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To Our Valued Clients:

May 2008

Massachusetts Worker's Compensation Rate Change Effective September 1, 2008

As was announced last month, the Commissioner of Insurance has approved a revision of Workers' Compensation rates, effective September 1, 2008, applicable to policies that are new or renew on or after that date. The specific changes and the actual rates for individual classifications have just been released. **With this mailing we have enclosed a listing of the actual rates for the most common construction classifications.** The most important items that will change effective 9/1/08 are:

1) RATE LEVEL DECREASE OF 1.00%

The overall average decrease will be 1.0% from the existing workers' compensation average rates. The actual change will vary by individual class. The Average Rate for the construction industry as a group increased 0.9%. **However, some individual rates have gone up as much as 20%, so be sure to check those that apply to your work.**

2) USL&H PERCENTAGE LOADING

The USL&H Percentage Loading will increase from 38.4% to 39.2%. If operations under Non-F classifications involve employees subject to the U.S. Longshore and Harbor Workers' Compensation Act you must multiply those rates by a factor of 1.392.

3) EXPERIENCE RATING PLAN CHANGES

The Experience Rating Plan Expected Loss Rates will be revised and distributed by the Bureau. Keep in mind if a manual rates go down, the Expected Loss Rate - the losses you are expected to have, also go down. This means, if all else remains the same, your Experience Modification will tend to go up. This will apply to Experience Modifications effective on and after 9/1/08.

Experience ratings and ARAP factors effective September 1, 2008 and subsequent will be issued by the Bureau "in due course" using the new Expected Loss Rates, and the ARAP maximum of 1.25 established last year. Any preliminary experience ratings and ARAP factors previously released for effective dates 9/1/08 and beyond will be replaced.

4) SMALL DEDUCTIBLE CREDITS

The premium reduction percentage applicable to the election of small deductibles have been revised to the following:

<u>Deductible</u>	<u>Reduction</u>		<u>Deductible</u>	<u>Reduction</u>
\$500	2.3%		\$2,000	5.5%
1,000	3.7%		2,500	6.2%

If you have an Aggregate Deductible Program those credits have changed as well, but are based on your total premium. Those changes range from zero to -0.3 percentage points.

5) NO CHANGES IN THE FOLLOWING:

- Loss Constants
- Merit Rating Credit Program
- Premium Discounts
- Qualified Loss Management Program [QLMP]

Please let us know if you have any questions.

Very Truly Yours,

DeSanctis Insurance Agency, Inc.

