

WHAT IS THE PREMIUM BASE FOR CALCULATING THE NEW YORK STATE ASSESSMENT POLICYHOLDER CHARGE?

A. INCLUSIONS

For the purpose of calculating the New York State Assessment policyholder charge, standard premium is defined as the premium determined on the basis of the insurer's approved rates, as modified by:

PREMIUM ELEMENT	STATISTICAL CODE
Any experience modification factor	N/A
Any merit rating factor	9884, 9885, 9886, 9896
Any applicable territorial differential	9126, 9127, 9128
The insurer's minimum premium, including the minimum premium balance amount	0990
Any outstanding rate change factor	0994, 0998
Any employers' liability increased limits charge, with Workers'	9803 thru 9816, 9837
Any employers' liability increased limits charge, without Workers' Compensation	9823 thru 9836
Any employers' liability minimum premium charge	9848
Any charge for the waiver of subrogation	0930
Any repatriation expense premium	9606
Any charge for radiation exposure	9985, 9984
Any short rate cancellation penalty charge	0931
The additional charge for terrorism	9740
The additional charge for natural disasters and catastrophic industrial accidents	9741

B. EXCLUSIONS

For the purpose of calculating the New York State Assessment policyholder charge, standard premium does not include the following items and, therefore, these items shall be excluded from the premium base:

PREMIUM ELEMENT	STATISTICAL CODE	Form GA-2 Column
Federal premium, Including: Premium generated from coverage of F-Classes* as well as any premium provided for coverage under any federal program such as USL&H, Admiralty, and FELA.	9817 thru 9822, 9840, 9849	Column 3 Report as a positive amount
Volunteer Firefighters' and Volunteer Ambulance Workers' Premium, Including:	7711, 7716, 7370	Column 4 Report as a positive amount
Extension of Employers' Liability Coverage to Additional Interests – Volunteer Firefighters' Benefit Law Policy	9850	Column 4 Report as a positive amount
Extension of Employers' Liability Coverage to Additional Interests – Volunteer Ambulance Workers' Benefit Law Policy	9851	Column 4 Report as a positive amount
The insurer's expense constant – including the expense constant in the minimum premium	0900	Column 5 Report as a positive amount
Any premium discount	0063, 0064	Column 6 Report as a negative amount**
Any deductible premium credit (after experience modification)	9663	Column 7 Report as a negative amount
Any deductible premium credit (prior to experience modification)	9664	Column 7 Report as a negative amount
Any premium adjustments due to Large Risk Rating or Alternative Rating Option.		Column 8 Report as a negative amount
Any Retrospective Rating Adjustment Premium		Column 9 Report a net premium return as negative and a net premium charge as positive.

* F-classes:

Classification	Phraseology
6801	Boat Building - NOC - Wood & Drivers - Coverage Under U.S. Act
6824	Boat Building Or Repair & Drivers - Coverage Under U.S. Act
6826	Marina & Drivers - Coverage Under U.S. Act
6843	Ship Building - Iron Or Steel - NOC & Drivers - Coverage Under U.S. Act
6872	Ship Repair Or Conversion - All Operations & Drivers - Coverage Under U.S. Act
6874	Painting - Ship Hulls - Coverage Under U.S. Act
6875	Ship Cleaning Or Allied Operations & Drivers - Coverage Under U.S. Act
7309	Stevedoring – NOC
7313	Coal Dock Operation & Stevedoring
7317	Stevedoring - By Hand Or Hand Trucks – Exclusively
7327	Stevedoring - Containerized Freight & Drivers
7366	Freight Handlers - On Piers Or In Terminals Or Areas Adjoining Piers
8709	Stevedoring - Talliers And Checking Clerks Engaged In Connection With Stevedore Work - Cov Under U.S Act
8726	Steamship Line Or Agency - Port Emps - Superintendents, Capt, Engineers, Stewards Or Assts, Pay Clerks

** If in a particular calendar quarter, the premium discount amount results in a positive amount, report as positive.

EXCLUSIONS (Continued)

PREMIUM ELEMENT	STATISTICAL CODE	Form GA-2 Column
Any New York Construction Classification Premium Adjustment Program credit	9046	Column 10 Report as a negative amount
Any surcharge from a workplace safety program, including surcharges under the Compulsory Workplace Safety and Loss Consultation Program (DOL Code Rule 59)	9747	Column 10 Report as a positive amount
Any premium credit provided under Workplace Safety Loss Prevention Incentive Program (WSLPIP) (DOL Code Rule 60):		Column 10 Report as a negative amount
<ul style="list-style-type: none"> ○ Drug & Alcohol Prevention Program Credit 	9753	Column 10 Report as a negative amount
<ul style="list-style-type: none"> ○ Return-To-Work Program Premium Credit 	9743	Column 10 Report as a negative amount
<ul style="list-style-type: none"> ○ Workplace safety program 	9748	Column 10 Report as a negative amount
Any drug-free workplace credit	9846	Column 10 Report as a negative amount
Any New York Safe Patient Handling Act Program premium credits	9651	Column 10 Report as a negative amount
Any credit from managed care or preferred provider organization programs	9874	Column 10 Report as a negative amount
Any credit / debit from an independently filed insurer premium adjustment program		Column 10 Report credit as a negative amount. Report debit as a positive amount.
New York Schedule Rating Plan credit	9887	Column 10 Report as a negative amount.
New York Schedule Rating Plan debit	9889	Column 10 Report as a positive amount.
Any carrier specific premium deviations		Column 10 Report downward deviations as a negative amount. Report upward deviations as a positive amount.

