



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

REFRESHED 4/14/2017

May 25, 2016

PCRB CIRCULAR NO. 1659

To All Members of the PCRB:

Re: **APPROVAL OF PCRB FILING NO. 272**
EFFECTIVE MAY 1, 2017

Revisions to the Pennsylvania Basic Manual Revisions to the Pennsylvania Statistical Plan Manual Elimination of Anniversary Rating Date (ARD)

The Insurance Commissioner has approved revisions to the Pennsylvania Basic Manual and the Pennsylvania Statistical Plan Manual for the elimination of the Anniversary Rating Date (ARD) rules, references and endorsement.

Changes to be implemented are similar to the countrywide changes filed by the National Council on Compensation Insurance, Inc. (NCCI), Item B-1430, which proposed the elimination of Anniversary Rating Date (ARD).

Elimination of the ARD approach and use of the policy effective date instead of the ARD will allow rules, classifications, and carrier rates to be applied to a policy on the effective date of the policy and will remain constant throughout the policy period.

The revisions below have been approved to be effective for new and renewal policies effective on and after May 1, 2017.

Pennsylvania Basic Manual

- 1) Section 1 – Underwriting Rules, eliminates the term “anniversary rating date” throughout the section substituting the term “policy effective date” where appropriate
- 2) Section 1 – Rule IX – Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP) replaces ARD references with “Policy Effective Date” and eliminates prior wage tables
- 3) Section 3 – Endorsements (Reflecting withdrawal of WC 00 04 02, Anniversary Rating Date Endorsement)
- 4) Section 3 – Endorsement (Reflecting amendment to WC 37 04 04 B, Certified Safety Committee Endorsement, to remove ARD language)
- 5) Section 3 – Endorsement (Reflecting amendment to WC 00 00 01 C, Information Page Notes, to maintain consistency with national wording)
- 6) Section 5 – Experience Rating Plan, eliminates the term “anniversary rating date” and substitutes the term “rating effective date” or “RED”
- 7) Section 6 – Merit Rating Plan, eliminates the term “anniversary rating date” and substitutes the term “rating effective date” or “RED”

Pennsylvania Statistical Plan Manual

- 1) Section II – Reporting Requirements (Reflecting language changes eliminating ARD references)
- 2) Section VI – Examples (Reflecting the elimination of six examples illustrating Anniversary Rating Date scenarios)

Approved revisions to the Pennsylvania Manual language are attached.

The revised Pennsylvania Basic Manual and Pennsylvania Statistical Plan Manual will be updated on our website (www.pcrb.com) at a later date.

Questions regarding Basic Manual changes should be directed to Betty Ann Campbell, Director, Rating Rules and Policy Reporting, at Extension 4425 or bcampbell@pcrb.com.

Questions on Statistical Plan revisions should be directed to Dawn Belfus, Director, Statistical Reporting, at Extension 4478 or dbelfus@pcrb.com.

William V. Taylor
President

WVT/bc
encl.

PREFACE

- A.** In accordance with Section 654 of The Insurance Company Law of May 17, 1921, P.L. 682, as amended and the Pennsylvania Workers' Compensation Act of June 2, 1915, P. L. 736, as amended, the Insurance Commissioner has approved this Manual of risk classes, underwriting rules, bureau rating values and rating plans, to become effective 12:01 A.M, May 1, 2017 with respect to all policies, the effective date of which is May 1, 2017 or thereafter, subject to the following express conditions, for the State Workers' Insurance Fund and for the insurance companies, corporations, associations and exchanges enumerated in the attached list and for no other insurance company, corporation, association or exchange.

Items **B. and C.** remain unchanged.

Item Numbers **1 through 8** remain unchanged

9. **Rating Effective Date (RED)** is the earliest date that a specific experience rating or merit rating adjustment is applied to a policy.

RULE I – GENERAL

Items **A. through E.** remain unchanged

F. EFFECTIVE DATE

1. Manual

This Manual applies only from the date which occurs on or after the effective date of this Manual.

