



Classification

Each duty performed by an employee has a specific code attached to it in order to segregate activities by the amount of risk involved. This section provides a description of some of the most commonly used codes. For a complete list of all codes available in the State of Michigan please refer to the link on the main WC page. As described in this section, a disputed classification code should be discussed with the insurance carrier in order to ensure fair and proper insurance coverage.

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You can look up your codes at www.caom.com.
(Go to the web site's "Manuals" section.)
Also, code details and information should be
available from your insurance agent.

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INTRODUCTION

This manual has been created for the use of the Facility, the Division of Insurance of the Office of Financial and Insurance Services, servicing carriers, agents, and insureds to provide some definitions of how classifications are applied by the Michigan Workers' Compensation Placement Facility. We have taken information which was formerly available only to the Facility classifiers and incorporated it into our current practices in applying classifications to create this manual.

The definitions of classifications in this manual are intended to be definitive, but are not exhaustive. Because this is the first time all of this information has been written down in a single document, there are most likely a number of omissions in various places. This manual will be updated and corrected as these are located and as new applications or new classifications arise. However, it will never be possible to write down every single item which may be part of a classification. Therefore, some interpretation will always be necessary in the use of this manual. This interpretation is the exclusive property of the Facility and is not to be assumed by agents, insureds, attorneys, or servicing carriers. We would hope that the Division of Insurance would agree that we can best interpret what we have meant when we wrote these definitions down.

If, in using this manual, you find anything which you believe to be confusing, incomplete, or that you do not understand, please bring it to my attention (Gary Thompson, Vice President, Michigan Workers' Compensation Placement Facility, 734-462-9600 ext. 224, [e-mail:gthompson@caom.com](mailto:gthompson@caom.com)).

We hope that this manual will also be helpful to voluntary market carriers in understanding how classifications are applied in Michigan and in providing some definition of the Michigan special classifications although these definitions are specific to the Facility. Agents and insureds need to understand that these definitions are not necessarily those that are applied by voluntary market carriers to their policies. Individual carriers may have different classifications and different definitions which apply to their own company's voluntary market policies.

Space has been provided with each definition so that you may make notes as you work with these definitions.

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endorsed to the policy, Code 7350F applies to the handling of cargo, incidental to the loading or unloading of vessels, on piers or adjoining areas or in terminals. Operations contemplated by this classification include stuffing and stripping containers, other processing of waterborne cargo and loading and unloading trucks and railroad cars on piers or in adjoining areas or terminals. This classification applies to separate employees who are engaged in moving cargo from any point which is removed from and not connected with the hazards of the sling in loading and unloading vessels. The storage, maintenance or repair of nets, slings, forklift trucks, or other equipment by insureds engaged in freight handling or stevedoring operations shall be assigned to this classification, even though such operations are conducted at a separate location.

The classification applicable to freight handling operations subject to coverage only under a state compensation act, Code 7360, applies to operations conducted at railroad yards, airports, or warehouses not located on piers or in terminals or areas adjoining piers.

7380 AMBULANCE SERVICE COMPANY; BANKS AND TRUST COMPANIES; ARMORED CAR CREW; DRIVERS; CHAUFFEURS AND/OR DRIVERS - NOC; DISTRIBUTING COMPANIES: IF EMPLOYEES TRANSPORTED TO LOCATION IN CARS OR TRUCKS; SCHOOL BUS OPERATOR

When volunteers are employed by ambulance service companies a payroll minimum of \$400 per person per year applies. Aircraft ambulance services to be separately rated under the Classifications for Airplane or Helicopter Operations: NOC.

When the employer elects the Waiver of Coordination of Benefits for volunteers under this classification for ambulance service companies use Code 7980 instead of Code 7380.

Code 7380 is a Special Classification which allows no division of payroll for the remuneration of a single employee. Even when it is used to describe operations other than Drivers: NOC, this restriction still applies. Code 7380 applies to Drivers and/or Chauffeurs - NOC who are defined as over-the-road operators of automobiles, bicycles, buses, horse-drawn conveyances, trucks, or other vehicles in connection with pick-up or delivery of merchandise, products, or people providing no more specific Driver classification exists. Employees with exposure to otherwise classified operations of the employer shall be assigned to classifications in accordance with Rule Four-E-2 "Interchange of Labor." Basically this means that if an employee qualifies for Code 7380,

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8737 FELA OUTSIDE SALESPERSONS, MESSENGERS, COLLECTORS: PROGRAM I

Code 8737 applies to outside salespersons, messengers, and collectors employed by interstate railroads. See Code 7151 for an explanation of the different FELA coverages.

8738 FELA OUTSIDE SALESPERSONS, MESSENGERS, COLLECTORS: PROGRAM II US ACT

Code 8737 applies to outside salespersons, messengers, and collectors employed by interstate railroads. See Code 7151 for an explanation of the different FELA coverages.

8742 CLAIMS ADJUSTERS OR SPECIAL AGENTS; OUTSIDE COLLECTORS, MESSENGERS, OR SALESPERSONS; REAL ESTATE AGENCY: OUTSIDE EMPLOYEES AND COLLECTORS

These are employees engaged in such duties away from the employer's premises. Employees who deliver merchandise in connection with outside sales, collections, or operations as messengers shall be assigned to the appropriate code representing Drivers and/or Chauffeurs.

