



Pennsylvania Compensation Rating Bureau

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June 16, 2008

BUREAU CIRCULAR NO. 1550

To All Members of the Bureau:

Re: **MANUAL REVISIONS - SECTION 1 RULE IX H.**
PENNSYLVANIA CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM
EFFECTIVE OCTOBER 1, 2008

The Pennsylvania Compensation Rating Bureau has filed and the Insurance Commissioner has approved Manual revisions to Section 1, Rule IX, H. Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP). These revisions are **effective 12:01 a.m., October 1, 2008** with respect to new and renewal business only.

For policies with anniversary rating dates on or after October 1, 2008 the following changes to the PCCPAP plan are applicable:

- First, qualifying wages will be based on the Third Quarter of 2007, as this data is now or soon will be available and represents a more current level of employment and wage activity for construction employers.
- Second, the minimum hourly wage eligible for premium credit has been updated in accordance with the most recent change in the Statewide Average Weekly Wage (SAWW). This change revises the minimum wage eligible for PCCPAP premium credit to \$24.05 per hour.

This qualifying wage has been rounded to the nearest \$0.05, consistent with past practices.

- Third, consistent with procedural changes previously approved pursuant to Bureau filings pertaining to the PCCPAP 1995 through 2007, revisions have been made in the increments in qualifying wages used in constructing the PCCPAP table of premium credits.

A copy of the complete PCCPAP credit table effective for normal anniversary rating dates on or after October 1, 2008 in the text of Section 1, Rule IX, H. is shown at the end of this circular.

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Questions about PCCPAP should be directed to the Rating Rules & Policy Reporting Department at Extension 4445.

The Manual will be updated on our website (www.pcrb.com) at a future date.

The Bureau will advise qualifying employers and their insurers of record of credits using normal procedures.

Timothy L. Wisecarver
President

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Remember to visit our web site at www.pcrb.com for more information about this and other topics.

MANUAL REVISIONS

SECTION 1

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

**H. PENNSYLVANIA CONSTRUCTION CLASSIFICATION
PREMIUM ADJUSTMENT PROGRAM**

1. The Pennsylvania Construction..... as set forth below:

FROM

TO

Normal Anniversary <u>Rating Dates</u>	Reporting Period for <u>Qualifying Wages</u>	No Change	
July 1, 2004 - September 30, 2005	Third calendar quarter of 2003	No Change	
October 1, 2005 September 30, 2006	Third calendar quarter of 2004	No Change	
October 1, 2006 September 30, 2007	Third calendar quarter of 2005	No Change	
October 1, 2007 [and later]	Third calendar quarter of 2006	<u>October 1, 2007</u> <u>September 1, 2008</u>	Third calendar quarter of 2006
No current entry		<u>October 1, 2008</u> <u>and later</u>	<u>Third calendar</u> <u>quarter of 2007</u>

If the insured is listed below: No Change

DELETE table for *Normal Anniversary Rating Dates – July 1, 2003 – June 30, 2004*

NO CHANGE to tables for the following *Normal Anniversary Rating Dates*:

July 1, 2004 – September 30, 2005
October 1, 2005 – September 30, 2006
October 1, 2006 – September 30, 2007.

FROM

Normal Anniversary Rating Dates -
October 1, 2007 [and later]

TO

Normal Anniversary Rating Dates –
October 1, 2007 – September 30, 2008

Table Values Unchanged

The following **NEW** table has been added:

Normal Anniversary Rating Dates -October 1, 2008 and later

<u>Credit From Average Hourly Wage</u>	<u>Standard Premium</u>	<u>Credit From Average Hourly Wage</u>	<u>Standard Premium</u>
\$24.04 or less	None	\$29.90-\$30.44	18%
\$24.05-\$24.39	5%	\$30.45-\$30.99	19%
\$24.40-\$24.79	6%	\$31.00-\$31.54	20%
\$24.80-\$25.19	7%	\$31.55-\$32.09	21%
\$25.20-\$25.59	8%	\$32.10-\$32.69	22%
\$25.60-\$26.04	9%	\$32.70-\$33.29	23%
\$26.05-\$26.49	10%	\$33.30-\$33.89	24%
\$26.50-\$26.94	11%	\$33.90-\$34.54	25%
\$26.95-\$27.39	12%	\$34.55-\$35.19	26%
\$27.40-\$27.89	13%	\$35.20-\$35.89	27%
\$27.90-\$28.39	14%	\$35.90-\$36.59	28%
\$28.40-\$28.89	15%	\$36.60-\$37.29	29%
\$28.90-\$29.39	16%	\$37.30 and over	30%
\$29.40-\$29.89	17%		

Balance of the Rule remains unchanged.