



Wisconsin Compensation Rating Bureau

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

ATTENTION: ELECTRONIC NONRENEWAL REPORTING PERSONNEL

GENERAL CIRCULAR 447 – DECEMBER 17, 2003

TO: ALL MEMBERS OF THE BUREAU

RE: CANCELLATION/NONRENEWAL ELECTRONIC REPORTING INSTRUCTIONS

Carriers are reminded that non-renewals are carrier actions, not insured actions, as indicated on the Wisconsin Notice of Termination. Non-renewals require a 60 day notice by the insurer to both the insured and the WCRB. Accordingly, when reporting a termination to the WCRB, whether in electronic format or not, the proper reason code must be used. An insured's non acceptance of a renewal quote is a "insured reason" for termination and requires a 30 day notice of termination as indicated on the Wisconsin Notice of Termination.

On May 7, 2003 the WCRB announced that we would begin accepting Wisconsin Notice of Termination and Wisconsin Notice of Reinstatement records via Magnetic Tape Transmission. While we have had a very positive response, through the testing process, we have discovered that some Insurers are incorrectly programming the rules for Nonrenewals. The intent of this Circular is to clarify s. Ins. 21.01, Wis. Adm. Code, Termination of worker's compensation policies.

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

Instructions for filing any electronic submission can be found under the Productions section of the WCRB Web site at www.wcrb.org. In addition, we want to alert you to the following:

The record layout for reporting Cancellations, Reinstatements, and Nonrenewals is found beginning on page 5:2-1 in the manual. A Nonrenewal is reported by using the Cancellation/Reinstatement ID Code 3. When reporting a Nonrenewal you must also provide a Reason Code. The codes can be found on page 5:2-2 in the manual. There are **only** two acceptable Reason Codes that can be reported for Nonrenewals. Wisconsin **only** accepts, Code 04 – "Cancelled by Underwriter/or Plan Administrator" or Code 17 – "Not in "Good Faith" Entitled to Coverage for WI is applicable for Assigned Risk Carriers only" as reasons for Nonrenewal. No other Reason Code can be used in conjunction with a Nonrenewal.

Please see Circular Letter 437, released May 7, 2003 for contact information.