

MEMORANDUM

TO: Joe Bieniek, NAIC

FROM: Lee Barclay, Washington

DATE: April 18, 2007

SUBJECT: Statistical Information Task Force
Washington's suggestions for additions to the NAIC *Statistical Handbook*

Since the Statistical Information Task Force is currently open to suggestions for revising the Medical Professional Liability section (Section 16) of the NAIC *Statistical Handbook of Data Available to Regulators*, I thought that Washington could offer its own suggestions for the Task Force members and interested parties to consider before the May 15 conference call.

When we in Washington were reviewing our statistical reporting requirements in 2005, we decided to adopt the data reporting requirements of the NAIC *Statistical Handbook* for all lines of business except medical malpractice (Section 16). For this line of business, we believed that it would be helpful to have companies report some additional data elements to the statistical agents we designated for medical malpractice. Effective July 16, 2006, these additional elements are included in a Washington regulation, WAC 284-24C-050. Companies must begin reporting these data elements by 2009. The regulation applies to authorized insurers only.

We believe that it would be appropriate for the Statistical Information Task Force to consider adding these data elements to the requirements of the NAIC *Statistical Handbook*.

I will paste the relevant rule into this memo. If folks would like to see our entire chapter on medical professional liability statistical reporting, Chapter 284-24C WAC, it can be found at:

<http://apps.leg.wa.gov/WAC/default.aspx?cite=284-24C>

WAC 284-24C-050

Additional medical professional liability statistical plan reporting requirements required by the commissioner.

In addition to the data items specified by the NAIC *Statistical Handbook*, these data items, specific to this medical malpractice statistical plan rule, must be reported by each medical malpractice insurer to a medical malpractice statistical agent:

- (1) Claim dates:
 - (a) Incident month/year; and
 - (b) Report month/year.

(c) Closed month/year (closed claims only).

(2) Additional transaction identifiers and details. Identify the following items and their respective amounts:

(a) Paid losses segmented by amounts paid or incurred for past and future:

(i) Wage loss;

(ii) Medical expenses; and

(iii) All other losses.

(b) Paid allocated loss adjustment expenses segmented by amounts paid for:

(i) Defense counsel;

(ii) Expert witness; and

(iii) All other allocated loss adjustment expenses.

(c) Outstanding losses segmented by amounts paid or incurred for past and future:

(i) Wage loss;

(ii) Medical expenses; and

(iii) All other losses.

(d) Outstanding allocated loss adjustment expense segmented by amounts paid or incurred for:

(i) Defense counsel;

(ii) Expert witness; and

(iii) All other allocated loss adjustment expenses.

(3) Policy limit per incident.

(4) Deductible or retention.

(5) Medical outcome classifications (use only one code):

(a) Emotional only: Fright, no physical damage.

(b) Temporary: Slight - lacerations, contusions, minor scars, rash. No delay.

(c) Temporary: Minor - infections, mis-set fracture, fall in hospital. Recovery delayed.

(d) Temporary: Major - burns, surgical material left, drug side effect, brain damage. Recovery delayed.

(e) Permanent: Minor - loss of fingers, loss or damage to organs. Includes nondisabling injuries.

(f) Permanent: Significant - deafness, loss of limb, loss of eye, loss of one kidney or lung.

(g) Permanent: Major - paraplegia, blindness, loss of two limbs, brain damage.

(h) Permanent: Grave - quadriplegia, severe brain damage, lifelong care or fatal prognosis.

(i) Permanent: Death.

(6) Act or omission classification, as follows:

- (a) Diagnosis related;
- (b) Anesthesia related;
- (c) Surgery related;
- (d) Medication related;
- (e) Intravenous and/or blood products related;
- (f) Obstetrics related;
- (g) Treatment related;
- (h) Monitoring related;
- (i) Biomedical equipment and/or product related;
- (j) Behavioral health related; or
- (k) All other.

(7) Territory indicator for the county of the principal location in which the incident of alleged medical malpractice occurred.

[Statutory Authority: RCW [48.02.060](#), [48.19.370](#). 06-13-035 (Matter No. R 2005-02), § 284-24C-050, filed 6/15/06, effective 7/16/06.]