

PENNSYLVANIA COMPENSATION RATING BUREAU

Claim Frequencies

The attached exhibits examine historical Workers Compensation claim frequencies in Pennsylvania.

Claim frequencies per \$1 million of expected losses are shown on Page 1 based on statistics gathered by the PCRB. For informational purposes, claim frequencies are also shown at constant (2000) wage levels. The data excludes the experience of deductible business.

Staff is proposing an annual change in claim frequency of -4.8%. This is based on a claim frequency trend line of the form $y=a*b^x$ using the most recent seven points.

The second page shows a graph of the frequencies appearing in column (5) of Page 1.

The third and fourth pages are comparable to Pages 1 and 2 but include the experience of deductible policies.

The fifth page shows a graph comparing claim frequencies presented on Pages 2 and 4, all indexed to a common value of 1.0 at January 1, 2000.

Page 6 presents the Unit Statistical Plan claim frequencies of Page 1 by industry group and Page 7 shows a graph of those industry group claim frequencies.

Pennsylvania W.C - Claim Frequencies

PCRB Unit Statistical Plan
(Excluding Deductible Business)

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Claim Freq (6)
2000	35,866		1,188,933,388		30.17	
2001	32,073	-10.6%	1,155,050,984	-2.8%	27.77	-8.0%
2002	29,916	-6.7%	1,122,678,069	-2.8%	26.65	-4.0%
2003	27,809	-7.0%	1,137,386,824	1.3%	24.45	-8.3%
2004	27,373	-1.6%	1,180,099,578	3.8%	23.20	-5.1%
2005	26,703	-2.4%	1,238,802,378	5.0%	21.56	-7.1%
2006	26,723	0.1%	1,284,436,991	3.7%	20.81	-3.5%
2007	26,363	-1.3%	1,345,560,794	4.8%	19.59	-5.9%
2008	23,958	-9.1%	1,323,784,145	-1.6%	18.10	-7.6%
2009	22,251	-7.1%	1,271,259,120	-4.0%	17.50	-3.3%
2010	23,098	3.8%	1,338,976,010	5.3%	17.25	-1.4%
2011	22,835	-1.1%	1,414,592,241	5.6%	16.14	-6.4%
2012	21,075	-7.7%	1,396,100,223	-1.3%	15.10	-6.4%
2013	21,094	0.1%	1,429,433,754	2.4%	14.76	-2.3%
2014 *	20,044	-5.0%	1,485,856,585	3.9%	13.49	-8.6%
2014 **					13.43	-9.0%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY00-PY14	-5.4%	PY00-PY13	-5.3%
PY01-PY14	-5.2%	PY01-PY13	-5.2%
PY02-PY14	-5.2%	PY02-PY13	-5.1%
PY03-PY14	-5.1%	PY03-PY13	-5.0%
PY04-PY14	-5.0%	PY04-PY13	-4.9%
PY05-PY14	-4.9%	PY05-PY13	-4.7%
PY06-PY14	-4.9%	PY06-PY13	-4.7%
PY07-PY14	-4.8%	PY07-PY13	-4.5%
PY08-PY14	-4.8%	PY08-PY13	-4.3%
PY09-PY14	-5.2%	PY09-PY13	-4.6%
PY10-PY14	-5.7%	PY10-PY13	-5.2%
PY11-PY14	-5.6%	PY11-PY13	-4.4%
PY12-PY14	-5.7%	PY12-PY13	-2.3%
PY13-PY14	-9.0%		

* Includes approximately 1st 11 months and 12 days of PY2014.

