

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 (2003) wage levels. The data excludes the experience of deductible business.

Staff is proposing an annual change in claim frequency of -6.4%. 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, 2003.

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)

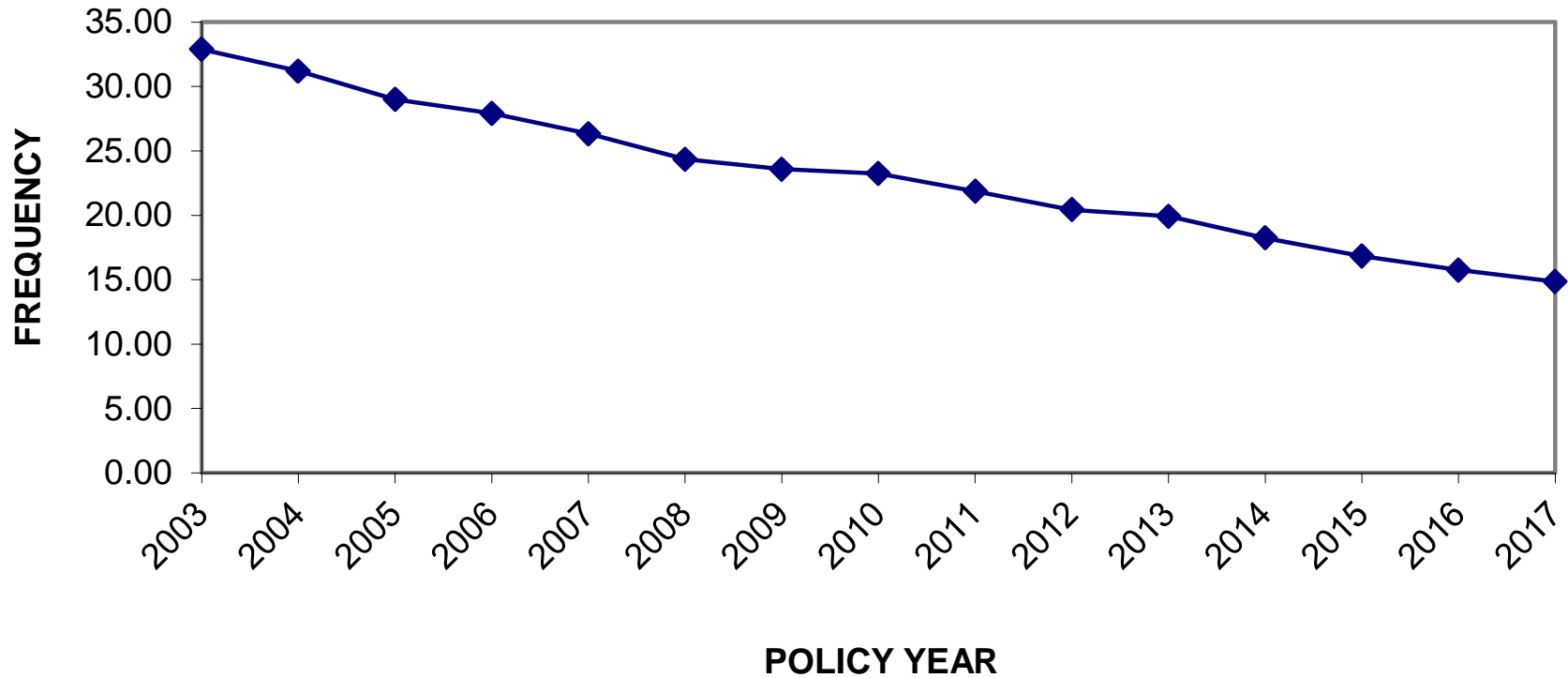
Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Claim Freq (6)	Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
2003	27,950		849,806,005		32.89		PY03-PY17	-5.3%	PY03-PY16	-5.2%
2004	27,549	-1.4%	882,932,490	3.9%	31.20	-5.1%	PY04-PY17	-5.3%	PY04-PY16	-5.2%
2005	26,853	-2.5%	925,987,895	4.9%	29.00	-7.1%	PY05-PY17	-5.3%	PY05-PY16	-5.2%
2006	26,856	0.0%	961,625,082	3.8%	27.93	-3.7%	PY06-PY17	-5.4%	PY06-PY16	-5.3%
2007	26,474	-1.4%	1,005,045,826	4.5%	26.34	-5.7%	PY07-PY17	-5.5%	PY07-PY16	-5.3%
2008	24,043	-9.2%	987,308,624	-1.8%	24.35	-7.6%	PY08-PY17	-5.6%	PY08-PY16	-5.4%
2009	22,341	-7.1%	947,006,426	-4.1%	23.59	-3.1%	PY09-PY17	-5.9%	PY09-PY16	-5.8%
2010	23,265	4.1%	1,001,548,894	5.8%	23.23	-1.5%	PY10-PY17	-6.3%	PY10-PY16	-6.2%
2011	22,768	-2.1%	1,041,590,053	4.0%	21.86	-5.9%	PY11-PY17	-6.4%	PY11-PY16	-6.4%
2012	21,004	-7.7%	1,027,976,505	-1.3%	20.43	-6.5%	PY12-PY17	-6.6%	PY12-PY16	-6.7%
2013	20,993	-0.1%	1,052,717,128	2.4%	19.94	-2.4%	PY13-PY17	-7.1%	PY13-PY16	-7.6%
2014	20,078	-4.4%	1,100,963,135	4.6%	18.24	-8.5%	PY14-PY17	-6.6%	PY14-PY16	-7.1%
2015	19,462	-3.1%	1,155,806,021	5.0%	16.84	-7.7%	PY15-PY17	-6.1%	PY15-PY16	-6.5%
2016	18,649	-4.2%	1,184,326,239	2.5%	15.75	-6.5%	PY16-PY17	-5.7%		
2017	18,328	-1.7%	1,233,489,169	4.2%	14.86	-5.7%				

Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency # Claims per \$1 million	% Change Adj Claim Frequency	Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
2003	716.4		1.0000	32.89		PY03-PY17	-2.9%	PY03-PY17	2.6%
2004	745.6	4.1%	1.0408	32.47	-1.3%	PY04-PY17	-3.0%	PY04-PY17	2.5%
2005	778.3	4.4%	1.0864	31.50	-3.0%	PY05-PY17	-3.0%	PY05-PY17	2.4%
2006	807.1	3.7%	1.1267	31.47	-0.1%	PY06-PY17	-3.2%	PY06-PY17	2.4%
2007	833.5	3.3%	1.1635	30.65	-2.6%	PY07-PY17	-3.2%	PY07-PY17	2.4%
2008	845.5	1.4%	1.1802	28.74	-6.2%	PY08-PY17	-3.3%	PY08-PY17	2.4%
2009	860.1	1.7%	1.2007	28.33	-1.4%	PY09-PY17	-3.6%	PY09-PY17	2.4%
2010	887.9	3.2%	1.2394	28.79	1.6%	PY10-PY17	-4.1%	PY10-PY17	2.4%
2011	915.3	3.1%	1.2776	27.93	-3.0%	PY11-PY17	-4.2%	PY11-PY17	2.3%
2012	932.5	1.9%	1.3017	26.60	-4.8%	PY12-PY17	-4.3%	PY12-PY17	2.4%
2013	952.0	2.1%	1.3289	26.50	-0.4%	PY13-PY17	-4.8%	PY13-PY17	2.5%
2014	976.8	2.6%	1.3635	24.87	-6.2%	PY14-PY17	-4.3%	PY14-PY17	2.5%
2015	996.6	2.0%	1.3912	23.43	-5.8%	PY15-PY17	-3.6%	PY15-PY17	2.6%
2016	1,024.3	2.8%	1.4298	22.51	-3.9%	PY16-PY17	-3.3%	PY16-PY17	2.5%
2017	1,049.5	2.5%	1.4650	21.77	-3.3%				

Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2003) wages

Projected Annual Change in Claim Frequency : -6.4% (See PY11-PY17)

