

COMPENSATION RATING AND INSPECTION BUREAU

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PAUL G. WITKO Executive Director

November 21, 2019

STATISTICAL CIRCULAR #126

To: All Bureau Members and Subscribers

Re: Statistical Plan

The Commissioner of Banking and Insurance has approved amendments to the New Jersey Statistical Plan, which is found in Part Three, Section 13 (or 3:13) of the New Jersey Workers Compensation and Employers Liability Insurance Manual (Manual). The changes set forth in this Statistical Circular Letter, issued concurrently with Circular Letter #1974, Manual Amendment Bulletin #493 and Manual Amendment Bulletin #494.

Currently, New Jersey uses four domestic servant classifications: 0910, 0912, 0913 and 0915, where 0910 represents part-time employment and the remainder represent full-time employment. In an effort to align the classification treatment of domestic workers with the approach used nationally, the Rating Bureau is consolidating all full-time domestic employment to code 0913.

The Rating Bureau is also eliminating the Manual provisions exempting carriers that issue policies exclusively with private residences or estates classifications from reporting Unit Statistical Data.

The changes are effective January 1, 2020, on a new and renewal basis unless otherwise specified. Changes to Manual rules are indicated in italics and **bold** in the attached Exhibit I.

Van La Willo

Paul G. Witko Executive Director

PGW:njl Att.

EXHIBIT I

Amend 3:13-5, -26, -28 and -84 as follows:

PRESENT

5. Special Rules and Procedure Applicable in Certain Cases. Special Rules apply to each of the following as provided in the respective special rules of this Section.

- (a) Special rules apply to annual private residence policies, written on an exclusive per capita basis, in accordance with 3:13-84 of this Manual
- (b) Special rules apply to the reporting of three year policies, in accordance with 3:13-85 of this Manual.
- (c) Special rules apply on policies covering liability under the United States Longshore and Harbor Workers' Compensation Act in accordance with 3:13-86 of this Manual.
- (d) An annual call for calendar year total experience will be made on or about December 15. The forms and procedures will be included in the call.
- (e) A special midyear call for premium writings will be made on or about June 15 of each year. The forms and procedures will be included in the call.

AMENDED

NO CHANGE

DELETE

- (*a*) Special rules apply to the reporting of three year policies, in accordance with 3:13-85 of this Manual.
- (b) Special rules apply on policies covering liability under the United States Longshore and Harbor Workers' Compensation Act in accordance with 3:13-86 of this Manual.
- (c) An annual call for calendar year total experience will be made on or about December 15. The forms and procedures will be included in the call.
- (d) A special midyear call for premium writings will be made on or about June 15 of each year. The forms and procedures will be included in the call.

<u>PRESENT</u>

26a. Classification Codes Not Subject to Experience Modification but Included in Total Standard Premium. The following New Jersey statistical code numbers are not subject to experience modification and the reported premiums are included in the "Total Standard Premium":

- 0931 Short Rate Penalty (3:13-33)
- 0990 Additional Premium to Equal Policy Minimum Premium (3:13-29a)
- 0910, 0912, 0913, 0915 Incidental Per Capita Premium (3:13-28)
- 9849 Premium to Equal Admiralty/FELA Minimum Premium (3:13-29b)
- 9874 Premium Reduction Resulting from the Application of an Approved Managed Care Program (3:13-34F)
- 9046 Premium Credit resulting from the NJ Construction Classification Premium Adjustment Program (3:13-34G).
- 9887 Premium Credit resulting from the Schedule Rating Plan (3:13-34J)
- 9889 Premium Debit resulting from the Schedule Rating Plan (3:13-34K)

28. Per Capita Classification—Incidental Experience. Incidental per capita premium on all risks shall be reported using Codes 0910, 0912, 0913 and 0915.

AMENDED

NO CHANGE

- 0931 Short Rate Penalty (3:13-33)
- 0990 Additional Premium to Equal Policy Minimum Premium (3:13-29a)
- 0910, 0913, Incidental Per Capita Premium (3:13-28)
- 9849 Premium to Equal Admiralty/FELA Minimum Premium (3:13-29b)
- 9874 Premium Reduction Resulting from the Application of an Approved Managed Care Program (3:13-34F)
- 9046 Premium Credit resulting from the NJ Construction Classification Premium Adjustment Program (3:13-34G).
- 9887 Premium Credit resulting from the Schedule Rating Plan (3:13-34J)
- 9889 Premium Debit resulting from the Schedule Rating Plan (3:13-34K)

28. Per Capita Classification—Incidental Experience. Incidental per capita premium on all risks shall be reported using Codes 0910 *and 0913*.

EXHIBIT I (Cont'd)

PRESENT

AMENDED

84. Exclusive Per Capita Policies. Policies which develop private residence or estates per capita experience exclusively (whether one or three years) shall be reported by a special call on forms provided for that purpose. Normally, this type of W.C. Policy is written in the absence of a Home Owner's Policy.

84. Reserved for Future Use