2. Changes

The effective date of a change in any rule, classification or Bureau rating value is 12:01 a.m. on the date approved for use. Any change will be highlighted and linked to the appropriate Bureau circular announcing the change. Unless specified otherwise, each change applies only from the policy effective date which occurs on or after the effective date of the change.

G. POLICY EFFECTIVE DATE

1. Definition

The policy effective date is the effective month, day and year of the policy in effect..

2. Long Term Policies

For application of policy effective dates on policies issued for a term in excess of one year, refer to Rule III - C.

**RULE III – POLICY PREPARATION – INSURED, POLICY PERIOD AND
STATE OF OPERATIONS**

Item 1, 2 and 3-A of the Information Page

B. POLICY PERIOD – ITEM 2

Item Numbers **1 through 5** remain unchanged

6. Annual Rating Endorsements

An "Annual Rating Endorsement" shall be submitted annually for each continuing form policy or policy written for a period in excess of one year but not more than three years to be effective on the annual policy effective date set by such policy. It shall be submitted to the Bureau not later than thirty days subsequent to its inception.

D. STATE LAWS DESIGNATED IN THE POLICY – Item 3-A

Item Numbers **1 and 2** remain unchanged

3. Additional States

A state may be added after effective date of the policy. For the additional state operations apply:

- a. Carrier rating values in effect on the effective date of the policy to which the state has been added.

Items **b. and c.** remain unchanged

RULE IV – CLASSIFICATIONS

Item 4 of the Information Page

A. GENERAL EXPLANATION

Items **A. and B.** remain unchanged

C. ASSIGNMENT OF CLASSIFICATIONS

Numbers 1 through 7 – remain unchanged

8. Changing Classifications

Item **a.** remains unchanged

Items **b. (1) and (2)** remain unchanged

- (3) A correction of a misclassification which results in a premium increase shall be applied to the employer's first policy effective at least sixty days subsequent to the date of the Bureau's misclassification notice.

RULE IX – SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE

A. EXECUTIVE OFFICERS

1. Definition

Items **A. through G.** – remain unchanged

H. PENNSYLVANIA CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

1. The Pennsylvania Construction Classification Premium Adjustment Program provides for a premium credit for up to one year for a policy which contains one or more construction classifications.

For policies subject both to a Pennsylvania Construction Classification Premium Adjustment Program (PCPPAP) credit and any retrospective rating plan, the PCCPAP credit shall be applied in determining standard premium. Such adjusted standard premium shall then be used wherever standard premium would otherwise apply in determining retrospective rating plan values and amounts for the retrospective rating plan applicable to the same risk if no PCCPAP credit were applicable. PCCPAP credits shall not be applied to final retrospective premium either in lieu of or in addition to the above prescribed procedure.

The basis for determining the credit is the total payroll (including overtime premium pay) and hours worked for each construction classification as reported to taxing authorities. The applicable report periods vary according to the policy effective date of each policy, as set forth below:

Policy Effective Dates

Reporting Period for Qualifying Wages

May 1, 2017 and later

Third calendar quarter of 2015

Policy Effective Dates – May 1, 2017 and later

Average Hourly Wage		Credit From Standard Premium	Average Hourly Wage		Credit From Standard Premium
28.34 or less		None	35.25	35.84	18%
28.35	28.79	5%	35.85	36.49	19%
28.80	29.24	6%	36.50	37.14	20%
29.25	29.74	7%	37.15	37.84	21%
29.75	30.24	8%	37.85	38.54	22%
30.25	30.74	9%	38.55	39.24	23%
30.75	31.24	10%	39.25	39.99	24%
31.25	31.79	11%	40.00	40.74	25%
31.80	32.34	12%	40.75	41.54	26%
32.35	32.89	13%	41.55	42.34	27%
32.90	33.44	14%	42.35	43.19	28%
33.45	34.04	15%	43.20	44.04	29%
34.05	34.64	16%	44.05	and over	30%
34.65	35.24	17%			

The total construction classification credit amount, in dollars, must be calculated and then divided by the total policy premium at Bureau rating values – including construction and non-construction classifications. The resulting percentage credit will be the indicated policy credit. When calculating the indicated policy credit, the percentage shall be rounded to the nearest whole number with .5 being rounded upward (as an example, 5.4 rounded to 5 and 5.5 rounded to 6).

