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----- **IMPORTANT NOTICE** -----

Act 44 of 1993 prohibits a licensed, domiciled rating organization from filing full workers' compensation rates effective December 1, 1993. In compliance with this Act, the Coal Mine Compensation Rating Bureau of Pennsylvania will file only the loss provision for each classification. Each carrier will be responsible for filing with the Insurance Commissioner the loss adjustment expense provision, the underwriting expense provision, and the profit and contingency provision that are included in its full rates. Each carrier may file for approval of its own provision for claim payment.

Unless specified to the contrary, the term loss cost, as used in this Manual, shall be synonymous with loss provision, or provision for claim payment filed by the Coal Mine Compensation Rating Bureau. The loss costs will be based upon reported losses, developed to ultimate, and trended for prospective changes.

Any reference in this Manual to rate or premium shall be based on the individual carrier's filing.

## SECTION 1

### RULE 1 - GENERAL

#### A. WORKERS' COMPENSATION

Workers' Compensation as used in this Manual means workmen's compensation and occupational disease law of Pennsylvania.

#### B. STANDARD POLICY

Standard Policy means the Standard Provisions Workers' Compensation and Employers' Liability Insurance Policy and Information Page approved by the Pennsylvania Insurance Department, as prescribed in the Standard Policy Form Section.

#### C. ENDORSEMENT FORMS

Endorsement forms mean standard endorsements contained in the Endorsement Forms Section. A standard endorsement must be used in the form prescribed in Section 3.

#### D. ENDORSEMENT FORMS SECTION (SECTION 3)

Refer to the Endorsement Forms Section for complete description of coverages and instructions on use of the endorsement forms.

#### E. APPLICATION OF MANUAL RULES

Rules apply separately to each policy, unless the applicable Rule specifies to the contrary.

#### F. EFFECTIVE DATE

##### 1. Manual

This Manual applies only from the anniversary rating date which occurs on or after the effective date of this Manual.

##### 2. Changes

The effective date of a change in any rule, classification or provision for claim payment is 12:01 A.M. on the date specified on the Manual page. Any change will be issued on a reprinted page and will be designated by an \*. Unless specified otherwise, each change applies only from the anniversary rating date which occurs on or after the effective date of the change.

#### G. ANNIVERSARY RATING DATE

##### 1. Definition

The anniversary rating date is the effective month and day of the policy in effect and each annual anniversary thereafter unless a different date has been established by the Coal Mine Compensation Rating Bureau.

##### 2. Rewritten Policies

If a policy is canceled and rewritten by the same or another carrier, all rules, classifications and carrier manual rates of the rewriting carrier which were in effect as of the anniversary rating date shall apply to the rewritten policy until the next anniversary rating date as established by the Coal Mine Compensation Rating Bureau.

Use the Anniversary Rating Date Endorsement. No policy may be canceled, rewritten or extended for any period to avoid or take advantage of any changes in the rules or provision for claim payment of this Manual.

##### 3. Long Term Policies

For application of anniversary rating dates on policies issued for a term in excess of one year, refer to Rule III-C.

#### H. FILING REQUIREMENTS

##### 1. Policy

An exact copy of every Workers' Compensation Policy showing the State Of Pennsylvania on the Information Page which contain classifications promulgated by the Coal Mine Compensation Rating Bureau and authorized carrier rates shall be filed with the Bureau within thirty days after the effective date of the policy.

2. Endorsements

An exact copy of all endorsements or agreements attached to the policy at its inception date or issued subsequent to the inception date of the policy must be filed with the Bureau within thirty days after the date of issue of such agreement.

3. Standard Endorsement Filing procedure

- a. Any endorsement filed with the Insurance Department on behalf of Bureau members by the Bureau must be filed for approval with the Bureau. For complete details refer to Section 5.
- b. Non-standard Endorsements filing procedure, refer to Section 3.

4. Binders

- a. A copy of the binder must be filed with the Bureau on an approved form with all required endorsements attached, no later than thirty days after its date of inception.
- b. The binder must contain the classification codes and carrier rates applicable to the employer in accordance with the assignment issued by the Bureau or in accordance with the Classification Rules of this Manual if no specific Bureau assignment has been made.
- c. A binder must be replaced with a short term policy covering the amount of time the binder was in effect or replaced with a full term policy including the time period the binder was in effect.

**I. MEDICAL CONTRACTS**

1. Medical Contracts and agreements between insurance carriers and insured employers where medical service or supplies are furnished by the employer in consideration of a reduced premium or other consideration cannot be made.
2. Insurance Carriers may not furnish medical equipment or hospital supplies to the insured's employer.

**RULE II - EXPLANATION OF COVERAGES AND METHODS OF INSURING**

**A. PART ONE- WORKERS' COMPENSATION INSURANCE**

1. Description of Workers' Compensation Coverage

Workers' compensation insurance provides coverage for the statutory obligation of an employer to provide benefits for employees as required by:

- a. Workers' compensation law or occupational disease law of any state or territory of the United States, including the District of Columbia, and
- b. United States Longshoremen's and Harbor Workers' Compensation Act.

2. Pennsylvania workers' compensation insurance may be provided only by the Standard Policy.

3. Longshore Coverage

U.S. Longshore and Harbor Workers' Compensation Act insurance may be provided only by attaching the Longshore and Harbor Workers' Compensation Act Coverage Endorsement (WC 00 01 06A) to the Standard Policy. Refer to Rule XI.

4. Federal Black Lung

The U.S. Federal Black Lung insurance under the provisions of the Federal Coal Mine Health and Safety Act, as amended, is provided only by attaching the Federal Coal Mine and Safety Act Endorsement to the Standard Policy.

**B. COVERAGE REQUIREMENTS**

1. Compulsory as to all employments

- a. PA Workers Compensation Act - Exclusions: Individual proprietors, partners of a partnership, elected officers of the Commonwealth or any political subdivision. Also elective for members of certain religious sects whose tenets prohibit benefits from insurance, provided the sect makes provisions for its members. Refer to Section 302(a) of the Pennsylvania Workers Compensation Act for more details.
- b. Federal Coal Mine Health and Safety Act - The PA Workers Compensation Act exclusions referenced above do not apply to Federal Coal Mine Health and Safety Act coverage.

2. No insurance carrier is permitted to issue policies which would create duplicate coverage for an employer. Policies of different insurance carriers cannot be written for separate parts of a single risk.

3. When an employer proposes to insure both his accident and occupational disease compensation liability, such liability must be covered by a single policy of one insurance carrier.
4. An Executive Officer, who has ownership interest in a Subchapter "S" corporation, or has at least 5% ownership interest in a Subchapter "C" corporation, may elect not to be covered for benefits provided by the PA Workers Compensation Act. Such individuals must be covered for benefits provided by the Federal Coal Mine Health and Safety Act, as amended. If the election is made, the named Executive Officer shall be excluded from benefits under the PA Workers Compensation Act, and their remuneration shall not be included in the calculation of the Traumatic or State OD premium. Their remuneration shall be included in the calculation of the Federal OD premium. In order to be excluded from coverage under the PA Workers Compensation Act, both the employer and the individual Executive Officer must complete and file the appropriate forms with the PA Department of Labor and Industry, Bureau of Workers Compensation. The Executive Officer Exclusion Endorsement (WC 37 03 10B) must be completed and attached to the policy, indicating that the individual Executive Officer is to be excluded from coverage under the PA Workers Compensation Act.

#### C. PART TWO - EMPLOYERS' LIABILITY INSURANCE

1. Description of Employers' Liability Insurance  
Employers' liability insurance provides coverage for the legal obligation of an employer to pay damages because of bodily injury by accident or disease, including resulting death, sustained by an employee. Employers' liability coverage applies only if the injury or death of an employee arises out of and in the course of employment and is sustained:
  - a. In the United States of America, its territories or possessions, or Canada, or
  - b. While temporarily outside the United States of America, its territories or possessions or Canada, if the injured employee is a citizen or resident of the United States or Canada; but suits for damages and actions or judgments must be in or from a court of the United States, its territories or possessions or Canada.

Unless specifically excluded, coverage for the liability of an employer under admiralty law and the Federal Employers' Liability Act is provided by Employers' Liability Insurance - Part Two.

2. Employers' Liability for Diseases  
Employers' liability insurance for diseases not covered by a workers' compensation law or an occupational disease law is provided by the Standard Policy.
3. Employers' Liability Insurance With Workers' Compensation Insurance  
Employers' liability insurance written with workers' compensation insurance is provided by the Standard Policy.
4. Employers' Liability Insurance Without Workers' Compensation Insurance  
Employers' liability insurance without workers' compensation insurance is prohibited in the State of Pennsylvania.

#### D. VOLUNTARY COMPENSATION INSURANCE COVERAGE

1. Description of Voluntary Compensation Coverage  
Voluntary compensation insurance does not provide workers' compensation coverage and is not available for employments subject to a workers' compensation law. This insurance affords the benefits of a designated compensation law as if the affected employees were subject to that law, even though the law does not require payment of benefits to such employees.  
Voluntary compensation insurance shall not provide compensation, medical or other benefits in excess of the statutory requirements in the workers' compensation law designated in the standard Voluntary Compensation and Employers' Liability Coverage Endorsement.
2. How Provided  
Voluntary Compensation Insurance is provided by attaching the Standard Voluntary Compensation and Employers' Liability Coverage Endorsement (WC 00 03 11) to the Standard Policy. Refer to Rule VIII for rules and carrier rates.

#### E. PART THREE - OTHER STATES' INSURANCE

1. Description of Other States' Coverage
  - a. Employers' liability insurance and, where permitted by law, workers' compensation insurance are provided in other states not listed in Item 3-A of the Information Page by listing states where coverage is to be provided in Item 3-C of the Information Page.

- b. If workers' compensation insurance does not apply because the insured or carrier is unable to take the necessary action to bring the insured under a workers' compensation law, the carrier will reimburse the insured for all compensation and other benefits required of the insured under such law.
  - c. Part Three - Other States' Insurance does not provide U.S. Longshoremen's and Harbor Workers' Compensation Act coverage or Federal Black Lung coverage. It may be afforded only in accordance with Rule XI.
2. States Where Not Available
- Other states' coverage is not available in states:
- a. With a monopolistic state fund, or,
  - b. Where the carrier elects not to write this coverage.
3. Restriction on Use
- Coverage for Operations known or expected to be performed in a state not listed in Item 3-A of the Information Page shall not be provided under Part Three - Other States' Insurance.
4. Premium
- Premium developed for operations covered under the Part Three - Other States' Insurance shall be based on workers' compensation rules and the carrier's rates.

### **RULE III - POLICY PREPARATION - INSURED, POLICY PERIOD AND STATE OF OPERATIONS**

Items 1, 2 and 3-A of the Information Page

#### **A. EXPLANATION OF TERMS**

- 1. Employer/Entity/Operator  
Employer may be an individual, partnership, joint venture, corporation, association, or a fiduciary such as a trustee, receiver or executor, or other entity.
- 2. Insured  
Insured means the employer designated in Item 1 of the Information Page.
- 3. Majority Interest  
Majority Interest as defined in the Experience Rating Plan Manual applies in this Manual. The term majority shall mean more than 50%.
  - a. Majority of voting stock, or
  - b. Majority of members or directors if there is no voting stock, or
  - c. Majority participation of general partners in profits of a partnership.
- 4. Risk  
Risk means a single legal entity or two or more legal entities which qualify for combination in the State of Pennsylvania.
- 5. Entity  
The term ENTITY shall mean an individual, partnership, or corporation.
- 6. Breaker or Tipple  
The term BREAKER or TIPPLE wherever used throughout this Manual shall mean the structure containing the machinery used for the preparation of coal. Breaker or Tipple also includes preparation plants, coal loading docks and structure or areas for storage, shipping and distribution of coal.
- 7. Colliery  
The term COLLIERY shall include all operations, workings and structures, both under and above ground, used or to be used for the purpose of mining, preparing and shipping coal, at one location and one breaker.
- 8. Bureau  
The term BUREAU whenever used throughout this Manual shall mean the Coal Mine Compensation Rating Bureau of Pennsylvania.

#### **B. NAME AND ADDRESS AND OTHER WORK PLACES OF INSURED - ITEM 1**

- 1. Combination of Legal Entities  
Separate legal entities may be insured in one policy only if the same person, or group of persons, owns the majority interest in such entities.

2. Pennsylvania Locations

All locations and operations of the employer in Pennsylvania shall be insured in one policy. See Rule VIII-D.

C. POLICY PERIOD - ITEM 2

1. Normal Policy Period

The policy period is one year.

- a. The manual rules have been prepared on the basis of coverage written or issued for a period not in excess of one year.

2. Policy for One Year

- a. The manual rules are based on a policy period of one year.

- b. A policy issued for a period not longer than one year and 16 days is treated as a one year policy.

3. Policy Longer Than One Year

A policy issued for a period longer than one year and 16 days, other than a 3 year fixed rate policy, is treated as follows:

- a. The policy period is divided into consecutive 12 month units.

- b. If the policy period is not a multiple of 12 months, use the Standard Policy Period Endorsement (WC 00 04 05) to specify the first or last unit of less than 12 months as a short term policy.

- c. All manual rules and procedures apply to each unit as if a separate policy had been issued for each unit.

4. Renewal Certificates, Agreements and Continuing Form Policies should be handled as policies longer than one year.

D. STATE LAWS DESIGNATED IN THE POLICY ITEM 3-A

1. Listing of Pennsylvania

Insurance for operations conducted in Pennsylvania is provided by listing the state in Item 3-A of the Information Page.

2. Longshore Act

The U.S. Longshore and Harbor Workers' Compensation Act shall not be entered in Item 3-A of the Information Page. Refer to Rule XI.

3. State Laws Designated in the Policy - Item 3-A

A state may be added after the effective date of the policy. For the additional state operations, apply:

- a. Carrier rates in effect on the anniversary rating date of the policy to which the state has been added.

- b. Any rate change which applies to outstanding policies for the state being added.

- c. When adding the State of Pennsylvania, the Information page and attached endorsements shall be prepared so that the Pennsylvania coverage can be clearly determined.

**RULE IV - CLASSIFICATIONS**

Item 4 of the Information Page

A. GENERAL EXPLANATION

The object of the classification system is to group employers into classifications so that the provision for claim payment for each classification reflects the exposures common to those employers. Subject to certain exceptions described later in this rule, it is the business of the risk within Pennsylvania that is classified, not the separate employments, occupations, phases or operations within the business.

B. CLASSIFICATIONS

1. Basic Classifications

All classifications in the Manual are basic classifications, other than the standard exception classifications. Basic classifications describe the business of the employer, and contemplate all phases of the mining business conducted by the employer. This includes the operations necessary to begin or prepare the mine for operation, the production of coal, and the activities necessary to terminate/liq-  
uidate the business, and satisfy all permit requirements.

- a. Underground Coal Mine Classifications shall apply to all operations which normally prevail in the underground mining of coal. Division of payroll shall be made as provided herein in respect to Standard Exceptions and any separate operation which does not normally prevail in an underground coal mine risk. Underground mining shall be classified as:  
Anthracite Underground Mining - Code 1010 (See Rule XIII - Mine Rescue Teams)  
Bituminous Underground Mining - Code 1001
- b. Surface Mining  
All operations incidental to the recovery of coal by strip mining methods. Operations incidental to the extraction of coal by this method include, but are not limited to the following: removal of overburden, the recovery of coal, the subsequent loading and transporting of coal, and the backfilling of the strip pit following the coal removal. Also any and all service, maintenance or construction work necessary or incidental to strip mining. Surface mining shall be classified as:  
Anthracite Surface & Culm Mining - Code 1012  
Bituminous Surface & Culm Mining - Code 1014
- c. Culm Recovery and Reclaiming of Coal Spoil: Culm Recovery and Reclaiming of Coal Spoil shall include:  
All operations incidental to removal and reclaiming usable coal from culm banks or any spoil or storage area. Culm Recovery and Reclaiming of Coal Spoil shall be classified as:  
Anthracite Surface & Culm Mining - Code 1012  
Bituminous Surface & Culm Mining - Code 1014
- d. Coke Burning and Manufacturing: Any and all operations performed by a coal operator or by an independent employer necessary and incidental to the manufacturing of coke. It shall include any further preparation and storage necessary for distribution or sale, transportation by the operator and any service, maintenance, or construction work incidental thereto. Coke Burning and Manufacturing shall be classified as:  
Coke Burning and Manufacturing - Code 1469
- e. Auger Mining: All operations incidental to recovery of coal by auger mining methods. This includes all operations by a risk incidental to the extraction of coal by the auger mining method. Operations incidental to the extraction of coal by this method include, but are not limited to the following: The operation of the auger machine in the recovery of coal, all necessary incidental work needed, including earth moving and grading and construction of a bench to allow the auger machine to operate in the extraction of coal and the subsequent loading and transportation of coal. Also any and all service, maintenance or construction work necessary or incidental to auger mining. Auger mining shall be classified as:  
Auger Mining - Code 1015
- f. Co-Generation Fuel Recovery: Any and all operations incidental to the recovery and delivery of coal fuel from waste banks, resulting from previous mining operations. This class is restricted to those employers exclusively engaged in the recovery of coal fuel for licensed co-generation plants, where such fuel is characterized as having no value in accordance with the directive of the U.S. Department of Interior, Office of Surface Mining, Reclamation and Enforcement, Transmittal Number 446, dated June 2, 1988.  
If such employer is under hire for the ash removal once the fuel is combusted, the ash removal can be separately rated by the Pennsylvania Compensation Rating Bureau so long as there is no

interchange of activities and/or personnel with the fuel recovery operation, and separate payrolls are maintained.

Co-Generation Fuel Recovery

Anthracite - Code 1021

Bituminous - Code 1023

- g. Coal Preparation: Any and all above ground operations necessary to prepare previously mined coal for distribution or sale. These operations shall include, but are not limited to, the sorting, sizing, breaking, crushing, washing, and/or cleaning of coal. Included in this class shall be all mechanical work performed on any machinery used in the coal preparation facility, buildings, and/or associated structures, all above ground storage of prepared or unprepared coal on premises, the above ground transportation of coal to and from the coal preparation facility, and the above ground loading and unloading of coal from vehicles or transportation systems. Payroll subdivision is required where employees interchange between the mining of the coal and the coal preparation operations. If separate payrolls are not maintained, the total payroll must be charged against the mining class. Coal preparation shall be classified as:

Anthracite Preparation Plant - Code 1025

Bituminous Preparation Plant - Code 1027

## 2. General Inclusions

The operations listed below, and referred to as General Inclusions, shall be considered to be within the scope of the coal mine classifications and shall not be subject to a division of payroll unless conducted as a separate and distinct enterprise having no relation to the development of a coal mine or the production of coal by coal mining methods, or the termination of a mine including the satisfaction of all permit requirements.

- a. Mining Engineers, Superintendents and Foremen shall, under all circumstances, be considered mine employees and the mine rate shall be charged upon their entire payroll.
- b. Shaft Sinking, Slope Sinking, Rock Tunneling or other incidental development work at a mine, which is being operated for the production of coal, when done by the Operator with his own employees, shall be included in the mine payroll at the adjusted rate of the mine.
- c. Machine Shop, Mine Car Repair Shop or Electric Light and Power Plant serving a single mine shall be included in the payroll for that mine.
- d. Payroll Division. Under no circumstances shall any division of payroll be made in connection with any mining operation except in accordance with these rules. Additional classifications may be used when valid evidence supports their authorization.
- e. Subcontractors. Section 302(a) and Section 302(b) Article III of the Compensation Act and the Occupational Disease Act provide that an employer shall be responsible for the compensation to employees of subcontractors. Therefore, the compensation rates of the carrier shall be applicable to the entire remuneration of employees of any subcontractors except that no premium charge shall be made on the remuneration of the employees of any subcontractor if the "Statutory Employer" shall furnish the Company with a certificate showing conclusively that such subcontractors have maintained compensation insurance on their entire liability during the period that the policy of the "Statutory Employer" was in force.

Classifications and Provisions for Claim Payment are listed in Section II of this Manual. Notes following a classification are part of that classification.

## 3. Standard Exceptions

Some occupations are common to so many businesses that special classifications have been

established for them. They are called standard exception classifications. Employees within the definition of a standard exception classification are not included in a basic classification unless the basic classification specifically includes those employees. The standard exception classifications are defined below:

- a. Clerical Office Employees - Code 953 - are employees whose duties are confined to keeping the books and records of the insured and conducting correspondence or who are engaged wholly in office work where such books and records are kept of such correspondence is conducted, having no other duty of any nature in or about the insured's premises.

Office employees shall be separately classified and rated except in connection with those classes which specifically include Office Employees.

- b. Salesmen (outside), Collectors and Messengers - Code 951 - are employees engaged in these duties where their principal duties are outside of the plant.  
Salesmen, Collectors and Messengers shall be separately classified and rated except in connection with those classes which specifically include all employees or all employees except office.
- c. Draftsmen are employees whose duties are limited to the office only and who are engaged strictly in that profession in such a manner that they are not exposed to the operative hazard of the plant. The entire remuneration of such draftsmen shall be included in the Clerical Office payroll.

#### 4. Governing Classification

Except when the entire operation of the employer is described by an N.P.D. (Not Available for Payroll Division) class the governing classification of a risk is defined as that classification, other than the standard exception classifications, which carries the largest amount of payroll.

#### 5. Subclassifications

The Bureau will administer the uniform classification plan approved by the Commissioner. No carrier is permitted to use a classification other than that authorized by the Bureau unless the carrier has filed with the Bureau and the Commissioner, and received approval by the Commissioner, subclassifications of the uniform classification system. Subclassifications which cannot be reported under the Bureau's uniform Statistical Plan are not permitted.

### C. ASSIGNMENT OF CLASSIFICATIONS

#### 1. Object of the Classification System

The object of the classification procedure is to assign the one basic classification which best describes the business of the employer within a state. Subject to certain exceptions described in this Rule, each classification includes all the various types of labor found in a business. It is the business which is classified, not the individual employments, occupations or operations within a business. Additional classifications shall be assigned as provided below:

#### 2. Assignment of a Classification

The policy shall contain only classifications approved by the Coal Mine Compensation Rating Bureau and in accordance with this Manual. If the carrier has a subclassification approved by the Commissioner, then the policy shall contain the subclassification.

Each classification is presumed to describe an entire business and contemplates all phases and ventures directly related to the business.

The operative procedure within a given plant shall not be subject to division into several Manual classes where the employees are engaged or the different operations are conducted in such a manner that they are all brought together, the employees being commonly exposed to the general hazard of the enterprise which is best represented by its governing classification.

#### 3. Assignment of Additional Classifications

Additional classifications may be used only when valid evidence supports their authorization or in conformity with the rules stated under "Standard Exceptions" and "Inclusions". Additional classes may not be added without Pennsylvania Compensation Rating Bureau authorization when their use is in violation of Manual Rules or an existing Bureau Rate Card.

If there were distinct enterprises (meaning thereby businesses, which are specifically classified in this Manual but not operations incident to the business covered by the governing classification), conducted in a given plant by the same employer and the entire work in each enterprise is conduct-

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ed either in a separate building or on a separate floor or floors of a building, or on the same floor in separate departments divided by structural partitions without interchange of labor, the employer conducting each of such enterprises as a separate undertaking with separate records of payroll, then such separate undertakings shall each be separately classified and the proper premium rate applied to each. Any operation incident to the business covered by the governing classification as defined cannot be treated as a separate enterprise within the meaning of this rule.

Any policy which contains more than a single classification cannot contain any classifications representing a payroll less than that of one full-time employee.

## 4. Payroll Assignment - Multiple Classifications

- a. The payroll of one employee shall not be divided into two or more classes.
- b. When a risk is written on a divided payroll basis the payroll of all employees not specifically classified (such as engineers, watchmen and shipping clerks) must take the rate of the governing classification.

## 5. N.P.D. - Not Available for Payroll Division

The expression which is used as part of certain classes contained in this Manual (abbreviated N.P.D.) means that the class so indicated must be used when the described operations are performed at the employer's installation and no significant payroll is developed in operations not described by the classification or from operations normally foreign to the conduct of such businesses. Such classes cannot be divided or used as a division of any other class in the Manual. This does not apply to the standard exceptions classed in this Manual.

## 6. Changing Classifications

The Bureau is empowered to determine, revise or modify the classification applicable to any individual risk. Every policy insuring a risk for which the classifications have been established by the Bureau shall be written in accordance with such classification. If a carrier upon inspection or audit finds any change in operations which requires a change in the classifications established for the risk, the carrier shall immediately report the matter to the Bureau. No application by the carrier of a risk to change the established classifications shall be considered by the Bureau until the carrier has issued and filed a copy of its policy declarations written in accordance with the established classifications. The classifications for any policy shall be subject to correction or modification, or both, if the Bureau finds by inspection or otherwise that the classifications shown in the policy are not properly applicable to the risk. No application to change a classification for a risk on the ground that the risk has been improperly classified shall be considered by the Bureau unless such application is filed directly with the Bureau by the insured or the carrier during the policy period with respect to which the application is made, or within twelve months after the termination thereof.

## D. SHOW THE CLASSIFICATIONS IN ITEM 4 OF THE INFORMATION PAGE

Show the proper classification wording, with or without notes, and show the code number in Item 4 of the Information Page. Capitalized classification wording may be used instead of the entire wording.

## E. APPEAL FROM CLASSIFICATION ASSIGNMENTS PROCEDURE

1. The assignment by the Coal Mine Compensation Rating Bureau (the "Bureau") of an individual risk to a particular classification in accordance with the system of classification of risks and underwriting rules approved by the Insurance Commissioner pursuant to the Insurance Company Law of May 17, 1921, P.L. 682, as amended, and Act 44 of 1993, (the "Law") may be appealed by any person, corporate or otherwise, aggrieved by such assignment, to the Bureau in accordance with these Rules. Any application to change classifications for a risk on the ground that the risk has been improperly classified must be commenced by the aggrieved person within twelve (12) months of the policy period with respect to which the application is made by filing an appeal directly with the Bureau in accordance with these Rules.
2. A risk which is found on appeal to have been improperly classified, within the existing system of classifications and underwriting rules approved for use by the Insurance Commissioner as of the time of the aggrieved party's appeal to the Bureau in accordance with these Rules, may have its classification amended effective only for the policy currently in effect at the time the aggrieved party first submitted its appeal to the Bureau, in accordance with E.6. hereof and for the immediately

preceding expired policy. In the case of a long term policy, the classification may be amended effective only for the unit of coverage currently in effect at the time the aggrieved party first submitted its appeal to the Bureau, in accordance with E.4. hereof, and for the unit of coverage expiring no more than twelve (12) months prior to such appeal to the Bureau.

3. A risk which is reclassified as a result of a change in the Bureau's interpretation of the system of classifications and underwriting rules approved for use by the Insurance Commissioner, may have its classification amended effective as of the date determined by the Bureau's Classification and Rating Committee, which date may be prospective or retroactive as determined by the Committee; provided however, that any retroactive effect shall not exceed the time period authorized in E.2. hereof.
4. A risk which is reclassified as a result of a change to the system of classifications and underwriting rules approved for use by the Insurance Commissioner, may have its classification amended effective only as of the date that the change to the system of classifications and underwriting rules is filed for by the Bureau and approved by the Insurance Commissioner.
5. These Rules shall permit a risk which is reclassified on a new and renewal basis only to have its classification amended effective as approved by the Insurance Commissioner.
6. Any aggrieved party, as defined herein, may file an appeal of the classification assignment of a risk. An "aggrieved party" shall be limited to the carrier of record, the insured, or either representative designated in writing. The classification appeal must be directed to the Bureau in writing, and must state the basis as to why the classification assignment should no longer apply.  
A request for information regarding the Bureau's classification system or the reason for the assignment of the insured to a particular classification shall not constitute a classification appeal.  
Upon the receipt of a classification appeal from either party, the Bureau shall notify the carrier of record or the insured as the case may be within ten (10) working days. The notification shall include the aggrieved party's stated basis for the classification appeal. Both parties shall be given a reasonable opportunity to submit evidence or supporting information regarding the classification assignment.  
The Bureau Staff shall review the request and supporting information from both parties and notify both parties in writing of the results of the Bureau Staff's review. If either party is still aggrieved by the classification assignment following completion of the Bureau Staff's review, it shall have the right to present its appeal to the Bureau's Classification Committee in accordance with the provisions of these Rules. A further appeal by either party of the Classification Committee decision may be taken to the Insurance Commissioner pursuant to Section 654 of the Law and Act 44 of 1993 only after the party has exhausted its rights pursuant to these Rules.
7. Any party aggrieved by a final decision of the Bureau Staff pursuant to Rule 6 shall have the right to appeal to the Classification Committee of the Bureau. The Classification Committee may hear and adjudicate appeals in panels of not less than four (4) members, none of whom shall have a direct pecuniary interest in the aggrieved party's appeal. The panel shall have all the duties and powers of the Committee set forth in these rules and a decision by such a panel shall have the same force and effect as a decision of the Classification Committee under these Rules.  
Such appeal must be received by the Bureau no later than ninety (90) days from the date of the Bureau Staff's notice referred to in E.6. hereof. Upon the receipt of a classification appeal to the Classification Committee by either party, the Bureau shall notify the remaining party in writing within ten (10) working days.
8. All appeals pursuant to E.7. hereof must be filed with the Bureau and must meet the following requirements:
  - a. The appeal must be in writing.
  - b. The appeal must set forth in detail the nature of the complaint, the reasons for believing the Bureau decision to be in error, all documents in support of the appeal, the specific nature of relief desired, and whether a hearing before the Classification Committee is requested.
9. Following receipt of the appeal to the Classification Committee, the Bureau will notify the parties of the time and place of the Classification Committee meeting at which the matter shall be heard. If either party, after due notice, fails to be present or represented at a hearing or an adjourned hear-

- ing, the Committee may, nevertheless, in its own discretion, proceed with the adjudication of the controversy.
10. The procedure at the hearing shall be as informal as possible and shall include the following items:
    - a. The Chairman of the Classification Committee will introduce the parties to the Classification Committee.
    - b. The parties may verbally present their cases or rely upon the written material previously submitted to the Bureau in connection with the appeal.
    - c. Bureau staff members or consultants to the Bureau may present testimony and other information to the Committee relating to the matter under consideration.
    - d. Either party and the Bureau may also present witnesses and documentary evidence relevant to the appeal and either party and the Bureau shall have the opportunity to direct questions to any witness who has testified before the Committee on appeal.
    - e. After all testimony and other evidence have been presented, the hearing shall be declared closed by the Chairman of the Committee. Such hearing may, in the discretion of the Committee, be reopened at any time prior to the Committee's decision.
    - f. After the hearing is closed, the Committee shall arrive at its decision in executive session.
    - g. The decision shall be in writing, shall specify all factual and other basis for the decision, and shall be sent to both parties.
    - h. The decision will be included in the minutes of the meetings of the Classification Committee and be retained in the records of the Bureau.
  11. Neither party is required to be represented by an attorney at any stage in any proceeding. However, both parties have a right, at their own expense to be represented by an attorney. If either party is represented by an attorney, the party shall so notify the Bureau and the other party in writing and shall also furnish the Bureau and the other party with the attorney's name and mailing address. After the Bureau has received such notification from either party, subsequent papers in the proceeding to be served on such party shall be served only upon the attorney.
  12. Notices of the time and place of hearing shall be given to the parties, or their attorney pursuant to E.11. hereof, in writing personally or by registered or certified mail at least ten (10) days in advance of such hearing, unless such notice is waived by both parties or their attorneys. When a meeting is adjourned to another time or place, written notice need not be given of the adjourned hearing if the time and place thereof are announced at the meeting during which all parties are present at which the adjournment is taken. All other notices, orders, papers, and communications, including a copy of the decision may be served on both parties by hand delivery or by regular first class mail to both parties or their attorneys at the last known mailing address provided to the Bureau.
  13. During the course of all proceedings governed by these Rules, the Committee in a particular case shall have the power to interpret and apply the foregoing Rules, and such interpretation shall be binding upon the parties.
  14. Appeals from a final decision of the Classification Committee pursuant to these Rules must be filed with the Insurance Commissioner within thirty (30) days of the mailing date of the Committee's decision as provided in Section 654 of the Law and Act 44 of 1993.
  15. Unless otherwise specifically provided by these Rules of Procedure, all periods of time shall be calculated from the postmark on mail sent by first class through the United States Postal Service or the date of any hand delivery whichever date is earlier.
  16. Nothing contained in these Rules shall prevent efforts to resolve any controversies governed by these Rules on an informal basis at any stage of the proceedings before the Bureau or the Classification Committee.

**RULE V - PREMIUM BASIS**

## Item 4 of the Information Page

**A. BASIS OF PREMIUM - TOTAL REMUNERATION**

Premium shall be computed on the basis of the total remuneration paid or payable by the insured for services of employees covered by the policy. (See F for exception)

**B. REMUNERATION - PAYROLL****1. Definition**

Remuneration means money or substitutes for money.

**2. Inclusions**

Remuneration includes:

- a. Commissions;
- b. Bonuses;
- c. Extra pay for overtime work;
- d. Pay for holidays, vacations or periods of sickness or accrued sick time;
- e. Payment by an employer of amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as the Federal Social Security Act;
- f. Payment to employees on any basis other than time worked, such as piece work, profit sharing or incentive plans;
- g. Payment or allowance for hand tools or power tools used by hand provided by employees and used in their work or operations for the insured;
- h. The rental value of an apartment or a house provided for an employee based on comparable accommodations;
- i. The value of lodging, other than an apartment or house, received by employees as part of their pay, to the extent shown in the insured's records;
- j. The value of meals received by employees as part of their pay to the extent shown in the insured's records;
- k. The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay.
- l. Adjustments necessary to bring employees to minimum wage shall be included.

**3. Exclusions**

Remuneration excludes

- a. Payments by an employer to group insurance or group pension plans for employees, other than payments covered by Rule V-B2e;
- b. Payments made by the employer to a Group Insurance Pension Plan or to an employee directly in lieu of the foregoing because of the Provisions of the Pennsylvania Prevailing Wage Act, 43:1-17 Section 276A of Title 40 of the U.S. Code (Davis-Bacon Act) and amendments thereto. For more details see Rules & Interpretations Section of the Manual.
- c. The value of special rewards for individual invention or discovery;
- d. Dismissal or severance payments except for time worked or accrued vacation.
- e. Tips and other gratuities received by employees.

**4. Payroll**

Payroll means remuneration. The compensation rates of the carrier shall be applicable to the remuneration of all employees of the insured without exception, and compensation policies shall not be written except upon the entire payroll of the risk which is the subject of the insurance, which risk shall be divided into risk classes where specifically permitted or directed by these rules, but not otherwise. Under no circumstances shall a compensation policy be written on any part of the risk leaving another part of the risk uninsured.

**C. ESTIMATED PAYROLLS****1. Estimated Payrolls By Classification**

For each classification shown on the Information Page, the total estimated annual payroll shall be stated in the column headed Premium Basis - Total Estimated Annual Remuneration.

**2. Determination of Estimated Payrolls**

Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by records or inspections.

3. Approval of Estimated Payrolls

Adequacy of estimated payrolls is subject to approval by the Coal Mine Compensation Rating Bureau.

D. WHOLE DOLLARS - PAYROLLS

All payrolls shall be shown to the nearest dollar.

E. PAYROLL LIMITATION

1. How Payroll Limitation Applies

For executive officers and classifications with notes which indicate payroll limitation, the payroll on which premium is based shall exclude that part of the employee's average weekly pay in excess of the applicable weekly limitation, which has been approved and published in the Pennsylvania Compensation Rating Bureau Manual, provided:

- a. Books and records are maintained to show separately the total payroll earned by each employee whose average weekly pay for the total time employed during the policy period exceeds the weekly payroll limitation, and
- b. Separate records are maintained in summary by classification for such employees.

2. Partial Week

A part of a week shall be treated as a full week in determining average weekly pay.

F. PARTNERS AND SOLE PROPRIETORS

1. The payroll for partners and sole proprietors shall be zero for inclusion in the Traumatic and State OD premium determinations.
2. The payroll for partners and sole proprietors shall be determined by the following for Federal OD premium determination. Each partner and sole proprietor is presumed to be earning the effective Statewide Average Weekly Wage (SAWW). On the Anniversary Rating Date (ARD) of each policy issued to a partnership or sole proprietor, the effective SAWW shall be the basis of payroll to include each partner or sole proprietor. The number of weeks, or fraction thereof, during the policy period which the individual served as a partner or sole proprietor, shall be extended by the SAWW in effect on the policy ARD, to determine that individual's payroll for Federal OD premium determination.

**RULE VI - PROVISION FOR CLAIM PAYMENT**

- A. For each classification shown on the pages in Section 2 of this Manual, the Bureau will publish a loss cost. This Bureau loss cost must be filed with and prior approved by the Insurance Commissioner. This loss cost shall represent the anticipated ultimate losses per \$100 of payroll for each class. The loss cost does not consider any provisions for loss adjustment expenses, underwriting expenses, or profit and contingency.
- B. The loss costs in Section 2 of this Manual will be separately calculated and displayed for traumatic, state occupational disease and federal occupational disease for each classification.
- C. Carriers may use the Bureau's published loss costs to determine the rates or premiums to be charged. Carriers have the option of filing for approval, their own loss costs by classification.
- D. Unless the carrier has received approval of its own set of loss costs, each carrier that is a member of the Bureau must use the Bureau's loss costs by classification and by coverage.

E. EXPERIENCE RATING PLAN

1. If the risk is subject to experience rating, the experience mod shall be shown in Item 4 of the Information page.
2. Copies of Experience Mod Calculations
  - a. The insurance carrier of record at the time of mod issuance is furnished with two copies of the experience mod calculation.
  - b. The Bureau shall furnish to any insured employer upon his written request, or to the Home Office or Branch Office of any member of the Bureau upon the written request of the employer, a copy of the experience mod calculation of his risk at a cost of \$15.00. Notice of such request shall be furnished to the Insurance Carrier of record.

F. MERIT RATING PLAN

1. If the risk does not qualify for experience rating, the risk may qualify for a Merit Rating Plan adjustment.
2. The Bureau shall determine which risks are eligible and the amount of the adjustment.
3. Any Merit Rating Plan adjustment will be noted on the employer cards issued by the Bureau.
4. For additional details, refer to the separate Merit Rating Plan section in this manual.

**RULE VII - CARRIER'S RATE**

- A. This manual will not contain the rates for any carrier.
- B. Each carrier may use the provisions for claim payment as published in Section 2 of this Manual as the basis for their rates. Each carrier may file for approval by the Commissioner, their own provisions for claim payment.
- C. The rate for each carrier shall be based upon the appropriate provision for claim payment and the carrier's loss cost modification filing in effect.
- D. The minimum premium, if any, shall be determined by the carrier's approved filings. The minimum premium is the lowest premium amount for which a single risk can be written and carried for any period of time.
- E. Premium discount, if any, shall be determined by the carrier's approved filings. Premium discount recognizes that the relative expense cost of issuing and servicing larger premium policies is less than for smaller premium policies.
- F. Retrospective rating adjustments, if any, shall be determined by the carrier's approved filings.

**RULE VIII - LIMITS OF LIABILITY** Item 3-B of the Information Page

**A. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY POLICY**

**1. Part One - Workers' Compensation**

There is no limit of liability in the standard policy for Part One - Workers' Compensation. The policy provides all benefits required by the Pennsylvania Workers' Compensation Law and Occupational Disease Act.

**2. Part Two - Employers' Liability**

**a. Standard Limits**

The standard limits of liability under Part Two are:

Bodily Injury by Accident: \$100,000 - each accident

Bodily Injury by Disease: \$100,000 - each employee

Bodily Injury by Disease: \$500,000 - policy limit

**b. Increased Limits**

The limits under Part Two may be increased subject to the following:

- (1) The limits of liability shall be the same for all states specified in Item 3-A of the Information Page
- (2) The additional premium for increased limits shall be determined by multiplying the total carrier premium by the percentage in the following Table for Increased Limits. For this purpose, total premium shall be computed after the application of the experience mods, if any.

**TABLE FOR INCREASED LIMITS**

Limits of Liability Liability (000)	Percentage Charge	Minimum Premium For Increases*
\$100/100/1,000	+0.70%	\$150.00
100/100/2,500	+1.20%	\$200.00
100/100/5,000	+1.70%	\$250.00
100/100/10,000	+2.40%	\$300.00
500/500/500	+1.90%	\$100.00
500/500/1,000	+2.20%	\$150.00
500/500/2,500	+2.70%	\$200.00
500/500/5,000	+3.20%	\$250.00
500/500/10,000	+3.90%	\$300.00
1,000/1,000/1,000	+3.30%	\$150.00
1,000/1,000/2,500	+3.80%	\$200.00
1,000/1,000/5,000	+4.40%	\$250.00
1,000/1,000/10,000	+5.00%	\$300.00

\*Per policy in the case of interstate policies

- (3) The premium for increased limits shall be subject to experience rating and the carrier's premium discount or retrospective rating, if applicable.

**c. Accident Limit**

The limit of liability under Part Two for Bodily Injury by Accident applies to all bodily injury arising out of any one accident.

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d. Disease Limits

The limit of liability under Part Two for Bodily Injury by Disease - each employee - applies as a separate limit to bodily injury by disease to any one employee and the limit of liability for Bodily Injury by Disease - policy limit - applies as an aggregate limit for all bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease.

3. Show Limits on the Information Page

The limits of liability under Part Two must be stated in Item 3-B of the Information Page.

**B. VOLUNTARY COMPENSATION INSURANCE**

1. Standard Limits

The standard limits of liability under Part Two - Employers' Liability Insurance for employees subject to voluntary compensation insurance are:

Bodily Injury by Accident: \$100,000 - each accident

Bodily Injury by Disease: \$100,000 - each employee

Bodily Injury by Disease: \$500,000 - policy limit

The limit of liability for Bodily Injury by Accident applies to all bodily injury arising out of any one accident.

The limit of liability for Bodily Injury by Disease - each employee - applies as a separate limit to bodily injury by disease to any one employee and the limit of liability for Bodily Injury by Disease - policy limit - applies as an aggregate limit for all bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease.

2. Increased Limits

The standard limits under Part Two - Employers' Liability Insurance for employees subject to voluntary compensation insurance may be increased.

The premium for the increased limits shall be determined on the following factors:

**TABLE FOR INCREASED LIMITS**

Employers' Liability Insurance Only

Limits of Liability	Factor
(000's omitted)	
\$100/100/1,000	1.04
100/100/2,500	1.08
100/100/5,000	1.13
100/100/10,000	1.15
500/500/500	1.10
500/500/1,000	1.12
500/500/2,500	1.16
500/500/5,000	1.20
500/500/10,000	1.22
1,000/1,000/1,000	1.17
1,000/1,000/2,500	1.21
1,000/1,000/5,000	1.25
1,000/1,000/10,000	1.28
over 1,000/1,000/10,000	a

<sup>a</sup> Apply to Bureau for higher limit factor.

3. Premium Determination

Premium shall be determined on the basis of the workers' compensation rules and classifications and the carrier's rates in this Manual for the state workers' compensation law designated in the schedule in the Voluntary Compensation Endorsement and Employers' Liability Coverage Endorsement.

4. Payroll Records

When voluntary compensation insurance is provided for a group of employees, separate payroll records shall be maintained by the insured for the designated group of employees.

**RULE IX - SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE AND PREMIUM**

**A. EXECUTIVE OFFICERS**

1. Definition

Executive Officers of a corporation are the President, Vice President, Secretary, Treasurer or any other officer appointed or elected in accordance with the charter or by-laws of the corporation.

2. Law and Status

Executive Officers of a corporation are covered under the Pennsylvania Workmen's Compensation Law. Executive Officers are covered under the workmen's compensation law, and have the same status as employees under the policy.

Exceptions to 2. above:

- a. Elected officers of Pennsylvania or its political subdivisions are not considered employees, therefore, they are not covered by the policy.
- b. An Executive Officer, who has ownership interest in a Subchapter "S" corporation, or has at least 5% ownership interest in a Subchapter "C" corporation, may elect not to be covered for benefits provided by the PA Workers Compensation Act. Such individuals must be covered for benefits provided by the Federal Coal Mine Health and Safety Act, as amended. If the election is made, the named Executive Officer shall be excluded from benefits under the PA Workers Compensation Act, and their remuneration shall not be included in the calculation of the Traumatic or State OD premium. Their remuneration shall be included in the calculation of the Federal OD premium. In order to be excluded from coverage under the PA Workers Compensation Act, both the employer and the individual Executive Officer must complete and file the appropriate forms with the PA Department of Labor and Industry, Bureau of Workers Compensation. The Executive Officer Exclusion Endorsement (WC 37 03 10B) must be completed and attached to the policy, indicating that the individual Executive Officer is to be excluded from coverage under the PA Workers Compensation Act.

3. Premium Determination

Premium for executive officers, other than the exceptions noted in A.2 above shall be based on their total payroll, subject to the requirements of Rule V-E.

4. Assignment of Payroll

Payroll shall be assigned to the classification which applies to the principal operations in which the executive officer is engaged.

Exceptions to 4 above:

- a. Payroll of an executive officer who regularly and frequently engages in duties which are ordinarily performed by a superintendent, foreman or worker shall be assigned to the appropriate classification for that type of work.

5. Flight Duties

Payroll of an executive officer who is a pilot or member of the flying crew of an aircraft used in the insured's business shall be assigned as follows:

- a. For each week during which the executive officer did not perform flight duties, assign the officer's payroll as provided in Rule IX-A-4.
- b. For each week during which the executive officer performed flight duties, assign the officer's payroll for that week to Code 7421 Transportation of Personnel for Business. If an executive officer's nonflying duties in such a week are subject to a higher rated classification, that higher rated classification shall be assigned in that week.

Rules 5a and b apply on the basis of the pilot's log book required under Federal regulations or other verifiable records.

If Code 7421 Transportation of Personnel for Business applies and verifiable records are not maintained to indicate those weeks during which flying is performed by executive officers, their payroll shall be assigned to the highest rated classification which applies to any of their operations.

B. SOLE PROPRIETORS AND PARTNERSHIPS

Sole proprietors and partners are not covered by the Pennsylvania Workmen's Compensation Act or the Pennsylvania Occupational Disease Act, nor may they elect to be covered.

C. SUBCONTRACTORS

1. Law on Contractors and Subcontractors

Pennsylvania Workers' Compensation Act, Article II, Section 203 and Article III Section 302 a & b, provides that an employer/contractor is responsible for the payment of compensation benefits to employees of its uninsured contractor/subcontractors.

## 2. Coverage

If the contractor has specifically assumed this liability, use the Statutory Employer Endorsement in Section III of this Manual. The carrier for the subcontractor should use Exclusion of Employees Endorsement in Section III of this Manual.

## 3. Premium for Uninsured Subcontractors

The employer/contractor shall furnish satisfactory evidence that the contractor/subcontractor had workers' compensation insurance in force covering the work performed for the employer/contractor. For each contractor/subcontractor for which such evidence is not furnished, additional premium shall be charged on the policy which insured the employer/contractor as follows:

- a. The employer/contractor shall provide a complete payroll record of the employees of each uninsured contractor/subcontractor. Premium on such payroll shall be based on the classifications and carrier rates which would have applied if the employees of the contractor/subcontractor had been employees of the employer/contractor.
- b. If the employer/contractor does not supply the payroll records of its contractor/subcontractor, the full contract/subcontract price of the work performed during the policy period by the contractor/subcontractor shall be established as the payroll of the contractor/subcontractor's employees. The additional premium shall be charged on that amount of payroll.

