

PENNSYLVANIA COMPENSATION RATING BUREAU

Claim Frequencies

The attached exhibits examine historical Workers Compensation claim frequencies in Pennsylvania.

Claim frequencies per \$1 million of expected losses are shown on Page 1 based on statistics gathered by the PCRB. For informational purposes, claim frequencies are also shown at constant (2001) wage levels. The data excludes the experience of deductible business.

Staff is proposing an annual change in claim frequency of -5.6%. This is based on a claim frequency trend line of the form  $y=a*b^x$  using the most recent seven points.

The second page shows a graph of the frequencies appearing in column (5) of Page 1.

The third and fourth pages are comparable to Pages 1 and 2 but include the experience of deductible policies.

The fifth page shows a graph comparing claim frequencies presented on Pages 2 and 4, all indexed to a common value of 1.0 at January 1, 2001.

Page 6 presents the Unit Statistical Plan claim frequencies of Page 1 by industry group and Page 7 shows a graph of those industry group claim frequencies.

**Pennsylvania W.C - Claim Frequencies**

PCRB Unit Statistical Plan  
(Excluding Deductible Business)

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Claim Freq (6)
2001	32,273		1,156,240,805		27.91	
2002	30,092	-6.8%	1,124,344,634	-2.8%	26.76	-4.1%
2003	27,980	-7.0%	1,139,318,832	1.3%	24.56	-8.2%
2004	27,588	-1.4%	1,183,363,470	3.9%	23.31	-5.1%
2005	26,904	-2.5%	1,241,752,229	4.9%	21.67	-7.0%
2006	26,895	0.0%	1,288,889,555	3.8%	20.87	-3.7%
2007	26,511	-1.4%	1,348,325,004	4.6%	19.66	-5.8%
2008	24,074	-9.2%	1,324,346,249	-1.8%	18.18	-7.5%
2009	22,372	-7.1%	1,271,327,047	-4.0%	17.60	-3.2%
2010	23,321	4.2%	1,343,817,975	5.7%	17.35	-1.4%
2011	22,822	-2.1%	1,403,498,154	4.4%	16.26	-6.3%
2012	21,058	-7.7%	1,384,347,789	-1.4%	15.21	-6.5%
2013	21,075	0.1%	1,417,540,853	2.4%	14.87	-2.2%
2014	20,199	-4.2%	1,482,545,216	4.6%	13.62	-8.4%
2015 *	19,374	-4.1%	1,538,555,157	3.8%	12.59	-7.6%
2015 **					12.48	-8.4%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY01-PY15	-5.3%	PY01-PY14	-5.2%
PY02-PY15	-5.3%	PY02-PY14	-5.1%
PY03-PY15	-5.2%	PY03-PY14	-5.0%
PY04-PY15	-5.1%	PY04-PY14	-4.9%
PY05-PY15	-5.1%	PY05-PY14	-4.8%
PY06-PY15	-5.1%	PY06-PY14	-4.8%
PY07-PY15	-5.1%	PY07-PY14	-4.7%
PY08-PY15	-5.2%	PY08-PY14	-4.7%
PY09-PY15	-5.6%	PY09-PY14	-5.0%
PY10-PY15	-6.1%	PY10-PY14	-5.6%
PY11-PY15	-6.2%	PY11-PY14	-5.4%
PY12-PY15	-6.6%	PY12-PY14	-5.4%
PY13-PY15	-8.4%	PY13-PY14	-8.4%
PY14-PY15	-8.4%		

\* Includes approximately 1st 10 months and 23 days of PY2015.

