Indicator**

|   |                                   |
|---|-----------------------------------|
| Y | Policy is retrospective rated     |
| N | Policy is not retrospective rated |

**6. Canceled Mid-Term Policy Indicator**

|   |  |
|---|--|
| Y | Policy has been cancelled mid-term     |
| N | Policy has not been cancelled mid-term |

**7. Managed Care Organization (MCO) Policy Indicator**

|   |   |
|---|---|
| Y | Policy has provisions for the administration of losses under a certified managed care organization        |
| N | Policy does not have provisions for the administration of losses by a certified managed care organization |

**E. Policy Type ID Code**

The two digit numeric code that indicates the different type of policy provisions.

**1. Type of Coverage ID Code**

| Code | Description  |
|------|--|
| 01   | Standard Workers Compensation & Employers Liability Policy |
| 09   | Non-Standard Policy  |

**2. Type of Plan ID Code**

| Code | Description   |
|------|---|
| 01   | Voluntary Policy  |
| 02   | Normal Assigned Risk Policy                                       |
| 07   | Assigned Risk Policy originally assigned by another DCO (NC only) |

**3. Type of Non-Standard ID Code**

| Code | Description   |
|------|---|
| 01   | Non-Standard Code Does Not Apply                      |
| 99   | Self-Insured in conjunction with a self-insured group |



**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.

**1. Losses Subject to Deductible Code**

| Code | Description                  |
|------|------------------------------|
| 00   | No Deductible                |
| 01   | Medical Losses Only          |
| 02   | Indemnity Losses Only        |
| 03   | Medical and Indemnity Losses |

**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)    |

**G. Update Type Code**

The one digit alpha code which identifies the unit statistical report activity.

| Code | Description         |
|------|---------------------|
| P    | Previously Reported |
| R    | Revised             |

**NOTE:** Report the letter R in this field on first reports.

**H. Exposure Act/Exposure Coverage Code**

The two digit numeric code that identifies the type of exposure coverage for each classification code.

| Code | Type of Exposure Coverage   |
|------|---|
| 00   | For use with Statistical Codes  |
| 01   | State Act or Federal Act Excluding USL&HW and Federal Coal Mine Health and Safety Act |
| 02   | USL&HW" F" or USL&HW Coverage on Non-F-Classes  |

**I. Statistical Codes**

Statistical codes are categorized as: Subject to Experience Modification, Not Subject to Experience Modification and Non-Standard:

**1. Premium Amount Subject to Experience Modification**

**a. Disease Experience**

| Description  | Class Code |
|--|------------|
| In Connection with Abrasive Sand Blasting                  | 0059       |
| In Connection with Incidental Foundries—Non-Ferrous Metals | 0066       |
| In Connection with Incidental Foundries—Steel              | 0065       |
| In Connection with Incidental Foundries—Iron               | 0067       |

**b. Employers Liability Increased Limits (in 000's)**

| With Workers Compensation    | Statistical Code | Applicability              |
|------------------------------|------------------|----------------------------|
| \$100/100/1,000              | 9803             |                            |
| \$100/100/2,500              | 9804             |                            |
| \$100/100/5,000              | 9805             |                            |
| \$100/100/10,000             | 9806             |                            |
| \$500/500/500                | 9807             |                            |
| \$500/500/1,000              | 9809             |                            |
| \$500/500/2,500              | 9810             |                            |
| \$500/500/10,000             | 9811             |                            |
| \$1,000/1,000/1,000          | 9812             |                            |
| *\$1,000/1,000/2,500         | 9813             | N/A Assigned Risk 04/01/12 |
| *\$1,000/1,000/5,000         | 9814             | N/A Assigned Risk 04/01/12 |
| *\$1,000/1,000/10,000        | 9815             | N/A Assigned Risk 04/01/12 |
| *Over \$1,000/1,000/10,000   | 9816             | N/A Assigned Risk 04/01/12 |
| Without Workers Compensation | Statistical Code | Applicability              |
| *\$100/100/1,000             | 9823             | N/A Assigned Risk 04/01/12 |
| *\$100/100/2,500             | 9824             | N/A Assigned Risk 04/01/12 |
| *\$100/100/5,000             | 9825             | N/A Assigned Risk 04/01/12 |
| *\$100/100/10,000            | 9826             | N/A Assigned Risk 04/01/12 |
| *\$500/500/500               | 9827             | N/A Assigned Risk 04/01/12 |
| *\$500/500/1,000             | 9828             | N/A Assigned Risk 04/01/12 |
| *\$500/500/2,500             | 9829             | N/A Assigned Risk 04/01/12 |
| *\$500/500/5,000             | 9830             | N/A Assigned Risk 04/01/12 |
| *\$500/500/10,000            | 9831             | N/A Assigned Risk 04/01/12 |
| *\$1,000/1,000/1,000         | 9832             | N/A Assigned Risk 04/01/12 |
| *\$1,000/1,000/2,500         | 9833             | N/A Assigned Risk 04/01/12 |
| *\$1,000/1,000/5,000         | 9834             | N/A Assigned Risk 04/01/12 |
| *\$1,000/1,000/10,000        | 9835             | N/A Assigned Risk 04/01/12 |
| *Over \$1,000/1,000/10,000   | 9836             | N/A Assigned Risk 04/01/12 |
| *All Other Increased Limits  | 9837             | N/A Assigned Risk 04/01/12 |

**b. Employers Liability Increased Limits (in 000's)**

| <b>Admiralty or FELA</b> | <b>Statistical Code</b> | <b>Applicability</b>       |
|--------------------------|-------------------------|----------------------------|
| *\$50,000                | 9817                    | N/A Assigned Risk 04/01/12 |
| *\$100,000               | 9818                    | N/A Assigned Risk 04/01/12 |
| *\$200,000               | 9819                    | N/A Assigned Risk 04/01/12 |
| *\$300,000               | 9820                    | N/A Assigned Risk 04/01/12 |
| *\$400,000               | 9821                    | N/A Assigned Risk 04/01/12 |
| *\$500,000               | 9822                    | N/A Assigned Risk 04/01/12 |
| *Over \$500,000          | 9840                    | N/A Assigned Risk 04/01/12 |

| <b>Other</b>  | <b>Statistical Code</b> |
|---|-------------------------|
| Additional Premium to Balance Increased Limits to Minimum Premium | 9848                    |

**c. Deductible Credit**

| <b>Description</b>                                | <b>Statistical Code</b> |
|---|-------------------------|
| Subject to Premium before Experience Modification | 9664                    |

**d. Independent Carrier Filing**

| <b>Description</b>                                    | <b>Statistical Code</b> |
|---|-------------------------|
| Premium Credit Applied Before Experience Modification | 9721                    |
| Premium Debit Applied Before Experience Modification  | 9723                    |

**e. No Exposure Unit Reports**

| <b>Description</b>       | <b>Statistical Code</b> |
|--------------------------|-------------------------|
| No Exposure Unit Reports | 1111                    |

**f. Rate Deviation Premium Adjustment Credit**

| <b>Description</b>                       | <b>Statistical Code</b> |
|--|-------------------------|
| Rate Deviation Premium Adjustment Credit | 9037                    |

**g. Short Rate Penalty Premium**

| <b>Description</b>         | <b>Statistical Code</b> |
|----------------------------|-------------------------|
| Short Rate Penalty Premium | 0931                    |

**h. Waiver of Subrogation**

| <b>Description</b>    | <b>Statistical Code</b> |
|-----------------------|-------------------------|
| Waiver of Subrogation | 0930                    |

**i. Drug Free Workplace Credit – Subject to Experience Rating**

| Description   | Statistical Code |
|---|------------------|
| Drug Free Workplace Credit – Subject to Experience Rating | 9841             |

**2. Premium Amount Not Subject to Experience Modification****a. Admiralty and/or FELA Coverage**

| Description                                   | Statistical Code |
|---|------------------|
| Additional Premium to Balance Minimum Premium | 9849             |

**b. Aircraft Operation-Passenger Seat Surcharge**

| Description                                   | Statistical Code |
|---|------------------|
| Aircraft Operation – Passenger Seat Surcharge | 9108             |

**c. Assigned Risk Adjustment Program (ARAP)**

| Description                             | Statistical Code |
|---|------------------|
| Assigned Risk Adjustment Program (ARAP) | 0277             |

**d. Atomic Energy**

| Description  | Statistical Code |
|--|------------------|
| Experience in Connection with Either Construction or Operation Work Performed for or Under the Direction of the Nuclear Regulatory Commission or any Government Agency                         | 9984             |
| Radiation Exposure NOC: Operations Involving Research, Manufacturing, Handling, Transportation, Use of or Exposure to Radiation Materials - Other than Government Agency Atomic Energy Project | 9985             |

**e. Deductible Credit - Not subject to Experience Modification**

| Description  | Statistical Code |
|--|------------------|
| Deductible Credit - Not subject to Experience Modification | 9663             |

**f. Drug Free Workplace Credit**

| Description                | Statistical Code |
|----------------------------|------------------|
| Drug Free Workplace Credit | 9846             |

**g. Independent Carrier Filing**

| Description  | Statistical Code |
|--|------------------|
| Premium Credit Applied After Experience Modification | 9722             |
| Premium Debit Applied After Experience Modification  | 9724             |

**h. Minimum Premium**

| Description                                   | Statistical Code |
|---|------------------|
| Additional Premium to Balance Minimum Premium | 0990             |

**i. Non-Ratable Elements**

| Description  | Statistical Code |
|--|------------------|
| In connection with Code 4771 - Explosives or Ammunition Mfg: NOC   | 0771             |
| In connection with Code 7405 - Air Carrier Scheduled: Flying Crew  | 7445             |
| In connection with Code 7431 - Air Carrier - Commuter: Flying Crew | 7453             |

**j. Rate Deviation Premium Adjustment**

| Description | Statistical Code |
|-------------|------------------|
| Credit      | 9034             |

**k. Schedule Rating Plan Premium Adjustment**

| Description | Statistical Code |
|-------------|------------------|
| Credit      | 9887             |
| Debit       | 9889             |

**l. Supplemental Disease Experience**

| Description                            | Statistical Code |
|--|------------------|
| In Connection with Asbestos Experience | 0133             |
| Not Otherwise Classified (NOC)         | 0179             |

**m. Workplace Safety Credit Program**

| Description                     | Statistical Code |
|---------------------------------|------------------|
| Workplace Safety Credit Program | 9880             |

**3. Premium Amount Not Subject to Standard Premium (Non-Standard)****a. Expense Constant**

| Description      | Statistical Code |
|------------------|------------------|
| Expense Constant | 0900             |

**b. Premium Discount**

| Description      | Statistical Code |
|------------------|------------------|
| Stock/Type A     | 0063             |
| Non-Stock/Type B | 0064             |

**c. Terrorism**

| Description | Statistical Code |
|-------------|------------------|
| Terrorism   | 9740             |

**d. Catastrophe (other than Certified Acts of Terrorism)**

| Description  | Statistical Code |
|--|------------------|
| Catastrophe (other than Certified Acts of Terrorism) | 9741             |

**e. Disease Experience-Coal Mining**

| Description  | Statistical Code |
|--|------------------|
| In Connection with Code 1005-Surface   | 0156             |
| In Connection with any class other than Coal Mining where there is liability under Federal Coal Mine Health and Safety Act | 0164             |

**J. Claim Status Code**

The one digit numeric code that identifies the status of the claim.

| Code | Description |
|------|-------------|
| 0    | Open        |
| 1    | Closed      |
| 2    | Reopened    |

**K. Injury Type Code**

The two digit numeric code that identifies the injury type.

| Code | Description                                     |
|------|---|
| 01   | Death   |
| 02   | Permanent Total Disability                      |
| 05   | Temporary Total or Temporary Partial Disability |
| 06   | Medical Only Claims                             |
| 07   | Contract Medical or Hospital Allowance          |
| 09   | Permanent Partial Disability                    |

**L. Loss Conditions**

The two digit numeric code for each type of loss condition.

**1. Act – Loss Conditions**

| Code | Description                        |
|------|------------------------------------|
| 01   | State or Federal Act, excl. USL&HW |
| 02   | USL&HW "F" or non "F" Coverage     |

**2. Type of Loss – Loss Conditions**

| Code | Description                          |
|------|--------------------------------------|
| 01   | Trauma                               |
| 02   | Occupational Disease                 |
| 03   | Cumulative Injury other than Disease |

**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                   |

**4. Type of Claim – Loss Conditions**

| Code | Description  |
|------|--|
| 01   | Workers Compensation Only                          |
| 02   | Employers Liability Only                           |
| 03   | Workers Compensation including Employers Liability |
| 04   | Liability Over                                     |

**5. Type of Settlement – Loss Conditions**

| Code | Description                                    |
|------|--|
| 00   | Claim Not Subject to Settlement                |
| 03   | Stipulated Award (Carrier/Claimant Settlement) |
| 04   | Findings and Award (Judicial Award)            |
| 05   | Dismissal or Take Nothing (Non-Compensable)    |
| 06   | Compromise Settlement                          |
| 09   | All Other Settlements                          |

**M. Managed Care Organization (MCO) Type Code**

The two digit numeric code that identifies the type of organization that will administer the medical losses for the claim.

| Code | Description  |
|------|--|
| 00   | The claim is not administered by a certified managed care organization               |
| 01   | The claim's medical losses are administered by a certified managed care organization |
| 02   | The claim's medical losses are administered by a health maintenance organization     |
| 03   | The claim's medical losses are administered by a preferred provider organization     |
| 04   | The claim's medical losses are administered by an exclusive provider organization    |
| 05   | The claim's medical losses are administered by an independent practice association   |

**N. Injury Description Code (Part, Nature, Cause)**

The six digit field that contains three components: Part of Body, Nature of Injury and Cause of Injury.

**1. PART OF BODY CODES**

| CODE | PART  | NARRATIVE DESCRIPTION   |
|------|---|---|
|      | <b>I. HEAD</b>                                      |   |
| 10   | Multiple Head Injury                                | Any combination of below parts  |
| 11   | Skull   | *   |
| 12   | Brain   | *   |
| 13   | Ears  | Includes: hearing, inside eardrum   |
| 14   | Eyes  | Includes: optic nerves, vision, eyelids   |
| 15   | Nose  | Includes: nasal passage, sinus, sense of smell  |
| 16   | Teeth   | *   |
| 17   | Mouth   | Includes: lips, tongue, throat, taste   |
| 18   | Other Facial Soft Tissue                            | *   |
| 19   | Facial Bones  | Includes: jaw   |
|      | <b>II. NECK</b>                                     |   |
| 20   | Multiple Neck Injury                                | Any combination of below parts  |
| 21   | Vertebrae   | Includes: spinal column bone, "cervical segment"  |
| 22   | Disc  | Includes: spinal column cartilage, "cervical segment"   |
| 23   | Spinal Cord   | Includes: nerve tissue, "cervical segment"  |
| 24   | Larynx  | Includes: cartilage and vocal cords   |
| 25   | Soft Tissue   | Other than larynx or trachea  |
| 26   | Trachea   | *   |
|      | <b>III. UPPER EXTREMITIES</b>                       |   |
| 30   | Multiple Upper Extremities                          | Any combination of below parts, excluding hands and wrists combined   |
| 31   | Upper Arm   | Humerus and corresponding muscles, excluding clavicle and scapula   |
| 32   | Elbow   | Radial head   |
| 33   | Lower Arm   | Forearm-radius, ulna and corresponding muscles  |
| 34   | Wrist   | Carpals and corresponding muscles   |
| 35   | Hand  | Metacarpals and corresponding muscles-excluding wrist or fingers  |
| 36   | Finger(s)   | Other than thumb and corresponding muscles  |
| 37   | Thumb   | *   |
| 38   | Shoulder(s)   | Armpit, rotator cuff, trapezius, clavicle, scapula  |
| 39   | Wrist(s) & Hand(s)                                  | *   |
|      | <b>IV. TRUNK</b>                                    |   |
| 40   | Multiple Trunk                                      | Any combination of below parts  |
| 41   | Upper Back Area                                     | (Thoracic Area) Upper back muscles, excluding vertebrae, disc, spinal cord  |
| 42   | Lower Back Area                                     | (Lumbar Area and Lumbo Sacral) Lower Back muscles, excluding sacrum, coccyx, pelvis, vertebrae, disc, spinal cord |
| 43   | Disc  | Spinal column cartilage other than cervical segment   |
| 44   | Chest   | Including ribs, sternum, soft tissue  |
| 45   | Sacrum and Coccyx                                   | Final nine vertebrae-fused  |
| 46   | Pelvis  | *   |
| 47   | Spinal Cord   | Nerve Tissue other than Cervical Segment  |
| 48   | Internal Organs                                     | Other than heart and lungs  |
| 49   | Heart   | *   |
| 60   | Lungs   | *   |
| 61   | Abdomen   | Excluding injury to internal organs including groin   |
| 62   | Buttocks  | Soft tissue   |
| 63   | Lumbar and/or Sacral Vertebrae (Vertebra NOC Trunk) | Bone portion of the spinal column   |

\*Description intentionally left blank



| CODE                           | PART OF BODY  | NARRATIVE DESCRIPTION   |
|--------------------------------|---|---|
| <b>V. LOWER EXTREMITIES</b>    |   |   |
| 50                             | Multiple Lower Extremities                                  | Any combination of below parts  |
| 51                             | Hip   | *   |
| 52                             | Upper Leg   | Femur and corresponding muscles   |
| 53                             | Knee  | Patella   |
| 54                             | Lower Leg   | Tibia, fibula and corresponding muscles   |
| 55                             | Ankle   | Tarsals   |
| 56                             | Foot  | Metatarsals, heel, Achilles tendon and corresponding muscles-excluding ankle or toes  |
| 57                             | Toes  | *   |
| 58                             | Great Toe   | *   |
| <b>VI. MULTIPLE BODY PARTS</b> |   |   |
| 64                             | Artificial Appliance  | Braces, etc.  |
| 65                             | Insufficient Information to Properly Identify-Unclassified  | Insufficient information to identify part affected  |
| 66                             | No Physical Injury  | Mental disorder   |
| 90                             | Multiple Body Parts (Including Body Systems and Body Parts) | Applies when more than one major body part has been affected, such as an arm and a leg and multiple Internal Organs   |
| 91                             | Body Systems and Multiple Body Systems                      | Applies when functioning of an entire body system has been affected without specific injury to any other part, as in the case of poisoning, corrosive action, inflammation, affecting internal organs, damage to nerve centers, etc. Does <b>not</b> apply when the systemic damage results from an external injury affecting an external part such as a back injury that includes damage to the nerves of the spinal cord. |
| 99                             | Whole Body  | *   |

\*Description intentionally left blank

**2. NATURE OF INJURY CODES**

| CODE | NATURE OF INJURY                                | NARRATIVE DESCRIPTION   |
|------|---|---|
|      | <b>I. SPECIFIC INJURY</b>                       |   |
| 01   | No Physical Injury                              | i.e., Glasses, contact lenses, artificial appliance, replacement of artificial appliance  |
| 02   | Amputation                                      | Cut off extremity, digit, protruding part of body, usually by surgery i.e., leg, arm  |
| 03   | Angina Pectoris                                 | Chest pain  |
| 04   | Burn  | (Heat Burns or Scald):The effect of contact with hot substances<br>(Chemical Burns): Tissue Damage resulting from Corrosive Action chemicals, fumes, etc. (acids, alkalis)  |
| 07   | Concussion                                      | Brain, cerebral   |
| 10   | Contusion                                       | Bruise-intact skin surface hematoma   |
| 13   | Crushing  | To grind, pound or break into small bits  |
| 16   | Dislocation                                     | Pinched nerve, slipped/ruptured disc, herniated disc, sciatica, complete tear, HNP Subluxation, MD dislocation  |
| 19   | Electric Shock                                  | Electrocution   |
| 22   | Enucleation                                     | Removal of organ or tumor   |
| 25   | Foreign Body                                    | *   |
| 28   | Fracture  | Breaking of a bone or cartilage   |
| 30   | Freezing  | Frostbite and other effects of exposure to low temperature  |
| 31   | Hearing Loss or Impairment                      | Traumatic only; a separate injury not the sequelae of another injury  |
| 32   | Heat Prostration                                | Heat stroke, sun stroke, heat exhaustion, heat cramps and other effects of environmental heat. Does <b>not</b> include sunburn.   |
| 34   | Hernia  | The abnormal protrusion of an organ or part through the containing wall of its cavity   |
| 36   | Infection                                       | The invasion of a host by organisms such as bacteria, fungi, viruses, mold, protozoa or insects, with or without manifest disease   |
| 37   | Inflammation                                    | The reaction of tissue to injury characterized clinically by heat, swelling, redness and pain   |
| 40   | Laceration                                      | Cut, scratches, abrasions, superficial wounds, calluses, wound by tearing   |
| 41   | Myocardial Infarction                           | Heart attack, heart conditions, hypertension, the inadequate blood flow to the muscular tissue of the heart   |
| 42   | Poisoning-General (Not OD or Cumulative Injury) | A systemic morbid condition resulting from the inhalation, ingestion or skin absorption of a toxic substance affecting the metabolic system, the nervous system, the circulatory system, the digestive system, the respiratory system, the excretory system, the musculoskeletal system, etc. includes chemical or drug Poisoning, metal poisoning, organic diseases and venomous reptile and insect bites. Does <b>not</b> include effects of radiation, pneumoconiosis, corrosive effects of chemicals, skin surface irritations, septicemia or infected wounds |
| 43   | Puncture  | A hole made by the piercing of a pointed instrument   |
| 46   | Rupture   | *   |
| 47   | Severance                                       | To separate, divide or take off   |
| 49   | Sprain or Tear                                  | Internal derangement, a trauma or wrenching of a joint, producing pain and disability depending upon degree of injury to ligaments  |
| 52   | Strain or Tear                                  | Internal derangement, the trauma to the muscle or musculotendinous unit from violent contraction or excessive forcible stretch  |
| 53   | Syncope   | Swooning, fainting, passing out, no other injury  |
| 54   | Asphyxiation                                    | Strangulation, drowning   |
| 55   | Vascular  | Cerebrovascular and other conditions of circulatory systems NOC; excludes heart and hemorrhoids; includes strokes, varicose veins-non-toxic   |
| 58   | Vision Loss                                     | *   |
| 59   | All Other Specific Injuries NOC                 | *   |

\*Description intentionally left blank

| CODE   | NATURE OF INJURY  | NARRATIVE DESCRIPTION  |
|--|---|--|
| <b>II. OCCUPATIONAL DISEASE OR CUMULATIVE INJURY</b> |   |  |
| 60   | Dust Disease NOC  | All other pneumoconiosis   |
| 61   | Asbestosis  | Lung disease, a form of pneumoconiosis, resulting from protracted inhalation of asbestos particles   |
| 62   | Black Lung  | The chronic lung disease or pneumoconiosis found in coal miners  |
| 63   | Byssinosis  | Pneumoconiosis of cotton, flax and hemp workers  |
| 64   | Silicosis   | Pneumoconiosis resulting from inhalation of silica (quartz) dust   |
| 65   | Respiratory Disorders                                       | Gases, fumes, chemicals, etc.  |
| 66   | Poisoning-Chemical (Other than Metals)                      | Man-made or organic  |
| 67   | Poisoning-Metal   | Man-made   |
| 68   | Dermatitis  | Rash, skin or tissue inflammation including boils, etc. generally resulting from the direct contact with irritants or sensitizing chemicals such as drugs, oils, biologic agents, plants, woods or metals which may be in the form of solids, pastes, liquids, or vapors and which may be contacted in the pure state or in compounds or in combination with other materials; do <b>not</b> include skin tissue damage resulting from corrosive action of chemicals, burns from contact with hot substances, effects of exposure to radiation, effects of exposure to low temperatures or inflammation or irritation resulting from friction or impact |
| 69   | Mental Disorder   | A clinically significant behavioral or psychological syndrome or pattern typically associated with either a distressing symptom or impairment function. i.e., acute anxiety, neurosis, stress, non-toxic depression  |
| 70   | Radiation   | All forms of damage to tissue, bones or body fluids produced by exposure to radiation  |
| 71   | All Other Occupational Disease Injury NOC                   | *  |
| 72   | Loss of Hearing   | *  |
| 73   | Contagious Disease  | *  |
| 74   | Cancer  | *  |
| 75   | AIDS  | *  |
| 76   | VDT-Related Diseases  | Video display terminal diseases other than carpal tunnel syndrome  |
| 77   | Mental Stress   | *  |
| 78   | Carpal Tunnel Syndrome                                      | Soreness, tenderness and weakness of the muscles of the thumb caused by pressure on the median nerve at the point at which it goes through the carpal tunnel of the wrist  |
| 79   | Hepatitis C   | *  |
| 80   | All Other Cumulative Injury, NOC                            | *  |
| <b>II. MULTIPLE INJURIES</b>                         |   |  |
| 90   | Multiple Physical Injuries Only                             | *  |
| 91   | Multiple Injuries Including Both Physical and Psychological | *  |

\*Description intentionally left blank

**3. CAUSE OF INJURY CODES**

| CODE | CAUSE OF INJURY                                     | NARRATIVE DESCRIPTION   |
|------|---|---|
|      | <b>I. BURN OR SCALD-HEAT OR COLD – CONTACT WITH</b> |   |
| 01   | Chemicals   | Includes hydrochloric acid, sulfuric acid, battery acid, methanol, antifreeze   |
| 02   | Hot Objects or Substances                           | *   |
| 03   | Temperature Extremes                                | Non-impact injuries resulting in a burn due to hot or cold temperature extremes. Includes freezing or frostbite.  |
| 04   | Fire or Flame                                       | *   |
| 05   | Steam or Hot Fluids                                 | *   |
| 06   | Dust, Gases, Fumes or Vapors                        | Includes inhalation of carbon dioxide, carbon monoxide, propane, methane, silica(quartz), asbestos dust and smoke   |
| 07   | Welding Operation                                   | Includes welder's flash (burns to skin or eyes as a result of exposure to intense light from welding)   |
| 08   | Radiation   | Includes effects of ionizing radiation found in X-rays, microwaves, nuclear reactor waste, radiating substances and equipment. Includes non-ionizing radiation such as sunburn. |
| 09   | Contact With NOC                                    | Not otherwise classified in any other code. Includes cleaning agents and fertilizers.   |
| 11   | Cold Objects or Substances                          | *   |
| 14   | Abnormal Air Pressure                               | *   |
| 84   | Electrical Current                                  | Includes electric shock, electrocution and lightning  |
|      | <b>II. CAUGHT IN, UNDER OR BETWEEN</b>              |   |
| 10   | Machine or Machinery                                | Running or meshing objects, a moving and a stationary object, two or more moving objects  |
| 12   | Object Handled                                      | Includes medical hospital bed & parts, wheelchair, clothespin vise  |
| 13   | Caught In, Under or Between NOC                     | Not otherwise classified in any other code  |
| 20   | Collapsing Materials (Slides of Earth)              | Either man made or natural  |
|      | <b>III. CUT, PUNCTURE, SCRAPE INJURED BY</b>        |   |
| 15   | Broken Glass  | *   |
| 16   | Hand Tool, Utensil; Not Powered                     | Includes needle, pencil, knife, hammer, saw, axe, screwdriver   |
| 17   | Object Being Lifted or Handled                      | Includes being cut, punctured or scraped by a person or object being lifted or handled  |
| 18   | Powered Hand Tool, Appliance                        | Includes drill, grinder, sander, iron, blender, welding tools, nail gun   |
| 19   | Cut, Puncture, Scrape NOC                           | Not otherwise classified in any other code. Includes power actuated tools   |
|      | <b>IV. FALL, SLIP OR TRIP INJURY</b>                |   |
| 25   | From Different Level (Elevation)                    | Includes collapsing chairs, falling from piled materials, off wall, catwalk, bridge   |
| 26   | From Ladder or Scaffolding                          | *   |
| 27   | From Liquid or Grease Spills                        | *   |
| 28   | Into Openings                                       | Includes mining shafts, excavations, floor openings, elevator shafts  |
| 29   | On Same Level                                       | *   |
| 30   | Slip or Trip, Did not Fall                          | Slip or trip and did not come in contact with floor or ground   |

\*Description intentionally left blank

| CODE  | CAUSE OF INJURY                             | NARRATIVE DESCRIPTION   |
|---|---|---|
| 31  | Fall, Slip or Trip NOC                      | Not otherwise classified in any other code. Includes tripping over object, slipping on organic material, slip but fall not specified  |
| 32  | On Ice or Snow                              | *   |
| 33  | On Stairs                                   | *   |
| <b>V. MOTOR VEHICLE</b>   |   |   |
| 40  | Crash of Water Vehicle                      | *   |
| 41  | Crash of Rail Vehicle                       | *   |
| 45  | Collision or Sideswipe With Another Vehicle | Vehicle collision, both vehicles in motion  |
| 46  | Collision with a Fixed Object               | Collision occurring with standing vehicle or stationary object  |
| 47  | Crash of Airplane                           | *   |
| 48  | Vehicle Upset                               | Includes overturned or jack-knifed  |
| 50  | Motor Vehicle NOC                           | Not otherwise classified in any other code. Includes injuries due to sudden stop or start, being thrown against interior parts of the vehicle and vehicle contents being thrown against occupants.  |
| <b>VI. STRAIN OR INJURY BY</b>  |   |   |
| 52  | Continual Noise                             | Injury to the ears or hearing due to cumulative effects of constant or repetitive noise   |
| 53  | Twisting                                    | Free bodily motion that imposes stress or strain on some part of body. Includes assumption of unnatural position, involuntary motions induced by sudden noise, fright or loss of balance.   |
| 54  | Jumping or Leaping                          | *   |
| 55  | Holding or Carrying                         | Applies to objects or people. Includes restraining a person.  |
| 56  | Lifting                                     | Includes objects or people  |
| 57  | Pushing or Pulling                          | Includes objects or people  |
| 58  | Reaching                                    | *   |
| 59  | Using Tool or Machinery                     | *   |
| 60  | Strain or Injury By NOC                     | Not otherwise classified in any other code  |
| 61  | Welding or Throwing                         | Physical effort or overexertion from attempts to resist a force applied by an object being handled  |
| 97  | Repetitive Motion                           | Cumulative injury or condition caused by continual, repeated motions; strain by excessive use. Includes Carpal Tunnel Syndrome.   |
| <b>VII. STRIKING AGAINST OR STEPPING ON</b>                             |   |   |
| 65  | Moving Part of Machine                      | *   |
| 66  | Object Being Lifted or Handled              | *   |
| 67  | Sanding, Scraping, Cleaning Operation       | Includes scratches or abrasions caused by sanding, scraping, cleaning operations  |
| 68  | Stationary Object                           | *   |
| 69  | Stepping on Sharp Object                    | *   |
| 70  | Striking Against or Stepping on NOC         | Not otherwise classified in any other code  |
| <b>VIII. STRUCK OR INJURED BY (INCLUDES KICKED, STABBED, BIT, ETC.)</b> |   |   |
| 74  | Fellow Worker, Patient or Other Person      | NOTE: Applies to cases in which the injury was produced by the impact created by the source of injury, rather than by the injured person.<br>Struck by co-worker, either on purpose or accidentally. Includes being struck by a patient while lifting or moving them not in the act of a crime. |
| 75  | Falling or Flying Object                    | *   |
| 76  | Hand Tool or Machine in Use                 | *   |
| 77  | Motor Vehicle                               | *   |
| 78  | Moving Parts of Machine                     | *   |
| 79  | Object Being Lifted or Handled              | Includes dropping object on body part.  |

\*Description intentionally left blank

| CODE | CAUSE OF INJURY                         | NARRATIVE DESCRIPTION  |
|------|---|--|
| 80   | Object Handled By Others                | Includes another person dropping object on injured person's body part  |
| 81   | Struck or Injured NOC                   | Not otherwise classified in any other code. Includes kicked, stabbed, bitten   |
| 85   | Animal or Insect                        | Includes bite, sting or allergic reaction  |
| 86   | Explosion or Flare Back                 | Rapid expansion, outbreak, bursting or upheaval. Includes explosion of cars, bottles, aerosol cans or buildings. "Flare back" involves superheated air and combustible gases at temperatures below the ignition temperature. |
|      | <b>IX. RUBBED OR ABRADED BY</b>         | Not otherwise classified in any other code. Includes foreign body in ears.   |
| 94   | Repetitive Motion                       | Caused by repeated rubbing or abrading; applies to non-impact cases in which the injury was produced by pressure, vibration or friction between the person and the source of injury. Includes callous, blister.              |
| 95   | Rubbed or Abraded by, NOC               | *  |
|      | <b>X. MISCELLANEOUS CAUSES</b>          |  |
| 82   | Absorption, Ingestion or Inhalation NOC | Not otherwise classified in any other code. Applies only to non-impact cases in which the injury resulted from inhalation, absorption (skin contact) or ingestion of harmful substances.                                     |
| 87   | Foreign Matter (Body) in Eye(s)         | Injury to eyes resulting from foreign matter that is not otherwise classified in any other code  |
| 88   | Natural Disasters                       | Injury resulting from natural disaster. Includes hurricane, earthquake, tornado, flood, forest fire  |
| 89   | Person in Act of a Crime                | Specific injury, other than gunshot, caused as a result of contact between injured person and another person in the act of committing a crime. Includes robbery or criminal assault.   |
| 90   | Other Than Physical Cause of Injury     | Stress, shock, or psychological trauma that develops in relation to a specific incident or cumulative exposure to conditions.  |
| 91   | Mold                                    | Includes mildew  |
| 93   | Gunshot                                 | Injury is caused by the discharge of a firearm. Includes instances where injury arises from being struck by the fired projectile, burned by muzzle blast or deafened by report of gunshot                                    |
| 96   | Terrorism                               | An act that causes injury to human life, committed by one or more individuals as part of an effort to coerce a population group(s) or to influence the policy or affect the conduct of any government(s) by coercion         |
| 98   | Cumulative NOC                          | Cumulative, not otherwise classified in any other code. Involves cases in which cause of injury occurred over a period of time, any condition increasing in severity over time   |
| 99   | Other-Miscellaneous NOC                 | Not otherwise classified in any other code   |

\*Description intentionally left blank

**O. Vocational Rehabilitation Indicator**

The one digit alpha code that is used to indicate if vocational rehabilitation costs are involved in the claim.

| Code | Description  |
|------|--|
| Y    | Claim includes Vocational Rehabilitation Costs         |
| N    | Claim does not include Vocational Rehabilitation Costs |

**P. Lump Sum Indicator**

The one digit alpha code that is used to indicate whether the claim has been settled with a lump sum amount.

| Code | Description   |
|------|---|
| Y    | Claim has been settled by an agreement to a lump sum amount |
| N    | Claim has not been settled with a lump sum agreement        |

**Q. Fraudulent Claim Code**

The two digit numeric code indicates if fraud is involved in the claim.

| Code | Description          |
|------|----------------------|
| 00   | Not Fraudulent       |
| 01   | Partially Fraudulent |
| 02   | Fully Fraudulent     |

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**PART 7 – PENSION TABLES****A. Scope and Effective Date of the Pension Tables**

The reporting of incurred indemnity amounts for pension payments associated with fatal and permanent total injuries should reflect a case reserve based on the annuity values contained in this section. The annuity values are an estimate of the present value of an annual indemnity benefit which begins with a value of one dollar but is subject to applicable cost of living adjustments (escalation). The duration of the pension payments is a function of the beneficiary type – injured worker, surviving spouse or dependents other than the surviving spouse.

Pension benefits for a permanent total injury are paid to the injured worker until death. A surviving spouse is entitled to benefits until remarriage or death. Lastly, dependents other than a surviving spouse are entitled to benefits until death or until they are fully self-supporting (typically, upon reaching the age of eighteen.)

The pension tables reflect the 1999 United States Life Table and the 1980 Railroad Retirement Board remarriage table. In the case of Table III, the tables also vary as to the gender of the injured worker.

These tables are provided as a guide for helping carriers compute claim reserves.

To reflect the time value of money, all of the tables assume an annual discount rate of 3.5%. The escalation factor included in each table is shown at the bottom of each table.

**B. Pension Table Guide****1. Surviving Spouse Pension Table**

- USL&HW – Table I-B (escalation rate = 4.0%)
- All Other North Carolina – Table I-A

**2. Present Value of Remarriage Dowry**

- USL&HW – Table II-B
- All Other North Carolina – Table II-A

**3. Pension Table (Other Than Surviving Spouse)**

- USL&HW – Table III-M-C and Table III-F-C
- All Other North Carolina – Table III-M-A and Table III-F-A

**4. Present Value of Survivorship Benefits**

- USL&HW – Table IV-B



**TABLE I-A**  
**Surviving Spouse Pension Table\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 16                         | 11.510           | 11.837               | 13.022               | 13.691               | 14.240               | 14.742               | 21                           |
| 17                         | 11.579           | 11.915               | 13.115               | 13.796               | 14.358               | 14.873               | 22                           |
| 18                         | 11.654           | 12.000               | 13.216               | 13.911               | 14.486               | 15.015               | 23                           |
| 19                         | 11.735           | 12.091               | 13.324               | 14.034               | 14.624               | 15.168               | 24                           |
| 20                         | 11.823           | 12.189               | 13.442               | 14.167               | 14.772               | 15.334               | 25                           |
| 21                         | 12.012           | 12.365               | 13.611               | 14.330               | 14.941               | 15.512               | 26                           |
| 22                         | 12.224           | 12.551               | 13.781               | 14.489               | 15.108               | 15.691               | 27                           |
| 23                         | 12.453           | 12.746               | 13.952               | 14.643               | 15.269               | 15.866               | 28                           |
| 24                         | 12.688           | 12.955               | 14.140               | 14.825               | 15.446               | 16.036               | 29                           |
| 25                         | 12.924           | 13.166               | 14.328               | 15.015               | 15.626               | 16.204               | 30                           |
| 26                         | 13.157           | 13.371               | 14.507               | 15.199               | 15.804               | 16.374               | 31                           |
| 27                         | 13.387           | 13.568               | 14.675               | 15.370               | 15.977               | 16.548               | 32                           |
| 28                         | 13.616           | 13.758               | 14.835               | 15.532               | 16.149               | 16.729               | 33                           |
| 29                         | 13.851           | 13.952               | 14.997               | 15.694               | 16.324               | 16.920               | 34                           |
| 30                         | 14.101           | 14.162               | 15.177               | 15.872               | 16.512               | 17.120               | 35                           |
| 31                         | 14.376           | 14.404               | 15.393               | 16.086               | 16.722               | 17.326               | 36                           |
| 32                         | 14.685           | 14.692               | 15.660               | 16.353               | 16.961               | 17.534               | 37                           |
| 33                         | 15.049           | 15.052               | 15.982               | 16.677               | 17.226               | 17.735               | 38                           |
| 34                         | 15.450           | 15.461               | 16.347               | 17.041               | 17.505               | 17.920               | 39                           |
| 35                         | 15.863           | 15.888               | 16.721               | 17.408               | 17.771               | 18.079               | 40                           |
| 36                         | 16.255           | 16.286               | 17.059               | 17.725               | 17.993               | 18.204               | 41                           |
| 37                         | 16.602           | 16.623               | 17.327               | 17.952               | 18.150               | 18.291               | 42                           |
| 38                         | 16.879           | 16.867               | 17.495               | 18.060               | 18.215               | 18.338               | 43                           |
| 39                         | 17.107           | 17.046               | 17.593               | 18.083               | 18.221               | 18.344               | 44                           |
| 40                         | 17.291           | 17.174               | 17.640               | 18.047               | 18.186               | 18.309               | 45                           |
| 41                         | 17.442           | 17.272               | 17.655               | 17.979               | 18.115               | 18.234               | 46                           |
| 42                         | 17.556           | 17.356               | 17.655               | 17.904               | 18.021               | 18.121               | 47                           |
| 43                         | 17.646           | 17.440               | 17.657               | 17.841               | 17.920               | 17.972               | 48                           |
| 44                         | 17.721           | 17.516               | 17.652               | 17.781               | 17.809               | 17.791               | 49                           |
| 45                         | 17.776           | 17.570               | 17.629               | 17.708               | 17.679               | 17.583               | 50                           |
| 46                         | 17.790           | 17.580               | 17.570               | 17.602               | 17.518               | 17.350               | 51                           |
| 47                         | 17.751           | 17.534               | 17.464               | 17.449               | 17.319               | 17.097               | 52                           |
| 48                         | 17.643           | 17.414               | 17.295               | 17.233               | 17.066               | 16.827               | 53                           |
| 49                         | 17.503           | 17.257               | 17.099               | 16.992               | 16.797               | 16.544               | 54                           |
| 50                         | 17.333           | 17.067               | 16.880               | 16.733               | 16.517               | 16.252               | 55                           |
| 51                         | 17.134           | 16.852               | 16.642               | 16.460               | 16.228               | 15.954               | 56                           |
| 52                         | 16.907           | 16.615               | 16.388               | 16.177               | 15.932               | 15.650               | 57                           |
| 53                         | 16.656           | 16.356               | 16.119               | 15.887               | 15.631               | 15.342               | 58                           |
| 54                         | 16.389           | 16.082               | 15.836               | 15.590               | 15.325               | 15.029               | 59                           |
| 55                         | 16.109           | 15.796               | 15.543               | 15.286               | 15.014               | 14.711               | 60                           |
| 56                         | 15.821           | 15.502               | 15.242               | 14.976               | 14.696               | 14.388               | 61                           |
| 57                         | 15.525           | 15.201               | 14.934               | 14.660               | 14.374               | 14.060               | 62                           |
| 58                         | 15.223           | 14.893               | 14.620               | 14.338               | 14.047               | 13.729               | 63                           |
| 59                         | 14.914           | 14.579               | 14.299               | 14.011               | 13.715               | 13.392               | 64                           |
| 60                         | 14.599           | 14.258               | 13.974               | 13.679               | 13.377               | 13.051               | 65                           |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 0.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE I-A  
Surviving Spouse Pension Table\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[X] | $\bar{a}$<br>[X] + 1 | $\bar{a}$<br>[X] + 2 | $\bar{a}$<br>[X] + 3 | $\bar{a}$<br>[X] + 4 | $\bar{a}$<br>[X] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 61                         | 14.279           | 13.934               | 13.645               | 13.344               | 13.035               | 12.704               | 66                           |
| 62                         | 13.956           | 13.607               | 13.312               | 13.004               | 12.688               | 12.351               | 67                           |
| 63                         | 13.634           | 13.279               | 12.977               | 12.661               | 12.336               | 11.992               | 68                           |
| 64                         | 13.310           | 12.948               | 12.637               | 12.312               | 11.978               | 11.628               | 69                           |
| 65                         | 12.980           | 12.611               | 12.290               | 11.958               | 11.616               | 11.259               | 70                           |
| 66                         | 12.638           | 12.264               | 11.937               | 11.598               | 11.248               | 10.884               | 71                           |
| 67                         | 12.294           | 11.916               | 11.578               | 11.231               | 10.873               | 10.502               | 72                           |
| 68                         | 11.939           | 11.559               | 11.213               | 10.859               | 10.492               | 10.116               | 73                           |
| 69                         | 11.579           | 11.197               | 10.842               | 10.480               | 10.107               | 9.727                | 74                           |
| 70                         | 11.214           | 10.829               | 10.466               | 10.097               | 9.720                | 9.338                | 75                           |
| 71                         | 10.844           | 10.456               | 10.086               | 9.712                | 9.332                | 8.949                | 76                           |
| 72                         | 10.467           | 10.077               | 9.703                | 9.326                | 8.944                | 8.559                | 77                           |
| 73                         | 10.086           | 9.696                | 9.319                | 8.939                | 8.555                | 8.170                | 78                           |
| 74                         | 9.702            | 9.312                | 8.933                | 8.551                | 8.167                | 7.783                | 79                           |
| 75                         | 9.316            | 8.927                | 8.546                | 8.163                | 7.780                | 7.401                | 80                           |
| 76                         | 8.930            | 8.540                | 8.159                | 7.778                | 7.399                | 7.026                | 81                           |
| 77                         | 8.543            | 8.153                | 7.773                | 7.397                | 7.025                | 6.659                | 82                           |
| 78                         | 8.156            | 7.769                | 7.393                | 7.022                | 6.658                | 6.303                | 83                           |
| 79                         | 7.771            | 7.389                | 7.019                | 6.656                | 6.303                | 5.963                | 84                           |
| 80                         | 7.391            | 7.016                | 6.654                | 6.301                | 5.962                | 5.639                | 85                           |
| 81                         | 7.019            | 6.652                | 6.299                | 5.961                | 5.639                | 5.330                | 86                           |
| 82                         | 6.654            | 6.299                | 5.960                | 5.638                | 5.330                | 5.036                | 87                           |
| 83                         | 6.301            | 5.960                | 5.638                | 5.330                | 5.035                | 4.756                | 88                           |
| 84                         | 5.961            | 5.638                | 5.330                | 5.035                | 4.755                | 4.489                | 89                           |
| 85                         | 5.638            | 5.329                | 5.035                | 4.755                | 4.489                | 4.238                | 90                           |
| 86                         | 5.329            | 5.035                | 4.755                | 4.489                | 4.238                | 4.000                | 91                           |
| 87                         | 5.035            | 4.755                | 4.489                | 4.238                | 4.000                | 3.775                | 92                           |
| 88                         | 4.755            | 4.489                | 4.237                | 4.000                | 3.775                | 3.564                | 93                           |
| 89                         | 4.489            | 4.237                | 3.999                | 3.775                | 3.563                | 3.364                | 94                           |
| 90                         | 4.237            | 3.999                | 3.775                | 3.563                | 3.364                | 3.176                | 95                           |
| 91                         | 3.999            | 3.775                | 3.563                | 3.364                | 3.176                | 2.998                | 96                           |
| 92                         | 3.775            | 3.563                | 3.364                | 3.176                | 2.998                | 2.828                | 97                           |
| 93                         | 3.563            | 3.364                | 3.175                | 2.997                | 2.828                | 2.665                | 98                           |
| 94                         | 3.364            | 3.175                | 2.997                | 2.828                | 2.665                | 2.506                | 99                           |
| 95                         | 3.175            | 2.997                | 2.828                | 2.665                | 2.506                | 2.345                | 100                          |
| 96                         | 2.997            | 2.828                | 2.665                | 2.506                | 2.345                | 2.215                | 101                          |
| 97                         | 2.828            | 2.665                | 2.505                | 2.345                | 2.214                | 2.088                | 102                          |
| 98                         | 2.665            | 2.505                | 2.345                | 2.214                | 2.088                | 1.962                | 103                          |
| 99                         | 2.505            | 2.345                | 2.214                | 2.088                | 1.962                | 1.840                | 104                          |
| 100                        | 2.345            | 2.214                | 2.088                | 1.962                | 1.840                | 1.719                | 105                          |
| 101                        | 2.213            | 2.086                | 1.960                | 1.837                | 1.715                | 1.584                | 106                          |
| 102                        | 2.086            | 1.960                | 1.837                | 1.715                | 1.584                | 1.433                | 107                          |
| 103                        | 1.960            | 1.837                | 1.715                | 1.584                | 1.433                | 1.250                | 108                          |
| 104                        | 1.837            | 1.715                | 1.584                | 1.433                | 1.250                | 0.955                | 109                          |
| 105                        | 1.715            | 1.584                | 1.433                | 1.250                | 0.955                | 0.500                | 110                          |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 0.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE I-A  
Surviving Spouse Pension Table\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 106                        | 1.584            | 1.433                | 1.250                | 0.955                | 0.500                |                      | 111                          |
| 107                        | 1.433            | 1.250                | 0.955                | 0.500                |                      |                      | 112                          |
| 108                        | 1.250            | 0.955                | 0.500                |                      |                      |                      | 113                          |
| 109                        | 0.955            | 0.500                |                      |                      |                      |                      | 114                          |
| 110                        | 0.500            |                      |                      |                      |                      |                      | 115                          |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 0.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to beneficiary's attained age.

