



July 17, 2020

CIRCULAR LETTER NO. 2372

To All Members and Subscribers of the WCRIBMA:

REVISIONS TO MANUAL RULES RELATED TO THE COVID-19 PANDEMIC

On July 17, 2020, the Massachusetts Division of Insurance ("DOI") approved the WCRIBMA's attached Filing Memorandum and Exhibits for revisions to the Massachusetts Workers' Compensation & Employers Liability Insurance Manual and Massachusetts Statistical Manual rules related to COVID-19 Pandemic to become effective for new, renewal and outstanding policies effective on and after 12:01 a.m. on March 1, 2020.

The filing revises and establishes rules related to:

- Definitions, treatment, and reporting of payments by an employer to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer's staffing or business operations
- Any claims attributable to paid furloughed employees
- Reporting final premium for employers affected by the COVID-19 pandemic

The March 1, 2020 effective date of these rule revisions coincides with the President of the United States declaration of the COVID-19 outbreak as a national emergency. The expiration date of these rule revisions will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

Code 0012 is a Statistical Code used only to report the payments to paid furloughed employees, as such there is no rate or premium associated with it. If a carrier reports Code 0012 as a Classification Code with a zero rate and zero premium for payments to paid furloughed employees, the reporting of Code 0012 will be interpreted by the WCRIBMA as a statistical code.

THE WORKERS' COMPENSATION RATING & INSPECTION BUREAU OF MASSACHUSETTS

101 ARCH STREET 5TH FLOOR, BOSTON, MASSACHUSETTS 02110-1103
(617) 439-9030, FAX (617) 439-6055, www.wcribma.org

Circular Letter No. 2372

It should also be noted that no claims can be reported to Statistical Code 0012 and that Statistical Code 0012 will not be used in experience rating.

The Internet-based versions of the affected MA Manual pages, accessible at www.wcribma.org, will be updated soon.

Please contact Dan Crowley (617-646-7594 or dcrowley@wcribma.org) if you have any questions.

Attachment

DANIEL M. CROWLEY, CPCU
Vice President – Customer Services



FILING MEMORANDUM

REVISIONS TO MANUAL RULES RELATED TO THE COVID-19 PANDEMIC

PURPOSE

On April 22, 2020, the National Council on Compensation Insurance, Inc. (“NCCI”) filed Item B-1441 - Revisions to NCCI Manual Rules Related to the COVID-19 (Coronavirus) Pandemic on behalf of workers compensation insurers in NCCI states. With NCCI’s permission, the Workers’ Compensation Rating & Inspection Bureau of Massachusetts (“WCRIBMA”) has modified NCCI’s Filing Memorandum (Exhibit I) and proposes to adopt NCCI’s filing, with amendments. As such, this filing includes copyrighted material of the NCCI, to which NCCI reserves all rights.

This filing revises and establishes rules related to:

- Definitions, treatment, and reporting of payments by an employer to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer’s staffing or business operations
- Any claims attributable to paid furloughed employees
- Reporting final premium for employers affected by the COVID-19 pandemic

The following WCRIBMA manuals are impacted by these rule changes:

- Massachusetts Workers Compensation and Employers Liability Insurance Manual (MA Manual)
- Massachusetts Workers Compensation Statistical Plan (MA Stat Plan)

BACKGROUND

The World Health Organization categorized the COVID-19 outbreak as a pandemic when the rates of infection continued to rise in many locations around the world and across the United States.

The President of the United States declared the COVID-19 outbreak a national emergency beginning March 1, 2020. The effective date of these rule revisions coincides with the President’s declaration date. The expiration date of these rule revisions will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.



The COVID-19 pandemic has created unique workers compensation conditions that need to be addressed within WCRIBMA manuals.

PROPOSAL

This item proposes to:

1. Establish MA Manual Rule V-B-3-m to add information stating that payments to paid furloughed employees are excluded from premium calculations
2. Establish MA Manual Rule V-G-7 to define and address payments to paid furloughed employees
3. Establish Part 1, Section V-C-5-c in MA Stat Plan to add information about reporting payments applicable to paid furloughed employees to Statistical Code 0012—Paid Furloughed Employees
4. Revise the format of MA Statistical Plan Part 1, Section IV-C-15 to address instances when final premium cannot be reported due to the COVID-19 pandemic
5. Establish an entry in Appendix II in MA Stat Plan to address that no claims can be reported to Statistical Code 0012 and that Statistical Code 0012 is not used in experience rating.
6. Establish Statistical Code 0012 in Part 3 – Definitions in MA Stat Plan for reporting payments made to paid furloughed employees

IMPACT

As a result of this filing, it is expected that exposure will shift from various classification codes to Code 0012, which has no rate or premium associated with it. The extent of this shift is unknown at this time because it will depend on the nature of the individual employer's business and reporting by carriers. To this extent, the premiums of individual employers could decrease based on the payments made to paid furloughed employees.

IMPLEMENTATION

The attached exhibits include the proposed changes necessary to implement this filing. Upon approval by the DOI, the WCRIBMA will publish new Manual pages.

Exhibit 1: NCCI Filing Item B-1441 - Revisions to NCCI Manual Rules Related to the COVID-19 (Coronavirus) Pandemic

Exhibit 2: Marked up MA Manual Rule V-B-3.m and Rule V-G-7

Exhibit 3: Revised- clean MA Manual Rule V-B-3.m and Rule V-G-7

Exhibit 4: Current MA Manual Rule V-B-3.m and Rule V-G-7



Exhibit 5: Marked up MA Stat Plan manual page changes.

Exhibit 6: Revised – clean MA Stat Plan manual page changes.

Exhibit 7: Current MA Stat Plan manual page changes.

Respectfully submitted,

Daniel Crowley, CPCU
Vice President - Residual Market and Customer Services
WCRIBMA

Exhibit 1

FILING MEMORANDUM

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19 (CORONAVIRUS) PANDEMIC

PURPOSE

This item revises and establishes rules related to:

- Definitions, treatment, and reporting of payments by an employer to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer's staffing or business operations
- Any claims attributable to paid furloughed employees
- Reporting final premium for employers affected by the COVID-19 pandemic

The following NCCI manuals are impacted by these rule changes:

- ***Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)***
- ***Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan)***

BACKGROUND

The World Health Organization categorized the COVID-19 outbreak as a pandemic when the rates of infection continued to rise in many locations around the world and across the United States.

The President of the United States declared the COVID-19 outbreak a national emergency beginning March 1, 2020. The effective date of these rule revisions coincides with the President's declaration date. The expiration date of these rule revisions will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

The COVID-19 pandemic has created unique workers compensation conditions that need to be addressed within NCCI manuals. As a result, NCCI has determined that it is necessary to take the following actions:

- An additional rule must be established in ***Basic Manual*** Rule 2-B-2
- ***Basic Manual*** Rule 2-F-1 must be revised
- An additional rule must be established in ***Basic Manual*** Rule 2-F—Wages for Time Not Worked
- An additional rule must be established in ***Statistical Plan*** Part 3-F-2
- An additional rule must be established in ***Statistical Plan*** Part 3-F-3
- An additional rule must be established in ***Statistical Plan*** Part 4-E-1-f(2)
- New Statistical Code 0012—Paid Furloughed Employees must be established in ***Statistical Plan*** Part 6-E-3

PROPOSAL

This item proposes to:

1. Establish ***Basic Manual*** Rule 2-B-2-n to add information stating that payments to paid furloughed employees are excluded from premium calculations
2. Revise ***Basic Manual*** Rule 2-F-1 to add a definition for idle time
3. Establish ***Basic Manual*** Rule 2-F-3 to define and address payments to paid furloughed employees