The indicated policy credit will be applied to the policy for any insured not eligible for experience rating. For insureds eligible for experience rating, a policy credit is determined as follows:

- The insured's experience modification effective one year prior to the effective date of the Pennsylvania Construction Classification Premium Adjustment Program credit will be determined in accordance with applicable Manual rules using expected losses reduced by the indicated policy credit percentage for the policy period to which the PCCPAP credit will apply. This experience modification will be designated as the PCCPAP numerator.
- The insured's experience modification effective one year prior to the effective date of the PCCPAP credit will be determined in accordance with applicable Manual rules. This experience modification will be designated as the PCCPAP denominator.
- A credit Adjustment Factor will be computed by dividing the PCCPAP numerator by the PCCPAP denominator. This credit adjustment factor will be rounded to four decimal places. In the event that the insured's experience modification factor effective one year prior to the effective date of the PCCPAP credit cannot be promulgated at the time the PCCPAP credit is determined, the credit adjustment factor will be set equal to 1.0000.
- A policy credit will be computed according to the following formula:
$$100 - [100 - \text{indicated policy credit}] \times \text{credit adjustment factor}$$
- The policy credit, rounded to the nearest whole number using the convention described above with respect to the indicated policy credit, will be applied to the policy for insureds eligible for experience rating.

I. CERTIFIED SAFETY COMMITTEE CREDIT PROGRAM

1. The Pennsylvania Workers' Compensation Act of June 2, 1915, as amended, mandates that the Department of Labor and Industry develop certification criteria for the operation of safety committees. (For certification criteria, contact the Pennsylvania Department of Labor and Industry.)
2. A 5% rate credit shall apply to the policy period beginning with the next policy in effect following certification and shall not apply to the policy period in effect when the certification is issued.
3. The 5% rate credit shall continue if the employer annually submits certification renewal affidavits acceptable to the Department of Labor and Industry.
4. Use Endorsement **WC 37 04 04 C** Certified Safety Committee Endorsement – Pennsylvania to show credit on the appropriate policy.

RULE X – CANCELLATION

A. WHO MAY CANCEL

1. The Cancellation Condition of the Standard Policy permits cancellation by the insured or by the insurance carrier.
2. Pennsylvania enacted legislation that prohibits an insurance carrier from cancelling workers' compensation policies during their term, except for nonpayment of premium and/or failure to reimburse the deductible amount.

Reinstatement

When a notice of cancellation for non-payment has been issued, if the insurer thereafter receives payment and voluntarily determines to reinstate the policy, such reinstatement of coverage must be retroactive to the cancellation date.

Alternatively, if the insurer does not want to reinstate the policy as of the cancellation date but voluntarily determines to resume coverage after a lapse in coverage, the insurer must issue a new policy. Such new policy must carry the carrier rating values effective on the policy effective date of the new policy.

RULE XVIII – PROFESSIONAL EMPLOYER ORGANIZATIONS, PROFESSIONAL EMPLOYER AGREEMENTS AND PROFESSIONAL EMPLOYER SERVICES

Items **A. through C.** remain unchanged

Use of Master Policies is subject to prior approval by the PCRB of the issuing carrier's policy issuance and data reporting procedures as satisfactorily complying with the requirements of Act 102 of 2012.

**TABLE OF CONTENTS TO SECTION 3
ENDORSEMENTS**

The circumstances under which each endorsement must or may be used are described in the supplementary notes following each endorsement.

Alternate Employer Endorsement	WC 00 03 01 A
Catastrophe (Other Than Certified Acts of Terrorism)	WC 00 04 21 D
Certified Safety Committee Endorsement	WC 37 04 04 C

Workers Compensation and Employers Liability Policy Form

Policy Format

The policy consists of a General Section and six Parts.

Part One is statutory workers compensation coverage.

Part Two is employer's liability coverage.

