Exhibit 14
As Filed

PENNSYLVANIA COMPENSATION RATING BUREAU
PENNSYLVANIA CONSTRUCTION CLASSIFICATION
PREMIUM ADJUSTMENT PROGRAM ("PCCPAP")

The PCCPAP is used in Pennsylvania as a means of addressing construction employers' concerns regarding the effects of wage differentials on workers compensation premium. The program establishes a set of tabular premium credits given to employers engaged in the construction trades and who have paid wages in excess of minimum qualifying levels.

The PCCPAP is intended to be a means of redistributing a portion of workers compensation insurance premiums between lower-wage and higher-wage employers. On balance, the program is intended to be revenue neutral.

The PCRB has assembled 2015 policy year experience data that provides historical measures of the extent to which employers in each eligible classification have qualified for PCCPAP credits, and the magnitude of credits granted under this program. The attached exhibit presents the staff analysis of this experience, and derives a proposed revised set of PCCPAP loadings to maintain the intended balance within the affected classifications. A brief description of Page 14.1 follows:

Column (1) - Class: The numeric designation of each classification eligible for PCCPAP credit.

Column (2) - # of Policies (Total): The number of policies reported in each class, whether or not those policies applied for or received PCCPAP credit.

Column (3) - # of Policies (PCCPAP): The number of policies qualified for PCCPAP credit for the 2015 policy term.

Column (4) - Payroll (Total): The payroll attributable to the policies reported in column (2).

Column (5) - Payroll (PCCPAP): The payroll attributable to policies reported in column (3).

Column (6) - PCCPAP Policy Premium, Pre-PCCPAP: The Standard Premium which would have applied to qualifying PCCPAP policies ABSENT both the tabular PCCPAP credit and the adjustment to that tabular credit to offset any redundancy resulting from the calculation of experience modifications. The current PCCPAP load on Manual Rates is omitted from this calculation.

Column (7) - PCCPAP Policy Premium, Post-PCCPAP: The Standard Premium attributable to qualifying PCCPAP policies, reflecting BOTH the tabular PCCPAP credits and the adjustment to that tabular credit to offset any redundancy resulting from the calculation of experience modifications. The current PCCPAP load on Manual Rates is omitted from this calculation.

Columns (8) and (9) - Non-PCCPAP Policy Premium: The Standard Premium attributable to policies that did not qualify for PCCPAP credit in 2015. The current PCCPAP load on Manual Rates is omitted from this calculation.

Column (10) - Indicated Surcharge: The ratio of Pre-PCCPAP premiums for both qualifying and non-qualifying policies to Post-PCCPAP premiums for those same policies. Computed as (Column (6) + Column (8)) / (Column (7) + Column (9)).

Column (11) - Average PCCPAP Credit: For qualifying policies, the average credit given in 2015. For example, an average credit of 0.0819 indicates that the average qualifying risk in Code 601 received an 8.19 percent reduction in standard premium by operation of the PCCPAP plan's tabular credit and experience rating plan adjustment. This is computed as (1.00 - (Column (7) / Column (6))).

Column (12) - Class "Z": This is the credibility assigned each classification's indicated PCCPAP surcharge. The credibility formula is a linear function of total classification policies, with 325 policies or more receiving full credibility. This formula is an adaptation of procedures used in NCCI jurisdictions where credibility is a linear function of the number of policies qualifying for Premium Adjustment Plan credits. Staff perceives the use of total policies to be more appropriate where large portions of a class have not historically qualified for PCCPAP credit.

Column (13) - Formula Surcharge: The credibility-weighted classification loadings for PCCPAP credits. The calculation uses the following values:

Column (10) x Column (12) + (1.00 - (Column (12)) x Average Column (10)

Column (14) - TCF: The test correction factor necessary to balance credibility-weighted surcharges across all classifications to the overall indicated surcharge of 2.70 percent.

Column (15) - Final Surcharge: The product of the TCF (Column (14)) and the formula surcharges (Column (13)) by classification.

Page 14.2 shows a comparison of current and proposed PCCPAP surcharges by class and overall.

