

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)
<b>ALL INDUSTRIES</b>			
2007	3,158,716,562	3,056,131,345	1.0336
2008	2,849,868,633	2,755,989,099	1.0341
2009	2,591,144,766	2,521,222,727	1.0277
<b>TOTAL</b>	<b>8,599,729,961</b>	<b>8,333,343,171</b>	<b>1.0320</b>
<b>MANUFACTURING AND UTILITIES</b>			
2007	690,152,153	667,088,115	1.0346
2008	596,122,174	575,004,557	1.0367
2009	530,494,184	510,222,540	1.0397
<b>TOTAL</b>	<b>1,816,768,511</b>	<b>1,752,315,212</b>	<b>1.0368</b>
<b>CONTRACTING AND QUARRYING</b>			
2007	580,998,027	535,539,596	1.0849
2008	520,409,432	476,955,764	1.0911
2009	449,608,423	412,711,443	1.0894
<b>TOTAL</b>	<b>1,551,015,882</b>	<b>1,425,206,803</b>	<b>1.0883</b>
<b>OTHER INDUSTRIES</b>			
2007	1,887,566,382	1,853,503,634	1.0184
2008	1,733,337,027	1,704,028,778	1.0172
2009	1,611,042,159	1,598,288,744	1.0080
<b>TOTAL</b>	<b>5,231,945,568</b>	<b>5,155,821,156</b>	<b>1.0148</b>

\* Excludes classifications and coverages not subject to experience rating.

**CALCULATION OF EXPECTED LOSS COST FACTORS (a)**

<b>Policy Year Beginning 4/1 (1)</b>	<b>Act 57 Adjust- ment (2)</b>	<b>Adjust- ment Factor (3)</b>	<b>Loss Ratio Development Factor (4)</b>	<b>Collectible Premium Ratio (5)</b>	<b>Trend Factor (6)</b>	<b>Product (2) * (3) * (4) * (5) * (6) (7)</b>	<b>Expected Loss Cost Factor 1.0 / (7) (8)</b>
<b><u>Manufacturing and Utilities</u></b>							
2009	1.0000	1.0000	1.2314	1.0368	0.9523	1.2158	0.8225
2010	1.0000	1.0000	1.3591	1.0368	0.9640	1.3584	0.7362
2011	1.0000	1.0000	1.7271	1.0368	0.9759	1.7475	0.5722
<b><u>Contracting and Quarrying</u></b>							
2009	1.0000	1.0000	1.2539	1.0883	0.9523	1.2995	0.7695
2010	1.0000	1.0000	1.3690	1.0883	0.9640	1.4362	0.6963
2011	1.0000	1.0000	1.7128	1.0883	0.9759	1.8191	0.5497
<b><u>Other Industries</u></b>							
2009	1.0000	1.0000	1.2143	1.0148	0.9523	1.1735	0.8522
2010	1.0000	1.0000	1.3458	1.0148	0.9640	1.3166	0.7595
2011	1.0000	1.0000	1.7171	1.0148	0.9759	1.7005	0.5881

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