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
 (CORONAVIRUS) PANDEMIC

4. Establish Part 3-F-2-d in NCCI's **Statistical Plan** to add information about reporting payments and zero rate/premium if applicable for payments made to paid furloughed employees to Statistical Code 0012—Paid Furloughed Employees
5. Revise the format of **Statistical Plan** Part 3-F and add Part 3-F-3 to address instances when final premium cannot be reported due to the COVID-19 pandemic
6. Establish Part 4-E-1-f(2)(d) in NCCI's **Statistical Plan** to address that no claims can be reported to Statistical Code 0012
7. Establish Statistical Code 0012 in Part 6-E-3 in NCCI's **Statistical Plan** for reporting payments made to paid furloughed employees

IMPACT

As a result of this item, it is expected that exposure will shift from various classification codes to Code 0012. The extent of this shift is unknown at this time because it will depend on the nature of the individual employer's business and reporting by carriers. To this extent, the premiums of individual employers could decrease based on the payments made to paid furloughed employees.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit	Exhibit Comments	Implementation Summary
National Exhibits		
1	<ul style="list-style-type: none"> • Details the establishment of Rule 2-B-2-n in NCCI's Basic Manual • Applies in all states except Florida; refer to state exhibit for Florida • All state exceptions will continue to apply unless otherwise noted in the state-specific exhibits 	<ul style="list-style-type: none"> • In all states except Hawaii, this item is to become effective for new, renewal, and outstanding policies effective on and after 12:01 a.m. on March 1, 2020 • In Hawaii, the effective date is determined upon regulatory approval of the individual carrier's election to adopt this change
2	<ul style="list-style-type: none"> • Details the revisions to Rule 2-F-1 in NCCI's Basic Manual • Applies in all states except Florida; refer to state exhibit for Florida 	

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
 (CORONAVIRUS) PANDEMIC

Exhibit	Exhibit Comments	Implementation Summary
National Exhibits		
3	<ul style="list-style-type: none"> Details the establishment of Rule 2-F-3 in NCCI's Basic Manual Applies in all states except Florida; refer to state exhibit for Florida 	<ul style="list-style-type: none"> In all states except Hawaii, this item is to become effective for new, renewal, and outstanding policies effective on and after 12:01 a.m. on March 1, 2020 In Hawaii, the effective date is determined upon regulatory approval of the individual carrier's election to adopt this change
4	Details the establishment of Part 3-F-2-d in NCCI's Statistical Plan .	
5	Details the revisions to Part 3-F and the establishment of Part 3-F-3-c in NCCI's Statistical Plan .	
6	Details the establishment of Part 4-E-1-f(2)(d) in NCCI's Statistical Plan .	
7	Details the establishment of Statistical Code 0012 in Part 6-E-3 in NCCI's Statistical Plan .	
State Exhibits		
8	Details the revisions to Alaska's exception to Statistical Plan Part 3-F-3.*	To become effective for new, renewal, and outstanding policies effective on and after 12:01 a.m. on March 1, 2020.
8	Details the revision to Arkansas' exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Connecticut's exception to Statistical Plan Part 3-F-2.*	
8	Details the revisions to Florida's exception to Basic Manual Rule 2-B-2.	
9	Details the establishment of Florida's exception to Rule 2-F-1 in NCCI's Basic Manual .	
10	Details the establishment of Florida's exception to Rule 2-F-3 in NCCI's Basic Manual .	
8	Details the revision to Illinois' exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Indiana's exception to Basic Manual Rule 2-B-2.*	
9	Details the revisions to Indiana's exception to Statistical Plan Part 3-F-3.*	
8	Details the revision to Kansas's exception to Basic Manual Rule 2-B-2.*	

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
 (CORONAVIRUS) PANDEMIC

Exhibit	Exhibit Comments	Implementation Summary
State Exhibits		
9	Details the revision to Kansas's exception to Statistical Plan Part 3-F-2.*	To become effective for new, renewal, and outstanding policies effective on and after 12:01 a.m. on March 1, 2020.
8	Details the revision to Kentucky's exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Louisiana's exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Maryland's exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Montana's exception to Statistical Plan Part 3-F-2.*	
9	Details the revision to Montana's exception to Statistical Plan Part 4-E-1-f(2).*	
8	Details the revision to New Hampshire's exception to Statistical Plan Part 3-F-2.*	
9	Details the revision to New Hampshire's exception to Statistical Plan Part 4-E-1-f(2).*	
8	Details the revision to New Mexico's exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Oklahoma's exception to Basic Manual Rule 2-B-2.*	
8	Details the revisions to Oregon's exception to Basic Manual Rule 2-B-2.*	
9	Details the establishment of Oregon's exception to Part 3-F-3-c in NCCI's Statistical Plan .	
8	Details the revision to South Dakota's exception to Basic Manual Rule 2-B-2.*	
8	Details the revision to Tennessee's exception to Basic Manual Rule 2-B-2.*	

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
 (CORONAVIRUS) PANDEMIC

Exhibit	Exhibit Comments	Implementation Summary
State Exhibits		
8	Details the revisions to Texas’s exception to Statistical Plan Part 3-F-3.*	To become effective for new, renewal, and outstanding policies effective on and after 12:01 a.m. on March 1, 2020.
8	Details the revision to Utah’s exception to Basic Manual Rule 2-B-2.*	

* This exhibit is included only to adjust numbering due to reformatting.

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 1
BASIC MANUAL—2001 EDITION
RULE 2—PREMIUM BASIS AND PAYROLL ALLOCATION
B. PAYROLL

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

2. Excludes:

- a. Tips or other gratuities received by employees.
- b. Payments by an employer to group insurance or group pension plans for employees, other than those covered by Rule 2-B-1-f and Rule 2-B-1-m.
- c. Payments by an employer into third-party trusts for the Davis-Bacon Act or a similar prevailing wage law provided the pension trust is qualified under IRC Sections 401(a) and 501(a).
- d. The value of special rewards for individual invention or discovery.
- e. Dismissal or severance payments except for time worked or vacation accrued.
- f. Payments for active military duty.
- g. Employee discounts on goods purchased from the employee's employer.
- h. Expense reimbursements to employees if the employer's records confirm that the expense was incurred as a valid business expense.

Reimbursed expenses and flat expense allowances paid to employees may be excluded from the audit only if all three of the following conditions are met:

- (1) The expenses or allowances are incurred for the business of the employer
- (2) The amount of each employee's expense or allowance is shown separately in the records of the employer
- (3) The amount of the expense or allowance approximates the actual expense incurred by the employee in the conduct of their work

*Refer to NCCI's **User's Guide** for an example.*

Note: If an employer did not maintain verifiable receipts for incurred expenses for an employee that was away from home overnight on the business of an employer a maximum expense allowance is permitted to be excluded. *Refer to Rule 2-B-1-p Exception for the maximum employee expense allowance.*

Allowable travel expenses permitted by any contract with a federal, state, or local government entity, including, but not limited to, a city, borough, or village, are excluded from payroll. In lieu of verifiable receipts for incurred expenses, the employer must produce a copy of the contract provision permitting the travel expenses at audit. The allowable travel expenses must be in addition to the current wage of the employee.