MASSACHUSETTS WORKERS' COMPENSATION
Rates Effective 9/1/08 & prior

WORK CLASSIFICATIONS	CODE	7/1/01 Rates	9/1/03 Rates	9/1/05 Rates	9/1/07 Rates	9/1/08 Rates	% CHG. '07 to '08
ASBESTOS-NOC	5473	20.61	15.57	18.65	12.86	12.48	-2.95%
ASBESTOS-PIPE AND BOILER	5472	9.94	10.19	8.65	7.21	7.22	0.14%
AUTOMATIC SPRINKLER INSTALLATION	5188	5.12	5.12	5.45	4.07	4.68	14.99%
BOILER INSTALLATION & REPAIR	3726	9.72	11.00	11.58	12.48	12.72	1.92%
BUILDING - OPERATIONS BY CONTRACTOR	9014	3.86	3.32	2.65	2.09	2.50	19.62%
BUILDING - OPERATIONS BY OWNER	9015	3.64	3.30	3.19	2.69	2.94	9.29%
BUILDING MATERIALS DEALER - NEW	8232	5.20	5.45	5.80	4.78	4.87	1.88%
CARPENTRY - INTERIOR	5437	6.96	6.07	6.88	5.60	5.93	5.89%
CARPENTRY - NOC	5403	16.60	16.09	16.48	11.46	11.92	4.01%
CARPENTRY/DWLGs. 3 STORIES OR LESS	5651	10.62	9.93	9.03	6.80	7.50	10.29%
CEILING INSTALLATION-SUSPENDED GRID TYPE	5020	4.37	3.70	4.60	4.95	5.62	13.54%
CLERICAL	8810	0.18	0.17	0.15	0.12	0.12	0.00%
CONCRETE CONST.-BRIDGES AND CULVERTS	5222	7.84	7.63	8.61	8.62	8.43	-2.20%
CONCRETE CONSTRUCTION	5213	17.84	17.95	22.32	19.51	21.45	9.94%
CONCRETE PRIVATE RESIDENCES-NOT MONOLITHIC	5215	8.62	8.66	7.22	4.98	5.07	1.81%
CONCRETE WORK, FLOORS, DRIVES, YDS, WALKS	5221	9.34	8.10	9.18	6.57	6.62	0.76%
CONDUIT CONSTRUCTION FOR CABLES, WIRES & DRIVERS	6325	5.49	4.16	3.47	3.39	3.61	6.49%
CONTRACTOR EXECUTIVE SUPERVISOR	5606	2.65	2.46	2.41	1.70	1.75	2.94%
CONTRACTORS PERMANENT YARD	8227	4.73	4.33	3.64	3.05	3.24	6.23%
DOOR -SASH DEALER	8235	4.76	4.63	5.36	4.24	4.52	6.60%
DOOR -SASH ERECTION	5102	14.31	12.35	11.04	7.61	6.76	-11.17%
DRILLING-NOC	6204	11.48	13.04	12.12	11.05	9.81	-11.22%
ELECTRIC LIGHT OR POWER LINE CONSTRUCTION	7538	8.11	6.13	5.12	4.04	4.44	9.90%
ELECTRICAL WIRING	5190	3.69	3.69	4.18	3.20	3.17	-0.94%
ELEVATOR MAINTENANCE	5160	3.43	3.08	3.62	3.32	3.47	4.52%
EXCAVATION & GRADING & BLASTING	6217	6.41	6.49	6.08	4.19	4.17	-0.48%
FENCE ERECTION - ALL TYPES	6400	9.45	8.13	7.60	6.07	6.33	4.28%
GLAZIER-AWAY FROM SHOP	5462	8.63	7.55	9.25	8.96	8.93	-0.33%
INSULATION WORK - NOC	5479	14.02	13.48	14.59	10.06	8.94	-11.13%
IRON OR STEEL ERECTION - ORNAMENTAL & SASH	5102	14.31	12.35	11.04	7.61	6.76	-11.17%
IRON OR STEEL ERECTION-FRAME STRUCTURES	5040	40.78	35.13	43.69	45.71	44.61	-2.41%
IRON OR STEEL METAL BRIDGES	5040	40.78	35.13	43.69	45.71	44.61	-2.41%
IRON OR STEEL ERECTION - NOC	5057	35.81	27.39	34.06	36.69	39.97	8.94%
IRON/STEEL ERECTION-FRAME STRUCTURES <= 2 Story	5059	35.81	27.39	34.06	36.69	39.97	8.94%
IRRIGATION OR DRAINAGE SYSTEMS	6229	6.41	6.49	6.08	4.19	4.17	-0.48%
LANDSCAPING	0042	6.19	5.76	4.98	3.84	4.23	10.16%
LATHING	5443	6.80	5.76	5.89	6.35	6.53	2.83%
MASONRY - NOC	5022	14.44	13.04	15.67	10.81	11.62	7.49%
MILLWRIGHT NOC	3724	6.28	5.76	6.88	5.67	6.79	19.75%
PAINTING AND WALLPAPER	5474	8.26	7.54	6.85	4.79	5.01	4.59%
PAINTING METAL BRIDGES	5037	71.26	53.83	44.88	30.95	27.48	-11.21%
PILE DRIVING	6003	14.80	14.31	15.92	14.68	14.99	2.11%
PLASTERING	5480	5.69	5.34	6.62	5.08	4.89	-3.74%
PLUMBING - NOC	5183	5.09	4.55	4.80	3.98	3.88	-2.51%
ROOFING - BUILT UP INCLUDING YARD	5547	22.60	22.03	19.72	13.60	14.08	3.53%
ROOFING - NOC	5545	33.29	38.25	47.57	32.80	30.35	-7.47%
SALESPERSONS	8742	0.29	0.27	0.29	0.20	0.20	0.00%
SEWER CONSTRUCTION	6306	10.46	9.57	8.05	5.55	6.28	13.15%
SHEETMETAL WORK - NOC	5538	8.79	7.47	6.72	5.15	5.74	11.46%
ST. OR RD. CONSTRUCTION - ROCK EXCAVATION	5508	7.39	5.59	5.19	4.25	5.09	19.76%
STREET CLEANING AND DRIVERS	9402	6.34	5.39	6.75	5.24	5.49	4.77%
STREET OR ROAD CONSTRUCTION - PAVING	5506	8.75	7.18	7.27	5.81	6.96	19.79%
STREET OR ROAD CONSTRUCTION - SUB SURFACE	5507	8.81	8.45	7.91	6.35	6.26	-1.42%
TILE WORK	5348	11.47	9.24	8.78	6.21	6.45	3.86%
TRUCKMEN - NOC	7219	8.69	7.53	8.22	7.13	7.68	7.71%
WALLBOARD INSTALLATION	5445	10.47	8.18	8.90	6.70	7.13	6.42%
WATER/GAS MAIN CONSTRUCTION	6319	7.02	6.12	6.76	5.41	5.14	-4.99%
WATERMAIN CONSTRUCTION	6319	7.02	6.12	6.76	5.41	5.14	-4.99%
WELDING	3365	9.89	11.36	14.12	9.98	9.72	-2.61%
WRECKING BUILDINGS OR STRUCTURES NOT MARINE	5701	38.14	28.82	24.03	25.88	29.46	13.83%