



April 27, 2020

Circular 2020-04

To: ICRB Members

COVID-19 Rule and Reporting Changes

NCCI has made two national item filings as a result of the COVID-19 (Coronavirus). These filings seek to offer clarity regarding furloughed workers, idle time, and the creation of new data reporting codes.

The ICRB and its Governing Board recommended these rules be adopted in Indiana and they have been approved by the Commissioner of Insurance.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19 (CORONAVIRUS) PANDEMIC *(approved by the IDOI on 4/26/2020)*

The President of the United States declared the COVID-19 outbreak a national emergency beginning March 1, 2020. The effective date of these rule revisions coincides with the President's declaration date. The expiration date of these rule revisions will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

The COVID-19 pandemic has created unique workers compensation conditions that need to be addressed within NCCI manuals. As a result, NCCI and ICRB has determined that it is necessary to take the following actions:

1. Establish **Basic Manual** Rule 2-B-2-n to add information stating that payments to paid furloughed employees are excluded from premium calculations
2. Revise **Basic Manual** Rule 2-F-1 to add a definition for idle time
3. Establish **Basic Manual** Rule 2-F-3 to define and address payments to paid furloughed employees
4. Establish Part 3-F-2-d in NCCI's **Statistical Plan** to add information about reporting payments and zero rate/premium if applicable for payments made to paid furloughed employees to Statistical Code 0012—Paid Furloughed Employees
5. Revise the format of **Statistical Plan** Part 3-F and add Part 3-F-3 to address instances when final premium cannot be reported due to the COVID-19 pandemic
6. Establish Part 4-E-1-f(2)(d) in NCCI's **Statistical Plan** to address that no claims can be reported to Statistical Code 0012
7. Establish Statistical Code 0012 in Part 6-E-3 in NCCI's **Statistical Plan** for reporting payments made to paid furloughed employees

IMPACT

As a result of this item, it is expected that exposure will shift from various classification codes to Code 0012. The extent of this shift is unknown at this time because it will depend on the nature of the individual employer's business and reporting by carriers. To this extent, the premiums of individual employers could decrease based on the payments made to paid furloughed employees.

ITEM U-1401—NATURE AND CAUSE OF INJURY CODES FOR COVID-19 (CORONAVIRUS) CLAIMS *(approved by the IDOI 4/21/2020)*

The Injury Description Code is a three-part data element comprising Part of Body, Nature of Injury, and Cause of Injury codes. The additions and changes to these coding values are coordinated through the Workers Compensation Insurance Organization (WCIO) to promote the uniformity of code values for all workers compensation data collection organizations.

As the industry has been closely monitoring the developments surrounding COVID-19 (Coronavirus), the WCIO recently approved a new Nature of Injury Code 83—COVID-19 and Cause of Injury Code 83—Pandemic to identify claims attributable to COVID-19.

These new codes are being implemented by NCCI, the ICRB and the other workers compensation bureaus.

This item implements the following changes to NCCI's ***Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan)***:

1. Update Part 4—Loss and Expense Information to identify claims attributable to COVID-19
2. Update Part 6—Coding Values to establish new Nature of Injury Code 83—COVID-19
3. Update Part 6—Coding Values to establish new Cause of Injury Code 83—Pandemic

If you have any questions regarding either of these approved Indiana filings, please let us know.

Sincerely,



Karen H. Byrd
President & CEO

Attachments:

- ITEM B-1441
- ITEM U-1401