Exception to 3b above:

If investigation on a specific job discloses that a definite amount of the contract/subcontract price represents payroll, such amount shall be the payroll for the additional premium computation. In contracts for labor and material, the payroll shall not be less than 50% of the contract/subcontract price. In contracts for labor only, the payroll shall be established as not less than 90% of the subcontract price.

- c. If an experience mod has been established for the employer/contractor, such experience mod shall be applied to the premium developed for the uninsured contractor/subcontractor.

## 4. Drivers, Chauffeurs and Helpers Under Contract.

See Rule IV-2-f.

## D. EX-MEDICAL COVERAGE

Ex-medical coverage is prohibited in the State of Pennsylvania.

## E. DEDUCTIBLES

The policyholder can request, subject to the carrier's underwriting criteria, that the traumatic portion of their policy be issued on a deductible basis. The three (3) statutory deductible options, as published by the Insurance Commissioner are: \$1,000, \$5,000 and \$10,000.

1. Deductible coverage can be made part of the policy if requested by the policyholder and acceptable to the carrier's underwriting criteria.
2. The deductible shall apply per claim for the traumatic coverage only.
3. The benefits will be paid by the insurance carrier without regard to any deductible.
4. The policyholder agrees to reimburse the carrier up to the deductible amount for any traumatic benefits paid to claimants.
5. Failure of the policyholder to reimburse the carrier within thirty (30) days of written notice for any deductible amount shall be treated as non-payment of premium under the policy.
6. The traumatic premium for the policy shall be reduced by a credit which shall be applied prior to experience modification or other carrier premium modifications.
7. If the policy is issued with a deductible provision, the Deductible Endorsement (WC 37 04 03) shall be issued and made part of the policy.
8. The traumatic loss elimination ratio (LER) for the statutory deductible shall be in accordance with the following table:

<u>Deductible Level</u>	<u>Traumatic LER</u>
\$1,000	2.8%
\$5,000	8.4%
\$10,000	13.1%

**F. SAFETY COMMITTEE CREDIT**

1. The policyholder may apply to the Pennsylvania Department of Labor and Industry for certification of a Safety Committee.
2. If the certification by Labor and Industry is granted, the policyholder's next policy shall be issued with a 5 percent credit from the carrier's otherwise rates for traumatic coverages only.
3. The 5 percent credit shall continue if the employer, by affidavit, annually provides the Department of Labor and Industry and its insurer, verification that the safety committee continues to be operative and continues to meet the certification requirements.
4. This credit shall not apply to the policy period in effect when the certification is issued. The credit must be applied to the policy period beginning with the next normal anniversary rating date.
5. If the credit is to apply, the Certified Safety Committee Endorsement (WC 37 04 04A) shall be made part of the policy.

**G. TERRORISM RISK INSURANCE ACT OF 2002**

This Act expires December 31, 2005.

**H. EMPLOYER ASSESSMENTS**

1. Act 57 of 1997 transfers the assessments imposed by the PA Department of Labor and Industry (Dept.) from insurance carriers to employers for the Administrative Fund, the Supersedes Fund, and the Subsequent Injury Fund. These employer assessments are to be imposed, collected and remitted through insurance carriers in accordance with regulations promulgated by the Dept.
2. The coal mine employer assessment factor shall apply to classifications under the jurisdiction of the Coal Mine Compensation Rating Bureau (CMCRB)
3. Each coal mine employer's assessment amount shall equal the currently approved coal mine employer assessment factor times the coal mine employer's assessment premium base in accordance with the following formula:  
Employer assessment equals the coal mine  
employer's assessment factor times the  
employer's assessment premium base.
4. The coal mine employer's assessment premium base shall include the actual premiums charged for traumatic and state occupational disease coverages. Since the Dept. assessments do not impact federal coverages, the coal mine employer's assessment base premium shall not include premiums for federal occupational disease and/or any premiums for coverage under the federal U.S.L.&H. Law.
5. The coal mine employer's assessment premium base shall not include any small deductible or large deductible premium credits on the traumatic and/or state occupational disease coverages.
6. The amount of the coal mine employer's assessment to be imposed and collected shall be in whole dollars, shall be separately displayed on the standard policy, and shall be designated by statistical code 0938.

**I. DOMESTIC TERRORISM, EARTHQUAKES, AND CATASTROPHIC INDUSTRIAL ACCIDENTS (DTEC)**

Premium for Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents will be calculated based upon payroll in classifications under the jurisdiction of the CMCRB. The premium is calculated by dividing the coal traumatic payroll by \$100 and multiplying the result by the carrier's rate. Occupational disease payroll will be excluded from this calculation. The DTEC premium shall be manually rated and shall not be subject to adjustments, including but not limited to, experience rating, merit rating, schedule rating, safety committee credits, or deductible credits. The DTEC premium shall be included in the base premium used to calculate the non-premium Employer Assessment. Premium generated for DTEC shall be separately stated on the Standard Policy and shall be designated to Statistical Code 9741.

**J. FOREIGN TERRORISM**

Premium for Foreign Terrorism will be calculated based upon payroll in classifications under the jurisdiction of the CMCRB. The premium is calculated by dividing the coal traumatic payroll by \$100 and multiplying the result by the carrier's rate. Occupational Disease payroll will be excluded from this calculation. The Foreign Terrorism premium shall be manually rated and shall not be subject to adjustments, including but not limited to, experience rating, merit rating, schedule rating, safety committee credits, or deductible credits. The Foreign Terrorism premium shall be included in the base premium used to calculate the non-premium Employer Assessment. Premium generated for Foreign Terrorism shall be separately stated on the Standard Policy and shall be designated to Statistical Code 9740.

**RULE X - CANCELLATION**

**A. WHO MAY CANCEL**

1. The Cancellation Condition of the Standard Policy permits cancellation by the insured or by the insurance carrier.
2. Pennsylvania enacted legislation that prohibits an insurance carrier from cancelling workers' compensation during their term, except for non-payment of premium. If the policy is issued with a deductible provision, failure by the policyholder to reimburse the carrier for stated deductible amounts, within thirty (30) days of written notice, shall be treated as non-payment of premium.
3. Reinstatement

When a notice of cancellation for non-payment has been issued, if the insurer thereafter receives payment and voluntarily determines to reinstate the policy, such reinstatement of coverage must be retroactive to the cancellation date.

Alternatively, if the insurer does not want to reinstate the policy as of the cancellation date but voluntarily determines to resume coverage after a lapse in coverage, the insurer must issue a new policy. Such new policy must carry the carrier's rates and rating plan values effective at the time the policy is issued.

**IMPORTANT NOTICE: CANCELLATION NOTICES MUST BE FILED WITH THE BUREAU WITHIN 10 DAYS OF ISSUANCE; PROVIDED, HOWEVER, THAT FAILURE TO FILE SUCH NOTICE WITHIN THE REQUIRED TIME SHALL NOT INVALIDATE ANY CANCELLATION WHICH HAS BEEN MADE IN ACCORDANCE WITH THE PROVISIONS OF THE POLICY.**

**B. PREMIUM DETERMINATION - CANCELLATION BY THE INSURANCE CARRIER**

Premium for the cancelled policy shall be computed as follows:

1. Rates and Payroll  
Apply carrier manual rates to the payroll developed during the period the policy was in effect.
2. Experience Rating  
Apply any experience mod in accordance with the rules of the Experience Rating Plan Manual. Refer to Rule VI-F.

**C. PREMIUM DETERMINATION - CANCELLATION BY THE INSURED WHEN RETIRING FROM BUSINESS**

Compute the premium as provided in B above if a policy is cancelled by the insured when:

1. All the work covered by the policy has been completed, or
2. All interest in any business covered by the policy has been sold, or
3. The insured has retired from all business covered by the policy.

**D. PREMIUM DETERMINATION - CANCELLATION BY THE INSURED, EXCEPT WHEN RETIRING FROM BUSINESS**

The premium for the cancelled policy shall be based on the Short Rate Cancellation Table in this rule and computed as follows:

1. Actual Payroll  
Determine the payroll developed during the period the policy was in effect.
2. Extended Payroll  
Extend such payroll pro-rata to an annual basis.  
Example  
A payroll of \$80,000 for 185 days would produce a payroll of \$157,838 on an annual basis:  
 $\$80,000 \times 365 / 185 = \$157,838$ .
3. Rates  
Apply carrier manual rates to the payroll in 2 above.
4. Experience Rating  
Apply any experience mod in accordance with the rules of the Experience Rating Plan Manual. Refer to Rule VI-E.
5. Short Rate Percentage  
Based on the time the policy was in effect, apply the short rate percentage shown in the Short Rate Cancellation Table in this rule to the annual premium computed on the basis of the extended payroll in order to determine the short rate portion of the annual premium.

**PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL**

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Effective: December 1, 1993

Original Printing

**E. SHORT RATE CANCELLATION TABLE FOR TERM OF ONE YEAR**

Days Policy In Force (1)	Percent of One Year Premium (2)	Days Policy In Force (1)	Percent of One Year Premium (2)
1	5%	154-156	53%
2	6	157-160	54
3-4	7	161-164	55
5-6	8	165-167	56
7-8	9	168-171	57
9-10	10	172-175	58
11-12	11	176-178	59
13-14	12	179-182 ( 6 mos.)	60
15-16	13	183-187	61
17-18	14	188-191	62
19-20	15	192-196	63
21-22	16	197-200	64
23-25	17	201-205	65
26-29	18	206-209	66
30-32 (1 mo.)	19	210-214 ( 7 mos.)	67
33-36	20	215-218	68
37-40	21	219-223	69
41-43	22	224-228	70
44-47	23	229-232	71
48-51	24	233-237	72
52-54	25	238-241	73
55-58	26	242-246 ( 8 mos.)	74
59-62 (2 mos.)	27	247-250	75
63-65	28	251-255	76
66-69	29	256-260	77
70-73	30	261-264	78
74-76	31	265-269	79
77-80	32	270-273 ( 9 mos.)	80
81-83	33	274-278	81
84-87	34	279-282	82
88-91 (3 mos.)	35	283-287	83
92-94	36	288-291	84
95-98	37	292-296	85
99-102	38	297-301	86
103-105	39	302-305 (10 mos.)	87
106-109	40	306-310	88
110-113	41	311-314	89
114-116	42	315-319	90
117-120	43	320-323	91
121-124 (4 mos.)	44	324-328	92
125-127	45	329-332	93
128-131	46	333-337 (11 mos.)	94
132-135	47	338-342	95
136-138	48	343-346	96
139-142	49	347-351	97
143-146	50	352-355	98
147-149	51	356-360	99
150-153 (5 mos.)	52	361-365 (12 mos.)	100

## **RULE XI - U.S. LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT**

### **A. GENERAL EXPLANATION**

The U.S. Longshore and Harbor Workers' Compensation Act (U.S.L. & H.W. Act) is a Federal law which provides for payment of compensation and other benefits to employees such as longshoremen, harbor workers, ship repairmen, shipbuilders, shipbreakers and other employees engaged in loading, unloading, repairing or building a vessel. It applies to such employees which working on navigable waters of the United States and also while working on any adjoining pier, wharf, dry dock, terminal, building way, marine railway, or other area adjoining such navigable waters customarily used for loading, unloading, repairing or building a vessel. It does not cover masters or members of the crew of a vessel. For complete details see U.S. Code (1946), Title 33, Section 901-49, amended by Public Law 92-576.

### **B. WORKERS' COMPENSATION INSURANCE - PART ONE**

The standard policy is used to insure the statutory obligation of an employer to furnish benefits required by the U.S.L.&H.W. Act. Attach the standard Longshore and Harbor Workers' Compensation Act Coverage Endorsement (WC 00 01 06A) to provide such insurance. Do not designate the U.S.L.&H.W. Act in Item 3-A of the Information Page.

### **C. EMPLOYERS' LIABILITY INSURANCE - PART TWO**

For operations subject to the U.S.L. & H.W. Act, the standard limits of liability under Part Two are:

Bodily Injury by Accident: \$100,000 - each accident

Bodily Injury by Disease: \$100,000 - each employee

Bodily Injury by Disease: \$500,000 - policy limit

Refer to Rule VIII

### **D. CLASSIFICATIONS AND RATES**

#### **1. Classifications**

The provision for claim payment for Coal Mine classifications provide for coverage under the provisions of the Pennsylvania Workmen's Compensation and Occupational Disease Laws, as amended, and the Federal Coal Mine Health and Safety Act, as amended only. The provision for claim payment has not been calculated to provide for coverage under the U.S. Longshore and Harbor Workers' Act (U.S.L. & H.W.)

#### **2. Rates**

The authorized rate for any such classification which is used to cover operations subject to the U.S.L.&H.W. Act, as amended, shall be the average of the underground mining, traumatic manual loss cost and the surface mining traumatic manual loss cost, times the Commissioner's published multiplier of 1.17, increased by the U.S. Longshore and Harbor Workers' Compensation coverage percentage which has been approved and published in the Pennsylvania Compensation Rating Bureau Manual. This traumatic rate shall be applied to the entire payroll of employees engaged in operations subject to the U.S.L.&H.W. Act. The state and federal occupational disease provisions for claim payment of the governing class published in this manual, extended by the class published in this manual, extended by the carrier's multiplier, shall be charged for the state and federal occupational disease portions.

## **RULE XII - FINAL EARNED PREMIUM DETERMINATION**

### **A. ACTUAL PAYROLL**

Final earned premium for the policy shall be determined on actual, instead of estimated, payroll or other premium basis.

### **B. PREMIUM DETERMINATION**

The determination of final earned premium is governed by the rules and classifications in this Manual, the carrier's rates, and is subject to modification by applicable rating plans.

**C. AUDIT RIGHTS OF CARRIER**

The insurance carrier has the right to compute earned premium based on an examination of original payroll records and books of account of the insured, in accordance with Part Five (Premium Audit) or the Standard Policy.

**D. AUTHORIZED CLASSIFICATIONS**

Classifications which are not expressed in the policy shall not be used in auditing the payroll of any risk upon which a Card has been issued by the Coal Mine Compensation Rating Bureau of Pennsylvania unless upon application to the Bureau the Card shall be revised.

**RULE XIII - ANTHRACITE UNDERGROUND MINE RESCUE TEAMS**

**A. GENERAL EXPLANATION**

Anthracite Underground Mine Rescue Teams, formed under the direction of the Federal and State Department of Mines, may be available in the event of a disaster or mine catastrophe. Such teams shall be classified as Anthracite Underground Mining.

**B. PROVISIONS FOR CLAIM PAYMENT**

The Pennsylvania and Federal Occupational Disease provisions for claim payment for Anthracite Underground Mine Rescue Teams will be the same as the provisions for claim payment in effect for Anthracite Underground Mining. However, due to the hazardous nature of the work, the provision for claim payment for Workers' Compensation coverage, Code 1010, only, will be increased by 100% (2 x Manual Provision for Claim Payment), and not subject to experience or retrospective rating.

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### CLASSIFICATIONS AND LOSS COSTS

Act 44 of 1993 prohibits the CMCRB from filing full worker's compensation rate effective December 1, 1993. In compliance with this act, the CMCRB will only file for the loss provision of each class.

**This section of the manual does not contain full rates, but only the Loss Provisions approved for the CMCRB.**

	Page
Workers' Compensation Classifications .....	1
Occupational Disease Classifications .....	1
Workers' Compensation Loss Costs .....	2
Occupational Disease Loss Costs .....	3

**CLASSIFICATIONS****WORKERS' COMPENSATION COAL MINE CLASSIFICATIONS INCLUDING DRIVERS**

	<u>Code No.</u>
UNDERGROUND	
Anthracite Mining .....	1010
Bituminous Mining .....	1001
SURFACE & CULM	
Anthracite Mining .....	1012
Bituminous Mining .....	1014
COKE .....	1469
AUGER MINING .....	1015
CO-GENERATION FUEL RECOVERY	
Anthracite Mining .....	1021
Bituminous Mining .....	1023
PREPARATION PLANT	
Anthracite .....	1025
Bituminous .....	1027

**OCCUPATIONAL DISEASE CLASSIFICATIONS INCLUDING DRIVERS**

	<u>State Code No.</u>	<u>Federal Code No.</u>
UNDERGROUND		
Anthracite Mining .....	1011	0160
Bituminous Mining .....	1002	0158
SURFACE & CULM		
Anthracite Mining .....	1016	0153
Bituminous Mining .....	1013	0156
COKE .....	1017	0154
AUGER MINING .....	1019	0157
CO-GENERATION FUEL RECOVERY		
Anthracite Mining .....	1022	0181
Bituminous Mining .....	1024	0182
PREPARATION PLANT		
Anthracite .....	1026	0183
Bituminous .....	1028	0184
For Reporting Disease Experience in connection with any classification other than Coal Mining for Insureds having liability under the Federal Coal Mine Health and Safety Act .....		0164
FORMER COAL MINE OPERATORS .....		0159

# PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL

Section 2  
Page 2

Effective: April 1, 2009

Fifteenth Reprint

The use of these Loss Costs are optional for members of the CMCRB. If a member chooses to use these Loss Costs, the member's approved multiplier must be applied to these Loss Costs to determine the carrier's manual rate.

## WORKERS' COMPENSATION LOSS COSTS - COAL MINE CLASSIFICATIONS

Effective April 1, 2009

Subject to the Underwriting Rules of this Manual

	<u>Traumatic Code No.</u>	<u>Traumatic Loss Cost</u>
UNDERGROUND		
Anthracite Mining .....	1010	\$35.52
Bituminous Mining .....	1001	10.99
SURFACE & CULM		
Anthracite Mining .....	1012	11.64
Bituminous Mining .....	1014	4.68
COKE .....	1469	5.12
AUGER MINING .....	1015	35.06
ANTHRACITE UNDERGROUND		
MINE RESCUE TEAMS .....	1010	35.52
CO-GENERATION FUEL RECOVERY		
Anthracite Mining .....	1021	2.34
Bituminous Mining .....	1023	1.87
PREPARATION PLANT		
Anthracite .....	1025	15.57
Bituminous .....	1027	3.03
Effective Jan. 1, 2006		
Terrorism .....	9740	0.03
Catastrophe Other Than Terrorism .....	9741	0.01

## WORKERS' COMPENSATION MANUAL RATES - COAL MINE CLASSIFICATIONS

Effective April 1, 2009

U.S.L.&H. ACT		
Anthracite Mining .....	—	\$49.74
Bituminous Mining .....	—	16.53
EMPLOYER ASSESSMENT FACTOR .....	—	0.0239

**PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL**

Effective: April 1, 2009

Section 2

Fourteenth Reprint

Page 3

The use of these Loss Costs are optional for members of the CMCRB. If a member chooses to use these Loss Costs, the member's approved multiplier must be applied to these Loss Costs to determine the carrier's manual rate.

**OCCUPATIONAL DISEASE LOSS COSTS - COAL MINE CLASSIFICATIONS**

Effective April 1, 2009

Subject to the Underwriting Rules of this Manual

	<u>State Code No.</u>	<u>State Loss Cost</u>	<u>Federal Code No.</u>	<u>Federal Loss Cost</u>
UNDERGROUND				
Anthracite Mining .....	1011	\$5.35	0160	\$20.95
Bituminous Mining .....	1002	0.98	0158	.98
SURFACE & CULM				
Anthracite Mining .....	1016	3.78	0153	3.02
Bituminous Mining .....	1013	0.32	0156	0.73
COKE .....	1017	0.13	0154	0.13
AUGER MINING .....	1019	0.26	0157	0.54
CO-GENERATION FUEL RECOVERY				
Anthracite Mining .....	1022	0.32	0181	1.22
Bituminous Mining .....	1024	0.26	0182	0.37
PREPARATION PLANT				
Anthracite .....	1026	5.57	0183	3.24
Bituminous .....	1028	0.45	0184	0.65
For Reporting Disease Experience in connection with any classification other than Coal Mining for Insureds having liability under the Federal Coal Mine Health and Safety Act .....			0164	0.73
FORMER COAL MINE OPERATORS .....			0159	"A" Rated

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## **ENDORSEMENTS**

### **General Information**

(Regarding standard policy, information page and endorsements)

The endorsement forms shown on the subsequent pages are for use with policies effective December 1, 1993 and thereafter, in conjunction with the adoption of the revised standard policy form and information page. THE PAGES WHICH APPEAR HEREIN INCLUDE COPYRIGHT MATERIAL FROM THE NATIONAL COUNCIL ON COMPENSATION INSURANCE AND THE PENNSYLVANIA COMPENSATION RATING BUREAU.

The standard policy and endorsements have been filed on behalf of the members of the Bureau and approved by the Insurance Commissioner. Accordingly, individual filings with the Insurance Department are not required if a member carrier uses the standard form. However, a specimen copy of each approved form prepared by the carrier shall be filed with the Bureau. Any company which makes other than authorized changes in or additions to such approved Bureau forms must file the forms directly with the Insurance Department in accordance with Chapter 133 of the Pennsylvania Insurance Regulations, providing a copy of such filing to the Bureau.

The information page and its notes were also filed and approved as a standard form. The specific form filed was the form copyrighted by the National Council on Compensation Insurance. Use of an information page and the exercise of any of the other specified options will be considered an approved form, subject only to filing with the Bureau. Any omission(s) of required items from an information page will require filing of such information page with the Insurance Department, with a copy of such filing to be forwarded to the Bureau. Any of the standard forms may be ordered from the National Council on Compensation Insurance. Pennsylvania forms may be ordered from the Pennsylvania Compensation Rating Bureau.

The Insurance Department's requirements with respect to printing or duplicating of forms, execution, countersignature, etc., as outlined in Compensation Circulars P-62 and CM-106, must be followed in every respect.

**WC 37 03 09A**

**Workers Compensation and Employers Liability Insurance Policy**

**STATUTORY EMPLOYER ENDORSEMENT - PENNSYLVANIA**

This endorsement extends your workers' compensation coverage to all of your subcontractors at a specific operation (listed below), when you, (in accordance with the provisions of Section 302(a) and (b) of Article III of the Pennsylvania Workmen's Compensation Act and of the Pennsylvania Occupational Disease Act), assume the position of Statutory Employer. Listed below are all subcontractors participating in the operations. We shall include for premium determination all remuneration of employees of the listed subcontractors earned for work done at the specific site..

- Note 1: To be attached to a standard provisions policy when coverage is afforded under the Pennsylvania Workmen's Compensation or Occupational Disease Act to an insured contractor who has assumed the position of statutory employer with respect to employees of named subcontractors.
- Note 2: Creates a "Wrap Up" situation for all subcontractors at a specific operation. Each subcontractor must have their own Workers' Compensation policy if he has employees and that policy must be endorsed with a hold harmless agreement and the Exclusion of Employee endorsement.
- Note 3: The company may use its own attachment clause and method of execution.

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First Reprint

WC 00 03 11A

## ★ VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT

This endorsement adds Voluntary Compensation Insurance to the policy.

### A. How This Insurance Applies

This insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must be sustained by an employee included in the group of employees described in the Schedule.
2. The bodily injury must arise out of and in the course of employment necessary or incidental to work in a state listed in the Schedule.
3. The bodily injury must occur in the United States of America, its territories or possessions, or Canada, and may occur elsewhere if the employee is a United States or Canadian citizen temporarily away from those places.
4. Bodily injury by accident must occur during the policy period.
5. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

### B. We Will Pay

We will pay an amount equal to the benefits that would be required of you if you and your employees described in the Schedule were subject to the workers' compensation law shown in the Schedule. We will pay those amounts to the persons who would be entitled to them under the law.

### C. Exclusions

This insurance does not cover:

1. any obligation imposed by a workers' compensation or occupational disease law, or any similar law.
2. bodily injury intentionally caused or aggravated by you.

### D. Before We Pay

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
  2. Transfer to us their right to recover from others who may be responsible for the injury or death.
  3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.
- If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

### E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

### F. Employers Liability Insurance

Part Two (Employers Liability Insurance) applied to bodily injury covered by this endorsement as though the State of employment shown in the Schedule were shown in item 3.A. of the Information Page.

PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL

Section 3  
Page 4

Effective: December 13, 1995

First Reprint

WC 00 03 11A  
(continued)

SCHEDULE

<u>Employees</u>	<u>State of Employment</u>	<u>Designated Workers Compensation Law</u>
Note 1:	Use this endorsement to afford voluntary compensation coverage pursuant to Rule II of the Basic Manual.	
Note 2:	Use Voluntary Compensation Maritime Endorsement to provide Voluntary Compensation Coverage under Program 11 of Manual Rule XIII.	
Note 3:	Work in a monopolistic state fund should not be included in the Schedule unless employers liability coverage is provided in that state by the Employers Liability Coverage Endorsement.	
Note 4:	Various uses of this endorsement are illustrated below:	

SCHEDULE

<u>Employees</u>	<u>State of Employment</u>	<u>Designated Workers Compensation Law</u>
All officers and employees not subject to the Workers' Compensation Law.	Any state shown in item 3.1 of the Information Page.	The state where the injury takes place.
All domestics, farm and agricultural workers.	Utah	Utah
All partners of insured partnership.	Kansas	Kansas

Original Printing

**WC 00 04 04**

**Workers Compensation and Employers Liability Insurance Policy**

**PENDING RATE CHANGE ENDORSEMENT**

A rate change filing is being considered by the proper regulatory authority. The filing may result in rates different from the rates shown on the policy. If it does, we will issue an endorsement to show the new rates and their effective date.

If only one state is shown in item 3.A of the Information Page, this endorsement applies to that state. If more than one state is shown there, this endorsement applies only in the state shown in the Schedule.

**Schedule**

State

- Note 1: Use this endorsement if the rates shown in the policy may change because of a rate filing pending when the policy is issued.
- Note 2: An appropriate typewritten entry may be made on the Information Page instead of using this endorsement.

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WC 00 01 06A

## ★ LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT COVERAGE ENDORSEMENT

This endorsement applies to work subject to the Longshore and Harbor Workers' Compensation Act in a state shown in the Schedule. The policy applies to that work as though that state were listed in item 3.A of the Information Page.

General Section C. **Workers' Compensation Law** is replaced by the following:

### C. **Workers' Compensation Law**

Workers' Compensation Law means the workers' or workmen's compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page and the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen's compensation law, other federal occupational disease law or the provisions of any law that provide nonoccupational disability benefits.

Part Two (Employers Liability Insurance), C. Exclusions, exclusion 8, does not apply to work subject to the Longshore and Harbor Workers' Compensation Act.

This endorsement does not apply to work subject to the Defense Base Act, the Outer Continental Shelf Lands Act, or the Nonappropriated Fund Instrumentalities Act.

State	Schedule	Longshore and Harbor Workers' Compensation Act Coverage Percentage
The rates for classification with code numbers not followed by the letter "F" are rates for work not ordinarily subject to the Longshore and Harbor Workers' Compensation Act. If this policy covers work under such classifications, and if the work is subject to the Longshore and Harbor Workers' Compensation Act, those non-F classification rates will be increased by the Longshore and Harbor Workers' Compensation Act Coverage Percentage shown in the Schedule.		

Note 1: The Longshoremen's and Harbor Workers' Compensation Act is a federal workers' compensation law that applies to workers in maritime employments, including longshoremen, harbor workers, shipbuilders and ship repairers. It does not apply to masters or crews of vessels or persons unloading vessels under 18 tons net. See Rule XI of the Basic Manual for details.

Note 2: Use this endorsement to provide workers' compensation insurance and employers liability insurance for work subject to the Longshoremen's and Harbor Workers' Compensation Act in any state, including a monopolistic state fund state.

Note 3: Coverage is provided in a state by naming the state in the Schedule.

Note 4: The following entry may be typed or printed in the Schedule to provide coverage in item 3.A states. "Each state named in item 3.A of the Information Page."

Note 5: The following entry may be typed or printed in the Schedule to provide coverage in item 3.A and 3.C states.  
"Each state named in item 3.A or 3.C of the Information Page."

WC 00 04 07

**Workers Compensation and Employers Liability Insurance Policy****RATE CHANGE ENDORSEMENT**

Rate changes that apply to the policy have been approved by the proper regulatory authority. The changes are shown in the Schedule.

**Schedule**

<u>State</u>	<u>Date of Change</u>	<u>State Coverage % Change</u>	<u>Longshoremen's and Harbor Workers' Act Coverage %</u>
--------------	---------------------------	------------------------------------	--

Note 1: Use this endorsement to show a change in rates for state coverage.

Note 2: Use the first and second columns to show the state and effective date of the change.

Note 3: Use the third column if the change is a flat percentage applicable to all classifications.

Note 4: Use the fourth Column to show the new percentage, if any, applicable to non-F classifications for work subject to the Longshoremen's and Harbor Workers' Compensation Act.

Note 5: The company may show a fifth column (Classification Code Number and Rate) in order to show the change on a Schedule of Rate basis.

**Workers Compensation and Employers Liability Insurance Policy**  
**FEDERAL COAL MINE HEALTH AND SAFETY ACT ENDORSEMENT**

It is agreed that:

1. With respect to operations in a state designated in item 3 of the Information Page, the unqualified term "workmen's compensation law" includes Part C of Title IV of the Federal Coal Mine Health and Safety Act of 1969, 30 USC Sections 931-936, and any laws amendatory thereto, or supplementary thereto, which may be or become effective while this policy is in force, and Definition (a) of Insuring Agreement III is amended accordingly.
2. With respect to such insurance as is afforded by this endorsement,
  - (a) the states, if any, named below shall be deemed to be designated in item 3 of the Information Page;
  - (b) Insuring Agreement IV, (2), is amended to read "by disease caused or aggravated by exposure of which the last day of the last exposure, in the employment of the insured, to conditions causing the disease occurs during the policy period, or occurred prior to July 1, 1973 and claim based on such disease is first filed against the insured during the policy period."<sup>4</sup>

Note 1: To be attached to a standard provisions policy affording coverage under the Federal Coal Mine Health and Safety Act.

Note 2: Any state not designated in item 3, in which Federal Coal Mine Health and Safety Act coverage is to be given should be listed after Paragraph 2.

Note 3: To afford this coverage in some, instead of all, of the states designated in item 3 of the Information Page, Paragraph 1 of this endorsement should be deleted and replaced by the following:  
 "1. With respect only to operations in the state or states listed below, the unqualified term 'workmen's compensation law' includes Part C of Title IV of the Federal Coal Mine Health and Safety Act of 1969, 30 USC Sections 931-936, and any laws amendatory thereto, or supplementary thereto, which may be or become effective while this policy is in force, and Definition (a) of Insuring Agreement III is amended accordingly."

Note 4: Insert in the blank space provided the effective date on which coverage was first afforded the insured for liability under the Federal Coal Mine Health and Safety Act, whether such coverage was afforded by the present carrier or by a previous carrier.

Note 5: The company may use its own attachment clause and method of execution.

**Workers Compensation and Employers Liability Insurance Policy**

**WC 00 04 05**

**POLICY PERIOD ENDORSEMENT**

The policy period shown in item 2 of the Information Page consists of the consecutive periods shown in the Schedule. Our Manuals and all provisions of the policy apply separately to each period.

**Schedule**

From \_\_\_\_\_ to \_\_\_\_\_ 12:01 A.M.

From \_\_\_\_\_ to \_\_\_\_\_ 12:01 A.M.

From \_\_\_\_\_ to \_\_\_\_\_ 12:01 A.M.

Note 1: To use this endorsement if the policy period is longer than one year and sixteen days and does not consist of complete twelve month periods.

Note 2: Rule III-C of the Basic Manual requires this endorsement to show which period, the first or the last, is to be less than twelve months.

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**WC 37 06 02**

**Workers Compensation and Employers Liability Insurance Policy**

**PENNSYLVANIA NOTICE**

An Insurance Company, its agents, employees, or service contractors acting on its behalf, may provide services to reduce the likelihood of injury, death or loss. These services may include any of the following or related services incident to the application for issuance, renewal or continuation of a policy of insurance:

1. surveys;
2. consultation or advice; or
3. inspections.

The "Insurance Consultation Services Exemption Act" of Pennsylvania provides that the Insurance Company, its agents, employees or service contractors acting on its behalf, is not liable for damages from injury, death or loss occurring as a result of any act or omission by any person in the furnishing of or the failure to furnish these services.

The Act does not apply:

1. if the injury, death or loss occurred during the actual performance of the services and was caused by the negligence of the Insurance Company, its agents, employees or service contractors;
2. to consultation services required to be performed under a written service contract not related to a policy of insurance; or
3. if any acts or omissions of the Insurance company, its agents, employees or service contractors are judicially determined to constitute a crime, actual malice, or gross negligence.

Note 1: To be attached to all standard provisions policies. Attach Pennsylvania Notice to all renewal policies including renewal certificates insuring risks located in Pennsylvania to notify insureds of the provisions of the Pennsylvania Insurance Consultation Services Exemption Act.

Note 2: Carriers must attach Pennsylvania Notice to all policies or forfeit the exemptions provided by the Pennsylvania Insurance Consultation Services Exemption Act.

Note 3: The company may use its own attachment clause and method of execution.

**WC 37 06 01**

**Workers Compensation and Employers Liability Insurance Policy**

**SPECIAL PENNSYLVANIA ENDORSEMENT - INSPECTION OF MANUALS**

The manuals of rules, rating plans and classifications are approved pursuant to the provisions of Section 654 of the Insurance Company Law of May 17, 1921, P.L. 682, as amended, and are on file with the Insurance Commissioner of the Commonwealth of Pennsylvania.

Note 1: Use this endorsement to put the insured on notice as to place that manual rules are available for inspection. In addition, use of this endorsement makes such manual rules binding upon the insured.

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**TO BE USED BY THE PENNSYLVANIA STATE WORKMEN'S INSURANCE FUND AND  
SERVICING CARRIERS OF THE PENNSYLVANIA PLAN POOL ONLY**

Workmen's Compensation and Employers' Liability Policy  
Federal Coal Mine Health and Safety Act of 1969

**SPECIFIC DISEASE PREMIUM DETERMINATION ENDORSEMENT**

It is agreed that:

1. **Application of Specific Disease Premium Determination Endorsement.** The provisions of this endorsement apply to such insurance as is afforded by the policy with respect to mine operations in all states named in the Table of States of an insured. The premium for such insurance shall be determined pursuant to paragraph 4 of this endorsement and determined in accordance with the provisions of this endorsement.

2. **Earned Specific Disease Premium Determination.** The earned specific disease premium shall be the sum of:
  - (a) The basic premium for each state and
  - (b) The converted losses for each stateeach multiplied by the applicable state tax multiplier. The final earned specific disease premium shall be subject to the minimum earned premium and the maximum earned premium as set forth in paragraph 3 (h) and 3 (i).

3. **Definitions.**

- (a) **Policy.** The term "the policy" shall include the policy to which this endorsement is attached and any renewals thereof affording insurance with respect to the [ ]<sup>2</sup> period commencing with the effective date of this policy.
- (b) **State Specific Disease Standard Premium, Total Specific Disease Standard Premium.** The state specific disease standard premium is the premium for insurance for liability for the payment of benefits for death and total disability due to pneumoconiosis [occupational disease]<sup>3</sup> subject to premium determination pursuant to this endorsement for each state named in the Table of States computed in accordance with the provisions of the policy, other than this endorsement. The total specific disease standard premium is the sum of the state specific disease standard premiums.
- (c) **Basic Premium.** The basic premium for each state is the amount obtained by applying to the state specific disease standard premium the percentage applicable thereto, stated in the basic premium column of the Table of States, applicable to such state.
- (d) **Incurred Losses.** Incurred losses for each state are the actual paid specific disease losses; the reserves for unpaid specific disease losses as estimated by the company; interest accruing after entry of judgment and expenses incurred in obtaining recovery against a third party; and, as respects employers' liability coverage, allocated loss adjustment expenses.
- (e) **Converted Losses.** Converted losses for each state are the incurred losses multiplied by the applicable loss conversion factor stated in the Table of States.
- (f) **State Tax Multiplier.** The state tax multiplier is the applicable factor stated in the tax multiplier column of the Table of States.
- (g) **Loss Conversion Factor.** The loss conversion factor is the factor stated in the applicable Table of States.
- (h) **Minimum Earned Premium.** The minimum earned premium is the total specific disease standard premium.
- (i) **Maximum Earned Premium.** The maximum earned premium is the total specific disease standard premium, times maximum earned premium ratios as set forth in attached Schedule A.

4. **Payments and Computations.** The insured shall pay the total annual specific disease standard premiums to the company in accordance with the policy provisions, other than this endorsement, at the inception of the policy. Where the Endorsement is for a period of one year, a computation of the earned specific disease premium applicable to the first annual period, based upon the total specific disease standard premium and specific disease incurred losses for such period will be made, such losses to be valued as of a date to be determined, consistent with paragraph 6 (1) and (2) of this endorsement.

Where the Endorsement is for a period in excess of one year, a computation of earned specific disease premium applicable to the first two annual periods based upon the total specific disease standard premium and specific disease incurred losses for the two year periods, such losses to be valued as of a date to be determined will be made, consistent with paragraph 6 (1) and (2) of this endorsement.

Where the endorsement is for a period in excess of two years, a computation of earned specific disease premium applicable to the first three annual periods, based upon total specific disease standard premium and specific disease incurred losses for the three year periods, such losses to be valued as of a date to be determined will be made, consistent with paragraph 6 (1) and (2) of this endorsement.

Where the Endorsement is for a period in excess of three years, a computation of earned specific disease premium applicable to the first four annual periods based upon the total specific disease standard premium and specific disease incurred losses for the four year periods, such losses to be valued as of a date to be determined will be made, consistent with paragraph 6 (1) and (2) of this endorsement.

Where the Endorsement is for a period in excess of four years, a computation of earned specific disease premium applicable to the five annual periods, based upon the total specific disease standard premium and specific disease incurred losses for the five year periods, such losses to be valued as of a date to be determined will be made, consistent with paragraph 6 (1) and (2) of this endorsement.

Such computation of the earned specific disease premium for the [ ]<sup>2</sup> period shall be final if (1) all claims have been closed or it is apparent that the ultimate earned specific disease premium will exceed the maximum earned premium, and (2) within ninety days from approval of such computation by the organization having jurisdiction, the company, with the agreement of the insured, requests of such organization that the computation be final. If such computation is not final, a further computation of the earned specific disease premium, based upon specific disease incurred losses valued as of a date 12 months after the last valuation of earned specific disease premium is made, as set forth in paragraph 6 (1) and (2) of this endorsement. Such further computation shall be final unless, within ninety days from receipt of such computation by the insured, the company or the insured requests that a further computation be made. Any subsequent computations, to be made only at intervals of 12 months, shall each be subject to a similar procedure. If the insured disposes of his entire interest in the operation covered by the policy, or makes an assignment for the benefit of creditors or is in a legal proceeding reorganized or declared bankrupt or insolvent, and if the earned specific disease premium as of the date of such change of status is greater than the total standard specific disease premium to such date, the company may compute the earned specific disease premium as of such date, as soon as practicable thereafter consistent with paragraph 6 of this endorsement. If upon any computation the earned specific disease premium is greater than the premium previously paid, the insured shall pay the difference to the company; if the earned specific disease premium is less than the premium previously paid, the company shall return the difference to the insured, at an amount to be determined and valued at a date consistent with paragraph 6 (1) and (2) of this endorsement.

5. **Cancellation or Non-Renewal of Policy.** The cancellation or non-renewal, prior to the end of the [ ]<sup>2</sup> year period, of the policy to which this endorsement is attached shall terminate the Specific Disease Premium Determination Endorsement as of the date of such policy cancellation or non-renewal. In the event of cancellation or non-renewal by the named insured, the earned premium for the period such policies shall have been in force shall be determined in accordance with the provisions of this endorsement, provided:

- (a) The total specific disease standard premium shall be computed as the sum of (1) the audited total specific disease standard premium for all completed annual periods and (2) the short rate total specific disease standard premium for the period in which cancellation is effective; the minimum earned premium shall be the total specific disease standard premium so computed.
- (b) In computing the maximum earned premium, the total specific disease standard premium shall be computed as the sum of the audited total specific disease standard premium to the date of cancellation or non-renewal and the estimated total specific disease standard premium from the date of cancellation or non-renewal to the end of the [ ]<sup>2</sup> year period.

In the event of cancellation or non-renewal by the company, the earned premium for the period such policies shall have been in force shall be determined in accordance with the provisions of this endorsement, provided if such cancellation or non-renewal is because of non-payment of premium by the named insured, the maximum earned premium shall be computed in the manner provided by subparagraph

(b) above. Neither the named insured nor the company may cancel or fail to renew the insurance subject to a part of the operations of the named insured.

6. **Security Deposit.** A security deposit of the required estimated annual premium pursuant to Schedule B shall be posted by the insured with the legally constituted financial institution; reductions in the security deposit will be effected on subsequent policy anniversary dates pursuant to the attached Schedule B until the [ ]<sup>2</sup> policy term has expired. Satisfactory evidence of the security deposit must be offered to the insurance carrier prior to issuance of the policy, and such evidence shall include a statement that no withdrawals from the security deposit will be permitted other than interest. Upon termination of the Specific Disease Premium Determination Endorsement, the security deposits posted shall be returned to the insured as follows:

- (1) If the policy to which this endorsement is attached is terminated as a result of transfer or sale of the insured mining operations, the remaining security deposit posted pursuant to this endorsement will be released, when a final determination of the earned specific disease premium is made, such determination to be made as soon as practicable, and valued at a date 6 months from termination of the policy to which this endorsement is attached, subject to Schedule B.
- (2) If the policy to which this endorsement is attached as terminated as a result of the discontinuance of mining operations, other than by transfer or sale, the remaining security deposit posted pursuant to this endorsement will be released when a final determination of the earned specific disease premium is made, such determination to be made as soon as practicable, and valued at a date 18 months from termination of the policy to which this endorsement is attached, subject to Schedule B.

The balance of the security deposit posted pursuant to this endorsement will be returned to the insured no later than at the end of a five-year period from the initial date insurance for pneumoconiosis [occupational disease]<sup>3</sup> was effected on the insured mining operations.

Note 1: To be attached to a standard provisions policy with a Federal Coal Mine Health and Safety Act exposure, if the mine operator has not been previously insured for a continuous period of one year within the last three years of mining operations, or where a Specific Disease Premium Determination Endorsement was attached to the expiring policy.

Note 2: Enter one year, two years, three years, four years or five years, as applicable.

Note 3: Enter the occupational disease in lieu of pneumoconiosis if the entire occupational disease liability of the insured is to be covered.

Note 4: The company may use its own attachment clause and method of execution.

## EXAMPLES

### SPECIFIC DISEASE PREMIUM DETERMINATION ENDORSEMENT

#### Example 1 - Two Year Endorsement

Assume the following:

State and federal coverage

Total annual specific disease standard premium = \$1,000,000

Tax multiplier = 1.030

First year incurred losses = \$1,300,000

#### First year computations:

1. Basic premium (§ 2 & § 3c of endorsement)  
 $\$1,000,000 \times .065^* = \$65,000$   
 \*see Table of States Basic Premium %
2. Converted losses (§ 2 & § 3e of endorsement)  
 $\$1,300,000 \times 1.07^* = \$1,391,000$   
 \*see Table of States Loss Conversion Factor
3. Earned Specific Disease Premium (§ 2 of endorsement)  
 $[\$65,000 + \$1,391,000] \times 1.03^* = \$1,499,680$   
 \*see Table of States Tax Multiplier

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4. Minimum Premium (§ 3h of endorsement)  
\$1,000,000

5. Maximum Premium (§ 3i of endorsement)  
 $1.20^* \times \$1,000,000 = \$1,200,000$

\*see Schedule A Maximum Earned Premium Ratios (Term of Endorsement)

#### Second year computations:

Since the term of the endorsement has been completed, the earned specific disease premium for the entire two year period equals the total specific disease standard premium (§ 3b of endorsement) for the two year period; namely \$2,000,000.

$$2 \times \$1,000,000 = \$2,000,000$$

#### Security Deposit and Amounts Remitted

At the inception of the policy the insured remits the total annual specific disease standard premium \$1,000,000 to the insurer. In addition, the insured also establishes a security deposit of \$500,000 (\$500,000 = 50%\* of \$1,000,000) at the inception of the policy. At the inception of the second year the insured remits the total annual specific disease premium of \$1,000,000 to the insurer. At the beginning of the second year of the endorsement the security deposit is reduced to \$200,000 (\$200,000 = 20%\* of \$1,000,000).

\*see Schedule B

#### Example 2 - Five Year Endorsement

Assume the following:

Federal coverage only

Total annual specific disease standard premium = \$1,000,000

Tax multiplier = 1.040

First year incurred losses = \$1,200,000

Second year incurred losses = \$1,000,000

Third year incurred losses = \$ 700,000

Fourth year incurred losses = \$ 500,000

#### First year computations:

1. Basic premium (§ 2 & § 3c of endorsement)

$$\$1,000,000 \times .128^* = \$128,000$$

\*see Table of States Basic Premium %

2. Converted losses (§ 2 & § 3e of endorsement)

$$\$1,200,000 \times 1.09^* = \$1,308,000$$

\*see Table of States Loss Conversion Factor

3. Earned Specific Disease Premium (§ 2 of endorsement)

$$[\$128,000 + \$1,308,000] \times 1.04^* = \$1,493,440$$

\*see Table of States Tax Multiplier

4. Minimum premium (§ 3i of endorsement)

$$2.25^* \times \$1,000,000 = \$2,250,000$$

\*see Schedule A Maximum Earned Premium Ratio (Term of Endorsement)

#### Second year computations:

1. Basic premium (§ 2 & § 3c of endorsement)

$$2 \times .128^* \$1,000,000 = \$256,000$$

\*see Table of States Basic Premium %

2. Converted losses (§ 2 & § 3e of endorsement)

$$[\$1,200,000 + \$1,000,000] \times 1.09^* = \$2,398,000$$

\*see Table of States Loss Conversion Factor

3. Earned Specific Disease Premium (§ 2 of endorsement)

$$[\$256,000 + \$2,398,000] \times 1.04^* = \$2,760,160$$

\*see Table of States Tax Multiplier

4. Minimum premium (§ 3h of endorsement)

$$\$2,000,000 = 2 \times \$1,000,000$$

5. Maximum premium (§ 3i of endorsement)

$$1.45^* \times (2 \times \$1,000,000) = \$2,900,000$$

\*see Schedule A Maximum Earned Premium Ratios (Term of Endorsement)

# PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL

Section 3

Effective: December 1, 1993

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## Third year computations:

1. Basic premium (§ 2 & 3c of endorsement)  
 $3 \times .128^* \times \$1,000,000 = \$384,000$   
 \*see Table of States Basic Premium %
2. Converted losses (§ 2 & § 3e of endorsement)  
 $[\$1,200,000 + \$1,000,000 + \$700,000] \times 1.09^* = \$3,161,000$   
 \*see Table of States Loss Conversion Factor
3. Earned Specific Disease Premium (§ 2 of endorsement)  
 $[\$384,000 + \$3,161,000] \times 1.04^* = \$3,686,800$   
 \*see Table of States Tax Multiplier
4. Minimum Premium (§ 3h of endorsement)  
 $3 \times \$1,000,000 = \$3,000,000$
5. Maximum Premium (§ 3i of endorsement)  
 $1.15^* \times (3 \times \$1,000,000) = \$3,450,000$   
 \*see Schedule A Maximum Earned Premium Ratios (Term of Endorsement)

## Fourth year computations:

1. Basic premium (§ 2 and § 3c of endorsement)  
 $4 \times .128^* \times \$1,000,000 = \$512,000$   
 \*see Table of States Basic Premium %
2. Converted losses (§ 2 and § 3e of endorsement)  
 $[\$1,200,000 + \$1,000,000 + \$700,000 + \$500,000] \times 1.09^* = \$3,706,000$   
 \*see Table of States Loss Conversion Factor
3. Earned Specific Disease Premium (§ 2 of endorsement)  
 $[\$512,000 + \$3,706,000] \times 1.04^* = \$4,386,720$   
 \*see Table of States Tax Multiplier
4. Minimum Premium (§ 3h of endorsement)  
 $\$4,000,000 = 4 \times \$1,000,000$
5. Maximum premium (§ 3i of endorsement)  
 $1.05^* \times (4 \times \$1,000,000) = \$4,200,000$   
 \*see Schedule A Maximum Earned Premium Ratios (Term of Endorsement)

## Fifth year computations:

Since the term of the endorsement has been completed, the earned specific disease premium for the entire five year equals the total specific disease standard premium for the period, namely \$5,000,000.

$$5 \times \$1,000,000 = \$5,000,000$$

Total annual specific disease standard premium is due to the insurer at the inception of the policy and on each anniversary date. The following amounts are required to be posted, pursuant to the endorsement, with a financial institution. (§ 6 of endorsement)

## Security Deposit Remitted To Financial Institution

<u>Date</u>	<u>Non-accumulated Security Deposit*</u>
Inception of endorsement	\$1,000,000
Beginning of second year	\$1,000,000
Beginning of third year	\$ 900,000
Beginning of fourth year	\$ 450,000
Beginning of fifth year	\$ 200,000

\*see Schedule B

**SCHEDULE A**

**MAXIMUM EARNED PREMIUM RATIOS TO BE MULTIPLIED  
ON ENDORSEMENT TOTAL SPECIFIC DISEASE STANDARD PREMIUM**

<u>Completion of Year</u>	<u>Term of Endorsement (Complete Years)</u>				
	<u>5</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>
1	2.25	1.90	1.45	1.20	1.00
2	1.45	1.25	1.15	1.00	
3	1.15	1.10	1.00		
4	1.05	1.00			
5	1.00				

Note: The maximum for the last completed year will be used on terminations during the subsequent policy year and not interpolated.