** Projected value for complete PY 2014 is 13.43 based on an annual change in claim frequency of -9.0%.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency * # Claims per \$1 million (1)	% Change Adj Claim Frequency
2000	661.4		1.0000	30.17	
2001	675.3	2.1%	1.0210	28.35	-6.0%
2002	691.4	2.4%	1.0454	27.86	-1.7%
2003	716.4	3.6%	1.0832	26.48	-5.0%
2004	745.6	4.1%	1.1274	26.15	-1.2%
2005	778.3	4.4%	1.1767	25.36	-3.0%
2006	807.1	3.7%	1.2204	25.39	0.1%
2007	833.5	3.3%	1.2603	24.69	-2.8%
2008	845.5	1.4%	1.2784	23.14	-6.3%
2009	860.1	1.7%	1.3005	22.76	-1.6%
2010	887.9	3.2%	1.3425	23.16	1.8%
2011	915.3	3.1%	1.3839	22.34	-3.5%
2012	932.5	1.9%	1.4099	21.28	-4.7%
2013	952.0	2.1%	1.4394	21.24	-0.2%
2014	976.5	2.6%	1.4764	19.92	
2014 (2)	977.1		1.4774	19.84	-6.6%

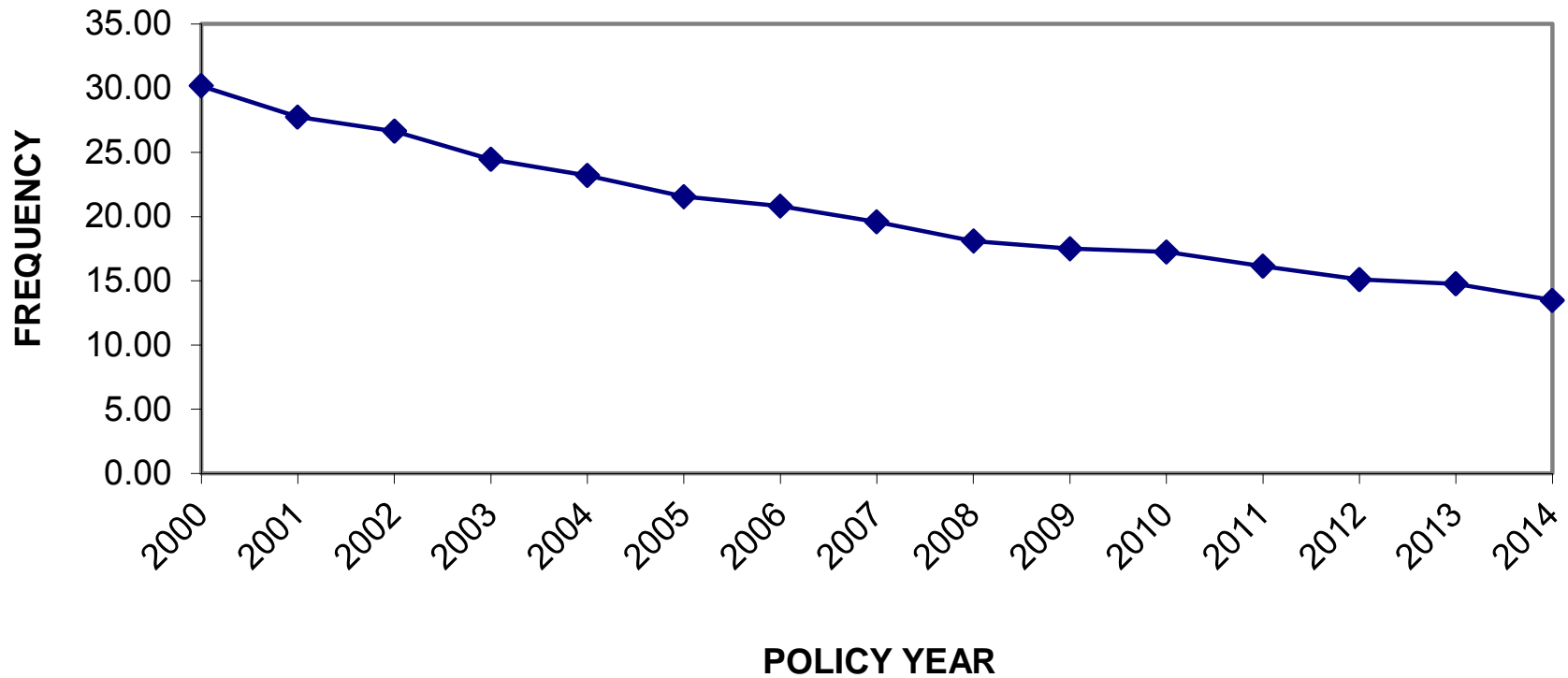
Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY00-PY14	-2.6%	PY00-PY14	2.9%
PY01-PY14	-2.5%	PY01-PY14	2.9%
PY02-PY14	-2.5%	PY02-PY14	2.8%
PY03-PY14	-2.4%	PY03-PY14	2.7%
PY04-PY14	-2.5%	PY04-PY14	2.6%
PY05-PY14	-2.6%	PY05-PY14	2.5%
PY06-PY14	-2.7%	PY06-PY14	2.4%
PY07-PY14	-2.6%	PY07-PY14	2.4%
PY08-PY14	-2.4%	PY08-PY14	2.5%
PY09-PY14	-2.8%	PY09-PY14	2.5%
PY10-PY14	-3.5%	PY10-PY14	2.3%
PY11-PY14	-3.4%	PY11-PY14	2.2%
PY12-PY14	-3.3%	PY12-PY14	2.4%
PY13-PY14	-6.5%	PY13-PY14	2.7%