\*\* Projected value for complete PY 2015 is 12.48 based on an annual change in claim frequency of -8.4%

Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency * # Claims per \$1 million (1)	% Change Adj Claim Frequency
2001	675.3		1.0000	27.91	
2002	691.4	2.4%	1.0239	27.40	-1.8%
2003	716.4	3.6%	1.0609	26.05	-4.9%
2004	745.6	4.1%	1.1042	25.74	-1.2%
2005	778.3	4.4%	1.1525	24.97	-3.0%
2006	807.1	3.7%	1.1953	24.94	-0.1%
2007	833.5	3.3%	1.2344	24.27	-2.7%
2008	845.5	1.4%	1.2521	22.76	-6.2%
2009	860.1	1.7%	1.2738	22.42	-1.5%
2010	887.9	3.2%	1.3149	22.82	1.8%
2011	915.3	3.1%	1.3554	22.04	-3.4%
2012	932.5	1.9%	1.3810	21.01	-4.7%
2013	952.0	2.1%	1.4098	20.96	-0.2%
2014	976.9	2.6%	1.4467	19.71	-6.0%
2015	995.2	1.9%	1.4739	18.56	-5.8%
2015 <sup>(2)</sup>	997.4		1.4770	18.43	-6.5%

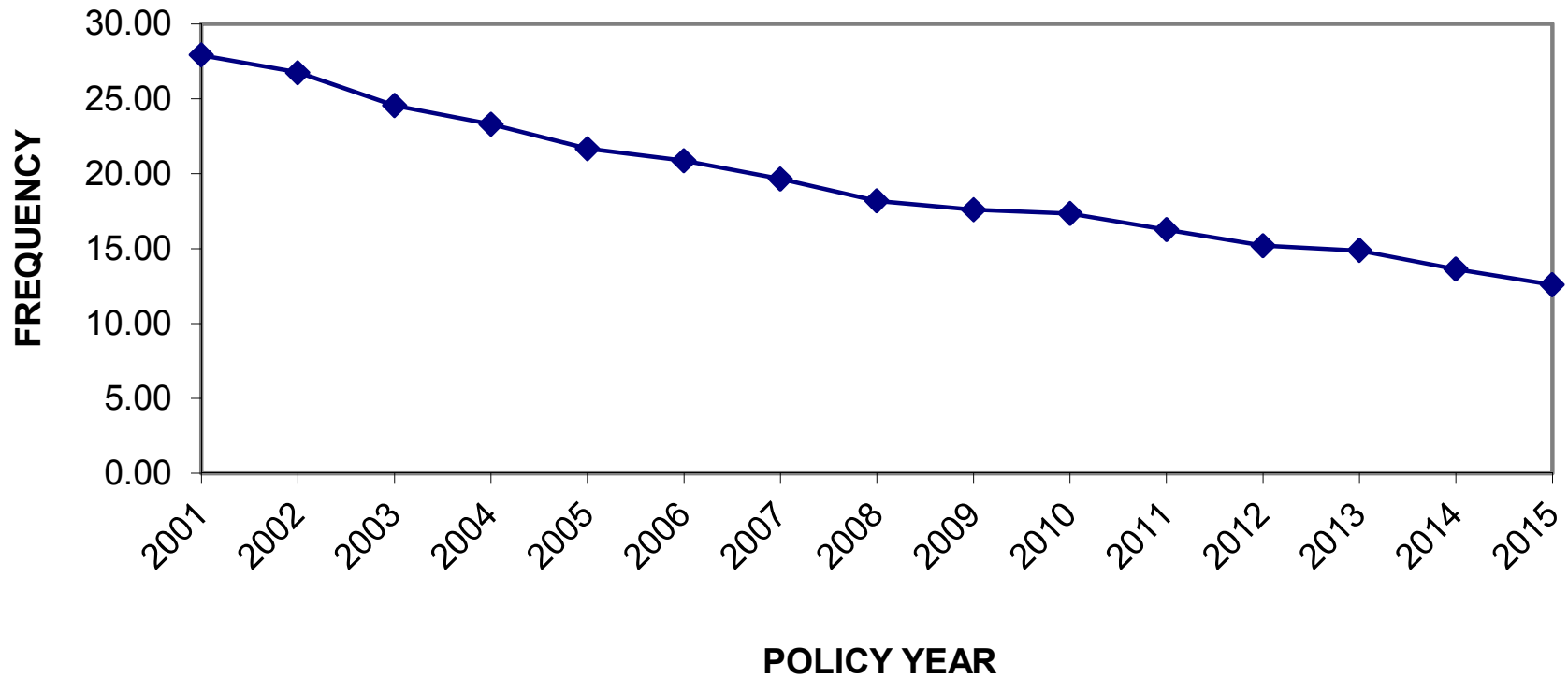
Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY01-PY15	-2.6%	PY01-PY15	2.8%
PY02-PY15	-2.6%	PY02-PY15	2.8%
PY03-PY15	-2.6%	PY03-PY15	2.7%
PY04-PY15	-2.7%	PY04-PY15	2.6%
PY05-PY15	-2.7%	PY05-PY15	2.5%
PY06-PY15	-2.9%	PY06-PY15	2.4%
PY07-PY15	-2.8%	PY07-PY15	2.4%
PY08-PY15	-2.8%	PY08-PY15	2.4%
PY09-PY15	-3.2%	PY09-PY15	2.4%
PY10-PY15	-3.9%	PY10-PY15	2.3%
PY11-PY15	-4.1%	PY11-PY15	2.2%
PY12-PY15	-4.3%	PY12-PY15	2.3%
PY13-PY15	-6.2%	PY13-PY15	2.4%
PY14-PY15	-6.5%	PY14-PY15	2.1%

