



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

December 8, 2014

PCRB CIRCULAR NO. 1635

To All Members of the PCRB:

Re: **MANUAL REVISIONS TO SECTIONS 1 and 2 – PCRB FILING NO. 261**
APPROVED EFFECTIVE APRIL 1, 2015

- (1) Revisions to Mapping of Direct Employment Classifications Into Temporary Staffing Classifications, Code 520 – 529**
- (2) Clarification of Code 892 Language Pertaining to Early Intervention Services**
- (3) Use of Published Decennial Census Data Only as the Basis for Populations of Areas Served by Volunteer Fire Companies Subject to Code 994**
- (4) Revision of Manual Language Pertaining to Tips for Premium Computation Purposes in Recognition of IRS Ruling Regarding “Service Charges”**
- (5) Manual Revisions to Sections 1 and 2 – Housekeeping**

The PCRB has filed and the Insurance Commissioner has approved Manual revisions to Sections 1 and 2 pertaining to changes in classification procedure, the determination of populations of areas served by Volunteer Fire Companies and Manual language pertaining to tips for premium computation purposes in Pennsylvania. These revisions become **effective as of 12:01 a.m., April 1, 2015** with respect to new and renewal policies having normal anniversary rating dates on or after that date.

This effective date makes the implementation of these changes concurrent with the PCRB’s normal annual loss cost filing revision, which will be filed separately at a later date. This coordination continues the practice of consolidating necessary changes that our members and other constituents must make to policies, forms and systems so that they occur once annually.

Items number (2), (3), (4) and (5) in caption do not affect loss costs for any Pennsylvania employers. Item number (1) in caption does affect the loss costs for some portions of the insured operations for some temporary staffing contractors. The PCRB’s next normal annual loss cost filing, to be effective April 1, 2015, incorporated these approved classification definitions and designations in the course of its preparation and submission.

Each of the revisions included in this filing are discussed in sequence below.

(1) Revisions to Mapping of Direct Employment Classifications Into Temporary Staffing Classifications, Code 520 – 529

PCRB Filing No. 240, effective December 1, 2010, introduced a new procedure for mapping direct employment classes into temporary staffing classes. That filing eliminated five temporary staffing classes and replaced them with 10 new temporary staffing exposure groups, classes 520-529.

The original mapping of direct assignment classes into temporary staffing classes tended to have classes with a wide range of rating values mapping into a single temporary staffing class. The revised procedure sought to correct that feature by tying the direct employment classes with similar rating values into a common temporary staffing exposure group.

The direct assignment classes were arranged by increasing exposure based on April 1, 2010 loss cost values. Maximum and minimum ranges were defined for each temporary staffing exposure group and direct employment classes were mapped into the temporary staffing classes based on loss cost values.

As part of PCRB Filing No. 240, it was observed that classification rating value relativities would shift over time and that the rating values of the direct employment classes mapping into the proposed temporary staffing exposure groups might subsequently move outside the bounds of currently-constructed ranges. With that possibility in mind, the PCRB intended to review the composition of direct business classes and the ranges of direct employment classification rating values defining the temporary staffing exposure groups every three years, unless circumstances suggested that an earlier review is necessary. (Based on the results of recent analysis, the PCRB now intends to perform future such reviews every two years.)

This procedure was used in the April 1, 2011, April 1, 2012 and April 1, 2013 PCRB annual loss cost filings. Subsequent to approval of the April 1, 2013 filing, the PCRB reviewed the direct employment mappings defined by Filing No. 240 and updated those mappings to reflect shifts in current rating values since December 1, 2010 based on approved April 1, 2013 loss costs.

The PCRB subsequently filed updated direct employment mappings based on approved April 1, 2014 loss costs as PCRB Filing No. 261.

Approved revisions to mapping of direct employment classifications into temporary staffing classifications, Codes 520 – 529, are attached as Exhibit 1.

