

A monthly newsletter dedicated to serving the information needs of the insurance data management professional

4/23/2008

EXECUTIVE DATA MANAGEMENT INFORMATION SERVICE Vol. XVII, No 4 April 2008

Independent Statistical Service, Inc. (ISS)

In a February 5, 2008 e-mail broadcast to their subscribers, ISS announced the posting of their 2008 Calls for Experience to the ISS Web site. Among the changes, ISS will now automatically generate Nothing to Report forms (NTRs) if a company includes some additional information in an electronic transmittal record. The NTR form indicates a company has no data to report for a particular company/line/state combination it acknowledged it would file. Companies that use an electronic transmittal to report control totals with their statistical data submissions now have the option of reporting an N in position 13 of the transmittal to have ISS generate NTRs on their behalf. Besides eliminating the need to submit NTRs separately through the ISS Web site, this also makes it easier for ISS subscribers that are filing data through FTP, another new option published in the 2008 ISS Calls.

Indiana Compensation Rating Bureau (ICRB)

In Circular 2008-05, dated March 31, 2008, the Bureau announced an agreement between the WC Board and the Amish.

The Indiana statute IC § 22-3-5-4 allows for a substitute system of insurance, subject to the approval of the Workers Compensation Board of Indiana ("Board").

The Board and Amish business owners have reached an Agreement effective January 1, 2008. Amish business owners may choose to join a voluntary mutual aid plan titled "Small Business Aid." (SBA) if they employ Amish workers. Through this group, injured Amish workers will be provided with necessary medical care and compensation similar to benefits under the Workers Compensation Act. Non-Amish workers are not eligible for inclusion in the plan and should still be covered by workers compensation insurance.

This plan only covers Amish workers. It does not cover non-Amish workers. An Amish employer may employ both Amish workers and non-Amish workers. Accordingly, if such an Amish employer participates in the Amish Small Business Aid plan, it must still provide coverage for its non-Amish workers.

For an insurer covering such an employer, to properly set up the policy, it appears an appropriate method could be attaching the Partners, Officers and Others Exclusion Endorsement (WC 00 03 08). In the endorsement schedule of excluded workers, it could display the words "Amish employees covered under the Amish Small Business Aid."

A copy of the Certificate of Agreement is attached to the Circular.

National Council on Compensation Insurance, Inc. (NCCI)

On March 20, 2008, NCCI announced on their website that beginning in 2011, they will begin collecting Detailed Claim Information (DCI) utilizing a newly redesigned program. This will include claims with Reported to Insurer Date of September 2009, to be valued in March 2011 and reported to NCCI by June 2011.

The article provides:

- An overview of the current DCI program
- Background on the development of the redesigned DCI program
- Details on the implementation plan
- Current DCI run-off plan
- Current and future industry communications.

https://www.ncci.com/NCCI/Article.aspx?cat=dr1&id=dc&articleURL=/nccisearch/Prodserv/DataProv/GeneralInfo/DCI_Program_Redesign.htm

On April 4, 2008, the NCCI announced on their website that West Virginia's compensation system will change from a monopolistic state fund to a competitive market beginning July 1, 2008. NCCI will collect financial data beginning with the December 31, 2008 evaluation. West Virginia will participate for DCI with the rollout of the new design in 2011.

https://www.ncci.com/NCCI/article.aspx?articleUrl=https://www.ncci.com/ncci/web/prodsserv/dataprovgeneralinfo/state_ref_wv.htm

News Briefs

The April 1, 2008 edition of *Risk & Insurance* contains an article by Matthew Brodsky titled "A Model of Innovation" in which the author notes that "the future in catastrophe modeling could be open-source software that's powerful, flexible but perhaps impractical". This open-source modeling software "could be web-based and tap into online scientific data ... that would provide real-time analysis". ACORD's work on standardizing property business data would help with the development of solutions utilizing these standardized data.