(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2001) wages

(2) Includes approximately 1st 10 months and 23 days of PY2015. ( Full Year=997.4-Average of CY 2014 and 2015 )

Projected Annual Change in Claim Frequency : -5.6% (See PY09-PY15)

### PA W.C. - CLAIM FREQUENCIES PCRB Unit Statistical Plan (Excl. Deductible Business)



—●— Claim Freq per \$1 Million Expected Losses

**Pennsylvania W.C - Claim Frequencies**  
 PCRB Unit Statistical Plan  
 All Business Including Deductible Business

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Claim Freq (6)
2001	47,436		1,733,697,666		27.36	
2002	45,276	-4.6%	1,728,359,895	-0.3%	26.20	-4.2%
2003	43,692	-3.5%	1,786,894,011	3.4%	24.45	-6.7%
2004	42,761	-2.1%	1,866,948,783	4.5%	22.90	-6.3%
2005	41,680	-2.5%	1,948,139,182	4.3%	21.39	-6.6%
2006	40,700	-2.4%	2,009,935,592	3.2%	20.25	-5.3%
2007	40,825	0.3%	2,128,798,137	5.9%	19.18	-5.3%
2008	36,443	-10.7%	2,072,181,096	-2.7%	17.59	-8.3%
2009	34,295	-5.9%	2,014,338,681	-2.8%	17.03	-3.2%
2010	35,192	2.6%	2,129,772,826	5.7%	16.52	-3.0%
2011	34,500	-2.0%	2,249,858,888	5.6%	15.33	-7.2%
2012	32,753	-5.1%	2,275,494,138	1.1%	14.39	-6.1%
2013	33,515	2.3%	2,361,864,578	3.8%	14.19	-1.4%
2014	32,584	-2.8%	2,485,672,091	5.2%	13.11	-7.6%
2015 *	30,398	-6.7%	2,494,279,156	0.3%	12.19	-7.0%
2015 **					12.09	-7.8%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY01-PY15	-5.5%	PY01-PY14	-5.5%
PY02-PY15	-5.5%	PY02-PY14	-5.5%
PY03-PY15	-5.4%	PY03-PY14	-5.4%
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PY08-PY15	-5.1%	PY08-PY14	-4.8%
PY09-PY15	-5.4%	PY09-PY14	-5.1%
PY10-PY15	-5.6%	PY10-PY14	-5.3%
PY11-PY15	-5.5%	PY11-PY14	-4.7%
PY12-PY15	-5.8%	PY12-PY14	-4.6%
PY13-PY15	-7.7%	PY13-PY14	-7.6%
PY14-PY15	-7.8%		

\* Includes approximately 1st 10 months and 23 days of PY2015.

