

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 2006 through 2010.

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 10/28/13

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	55	25	.11	.06		19	37	3.65	1.89		9	30			9	42	.10	.05			
61- 80	1,665	1,058	1.37	1.03		646	1,784	.39	.29		557	2,627	.88	.67		494	3,320	.93	.71		
81- 85	12,062	13,247	1.29	1.09		25,284	82,458	.69	.59		21,979	114,084	.62	.53		14,127	102,803	.52	.44		
86- 90	5,335	6,193	1.80	1.56		13,277	44,547	.83	.73		10,322	55,059	.67	.59		5,939	44,762	.69	.60		
91- 95	1,638	1,824	1.10	1.02		3,208	11,519	.97	.90		3,125	17,858	.76	.71		2,156	17,349	.75	.69		
96- 99	908	1,053	.94	.91		1,563	5,917	.83	.81		1,630	9,872	.80	.78		1,282	10,866	.98	.95		
100-100	771,603	514,695	.71	.71		76,796	257,955	.64	.64		14,939	89,894	.77	.77		6,156	52,950	1.03	1.03		
CREDITS	793,266	538,094	.74	.74		120,793	404,218	.68	.65		52,561	289,424	.69	.63		30,163	232,093	.71	.64		
101-105	907	1,097	1.56	1.61		1,537	6,138	.87	.89		1,692	10,841	1.08	1.12		1,286	11,528	.92	.95		
106-110	919	1,172	2.64	2.84		1,641	6,834	1.06	1.14		1,532	10,143	.64	.69		1,054	9,863	.79	.85		
111-115	528	661	5.09	5.74		733	3,203	1.10	1.24		785	5,501	.81	.92		573	5,588	.64	.72		
116-120	407	496	.61	.72		592	2,708	1.16	1.37		548	4,001	.78	.92		463	4,769	1.37	1.61		
121-130	1,190	1,740	2.92	3.65		1,788	8,560	1.07	1.34		1,610	12,429	1.09	1.36		1,178	12,844	1.18	1.48		
131-140	588	971	1.11	1.49		1,093	5,679	.78	1.04		1,022	8,452	1.20	1.61		756	8,816	1.18	1.59		
141- UP	1,389	2,780	2.81	4.77		2,385	15,696	1.42	2.42		2,242	23,456	.94	1.58		1,665	24,119	1.03	1.71		
CHARGES	5,928	8,917	2.52	3.24		9,769	48,819	1.13	1.46		9,431	74,822	.96	1.22		6,975	77,527	1.02	1.30		
TOTALS	799,194	547,011	.77	.77		130,562	453,037	.73	.71		61,992	364,246	.75	.72		37,138	309,620	.79	.76		
	\$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	11	80	.56	.33		12	116	.18	.09		13	232	1.35	.77		12	435	.63	.35		
61- 80	1,121	10,940	.73	.57		3,742	59,554	.61	.48		7,348	202,151	.57	.44		5,148	266,825	.57	.42		
81- 85	16,243	165,740	.57	.48		12,361	193,516	.62	.52		6,326	177,299	.66	.55		2,120	122,217	.74	.61		
86- 90	6,071	64,357	.71	.62		4,650	78,069	.74	.64		3,270	99,687	.80	.70		1,763	108,542	.75	.66		
91- 95	2,841	32,314	.80	.74		2,705	48,931	.87	.80		2,509	82,154	.73	.68		1,605	105,189	.64	.59		
96- 99	1,650	19,778	.97	.95		1,943	36,951	.83	.81		2,056	70,971	.70	.68		1,353	92,622	.74	.72		
100-100	5,600	67,910	.78	.78		3,764	71,458	.92	.92		2,301	78,372	.86	.86		1,028	70,454	.82	.82		
CREDITS	33,537	361,119	.68	.60		29,177	488,594	.72	.63		23,823	710,865	.69	.59		13,029	766,284	.68	.57		
101-105	1,874	23,691	.70	.72		2,035	40,614	.79	.81		2,173	78,698	.83	.85		1,314	94,132	.72	.74		
106-110	1,271	16,793	1.07	1.15		1,422	29,881	.84	.91		1,680	64,757	.84	.90		1,084	82,277	.72	.77		
111-115	836	11,643	.72	.82		1,051	23,160	.75	.85		1,431	57,306	.80	.90		934	74,013	.66	.74		
116-120	687	10,070	.81	.96		928	21,597	.78	.92		1,223	51,279	.77	.91		819	67,227	.77	.90		
121-130	1,802	27,978	.74	.93		2,167	52,969	.86	1.08		2,380	104,684	.87	1.09		1,556	137,105	.78	.97		
131-140	1,128	18,657	.75	1.02		1,298	33,929	.67	.90		1,170	56,359	.90	1.22		756	71,098	.80	1.08		
141- UP	2,300	46,766	.86	1.42		2,317	72,878	.98	1.59		2,335	136,032	.93	1.52		1,581	182,829	.81	1.34		
CHARGES	9,898	155,598	.81	1.03		11,218	275,027	.84	1.06		12,392	549,115	.86	1.08		8,044	708,680	.76	.95		
TOTALS	43,435	516,717	.72	.70		40,395	763,622	.76	.75		36,215	1259,980	.76	.76		21,073	1474,963	.72	.72		
	\$100,000 - 249,999										\$250,000 AND OVER										
EXP-MOD	RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		ALL RISKS										
0- 60	56	5,947	.26	.15		124	75,454	.29	.16		320	82,398	.30	.16							
61- 80	3,512	393,183	.56	.40		2,058	1306,781	.47	.34		26,291	2248,223	.51	.38							
81- 85	1,287	164,037	.66	.55		726	467,191	.52	.43		112,515	1602,591	.61	.51							
86- 90	1,194	160,555	.69	.61		687	514,941	.55	.48		52,508	1176,713	.66	.58							
91- 95	1,029	145,660	.60	.55		625	455,360	.53	.49		21,441	918,159	.62	.57							
96- 99	864	130,149	.64	.63		555	435,436	.61	.60		13,804	813,614	.67	.65							
100-100	600	90,965	.91	.91		308	214,821	.69	.69		883,095	1509,473	.75	.75							
CREDITS	8,542	1090,495	.64	.53		5,083	3469,984	.53	.43		109,974	8351,170	.62	.53							
101-105	970	154,352	.62	.64		523	323,436	.78	.80		14,311	744,527	.75	.77							
106-110	796	132,177	.75	.81		403	273,336	.70	.76		11,802	627,232	.75	.81							
111-115	637	112,059	.72	.81		344	249,705	.87	.98		7,852	542,838	.80	.90							
116-120	582	106,453	.71	.84		276	183,691	.78	.92		6,525	452,291	.77	.91							
121-130	948	186,649	.83	1.04		553	413,384	.87	1.09		15,172	958,342	.86	1.07							
131-140	532	112,901	.76	1.02		247	202,923	.77	1.03		8,590	519,785	.79	1.07							
141- UP	1,029	261,785	.82	1.36		424	378,467	.85	1.36		17,667	1144,808	.87	1.42							
CHARGES	5,494	1066,377	.76	.95		2,770	2024,942	.81	.99		81,919	4989,824	.81	1.01							
TOTALS	14,036	2156,872	.70	.69		7,853	5494,926	.63	.59		191,893	3340,994	.69	.66							