



Pennsylvania Compensation Rating Bureau

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PCRB CIRCULAR NO. 1706

To All Members of the PCRB:

RE: UNIT STATISTICAL REPORT DATA MANAGER

In January, **PCRB Circular No. 1696** announced the development of a new web-based application Unit Data Manager (UDM) for the entry, edit, submission and management of unit statistical information. Since the announcement, the PCRB has taken proactive measures to work with our carrier members to resolve their historical data reporting issues throughout the first and second quarters of 2018. Carrier members continue to work diligently to resolve these issues and have requested more time. Considering the amount of work still being finalized by our carrier members the July mandatory implementation of the UDM application has been delayed and rescheduled for release to the end of the third quarter 2018.

The PCRB expects that carrier members will use these next three months to conclude their efforts to prepare for the launch of UDM. Note that the unit statistical data reporting requirements in UDM have **not changed** but rather, the procedures for processing unit statistical data have changed. There are no new data fields or coding values that have been added to the WCIO WCSTAT Data Specification or the Pennsylvania Statistical Plan.

In order to capitalize on the features of UDM, and to promote the most effective and efficient use of carrier and PCRB resources, several notable changes to unit data reporting procedures were necessary and are once again shown below.

- All USR transactions must be submitted in a prescribed and logical sequence. For example, an “original” USR must be reported before any correcting USR transaction(s). Additionally, all corrections must be sequenced appropriately or they will be rejected. The following chart provides more detail.

Submit Transaction Type(s):	Before Submitting Transaction Type(s):
An initiating Policy transaction	USR
USR	Correction to a USR
Correction Sequence Number “1”	Correction Sequence No. “2” (and so forth)
Report Level 1	Subsequent Report Levels

- In order for UDM to properly recognize and process transactions, the criteria shown below must be satisfied. Transactions failing to meet any of these conditions will be considered an incorrect submission and will be not processed. Note that these procedures are consistent with a majority of other jurisdictions' procedures, and supports the objective of processing USR information without any manual intervention.
 - An initiating policy transaction must exist on the PCRB database to submit an originating USR.
 - Only one USR original report can be submitted per unique linking data (as defined by WCSTAT.)
 - When reporting multiple correction reports for the same USR, Correction Sequence Number field must be used to uniquely identify each transaction.
 - USRs that contain critical errors as outlined on the UDM Edit Matrix.
- USR edits have been vastly expanded, and are performed in real-time in UDM. The PCRB is committed to improving data quality throughout the entire data reporting life cycle, and believes that better initial USR submissions will lead to a better unit statistical data summarization process for ratemaking. The UDM Edit Matrix will be made available on the PCRB website by August 1, 2018 and provides a complete list of applicable USR edits. The edits will include the current edits and be expanded to include edits typically performed as part of the "ratemaking data summarization process." It is the goal of the PCRB to perform all edits upon submission and reduce the number of subsequent inquiries to carriers.
- USR data previously sent to the PCRB that contained critical errors will be repositioned within the databases and moved to a status of "Rejected". By moving this data to a rejected status, it will provide our members the functionality needed to correct, validate and resubmit the incorrect data within UDM. This serves the ultimate goal of having the data be accepted with no errors and thus making it readily available for ratemaking and rating purposes.
- Record Types 7A-7J (ICR records) cannot be created within UDM, but will be accepted on import until further notice.
- UDM will ultimately provide access to validation results (criticism letters) in various formats (lists, pdf, or WCCRIT). **Effective with the launch of the UDM, the PCRB will discontinue sending hardcopy criticism letters.** At that time, carriers will be required to either establish an automatic feed of WCCRIT directly through CDX, or to manage their validation results via UDM.

The elimination of **hardcopy reporting** remains effective January 1, 2019. This essentially has already occurred as the PCRB currently receives 100% of USR transactions electronically. This announcement therefore formally establishes electronic reporting as a requirement. UDM provides all PCRB members with complete functionality needed to electronically submit USR transactions. Additionally, carriers may presently use the Bureau Entry and Edit Package (BEEP) software provided by the Compensation Data Exchange (CDX) to submit USR transactions.

Electronic tools (such as UDM and BEEP) are more efficient, accurate and cost effective than hardcopy reporting.

As announced in PCRB Circular No. 1696 the elimination of hardcopy reporting will be accomplished in the following steps:

- Effective July 2, 2018, hardcopy handling charges are increased from \$50 to \$100 for USRs.
- Effective January 1, 2019, the PCRB will no longer accept and process hardcopy USR documents. From that date forward, any hardcopy USR documents received by the PCRB will be returned to the data submitter.

The PCRB will host multiple online training sessions on various topics for those carrier users who are responsible for submitting electronic policy documents to the PCRB. The training dates have not been set and will be announced on August 1, 2018.

PCRB will continue to notify data reporters of important notices related to the release of the UDM product as they occur via PCRB circular announcements.

For more information regarding UDM please contact Central Support at (215) 320-4933 or at centralsupport@pcrb.com.

William V. Taylor
President

WVT/BP/dn

Remember to visit our web site at www.pcrb.com for more information about this and other topics.