**TABLE I-B  
Surviving Spouse Pension Table\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 16                         | 26.047           | 27.027               | 29.921               | 31.560               | 32.873               | 34.031               | 21                           |
| 17                         | 26.221           | 27.215               | 30.137               | 31.796               | 33.127               | 34.302               | 22                           |
| 18                         | 26.402           | 27.411               | 30.362               | 32.041               | 33.390               | 34.584               | 23                           |
| 19                         | 26.591           | 27.615               | 30.596               | 32.296               | 33.664               | 34.876               | 24                           |
| 20                         | 26.787           | 27.826               | 30.838               | 32.561               | 33.949               | 35.180               | 25                           |
| 21                         | 27.222           | 28.214               | 31.192               | 32.880               | 34.263               | 35.496               | 26                           |
| 22                         | 27.697           | 28.611               | 31.531               | 33.175               | 34.553               | 35.791               | 27                           |
| 23                         | 28.196           | 29.012               | 31.855               | 33.437               | 34.813               | 36.059               | 28                           |
| 24                         | 28.701           | 29.435               | 32.202               | 33.749               | 35.087               | 36.296               | 29                           |
| 25                         | 29.193           | 29.847               | 32.534               | 34.060               | 35.350               | 36.507               | 30                           |
| 26                         | 29.659           | 30.227               | 32.827               | 34.337               | 35.588               | 36.700               | 31                           |
| 27                         | 30.098           | 30.567               | 33.074               | 34.567               | 35.796               | 36.883               | 32                           |
| 28                         | 30.516           | 30.875               | 33.282               | 34.753               | 35.978               | 37.059               | 33                           |
| 29                         | 30.929           | 31.171               | 33.477               | 34.919               | 36.146               | 37.232               | 34                           |
| 30                         | 31.360           | 31.487               | 33.692               | 35.100               | 36.319               | 37.400               | 35                           |
| 31                         | 31.834           | 31.861               | 33.968               | 35.340               | 36.517               | 37.556               | 36                           |
| 32                         | 32.372           | 32.323               | 34.341               | 35.674               | 36.751               | 37.688               | 37                           |
| 33                         | 33.021           | 32.926               | 34.814               | 36.106               | 37.016               | 37.779               | 38                           |
| 34                         | 33.732           | 33.615               | 35.355               | 36.598               | 37.281               | 37.809               | 39                           |
| 35                         | 34.440           | 34.312               | 35.886               | 37.063               | 37.491               | 37.761               | 40                           |
| 36                         | 35.063           | 34.909               | 36.301               | 37.386               | 37.580               | 37.621               | 41                           |
| 37                         | 35.541           | 35.329               | 36.528               | 37.490               | 37.508               | 37.385               | 42                           |
| 38                         | 35.819           | 35.510               | 36.511               | 37.316               | 37.228               | 37.053               | 43                           |
| 39                         | 35.957           | 35.520               | 36.323               | 36.949               | 36.815               | 36.630               | 44                           |
| 40                         | 35.974           | 35.404               | 36.012               | 36.450               | 36.311               | 36.120               | 45                           |
| 41                         | 35.902           | 35.208               | 35.624               | 35.881               | 35.730               | 35.529               | 46                           |
| 42                         | 35.740           | 34.974               | 35.204               | 35.299               | 35.107               | 34.865               | 47                           |
| 43                         | 35.525           | 34.737               | 34.785               | 34.743               | 34.474               | 34.140               | 48                           |
| 44                         | 35.274           | 34.480               | 34.354               | 34.193               | 33.826               | 33.363               | 49                           |
| 45                         | 34.976           | 34.173               | 33.887               | 33.626               | 33.149               | 32.545               | 50                           |
| 46                         | 34.593           | 33.779               | 33.354               | 33.000               | 32.424               | 31.696               | 51                           |
| 47                         | 34.098           | 33.272               | 32.732               | 32.293               | 31.639               | 30.826               | 52                           |
| 48                         | 33.467           | 32.625               | 31.997               | 31.478               | 30.769               | 29.943               | 53                           |
| 49                         | 32.781           | 31.915               | 31.225               | 30.633               | 29.889               | 29.054               | 54                           |
| 50                         | 32.048           | 31.157               | 30.424               | 29.771               | 29.005               | 28.167               | 55                           |
| 51                         | 31.272           | 30.365               | 29.604               | 28.902               | 28.125               | 27.287               | 56                           |
| 52                         | 30.458           | 29.549               | 28.771               | 28.034               | 27.250               | 26.418               | 57                           |
| 53                         | 29.615           | 28.708               | 27.928               | 27.171               | 26.385               | 25.559               | 58                           |
| 54                         | 28.761           | 27.859               | 27.080               | 26.314               | 25.531               | 24.711               | 59                           |
| 55                         | 27.901           | 27.007               | 26.232               | 25.464               | 24.685               | 23.872               | 60                           |
| 56                         | 27.043           | 26.157               | 25.387               | 24.621               | 23.848               | 23.044               | 61                           |
| 57                         | 26.191           | 25.314               | 24.550               | 23.787               | 23.022               | 22.227               | 62                           |
| 58                         | 25.346           | 24.478               | 23.719               | 22.962               | 22.205               | 21.420               | 63                           |
| 59                         | 24.507           | 23.648               | 22.897               | 22.147               | 21.398               | 20.625               | 64                           |
| 60                         | 23.676           | 22.827               | 22.086               | 21.342               | 20.602               | 19.839               | 65                           |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 4.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age

**TABLE I-B  
Surviving Spouse Pension Table\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 61                         | 22.856           | 22.019               | 21.286               | 20.548               | 19.815               | 19.063               | 66                           |
| 62                         | 22.049           | 21.223               | 20.498               | 19.767               | 19.038               | 18.295               | 67                           |
| 63                         | 21.261           | 20.443               | 19.723               | 18.997               | 18.272               | 17.537               | 68                           |
| 64                         | 20.488           | 19.676               | 18.959               | 18.237               | 17.516               | 16.788               | 69                           |
| 65                         | 19.722           | 18.918               | 18.203               | 17.486               | 16.770               | 16.049               | 70                           |
| 66                         | 18.956           | 18.161               | 17.454               | 16.743               | 16.033               | 15.319               | 71                           |
| 67                         | 18.204           | 17.421               | 16.713               | 16.009               | 15.304               | 14.598               | 72                           |
| 68                         | 17.453           | 16.683               | 15.981               | 15.283               | 14.584               | 13.887               | 73                           |
| 69                         | 16.711           | 15.957               | 15.259               | 14.567               | 13.876               | 13.191               | 74                           |
| 70                         | 15.980           | 15.240               | 14.547               | 13.861               | 13.181               | 12.511               | 75                           |
| 71                         | 15.259           | 14.532               | 13.846               | 13.170               | 12.503               | 11.847               | 76                           |
| 72                         | 14.547           | 13.833               | 13.157               | 12.494               | 11.841               | 11.199               | 77                           |
| 73                         | 13.844           | 13.147               | 12.484               | 11.834               | 11.194               | 10.567               | 78                           |
| 74                         | 13.155           | 12.475               | 11.826               | 11.189               | 10.563               | 9.954                | 79                           |
| 75                         | 12.480           | 11.817               | 11.181               | 10.559               | 9.950                | 9.362                | 80                           |
| 76                         | 11.821           | 11.173               | 10.552               | 9.947                | 9.359                | 8.792                | 81                           |
| 77                         | 11.177           | 10.545               | 9.941                | 9.356                | 8.791                | 8.247                | 82                           |
| 78                         | 10.548           | 9.935                | 9.351                | 8.788                | 8.246                | 7.728                | 83                           |
| 79                         | 9.937            | 9.346                | 8.784                | 8.243                | 7.727                | 7.240                | 84                           |
| 80                         | 9.349            | 8.780                | 8.240                | 7.725                | 7.239                | 6.784                | 85                           |
| 81                         | 8.783            | 8.238                | 7.723                | 7.237                | 6.783                | 6.354                | 86                           |
| 82                         | 8.241            | 7.723                | 7.236                | 6.782                | 6.354                | 5.951                | 87                           |
| 83                         | 7.725            | 7.236                | 6.782                | 6.353                | 5.951                | 5.573                | 88                           |
| 84                         | 7.238            | 6.782                | 6.353                | 5.950                | 5.573                | 5.219                | 89                           |
| 85                         | 6.782            | 6.353                | 5.950                | 5.573                | 5.219                | 4.889                | 90                           |
| 86                         | 6.353            | 5.950                | 5.572                | 5.219                | 4.889                | 4.580                | 91                           |
| 87                         | 5.950            | 5.572                | 5.219                | 4.889                | 4.580                | 4.293                | 92                           |
| 88                         | 5.572            | 5.218                | 4.888                | 4.580                | 4.293                | 4.025                | 93                           |
| 89                         | 5.218            | 4.888                | 4.580                | 4.292                | 4.025                | 3.775                | 94                           |
| 90                         | 4.888            | 4.580                | 4.292                | 4.024                | 3.774                | 3.541                | 95                           |
| 91                         | 4.580            | 4.292                | 4.024                | 3.774                | 3.541                | 3.322                | 96                           |
| 92                         | 4.292            | 4.024                | 3.774                | 3.541                | 3.322                | 3.116                | 97                           |
| 93                         | 4.024            | 3.774                | 3.540                | 3.322                | 3.116                | 2.920                | 98                           |
| 94                         | 3.774            | 3.540                | 3.322                | 3.116                | 2.919                | 2.730                | 99                           |
| 95                         | 3.540            | 3.322                | 3.116                | 2.919                | 2.730                | 2.542                | 100                          |
| 96                         | 3.322            | 3.116                | 2.919                | 2.729                | 2.542                | 2.387                | 101                          |
| 97                         | 3.116            | 2.919                | 2.729                | 2.541                | 2.387                | 2.240                | 102                          |
| 98                         | 2.919            | 2.729                | 2.541                | 2.387                | 2.240                | 2.093                | 103                          |
| 99                         | 2.729            | 2.541                | 2.387                | 2.240                | 2.093                | 1.951                | 104                          |
| 100                        | 2.541            | 2.387                | 2.239                | 2.093                | 1.951                | 1.812                | 105                          |
| 101                        | 2.387            | 2.240                | 2.093                | 1.951                | 1.812                | 1.662                | 106                          |
| 102                        | 2.240            | 2.093                | 1.951                | 1.812                | 1.662                | 1.487                | 107                          |
| 103                        | 2.093            | 1.951                | 1.812                | 1.662                | 1.487                | 1.275                | 108                          |
| 104                        | 1.951            | 1.812                | 1.662                | 1.487                | 1.275                | 0.964                | 109                          |
| 105                        | 1.812            | 1.662                | 1.487                | 1.275                | 0.964                | 0.500                | 110                          |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 4.0%

\*\* For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE I-B  
Surviving Spouse Pension Table\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 106                        | 1.662            | 1.487                | 1.275                | 0.964                | 0.500                |                      | 111                          |
| 107                        | 1.487            | 1.275                | 0.964                | 0.500                |                      |                      | 112                          |
| 108                        | 1.275            | 0.964                | 0.500                |                      |                      |                      | 113                          |
| 109                        | 0.964            | 0.500                |                      |                      |                      |                      | 114                          |
| 110                        | 0.500            |                      |                      |                      |                      |                      | 115                          |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 4.0%

\*\* For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE II-A**  
**Present Value of Remarriage Dowry\***

| Age at Widowhood (X) | a [x]  | a [x] + 1 | a [x] + 2 | a [x] + 3 | a [x] + 4 | a [x] + 5 | Attained Age** (X + 5) |
|----------------------|--------|-----------|-----------|-----------|-----------|-----------|------------------------|
| 16                   | 0.5698 | 0.5548    | 0.5072    | 0.4787    | 0.4544    | 0.4315    | 21                     |
| 17                   | 0.5650 | 0.5495    | 0.5009    | 0.4715    | 0.4464    | 0.4226    | 22                     |
| 18                   | 0.5599 | 0.5437    | 0.4940    | 0.4638    | 0.4377    | 0.4130    | 23                     |
| 19                   | 0.5543 | 0.5375    | 0.4866    | 0.4554    | 0.4284    | 0.4027    | 24                     |
| 20                   | 0.5484 | 0.5309    | 0.4787    | 0.4464    | 0.4183    | 0.3915    | 25                     |
| 21                   | 0.5383 | 0.5209    | 0.4684    | 0.4359    | 0.4071    | 0.3794    | 26                     |
| 22                   | 0.5270 | 0.5103    | 0.4578    | 0.4253    | 0.3957    | 0.3671    | 27                     |
| 23                   | 0.5148 | 0.4991    | 0.4469    | 0.4145    | 0.3841    | 0.3544    | 28                     |
| 24                   | 0.5020 | 0.4870    | 0.4350    | 0.4022    | 0.3716    | 0.3416    | 29                     |
| 25                   | 0.4888 | 0.4744    | 0.4227    | 0.3893    | 0.3585    | 0.3284    | 30                     |
| 26                   | 0.4755 | 0.4618    | 0.4103    | 0.3762    | 0.3451    | 0.3147    | 31                     |
| 27                   | 0.4619 | 0.4491    | 0.3981    | 0.3633    | 0.3314    | 0.3004    | 32                     |
| 28                   | 0.4479 | 0.4364    | 0.3858    | 0.3503    | 0.3174    | 0.2854    | 33                     |
| 29                   | 0.4333 | 0.4231    | 0.3731    | 0.3369    | 0.3028    | 0.2695    | 34                     |
| 30                   | 0.4177 | 0.4087    | 0.3592    | 0.3224    | 0.2872    | 0.2527    | 35                     |
| 31                   | 0.4005 | 0.3925    | 0.3433    | 0.3058    | 0.2701    | 0.2351    | 36                     |
| 32                   | 0.3813 | 0.3738    | 0.3246    | 0.2865    | 0.2513    | 0.2169    | 37                     |
| 33                   | 0.3591 | 0.3514    | 0.3030    | 0.2641    | 0.2308    | 0.1986    | 38                     |
| 34                   | 0.3347 | 0.3262    | 0.2789    | 0.2392    | 0.2090    | 0.1803    | 39                     |
| 35                   | 0.3091 | 0.2995    | 0.2537    | 0.2135    | 0.1872    | 0.1627    | 40                     |
| 36                   | 0.2837 | 0.2734    | 0.2294    | 0.1894    | 0.1667    | 0.1462    | 41                     |
| 37                   | 0.2597 | 0.2495    | 0.2077    | 0.1687    | 0.1487    | 0.1308    | 42                     |
| 38                   | 0.2384 | 0.2292    | 0.1901    | 0.1530    | 0.1344    | 0.1168    | 43                     |
| 39                   | 0.2188 | 0.2114    | 0.1752    | 0.1408    | 0.1225    | 0.1043    | 44                     |
| 40                   | 0.2006 | 0.1954    | 0.1622    | 0.1310    | 0.1120    | 0.0932    | 45                     |
| 41                   | 0.1834 | 0.1803    | 0.1503    | 0.1223    | 0.1029    | 0.0836    | 46                     |
| 42                   | 0.1674 | 0.1652    | 0.1385    | 0.1135    | 0.0944    | 0.0754    | 47                     |
| 43                   | 0.1517 | 0.1495    | 0.1261    | 0.1036    | 0.0857    | 0.0685    | 48                     |
| 44                   | 0.1361 | 0.1335    | 0.1134    | 0.0930    | 0.0770    | 0.0628    | 49                     |
| 45                   | 0.1208 | 0.1178    | 0.1009    | 0.0824    | 0.0688    | 0.0582    | 50                     |
| 46                   | 0.1069 | 0.1037    | 0.0897    | 0.0729    | 0.0616    | 0.0543    | 51                     |
| 47                   | 0.0951 | 0.0918    | 0.0804    | 0.0654    | 0.0560    | 0.0512    | 52                     |
| 48                   | 0.0864 | 0.0832    | 0.0739    | 0.0608    | 0.0529    | 0.0485    | 53                     |
| 49                   | 0.0788 | 0.0761    | 0.0683    | 0.0571    | 0.0502    | 0.0461    | 54                     |
| 50                   | 0.0722 | 0.0702    | 0.0634    | 0.0539    | 0.0477    | 0.0439    | 55                     |
| 51                   | 0.0667 | 0.0652    | 0.0592    | 0.0511    | 0.0453    | 0.0417    | 56                     |
| 52                   | 0.0623 | 0.0609    | 0.0554    | 0.0484    | 0.0430    | 0.0395    | 57                     |
| 53                   | 0.0587 | 0.0574    | 0.0520    | 0.0458    | 0.0406    | 0.0371    | 58                     |
| 54                   | 0.0556 | 0.0543    | 0.0489    | 0.0432    | 0.0382    | 0.0347    | 59                     |
| 55                   | 0.0528 | 0.0515    | 0.0462    | 0.0407    | 0.0357    | 0.0323    | 60                     |
| 56                   | 0.0502 | 0.0489    | 0.0436    | 0.0382    | 0.0332    | 0.0297    | 61                     |
| 57                   | 0.0476 | 0.0463    | 0.0410    | 0.0357    | 0.0307    | 0.0272    | 62                     |
| 58                   | 0.0451 | 0.0438    | 0.0384    | 0.0332    | 0.0281    | 0.0246    | 63                     |
| 59                   | 0.0426 | 0.0413    | 0.0359    | 0.0307    | 0.0256    | 0.0220    | 64                     |
| 60                   | 0.0402 | 0.0388    | 0.0333    | 0.0282    | 0.0231    | 0.0194    | 65                     |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 0.0%

\*\* For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE II-A**  
**Present Value of Remarriage Dowry\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 61                         | 0.0377           | 0.0363               | 0.0307               | 0.0256               | 0.0206               | 0.0169               | 66                           |
| 62                         | 0.0350           | 0.0336               | 0.0280               | 0.0230               | 0.0181               | 0.0145               | 67                           |
| 63                         | 0.0319           | 0.0306               | 0.0252               | 0.0203               | 0.0157               | 0.0122               | 68                           |
| 64                         | 0.0285           | 0.0275               | 0.0223               | 0.0176               | 0.0134               | 0.0101               | 69                           |
| 65                         | 0.0253           | 0.0244               | 0.0195               | 0.0151               | 0.0112               | 0.0084               | 70                           |
| 66                         | 0.0225           | 0.0218               | 0.0169               | 0.0128               | 0.0094               | 0.0069               | 71                           |
| 67                         | 0.0195           | 0.0188               | 0.0146               | 0.0109               | 0.0079               | 0.0057               | 72                           |
| 68                         | 0.0171           | 0.0164               | 0.0127               | 0.0093               | 0.0066               | 0.0048               | 73                           |
| 69                         | 0.0148           | 0.0142               | 0.0109               | 0.0079               | 0.0056               | 0.0040               | 74                           |
| 70                         | 0.0128           | 0.0122               | 0.0093               | 0.0067               | 0.0048               | 0.0034               | 75                           |
| 71                         | 0.0110           | 0.0104               | 0.0078               | 0.0056               | 0.0040               | 0.0028               | 76                           |
| 72                         | 0.0094           | 0.0088               | 0.0066               | 0.0047               | 0.0033               | 0.0023               | 77                           |
| 73                         | 0.0080           | 0.0075               | 0.0056               | 0.0039               | 0.0028               | 0.0019               | 78                           |
| 74                         | 0.0069           | 0.0064               | 0.0047               | 0.0033               | 0.0023               | 0.0015               | 79                           |
| 75                         | 0.0060           | 0.0055               | 0.0040               | 0.0027               | 0.0018               | 0.0012               | 80                           |
| 76                         | 0.0051           | 0.0047               | 0.0033               | 0.0022               | 0.0015               | 0.0010               | 81                           |
| 77                         | 0.0044           | 0.0041               | 0.0028               | 0.0018               | 0.0012               | 0.0008               | 82                           |
| 78                         | 0.0038           | 0.0035               | 0.0024               | 0.0015               | 0.0010               | 0.0007               | 83                           |
| 79                         | 0.0033           | 0.0030               | 0.0020               | 0.0013               | 0.0008               | 0.0005               | 84                           |
| 80                         | 0.0027           | 0.0025               | 0.0017               | 0.0011               | 0.0007               | 0.0005               | 85                           |
| 81                         | 0.0022           | 0.0020               | 0.0014               | 0.0009               | 0.0006               | 0.0004               | 86                           |
| 82                         | 0.0016           | 0.0015               | 0.0010               | 0.0007               | 0.0005               | 0.0003               | 87                           |
| 83                         | 0.0011           | 0.0010               | 0.0008               | 0.0006               | 0.0004               | 0.0003               | 88                           |
| 84                         | 0.0008           | 0.0007               | 0.0005               | 0.0004               | 0.0003               | 0.0002               | 89                           |
| 85                         | 0.0007           | 0.0007               | 0.0005               | 0.0004               | 0.0003               | 0.0002               | 90                           |
| 86                         | 0.0006           | 0.0006               | 0.0004               | 0.0003               | 0.0002               | 0.0002               | 91                           |
| 87                         | 0.0006           | 0.0005               | 0.0004               | 0.0003               | 0.0002               | 0.0001               | 92                           |
| 88                         | 0.0005           | 0.0005               | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 93                           |
| 89                         | 0.0004           | 0.0004               | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 94                           |
| 90                         | 0.0004           | 0.0004               | 0.0003               | 0.0002               | 0.0001               | 0.0001               | 95                           |
| 91                         | 0.0004           | 0.0003               | 0.0003               | 0.0002               | 0.0001               | 0.0001               | 96                           |
| 92                         | 0.0003           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 97                           |
| 93                         | 0.0003           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0000               | 98                           |
| 94                         | 0.0003           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0000               | 99                           |
| 95                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 100                          |
| 96                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 101                          |
| 97                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 102                          |
| 98                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 103                          |
| 99                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 104                          |
| 100                        | 0.0001           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 105                          |
| 101                        | 0.0001           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 106                          |
| 102                        | 0.0001           | 0.0002               | 0.0001               | 0.0001               | 0.0001               | 0.0000               | 107                          |
| 103                        | 0.0001           | 0.0001               | 0.0001               | 0.0001               | 0.0001               | 0.0000               | 108                          |
| 104                        | 0.0001           | 0.0001               | 0.0001               | 0.0001               | 0.0001               | 0.0000               | 109                          |
| 105                        | 0.0001           | 0.0001               | 0.0001               | 0.0001               | 0.0001               | 0.0000               | 110                          |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 0.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.



**TABLE II-B**  
**Present Value of Remarriage Dowry\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[X] | $\bar{a}$<br>[X] + 1 | $\bar{a}$<br>[X] + 2 | $\bar{a}$<br>[X] + 3 | $\bar{a}$<br>[X] + 4 | $\bar{a}$<br>[X] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 16                         | 0.7847           | 0.7634               | 0.7240               | 0.6947               | 0.6675               | 0.6408               | 21                           |
| 17                         | 0.7729           | 0.7508               | 0.7096               | 0.6790               | 0.6506               | 0.6228               | 22                           |
| 18                         | 0.7608           | 0.7377               | 0.6946               | 0.6626               | 0.6330               | 0.6041               | 23                           |
| 19                         | 0.7482           | 0.7241               | 0.6790               | 0.6457               | 0.6148               | 0.5847               | 24                           |
| 20                         | 0.7351           | 0.7101               | 0.6629               | 0.6281               | 0.5959               | 0.5645               | 25                           |
| 21                         | 0.7189           | 0.6935               | 0.6449               | 0.6093               | 0.5761               | 0.5436               | 26                           |
| 22                         | 0.7017           | 0.6763               | 0.6265               | 0.5902               | 0.5560               | 0.5224               | 27                           |
| 23                         | 0.6836           | 0.6584               | 0.6078               | 0.5710               | 0.5357               | 0.5009               | 28                           |
| 24                         | 0.6646           | 0.6396               | 0.5881               | 0.5506               | 0.5146               | 0.4792               | 29                           |
| 25                         | 0.6451           | 0.6202               | 0.5680               | 0.5295               | 0.4930               | 0.4574               | 30                           |
| 26                         | 0.6252           | 0.6006               | 0.5478               | 0.5083               | 0.4713               | 0.4351               | 31                           |
| 27                         | 0.6049           | 0.5809               | 0.5276               | 0.4871               | 0.4493               | 0.4125               | 32                           |
| 28                         | 0.5843           | 0.5611               | 0.5075               | 0.4661               | 0.4272               | 0.3894               | 33                           |
| 29                         | 0.5630           | 0.5409               | 0.4870               | 0.4448               | 0.4047               | 0.3658               | 34                           |
| 30                         | 0.5406           | 0.5196               | 0.4656               | 0.4227               | 0.3816               | 0.3416               | 35                           |
| 31                         | 0.5167           | 0.4967               | 0.4426               | 0.3990               | 0.3574               | 0.3171               | 36                           |
| 32                         | 0.4907           | 0.4714               | 0.4171               | 0.3729               | 0.3320               | 0.2924               | 37                           |
| 33                         | 0.4617           | 0.4427               | 0.3890               | 0.3443               | 0.3053               | 0.2680               | 38                           |
| 34                         | 0.4304           | 0.4113               | 0.3586               | 0.3135               | 0.2778               | 0.2442               | 39                           |
| 35                         | 0.3979           | 0.3786               | 0.3274               | 0.2823               | 0.2506               | 0.2214               | 40                           |
| 36                         | 0.3659           | 0.3466               | 0.2974               | 0.2529               | 0.2252               | 0.2000               | 41                           |
| 37                         | 0.3358           | 0.3171               | 0.2704               | 0.2271               | 0.2025               | 0.1803               | 42                           |
| 38                         | 0.3089           | 0.2918               | 0.2478               | 0.2067               | 0.1838               | 0.1623               | 43                           |
| 39                         | 0.2843           | 0.2695               | 0.2284               | 0.1901               | 0.1678               | 0.1460               | 44                           |
| 40                         | 0.2616           | 0.2493               | 0.2114               | 0.1763               | 0.1536               | 0.1316               | 45                           |
| 41                         | 0.2402           | 0.2304               | 0.1958               | 0.1640               | 0.1411               | 0.1190               | 46                           |
| 42                         | 0.2201           | 0.2118               | 0.1807               | 0.1519               | 0.1296               | 0.1080               | 47                           |
| 43                         | 0.2005           | 0.1926               | 0.1650               | 0.1390               | 0.1181               | 0.0985               | 48                           |
| 44                         | 0.1810           | 0.1732               | 0.1493               | 0.1257               | 0.1070               | 0.0905               | 49                           |
| 45                         | 0.1619           | 0.1544               | 0.1340               | 0.1125               | 0.0964               | 0.0836               | 50                           |
| 46                         | 0.1444           | 0.1372               | 0.1200               | 0.1006               | 0.0870               | 0.0777               | 51                           |
| 47                         | 0.1294           | 0.1226               | 0.1082               | 0.0908               | 0.0794               | 0.0725               | 52                           |
| 48                         | 0.1180           | 0.1117               | 0.0995               | 0.0842               | 0.0743               | 0.0680               | 53                           |
| 49                         | 0.1078           | 0.1023               | 0.0918               | 0.0785               | 0.0697               | 0.0638               | 54                           |
| 50                         | 0.0989           | 0.0942               | 0.0850               | 0.0734               | 0.0654               | 0.0599               | 55                           |
| 51                         | 0.0912           | 0.0872               | 0.0789               | 0.0688               | 0.0613               | 0.0561               | 56                           |
| 52                         | 0.0847           | 0.0809               | 0.0733               | 0.0644               | 0.0574               | 0.0523               | 57                           |
| 53                         | 0.0792           | 0.0756               | 0.0682               | 0.0602               | 0.0535               | 0.0485               | 58                           |
| 54                         | 0.0742           | 0.0708               | 0.0635               | 0.0561               | 0.0496               | 0.0448               | 59                           |
| 55                         | 0.0697           | 0.0664               | 0.0593               | 0.0522               | 0.0458               | 0.0411               | 60                           |
| 56                         | 0.0654           | 0.0622               | 0.0552               | 0.0483               | 0.0420               | 0.0374               | 61                           |
| 57                         | 0.0613           | 0.0582               | 0.0513               | 0.0446               | 0.0383               | 0.0338               | 62                           |
| 58                         | 0.0574           | 0.0544               | 0.0475               | 0.0409               | 0.0347               | 0.0302               | 63                           |
| 59                         | 0.0536           | 0.0506               | 0.0438               | 0.0373               | 0.0312               | 0.0267               | 64                           |
| 60                         | 0.0499           | 0.0470               | 0.0402               | 0.0339               | 0.0279               | 0.0234               | 65                           |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 4.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE II-B**  
**Present Value of Remarriage Dowry\***

| Age at<br>Widowhood<br>(X) | $\bar{a}$<br>[x] | $\bar{a}$<br>[x] + 1 | $\bar{a}$<br>[x] + 2 | $\bar{a}$<br>[x] + 3 | $\bar{a}$<br>[x] + 4 | $\bar{a}$<br>[x] + 5 | Attained<br>Age**<br>(X + 5) |
|----------------------------|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| 61                         | 0.0462           | 0.0434               | 0.0366               | 0.0305               | 0.0246               | 0.0202               | 66                           |
| 62                         | 0.0424           | 0.0398               | 0.0331               | 0.0271               | 0.0215               | 0.0172               | 67                           |
| 63                         | 0.0384           | 0.0359               | 0.0294               | 0.0237               | 0.0185               | 0.0145               | 68                           |
| 64                         | 0.0341           | 0.0320               | 0.0259               | 0.0205               | 0.0156               | 0.0120               | 69                           |
| 65                         | 0.0300           | 0.0282               | 0.0225               | 0.0174               | 0.0131               | 0.0099               | 70                           |
| 66                         | 0.0265           | 0.0250               | 0.0194               | 0.0147               | 0.0109               | 0.0081               | 71                           |
| 67                         | 0.0229           | 0.0215               | 0.0167               | 0.0125               | 0.0091               | 0.0067               | 72                           |
| 68                         | 0.0200           | 0.0187               | 0.0144               | 0.0106               | 0.0077               | 0.0056               | 73                           |
| 69                         | 0.0173           | 0.0161               | 0.0123               | 0.0090               | 0.0065               | 0.0047               | 74                           |
| 70                         | 0.0149           | 0.0138               | 0.0105               | 0.0076               | 0.0055               | 0.0039               | 75                           |
| 71                         | 0.0127           | 0.0117               | 0.0088               | 0.0064               | 0.0045               | 0.0032               | 76                           |
| 72                         | 0.0108           | 0.0099               | 0.0074               | 0.0053               | 0.0038               | 0.0027               | 77                           |
| 73                         | 0.0092           | 0.0083               | 0.0062               | 0.0044               | 0.0031               | 0.0022               | 78                           |
| 74                         | 0.0078           | 0.0071               | 0.0052               | 0.0037               | 0.0026               | 0.0018               | 79                           |
| 75                         | 0.0068           | 0.0061               | 0.0044               | 0.0030               | 0.0021               | 0.0014               | 80                           |
| 76                         | 0.0058           | 0.0052               | 0.0037               | 0.0025               | 0.0017               | 0.0011               | 81                           |
| 77                         | 0.0050           | 0.0045               | 0.0031               | 0.0020               | 0.0013               | 0.0009               | 82                           |
| 78                         | 0.0043           | 0.0039               | 0.0026               | 0.0017               | 0.0011               | 0.0008               | 83                           |
| 79                         | 0.0037           | 0.0033               | 0.0022               | 0.0014               | 0.0009               | 0.0006               | 84                           |
| 80                         | 0.0030           | 0.0027               | 0.0018               | 0.0012               | 0.0008               | 0.0005               | 85                           |
| 81                         | 0.0024           | 0.0022               | 0.0015               | 0.0010               | 0.0007               | 0.0004               | 86                           |
| 82                         | 0.0018           | 0.0016               | 0.0011               | 0.0008               | 0.0005               | 0.0004               | 87                           |
| 83                         | 0.0013           | 0.0012               | 0.0008               | 0.0006               | 0.0004               | 0.0003               | 88                           |
| 84                         | 0.0009           | 0.0008               | 0.0006               | 0.0004               | 0.0003               | 0.0003               | 89                           |
| 85                         | 0.0008           | 0.0007               | 0.0005               | 0.0004               | 0.0003               | 0.0002               | 90                           |
| 86                         | 0.0007           | 0.0006               | 0.0005               | 0.0003               | 0.0002               | 0.0002               | 91                           |
| 87                         | 0.0006           | 0.0006               | 0.0004               | 0.0003               | 0.0002               | 0.0002               | 92                           |
| 88                         | 0.0005           | 0.0005               | 0.0004               | 0.0003               | 0.0002               | 0.0001               | 93                           |
| 89                         | 0.0005           | 0.0005               | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 94                           |
| 90                         | 0.0004           | 0.0004               | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 95                           |
| 91                         | 0.0004           | 0.0004               | 0.0003               | 0.0002               | 0.0001               | 0.0001               | 96                           |
| 92                         | 0.0004           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 97                           |
| 93                         | 0.0003           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 98                           |
| 94                         | 0.0003           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0000               | 99                           |
| 95                         | 0.0003           | 0.0003               | 0.0002               | 0.0002               | 0.0001               | 0.0000               | 100                          |
| 96                         | 0.0002           | 0.0002               | 0.0002               | 0.0002               | 0.0001               | 0.0000               | 101                          |
| 97                         | 0.0002           | 0.0002               | 0.0002               | 0.0002               | 0.0001               | 0.0000               | 102                          |
| 98                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 103                          |
| 99                         | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 104                          |
| 100                        | 0.0002           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 105                          |
| 101                        | 0.0001           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 106                          |
| 102                        | 0.0001           | 0.0002               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 107                          |
| 103                        | 0.0001           | 0.0001               | 0.0002               | 0.0001               | 0.0001               | 0.0000               | 108                          |
| 104                        | 0.0001           | 0.0001               | 0.0001               | 0.0001               | 0.0001               | 0.0000               | 109                          |
| 105                        | 0.0001           | 0.0001               | 0.0001               | 0.0001               | 0.0001               | 0.0000               | 110                          |

**Notes:**

\*1999 United States Life Table for Female Population

\*1980 United States of America Railroad Retirement Board Remarriage Table

Annual Rate of Interest = 3.5%

Annual Rate of Escalation = 4.0%

\*\*For durations beyond 5 years from death of claimant, use the annuity value in the column for age (X + 5) corresponding to the beneficiary's attained age.

