

Delaware Compensation Rating Bureau, Inc.



The Widener Building • 6th Floor
One South Penn Square
Philadelphia, PA 19107-3577
(302) 654-1435 (215) 568-2371
FAX (215) 564-4328
www.dcrb.com

February 14, 2002

To All Members of the Bureau:

Re: **FINANCIAL DATA INCENTIVE PROGRAM**

With approval of the Governing Board a Financial Data Incentive Program (FDIP) will apply to selected Delaware financial data submissions of 2001 experience to be reported during 2002. This continues DCRB practice each year since the FDIP's initial implementation in 1996.

The FDIP for 2001 covers the following data submissions:

- Acknowledgement Form
- Policy Year Call No. 1
- Calendar Year Expense Data Call No. 2
- Net (As Written) Large Deductible Call No. 8
- Gross (First Dollar) Large Deductible Call No. 9
- Assigned Risk Policy Year Call No. 12
- Exhibit of Premiums and Losses (Statutory Page 14) – Page 24 of the Annual Statement

The most significant changes to the program are as summarized below:

The most significant change related to the FDIP is the requirement that all Calls and Forms subject to the FDIP **must** now be submitted through the Financial Data Reporting Application (FDRA). The FDRA is an internet-based system that allows carriers to enter, edit and submit Financial Calls subject to the FDIP to the Delaware Compensation Rating Bureau, Inc.

*Carriers that are unable to report their experience using the FDRA should refer to the FDIP for an alternative reporting mechanism.

The due dates for the Calls and Forms have been **changed**. The Acknowledgement Form is due to be reported on or before February 28, 2002. All other submissions are due on or before April 15, 2002.

Please note that, subsequent to the development of the FDRA, the Bureau became aware of a change to the Annual Statement Blank which caused the Exhibit of Premiums and Losses (Statutory Page 14) to be moved from page 15 to page 24 of the Annual Statement. While the FDRA has not been modified to reflect this revision within the FDIP, FDRA instructions and Call instructions correctly identify Page 14 data with page 24 of the Annual Statement.

**DELAWARE COMPENSATION RATING BUREAU, INC.
FINANCIAL DATA INCENTIVE PROGRAM**

I. INTRODUCTION

For Calls received in 2002, the DCRB is again applying the Financial Data Incentive Program (FDIP). This continues DCRB practice each year since the FDIP's initial implementation in 1997. This program recognizes the critical importance of the Bureau receiving quality financial data on time so that it can be used in support of filings made with the Delaware Department of Insurance. In addition, this program is intended to more equitably allocate costs to the DCRB associated with late or inaccurate data submission.

In order to assist carriers in reporting their financial data in a timely and accurate manner, the DCRB will require that all carriers report Forms and Calls subject to the FDIP using the new Financial Data Reporting Application (FDRA). The FDRA is an internet-based system that allows carriers to enter, edit and submit Forms and Calls interactively. The FDRA eliminates paper submissions, provides carriers with immediate feedback for failed edits and provides carriers with a central record of all data submitted.

Carriers Not Using the FDRA

Carriers that are unable to report their experience using the FDRA must contact the DCRB in writing and set forth the circumstances hindering their ability to use the FDRA. Carriers should submit their notice to this effect as soon as possible, as no grace period will be granted with respect to FDIP charges relating to the timely and accurate reporting of financial data on account of these circumstances.

The DCRB will review each notice and notify the carrier within 14 days of receipt of that notice if an alternative reporting mechanism can be used. Alternative mechanisms include hard copy documents and, for Calls #1, #2, #8, #9 and #12, the Excel templates which can be downloaded into the FDRA. Carriers not using the FDRA will be subject to service charges relating to the DCRB's special handling required for the carrier's data. Those service charges are as follows:

Initial submissions – For carriers submitting hard copy versions of all documents, the initial submission service charge is \$1,000. If a carrier chooses to submit **all** of Calls #1, #2, #8, #9 and #12 using the FDRA Excel templates, the applicable service charge is \$500. These charges are single fees covering the cost of the first submission of all documents.

Resubmissions – There is a flat service charge of \$200 per entity and an additional charge of \$50 per Call for the submission of hard copy revisions. Excel template revisions will be subject to a flat service charge of \$100 per entity plus an additional charge of \$25 per Call charge.

All carrier submissions will be entered into the FDRA by the DCRB, and all edits described herein will be applicable. For carriers granted permission to use alternative reporting processes, the DCRB will provide specific details regarding the exchange of correspondence particularly with respect to the FDIP. Those details will, to a great extent, continue the processes in place prior to the implementation of the FDRA.

III. APPLICATION

The FDIP will apply to the following Forms and Financial Calls, all of which are reportable within the FDRA.