- i. Meal money for late work.
- j. Work uniform allowances.
- k. Sick pay paid to an employee by a third party such as an employer's group insurance carrier that is paying disability income benefits to a disabled employee.
- l. Employer-provided perks such as:
 - Use of company-provided automobiles
 - Airplane flights
 - Incentive vacations (e.g., contest winners)

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 1 (CONT'D)
BASIC MANUAL—2001 EDITION
RULE 2—PREMIUM BASIS AND PAYROLL ALLOCATION
B. PAYROLL

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

- Discounts on property or services
 - Club memberships
 - Tickets to entertainment events
 - Educational assistance
 - Relocation and moving expenses
- m. Employer contributions to employee benefit plans such as:
- Employee savings plans
 - Retirement plans
 - Cafeteria plans (IRC 125)
 - Health savings accounts
 - Flexible spending accounts
- These include contributions made by the employer, at the employer's expense, which are determined by the amount contributed by the employee.
- n. Payments made by an employer or any public governmental entity to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer's staffing or business operations. However, any appropriated funds or loans received by an employer as authorized by any law or regulation, or public governmental entity, that are used by an employer specifically to retain or hire working employees are not excluded.
- Refer to Rule 2-F-3 for the definitions of paid furloughed employees and payments to paid furloughed employees.
- This Rule 2-B-2-n is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This rule will be removed from the **Basic Manual** automatically, upon the applicable expiration date.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 2
BASIC MANUAL—2001 EDITION
RULE 2—PREMIUM BASIS AND PAYROLL ALLOCATION
F. WAGES FOR TIME NOT WORKED

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

1. Idle Time

Idle time is downtime that occurs when employees are not working and the employer pays the employees for the time not worked.

~~Some employers pay employees for time not worked.~~ All wages paid to the employee for such idle time must be included in payroll. ~~These wages paid during this time~~ are assigned to the classification for work normally performed by the employee under the following circumstances:

- Suspension or delay of work due to weather conditions
- Delays while waiting for materials
- Delays while waiting for another party to complete certain work
- Delays arising from breakdown in equipment
- “Stand-by” time where employees such as operators of cranes, hoists or other equipment are on the job, but their active services are not required continuously
- Special union requirements or agreements between employer and employees calling for pay for idle time under specific circumstances
- Inability of non-striking employees to perform normal duties due to other employees who are on strike. If non-striking employees perform absolutely no work for their employer and are not present at their employer’s premises or job sites during a strike period, their payroll must be assigned to Code 8810—Clerical Office Employees, provided adequate records are maintained by the employer.
- All other causes of a similar nature

For purposes of this Rule 2-F-1, idle time does not include “paid furloughed employees” or “payments to paid furloughed employees” as provided in **Basic Manual** Rule 2-F-3. The expiration date of this paragraph will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This paragraph in this Rule 2-F-1 will be removed from the **Basic Manual** automatically, upon the applicable expiration date.

Refer to **User’s Guide** for an example.

Refer to Rule 2-F-2 for the treatment of idle time by construction, erection or stevedoring risks.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 3
BASIC MANUAL—2001 EDITION
RULE 2—PREMIUM BASIS AND PAYROLL ALLOCATION
F. WAGES FOR TIME NOT WORKED

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

3. Payments to Paid Furloughed Employees During Federal, State, and/or Local Emergency Orders, Laws, or Regulations Issued Due to the COVID-19 (Coronavirus) Pandemic

For purposes of this Rule 2-F-3, "paid furloughed employees" and "payments to paid furloughed employees" are defined within this rule. "Paid furloughed employees" means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer.

"Payments to paid furloughed employees" means payments made by an employer or any public governmental entity to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer's staffing or business operations. Such payments do not include any appropriated funds or loans received by an employer as authorized by any law or regulation, or public governmental entity, that are used by an employer specifically to retain or hire working employees.

Payments to paid furloughed employees must be assigned to Code 0012, in accordance with the **Statistical Plan**. Payments to paid furloughed employees made in accordance with this Rule 2-F-3 are excluded from the premium and experience rating calculations only if the employer keeps separate, accurate, and verifiable records. If separate, accurate, and verifiable records are not maintained, payroll is assigned to the classification for work normally performed by the employee prior to any emergency orders, laws, or regulations issued due to the COVID-19 (coronavirus) pandemic.

If an employee is requested to perform any duties for an employer, the employee is not deemed a paid furloughed employee for any period of time they are performing duties for the employer. If the employee is not deemed a paid furloughed employee, payroll must be assigned to the classification applicable to the work being performed in accordance with **Basic Manual** Rule 1-A.

This Rule 2-F-3 is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This rule will be removed from the **Basic Manual** automatically, upon the applicable expiration date.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 4
STATISTICAL PLAN—2008 EDITION
PART 3—EXPOSURE INFORMATION
F. EXPOSURE AMOUNT
2. Nonpayroll Exposure

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

d. Paid Furloughed Employees

Paid furloughed employees means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer. Effective March 1, 2020, payments by an employer or any public governmental entity to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer's staffing or business operations must be reported to Statistical Code 0012—Paid Furloughed Employees. Such payments do not include any appropriated funds or loans received by an employer as authorized by any law or regulation, or public governmental entity, that are used by an employer specifically to retain or hire working employees.

The expiration date of this code will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

Code 0012 may be used as a Statistical Code to report the payments only; or it may be used as a Classification Code to report the payments with a zero rate and zero premium.

Payments reported to Code 0012 are excluded from premium and experience rating calculations only if the employer keeps separate, accurate, and verifiable records.

**ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC**

**EXHIBIT 5
STATISTICAL PLAN—2008 EDITION
PART 3—EXPOSURE INFORMATION
F. EXPOSURE AMOUNT**

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

3. Final or Estimated Premium**a. Audited or Estimated Exposure**

When the exposure reported on the 1st report corresponds to the final premium amount by class code, report as follows:

- The exposure and class code(s) corresponding to the final premium
- “N” for the Estimated Audit Code—Policy Conditions

When the exposure reported on the 1st report is based on estimated exposure, report as follows:

- The estimated exposure and class code(s) corresponding to the estimated premium
- “Y” for the Estimated Audit Code—Policy Conditions

When the exposure reported on the 1st report was based on estimated exposure and subsequently the final premium is determined, a correction to the 1st report must be reported as follows:

- The exposure and class code(s) corresponding to the final premium
- “N” for the Estimated Audit Code—Policy Conditions

b. Audit Noncompliance Charge

When the exposure reported on the 1st report includes Statistical Code 9757—Audit Noncompliance Charge, report the Estimated Audit Code as an “N” in the applicable Policy Condition Indicator field.

If subsequent to reporting Statistical Code 9757, and the final policy premium is determined in accordance with NCCI’s *Basic Manual* rules, the statistical code and its accompanying charge must be removed. Additionally, the Estimated Audit Code must continue to be reported as “N,” and the exposure and premium must reflect the final audit. Refer to Part 5, Item A-1 for correction reports.

c. COVID-19

If final premium based on audited exposure cannot be reported due to federal, state, and/or local emergency orders, laws, or regulations issued due to the COVID-19 (coronavirus) pandemic which impact an employer’s staffing or business operations, report the applicable exposure and premium in the class code(s) and the Estimated Audit Code as an “N.”

This rule is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 6
STATISTICAL PLAN—2008 EDITION
PART 4—LOSS AND EXPENSE INFORMATION
E. CLAIM COMPONENTS

1. Required Claim Components

f. Classification Code

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

(2) Additional Classification Code Loss Reporting

Additional classification code reporting rules apply as follows:

(a) Aircraft Operation Losses

For Policies Effective January 1, 2015, and Subsequent:

For policies that include Classification Code 7421—Aviation—Transportation of Personnel in Conduct of Employer's Business—Flying Crew, report all exposure and any losses for members of the flying crew to Classification Code 7421.

For all other employees covered on the policy, all exposure and any losses are reported to the classification code to which the injured worker's payroll is assigned.

For Policies Effective Prior to January 1, 2015:

Losses incurred under the policy—other than to members of the flying crew—must be reported under Statistical Code 9108—Aircraft Operation—Passenger Seat Surcharge.