\*\* Projected value for complete PY 2015 is 12.09 based on an annual change in claim frequency of -7.8%.

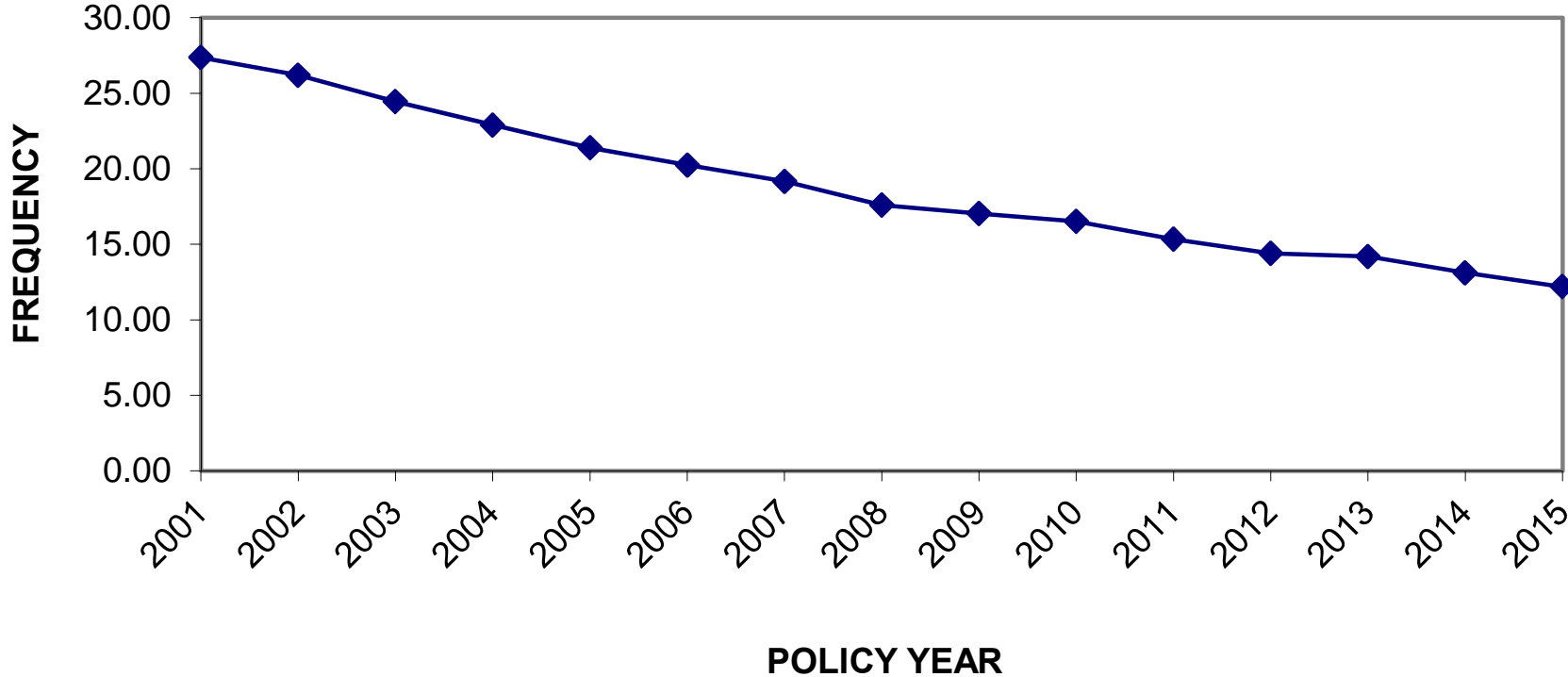
Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency * # Claims per \$1 million(1)	% Change Adj Claim Frequency
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2005	778.3	4.4%	1.1525	24.66	-2.5%
2006	807.1	3.7%	1.1953	24.20	-1.9%
2007	833.5	3.3%	1.2344	23.67	-2.2%
2008	845.5	1.4%	1.2521	22.02	-7.0%
2009	860.1	1.7%	1.2738	21.69	-1.5%
2010	887.9	3.2%	1.3149	21.73	0.2%
2011	915.3	3.1%	1.3554	20.78	-4.4%
2012	932.5	1.9%	1.3810	19.88	-4.3%
2013	952.0	2.1%	1.4098	20.01	0.7%
2014	976.9	2.6%	1.4467	18.96	-5.2%
2015	995.2	1.9%	1.4739	17.96	-5.3%
2015 (2)	997.4		1.4770	17.86	-5.8%