(2) Clarification of Code 892 Language Pertaining to Early Intervention Services

Early Intervention is a statewide program that provides support and services to children with disabilities or developmental delays and their families. Services typically provided in Early Intervention include physical, occupational, speech and/or language therapy. PCRB Staff initiated a study of Code 892 in order to better understand issues that were raised in an informal appeal filed by an employer in response to the PCRB's reclassification of the employer's business from Code 957, Physician or Dentist, to Code 892. Comments made by the employer in the course of the informal appeal and subsequent review of the employer's business operations suggested that there were employers providing Early Intervention services that were classified to Code 957. The employer's comments also suggested that the Pennsylvania Workers' Compensation Manual of Rules, Classifications and Rating Values (Manual) Code 892 language might contain inaccuracies.

Based on the study of Code 892, staff concluded the following:

- That Code 892 should be sustained as a Pennsylvania classification.
- That Pennsylvania Manual language should be clarified to better define Early Intervention and the scope of Code 892.

Approved revisions to the Pennsylvania Manual language are attached as Exhibit 2.

(3) Use of Published Decennial Census Data Only as the Basis for Populations of Areas Served by Volunteer Fire Companies Subject to Code 994

On a going-forward basis, the PCRB will perform comprehensive updates of populations of areas served by volunteer fire companies on the basis of published decennial census data only. Results of those updates will be published on PCRB data cards for each volunteer fire company. No other population reference source will be used. Additional editorial clarifications are also indicated.

Approved revisions to the Pennsylvania Manual language are attached as Exhibit 3

(4) Revision of Manual Language Pertaining to Tips for Premium Computation Purposes in Recognition of IRS Ruling Regarding "Service Charges"

The IRS recently published the following ruling:

When a business adds service charges to customers' bills (such as "auto-gratuities") and distributes those charges to its employees, the business should characterize the distributed service charges as social security wages, not as social security tips.

Payments must meet the following criteria to be considered as tips:

- *The customer must freely determine the payment.*
- *The customer must be able to determine the amount without restriction.*
- *The payment cannot be determined by negotiations between the customer and employer, or dictated by the employer.*
- *The customer should generally have the right to decide who receives the payment.*

In recognition of this IRS ruling, service charges as distinguished above will be treated as wages and, as such, will be subject to inclusion for premium computation purposes. The current Manual exclusion of tips for premium computation purposes will remain unchanged.

Approved revisions to Pennsylvania Manual language are attached as Exhibit 4.

(5) Manual Revisions to Sections 1 and 2 – Housekeeping

The housekeeping changes are intended to make the Manual language clearer and less ambiguous. The revisions clarify existing classification procedures and update language defining certain classifications to align the verbiage used with that in other Manual provisions, and/or to recognize ongoing technological or industrial changes.

Approved revisions to the Pennsylvania Manual language are attached as Exhibit 5.

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

Timothy L. Wisecarver
President

Jf

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

SECTION 2

CLASSIFICATIONS

GENERAL AUDITING & CLASSIFICATION INFORMATION

EMPLOYMENT CONTRACTOR – TEMPORARY STAFFING

Temporary staffing is a.....business classification(s).

Code 521 chart **addition:** 890

deletion: [936]

Code 522 chart **additions:** 488, 744, 936

deletions: [474, 752, 755, 884, 890, 892, 927, 967]

Code 523 chart **additions:** 474, 551, 752, 755, 884, 892, 927, 935, 967

deletions: [488, 744, 981]

Code 524 chart **additions:** 263, 449, 473, 507, 716, 978, 981

deletions: [132, 285, 463, 551, 660, 935, 945]

Code 525 chart **additions:** 055, 132, 227, 285, 404, 416, 463, 617, 660, 663, 664, 675, 676, 945, 971

deletions: [108, 111, 263, 306, 319, 427, 449, 467, 473, 507, 716, 978]

Code 526 chart **additions:** 108, 111, 306, 319, 427, 467, 607, 669, 857, 910

deletions: [055, 227, 282, 404, 416, 617, 663, 664, 675, 676, 812, 971]

Code 527 chart **additions:** 282, 606, 615, 806, 812

deletions: [112, 607, 669, 857, 910]

Code 528 chart **additions:** 015, 112

deletions: [606, 615, 806]

Code 529 chart **deletion:** [015]

SECTION 2

ADDITIONS:

Underwriting Guide Addition to Code 892:

Early Intervention for Children From Birth to Age 3 and/or for Children From Age 3 to the Age of Beginners.

