R.C. 1985

To the Members of the Board

Re: New York Workers Compensation
World Trade Center Tragedy
Statistical Coding

On Tuesday, September 11, 2001, terrorists attacked the World Trade Center in New York City, resulting in the twin towers and other buildings being destroyed or severely damaged. Most tragically, this horrific event took the lives of several thousand workers, including those in the affected buildings, in the aircraft, as well as many of the heroic rescue workers.

As we all attempt to recover from this tragedy, the stark reality is that there will be a large number of workers compensation claims reflecting the many deaths and injuries incurred in this catastrophe. These claims will affect both unit statistical reports as well as financial data call reporting for the next several years. To assist your statistical and claims departments with the recording and reporting of these claims, the following information is provided:

Unit Statistical Reports

Catastrophe Code – A unique 2-digit code will be established for 2 or more claims incurred as a result of this occurrence. We are also considering whether or not a separate catastrophe code for single claims should also be initiated under the circumstances.

Aggregate Trust Fund – In accordance with the New York Workers’ Compensation Law, death, permanent total and permanent partial cases in which periodic payments are made (life pension type cases), may be designated by the Workers’ Compensation Board (WCB) for payment into the Aggregate Trust Fund. In all cases so designated, the present value of the benefits must be calculated in accordance with WCB Bulletin 222B. The present value of cases not so designated must be based on the discount table published in Part IV, Section 7g of the New York Workers Compensation Statistical Plan.

Part, Nature, Cause Codes – For death cases, the Part, Nature and Cause codes that should be reported are 90, 90, and 89, respectively. For the non-death cases, the appropriate Part, Nature, Cause codes applicable to each injured worker should be used.
Individual Case Reports (ICRs) – In New York, supplemental reports, (ICRs) must be reported for all death and permanent total claims established on a life pension basis. These reports must be submitted concurrently with the corresponding unit statistical reports. See Part V of the New York Workers Compensation Statistical Plan for the specific coding requirements and Part X for a copy of the ICR form. The Board is also considering requiring ICRs on all indemnity claims incurred resulting from this tragedy.

Financial Data Calls

Beginning with the 2002 Financial Data Calls, and for what will, most likely, be many subsequent Calls, a separate annual reporting of the claims from this tragedy will be required so that the aggregate data used for establishing rates in New York is not distorted. Although the exact format for the reporting of information has not yet been determined, you should be prepared to separately identify and report on an aggregate basis the following:

- the number of indemnity claims incurred separately for those cases that are open and those that are closed;
- paid indemnity and paid medical loss amounts, separately for open and closed cases;
- case, bulk and/or IBNR loss reserves separately for indemnity and medical;
- ALAE paid loss amounts and case and/or IBNR ALAE reserves.

This detail will be required for Policy Year 2000 and Accident Year 2001, beginning with the 2002 Financial Data Call for both non-large deductible business (Forms NY101 and NY125) and large deductible business (Forms NY101D and NY125D). The same detail will also be required for Policy Year 2001, beginning with the 2003 Financial Data Call for both non-large deductible business (Form NY101) and large deductible business (Form NY101D). The Board has yet to determine whether or not the New York Financial Call Information System (NYFCIS) can be modified to include this additional information. If it can, the upgrade of the NYFCIS for 2002 will contain the appropriate data fields and reports. If it cannot, the appropriate hard copy instructions and forms will be included in the 2002 Financial Data Call material which will be distributed in January 2002 and in subsequent years.

When the specific statistical coding details are finalized, you will be notified.

Please distribute this bulletin to the appropriate statistical reporting personnel.

Your cooperation in developing an accurate and timely evaluation of these claims is most certainly appreciated.

Very truly yours,

Monte Almer

President

MH/ab