



## Pennsylvania Compensation Rating Bureau

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Revised 7/13/04. See Page 6.

July 1, 2004

### **BUREAU CIRCULAR NO. 1484**

To All Members of the Bureau:

Re: **MANUAL REVISIONS - SECTIONS 1, 2, 5 AND 7**  
**EFFECTIVE OCTOBER 1, 2004**

- 1) Code 009, Logging Or Lumbering, Class Study Results**
- 2) Code 922, Furniture Store, Class Study Results**
- 3) Housekeeping Revisions – Sections 1, 2 and 5**
- 4) Housekeeping Revisions – Section 7**

The Bureau has filed and the Insurance Commissioner has approved Manual revisions to Sections 1, 2, 5 and 7 pertaining to changes in classification procedure in Pennsylvania. These revisions become **effective as of 12:01 a.m., October 1, 2004** with respect to new and renewal business only.

The revisions, as referenced above, are discussed below.

#### **1) Code 009, Logging Or Lumbering, Class Study Results**

The Bureau study of Code 009 was undertaken to determine the feasibility of an alternate classification for those logging businesses principally engaged in the cutting/felling of trees by means of mechanized equipment (e.g., the use of a tracked or wheeled unit with an enclosed cab, such as a feller-buncher that has a fixed-grip harvesting head that can grasp, cut, lift, swing and bunch trees such that the operator normally does not leave the cab in the performance of his duties). Based on the study results, the following changes are being implemented:

- Creation of a new class, Code 015, Logging Or Lumbering – Mechanized Tree Felling Equipment, for employers principally engaged in tree cutting/felling by means of mechanized equipment.
- Revision of Code 009, formerly titled “Lumbering Or Lumbering – All Methods,” to focus upon logging businesses principally engaged in tree cutting/felling by chain saws.

The Manual revisions are shown below with new wording underlined and deleted wording bracketed.

**SECTION 2**

ADDITION

**015 LOGGING OR LUMBERING – MECHANIZED TREE FELLING EQUIPMENT.**

Please see the Rulings and Interpretations, Section 5 for further information on the scope of this class.

Hazard Group III

CHANGE

**009 LOGGING [or]OR LUMBERING [– All Methods], N.O.C.**

Please see..... of this class.

The following is a table of the approved loss costs, expected loss factors and hazard group assignments:

CODE	APPROVED LOSS COST EFF. 10/1/04	APPROVED EXPERIENCE RATING PLAN <u>Expected Loss Factors Table</u>			APPROVED HAZARD GROUP
		A-1	A-2	A-3	
009	30.04	14.41	17.67	18.63	III
015	21.65	10.38	12.73	13.43	III

**SECTION 5**

**Rulings & Interpretations**

ADDITION

LOGGING OR LUMBERING – MECHANIZED TREE FELLING EQUIPMENT – 015

Applicable to a logging or lumbering business principally engaged in cutting/ felling trees for lumber, wood chips or clearing land by means of mechanized equipment. Mechanized tree felling equipment is a tracked or wheeled unit that has an enclosed cab (e.g., a feller-buncher that has a fixed-grip harvesting head that can grasp, cut, lift, swing and bunch trees), and the equipment’s operator does not normally leave the cab in the performance of his tree cutting/ felling duties.

Also applicable to the transportation of the logs to a sawmill or another type of customer and to the construction, maintenance or extension of landings or logging roads when performed by the employees of the logging business.

Sawmill operations conducted by a separate crew of employees shall be assigned to Code 301.

ADDITION (continued)

Specialist contractors engaged in hauling logs for an unrelated logging or lumbering business(es) shall be assigned to Code 811. Assign Code 301 to log hauling performed by a sawmill business when all logging or lumbering has been outsourced to an unrelated logging or lumbering business(es).

CHANGES

CLEARING OF LAND

Below find..... of this Manual.

1. Assign Code 009 for [all methods of] tree [removal]cutting/felling by chain saw regardless of tree size and the incident removal of brush and/or stumps.
2. [Assign Code 609 for all methods of clearing or removing brush and/or stump removal not incident to tree removal except for road construction. Such work for a road job or project is subject to Code 602.]Assign Code 015 for tree cutting/felling by mechanized equipment regardless of tree size and the incident removal of brush and/or stumps.
3. [Assign Code 005 for all methods of tree pruning, spraying (except aerial tree spraying, which is assignable to the applicable aircraft operation class) or trimming, including tree removal incident thereto and all operations in connection therewith.]Assign Code 609 for all methods of clearing or removing brush and/or stump removal not incident to tree removal except for road construction. Such work for a road job or project is subject to Code 602.
4. [Assign Code 012 for brush or weed control using chemicals dispensed from portable or mechanical ground spraying equipment.]Assign Code 005 for all methods of tree pruning, spraying (except aerial tree spraying, which is assignable to the applicable aircraft operation class) or trimming, including incident tree removal and all incident operations
5. Assign Code 012 for brush or weed control using chemicals dispensed from portable or mechanical ground spraying equipment.

