

2020 Classification Code Changes

Classification Code Additions, Revisions, and Eliminations effective **4/1/2020**:

The industries impacted by Class Code changes effective 4/1/2020 are:

- ❖ Retirement Living Centers and Nursing Homes
- ❖ Aircraft Maintenance and Repair

RETIREMENT LIVING CENTERS AND NURSING HOMES

Healthcare workers will be assigned to National Code 8824 for all types of adult care facilities. This would include Retirement Living Centers, Adult Care Home, and Nursing and Convalescent care facilities. All other non-health care workers providing services in these types of operations will be assigned to National Code 8826. At the end of a Two-Phase Transition Program, National Code 8825 and NC state-specific codes 8848 and 8849 will be eliminated.

Two-Phase Transition Program:

- In Phase I (the 4/1/2019 experience filing)
 - The loss cost for Code 8825 and 8826 will begin to be combined using a 2-year transition period.
- In Phase II (the 4/1/2020 experience filing)
 - The loss cost for 8825 and 8826 will be fully combined and 8825 would be discontinued.
 - Codes 8848 and 8849 will be discontinued and payroll weighted with Code 8824 to determine the loss cost for 8824.
 - Codes 8824 and 8826 will be redefined.

AIRCRAFT MAINTENANCE AND REPAIR

- Phraseology added to address operations performed by manufacturers, fixed-base operators, or contractors at an airport or off-site facility to Code 3826- Aircraft Mfg. and Code 3830- Airplane Mfg.
- Phraseology eliminated from Code 3826- Engine Mfg.- Aircraft to remove redundancy with Code 3826- Aircraft Engine Mfg.
- Phraseology revised for Code 5037- Painting- Metal Structures- Over Two Stories in Height & Drivers to indicate painting of aircraft of all sizes and types is not assigned to Code 5474.
- Phraseology *Painting Aircraft & Shop Operations, Drivers* established as new phraseology for Code 5474.
- Phraseology *Aviation- Ramp Operations & Drivers* established as new phraseology to Code 7403 for work performed on the aircraft at the ramp or on the flight line.
- Phraseology *Aircraft Avionics and Instrumentation Installation, Service, or Repair- Shop and Outside & Drivers* established as new phraseology for code 9516 for the performance of these services on all types of fixed- and rotary-wing aircraft.

ELIMINATION OF NATIONAL CODES

| No Transition Program | |
|---|--|
| National Classifications to Be Eliminated | Proposed National Classification |
| 4360- Motion Pictures- Development of Negatives, Printing, and All Subsequent Operations 4360- Duplication and Replication Service of Prerecorded Audio, Video or Data | 7610- Motion Pictures- Production- In Studios or Outside- All Operations & Clerical, Drivers 7610- Duplication and Replication Service of Prerecorded Audio, Video or Data |
| 4670- Cottonseed Oil Mfg. -- Mechanical & Drivers 4670- Cottonseed Oil Mfg. -- Solvent & Drivers | 4683- Cottonseed Oil Mfg. -- Mechanical 4683- Cottonseed Oil Mfg. -- Solvent ----- 7380- Drivers, Chauffeurs, Messengers, and Their Helpers NOC- Commercial |
| 5508- Street or Road Construction- Rock Excavation & Drivers | 5507- Street and Road Construction- Rock Excavation & Drivers |

ELIMINATION OF NATIONAL CODES- USING TWO-PHASE TRANSITION PROGRAM*

| National Classifications to Be Eliminated | Proposed National Classification |
|---|---|
| 2288- Wool Spinning and Weaving 2286- Yarn Mfg. - Wool | 2220- Wool Spinning and Weaving 2220- Yarn Mfg. - Wool |
| 2670- Glove Mfg. - Wool | 2688- Glove Mfg. - Leather or Textile |

*Two-Phase Transition Program – North Carolina

Phase 1 of the transition program for class codes 2286 and 2670 begins with the state’s approved loss cost/rate filing effective April 1, 2020.

Risks using class codes 2286 or 2670 will have their operations classified to either the code being discontinued or the acquiring code as appropriate until the second phase of the transition program.

For Phase 1 of the two-phase transition program, the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code will be calculated using the latest available year’s payroll and the standard calculated loss cost/rate of the two individual codes.

Phase 2 of this two-phase transition program will begin April 1, 2021. Class codes 2286 and 2670 will be discontinued. All operations previously assigned to these codes will be assigned to the acquiring code.

The loss cost/rate for the acquiring code will be the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code, using the latest available year’s payroll, and the standard calculated loss cost/rate of the two individual codes.

NATIONAL CLASSIFICATIONS TO BE REFORMATTED

| CLASS CODE | PHRASEOLOGY | FN ID | HAZARD GROUP | INDUSTRY GROUP | NOTES |
|------------|---|-------|--------------|----------------|---|
| 7610 | MOTION PICTURE- PRODUCTION- IN STUDIOS OR OUTSIDE- ALL OPERATIONS UP TO THE DEVELOPMENT OF NEGATIVES & CLERICAL, DRIVERS. | | D | 3 | Digital medial processing and editing, as well as marketing through film exchanges, are included in Code 7610, whether performed by a contractor or the production company. |
| 7610 | DUPLICATION AND REPLICATION SERVICE OF PRERECORDED AUDIO, VIDEO OR DATA | | D | 3 | |
| 4686 | OIL MFG. - VEGETABLE- SOLVENT EXTRACTION PROCESS | | E | 1 | Mfg. of cottonseed oil to be separately rate to 4670 4683. |
| 4683 | COTTONSEED OIL MFG. - MECHANICAL | | C | 1 | Applies during both active and dormant seasons. Includes installation or repair of equipment, yard workers, and weighers. |
| 4683 | COTTONSEED OIL MFG. - SOLVENT | | C | 1 | Applies during both active and dormant seasons. Includes installation or repair of equipment, yard workers, and weighers. |
| 4683 | COTTONSEED OIL REFINING | | C | 1 | Cottonseed oil mfg. to be separately rated as code 4670. |
| 5507 | STREET OR ROAD CONSTRUCTION- ROCK EXCAVATION & DRIVERS | | F | 2 | Includes incidental quarrying or stone crushing. No tunneling. |
| 5507 | STREET OR ROAD CONSTRUCTION- SUBSURFACE WORK & DRIVERS | | F | 2 | Applies to cleaning of right-of-way, earth excavation, filling, or grading. Separately rate; rock excavation, tunneling, and bridge or culvert building where clearance is more than 10 feet at any point or the entire distance between terminal abutments exceeds 20 feet; quarrying, and stone crushing. |

NCRB CLASSIFICATIONS TO BE REFORMATTED

| Class Code | Phraseology | FN ID | Hazard Group | Industry Group | Notes |
|------------|---|-------|--------------|----------------|---|
| 4686 | OIL MFG- VEGETABLE - SOLVENT EXTRACTION PROCESS | | E | 1 | Mfg. of cottonseed oil to be separately rated as code 4683. |