

FAQs - Financial Data Incentive Program

Q: WHAT IS THE FDIP?

A: FDIP stands for the Financial Data Incentive Program. The program recognizes the critical importance to the PCRFB of receiving quality financial data on time so that it can be used in support of filings made with the Insurance Department. In addition, this program is intended to more equitably allocate costs to the PCRFB associated with late or inaccurate data submissions. You may refer to the specific details of the FDIP included within the financial call package.

Q: HOW ARE ASSESSMENTS LEVIED?

A: Under the program, assessments for lateness will be levied on carriers for financial calls that are not received by the PCRFB via the PCRFB's Financial Data Manager (FDM) prior to or on the required due date. In addition, for most Calls, any resubmission of data after the due date, whether requested or submitted on a voluntary basis, will carry an assessment charge. Assessments for the quality of data submitted for certain Calls will be based on various levels of editing, as described in the FDIP. Examples of edit descriptions can be found in the FDIP included within the financial call package.

Q: WHICH CALLS AND FORMS CARRY RESUBMISSION AND QUALITY EDIT CHARGES?

A: Calls #1, #4, #8, #9, #14, #15, Schedule W and Statutory Page 14 are subject to resubmission and quality edit charges. Schedule W - Limitations Affecting Unpaid Claims Estimates and Schedule W - Coal are NOT subject to any charges. Calendar- Accident Year Calls #1A, #8A, #9A and #15A are not subject to the FDIP for 2023 financial call reporting.

Q: HOW SOON DO FINES START ACCRUING AFTER WE RECEIVE A CRITICISM LETTER?

A: Once the carrier has received a criticism letter from the PCRFB, they are immediately subject to the Assessment Schedule (which has no associated charges for days 1-10) until such time as the carrier submits revisions or an acceptable explanation is received. However, should additional criticism letters be required once the carrier is subjected to the Assessment Schedule, the day count will resume, not start over, on the date of the new criticism letter's receipt by the carrier. Please refer to the FDIP for complete details.

Q: WE SAID, "WE WERE STILL WORKING ON THE FAILED EDIT." WHY WERE WE FINED?

A: 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. Assessments will continue to accrue until all items in a criticism letter have been addressed.

Q: IS THERE A MAXIMUM FDIP ASSESSMENT?

A: Yes. All assessments in total are subject to a maximum of 50% of the second prior Calendar Year Direct Net Written Premium per the Statutory Page 14. In the event that application of the Assessment Schedule produces indicated assessments in excess of such amount, the maximum assessment will apply. A further cap is imposed in the sense that assessments no longer accrue after the 55-day maximum shown on the Assessment Schedule. Carriers are still expected, however, to address failed edits and criticism letters after the maximum assessment is reached.

Q: SOMETHING DOESN'T SEEM CORRECT ON MY ASSESSMENT INVOICE. WHAT DO I DO?

A: Carriers will have 31 days after receipt of the PCRБ 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. Refer to the FDIP for additional detail.