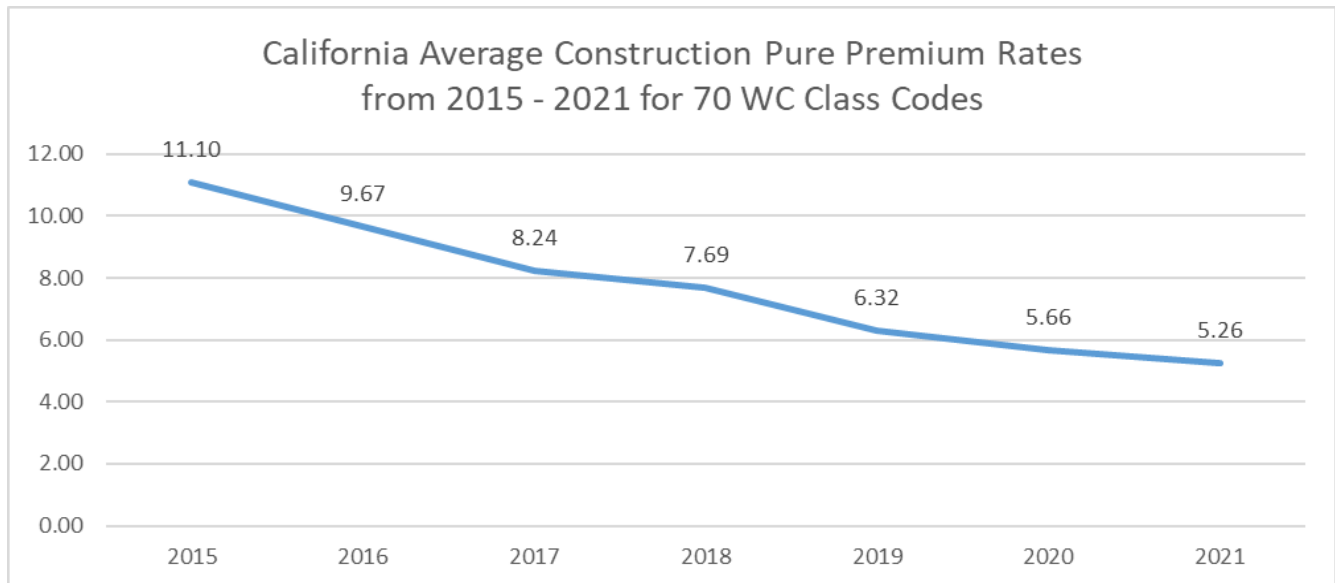




2021 California Workers' Compensation Update

On November 24th, 2020, Insurance Commissioner Ricardo Lara approved pure premium rates that were 4.64 percent lower than rates requested by the California Workers' Compensation Rating Insurance Bureau. For the 70 Construction classifications that we track, the average rate decrease for 2021 is 7.06%. Since 1/1/2015, the average pure premium rate for these 70 Construction classifications has declined 52 percent.



2021 Highlights

- The wage (over/under) threshold does not change
- The officer / owner payroll thresholds do not change
- The state assessment charges increase from 3.4223% to 3.959% of premium
- One new classification 8871- Clerical/ Telecommuter was added for 2021.
Applies to clerical employees that work from home more than 50% of the time
- Track your COVID-19 claims as they will not impact your experience rating modification
- With loss cost rate reductions, we expect the experience modification rating to go up by approximately 1 point- assuming claims and payrolls stay the same.

IMPACT OF CORONAVIRUS

As of **December 1st, 2020**, approximately 8% of all Workers' Compensation claims are from COVID-19. 59,599 claims were reported, 17,690 tested negative, and were rejected, leaving 41,869 accepted claims. 302 of these were COVID fatalities. The average cost of a COVID-19 claim is averaging \$40,000, and a COVID-19 fatality is \$280,500.

Insurers will look closely at your COVID-19 claim history and operations to determine any warranted pricing adjustments. We expect an average of a 5 percent surcharge on rates for clients with COVID-19 exposure. To mitigate any COVID-19 surcharges, we will ask you to provide a copy of your COVID-19 safety protocols, confirm employees are not carpooling to job sites, and office workers are at least 6 feet apart.

CAL OSHA COVID EMERGENCY TEMPORARY STANDARD

On **November 30th, 2020**, new COVID-19 requirements were put in place for employers.