Part Three provides Other States insurance. This was previously provided by the Other States Endorsement.

Part Four shows the insured's duties in event of loss.

Part Five consists of all premium provisions, including premium calculation on cancellation.

Part Six shows the five Conditions of the policy.

Standard Policy: See NCCI Forms Manual **WC 00 00 00 C**

Information Page: See NCCI Forms Manual **WC 00 00 01 A**

Information Page Notes: See NCCI Forms Manual **WC 00 00 01 C**

The information page notes found in the NCCI Forms Manual apply in **Pennsylvania**. Non-NCCI member can contact the PCRB for details.

Workers Compensation and Employers Liability Insurance Policy

WC 37 04 04 C

CERTIFIED SAFETY COMMITTEE ENDORSEMENT – PENNSYLVANIA

The employer has received a certificate from the Pennsylvania Department of Labor and Industry specifying that the employer has established a safety committee in conformance with the Department's criteria.

This policy is subject to a 5% rate credit to recognize the certification of the safety committee. An employer must submit certification renewal affidavits annually to the Department of Labor and Industry in order to qualify for continuation of the 5% annual premium credit.

Note: This credit shall not apply to the policy period in effect when the certification is issued. The credit must be applied to the next policy in effect following certification.

GENERAL RULES
SECTION I – INSTRUCTIONS

Numbers **1 and 2** remain unchanged

3. This Plan and all amendments thereto, unless otherwise specifically provided, shall be applied as of the first rating effective date of the risk, as established by the Bureau, which is on or after the effective date of any change in the rules or rating values of this Plan, but shall not otherwise be available to outstanding ratings.
4. A policy cannot be cancelled, rewritten or extended for purposes of enabling a risk to qualify for, or avoid application of, this Plan.

SECTION II – DEFINITIONS

Numbers **1 through 5** remain unchanged

6. **Rating Effective Date. (RED)** Is the earliest date that a specific experience modification is applied to a policy.

SECTION III – GENERAL PROVISIONS

1. **Eligibility Requirements.** A risk shall qualify for rating under this Plan if the premium developed by the audited payrolls or other exposures of the experience period, extended at current Bureau Loss Costs, is **\$10,000** or more.
 - (a) Eligibility requirements will be determined without consideration of Maritime Liability, Liability under the Federal Employers' Liability Act, Excess Limits and Additional Medical Coverage, the nonrateable element for Explosives Manufacturing, and Atomic Energy Projects.
 - (b) Risks shall be disqualified by a lapse of insurance of two years or more until they again qualify for experience rating following the lapse.
 - (c) The RED may differ from a risk's policy effective date for reasons including, but not limited to:
 - Short-term policies
 - Cancellations
 - Gaps in Coverage
 - Changes in ownership or combinability status
 - Multiple policy effective dates
 - A policy that is longer than one year and 16 days
 - Late receipt of current policy information by the PCRB

To determine a risk's RED, the PCRB will review the most recent full-term policies and unit statistical data. For purposes of this rule, a full-term policy is written for 12 months and is not cancelled prior to its expiration date.

The application of Rules 2 and 3 of this section is subject to the provisions of Section V "Tabulation of Experience" of this Plan.

Item Numbers **2 through 7** remain unchanged

COMBINATIONS OR CHANGES OF STATUS

Item Number **8** remains unchanged

9. Ownership Changes.

Item **(a)** remains unchanged

- (b) Continuation of Experience. Unless excluded under paragraph (c), the experience for any entity undergoing a change in ownership shall be transferred to the experience of the acquiring, surviving or new entity. The date of revision will be the later of the following two dates: 1) the effective date of the policy in effect at the time the Bureau receives a completed ERM-14 form outlining the ownership change or 2) the date on which the change in ownership occurred.

Items **(c) through (f)** remain unchanged

SECTION IV
APPLICATION OF EXPERIENCE MODIFICATION

1. **Experience Modification.** An experience modification for a qualified risk shall be determined annually (except as provided in Rules 3 and 4 of this Section) and shall be effective as of the RED of the risk. No more than one experience modification shall apply to a risk at the same time. Subject to the exceptions noted below, the experience modification shall be applied to the premium developed by the use of carrier rates in force on the effective date of the policy.

