



## Pennsylvania Compensation Rating Bureau

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January 26, 2017

### **PCRB CIRCULAR NO. 1674**

To All Members of the PCRB:

Re: **APRIL 1, 2017 LOSS COST REVISION APPROVAL**

By action dated January 24, 2017, Pennsylvania Insurance Commissioner Theresa Miller has approved revised loss costs and related rating values **effective on a new and renewal basis** as of 12:01 a.m., **April 1, 2017**.

The approved loss costs are those submitted under PCRB Filing No. C-368, calling for an overall average change of -6.21% in collectible loss costs.

All approved loss costs, expected loss factors and other rating values are available in two Excel files in the "Rating Values" section of the PCRB's website. The values can also be found in the several exhibits of Filing C-368 in the "Filings" section of the website.

The Manual loss costs in the files include all of the following provisions and/or adjustments:

- Offset for Experience Rating Plan off-balance
- Offset for Merit Rating Plan off-balance
- Loadings in construction classifications for the effects of Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP) credits
- Provision for the Office of the Small Business Advocate's portion of the Administration Fund
- Offsets for the effects of credits granted under the Certified Safety Committee Program

The items listed above are included in current loss costs in Pennsylvania and continue to be included in the approved values effective April 1, 2017.

The other rating values approved by the Insurance Commissioner effective April 1, 2017 are:

- Code 994 loss costs by population band
- Excess loss (pure premium) factors
- Small deductible program – loss elimination ratios
- State and hazard group relativities
- Optional retrospective rating plan loss development factors
- Employer assessment factor (revised from 0.0170 to 0.0232)

Manual revisions reflecting approval of PCRB Filing No. C-368 with respect to rating values effective April 1, 2017 will be updated on our website ([www.pcrb.com](http://www.pcrb.com)) at a later date. Separate filings that will also be effective on April 1, 2017 have been announced in Circulars 1663, 1667, 1668, 1669 and 1670, which are also available on the PCRB website.

Questions regarding the approved April 1, 2017 Loss Cost Filing may be directed to Kenneth Creighton, Chief Actuary, at Extension 4924 or [kcreighton@pcrb.com](mailto:kcreighton@pcrb.com), John Pedrick, Vice President, - Actuarial Services, at Extension 4429 or [jpedrick@pcrb.com](mailto:jpedrick@pcrb.com), or to me at Extension 4413 or [wtaylor@pcrb.com](mailto:wtaylor@pcrb.com).

William V. Taylor  
President

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