

2021

STATE ACTIVITY REPORT

PCRB
PENNSYLVANIA
Compensation Rating Bureau



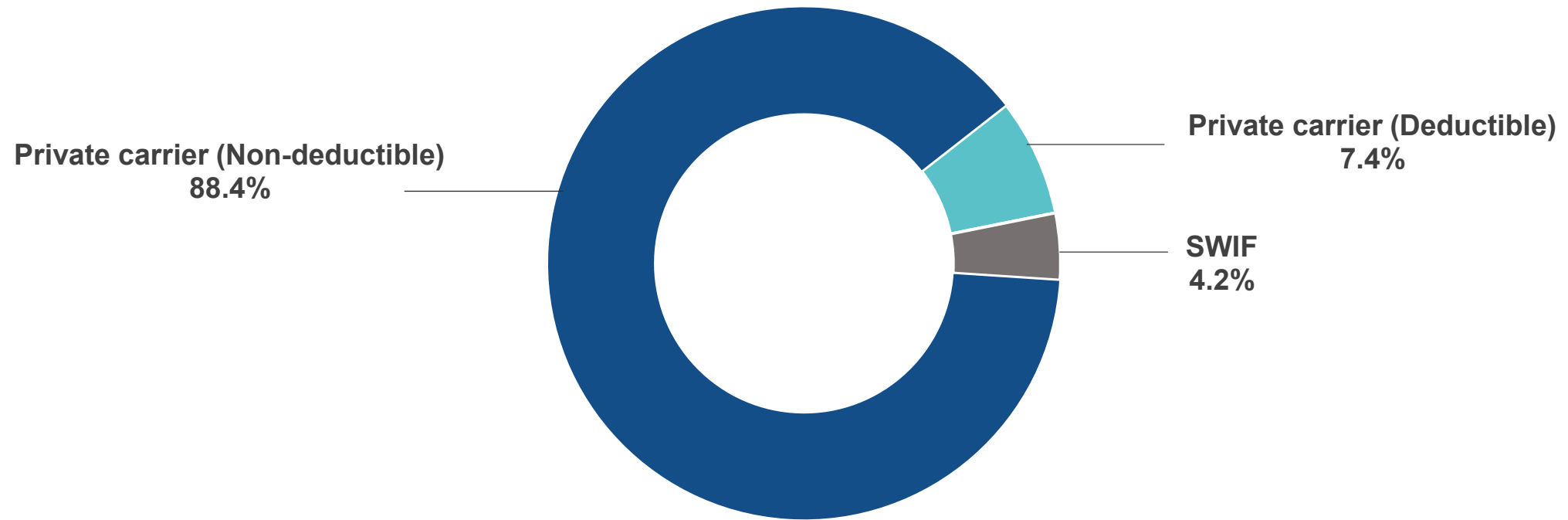
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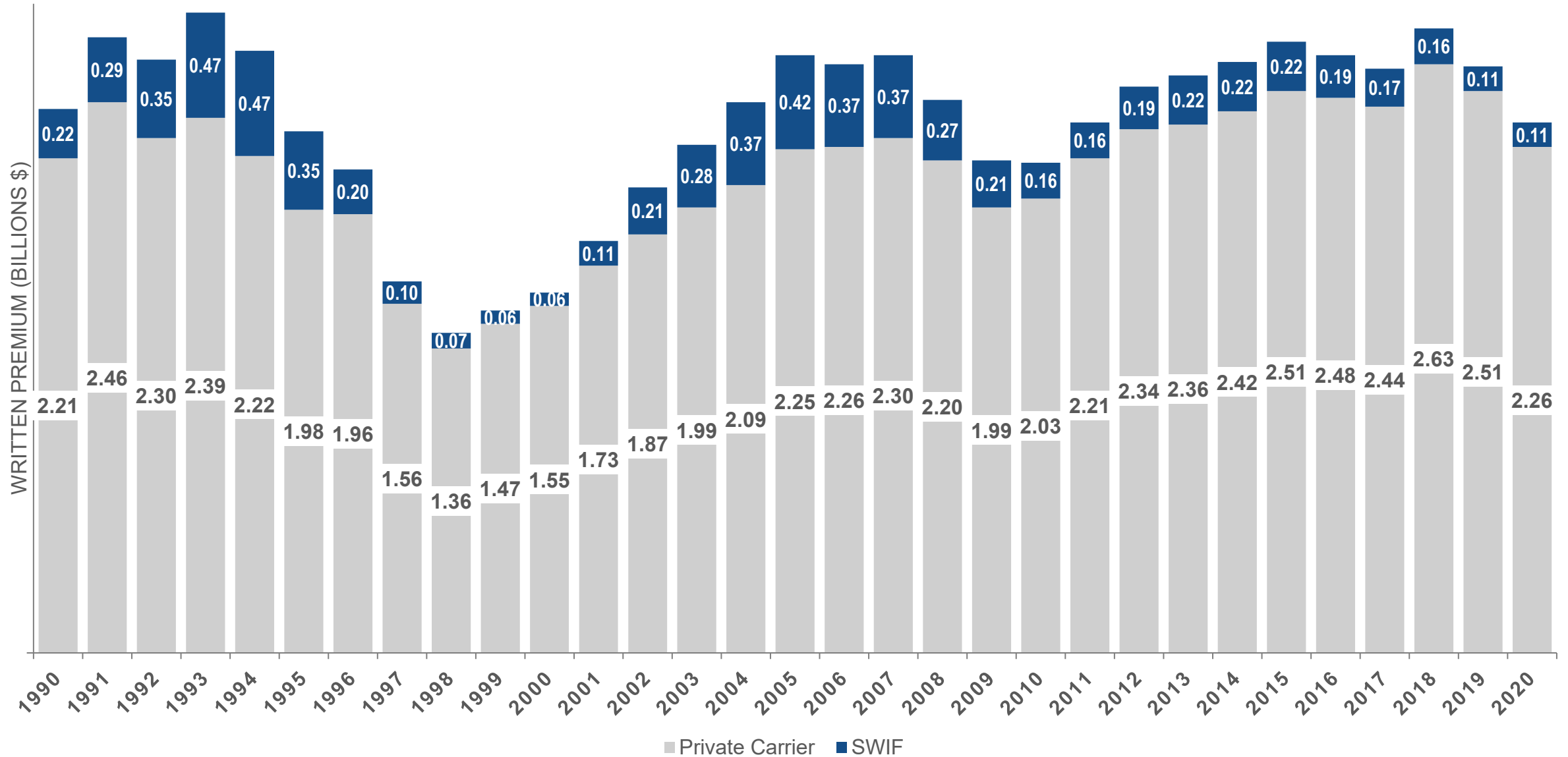
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Pennsylvania Market Share

Pennsylvania employers are required to secure their liability through private insurance, a state fund, self-insurance, or self-insured groups. The State Workers' Insurance Fund (SWIF) operates as an enterprise fund within the Department of Labor & Industry that guarantees workers insurance coverage to many Pennsylvania companies. The PCRB collects data from all private insurance carriers that write workers compensation business in Pennsylvania, including SWIF.







Workers Compensation Premium

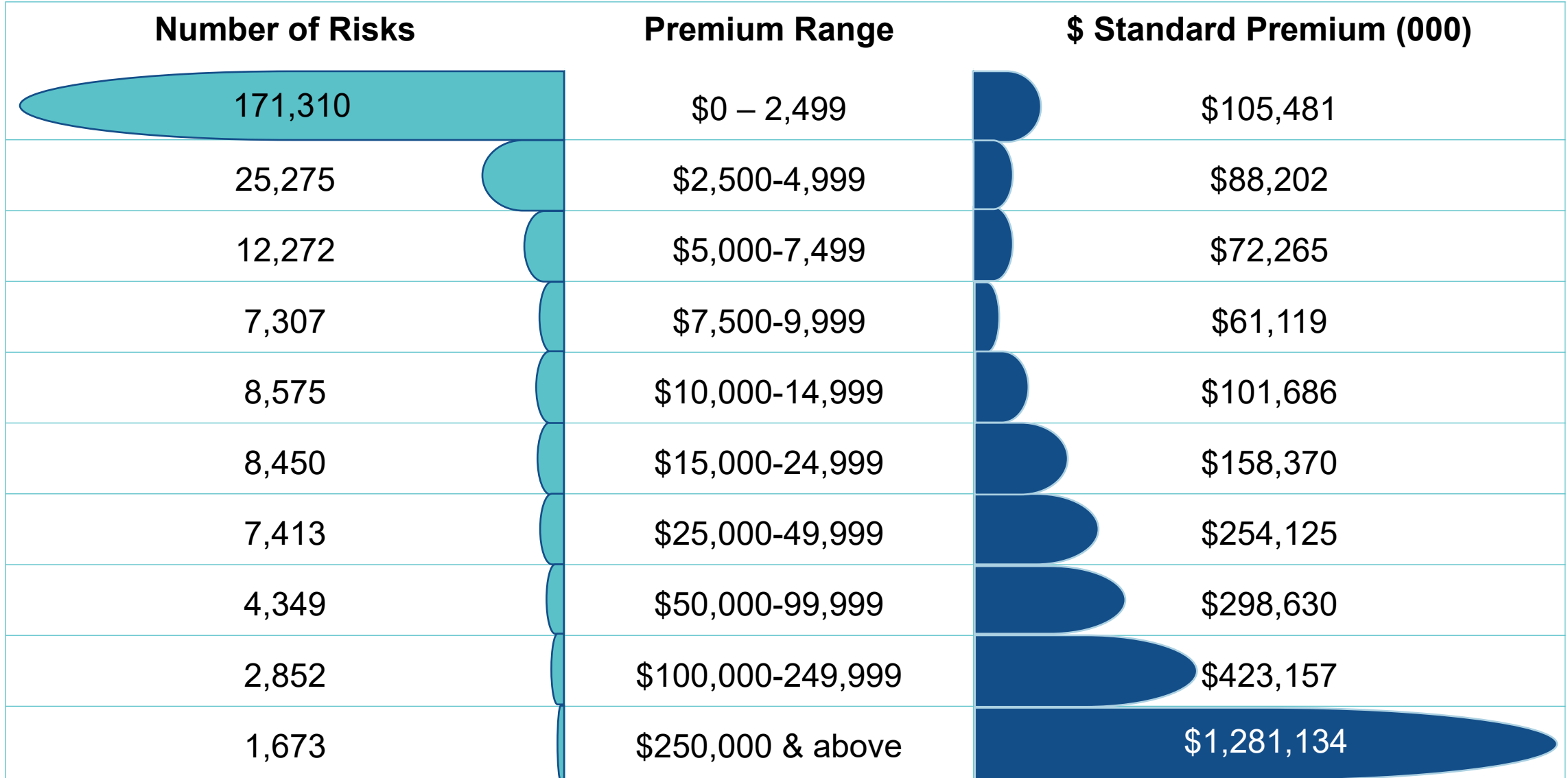


Top 20 Carrier Groups

These twenty carrier groups wrote more than 75% of the insured market premium in PA in 2020.

