

PENNSYLVANIA COMPENSATION RATING BUREAU

State and Hazard Group Relativities

The attached exhibit pages present an analysis of Pennsylvania State and Hazard Group relativities.

Page 1 shows the indicated State and Hazard Group Relativities.

Page 2 presents factors by type of injury and policy year which are applied to reported data to project trended ultimate average costs.

Page 3 through 6 calculates average costs by hazard group.

Page 7 relates a countrywide (NCCI states) severity to Pennsylvania severities by hazard group to generate relativities.

<u>Hazard Group</u>	<u>Current</u>	<u>Proposed</u>
I	1.039	1.012
II	0.896	0.881
III	0.673	0.687
IV	0.545	0.527

PENNSYLVANIA  
STATE AND HAZARD GROUP RELATIVITIES  
PROPOSED EFFECTIVE DATE: 4/1/03

Proposed Relativities

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Hazard Group	Factor
I	1.012
II	0.881
III	0.687
IV	0.527

Pennsylvania  
State & Hazard Group Relativities  
Factors to Adjusted Reported Data to Projected Levels

	Indemnity Death	Indemnity PT	Indemnity Major	Indemnity Minor	Indemnity Temp	All Medical
<b>1A Severity Trend Factors</b>						
95	1.4429	1.4429	1.4429	1.3430	1.3430	1.6634
96	1.3740	1.3740	1.3740	1.2912	1.2912	1.5543
97	1.3085	1.3085	1.3085	1.2414	1.2414	1.4523
98	1.2461	1.2461	1.2461	1.1935	1.1935	1.3570
99	1.1866	1.1866	1.1866	1.1475	1.1475	1.2680
<b>1B Benefit Level (ACT44 and ACT 57) Factors</b>						
95	0.9732	0.7527	0.9732	0.9731	0.9732	1.0000
96	0.9930	0.9356	0.9930	0.9930	0.9930	1.0000
97	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
98	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
99	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>1C Loss Development Factors</b>						
95	1.0829	1.4036	1.0072	0.9819	0.9470	1.0000
96	1.0895	2.5670	1.0538	0.9416	0.9247	1.0064
97	1.1986	4.1436	1.2695	0.8902	0.8874	1.0156
98	1.2370	8.2800	1.9033	0.8500	0.8780	1.0321
99	1.3741	10.0965	4.5859	1.1302	0.9438	1.0935
<b>1D Claim Count Development Factors</b>						
95	1.0000	1.0000	1.0000	1.0000	1.0000	
96	1.0087	1.6190	1.0286	0.9898	1.0002	
97	1.0792	2.5070	1.1759	0.9691	1.0014	
98	1.1398	5.2647	1.6709	0.9429	1.0086	
99	1.3111	5.3889	3.8592	1.0104	1.0363	
<b>1E Claim Count Trend Factors</b>						
95	1.2980	0.7212	0.7404	1.0082	1.0893	
96	1.2535	0.7834	0.7707	1.0078	1.0766	
97	1.1960	0.7974	0.7907	0.9941	1.0516	
98	1.1491	0.8208	0.8215	0.9885	1.0343	
99	1.0920	0.8400	0.8416	0.9707	1.0060	

**Pennsylvania  
State & Hazard Group Relativities  
Projected Loss Costs**

**Hazard Group I**

**(1) Reported Losses**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	3,114	597,788	1,904,890	299,130	1,102,310	2,262,108	6,169,340
96	-	-	2,074,076	316,301	1,306,969	2,571,635	6,268,981
97	-	-	732,814	206,060	1,259,074	1,719,039	3,916,987
98	-	292,624	514,110	323,780	1,185,693	1,712,815	4,029,022
99	383,754	-	179,429	644,813	1,405,226	2,550,830	5,164,052
Total	386,868	890,412	5,405,319	1,790,084	6,259,272	10,816,427	25,548,382

**(2) Reported Claim Counts**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	1	2	14	14	191	222	222
96	-	-	11	19	223	253	253
97	-	-	5	12	219	236	236
98	-	1	4	19	186	210	210
99	1	-	2	22	244	269	269
Total	2	3	36	86	1,063	1,190	1,190

**(3) Reported Average Cost ((1)/(2))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	3,114	298,894	136,064	21,366	5,771	10,190	27,790
96	-	-	188,552	16,647	5,861	10,165	24,779
97	-	-	146,563	17,172	5,749	7,284	16,597
98	-	292,624	128,528	17,041	6,375	8,156	19,186
99	383,754	-	89,715	29,310	5,759	9,483	19,197
Average	193,434	296,804	150,148	20,815	5,888	9,089	21,469

