



The State of New Hampshire Insurance Department

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Furloughed Workforce During COVID-19 State of Emergency: Effect on Workers Compensation Insurance Premium

Frequently Asked Questions

The New Hampshire Insurance Department recently approved a temporary change to the National Council on Compensation Insurance (NCCI) Manual Rules affecting the calculation of premium for business owners who continue to pay furloughed employees through these challenging days. Please review these frequently asked questions and answers.

1. How does this new rule work?
 - NCCI has established a new Employee Class Code (0012) exclusively for employees who continue to receive paychecks during a temporary layoff or involuntary leave as a result of a COVID-19 related Stay-at-Home Order. Payroll in this class code will be excluded from premium calculation.
2. What happens if the furloughed worker is injured?
 - To be considered for the new class code the employee cannot be doing any work for the employer. Therefore, there will be no claims associated with this new class code.
3. What if the employee is called back to work for a short period of time?
 - The employer may designate the employee “off” furlough for a few days and allocate the pro-rated payroll to the class code appropriate to the job performed.
4. What must employers do to prepare for audit?
 - It is critically important that employers maintain separate, accurate and verifiable records of payroll, associated with furloughed employees.

Please contact your insurance carrier or NCCI (1-800-622-4123) for additional guidance on this matter.