**TABLE III-M-A**  
**Pension Table\* (Other than Surviving Spouse)**  
**(Present Value of \$1 per Annum Payable Until Death)**  
**Male**

| Age | Present Value | Age | Present Value | Age | Present Value |
|-----|---------------|-----|---------------|-----|---------------|
| 11  | 25.203        | 41  | 19.632        | 71  | 9.426         |
| 12  | 25.071        | 42  | 19.357        | 72  | 9.069         |
| 13  | 24.935        | 43  | 19.076        | 73  | 8.713         |
| 14  | 24.799        | 44  | 18.789        | 74  | 8.359         |
| 15  | 24.662        | 45  | 18.496        | 75  | 8.008         |
| 16  | 24.524        | 46  | 18.198        | 76  | 7.660         |
| 17  | 24.386        | 47  | 17.896        | 77  | 7.312         |
| 18  | 24.247        | 48  | 17.587        | 78  | 6.966         |
| 19  | 24.106        | 49  | 17.273        | 79  | 6.623         |
| 20  | 23.961        | 50  | 16.952        | 80  | 6.286         |
| 21  | 23.813        | 51  | 16.624        | 81  | 5.960         |
| 22  | 23.662        | 52  | 16.289        | 82  | 5.647         |
| 23  | 23.506        | 53  | 15.948        | 83  | 5.351         |
| 24  | 23.345        | 54  | 15.602        | 84  | 5.067         |
| 25  | 23.178        | 55  | 15.252        | 85  | 4.796         |
| 26  | 23.005        | 56  | 14.899        | 86  | 4.538         |
| 27  | 22.824        | 57  | 14.544        | 87  | 4.293         |
| 28  | 22.637        | 58  | 14.186        | 88  | 4.061         |
| 29  | 22.444        | 59  | 13.826        | 89  | 3.843         |
| 30  | 22.244        | 60  | 13.463        | 90  | 3.636         |
| 31  | 22.038        | 61  | 13.097        | 91  | 3.442         |
| 32  | 21.826        | 62  | 12.729        | 92  | 3.260         |
| 33  | 21.608        | 63  | 12.360        | 93  | 3.088         |
| 34  | 21.383        | 64  | 11.991        | 94  | 2.927         |
| 35  | 21.152        | 65  | 11.622        | 95  | 2.776         |
| 36  | 20.915        | 66  | 11.252        | 96  | 2.633         |
| 37  | 20.671        | 67  | 10.883        | 97  | 2.497         |
| 38  | 20.421        | 68  | 10.514        | 98  | 2.365         |
| 39  | 20.164        | 69  | 10.148        | 99  | 2.238         |
| 40  | 19.901        | 70  | 9.785         | 100 | 2.108         |

**Notes:**

\*1999 United States Life Table for Male Population  
 Annual Rate of Interest = 3.5%  
 Annual Rate of Escalation = 0.0%

**TABLE III-M-C**  
**Pension Table\* (Other than Surviving Spouse)**  
**(Present Value of \$1 per Annum Payable Until Death)**  
**Male**

| Age | Present Value | Age | Present Value |
|-----|---------------|-----|---------------|
| 11  | 75.314        | 56  | 24.303        |
| 12  | 73.964        | 57  | 23.412        |
| 13  | 72.624        | 58  | 22.538        |
| 14  | 71.301        | 59  | 21.681        |
| 15  | 69.995        | 60  | 20.840        |
| 16  | 68.708        | 61  | 20.014        |
| 17  | 67.438        | 62  | 19.205        |
| 18  | 66.183        | 63  | 18.414        |
| 19  | 64.940        | 64  | 17.641        |
| 20  | 63.706        | 65  | 16.887        |
| 21  | 62.482        | 66  | 16.150        |
| 22  | 61.268        | 67  | 15.430        |
| 23  | 60.061        | 68  | 14.728        |
| 24  | 58.860        | 69  | 14.047        |
| 25  | 57.661        | 70  | 13.387        |
| 26  | 56.465        | 71  | 12.747        |
| 27  | 55.273        | 72  | 12.123        |
| 28  | 54.083        | 73  | 11.516        |
| 29  | 52.900        | 74  | 10.926        |
| 30  | 51.722        | 75  | 10.353        |
| 31  | 50.551        | 76  | 9.796         |
| 32  | 49.387        | 77  | 9.253         |
| 33  | 48.229        | 78  | 8.724         |
| 34  | 47.080        | 79  | 8.211         |
| 35  | 45.937        | 80  | 7.718         |
| 36  | 44.803        | 81  | 7.249         |
| 37  | 43.677        | 82  | 6.806         |
| 38  | 42.559        | 83  | 6.392         |
| 39  | 41.450        | 84  | 6.003         |
| 40  | 40.351        | 85  | 5.635         |
| 41  | 39.262        | 86  | 5.290         |
| 42  | 38.184        | 87  | 4.968         |
| 43  | 37.115        | 88  | 4.666         |
| 44  | 36.059        | 89  | 4.385         |
| 45  | 35.013        | 90  | 4.122         |
| 46  | 33.981        | 91  | 3.878         |
| 47  | 32.961        | 92  | 3.651         |
| 48  | 31.954        | 93  | 3.439         |
| 49  | 30.957        | 94  | 3.242         |
| 50  | 29.971        | 95  | 3.058         |
| 51  | 28.995        | 96  | 2.885         |
| 52  | 28.030        | 97  | 2.723         |
| 53  | 27.076        | 98  | 2.568         |
| 54  | 26.136        | 99  | 2.419         |
| 55  | 25.211        | 100 | 2.268         |

**Notes:**

\*1999 United States Life Table for Male Population  
 Annual Rate of Interest = 3.5%  
 Annual Rate of Escalation = 4.0%

**TABLE III-F-A**  
**Pension Table\* (Other than Surviving Spouse)**  
**(Present Value of \$1 per Annum Payable Until Death)**  
**Female**

| Age | Present Value | Age | Present Value |
|-----|---------------|-----|---------------|
| 11  | 25.950        | 56  | 16.536        |
| 12  | 25.844        | 57  | 16.191        |
| 13  | 25.734        | 58  | 15.841        |
| 14  | 25.623        | 59  | 15.487        |
| 15  | 25.509        | 60  | 15.128        |
| 16  | 25.392        | 61  | 14.764        |
| 17  | 25.274        | 62  | 14.396        |
| 18  | 25.152        | 63  | 14.025        |
| 19  | 25.027        | 64  | 13.651        |
| 20  | 24.897        | 65  | 13.273        |
| 21  | 24.763        | 66  | 12.892        |
| 22  | 24.623        | 67  | 12.507        |
| 23  | 24.480        | 68  | 12.119        |
| 24  | 24.331        | 69  | 11.730        |
| 25  | 24.178        | 70  | 11.340        |
| 26  | 24.019        | 71  | 10.947        |
| 27  | 23.855        | 72  | 10.552        |
| 28  | 23.686        | 73  | 10.156        |
| 29  | 23.512        | 74  | 9.759         |
| 30  | 23.332        | 75  | 9.364         |
| 31  | 23.147        | 76  | 8.970         |
| 32  | 22.955        | 77  | 8.575         |
| 33  | 22.759        | 78  | 8.182         |
| 34  | 22.557        | 79  | 7.792         |
| 35  | 22.349        | 80  | 7.408         |
| 36  | 22.136        | 81  | 7.031         |
| 37  | 21.917        | 82  | 6.663         |
| 38  | 21.693        | 83  | 6.307         |
| 39  | 21.461        | 84  | 5.965         |
| 40  | 21.224        | 85  | 5.641         |
| 41  | 20.981        | 86  | 5.332         |
| 42  | 20.731        | 87  | 5.037         |
| 43  | 20.474        | 88  | 4.756         |
| 44  | 20.211        | 89  | 4.490         |
| 45  | 19.941        | 90  | 4.238         |
| 46  | 19.664        | 91  | 4.000         |
| 47  | 19.381        | 92  | 3.775         |
| 48  | 19.091        | 93  | 3.563         |
| 49  | 18.794        | 94  | 3.364         |
| 50  | 18.491        | 95  | 3.175         |
| 51  | 18.181        | 96  | 2.996         |
| 52  | 17.864        | 97  | 2.827         |
| 53  | 17.541        | 98  | 2.663         |
| 54  | 17.211        | 99  | 2.502         |
| 55  | 16.876        | 100 | 2.341         |

**Notes:**

\*1999 United States Life Table for Female Population  
Annual Rate of Interest = 3.5%  
Annual Rate of Escalation = 0.0%

**TABLE III-F-C**  
**Pension Table\* (Other than Surviving Spouse)**  
**(Present Value of \$1 per Annum Payable Until Death)**  
**Female**

| Age | Present Value | Age | Present Value |
|-----|---------------|-----|---------------|
| 11  | 82.580        | 56  | 28.472        |
| 12  | 81.196        | 57  | 27.495        |
| 13  | 79.819        | 58  | 26.533        |
| 14  | 78.453        | 59  | 25.585        |
| 15  | 77.098        | 60  | 24.651        |
| 16  | 75.755        | 61  | 23.732        |
| 17  | 74.422        | 62  | 22.829        |
| 18  | 73.099        | 63  | 21.942        |
| 19  | 71.783        | 64  | 21.071        |
| 20  | 70.474        | 65  | 20.216        |
| 21  | 69.170        | 66  | 19.376        |
| 22  | 67.871        | 67  | 18.551        |
| 23  | 66.580        | 68  | 17.742        |
| 24  | 65.294        | 69  | 16.950        |
| 25  | 64.015        | 70  | 16.176        |
| 26  | 62.742        | 71  | 15.418        |
| 27  | 61.476        | 72  | 14.675        |
| 28  | 60.217        | 73  | 13.948        |
| 29  | 58.965        | 74  | 13.239        |
| 30  | 57.720        | 75  | 12.549        |
| 31  | 56.482        | 76  | 11.877        |
| 32  | 55.251        | 77  | 11.222        |
| 33  | 54.029        | 78  | 10.585        |
| 34  | 52.815        | 79  | 9.967         |
| 35  | 51.611        | 80  | 9.372         |
| 36  | 50.415        | 81  | 8.800         |
| 37  | 49.228        | 82  | 8.252         |
| 38  | 48.049        | 83  | 7.733         |
| 39  | 46.880        | 84  | 7.243         |
| 40  | 45.719        | 85  | 6.786         |
| 41  | 44.566        | 86  | 6.356         |
| 42  | 43.423        | 87  | 5.952         |
| 43  | 42.289        | 88  | 5.574         |
| 44  | 41.164        | 89  | 5.220         |
| 45  | 40.048        | 90  | 4.889         |
| 46  | 38.942        | 91  | 4.580         |
| 47  | 37.845        | 92  | 4.292         |
| 48  | 36.760        | 93  | 4.024         |
| 49  | 35.684        | 94  | 3.774         |
| 50  | 34.619        | 95  | 3.539         |
| 51  | 33.564        | 96  | 3.320         |
| 52  | 32.521        | 97  | 3.113         |
| 53  | 31.490        | 98  | 2.916         |
| 54  | 30.470        | 99  | 2.725         |
| 55  | 29.464        | 100 | 2.535         |

**Notes:**

\*1999 United States Life Table for Female Population  
 Annual Rate of Interest = 3.5%  
 Annual Rate of Escalation = 4.0%

**TABLE IV-B**  
**Present Value of Survivorship Benefits Table\***  
**Age Difference (Spouse's Age Minus Claimant's Age)\*\***

| Claimant's Age | -5     | -4     | -3     | -2     | -1     | -0     |
|----------------|--------|--------|--------|--------|--------|--------|
| 16             |        |        |        |        |        | 10.877 |
| 17             |        |        |        |        | 11.497 | 10.819 |
| 18             |        |        |        | 12.138 | 11.436 | 10.761 |
| 19             |        |        | 12.798 | 12.073 | 11.374 | 10.701 |
| 20             |        | 13.477 | 12.730 | 12.008 | 11.312 | 10.641 |
| 21             | 14.172 | 13.406 | 12.663 | 11.943 | 11.249 | 10.581 |
| 22             | 14.098 | 13.336 | 12.595 | 11.878 | 11.186 | 10.519 |
| 23             | 14.025 | 13.265 | 12.527 | 11.812 | 11.122 | 10.457 |
| 24             | 13.952 | 13.195 | 12.458 | 11.745 | 11.057 | 10.395 |
| 25             | 13.879 | 13.124 | 12.390 | 11.679 | 10.993 | 10.332 |
| 26             | 13.806 | 13.053 | 12.321 | 11.612 | 10.928 | 10.269 |
| 27             | 13.733 | 12.983 | 12.253 | 11.546 | 10.864 | 10.207 |
| 28             | 13.660 | 12.912 | 12.184 | 11.479 | 10.799 | 10.144 |
| 29             | 13.587 | 12.840 | 12.115 | 11.412 | 10.734 | 10.081 |
| 30             | 13.512 | 12.768 | 12.045 | 11.344 | 10.669 | 10.018 |
| 31             | 13.438 | 12.696 | 11.974 | 11.276 | 10.602 | 9.953  |
| 32             | 13.362 | 12.622 | 11.903 | 11.207 | 10.535 | 9.888  |
| 33             | 13.285 | 12.548 | 11.831 | 11.136 | 10.466 | 9.821  |
| 34             | 13.208 | 12.472 | 11.757 | 11.064 | 10.396 | 9.752  |
| 35             | 13.128 | 12.395 | 11.682 | 10.991 | 10.324 | 9.682  |
| 36             | 13.048 | 12.316 | 11.604 | 10.915 | 10.250 | 9.609  |
| 37             | 12.965 | 12.235 | 11.525 | 10.837 | 10.174 | 9.534  |
| 38             | 12.881 | 12.152 | 11.444 | 10.757 | 10.095 | 9.457  |
| 39             | 12.794 | 12.066 | 11.359 | 10.674 | 10.014 | 9.378  |
| 40             | 12.704 | 11.978 | 11.272 | 10.589 | 9.930  | 9.296  |
| 41             | 12.611 | 11.886 | 11.181 | 10.500 | 9.843  | 9.211  |
| 42             | 12.514 | 11.791 | 11.088 | 10.408 | 9.753  | 9.123  |
| 43             | 12.414 | 11.692 | 10.991 | 10.313 | 9.660  | 9.032  |
| 44             | 12.310 | 11.590 | 10.891 | 10.215 | 9.564  | 8.938  |
| 45             | 12.202 | 11.484 | 10.787 | 10.113 | 9.465  | 8.841  |
| 46             | 12.090 | 11.374 | 10.679 | 10.007 | 9.361  | 8.740  |
| 47             | 11.974 | 11.259 | 10.566 | 9.897  | 9.253  | 8.634  |
| 48             | 11.852 | 11.140 | 10.449 | 9.782  | 9.141  | 8.525  |
| 49             | 11.727 | 11.017 | 10.329 | 9.664  | 9.026  | 8.414  |
| 50             | 11.598 | 10.890 | 10.204 | 9.543  | 8.908  | 8.300  |
| 51             | 11.465 | 10.759 | 10.077 | 9.419  | 8.788  | 8.184  |
| 52             | 11.327 | 10.625 | 9.946  | 9.292  | 8.665  | 8.065  |
| 53             | 11.186 | 10.487 | 9.812  | 9.163  | 8.540  | 7.944  |
| 54             | 11.039 | 10.345 | 9.674  | 9.029  | 8.411  | 7.820  |
| 55             | 10.888 | 10.198 | 9.532  | 8.891  | 8.278  | 7.693  |
| 56             | 10.730 | 10.045 | 9.383  | 8.748  | 8.141  | 7.561  |
| 57             | 10.565 | 9.886  | 9.230  | 8.600  | 7.999  | 7.425  |
| 58             | 10.395 | 9.720  | 9.070  | 8.447  | 7.852  | 7.284  |
| 59             | 10.219 | 9.551  | 8.907  | 8.291  | 7.702  | 7.140  |
| 60             | 10.039 | 9.378  | 8.741  | 8.131  | 7.548  | 6.992  |

**Notes:**

\*1999 United States Life Tables for Total Population and Female Population  
 Remarriage rates based on the 1980 United States of America Railroad Retirement Board Remarriage Table  
 Annual Rate of Interest applied prior to claimant's death = 3.5%  
 Annual Rate of Interest applied after claimant's death = 3.5%  
 Annual Rate of Escalation applied prior to claimant's death = 4.0%  
 Annual Rate of Escalation applied after claimant's death = 4.0%  
 \*\*When spouse's age exceeds claimant's age, the 0 age difference value is to be used. When claimant's age exceeds spouse's age by more than 5, the -5 age difference value is to be used.

**TABLE IV-B**  
**Present Value of Survivorship Benefits Table\***  
**Age Difference (Spouse's Age Minus Claimant's Age)\*\***

| Claimant's Age | -5    | -4    | -3    | -2    | -1    | -0    |
|----------------|-------|-------|-------|-------|-------|-------|
| 61             | 9.856 | 9.201 | 8.571 | 7.967 | 7.391 | 6.841 |
| 62             | 9.668 | 9.020 | 8.397 | 7.800 | 7.230 | 6.687 |
| 63             | 9.475 | 8.834 | 8.218 | 7.628 | 7.065 | 6.529 |
| 64             | 9.277 | 8.643 | 8.034 | 7.451 | 6.896 | 6.367 |
| 65             | 9.074 | 8.448 | 7.847 | 7.271 | 6.723 | 6.200 |
| 66             | 8.868 | 8.250 | 7.656 | 7.088 | 6.546 | 6.031 |
| 67             | 8.659 | 8.048 | 7.462 | 6.901 | 6.367 | 5.859 |
| 68             | 8.445 | 7.842 | 7.263 | 6.710 | 6.183 | 5.683 |
| 69             | 8.226 | 7.631 | 7.060 | 6.514 | 5.996 | 5.504 |
| 70             | 8.001 | 7.414 | 6.851 | 6.314 | 5.804 | 5.321 |
| 71             | 7.771 | 7.193 | 6.638 | 6.110 | 5.609 | 5.135 |
| 72             | 7.538 | 6.969 | 6.424 | 5.905 | 5.413 | 5.013 |
| 73             | 7.303 | 6.743 | 6.207 | 5.698 | 5.291 | 4.906 |
| 74             | 7.064 | 6.514 | 5.988 | 5.577 | 5.186 | 4.724 |
| 75             | 6.822 | 6.282 | 5.868 | 5.473 | 4.994 | 4.542 |
| 76             | 6.577 | 6.164 | 5.768 | 5.271 | 4.802 | 4.361 |
| 77             | 6.464 | 6.071 | 5.558 | 5.072 | 4.614 | 4.183 |
| 78             | 6.381 | 5.851 | 5.349 | 4.875 | 4.427 | 4.007 |
| 79             | 6.150 | 5.633 | 5.142 | 4.679 | 4.242 | 3.834 |
| 80             | 5.919 | 5.414 | 4.934 | 4.482 | 4.059 | 3.664 |
| 81             | 5.686 | 5.192 | 4.725 | 4.286 | 3.876 | 3.496 |
| 82             | 5.448 | 4.967 | 4.514 | 4.090 | 3.695 | 3.330 |
| 83             | 5.206 | 4.740 | 4.302 | 3.894 | 3.515 | 3.167 |
| 84             | 4.962 | 4.511 | 4.090 | 3.699 | 3.338 | 3.007 |
| 85             | 4.716 | 4.283 | 3.879 | 3.506 | 3.164 | 2.853 |
| 86             | 4.472 | 4.057 | 3.673 | 3.320 | 2.998 | 2.704 |
| 87             | 4.232 | 3.838 | 3.474 | 3.142 | 2.838 | 2.560 |
| 88             | 3.999 | 3.626 | 3.285 | 2.971 | 2.684 | 2.423 |
| 89             | 3.775 | 3.425 | 3.102 | 2.807 | 2.537 | 2.291 |
| 90             | 3.562 | 3.232 | 2.928 | 2.650 | 2.396 | 2.165 |
| 91             | 3.358 | 3.047 | 2.761 | 2.500 | 2.262 | 2.045 |
| 92             | 3.163 | 2.871 | 2.603 | 2.358 | 2.135 | 1.931 |
| 93             | 2.978 | 2.703 | 2.452 | 2.223 | 2.014 | 1.824 |
| 94             | 2.802 | 2.545 | 2.310 | 2.095 | 1.899 | 1.721 |
| 95             | 2.635 | 2.395 | 2.175 | 1.974 | 1.791 | 1.623 |
| 96             | 2.479 | 2.254 | 2.048 | 1.860 | 1.688 | 1.530 |
| 97             | 2.332 | 2.122 | 1.929 | 1.752 | 1.590 | 1.440 |
| 98             | 2.196 | 1.999 | 1.818 | 1.652 | 1.498 | 1.354 |
| 99             | 2.071 | 1.886 | 1.716 | 1.558 | 1.411 | 1.273 |
| 100            | 1.960 | 1.786 | 1.624 | 1.473 | 1.331 | 1.197 |
| 101            | 1.842 | 1.677 | 1.523 | 1.378 | 1.241 | 1.127 |
| 102            | 1.730 | 1.573 | 1.425 | 1.285 | 1.168 | 1.058 |
| 103            | 1.624 | 1.473 | 1.329 | 1.210 | 1.097 | 0.988 |
| 104            | 1.520 | 1.373 | 1.252 | 1.136 | 1.025 | 0.918 |
| 105            | 1.420 | 1.295 | 1.178 | 1.063 | 0.953 | 0.845 |

**Notes:**

\*1999 United States Life Tables for Total Population and Female Population  
 Remarriage rates based on the 1980 United States of America Railroad Retirement Board Remarriage Table  
 Annual Rate of Interest applied prior to claimant's death = 3.5%  
 Annual Rate of Interest applied after claimant's death = 3.5%  
 Annual Rate of Escalation applied prior to claimant's death = 4.0%  
 Annual Rate of Escalation applied after claimant's death = 4.0%  
 \*\*When spouse's age exceeds claimant's age, the 0 age difference value is to be used. When claimant's age exceeds spouse's age by more than 5, the -5 age difference value is to be used.



**Example I**

**Usage of: Surviving Spouse Pension Table  
(Table I-A)  
and  
Present Value of Remarriage Dowry  
(Table II-A)**

Find the incurred indemnity loss to be reported when benefits are payable to a surviving spouse until death or remarriage and when, upon remarriage, a lump sum, two-year benefit is paid.

Date of Accident: 09/19/97  
Weekly Benefit Payable: \$250

Policy Effective:  
Spouse's Birth Date:

01/01/97–12/31/97  
02/18/65

| Calculation  | 1st Report | 2nd Report | 7th Report |
|--|------------|------------|------------|
| 1. Valuation Date .....                                    | 07/01/98   | 07/01/99   | 07/01/04   |
| 2. Spouse's age nearest accident date .....                | 33         | 33         | 33         |
| 3. Duration since accident date (last whole year) .....    | 0          | 1          | 6          |
| 4. Annual Benefit (\$125.00 x 52 weeks) .....              | \$13,000   | \$13,000   | \$13,000   |
| 5. Present Value of \$1.00 per year (from Table I-A) ..... | 15.049     | 15.052     | 17.920     |
| 6. Present Value of future payments (4) x (5) ...          | \$195,637  | \$195,676  | \$232,960  |
| 7. Two-Year lump sum remarriage payment (4) x 2            | \$26,000   | \$26,000   | \$26,000   |
| 8. Present Value of \$1.00 (from Table II-A) .....         | 0.3591     | 0.3514     | 0.1803     |
| 9. Present Value of future remarriage payment (7) x (8)    | \$9,337    | \$9,136    | \$4,688    |
| 10. Payments since 9/19/94 at \$125 .....                  | \$10,000   | \$23,000   | \$88,250   |
| 11. Funeral Allowance .....                                | \$2,000    | \$2,000    | \$2,000    |
| 12. Total Incurred Indemnity Loss (6) + (9) + (10) + (11)  | \$216,974  | \$229,812  | \$327,898  |

**Example II**

**Usage of: Pension Table—Other than Surviving Spouse  
(Table III-M-A, III-F-A)**

Find the incurred loss to be reported when benefits are payable to an injured male employee for life due to a permanent total disability.

Date of Accident: 06/01/97 Policy Effective: 01/01/97–  
12/31/97  
Weekly Benefit Payable: \$280 Employee's Birth Date: 10/21/63

| Calculations   | 1st<br>Report | 2nd<br>Report |
|--|---------------|---------------|
| 1. Valuation Date.....   | 07/01/98      | 07/01/99      |
| 2. Employee's age nearest valuation date .....                 | 35            | 36            |
| 3. Annual Benefit (\$140 x 52 weeks) .....                     | \$14,560      | \$14,560      |
| 4. Present Value of \$1.00 per year (from Table III-M-A) ..... | 21.152        | 20.915        |
| 5. Present Value of future payments (3) x (4) .....            | \$307,973     | \$304,522     |
| 6. Payments since 06/01/94 at \$140.00 per week .....          | \$15,680      | \$30,240      |
| 7. Total Incurred Indemnity Loss (5) + (6) .....               | \$323,653     | \$334,762     |

NOTE: This example is for a male employee and an escalation rate of 0.0%. If a different gender or escalation clause is to be used, the weekly and annual benefit amounts must be adjusted.

**Example III**

**Usage of: Surviving Spouse Pension Table  
(Tables I-B, I-C)**

**Present Value of Remarriage Dowry  
(Table II-B)**

Find the incurred indemnity loss to be reported when benefits escalated annually at a rate of 4.0% are payable to a surviving spouse until death or remarriage and when, upon remarriage, a lump sum, two-year benefit (104 x current weekly benefit) is paid.

Date of Accident: 09/16/97 Policy Effective: 01/01/97–12/31/97  
 Weekly Benefit Payable: \$250 Spouse's Birth  
 Date: 02/18/65

| Calculation  | 1st Report | 2nd Report | 7th Report |
|--|------------|------------|------------|
| 1. Valuation Date.....                                     | 07/01/98   | 07/01/99   | 07/01/04   |
| 2. Spouse's age nearest accident date .....                | 33         | 33         | 33         |
| 3. Duration since accident date (last whole year).....     | 0          | 1          | 6          |
| 4. Weekly Benefits.....                                    | \$260      | \$270      | \$329      |
| 5. Annual Benefit (Weekly Benefit x 52 weeks).....         | \$13,520   | \$14,040   | \$17,108   |
| 6. Present Value of \$1.00 per year (from Table I-B).....  | 33.021     | 32.926     | 37.809     |
| 7. Present Value of future payments (4) x (5) .....        | \$446,444  | \$462,281  | \$646,836  |
| 8. Two-Year lump sum remarriage payment (5) x 2 ...        | \$27,040   | \$28,080   | \$34,216   |
| 9. Present Value of \$1.00 (from Table II-B).....          | 0.4617     | 0.4427     | 0.2442     |
| 10. Present Value of future remarriage payment (8) x (9)   | \$12,484   | \$12,431   | \$8,356    |
| 11. Payments since 9/17/94.....                            | \$10,510   | \$24,290   | \$102,204  |
| 11. Funeral Allowance .....                                | \$2,000    | \$2,000    | \$2,000    |
| 12. Total Incurred Indemnity Loss (7) + (10) + (11) + (12) | \$471,438  | \$501,002  | \$759,396  |

NOTE: This example is based on an escalation rate of 4.0%. If a different rate of escalation is to be used, the weekly and annual benefit amounts must be adjusted. In addition, present values must be determined based on the tables at the desired escalation rate (e.g., use Table I-A for the present value of surviving spouses benefits using an escalation rate of 0.0%).

**Example IV**

**Usage of: Pension Table—Other than Surviving Spouse  
(Tables III-M-B, III-M-C, III-M-D, III-F-B, III-F-C, and III-F-D)  
and  
Present Value of Survivorship Benefits  
(Table IV-A)**

Find the incurred loss to be reported when benefits escalated annually at a rate of 4.0% are payable to a male injured employee for life due to a permanent total disability, and, when upon the death of the employee, benefits are payable to the surviving spouse.

Employee's Wage Before Injury: \$300.00  
 Date of Accident: 5/30/97  
 Date of Compensation—Total Disability: 66.67%  
 Date of Compensation—Death: 50%  
 Employee's Birth Date: 10/21/63  
 Spouse's Birth Date: 07/16/65

| Calculations  | 1st<br>Report | 2nd<br>Report |
|---|---------------|---------------|
| 1. Valuation Date .....   | 7/1/98        | 7/1/99        |
| 2. Employee's age nearest valuation date.....                           | 35            | 36            |
| 3. Difference in ages (Spouse-Employee) .....                           | -2            | -2            |
| 4. Weekly Benefit .....   | \$208         | \$216         |
| 5. Annual Benefit (Weekly benefit x 52 weeks) .....                     | \$10,816      | \$11,232      |
| 6. Present Value of \$1.00 per year escalated (from Table III-M-C) ..   | 45.937        | 44.803        |
| 7. Present Value of future payments (5) x (6) .....                     | \$496,855     | \$503,227     |
| 8. Initial annual survivorship benefit (\$300 x 50% x 52 weeks) .....   | \$7,800       | \$7,800       |
| 9. Present Value of \$1.00 per year escalated survivorship (Table IV-A) | 10.991        | 10.915        |
| 10. Present Value of survivorship benefits (8) x (9) .....              | \$85,730      | \$85,137      |
| 11. Payments since 05/30/94 .....                                       | \$11,408      | \$22,432      |
| 12. Total Incurred Loss (7) + (10) + (11) .....                         | \$593,993     | \$610,796     |

NOTE: This example is based on a male worker and an escalation rate of 4.0%. If a different gender or escalation rate is to be used, the weekly and annual benefit amounts must be adjusted. In addition, present values must be determined based on the tables at the desired gender and escalation rate (e.g., use Tables I-A and III-F-A for a female worker in a state with an escalation clause of 0.0%).

## **PART 8 —FINE SYSTEM FOR LATE UNIT REPORTS**

As part of the Bureau's ongoing effort to improve data quality, Unit Statistical Reports (USR) will be tracked for timeliness (delinquent) and accuracy (rejected). All units, rejected and/or delinquent, which are overdue, may be subject to a \$50.00 fine. Additionally, each delinquent or rejected USR will be subject to a \$50.00 fine each month until the report is successfully submitted or otherwise resolved. The Bureau will issue monthly invoices.

Carriers are encouraged to regularly monitor their data submissions. If a USR has been submitted and is not accepted, the appropriate steps must be taken to resolve the edit failures which result in rejected and/or delinquent units. If you feel any of the information is in error due to the USR being submitted, the policy being canceled flat or any other discrepancy, notify NCRB prior to the issuance of any invoice for fines.

**NOTE:** NCRB assesses fines on the last Saturday of each month.

### **A. Appeals/Requests For Waivers**

1. Carriers have 90 days after issuance of the invoice to appeal fines. All appeals must be in writing, must include the invoice number in question and must set forth all the factors which the carrier wishes to be considered as part of the appeal review. Appeals should be submitted to the Insurance Operations Data Manager, at [wcinfo@ncrb.org](mailto:wcinfo@ncrb.org).
2. Appeals will be reviewed by Bureau staff and the carrier will receive a response within 30 days of receipt.
3. If a carrier disagrees with the Bureau's decision regarding the computation of any fine or with Bureau's determination of a valid fine, the carrier may request further appeal of the fines to the Director of Insurance Operations, at [wcinfo@ncrb.org](mailto:wcinfo@ncrb.org). The results of the review will be communicated to the carrier within 30 days of receipt.
4. Carriers wishing to further appeal the decision of Bureau staff may request review of such decision by the Governing Committee of the North Carolina Rate Bureau. All appeals submitted to the Governing Committee will be reviewed at the next regularly scheduled Governing Committee meeting.

### **B. Follow-up for Late Fines**

1. On a monthly basis, carriers will receive detailed information regarding all outstanding payments.
2. Carriers with fines 90 days past due will receive a follow-up letter from the Bureau notifying them of the outstanding balance and requesting prompt remittance of payment. The initial communication will be sent to the company contact responsible for the submission of the data.
3. If no response is received within 30 days, a second follow-up letter will be sent. The second letter will be sent to the company contact responsible for the submission of the data and the President and/or CEO of the company. If the outstanding balance is in excess of \$10,000, contact is also made with the CFO.

4. If no response is received within the next 30 days, a third follow-up letter will be sent to the President and/or CEO of the company. The third letter will provide specific detail regarding the Bureau's next course of action if the outstanding amount remains unresolved. This may include an appearance before the North Carolina Rate Bureau's Governing Committee or escalation to the North Carolina Department of Insurance.

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|------|---|----------------|---------------|---------------------------------|---------------------|--------------------------------|--------------------|
| 0059 | DISEASE: ABRASIVE OR SANDBLASTING EXPOUSRE              | YES            | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 0063 | PREMIUM DISCOUNT-STOCK/TYPE A                           | NO             | NONE          | N/A                             | YES                 | NO                             | NO                 |
| 0064 | PREMIUM DISCOUNT-NON-STOCK/TYPE B                       | NO             | NONE          | N/A                             | YES                 | NO                             | NO                 |
| 0065 | DISEASE INCIDENTAL FOUNDRIES STEEL                      | YES            | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 0066 | DISEASE INCIDENTAL FOUNDRIES-NON-FERROUS METALS         | YES            | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 0067 | DISEASE INCIDENTAL FOUNDRIES-IRON                       | YES            | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 0133 | DISEASE ASBESTOS EXPOSURE                               | NO             | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 0156 | DISEASE COAL MINING-SURFACE-CODE 1005                   | NO             | PAYROLL       | NO                              | NO                  | NO                             | YES                |
| 0164 | DISEASE: FEDERAL COAL MINE HEALTH & SAFETY ACT EXPOSURE | NO             | PAYROLL       | NO                              | NO                  | NO                             | YES                |
| 0179 | SUPPLEMENTAL DISEASE EXPERIENCE NOC                     | NO             | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 0277 | ASSIGNED RISK ADJUSTMENT PROGRAM (ARAP)                 | NO             | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 0771 | NON-RATABLE ELEMENT USED WITH CODE 4771                 | NO             | PAYROLL       | NO                              | NO                  | NO                             | NO                 |
| 0900 | EXPENSE CONSTANT  | NO             | NONE          | N/A                             | NO                  | NO                             | NO                 |
| 0930 | WAIVER OF SUBROGATION                                   | YES            | NONE          | N/A                             | NO                  | NO                             | NO                 |
| 0931 | SHORT RATE PENALTY                                      | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 0990 | ADDITIONAL PREMIUM TO BALANCE TO MINIMUM PREMIUM        | NO             | NONE          | N/A                             | NO                  | YES                            | NO                 |

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|------|--|----------------|---------------|---------------------------------|---------------------|--------------------------------|--------------------|
| 1111 | NO EXPOSURE  | N/A            | NONE          | N/A                             | N/A                 | N/A                            | NO                 |
| 7445 | NON-RATABLE ELEMENT USED WITH CODE 7405  | NO             | PAYROLL       | NO                              | NO                  | NO                             | NO                 |
| 7453 | NON-RATABLE ELEMENT USED WITH CODE 7431  | NO             | PAYROLL       | NO                              | NO                  | NO                             | NO                 |
| 9034 | RATE DEVIATION PREMIUM CREDIT-SUBJECT TO EXPERIENCE RATING                       | NO             | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9037 | RATE DEVIATION PREMIUM CREDIT-SUBJECT TO EXPERIENCE RATING                       | YES            | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9108 | AIRCRAFT-PASSENGER SEAT SURCHARGE  | NO             | SEATS         | NO                              | NO                  | YES                            | YES                |
| 9663 | DEDUCTIBLE PREMIUM CREDIT-NOT SUBJECT TO EXPERIENCE RATING                       | NO             | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9664 | DEDUCTIBLE PREMIUM CREDIT-SUBJECT TO EXPERIENCE RATING                           | YES            | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9721 | INDEPENDENT CARRIER FILING-PREMIUM CREDIT APPLIED BEFORE EXPERIENCE MODIFICATION | YES            | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9722 | INDEPENDENT CARRIER FILING-PREMIUM CREDIT APPLIED AFTER EXPERIENCE MODIFICATION  | NO             | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9723 | INDEPENDENT CARRIER FILING-PREMIUM DEBIT APPLIED BEFORE EXPERIENCE MODIFICATION  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9724 | INDEPENDENT CARRIER FILING-PREMIUM DEBIT APPLIED AFTER EXPERIENCE MODIFICATION   | NO             | NONE          | N/A                             | NO                  | YES                            | NO                 |



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|------|---|----------------|---------------|---------------------------------|---------------------|--------------------------------|--------------------|
| 9740 | TERRORISM   | NO             | PAYROLL       | NO                              | NO                  | NO                             | NO                 |
| 9741 | CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERORRISM)                  | NO             | PAYROLL       | NO                              | NO                  | NO                             | NO                 |
| 9803 | EMP LIABILITY LIMITS W/WORKERS COMP<br>100,000/100,000/<br>1,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9804 | EMP LIABILITY LIMITS W/WORKERS COMP<br>100,000/100,000/<br>2,500,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9805 | EMP LIABILITY LIMITS W/WORKERS COMP<br>100,000/100,000/<br>5,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9806 | EMP LIABILITY LIMITS W/WORKERS COMP<br>100,000/100,000<br>10,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9807 | EMP LIABILITY LIMITS W/WORKERS COMP<br>500,000/500,000/<br>500,000    | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9808 | EMP LIABILITY LIMITS W/WORKERS COMP<br>500,000/500,000/<br>1,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9809 | EMP LIABILITY LIMITS W/WORKERS COMP<br>500,000/500,000/<br>2,500,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9810 | EMP LIABILITY LIMITS W/WORKERS COMP<br>500,000/500,000/<br>5,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9811 | EMP LIABILITY LIMITS W/WORKERS COMP<br>500,000/500,000/<br>10,000,000 | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |

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| 9812   | EMP LIABILITY LIMITS W/WORKERS COMP<br>1,000,000/1,000,000/<br>1,000,000       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9813<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS W/WORKERS COMP<br>1,000,000/1,000,000/<br>2,500,000       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9814<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS W/WORKERS COMP<br>1,000,000/1,000,000/<br>5,000,000       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9815<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS W/WORKERS COMP<br>1,000,000/1,000,000/<br>10,000,000      | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9816<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS W/WORKERS COMP OVER<br>1,000,000/1,000,000/<br>10,000,000 | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9817<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS-<br>ADMIRALITY/FELA-<br>50,000                            | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9818   | EMP LIABILITY-<br>LIMITS-<br>ADMIRALITY/FELA-<br>100,000                       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9819<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS<br>ADMIRALITY/FELA-<br>200,000                            | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9820<br>N/A<br>ASSIGNED<br>RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS<br>ADMIRALITY/FELA-<br>300,000                            | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |

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| 9821<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS ADMIRALITY/FELA-400,000                     | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9822<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS ADMIRALITY/FELA-500,000                     | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9823<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 100,000/100,000/1,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9824<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 100,000/100,000/2,500,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9825<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 100,000/100,000/5,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9826<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 100,000/100,000/10,000,000 | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9827<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 500,000/500,000/500,000    | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9828<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 500,000/500,000/1,000,000  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |

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| 9829<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 500,000/500,000/ 2,500,000           | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9830<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 500,000/500,000/ 5,000,000           | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9831<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 500,000/500,000/ 10,000,000          | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9832<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 1,000,000/1,000,000/ 1,000,000       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9833<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 1,000,000/1,000,000/ 2,500,000       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9834<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 1,000,000/1,000,000/ 5,000,000       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9835<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP 1,000,000/1,000,000/ 10,000,000      | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9836<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE 01/01/12 | EMP LIABILITY LIMITS W/O WORKERS COMP OVER 1,000,000/1,000,000/ 10,000,000 | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |

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|---|--|----------------|---------------|---------------------------------|---------------------|--------------------------------|--------------------|
| 9837<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS W/ WORKERS COMP- ALL OTHER                  | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9840<br>N/A<br>ASSIGNED RISK<br>EFFECTIVE<br>01/01/12 | EMP LIABILITY LIMITS- ADMIRALTY/FELA OVER 500,000                | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9841  | DRUG FREE WORKPLACE CREDIT PROGRAM- SUBJECT TO EXPERIENCE RATING | YES            | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9846  | DRUG FREE WORKPLACE CREDIT                                       | NO             | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9848  | EMP LIABILITY INCREASED LIMITS- BALANCE TO MINIMUM PREMIUM       | YES            | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9849  | EMP LIABILITY LIMITS- ADMIRALTY/FELA- BALANCE TO MINIMUM PREMIUM | NO             | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9880  | WORKPLACE SAFETY CREDIT  | NO             | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9887  | SCHEDULE RATING CREDIT   | NO             | NONE          | N/A                             | YES                 | YES                            | NO                 |
| 9889  | SCHEDULE RATING DEBIT  | NO             | NONE          | N/A                             | NO                  | YES                            | NO                 |
| 9984  | ATOMIC ENERGY PROJECT  | NO             | PAYROLL       | NO                              | NO                  | YES                            | YES                |
| 9985  | ATOMIC ENERGY- RADIATION EXPOSURE NOC                            | NO             | PAYROLL       | NO                              | NO                  | YES                            | YES                |

- A -

|   |           |
|---|-----------|
| Accident Date . . . . .                                 | Four - 12 |
| Admiralty and/or FELA Coverage . . . . .                | Six - 7   |
| Aircraft Operation – Passenger Seat Surcharge . . . . . | Three - 2 |
| Allocated Loss Adjustment Expenses (ALAE) . . . . .     | Four - 5  |
| Paid . . . . .  | Four - 16 |
| Total . . . . .   | Four - 16 |
| Appeals/Requests for Waivers . . . . .                  | Eight - 1 |
| Assigned Risk Adjustment Program (ARAP) . . . . .       | Six - 7   |
| Atomic Energy . . . . .                                 | Six - 7   |
| Awards . . . . .  | Four - 3  |

- B -

|  |         |
|--|---------|
| Basis of Deductible Calculation Code . . . . . | Two - 4 |
|--|---------|

- C -

|   |           |
|---|-----------|
| Canceled Mid-Term Indicator . . . . .                   | Six - 3   |
| Carrier Code . . . . .                                  | Two - 1   |
| Catastrophe Number . . . . .                            | Four - 15 |
| Catastrophe (Other than Certified Acts of Terrorism)    | Six - 9   |
| Terrorism . . . . .                                     | Six - 9   |
| Claim Components . . . . .                              | Four - 11 |
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Side by Side Comparison-INTRODUCTION

| Example EXISTING LANGUAGE  | REVISED LANGUAGE   |
|--|--|
| <p>1. The North Carolina Rate Bureau is a rating bureau created by the General Assembly of North Carolina under the provisions of Article 36 of Chapter 58 of the General Statutes of North Carolina. Every insurance company authorized to write workers compensation insurance in the State of North Carolina must <del>subscribe to and become</del> a member of the Bureau.</p> <p>2. Pursuant to North Carolina law, insurance companies are required to "file data in accordance with the uniform statistical plan approved by the Commissioner." This Plan, which has been filed with and approved by the North Carolina Commissioner of Insurance as the uniform statistical plan, contains the <del>necessary</del> instructions for the reporting of experience <del>on the direct business for</del> workers compensation and employers liability insurance in North Carolina.</p> <p>3. The North Carolina Rate Bureau will hereinafter be referred to as "NCRB."</p> <p>4. Whenever a change is made in these instructions, the appropriate page will be <del>reprinted</del> and the change will be identified by a star(*) in the margin of the <del>reprinted</del> page. The effective date of the <del>reprint</del> will be shown at the top of the page.</p> | <p><b>INTRODUCTION</b></p> <ul style="list-style-type: none"> <li>• The North Carolina Rate Bureau is a rating bureau created by the General Assembly of North Carolina under the provisions of Chapter 58, Article 36 of the General Statutes of North Carolina. Every insurance company authorized to write workers' compensation insurance in the State of North Carolina must be a member of the Bureau.</li> <li>• Pursuant to North Carolina law, insurance companies are required to "file data in accordance with the uniform statistical plan approved by the Commissioner", <i>The North Carolina Rate Bureau Workers Compensation Statistical Plan</i>, which has been filed with and approved by the North Carolina Commissioner of Insurance as the uniform statistical plan for workers' compensation, contains instructions for the reporting of experience on workers' compensation and employers liability insurance in North Carolina.</li> <li>• The North Carolina Rate Bureau will hereinafter be referred to as "NCRB" or "<b>Bureau</b>".</li> <li>• Whenever a change is made in these instructions, the appropriate page will be <b>updated</b> and the change will be identified by a star (*) in the margin of the <b>updated</b> page. The effective date of the change will be shown at the top of the updated page.</li> <li>• Elsewhere in this manual, this plan will be referred to as the "Stat Plan" or the "Statistical Plan".</li> <li>• <b><u>The North Carolina Rate Bureau Workers Compensation Statistical Plan Manual contains information regarding the data elements required for unit statistical reporting to NCRB. Optional data elements or data elements that are not applicable are not included in the content of this manual.</u></b></li> </ul> |

**Side by Side Comparison-PART 1 RULES AND DEFINITIONS**

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p><del>1. Scope of Report</del></p> <p>A <del>report</del> must be <del>filed</del> for every Workers Compensation and Employers Liability policy which <del>provides coverage under the provisions of the North Carolina Workers Compensation Act.</del></p> <p><del>Reports</del> are <b>not</b> required for policies providing coverage under the National Defense Projects Rating Plan.</p> <p><del>Reports</del> are <b>not</b> required for Employers Liability Insurance on residence and farm employees provided in conjunction with other Liability Insurance or <del>Workers Compensation</del> on domestics provided in conjunction with Homeowners Insurance.</p> <p>A separate <del>report</del> must be <del>filed</del> for each policy written with estimated exposure or written on an "if any" basis, including those on which no exposure was developed provided that the policy was not canceled <del>flat</del>.</p> <p>All <del>unit reports</del> required by this Plan shall be <del>filed</del> directly with <b>either</b>:</p> <p><b>North Carolina Rate Bureau</b></p> <p>P. O. Box 176010 — 5401 Six Forks Road<br/>Raleigh, NC 27619-6010 — Raleigh, NC 27609-4435</p> <p>Telephone: Rating and Statistical Supervisor<br/>(919) 783-9790</p> | <p><b>PART 1 – RULES AND DEFINITIONS</b></p> <p><b>A. General Rules</b></p> <ul style="list-style-type: none"> <li>• A <b>unit statistical report (USR or unit)</b> must be submitted for every Workers Compensation and Employers Liability policy <b>written by a member of the North Carolina Rate Bureau.</b></li> <li>• <b>USR's</b> are <b>not</b> required for policies providing coverage under the National Defense Projects Rating Plan.</li> <li>• <b>USR's</b> are <b>not</b> required for Employers Liability Insurance on residence and farm employees provided in conjunction with other <b>liability insurance</b> or on <b>workers compensation</b> on domestics provided in conjunction with Homeowners Insurance.</li> <li>• A separate <b>USR</b> must be <b>reported</b> for each policy written with estimated exposure or written on an "if any" basis, including those on which no exposure has developed, provided that the policy was not cancelled <b>effective the same day on which it was written. (This type of cancellation may also be referred to as a "flat" cancel.)</b></li> <li>• <b>The USR must conform to the rules found in the <i>Basic Manual for Workers Compensation and Employers Liability Insurance, Experience Rating Plan Manual, Retrospective Rating Plan Manual</i> and other guides and manuals distributed by or on behalf of the NCRB. Nothing in this Statistical Plan should be construed to supersede any rules or procedures set forth in the above mentioned manuals or guides.</b></li> <li>• <b>Data submissions must follow the specifications outlined in the WCSTAT section of the <i>Workers Compensation Insurance Organizations (WCIO) Data Specifications Manual</i>. This manual is available on the WCIO website: <a href="http://www.wcio.org">www.wcio.org</a>.</b></li> <li>• All USR's required by this Plan shall be submitted <b>electronically to either the</b> North Carolina Rate Bureau or the National Council on Compensation Insurance, Inc. (NCCI). Data <b>Providers submitting units to NCCI should be aware that USRs are validated by NCCI and NCRB.</b></li> </ul> |