 Carrier Group	 Direct Written Premium (\$Millions)	 Market Share	 % Change from 2019
ZURICH	169,803,801	7.2%	0.7%
TRAVELERS	147,026,188	6.2%	-0.6%
ERIE	138,967,220	5.9%	0.2%
ENCOVA	123,196,714	5.2%	0.4%
PROASSURANCE	113,644,033	4.8%	-0.3%
STATE WORKERS INS FUND	106,382,904	4.5%	0.3%
UPMC	101,415,121	4.3%	0.4%
HARTFORD	99,198,534	4.2%	0.2%
CHUBB INA	91,808,031	3.9%	0.1%
AMTRUST	91,686,774	3.9%	0.3%
LACKAWANNA	87,800,782	3.7%	-0.2%
BERKSHIRE HATHAWAY	82,715,020	3.5%	0.0%
LIBERTY MUTUAL	79,637,127	3.4%	-0.5%
OLD REPUBLIC	68,064,480	2.9%	-0.6%
AIG	60,714,024	2.6%	-0.4%
W R BERKLEY	60,214,387	2.5%	-0.1%
PENN NATIONAL	45,679,309	1.9%	0.0%
SELECTIVE	44,548,592	1.9%	-0.1%
CNA	37,196,804	1.6%	0.2%
CINCINNATI	32,344,852	1.4%	-0.1%

Premium Demographics



Premium Adjustment Programs Results

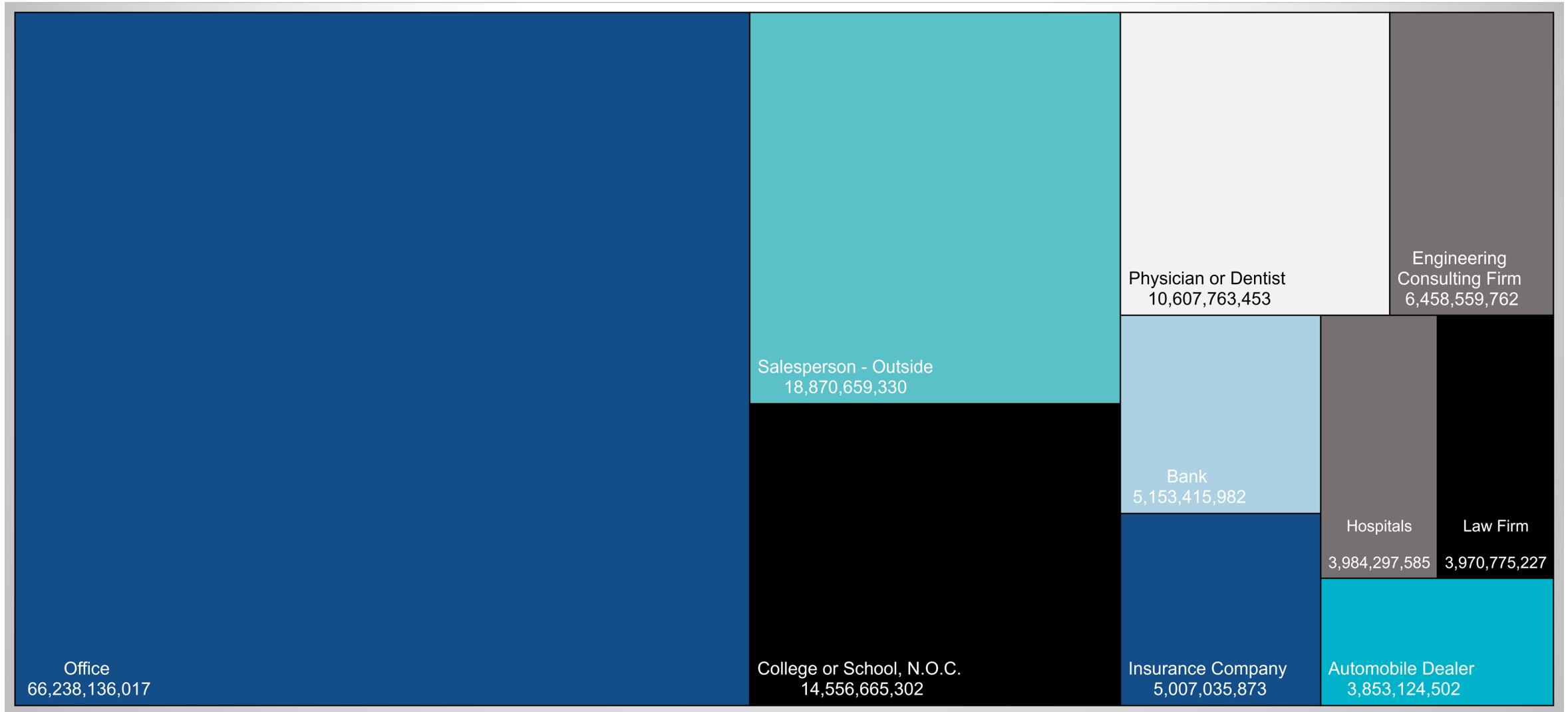
	Credits	No Premium Adjustment	Debits/Surcharges
Schedule Rating	26% receive average credit of 24.6%	64% do not receive a credit or debit	10% receive average debit of -20.5%
PA Certified Safety Credit Program	3% of eligible risks receive average credit of 5.0%	97% of eligible risks do not participate	Not Applicable
PCCPAP	7% of eligible risks receive average credit of 15.5%	93% of eligible risks do not participate	Not Applicable
Merit Rating Program	97.9% of qualified risks receive a 5.0% credit	1.9% of qualified risks do not receive a credit or debit	0.2% of qualified risks receive a 5% surcharge

Claim Counts and Losses by Classification

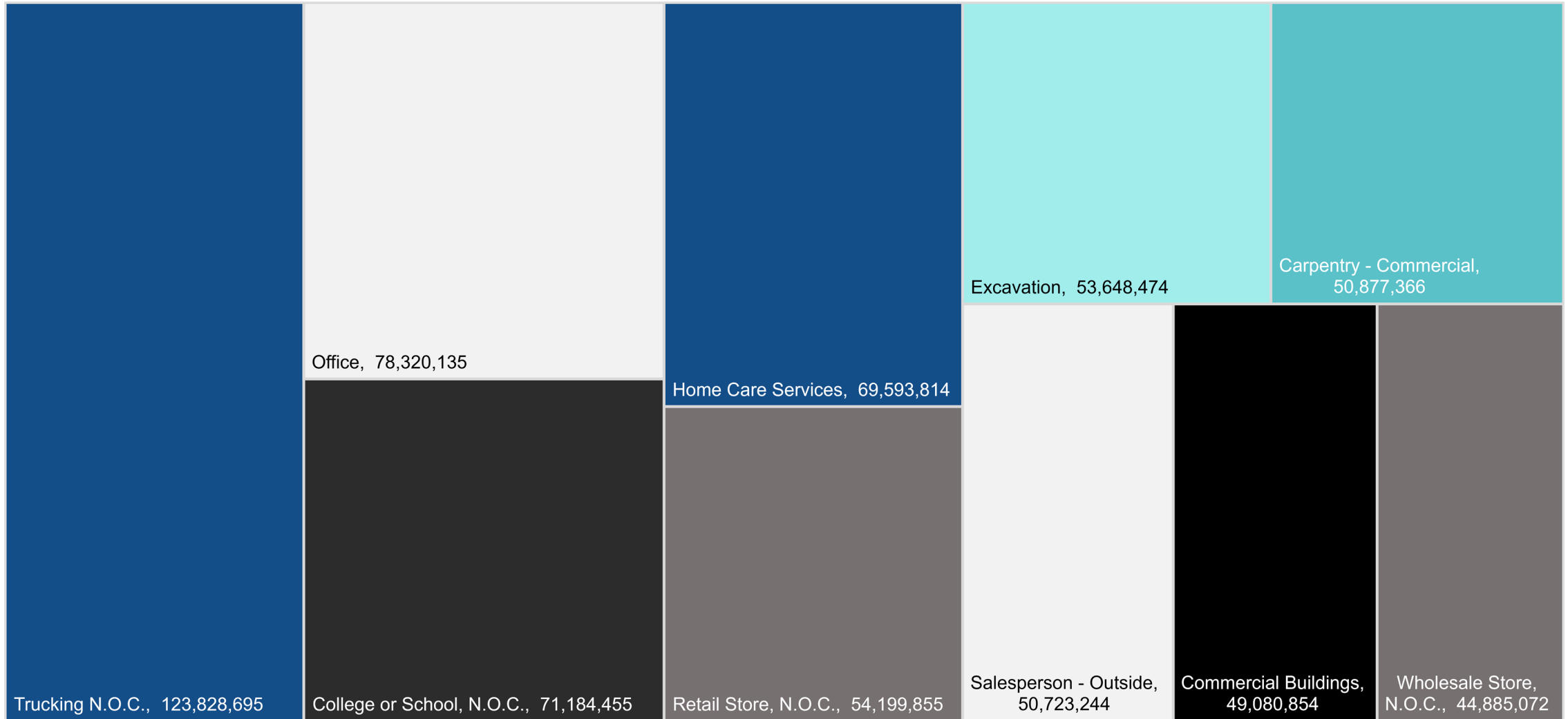
Class Code and Description	Indemnity Claim Count	\$ Total Incurred Loss	\$ Average Incurred Loss
Code 811: Trucking N.O.C.	1,136	76,428,420	67,279
Code 965: College or School, N.O.C.	1,103	43,587,661	39,517
Code 928: Retail Store, N.O.C.	917	29,851,575	32,554
Code 917: Grocery Store	750	27,037,059	36,049
Code 953: Office	734	39,392,739	53,669
Code 808: Parcel Delivery Company	675	25,473,560	37,739
Code 924: Wholesale Store, N.O.C.	661	24,418,865	36,942
Code 975: Restaurant, N.O.C.	628	15,192,483	24,192
Code 971: Commercial Buildings	606	28,991,477	47,841
Code 818: Automobile Dealer	553	22,695,837	41,041
All Other	22,989	1,124,801,359	48,928

These are the top 10 classes by number of lost time claims. These classes represent 25% of claims and 23% of losses.

Top 10 Classes by Payroll (\$)

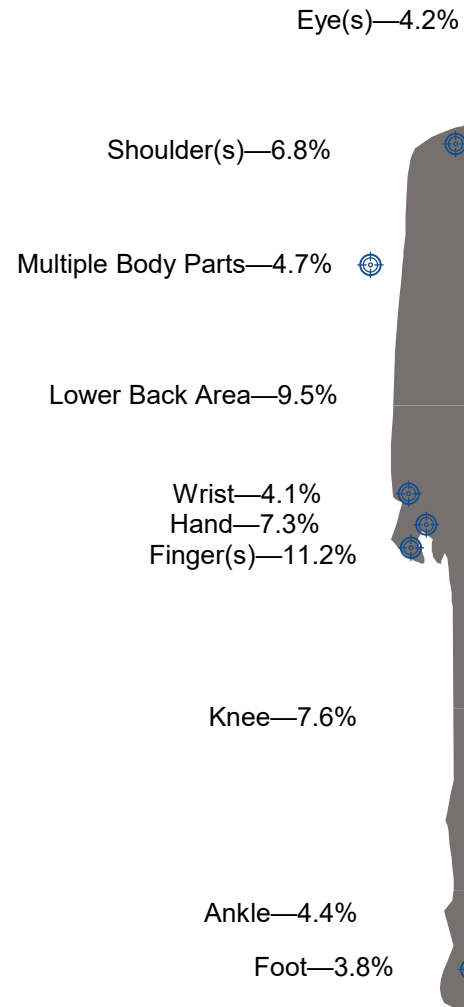


Top 10 Classes by Premium (\$)