(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2000) wages

(2) Includes approximately 1st 11 months and 12 days of PY2014. (Full Year=977.1-Average of CY 2014 and 2015)

Projected Annual Change in Claim Frequency : -4.8% (See PY08-PY14)

PA W.C. - CLAIM FREQUENCIES PCRB Unit Statistical Plan (Excl. Deductible Business)



—◆— Claim Freq per \$1 Million Expected Losses

Pennsylvania W.C - Claim Frequencies

PCRB Unit Statistical Plan

All Business Including Deductible Business

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Claim Freq (6)
2000	50,661		1,713,467,074		29.57	
2001	47,080	-7.1%	1,735,094,674	1.3%	27.13	-8.3%
2002	44,964	-4.5%	1,726,255,585	-0.5%	26.05	-4.0%
2003	43,369	-3.5%	1,785,937,559	3.5%	24.28	-6.8%
2004	42,298	-2.5%	1,865,742,904	4.5%	22.67	-6.6%
2005	41,239	-2.5%	1,943,041,215	4.1%	21.22	-6.4%
2006	40,226	-2.5%	2,002,511,927	3.1%	20.09	-5.3%
2007	40,368	0.4%	2,126,960,912	6.2%	18.98	-5.5%
2008	36,197	-10.3%	2,071,722,173	-2.6%	17.47	-8.0%
2009	34,059	-5.9%	2,017,611,641	-2.6%	16.88	-3.4%
2010	34,878	2.4%	2,132,809,729	5.7%	16.35	-3.1%
2011	34,501	-1.1%	2,283,997,592	7.1%	15.11	-7.6%
2012	32,777	-5.0%	2,312,087,653	1.2%	14.18	-6.2%
2013	33,273	1.5%	2,386,935,896	3.2%	13.94	-1.7%
2014 *	31,592	-5.1%	2,460,074,001	3.1%	12.84	-7.9%
2014 **					12.78	-8.3%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY00-PY14	-5.7%	PY00-PY13	-5.7%
PY01-PY14	-5.6%	PY01-PY13	-5.6%
PY02-PY14	-5.6%	PY02-PY13	-5.6%
PY03-PY14	-5.5%	PY03-PY13	-5.5%
PY04-PY14	-5.4%	PY04-PY13	-5.4%
PY05-PY14	-5.3%	PY05-PY13	-5.3%
PY06-PY14	-5.3%	PY06-PY13	-5.2%
PY07-PY14	-5.2%	PY07-PY13	-5.1%
PY08-PY14	-5.1%	PY08-PY13	-4.8%
PY09-PY14	-5.3%	PY09-PY13	-5.1%
PY10-PY14	-5.5%	PY10-PY13	-5.3%
PY11-PY14	-5.0%	PY11-PY13	-3.9%
PY12-PY14	-4.9%	PY12-PY13	-1.7%
PY13-PY14	-8.3%		

* Includes approximately 1st 11 months and 12days of PY2014.

