



Minnesota Workers' Compensation
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September 20, 2017

ALL ASSOCIATION MEMBERS

Circular No: 17 – 1715

RE: Revision to the *Minnesota Statistical Plan Manual* – Unit Statistical Report Fining

The Minnesota Department of Commerce has approved the above filing to become effective July 1, 2018.

The purpose of this filing item is to update the *Minnesota Statistical Plan Manual* to reflect MWCIA's revised procedure for handling rejected Unit Statistical Reports (USRs), as well as to increase the fine for missing USRs from the current \$50 per month to \$100 per month.

Currently, USRs rejected for failing to pass MWCIA edits are retained in our system indefinitely until the carrier corrects the error situation allowing the USR to pass edits. Because USRs can continue with a rejected status for months, even years, MWCIA will delete rejected USRs after 90 days. The USR will then be considered missing and subject the carrier to missing USR fines. This change will assist MWCIA in obtaining higher quality and more timely data.

The second part of this filing will increase the fine for missing USRs. Since MWCIA created a Minnesota-specific Statistical Plan Manual back in 1996, carriers have been fined \$50 per month for missing USRs. In order to remain comparable to other DCOs' fining systems, we will be increasing our monthly fines to \$100.

Attached please find the Exhibit 1 which illustrate necessary changes to the *Minnesota Statistical Plan Manual*. Strikethroughs indicate deleted text while underlining indicates new or added text.

Please direct any questions you may have concerning this item to our Data Quality Department staff at 952.897.1737 (Option 4) or via email at unitstat@mwcia.org.

A NOTICE TO MEMBERSHIP:

MWCIA would like to remind our membership who have filed a Limited Power of Attorney with the Minnesota Department of Commerce that no materials referenced in this Circular Letter are required to be independently filed with the Department.

Exhibit 1

Minnesota Statistical Plan Manual

Effective July 1, 2018

CURRENT LANGUAGE	PROPOSED LANGUAGE
<p>PART 2—REPORTING INSTRUCTIONS—HEADER/POLICY IDENTIFICATION DATA</p> <p>1. Report Level Code/Report Number</p> <p>Report the code that corresponds to the report level. This code indicates whether the USR is a first or subsequent report. Losses included in the first reporting of a given policy must be valued as of 18 months after the month in which the policy became effective. Subsequent reporting of loss data (2nd-10th) must be valued 12 months after the valuation date of the preceding USR. Each report level must be filed no later than two months after the respective valuation date. Refer to Part 7, Header Record Codes, Item 1, for specific coding information.</p>	<p>PART 2—REPORTING INSTRUCTIONS—HEADER/POLICY IDENTIFICATION DATA</p> <p>1. Report Level Code/Report Number</p> <p>Report the code that corresponds to the report level. This code indicates whether the USR is a first or subsequent report. Losses included in the first reporting of a given policy must be valued as of 18 months after the month in which the policy became effective. Subsequent reporting of loss data (2nd-10th) must be valued 12 months after the valuation date of the preceding USR. Each report level must be filed no later than two months after the respective valuation date. Refer to Part 7, Header Record Codes, Item 1, for specific coding information.</p> <p><u>Note: If the unit is rejected it will be removed from our system after 90 days.</u></p>
<p>PART 6—REPORTING INSTRUCTIONS—SUBSEQUENT AND CORRECTION REPORTS</p> <p>2. Correction Reports – When Required</p> <p>Correction reports must be filed whenever an error of any kind is discovered on a previously filed report. Correction reports must be filed as soon as the changes are known.</p>	<p>PART 6—REPORTING INSTRUCTIONS—SUBSEQUENT AND CORRECTION REPORTS</p> <p>2. Correction Reports – When Required</p> <p>Correction reports must be filed whenever an error of any kind is discovered on a previously filed report. Correction reports must be filed as soon as the changes are known.</p> <p><u>Note: If the unit is rejected it will be removed from our system after 90 days.</u></p>

PART 9—FINE SYSTEM FOR LATE USRS	PART 9—FINE SYSTEM FOR LATE USRS
<p>3. Overdue USR Report – 21 Month Report</p> <p>This report is available through MUSR at the end of the 20th month during which USRs were due in the MWCIA offices. This report lists all USRs not received which will be subject to a \$50 fine if not received within the next 30 days. If an insured is included on the list that the carrier feels should not have been included because the USR was filed, the policy was cancelled flat, or other changes, the carrier should notify MWCIA prior to the issuance of any fines.</p>	<p>3. Overdue USR Report – 21 Month Report</p> <p>This report is available through MUSR at the end of the 20th month during which USRs were due in the MWCIA offices. This report lists all USRs not received which will be subject to a <u>\$100</u> fine if not received within the next 30 days. <u>Note: Rejected unit reports will be removed from our system after 90 days, and will not appear on any list. Once they have been removed, they may become finable.</u> If an insured is included on the list that the carrier feels should not have been included because the USR was filed, the policy was cancelled flat, or other changes, the carrier should notify MWCIA prior to the issuance of any fines.</p>
<p>4. Carrier Fines Unpaid – Notice of Fines Invoice</p> <p>All USRs not received within 30 days after issuance of the Overdue USR Report will be subject to a \$50 fine payable monthly. Furthermore, all delinquent USRs will continue to incur a \$50 fine for each additional 30 day period that it remains outstanding. Payment of fines does not negate the carrier’s obligation to submit the missing data, nor does submitting the missing data negate the carrier’s obligation to pay outstanding fines. Notices will be issued and will include delinquent USRs for each group/carrier that are subject to fines. These notices are available through MUSR.</p>	<p>4. Carrier Fines Unpaid – Notice of Fines Invoice</p> <p>All <u>missing USRs, including rejected USRs that are removed from our system, that are</u> not received within 30 days after issuance of the Overdue USR Report will be subject to a <u>\$100</u> fine payable monthly. Furthermore, all delinquent USRs will continue to incur a <u>\$100</u> fine for each additional 30 day period that it remains outstanding. Payment of fines does not negate the carrier’s obligation to submit the missing data, nor does submitting the missing data negate the carrier’s obligation to pay outstanding fines. Notices will be issued and will include delinquent USRs for each group/carrier that are subject to fines. These notices are available through MUSR.</p>
<p>5. Late USRs Report</p> <p>This report is available through MUSR and shows all late USRs for the most current data up to the 10th report. It includes all missing reports, rejected USRs and unedited reports.</p>	<p>5. Late USRs Report</p> <p>This report is available through MUSR and shows all late USRs for the most current data up to the 10th report. It includes all missing reports, rejected USRs and unedited reports.</p> <p><u>Note: If the unit is rejected it will be removed from our system after 90 days.</u></p>