

2021

ANNUAL REPORT

PCRB
PENNSYLVANIA
Compensation Rating Bureau



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PRESIDENT'S MESSAGE

The Pennsylvania Compensation Rating Bureau (PCRB) looks back at 2021 with a sense of gratification and satisfaction. As this message is written and released around our Annual Meeting, we have just moved past the two-year marker of the COVID-19 pandemic, and its impacts on work and workers compensation. Although the disruptions it has caused are still being evaluated, and will be for some time, we share the general view that overall, we have managed well, are adapting to a new world “work order,” and the financial costs to the workers compensation system were not as significant as was initially feared.

As always, we thank our membership for their support of the PCRB during these uncertain times. We have strived to maintain a sense of normal service to our members during this period, but also recognize that it was not the same and appreciate the patience of those experiencing any delays or difficulties with our services. I am equally appreciative of the efforts of PCRB staff on this delivery.

Many executives around the country are speaking to the pivoting underway following the pandemic and its impacts. This is understandable and pertinent. Ironically, I have also been anticipating the use of that word as I felt that, in our case, it was more fitting for the PCRB as we additionally have had an array of operational milestones reflecting a foundational inflection point at the end of 2021.

The PCRB made enormous transformational progress across the organization on our strategic and operational objectives. These outcomes are a result of our dedicated staff who have demonstrated incredible resilience, adaptability, and an unyielding commitment to excellence—especially

when you consider the ongoing global pandemic. Our staff made an enormous difference in 2021, reaffirming that our organization is the distinct workers compensation data collection and utilization authority in Pennsylvania.

The milestones achieved at year end include: completion of the System Reengineering Project (SRP); shutdown and closure of the mainframe infrastructure; further implementation of new/enhanced processes and operational procedures; release of new website; introduction of new branding and logo; establishment of an Internal Audit and Quality Assurance charter and department; a renewed office lease agreement resulting in renovations of the office environment to be completed in the first half of 2022. The organization at the start of this year has pivoted.

Our pivoting moment provides the opportunity for the PCRB to enhance and greatly improve upon our service and delivery to our members and the Pennsylvania Workers Compensation marketplace at large. We intend to leverage, expand, and evolve on our use of data captured to better serve all stakeholders from this new foundation. Our new systems are now poised for greater internal efficiencies, enhanced ability to interrogate and report on data collected, and ultimately the ability to be more responsive to the objectives of the Bureau.

As we look back on this past year, and the recent years before that, our intent has always been to maintain the proper focus necessary for servicing membership while also managing and navigating the significant internal changes noted here. Within this report you will learn of additional 2021 PCRB accomplishments with further commentary on future strategic plans.

The annual April 1, 2022 Loss Cost Filing, No. C-380 was submitted on December 10, 2021; it was approved by the Pennsylvania Insurance Department on January 31, 2022 and announced by PCRB Circular No. 1779. This resulted in a decrease of 6.25 percent in overall loss costs for the Pennsylvania Workers Compensation system.

When compared to recent years' decreases in overall loss cost indications, this reduction continues the observed downward trends of recent years, both here and nationally. Some COVID-19 economic impacts were observed in this filing and these claims are being excluded from the experience rating calculations. The ultimate impact of COVID-19 claims

has been nominal within the ratemaking process and was excluded since they are not a good representation of future costs. It is not felt that COVID-19 related transactions will significantly impact future ratemaking results.

We continue to analyze the basis behind these declines and trends. In addition to the ratemaking process performed by the PCRB, which identifies the trends noted above, we also continue to observe and study the effects of medical costs, utilization changes and trends. There is growing awareness that preventative care is a factor in reducing claims and medical costs. It has also been observed that COVID-19 has influenced and affected the medical system, as seen in the metrics surrounding medical costs and the number of medical procedures and prescriptions.

In recognition of the competitive Pennsylvania Workers Compensation marketplace, we remain committed to studying these significant trends and the effect they have on premiums. Knowing that the competitive marketplace will remain, we recognize the necessity for increased study and research on these emerging trends. We remain focused on defining actuarial and analytical research projects to better understand and report on these developing issues.

As was noted above, we are proud to announce the conclusion of the SRP, which we have been reporting on over the past few years. This was a five-year project, resulting in the build of a new system, transformation of mainframe data, and the closure of this mainframe environment. The project took about a year longer than expected but came in under budget. There are too many to thank on the success of this project. However, there are a few that need to be mentioned: our developer, Windmill Software; the IT Department; the Data Management Department; the business units; and Bonnie Piacentino, SVP, the project sponsor from the beginning. Our new system, Optimus, is in place and staff is adjusting and adapting to new features and efficiencies. While the extent of change management was extensive, we have forged through with pride.

Over these recent years, we have been focused on measurable procedural and processing enhancements on all facets of our organization. We are beginning to leverage a new system environment and an Internal Audit and Advisory Department

to certify internal authority levels, signoffs, and oversight processes. Organizationally we are confident with these improvements in processes and procedures. It reinforces our role as the established thought leader and reliable source of quantitative information for the Pennsylvania Workers Compensation marketplace.

A summary of other key achievements made by the PCRB during 2021:

- Milestone completion of our new operating system, Optimus, allowing for closure and shutdown of the legacy mainframe system.
- Maintained organizational operational adjustments due to COVID-19
- Continued implementation of recommended procedures and operational improvements stemming from the 2019 external operational review. Improvements include further enhancement of internal controls and escalation guidelines, including incorporation of new systems, edits, and automated controls.
- Participation and activity surrounding a Pennsylvania Insurance Department market examination, conducted by Regulatory Insurance Advisors (RIA). This was an expected follow-up examination following the noted 2019 external operational review.
- Office lease renewal and associated office renovations and furniture replacement.
- Staffing items: expansion of training programs for general staff development—e.g., LinkedIn Learning, continued diversity and inclusion activities, and the D&I Committee.
- Participation in the COVID-19 Data Call and contribution to the combined reporting on COVID-19 with the NCCI and other participating bureaus. This report is available on our website.
- System deployment of a new Financial Data Manager platform, for use with financial data collection in 2021.
- Release of a new and enhanced PCRB website.
- Refinement of Experience Rating procedure manuals.
- Evolution of the recently created Correspondence Data Manager (CDM).

