



Pennsylvania Compensation Rating Bureau

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January 20, 1997

BUREAU CIRCULAR NO. 1346

To All Members of the Bureau:

Re: **FEBRUARY 1, 1997 LOSS COST FILING**

On January 16, 1997 Insurance Commissioner Linda S. Kaiser signed an Order modifying the Bureau's February 1, 1997 Loss Cost Filing in a number of significant respects. The Insurance Commissioner's modifications of the Bureau's filing effectively adopted indications of the independent actuary's report submitted on November 26, 1996 by Milliman & Robertson, Inc. pursuant to Act 57.

The Insurance Commissioner's Order requires an overall average reduction in loss costs, including provisions for loss based assessments of 25.0 percent, to be applicable on a new and renewal basis for policies having normal anniversary rating dates on or after February 1, 1997. On a comparable basis the Bureau's filing had requested an average reduction of 21.44 percent.

Attached for member reference is a table of loss costs (including loss based assessments) and expected loss factors by classification consistent with the Insurance Commissioner's January 16, 1997 Order. The following rating values, as originally filed by the Bureau, have also been approved for use on a new and renewal basis effective February 1, 1997 and are included in the values shown in the attached table of loss costs:

- Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP) Credit Offset Factors
- Merit Rating Plan Off-Balance Factors

The following rating values may be affected by the Insurance Commissioner's Order and are presently under review by the Bureau:

- Retrospective Rating Plan Optional Loss Development Factors
- Excess Loss Pure Premium Factors
- State and Hazard Group Relativities
- Small Deductible Plan Loss Elimination Ratios
- Experience Rating Plan Table B

Revised values for the above items will be provided by separate circular as soon as possible.

Complete Manual pages presenting amendments consistent with the Insurance Commissioner's Order will be prepared and distributed in the usual fashion.

Any questions concerning this circular may be addressed to the undersigned or to Michael J. Doyle, Director - Actuarial Department.

Timothy L. Wisecarver
President

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Attachments

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN EXPECTED LOSS FACTORS TABLE *			HAZARD GROUP
		A-1	A-2	A-3	
005	15.48	8.35	10.96	12.89	III
007	7.01	3.78	4.96	5.83	III
009	25.07	13.53	17.75	20.88	III
025	6.96	3.61	4.65	5.38	III
028	5.01	2.60	3.35	3.87	III
050	6.17	3.20	4.13	4.77	III
051	5.51	2.86	3.69	4.26	III
053	5.51	2.86	3.69	4.26	III
055	6.20	3.22	4.15	4.80	III
059	7.20	3.74	4.82	5.57	III
101	3.50	1.82	2.41	2.81	III
103	1.63	0.84	1.12	1.31	II
104	3.97	2.06	2.72	3.18	II
105	5.25	2.72	3.60	4.21	III
106	6.77	3.51	4.65	5.43	II
107	3.98	2.06	2.73	3.19	II
108	7.04	3.65	4.83	5.64	II
109	5.31	2.75	3.64	4.26	III
110	3.27	1.69	2.24	2.62	II
111	5.00	2.59	3.43	4.01	II
112	12.18	6.32	8.37	9.77	II
113	3.12	1.62	2.14	2.50	II
114	10.02	5.19	6.88	8.03	III
115	2.77	1.44	1.90	2.22	II
119	7.67	3.98	5.27	6.15	II
130	5.49	2.85	3.77	4.41	III
132	2.96	1.53	2.03	2.37	II
134	4.49	2.33	3.09	3.60	II
135	1.51	0.79	1.04	1.21	II
136	2.31	1.20	1.59	1.85	II
139	4.50	2.34	3.09	3.61	II
141	6.69	3.47	4.59	5.36	II
142	1.99	1.03	1.37	1.60	II
161	3.52	1.83	2.42	2.83	II
163	2.73	1.42	1.88	2.19	II
165	5.38	2.79	3.69	4.31	II
166	2.36	1.22	1.62	1.89	II
185	3.97	2.06	2.72	3.18	II
187	3.98	2.06	2.73	3.19	II
189	3.12	1.62	2.14	2.50	II
191	3.52	1.83	2.42	2.83	II
201	5.08	2.63	3.49	4.07	II
204	2.89	1.50	1.98	2.31	II
205	2.48	1.29	1.71	1.99	II
221	4.55	2.36	3.13	3.65	II