LOGGING OR LUMBERING, N.O.C. – 009

Applicable to a logging or lumbering business principally engaged in [logging or lumbering (defined as)cutting/felling trees for lumber or wood chips or clearing land of trees [ ]] by [any method and]chainsaws regardless of the trees' size. Includes stump removal incident to logging or lumbering by the logging business.

Also applicable to the transportation of the logs to a mill and to the construction, maintenance or extension of logging roads [or logging railroads] when performed by employees of the logging business.

Sawmill operations..... or lumbering business(es).

## Underwriting Guide

### ADDITIONS

Logging – By Means of Mechanized Equipment.....	015
Lumbering – By Means of Mechanized Equipment.....	015
Wood Chipping – By The Logging Business At the Logging Site.....	Assign Applicable Logging Class

### CHANGES

Logging - [All Methods] <u>By Chain Saws</u> .....	009
Lumbering – [All Methods] <u>By Chain Saws</u> .....	009
Logging <u>Or Lumbering Business</u> – [Railroad Or] Trucking To Sawmill <u>Or Unrelated Customer</u> .....	[009]Assign Applicable Logging Class

### DELETIONS

Bark Peeling Contractor, For Pulp Wood.....	009
Bark Peeling, In Connection With Logging.....	009
Wood Chopping.....	009

## 2) Code 922, Furniture Store – Retail or Wholesale – No Woodworking, Class Study Results

The Bureau restudy of Code 922 was undertaken to review the feasibility of separately classifying dedicated installation and/or service staff, creating a new classification for floor coverings dealers, separating wholesale dealers to a different or new classification and including outside salespersons in the scope of Code 922 focused upon retail furniture stores. Based on the study results, the following changes will be implemented:

- The Bureau procedure of including all installation, service or repair staff in the governing classification of Code 922 will be **unchanged**.
- Floor covering dealers **will continue** to be included in the scope of the furniture store classification with no new, separate classification being created.
- Creation of a new class, Code 921, Furniture Store – Wholesale, for wholesale dealers principally engaged in selling furniture and related merchandise.
- Re-titling of Code 922 “Furniture Store – Retail – All Employees Except Office,” which will also be revised to include employers principally engaged in operating retail stores selling furniture and related merchandise.
- The Bureau procedure of authorizing Code 951 in conjunction with Code 922, which resulted in payroll being misclassified, has been amended to include all outside salespersons’ payroll in the scope of the redefined Code 922 for retail dealers only.

The Manual revisions are shown below with new wording underlined and deleted wording bracketed.

**SECTION 2**

ADDITION

921 FURNITURE STORE – Wholesale - no woodworking.

Please see the Rulings and Interpretations, Section 5 for further information on the scope of this class.

Hazard group II

CHANGE

**922 FURNITURE STORE** – Retail [or Wholesale]All Employees Except Office – no woodworking.

Please see the Rulings and Interpretations, Section 5 for further information on the scope of this class.

The following are the approved loss costs, expected loss factors and hazard group assignments:

CODE	APPROVED LOSS COST EFF. 10/1/04	APPROVED EXPERIENCE RATING PLAN <u>Expected Loss Factors Table</u>			APPROVED HAZARD GROUP
		A-1	A-2	A-3	
921	5.88	2.82	3.46	3.65	II
922	4.72	2.27	2.78	2.93	II

**SECTION 5**

**Rulings and Interpretations**

ADDITIONS

**FURNITURE STORE – WHOLESALE - 921**

Applies to wholesale dealers principally engaged in selling or renting furniture including furniture for the home or office to retailers, businesses, wholesalers or other commercial entities. Also included are dealers principally engaged in the sale of furniture via catalogue, Internet and/or mail order. The word "furniture" as used in this classification includes but is not necessarily limited to: sofas, chairs, tables, beds, bedding, chests, breakfronts, bookcases, pianos, organs, all types of floor coverings, major household appliances and office furniture. In addition, a wholesale dealer may sell or rent other merchandise, such as lighting fixtures, lamps, stereo equipment, televisions, video and/or audio equipment, small household appliances, mirrors, pictures and kitchen cabinets.