CHANGES:

892, Early Intervention for Infants or Toddlers (No Residential Affiliation) – All Employees Including Office

[Applicable to employers principally engaged in providing early intervention services to children, generally from birth to the age of 6, who are determined to have or to be at risk of developing a handicapping or other condition that may affect their development. Services are provided by speech or physical therapists in conjunction with special education teachers and are designed to maximize the pre-school handicapped child's attainment of age-appropriate skills in the areas of cognition, communication, socialization, self help and/or motor development. Early intervention services may be provided in the child's home, at a provider-operated center, in an unrelated group daycare home or a combination thereof.]

Applicable to an employer principally engaged in providing Early Intervention services to children from birth to age 3 and/or to children from age 3 to the age of beginners. The age of beginners is defined as the minimum age at which the child may enter first grade in the child's school district. Early Intervention provides services and support to children with disabilities or developmental delays and their families. Services typically provided in Early Intervention include but are not necessarily limited to: physical, occupational, speech and/or language therapy, and are designed to maximize the pre-school at risk child's attainment of age-appropriate skills in the areas of cognition, communication, socialization, self help and/or motor development. Services provided to children from birth to age 3 are provided in a "natural setting," which is defined as a setting familiar to the child and the child's family such as the child's home, day care, pre-school or early education facility. Services provided to children from age 3 to the age of beginners are provided in the "least restrictive environment," which means that a student who has a disability should have the opportunity to be educated with non-disabled peers to the greatest extent appropriate.

OPERATIONS NOT INCLUDED:

1. Early Intervention services provided by one of the Commonwealth's designated Intermediate Units shall be included in Code 893.

891, Pre-School (Child Care or Early Education) Services – All Employees Including Office

OPERATIONS NOT INCLUDED:

1. No change to number 1.
2. [Providers of early intervention services for infants or toddlers shall be assigned to Code 892.]
Assign Code 892 to providers of Early Intervention services for infants and toddlers.

893, Intermediate Unit (Special Education) All Employees Including Office

Applicable to [i]Intermediate [u]Units established by the Pennsylvania General Assembly (Title 24, Article IX - A, Intermediate Units) effective July 1,1971. [The] An [i]Intermediate [u]Unit is a regional educational service agency that works with its member school districts to provide specialized support services for students. [The services provided] An Intermediate Unit provides multiple services that may include but are not necessarily limited to: special education, summer curriculums, education in the arts, English as a second language, Head Start, Early Intervention, adult education and professional training to teachers and other professionals in the education field. Intermediate unit services may be provided in classrooms of unrelated schools or in mobile units positioned adjacent to such schools. [Teachers will have at minimum degrees in education and be state certified.]

957, Physician or Dentist, All Employees Including Office

OPERATIONS NOT INCLUDED:

1. No change to numbers 1, 2, 3, 4 or 5.
6. Assign Code 892 to providers of Early Intervention services for infants and toddlers.

965, College or School, N.O.C. – All Employees Including Office

OPERATIONS NOT INCLUDED:

1. No change to numbers 1, 2, 3, 4, 6, 7, 8 or 9.
5. [Assign Code 892 to employers principally engaged in providing early intervention services to children, generally from birth to age 6.] Assign Code 892 to providers of Early Intervention services for infants and toddlers.

