



**B U L L E T I N**

February 17, 2010

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R.C. 2228

**To the Members of the Board**

**Re: New York Workers Compensation  
Extraordinary Loss Event  
Catastrophe Code 93**

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On February 7, 2010, Kleen Energy Systems experienced an explosion and fire at its power plant in Middletown, Connecticut. This event has been classified as an extraordinary loss event and the National Council on Compensation Insurance, Inc. (NCCI) has established Catastrophe Code 93 to identify all claims emanating from this event. The accident date range that has been established for Catastrophe Number 93 is February 7 through February 14, 2010, which covers losses sustained on the day of the event and any claims for responders thereafter.

You are hereby advised that the Rating Board will accept loss records with Catastrophe Number 93 for New York employers who had employees in Connecticut who were injured as a result of this event.

Statistical reporting information for any Catastrophe Number 93 claims for a New York employer will follow the details set forth in NCCI circular DR 2010 – 01, issued on February 16, 2010, which is attached to this bulletin.

Very truly yours,

Monte Almer

President

Encl.  
MH/ab



# Circular

FEBRUARY 16, 2010

DATA REPORTING

DR-2010-01

## Data Reporting—Catastrophe Number 93 Reporting Instructions

### ACTION NEEDED

NCCI is providing reporting instructions for Catastrophe Number 93, which has been established for data providers to identify claims resulting from the explosion and fire that recently occurred at the Kleen Energy Systems plant in Connecticut.

Please review this information in order to properly code and report any associated claims when submitting Unit Statistical, Detailed Claim Information, and Financial Call data to NCCI.

### BACKGROUND

On the morning of February 7, 2010, the Kleen Energy Systems power plant in Middletown, Connecticut, experienced an explosion and fire. While the full extent of the impact is still being determined, it is expected to include a number of workers compensation claims, including death claims, and other injuries to employees.

NCCI determined that this qualifies as a workers compensation Extraordinary Loss Event, which is a significant loss event that requires a unique Catastrophe Number to identify all claims involved.

Catastrophe Number 93 has been established for reporting these claims, and the accident date range is February 7 through February 14, 2010. The reason for this range is to cover losses sustained on the day of the event and any claims for responders (rescue, recovery, firefighters, etc.) thereafter.

### IMPACT

#### Unit Statistical Reporting Instructions

The earliest possible reporting of Unit Statistical reports containing Catastrophe Number 93 claims will be for policies effective January 2009, which will be valued as of July 2010 and will be due for reporting by September 2010. (The January 2009 date addresses policies that extend up to a term of one year and 16 days.)

For these claims, report 93 in the Catastrophe Number field on the Loss Record.

#### Detailed Claim Information (DCI) Reporting Instructions

The earliest reporting of DCI claims for this catastrophe will be based on claims with a Reported to Insurer Date of February 7, 2010, which will be valued as of August 2011 and will be due for reporting in November 2011.

For these claims, report Y in the Extraordinary Loss Claim Indicator on the DCI claim record.

#### Financial Call Catastrophe Instructions

Financial Call reporting for claims identified with Catastrophe Number 93 will begin with the 2011 reporting season for Calls valued as of December 31, 2010. The following requirements will apply to specific Financial Calls:

- Catastrophe Number 93 claims must be identified separately within Call #31—Large Loss and Catastrophe Call
- Catastrophe Number 93 claims must be included in the applicable Financial Calls, which are the following:
  - Call #3—Policy Year
  - Call #3A—Policy Year—Assigned Risk
  - Call #5—Calendar-Accident Year

- Call #5A—Calendar-Accident Year—Assigned Risk
- Call #8—Reconciliation Report
- Call #19—Accident Year Countrywide Loss Adjustment Expense

Reporting instructions for Catastrophe Number 93 will be included in the 2011 edition of NCCI's *Reporting Guidebook for the Annual Calls for Experience*.

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## **NCCI ACTION**

### **Experience Rating and State Ratemaking**

NCCI is currently analyzing how Catastrophe Number 93 claims will be treated for experience rating modification purposes. When a decision is reached, NCCI will communicate this information to the industry.

Regarding the overall impact of these claims on future Connecticut loss costs, NCCI will begin to analyze the loss experience starting with the Financial Calls valued as of December 31, 2010, which will be collected in early 2011.

### **Editing Requirements**

NCCI is currently evaluating Unit Statistical and Financial Call data editing requirements for Catastrophe Number 93 claims. When these requirements are developed, we will include them in the online edit matrices in the following NCCI manuals via **ncci.com**:

- *Unit Statistical Reporting Guidebook*—Unit Edit Matrix
  - *Reporting Guidebook for the Annual Calls for Experience*—Financial Call Edit Matrix
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## **PERSON TO CONTACT**

If you have any questions, please contact our Customer Service Center at 800-NCCI-123 (800-622-4123) or email us by using our simple online form at **ncci.com**. We are here to assist you Monday through Friday 8:00 a.m.–8:00 p.m. ET.

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