To All Members and Subscribers of the Bureau:

NCCI TO PUBLISH THE MASSACHUSETTS ALL RISK ADJUSTMENT PROGRAM (MA ARAP) FACTOR ON INTERSTATE EXPERIENCE RATED RISKS

The Massachusetts All Risk Adjustment Program (MA ARAP) is a mandatory part of the approved Experience Rating Plan which applies to both voluntary and residual market experienced rated risks. The factor used to calculate MA ARAP premium surcharge must be applied to the standard premium developed from Massachusetts exposures. Historically the WCRIBMA promulgated the MA ARAP factor for both interstate and intrastate rated risks.

After extensive testing by the National Council on Compensation Insurance (NCCI) and WCRIBMA, NCCI recently began calculating and publishing the MA ARAP factor for interstate rated risks with Massachusetts exposures. Consequently, the interstate rating serves as a "single source" for experience rating information for interstate rated risks that have Massachusetts exposures. On NCCI’s interstate rating work-sheet, the MA ARAP factor is found in the row identified as “Factors” and is labeled “MA ARAP”. Within the electronic record layout, NCCI is positioning the MA ARAP factor in the Rating Information Record. The field is named Massachusetts All Risk Adjustment Program and it begins in position 291.

The WCRIBMA will continue its publishing of MA ARAP factors for interstate rated risks for the next few months.

With respect to intrastate rated risks, the WCRIBMA will continue to calculate and publish MA ARAP factors in the usual manner.

Please contact the undersigned at sannis@wcribma.org or at 617-646-7567 with any questions concerning the publication MA ARAP.

Sheila Annis
Vice President Data Operations