

Dear Valued Policyholder

In response to the California Insurance Commissioner's recently approved changes recommended by the WCIRB, please note the following:

Clerical Office Employees - Adopted Changes

- Effective 3/19/2020 and concluding 60 days after the order is lifted, the payroll of an employee who meets the definition of a Clerical Office Employee (as detailed in Rule 4a), and whose payroll for the balance of the policy period is not assignable to a standard classification that specifically includes Clerical Office Employees, shall be assigned to Classification 8810 Clerical Office Employees
 - A single employee's payroll may be divided between Classification 8810 and another classification only one time during this period. Once the employee's duties are no longer exclusively clerical in nature, Classification 8810 shall not be assigned.

Employees on Paid Leave

 Effective 3/19/2020 and concluding 30 days after the order is lifted, payments made to an employee, including but not limited to sick or family leave payments, while the employee is performing no duties of any kind in service of the employer shall be excluded from remuneration. However, the excluded amounts shall be no greater than the employees regular rate of pay.

For each of the above, employers must maintain records that document the change in duties and that segregate such payments during the time frames specified.

Exclusion of COVID-19 Claims from Experience Rating

- All claims directly arising from a diagnosis of COVID-19 will be excluded from individual employer's experience modification calculation. This applies to claims where all of the following apply:
 - Accident date on or after 12/1/2019
 - Reported on Unit Stat Reporting data due on or after 8/1/2020
 - Reported with Catastrophe # 12
- Claims where a COVID-19 diagnosis is a compensable consequence of another workplace injury are not excluded.

If you have any questions regarding the above information, please contact your workers' compensation agent or email us at <u>premiumaudit@icwgroup.com</u>.

Thank you and stay safe!

ICW Group Insurance Companies