**Side by Side Comparison-PART 1 RULES AND DEFINITIONS**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |
|--|--|
| <p><b>OR</b></p> <p><b>National Council on Compensation Insurance, Inc.</b></p> <p>Electronic Data to: Data Operations</p> <p>NCCI, Inc _____</p> <p>901 Peninsula Corporate Circle</p> <p>Boca Raton, FL 33487</p> <p>Hard Copy to:</p> <p>NCCI, Inc. _____ NCCI, Inc.</p> <p>c/o ACS _____ c/o ACS</p> <p>P. O. Box 7369 _____ 1084 South Laurel Road</p> <p>London, KY 40742-7369 London, KY 40741</p> <p>Telephone: NCCI Customer Service Center</p> <p>(800) 622-1423</p> |  |
| <p><b>2. Validity of the Unit Report</b></p> <p>The unit statistical reports submitted are edited for accuracy and validity based on the following criteria:</p>   | <p><b>B. Validity &amp; <u>Editing of the Unit Statistical Report</u></b></p> <p>When a USR is received, it is edited for accuracy and validity based on the following criteria:</p> <ul style="list-style-type: none"> <li>• The <b><u>USR</u></b> reflects coverage and benefits afforded under North Carolina statutes.</li> <li>• The statistical codes and other <b><u>reported</u></b> elements <b><u>must</u></b> conform to this Statistical Plan.</li> <li>• Each field is consistently coded with all other <b><u>related</u></b> fields.</li> </ul> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><del>A. The unit report conforms to the rating rules found in the <i>Basic Manual for Workers Compensation and Employers Liability Insurance, Experience Rating Plan Manual, Retrospective Rating Plan Manual</i> and other guides and manuals distributed by or on behalf of the NCRB. Nothing in the Statistical Plan should be construed to supersede any rules or procedures set forth in the above mentioned manuals or guides.</del></p> <p><del>B. The unit report reflects coverage and benefits afforded under North Carolina statutes.</del></p> <p><del>C. The statistical codes and other elements contained in the unit report conform to this Statistical Plan.</del></p> <p><del>D. Codes are consistent between report levels.</del></p> <p><del>E. Each field is consistently coded with all other fields.</del></p> <p><del>F. The classifications, act, coverage, exposure and premium reported on the unit report are consistent with the final audit of the policy.</del></p> <p><del>G. All claims are reported in accordance with the carrier=s claim files at the appropriate valuation date. For exceptions to loss valuations, see Section Five</del></p> <p><del>H. All reported injuries that incurred medical or indemnity loss must be reported as claims within the unit statistical reports of the policy. Attorney fees and allocated loss expense may be reported as claims within the unit statistical reports of the policy. See Section Five.</del></p> | <p><b><u>Once the edit process is completed, the USR will exist in the ManagePolicyUSR web application with a status of accepted, accepted with warnings (AWW) or rejected. The status of the unit is defined as follows:</u></b></p> <ul style="list-style-type: none"> <li><b><u>• Accepted units have been validated via the Bureau edit process and require no further action from the data provider.</u></b></li> <li><b><u>• Accepted with Warning units have been validated via the Bureau edit process and have produced one or more warnings.</u></b></li> <li><b><u>• Rejected units have been validated via the Bureau edit process, but one or more errors have been detected.</u></b></li> </ul> <p><b><u>Errors detected during the editing process must be promptly corrected or reconciled. NCRB uses policy information to manage and process USRs.</u></b></p> <p><b><u>Example:</u></b></p> <p><b><u>Reject Edit 000085 “Matching policy not found” is generated when a USR is submitted and the matching policy is not accepted in the Bureau database. When this edit occurs, one or more of the following actions are required:</u></b></p> <ul style="list-style-type: none"> <li><b><u>• The carrier should not resubmit the rejected USR if the policy is being submitted for the USR.</u></b></li> <li><b><u>• If the unit has been reported in error:</u></b> <ol style="list-style-type: none"> <li><b><u>a. A purge request must be submitted to NCRB if you report USR data to NCRB.</u></b></li> <li><b><u>b. A purge request must be submitted to NCCI if you report USR data to NCCI.</u></b></li> </ol> </li> </ul> <p><b><u>Once a policy has been accepted, the system will automatically process the rejected unit and the edit process will be completed. The additional processing will result in the USR being accepted or rejected.</u></b></p> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE   | REVISED LANGUAGE |
|---|------------------|
| <p>Possible errors detected during the editing process <del>must</del> be promptly corrected or reconciled.</p>   |                  |
| <p><b>3. Form of Report</b></p> <p><del>* 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.</del></p> <p><del>All reports must be typed or clearly printed.</del></p> <p><del>* 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 WCIO <i>Workers Compensation Data Specifications Manual</i>. For further information regarding electronic reporting, please contact the Information Center at 919-582-1056 or <a href="mailto:wcinfo@ncrb.org">wcinfo@ncrb.org</a></del></p> |                  |

**Side by Side Comparison-PART 1 RULES AND DEFINITIONS**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |  |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
|--|---|--|------------------------|------------------------|--|--|--|---------|------|-----------|----------|--------|---------|-------|-----------|----------|-------|---------|----------|-----|----------|---------|------|----------|----------|------|---------|-------|--------|----------|-------|-----------|-------|-----|---------|-------|------|----------|-----|------|----------|------|--------|
| <p><b>4. Date of Valuation and Filing</b></p> <p>Losses included in the first report of a given policy shall be valued during the eighteenth month after the effective date of the policy, and the report shall be filed not later than twenty months after the effective date of the policy. <del>Second, third, fourth, and fifth reports are valued 12, 24, 36, and 48 months respectively, after the valuation of the first report. The table shown below displays, on a monthly basis, the correct valuation and filing dates for all first reports.</del></p> <p><del>Refer to Part 13 of this Section for instructions on filing reports for policies covering more than one year.</del></p> <p><del>Refer to Section Seven for reporting of experience incurred under three-year fixed rate policies.</del></p> <p><del>All experience must be reported on a monthly basis, but can be submitted more frequently at the carriers' option</del></p> | <p><b>C. Date of Valuation and Filing</b></p> <p>Losses included in the first report of a <b>unit</b> shall be valued during the eighteenth month after the effective date of the policy and the report shall be <b>submitted no</b> later than twenty months after the effective date of the policy. <b>Second through tenth reports are valued every twelfth month</b> after the valuation of the first report. The table shown below displays the correct valuation and <b>reporting</b> dates.</p> <p align="center"><b><u>VALUATION AND FILING DATES TABLE</u></b></p> <table border="0"> <thead> <tr> <th data-bbox="751 483 877 548"><u>Effective Month</u></th> <th data-bbox="1100 483 1419 516"><u>Valuation Month</u></th> <th data-bbox="1745 483 1997 516"><u>Reporting Month</u></th> </tr> </thead> <tbody> <tr> <td></td> <td align="center">18 months after policy effective Month</td> <td align="center">20 months after policy effective Month</td> </tr> <tr> <td>January</td> <td>July</td> <td>September</td> </tr> <tr> <td>February</td> <td>August</td> <td>October</td> </tr> <tr> <td>March</td> <td>September</td> <td>November</td> </tr> <tr> <td>April</td> <td>October</td> <td>December</td> </tr> <tr> <td>May</td> <td>November</td> <td>January</td> </tr> <tr> <td>June</td> <td>December</td> <td>February</td> </tr> <tr> <td>July</td> <td>January</td> <td>March</td> </tr> <tr> <td>August</td> <td>February</td> <td>April</td> </tr> <tr> <td>September</td> <td>March</td> <td>May</td> </tr> <tr> <td>October</td> <td>April</td> <td>June</td> </tr> <tr> <td>November</td> <td>May</td> <td>July</td> </tr> <tr> <td>December</td> <td>June</td> <td>August</td> </tr> </tbody> </table> <p><b><u>NOTE: When a unit is not received as of the expected valuation date, the unit may become delinquent. Delinquent units are subject to fines. Refer to Part 8- Fine System for Late Unit Reports for information concerning fines. For instructions regarding the submission of USR's for policies covering more than one year, refer to Part 1-General Rules and Definitions items D and E.</u></b></p> | <u>Effective Month</u>                 | <u>Valuation Month</u> | <u>Reporting Month</u> |  | 18 months after policy effective Month | 20 months after policy effective Month | January | July | September | February | August | October | March | September | November | April | October | December | May | November | January | June | December | February | July | January | March | August | February | April | September | March | May | October | April | June | November | May | July | December | June | August |
| <u>Effective Month</u>   | <u>Valuation Month</u>  | <u>Reporting Month</u>                 |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
|  | 18 months after policy effective Month  | 20 months after policy effective Month |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| January  | July  | September                              |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| February   | August  | October                                |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| March  | September   | November                               |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| April  | October   | December                               |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| May  | November  | January                                |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| June   | December  | February                               |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| July   | January   | March                                  |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| August   | February  | April                                  |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| September  | March   | May                                    |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| October  | April   | June                                   |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| November   | May   | July                                   |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |
| December   | June  | August                                 |                        |                        |  |  |  |         |      |           |          |        |         |       |           |          |       |         |          |     |          |         |      |          |          |      |         |       |        |          |       |           |       |     |         |       |      |          |     |      |          |      |        |



**Side by Side Comparison-PART 1 RULES AND DEFINITIONS**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><b>5. Fine System for Late Unit Reports</b></p> <p><del>Carriers will receive notification at scheduled intervals of expected unit reports. Failure to file unit reports on a timely basis will result in fines. See Appendix A for complete details on the NCRB fine system.</del></p>  |  |
| <p><b>7. Dates</b></p> <p><del>All dates shall be represented by a numeric designation, i.e., April 1, 2001 should appear as 04-01-01.</del></p>  |  |
| <p><b>8. Uncollectible Premiums</b></p> <p>For those policies on which an audit has been conducted and the earned premium is known, but uncollectible, report all earned premiums, with corresponding exposures and losses.</p> <p><del>For those policies on which a final audit is not possible and the audited earned premium and exposure are not known, report the estimated earned premium and exposures corresponding to the term of coverage. Also, report the losses for the corresponding term of coverage.</del></p> | <p><b>G. Uncollectible Premiums</b></p> <p>For policies on which an audit has been conducted and the earned premium is known, but uncollectible, report all earned premiums with corresponding exposures and losses.</p>   |
| <p><b>9. Reinsurance</b></p> <p>No deductions shall be made <del>from premiums and losses</del> for, or as a result of, reinsurance ceded. Premiums and losses arising from reinsurance <del>received</del> by the reporting carrier shall be excluded from the experience.</p>   | <p><b>H. Reinsurance</b></p> <p><b>Only policies written on a direct basis should be included in the USR reporting.</b> No deductions shall be made for, or as a result of, reinsurance ceded. Premiums and losses arising from reinsurance <b>assumed</b> by the reporting carrier shall be excluded from the experience.</p> |

**Side by Side Comparison-PART 1 RULES AND DEFINITIONS**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
|--|---|
| <p><b>10. Radiation Exposure</b></p> <p>Experience in connection with either construction or operation work performed for or under the direction of the Nuclear Regulatory Commission or any government agency shall be reported under Code 9984.</p> <p><del>Operations involving research, manufacturing, handling, transportation, use of or exposure to radioactive materials, where such operations are not performed for or under the direction of any government agency shall be reported under Code 9985.</del></p> <p>The payroll reported for radiation exposures shall not be added to payrolls shown for other Manual classifications in determining the employer payroll total. <del>The payroll, rate and premium shall be entered on lines D, E or F and only the premium shall be included in the employer total.</del></p> <p>Radiation losses on employers where a supplemental loading has been applied shall be assigned to Code 9985. If no supplemental radiation loading has been applied, any radiation losses shall be assigned to the appropriate classification. <del>Note, however, that any radiation loss, whether reported under Code 9985 or a regular classification, must be identified as a disease loss in the column captioned Loss Conditions.</del></p> | <p><b>J. Radiation Exposure</b></p> <p>Experience in connection with either construction or operation work performed for or under the direction of the Nuclear Regulatory Commission or any government agency shall be reported under <b>Statistical Code 9984.</b></p> <p><b><u>When the following operations are not performed for or under the direction of any government agency, the experience in connection with radiation exposure must be reported under Statistical Code 9985:</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Research</u></b></li> <li>• <b><u>Manufacturing</u></b></li> <li>• <b><u>Handling</u></b></li> <li>• <b><u>Transporting</u></b></li> <li>• <b><u>Use of Radioactive Material</u></b></li> <li>• <b><u>Exposure to Radioactive Material</u></b></li> </ul> <p>The payroll reported for radiation exposures shall not be added to payrolls shown for other Manual classifications in determining the employer payroll total. Radiation losses <b>for</b> employers where a supplemental loading has been applied shall be assigned to <b>Statistical Code 9985.</b> If no supplemental radiation loading has been applied, <b>then</b> radiation losses shall be assigned to the appropriate classification <b>code.</b> However, any radiation loss whether reported under <b>Statistical Code 9985</b> or a classification <b>code</b> must be identified as an <b>occupational</b> disease loss <b>and the Type of Loss must be set accordingly.</b></p> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p><b>11. National Defense Projects</b></p> <p>The experience of policies written under the National Defense Projects Rating Plan shall be excluded from the experience reported under this Plan. Premium and loss data for policies written under the National Defense Projects Rating Plan are reported according to the rules of that Plan.</p> | <p><b>I. National Defense Projects</b></p> <p><b><u>Do not report the experience of policies written under the National Defense Projects Rating Plan to the North Carolina Rate Bureau.</u></b></p>   |
| <p><b>12. Excess Policies</b></p> <p>Experience in connection with excess policies shall be excluded from the experience reported under this Plan.</p>   | <p><b>K. Excess Policies</b></p> <p>Experience in connection with excess policies <b>must</b> be excluded from the experience reported under this <b>Stat</b> Plan.</p>   |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b><u>D. One-Year Policies</u></b></p> <p><b><u>A policy issued for a period of one year or a period not longer than one year and sixteen days is treated as a one year policy.</u></b></p> <p><b><u>Example:</u></b></p> <p><b><u>a. A policy issued with an effective date of January 8, 2013 and expiration date of January 24, 2014 is considered a one-year policy. The USR would reflect a policy period of January 8, 2013 to January 24, 2014.</u></b></p> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
|--|---|
| <p><b>13. Multiple Year Policies - Other than Three-Year Fixed Rate</b></p> <p>Multiple year policies other than three-year fixed rate <del>shall be considered as made up of separate annual policies for reporting purposes and reports for each unit of twelve months, or less, shall be filed</del> at the time all other reports on policies with the same effective date are being filed. Losses shall be valued during the eighteenth month after the effective date of each unit of experience and at annual periods thereafter.</p> <p>Examples:</p> <p>A. The reports on a three-year policy effective July 1, 2000 shall be <del>filed</del> with the regular reports on policies effective in July 2000, July 2004, and July 2002. Losses shall be valued January 2002 January 2003 and January 2004, respectively.</p> <p>B. <del>The reports on a policy covering the period July 1, 2000 to January 1, 2002, with the first six months considered as a unit, shall be filed with the regular reports on policies effective in July 2000 and January 2004. Losses shall be valued January 2002 and July 2002, respectively.</del></p> <p>C. The reports on a policy covering the period July 1, 2000 to January 1, 2003, with the last six months considered as a unit, shall be <del>filed</del> with the regular reports on policies effective in July 2000, July 2004 and July 2002. Losses shall be valued January 2002, January 2003 and January 2004, respectively.</p> <p><i>Note: A policy issued for a period not longer than one year and sixteen days <b>is treated as a one-year policy.</b></i></p> | <p><b>E. Multiple Year Policies - Other than Three-Year Fixed Rate</b></p> <p>Multiple year policies other than three-year fixed rate policies <b>are</b> considered separate policies for <b>USR data</b> reporting purposes. Reports for each unit of twelve months or less must be submitted at the time all other reports on policies with the same effective date are being <b>submitted</b>. Losses <b>must</b> be valued during the eighteenth month after the effective date of each unit of experience and at annual periods thereafter.</p> <p>Examples:</p> <p>a. The reports on a three-year policy effective July 1, <b>2010</b> shall be submitted with the regular reports on policies effective in July <b>2010</b>, July <b>2011</b>, and July <b>2012</b>. Losses shall be valued January <b>2012</b>, January <b>2013</b> and January <b>2014</b> respectively.</p> <p>b. The reports on a policy covering the period July 1, <b>2010</b> to January 1, <b>2013</b>, with the <b>last</b> six months considered as a unit, shall be <b>submitted</b> with the regular reports on policies effective in July <b>2010</b>, July <b>2011</b> and July <b>2012</b>. Losses shall be valued January <b>2012</b>, January <b>2013</b> and January <b>2014</b>, respectively.</p> <p><b><u>c. A policy issued with an effective date of January 8, 2013 and expiration date of January 31, 2014 would not be considered a one-year policy. In this case, the first reported USR would reflect a policy period of January 8, 2013 to January 8, 2014. At the next valuation date, a second USR would be reported for the policy period of January 8, 2014 to January 31, 2014.</u></b></p> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p><b>14. Catastrophe Provisions</b></p> <p>A. Terrorism</p> <p>The premium debit charge for the Terrorism Act must be reported under statistical code 9740 on lines J, K or L. The charge does not apply to the subject premium or the standard premium totals.</p> <p>B. Catastrophe (other than Certified Acts of Terrorism)</p> <p>The premium debit charge for Catastrophe Provisions for Catastrophe (other than certified acts of Terrorism) must be reported under statistical code 9741 on lines J, K, or L. The charge does not apply to the subject premium or the standard premium totals.</p> <p>Note: Catastrophe Provision Certified losses must be reported with the appropriate catastrophe number, accident date parameter and injury description including the Cause of Injury Code 96-Terrorism.</p> | <p><b>REPORTING INSTRUCTIONS REMOVED FROM THIS SECTION OF MANUAL AND INCLUDED UNDER CODING VALUES-SECTION 6</b></p> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p><del>15. Reporting Fully Fraudulent Claims — Approved effective 5-10-04</del></p> <p><del>When the claim has been ruled or declared fully fraudulent, the whole cost of the claim must be netted to zero for unit statistical reporting.</del></p> <p><del><input type="checkbox"/> If the claim is deemed to be fully fraudulent prior to the 1st report level, the claim is considered non-compensable and is not to be reported.</del></p> <p><del><input type="checkbox"/> If the claim is deemed fully fraudulent subsequent to the 1st report level, but within one year after the 5th report due date of the unit report on which the claim appears, a correction report must be filed. Reduce the incurred claim cost to zero. This must be corrected on all the report levels impacting the current and up to two prior modifications.</del></p> <p><del>— If the claim is deemed to be fully fraudulent as of the 6th report due date or subsequent reduce the incurred claim cost to zero at the next valuation date.</del></p> | <p><b>REMOVED FROM THIS SECTION OF THE MANUAL AND INCLUDED IN THE LOSS AND EXPENSES SECTION-4</b></p> |

Side by Side Comparison-PART 1 RULES AND DEFINITIONS

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><b>17. Method of Transmittal</b></p> <p>Experience reports shall be submitted on a regular basis to one of the organizations shown in Section Two, Part 1. Carriers are not required to file a letter of transmittal with hard copy reports.</p>   | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL. SECTION 7 OF THE PREVIOUS MANUAL.</b></p>   | <p><b>F. Three-Year Fixed Rate Policies</b></p> <p><b>Reports for Three-Year Fixed Rate Policies shall be first reported as of the 42<sup>nd</sup> month after the month in which the policy became effective, and the reports shall be submitted no later than 44 months after the month in which the policy became effective. These reports shall be specifically identified as three-year fixed rate policy experience. See Part 2- Header/Policy Information for additional details on policy identification data.</b></p> |
| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL. SECTION 7 OF THE PREVIOUS MANUAL.</b></p> <p><b>11. Deductibles</b></p> <p>Report above Line A the premium credit amount for deductible programs under Code 9664 for credit subject to experience rating, i.e., calculated prior to the application of the experience modification.</p> <p>Report on Lines D, E or F the premium credit amount for deductible programs under Code 9663 for credits not subject to experience rating, i.e., calculated after the application of the experience modification.</p> | <p><b>L. Deductible Programs</b></p> <p><b>Deductible programs are available as an optional feature of the insurance policy. The premium credit amount associated with the deductible program is reported either prior to the application of the experience mod (Statistical Code 9664) or after the application of the experience mod (Statistical Code 9663).</b></p> <p><b>When a deductible program applies, all losses are to be reported on a gross basis prior to the application of the deductible</b></p>             |

Side by Side Comparison-PART 2 HEADER/POLICY INFORMATION

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p><b>1. Report Number</b></p> <p>Report the 2-digit numeric code that corresponds to the loss valuation date.</p> <p><u>Code</u>   <u>Report Level</u>   <u>Valuation Date</u>   <u>Filing Due Date</u></p> <p>01   1<sup>st</sup> Report   18<sup>th</sup> month   20<sup>th</sup> month</p> <p>02   2<sup>nd</sup> Report   30<sup>th</sup> month   32<sup>nd</sup> month</p> <p>03   3<sup>rd</sup> Report   42<sup>nd</sup> month   44<sup>th</sup> month</p> <p>04   4<sup>th</sup> Report   54<sup>th</sup> month   56<sup>th</sup> month</p> <p>05   5<sup>th</sup> Report   66<sup>th</sup> month   68<sup>th</sup> month</p> <p>06   6<sup>th</sup> Report   78<sup>th</sup> month   80<sup>th</sup> month</p> <p>07   7<sup>th</sup> Report   90<sup>th</sup> month   92<sup>nd</sup> month</p> <p>08   8<sup>th</sup> Report   102<sup>nd</sup> month   104<sup>th</sup> month</p> <p>09   9<sup>th</sup> Report   114<sup>th</sup> month   116<sup>th</sup> month</p> <p>10   10<sup>th</sup> Report   126<sup>th</sup> month   128<sup>th</sup> month</p> <p>Report level 6 through 10 applies to unit reports effective 1-1-99 valued as of July 2005 with the filing due date of September 2005 and subsequent.</p> | <p><b>A. Report <u>Level Code</u>/Report Number</b></p> <p><b><u>This numeric code indicates whether the USR is a first or a subsequent report. Refer to Part 6-Coding Values for applicable Report Number codes.</u></b></p> |



Side by Side Comparison-PART 2 HEADER/POLICY INFORMATION

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><b>2. Correction Sequence Number</b></p> <p>Report the 2-digit sequential number that corresponds to the number of correction reports submitted within a particular report level. For example, the 3rd correction to a first report would show a report number of 01 and a correction sequence number of 03. Leave blank for original report level submissions. On electronic submission use 1 through 9 and then, if necessary, use A through Z since correction number is a 1 byte field. On hard copy continue numeric sequence through 99.</p> | <p><b>B. Correction Sequence Number</b></p> <p><b>The sequence number indicates the USR correction within a particular report level. For example, the third correction to a 1<sup>st</sup> report USR would be submitted as USR number 1 and USR correction sequence number 3. USR corrections must be submitted as 1 through 9 and then if necessary, A through Z. If the number of USR corrections exceeds Z, contact the Bureau for further reporting instructions.</b></p> |
| <p><b>3. Correction Type</b></p> <p>Report the 1-position alphabetic code that indicates the type of correction report being submitted.</p> <p>H— Header Record Correction<br/> E— Exposure Record Correction (First Reports Only)<br/> L— Loss Record Correction<br/> T— Total Record Correction<br/> M— Corrections to Multiple Record Types<br/> *Note: Correction Type A (Aggravated Inequity) can no longer be reported effective May 1, 2010.</p>   | <p><b>C. Correction Type <u>Code</u></b></p> <p><b>This code identifies</b> the type of USR correction report. <b>Refer to Part 6-Coding Values for applicable Correction Type Codes.</b></p>  |
| <p><b>4. Replacement Indicator</b></p> <p>This field is <b>not applicable</b> in North Carolina.</p>  | <p><b>D. Replacement <u>Report Code</u></b></p> <p><b>This alpha code (R) indicates that the USR is a replacement for a USR in a rejected status.</b></p>  |

**Side by Side Comparison-PART 2 HEADER/POLICY INFORMATION**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
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| <p><b>5. Carrier Code</b></p> <p>Report the 5-digit numeric code assigned to the reporting carrier by National Council on Compensation Insurance, Inc.</p>  | <p><b>E. Carrier Code</b></p> <p>The numeric code assigned to the <b>data reporter</b> by <b>NCCI</b>.</p>   |
| <p><b>6. Policy Number</b></p> <p>Report the alpha-numeric code that uniquely identifies the policy under which experience occurred, excluding blanks, punctuation marks and special characters. This number must be identical to the number shown on the policy information page, or as endorsed. The complete policy number including prefixes or suffixes, if used, must remain the same throughout the life of the policy and for the reporting of all experience under that policy.</p>  | <p><b>F. Policy Number</b></p> <p>The alpha-numeric code that uniquely identifies the policy.</p>  |
| <p><b>7. Policy Effective Date</b></p> <p>This date (month, day and year) must be identical to the date shown on the policy information page, or as endorsed. For interstate policies endorsed after the policy effective date to provide coverage for North Carolina, report the effective date of the policy. For the second and third years of three-year variable rate policies, report the effective date as one and two years, respectively, subsequent to the policy effective date shown on the policy information page. For the second or third period of extended-term policies, report the effective date as the date each period began as shown in the policy period endorsement.</p> | <p><b>G. Policy Effective Date</b></p> <p><b><u>The date that the policy or period became effective.</u></b></p> <p><b><u>The policy effective date reported for the USR must equal the effective date of the policy except as described below for extended term and three-year variable rate policies.</u></b></p> <p><b><u>Extended Term Policy (Policy Term Greater than 1 year and 16 days but less than 3 years):</u></b></p> <p><b><u>When reporting the USR for the first period of an extended-term policy, the policy effective date for the corresponding USR must equal the effective date of the policy.</u></b></p> <p><b><u>When reporting the USR for the second or third period of an extended-term policy, the policy effective date for the corresponding USR must equal the date the second or third period began, respectively, as shown on the policy period endorsement. Do not report the effective date of the policy. The USR effective date for the second period must be a year after the policy effective date, and the USR effective date for the third period, when applicable, must be two years after the policy effective date.</u></b></p> |

Side by Side Comparison-PART 2 HEADER/POLICY INFORMATION

| EXISTING LANGUAGE  | REVISED LANGUAGE   |
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|  | <p><b><u>G. Three-Year Variable Rate Policy:</u></b></p> <p><b><u>When reporting the USR for the first period of a three-year variable rate policy, the policy effective date reported for the corresponding USR must equal the effective date of the policy.</u></b></p> <p><b><u>When reporting the USR for the second or third period of a three-year variable rate policy, the policy effective date reported for the corresponding USR must equal the date the second or third period began, respectively, as shown on the policy period endorsement. Do not report the effective date of the policy. The USR effective date for the second period must be a year after the policy effective date, and the USR effective date for the third period, when applicable, must be two years after the policy effective date.</u></b></p>   |
| <p><b>8. Policy Expiration Date</b></p> <p><del>Report the month, day and year upon which the policy expired. For canceled policies, report the cancellation date as the expiration date. For policies issued not longer than one year, sixteen days (considered standard one-year term policies), report the expiration date as shown on the policy information page or endorsement. For the first and second years of three year variable rate policies, report the expiration date as one and two years, respectively, subsequent to the policy effective date shown on the policy information page. For the first or second period of extended-term policies, report the appropriate expiration date equal to the periods of coverage as shown in the policy period endorsement.</del></p> | <p><b>H. Policy Expiration Date <u>or Cancellation Date</u></b></p> <p><b><u>The date the policy or period expired or was cancelled.</u></b></p> <p><b><u>Report the cancellation date for a policy that was cancelled.</u></b></p> <p><b><u>Extended Term Policy (Policy Term Greater than 1 year and 16 days but less than 3 years):</u></b></p> <p><b><u>When reporting the USR for the first period of an extended-term policy, the policy expiration date reported for the corresponding USR must equal the date the first period of the policy ends as shown on the policy period endorsement. Do not report the expiration date of the policy.</u></b></p> <p><b><u>When reporting the USR for the second or third period of an extended-term policy, the policy expiration date for the corresponding USR must equal the expiration date of the second or third period, respectively, as shown on the policy period endorsement. The last period expiration date for the corresponding USR should equal the expiration date of the policy.</u></b></p> |

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| EXISTING LANGUAGE   | REVISED LANGUAGE   |
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|   | <p><b><u>Three-Year Variable Rate Policy:</u></b></p> <p><b><u>When reporting the USR for first period of a three-year variable rate policy, the policy expiration date reported for the corresponding USR must equal the date the first period of the policy ends as shown on the policy period endorsement.</u></b></p> <p><b><u>When reporting the USR for the second or third period of a three-year variable rate policy, the policy effective date reported for the corresponding USR must equal the date the second or third period began, respectively, as shown on the policy period endorsement. Do not report the expiration date of the policy. The USR expiration date for the first period must be a year after the actual policy effective date, and the USR expiration date for the third period, when applicable, must be two years after the policy effective date. The last period expiration date for the corresponding USR should equal the expiration date of the policy</u></b></p> |
| <p><b>9. Exposure State</b></p> <p>Report the numeric code <del>&gt;32=</del> for North Carolina.</p>   | <p><b>I. Exposure State</b></p> <p>The numeric code (32) <b><u>that identifies</u></b> North Carolina <b><u>coverage.</u></b></p>  |
| <p><b>10. State Effective Date</b></p> <p><del>Report the date North Carolina coverage was added mid-term to a multi-state policy if the state coverage was endorsed mid-term. Otherwise, leave blank. The date should be within the policy period.</del></p> | <p><b>J. State Effective Date</b></p> <p>The date North Carolina coverage was added mid-term to a multi-state policy.</p>  |
| <p><b>11. Certificate Number</b></p> <p><del>This field is not applicable in North Carolina.</del></p>  | <p><b>REMOVED FROM MANUAL</b></p>  |

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| <p><b>12. Card Serial Number</b></p> <p>This field is not required in North Carolina.</p>  | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>13. Risk ID Number</b></p> <p>A carrier may report the 7-digit Risk Identification Number assigned to the employer by the NCRB. For interstate rated policies, a carrier may report the nine digit NCCI-assigned number.</p> | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>14. Page Number</b></p> <p>Report the page number of multi-page unit reports. This field is not required on single page unit reports.</p>  | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>15. Last Page Number</b></p> <p>Report the last page number of multi-page unit reports. This field is not required on single page unit reports.</p>  | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>16. Insured Name</b></p> <p>Report the name of the person or business with whom the insurance contract was made and designated, by name, in Item 1 of the policy information page, or as endorsed.</p>                       | <p><b>K. Name of Insured</b></p> <p>The name of the person or business <b>entity</b> with whom the insurance contract was made</p> |
| <p><b>17. Insured Address</b></p> <p>Report the street address, city, state and zip code of the named insured as shown in Item 1 of the policy information page, or as endorsed. This field is optional for North Carolina.</p>    | <p><b>REMOVED FROM MANUAL</b></p>  |

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|---|---|
| <p><del>18. Federal Employer Identification Number (FEIN)</del></p> <p><del>This field is optional for North Carolina.</del></p>  | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><del>19. Pending File Number</del></p> <p><del>This field is not applicable in North Carolina</del></p>  | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><del>20. Mod Effective Date</del></p> <p><del>Report the mod effective date (month, day and year) only when different from policy effective date. If the modification changes in accordance with the rules of the Experience Rating Plan Manual, report the effective date of the modification which applies to the reported exposure(s). The date should be within the policy period.</del></p> | <p><b>REMOVED FROM THIS SECTION OF THE MANUAL AND INCLUDED IN EXPOSURE INFORMATION PART 3</b></p> |
| <p><del>21. Unit Report Resubmission Indicator</del></p> <p><del>This field is not applicable in North Carolina</del></p>   | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><del>22. Rate Effective Date</del></p> <p><del>Report the rate effective date (month, day, and year) only when the rate reported is different from the rate in effect at policy inception. The rate effective date must be within the policy period.</del></p>   | <p><b>REMOVED FROM THIS SECTION OF THE MANUAL AND INCLUDED IN EXPOSURE INFORMATION PART 3</b></p> |

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| <p><b>23. Policy Conditions</b></p> <p>Report the 1-position code (indicated by a AY@ or AN@) in the appropriate box for each policy condition that applies: three-year fixed rate policy indicator, multi-state policy indicator, interstate rating indicator, estimated exposure indicator, retrospective rated policy indicator, canceled mid-term indicator and managed care organization indicator.</p> | <p><b>L. Policy Condition <u>Indicators</u></b></p> <p><b><u>Indicates the policy conditions that applied to the policy. Refer to Part 6-Coding Values for specific Policy Condition codes.</u></b></p>   |
| <p><b>24. Policy Type</b></p> <p>Identifies the type of coverage, plan indicator and non-standard provisions of the policy.</p>  | <p><b>M. Policy Type <u>ID Code</u></b></p> <p><b><u>The different type of policy provisions consist of Coverage, Plan and Non-Standard. Refer to Part 6-Coding Values for specific Policy Type ID codes.</u></b></p>                             |
|  | <p><b>N. Losses Subject to Deductible Code</b></p> <p>Indicates the type of losses subject to the deductible plan that applies to the policy. Refer to <b>Part 6-Coding Values</b> for specific Losses Subject to Deductible codes.</p>           |
| <p><b>25. Deductible Type</b></p> <p>Report the 4-digit code that identifies the type of deductible being reported.</p>  | <p><b>O. <u>Basis of Deductible Calculation Code</u></b></p> <p><b><u>Indicates the Type of Deductible and Type of Plan that applies to the policy. Refer to Part 6-Coding Values for specific Basis of Deductible Calculation codes.</u></b></p> |
| <p><b>26. Deductible Percent</b></p> <p>This field is not applicable in North Carolina.</p>  | <p><b>REMOVED FROM MANUAL</b></p>   |

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| <p><b>27. Deductible Amount Per Claim/Accident</b></p> <p>Report the loss amount by claim/accident to be paid by the employer, if applicable, as defined by the carrier's deductible program.</p>                            | <p><b>P. Deductible Amount Per Claim/Accident</b></p> <p>The loss amount <b>per</b> claim <b>and per</b> accident to be paid by the employer, if applicable, as defined by the <b>policy's</b> deductible program.</p> |
| <p><b>28. Deductible Amount Aggregate</b></p> <p>Report the maximum loss amount for all claims to be paid by the employer, if applicable, as defined by the carrier's deductible program. (See Part 25 of this Section.)</p> | <p><b>Q. Deductible Amount - Aggregate</b></p> <p>The maximum loss amount for all claims to be paid by the employer, if applicable, as defined by the <b>policy's</b> deductible program.</p>                          |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>R. Unit Format Submission Code</b></p> <p><b>Report 'A' to indicate ASWG (Advisory Statistical Working Group) format.</b></p>  |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>NOTE: The following fields are only to be used when correcting the link data record (WCIO WCSTAT Record Type 1):</b></p>   |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>S. Previous Report Level Code/Report Number</b></p> <p><b>Submit the report number code that was previously submitted.</b></p>   |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>T. Previous Correction Sequence Number</b></p> <p><b>Submit the correction sequence number that was previously submitted.</b></p>  |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>U. Previous Carrier Code</b></p> <p><b>Submit the carrier code that was previously submitted</b></p>   |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>V. Previous Policy Number Identifier</b></p> <p><b>Submit the policy number identifier that was previously submitted.</b></p>  |
| <p><b>NEW ITEM ADDED TO MANUAL</b></p>   | <p><b>W. Previous Policy Effective Date</b></p> <p><b>Submit the policy effective date that was previously submitted.</b></p>  |



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| <b>NEW ITEM ADDED TO MANUAL</b> | <b><u>X. Previous Exposure State Code</u></b><br><br><b><u>Submit the exposure state code that was previously reported.</u></b> |

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| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL. SECTION 3 PAGE 3 OF THE PREVIOUS MANUAL</b></p> <p>20. Mod Effective Date<br/> <del>Report the mod effective date (month, day and year) only when different from policy effective date. If the modification changes in accordance with the rules of the Experience Rating Plan Manual, report the effective date of the modification which applies to the reported exposure(s). The date should be within the policy period.</del></p> | <p>A. <b>Experience Modification</b> Effective Date</p> <p><b><u>The effective date of the applicable experience modification that is required for all exposures. If the risk is not currently experience rated, the policy effective date must be used. If the experience modification changes during the policy period then the effective date of the modification which applies to the reported exposure(s), subject to the rules of the Experience Rating Plan Manual, must be reported. The date must be within the policy period.</u></b></p> |
| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL. SECTION 3 PAGE 3 OF THE PREVIOUS MANUAL</b></p> <p>22. Rate Effective Date<br/> <del>Report the rate effective date (month, day and year) only when the rate reported is different from the rate in effect at policy inception. The rate effective date must be within the policy period.</del></p>  | <p>B. Rate Effective Date</p> <p><b><u>This date reflects the rate effective date that corresponds to the class code and its associated rate, exposure and premium. If the rate changes during the policy period, report the rate effective date that applies to the reported class code, rate, exposure and premium.</u></b></p>   |
| <p><b>1. Update Type</b></p> <p><del>Leave this field blank on a first report. Refer to Section Six of this Plan for details regarding correction and subsequent reports.</del></p>  | <p>C. Update Type <b>Code</b></p> <p><b><u>The alpha code which identifies the exposure activity. Refer to Part 6-Coding Values for the appropriate Update Type codes.</u></b></p>  |
| <p><b>2. Exposure Coverage Code (Act)</b></p> <p><del>Report the code that identifies the type of exposure coverage.</del></p>   | <p>D. <b>Exposure Act/Exposure Coverage Code</b></p> <p>The <b>numeric</b> code that identifies the type of exposure coverage <b><u>for each classification code. Refer to Part 6-Coding Values for specific Exposure Act/Exposure Coverage codes.</u></b></p>  |

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|---|---|
| <p><b>3. Classification Code</b></p> <p>Report the four-digit code corresponding to the classifications assigned to the employer pursuant to the rules of the <i>Basic Manual for Workers Compensation and Employers Liability Insurance</i>.</p>   | <p><b>E. Classification Code</b></p> <p>The <b>classification code</b> assigned to the employer pursuant to the rules of the <i>Basic Manual for Workers Compensation and Employers Liability Insurance</i>.</p>  |
| <p><b>4. Exposure Amount</b></p> <p>Exposures are required for all classification codes. The exposure reported shall be the audited exposure corresponding to the charged premium amount. <del>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.</del></p> <p><del><b>A. Payroll Base.</b> 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.</del></p> | <p><b>F. Exposure Amount</b></p> <p><b>1. Payroll Exposure</b></p> <p>Exposures are required for all classification codes. The exposure reported shall be the audited exposure corresponding to the charged premium amount. <b>If the final audit has not been completed by the USR valuation date, the Estimated Audit Code</b> field should contain the symbol Y or <b>U when the unit is submitted to the Bureau. In both instances</b> and without further request, <b>the USR</b> must be replaced by a correction report as soon as audited payrolls are available.</p> |
| <p><del><b>B. Per Capita Classifications.</b> 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.</del></p>  | <p><b>REMOVED FROM THIS SECTION AND MOVED UNDER NON-PAYROLL EXPOSURE</b></p>  |

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| <p><del>*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.</del></p>  | <p><b>2. No Exposure Units</b></p> <p>When a policy is issued with <b>“NC” listed in item 3A</b> and upon audit it is determined that North Carolina exposure did not develop, a first level unit report must be submitted with <b>Statistical Code 1111. Statistical Code 1111</b> must be reported with no corresponding exposure, corresponding rate, premium amounts or losses. <b>Units reported for policies with no exposure should not contain any classification codes.</b></p>  |
| <p><del>*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.</del></p> <p><del>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.</del></p> | <p><b>3. Minimum Premium Units</b></p> <p><b>Minimum premium units should not be considered the same as no exposure units. When no exposure develops under a minimum premium policy, a unit must be submitted with Statistical Code 1111 and include the balance to minimum premium Statistical Code 0990. The balance to minimum premium is the additional premium required to bring the total policy standard premium up to the minimum premium amount. When exposure develops (payroll greater than 0) and the premium is less than or equal to the minimum premium, the appropriate class code(s) for the employer must be reported with the corresponding rates, premium, and statistical codes including Statistical Code 0990(balance to minimum premium stat code). Refer to Part 3-F.2-Exposure Information for instructions regarding the reporting of No Exposure Units.</b></p> |

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|  | <p><b><u>4. Non-Payroll Exposure</u></b></p> <p><b><u>Class codes that have an exposure base other than payroll:</u></b></p> <p><b><u>a. Per Capita Classifications - The number of employee(s) based on the duration of coverage for one- year intervals. Per Capita exposures should not be added to the total standard exposure.</u></b></p> <p><b><u>b. Aircraft Operation-Passenger Seat Surcharge - The number of passenger seats on the aircraft. The number of seats should not be added to the total standard exposures.</u></b></p> <p><b><u>c. Other Miscellaneous Exposures - Refer to Part 1- Rules and Definitions</u></b></p> |
| <p><b><del>D. Disease Experience.</del></b></p> <p><del>Report the payroll to which the supplementary disease rate is applied. Do not add these payrolls to the total standard exposures.</del></p>  | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b><del>E. Non-Ratable Elements.</del></b></p> <p><del>Report the payroll which the portion of the rate is applied. Do not add these payrolls to the total standard exposure.</del></p>           | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b><del>F. Radiation Exposure.</del></b></p> <p><del>Report the payroll to which the supplementary radiation rate is applied. Do not add these payrolls to the total standard exposure.</del></p> | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>5. Manual Rate</b></p> <p>Report the applicable carrier rate (charge per unit of exposure) for each classification.</p>  | <p><b>G. Manual Rate/Charged Rate</b></p> <p><b><u>Submit</u></b> the applicable carrier rate (charge per unit of exposure) for each classification <b><u>code</u></b>.</p>  |

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|--|---|
| <p><b>6. Premium Amount –<del>Subject to Experience Modification</del></b></p> <p>Report the premium by classification as determined by:</p> <p><b>A. <del>Extension of Payroll.</del></b> The premium obtained by extension of payroll, or other exposure at the applicable carrier rate <del>shall</del> be reported for the appropriate class code. Report whole dollars only.</p>  | <p><b>I. Premium Amount</b></p> <p>The premium by classification <b>is</b> determined by:</p> <ul style="list-style-type: none"> <li>• <b>Payroll</b> - The premium obtained by extension of payroll or other exposure at the applicable carrier rate <b>should</b> be reported for the appropriate classification code. Report whole dollars only.</li> <li>• <b>Flat Charges or Credits</b> - This premium does not vary by <b>payroll</b> and <b>should</b> be reported under the appropriate statistical code.</li> </ul> |
| <p><b>B. Other Than Extension of Payroll.</b></p> <p>This premium does not vary by <del>exposure</del> and <del>shall</del> be reported under the appropriate statistical code.</p> <p><del>(1) Employers Liability Increased Limits – Refer to Section Eight for the appropriate statistical codes to report the premium charged for providing increased limits for Coverage B. In those cases where the calculated premium charged is less than the minimum charge for the selected limits, the additional premium required to balance to such minimum charge shall be reported under Statistical Code 9848.</del></p> <p><del>(2) Indemnity and/or Medical Deductible Programs – Refer to Part 11 of this Section.</del></p> <p><del>(3) No Exposure/Premium Developed – Report Code 1111 and leave exposure and premium fields blank.</del></p> <p><del>(4) Rate Deviation – Report the premium credit for approved rate deviations under Code 9037.</del></p> <p><del>(5) Short Rate Penalty Premium – For policies canceled on a short rate basis. Report the additional premium resulting from the application of the Short Rate Cancellation Rule under Code 0931.</del></p> | <ul style="list-style-type: none"> <li>• <b>Other Than Extension of Payroll</b> - This premium does not vary by exposure and <b>should</b> be reported <b>for</b> the appropriate statistical code.</li> </ul>  |

