

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			
2000	2,593,718,836	2,371,601,610	1.0937
2001	2,645,428,095	2,399,221,080	1.1026
2002	2,655,479,736	2,422,619,468	1.0961
TOTAL	7,894,626,667	7,193,442,158	1.0975
MANUFACTURING AND UTILITIES			
2000	675,235,853	603,337,712	1.1192
2001	633,874,375	561,023,467	1.1299
2002	614,636,171	554,479,685	1.1085
TOTAL	1,923,746,399	1,718,840,864	1.1192
CONTRACTING AND QUARRYING			
2000	450,819,885	406,920,738	1.1079
2001	475,300,866	423,440,361	1.1225
2002	493,146,083	437,957,982	1.1260
TOTAL	1,419,266,834	1,268,319,081	1.1190
OTHER INDUSTRIES			
2000	1,467,663,098	1,361,343,160	1.0781
2001	1,536,252,854	1,414,757,252	1.0859
2002	1,547,697,482	1,430,181,801	1.0822
TOTAL	4,551,613,434	4,206,282,213	1.0821

* Excludes classifications and coverages not subject to experience rating

CALCULATION OF EXPECTED LOSS COST FACTORS (a)

Policy Year Beginning 4/1	Act 57 Adjust- ment	Adjust- ment Factor	Loss Ratio Development Factor	Collectible Premium Ratio	Trend Factor	Product (2) * (3) * (4) *(5) * (6)	Expected Loss Cost Factor 1.0 / (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<u>Manufacturing and Utilities</u>							
2002	1.0000	1.0000	1.3079	1.1192	1.0556	1.5452	0.6472
2003	1.0000	1.0000	1.4702	1.1192	1.0414	1.7136	0.5836
2004	1.0000	1.0000	1.9224	1.1192	1.0275	2.2107	0.4523
<u>Contracting and Quarrying</u>							
2002	1.0000	1.0000	1.3806	1.1190	1.0556	1.6308	0.6132
2003	1.0000	1.0000	1.5355	1.1190	1.0414	1.7894	0.5588
2004	1.0000	1.0000	1.9408	1.1190	1.0275	2.2315	0.4481
<u>Other Industries</u>							
2002	1.0000	1.0000	1.3172	1.0821	1.0556	1.5046	0.6646
2003	1.0000	1.0000	1.4713	1.0821	1.0414	1.6580	0.6031
2004	1.0000	1.0000	1.9402	1.0821	1.0275	2.1572	0.4636

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