

State: Missouri **Filing Company:** NCCI
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: B-1422 Revisions to Miscellaneous Values Payroll Determination Formula for Codes 7370, 9178, 9179, and 9186 and Revisions to Basic Manual Appendix F
Project Name/Number: /

Filing at a Glance

Company: NCCI
Product Name: B-1422 Revisions to Miscellaneous Values Payroll Determination Formula for Codes 7370, 9178, 9179, and 9186 and Revisions to Basic Manual Appendix F
State: Missouri
TOI: 16.0 Workers Compensation
Sub-TOI: 16.0004 Standard WC
Filing Type: Rule
Date Submitted: 03/03/2011
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SERFF Status: Closed-APPROVED
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State Status: APPROVED
Co Tr Num: B-1422 (LL)
Effective Date: 01/01/2012
Requested (New):
Effective Date: 01/01/2012
Requested (Renewal):
Author(s): Lesley O'Brien, Alison Herwig, Frank Gnolfo, Roy Wood, Robert Dalton
Reviewer(s): Karen Rimel (primary)
Disposition Date: 03/17/2011
Disposition Status: APPROVED
Effective Date (New): 01/01/2012
Effective Date (Renewal): 01/01/2012
State Filing Description:

State: Missouri **Filing Company:** NCCI
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
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Project Name/Number: /

General Information

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 Filing Status Changed: 03/17/2011
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 Created By: Frank Gnolfo Submitted By: Frank Gnolfo
 Corresponding Filing Tracking Number:
 State TOI: 16.0 Workers Compensation State Sub-TOI: 16.0004 Standard WC

Filing Description:

This item:

1. Revises the average weekly wage used in the payroll determination formula for Code 7370—Taxicab Company for employee-operated vehicles and leased or rented vehicles
2. Revises the average weekly wage used in the payroll determination formula for Code 9178—Athletic Sports or Park: Noncontact Sports, and Code 9179—Athletic Sports or Park: Contact Sports
3. Eliminates the weekly maximum payroll limitation for Code 9186—Carnival, Circus, or Amusement Device Operator—Traveling—All Employees & Drivers
4. Creates State Payroll Determination Formula Table 2 in NCCI's Basic Manual for Workers Compensation and Employers Liability Insurance Appendix F

Company and Contact

Filing Contact Information

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Filing Company Information

NCCI CoCode: State of Domicile: Florida
 901 Peninsula Corporate Circle Group Code: Company Type:
 Boca Raton, FL 33487 Group Name: State ID Number:
 (561) 893-3186 ext. [Phone] FEIN Number: 65-0439698

Filing Fees

Fee Required? No
 Retaliatory? No

Fee Explanation:

State Specific

NAIC Number: RO99985

Have you reviewed the General Instructions document? (yes/no)(General Instructions updated 9/14/07): Yes
 If this is a rate filing, was rate data added on the rate/rule schedule? (yes/no): Not a rate filing

State: Missouri Filing Company: NCCI
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: B-1422 Revisions to Miscellaneous Values Payroll Determination Formula for Codes 7370, 9178, 9179, and 9186 and Revisions to Basic Manual Appendix F
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
APPROVED	Karen Rimel	03/17/2011	03/17/2011

SERFF Tracking #:

NCCI-127057600

State Tracking #:

Company Tracking #:

B-1422 (LL)

State:

Missouri

Filing Company:

NCCI

TOI/Sub-TOI:

16.0 Workers Compensation/16.0004 Standard WC

Product Name:

B-1422 Revisions to Miscellaneous Values Payroll Determination Formula for Codes 7370, 9178, 9179, and 9186 and Revisions to Basic Manual Appendix F

Project Name/Number:

/

Disposition

Disposition Date: 03/17/2011

Effective Date (New): 01/01/2012

Effective Date (Renewal): 01/01/2012

Status: APPROVED

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Filing Memorandum	REVIEWED	Yes
Rate	Exhibit 1	APPROVED	Yes
Rate	Exhibit 2	APPROVED	Yes

SERFF Tracking #:

NCCI-127057600

State Tracking #:**Company Tracking #:**

B-1422 (LL)

State:

Missouri

Filing Company:

NCCI

TOI/Sub-TOI:

16.0 Workers Compensation/16.0004 Standard WC

Product Name:

B-1422 Revisions to Miscellaneous Values Payroll Determination Formula for Codes 7370, 9178, 9179, and 9186 and Revisions to Basic Manual Appendix F