DELETIONS:

Underwriting Guide Change to Code 892:
[Early Intervention for Infants and Toddlers (No Residential Affiliation)]

PENNSYLVANIA WORKERS COMPENSATION MANUAL
Section 2 – Rating Values (Page 16)

A. Definitions

HOME AREA

~~Any~~ The city, township or borough having its in which a volunteer fire department company is located within the city, township or borough.

OUTSIDE AREA

~~Any~~ A city, township or borough (or portion thereof) which does not have its volunteer fire department located within its boundaries and is different from the home area and protected pursuant to a fire protection contract provided by a volunteer fire company located in the home area.

VOLUNTEER AND PAID STAFF

In jurisdictions where a combination of volunteer and paid firemen are employed, the following procedure shall be followed to arrive at the proper population to be used for volunteer firemen premium calculation:

The number of salaried firemen and active volunteers shall be determined at the inception of the policy and shall not be subject to revision until renewal. 'Active volunteers' refers to members of the company who are on the roster as available to respond to a fire alarm.

Determine the number of salaried firemen and active volunteers, e.g. 14 paid and 35 volunteers, total staff 49. Take 35/49 or 71% of the service, as being provided by volunteers. Apply 71% to the population, e.g. population 37,769 x 71% = 26,816 as a revised population base.

B. The annual loss cost charge shall be determined on the basis of the sum of the populations from:

(1) The Volunteer Fire Company or Companies' "Home Area," (or portion thereof)

and

(2) Any "Outside Area" ~~serviced~~ served by the "Home Area" company or companies. When an "Outside Area" is ~~serviced~~ served by fire companies from two or more different "Home Areas," the separate populations ~~serviced~~ served by each company shall be determined.

C. POPULATION.

~~Population is determined on the basis of the figures provided by the U.S. Bureau of the Census as published in either actual population counts (Census of Population and Housing Reports) or semiannual actuarial estimates of population.~~

~~The latest report issued prior to June 30 of a given year shall be used for all policies issued on and after October 1 of that year and up to and including the following September 30.~~

Municipal populations are determined on the basis of the figures provided by the U.S. Bureau of the Census as published in actual population counts (Decennial Census Population). No other population reference source will be used.

A carrier or volunteer fire company may submit a Volunteer Firemen Exposure Form (VFEF) to the PCRB via the PCRB website to change or confirm areas served by a volunteer fire company.

MANUAL REVISIONS

EXHIBIT 4

SECTION 1 UNDERWRITING RULES

CHANGES

RULE V – PREMIUM BASIS

B. REMUNERATION – PAYROLL

3. *Exclusions*

Remuneration excludes:

Items a through d remain unchanged

e. Tips and other gratuities received by employees (EXCEPTION: Automatic Gratuities. See Tips vs. Automatic Gratuities in the General Auditing & Classification Information section);

Items f through m remain unchanged

GENERAL AUDITING AND CLASSIFICATION INFORMATION

ADDITIONS

TIPS vs. AUTOMATIC GRATUITIES

The IRS has ruled that when a business adds service charges to customers' bills (such as "automatic gratuities") and distributes those charges to its employees, the business should characterize the distributed amounts as social security wages, not as social security tips.

Payments must meet all of the following criteria to be considered as tips:

- The customer must freely determine the payment.
- The customer must be able to determine the amount without restriction.
- The payment cannot be determined by negotiations between the customer and employer, or dictated by the employer.
- The customer should generally have the right to decide who receives the payment.

Historically, tips, including automatic gratuities, have been excluded from remuneration and, therefore, have been excluded from the basis for premium in Pennsylvania. However, in recognition of this IRS ruling, the PCRB directs that automatic gratuities be included as remuneration. Note that tips, as defined above (and thus distinguished from automatic gratuities), remain an exclusion from remuneration in Pennsylvania.

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, [Act 44 of 1993, Act 57 of 1996] 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., April 1, 2015[2014] with respect to all policies, the effective date of which is April 1, 2015[2014] or thereafter, subject to the following express conditions, for the State Workers' Insurance Fund and the insurance companies, corporations, associations and exchanges enumerated in the attached list and for no other insurance company, corporation, association of exchange.