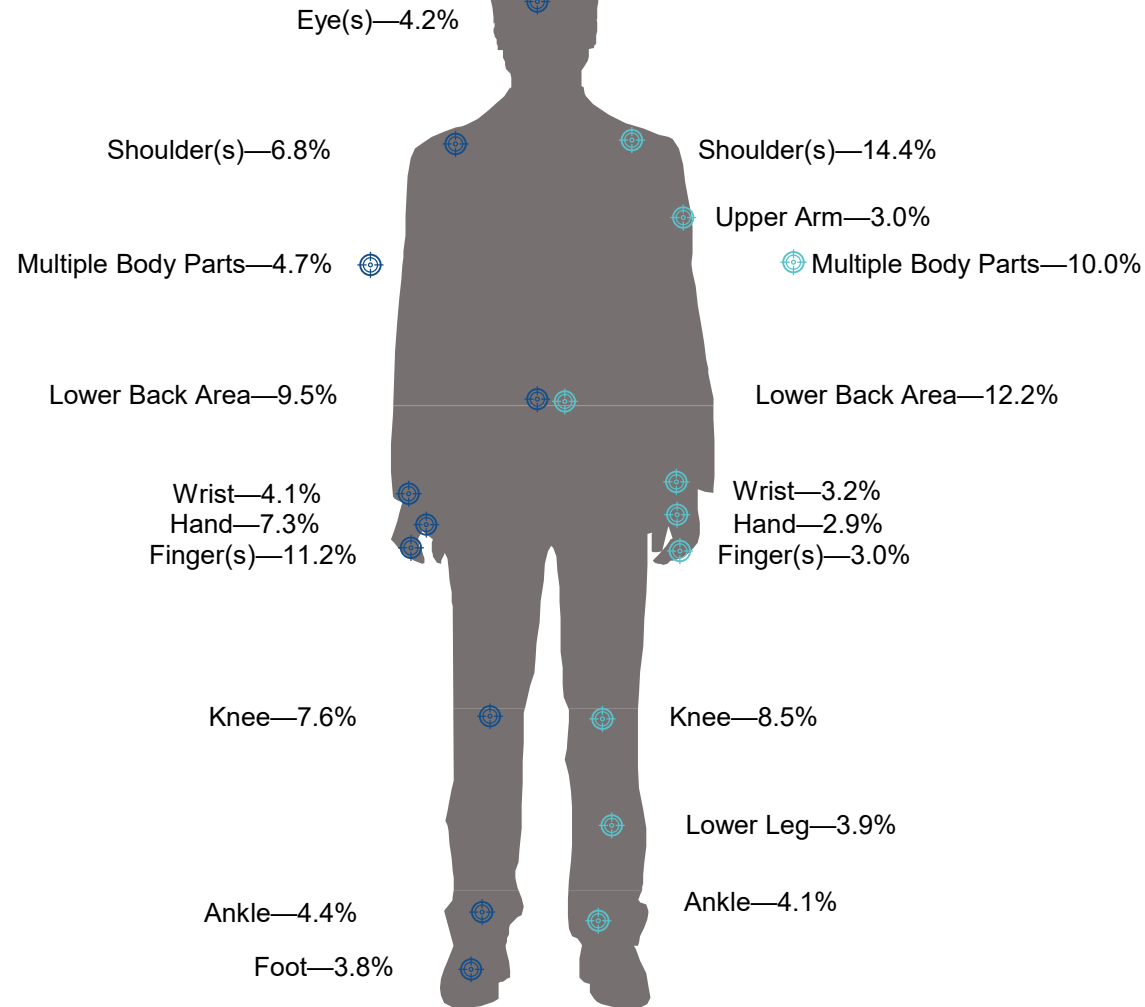


Injury Description Distribution

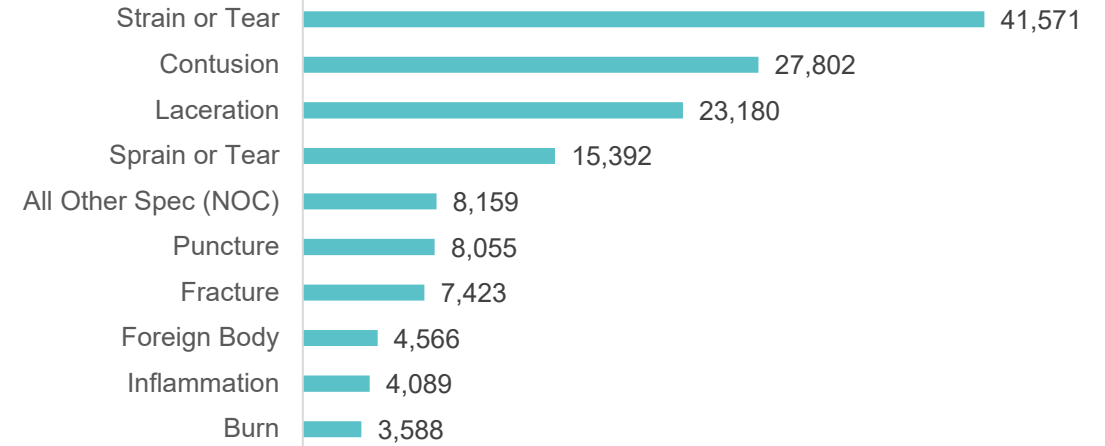
Top 10 Injuries by Total Claim Count



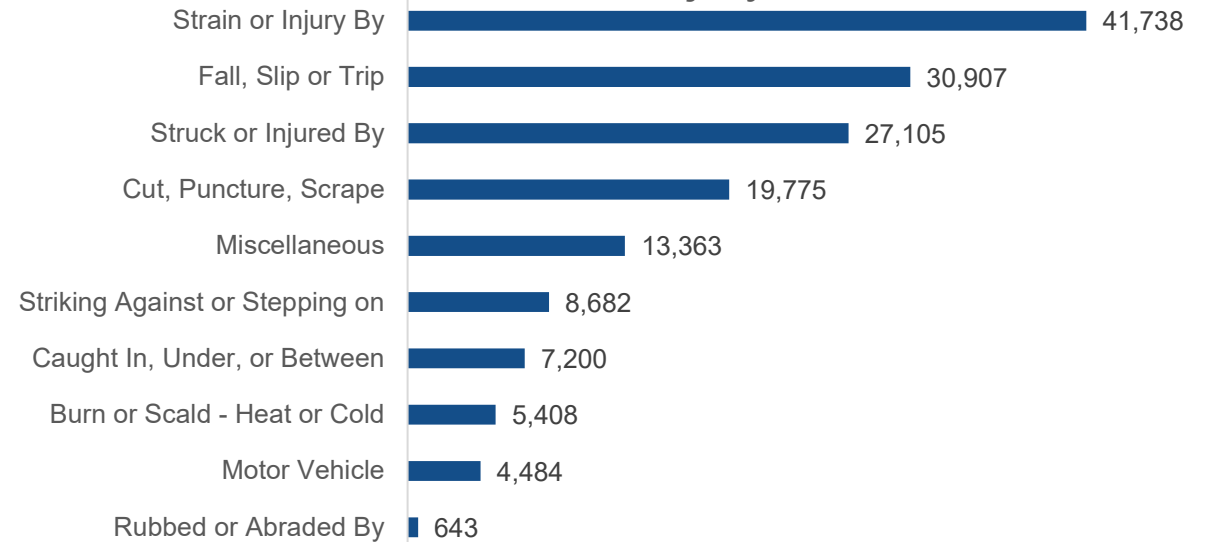
Top 10 Injuries by Total Losses



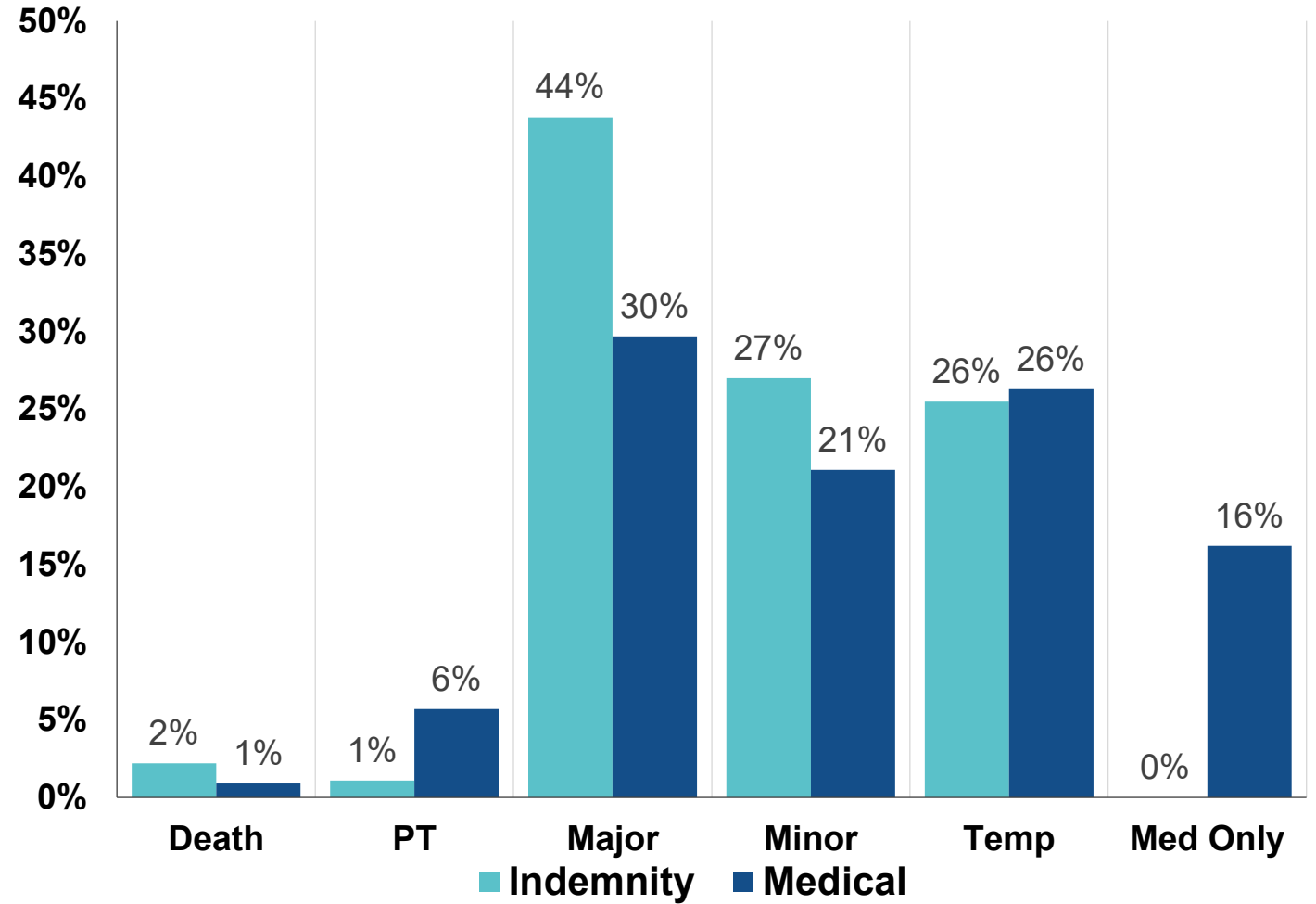
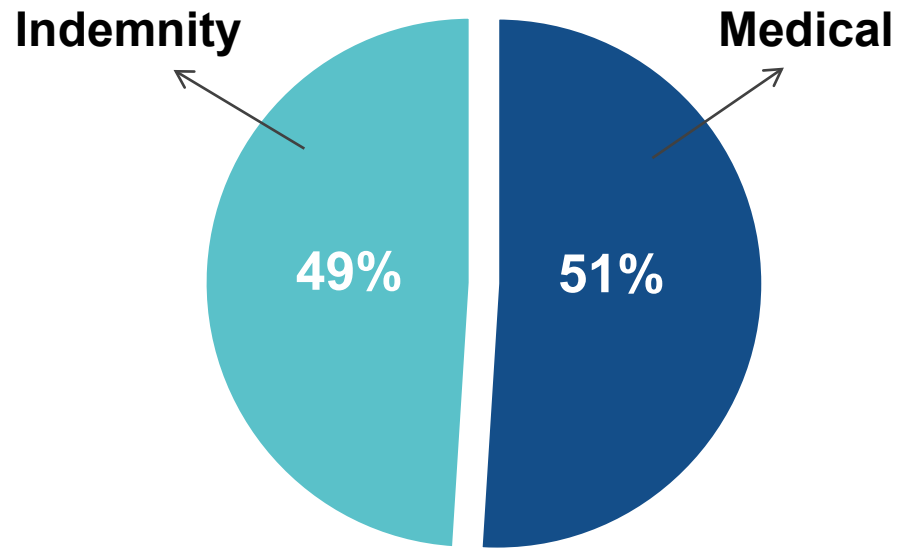
Nature of Injury