<u>Name</u>	<u>Due Date</u>
Acknowledgement Form	February 28, 2002
Policy Year Call #1	April 15, 2002
Calendar Year Expense Data Call #2	April 15, 2002
Net (As Written) Large Deductible Call #8	April 15, 2002
Gross (1st Dollar) Large Deductible Call #9	April 15, 2002
Assigned Risk Policy Year Call #12	April 15, 2002
Page 14 Form (Annual Statement Page 24 in electronic form)	April 15, 2002

For purposes of determining fees for late submission and resubmissions, Calls #1, #2, #8, #9, #12 and the Page 14 Form will be treated as a single entity. Similarly, the Acknowledgement Form will be treated as a second, separate entity. For purposes of determining fees for data errors Calls #1, #2, #8, #9, #12 and the Page 14 Form will collectively be edited and treated as one entity. The Acknowledgement Form will not be subject to error assessment or resubmissions fees.

III. GENERAL INFORMATION

Under the program, assessments will be levied on carriers for Forms and Financial Calls that are not transmitted via the FDRA on or before the required due date. There will be no extensions granted for any reason. Also, assessments will be levied on carriers for errors detected on submitted Financial Calls. In addition, any resubmission of data after the due date, whether requested or submitted on a voluntary basis, will carry an assessment charge. Note the resubmission of data is recorded by the DCRB on the actual date received as recorded within the FDRA.

ALL CORRESPONDENCE SHOULD BE MAILED TO THE FOLLOWING ADDRESS:

Delaware Compensation Rating Bureau, Inc.
Attention: Actuarial Department – Data Quality
The Widener Building, 6th Floor
One South Penn Square
Philadelphia, PA 19107-3577

Designation of Contact Person forms were distributed in October of 2001 for purposes related to the submission of Financial Call data and access to the FDRA. A carriers' submission of the 2001 Designation of Contact Person form to the Bureau established permanent documentation of contact person information. Therefore, it is the carriers' responsibility to notify the Bureau in writing of any changes to contact person information, including FDRA User IDs and Passwords. Copies of the Designation of Contact Person form can be secured at any time by contacting the Actuarial Department at (215) 568-2371 or visiting our web site at www.dcrb.com. All changes must be sent to the address shown above.

IV. GROUP REPORTING

As noted in the instructions for the various Calls, carriers have the option of reporting their data on a group basis or an individual carrier basis.

The FDIP and its attendant assessments will be applied in the same manner as the data is reported. Thus, assessments will be levied on a group basis if the data is reported on a group basis. Likewise, assessments will be levied on an individual carrier basis if the data is reported on an individual carrier basis.

Carriers are advised to consider the potential costs associated with individual versus group reporting as it relates to assessments under the FDIP.

V. PROCEDURES

A. Timeliness

1. General

Assessments for late submissions will be governed by the required due date for the particular Form or Call. If the carriers' FDRA submission is not received on or prior to the required date due, that particular submission will be considered late and assessments will accrue until the data is submitted.

The FDRA automatically logs all submission dates and retains the dates as proof of submission. The DCRB will refer to the Submitted Calls display within the FDRA to verify submission dates when calculating late fees. When submitting information including correspondence to the DCRB, it is the carriers' responsibility to retain all receipts for proof of mailing (i.e., certified mail return receipt, electronic mail receipts transmitted by the Bureau, etc.) to support its case in the event of a carrier appeal.

2. Assessments -- Original Submissions

Calls #1, #2, #8, #9, #12 and the Page 14 Form will be grouped as a single entity, and the Acknowledgement Form will be treated as a single, separate entity for purposes of levying assessments. ASSESSMENTS FOR TIMELINESS WILL CONSIST OF A PER DAY AMOUNT AS FOLLOWS:

Late fee of \$50 per business day per entity subject to a maximum total of \$5,000 in late submission assessments. Business days will exclude Saturdays, Sundays, and holidays.

3. Assessments -- Resubmissions

The resubmissions of Calls #1, #2, #8, #9, #12 and the Page 14 Form will be subject to a \$100 fee per entity per submission whether requested or submitted on a voluntary basis. Each resubmission sent will be subject to this charge. The Acknowledgement Form will not be subject to resubmission fees. No quality edit assessments will be applied to any data corrected by a voluntary resubmission received before the carrier is advised of the edit failure by the DCRB, but the flat resubmission rate of \$100 will still be applicable.

4. Assessments -- Completeness

Calls that are submitted without all the pages will be considered late and subject to the same late fee of \$50 per day per entity. If a portion of a submission has not been completed, the date that the completed submission is received will be considered the receipt date for purposes of the FDIP. All Calls for a carrier/group will be edited at the same time. At that time fees for late submissions will stop accruing. Forms and Calls which have not been received by that time will simply be considered in error for purposes of editing and quality assessment.

B. Quality

General

Assessments for the quality of data submitted will be based on three levels of editing.

- a. Preliminary Edits -- Preliminary edits are criteria that apply to all Forms and Calls and are prerequisites to the DCRB's processing of a carriers' submission. Failure of one or more preliminary edits will subject a company to assessments for timeliness and/or completeness according to the \$50 per day Late Submission Assessment described above. Major sources of preliminary edit errors are incomplete pages that may impede the processing of the Forms and Calls.
- b. Basic Edits -- Basic edits are primarily validation checks that identify conditions that can only occur as the result of an error or omission and can be determined based on a comparison of data elements on one or more statistical calls. A major source of basic edit errors are incorrect arithmetic or careless data entry. All basic edits are contained within the FDRA and must be run by the carrier prior to submission. If basic edits are not resolved at the time of submission, carriers will be notified of those errors in a criticism letter sent via certified mail with return receipt requested.