B. No change

C. Definitions

The following words are referenced in the Pennsylvania Workers' Compensation Act June 2, 1915, P.L. 682, as amended, (Act), [Act 44 of 1993] or have been used in this Manual with meanings intended to be consistent with the requirements of that Act. For purposes of improving the understanding of the Manual, definitions of these words as used elsewhere in this Manual are set forth below.

1. No change through 8.

SECTION 1

CHANGES

RULE II – EXPLANATION OF COVERAGES AND METHODS OF INSURING

F. DEDUCTIBLE COVERAGE

The Pennsylvania Workers' Compensation Act of 1915, as amended, [Act 44 of 1993] requires an insurer issuing a workers' compensation policy to offer a deductible program upon the policyholder's request.

1. No change to Number 1 through Number 8

G. GROUP DEDUCTIBLE OR RETROSPECTIVE RATING PLAN COVERAGE

The Pennsylvania Workers' Compensation act of 1915 as amended, [Act 57 of 1996] permits an insurer issuing a workers' compensation policy to offer an endorsement for deductible or retrospective rating plans for groups of five or more employers, subject to approval by the Insurance Commissioner and subject to the individual insurer's underwriting criteria for deductible coverage (see F. 1. above).

Items 1 and 2 remain unchanged.

RULE IV – CLASSIFICATIONS

C. ASSIGNMENT OF CLASSIFICATIONS

1. Object of the Classification Procedure

a. No Change

b. The Pennsylvania Workers' Compensation Act of 1915, as amended, [Act 44 of 1993] permits an insurer to develop subclassifications to the PCRB[Bureau]'s classification system as approved by the Insurance Commissioner. Any such subclassification shall be filed by the developing insurer with the PCRB[Bureau] and the Insurance Commissioner thirty (30) days prior to its use. The insurer's filing shall demonstrate that payroll and loss data produced under such subclassification can be reported to the PCRB[Bureau] consistent with the PCRB[Bureau]'s classification system and statistical plan. Otherwise, the Insurance Commissioner shall disapprove the subclassification filing.

RULE VI – RATING VALUES AND PREMIUM DETERMINATION

G. PREMIUM DETERMINATION

Pennsylvania and Delaware Premium Algorithm Preface:

[Optional use uponon or after January 1, 2002.]

The computation of.....the workers compensation industry.

RULE IX – SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE AND PREMIUM

D. SOLE PROPRIETORS, PARTNERSHIPS AND MEMBERS OF LIMITED LIABILITY COMPANIES

Sole proprietors, partners and members of a Limited Liability Company (LLC) are not mandatorily covered by the Pennsylvania Workers' Compensation Act or the Pennsylvania Occupational Disease Act. A sole proprietor, partner or member of a Limited Liability Company (LLC) may be able to purchase and/or be insured under a standard workers' compensation insurance policy. When such coverage is provided, attach WC 00 03 10, Sole Proprietors, Partners, Officers and Others Coverage Endorsement, to the policy, naming the individual(s) so insured. Minimum and maximum payrolls on which premium is based for sole proprietors, partners and members of a Limited Liability Company shall be the same as those set forth in Rule IX, A., 6. for executive officers. If payroll information is not available [for a sole proprietor(s), partner(s), or member(s) of a Limited Liability Company (LLC) develop payroll] use[ing] the statewide average weekly wage (SAWW) in effect as of the inception date of the policy. The SAWW may be obtained, among other sources, from the Pennsylvania Department of Labor and Industry's website or from the PCRB's website under the "Quick Reference" table. [For the purposes of this rule, p]Profit or loss amounts attributed to the individual's interest in the business are not considered [as]payroll.

