

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 2000 through 2004.

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 11/06/07

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	265	105	7.46	3.51		97	171	1.37	.63		49	142	4.05	1.90		36	151	.46	.22	
61- 80	1,464	996	1.14	.86		757	2,137	1.13	.86		709	3,407	1.08	.83		898	6,073	.46	.36	
81- 85	9,204	10,482	1.10	.91		26,981	87,458	.66	.55		25,040	128,109	.61	.51		15,750	112,856	.55	.46	
86- 90	1,784	1,946	1.49	1.31		4,842	16,595	1.05	.91		5,250	28,520	.76	.66		3,399	25,745	.73	.64	
91- 95	1,772	1,884	1.56	1.45		2,662	9,557	1.01	.94		2,775	15,988	.78	.72		2,215	17,883	.69	.64	
96- 99	2,761	3,063	1.26	1.22		2,777	10,246	.72	.70		2,497	14,963	.81	.79		1,769	14,922	.80	.78	
100-100	698,550	489,336	.70	.70		83,537	282,690	.64	.64		17,051	102,693	.79	.79		6,848	58,902	.81	.81	
CREDITS	715,800	507,813	.72	.71		121,653	408,855	.68	.64		53,371	293,821	.71	.64		30,915	236,531	.66	.58	
101-105	994	1,181	.92	.95		1,847	7,415	1.02	1.05		2,033	12,988	.94	.96		1,521	13,578	.68	.70	
106-110	574	729	1.43	1.54		1,033	4,322	.73	.79		1,071	7,140	.97	1.04		801	7,510	1.35	1.45	
111-115	438	589	5.03	5.68		670	2,957	1.11	1.25		680	4,787	.74	.83		527	5,170	.90	1.02	
116-120	416	548	.74	.88		538	2,476	1.63	1.92		581	4,239	.77	.91		436	4,460	.75	.88	
121-130	1,142	1,700	2.69	3.37		2,040	9,792	1.06	1.33		1,923	14,966	.87	1.10		1,257	13,677	.90	1.13	
131-140	340	487	2.54	3.43		593	3,114	.67	.90		649	5,417	.87	1.18		543	6,362	1.03	1.38	
141- UP	947	1,979	5.65	9.51		1,656	10,785	.82	1.38		1,910	19,785	.74	1.23		1,460	20,946	.74	1.23	
CHARGES	4,851	7,212	3.12	3.94		8,377	40,862	.96	1.21		8,847	69,322	.84	1.06		6,545	71,703	.86	1.09	
TOTALS	720,651	515,025	.75	.75		130,030	449,716	.70	.68		62,218	363,143	.74	.70		37,460	308,234	.71	.67	

EXP-MOD	\$10,000 - 14,999					\$15,000 - 24,999					\$25,000 - 49,999					\$50,000 - 99,999				
	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	89	514	1.02	.47		91	840	.62	.29		149	2,664	1.61	.78		164	6,289	1.90	.98	
61- 80	2,686	26,745	.77	.60		7,024	109,155	.67	.52		8,948	240,273	.62	.47		6,024	307,424	.57	.42	
81- 85	16,000	159,908	.55	.45		9,780	152,135	.63	.52		5,164	145,355	.67	.55		2,008	114,383	.70	.58	
86- 90	4,071	43,598	.79	.70		3,747	63,160	.79	.69		3,152	96,840	.69	.60		1,596	97,666	.69	.60	
91- 95	2,904	33,313	.71	.66		2,995	53,410	.75	.69		2,690	86,888	.68	.63		1,603	103,672	.76	.70	
96- 99	2,053	24,474	.65	.63		2,176	41,153	.70	.68		2,113	71,863	.78	.76		1,245	84,122	.67	.66	
100-100	5,803	70,146	.66	.66		4,119	78,380	.81	.81		2,595	89,526	.76	.76		1,130	77,808	.79	.79	
CREDITS	33,606	358,697	.64	.56		29,932	498,232	.70	.61		24,811	733,409	.68	.58		13,770	791,363	.67	.55	
101-105	1,955	24,674	.81	.83		1,992	39,693	.79	.82		1,914	69,810	.72	.74		1,292	91,694	.69	.71	
106-110	1,003	13,194	.81	.88		1,217	25,513	.78	.84		1,528	59,002	.71	.76		938	71,343	.71	.77	
111-115	776	10,816	1.14	1.28		941	20,752	.74	.84		1,295	52,141	.75	.84		844	66,327	.59	.67	
116-120	634	9,252	.81	.95		896	20,823	.74	.87		1,094	45,020	.73	.87		661	54,349	.77	.91	
121-130	1,814	27,997	.72	.90		2,072	50,656	.77	.97		2,165	95,393	.83	1.03		1,264	110,141	.82	1.03	
131-140	785	13,156	.59	.79		983	25,627	.82	1.10		972	46,595	.67	.91		615	57,600	.68	.92	
141- UP	1,952	38,997	.82	1.33		1,962	61,093	.76	1.22		1,769	101,076	.78	1.27		1,109	128,672	.80	1.31	
CHARGES	8,919	138,086	.80	1.00		10,063	244,157	.77	.96		10,737	469,037	.75	.93		6,723	580,128	.74	.91	
TOTALS	42,525	496,784	.68	.65		39,995	742,389	.73	.70		35,548	1202,447	.71	.69		20,493	1371,491	.70	.67	

EXP-MOD	ALL RISKS																				
	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	405	36,731	.65	.34		635	293,913	.65	.33		1,980	341,519	.68	.35							
61- 80	3,915	433,695	.63	.45		2,088	1165,042	.58	.42		34,513	2294,947	.60	.44							
81- 85	1,218	154,493	.60	.50		631	390,897	.58	.48		111,776	1456,075	.61	.51							
86- 90	988	133,299	.68	.60		616	389,329	.55	.48		29,445	896,698	.65	.57							
91- 95	1,076	154,382	.71	.66		601	490,837	.60	.56		21,293	967,815	.67	.62							
96- 99	787	119,034	.64	.62		489	347,841	.60	.59		18,667	731,681	.65	.64							
100-100	638	99,251	.69	.69		339	237,903	.61	.61		820,610	1586,634	.70	.70							
CREDITS	9,027	1130,886	.65	.53		5,399	3315,762	.59	.46		38,284	8275,369	.64	.53							
101-105	767	122,885	.69	.71		459	250,688	.90	.92		14,774	634,606	.80	.82							
106-110	676	113,981	.70	.76		313	179,958	.76	.82		9,154	482,692	.75	.81							
111-115	596	105,956	.87	.98		257	156,692	.94	1.07		7,024	426,187	.84	.95							
116-120	434	78,012	.63	.74		208	127,693	.68	.80		5,898	346,873	.71	.83							
121-130	823	157,619	.69	.86		359	210,837	.89	1.11		14,859	692,778	.82	1.02							
131-140	401	83,032	.71	.96		139	89,861	.85	1.14		6,020	331,252	.75	1.01							
141- UP	746	185,484	.70	1.15		295	230,381	.71	1.21		13,806	799,198	.75	1.25							
CHARGES	4,443	846,970	.71	.88		2,030	1246,110	.82	.99		71,535	3713,587	.78	.96							
TOTALS	13,470	1977,856	.68	.64		7,429	4561,871	.65	.57		109,819	1988,957	.68	.63							