

January 27, 2023

PCRB CIRCULAR NO. 1789

To All Members of the PCRB:

Re: **APRIL 1, 2023 LOSS COST FILING APPROVAL**

The Pennsylvania Insurance Commissioner has approved by action dated January 25, 2023, revised loss costs and related rating values, as filed, **effective on a new and renewal basis** as of 12:01 a.m., **April 1, 2023**.

The PCRB's filing, PCRB Filing No. C-381, proposed an overall average change in collectible loss costs of -3.33%.

All approved loss costs, expected loss factors and other rating values are available in two Excel files in the "Rating Values" section of the PCRB's website. These files also incorporate the new class code 822 - Telecommuting Clerical Employees referenced below in Filing No. 334 and updated hazard groups by class.

The Manual loss costs in the files include all the following provisions and/or adjustments:

- Offset for Experience Rating Plan off-balance
- Offset for Merit Rating Plan off-balance
- Offsets for the effects of credits granted under the Certified Safety Committee Program
- Loadings in construction classifications for the effects of Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP) credits
- Provision for the Office of the Small Business Advocate's portion of the Administration Fund

The items listed above are included in current loss costs in Pennsylvania and continue to be included in the approved values effective April 1, 2023. Note that COVID-19 claims were excluded from the indication and that several economic impacts that resulted in unusual changes due to the pandemic were considered within the analysis.

Below is a list of those other rating values, including the change to the employer assessment factor:

- Excess loss (pure premium) factors
- Small deductible program – loss elimination ratios
- State and hazard group relativities
- Optional retrospective rating plan loss development factors
- Employer assessment factor (revised from 0.0268 to 0.0289)

All filings that will be effective on April 1, 2023 are shown in the following table.

PCRB Filings Effective April 1, 2023		
Filing	Approval Circular	Description
C-382	1790	April 1, 2023 "F" Classification Filing
C-381	1789	April 1, 2023 Loss Cost Filing
334	1785	Creation of New Classification Code: Code 822, Telecommuting Clerical Employees

Manual revisions reflecting approval of PCRB Filing No. C-381 with respect to rating values will be updated on our website (www.pcrb.com) at a later date.

Please direct all questions to Brent Otto, Vice President of Actuarial Services and Chief Actuary, at Extension 4451 or botto@pcrb.com for any questions regarding this Circular.

William V. Taylor
President

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Remember to visit our website at www.pcrb.com for more information about this and other topics.