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**Circular 2026-03**

**To: ICRB Members**

On 4/8/2026 the Indiana Department of Insurance approved the following filing for use in Indiana.

**Item E-1412—Revisions to an Experience Rating Plan Manual Rule Related to Manuals Providing Rules for Writing Policies Involving Employee Leasing Arrangements**

**Purpose**

This item revises NCCI's *Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Experience Rating Plan Manual)* to clarify which NCCI manuals provide rules related to writing policies for employee leasing arrangements.

For more details, please refer to the filing below.

Sincerely,

Paul Keathley, CAWC  
President & CEO

**Item E-1412—Revisions to an Experience Rating Plan Manual Rule Related to Manuals Providing Rules for Writing Policies Involving Employee Leasing Arrangements****Filing Memorandum****(Applies in: AK, AL, AR, IA, ID, IN, MD, MN, MS, NH, NM, RI, SC, SD, TN, VT, WI)****Purpose**

This item revises NCCI's *Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Experience Rating Plan Manual)* to clarify which NCCI manuals provide rules related to writing policies for employee leasing arrangements.

**Background**

NCCI's *Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)* and *Residual Market Manual for Workers Compensation and Employers Liability Insurance (Residual Market Manual)* provide rules related to writing policies for employee leasing arrangements for certain states. An employee leasing company may also be referred to as a professional employer organization, PEO, or labor contractor.

*Experience Rating Plan Manual* rule, Employee leasing arrangements, states that NCCI's *Basic Manual* and NCCI's *Residual Market Manual* provide the rules for writing policies involving employee leasing arrangements. The purpose of this sentence is to provide a reference for information related to writing policies for employee leasing arrangements.

Although information related to writing policies for employee leasing arrangements is provided for many states in NCCI's *Basic Manual* and NCCI's *Residual Market Manual*, this information is not provided in these manuals for all states. NCCI's *Experience Rating Plan Manual* rule, Employee leasing arrangements, must be revised to specify the appropriate manuals related to writing policies for employee leasing arrangements.

**Proposal**

This item proposes to revise NCCI's *Experience Rating Plan Manual* rule, Employee leasing arrangements, to specify the appropriate manual or manuals to refer to for each state for information related to writing policies for employee leasing arrangements.

**Impact**

No statewide premium impact will result from the changes proposed in this item.

**Exhibit comments and implementation summary**

Exhibit	Exhibit comments	Implementation summary
1	Displays the revisions to the rule, Employee leasing arrangements (Rule ID: ER-PEOA-EA916), in NCCI's <i>Experience Rating Plan Manual</i> .	This item is to become effective for experience rating modifications with rating effective dates on and after July 1, 2027.

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Item E-1412—Revisions to an Experience Rating Plan Manual Rule Related to Manuals Providing Rules for Writing Policies Involving Employee Leasing Arrangements

Exhibit 1  
Experience Rating Plan Manual—Indiana  
Employee leasing arrangements

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**Employee leasing arrangements**

Rule ID: ER-PEOA-EA916

Effective Date: July 1, 2027

NCCI's ~~Basic Manual~~ and NCCI's *Residual Market Manual* provides the rules for writing residual market policies involving employee leasing arrangements. An employee leasing company may also be referred to as a professional employer organization, PEO, or labor contractor.

Under an employee leasing arrangement, clients may move in and out of employee leasing arrangements or move from one arrangement to another. The rules in the Plan address the calculation and application of experience rating modifications for such arrangements.

**References**

Refer to

- NCCI's ~~Basic Manual~~ NCCI's *Residual Market Manual* for more information, and
- NCCI's ~~Residual Market Manual~~ NCCI's Experience Rating Plan Manual User's Guide for more information examples.

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