**SCHEDULE B**

**RETAINED SECURITY DEPOSIT AS A  
PERCENTAGE OF FIRST YEAR ESTIMATED ANNUAL PREMIUM**

<u>Beginning of Year</u>	<u>Term of Plan (Complete Years)</u>				
	<u>5</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>
1	100%	100%	75%	50%	25%
2	100	90	45	20	
3	90	50	30		
4	45	30			
5	20				

Note: The above retentions are to be reduced by any and all amounts collected in excess of total specific disease standard premium to satisfy maximum earned premium requirements.

**WC 00 04 02**

**Workers' Compensation and Employers Liability Insurance Policy**

**ANNIVERSARY RATING DATE ENDORSEMENT**

The premium and rates for this policy, and the experience rating modification factor, if any, may change on your anniversary rating date shown in the Schedule.

Schedule

Anniversary Rating Date \_\_\_\_\_ (Month) \_\_\_\_\_ (Day)

Note 1: The anniversary rating date is explained in Rule 1 of the Basic Manual.

Note 2: Use this endorsement to show the insured's normal anniversary rating date if different from the policy effective date.

Note 3: The insurer may show the anniversary rating date in item 2 or item 4 of the Information Page.

**WC 00 04 03**

**Workers' Compensation and Employers Liability Insurance Policy**

**EXPERIENCE RATING MODIFICATION FACTOR ENDORSEMENT**

The premium for the policy will be adjusted by an experience rating modification factor. The factor was not available when the policy was issued. The factor, if any, shown on the Information Page is an estimate. We will issue an endorsement to show the proper factor, if different from the factor shown, when it is calculated.

Note 1: This endorsement may be used if the insured's experience rating modification factor is not available when the policy is issued.

Note 2: An appropriate typewritten entry may be made in the Information Page instead of using this endorsement.

WC 00 04 06

**Workers Compensation and Employers Liability Insurance Policy****PREMIUM DISCOUNT ENDORSEMENT**

The premium for this policy and the policies, if any, listed in item 3 of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in item 1 or 2 of the Schedule. The Final calculation of premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

**Schedule****1. State****Estimated Eligible Premium**

First	Next	Next	
\$5,000	\$95,000	\$400,000	Balance

2. Average percent discount: \_\_\_\_\_ %

3. Other policies:

4. If there are no entries in items 1, 2 and 3, of the Schedule see the Premium Discount Endorsement attached to your policy number:

Note 1: Use this endorsement to show the application of Manual Rule VII, Premium Discount, or to identify the insured's policy which shows the application of the Discount Rule.

Note 2: Do not make entries in items 1, 2 or 3 if policy number is to be shown in item 4.

Note 3: The company has the option of replacing item 1 with the appropriate Table in use by the company. The company may also revise item 1 to conform to Manual Rules applicable to certain states.

Note 4: Item 2 may be used if all eligible premium is developed in one or more states using the same discount.

Note 5: Item 3 is available to list all policies that are combined under the Discount Rule.

Note 6: Use item 4 if premium discount is shown on another policy issued to the insured.

WC 37 06 03A

**PENNSYLVANIA ACT 86-1986 ENDORSEMENT  
NONRENEWAL, NOTICE OF INCREASE OF PREMIUM, and RETURN OF UNEARNED PREMIUM**

This endorsement applies only to the insurance provided by the policy because Pennsylvania is shown in Item 3.A. of the Information Page.

The policy conditions are amended by adding the following regarding nonrenewal, notice of increase in premium, and return of unearned premium.

**Nonrenewal**

1. We may elect not to renew the policy. We will mail to each named insured, by first class mail, not less than 60 days advance notice stating when the nonrenewal will take effect. Mailing that notice to you at your mailing address last known to us will be sufficient to prove notice.
2. Our notice of nonrenewal will state our specific reasons for not renewing.
3. If we have indicated our willingness to renew, we will not send you a notice of nonrenewal. However, the policy will still terminate on its expiration date if:
  - a. you notify us or the agent or broker who procured this policy that you do not want the policy to be renewed; or
  - b. you fail to pay all premiums when due; or
  - c. you obtain other insurance as a replacement of the policy.

**Notice of Increase in Premium**

- \*1. We will provide you with not less than 30 days advance notice of an increase in renewal premium of this policy, if it is our intent to offer such renewal.
- \*2. The above notification requirement will be satisfied if we have issued a renewal policy more than 30 days prior to its effective date.
- \*3. If a policy has been written or is to be written on a retrospective rating plan basis, the notice of increase in premium provision of this endorsement does not apply.

**Return of Unearned Premium**

1. If this policy is cancelled and there is unearned premium due you:
  - a. If the Company cancels, the unearned premium will be returned to you within 10 business days after the effective date of cancellation.
  - b. If you cancel, the unearned premium will be returned within 30 days after the effective date of cancellation.
2. Because this policy was written on the basis of an estimated premium and is subject to a premium audit, the unearned premium specified in 1a. and 1b. above, if any, shall be returned on an estimated basis. Upon our completion of computation of the exact premium, an additional return premium or charge will be made to you within 15 days of the final computation.
3. These return of unearned premium provisions shall not apply if this policy is written on a retrospective rating plan basis.

**NOTES**

1. Nonrenewal of, notice of increase in premium for, and return of unearned premium for a workers' compensation and employers' liability policy is governed by Act 86-1986.
2. This endorsement must be attached to a policy showing Pennsylvania in Item 3.A. of the Information Page.

WC 37 04 03

**DEDUCTIBLE ENDORSEMENT - PENNSYLVANIA**

In consideration of the reduced premium charged for this policy, the insurance afforded by the policy for workers compensation benefits under Pennsylvania Workers' Compensation Law is provided subject to the deductible amount shown below. The deductible shall apply separately to each compensable claim.

The company shall pay the deductible amount to the persons entitled thereto. Upon notice of payments by the company, the insured will promptly reimburse the company for any amounts so paid. Failure of the insured to reimburse the deductible amount within 30 days of statement mailing date on each compensable claim shall be treated as non-payment of premium under the terms of the contract.

The deductible amount is \$ \_\_\_\_\_ for each compensable claim.

The premium is reduced \_\_\_\_\_ % in consideration of this deductible.

**WC 37 04 04B**

**CERTIFIED SAFETY COMMITTEE ENDORSEMENT - PENNSYLVANIA**

The employer has received a certificate from the Pennsylvania Department of Labor and Industry specifying that the employer has established a safety committee in conformance with the Department's criteria.

This policy is subject to a 5 percent rate credit to recognize the certification of the safety committee. An employer must submit certification renewal affidavits annually to the Department of Labor and Industry in order to qualify for continuation of the 5 percent annual premium credit.

**NOTE:** This credit shall not apply to the policy period in effect when the certification is issued. The credit must be applied to the policy period beginning with the next normal anniversary rating date.

WC 37 03 10A

### EXCLUSION OF EXECUTIVE OFFICERS ENDORSEMENT — PENNSYLVANIA

The executive officers named in the schedule have exercised their right to waive workers' compensation and employers liability benefits payable under this policy. The premium basis for this policy does not include the remuneration of such persons. The insurance carrier is entitled to reimbursement from the employer for any benefits paid under this policy for any of the persons listed in the schedule.

Only officers with an ownership interest in a Subchapter S corporation or officers individually having at least a 5 percent ownership interest in a Subchapter C corporation are eligible.

#### Schedule

Name of Officer	Social Security #	Office Held	Optional Signature	Type of Corporation ("S" or "C")	% Ownership Interest

Policy Number \_\_\_\_\_

Policy Effective Date \_\_\_\_\_

Policy Holder Name \_\_\_\_\_

Carrier Name \_\_\_\_\_

**WC 00 03 13**

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**Schedule**

**NOTE 1:** Use this endorsement to waive the company's right of subrogation against named third parties who may be responsible for an injury.

**NOTE 2:** The sentence in ( ) is optional with the company. It limits the endorsement to apply only to specific jobs of the insured, and only to the extent that the insured is required to obtain this waiver.

WC 00 04 20

**TERRORISM RISK INSURANCE ACT ENDORSEMENT**

This endorsement addresses requirements of the Terrorism Risk Insurance Act of 2002.

**Definitions**

The definitions provided in this endorsement are based on the definitions in the Act and are intended to have the same meaning. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments.

"Act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside the United States in the case of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured terrorism or war loss" means any loss resulting from an act of terrorism (including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at United States missions or to certain air carriers or vessels.

"Insurer deductible" means:

- a. For the period beginning on November 26, 2002 and ending on December 31, 2002, an amount equal to 1 percent of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding November 26, 2002.
- b. For the period beginning on January 1, 2003 and ending on December 31, 2003, an amount equal to 7 percent of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2003.
- c. For the period beginning on January 1, 2004 and ending on December 31, 2004, an amount equal to 10 percent of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2004.
- d. For the period beginning on January 1, 2005 and ending on December 31, 2005, an amount equal to 15 percent of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2005.

**Limitation of Liability**

The Act may limit our liability to you under this policy. If annual aggregate insured terrorism or war losses of all insurers exceed \$100,000,000,000 during the applicable period provided in the Act, and if we have met our insurer deductible, the amount we will pay for insured terrorism or war losses under this policy will be limited by the Act, as determined by the Secretary of the Treasury.

**Policyholder Disclosure Notice**

1. Insured terrorism or war losses would be partially reimbursed by the United States Government under a formula established by the Act. Under this formula, the United States Government would pay 90% of our insured terrorism or war losses exceeding our insurer deductible.
2. The additional premium charged for the coverage this policy provides for insured terrorism or war losses is shown in Item 4 of the Information Page of the Schedule below.

**Schedule****State****Rate per \$100 of Remuneration****Note:**

1. This endorsement addresses requirements of the Terrorism Risk Insurance Act of 2002.

April 5, 1994  
NOTES FOR FILE:

RE: Act 44  
Executive Officer Exclusion

FROM: Dale W. Broadwater

A review of policies issued in accordance with Act 44 has created the need to reassess the application and detail of the Executive Officers Exclusion Endorsement, WC 37 03 10.

Recently a SWIF policy contained an Executive Officers Exclusion Endorsement, Form WC 37 03 10. The content of the endorsement was not the same as the form filed and approved and appearing in our manual:

- a. The signature section was eliminated.
- b. The type of corporation (C or S) was eliminated.

Prior to the Bureau developing this form in conjunction with the PCRB, the Department of Labor and Industry had issued no rules, guidelines, forms or statements of policy regarding executive officers exclusions.

Today, Labor and Industry, Bureau of W/C has standard forms for both the corporation (LIBC-509 8/93) and the corporate officers (LIBC-513 8/93) to be filed with their Department if officers are to be excluded.

For a practical matter, it is difficult for the underwriter to obtain the required signatures on the endorsement prior to policy issuance in order that the properly executed endorsement be issued at policy inception. A computer generated form without the signatures makes for practical application.

I spoke with Bruce Decker on this specific issue. Bruce informed me that the PCRB has not modified its standard endorsement, but have interpreted the signature requirement as optional. I asked if the PCRB is requiring documentation that the L & I forms have been properly signed and filed with L & I, and he said, "No." Their position is that if the carrier puts the endorsement on the policy, it is the carrier's responsibility, not the Bureau's responsibility, that the executive exclusion is in compliance with the Law.

April 5, 1994

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Act 44

Executive Officers Exclusion

I also spoke to a representative from the Dept. of L & I, Bureau of W/C. L & I interprets their forms have no bearing on the insurance contract: The insurance contract language and terms, including any endorsements, would be the determining factors in the event of a claim. The filing of the forms with L & I had no effect on the duties and responsibilities of the insurance carrier.

Based upon neither the PCRБ nor L & I wishing to coordinate activities, and the legislative intent to have less Bureau involvement and more company competition, it seems the course of least resistance has been adopted by all others.

Therefore, the CMCRB will not require that the signatures actually appear on the endorsement; will not inquire or reconcile the endorsement with the execution of the L & I forms; will rely upon the carriers to assume the responsibilities of the proper use of the Executive Officers Exclusion Endorsement, WC 37 03 10.

NOTE: At some time in the future, editorial changes to the endorsement and to our underwriting rules (Section 1, Pages 3 and 16) need to be made in conjunction with the above opinion and conclusion.

DWB:jb

First Reprint

**WC 37 03 10A**

**★ EXCLUSION OF EXECUTIVE OFFICERS ENDORSEMENT — PENNSYLVANIA**

The executive officers named in the schedule have exercised their right to waive workers' compensation and employers liability benefits payable under this policy. The premium basis for this policy does not include the remuneration of such persons. The insurance carrier is entitled to reimbursement from the employer for any benefits paid under this policy for any of the persons listed in the schedule.

Only officers with an ownership interest in a Subchapter S corporation or officers individually having at least a 5 percent ownership interest in a Subchapter C corporation are eligible.

Schedule

Name of Officer	Social Security #	Office Held	Optional Signature	Type of Corporation ("S" or "C")	% Ownership Interest
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Policy Number \_\_\_\_\_

Policy Effective Date \_\_\_\_\_

Policy Holder Name \_\_\_\_\_

Carrier Name \_\_\_\_\_

WC 00 04 21 A

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY****DOMESTIC TERRORISM, EARTHQUAKES, AND CATASTROPHIC INDUSTRIAL  
ACCIDENTS PREMIUM ENDORSEMENT**

This endorsement is notification that your insurance carrier is charging premium to cover the losses that may occur in the event of domestic terrorism, earthquakes, and/or a catastrophic industrial accident.

The premium charge provides funding for the risk of earthquakes, catastrophic industrial accidents, and certain acts of domestic terrorism. It does not provide funding for acts of terrorism certified as such by the Terrorism Risk Insurance Extension Act of 2005 (the Act) or acts of foreign terrorism as that term is defined in the Foreign Terrorism Premium Endorsement (WC 00 04 22), attached to this policy.

For purposes of this endorsement, the following definitions apply:

**Domestic terrorism:** All acts of terrorism outside the scope of the Act or the Foreign Terrorism Premium Endorsement (WC 00 04 22), with aggregate workers compensation losses in excess of \$50 million.

**Earthquake:** The shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity where aggregate workers compensation losses from the single event are in excess of \$50 million.

**Catastrophic Industrial Accident:** Any single event resulting in aggregate workers compensation losses in excess of \$50 million.

**Schedule****Payroll****Rate**

WC 37 01 10

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY****TERRORISM RISK INSURANCE EXTENSION ACT ENDORSEMENT**

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Extension Act of 2005.

**Definitions**

The definitions provided in this endorsement are based on the definitions in the Act and are intended to have the same meaning. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments resulting from the Terrorism Risk Insurance Extension Act of 2005.

"Act of terrorism" means any act that is certified by the secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States or outside of the United States in the case of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured terrorism loss" means any loss resulting from an act of terrorism that is covered by primary or excess property and casualty insurance issued by an insurer, if the loss occurs in the United States or at United States missions or to certain air carriers or vessels.

"Insurer deductible" means:

- a. For the period beginning on November 26, 2002 and ending on December 31, 2002, an amount equal to 1% of our direct earned premiums as provided in the Act, over the calendar year immediately preceding November 26, 2002..
- b. For the period beginning on January 1, 2003 and ending on December 31, 2003, an amount equal to 7% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2003.
- c. For the period beginning on January 1, 2004 and ending on December 31, 2004, an amount equal to 10% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2004.
- d. For the period beginning on January 1, 2005 and ending on December 31, 2005, an amount equal to 15% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2005.
- e. For the period beginning on January 1, 2006 and ending on December 31, 2006, an amount equal to 17.5% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2006.
- f. For the period beginning on January 1, 2007 and ending on December 31, 2007, an amount equal to 20% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2007.

**Limitation of Liability**

The Act may limit our liability to you under this policy. If annual aggregate insured terrorism losses of all insurers exceed \$100,000,000,000 during the applicable period provided in the Act and if we have met our insurer deductible, the amount we will pay for insured terrorism under this policy will be limited by the Act, as determined by the Secretary of the Treasury.

**Policyholder Disclosure Notice**

1. Insured terrorism losses would be partially reimbursed by the United States Government under a formula established by the Act. Under this formula, the United States Government would pay 90% for Program Year 4 and 85% for Program Year 5 of our insured terrorism losses exceeding our insurer deductible.
2. The premium charged for the coverage this policy provides for insured terrorism losses is included in the amount shown on Item 4 of the Information Page or in the Schedule in the Foreign Terrorism Premium Endorsement (WC 00 04 22) attached to this policy.

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## **RULES AND PROCEDURE GOVERNING THE APPLICATION OF THE RETROSPECTIVE RATING PLANS - PENNSYLVANIA COAL MINE**

### **INTRODUCTION**

Retrospective Rating is a plan or method which permits adjustment of the final premium for a risk on the basis of its own loss experience subject to Maximum and Minimum limits. Three optional plans are available. Tabular Coal Mine Retrospective Rating Plans. The Tabular Plans are applicable upon an intrastate basis only and any exposure written in connection with a risk eligible under the Coal Mine Plan of Pennsylvania shall be subject to the rules of such Bureau as may have jurisdiction. All Workmen's Compensation policies and renewals thereof shall be written for a term of twelve months.

Plan D. This Plan differs from Tabular Plans:

1. Plan D provides for the optional combination for rating purposes of Workmen's Compensation insurance on coal mine risks with other workmen's compensation insurance with other third party liability insurance or automobile physical damage. Compensation losses included for Plan D rating purposes may be limited if limitation of losses has been selected in advance.  
Premiums for other third party liability lines for accident limits in excess of the permissible loss limits included under the Plan shall not be subject to retrospective adjustment within this Plan.
2. For Plan D, the rating values, i.e., the Maximum Premium Factor, the Minimum Premium Factor, the Basic Premium Factors, Excess Loss Premium Factor and the Loss Conversion Factor are not established in Tabular Form as for Tabular Retrospective Rating Plans one (1) year and three (3) year. For Plan D, the rating values are selected by the insured and the carrier in accordance with the retrospective rating procedure of the Plan. Plan D is applicable on an intrastate or interstate basis.

### **Rating Formulae**

- a. A specific portion of the Standard Premium is charged independently of the risk's losses and is designated the "Basic Premium."
- b. For risks that have elected to limit the amount of ratable losses resulting from each accident, a specific portion of the Standard Premium (the amount obtained by applying the appropriate "Excess Loss Premium Factor(s)" multiplied by a Loss Conversion Factor to the Standard Premium) is charged independently of the risk's losses and is designated "Excess Loss Premium." This may be combined with the "Basic Premium" and the combination designated as the "Basic (including Excess Loss) Premium."
- c. The ratable losses incurred by the risk are multiplied by a Loss Conversion Factor.
- d. The total of these items (a), (b) and (c) is then multiplied by the approved Tax Multiplier in effect for Pennsylvania Coal Mine coverage.
- e. Subject to agreement between the insured and the carrier, the Standard Premium may then be multiplied by the product of the Retrospective Development Factor(s), the Loss Conversion Factor, and the Tax Multiplier.
- f. The sum of (d) and (e) is the Retrospective Premium to be charged, subject to the Maximum and Minimum Premiums.
- g. For Tabular Plans, compensation losses included for rating purposes are limited in accordance with paragraph 5, Section V of the Pennsylvania Coal Mine Experience Rating Plan Manual. Retrospective Plans are supplementary to the Experience Plan.  
The Coal Mine Retrospective Rating Plans are independent of and superimposed upon the Coal Mine Rating procedures. Even though the insured has elected a Retrospective Plan, the risk shall continue to be Rated in accordance with the provisions of the Experience Rating Plans which may be applicable.

### **SECTION I - DEFINITIONS**

1. Bureau. The term "Bureau" as used herein means the Coal Mine Compensation Rating Bureau of Pennsylvania.
2. Organization. The term "Organization" as used herein means any rating organization having administrative jurisdiction over any line of insurance in any state which is combinable for rating under the Pennsylvania Coal Mine Retrospective Rating Plans, except Occupational Disease insurance, including the Bureau. The term also includes an individual insurance carrier in any case where no rating organization has jurisdiction.

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3. Risk. The term "Risk" as used in this Plan shall mean all insured coal mine operations, and operations of an insured incidental thereto, except Occupational Disease coverage. Where an insured is also engaged in operations other than coal mining, all operations insured by a single carrier (except as provided in (d) below) under one or more policies may be made subject to this Plan, provided the operations insured by such carrier involve some coal mining operations, subject to the following conditions:
  - a. Workmen's compensation insurance on coal mines may be combined for rating under this Plan with other workmen's compensation insurance and with other third party liability, automobile physical damage, provided such combinations are in accordance with the applicable procedures for the particular carrier, filed as may be necessary and approved as may be necessary under the laws applicable thereto.
  - b. This Plan may be applied separately to each policy. However, separate policies issued to an insured may be combined for rating purposes, provided such combination has been elected by the insured and accepted by the insurance carrier prior to the period covered by each policy.
  - c. The Plan is not applicable to the following forms of burglary insurance:  
Accounts Receivable  
Valuable Papers and Records
  - d. Upon application in advance by the insured and subject to the acceptance of the insurance carriers involved, the operations of an insured which are to be insured by more than one carrier may be combined for rating under this Plan.
4. Insured. As used in this Plan, the term "Insured" shall mean:
  - a. A single legal entity, or
  - b. Two or more legal entities which are eligible for combination under the rules of applicable Experience Rating Plans.
5. Standard Premium. The term "Standard Premium" as used in these Plans shall mean that premium which is determined by the application of "Standard Rates" to the exposures for the risk and applying thereto any applicable experience rate\*; and shall include minimum premiums when applicable. With respect to Pennsylvania coal mine workmen's compensation insurance, it shall include premiums for (1) Voluntary Compensation and (2) Excess Limits; (3) Maritime Coverage, (4) Aircraft Coverage, unless the policy has been endorsed to indicate that such premiums are to be excluded in retrospective rating.

\*Note: Standard Rates for Coal Mine Risks include the experience rate. No other "experience rate" is applicable to the Coal Mine portion of the Standard Premium.
6. Standard Rates. The term "Standard Rates" as used in this Plan shall mean the approved Rates as promulgated by the Bureau for the risk, excluding non-ratable Catastrophe elements and Occupational Disease Rates. The premium resulting from the application of the non-ratable element to the exposures for the risk shall not be subject to retrospective adjustment within these Plans.
7. Incurred Losses. The term "Incurred Losses" as used in these Plans shall mean actual losses paid and outstanding and, in addition:
  - a. For workmen's compensation insurance, the "Incurred Losses" shall include interest accruing after entry of judgment and expenses incurred in seeking recovery against a third party if recovery is obtained.
  - b. For other third party liability insurance, the "Incurred Losses" shall include allocated loss adjustment expenses, premiums on bonds, interest accruing after entry of judgment, and expenses incurred in seeking recovery against a third party.
  - c. For automobile physical damage, the "Incurred Losses" shall include expenses incurred in seeking recovery against a third party, but shall be exclusive of all other allocated loss adjustment expenses.
8. Excess Loss Premium. The term "Excess Loss Premium" as used in the Plans shall mean the excess loss rate times the payroll of the risk for risks written on a Tabular Plan. For risks written on a Plan D, the excess loss premium is the applicable excess loss premium factor times the standard premium multiplied by the loss conversion factor.
9. Loss Limitation. The term "Loss Limitation" as used in Tabular Plans shall mean each claim will be valued for the purpose of calculating the Retrospective Premium with a modified cost limited to the approved amount indicated in Paragraph 5, Section V of the Coal Mine Experience Rating Plan Manual, for the calendar year or years, included in the term of the Retrospective Endorsement. The term "Loss Limitation" as used in Plan D is the limitation of losses which have been elected in advance.

**SECTION II - GENERAL RULES**

1. Administration of the Plans. In the administration of this Plan, the Coal Mine Compensation Rating Bureau of Pennsylvania shall have complete jurisdiction as respects Pennsylvania Coal Mine Workmen's Compensation insurance. If other workmen's compensation, third party liability, automobile physical damage, is combined for rating purposes with workmen's compensation insurance under the jurisdiction of the Coal Mine Compensation Rating Bureau of Pennsylvania, the Bureau shall exchange data and information and cooperate with any other Organization or Organizations having jurisdiction over such other insurance on such basis as may be mutually agreed upon and as may be necessary for the administration of the Plans.

2. Eligibility Requirements. The one (1) year or three (3) year Tabular Plan may be applied as appropriate to any risk for which the total annual Standard Premium to be developed under the Plan is as follows:

The one (1) year Tabular Plan is available provided that the Annual Coal Mine Workmen's Compensation Standard Premium to be developed by the risk where the insured has elected to bring his operations under the Plan, is expected to be at least \$15,000, and such election shall be not later than the effective date of the policy.

The three (3) year Tabular Plan is available provided that the Three-Year Coal Mine Workmen's Compensation Standard Premium to be developed by the risk where the insured has elected to bring his operations under the Plan, is expected to be at least \$45,000, and such election shall be not later than the effective date of the policy.

Plan D may be applied to any risk for which the Pennsylvania Coal Mine Workmen's Compensation Standard Premium to be developed under the Plan is expected to be at least \$15,000 for the Rating Period of twelve months.

- \* 3. Application and Scope of the Plan Optional. This Plan may be elected for specified locations or states, for all eligible locations and states, or for all eligible locations and states other than specified exceptions. Except as otherwise stated herein, the application of these Plans shall be optional with the insured subject to the acceptance of the insurance carrier. In the event that any risk is to be insured under a policy issued by the State Workmen's Insurance Fund (SWIF), SWIF shall have the authority to require that the policy be issued subject to the provisions of these Plans and to specify which rating options described herein shall apply to the policy and the factors to be used in such rating option, and, in that event, the provisions of this Section 4 requiring the insured's consent to the application of this Plan and the selection of rating options and factors thereunder shall not apply. With respect to Plan D, the rating values which determine the Plan and the coverages which determine its scope must be elected in advance and may not be modified during the rating period except as provided in this rule or as provided in the cancellation rules.

- a. Coverages (i.e. lines of insurance, states, locations, etc.) which were not automatically included in the scope of this Plan as originally elected may be added by agreement between the insured and the carrier during the rating period, but not retroactively, provided:

1. If the estimated Standard Premium for the additional coverages as indicated in A above equals or exceeds 50% of the total estimated Standard Premium used originally in determining the rating value table for the risk, revised Basic Premium Factors shall be computed and applied as specified in B below.

- b. Recomputation of Basic Premium Factors for Plan D. Under the following circumstances revised Basic Premium Factors, and if necessary Minimum Premium Factors, shall be computed for application to the entire exposures subject to the rating. Such factors shall be determined on the sum of the original total estimated Standard Premium and the estimated Standard Premium for additional exposures.

1. The circumstances described in a-1.
2. If the additional coverages involve a line or state for which a separate Basic Premium Factor is either required or desired.
3. If there is a newly acquired legal entity which would have been included in the original scope of the Plan and the estimated Standard Premium for which equals or exceeds 50% of the originally estimated Standard Premium.

The Organization or Organizations having jurisdiction shall be notified of such recomputation within 30 days.

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Effective: January 4, 1991

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4. Rating Date. If the risk is covered by a single policy, the Rating Date shall be the effective date of such policy. If all the exposures of the risk which are to be subject to the Plan are not included under a single Policy, the Bureau shall determine a Rating Date upon which the application of the Plan shall become effective. Such Rating Date shall be fixed with due consideration to the effective dates of the several policies involved. The Retrospective Rating Plan, once elected, shall operate for the twelve months immediately following the Rating Date subject to the Cancellation Provisions.

- a. Any Pennsylvania Coal Mine Workmen's Compensation insurance policy effective prior to the Rating Date and subject to the Retrospective Agreement shall be canceled as of the Rating Date, and rewritten for the term of the Retrospective Agreement.
  - b. Any Pennsylvania Coal Mine Workmen's Compensation insurance policy effective subsequent to the Rating Date which is to come within the scope of the Retrospective Agreement may be canceled as of the termination of the Retrospective Agreement.
  - c. Policies canceled so as to terminate concurrently with the Retrospective Agreement, separate statistical data shall be furnished the Bureau in accordance with such rules as the Bureau may prescribe.
5. Rating Period. The period to be included in the rating shall be the twelve months immediately following the Rating Date, except as provided in Sections IV and V. In addition, upon approval of the Organization or Organizations having jurisdiction, the normal rating period may be shortened or lengthened for a period not to exceed 60 days by agreement between the insured and the carrier.

#### **Promulgation of Retrospective Premium**

1. Report of Data. Pennsylvania Coal Mine Workmen's Compensation insurance for any risk rated under the Plan shall be filed with the Bureau in accordance with the instructions of the Pennsylvania Coal Mine Statistical Plan. Experience for other insurance shall also be filed with the Bureau or with such other Organization or Organizations having jurisdiction over workmen's compensation insurance as may have been agreed to by the Bureau.
2. Verification of Data. Data submitted for use in the determination of the premium chargeable under the Plans shall be subject to verification by the Bureau. Verification of data on other than Pennsylvania Coal Mine Workmen's Compensation insurance by the Organization having jurisdiction may be accepted by the Bureau.
3. Promulgation of Retrospective Premium. After the Statistical Plan data have been developed, the Workmen's Compensation premium chargeable under the Plan shall be promulgated by the carrier. Subject to the approval of the Organization or Organizations having jurisdiction over other third party liability, automobile physical damage, such promulgation shall also include information regarding the total retrospective adjustment determined on the basis of the data furnished by the carrier or carriers participating in the rating. Pennsylvania Coal Mine Workmen's Compensation losses included in the rating shall be valued as of six months after termination of the Rating Period.

Additional adjustments based upon subsequent reportings of loss experience valued at twelve-month intervals will be made automatically unless the carrier and insured agree that the adjustment is final. Requests by the insured for further adjustments shall be made to the carrier within 90 days of such adjustment.

On a specific request basis, any premium adjustment computation is subject to verification by the Bureau. Any adjustment other than a first adjustment may be deferred for a year, and for an additional year at the end of each year.

An adjustment which has been accepted as a final adjustment shall not be reopened or revised for any reason other than clerical error.

### **SECTION III - RETROSPECTIVE RATING PROCEDURE**

- A. The application of the Plans requires, with respect to Tabular Plans one (1) year and three (3) years, that a Table of Rating Values be used, applicable to the specific Plan selected. With respect to Plan D, the Table of Rating Values for the risk is individually determined for each risk prior to the Rating Period.
  1. The Risk Rating Value Table for Plan D shall provide rating values appropriate for:
    - a. The total estimated annual Standard Premium for the risk which may be rounded to the nearest \$1,000.
    - b. 50% of such estimated annual Standard Premium for the risk.
    - c. 150% of such estimated annual Standard Premium for the risk.

By agreement between the carrier and the insured rating values for any risk size greater than 150% of the total estimated Standard Premium or less than 50% of the total estimated Standard Premium may be either

- (i) included in the Risk Rating Value Table at the time it is determined originally, or
    - (ii) added to the Risk Rating Value Table at any time prior to the first adjustment, provided, with such subsequent additions, the Maximum Premium Factor the Loss Conversion Factor, and, if possible, the Minimum Premium Factor shall be the same as those shown on the original Risk Rating Value Table for the risk size nearest to the added risk size.
  2. In all computations of rating values for Plan D, the relative distribution of premium shall be the same for all Standard Premium sizes for which rating values are determined.
  3. For each risk size under Plan D, Basic Premium Factors shall be determined separately for Pennsylvania Coal Mine Workmen's Compensation insurance, for other Workmen's Compensation insurance, for other third party liability insurance, for automobile physical damage insurance, and for other subdivisions as may be desired or required.
- B. The calculation of the Retrospective Premium under the Plan requires:
1. Determination of the earned Standard Premiums for the risk.
  2. With respect to Plan D, determination of the final rating values for the risk by linear interpolation between adjacent values in the Risk Rating Value Table on the basis of the total earned Standard Premium. If the total earned Standard Premium is greater than the largest or less than the smallest Standard Premium amount exhibited in the Table of Rating Values, values for the nearest Standard Premium amount in the Table shall be used. The rating values so established shall be used for determination of the Retrospective Premium.
  3. With respect to Tabular Plans one (1) year and three (3) years, determine the Standard Premium for the risk based upon audited payrolls for the Rating Period extended at authorized Standard Rates. The term "Standard Premium" as used in this Plan shall mean that premium which is determined by the application of "Standard Rates" to the payrolls for the risk.  
 Determine the Ratable Standard Premium for the risk by elimination of the Non-Ratable Standard Premium. A specific portion of the Standard Traumatic Premium, which shall include the catastrophe charge and the excess loss premium, is held non-ratable and the remaining portion of the Standard Traumatic Premium, termed the "Ratable Standard Premium" is subject to the retrospective rating.  
 A specific portion of the Standard Premium is charged independently of the risk's losses and is designated "Basic Premium." Determine the Basic Premium for the risk by applying to the Ratable Standard Premium the appropriate Basic Premium percentage obtained from the Table of Rating Values applicable to the specific Plan selected.  
 With respect to Plan D, determination of the Basic Premium for the risk by applying each Basic Premium Factor separately to its corresponding portion of the total earned Standard Premium, the sum of the products so obtained is the Basic Premium for the risk.
  4. Determination of the Excess Loss Premiums for the risk where required, if limitation of losses has been elected in advance, by applying the appropriate Excess Loss Premium Factors, as determined by Table III, multiplied by the Loss Conversion Factor to the corresponding portion of the earned Standard Premium.  
 The term "Excess Loss Premium" as used in this Plan shall mean the excess loss rate times the payroll for the risk.
  5. Determination of the total losses incurred by the risk during the Rating Period: For Pennsylvania Coal Mine Workmen's Compensation insurance, actual incurred losses shall be used without limit unless the risk has elected in advance to limit the amount of ratable losses resulting from each accident. A risk with an estimated Standard Premium of \$100,000 or more may elect to limit the ratable workmen's compensation losses to \$25,000 for the combined Indemnity and Medical costs of a single accident provided such election is specified in advance. Loss limitation only in the amounts of \$50,000, \$100,000, \$200,000 or \$250,000 (80% of such selected value for ex medical coverage) may be selected for risks with Standard Premium in excess of \$100,000, provided the selected value is not greater than 50% of such Standard Premium.  
 In applying the per accident limit to losses occurring under the United States Longshoremen's and Harbor Workers' Compensation Act, such losses shall be deemed to include losses arising out of claims or suits for indemnity or contribution because of injuries sustained by Pennsylvania employees while engaged in employments within the provisions of said Act.  
 Any elected limitation on ratable losses shall apply to incurred losses as defined in Rule 7(a), Section I.

The incurred losses for other workmen's compensation, other third party liability lines, automobile physical damage, burglary and glass insurance, shall be subject to the limitations specified in the Retrospective Agreement.

In determining the available amount of loss limitation for Pennsylvania Coal Mine Workmen's Compensation insurance, the total risk standard premiums for all lines of insurance for the Rating Period shall be used.

In an accident involving any combination of deaths or injuries, the total cost of which exceeds five times the Coal Mine Average Value of Deaths and Permanent Totals under any classification for which the manual rate or rating basis requires a non-ratable catastrophe element, the workmen's compensation incurred losses shall be limited to the amount not in excess of five times the Average Value of Deaths and Permanent Totals for the accident, subject to any further limitation of ratable losses in accordance with Bureau Manual.

6. Conversion of losses by the application of the Loss Conversion Factor. The Loss Conversion Factor shall be applied to the losses incurred as defined in Paragraph 5 above to obtain the Converted Losses.
7. Addition of the Converted Losses to the Basic Premium and Excess Loss Premiums for the risk. Converted Losses obtained under Paragraph 6 above shall be added to the Basic Premiums obtained under Paragraph 3 above, and the Excess Loss Premiums obtained under Paragraph 4 above.
8. Multiplication of the sums of the Basic Premiums, the Excess Loss Premiums and Converted Losses by the appropriate Tax Multipliers. Each Tax Multiplier shall be applied separately to its corresponding portion of the sum of the Basic Premium, Excess Loss Premium and converted losses.
9. Subject to agreement between the insured and the carrier, the Standard Premium may then be multiplied by the product of the Retrospective Development Factor(s), the Loss Conversion Factor and the Tax Multiplier(s). When states having different tax multipliers and/or Retrospective Development Factors are involved, each tax multiplier shall be applied separately to its corresponding portion of the standard premium multiplied by its Retrospective Development Factor and the Loss Conversion Factor.
10. The sum of the products obtained in (8) and (9) above is the Retrospective Rating Premium subject to limitation as follows:
 

One (1) year Tabular Plan. Minimum and Maximum Retrospective Premiums determined by applying the appropriate percentages obtained from the Table of Rating Values.

Three (3) year Tabular Plan. Minimum and Maximum Retrospective Premiums determined by applying the appropriate percentages obtained from the Table of Rating Values.

Plan D. Maximum Retrospective Premium determined by applying the Maximum Premium Factor to the total earned Standard Premium. The Minimum Premium for the risk determined by applying the Minimum Premium Factor to the total earned Standard Premium.
11. When two or more states, in each of which Plan D has been approved on an interstate basis, are combined for rating, the individual state Basic, Minimum, and Maximum Premium percentages shall be those corresponding to the total Standard Premium for all states so combined. The Retrospective Premium for all states so combined shall be the sum of the indicated Retrospective Premiums for each state calculated in accordance with the foregoing procedure, subject to a Minimum or Maximum Premium for all states so combined which shall be the sum of the separate state Minimum and Maximum premiums. If the Minimum (or Maximum) Premium applies, the sum of the state products, for each state obtained in paragraphs (8) and (9) above shall be multiplied by the ratio of the Minimum (or Maximum) Premium to the sum of the products obtained in (10), to obtain the state Retrospective Premium for each state.

Note: Tabular Plans are written on an intrastate basis only.

#### SECTION IV - CANCELATIONS

1. If cancelation is effected by the insured, the following procedure shall apply:
  - a. The Minimum Retrospective Premium shall be the earned Standard Premium for the period the policy was in force extended on a short-rate basis.
  - b. The Basic Premium Factor shall be determined on the basis of the short-rate earned Standard Premium, as determined in (a), and shall be applied to such short-rate earned Standard Premium to determine the Basic Premium.

- c. The Excess Loss premium shall be determined by applying the appropriate Excess Loss Premium Factor, multiplied by the Loss Conversion Factor, to the short-rate earned Standard Premium as determined in (a).
  - d. If applicable, the Retrospective Development Premium shall be determined by applying the appropriate Retrospective Development Factor multiplied by the Loss Conversion Factor times the Tax multiplier to the short-rate earned Standard Premium as determined in (a).
  - e. The Maximum Premium Factor shall be determined on the basis of the earned Standard Premium for the period the policy was in force extended pro-rata to an annual basis, and shall be applied to such pro-rata annual Standard Premium to determine the Maximum Retrospective Premium.
  - f. The Retrospective Rating Premium shall then be calculated in the manner herein provided on the basis of these Basic, Excess Loss, Minimum Retrospective and Maximum Retrospective Premiums.
2. If cancellation is effected by the insurance carrier, the Retrospective Premium shall be calculated in accordance with Section III of this Plan. Such Premium will be determined throughout on the basis of the actual earned Standard Premium for the period from the Rating Date to the date of cancellation with the exception that in the event of cancellation by the insurance carrier for non-payment of premium the Maximum Retrospective Rating Premium shall be determined by applying the appropriate Maximum Premium Factor to the Standard Premium for the full year, obtained by extending the earned Standard Premium on a pro-rata basis.
3. If the cancellation (either by the insured or the carrier) involves only a part of the exposures of the risk which have been covered by the Plan, the procedure shall be as follows:
  - a. For that portion of the risk which has been canceled, the procedure provided in Rules 1 and 2 just preceding shall apply depending upon whether the cancellation has been effected by the insured or the insurance carrier.
  - b. For the determination of the Retrospective Rating Premium for that portion of the risk which continues under the Plan until the expiration of the Rating Period the following procedure shall apply:
    - (i) If partial cancellation has been effected by the Insured:

The Earned Standard Premium for the entire risk shall be the sum of the short-rate earned Standard Premium for the canceled portion and the earned Standard Premium for the non-canceled portion, each calculated in accordance with Rules IV-1 and I-5 respectively.

The Basic Retrospective Premium for the entire risk shall be determined by applying the appropriate factor to the earned Standard Premium for the entire risk as provided in this Rule. The Excess Loss Premium for the entire risk shall be determined by applying the appropriate state factors multiplied by the Loss Conversion Factor to the state earned Standard Premiums as provided in this rule. If applicable, the Retrospective Development Premium for the entire risk shall be determined by applying the appropriate state Retrospective Development Factors and Tax Multipliers, multiplied by the Loss Conversion Factor, to the state earned Standard Premiums as provided in this Rule. The Minimum Retrospective Premium for the entire risk shall also be the sum of the Minimum Retrospective Premiums for the canceled and non-canceled portions each determined separately as provided in Rules IV-1 and III respectively.

The Maximum Retrospective Premium for the entire risk shall be determined by applying the appropriate Maximum Premium Factor to the combined Standard Premium for the full year on both the non-canceled and canceled portions. (For the canceled portion, the earned premium shall be extended on a pro-rata basis.)
    - (ii) If cancellation is effected by the insurance carrier, the Retrospective Rating Premium for the entire risk will be determined throughout on the basis of the combined earned Standard Premiums of the canceled and non-canceled portions of the risk during that part of the Rating Period the respective policies were in force.
    - (iii) The Retrospective Rating Premium for the entire risk shall, of course, recognize as a credit the Retrospective Rating Premium which may have been collected for the canceled portion of the risk as determined in Rule 3-a above.

4. If the cancelation (either by the insured or the carrier) includes the entire exposures of the risk which have been covered by the Plan, the procedure provided in Rules 1 and 2 foregoing shall apply, based upon losses valued as of a date six months subsequent to the cancelation date. If all the exposures of the risk which are subject to the Plan are not included under a single policy and there is more than one date of cancelation the losses shall be valued as of a date six months subsequent to the cancelation date of the policy canceled last. In cases involving bankruptcy, liquidation, reorganization, receivership, assignment for benefit of creditors, or similar types of situations, where additional premium over the earned Standard Premium is indicated, a special advance valuation of losses may be made to determine the Retrospective Premium.

## **SECTION V - APPLICATION OF PLANS ON A THREE YEAR BASIS**

The rules and procedure governing the application of Pennsylvania Coal Mine Retrospective Rating Plan D shall apply, except as otherwise provided or supplemented in this Section.

### **General**

1. The Pennsylvania Coal Mine Retrospective Rating Plans may be applied to a risk on a three year basis.
2. All Workmen's Compensation policies and renewals thereof shall be written for a term of twelve months.

### **Eligibility Requirements**

3. A risk shall be eligible for rating under this Section of the Plans provided the estimated average annual Pennsylvania Coal Mine Standard Premium is at least \$15,000.

### **Retrospective Rating Procedure**

4. The experience for a risk rated under this section of the Pennsylvania Coal Mine Retrospective Rating Plans shall be reported annually as required under the Pennsylvania Coal Mine Workmen's Compensation Statistical Plan but the experience for the Rating Period shall be treated as a single unit for the purposes of retrospective adjustment.
5. The Retrospective Rating Plans, once elected, shall operate for thirty-six (36) months immediately following the Rating Date subject to Cancellation Provisions.
6. Rating values for Plan D shall be established for the total estimated Standard Premium for the Rating Period, 50% of such estimated premium, 150% of such estimated premium, and any risk sizes greater than 150% or less than 50% of such estimated premium as the insured and the carrier may select. Rating values for the Three (3) Year Tabular Retrospective Rating Plan shall be established for the estimated Standard Premium for the Rating Period in accordance with the Table of Rating Values.
7. The expense allowance incorporated in each set of rating values for Plan D shall be based on the sum of the expenses for each annual period corresponding to the estimated Standard Premium for that annual period. If the coverage for the entire Rating Period is all on the same expense gradation basis, the expense allowance may be determined on the basis of the estimated average annual Standard Premium, obtained by dividing the estimated total Standard Premium for the Rating Period by the estimated full duration of such Rating Period. The insurance charge, however, shall be based upon the estimated total Standard Premium for the entire Rating Period. Limitation of losses arising from a single accident is available on an optional basis in accordance with the rules of these Plans; the risk premium used to determine the applicability of loss limitation of \$15,000 per accident or higher shall be the estimated Standard Premium for the Rating Period. In determining rating value for 50% of the estimated premium, 150% of the estimated premium, or for any risk sizes greater than 150% or less than 50% of the estimated premium, the appropriate percentage of the estimated Standard Premium shall be used to determine the expense allowance and insurance charge.
8. Any revision of Tax Multiplier and Excess Loss Premium Factors shall be applied to policies under this Plan as of the first normal renewal date of the risk which is on or after the specified date of such revision, unless such revision is authorized for application to outstanding policies.

The Table or Tables of Rating Values applicable at the beginning of the rating period shall apply for the entire rating period. If applicable, the Retrospective Development Factors applicable at the beginning of the rating period shall apply for the entire rating period.

Except as provided in Section II the basic (exclusive of Excess Loss Premium Factors), Minimum, Maximum and Loss Conversion Factors initially established for Plan D shall not be recomputed on renewal dates.

9. In the computation of the Retrospective Rating Premium, the Basic Minimum and Maximum Premium Factors for three (3) year Tabular Plan shall be obtained from the appropriate special Table of Rating Values; and for Plan D shall be obtained from the Risk Rating Table by linear interpolation on the basis of the total earned Standard Premium for the Rating Period, and the losses shall be valued as of a date six months subsequent to termination of the Rating Period. Any further adjustments shall be in accordance with the rules of these Plans.

**Interim Adjustment of Premium.**

10. Provision may be made in the Retrospective Rating Agreement for interim tentative adjustment of premium for a risk rated under this Section.