Cause of Injury



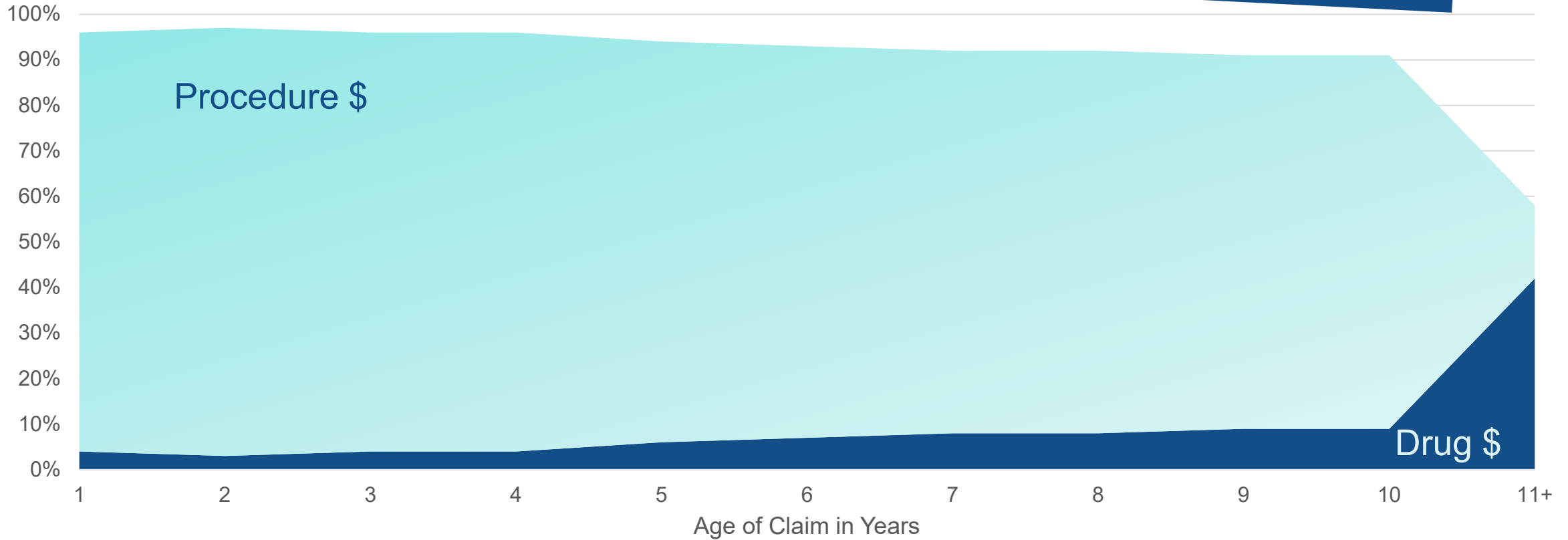
Indemnity and Medical Splits



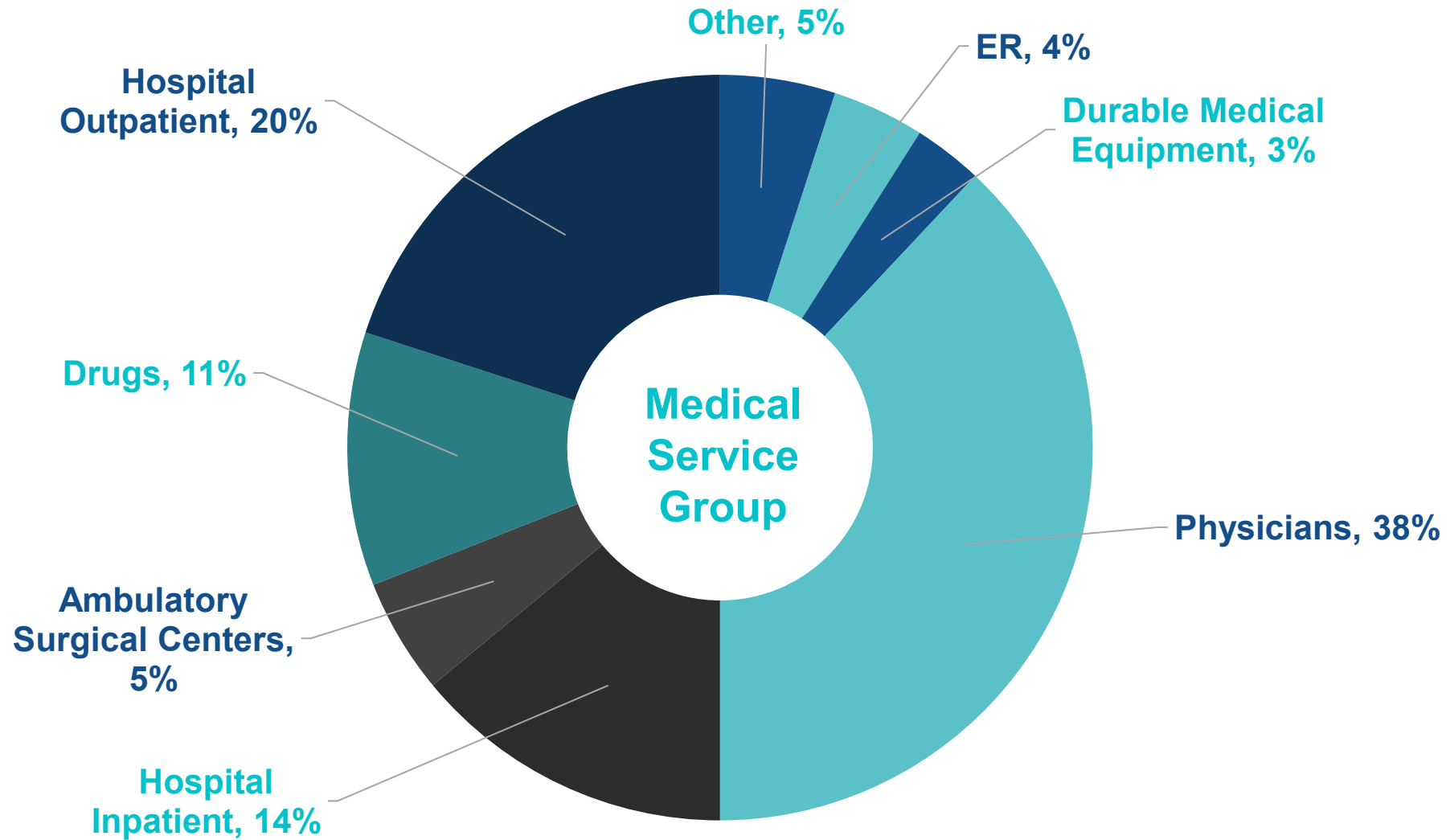
Medical Cost Breakdown

Medical treatment is a primary driver of rising medical costs. Using our Medical Data Call (MDC) data, we observe that, overall, the bulk of medical dollars are attributable to medical procedures. As the claim ages, prescription drug costs increase more rapidly as a share of medical costs. Medical expenses are not included in the MDC.

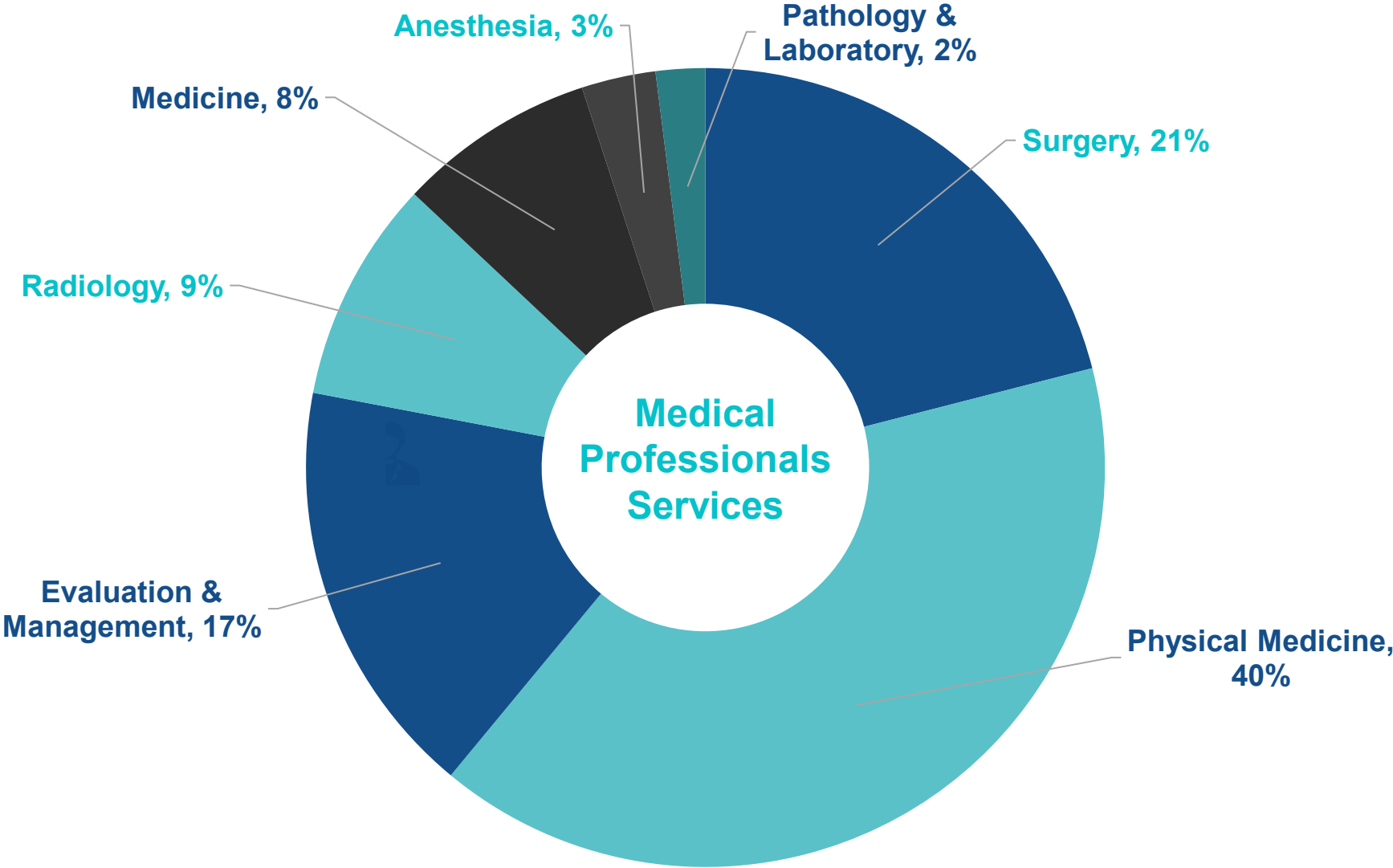
89% of medical dollars are attributed to medical procedures while 11% are due to drug costs