Assessments for basic edit errors will be charged according to the Financial Data Error Assessment Schedule. This schedule includes a flat fee component and a component which reflects a carrier's market share (rounded to one decimal place - for example 3.45 percent would be rounded to 3.5 percent). The assessment schedule applies for a maximum period of 55 business days.

Carriers will be notified by letter, sent via certified mail with return receipt requested, of failed edits. Once the carrier has received notification of the failed edits, each subsequent day will generate charges according to the Assessment Schedule until such time as the carrier submits accurate revisions to its data Calls.

Subsequent to issuing a criticism letter, the DCRB will record the date of the criticism letter into the Criticism section of the FDRA. The carrier can use the Criticism section as a reference for the status of Bureau inquiries.

The Bureau will issue a reminder letter, sent via certified mail with return receipt requested, no later than 21 days after the initial failed edit letter has been sent, if the Bureau receives no response from a carrier. Apart from that single reminder letter, the Bureau will not initiate additional interim contacts with a carrier during the time that the

carrier is responsible for working to provide explanations and/or corrections for failed edits and/or inquiries. It is the carrier's responsibility to be aware that assessment days and fines are accruing and that explanations and/or resubmissions are required as soon as possible.

Carriers are reminded that changes to one Call may well have an impact on other Calls and on reconciliation pages. The FDRA edit process will be helpful in identifying those situations; however, it is the carriers' responsibility to be mindful of such situations and make all corrections as appropriate.

Upon receipt of resubmissions, the Bureau will edit the carrier's data. If errors are found to continue or new problems are created, notification by letter sent via certified mail with return receipt requested will again be made to the carrier, and assessments will again be invoked. For assessment purposes, the count of business days without revision will start where it had left off upon the Bureau's receipt of the prior resubmission. For example, assume a carrier submits a revision on the 15th day after notification by the Bureau and incurs assessments corresponding to 15 business days on the Assessment Schedule. If that carrier is subsequently notified of continuing errors by the Bureau, the Assessment Schedule will apply beginning at the 16th business day.

If the resubmission is found to be incomplete, i.e., it does not address all failed edits or inquiries identified by the Bureau, or if the carrier advises the Bureau that they are continuing to work on resolving a failed edit, the carrier will continue to be assessed from the date of receipt of the Bureau's previous failed edit inquiry letter. In the latter case, as previously noted, the Bureau will not initiate additional interim contacts with the carrier during the time that the carrier is responsible for working to provide explanations and/or corrections for failed edits and/or inquiries. It is the carrier's responsibility to be aware that assessment days and fines are accruing and that explanations and/or resubmissions are required as soon as possible.

Resubmissions which, upon a cursory review by the Bureau, do not satisfy our requirements will not be accepted, and incentive charges will continue to accrue until a complete resubmission is provided.

- c. Actuarial Edits -- Actuarial edits are checks on the reasonableness of data. Many of those actuarial edits are contained within the FDRA, and those edits must be run prior to the submission of a carrier's data. Actuarial edit issues identified with the FDRA edit process should be resolved and/or satisfactorily explained at the time of submission. Additional edits not contained within the FDRA edit process will be performed by the DCRB. Those edits will generally focus on unusual or markedly different reporting patterns and will also be brought to the carrier's attention in a criticism letter.

Actuarial edit criticisms will allow for a ten business day period for the carrier to respond before being subjected to the Financial Data Error Assessment Schedule described above. If the carrier satisfactorily responds within that timeframe without the necessity for resubmissions, no actuarial edit assessment will be imposed. For a response to be considered satisfactory, a carrier should describe the relevant factors that caused the condition in question. Asserting the accuracy of the reported data without written detail

will not be considered a satisfactory response. Explanations that merely identify the source of the error without correcting the error condition will not be considered acceptable.

If a carrier is already incurring Assessment Schedule charges due to basic edit errors, no additional assessments will be made beyond that indicated by the Assessment Schedule.

If a carrier had previously incurred charges due to basic edit errors which were subsequently corrected, actuarial edit charges will commence at the first business day subsequent to the point at which basic edit charges ceased. For example, if a carrier had previously been charged with basic edit error assessments corresponding to 15 business days, then a lack of response by the 11th day to actuarial edit inquiries will be considered the 16th business day on the Assessment Schedule.

Carriers that have submissions failing basic or actuarial edits will be contacted in writing by the DCRB (and possibly by telephone, e-mail or fax) and advised of the error condition. The DCRB will mail the letter via certified mail with a return receipt requested allowing the DCRB to be notified of the date the letter was received. The date the letter or fax is received will determine when the assessment period begins. If a corrected resubmission is faxed or electronically transmitted that same day and the data is correct or a satisfactory explanation is received, there will be no quality/error assessment. In these circumstances, a resubmission charge will still apply.