ADDITIONS (continued)

Further included is the delivery and setting in place of merchandise and minor repairing of furniture on the insured's premises or at the customer's location and installation, service or repair operations, including but not necessarily limited to: the installation of all types of floor coverings, window coverings or the service or repair of major household appliances or televisions or other electronic entertainment or communications devices and the installation of office furniture.

OPERATIONS NOT COVERED:

Assign Code 922 to the retail sale of furniture and related products.

CHANGE

**FURNITURE STORE – RETAIL [OR WHOLESALE] ALL EMPLOYEES EXCEPT OFFICE – NO WOODWORKING – 922**

This wording corrected 7/13/04 by approval of Pennsylvania Insurance Department dated 7/13/04.

Applies to a retail store[s or wholesale dealers] principally engaged in selling or renting furniture including antique furniture for homes, lawns, or gardens [, offices or hotels] to the general public and/or in a retail manner. [The furniture may be sold directly from the floor of the store or ordered from catalogs and samples on display in a showroom and subsequently shipped by the store to the customer.] The word "furniture" as used in this classification includes but is not necessarily limited to: living room, dining room, bedroom or kitchen sets and individual pieces, such as sofas, chairs, tables, beds, bedding, chests, breakfronts, bookcases, pianos, organs, all types of floor coverings [(carpet and linoleum)] and major household appliances such as refrigerators, stoves and/or washing machines. In addition, a furniture store may sell or rent other merchandise such as lighting fixtures, lamps, stereo equipment, televisions, video and/or audio equipment, small household appliances, mirrors, pictures and kitchen cabinets.

[In addition, furniture stores may sell or rent other merchandise such as lighting fixtures, lamps, stereo equipment, televisions, video and/or audio equipment, small household appliances, mirrors, pictures and kitchen cabinets.]

Further included are delivery and setting merchandise in place, hanging pictures or mirrors and polishing and minor repairing of furniture on the insured's premises or at the customer's location and installation, service or repair operations, including but not necessarily limited to: the installation of [wall to wall carpeting, non-ceramic tile] all types of floor coverings or window coverings or the service or repair of major household appliances or televisions or other electronic entertainment or communications devices.

Where a store sells..... gross receipts.

All salespersons, including but not limited to floor salespersons, interior designers and decorators, are contemplated by the scope of Code 922 and are not separately classified.

## Underwriting Guide

### ADDITIONS

Furniture Store - Wholesale.....	921
Store – Furniture - Wholesale.....	921
Floor Coverings Dealer - Wholesale.....	921
Office Furniture Dealer.....	921
Major Household Appliance Dealer - Wholesale.....	921
Piano or Organ Store - Wholesale.....	921
Party Supplies Rentals - Wholesale.....	921
Party Supplies Rentals - Retail.....	922
Hot Tub or Spa Dealer - Retail.....	925
Hot Tub or Spa Dealer - Wholesale.....	926

### CHANGES

Antique <u>Furniture Dealer</u> [, Furniture] - <u>Retail</u> .....	922
Bedding Store - <u>Retail</u> .....	922
Carpet Dealer - Wholesale .....	[922]921
Electrical Household Appliances, Major – Retail [Or Wholesale].....	922
Floor Coverings Dealer - Retail [Or Wholesale - Carpet, Rug, Linoleum].....	922
Furniture Rental - Chairs, Coat Racks, Dishes, Etc. - <u>Retail</u> .....	922
Furniture Store – Retail [Or Wholesale].....	922
Home Freezer Dealer – Retail [Or Wholesale].....	922
Household Appliances Dealer, Major - Retail [Or Wholesale].....	922
Household Furniture Dealer - <u>Retail</u> .....	922
Household Laundry Equipment Dealer- <u>Retail</u> .....	922
Household Refrigerator Dealer - Retail [Or Wholesale].....	922
Musical Instruments Rental - Pianos And Organs - <u>Retail</u> .....	922
Piano Or Organ Store - <u>Retail</u> .....	922
Pool Table Dealer - Retail .....	922
Refrigerator, Stove Or Washing Machine Store - <u>Retail</u> .....	922
Store, Furniture - Retail [Or Wholesale].....	922

### **3) Housekeeping Revisions – Sections 1, 2 and 5**

In an effort to continue to make the Manual clearer and less ambiguous by clarifying classification procedures, updating class language to bring it into alignment with other Manual provisions or recognizing technological or industrial change, the following revisions are being implemented:

#### ***Revisions to Classification Procedure***

- Elimination of the sole exception to general inclusion of delivery exposure in the employer's field-of-business classification currently given to Code 4771, Explosives Mfg., N. O. C.