Medical Services Breakdown



Medical Services Breakdown (Continued)



Medical Visits Per Claim

Physical Medicine & Rehabilitation



5 out of 10 claimants

Office Visits & Consultations



3 out of 10 claimants

Radiology



1 out of 10 claimants

Major & Minor Surgery



<1 out of 10 claimants

Chiropractic Treatment



<1 out of 10 claimants

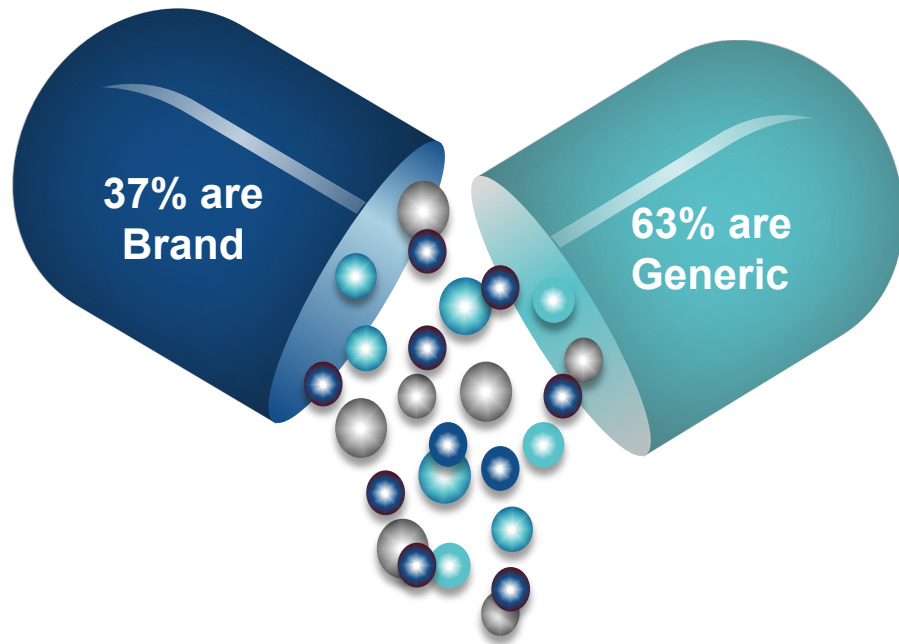
Based on 1.08 million professional visits and 109,853 claims

*When examining the number of actual visits to a health care provider, workers compensation claimants appear to visit physical medicine and rehabilitation providers more frequently than any other health care provider

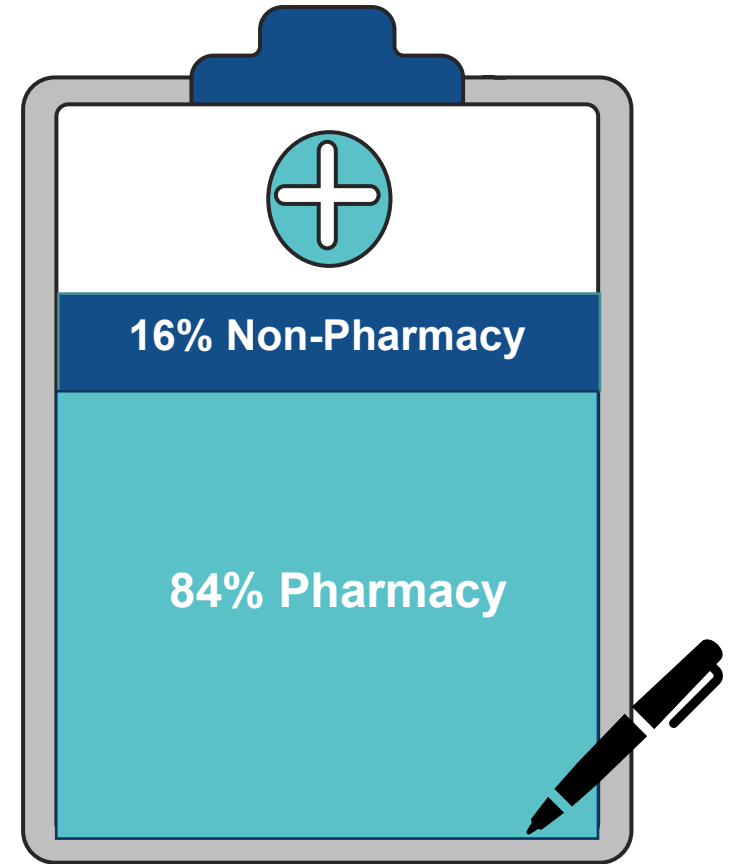
Prescription Drugs Dispensing

Based on total amount paid, along with their ranks for earlier service years.

Distribution of Drugs

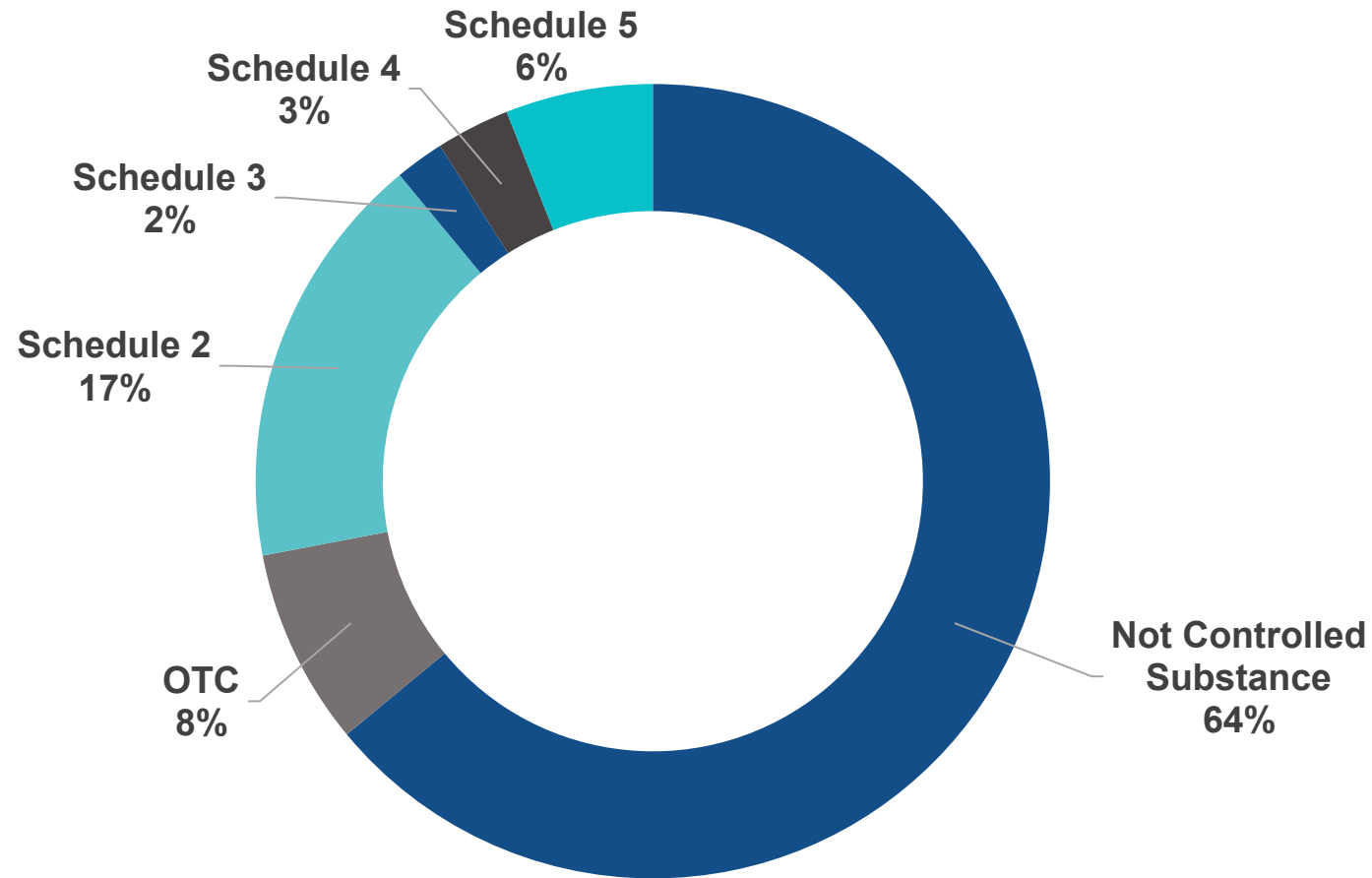


Dispensing of Drugs



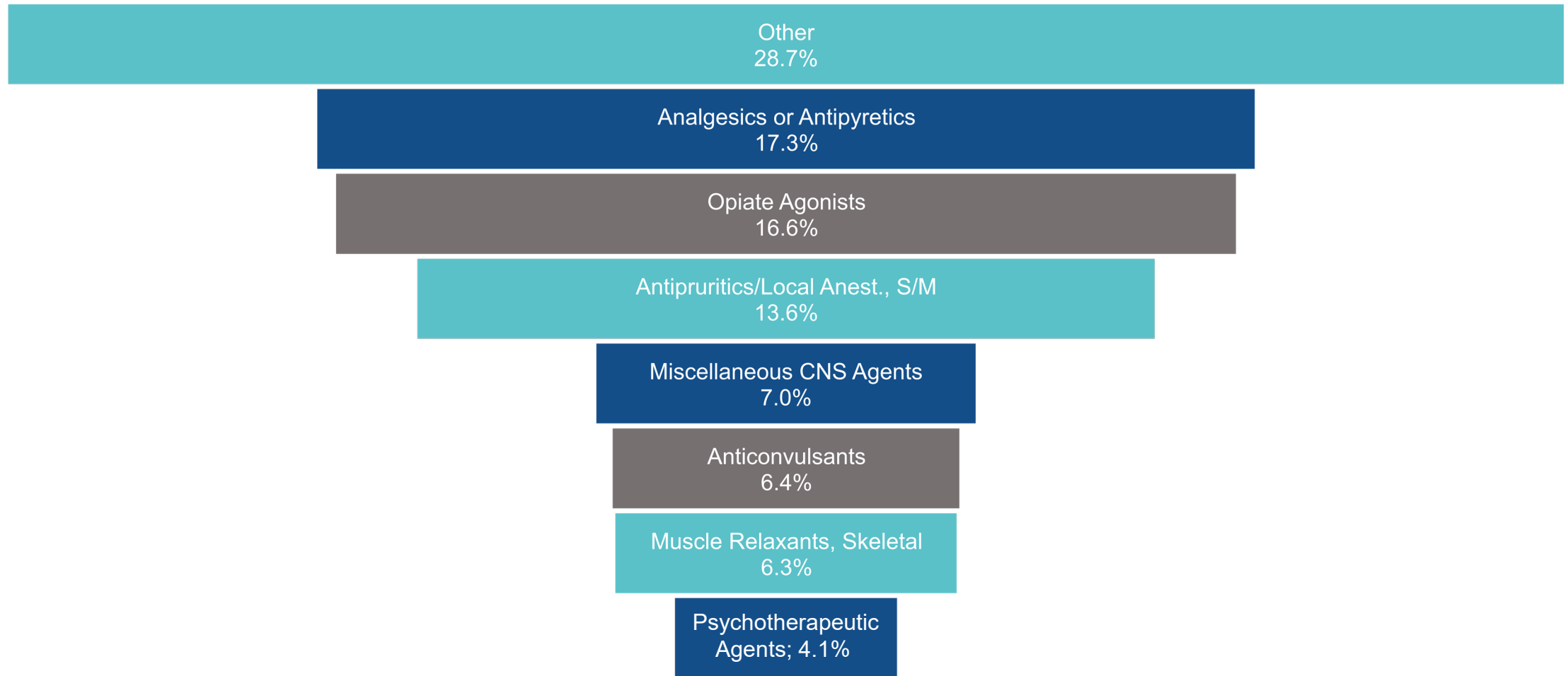
Prescription Drugs

The volume of drugs prescribed to workers compensation claimants continues to grow. This is a distribution of these prescription drugs organized by the **Controlled Substance Act Schedule**, which is based on potential of abuse.