** Projected value for complete PY 2014 is 12.78 based on an annual change in claim frequency of -8.3%.

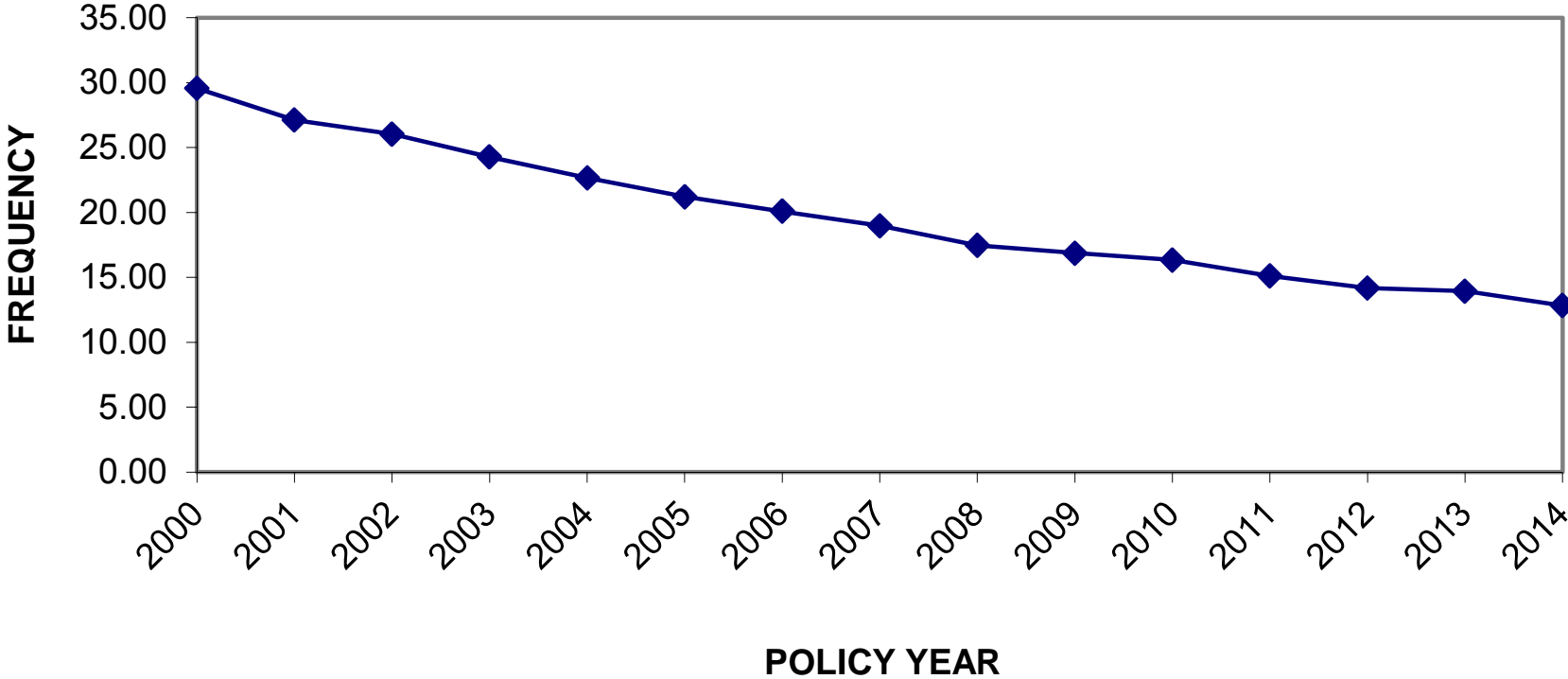
Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency * # Claims per \$1 million(1)	% Change Adj Claim Frequency
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2009	860.1	1.7%	1.3005	21.95	-1.7%
2010	887.9	3.2%	1.3425	21.95	0.0%
2011	915.3	3.1%	1.3839	20.90	-4.8%
2012	932.5	1.9%	1.4099	19.99	-4.4%
2013	952.0	2.1%	1.4394	20.06	0.4%
2014	977.1	2.6%	1.4774	18.97	-5.4%
2014 (2)	977.1		1.4774	18.88	-5.9%

