



## MEMORANDUM

**DATE:** October 26, 2009  
**TO:** Users of SAIF Classification and Rate Manual  
**FROM:** Linda Hale, Rating Specialist  
**SUBJECT:** January 1, 2010 Rate Memo

This memo contains the following information:

- 2010 Pure Rate Information
- Premium Discount **(change for voluntary)**
- Catastrophe Rates
- Retrospective Rating Factors **(change in excess loss factors)**
- Increased Limits Part Two Coverage
- Limits of Liability for Jones and FELA Classes
- DCBS Assessment
- SAIF Prepay Plan **(change)**
- Expense Constants and Minimum Premiums
- SAIFPlus Credit **(change)**
- Miscellaneous Values **(change)**
- Oregon Cancellation Endorsement **(New)**
- Assigned Risk Plan Aircraft Passenger Seat Surcharge
- Assigned Risk Plan Loss Sensitive Retrospective Rating Plan Factors **(change)**

### January 1, 2010 Pure Premium Change

Overall rate level change of -1.3% from the 01/01/09 rates.

		<u>Maximum Increase</u>	<u>Maximum Decrease</u>
Manufacturing	-3.5%	+12%	-18%
Contracting	+0.3%	+15%	-15%
Office and Clerical	+6.2%	+21%	-09%
Goods and Services	- 1.6%	+13%	-17%
Miscellaneous	-4.1%	+11%	-19%



**Retrospective Rating**

- **New Excess Loss Premium Factors Effective 1/1/2010**

<b>HAZARD GROUPS</b>							
Limitation	A	B	C	D	E	F	G
\$100,000	.211	.249	.283	.311	.348	.402	.467
\$125,000	.186	.221	.253	.280	.317	.371	.439
\$150,000	.167	.199	.231	.257	.293	.347	.417
\$175,000	.152	.181	.213	.237	.273	.326	.398
\$200,000	.140	.167	.198	.221	.255	.308	.381
\$250,000	.122	.146	.175	.197	.230	.280	.353
\$300,000	.107	.129	.158	.178	.209	.257	.331
\$350,000	.096	.116	.144	.163	.192	.239	.313
\$400,000	.088	.106	.133	.150	.178	.224	.298
\$450,000	.081	.098	.124	.140	.167	.211	.284
\$500,000	.075	.091	.116	.131	.157	.200	.273
\$700,000	.060	.072	.094	.107	.129	.167	.237
\$1,000,000	.048	.057	.077	.086	.105	.138	.204

**Retrospective Buy Out Charges**

No changes to buy out charges.

**Increased Limits Part Two (No Change)**

<b><u>Limit of Liability</u></b>	<b><u>Factor</u></b>	<b><u>Minimum Premium</u></b>
500/500/500 <b>(Standard Level)</b>	0.00%	\$0
500/500/1,000	.6%	\$150
500/500/3,000	1.80%	\$200
500/500/5,000	2.50%	\$250
500/500/10,000	3.00%	\$300
1,000/1,000/1,000	1.10%	\$150
1,000/1,000/3,000	2.30%	\$200
1,000/1,000/5,000	2.90%	\$250

**Limits of Liability for Jones and FELA Classes (No Change)**

Effective 1/1/2001		
Per Accident Limit	Program II	Minimum
Limit	Factor	Premium
100,000	1.00	230
150,000	1.15	238
200,000	1.28	246
250,000	1.39	252
300,000	1.48	258
400,000	1.63	268
500,000	1.75	276
600,000	1.85	282
700,000	1.94	286
800,000	2.01	290
900,000	2.07	292
1,000,000	2.13	296
1,500,000	2.33	306
2,000,000	2.46	314
2,500,000	2.56	320
3,000,000	2.63	326
3,500,000	2.67	332
4,000,000	2.71	338
4,500,000	2.75	344
5,000,000	2.77	350
6,000,000	2.81	362
7,000,000	2.84	374
8,000,000	2.86	386
9,000,000	2.87	398
10,000,000	2.88	410
15,000,000	2.92	460
20,000,000	2.93	510
25,000,000	2.94	560