**(4) Ultimate On Level Losses((1) \* (1B) \* (1C))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	3,282	631,557	1,867,187	285,815	1,015,911	2,262,108	6,065,860
96	-	-	2,170,362	295,744	1,200,094	2,588,093	6,254,293
97	-	-	930,307	183,435	1,117,302	1,745,856	3,976,900
98	-	2,422,927	978,506	275,213	1,041,038	1,767,796	6,485,480
99	527,316	-	822,843	728,768	1,326,252	2,789,333	6,194,512
Total	530,598	3,054,484	6,769,205	1,768,975	5,700,597	11,153,186	28,977,045

**(5) Ultimate Claim Counts ((2) \* (1D))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	1	2	14	14	191	222	222
96	-	-	11	19	223	253	253
97	-	-	6	12	219	237	237
98	-	5	7	18	188	218	218
99	1	-	8	22	253	284	284
Total	2	7	46	85	1,074	1,214	1,214

**(6) Ultimate Average Cost ((4) / (5))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	3,282	315,779	133,371	20,415	5,319	10,190	27,324
96	-	-	197,306	15,565	5,382	10,230	24,721
97	-	-	155,051	15,286	5,102	7,366	16,780
98	-	484,585	139,787	15,290	5,537	8,109	29,750
99	527,316	-	102,855	33,126	5,242	9,822	21,812
Average	265,299	436,355	147,157	20,811	5,308	9,187	23,869

**(7) Trended Average Cost ( (6) \* (1A) )**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	4,736	455,638	192,441	27,417	7,143	16,950	704,325
96	-	-	271,098	20,098	6,949	15,900	314,045
97	-	-	202,884	18,976	6,334	10,698	238,892
98	-	603,841	174,189	18,249	6,608	11,004	813,891
99	625,713	-	122,048	38,012	6,015	12,454	804,242
Total	630,449	1,059,479	962,660	122,752	33,049	67,006	2,875,395

**(8) Trended Claim Count ((5) \* (1E))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	1	1	10	14	208	234	234
96	-	-	8	19	240	267	267
97	-	-	5	12	230	247	247
98	-	4	6	18	194	222	222
99	1	-	7	21	255	284	284
Total	2	5	36	84	1,127	1,254	1,254

**(9) Projected Losses ((7) \* (8))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	4,736	455,638	1,924,410	383,838	1,485,744	3,966,300	8,220,666
96	-	-	2,168,784	381,862	1,667,760	4,245,300	8,463,706
97	-	-	1,014,420	227,712	1,456,820	2,642,406	5,341,358
98	-	2,415,364	1,045,134	328,482	1,281,952	2,442,888	7,513,820
99	625,713	-	854,336	798,252	1,533,825	3,536,936	7,349,062
Total	630,449	2,871,002	7,007,084	2,120,146	7,426,101	16,833,830	36,888,612

**(10) Projected Average Cost ((9) / (8))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	4,736	455,638	192,441	27,417	7,143	16,950	35,131
96	-	-	271,098	20,098	6,949	15,900	31,699
97	-	-	202,884	18,976	6,334	10,698	21,625
98	-	603,841	174,189	18,249	6,608	11,004	33,846
99	625,713	-	122,048	38,012	6,015	12,454	25,877
Average	315,225	574,200	194,641	25,240	6,589	13,424	29,417

**Pennsylvania  
State & Hazard Group Relativities  
Projected Loss Costs**

**Hazard Group II**

**(1) Reported Losses**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	8,220,760	31,621,966	256,007,788	63,504,721	129,388,297	322,628,662	811,372,194
96	5,878,592	8,953,009	182,546,699	60,028,817	123,990,077	312,290,903	693,688,097
97	4,488,287	7,912,562	145,576,378	62,970,973	138,016,647	332,122,560	691,087,407
98	5,365,556	2,256,923	100,157,071	67,960,969	143,449,219	330,924,245	650,113,983
99	6,421,630	4,250,642	42,145,608	51,861,062	143,816,223	304,520,587	553,015,752
Total	30,374,825	54,995,102	726,433,544	306,326,542	678,660,463	1,602,486,957	3,399,277,433