The Bureau may require resubmission by the carrier of experience for the prior calendar year period to be consistent with changes or corrections in response to basic and/or actuarial edit criteria which are reflected in the most recent experience. When such resubmission is required, the Bureau's request shall be of like standing with any other correction and/or explanation required under terms of the FDIP.

C. Maximum Assessment

All assessments in total are subject to a maximum of 50 percent of the second prior Calendar Year Direct Net Written Premium per the Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement. In the event that application of the Assessment Schedule as set forth herein produces indicated assessments in excess of such amount, the maximum assessment will apply. For example, during the 2002 processing of 2001 data, a carrier's 2000 Direct Written Premiums will be used to determine the maximum allowable assessment.

VI. COLLECTION OF ASSESSMENTS

When the entire editing process has been completed, a summary of assessments according to our records will be mailed to each carrier. The amount assessed will be due upon receipt.

VII. APPEAL PROCEDURES

A. Appeal

Carriers will have 31 days after receipt of the DCRB's notice of assessments to appeal the propriety of any assessments.

Any appeal of assessment must be made in writing and must set forth all factors which the carrier wishes to be considered in review of the appeal. Appeals must be sent to:

Delaware Compensation Rating Bureau, Inc.
Actuarial Department - FDIP Appeals
The Widener Building, 6th Floor
One South Penn Square
Philadelphia, PA 19107-3577

Facsimile submission of appeals may be made to the above addressee at (215) 564-4328.

Appeals of lateness charges should be supported by documentation showing the date received at the DCRB as evidence of timely submission of the Call or fewer days late than assessed. Submission dates will automatically be tracked within the FDRA.

Appeals of quality edit charges should be supported by an explanation of why the submission was correct and/or adequately explained and that such explanation was submitted in a timely manner.

Documentation for the timing of submissions by carriers could include certified mail return receipts, signed and returned Bureau transmittal letters, etc.

Appeals will be reviewed by DCRB staff and management, and carriers will be advised in writing of the DCRB's final decision in appeals within 31 days after the carrier's receipt of the acknowledgment by the DCRB. In the event that a carrier remains dissatisfied with the DCRB's final decision, the carrier has 31 days after the receipt of the DCRB's final decision letter to request a hearing in the matter before the DCRB's Governing Board. The carrier's original appeal and the DCRB's final decision letter will be submitted to the Governing Board for review, and the carrier and DCRB staff will be given an opportunity to present their positions and answer questions from the Governing Board. Appeals will be scheduled at the next executive session of the Governing Board which occurs 20 or more days after the DCRB receives notice that the carrier wishes to appeal a final decision to the Governing Board.

B. Acknowledgment

The DCRB will send a letter acknowledging the appeal of an assessment within 14 days of receipt by the Bureau. All appeals of assessments must be in writing and sent to:

Delaware Compensation Rating Bureau, Inc.
Actuarial Department - FDIP Appeals
The Widener Building, 6th Floor
One South Penn Square
Philadelphia, PA 19107-3577

C. Response

Within 31 days of acknowledgment, the DCRB will respond to the carrier's appeal with an explanation of the reasons for affirming, modifying or withdrawing the assessment charges. If the assessment is subject to further review, the carrier will be so notified.

VIII. EDIT DESCRIPTIONS

Attached are basic and actuarial edit descriptions for general reference. These lists are provided to assist the carriers in identifying common types of edit failures. It should be noted that actuarial edit standards are not rigid criteria but rather identify situations requiring an explanation or further investigation to verify accuracy. Also, the edit descriptions are not all-inclusive; there may be other types of data problems which could result in the carrier filing a revision and incurring assessments.

DELAWARE COMPENSATION RATING BUREAU, INC.
FINANCIAL DATA ERROR ASSESSMENT SCHEDULE
 Effective for December 31, 2001 Calls

Business Day After Due Date	Flat Amount		Market Share Factor *	
	Daily	Cumulative	Daily	Cumulative
1	-	-	-	-
2	-	-	-	-
3	-	-	-	-
4	-	-	-	-
5	-	-	-	-
6	-	-	-	-
7	-	-	-	-
8	-	-	-	-
9	-	-	-	-
10	-	-	-	-
11	25	25	500	500
12	50	75	1,000	1,500
13	75	150	1,500	3,000
14	100	250	1,500	4,500
15	125	375	1,500	6,000
16	125	500	1,500	7,500
17	125	625	1,500	9,000
18	125	750	1,500	10,500
19	125	875	1,500	12,000
20	125	1,000	1,500	13,500
21	125	1,125	1,500	15,000
22	125	1,250	1,500	16,500
23	125	1,375	1,500	18,000
24	125	1,500	1,500	19,500
25	125	1,625	1,500	21,000
26	125	1,750	1,500	22,500
27	125	1,875	1,500	24,000
28	125	2,000	1,500	25,500
29	125	2,125	1,500	27,000
30	125	2,250	1,500	28,500
31	125	2,375	1,500	30,000
32	125	2,500	1,500	31,500
33	125	2,625	1,500	33,000
34	125	2,750	1,500	34,500
35	125	2,875	1,500	36,000
36	125	3,000	1,500	37,500
37	125	3,125	1,500	39,000
38	125	3,250	1,500	40,500
39	125	3,375	1,500	42,000
40	125	3,500	1,500	43,500
41	125	3,625	1,500	45,000
42	125	3,750	1,500	46,500
43	125	3,875	1,500	48,000
44	125	4,000	1,500	49,500
45	125	4,125	1,500	51,000
46	125	4,250	1,500	52,500
47	125	4,375	1,500	54,000
48	125	4,500	1,500	55,500
49	125	4,625	1,500	57,000
50	125	4,750	1,500	58,500
51	125	4,875	1,500	60,000
52	125	5,000	1,500	61,500
53	125	5,125	1,500	63,000
54	125	5,250	1,500	64,500
55	125	5,375	1,500	66,000