Prescription Drugs

Therapeutic Classifications

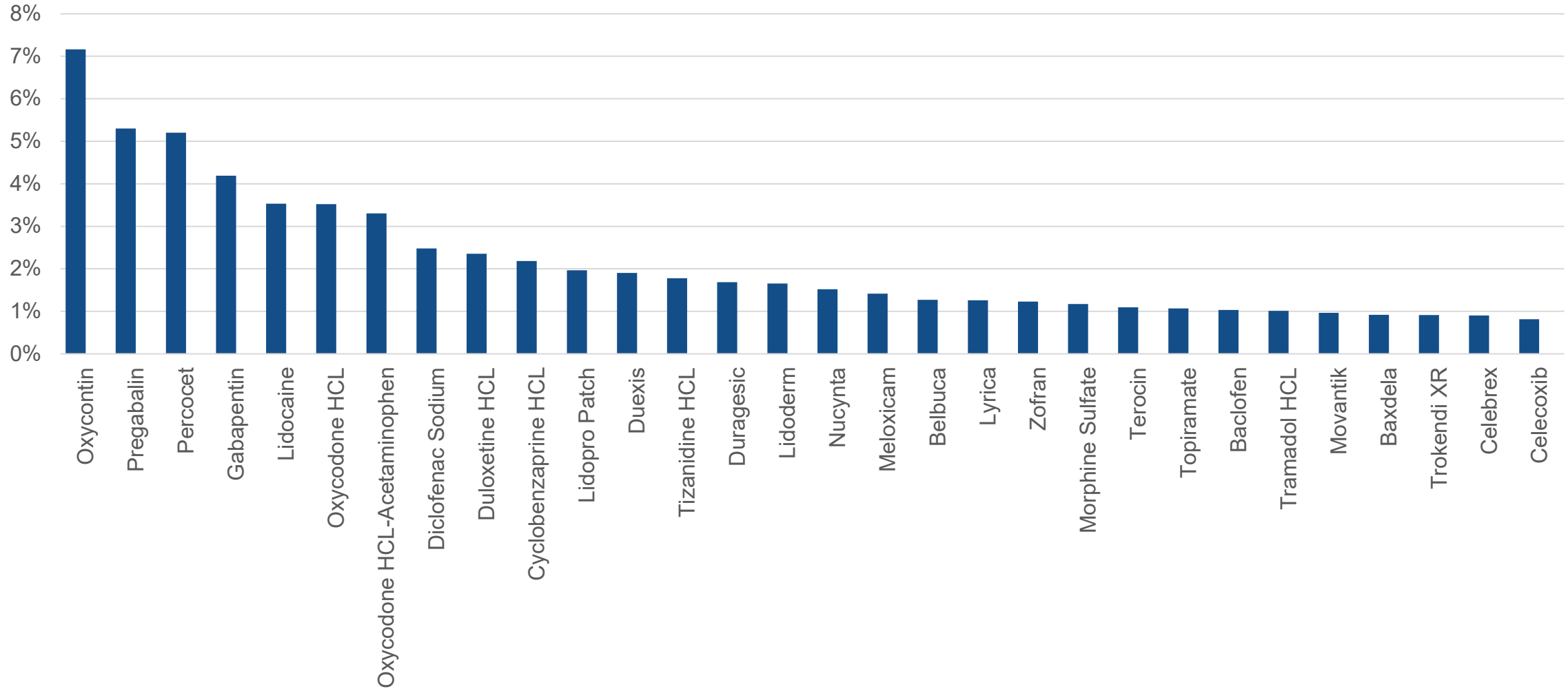


Analgesics or Antipyretics have replaced opioids as the most prevalently prescribed drug to workers compensation claimants.

Prescribing Patterns

Based on total amount paid, along with their ranks for earlier service years.

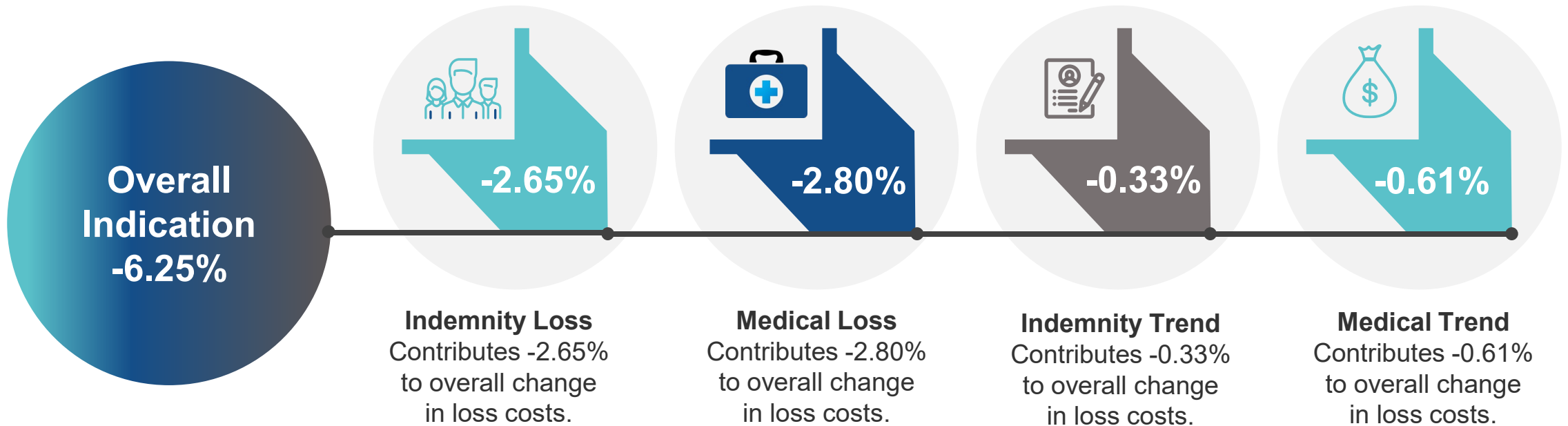
Paid Shares for Service Year 2020



Top 30 Drugs

Drug Name	Rank By Service Year				
	2020	2019	2018	2017	2016
Diclofenac Sodium	1	2	5	2	15
Pregabalin	2	n/a	n/a	n/a	n/a
Lidocaine	3	3	3	5	7
Oxycontin	4	1	2	3	2
Gabapentin	5	5	4	1	1
Cyclobenzaprine HCL	6	13	13	14	9
Nulido	7	27	n/a	n/a	n/a
Celecoxib	8	12	12	12	13
Percocet	9	8	9	9	10
Terocin	10	7	10	8	12
Meloxicam	11	6	8	10	11
Oxycodone HCL	12	11	6	6	4
Duloxetine HCL	13	10	11	11	14
Oxycodone HCL-Acetaminophen	14	9	7	7	6
Lidopro Patch	15	14	14	13	87
Ondansetron HCL	16	16	n/a	n/a	n/a
Baclofen	17	15	16	19	18
Hydrocodone Bitartrate-Acetaminophen	18	19	19	20	19
Metaxalone	19	18	20	24	25
Tizanidine HCL	20	20	21	23	26
Morphine Sulfate	21	21	15	16	16
Tramadol HCL	22	17	18	18	17
Belbuca	23	n/a	n/a	n/a	n/a
Lidoderm	24	23	27	45	49
Botox	25	24	n/a	n/a	n/a
Topiramate	26	25	25	31	37
Diclofenac Epolamine	27	n/a	n/a	n/a	n/a
Duexis	28	22	30	34	41
Nucynta	29	41	24	28	33
Lyrica	30	4	1	4	3

Components of 2021 Indication



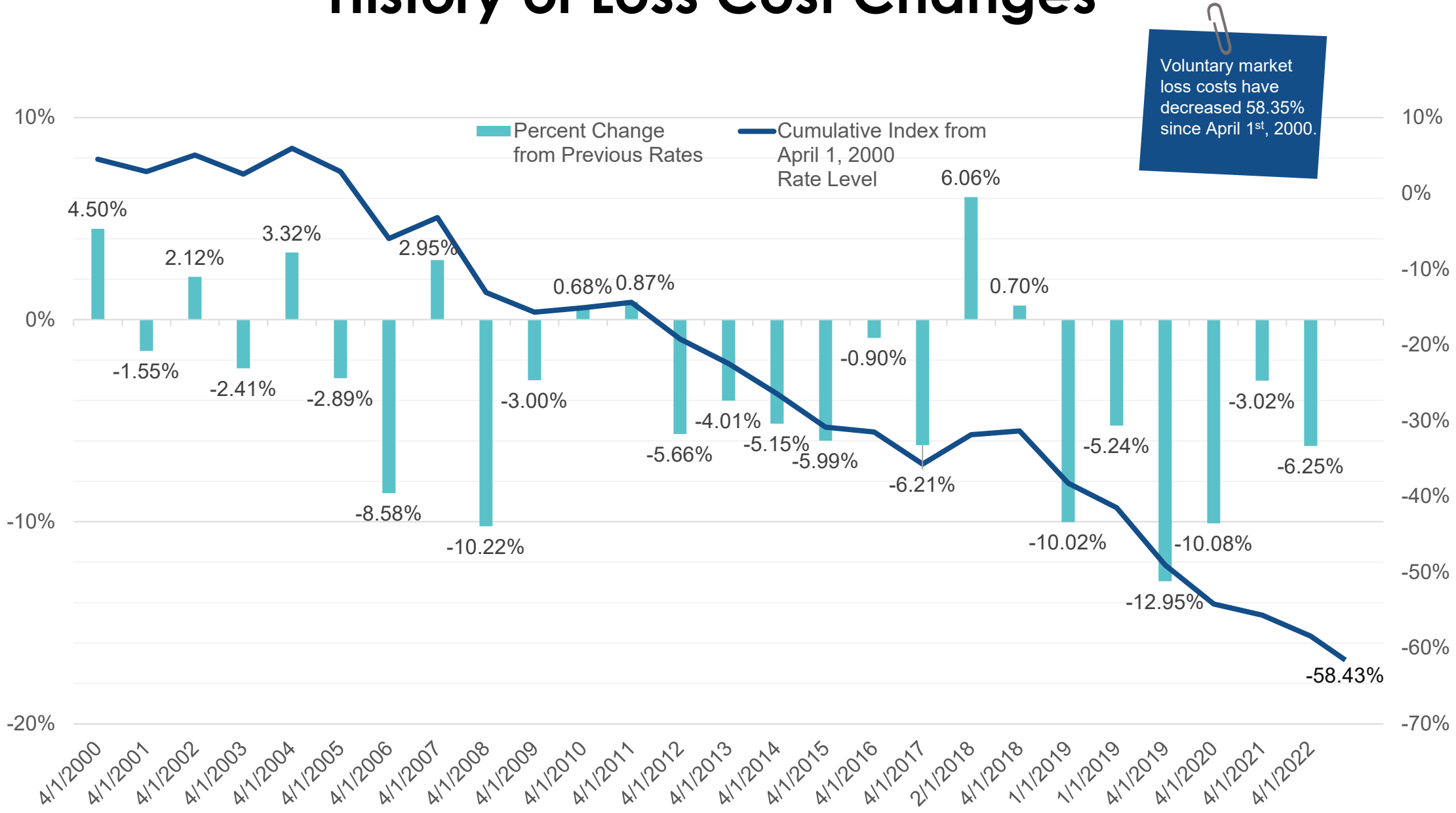
Indemnity Loss
Contributes -2.65%
to overall change
in loss costs.