**(2) Reported Claim Counts**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	36	109	1,898	3,016	27,550	32,609	32,609
96	42	38	1,382	2,771	25,421	29,654	29,654
97	30	32	1,146	2,915	25,520	29,643	29,643
98	29	12	776	3,039	25,785	29,641	29,641
99	34	17	320	2,731	25,660	28,762	28,762
Total	171	208	5,522	14,472	129,936	150,309	150,309

**(3) Reported Average Cost ((1)/(2))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	228,354	290,110	134,883	21,056	4,696	9,894	24,882
96	139,966	235,606	132,089	21,663	4,877	10,531	23,393
97	149,610	247,268	127,030	21,602	5,408	11,204	23,314
98	185,019	188,077	129,068	22,363	5,563	11,164	21,933
99	188,871	250,038	131,705	18,990	5,605	10,588	19,227
Average	177,631	264,400	131,553	21,167	5,223	10,661	22,615

**(4) Ultimate On Reported Losses**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	8,663,680	33,408,282	250,940,636	60,677,928	119,246,894	322,628,662	795,566,082
96	6,359,893	21,502,309	191,021,137	56,127,472	113,851,049	314,289,565	703,151,425
97	5,379,661	32,786,492	184,809,212	56,056,760	122,475,973	337,303,672	738,811,770
98	6,637,193	18,687,322	190,628,953	57,766,824	125,948,414	341,546,913	741,215,619
99	8,823,962	42,916,607	193,275,544	58,613,372	135,733,751	332,993,262	772,356,498
Total	35,864,389	149,301,012	1,010,675,482	289,242,356	617,256,081	1,648,762,074	3,751,101,394

**(5) Ultimate Claim Counts ((2) \* (1D))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	36	109	1,898	3,016	27,550	32,609	32,609
96	42	62	1,422	2,743	25,426	29,695	29,695
97	32	80	1,348	2,825	25,556	29,841	29,841
98	33	63	1,297	2,865	26,007	30,265	30,265
99	45	92	1,235	2,759	26,591	30,722	30,722
Total	188	406	7,200	14,208	131,130	153,132	153,132

**(6) Ultimate Average Cost ((4) / (5))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	240,658	306,498	132,213	20,119	4,328	9,894	24,397
96	151,426	346,811	134,333	20,462	4,478	10,584	23,679
97	168,114	409,831	137,099	19,843	4,792	11,303	24,758
98	201,127	296,624	146,977	20,163	4,843	11,285	24,491
99	196,088	466,485	156,498	21,244	5,104	10,839	25,140
Average	190,768	367,736	140,372	20,358	4,707	10,767	24,496

**(7) Trended Average Cost ((6) \* (1A))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	347,245	442,246	190,770	27,020	5,813	16,458	1,029,552
96	208,059	476,518	184,574	26,421	5,782	16,451	917,805
97	219,977	536,264	179,394	24,633	5,949	16,415	982,632
98	250,624	369,623	183,148	24,065	5,780	15,314	848,554
99	232,678	553,531	185,701	24,377	5,857	13,744	1,015,888
Total	1,258,583	2,378,182	923,587	126,516	29,181	78,382	4,794,431

**(8) Trended Claim Count ((5) \* (1E))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	47	79	1,405	3,041	30,010	34,582	34,582
96	53	49	1,096	2,764	27,374	31,336	31,336
97	38	64	1,066	2,808	26,875	30,851	30,851
98	38	52	1,065	2,832	26,899	30,886	30,886
99	49	77	1,039	2,678	26,751	30,594	30,594
Total	225	321	5,671	14,123	137,909	158,249	158,249

**(9) Projected Losses ((7) \* (8))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	16,320,515	34,937,434	268,031,850	82,167,820	174,448,130	569,150,556	1,145,056,305
96	11,027,127	23,349,382	202,293,104	73,027,644	158,276,468	515,508,536	983,482,261
97	8,359,126	34,320,896	191,234,004	69,169,464	159,879,375	506,419,165	969,382,030
98	9,523,712	19,220,396	195,052,620	68,152,080	155,476,220	472,988,204	920,413,232
99	11,401,222	42,621,887	192,943,339	65,281,606	156,680,607	420,483,936	889,412,597
Total	56,631,702	154,449,995	1,049,554,917	357,798,614	804,760,800	2,484,550,397	4,907,746,425

