

PENNSYLVANIA COMPENSATION RATING BUREAU

Loss Based Assessments and Employer Assessment Factor

The Administration Fund, Subsequent Injury Fund and Supersedeas Fund are not included in the loss costs but are a separate charge to the insured. The attached exhibit presents detail of loss payments, budgeted expenditures and the resulting assessment levels. The indicated Employer Assessment Factor is 2.02%, an increase of 0.19% from the current value of 1.83%.

The Small Business Advocate assessment as well as charges for the Merit Rating Plan and Certified Safety Committee Program are also included as part of the published loss costs. A factor of 1.37% is proposed as a load to loss costs for those items. The current factor is 1.34%.

**EXHIBIT II**

**CALCULATION OF EMPLOYER ASSESSMENT FACTOR AND  
LOADING FOR LOSS BASED ASSESSMENTS**

<b>(1)</b>	2018 PCRB Member Paid Loss*	2,216,375,969
<b>(2)</b>	2019/2020 Fiscal Year Membership Assessment Amount	
	a. Administration Fund	51,723,784
	b. Subsequent Injury Fund	143,627
	c. Supersedeas Fund	16,012,749
	d. Uninsured Employers Guaranty Fund	5,603,317
	e. Total	<u>73,483,477</u>
<b>(3)</b>	2018 Employer Assessment Premium Base	3,627,074,324
<b>(4)</b>	2019/2020 Fiscal Year Membership Assessment Rate	
	a. Administration Fund (2a) / (3)	0.0143
	b. Subsequent Injury Fund (2b) / (3)	0.0000
	c. Supersedeas Fund (2c) / (3)	0.0044
	d. Uninsured Employers Guaranty Fund (2d) / (3)	0.0015
	e. Employer Assessment Factor (4a) + (4b) + (4c) + (4d)	<u>0.0202</u>
<b>(5)</b>	2019/2020 Fiscal Year Budget for the Office of Small Business Advocate	280,000
<b>(6)</b>	2019/2020 Fiscal Year Membership Assessment Rate for the Office of Small Business Advocate (5) / (1)	0.0001
<b>(7)</b>	Merit Rating Plan Increment Factor	0.0034
<b>(8)</b>	Certified Safety Committee Program Increment Factor	0.0102
<b>(9)</b>	Overall Adjustment for the Office of Small Business Advocate, Merit Rating Plan and Certified Safety Committee Program (6) + (7) + (8)	0.0137

\* Loss payments on deductible policies have been adjusted to a first dollar basis.