



January 19, 2021

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Correction to North Carolina Workers Compensation
Statistical Plan Manual Rules Related to the COVID-19
(Coronavirus) Pandemic

A correction to the North Carolina Workers Compensation Statistical Plan Manual has been published to clarify reporting requirements related to the COVID-19 pandemic.

Previously, NCCI Item B-1441 – *Revisions to NCCI Manual Rules Related to the COVID-19 (Coronavirus) Pandemic* established rules allowing payments to paid furloughed employees to be excluded from premium calculations. Payments made to paid furloughed employees will be reported as exposure with statistical code 0012, and no premium will be applicable. The approved changes are applicable to all policies in effect on or after March 1, 2020.

The Workers Compensation Statistical Plan Manual has been updated to reflect that code 0012 must be reported to the Bureau as a statistical code only. It will not be accepted as a classification code.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or via email at support@ncrb.org.

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:ko
C-21-2

Rule Revisions Related to COVID-19 (Coronavirus) Pandemic – North Carolina Statistical Plan
Part 3 – Exposure Information
Part 3-F-4-c
Effective March 1, 2020

Rule F – Exposure Amount

4. Non-Payroll Exposure

c. Paid Furloughed Employees

Paid furloughed employees means employees who continue to receive payments during a temporary layoff or an involuntary leave and are not performing any work duties for an employer. Effective March 1, 2020, payments by an employer or any public governmental entity to paid furloughed employees as a result of federal, state, and/or local emergency orders, laws or regulations, issued due to the COVID-19 (coronavirus) pandemic which impact an employer's staffing or business operations must be reported to Statistical Code 0012—Paid Furloughed Employees. Such payments do not include any appropriated funds or loans received by an employer as authorized by any law or regulation, or public governmental entity, that are used by an employer specifically to retain or hire working employees.

This code will continue to remain in effect and will not expire until determined at a later date as circumstances warrant and in consultation with state regulatory authorities. A future filing will be made to establish an expiration date to this code as determined and approved by the regulator.

Code 0012 may must be used as a Statistical Code to report the payments only, ~~or it may be used as a Classification Code to report the payments with a zero rate and zero premium.~~

Payments reported to Code 0012 are excluded from premium and experience rating calculations only if the employer keeps separate, accurate, and verifiable records.

Rule Revisions Related to COVID-19 (Coronavirus) Pandemic – North Carolina Statistical Plan
Part 6 – Coding Values
Part 6-I-3
Effective March 1, 2020

I. Statistical Codes

3. Premium Amount Not Subject to Standard Premium (Non-Standard)

g. Paid Furloughed Employees

Statistical Code	Description	Effective Date	Discontinued Date	Notes
0012	Paid Furloughed Employees	03/01/2020		<p>Refer to Part 3-F-2—Nonpayroll Exposure for details on Paid Furloughed Employees. Code 0012 may must be used as a Statistical Code to report the payments only. or it may be used as a Classification Code to report the payments with a zero rate and zero premium.</p> <p>This code will continue to remain in effect and will not expire until determined at a later date as circumstances warrant and in consultation with state regulatory authorities. A future filing will be made to establish an expiration date to this code as determined and approved by the regulator.</p>