

**PENNSYLVANIA WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS  
AND RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS  
LIABILITY INSURANCE**

*Proposed Effective April 1, 2020*

- (2) A correction of a misclassification which results in a premium decrease shall be applied to the insured's policy in effect when the application for correction is made and to the prior policy within twelve months after the termination thereof.
- (3) A correction of a misclassification which results in a premium increase shall be applied to the employer's first policy effective at least sixty days subsequent to the date of the PCRB's misclassification notice.
- (4) When the temporary interruption or suspension of normal business activities caused by COVID-19 results in a change in business operations, an employer may be temporarily reassigned to an alternate classification if separate, accurate, verifiable records are maintained. If such records are not maintained, the operations are assigned to the classification applicable to the business prior to any emergency orders, laws, or regulations issued due to the COVID-19 (Coronavirus) pandemic. Once normal business operations resume, appropriate classifications should be applied.

This exception is for policies in force on March 1, 2020 through December 31, 2020 which may be amended to an earlier or later date as circumstances warrant in consultation with Pennsylvania regulatory authorities.

- b. Any correction of a misclassification arising from discovery by the carrier of a material misrepresentation or intentional omission by the insured, its agent, employees, officers or directors shall be applied effective the date upon which it would have applied had such material misrepresentation or intentional omission not been made. It is recommended that a carrier claiming material misrepresentation or intentional omission as contemplated in this Rule secure a declaratory judgment from the Common Pleas Court establishing same prior to proceeding with application of this Rule.
- c. The reallocation of payroll by a carrier among an insured's authorized classifications or the PCRB requiring a carrier to reallocate payroll among an insured's authorized classifications or to report payroll under an insured's authorized classifications for an insured's current policy or for the insured's prior policy within twelve months after the termination thereof does not constitute a class change or correction.
- d. Any reclassification pursuant to a revision in classification procedure that PCRB has filed with and that has been approved by the Insurance Commissioner shall be effective only upon any insured's first policy effective on or after the effective date for the revision approved by the Insurance Commissioner.

**ITEMS C.9** through **ITEM D.** remain unchanged.

**ITEMS C.6** through **ITEM D.** remain unchanged.

**RULE V – PREMIUM BASIS**

**ITEM A.** remains unchanged.

**ITEM B. REMUNERATION – PAYROLL**

**ITEMS B. 1** and **ITEM B.2** remain unchanged.

**ITEM B.3 EXCLUSION**

**ITEMS B.3.a.** through **ITEMS B.3.v.** remain unchanged.