



Wisconsin Compensation Rating Bureau

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Located at 20700 Swenson Drive, Suite 100, Waukesha, WI 53186

GENERAL CIRCULAR 437 - May 7, 2003

TO ALL MEMBERS OF THE BUREAU

CANCELLATION AND REINSTATEMENT MAGNETIC TAPE SUBMISSION

We are pleased to announce that the Wisconsin Compensation Rating Bureau will begin testing for acceptance of Wisconsin Notice of Termination and Wisconsin Notice of Reinstatement records via Magnetic Tape Transmission. This is in addition to Transactions "01", "02" and "04" that are currently accepted.

The data file format for this transaction is included in the Workers Compensation Insurance Organization (WCIO) Workers Compensation Data Specifications Manual in the WCPOLS section under Transaction Code "05." This manual can be found under the [Products](#) section at www.wcio.org.

Please see the attached instruction sheet for testing details. It will be necessary for you to contact WCRB staff prior to the submission of the initial test data. For questions regarding requirements and to initiate testing, please contact Ms. Elizabeth Rohde at (262) 796-4551, e-mail address: betty.rohde@wcrb.org or Ms. Sara Shackelford at (262) 796-4574, e-mail address: sara.shackelford@wcrb.org.

As a reminder, we currently accept transactions "01", "02" and "04." If you do not submit these transactions electronically and would like information regarding these transactions, please see our Web site, www.wcrb.org, or review with WCRB staff.

TEST SUBMISSION REQUIREMENTS FOR CANCELLATIONS AND REINSTATEMENTS

The following are the Wisconsin requirements for magnetic tape transmission of Cancellations and Reinstatements.

Important

Before filing your first test tape, please contact Elizabeth Rohde at (262) 796-4551, e-mail address: betty.rohde@wcrb.org or Sara Shackelford at (262) 796-4574, e-mail address: sara.shackelford@wcrb.org. This is critical to insure timely processing of the test data, etc.

The data file format for Cancellation/Reinstatement transactions reported by magnetic tape transmission is included in the Workers Compensation Magnetic Tape Specifications Manual under Transaction code "05" for Cancellation, Reinstatement, and Non-renewal.

Requirements

Once a carrier is approved for reporting Transaction Code "05" records, all cartridges must be sent by registered or certified mail or personal delivery service to meet the requirements of the WCRB. All carriers must submit both hard copy and tapes while in test. During testing, data is automatically entered into a test database and the hard copy forms are compared to verify accuracy.

From the hard copy of the Wisconsin Notice of Termination form 0062, you will need to map the reason for cancellation/termination to the reason for cancellation/termination found in Record Type "08", field "6" in WCPOLS. You will note that the wording is not identical and we have produced an accurate mapping of the codes from the Hard Copy to the codes found in WCPOLS.

Cancellation ID Code 1 – Cancellation

| From Hard Copy 0062 Form Reason Description | Reason Type Code Field 6 |
|---|---------------------------------|
| Non-Payment of Premium | 05 |
| Out of Business/Sold | 01 |
| Corporate Officer Non-Election | 14 |
| Coverage Placed Elsewhere | 09 |
| Rewritten | 07 |
| Insured's Request | 03 |
| No WI Employees/Operations | 02 |
| Misrepresentation/Fraud | 13 |
| Substantial Change in Risk | 15 |
| Failure to Comply with Terms & Conditions of Policy | 16 |
| Participation in Wrap-up Complete | 18 |
| Underwriting Reasons | 19 |

Cancellation ID Code 3 – Non-renewal

| From Hard Copy 0062 Form Reason Description | Reason Type Code |
|--|-------------------------|
| Insurance Carrier Reason | 04 |
| Not in "Good Faith" Entitled to Coverage | 17 |

GENERAL CIRCULAR LETTER 437 - MAY 7, 2003 - PAGE 3

When submitting test data, in addition to the hard copy of the "05" transaction/cancellation/reinstatement, a hard copy of the policy **information page only** must be included so that the accuracy of these documents may be verified. All tapes and electronic submissions, as well as matching hard copy documents, must be clearly marked as "WCPOLS Test Data." It is not necessary to provide the complete policy.

The Cancellation/Reinstatement Record is always submitted as Transaction Code "05", Record Type "08". This transaction can never include any other record type.

Please see the WCPOLS Manual, Section 5 to see the required fields for submission.

Carriers will be approved for submission of production tape records of Transaction Code "05" when they have one successful test tape that includes the following:

Multiple "05" transactions for each policy submitted

- 5 mid-term cancellations
- 5 non-renewals
- 5 cancelled flat
- 5 reinstatements reinstating some with a lapse in coverage
- At least one policy with multiple Record Type "08" transactions
- At least one policy with multiple named insureds

If you cannot provide any of the items listed above, please advise the WCRB at the time your testing is scheduled. You will be asked to specify which scenarios you are not able to provide.

Once the testing process has been successfully completed, carriers must coordinate with their field offices to insure that duplicate Cancellations and Reinstatements (tape and hard copy) are not received by the WCRB. Transactions that could not be reported by tape must continue to be filed hard copy.

After final approval, a carrier will be notified, and at that point, may begin submitting transaction code 05 transactions for production via magnetic tape transmission. Remember, when approved for production for "05" transactions, all cartridges must be sent by registered or certified mail or personal delivery service.