**(10) Projected Average Cost ((9) / (8))**

	Death	P.T	Major	Minor	Temp	Med	Grand Total
95	347,245	442,246	190,770	27,020	5,813	16,458	33,111
96	208,059	476,518	184,574	26,421	5,782	16,451	31,385
97	219,977	536,264	179,394	24,633	5,949	16,415	31,421
98	250,624	369,623	183,148	24,065	5,780	15,314	29,800
99	232,678	553,531	185,701	24,377	5,857	13,744	29,071
Average	251,696	481,153	185,074	25,334	5,835	15,700	31,013

**Pennsylvania  
State & Hazard Group Relativities  
Projected Loss Costs**

**Hazard Group III**

(1) Reported Losses		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	13,826,741	39,629,556	257,647,900	42,431,730	86,651,584	245,913,738	686,101,249	
96	16,881,748	19,043,670	203,910,068	47,267,258	86,745,377	250,878,932	624,727,053	
97	11,533,476	11,496,384	172,780,401	49,426,740	99,188,317	248,444,620	592,869,938	
98	13,289,248	6,430,090	130,284,420	53,900,387	114,094,758	272,441,937	590,440,840	
99	11,772,992	4,907,351	65,453,380	47,634,881	127,274,096	257,832,326	514,875,026	
Total	67,304,205	81,507,051	830,076,169	240,660,996	513,954,132	1,275,511,553	3,009,014,106	
(2) Reported Claim Counts		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	70	122	1,679	1,852	17,257	20,980	20,980	
96	68	64	1,429	2,036	17,685	21,282	21,282	
97	67	39	1,226	2,107	17,758	21,197	21,197	
98	60	18	945	2,151	18,738	21,912	21,912	
99	52	16	453	2,117	19,700	22,338	22,338	
Total	317	259	5,732	10,263	91,138	107,709	107,709	
(3) Reported Average Cost ((1)/(2))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	197,525	324,832	153,453	22,911	5,021	11,721	32,703	
96	248,261	297,557	142,694	23,216	4,905	11,788	29,355	
97	172,141	294,779	140,930	23,458	5,586	11,721	27,970	
98	221,487	357,227	137,867	25,058	6,089	12,433	26,946	
99	226,404	306,709	144,489	22,501	6,461	11,542	23,049	
Average	212,316	314,699	144,814	23,449	5,639	11,842	27,937	
(4) Ultimate On Level Losses((1) * (1B) * (1C))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	14,571,702	41,868,219	252,548,285	40,542,962	79,859,868	245,913,738	675,304,774	
96	18,263,916	45,736,900	213,376,267	44,195,302	79,651,956	252,484,557	653,708,898	
97	13,824,024	47,636,417	219,344,719	43,999,684	88,019,713	252,320,356	665,144,913	
98	16,438,800	53,241,145	247,970,337	45,815,329	100,175,198	281,187,323	744,828,132	
99	16,177,268	49,547,069	300,162,655	53,836,943	120,121,292	281,939,648	821,784,875	
Total	79,275,710	238,029,750	1,233,402,263	228,390,220	467,828,027	1,313,845,622	3,560,771,592	
(5) Ultimate Claim Counts ((2) * (1D))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	70	122	1,679	1,852	17,257	20,980	20,980	
96	69	104	1,470	2,015	17,689	21,347	21,347	
97	72	98	1,442	2,042	17,783	21,437	21,437	
98	68	95	1,579	2,028	18,899	22,669	22,669	
99	68	86	1,748	2,139	20,415	24,456	24,456	
Total	347	505	7,918	10,076	92,043	110,889	110,889	
(6) Ultimate Average Cost ((4) / (5))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	208,167	343,182	150,416	21,891	4,628	11,721	32,188	
96	264,694	439,778	145,154	21,933	4,503	11,828	30,623	
97	192,000	486,086	152,111	21,547	4,950	11,770	31,028	
98	241,747	560,433	157,043	22,591	5,301	12,404	32,857	
99	237,901	576,129	171,718	25,169	5,884	11,528	33,603	
Average	228,460	471,346	155,772	22,667	5,083	11,848	32,111	
(7) Trended Average Cost ( (6) * (1A) )		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	300,364	495,177	217,035	29,400	6,215	19,497	1,067,688	
96	363,690	604,255	199,442	28,320	5,814	18,384	1,219,905	
97	251,232	636,044	199,037	26,748	6,145	17,094	1,136,300	
98	301,241	698,356	195,691	26,962	6,327	16,832	1,245,409	
99	282,293	683,635	203,761	28,881	6,752	14,618	1,219,940	
Total	1,498,820	3,117,467	1,014,966	140,311	31,253	86,425	5,889,242	
(8) Trended Claim Count ((5) * (1E))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	91	88	1,243	1,867	18,798	22,087	22,087	
96	86	81	1,133	2,031	19,044	22,375	22,375	
97	86	78	1,140	2,030	18,701	22,035	22,035	
98	78	78	1,297	2,005	19,547	23,005	23,005	
99	74	72	1,471	2,076	20,537	24,230	24,230	
Total	415	397	6,284	10,009	96,627	113,732	113,732	
(9) Projected Losses ((7) * (8))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	27,333,124	43,575,576	269,774,505	54,889,800	116,829,570	430,630,239	943,032,814	
96	31,277,340	48,944,655	225,967,786	57,517,920	110,721,816	411,342,000	885,771,517	
97	21,605,952	49,611,432	226,902,180	54,298,440	114,917,645	376,666,290	844,001,939	
98	23,496,798	54,471,768	253,811,227	54,058,810	123,673,869	387,220,160	896,732,632	
99	20,889,682	49,221,720	299,732,431	59,956,956	138,665,824	354,194,140	922,660,753	
Total	124,602,896	245,825,151	1,276,188,129	280,721,926	604,808,724	1,960,052,829	4,492,199,655	
(10) Projected Average Cost ((9) / (8))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	300,364	495,177	217,035	29,400	6,215	19,497	42,696	
96	363,690	604,255	199,442	28,320	5,814	18,384	39,588	
97	251,232	636,044	199,037	26,748	6,145	17,094	38,303	
98	301,241	698,356	195,691	26,962	6,327	16,832	38,980	
99	282,293	683,635	203,761	28,881	6,752	14,618	38,079	
Average	300,248	619,207	203,085	28,047	6,259	17,234	39,498	