C. EXAMPLES

Example A1 - Minimum Premium

(Balance to minimum premium does not include expense constant)

ABC Inc.					
Description	Code	Misc.	Payroll	Rate	Estimated Premium
Accountant – Traveling	8803		\$ 300,000	0.05	\$ 150
Total Annual Manual Premium			\$ 300,000	0.05	\$ 150
Total Subject Premium					\$ 150
Total Experience Modified Premium		1.00			150
Drug Free Workplace Credit	9846	5.0%			(8)
Minimum Premium Balance Amount*	0990				439
<i>*Amount required to balance to policy minimum premium (excludes expense constant)</i>					
Total Standard Premium					\$ 582
Premium Discount	0063	0.0%			-
Expense Constant	0900				280
Terrorism	9740			0.039	117
Catastrophe	9741			0.007	21
Total Estimated Annual Premium					\$ 1,000
			Policy Minimum Premium		
Exclusions for Assessment Calculation					
Drug Free Workplace Credit	9846				8
Premium Discount	0063				-
Expense Constant	0900				(280)
Total Adjustments					\$ (273)
Assessment Base					\$ 727
Assessment	0932	10.2%			74
Total Estimated Premium incl Assessment					\$ 1,074
NY WC Security Fund	9749	0.0%			-
Total Estimated Policy Premium incl Assessment					\$ 1,074

Example A2 - Minimum Premium

(Balance to minimum premium includes expense constant)

ABC Inc.					
Description	Code	Misc.	Payroll	Rate	Estimated Premium
Accountant – Traveling	8803		\$ 300,000	0.05	\$ 150
Total Annual Manual Premium			\$ 300,000	0.05	\$ 150
Total Subject Premium					\$ 150
Total Experience Modified Premium		1.00			150
Drug Free Workplace Credit	9846	5.0%			(8)
Minimum Premium Balance Amount*	0990				719
<i>*Amount required to balance to policy minimum premium</i>					
<i>(includes expense constant)</i>					
Total Standard Premium					\$ 862
Premium Discount	0063	0.0%			-
Terrorism	9740			0.039	117
Catastrophe	9741			0.007	21
Total Estimated Annual Premium	Policy Minimum Premium				\$ 1,000
Exclusions for Assessment Calculation					
Drug Free Workplace Credit	9846				8
Premium Discount	0063				-
Expense Constant	0900				(280)
Total Adjustments					\$ (273)
Assessment Base					\$ 727
Assessment	0932	10.2%			74
Total Estimated Premium incl Assessment					\$ 1,074
NY WC Security Fund	9749	0.0%			-
Total Estimated Policy Premium incl Assessment					\$ 1,074

Example B - Merit Rating

ABC Inc.							
Description	Code	Misc.	Payroll	Rate	Estimated Premium	VFF F-Classes	All Other
Retail Store NOC- Incl SVC of Food	8043		\$ 150,000	1.35	\$ 2,025		\$ 2,025
Executive Officers NOC	8809		110,000	0.22	242		242
Restaurant: Fast Food & Drivers	9072		80,000	2.31	1,848		1,848
Stevedoring - NOC	7317	F Class	20,000	3.17	634	634	
Total Annual Manual Premium			\$ 360,000	1.32	\$ 4,749	\$ 634	\$ 4,115
Total Subject Premium					\$ 4,749	\$ 634	\$ 4,115
Total Experience Modified Premium		1.00			4,749	634	4,115
Merit Rating	9885	0.92			(380)	(51)	(329)
Drug Free Workplace Credit	9846	5.0%			(237)	(32)	(206)
Schedule Rating Debit	9889	2.5%			119	16	103
Total Standard Premium					\$ 4,250	\$ 567	\$ 3,683
Premium Discount	0063	3.3%			(140)		
Expense Constant	0900				280		
Terrorism	9740			0.039	140		
Catastrophe	9741			0.007	25		
Total Estimated Annual Premium					\$ 4,556		
Exclusions for Assessment Calculation					Method 1	Method 2	
F-Classes	7317		w Merit Rating		(583)	\$ (567)	
Drug Free Workplace Credit	9846				237	206	
Schedule Rating	9889				(119)	(103)	
Premium Discount	0063				140	140	
Expense Constant	0900				(280)	(280)	
Total Adjustments					\$ (604)	\$ (604)	
Assessment Base					\$ 3,951		
Assessment	0932	11.8%			403		
Total Estimated Premium incl Assessment					\$ 4,959		
NY WC Security Fund	9749	0.0%			-		
Total Estimated Policy Premium incl Assessment					\$ 4,959		