Project Name/Number:

/

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	APPROVED 03/17/2011	Exhibit 1	Appendix F	New		B-1422 - Exhibit 1.pdf
2	APPROVED 03/17/2011	Exhibit 2	Basic Manual Part Two	Replacement	B-1149	B-1422 - Exhibit 2.pdf

ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

**EXHIBIT 1
BASIC MANUAL—2001 EDITION
APPENDIX F**

STATE PAYROLL DETERMINATION FORMULAS

Appendix F provides the state special payroll determination formulas for ~~partners/sole proprietor and the executive officer weekly minimum and maximum payroll limitation formula~~ the following:

- Partners and Sole Proprietor Payroll Determination
- Executive Officer Weekly Minimum and Maximum Payroll Limitation
- Code 7370 Employee-Operated Vehicle and Leased or Rented Vehicle Payroll Basis (used in the absence of verifiable payroll records)
- Code 9178 and Code 9179 Weekly Maximum Payroll Limitation

STATE PAYROLL DETERMINATION FORMULA TABLE 2

State	Effective Date	Code 7370 Payroll Basis		Code 9178 and Code 9179 Weekly Maximum Payroll Limitation ¹	Comments
		Employee-Operated Vehicle [†]	Leased or Rented Vehicle [†]		
AK	<u>1/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 2</u>	
AL	<u>3/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 4</u>	
AR	<u>7/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 4</u>	
AZ	<u>1/1/2012</u>	<u>MMW x 12 x 1.5</u>	<u>MMW x 12</u>	<u>MMW x 12/52 x 4</u>	Refer to the Arizona Miscellaneous Values for the applicable Monthly Maximum Wage (MMW).
CO	<u>1/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 4</u>	
CT	<u>1/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 2</u>	
DC	<u>11/1/2011</u>	$\frac{DAWW \times 52}{x \ 1.5^2}$	<u>DAWW x 52²</u>	<u>DAWW x 4</u>	
FL	<u>1/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 3</u>	
GA	<u>3/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 4</u>	
HI	<u>1/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 4</u>	
IA	<u>1/1/2012</u>	$\frac{SAWW \times 52}{x \ 1.5}$	<u>SAWW x 52</u>	<u>SAWW x 4</u>	

ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION
FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL
APPENDIX F

EXHIBIT 1 (CONT'D)
BASIC MANUAL—2001 EDITION
APPENDIX F
STATE PAYROLL DETERMINATION FORMULA TABLE 2 (Cont'd)

State	Effective Date	Code 7370 Payroll Basis		Code 9178 and Code 9179 Weekly Maximum Payroll Limitation ¹	Comments
		Employee- Operated Vehicle ¹	Leased or Rented Vehicle ¹		
ID	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
IL	1/1/2012	$\frac{SAWW \times 52}{x 1.5^2}$	SAWW x 52 ²	SAWW x 4	
IN	1/1/2012	$\frac{SAWW \times 52}{x 1.5^2}$	SAWW x 52 ²	SAWW x 4	
KS	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
KY	10/1/2011	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
LA	5/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 3	
MD	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
ME	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
MO	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW	
MS	3/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 5 x 0.6667	
MT	7/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 1.5 ³	
NC	4/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 2	
NE	2/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
NH	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
NM	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	

ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

**EXHIBIT 1 (CONT'D)
BASIC MANUAL—2001 EDITION
APPENDIX F
STATE PAYROLL DETERMINATION FORMULA TABLE 2 (Cont'd)**

State	Effective Date	Code 7370 Payroll Basis		Code 9178 and Code 9179 Weekly Maximum Payroll Limitation ¹	Comments
		Employee-Operated Vehicle ¹	Leased or Rented Vehicle ¹		
NV	3/1/2012	Minimum (Fixed Wage, SAWW x 52 x 1.5)	Minimum (Fixed Wage, SAWW x 52)	Refer to NRS 616B.622	Refer to the Nevada Miscellaneous Values for the applicable fixed wage.
OK	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
OR	1/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
RI	6/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
SC	7/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
SD	7/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
TN	3/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
UT	12/1/2011	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
VA	4/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 2	
VT	4/1/2012	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	
WV	11/1/2011	$\frac{SAWW \times 52}{x 1.5}$	SAWW x 52	SAWW x 4	

¹ Rounded to nearest \$100.00

² Subject to transition program. Refer to the current state NCCI Technical Supplement to Advisory Loss Costs/Rates circular for additional information.