* Factor to be applied to carrier's market share. For example, a carrier with a 12.3% market share would multiply the above factor by 0.123.

DELAWARE COMPENSATION RATING BUREAU, INC.
FINANCIAL DATA ERROR ASSESSMENT SCHEDULE
 Effective for December 31, 2001 Calls

Example: Market Share 1 %

Example: Market Share 5 %

Business Day After Due Date	Cumulative Assessment			Cumulative Assessment		
	Flat Amount	Market Share	Total Assessment	Flat Amount	Market Share	Total Assessment
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
5	-	-	-	-	-	-
6	-	-	-	-	-	-
7	-	-	-	-	-	-
8	-	-	-	-	-	-
9	-	-	-	-	-	-
10	-	-	-	-	-	-
11	25	5	30	25	25	50
12	75	15	90	75	75	150
13	150	30	180	150	150	300
14	250	45	295	250	225	475
15	375	60	435	375	300	675
16	500	75	575	500	375	875
17	625	90	715	625	450	1,075
18	750	105	855	750	525	1,275
19	875	120	995	875	600	1,475
20	1,000	135	1,135	1,000	675	1,675
21	1,125	150	1,275	1,125	750	1,875
22	1,250	165	1,415	1,250	825	2,075
23	1,375	180	1,555	1,375	900	2,275
24	1,500	195	1,695	1,500	975	2,475
25	1,625	210	1,835	1,625	1,050	2,675
26	1,750	225	1,975	1,750	1,125	2,875
27	1,875	240	2,115	1,875	1,200	3,075
28	2,000	255	2,255	2,000	1,275	3,275
29	2,125	270	2,395	2,125	1,350	3,475
30	2,250	285	2,535	2,250	1,425	3,675
31	2,375	300	2,675	2,375	1,500	3,875
32	2,500	315	2,815	2,500	1,575	4,075
33	2,625	330	2,955	2,625	1,650	4,275
34	2,750	345	3,095	2,750	1,725	4,475
35	2,875	360	3,235	2,875	1,800	4,675
36	3,000	375	3,375	3,000	1,875	4,875
37	3,125	390	3,515	3,125	1,950	5,075
38	3,250	405	3,655	3,250	2,025	5,275
39	3,375	420	3,795	3,375	2,100	5,475
40	3,500	435	3,935	3,500	2,175	5,675
41	3,625	450	4,075	3,625	2,250	5,875
42	3,750	465	4,215	3,750	2,325	6,075
43	3,875	480	4,355	3,875	2,400	6,275
44	4,000	495	4,495	4,000	2,475	6,475
45	4,125	510	4,635	4,125	2,550	6,675
46	4,250	525	4,775	4,250	2,625	6,875
47	4,375	540	4,915	4,375	2,700	7,075
48	4,500	555	5,055	4,500	2,775	7,275
49	4,625	570	5,195	4,625	2,850	7,475
50	4,750	585	5,335	4,750	2,925	7,675
51	4,875	600	5,475	4,875	3,000	7,875
52	5,000	615	5,615	5,000	3,075	8,075
53	5,125	630	5,755	5,125	3,150	8,275
54	5,250	645	5,895	5,250	3,225	8,475
55	5,375	660	6,035	5,375	3,300	8,675