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY01-PY15	-2.9%	PY01-PY15	2.8%
PY02-PY15	-2.9%	PY02-PY15	2.8%
PY03-PY15	-2.9%	PY03-PY15	2.7%
PY04-PY15	-2.9%	PY04-PY15	2.6%
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PY06-PY15	-3.0%	PY06-PY15	2.4%
PY07-PY15	-3.0%	PY07-PY15	2.4%
PY08-PY15	-2.8%	PY08-PY15	2.4%
PY09-PY15	-3.1%	PY09-PY15	2.4%
PY10-PY15	-3.5%	PY10-PY15	2.3%
PY11-PY15	-3.4%	PY11-PY15	2.2%
PY12-PY15	-3.6%	PY12-PY15	2.3%
PY13-PY15	-5.5%	PY13-PY15	2.4%
PY14-PY15	-5.9%	PY14-PY15	2.1%

(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2001) wages

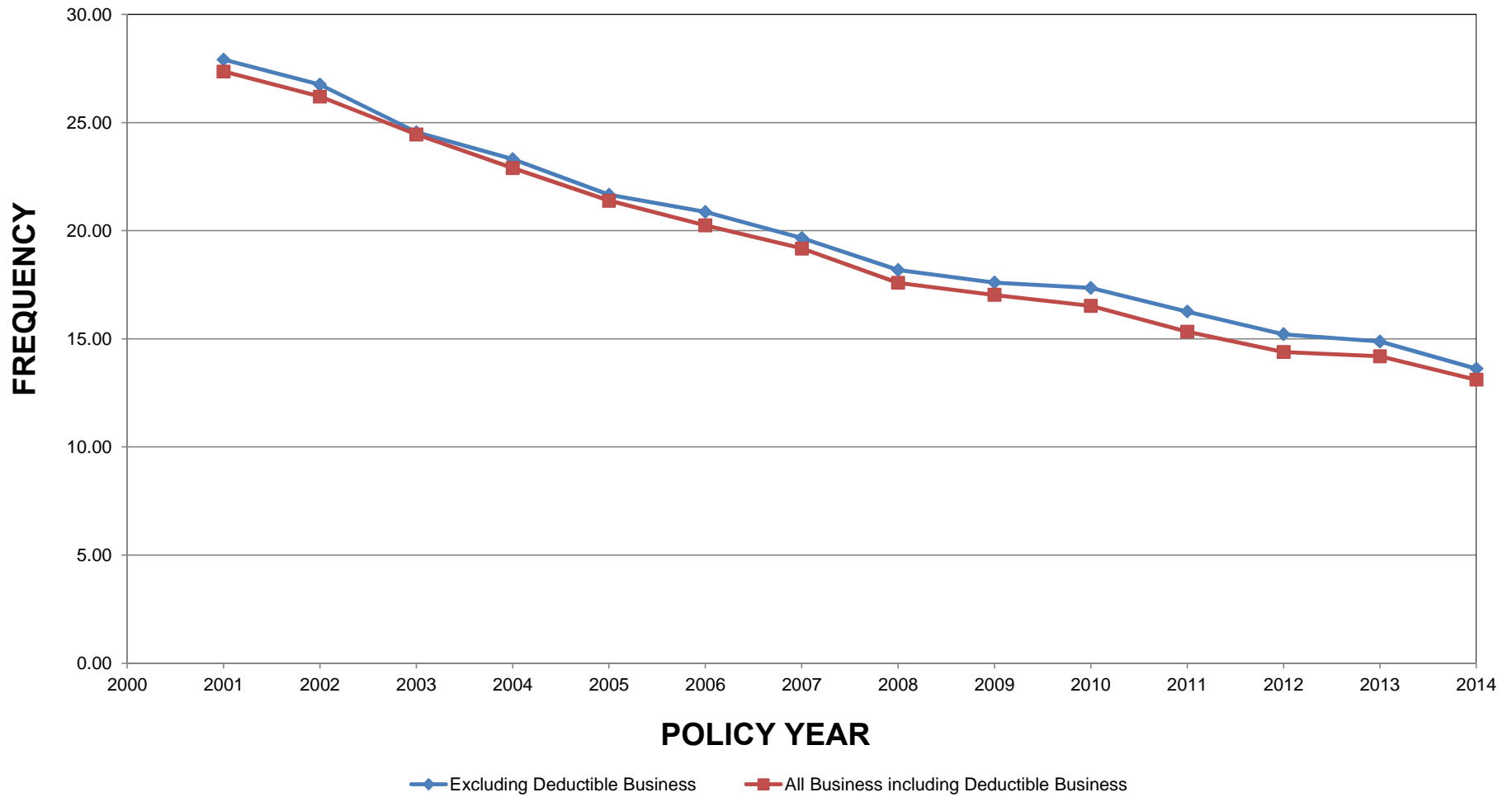
(2) Includes approximately 1st 10 months and 23 days of PY2015. ( Full Year=997.4 - Average of CY 2014 and 2015 )

