



NYCIRB

New York Compensation
Insurance Rating Board
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February 27, 2023

R.C. 2577

Re: Expansion of the New York Medical and Indemnity Data Calls

Members of the Rating Board:

I write to inform you that on February 16, 2023, the Board of Governors of the New York Compensation Insurance Rating Board (“Rating Board”) approved a proposal requiring all member carrier groups, regardless of premium market share in New York State, to report data in response to the Medical Data Call (“MDC”) and Indemnity Data Call (“IDC”). The rationale and details related to this new requirement are set forth below.

Background and Rationale

The Rating Board began collecting medical transactional data via the MDC in 2011 and detailed indemnity data via the IDC in 2020. At the adoption of each data call, the Rating Board established that member carrier groups with premium market share in New York State exceeding 0.5% in any of the most recent three calendar years would be required to report MDC and IDC data.

These data calls enable the Rating Board to (i) validate data elements utilized in ratemaking, (ii) research and study the complex workers’ compensation system in New York, (iii) track trends and reforms, (iv) support the public actuary in legislative analysis efforts, as well as (v) provide understanding and context to periodic changes in various pricing values.

Requiring that all member carrier groups participate in the MDC and IDC, regardless of New York premium market share, promotes equal treatment of all member carrier groups and benefits the marketplace in a variety of ways. First, member carrier groups expend resources submitting MDC and IDC data to the Rating Board, and that obligation should be applied equally across all member carrier groups.

Second, as set forth above, the MDC and IDC data provides significant value to the Rating Board and broader workers’ compensation community, and increasing participation will enhance data credibility as well as ensure that the data is representative of the entire marketplace. For example, member carrier groups who do not currently submit MDC and IDC data may focus on a particular segment of the insured market with unique exposure or claims experience. Collecting detailed data from such carrier groups will provide insight into market segments that are not



sufficiently reflected in the data collected at present. Maintaining a database that reflects the entire marketplace will enhance the Rating Board's research studies and analyses.

Third, data submitted in response to the MDC and IDC is used to support data validation efforts. Collecting data from the entire marketplace – member carrier groups large and small – will enable the Rating Board to perform additional data validation, resulting in more accurate data, research, services, and products.

Fourth, in some instances, a member carrier group's market share exceeds the current fixed 0.5% reporting threshold in one year and falls short of this threshold in other years. Such volatility may result in member carrier groups reporting MDC and IDC data intermittently, causing data collection and data validation challenges.

Implementation and Timelines

Member carrier groups not currently reporting MDC and IDC data to the Rating Board will be contacted by Rating Board staff in March of 2023 to discuss the implementation timeline for each member carrier group. The expansion of the reporting requirements will be implemented in two phases:

A. Member Carrier Groups Reporting MDC and IDC in Other Jurisdictions

Member carrier groups who currently have an operational MDC and IDC reporting infrastructure should not have to undergo significant effort to add New York State as a reporting jurisdiction. Accordingly, these member carrier groups will be required to report MDC and IDC data to the Rating Board reflecting transactions occurring on and after January 1, 2024, with the first data submission due on June 30, 2024.

B. Member Carrier Groups Not Reporting MDC and IDC in Any Jurisdiction

The Rating Board recognizes that member carrier groups who do not currently report MDC and IDC data in other jurisdictions have likely not yet developed the infrastructure to effect reporting in the near term, and that the requisite information technology development effort may be time intensive. Accordingly, these member carrier groups will be required to report MDC and IDC data to the Rating Board reflecting transactions on and after January 1, 2025, with the first data submission due on June 30, 2025.

In recognition of the resources required to implement data reporting efforts, the Rating Board will work with member carrier groups who are unable to satisfy the timelines listed above to find a mutually agreeable implementation timeline. Similarly, to the extent that new carrier groups enter the New York marketplace in the future, the Rating Board will work with those carrier groups to find a mutually agreeable implementation timeline.



A member carrier group's refusal to participate in the MDC and IDC will result in a financial penalty in an amount to be determined by the Rating Board, and such penalty shall continue and compound with interest until such member carrier group comes into compliance with the Rating Board's data reporting requirements.

The data reporting requirements for the MDC and IDC are available in the [Indemnity Data Call](#) and [Medical Data Call](#) sections of the Rating Board's website.

If you have any questions relating to submission of these data calls, please contact MDC@nycirb.org or IDC@nycirb.org.

Very truly yours,

A handwritten signature in blue ink, appearing to read "ja Attie", is positioned above the printed name.

Jeremy Attie
President and CEO