

PENNSYLVANIA COMPENSATION RATING BUREAU

Review of Experience Rating Plan Parameters

Page 19.1 contains Collectible Premium Ratios.

Page 19.2 contains Expected Loss Cost Factors. They are applied to loss costs by classification to produce Table A values (Expected Loss Factors) which are the basis for the calculation of Expected Losses.

COLLECTIBLE PREMIUM RATIOS *

Manual Year	Premium at Manual Rates	Collected Premium (Excluding Constants)	Collectible Premium Ratio (2)/(3)
(1)	(2)	(3)	(4)
ALL INDUSTRIES			
2010	2,673,352,757	2,608,618,527	1.0248
2011	2,853,312,836	2,788,508,641	1.0232
2012	2,774,508,952	2,710,764,327	1.0235
TOTAL	8,301,174,545	8,107,891,495	1.0238
MANUFACTURING AND UTILITIES			
2010	544,159,563	524,891,668	1.0367
2011	587,439,499	567,174,214	1.0357
2012	569,968,948	550,871,258	1.0347
TOTAL	1,701,568,010	1,642,937,140	1.0357
CONTRACTING AND QUARRYING			
2010	496,649,066	451,290,983	1.1005
2011	562,489,722	506,690,832	1.1101
2012	528,044,959	474,325,951	1.1133
TOTAL	1,587,183,747	1,432,307,766	1.1081
OTHER INDUSTRIES			
2010	1,632,544,128	1,632,435,876	1.0001
2011	1,703,383,615	1,714,643,595	0.9934
2012	1,676,495,045	1,685,567,118	0.9946
TOTAL	5,012,422,788	5,032,646,589	0.9960

* Excludes classifications and coverages not subject to experience rating.

CALCULATION OF EXPECTED LOSS COST FACTORS (a)

Policy Year Beginning 4/1 (1)	HB 1846 Adjust- ment (2)	Adjust- ment Factor (3)	Loss Ratio Development Factor (4)	Collectible Premium Ratio (5)	Trend Factor (6)	Product (2) * (3) * (4) * (5) * (6) (7)	Expected Loss Cost Factor 1.0 / (7) (8)
<u>Manufacturing and Utilities</u>							
2012	0.9949	1.0000	1.1863	1.0357	0.9290	1.1355	0.8807
2013	0.9949	1.0000	1.3054	1.0357	0.9455	1.2717	0.7863
2014	0.9949	1.0000	1.6105	1.0357	0.9627	1.5975	0.6260
<u>Contracting and Quarrying</u>							
2012	0.9949	1.0000	1.2524	1.1081	0.9290	1.2826	0.7797
2013	0.9949	1.0000	1.3346	1.1081	0.9455	1.3911	0.7189
2014	0.9949	1.0000	1.6655	1.1081	0.9627	1.7676	0.5657
<u>Other Industries</u>							
2012	0.9949	1.0000	1.1836	0.9960	0.9290	1.0895	0.9179
2013	0.9949	1.0000	1.2963	0.9960	0.9455	1.2145	0.8234
2014	0.9949	1.0000	1.6234	0.9960	0.9627	1.5486	0.6457

a Apply to pure Loss Costs (pre-LBA, Merit Rating Plan, PCCPAP and Certified Safety Committee adjustments).