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY00-PY14	-2.9%	PY00-PY14	2.9%
PY01-PY14	-2.9%	PY01-PY14	2.9%
PY02-PY14	-2.9%	PY02-PY14	2.8%
PY03-PY14	-2.9%	PY03-PY14	2.7%
PY04-PY14	-2.9%	PY04-PY14	2.6%
PY05-PY14	-3.0%	PY05-PY14	2.5%
PY06-PY14	-3.0%	PY06-PY14	2.4%
PY07-PY14	-2.9%	PY07-PY14	2.4%
PY08-PY14	-2.7%	PY08-PY14	2.5%
PY09-PY14	-3.0%	PY09-PY14	2.5%
PY10-PY14	-3.3%	PY10-PY14	2.3%
PY11-PY14	-2.9%	PY11-PY14	2.2%
PY12-PY14	-2.6%	PY12-PY14	2.4%
PY13-PY14	-5.7%	PY13-PY14	2.6%

(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2000) wages

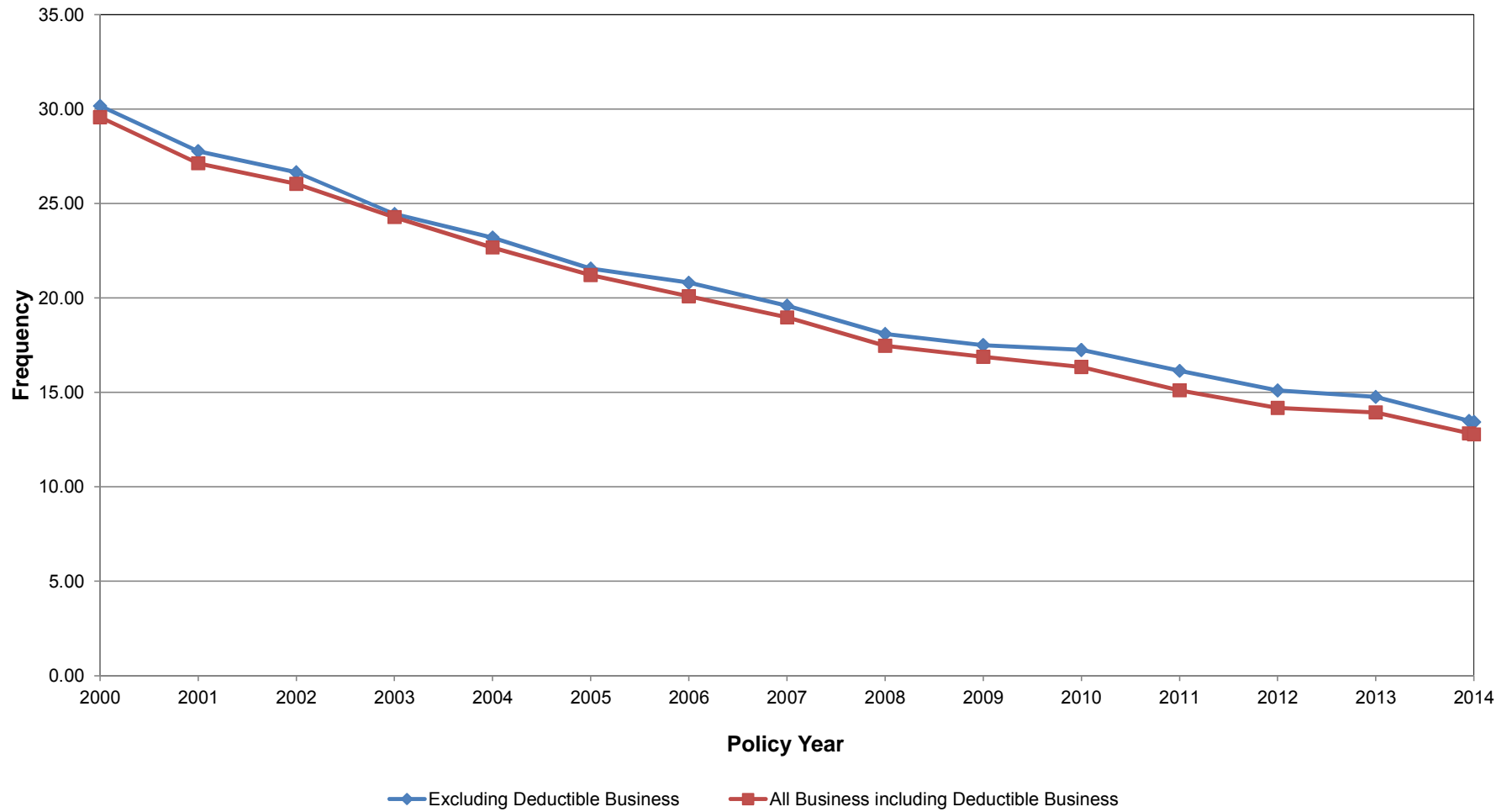
(2) Includes approximately 1st 11 months and 12 days of PY2014. (Full Year=977.1-Average of CY 2014 and 2015)