**Pennsylvania  
State & Hazard Group Relativities  
Projected Loss Costs**

**Hazard Group IV**

(1) Reported Losses		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	1,428,943	4,240,693		7,518,943	1,374,939	3,140,549	8,720,636	26,424,703
96	1,248,969	929,275		6,957,061	2,344,693	2,249,683	11,190,527	24,920,208
97	1,190,567	-		4,763,030	1,207,631	1,738,303	5,494,248	14,393,779
98	1,900,247	1,392,209		2,594,492	1,507,087	2,370,828	17,787,576	27,552,439
99	641,886	636,591		940,070	1,378,430	2,527,576	9,299,287	15,423,840
Total	6,410,612	7,198,768		22,773,596	7,812,780	12,026,939	52,492,274	108,714,969
(2) Reported Claim Counts		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	5	9		48	57	545	664	664
96	5	3		50	84	492	634	634
97	4	-		33	51	426	514	514
98	4	3		19	62	424	512	512
99	3	3		6	52	444	508	508
Total	21	18		156	306	2,331	2,832	2,832
(3) Reported Average Cost ((1)/(2))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	285,789	471,188		156,645	24,122	5,762	13,133	39,796
96	249,794	309,758		139,141	27,913	4,573	17,651	39,306
97	297,642	-		144,334	23,679	4,081	10,689	28,003
98	475,062	464,070		136,552	24,308	5,592	34,741	53,813
99	213,962	212,197		156,678	26,508	5,693	18,306	30,362
Average	305,267	399,932		145,985	25,532	5,160	18,535	38,388
(4) Ultimate On Level Losses((1) * (1B) * (1C))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	1,505,932	4,480,249		7,370,121	1,313,736	2,894,394	8,720,636	26,285,068
96	1,351,226	2,231,826		7,280,031	2,192,309	2,065,720	11,262,146	26,383,258
97	1,427,014	-		6,046,667	1,075,033	1,542,570	5,579,958	15,671,242
98	2,350,606	11,527,491		4,938,097	1,281,024	2,081,587	18,358,557	40,537,362
99	882,016	6,427,341		4,311,067	1,557,902	2,385,526	10,168,770	25,732,622
Total	7,516,794	24,666,907		29,945,983	7,420,004	10,969,797	54,090,067	134,609,552
(5) Ultimate Claim Counts (2) * (1D))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	5	9		48	57	545	664	664
96	5	5		51	83	492	636	636
97	4	-		39	49	427	519	519
98	5	16		32	58	428	539	539
99	4	16		23	53	460	556	556
Total	23	46		193	300	2,352	2,914	2,914
(6) Ultimate Average Cost ((4) / (5))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	301,186	497,805		153,544	23,048	5,311	13,133	39,586
96	270,245	446,365		142,746	26,413	4,199	17,708	41,483
97	356,754	-		155,043	21,939	3,613	10,751	30,195
98	470,121	720,468		154,316	22,087	4,864	34,060	75,208
99	220,504	401,709		187,438	29,394	5,186	18,289	46,282
Average	326,817	536,237		155,161	24,733	4,664	18,562	46,194
(7) Trended Average Cost ((6) * (1A) )		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	434,581	718,283		221,549	30,953	7,133	21,845	1,434,344
96	371,317	613,306		196,133	34,104	5,422	27,524	1,247,806
97	466,813	-		202,874	27,235	4,485	15,614	717,021
98	585,818	897,775		192,293	26,361	5,805	46,219	1,754,271
99	261,650	476,668		222,414	33,730	5,951	23,190	1,023,603
Total	2,120,179	2,706,032		1,035,263	152,383	28,796	134,392	6,177,045
(8) Trended Claim Count ((5) * (1E))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	6	6		36	57	594	699	699
96	6	4		39	84	530	663	663
97	5	-		31	49	449	534	534
98	6	13		26	57	443	545	545
99	4	13		19	51	463	550	550
Total	27	36		151	298	2,479	2,991	2,991
(9) Projected Losses ((7) * (8))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	2,607,486	4,309,698		7,975,764	1,764,321	4,237,002	15,269,655	36,163,926
96	2,227,902	2,453,224		7,649,187	2,864,736	2,873,660	18,248,412	36,317,121
97	2,334,065	-		6,289,094	1,334,515	2,013,765	8,337,876	20,309,315
98	3,514,908	11,671,075		4,999,618	1,502,577	2,571,615	25,189,355	49,449,148
99	1,046,600	6,196,684		4,225,866	1,720,230	2,755,313	12,754,500	28,699,193
Total	11,730,961	24,630,681		31,139,529	9,186,379	14,451,355	79,799,798	170,938,703
(10) Projected Average Cost ((9) / (8))		Death	P.T	Major	Minor	Temp	Med	Grand Total
95	434,581	718,283		221,549	30,953	7,133	21,845	51,737
96	371,317	613,306		196,133	34,104	5,422	27,524	54,777
97	466,813	-		202,874	27,235	4,485	15,614	38,032
98	585,818	897,775		192,293	26,361	5,805	46,219	90,732
99	261,650	476,668		222,414	33,730	5,951	23,190	52,180
Average	434,480	684,186		206,222	30,827	5,830	26,680	57,151

