



## WCIRB Wire

### **WCIRB Classification and Rating Committee to Consider Regulatory Changes in Response to COVID-19**

On April 14, 2020, the Workers' Compensation Insurance Rating Bureau of California's (WCIRB's) Classification and Rating Committee will consider three rule changes that WCIRB staff are recommending in response to the impact of the coronavirus disease 2019 (COVID-19) pandemic on California employers and workers. The Committee will consider changes that, if approved by the Insurance Commissioner, would:

#### **Exclude Payments to Employees Who Continue to Be Paid While Not Working**

The Committee will review a proposal to exclude from reported payroll the payments made to employees who are continuing to be paid while not engaged in any work activities. This exclusion would apply while California's stay-at-home order is in place and for up to 30 days thereafter if the employee continues not to work. Excluding this payroll recognizes the extraordinary circumstances resulting from the stay-at-home order and the fact that employees not engaged in work activities have virtually no work-related exposure.

#### **Allow Assignment of Classification 8810 for Temporary Change in Duties**

The Committee will review a proposal to allow the assignment of Classification 8810, *Clerical Office Employees*, to the payroll of employees whose job duties, during California's stay-at-home order, meet the definition of a Clerical Office Employee. This provision would apply while California's stay-at-home order is in place and for up to 30 days thereafter if the employee continues to meet the definition of a Clerical Office Employee, but does not apply to the payroll of employees whose payroll is otherwise assignable to a standard classification that specifically includes Clerical Office Employees.

#### **Exclude COVID-19 Claims from Experience Rating**

The Committee will review a proposal to exclude claims with a diagnosis of COVID-19 and an accident date on or after December 1, 2019 from the experience rating calculations of individual employers. Since the occurrence of COVID-19 workers' compensation claims are unlikely to be a strong predictor of future claim costs incurred by an employer, their inclusion in an experience modification calculation would not meet the intended goal of experience rating.

This is a high-level summary of the proposed regulatory changes. Details regarding the proposed changes and the full agenda, including the teleconference login information, are available on the Committee Documents page in the Filings and Plans section of the WCIRB's website and through the following link:

- WCIRB Classification and Rating Committee Meeting – April 14, 2020 Agenda

April 7, 2020

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