(b) Losses Resulting From Black Lung and Supplementary Disease

Losses resulting from Black Lung and supplementary disease exposure must be reported to the appropriate statistical code.

Refer to Part 1, Item L—Coal Mine and Black Lung Disease Experience for reporting losses resulting from Black Lung disease.

Refer to Part 3, Item F-2-c—Other Miscellaneous Exposures for a listing of supplemental disease statistical codes.

(c) Contract Medical

A class code is not required for contract medical claims.

Note: Contract medical claims are medical-only claims covered entirely by a medical contract.

(d) Paid Furloughed Employees

For any claims attributable to an employee occurring prior to or after a temporary layoff or an involuntary leave, report losses to the classification for work normally performed by the employee that corresponds to the employee's payroll. No claim can be reported to Code 0012—Paid Furloughed Employees.

This rule is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 7
STATISTICAL PLAN—2008 EDITION
PART 6—CODING VALUES

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

E. STATISTICAL CODES

3. Premium Amount *Not Part* of Standard Premium

Phraseology	Stat Code	Premium Credit (-) or Debit (+)	Applicable States	Effective Date	Discontinued Date	Notes (If Applicable)
Paid Furloughed Employees	0012	N/A	AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV	03/01/2020	12/31/2020*	Refer to Part 3-F-2—Nonpayroll Exposure for details on Paid Furloughed Employees. Code 0012 may be used as a Statistical Code to report the payments only; or it may be used as a Classification Code to report the payments with a zero rate and zero premium. *Code 0012 will expire on December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

ITEM B-1441—REVISIONS TO NCCI MANUAL RULES RELATED TO THE COVID-19
(CORONAVIRUS) PANDEMIC

EXHIBIT 7 (CONT'D)
STATISTICAL PLAN—2008 EDITION
PART 6—CODING VALUES

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

Phraseology	Stat Code	Premium Credit (-) or Debit (+)	Applicable States	Effective Date	Discontinued Date	Notes (If Applicable)
Paid Furloughed Employees	0012	N/A	FL	03/01/2020	12/31/2020*	Refer to Part 3-F-2—Nonpayroll Exposure for details on Paid Furloughed Employees. Code 0012 must be displayed on the policy Information Page with a zero rate and zero premium. *Code 0012 will expire on December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with the Florida Office of Insurance Regulation.

Exhibit 2

- (1) An automobile;
- (2) An airplane flight;
- (3) An incentive vacation (e.g., contest winner);
- (4) A discount on property or services;
- (5) Club memberships;
- (6) Tickets to entertainment events.

m. Payments made by an employer to paid furloughed employees as a result of the COVID-19 (coronavirus) pandemic.

Refer to Rule V-G-7 for the definition of paid furloughed employees. This Rule V-B-3-m is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This rule will be removed from this Manual automatically, upon the applicable expiration date.

4. Payroll

Payroll means remuneration.

C. ESTIMATED PAYROLLS

1. Estimated Payrolls by Classification

For each classification shown on the Information Page, the total estimated annual payroll shall be stated in the column headed "Premium Basis Total Estimated Annual Remuneration."

2. Determination of Estimated Payrolls

Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by the carrier through evaluation of records or inspections.

3. Approval of Estimated Payrolls

Adequacy of estimated payrolls is subject to approval by the MA Bureau or other licensed rating organization.

D. WHOLE DOLLARS - PAYROLLS

All payrolls shall be shown to the nearest dollar. A remainder of \$.50 or more shall be rounded to the next higher dollar.

E. OVERTIME

1. Definition

Overtime means those hours worked for which there is an increase in the rate of pay:

- a. For work in any day or in any week in excess of the number of hours normally worked, or
- b. For hours worked in excess of 8 hours in any day or 40 hours in any week, or
- c. For work on Saturdays, Sundays or holidays.

3. Wages paid for idle time due to the following causes shall be assigned in their entirety to the classification that applied to the work normally performed by the employee involved.
 - a. Suspension or delay of work on account of weather conditions.
 - b. Delays while waiting for materials.
 - c. Delays while waiting for another contractor to complete certain work.
 - d. Delays arising from breakdown of equipment.
 - e. "Stand-by" time where employees such as operators of cranes, hoists, or other equipment are on the job but their active services are not required continuously.
 - f. Special union requirements or agreements between employer and employees calling for pay for idle time under specified circumstances.
 - g. Time spent traveling to or from the job.
 - h. Other causes of similar nature.
4. Wages paid to key employees of construction, erection or stevedoring risks, such as superintendents, foremen, or engineers, for periods during which no jobs are in progress, shall be assigned to the classification applicable to the work that each employee actually performs during such period. If such work consists exclusively of drafting or other office work, or if such employee is completely idle, that employee's wages shall be assigned to Code 8810.

Code 8810, however, is not available for office time of an executive supervisor who qualifies for Code 5606, since it is normally expected that such an employee will spend a considerable portion of that employee's time in office work.

5. The entire amount of wages paid for idle time to an employee engaged in work other than construction, erection or stevedoring must be assigned without division to the classification that normally applied to that employee.
6. Wages paid to employees who are not on strike but who are unable to perform their normal duties because of a strike shall be assigned to the classification applicable to the work usually performed by such employees, except that if any such employees perform absolutely no work for their employer and are not present on their employer's premises during such period, such wages shall be assigned to Code 8810 - Clerical Office Employees NOC, provided the facts are clearly disclosed by the employer's records.

7. Payments to paid furloughed employees due to the COVID-19 (Coronavirus) Pandemic.

"Paid furloughed employees" means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer.

Payments to paid furloughed employees shall be assigned to Code 0012, only if the employer keeps separate, accurate, and verifiable entries within their payroll records. An employer who is making payments to paid furloughed workers must provide to their workers' compensation carrier, within the later of 60 days of approval date of this rule or 25 days after the employer begins making payments to paid furloughed workers, a list of all paid furloughed employees, which shall also include the employee's normal workers' compensation classification, weekly wage, furloughed date, and anticipated date of return to work. If separate, accurate, and verifiable entries within the employer's payroll records are not maintained, payroll is assigned to the classification for work normally performed by the employee prior to the COVID-19 (coronavirus) pandemic.

If an employee is requested to perform any duties for an employer, the employee is not deemed a paid furloughed employee for any period of time they are performing duties for the employer. If the employee is not deemed a paid furloughed employee, payroll must be assigned to the classification applicable to the work being performed in accordance with Rule IV-A.

This Rule V-G-7 is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This rule will be removed from this Manual automatically, upon the applicable expiration date.

Exhibit 3

- (1) An automobile;
- (2) An airplane flight;
- (3) An incentive vacation (e.g., contest winner);
- (4) A discount on property or services;
- (5) Club memberships;
- (6) Tickets to entertainment events.

m. Payments made by an employer to paid furloughed employees as a result of the COVID-19 (coronavirus) pandemic.

Refer to Rule V-G-7 for the definition of paid furloughed employees. This Rule V-B-3-m is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This rule will be removed from this Manual automatically, upon the applicable expiration date.

4. Payroll

Payroll means remuneration.

C. ESTIMATED PAYROLLS

1. Estimated Payrolls by Classification

For each classification shown on the Information Page, the total estimated annual payroll shall be stated in the column headed "Premium Basis Total Estimated Annual Remuneration."

2. Determination of Estimated Payrolls

Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by the carrier through evaluation of records or inspections.

3. Approval of Estimated Payrolls

Adequacy of estimated payrolls is subject to approval by the MA Bureau or other licensed rating organization.

D. WHOLE DOLLARS - PAYROLLS

All payrolls shall be shown to the nearest dollar. A remainder of \$.50 or more shall be rounded to the next higher dollar.