Medical Loss
Contributes -2.80%
to overall change
in loss costs.

Indemnity Trend
Contributes -0.33%
to overall change
in loss costs.

Medical Trend
Contributes -0.61%
to overall change
in loss costs.

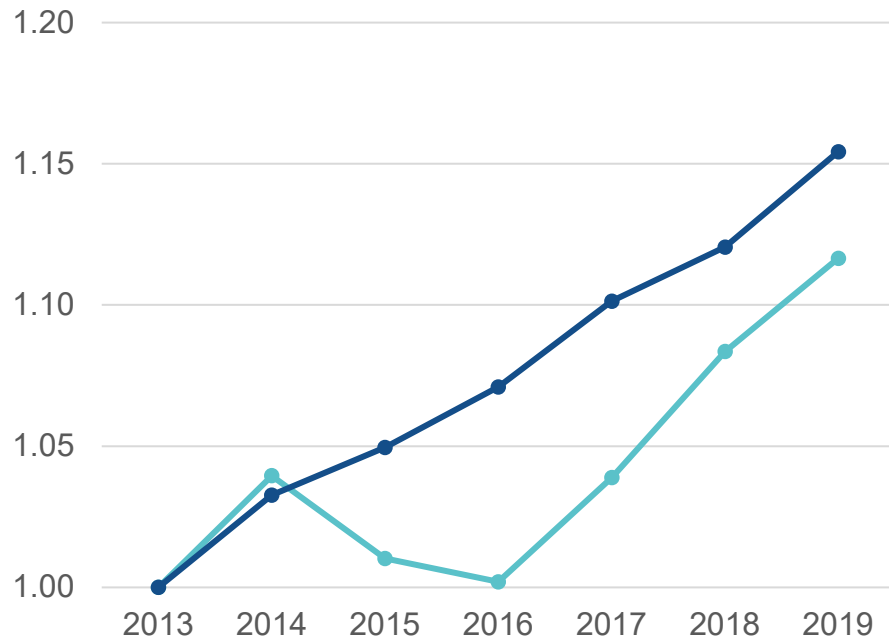
History of Loss Cost Changes



Trends in Average Cost

Indemnity

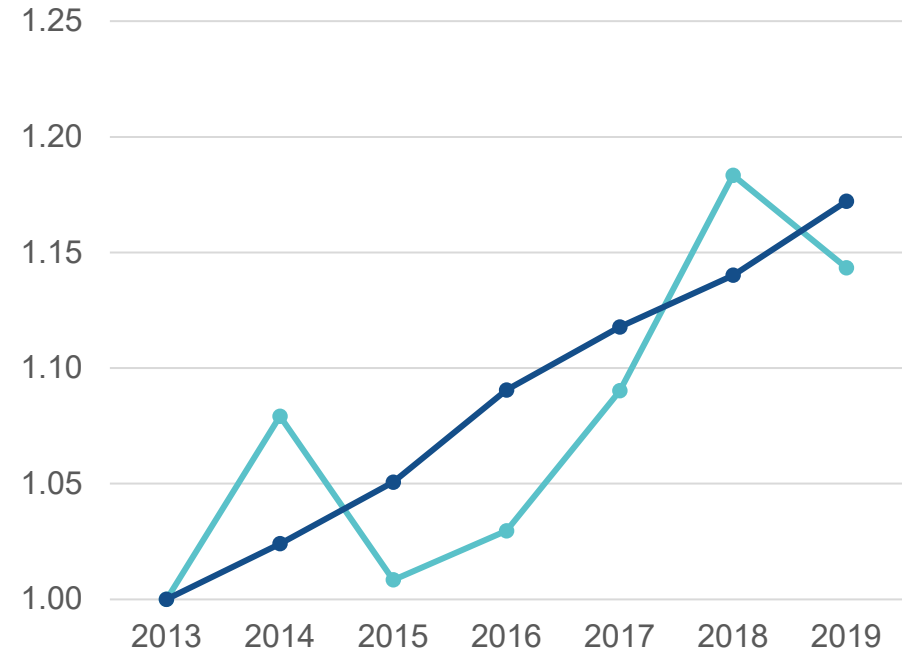
Indemnity Severity vs. SAWW



—●— Indemnity Severity = 1.6% —●— SAWW = 2.3%

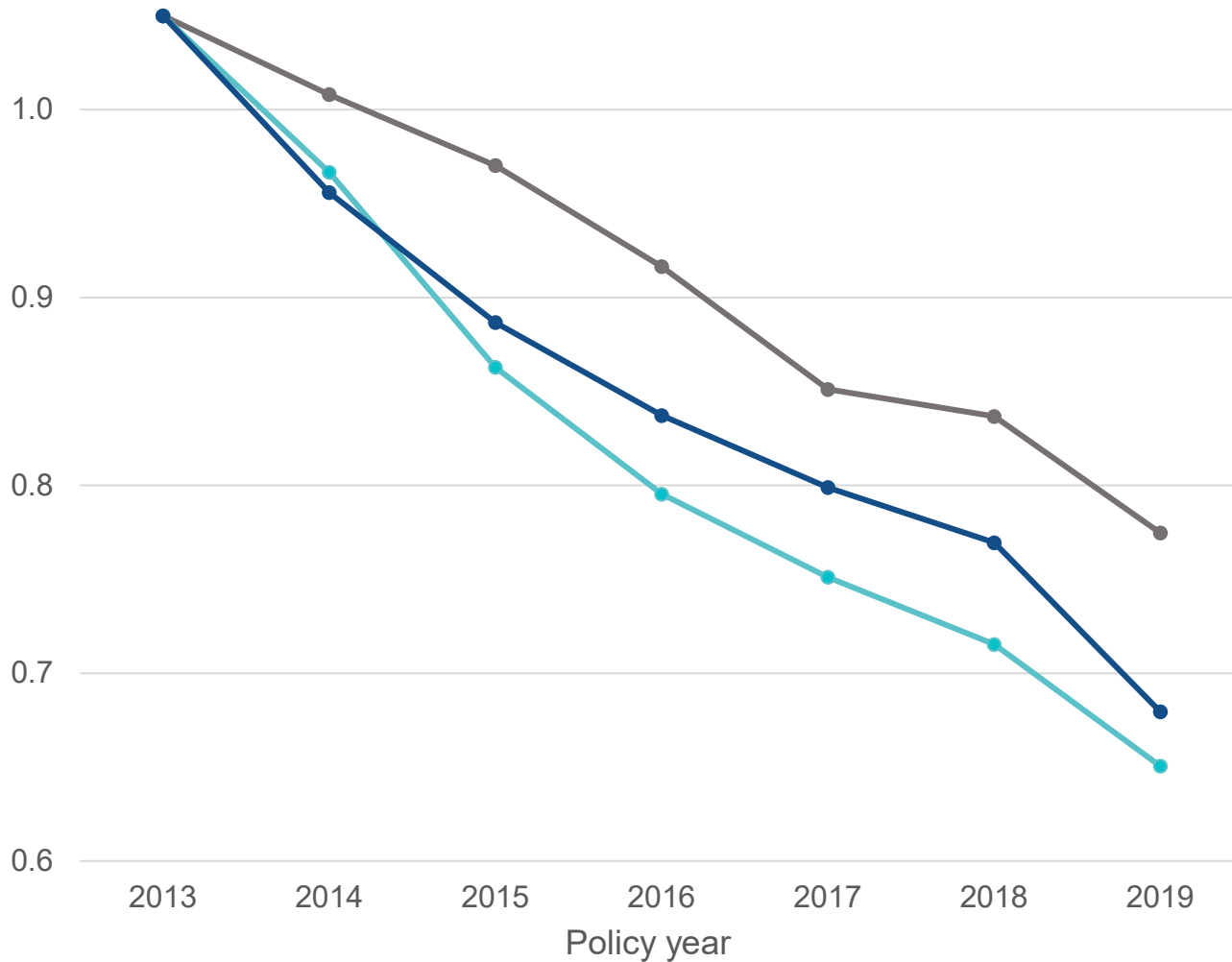
Medical

Medical Severity vs. Medical-CPI



—●— Medical Severity = 2.4% —●— Medical-CPI = 2.7%

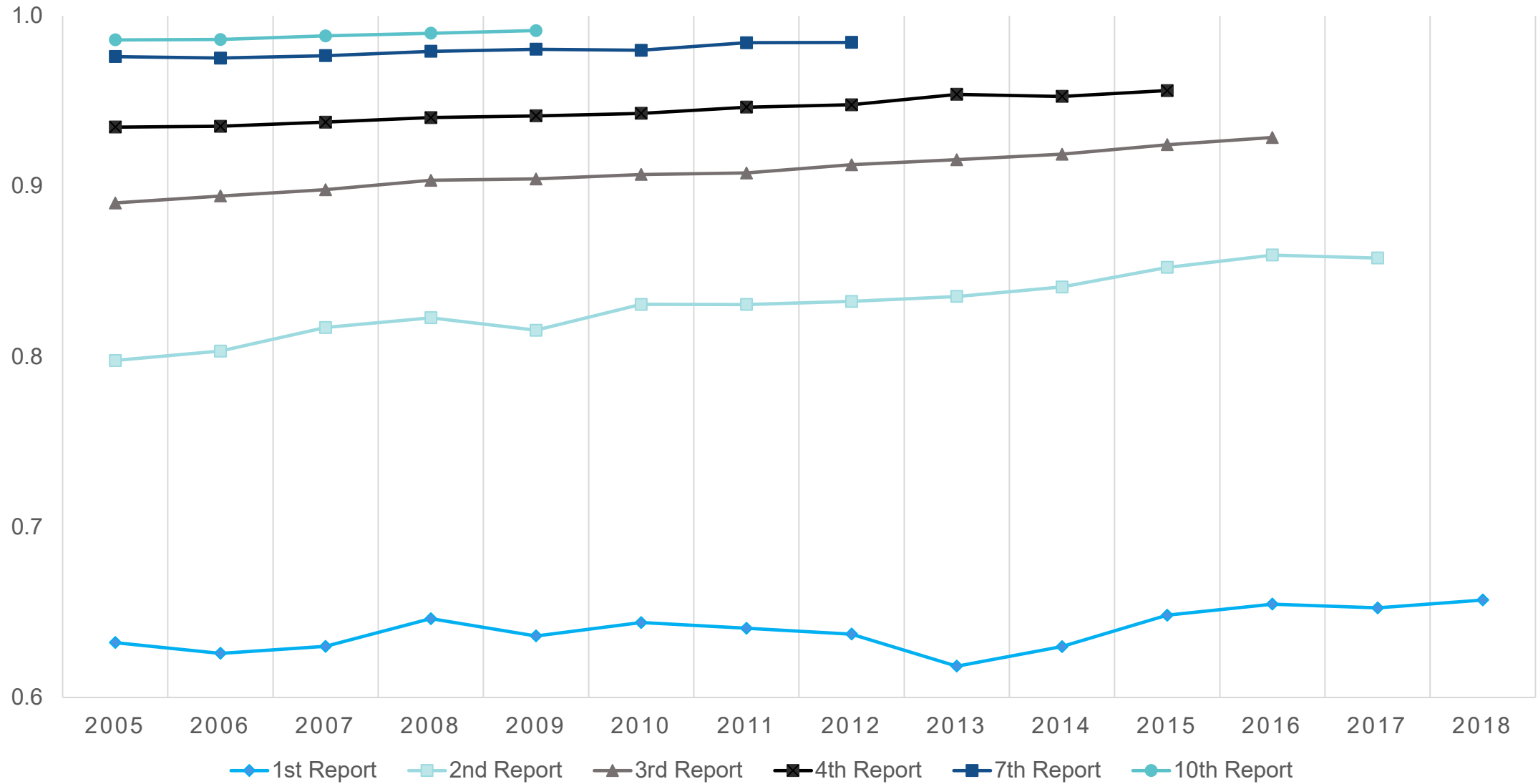
Frequency Trend



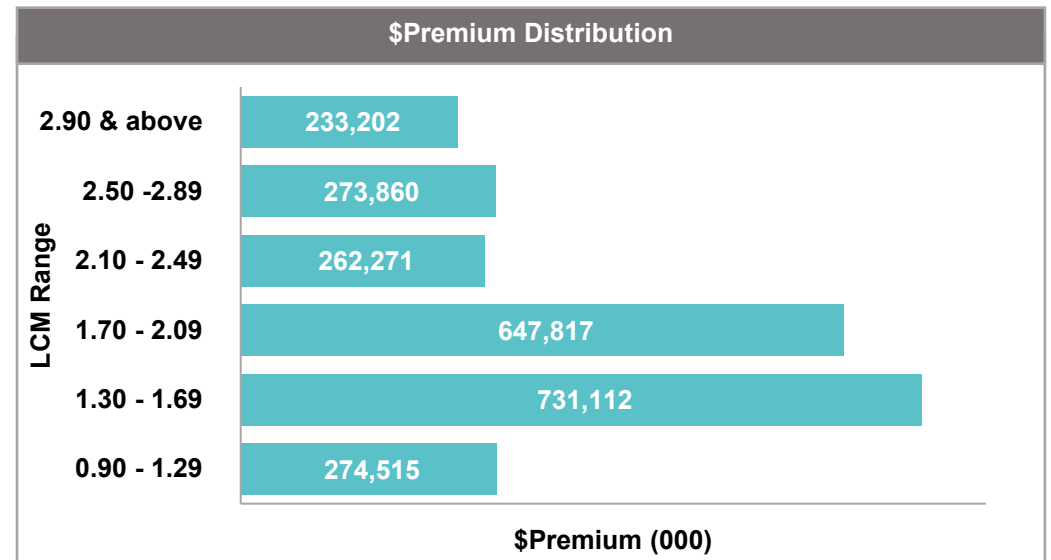
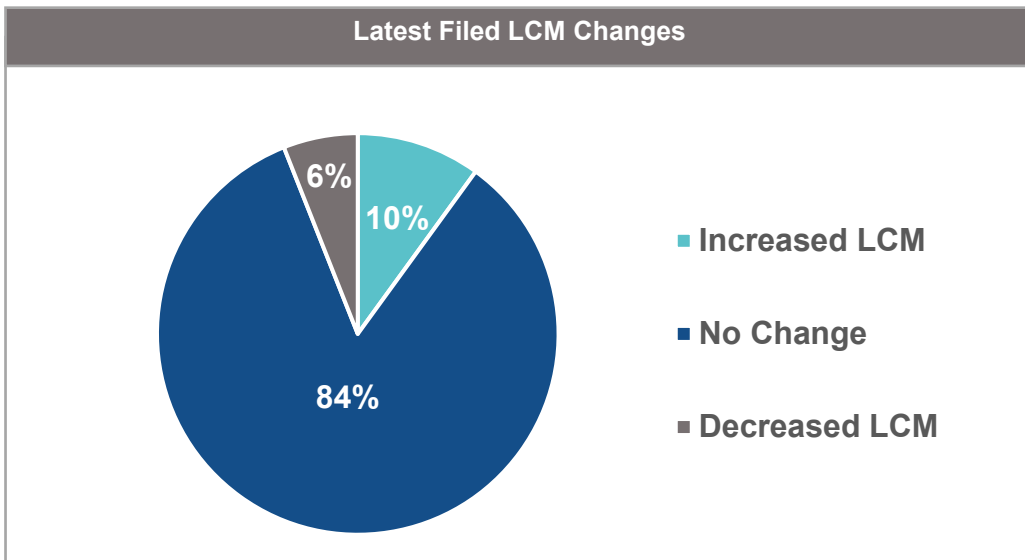
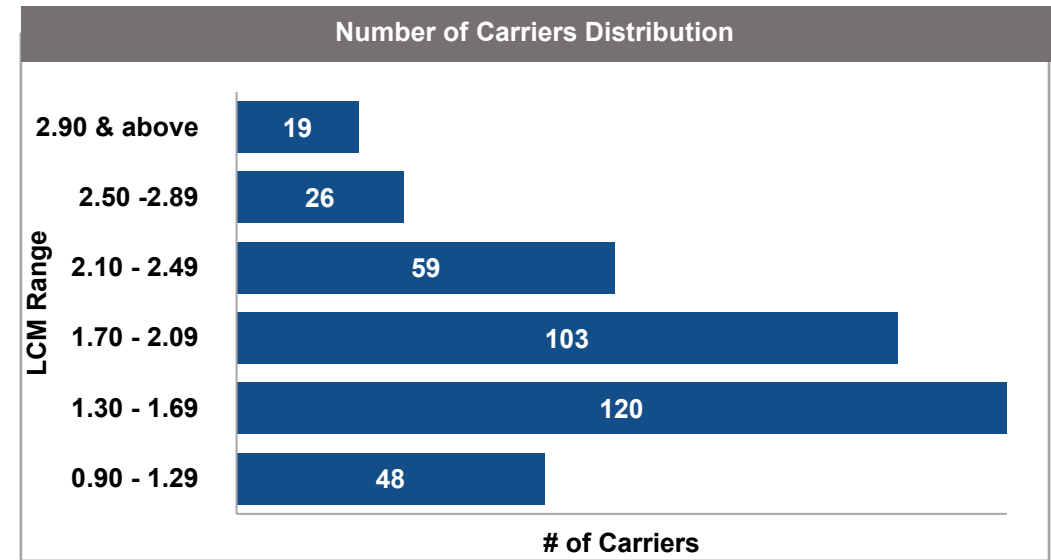
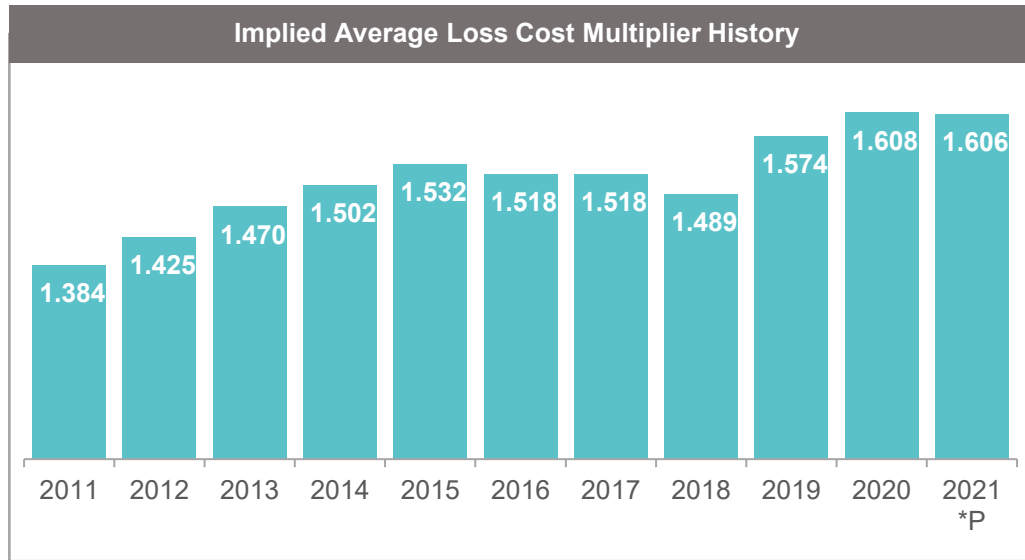
Frequency trend for all industries is -6.2%. This continues the long-term frequency trend that has been observed for more than 20 years.

	Manufacturing	-4.9%
	Contracting	-7.8%
	Other Industries	-6.0%

Claim Closure Rates



Insurance Carrier Pricing

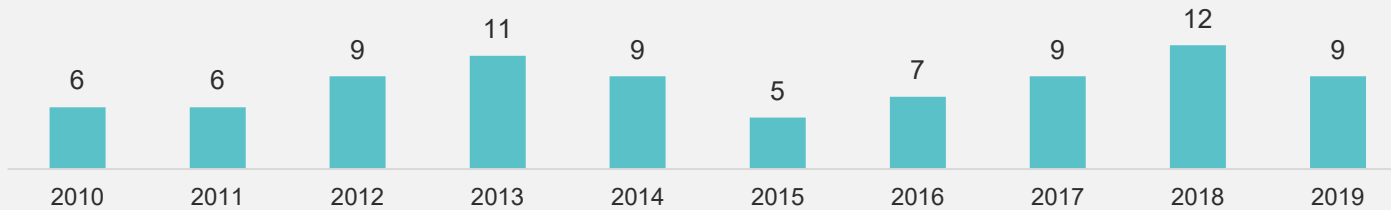


Mega Claims Overview

Mega Claims have been defined as claims with Total Incurred Losses exceeding \$3 million on an inflation-adjusted basis.

83	\$538 M	12%	88%
