



NORTH CAROLINA
Rate Bureau

A guide for:

Long Term Policy Reporting

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Overview and Background Information

NCRB is implementing processing changes to Transaction 04s that will allow them to automatically process in our internal system without the need for manual review by an internal user. To ease the process for the carrier and us at NCRB so reporting of these transactions is fluid and with minimal to no issues, below is a guide on best reporting practices to avoid transactions being rejected by our system.

Please note the following:

1. When reporting period data via Transaction Type 04, our system will **only store** data reported from the 01-Header, 04-State Premium, and 05-Exposure records.
2. Our system will still run edit checks on **all** records, so there is a possibility that an error could trigger for incorrect name and address reporting.
3. If you want to change premium info reported on any period of a policy, you would send in a replacement transaction type (08, 10, 14 or 15), using the effective/expiration dates of the either the full policy length or for the specified period.

***Example:** To change the first period premium data, use any replacement transaction type and use 1/1/19-1/1/20 as the effective/expiration dates. Similar rule applies to 2nd/3rd period.*

Initial Reporting of Policy Data

Example Policy:

3-year policy #WCABCXYZ spanning from 1/1/19 – 1/1/22

- Period 1: 1/1/19-1/1/20
- Period 2: 1/1/20-1/1/21
- Period 3: 1/1/21-1/1/22

1. When first reporting the policy, report using an originating Transaction Type (01, 02, 15)* *06 can be used in the event you are rewriting a previously cancelled policy
2. Use the full policy duration (1/1/19-1/1/22) as the effective and expiration dates
3. Report all necessary record data as per usual on policy
4. Report state premium/exposure data for the first period of the policy
5. Use Policy Term Code “5” to indicate 3-year variable first year

Reporting of 2nd/3rd Period Data

Example Policy:

3-year policy #WCABCXYZ spanning from 1/1/19 – 1/1/22

- Period 1: 1/1/19-1/1/20
- Period 2: 1/1/20-1/1/21

- Period 3: 1/1/21-1/1/22

1. When reporting additional periods of premium/exposure data, report using transaction type 04
2. In the effective/expiration date fields, use the relevant Period dates
 - i.e. for 2nd period, effective is 1/1/20 (00 – Link Data), expiration is 1/1/21 (01-Header)
3. Use Policy Term ID “6” & “7” for the second and third periods, respectively

Q&A

Q: Can we report all transactions (original policy and additional period data) in a single submission file?

A: Yes. What our system will do is send the originating transaction to user review. If accepted, the 2nd/3rd period data sent with it will process along with the original policy overnight.

Q: Can we report multiple transactions across different submissions in a single day?

A: Yes. Same as the scenario above, the originating transaction will go to user review. If accepted, the 2nd/3rd period data sent with it will process along with the originating overnight.

Q: Can we report multiple policy periods on a 04 transaction?

A: **No**. Edit 44008 (listed below) is in place to prevent multiple periods being reported on a single 04 transaction.

Q: Can we report multiple policy period changes on a replacement transaction?

A: Yes. While our system will not process it automatically at this time, it will follow the current procedure of user review and entry of updated data.

Q: Can we report multiple period premium/exposure data on an originating transaction.

A: Yes. If you have data for all periods of a policy ready to enter, you can submit with the originating transaction. If any changes are needed, you would submit a replacement transaction instead of a 04-Rerate transaction.

New Edits

Below is a list of edits created specific to transaction type 04 reporting.

Error Message Id	Error Message	Edit Severity	Finable?
44000	The policy does not exist for the 04-Annual Rerate reported.	Reject	N
44001	The policy period for this 04-Annual Rerate does not match the previously reported period dates.	Reject	N
44002	Matched Policy for this 04-Annual Rerate is a binder or shell.	Reject	N
44003	The 04 Annual Rerate transaction has been reported for the first period.	Reject	N
44004	The period data has been received on a previous policy transaction. Follow up is not required or desired for this transaction.	Reject	N

44005	There are duplicate 04 transactions reported between this submission and a previously reported submission.	Reject	N
44006	There are duplicate 04 transactions within the submission.	Reject	N
44007	Policy expiration date must be greater than the period effective date.	Reject	N
44008	Period expiration date cannot be greater than a year.	Reject	N
44009	Transaction policy term code on header record 01 must be 6, 7 or 8. Any further changes, for this period, must be made on transactions code 08, 10 or 14.	Informational/Warning	N
44010	Record type 10, 11, 84, 85, 86, 87, 88 and/or 89 attached; review these record types.	Reject	N