E. OVERTIME

1. Definition

Overtime means those hours worked for which there is an increase in the rate of pay:

- a. For work in any day or in any week in excess of the number of hours normally worked, or
- b. For hours worked in excess of 8 hours in any day or 40 hours in any week, or
- c. For work on Saturdays, Sundays or holidays.

3. Wages paid for idle time due to the following causes shall be assigned in their entirety to the classification that applied to the work normally performed by the employee involved.
 - a. Suspension or delay of work on account of weather conditions.
 - b. Delays while waiting for materials.
 - c. Delays while waiting for another contractor to complete certain work.
 - d. Delays arising from breakdown of equipment.
 - e. "Stand-by" time where employees such as operators of cranes, hoists, or other equipment are on the job but their active services are not required continuously.
 - f. Special union requirements or agreements between employer and employees calling for pay for idle time under specified circumstances.
 - g. Time spent traveling to or from the job.
 - h. Other causes of similar nature.

4. Wages paid to key employees of construction, erection or stevedoring risks, such as superintendents, foremen, or engineers, for periods during which no jobs are in progress, shall be assigned to the classification applicable to the work that each employee actually performs during such period. If such work consists exclusively of drafting or other office work, or if such employee is completely idle, that employee's wages shall be assigned to Code 8810.

Code 8810, however, is not available for office time of an executive supervisor who qualifies for Code 5606, since it is normally expected that such an employee will spend a considerable portion of that employee's time in office work.

5. The entire amount of wages paid for idle time to an employee engaged in work other than construction, erection or stevedoring must be assigned without division to the classification that normally applied to that employee.
6. Wages paid to employees who are not on strike but who are unable to perform their normal duties because of a strike shall be assigned to the classification applicable to the work usually performed by such employees, except that if any such employees perform absolutely no work for their employer and are not present on their employer's premises during such period, such wages shall be assigned to Code 8810 - Clerical Office Employees NOC, provided the facts are clearly disclosed by the employer's records.

7. Payments to paid furloughed employees due to the COVID-19 (Coronavirus) Pandemic.

"Paid furloughed employees" means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer.

Payments to paid furloughed employees shall be assigned to Code 0012, only if the employer keeps separate, accurate, and verifiable entries within their payroll records. An employer who is making payments to paid furloughed workers must provide to their workers' compensation carrier, within the later of 60 days of approval date of this rule or 25 days after the employer begins making payments to paid furloughed workers, a list of all paid furloughed employees, which shall also include the employee's normal workers' compensation classification, weekly wage, furloughed date, and anticipated date of return to work. If separate, accurate, and verifiable entries within the employer's payroll records are not maintained, payroll is assigned to the classification for work normally performed by the employee prior to the COVID-19 (coronavirus) pandemic.

If an employee is requested to perform any duties for an employer, the employee is not deemed a paid furloughed employee for any period of time they are performing duties for the employer. If the employee is not deemed a paid furloughed employee, payroll must be assigned to the classification applicable to the work being performed in accordance with Rule IV-A.

This Rule V-G-7 is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. This rule will be removed from this Manual automatically, upon the applicable expiration date.

Exhibit 4

I. Employer provided perquisites (perks) such as:

- (1) An automobile;
- (2) An airplane flight;
- (3) An incentive vacation (e.g., contest winner);
- (4) A discount on property or services;
- (5) Club memberships;
- (6) Tickets to entertainment events.

4. Payroll

Payroll means remuneration.

C. ESTIMATED PAYROLLS

1. Estimated Payrolls by Classification

For each classification shown on the Information Page, the total estimated annual payroll shall be stated in the column headed "Premium Basis Total Estimated Annual Remuneration."

2. Determination of Estimated Payrolls

Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by the carrier through evaluation of records or inspections.

3. Approval of Estimated Payrolls

Adequacy of estimated payrolls is subject to approval by the MA Bureau or other licensed rating organization.

D. WHOLE DOLLARS - PAYROLLS

All payrolls shall be shown to the nearest dollar. A remainder of \$.50 or more shall be rounded to the next higher dollar.

E. OVERTIME

1. Definition

Overtime means those hours worked for which there is an increase in the rate of pay:

- a. For work in any day or in any week in excess of the number of hours normally worked, or
- b. For hours worked in excess of 8 hours in any day or 40 hours in any week, or
- c. For work on Saturdays, Sundays or holidays.

NOTE: Forms of incentive pay commonly referred to as "shift differential" or "premium pay" associated with working other than normal day shift hours during the standard workweek are not to be considered overtime.

In the case of guaranteed wage agreements, overtime means only those hours worked in excess of the number specified in such agreement

2. Exclusion of Overtime Payroll

a. Payroll Records

The extra pay for overtime shall be excluded from the payroll on which premium is computed as indicated in (1) or (2) below, provided the insured's books and records are

- d. Delays arising from breakdown of equipment.
 - e. "Stand-by" time where employees such as operators of cranes, hoists, or other equipment are on the job but their active services are not required continuously.
 - f. Special union requirements or agreements between employer and employees calling for pay for idle time under specified circumstances.
 - g. Time spent traveling to or from the job.
 - h. Other causes of similar nature.
4. Wages paid to key employees of construction, erection or stevedoring risks, such as superintendents, foremen, or engineers, for periods during which no jobs are in progress, shall be assigned to the classification applicable to the work that each employee actually performs during such period. If such work consists exclusively of drafting or other office work, or if such employee is completely idle, that employee's wages shall be assigned to Code 8810.

Code 8810, however, is not available for office time of an executive supervisor who qualifies for Code 5606, since it is normally expected that such an employee will spend a considerable portion of that employee's time in office work.

5. The entire amount of wages paid for idle time to an employee engaged in work other than construction, erection or stevedoring must be assigned without division to the classification that normally applied to that employee.
6. Wages paid to employees who are not on strike but who are unable to perform their normal duties because of a strike shall be assigned to the classification applicable to the work usually performed by such employees, except that if any such employees perform absolutely no work for their employer and are not present on their employer's premises during such period, such wages shall be assigned to Code 8810 - Clerical Office Employees NOC, provided the facts are clearly disclosed by the employer's records.

Exhibit 5

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *March 1, 2020*
Distributed:
Part I – Unit Statistical Reporting

**Section IV
HEADER INFORMATION
Page 5**

8. Replacement Report Code

When replacing a previously submitted unit statistical report enter code “R” in the replacement report code field. For all unit statistical reports other than replacements this field should be blank. Submission of a replacement will delete previously reported unit statistical reports from the WCRIBMA's data base. Replacements can be submitted for unit statistical reports which are accepted, rejected or failed. A replacement unit statistical report can be used instead of a correction report.

9. Business Segment Identifier

Carriers, at their option, may report a business segment identification number. For additional information refer to [Circular Letter 2159](#).

10. Correction Type Code

Report the code that indicates the type of correction report being submitted. See [Section III – Corrections, Subsection C](#) for a list of correction type codes.

11. State Effective Date

Report the endorsement effective date if the Massachusetts coverage was endorsed mid-term, otherwise zero-fill the field.

12. Federal Employer Identification Number (FEIN)

Report the Federal employer identification number of the insured as shown on the Policy Information Page. If the policy has been endorsed to change the FEIN, report the FEIN from the latest endorsement.

13. Multistate Policy Indicator

Y = If more than one state is listed in Item 3A of the Policy Information Page.
N = If only Massachusetts is listed in Item 3A of the Policy Information Page.

14. Interstate Rated Policy Indicator

Y = Policy is interstate rated in accordance with the [Experience Rating Plan Manual](#).
N = Policy is not interstate rated.