- Reassignment of Underwriting Guide entry for “Gardner” to Code 012, Landscape Contractor, to show the proper assignment.

### **Section 1**

- Revision of Rule IV, Classifications, Paragraph B. 2. c. “Salesperson – Outside, Code 951” by adding language to denote that Code 819, Automobile Salespersons, is also a standard exception class.
- Revision of Rule IV, Classifications, Paragraph B. 3. (4) by clarifying how staff has consistently interpreted the “General Inclusions” paragraph on how to classify an employer’s payroll developed in the maintenance or repair of the employer’s buildings, vehicles or equipment by the employer’s staff to also include the cleaning thereof.
- Correction of the cross-reference under Rule IX, Paragraph E. “Subcontractors,” 4. “Drivers, Chauffeurs and Helpers Under Contract” from an incorrect reference to Rule IV, B. 3. a. (10), a specific “General Inclusions” paragraph.

### **Section 2**

- Addition of language to seven classes’ wording to denote that the classes have a Rulings and Interpretations (R&I) or to delete Section 2 language that is more appropriately located in the classifications’ R&I entries.
- Specification in Codes 942, Home Health Care – Professional Staff, and 943, Home Health Care – Nonprofessional Staff, that they include all employees except office and denoting the proposed creation of a new R&I entry under “Home Health Care.”
- Substitution of “principally” in place of “primarily” engaged in three classes.
- Clarification of wording in Code 512, Brick Mfg., as to when Code 514 should be assigned.
- Clarification of Code 806 regarding the inclusion of packing of household goods in preparation for moving by an independent packing contractor.
- Tightening of the language in Code 923, Packaging – Contract.
- Specification in Code 940, Residential Care Facility for the Developmentally Disabled, that the sheltered workshop must be separately staffed in order to be separately classified.
- Addition of pharmacists to the listing of temporary medical staff contemplated by Code 946, Employment Contractor – Temporary Medical Staffing.
- Accomplishment of the elimination of the payroll division between Code 4771, Explosives Mfg., and Code 811, Trucking.



- Specification of the maximum seat surcharge per aircraft in Codes 7421, Aircraft Operation – transportation of personnel in business, and 9108, Aircraft Passenger Seat Surcharge.

**Section 5**

- Addition of a new R&I entry for “Home Health Care” that defines both Codes 942 and 943.
- Revision of six R&I entries to further clarify and/or tighten the scope of the referenced class(es).

**SECTION 1**

CHANGES

**RULE IV – CLASSIFICATIONS**

**Item 4 of the Information Page**

**B. CLASSIFICATIONS**

**2. Standard Exception Classifications**

- c. **SALESPERSONS – OUTSIDE, Code 951** –..... except office.

Automobile Salespersons – Code 819 are employees engaged in such duties on and away from the insured’s premises. Code 819 shall be treated as Salespersons – Outside, Code 951, for the purposes of this rule, but Automobile Salespersons are assigned to Code 819.

**3. General Inclusions**

- a. Some operations ..... inclusions and are:

(4) Maintenance or repair and/or cleaning of an insured’s buildings, or vehicles or equipment when performed by employees of an insured.

**RULE IX – SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE**

**E. SUBCONTRACTORS**

**4. Drivers, Chauffeurs and Helpers Under Contract**

This rule on subcontractors does not apply to contracts to drivers, chauffeurs or helpers on vehicles engaged under contract. See Rule IV[-] B. [-] 3. [- b]a (10).

## SECTION 2

### CHANGES

**005 TREE PRUNING**, Spraying, Repairing or Fumigating. No payroll division with Code 012 at the same location or job site.

[Landscaping or lawn cutting or maintenance performed at separate locations or job sites where no tree care services are provided is to be separately rated as Code 012.]  
Please see the Rulings and Interpretations, Section 5 for further information on the scope of this class.

**059 MINERAL MILLING** – [establishments operating without] applicable to businesses that do not operate either a mine nor a quarry and [primarily] are principally engaged in the crushing, grinding, pulverizing or otherwise preparing clay, ceramic or refractory materials, barite or miscellaneous metallic or non-metallic minerals.

**114 RENDERING Works.**

[This classification includes establishments primarily] Applicable to businesses principally engaged in rendering inedible grease and tallow from animal fat, bones and meat scraps; and [those] businesses principally engaged in manufacturing animal oils and animal meal.