I. CERTIFIED SAFETY COMMITTEE CREDIT PROGRAM

1. The Pennsylvania Workers' Compensation Act of 1915, as amended[Act 44 of 1993] mandates that the Department of Labor and Industry develop certification criteria for the operation of safety committees. (For certification criteria contact the Department of Labor and Industry.)
Items 2 through 4 remain unchanged.

SECTION 2

ADDITIONS

UNDERWRITING GUIDE

To 104:

Beverage Mfg., N.O.C. (Non-Carbonated)
Energy/Sports Drinks Mfg. (Non-Carbonated)
Sports/Energy Drinks Mfg. (Non-Carbonated)

To 818:

Trailer (All Types) Sales, Rental Or Leasing

To 907:

Fruit Packing – Not Cannery

To 964:

Work Center

To 968:

Gun Range – Private or Public – Indoor

Housekeeping Manual Sections 1 & 2
Manual Language Proposals
Page 3

To 969:
Gun Range – Private Or Public – Outdoor

To 973:
Commercial Boarding Home

To 974:
Continuing Care Community, With Less Than 50 Percent of Beds Licensed as Intermediate Care or Higher

To 979:
Assisted Living Facility

CHANGES

SUBCLASSIFICATION – CARRIER OPTION

The Pennsylvania Workers' Compensation Act of 1915, as amended, [Act 44 of 1993] permits an insurer to develop subclassifications to the PCRB[Bureau]'s classification system as approved by the Insurance Commissioner. Any such subclassification shall be filed by the developing insurer with the PCRB[Bureau] and the Insurance Commissioner thirty (30) days prior to its use. The insurer's filing shall demonstrate that payroll and loss data produced under such subclassification can be reported to the PCRB[Bureau] consistent with the PCRB[Bureau]'s classification system and statistical plan. Otherwise, the Insurance Commissioner shall disapprove the subclassification filing.

028 OIL OR GAS PRODUCTION, Operation of wells – including gasoline mfg. from casing-head gas.

Applicable to the.....specialized intervention to fix.

OPERATIONS NOT INCLUDED:

As provided for in this Manual.....not necessarily limited to:

Items 1 through 4 remain unchanged

5. Assign Code 012 to [separate staff or an independent contractor principally engaged in performing] the installation of well pad containment liners and fences (barriers).
6. No Change

104 FOOD PRODUCTS MFG., N.O.C.

OPERATIONS NOT INCLUDED:

1. No change
2. No change
3. Assign Code 112 to a business manufacturing, bottling/and or canning any carbonated beverage.
- 4.[3] Assign Code 113.....or other foods.
- 5.[4] Assign Code 113.....the required ingredients.
- 6.[5] Assign Code 113.....and related ingredients.
7. Assign Code 113 to a business manufacturing fruit or vegetable juice by pressing the fruit or vegetables to extract the juice by mechanical means and the bottling or canning of the juice.
- 8.[6] Assign Code 571.....as used for perfume.
- 9.[7] Assign Code 898.....food by caterers.
- 10.[8] Assign Code 907 to fresh fruit or vegetable packers whose operations typically include washing, sorting, grading and/or chilling the fresh fruit or vegetables for shipment to customers or to fresh fruit and/or vegetable dealers whose operations may include washing, sizing and/or packaging the fresh fruit or vegetables.
- 11.[9] Assign Code 911.....or solid products.
- 12.[10] Assign the applicable agricultural.....shipment to customers.

UNDERWRITING GUIDE

Change to 104:
Ketchup Mfg. 104[113]

UNDERWRITING GUIDE

Changes to 104:
Food Products[Sundries] Mfg., N.O.C. [No Cereal Milling]
Nuts (All Types) – Cleaning and Shelling – By Specialist Contractor
Peanut Handling – Cleaning, Grading or Shelling – By Specialist Contractor
Relish Mfg. – Fruit Or[And] Vegetable – No Pickling Operations

