

PENNSYLVANIA COMPENSATION RATING BUREAU

Review of Experience Rating Plan Parameters

Page 19.1 contains Collectible Premium Ratios.

Page 19.2 contains Expected Loss Cost Factors. They are applied to loss costs by classification to produce Table A values (Expected Loss Factors) which are the basis for the calculation of Expected Losses.

COLLECTIBLE PREMIUM RATIOS *

Manual Years 1999 & 2000 & 2001 Unit Data

Manual Year	Premium at Manual Rates	Collected Premium (Excluding Constants)	Collectible Premium Ratio (2)/(3)
(1)	(2)	(3)	(4)
ALL INDUSTRIES			
1999	2,449,304,869	2,290,591,929	1.0693
2000	2,628,888,318	2,416,221,086	1.0880
2001	2,650,188,490	2,401,374,634	1.1036
TOTAL	7,728,381,677	7,108,187,649	1.0873
MANUFACTURING AND UTILITIES			
1999	651,056,727	597,279,023	1.0900
2000	678,479,075	607,349,880	1.1171
2001	629,542,437	557,874,620	1.1285
TOTAL	1,959,078,239	1,762,503,523	1.1115
CONTRACTING AND QUARRYING			
1999	421,349,957	392,301,213	1.0740
2000	458,177,040	414,389,936	1.1057
2001	485,916,300	429,673,628	1.1309
TOTAL	1,365,443,297	1,236,364,777	1.1044
OTHER INDUSTRIES			
1999	1,376,898,185	1,301,011,693	1.0583
2000	1,492,232,203	1,394,481,270	1.0701
2001	1,534,729,753	1,413,826,386	1.0855
TOTAL	4,403,860,141	4,109,319,349	1.0717

* Excludes classifications and coverages not subject to experience rating

CALCULATION OF EXPECTED LOSS COST FACTORS (a)

Policy Year Beginning 4/1 (1)	Act 57 Adjust- ment (2)	Adjust- ment Factor (3)	Loss Ratio Development Factor (4)	Collectible Premium Ratio (5)	Trend Factor (6)	Product (2) * (3) * (4) *(5) * (6) (7)	Expected Loss Cost Factor 1.0 / (7) (8)
<u>Manufacturing and Utilities</u>							
2001	1.0000	1.0000	1.2809	1.1115	1.1377	1.6198	0.6174
2002	1.0000	1.0000	1.4509	1.1115	1.1015	1.7764	0.5629
2003	1.0000	1.0000	1.8766	1.1115	1.0666	2.2248	0.4495
<u>Contracting and Quarrying</u>							
2001	1.0000	1.0000	1.3802	1.1044	1.1377	1.7342	0.5766
2002	1.0000	1.0000	1.5168	1.1044	1.1015	1.8452	0.5419
2003	1.0000	1.0000	1.9540	1.1044	1.0666	2.3017	0.4345
<u>Other Industries</u>							
2001	1.0000	1.0000	1.2953	1.0717	1.1377	1.5793	0.6332
2002	1.0000	1.0000	1.4637	1.0717	1.1015	1.7279	0.5787
2003	1.0000	1.0000	1.8816	1.0717	1.0666	2.1508	0.4649

a Apply to pure Loss Costs (pre-LBA, Merit Rating Plan, PCCPAP and Certified Safety Committee adjustments).