

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 2002 through 2006.

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 11/04/09

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	261	102	5.28	2.41		96	163	1.20	.54		56	167	2.99	1.45		45	188	.11	.05	
61- 80	1,543	1,037	1.62	1.21		750	2,101	1.02	.77		635	3,038	1.06	.81		749	5,041	.59	.46	
81- 85	10,282	11,678	1.39	1.16		27,949	90,756	.67	.56		25,175	129,282	.62	.51		16,011	115,448	.53	.44	
86- 90	2,421	2,697	1.08	.95		6,569	22,464	.99	.86		6,687	36,203	.72	.63		4,455	33,781	.60	.52	
91- 95	1,641	1,827	1.65	1.54		2,794	10,056	1.08	1.01		2,986	17,142	.72	.67		2,260	18,211	.66	.62	
96- 99	1,971	2,195	1.03	1.01		2,215	8,231	.72	.70		2,135	12,867	.50	.49		1,573	13,286	.89	.87	
100-100	693,964	491,519	.67	.67		84,750	286,747	.61	.61		17,376	104,583	.73	.73		7,139	61,413	.72	.72	
CREDITS	712,083	511,054	.70	.69		125,123	420,520	.66	.62		55,050	303,281	.67	.61		32,232	247,367	.62	.55	
101-105	925	1,132	1.21	1.24		1,881	7,609	.75	.77		2,134	13,627	1.11	1.14		1,562	13,962	.73	.75	
106-110	577	731	1.42	1.53		1,068	4,454	1.05	1.13		1,152	7,687	.89	.96		848	7,943	1.20	1.29	
111-115	484	646	2.16	2.44		623	2,755	.98	1.10		738	5,185	.71	.80		586	5,750	.81	.92	
116-120	434	579	.90	1.07		522	2,403	1.03	1.22		573	4,162	.79	.93		478	4,906	1.20	1.41	
121-130	1,179	1,775	2.73	3.42		2,114	10,158	1.23	1.54		1,991	15,510	1.00	1.26		1,349	14,702	.99	1.24	
131-140	378	572	3.39	4.57		658	3,431	.92	1.23		674	5,617	1.07	1.44		587	6,874	.83	1.12	
141- UP	1,037	2,062	4.62	7.76		1,870	12,273	1.22	2.06		2,101	21,812	.81	1.36		1,570	22,508	.84	1.40	
CHARGES	5,014	7,498	2.75	3.49		8,736	43,083	1.07	1.36		9,363	73,599	.93	1.18		6,980	76,645	.91	1.15	
TOTALS	717,097	518,552	.73	.73		133,859	463,603	.70	.68		64,413	376,880	.72	.69		39,212	324,012	.69	.66	
		\$10,000 -	14,999			\$15,000 -	24,999				\$25,000 -	49,999				\$50,000 -	99,999			
EXP-MOD	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	70	429	1.66	.80		81	775	1.50	.73		126	2,343	1.28	.65		121	4,626	3.17	1.64	
61- 80	2,005	19,886	.75	.58		5,630	88,277	.61	.48		8,468	229,867	.63	.48		5,664	291,290	.54	.40	
81- 85	17,110	172,722	.54	.45		11,616	181,628	.60	.50		6,123	172,446	.66	.54		2,200	125,276	.67	.56	
86- 90	4,976	53,087	.70	.61		4,277	72,061	.71	.62		3,348	102,290	.73	.64		1,723	106,213	.68	.60	
91- 95	2,993	34,271	.73	.68		3,004	53,904	.85	.79		2,810	91,038	.66	.61		1,643	106,412	.68	.63	
96- 99	1,976	23,710	.71	.69		2,177	41,206	.73	.71		2,245	77,006	.82	.80		1,285	87,683	.63	.62	
100-100	6,310	76,367	.73	.73		4,301	81,766	.79	.79		2,714	93,228	.74	.74		1,162	79,746	.89	.89	
CREDITS	35,440	380,472	.64	.56		31,086	519,618	.68	.59		25,834	768,218	.69	.59		13,798	801,245	.66	.55	
101-105	2,002	25,303	.88	.90		2,024	40,198	.84	.86		2,055	74,747	.62	.64		1,415	100,849	.66	.68	
106-110	1,104	14,607	.66	.71		1,269	26,726	.72	.78		1,610	62,359	.73	.79		1,041	79,369	.66	.72	
111-115	802	11,154	1.20	1.36		985	21,744	.72	.81		1,419	57,551	.73	.83		922	72,522	.74	.84	
116-120	662	9,692	1.05	1.24		930	21,730	.67	.79		1,218	50,577	.72	.85		785	64,642	.79	.93	
121-130	2,027	31,364	.77	.97		2,257	55,401	.76	.96		2,411	106,700	.77	.97		1,426	125,149	.82	1.02	
131-140	809	13,537	.67	.90		1,097	28,661	.68	.92		1,154	55,631	.71	.95		727	68,616	.71	.96	
141- UP	2,191	43,911	.87	1.42		2,218	69,063	.78	1.26		2,031	116,336	.71	1.15		1,346	156,232	.84	1.37	
CHARGES	9,597	149,569	.85	1.07		10,780	263,523	.75	.95		11,898	523,901	.72	.89		7,662	667,380	.76	.94	
TOTALS	45,037	530,041	.70	.67		41,866	783,141	.71	.69		37,732	1292,120	.70	.68		21,460	1468,625	.70	.69	
		\$100,000 -	249,999			\$250,000 AND OVER					ALL RISKS									
EXP-MOD	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	274	25,081	.71	.39		462	195,744	.63	.32		1,592	229,617	.71	.36						
61- 80	3,711	414,854	.58	.42		2,033	1145,510	.50	.36		31,188	2,200,902	.54	.39						
81- 85	1,263	158,842	.56	.46		665	450,152	.55	.45		118,394	1,608,229	.59	.49						
86- 90	1,066	142,800	.69	.61		696	506,319	.52	.45		36,218	1,077,914	.62	.54						
91- 95	1,052	150,781	.71	.66		635	511,692	.58	.54		21,818	995,334	.65	.60						
96- 99	846	128,279	.60	.59		566	475,560	.60	.58		16,989	870,023	.63	.62						
100-100	650	100,768	.72	.72		306	190,457	.65	.65		818,672	1,566,595	.69	.69						
CREDITS	8,862	1121,405	.62	.51		5,363	3475,435	.55	.44		44,871	8,548,615	.61	.52						
101-105	869	139,730	.65	.67		518	297,615	.74	.76		15,385	714,772	.72	.74						
106-110	755	126,798	.68	.73		381	219,834	.84	.91		9,805	550,508	.76	.82						
111-115	634	113,231	.73	.83		291	173,458	.87	.99		7,484	463,997	.80	.91						
116-120	553	101,204	.68	.80		261	179,762	.78	.92		6,416	439,656	.76	.89						
121-130	969	186,788	.70	.88		469	298,130	.75	.94		16,192	845,678	.77	.97						
131-140	470	97,985	.76	1.03		203	139,149	.68	.92		6,757	420,073	.72	.97						
141- UP	895	221,892	.71	1.17		365	314,168	.68	1.15		15,624	980,259	.75	1.25						
CHARGES	5,145	987,629	.70	.87		2,488	1622,116	.76	.93		77,663	4,414,943	.76	.93						
TOTALS	14,007	2109,033	.66	.64		7,851	5097,551	.61	.55		122,534	1,2963,557	.66	.63						