

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			
2011	2,855,470,481	2,798,168,590	1.0205
2012	2,774,556,629	2,718,683,892	1.0206
2013	2,764,776,946	2,695,188,118	1.0258
TOTAL	8,394,804,056	8,212,040,600	1.0223
MANUFACTURING AND UTILITIES			
2011	588,361,739	568,365,054	1.0352
2012	570,568,647	551,622,262	1.0343
2013	565,195,794	543,852,705	1.0392
TOTAL	1,724,126,180	1,663,840,021	1.0362
CONTRACTING AND QUARRYING			
2011	562,506,354	506,737,406	1.1101
2012	525,732,693	472,493,491	1.1127
2013	525,354,844	468,529,631	1.1213
TOTAL	1,613,593,891	1,447,760,528	1.1145
OTHER INDUSTRIES			
2011	1,704,602,388	1,723,066,130	0.9893
2012	1,678,255,289	1,694,568,139	0.9904
2013	1,674,226,308	1,682,805,782	0.9949
TOTAL	5,057,083,985	5,100,440,051	0.9915

* Excludes classifications and coverages not subject to experience rating.

CALCULATION OF EXPECTED LOSS COST FACTORS (a)

Policy Year Beginning 4/1 (1)	HB 1846 Adjustment Factor (2)	Adjustment 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>							
2013	0.9950	1.0000	1.1462	1.0362	0.9316	1.1009	0.9083
2014	0.9950	1.0000	1.2346	1.0362	0.9475	1.2060	0.8292
2015	0.9950	1.0000	1.5424	1.0362	0.9645	1.5337	0.6520
<u>Contracting and Quarrying</u>							
2013	0.9950	1.0000	1.1740	1.1145	0.9316	1.2128	0.8245
2014	0.9950	1.0000	1.2722	1.1145	0.9475	1.3367	0.7481
2015	0.9950	1.0000	1.5518	1.1145	0.9645	1.6597	0.6025
<u>Other Industries</u>							
2013	0.9950	1.0000	1.1435	0.9915	0.9316	1.0509	0.9516
2014	0.9950	1.0000	1.2278	0.9915	0.9475	1.1477	0.8713
2015	0.9950	1.0000	1.5445	0.9915	0.9645	1.4696	0.6805

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