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN			HAZARD GROUP
		EXPECTED LOSS FACTORS TABLE *			
		A-1	A-2	A-3	
222	4.51	2.34	3.10	3.62	II
225	3.94	2.04	2.70	3.16	II
227	4.67	2.42	3.21	3.74	II
255	3.87	2.01	2.66	3.11	II
257	5.70	2.96	3.91	4.57	II
275	4.55	2.36	3.13	3.65	II
276	4.51	2.34	3.10	3.62	II
281	3.19	1.66	2.19	2.56	II
282	5.35	2.77	3.67	4.29	III
291	3.87	2.01	2.66	3.11	II
297	3.19	1.66	2.19	2.56	II
301	7.79	4.04	5.35	6.25	III
305	5.90	3.06	4.06	4.74	II
306	4.95	2.57	3.40	3.97	II
311	3.61	1.87	2.48	2.89	II
319	4.47	2.32	3.07	3.59	II
323	3.30	1.71	2.26	2.64	II
327	3.41	1.77	2.34	2.74	II
402	7.20	3.74	4.95	5.78	III
403	4.65	2.41	3.19	3.73	II
404	5.38	2.79	3.69	4.31	III
406	5.72	2.97	3.93	4.59	III
407	4.76	2.47	3.27	3.82	II
411	6.04	3.13	4.15	4.84	III
413	5.47	2.84	3.76	4.39	III
415	5.97	3.09	4.10	4.79	III
416	9.24	4.79	6.35	7.41	II
421	10.50	5.45	7.21	8.42	III
425	9.39	4.87	6.45	7.53	III
427	4.64	2.40	3.18	3.72	III
429	7.09	3.68	4.87	5.69	III
431	8.37	4.34	5.75	6.71	II
433	5.56	2.89	3.82	4.46	II
435	6.36	3.30	4.37	5.10	II
439	6.31	3.27	4.33	5.06	II
441	1.77	0.92	1.22	1.42	II
445	4.01 a	2.08	2.75	3.22	II
447	4.64 b	2.40	3.18	3.72	III
449	4.28	2.22	2.94	3.43	II
451	6.21	3.22	4.27	4.98	II
454	4.80	2.49	3.30	3.85	II
455	5.27	2.73	3.62	4.22	II
456	5.37	2.78	3.69	4.31	II
457	4.30	2.23	2.95	3.45	II
458	1.76	0.91	1.21	1.41	II

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

a OD: \$0.57 Supplemental is not subject to experience rating. Code as 0067.

b OD: \$0.38 Supplemental is not subject to experience rating. Code as 0066.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN			HAZARD GROUP
		EXPECTED LOSS FACTORS TABLE *			
		A-1	A-2	A-3	
459	1.78	0.92	1.22	1.43	I
461	3.87	2.01	2.66	3.11	II
463	3.47	1.80	2.38	2.79	II
467	3.01	1.56	2.07	2.41	II
472	1.57	0.81	1.08	1.26	II
473	2.12	1.10	1.46	1.70	II
475	3.77	1.96	2.59	3.02	III
483	1.80	0.94	1.24	1.45	II
486	1.65	0.86	1.13	1.32	II
487	1.35	0.70	0.93	1.08	II
489	1.01	0.52	0.69	0.81	II
491	4.65	2.41	3.19	3.73	II
493	4.01	2.08	2.75	3.22	II
495	6.21	3.22	4.27	4.98	II
497	1.57	0.81	1.08	1.26	II
499	3.77	1.96	2.59	3.02	III
501	3.81	1.98	2.62	3.06	III
502	3.37	1.75	2.31	2.70	I
505	7.87	4.08	5.41	6.31	III
506	2.78	1.44	1.91	2.23	II
507	3.44	1.78	2.36	2.76	III
509	7.62	3.95	5.23	6.11	III
511	8.00	4.15	5.49	6.41	III
512	6.24	3.24	4.29	5.01	III
513	4.84 c	2.51	3.33	3.88	II
514	8.14	4.22	5.59	6.53	III
533	15.51	8.04	10.65	12.44	III
535	3.52	1.83	2.42	2.83	II
536	6.29	3.26	4.32	5.04	II
544	11.65	6.04	8.00	9.35	III
551	3.15	1.64	2.17	2.53	IV
553	2.02	1.05	1.39	1.62	III
555	1.26	0.65	0.86	1.01	II
563	3.37	1.75	2.31	2.70	II
571	3.12	1.62	2.14	2.50	II
573	3.46	1.80	2.38	2.78	III
581	3.50	1.82	2.41	2.81	III
587	3.37	1.75	2.31	2.70	II
601	12.23	6.15	7.93	9.17	III
602	4.26	2.10	2.71	3.13	III
603	10.09	4.79	6.18	7.14	III
605	11.62	5.76	7.43	8.59	III
606	16.61	8.26	10.66	12.32	III
607	10.57	5.33	6.87	7.95	III
608	6.91	3.41	4.40	5.09	III