2021 Primary Functions—Accomplishments and Initiatives

The PCRB is committed to providing the highest possible levels of service to its members, those members' insureds, regulators, legislators, other governmental offices and the workers of Pennsylvania covered under the Workers Compensation Act. During 2021, the PCRB staff and its membership engaged in the following efforts and accomplishments:

PCRB FILINGS

There were ten separate filings made in 2021. This was a more typical annual filing count. Please refer to the PCRB website for the following notable circulars from approved filings:

Loss Cost Filings

- April 1, 2022 Loss Cost Filing

Basic Manual Revisions to Sections 1 and 2

- Manual Housekeeping Revisions
- Revisions to Designated Auditable Payrolls and Concurrent Manual Amendments

Revisions to the Experience Rating Plan Manual Rules

Classification Items

- Submission of New Class Codes 906, Volunteer Ambulance Corps—Support Staff and 989, Volunteer Fire Company—Support Staff, in Response to Act 108 of 2020
- Classification Change—Revise the Scope of Code 673, Advertising Sign, Manufacture, Erection or Repair, to Allow Payroll Developed in Shop Manufacturing Work to be Separately Rated to the Applicable Shop Manufacturing Classification Based Upon the Principal Type of Signage Manufactured

COVID-19 Related Items

- None in 2021

Miscellaneous Items

- Pennsylvania Construction Classification Premium Adjustment Program
- Revisions to Qualifying Wages, Table of Hourly Wages and Premium Credits
- Revised Edition of the ERM-14 Endorsement Form
- Revised Edition of the ERM-6 Endorsement Form
- Updated Edition of Endorsement WC 00 04 06A—Premium Discount Endorsement

PCRB Actuarial Initiatives

The PCRB Actuarial Department was engaged in several special projects during 2021. The largest item of focus was the completion and implementation of the SRP to convert all the ratemaking data reports and programs to the new platform. This involved running both the old and new systems in parallel for the 2022 Annual Filing, which was based on the new system. Later in the year, the Research team was actively studying a potential remapping of the classification hazard groups, as well as advancing the multiyear experience rating methodology research. In addition, there were other projects completed during the year including the Act 108 Legislative Filing regarding the Volunteer Firefighter and Ambulance classes and a large loss analysis presented at last year's Actuarial Research meeting. The year posed other challenges as the pandemic rolled forward, which resulted in the inclusion of several COVID-19 considerations in the Annual Loss Cost Filing.

PCRB Informational Initiatives

Continuing with the approach used in 2020, influenced by the COVID-19 working environment within the state, a virtual outreach approach was maintained. The pandemic introduced the need for virtual outreach and the organization spent time working with members on adjustments and amplified communications to aid in dealing with the changing and evolving aspects of the pandemic impacts, such as adjustments

on the premium audit processes and data reporting modifications. All virtual outreach was tailored and customized to the needs of those inquiries. The PCRB anticipates restarting conventional outreach and seminars, which are varied and range from basic to advanced. There are also new and additional technological approaches that are ready and anticipated for the delivery of PCRB training programs. A few of the standard topics include Test Audit Program, Unit Statistical Reporting, and WC Experience Rating Plans.

Budget and Assessment Experience

The 2021 expenditures were kept within PCRB's budgetary plan. Disbursements for the year were approximately 95.2 percent of budget. Quarterly assessments were imposed throughout the year, consistent with the 2021 Budget. An operating surplus generated for the year will be applied according to Governing Board direction as part of the annual adjustment of assessment process which will take place in mid-2022 for the 2021 Year.

Data Collection Activities

The timely, accurate and comprehensive collection of data and statistical information is a fundamental obligation of the PCRB for its members and the WC marketplace. In 2021, existing programs and incentives applicable to the reporting and collection of financial and unit statistical data, and monitoring of carrier audits, continued to be actively managed by PCRB staff. The 2021 data collection program experience follows:

Financial Data—Members were able to use the Financial Data Manager (FDM) during the reporting season for 2020 Calls in 2021, FDIP Program assessments of \$118,608 associated with those reports were assessed in early 2022. The FDM used in 2021 included all Financial Calls and Pennsylvania Special Schedule W for 2020 reports. This internet-based application allows reporting entities to view results of applying PCRB and Insurance Department edits prior to submission of entered data and expedites the exchange of criticisms and corrected data, if needed. The FDM helps to accelerate the availability of financial data and to mitigate incentive charges incurred by carriers experiencing difficulty in successfully passing edits applicable to the PCRB's Financial Calls and/or the Pennsylvania Special Schedule W.

Unit Statistical Plan Fines—PCRB members continued their successful compliance with reporting requirements for the Unit Statistical Plan. Incentive charges incurred in 2021 approximately were \$529,130, higher compared to 2020 charges of approximately \$463,625. While we have experienced improved overall data transmission quality and in the error handling of unit statistical data transactions as a result of Unit Data Manager (UDM), this represents an increase in the amount of time units remain overdue which incurs higher assessments.

Indemnity Data Call—The PCRB's collection of the Indemnity Data Call began with claim activity occurring in Second Quarter 2020 and continued in 2021. This important and developing initiative is intended to benefit the industry by providing increased detail pertaining to indemnity payments for workers compensation injuries using a standard protocol across jurisdictions. It will allow the PCRB to opine with greater authority on a variety of possible proposals to change the payment system for workers compensation in Pennsylvania. The analysis of this data will enhance the PCRB's ability to explain filings and better understand cost drivers. The PCRB processed 171,745 quarterly records and 526,884 transactional records during 2021. Ongoing initiatives include creating reports and data validation tools and COVID-19 indemnity data analysis.

Medical Data Call—The PCRB's expertise in the collection of Medical Data Call information continued in 2021. This important and developing expertise and capability are intended to benefit the industry by providing increased detail pertaining to the treatment of workers' compensation injuries using a standard protocol across jurisdictions. For forty-six quarters (transactions received for the Third Quarter 2010 through the Fourth Quarter 2021), the PCRB processed approximately 68 million records accounting for \$8.2 billion in paid medical benefits. Ongoing initiatives related to this effort are focused on Medical Data Manager (MDM) and Medical Data Cube enhancements as well as preparation of quarterly and annual trend reports, including COVID-19 medical data analytics. In addition, we have expanded the eligibility for this call to now include carrier groups with at least 0.5% market share. Data reporting for these newly eligible groups will begin in 2023.