**Cancellation of the Plan**

11. If cancellation of the Plan is effected by the insured either by cancellation or failure to renew a policy (or policies) prior to the termination of the three - year Retrospective Agreement, the following procedure shall apply:
- a. The Earned Standard Premium shall be determined as the sum of the audited Standard Premium for each completed period of twelve months of coverage and the short-rate Standard Premium for the remaining period.
  - b. The Minimum Retrospective Premium shall be equal to the Earned Standard Premium computed as specified in (a) above.
  - c. The Maximum Retrospective Premium Factor shall be determined on the basis of, and shall apply to, the Standard Premium for the entire Rating Period. For this purpose, the Standard Premium shall be computed as the sum of the Earned Standard Premium to the date of cancellation and the estimated Standard Premium for the balance of the three year period.
  - d. The Basic Premium Factor shall be determined on the basis of, and shall apply to the Earned Standard Premium computed as specified in (a) above.
  - e. The Excess Loss Premium shall be determined by applying the appropriate State Excess Loss Premium Factor, multiplied by the Loss Conversion Factor, to the State Earned Standard Premium computed as specified in (a) above.
  - f. If applicable, the Retrospective Development Premium shall be determined by applying the appropriate State Retrospective Development Factors, multiplied by the Loss Conversion Factor, multiplied by the appropriate State Tax Multipliers, to the State Earned Standard Premium computed as specified in (a) above.
  - g. The Retrospective Rating Premium shall then be calculated in the manner herein provided on the basis of these Basic, Excess Loss, Minimum and Maximum retrospective Premiums.
12. If cancellation is effected by the insurance carrier, the Retrospective Rating Premium shall be calculated in accordance with Section III and the applicable provisions of Section V of this Plan. Such Premium shall be determined on the basis of the actual earned Standard Premium for the risk from the inception of the Rating Period to the date of cancellation, except that, in the event of cancellation for non-payment of premium, the Maximum Retrospective Premium shall be determined as specified in 11(c) above. In the event of cancellation (either by the insured or the carrier), the first computation of the Retrospective Premium shall be made on the basis of the losses valued as of a date six months subsequent to the cancellation date. In cases involving bankruptcy, liquidation, reorganization, receivership, assignment for benefit of creditors, or similar types of situations where additional premium over the earned Standard Premium is indicated, a special advance valuation of losses may be made to determine the Retrospective Premium. In the application of a Retrospective Rating Plan under this Section, it shall not be permissible for either the insured or the carrier to cancel only a part of the operations under the Retrospective Rating Agreement.

**RATING SUPPLEMENT - RETROSPECTIVE RATING PLAN D - PENNSYLVANIA COAL MINE**

This Rating Supplement contains the rules governing the procedure for calculating rating values for Pennsylvania Coal Mine Workmen's Compensation insurance and other third party liability insurance.

In order that all risks having the same loss and expense elements shall receive proper treatment, regardless of the rating values selected, it is necessary that the selected rating values provide for expenses appropriate for the risk and the carrier and for loss elements corresponding to the Expected Losses in the approved rates.

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The Pennsylvania Coal Mine Plan D Procedure prescribes that rating values shall be determined for each of several risk sizes prior to the Rating Period. This procedure is necessary in order that rating values appropriate for the final earned Standard Premium will be available at the time of the first Retrospective Adjustment. The rules that follow relate to this preliminary determination of rating values.

## Rating Procedure Rules:

The procedure specified in these Rules is that required to determine Basic Premium and Excess Loss Premium Factors appropriate for the other rating values to be used in the rating.

1. Determination of the Total Estimated Annual Standard Premium for the risk. The total estimated Standard Premium shall be the premium which is determined by the application of "Standard Rates" to the estimated exposures for the risk and applying thereto any applicable experience modification. For other third party liability insurance the estimated Standard Premium shall be that corresponding to the accident limitations which are included within the Plan.

For other third party liability insurance, the term 'Standard Rates' as used in this Plan shall mean the authorized rates for the risk for accident limits no higher than the accident limitation which applies for retrospective rating purposes. Where aggregate limits are involved, the 'Standard Rates' shall be for aggregate limits no higher than the policy limits.

2. Determination of Expected Losses for the risk. The expected losses for Pennsylvania Workmen's Compensation insurance shall be determined by applying the Pennsylvania Expected Loss Factor of .6417 to the corresponding estimated Standard Premium. No deduction from the Expected Loss Factor shall be made because of any limitation of Workmen's Compensation losses which may be elected. The expected losses for other Workmen's Compensation insurance and other third party liability insurance shall be determined in accordance with the rules of the board or bureau having jurisdiction or in accordance with the filings of individual carriers, where such are applicable.

3. Determination of the Expense Allowance for the risk (excluding the provisions of the Tax Multipliers).

- a. The allowance for expenses (excluding taxes) and profit or contingency for Pennsylvania Workmen's Compensation insurance shall be determined from the "Table of Compensation Expense Ratios - Excluding Taxes" Table IV.

If Pennsylvania Coal Mine Workmen's Compensation insurance is combined with Pennsylvania Workmen's Compensation insurance or other states' Workmen's Compensation, the expense ratio (excluding taxes) applicable to Pennsylvania Coal Mine Workmen's Compensation premiums shall be determined from the "Table of Compensation Expense Ratios - Excluding Taxes" on the basis of the total Workmen's Compensation premium for all states included in the Retrospective Agreement. The expense allowance for other states shall be in accordance with the approved values for such states.

- b. The allowance for expenses (excluding taxes) and contingencies for other third party liability shall be determined in accordance with the approved rate filing for the carrier, and in no event shall be less than the sum of

1. 15% of the first \$30,000 of the Standard Premium for other third party liability, and
2. 10% of the next \$70,000 of Standard Premium in excess of the first \$30,000 of Standard Premium for other third party liability, and
3. 7.5% of Standard Premium over \$100,000 of Standard Premium for other third party liability.

- c. If the rating period exceeds one year, the expense provisions shall be determined on the basis of the average annual Standard Premium. The three - year Table M values shall apply to risks with a Rating Period of three years or more; the one - year Table M values shall apply to risks with a Rating Period of less than three years.

4. Tax Multipliers. The Tax Multipliers applicable to Pennsylvania Coal Mine Workmen's Compensation insurance shall be used. In determining the Retrospective Premium for a risk the Tax Multipliers shall be applied separately by state and line of insurance. In determining the table of risk rating values, however, the carrier may use either a weighted average of the actual Tax Multipliers or a standard average of 1.04.

5. Determination of Basic Premium Factors.

- a. Basic Premium Factors shall be computed separately for Pennsylvania Coal Mine Workmen's Compensation insurance, for other Workmen's Compensation insurance, and for other third party liability insurance, with such further subdivisions as may be desired or required.

- b. Each Basic Premium Factor shall contain a provision for expenses equal to the applicable expense allowance (excluding the provisions of the Tax Multiplier) reduced by the provision for expenses in the Loss Conversion Factor.
  - c. Each Basic Premium Factor shall contain an insurance charge comprising the product of the converted loss ratio (Expected Loss Ratio x Loss Conversion Factor) and the difference between the charge for the maximum limitation and the saving from the minimum limitation. Rating values shall be selected so that the charge for the maximum limitation is equal to or greater than the saving from the minimum limitation. The charge for the maximum limitation shall be determined from Table M to correspond with:
    - 1. The total of all Expected Losses for the risk as determined in Rule 2.
    - 2. The ratio of the losses underlying the Maximum Premium to the total Expected Losses for the risk.The saving from the minimum limitation shall be determined from Table M to correspond with:
    - 1. The total of all Expected Losses for the risk as determined in Rule 2.
    - 2. The ratio of the losses underlying the Minimum Premium to the total Expected Losses for the risk.
  - d. Subject to the approval of the Bureau, carriers may use any procedure for calculating rating values provided such procedure does not result in a discrepancy of more than one-half per cent of Standard Premium from the sum of the values determined in accordance with the procedure specified in subsections (b) and (c) of this rule, for the estimated Standard Premium size for which the rating values are being established.
6. Determination of Excess Loss Premium Factors. The Pennsylvania Coal Mine Excess Loss Premium Factors shall be determined from Table III. The Excess Loss Premium Factor shall be multiplied by the Loss Conversion Factor as provided in Table of Rating Values.
7. Determination of the Rating Values to Correspond with Other Risk Sizes Used in the Risk Rating Value Table. The procedure in Rules 3, 5, 6 above shall also be followed in the calculation of rating values for premium sizes greater and less than the total estimated Standard Premium.
- The relative distribution of premium shall be the same for all Standard Premium sizes for which rating values are determined.

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**TABLE I**  
**ONE YEAR TABULAR RETROSPECTIVE RATING PLAN**  
**TABLE OF RATING VALUES - EFFECTIVE: January 1, 1985**

Rating Formula: Retrospective Premium = (Basic Premium + Losses x Loss Conversion Factor) x Tax Multiplier, subject to Minimum and Maximum Retrospective Premiums.

Loss Conversion Factor = 1.115; Tax Multiplier - See rate pages, Section 2; Loss Limitation = maximum per claim as authorized.

Ratable Standard Premium	Basic Prem.	Min. Prem.	Max. Prem.	Ratable Standard Premium	Basic Prem.	Min. Prem.	Max Prem.
5,000	62.9	75.0	155.0	140,000	30.0	43.0	123.0
7,500	55.0	72.5	154.0	150,000	29.7	42.8	122.8
10,000	50.6	70.0	150.0	160,000	29.5	42.5	122.5
12,500	49.0	68.0	148.0	170,000	29.3	41.3	121.3
15,000	47.1	66.0	146.0	180,000	29.1	40.7	120.7
17,500	46.0	64.5	144.5	190,000	29.0	40.2	120.2
20,000	44.5	63.0	143.0	200,000	28.8	39.6	119.6
22,500	43.3	62.5	142.5	220,000	28.6	39.0	119.0
25,000	42.3	62.0	142.0	240,000	28.4	38.5	118.5
27,500	41.6	61.3	141.5	260,000	27.8	38.0	118.0
30,000	41.0	60.5	140.5	280,000	27.2	37.6	117.6
32,500	40.3	60.3	140.3	300,000	26.8	37.1	117.5
35,000	39.5	60.0	140.0	320,000	26.5	36.8	117.1
37,500	38.8	59.5	139.5	340,000	26.1	36.6	116.9
40,000	38.0	59.0	139.0	360,000	25.8	36.4	116.4
42,500	37.5	58.8	138.8	380,000	25.3	36.1	116.2
45,000	37.0	58.5	138.5	400,000	25.0	35.9	115.9
47,500	36.6	58.0	138.0	420,000	24.6	35.7	115.7
50,000	36.0	57.5	137.5	440,000	24.3	35.4	115.5
55,000	35.0	57.0	137.0	460,000	23.8	35.2	115.2
60,000	34.4	56.5	136.5	480,000	23.5	35.0	115.0
65,000	33.8	55.8	135.8	500,000	23.3	34.8	114.8
70,000	33.0	55.0	135.0	550,000	23.1	34.2	114.3
75,000	32.6	54.3	134.3	600,000	23.0	33.6	113.6
80,000	32.1	53.5	133.5	650,000	22.8	33.3	113.3
85,000	31.9	52.8	132.8	700,000	22.5	33.0	113.0
90,000	31.1	52.0	132.0	750,000	22.3	32.8	112.8
95,000	31.0	51.0	131.0	800,000	22.0	32.6	112.6
100,000	30.9	50.0	130.0	850,000	21.9	32.4	112.4
110,000	30.6	47.5	127.5	900,000	21.7	32.2	112.2
120,000	30.3	45.0	125.0	950,000	21.3	32.0	112.0
130,000	30.1	44.0	124.0	1,000,000	21.1	31.8	111.8
				And Over			

Note: If the Ratable Standard Premium falls below \$5,000, the percentage listed in the Table of Rating Values for \$5,000 shall apply. If the Ratable Standard Premium for a policy lies between any two of the figures in the Ratable Standard Premium column, the percentages shall apply on the basis of the lower of such amounts.

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**TABLE II**  
**THREE YEAR TABULAR RETROSPECTIVE RATING PLAN**  
**TABLE OF RATING VALUES - EFFECTIVE: January 1, 1985**

Rating Formula: Retrospective Premium = (Basic Premium + Losses x Loss Conversion Factor) x Tax Multiplier, subject to Minimum and Maximum Retrospective Premiums.

Loss Conversion Factor = 1.115; Tax Multiplier - See rate pages, Section 2; Loss Limitation = maximum per claim as authorized.

Ratable Standard Premium	Basic Prem.	Min. Prem.	Max. Prem.	Standard Premium	Ratable Basic Prem.	Min. Prem.	Max. Prem.
15,000	48.8	66.0	146.0	160,000	29.8	42.2	122.2
17,500	46.5	65.1	145.0	170,000	29.5	41.5	121.5
20,000	45.0	64.2	144.0	180,000	29.3	40.7	120.7
22,500	43.0	63.3	143.0	190,000	29.1	40.2	120.2
25,000	41.8	62.4	142.0	200,000	28.9	39.6	119.6
27,500	40.6	61.5	141.0	220,000	28.6	39.0	119.0
30,000	39.4	60.5	140.5	240,000	28.3	38.5	118.5
32,500	38.5	60.1	140.1	260,000	27.8	38.0	118.0
35,000	37.9	59.7	139.7	280,000	27.4	37.6	117.6
37,500	37.0	59.4	139.4	300,000	27.2	37.1	117.5
40,000	36.5	59.1	139.1	320,000	27.0	36.8	117.1
42,500	36.0	58.8	138.8	340,000	26.8	36.6	116.9
45,000	35.7	58.4	138.5	360,000	26.4	36.4	116.4
47,500	35.0	58.0	138.0	380,000	26.0	36.1	116.2
50,000	34.1	57.6	137.5	400,000	25.8	35.9	115.9
55,000	33.8	56.8	137.0	420,000	25.5	35.7	115.7
60,000	33.2	56.5	136.5	440,000	25.0	35.4	115.5
65,000	32.5	55.7	135.7	460,000	24.8	35.2	115.2
70,000	32.0	55.0	134.9	480,000	24.6	35.0	115.0
75,000	31.8	54.2	134.2	500,000	24.4	34.8	114.8
80,000	31.6	53.5	133.5	550,000	24.0	34.2	114.3
85,000	31.4	52.7	132.8	600,000	23.6	33.6	113.6
90,000	31.2	52.0	132.0	650,000	23.4	33.3	113.3
95,000	31.1	50.0	130.0	700,000	23.2	33.0	113.0
100,000	31.0	48.0	128.0	750,000	23.0	32.8	112.8
110,000	30.8	46.0	126.5	800,000	22.9	32.6	112.6
120,000	30.6	45.0	125.0	850,000	22.6	32.4	112.4
130,000	30.3	44.3	124.3	900,000	22.3	32.2	112.2
140,000	30.1	43.6	123.6	950,000	22.0	32.0	112.0
150,000	30.0	42.9	122.9	1,000,000	21.8	31.8	111.8
				And Over			

Note: If the Ratable Standard Premium falls below \$15,000, the percentage listed in the Table of Rating Values for \$15,000 shall apply. If the Ratable Standard Premium for a policy lies between any two of the figures in the Ratable Standard Premium column, the percentage shall apply on the basis of the lower of such amounts.

**TABLE III**  
**DETERMINATION OF EXCESS LOSS PREMIUM FACTOR**

The Pennsylvania Coal Mine Workmen's Compensation Excess Loss Premium Factor shall be determined from this table.

Excess Loss Premium Factor For Limitation Per Accident

\$ 10,000	.544
15,000	.518
20,000	.493
25,000	.485
30,000	.443
40,000	.403
50,000	.366
75,000	.288
100,000	.227
125,000	.184
150,000	.138
175,000	.124
200,000	.101
250,000	.071
300,000	.053
400,000	.043

TABLE IV

## PENNSYLVANIA COAL MINE RETROSPECTIVE RATING PLAN D

Table of Compensation Expense Ratios - Excluding Taxes and Including Profit and Contingencies For  
STOCK CARRIERS

<u>Standard Premium</u>	<u>Expense Ratio</u>
5,000	29.71
7,500	29.45
10,000	29.22
15,000	28.99
20,000	28.83
25,000	28.69
30,000	28.56
35,000	28.44
40,000	28.33
45,000	28.22
50,000	28.11
60,000	28.00
70,000	27.89
80,000	27.78
90,000	27.67
100,000	27.57
120,000	27.46
140,000	27.36
160,000	27.25
180,000	27.15
200,000	27.05
240,000	26.95
280,000	26.89
320,000	26.84
360,000	26.79
420,000	26.74
480,000	26.69
540,000	26.64
600,000	26.59
770,000	26.54
840,000	26.48
960,000	26.43

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## RULINGS AND INTERPRETATIONS

This digest of rulings and interpretations is published for the convenience and guidance of the members of the Bureau and does not bear the official approval of the Insurance Commissioner. This information conforms to the rulings and interpretations as published in the Pennsylvania Compensation Rating Bureau Manual. These rulings and interpretations are based upon decisions made on individual risks, or they represent established practices. Each item has been approved for publication herein by the Governing Committee.

Rulings and interpretations should generally be followed for underwriting purposes in the case of risks which appear to come within their stated provisions. If risks involve conditions or operations which appear to be exceptions, such exceptions should be referred to the carrier and the Bureau.

### EXECUTIVE OFFICERS - MULTIPLE CORPORATE ENTERPRISES:

An executive officer may either receive a salary from only one or from several corporations insured under one policy. In other instances several policies may be issued to cover several corporations and an executive officer may receive a salary from each of these corporations. The following procedure shall apply in these instances:

Where it is permissible to include more than one corporation on a single policy and such corporations are insured by a single carrier whether under one or more policies, the several corporations shall be considered as a unit with respect to the application of the Executive Officers Rule. In all other cases the rule shall apply on a policy basis.

### EXECUTIVE OFFICERS REMUNERATION - TREATMENT OF:

The remuneration of executive officers shall be treated in accordance with the following procedures:

1. The remuneration of an executive officer shall not be included with the payroll of the risk for premium computation purposes, provided:
  - (a) That such officer is elected for the value of his or her name or because of stock holdings, has no duties and does not come on the premises, except perhaps to attend directors' meetings.
  - (b) That such officer because of age or for other reasons, ceases to perform any duties and does not come on the premises, except perhaps to attend directors' meetings.
2. The remuneration of an executive officer shall be included with the payroll of the risk for premium computation purposes, subject to the minimum and maximum provisions of the Basic Manual, provided:
  - (a) That such executive because of age or for other reasons, ceases to perform any duties, but, nevertheless, frequently visits the premises of the risk.
  - (b) That such officer frequently visits the premises of the risk for business conferences, directors' meetings or similar duties although also an officer or employee of another risk in the operations of which he takes an active interest.
3. Under the following conditions, the amount of remuneration of executive officers which shall be included with the payroll of the risk for premium computation purposes, subject to the minimum and maximum amounts of the Basic Manual, shall be as indicated below:
  - (a) Where the officer draws no salary in fact, but a regular salary is credited to him or her on the books, the amount so credited shall be included in the payroll of the risk as his or her remuneration.
  - (b) Where the officer draws no salary in fact, but a regular salary is credited to him or her on the books and subsequently charged back to such officer, the amount so credited shall be included in the payroll of the risk as his or her remuneration regardless of such charge off.
  - (c) Where the officer draws no regular salary but draws such various sums as his or her needs or the conditions of the business dictate, the actual amount drawn shall be included in the payroll of the risk as his or her remuneration.
  - (d) Where the officer receives no salary in fact, either drawn or credited, or where the records presented to the auditor fail to disclose the salary, the amount to be included in the payroll of the risk shall be the applicable manual minimum per week.

### NAME OF INSURED

In addition to providing the complete legal name of the insured, carriers shall designate such fictitious name shown on the information page by the symbol D.B.A. (doing business as). If a fictitious name is shown on an endorsement in the same designation, D.B.A. shall also be shown. A fictitious name is a business name which is not the legal name of the insured.

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Some individuals are known by two or more complete names. If a carrier shows the additional names of such an insured individual, it shall designate each additional name by the symbol A.K.A. (also known as).

Each information page or applicable endorsement shall identify every corporate name which does not include the words "incorporated" or "corporation" in said name by the designation (A Corp.) following the name.

The effective date of any change, addition or deletion in the name of the insured shall be shown on the endorsement.

When issuing an endorsement to reflect a change in ownership, the following procedure shall be followed:

1. If the endorsement contains the complete name of the insured as it will be on the effective date of the endorsement, the name should then be preceded by the phrase "Name is changed to . . ."
2. If the endorsement does not contain the complete name of the insured, the change should be preceded by the phrase "Name is added . . ." or "Name is deleted . . ."
3. Name and address changes should be effected on a separate endorsement and not in conjunction with other policy amendments.

### PENNSYLVANIA NOTICE (INSURANCE CONSULTATION SERVICES EXEMPTION ACT)

The Pennsylvania Notice is designed for use in all lines of insurance including Workmen's Compensation. This Notice should be attached to all policies, new and renewal, as of January 1, 1981 and thereafter. Senate Bill 1406 states that exemption from liability applies only for Insureds furnished with a written explanation of the Act. Therefore, failure to attach this Notice to your policy forfeits the exemption it provides.

The attached notice explains that a carrier may provide certain services which propose to reduce the likelihood of injury, death or loss. These services include surveys, consultation or advice, or inspections. They are exempt from liability when this Notice is attached to the insurance policy. It also lists the situations in which the exemption from liability does not apply.

### POLICY CORRECTIONS

If the Bureau finds that a policy requires correction to conform to Manual rules or classifications, the carrier shall be notified by letter. Such policy shall be corrected and a copy of the correcting endorsement shall be submitted to the Bureau no later than thirty (30) days after notification.

### POLICY WRITING PROCEDURE

#### A. Policy Numbers

The policy number designated by the carrier at policy issuance must remain constant and must be used on all endorsements and other documents related to that policy. If a portion of the policy number is designated at inception as the "key" policy number, such designation must be clearly identified on the policy information page and the "key" number must be used on all endorsements and other documents related to that policy.

#### B. Renewal Policy Numbers

The information page of each renewal policy shall identify the policy number of the policy which it renews, in accordance with A. above. This procedure also applies to rewritten policies. The word "same" should be used to indicate that the same policy number has been used on renewal. The word "new" should be used to indicate a newly issued policy.

### FILING AND APPROVAL OF ENDORSEMENTS PROCEDURE (Bureau Circular)

The provisions of each endorsement applicable in Pennsylvania, as developed by the appropriate committees of the Bureau, will be filed by the Bureau with the Department, requesting approval thereof on behalf of all members who have furnished the General Manager of the Bureau with a Power of Attorney to so file on their behalf.

Individual filing with the Department will not be required for any carrier who has executed the Power of Attorney, with respect to the provisions of endorsements which have been filed by the Bureau and approved by the Insurance Department.

Following approval by the Department of the provisions of endorsements filed by the Bureau, a circular letter will be issued by the Bureau notifying the members of the Bureau of such approval.

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A specimen copy of each approval endorsement form, prepared by the carrier, shall be filed with the Bureau, accompanied by a letter certifying to the following:

- (a) That the form of the endorsement is exactly in accord with the form as approved by the Insurance Department.
- (b) That the minimum requirements of the Insurance Department with respect to execution, name of carrier, etc., as outlined in Compensation Circular P-62, dated July 22, 1954 have been complied with.
- (c) That the form number of the endorsement is separate and distinct from that assigned to any previously approved Pennsylvania Workmen's Compensation form.

When specimen copies of each approved endorsement form have been placed on file in the Bureau, no further action will be necessary to authorize use of such endorsements by those carriers on whose behalf the filing was made.

It is anticipated that all carriers will avail themselves of this simplified procedure. In the event a carrier chooses not to furnish the Bureau with a Power of Attorney, that carrier must continue to secure individual approval of its endorsements from the Insurance Department.

**COAL MINE COMPENSATION RATING BUREAU  
OF PENNSYLVANIA**

COMMERCE BUILDING — SUITE 403  
300 NORTH SECOND STREET

HARRISBURG, PENNSYLVANIA 17101

December 19, 1991

**DALE W. BROADWATER**  
EXECUTIVE DIRECTOR

**TELEPHONE**  
717-238-5020

**COMPENSATION CIRCULAR CM-314**

TO: All Coal Mine Compensation Insurance Carriers  
FROM: Dale W. Broadwater, Executive Director  
RE: Proposal CM-2-1991  
Statistical Plan - Use of Tabular Values  
  
Proposal CM-3-1991  
Statistical Plan - Occupational Disease Form  
  
Proposal CM-4-1991  
Statistical Plan - Traumatic Unit Reports - 6th to 10th

On December 12, 1991, the Pennsylvania Insurance Department approved the three captioned proposals. These proposals are the result of the Audit Report of the Bureau's operations, and were announced in Compensation Circular CM-308, dated April 10, 1991.

Proposal CM-2-1991 provides for a separate table section in the Statistical Plan, together with detailed instructions on the use of the tables. This proposal was modified on September 16, 1991 as a result of a mail vote to update the tables for the 1979-81 mortality. The approved proposal includes the updated mortality.

Proposal CM-3-1991 creates a new form, PA/OD 92, an individual claim reporting form specifically designed for occupational disease claims.

Proposal CM-4-1991 extends the traumatic unit reporting requirements through 10th report level.

These new requirements/tables/form will be required for all claims valued as of April 30, 1992. The new Statistical Plan pages will be printed and distributed well before the April 30, 1992 evaluation date so that any questions on the new proposals can be addressed prior to the deadlines.

DWB:jb

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## **INTRODUCTION**

1. This Plan contains the necessary instructions for the reporting of experience on the Coal Mine direct business written by the carrier for workers' compensation, voluntary compensation and employers' liability insurance in Pennsylvania. Acting under the direction of the Insurance Commissioner, you are hereby instructed to file your experience in accordance with the requirements outlined herein.
2. The instructions set forth in this Plan apply to all policies involving Coal Mine classifications. All coal mining reports should be filed with the Coal Mine Compensation Rating Bureau of Pennsylvania, Commerce Building, 300 North Second Street, Suite 403, Harrisburg, PA 17101. On policies involving both coal mining and commercial classifications, report the experience under coal mining classifications to the Coal Mine Rating Bureau, and the experience under commercial classifications to the Pennsylvania Compensation Rating Bureau.
3. The instructions set forth in this Plan are applicable to the reporting of all experience for all calendar / accident years for all report levels required to be filed with the Coal Mine Compensation Rating Bureau on or after January 1, 2000.
4. Whenever a change is made in these instructions, the appropriate page will be reprinted and the change will be identified by an asterisk (\*) in the outer margin of the reprinted page. The effective date of the reprint will be shown at the top of the page.
5. Exposure under this Plan always means payroll unless otherwise specified. Payroll and the resulting premium, minimum premium and earned premium are subject to Calendar Year reporting.
6. Losses, of all types including Occupational Disease, are reportable on the Calendar Year basis.

## **UNIT STATISTICAL PLAN**

### **SECTION I - GENERAL RULES**

#### **A. Scope of Report.**

A report must be filed for every policy insuring liability under the Pennsylvania Workers' Compensation and Occupational Disease Acts, the Federal Coal Mine Health and Safety Act and for every Voluntary Compensation policy providing coverage in Pennsylvania. All reports must be filed with the Coal Mine Compensation Rating Bureau of Pennsylvania, Commerce Building, 300 North Second Street, Suite 403, Harrisburg, PA 17101.

#### **B. Recording of Statistics.**

Carriers may use any method for the recording of statistics, including any type of record format convenient to their statistical and account procedures, and codes other than those set forth in this plan, provided only that statistics can be reported by the carrier within the required time frames using the codes and record format provided in this plan, or any other format with the specific approval of the Bureau.

#### **C. Special Reportings.**

When a special reporting of individual risk experience is required for experience rating purposes, such reporting will be requested by the Coal Mine Compensation Rating Bureau.

#### **D. Uncollectible Premiums and Corresponding Losses.**

All earned premiums, whether collectible or not, shall be reported. Likewise, the corresponding exposure and losses shall be reported.

#### **E. Reinsurance.**

No deductions shall be made from earned premiums and incurred losses for, or on account of, reinsurance ceded. Premiums earned and losses incurred on account of reinsurance received by the reporting carrier shall be excluded from the experience.

#### **F. Excess Insurance**

Experience on excess insurance policies must be excluded from the experience reported under this Plan.

#### **G. Coal Mine Risks**

All coal mining reports should be filed with Coal Mine Compensation Rating Bureau of Pennsylvania, Commerce Building, 300 North Second Street, Suite 403, Harrisburg, PA 17101. On policies involving both coal mining and commercial classifications, report the experience under coal mining classifications

to the Coal Mine Rating Bureau, and the experience under commercial classifications to the Pennsylvania Compensation Rating Bureau.

#### H. Fine System

The reporting requirements and dates established by this Statistical Plan shall apply to all members of the Bureau, and include all policies providing coverage described by coal mine classifications. Any reports, which do not comply, without exception, shall be subject to the fine system approved by the Pennsylvania Insurance Commissioner. This fine system applies to the unit reports and individual case reports, where required.

The fine system, as approved, will function as follows:

1. On or before March 15 of each year, the Bureau will mail to the carrier of record, a listing of their policies providing coverage during the prior calendar year. The listing shall specify at least the following information: named insured, policy number, and policy dates. Each carrier shall review this listing prior to May 1 and report any differences (deletions or additions) to the Bureau on or before June 1.

On or before March 15 of each year, the Bureau will mail to the carrier of record, a listing of their open traumatic claims for those calendar / accident years where the evaluation update will constitute the 2nd through 10th reports. Each such claim must be updated. If no change occurs from the previously reported values or status, a response to the effect of "No Change" must be filed.

On or before March 15 of each year, the Bureau will mail to the carrier of record, a listing of their pending occupational disease claims, separately for State and Federal coverages, as well as a listing of their occupational disease claims in a payment mode that also includes future payments. It will be necessary to update such items as: claim status, date of death if applicable, changes in paid amounts, changes in future values and changes in dependency. If no change occurs from the previously reported values or status, a response to the effect of "No Change" must be filed.

2. On the first Wednesday after June 30 of each year, the Bureau will prepare and transmit the first listing indicating the reports due but not yet received. No fine shall be levied as a result of this first listing as its purpose is to notify the carrier of those reports not officially received in a completed fashion. This listing gives all the carriers the opportunity to respond with the appropriate reports and avoid any fines.
3. On the first Wednesday after July 31, a second listing shall be prepared and transmitted indicating those initial reports or corrections which are now classified as overdue. Any reports not received by July 31 will be subject to the fine system.
4. On the first Wednesday after August 31, a third listing shall be prepared and transmitted indicating those reports not received as of August 31. Any report listed as overdue on the third listing shall be subject to the fine system.
5. At the expiration of each month thereafter, the Bureau will provide a listing of reports not received with each report subject to the fine system.
6. In order to avoid a fine, the report must be physically in the possession of the Bureau on or before July 31. Any phone call reports, reports not submitted on the approved Statistical Plan forms, or reports transmitted, but not yet received, will be subject to the fine system.
7. Any listing requiring a fine will be followed by an invoice for payment. The payment of the fine is required within thirty days of the date of the invoice.
8. The fine schedule shall be as follows:

1st Listing as of June 30	No Fines
2nd Listing as of July 31	\$10 per report
3rd Listing as of August 31	\$25 per report
4th and Subsequent Listings	\$50 per report

**SECTION II - REPORTING REQUIREMENTS****A. Rules Common to Premiums and Losses****1. Form of Report.**

Reports consist of experience cards comprising an exhibit of exposures, premiums and losses, together with individual case reports of accidents in accordance with the requirements set forth in the rules of this Plan. The required forms for reporting the data may be ordered from the National Council on Compensation Insurance. All submissions **MUST** be typed or clearly printed. A list and description of the various forms follows:

<u>FORM NO.</u>	<u>DESCRIPTION</u>
NC2957	First Reporting
NC2913	Supplemental Loss Reporting
NC2957	Revised Exposures and Premiums
NC2957	Revised Loss Reporting
NC-1047	Individual Case Report
28-68	Letter of Transmittal
PA/OD-92	Occupational Disease Claim Form
CM-295	Traumatic Paid vs. Outstanding
----	Underwriting Census Data

**2. Estimated Audits.**

If for any reason data is unavailable to the carrier before the filing date, an estimated audit must be filed with the Bureau and the Policy Condition Field "Estimated Exposures" shall be marked with the symbol "Y".

**3. Fractions of Dollars.**

Report all payrolls, premiums and losses in whole dollars only. Weekly wages and weekly benefits are in dollars and cents.

**4. Method of Transmittal.**

Experience reports shall be transmitted to the Bureau with a letter of transmittal, Form 28-68, signed by the responsible officer of the carrier. The use of a stamped signature is permissible.

**5. Dates.**

All dates shall be reported using a numeric designation, e.g. April 1, 1998 should appear as 04-01-98.

**6. Policy Information.**

a. Report Number. In the space provided in the upper left hand corner of Form NC2957 or NC2913 report the two digit numeric code that corresponds to the valuation date.

(1) First Reports are to be valued by April 30, and must be filed with the Bureau as of June 30 of each year, to include from the effective date of the policy, payrolls and premiums audited and earned during the previous Calendar Year through December 31.

(2) Subsequent Reports.

Second through Closure are required.

b. Correction Report Number. Report the 2-digit sequential number that corresponds to the number of correction reports submitted within a particular report level.

Example: 3rd correction to a first report = Report Number "01", Correction Number "03". Report blanks for original report level submissions on hard copy.

c. Correction Type. Report the 1-position alphabetic code that indicates the type of correction report being submitted. Applicable only to correction reports.

H - Header Record Correction

E - Exposure Record Correction (First Reports Only)

L - Loss Record Corrections

T - Total Record Correction

M - Correction to Multiple Record Types

- d. Carrier Code. The carrier code shall be inserted in the space provided. Refer to Table A or the National Association of Insurance Commissioners for the appropriate 5-digit code number.
- e. Policy Number. The complete policy number must be shown on the unit report AND MUST AGREE WITH THE NUMBER SHOWN ON THE POLICY DECLARATIONS. The complete policy number including prefixes and suffixes, if used, must remain the same throughout the life of the policy. In those cases where a policy is renewed by a renewal certificate, the policy number must be shown. If the carrier desires, the certificate number may also be shown under the field Certificate Number.
- f. Policy Effective Date. The effective date should correspond exactly with that shown on the policy declaration or endorsements attached thereto. In the case of an interstate policy endorsed after its effective date to provide coverage for Pennsylvania, the effective date shown on the risk report for Pennsylvania shall be indicated in the space captioned State Effective Date.
- g. Policy Expiration Date. The expiration date shall be the expiration date shown on the policy declaration unless the policy is cancelled. In that event, the cancellation date shall be recorded as the expiration date.
- h. Exposure State. Report the 2-digit numeric code that represents the state in which coverage has been reported.

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- i. State Effective Date. The date coverage begins in Pennsylvania on a multistate policy where Pennsylvania is added mid-term. Otherwise leave blank.
  - j. Risk ID Number. The Risk ID Number is not required by the Bureau.
  - k. Correction Type. Report the 1-position alphabetic code that indicates the type of correction report being submitted. Applicable only to correction reports.
  - l. Insured Name. Report the name of the person or business with whom an insurance contract is made and who is specifically designated by name in Item 1 of the policy information page or an endorsement.
  - m. Insured Address. The Insured Address is not required by the Bureau.
  - n. Federal Employer ID Number. Not required.
  - o. Modification Effective Date. Report the Modification Effective Date only when different from the policy effective date. If the modification changes in accordance with Experience Rating Plan Manual rules, report the effective date of the modification which applies to the reported exposure(s). If the anniversary rating date is different from the policy effective date, then the modification effective date equals the anniversary rating date.
  - p. Rate Effective Date. Report the Rate Effective Date only when different from the policy effective date. If the rating value changes in accordance with manual rules, report the effective date which applies to the reported class code(s) and exposure(s).
7. Policy Conditions.  
Report the 1-position code for each policy condition which is indicated by a "Y" in the appropriate box for each condition that applies: three-year fixed rate indicator, multistate policy indicator, estimated exposure indicator, retrospective rated indicator, cancelled mid-term indicator and managed care organization indicator.
8. Policy Type ID Code.  
Identifies the type of coverage, plan indicator and non-standard provisions of the policy.

#### Type of Coverage

<u>Code</u>	<u>Description</u>
01	Standard Workers Compensation Policy

#### Plan Type

<u>Code</u>	<u>Description</u>
01	Voluntary Policy
02	Normal Assigned Risk Policy

**Non-Standard Type**

<u>Code</u>	<u>Description</u>
01	Non-Standard Code Does Not Apply
02	Voluntary Coverage Not Mandatory by State Act

## 9. Deductible Type.

Report the 4-digit code that identifies the type of deductible being reported.

**First Two Positions**

<u>Code</u>	<u>Description</u>
01	Medical Losses Only
02	Indemnity Losses Only
03	Medical & Indemnity Losses

**Second Two Positions**

<u>Code</u>	<u>Description</u>
01	Per Claim
02	Per Accident
03	Per Policy
04	Percent of Cost Claim
05	Percent of Premium
06	Coinsurance Only
07	Benefits Coinsurance
08	Per Accident Coinsurance
09	Per Policy & Accident

## 10. Deductible Percent.

Report the whole percent of the deductible to be paid by the insured, if applicable, as defined by the deductible program. Applicable only with deductible types 0104, 0105, 0204, 0205, 0304, and 0305.

## 11. Deductible Amount Per Claim / Accident.

Report the loss amount by claim / accident to be paid by the insured, if applicable, as defined by the deductible program.

## 12. Deductible Amount Aggregate.

Report the maximum loss amount for all claims to be paid by the insured, if applicable, as defined by the deductible program.

## 13. Carrier Use Field.

Use this space to identify the calendar year portion of the policy period being reported.

**B. Exposure Information**

## 1. Update Type.

Report the 1-position alphabetic code that identifies the activity of an exposure record.

<u>Code</u>	<u>Description</u>
P	Previously Reported
R	Revised

## 2. Exposure Coverage.

Report the code indicating the Act (Law) under which the exposure for this record's class code is associated.

<u>Code</u>	<u>Description</u>
01	State or Federal Act, excl. USL&HW
02	USL&HW "F" or non "F" Coverage

## 3. Class Code.

Report the code corresponding to the insured's classification determined according to classification rules of the Bureau and published in the Statistical Plan Manual.

**4. Governing Classification.**

The governing classification for each Unit Report is determined on the basis of the payrolls developed in the policy period. The governing classification is defined as that classification, other than the Standard Exception Classifications - Codes 951 and 953 - which carries the largest amount of payroll.

**5. Exposure Amount.**

- a. Payrolls reported must be audited payrolls even on minimum premium risks. When a final audit has not been made at the time of filing a report, the policy condition field Estimated Exposures should be marked with the symbol "Y".
- b. Payrolls must be appropriately separated as of the effective date of the changes whenever there is a change in experience modification.
- c. The total payroll is to be shown in the appropriate space provided on the line captioned Total Standard Exposures. In cases where more than one unit card is required for filing the experience under a given policy, it is important that the risk totals be shown on the last unit card.
- d. The payroll exposures for non-ratable (supplemental and catastrophe loadings) portions are not to be included in the Total Standard Exposure.

**6. Carrier's Manual Rate.**

The carrier's manual rates as shown in the compensation policy shall be shown against the classifications and payrolls to which they are applicable. The carrier's manual rate is the Bureau manual loss cost times the carrier's approved multiplier times the experience or merit mod. The rates actually charged shall be shown against the classifications and exposures to which they are applicable.

**7. Premium.**

- a. Premium by Classification. The premium reported by manual classification shall be that obtained by extension of the payroll at the Manual or authorized rate, and shall be posted in the column captioned "Premium". Where a classification is subject to experience rating or merit rating, the "authorized" rate, as calculated in accordance with the provisions of the Experience Rating Plan or Merit Rating Plan must be used in lieu of the Manual rate.

(1) Where the earned premium is less than the minimum premium or is less than a deposit premium which has been retained for any reason, such as inability to obtain a satisfactory audit, the additional premium shall be added to the earned premium classification carrying the largest coal mining payroll. In such cases, the total policy premium shall be marked "M.P." (Minimum Premium) or "D.P." (Deposit Premium) as the case may be, and if the latter, the reason for retaining the deposit premium should be stated on the card.

(2) On minimum premium policies, the minimum premium must correspond to the work actually done during the policy term even though such minimum may differ from that shown on the policy. No classification may be used on the audit of any risk if that classification is a division of payroll representing less than the full-time payroll of one employee.

- b. Uncollectible Premiums. All earned premiums, whether collectible or not, shall be reported. Likewise, the corresponding payrolls and losses shall be reported.

- c. Miscellaneous Premium. The Pennsylvania Basic Manual rules provide for additional premium charges for additional premium coverages such as Excess Limits under Coverage B, etc. These additional premium charges shall be reported in the column captioned "Premium" under appropriate statistical codes entered in the column captioned "Class Code." The exposure items, if any, shall be entered in the column captioned "Exposure."

For all risks, whether subject to experience rating or not, the following rules apply:

- (1) Miscellaneous premium shall be reported on one of the lines designated "D", "E", "F" or "G" if it is subject to experience or merit rating, or if it is required by the Manual rules to be determined after application of the experience rating or merit rating.
- (2) All items of miscellaneous premium which do not fall under item (1) above shall be reported on any of the blank lines above the line designated "A-Total Subject Premium."

- d. On multiple-state policies, where the minimum premium has been collected in another state, the earned premium must be computed on the audited Pennsylvania payroll.
  - e. When a minimum premium policy is cancelled short rate, no short rate penalty premium shall be charged.
  - f. Premium Totals on Risks Subject to Experience Rating.
    - (1) A - Total Subject Premium. The total of the premium shall be entered in the premium column on the line captioned "A - Total Subject Premium."
    - (2) B - Experience Rates. If a change in the experience or merit rate occurs subsequent to the inception date of the policy, the payrolls, carrier's manual rates, and corresponding premium shall be split and reported on separate cards. The period covered by each card shall be shown by appropriate notation above the exposure and premium data.
    - (3) In those cases where the experience is reported on a split basis due to a change in experience rate and in other cases where more than one unit report card is required for filing the experience under a given policy, the "Risk Totals" shall be shown on the last card of the series.
8. Miscellaneous Premium.
- a. Premium Subject to Experience Rating to be reported on any of the blank lines above the line designated "A-Total Premium."
    - (1) Premium for Higher Limits under Coverage B to be reported in the aggregate in the "Premium" column.
 

The Pennsylvania Coal Mine Basic Manual provides that the premium for limits in excess of the standard limits shall be determined by applying the appropriate factors to the total premium, at the manual rates, any applicable experience or merit rates, and/or retrospective rating. In cases where the reporting of excess premium developed for higher limits on voluntary compensation policies occurs, the Bureau rules state that premium for coverage in excess of standard limits is provided by an appropriate increase in the carrier's rate.

In those cases where the additional premium resulting from the application of the appropriate limit factor to total premium is less than the corresponding minimum premium established by the carrier for such increased limits, the corresponding minimum premium shall be shown.
    - (2) If premium collected is partially due to special endorsements (such as that for former self-insured coal mine operators), that portion collected from application of the endorsement will be shown on lines "D", "E", "F", or "G" but will not be included in the total.
    - (3) Short Rate Penalty Premium - Where policies are cancelled prior to normal expiration, the cancellation date shall be entered in the block captioned "Expiration Date" and the symbol "X" entered in the block for condition 93. When a policy is cancelled short rate the payroll and manual premium by classification shall be reported on the basis of the actual exposure. The additional premium resulting from application of the short rate cancellation table to such modified premium extended to full annual basis and reported in the "Premium" column. The "Exposure" and "Manual Rate" columns shall be left blank.
9. Correction Reports - Method of Reporting.
- a. Errors. Whenever there is an error of any kind on a report submitted to the Bureau, whether such error is discovered by the carrier or by the Bureau, an appropriate revised experience card shall be filed. The appropriate forms to be used for revised reportings are specified in Section II, A. 1. The revised report shall show those items which were previously reported incorrectly and the corresponding revised items. If any of the data previously reported for a particular claim or item of exposure (including such non-monetary items as Class Code of Type of Injury) require correction, the corrected report shall show all of the data previously reported on the line in question as well as all of the data (including those items which do not change) on a corrected basis. However, the risk totals as previously reported and as revised are required. If the error involves a change on a case which, in the previous reporting required an individual loss report, a revised individual loss report shall be submitted with the revised risk experience.

- b. Exposure and Premium. Where the exposure previously reported has been changed by reason of an audit where the previous report was estimated, by a reaudit or any other adjustment affecting classifications, exposure or premiums, or by reason of an error discovered within 12 months from the date of submitting the previous report, a corrected report shall be filed showing the amounts previously reported and as revised for the classification where there have been changes. Risk Total Exposure and Risk Total Premium at the bottom of the form, shall be shown as originally reported and as revised.

### C. Loss Information

#### 1. Update Type.

Report the one position alphabetic code that identifies the activity of a loss record.

<u>Code</u>	<u>Description</u>
P	Previously Reported
R	Revised

#### 2. Claim Number.

- a. Report the alphanumeric code that uniquely identifies the claim excluding blanks, punctuation marks, and special characters. The complete claim number, including suffixes and prefixes, if used, must remain the same throughout the life of the claim.
- b. Each claim must be listed individually with the appropriate claim number. Medical only claims in excess of \$10,000 must be individually listed.
- c. At the option of the carrier all other medical only claims may be listed individually or may be batch reported. The number of claims shall be entered in the field titled Accident Date / Number of Claims. In counting the claims, claims closed without payment shall be omitted. Batched reporting must include either all open or all closed cases.

#### 3. Accident Date / Number of Claims.

For claims that are listed individually, enter the accident date by reporting the month, day and year on which the injury occurred. Where a number of claims are summarized, report the number of claims. Number of claims is not reported for individually listed claims.

#### 4. Incurred Indemnity.

Report the whole dollar amount of incurred indemnity expenses as of the loss valuation. These losses consist of all paid and outstanding reserve benefits due to an employee's lost wages or inability to work, including compensation paid to the deceased prior to death, burial expenses, claimant's attorney fees, vocational rehabilitation benefits, payments to the state and employers liability losses and expenses.

#### 5. Medical Incurred.

Report the whole dollar amount of incurred medical expenses, as of the loss valuation date. These losses consist of all paid and outstanding medical reserve benefits.

#### 6. Class Code.

In this column, show the classification code number to which the claim has been assigned. Report the code corresponding to the insured's classification determined according to the classification rules of the Bureau. No claims may be assigned to any classification unless premium has also been reported for that class.

#### 7. Injury Type.

Report the two-digit code that identifies under which provision of the law benefits are paid or expected to be paid.

##### a. Death Cases Code-01.

- (1) Enter each death case, unless it has been established that the carrier has incurred no liability. The amount entered as indemnity incurred shall include all paid and outstanding benefits, including compensation paid to the deceased prior to death, burial expenses, with a maximum of \$3,000 and payments to the state. If there is a compensation paid on a permanent total, permanent partial or a temporary claim prior to the death of a claimant and the death is not related to work injuries, the loss is to be reported on the basis of the injury for which payments have been pre-

viously made. In valuing a surviving spouse's benefits in death cases the Surviving Spouses' Pension Table, Table 1, shall be used. In valuing the portion of reserves in death cases for lump sum dowry benefits payable to the surviving spouse upon remarriage, Table II shall be used. In valuing the benefits for certain death claims where there is no surviving spouse, but a parent, brother or sister receiving benefits which are payable for life, Table III shall be used.

(2) U.S.L. & H.W. Benefits on Death Cases.

In valuing a surviving spouse's benefits in death cases under U.S.L. & H.W. Coverage, Table U.S.L.-I shall be used.

