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## **MWCIA CARRIER DATA QUALITY REPORTS: DATA RECEIVED OR DUE IN 2019**

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### **INTRODUCTION**

Annually, the MWCIA distributes carrier data quality reports for data received or due in the prior year. The objective is to provide carriers with useful feedback regarding the quality and timeliness of the data they submit.

Most recently, on March 17th, 2020, the MWCIA distributed carrier data quality reports for data received or due in 2019.

This is the twelfth year the MWCIA has produced carrier data quality reports. While we have based the content and grading criteria on prevailing industry standards, we have also gradually tailored the reports so that they more closely adhere to Minnesota standards.

In 2009, we added policy quality measures. In 2012, we changed the grading criteria for policy timeliness from 60 days to 30 days. In 2015, we introduced statewide timeliness measures, cancellation timeliness measures, and 10-day policy timeliness measures. In 2016, we updated the report format and refined the policy timeliness criteria.

No changes were introduced this year. However, in 2019 we updated our Web Membership system to allow members to access carrier data quality reports online. For more information on Web Membership, please see the Web Membership user guide, available on our website, <https://www.mwcia.org/WebMembership/Login.aspx>.

### **GENERAL INFORMATION**

Data Quality Reports are generated based upon financial call groups.

A 2019 report was generated for each group based upon financial, unit statistical, policy, and cancellation data received or due in 2019. Grades were assigned only if there were sufficient qualifying data. Note: If no unit statistical or policy data were received or due during the year, then a report was not generated.

### **FINANCIAL DATA**

Financial information was included on the report if financial calls were received or due in 2019.

The **Timeliness** grade was generated based upon the average number of days late for the expected calls. Calls received early were considered to have been received 0 days late.

Grading scale:

Average Days Late	Grade
0	A
1 – 5	B
6 – 8	C
9 – 11	D
12 or more	F

The **Quality** grade was based upon the average number of errors per call.

Grading scale:

Average # of Errors	Grade
0 – 2	Pass
3 or more	Fail

#### **UNIT STATISTICAL DATA**

**Availability** was based upon whether expected unit reports were received and accepted within 3 months after they were due. Our analysis looked at policy month rather than policy date. A first report was considered On Time if it was accepted no later than the twentieth month after the policy effective date. A first report was considered Past Due if it was not accepted by the twenty-third month following the policy effective date.

For example, if the first report for a May, 2017, policy was accepted during or before January of 2019, then the report was considered On Time. If the report was not accepted until April 1, 2019, or later, then it was considered Past Due.

Subsequent reports were evaluated similarly. A subsequent report was expected if the previous report had any open claims.

A group must have had at least 120 units received and/or due in 2019 to qualify for a grade.

Explanation of report fields:

- # Units Expected: Includes accepted first and subsequent reports, excluding corrections. Also includes reports that were not accepted but were expected.
- % Available On Time: Number of units accepted on time/# units expected.
- % Not Available >=3 Mos. Past Due: Number of units accepted late/# units expected.
- Final Grade: See below.

Note: The sum of % Available On Time and % Not Available may not equal 100%. This is because units accepted during the twenty-first or twenty-second months following the policy effective date are not included in either percentage.

The Availability grade was computed as follows:

(a) % Available On Time

(b) % Not Available  $\geq$  3 Mos. Past Due

Total points = (a) – (b)

Grading scale:

Total Points	Grade
98 – 100	A
90 – 97	B
80 – 89	C
70 – 79	D
Less than 70	F

**POLICY DATA:**

**Timeliness** was based upon the percentage of policies accepted between 11 and 30 days after their effective date and the percentage of policies accepted more than 30 days after their effective date.

To be considered timely, a policy must be accepted within 10 days of its effective date. However, a policy that is accepted within 11 and 30 days after the effective date has less of an impact on timeliness (counted at only one fifth the value of an on-time policy) than a policy accepted more than 30 days after the effective date (counted at one and a half times the value of an on-time policy).

Note: Policies that were canceled flat or replaced were not included in timeliness data. Binders were also excluded. Multistate policies where Minnesota was added mid-term were considered “on time.”

A group must have had at least 120 policies accepted in 2019 to qualify for a grade.

Explanation of report fields:

# Policies: A count of accepted, complete policies received in our office during the given year.

% Received Between 11-30 Days: # of policies received between 11 and 30 days after effective date / # Policies

% Received After 30 Days: # of policies received > 30 days after effective date / # Policies

The Timeliness grade was computed as follows:

(a) % Received Between 11-30 Days

(b) % Received After 30 Days

Total points =  $100 - .20(a) - 1.5(b)$

Grading scale:

Total Points	Grade
90 – 100	A
80 – 89	B
70 – 79	C
60 – 69	D
Less than 60	F

**Quality** was based upon the evaluation of rejected, missing, and inactive policies.

- # Rejected Policies: Identifies the number of policies rejected during the given year and for which we still have no accepted coverage. If there are multiple rejections for the same policy, each rejection was included in the count.
- # Missing Policies: Identifies the number of cases in which we learned of a missing policy because we received a USR. Note: This count does not indicate how many policies are still missing.
- # Inactive Policies: Identifies the number of inactive employer letters we sent in 2019 (excluding follow-up letters). An inactive employer letter provides notification of an expired policy for which we have not received a renewal or a valid termination notice.

A Quality grade was not calculated.

**CANCELLATION DATA:**

**Timeliness** was based upon whether a cancellation was received and accepted **within 10 days** following the cancellation date. A cancellation accepted more than **10** days after the cancellation date was not considered timely.

Cancellation timeliness grades are not currently calculated.

Explanation of report fields:

# Cancellations: A count of cancellations received in our office during the given year.

% Received Within **10** Days: # of timely cancellations/# cancellations received.

**STATEWIDE DATA:**

Statewide Policy and Unit Statistical data was included for comparison purposes.