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|---|---|
| <p><del>(6) Waiver of Our Right To Recover From Others — Approved 9-1-06</del> The form is used to waive the company's right of subrogation against named third parties who may be responsible for the injury. Report the premium for a specific waiver of 5% to the applicable total manual premium with a 100.00 minimum per waiver. Report the premium for a blanket waiver as 2% of the total manual premium subject to a \$100.00 minimum premium per policy. The charges are subject to the experience modification. When reporting this premium, use stat code 0930 and report the premium above line A.</p> |   |
| <p><del>*(7) Drug Free Workplace Credit Subject to Experience Rating</del> - Report the premium credit under Statistical Code 9841.</p>   | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><b>7. Total Subject Premium -Line A</b></p> <p>Report the sum of premium amounts subject to experience modification. For risks not subject to experience modification, this field may be blank on hard copy reports.</p> <p><i>Note: If experience is reported on a split basis, the Total Subject Premium shall be reported separately for each portion of the split. If the split portion consists of multiple pages, report the Total Subject Premium on the last page of each split portion.</i></p>   | <p><b>K. Subject Premium Total</b></p> <p>The sum of premium amounts subject to experience modification <b>prior to the application of the modification factor.</b></p> |

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|---|---|
| <p><b>8. Experience Modification –Line B</b></p> <p><del>Report the experience modification factor, expressed as a decimal, used to develop the charged premium. If a change in experience modification occurs after the policy effective date the payrolls, carrier rate and corresponding premium must be split and reported separately. The effective date of the mid-term split shall be reported in the Mod Effective Date field. Leave blank for policies not subject to experience modification.</del></p> | <p><b>L. Experience Modification <u>Factor</u></b></p> <p><b><u>The numeric value that identifies the experience modification of the insured that is used to establish an insured's premium.</u></b> If a change in experience modification occurs after the policy effective date the exposures, manual rate and corresponding premium must be reported. The effective date of the mid-term <b><u>change in experience modification</u></b> shall be reported in the Mod Effective Date field.</p> |
| <p><b>9. Total Modified Premium –Line C</b></p> <p><del>Report the Total Subject Premium multiplied by the Experience Modification. If experience is reported on a split basis, the Total Modified Premium shall be reported separately for each portion of the split. If the split portion consists of multiple pages, report the Total Modified Premium on the last page of each split portion. For policies not subject to experience modification, leave this field blank.</del></p>                          | <p><b>J. <u>Premium Amount - Subject to Experience Modification Factor</u></b></p> <p><b><u>The premium credit or debit amount per classification, subject to experience modification.</u></b></p>  |



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|--|---|
| <p><b>10. Premium - Not Subject to Experience Modification</b></p> <p><del>Report on Lines D, E or F the classification codes and corresponding exposures and rates (if applicable) and premium amounts for those classifications not subject to experience modification.</del></p>  | <p><b>M. Premium - Not Subject to Experience Modification <u>Factor</u></b></p> <p>The classification codes, corresponding exposures, rates (if applicable) and premium amounts for those classifications not subject to experience modification.</p> |
| <p><del><b>A. Aircraft Operation</b> B Passenger Seat Surcharge B Report the premium charged for this exposure under Code 9108</del></p> <p><del><b>B. Atomic Energy Radiation Exposure</b> Report the premium charged for this exposure under Code 9984 or Code 9985.</del></p> <p><del><b>C. Assigned Risk Adjustment Program (ARAP) Surcharge</b> Report the premium generated from the application of the ARAP surcharge percentage to the risks= modified premium under Code 0277</del></p> <p><del><b>D. Workplace Safety Program Credit</b> Report the premium credit for approved workplace safety programs under Code 9880.</del></p> | <p><b>REMOVED FROM MANUAL</b></p>   |

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|--|--|
| <p><del><b>E. Drug Free Workplace Credit</b> - Report the premium credit for approved drug free workplace programs under Code 9846.</del></p> <p><del><b>F. Indemnity and/or Medical Deductible Programs</b> - Refer to Part 11 of this Section.</del></p> <p><del><b>G. Minimum Premium Policies</b> Refer to Part 13 of this Section.</del></p> <p><del><b>H. Rate Deviation</b> - Report the premium credit for approved rate deviations under Code 9034</del></p>  | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><del><b>11. Deductibles</b></del></p> <p><del>Report above Line A the premium credit amount for deductible programs under Code 9664 for credits subject to experience rating, i.e., calculated prior to the application of the experience modification.</del></p> <p><del>Report on Lines D, E or F the premium credit amount for deductible programs under Code 9663 for credits not subject to experience rating, i.e., calculated after the application of the experience modification.</del></p>  | <p><b>REMOVED FROM THIS SECTION OF THE MANUAL AND INCLUDED IN RULES AND DEFINITIONS-PART 1</b></p> |
| <p><del><b>12. Premium Modification- Other than Experience Modification</b></del></p> <p><del>Report on Lines D, E or F the premium adjustment resulting from the application of a schedule rating plan using one of the following classification codes:</del></p> <p><del>Code 9887 — Premium credit for schedule rating plan (i.e., resulting from the application of a schedule rating factor less than 1.00)</del></p> <p><del>Code 9889 — Premium debit for schedule rating plan (i.e., resulting from the application of a schedule rating factor greater than 1.00)</del></p> | <p><b>REMOVED FROM MANUAL</b></p>  |

**Side by Side Comparison-PART 3 EXPOSURE INFORMATION**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
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| <p><b>13. Minimum Premiums</b></p> <p>The determination of whether or not an employer falls under the minimum premium criteria is made by comparing the premium obtained by extension of payroll plus the expense constant to the highest minimum premium shown on the carriers filed rate <del>pages</del> for the classifications on the policy. When the premium, including the expense constant, is less than the policy minimum premium, the additional premium necessary to balance to the minimum premium shall be <del>assigned to Code 0990 and reported on Lines D, E or F.</del> The amount reported under <del>Code 0990</del> should not include expense constants. Expense constants are reported separately.</p> <p>If the minimum premium applies to a multi-state policy, the additional premium required to bring the total employer standard premium up to the minimum premium shall be allocated to the state with the highest minimum premium.</p> | <p><b>R. Minimum Premiums</b></p> <p>The determination of whether or not an employer falls under the minimum premium criteria is made by comparing the premium obtained by extension of payroll plus the expense constant to the highest minimum premium shown <b>for</b> the carriers filed rates for the classifications on the policy. When the premium, including the expense constant, is less than the policy minimum premium, the additional premium necessary to balance to the minimum premium shall be reported. The amount reported under the statistical code should not include expense constants. Expense constants are reported separately.</p> <p>If the minimum premium applies to a multi-state policy, the additional premium required to bring the total employer standard premium up to the minimum premium shall be allocated to the state with the highest minimum premium.</p> |
| <p><b>14. Total Standard Exposure - <del>Line G</del></b></p> <p><del>Report the sum of all payroll exposures above Line A. For multi-page unit reports, report this total on the last page only.</del></p>   | <p><b>N. Exposure-<u>Payroll</u> Total</b></p> <p>The sum of all payroll and exposure amounts <b>included in standard exposure.</b></p>  |
| <p><b>15. Total Standard Premium -<del>Line G</del></b></p> <p><del>Report the sum of all premium dollars, both subject and not subject to modification, which are to be included in standard premium. For multi-page unit reports, report this total on the last page only. This total must exclude the amounts for premium discount and/or expense constant.</del></p>  | <p><b>O. Total Standard Premium <u>Amount</u></b></p> <p>The sum of all premium dollars, both subject to modification and not subject to modification, which are to be included in standard premium.</p>   |

**Side by Side Comparison-PART 3 EXPOSURE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p><b>16. Premium Discount Amount - <del>Line H</del></b></p> <p><del>Report the premium adjustment resulting from the application of the premium discount plan reported under Code 0063 (stock/Type A premium discount) or 0064 (non-stock/Type B premium discount). Do not include the premium discount amount in the total standard premium.</del></p>  | <p><b>P. Premium Discount Amount</b></p> <p>The premium adjustment resulting from the application of the premium discount plan.</p> |
| <p><b>17. Expense Constant Amount - <del>Line I</del></b></p> <p><del>Report the premium adjustment resulting from the application of the expense constant under Class Code 0900. Do not include the expense constant amount in the total standard premium.</del></p> <p><del>For multi-state policies, allocate the expense constant to the state with the highest applicable expense constant. If two or more states have the same highest expense constant, allocate the expense constant to the state developing the highest standard premium.</del></p> | <p><b>Q. Expense Constant Amount</b></p> <p>The premium adjustment resulting from the application of the expense constant.</p>      |
| <p><b>18. Terrorism</b></p> <p>Statistical code 9740, to be reported on line J, K or L.</p>  | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><b><del>*19. Catastrophe (other than Certified Acts of Terrorism)</del></b></p> <p><del>Statistical code 9741, to be reported on line J, K or L.</del></p>  | <p><b>REMOVED FROM MANUAL</b></p>   |

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| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL.</b></p> | <p><b>H. Split Period Code</b></p> <p><u>The numeric code used to indicate a change in manual/charged rates or modification factors during the life of a policy. For policies with no change in manual/charged rates or modification factors, zero-fill. For policies with changes in manual/charged rates or modification factors, report 0 for the first period, 1 for the second period, 2 for the third period, etc., through 9.</u></p> <p><u>If the anniversary rating date is different than the policy effective date, the exposure, rate and corresponding premium must be split.</u></p> <p><u>Contact the Bureau for questions regarding the reporting of the Split Period Code when processing corrections which are adding or deleting splits.</u></p> |
| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL.</b></p> | <p><b>S. <u>Non-Standard Premium Statistical Codes</u></b></p> <p><u>The amount of premium credit or debit associated with a statistical code that is not part of standard premium. Refer to Section 6-Coding Values for a list of Premium Amount Not Subject to Standard Premium (Non-standard) statistical codes.</u></p>   |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p><b>1. Update Type</b></p> <p>Leave this field blank on a first report. Refer to Section Six of this Plan for details regarding correction and subsequent reports.</p>   | <p><b>12. Update Type</b></p> <p><b><u>Report the alpha code that identifies the loss activity. Refer to Part 6-Coding Values for the appropriate Update Type codes.</u></b></p>  |
| <p><b>*2. Claim Identification</b></p> <p><b>A. Claim Number.</b> Report the alphanumeric code that uniquely identifies a specific claim and represents both the incurred indemnity and incurred medical benefits for one injured worker. Exclude blanks, punctuation marks and special characters. The complete claim number, including suffixes and prefixes, if used, must remain the same throughout the life of the claim.</p>  | <p><b>2. Claim Number</b></p> <p><b><u>Submit</u></b> the alphanumeric code that uniquely identifies a specific claim. <b><u>If the claim number changes, correction reports are required for all previously reported levels.</u></b></p>   |
| <p><b>*3. Accident Date</b></p> <p>For claims which are listed individually, enter the accident date by reporting the month, day and year on which the injury occurred.</p>  | <p><b>4. Accident Date</b></p> <p>The month, day and year <b><u>in</u></b> which the <b><u>accident</u></b> occurred. <b><u>The accident date must be within the policy period.</u></b></p> <p><b><u>NOTE: The policy period does not include the policy expiration date. An accident that occurs on the last day of the policy must be included on the unit for the next policy period.</u></b></p>                    |
| <p><b>*4. Number of Claims</b></p> <p>Cases to be counted as claims must be only those in connection with which a loss payment has been made or a loss reserve established. A case closed without loss payment shall <b>not</b> be counted as a claim. A claim on which more than one payment is made shall be counted only once. An accident resulting in two or more reported claims shall have each claim counted separately.</p> | <p><b>3. Claim Count</b></p> <p>Cases to be counted as claims must be only those in connection with which a loss payment has been made or a loss reserve established. A case closed without loss payment shall not be counted as a claim. A claim on which more than one payment is made shall be counted only once. An accident resulting in two or more reported claims shall have each claim counted separately.</p> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p><b>A. Incurred Indemnity.</b></p> <p><del>Report the whole dollar amount of incurred indemnity costs as of the loss valuation date. These losses consist of all paid and outstanding benefits, including compensation paid to the deceased prior to death, burial expenses, payments to the state and employers liability losses and related expenses. Allocated loss adjustment expenses for other than employers liability coverage must be excluded from reported incurred indemnity losses.</del></p> <p><del>If a deductible program applies, losses are to be reported on a gross basis prior to the application of the deductible.</del></p>   | <p><b>A. Incurred Indemnity Losses</b></p> <p>These losses consist of all paid and outstanding benefits, <b>as defined below</b>; including compensation paid to the deceased prior to death, burial expenses, payments to the state, employer’s liability losses and related expenses. Allocated loss adjustment expenses <b>must be included in incurred indemnity for employer’s liability losses.</b></p>   |
| <p><b>(1) Death and Permanent Disability Claims.</b></p> <p><del>Report each death claim unless the carrier has incurred no liability. If there is compensation paid prior to the death of a claimant and there is later found to be no liability on the death claim, the loss is to be reported on the basis of the injury for which payments have previously been made.</del></p> <p><del>The amount reported as incurred indemnity must include all paid and outstanding benefits, including compensation paid to the deceased prior to death, burial expenses, payments to the state and reserves calculated according to reserve procedures noted below.</del></p> <p><del>The outstanding costs shall be the carrier’s individual claim estimates of future payments, with the following exceptions:</del></p> | <p><b>1. Death and Permanent Disability Claims</b></p> <p>Report each death claim unless the carrier has <b>not</b> incurred any liability. If <b>payment</b> is made prior to the death of a claimant and the <b>carrier has not incurred liability on the death, report the loss on the basis of the injury prior to death.</b></p> <p>The amount reported as incurred indemnity must include all paid and outstanding benefits, including compensation prior to death, <b>at the time of death (such as burial expenses) and following the death (such as to survivors and/or the North Carolina Second Injury Fund).</b></p> <p>The outstanding costs will be the carrier’s estimates of future payments with the following exceptions:</p> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p>(a) The surviving spouse's benefits that are not limited by duration or aggregate amount but are payable to the surviving spouse until death or remarriage must be calculated by using the appropriate table <del>in Section Nine of this Plan.</del></p>   | <p>a. The surviving spouse's benefits that are not limited by duration or aggregate amount but are payable to the surviving spouse until death or remarriage must be calculated by using the appropriate table. <b>Refer to Part 7-Pension Tables.</b></p>  |
| <p>(b) The portion of the reserve representing the lump-sum dowry payable to the surviving spouse upon remarriage in death claims where benefits are not limited by duration or aggregate amount must be calculated by using the appropriate table <del>in Section Nine of this Plan.</del></p>  | <p>b. The portion of the reserve representing the lump-sum dowry payable to the surviving spouse upon remarriage in death claims where benefits are not limited by duration or aggregate amount must be calculated by using the appropriate table. <b>Refer to Part 7-Pension Tables.</b></p>   |
| <p>(c) The portion of the reserve where there is no surviving spouse, but a parent, brother or sister receives lifetime benefits, must be calculated by using the appropriate table <del>in Section Nine of this Plan.</del></p>   | <p>c. The portion of the reserve where there is no surviving spouse, but a parent, brother or sister receives lifetime benefits, must be calculated by using the appropriate table. <b>Refer to Part 7-Pension Tables.</b></p>  |
| <p>d) For USL&amp;HW claims, when valuing a surviving spouse's benefits when benefits are payable to the surviving spouse (widow or widower) until death or remarriage and are not limited by duration or aggregate; when a lump-sum dowry is payable to the surviving spouse upon remarriage and the benefits are not limited by duration or aggregate; or when benefits are payable for life and there is no surviving spouse but there is a parent, brother or sister, use the appropriate table <del>in Section Nine of this Plan.</del></p> | <p>d. For USL&amp;HW claims, when valuing a surviving spouse's benefits when benefits are payable to the surviving spouse (widow or widower) until death or remarriage and are not limited by duration or aggregate; when a lump-sum dowry is payable to the surviving spouse upon remarriage and the benefits are not limited by duration or aggregate; or when benefits are payable for life and there is no surviving spouse but there is a parent, brother or sister, use the appropriate table. <b>Refer to Part 7-Pension Tables.</b></p> |



**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

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| <p><b>(2) Special Compensation Fund Reporting.</b></p> <p><del>Where the North Carolina Workers Compensation Act specifies that, in connection with certain types of injury, a specified amount shall be paid into a special compensation fund (e.g. Second Injury Fund), the following procedure is to be followed:</del></p> <p><del>(a) Where the Act specifies that, in connection with certain types of injury, a specified amount shall be paid into special funds, such as a second injury fund, and that such amounts are in addition to the compensation payable to the injured worker or the dependents, then the combined total amount shall be reported as incurred indemnity losses on the unit statistical report. Examples are (1) payments in no dependent death claims and (2) a specified amount or a percentage of the permanent partial award. However, any special payments that are assessed on total premium writings or total losses paid or incurred, instead of on a per claim basis, shall not be reported under this Plan.</del></p> <p><del>(b) In any case where a claim has been determined to be eligible for reimbursement to the carrier from a special fund only the net indemnity and net medical that the carrier is required to pay shall be reported</del></p> | <p>2. <b>North Carolina Second Injury</b> Fund Reporting</p> <p>The North Carolina Workers Compensation Act specifies that, in connection with certain types of injury, a specified amount shall be paid into <b>the North Carolina Second Injury Fund</b>. The amounts paid into the fund are in addition to the compensation payable to the injured worker or the dependents and <b>must be</b> reported as incurred indemnity losses.</p> <p>Examples are: (1) payments in no dependent death claims and (2) a specified percentage of the permanent partial award.</p> <p>Any special payments assessed on <b>the</b> total premium writings or total losses paid or incurred <b>must not be</b> reported under this Plan. <b>This includes North Carolina Second Injury Fund assessments paid to the state and not paid on a per claim basis.</b></p> <p>In <b>all</b> cases where a claim has been determined to be eligible for reimbursement to the carrier from the <b>North Carolina Second Injury Fund, the gross incurred cost of the claim and the paid cost of the claim must be reduced by the amount of paid or anticipated reimbursement from the fund and the net incurred and net paid costs of the claim must be reported on the unit. The gross incurred cost of the claim is defined as the gross evaluation of the claim prior to any actual or expected recovery on which the reimbursement was based, whether or not the claim is still open. The net incurred cost of the claim is the gross incurred cost less net reimbursement.</b></p> <p><b>Anticipated reimbursement for the above purpose is defined as the amount of reimbursement expected based on:</b></p> <ul style="list-style-type: none"> <li><b>• The rules governing the North Carolina Second Injury Fund</b></li> <li><b>• A written agreement between the carrier and the North Carolina Second Injury Fund</b></li> <li><b>• Percentage of the incurred cost to be reimbursed to the carrier on a particular claim</b></li> </ul> <p><b>When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the gross incurred indemnity and medical amounts.</b></p> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

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| <p>If reimbursement from the special compensation fund has not been authorized at the appropriate valuation date, the full incurred indemnity and medical losses shall be reported. When a reimbursement is authorized, the carrier shall file a „correction“ report on the net basis on reports which would impact the current and up to two prior modifications. Correction reports are required only for prior reports which include an amount higher than the net incurred cost.</p> | <p><b><u>When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the gross incurred indemnity and medical amounts.</u></b></p> <p><b><u>When the reimbursement becomes known by the carrier or the reimbursement is paid to the carrier after the first reporting of the claim but within one year after the 5th report due date, a correction report must be filed reducing the incurred cost of the claim by the amount of the paid or anticipated reimbursement. Correction reports are only required for prior reports that reflect an amount higher than the net incurred cost.</u></b></p> <p><b><u>If reimbursement becomes known by the carrier or the reimbursement is paid to the carrier as of the 6th report due date or subsequent report due date, a correction report is not required. In these situations, all adjustments are reported at the next valuation date as long as the claim remains open.</u></b></p> <p><b><u>The submission of correction reports may impact experience modifications pursuant to the rules of the Experience Rating Plan Manual.</u></b></p> |
| <p>Note: If the total recovery amount is less than 10% of the gross incurred loss of the claim, do not file a correction report.</p> <p><del>When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the original gross incurred indemnity and medical amounts.</del></p>  | <p><b><u>Example:</u></b></p> <p><b><u>A claim was reported as \$20,000 (1st report), \$50,000 (2nd report) and \$70,000(3rd report). A notification of an anticipated Second Injury Fund reimbursement in the amount of \$35,000 was received between the 3rd and 4th report levels. The net incurred cost of the claim is the latest value minus the anticipated reimbursement: (\$70,000-\$35,000=\$35,000). The net incurred cost of claim (\$35,000) is less than the total incurred loss amounts reported on the 2nd and 3rd reports. Correction reports must be submitted for the 2nd and 3rd reports. A correction report is not needed for the 1st report because the net incurred cost of \$35,000 is higher than the \$20,000 reported on the 1st report.</u></b></p> <p><b><u>Refer to Part 5-Subsequent and Correction Reports for further information regarding correction reports.</u></b></p>   |

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| <p><b>B. Incurred Medical.</b></p> <p><del>Report the whole dollar amount of incurred medical costs associated with each claim as of the loss valuation date. These losses consist of all paid and outstanding benefits.</del></p> <p>Incurred Medical losses shall include all payments to doctors and hospitals, as well as physical rehabilitation costs, and reserves for future payments, but shall not include any claim expense.</p> <p><del>If a deductible program applies, losses are to be reported on a gross basis prior to the application of the deductible.</del></p> | <p><b>B. Incurred Medical Losses</b></p> <p>Incurred Medical Losses include all payments to doctors and hospitals, as well as physical rehabilitation costs and reserves for future payments but shall not include any claim expense. These losses consist of all paid and outstanding benefits.</p> |
| <p><b>C. Expenses Excluded from Losses.</b></p> <p><del>Expenses must be excluded from reported losses except as noted in Part D below. Medical or legal expenses incurred for the benefit of the carrier shall be treated as loss adjustment expense. For expenses developed for the benefit of the claimant, refer to Part D.1. of this Section.</del></p>  | <p><b>D. Expenses Excluded from Losses</b></p> <p>Medical or legal expenses incurred for the benefit of the carrier <b>must be</b> treated as loss adjustment expense and <b>excluded from the paid and incurred loss amounts.</b></p>   |
| <p>(1) Allocated Loss Adjustment Expenses encompass the following costs to a carrier which can be directly allocated to a particular claim:</p>   | <p><b>1. Allocated Loss Adjustment Expenses (ALAE)</b></p> <p>ALAE encompass the following costs to a carrier which can be directly allocated to a particular claim.</p>   |
| <p>(a) Fees of attorneys or other authorized representatives where permitted for legal services, <del>whether by outside or staff representative.</del></p>   | <p><b>a.</b> Fees of attorneys or other authorized representatives where permitted for legal services.</p>   |

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| <p>(b) Court, Alternate Dispute Resolution and other specific items of expense such as:</p> <p>Medical examinations of a claimant to determine the extent of the carrier's liability, degree of permanency or length of disability</p> <p>Expert medical or other testimony.</p> <p>Autopsy</p> <p>Witnesses and summonses</p> <p>Copies of documents such as birth <del>and</del> death certificates, medical treatment records</p> <p>Arbitration fees</p> <p>Surveillance</p> <p><del>Appeal</del> bond costs and <del>appeal</del> filing fees</p> | <p><b>b.</b> Court, Alternate Dispute Resolution and other specific items of expense such as:</p> <ul style="list-style-type: none"> <li>• Medical examinations of a claimant to determine the extent of the carrier's liability, degree of permanency or length of disability</li> <li>• Expert medical or other testimony</li> <li>• Autopsy</li> <li>• Witnesses and summonses</li> <li>• Copies of documents such as birth certificates, death certificates or medical treatment records</li> <li>• Arbitration fees</li> <li>• Surveillance</li> <li>• Cost of appeals such as bond costs or filing fees</li> </ul> |

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| <p>(c) Medical cost containment expenses incurred with respect to a particular claim, <del>whether by an outside vendor or done internally by an employer for the purpose of controlling losses,</del> to ensure that only reasonable and necessary costs of services are paid. These expenses include:</p> <p>Bill auditing expenses for medical services rendered, including hospital bills (inpatient or outpatient), nursing home bills, physician bills, chiropractic bills, medical equipment charges, pharmacy charges, physical therapy bills and medical vendor bills.</p> <p>Hospital and other treatment utilization reviews, including pre-certification/ pre- admission, concurrent or retrospective reviews.</p> <p>Preferred provider network/organization expenses.</p> <p>Medical fee review panel expenses.</p> | <p><b>c.</b> Medical cost containment expenses incurred with respect to a particular claim, to ensure that only reasonable and necessary costs of services are paid. These expenses include:</p> <ul style="list-style-type: none"> <li>• Bill auditing expenses for medical services rendered, including hospital bills (inpatient or outpatient), nursing home bills, physician bills, chiropractic bills, medical equipment charges, pharmacy charges, physical therapy bills and medical vendor bills.</li> <li>• Hospital and other treatment utilization reviews, including pre-certification/ pre-admission, concurrent or retrospective reviews</li> <li>• Preferred provider network/organization expenses</li> <li>• Medical fee review panel expenses</li> </ul> |
| <p>(d) Expenses which are not defined as losses and are directly related to, and directly allocated to, the handling of a particular claim for services which are required to be performed by statute or regulation.</p> <p><b><del>Note: If a deductible program applies, allocated loss adjustment expense is to be reported on a gross basis prior to the application of the deductible.</del></b></p>   | <p><b>d.</b> Expenses which are not defined as losses and are directly related to and directly allocated to the handling of a particular claim for services which are required to be performed by statute or regulation.</p>  |

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| <p>(2) <i>Unallocated Adjustment Expenses</i> are <del>loss adjustment expenses that are not defined above. These include, but are not limited to</del></p>   | <p><b>2. Unallocated Loss Adjustment Expense (ULAE)</b></p> <p><b><u>ULAE includes loss adjustment expenses that are not defined as part of allocated loss adjustment expenses. ULAE is excluded from paid losses, incurred losses and ALAE. ULAE includes but is not limited to:</u></b></p>   |
| <p>(a) Carrier employees' salaries, overhead and traveling expense which are considered loss adjustment expense and are not included while performing activities previously listed as allocated expenses.</p>   | <p>a. Carrier employees' salaries, overhead and travel expenses which are considered loss adjustment expenses and are not included while performing activities previously listed as allocated <b><u>loss adjustment</u></b> expenses.</p>   |
| <p>(b) Fees paid to independent claims professionals or attorneys (hired to perform the function of claim investigation normally performed by claim adjusters) for developing and investigating a claim so that a determination can be made of the cause, extent of responsibility for the injury or disease, including evaluation, and settlement of covered claims.</p>                                     | <p>b. Fees paid to independent claims professionals or attorneys (hired to perform the function of claim investigation normally performed by claim adjusters) for developing and investigating a claim so that a determination can be made of the cause, extent of responsibility for the injury or disease, including evaluation and settlement of covered claims.</p>   |
| <p><b><u>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL.</u></b></p>  | <p>c. <b><u>Penalties for which the carrier is liable for reasons beyond its control that accrue as benefits to the injured worker or the injured worker's dependents such as for interest on awards or for penalties imposed upon the employer for improper conversion of awards must be reported as indemnity losses. Whenever the reason for a penalty is within the carrier's control, it should be reported as unallocated loss adjustment expense and not as loss.</u></b></p>                        |
| <p><b>D. Expenses Included in Losses.</b></p> <p>(1) <i>Medical or Legal Expenses Incurred for the Benefit of the Claimant.</i></p> <p>Medical or legal <del>cost</del> expenses incurred for the benefit of the claimant, or that the carrier is required to produce for the benefit of the claimant, shall be reported as either an indemnity or medical loss depending upon the nature of the expense.</p> | <p><b>C. Expenses Included in Losses</b></p> <p><b><u>Expenses must be included in reported losses except as noted in Section D below.</u></b></p> <p><b>1. Medical or Legal Expenses Incurred for the Benefit of the Claimant</b></p> <p>Medical or legal expenses incurred for the benefit of the claimant or that the carrier is required to produce for the benefit of the claimant <b><u>must be</u></b> reported as either an indemnity or medical loss depending upon the nature of the expense.</p> |

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| <p>(2) <i>Employers Liability Loss Adjustment Expenses.</i></p> <p>Employers liability losses must include allocated loss adjustment expenses, <del>as defined above</del>. The entire amount of losses and allocated loss adjustment expenses must be reported as incurred losses on the unit statistical report. <del>If a deductible program applies, both losses and loss adjustment expense must be reported on a gross basis.</del></p>  | <p><b>2. Employers Liability Loss Adjustment Expenses</b></p> <p>Employer's liability losses must include allocated loss adjustment expenses. The entire amount of losses and allocated loss adjustment expenses must be reported as incurred indemnity losses on the unit statistical report</p>  |
| <p>(3) <i>Awards.</i></p> <p>When an award to a claimant includes the cost of witness fees, attorney fees and other court costs or expert medical witness fees, the amount so awarded <del>shall</del> be considered as part of the cost of benefit and shall be included with the incurred indemnity reported. With respect to claims brought by persons against whom an employee has brought a third party common law action, such special costs <del>shall</del> be reported as an incurred indemnity loss whether or not a recovery is made against the third party by the employee.</p> | <p><b>3. Awards</b></p> <p>When an award to a claimant includes the cost of witness fees, attorney fees, other court costs or expert medical witness fess, the amount so awarded <b>will</b> be considered as part of the cost of benefit and shall be included with the incurred indemnity reported. With respect to claims brought by persons against whom an employee has brought a third party common law action, such special costs <b>must</b> be reported as incurred indemnity losses whether or not a recovery is made against the third party by the employee.</p> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p data-bbox="107 180 772 240"><i>(4) Vocational Rehabilitation Evaluation/Testing Expense.</i></p> <p data-bbox="107 277 772 505">Evaluation expense (which are defined as costs incurred in testing and evaluating the claimant's ability, aptitude, or attitude in determining suitability for vocational rehabilitation or placement) shall be reported as incurred indemnity loss if such evaluation services are purchased from outside vendors.</p> <p data-bbox="107 542 772 805">Evaluation expenses incurred by carrier personnel may be reported as incurred loss if such expenses are related to the activities of individuals (other than claims supervisors or claims adjusters engaged in efforts to return an injured worker to gainful employment) that, at a minimum, satisfy the qualifications established by the state having jurisdiction over the particular claim.</p> | <p data-bbox="779 180 2060 212"><b>4. Vocational Rehabilitation Evaluation/Testing Expense</b></p> <p data-bbox="779 245 2060 391">Evaluation expenses (which are defined as costs incurred in testing and evaluating the claimant's ability, aptitude or attitude in determining suitability for vocational rehabilitation or placement) <b>must</b> be reported as incurred indemnity loss if such evaluation services are purchased from outside vendors.</p> <p data-bbox="779 423 2060 610">Evaluation expenses incurred by carrier personnel may be reported as incurred loss if such expenses are related to the activities of individuals (other than claims supervisors or claims adjusters engaged in efforts to return an injured worker to gainful employment) that, at a minimum, satisfy the qualifications established by the state having jurisdiction over the particular claim.</p> |
| <p data-bbox="107 878 772 911"><i>(5) Physical Rehabilitation.</i></p> <p data-bbox="107 943 772 1333">Physical rehabilitation costs incurred due to the purchase of physical rehabilitation services from outside vendors shall be reported as part of incurred medical loss. For the purposes of this rule, physical rehabilitation concerns all medical activities performed, and/or services rendered, in the treatment of an industrial injury or disease to achieve maximum recovery, relief and/or cure. The following physical rehabilitation activities by medically trained persons, including registered nurses, performed by outside vendors shall be reported as incurred medical losses:</p>   | <p data-bbox="779 878 2060 911"><b>5. Physical Rehabilitation</b></p> <p data-bbox="779 943 2060 1179">Physical rehabilitation costs incurred due to the purchase of physical rehabilitation services from outside vendors must be reported as part of incurred medical loss. For the purposes of this rule, physical rehabilitation concerns all medical activities performed and/or services rendered, in the treatment of an industrial injury or disease to achieve maximum recovery, relief and/or cure. The following physical rehabilitation activities by medically trained persons, including registered nurses, performed by outside vendors must be reported as incurred medical losses:</p>   |



**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

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| <p><del>(a)</del> Various necessary evaluations and therapies including physical, occupational, speech and hearing</p> <p><del>(b)</del> Coordination of services such as necessary medical equipment or special nursing care in a facility or the home</p> <p><del>(c)</del> Necessary consultation(s) with physician(s)</p> <p><del>(d)</del> Monitoring the treatment and progress of a claimant's medical condition</p> <p><del>(e)</del> Coordination of family, agency and community services to provide optimal recovery</p> <p>Additionally, expenses associated with the above activities performed by carrier personnel (other than claims supervisors or claims adjusters' efforts to return an injured worker to gainful employment) may also be reported as part of medical losses if the carrier personnel are medically trained as one of the following:</p> <p><del>(a)</del> physicians<br/> <del>(b)</del> licensed registered nurses<br/> <del>(c)</del> licensed speech therapists<br/> <del>(d)</del> registered physical therapists<br/> <del>(e)</del> dentists and dental technicians<br/> <del>(f)</del> occupational therapists<br/> <del>(g)</del> chiropractors<br/> <del>(h)</del> podiatrists<br/> <del>(i)</del> licensed physician assistants<br/> <del>(j)</del> licensed cardio-pulmonary technicians</p> | <ul style="list-style-type: none"> <li>• Various necessary evaluations and therapies including physical, occupational, speech and hearing</li> <li>• Coordination of services such as necessary medical equipment or special nursing care in a facility or the home</li> <li>• Necessary consultation(s) with physician(s)</li> <li>• Monitoring the treatment and progress of a claimant's medical condition</li> <li>• Coordination of family, agency and community services to provide optimal recovery</li> </ul> <p>Additionally, expenses associated with the above activities performed by carrier personnel (other than claims supervisors or claims adjusters' efforts to return an injured worker to gainful employment) may also be reported as part of medical losses if the carrier personnel are medically trained as one of the following:</p> <ul style="list-style-type: none"> <li>• Physicians</li> <li>• Licensed registered nurses</li> <li>• Licensed speech therapists</li> <li>• Registered physical therapists</li> <li>• Dentists and dental technicians</li> <li>• Occupational therapists</li> <li>• Chiropractors</li> <li>• Podiatrists</li> <li>• Licensed physician assistants</li> <li>• Licensed cardio-pulmonary technicians</li> </ul> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

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| <p><b><del>E. Penalties for Delays in Making Compensation Payments.</del></b></p> <p><del>Penalties for which the carrier is liable for reasons beyond its control and that accrue as benefits to the injured worker or his or her dependents, such as for interest on awards or for penalties imposed upon the employer for improper conversion of awards, shall be chargeable to indemnity losses and so reported; other penalties shall be chargeable to unallocated loss adjustment expense. Whenever the reason for a penalty is within the carrier's control, it should be charged to unallocated loss adjustment expense and not be reported as loss.</del></p>   | <p><b>REMOVED FROM THIS SECTION OF THE MANUAL AND INCLUDED IN LOSS AND EXPENSE INFORMATION-PART 4.D.2.c</b></p>   |
| <p><b>F. Subrogation and Third Party Cases.</b></p> <p>(4) In all cases where there has been recovery of loss due to subrogation, or where the injured worker or his dependents have recovered from a third party, the amount of loss reported shall be the net incurred losses.</p>   | <p>G. Subrogation and Third Party Cases</p> <p>In all cases where there has been recovery of loss due to subrogation, or where the injured worker or his dependents have recovered from a third party, the amount of loss reported <b>must be</b> the net incurred loss.</p>  |
| <p>(2) For subrogation cases, the net incurred loss is defined as the gross incurred loss (i.e., the gross evaluation of the claim prior to any actual or expected recovery on which the award was based, whether the claim is still open or not) minus the amount recovered less recovery expenses. When the recovery expenses exceed the amount recovered, report the gross incurred loss instead of the net incurred loss. When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the original gross incurred indemnity and medical amounts. <del>The Type of recovery must also be reported</del></p> | <p>For subrogation cases, the net incurred loss is defined as the gross incurred loss (i.e., the gross evaluation of the claim prior to any actual or expected recovery on which the award was based, whether the claim is still open or not) minus the amount recovered less recovery expenses. When the recovery expenses exceed the amount recovered, report the gross incurred loss amount instead of the net incurred loss amount.</p> |

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| <p>(3) For cases involving recovery by the injured employee or his dependents, the net incurred loss shall be:</p> <p>(a) the deficiency, if any, between the outstanding compensation provided by the Workers' Compensation Law and the net amount of recovery actually collected by the claimant, and</p> <p>(b) any other incurred indemnity and medical losses not recovered by the carrier's lien on the proceeds of the claimant's third party recovery or by a third party action pursued by the insurance carrier.</p> <p>(4) When recovery by the injured worker or his dependents relieves the carrier of the liability for further compensation benefits as, for example, in the case involving recovery without the consent of the carrier, or where the recovery exceeds all future compensation benefits due, the net incurred loss shall be the sum of all amounts paid and any amounts payable into Special Funds, less the net <del>reimbursements</del>, if any, received from the claimant or third party. Where reimbursement is received by the carrier, and the allocation of the reimbursement to indemnity and medical is not known, the net liability incurred shall be apportioned to indemnity and medical in the same proportion as existed in the amounts paid and/or payable by the carrier as defined above.</p> | <p>For cases involving recovery by the injured employee or his dependents, the net incurred loss shall be:</p> <p>a. the deficiency, if any, between the outstanding compensation provided by <b>the North Carolina Workers' Compensation</b> law and the net amount of recovery actually collected by the claimant, and</p> <p>b. any other incurred indemnity and medical losses not recovered by the carrier's lien on the proceeds of the claimant's third party recovery or by a third party action pursued by the insurance carrier.</p> <p>When recovery by the injured worker or his dependents relieves the carrier of the liability for further compensation benefits as, for example, in cases involving recovery without the consent of the carrier, or where the recovery exceeds all future compensation benefits due, the net incurred loss shall be the sum of all amounts paid and any amounts payable into Special Funds, less the net <b>recovery</b>, if any, received from the claimant or third party.</p> <p>When the allocation of the recovery to indemnity and medical is not known, the net incurred loss must be divided between indemnity and medical losses in the same proportion as the original gross incurred indemnity and medical losses.</p> |

Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION

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| <p>When the carrier is (1) relieved of liability for death benefits to dependents who have made a compromise settlement with a third party without the consent of the carrier, but (2) liable for payments to the dependents not involved in such settlement, the sum of the net liabilities for dependency groups (1) and (2), each calculated separately in accordance with the foregoing rules, shall be added to any other indemnity and medical losses to determine the total net liability for the case.</p> | <p>When the carrier is (1) relieved of liability for death benefits to dependents who have made a compromise settlement with a third party without the consent of the carrier, but (2) liable for payments to the dependents not involved in such settlement, the sum of the net liabilities for dependency groups (1) and (2), each calculated separately in accordance with the foregoing rules, shall be added to any other indemnity and medical losses to determine the net liability for the case.</p> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

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| <p>(5) When reimbursement by a third party or a subrogation recovery is received by the carrier subsequent to the first reporting of the claim, a correction report must be filed revising the incurred cost on the claim to the net incurred loss as defined above. This must be done for reports which would impact any experience modification in which the claim has been used. Refer to Section Six for further instructions regarding correction reports. Correction reports are required only for prior reports that included an amount higher than the net incurred cost.</p> <p>Note: If the total recovery amount is less than 10% of the gross incurred cost of the claim do not file a correction report.</p> | <p>When a subrogation recovery or reimbursement by a third party is received by the carrier <b>after</b> the <b>1st</b> reporting of the claim <b>but within one year after the fifth report due date, a correction report must be submitted when the net incurred loss amount is less than the previously reported total incurred loss amount. Correction reports are only required for prior reports that reflect an amount higher than the net incurred cost</b></p> <p><b>If a subrogation recovery becomes known by the carrier or when the subrogation recovery is paid to the carrier as of the 6th or subsequent report due date, a correction report is not required. All adjustments are reported at the next valuation date as long as the claim remains open.</b></p> <p><b>The submission of correction reports may impact experience modifications pursuant to the rules of the Experience Rating Plan Manual.</b></p> |
|   | <p><b>Example:</b></p> <p><b>A claim has been reported as \$10,000 (1st report), \$50,000 (2nd report) and \$70,000 (3rd report). Subrogation recovery is received in the amount of \$35,000 between the 3rd and 4th reports and recovery expenses are \$6,000. The net incurred cost of the claim is the latest value minus the recovery reduced for the recovery expenses (\$70,000-[\$35,000-\$6,000] =\$41,000).</b></p> <p><b>The net incurred cost (\$41,000) of the claim is less than the claim amount reported on the 3rd and 2nd reports and correction reports must be submitted for the 3rd and 2nd reports.</b></p> <p><b>Refer to Part 5-Subsequent and Correction Reports for further information regarding correction reports.</b></p> <p><b>EXCEPTION: If the sum of the total recovery amount is less than 10% of the gross incurred cost of the claim, do not submit a correction report.</b></p>                 |

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| <p><b>G. Lump-Sum Claims.</b></p> <p>When the claim involves a lump sum representing the <del>discounted</del> or commuted value of a specific award or benefit, report the actual loss payment.</p>   | <p><b>10. Lump Sum Claims</b></p> <p><b>b. <u>Lump Sum Amount</u></b></p> <p>When the claim involves a lump sum representing the commuted value of a specific award or benefit, report the actual lump sum amount.</p> |
| <p><del><b>H. Other.</b></del></p> <p><del>Expenses and any other general allowance for contingencies shall be excluded.</del></p>   | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>I. Fraudulent Claims</b></p> <p>(1) Definition</p> <p>A fraudulent claim for policies effective before April 1, 2013 is a claim that meets either of the following requirements:</p> <ul style="list-style-type: none"> <li>• The claim has been ruled or declared fully fraudulent by a court decision</li> <li>• The claim or a portion of the claim has been deemed to be partially fraudulent by a court decision</li> </ul> | <p><b>NO CHANGES TO LANGUAGE</b></p>   |

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| <p>(2) Reporting<br/> a. Reporting Fraudulent Claims for Policies Effective On or After April 1, 2013</p> <ul style="list-style-type: none"> <li>• If a claim is ruled or declared to be fraudulent and does not include any paid losses, incurred losses and/or ALAE as of the 1st report valuation, the claim must not be reported.</li> <li>• If a claim is ruled or declared to be fraudulent and includes any paid losses, incurred losses, and/or ALAE, the claim must be reported with the appropriate loss values and Claim Code 02-Fully Fraudulent.</li> <li>• If a claim is ruled or declared to be fraudulent after the 1st report valuation and prior to the 6th report, correction reports are required for all previously submitted unit reports. The paid losses, incurred losses and /or ALAE must reflect the loss values as of the specific report level and the claim must be reported with Claim Code 02-Fully Fraudulent.</li> <li>• If the claim is ruled or declared to be fraudulent after the 6th report valuation or subsequent report valuations, report the claim with Claim Code 02-Fully Fraudulent. The paid losses, incurred losses and/or ALAE must reflect the losses valued at the specific report level. Correction report(s) must not be reported for all previously submitted report levels.</li> </ul> <p>The submission of correction reports may impact experience modifications pursuant to the rules of the <i>Experience Rating Plan Manual</i>.</p> <p><i>Note:-The Claim Code 02-Fully Fraudulent will be used when reporting all fraudulent claims for new and renewal policies effective on or after April 1, 2013.</i></p> | <p><b>NO CHANGES TO LANGUAGE</b></p> |