In valuing the portion of reserves in death cases under U.S.L.&H.W. Coverage for lump sum dowry benefits payable to the surviving spouse upon remarriage, Table U.S.L.-II shall be used.

In valuing the portion of reserves certain death cases under U.S.L.&H.W. Coverage where there is no surviving spouse, but a parent, brother or sister receiving benefits which are payable for life, Table U.S.L.-III shall be used.

b. Permanent Total Disability Code-02.

(1) Enter as permanent total each case which has been adjudged to constitute permanent total disability or which is defined as such under the law, or which in the judgment of the carrier will result in permanent total disability. If a lump sum settlement is made or, in judgment of the carrier, will be received to settle future benefits, the injury code should be changed from a permanent total to a permanent partial. In establishing reserves on permanent total cases Table III, Pension Table (Other Than Surviving Spouse's ) shall be used as found in Section V.

(2) U.S.L. & H.W. Benefits on Permanent Total Cases. In valuing the disables life portion of the reserve for permanent total cases under U.S.L. & H.W. Coverage, Table U.S.L.-III shall be used. In valuing the portion of the reserve for permanent total cases in which survivorship benefits are payable, Table U.S.L.-IV shall be used.

c. Temporary Total or Temporary Partial Disability Code-05.

Enter as Temporary every case which involves or is expected to involve indemnity benefits but which does not constitute a case of Death, Permanent Total or Permanent Partial as defined above.

d. Medical Only Claims Code-06.

When reporting medical only losses, make no entry in the column captioned Incurred Indemnity.

e. Permanent Partial Disability Code-09.

(1) Cases involving partial disability or permanent injuries, as defined in Sections 306(b) or 306(c), respectively, for the Workers' Compensation Act. Such cases involve loss, or loss of use, of members of the body, sight or hearing and disfigurement of the head, neck or face. Do not include permanent injuries defined as Permanent Total above.

(2) Cases involving disability, other than permanent total disability, if either of the following holds true:

(a) The duration of the disability benefits exceeds, or is expected to exceed one year.

(b) In the judgement of the carrier, the extent of liability for future payments is indeterminate.

The amount entered as indemnity incurred shall include specific benefits and compensation for temporary disability as well as loss of earning capacity.

8. Claim Status.

Report the 1-digit numeric code that indicates the status of the claim.

<u>Code</u>	<u>Description</u>
0	Open (final payment not made)
1	Closed (no outstanding reserves)

9. Loss Conditions.

Report the 2-digit code for each loss condition.

<u>Act</u>	
<u>Code</u>	<u>Description</u>
01	State or Federal Act, excl. USL & HW
02	USL & HW "F" or non "F" Coverage

**Type of Loss**

<u>Code</u>	<u>Description</u>
01	Trauma
03	Cumulative Injury other than Disease

**Type of Recovery**

<u>Code</u>	<u>Description</u>
01	No Recovery
02	Second Injury Only
03	Subrogation Only (Third Party)
04	Subrogation with Second Injury

**Type of Coverage**

<u>Code</u>	<u>Description</u>
03	Workers Comp. & Employers Liab.

**Type of Settlement**

<u>Code</u>	<u>Description</u>
00	Claim Not Subject to Settlement
03	Stipulated Award (Carrier/Claimant Settlement)
04	Findings and Award (Judicial Award)
05	Dismissal (Non-Compensable)
06	Compromise and Release
07	Lump Sum (Indemnity)
09	All Other Settlements

**10. Jurisdiction State.**

Report the 2-digit state code of the governing jurisdiction which will administer the claim and which statutes will apply to the claim adjustment process when that state is different from the exposure state.

**11. Catastrophe Number (Cat. No.).**

Any accident resulting in two or more reported claims must be reported as a catastrophe. In reporting catastrophes, all claims (compensable as well as non-compensable and contract medical) resulting from this accident shall be designated by placing the numeral "1" in the column captioned Cat. No. opposite each claim. If there is more than one catastrophe under the policy, each succeeding catastrophe should be designated by means of a separate serial number "2", "3", etc. A separate series of catastrophe numbers shall be used for each policy.

**12. Managed Care Organization Type.**

Report the 2-digit code that corresponds to the type of organization which will administer the applicable medical losses.

<u>Code</u>	<u>Description</u>
00	The claim is not administrated by an approved managed care organization.
01	The claim's medical losses are administrated by an approved managed care organization.
02	The claim's medical losses are administrated by a health maintenance organization.
03	The claim's medical losses are administrated by a preferred provider organization.
04	The claim's medical losses are administrated by an exclusive provider organization.
05	The claim's medical losses are administrated by an independent practice association.

**13. Social Security Number. Not Required.****14. Injury Description Code. Not Required.****15. Occupation Description. Not Required.**

## 16. Vocational Rehabilitation Indicator.

Report the 1-position code that indicates the inclusion of vocational rehabilitation costs in the losses.

<u>Code</u>	<u>Description</u>
Y	Claim includes Vocational Rehabilitation Costs
N	Claim does not include Vocational Rehabilitation Costs

## 17. Paid Indemnity.

Report the whole dollar amount of paid indemnity expenses for the claim as of the loss valuation date. These losses consist of all paid benefits due to an employee's lost wage or inability to work, including compensation paid to a deceased prior to death, burial expense, vocational rehabilitation benefits, payments to the state and employers liability losses and expenses.

## 18. Paid Medical.

Report the whole dollar amount of medical losses paid for the claim as of the loss valuation date.

## 19. Claimant's Attorney Fees Incurred.

Enter the average weekly wage of the claimant.

## 20. Employer's Attorney Fees.

Enter the weekly benefit of the claimant.

## 21. Reserved For Future Use.

Enter the birthdate of the claimant in this space.

## 22. Allocated Loss Adjustment Paid (ALAE).

(Leave Blank)

## 23. Allocated Loss Adjustment Incurred (ALAE)

(Leave Blank)

## 24. Incurred Losses

Enter the total of all paid and outstanding compensation in the column captioned "Indemnity" and the total of all paid and outstanding medical in the column captioned "Medical". The outstanding costs shall be the company's individual case estimates of future payments as of the date of valuation.

a. Where a final award has been made, the total incurred compensation must be in agreement with such award, except under the following circumstances:

(1) Where a claimant has appealed for a higher award for a compensable claim, the carrier shall report at least the amount of the award, but may report a higher amount if, in its judgment, the facts in the case indicate an additional reserve is advisable.

(2) In cases where a claim has been officially declared non-compensable, if an appeal has been taken and is undetermined on the valuation date, the carrier shall report the incurred cost that would have been reported had the claim not been declared non-compensable.

(3) In cases where a claim has been officially declared non-compensable, if the period during which an appeal may be taken has not expired by the valuation date, the carrier may report the incurred cost that would have been reported had there been no declaration of non-compensability. It shall be permissible to eliminate from the report the reserve for the non-compensable claim in any case where the period for taking an appeal has expired subsequent to the date of valuation, but prior to the date of the filing of the report, without an appeal having been taken.

b. The closing of a claim shall be regarded for the purpose of this rule as the equivalent of a specific official declaration of non-compensability under the following circumstances:

(1) No claim was filed during the period provided by law, and the carrier therefore closes the case.

(2) The carrier has raised the issues of accident, notice, or casual relation prior to the valuation date and continues to contest the claim on any such issues, and the claim is officially closed because of the claimant's non-appearance or failure to prosecute his claim without a ruling on the question of accident, notice, or casual relation.

- c. Where the carrier has appealed against an award, it shall report the full amount of such award. Cases on which the carrier has filed a petition to terminate must not be reported as "closed" until the petition has been granted by a referee or the Workers' Compensation Board.
- d. If the final award has not been made, but compensation for the injury is subject to a definite schedule of benefits, the provisions of the Law shall be reflected in the amount of compensation reported. In all other cases the amount reported should reflect the carrier's estimate of incurred cost in the light of all information available on the date of valuation.
- e. Expenses, any general allowances for contingencies, and any supplemental non-statutory benefits not provided for in this plan must be excluded. Precautionary reserves in excess of the amount shown on the final settlement receipt as filed, at completion of all compensation payment, with the Workers' Compensation Board or other body having jurisdiction over workers' compensation claims, shall not be included in the amount of losses reported under the Unit Statistical Plan. Vocational rehabilitation costs and reserves for future payments shall be included as part of the amount entered as incurred indemnity.
- f. In all cases where a claim has been determined to be eligible for reimbursement to the carrier from a special fund (such as Second Injury Fund, Supersedeas Fund, etc.), the gross incurred cost of the claim (i.e., prior to any reimbursement) shall be reduced by the amount of any paid or anticipated recovery from such Fund and the net incurred cost of the claim shall be reported. Anticipated recovery is defined, for this purpose, as the amount of recovery expected to be recovered from such Funds based on the rules governing such Funds or a binding agreement between such funds and the carrier on an amount, or percentage of the incurred cost, to be reimbursed to the carrier on a particular claim.

When such an anticipated recovery becomes known by the carrier, or when a recovery is paid to the carrier, subsequent to the first reporting of the claim, a correction report must be filed with the Coal Mine Compensation Rating Bureau reducing the incurred cost on the claim by the amount of the paid or anticipated recovery. If the claim previously required an individual Case Report, a revised Individual Case Report shall be filed.

#### 25. Employers' Liability Claims.

The rules of this section apply to Coverage B employers' liability claims, except as follows:

Coverage B employers' liability losses include allocated loss adjustment expenses, as defined herein. The entire amount of losses and allocated loss adjustment expenses shall be reported as incurred losses, in the Unit Report. Coverage B allocated loss adjustment expenses represent the following expenses of a carrier, in connection with claim settlements, which can be directly allocated to a particular claim:

1. Attorney's fees for claim in suit.
2. Court and other specific items of expense such as:
  - Medical examination to determine the extent of company's liability
  - Expert medical or other testimony
  - Laboratory and X-Ray
  - Autopsy
  - Stenographic
  - Witnesses and Summonses
  - Copy of Documents

The following shall not be included as allocated loss adjustment expenses:

1. Salaries and traveling expenses of company employees (other than amounts allocated as attorney's fees for claims in suit)
2. Overhead
3. Adjusters fees (fees paid to independent adjusters, or attorneys, for adjusting claims)

Each employers' liability case shall be identified by the symbol "E.L." inserted in the "Inj." column related to losses.

## 26. Subrogation Claims.

- a. In all cases where the carrier has received reimbursement under subrogation rights, or where the injured employee or his dependents have recovered from a third party, include each claim at a figure equal to the net liability incurred. Each such case shall be identified by the symbol "Sub." inserted in the "Inj." column related to losses. Do not use the symbol "Sub." unless some recovery has actually been made.
- b. For subrogation cases the net liability incurred shall be determined by deducting from the incurred costs, prior to recovery, the amount recovered through subrogation less any expenses incurred in connection with such recovery. However, in cases where the expenses incurred in connection with such recovery exceed the amount recovered, the amount of losses reported shall not exceed the gross amount of loss prior to recovery. Furthermore, the net liability incurred shall be apportioned to indemnity and medical in the same proportion as existed in the gross incurred cost. The details of these calculations shall be shown in the individual case report where such individual report is required by the rules of this Plan.
- c. An individual case report shall be submitted for each subrogation or third party cases on which a recovery has been made involving, prior to such recovery, a gross incurred cost of more than \$500 for indemnity. The gross indemnity and medical shall be shown in the spaces provided for that purpose. The details of the calculation of the gross indemnity shall be shown in the usual manner in the space provided for that purpose.

The notation "Sub. Case" shall be entered in the space provided for "Calculations" and the net indemnity and net medical with the prefixes "Net Ind." and "Net Medical," respectively, shall also be separately reported under "Calculations." The details of the calculation of the "Net Indemnity" and "Net Medical" may be shown on the back of the individual case report or in any other available blank space on the form and shall be made in accordance with the instructions in Section II.

A suggested method for these calculations is given in the following examples:

	Total	Ind.	% of Total	Med.	% of Total
Gross Incurred Cost	\$20,000	\$17,000	85	\$3,000	15
Subrogation Received	7,000				
Claim Expense	500				
Net Recovery	6,500				
Net Cost	\$13,500	\$11,475	85	\$2,025	15

## 27. Subsequent and Correction Reports.

- a. Any second through closure or correction report involving,
  - (1) Any claim reported "open" on the previous report,
  - (2) Any re-opened claim reported "closed" on the previous report.
  - (3) Any claim previously unreported, or
  - (4) Any other change in the valuation of losses

shall show for each claim the amounts previously reported and the revised values. The corresponding total number of claims, total incurred indemnity and total incurred medical, as previously reported and as revised shall also be shown.

Revised or corrected individual case reports are required if the incurred amounts, the classification code or the type of injury changes from the previous reporting. An individual case report shall be filed for each claim required.

## b. Correction Reports.

- (1) A correction report must be filed when any of the following occur between valuation dates:
  - (a) Loss values are found to have been included or excluded through mistake other than error of judgment.

- (b) The claim, or any part thereof, is declared non-compensable (as defined in an experience rating plan).
- (c) The carrier or claimant has obtained a subrogation recovery in an action against a third party or has received, or anticipates to receive, reimbursement from a Second Injury or similar type fund.
- (d) Where in the judgment of both the Bureau and the carrier such a revision is advisable to correct an inequity.

These correction reports should show whether the change is due to mistake or, if the claim was declared non-compensable, the date of such determination. In the case of recovery against a third party, the report must give details and the date of final settlement.

- (2) It shall not be permissible to revise loss values between two valuation dates because of department or judicial decision or because of developments in the nature of the injury.
- (3) Correction reports as defined above should be forwarded to the Bureau as soon as possible after the changes are known.

#### 28. Paid Losses.

The sum of the traumatic incurred losses and claim counts reported on Forms NC 2957 and NC 2913 shall be reported separately by the paid and outstanding components on Form CM-295. Form CM-295 shall be completed annually for the latest ten (10) accident years, with the paid and outstanding components segregated by accident year, by classification, separately for indemnity, including funeral and all medical. The valuation and status of the losses included on CM-295 shall be identical to the valuation and status contained in the unit reports.

Form CM-295 shall be submitted simultaneously with the new / corrected unit reports. If a carrier has no data to report for a given cell, the cell needs to be marked, "None to Report", when submitted to the Bureau.

Form CM-295 is not available from the National Council on Compensation Insurance. The form may be reproduced from this Statistical Plan, or the carrier may generate its own form, as long as the detail and format is equivalent to CM-295.

#### D. Loss Totals

##### 1. Total Number of Claims.

Report the total number of claims reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total. Individually listed claims count as 1, while grouped claims equal the number of claims being grouped.

##### 2. Total Incurred Indemnity.

Report the arithmetic total of the incurred indemnity amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.

##### 3. Total Incurred Medical.

Report the arithmetic total of the incurred medical amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.

##### 4. Total Paid Indemnity.

Report the arithmetic total of the paid indemnity amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.

##### 5. Total Paid Medical.

Report the arithmetic total of the paid medical amounts reported for the state within the policy. In the case of corrections and subsequent reports, this must be the revised total.

##### 6. Total Claimant's Attorney Fees. Not Required.

##### 7. Total Employer's Attorney Fees. Not Required.

##### 8. Total ALAE Paid. Not Required.

##### 9. Total ALAE Incurred. Not Required.

Effective: April 1, 2000

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All Values As Of April 30, \_\_\_\_\_

[illegible]

1. Reported - Total number reported regardless of status.
2. Closed - Total number closed with no remaining outstanding, including closed without payments.
3. Open - Total number with outstanding loss reserves, and no payments made to evaluation date.
4. Other - Total number with both paid and outstanding components.
5. Paid - Total dollars paid including partial payments and annuity purchases.
6. Outstanding - Total dollars outstanding on case basis, but not including any bulk or IBNR reserves.

**E. Individual Case Report Rules****1. Claims on Which Required.** Individual Case Reports shall be filed for the following:

- a. All Death Claims
- b. All Permanent Total Claims
- c. All other claims with an indemnity or medical value greater than \$100,000
- d. All Occupational Disease Claims (Form PA/OD-92)

Individual Case Reports shall be filed concurrently with the submission of individual risk experience. Individual Case Reports in connection with subsequent reportings of experience are required if the incurred indemnity amounts, the classification code or the type of injury changes from the previous reporting.

**2. General Instructions for reporting information on the traumatic Individual Case Reports. ALL INFORMATION ON THE INDIVIDUAL CASE REPORT MUST AGREE WITH THE CORRESPONDING INFORMATION SHOWN ON THE UNIT REPORT.**

- a. Forms. For ALL Individual Case Reports (pension and other than pension) use the Individual Case Report form.
- b. Class Code. Report the numeric code to which the loss was assigned.
- c. Report Number Code. Enter the code which corresponds to the valuation date.
- d. Transaction Type Code.
  - (1) Initial Report - Code 1. Must be used for the first time the Individual Case Report for the claim is submitted, regardless of the Unit Statistical Report number based on the valuation date.
  - (2) Subsequent Report - Code 2. Must be used on all Individual Case Reports submitted for a particular claim subsequent to the valuation date for which an Individual Case Report (Code 1) was submitted.
  - (3) Revised Report - Code 3. Individual Case Report filed when the carrier discovers a need for change on an Individual Case Report previously filed for a particular claim.
  - (4) Correction Report - Code 4. Individual Case Report filed due to an error. All data on the correction report must be identical to the original report except for the Transaction Type and the data elements being corrected.
- e. Type of Injury Code. Enter the type of injury code as shown on the corresponding unit report for the particular claim.
- f. Carrier Number. Report the five digit carrier code assigned to the company by the NAIC.
- g. Payroll State Code. Report the code "37" for Pennsylvania.
- h. Administration File Number. Not Required.
- i. Policy Number. Report the policy number identification number as set forth on the policy declarations and reported on the corresponding unit report.
- j. Certificate Number. Not Required.
- k. Policy Effective Date. Report the date on which the policy became effective coded as MM DD YY.
- l. Claim Number. Report the claim number as shown on the corresponding unit report for the particular claim.
- m. Status Code. Enter the appropriate Claim Status Code, use only 0 for an open claim and 1 for a closed claim.
- n. Date Attorney Disclosure. Not Required.
- o. Loss Conditions. Not Required.
- p. Jurisdiction State. Not Required.
- q. Managed Care Organization (MCO). Not Required.
- r. Insured Name. Enter the full name of the insured as shown on the policy declarations and the corresponding unit report.

- s. Accident Date. Enter the accident date coded as MM DD YY.
  - t. Date of Death. Enter the date of death coded as MM DD YY.
  - u. Date Reported. Enter the date on which the application for benefits was filed coded MM DD YY.
  - v. Date of Birth. Enter the injured worker's date of birth coded MM DD YY.
  - w. Surgery Code. Not Required
  - x. Attorney Code. Not Required.
  - y. Worker's Last Name. Enter the name of the injured worker.
  - z. Average Weekly Wage. Enter the average weekly wage of the claimant.
  - aa. Injury Description Code. Not Required.
  - bb. Occupation. Not Required.
  - cc. Date Closed. Enter the date the claim was closed, if applicable, coded MM DD YY.
  - dd. Reserve Type Code. Not Required.
  - ee. Lump Sum. Report whether or not the claim was settled with a payment of a specified amount to the the claimant. Report "1" for a lump sum payment and "2" for other than a lump sum payment.
  - ff. Fraud. Not Required.
  - gg. Social Security Number. Not Required.
  - hh. Date Single Sum Paid. Enter the date single sum settlement was paid coded MM DD YY.
    - ii. Employment Status. Not Required.
    - jj. Year Last Exposed. Not Required.
  - kk. Date of Hire. Leave Blank.
3. Specific Instructions for Reporting Information on Individual Case Reports, Other Than Pension.
- a. Temporary Indemnity
    - (1) Number of Weeks. Report the number of weeks upon which the temporary indemnity benefits is based.
    - (2) Incurred Loss. Report the total incurred indemnity amount (paid plus outstanding) as of the valuation date of all benefits to the injured worker related to temporary loss of earnings due to loss of time from work as a result of an injury.
  - b. Scheduled Indemnity.
    - (1) Percent Disability. The percentage must be 100.
    - (2) Body Member Code. Leave Blank.
    - (3) Number of weeks. Report the number of weeks upon which the scheduled benefit is based.
    - (4) Incurred Loss. Report the total incurred indemnity amount (paid plus outstanding) as of the valuation date of all scheduled benefits. Report whole dollars only.
  - c. Non-Scheduled Indemnity.
    - (1) Percent Disability. Report the percentage upon which the non-scheduled indemnity benefit was determined.
    - (2) Incurred Loss. Report the total incurred indemnity amount (paid plus outstanding) as of the valuation date of all non-scheduled benefits based on a percentage disability.
  - d. Employer's Liability or Other Indemnity.
    - (1) Employer's Liability. Report the incurred cost of the claim.
    - (2) Other Indemnity (Excluding Vocational Rehabilitation). Report the total incurred indemnity amount (paid plus outstanding) as of the valuation date of all wage loss or other benefits not included in a., b., or c. Any payments to special funds should be reported in this field. Report whole dollars only.

e. Vocational Rehabilitation Total Incurred.

Report the incurred amount (paid plus outstanding) of any vocational rehabilitation expenses incurred as of the valuation date. the corresponding loss condition also must be used.

f. Claimant Legal Expense. Not Required.

4. Specific Instructions for Reporting Information on Individual Case Reports, Pension Benefits.

a. Beneficiary Data. Report the one digit numeric code corresponding to each different type of beneficiary. For each beneficiary report the date of birth coded MM DD YY.

b. Pension Indemnity Benefits Paid to Valuation Date. Report the total amount of the pension benefits paid as of the valuation date, excluding any lump sum remarriage payment.

c. Pension Indemnity Previously Reserved, Not Paid. Report the pension indemnity amount previously reserved but not yet paid.

d. Pension Value of Future Indemnity Payment. Report the present value of total future indemnity payments using table values.

e. Funeral Allowance. Report the amount of funeral allowance rounded to whole dollars.

f. Lump Sum Remarriage. Report the value of remarriage using the table value.

5. Totals

a. Total Incurred Indemnity (Sum 1-11). This amount must be identical to the Indemnity Losses shown in the Incurred Losses section of the corresponding unit report.

b. Total Incurred Medical. This amount must be identical to the Medical Losses shown in the Incurred Losses section of the corresponding unit report.

c. Total Indemnity and Total Medical Paid to Valuation Date. Enter the totals of indemnity and medical that has been paid as of the valuation date.

d. Social Security and Other Offset Amount. Enter the amount of Social Security or other offset in this field.

e. Calculations. Use this space to detail the calculations used to produce the indemnity incurred.

f. Physician Paid. Not Required.

g. Hospital Benefits Paid. Not Required.

h. Applicants Medical Evaluation paid. Not Required.

i. Defense Medical Evaluation Paid. Not Required.

j. Independent Medical Evaluation Paid. Not Required.

k. Legal Expense Defense. Not Required.

l. Annuity Purchased Amount. Not Required.

m. Total Gross Incurred. Not Required.

n. Temporary Disability Paid. Enter the total dollar amount paid as of the valuation date in temporary disability benefits.

o. Permanent Partial Disability Paid. Enter the total dollar amount paid as of the valuation date in permanent partial disability benefits.

p. Permanent Total Disability Paid. Enter the total dollar amount paid as of the valuation date in permanent total disability benefits.

q. Death Paid. Enter the total dollar amount paid as of the valuation date in death benefits.

r. Single Sum Paid. When a case involves complete or partial lump sum of future payments, report the actual loss payment. Enter the total dollar amount in indemnity benefits that have been paid as of the valuation date as a single amount.

s. Vocational Rehabilitation Paid. Not Required.

t. Vocational Rehabilitation Indemnity Incurred. Not Required.

u. Vocational Rehabilitation Training Incurred. Not Required.

v. Vocational Rehabilitation Evaluation Incurred. Not Required.

## PENNSYLVANIA COAL MINE EXPERIENCE RATING PLAN MANUAL - STATISTICAL PLAN

Effective: April 1, 2000

## UNIT STATISTICAL PLAN - INDIVIDUAL CASE REPORT

CLASS CODE	REPORT NO CODE*	TRAN. TYPE CODE*	TYPE OF INJ. CODE*	CARRIER NUMBER	CARRIER NAME	PAYROLL STATE CODE*	ADM. FILE NUMBER
POLICY NUMBER	CERT. NO.		MO. DAY YR. POLICY EFFECTIVE DATE		CLAIM NO.		STATE CODE MO. DAY YR. DATE LASTING DISC. YR. ACT. TYPE LOSS CONDITIONS COV. SETT. ADJ. STATE MO. DAY YR.
INSURED NAME							
WORKER LAST NAME	ANG. WEEKLY WAGE	INJURY DESC. CODE	PART	NATURE	CAUSE	OCCUPATION	DATE OF BIRTH MO. DAY YR.
SOCIAL SECURITY NUMBER	DATE SINGLE PREMIUM PAID	MO. DAY YR.	MO. DAY YR.	MO. DAY YR.	EMPLOYMENT STATUS*	YEAR LAST EXPOSED	DATE OF HIRE
BENEFITS OTHER THAN PENSION				PENSION BENEFITS			
KIND OF BENEFIT	% DISAB.	BODY MEM CODE*	NO. WEEKS	INCURRED	BENEFICIARY DATA*	CALCULATIONS	
1. TEMPORARY INDEMNITY	X X X	X X X			CODE MO. DAY YR. DATE OF BIRTH MO. DAY YR.		
2. SCHEDULED INDEMNITY							
3. NON-SCHEDULED INDEMNITY							
4. EMPLOYERS' LIABILITY OR OTHER INDEMNITY		X X X	X X X				
5. VOCATIONAL REHABILITATION TOTAL INCURRED							
6. CLAIMANT LEGAL EXPENSE					7. PENSION INDEM. PAID TO VAL. DATE		
PHYSICIAN PAID		TEMP. DISABILITY PAID			8. PENS. INDEM. PREV. RSVD., NOT PAID		
HOSPITAL PAID		PERM. PARTIAL PAID			9. PRES. VALUE FUTURE INDEM. PMNT.		
APL. MED EVAL PAID		PERM. TOTAL PAID			10. FUNERAL ALLOWANCE		
DEFENSE MED EVAL PAID		DEATH PAID			11. LUMP SUM REMARRIAGE		
INDEP. MED EVAL PAID		SINGLE SUM PAID			12. TOTAL INCURRED INDEM. (SUM 1-11)		
LEGAL EXP. DEFENSE		V.R. PAID			13. TOTAL INCURRED MEDICAL		
ANNUITY PURCHASED AMT		V.R. INDEM. INCURRED			14. TOTAL INDEM. PAID TO VAL. DATE		
TOTAL GROSS INCURRED		V.R. TRAINING INCURRED			15. TOTAL MED. PAID TO VAL. DATE		
		V.R. EVAL. INCURRED			16. SOC. SEC. OR OTHER OFFSET AMT.		

\*SEE REVERSE SIDE FOR CODING

**SECTION III - CODES****A. Codes Common to Premium and Losses****1. Report Number and Valuation Date**

<u>Code</u>	<u>Description</u>
01	First Reports on policies valued as of April 30 of current calendar year and reported by June 30 of same year.
02-Closure	Reports on policies from 2 to closure after valuation of first reports.

**2. Correction Type.**

The alphabetic code that indicates the type of correction being submitted. Applicable only to correction reports.

<u>Code</u>	<u>Description</u>
H	Header Record Correction
E	Exposure Record Correction
L	Loss Record Correction
T	Total Record Correction
M	Multiple Record Correction

**3. Exposure State.**

The following state code number must be used.  
 Pennsylvania - 37

**4. Policy Type ID Code.**

Identifies the type of coverage, plan indicator and non-standard provisions of the policy.

**Type of Coverage**

<u>Code</u>	<u>Description</u>
01	Standard Workers Compensation Policy

**Plan Type**

<u>Code</u>	<u>Description</u>
01	Voluntary Policy
02	Normal Assigned Risk Policy

**Non-Standard Type**

<u>Code</u>	<u>Description</u>
01	Non-Standard Code Does Not Apply
02	Voluntary Coverage Not Mandatory by State Act

**5. Deductible Type**

Identifies the type of deductible being reported.

**First Two Positions**

<u>Code</u>	<u>Description</u>
03	Medical and Indemnity Losses

**Second Two Positions**

<u>Code</u>	<u>Description</u>
01	Per Claim
02	Per Accident
03	Per Policy

**6. Policy Conditions**

Report the one position code "Y" or "N" for each policy condition.

**a. Three Year Fixed Rate Indicator**

"Y" = Policy is a three-year fixed rate policy.

"N" = Policy is not a three-year fixed rate policy.

**b. Multistate Policy Indicator**

"Y" = Policy is a multistate policy.

"N" = Policy is not a multistate policy.

## c. Interstate Rated Indicator

"Y" = Policy is interstate rated.

"N" = Policy is not interstate rated.

## d. Estimated Exposure Indicator

"Y" = Exposures expressed on unit report are estimated.

"N" = Exposures expressed on unit report are not estimated.

## e. Retrospective Rated Indicator

"Y" = Policy is retrospective rated.

"N" = Policy is not retrospective rated.

## f. Cancelled Mid-Term Indicator

"Y" = Policy has been cancelled mid-term.

"N" = Policy has not been cancelled mid-term.

## B. Exposure Information Codes

## 1. Update Type

Report the one position alphabetic code that identifies the activity of an exposure record.

<u>Code</u>	<u>Description</u>
P	Previously Reported
R	Revised

## 2. Exposure coverage

Report the code indicating the Act (law) under which the exposure for this record's class code is associated.

<u>Code</u>	<u>Description</u>
01	State or Federal Act, excluding USL & HW
02	USL & HW "F" or non "F" coverage

## C. Loss Information Codes

## 1. Injury Type

<u>Code</u>	<u>Description</u>
01	Death
02	Permanent Total Disability
05	Temporary Total or Temporary Partial Disability
06	Medical Only
09	Permanent Partial Disability

## 2. Claim Status

<u>Code</u>	<u>Description</u>
0	Open
1	Closed

## 3. Loss Condition

Report the two digit code for each loss condition.

**Act**

<u>Code</u>	<u>Description</u>
01	State or Federal Act, excluding USL & HW
02	USL & HW "F" or non "F" coverages

**Type of Loss**

<u>Code</u>	<u>Description</u>
01	Trauma
03	Cumulative Injury other than Disease

**Type of Recovery**

<u>Code</u>	<u>Description</u>
01	No Recovery
02	Second Injury Only
03	Subrogation Only

**Type of Coverage**

<u>Code</u>	<u>Description</u>
03	Workers' Compensation and Employer's Liability

**Type of Settlement**

<u>Code</u>	<u>Description</u>
00	Claim Not Subject to Settlement
03	Stipulated Award (Carrier / Claimant Settlement)
04	Findings and Award (Judicial Award)
05	Dismissal (Non-Compensable)
06	Compromise and Release
07	Lump Sum (Indemnity)
09	All Other Settlements

## 4. Managed Care Organization Type.

<u>Code</u>	<u>Description</u>
00	The claim is not administrated by an approved managed care organization.
01	The claim's medical losses are administrated by an approved managed care organization

## D. Individual Case Report Codes

## 1. Report Number

The report number must coincide with the Unit Statistical Report.

## 2. Transaction Type

<u>Code</u>	<u>Description</u>
1	Initial Report
2	Subsequent Report
3	Revised Report
4	Correction Report

## 3. Report Type

<u>Code</u>	<u>Description</u>
1	Claim involving Life Pension Benefits
2	Claim not involving Life Pension Benefits

## 4. Injury Description

Leave Blank

## 5. Status

<u>Code</u>	<u>Description</u>
0	Open Claim
1	Closed Claim

## 6. Surgery Code

<u>Code</u>	<u>Description</u>
1	Surgery
2	No Surgery

## 7. Attorney Code

<u>Code</u>	<u>Description</u>
2	Attorney involved
3	No Attorney involved

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8. Reserve Type
 

<u>Code</u>	<u>Description</u>
00	Standard Reserve
01	Stacked Estimate
02	Volunteers
03	Questionable Compensability
04	Second Injury Fund Involvement
05	Partial Dependency
06	Still Exposed
07	Last Exposed
08	Stacked Award
9. Lump Sum Indicator
 

<u>Code</u>	<u>Description</u>
1	Lump Sum
2	Other than Lump Sum
10. Fraudulent Claim Indicator
 

<u>Code</u>	<u>Description</u>
1	Partially Fraudulent
2	Fully Fraudulent
11. Employment Status
 

<u>Code</u>	<u>Description</u>
1	Regular
2	Part-time
3	Unemployed
4	On Strike
5	Disabled
6	Retired
8	Unemployed (due to work-force reduction)
9	Other
12. Beneficiary
 

<u>Code</u>	<u>Description</u>
1	Injured Worker
2	Widow
3	Widower
4	Sons or Daughters
5	Brothers or Sisters
6	Mothers or Fathers
7	Other

## E. Codes for Occupational Disease Reporting Only.

1. Job Classification Codes.
 

	<u>Code</u>
Deep Mine Only	1
Strip Mine Only	2
Deep & Strip - Last Job Deep	3
Deep & Strip - Last Job Strip	4
Truck Driver - Coal Only	6
Not employed in area with Coal Dust Exposure	7
Non Coal Mine - Coal Dust Exposure	8
Other	9
2. Marital Status Codes.
 

	<u>Code</u>
Married	1
Single	2
Widower	3
Widow Filing Claim	4
Divorced	5
Estate Filing	6
Female Filing Other Than Widow	7
Other Male Filing Claim	8

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3. Claim Status Codes.	<u>Code</u>
Pending .....	.1
Awarded .....	.2
Denied .....	.3
Closed by Carrier .....	.4
Award (No payments made) .....	.5
Withdrawn .....	.7
Awarded/Miner Working .....	.8
Medical Only .....	.9

## TABLE A

### CARRIER NAMES AND NUMBERS

ACE American Insurance Company .....	.22667
American Business & Personal Insurance Mutual, Inc. ....	.40789
American Casualty Company of Reading, PA .....	.20427
American Guarantee and Liability Insurance Company .....	.26247
American Mining Insurance Company .....	.15911
American States Insurance Company .....	.19704
American Zurich Insurance Company .....	.40142
Birmingham Fire Insurance Company of Pennsylvania .....	.19402
Continental Casualty Company .....	.20443
Employers Insurance of WAUSAU A Mutual Company .....	.21458
Fairfield Insurance Company .....	.21482
Fidelity & Guaranty Insurance Underwriters, Inc. ....	.25879
Fire & Casualty Insurance Company of Connecticut .....	.24880
Front Royal Insurance Company .....	.36927
Frontier Insurance Company .....	.34266
Genesis Insurance Company .....	.38962
Harleysville Mutual Insurance Company .....	.14168
Hartford Accident & Indemnity Company .....	.22357
Hartford Casualty Insurance Company .....	.29424
Hartford Insurance Company of the Midwest .....	.37478
Highmark Casualty Insurance Company .....	.35599
Homestead Insurance Co. ....	.11460
Insurance Company of North America .....	.22713
International Business & Mercantile REassurance Company .....	.24139
Lackawana Casualty Company .....	.11703
Liberty Insurance Corporation .....	.42404
Liberty Mutual Fire Insurance Company .....	.23035
Liberty Mutual Insurance Company .....	.23043
National Fire Insurance Company of Hartford .....	.20478
Ohio Casualty Insurance Company .....	.24074
Old Republic Insurance Company .....	.24147
PIC Insurance Group, Inc. ....	.25739
Pacific Employers Insurance Company .....	.22748
Pennsylvania Manufacturers' Association Insurance Company .....	.12262
Pennsylvania National Mutual Casualty Insurance Company .....	.14990
Pennsylvania Surface Coal Mining Insurance Exchange .....	.38679
Reliance Insurance Company .....	.24457
Reliance National Indemnity Company .....	.24430
Reliance National Insurance Company .....	.40592
Rockwood Casualty Insurance Company .....	.35505
Royal Insurance Company of America .....	.26980
Security Insurance Company of Hartford .....	.24902
Somerset Casualty Insurance Company .....	.10726
State Workers' Insurance Fund .....	.27677
Transcontinental Insurance Company .....	.20486
Transportation Insurance Company .....	.20494
Travelers Insurance Company .....	.39357
Twin City Fire Insurance Company .....	.29459
United Pacific Insurance Company .....	.24473
United States Fidelity & Guaranty Company .....	.25887
Valley Forge Insurance Company .....	.20508
West American Insurance Company .....	.44393
Zurich American Insurance Company .....	.16535

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**TABLE B**  
**CLASS CODES**

<u>WORKMEN'S COMPENSATION CLASSIFICATIONS</u>		<u>CODE #</u>
Anthracite Underground Mining		1010
Bituminous Underground Mining		1001
Anthracite Surface & Culm Mining		1012
Bituminous Surface & Culm Mining		1014
Coke		1469
Auger Mining		1015
Anthracite Co-Gen Fuel Recovery		1021
Bituminous Co-Gen Fuel Recovery		1023
*Anthracite Prep Plant		1025
*Bituminous Prep Plant		1027
<u>STATE OCCUPATIONAL DISEASE CLASSIFICATIONS</u>		<u>CODE #</u>
Anthracite Underground Mining		1011
Bituminous Underground Mining		1002
Anthracite Surface & Culm Mining		1016
Bituminous Surface & Culm Mining		1013
Coke		1017
Auger Mining		1019
Anthracite Co-Gen Fuel Recovery		1022
Bituminous Co-Gen Fuel Recovery		1024
*Anthracite Prep Plant		1026
*Bituminous Prep Plant		1028
<u>FEDERAL OCCUPATIONAL DISEASE CLASSIFICATIONS</u>		<u>CODE #</u>
Anthracite Underground Mining		0160
Bituminous Underground Mining		0158
Anthracite Surface & Culm Mining		0153
Bituminous Surface & Culm Mining		0156
Coke		0154
Auger Mining		0157
Anthracite Co-Gen Fuel Recovery		0181
Bituminous Co-Gen Fuel Recovery		0182
*Anthracite Prep Plant		0183
*Bituminous Prep Plant		0184
For reporting Disease Experience in connection with any classification other than Coal Mining for Insureds having liability under the Federal Coal Mine Health and Safety Act		0164
Former Coal Mine Operators		0159

**TABLE C**  
**BITUMINOUS CODES AND COUNTIES**

01 - Allegheny	10 - Centre	19 - Jefferson	28 - Venango
02 - Armstrong	11 - Clarion	20 - Lawrence	29 - Fulton
03 - Beaver	12 - Clearfield	21 - Lycoming	30 - Franklin
04 - Bedford	13 - Clinton	22 - McKean	31 - Forest
05 - Blair	14 - Elk	23 - Mercer	32 - Potter
06 - Bradford	15 - Fayette	24 - Somerset	33 - Erie
07 - Butler	16 - Greene	25 - Tioga	
08 - Cambria	17 - Huntingdon	26 - Washington	
09 - Cameron	18 - Indiana	27 - Westmoreland	
<u>ANTHRACITE CODES AND COUNTIES</u>			
50 - Carbon	54 - Luzerne	58 - Susquehanna	62 - Berks
51 - Columbia	55 - Northumberland	59 - Wayne	63 - Philadelphia
52 - Dauphin	56 - Schuylkill	60 - Lebanon	64 - Delaware
53 - Lackawanna	57 - Sullivan	61 - Montgomery	65 - Synder

## SECTION IV - PART 1 - TRAUMATIC TABLES

**TABLE I**  
**Surviving Spouse's Pension Table\***

Age At Widowhood (X)	$\bar{a}$ (X)	$\bar{a}$ (X) + 1	$\bar{a}$ (X) + 2	$\bar{a}$ (X) + 3	$\bar{a}$ (X) + 4	$\bar{a}$ (X) + 5	Attained Age** (X + 5)
16	8.078	7.905	8.570	9.493	10.403	11.210	21
17	8.774	8.617	9.289	10.210	11.111	11.907	22
18	9.476	9.332	10.002	10.910	11.793	12.571	23
19	10.176	10.041	10.701	11.588	12.445	13.197	24
20	10.868	10.741	11.385	12.243	13.068	13.788	25
21	11.549	11.426	12.048	12.871	13.659	14.343	26
22	12.213	12.094	12.688	13.473	14.218	14.864	27
23	12.857	12.738	13.301	14.043	14.745	15.350	28
24	13.473	13.354	13.883	14.579	15.235	15.797	29
25	14.059	13.937	14.429	15.077	15.685	16.204	30
26	14.611	14.485	14.938	15.537	16.097	16.571	31
27	15.126	14.995	15.408	15.957	16.467	16.898	32
28	15.602	15.465	15.838	16.336	16.798	17.184	33
29	16.039	15.895	16.227	16.675	17.089	17.432	34
30	16.435	16.283	16.575	16.974	17.341	17.641	35
31	16.790	16.631	16.883	17.234	17.554	17.814	36
32	17.104	16.937	17.150	17.455	17.731	17.951	37
33	17.378	17.202	17.378	17.638	17.872	18.053	38
34	17.613	17.428	17.568	17.785	17.978	18.122	39
35	17.809	17.616	17.721	17.897	18.051	18.160	40
36	17.968	17.767	17.839	17.976	18.092	18.167	41
37	18.092	17.882	17.922	18.022	18.103	18.147	42
38	18.182	17.964	17.974	18.038	18.086	18.099	43
39	18.239	18.013	17.994	18.026	18.042	18.027	44
40	18.266	18.031	17.986	17.987	17.974	17.932	45
41	18.264	18.022	17.951	17.923	17.882	17.814	46
42	18.235	17.985	17.891	17.835	17.767	17.675	47
43	18.180	17.923	17.806	17.725	17.632	17.517	48
44	18.101	17.836	17.699	17.593	17.477	17.342	49
45	17.999	17.727	17.570	17.442	17.305	17.150	50
46	17.876	17.596	17.421	17.273	17.116	16.942	51
47	17.732	17.446	17.255	17.086	16.910	16.719	52
48	17.569	17.277	17.070	16.884	16.690	16.482	53
49	17.390	17.092	16.870	16.666	16.455	16.231	54
50	17.194	16.889	16.653	16.433	16.206	15.967	55

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

0% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

**TABLE I (continued)**  
**Surviving Spouse's Pension Table\***

Age At Widowhood (X)	$\bar{a}$ (X)	$\bar{a}$ (X) + 1	$\bar{a}$ (X) + 2	$\bar{a}$ (X) + 3	$\bar{a}$ (X) + 4	$\bar{a}$ (X) + 5	Attained Age** (X + 5)
51	16.982	16.672	16.422	16.186	15.944	15.692	56
52	16.755	16.439	16.176	15.927	15.671	15.405	57
53	16.515	16.192	15.918	15.655	15.386	15.106	58
54	16.261	15.932	15.647	15.371	15.089	14.799	59
55	15.994	15.660	15.364	15.075	14.782	14.482	60
56	15.716	15.376	15.069	14.770	14.467	14.157	61
57	15.426	15.080	14.765	14.456	14.143	13.825	62
58	15.125	14.775	14.451	14.133	13.813	13.487	63
59	14.815	14.460	14.129	13.803	13.476	13.142	64
60	14.496	14.137	13.799	13.467	13.132	12.790	65
61	14.169	13.807	13.463	13.124	12.781	12.431	66
62	13.836	13.470	13.120	12.773	12.422	12.065	67
63	13.496	13.126	12.770	12.415	12.057	11.693	68
64	13.149	12.775	12.412	12.050	11.685	11.316	69
65	12.795	12.417	12.047	11.679	11.309	10.936	70
66	12.435	12.051	11.677	11.304	10.930	10.555	71
67	12.067	11.680	11.301	10.925	10.549	10.172	72
68	11.694	11.304	10.922	10.544	10.166	9.787	73
69	11.316	10.924	10.541	10.161	9.782	9.402	74
70	10.935	10.543	10.159	9.778	9.397	9.017	75
71	10.553	10.161	9.776	9.393	9.012	8.630	76
72	10.169	9.777	9.391	9.008	8.626	8.244	77
73	9.784	9.393	9.007	8.623	8.240	7.860	78
74	9.399	9.008	8.621	8.237	7.856	7.481	79
75	9.013	8.622	8.235	7.853	7.478	7.112	80
76	8.626	8.236	7.852	7.475	7.108	6.753	81
77	8.240	7.852	7.474	7.106	6.751	6.407	82
78	7.856	7.475	7.105	6.749	6.405	6.074	83
79	7.478	7.106	6.748	6.403	6.072	5.754	84
80	7.108	6.748	6.402	6.070	5.752	5.445	85
81	6.750	6.403	6.070	5.750	5.443	5.151	86
82	6.405	6.070	5.750	5.442	5.149	4.874	87
83	6.072	5.750	5.442	5.148	4.872	4.611	88
84	5.752	5.442	5.148	4.871	4.610	4.359	89
85	5.443	5.148	4.871	4.609	4.358	4.117	90

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

0% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

**TABLE I (continued)**  
**Surviving Spouse's Pension Table\***

Age At Widowhood (X)	$\bar{a}$ (X)	$\bar{a}$ (X) + 1	$\bar{a}$ (X) + 2	$\bar{a}$ (X) + 3	$\bar{a}$ (X) + 4	$\bar{a}$ (X) + 5	Attained Age** (X + 5)
86	5.149	4.871	4.609	4.358	4.116	3.887	91
87	4.872	4.609	4.357	4.115	3.886	3.675	92
88	4.610	4.357	4.115	3.886	3.674	3.481	93
89	4.358	4.115	3.885	3.674	3.481	3.305	94
90	4.116	3.886	3.673	3.480	3.305	3.145	95
91	3.886	3.673	3.480	3.304	3.145	3.003	96
92	3.674	3.480	3.304	3.145	3.002	2.874	97
93	3.481	3.304	3.145	3.002	2.873	2.757	98
94	3.305	3.145	3.002	2.873	2.757	2.650	99
95	3.145	3.002	2.873	2.757	2.648	2.549	100
96	3.002	2.874	2.756	2.648	2.549	2.453	101
97	2.874	2.756	2.649	2.547	2.453	2.358	102
98	2.757	2.649	2.548	2.451	2.358	2.252	103
99	2.649	2.548	2.451	2.358	2.252	2.139	104
100	2.548	2.452	2.355	2.252	2.139	1.995	105
101	2.452	2.355	2.252	2.139	1.995	1.804	106
102	2.355	2.252	2.139	1.995	1.804	1.528	107
103	2.252	2.139	1.995	1.804	1.528	1.125	108
104	2.139	1.995	1.804	1.528	1.125	0.514	109
105	1.995	1.804	1.528	1.125	0.514	0.000	110
106	1.804	1.528	1.125	0.514	0.000	0.000	111
107	1.528	1.125	0.514	0.000	0.000	0.000	112
108	1.125	0.514	0.000	0.000	0.000	0.000	113
109	0.514	0.000	0.000	0.000	0.000	0.000	114
110	0.000	0.000	0.000	0.000	0.000	0.000	115

\*79-81 U.S. Decennial Life Table for Total Females  
 100% of Remarriage Rates based on NCCI 1979 study.  
 3.5% Annual Rate of Interest.  
 0% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

**SECTION IV - PART 1 - TRAUMATIC TABLES, continued**

The traumatic tables are used only in conjunction with traumatic death or permanent total claims, where the benefits are computed on a life pension basis. The table value is the present value factor for future benefits when applied to the annual indemnity benefit. These factors should not be applied to the medical benefits since the medical benefits are not paid in equal, periodic payments for the lifetime of the claim.