PCCPAP Surcharges
For Policy Effective Dates 01/01/15 Through 12/31/15

100% Credibility = 325 Policies
Partial Credibility = # of Policies / 325

Class	# of Policies (Total)	# of Policies (PCCPAP)	Payroll (Total)	Payroll (PCCPAP)	***PCCPAP Policies*** Premium Pre-PCCPAP	Premium Post-PCCPAP	**Non-PCCPAP Policies** Premium Pre-PCCPAP	Premium Post-PCCPAP	Indicated Surcharge	Average PCCPAP Credit	Class "Z"	Formula Surcharge	TCF	Final Surcharge
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
601	370	62	402,518,821	51,815,099	2,524,373	2,317,527	16,787,011	16,787,011	1.0108	0.0819	1.00	1.0108	0.9992	1.0100
603	262	54	107,187,739	39,800,582	1,764,116	1,525,618	2,791,081	2,791,081	1.0553	0.1352	0.81	1.0499	0.9992	1.0491
605	42	2	20,841,623	1,236,344	62,936	53,694	1,031,109	1,031,109	1.0085	0.1468	0.13	1.0246	0.9992	1.0238
606	39	0	116,319,383	0	0	0	5,732,891	5,732,891	1.0000	0.0000	0.12	1.0238	0.9992	1.0230
607	438	20	556,526,881	21,893,360	811,706	622,733	19,355,351	19,355,351	1.0095	0.2328	1.00	1.0095	0.9992	1.0087
608	2,408	228	495,663,505	114,234,619	5,368,995	4,676,257	17,974,344	17,974,344	1.0306	0.1290	1.00	1.0306	0.9992	1.0298
609	2,505	186	983,958,454	116,282,610	4,335,097	3,781,348	29,468,293	29,468,293	1.0167	0.1277	1.00	1.0167	0.9992	1.0159
611	27	10	8,369,942	1,634,984	117,119	93,668	443,312	443,312	1.0437	0.2002	0.08	1.0283	0.9992	1.0275
615	4	1	1,500,438	759,474	47,574	42,817	57,499	57,499	1.0474	0.1000	0.01	1.0272	0.9992	1.0264
617	296	56	307,903,718	41,979,494	1,116,812	993,251	6,869,556	6,869,556	1.0157	0.1106	0.91	1.0167	0.9992	1.0159
645	729	128	250,501,547	97,440,248	4,849,909	4,152,399	7,934,724	7,934,724	1.0577	0.1438	1.00	1.0577	0.9992	1.0569
646	406	49	89,243,271	19,626,990	866,192	721,155	2,983,706	2,983,706	1.0391	0.1674	1.00	1.0391	0.9992	1.0383
647	239	13	49,057,113	1,866,361	102,974	86,132	2,760,258	2,760,258	1.0059	0.1636	0.74	1.0114	0.9992	1.0106
648	1,116	51	126,470,438	17,560,139	913,244	793,043	5,377,962	5,377,962	1.0195	0.1316	1.00	1.0195	0.9992	1.0187
649	263	83	83,048,738	49,129,917	1,083,040	946,126	868,342	868,342	1.0755	0.1264	0.81	1.0663	0.9992	1.0655
651	2,369	234	661,289,896	129,407,237	6,605,835	5,596,894	27,789,259	27,789,259	1.0302	0.1527	1.00	1.0302	0.9992	1.0294
652	6,201	37	475,764,401	10,866,467	811,799	719,151	33,598,087	33,598,087	1.0027	0.1141	1.00	1.0027	0.9992	1.0019
653	1,773	123	276,673,025	69,539,780	3,954,334	3,467,587	11,870,565	11,870,565	1.0317	0.1231	1.00	1.0317	0.9992	1.0309
654	531	121	262,785,424	79,156,489	4,872,450	4,160,304	10,937,712	10,937,712	1.0472	0.1462	1.00	1.0472	0.9992	1.0464
655	328	46	170,273,942	20,345,502	2,007,114	1,589,517	12,249,003	12,249,003	1.0302	0.2081	1.00	1.0302	0.9992	1.0294
656	122	4	143,305,320	3,466,602	148,285	130,471	6,065,972	6,065,972	1.0029	0.1201	0.38	1.0178	0.9992	1.0170
657	51	1	15,167,434	186,677	10,069	9,465	830,868	830,868	1.0007	0.0600	0.16	1.0228	0.9992	1.0220
658	459	77	78,981,480	19,195,208	1,209,232	988,850	4,126,058	4,126,058	1.0431	0.1822	1.00	1.0431	0.9992	1.0423
659	847	48	152,238,809	20,428,809	2,546,189	2,296,926	15,769,381	15,769,381	1.0138	0.0979	1.00	1.0138	0.9992	1.0130
660	1,066	111	390,190,999	67,533,968	1,403,202	1,127,881	6,988,906	6,988,906	1.0339	0.1962	1.00	1.0339	0.9992	1.0331
661	2,946	301	1,053,762,763	393,345,299	9,540,113	7,801,124	16,641,072	16,641,072	1.0711	0.1823	1.00	1.0711	0.9992	1.0703
662	291	1	64,028,603	300,000	10,099	7,170	2,457,510	2,457,510	1.0012	0.2900	0.90	1.0038	0.9992	1.0030
663	3,280	288	1,019,081,413	192,177,218	5,630,416	4,712,740	25,229,932	25,229,932	1.0306	0.1630	1.00	1.0306	0.9992	1.0298
664	2,425	217	876,964,240	244,150,324	6,879,971	5,750,384	18,951,901	18,951,901	1.0457	0.1642	1.00	1.0457	0.9992	1.0449
665	1,536	61	162,066,980	28,449,176	1,616,104	1,391,564	8,221,597	8,221,597	1.0234	0.1389	1.00	1.0234	0.9992	1.0226
666	289	45	67,941,723	24,173,876	1,245,537	1,065,486	2,232,032	2,232,032	1.0546	0.1446	0.89	1.0516	0.9992	1.0508
667	205	16	23,332,835	5,262,029	84,162	71,910	260,514	260,514	1.0369	0.1456	0.63	1.0332	0.9992	1.0324
668	447	33	64,061,290	16,890,819	717,366	618,537	2,245,474	2,245,474	1.0345	0.1378	1.00	1.0345	0.9992	1.0337
669	139	21	10,589,448	4,400,577	238,405	194,215	321,368	321,368	1.0857	0.1854	0.43	1.0522	0.9992	1.0514
670	646	52	60,692,740	19,412,071	774,042	628,815	1,660,839	1,660,839	1.0634	0.1876	1.00	1.0634	0.9992	1.0626
673	220	8	48,246,426	2,400,070	113,667	103,573	1,945,839	1,945,839	1.0049	0.0888	0.68	1.0120	0.9992	1.0112
674	205	3	23,804,485	2,603,731	83,991	77,529	795,389	795,389	1.0074	0.0769	0.63	1.0147	0.9992	1.0139
675	1,763	94	948,591,430	70,975,266	2,058,427	1,727,396	24,482,000	24,482,000	1.0126	0.1608	1.00	1.0126	0.9992	1.0118
676	301	19	46,055,978	9,987,184	368,215	321,138	1,121,152	1,121,152	1.0326	0.1279	0.93	1.0322	0.9992	1.0314
677	76	10	120,473,830	5,603,378	139,108	115,182	2,798,868	2,798,868	1.0082	0.1720	0.23	1.0227	0.9992	1.0219
679	25	0	10,290,088	0	0	0	587,854	587,854	1.0000	0.0000	0.08	1.0248	0.9992	1.0240
681	86	1	7,053,815	900	38	33	289,967	289,967	1.0000	0.1316	0.26	1.0200	0.9992	1.0192
691	30	0	4,222,232	0	0	0	216,548	216,548	1.0000	0.0000	0.09	1.0246	0.9992	1.0238
693	42	0	10,153,122	0	0	0	753,434	753,434	1.0000	0.0000	0.13	1.0235	0.9992	1.0227
695	66	0	26,589,177	0	0	0	903,083	903,083	1.0000	0.0000	0.20	1.0216	0.9992	1.0208
Total	37,909	2,915	10,873,784,959	2,015,518,878	77,032,257	65,479,610	362,777,623	362,777,623	1.0270	0.1500		1.0278	0.9992	1.0270