Employees with exposure to otherwise classified operations of the employer shall be assigned to classifications in accordance with Rule Four-E-2 "Interchange of Labor."

Note: Automobile Salespersons - Code 8748 - are employees engaged in such duties on and away from the employer's premises. Such employees are subject to treatment as Salespersons, Collectors, or Messengers - Outside for purposes of the Special Classifications rule, but are assigned to Code 8748.

Employees assigned to Code 8742 may be engaged in purchasing or selling operations,

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collection of rents or bills, or the delivery of messages such as telegrams, letters, or letter-sized documents. Estimators who will go to the customer's location to prepare a cost estimate of work to be done are assigned to Code 8742 as long as they do not visit the job site while the work is in progress. The 8742 estimator may visit the site after the job is completed to assess the customer's satisfaction. Process servers or servers of subpoenas are assigned to Code 7720. Outside social workers or welfare workers are assigned to Code 8835. Meter readers are assigned to the classification representing the classification of the utility whose meters are being read.

Code 8742 does not apply to employees who do not leave the insured's site. Employees who deliver packages larger than letter-sized documents are assigned to Code 7380.

**8745 NEWS AGENT OR DISTRIBUTOR OF MAGAZINES OR OTHER PERIODICALS - NOT
RETAIL STORES**

Code 8745 applies to the operations of news agents or distributors of newspapers, magazines, or periodicals to retail establishments. The material to be distributed is received in large bundles from the publishers, sorted, orders made up, and bundled. These are then delivered to the retail establishments who are their customers. The delivery drivers are assigned to Code 7380. Janitorial operations and repair and maintenance of the insured's building and grounds are assigned to Code 9015. Repair and maintenance of over-the-road vehicles are assigned to Code 8395. Code 8745 does not apply to retail sales operations such as news stands, cigar stands, etc. as those operations are assigned to Code 8017. Code 8745 does not apply to house-to-house delivery of newspapers, magazines, telephone directories, advertising circulars, promotional materials, product samples, etc. Those operations may be assigned to Code 7380 if the employees are transported to the distribution location in vehicles, to the applicable basic classification if one applies to the business, or to Code 8017 if no transportation is used and there is no other applicable basic classification which applies to the operations of the business.

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Auditors and accountants may sometimes conduct actual physical inventories in connection with the auditing or record keeping they are doing. However, firms which provide contract inventory service are not assigned to Code 8803 but are assigned to Code 8720.

Office systemitizers will go into office and observe the way things are done and develop better ways to handle the workload. They will then prepare a report for the client which will detail the changes which they think should be made to make the office more efficient. Factory cost accountants will do the same things except that they will be looking at the factory operations rather than the office operations.

Code 8803 applies to the traveling personnel. Persons who have office duties only such as drafting, clerical office work, etc. are assigned to Code 8810. Janitorial operations and repair and maintenance of the insured's building and grounds are assigned to Code 9015.

8805 FELA CLERICAL OFFICE EMPLOYEES – PROGRAM II STATE ACT

Code 8805 applies to clerical office employees of interstate railroads. See Code 7151 for an explanation of FELA coverages.

8810 BANKS, CREDIT UNIONS, AND TRUST COMPANIES; CLERICAL OFFICE EMPLOYEES; DRAFTING EMPLOYEES; PUBLIC LIBRARY OR MUSEUM; PROFESSIONAL EMPLOYEES; RACE TRACK OPERATION: HORSE OR DOG: PARI-MUTUAL CLERKS AND CASHIERS

Clerical office employees are defined in the Basic Manual Rule Four – Classifications B.2.a. as employees engaged exclusively in bookkeeping, in record keeping, in correspondence, in computer composition, in technical drafting, or in other office work

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for otherwise classified operations are included in the other classifications. For example, the receptionist for a doctor's office is assigned to Code 8832 and the receptionist for a lawyer's office is assigned to Code 8820. Persons who accept payments for services or goods are also not included in Code 8810 but are assigned to the appropriate classification representing the business for which they are collecting the payments. For example, restaurant cashiers are assigned to Code 9058 and store cashiers are assigned to the appropriate store classification.

Other employees properly assigned to Code 8810 include artists who produce two-dimensional pictures, designers, proof-readers, drafting personnel, computerized photographic composition personnel, and airline, bus, ferry, or helicopter ticket sellers who are located in kiosk-type locations away from the terminal locations. Also assigned to Code 8810 by special assignment are professional employees of libraries and museums including librarians, their assistants, and pages as well as curators, their assistants, administrators, tour directors, lecturers, and museum professionals who engage in the preparation of various types of exhibits and the restoration of art works or other museum displays. Other employees of libraries and museums are assigned to Code 9101 or other codes such as 9015, 9058, 8017, 7380, etc.

8814 FELA CLERICAL PROGRAM I

Code 8814 applies to clerical office employees of interstate railroads. See Code 7151 for an explanation of FELA coverages

8815 FELA CLERICAL PROGRAM II US ACT

Code 8815 applies to clerical office employees of interstate railroads. See Code 7151 for an explanation of FELA coverages.