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| <p>b. Reporting Fully Fraudulent Claims for Policies Effective Prior to April 1, 2013</p> <p>When the claim has been ruled or declared fully fraudulent, the whole cost of the claim must be netted to zero for unit statistical reporting.</p> <ul style="list-style-type: none"> <li>• If the claim is deemed to be fully fraudulent prior to the 1st report level, the claim is considered non-compensable and is not to be reported.</li> <li>• If the claim is deemed fully fraudulent subsequent to the 1st report level, but within one year after the 5th report due date of the unit report on which the claim appears, a correction report must be filed. Reduce the incurred claim cost to zero.</li> <li>• If the claim is deemed to be fully fraudulent as of the 6th report due date or subsequent reduce the incurred claim cost to zero at the next valuation date.</li> </ul> <p>The submission of correction reports may impact experience modifications pursuant to the rules of the <i>Experience Rating Plan Manual</i>.</p> | <p><b>NO CHANGES TO LANGUAGE</b></p> |



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| <p>c. Reporting Partially Fraudulent Claims for Policies Effective Prior to April 1, 2013</p> <ul style="list-style-type: none"> <li>• When a claim or portion of the claim is deemed to be partially fraudulent the cost of the claim must be netted down to reduce the net incurred loss by the declared fraudulent amount.</li> <li>• If the claim, or portion of the claim, is deemed to be partially fraudulent prior to the 1st report level, the net incurred cost of the claim must reflect the reduction of the claim by the partially fraudulent amount.</li> <li>• If the claim, or portion of the claim, is deemed to be partially fraudulent subsequent to the 1st report level but within one year after the 5th report due date of the unit report on which the claim appears, a correction must be filed. The cost of the claim must be netted down to reduce the net incurred loss by the declared fraudulent amount. This must be corrected on all report levels impacting the current and two prior modifications.</li> <li>• If the claim, or a portion of the claim, is deemed to be partially fraudulent as of the 6th report due date or subsequent, a correction report is not required. If the claim remains open, reduce the net incurred loss by the declared fraudulent amount at the next valuation date.</li> <li>• When a partially fraudulent amount has not been allocated into indemnity and medical components by the adjudicator, the net incurred loss must be divided between indemnity and medical losses the net incurred loss must be divided between indemnity and medical losses in the same proportion as the original gross incurred indemnity and medical.</li> </ul> | <p><b>NO CHANGES TO LANGUAGE</b></p> |

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| <p>(3) Fraudulent Claim Code<br/>This identifies claims that are fraudulent. Report each claim with the appropriate fraudulent claim code.</p>  | <p><b>NO CHANGES TO LANGUAGE</b></p> |
| <p><b>Non-compensable Claims</b><br/>(1) <b>Definition</b></p> <p>A claim is considered to be non-compensable if it meets one or more of the following requirements:</p> <ul style="list-style-type: none"> <li>• There is an official ruling denying benefits</li> <li>• The claimant has failed to file for benefits</li> <li>• The claimant has failed to prosecute the claim following the insurer's denial of the claim</li> </ul> | <p><b>NO CHANGES TO LANGUAGE</b></p> |

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| <p>(2) <b>Reporting Non-compensable Claims for Policies Effective on or After April 1, 2013</b></p> <ul style="list-style-type: none"> <li>• If a claim is determined to be non-compensable, based on 5.J.1-Noncompensable Claim Definition, and does not include any paid losses, incurred losses, and/or ALAE, the claim must not be reported.</li> <li>• If a claim is determined to be non-compensable, based on 5.J.1-Noncompensable Claim Definition, and does include paid losses, incurred losses, and/or ALAE, the claim must be reported with the appropriate loss values. Report the claim with Type of Settlement (Loss Condition) Code 05.</li> <li>• If a claim is determined to be non-compensable after the 1<sup>st</sup> report valuation and prior to the 6<sup>th</sup> report valuation, based on 5.J.1-Noncompensable Claim Definition, correction reports are required for all previously submitted unit reports. The paid losses, incurred losses, and/or ALAE must continue to reflect the loss values as of each specific report level and the claim must be reported with Type of Settlement (Loss Condition) Code 05.</li> </ul> <p>If the claim is determined to be non-compensable after the 6<sup>th</sup> report valuation or subsequent report valuations, report the claim with Type of Settlement (Loss Condition) Code 05. The paid losses, incurred losses and/or ALAE must reflect the losses valued at the specific report level. Correction report(s) must not be reported for all previously submitted report levels.</p> <p>(3) <b>Loss Condition Code-Type of Settlement</b></p> <p>Non-compensable claims are to be reported with Type of Settlement Code 05.</p> | <p><b>NO CHANGES TO LANGUAGE</b></p> |

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| <p><b>*6. Classification Code</b></p> <p><del>Report</del> the classification codes corresponding to the injured employee's <del>classification</del> determined in accordance with the rules of the Basic Manual for Workers Compensation and Employers Liability Insurance.</p> <p>No claim may be assigned to any classification unless <del>premium</del> has also been reported for that class. Report the class code under which the injured employee's <del>premium</del> is assigned, even if, at the time of injury, the employee may have been involved in an activity that would be classified differently.</p> | <p><b>5. Classification Code</b></p> <p><b>Submit</b> the classification code corresponding to the injured employee's <b>payroll</b> determined in accordance with the rules of the <i>Basic Manual for Workers Compensation and Employers Liability Insurance</i>.</p> <p>No claim may be assigned to any classification unless <b>exposure</b> has also been reported for that classification. Report the <b>classification</b> code under which the injured employee's <b>payroll</b> is assigned, even if, at the time of injury, the employee may have been involved in an activity that would be classified differently.</p> |
| <p><b>7. Injury Type</b></p> <p><del>Report</del> the two digit <del>numeric</del> code that <del>identifies</del> under which provision of the Workers Compensation Act benefits are paid or are expected to be paid. The injury type code must correspond to the carrier's estimate, as of the valuation date, of the ultimate injury type of the claim; it does not have to correspond to the type of benefit being paid on the valuation date.</p>   | <p><b>6. Injury <u>Code</u> (Injury Type)</b></p> <p>Report the two-digit code that corresponds to the carrier's estimate, as of the valuation date, of the ultimate injury type of the claim; it does not have to correspond to the type of benefit being paid as of the valuation date.</p>  |

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| <p><b>A. Death Cases – Code 01.</b></p> <p><del>Enter each death claim unless it has been established that the carrier has incurred no liability. The amount entered as indemnity incurred shall include all paid and outstanding benefits, including compensation paid to the deceased prior to death, burial expenses and payments to the North Carolina Special Compensation Fund described in Part 5 of this Section.</del></p>  | <p><b>a. Death</b></p> <p><b>Submit</b> each death claim unless the carrier has <b>not</b> incurred <b>any</b> liability. <b>If payment is made prior to the death of a claimant and the carrier has not incurred liability on the death</b>, report the loss on the basis of the injury prior to death. The amount <b>reported</b> as incurred <b>indemnity must include all paid and outstanding benefits, including compensation</b> prior to death, <b>at the time of death (such as burial expenses) and following the death (such as to survivors and/or the North Carolina Second Injury Fund). The outstanding costs will be the carrier's estimates of future payments.</b></p> |
| <p><b>B. Permanent Total Disability – Code 02.</b></p> <p><del>Enter as permanent total each case which has been adjudged to constitute permanent total disability or which is defined as such under the law, or which in the judgment of the carrier, will result in permanent total disability. In general, permanent total disability includes cases involving the loss, or loss of use of both hands, both arms, both feet, both legs, both eyes or any combination of such members. If a lump sum settlement is made or, in the judgment of the carrier, will be received to settle future benefits, the injury code should be changed from a permanent total to a permanent partial. In establishing reserves on permanent total cases use the appropriate table in Section Nine of this Plan.</del></p> | <p><b>b. Permanent Total Disability</b></p> <p><b>Submit</b> as permanent total <b>disability</b> each <b>claim which meets the requirements identified in the North Carolina Workers Compensation Act.</b></p>  |

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| <p><b>C. Temporary Total or Temporary Partial - Code 05.</b></p> <p><del>Enter</del> as temporary every <del>case</del> that involves, or is expected to involve, indemnity benefits but <del>which</del> does not constitute a case of death, permanent total or permanent partial as defined.</p>  | <p><b>d. Temporary or Temporary Partial <u>Disability</u></b></p> <p><u>Submit</u> as temporary every <u>claim</u> that involves or is expected to involve, indemnity benefits but does not constitute a case of death, permanent total disability or permanent partial disability as defined in <u>the North Carolina Workers Compensation Act.</u></p>  |
| <p><b>D. Medical Only Claims -Code 06.</b></p> <p><del>Cases that</del> involve medical costs and for which no indemnity costs <del>have been</del> incurred, or are expected to be incurred, as of the valuation date, <del>shall be considered as medical only claims.</del> When reporting claims involving medical only losses, <del>make no entry in the column captioned Incurred Indemnity.</del></p>   | <p><b>e. Medical Only Claims</b></p> <p><u>Submit as medical only every claim</u> that involves medical costs <u>with</u> no indemnity costs incurred or are expected to be incurred, as of the valuation date. <u>Do not report any data in the incurred indemnity field</u> when reporting claims involving medical only losses</p>   |
| <p><b>F. Contract Medical -Code 07.</b></p> <p>Contract medical costs that cannot be allocated to individual claims <del>shall</del> be reported in the aggregate in <del>the column captioned Incurred Medical.</del> Such medical <del>shall</del> be assigned to the governing classification of the employer. Contract medical costs allocated to individual claims <del>shall</del> be reported in connection with these claims and <del>shall not</del> be included in the amount reported as contract medical. <del>This</del> amount reported as contract medical <del>shall</del> be the actual incurred costs to the carrier for such medical contracts, including payment to physicians and hospitals under contract.</p> | <p><b>f. Contract Medical</b></p> <p>Contract medical costs that cannot be allocated to individual claims <u>must</u> be reported in the aggregate as incurred medical and <u>must</u> be assigned to the governing classification of the employer. Contract medical costs allocated to individual claims <u>must</u> be reported in connection with these claims and <u>will</u> not be included in the amount reported as contract medical. <u>The</u> amount reported as contract medical must be the actual incurred costs to the carrier for such medical contracts, including payment to physicians and hospitals under contract.</p> |

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| <p><b>F. Permanent Partial –Code 09:</b></p> <p>(1) <b>For Claims with Accident Dates Effective on or After April 1, 2013</b></p> <p>Permanent partial losses are defined as any permanent injury that does not involve permanent total disability.</p> <p>(2) <b>For Claims with Accident Dates Effective Prior to April 1, 2013</b></p> <p>A permanent partial loss is defined as:</p> <p>(1) Any permanent injury that does not involve permanent total disability.</p> <p>(2) Any temporary injury that satisfies any one of the following criteria:</p> <p>(a) The duration of disability benefits exceeds or is expected to exceed one full year. No loss is to be reported as temporary total if the duration of total disability exceeds or is expected to exceed 52 weeks.</p> <p>(b) A lump sum settlement is made or, in the judgment of the carrier, will be required to settle future benefits.</p> <p>(c) The extent of the liability for future payments cannot be determined.</p> <p>(3) <b>Permanent Partial Amount</b></p> <p>The amount entered as incurred indemnity shall include specific benefits and compensation for temporary disability as well as loss of earning capacity</p> | <p><b>c. Permanent Partial <u>Disability</u></b></p> <p><b><u>Submit as permanent partial disability each claim which meets the requirements identified in the North Carolina Workers Compensation Act.</u></b></p> <p><b>1. For Claims with Accident Dates Effective on or After April 1, 2013</b></p> <p>Permanent partial losses are defined as any permanent injury that does not involve permanent total disability.</p> <p><b>2. For Claims with Accident Dates Effective Prior to April 1, 2013</b></p> <p>A permanent partial loss is defined as:</p> <p>i. Any permanent injury that does not involve permanent total disability.</p> <p>ii. Any temporary injury that satisfies any one of the following criteria:</p> <p>a. The duration of disability benefits exceeds or is expected to exceed one full year. No loss is to be reported as temporary total if the duration of total disability exceeds or is expected to exceed 52 weeks.</p> <p>b. A lump sum settlement is made or, in the judgment of the carrier, will be required to settle future benefits.</p> <p>c. The extent of the liability for future payments cannot be determined.</p> <p><b>3. Permanent Partial Amount</b></p> <p>The amount entered as incurred indemnity shall include specific benefits and compensation for temporary disability as well as loss of earning capacity.</p> |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p><b>8. Claim Status</b></p> <p>Report the 4-digit numeric code that indicates the status of the claim as of the valuation date.</p> <p>Code—Description</p> <p>0—Open (final payment not made)</p> <p>1—Closed</p> <p>2—Reopened</p>                    | <p><b>7. Claim Status Code</b></p> <p>Report the <b>one</b> digit code that indicates the status of the claim as of the valuation date.</p>   |
| <p><b>9. Loss Conditions</b></p> <p>Report the 2-digit code for each loss condition.</p>  | <p><b>8. Loss Condition Code</b></p> <p>Report the loss condition <b>codes as described in Part 6-Coding Values - Loss Conditions:</b></p> <p><b>a. Act</b></p> <p><b>b. Type of Loss</b></p> <p><b>c. Type of Recovery</b></p> <p><b>d. Type of Claim</b></p> <p><b>e. Type of Settlement</b></p>  |
| <p><b>10. Jurisdiction State</b></p> <p>A carrier may report the 2-digit state code of the governing jurisdiction that will administer the claim and whose statutes will apply to the claim adjustment process when that state is not North Carolina.</p> | <p><b>9. Jurisdiction State Code</b></p> <p>Report the state code of the governing jurisdiction that will administer the claim and whose statutes will apply to the claim adjustment process when that state is not North Carolina. Refer to <b>Part 6-Coding Values-Exposure State/Jurisdiction State for a list of state codes.</b></p> |



**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p><b>11. Catastrophe Number</b></p> <p>Any accident resulting in two or more reported claims must be reported as a catastrophe. <del>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. A separate series of catastrophe numbers shall be used for each policy.</del></p> <p><del><b>Exception:</b> 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.</del></p> | <p><b>13. Catastrophe Number</b></p> <p>Any accident resulting in two or more reported claims must be reported as a catastrophe. All claims resulting from the accident are assigned a number beginning with 01. <b><u>If there is more than one catastrophe under the policy, each succeeding catastrophe should be increased by one with the highest number available being 10. In the event the number of catastrophes under the policy exceeds 10, report another set of catastrophes beginning with 01. A separate set of catastrophe numbers beginning with 01 must be used for each policy. Numbers 11 through 99 are reserved for Extraordinary Loss Event Catastrophe Numbers.</u></b></p> |
| <p><b>12. Managed Care Organization Type</b></p> <p>Report the 2-digit code that corresponds to the type of organization which will administer the applicable medical losses.</p> <p><b>REFER TO ATTACHMENT PART 4-2 FOR A COMPLETE LIST OF MANAGED CARE ORGANIZATION TYPE CODES AS SHOWN IN THE CURRENT NC STAT PLAN MANUAL.</b></p>   | <p><b>14. Managed Care Organization (MCO) Type</b></p> <p>Report the <b><u>two</u></b> digit code that corresponds to the type of organization which will administer the applicable medical losses. <b><u>If the claimant is receiving treatment from more than one physician, report the MCO of the primary care physician.</u></b></p>  |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |
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| <p><b>13. Social Security Number</b></p> <p><del>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.</del></p>   | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>14. Injury Description Code (Part, Nature, Cause)</b></p> <p><del>Report the three 2-digit codes that represent the part of body, nature of injury and cause of injury for a given claim. Refer to Section Eight for the list of codes.</del></p>  | <p><b>11. Injury Description Code (Part, Nature, Cause)</b></p> <p>Report the <b><u>injury description code as described in Part 6-Coding Values – Injury Description Code (Part, Nature, Cause):</u></b></p> <p><b>a. <u>Part of Body</u></b></p> <p><b><u>The part of the body that is injured.</u></b></p> <p><b>b. <u>Nature of Injury</u></b></p> <p><b><u>The nature of the claim.</u></b></p> <p><b>c. <u>Cause of Injury</u></b></p> <p><b><u>The cause of the injury.</u></b></p> |
| <p><b>15. Occupation Description</b></p> <p><del>Include a narrative description of the regular occupation of the claimant. Limited to 18 alpha numeric characters.</del></p>  | <p><b>15. Occupation Description</b></p> <p>Include a narrative description of the regular occupation of the claimant.</p>   |
| <p><b>16. Vocational Rehabilitation Indicator</b></p> <p><del>Report the 1-position code that indicates the inclusion of vocational rehabilitation costs in the losses.</del></p> <p><del><u>Code</u> <u>Description</u></del></p> <p><del>Y _____ Claim includes vocational rehabilitation costs.</del></p> <p><del>N _____ Claim does not include vocational does not include vocational rehabilitation costs.</del></p> | <p><b>16. Vocational Rehabilitation Indicator</b></p> <p>The alpha code that indicates the inclusion of vocational rehabilitation costs in the losses.</p>   |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

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| <p><b>17. Lump Sum Indicator</b></p> <p>Code identifying claims that have been settled by an agreement between the carrier and the injured worker, with the employers approval, to redeem the liability for compensation by payment of specified amount representing a discounted or commuted value of the benefit. The lump sum indicator is <b>not</b> required in North Carolina.</p>  | <p><b>b. Lump Sum Indicator</b></p> <p><b>Report the one-digit alpha code that is used to indicate whether the claim has been settled with a lump sum amount as described in Part 6-Coding Values-Lump Sum Indicator.</b></p>  |
| <p><b>18. Fraudulent Claim Code</b></p> <p>A code identifying claims that are partially or fully fraudulent in the opinion of the carrier, employer, claim resolution or jurisdiction. Required effective 5-10-04: Report the code that identifies the involvement of fraud in a claim. Specific fraudulent claim coding specifications are located in Section Eight number 8 of this plan.</p>   | <p><b>17. Fraudulent Claim Code</b></p> <p><b>This code identifies the status of the claim whether it is not fraudulent, partially fraudulent or fully fraudulent. Refer to Part 6-Coding Values, for the applicable Fraudulent Claim Code.</b></p>  |
| <p><b>19. Paid Indemnity</b></p> <p>Report the whole dollar amount of paid indemnity expenses for the claim as of the loss valuation date. These losses consist of all paid benefits due to an employee's lost wages or inability to work, including compensation paid to a deceased prior to death, burial expense, claimant's attorney fees, vocational rehabilitation benefits, payments to the state and employers liability losses and expenses. Reporting of paid indemnity is optional for North Carolina.</p> | <p><b>18. Paid Indemnity Amount</b></p> <p>Report the dollar amount of paid indemnity expenses for the claim as of the loss valuation date. These losses consist of all paid benefits due to an employee's lost wages or inability to work, including compensation paid to a deceased prior to death, burial expense, claimant's attorney fees, vocational rehabilitation benefits, payments to the state and employers liability losses and expenses.</p> |
| <p><b>20. Paid Medical</b></p> <p>Report the whole dollar amount of medical losses paid for the claim as of the loss valuation date. Reporting of paid medical is optional for North Carolina.</p>  | <p><b>19. Paid Medical Amount</b></p> <p>Report the whole dollar amount of medical losses paid for the claim as of the loss valuation date.</p>  |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
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| <p><b>21. Claimant's Attorney Fees Incurred</b></p> <p>Report the whole dollar amount paid plus outstanding case reserves incurred by the insurer for claimants' legal representation during the settlement of the claim as of the loss valuation date. Reporting of claimant's attorney fees incurred is optional in North Carolina.</p>  | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><b>22. Employer's Attorney Fees</b></p> <p>Amount incurred by the insurance company for the employer's legal representation during the settlement of a workers compensation claim. The employer's attorney fees is optional in North Carolina.</p>  | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><b>23. Deductible Reimbursement</b></p> <p>Report the whole dollar amount of reimbursement received by the data provider by which the gross loss is to be reduced in order to conform to state requirements for net experience rating. Report zero (EL) or blank (HC) if experience rating is to be calculated on gross losses. The deductible reimbursement is not required in North Carolina.</p> | <p><b>REMOVED FROM MANUAL</b></p>   |
| <p><b>24. Allocated Loss Adjustment (ALAE) Paid</b></p> <p>Report the whole dollar amount of allocated loss adjustment expense that has been paid for this claim as of the loss valuation date.</p>  | <p><b>20. Allocated Loss Adjustment Expense (ALAE) Paid</b></p> <p>Report the dollar amount of allocated loss adjustment expense paid for this claim as of the loss valuation date.</p> |
| <p><b>25. Allocated Loss Adjustment (ALAE) Incurred</b></p> <p>Report the whole dollar amount of allocated loss adjustment expense that has been incurred (paid and reserved) for this claim as of the loss valuation date. ALAE incurred is optional in North Carolina.</p>   | <p><b>REMOVED FROM MANUAL</b></p>   |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><del>*26. Loss Total Record</del></p> <p><b>A. Total Number of Claims.</b></p> <p>Report the arithmetic total number of claims reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total. Contract medical claims are <b>not</b> to be included in this total.</p> | <p><b>21. Claim Count Total</b></p> <p><b>Submit</b> the total number of claims reported for <b>North Carolina</b>. In the case of corrections and subsequent reports, this must be the revised total. Contract Medical claims are not to be included in this total.</p> |
| <p><b>B. Total Incurred Indemnity.</b></p> <p>Report the arithmetic total of the incurred indemnity amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.</p>  | <p><b>22. Incurred Indemnity Amount Total</b></p> <p><b>Submit</b> the total of the Incurred Indemnity amounts reported for <b>North Carolina</b> within the <b>USR</b>. In the case of corrections and subsequent reports, this must be the revised total.</p>          |
| <p><b>C. Total Incurred Medical.</b></p> <p>Report the arithmetic total of the incurred medical amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.</p>  | <p><b>23. Incurred Medical Amount Total</b></p> <p><b>Submit</b> the total of the Incurred Medical amounts reported for <b>North Carolina</b> within the <b>USR</b>. In the case of corrections and subsequent reports, this must be the revised total.</p>              |
| <p><b>D. Total Paid Indemnity.</b></p> <p>Report the arithmetic total of the paid indemnity amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total. Total paid indemnity is <b>optional</b> for North Carolina.</p>  | <p><b>24. Paid Indemnity Amount Total</b></p> <p><b>Submit</b> the total of the Paid Indemnity amounts reported for <b>North Carolina</b> within the <b>USR</b>. In the case of corrections and subsequent reports, this must be the revised total.</p>                  |
| <p><b>E. Total Paid Medical.</b></p> <p>Report the arithmetic total of the paid medical amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total. Total paid medical is <b>optional</b> for North Carolina.</p>  | <p><b>25. Paid Medical Amount Total</b></p> <p><b>Submit</b> the total of the Paid Medical amounts reported for <b>North Carolina</b> within the <b>USR</b>. In the case of corrections and subsequent reports, this must be the revised total.</p>                      |

**Side by Side Comparison-PART 4 LOSS AND EXPENSE INFORMATION**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |
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| <p><b>F. Total Claimant's Attorney Fees.</b></p> <p>The total claimant's attorney fees is <b>optional</b> in North Carolina.</p>   | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>G. Total Employer's Attorney Fees.</b></p> <p>The total employer's attorney fees is <b>optional</b> in North Carolina.</p>   | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>H. Total ALAE Paid.</b></p> <p>Report the arithmetic total of the paid ALAE amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.</p>   | <p><b>26. Paid <u>Allocated Loss Adjustment Expense (ALAE) Amount</u> Total</b></p> <p><b>Submit</b> the total of the paid ALAE amounts reported for North Carolina within the USR. In the case of corrections and subsequent reports, this must be the revised total.</p>   |
| <p><b>I. Total ALAE Incurred.</b></p> <p>Report the arithmetic total of the incurred ALAE amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total. ALAE incurred is <b>optional</b> in North Carolina.</p> | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL.</b></p>  | <p><b>H. <u>Claim Components</u></b></p> <p><b>1. <u>Loss Amounts</u></b></p> <p><b><u>The required loss amount fields for each claim are as follows:</u></b></p> <ul style="list-style-type: none"> <li><b>a. <u>Incurred Indemnity Amount</u></b></li> <li><b>b. <u>Paid Indemnity Amount.</u></b></li> <li><b>c. <u>Incurred Medical Amount</u></b></li> <li><b>d. <u>Paid Medical Amount</u></b></li> <li><b>e. <u>Paid Allocated Loss Adjustment Expense (ALAE) Amount</u></b></li> </ul> |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |
|--|--|
| <p><b>1. Subsequent Reports -<del>When Required</del></b></p> <p>Subsequent reports shall be <del>filed</del> in accordance with the valuation schedule set forth in <del>Sections Two and Three of this Plan</del> for each policy where one or more claims have been:</p> <ul style="list-style-type: none"> <li>•Reported as open on the previous report.</li> <li>•Previously reported as closed but are now open.</li> <li>•Previously unreported.</li> <li>•Previously reported and the current valuation differs in <del>any manner</del> from the previously submitted data.</li> </ul> <p><del>*Where a claim was previously identified with a claim number, all subsequent reports of this claim must be submitted on an individual claim basis, even if the claim becomes a medical only claim.</del></p> <p><del>Report the 1-position alphabetic code that identifies the correction activity.</del></p> <p><del>Code Description</del><br/> <del>P — Previously Reported</del><br/> <del>R — Revised</del></p> | <p><b>A. Subsequent Reports</b></p> <p>Subsequent reports shall be <b>submitted</b> in accordance with the valuation schedule set forth in <b>Part 1- Rules and Definitions</b> for each policy where one or more claims have been:</p> <ul style="list-style-type: none"> <li>• Reported as open on the previous report</li> <li>• Previously reported as closed but are now open</li> <li>• Previously unreported</li> <li>• Previously reported and the current valuation differs from the previously submitted data</li> </ul> |
| <p><b>2. Correction Reports - When Required</b></p> <p>Correction reports must be <del>filed</del> whenever an error of any kind is discovered on a previously <del>filed</del> report. Correction reports must be <del>filed</del> as soon as the changes are known.</p>  | <p><b>B. When Correction Reports <u>Are</u> Required</b></p> <p>Correction reports must be <b>submitted</b> whenever an error of any kind is discovered on a previously <b>submitted USR</b>. Correction reports must be <b>submitted</b> as soon as the changes are known.</p>  |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><b>A. Exposure Corrections.</b></p> <p>A correction of an exposure report must be <del>filed</del> when any of the following occur:</p> <p><del>(1)</del> A final audit has been made of previously reported estimated exposures.</p> <p><del>(2)</del> A clerical error in a classification, exposure amount, premium amount or experience modification has been discovered.</p> <p><del>(3)</del> The experience modification has been revised.</p> <p><del>(4)</del> The exposure of the claimant has been reassigned to another classification through the revision of an audit.</p> <p><del>(5)</del> Any other adjustment affecting a classification, exposure amount or premium amount.</p> | <p><b>1. Exposure Corrections</b></p> <p>A correction of an exposure report must be <b>submitted</b> when any of the following occur:</p> <p><b>a.</b> A final audit has been made of previously reported estimated exposures.</p> <p><b>b.</b> A clerical error in a classification, exposure amount, premium amount or experience modification has been discovered.</p> <p><b>c.</b> The experience modification has been revised.</p> <p><b>d.</b> The exposure of the claimant has been reassigned to another classification through the revision of an audit.</p> <p><b>e.</b> Any other adjustment affecting a classification, exposure amount or premium amount</p> |
| <p><b>B. Loss Corrections.</b> A correction of a loss report must also be <del>filed</del> when any of the following occur between valuation dates.</p> <p><del>(1)</del> Loss values are found to have been included or excluded through a mistake other than error of judgment.</p> <p><del>(2)</del> One or more claims, or any part thereof, are declared non-compensable as defined in the Experience Rating Plan Manual.</p>  | <p><b>2. Loss Corrections</b></p> <p>A correction of a loss report must also be <b>submitted</b> when any of the following occur between valuation dates:</p> <p><b>a.</b> Loss values are found to have been included or excluded through a mistake other than error of judgment.</p> <p><b>b.</b> One or more claims are declared non-compensable as defined in the <i>Experience Rating Plan Manual</i>.</p>  |



**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p>(3) The carrier of the claimant has obtained a subrogation recovery in an action against a third party or has received reimbursement from the Second Injury Fund. Correction reports are required only for prior reports which reflect an amount higher than the net incurred cost</p> <p>If the total recovery amount is less than 10% of the gross incurred cost of the claim, do not file a correction report.</p> <p>*<del>(4)</del> A clerical error in either the classification assignment or the injury code assignment of a given claim, has been discovered.</p> <p>Correction reports shall <del>not be filed</del> to revise values because of developments in the claim amounts and/or injury type between two valuation dates.</p> | <p><b>c.</b> The carrier of the claimant has obtained a subrogation recovery in an action against a third party or has received reimbursement from the <b>North Carolina</b> Second Injury Fund. Correction reports are required only for prior reports which reflect an amount higher than the net incurred cost.</p> <p><b>EXCEPTION:</b> If total recovery amount is less than 10% of the gross incurred cost of the claim, do not <b>submit</b> a correction report.</p> <p><b>d.</b> A clerical error in either the classification <b>code</b> or the injury code of a claim has been discovered.</p> <p><b>NOTE: Do not submit</b> correction reports to revise values because of developments in the claim amounts and/or injury type between two valuation dates.</p> |
| <p><b><del>A. Policy Information.</del></b></p> <p><del>(1) When correcting other header information data elements, all required policy information, including data not changing, must be reported.</del></p>   | <p><b>2. Header Corrections</b></p> <p><b>a. Header corrections must include:</b></p> <ul style="list-style-type: none"> <li>• <b>Link Data</b></li> <li>• <b>Header Record</b></li> <li>• <b>Name Record</b></li> </ul>  |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |
|---|--|
| <p><del>(2) When changing the mod effective date, rate effective date, policy conditions, policy type ID, deductible type, deductible percentage, deductible amount per claim/accident, or deductible amount aggregate, only the revised data shall be reported</del></p>   | <p><b>REMOVED FROM MANUAL</b></p>  |
| <p><b>B. Exposure Information</b></p> <p><del>(1) Exposures. When there is a change in any of the data previously reported for a particular classification code, the corrected report shall include all of the data previously reported for the class code (indicated by the Update Type "P"), as well as all of the data, including those data which do not change, on a corrected basis (indicated by the Update Type "R").</del></p> <p><del>In the case of split period reports, both the changed and unchanged data must always be reported for all split periods.</del></p> | <p><b>3. Exposure <u>Corrections</u></b></p> <p><b>a. <u>Exposure corrections must include:</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Link Data</u></b></li> <li>• <b><u>Header Record</u></b></li> <li>• <b><u>Name Record</u></b></li> <li>• <b><u>Exposure Record</u></b></li> <li>• <b><u>Unit Total Record</u></b></li> </ul> <p><b>b. Exposures</b></p> <p>When there is a change to any of the data previously reported for a particular classification code:</p> <ul style="list-style-type: none"> <li>• Previously reported data (Update Type 'P') should include all data for the <b><u>classification</u></b> code previously reported.</li> <li>• <b><u>Revised data (Update Type 'R') should include all data being revised as well as data previously reported for the classification code that is not changing.</u></b></li> </ul> <p><b><u>Both the previous and revised data</u></b> must always be reported for each split period.</p> |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE   | REVISED LANGUAGE  |
|---|---|
| <p>(2) Experience Modification.</p> <p>If the exposure does not change but the risk total standard premium previously reported is revised due solely to a change in the experience modification, it shall be necessary to submit a revised report showing only each item affected by the modification change on a previously reported and revised basis. <del>Data above Line A does not have to be reported unless changes are reported in that section.</del></p> <p>In the case of split periods, only report the previous and revised data elements changing.</p> | <p><b>c. Experience Modification</b></p> <p>If <b>a change in the experience modification occurs, a correction report must be submitted reporting each item affected by the experience modification change on a previously reported and revised basis.</b></p> <p><b>Both the previous and revised data must always be reported for each split period.</b></p>  |
| <p>(3) Statistical Codes.</p> <p>Revised values for applicable statistical codes (e.g., premium discount) <del>as a result of changes in exposure information</del> must also be reported. <del>The corrected report shall include all of the data previously reported for the statistical code (indicated by the Update Type "P"), as well as all of the data, on a corrected basis (indicated by the Update Type "R").</del></p>  | <p><b>d. Statistical Codes</b></p> <ul style="list-style-type: none"> <li>• Revised values for applicable statistical codes (e.g., premium discount) must also be reported.</li> <li>• Previously reported data (Update Type 'P') should include all data for the statistical code previously reported.</li> <li>• Revised data (Update Type 'R') should include all data being revised as well as data previously reported for the statistical code that is not changing.</li> </ul> |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
|--|---|
| <p><b>*C. Loss Information.</b></p> <p>When there is a change in any of the data previously reported for a particular claim number. <del>The corrected report shall include all of the data previously reported for the claim record (indicated by the Update Type "P"), all of the revised data, including the data which does not change, on a corrected basis (indicated by the Update Type "R").</del></p> | <p><b>4. Loss <u>Corrections</u></b></p> <p><b>a. <u>Loss corrections must include:</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Link Data</u></b></li> <li>• <b><u>Header Record</u></b></li> <li>• <b><u>Name Record</u></b></li> <li>• <b><u>Loss Record</u></b></li> <li>• <b><u>Unit Total Record</u></b></li> </ul> <p><b>b. When there is a change in any of the data previously reported for a particular claim number:</b></p> <ul style="list-style-type: none"> <li>• <b><u>Previously reported data (Update Type 'P') should include all data for the claim previously reported.</u></b></li> <li>• <b><u>Revised data (Update Type 'R') should include all data being revised as well as data previously reported for the claim that is not changing.</u></b></li> </ul> |

Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
|--|---|
| <p><b>D. Totals.</b></p> <p>Report the revised risk totals resulting from any changes to the exposure and/or loss information.</p> | <p><b>5. Totals <u>Corrections</u></b></p> <p><b>a. <u>Total corrections must include:</u></b></p> <ul style="list-style-type: none"><li>• <b><u>Link Data</u></b></li><li>• <b><u>Header Record</u></b></li><li>• <b><u>Name Record</u></b></li><li>• <b><u>Unit Total Record</u></b></li></ul> <p><b><u>NOTE: Submit</u></b> the revised <b><u>USR</u></b> totals resulting from any changes to the exposure and/or loss information.</p> |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
|--|---|
| <p><b>4. Method of Reporting Corrections and Revaluations</b></p> <p><b>A. Link Data Corrections</b></p> <p>Link data is the set of header elements which uniquely identifies a unit and groups units as the statistical reports to a policy for a specified policy period.</p> <p>(1) The link elements are:</p> <ul style="list-style-type: none"> <li>(a) Report Number</li> <li>(b) Correction number</li> <li>(c) Carrier code</li> <li>(d) Policy number</li> <li>(e) Policy effective date</li> <li>(f) Exposure state</li> </ul> | <p><b>C. Correction Type Reporting</b></p> <p>1. Link Data Corrections</p> <p>Link data is the set of header elements which uniquely identifies a unit and groups units as the statistical reports to a policy for a specified policy period. The link data <b>elements</b> are: report number, correction number, carrier code, policy number, policy effective date and exposure state.</p> <p><b>a. Link Data corrections must include:</b></p> <ul style="list-style-type: none"> <li>• <b>Link Data</b></li> <li>• <b>Header Record</b></li> <li>• <b>Name Record</b></li> </ul> <p><b>b. Link Data changes must be submitted using the Correction Type Code Header (H). The following Link Data fields can be corrected:</b></p> <ul style="list-style-type: none"> <li>• <b>Carrier code</b></li> <li>• <b>Policy number</b></li> <li>• <b>Policy effective date</b></li> <li>• <b>Exposure State</b></li> </ul> <p><b>NOTE: When changing Link Data fields, submit the previous value and the new value. Link Data corrections are applied directly to each individual USR. For example: If three reports (1st, 2nd and 3rd) have already been submitted and an error in the Link Data is discovered, corrections for all three reports are necessary. The report number cannot be corrected.</b></p> |

Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS

| EXISTING LANGUAGE  | REVISED LANGUAGE                  |
|--|-----------------------------------|
| <p><del>(2) For corrections to link elements use correction type code "H". Link elements are corrected by the dual and simultaneous display of the element as it was reported on the prior report and the revised content of the field. On the hard copy form the spaces for the link data elements have a dividing horizontal line. When reporting initial subsequent valuations or non-link corrections, the element is reported on the upper section. When a correction to the link data is intended, both upper and lower sections are filled. The element, as it was reported previously that is to be corrected, should appear on the top while the revised value is entered on the bottom. The magnetic tape specification have two separate and distinct fields, for example, both policy number and previous policy number. The revised policy number is inserted as the policy number, and the policy number as it appears on the prior unit(s) is inserted in the previous policy number field.</del></p> | <p><b>REMOVED FROM MANUAL</b></p> |
| <p><del>3) Link data corrections are applied directly to each individual report. If three reports (1st, 2nd and 3rd) have already been submitted and an error in the link data is discovered, then corrections for all three reports are necessary. A link data correction to only one of the previously filed reports will cause that corrected report to match (link) with another policy and set of unit reports or become "unmatched". See Section Ten - Examples.</del></p>   | <p><b>REMOVED FROM MANUAL</b></p> |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE   | REVISED LANGUAGE                  |
|---|-----------------------------------|
| <p><del>(4) If a correction report is submitted with the “wrong” link data, then the correction cannot be correctly applied to the Bureau’s files. Invalid carrier code, policy number, or policy effective date, report number or exposure state on a correction report will cause the correction to be rejected or incorrectly applied to previously submitted data. The carrier must replace or amend these corrections. Correction number can be revised by a subsequent correction, however, the revised correction number will be applied directly to the NCRB data base and will not carry a unique correction number or increment the correction sequence. See Section Ten - Examples.</del></p>                  | <p><b>REMOVED FROM MANUAL</b></p> |
| <p><b>B. Header Corrections (Non-Link Data Elements)</b></p> <p><del>Correction to all other non-link header or policy information is accomplished by use of the correction type code “H” applied to the 1st report. Non-link header policy information is required only on 1st reports of data, corrections and subsequent reports with header data will inherit the information from the 1st report. The Bureau will apply a correction to the 1st report header information to all report levels in our data base.</del></p> <p><del>Carriers will be notified of differences in policy or header information between report levels, however, a correction is necessary only when the 1st report is “wrong”.</del></p> | <p><b>REMOVED FROM MANUAL</b></p> |



**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |
|--|--|
| <p><del>1) The policy/header non-link data elements eligible for carrier update as header corrections are:</del></p> <p><del>(a) Policy expiration date</del></p> <p><del>(b) State effective date</del></p> <p><del>(c) Interstate risk ID (Bureau File Number)</del></p> <p><del>(d) Insured's name</del></p> <p><del>(e) Insured's address</del></p> <p><del>(f) Federal employers ID number</del></p> <p><del>(g) Three-year fixed rate indicator</del></p> <p><del>(h) Multi-state indicator</del></p> <p><del>(i) Interstate indicator</del></p> <p><del>(j) Estimated exposure indicator</del></p> <p><del>(k) Retro policy indicator</del></p> <p><del>(l) Canceled mid term indicator</del></p> <p><del>(m) MCO indicator</del></p> <p><del>(n) Type of coverage</del></p> <p><del>(o) Plan indicator</del></p> <p><del>(p) Non standard policy indicator</del></p> <p><del>(q) Deductible type</del></p> <p><del>(r) Deductible amount per claim/accident</del></p> <p><del>(s) Deductible amount aggregated</del></p> | <p><b>b. Header corrections must be filed using the Correction Type Code Header (H). The following Header fields can be corrected:</b></p> <ul style="list-style-type: none"> <li>• Policy Expiration Date <b>or Cancellation Date</b></li> <li>• Risk ID Number</li> <li>• State Effective Date</li> <li>• Federal Employer <b>Identification</b> Number</li> <li>• Three Year Fixed Rate <b>Policy</b> Indicator</li> <li>• Multistate <b>Policy</b> Indicator</li> <li>• Interstate <b>Rated Policy</b> Indicator</li> <li>• Estimated <b>Audit Code</b></li> <li>• Retro<b>spective Rated</b> Policy Indicator</li> <li>• Cancelled Mid-term <b>Policy</b> Indicator</li> <li>• <b>Managed Care Organization</b> (MCO) <b>Policy</b> Indicator</li> <li>• Type of Coverage <b>ID Code</b></li> <li>• <b>Type of</b> Plan <b>ID Code</b></li> <li>• <b>Type of</b> Non-Standard <b>ID Code</b></li> <li>• <b>Losses Subject to</b> Deductible <b>Code</b></li> <li>• Deductible Amount Per Claim/Accident</li> <li>• Deductible Amount-Aggregate</li> </ul> <p><b>NOTE: Header Correction information can only be submitted for the first report.</b></p> |

**Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS**

| EXISTING LANGUAGE  | REVISED LANGUAGE                  |
|--|-----------------------------------|
| <p><del>2) A carrier cannot correct correction type, card serial number (if reported on hard copy) or the page number. If a situation arises that requires modification of these fields, contact the Bureau Statistical staff.</del></p>   | <p><b>REMOVED FROM MANUAL</b></p> |
| <p><del>(3) Since mod effective date and rate effective date are tied to the exposure records by page number (on hard copy) or the page break indicator (split period indicator) on magnetic tape, they are updated as an exposure record correction.</del></p>  | <p><b>REMOVED FROM MANUAL</b></p> |
| <p><del><b>5. Procedure for Correction of Unit Reports after Subsequent Reports have been Filed</b></del></p> <p><del>When submitting a correction to a unit report for which a subsequent report has been filed, it is also necessary to submit a correction report for each associated unit report with a higher report level.</del></p>   | <p><b>REMOVED FROM MANUAL</b></p> |
| <p><del><b>6. Procedure for Revising Unit Reports Submitted in Pre-ASWG Format</b></del></p> <p><del><b>A.</b> Except for the Update Type and Policy Conditions, the reporting of data elements not required as of the policy effective date is not necessary. However, the existing policy conditions will have to be converted to the revised Y/N policy conditions when reporting on the ASWG hard copy form.</del></p> <p><del><b>B.</b> For exposure records, conversion of the previously reported two digit code to the restructured exposure coverage code is not permitted. If the exposure coverage code needs to be revised, report the appropriate “pre-ASWG” exposure coverage code; otherwise report the same exposure coverage code as previously reported.</del></p> | <p><b>REMOVED FROM MANUAL</b></p> |

