

Classification and Rating Committee

Meeting Minutes

Date	Time	Location	Staff Contact
January 30, 2024	9:30 AM	Microsoft Teams Webinar	Kristen Marsh

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After a reminder of the antitrust restrictions, the meeting of the Classification and Rating Committee was called to order at 9:30 AM with Ms. Kristen Marsh, Senior Vice President and Chief Legal Officer, presiding.

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Approval of Minutes

The Minutes of the meeting held on November 14, 2023 were distributed to the Committee members in advance of the meeting for review. As there were no corrections to the Minutes, a motion was made, seconded and unanimously approved to adopt the Minutes as written.

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Item III-A

Clerical Telecommuting Employees

The Committee was reminded that Classification 8871, *Clerical Telecommuter Employees – N.O.C.*, was established as a new Standard Exception classification applicable to clerical employees who work more than 50% of their time at their home or other office space away from any location of their employer effective January 1, 2021.

The Committee was reminded that a different rate for Classification 8871 was established effective September 1, 2023 using a tempered approach consistent with the WCIRB's standard practice of limiting the relativity change to 25%.

At the meeting, staff provided a summary of the initial unit statistical loss and payroll experience and claims characteristics in Classification 8871 on all 2021 policies and 2022 policies reported as of January 15, 2024. The 2021 and preliminary 2022 data shows that Classification 8871 has a significantly lower loss to payroll ratio than Classification 8810 by 63% mostly driven by lower claim frequency. Staff recommended continuing the tempered approach consistent with the WCIRB's standard practice and limiting the relativity change of Classification 8871 to 25%.

Following a brief discussion, the Committee expressed general consensus with staff's recommended approach.

Item III-B

2024 Classification Relativities

The Agenda included preliminary classification relativity review sheets to be effective September 1, 2024. The Committee was advised that the review sheets were preliminary in that staff would be continuing the process of validating the underlying data and factors used in the computation of these classification relativities. The Committee was also advised that the methodologies and processes used to compute the September 1, 2024 classification relativities were generally consistent with those used in the computation of the September 1, 2023 relativities. Staff also noted that the preliminary September 1, 2024 classification relativities also reflected the classification changes recommended by the Classification and Rating Committee for inclusion in the September 1, 2024 Regulatory Filing. Staff summarized the overall methodology used to compute the classification relativities and reviewed the classifications requiring special adjustments as noted in the Agenda.

Following the presentation, the consensus of the Committee was that the September 1, 2024 classification relativities should be filed, once finalized, as outlined by staff.

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The meeting was adjourned at 10:28 AM.

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Note to Committee Members: These Minutes, as written, have not been approved. Please refer to the Minutes of the meeting scheduled for May 21, 2024 for approval and/or modification.