³ Rounded to nearest \$1.00

**ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION
FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL
APPENDIX F**

**EXHIBIT 2
BASIC MANUAL—2001 EDITION
PART TWO—CLASSIFICATIONS**

AMUSEMENT

9180 Device Operation NOC—Not Traveling & Drivers. Includes ticket sellers or collectors and applies to the operation and maintenance of merry-go-rounds, swings, roller coasters, and similar amusement devices not otherwise classified.

9186 Device Operator, Carnival, or Circus—Traveling—All Employees & Drivers. ~~The entire payroll of all employees shall be included in calculating premium, subject, however, to the maximum average weekly wage per employee shown in the state rate pages under Miscellaneous Values as “Maximum Payroll.”~~

9016 Park or Exhibition Operation & Drivers. Applies to the operation by owners or lessees and includes musicians and box office employees. Operation or maintenance of amusement devices to be separately rated.

The two foregoing classifications (Codes 9180 and 9016) do not apply to amusements, exhibitions, or other operations separately classified in this manual (such as bathhouses, billiard halls, boat livery, bowling lanes, garages, restaurants, retail stores, theaters) whether operated by the owner or lessee of the exhibition or amusement park or through independent concession.

9186 CARNIVAL, CIRCUS, OR AMUSEMENT DEVICE OPERATOR—TRAVELING—ALL EMPLOYEES & DRIVERS.

~~The entire payroll of all employees shall be included in calculating premium, subject, however, to the maximum average weekly wage per employee shown in the state rate pages under Miscellaneous Values as “Maximum Payroll.”~~

9186 CIRCUS, CARNIVAL, OR AMUSEMENT DEVICE OPERATOR—TRAVELING—ALL EMPLOYEES & DRIVERS.

~~The entire payroll of all employees shall be included in calculating premium, subject, however, to the maximum average weekly wage per employee shown in the state rate pages under Miscellaneous Values as “Maximum Payroll.”~~

State: Missouri Filing Company: NCCI
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Project Name/Number: /

Supporting Document Schedules

Satisfied - Item:	Filing Memorandum
Comments:	
Attachment(s):	B-1422 - Filing Memorandum.pdf
Item Status:	REVIEWED
Status Date:	03/17/2011

FILING MEMORANDUM

ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

PURPOSE

This item:

1. Revises the average weekly wage used in the payroll determination formula for Code 7370—Taxicab Company for employee-operated vehicles and leased or rented vehicles
2. Revises the average weekly wage used in the payroll determination formula for Code 9178—Athletic Sports or Park: Noncontact Sports, and Code 9179—Athletic Sports or Park: Contact Sports
3. Eliminates the weekly maximum payroll limitation for Code 9186—Carnival, Circus, or Amusement Device Operator—Traveling—All Employees & Drivers
4. Creates State Payroll Determination Formula Table 2 in NCCI's *Basic Manual for Workers Compensation and Employers Liability Insurance* Appendix F

BACKGROUND

Code 7370—Taxicab Company

Item B-1144, effective October 1, 1978, established Code 7370 for taxicab drivers. Additionally, the item introduced an alternate premium base of a fixed amount per vehicle, per policy period for such operations when verifiable payroll records are not available. The basis of premium for each employee-operated vehicle per policy year was established to be 150% of the state's average annual wage based on the latest available CPS (Current Population Survey) wage data. In cases where the vehicle is leased or rented, the basis of premium (per vehicle, per policy year) was established to be an additional 100% of the state's average annual wage based on the latest available CPS wage data.

NCCI has determined that the SAWW (State Average Weekly Wage) should be used in the basis of premium formula for Code 7370 instead of the average weekly wage based on CPS wage data. The SAWW is the weekly wage used by the state in determining benefits. Using the SAWW in the payroll determination formula better aligns the indemnity benefits being paid with the premium charged.

Code 9178—Athletic Sports or Park: Noncontact Sports, and Code 9179—Athletic Sports or Park: Contact Sports

Item B-1149, effective November 1, 1979, established a formula to calculate the weekly maximum payroll limitation for Codes 9178 and 9179. The weekly maximum payroll limitation formula is based on four times the average weekly wage in most states. The average weekly wage is currently based on the state's CPS wage data.