**TABLE I, The Surviving Spouse's Pension Table**

This table shall be used to compute the reserve for future benefits for a traumatic death claim where lifetime benefits are to be paid to the surviving spouse. The table shall be used as follows:

## 1. Determine the spouse's age at widowhood by:

- Step 1. Subtract spouse's date of birth from the date of death. Answer will be in age in years, months and days.
- Step 2. If the number of whole months produced in Step 1 is seven or more, add one year to the number of years produced in Step 1 to obtain the age at widowhood.
- Step 3. If the number of whole months produced in Step 1 is six or less, use the number of years produced in Step 1 as the age at widowhood.

**Example 1** Date of death - December 10, 1990

Spouse's date of birth - May 25, 1940

- Step 1. 12/10/90 minus 5/25/40 = 50 years, 6 months and 15 days.
- Step 2. 6 months is less than 7 months, therefore go to Step 3.
- Step 3. 6 months is six or less, therefore, use age 50 as spouse's age at widowhood.

**Example 2** Date of death - December 10, 1990

Spouse's date of birth - March 25, 1940

- Step 1. 12/10/90 minus 3/25/40 = 50 years, 8 months and 15 days.
- Step 2. 8 months is more than 7 months, therefore, add 1 to 50 and use 51 as the spouse's age at widowhood.

## 2. Determine the spouse's attained age at first valuation date. The valuation date is the accounting date at which the reserve is being calculated. The first valuation date for traumatic claims is April 30 following the calendar/accident year in which the date of death occurred.

- Step 1. Subtract spouse's date of birth from the first valuation date. Answer will be in age in years, months and days.
- Step 2. If the number of whole months produced in Step 1 is seven or more, add one year to the number of years produced in Step 1 to obtain age as of the first valuation.

**Example 1** First valuation - April 30, 1991

Spouse's date of birth - May 25, 1940

- Step 1. 4/30/91 minus 5/25/40 = 50 years, 11 months and 5 days.
- Step 2. 11 months is seven or more, therefore, add 1 to 50 and use age 51 as the age as of the first valuation.

**Example 2** First valuation - April 30, 1991

Spouse's date of birth - March 25, 1940

- Step 1. 4/30/91 minus 3/25/40 = 50 years, 1 months and 5 days.
- Step 2. 1 month is less than 7 months, therefore, go to Step 3.
- Step 3. 1 month is six or less months, therefore, use age 51 as the age at first valuation.

If the surviving spouse's age at first valuation is equal to the age at widowhood, the value in the factor column marked (x) corresponding to the age at widowhood is to be used at first report level.

If the surviving spouse's age at first valuation is one greater than the age at widowhood, the value in the factor column marked (x)+1 corresponding to the age at widowhood is to be used at first report level.

**Example 1** Age at widowhood = 50

Age at first valuation = 51

The value in the (x)+1 column corresponding to age at widowhood, 50, is to be used for first valuation.

The value used is 16.889.

**Example 2** Age at widowhood = 51

Age at first valuation = 51

The value in the (x) column corresponding to age at widowhood, 51, is to be used for first valuation.

The value used is 16.982.

3. For second and subsequent valuations, retain the age at widowhood used in the first valuation. Determine the age at the current valuation date in the same manner as to age determination at first valuation date. The age difference shall be calculated to whole years just as in the first valuation. Each successive valuation should add one year to the previous valuation's age determination.
  - A. If the difference in age at current valuation and widowhood is 5 years or less, enter the table at the left hand column, age of widowhood, and proceed to the right to the appropriate column,  $(x)+N$ , where N equals the difference between the age at widowhood and the age at valuation.
  - B. If the difference in age at current valuation and widowhood is more than 5 years, enter the table at the right hand column, attained age, using the age at current valuation, and use the factor in the  $(x)+5$  column corresponding to the age in the right hand column.

**Example 3**      Age at widowhood = 50  
                     Age at current valuation = 58  
                     The value in the  $(x)+5$  column corresponding to attained age, 58, in the right hand column is to be used for current valuation.  
                     The value used is 15.106.

SEE SECTION VI FOR COMPLETE EXAMPLES

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**SECTION IV - PART 1 - TRAUMATIC TABLES, continued**

**TABLE II**  
**Present Value of Remarriage Dowry\***

Age At Widowhood (X)	A' (X)	A' (X) + 1	A' (X) + 2	A' (X) + 3	A' (X) + 4	A' (X) + 5	Attained Age** (X + 5)
16	0.7004	0.7044	0.6768	0.6390	0.6010	0.5664	21
17	0.6719	0.6752	0.6468	0.6085	0.5702	0.5355	22
18	0.6428	0.6453	0.6166	0.5781	0.5400	0.5053	23
19	0.6133	0.6152	0.5863	0.5480	0.5103	0.4761	24
20	0.5835	0.5849	0.5561	0.5183	0.4812	0.4477	25
21	0.5536	0.5546	0.5261	0.4891	0.4529	0.4201	26
22	0.5239	0.5244	0.4965	0.4604	0.4252	0.3934	27
23	0.4944	0.4946	0.4674	0.4324	0.3983	0.3676	28
24	0.4655	0.4654	0.4390	0.4052	0.3723	0.3427	29
25	0.4371	0.4369	0.4114	0.3789	0.3474	0.3190	30
26	0.4096	0.4092	0.3847	0.3537	0.3236	0.2965	31
27	0.3831	0.3825	0.3591	0.3295	0.3009	0.2750	32
28	0.3575	0.3569	0.3346	0.3065	0.2793	0.2548	33
29	0.3330	0.3324	0.3113	0.2847	0.2589	0.2357	34
30	0.3097	0.3090	0.2891	0.2640	0.2397	0.2177	35
31	0.2875	0.2868	0.2681	0.2444	0.2216	0.2009	36
32	0.2665	0.2658	0.2482	0.2261	0.2046	0.1851	37
33	0.2467	0.2460	0.2296	0.2088	0.1887	0.1704	38
34	0.2280	0.2274	0.2121	0.1927	0.1739	0.1567	39
35	0.2105	0.2100	0.1957	0.1777	0.1601	0.1440	40
36	0.1942	0.1937	0.1804	0.1636	0.1473	0.1323	41
37	0.1790	0.1785	0.1662	0.1506	0.1354	0.1214	42
38	0.1647	0.1644	0.1530	0.1385	0.1243	0.1113	43
39	0.1515	0.1512	0.1407	0.1273	0.1141	0.1020	44
40	0.1393	0.1390	0.1293	0.1169	0.1047	0.0935	45
41	0.1279	0.1277	0.1187	0.1073	0.0960	0.0855	46
42	0.1174	0.1172	0.1090	0.0984	0.0879	0.0782	47
43	0.1076	0.1075	0.0999	0.0902	0.0805	0.0715	48
44	0.0986	0.0985	0.0916	0.0826	0.0737	0.0653	49
45	0.0903	0.0902	0.0838	0.0756	0.0673	0.0596	50
46	0.0826	0.0825	0.0767	0.0691	0.0615	0.0544	51
47	0.0755	0.0755	0.0701	0.0632	0.0561	0.0495	52
48	0.0689	0.0690	0.0641	0.0577	0.0512	0.0451	53
49	0.0629	0.0630	0.0585	0.0526	0.0466	0.0410	54
50	0.0574	0.0575	0.0534	0.0479	0.0424	0.0372	55
51	0.0523	0.0524	0.0486	0.0437	0.0386	0.0338	56
52	0.0476	0.0477	0.0443	0.0397	0.0350	0.0306	57
53	0.0433	0.0434	0.0403	0.0361	0.0318	0.0276	58
54	0.0393	0.0395	0.0366	0.0328	0.0288	0.0250	59
55	0.0357	0.0358	0.0332	0.0297	0.0260	0.0225	60

\*79-81 U.S. Decennial Life Table for Total Females  
100% of Remarriage Rates based on NCCI 1979 study.  
3.5% Annual Rate of Interest.  
0% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

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**SECTION IV - PART 1 - TRAUMATIC TABLES, continued**

**TABLE II (continued)**  
**Present Value of Remarriage Dowry\***

Age At Widowhood (X)	A' (X)	A' (X) + 1	A' (X) + 2	A' (X) + 3	A' (X) + 4	A' (X) + 5	Attained Age** (X + 5)
56	0.0324	0.0325	0.0301	0.0269	0.0235	0.0202	61
57	0.0293	0.0294	0.0273	0.0243	0.0212	0.0182	62
58	0.0265	0.0267	0.0247	0.0219	0.0191	0.0163	63
59	0.0240	0.0241	0.0223	0.0198	0.0171	0.0146	64
60	0.0216	0.0218	0.0201	0.0178	0.0154	0.0130	65
61	0.0195	0.0196	0.0181	0.0160	0.0137	0.0115	66
62	0.0176	0.0177	0.0163	0.0143	0.0123	0.0102	67
63	0.0158	0.0159	0.0146	0.0128	0.0109	0.0091	68
64	0.0142	0.0143	0.0131	0.0115	0.0097	0.0080	69
65	0.0127	0.0128	0.0118	0.0103	0.0087	0.0070	70
66	0.0114	0.0115	0.0105	0.0092	0.0077	0.0062	71
67	0.0102	0.0103	0.0094	0.0082	0.0068	0.0054	72
68	0.0091	0.0092	0.0084	0.0073	0.0060	0.0047	73
69	0.0082	0.0083	0.0075	0.0065	0.0053	0.0041	74
70	0.0073	0.0074	0.0067	0.0058	0.0047	0.0036	75
71	0.0065	0.0066	0.0060	0.0051	0.0041	0.0031	76
72	0.0058	0.0059	0.0054	0.0046	0.0036	0.0027	77
73	0.0052	0.0053	0.0048	0.0041	0.0032	0.0024	78
74	0.0047	0.0047	0.0043	0.0036	0.0028	0.0020	79
75	0.0042	0.0042	0.0038	0.0032	0.0025	0.0018	80
76	0.0037	0.0038	0.0034	0.0029	0.0022	0.0015	81
77	0.0033	0.0034	0.0031	0.0026	0.0020	0.0014	82
78	0.0030	0.0031	0.0028	0.0023	0.0018	0.0012	83
79	0.0026	0.0027	0.0025	0.0021	0.0016	0.0011	84
80	0.0024	0.0025	0.0023	0.0019	0.0014	0.0010	85
81	0.0021	0.0022	0.0020	0.0017	0.0013	0.0009	86
82	0.0019	0.0020	0.0018	0.0016	0.0012	0.0008	87
83	0.0017	0.0018	0.0017	0.0015	0.0012	0.0008	88
84	0.0016	0.0017	0.0016	0.0014	0.0011	0.0008	89
85	0.0015	0.0016	0.0015	0.0013	0.0011	0.0008	90
86	0.0013	0.0015	0.0014	0.0013	0.0011	0.0009	91
87	0.0013	0.0014	0.0014	0.0013	0.0012	0.0010	92
88	0.0012	0.0014	0.0014	0.0013	0.0012	0.0012	93
89	0.0012	0.0013	0.0014	0.0014	0.0014	0.0015	94
90	0.0012	0.0014	0.0015	0.0015	0.0017	0.0018	95
91	0.0012	0.0015	0.0016	0.0018	0.0020	0.0023	96
92	0.0013	0.0016	0.0019	0.0022	0.0025	0.0031	97
93	0.0015	0.0018	0.0022	0.0027	0.0034	0.0043	98
94	0.0017	0.0022	0.0027	0.0034	0.0043	0.0060	99
95	0.0020	0.0027	0.0034	0.0043	0.0060	0.0085	100

\*79-81 U.S. Decennial Life Table for Total Females  
100% of Remarriage Rates based on NCCI 1979 study.  
3.5% Annual Rate of Interest.  
0% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

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**SECTION IV - PART 1 - TRAUMATIC TABLES, continued**

**TABLE II (continued)**  
**Present Value of Remarriage Dowry\***

Age At Widowhood (X)	A' (X)	A' (X) + 1	A' (X) + 2	A' (X) + 3	A' (X) + 4	A' (X) + 5	Attained Age** (X + 5)
<b>96</b>	0.0025	0.0034	0.0046	0.0060	0.0085	0.0123	<b>101</b>
<b>97</b>	0.0034	0.0046	0.0060	0.0085	0.0123	0.0180	<b>102</b>
<b>98</b>	0.0043	0.0060	0.0085	0.0123	0.0180	0.0266	<b>103</b>
<b>99</b>	0.0060	0.0085	0.0123	0.0180	0.0266	0.0401	<b>104</b>
<b>100</b>	0.0085	0.0123	0.0180	0.0266	0.0401	0.0610	<b>105</b>
<b>101</b>	0.0123	0.0180	0.0266	0.0401	0.0610	0.0942	<b>106</b>
<b>102</b>	0.0180	0.0266	0.0401	0.0610	0.0942	0.1461	<b>107</b>
<b>103</b>	0.0266	0.0401	0.0610	0.0942	0.1461	0.2321	<b>108</b>
<b>104</b>	0.0401	0.0610	0.0942	0.1461	0.2321	0.3714	<b>109</b>
<b>105</b>	0.0610	0.0942	0.1461	0.2321	0.3714	0.0000	<b>110</b>
<b>106</b>	0.0942	0.1461	0.2321	0.3714	0.0000	0.0000	<b>111</b>
<b>107</b>	0.1461	0.2321	0.3714	0.0000	0.0000	0.0000	<b>112</b>
<b>108</b>	0.2321	0.3714	0.0000	0.0000	0.0000	0.0000	<b>113</b>
<b>109</b>	0.3714	0.0000	0.0000	0.0000	0.0000	0.0000	<b>114</b>
<b>110</b>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	<b>115</b>

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

0% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

**TABLE II, Present Value of Remarriage Dowry**

This table shall be used in conjunction with Table I for cases of traumatic death claims where benefits are to be paid to a surviving spouse. Table II is used explicitly in valuing the portion of reserves in traumatic death cases for lump sum dowry benefits payable to the surviving spouse upon remarriage.

As prescribed by the Pennsylvania Workers' Compensation Law, the surviving spouse is entitled to one hundred and four weeks of compensation for a remarriage dowry.

Therefore, the calculation for reserves for the remarriage dowry of a surviving spouse is:

104 weeks x weekly benefit x present value factor from Table II.

The age of widowhood and age at valuation date used in Table II shall be identical to those used in application of Table I.

For example, if age at widowhood is 50, and the age at first valuation date is 51, then the value in the (x) + 1 column corresponding to age of widowhood of 50 is to be used for first valuation. The value to be used is 0.0575.

SEE SECTION IV FOR COMPLETE EXAMPLES.

## SECTION IV - PART 1 - TRAUMATIC TABLES, continued

**TABLE III**  
**Pension Table (Other than Surviving Spouse's)**  
**(Present Value of \$1.00 per annum payable until death)**

Age	Present Value	Age	Present Value	Age	Present Value
11	25.253	41	19.684	71	9.697
12	25.125	42	19.406	72	9.346
13	24.993	43	19.122	73	8.996
14	24.859	44	18.834	74	8.649
15	24.726	45	18.538	75	8.304
16	24.590	46	18.239	76	7.958
17	24.445	47	17.933	77	7.612
18	24.317	48	17.623	78	7.272
19	24.176	49	17.310	79	6.936
20	24.032	50	16.992	80	6.606
21	23.885	51	16.671	81	6.289
22	23.734	52	16.345	82	5.979
23	23.580	53	16.014	83	5.682
24	23.419	54	15.681	84	5.398
25	23.253	55	15.344	85	5.122
26	23.081	56	15.003	86	4.861
27	22.902	57	14.659	87	4.611
28	22.716	58	14.312	88	4.373
29	22.253	59	13.962	89	4.147
30	22.324	60	13.609	90	3.927
31	22.117	61	13.256	91	3.717
32	21.904	62	12.904	92	3.522
33	21.684	63	12.549	93	3.332
34	21.457	64	12.196	94	3.174
35	21.223	65	11.841	95	3.021
36	20.982	66	11.485	96	2.888
37	20.735	67	11.126	97	2.779
38	20.482	68	10.768	98	2.667
39	20.222	69	10.409	99	2.566
40	19.956	70	10.053	100	2.459

\*79-81 U.S. Decennial Life Tables for Total Population.

3.50% Annual Rate of Interest

0.000% Annual Rate of Escalation.

**TABLE III, Pension Table (Other Than Surviving Spouse's)**

This table shall be used to compute the reserve for future benefits where lifetime benefits are to be paid for a traumatic injury other than to a surviving spouse of a deceased miner.

This table shall apply if the injured miner is permanently and totally disabled, or the miner is deceased and benefits are to be paid to an adult dependent, who is not the deceased miner's spouse.

The present value factor times the annual benefit amount produces the reserve value. To obtain the proper present value factor, the age must first be obtained. Determine the age by:

Step 1. Subtract the claimant's date of birth from the valuation date. The answer will be in number of years, months and days.

Step 2. If the number of whole months produced in Step 1 is seven or more, add one year to the number of years produced in Step 1 to obtain the proper age.

Step 3. If the number of whole months produced in Step 1 is six or less, use the number of years produced in Step 1 as the proper age

**Example 1** Valuation Date - April 30, 1991

Claimant's date of birth - October 2, 1940

Step 1. 4/30/91 minus 10/2/40 = 50 years, 6 months and 28 days.

Step 2. 6 months is not seven or more, therefore, go to Step 3.

Step 3. 6 months is six or less, therefore, use age 50.

Therefore, the proper present value factor for age 50 is 16.992.

**Example 2** Valuation Date - April 30, 1991

Claimant's date of birth - May 25, 1940

Step 1. 4/30/91 minus 5/25/40 = 50 years, 11 months and 5 days.

Step 2. 11 months is seven or more, therefore, add 1 to 50 years in Step 1 and use 51 as the proper age.

Therefore, the proper present value for age 51 is 16.671.

SEE SECTION VI FOR COMPLETE EXAMPLES

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**SECTION IV - PART 2 - OCCUPATIONAL DISEASE TABLES**

**TABLE IV  
OCCUPATIONAL DISEASE TABLE FOR MALE CLAIMANTS**

Age	Present Value	Age	Present Value	Age	Present Value
0	22.724	35	18.585	70	8.052
1	22.927	36	18.364	71	7.736
2	22.866	37	18.136	72	7.426
3	22.796	38	17.900	73	7.121
4	22.721	39	17.658	74	6.820
5	22.640	40	17.409	75	6.522
6	22.555	41	17.153	76	6.227
7	22.465	42	16.890	77	5.937
8	22.372	43	16.622	78	5.652
9	22.274	44	16.347	79	5.372
10	22.170	45	16.066	80	5.099
11	22.062	46	15.779	81	4.834
12	21.949	47	15.487	82	4.579
13	21.833	48	15.189	83	4.335
14	21.717	49	14.888	84	4.100
15	21.601	50	14.583	85	3.875
16	21.487	51	14.274	86	3.659
17	21.373	52	13.961	87	3.458
18	21.258	53	13.644	88	3.263
19	21.142	54	13.324	89	3.077
20	21.024	55	13.000	90	2.897
21	20.903	56	12.674	91	2.722
22	20.780	57	12.345	92	2.556
23	20.653	58	12.013	93	2.402
24	20.520	59	11.679	94	2.264
25	20.381	60	11.344	95	2.142
26	20.235	61	11.010	96	2.034
27	20.082	62	10.676	97	1.939
28	19.921	63	10.343	98	1.853
29	19.753	64	10.012	99	1.775
30	19.577	65	9.682	100	1.701
31	19.394	66	9.352	101	1.637
32	19.203	67	9.024	102	1.564
33	19.005	68	8.697	103	1.502
34	18.798	69	8.372	104	1.405

1979-1981 U.S. Decennial Life Table for White Males

4.0% Annual Rate of Interest.

0.0% Annual Rate of Escalation.

## SECTION IV - PART 2 - OCCUPATIONAL DISEASE TABLES

**TABLE V**  
**OCCUPATIONAL DISEASE TABLE FOR FEMALE CLAIMANTS**

Age	Present Value	Age	Present Value	Age	Present Value
0	23.319	35	19.958	70	10.128
1	23.488	36	19.776	71	9.758
2	23.446	37	19.587	72	9.386
3	23.397	38	19.393	73	9.014
4	23.342	39	19.192	74	8.641
5	23.283	40	18.986	75	8.267
6	23.221	41	18.774	76	7.892
7	23.156	42	18.555	77	7.517
8	23.088	43	18.331	78	7.145
9	23.016	44	18.101	79	6.779
10	22.941	45	17.865	80	6.420
11	22.863	46	17.623	81	6.072
12	22.781	47	17.374	82	5.736
13	22.697	48	17.120	83	5.410
14	22.611	49	16.860	84	5.097
15	22.523	50	16.595	85	4.796
16	22.433	51	16.324	86	4.509
17	22.341	52	16.047	87	4.239
18	22.247	53	15.764	88	3.983
19	22.150	54	15.475	89	3.738
20	22.048	55	15.180	90	3.500
21	21.943	56	14.879	91	3.274
22	21.834	57	14.572	92	3.065
23	21.720	58	14.259	93	2.873
24	21.602	59	13.940	94	2.698
25	21.479	60	13.616	95	2.538
26	21.351	61	13.288	96	2.394
27	21.218	62	12.955	97	2.265
28	21.080	63	12.619	98	2.148
29	20.936	64	12.278	99	2.041
30	20.787	65	11.932	100	1.942
31	20.633	66	11.580	101	1.850
32	20.473	67	11.223	102	1.757
33	20.307	68	10.861	103	1.661
34	20.136	69	10.496	104	1.553

1979-1981 U.S. Decennial Life Table for White Females

4.0% Annual Rate of Interest.

0.0% Annual Rate of Escalation.

**SECTION IV - PART 2 - OCCUPATIONAL DISEASE TABLES**

The occupational disease tables are used only in conjunction with the reporting of reserves for occupational disease claims, both state and federal. The table value is the present value factor for future benefits when applied to the annual indemnity benefit.

There are two occupational disease tables; Table IV for male claimants and Table V for female claimants. Table IV is used to compute future benefits for male claimants who have filed either state or federal occupational disease claims. This table is also used to compute benefits for adult male dependents of deceased miners.

Table V is used to compute future benefits for female claimants who have filed state or federal occupational disease claims. This includes female miners or female spouses of male miners who have died as a result of an occupational disease. Table V is also used to compute benefits of adult female dependents of deceased miners.

To compute the reserve, the proper present value factor must be obtained. The factor used corresponds to the claimants age. Determine the age of the claimant by:

- Step 1. Subtract the date of birth of the claimant from the valuation date. The answer will be the age in years, months and days.
- Step 2. If the number of whole months produced in Step 1 is seven or more, add one year to the number of years produced in Step 1 to obtain the proper age.
- Step 3. If the number of whole months produced in Step 1 is six or less, use the number of years produced in Step 1 as the proper age.

**Example 1** Male claimant

Date of birth - January 10, 1941

Valuation date - April 30, 1991

- Step 1. 4/30/91 minus 1/10/41 = 50 years, 3 months and 20 days.
- Step 2. 3 months is not seven or more, therefore go to Step 3.
- Step 3. The number of months produced in Step 1 is six or less, therefore, use the number of years produced in Step 1, 50 years.

Therefore, the present value factor for a 50 year old male claimant is 14.583 as shown in Table IV occupational disease table.

**Example 2** Spouse of a deceased male miner. Surviving Spouse's Date of Birth - May 25, 1940

Valuation date - April 30, 1991

- Step 1. 4/30/91 minus 5/25/40 = 50 years, 11 months and 5 days.
- Step 2. Since the number of months produced in Step 1 is seven or more, add one to the number of years produced in Step 1,  $50 + 1 = 51$ .

Therefore, the proper present value factor for this female claimant is 16.324 as shown across from age 51 in Table V occupational disease table.

SEE SECTION VI FOR COMPLETE EXAMPLES.

## SECTION IV - UNITED STATES LONGSHORE &amp; HARBOR WORKERS ACT

TABLE USL-I

Surviving Spouse's Pension Table\*

Age At Widowhood (X)	$\bar{a}$ (X)	$\bar{a}$ (X) + 1	$\bar{a}$ (X) + 2	$\bar{a}$ (X) + 3	$\bar{a}$ (X) + 4	$\bar{a}$ (X) + 5	Attained Age** (X + 5)
16	20.593	20.745	23.139	26.224	29.230	31.886	21
17	23.064	23.202	25.599	28.655	31.595	34.162	22
18	25.544	25.650	28.009	30.990	33.823	36.268	23
19	27.992	28.053	30.336	33.203	35.896	38.191	24
20	30.382	30.384	32.560	35.280	37.807	39.932	25
21	32.684	32.618	34.661	37.208	39.549	41.490	26
22	34.880	34.738	36.627	38.982	41.121	42.870	27
23	36.945	36.720	38.439	40.588	42.518	44.069	28
24	38.854	38.544	40.081	42.014	43.729	45.081	29
25	40.594	40.195	41.544	43.255	44.754	45.907	30
26	42.152	41.665	42.821	44.311	45.595	46.554	31
27	43.520	42.947	43.910	45.181	46.256	47.027	32
28	44.697	44.040	44.813	45.870	46.743	47.333	33
29	45.683	44.945	45.536	46.386	47.065	47.483	34
30	46.481	45.667	46.082	46.735	47.230	47.488	35
31	47.096	46.212	46.459	46.926	47.250	47.357	36
32	47.536	46.587	46.677	46.970	47.133	47.102	37
33	47.808	46.800	46.743	46.874	46.891	46.731	38
34	47.922	46.861	46.670	46.653	46.533	46.256	39
35	47.889	46.782	46.468	46.314	46.070	45.687	40
36	47.722	46.575	46.148	45.870	45.513	45.033	41
37	47.430	46.247	45.720	45.329	44.871	44.307	42
38	47.026	45.814	45.195	44.703	44.156	43.515	43
39	46.520	45.283	44.583	44.003	43.376	42.668	44
40	45.923	44.666	43.896	43.237	42.539	41.772	45
41	45.244	43.974	43.142	42.414	41.654	40.835	46
42	44.495	43.214	42.330	41.540	40.727	39.864	47
43	43.685	42.397	41.466	40.625	39.765	38.866	48
44	42.821	41.529	40.560	39.674	38.775	37.846	49
45	41.910	40.618	39.616	38.693	37.763	36.809	50
46	40.960	39.670	38.643	37.690	36.734	35.760	51
47	39.976	38.692	37.646	36.668	35.692	34.701	52
48	38.967	37.692	36.630	35.633	34.640	33.637	53
49	37.938	36.672	35.600	34.587	33.581	32.569	54
50	36.892	35.638	34.558	33.534	32.519	31.503	55
51	35.834	34.593	33.508	32.477	31.457	30.439	56
52	34.768	33.541	32.455	31.420	30.398	29.380	57
53	33.697	32.485	31.401	30.365	29.343	28.327	58
54	32.623	31.427	30.347	29.313	28.294	27.284	59
55	31.550	30.371	29.298	28.267	27.254	26.253	60
56	30.481	29.320	28.254	27.230	26.226	25.236	61
57	29.416	28.274	27.219	26.205	25.211	24.235	62
58	28.358	27.236	26.194	25.192	24.212	23.250	63
59	27.311	26.210	25.183	24.195	23.230	22.281	64
60	26.276	25.196	24.187	23.214	22.263	21.328	65

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

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**SECTION IV - UNITED STATES LONGSHORE & HARBOR WORKERS ACT**

**TABLE USL-I (continued)**

**Surviving Spouse's Pension Table\***

Age At Widowhood (X)	$\bar{a}$ (X)	$\bar{a}$ (X) + 1	$\bar{a}$ (X) + 2	$\bar{a}$ (X) + 3	$\bar{a}$ (X) + 4	$\bar{a}$ (X) + 5	Attained Age** (X + 5)
61	25.255	24.199	23.207	22.249	21.311	20.390	66
62	24.250	23.217	22.242	21.299	20.375	19.469	67
63	23.262	22.251	21.292	20.363	19.455	18.564	68
64	22.290	21.300	20.358	19.444	18.552	17.679	69
65	21.334	20.364	19.439	18.542	17.668	16.816	70
66	20.393	19.444	18.537	17.659	16.805	15.976	71
67	19.469	18.541	17.654	16.797	15.966	15.158	72
68	18.563	17.658	16.793	15.958	15.148	14.363	73
69	17.676	16.795	15.954	15.141	14.354	13.590	74
70	16.812	15.956	15.138	14.348	13.582	12.840	75
71	15.970	15.140	14.344	13.576	12.833	12.110	76
72	15.152	14.346	13.573	12.827	12.104	11.403	77
73	14.356	13.574	12.824	12.099	11.398	10.721	78
74	13.583	12.825	12.097	11.393	10.716	10.066	79
75	12.833	12.098	11.391	10.712	10.062	9.443	80
76	12.104	11.392	10.710	10.058	9.439	8.853	81
77	11.397	10.710	10.056	9.436	8.849	8.295	82
78	10.715	10.057	9.434	8.846	8.292	7.770	83
79	10.061	9.434	8.845	8.289	7.767	7.275	84
80	9.438	8.845	8.288	7.765	7.273	6.809	85
81	8.848	8.288	7.764	7.271	6.806	6.372	86
82	8.291	7.764	7.270	6.805	6.370	5.968	87
83	7.766	7.270	6.804	6.369	5.966	5.591	88
84	7.272	6.804	6.368	5.965	5.590	5.237	89
85	6.806	6.368	5.964	5.589	5.236	4.902	90
86	6.370	5.965	5.588	5.235	4.901	4.590	91
87	5.966	5.588	5.234	4.900	4.589	4.306	92
88	5.590	5.234	4.900	4.588	4.305	4.050	93
89	5.235	4.900	4.588	4.304	4.049	3.819	94
90	4.901	4.588	4.304	4.048	3.818	3.612	95
91	4.589	4.304	4.048	3.818	3.611	3.427	96
92	4.305	4.048	3.818	3.611	3.426	3.262	97
93	4.049	3.818	3.611	3.426	3.261	3.112	98
94	3.818	3.611	3.426	3.261	3.112	2.974	99
95	3.611	3.426	3.261	3.112	2.974	2.846	100
96	3.426	3.261	3.112	2.974	2.846	2.723	101
97	3.261	3.112	2.974	2.846	2.723	2.601	102
98	3.112	2.974	2.846	2.723	2.601	2.471	103
99	2.974	2.846	2.723	2.601	2.471	2.327	104
100	2.846	2.723	2.601	2.471	2.326	2.147	105
101	2.723	2.601	2.471	2.326	2.147	1.919	106
102	2.601	2.471	2.326	2.147	1.919	1.604	107
103	2.471	2.326	2.147	1.919	1.604	1.158	108
104	2.326	2.147	1.919	1.604	1.158	0.500	109
105	2.147	1.919	1.604	1.158	0.500	0.000	110

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

## SECTION IV - UNITED STATES LONGSHORE &amp; HARBOR WORKERS ACT

TABLE USL-I (continued)

Surviving Spouse's Pension Table\*

Age At Widowhood (X)	$\bar{a}$ (X)	$\bar{a}$ (X) + 1	$\bar{a}$ (X) + 2	$\bar{a}$ (X) + 3	$\bar{a}$ (X) + 4	$\bar{a}$ (X) + 5	Attained Age** (X + 5)
<b>106</b>	1.919	1.604	1.158	0.500	0.000	0.000	<b>111</b>
<b>107</b>	1.604	1.158	0.500	0.000	0.000	0.000	<b>112</b>
<b>108</b>	1.158	1.500	0.000	0.000	0.000	0.000	<b>113</b>
<b>109</b>	0.500	0.000	0.000	0.000	0.000	0.000	<b>114</b>
<b>110</b>	0.000	0.000	0.000	0.000	0.000	0.000	<b>115</b>

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

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**SECTION IV - UNITED STATES LONGSHORE & HARBOR WORKERS ACT**

**TABLE USL-II**

**Present Value of Remarriage Dowry\***

Age At Widowhood (X)	A' (X)	A' (X) + 1	A' (X) + 2	A' (X) + 3	A' (X) + 4	A' (X) + 5	Attained Age** (X + 5)
16	0.9386	0.9218	0.8947	0.8617	0.8263	0.7906	21
17	0.9128	0.8951	0.8656	0.8301	0.7926	0.7553	22
18	0.8844	0.8662	0.8346	0.7969	0.7578	0.7193	23
19	0.8539	0.8351	0.8019	0.7626	0.7223	0.6831	24
20	0.8214	0.8024	0.7679	0.7274	0.6863	0.6468	25
21	0.7874	0.7682	0.7328	0.6917	0.6503	0.6107	26
22	0.7521	0.7330	0.6971	0.6556	0.6142	0.5749	27
23	0.7160	0.6970	0.6610	0.6195	0.5785	0.5398	28
24	0.6793	0.6607	0.6248	0.5838	0.5434	0.5056	29
25	0.6426	0.6243	0.5890	0.5487	0.5092	0.4723	30
26	0.6060	0.5883	0.5537	0.5143	0.4760	0.4403	31
27	0.5700	0.5529	0.5192	0.4810	0.4440	0.4096	32
28	0.5346	0.5183	0.4857	0.4488	0.4132	0.3862	33
29	0.5003	0.4846	0.4533	0.4179	0.3838	0.3523	34
30	0.4670	0.4521	0.4221	0.3884	0.3558	0.3259	35
31	0.4349	0.4209	0.3923	0.3602	0.3293	0.3009	36
32	0.4043	0.3910	0.3639	0.3335	0.3043	0.2774	37
33	0.3750	0.3626	0.3370	0.3083	0.2807	0.2554	38
34	0.3473	0.3357	0.3116	0.2846	0.2586	0.2348	39
35	0.3211	0.3103	0.2877	0.2623	0.2380	0.2156	40
36	0.2964	0.2863	0.2652	0.2414	0.2187	0.1978	41
37	0.2732	0.2639	0.2442	0.2220	0.2007	0.1812	42
38	0.2515	0.2429	0.2245	0.2039	0.1840	0.1658	43
39	0.2312	0.2233	0.2062	0.1870	0.1686	0.1516	44
40	0.2123	0.2050	0.1892	0.1714	0.1542	0.1385	45
41	0.1947	0.1880	0.1734	0.1569	0.1410	0.1264	46
42	0.1784	0.1722	0.1587	0.1434	0.1287	0.1152	47
43	0.1632	0.1576	0.1451	0.1310	0.1174	0.1049	48
44	0.1492	0.1440	0.1326	0.1195	0.1070	0.0954	49
45	0.1362	0.1315	0.1210	0.1090	0.0974	0.0866	50
46	0.1242	0.1199	0.1103	0.0992	0.0885	0.0786	51
47	0.1132	0.1093	0.1004	0.0903	0.0804	0.0713	52
48	0.1030	0.0995	0.0914	0.0820	0.0729	0.0645	53
49	0.0936	0.0904	0.0830	0.0744	0.0661	0.0583	54
50	0.0850	0.0821	0.0753	0.0675	0.0598	0.0526	55
51	0.0771	0.0745	0.0683	0.0611	0.0540	0.0475	56
52	0.0698	0.0675	0.0618	0.0552	0.0488	0.0427	57
53	0.0632	0.0611	0.0559	0.0499	0.0439	0.0384	58
54	0.0571	0.0552	0.0505	0.0450	0.0395	0.0344	59
55	0.0515	0.0498	0.0456	0.0405	0.0355	0.0308	60
56	0.0464	0.0449	0.0410	0.0364	0.0318	0.0275	61
57	0.0418	0.0404	0.0369	0.0327	0.0285	0.0245	62
58	0.0376	0.0364	0.0331	0.0293	0.0255	0.0218	63
59	0.0337	0.0326	0.0297	0.0262	0.0227	0.0194	64
60	0.0302	0.0293	0.0266	0.0234	0.0202	0.0171	65

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

## SECTION IV - UNITED STATES LONGSHORE &amp; HARBOR WORKERS ACT

TABLE USL-II (continued)

Present Value of Remarriage Dowry\*

Age At Widowhood (X)	A' (X)	A' (X) + 1	A' (X) + 2	A' (X) + 3	A' (X) + 4	A' (X) + 5	Attained Age** (X + 5)
61	0.0270	0.0262	0.0238	0.0209	0.0179	0.0151	66
62	0.0242	0.0234	0.0212	0.0186	0.0159	0.0133	67
63	0.0215	0.0209	0.0189	0.0165	0.0140	0.0117	68
64	0.0192	0.0186	0.0168	0.0146	0.0124	0.0102	69
65	0.0171	0.0166	0.0150	0.0130	0.0109	0.0089	70
66	0.0152	0.0148	0.0133	0.0115	0.0096	0.0078	71
67	0.0135	0.0131	0.0118	0.0101	0.0084	0.0067	72
68	0.0120	0.0116	0.0104	0.0089	0.0074	0.0058	73
69	0.0106	0.0103	0.0092	0.0079	0.0064	0.0050	74
70	0.0094	0.0092	0.0082	0.0069	0.0056	0.0043	75
71	0.0083	0.0081	0.0072	0.0061	0.0049	0.0037	76
72	0.0073	0.0072	0.0064	0.0054	0.0043	0.0032	77
73	0.0065	0.0064	0.0056	0.0047	0.0037	0.0027	78
74	0.0057	0.0056	0.0050	0.0041	0.0032	0.0023	79
75	0.0051	0.0050	0.0044	0.0036	0.0028	0.0020	80
76	0.0045	0.0044	0.0039	0.0032	0.0024	0.0017	81
77	0.0039	0.0039	0.0034	0.0028	0.0021	0.0014	82
78	0.0035	0.0034	0.0030	0.0025	0.0018	0.0012	83
79	0.0031	0.0030	0.0027	0.0022	0.0016	0.0010	84
80	0.0027	0.0027	0.0024	0.0019	0.0014	0.0008	85
81	0.0024	0.0024	0.0021	0.0017	0.0012	0.0007	86
82	0.0021	0.0021	0.0018	0.0015	0.0010	0.0006	87
83	0.0018	0.0019	0.0016	0.0013	0.0009	0.0005	88
84	0.0016	0.0017	0.0015	0.0012	0.0008	0.0004	89
85	0.0014	0.0015	0.0013	0.0010	0.0007	0.0003	90
86	0.0013	0.0013	0.0012	0.0009	0.0006	0.0003	91
87	0.0011	0.0012	0.0010	0.0008	0.0006	0.0002	92
88	0.0010	0.0010	0.0009	0.0007	0.0005	0.0002	93
89	0.0009	0.0009	0.0008	0.0007	0.0004	0.0002	94
90	0.0008	0.0008	0.0008	0.0006	0.0004	0.0002	95
91	0.0007	0.0007	0.0007	0.0005	0.0004	0.0001	96
92	0.0006	0.0007	0.0006	0.0005	0.0003	0.0001	97
93	0.0005	0.0006	0.0006	0.0005	0.0003	0.0001	98
94	0.0005	0.0005	0.0005	0.0004	0.0003	0.0001	99
95	0.0004	0.0005	0.0005	0.0004	0.0003	0.0002	100
96	0.0004	0.0004	0.0004	0.0004	0.0003	0.0002	101
97	0.0003	0.0004	0.0004	0.0004	0.0003	0.0002	102
98	0.0003	0.0004	0.0004	0.0004	0.0003	0.0003	103
99	0.0003	0.0004	0.0004	0.0004	0.0004	0.0004	104
100	0.0003	0.0004	0.0005	0.0005	0.0005	0.0006	105
101	0.0003	0.0004	0.0005	0.0006	0.0007	0.0008	106
102	0.0004	0.0005	0.0006	0.0007	0.0009	0.0012	107
103	0.0004	0.0005	0.0007	0.0010	0.0013	0.0017	108
104	0.0005	0.0007	0.0010	0.0013	0.0020	0.0026	109
105	0.0007	0.0010	0.0013	0.0020	0.0026	0.0000	110

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

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## SECTION IV - UNITED STATES LONGSHORE & HARBOR WORKERS ACT

**TABLE USL-II (continued)**

**Present Value of Remarriage Dowry\***

Age At Widowhood (X)	A' (X)	A' (X) + 1	A' (X) + 2	A' (X) + 3	A' (X) + 4	A' (X) + 5	Attained Age** (X + 5)
<b>106</b>	0.0008	0.0012	0.0017	0.0026	0.0000	0.0000	<b>111</b>
<b>107</b>	0.0012	0.0017	0.0026	0.0000	0.0000	0.0000	<b>112</b>
<b>108</b>	0.0017	0.0026	0.0000	0.00000	0.0000	0.0000	<b>113</b>
<b>109</b>	0.0026	0.0000	0.0000	0.0000	0.0000	0.0000	<b>114</b>
<b>110</b>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	<b>115</b>

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

\*\*For durations greater than 5 years from date of widowhood, the value in the (x+5) column corresponding to the beneficiary's attained age is to be used.

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**SECTION IV - PART 1 - TRAUMATIC TABLES, continued**

**TABLE III**  
**Pension Table (Other than Surviving Spouse's)**  
**(Present Value of \$1.00 per annum payable until death)**

Age	Present Value	Age	Present Value	Age	Present Value
11	105.321	41	47.845	71	14.322
12	102.941	42	46.333	72	13.605
13	100.599	43	44.848	73	12.912
14	98.300	44	43.390	74	12.241
15	96.046	45	41.959	75	11.590
16	93.836	46	40.557	76	10.959
17	91.667	47	39.181	77	10.347
18	89.536	48	37.834	78	9.757
19	87.439	49	36.516	79	9.190
20	85.376	50	35.228	80	8.648
21	83.345	51	33.968	81	8.133
22	81.342	52	32.735	82	7.646
23	79.370	53	31.528	83	7.187
24	77.421	54	30.349	84	6.754
25	75.496	55	29.197	85	6.344
26	73.593	56	28.072	86	5.959
27	71.711	57	26.972	87	5.600
28	69.852	58	25.899	88	5.265
29	68.016	59	24.852	89	4.949
30	66.202	60	23.832	90	4.647
31	64.411	61	22.839	91	4.364
32	62.643	62	21.875	92	4.103
33	60.898	63	20.939	93	3.865
34	59.177	64	20.029	94	3.651
35	57.480	65	19.144	95	3.461
36	55.810	66	18.282	96	3.293
37	54.165	67	17.442	97	3.141
38	52.546	68	16.625	98	3.005
39	50.953	69	15.832	99	2.880
40	49.386	70	15.064	100	2.763

\*79-81 U.S. Decennial Life Table for Total Population

3.5% Annual Rate of Interest.

4.9% Annual Rate of Escalation.

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**SECTION IV - UNITED STATES LONGSHORE & HARBOR WORKERS ACT**

**TABLE USL-IV**

**Present Value of Survivor Benefits Table\*  
Age Difference (spouse's age minus claimant's age)**

Claimant's Age	-5	-4	-3	-2	-1	-0	Claimant's Age**
16	27.278	25.731	24.238	22.802	21.423	20.102	16
17	26.928	25.400	23.926	22.508	21.147	19.842	17
18	26.583	25.074	23.619	22.219	20.874	19.583	18
19	26.243	24.753	23.317	21.933	20.602	19.325	19
20	25.909	24.438	23.018	21.649	20.332	19.067	20
21	25.581	24.126	22.721	21.366	20.061	18.808	21
22	25.256	23.817	22.425	21.082	19.790	18.549	22
23	24.933	23.508	22.129	20.799	19.519	18.290	23
24	24.611	23.200	21.834	20.517	19.249	18.301	24
25	24.291	22.892	21.540	20.235	18.979	17.773	25
26	23.971	22.586	21.246	19.954	18.710	17.516	26
27	23.652	22.281	20.954	19.675	18.443	17.261	27
28	23.335	21.977	20.663	19.396	18.177	17.007	28
29	23.019	21.674	20.374	19.120	17.913	16.755	29
30	22.704	21.373	20.086	18.844	17.650	16.505	30
31	22.391	21.073	19.799	18.571	17.390	16.257	31
32	22.079	20.775	19.514	18.299	17.131	16.011	32
33	21.769	20.478	19.231	18.030	16.875	15.767	33
34	21.460	20.183	18.950	17.761	16.619	15.5	34
35	21.152	19.889	18.669	17.494	16.366	15.284	35
36	20.845	19.595	18.389	17.228	16.112	15.044	36
37	20.538	19.302	18.110	16.962	15.860	14.804	37
38	20.231	19.009	17.831	16.696	15.608	14.566	38
39	19.924	18.716	17.552	16.432	15.357	14.327	39
40	19.617	18.424	17.273	16.167	15.105	14.089	40
41	19.310	18.131	16.995	15.902	14.854	13.851	41
42	19.002	17.837	16.715	15.636	14.601	13.612	42
43	18.693	17.542	16.434	15.369	14.348	13.372	43
44	18.382	17.246	16.152	15.101	14.093	13.131	44
45	18.071	16.949	15.869	14.832	13.838	12.889	45
46	17.758	16.650	15.585	14.561	13.582	12.645	46
47	17.443	16.350	15.299	14.290	13.324	12.401	47
48	17.127	16.048	15.011	14.016	13.063	12.154	48
49	16.807	15.743	14.720	13.739	12.801	11.905	49
50	16.485	15.435	14.427	13.460	12.535	11.653	50
51	16.159	15.125	14.131	13.178	12.268	11.400	51
52	15.833	14.813	13.834	12.896	11.999	11.144	52
53	15.505	14.500	13.536	12.612	11.730	10.888	53
54	15.175	14.186	13.236	12.327	11.458	10.630	54
55	14.844	13.870	12.935	12.039	11.184	10.370	55
56	14.511	13.552	12.631	11.750	10.909	10.108	56
57	14.178	13.233	12.327	11.460	10.633	9.846	57
58	13.843	12.913	12.022	11.169	10.356	9.582	58
59	13.507	12.592	11.715	10.877	10.078	9.318	59
60	13.168	12.269	11.407	10.583	9.798	9.053	60

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest applied prior to claimant's death. 3.5% Annual Rate of Interest applied after claimant's death.

4.9% Annual Rate of Escalation applied prior to claimant's death. 4.9% Annual Rate of Escalation applied after to claimant's death.

\*\*Where spouse's age exceeds claimant's age, the 0 age difference value is to be used. Where claimant's age exceeds spouse's age by more than 5, the -5 age difference value is to be used.

## SECTION IV - UNITED STATES LONGSHORE &amp; HARBOR WORKERS ACT

## TABLE USL-IV

## Present Value of Survivor Benefits Table\*

## Age Difference (spouse's age minus claimant's age)

Claimant's Age	-5	-4	-3	-2	-1	-0	Claimant's Age**
61	12.827	11.943	11.095	10.287	9.517	8.786	61
62	12.483	11.614	10.782	9.988	9.233	8.517	62
63	12.136	11.282	10.466	9.688	8.949	8.247	63
64	11.788	10.950	10.150	9.388	8.664	7.977	64
65	11.440	10.619	9.835	9.089	8.379	7.707	65
66	11.095	10.290	9.522	8.791	8.096	7.437	66
67	10.752	9.963	9.211	8.495	7.814	7.169	67
68	10.411	9.639	8.902	8.200	7.534	6.903	68
69	10.071	9.315	8.593	7.906	7.254	6.639	69
70	9.731	8.990	8.283	7.611	6.975	6.376	70
71	9.390	8.664	7.973	7.317	6.697	6.114	71
72	9.048	8.338	7.663	7.024	6.422	5.855	72
73	8.707	8.014	7.356	6.735	6.149	5.598	73
74	8.369	7.693	7.054	6.449	5.880	5.346	74
75	8.036	7.379	6.757	6.170	5.617	5.099	75
76	7.710	7.071	6.467	5.897	5.361	4.858	76
77	7.390	6.769	6.182	5.630	5.110	4.624	77
78	7.076	6.473	5.904	5.367	4.865	4.396	78
79	6.766	6.181	5.628	5.110	4.625	4.175	79
80	6.458	5.891	5.356	4.856	4.391	3.962	80
81	6.151	5.602	5.087	4.608	4.164	3.756	81
82	5.845	5.316	4.823	4.366	3.944	3.558	82
83	5.542	5.035	4.565	4.131	3.732	3.367	83
84	5.245	4.763	4.316	3.906	3.529	3.183	84
85	4.958	4.501	4.079	3.690	3.334	3.008	85
86	4.682	4.249	3.850	3.484	3.148	2.842	86
87	4.414	4.006	3.630	3.284	2.969	2.684	87
88	4.158	3.772	3.418	3.094	2.800	2.533	88
89	3.914	3.551	3.219	2.917	2.642	2.391	89
90	3.685	3.345	3.035	2.753	2.495	2.258	90
91	3.470	3.154	2.864	2.599	2.355	2.135	91
92	3.268	2.972	2.700	2.450	2.224	2.023	92
93	3.075	2.797	2.541	2.309	2.103	1.921	93
94	2.887	2.626	2.390	2.179	1.992	1.827	94
95	2.705	2.463	2.248	2.058	1.889	1.740	95
96	2.529	2.310	2.116	1.945	1.793	1.660	96
97	2.368	2.171	1.996	1.842	1.706	1.586	97
98	2.220	2.042	1.886	1.748	1.626	1.515	98
99	2.085	1.926	1.786	1.662	1.551	1.448	99
100	1.964	1.822	1.696	1.583	1.479	1.381	100
101	1.854	1.727	1.612	1.507	1.408	1.312	101
102	1.759	1.643	1.536	1.436	1.339	1.241	102
103	1.674	1.566	1.464	1.366	1.266	1.158	103
104	1.597	1.494	1.395	1.293	1.183	1.058	104
105	1.531	1.429	1.327	1.215	1.086	0.928	105

\*79-81 U.S. Decennial Life Table for Total Females

100% of Remarriage Rates based on NCCI 1979 study.

