



Understanding the Difference Between NCCI and WCIRB Experience Modifications — And How to Know Which One Applies to You

Have you ever wondered what the difference is between an NCCI and a WCIRB Experience Modification? Or how to determine which rating bureau you should be focusing on? In this edition of our newsletter, we'll break down the key distinctions between these two workers' compensation rating systems. We'll also guide you on how to identify when you need to pay attention to one, the other — or even both.

Differences between NCCI and WCIRB:

NCCI (National Council on Compensation Insurance)

- **Who they are:** A nationwide organization that manages workers' compensation data, sets classification codes, and calculates experience modification rates (EMRs) in **most U.S. states**.
- **Where they operate:** They handle ratings in **36 states** and serve as a statistical agent in several others.
- **What they do:**
 - Develop and maintain classification codes.
 - Calculate **Experience Modification Rates (EMRs)**.
 - File rates and loss costs with state regulators.
 - Provide data and analytics to insurers and regulators.

WCIRB (Workers' Compensation Insurance Rating Bureau of California)

- **Who they are:** An **independent, nonprofit** organization that performs a similar role to NCCI, but **only for California**.
- **Where they operate:** **California only**.
- **What they do:**
 - Develop and maintain classification codes specific to California.
 - Calculate **Experience Modification Factors (X-Mods)** — California's version of EMRs.
 - File pure premium rates with California regulators.
 - Collect and analyze California-specific claims and policy data.

Key Differences at a Glance:

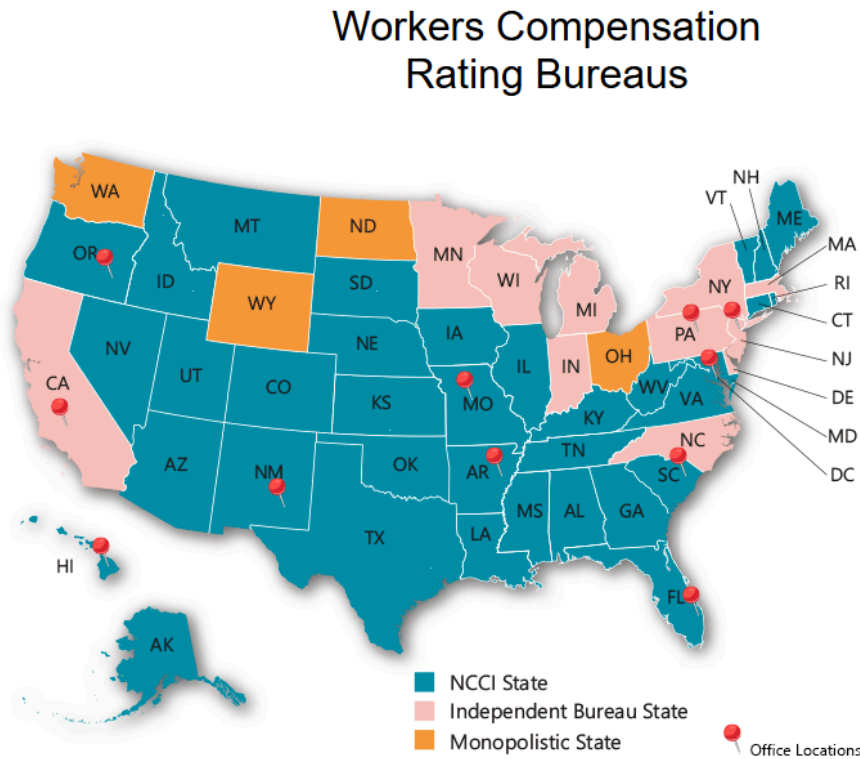
Feature	NCCI	WCIRB
Scope	National (36+ states)	California only
Rating Term	Experience Modification	Experience Modification
Classification System	Rate (EMR)	Factor (X-Mod)
Governing Body Type	NCCI class codes	WCIRB class codes (slightly different)
Filing Authority	National nonprofit Varies by state	California-specific nonprofit Files with CA Department of Insurance

So, if your business is in **California**, you'd be governed by **WCIRB** rules, classifications, and X-Mods. But if you're operating in another state like Texas, Florida, or Georgia, **NCCI** would be the rating bureau in charge.

Need an Experience Modification Projection? We Can Help!

If you need an experience modification projection—whether through the **WCIRB** or **NCCI**—HIB's Consulting Division is here to assist. With years of expertise in experience rating and workers' compensation analysis, our team can provide accurate projections and help you understand what to expect.

Want to learn more or get started? Reach out to us today—we'd be happy to help!



Meet the Authors!



Anne started at Heffernan Insurance Brokers in 2010 in the Church Unit as an Assistant. She then moved to the Corporate Resources Division in 2013 and to the Claim Consulting Division in 2014. In her current role as an Executive Claims Consultant, her primary objective is to help clients navigate the Workers' Compensation system by overseeing their open claims and facilitating proactive claims handling by the carriers.

Blake has been in the insurance industry for over 10 years. He started his career here at Heffernan in 2015, working out of the Menlo Park's commercial lines department. He then spent 7 years as a claims adjuster with an international claim's administrator. Blake managed a diverse range of workers' compensation claims over the years. His background includes close collaboration with litigation specialists, investigators, and injuries across various industries. He also maintains a California Self Insurance Administration designation.