PENNSYLVANIA  
 State and Hazard Group Relativities  
 Policy Years 1995-1999

**Calculation of PA Hazard Group Relativities.**

Injury	(1) Incurred Losses	(2) # Claims	(3) Average Severity	(4) PA Adjusted Average Severity ( Col (F) below)	(5) NCCI Ave Sev +	(6) Penna. Relativity =(5)/(3i)	(7) Selected
(i) Hazard Group I	36,888,612	1,254	29,417	26984		1.012	1.012
(ii) Hazard Group II	4,907,746,425	158,249	31,013	31013		0.881	0.881
(iii) Hazard Group III	4,492,199,655	113,732	39,498	39749		0.687	0.687
(iv) Hazard Group IV	170,938,703	2,991	57,151	51848		0.527	0.527
Total - All Hazard Groups	9,607,773,395	276,226	34,782		27,321		

**Calculation of PA Adjusted Average Severities**

Injury	(A) PA Current Relativity	(B) PA Current Relativity to HG II =(A) / (Ab)	(C) PA Indicated Relativity to HG II =(3) / (3ii)	(D) Credibility ++	(E) Credibility Weighted Relativity to HG II =(C)x(D) + (B)x(1-(D))	(F) PA Adjusted Average Severity =(E)x(3ii)
(a) Hazard Group I	1.039	0.8624	0.9485	0.09	0.8701	26984
(b) Hazard Group II	0.896	1.0000	1.0000	1.00	1.0000	31013
(c) Hazard Group III	0.673	1.3314	1.2736	0.86	1.2817	39749
(d) Hazard Group IV	0.545	1.6440	1.8428	0.14	1.6718	51848

Notes:

+ Average Severity of NCCI states underlying Table M expected loss group ranges.

++ Full credibility equals 155,000 claims for each Hazard Group.  $Z = (\text{calculated \# claims} / 155,000)^{0.5}$