

Pennsylvania Compensation Rating Bureau

The Widener Building • 6th Floor One South Penn Square • Philadelphia, PA 19107-3577 (215)568-2371 • FAX (215)564-4328 • www.pcrb.com

TO: Pennsylvania Actuarial and Classification & Rating Committees

FROM: Tim Wisecarver

Mike Doyle

DATE: August 7, 2002

RE: Pennsylvania F-Class Filing - Rates and Related Rating Values

Proposed Effective Date December 1, 2002

The Bureau has completed an analysis of indicated changes in rates and related rating values applicable to F-Class business in Pennsylvania. Exhibits that organize and present the results of that work, together with some explanatory narrative materials, are enclosed for your review.

Prior to submitting rate or rating value filings to the Pennsylvania Insurance Department, it is the Bureau's practice to share its preliminary work with your committees and to solicit questions, comments and/or suggestions for improvement so that we may consider that input in preparing our final filing product.

The opportunity for committee review and comment often takes the form of a face-to-face meeting at which materials like the enclosed are discussed. In contemplating such a meeting in regard to the enclosed draft filing, staff believes that such a meeting might engender sufficiently limited discussion as to warrant dispensing with requirements of travel and coordination of schedules attendant to such an endeavor. Accordingly, we are asking each committee member to independently review the enclosed materials and contact us with any questions, comments or suggestions you may have not later than the close of business on Friday, August 16, 2002. We may be reached in the following ways:

Telephone: 215-568-2371 Extension 210 (Tim) or 213 (Mike)

Facsimile: 215-564-4328

E-mail: twisecarver@pcrb.com or mdoyle@pcrb.com

One of the Bureau's continuing goals is to achieve filing approvals sufficiently in advance of the effective dates for new or revised rating values to allow advance notice to and within the marketplace. To that end, the Bureau may elect to revise the effective date of the filing prior to its submission and to make parametric changes consistent with the new effective date. In such case, however, the technical aspects of the filing upon which we are inviting comment would remain in use (subject to consideration of committee comments as solicited herein).

Material issues, if any, arising in our individual interactions will be communicated to all committee members.

kg Enclosure