Test Audit Program—The four-quarter difference ratio adjusted for carriers opting out of the program was 12.8 for 2021 compared to 11.4 percent for 2020, 12.7 percent for 2019, 13.9 percent for 2018 and 17.0 percent for 2017. The

difference ratios have remained steady in recent years and reflect carrier attention to premium audits and overall data quality. The five-year results noted are consistent and below the prevailing program standard of 20 percent.

Workers Compensation Research Institute (WCRI) Benchmarking Studies

This past year marks the 21st Edition of the Pennsylvania WCRI CompScope™ and Medical Benchmark reports. With the release of these reports, the PCRB continues its participation on the bi-annual WCRI Advisory Council for

Pennsylvania. The PCRB, via our members, provides the funding for this series of multi-state benchmarking studies conducted by the Workers Compensation Research Institute.

Legislative Initiatives

In 2021 there were no formal new pieces of legislation passed by the Pennsylvania Legislature regarding Workers Compensation law. The PCRB did institute classification changes to support the late 2020 passage and signing of the WC legislation, known as Senate Bill 94, (Act 108 of 2020), which expanded the definition of an employee specifically for volunteer firefighters and ambulance or rescue squad entities. The bill’s intent was recognition of volunteers not directly involved with fighting fires or acting as specific first responders.

As reported last year, in Pennsylvania, there was legislative consideration, but no passage of any presumption language of workers’ compensation coverage for workers who potentially contracted COVID-19 at their places of employment to make it easier for them to file workers’ compensation claims.

PCRB monitors all legislative activity and remains positioned to provide objective and credible input on public policy debates involving the workers compensation system. We also track the legislative activities in other states to benchmark the impacts emerging here in comparison to other regions.

In addition to this Annual Report, please also take time to review the release of this year’s companion Pennsylvania Workers Compensation reports:

- **“State Activity”**—a report reflecting various metrics and analytics for Pennsylvania.
- **“Medical Activity”**—reflecting the injuries, medical services, and trends on average medical costs in the system.
- **“State of the Line”**—an end-of-year report that presents actuarial insights for the Pennsylvania WC system.

The PCRB is healthy, secure, and more resilient than ever. We reassert our commitment and dedication to the mission of delivering trusted service, credible data, and objective reporting in safeguarding the Pennsylvania Workers Compensation system.

I mentioned at the start being gratified...but perhaps more accurately it would be grateful. The recent years just passed were challenging for the PCRB. We now enter with excitement a new era of providing exceptional value-oriented service and insights for the Pennsylvania Workers Compensation system and for all members. Our gratitude is for all members and, for me, it is for all staff who demonstrate their daily dedication, routinely for this mission.

Respectfully yours,

William V. Taylor
President

COMMITTEE ACTIVITIES

The Governing Board and various other committees and subcommittees, as provided for by the PCRБ By-laws, participated in twelve meetings during 2021.

Governing Board

The Governing Board has general charge and management of the affairs of the PCRБ. It is responsible for appointing other committees as may be necessary or advisable. This Board participated in six virtual meetings during 2021. In addition, a Budget Subcommittee comprised of three Board members participated in five teleconferences.

Members	Term Expiring
American Home Assurance Company	2023
Department of Labor & Industry	Permanent
Eastern Alliance Insurance Company (Vice Chair)	2022
National Federation of Independent Business	2023
Pennsylvania Chamber of Business & Industry	2024
PMA Insurance Company (Chair)	2022
State Workers' Insurance Fund	Permanent
Travelers Property and Casualty Company	2022
UPMC	2024
XL Specialty Insurance Company	2023
Zenith Insurance Company (Chair)	2024
Zurich Insurance Company	2024

Classification & Rating Committee

The Classification & Rating Committee is responsible for review and evaluation of the efficacy and equity of the underwriting, classification and rating procedures as required by the Manual, as well as the administration of these rules in its role as the technical committee designed to hear appeals of parties aggrieved by decisions of the PCRБ staff.

The Classification & Rating Committee reviews the recommendations of PCRБ staff relative to loss cost filings, classification and underwriting rules.

The Classification & Rating Committee participated in one virtual meeting during 2021.

Members	Term Expiring
Ace American Insurance Company	2022
Insurance Company of the West	2023
Liberty Mutual Insurance Company	2024
Nationwide Insurance Company	2023
PMA Insurance Company	2024
Pennsylvania Automotive Association	2023
Pennsylvania Food Merchants Association	2024
Pennsylvania Motor Truck Association	2024
Pennsylvania News Media Association	2022
Penn National Insurance Company	2023
Zenith Insurance Company	2022

Actuarial Committee

The Actuarial Committee is responsible for reviewing and advising PCRB staff with respect to matters which might affect recommended loss cost levels and/or other PCRB filing components. This Committee plays an integral part in recommending pertinent data and analytical techniques to be presented in support of PCRB filings. The Committee participated in two virtual meetings during 2021.

Members	Term Expiring
American Home Assurance Company	2022
Donegal Mutual Insurance Company	2024
Hartford Accident & Indemnity Company	2023
Liberty Mutual Insurance Company	2022
PMA Insurance Company	2023
Selective Insurance Company	2023
Travelers Property and Casualty Company	2024
Wesco Insurance Company	2022
XL Specialty Insurance Company	2024

Audit Committee

The Audit Committee is responsible for monitoring, updating and supervising the PCRB’s Test Audit Program. This Committee establishes the test audit guidelines, reviews carrier performance and hears appeals. The Audit Committee participated in one virtual meeting during 2021.

Members	Term Expiring
Ace America Insurance Company	2022
American Home Assurance Company	2024
Eastern Alliance Insurance Company	2022
Liberty Mutual Insurance Company	2023
Nationwide Insurance Company	2024
Travelers Property & Casualty	2024

Audit Subcommittee

Audit Subcommittee assists the Governing Board in fulfilling its responsibility for the oversight of the quality and integrity of the financial statements and the accounting and auditing practices of the PCRB. The Subcommittee’s responsibilities include oversight of:

- The accounting and financial statement processes and systems of internal accounting and financial controls of the PCRB,
- The integrity of the PCRB’s financial statements, and;
- The annual independent audit of the PCRB’s financial statements, the engagement of the independent auditor, the evaluation of the independent auditor’s function, qualifications, services, performance and independence.

