



Wisconsin Compensation Rating Bureau

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GENERAL CIRCULAR 471 – DECEMBER 22, 2004
TO ALL MEMBERS OF THE BUREAU
SPECIAL ATTENTION - UNIT STATISTICAL PERSONNEL
RE: Implementation of Automatic Fining for all Unit Stat Reports

In the very near future, WCRB will be implementing a new automatic fining procedure for the fining of delinquent and rejected unit reports. **All unit reports filed with WCRB will be tracked for both timeliness (delinquent) and accuracy, and become subject to our fining program if they are not resolved.** All rejected and outstanding unit reports will become finable May 1, 2005.

The schedule for reporting unit statistical data, found in the Statistical Plan Manual will not change.

The major change that will impact our members is that all unit reports (first reports, subsequent reports, **and correction reports**) filed for a particular policy will now be subject to timeliness fines if they are in a rejected status after the end of the 20th month, and the date of the reject letter exceeds 60 days. If a unit report is rejected, it **MUST** be corrected through an acceptable correction process. If the errors associated with the rejected report are not resolved through a replacement report or a correction report that corrects the errors, and can be processed error-free, the unit report will be subject to a fine, either through the delinquent or rejected status.

To help our members find these rejected reports and clean up outstanding rejected reports we will be implementing an amnesty phase of unit stat fining from now through April 30, 2005 for **REJECTED CORRECTION REPORTS**. During the amnesty period, all fines will be suspended for any rejected report not previously tracked by our system. Reports not tracked currently are primarily rejected correction reports that cannot be processed because a first or subsequent report is also in a rejected status.

IMPORTANT NOTE: OUR CURRENT FINING PROGRAM FOR DELINQUENT REPORTS WILL CONTINUE, AND WILL NOT BE PART OF THIS AMNESTY PERIOD. You will continue to receive delinquent letters for all reports that are identified as "delinquent" in our system. As always, these letters must be promptly responded to by the due date to avoid a fine.

To assist you in identifying your company's outstanding rejected unit reports, please access our new Web based tool, Manage USR.

Manage USR is available to all member carriers, under "Products" on the WCRB Web site at www.wcrb.org. As stated in General Circular 467, the purpose of Manage USR is to provide our members the ability to search, track, view, and print unit statistical reports, view unit report data from "pre-delinquent" **through** "accepted" status, and provide timely information back to our users as the application is updated on a daily basis. We strongly encourage the use of this Web tool as you clean up all outstanding rejected reports that reside in our database.

BELOW IS AN EXAMPLE OF A FIRST REPORT AND CORRECTION REPORTS THAT WERE RECEIVED, REJECTED, AND EVENTUALLY FINED UNDER THE NEW AUTOMATIC FINING PROGRAM:

- On 10-4-04, Carrier xxxxx filed a unit stat report, Report Number 01-00, for Policy Number, ABC123456, Effective 03-01-03.

This report failed edits and was rejected 10-5-04. A reject letter was sent to the carrier documenting the edit failures.

- On 10-25-04, a 01-01 correction report was filed. This unit report did not fix the errors documented on the 01-00 report's reject letter. As a result, this report could not be processed, and it was also rejected. A reject letter for the 01-01 report was sent to the carrier documenting the edit failures.
- On 10-28-04, a 01-02 correction report was filed. This unit report attempted to fix the errors documented on the 01-00 report's reject letter, but it also failed edits. As a result, this report could not be processed, and was also rejected. A reject letter for the 01-02 report was sent to the carrier documenting the edit failures.
- Our monthly delinquent process ran on 11-30-04, and a Delinquent Letter (1st Notice) was mailed to Carrier xxxxx. That letter informed them that the unit report for policy number ABC123456, Effective 03-01-03, was delinquent and would be subject to fine if not received and successfully processed by WCRB on or prior to 1-31-05.
- On 2-1-05 the automatic fining process ran and determined for Carrier xxxxx, Report Number 01-00, for Policy Number, ABC123456, Effective 03-01-03 was not in our accepted database, and therefore it was delinquent. As a result, another Delinquent Letter (2nd Notice) was sent to the carrier and a \$150 fine was levied.

This process also found that the 01-01 correction report was also delinquent. This report was now delinquent because the reject letter dated 10-25-04, was greater than 60 days old. Consequently a Delinquent Letter (2nd Notice) was sent to the carrier, and \$150 fine was also assessed for the 01-01 correction report.

The same process also determined that the 01-02 correction report was delinquent. This report was now delinquent because the reject letter dated 10-28-04 was greater than 60 days old. Consequently, a Delinquent Letter (2nd Notice) was sent to the carrier and \$150 fine was also assessed for the 01-02 correction report.

- In total, \$450 (\$150 for each report filed) was levied against Carrier xxxxx for not resolving the edit failures for policy number ABC123456 in a timely manner, and causing the 01-00, 01-01 and 01-02 reports to be delinquent, and not available for our experience rating and ratemaking processes.

If you have any questions regarding this procedure, please direct them to Kay Higgins (phone 262-796-4570, e-mail kay.higgins@wcrb.org).