



Minnesota Workers' Compensation Insurers Association, Inc.

7701 France Avenue South, Suite 450, Minneapolis MN 55435 * 612/897-1737 (Voice) * 612/897-6495 (Fax)

J.P. Hildebrandt, President

November 4, 1997

ALL ASSOCIATION MEMBERS

Circular Letter No. 97-1286

RE: NCCI Item B-1346 -- Carpet, Linoleum, Asphalt, and Rubber Floor Tile Installation -- Code 5478

The Minnesota Department of Commerce has approved the above filing effective 12:01 a.m., January 1, 1998, applicable to new and renewal business only.

The purpose of Item B-1346 is to remove floor installation operations from Code 9521 and to reassign these operations to a new code, namely Code 5478. NCCI recently conducted a review of employers within Code 9521 - House Furnishings Installation NOC & Upholstering. This review revealed that employers who engage in floor covering installation use tools and methods that are quite different from those used by the other industries included within this classification. As a result, all types of floor covering installation except ceramic tile, mosaic, stone, or terrazzo work will be reassigned to Code 5478 - Carpet, Linoleum, Vinyl, Asphalt, or Rubber Floor Tile Installation. As a clarifying point, National Council also suggested that additional language under the footnotes to Code 5348 - Tile, Stone, Mosaic, or Terrazzo Work - Inside be added to clarify the proper application of the newly established Code 5478 and other related operations.

The attached exhibits outline the changes to the Basic Manual and Retrospective Rating Plan Manual necessary to implement the creation of Code 5478. The rates and rating values of Code 9521 will apply to Code 5478 until such time as the new classification is able to develop sufficient statistics for ratemaking purposes.

Please note that the proposed language on the attached exhibit pages contain underlined and strikethrough text. The underlining represents new or added text while the strikethroughs indicate deleted text. The National Council's original filing memorandum is also attached for your review.

Very truly yours,

MINNESOTA WORKERS' COMPENSATION

INSURERS ASSOCIATION, INC.

M. A. Johnson

Director of Und. Services