

February 1, 2002

Addendum to Circular 170

## FINANCIAL CALLS FOR THE STATE OF MICHIGAN

*On December 20, 2001 CAOM notified its members of the change in Michigan's financial calls reporting process. CAOM will be collecting all MICHIGAN call data for the 2002 Annual Call for Experience reporting year. This addendum contains the complete forms and instructions for reporting Michigan's aggregate financial experience. Please be advised that all data providers are encouraged to submit the calls electronically using the Excel spreadsheets available on our website [www.caom.com](http://www.caom.com).*

Financial call data is collected annually, with the calls applicable to Michigan due in March, April and May. The data valued as of December 31, 2001, and collected in the following financial calls. These calls are crucial for providing the source data that is used in the development of Michigan rate and loss cost filings.

### 2002 Call Year Reporting Schedule

Call Number	Financial Call	Due Date
# 3	Policy Year	3/15/02
# 3A	Assigned Risk Policy Year	3/15/02
# 5	Calendar-Accident Year	4/1/02
#5A	Assigned Risk Calendar-Accident Year	4/1/02
# 8	Reconciliation Report	4/15/02
# 10	Schedule Rating Premium Adjustments	5/15/02
# 11	F-Classification Policy Year	5/1/02
# 19	Countrywide Loss Adjustment Expense	5/1/02

### Acknowledgement Form

The acknowledgement form enclosed in the packet provides verification that your company received this information. Additionally, the form lists all calls with the following columns to check off for each call: 1) you received the call, 2) you did not receive the call, and 3) no experience to report. Carriers should return the acknowledgement form to CAOM upon receipt. If you indicate "no experience to report" for any given call, you are

required to submit a No Experience to Report Verification Form. This acknowledgement form must be received by CAOM.

### **No Experience to Report Verification Form**

Complete a No Experience to Report Verification Form for each call in which you have no experience for Michigan and for all years as required on the call. This allows CAOM to positively verify those carriers who will not be submitting data for each particular call. A separate form is required for each call with no experience. The submission of this form with an "X" in the appropriate box and an authorized signature precludes the filing of the indicated call. Once the form is completed, attach the Acknowledgement Form and return to the CAOM, the No Experience to Report Verification Form is treated as compliance with the reporting requirements.

If you have any questions, please contact Jon Heikkinen at (734) 462-9600 ext 225, or via e-mail at [caom@caom.com](mailto:caom@caom.com)

**ANNUAL CALLS FOR EXPERIENCE – ACKNOWLEDGEMENT FORM**  
**(Please sign and return immediately)**

CAOM  
Jon Heikkinen  
P.O. Box 3337  
Livonia, MI 48151-3337

**RE: Annual Calls For Compensation Experience**

This form acknowledges receipt of your package dated February 1, 2002 for the 2002 Annual Calls for Experience required by CAOM. Please indicate on the enclosed form by check mark (✓ or X) the disposition of each call for experience enclosed with the circular.

**Carrier Name(s)\*** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Submitted by** \_\_\_\_\_ **Signature** \_\_\_\_\_

**Title** \_\_\_\_\_ **Telephone Number** \_\_\_\_\_

**Fax Number** \_\_\_\_\_ **Date Submitted** \_\_\_\_\_

\* If this acknowledgement is submitted on a group basis, list all carriers individually.

**ANNUAL CALLS FOR EXPERIENCE - ACKNOWLEDGEMENT FORM**

Call Number	Financial Call		Received	Not Received	No Experience to Report
3	Policy Year Due Date: 03/15/02	Instructions			
		Forms			
3A	Policy Year - Assigned Risk Due Date: 03/15/02	Instructions			
		Forms			
5	Calendar-Accident Year Due Date: 04/01/02	Instructions			
		Forms			
5A	Calendar-Accident Year - Assigned Risk Due Date: 04/01/02	Instructions			
		Forms			
8	Reconciliation Due Date: 04/15/02	Instructions			
		Forms			
10	Supplemental Call for Schedule Rating Premium Adjustments Due Date: 05/15/02	Instructions			
		Forms			
11	F-Classification Policy Year Due Date: 05/01/02	Instructions			
		Forms			
19	Countrywide Loss Adjustment Expense Due Date: 05/01/02	Instructions			
		Forms			

# COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN

## NO EXPERIENCE TO REPORT VERIFICATION FORM

This form is to provide CAOM with positive confirmation that a carrier has no experience to report under a given call(s). Return the form(s) with the "Acknowledgement Form". Submit **ONE** of these forms for **EACH** call in which you indicate no experience to report on the "Acknowledgement Form".

Only one box may be checked off on this form. For example, should a carrier have five calls with no experience to report, then five verification forms must be submitted to CAOM with the "Acknowledgement Form".