UNDERWRITING GUIDE

Change to 113:
Fruit Or[And] Vegetable Juice, Canned, Bottled Or Bulk

UNDERWRITING GUIDE

Change to 305:
Barrel Repair[Dealer, Including Repairing -] Wood - By Specialist Contractor
Staircase Or[And] Stair Mfg. – Wood

UNDERWRITING GUIDE

Change to Code 926:
Oil And/or Gas Well Equipment Dealer Or Rental

UNDERWRITING GUIDE

Change to 968:
Shooting Range – Private Or Public[Gallery] – Indoor

UNDERWRITING GUIDE

Change to 969:
Shooting Range – Private [Club] Or Public[Range] – Outdoor

112 CARBONATED BEVERAGE MFG., [N.O.C., including bottling or canning]
[Includes the distribution.....to Code 108.]

OPERATIONS ALSO INCLUDED:

1. Applicable to a business principally engaged in manufacturing, bottling and/or canning any carbonated beverage.
2. The distribution of the carbonated beverage(s) by the manufacturer, bottler or canner.
3. Payroll developed by employees engaged as delivery salespersons, route salespersons, and/or route supervisors engaged in the delivery of the insured's products to customers.

OPERATIONS NOT INCLUDED:

1. Assign Code 108 to a business engaged in brewing, bottling and/or canning of beer, ale or malt liquors.

606 OIL OR GAS WELL DRILLING

OPERATIONS ALSO INCLUDED:

1. Drilling for oil or gas starts with drilling vertically to the depth where an oil or gas deposit is anticipated (from prior exploration of the site) and may also include horizontal drilling at the achieved depth in one or more additional directions.

607 DRILLING, N.O.C. – By Contractor

Applicable to all.....oil or gas wells.

OPERATIONS ALSO INCLUDED:

1. No change
2. Horizontal directional drilling for underground utility construction is a trenchless (non-excavating) method of installing underground pipes, conduits or cables[Geophysical exploration].

611 PILE DRIVING, including timber wharf building

OPERATIONS NOT INCLUDED:

1. Assign Code 654 to payroll developed in pouring concrete into driven pilings.

617 GAS, STEAM or WATER MAIN CONSTRUCTION

[Also includes conduit construction for cable or wires.]

OPERATIONS ALSO INCLUDED:

1. Conduit construction for cable or wires.

OPERATIONS NOT INCLUDED:

1. No Change
2. Horizontal directional drilling for underground utility construction is a trenchless (non-excavating) method of installing underground pipes, conduits or cables. Separately rate horizontal directional drilling for underground utility construction to Code 607.

656 ELECTRIC or Telephone LINE CONSTRUCTION – by contractors

Includes the setting of.....stringing of lines.

OPERATIONS NOT INCLUDED:

1. No change
2. No change
3. Separately rate the tasks performed by a contractor(s) in erecting a cell phone tower [as provided in this Manual]. Such tasks may include but are not necessarily limited to:
 - a. Assign Code 609 to the clearing, excavation and/or grading of the site.
 - b. Assign Code 654 to building the concrete pad.
 - c. Assign Code 655 to the erection of the tower and/or to the installation and/or repair of the tower's antennas.
 - d. Assign Code 660 to running a lateral connecting the cell tower site to the landline telephone network and/or wiring the cell site.
 - e. Assign Code 952 to the installation of computerized telephone call switching equipment in the cell site's base station.

757 TELECOMMUNICATIONS COMPANY [– including installation,office switching equipment.]

Applicable to FCC.....on a fee basis.

OPERATIONS ALSO INCLUDED:

Includes the installation, maintenance, repair and operation of telephone lines and systems, remote transmission sites and central office switching equipment.

OPERATIONS NOT INCLUDED:

1. No change
2. Separately rate the tasks performed by a contractor(s) in erecting a cell phone tower. Such tasks may include but are not necessarily limited to:
 - a. Assign Code 609[is] to the clearing, excavation and/or grading of the site.
 - b. No change
 - c. Assign Code 655[is applicable] to the erection of the tower and/or the installation, service and/or repair of the tower's antennas.Items d and e remain unchanged

907 FRUIT OR VEGETABLE DEALER – Wholesale

Applies to dealers principally.....boxes, bags or similar containers.