A companion article by Matthew Brodsky also in the April 1, 2008 edition of *Risk & Insurance* is titled "Dishin' Dirt on the Property Data". Catastrophe modelers are attributing problems with modeling results on problems with underlying property data. But "data collection and cleansing is costly, and demanding tighter controls on customers could actually drive them to competitors that write without good data." Modelers, however, are not without fault as they have yet to agree on a standard, open data standard.

There are four articles in the March 2008 edition of *DM Review* of interest. In "This is a Title" Malcolm Chisholm writes that "definitions of items of data really matter, but there are a couple of ways to see the value in them" – the first is a "siloed perspective" in the context of a project and the second, more important, is from an enterprise perspective. Precision is a problem when creating data definitions as there is a tendency toward "generalization". "Abstraction" is another potential problem – the author uses an example to demonstrate this concept – taking Customer, Vendor, and Employee and grouping them into "Party". "A third issue in definitions is going meta where the title of the article is cited as an example of the issue.

News Briefs ... (continued from preceding page)

In "Optimizing Entity Data Quality" Vicki P. Raeburn describes "how you can optimize your data quality enhancement efforts by focusing on different data quality characteristics". Some of these characteristics are timeliness, accuracy, completeness and consistency. Included in the article is a matrix where these characteristics are charted against Types of Entity Data: entity identity, individual identity, relationships, market opportunity, risk, transactions and preferences.

Dan Power in "The Politics of Master Data Management & Data Governance" notes that "MDM is a set of disciplines and processes for ensuring the accuracy, completeness, timeliness and consistency of the most important types (or domains) of enterprise data across different applications, systems and databases, multiple business processes, functional areas, organizations, geographies and channels. Whenever a business activity crosses so many boundaries, within an organization, there are going to be political issues". Data governance is referenced as a solution to MDM political issues.

In "What's Your Data Trying to Tell You?", Jane Griffin notes that one of the responsibilities of a Chief Data Officer (CDO) is to "leverage the value of data as a corporate asset". Annual corporate data surveys are recommended as a means of finding "valuable data". These surveys can check the quality of data as well as retrieval and storage issues.

The March 2008 edition of *TechDecisions* contains an article titled "Eureka!" in which the author, Robert Regis Hyle, notes that "insurance carriers are making great discoveries all the time thanks to business intelligence tools that have turned piles of useless data for information that can lead to business opportunity". Use of data tools and business intelligence has increased the value of data. These tools can be used for underwriting and claims management as well as assessing and improving data quality.

Meg Fletcher writes in "Data-Enabled Decisions", a March 17, 2008 *Business Insurance Industry Focus* article, that reinsurers are making "greater use of software to better quantify risks and premiums". These technology tools are fueled by "an explosion in the amount and type of data used in modeling and making decisions" and are being used in catastrophe modeling and Enterprise Risk Management.

2008 Calendar of Events

- April 27- May 1 Risk and Insurance Management Society, Inc. (RIMS) will hold its Annual Conference and Exhibition in San Diego, CA
- May 4-7 Insurance Services Office, Inc. (ISO) will hold its PCS Catastrophe Conference in Savannah, GA
- May 8-9 National Council on Compensation Insurance, Inc. (NCCI) will hold its Annual Issues Symposium in Orlando, FL
- May 13-15 ACORD/LOMA will hold their Insurance Systems Forum in Las Vegas, NV
- May 13-16 The International Insurance Institute will hold their 3rd Annual Claims Education Conference in San Diego, CA
- May 23 Data Management Forum in association with DAMA-NCR will hold their 2008 Data Warehouse Conference at the 2008 Radisson Crystal City at Reagan National Airport in Washington, D.C.
- May 31-June 3 National Association of Insurance Commissioners (NAIC) will hold its Summer Meeting in San Francisco, CA

