



Pennsylvania Compensation Rating Bureau

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May 18, 2015

PCRB CIRCULAR NO. 1641

To All Members of the PCRB:

Re: **MANUAL REVISIONS - SECTION 1 RULE IX H.**
PENNSYLVANIA CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM
EFFECTIVE OCTOBER 1, 2015

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, 2015** with respect to new and renewal business only.

For policies with anniversary rating dates on or after October 1, 2015, the following changes to the PCCPAP plan are applicable:

- First, qualifying wages will be based on the Third Quarter of 2014, 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 \$28.35 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 2014, 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, 2015 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:

<u>FROM</u>		<u>TO</u>	
Normal Anniversary <u>Rating Dates</u>	Reporting Period for <u>Qualifying Wages</u>	No Change	
October 1, 2010 - September 30, 2011	Third calendar quarter of 2009	Delete	
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 - September 30, 2014	Third calendar quarter of 2012	No Change	
October 1, 2014 and later	Third calendar quarter of 2013	October 1, 2014 - <u>September 30, 2015</u>	Third calendar quarter of 2013
No Current Entry		<u>October 1, 2015</u> <u>and later</u>	<u>Third calendar</u> <u>quarter of 2014</u>

If the insured is listed below: No Change

DELETE: table for Normal Anniversary Rating Dates:
October 1, 2010 – September 30, 2011

NO CHANGE: to tables for the following Normal Anniversary Rating Dates:
October 1, 2011 – September 30, 2012
October 1, 2012 – September 30, 2013
October 1, 2013 – September 30, 2014

FROM

Normal Anniversary Rating Dates
October 1, 2014 ~~and later~~

TO

Normal Anniversary Rating Dates
October 1, 2014 – September 30, 2015

Table values unchanged

Normal Anniversary Rating Dates October 1, 2015 and later

<u>Average Hourly Wage</u>	<u>Credit From Standard Premium</u>	<u>Average Hourly Wage</u>	<u>Credit From Standard Premium</u>
\$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..... premium adjustment credit.

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

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

Balance of the rule remains unchanged.