



COVID-19 Workers' Comp Class Code Updates

Summit is here to help you navigate class code changes associated with the COVID-19 pandemic. We are grateful for your trust in us as we work through these times together. Below are answers to some frequently asked questions about nonworking employees and work-from-home arrangements, which are based on information that Summit has obtained from the National Council on Compensation Insurance (NCCI).

Q&A

If my business has employees that are now working from home due to COVID-19, performing only clerical duties, will that change how premium is calculated?

Regardless of previous job functions, employees who are working in a stay-at-home environment due to the pandemic and performing duties consistent with clerical operations will be classified to code 8871, unless the governing class code includes clerical operations.

If my business furloughed employees during the COVID-19 pandemic but continued to pay them, how will these employees be handled at audit?

Summit will adhere to the NCCI Item Filing B-1441 which allows for wages to be excluded from premium calculations. For this purpose, NCCI created class code 0012 for paid furloughed employees. Verification of furloughed employees will be requested at audit. Please contact your agent to discuss updating your policy and adding class code 0012.

If wages are allocated to class code 0012, at what rate will my business be charged?

Class code 0012 has a \$0 premium rate.

If my business reports employee wages monthly through WebCAP, Summit's online monthly payroll reporting and payment program, how should the wages for furloughed employees be reported?

Contact your agent for these payroll-reporting inquiries. Your agent can reach out to Summit to add class code 0012 to the policy.

If an employee is working part-time but continues to earn a full-time salary or get paid for a full 40-hour work week, will all wages be included in the normal classification?

Per NCCI, wages may be split between an employee's normal classification and code 0012. Detailed payroll records for this type of wage split must be maintained and provided at audit.

If my business added delivery services as a result of the pandemic, what impact will that have?

Class code 7380 can be added to the policy, or it will be added at audit, for wages paid to employees performing delivery services. If employees also perform work that falls outside the scope of code 7380, you must provide records detailing a time and wage split so that wages can be allocated accordingly.

If an employee is forced into quarantine or is responsible for taking care of someone who is in quarantine due to COVID-19 and is not able to work from home, how will wages be handled if the employee is paid for this time?

The insured will need to keep detailed documentation indicating the time period the employee was in quarantine. If this information is provided at audit, wages for that time period will be allocated to class code 0012 and not used for calculation of premium.

If an employee takes a leave of absence to care for a child whose school is closed or childcare provider is unavailable due to COVID-19 and is unable to work his or her regular job or in a stay-at-home environment, how will those wages be handled?

The insured will need to keep detailed documentation indicating the time period the employee took a leave of absence. If this information is provided at audit, wages paid to the employee for that time period will be allocated to class code 0012 and not used for calculation of premium.

Note: To ensure employee wages are allocated to the proper class code, it will be the insured's responsibility to keep and provide detailed payroll records to the auditor. This information must be provided at audit; otherwise, employees may be assigned to the classification for work normally performed by the employee. Premium audit and claims work closely together to ensure workers are appropriately classified and properly covered.

Policyholders with questions not answered above should contact their agents. Agents can reach out to their agency executive or underwriter with additional questions or concerns.

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