

Pennsylvania Compensation Rating Bureau

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March 21, 2014

VIA OVERNIGHT MAIL

The Honorable Michael F. Consedine Insurance Commissioner Commonwealth of Pennsylvania Insurance Department 1311 Strawberry Square Harrisburg, PA 17120

Attention: Michael McKenney

RE: PCRB Filing No. 256 Effective April 1, 2014

Code 656 Electric Line Construction

Code 940 Residential Care Facility for Individuals With Intellectual Disabilities

Dear Commissioner Consedine:

The Pennsylvania Compensation Rating Bureau (PCRB) filed and the Insurance Commissioner recently approved PCRB Filing No. C-363, the April 1, 2014 Loss Cost Filing, to be **effective as of 12:01 a.m.**, **April 1, 2014** with respect to new and renewal business only.

In one part of that filing, PCRB Staff Memorandum of November 11, 2013: Proposed Manual Language Revisions to Sections 1 and 2 (Housekeeping), a title change for Code 656 in the Classification portion of Section 2 was filed and approved. The title revision for Code 656 was stated in the filing as shown below:

FROM: Electric, Telephone or Telegraph Line Construction – by Contractors

TO: Electric, Telephone or Line Construction – by Contractors

Upon reflection, the editorial changes applied to Code 656's title resulted in grammatically inconsistent verbiage. The PCRB thus proposes to make the following further revision to the Code 656 title, effective April 1, 2014:

FROM: Electric, Telephone or Line Construction – by Contractors

TO: Electric or Telephone Line Construction – by Contractors

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It has come to our attention that another intended revision to an Underwriting Guide entry for Code 656 was omitted from PCRB Filing No. C-363 due to a typographical error. The language was intended to be revised as follows:

FROM: Stringing Of Electric, Telephone Or Telegraph Lines – by Contractors

TO: Stringing Of Electric Or Telephone Lines – by Contractors

Accordingly, the PCRB hereby proposes to make the revision to the Underwriting Guide entry for Code 656 as shown above effective April 1, 2014 so that the elimination of "Telegraph" will be consistent throughout the Classification portion of Section 2.

An additional class code revision for Code 940 was filed and approved as part of PCRB Filing No. C-363 as shown below:

FROM: Residential Care Facility for the Developmentally Disabled

TO: Residential Care Facility for Individuals With Intellectual Disabilities

We now realize that the following revision to a paragraph in the description of Code 940 was omitted from PCRB Filing No. 363:

FROM: Community Residential Facilities (CRF) and ICF/MR - 9 or more residents have similar

regulations, goals and staffing patterns. The large ICF/MR receives federal funds under

Medicaid, while the CRF receives state funds.

TO: Community Residential Facilities (CRF) and ICF/IID - 9 or more residents have similar

regulations, goals and staffing patterns. The large ICF/IID receives federal funds under

Medicaid, while the CRF receives state funds.

In addition, the following change in terminology for Code 940 was drafted for another paragraph in PCRB Filing No. C-363 but was not included in that filing. (Underlining used to highlight change as proposed. Manual language will <u>not</u> include underlines.)

FROM: The larger ICF/MRs (9 or more clients) usually provide educational, workshop/vocational and physical therapy programs at one campus with many residents living in cottages having no more than 8 residents each. Supervision may be provided by staff in three 8-hour shifts. Smaller ICF/MRs (8 or fewer clients) also assigned to this classification provide community-based programs which are designed to facilitate the client's movement to a less restrictive environment than the larger facilities. These community-based ICF/MRs employ a relatively high staff to client ratio and 24-hour supervision with at least one staff member monitoring overnight activity. Smaller ICF/MRs may serve clients from higher functioning to profoundly retarded.

TO: The larger ICF/IIDs (9 or more clients) usually provide educational, workshop/vocational and physical therapy programs at one campus with many residents living in cottages having no more than 8 residents each. Supervision may be provided by staff in three 8-hour shifts. Smaller ICF/IIDs (8 or fewer clients) also assigned to this classification provide community-based programs which are designed to facilitate the client's movement to a less restrictive environment than the larger facilities. These community-based ICF/IIDs employ a relatively high staff to client ratio and 24-hour supervision with at least one staff member monitoring overnight activity. Smaller ICF/IIDs may serve clients from higher functioning to profoundly intellectually disabled.

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Accordingly, the PCRB hereby proposes to include the omitted revisions in the Code 940 code / class description noted above, effective April 1, 2014 so that these changes will be consistent throughout the Classification portion of Section 2.

The PCRB will be pleased to answer any questions you or Insurance Department staff may have with regard to this proposal.

Sincerely,

Timothy L. Wisecarver

President

TLW/jf