



October 15, 2021

VIA SERFF

The Honorable Jessica Altman
Insurance Commissioner
Commonwealth of Pennsylvania
Insurance Department
11311 Strawberry Square
Harrisburg, PA 17120

Attention: Michael McKenney, Actuarial Supervisor, Property & Casualty Bureau

**RE: PCRB Filing No. 328 – Proposed Effective April 1, 2022
Updated Edition of Endorsement WC 00 04 06A – Premium Discount Endorsement**

Dear Commissioner Altman:

On behalf of the members of the Pennsylvania Compensation Rating Bureau (PCRB), we hereby submit this filing to propose the use of the updated edition of the Premium Discount Endorsement; endorsement WC 00 04 06A. The revision is proposed to be effective as of 12:01 a.m., April 1, 2022, for new and renewal policies and coincides with changes resulting from PCRB's normal annual comprehensive loss cost revision, which will be filed with the Insurance Department at a later date. The election of this effective date coordinates all changes to a single date.

The purpose of this endorsement is to inform policyholders of the premium discount potentially applying to their policy. The Endorsement section of the PCRB Workers Compensation Manual of Rules, Classifications and Rating Values for Workers Compensation and for Employers Liability Insurance (Basic Manual) currently includes the original version of the endorsement; WC 00 04 06. Some time ago, on a countrywide basis, the original version of the endorsement was updated and replaced but was not filed for use in the state of Pennsylvania until now. The adoption of this updated version is intended to align Pennsylvania with the National Council on Compensation Insurance Inc. (NCCI) and other independent jurisdictions. Upon approval, the Endorsements section of the Basic Manual will be updated to include the most recent edition of the endorsement; WC 00 04 06A.

Included with this proposed filing is the PCRB's staff memorandum detailing the proposed update to the endorsement. The memorandum and proposal were presented to the PCRB Classification and Rating Committee during its annual meeting on June 9, 2021.

The PCRB appreciates your prompt review, consideration and approval of this filing. We welcome any questions that you or your staff may have regarding this submission.

Sincerely,

William V. Taylor
President

Enclosure: Staff memorandum and Endorsement WC 00 04 06A

TO: Pennsylvania Compensation Rating Bureau Classification and Rating Committee
FROM: Drew Kratz, Manager – Underwriting & Coverage Compliance
DATE: June 01, 2021
RE: Pennsylvania Basic Manual: Filing of Endorsement WC 00 04 06A - Premium Discount Endorsement

Background:

The Endorsement section of the Pennsylvania Basic Manual historically has included a Premium Discount Endorsement; endorsement WC 00 04 06. This endorsement is used by the carrier-of-record to show the estimated premium discount potentially applying to the policy.

The Premium Discount Endorsement as provided in the Pennsylvania Basic Manual was subsequently updated and replaced on a countrywide basis by endorsement WC 00 04 06A but was not filed for use in the state of Pennsylvania at the time of the change. The newer version of the endorsement does not substantially change any language currently found in the Pennsylvania Basic Manual.

Conclusion and Recommendation:

Staff proposes the filing of WC 00 04 06A for use in the state of Pennsylvania. The proposed effective date of the change is April 1, 2022, concurrent with PCR B's normal annual comprehensive loss cost filing. The adoption of endorsement WC 00 04 06A will align the PCR B and what is provided within the Pennsylvania Basic Manual with what is currently used countrywide.

The proposed version of WC 00 04 06A is attached.

PREMIUM DISCOUNT ENDORSEMENT

The premium for this policy and the policies, if any, listed in Item 3 of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in Items 1 or 2 of the Schedule. The final calculation of premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

Schedule

1. State	Estimated Eligible Premium			
	First	Next	Next	Balance
	\$10,000	\$190,000	\$1,550,000	

2. Average percentage discount: _____%

3. Other policies:

4. If there are no entries in Items 1, 2 and 3 of the Schedule, see the Premium Discount Endorsement attached to your policy number:

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium:

Insurance Company

Countersigned by _____