Example C - Deductible Before Experience Rating

ABC Inc.							
Description	Code	Misc.	Payroll	Rate	Estimated Premium	VFF F-Classes	All Other
Retail Store NOC- Incl SVC of Food	8043		\$ 500,000	1.35	\$ 6,750		\$ 6,750
Executive Officers NOC	8809		110,000	0.22	242		242
Restaurant: Fast Food & Drivers	9072		350,000	2.31	8,085		8,085
Stevedoring - NOC	7317	F Class	50,000	3.17	1,585	1,585	
Total Annual Manual Premium			\$ 1,010,000	1.65	\$ 16,662	\$ 1,585	\$ 15,077
Deductible Credit (Before Experience Rating)	9664	3.0%			(500)	(48)	(452)
Total Subject Premium					\$ 16,162	\$ 1,537	\$ 14,625
Total Experience Modified Premium		0.98			15,839	1,507	14,332
Drug Free Workplace Credit	9846	5.0%			(792)	(75)	(717)
Schedule Rating Credit	9887	2.5%			(396)	(38)	(358)
Total Standard Premium					\$ 14,651	\$ 1,394	\$ 13,257
Premium Discount	0063	3.3%			(483)		
Expense Constant	0900				280		
Terrorism	9740			0.039	394		
Catastrophe	9741			0.007	71		
Total Estimated Annual Premium			Policy Minimum Premium		\$ 14,912		
Exclusions for Assessment Calculation					Method 1	Method 2	
F-Classes	7317			w Experience Mod	(1,553)	\$ (1,394)	
Deductible Credit (Before Experience Rating)	9664			w Experience Mod	490	443	
Drug Free Workplace Credit	9846				792	717	
Schedule Rating	9887				396	358	
Premium Discount	0063				483	483	
Expense Constant	0900				(280)	(280)	
Total Adjustments					\$ 328	\$ 328	
Assessment Base					\$ 15,240		
Assessment	0932	10.2%			1,554		
Total Estimated Premium incl Assessment					\$ 16,467		
NY WC Security Fund	9749	0.0%			-		
Total Estimated Policy Premium incl Assessment					\$ 16,467		

Example D - Deductible After Experience Rating

ABC Inc.							
Description	Code	Misc.	Payroll	Rate	Estimated Premium	VFF F-Classes	All Other
Retail Store NOC- Incl SVC of Food	8043		\$ 5,000,000	1.35	\$ 67,500		\$ 67,500
Executive Officers NOC	8809		310,000	0.22	682		682
Restaurant: Fast Food & Drivers	9072		1,500,000	2.31	34,650		34,650
Stevedoring - NOC	7317	F Class	150,000	3.17	4,755	4,755	
Total Annual Manual Premium			\$ 6,960,000	1.55	\$ 107,587	\$ 4,755	\$102,832
Total Subject Premium					\$ 107,587	\$ 4,755	\$102,832
Total Experience Modified Premium		1.05			112,966	4,993	107,974
Drug Free Workplace Credit	9846	5.0%			(5,648)	(250)	(5,399)
Deductible Credit (After Experience Rating)	9663	15.0%			(16,945)	(749)	(16,196)
Schedule Rating Debit	9889	2.5%			2,824	125	2,699
Total Standard Premium					\$ 93,197	\$ 4,119	\$ 89,078
Premium Discount	0063	5.0%			(4,660)		
Expense Constant	0900				280		
Terrorism	9740			0.039	2,714		
Catastrophe	9741			0.007	487		
Total Estimated Annual Premium					\$ 92,019		
Exclusions for Assessment Calculation					Method 1	Method 2	
F-Classes	7317		w Experience Mod		(4,993)	\$ (4,119)	
Drug Free Workplace Credit	9846				5,648	5,399	
Deductible Credit (After Experience Rating)	9663				16,945	16,196	
Schedule Rating	9889				(2,824)	(2,699)	
Premium Discount	0063				4,660	4,660	
Expense Constant	0900				(280)	(280)	
Total Adjustments					\$ 19,156	\$ 19,156	
Assessment Base					\$ 111,175		
Assessment	0932	10.2%			11,340		
Total Estimated Premium incl Assessment					\$ 103,359		
NY WC Security Fund	9749	0.0%			-		
Total Estimated Policy Premium incl Assessment					\$ 103,359		