PA W.C. - CLAIM FREQUENCIES
PCRB Unit Statistical Plan (All Business Incl. Deductible Business)



—◆— Claim Freq per \$1 Million Expected Losses

PA W.C. - COMPARISON OF CLAIM FREQUENCIES (Claim Frequencies per \$1 Million Expected Losses)



Pennsylvania W.C. - Claim Frequencies
 PCRB Unit Statistical Plan
 (Excluding Deductible Business)

Policy Year	Industry Group	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Frequency (6)
2000	1 (MFG)	8,333		247,879,113		33.62	
2001	1	6,980	-16.2%	226,878,964	-8.5%	30.77	-8.5%
2002	1	6,080	-12.9%	214,831,851	-5.3%	28.30	-8.0%
2003	1	5,791	-4.8%	210,312,569	-2.1%	27.54	-2.7%
2004	1	5,821	0.5%	213,725,062	1.6%	27.24	-1.1%
2005	1	5,508	-5.4%	218,550,949	2.3%	25.20	-7.5%
2006	1	5,661	2.8%	229,297,131	4.9%	24.69	-2.0%
2007	1	5,143	-9.2%	234,386,480	2.2%	21.94	-11.1%
2008	1	4,304	-16.3%	223,290,755	-4.7%	19.28	-12.1%
2009	1	3,733	-13.3%	208,322,200	-6.7%	17.92	-7.1%
2010	1	4,001	7.2%	220,212,813	5.7%	18.17	1.4%
2011	1	4,194	4.8%	236,169,202	7.2%	17.76	-2.3%
2012	1	3,634	-13.4%	225,290,581	-4.6%	16.13	-9.2%
2013	1	3,562	-2.0%	231,361,927	2.7%	15.40	-4.5%
2014 *	1	3,426	-3.8%	236,290,890	2.1%	14.50	-5.8%
2014 **	1					14.45	-6.1%

Period	Annual % Change In Claim Frequency
PY00-PY14	-5.8%
PY01-PY14	-5.8%
PY02-PY14	-5.8%
PY03-PY14	-6.0%
PY04-PY14	-6.1%
PY05-PY14	-5.9%
PY06-PY14	-5.8%
PY07-PY14	-5.1%
PY08-PY14	-4.5%
PY09-PY14	-4.6%
PY10-PY14	-5.8%
PY11-PY14	-6.4%
PY12-PY14	-5.3%
PY13-PY14	-6.1%