2008 Calendar of Events...(continued from preceding page)

- June 1-4 Insurance Accounting and Systems Association (IASA) will hold its Annual Educational Conference and Business Show in Seattle, WA
- June 3 Insurance Data Management Association (IDMA) will offer examinations nationwide.
- June 15-18 Casualty Actuarial Society (CAS) will hold its Spring Meeting in Quebec City Quebec, Canada
- June 16 Insurance Data Management Association, Inc. (IDMA) will hold a meeting of its Education Committee at its headquarters in Jersey City, NJ
- June 17 Insurance Data Management Association (IDMA) will hold a meeting of its Executive Committee & Board of Directors at its headquarters in Jersey City, NJ
- June 19-22 National Conference of Insurance Legislators (NCOIL) will hold its Summer National Meeting in Seattle, WA
- June 28-July 2 The Society Of Insurance Trainers & Educators will their Annual Meeting in Savannah, GA
- July 10-13 National Conference of Insurance Legislators (NCOIL) will hold its Summer National Meeting in New York City, NY
- September 6-9 Chartered Property Casualty Underwriters (CPCU) will hold their Annual Meeting in Philadelphia, PA
- September 8-11 American Association of State Compensation Insurance Funds (AASCIF) will hold its Annual Conference in Park City, UT
- September 16 Insurance Data Management Association (IDMA) will offer examinations nationwide.
- September 17 Insurance Data Management Association, Inc. (IDMA) will hold a meeting of its Executive Committee at its headquarters in Jersey City, NJ
- September 18 Insurance Data Management Association, Inc. (IDMA) will hold a meeting of its Education Committee at its headquarters in Jersey City, NJ
- September 18 Casualty Actuarial Society (CAS) will hold its Loss Reserve Seminar in Washington, DC
- September 20-23 National Association of Insurance Commissioners (NAIC) will hold its Fall Meeting in Washington, DC
- September 22 National Independent Statistical Service (NISS) will hold its Annual Meeting in Indianapolis, IN
- September 22-25 The International Association for Information and Data Quality (IAIDQ) in partnership with Wilshire Conferences, will be holding the 2008 Information and Data Quality (IDQ) Conference in San Antonia, TX
- September 28-October 1 National Association of Mutual Insurance Companies (NAMIC) will hold their convention in Philadelphia, PA
- October 5-8 Property Casualty Insurers of America (PCI) will hold its Information Technology Conference in Las Vegas, NV
- October 13 National Independent Statistical Service (NISS) will hold a Workshop in Minneapolis, MN
- October 19-22 Society of Insurance Research (SIR) will hold its Annual Meeting in Savannah, GA

2008 Calendar of Events...(continued from preceding page)

- October 25-31 International Association of Industrial Accident Boards and Commissions (IAIABC) will hold its Annual Convention in Vancouver, British Columbia, Canada
- October 26-29 Property Casualty Insurers of America (PCI) will hold its Annual Meeting in Scottsdale, AZ
- November 9-11 Insurance Services Office, Inc. (ISO) will hold its ISOTECH Conference in Las Vegas, NV
- November 16-19 Casualty Actuarial Society (CAS) will hold its Annual Meeting in Seattle, WA
- November 20-23 National Conference of Insurance Legislators (NCOIL) will hold its Annual Meeting in Duck Key, FL
- December 6-9 National Association of Insurance Commissioners (NAIC) will hold its Winter Meeting in Grapevine, TX
- December 17 Insurance Data Management Association (IDMA) will hold a meeting of its Executive Committee & Board of Directors at its headquarters in Jersey City, NJ

Editor's note: please send an email to FYassine@IDMA.org and PMarotta@ISO.com regarding any meeting dates you would like to be included in the 2008 Calendar.

IDMA's Executive Data Management Information Service (EDMIS) is published monthly by the Insurance Data Management Association, 545 Washington Boulevard, Jersey City, NJ 07310-1686. Annual subscriptions are free to members; \$500 to non-members.

Copyright © 2008 by IDMA. All rights reserved. Reproduction without permission is expressly forbidden. While the information presented in this publication is subject to the highest standard of care in preparation and editing, its accuracy is not guaranteed.