Side by Side Comparison-PART 5 SUBSEQUENT AND CORRECTION REPORTS

| EXISTING LANGUAGE                                    | REVISED LANGUAGE   |
|--|--|
| <b>NEW ITEM ADDED TO THIS SECTION OF THE MANUAL.</b> | <b><u>D. Replacement Reports</u></b><br><br><b><u>Carriers approved to directly report USR data to NCRB have the option of filing a replacement report for any rejected reports. Report the alpha code "R" in the replacement report code field to identify a replacement is being submitted in response to a rejected unit at NCRB.</u></b> |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE  | REVISED LANGUAGE   |                               |                               |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
|--|--|-------------------------------|-------------------------------|-----------------------|------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|------------------------------|------------------------------|-----------|------------------------------|-------------------------------|-------------------------------|-----------|------------------------------|-------------------------------|-------------------------------|-----------|-------------------------------|-------------------------------|-------------------------------|
| <p><b>1. Report Number and Valuation Date</b></p> <p><u>Code</u> — <u>Description</u></p> <p>01 — Valued 18 months after the month in which the policy became effective.</p> <p>02 — Valued 30 months after the month in which the policy became effective.</p> <p>03 — Valued 42 months after the month in which the policy became effective.</p> <p>04 — Valued 54 months after the month in which the policy became effective.</p> <p>05 — Valued 66 months after the month in which the policy became effective.</p> <p>06 — Valued 78 months after the month in which the policy became effective.</p> <p>07 — Valued 90 months after the month in which the policy became effective.</p> <p>08 — Valued 102 months after the month in which the policy became effective.</p> <p>09 — Valued 114 months after the month in which the policy became effective.</p> <p>10 — Valued 126 months after the month in which the policy became effective.</p> <p>Report level 6 through 10 applies to unit reports effective 1-1-99 valued as of July, 2005 with the filing due date of September, 2005 and subsequent.</p> | <p><b>A. Report Number</b></p> <p><b>The two digit numeric code that corresponds to the loss valuation date.</b></p> <table border="1" data-bbox="852 266 2039 954"> <thead> <tr> <th><u>Code</u></th> <th><u>Report Level</u></th> <th><u>Valuation Date</u></th> <th><u>Filing Due Date</u></th> </tr> </thead> <tbody> <tr> <td><b>01</b></td> <td><b>1<sup>st</sup> Report</b></td> <td><b>18<sup>th</sup> Month</b></td> <td><b>20<sup>th</sup> Month</b></td> </tr> <tr> <td><b>02</b></td> <td><b>2<sup>nd</sup> Report</b></td> <td><b>30<sup>th</sup> Month</b></td> <td><b>32<sup>nd</sup> Month</b></td> </tr> <tr> <td><b>03</b></td> <td><b>3<sup>rd</sup> Report</b></td> <td><b>42<sup>nd</sup> Month</b></td> <td><b>44<sup>th</sup> Month</b></td> </tr> <tr> <td><b>04</b></td> <td><b>4<sup>th</sup> Report</b></td> <td><b>54<sup>th</sup> Month</b></td> <td><b>56<sup>th</sup> Month</b></td> </tr> <tr> <td><b>05</b></td> <td><b>5<sup>th</sup> Report</b></td> <td><b>66<sup>th</sup> Month</b></td> <td><b>68<sup>th</sup> Month</b></td> </tr> <tr> <td><b>06</b></td> <td><b>6<sup>th</sup> Report</b></td> <td><b>78<sup>th</sup> Month</b></td> <td><b>80<sup>th</sup> Month</b></td> </tr> <tr> <td><b>07</b></td> <td><b>7<sup>th</sup> Report</b></td> <td><b>90<sup>th</sup> Month</b></td> <td><b>92<sup>nd</sup> Month</b></td> </tr> <tr> <td><b>08</b></td> <td><b>8<sup>th</sup> Report</b></td> <td><b>102<sup>nd</sup> Month</b></td> <td><b>104<sup>th</sup> Month</b></td> </tr> <tr> <td><b>09</b></td> <td><b>9<sup>th</sup> Report</b></td> <td><b>114<sup>th</sup> Month</b></td> <td><b>116<sup>th</sup> Month</b></td> </tr> <tr> <td><b>10</b></td> <td><b>10<sup>th</sup> Report</b></td> <td><b>126<sup>th</sup> Month</b></td> <td><b>128<sup>th</sup> Month</b></td> </tr> </tbody> </table> | <u>Code</u>                   | <u>Report Level</u>           | <u>Valuation Date</u> | <u>Filing Due Date</u> | <b>01</b> | <b>1<sup>st</sup> Report</b> | <b>18<sup>th</sup> Month</b> | <b>20<sup>th</sup> Month</b> | <b>02</b> | <b>2<sup>nd</sup> Report</b> | <b>30<sup>th</sup> Month</b> | <b>32<sup>nd</sup> Month</b> | <b>03</b> | <b>3<sup>rd</sup> Report</b> | <b>42<sup>nd</sup> Month</b> | <b>44<sup>th</sup> Month</b> | <b>04</b> | <b>4<sup>th</sup> Report</b> | <b>54<sup>th</sup> Month</b> | <b>56<sup>th</sup> Month</b> | <b>05</b> | <b>5<sup>th</sup> Report</b> | <b>66<sup>th</sup> Month</b> | <b>68<sup>th</sup> Month</b> | <b>06</b> | <b>6<sup>th</sup> Report</b> | <b>78<sup>th</sup> Month</b> | <b>80<sup>th</sup> Month</b> | <b>07</b> | <b>7<sup>th</sup> Report</b> | <b>90<sup>th</sup> Month</b> | <b>92<sup>nd</sup> Month</b> | <b>08</b> | <b>8<sup>th</sup> Report</b> | <b>102<sup>nd</sup> Month</b> | <b>104<sup>th</sup> Month</b> | <b>09</b> | <b>9<sup>th</sup> Report</b> | <b>114<sup>th</sup> Month</b> | <b>116<sup>th</sup> Month</b> | <b>10</b> | <b>10<sup>th</sup> Report</b> | <b>126<sup>th</sup> Month</b> | <b>128<sup>th</sup> Month</b> |
| <u>Code</u>  | <u>Report Level</u>  | <u>Valuation Date</u>         | <u>Filing Due Date</u>        |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>01</b>  | <b>1<sup>st</sup> Report</b>   | <b>18<sup>th</sup> Month</b>  | <b>20<sup>th</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>02</b>  | <b>2<sup>nd</sup> Report</b>   | <b>30<sup>th</sup> Month</b>  | <b>32<sup>nd</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>03</b>  | <b>3<sup>rd</sup> Report</b>   | <b>42<sup>nd</sup> Month</b>  | <b>44<sup>th</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>04</b>  | <b>4<sup>th</sup> Report</b>   | <b>54<sup>th</sup> Month</b>  | <b>56<sup>th</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>05</b>  | <b>5<sup>th</sup> Report</b>   | <b>66<sup>th</sup> Month</b>  | <b>68<sup>th</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>06</b>  | <b>6<sup>th</sup> Report</b>   | <b>78<sup>th</sup> Month</b>  | <b>80<sup>th</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>07</b>  | <b>7<sup>th</sup> Report</b>   | <b>90<sup>th</sup> Month</b>  | <b>92<sup>nd</sup> Month</b>  |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
| <b>08</b>  | <b>8<sup>th</sup> Report</b>   | <b>102<sup>nd</sup> Month</b> | <b>104<sup>th</sup> Month</b> |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |
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| <b>10</b>  | <b>10<sup>th</sup> Report</b>  | <b>126<sup>th</sup> Month</b> | <b>128<sup>th</sup> Month</b> |                       |                        |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                              |                              |           |                              |                               |                               |           |                              |                               |                               |           |                               |                               |                               |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |      |             |   |   |   |  |   |                        |   |                         |   |                                  |
|---|--|------|-------------|---|---|---|--|---|------------------------|---|-------------------------|---|----------------------------------|
| <p><b>2. Correction Type</b></p> <p>The alphabetic code that indicates the type of correction report being submitted. Applicable only to correction reports.</p> <p><u>Code</u>   <u>Description</u></p> <p>H Header Record Correction<br/>           E Exposure Record Correction (First Reports Only)<br/>           L Loss Record Correction<br/>           T Total Record Correction<br/>           M Corrections to Multiple Record Types</p> <p>* <del>Note: Correction Type A (Aggravated Inequity) can no longer be reported effective May 1, 2010.</del></p> | <p><b>B. Correction Type Code</b></p> <p>The <b>one digit</b> alpha code that <b>identifies</b> the type of correction report.</p> <table border="1" data-bbox="852 269 2041 461"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>H</td> <td>Header Record Correction <b>(including link data-1<sup>st</sup> Reports Only)</b></td> </tr> <tr> <td>E</td> <td>Exposure Record Correction (<b>1<sup>st</sup></b> Reports Only)</td> </tr> <tr> <td>L</td> <td>Loss Record Correction</td> </tr> <tr> <td>T</td> <td>Total Record Correction</td> </tr> <tr> <td>M</td> <td>Multiple Record Type Corrections</td> </tr> </tbody> </table> | Code | Description | H | Header Record Correction <b>(including link data-1<sup>st</sup> Reports Only)</b> | E | Exposure Record Correction ( <b>1<sup>st</sup></b> Reports Only) | L | Loss Record Correction | T | Total Record Correction | M | Multiple Record Type Corrections |
| Code  | Description  |      |             |   |   |   |  |   |                        |   |                         |   |                                  |
| H   | Header Record Correction <b>(including link data-1<sup>st</sup> Reports Only)</b>  |      |             |   |   |   |  |   |                        |   |                         |   |                                  |
| E   | Exposure Record Correction ( <b>1<sup>st</sup></b> Reports Only)   |      |             |   |   |   |  |   |                        |   |                         |   |                                  |
| L   | Loss Record Correction   |      |             |   |   |   |  |   |                        |   |                         |   |                                  |
| T   | Total Record Correction  |      |             |   |   |   |  |   |                        |   |                         |   |                                  |
| M   | Multiple Record Type Corrections   |      |             |   |   |   |  |   |                        |   |                         |   |                                  |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE   | REVISED LANGUAGE   |                     |      |                     |      |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
|---|--|---------------------|------|---------------------|------|-------|------|--------------|----|----------------|----|-----------|----|-------------|----|------------|----|---------------|----|--------------|----|---------------|----|-------------|----|---------------|----|--------------------|----|-------------------|----|-----------------|----|---------------|----|------------------|----|---------------|----|----------------|----|-------------------|----|------------------|----|------------------|----|---------------------|----|---------------|----|---------------|----|-------------------|----|---------------------------|----|--------------|----|----------------|----|--------------|----|---------------|----|------------|----|--------------|----|-------------|----|-----------|----|-------------|----|--------------------|----|--------------|----|------------|----|-----------------|----|---------------|----|---------------|----|-----------------|----|-----------------|----|--------------|----|---------------|----|--------------------|----|-----------|----|---------------------|----|----------------|----|-------------|----|-------------------|----|--------------|----|---------------|----|--|--|--|--|
| <p><b>3. Exposure State</b></p> <p>The <del>state code number for North Carolina is 32.</del></p> | <p><b>C. Exposure State/<u>Jurisdiction State</u></b></p> <p>The <b><u>two digit numeric code identifies the state.</u></b></p> <table border="1" data-bbox="852 264 2039 1053"> <thead> <tr> <th>State</th> <th>Code</th> <th>State</th> <th>Code</th> <th>State</th> <th>Code</th> </tr> </thead> <tbody> <tr> <td>Alabama (AL)</td> <td>01</td> <td>Louisiana (LA)</td> <td>17</td> <td>Ohio (OH)</td> <td>34</td> </tr> <tr> <td>Alaska (AK)</td> <td>54</td> <td>Maine (ME)</td> <td>18</td> <td>Oklahoma (OK)</td> <td>35</td> </tr> <tr> <td>Arizona (AZ)</td> <td>02</td> <td>Maryland (MD)</td> <td>19</td> <td>Oregon (OR)</td> <td>36</td> </tr> <tr> <td>Arkansas (AR)</td> <td>03</td> <td>Massachusetts (MA)</td> <td>20</td> <td>Pennsylvania (PA)</td> <td>37</td> </tr> <tr> <td>California (CA)</td> <td>04</td> <td>Michigan (MI)</td> <td>21</td> <td>Puerto Rico (PR)</td> <td>58</td> </tr> <tr> <td>Colorado (CO)</td> <td>05</td> <td>Minnesota (MN)</td> <td>22</td> <td>Rhode Island (RI)</td> <td>38</td> </tr> <tr> <td>Connecticut (CT)</td> <td>06</td> <td>Mississippi (MS)</td> <td>23</td> <td>South Carolina (SC)</td> <td>39</td> </tr> <tr> <td>Delaware (DE)</td> <td>07</td> <td>Missouri (MO)</td> <td>24</td> <td>South Dakota (SD)</td> <td>40</td> </tr> <tr> <td>District of Columbia (DC)</td> <td>08</td> <td>Montana (MT)</td> <td>25</td> <td>Tennessee (TN)</td> <td>41</td> </tr> <tr> <td>Florida (FL)</td> <td>09</td> <td>Nebraska (NE)</td> <td>26</td> <td>Texas (TX)</td> <td>42</td> </tr> <tr> <td>Georgia (GA)</td> <td>10</td> <td>Nevada (NV)</td> <td>27</td> <td>Utah (UT)</td> <td>43</td> </tr> <tr> <td>Hawaii (HI)</td> <td>52</td> <td>New Hampshire (NH)</td> <td>28</td> <td>Vermont (VT)</td> <td>44</td> </tr> <tr> <td>Idaho (ID)</td> <td>11</td> <td>New Jersey (NJ)</td> <td>29</td> <td>Virginia (VA)</td> <td>45</td> </tr> <tr> <td>Illinois (IL)</td> <td>12</td> <td>New Mexico (NM)</td> <td>30</td> <td>Washington (WA)</td> <td>46</td> </tr> <tr> <td>Indiana (IN)</td> <td>13</td> <td>New York (NY)</td> <td>31</td> <td>West Virginia (WV)</td> <td>47</td> </tr> <tr> <td>Iowa (IA)</td> <td>14</td> <td>North Carolina (NC)</td> <td>32</td> <td>Wisconsin (WI)</td> <td>48</td> </tr> <tr> <td>Kansas (KS)</td> <td>15</td> <td>North Dakota (ND)</td> <td>33</td> <td>Wyoming (WY)</td> <td>49</td> </tr> <tr> <td>Kentucky (KY)</td> <td>16</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> | State               | Code | State               | Code | State | Code | Alabama (AL) | 01 | Louisiana (LA) | 17 | Ohio (OH) | 34 | Alaska (AK) | 54 | Maine (ME) | 18 | Oklahoma (OK) | 35 | Arizona (AZ) | 02 | Maryland (MD) | 19 | Oregon (OR) | 36 | Arkansas (AR) | 03 | Massachusetts (MA) | 20 | Pennsylvania (PA) | 37 | California (CA) | 04 | Michigan (MI) | 21 | Puerto Rico (PR) | 58 | Colorado (CO) | 05 | Minnesota (MN) | 22 | Rhode Island (RI) | 38 | Connecticut (CT) | 06 | Mississippi (MS) | 23 | South Carolina (SC) | 39 | Delaware (DE) | 07 | Missouri (MO) | 24 | South Dakota (SD) | 40 | District of Columbia (DC) | 08 | Montana (MT) | 25 | Tennessee (TN) | 41 | Florida (FL) | 09 | Nebraska (NE) | 26 | Texas (TX) | 42 | Georgia (GA) | 10 | Nevada (NV) | 27 | Utah (UT) | 43 | Hawaii (HI) | 52 | New Hampshire (NH) | 28 | Vermont (VT) | 44 | Idaho (ID) | 11 | New Jersey (NJ) | 29 | Virginia (VA) | 45 | Illinois (IL) | 12 | New Mexico (NM) | 30 | Washington (WA) | 46 | Indiana (IN) | 13 | New York (NY) | 31 | West Virginia (WV) | 47 | Iowa (IA) | 14 | North Carolina (NC) | 32 | Wisconsin (WI) | 48 | Kansas (KS) | 15 | North Dakota (ND) | 33 | Wyoming (WY) | 49 | Kentucky (KY) | 16 |  |  |  |  |
| State   | Code   | State               | Code | State               | Code |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Alabama (AL)  | 01   | Louisiana (LA)      | 17   | Ohio (OH)           | 34   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Alaska (AK)   | 54   | Maine (ME)          | 18   | Oklahoma (OK)       | 35   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Arizona (AZ)  | 02   | Maryland (MD)       | 19   | Oregon (OR)         | 36   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Arkansas (AR)   | 03   | Massachusetts (MA)  | 20   | Pennsylvania (PA)   | 37   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| California (CA)   | 04   | Michigan (MI)       | 21   | Puerto Rico (PR)    | 58   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Colorado (CO)   | 05   | Minnesota (MN)      | 22   | Rhode Island (RI)   | 38   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Connecticut (CT)  | 06   | Mississippi (MS)    | 23   | South Carolina (SC) | 39   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Delaware (DE)   | 07   | Missouri (MO)       | 24   | South Dakota (SD)   | 40   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| District of Columbia (DC)   | 08   | Montana (MT)        | 25   | Tennessee (TN)      | 41   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Florida (FL)  | 09   | Nebraska (NE)       | 26   | Texas (TX)          | 42   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Georgia (GA)  | 10   | Nevada (NV)         | 27   | Utah (UT)           | 43   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Hawaii (HI)   | 52   | New Hampshire (NH)  | 28   | Vermont (VT)        | 44   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Idaho (ID)  | 11   | New Jersey (NJ)     | 29   | Virginia (VA)       | 45   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Illinois (IL)   | 12   | New Mexico (NM)     | 30   | Washington (WA)     | 46   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Indiana (IN)  | 13   | New York (NY)       | 31   | West Virginia (WV)  | 47   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Iowa (IA)   | 14   | North Carolina (NC) | 32   | Wisconsin (WI)      | 48   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Kansas (KS)   | 15   | North Dakota (ND)   | 33   | Wyoming (WY)        | 49   |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |
| Kentucky (KY)   | 16   |                     |      |                     |      |       |      |              |    |                |    |           |    |             |    |            |    |               |    |              |    |               |    |             |    |               |    |                    |    |                   |    |                 |    |               |    |                  |    |               |    |                |    |                   |    |                  |    |                  |    |                     |    |               |    |               |    |                   |    |                           |    |              |    |                |    |              |    |               |    |            |    |              |    |             |    |           |    |             |    |                    |    |              |    |            |    |                 |    |               |    |               |    |                 |    |                 |    |              |    |               |    |                    |    |           |    |                     |    |                |    |             |    |                   |    |              |    |               |    |  |  |  |  |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE  | REVISED LANGUAGE  |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
|--|---|------|-------------|----|--|----|---------------------|------|-------------|----|------------------|----|-----------------------------|-----------|--|------|-------------|----|----------------------------------|----|---|
| <p><b>4. Policy Type ID</b></p> <p>Identifies the type of coverage and non-standard provisions of the policy.</p> <p><u>TYPE OF COVERAGE</u><br/>Code Description</p> <p>01 Standard Workers Compensation &amp; Employers Liability Policy<br/>09 Non Standard Policy</p> <p><u>PLAN TYPE</u></p> <p>Code Description</p> <p>01 Voluntary Policy<br/>02 Normal Assigned Risk Policy</p> <p><u>NON-STANDARD TYPE</u><br/>Code Description</p> <p>01 Non-Standard Code Does Not Apply<br/>02 <del>Excluding Medical</del> Discontinued effective April 1, 2012<br/>99 Self Insured in conjunction with a self insured group.</p> | <p><b>E. Policy Type ID Code</b></p> <p><b>The two digit numeric code that indicates the different type of policy provisions.</b></p> <p><b>1. Type of Coverage ID Code</b></p> <table border="1" data-bbox="840 332 2041 430"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>Standard Workers Compensation &amp; Employers Liability Policy</td> </tr> <tr> <td>09</td> <td>Non-Standard Policy</td> </tr> </tbody> </table> <p><b>2. Type of Plan ID Code</b></p> <table border="1" data-bbox="840 560 2041 690"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>Voluntary Policy</td> </tr> <tr> <td>02</td> <td>Normal Assigned Risk Policy</td> </tr> <tr> <td><b>07</b></td> <td><b>Assigned Risk Policy originally assigned by another DCO (NC only)</b></td> </tr> </tbody> </table> <p><b>3. Type of Non-Standard ID Code</b></p> <table border="1" data-bbox="840 820 2041 917"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>Non-Standard Code Does Not Apply</td> </tr> <tr> <td>99</td> <td>Self-Insured in conjunction with a self-insured group</td> </tr> </tbody> </table> | Code | Description | 01 | Standard Workers Compensation & Employers Liability Policy | 09 | Non-Standard Policy | Code | Description | 01 | Voluntary Policy | 02 | Normal Assigned Risk Policy | <b>07</b> | <b>Assigned Risk Policy originally assigned by another DCO (NC only)</b> | Code | Description | 01 | Non-Standard Code Does Not Apply | 99 | Self-Insured in conjunction with a self-insured group |
| Code   | Description   |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| 01   | Standard Workers Compensation & Employers Liability Policy  |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| 09   | Non-Standard Policy   |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| Code   | Description   |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| 01   | Voluntary Policy  |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| 02   | Normal Assigned Risk Policy   |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| <b>07</b>  | <b>Assigned Risk Policy originally assigned by another DCO (NC only)</b>  |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| Code   | Description   |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| 01   | Non-Standard Code Does Not Apply  |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |
| 99   | Self-Insured in conjunction with a self-insured group   |      |             |    |  |    |                     |      |             |    |                  |    |                             |           |  |      |             |    |                                  |    |   |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE  | REVISED LANGUAGE   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
|--|--|-------------|--|-----------------------|--|---------------------|----|-----------------------|----|----------------------------|------|-------------|----|-----------------------|----|--|----|---|----|--|----|---|---|------|-------------|----|---------------|----|---------------------|----|-----------------------|----|------------------------------|------|-------------|----|-----------------------|----|-----------|----|--------------|----|------------------------|----|------------------|----|-------------------------------------|----|----------------------------------|
| <p><b>*5. Deductible Type</b></p> <p>Identifies the type of deductible being reported.</p> <p><u>First Two Positions</u></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>No Deductible Applies</td> </tr> <tr> <td>01</td> <td>Medical Losses Only</td> </tr> <tr> <td>02</td> <td>Indemnity Losses Only</td> </tr> <tr> <td>03</td> <td>Medical &amp; Indemnity Losses</td> </tr> </tbody> </table> <p><u>Second Two Positions</u></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>No Deductible Applies</td> </tr> <tr> <td>01</td> <td>Per Claim <del>Deductible Amount</del></td> </tr> <tr> <td>02</td> <td>Per Accident <del>Deductible Amount</del></td> </tr> <tr> <td>03</td> <td>Per Policy <del>Deductible</del> Aggregate Limit</td> </tr> <tr> <td>09</td> <td>Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit</td> </tr> </tbody> </table> | Code   | Description | 00                                       | No Deductible Applies | 01   | Medical Losses Only | 02 | Indemnity Losses Only | 03 | Medical & Indemnity Losses | Code | Description | 00 | No Deductible Applies | 01 | Per Claim <del>Deductible Amount</del> | 02 | Per Accident <del>Deductible Amount</del> | 03 | Per Policy <del>Deductible</del> Aggregate Limit | 09 | Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit | <p><b>F. Deductible Type Code</b></p> <p><b>The two digit numeric code that indicates the type of deductible and basis of deductible applied to the policy.</b></p> <p><b>1. Losses Subject to Deductible Code</b></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>No Deductible</td> </tr> <tr> <td>01</td> <td>Medical Losses Only</td> </tr> <tr> <td>02</td> <td>Indemnity Losses Only</td> </tr> <tr> <td>03</td> <td>Medical and Indemnity Losses</td> </tr> </tbody> </table> <p><b>2. Basis of Deductible Calculation Code</b></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>No Deductible Applies</td> </tr> <tr> <td>01</td> <td>Per Claim</td> </tr> <tr> <td>02</td> <td>Per Accident</td> </tr> <tr> <td>03</td> <td>Per Policy (Aggregate)</td> </tr> <tr> <td>06</td> <td>Coinsurance Only</td> </tr> <tr> <td>09</td> <td>Per Policy and Accident (Aggregate)</td> </tr> <tr> <td>10</td> <td>Per Claim and Policy (Aggregate)</td> </tr> </tbody> </table> | Code | Description | 00 | No Deductible | 01 | Medical Losses Only | 02 | Indemnity Losses Only | 03 | Medical and Indemnity Losses | 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) |
| Code   | Description  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 00   | No Deductible Applies  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 01   | Medical Losses Only  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 02   | Indemnity Losses Only  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 03   | Medical & Indemnity Losses   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| Code   | Description  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 00   | No Deductible Applies  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 01   | Per Claim <del>Deductible Amount</del>   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 02   | Per Accident <del>Deductible Amount</del>  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 03   | Per Policy <del>Deductible</del> Aggregate Limit   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 09   | Per Accident Deductible Amount With Per Policy Deductible Aggregate Limit  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| Code   | Description  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 00   | No Deductible  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 01   | Medical Losses Only  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 02   | Indemnity Losses Only  |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 03   | Medical and Indemnity Losses   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| 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)   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| <p><b>6. Policy Conditions</b></p> <p>Report the 4-position code "Y" or "N" for each policy condition.</p>   | <p><b>D. Policy Conditions Indicators</b></p> <p>The <b>one digit alpha code that indicates the Policy Conditions applied to the policy.</b></p>   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| <p><b>A. Three Year Fixed Rate Indicator</b></p> <p>"Y" =Policy is a three-year fixed rate policy.<br/>         "N" =Policy is not a three-year fixed rate policy</p>  | <p><b>1. Three-Year Fixed Rate Policy Indicator</b></p> <table border="1"> <tbody> <tr> <td>Y</td> <td>Policy is a three-year fixed rate policy</td> </tr> <tr> <td>N</td> <td>Policy is not a three-year fixed rate policy</td> </tr> </tbody> </table> | Y           | Policy is a three-year fixed rate policy | N                     | Policy is not a three-year fixed rate policy |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| Y  | Policy is a three-year fixed rate policy   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |
| N  | Policy is not a three-year fixed rate policy   |             |  |                       |  |                     |    |                       |    |                            |      |             |    |                       |    |  |    |   |    |  |    |   |   |      |             |    |               |    |                     |    |                       |    |                              |      |             |    |                       |    |           |    |              |    |                        |    |                  |    |                                     |    |                                  |



Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE   | REVISED LANGUAGE  |   |  |   |   |          |                      |
|---|---|---|--|---|---|----------|----------------------|
| <p><b>B. Multistate Policy Indicator</b></p> <p>“Y” =Policy is a multistate policy.<br/>                     “N” =Policy is not a multistate policy</p>   | <p><b>2. Multistate Policy Indicator</b></p> <table border="1" data-bbox="827 201 2039 266"> <tr> <td>Y</td> <td>Policy is a multistate policy</td> </tr> <tr> <td>N</td> <td>Policy is not a multistate policy</td> </tr> </table>   | Y | Policy is a multistate policy  | N | Policy is not a multistate policy   |          |                      |
| Y   | Policy is a multistate policy   |   |  |   |   |          |                      |
| N   | Policy is not a multistate policy   |   |  |   |   |          |                      |
| <p><b>C. Interstate Rated Indicator</b></p> <p>“Y” =Policy is interstate rated.<br/>                     “N” =Policy is not interstate rated.</p>   | <p><b>3. Interstate Rated <b>Policy</b> Indicator</b></p> <table border="1" data-bbox="827 435 2039 500"> <tr> <td>Y</td> <td>Policy is interstate rated</td> </tr> <tr> <td>N</td> <td>Policy is not interstate rated</td> </tr> </table>  | Y | Policy is interstate rated   | N | Policy is not interstate rated  |          |                      |
| Y   | Policy is interstate rated  |   |  |   |   |          |                      |
| N   | Policy is not interstate rated  |   |  |   |   |          |                      |
| <p><b>D. Estimated Exposure Indicator</b></p> <p>“Y” =Exposures expressed on unit report are estimated.<br/>                     “N” =Exposures expressed on unit report are result of the audit.</p>   | <p><b>4. Estimated <b>Audit</b> Code</b></p> <table border="1" data-bbox="827 570 2039 667"> <tr> <td>Y</td> <td>Exposures expressed on unit report are estimated</td> </tr> <tr> <td>N</td> <td>Exposures expressed on unit report are result of the audit</td> </tr> <tr> <td><b>U</b></td> <td><b>Uncooperative</b></td> </tr> </table>  | Y | Exposures expressed on unit report are estimated   | N | Exposures expressed on unit report are result of the audit  | <b>U</b> | <b>Uncooperative</b> |
| Y   | Exposures expressed on unit report are estimated  |   |  |   |   |          |                      |
| N   | Exposures expressed on unit report are result of the audit  |   |  |   |   |          |                      |
| <b>U</b>  | <b>Uncooperative</b>  |   |  |   |   |          |                      |
| <p><b>E. Retrospective Rated Indicator</b></p> <p>“Y” =Policy is retrospective rated.<br/>                     “N” =Policy is not retrospective rated.</p>  | <p><b>5. Retrospective Rated <b>Policy</b> Indicator</b></p> <table border="1" data-bbox="827 769 2039 834"> <tr> <td>Y</td> <td>Policy is retrospective rated</td> </tr> <tr> <td>N</td> <td>Policy is not retrospective rated</td> </tr> </table>   | Y | Policy is retrospective rated  | N | Policy is not retrospective rated   |          |                      |
| Y   | Policy is retrospective rated   |   |  |   |   |          |                      |
| N   | Policy is not retrospective rated   |   |  |   |   |          |                      |
| <p><b>F. Canceled Mid-Term Indicator</b></p> <p>“Y” =Policy has been canceled mid-term.<br/>                     “N” =Policy has not been canceled mid-term</p>   | <p><b>6. Canceled Mid-Term <b>Policy</b> Indicator</b></p> <table border="1" data-bbox="827 902 2039 967"> <tr> <td>Y</td> <td>Policy has been cancelled mid-term</td> </tr> <tr> <td>N</td> <td>Policy has not been cancelled mid-term</td> </tr> </table>   | Y | Policy has been cancelled mid-term   | N | Policy has not been cancelled mid-term  |          |                      |
| Y   | Policy has been cancelled mid-term  |   |  |   |   |          |                      |
| N   | Policy has not been cancelled mid-term  |   |  |   |   |          |                      |
| <p><b>G. Managed Care Organization Indicator</b></p> <p>“Y”=Policy has provisions for the administration of losses under a certified managed care organization.<br/>                     “N”=Policy does not have provisions for the administration of losses by a certified managed care organization.</p> | <p><b>7. Managed Care Organization (<b>MCO</b>) <b>Policy</b> Indicator</b></p> <table border="1" data-bbox="827 1036 2039 1166"> <tr> <td>Y</td> <td>Policy has provisions for the administration of losses under a certified managed care organization</td> </tr> <tr> <td>N</td> <td>Policy does not have provisions for the administration of losses by a certified managed care organization</td> </tr> </table> | Y | Policy has provisions for the administration of losses under a certified managed care organization | N | Policy does not have provisions for the administration of losses by a certified managed care organization |          |                      |
| Y   | Policy has provisions for the administration of losses under a certified managed care organization  |   |  |   |   |          |                      |
| N   | Policy does not have provisions for the administration of losses by a certified managed care organization   |   |  |   |   |          |                      |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE   | REVISED LANGUAGE  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
|---|---|-------------|-----|--|----|--|---|--|-------------|---|--|------|---------------------------|----|--------------------------------|----|--|----|--|
| <p><b>1. Update Type</b></p> <p>Leave this field blank on a first report. Report the 4-position alphabetic code that identifies the activity of an exposure record.</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>P</td> <td>Previously Reported</td> </tr> <tr> <td>R</td> <td>Revised</td> </tr> </tbody> </table>   | Code  | Description | P   | Previously Reported  | R  | Revised                                | <p><b>G. Update Type</b></p> <p><b>Code</b></p> <p>The <b>one digit</b> alpha code <b>which</b> identifies the <b>unit statistical report activity</b>.</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>P</td> <td>Previously Reported</td> </tr> <tr> <td>R</td> <td>Revised</td> </tr> </tbody> </table> <p><b>NOTE: Report the letter R in this field on first reports.</b></p> | Code   | Description | P   | Previously Reported  | R    | Revised                   |    |                                |    |  |    |  |
| Code  | Description   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| P   | Previously Reported   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| R   | Revised   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| Code  | Description   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| P   | Previously Reported   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| R   | Revised   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| <p><b>2. Exposure Coverage Code (Act)</b></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>*00</td> <td>For use with statistical codes when reporting data electronically.</td> </tr> <tr> <td>01</td> <td>State or Federal Act, excluding USL&amp;HW</td> </tr> <tr> <td>02</td> <td>USL&amp;HW "F" or USL&amp;HW coverage on non "F" classes</td> </tr> <tr> <td>06</td> <td>Coverage Under State Act excluding Medical Coverage</td> </tr> </tbody> </table> | Code  | Description | *00 | For use with statistical codes when reporting data electronically. | 01 | State or Federal Act, excluding USL&HW | 02  | USL&HW "F" or USL&HW coverage on non "F" classes | 06          | Coverage Under State Act excluding Medical Coverage | <p><b>H. Exposure Act/Exposure Coverage Code</b></p> <p><b>The two digit numeric code that identifies the type of exposure coverage for each classification code.</b></p> <table border="1"> <thead> <tr> <th>Code</th> <th>Type of Exposure Coverage</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>For use with Statistical Codes</td> </tr> <tr> <td>01</td> <td>State Act or Federal Act Excluding USL&amp;HW <b>and Federal Coal Mine Health and Safety Act</b></td> </tr> <tr> <td>02</td> <td>USL&amp;HW "F" or USL&amp;HW Coverage on Non-F-Classes</td> </tr> </tbody> </table> | Code | Type of Exposure Coverage | 00 | For use with Statistical Codes | 01 | State Act or Federal Act Excluding USL&HW <b>and Federal Coal Mine Health and Safety Act</b> | 02 | USL&HW "F" or USL&HW Coverage on Non-F-Classes |
| Code  | Description   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| *00   | For use with statistical codes when reporting data electronically.  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| 01  | State or Federal Act, excluding USL&HW  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| 02  | USL&HW "F" or USL&HW coverage on non "F" classes  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| 06  | Coverage Under State Act excluding Medical Coverage   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| Code  | Type of Exposure Coverage   |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| 00  | For use with Statistical Codes  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| 01  | State Act or Federal Act Excluding USL&HW <b>and Federal Coal Mine Health and Safety Act</b>  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| 02  | USL&HW "F" or USL&HW Coverage on Non-F-Classes  |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |
| <p><b>3. Premium Codes</b></p>  | <p><b>I. Statistical Codes</b></p> <p><b>Statistical codes are categorized as: Subject to Experience Modification, Not Subject to Experience Modification and Non-Standard:</b></p> |             |     |  |    |  |   |  |             |   |  |      |                           |    |                                |    |  |    |  |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
|---|--|----------------------------|------------------|---|-----------------|--|------|---|------|--|-----------------|------|--|------------------|------|--|---------------|------|--|-----------------|------|--|-----------------|------|--|------------------|------|--|---------------------|------|--|----------------------|------|----------------------------|----------------------|------|----------------------------|-----------------------|------|----------------------------|----------------------------|------|----------------------------|
| <p><b>A. Premium Subject to Experience Modification (Reported Above Line 1A)</b></p> <p><i>1. Disease Experience</i></p> <p>In Connection with Abrasive Sand Blasting Code 0059<br/>                     In Connection with Incidental Foundries—Non-Ferrous Metals Code 0066</p> <p>In Connection with Incidental Foundries—Steel Code 0065</p> <p>In Connection with Incidental Foundries—Iron Code 0067</p>  | <p><b>1. Premium Amount Subject to Experience Modification</b></p> <p><b>a. Disease Experience</b></p> <table border="1" data-bbox="907 266 2041 464"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>In Connection with Abrasive Sand Blasting</td> <td>0059</td> </tr> <tr> <td>In Connection with Incidental Foundries—Non-Ferrous Metals</td> <td>0066</td> </tr> <tr> <td>In Connection with Incidental Foundries—Steel</td> <td>0065</td> </tr> <tr> <td>In Connection with Incidental Foundries—Iron</td> <td>0067</td> </tr> </tbody> </table>  | Description                | Statistical Code | In Connection with Abrasive Sand Blasting | 0059            | In Connection with Incidental Foundries—Non-Ferrous Metals | 0066 | In Connection with Incidental Foundries—Steel | 0065 | In Connection with Incidental Foundries—Iron | 0067            |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| Description   | Statistical Code   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| In Connection with Abrasive Sand Blasting   | 0059   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| In Connection with Incidental Foundries—Non-Ferrous Metals  | 0066   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| In Connection with Incidental Foundries—Steel   | 0065   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| In Connection with Incidental Foundries—Iron  | 0067   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| <p><b>. Employers Liability Increased Limits (in 000=s)</b></p> <p>With Workers Compensation</p> <p>\$100/100/1,000 Code 9803<br/>                     \$100/100/2,500 Code 9804<br/>                     \$100/100/5,000 Code 9805<br/>                     \$100/100/10,000 Code 9806<br/>                     \$500/500/500 Code 9807<br/>                     \$500/500/1,000 Code 9808<br/>                     \$500/500/2,500 Code 9809<br/>                     \$500/500/5,000 Code 9810<br/>                     \$500/500/10,000 Code 9811<br/>                     \$1,000/1,000/1,000 Code 9812<br/>                     \$1,000/1,000/2,500 Code 9813<br/>                     \$1,000/1,000/5,000 Code 9814<br/>                     \$1,000/1,000/10,000 Code 9815<br/>                     Over \$1,000/1,000/10,000 Code 9816</p> <p><b>*Note: Codes 9813, 9814, 9815 and 9816 discontinued for Assigned Risk only effective January 1, 2012.</b></p> | <p><b>a. Employers Liability Increased Limits (in 000's)</b></p> <table border="1" data-bbox="886 613 2041 1062"> <thead> <tr> <th>With Workers Compensation</th> <th>Statistical Code</th> <th>Applicability</th> </tr> </thead> <tbody> <tr> <td>\$100/100/1,000</td> <td>9803</td> <td></td> </tr> <tr> <td>\$100/100/2,500</td> <td>9804</td> <td></td> </tr> <tr> <td>\$100/100/5,000</td> <td>9805</td> <td></td> </tr> <tr> <td>\$100/100/10,000</td> <td>9806</td> <td></td> </tr> <tr> <td>\$500/500/500</td> <td>9807</td> <td></td> </tr> <tr> <td>\$500/500/1,000</td> <td>9809</td> <td></td> </tr> <tr> <td>\$500/500/2,500</td> <td>9810</td> <td></td> </tr> <tr> <td>\$500/500/10,000</td> <td>9811</td> <td></td> </tr> <tr> <td>\$1,000/1,000/1,000</td> <td>9812</td> <td></td> </tr> <tr> <td>*\$1,000/1,000/2,500</td> <td>9813</td> <td>N/A Assigned Risk 04/01/12</td> </tr> <tr> <td>*\$1,000/1,000/5,000</td> <td>9814</td> <td>N/A Assigned Risk 04/01/12</td> </tr> <tr> <td>*\$1,000/1,000/10,000</td> <td>9815</td> <td>N/A Assigned Risk 04/01/12</td> </tr> <tr> <td>*Over \$1,000/1,000/10,000</td> <td>9816</td> <td>N/A Assigned Risk 04/01/12</td> </tr> </tbody> </table> | With Workers Compensation  | Statistical Code | Applicability                             | \$100/100/1,000 | 9803   |      | \$100/100/2,500                               | 9804 |  | \$100/100/5,000 | 9805 |  | \$100/100/10,000 | 9806 |  | \$500/500/500 | 9807 |  | \$500/500/1,000 | 9809 |  | \$500/500/2,500 | 9810 |  | \$500/500/10,000 | 9811 |  | \$1,000/1,000/1,000 | 9812 |  | *\$1,000/1,000/2,500 | 9813 | N/A Assigned Risk 04/01/12 | *\$1,000/1,000/5,000 | 9814 | N/A Assigned Risk 04/01/12 | *\$1,000/1,000/10,000 | 9815 | N/A Assigned Risk 04/01/12 | *Over \$1,000/1,000/10,000 | 9816 | N/A Assigned Risk 04/01/12 |
| With Workers Compensation   | Statistical Code   | Applicability              |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$100/100/1,000   | 9803   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$100/100/2,500   | 9804   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$100/100/5,000   | 9805   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$100/100/10,000  | 9806   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$500/500/500   | 9807   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$500/500/1,000   | 9809   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$500/500/2,500   | 9810   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$500/500/10,000  | 9811   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| \$1,000/1,000/1,000   | 9812   |                            |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| *\$1,000/1,000/2,500  | 9813   | N/A Assigned Risk 04/01/12 |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| *\$1,000/1,000/5,000  | 9814   | N/A Assigned Risk 04/01/12 |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| *\$1,000/1,000/10,000   | 9815   | N/A Assigned Risk 04/01/12 |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |
| *Over \$1,000/1,000/10,000  | 9816   | N/A Assigned Risk 04/01/12 |                  |   |                 |  |      |   |      |  |                 |      |  |                  |      |  |               |      |  |                 |      |  |                 |      |  |                  |      |  |                     |      |  |                      |      |                            |                      |      |                            |                       |      |                            |                            |      |                            |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |  |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
|---|--|--|---|--------------------------|-------------------------|----------------------|-----------|------|----------------------------|------------|------|----------------------------|------------|------|----------------------------|------------|------|----------------------------|------------|------|----------------------------|------------|------|----------------------------|-----------------|------|----------------------------|
| <p><b>*Without Workers Compensation</b></p> <p>\$100/100/1,000            Code 9823</p> <p>\$100/100/2,500        Code 9824</p> <p>\$100/100/5,000        Code 9825</p> <p>\$100/100/10,000      Code 9826</p> <p>\$500/500/500            Code 9827</p> <p>\$500/500/1,000        Code 9828</p> <p>\$500/500/2,500        Code 9829</p> <p>\$500/500/5,000        Code 9830</p> <p>\$500/500/10,000      Code 9831</p> <p>\$1,000/1,000/1,000    Code 9832</p> <p>\$1,000/1,000/2,500    Code 9833</p> <p>\$1,000/1,000/5,000    Code 9834</p> <p>\$1,000/1,000/10,000   Code 9835</p> <p>Over \$1,000/1,000/10,000 Code 9836</p> <p>All Other Increased Limits    Code 9837</p> | <p><b>Without Workers Compensation</b></p> <p>*\$100/100/1,000</p> <p>*\$100/100/2,500</p> <p>*\$100/100/5,000</p> <p>*\$100/100/10,000</p> <p>*\$500/500/500</p> <p>*\$500/500/1,000</p> <p>*\$500/500/2,500</p> <p>*\$500/500/5,000</p> <p>*\$500/500/10,000</p> <p>*\$1,000/1,000/1,000</p> <p>*\$1,000/1,000/2,500</p> <p>*\$1,000/1,000/5,000</p> <p>*\$1,000/1,000/10,000</p> <p>*Over \$1,000/1,000/10,000</p> <p>*All Other Increased Limits</p>   | <p><b>Statistical Code</b></p> <p>9823</p> <p>9824</p> <p>9825</p> <p>9826</p> <p>9827</p> <p>9828</p> <p>9829</p> <p>9830</p> <p>9831</p> <p>9832</p> <p>9833</p> <p>9834</p> <p>9835</p> <p>9836</p> <p>9837</p> | <p><b>Applicability</b></p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> <p>N/A Assigned Risk 04/01/12</p> |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| <p><b>Admiralty or FELA</b></p> <p>\$50,000                    Code 9817</p> <p>\$100,000                  Code 9818</p> <p>\$200,000                  Code 9819</p> <p>\$300,000                  Code 9820</p> <p>\$400,000                  Code 9821</p> <p>\$500,000                  Code 9822</p> <p>Over \$500,000            Code 9840</p> <p><b>Note: Codes shown above discontinued for Assigned Risk only effective January 1, 2012</b></p>   | <p><b>b. Employers Liability Increased Limits (in 000's)</b></p> <table border="1" data-bbox="884 805 2039 1062"> <thead> <tr> <th data-bbox="884 805 1297 837"><b>Admiralty or FELA</b></th> <th data-bbox="1297 805 1545 837"><b>Statistical Code</b></th> <th data-bbox="1545 805 2039 837"><b>Applicability</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="884 837 1297 870">*\$50,000</td> <td data-bbox="1297 837 1545 870">9817</td> <td data-bbox="1545 837 2039 870">N/A Assigned Risk 04/01/12</td> </tr> <tr> <td data-bbox="884 870 1297 902">*\$100,000</td> <td data-bbox="1297 870 1545 902">9818</td> <td data-bbox="1545 870 2039 902">N/A Assigned Risk 04/01/12</td> </tr> <tr> <td data-bbox="884 902 1297 935">*\$200,000</td> <td data-bbox="1297 902 1545 935">9819</td> <td data-bbox="1545 902 2039 935">N/A Assigned Risk 04/01/12</td> </tr> <tr> <td data-bbox="884 935 1297 967">*\$300,000</td> <td data-bbox="1297 935 1545 967">9820</td> <td data-bbox="1545 935 2039 967">N/A Assigned Risk 04/01/12</td> </tr> <tr> <td data-bbox="884 967 1297 1000">*\$400,000</td> <td data-bbox="1297 967 1545 1000">9821</td> <td data-bbox="1545 967 2039 1000">N/A Assigned Risk 04/01/12</td> </tr> <tr> <td data-bbox="884 1000 1297 1032">*\$500,000</td> <td data-bbox="1297 1000 1545 1032">9822</td> <td data-bbox="1545 1000 2039 1032">N/A Assigned Risk 04/01/12</td> </tr> <tr> <td data-bbox="884 1032 1297 1062">*Over \$500,000</td> <td data-bbox="1297 1032 1545 1062">9840</td> <td data-bbox="1545 1032 2039 1062">N/A Assigned Risk 04/01/12</td> </tr> </tbody> </table> |  |   | <b>Admiralty or FELA</b> | <b>Statistical Code</b> | <b>Applicability</b> | *\$50,000 | 9817 | N/A Assigned Risk 04/01/12 | *\$100,000 | 9818 | N/A Assigned Risk 04/01/12 | *\$200,000 | 9819 | N/A Assigned Risk 04/01/12 | *\$300,000 | 9820 | N/A Assigned Risk 04/01/12 | *\$400,000 | 9821 | N/A Assigned Risk 04/01/12 | *\$500,000 | 9822 | N/A Assigned Risk 04/01/12 | *Over \$500,000 | 9840 | N/A Assigned Risk 04/01/12 |
| <b>Admiralty or FELA</b>  | <b>Statistical Code</b>  | <b>Applicability</b>   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *\$50,000   | 9817   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *\$100,000  | 9818   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *\$200,000  | 9819   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *\$300,000  | 9820   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *\$400,000  | 9821   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *\$500,000  | 9822   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |
| *Over \$500,000   | 9840   | N/A Assigned Risk 04/01/12   |   |                          |                         |                      |           |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |            |      |                            |                 |      |                            |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE   | REVISED LANGUAGE  |                         |                         |   |      |  |      |
|---|---|-------------------------|-------------------------|---|------|--|------|
| <b>Additional Premium to Balance Increased Limits to Minimum Premium</b> Code 9848  | <table border="1"> <tr> <td><b>Other</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Additional Premium to Balance Increased Limits to Minimum Premium</td> <td>9848</td> </tr> </table>   | <b>Other</b>            | <b>Statistical Code</b> | Additional Premium to Balance Increased Limits to Minimum Premium | 9848 |  |      |
|   | <b>Other</b>  | <b>Statistical Code</b> |                         |   |      |  |      |
| Additional Premium to Balance Increased Limits to Minimum Premium   | 9848  |                         |                         |   |      |  |      |
| <b>3. Deductible Credit - Subject to Premium Before Experience Modification</b> Code 9664   | <b>c. Deductible Credit</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Subject to Premium before Experience Modification</td> <td>9664</td> </tr> </table>   | <b>Description</b>      | <b>Statistical Code</b> | Subject to Premium before Experience Modification                 | 9664 |  |      |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| Subject to Premium before Experience Modification   | 9664  |                         |                         |   |      |  |      |
| <b>4. Independent Carrier Filing</b><br><br><b>Premium Credit Applied Before Experience Modification</b> Code 9721<br><br><b>Premium Debit Applied Before Experience Modification</b> Code 9723 | <b>d. Independent Carrier Filing</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Premium Credit Applied Before Experience Modification</td> <td>9721</td> </tr> <tr> <td>Premium Debit Applied Before Experience Modification</td> <td>9723</td> </tr> </table> | <b>Description</b>      | <b>Statistical Code</b> | Premium Credit Applied Before Experience Modification             | 9721 | Premium Debit Applied Before Experience Modification | 9723 |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| Premium Credit Applied Before Experience Modification   | 9721  |                         |                         |   |      |  |      |
| Premium Debit Applied Before Experience Modification  | 9723  |                         |                         |   |      |  |      |
| <b>5. No Exposure Unit Reports</b> Code 1111  | <b>e. No Exposure Unit Reports</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>No Exposure Unit Reports</td> <td>1111</td> </tr> </table>   | <b>Description</b>      | <b>Statistical Code</b> | No Exposure Unit Reports  | 1111 |  |      |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| No Exposure Unit Reports  | 1111  |                         |                         |   |      |  |      |
| <b>6. Rate Deviation Premium Adjustment Credit</b> Code 9037  | <b>f. Rate Deviation Premium Adjustment Credit</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Rate Deviation Premium Adjustment Credit</td> <td>9037</td> </tr> </table>   | <b>Description</b>      | <b>Statistical Code</b> | Rate Deviation Premium Adjustment Credit                          | 9037 |  |      |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| Rate Deviation Premium Adjustment Credit  | 9037  |                         |                         |   |      |  |      |
| <b>7. Short Rate Penalty Premium</b> Code 0931  | <b>g. Short Rate Penalty Premium</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Short Rate Penalty Premium</td> <td>0931</td> </tr> </table>   | <b>Description</b>      | <b>Statistical Code</b> | Short Rate Penalty Premium  | 0931 |  |      |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| Short Rate Penalty Premium  | 0931  |                         |                         |   |      |  |      |
| <b>8. Waiver of Subrogation</b> Code 0930   | <b>h. Waiver of Subrogation</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Waiver of Subrogation</td> <td>0930</td> </tr> </table>   | <b>Description</b>      | <b>Statistical Code</b> | Waiver of Subrogation   | 0930 |  |      |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| Waiver of Subrogation   | 0930  |                         |                         |   |      |  |      |
| <b>*9. Drug Free Workplace Credit – Subject to Experience Rating</b> Code 9841  | <b>i. Drug Free Workplace Credit – Subject to Experience Rating</b> <table border="1"> <tr> <td><b>Description</b></td> <td><b>Statistical Code</b></td> </tr> <tr> <td>Drug Free Workplace Credit – Subject to Experience Rating</td> <td>9841</td> </tr> </table>   | <b>Description</b>      | <b>Statistical Code</b> | Drug Free Workplace Credit – Subject to Experience Rating         | 9841 |  |      |
| <b>Description</b>  | <b>Statistical Code</b>   |                         |                         |   |      |  |      |
| Drug Free Workplace Credit – Subject to Experience Rating   | 9841  |                         |                         |   |      |  |      |
| <b>B. Premium Not Subject to Experience Modification (Reported on lines D, E or F)</b>  | <b>2. Premium Amount Not Subject to Experience Modification</b>   |                         |                         |   |      |  |      |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |             |                  |  |      |  |      |
|--|--|-------------|------------------|--|------|--|------|
| <b>1. Admiralty and/or FELA Coverage<br/>Additional Premium to Balance to<br/>Minimum Premium</b> Code 9849  | <b>a. Admiralty and/or FELA Coverage</b><br><table border="1" data-bbox="884 201 2028 269"> <thead> <tr> <th data-bbox="884 201 1745 237">Description</th> <th data-bbox="1745 201 2028 237">Statistical Code</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 237 1745 269">Additional Premium to Balance Minimum Premium</td> <td data-bbox="1745 237 2028 269">9849</td> </tr> </tbody> </table>   | Description | Statistical Code | Additional Premium to Balance Minimum Premium  | 9849 |  |      |
| Description  | Statistical Code   |             |                  |  |      |  |      |
| Additional Premium to Balance Minimum Premium  | 9849   |             |                  |  |      |  |      |
| <b>2. Aircraft Operation-Passenger Seat<br/>Surcharge</b> Code 9108  | <b>b. Aircraft Operation-Passenger Seat Surcharge</b><br><table border="1" data-bbox="884 334 2028 399"> <thead> <tr> <th data-bbox="884 334 1745 370">Description</th> <th data-bbox="1745 334 2028 370">Statistical Code</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 370 1745 399">Aircraft Operation – Passenger Seat Surcharge</td> <td data-bbox="1745 370 2028 399">9108</td> </tr> </tbody> </table>  | Description | Statistical Code | Aircraft Operation – Passenger Seat Surcharge  | 9108 |  |      |
| Description  | Statistical Code   |             |                  |  |      |  |      |
| Aircraft Operation – Passenger Seat Surcharge  | 9108   |             |                  |  |      |  |      |
| <b>3. Assigned Risk Adjustment Program<br/>(ARAP)</b> Code 0277  | <b>c. Assigned Risk Adjustment Program (ARAP)</b><br><table border="1" data-bbox="884 464 2028 529"> <thead> <tr> <th data-bbox="884 464 1745 500">Description</th> <th data-bbox="1745 464 2028 500">Statistical Code</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 500 1745 529">Assigned Risk Adjustment Program (ARAP)</td> <td data-bbox="1745 500 2028 529">0277</td> </tr> </tbody> </table>  | Description | Statistical Code | Assigned Risk Adjustment Program (ARAP)  | 0277 |  |      |
| Description  | Statistical Code   |             |                  |  |      |  |      |
| Assigned Risk Adjustment Program (ARAP)  | 0277   |             |                  |  |      |  |      |
| <b>4. Atomic Energy<br/>Experience in Connection with Either<br/>Construction or Operation Work<br/>Performed for or Under the Direction of the<br/>Nuclear Regulatory Commission or any<br/>Government Agency</b> Code 9984<br><br><b>Radiation Exposure NOC: Operations<br/>Involving Research, Manufacturing,<br/>Handling, Transportation, Use of or<br/>Exposure to Radiation Materials - Other<br/>than Government Agency Atomic Energy<br/>Project.</b> Code 9985 | <b>d. Atomic Energy</b><br><table border="1" data-bbox="884 594 2028 846"> <thead> <tr> <th data-bbox="884 594 1745 630">Description</th> <th data-bbox="1745 594 2028 630">Statistical Code</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 630 1745 724">Experience in Connection with Either Construction or Operation Work Performed for or Under the Direction of the Nuclear Regulatory Commission or any Government Agency</td> <td data-bbox="1745 630 2028 724">9984</td> </tr> <tr> <td data-bbox="884 724 1745 846">Radiation Exposure NOC: Operations Involving Research, Manufacturing, Handling, Transportation, Use of or Exposure to Radiation Materials - Other than Government Agency Atomic Energy Project</td> <td data-bbox="1745 724 2028 846">9985</td> </tr> </tbody> </table> | Description | Statistical Code | Experience in Connection with Either Construction or Operation Work Performed for or Under the Direction of the Nuclear Regulatory Commission or any Government Agency | 9984 | Radiation Exposure NOC: Operations Involving Research, Manufacturing, Handling, Transportation, Use of or Exposure to Radiation Materials - Other than Government Agency Atomic Energy Project | 9985 |
| Description  | Statistical Code   |             |                  |  |      |  |      |
| Experience in Connection with Either Construction or Operation Work Performed for or Under the Direction of the Nuclear Regulatory Commission or any Government Agency   | 9984   |             |                  |  |      |  |      |
| Radiation Exposure NOC: Operations Involving Research, Manufacturing, Handling, Transportation, Use of or Exposure to Radiation Materials - Other than Government Agency Atomic Energy Project   | 9985   |             |                  |  |      |  |      |
| <b>5. Deductible Credit - Not subject to<br/>Experience Modification</b> Code 9663   | <b>e. Deductible Credit - Not subject to Experience Modification</b><br><table border="1" data-bbox="884 1097 2028 1162"> <thead> <tr> <th data-bbox="884 1097 1745 1133">Description</th> <th data-bbox="1745 1097 2028 1133">Statistical Code</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 1133 1745 1162">Deductible Credit - Not subject to Experience Modification</td> <td data-bbox="1745 1133 2028 1162">9663</td> </tr> </tbody> </table>  | Description | Statistical Code | Deductible Credit - Not subject to Experience Modification   | 9663 |  |      |
| Description  | Statistical Code   |             |                  |  |      |  |      |
| Deductible Credit - Not subject to Experience Modification   | 9663   |             |                  |  |      |  |      |
| <b>6. Drug Free Workplace Credit</b> Code 9846   | <b>f. Drug Free Workplace Credit</b><br><table border="1" data-bbox="884 1227 2028 1292"> <thead> <tr> <th data-bbox="884 1227 1745 1263">Description</th> <th data-bbox="1745 1227 2028 1263">Statistical Code</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 1263 1745 1292">Drug Free Workplace Credit</td> <td data-bbox="1745 1263 2028 1292">9846</td> </tr> </tbody> </table>  | Description | Statistical Code | Drug Free Workplace Credit   | 9846 |  |      |
| Description  | Statistical Code   |             |                  |  |      |  |      |
| Drug Free Workplace Credit   | 9846   |             |                  |  |      |  |      |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |             |                  |  |      |   |      |  |      |
|--|---|-------------|------------------|--|------|---|------|--|------|
| <b>7. Independent Carrier Filing Premium Credit Applied After Experience Modification</b> Code 9722<br><br><b>Premium Debit Applied After Experience Modification</b> Code 9724  | <b>g. Independent Carrier Filing</b><br><br><table border="1"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Premium Credit Applied After Experience Modification</td> <td>9722</td> </tr> <tr> <td>Premium Debit Applied After Experience Modification</td> <td>9724</td> </tr> </tbody> </table>  | Description | Statistical Code | Premium Credit Applied After Experience Modification             | 9722 | Premium Debit Applied After Experience Modification               | 9724 |  |      |
| Description  | Statistical Code  |             |                  |  |      |   |      |  |      |
| Premium Credit Applied After Experience Modification   | 9722  |             |                  |  |      |   |      |  |      |
| Premium Debit Applied After Experience Modification  | 9724  |             |                  |  |      |   |      |  |      |
| <b>8. Minimum Premium</b><br><br><b>Additional Premium to Balance to Minimum Premium</b> Code 0990   | <b>h. Minimum Premium</b><br><br><table border="1"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Additional Premium to Balance Minimum Premium</td> <td>0990</td> </tr> </tbody> </table>  | Description | Statistical Code | Additional Premium to Balance Minimum Premium                    | 0990 |   |      |  |      |
| Description  | Statistical Code  |             |                  |  |      |   |      |  |      |
| Additional Premium to Balance Minimum Premium  | 0990  |             |                  |  |      |   |      |  |      |
| <b>9. Non-Ratable Elements</b><br><br><b>In connection with Code 4771 - Explosives or Ammunition Mfg: NOC</b> Code 0771<br><br><b>In connection with Code 7405 - Air Carrier Scheduled: Flying Crew</b> Code 7445<br><br><b>In connection with Code 7432 - Air Carrier - Commuter: Flying Crew</b> Code 7453 | <b>i. Non-Ratable Elements</b><br><br><table border="1"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>In connection with Code 4771 - Explosives or Ammunition Mfg: NOC</td> <td>0771</td> </tr> <tr> <td>In connection with Code 7405 - Air Carrier Scheduled: Flying Crew</td> <td>7445</td> </tr> <tr> <td>In connection with Code7431- Air Carrier - Commuter: Flying Crew</td> <td>7453</td> </tr> </tbody> </table> | Description | Statistical Code | In connection with Code 4771 - Explosives or Ammunition Mfg: NOC | 0771 | In connection with Code 7405 - Air Carrier Scheduled: Flying Crew | 7445 | In connection with Code7431- Air Carrier - Commuter: Flying Crew | 7453 |
| Description  | Statistical Code  |             |                  |  |      |   |      |  |      |
| In connection with Code 4771 - Explosives or Ammunition Mfg: NOC   | 0771  |             |                  |  |      |   |      |  |      |
| In connection with Code 7405 - Air Carrier Scheduled: Flying Crew  | 7445  |             |                  |  |      |   |      |  |      |
| In connection with Code7431- Air Carrier - Commuter: Flying Crew   | 7453  |             |                  |  |      |   |      |  |      |
| <b>10. Rate Deviation Premium Adjustment Credit</b> Code 9034  | <b>j. Rate Deviation Premium Adjustment</b><br><br><table border="1"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Credit</td> <td>9034</td> </tr> </tbody> </table>   | Description | Statistical Code | Credit   | 9034 |   |      |  |      |
| Description  | Statistical Code  |             |                  |  |      |   |      |  |      |
| Credit   | 9034  |             |                  |  |      |   |      |  |      |
| <b>11. Schedule Rating Plan Premium Adjustment</b><br><br>Credit Code 9887<br>Debit Code 9889  | <b>k. Schedule Rating Plan Premium Adjustment</b><br><br><table border="1"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Credit</td> <td>9887</td> </tr> <tr> <td>Debit</td> <td>9889</td> </tr> </tbody> </table>   | Description | Statistical Code | Credit   | 9887 | Debit   | 9889 |  |      |
| Description  | Statistical Code  |             |                  |  |      |   |      |  |      |
| Credit   | 9887  |             |                  |  |      |   |      |  |      |
| Debit  | 9889  |             |                  |  |      |   |      |  |      |
| <b>12. Supplemental Disease Experience</b><br><br><b>In Connection with Asbestos Experience</b> Code 0133<br><br><b>Not Otherwise Classified (NOC)</b> Code 0179   | <b>l. Supplemental Disease Experience</b><br><br><table border="1"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>In Connection with Asbestos Experience</td> <td>0133</td> </tr> <tr> <td>Not Otherwise Classified (NOC)</td> <td>0179</td> </tr> </tbody> </table>  | Description | Statistical Code | In Connection with Asbestos Experience                           | 0133 | Not Otherwise Classified (NOC)                                    | 0179 |  |      |
| Description  | Statistical Code  |             |                  |  |      |   |      |  |      |
| In Connection with Asbestos Experience   | 0133  |             |                  |  |      |   |      |  |      |
| Not Otherwise Classified (NOC)   | 0179  |             |                  |  |      |   |      |  |      |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |             |                  |  |      |                  |      |
|--|---|-------------|------------------|--|------|------------------|------|
| <b>13. Workplace Safety Credit Program Code 9880</b>   | <p align="center"><b>m. Workplace Safety Credit Program</b></p> <table border="1" data-bbox="884 201 2028 266"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Workplace Safety Credit Program</td> <td>9880</td> </tr> </tbody> </table>  | Description | Statistical Code | Workplace Safety Credit Program                      | 9880 |                  |      |
| Description  | Statistical Code  |             |                  |  |      |                  |      |
| Workplace Safety Credit Program  | 9880  |             |                  |  |      |                  |      |
| <b>C. Premium Not Subject to Experience Modification (Reported in Risk Totals Section)</b>   | <p align="center"><b>3. Premium Not Subject to Experience Modification</b></p>  |             |                  |  |      |                  |      |
| <b>1. Expense Constant</b> Code 0900   | <p align="center"><b>a. Expense Constant</b></p> <table border="1" data-bbox="884 467 2028 534"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Expense Constant</td> <td>0900</td> </tr> </tbody> </table>  | Description | Statistical Code | Expense Constant                                     | 0900 |                  |      |
| Description  | Statistical Code  |             |                  |  |      |                  |      |
| Expense Constant   | 0900  |             |                  |  |      |                  |      |
| <b>2. Premium Discount</b><br><br><b>Stock/Type A</b> Code 0063<br><br><b>Non-Stock/Type B</b> Code 0064   | <p align="center"><b>b. Premium Discount</b></p> <table border="1" data-bbox="884 597 2028 696"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Stock/Type A</td> <td>0063</td> </tr> <tr> <td>Non-Stock/Type B</td> <td>0064</td> </tr> </tbody> </table>                           | Description | Statistical Code | Stock/Type A   | 0063 | Non-Stock/Type B | 0064 |
| Description  | Statistical Code  |             |                  |  |      |                  |      |
| Stock/Type A   | 0063  |             |                  |  |      |                  |      |
| Non-Stock/Type B   | 0064  |             |                  |  |      |                  |      |
| <b>*3. Terrorism</b> Code 9740   | <p align="center"><b>c. Terrorism</b></p> <table border="1" data-bbox="884 803 2028 870"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Terrorism</td> <td>9740</td> </tr> </tbody> </table>  | Description | Statistical Code | Terrorism  | 9740 |                  |      |
| Description  | Statistical Code  |             |                  |  |      |                  |      |
| Terrorism  | 9740  |             |                  |  |      |                  |      |
| <b>*4. Catastrophe (other than Certified Acts of Terrorism)</b> Code 9741  | <p align="center"><b>d. Catastrophe (other than Certified Acts of Terrorism)</b></p> <table border="1" data-bbox="884 937 2028 1003"> <thead> <tr> <th>Description</th> <th>Statistical Code</th> </tr> </thead> <tbody> <tr> <td>Catastrophe (other than Certified Acts of Terrorism)</td> <td>9741</td> </tr> </tbody> </table> | Description | Statistical Code | Catastrophe (other than Certified Acts of Terrorism) | 9741 |                  |      |
| Description  | Statistical Code  |             |                  |  |      |                  |      |
| Catastrophe (other than Certified Acts of Terrorism)   | 9741  |             |                  |  |      |                  |      |
| <p><del><b>5. Disease Experience-Coal Mining</b></del></p> <p><del><b>In Connection with Code 1005-Surface Code 0156</b></del></p> <p><del><b>In Connection with any class other than Coal Mining where there is liability under Federal Coal Mine Health and Safety Act Code 0164</b></del></p> |   |             |                  |  |      |                  |      |



**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE   | REVISED LANGUAGE   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
|---|--|-------------|-------------|-------------|------------------------------------|-------------------------|--------------------------------|--------------------------------|--------------------------------------|---|----|------------------------------------|----|---------------------------------|--|------|-------------|----|-------------|----|-------------------------|----|--------------------------------|----|---|----|------------------------------------|----|---------------------------------|
| NUMERIC LIST OF STATISTICAL CODES   | <b>REMOVED FROM MANUAL</b>   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| <p><b>9. Loss Conditions</b></p> <p>Report the 2-digit code for each loss condition.</p>  | <p><b>L. Loss Conditions</b></p> <p>The two digit <b>numeric</b> code for each <b>type of</b> loss condition.</p>  |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
|   | <p><b>1. Act – <b>Loss Conditions</b></b></p> <table border="1" data-bbox="840 630 2039 727"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>State or Federal Act, excl. USL&amp;HW</td> </tr> <tr> <td>02</td> <td>USL&amp;HW “F” or non “F” Coverage</td> </tr> </tbody> </table>                                 | Code        | Description | 01          | State or Federal Act, excl. USL&HW | 02                      | USL&HW “F” or non “F” Coverage |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| Code  | Description  |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| 01  | State or Federal Act, excl. USL&HW   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| 02  | USL&HW “F” or non “F” Coverage   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
|   | <p><b>2. Type of Loss – <b>Loss Conditions</b></b></p> <table border="1" data-bbox="840 792 2039 922"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>Trauma</td> </tr> <tr> <td>02</td> <td>Occupational Disease</td> </tr> <tr> <td>03</td> <td>Cumulative Injury other than Disease</td> </tr> </tbody> </table> | Code        | Description | 01          | Trauma                             | 02                      | Occupational Disease           | 03                             | Cumulative Injury other than Disease |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| Code  | Description  |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| 01  | Trauma   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| 02  | Occupational Disease   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| 03  | Cumulative Injury other than Disease   |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| <p><b>C. Type of Recovery</b></p> <table border="1" data-bbox="96 987 701 1490"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>No Recovery</td> </tr> <tr> <td>02</td> <td>Second Injury Fund Only</td> </tr> <tr> <td>03</td> <td>Subrogation Only (Third Party)</td> </tr> <tr> <td>04</td> <td>Subrogation with Second Injury Fund (Third Party)</td> </tr> <tr> <td>05</td> <td>Joint Coverage Without Subrogation</td> </tr> <tr> <td>06</td> <td>Joint Coverage With Subrogation</td> </tr> </tbody> </table> | 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 | <p><b>3. Type of Recovery – <b>Loss Conditions</b></b></p> <table border="1" data-bbox="840 987 2039 1214"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>No Recovery</td> </tr> <tr> <td>02</td> <td>Second Injury Fund Only</td> </tr> <tr> <td>03</td> <td>Subrogation Only (Third Party)</td> </tr> <tr> <td>04</td> <td>Subrogation with Second Injury Fund (Third Party)</td> </tr> <tr> <td>05</td> <td>Joint Coverage Without Subrogation</td> </tr> <tr> <td>06</td> <td>Joint Coverage With Subrogation</td> </tr> </tbody> </table> | 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 |
| 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  |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |
| 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  |             |             |             |                                    |                         |                                |                                |                                      |   |    |                                    |    |                                 |  |      |             |    |             |    |                         |    |                                |    |   |    |                                    |    |                                 |

**Side by Side Comparison-PART 6 CODING VALUES**

| EXISTING LANGUAGE  | REVISED LANGUAGE   |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
|--|--|------|-------------|----|---------------------------------|----|--|----|--|----|---|----|-----------------------|----|-----------------------|
| <p><b>*D. Type of Claim</b></p> <p><u>Code</u>   <u>Description</u></p> <p>01   Workers Compensation Only</p> <p>02   Employers= Liability Only</p> <p>03   Workers= Comp. &amp; Employers= Liability</p> <p>04   Liability Over</p>   | <p><b>4. Type of Claim – <u>Loss Conditions</u></b></p> <table border="1" data-bbox="840 203 2041 365"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>Workers Compensation Only</td> </tr> <tr> <td>02</td> <td>Employers Liability Only</td> </tr> <tr> <td>03</td> <td>Workers Compensation including Employers Liability</td> </tr> <tr> <td>04</td> <td>Liability Over</td> </tr> </tbody> </table>  | Code | Description | 01 | Workers Compensation Only       | 02 | Employers Liability Only                       | 03 | Workers Compensation including Employers Liability | 04 | Liability Over                              |    |                       |    |                       |
| Code   | Description  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 01   | Workers Compensation Only  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 02   | Employers Liability Only   |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 03   | Workers Compensation including Employers Liability   |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 04   | Liability Over   |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| <p><b>E. Type of Settlement</b></p> <p><u>Code</u>   <u>Description</u></p> <p>00   Claim Not Subject to Settlement</p> <p>03   Stipulated Award (Carrier/Claimant Settlement)</p> <p>04   Findings and Award (Judicial Award)</p> <p>05   Dismissal (Non-Compensable)</p> <p>06   Compromise Settlement</p> <p>09   All Other Settlements</p> | <p><b>5. Type of Settlement – <u>Loss Conditions</u></b></p> <table border="1" data-bbox="840 535 2041 755"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>Claim Not Subject to Settlement</td> </tr> <tr> <td>03</td> <td>Stipulated Award (Carrier/Claimant Settlement)</td> </tr> <tr> <td>04</td> <td>Findings and Award (Judicial Award)</td> </tr> <tr> <td>05</td> <td>Dismissal or Take Nothing (Non-Compensable)</td> </tr> <tr> <td>06</td> <td>Compromise Settlement</td> </tr> <tr> <td>09</td> <td>All Other Settlements</td> </tr> </tbody> </table> | Code | Description | 00 | Claim Not Subject to Settlement | 03 | Stipulated Award (Carrier/Claimant Settlement) | 04 | Findings and Award (Judicial Award)                | 05 | Dismissal or Take Nothing (Non-Compensable) | 06 | Compromise Settlement | 09 | All Other Settlements |
| Code   | Description  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 00   | Claim Not Subject to Settlement  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 03   | Stipulated Award (Carrier/Claimant Settlement)   |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 04   | Findings and Award (Judicial Award)  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 05   | Dismissal or Take Nothing (Non-Compensable)  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 06   | Compromise Settlement  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |
| 09   | All Other Settlements  |      |             |    |                                 |    |  |    |  |    |   |    |                       |    |                       |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE  | REVISED LANGUAGE   |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
|--|--|------|-------------|----|--|----|--|----|--|----|--|----|---|----|--|
| <p><b>5. Managed Care Organization Type</b></p> <p><u>Code</u>   <u>Description</u></p> <p>00   The claim is not administrated by a certified managed care organization</p> <p>01   The claim's medical losses are administrated by a certified managed care organization</p> <p>02   The claim's medical losses are administrated by a health maintenance organization</p> <p>03   The claim's medical losses are administrated by a preferred provider organization</p> <p>04   The claim's medical losses are administrated by an exclusive provider organization</p> <p>05   The claim's medical losses are administrated by an independent practice association</p> | <p><b>M. Managed Care Organization (MCO) Type Code</b></p> <p><b><u>The two digit numeric code that identifies the type of organization that will administer the medical losses for the claim.</u></b></p> <table border="1" data-bbox="793 305 2032 529"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>The claim is not administered by a certified managed care organization</td> </tr> <tr> <td>01</td> <td>The claim's medical losses are administered by a certified managed care organization</td> </tr> <tr> <td>02</td> <td>The claim's medical losses are administered by a health maintenance organization</td> </tr> <tr> <td>03</td> <td>The claim's medical losses are administered by a preferred provider organization</td> </tr> <tr> <td>04</td> <td>The claim's medical losses are administered by an exclusive provider organization</td> </tr> <tr> <td>05</td> <td>The claim's medical losses are administered by an independent practice association</td> </tr> </tbody> </table> | Code | Description | 00 | The claim is not administered by a certified managed care organization | 01 | The claim's medical losses are administered by a certified managed care organization | 02 | The claim's medical losses are administered by a health maintenance organization | 03 | The claim's medical losses are administered by a preferred provider organization | 04 | The claim's medical losses are administered by an exclusive provider organization | 05 | The claim's medical losses are administered by an independent practice association |
| Code   | Description  |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
| 00   | The claim is not administered by a certified managed care organization   |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
| 01   | The claim's medical losses are administered by a certified managed care organization   |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
| 02   | The claim's medical losses are administered by a health maintenance organization   |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
| 03   | The claim's medical losses are administered by a preferred provider organization   |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
| 04   | The claim's medical losses are administered by an exclusive provider organization  |      |             |    |  |    |  |    |  |    |  |    |   |    |  |
| 05   | The claim's medical losses are administered by an independent practice association   |      |             |    |  |    |  |    |  |    |  |    |   |    |  |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE  | REVISED LANGUAGE  |      |  |    |  |    |                      |    |                  |
|--|---|------|--|----|--|----|----------------------|----|------------------|
| <p><b>6. Injury Description Code</b></p> <p>This code is made up of three separate components:</p> <p>A. First two positions (XX) identify the part of body injured</p> <p>B. Middle two positions (XX) identify the nature of the injury</p> <p>C. Last two positions (XX) identify the specific cause of injury</p> <p>Refer to the table below for a list of the Injury Description Codes.</p>  | <p><b>N. Injury Description Code (Part, Nature, Cause)</b></p> <p><b>The six digit field</b> that contains three components: <b>Part of Body, Nature of Injury and Cause of Injury.</b></p>   |      |  |    |  |    |                      |    |                  |
| <p><b>7. Vocational Rehabilitation Indicator</b></p> <p><u>Code</u>    <u>Description</u></p> <p>“Y” = Claim includes Vocational Rehabilitation Costs</p> <p>“N” = Claim does not include Vocational Rehabilitation Costs</p>  | <p><b>O. Vocational Rehabilitation Indicator</b></p> <p><b>The one digit alpha code that is used to indicate if vocational rehabilitation costs are involved in the claim.</b></p> <table border="1" data-bbox="800 680 2039 745"> <tr> <td>Y</td> <td>Claim includes Vocational Rehabilitation Costs</td> </tr> <tr> <td>N</td> <td>Claim does not include Vocational Rehabilitation Costs</td> </tr> </table>             | Y    | Claim includes Vocational Rehabilitation Costs | N  | Claim does not include Vocational Rehabilitation Costs |    |                      |    |                  |
| Y  | Claim includes Vocational Rehabilitation Costs  |      |  |    |  |    |                      |    |                  |
| N  | Claim does not include Vocational Rehabilitation Costs  |      |  |    |  |    |                      |    |                  |
| <p><b>8. Fraudulent Claim Code</b></p> <p><u>Code</u>    <u>Description</u></p> <p>00        Not Fraudulent -The claim does not involve fraud</p> <p>01        Partially Fraudulent - A Portion of the claim cost is deemed invalid, unnecessary or excessive in accordance with the law of the jurisdiction state</p> <p>02        Fully Fraudulent - A claim where all claim costs were found to have arisen from a falsely reported jury in accordance with the law of the jurisdiction state</p> | <p><b>Q. Fraudulent Claim Code</b></p> <p><b>The two digit numeric code indicates if fraud is involved in the claim.</b></p> <table border="1" data-bbox="795 979 2049 1118"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>00</td> <td>Not Fraudulent</td> </tr> <tr> <td>01</td> <td>Partially Fraudulent</td> </tr> <tr> <td>02</td> <td>Fully Fraudulent</td> </tr> </tbody> </table> | Code | Description                                    | 00 | Not Fraudulent   | 01 | Partially Fraudulent | 02 | Fully Fraudulent |
| Code   | Description   |      |  |    |  |    |                      |    |                  |
| 00   | Not Fraudulent  |      |  |    |  |    |                      |    |                  |
| 01   | Partially Fraudulent  |      |  |    |  |    |                      |    |                  |
| 02   | Fully Fraudulent  |      |  |    |  |    |                      |    |                  |

Side by Side Comparison-PART 6 CODING VALUES

| EXISTING LANGUAGE | REVISED LANGUAGE   |      |             |   |   |   |  |
|-------------------|--|------|-------------|---|---|---|--|
|                   | <p><b>P. Lump Sum Indicator</b></p> <p><b><u>The one digit alpha code that is used to indicate whether the claim has been settled with a lump sum amount.</u></b></p> <table border="1" data-bbox="793 305 2028 402"> <thead> <tr> <th data-bbox="793 305 905 337">Code</th> <th data-bbox="905 305 2028 337">Description</th> </tr> </thead> <tbody> <tr> <td data-bbox="793 337 905 370">Y</td> <td data-bbox="905 337 2028 370">Claim has been settled by an agreement to a lump sum amount</td> </tr> <tr> <td data-bbox="793 370 905 402">N</td> <td data-bbox="905 370 2028 402">Claim has not been settled with a lump sum agreement</td> </tr> </tbody> </table> | Code | Description | Y | Claim has been settled by an agreement to a lump sum amount | N | Claim has not been settled with a lump sum agreement |
| Code              | Description  |      |             |   |   |   |  |
| Y                 | Claim has been settled by an agreement to a lump sum amount  |      |             |   |   |   |  |
| N                 | Claim has not been settled with a lump sum agreement   |      |             |   |   |   |  |
|                   |  |      |             |   |   |   |  |

Side by Side Comparison-PART 7 PENSION TABLES

| EXISTING LANGUAGE | REVISED LANGUAGE   |
|-------------------|--|
|                   | <p><b><u>PART 7 – PENSION TABLES</u></b></p> <p><b><u>A. Scope and Effective Date of the Pension Tables</u></b></p> <p><b><u>The reporting of incurred indemnity amounts for pension payments associated with fatal and permanent total injuries should reflect a case reserve based on the annuity values contained in this section. The annuity values are an estimate of the present value of an annual indemnity benefit which begins with a value of one dollar but is subject to applicable cost of living adjustments (escalation). The duration of the pension payments is a function of the beneficiary type – injured worker, surviving spouse, or dependents other than the surviving spouse.</u></b></p> <p><b><u>Pension benefits for a permanent total injury are paid to the injured worker until death. A surviving spouse is entitled to benefits until remarriage or death. Lastly, dependents other than a surviving spouse are entitled to benefits until death or until they are fully self-supporting (typically, upon reaching the age of eighteen.)</u></b></p> <p><b><u>The pension tables reflect the 1999 United States Life Table and the 1980 Railroad Retirement Board remarriage table. In the case of Table III, the tables also vary as to the gender of the injured worker.</u></b></p> <p><b><u>These tables are provided as a guide for helping carriers compute claim reserves.</u></b></p> <p><b><u>To reflect the time value of money, all of the tables assume an annual discount rate of 3.5%. The escalation factor included in each table is shown at the bottom of each table.</u></b></p> |
|                   | <p><b><u>B. Pension Table Guide</u></b></p> <p><b><u>1. Surviving Spouse Pension Table</u></b></p> <ul style="list-style-type: none"> <li><b><u>• USL&amp;HW – Table I-B (escalation rate = 4.0%)</u></b></li> <li><b><u>• All Other North Carolina – Table I-A</u></b></li> </ul>   |

**Side by Side Comparison-PART 7 PENSION TABLES**

| EXISTING LANGUAGE | REVISED LANGUAGE  |
|-------------------|---|
|                   | <p><b>2. <u>Present Value of Remarriage Dowry</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>USL&amp;HW – Table II-B</u></b></li> <li>• <b><u>All Other North Carolina – Table II-A</u></b></li> </ul>  |
|                   | <p><b>3. <u>Pension Table (Other Than Surviving Spouse</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>USL&amp;HW – Table III-M-C and Table III-F-C</u></b></li> <li>• <b><u>All Other North Carolina – Table III-M-A and Table III-F-A</u></b></li> </ul> |
|                   | <p><b>4. <u>Present Value of Survivorship Benefits</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>USL&amp;HW – Table IV-B</u></b></li> </ul>  |
|                   |   |

**Side by Side Comparison-PART 8 FINE SYSTEM FOR LATE REPORTS**

| EXISTING LANGUAGE  | REVISED LANGUAGE  |
|--|---|
| <p><b>APPENDIX A — FINE SYSTEM FOR LATE UNIT REPORTS</b></p> <p><del>Effective June 1, 2006, the North Carolina Rate Bureau will implement the fining procedure for both delinquent and rejected unit statistical reports corresponding to policies effective on or after December 1, 2004. As part of the Bureau's ongoing effort to improve data quality, unit statistical reports will be tracked for timeliness (delinquent) and accuracy (rejected).</del></p>  | <p><b>PART 8 —FINE SYSTEM FOR LATE UNIT REPORTS</b></p> <p>As part of the Bureau's ongoing effort to improve data quality, Unit Statistical Reports (USR) will be tracked for timeliness (delinquent) and accuracy (rejected). <b><u>All units, rejected and/or delinquent, which are overdue, will be subject to a \$50.00 fine. Additionally, each delinquent or rejected USR will be subject to a \$50.00 fine each month until the report is successfully submitted or otherwise resolved. The Bureau will issue monthly invoices.</u></b></p> <p><b><u>Carriers are encouraged to regularly monitor their data submissions. If a USR has been submitted and is not accepted, the appropriate steps must be taken to resolve the edit failures which result in rejected and/or delinquent units. If you feel any of the information is in error due to the USR being submitted, the policy being canceled flat or any other discrepancy, notify NCRB prior to the issuance of any invoice for fines.</u></b></p> <p><b><u>NOTE: NCRB assesses fines on the last Saturday of each month.</u></b></p> |
| <p><b>1. Delinquent Unit Reports</b></p> <p><del>Carriers will receive notification of delinquent unit statistical reports when the unit statistical report has not been successfully reported to the Bureau. The notification will contain those unit reports that are more than 20 months past due. Carriers will be notified of delinquent reports during the 21st month. Each delinquent unit statistical report will be subject to fines if not received in the next thirty days (30). If an insured is included on the list that the carrier feels should not have been included, due to either the unit report being filed, the policy being canceled flat or other changes, the carrier must notify NCRB prior to the issuance of any fines.</del></p> |   |



**Side by Side Comparison-PART 8 FINE SYSTEM FOR LATE REPORTS**

| EXISTING LANGUAGE   | REVISED LANGUAGE |
|---|------------------|
| <p><b>2. Rejected Unit Reports</b></p> <p>Carriers will receive notification of rejected unit statistical reports that are rejected due to data quality edit failures. Rejected unit reports must be corrected through a correction report or other acceptable means to avoid being subject to fines.</p>   |                  |
| <p><b>3. Notice of Fines</b></p> <p>Thirty (30) days after the notification of delinquent unit reports, the delinquent unit statistical report will be subject to a \$50.00 fine. Additionally rejected units that remain rejected sixty (60) days after the normal valuation date will also be subject to fine. Notification of fines and invoices will be issued at monthly intervals. The fines will be assessed as of the last Saturday of the month.</p> |                  |
| <p><b>4. Subsequent Fines</b></p> <p>All delinquent and rejected unit statistical reports will be subject to a \$50 fine each month until the unit report is successfully submitted or otherwise resolved.</p>  |                  |

Side by Side Comparison-PART 8 FINE SYSTEM FOR LATE REPORTS

| EXISTING LANGUAGE | REVISED LANGUAGE   |
|-------------------|--|
|                   | <p data-bbox="716 139 1192 167"><b>A. Appeals/Requests For Waivers</b></p> <ol data-bbox="764 207 2039 816" style="list-style-type: none"><li data-bbox="764 207 2039 354">1. Carriers have 90 days after issuance of the invoice to appeal fines. All appeals must be in writing, must include the invoice number in question and must set forth all the factors which the carrier wishes to be considered as part of the appeal review. Appeals should be submitted to the Insurance Operations Data Manager, at <a href="mailto:wcinfo@ncrb.org">wcinfo@ncrb.org</a>.</li><li data-bbox="764 391 2039 456">2. Appeals will be reviewed by Bureau staff and the carrier will receive a response within 30 days of receipt.</li><li data-bbox="764 493 2039 639">3. If a carrier disagrees with the Bureau's decision regarding the computation of any fine or with Bureau's determination of a valid fine, the carrier may request further appeal of the fines to the Director of Insurance Operations, at <a href="mailto:wcinfo@ncrb.org">wcinfo@ncrb.org</a>. The results of the review will be communicated to the carrier within 30 days of receipt.</li><li data-bbox="764 677 2039 816">4. Carriers wishing to further appeal the decision of Bureau staff may request review of such decision by the Governing Committee of the North Carolina Rate Bureau. All appeals submitted to the Governing Committee will be reviewed at the next regularly scheduled Governing Committee meeting.</li></ol> |

Side by Side Comparison-PART 8 FINE SYSTEM FOR LATE REPORTS

| EXISTING LANGUAGE | REVISED LANGUAGE   |
|-------------------|--|
|                   | <p data-bbox="716 139 1100 167"><b>B. Follow-up for Late Fines</b></p> <ol data-bbox="764 204 2028 854" style="list-style-type: none"><li data-bbox="764 204 2028 272">1. <u>On a monthly basis, carriers will receive detailed information regarding all outstanding payments.</u></li><li data-bbox="764 310 2028 456">2. <u>Carriers with fines 90 days past due will receive a follow-up letter from the Bureau notifying them of the outstanding balance and requesting prompt remittance of payment. The initial communication will be sent to the company contact responsible for the submission of the data.</u></li><li data-bbox="764 493 2028 639">3. <u>If no response is received within 30 days, a second follow-up letter will be sent. The second letter will be sent to the company contact responsible for the submission of the data and the President and/or CEO of the company. If the outstanding balance is in excess of \$10,000, contact is also made with the CFO.</u></li><li data-bbox="764 677 2028 854">4. <u>If no response is received within the next 30 days, a third follow-up letter will be sent to the President and/or CEO of the company. The third letter will provide specific detail regarding the Bureau's next course of action if the outstanding amount remains unresolved. This may include an appearance before the North Carolina Rate Bureau's Governing Committee or escalation to the North Carolina Department of Insurance.</u></li></ol> |