**PA W.C. - CLAIM FREQUENCIES**  
**PCRB Unit Statistical Plan (All Business Incl. Deductible Business)**



—◆— Claim Freq per \$1 Million Expected Losses

### PA W.C. - COMPARISON OF CLAIM FREQUENCIES (Claim Frequencies per \$1 Million Expected Losses)



**Pennsylvania W.C. - Claim Frequencies**  
 PCRB Unit Statistical Plan  
 (Excluding Deductible Business)

Policy Year	Industry Group	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Frequency (6)	Period	Annual % Change In Claim Frequency
2001	1 (MFG)	7,122		227,516,709		31.30		PY01-PY15	-5.7%
2002	1	6,172	-13.3%	215,503,289	-5.3%	28.64	-8.5%	PY02-PY15	-5.7%
2003	1	5,914	-4.2%	210,946,159	-2.1%	28.04	-2.1%	PY03-PY15	-5.8%
2004	1	5,962	0.8%	215,420,670	2.1%	27.68	-1.3%	PY04-PY15	-5.9%
2005	1	5,610	-5.9%	220,635,249	2.4%	25.43	-8.1%	PY05-PY15	-5.7%
2006	1	5,770	2.9%	232,054,599	5.2%	24.86	-2.2%	PY06-PY15	-5.5%
2007	1	5,237	-9.2%	236,485,109	1.9%	22.15	-10.9%	PY07-PY15	-4.9%
2008	1	4,388	-16.2%	225,887,220	-4.5%	19.43	-12.3%	PY08-PY15	-4.4%
2009	1	3,804	-13.3%	209,665,665	-7.2%	18.14	-6.6%	PY09-PY15	-4.6%
2010	1	4,137	8.8%	225,515,926	7.6%	18.34	1.1%	PY10-PY15	-5.3%
2011	1	4,186	1.2%	234,006,680	3.8%	17.89	-2.5%	PY11-PY15	-5.4%
2012	1	3,626	-13.4%	222,408,151	-5.0%	16.30	-8.9%	PY12-PY15	-4.4%
2013	1	3,557	-1.9%	229,129,494	3.0%	15.52	-4.8%	PY13-PY15	-3.9%
2014	1	3,455	-2.9%	236,639,833	3.3%	14.60	-5.9%	PY14-PY15	-1.5%
2015 *	1	3,467	0.3%	240,748,363	1.7%	14.40	-1.4%		
2015 **	1					14.38	-1.5%		
2001	2 (Contracting)	6,413		299,139,159		21.44		PY01-PY15	-6.6%
2002	2	5,924	-7.6%	295,368,095	-1.3%	20.06	-6.4%	PY02-PY15	-6.6%
2003	2	5,573	-5.9%	300,930,075	1.9%	18.52	-7.7%	PY03-PY15	-6.6%
2004	2	5,460	-2.0%	315,335,474	4.8%	17.31	-6.5%	PY04-PY15	-6.6%
2005	2	5,592	2.4%	333,960,052	5.9%	16.74	-3.3%	PY05-PY15	-6.7%