The Audit Subcommittee participated in one virtual meeting with the Auditors in 2021.

Members	Term Expiring
National Federation of Independent Business	2023
State Workers’ Insurance Fund	Permanent
Travelers Property & Casualty Co.	2022
Zenith Insurance Company	2024

Nominating Committee

Prior to each Annual Meeting of the PCRB the Nominating Committee proposes a slate of candidates selected from the nominations made by all PCRB members and other eligible organizations for vacancies on the Governing Board and its Committees. The Nominating Committee participated in one virtual meeting during 2021.

Members	Term Expiring
American Home Assurance Company	2024
Nationwide Insurance Company	2023
Travelers Property & Casualty Company	2023
UPMC	2024
Zenith Insurance Company	2022

OPERATIONAL REPORTS

Classification

The classification function monitors and authorizes classifications for employers to make certain that the loss costs applied reflect the exposure(s) present in each business enterprise. The unit is also responsible for maintaining a continuous effort to update the classification system, responding to requests for analysis of classifications from employers, trade associations and the industry and reviewing individual case reports for proper classification. In 2021 the Classification Department responded to 2,721 outside inquiries.

Field Survey Program

In order to assure that operations of employers are properly classified the PCRB devotes a significant portion of its resources to on-site surveys of employer facilities. A PCRB field representative will visit the employer’s place of business, interview the employer or another appropriate representative and observe the operations being conducted. A written report is prepared for review by a PCRB classification analyst, after

which the insurer will be notified of the PCRB classification assignment and, if required, directed to correct erroneous assignments. During 2021 the PCRB issued 1075 surveys.

Test Audit Program

The purpose of the PCRB’s Test Audit Program (which includes Delaware) is to monitor insurer audit performance and promote high standards for the conduct of premium audits. In conducting a test audit the PCRB premium auditor will examine the employer’s payroll records and other books of account to determine the proper payroll totals and correct allocation of payrolls and losses to the appropriate classification(s). A physical survey is conducted in conjunction with the test audit. A review is conducted by the PCRB internal staff to verify the accuracy of the test audit report and to confirm any differences from the insurer audit. The test audit results of each carrier are summarized quarterly, and carrier performance is evaluated based on aggregate results of each consecutive four-quarter period. A comparison of test audit results conducted for the last five years indicates the following:

	2021	2020	2019	2018	2017
Number of test audits completed	1,847	2,496	2,973	3,301	3,461
Number of test audits with differences	236	350	387	480	601
Percentage of test audits with differences	12.8	14.0	13.0	14.5	17.4

Policy Examination (Policy Reporting)

An important activity of policy reporting is the capture of policy coverage data. As the records repository for proof-of-insurance, this area maintains records of all insured Pennsylvania employers through an alphabetical index system. This function provides information for claims adjudication and enforcement of statutory coverage requirements to the Bureau of Workers Compensation of the Department of Labor & Industry.

Each year the policy reporting area typically processes over 900,000 transactions consisting of policies, endorsements, and cancellation and reinstatement notices. This function is necessary to monitor employer compliance with coverage requirements, assure insurance company compliance with Pennsylvania Insurance Department regulations and statutory requirements, and to facilitate data collection. As part of the review process, carrier representatives send inquiries to PCRBR members when probable errors in the reported information are detected. During 2021, policy reporting examined 965,226 documents for proper application of experience modifications, merit rating adjustments, carrier rating values, employer classifications, duplicate coverage, and proper use of approved forms. The policy reporting area continues its commitment to the accurate and timely collection of data.

Experience Rating (Rating Rules)

Experience rating is an important element of the workers compensation pricing mechanism and adjusts the manual premium for eligible employers to reflect their previous loss experience. The basic objectives of experience rating are to distribute the cost of workers compensation equitably among the employers assigned to an industry classification and to provide a direct financial incentive for employers to reduce work-related accidents and control the costs of accidents that do occur.

The Experience Rating & Pricing Programs area is responsible for the timely issuance of experience rating modifications and providing explanation of experience rating rules while the

Underwriting & Coverage Compliance area is responsible for investigating and administering changes in ownership, entity status, and determining which entities may contribute data to a risk's rating. Staff within these areas have full knowledge of the Pennsylvania Experience Rating Plan. Both areas continue to maintain a qualified staff of individuals providing professional assistance pertaining to experience rating rules and procedures.

Timely issuance of experience ratings remains a PCRBR objective. Overall departmental production in all areas increases yearly.

Merit Rating Program

The Merit Rating Program was implemented on August 23, 1996. This plan grants premium discounts or assesses premium surcharges to most employers who do not qualify under the uniform Experience Rating Plan, based on the number of lost-time claims they have incurred.

Pennsylvania Construction Classification Premium Adjustment Program

The Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP) was implemented on January 1, 1991. During 2021, the PCRBR mailed over 7,500 PCCPAP notifications to employers. Of that number, 810 applications were returned to the PCRBR for processing and approval. Almost 40% of the credits applied for in 2021 fell within the 21 to 30 percent range.

Pennsylvania Certified Safety Committee Credit Program

The Workers' Compensation Act provides for a five percent Certified Safety Committee discount for employers that establish a safety committee in their workplace for the purpose of hazard detection and accident prevention. During 2021, 5,533 employers received renewal certification and 363 were granted new certification.

Unit Statistical Reporting

The unit statistical reporting system is the central mechanism used to collect policy experience for use in ratemaking and calculation of experience modifications and merit rating adjustments for individual employers. The PCRB utilizes the most sophisticated data processing techniques along with a complement of statistical technicians to review the data for accuracy and completeness. Data reporters use Unit Statistical Data Report Manager (UDM) is a web application for the entry, edit, submission and management of unit statistical information. UDM performs edits in real time and has improved data submission quality and timeliness since its launch in 2018.

The PCRB applies comprehensive controls over the submission of required unit statistical reports using an automated data quality system. This includes monitoring unit data for accuracy, advising carriers of units and individual case reports not received and issuing criticism letters when warranted. The quality control section continues to monitor all serious claims. Questionable injury codes and indemnity and medical amounts reported on individual case reports are analyzed. Also, classification codes are compared to occupations to check the accuracy of classification assignments.