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



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

**Pennsylvania W.C - Claim Frequencies**

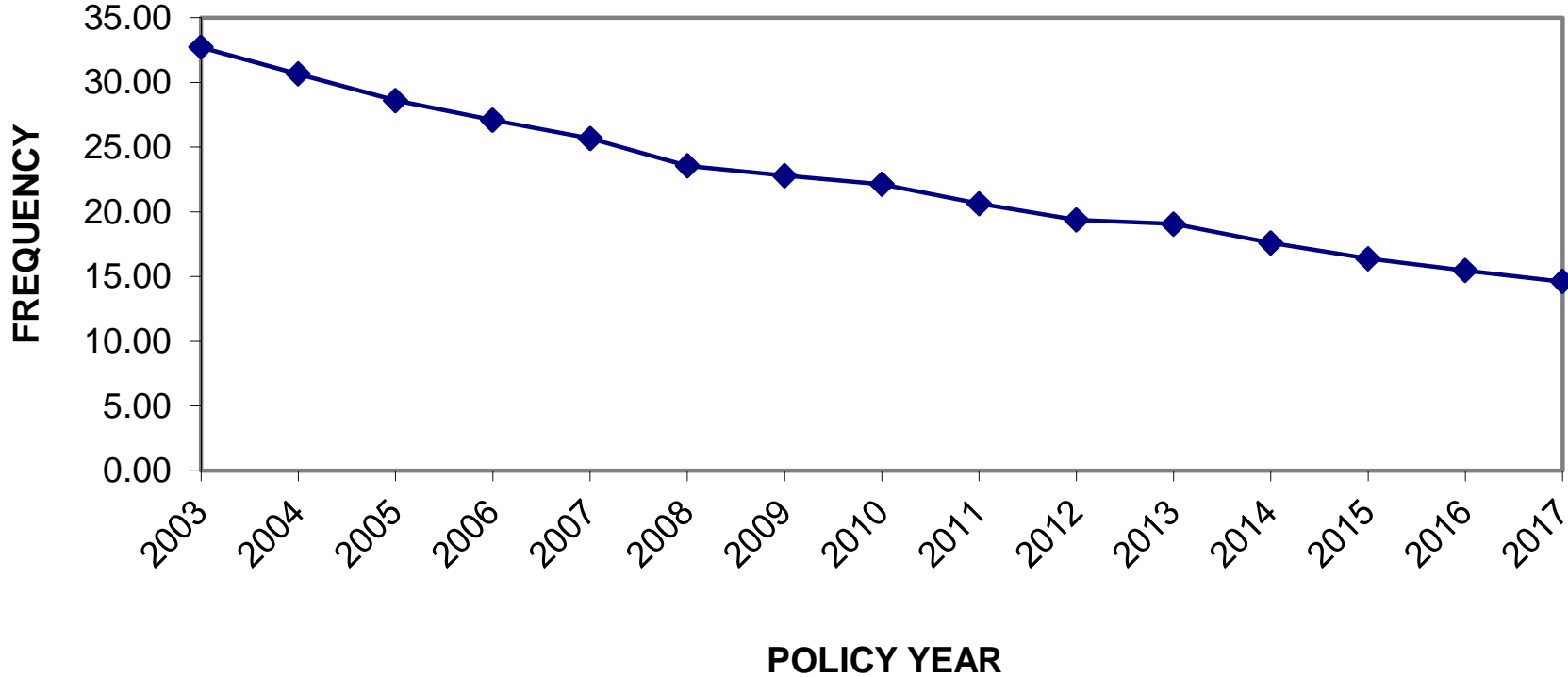
PCRB Unit Statistical Plan  
All Business Including Deductible Business