**119 MEAT PRODUCTS MFG., N.O.C.**

[This class is for establishments primarily to exclusively] Applicable to businesses principally engaged in [the] making [of] hamburger, and/or hamburger or veal patties and/or sandwich steaks.

**319 FURNITURE ASSEMBLY.**

[Upholstering operations conducted by a separate crew of employees in a physically separate department shall be assigned to Code 327.]

Please see..... of this class.

**512 BRICK MFG., N.O.C.**

[This classification may not apply] Assign Code 514 to [any payroll at] a location(s) principally engaged in manufacturing [where] refractory products [are manufactured].

**806 FURNITURE MOVING and/or STORAGE.**

Includes the packaging or handling of household goods away from the employer's premises by the furniture moving and/or storage company or by an independent packing contractor.

The transporting..... to Code 811.

CHANGES (continued)

**815 AUTOMOBILE SERVICE CENTER** or Garage – including counter personnel (see the Auditing Ruling and Interpretation “Counter Personnel – Automobile Repair Facilities,” Section 5 for further information) and estimators.

Tire recapping..... business enterprise.

**818 AUTOMOBILE** or Automobile Truck **DEALER** – including service counter and parts department.

Please see the Auditing Ruling and Interpretation – “Automobile Dealerships,” Section 5 for further information.

Also includes..... warranty service.

**891 PRE-SCHOOL (CHILD CARE OR EARLY EDUCATION) SERVICES** – all employees including office.

[Includes but is not necessarily limited to nursery schools, Head Start, kindergarten or child day care services. Providers of early intervention services for infants or toddlers shall be assigned to **Code 892.**]

Please see..... of this class.

**923 PACKAGING – CONTRACT – NON-CRATING.**

[Applies]Applicable to businesses principally engaged in packaging or repacking [cosmetics, toiletries, pharmaceuticals, soaps, cleaning agents, hardware and/or similar] merchandise owned by unrelated customers as a contract service. Such includes but is not necessarily limited to cosmetics, toiletries, pharmaceuticals, soaps, cleaning agents or hardware. Assign Code 305 to [P]payroll developed by [a] separate staff in a physically separate work area in the preparation and crating of any type of merchandise for shipment (in shop as a contract service) [shall be assigned to Code 305]. Crating or packaging of any type at customer locations or the repackaging of explosives shall be classified as provided in the Manual.

**940 RESIDENTIAL CARE FACILITY** for the **Developmentally Disabled** – all employees except office and the separate staff of a certified sheltered workshop.

Please see..... of this class.

**[HOME HEALTH CARE SERVICES]**

[Applicable to any establishment providing health care services to individuals and families in their residence. The services provided include skilled services under a physician’s written direction and these components include but are not limited to nursing care, home infusion therapy, physical, speech and/or occupational therapy and/or nonprofessional services

CHANGES (continued)

including but not limited to home health aid, attendant care, companions and live-ins and/or home support services such as homemakers or chore workers. Payroll so developed shall be classified in the manner indicated below.]

**942 HOME HEALTH CARE** – Professional Staff, all employees except office.

[Includes registered or licensed practical nurses, pharmacists, physical, speech and/or occupational therapists, medical social workers and outside salespersons.]

Please see the Rulings and Interpretations, Section 5 for further information on the scope of this class.

**943 HOME HEALTH CARE** – Nonprofessional Staff, all employees except office.

[Includes home health aides and certified home health aides, attendant care aides and home support personnel such as homemakers, companions and chore workers. Also included are companions and live-ins.

Payroll developed in the sale or rental of durable hospital equipment or supplies such as hospital beds, wheelchairs, commodes and walkers to the individual home health care patient shall be assigned to Code 928 provided this operation is separately staffed.]

Please see the Rulings and Interpretations, Section 5 for further information on the scope of this class.

**946 Employment Contractor** – Temporary **MEDICAL** Staffing.

Applicable to employers providing professional and/or nonprofessional medical [personnel to] staff to unrelated health care facilities or to physicians/dentists' practices on a temporary basis. Such employees include but are not necessarily limited to: registered nurses or licensed practical nurses, pharmacists, aides, orderlies, attendants, medical technicians or doctors.

Payroll developed..... temporary staff.

**993 VOLUNTEER AMBULANCE CORPS.**

The per Corps..... at each location.

Please see the Volunteer Fire Departments and/or Volunteer Fire Companies – Workers' Compensation Insurance Options Ruling and Interpretation for further information.