Note:
For each Class:
 Indicated Surcharge = (Total Premium Pre-PCCPAP) / (Total Premium Post-PCCPAP)
 Basis of Credibility: 1 / ((# PCCPAP Policies) / (# Total Policies)) * 25 = 325 Policies for Full Credibility
 Formula Surcharge = (Indicated Surcharge) * (Credibility for that Class) + (1 - Credibility) * (Average Indicated Surcharge)
 Test Correction Factor = (Total Indicated Surcharge) / ((Total Weighted Formula Surcharge) / (Total Premium Post-PCCPAP))

Comparison of PCCPAP Surcharges by Class

Class (1)	Current PCCPAP Surcharge (2)	Proposed PCCPAP Surcharge (3)	Percentage Change (4)=(3)/(2)-1.0
601	1.0098	1.0100	0.0%
603	1.0494	1.0491	0.0%
605	1.0238	1.0238	0.0%
606	1.0230	1.0230	0.0%
607	1.0088	1.0087	0.0%
608	1.0298	1.0298	0.0%
609	1.0153	1.0159	0.1%
611	1.0284	1.0275	-0.1%
615	1.0267	1.0264	0.0%
617	1.0157	1.0159	0.0%
645	1.0570	1.0569	0.0%
646	1.0386	1.0383	0.0%
647	1.0106	1.0106	0.0%
648	1.0186	1.0187	0.0%
649	1.0656	1.0655	0.0%
651	1.0294	1.0294	0.0%
652	1.0019	1.0019	0.0%
653	1.0310	1.0309	0.0%
654	1.0465	1.0464	0.0%
655	1.0303	1.0294	-0.1%
656	1.0172	1.0170	0.0%
657	1.0220	1.0220	0.0%
658	1.0419	1.0423	0.0%
659	1.0130	1.0130	0.0%
660	1.0333	1.0331	0.0%
661	1.0708	1.0703	0.0%
662	1.0032	1.0030	0.0%
663	1.0300	1.0298	0.0%
664	1.0435	1.0449	0.1%
665	1.0226	1.0226	0.0%
666	1.0514	1.0508	-0.1%
667	1.0324	1.0324	0.0%
668	1.0338	1.0337	0.0%
669	1.0464	1.0514	0.5%
670	1.0629	1.0626	0.0%
673	1.0112	1.0112	0.0%
674	1.0139	1.0139	0.0%
675	1.0119	1.0118	0.0%
676	1.0504	1.0314	-1.8%
677	1.0225	1.0219	-0.1%
679	1.0243	1.0240	0.0%
681	1.0189	1.0192	0.0%
691	1.0235	1.0238	0.0%
693	1.0227	1.0227	0.0%
695	1.0208	1.0208	0.0%
Total	1.0270	1.0270	0.0%