Data quality review programs are continually being updated and expanded to make the processing of unit statistical report information more efficient. These programs have consistently produced an accurate and sophisticated individual risk data base, allowing the PCRB to adopt significant and unique improvements in data collection and analytical techniques for ratemaking.

During 2021, the PCRB processed 339,874 unit statistical reports electronically.

Personnel

The PCRB operated in 2021 with a staff of 98 full-time and 3 part-time employees. Four employees transferred into a position providing them with new responsibilities within the PCRB. This level of staff was adequate to handle all responsibilities and provide quality service to the membership as well as the industry.

The following eight employees retired from the PCRB in 2021:

- Bruce Kallen, with 11 years of PCRB service.
- Adelina Nicdao, with 18 years of PCRB service.
- Charlene Green, with 18 years of PCRB service.
- Diane Allman, with nearly 30 years of PCRB service.
- Eva Whitfield, with 33 years of PCRB service.
- Jack Panczner, with 35 years of PCRB service.
- James Frost, with 39 years of PCRB service.
- Kevin Katz, with 40 years of PCRB service.

Eight employees were recognized for the following quinquennial anniversaries.

5 years of service	1 employee
25 years of service	1 employee
30 years of service	2 employees
35 years of service	4 employees

PCR B MEMBERSHIP

As of December 31,2021, there were 460 members in the PCR B. During the year, ten carriers joined. The new members are as follows:

- Midwest Family Mutual Insurance Company
- Midwest Family Advantage Insurance Company
- Ohio Farmers Insurance Company
- WorkPartners National, Inc.
- American Interstate insurance Company of Texas
- Corepointe Insurance Company
- Silver Oak Casualty, Inc.
- Colonial Surety Company
- Highview National Insurance Company
- Prescient National Insurance Company

FINANCIAL

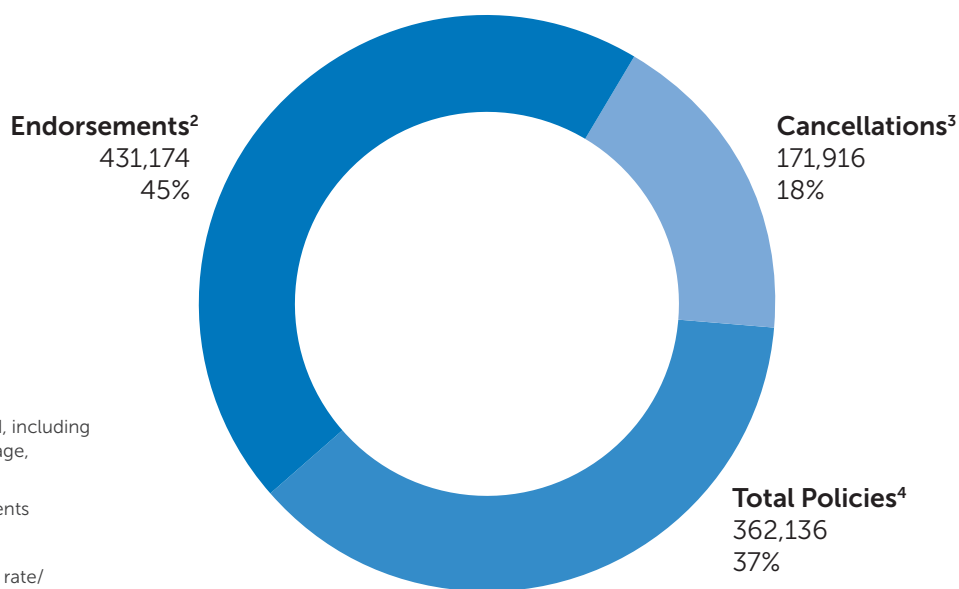
Final expenditures for 2021 were not available at the time of publication.

	2020 Expenditures
Salaries	\$9,396,691
Group Insurance	1,457,758
Pensions and Savings Plan	2,169,368
Data Processing	1,023,186
Rent and Electric	603,625
Payroll Taxes	616,750
WCRI Benchmarking Study	195,000
Travel	106,833
Consultant	44,510
Document Processing, Postage and Telephone	49,097
Depreciation	68,399
Insurance and Bonds	145,853
Equipment and Furnishings	54,845
Employee Overhead and Education	103,411
Legal	117,803
Accounting	61,400
Office Expense	63,260
Supplies	26,678
Total Expenditures	\$16,304,467
Allocation of Expenditures to DCRB	(\$3,105,723)
Total Expenditures	\$13,198,744

TOTAL POLICIES, ENDORSEMENTS AND CANCELLATIONS/REINSTATEMENTS PROCESSED

January 1, 2021 to December 31, 2021

Month of Process (1)	One-year			Three-year	
	Policies ¹ (2)	Endorsements ² (3)	Cancellations ³ (4)	Fixed Rate (5)	Annual Anniversary (6)
Total	362,098	431,174	171,916	0	38
January	27,636	35,857	18,328	0	0
February	23,316	37,310	14,857	0	0
March	31,899	43,480	15,019	0	1
April	27,969	33,815	12,774	0	1
May	28,483	35,669	12,515	0	1
June	32,922	49,982	18,902	0	1
July	29,744	31,974	13,479	0	0
August	28,545	37,189	12,804	0	5
September	24,704	28,377	12,994	0	6
October	29,010	33,462	14,861	0	7
November	30,594	34,414	12,505	0	11
December	47,276	29,645	12,878	0	5



¹Policy documents received, including not taken, duplicate coverage, replacements, etc.