**994 Firefighter – VOLUNTEER FIRE COMPANY.**

Please see the Volunteer Fire Departments and/or Volunteer Fire Companies – Workers' Compensation Insurance Options Ruling and Interpretation for further information.

CHANGES (continued)

**4771 EXPLOSIVES** Or Ammunition **MFG.**, N.O.C.

Includes but is..... single base.

[Employees exclusively engaged in product delivery shall be classified by Code 811.]

Code 0771 must..... by Code 4777.

**7421 AIRCRAFT OPERATION** – transportation..... flying crew.

This classification ..... separately rated.

A per passenger seat surcharge, subject to a maximum surcharge of ten seats per aircraft, shall be charged in addition to the premium otherwise determined under this classification. These surcharges shall not be cumulative in the event of substitution of aircraft during the policy period; but these surcharges shall be cumulative in the event more than one aircraft is owned or operated during the same policy period. These surcharges shall not be subject to pro rate or short rate adjustment except in the event of cancellation of the policy. These surcharges and losses to employees, other than members of the flying crew, arising out of the operation of an aircraft, are to be reported under **Code 9108**. Attach Endorsement **WC 00 04 01A**.

**9108 AIRCRAFT Passenger Seat Surcharge.**

The maximum surcharge is ten seats per aircraft. For details see **Code 7421**, Aircraft Operations, Transportation of Personnel for Business. Premium developed under **Code 9108** is not subject to experience or retrospective rating.

**SECTION 5**

**Rulings and Interpretations**

ADDITIONS

**HOME HEALTH CARE SERVICES**

Applicable to any business providing home health care services to individuals or to families in their residence. The services provided may include skilled services under a physician's written direction that include but are not necessarily limited to nursing care, home infusion therapy, physical, speech and/or occupational therapy and/or nonprofessional services, including but not necessarily limited to home health aide, attendant care, companions and live-ins and/or home support services such as homemakers or chore workers. Payroll so developed shall be classified in the manner indicated below.

Code 942, "HOME HEALTH CARE – Professional Staff, all employees except office," includes registered or licensed practical nurses, pharmacists, physical, speech and/or occupational therapists, medical social workers and outside salespersons

ADDITIONS (continued)

Code 943, "HOME HEALTH CARE – Nonprofessional Staff, all employees except office," includes but is not necessarily limited to home health aides and certified home health aides, attendant care aides, companions and live-ins and home support personnel such as homemakers and chore workers.

OPERATIONS ALSO INCLUDED:

1. Assign Code 942 to outside salespersons employed by a home health care business that performs only nonprofessional home health care services.

OPERATIONS NOT INCLUDED:

1. Assign Code 928 to separate staff engaged in the sale or rental of durable hospital equipment or supplies such as hospital beds, wheelchairs, commodes and walkers to the individual home health care patient.

CHANGES

**EMPLOYMENT CONTRACTOR – TEMPORARY STAFFING**

Employers engaged in..... other business classification(s).  
Code 544 chart unchanged  
Code 682 chart unchanged  
Code 929 chart **additions: 921**  
Code 937 chart **additions: 015**  
Code 947 chart unchanged:  
Code 949 chart unchanged:

**HOTEL OR MOTEL OPERATIONS**

Payroll developed..... proper procedure.

The two classifications applicable to hotel or motel operations are Codes 973 and 945.

Code 973 shall include all operations performed by hotel or motel employees except for separate food service and beverage staff(s). Employees assigned to Code 973 includ[ing]e but are not necessarily limited to: front desk employees, persons engaged in the operations of newsstands, candy or cigar shops or similar activities, personnel operating or maintaining indoor or outdoor swimming pools, the golf course(s), video game room, the health or fitness club, tennis courts or other hotel or motel amenities, maids, housemen, inside or outside maintenance, store workers, barbers, laundry workers, [or] employees performing concierge services (i.e., arrangements for tours, theater tickets or the rental of automobiles), or opening boxes and/or bags and laying out prepackaged and/or precooked food and/or making coffee for a continental breakfast where there is no other food service or beverage operations.

Separate staff.....to Code 953.

CHANGES (continued)

**MEAT DEALER – WHOLESALE – 910**

Applicable to businesses..... and vegetables.

[Also includes businesses principally engaged in making natural sausage casings, but who perform no killing of animals.]

OPERATIONS ALSO INCLUDED:

Businesses principally engaged in making natural sausage casings, but who perform no killing of animals.