3.5% Annual Rate of Interest applied prior to claimant's death. 3.5% Annual Rate of Interest applied after claimant's death.

4.9% Annual Rate of Escalation applied prior to claimant's death. 4.9% Annual Rate of Escalation applied after to claimant's death.

\*\*Where spouse's age exceeds claimant's age, the 0 age difference value is to be used. Where claimant's age exceeds spouse's age by more than 5, the -5 age difference value is to be used.

**SECTION V - SPECIAL OCCUPATIONAL DISEASE REPORTING****SPECIAL REQUIREMENTS FOR REPORTING OCCUPATIONAL DISEASE, PAYROLL, PREMIUM AND LOSSES****A. Occupational Disease Payroll and Premium.**

Payrolls and premiums for Occupational Disease (Pennsylvania/Federal) will be reported on the identical forms shown in Section II, Reporting Requirements, Paragraph A. 1, and follow the same instructions as provided for compensation in this Plan.

**\*B. Occupational Disease Losses**

All types of Occupational Disease losses (Pennsylvania/Federal) will be reported on an individual claim basis using Form PA/OD-92. If the claimant files both a state and federal claim, each must be separately valued and separately reported. Special instructions as shown below, must be followed in reporting on all occupational disease losses.

The following types of Occupational Disease losses (Pennsylvania/Federal) must be reported by the insurance carriers upon receipt of information relative to initial occupational disease claims or corrections for claims previously filed:

1. Occupational Disease losses **paid partially by carrier.**
2. Occupational Disease losses **pending by carrier.**
3. Occupational Disease losses **paid in full by Commonwealth.**
4. Occupational Disease losses **pending by Commonwealth/Federal.**
5. Occupational Disease **losses previously pending** by either the carrier or the Commonwealth/Federal which have either been **denied, withdrawn or dismissed.**

**C. Occupational Disease Census Data Special Reporting.**

Occupational Disease Census Data is required for statistical purposes and will be classified for Bureau use only.

The census data provided will be for **Miners Only** and exclude those employees with no exposure to the dust of anthracite or bituminous coal.

An initial census data report for a risk must be submitted to the Bureau for each new policy when issued and for each renewal policy at the time of renewal. Subsequent census data reports will consist only of additions to and deletions from the initial census report and must accompany the renewal policy submitted to the Bureau.

Each census report must be grouped by coal mine classification. Therefore, if a policy contains both surface and underground coal mining operations, two separate reports must be submitted. One report would list surface miners and the second report would list underground miners only.

A sample Underwriting Census Data form follows.

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Name of Company \_\_\_\_\_ New ☐

Mine Location(s) \_\_\_\_\_ Renewal ☐

## CLASSIFICATION CODE \_\_\_\_\_

[illegible]

Code A = New Employee  
Code 1 = Filed O.D. Claim  
Code 2 = Retired  
Code 3 = Went to Other Job  
Code 4 = Dismissed  
Code 5 = Other Than Above

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**OCCUPATIONAL DISEASE CLAIM FORM**

FORM PA/OD-92

1. Miner's SS No. \_\_\_\_\_ 2. Class Code \_\_\_\_\_ 3. Fed./St. Code \_\_\_\_\_ 4. Injury Type \_\_\_\_\_  
 5. Carrier Code \_\_\_\_\_ 6. Carrier Name \_\_\_\_\_ 7. Adm. File No. \_\_\_\_\_  
 8. Policy No. \_\_\_\_\_ 9. Policy Date \_\_\_\_\_ 10. Claim No. \_\_\_\_\_  
 11. Valuation Date \_\_\_\_\_ 12. Employer \_\_\_\_\_ 13. County Code \_\_\_\_\_  
 14. Exposure Date \_\_\_\_\_ 15. Disability Date \_\_\_\_\_ 16. File Date \_\_\_\_\_ 17. Report Date \_\_\_\_\_  
 18. Miner's Birth Date \_\_\_\_\_ 19. Appeal Date \_\_\_\_\_ 20. Miner's Name \_\_\_\_\_  
 21. Weekly Wage \$ \_\_\_\_\_ 22. Weekly Benefit \$ \_\_\_\_\_ 23. Job Code \_\_\_\_\_  
 24. Open/Closed \_\_\_\_\_ 25. Settlement Code \_\_\_\_\_ 26. Closed Date \_\_\_\_\_  
 27. Spouse Birth Date \_\_\_\_\_ 28. Youngest Child's Birth Date \_\_\_\_\_  
 29. 2nd Youngest Child's Birth Date \_\_\_\_\_ 30. 3rd Youngest Child's Birth Date \_\_\_\_\_  
 31. Death Date \_\_\_\_\_ 32. Comp. Date \_\_\_\_\_  
 33. Claim Status \_\_\_\_\_ 34. Date of Adjudication \_\_\_\_\_  
 35. Work Status \_\_\_\_\_ 36. Marital Status \_\_\_\_\_ 37. Dis. Type \_\_\_\_\_

**Indemnity Benefits:**

**Claimant's Calculations:**

38. Age at Valuation Date \_\_\_\_\_  
 39. Table Factor \_\_\_\_\_  
 40. Weekly Benefit \_\_\_\_\_  
 41. Pres. Val. Fut. Ind. \$ \_\_\_\_\_  
     (#39 x #40 X 52 weeks)  
 42. Number of Dependents \_\_\_\_\_

46. Paid to Date \$ \_\_\_\_\_  
 47. Reserve for Retroactive Benefit \$ \_\_\_\_\_  
 48. Total Future Benefit \$ \_\_\_\_\_  
 49. Funeral Benefit Paid \$ \_\_\_\_\_  
     (#41 + #45)  
 50. Remarriage Paid \$ \_\_\_\_\_  
 51. Interest \$ \_\_\_\_\_  
 52. Total Incurred Ind. \$ \_\_\_\_\_  
     (Sum of #46 thru #51)

**Dependent Children - State Death Claims Only**

	Youngest	2nd	3rd
43. Number of weeks till age 18	_____	_____	_____
44. Weekly Benefit	_____	_____	_____
45. Future Benefit (#43 x #44)	_____	_____	_____

**Indemnity Benefits:**

53. Paid to Date \$ \_\_\_\_\_  
 54. Outstanding \$ \_\_\_\_\_  
 55. Total Incurred Med. \$ \_\_\_\_\_  
     (#53 + #54)  
 56. Offset \_\_\_\_\_

Notes: \_\_\_\_\_

D. Requirements for Reporting Occupational Disease Losses on Form PA/OD-92, Occupational Disease Claim Form.

Individual Claim Reports - form PA/OD-92, **must** be submitted for each individual claim involving either State or Federal O.D. benefits. An individual claim will be reported to the Bureau for state O.D. benefits. Also, an individual claim report for federal benefits shall be filed separately. These individual claim reports, detailed on Form PA/OD-92, must be reported to the Bureau immediately upon receipt of notification to the insurance carrier. In addition, any corrections, additions, updates, or decisions which concern the claim as first reported must be transmitted to the Bureau upon receipt of the new information by the carrier.

E. General Instructions for Reporting Information on Form PA/OD-92, Occupational Disease Claim Form.

1. All dates reported on this form shall be in month, day, year format, i.e. MM DD YY.
2. All money values, except the weekly wage and weekly benefit, shall be rounded to whole dollars.
3. The weekly benefit for occupational disease claimants must be calculated unless a different amount is adjudicated.

- a. If the claim is filed with the U.S. Department of Labor as a federal claim, the weekly benefit amounts are based on the table of monthly benefits published by the federal government. This table shows the monthly benefits to be paid, based on the number of dependents. In order to convert the monthly benefit to the weekly benefit, the following is used:

The federal monthly benefit times 12 months equals the annual benefit. This annual benefit amount is then divided by 52 weeks to produce the weekly benefit for federal occupational disease claims.

- b. If the claim is filed with the Pennsylvania Department of Labor and Industry as a state claim, the weekly benefits are calculated as a percentage of the miner's average weekly wage. The result is subject to the minimum or maximum state benefit for the year of the last exposure date. The weekly benefit for state claims shall be determined as:

For a disabled miner -  $66\frac{2}{3}\%$  of the average weekly wage.

For the widow of a deceased miner - 51% of the average weekly wage.

For a widow with one dependent child - 60% of the average weekly wage.

For a widow with two or more dependent children -  $66\frac{2}{3}\%$  of the average weekly wage.

The future benefits must be calculated and reported separately for the widow and each dependent child.

If the miner is deceased and there is no widow but dependent children, the following table is used to calculate the weekly benefit:

Children	Percent of Weekly Wage
1st	32%
2nd	an additional 10%
3rd	an additional 10%
4th	an additional 10%
5th	an additional 2%
6th or more	an additional $2\frac{2}{3}\%$

The weekly benefit for each child is multiplied by the number of weeks from the valuation date until that child turns 18 years of age to compute the future benefits.

F. Instructions for Completed Form PA/OD-92.

The following instructions are numbered to correspond to the numbered items on Form PA/OD-92. These instructions must be followed precisely for reporting each individual O.D. claim.

1. Miner's Social Security Number.

Enter the social security number of the miner. The deceased miner's social security number shall be used in the event of a widow or other dependent claim.

2. Class Code.

Enter the code which corresponds with the insured's classification. Be sure to enter the federal code for a federal claim and the state code for a state claim. A list of state and federal occupational disease class codes is in Table B.

3. Fed/St Code.  
Enter one (1) for a claim filed with the Federal Department of Labor as a federal claim. Enter two (2) for a claim filed with the Pennsylvania Department of Labor and Industry as a state claim.
4. Type of Injury Code.  
Enter the type of injury code as shown in Section III.
5. Carrier Code.  
Report the carrier code number assigned to the company by the Coal Mine Compensation Rating Bureau. A list of the carriers and codes is in Section III, Table A.
6. Carrier Name.  
Report the name of the carrier. It is permissible to abbreviate the carrier name.
7. Administrative File Number.  
Make no entry in this space.
8. Policy Identification Number.  
The complete policy number must be entered.
9. Policy Effective Date.  
Report the date on which the policy became effective. This must be the policy providing coverage for this individual claim.
10. Claim Identification Number.  
Report the claim number assigned to this particular O.D. claim by the carrier.
11. Valuation Date.  
Enter the date at which this claim is reviewed to determine the paid and/or outstanding amounts.
12. Employer.  
Enter the full name of the employer.
13. County Code  
Enter the county code of the mining location. The list of county codes is in Section III, Table C.
14. Exposure Date.  
Enter the last date the miner was exposed to the hazard of coal dust in Pennsylvania. This date must be covered by the policy in item #8.
15. Disability Date.  
Enter the date the miner was determined to be disabled due to the exposure to coal dust.
16. File Date.  
Enter the date the claim was filed with the Federal or State Department of Labor.
17. Report Date.  
Enter the date on which the claim was reported to the carrier.
18. Miner's Birthdate.  
Enter the miner's date of birth.
19. Appeal Date.  
Enter the date the claim was appealed by the claimant or by the carrier. An entry is appropriate only after a decision has been rendered.
20. Miner's Name.  
Enter the full name of the miner as last name, first name and middle initial.
21. Average Weekly Wage.  
Enter the average weekly wage as computed in accordance with the statutory provision regarding determination of average wage. The full wage should be reported rather than the wage sufficient to qualify for the maximum weekly compensation.
22. Weekly Benefit.  
Enter the total weekly benefit incurred, in dollars and cents, as described in General Instructions, Paragraph E.
23. Job Code.  
Enter the job code which applies to the claimant. A list of codes is in Section III.

- 
24. Open/Closed.  
Enter zero (0) if claim is open. Enter one (1) if the claim is closed.
  25. Settlement Code.  
Enter one (1) if claim is settled in a lump sum amount; otherwise, enter two (2).
  26. Date Closed.  
Enter the date the claim was closed, if applicable.
  27. Spouse Birthdate.  
Enter the birthdate of the spouse.
  28. Youngest Child's Birthdate.  
Enter the birthdate of the youngest dependent child.
  29. Second Youngest Child's Birthdate.  
Enter the birthdate of the second youngest dependent child.
  30. Third Youngest Child's Birthdate.  
Enter the birthdate of the third youngest dependent child.
  31. Death Date.  
Enter the date of death of the miner, if applicable.
  32. Comp. Date.  
Enter the date on which compensation commences.
  33. Claim Status.  
Enter the status of the claim. A list of claim status codes is in Section III.
  34. Date of Adjudication.  
Enter the date of award or the date of denial of the claim, if applicable.
  35. Work Status.  
Enter the work status code of the miner from the following: 1 - Active in coal; 2 - Retired, active in non-coal; 3 - Deceased; or 4 - Retired, not working.
  36. Marital Status.  
Enter the marital status code of the claimant. Codes are listed in Section III.
  37. Disability Type.  
Enter the disability type code if the claim is awarded. The codes are: 2 - Total Disability; 5 - 500 Weeks Disability.
  38. Age at Valuation Date.  
Enter the claimant's age as of the valuation date in whole years as described in the instructions for use of the O.D. tables in Section IV.
  39. Table Factor.  
Enter the factor from the occupational disease table corresponding to the age listed in Item #38. Refer to the instructions on the use of the O.D. Tables in Section IV.
  40. Weekly Benefit.  
Enter the claimant's weekly benefit. Refer to General Instructions, Paragraph E.
  41. Present Value of Future Indemnity.  
Enter the product of the table factor, the weekly benefit and 52 weeks.
  42. Number of Dependents.  
Enter the total number of dependents other than the claimant.
  43. Number of Weeks until Age 18.  
Enter the number of weeks from the valuation date until the child's 18th birthday. This must correspond to the child's birthdate in Item #28, 29 or 30. If the benefit continues beyond the 18th birthday because of student or disability status, provide additional details in the Notes section at the bottom of the form.

44. Weekly Benefit.  
Enter the weekly benefit amount for each dependent child as described in General Instructions, Paragraph E.
45. Future Benefit.  
Enter the product of the number of weeks until age 18 from Item #43 and the weekly benefit amount from Item #44 for each dependent child.
46. Paid to Date.  
Enter the total amount of indemnity paid to valuation date, excluding any funeral, remarriage or interest payments.
47. Reserve for Retroactive Benefit.  
Enter the reserve amount for any retroactive indemnity benefit, if applicable.
48. Total Future Benefit.  
Enter the sum of lines 41 and 45.
49. Funeral Benefit Paid.  
Enter the amount of funeral benefit paid, if applicable.
50. Remarriage Paid.  
Enter the amount of remarriage payment, if applicable. Enter the remarriage date in the Notes section at the bottom of the form.
51. Interest.  
Enter any incurred interest amount.
52. Total Incurred Indemnity.  
Enter the total of lines 46 through 51. If no incurred indemnity, enter zero (0).
53. Paid to Date.  
Enter the amount of medical paid to valuation date.
54. Outstanding.  
Enter the amount of outstanding medical benefits.
55. Total Incurred Medical  
Enter the sum of lines 53 and 54. If no incurred medical, enter zero (0).
56. Offset.  
Enter the total amount of all offset provisions, such as social security, substitute employment, other claim, etc.

NOTE: This section of the form shall be used to report any additional, pertinent information about this claim.

**SECTION VI - EXAMPLES**

This section contains examples of the proper completion of the representative statistical forms. Each example is accompanied with an explanation which provides the details necessary to fill out the form. These examples, of course, do not contemplate all possible situations, but do include the majority of situations. If a situation is not addressed by model example and your company needs directions, please contact the Bureau.

<b>Example #</b>	<b>Form Number</b>	<b>Topic</b>
1	28-68	Transmittal Letter
2	NC 2957	First Report of Payrolls, Premium and Losses
3	NC 2957	Exposure Correction Report
4	NC 2957	Loss Correction Report
5	NC 2457	Second Reporting of Losses
6	NC 1047	Individual Case Report for Permanent Total Injury
7	NC 1047	Individual Case Report for Death Claim
8	NC 1047	Individual Case Report for Benefits Other Than Pension
9	PA/OD-92	O.D., State Pending, Non Death
10	PA/OD-92	O.D., State Award, Surviving Spouse with Dependent Child
11	PA/OD-92	O.D., Federal Award, Non Death, with One Dependent
12	PA/OD-92	O.D., Federal Pending, Surviving Spouse with No Dependent Children

**PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL - STATISTICAL PLAN**

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**EXAMPLE 1  
LETTER OF TRANSMITTAL**

This example shows how a letter of transmittal (Form 28-68) should be filed. Note that the example is for the first report of data. Subsequent reports (second through closed) would show the corresponding report level as well as previously reported and revised data.

REPORT 1	EFFECTIVE MONTH & YEAR April 1991	STATE PA	STATE NO. 37	CARRIER Any Insurance Company	CARRIER NO. 99999
-------------	---	-------------	-----------------	----------------------------------	----------------------

**RE: EXPERIENCE CARDS**

I am transmitting herewith, in accordance with the approved Unit Statistical Plan, experience cards bearing serial numbers shown in the table below. As required by the rules of the Plan, a summary of the entire experience for the risks represented in the submission is also shown. Such individual case reports as are required under the provisions of the approved Unit Statistical Plan are included in the submission.

I hereby certify that these cards constitute a correct exhibit of earned premiums, and corresponding payrolls and incurred losses under the policies represented; that such premiums, payrolls and losses are properly assigned to the respective classifications and are in conformity with the policies under which the business was written; and that the entries on these cards are true and correct to the best of my knowledge and belief.

Signature and Title \_\_\_\_\_ Required Name and Title \_\_\_\_\_ Date 6/30/92

CARD SERIAL NOS.	FROM 1	TO 44	PREVIOUSLY REPORTED **		REVISED	
			STANDARD	O.D.	STANDARD	O.D.
TOTAL PAYROLL EXPOSURE			1,374,809	1,374,809		
TOTAL PER CAPITA EXPOSURE						
TOTAL POPULATION—VOL. FIRE DEPT.†						
OTHER MISC. EXPOSURES†						
TOTAL EARNED PREMIUM*			101,735	87,462		
TOTAL DISCOUNT PREMIUM <sup>(CODES 0063)†</sup> <sub>AND 0064</sub>			3,201	0		
TOTAL COMPENSATION INCURRED*			58,123	0		
TOTAL MEDICAL INCURRED*			27,991	0		
TOTAL NUMBER OF CLAIMS†			12	0		
TOTAL CLAIM EXPENSE O.D. 1 (B) ONLY*			XXX		XXX	

\*ALL CLASSIFICATIONS †NOT NECESSARY IN ALL CASES—SEE SPECIAL INSTRUCTIONS IN CASE OF ORIGINAL REPORTING, USE THESE COLUMNS

KEY PUNCH#
------------

VERIFIER#
-----------

Form 28-68

## UNIT STATISTICAL REPORT

## LOSS TOTALS

## POLICY INFORMATION

[illegible]

### EXAMPLE 3 - EXPOSURE CORRECTION REPORT

POLICY INFORMATION					
Report No.	Cert. Type	Cert. Code	Policy Number	Policy Effective Date	Policy Expiration Date
2	1	E	WC 10101	6-1-98	6-1-99
Insured's Name: Bg Mine Company			State Effective Date		
Insured's Address:			Card Serial No.		
			Certificate No.		
			Risk ID Number		
			Page No.		
			Last Page No.		
			Pending File No.		
<b>LOSS INFORMATION</b>					
Mod Effective Date	Rate Effective Date	3 Yr FR Policy	Interstate Rating	Estimated Exposure	Reim Policy
6-1-98		N	N	N	Y
<b>EXPOSURE INFORMATION</b>					
Exp. Cov.	Class Code	Exposure Amount	Manual Rate	Premium Amount	
R 01	1013	333,000	.52	1,732	
P 01	0156	300,000	.75	2,250	
R 01	0156	333,000	.75	2,498	
A.	Total Subject Premium				
B.	Experience Mod (XX.XXX)				
C.	Total Modified Premium				
D.					
E.					
F.					
G.	Total Standard Exposure	333,000	Total Standard Premium	24,710	
H.	006_	Premium Discount Amt.			
I.	0900	Expense Constant Amt.			
J.					
K.					
L.					

### EXAMPLE 4 - LOSS CORRECTION REPORT

#### UNIT STATISTICAL REPORT

Report No.	Cont. No.	Cont. Type	Replace Rpt. Ind.	Carrier Code	Policy Number
2	1	L		22245	WC 77777

POLICY INFORMATION								
Policy Effective Date	Policy Expiration Date	Expos. Size	State Effective Date	Certificate No.	Card Serial No.	Peak ID Number	Page No.	Last Page No.
2-1-99	2-1-00	37						

Insured's Name: Coal Mine, Inc.

**FELIN.**

Pending File No.

Insured's Address:

Wash Effective Date	Rate Effective Date	Policy Conditions										Deductible		Deductible Amount Per Claim / Accident	Deductible Amount (if applicable)	Reserved	For Carrier Use	For Bureau Use
		3 Yr. F/R	Multistate Policy	Interstate Policy	Estimated Policy	Ratio Policy	Canceled Policy	MOI	Type Code	Ratio Ind.	Non-Stk	Type 1	Type 2					
2-1-99		N	N	N	N	N			01	01	01							

## EXPOSURE INFORMATION

[illegible]

## LOSS INFORMATION

Type	Claim Number	Acc. Date / No. Claims	Injured Indemnity	Injured Medical	Class Code	Injury	Status	Act	Type	Recover	Cov	Settl	Jurisd State	Cal. No.	WCO Type
P	12457	6-1-99	15,000	2,000	1014	5	0	Act	01	01	01	03	00		
	Social Security Number				Occupational Description			Voc.	Lump	Fraud	Deduct				
	Claimant's Attorney Fees		Deductible Reimbursement								Paid Indemnity 12,000		Paid Medical 1,000		
	750.00		500.00								ALAE Paid		ALAE Incurred		
R	12457	6-1-99	20,000	12,000	1014	5	0	Act	01	01	01	03	00		
	Social Security Number				Occupational Description			Voc.	Lump	Fraud	Deduct				
	Claimant's Attorney Fees		Deductible Reimbursement								Paid Indemnity 19,000		Paid Medical 10,000		
	750.00		500.00								ALAE Paid		ALAE Incurred		
P	12469	6-29-99	500	50	1014	5	0	Act	01	01	01	03	00		
	Social Security Number				Occupational Description			Voc.	Lump	Fraud	Deduct				
	Claimant's Attorney Fees		Deductible Reimbursement								Paid Indemnity 300		Paid Medical 50		
	600.00		400.00								ALAE Paid		ALAE Incurred		
R	12469	6-29-99	500	60	1014	5	1	Act	01	01	01	03	00		
	Social Security Number				Occupational Description			Voc.	Lump	Fraud	Deduct				
	Claimant's Attorney Fees		Deductible Reimbursement								Paid Indemnity 500		Paid Medical 60		
	600.00		400.00								ALAE Paid		ALAE Incurred		
G.	Total Standard Exposure		Total Standard Premium												
H.	006	Premium Discount Amt.													
I.	0900	Expense Constant Amt.													
J.															
K.															
L.															
LOSS TOTALS															
	Reserved for Future Use		Total No. Claims 2	Total Incurred Indemnity 20,500	Total Incurred Medical 12,060	Reserved for Future Use		Total Paid Indemnity 19,500		Total Paid Medical 10,060					
	Total Claimant's Attorney Fees		Employer's Attorney Fees		Reserved for Future Use		Total ALAE Paid		Total ALAE Incurred						

## EXAMPLE 5 - SECOND REPORTING OF LOSSES

POLICY INFORMATION									
Report No.	Corr. No.	Corr. Type	Carrier Code	Policy Number	Policy Effective Date	Policy Expiration Date	Expos. State	Certificate No.	Card Serial No.
2			99999	WC 999	6-1-98	6-1-99	37		
Insured's Name: Big Coal Company									
Insured's Address:									
Mod Effective Date	Rate Effective Date	Policy Conditions			Deductible Amount Per Claim / Accident	Deductible Amount Aggregate	Reserved	For Carrier Use	Pending File No.
6-1-98		3 Yr. R.R. Policy	Malsate Policy	Interstate Rating	Estimated Exposure	Retro Policy	N N N N	6-1-98 to 12-31-98	For Bureau Use
LOSS INFORMATION									
Upd Type	Exp. Cov.	Class Code	Exposure Amount	Manual Rate	Premium Amount	Claim Number	Acc. Date / No. Claims	Injury	Status
						991	6-5-98	533	0
						Social Security Number		Occupational Description	Voc.
						Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserve for Future Use
						675.00	450.00		
						991	6-5-98	1575	0
A.			Total Subject Premium			Social Security Number		Occupational Description	Voc.
B.			Experience Mod (XX.XXX)			Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserve for Future Use
C.			Total Modified Premium			675.00	450.00		
						992	7-1-98	5,000	0
D.						Social Security Number		Occupational Description	Voc.
E.						Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserve for Future Use
F.						600.00	400.00		
						992	7-1-98	5,500	0
G.			Total Standard Exposure		Total Standard Premium	Social Security Number		Occupational Description	Voc.
						Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserve for Future Use
						600.00	400.00		
						992	7-1-98	5,500	0
H.			Premium Discount Amt.			Social Security Number		Occupational Description	Voc.
I.			Expense Constant Amt.			Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserve for Future Use
						600.00	400.00		
						992	7-1-98	5,500	0
J.						Social Security Number		Occupational Description	Voc.
K.						Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserve for Future Use
L.						600.00	400.00		
LOSS TOTALS									
			Reserved for Future Use	Total No. Claims	Total Incurred Indemnity	Total Incurred Medical	Total Paid Indemnity	Total Paid Medical	Total ALAE Incurred
					65,535	7,075	56,020	5,050	
			Total Claimant's Attorney Fees	Employer's Attorney Fees	Reserved for Future Use	Reserved for Future Use	Total ALAE Paid	Total ALAE Incurred	

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**EXAMPLE 6 - INDIVIDUAL CASE REPORT OF PERMANENT TOTAL INJURY**

CLASS CODE 1001	REPORT NO CODE* 1	TRAN. TYPE CODE* 1	TYPE OF INL. CODE* 2	CARRIER NUMBER 12657	CARRIER NAME	PAYROLL STATE CODE* 37	ADM. FILE NUMBER
POLICY NUMBER WC 53124		CERT. NO.		INSURED NAME Deep Coal, Inc.		CLAIM NO. 531241	
WORKER LAST NAME Fossil		AVG. WEEKLY WAGE 750.00	INJURY DESC. CODE*	PART	NATURE	CAUSE	
SOCIAL SECURITY NUMBER	DATE SINGLE PREMIUM PAID		MO.	DAY	YR.	EMPLOYMENT STATUS*	YEAR LAST EXPOSED
BENEFITS OTHER THAN PENSION				PENSION BENEFITS			
KIND OF BENEFIT	% DISAB.	BODY MEM CODE*	NO. WEEKS	INCURRED		BENEFICIARY DATA*	
1. TEMPORARY INDEMNITY	X X X	X X X				CODE	DATE OF BIRTH
2. SCHEDULED INDEMNITY						1	3 1 55
3. NON-SCHEDULED INDEMNITY						Paid to date: \$500 x 8 weeks = \$4,000 Future \$500 x 52 x 19.122 = \$497,172	
4. EMPLOYERS' LIABILITY OR OTHER INDEMNITY		X X X	X X X				
5. VOCATIONAL REHABILITATION TOTAL INCURRED							
6. CLAIMANT LEGAL EXPENSE	7. PENSION INDEM. PAID TO VAL. DATE 4,000						
PHYSICIAN PAID	8. PENS. INDEM. PREV. RSVD., NOT PAID						
HOSPITAL PAID	9. PRES. VALUE FUTURE INDEM. PMNT. 497,172						
APL MED EVAL PAID	10. FUNERAL ALLOWANCE 0						
DEFENSE MED EVAL PAID	11. LUMP SUM REMARRIAGE 0						
INDEP MED EVAL PAID	12. TOTAL INCURRED INDEM. (SUM 1-11) 501,172						
LEGAL EXP DEFENSE	13. TOTAL INCURRED MEDICAL 55,000						
ANNUITY PURCHASED AMT	14. TOTAL INDEM. PAID TO VAL. DATE 4,000						
TOTAL GROSS INCURRED	15. TOTAL MED. PAID TO VAL. DATE 2,500						
	16. SOC. SEC. OR OTHER OFFSET AMT.						

\*SEE REVERSE SIDE FOR CODING

EXAMPLE 7 - INDIVIDUAL CASE REPORT IN DEATH CLAIM

CLASS CODE 1011	REPORT NO CODE* 1	TRAN. TYPE CODE* 1	TYPE OF INJ. CODE* 1	CARRIER NUMBER 22222	CARRIER NAME A.B.C. Coal Company	CLAIM NO. 987654	PAYROLL STATE CODE* 37	ADM. FILE NUMBER
POLICY NUMBER WC 222222	CERT. NO	POLICY EFFECTIVE DATE MO. 7 DAY 1 YR. 99		INSURED NAME A.B.C. Coal Company		DATE OF BIRTH MO. 1 DAY 1 YR. 99		DATE OF DEATH MO. 8 DAY 1 YR. 99
WORKER LAST NAME Smithson, Joseph	AVG. WEEKLY WAGE 488.00	INJURY DESC. CODE*	PART	NATURE	CAUSE	OCCUPATION		
SOCIAL SECURITY NUMBER	DATE SINGLE PREMIUM PAID	DATE OF BIRTH MO. 1 DAY 1 YR. 99	DATE OF DEATH MO. 8 DAY 1 YR. 99	DATE REPORTED MO. 98 DAY 1 YR. 99	DATE CLOSED MO. 5 DAY 1 YR. 99	DATE OF HIRE MO. DAY YR.	DATE OF BIRTH MO. DAY YR.	DATE OF DEATH MO. DAY YR.
PENSION BENEFITS								
KIND OF BENEFIT			BENEFICIARY DATA*			CALCULATIONS		
1. TEMPORARY INDEMNITY	% DISAB.	BODY MEM CODE*	NO. WEEKS	INCURRED	CODE	DATE OF BIRTH MO. DAY YR.	Paid to Val. Date: 90.7 weeks x 238.68 = 21,648	
2. SCHEDULED INDEMNITY					2	6 2 39	Future: 52 x 238.68 x 14.496	
3. NON-SCHEDULED INDEMNITY								
4. EMPLOYERS' LIABILITY OR OTHER INDEMNITY								
5. VOCATIONAL REHABILITATION TOTAL INCURRED								
6. CLAIMANT LEGAL EXPENSE							21,648	
PHYSICIAN PAID	TEMP. DISABILITY PAID							
HOSPITAL PAID	PERM. PARTIAL PAID						179,915	
APL MED EVAL PAID	PERM. TOTAL PAID						3,000	
DEFENSE MED EVAL PAID	DEATH PAID			21,648			536	
INDEP MED EVAL PAID	SINGLE SUM PAID						205,099	
LEGAL EXP DEFENSE	V.R. PAID						0	
ANNUITY PURCHASED AMT	V.R. INDEMN. INCURRED						21,648	
TOTAL GROSS INCURRED	V.R. TRAINING INCURRED						0	
	V.R. EVAL. INCURRED						0	

\*SEE REVERSE SIDE FOR CODING

CLASS CODE	REPORT NO CODE*	TRAN. TYPE CODE*	TYPE OF INJ. CODE*	CARRIER NUMBER	CARRIER NAME	PAYROLL STATE CODE*	ADM. FILE NUMBER
1012	1	1	9	99888	Any Carrier	37	
POLICY NUMBER WC 99999		CERT. NO.		CLAIM NO. 12345			
INSURED NAME Surface Coal Company, Inc.		MO. POLICY EFFECTIVE DATE 1 1 99		STATE CODE		DATE ACTIVE CONC. YR. MO. DAY	
WORKER LAST NAME Jones, James A		Avg. Weekly Wage 600.00	Injury Desc. Code ↓	Part	Nature	Cause	OCCUPATION
SOCIAL SECURITY NUMBER	-	DATE SINGLE PREMIUM PAID	MO. DAY YR.	EMPLOYMENT STATUS*	YEAR LAST EXPOSED	DATE OF HIRE	DATE OF BIRTH YR. MO. DAY
BENEFITS OTHER THAN PENSION				PENSION BENEFITS			
KIND OF BENEFIT	% DISAB.	BODY MEM CODE*	NO. WEEKS	INCURRED	BENEFICIARY DATA*		CALCULATIONS
1. TEMPORARY INDemnITY	X X X	X X X		20,000	CODE	MO. DATE OF BIRTH DAY YR.	400 x 500 wks = 200,000
2. SCHEDULED INDemnITY				200,000	1	2 1 49	
3. NON-SCHEDULED INDemnITY							
4. EMPLOYERS' LIABILITY OR OTHER INDemnITY		X X X	X X X				
5. VOCATIONAL REHABILITATION TOTAL INCURRED							
6. CLAIMANT LEGAL EXPENSE							
PHYSICIAN PAID		TEMP. DISABILITY PAID			7. PENSION INDEM. PAID TO VAL. DATE		
HOSPITAL PAID		PERM. PARTIAL PAID		20,000	8. PENS. INDEM. PREV. RSVD., NOT PAID		
APL MED EVAL PAID		PERM. TOTAL PAID			9. PRES. VALUE FUTURE INDEM. PMNT.		
DEFENSE MED EVAL PAID		DEATH PAID			10. FUNERAL ALLOWANCE		
INDEP MED EVAL PAID		SINGLE SUM PAID			11. LUMP SUM REMARRIAGE		
LEGAL EXP DEFENSE		V.R. PAID			12. TOTAL INCURRED INDEM. (SUM 1-11)		220,000
ANNUITY PURCHASED AMT		V.R. INDEM. INCURRED			13. TOTAL INCURRED MEDICAL		75,000
TOTAL GROSS INCURRED		V.R. TRAINING INCURRED			14. TOTAL INDEM. PAID TO VAL. DATE		20,000
		V.R. EVAL. INCURRED			15. TOTAL MED. PAID TO VAL. DATE		25,000
					16. SOC. SEC. OR OTHER OFFSET AMT.		0

\*SEE REVERSE SIDE FOR CODING

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**EXAMPLE 9  
OCCUPATIONAL DISEASE CLAIM FORM**

FORM PA/OD-92

1. Miner's SS No. 111-11-1111 2. Class Code 1016 3. Fed./St. Code 2 4. Injury Type 2  
 5. Carrier Code 01 6. Carrier Name Any Insurance Company 7. Adm. File No. \_\_\_\_\_  
 8. Policy No. 9999999 9. Policy Date 01/01/90 10. Claim No. PA99999  
 11. Valuation Date 04/30/91 12. Employer A.B.C. Coal Company 13. County Code 55  
 14. Exposure Date 06/01/90 15. Disability Date 07/01/90 16. File Date 11/01/90 17. Report Date 12/01/90  
 18. Miner's Birth Date 02/05/26 19. Appeal Date \_\_\_\_\_ 20. Miner's Name Doe, John A.  
 21. Weekly Wage \$ 422.00 22. Weekly Benefit \$ 281.35 23. Job Code 4  
 24. Open/Closed 0 25. Settlement Code 2 26. Closed Date \_\_\_\_\_  
 27. Spouse Birth Date 07/15/27 28. Youngest Child's Birth Date \_\_\_\_\_  
 29. 2nd Youngest Child's Birth Date \_\_\_\_\_ 30. 3rd Youngest Child's Birth Date \_\_\_\_\_  
 31. Death Date \_\_\_\_\_ 32. Comp. Date \_\_\_\_\_  
 33. Claim Status 01 34. Date of Adjudication \_\_\_\_\_  
 35. Work Status 04 36. Marital Status 01 37. Dis. Type \_\_\_\_\_

**Indemnity Benefits:**

**Claimant's Calculations:**

38. Age at Valuation Date 65  
 39. Table Factor 9.682  
 40. Weekly Benefit 281.35  
 41. Pres. Val. Fut. Ind. \$ 141,650  
 (#39 x #40 X 52 weeks)  
 42. Number of Dependents 1

46. Paid to Date \$ \_\_\_\_\_  
 47. Reserve for Retroactive Benefit \$ 12,098  
 48. Total Future Benefit \$ 141,650  
 49. Funeral Benefit Paid \$ (#41 + #45)  
 50. Remarriage Paid \$ \_\_\_\_\_  
 51. Interest \$ 1,200  
 52. Total Incurred Ind. \$ 154,948  
 (Sum of #46 thru #51)

**Dependent Children - State Death Claims Only**

	Youngest	2nd	3rd
43. Number of weeks till age 18	_____	_____	_____
44. Weekly Benefit	_____	_____	_____
45. Future Benefit (#43 x #44)	_____	_____	_____

**Indemnity Benefits:**

53. Paid to Date \$ 200  
 54. Outstanding \$ 2,200  
 55. Total Incurred Med. \$ 2,400  
 (#53 + #54)  
 56. Offset \_\_\_\_\_

Notes: STATE PENDING - SAMPLE

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**EXAMPLE 10  
OCCUPATIONAL DISEASE CLAIM FORM**

FORM PA/OD-92

1. Miner's SS No. 222-22-222 2. Class Code 1013 3. Fed./St. Code 2 4. Injury Type 1  
 5. Carrier Code 01 6. Carrier Name Any Insurance Company 7. Adm. File No. \_\_\_\_\_  
 8. Policy No. 9999999 9. Policy Date 01/01/89 10. Claim No. PA00000  
 11. Valuation Date 04/30/91 12. Employer A.B.C. Coal Company 13. County Code 12  
 14. Exposure Date 03/01/89 15. Disability Date 03/01/89 16. File Date 05/01/89 17. Report Date 07/01/89  
 18. Miner's Birth Date 03/20/40 19. Appeal Date \_\_\_\_\_ 20. Miner's Name Doe, John B.  
 21. Weekly Wage \$ 525.00 22. Weekly Benefit \$ 315.00 23. Job Code 2  
 24. Open/Closed 0 25. Settlement Code 2 26. Closed Date \_\_\_\_\_  
 27. Spouse Birth Date 03/05/45 28. Youngest Child's Birth Date 05/01/75  
 29. 2nd Youngest Child's Birth Date \_\_\_\_\_ 30. 3rd Youngest Child's Birth Date \_\_\_\_\_  
 31. Death Date 03/01/89 32. Comp. Date 04/01/89  
 33. Claim Status 2 34. Date of Adjudication 01/15/90  
 35. Work Status 03 36. Marital Status 04 37. Dis. Type 02

**Claimant's Calculations:**

38. Age at Valuation Date 46  
 39. Table Factor 17.623  
 40. Weekly Benefit 267.75  
 41. Pres. Val. Fut. Ind. \$ 245,365  
 (#39 x #40 X 52 weeks)  
 42. Number of Dependents 1

**Dependent Children - State Death Claims Only**

	Youngest	2nd	3rd
43. Number of weeks till age 18	<u>104</u>	_____	_____
44. Weekly Benefit	<u>\$47.25</u>	_____	_____
45. Future Benefit (#43 x #44)	<u>\$4,914</u>	_____	_____

**Indemnity Benefits:**

46. Paid to Date \$ 34,020  
 47. Reserve for Retroactive Benefit \$ \_\_\_\_\_  
 48. Total Future Benefit \$ 250,279  
 (#41 + #45)  
 49. Funeral Benefit Paid \$ 3,000  
 50. Remarriage Paid \$ \_\_\_\_\_  
 51. Interest \$ 1,300  
 52. Total Incurred Ind. \$ 288,599  
 (Sum of #46 thru #51)

**Indemnity Benefits:**

53. Paid to Date \$ \_\_\_\_\_  
 54. Outstanding \$ \_\_\_\_\_  
 55. Total Incurred Med. \$ 0  
 (#53 + #54)  
 56. Offset \_\_\_\_\_

Notes: STATE AWARDED - WIDOW'S CLAIM - DEPENDENT CHILD - SAMPLE

**PENNSYLVANIA COAL MINE WORKERS' COMPENSATION MANUAL - STATISTICAL PLAN**

Effective: April 1, 2000

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Original Printing

**EXAMPLE 11  
OCCUPATIONAL DISEASE CLAIM FORM**

FORM PA/OD-92

1. Miner's SS No. 333-33-333 2. Class Code 0158 3. Fed./St. Code 1 4. Injury Type 2  
 5. Carrier Code 01 6. Carrier Name Any Insurance Company 7. Adm. File No. \_\_\_\_\_  
 8. Policy No. 9999999 9. Policy Date 01/01/89 10. Claim No. PA11111  
 11. Valuation Date 04/30/91 12. Employer A.B.C. Coal Company 13. County Code 04  
 14. Exposure Date 03/01/89 15. Disability Date 04/01/89 16. File Date 07/01/89 17. Report Date 10/01/89  
 18. Miner's Birth Date 06/15/30 19. Appeal Date \_\_\_\_\_ 20. Miner's Name Doe, John C.  
 21. Weekly Wage \$ \_\_\_\_\_ 22. Weekly Benefit \$ 133.98 23. Job Code 1  
 24. Open/Closed 0 25. Settlement Code 2 26. Closed Date \_\_\_\_\_  
 27. Spouse Birth Date 04/15/32 28. Youngest Child's Birth Date \_\_\_\_\_  
 29. 2nd Youngest Child's Birth Date \_\_\_\_\_ 30. 3rd Youngest Child's Birth Date \_\_\_\_\_  
 31. Death Date \_\_\_\_\_ 32. Comp. Date 05/01/89  
 33. Claim Status 02 34. Date of Adjudication 12/01/89  
 35. Work Status 04 36. Marital Status 01 37. Dis. Type 02

**Indemnity Benefits:**

**Claimant's Calculations:**

38. Age at Valuation Date 61  
 39. Table Factor 11.010  
 40. Weekly Benefit 133.98  
 41. Pres. Val. Fut. Ind. \$ 76,706  
 (#39 x #40 X 52 weeks)  
 42. Number of Dependents 1

46. Paid to Date \$ 13,934  
 47. Reserve for Retroactive Benefit \$ \_\_\_\_\_  
 48. Total Future Benefit \$ 76,706  
 49. Funeral Benefit Paid \$ (#41 + #45)  
 50. Remarriage Paid \$ \_\_\_\_\_  
 51. Interest \$ \_\_\_\_\_  
 52. Total Incurred Ind. \$ 90,640  
 (Sum of #46 thru #51)

**Dependent Children - State Death Claims Only**

	Youngest	2nd	3rd
43. Number of weeks till age 18	_____	_____	_____
44. Weekly Benefit	_____	_____	_____
45. Future Benefit (#43 x #44)	_____	_____	_____

**Indemnity Benefits:**

53. Paid to Date \$ 300  
 54. Outstanding \$ 600  
 55. Total Incurred Med. \$ 900  
 (#53 + #54)  
 56. Offset \_\_\_\_\_

Notes: FEDERAL AWARDED - CLAIMANT WITH 1 DEPENDENT - SAMPLE

## EXAMPLE 12 OCCUPATIONAL DISEASE CLAIM FORM

FORM PA/OD-92

1. Miner's SS No. 444-44-4444 2. Class Code 0156 3. Fed./St. Code 1 4. Injury Type 1  
 5. Carrier Code 01 6. Carrier Name Any Insurance Company 7. Adm. File No. \_\_\_\_\_  
 8. Policy No. 9999999 9. Policy Date 01/01/90 10. Claim No. PA22222  
 11. Valuation Date 04/30/91 12. Employer A.B.C. Coal Company 13. County Code 16  
 14. Exposure Date 02/01/90 15. Disability Date 02/01/90 16. File Date 05/01/90 17. Report Date 08/01/90  
 18. Miner's Birth Date 07/01/20 19. Appeal Date \_\_\_\_\_ 20. Miner's Name Doe, John D.  
 21. Weekly Wage \$ \_\_\_\_\_ 22. Weekly Benefit \$ 89.33 23. Job Code 2  
 24. Open/Closed 0 25. Settlement Code 2 26. Closed Date \_\_\_\_\_  
 27. Spouse Birth Date 08/01/22 28. Youngest Child's Birth Date \_\_\_\_\_  
 29. 2nd Youngest Child's Birth Date \_\_\_\_\_ 30. 3rd Youngest Child's Birth Date \_\_\_\_\_  
 31. Death Date 02/01/90 32. Comp. Date \_\_\_\_\_  
 33. Claim Status 01 34. Date of Adjudication \_\_\_\_\_  
 35. Work Status 03 36. Marital Status 04 37. Dis. Type \_\_\_\_\_

**Indemnity Benefits:****Claimant's Calculations:**

38. Age at Valuation Date 69  
 39. Table Factor 10.496  
 40. Weekly Benefit 89.33  
 41. Pres. Val. Fut. Ind. \$ 48,756  
     (#39 x #40 X 52 weeks)  
 42. Number of Dependents 0

**Dependent Children - State Death Claims Only**

	Youngest	2nd	3rd
43. Number of weeks till age 18	_____	_____	_____
44. Weekly Benefit	_____	_____	_____
45. Future Benefit (#43 x #44)	_____	_____	_____

46. Paid to Date \$ \_\_\_\_\_  
 47. Reserve for Retroactive Benefit \$ 5,637  
 48. Total Future Benefit \$ 48,756  
 49. Funeral Benefit Paid \$ (#41 + #45)  
 50. Remarriage Paid \$ \_\_\_\_\_  
 51. Interest \$ 400  
 52. Total Incurred Ind. \$ 54,793  
     (Sum of #46 thru #51)

**Indemnity Benefits:**

53. Paid to Date \$ \_\_\_\_\_  
 54. Outstanding \$ \_\_\_\_\_  
 55. Total Incurred Med. \$ 0  
     (#53 + #54)  
 56. Offset \_\_\_\_\_

Notes: FEDERAL PENDING - WIDOW'S CLAIM - SAMPLE

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# **PENNSYLVANIA COAL MINE EXPERIENCE RATING PLAN MANUAL**

Effective: December 1, 1993

Original Printing

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## **----- IMPORTANT NOTICE -----**

Act 44 of 1993 prohibits a licensed, domiciled rating organization from filing full workers' compensation rates effective December 1, 1993. In compliance with this Act, the Coal Mine Compensation Rating Bureau of Pennsylvania will file only the loss provision for each classification's manual rate, and will calculate an experience modification factor which must be applied to the individual carrier's approved manual rate.

