R.C. 2079

To the Members of the Board

Re: New York Workers Compensation
Statistical Plan Revision
Section 32 Type of Settlement Code

The Rates Committee has adopted, and the New York State Insurance Department has approved, a revision to the New York Workers Compensation Statistical Plan which establishes an additional Type of Settlement code for the identification of claims settled under Section 32 of the New York Workers’ Compensation Law.

In its July 15, 2004 Opinion and Decision regarding the original Rating Board filing of the 2004 general rate revision, and in subsequent communications, the Insurance Department has expressed its concerns with respect to the need to identify settlements under Section 32 of the New York Workers’ Compensation Law at the individual claim level.

In response to the Department’s concerns, as well as to enhance the Board’s ability to analyze these claims on an ongoing basis, a specific code has been established for inclusion in the New York Workers Compensation Statistical Plan.

The attached Statistical Plan Manual page contains an additional Type of Settlement code, Code 03, that is to be used to identify Section 32 claims on unit statistical reports and individual case reports when applicable. This code is applicable to all closed claims settled under Section 32, as well as to open claims when only a portion of the claim has been resolved on a Section 32 basis.

The new code is effective January 1, 2005 for all claims settled on and after that date.

A revised manual page will be distributed as soon as it is available.

Very truly yours,
Monte Almer
President

MA/ab
Encl.
e. **Type of Settlement**

Report the applicable Type of Settlement associated with each claim.

- **Code 00** - Claim not Subject to Settlement
- **★ Code 03** - Section 32 Settlement (carrier/claimant settlement) *
- **Code 05** - Non-Compensable
- **Code 09** - All Other Settlements

**Note:** Code 03 is applicable to both closed claims and to open claims when only a portion of the claim is subject to a Section 32 settlement.

13. **Jurisdiction State**

Report the two-digit state code of the governing jurisdiction that will administer the claim and whose statutes will apply to the claim adjustment process when that state is not New York.

14. **Catastrophe Number**

Report the two-digit sequential number for 2 or more claims resulting from the same occurrence. For each policy, the claims from the first such occurrence shall be assigned a Catastrophe Number of 01, claims from the second occurrence shall be 02, etc. When an occurrence results in only one claim being reported, leave this field blank.

**EXCEPTION:** Report Catastrophe Number 48 for all claims directly arising from the commercial airline hijackings of September 11, 2001 and the resulting subsequent events with accident dates of September 11, 2001 through September 14, 2001.

**Note:** Catastrophe Number 48 will apply to both single and multiple claims.

15. **Managed Care Organization Type**

Report the two-digit code that corresponds to the type of organization which administers the applicable medical loss on the claim.

- **Code 00** - Not Administered by an approved Managed Care Organization
- **Code 01** - Administered by an approved Managed Care Organization
- **Code 03** - Administered by an approved Preferred Provider Organization

16. **Injury Description Code**

Report the 3 two-digit codes that represent the Part of Body, Nature of Injury and Cause of Injury for each claim. Refer to Part VIII for the applicable codes.

17. **Fraudulent Claim Code**

Report the two-digit code that identifies the involvement of fraud in the claim. Specific fraudulent claim coding instructions are located in Part 5.i of this part of the Plan.

- **Code 00** - The claim does not involve fraud
- **Code 01** - Partially Fraudulent: a portion of the claim has been deemed fraudulent by the courts or ruling of the Workers’ Compensation Board
- **Code 02** - Fully Fraudulent: the entire claim has been found to be fraudulent by the courts or ruling of the Workers’ Compensation Board

18. **Totals**

Report the arithmetic totals of the amounts reported for Number of Claims, Incurred Indemnity, Incurred Medical, Paid Indemnity, Paid Medical, ALAE Paid and ALAE Incurred.

In the case of corrections and subsequent reports, the totals shown must be the revised totals.

For multi-page reports, report the totals on the last card only.