OPERATIONS NOT INCLUDED:

1. Assign Code 119..... of fresh meats.

**MEAT, FISH AND/OR POULTRY STORE – 915**

Applicable to businesses..... as indicated below.

OPERATIONS NOT ~~[COVERED]~~INCLUDED:

1. Assign Code 111 [W]when the business' operations include the killing of animals and more than 50% of the sales are to wholesale customers [, such risk shall be rated as Code 111].
2. Assign Code 106 [W]when the business' operations do not involve the killing of animals but do include the [making of]curing and preserving of meat into processed meat products [by the curing and preserving of meat and] and more than 50% of the sales are to wholesale customers [, then such risk shall be rated as Code 106].
3. Assign Code 910 [W]when the business' operations simply involve [the] cutting, [deboning] or grinding [of] fresh meats received in boxes, (deboning will also be performed if the fresh meat is received in carcasses or partial carcasses), and more than 50% of the sales are to [non-retail]wholesale customers [, then the risk shall be rated as Code 910].
4. Assign Code 917.....fish or poultry.

CHANGES (continued)

**MAILING OR ADDRESSING COMPANY – 948**

Applicable to..... or Code 953.

**OPERATIONS NOT COVERED:**

1. Assign the ..... inventoried merchandise.
2. Businesses printing and performing mailing or addressing shall be subject to the appropriate printing classification when less than 50 percent of the print production is used in the mailing or addressing operation. [If the business fulfills multiple enterprise criteria Code 948 may become an additional authorized classification.]
3. Code 948.....of this Manual.

**INTERMEDIATE UNIT [(SPECIAL EDUCATION)] - ALL EMPLOYEES  
INCLUDING OFFICE – 893**

Applicable to intermediate units established by the Pennsylvania General Assembly (Title 24, Article IX – A, Intermediate Units) effective July 1, 1971. The intermediate unit is a regional educational service agency that works with its member school districts to provide specialized support services for students. The services provided include but are not necessarily limited to special education, summer curriculums, education in the arts, English as a second language, Head Start, adult education and professional training to teachers and other professionals in the education field. [Intermediate units provide educational programs to mentally challenged, blind or emotionally disturbed children. These programs are generally provided to children the age of Grades 1 to 12 and include the standard grade and high school curriculums (presented in a manner commensurate with the child’s special needs).] Intermediate unit services may be provided in classrooms of unrelated schools or in mobile units positioned adjacent to such schools. Teachers [working with intermediate units] will have at minimum[,] degrees in education and be state certified. [Most will also have added courses in special education and some with have training in teaching the blind.]

**SCHOOLS FOR DISTURBED (OR DELINQUENT) CHILDREN –  
ALL EMPLOYEES INCLUDING OFFICE - 894**

Applicable to employers operating educational facilities for youth who cannot cope in or who have been removed from the standard school setting. The students may be referred by school districts, youth services or other agencies because of behavior problems (e.g., truancy, drug or alcohol abuse and/or violent or destructive behavior).

Also [A]applicable to employers who operate educational facilities for court adjudicated delinquents. Attendance in [these]such facilit[ies]y may in some cases be mandatory in lieu of prison sentences[. The academic curriculum provided these facilities is similar to that provided



CHANGES (continued)

in public, private and parochial school districts but is provided in]and is a guarded environment with strict disciplinary rules. [The curriculum will also include extensive counseling. Classroom activities are geared toward helping older students pass their high school equivalency test or obtain a high school diploma.]

[This classification also contemplates]Further included are employers who operate educational facilities for disturbed children. [These]Such include but are not necessarily limited to dependent, neglected or abused children or children who have demonstrated social and/or emotional disturbances, have neurological impairments or who have been diagnosed as developmentally delayed [and cannot cope in a standard school setting].

The academic curriculum provided by these facilities is typically similar to that provided by public school districts or private schools, but with a greater emphasis upon counseling or other services specific to the facility's student population. Classroom activities are geared toward helping older students pass their high school equivalency test or obtain a high school diploma.

**FAST FOOD RESTAURANT – 897**

[A fast food restaurant is]Applicable to a retail [establishment]business principally engaged in preparing food(s) and selling the prepared food(s) and generally nonalcoholic beverages to the public for immediate consumption, either on the [establishment's]business' premises or on a take-out basis. Fast-food restaurants have a limited menu and no wait service except on an occasional or accommodation basis. Customer orders are typically placed at a counter (the menu being openly displayed above and/or behind the counter), via a drive-through service or by telephone and rapidly filled. Fast-food restaurants generally sell nonalcoholic beverages, but certain fast-food restaurants may also have incidental beer sales. Included within (but not necessarily limited to) this definition are retail [establishments]businesses principally engaged in the preparation and sale of: hamburgers, tacos, pizza or chicken.