Item Number **2** remains unchanged

3. **Single Policy Risk.** If a risk is covered by a single policy, the following procedure shall apply:
- (a) The experience modification effective as of the RED shall apply for the full term of the policy which becomes effective on such date and also for the full term of any policy which becomes effective within three months after such date.
 - (b) If a policy is written for a period of one year, but is extended for a period of not more than 16 days, the experience modification in effect as of the original termination date shall remain in effect until the termination date of the extended policy. The experience modification which would have become effective as of the RED shall apply for a period of one year from the effective date of the new policy.
 - (c) If a policy becomes effective on a date more than three months after the RED:
 - i. the outstanding experience modification shall apply to the new policy for the period corresponding to the unexpired term of the rating.
 - ii. a new experience modification then shall apply for the unexpired term of the outstanding policy.
 - iii. thereafter, a new modification shall apply annually as of a new RED. The new RED shall be the date twelve months after the effective date of the new policy.

- 4. Multiple Policy Risk.** If a risk is covered by several policies (as provided in Rule 8 of Section III of this Plan) which differ as to inception dates, the following procedure shall apply:

A single experience modification shall be computed to be effective for a period of twelve months beginning on the RED to be established by the Bureau. The Bureau may, however, authorize the application of an existing experience modification for a period not to exceed fifteen months or a new experience modification for a period greater than three months and less than twelve months for the purpose of establishing a new RED. Any policy effective prior to the new RED established by the Bureau shall be cancelled as of such date and rewritten for a period of twelve months. Any policy effective subsequent to the new RED established by the Bureau shall be written to expire concurrently with the next ensuing RED or shall be cancelled as of that date.

Any policies subject to this rule which are extended beyond the new period of twelve months shall be subject to the provisions of Rules 3(b) and 3(c) of this Section.

Sections **V and VI** remain unchanged

GENERAL RULES
SECTION I – INSTRUCTIONS

Item Numbers **1 and 2** remain unchanged

3. This Plan and all amendments thereto, unless otherwise specifically provided, shall be applied as of the first RED e of the risk, as established by the Bureau, which is on or after the effective date of any change in the rules or rating values of this Plan but shall not otherwise be available to outstanding ratings.
4. It shall not be permissible by cancellation or rewriting or by the extension of the policy term to alter an existing policy for the purpose of enabling the risk to qualify for or avoid application of this Plan.
5. **Appeals.** Any determination or decision of the Bureau for an individual risk under the Pennsylvania Merit Rating Plan may be appealed pursuant to Rule XVI, APPEALS FROM APPLICATION OF THE RATING SYSTEM PROCEDURE, Section 1 of this Manual.

SECTION II – DEFINITIONS

Item Numbers **1 through 5** remain unchanged

6. **Rating Effective Date.** (RED) is the earliest date that a specific merit rating adjustment is applied to a policy.
7. **Merit Rating Plan Discount.** The term “Merit Rating Plan discount” for purposes of this Plan shall mean a reduction in the subject premium developed by the use of the carrier rates in force on the RED applicable to the policy to which the Merit Rating Plan is applied.
8. **Merit Rating Plan Surcharge.** The term “Merit Rating Plan surcharge” for purposes of this Plan shall mean an increase in the subject premium developed by the use of the carrier rates in force on the RED applicable to the policy to which the Merit Rating Plan is applied.
9. **Merit Rating Plan Adjustment.** The term “Merit Rating Plan adjustment” for purposes of this Plan shall mean either a Merit Rating Plan discount or a Merit Rating Plan surcharge.
10. **Subject Premium.** The term “subject premium” for purposes of this Plan shall mean the premium developed by the use of carrier rates in force on the RED of the policy to which the Merit Rating Plan is applied, exclusive of exceptions listed in Section IV, Paragraph 1.