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)	Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
2003	43,662		1,334,314,538		32.72		PY03-PY17	-5.4%	PY03-PY16	-5.4%
2004	42,720	-2.2%	1,393,808,157	4.5%	30.65	-6.3%	PY04-PY17	-5.4%	PY04-PY16	-5.3%
2005	41,622	-2.6%	1,454,603,977	4.4%	28.61	-6.7%	PY05-PY17	-5.3%	PY05-PY16	-5.3%
2006	40,653	-2.3%	1,500,253,493	3.1%	27.10	-5.3%	PY06-PY17	-5.3%	PY06-PY16	-5.3%
2007	40,786	0.3%	1,588,596,703	5.9%	25.67	-5.3%	PY07-PY17	-5.3%	PY07-PY16	-5.3%
2008	36,412	-10.7%	1,546,209,333	-2.7%	23.55	-8.3%	PY08-PY17	-5.3%	PY08-PY16	-5.2%
2009	34,257	-5.9%	1,502,190,712	-2.8%	22.80	-3.2%	PY09-PY17	-5.5%	PY09-PY16	-5.5%
2010	35,133	2.6%	1,587,365,984	5.7%	22.13	-2.9%	PY10-PY17	-5.7%	PY10-PY16	-5.7%
2011	34,441	-2.0%	1,668,441,872	5.1%	20.64	-6.7%	PY11-PY17	-5.7%	PY11-PY16	-5.6%
2012	32,696	-5.1%	1,687,522,759	1.1%	19.38	-6.1%	PY12-PY17	-5.9%	PY12-PY16	-5.8%
2013	33,412	2.2%	1,751,907,834	3.8%	19.07	-1.6%	PY13-PY17	-6.4%	PY13-PY16	-6.8%
2014	32,478	-2.8%	1,845,226,184	5.3%	17.60	-7.7%	PY14-PY17	-6.0%	PY14-PY16	-6.2%
2015	31,391	-3.3%	1,914,759,741	3.8%	16.39	-6.9%	PY15-PY17	-5.6%	PY15-PY16	-5.6%
2016	30,408	-3.1%	1,965,692,517	2.7%	15.47	-5.6%	PY16-PY17	-5.6%		
2017	30,193	-0.7%	2,066,226,178	5.1%	14.61	-5.6%				

Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency # Claims per \$1 million	% Change Adj Claim Frequency	Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
2003	716.4		1.0000	32.72		PY03-PY17	-3.0%	PY03-PY17	2.6%
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2008	845.5	1.4%	1.1802	27.79	-7.0%	PY08-PY17	-3.0%	PY08-PY17	2.4%
2009	860.1	1.7%	1.2007	27.38	-1.5%	PY09-PY17	-3.2%	PY09-PY17	2.4%
2010	887.9	3.2%	1.2394	27.43	0.2%	PY10-PY17	-3.5%	PY10-PY17	2.4%
2011	915.3	3.1%	1.2776	26.37	-3.9%	PY11-PY17	-3.5%	PY11-PY17	2.3%
2012	932.5	1.9%	1.3017	25.22	-4.4%	PY12-PY17	-3.6%	PY12-PY17	2.4%
2013	952.0	2.1%	1.3289	25.34	0.5%	PY13-PY17	-4.1%	PY13-PY17	2.5%
2014	976.8	2.6%	1.3635	24.00	-5.3%	PY14-PY17	-3.7%	PY14-PY17	2.5%
2015	996.6	2.0%	1.3912	22.81	-5.0%	PY15-PY17	-3.1%	PY15-PY17	2.6%
2016	1,024.3	2.8%	1.4298	22.12	-3.0%	PY16-PY17	-3.2%	PY16-PY17	2.5%
2017	1,049.5	2.5%	1.4650	21.41	-3.2%				