This Experience Rating Plan has been revised to remove any references to Bureau manual rates and Bureau published experience rates. Any reference in this Experience Rating Plan to a rate or premium shall be based on the individual carrier's filing.

## GENERAL RULES

### SECTION I - INSTRUCTIONS

1. The Experience Rating Plan is intended to determine whether a specific risk presents a hazard for future insurance which is better or worse than the hazard of the average risk in the classification to which the risk has been assigned.
2. The rules of this plan shall govern the experience rating procedure to be followed in connection with Workers' Compensation and Employers' Liability Insurance.

These rules have been prepared as applicable to policies written or issued for a period not in excess of one year. When, however, policies are written for periods of more than one year, such policies shall be considered as consisting of consecutive units of twelve months, or if the period of coverage is not a multiple of twelve months the first or last unit shall be considered as though it were a short term policy. If, however, coverage is written for a period that is more than one year, but not more than one year and sixteen days, such entire period shall be considered as a unit of coverage. Each unit as defined above shall be subject separately to all of the rules and procedures specified in the Plan to the same degree as if it actually constituted a separate policy.

In the event the policy period for a long term policy is more than one year and sixteen days, and is not made up of complete twelve-month periods, an endorsement shall be attached to the policy specifying whether the first or last unit shall be considered as though it were a short term policy.

3. This Plan and all amendments thereto, unless otherwise specifically provided, shall be applied as of the first normal anniversary rating date of the risk, as established by the Bureau, which is on or after the effective date of any change in the rules or rating values of this Plan, but shall not otherwise be available to outstanding ratings.
4. It shall not be permissible by cancellation, or rewriting, or by the extension of the policy term, to alter an existing policy for the purpose of enabling the risk to qualify for, or avoid, application of this Plan.
5. Experience rating shall apply only to the traumatic portion of the policy. No occupational disease experience rating modification is permitted.

### SECTION II - DEFINITIONS

1. RISK. The term "risk" as used in this Plan shall mean:
  - a. A single legal entity.
  - b. Two or more legal entities which qualify for combination under the rules of Section III of this Plan.
2. LEGAL ENTITY. The term "legal entity" shall mean an individual, partnership, corporation, unincorporated association or fiduciary (e.g., trustee, receiver, executor or administrator).
3. EXPERIENCE. For the purpose of this Plan, experience shall mean the record established by a risk under Workers' Compensation and Employers' Liability Insurance as disclosed by the traumatic losses incurred by the insurance carrier or carriers and the payrolls or other exposures segregated according to classification of operations.

If the classification assigned to a risk is revised or modified, for the purpose of this Plan, the Bureau shall similarly reassign the classification of the Experience Period, except that if the revision is due to a change in operations, no part of the experience period prior to such operations change shall be affected.

NOTE: For special provisions applicable to self-insurers' data, see Rule 5 of Section III.

4. Provision for claim payment shall be the traumatic portion of the Bureau's latest approved filing representing the charges for losses only. The Bureau's provision for claim payment shall include considerations for trend and loss development, but shall not include any provision for loss adjustment expenses, underwriting expenses, state and/or federal taxes, and profit and contingencies.
5. BASIC COMPONENT shall mean that portion of the Bureau's latest approved provision for claim payment which represents the loss charge for the layer of reported losses less than or equal to the primary limiting value.
6. RATABLE EXCESS COMPONENT shall mean that portion of the Bureau's latest approved provision for claim

payment which represents the loss charge for the layer of losses between the primary and secondary limiting values.

7. NON-RATABLE EXCESS COMPONENT shall mean that portion of the Bureau's latest approved provision for claim payment which represents the loss charge for the layer of reported losses greater than the secondary limiting value. This component is not subject to experience rating.
8. PRIMARY LIMITING VALUE shall be \$50,000.
9. SECONDARY LIMITING VALUE shall be \$150,000.
10. EXPERIENCE MODIFICATION FACTOR (MOD) shall be the factor calculated by the Bureau representing the composite impact on the combined basic and excess components. The mod shall be published by the Bureau, but will be applied by the carrier to the carrier's own manual rate for the classification.
11. CALCULATION OF THE MOD shall be based upon the combined data of all traumatic classifications under the jurisdiction of the Bureau. Only one mod will be applicable to the coal classes on the policy. The published mod shall be applied by the carrier to all coal traumatic classes on the policy.
12. MODIFIED PAYROLL shall be the actual reported payrolls multiplied by the payroll development factors contained in the latest approved traumatic filing.

### SECTION III - GENERAL PROVISIONS

#### 1. ELIGIBILITY REQUIREMENTS FOR EXPERIENCE RATING

Any risk with a modified payroll of at least three hundred thousand dollars (\$300,000) during the three year experience period shall qualify for experience rating.

#### 2. EXPERIENCE PERIOD

The experience period shall be latest three (3) calendar accident years of losses and payrolls reported to the Bureau in accordance with the approved Statistical Plan.

#### 3. EXPERIENCE TO BE USED

The entire experience of the risk (except as otherwise provided in Rule 1 of Section V of this Plan) incurred within the experience period on all its operations shall be reported and used in determining the experience mod. The Bureau may, at its discretion, verify all the data from which the experience mod is to be determined.

Experience developed on work let to and performed by an uninsured contractor shall be considered as the experience of the primary contractor or principal whose insurance carrier is liable for the payment of compensation under any provisions of the Pennsylvania Workers' Compensation and Occupational Disease Acts, as respects such work.

#### 4. CALCULATION OF EXPERIENCE

All experience mods shall be calculated by the Bureau on the basis of experience valued in accordance with Sections V and VI.

#### 5. SELF-INSURERS' DATA

The experience of self-insurers may be accepted by the Bureau provided the experience on self-insured operations is submitted on the approved form, giving the required information with respect to payrolls and losses. Such statement shall be secured, verified and submitted by an interested carrier. Self-insured experience shall not be used in rating a risk unless the operations that produced such experience are to be insured under a Standard Workers' Compensation and Employers' Liability Policy. In the event the experience of any part thereof is not made available to the Bureau in accordance with the rules of this Manual, the policy shall be issued at the carrier's manual rates and continue to be manually rated until the experience in question is made available to the Bureau for rating or the risk otherwise qualifies for experience rating.

#### 6. ADMINISTRATION OF PROPERTY (FIDUCIARY AND NON-FIDUCIARY)

Ownership interest shall be deemed to be vested in a fiduciary when a fiduciary is involved. However, "Fiduciary" shall not include a debtor in possession or a trustee under a revocable trust or a franchisor. Ownership interest held by an entity in a fiduciary capacity and ownership interest held by the same entity in a non-fiduciary capacity shall be deemed to be ownership by the same entity.

**7. COMBINATION OF ENTITIES**

- a. Two or more entities shall not be combined for rating purposes; provided, however, that combination shall be made as respects entities in each of which the same person, or group of persons, or corporation owns a majority interest and:
  - (i) The entities involved constitute the component parts of an enterprise performing a continuous process or operation, or
  - (ii) There is interchange of employment (other than office and salesmen) among two or more of the entities involved in the combination.
- b. At the option of the insured and the carrier or carriers involved, the experience of entities in each of which the same person, or group of persons, or corporation owns a majority interest, may be combined for rating purposes, providing
  - (i) Neither of the conditions specified in Rules 7 a.(i) and 7 a.(ii) is present, and
  - (ii) The experience of all entities which are combinable under this Rule is used to determine the experience mod.

If combination of all of the entities related by a common interest is not elected, then each entity shall be insured under a separate policy and rated on its own experience, providing it meets the qualifications for experience rating as specified in Rule 1 of this Section.

- c. If the experience of two or more entities is combined under Rule 7 a. above, insurance for the entire risk shall be provided by means of a single policy; if combination is made under Rule 7 b., insurance may be provided either by a single policy insuring the entire risk, or by separate policies issued by one or more insurance carriers. In the latter case, the experience mod established for the entire risk shall apply to each entity.
- d. If an entity owns a majority interest in another entity which, in turn, owns the majority interest in another entity, all entities so related shall be considered as being under the same ownership for the purposes of this rule, regardless of the number of entities in succession.
- e. Separate legal entities organized for religious purposes within the same religious denomination shall not be combined for rating purposes; however, that combination may be made as respects all such entities in each of which the same central authority appoints or controls the appointment of the board of trustees or similar body and exercises direct complete and active control over the finances, properties, operations and activities.

In the term "majority interest" as used in this rule, "majority" shall mean more than 50%.

If any entity other than a partnership

- (i) has issued voting stock, majority interest shall mean a majority of the issued voting stock;
- (ii) has not issued voting stock, majority interest shall mean a majority of the members;
- (iii) has not issued voting stock and has no members, majority interest shall mean a majority of the board of directors or comparable governing body.

If an entity is a partnership, majority interest shall be determined in accordance with the participation of each general partner in the profits of the partnership.

Note: If a combination of entities is required or has been elected, and if two or more different combinations are possible in accordance with the provisions of this rule, the combination involving the greatest number of entities shall be made. The experience of any entity used in such a combination shall not otherwise be used in combination with any other entity.

The experience to be used in a rating combination shall be subject to the provisions of the rule "Change of Ownership" of this Section.

**8. CHANGE OF OWNERSHIP, CONTROL, MANAGEMENT OR OPERATIONS**

The following rules govern the use of past experience in future ratings when a change has occurred in ownership, control, management or operations:

- a. Use of Incurred Experience. Except as provided in Rules (d) through (j) below, incurred experience shall be used in future ratings regardless of any change in ownership, control, management or operations.
- b. Disposition of Physical Assets. If any entity disposes of most, or all, of its physical assets by sale or lease and then

- (i) Becomes entirely inactive with no employees, or
  - (ii) Retains a few employees for the purpose of closing out its affairs prior to dissolution as a legal entity, or
  - (iii) Retains a few clerical employees for the purpose of carrying on operations in connection with investment of its financial assets, its incurred experience shall be assigned to that entity, if any, which has taken over its previous operations and employees, provided that there was no substantial change of such operations and employees at the time of the take-over.
- c. Partial Sale. If an entity disposes of a part of its assets or operations, but otherwise continues to operate its business, all experience incurred prior to the sale shall be used in future ratings of the entity. The experience incurred prior to the Partial Sale shall be used in future ratings for the part of the assets or operations disposed of unless a substantial change of operations or employees, in which event the experience incurred prior to the partial sale shall be discarded from future ratings.
- d. Changes of Management. The experience incurred on all operations of a risk shall be used in determining the experience modification regardless of, and shall be applicable to, trusteeships, receiverships, bondholders' protective committees and similar temporary changes of management, whether voluntary or at the direction of the Courts, except that experience incurred prior to such a change of management shall not be used in future ratings if such change is also accompanied by a substantial change of operations or employees.
- e. Individual Proprietorship. If the ownership of an individual proprietorship has been changed so that the previous owner either holds no ownership in, or holds less than 50% of, the new ownership, the experience incurred prior to the change shall be used in future ratings unless such change is also accompanied by a substantial change of operations or employees, in which event the experience incurred prior to the change shall be discarded from future ratings.
- f. Partnership. If the ownership of a partnership has been changed so that the combined interest of the previous owners in the new ownership ranges from none to less than 50%, the experience incurred prior to the change shall be used in future ratings unless such change is also accompanied by a substantial change of operations or employees, in which event the experience incurred prior to the change shall be discarded from future ratings.
- g. Unincorporated Association. If the ownership or membership has been changed so that the combined interest of all previous owners or members in the new ownership ranges from none to less than 50%, the experience incurred prior to the change shall be used in future ratings unless such change is also accompanied by a substantial change of operations or employees, in which event the experience incurred prior to the change shall be discarded from future ratings.
- h. Corporations - Cash Transactions. If the ownership of a corporation has been changed through outright purchase so that the combined interest of all previous owners in the new ownership ranges from none to less than 50%, the experience incurred prior to the change shall be used in future ratings unless such change is also accompanied by a substantial change of operations or employees, in which event the experience incurred prior to the change shall be discarded from future ratings.
- i. Corporations - Exchange of Stock and Similar Transactions. If the entire ownership of a corporation has been acquired by another corporation or group of corporations by exchange of stock or similar means, resulting in a blending of the ownership of the acquiring and acquired corporations, the experience of the acquired corporation incurred prior to the change shall be retained and combined with that of the acquiring corporation or corporations for use in future ratings unless such change is also accompanied by a substantial change of operations or employees, in which event the experience incurred prior to the change shall be discarded from future ratings.
- j. Merger. If two or more entities are merged so that the ownership interest of all such entities is combined in the surviving entity, the incurred experience of all such merged entities shall be used for experience rating the surviving entity unless the merger is also accompanied by a substantial change of operations or employees of one or more of the merged entities, in which event the experience of any such merged entity incurred prior to the merger shall be discarded from future ratings.
- k. Consolidation. If two or more entities are consolidated by replacing them with a new entity combining the ownership interest of the prior entities, the incurred experience of all such consolidated entities shall be used for experience rating the new entity, unless the consolidation is also accompanied by a substantial change of operations or employees of one or more of the replaced

entities, in which event the experience of any such replaced entity incurred prior to the consolidation shall be discarded from future ratings.

- I. Multiple Entities. When two entities under substantially the same ownership have been insured under a single policy, and the ownership of one or both of them is changed so that there is no longer any connection between them, the procedure shall be as follows:
- (i) If the experience of the entities has been combined for rating purposes during the entire experience period, the experience incurred prior to the change shall not be used for future ratings, unless
    - (a) the insurance carrier or carriers request that new mods be established, and
    - (b) the Bureau is furnished with the experience required for the calculation of such experience mods.
  - (ii) If the experience of the entities has been combined for less than two years at the time of the change, so that the experience for each entity is available during the period they were separately insured, the experience for each entity shall be used for the purpose of calculating new experience mods.

When three or more entities under substantially the same ownership have been insured under a single policy, and the ownership of one of the entities has been changed so that there is no longer any connection between it and the remaining entities, the existing experience mod shall continue to apply to the entities whose ownership has not changed. The entity whose ownership has changed shall not be subject to experience rating unless it has been purchased by an entity which has an applicable experience mod.

When three or more entities under substantially the same ownership have been insured under a single policy and the ownership of two or more of the entities has been changed so that common ownership no longer is present, the experience incurred prior to the date of the change shall not be used for future ratings, unless

- (i) the insurance carrier or carriers request that new mods be established, and
- (ii) the Bureau is furnished with the experience required for the calculation of such mods.

#### 9. JOINT VENTURES

When two or more risks associate for the purpose of undertaking one or more projects as a joint venture, the premium for the operation involved shall not be subject to experience mod until such time as the joint venture qualifies for experience rating in accordance with the provisions of Rule 1 of this Section, subject, however, to the following conditions:

- a. The contracts shall be awarded in the name of the associated risks as a joint venture.
- b. The joint ventures shall share responsibility for and participate in the control, direction and supervision of all work undertaken.
- c. The joint ventures shall maintain a common bank account, payroll and business records.
- d. When the joint venture becomes subject to experience rating, all applicable experience rates shall be based exclusively on the experience of the joint venture. The experience developed under a joint venture shall be excluded from the future rating of the individual venture.

### SECTION IV - APPLICATION OF EXPERIENCE MODS

#### 1. EXPERIENCE MOD

An experience mod for a qualified risk shall be determined annually by the Bureau and shall be effective as of the anniversary rating date of the policy. No more than one experience mod shall apply to a risk at the same time for all coal mine classifications. The experience mod shall be multiplied times the carrier's manual rate for traumatic coverage only. The mod shall not be applied to the carrier's occupational disease rates.

#### 2. POLICY RISK

If a risk is covered by a single policy or more than one policy, the following procedure shall apply:

- a. The experience mod effective as of the anniversary rating date shall apply for the full term of the policy.
- b. If a policy is written for a period of one year, but is extended for a period of not more than 16 days,

the carrier's manual rates and experience mod in effect as of the normal termination date shall remain in effect until the termination date of the extended policy. The carrier's manual rates and experience mod which would have become effective shall apply for a period of one year.

- c. If a policy is written for a period of one year, but is extended for a period of more than 16 days but not in excess of 60 days, the carrier's rates and experience mod shall apply as of the anniversary rating date for the unexpired portion of the extended policy period, and shall also apply for a period of one year from the effective date of the renewal policy.

## **SECTION V - TABULATION OF EXPERIENCE**

### **1. EXPERIENCE USED FOR RATING**

The experience used for rating purposes shall be the individual risk's traumatic experience valued and reported in accordance with the provisions of the Coal Mine Compensation Rating Bureau of Pennsylvania Workers' Compensation Statistical Plan.

### **2. RATING FORMS**

To determine the experience mod, the prescribed experience shall be tabulated by the Bureau on approved rating forms.

### **3. PAYROLLS**

The audited payrolls or other exposures for each classification for the experience period shall be tabulated by calendar year. The three year total of modified payroll by classification shall determine the risk's credibility.

### **4. LOSSES**

Incurred losses shall be tabulated by calendar year, described below:

- a. Total losses as reported, except as provided for in Rule 5 below.
- b. Reported losses on claims up to the primary limiting value (basic).
- c. Reported losses on claims between the primary limiting value and the secondary limiting value (ratable excess).
- d. Reported losses on claims exceeding the secondary limiting value (non-ratable excess).

### **5. MORAL RESPONSIBILITY**

No loss shall be excluded from the experience of a risk on the grounds that the employer was not morally responsible for the accident that caused such loss.

### **6. REVISION OF LOSSES**

It shall not be permissible to revise values because of department of judicial decision or because of developments in the nature of injury between two valuation dates. Provided, however, that:

- a. in cases where loss values are included or excluded through mistake other than error of judgment
- b. where a claim is declared non-compensable (see note below)
- c. where the claimant or carrier has recovered in an action against a third party, it shall be permissible to submit a revised reporting requesting adjustment of the affected rating or ratings, provided such request is made within 24 months of the expiration of the period to which the experience rate applied.

Note: For purposes of this rule, the term "non-compensable" refers to:

- (i) an official ruling specifically holding that a claimant is not entitled to benefits under the provisions of the Pennsylvania Workers' Compensation or Occupational Disease Act.
- (ii) a case where no claim was filed during the period of limitation provided by the Pennsylvania Workers' Compensation or Occupational Disease Act for the filing of such claim and the carrier therefore closes the case.
- (iii) a case where the carrier contends, prior to the valuation date, that a claimant is not entitled to benefits under the Pennsylvania Workers' Compensation or Occupational Disease Act and the claim is officially closed because of the claimant's failure to prosecute his claim.

## 7. THIRD PARTY CASES

- a. Pending Cases. When a negligence claim or suit has been instituted by a claimant against a third party, the procedure shall be as follows:

If the claim or suit against the third party has not been settled or finally adjudicated, the incurred loss shall be included in the rating, since failure to recover against a third party is no bar to compensation and the insurance carrier may eventually be obliged to indemnify the claimant in whole or in part for the loss sustained.

- b. Settled Cases. In cases where the carrier has received reimbursement under subrogation rights, or where the injured employee or his dependents have recovered from a third party, the procedure shall be as follows:

In cases where the total incurred cost prior to recovery is less than the accident limitation value, only the net loss shall be used in the rating. In cases where the total incurred cost prior to recovery exceeds the accident limitation value, the amount to be used in the rating shall be such proportion of the limiting value as the net loss bears to the total incurred cost prior to recovery.

## SECTION VI - MODIFICATION CALCULATION

The experience mods shall be calculated as follows:

1. The Bureau shall calculate and publish one mod per policy. The mod shall be based upon the data of all coal mine traumatic classifications under the Bureau's jurisdiction.
2. Total traumatic losses reported for the policy shall be segregated by the Bureau into the basic, ratable excess, and non-ratable excess losses by year as defined in Section V.
3. For determining the value of each loss, the indemnity, medical and funeral components for each individual loss must be combined.
4. The basic, ratable excess, and non-ratable excess losses shall be tabulated separately by class. The sum across all classes shall be used to calculate the policy's mod.
5. The reported losses for basic and ratable excess portions shall each be multiplied by a separate credibility factor from the respective table in Section VIII. The total three (3) year modified payroll across all coal traumatic classifications under the Bureau's jurisdiction shall be the basis for determining the policy's credibilities.
6. The expected losses by class, by year, shall be calculated using the policy's annual payrolls by class and the class's expected loss rating factors from the table in Section VIII.
7. Three (3) years of expected losses shall be determined separately for the basic and ratable excess portions.
8. To the extent that the reported basic and ratable excess portions lack full credibility (1.000), the respective complement shall be applied to the respective expected losses.
9. The sum of the reported losses times credibility, plus the expected losses times the complementary credibility, all divided by the expected losses shall result in the experience ratio.
10. The experience ratio times the portion of the loss cost represented by the basic and ratable excess portions, plus the non-ratable excess portion shall equal the adjustment ratio. \* See Section VII, Table 4.
11. To assure that the Experience Rating Plan does not generate more or less dollars of claim payment than included in the manual loss costs, an off-balance factor shall be calculated across all experience rated risks. This off-balance factor shall be applied solely to the experience rated risks.
12. The mod to be charged shall be the policy's adjustment ratio divided by the experience rating off-balance factor, unless limited - see Section VIII, Table 3.

**SECTION VII - RATING FORMULA**

$$\text{Experience Ratio} = \frac{(L_B \times C_B) + [EL_B \times (1 - C_B)] + (L_{EX} \times C_{EX}) + [EL_{EX} \times (1 - C_{EX})]}{EL_B + EL_{EX}}$$

Where	$L_B$	=	Basic Losses Reported
	$C_B$	=	Basic Credibility
	$EL_B$	=	Basic Expected Losses
	$L_{EX}$	=	Ratable Excess Losses Reported
	$C_{EX}$	=	Ratable Excess Credibility
	$EL_{EX}$	=	Ratable Excess Expected Losses

Adjustment Ratio = [Experience Ratio X (Basic Plus Ratable Excess Component)] + Non-Ratable Excess Component

Mod = Adjustment Ratio Divided By Experience Rating Off-Balance, Unless Limitation Applies

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**SECTION VIII - FACTORS AND TABLES**

**TABLE 1 - EXPECTED LOSS VALUES**

		1st Year	2nd year	3rd Year
1001 -	Basic	2.77	2.58	2.64
	Ratable Excess	1.29	2.52	2.71
1010 -	Basic	9.30	8.67	8.87
	Ratable Excess	4.32	8.47	9.12
1012 -	Basic	3.08	2.87	2.94
	Ratable Excess	1.43	2.80	3.02
1014 -	Basic	1.22	1.14	1.17
	Ratable Excess	0.57	1.11	1.20
1015 -	Basic	9.27	8.65	8.85
	Ratable Excess	4.31	8.44	9.09
1469 -	Basic	1.34	1.25	1.28
	Ratable Excess	0.62	1.22	1.32
1021 -	Basic	0.60	0.56	0.57
	Ratable Excess	0.28	0.54	0.59
1023 -	Basic	0.47	0.44	0.45
	Ratable Excess	0.22	0.43	0.47
1025 -	Basic	4.13	3.84	3.94
	Ratable Excess	1.92	3.75	4.04
1027 -	Basic	0.78	0.73	0.75
	Ratable Excess	0.36	0.71	0.77

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**TABLE 2 - CREDIBILITY**

Credibility is based upon the three-year modified payroll of the insured based upon all coal mine traumatic classes combined. Modified payroll is calculated by applying the payroll development factors by class from the latest approved traumatic loss cost filing to the respective payrolls by class of the insured. Each insured shall have a separate primary and ratable excess credibility.

This table is constructed to determine both the primary and ratable excess credibility from a single table entry. The payrolls listed on the table provide for a range in payroll from the listed entry to the next entry. The credibility assigned to the risk is the largest payroll entry that the insured's modified payroll exceeds.

<b>Modified Payroll</b>	<b>Primary Credibility</b>	<b>Excess Credibility</b>	<b>Modified Payroll</b>	<b>Primary Credibility</b>	<b>Excess Credibility</b>
437,572	0.36	0.06	8,607,060	0.80	0.11
459,855	0.37	0.06	9,622,731	0.81	0.11
498,593	0.38	0.06	10,882,552	0.82	0.11
541,525	0.39	0.07	12,344,069	0.83	0.12
589,286	0.40	0.07	14,046,483	0.84	0.13
636,864	0.41	0.07	15,961,809	0.85	0.13
693,238	0.42	0.07	18,232,149	0.86	0.14
751,442	0.43	0.07	21,076,954	0.87	0.15
812,824	0.44	0.07	24,770,753	0.88	0.16
884,652	0.45	0.07	29,245,779	0.89	0.18
958,067	0.46	0.07	31,181,797	0.89	0.19
1,005,309	0.47	0.07	34,560,869	0.90	0.19
1,042,780	0.48	0.07	41,388,685	0.91	0.20
1,082,168	0.49	0.07	43,880,141	0.91	0.21
1,122,685	0.50	0.07	53,117,457	0.92	0.23
1,164,332	0.51	0.07	62,719,324	0.93	0.24
1,208,143	0.52	0.07	66,360,780	0.93	0.25
1,252,963	0.53	0.07	74,320,143	0.93	0.26
1,299,575	0.54	0.07	83,026,719	0.94	0.26
1,348,100	0.55	0.07	87,972,022	0.94	0.27
1,397,736	0.56	0.07	98,947,030	0.94	0.28
1,449,995	0.57	0.07	111,652,950	0.94	0.29
1,503,814	0.58	0.07	126,534,323	0.94	0.30
1,559,193	0.59	0.07	144,202,163	0.94	0.31
1,617,552	0.60	0.07			
1,677,312	0.61	0.07			
1,739,571	0.62	0.07			
1,801,770	0.63	0.07			
1,863,945	0.64	0.07			
2,027,257	0.65	0.07			
2,204,006	0.66	0.07			
2,404,736	0.67	0.08			
2,631,369	0.68	0.08			
2,874,018	0.69	0.08			
3,148,853	0.70	0.08			
3,444,207	0.71	0.08			
3,779,963	0.72	0.08			
4,167,159	0.73	0.08			
4,596,000	0.74	0.09			
5,058,641	0.75	0.09			
5,622,924	0.76	0.09			
6,216,230	0.77	0.09			
6,870,510	0.78	0.10			
7,702,211	0.79	0.10			

**TABLE 3 - MAXIMUM MOD LIMIT TABLE**

Accounts with three years of modified payrolls of less than \$1,000,000 can produce substantial debit experience mods. This substantial debit experience mod can be the result of a single large claim or two losses that exceed the basic loss limitation level. To mitigate the size of the debit mod on accounts with less than \$1,000,000 of three year modified payroll, the maximum mod limit table will apply. This table will apply to all accounts with a three year modified payroll total of less than \$1,000,000, including accounts which initially qualify for a mod, as well as accounts that were previously experience rated.

**MAXIMUM MOD LIMIT TABLE**

<b>3 Years of Modified Payroll</b>	<b>Maximum Mod Charge</b>
\$ 300,000 to \$ 499,999	1.20
\$ 500,000 to \$ 749,999	1.30
\$ 750,000 to \$ 999,999	1.40
\$ 1,000,000 and Over	No Maximum

**TABLE 4 - EXPECTED SIZE OF LOSS COMPONENTS**

Basic Plus Ratable Excess Component .....	0.66981
Non-Ratable Excess Component .....	0.33019

**TABLE 5 - OFF-BALANCE FACTOR .....**0.9898

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**SECTION IX - EXAMPLE** - This example represents an experience mod calculation for a hypothetical bituminous risk.

CLASS	YEAR	PAYROLL	TOTAL			BASIC			RATABLE EXCESS			NON-RATABLE EXCESS			EXPECTED LOSSES	
			COUNT	LOSSES	COUNT	LOSSES	COUNT	LOSSES	COUNT	LOSSES	COUNT	LOSSES	BASIC	RATABLE EXCESS		
1014	2005	2,350,281	8	278,928	8	104,803	1	100,000	1	74,125	1	74,125	27,498	28,203		
1014	2006	2,370,605	7	13,615	7	13,615	0	0	0	0	0	0	27,025	26,314		
1014	2007	2,407,762	7	81,764	7	70,399	1	11,365	1	0	0	0	29,375	13,724		
1027	2005	33,212	0	0	0	0	0	0	0	0	0	0	249	256		
1027	2006	32,457	0	0	0	0	0	0	0	0	0	0	237	230		
1027	2007	33,667	0	0	0	0	0	0	0	0	0	0	263	121		

TOTAL PAYROLL	7,227,984	22	374,307	22	188,817	2	111,365	1	74,125	84,647	68,848
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CREDIBILITY

Basic	Excess
0.78	0.10

EXPERIENCE RATIO 1.5570

ADJUSTMENT RATIO 1.3730

OFF-BALANCE FACTOR 0.9898

MOD 1.387

**SECTION X - SCHEDULE RATING PLAN**

1. The loss and/or expense components of an insured risk's premium may, at the option of the underwriting carrier, be adjusted in accordance with provisions of this plan to reflect defined characteristics of the risk which, in the sole judgment of the underwriting carrier, are not adequately reflected in prior experience of the insured risk.
2. At the option of the underwriting carrier, this plan may be applied to any risk regardless of premium size.
3. At the option of the underwriting carrier, this Schedule Rating Plan may be applied individually or collectively to the traumatic and/or state occupational disease and/or federal occupational disease portions of the risk.
4. All statistical reporting requirements of the Coal Mine Compensation Rating Bureau and the Pennsylvania Insurance Department, including provisions of the uniform Statistical Plan and Pennsylvania Special Schedule W, are applicable to business written in accordance with this plan and must be complied with by carriers using this plan.
5. Schedule rating credits or debits must be applied as a percentage factor to premium computed after experience modification or Merit Rating Plan adjustment and before carrier premium discounts and expense constants, if applicable.
6. Schedule rating adjustments for any given risk shall be based on information contained in the carrier's files and records when the credit or debit is determined, and such supporting information must be retained in the carrier's files and records for such risk throughout the period of time in which the policy is subject to audit under provisions of the policy.
7. Acceptance of a policy by an insured shall constitute agreement with the amount of schedule rating credit or debit, or with the absence of any such credit or debit. Upon request of the insured, a carrier shall make available documentation supporting the derivation of any proposed schedule rating credit or debit.
8. Upon request of the Pennsylvania Insurance Department or the Coal Mine Compensation Rating Bureau, a carrier shall make available documentation supporting the derivation of a schedule rating credit or debit for any specified risk or risks.
9. No schedule rating credit or debit may be effective prior to the underwriting insurer's receipt of information for a risk supporting the schedule rating credit or debit in question. No schedule rating credit or debit may be changed mid-term without the mutual agreement of the insured risk and the underwriting carrier.
10. The following risk characteristics are eligible under this plan for assignment of credits or debits subject to the maximum ranges set forth below:

<u>Risk Characteristic</u>	<u>Allowable Range of Credits or Debits</u>
Features of Workplace Maintenance or Operation	-10% to +10%
Risk Elements Not Addressed in Classification Plan	-10% to +10%
Availability of Medical Facilities in or Near Workplace	-5% to +5%
Safety Equipment/Devices Present in/Missing from Workplace	-5% to +5%
Extraordinary Safety Programs Applicable to Workplace	-5% to +5%
Qualifications of Employees	-10% to +10%
Accommodations/Cooperation with Carrier by Management	-5% to +5%
Considerations Related to Policy Expenses	-5% to +5%
Other Risk Characteristics Not Addressed Above (Specify)	-10% to +10%

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11. The maximum schedule rating credit permissible for any risk under this plan is -25 percent. The maximum schedule rating debit permissible for any risk under this plan is +25%.

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## **SECTION I - INSTRUCTIONS**

1. The Merit Rating Plan of the Coal Mine Compensation Rating Bureau (CMCRB) is intended to grant premium discounts or assess premium surcharges to risks subject to the manual of the CMCRB and which do not qualify for the application of the CMCRB uniform Experience Rating Plan.
2. The following rules of the uniform Experience Rating Plan of the CMCRB are equally applicable to the CMCRB Merit Rating Plan and are adopted herein by reference:

Section I, Paragraphs 2, 3, 4 and 5.

Section II, Paragraphs 1, 2, 3 and 4.

Section III, Paragraphs 3, 4, 5, 6, 7, 8 and 9.

Section IV, Paragraphs 1 and 2.

Section V, Paragraphs 1, 2, 3, 6, 7 and 8.

Any reference to the uniform Experience Rating Plan in the above mentioned rules shall mean the CMCRB Merit Rating Plan when used in conjunction with this section of the manual.

## **SECTION II - DEFINITIONS**

5. Compensable Lost Time Accident shall be a covered traumatic claim resulting in a payment or reserve for indemnity/funeral benefits. Claims subject to a policyholder deductible shall be considered compensable for the purpose of this section.
6. Merit Rating Plan Discount shall be applied as a 5 percent discount based on the carrier's traumatic premium for the risk.
7. Merit Rating Plan Surcharge shall be applied as a 5 percent surcharge based on the carrier's traumatic premium for the risk.

## **SECTION III - GENERAL PROVISIONS**

1. Eligibility  
The Merit Rating Plan shall only apply to risks not subject to the CMCRB uniform Experience Rating Plan.
2. Experience Period  
The eligible risk must have reported payrolls greater than zero under the uniform Statistical Plan for any CMCRB traumatic class in both of the latest two calendar years used to determine eligibility under the uniform Experience Rating Plan.

## **SECTION IV - APPLICATION OF THE MERIT RATING PLAN**

3. Each eligible risk with no compensable lost time accidents during the latest two calendar accident years consistent with the payrolls in Section III, Paragraph 2, shall receive a 5 percent traumatic premium discount.
4. Each eligible risk with one compensable lost time accident during the latest two calendar accident years with the payrolls in Section III, Paragraph 2, shall receive no Merit Rating adjustment.
5. Each eligible risk with two or more compensable lost time accidents during the latest two calendar accident years consistent with the payrolls in Section III, Paragraph 2, shall receive a 5 percent traumatic premium surcharge.
6. The discounts/surcharges under this Plan shall be determined annually.
7. The discounts/surcharges under this Plan shall not be cumulative from year to year.
8. The discounts/surcharges under this Plan shall apply regardless of any other premium adjustment applicable to the policy.
9. When another premium adjustment is applicable to the policy besides the merit adjustment, the combination of adjustments shall be in an additive fashion.

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### WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

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## WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

In return for the payment of the premium and subject to all terms of this policy, we agree with you as follows.

**A. The Policy**

This policy includes at its effective date the Information Page and all endorsements and schedules listed there. It is a contract of insurance between you (the employer named in Item 1 of the Information Page) and us (the insurer named on the Information Page). The only agreements relating to this insurance are stated in this policy. The terms of this policy may not be changed or waived except by endorsement issued by us to be a part of this policy.

**B. Who Is Insured**

You are insured if you are an employer named in Item 1 of the Information Page. If that employer is a partnership, and if you are one of its partners, you are insured, but only in your capacity as an employer of the partnership's employees.

**C. Workers Compensation Law**

Workers Compensation Law means the workers' or workmen's compensation law and occupational disease law of each state or territory named in Item 3-A of the Information Page. It includes any amendments to that law which are in effect during the policy period. It does not include the provisions of any law that provide nonoccupational disability benefits.

**D. State**

State means any state of the United States of America, and the District of Columbia.

**E. Locations**

This policy covers all of your workplaces listed in Items 1 or 4 of the Information Page; and it covers all other workplaces in Item 3-A states unless you have other insurance or are self-insured for such workplaces.

### PART ONE - WORKERS COMPENSATION INSURANCE

**A. How This Insurance Applies**

This workers compensation insurance applies to bodily injury by accident or bodily injury by disease. Both injury includes resulting death.

1. Bodily injury by accident must occur during the policy period.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

**B. We Will Pay**

We will pay promptly when due the benefits required of you by the workers compensation law.

**C. We Will Defend**

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this insurance. We have the right to investigate and settle these claims, proceedings or suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance.

**D. We Will Also Pay**

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

E. Other Insurance

We will not pay more than our share of benefits and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

F. Payments You Must Make

You are responsible for any payments in excess of the benefits regularly provided by the workers compensation law including those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation; or
4. you discharge, coerce or otherwise discriminate against any employee in violation of the workers compensation law.

If we make any payments in excess of the benefits regularly provided by the workers compensation law on your behalf, you will reimburse us promptly.

G. Recovery From Others

We have your rights, and the rights of persons entitled to the benefits of this insurance, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions

These statements apply where they are required by law.

1. As between an injured worker and us, we have notice of the injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance after an injury occurs.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance. Those persons may enforce our duties; so may an agency authorized by law. Enforcement may be against us or against you and us.
4. Jurisdiction over you is jurisdiction over us for purposes of the workers compensation law. We are bound by decisions against you under that law, subject to the provisions of this policy that are not in conflict with that law.
5. This insurance conforms to the parts of the workers compensation law that apply to:
  - a. benefits payable by this insurance;
  - b. special taxes, payments into security or other special funds, and assessments payable by us under that law.
6. Terms of this insurance that conflict with the workers compensation law are changed by this statement to conform to that law.

Nothing in these paragraphs relieves you of your duties under this policy.

**PART TWO - EMPLOYERS LIABILITY INSURANCE**

A. How This Insurance Applies

This employers liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in a state or territory listed in Item 3-A of the Information Page.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

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**B. We Will Pay**

We will pay all sums you legally must pay as damages because of bodily injury to your employees, provided the bodily injury is covered by this Employers Liability Insurance.

The damages we will pay, where recovery is permitted by law, include damages:

1. for which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your employee;
2. for care and loss of services; and
3. for consequential bodily injury to a spouse, child, parent, brother or sister of the injured employee; provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by you; and
4. because of bodily injury to your employee that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

**C. Exclusions**

This insurance does not cover:

1. liability assumed under a contract. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
2. punitive or exemplary damages because of bodily injury to an employee employed in violation of law;
3. bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. any obligation imposed by a workers compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
5. bodily injury intentionally caused or aggravated by you;
6. bodily injury occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;
7. damages arising out of the discharge of, coercion of, or discrimination against any employee in violation of law.

**D. We Will Defend**

We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this insurance. We have the right to investigate and settle these claims, proceedings and suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance. We have no duty to defend or continue defending after we have paid our applicable limit of liability under this insurance.

**E. We Will Also Pay**

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding, or suit we defend:

1. reasonable expenses incurred at our request; but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance, and
5. expenses we incur.

**F. Other Insurance**

We will not pay more than our share of damages and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

**G. Limits of Liability**

Our liability to pay for damages is limited. Our limits of liability are shown in Item 3-B of the Information Page. They apply as explained below.

1. Bodily Injury by Accident. The limit shown for "bodily injury by accident-each accident" is the most we will pay for all damages covered by this insurance because of bodily injury to one or more employees in any one accident.

A disease is not bodily injury by accident unless it results directly from bodily injury by accident.

2. Bodily Injury by Disease. The limit shown for "bodily injury by disease-policy limit" is the most we will pay for all damages covered by this insurance and arising out of bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease. The limit shown for "bodily injury by disease-each employee" is the most we will pay for all damages because of bodily injury by disease to any one employee.

Bodily injury by disease does not include disease that results directly from a bodily injury by accident.

3. We will not pay any claims for damages after we have paid the applicable limit of our liability under this insurance.

#### H. Recovery From Others

We have your rights to recover our payment from anyone liable for an injury covered by this insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

#### I. Actions Against Us

There will be no right of action against us under this insurance unless:

1. You have complied with all the terms of this policy; and
  2. The amount you owe has been determined with our consent or by actual trial and final judgment.
- This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability.

### PART THREE - OTHER STATES INSURANCE

#### A. How This Insurance Applies

1. This other states insurance applies only if one or more states are shown in Item 3-C of the Information Page.
2. If you begin work in any one of those states and are not insured or are not self-insured for such work, the policy will apply as though that state were listed in Item 3-A of the Information Page.
3. We will reimburse you for the benefits required by the workers compensation law of that state if we are not permitted to pay the benefits directly to persons entitled to them.

#### B. Notice

Tell us at once if you begin work in any state listed in Item 3-C of the Information Page.

### PART FOUR - YOUR DUTIES IF INJURY OCCURS

Tell us at once if injury occurs that may be covered by this policy. Your other duties are listed here.

1. Provide for immediate medical and other services required by the workers compensation law.
2. Give us or our agent the names and addresses of the injured persons and of witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding or suit.
4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

### PART FIVE - PREMIUM

#### A. Our Manuals

All premium for this policy will be determined by our manuals of rules, rates, rating plans and classifications. We may change our manuals and apply the changes to this policy if authorized by law or a governmental agency regulating this insurance.

#### B. Classifications

Item 4 of the Information Page shows the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this policy.

C. Remuneration

Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. all your officers and employees engaged in work covered by this policy; and
2. All other persons engaged in work that could make us liable under Part One (Workers Compensation Insurance) of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph 2 will not apply if you give us proof that the employers of these persons lawfully secured their workers compensation obligations.

D. Premium Payments

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid.

E. Final Premium

The premium shown on the Information Page, schedules, and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by this policy. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

If this policy is canceled, final premium will be determined in the following way unless our manuals provide otherwise.

1. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the pro rata share of the minimum premium.
2. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force, and increased by our short rate cancellation table and procedure. Final premium will not be less than the minimum premium.

F. Records

You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

G. Audit

You will let us examine and audit all your records that relate to this policy. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records, and programs for storing and retrieving data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to determine final premium. Insurance rate service organizations have the same rights we have under this provision.

**PART SIX - CONDITIONS**

A. Inspection

We have the right, but are not obliged to inspect your workplaces at any time. Our inspections are not safety inspections. They relate only to the insurability of the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards. Insurance rate service organizations have the same rights we have under this provision.

B. Long Term Policy

If the policy period is longer than one year and sixteen days, all provisions of this policy will apply as though a new policy were issued on each annual anniversary that this policy is in force.

C. Transfer of Your Rights and Duties

Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within thirty days after your death, we will cover your legal representative as insured.

D. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. We must mail or deliver to you not less than ten days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice.
3. The policy period will end on the day and hour stated in the cancellation notice.
4. Any of these provisions that conflicts with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with that law.

E. Sole Representative

The insured first named in Item 1 of the Information Page will act on behalf of all insureds to change this policy, receive return premium, and give or receive notice of cancellation.

## INFORMATION PAGE

Blank Insurance Company

Policy No. \_\_\_\_\_

1. The Insured:

\_\_\_ Individual \_\_\_ Partnership

Mailing address:

\_\_\_ Corporation or \_\_\_\_\_

Other workplaces not shown above:

2. The policy period is from \_\_\_\_\_ to \_\_\_\_\_ at the insured's mailing address.

3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here:

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A.

The limits of our liability under Part Two are:

Bodily Injury by Accident \$ \_\_\_\_\_ each accident

Bodily Injury by Disease \$ \_\_\_\_\_ policy limit

Bodily Injury by Disease \$ \_\_\_\_\_ each employee

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

D. This policy includes these endorsements and schedules:

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
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Total Estimated Standard Premium \$

Expense Constant \$

Minimum Premium \$

Countersigned by: \_\_\_\_\_

**INFORMATION PAGE NOTES**

1. The sequence of Items 1 through 4 of the Information Page may not be changed except for Item 3-D. (See Note 12.) The format of each item may be rearranged and these suggested headings may be used: 1. Insured; 2. Policy Period; 3. Coverage; and, 4. Premium.
2. The name of the insurer is to be shown prominently on the Information Page. Multi-company groups may make appropriate reference to the name of the member of the group providing the insurance. Inclusion of the five-digit National Council on Compensation Insurance carrier code improves the efficiency of Bureau operations.
3. The policy number must be shown on the Information Page. This number should be unique to the company and remain constant during the policy period. It should be used on all endorsements issued after the policy is issued unless the company designates only a portion of the policy number as a key number; then the key number should be clearly identified.  
For example, if the policy number is WC 1-4321-82, under the key number approach "4321" is the key number and should be used on all future endorsements to that policy.
4. Use appropriate text on the Bureau copy of a renewal policy Information Page to designate the prior policy by number. New business may be designated "New." At its option, the company may show this on the insured's copy of the Information Page.
5. On the Bureau copy of the Information Page, show the letters "AR" next to the title "Information Page" if the insured is an assigned risk.
6. Reserve space in Item 1 of the Bureau copy to show, if required, the insured's identification number. The company may also show this on the Information Page at its option. Commonly required numbers are listed here:  
Arkansas Workers' Compensation File, Association File Number of Minnesota Assigned Risks; Bureau File Number for Minnesota and Texas; Federal Employer's Identification Number; Hawaii Unemployment number; Illinois Assigned Risk Unemployment Number; Illinois Schedule Rating Number; Interstate Identification Number; Intrastate Identification Number; Oregon Contract Number; State Employer Number.
7. List in Item 1 or by schedule all usual workplaces of the insured that are to be covered by the policy.
8. Show in Item 2 the effective date and hour of the policy, and its expiration date and hour. The hour may be printed at the company's option.
9. List in Item 3-A states where state workers compensation insurance is provided. If none is provided, "none" or "not covered" may be shown. See, for example, the notes to the Federal Coal Mine Health and Safety Act Coverage Endorsement.
10. Show limits of liability separately for bodily injury by accident and by disease in Item 3-B.
11. States may be shown in Item 3-C by name or by designation, but do not name or designate a state listed in Item 3-A, a monopolistic state fund state, or a state where the insurer will not provide this coverage.  
The following entry may also be included: "All states except Nevada, North Dakota, Ohio, Washington, West Virginia, Wyoming, States designated in Item 3-A of the Information Page and \_\_\_\_\_."  
If the company learns that the insured is conducting operations in a 3-C state, and if the company agrees to continue coverage, the company should add that state to Item 3-A and remove it from Item 3-C. Normal company procedures apply when the state is added to Item 3-A.
12. Item 3-D may be omitted so long as the list of the policy's schedules and endorsements appears somewhere on the Information Page.
13. The content of Item 4 may be rearranged by the company. If the policy is issued for less than one year, the company may state whether the premium information is shown for the policy period or for an annual period.
14. In Item 4, the development of estimated annual premium shall be displayed separately for each classification by state. This same display of premium development must be shown on any classification schedules attached to the policy.  
Total Estimated Standard Premium may be shown on the Information Page or on a schedule attached to the policy.

15. The experience rate for coal mine risks shall be shown in Item 4 for risks subject to the experience rating plan. Use Item 4 to show schedule rating factors or individual risk modification factors if required by a bureau or administrative agency. Item 4 must include all charges or credits affecting the final estimated annual premium. Where such items have been assigned a specific statistical code, such code should be entered in the classification field. The final estimated annual premium as presented to the insured must be shown.
16. Premium discount must be shown in Item 4. (Pennsylvania Compensation Rating Bureau)
17. Taxes, assessments, deposit premium, interim adjustments of premium, the rating plan, past experience, cancelation of similar insurance, date and place of policy issuance, date and place of countersignature, and other related information may be shown in Item 4. Deposit premium and premium adjustment period must be shown in Pennsylvania. Date of issue is desirable in Pennsylvania as this information is often required when policy data is subpoenaed. Policy issuing office must be entered.
18. Three Year Fixed Rate Policies must be so designated on the Information Page as required by Rule XI of the Pennsylvania Compensation Rating Bureau Basic Manual.
19. Other entries may be made on the Information Page as authorized by Notes to Standard Endorsements, including: Partners, Officers and Others Exclusion; Pending Rate Change; Sole Proprietors, Partners and Officers and Others Coverage.
20. The company may use its own method of execution and place the execution clause at the end of the Information Page, at the end of the standard policy, or on a policy jacket.
21. Enter the name of the agent or producer, if any.