Also applies to fruit or vegetable packers who may contract with unrelated farming businesses to grow one or more fruits or vegetables or who may purchase unrelated farming businesses' fruit or vegetable crops on a bulk basis. The fruit or vegetable packer may also harvest part of the crops grown under contract. The fruit or vegetable packer will receive the crops that the packer's staff will first wash and then sort, grade and/or chill prior to shipment to customers.

In addition these.....of the gross receipts.

OPERATIONS NOT INCLUDED:

1. Assign the applicable agricultural class to a business principally engaged in raising of one or more different fruits or vegetables whose operations may include the washing, sizing and/or packaging thereof prior to shipment to customers.
2. Assign Code 113 to a business principally engaged in canning fruit or vegetables, pickling cucumbers, tomatoes, peppers or other vegetables, or preserving fruit or vegetables by another food preservation technique.

940 RESIDENTIAL CARE FACILITY for INDIVIDUALS WITH INTELLECTUAL DISABILITIES

Includes operations licensed as Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID).....to intellectually disabled.

OPERATIONS NOT INCLUDED:

1. Assign Code 964 to separately staffed certified [sheltered workshops]work centers.
2. No change
3. No change

963 CHURCH – all employees including office

Applicable to the place of worship.....citing the location of each.

OPERATIONS ALSO INCLUDED:

1. [Includes r]Religious education provided by the church.

OPERATIONS NOT INCLUDED:

1. No change
 2. Assign Code 891 for a separately-staffed day nursery school, kindergarten,[or] child daycare center and/or a before and/or after school program operated on the church premises [from Monday through Friday].
- Items 3 and 4 remain unchanged

0006 FIELD CROP OR VEGETABLE FARM – the raising of.....variety of operations.

OPERATIONS NOT INCLUDED:

1. Assign Code 113 to separately-staffed canning, pickling or operations preserving vegetables by use of another food preservation technique[food processing operations].
2. No change

DELETIONS

DEFINITIONS

CAMPUS: The grounds, buildings.....as a single enterprise.

UNDERWRITING GUIDE

Deletion From 305:
Cooper

SECTION 3

Workers' Compensation and Employers Liability Insurance Policy

WC 37 06 01

SPECIAL PENNSYLVANIA ENDORSEMENT – INSPECTION OF MANUALS

The manuals of rules, rating plans and classifications are approved pursuant to the provisions of 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, [Act 44 of 1993] and are on file with the Insurance Commissioner of the Commonwealth of Pennsylvania.

Note 1: Use this endorsement..... binding upon the insured.

SECTION 4

RETROSPECTIVE RATING PLANS – PENNSYLVANIA

Retrospective rating is an.....workers' compensation insurance.

The Pennsylvania Workers' Compensation Act of 1915, as amended, [Act 44 of 1993] requires PCRB[Bureau] filings other than United States Longshore and Harbor Workers' Compensation Act (LHWCA)[USL&HW] filings to exclude all expense and profit considerations as well as loss adjusted expenses. Beginning [E]effective December 1, 1993 the PCRB[Bureau] has filed and this Manual includes only selected rating values which are exclusive of expense and profit considerations for coverages other than LHWCA[USL&HW] and which are inclusive of such provisions for LHWCA[USL&HW] coverage.

For the sake of consistency.....Manual are synonymous.

A carrier may file retrospective rating plans which use different and/or additional rating values from those shown in the Manual. In such cases the individual carrier values supersede application of the PCRB[Bureau] values. Information regarding such individual carrier retrospective rating plans must be obtained from those carriers or their authorized representative.

IMPORTANT NOTES

- [Carriers may refer to.....with respect to retrospective rating plans.]
- Selected Retrospective.....of this Manual for values.