15. Estimated Audit Code

Y = Policy has estimated exposure(s).
N = Policy does not have estimated exposure(s).
U = Uncooperative. The insured has not cooperated with the carrier for purposes of auditing exposure(s).

COVID-19

If final premium based on audited exposure cannot be reported due to federal, state, and/or local emergency orders, laws, or regulations issued due to the COVID-19 (coronavirus) pandemic, which impact an employer's staffing or business operations, report the applicable exposure and premium in the class code(s) and the Estimated Audit Code as a "Y."

This rule is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *March 1, 2020*
Distributed:
Part I – Unit Statistical Reporting

**Section V
EXPOSURE RECORD DATA
Page 3**

- a. No-Exposure Developed
 - If a policy does not develop any Massachusetts exposure, report zero for the exposure amount on the exposure record containing statistical class code 1111 in the class code field.

- b. Payroll Exposure
 - Report the payroll amount. Do not divide the payroll by 100.

 - Report exposures for supplemental disease loads (statistical class codes 0059, 0065, 0066, 0067, 0133, 0179)

 - Note:** The statistical class codes 0133 and 0179 were discontinued effective as of January 1, 2008.

 - Report exposures for Non-Ratable Elements (statistical class codes 0771, 7445, 7453).

- c. Non-Payroll Exposure
 - Per Capita Classifications (statistical class codes 0908, 0909, 0912 and 0913):
Report the number of employees covered, based on the duration of coverage. An employee covered under a per capita class code for a period of one year must be reported as an exposure of 1.0. If an employee is covered for a period other than one year, the reported exposure should be calculated by dividing the number of days of coverage by 365, and rounding the result to the nearest tenth of a year. For example, if an employee is covered for 130 days, the exposure amount will be equal to 0.4 (=130/365 rounded to the nearest tenth).

- d. Paid Furloughed Employees (statistical class code 0012):
 - Paid furloughed employees means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer. Effective March 1, 2020, payments by an employer to paid furloughed employees as a result of the COVID-19 (coronavirus) pandemic must be reported to Statistical Code 0012—Paid Furloughed Employees. The expiration date of this code will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities. Payments are only reported to Code 0012 when the employer keeps separate, accurate, and verifiable entries within their payroll records.

6. Premium Amount

Report the premium amount corresponding to each classification.

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: March 1, 2020

Distributed:

PART III - DEFINITIONS

Page 4

Premium Components						
Components	Aggregate Financial Premium Levels				Unit Statistical Report Premium	Class Codes
	Standard Premium at Bureau Designated Statistical Rate Level	Standard Premium at Company Level	Net Premium	Direct Premium		
12. Large Deductible Premium Credit			x	x	x	9663,9664
13. Premium Discount			x	x	x	0063, 0064
14. QLMP Credit				x	x	9880
15. Admiralty / FELA Employers Liability Increased Limits	x	x	x	x	x	9817-9822, 9840, 9849
16. Loss Constant	x	x	x	x	x	0032
17. Expense Constant	x	x	x	x	x	0900
18. Balance to Total Policy Minimum Premium Adjustments	x	x	x	x	x	0990
19. Terrorism Insurance Program Premiums				x	x	9740
20. Short Rate Penalty Premium	x	x	x	x	x	0931
21. Retrospective Rating Adjustments			x	x		NA
22. Special Circumstances:						
a. Independently Filed Carrier Program			x	x	x	9721 – 9724
b. Formerly Self Insureds			x	x	x	9129, 9136
c. No-Massachusetts Exposure			Must be zero			1111
d. <u>Paid Furloughed Employees</u>			<u>Must be zero</u>			<u>0012</u>
23. Deductible Reimbursements			Do Not Report			
24. Policyholder Dividends			Do Not Report			
25. DIA Assessment			Do Not Report			

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *March 1, 2020*

Distributed:

PART III - DEFINITIONS

Page 11

sooner than thirty (30) months after the coverage expiration date. All claims must be closed and all incurred losses finalized prior to the submission of the adjustment.

For more information refer to the [Circular Letter Number 1524](#), dated February 7, 1990.

c. No-Massachusetts Exposure

When a policy is issued either on an "if any" basis, or as a multi-state policy, and upon audit it is determined that Massachusetts exposure did not develop on such policy, the first unit statistical report should be submitted with a single exposure record employing statistical class code 1111.

d. Paid Furloughed Employees

Payments by an employer to paid furloughed employees as a result of the COVID-19 (coronavirus) pandemic must be reported to statistical class code 0012.

23. Deductible Reimbursements

Do not report deductible reimbursements as premiums.

In Massachusetts workers' compensation insurance, the insurance company is required to pay for all claims including those below any applicable deductible, large or small. If a deductible applies to a given policy, the insurance company will seek reimbursement from the insured for amounts below the deductible.

24. Policyholder Dividends

Do not report policyholder dividends as premiums.

Any amounts paid or credited to policyholders that are not fixed in the insurance contract but are dependent on either the experience of the insurance company or employer or the discretion of the insurance company management.

25. DIA Assessment

Do not report DIA assessment as premiums.

For more information, visit the DIA website at: www.mass.gov/dia

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: March 1, 2020
Distributed:
Part VI – Appendices

Appendix II – Statistical Class Codes
Page 1

APPENDIX II – STATISTICAL CLASS CODES

Code	Phraseology	Premiums Assumed to be a Positive Value	Subject to Experience Mod.	How is the Exposure Expressed	Can Losses be Coded to this Class
<u>0012</u>	<u>Paid Furloughed Employees</u>	<u>Must be Zero</u>	<u>No</u>	<u>Payroll</u>	<u>No</u>
0032	Loss Constant	Yes	No	Blank	No
0059	Occupational Disease- Abrasive/Sand Blast	Yes	Yes	Payroll	Yes
0063	Premium Discount – Type A	No	No	Blank	No
0064	Premium Discount – Type B	No	No	Blank	No
0065	Occupational Disease-Steel	Yes	Yes	Payroll	Yes
0066	Occupational Disease-Non Ferrous Metals	Yes	Yes	Payroll	Yes
0067	Occupational Disease-Iron	Yes	Yes	Payroll	Yes
0277	All Risk Adjustment Program	Yes	No	Blank	No
0771	Non Ratable Element Explosives or Ammunition MFG: NOC & DR	Yes	No	Payroll	No
0887	Premium Credit for Scheduled Rating Plan-Subject to Experience Rating	No	Yes	Blank	No
0900	Expense Constant	Yes	No	Blank	No
0930	Additional Premium – Waiver of Subrogation	Yes	Yes	Blank	No
0931	Short Rate Penalty Premium	Yes	No	Blank	No
0990	Risk Minimum Premium	Yes	No	Blank	No
1111	No Massachusetts Exposure	Must be Zero	No	Blank	No

Exhibit 6

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *March 1, 2020*
Distributed:
Part I – Unit Statistical Reporting

**Section IV
HEADER INFORMATION
Page 5**

8. Replacement Report Code

When replacing a previously submitted unit statistical report enter code “R” in the replacement report code field. For all unit statistical reports other than replacements this field should be blank. Submission of a replacement will delete previously reported unit statistical reports from the WCRIBMA's data base. Replacements can be submitted for unit statistical reports which are accepted, rejected or failed. A replacement unit statistical report can be used instead of a correction report.

9. Business Segment Identifier

Carriers, at their option, may report a business segment identification number. For additional information refer to [Circular Letter 2159](#).

10. Correction Type Code

Report the code that indicates the type of correction report being submitted. See [Section III – Corrections, Subsection C](#) for a list of correction type codes.

11. State Effective Date

Report the endorsement effective date if the Massachusetts coverage was endorsed mid-term, otherwise zero-fill the field.

