



CIRCULAR LETTER 3169—MARCH 26, 2018

TO: Members of the Bureau

FROM: Donna Knepper

RE: Proceedings of the WCRB Governing Board
NCCI Proposal Item B-1436 Revisions to Basic Manual Classifications and
Appendix E-Classifications by Hazard Group

Pursuant to ch. 626, Wis. Stat., the Office of the Commissioner of Insurance has approved the following changes adopted by the Governing Board. The changes are effective 10-1-18, applicable to new and renewal business only. A link to the class code changes is available through the end of the year on the Web site under Class Code Lookup.

NCCI Item B-1436 proposed class code changes that impacted five industries and reformatting of several additional class codes.

The WCRB Operations Subcommittee reviewed the proposal and made the following recommendations to the Governing Board

Industries

1. Retirement Living Centers and Nursing Homes

Due to complications with transitioning these codes, the current difference in rates, and due to concerns regarding the premium impact the proposed changes would have on the long-term care industry, the Subcommittee recommends that this proposal not be adopted. Beyond these complications, another observation made was that these class codes have been acceptable in Wisconsin since at least 1992, have developed credible rates, and cause little confusion or concern on the part of employers, producers, carriers and other participants in the system. Codes 8824, 8825, 8826 and 8829 should remain acceptable classifications in Wisconsin.

2. Limousine Companies

Due to a Rating Committee hearing decision in 2001, the Operations Subcommittee recommends not adopting the proposed classification for limousine companies to code 7370. These businesses should remain classified under code 7380 in Wisconsin. However, it was agreed that the proposed language within codes 7370 and 7382 to separately rate garage employees to code 8385 should be adopted.

3. Photography and Document Scanning

Adopted Proposals

- Amend analogies under code 4361 Photographer-All Employees & Clerical, Salespersons and Drivers to clarify that the class contemplates film processing, whether from film or digital media.
- Establish a new analogy under code 8264 Bottle-Dealer-Used & Drivers for document shredding businesses.
- Establish a new analogy under code 8015 Quick Printing-Copying or Duplicating Service-All Employees & Clerical, Salespersons, Drivers for document scanning businesses.

4. Unmanned Aircraft System or Drone Aircraft

Adopted Proposals

- Revise the Basic Manual to add a General Inclusion for the piloting of drone aircraft that weigh less than 55 pounds. This treatment applies to the operation of drone aircraft by a business for their own purposes.
- Revise the Basic Manual to add a General Exclusion for the piloting of drone aircraft that weigh 55 pounds or more. Such operations must be separately rated to the appropriate aviation class. This treatment applies to the operation of drone aircraft by a business for their own purposes.
- Establish a new analogy under code 3685 Instrument Mfg NOC for the manufacturing of drone aircraft that weigh less than 55 pounds.
- Establish a new analogy under code 3830 Airplane Mfg for the manufacturing of drone aircraft that weigh 55 pounds or more.
- Establish a new analogy under code 8720 Inspection of Risks for Insurance or Valuation Purposes NOC for providing drone-piloting services to other businesses when the drone aircraft weighs less than 55 pounds. When such service is provided to others and the drone aircraft weighs 55 pounds or more, the appropriate aviation class must be assigned.

5. Automobile Body Repair and Mechanical Repair

Adopted Proposals

- Revise code 8380 Automobile Service or Repair Center & Drivers to indicate that automobile body repair is to be separately rated to code 8393.
- Revise code 8393 Automobile Body Repair & Drivers to indicate that the class includes estimators and that automobile mechanical service and repair work is to be separately rated to code 8380.

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NOTE: Service writers employed by automobile sales agencies are to be separately rated to code 8748 Automobile Salespersons

MISCELLANEOUS CODE CHANGES

The Operations Subcommittee recommends adopting language changes to classifications proposed for codes 2413, 2417, 2501, 3724, 5183, 5190 and 9519.

The proposal to reclassify Christmas Tree Harvesting to code 0106 was not adopted.

Elevator or hod hoist operations will continue to be assigned to the appropriate construction class.

No changes are needed to codes 2095, 3076, 3179, 4902, ~~5183~~, 8001 and 9180 as WCRB phraseology already includes the NCCI proposed language.