



Pennsylvania Compensation Rating Bureau

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July 28, 2014

PCRB CIRCULAR NO. 1629

To All Members of the PCRB:

Re: **MANUAL REVISIONS - SECTION 1 RULE IX H.**
PENNSYLVANIA CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM
EFFECTIVE OCTOBER 1, 2014

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, 2014** with respect to new and renewal business only.

For policies with anniversary rating dates on or after October 1, 2014 the following changes to the PCPAP plan are applicable:

- First, qualifying wages will be based on the Third Quarter of 2013, 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 \$27.80 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 PCRB filings pertaining to the PCCPAP 1995 through 2013, 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, 2014 in the text of Section 1, Rule IX, H. is shown at the end of this circular.

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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 PCRB will continue to advise qualifying employers and their insurers of record of PCCPAP credits using normal procedures.

Timothy L. Wisecarver
President

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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 <u>Rating Dates</u>	Reporting Period for <u>Qualifying Wages</u>	No Change	
October 1, 2009 - September 30, 2010	Third calendar quarter of 2008	Delete	
October 1, 2010 - September 30, 2011	Third calendar quarter of 2009	No Change	
October 1, 2011 - September 30, 2012	Third calendar quarter of 2010	No Change	
October 1, 2012 - September 30, 2013	Third calendar quarter of 2011	No Change	
October 1, 2013 and later	Third calendar quarter of 2012	October 1, 2013 - <u>September 30, 2014</u>	Third calendar quarter of 2012
No Current Entry		<u>October 1, 2014</u> <u>and later</u>	<u>Third calendar</u> <u>quarter of 2013</u>

If the insured is listed below: No Change

DELETE: table for Normal Anniversary Rating Dates:
October 1, 2009 – September 30, 2010

NO CHANGE: to tables for the following Normal Anniversary Rating Dates:
October 1, 2010 – September 30, 2011
October 1, 2011 – September 30, 2012
October 1, 2012 – September 30, 2013

FROM

TO

Normal Anniversary Rating Dates
October 1, 2013 ~~and later~~

Normal Anniversary Rating Dates
October 1, 2013 – September 30, 2014

Table values unchanged

Normal Anniversary Rating Dates October 1, 2014 and later

<u>Average Hourly Wage</u>	<u>Credit From Standard Premium</u>	<u>Average Hourly Wage</u>	<u>Credit From Standard Premium</u>
\$27.79 or less	None	\$34.55 - \$35.14	18%
\$27.80 - \$28.24	5%	\$35.15 - \$35.74	19%
\$28.25 - \$28.69	6%	\$35.75 - \$36.39	20%
\$28.70 - \$29.14	7%	\$36.40 - \$37.04	21%
\$29.15 - \$29.64	8%	\$37.05 - \$37.74	22%
\$29.65 - \$30.14	9%	\$37.75 - \$38.44	23%
\$30.15 - \$30.64	10%	\$38.45 - \$39.19	24%
\$30.65 - \$31.14	11%	\$39.20 - \$39.94	25%
\$31.15 - \$31.69	12%	\$39.95 - \$40.69	26%
\$31.70 - \$32.24	13%	\$40.70 - \$41.49	27%
\$32.25 - \$32.79	14%	\$41.50 - \$42.29	28%
\$32.80 - \$33.34	15%	\$42.30 - \$43.14	29%
\$33.35 - \$33.94	16%	\$43.15 and over	30%
\$33.95 - \$34.54	17%		

The total construction..... premium adjustment credit.

“Construction classifications” are those classifications subject to the following code numbers:

601	609	648	656	663	670	679
603	611	649	657	664	673	681
605	615	651	658	665	674	691
606	617	652	659	666	675	693
607	645	653	660	667	676	695
608	646	654	661	668	677	
	647	655	662	669		

Balance of the rule remains unchanged.