CIRCULAR LETTER NO. 1824

To All Members and Subscribers of the Bureau and The Agent Trade Association:

DOMESTIC WORKERS – INSIDE – PHYSICAL ASSISTANCE – CODE 0918

The Division of Insurance has approved the above captioned item, calling for the creation of a new and distinct class for domestic workers – inside – physical assistance, Code 0918.

This new classification will apply to domestic workers who provide physical assistance in activities of daily living to the elderly or to persons who are convalescent, acutely or chronically ill, or physically or mentally disabled. For purposes of assigning code 0918, physical assistance in activities of daily living shall mean the performance of any one or more of the following functions.

- Physically assisting a household member with walking or using prescribed medical equipment;
- Physically assisting a household member to take medications prescribed by a physician that otherwise would be self-administered;
- Physically assisting a household member with bowel or bladder needs;
- Physically assisting a household member with bathing, personal hygiene, dressing, or grooming;
- Physically assisting a household member with meal preparation, eating (including tube feeding and special nutritional/dietary needs), and clean-up;
- Physically assisting in transferring a household member in and out of bed;
- Physically assisting in the body repositioning of a household member;
Physically assisting a household member to perform range-of-motion exercises;

And physically assisting a household member with health related needs.

In addition to providing physical assistance with activities of daily living, a domestic worker properly assignable to this new classification may also perform functions such as cooking, laundry, shopping, housekeeping, providing transportation or assistance with paperwork or reading.

Revisions to the present phraseologies for codes 0913 and 0908 are concurrently being revised to more clearly differentiate amongst the various types of domestic employees. The newly approved phraseologies for each of the inside domestic employee classifications are shown on the attached sample manual pages, along with miscellaneous revisions necessitated by the implementation of this new classification. Reprinted manual pages will be released in due course.

It is important to note that the premium basis for this new classification will be payroll as opposed to the more traditional per capita basis normally associated with domestic classifications.

The initial rates and rating values for this new classification are as follows:

<table>
<thead>
<tr>
<th>Manual Rate</th>
<th>$1.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Premium</td>
<td>$155.00</td>
</tr>
<tr>
<td>Loss Constant</td>
<td>$20.00</td>
</tr>
<tr>
<td>Expected Loss Rate</td>
<td>$0.48</td>
</tr>
<tr>
<td>D-Ratio</td>
<td>0.25</td>
</tr>
<tr>
<td>Hazard Group</td>
<td>II</td>
</tr>
</tbody>
</table>

These changes are applicable to new and renewal policies effective on or after 12:01 a.m., July 15, 1999.

RALPH L. BOWDRIDGE
Vice President

Attachment
PART ONE
MASSACHUSETTS WORKERS COMPENSATION
RULE XIV AND EMPLOYERS LIABILITY INSURANCE MANUAL
Page R-48
Effective July 15, 1999
Original Printing

RULE XIV - DOMESTIC WORKERS - RESIDENCES

A. DEFINITIONS

1. Inside Domestic Workers
   Domestic Workers - Inside are employees engaged exclusively in household or domestic work performed principally inside the residence. Examples include a cook, housekeeper, laundry worker, maid, butler, companion, nurse, babysitter and personal care assistant.

2. Outside Domestic Workers
   Domestic Workers - Outside are employees engaged exclusively in household or domestic work performed principally outside the residence. Examples include a private chauffeur and gardener.

3. Occasional Domestic Workers
   Domestic Workers - Occasional are domestic workers, inside or outside, who are employed part-time. Any domestic worker employed more than 1/2 of the customary full-time shall be assigned and rated as a full-time domestic worker. Examples of occasional domestic workers are persons engaged on certain days for gardening, cleaning, laundering or babysitting.

B. COVERAGE

Workers Compensation and Employers Liability Insurance

Statutory workers compensation obligations of an employer of domestic workers in Massachusetts are insured by the Standard Policy. One or more members of the same residence may be named as the insured, but only with respect to the employment of domestic workers in connection with such residence.

D. CLASSIFICATIONS

1. Domestic Workers
   The following classifications apply to operations of domestic workers:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Workers - Inside – NOC</td>
<td>0913</td>
</tr>
<tr>
<td>Applies to those domestic workers, however named, engaged in performing household tasks, including such things as meal preparation; laundry; shopping; household and care of the household's infants and children who are not disabled.</td>
<td></td>
</tr>
</tbody>
</table>

   Domestic workers, however named, engaged in providing any physical assistance in the activities of daily living to the elderly or to persons who are convalescent, acutely or chronically ill, or physically or mentally disabled shall be assigned to code 0918.

   Domestic Workers - Inside – Physical Assistance 0918
   Applies to those domestic workers, however named, engaged in providing any physical assistance in the activities of daily living to the elderly or to persons who are convalescent, acutely or chronically ill, or physically or mentally disabled.

   Domestic Workers - Outside - including private chauffeurs 0912
   Domestic Workers - Outside - Occasional - including occasional private chauffeurs 0909

   Exception to D.1. above
   If commercial farm operations are conducted, Codes 0912 and 0909 do not apply to any
operations at the farm location. Refer to the Farm Classifications in Part Two - Classifications of this manual.

2. Maintenance, Repair or Construction Operations
   a. Codes 0913, 0908, 0912, and 0909, and 0918 include ordinary repair or maintenance of the insured's premises or equipment by domestic workers.

   b. Building maintenance or repair by employees hired only for that purpose shall be assigned to Code 9015 - Buildings - Operation By Owner or Lessee.

   c. Extraordinary repairs, alterations, new construction, erection or demolition of structures shall be assigned to construction or erection classifications.

E. RATES AND PREMIUM

1. Rates
   The rates for codes 0913, 0908, 0912, and 0909 are per capita premium charges. The premium basis for Code 0918 is payroll, subject to manual rates.

2. Records Required
   The insured shall maintain a record of the names, duties and period of service of each domestic worker. In addition, insureds assigned to code 0918 shall maintain proper payroll records.

3. Full-Time Domestic Workers
   Estimated premium for Codes 0912 and 0913 shall be computed on the estimated number of such domestic workers during the policy period. If additional domestic workers under Codes 0912 and 0913 are employed during the policy period or if some domestic workers are no longer employed and are not replaced, the per capita premium charges shall be prorated. Each pro rata charge shall be based on the period of employment but shall not be less than 25% of the per capita charge.

4. Occasional Domestic Workers
   Premium for Codes 0908 and 0909 shall be computed on the estimated aggregate time of all occasional domestic workers who are to be employed during the policy period. Regardless of concurrent employment, a single per capita charge applies for the aggregate employed time which is 1/2 or more of the full time of each such domestic worker. Additional per capita charge applies to any employed less than 1/2 of full time.

F. MINIMUM PREMIUM
   For a policy with two or more classifications, whether per capita rated or payroll rated, the rates shall apply the highest minimum premium for any classification in the policy.