- - Establish, implement, and maintain an effective written COVID-19 prevention program
 - Implement policies and procedures to convert unsafe conditions (such as safe social distancing or modifying the workplace to stagger work schedules)
 - Provide workers with face masks
 - Provide COVID-19 testing at no charge to employees that have potential COVID-19 exposure in the workplace

PentarisK has partnered with ESM Insite and can provide all the base safety programs and employee notifications for **\$980/ year**.

Contact Sarah Heeren at (415) 888-9088 or sarah.heeren@esminsite.com

Workers' compensation insurers have set up reporting protocols for actual COVID-19 claims related to work, or otherwise put the insurers on notice of employee COVID-19 exposures not related to work. See their individual websites for more details.

Helpful websites for more information:

WCIRB.COM – For Workers' Compensation information on rates, rules, and classification codes

Dir.ca.gov/dosh/ - Emergency temporary standards on COVID-19

For more information contact PentarisK Insurance Services – (408) 418-2734 or juntiedt@pentarisk.com

2021 California Workers' Compensation Construction Pure Premium Rate Comparison *

Code	Classification	1/1/13	1/1/14	1/1/15	1/1/16	1/1/17	7/1/17	1/1/18	7/1/18	1/1/19	1/1/20	1/1/21	% Change 1/1/20-1/1/21
5473	Asbestos Abatement	13.06	14.37	16.99	15.51	13.95	12.87	14.38	12.90	11.57	10.30	9.77	-5.14%
5185	Automatic Sprinkler Installation <\$29 Hour	9.10	9.86	10.51	10.70	7.86	7.25	8.16	7.32	6.39	5.25	4.61	-12.19%
5186	Automatic Sprinkler Installation >\$29 Hour	2.78	3.05	3.42	2.72	2.50	2.31	2.48	2.22	2.15	2.18	2.18	0.00%
9015	Building Operations	7.31	7.84	8.90	7.09	6.92	6.38	7.22	6.48	5.16	4.41	4.45	0.90%
7605	Burglar/Fire/Sound System Installation	5.57	5.94	5.76	4.42	3.55	3.27	3.56	3.19	3.15	2.88	2.51	-12.84%
5146	Cabinet/Fixtures Installation	8.40	8.19	9.05	8.44	7.27	6.71	6.26	5.61	5.12	4.60	4.62	0.43%
5403	Carpentry <\$35 Hour	17.34	19.55	22.44	18.29	16.51	15.23	15.80	14.17	13.04	11.62	10.52	-9.46%
5432	Carpentry >\$35 Hour	7.47	7.67	7.75	6.79	6.22	5.74	5.83	5.23	4.74	4.27	4.26	-0.23%
5020	Ceiling Installation	6.15	6.68	6.23	6.01	5.33	4.92	5.84	5.24	4.38	3.77	3.58	-5.03%
8810	Clerical Office Employees	0.53	0.55	0.52	0.46	0.40	0.37	0.35	0.31	0.27	0.23	0.21	-8.69%
8871	Clerical Telecommuter NEW												0.21
5195	Communications Cabling	10.13	10.48	9.87	8.62	6.90	6.36	5.66	5.08	4.08	3.21	3.10	-3.42%
5222	Concrete Construction-Bridges, Culverts or Chimneys	10.24	9.67	10.07	6.69	5.10	4.70	5.71	5.12	5.20	4.99	5.71	14.42%
5213	Concrete Construction-Foundations, Formwork	8.23	7.60	8.25	8.40	7.81	7.20	7.29	6.54	4.90	4.41	4.33	-1.81%
5201	Concrete or Cement Work <\$28 Hour	10.42	12.98	13.51	11.89	11.00	10.15	9.72	8.72	7.46	6.96	6.65	-4.45%
5205	Concrete or Cement Work >\$28 Hour	6.62	7.27	7.67	6.28	5.99	5.53	5.80	5.20	5.13	4.72	4.00	-15.25%