NCCI has determined that the SAWW should be used in the formula to calculate the weekly maximum payroll limitation for Codes 9178 and 9179 instead of being based on a state's CPS wage data. The SAWW is the weekly wage used by the state in determining benefits. Using the SAWW in the payroll determination formula better aligns the indemnity benefits being paid with the premium charged.

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FILING MEMORANDUM

ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

Code 9186—Carnival, Circus, or Amusement Device Operator—Traveling—All Employees & Drivers

Item B-1149, effective November 1, 1979, established a formula to calculate the weekly maximum payroll limitation for Code 9186. The weekly maximum payroll limitation formula is based on four times the average weekly wage in most states. The average weekly wage is currently based on the state's CPS wage data. NCCI recently surveyed numerous carriers writing traveling carnivals, circuses, and amusement device operators and has determined that the weekly maximum payroll limitation is no longer necessary.

PROPOSAL

This item proposes to:

1. Revise the average weekly wage used in the payroll determination formula for Code 7370 to use the SAWW instead of a state's CPS wage data. The formula is used in the absence of verifiable payroll records.
2. Revise the average weekly wage used in the payroll determination formula for Codes 9178 and 9179. The weekly maximum payroll limitation will be based on the SAWW instead of a state's CPS wage data.

The SAWW will be reviewed prior to each state's loss cost/rate filing and adjusted in the payroll determination formulas according to any indicated change in wage level. The **Basic Manual** Miscellaneous Values page for each state will contain the calculated dollar values.

This item further proposes to:

3. Establish State Payroll Determination Formula Table 2 in **Basic Manual** Appendix F, which provides the state payroll determination formulas for the proposed changes.
4. Eliminate the weekly maximum payroll limitation for Code 9186.

Alabama, Alaska, Florida, Kansas, Mississippi, Missouri, and Montana State-Specific

No changes are being proposed to the average weekly wage used in the formula for the weekly maximum payroll limitation for Codes 9178 and 9179 because the SAWW is currently used. Appendix F displays the current formula.

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ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

Arizona State-Specific

It is proposed that:

- The basis of premium for Code 7370 and the weekly maximum payroll limitation for Codes 9178 and 9179 be revised to use Arizona's Maximum Monthly Wage (MMW)
- The executive officer weekly minimum and maximum payroll limitation in State Payroll Determination Formula Table 1 be revised to clarify the amounts are based on Arizona's Minimum and Maximum Monthly Wage
- The partners/sole proprietor payroll determination in State Payroll Determination Formula Table 1 and *Basic Manual* Rule 2-E-3 be revised to remove the word assumed from monthly wage

Connecticut State-Specific

It is proposed that the weekly maximum payroll limitation for Codes 9178 and 9179 be revised to be equal to the SAWW multiplied by two instead of the current fixed value. The SAWW is the weekly wage used by the state in determining benefits. Using the SAWW in the formula will allow the payroll amount to be inflation sensitive compared to the current fixed value.

District of Columbia State-Specific

It is proposed that the partners/sole proprietor payroll determination and the executive officer weekly minimum and maximum payroll limitation in State Payroll Determination Formula Table 1 be revised to clarify that the amounts are based on the District Average Weekly Wage (DAWW)

Louisiana State-Specific

It is proposed that the weekly maximum payroll limitation for Codes 9178 and 9179 be revised to be equal to the SAWW multiplied by three instead of the current fixed value. The SAWW is the weekly wage used by the state in determining benefits. Using the SAWW in the formula will allow the payroll amount to be inflation sensitive compared to the current fixed value.

Nevada State-Specific

No changes are being proposed to the current Nevada maximum payroll limitation formula for Codes 9178 and 9179.

Oklahoma State-Specific

It is proposed that the weekly minimum payroll limitation for Codes 9178, 9179, and 9186 be eliminated to be consistent with all other states. Additionally, no changes are being proposed to the average weekly wage used in the formula for the weekly maximum payroll limitation for Codes 9178 and 9179 because the SAWW is currently used. Appendix F displays the current formula.

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ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

Oregon State-Specific

It is proposed that a footnote be added to the partners/sole proprietor payroll determination in State Payroll Determination Formula Table 1 indicating that a transition program is applicable. Upon completion of the state transition program, NCCI will remove the footnote reference from Appendix F.

