



Pennsylvania Compensation Rating Bureau

United Plaza Building • Suite 1500
30 South 17th Street • Philadelphia, PA 19103-4007
(215)568-2371 • FAX (215)564-4328 • www.pcrb.com

April 13, 2009

BUREAU CIRCULAR NO. 1563

To All Members of the Bureau:

Re: **MANUAL REVISIONS - SECTION 1 RULE IX H.**
PENNSYLVANIA CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM
EFFECTIVE OCTOBER 1, 2009

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, 2009** with respect to new and renewal business only.

For policies with anniversary rating dates on or after October 1, 2009 the following changes to the PCCPAP plan are applicable:

- First, qualifying wages will be based on the Third Quarter of 2008, 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 \$24.95 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 2008, 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, 2009 in the text of Section 1, Rule IX, H. is shown at the end of this circular.

Bureau Circular No. 1563
Page 2

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

kg
DCirc

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 Reporting Period for
Rating Dates Qualifying Wages

No Change

October 1, 2005 Third calendar
September 30, 2006 quarter of 2004

No Change

October 1, 2006 Third calendar
September 30, 2007 quarter of 2005

No Change

October 1, 2007 Third calendar
September 1, 2008 quarter of 2006

No Change

October 1, 2008 Third calendar
[and later] quarter of 2007

October 1, 2008 - Third calendar
September 30, 2009 quarter of 2007

No current entry

October 1, 2009
and later

Third calendar
quarter of 2008

If the insured is listed below: No Change

DELETE table for *Normal Anniversary Rating Dates – July 1, 2004 – September 30, 2005*

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

October 1, 2005 – September 30, 2006

October 1, 2006 – September 30, 2007

October 1, 2007 – September 30, 2008

FROM

Normal Anniversary Rating Dates -
October 1, 2008 [and later]

TO

Normal Anniversary Rating Dates –
October 1, 2008 – September 30, 2009

Table Values Unchanged

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

Normal Anniversary Rating Dates -October 1, 2009 and later

<u>Credit From Average Hourly Wage</u>	<u>Standard Premium</u>	<u>Credit From Average Hourly Wage</u>	<u>Standard Premium</u>
\$24.94 or less	None	\$31.00-\$31.54	18%
\$24.95-\$25.34	5%	\$31.55-\$32.09	19%
\$25.35-\$25.74	6%	\$32.10-\$32.69	20%
\$25.75-\$26.14	7%	\$32.70-\$33.29	21%
\$26.15-\$26.59	8%	\$33.30-\$33.89	22%
\$26.60-\$27.04	9%	\$33.90-\$34.54	23%
\$27.05-\$27.49	10%	\$34.55-\$35.19	24%
\$27.50-\$27.94	11%	\$35.20-\$35.84	25%
\$27.95-\$28.44	12%	\$35.85-\$36.54	26%
\$28.45-\$28.94	13%	\$36.55-\$37.24	27%
\$28.95-\$29.44	14%	\$37.25-\$37.99	28%
\$29.45-\$29.94	15%	\$38.00-\$38.74	29%
\$29.95-\$30.44	16%	\$38.75 and over	30%
\$30.45-\$30.99	17%		

Balance of the Rule remains unchanged.