Claims from PY 2010-2019	Incurred Losses for All Claims	Indemnity Incurred Losses	Medical Incurred Losses

Claims Per Year



Part, Nature and Cause of Injury

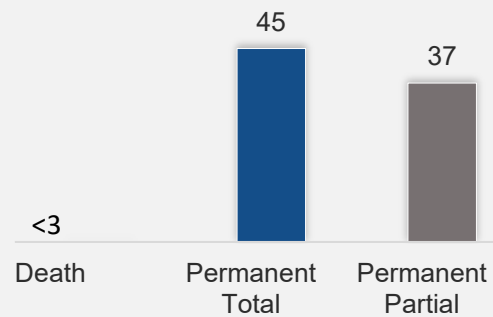
30% of accidents were multiple body parts

30% of injuries involved fracture, crushing and dislocations

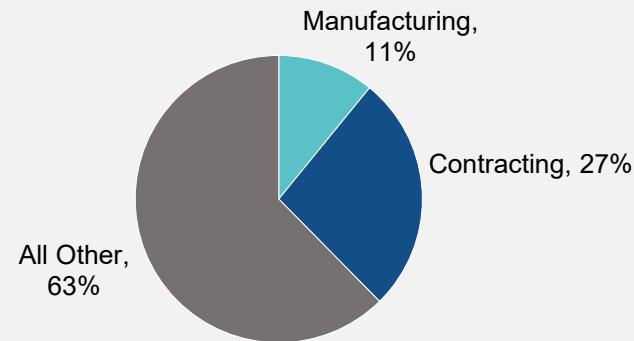
41% of accidents were the result of falls and slips in the workplace



Injury Type



Industry Groups



The PCRB is the licensed rating organization for workers compensation business other than Coal Mine Coverages, in the Commonwealth of Pennsylvania, and has served in that role since 1915. The PCRB is a non-profit, private corporation supported by members comprised of all insurers licensed to underwrite workers compensation insurance in Pennsylvania, including the State Workers' Insurance Fund (SWIF). The PCRB makes annual rating value filings with the Pennsylvania Insurance Department and, subject to review and approval by the Department of Insurance, the PCRB maintains uniform classification and experience rating plans as well as rules and parameters associated with various other mandatory and optional pricing programs. For more information about the PCRB contact us at:

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