

BACKGROUND INFORMATION

New Jersey classification codes which are subject to the premium adjustment program are as follows:

1605	5059	5200	5443	5480	6003	6252	9529
3365	5069	5213	5445	5491	6005	6306	
3719	5099	5215	5458	5500	6039	6319	
3724	5103	5222	5459	5538	6042	6325	
3726	5146	5223	5462	5551	6204	6400	
5000	5160	5348	5466	5606	6217	7536	
5022	5183	5402	5473	5610	6229	7538	
5038	5184	5403	5474	5645	6233	7601	
5040	5188	5409	5475	5701	6235	7855	
5057	5190	5437	5479	5703	6251	8227	

The Rating Bureau will determine your **average hourly wage** for each construction classification, the applicable construction classification premium **credit percentage** and the overall **policy credit percentage**. The policy credit percentage which is applied to a qualifying policy is calculated as follows:

1. For the construction codes only, it is necessary to calculate an average **hourly wage**. This is done by dividing the total payroll (Excl: overtime premium pay) by the hours worked as included in the Application. To qualify for the program at least one construction code must produce an average hourly wage of at least **\$28.00**.
2. If the employer qualifies, the **total manual premium** for ALL classifications included in the Application must be determined. The manual rates used in this calculation are those which were in effect at the beginning of the calendar quarter submitted by the employer.
3. A stipulated **credit percentage** is then assigned to each **hourly wage** for the applicable construction codes. The hourly wages and credit percentages are included with this Information Package. The applicable construction codes also are included. The **credit percentage** is applied to the **manual premium** for each construction code. The result is a **credit amount**.
4. The **total credit amount** for the construction codes is then divided by the **total manual premium** for all codes. The resultant factor when multiplied by 100 and rounded to the nearest whole number becomes the **policy credit percentage**.

The average hourly wage and the credit percentage used in the credit percentage calculation are as follows:

<u>Average Hourly Wage</u>	<u>Credit from Manual Premium</u>	<u>Average Hourly Wage</u>	<u>Credit from Manual Premium</u>
Under 28.00	0%	35.50 – 36.24	15%
28.00 – 28.74	5%	36.25 – 36.99	16%
28.75 – 29.49	6%	37.00 – 37.74	17%
29.50 – 30.24	7%	37.75 – 38.49	18%
30.25 – 30.99	8%	38.50 – 39.24	19%
31.00 – 31.74	9%	39.25 – 39.99	20%
31.75 – 32.49	10%	40.00 – 40.74	21%
32.50 – 33.24	11%	40.75 – 41.49	22%
33.25 – 33.99	12%	41.50 – 42.24	23%
34.00 – 34.74	13%	42.25 – 42.99	24%
34.75 – 35.49	14%	43.00 & Over	25%