SECTION III – GENERAL PROVISIONS

Item Numbers **1 through 7** remain unchanged

8. **Ownership Changes.**

Item a) remains unchanged

- b) *Continuation of Experience.* Unless excluded under paragraph (c), the experience for any entity undergoing a change in ownership shall be transferred to the experience of the acquiring, surviving or new entity. The date of revision will be the later of the following two dates: 1) the effective date of the policy in effect at the time the Bureau receives a completed ERM-14 form outlining the ownership change or 2) the date on which the change in ownership occurred.

SECTION IV
APPLICATION OF MERIT RATING PLAN ADJUSTMENT

1. **Merit Rating Plan Adjustment.** A Merit Rating Plan adjustment for a qualified risk shall be determined annually (except as provided in Rules 3 and 4 of this section) and shall be effective as of the RED of the risk. No more than one Merit Rating Plan adjustment shall apply to a risk at the same time. Subject to the exceptions noted below, the Merit Rating Plan adjustment shall be applied to the premium developed by the use of carrier rates in force on the effective date of the policy.

Item Number 2 remains unchanged

3. **Single Policy Risk.** If a risk is covered by a single policy, the following procedure shall apply:
 - a) The Merit Rating Plan adjustment effective as of the RED shall apply for the full term of the policy which becomes effective on such date and also for the full term of any policy which becomes effective within three months after such date.
 - b) If a policy is written for a period of one year but is extended for a period of not more than 16 days, the carrier rates and Merit Rating Plan adjustment in effect as of the original termination date shall remain in effect until the termination date of the extended policy. The carrier rates and Merit Rating Plan adjustment which would have become effective as of the RED shall apply for a period of one year from the effective date of the new policy.
 - c) If a policy becomes effective on a date more than three months after the RED,
 - i) the outstanding Merit Rating Plan adjustment shall apply to the new policy for the period corresponding to the unexpired term of the rating.
 - ii) a new Merit Rating Plan adjustment then shall apply for the unexpired term of the outstanding policy.
 - iii) thereafter, a new Merit Rating Plan adjustment shall apply annually as of a new RED. The new RED shall be the date 12 months after the effective date of the new policy
4. **Multiple Policy Risk.** If a risk is covered by several policies (as provided in Rule 8. of Section III of this Plan) which differ as to inception dates, the following procedure shall apply:

A single Merit Rating Plan adjustment shall be computed to be effective for a period of twelve months beginning on the RED to be established by the Bureau. The Bureau may, however, authorize the application of an existing Merit Rating Plan adjustment for a period not to exceed fifteen months or a new Merit Rating Plan adjustment for a period greater than three months and less than twelve months for the purpose of establishing a new RED. Any policy effective prior to the new RED established by the Bureau shall be canceled as of such date and rewritten for a period of twelve months. Any policy effective subsequent to the new RED established by the Bureau shall be written to expire concurrently with the next ensuing RED or shall be canceled as of that date.

Any policies subject to this rule which are extended beyond the new period of twelve months shall be subject to the provisions of Rules 3(b) and 3(c) of this section.

SECTION V
TABULATION OF EXPERIENCE

1. **Experience Used for the Merit Rating Plan.** The experience used for purposes of the Merit Rating Plan shall be the individual risk experience valued at least three months prior to the RED and reported in accordance with the provisions of the Pennsylvania Workers' Compensation Statistical Plan. It shall include voluntary compensation insurance but shall exclude maritime employments and employments under the Federal Employees' Liability Act.

Item Numbers **2 through 6** remain unchanged

SECTION VI
MERIT RATING PLAN PROCEDURE

1. **Merit Rating Plan Adjustments.** For each risk qualified under Section III of the Merit Rating Plan, claims listed in the experience tabulation under Section V, Paragraph 4 of the Merit Rating Plan shall be counted. Merit Rating Plan adjustments shall apply based on the following criteria:
 - a) No compensable employee lost-time injuries — 5 percent (5.0%) discount.
 - b) One (1) compensable employee lost-time injury — No discount or surcharge.
 - c) Two (2) or more compensable employee lost-time injuries — 5 percent (5.0%) surcharge.