Virginia State-Specific

It is proposed that:

- The Virginia state-specific phraseology for Code 9186 be eliminated
- The Virginia **Scopes[®] Manual** be updated to remove non-Virginia state cross-references
- Upon completion of the state transition program for the partners/sole proprietor payroll determination in State Payroll Determination Formula Table 1, as implemented in Item B-1420, NCCI will remove the footnote reference from Appendix F.

IMPACT

It is anticipated that the overall statewide premium impact of this item is negligible. Using the SAWW in the formula will be consistent with the SAWW used for determination of indemnity benefits.

Connecticut State-Specific

It is proposed that Connecticut revise the weekly maximum payroll limitation for Codes 9178 and 9179 to be equal to the SAWW multiplied by two. Since the formula-based payroll amount differs significantly from the current fixed amount, NCCI will adjust the initial and subsequent loss cost/rate of Codes 9178 and 9179 until all of the experience reflects the proposed SAWW data. Rating values, which will be based on the final NCCI proposed loss cost/rate, will be calculated according to the standard procedure.

District of Columbia, Illinois, and Indiana State-Specific

It is proposed that the average weekly wage used to calculate the maximum payroll limitation for Codes 9178 and 9179 be revised to be equal to the SAWW. Since the SAWW differs significantly from the CPS wage, NCCI will adjust the initial and subsequent loss cost/rate of Codes 9178 and 9179 until all of the experience reflects the proposed SAWW data. Rating values, which will be based on the final NCCI proposed loss cost/rate, will be calculated according to the standard procedure.

Additionally, this item proposes to revise the average weekly wage used in the payroll determination formula for Code 7370 to be equal to the SAWW. To minimize the impact this may have on individual insureds, NCCI is proposing to implement a transition program. Initially, the change in the payroll determination amount will be limited to an increase of 20% over the prior year's amount. Once the payroll determination amount reaches the payroll calculated by the formula, it will be set equal to the applicable formula.

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FILING MEMORANDUM

ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL APPENDIX F

IMPLEMENTATION

In order to implement this item, the attached exhibits detail the changes required in NCCI's *Basic Manual*:

- **Exhibit 1** contains the changes required to Appendix F
- **Exhibit 2** contains the changes required to Part Two—Classifications for Code 9186
- **Exhibit 3** contains state-specific items

This item is applicable to new and renewal, voluntary and assigned risk, policies. This item will become effective concurrently with each state's approved rate/loss cost filing effective on or after October 1, 2011. For example, this item will be effective January 1, 2012 for approved rate/loss cost filings that have a January 1, 2012 effective date. Similarly, this item will be effective July 1, 2012 for approved rate/loss cost filings that have a July 1, 2012 effective date.

The following chart shows the proposed effective dates for each state:

State	Proposed* Effective Date
Alabama	March 1, 2012
Alaska	January 1, 2012
Arizona	January 1, 2012
Arkansas	July 1, 2012
Colorado	January 1, 2012
Connecticut	January 1, 2012
District of Columbia	November 1, 2011
Florida	January 1, 2012
Georgia	March 1, 2012
Hawaii	This item will be implemented in Hawaii's loss cost filing proposed to be effective January 1, 2012. The effective date will be determined upon regulatory approval of the individual carrier's election to adopt this change.
Idaho	January 1, 2012
Illinois	January 1, 2012
Indiana	January 1, 2012
Iowa	January 1, 2012
Kansas	January 1, 2012

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ITEM B-1422—REVISIONS TO MISCELLANEOUS VALUES PAYROLL DETERMINATION
 FORMULA FOR CODES 7370, 9178, 9179, AND 9186 AND REVISIONS TO BASIC MANUAL
 APPENDIX F

State	Proposed* Effective Date
Kentucky	October 1, 2011
Louisiana	May 1, 2012
Maine	January 1, 2012
Maryland	January 1, 2012
Mississippi	March 1, 2012
Missouri	All rate changes related to this filing are proposed to be effective January 1, 2012 for the voluntary and assigned risk market.
Montana	July 1, 2012
Nebraska	February 1, 2012
Nevada	March 1, 2012
New Hampshire	January 1, 2012
New Mexico	January 1, 2012
North Carolina	April 1, 2012
Oklahoma	January 1, 2012
Oregon	January 1, 2012
Rhode Island	June 1, 2012
South Carolina	July 1, 2012
South Dakota	July 1, 2012
Tennessee	March 1, 2012
Utah	December 1, 2011
Vermont	April 1, 2012
Virginia	April 1, 2012
West Virginia	November 1, 2011

* Subject to change

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