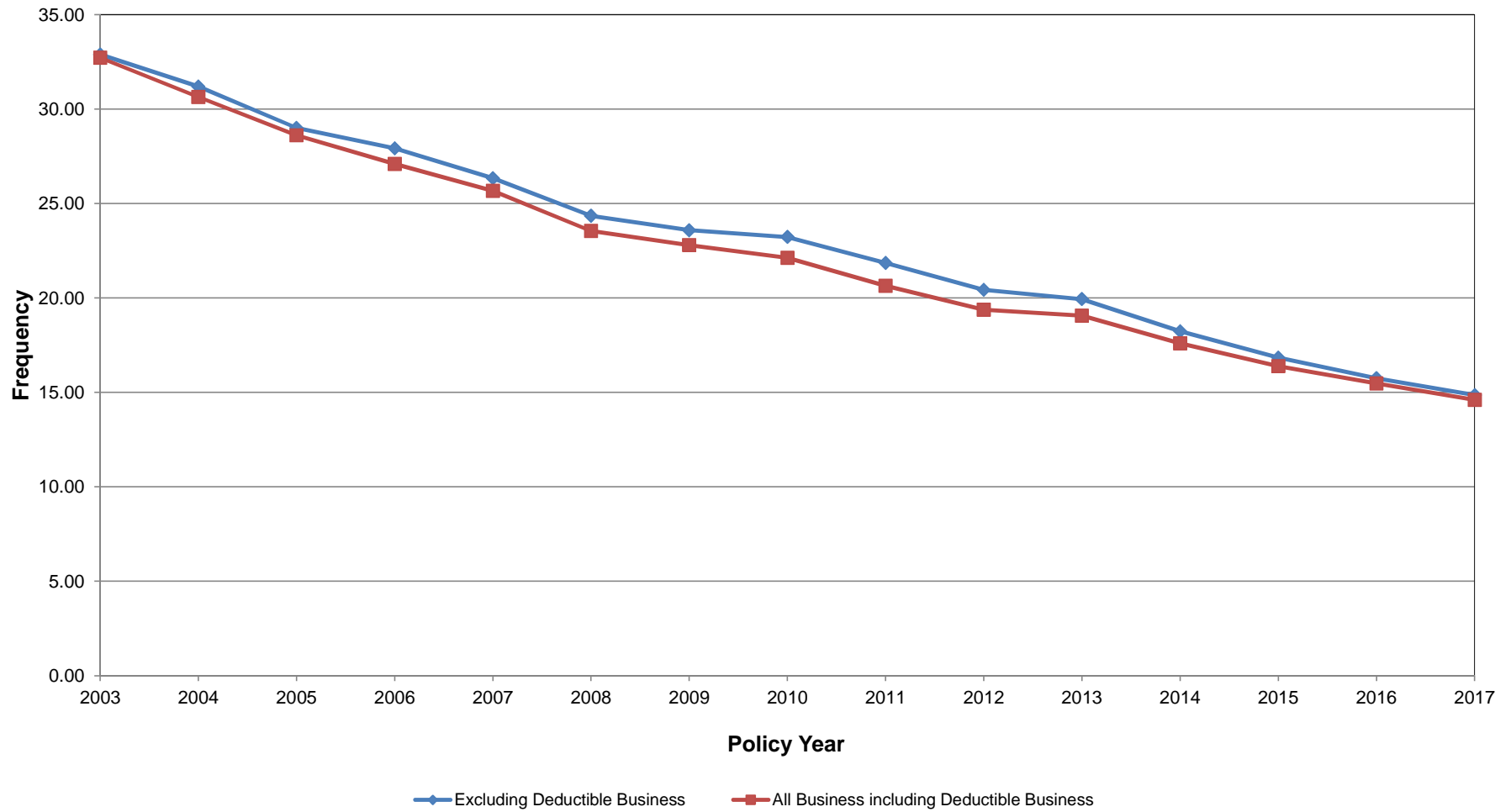
Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2003) wages