5214	Concrete or Cement Work-Precast Panels	5.77	6.45	7.14	6.17	5.50	5.07	5.26	4.72	4.65	4.43	4.42	-0.22%
5212	Concrete Pumping	14.13	16.04	17.32	13.45	10.49	9.68	7.98	7.16	6.68	6.31	5.49	-12.99%
6325	Conduit Construction	7.31	7.29	6.94	5.93	4.94	4.56	4.70	4.22	3.48	2.96	2.95	-0.33%
5606	Contractors - Executive Supervisors	1.47	1.20	1.53	1.12	0.93	0.86	0.89	0.80	0.74	0.75	0.76	1.33%
8227	Contractors - Permanent Yards	7.33	7.92	7.33	6.56	5.79	5.34	5.80	5.20	4.99	4.46	4.01	-10.08%
5610	Contractors - Subcontracted Work				9.21	4.78	4.41	4.09	3.67	3.58	3.51	3.38	-3.70%
5107	Door/ Pre-Glazed Window Install			10.17	9.21	7.82	7.21	7.10	6.37	5.79	4.42	4.32	-2.26%
5108	Door Installation - Overhead	12.56	13.66	15.81	14.77	12.27	11.32	11.83	10.61	9.65	9.12	8.15	-10.63%
6204	Drilling	12.32	13.92	14.44	13.82	11.69	10.78	11.95	10.72	8.94	7.50	6.55	-12.66%
3724	Electrical Machinery Installation					5.32	4.91	4.96	4.45	3.99	3.71	3.76	1.34%
5190	Electrical Wiring - Within Buildings <\$32 Hour	6.60	7.15	7.56	6.64	5.85	5.40	5.61	5.03	4.24	4.15	3.92	-5.54%
5140	Electrical Wiring - Within Buildings >\$32 Hour	3.13	3.62	3.39	2.82	2.77	2.55	2.37	2.13	1.88	1.73	1.50	-13.29%
6218	Excavation/Grading <\$34 Hour	9.27	11.29	11.28	9.32	7.57	6.98	6.87	6.16	5.57	5.15	5.57	8.15%
6220	Excavation/Grading >\$34 Hour	6.43	6.62	6.86	5.13	5.10	4.70	5.01	4.49	3.88	3.03	2.54	-16.17%
6400	Fence Construction - Metal or Wood	10.44	12.01	12.32	11.34	9.43	8.70	8.22	7.37	6.37	5.40	5.13	-5.00%
9521	Floor Covering Installation	7.71	9.61	9.76	7.85	6.87	6.34	5.96	5.35	5.63	4.29	4.81	12.12%
6258	Foundation Preparation Work	6.90	7.27	8.35	8.04	7.10	6.55	7.50	6.73	6.17	5.80	5.27	-9.13%
5467	Glaziers - Away From Shop <\$33 Hour	12.00	14.35	14.64	13.53	10.84	10.00	10.34	9.27	9.21	8.74	7.55	-13.61%
5470	Glaziers - Away From Shop >\$33 Hour	8.02	7.67	7.24	5.31	4.62	4.26	4.11	3.69	3.18	3.38	3.67	8.57%
5479	Insulation Work	8.19	9.92	9.98	9.32	9.14	8.43	7.22	6.48	5.78	5.05	5.49	8.71%
5057	Iron or Steel Erection	9.80	10.12	11.34	9.48	7.87	7.26	7.43	6.66	6.33	5.78	4.66	-19.37%
5059	Iron or Steel Erection	21.26	22.46	23.19	18.05	13.41	12.37	12.33	11.06	9.47	9.33	9.17	-1.71%
5040	Iron or Steel Erection - Bridge Building	17.55	15.59	16.83	14.07	11.95	11.02	11.42	10.24	10.08	9.18	8.90	-3.05%
9008	Janitorial Services - By Contractors	12.51	13.61	13.80	12.61	11.86	10.94	10.75	9.64	9.16	8.73	8.43	-3.43%
0042	Landscape Gardening	8.16	9.32	9.32	9.02	8.45	7.79	7.95	7.13	6.28	5.41	4.93	-8.87%
5443	Lathing	8.87	9.76	10.06	8.80	7.18	6.62	6.31	5.66	5.92	4.84	4.43	-8.47%
5027	Masonry <\$28 Hour	12.48	16.25	17.06	17.10	16.06	14.81	15.00	13.45	12.68	10.44	8.65	-17.14%
5028	Masonry >\$28 Hour	7.08	8.45	8.38	8.73	7.28	6.71	6.40	5.74	5.20	4.61	4.40	-4.55%
5102	Non-Structural Metal Installation within Buildings	9.16	11.46	10.72	9.33	7.25	6.69	7.59	6.81	7.29	7.03	5.81	-17.35%
5474	Painting, Paperhanging, Waterproofing <\$28 Hour	11.72	13.34	15.07	13.73	11.32	10.44	10.94	9.81	8.67	7.86	8.53	8.52%
