



Pennsylvania Compensation Rating Bureau

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BUREAU CIRCULAR NO. 1523

To All Members of the Bureau (**SPECIAL ATTENTION OF CEOs**):

Re: **SUBMISSION OF PAPER UNIT STATISTICAL INFORMATION**

This circular relates to the electronic reporting of unit statistical information, which includes all unit statistical reports (USRs), unit statistical report corrections (C reports), and individual case reports (ICRs) as required by Pennsylvania. **Any carrier group not currently reporting unit statistical information electronically is urged to contact one the following Bureau employee(s):**

Ms. Bonnie Piacentino
Director of Statistical Reporting
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or

Mr. John Murphy
Director of Systems and Programming
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Unit statistical information is required to be submitted to the PCR B and is used in several ways critical to the performance of our responsibilities. Among other things, unit statistical information is used to determine overall classification relativities, produce experience and merit ratings for qualifying insureds, and provide explanatory supporting information for death and permanent total losses.

Formats, procedures and data entry applications providing for the uniform submission of all the above described forms of unit statistical information electronically have been in place in all jurisdictions for almost 20 years. Despite the longstanding availability of these tools, however, the PCR B continues to receive unit statistical information, mostly C reports and ICRs, in paper form.

Hard copy unit statistical information submissions are necessarily more expensive for the PCR B to process than their electronic counterparts. More importantly, paper submissions simply cannot be processed as rapidly or as accurately as electronic reports. In some instances, paper submissions can make statistical information unavailable for inclusion in ratemaking summarizations or pricing programs.

In order to fully avail the PCRB and our members of the economies and benefits of electronic reporting of unit statistical information and to more equitably assign the processing costs among members, the Governing Board has approved a schedule of charges to be applicable to the submission of paper statistical information as outlined below:

<u>Calendar Effective Date</u> <u>(On or After)</u>	<u>Charge per Hard Copy USR</u> <u>or "C" report</u>
July 1, 2008	\$50

In approving the above schedule the Governing Board has considered the additional processing costs, the impaired timeliness and the incidence of errors associated with paper reports as compared to electronic submissions.

These processing charges will provide an incentive for carriers to use the long-standing electronic standards and technology to submit unit statistical information.

The Governing Board has approved an interim exception to the above charges for the submission of ICRs until an electronic application suited for the purpose of creating and submitting electronic ICRs has been released to the carriers and proper notice is given to the membership.

Additional notification reminders will be sent to all carriers continuing to submit hard copy USRs and/or C reports at the close of each quarter during 2007 and the first half of 2008 to insure continued awareness of the significance of this program to all affected members of the Bureau.

Carriers are required to submit unit statistical data to the Bureau in a timely fashion. The incentive charges applicable to hard copy reporting are being announced almost 18 months in advance in order to allow carriers ample time to take steps necessary to comply with this requirement. However, in the event that a carrier cannot provide electronic reports beginning July 1, 2008, timely hard copy reports will be required. All PCRB members are advised that any carrier failing to submit statistical information in a timely fashion, in hard copy if necessary, on or after July 1, 2008 in order to avoid this incentive charge program may be subject to disciplinary action including referral to the Governing Board.

If paper statistical reporting information subject to charges under the above program continues to be submitted in material volumes, additional increases to the above schedule may be imposed consistent with the objective of eliminating the submission of paper USRs and C reports as quickly as possible.

Timothy L. Wisecarver
President

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