



**Pennsylvania Compensation Rating Bureau**

United Plaza Building • Suite 1500  
30 South 17th Street • Philadelphia, PA 19103-4007  
(215)568-2371 • FAX (215)564-4328 • www.pcrb.com

August 10, 2016

**VIA SERFF**

The Honorable Theresa D. Miller  
Insurance Commissioner  
Commonwealth of Pennsylvania  
Insurance Department  
1311 Strawberry Square  
Harrisburg PA 17120

**Attention: Michael McKinney, Actuarial Supervisor, Property & Casualty Bureau**

**RE: PCRB Filing No. 276 – Proposed Effective October 1, 2016  
Proposed Clarification to the Code 972, Attendant Care Services Class  
Description**

Dear Commissioner Miller:

Resulting from a staff review and on behalf of the members of the Pennsylvania Compensation Rating Bureau (PCRB), we hereby submit this filing to clarify the Code 972 class description. This revision is proposed to be effective 12:01 a.m. October 1, 2016 which is concurrent with the next anticipated electronic edition of PCRB's Manual, and allows that the clarification to the Code 972 class description is made available to PCRB's membership as soon as possible.

A PCRB staff memorandum dated May 6, 2016 is included with this filing. The memorandum describes why PCRB is proposing the language revision, the reasoning for the change and the clarified class description. This proposal was reviewed by the Classification and Rating Committee at their meeting held on June 22, 2016. The proposal does not affect loss costs for any Pennsylvania employers.

Thank you in advance for your prompt attention and review of this filing. The PCRB will be pleased to answer any questions that you or the Insurance Department staff may have regarding this proposal.

Sincerely,

A handwritten signature in cursive script that reads "William V. Taylor".

William V. Taylor  
President

WVT/jf

Enclosure:  
Staff Memorandum of May 6, 2016



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TO: Pennsylvania Compensation Rating Bureau (PCRB) Classification and Rating Committee

FROM: David T. Rawson – Technical Director  
Classification and Field Operations

DATE: May 6, 2016

RE: Code 972, Attendant Care Services – Proposed Revision to the Class Description

Code 972 became effective upon new and renewal policies of April 1, 2013 and later. The class' scope encompassed both the consumer (i.e., client) as the legal employer of record management model (previously assigned to Code 0908, Domestic Workers – Inside – Occasional or to Code 0913, Domestic Workers - Inside) and the fiscal agent as the employer of record management model (previously assigned to Code 943, Home Health Care – Nonprofessional Services). Code 972's exposure base is payroll.

PCRB did not receive any requests/ inquiries to review an employer's applicable classification to see whether the employer could be reclassified to Code 972 until circa November 2014. This memo cannot explain that phenomenon, but perhaps the creation of Code 972 was overlooked because the Department's approval thereof was noted on page two of Bureau Circular No. 1613 whose principal announcement was the Department's approval of PCRB's April 1, 2013 loss cost filing. Since November 2014 PCRB has received requests to review the classification assigned to an employer (typically Code 943) to see whether the employer qualifies for reclassification to Code 972. Such requests are generally based upon the fact the employer's services are paid for by an unspecified "Medicaid Waiver."

Realizing our prior due diligence had been incomplete; staff performed Internet research on Medicaid waivers. Medicaid funds are principally used to pay for a person's nursing home or hospital fees after the person's funds have run out. The "waiver" permits Medicaid funds to be used for an alternate purpose such as paying for long-term care services to enable persons to reside in their community and in their home as long as medically feasible. Staff found there are ten approved Medicaid waivers administered by the Commonwealth Department of Human Services (DHS). The five waivers listed in the proposed Code 972 language clarification below are utilized to pay for attendant care services. There is also the Attendant Care Act 150 Program, which uses funds appropriated by Pennsylvania General Assembly to pay for Attendant Care.

**PREMIUM IMPACT:** There is no premium impact to this proposal to employers who are correctly classified to either Code 943 or to Code 972. PCRB is aware that the proposed clarification may alert selected employers to the fact the employer may be eligible for reclassification from Code 943 to Code 972.

PCRB is presently evaluating the classification applicable to service providers on this basis. Staff recognizes the need to amend the Code 972 class description to show the waiver information and thus, this memo and formal proposal to clarify Manual language have been developed.

**RECOMMENDATION:** Staff proposes the Code 972 Manual language revision below to become effective upon new and renewal policies of October 1, 2016 and later:

## **972 ATTENDANT CARE SERVICES**

Applicable to a provider or the separate staff of a provider providing attendant care services pursuant to the ~~Medicaid Waiver or~~ Pennsylvania Attendant Care Act (Number 150 of 1986) that became effective July 1, 1987.

Payment to providers of attendant care services comes from the five Medicaid Waivers and one state-funded program listed below:

1. Aging Waiver
2. Attendant Care Act Program – funds appropriated by Pennsylvania’s General Assembly
3. Attendant Care Waiver
4. CommCare Waiver
5. Independence Waiver
6. OBRA Waiver

### ***OPERATIONS NOT INCLUDED:***

1. Separate staff performing home health care services shall be separately classified to either Code 942 or to Code 943 as provided in this Manual.

**PENNSYLVANIA WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

*Proposed Effective October 1, 2016*

**INFORMATION PAGE** remains unchanged.

**PREFACE** remains unchanged.

**MEMBERSHIP** remains unchanged.

**SECTION 1 – Underwriting Rules** through **SECTION 1 – Appeals Procedure** remain unchanged.

**SECTION 2 – Rating Values** through **SECTION 2 – Definitions** remain unchanged.

**SECTION 2 – Classifications**

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**UNDERWRITING GUIDE**

Attendant Care Services

**SECTION 2 – Underwriting Guide** through **SECTION 6 – Merit Rating Plan** remain unchanged

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RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY  
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