



Pennsylvania Compensation Rating Bureau

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November 5, 2012

VIA OVERNIGHT DELIVERY

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

Attention: Property & Casualty Bureau

RE: Addendum to PCRB Filing No. 249 - Manual Revisions to Sections 1 and 3
Section 3 – Additional Endorsements
Proposed Effective January 1, 2013

Dear Commissioner Consedine:

The Pennsylvania Compensation Rating Bureau (PCRB) filed Manual revisions to Section 1 – Manual Rules and Section 3 – Endorsements on October 15, 2012. Those revisions were proposed in order to bring the Manual into compliance with HB 1055 (Act 102 of 2012), which is effective as of January 1, 2013.

That filing included the adoption of three new endorsements, WC 00 03 20 B, WC 00 03 21 A and WC 00 03 23 A. We have subsequently identified a previous set of these three endorsements that are currently in use in other jurisdictions. For the sake of insurance carrier system uniformity, we are hereby amending PCRB Filing No. 249 to also adopt those three additional endorsements, WC 00 03 20 A, WC 00 03 21 and WC 00 03 23. Those endorsements are attached as Exhibits 1, 2 and 3.

As always, the PCRB stands ready to address any questions you or your staff may have regarding these endorsements.

Sincerely,

A handwritten signature in black ink that reads "Timothy L. Wisecarver". The signature is written in a cursive, flowing style.

Timothy L. Wisecarver
President

TLW/kg
Attachments

LABOR CONTRACTOR ENDORSEMENT

This endorsement applies only with respect to bodily injury to your leased employees in the state named in Item 2 of the Schedule when provided by a labor contractor named in Item 1 of the Schedule. This endorsement does not apply with respect to bodily injury to workers provided to you on a temporary basis.

Certain words and phrases in this endorsement are defined as follows:

Labor contractor means the entity furnishing some or all of the workers to another entity.

Client means the entity using the services of a labor contractor to obtain some or all of its workers.

Temporary worker means a worker who is furnished to an entity to substitute for a permanent employee on leave or to meet seasonal or short-term workload conditions.

Part One (Workers Compensation Insurance) and Part Two (Employers Liability Insurance) will apply as though the labor contractor is an insured. If an entry is shown in Item 3 of the Schedule, the insurance afforded by this endorsement applies only to work you perform under the contract or at the project named in the Schedule.

Under Part One we will reimburse the labor contractor named in the Schedule for the benefits required by the workers compensation law if we are not permitted to pay the benefits directly to the persons entitled to them.

The insurance afforded by this endorsement is not intended to satisfy the labor contractor's duty to secure its obligations under the workers compensation law. We will not file evidence of this insurance on behalf of the labor contractor with any government agency.

We will not ask any other insurer of the labor contractor to share with us a loss covered by this endorsement.

Premium will be charged for your leased employees while provided by the labor contractor. You must obtain from the labor contractor and furnish to us a complete payroll record of your leased employees provided by the labor contractor to satisfy your obligations under Part Five (Premium), C.2.

The policy may be canceled according to its terms or for violation of rules applicable to employee leasing operations provided that the labor contractor has been provided a reasonable opportunity to cure the violation. If the policy is canceled, we will send notice of such cancellation to the labor contractor.

Part Four (Your Duties If Injury Occurs) applies to you and the labor contractor. The labor contractor will recognize our right to defend under Parts One and Two and our right to inspect under Part Six (Conditions).

Schedule

- | 1. Labor Contractor | Address |
|-------------------------------|---------|
| 2. State Where Work Performed | |
| 3. Contract or Project | |

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.)

EXHIBIT 1

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 _____

WC 00 03 20 A
(Ed. 2-92)

LABOR CONTRACTOR EXCLUSION ENDORSEMENT

As used in this endorsement, "employee leasing" shall mean an arrangement whereby an entity utilizes the services of a third party to provide its workers for a fee or other compensation. The third party providing employee leasing services shall be referred to as a "labor contractor." The entity receiving the services shall be referred to as a "client."

This endorsement applies only with respect to workers provided by you to a client under an employee leasing arrangement to engage in work for the client. Your policy does not provide coverage for workers you lease to the clients listed below.

Schedule

Client**Address**

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 _____

WC 00 03 21
(Ed. 2-92)

MULTIPLE COORDINATED POLICY ENDORSEMENT

The multiple coordinated policy to which this endorsement is attached provides coverage for the workers you lease from the labor contractor listed below and does not provide coverage for any other workers leased or non-leased.

Schedule

- | | |
|---|----------------|
| <ol style="list-style-type: none"> 1. Labor Contractor 2. State Where Work Performed 3. Contract or Project 4. Labor Contractor Policy Number | Address |
|---|----------------|

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 _____

WC 00 03 23
(Ed. 2-92)