The PCRB will determine the appropriate Merit Rating Plan adjustment factors and notify the carrier.

PENNSYLVANIA STATISTICAL PLAN MANUAL
Effective May 1, 2017

INTRODUCTION remains unchanged.

SECTION I remains unchanged.

SECTION II - REPORTING REQUIREMENTS

Item **A.** Rules Common to Premiums and Losses

Item Numbers **1 through 5** remain unchanged.

6. Policy Information

Items **a. through n.** remain unchanged.

- o. *Modification Effective Date.* The Modification Effective Date is required for all exposures. If the modification changes in accordance with Experience Rating Plan rules, report the effective date of the modification that applies to the class code, rate, exposure, and premium.
- p. *Rate Effective Date.* Rate Effective Date is required for all exposures. Report the rate effective date that corresponds to the class code and its associated rate, exposure and premium. If the rating value changes during the policy period, report the rate effective date that applies to the reported class code, rate, exposure, and premium.

Item Numbers **7 through 12** remain unchanged.

Items **B. through D.** remain unchanged.

SECTIONS III through V remain unchanged

SECTION VI – EXAMPLES

Examples 1, 2, 4, 16, 22 and 23 are eliminated in their entirety since they illustrate Anniversary Rating Date scenarios that are no longer relevant after the elimination of Anniversary Rating Date.

Examples 3, 5 through 15 and 17 through 21 remain unchanged but will be renumbered accordingly.

SECTIONS VII through X remain unchanged.

Workers Compensation and Employers Liability Insurance Policy

WC 00 00 01 C

INFORMATION PAGE NOTES

1. The sequence of Items 1 through 4 of the Information Page may not be changed except for Item 3.D. (See Note 14). The format of each item may be rearranged and these suggested headings may be used: 1. Insured; 2. Policy Period; 3. Coverage; and 4. Premium.
2. The name and the five-digit NCCI carrier code number of the insuring company must be shown prominently on the Information Page in the space above Item 1.

The address and type of insurer (stock, mutual, or other) are to be shown on the Information Page, the policy, or a policy jacket.

3. The policy number must be appropriately labeled and shown in the space reserved above Item 1 on the Information Page. This number must be unique to the company, must not exceed 18 alphanumeric digits, and must remain constant during the policy period. The policy number must be shown on all endorsements as well as all other policy-related correspondence after the policy is issued.

If the policy number displayed on the Information Page contains a policy symbol consisting of alphanumeric digits that are not entered into the carrier's internal statistical records as part of the actual policy number, those symbols must be shown as a separate prefix and/or suffix to the policy number and appropriately labeled.

4. On NCCI's copy or the independent bureau's copy of a renewal policy Information Page, use space reserved above Item 1 to show and appropriately label the prior policy number. This number must not exceed 18 alphanumeric digits. If the number displayed on the Information Page contains a policy symbol consisting of alphanumeric digits that are not entered into the carrier's internal statistical records as part of the actual policy number, those symbols must be shown as a separate prefix and/or suffix to the policy number and appropriately labeled.

New business may be designated "New." At its option, the company may show this on the insured's copy of the Information Page.

5. On NCCI's copy or the independent bureau's copy of the Information Page, show the letters "AR" or "WCIP" next to the title "Information Page" if the policy was secured through the assigned risk market.
6. Show in Item 1 the exact name of the employer insured and indicate whether the employer is an individual, partnership, joint venture, corporation, association, or other legal entity. If separate legal entities are insured in a single policy, consistent with the manual of rules, separately show the complete name of each insured employer and indicate each employer's legal entity status.
7. The Interstate/Intrastate Risk Identification number must be shown and appropriately labeled on the Information Page.

INFORMATION PAGE NOTES

WC 00 00 01 C (CONT'D)

8. Reserve space in Item 1 of NCCI's copy or the independent bureau's copy to show, if required, the insured's commonly required identification numbers such as: Arkansas Workers Compensation File Number; Hawaii Unemployment Number; New Mexico Unemployment Insurance Number; Oregon Contract Number; and State Employer Number.

