

2017

Quick Reference Guide

A summary of approved changes to the Insurance Commissioner's workers' compensation regulations published by the WCIRB

Overview of the WCIRB's Regulatory Filing

This guide summarizes changes to the California Workers' Compensation Uniform Statistical Reporting Plan—1995 (Uniform Statistical Reporting Plan) and the California Workers' Compensation Experience Rating Plan—1995 (Experience Rating Plan) approved by the Insurance Commissioner to be effective January 1, 2017.

This Guide was created by the WCIRB as a convenience for its members, agents and brokers, policyholders and others. It is not an official regulation and does not bear the official approval of the California Department of Insurance.

This Guide may not contain a description of all approved changes. For more information, please view the actual plans. To view, download or print a copy of the Uniform Statistical Reporting Plan, Experience Rating Plan or Miscellaneous Regulations, please visit www.wcirb.com.

USRP

Uniform Statistical Reporting Plan
Effective January 1, 2017

Payroll Minimum and Maximum Changes

Code	Phraseology	Payroll Minimum	Payroll Maximum
7365	Taxicab Operations	\$34,100	N/A
7610	Radio / Television Stations	N/A	\$122,200
9151	Theaters – music ensembles	N/A	\$122,200
9156	Theaters – dance / opera	N/A	\$122,200
9181	Athletic Teams / Parks	N/A	\$122,200
9610	Motion Pictures – production	N/A	\$122,200
N/A	Executive Officers, Partners, Individual Employers and Members of an LLC	\$48,100	\$122,200

The minimum payroll requirements were removed for these classifications:

- 9007, Apartment or Condominium Complex Operation for Seniors – age restricted – not Congregate Living Facilities or Homeowners Associations
- 9010, Mobile Home Park Operation – all other employees
- 9011(1), Apartment or Condominium Complex Operation – N.O.C. – not Homeowners Associations
- 9015(1), Building Operation – N.O.C. – all other employees

Wage Threshold Changes for Dual Wage Classifications

There are no changes to the wage thresholds for dual wage classifications.

Part 3, Standard Classification System

- Section IV, Special Industry Classification Procedures, Rule 2, Construction or Erection Work, was amended to specify the classification assignment procedure for operations at a job or location that are limited to minor property repairs for other concerns on a fee basis for which no contractor's license is required.
- Section IV, Special Industry Classification Procedures, was amended to add Rule 9 to include the classification assignment procedure for operations within the Property Management/Operation Industry Group.
- Section V, Payroll – Remuneration, Rule 1, Payroll – Remuneration, was amended to define the term "market value" regarding lodging value that must be included as reported payroll.

In addition to the following eliminated and newly created classifications, over 200 classifications were updated to clarify their intended application, to provide direction as to how related operations are classified and for consistency. The updated classifications include most of the Property Management/Operation and Health and Human Services Industry Group classifications.

Eliminated Classifications

- 1803(2), Marble Cutting or Polishing. These operations are assignable to Classification 1803, Stone Cutting and Fabrication.
- 3081(2), Enameled Ironware Mfg. These operations are no longer performed in California.
- 3110(2), Tool Mfg. – hot formed tools. These operations are assignable to Classification 3110(1), Forging Works.
- 8829(4), Rest Homes. These operations are assignable to Classification 8829(1), Skilled Nursing Facilities.
- 8829(5), Sanitariums. These operations are assignable to Classification 8829(1), Skilled Nursing Facilities.

USRP (cont'd)

New Classifications

- 5183(3)/5187(3), Heating and Air Conditioning Equipment, were established as alternate wordings to Classifications 5183(1), Plumbing, and 5183(2), Refrigeration Equipment, to apply to the installation, service and repair of heating and air conditioning equipment.
- 5538(2)/5542(2), Heating and Air Conditioning Ductwork, were established as alternate wordings to Classifications 5538(1)/5542(1), Sheet Metal Work, to apply to the installation of ductwork for heating, ventilating and air conditioning systems.
- 5610, Contractors – construction or erection – all construction subcontracted, was established to apply to all employees other than executive level supervisors on jobs where the employer subcontracts all operations to licensed subcontractors.
- 8740(7), Commercial and Residential Mixed-Use Building Operation – not Homeowners Associations – property management supervisors, was established to describe commercial and residential mixed-use properties and provide direction as to how related operations are classified.
- 9011(2), Commercial and Residential Mixed-Use Building Operation not Homeowners Associations – all other employees, was established to describe commercial and residential mixed-use properties and provide direction as to how related operations are classified.

Part 4, Unit Statistical Report Filing Requirements

- Section II, Definitions, Rule 24, Medical Only or Medical Claims Only, was amended to clarify that all claims for which any medical care is provided, including those involving first aid, must be reported.
- Section V, Loss Information, Subsection A, General Loss Reporting Instructions, Rule 1, Reporting Losses, was amended to clarify that any and all claims must be reported and reference the California Labor Code section that defines first aid.

ERP

Experience Rating Plan

Effective January 1, 2017

- Section III, Eligibility and Experience Period, Rule 1, Eligibility Requirements for California Workers' Compensation Insurance, was amended to allow a debit experience modification, in specified circumstances, to be issued excluding the unaudited payroll of an uncooperative policyholder (change approved as part of the January 1, 2016 Regulatory Filing) and to adjust the eligibility threshold from \$10,300 to \$10,100.
- Section VI, Rating Procedure, Rule 1, Actual Primary (Ap) Losses, was amended to change the experience rating split point from \$7,000 to a Primary Threshold that varies based on the risk's expected losses over the experience period (change approved as part of the January 1, 2016 Regulatory Filing.)
- Table I, Expected Loss Rates and D-Ratios, was amended to reflect the most current data available consistent with the changes to the experience rating formula approved as part of the January 1, 2016 Regulatory Filing.
- Table II, Credibilities and Primary Thresholds, was amended to reflect the most current data available consistent with the changes to the experience rating formula approved as part of the January 1, 2016 Regulatory Filing.
- The Experience Rating Forms were amended to add the Primary Threshold.

About This Guide

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