2000	2 (Contracting)	6,818		291,481,202		23.39	
2001	2	6,404	-6.1%	294,695,177	1.1%	21.73	-7.1%
2002	2	5,914	-7.7%	290,845,649	-1.3%	20.33	-6.4%
2003	2	5,569	-5.8%	296,150,813	1.8%	18.80	-7.5%
2004	2	5,448	-2.2%	310,071,722	4.7%	17.57	-6.5%
2005	2	5,571	2.3%	328,374,322	5.9%	16.97	-3.4%
2006	2	5,307	-4.7%	341,923,387	4.1%	15.52	-8.5%
2007	2	5,242	-1.2%	361,448,873	5.7%	14.50	-6.6%
2008	2	4,318	-17.6%	340,651,342	-5.8%	12.68	-12.6%
2009	2	3,732	-13.6%	306,604,439	-10.0%	12.17	-4.0%
2010	2	3,836	2.8%	320,039,473	4.4%	11.99	-1.5%
2011	2	3,838	0.1%	343,670,109	7.4%	11.17	-6.8%
2012	2	3,477	-9.4%	342,734,244	-0.3%	10.14	-9.2%
2013	2	3,398	-2.3%	349,357,235	1.9%	9.73	-4.0%
2014 *	2	3,299	-2.9%	372,644,944	6.7%	8.85	-9.0%
2014 **	2					8.81	-9.5%

PY00-PY14	-6.6%
PY01-PY14	-6.6%
PY02-PY14	-6.6%
PY03-PY14	-6.6%
PY04-PY14	-6.6%
PY05-PY14	-6.6%
PY06-PY14	-6.4%
PY07-PY14	-6.2%
PY08-PY14	-5.9%
PY09-PY14	-6.4%
PY10-PY14	-7.2%
PY11-PY14	-7.2%
PY12-PY14	-6.7%
PY13-PY14	-9.5%

2000	3 (Other)	20,715		649,573,073		31.89	
2001	3	18,689	-9.8%	633,476,843	-2.5%	29.50	-7.5%
2002	3	17,922	-4.1%	617,000,569	-2.6%	29.05	-1.5%
2003	3	16,449	-8.2%	630,923,442	2.3%	26.07	-10.3%
2004	3	16,104	-2.1%	656,302,794	4.0%	24.54	-5.9%
2005	3	15,624	-3.0%	691,877,107	5.4%	22.58	-8.0%
2006	3	15,755	0.8%	713,216,473	3.1%	22.09	-2.2%
2007	3	15,978	1.4%	749,725,441	5.1%	21.31	-3.5%
2008	3	15,336	-4.0%	759,842,048	1.3%	20.18	-5.3%
2009	3	14,786	-3.6%	756,332,481	-0.5%	19.55	-3.1%
2010	3	15,261	3.2%	798,723,724	5.6%	19.11	-2.3%
2011	3	14,803	-3.0%	834,752,930	4.5%	17.73	-7.2%
2012	3	13,964	-5.7%	828,075,398	-0.8%	16.86	-4.9%
2013	3	14,134	1.2%	848,714,592	2.5%	16.65	-1.2%
2014 *	3	13,319	-5.8%	876,920,751	3.3%	15.19	-8.8%
2014 **	3					15.12	-9.2%

PY00-PY14	-4.9%
PY01-PY14	-4.8%
PY02-PY14	-4.7%
PY03-PY14	-4.4%
PY04-PY14	-4.3%
PY05-PY14	-4.2%
PY06-PY14	-4.4%
PY07-PY14	-4.5%
PY08-PY14	-4.6%
PY09-PY14	-4.8%
PY10-PY14	-5.1%
PY11-PY14	-4.7%
PY12-PY14	-5.2%
PY13-PY14	-9.2%

* Includes approximately 1st 11 months and 12 days of PY2014.

** Projected complete PY 2014

PA W.C. - CLAIM FREQUENCIES BY INDUSTRY GROUP PCRB Unit Statistical Plan (Excl. Deductible Business)

