Delaware Compensation Rating Bureau, Inc.



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October 3, 2019

DCRB CIRCULAR NO. 968

To All Members of the DCRB:

Re: <u>APPROVAL OF DCRB FILING NO. 1905</u> <u>REVISIONS TO THE BASIC MANUAL – SECTION 1</u> <u>DE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP)</u> <u>EFFECTIVE DECEMBER 1, 2019</u>

The Delaware Insurance Commissioner has approved DCRB Filing No. 1905 for policies with effective dates of December 1, 2019 and later. The effective date of these changes aligns with the DCRB's normal comprehensive voluntary market loss cost and residual market rate revision filing, which was recently filed with the Department. This coordination will consolidate necessary changes that members and other constituents make to policies, forms and systems.

The Delaware Construction Classification Premium Adjustment Program (DCCPAP) was approved for workers' compensation insurance policies with effective dates of July 1, 1990 and later and applies to employers engaged in construction operations. The DCCPAP applies a special premium calculation based on average hourly pay rates for each eligible construction classification and which may result in a workers' compensation premium credit for qualified employers. Section 1 of the Basic Manual lists the classification codes subject to the DCCPAP.

The DCRB received an inquiry from a representative of the Delaware/Pennsylvania/New Jersey chapter of a trade association questioning the omission of two classification codes: Code 660, Alarm or Sound System, and Code 662, Appliance – Electrical – Service or Repair – from that list. The trade association representative noted that the Delaware and Pennsylvania uniform classification plans are reasonably similar, and that both Codes 660 and 662 are included in the Pennsylvania Compensation Rating Bureau (PCRB) Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP). In Pennsylvania all of the "600 series" classifications are included in the PCCPAP. Further review disclosed that the following additional "600 series" classifications were also not included in the DCCPAP listing of eligible classifications:

- 670, House Furnishings Installation
- 673, Advertising Sign, Manufacture, Erection or Repair
- 679, Advertising Company, Outdoor, 681, Canvas Goods Erection
- 682, Employment Contractor Temporary Staff Construction or Erection Operations
- 691, Employment Contractor Temporary Excavation Staff
- 693, Employment Contractor Temporary Commercial Structure Carpentry Staff
- 695, Employment Contractor Temporary Electrical Wiring Staff

The approval of this filing brings all "600 series" classifications into the DCCPAP, thus broadening the number of employers that may be eligible for credit under the program.

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Please refer to DCRB Filing No. 1905, posted under the "Filings" tab of the DCRB's website (<u>http://www.dcrb.com</u>) for additional details regarding these revisions. Please contact Robert Ferrante, Senior Classification Analyst – Technical Services, at (215) 320-4584 or at <u>rferrante@dcrb.com</u> for any questions regarding this circular. The Basic Manual will be updated on the DCRB's website at a later date.

William V. Taylor President

DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE

Approved Effective December 1, 2019

SECTION 1

INFORMATION PAGE remains unchanged.

PREFACE remains unchanged.

MEMBERSHIP remains unchanged.

TABLE OF CONTENTS remains unchanged.

SECTION 1 – Underwriting Rules-Rule I (General) through Rule VIII (Limits of Liability) remains unchanged.

RULE IX- SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE AND PREMIUM

(No changes to Items A. through G.)

H. DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

(No change to Item 1.)

2. "Construction on classifications" are those classifications subject to the following code numbers:

601	611	646	653	659	665	673	681
603	615	647	654	<u>660</u>	666	674	<u>682</u>
605	617	648	655	661	667	675	<u>691</u>
607	625	649	656	662	668	676	693
608	643	651	657	663	669	677	695
609	645	652	658	664	<u>670</u>	<u>679</u>	

(No change to Item I.)

SECTION 1 – Underwriting Rules-Rule X (Cancellation) through Rule XVII (Member Disputes) remains unchanged.

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