

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 Year	Premium at Manual Rates	Collected Premium (Excluding Constants)	Collectible Premium Ratio (2)/(3)
(1)	(2)	(3)	(4)
ALL INDUSTRIES			
2005	3,085,292,623	2,984,453,058	1.0338
2006	3,014,202,014	2,949,831,083	1.0218
2007	3,143,330,454	3,040,491,674	1.0338
TOTAL	9,242,825,091	8,974,775,815	1.0299
MANUFACTURING AND UTILITIES			
2005	708,296,131	686,125,893	1.0323
2006	676,737,260	669,307,374	1.0111
2007	676,772,012	657,176,216	1.0298
TOTAL	2,061,805,403	2,012,609,483	1.0244
CONTRACTING AND QUARRYING			
2005	559,060,352	515,250,590	1.0850
2006	563,054,442	522,546,599	1.0775
2007	582,784,449	536,883,826	1.0855
TOTAL	1,704,899,243	1,574,681,015	1.0827
OTHER INDUSTRIES			
2005	1,817,936,140	1,783,076,575	1.0196
2006	1,774,410,312	1,757,977,110	1.0093
2007	1,883,773,993	1,846,431,632	1.0202
TOTAL	5,476,120,445	5,387,485,317	1.0165

* 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>							
2007	1.0000	1.0000	1.2256	1.0244	0.9852	1.2369	0.8085
2008	1.0000	1.0000	1.3826	1.0244	0.9881	1.3995	0.7145
2009	1.0000	1.0000	1.7874	1.0244	0.9908	1.8142	0.5512
<u>Contracting and Quarrying</u>							
2007	1.0000	1.0000	1.2820	1.0827	0.9852	1.3675	0.7313
2008	1.0000	1.0000	1.4114	1.0827	0.9881	1.5099	0.6623
2009	1.0000	1.0000	1.7675	1.0827	0.9908	1.8961	0.5274
<u>Other Industries</u>							
2007	1.0000	1.0000	1.2356	1.0165	0.9852	1.2374	0.8081
2008	1.0000	1.0000	1.3895	1.0165	0.9881	1.3956	0.7165
2009	1.0000	1.0000	1.7879	1.0165	0.9908	1.8007	0.5553

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