



# COMPENSATION RATING AND INSPECTION BUREAU

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December 2, 2016

## STATISTICAL CIRCULAR #124

**To all Bureau Members and Subscribers:**

Re: **Statistical Plan Changes**

The Commissioner of Banking and Insurance has approved the following changes to the New Jersey Statistical Plan, found in Section 3:13 of the New Jersey Workers Compensation and Employers Liability Insurance Manual (Manual). The changes provide for the reporting of the Audit Noncompliance Charge, and are effective July 1, 2017. Other Manual changes are set forth in Manual Amendment Bulletin #476, issued concurrently with this Statistical Circular.

Changes to the Manual rules are indicated in *italics* and **bold** in the attached Exhibit I.

A handwritten signature in black ink that reads "Frederick A. Huber". The signature is written in a cursive style.

Frederick A. Huber  
Executive Director

FAH:nl  
Att.

**EXHIBIT I**

**Amend 3:13-26(f)** as follows:

**PRESENT**

**AMENDED**

**26. Policies Subject to Experience Modification.** All blank lines above line A of the exposure/premium side of the report shall be used for reporting premium items subject to experience modification. Such items include all New Jersey business classifications and the following New Jersey statistical code numbers:

**NO CHANGE**

- 0998 Premium resulting from flat increase on outstanding policies due to Law Amendment (3:13-32)
- 6199 Additional Premium for Increased Limits Charges Part Two Coverage - Other than Maritime/FELA (3:13-31a)
- 6198 Additional Premium For Increased Limits Charges Part Two Coverage-Maritime/FELA (3:13-31b)
- 9848 Additional Premium required to meet Part Two Coverage - Other than Maritime/FELA Minimum Charge (3:13-31a)

**NO CHANGE**

(f) The three blank lines immediately following Line G (Lines J, K and L) shall be used for reporting the following items which are not subject to experience modification and are **not included in the "Total Standard Premium"**.

**NO CHANGE**

- 0935 Second Injury Fund Surcharge (3:13-34A)
- 0936 Uninsured Employers Fund Surcharge (3:13-34A)
- 0937 Rejection of Voluntary Offer Surcharge (3:13-34D) – Applicable only to policies effective prior to July 1, 2013
- 0942 Plan Premium Adjustment Program (3:13-34B)
- 0945 Retrospective Rating Program (3:13-34C)
- 9663 Deductible Premium Credit Amount (3:13-34E).
- 9740 Terrorism Premium Charge (3:13-34H)
- 9741 Catastrophe (Other than Certified Acts of Terrorism) Premium Charge (3:13-34I)

**NO CHANGE**

- **9757 Audit Noncompliance Charge (3:13-34L)**

**EXHIBIT I** (Cont'd)

**Add 3:13-34L** as follows:

**34L. Audit Noncompliance Charge.** *The premium resulting from application of the Audit Noncompliance Charge in accordance with 3:3-85 of this Manual shall be assigned to statistical code (9757).*

**EXHIBIT I** (Cont'd)

**Amend 3:13-81** as follows:

**PRESENT**

**81. Revised Reports – Preparation of Card.**

Revised reports shall show the items which were previously reported and the corresponding revised items.

- (a) **Exposures And Losses.** Where there is a change in any of the data previously reported for a particular exposure, individual claim or grouped medical losses, the corrected report shall indicate both changed and unchanged elements for the associated exposure of loss.

- (i) **Additions.** To add a new exposure, individual claim or grouped medical losses, all applicable data elements are to be reported along with an “R” in the update type element:

- (ii) **Deletions.** To eliminate exposure and loss information the following key data elements must be reported along with a “P” in the update type element.

- existing exposure. – class code and coverage (ACT) code.
- individual claim. – claim number and accident date
- grouped medical losses. – class code, injury type, loss conditions (ACT).

- (iii) **Changes.** To change an existing exposure, individual claim or grouped medical losses, both “P” and “R” update type elements along with their appropriate data elements are to be reported.

- (b) **Totals.** The revised risk totals are required.

- (c) **Experience Modification.** If the revision involves a change in the experience modification, it shall be necessary to report all of the data, previously reported as well as revised, for each manual code affected by the modification change including the manual, modified and total premium amounts.

**AMENDED**

**NO CHANGE**

**NO CHANGE**

**NO CHANGE**

- (ii) **Deletions.** To eliminate exposure and loss information the following key data elements must be reported along with a “P” in the update type element.

- existing exposure. – class code, coverage (ACT) code *and split period code.*
- individual claim. – claim number, accident date *and class code*
- grouped medical losses. – class code, injury type, loss conditions (ACT).

**NO CHANGE**

**NO CHANGE**

**NO CHANGE**

*Note: Split period code is an electronic field only*

**EXHIBIT I** (Cont'd)

**Amend 3:13-87** as follows:

**PRESENT**

**AMENDED**

**87. Summary of Special Statistical Plan Code Numbers.** (The reference in parentheses, following each code number, refers to the rule of this Manual governing the use of the code number.)

0063—Schedule Y Premium Discount (3:13-30)

0064—Schedule X Premium Discount (3:13-30)

0900—Expense Constant—All classifications (3:13-34)

0931—Short Rate Penalty Premium (3:13-33)

0935—Second Injury Fund Surcharge (3:13-34A)

0936—Uninsured Employers Fund Surcharge (3:13-34A)

**NO CHANGE**

0937—New Jersey Workers Compensation Insurance Plan Surcharge for employers rejecting voluntary coverage (3:13-34D) – Applicable only to policies effective prior to July 1, 2013

0942—Premium Resulting from the Application of the Plan Premium Adjustment Program [3:14-8(13)]

0945—Retrospective Rating Premium for Risks Electing New Jersey Retrospective Rating (3:12)

0990—Additional Premium to equal policy Minimum Premium (3:13-29a)

0998—For reporting premium resulting from flat increase for law amendment on aggregate premium earned on outstanding policies after effective date of amendment (3:13-32)

6198—Additional Premium for Increased Limits Under Part Two Coverage—Admiralty/FELA (3:13-31b)

**NO CHANGE**

6199—Additional Premium for Increased Limits Under Part Two Coverage—Other than Admiralty/FELA (3:13-31a)

9046—Premium Credit amount resulting from the application of the N.J. Construction Classification Premium Adjustment Program (3:13-34G).

9663—Premium Credit amount for Large Deductible Coverage (3:13-34E) which is to be applied after mod.

9740—Premium for Terrorism (3:13-34H)

**EXHIBIT I** (Cont'd)

**PRESENT**

9741—Premium for Catastrophe (Other than Certified Acts of Terrorism) (3:13-34I)

9848—Additional Premium to equal increased limits Part Two minimum charge—Other than Admiralty/FELA (3:13-31a)

9849—Additional Premium to equal minimum premium for Admiralty/FELA Coverage (3:13-29b)

9874—Premium reduction resulting from the application of an Approved Managed Care Program (3:13-34F)

9887—Premium credit resulting from the application of the Schedule Rating Plan (3:13-34J)

9889 — Premium debit resulting from the application of the Schedule Rating Plan (3:13-34K)

**AMENDED**

**NO CHANGE**

*9757—Premium resulting from the Audit Noncompliance Charge (3:13-34L)*

**NO CHANGE**