Edit Descriptions

Edit Number Listing

DELAWARE

Basic Edits

Policy Year Call #1

BASIC EDITS - EXCLUSIVE TO CALL#1

Edit #	Edit Description	Comments
4	For columns (1) through (26), the sum of lines (A) through (V) must be equal to line (X) for all columns.	
5	The sum of columns (4), (5) and (6) must be equal to column (7) for all lines.	
6	The sum of columns (9) and (10) must be equal to column (4) for all lines.	
7	The sum of columns (11) and (12) must be equal to column (5) for all lines.	
8	The sum of columns (13) and (14) must be equal to column (6) for all lines.	
9	There must be responses to the two questions on Page 3 of the Call.	
10	If the response to Question #1 on page 3 is "No" then: a.) The sum of columns (15) and (16) must be equal to column (11) for all lines. b.) The sum of columns (17) and (18) must be equal to column (12) for all lines.	
11	If the response to Question #1 on page 3 is "Yes" then leave Columns (15) through (18) blank.	
12	The sum of columns (19) and (20) must be equal to column (8) for lines (N) through (V).	mandatory reporting for Policy Years 1993 and subsequent.
13	For all columns (1) through (26), line (Z) must be equal to line (X) minus line (Y).	
14	The sum of columns (23) through (25) must be equal to column (26) for all lines.	
15	For columns (1) through (26), lines (A) through (V) and (X), all data items should be non-negative (greater than or equal to zero). Except columns (6), (13), (14), (16) and (18).	
16	For lines (A) through (V) if there is a value in Column (7) there must also be a value in Columns (1), (2) and (3).	
17	For lines (B) through (V), if columns (9) and (11) are greater than 0 then Column (8) must be greater than zero.	
18	For lines (N) through (V), if columns (9) and (11) are equal to 0 then Column (8) should be equal to 0.	

19	For lines (N) through (V), if the amount reported in column (19) is greater than zero, then column (9) must be greater than zero.	If there are closed claims, there should be associated paid indemnity amounts.
20	For lines (N) through (V), if column (9) equals zero, then column (19) must equal zero.	If there is no paid indemnity, there should be no closed claims.
21	For lines (N) through (V), if column (20) is greater than zero, then column (11) should be greater than zero.	If there are open claims, there must be case indemnity reserves.
22	For lines (N) through (V), if column (20) is equal to zero, then column (11) should equal zero unless only bulk reserves are being reported.	If there are no open claims, then there should be no indemnity case reserves.
23	For lines (A) through (V), column (21) must be less than or equal to column (9).	
24	For lines (A) through (V), Column (22) must be less than or equal to column (10).	

BASIC EDITS - COMPARING THE CURRENT YEAR'S CALL#1 TO THE PRIOR YEAR'S CALL#1

Edit #	Edit Description	Comments
1	For columns (1) through (26), line (Y) from the current Call must equal line (X) from the preceding Policy Year Call.	Policy Year Call.

BASIC EDITS - COMPARING CALL#1 TO OTHER FINANCIAL DATA INCENTIVE PROGRAM CALLS

Calendar Year Expense Data Call #2

BASIC EDITS - EXCLUSIVE TO CALL #2

Edit #	Edit Description	Comments
1	Line (3G) must equal the sum of lines (3A)+(3B)+(3C)+(3D)+(3E)+(3F).	
2	Line (4) should equal the sum of Lines (2) + (3G)	
3	Allocation Codes for lines (6A) to (11) must be a number between (1) and (7) inclusive.	
4	Line (13) must be one of the following letters: N, P, M, R, F or X.	

Net #8 and Gross #9 Large Deductible Policy Year Calls

BASIC EDITS - EXCLUSIVE TO CALLS #8 AND #9

Edit #	Edit Description	Comments
4	For columns (1) through (26), the sum of lines (K) through (V) must be equal to line (X) for all columns.	

5	The sum of columns (4) through (6) must be equal to column (7) for all lines.	
6	The sum of columns (9) and (10) must be equal to column (4) for all lines.	
7	The sum of columns (11) and (12) must be equal to column (5) for all lines.	
8	The sum of columns (13) and (14) must be equal to column (6) for all lines.	
9	There must be responses to the two questions on Page 3 of the Call.	
10	If the response to Question #1 on page 3 is "No" then: a.) The sum of columns (15) and (16) must be equal to column (11) for all lines. b.) The sum of columns (17) and (18) must be equal to column (12) for all lines.	
11	If the response to Question #1 on page 3 is "Yes" then leave Columns (15) through (18) blank.	
12	The sum of columns (19) and (20) must be equal to column (8) for lines (N) through (V)	mandatory reporting for Policy Years 1993 and subsequent
13	For columns (1) through (26), line (Z) must be equal to line (X) minus line (Y).	
14	The sum of columns (23) through (25) must be equal to column (26).	
15	For columns (1) through (26), lines (K) through (V) and (X), all data items should be non-negative (greater than or equal to zero). Except columns (6), (13), (14), (16) and (18).	
16	For lines (K) through (V), if there is a value in column (7) then there must also be a value in Columns (1), (2) and (3).	
17	For lines (K) through (V), if columns (9) and (11) are greater than 0 then Column (8) must be greater than 0.	
18	For lines (K) through (V), if columns (9) and (11) are equal to 0 then Column (8) should be equal to 0.	
19	For lines (N) through (V), if column (19) is greater than zero, then column (9) must be greater than zero.	If there are closed claims, there should be associated paid indemnity amounts.
20	For lines (N) through (V), if column (9) equals zero, then column (19) must be equal to zero.	If there is no paid indemnity, there should be no closed claims.
21	For lines (N) through (V), if column (20) is greater than zero, then column (11) must be greater than zero.	If there are open claims, there must be indemnity case reserves.
22	For lines (N) through (V), if column (20) is equal to zero, then column (11) should be equal to zero unless only bulk reserves are being reported.	If there are no open claims, then there should be no indemnity case reserves.
23	For lines (K) through (V), column (21) must be less than or equal to column (9).	