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

c OD: \$0.42 Supplemental is not subject to experience rating. Code as 0176.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN			HAZARD GROUP
		EXPECTED LOSS FACTORS TABLE *			
		A-1	A-2	A-3	
609	5.97	3.00	3.87	4.48	III
611	15.97	7.84	10.11	11.69	III
615	29.03 d	14.33	18.48	21.37	IV
0152	3.07				IV
617	7.70	3.87	4.99	5.77	III
645	7.79	3.79	4.89	5.65	III
646	6.28	3.11	4.01	4.64	III
647	11.41	5.78	7.46	8.62	II
648	4.81	2.40	3.10	3.59	III
649	4.09	1.99	2.56	2.97	III
651	9.96	4.91	6.33	7.32	III
652	7.73	3.98	5.14	5.94	III
653	9.45	4.66	6.01	6.95	III
654	14.14	6.93	8.93	10.33	III
655	26.33	13.03	16.81	19.43	IV
656	10.58	5.27	6.80	7.87	III
657	13.53	6.73	8.69	10.04	IV
658	11.83	5.73	7.39	8.54	III
659	20.82	10.33	13.32	15.41	III
660	3.13	1.60	2.06	2.38	III
661	4.45	2.14	2.76	3.19	III
662	3.68	1.90	2.45	2.84	II
663	5.94	2.93	3.78	4.37	III
664	4.58	2.22	2.86	3.31	III
665	10.49	5.21	6.72	7.77	III
666	8.38	4.12	5.31	6.15	III
667	2.70	1.34	1.72	1.99	III
668	6.53	3.21	4.14	4.79	II
669	9.32	4.67	6.02	6.96	III
670	5.89	2.95	3.80	4.40	III
673	6.69	3.37	4.34	5.02	III
674	6.79	3.45	4.45	5.15	III
675	6.45	3.24	4.18	4.83	III
676	6.26	3.08	3.97	4.59	III
677	13.59	6.79	8.76	10.13	III
679	16.49	8.22	10.61	12.27	III
681	5.85	2.95	3.80	4.40	III
682	25.09	12.52	16.14	18.67	III
691	5.97	3.00	3.87	4.48	III
693	9.96	4.91	6.33	7.32	III

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

d OD: \$0.72 Supplemental applies when coverage for Federal black lung is provided. It is not subject to experience rating. Code as 0164.

Associated classes - both codes must be applied. The second code is not subject to experience rating and applies to the full payroll of the associated class.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN			HAZARD GROUP
		EXPECTED LOSS FACTORS TABLE *			
		A-1	A-2	A-3	
695	4.45	2.14	2.76	3.19	III
709	2.64	1.37	1.76	2.04	III
716	4.35	2.26	2.91	3.36	III
718	6.06	3.14	4.05	4.69	III
721	7.90	4.10	5.43	6.34	III
744	2.73	1.42	1.88	2.19	II
751	1.58	0.82	1.08	1.26	III
752	1.39	0.72	0.96	1.12	III
753	3.26	1.69	2.24	2.61	III
755	1.15	0.60	0.79	0.93	III
757	1.39	0.72	0.96	1.12	III
759	5.63	2.92	3.86	4.51	III
801	6.69	3.61	4.74	5.57	II
803	17.38	9.38	12.31	14.47	III
804	4.30	2.32	3.04	3.58	III
806	14.43	7.79	10.21	12.01	III
807	10.83	5.85	7.67	9.02	III
808	9.14	4.93	6.47	7.61	III
809	5.49	2.96	3.89	4.57	III
810	5.82	3.14	4.12	4.85	III
0162	0.73				III
811	9.95	5.37	7.05	8.29	III
812	8.21	4.43	5.81	6.84	III
813	8.07	4.36	5.71	6.72	II
814	3.83	2.07	2.71	3.19	II
815	4.09	2.21	2.90	3.41	III
816	2.54	1.37	1.79	2.11	II
817	8.53	4.61	6.04	7.10	III
818	3.38	1.82	2.39	2.81	III
819	0.98	0.53	0.69	0.82	III
821	8.23	4.44	5.83	6.86	III
825	4.20	2.27	2.98	3.50	II
855	5.86	3.16	4.15	4.88	III
857	10.05	5.42	7.11	8.37	III
860	10.57	5.71	7.49	8.80	III
861	5.61	3.03	3.97	4.67	III
862	7.62	4.11	5.39	6.34	II
865	6.07	3.28	4.30	5.05	II
867	8.07	4.36	5.71	6.72	II
877	2.34	1.26	1.66	1.95	II
879	4.44	2.40	3.14	3.70	II
881	3.33	1.80	2.36	2.77	II
883	2.29	1.23	1.62	1.90	II
889	0.29	0.16	0.20	0.24	II
895	0.59	0.32	0.42	0.49	II