**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
2003	1 (MFG)	5,917		158,773,134		37.27		PY03-PY17	-5.6%
2004	1	5,962	0.8%	162,422,071	2.3%	36.71	-1.5%	PY04-PY17	-5.6%
2005	1	5,605	-6.0%	166,390,198	2.4%	33.69	-8.2%	PY05-PY17	-5.4%
2006	1	5,755	2.7%	175,093,531	5.2%	32.87	-2.4%	PY06-PY17	-5.3%
2007	1	5,214	-9.4%	177,944,569	1.6%	29.30	-10.9%	PY07-PY17	-4.9%
2008	1	4,373	-16.1%	170,061,166	-4.4%	25.71	-12.3%	PY08-PY17	-4.6%
2009	1	3,804	-13.0%	157,633,272	-7.3%	24.13	-6.1%	PY09-PY17	-4.8%
2010	1	4,140	8.8%	170,265,934	8.0%	24.31	0.7%	PY10-PY17	-5.3%
2011	1	4,232	2.2%	176,653,238	3.8%	23.96	-1.4%	PY11-PY17	-5.5%
2012	1	3,651	-13.7%	166,843,463	-5.6%	21.88	-8.7%	PY12-PY17	-5.1%
2013	1	3,605	-1.3%	173,074,612	3.7%	20.83	-4.8%	PY13-PY17	-5.3%
2014	1	3,531	-2.1%	178,509,666	3.1%	19.78	-5.0%	PY14-PY17	-5.6%
2015	1	3,510	-0.6%	184,460,958	3.3%	19.03	-3.8%	PY15-PY17	-6.7%
2016	1	3,321	-5.4%	183,174,341	-0.7%	18.13	-4.7%	PY16-PY17	-8.7%
2017	1	3,074	-7.4%	185,658,845	1.4%	16.56	-8.7%		
2003	2 (Contracting)	5,572		226,707,364		24.58		PY03-PY17	-6.8%
2004	2	5,459	-2.0%	237,598,927	4.8%	22.98	-6.5%	PY04-PY17	-6.9%
2005	2	5,590	2.4%	251,729,866	5.9%	22.21	-3.4%	PY05-PY17	-6.9%
2006	2	5,313	-5.0%	262,034,127	4.1%	20.28	-8.7%	PY06-PY17	-6.9%
2007	2	5,258	-1.0%	276,168,857	5.4%	19.04	-6.1%	PY07-PY17	-6.9%
2008	2	4,332	-17.6%	259,382,546	-6.1%	16.70	-12.3%	PY08-PY17	-7.0%
2009	2	3,752	-13.4%	231,825,876	-10.6%	16.18	-3.1%	PY09-PY17	-7.4%
2010	2	3,843	2.4%	241,034,237	4.0%	15.94	-1.5%	PY10-PY17	-7.9%
2011	2	3,859	0.4%	258,596,234	7.3%	14.92	-6.4%	PY11-PY17	-8.1%
2012	2	3,489	-9.6%	257,653,899	-0.4%	13.54	-9.2%	PY12-PY17	-8.2%
2013	2	3,402	-2.5%	262,707,687	2.0%	12.95	-4.4%	PY13-PY17	-8.7%
2014	2	3,322	-2.4%	280,858,580	6.9%	11.83	-8.6%	PY14-PY17	-8.4%
2015	2	3,147	-5.3%	297,656,245	6.0%	10.57	-10.7%	PY15-PY17	-7.1%
2016	2	2,972	-5.6%	309,436,870	4.0%	9.60	-9.2%	PY16-PY17	-5.0%
2017	2	2,947	-0.8%	323,271,866	4.5%	9.12	-5.0%		
2003	3 (Other)	16,461		464,325,507		35.45		PY03-PY17	-4.9%
2004	3	16,128	-2.0%	482,911,492	4.0%	33.40	-5.8%	PY04-PY17	-4.9%
2005	3	15,658	-2.9%	507,867,831	5.2%	30.83	-7.7%	PY05-PY17	-4.9%
2006	3	15,788	0.8%	524,497,424	3.3%	30.10	-2.4%	PY06-PY17	-5.1%
2007	3	16,002	1.4%	550,932,400	5.0%	29.05	-3.5%	PY07-PY17	-5.2%
2008	3	15,338	-4.1%	557,864,912	1.3%	27.49	-5.4%	PY08-PY17	-5.4%
2009	3	14,785	-3.6%	557,547,278	-0.1%	26.52	-3.5%	PY09-PY17	-5.6%
2010	3	15,282	3.4%	590,248,723	5.9%	25.89	-2.4%	PY10-PY17	-5.9%
2011	3	14,677	-4.0%	606,340,581	2.7%	24.21	-6.5%	PY11-PY17	-6.0%
2012	3	13,864	-5.5%	603,479,143	-0.5%	22.97	-5.1%	PY12-PY17	-6.4%
2013	3	13,986	0.9%	616,934,829	2.2%	22.67	-1.3%	PY13-PY17	-6.9%
2014	3	13,225	-5.4%	641,594,889	4.0%	20.61	-9.1%	PY14-PY17	-6.2%
2015	3	12,805	-3.2%	673,688,818	5.0%	19.01	-7.8%	PY15-PY17	-5.5%
2016	3	12,356	-3.5%	691,715,028	2.7%	17.86	-6.0%	PY16-PY17	-4.9%
2017	3	12,307	-0.4%	724,558,458	4.7%	16.99	-4.9%		

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