2006	2	5,316	-4.9%	347,575,520	4.1%	15.29	-8.7%	PY06-PY15	-6.6%
2007	2	5,262	-1.0%	366,507,823	5.4%	14.36	-6.1%	PY07-PY15	-6.5%
2008	2	4,335	-17.6%	344,336,179	-6.0%	12.59	-12.3%	PY08-PY15	-6.4%
2009	2	3,755	-13.4%	308,301,602	-10.5%	12.18	-3.3%	PY09-PY15	-7.0%
2010	2	3,842	2.3%	320,660,950	4.0%	11.98	-1.6%	PY10-PY15	-7.7%
2011	2	3,838	-0.1%	342,970,101	7.0%	11.19	-6.6%	PY11-PY15	-8.0%
2012	2	3,483	-9.2%	342,516,766	-0.1%	10.17	-9.1%	PY12-PY15	-8.1%
2013	2	3,391	-2.6%	349,014,358	1.9%	9.72	-4.4%	PY13-PY15	-10.0%
2014	2	3,319	-2.1%	373,353,308	7.0%	8.89	-8.5%	PY14-PY15	-11.6%
2015 *	2	3,124	-5.9%	392,494,504	5.1%	7.96	-10.5%		
2015 **	2					7.86	-11.6%		
2001	3 (Other)	18,738		629,584,937		29.76		PY01-PY15	-4.9%
2002	3	17,996	-4.0%	613,473,250	-2.6%	29.33	-1.4%	PY02-PY15	-4.8%
2003	3	16,493	-8.4%	627,442,598	2.3%	26.29	-10.4%	PY03-PY15	-4.6%
2004	3	16,166	-2.0%	652,607,326	4.0%	24.77	-5.8%	PY04-PY15	-4.6%
2005	3	15,702	-2.9%	687,156,928	5.3%	22.85	-7.8%	PY05-PY15	-4.5%
2006	3	15,809	0.7%	709,259,436	3.2%	22.29	-2.5%	PY06-PY15	-4.7%
2007	3	16,012	1.3%	745,332,072	5.1%	21.48	-3.6%	PY07-PY15	-4.8%
2008	3	15,351	-4.1%	754,122,850	1.2%	20.36	-5.2%	PY08-PY15	-5.0%
2009	3	14,813	-3.5%	753,359,780	-0.1%	19.66	-3.4%	PY09-PY15	-5.3%
2010	3	15,342	3.6%	797,641,099	5.9%	19.23	-2.2%	PY10-PY15	-5.6%
2011	3	14,798	-3.5%	826,521,373	3.6%	17.90	-6.9%	PY11-PY15	-5.7%
2012	3	13,949	-5.7%	819,422,872	-0.9%	17.02	-4.9%	PY12-PY15	-6.5%
2013	3	14,127	1.3%	839,397,001	2.4%	16.83	-1.1%	PY13-PY15	-8.8%
2014	3	13,425	-5.0%	872,552,075	3.9%	15.39	-8.6%	PY14-PY15	-9.2%
2015 *	3	12,783	-4.8%	905,312,290	3.8%	14.12	-8.3%		
2015 **	3					13.98	-9.2%		

\* Includes approximately 1st 10 months and 23 days of PY2015.

\*\* Projected complete PY 2015

## PA W.C. - CLAIM FREQUENCIES BY INDUSTRY GROUP PCRB Unit Statistical Plan (Excl. Deductible Business)