24	For lines (K) through (V), column (22) must be less than or equal to column (10).	
-----------	---	--

BASIC EDITS - COMPARING THE CURRENT YEAR'S CALL#8 AND #9 TO THE PRIOR YEAR'S CALL#8 AND #9, RESPECTIVELY

Edit #	Edit Description	Comments
1	For columns (1) through (26), line (Y) from the current Call must equal line (X) from the preceding Policy Year Call.	

Assigned Risk Policy Year Call #12

BASIC EDITS - EXCLUSIVE TO CALLS #12

Edit #	Edit Description	Comments
3	For columns (1) through (26), the sum of lines (N) through (V) must be equal to line (X) for all columns.	
4	The sum of columns (4), (5) and (6) must be equal to column (7) for all lines.	
5	The sum of columns (9) and (10) must be equal to column (4) for all lines.	
6	The sum of columns (11) and (12) must be equal to column (5) for all lines.	
7	The sum of columns (13) and (14) must be equal to column (6) for all lines.	
8	There must be responses to the two questions on Page 3 of the Call.	
9	If the response to Question #1 on page 3 is "No" then: a.) The sum of columns (15) and (16) must equal column (11) for all lines. b.) The sum of columns (17) and (18) must equal column (12) for all lines	
10	If the response to Question #1 on page 3 is "Yes" then leave Columns (15) through (18) blank.	
11	The sum of columns (19) and (20) must be equal to column (8) for lines (N) through (V).	
12	For columns (1) through (26), line (Z) must be equal to line (X) minus line (Y).	
13	The sum of columns (23) through (25) must be equal to column (26) for lines (N) through (V).	
14	For columns (1) through (26), lines (N) through (V) and (X), all data items should be non-negative(greater than or equal to zero). Except columns (6), (13), (14), (16) and (18).	
15	For lines (N) through (V), if there is a value in Column (7), then there also must be a value in columns (1), (2) and (3).	

16	For lines (N) through (V), if columns (9) and (11) are greater than 0 then column (8) must be greater than zero.	
17	For lines (N) through (V), if columns (9) and (11) are equal to 0 then column (8) should be equal to 0.	
18	For lines (N) through (V), if column (19) is greater than zero, then column (9) must be greater than zero.	If there are closed claims, there should be associated paid indemnity amounts.
19	For lines (N) through (V), if column (9) equals zero, then column (19) must equal zero.	If there is no paid indemnity, there should be no closed claims.
20	For lines (N) through (V), if column (20) is greater than zero, then column (11) should be greater than zero.	If there are open claims, there must be indemnity case reserves.
21	For lines (N) through (V), if column (20) is equal to zero, then column (11) should equal zero unless only bulk reserves are being reported.	If there are no open claims, then there should be no indemnity case reserves.
22	For lines (N) through (V), column (21) must be less than or equal to column (9).	
23	For lines (N) through (V), column (22) must be less than or equal to column (10).	

BASIC EDITS - COMPARING THE CURRENT YEAR'S CALL#12 TO THE PRIOR YEAR'S CALL#12

Edit #	Edit Description	Comments
1	For columns (1) through (26), line (Y) from the current Call must equal line (X) from the preceding Policy Year Call.	

Actuarial Edits

All items on Calls #1, #2, #8, #9 and #12 will be checked for reasonableness. Specific examples include:

Policy Year Call #1

ACTUARIAL EDITS - EXCLUSIVE TO CALL#1

Edit #	Edit Description	Comments
carrier info report	The relationship between Standard Earned Premium at DSR Level and Standard Earned Premium at Company Level should be consistent with each company's filed deviations and/or loss cost multiplier(s) and underlying loss cost levels.	
1	For columns (1), (2), (3) and (7) line (V) should not equal line (Z).	
2	Line (Z) for columns (1), (3) and (7) must be copied to the reconciliation page of the Call.	

ACTUARIAL EDITS - COMPARING THE CURRENT YEAR'S CALL#1 TO THE PRIOR YEAR'S CALL#1

Edit #	Edit Description	Comments
1	For all paid losses, columns (4),(9), (10), (21) and (22), lines (A) through (U) will be checked when the losses on the current Call for a specific policy year are at least 200,000 less than the losses on the preceding Policy Year Call for the same policy year. (Note the current line A equals the sum of line A and B from prior call. Line (B) on current call should be compared to line (C) from prior call and so forth.)	

ACTUARIAL EDITS - COMPARING CALL#1 TO OTHER FINANCIAL DATA INCENTIVE PROGRAM CALLS

Edit #	Edit Description	Comments
1	The entries on page 5, the Calendar Year Reconciliation Report will be verified, this data must be pulled correctly from Calls #1, #3, #8, #9 and Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement. Any differences greater than \$1,000 and less than (\$1,000) must be explained. These explanations will be reviewed for reasonableness.	
2	The values on Call #1 must be greater than the corresponding values on Call #12.	