12. Federal Employer Identification Number (FEIN)

Report the Federal employer identification number of the insured as shown on the Policy Information Page. If the policy has been endorsed to change the FEIN, report the FEIN from the latest endorsement.

13. Multistate Policy Indicator

Y = If more than one state is listed in Item 3A of the Policy Information Page.
N = If only Massachusetts is listed in Item 3A of the Policy Information Page.

14. Interstate Rated Policy Indicator

Y = Policy is interstate rated in accordance with the [Experience Rating Plan Manual](#).
N = Policy is not interstate rated.

15. Estimated Audit Code

Y = Policy has estimated exposure(s).
N = Policy does not have estimated exposure(s).
U = Uncooperative. The insured has not cooperated with the carrier for purposes of auditing exposure(s).
COVID-19
If final premium based on audited exposure cannot be reported due to federal, state, and/or local emergency orders, laws, or regulations issued due to the COVID-19 (coronavirus) pandemic, which impact an employer's staffing or business operations, report the applicable exposure and premium in the class code(s) and the Estimated Audit Code as a "Y."

This rule is effective March 1, 2020. The expiration date of this rule will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *March 1, 2020*

Distributed:

Part I – Unit Statistical Reporting

**Section V
EXPOSURE RECORD DATA
Page 3**

- a. No-Exposure Developed
 - If a policy does not develop any Massachusetts exposure, report zero for the exposure amount on the exposure record containing statistical class code 1111 in the class code field.

- b. Payroll Exposure
 - Report the payroll amount. Do not divide the payroll by 100.

 - Report exposures for supplemental disease loads (statistical class codes 0059, 0065, 0066, 0067, 0133, 0179)

Note: The statistical class codes 0133 and 0179 were discontinued effective as of January 1, 2008.

 - Report exposures for Non-Ratable Elements (statistical class codes 0771, 7445, 7453).

- c. Non-Payroll Exposure
 - Per Capita Classifications (statistical class codes 0908, 0909, 0912 and 0913):
Report the number of employees covered, based on the duration of coverage. An employee covered under a per capita class code for a period of one year must be reported as an exposure of 1.0. If an employee is covered for a period other than one year, the reported exposure should be calculated by dividing the number of days of coverage by 365, and rounding the result to the nearest tenth of a year. For example, if an employee is covered for 130 days, the exposure amount will be equal to 0.4 (=130/365 rounded to the nearest tenth).

- d. Paid Furloughed Employees (statistical class code 0012):
 - Paid furloughed employees means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer. Effective March 1, 2020, payments by an employer to paid furloughed employees as a result of the COVID-19 (coronavirus) pandemic must be reported to Statistical Code 0012—Paid Furloughed Employees.
The expiration date of this code will be December 31, 2020, which may be amended to an earlier or later date as circumstances warrant in consultation with state regulatory authorities.
Payments are only reported to Code 0012 when the employer keeps separate, accurate, and verifiable entries within their payroll records.

6. Premium Amount

Report the premium amount corresponding to each classification.

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: March 1, 2020

Distributed:

PART III - DEFINITIONS

Page 4

Premium Components						
Components	Aggregate Financial Premium Levels				Unit Statistical Report Premium	Class Codes
	Standard Premium at Bureau Designated Statistical Rate Level	Standard Premium at Company Level	Net Premium	Direct Premium		
12. Large Deductible Premium Credit			x	x	x	9663,9664
13. Premium Discount			x	x	x	0063, 0064
14. QLMP Credit				x	x	9880
15. Admiralty / FELA Employers Liability Increased Limits	x	x	x	x	x	9817-9822, 9840, 9849
16. Loss Constant	x	x	x	x	x	0032
17. Expense Constant	x	x	x	x	x	0900
18. Balance to Total Policy Minimum Premium Adjustments	x	x	x	x	x	0990
19. Terrorism Insurance Program Premiums				x	x	9740
20. Short Rate Penalty Premium	x	x	x	x	x	0931
21. Retrospective Rating Adjustments			x	x		NA
22. Special Circumstances:						
a. Independently Filed Carrier Program			x	x	x	9721 – 9724
b. Formerly Self Insureds			x	x	x	9129, 9136
c. No-Massachusetts Exposure			Must be zero			1111
d. Paid Furloughed Employees			Must be zero			0012
23. Deductible Reimbursements			Do Not Report			
24. Policyholder Dividends			Do Not Report			
25. DIA Assessment			Do Not Report			

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *March 1, 2020*

Distributed:

PART III - DEFINITIONS

Page 11

sooner than thirty (30) months after the coverage expiration date. All claims must be closed and all incurred losses finalized prior to the submission of the adjustment.

For more information refer to the [Circular Letter Number 1524](#), dated February 7, 1990.

c. No-Massachusetts Exposure

When a policy is issued either on an "if any" basis, or as a multi-state policy, and upon audit it is determined that Massachusetts exposure did not develop on such policy, the first unit statistical report should be submitted with a single exposure record employing statistical class code 1111.

d. Paid Furloughed Employees

Payments by an employer to paid furloughed employees as a result of the COVID-19 (coronavirus) pandemic must be reported to statistical class code 0012.

23. Deductible Reimbursements

Do not report deductible reimbursements as premiums.

In Massachusetts workers' compensation insurance, the insurance company is required to pay for all claims including those below any applicable deductible, large or small. If a deductible applies to a given policy, the insurance company will seek reimbursement from the insured for amounts below the deductible.

24. Policyholder Dividends

Do not report policyholder dividends as premiums.

Any amounts paid or credited to policyholders that are not fixed in the insurance contract but are dependent on either the experience of the insurance company or employer or the discretion of the insurance company management.

25. DIA Assessment

Do not report DIA assessment as premiums.

For more information, visit the DIA website at: www.mass.gov/dia

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: March 1, 2020
Distributed:
Part VI – Appendices

Appendix II – Statistical Class Codes
Page 1

APPENDIX II – STATISTICAL CLASS CODES

Code	Phraseology	Premiums Assumed to be a Positive Value	Subject to Experience Mod.	How is the Exposure Expressed	Can Losses be Coded to this Class
0012	Paid Furloughed Employees	Must be Zero	No	Payroll	No
0032	Loss Constant	Yes	No	Blank	No
0059	Occupational Disease- Abrasive/Sand Blast	Yes	Yes	Payroll	Yes
0063	Premium Discount – Type A	No	No	Blank	No
0064	Premium Discount – Type B	No	No	Blank	No
0065	Occupational Disease-Steel	Yes	Yes	Payroll	Yes
0066	Occupational Disease-Non Ferrous Metals	Yes	Yes	Payroll	Yes
0067	Occupational Disease-Iron	Yes	Yes	Payroll	Yes
0277	All Risk Adjustment Program	Yes	No	Blank	No
0771	Non Ratable Element Explosives or Ammunition MFG: NOC & DR	Yes	No	Payroll	No
0887	Premium Credit for Scheduled Rating Plan-Subject to Experience Rating	No	Yes	Blank	No
0900	Expense Constant	Yes	No	Blank	No
0930	Additional Premium – Waiver of Subrogation	Yes	Yes	Blank	No
0931	Short Rate Penalty Premium	Yes	No	Blank	No
0990	Risk Minimum Premium	Yes	No	Blank	No
1111	No Massachusetts Exposure	Must be Zero	No	Blank	No

Exhibit 7

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: July 1, 2016
Distributed: June, 2016
Part I – Unit Statistical Reporting

**Section IV
HEADER INFORMATION
Page 5**

8. Replacement Report Code

When replacing a previously submitted unit statistical report enter code “R” in the replacement report code field. For all unit statistical reports other than replacements this field should be blank. Submission of a replacement will delete previously reported unit statistical reports from the WCRIBMA’s data base. Replacements can be submitted for unit statistical reports which are accepted, rejected or failed. A replacement unit statistical report can be used instead of a correction report.