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

 Associated classes - both codes must be applied. The second code is not subject to experience rating and applies to the full payroll of the associated class.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN			HAZARD GROUP
		EXPECTED LOSS FACTORS TABLE *			
		A-1	A-2	A-3	
907	7.04	3.80	4.98	5.86	II
910	7.15	3.86	5.06	5.95	II
911	8.10	4.37	5.73	6.74	II
914	2.34	1.26	1.66	1.95	II
915	3.25	1.75	2.30	2.70	II
916	1.97	1.06	1.39	1.64	II
917	4.01	2.16	2.84	3.34	II
918	3.60	1.94	2.55	2.99	II
919	2.51	1.36	1.78	2.09	II
920	0.73	0.39	0.52	0.61	II
922	4.12	2.22	2.92	3.43	II
923	4.44	2.40	3.14	3.70	II
924	5.43	2.93	3.84	4.52	II
925	2.46	1.33	1.74	2.05	II
926	3.33	1.80	2.36	2.77	II
927	1.00	0.54	0.71	0.83	II
928	2.29	1.23	1.62	1.90	II
929	6.52	3.52	4.62	5.43	II
932	0.45	0.24	0.32	0.38	II
933	4.20	2.27	2.98	3.50	II
934	2.83	1.53	2.01	2.36	II
935	1.20	0.65	0.85	1.00	II
936	0.60	0.32	0.42	0.50	II
937	17.61	9.51	12.47	14.66	II
940	6.87	3.71	4.87	5.72	II
941	3.11	1.68	2.20	2.59	II
942	2.98	1.61	2.11	2.48	II
943	10.15	5.48	7.19	8.45	II
944	2.69	1.45	1.90	2.24	II
945	3.40	1.84	2.41	2.83	II
946	3.54	1.91	2.51	2.95	II
947	7.19	3.88	5.09	5.99	II
948	0.85	0.46	0.60	0.70	II
949	1.07	0.58	0.76	0.89	II
951	0.58	0.31	0.41	0.48	III
952	1.02	0.55	0.72	0.85	III
953	0.29	0.16	0.20	0.24	II
954	5.01	2.70	3.55	4.17	IV
955	0.64	0.34	0.45	0.53	III

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

Effective Date: February 1, 1997 on New and Renewal

CODE NO	LOSS COST	EXPERIENCE RATING PLAN			HAZARD GROUP
		EXPECTED LOSS FACTORS TABLE *			
		A-1	A-2	A-3	
956	0.21	0.11	0.15	0.17	III
957	0.42	0.23	0.30	0.35	III
958	1.87	1.01	1.32	1.55	III
959	1.66	0.90	1.17	1.38	II
960	7.01	3.78	4.96	5.83	II
961	1.43	0.77	1.01	1.19	III
962	0.18	0.09	0.12	0.15	III
963	0.52	0.28	0.36	0.43	II
964	4.34	2.34	3.07	3.61	II
965	0.59	0.32	0.42	0.49	II
966	2.74	1.48	1.94	2.28	III
967	1.36	0.73	0.96	1.13	III
968	2.02	1.09	1.43	1.68	II
969	3.97	2.14	2.81	3.30	III
970	6.14	3.31	4.35	5.11	II
971	5.44	2.94	3.85	4.53	II
972	22.08	11.92	15.64	18.39	IV
973	4.54	2.45	3.22	3.78	II
974	4.39	2.37	3.11	3.66	II
975	3.01	1.62	2.13	2.51	II
976	1.69	0.91	1.20	1.41	II
977	0.88	0.47	0.62	0.73	II
978	3.39	1.83	2.40	2.82	II
979	6.45	3.48	4.57	5.37	I
980	5.61	3.03	3.97	4.67	III
982	2.71 e				II
983	7.27	3.92	5.14	6.05	III
985	4.02	2.17	2.85	3.35	III
986	1.84	1.00	1.31	1.54	II
987	0.44	0.24	0.31	0.37	III
988	0.41	0.22	0.29	0.34	III
992	5.49	2.96	3.89	4.57	III
993	1,602.85 f	865.12	1,134.83	1,334.54	IV
994	g	h	h	h	III
995	10.74	5.80	7.60	8.94	IV
996	1,602.85 i	865.12	1,134.83	1,334.54	II
997	0.78	0.42	0.55	0.65	II
999	7.63	4.12	5.40	6.35	II
0006	4.30	2.32	3.04	3.58	II
0008	2.88	1.55	2.04	2.39	II

