

PENNSYLVANIA COMPENSATION RATING BUREAU

Review Of Experience Rating Plan Results – Capped Experience Modification Values

Attached is an exhibit routinely prepared in review of the results of the experience rating plan. The attachment is a summary report titled “Comparison of Actual Loss Ratios and Manual Loss Ratios”. This report displays comparative loss ratios computed on both Manual and Standard bases for selected risk sizes and experience modification values for all Industry Groups combined for the five year period 2005 through 2009.

Bureau Filing No. 208, approved effective April 1, 2004 revised various parameters within the Experience Rating Plan. The premiums and loss ratios contained in this report have been adjusted to reflect the experience as it would have been if the revisions of Filing No. 208 had been in place for the entire experience period shown. The experience modification factors used to generate this report are on a capped basis, consistent with the Experience Rating Plan effective April 1, 2004 and the changes made effective April 1, 2006 that further refined the capping process.

DATE 10/15/12

COMPARISON OF ACTUAL LOSS RATIOS AND MANUAL LOSS RATIOS  
FOR ALL MANUAL YEARS

EXP-MOD	UP TO - 2,499					\$2,500 - 4,999					\$5,000 - 7,499					\$7,500 - 9,999				
	RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR	
0- 60	74	31	.10	.05		34	64	3.00	1.49		17	55			12	52	.06	.03		
61- 80	1,642	1,074	1.57	1.18		675	1,877	.53	.40		550	2,582	.84	.64		532	3,565	.93	.71	
81- 85	12,599	13,963	1.55	1.30		28,056	91,451	.67	.57		23,858	123,506	.62	.52		15,046	109,357	.53	.45	
86- 90	3,855	4,417	1.11	.97		9,561	32,467	.92	.80		8,885	47,745	.70	.61		5,587	42,238	.63	.55	
91- 95	1,545	1,722	1.00	.92		3,010	10,849	.93	.86		3,063	17,503	.75	.70		2,144	17,239	.73	.68	
96- 99	902	1,043	1.17	1.14		1,491	5,633	.84	.81		1,591	9,635	.68	.66		1,294	10,982	.99	.97	
100-100	747,055	509,351	.69	.69		80,426	271,062	.63	.63		16,272	97,922	.72	.72		6,818	58,595	1.00	1.00	
CREDITS	767,672	531,602	.72	.72		123,253	413,403	.67	.64		54,236	298,948	.68	.61		31,433	242,028	.70	.63	
101-105	892	1,081	1.10	1.14		1,603	6,407	.99	1.02		1,832	11,758	1.02	1.05		1,362	12,180	.87	.90	
106-110	847	1,094	2.56	2.76		1,491	6,247	1.09	1.17		1,471	9,772	.67	.72		1,018	9,529	.67	.72	
111-115	511	659	3.11	3.51		702	3,071	.83	.94		768	5,376	1.04	1.18		591	5,758	.73	.82	
116-120	382	493	1.23	1.45		554	2,535	.94	1.11		539	3,909	.92	1.08		471	4,839	1.42	1.67	
121-130	1,148	1,701	2.45	3.07		1,829	8,760	1.24	1.55		1,697	13,108	1.10	1.38		1,234	13,454	1.22	1.53	
131-140	535	859	1.41	1.90		962	5,025	.78	1.05		939	7,766	1.01	1.36		710	8,296	1.27	1.71	
141- UP	1,295	2,588	2.25	3.80		2,265	14,991	1.41	2.41		2,182	22,792	.98	1.65		1,648	23,920	1.05	1.76	
CHARGES	5,610	8,476	2.11	2.71		9,406	47,035	1.15	1.48		9,428	74,482	.97	1.24		7,034	77,976	1.03	1.31	
TOTALS	773,282	540,077	.74	.74		132,659	460,438	.72	.70		63,664	373,430	.73	.70		38,467	320,004	.78	.75	
		\$10,000 -		14,999			\$15,000 -		24,999			\$25,000 -		49,999			\$50,000 -		99,999	
EXP-MOD	RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR	