²Separately filed endorsements

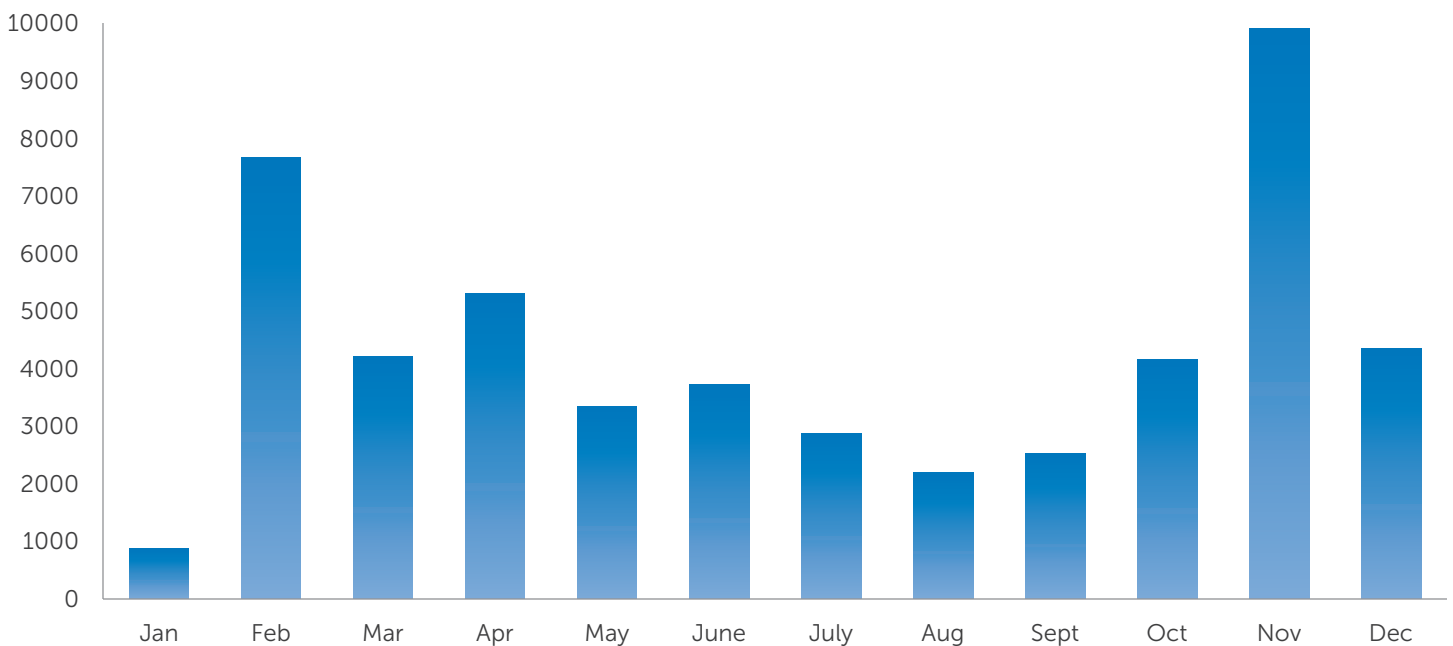
³Includes reinstatements

⁴Total of one year and fixed rate/annual 3 year policies

EXPERIENCE RATINGS

January 1, 2021 to December 31, 2021

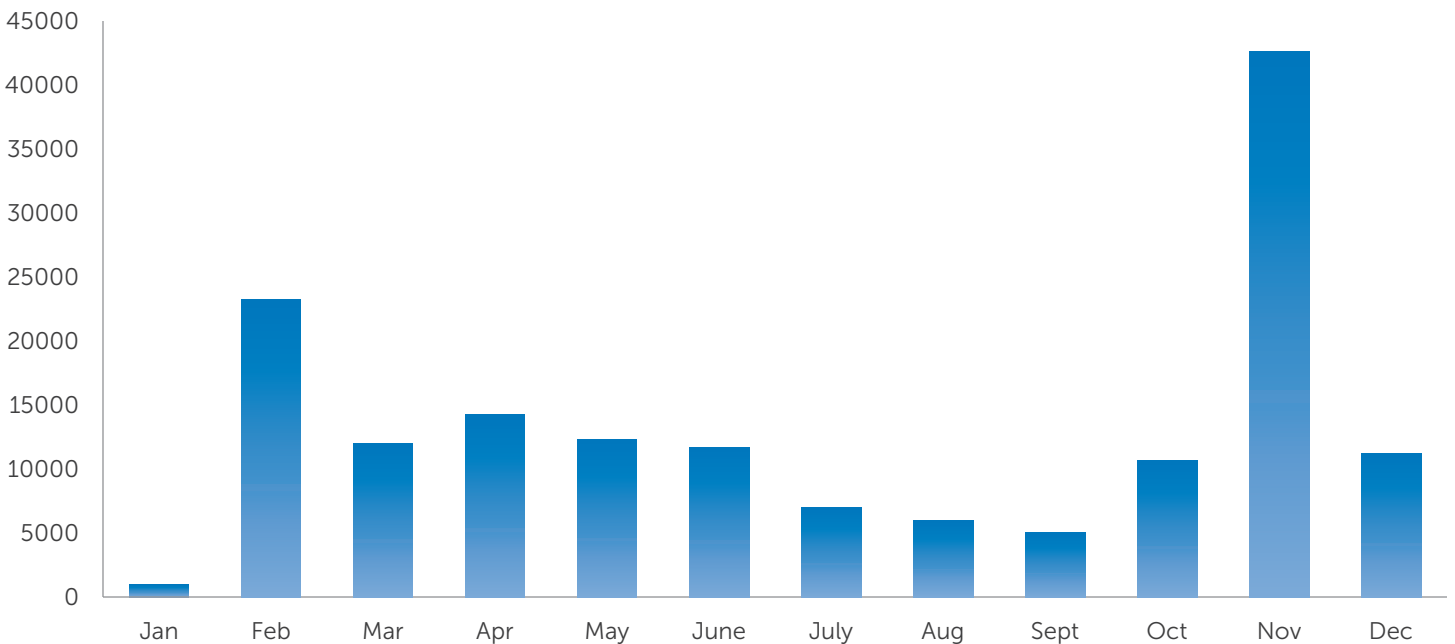
Effective Month	Total Ratings	Percentage
January	870	1.73
February	7,587	14.99
March	4,160	8.22
April	5,245	10.36
May	3,311	6.54
June	3,693	7.30
July	2,846	5.62
August	2,172	4.29
September	2,505	4.95
October	4,115	8.13
November	9,805	19.37
December	4,300	8.50
Totals	50,609	100.00