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

e Per man-week or fraction thereof, not subject to Experience or Retrospective Rating.

f Per ambulance corps.

g See appropriate page of Section 2, effective 2/1/97.

h Apply the following percentages (A-1 = 55.6%, A-2 = 73.0%, A-3 = 85.8%) to annual loss cost from the appropriate page of Section 2.

i Per hazardous materials response team.

**LOSS COST AND EXPECTED LOSS FACTORS
FOR PENNSYLVANIA WORKERS COMPENSATION INSURANCE**

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CODE NO	LOSS COST	EXPERIENCE RATING PLAN EXPECTED LOSS FACTORS TABLE *			HAZARD GROUP
		A-1	A-2	A-3	
0011	3.56	1.92	2.52	2.96	II
0013	5.58	3.01	3.95	4.64	II
0016	4.47	2.41	3.17	3.72	II
0034	6.60	3.56	4.67	5.49	II
0036	4.88	2.64	3.46	4.07	II
0083	6.68	3.60	4.73	5.56	III
0170	3.10	1.67	2.20	2.58	II
4773	13.34	6.92	9.16	10.70	IV
0773	4.14				IV
4774	9.53	4.94	6.55	7.65	IV
0774	2.38				IV
4775	3.81	1.98	2.62	3.06	IV
0775	0.61				IV
4776	11.44	5.93	7.86	9.17	IV
0776	3.19				IV
4777	10.66	5.75	7.54	8.87	III
4779	9.53	4.94	6.55	7.65	IV
0779	2.38				IV
7405	0.92	0.50	0.65	0.76	III
7445	0.20				IV
7413	2.18	1.18	1.55	1.82	IV
7453	0.46				IV
7421	2.65	1.43	1.88	2.21	III
7424	6.24	3.37	4.42	5.20	IV
7428	2.34	1.26	1.66	1.95	II
9108	78.38				I
Per Capita					
0901	14.71	7.94	10.41	12.24	I
0902	1.49	0.81	1.06	1.24	I
0908	44.90	24.23	31.79	37.38	I
0909	52.52	28.35	37.19	43.73	II
0912	137.74	74.34	97.52	114.68	II
0913	175.01	94.46	123.91	145.71	II
A Rated					
9985	A	A	A	A	0
0133	A	A	A	A	0

* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

Associated classes - both codes must be applied. The second code is not subject to experience rating and applies to the full payroll of the associated class.

j Code 9108 may also apply.

k Not subject to experience rating.

**PENNSYLVANIA
VOLUNTEER FIREMEN**

CODE 994

SCHEDULE OF ANNUAL LOSS COSTS

Effective Date: February 1, 1997

Population	Annual Loss Cost	Population	Annual Loss Cost
Up to 300	965	6,501 to 7,000	4,028
301 to 500	1,185	7,001 to 7,500	4,175
501 to 700	1,378	7,501 to 8,000	4,321
701 to 1,000	1,591	8,001 to 8,500	4,462
1,001 to 1,500	1,872	8,501 to 9,000	4,600
1,501 to 2,000	2,174	9,001 to 9,500	4,734
2,001 to 2,500	2,432	9,501 to 10,000	4,865
2,501 to 3,000	2,661	10,001 to 15,000	5,585
3,001 to 3,500	2,864	15,001 to 20,000	6,827
3,501 to 4,000	3,053	20,001 to 25,000	8,049
4,001 to 4,500	3,231	25,001 to 30,000	9,257
4,501 to 5,000	3,400	30,001 to 35,000	10,444
5,001 to 5,500	3,564	35,001 to 40,000	11,618
5,501 to 6,000	3,722	40,001 to 45,000	12,771
6,001 to 6,500	3,877	45,001 to 50,000	13,905
		For each additional 5,000 population.....	1,137