Calendar Year Expense Data Call #2

ACTUARIAL EDITS - COMPARING CALL#2 TO OTHER FINANCIAL DATA INCENTIVE PROGRAM CALLS

Edit #	Edit Description	Comments
1	The entries on page 3, the Calendar Year Reconciliation Report will be verified, this data must be pulled correctly from Calls #1, #2 and Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement. Any differences greater than \$1,000 and less than (\$1,000) must be explained. These explanations will be reviewed for reasonableness.	
2	Line 5C should equal Call #9, Line (Z), Column (1), minus Call #8, Line (Z), Column (1).	
3	Line 5D should equal Call #9, Line (Z), Column (3), minus Call #8, Line (Z), Column (3).	
4	Line 12B, Column 2(Paid) should equal Call #9, Line (Z), Column (4), minus Call #8, Line (Z), Column (4).	
5	Line 12B, Column 3(Incurred) should equal Call #9, Line (Z), Column (7), minus Call #8, Line (Z), Column (7).	

6	All expense items should match corresponding expense items in Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (1) should equal Column (1) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (2) should equal Column (2) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (7) Paid should equal Column (5) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (7) Incurred should equal Column (6) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (9) Paid should equal Column (8) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (9) Incurred should equal Column (9) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (6a) Incurred should equal Column (11) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	
	Line (11) Incurred should equal Column (12) of Exhibit of Premiums and Losses (Statutory Page 14) - Page 24 of the Annual Statement.	

Net Large Deductible Policy Year Call #8

ACTUARIAL EDITS - EXCLUSIVE TO CALL#8

Edit #	Edit Description	Comments
carrier info report	The relationship between Standard Earned Premium at DCRB DSR Level and Standard Earned Premium at Company Level should be consistent with each company's filed deviations and/or loss cost multiplier(s) and underlying loss cost levels.	

ACTUARIAL EDITS - COMPARING THE CURRENT YEAR'S CALL#8 TO THE PRIOR YEAR'S CALL#8

Edit #	Edit Description	Comments
1	For all paid losses, columns (4),(9), (10), (21) and (22), lines (K) through (U) will be checked when the losses on the current Call for a specific policy year are at least 200,000 less than the losses on the preceding Policy Year Call for the same policy year. (Note, line (K) on current call should be compared to line (L) from prior call and so forth.)	

ACTUARIAL EDITS - COMPARING CALL#8 TO OTHER FINANCIAL DATA INCENTIVE PROGRAM CALLS

Edit #	Edit Description	Comments
1	All data entries on the Net Large Deductible Call should be less than the corresponding data entries on the Gross Large Deductible Call except for columns (6), (13), (14), (16), (18) where Call #8 may be less than or equal to Call #9.	

Gross Large Deductible Policy Year Call #9

ACTUARIAL EDITS - EXCLUSIVE TO CALL#9

Edit #	Edit Description	Comments
carrier info report	The relationship between Standard Earned Premium at DCRB DSR Level and Standard Earned Premium at Company Level should be consistent with each company's filed deviations and/or loss cost multiplier(s) and underlying loss cost levels.	
1	For columns (1), (2), (3) and (7) line (V) should not equal line (Z).	

ACTUARIAL EDITS - COMPARING THE CURRENT YEAR'S CALL#8 TO THE PRIOR YEAR'S CALL#9

Edit #	Edit Description	Comments
1	For all paid losses, columns (4),(9), (10), (21) and (22), lines (K) through (U) will be checked when the losses on the current Call for a specific policy year are at least 200,000 less than the losses on the preceding Policy Year Call for the same policy year. (Note, line (K) on current call should be compared to line (L) from prior call and so forth.)	

ACTUARIAL EDITS - COMPARING CALL#9 TO OTHER FINANCIAL DATA INCENTIVE PROGRAM CALLS

Edit #	Edit Description	Comments
1	All data entries on the Net Large Deductible Call should be less than the corresponding data entries on the Gross Large Deductible Call except for columns (6), (13), (14), (16), (18) where Call #8 may be less than or equal to Call #9.	

Assigned Risk Policy Year Call #12

ACTUARIAL EDITS - EXCLUSIVE TO CALL#12

Edit #	Edit Description	Comments
carrier info report	Standard Earned Premium at DSR Level should equal Standard Earned Premium at Company Level.	
1	For lines (N) through (V), Column (1) must equal Column (2).	
2	For columns (1), (2), (3) and (7) line (V) should not equal line (Z).	

ACTUARIAL EDITS - COMPARING THE CURRENT YEAR'S CALL#12 TO THE PRIOR YEAR'S CALL#12

Edit #	Edit Description	Comments
1	For all paid losses, columns (4),(9), (10), (21) and (22), lines (K) through (U) will be checked when the losses on the current Call for a specific policy year are at least 200,000 less than the losses on the preceding Policy Year Call for the same policy year. (Note, line (K) on current call should be compared to line (L) from prior call and so forth.)	

ACTUARIAL EDITS - COMPARING CALL#12 TO OTHER FINANCIAL DATA INCENTIVE PROGRAM CALLS

Edit #	Edit Description	Comments
1	Policy Year entries in lines (N) - (V) should be less than or equal to the corresponding entries on Call #1	