MERIT RATINGS

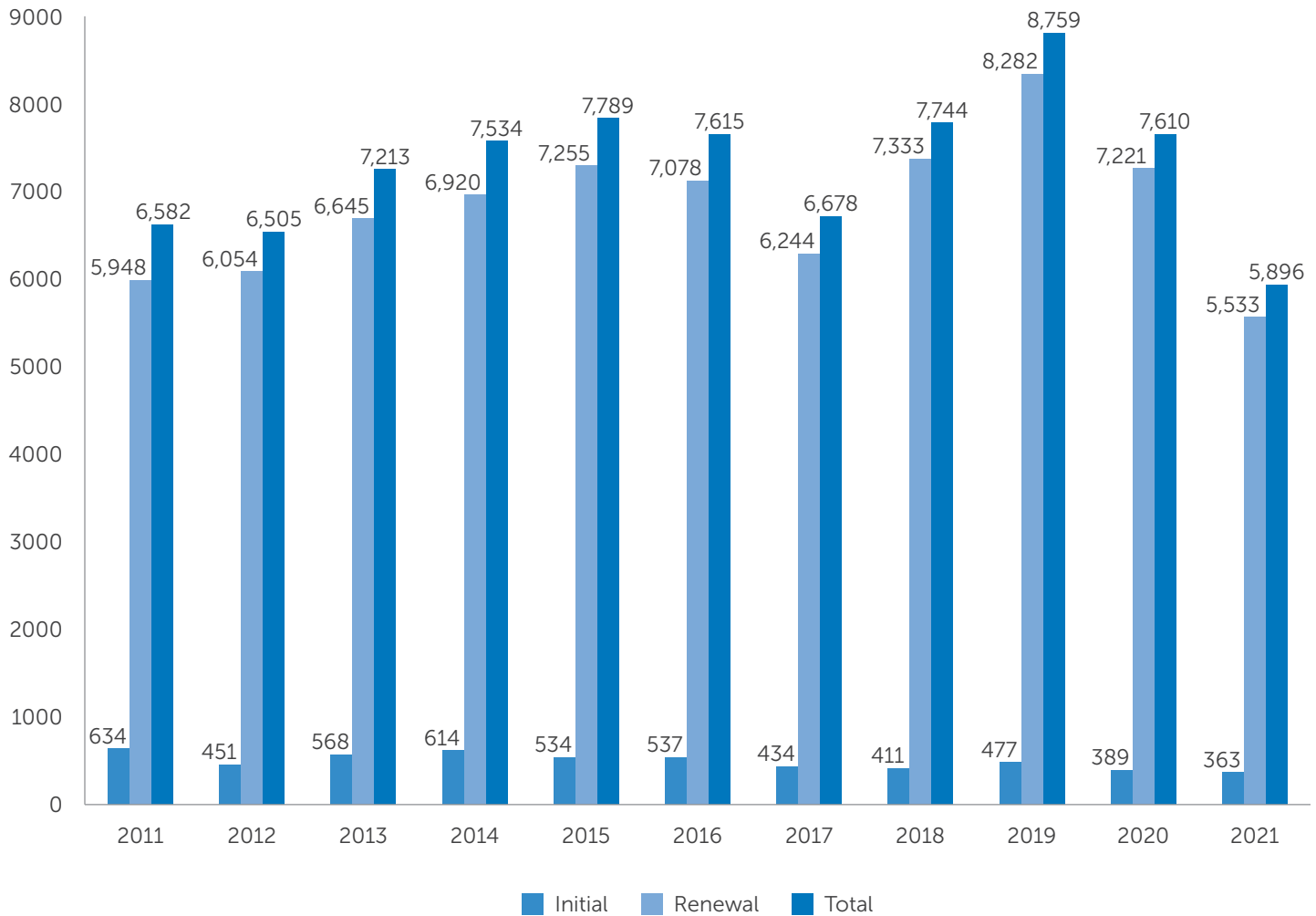
January 1, 2021 to December 31, 2021

Effective Month	Total Ratings	Percentage
January	617	.40
February	23,068	14.84
March	11,877	7.64
April	14,157	9.11
May	12,202	7.85
June	11,607	7.47
July	6,957	4.47
August	5,934	3.82
September	5,084	3.27
October	10,568	6.80
November	42,223	27.13
December	11,188	7.20
Total	155,482	100.00