**DCBS Assessment Effective 1/1/2007 – (No Change)**

4.6%

**Current SAIF Prepay Plan (Voluntary Only) Effective 01/01/2010**

Annual in Advance 4.0%

Quarterly in Advance 2.5%

**Expense Constants and Minimum Premiums**

**SAIF Voluntary**

Expense Constant for USL&HW (Federal) \$100 (no change)  
 Minimum Premium \$500 (no change)

**Assigned Risk**

Expense Constant \$180 (no change)  
 Minimum Premium \$500 (Including Jones and FELA)

**SAIF Segmented Class**

<b>Class Description</b>	<b>Segmented Class</b>	<b>NCCI Class</b>	<b>Rate Source Class</b>	<b>ELR &amp; D Ratio Source Class</b>
Garbage Collection- Garage Employees	9351	9403	8380	9403

**Maximum SAIFPlus Credit effective 01/01/2010**

3.5% up to \$1,050 maximum credit

**Miscellaneous Values**

**Basis of premium applicable in accordance with the footnote instructions for Class 7370 – Taxicab Company: This is a change effective 1/1/2010:**

Employee operated vehicle **\$58,602.00**  
 Leased or rented vehicle **\$39,068.00**

Maximum Remuneration applicable in accordance with Basic Manual Rule **2-E-1** --  
 "Executive Officers: and the footnote instructions for Class 9178 – "Athletic Team/Non-  
 contact Sports." Class 9179 – "Athletic Team/Contact Sports" and Class 9186 –  
 "Carnival -Traveling." **Effective 01/01/2010 \$3,000.00**

Minimum Remuneration applicable in accordance with Basic Manual Rule 2-E-1 --  
 "Executive Officers." **Effective 01/01/2009 \$400.00**

Premium Determination for Partners, Sole Proprietors, and Members of Limited Liability  
 Companies (LLC) in accordance with Basic Manual Rule 2-E:  
 Effective January 1, 2009 \$20,800.00

Minimum Remuneration applicable for the following workers, whether subject by statute  
 or employer election: **Voluntary Effective 07/24/2009 \$7.25 / hour**  
**Assigned Risk Effective 07/24/2009 \$7.25 / hour**

- Volunteers
- Municipal Volunteers (excluding volunteers in Class 8411)
- Work Experience Trainees
- School Directed Vocation Education Project Trainees
- Apprentice Trainees
- Inmates (both incarcerated and community service)
- Sheltered Workshop Trainees

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Oregon Cancellation Endorsement

Beginning January 1, 2010, we will endorse all policies with the Oregon Cancellation Endorsement (NCCI #WC360601E, SAIF #210a) as required by NCCI. All policies incepting or renewing on or after January 1, 2010, will receive this endorsement. The endorsement remains active until the policy cancels; it will not be reprinted at future renewals.

**For Assigned Risk Policies Only:**

Per Passenger Seat Surcharge – In accordance with the footnote instructions for Class 7421. The surcharge is:

Maximum surcharge per aircraft	\$1,000.00
Per Passenger Seat	\$100.00

**Loss Sensitive Retrospective Rating Plan (LSRP) Factors effective 1/1/2010  
(Updates in Bold)**

Basic Factor	.300
Minimum Premium Factor	.750
Maximum Premium Factor	1.750
Loss Conversion Factor	<b>1.200</b>
Tax Multiplier	1.003

**Adjustment (Evaluation Closure)**

1 <sup>st</sup> Adjustment	<b>.22</b>
2 <sup>nd</sup> Adjustment	<b>.18</b>
3 <sup>rd</sup> Adjustment	<b>.15</b>
4 <sup>th</sup> Adjustment	.00

Loss Development Factors