The company may also show this on the Information Page at its option.

9. List in Item 1 or by schedule all usual workplaces of the insured that are to be covered by the policy. Also include the respective Federal Employer's Identification Number (FEIN), appropriately labeled, for each entity included on the policy.
10. The effective date and hour of the policy, and its expiration date and hour, must be shown in Item 2. The hour may be included as part of the printed form at the company's option.
11. List in Item 3.A. states where workers compensation insurance is provided. If none is provided, "none" or "not covered" may be shown. For an example, *refer to the notes to the Federal Mine Safety and Health Act Coverage Endorsement.*
12. Show limits of liability separately for bodily injury by accident and by disease in Item 3.B.
13. States may be shown in Item 3.C. by name or by designation, but do not name or designate a state listed in Item 3.A., a monopolistic state fund state, or a state where the insurer will not provide this coverage.

The following entry may also be included: "All states except North Dakota, Ohio, Washington, Wyoming, states designated in Item 3.A. of the Information Page and _____."

If the company learns that the insured is conducting operations in a 3.C. state, and if the company agrees to continue coverage, the company should add that state to Item 3.A. and remove it from Item 3.C. Normal company procedures apply when the state is added to Item 3.A.

14. Item 3.D. may be omitted so long as the list of the policy's schedules and endorsements appears somewhere on the Information Page. Endorsements for which the company has not filed specimen copies with the independent bureau(s) having jurisdiction must be attached to the Information Page filed with the independent bureau.
15. The content of Item 4 may be rearranged by the company. If the policy is issued for less than one year, the company may state whether the premium information is shown for the policy period or for an annual period.
16. In Item 4, the development of estimated annual premium must be displayed separately for each classification by state. This same display of premium development must be shown on any classification schedules attached to the policy. Total Estimated Standard Premium must be shown by state on the Information Page or on a schedule attached to the policy.

The experience rating modification factor must be shown in Item 4 for risks subject to the experience rating plan, unless this factor is not available when the policy is issued. The company then may make an appropriate entry in Item 4 to show that the factor is not available. *Refer to the Experience Rating Modification Factor Endorsement for more information.*

INFORMATION PAGE NOTES

WC 00 00 01 C (CONT'D)

17. In those states where a schedule rating plan has been filed and approved, report the schedule rating information in Item 4, as required by the filed plan.
18. Premium discount may be shown in Item 4, the Premium Discount Endorsement may be attached, or both.
19. Taxes, assessments, deposit premium, interim adjustments of premium, the rating plan, past experience, cancellation of similar insurance, date and place of policy issuance, date and place of countersignature, and other related information may be shown in Item 4.
20. Three-year fixed- rate policies must be so designated on the Information Page as required by Rule 3-B-1b of NCCI's **Basic Manual**. In Item 4, the company must report the premium information either as Standard Premium or Total Standard Premium as defined in Rule 3-A-20 of NCCI's **Basic Manual**.
21. Other entries may be made on the Information Page as authorized by Notes to Endorsements, including: Defense Base Act Coverage; Nonappropriated Fund Instrumentalities Act Coverage; Partners, Officers and Others Exclusion; Pending Rate Change; Sole Proprietors, Partners, Officers and Others Coverage; and Voluntary Compensation Maritime Coverage Endorsements.
22. The company may place the execution clause at the end of the Information Page, at the end of the standard policy, or on a policy jacket.

State Workers Compensation Rating Bureau Information Page Notes:

Refer to the *Pennsylvania Basic Manual* for Pennsylvania policy issuance instructions and specific requirements.

Refer to the sample Information Page in the Forms Section, Part Three, Section 2, of the *New Jersey Workers Compensation and Employers Liability Insurance Manual* for a description of New Jersey requirements.

Refer to the *New York Manual* (Part Four) for complete instructions on policy issuance, including Information Page Notes for preparing New York policies. You may find the updated Information Page Notes for the New York Manual on <http://www.nycrib.org/>.

Refer to the *Wisconsin Basic Manual* for Wisconsin policy issuance instructions and specific requirements.