

Classification changes effective 2018

NCCI has an ongoing process dedicated to the systematic research, analysis, and maintenance of their class system. This process ensures that the class system remains healthy, viable, and responsive to the needs of various industry stakeholders. This process also ensures that the system reflects the responses that various industries and their operations make to technological, competitive, and regulatory changes. Classifications and industry-grouped classifications are analyzed to determine which, if any, should be considered for modernization, consolidation, discontinuation, or clarification.

In addition, the Oregon Workers' Compensation Rating System Review & Advisory Committee (ORAC) may direct NCCI to make various changes to the Oregon Special Classifications section in the NCCI's Basic Manual to address issues and concerns specific to Oregon.

Here are the 2018 classification changes resulting from NCCI's and ORAC's work:

NCCI Countrywide - Item B-1435 – Revisions to Basic Manual Classifications

Towing and roadside assistance operations

The most significant change in the item filing was the creation of a new class for towing and roadside assistance operations.

Effective January 1, 2018, on a new and renewing basis, class 7225, Automobile Towing & Drivers was added. This class will apply to all towing operations as well as to businesses that provide roadside assistance.

The Oregon *Automobile Note* found in the NCCI Basic Manual has been amended to remove class 7219 and replace it with class 7225. This note continues to require businesses with classifications 8380 – Automobile Service or Repair Center & Drivers, 8393 – Automobile Body Repair & Drivers, or 3821 – Automobile Recycling & Drivers to assign the towing class when the towing operations constitute more than 50 percent of the gross receipts for the business.

A notification letter will be sent to policyholders affected by these changes.

Low credibility classifications

In addition to the changes outlined above, NCCI has determined that there are 10 classifications to be expired as the result of low credibility. 'Low credibility' refers to those classifications that have limited use and are therefore too small to develop meaningful data for ratemaking purposes. Expired classifications will be reassigned to classifications with similar operations.

Effective January 1, 2018, on a new and renewing basis, the table below shows the expiring classifications to be reassigned that present *no impact* to SAIF policyholders (no policies currently with the expiring classifications).

Expiring class	Moved to class
1655 – Lime Mfg.-Quarry-Surface-& Drivers	1642 – Lime Mfg.-Quarry-Surface & 7380 – Drivers, Chauffeurs & Their Helpers
1741 – Flint/Spar Grinding & Drivers	1701 – Flint or Spar Grinding & 7380 – Drivers, Chauffeurs & Their Helpers
3175 – Radiator or Heater Mfg.	3169 – Stove Mfg.
3223 – Lamp or Portable Lantern Mfg.	3180 – Electric or Gas Lighting Fixtures Mfg.

Effective January 1, 2018, on a new and renewing basis, the following classifications will be expired and reassigned as shown. These changes will have a *minimal impact* to SAIF policyholders. A notification letter advising of these changes will be sent to all affected policyholders.

Poultry processing (Oregon state special classification)

Class 2086 – Meat, Fish or Poultry-Poultry Processors will be expired and reassigned to class 2089 – Packing House-All Operations. A new class description will be added to class 2089: Meat/Fish/Poultry Butcher, Packing, Slaughter- All Operations to accommodate this change.

Pottery manufacturing

Class 4053, Pottery Manufacturing-China or Tableware and Class 4061, Pottery Manufacturing-Earthenware-Glazed or Porcelain-Hand Molded or Cast will be expired and reassigned to class 4062 – Pottery Manufacturing-Porcelain Ware-Mechanical Press Forming. Three new class descriptions will be added to class 4062 – Terra Cotta Manufacturing; Pottery Manufacturing-China, Tableware & Decorative; Pottery-Glazed/Porcelain Earthenware Manufacturing to accommodate these changes.

Glass manufacturing

Class 4113 – Glass Manufacturing-Cut will be expired and reassigned to class 4111 – Glassware Manufacturing-No Automatic Blowing Machines. A new class description will be added to class 4111: Glass Manufacturing-Cut to accommodate this change.

Lacquer manufacturing

Class 4439 – Lacquer or Varnish Manufacturing will be expired and reassigned to class 4558 – Paint Manufacturing. A new class description will be added to class 4558: Lacquer or Varnish Manufacturing to accommodate this change.

Ship breaking or wrecking

Class 6869F – Ship Breaking, will be expired and reassigned to the following classifications:

- Class 6843F, Shipbuilding-Iron or Steel-NOC & Drivers: A new class description will be added to Class 6843F: Ship Breaking-Iron or Steel NOC & Drivers-Coverage Under US Act.
- Class 6854, Shipbuilding-Iron or Steel-NOC & Drivers: A new class description will be added to class 6854: Ship Breaking-Iron or Steel-NOC & Drivers- State Act.
- Class 6845F, Shipbuilding-Navel & Drivers: A new class description will be added to class 6845F: Ship Breaking-Naval & Drivers.
- Class 6801F, Boatbuilding Wood-NOC & Drivers: A new class description will be added to class 6801F: Ship Breaking-Wood NOC & Drivers-Under US Act.
- Class 6811, Boatbuilding-Wood-NOC & Drivers: A new class description will be added to class 6811: Ship Breaking-Wood NOC & Drivers-State Act.