Also contemplated are [establishments]retail businesses principally engaged as either buffet or cafeteria-style restaurants. Buffet or cafeteria-style restaurants offer a buffet-type meal. Customers may serve themselves or staff may serve food to customers in the buffet line. Staff may clear tables after customers have completed their meal. There is no wait service.

[The term "principally engaged" means more than 50 percent of the establishment's gross receipts.]

**CATERER – 898**

There are four..... cafeteria-style environment.

Concession caterers are usually located at but are not limited to airports, sports stadiums, amusement parks, theaters or museums. The concession caterer operates under contract with the client facility to provide prepared food and beverages to the client's patrons. [Occasionally,] [t]The concession caterer may also use "walking vendors" throughout the venue.

Mobile caterers.....assigned to Code 898.

CHANGES (continued)

**TOOL MFG – FORGED 433**

Applicable to..... oil well tools.

[Also included within the scope of this classification are specialist businesses principally engaged in the heat treating of metal for unrelated customers.]

OPERATIONS ALSO INCLUDED:

Specialist businesses principally engaged in the heat treating of metal for unrelated customers.

**TREE PRUNING, SPRAYING, REPAIRING OR FUMIGATING – 005**

Applicable to businesses [that are] principally engaged in using hand tools or mechanical equipment to prune, spray, trim or fumigate trees. These operations can be performed from the ground or may require the use of ladders or aerial buckets. [The classification] Also includes generalist tree care service contractors that perform most or all of the above listed services or specialists [that are] principally engaged in providing a single service (e.g., clearing the rights-of-way/tree pruning for utility contractors). Code 005 [also] further contemplates tree removal that is incident[al] to the employer's pruning, spraying, repairing, trimming or fumigating services.

OPERATIONS NOT COVERED:

1. [Not applicable] Assign the applicable logging classification to logging [contractors] businesses or clearing of land projects that include tree removal. [Assign logging contractors and clearing of land with tree removal to Code 009.]
2. Separately rate to Code 012 landscaping or lawn cutting or maintenance performed at separate locations or job sites where no tree care services are performed.

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**4) Housekeeping Revisions – Section 7**

Section 7, Merit Rating Plan, Combination or Changes of Status, was initially approved August 23, 1996 and referenced Rule 8. Combination of Entities. The actual rule reference should have been Rule 7, and the language below corrects that error.

**SECTION 7**

**MERIT RATING PLAN**

**COMBINATIONS OR CHANGES OF STATUS**

CHANGES

7. Combination of Entities

- b) Affiliates which are not required to be combined under Rule [8]7. (a) may be combined upon the mutual agreement of the risk and the carrier(s) involved. If such combination is agreed to, insurance may be provided either by a single policy insuring all affiliates or by separate policies for each affiliate issued by one or more insurance carriers. In the latter case the Merit Rating Plan adjustment established for the entire risk shall apply on each policy to each affiliate. If all affiliates are not combined, then each affiliate not otherwise subject to Rule [8]7 (a) shall be insured under a separate policy and merit-rated based on its own experience, providing it meets the qualification for merit rating as specified in Rule 1 of this section.

CHANGES (continued)

- c) When one or more mandatory combinations of affiliates under Rule [8]Z. (a) exist, insurance for each such combination may be provided by a single policy. Each mandatory combination and any other affiliates which are not required to be a part of any mandatory combination pursuant to Rule [8]Z. (a) may be separately merit-rated and separately insured.

Exception: If any one or more affiliates not required to be combined under Rule [8]Z. (a) or mandatory combinations voluntarily choose to be insured under a single policy, then all affiliates shall be insured under a single policy and the Merit Rating Plan adjustment established for the entire risk shall apply to each affiliate.

**Example**

Five legal entities are commonly .....through ownership.

By Rule [8]Z. (a) Company A and Company B must be combined for merit rating and must be covered by a single policy. Similarly, by Rule [8]Z. (a) Company C and Company D must be combined for merit rating and must be covered by a single policy. Company E may be separately merit-rated and covered by a separate policy.

The Basic Manual will be updated on our website ([www.pcrb.com](http://www.pcrb.com)) at a later date.

Timothy L. Wisecarver  
President

kg  
DCirc

***Remember to visit our web site at [www.pcrb.com](http://www.pcrb.com) for more information about this and other topics.***