Carrier(s)\* \_\_\_\_\_

Carrier Code \_\_\_\_\_ Date \_\_\_\_\_

Submitted by \_\_\_\_\_

Title \_\_\_\_\_ Phone Number \_\_\_\_\_

Call Number	Financial Call	No Experience
3	Policy Year	<input type="checkbox"/>
3A	Assigned Risk Policy Year	<input type="checkbox"/>
5	Accident Year	<input type="checkbox"/>
5A	Assigned Risk Accident Year	<input type="checkbox"/>
8	Reconciliation Report	<input type="checkbox"/>
10	Schedule Rating Premium Adjustments	<input type="checkbox"/>
11	F-Classification Policy Year	<input type="checkbox"/>
19	Countrywide Loss Adjustment Expense	<input type="checkbox"/>

\* List all carrier names and carrier codes for group reporting

## **ANNUAL CALLS FOR EXPERIENCE**

There are five financial aggregate calls that are to be submitted to CAOM. These calls are used directly for ratemaking in determining the overall rate level. The Policy Year and Accident Year Calls are the major ratemaking calls. They provide historical information on earned premium and aggregate claim data enabling CAOM to analyze loss ratios and emerging claim patterns. Since rates for federal classes are calculated separately, this experience is not included in the two calls. By collecting historical data on both calls valued as of year-end, CAOM is able to compare the current call with calls from past years in order to calculate loss development factors and trend factors necessary in determining an overall rate level change.

### **General Edits**

Following are descriptions of basic edits for general reference. These descriptions are intended to assist you in identifying common types of edit failures. These edit descriptions are not all-inclusive.

1. A Transmittal Letter must be included with each submission.
2. The Transmittal Letter must be complete. All required information must be provided.
3. Individual company name or names must appear in the space provided on each reporting form.
4. A single five-digit NCCI carrier code number corresponding to the company must appear in the space provided on each call form.
5. The reported data must be legible.
6. Amounts must be reported in whole dollars only.
7. Negative amounts must be enclosed with parentheses.
8. If company designed forms are going to be used, sample forms must be submitted and approved by CAOM.

**Transmittal Letter  
Policy Year Call  
Valued as of 12-31-2001**

1. STATE: MICHIGAN  
2. DUE DATE: March 15, 2002  
3. CARRIER NAME: \_\_\_\_\_  
4. FILING AS: GROUP  INDIVIDUAL COMPANY   
5. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN  
P.O. Box 3337  
Livonia, MI 48151-3337  
ATTENTION: Jon Heikkinen**

CAOM USE ONLY  
DATE RECEIVED

RECEIPT MAILED

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN  
RECEIPT OF CALL NOTIFICATION  
Policy Year Call  
Valued as of 12-31-2001**

7. STATE: MICHIGAN  
8. DUE DATE: March 15, 2002  
9. SUBMISSION TYPE: ORIGINAL  CORRECTION   
10. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_  
11. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter**  
**Assigned Risk Policy Year Call**  
**Valued as of 12-31-2001**

12. STATE: MICHIGAN  
13. DUE DATE: March 15, 2002  
14. CARRIER NAME: \_\_\_\_\_  
15. FILING AS: GROUP  INDIVIDUAL COMPANY   
16. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

17. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
P.O. Box 3337  
Livonia, MI 48151-3337  
ATTENTION: Jon Heikkinen

CAOM USE ONLY  
DATE RECEIVED \_\_\_\_\_  
RECEIPT MAILED \_\_\_\_\_

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**RECEIPT OF CALL NOTIFICATION**  
**Assigned Risk Policy Year Call**  
**Valued as of 12-31-2001**

18. STATE: MICHIGAN  
19. DUE DATE: March 15, 2002  
20. SUBMISSION TYPE: ORIGINAL  CORRECTION   
21. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_  
22. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter  
Accident Year Call  
Valued as of 12-31-2001**

1. STATE: MICHIGAN  
2. DUE DATE: April 1, 2002  
3. CARRIER NAME: \_\_\_\_\_  
4. FILING AS: GROUP  INDIVIDUAL COMPANY   
5. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN  
P.O. Box 3337  
Livonia, MI 48151-3337  
ATTENTION: Jon Heikkinen**

CAOM USE ONLY  
DATE RECEIVED

RECEIPT MAILED

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN  
RECEIPT OF CALL NOTIFICATION  
Accident Year Call  
Valued as of 12-31-2001**

7. STATE: MICHIGAN  
8. DUE DATE: April 1, 2002  
9. SUBMISSION TYPE: ORIGINAL  CORRECTION   
10. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_  
11. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter**  
**Assigned Risk Accident Year Call**  
**Valued as of 12-31-2001**