5482	Painting, Paperhanging, Waterproofing >\$28 Hour	6.94	6.71	7.64	6.83	5.87	5.41	5.38	4.83	4.07	3.43	3.81	11.07%
6003	Pile Driving, Timber Wharf or Bridge Construction	11.53	12.65	15.93	14.24	13.80	12.73	13.39	12.01	12.64	14.42	13.41	-7.00%
5484	Plastering or Stucco Work <\$32 Hour	17.41	19.27	21.62	19.48	16.07	14.82	15.10	13.54	12.25	9.22	8.48	-8.02%
5485	Plastering or Stucco Work >\$32 Hour	9.60	11.03	12.16	10.73	8.64	7.97	7.71	6.92	7.25	6.44	6.03	-6.36%
5183	Plumbing <\$28 Hour / 5183 (3) HVAC Equipment Instal.	8.69	10.28	10.20	8.20	7.14	6.59	6.97	6.25	5.76	5.34	5.26	-1.49%
5187	Plumbing >\$28 Hour / 5187 (3) HVAC Equipment Instal.	6.66	6.41	5.56	4.47	4.66	4.30	4.18	3.75	2.88	2.59	2.40	-7.33%
3039	Reinforcing Steel Fabrication	10.90	12.04	11.86	9.48	9.12	8.41	7.67	6.88	6.33	5.52	5.31	-3.80%
5225	Reinforcing Steel Installation	13.33	11.08	12.92	9.49	7.82	7.21	7.49	6.72	5.45	4.93	4.93	0.00%
5552	Roofing <\$27 Hour	35.26	36.04	46.14	39.85	29.32	27.04	28.57	25.62	26.15	24.27	22.28	-8.19%
5553	Roofing >\$27 Hour	18.37	17.67	19.78	17.81	15.67	14.45	13.18	11.82	10.10	8.52	8.27	-2.93%
8742	Sales Person - Outside	0.70	0.69	0.67	0.57	0.51	0.47	0.45	0.40	0.38	0.33	0.33	0.00%
6307	Sewer Construction <\$34 Hour	12.10	15.01	16.09	13.25	11.43	10.54	9.88	8.86	7.97	7.76	7.74	-0.25%
6308	Sewer Construction >\$34 Hour	8.56	9.62	9.58	8.33	7.05	6.50	6.55	5.87	5.03	3.73	2.96	-20.64%
5538	Sheet Metal Work <\$27 Hour 5538(2) HVAC Ductwork	9.34	8.81	9.66	8.82	7.73	7.13	7.55	6.77	5.70	4.92	5.00	1.62%
5542	Sheet Metal Work >\$27 Hour 5542(2) HVAC Ductwork	5.35	5.33	5.82	4.96	4.54	4.19	3.95	3.54	3.30	3.07	2.87	-6.51%
5632	Steel Framing <\$35 Hour	17.34	19.55	22.44	18.29	16.51	15.23	15.80	14.17	13.04	11.62	10.52	-9.46%
5633	Steel Framing >\$35 Hour	7.47	7.67	7.75	6.79	6.22	5.74	5.83	5.23	4.74	4.27	4.26	-0.23%
5507	Street or Road Construction - Grading	5.32	5.50	5.60	5.78	5.17	4.77	5.52	4.95	4.60	4.58	3.59	-21.61%
5506	Street or Road Construction - Paving	9.00	10.96	11.92	11.36	9.86	9.09	7.31	6.56	5.35	4.73	3.90	-17.54%
5348	Tile, Stone, Mosaic, or Terrazzo Work	7.27	8.11	8.85	7.74	8.05	7.43	6.56	5.88	4.80	4.40	4.57	3.86%
5446	Wallboard Application <\$36 Hour	9.31	11.25	11.02	9.78	8.73	8.05	7.96	7.14	6.79	5.43	5.11	-5.89%
5447	Wallboard Application >\$36 Hour	6.32	6.88	5.94	4.92	4.53	4.18	4.70	4.22	3.39	2.92	2.41	-17.46%
6315	Water or Gas Main Construction <\$34 Hour	10.65	11.31	11.90	10.72	7.89	7.28	6.86	6.15	5.46	4.16	4.56	9.61%
6316	Water or Gas Main Construction >\$34 Hour	6.00	6.33	6.97	5.98	5.55	5.12	6.08	5.45	5.51	4.76	3.80	-20.16%
3365	Welding or Cutting	8.08	8.10	7.71	6.69	6.08	5.61	5.57	5.00	4.89	4.06	4.09	0.73%
	Total Average Rates	9.60	10.39	11.10	9.67	8.24	7.60	7.69	6.90	6.32	5.66	5.26	-5.02%

2021 Officer/Owner: Minimum payroll is \$54,600 & Maximum payroll is \$139,100

*Pure Premium Rates do not include insurer overhead or profit expenses, so market rates will be higher.