0- 60	13	92	.23	.13		22	198	.25	.12		26	495	1.24	.69		23	838	.82	.43	
61- 80	1,145	11,140	.67	.52		3,824	60,906	.58	.45		7,552	208,265	.54	.42		5,387	279,873	.57	.42	
81- 85	17,088	174,235	.53	.44		12,916	202,651	.60	.50		6,746	189,686	.63	.52		2,306	132,652	.68	.57	
86- 90	5,922	62,874	.67	.59		4,703	78,864	.73	.64		3,329	101,893	.83	.73		1,830	112,551	.71	.62	
91- 95	2,852	32,443	.84	.78		2,784	50,457	.81	.76		2,603	85,258	.71	.66		1,664	108,683	.65	.60	
96- 99	1,704	20,473	.92	.90		1,980	37,593	.76	.75		2,142	74,121	.69	.67		1,396	95,496	.75	.73	
100-100	6,050	73,285	.78	.78		4,078	77,397	.85	.85		2,489	84,898	.88	.88		1,055	72,191	.82	.82	
CREDITS	34,774	374,543	.66	.58		30,307	508,065	.69	.60		24,887	744,615	.68	.58		13,661	802,284	.66	.56	
101-105	1,892	23,949	.74	.76		2,056	40,922	.78	.80		2,234	80,799	.75	.77		1,390	99,550	.76	.78	
106-110	1,277	16,875	.90	.97		1,367	28,770	.76	.82		1,664	64,270	.74	.80		1,099	83,958	.70	.76	
111-115	838	11,656	.67	.75		1,015	22,359	.74	.84		1,467	59,262	.71	.80		986	78,207	.80	.90	
116-120	677	9,938	.80	.94		955	22,214	.72	.84		1,209	50,777	.73	.85		852	70,191	.77	.90	
121-130	1,848	28,674	.83	1.05		2,250	55,236	.88	1.11		2,473	108,822	.84	1.05		1,576	139,256	.75	.93	
131-140	1,051	17,387	.72	.97		1,255	32,842	.68	.92		1,194	57,634	.80	1.08		766	71,880	.83	1.12	
141- UP	2,336	47,441	.83	1.37		2,361	73,880	.91	1.48		2,326	134,409	.87	1.42		1,586	184,271	.88	1.45	
CHARGES	9,919	155,921	.80	1.02		11,259	276,223	.81	1.03		12,567	555,973	.79	.99		8,255	727,312	.79	.99	
TOTALS	44,693	530,464	.70	.68		41,566	784,288	.73	.72		37,454	1300,588	.73	.72		21,916	1529,596	.72	.72	
		\$100,000 -		249,999			\$250,000 AND OVER					ALL RISKS								
EXP-MOD	RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR	
0- 60	73	7,647	.23	.13		157	90,550	.36	.19		451	100,023	.36	.19						
61- 80	3,645	409,201	.54	.39		2,116	1295,295	.47	.34		27,068	2273,778	.51	.37						
81- 85	1,331	169,421	.57	.47		736	507,959	.50	.42		120,682	1714,881	.58	.48						
86- 90	1,211	163,029	.68	.60		704	506,564	.56	.49		45,587	1152,642	.65	.57						
91- 95	1,074	153,450	.57	.53		647	478,900	.53	.49		21,386	956,505	.61	.56						
96- 99	906	137,243	.59	.57		567	482,342	.58	.57		13,973	874,561	.63	.62						
100-100	607	91,792	.79	.79		295	190,491	.69	.69		865,145	1526,984	.73	.73						
CREDITS	8,847	1131,784	.59	.49		5,222	3552,102	.52	.42		1094,292	8599,375	.60	.51						
101-105	990	158,420	.63	.65		552	357,165	.74	.76		14,803	792,230	.73	.75						
106-110	823	137,182	.69	.75		421	247,358	.79	.86		11,478	605,054	.76	.82						
111-115	649	114,857	.69	.78		335	231,940	.85	.96		7,862	533,146	.79	.89						
116-120	594	108,304	.74	.87		290	190,313	.93	1.10		6,523	463,514	.83	.98						
121-130	1,008	196,197	.80	1.00		570	412,251	.86	1.07		15,633	977,459	.84	1.06						
131-140	534	112,681	.79	1.07		251	196,153	.81	1.09		8,197	510,522	.81	1.09						
141- UP	1,019	256,864	.80	1.32		439	397,041	.79	1.27		17,457	1158,196	.85	1.38						
CHARGES	5,617	1084,504	.74	.93		2,858	2032,221	.82	1.00		81,953	5040,122	.81	1.00						
TOTALS	14,464	2216,287	.67	.66		8,080	5584,323	.63	.58		1176,245	13639,496	.68	.65						