12. STATE: MICHIGAN
13. DUE DATE: April 1, 2002
14. CARRIER NAME: \_\_\_\_\_
15. FILING AS: GROUP  INDIVIDUAL COMPANY
16. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

17. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

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**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**RECEIPT OF CALL NOTIFICATION**  
**Assigned Risk Accident Year Call**  
**Valued as of 12-31-2001**

18. STATE: MICHIGAN
19. DUE DATE: April 1, 2002
20. SUBMISSION TYPE: ORIGINAL  CORRECTION
21. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_
22. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter  
Reconciliation Report Call  
Valued as of 12-31-2001**

1. STATE: MICHIGAN  
2. DUE DATE: April 15, 2002  
3. CARRIER NAME: \_\_\_\_\_  
4. FILING AS: GROUP  INDIVIDUAL COMPANY   
5. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
P.O. Box 3337  
Livonia, MI 48151-3337  
ATTENTION: Jon Heikkinen

CAOM USE ONLY  
DATE RECEIVED \_\_\_\_\_  
RECEIPT MAILED \_\_\_\_\_

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN  
RECEIPT OF CALL NOTIFICATION  
Reconciliation Report Call  
Valued as of 12-31-2001**

7. STATE: MICHIGAN  
8. DUE DATE: April 15, 2002  
9. SUBMISSION TYPE: ORIGINAL  CORRECTION   
10. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_  
11. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter**  
**Schedule Rating Premium Adjustments Call**  
**Valued as of 12-31-2001**

12. STATE: MICHIGAN  
13. DUE DATE: May 15, 2002  
14. CARRIER NAME: \_\_\_\_\_  
15. FILING AS: GROUP  INDIVIDUAL COMPANY   
16. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

17. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
P.O. Box 3337  
Livonia, MI 48151-3337  
ATTENTION: Jon Heikkinen

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DATE RECEIVED

RECEIPT MAILED

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**RECEIPT OF CALL NOTIFICATION**  
**Schedule Rating Premium Adjustments Call**  
**Valued as of 12-31-2001**

18. STATE: MICHIGAN  
19. DUE DATE: May 15, 2002  
20. SUBMISSION TYPE: ORIGINAL  CORRECTION   
21. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_  
22. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter**  
**F-Classification Policy Year Call**  
**Valued as of 12-31-2001**

- 1. STATE: MICHIGAN
- 2. DUE DATE: May 1, 2002
- 3. CARRIER NAME: \_\_\_\_\_
- 4. FILING AS: GROUP  INDIVIDUAL COMPANY
- 5. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 6. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**P.O. Box 3337**  
**Livonia, MI 48151-3337**  
**ATTENTION: Jon Heikkinen**

CAOM USE ONLY  
DATE RECEIVED  
\_\_\_\_\_  
RECEIPT MAILED  
\_\_\_\_\_

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**RECEIPT OF CALL NOTIFICATION**  
**F-Classification Policy Year Call**  
**Valued as of 12-31-2001**

- 7. STATE: MICHIGAN
- 8. DUE DATE: May 1, 2002
- 9. SUBMISSION TYPE: ORIGINAL  CORRECTION
- 10. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_
- 11. MAIL RECEIPT TO (Indicate specific individual):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Transmittal Letter**  
**Countrywide Loss Adjustment Expense Call**  
**Valued as of 12-31-2001**

- 1. STATE: MICHIGAN
- 2. DUE DATE: May 1, 2002
- 3. CARRIER NAME: \_\_\_\_\_
- 4. FILING AS: GROUP  INDIVIDUAL COMPANY
- 5. If filing as a group, list individual carrier names or NCCI carrier codes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 6. SUBMISSION TYPE: ORIGINAL  CORRECTION

**MAIL CALL AND TRANSMITTAL TO:**

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**P.O. Box 3337**  
**Livonia, MI 48151-3337**  
**ATTENTION: Jon Heikkinen**

CAOM USE ONLY  
DATE RECEIVED

RECEIPT MAILED

**COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN**  
**RECEIPT OF CALL NOTIFICATION**  
**Countrywide Loss Adjustment Expense Call**  
**Valued as of 12-31-2001**

- 7. STATE: MICHIGAN
- 8. DUE DATE: May 1, 2002
- 9. SUBMISSION TYPE: ORIGINAL  CORRECTION
- 10. DATE RECEIVED AT CAOM \_\_\_\_\_ BY \_\_\_\_\_
- 11. MAIL RECEIPT TO (Indicate specific individual):

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\_\_\_\_\_  
\_\_\_\_\_