

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			
2001	2,654,646,376	2,443,885,618	1.0862
2002	2,673,402,851	2,495,166,888	1.0714
2003	2,707,435,795	2,528,558,098	1.0707
TOTAL	8,035,485,022	7,467,610,604	1.0760
MANUFACTURING AND UTILITIES			
2001	640,647,239	581,934,798	1.1009
2002	620,901,421	582,976,445	1.0651
2003	624,645,882	586,888,237	1.0643
TOTAL	1,886,194,542	1,751,799,480	1.0767
CONTRACTING AND QUARRYING			
2001	475,181,116	426,897,892	1.1131
2002	494,953,804	443,311,258	1.1165
2003	480,919,325	433,151,062	1.1103
TOTAL	1,451,054,245	1,303,360,212	1.1133
OTHER INDUSTRIES			
2001	1,538,818,021	1,435,052,928	1.0723
2002	1,557,547,626	1,468,879,185	1.0604
2003	1,601,870,588	1,508,518,799	1.0619
TOTAL	4,698,236,235	4,412,450,912	1.0648

* 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>							
2003	1.0000	1.0000	1.3357	1.0767	0.9752	1.4025	0.7130
2004	1.0000	1.0000	1.5010	1.0767	0.9812	1.5857	0.6306
2005	1.0000	1.0000	1.9840	1.0767	0.9873	2.1090	0.4742
<u>Contracting and Quarrying</u>							
2003	1.0000	1.0000	1.4015	1.1133	0.9752	1.5216	0.6572
2004	1.0000	1.0000	1.5405	1.1133	0.9812	1.6828	0.5942
2005	1.0000	1.0000	2.0357	1.1133	0.9873	2.2376	0.4469
<u>Other Industries</u>							
2003	1.0000	1.0000	1.3287	1.0648	0.9752	1.3797	0.7248
2004	1.0000	1.0000	1.5212	1.0648	0.9812	1.5893	0.6292
2005	1.0000	1.0000	1.9804	1.0648	0.9873	2.0819	0.4803

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