



June 2, 2005

**BUREAU CIRCULAR NO. 792**

To All Members of the Bureau:

Re: **CLASSIFICATION PROCEDURE**

The Delaware Manual (Section 1 – Rule IV – C. 2. c.) indicates the following:

**Authorized Classifications.** When the classification of any insured has been established by the Rating Bureau, no policy shall be issued or endorsed nor adjustment of premium made under any other or conflicting classification.

In any instance where the established classification does not describe the current operations of the insured, the insuring carrier or insured shall draw the matter to the attention of the Rating Bureau in writing with full particulars prior to the application of any other classification. The reclassification shall not take place until the Bureau Staff has received and reviewed such documentation and has replied in writing to the insured or insuring carrier agreeing with their position or otherwise advising on which class(es) to assign.

The insuring carrier is not relieved of the obligation to apply the class authorized for an insured because of lack of knowledge that the Bureau has established an authorized classification for that insured.

In all instances where the Bureau has established authorized classifications for an employer, that information can now be found on the Bureau's website ([www.dcrb.com](http://www.dcrb.com)) through the Application Login, in the **Rating and Underwriting Reference Section - Experience Rating/Merit Rating**. Note that the Bureau has not established authorized classifications for every employer. However, for those employers for which authorized classifications have been established, the classifications listed will be enforced in accordance with all applicable Manual rules. Carriers must report data in conformance with authorized classifications and must correct previous reports upon the discovery of an error in authorized classifications. Decisions to collect additional premium amounts for policies issued and/or previously audited in conflict with authorized classifications rest with the carrier, subject to applicable policy provisions. To the extent that such additional premium amounts are pursued, the resolution of any resulting dispute(s) is a matter to be accomplished between the carrier and employer without intervention or assistance of the Bureau.

Timothy L. Wisecarver  
President

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