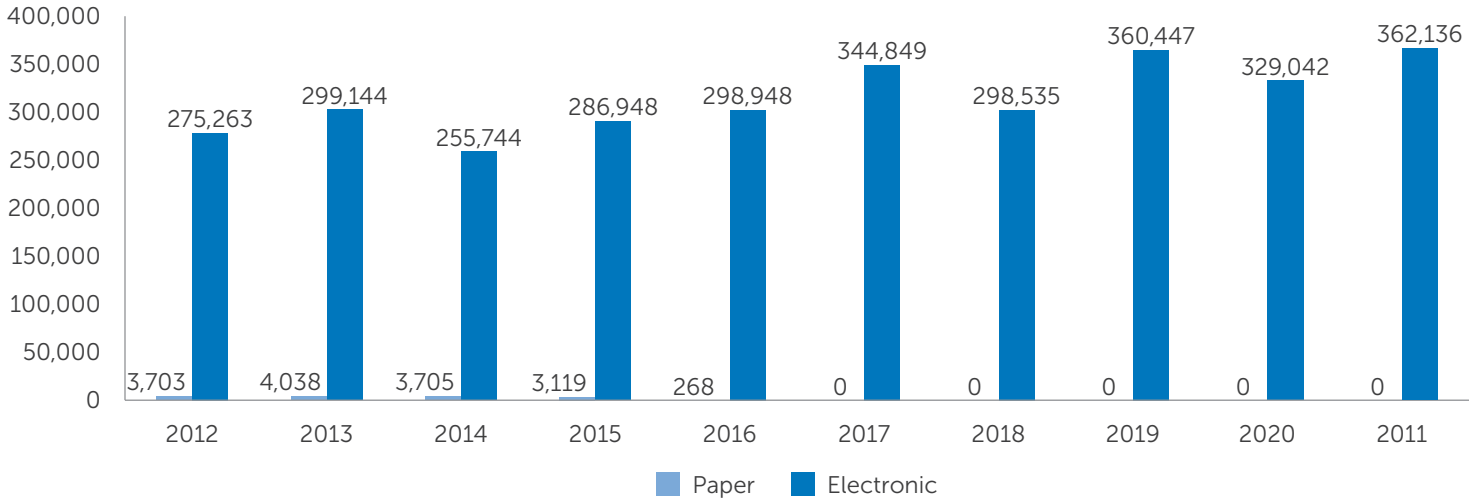


CERTIFIED SAFETY COMMITTEE CREDIT PROGRAM

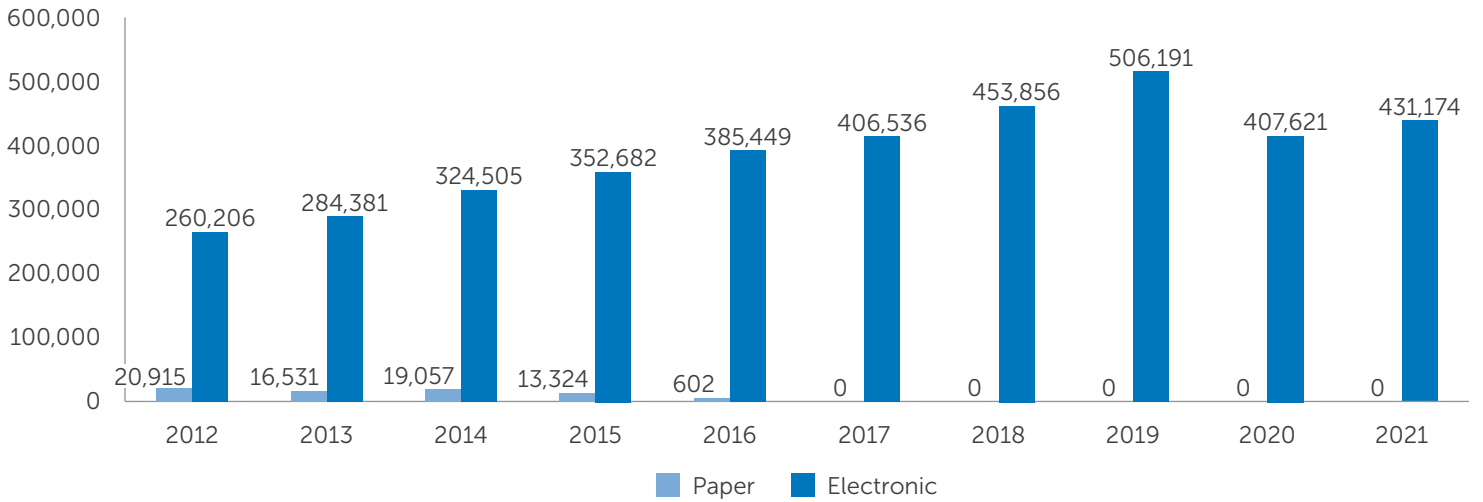
Number of Employers Receiving Credits by Year



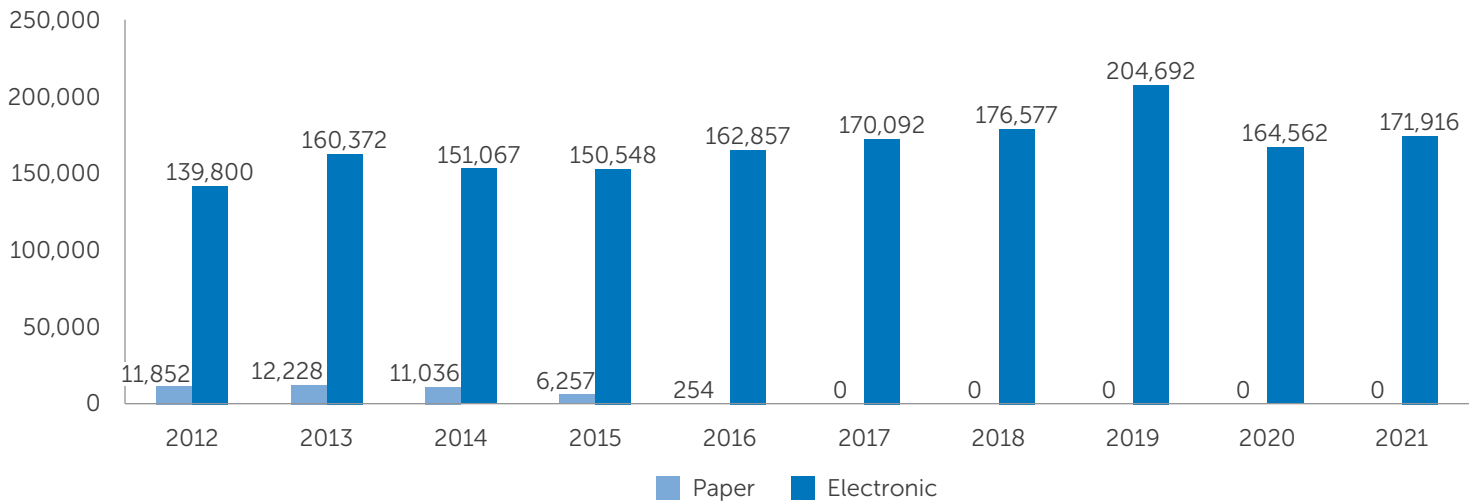
POLICIES PROCESSED



ENDORSEMENTS PROCESSED



CANCELLATIONS/REINSTATEMENTS PROCESSED



RECEIPTS BY POLICY YEAR AND TYPE OF REPORT

Electronic Media

Type of Report	Total Report	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
First	300,648	48	65	69	140	259	551	1,332	4,350	152,589	141,245
Second	15,043	18	21	33	67	171	245	573	8,089	5,826	
Third	8,194	19	25	26	65	161	318	4,366	3,214		
Fourth	5,079	26	18	28	62	183	2,629	2,133			
Fifth	3,471	31	26	47	91	1,847	1,429				
Sixth	2,580	22	28	54	1,376	1,100					
Seven	2,021	23	32	1,109	857						
Eighth	1,412	43	799	570							
Ninth	1,117	741	376								
Tenth	309	309									
Total	339,874	1,280	1,390	1,936	2,658	3,721	5,172	8,404	15,653	158,415	141,245