9. Business Segment Identifier

Carriers, at their option, may report a business segment identification number. For additional information refer to [Circular Letter 2159](#).

10. Correction Type Code

Report the code that indicates the type of correction report being submitted. See [Section III – Corrections, Subsection C](#) for a list of correction type codes.

11. State Effective Date

Report the endorsement effective date if the Massachusetts coverage was endorsed mid-term, otherwise zero-fill the field.

12. Federal Employer Identification Number (FEIN)

Report the Federal employer identification number of the insured as shown on the Policy Information Page. If the policy has been endorsed to change the FEIN, report the FEIN from the latest endorsement.

13. Multistate Policy Indicator

Y = If more than one state is listed in Item 3A of the Policy Information Page.
N = If only Massachusetts is listed in Item 3A of the Policy Information Page.

14. Interstate Rated Policy Indicator

Y = Policy is interstate rated in accordance with the [Experience Rating Plan Manual](#).
N = Policy is not interstate rated.

15. Estimated Audit Code

Y = Policy has estimated exposure(s).
N = Policy does not have estimated exposure(s).
U = Uncooperative. The insured has not cooperated with the carrier for purposes of auditing exposure(s).

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: *January 1, 2015*
Distributed: *December, 2014*
Part I – Unit Statistical Reporting

Section V
EXPOSURE RECORD DATA
Page 3

- a. No-Exposure Developed
 - If a policy does not develop any Massachusetts exposure, report zero for the exposure amount on the exposure record containing statistical class code 1111 in the class code field.
- b. Payroll Exposure
 - Report the payroll amount. Do not divide the payroll by 100.
 - Report exposures for supplemental disease loads (statistical class codes 0059, 0065, 0066, 0067, 0133, 0179)

Note: The statistical class codes 0133 and 0179 were discontinued effective as of January 1, 2008.
 - Report exposures for Non-Ratable Elements (statistical class codes 0771, 7445, 7453).
- c. Non-Payroll Exposure
 - Per Capita Classifications(statistical class codes 0908, 0909, 0912 and 0913):
Report the number of employees covered, based on the duration of coverage. An employee covered under a per capita class code for a period of one year must be reported as an exposure of 1.0. If an employee is covered for a period other than one year, the reported exposure should be calculated by dividing the number of days of coverage by 365, and rounding the result to the nearest tenth of a year. For example, if an employee is covered for 130 days, the exposure amount will be equal to 0.4 (=130/365 rounded to the nearest tenth).

6. Premium Amount

Report the premium amount corresponding to each classification.

- No-Exposure Developed
Premium Amount = \$0
- Payroll Exposure
Premium Amount = (Exposure Amount ÷ 100) x WCRIBMA's filed and approved rate
- Non-Payroll Exposure
Premium Amount = Exposure Amount x WCRIBMA's filed and approved rate
- Other Premiums
This premium shall be reported under the appropriate statistical class code. Refer to the [Massachusetts Premium Algorithm](#).

7. Manual Rate (WCRIBMA's filed and approved rate)

For each classification report the WCRIBMA's filed and approved rate. Do not report the carrier's specific rate that may reflect deviations.

8. Split Period Code

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: July 1, 2016
Distributed: June, 2016
PART III - DEFINITIONS

Premium Components						
Components	Aggregate Financial Premium Levels				Unit Statistical Report Premium	Class Codes
	Standard Premium at Bureau Designated Statistical Rate Level	Standard Premium at Company Level	Net Premium	Direct Premium		
12. Large Deductible Premium Credit			x	x	x	9663,9664
13. Premium Discount			x	x	x	0063, 0064
14. QLMP Credit				x	x	9880
15. Admiralty / FELA Employers Liability Increased Limits	x	x	x	x	x	9817-9822, 9840, 9849
16. Loss Constant	x	x	x	x	x	0032
17. Expense Constant	x	x	x	x	x	0900
18. Balance to Total Policy Minimum Premium Adjustments	x	x	x	x	x	0990
19. Terrorism Insurance Program Premiums				x	x	9740
20. Short Rate Penalty Premium	x	x	x	x	x	0931
21. Retrospective Rating Adjustments			x	x		NA
22. Special Circumstances:						
a. Independently Filed Carrier Program			x	x	x	9721 – 9724
b. Formerly Self Insureds			x	x	x	9129, 9136
c. No-Massachusetts Exposure			Must be zero			1111
23. Deductible Reimbursements			Do Not Report			
24. Policyholder Dividends			Do Not Report			
25. DIA Assessment			Do Not Report			

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: August 14, 2013

Distributed: August, 2013

PART III - DEFINITIONS

Page 11

sooner than thirty (30) months after the coverage expiration date. All claims must be closed and all incurred losses finalized prior to the submission of the adjustment.

For more information refer to the [Circular Letter Number 1524](#), dated February 7, 1990.

c. No-Massachusetts Exposure

When a policy is issued either on an "if any" basis, or as a multi-state policy, and upon audit it is determined that Massachusetts exposure did not develop on such policy, the first unit statistical report should be submitted with a single exposure record employing statistical class code 1111.

23. Deductible Reimbursements

Do not report deductible reimbursements as premiums.

In Massachusetts workers' compensation insurance, the insurance company is required to pay for all claims including those below any applicable deductible, large or small. If a deductible applies to a given policy, the insurance company will seek reimbursement from the insured for amounts below the deductible.

24. Policyholder Dividends

Do not report policyholder dividends as premiums.

Any amounts paid or credited to policyholders that are not fixed in the insurance contract but are dependent on either the experience of the insurance company or employer or the discretion of the insurance company management.

25. DIA Assessment

Do not report DIA assessment as premiums.

For more information, visit the DIA website at: www.mass.gov/dia

**MASSACHUSETTS WORKERS' COMPENSATION
STATISTICAL PLAN**

Effective: January 1, 2015
Distributed: December, 2014
Part VI – Appendices

Appendix II – Statistical Class Codes
Page 1

APPENDIX II – STATISTICAL CLASS CODES

Code	Phraseology	Premiums Assumed to be a Positive Value	Subject to Experience Mod.	How is the Exposure Expressed	Can Losses be Coded to this Class
0032	Loss Constant	Yes	No	Blank	No
0059	Occupational Disease-Abrasive/Sand Blast	Yes	Yes	Payroll	Yes
0063	Premium Discount – Type A	No	No	Blank	No
0064	Premium Discount – Type B	No	No	Blank	No
0065	Occupational Disease-Steel	Yes	Yes	Payroll	Yes
0066	Occupational Disease-Non Ferrous Metals	Yes	Yes	Payroll	Yes
0067	Occupational Disease-Iron	Yes	Yes	Payroll	Yes
0277	All Risk Adjustment Program	Yes	No	Blank	No
0771	Non Ratable Element Explosives or Ammunition MFG: NOC & DR	Yes	No	Payroll	No
0887	Premium Credit for Scheduled Rating Plan-Subject to Experience Rating	No	Yes	Blank	No
0900	Expense Constant	Yes	No	Blank	No
0930	Additional Premium – Waiver of Subrogation	Yes	Yes	Blank	No
0931	Short Rate Penalty Premium	Yes	No	Blank	No
0990	Risk Minimum Premium	Yes	No	Blank	No
1111	No Massachusetts Exposure	Must be Zero	No	Blank	No
7445	Non Ratable Element – Air Carrier – Other Flying Crew-NR	Yes	No	Payroll	No