

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 (Expected Loss Factors) which are the basis for the calculation of Expected Losses.

COLLECTIBLE PREMIUM RATIOS *

Manual Years 1998 & 1999 & 2000 Unit Data

Manual Year	Premium at Manual Rates	Collected Premium (Excluding Constants)	Collectible Premium Ratio (2)/(3)
(1)	(2)	(3)	(4)
ALL INDUSTRIES			
1998	2,344,721,778	2,226,801,571	1.0530
1999	2,453,214,724	2,319,780,737	1.0575
2000	2,609,253,955	2,404,535,791	1.0851
TOTAL	7,407,190,457	6,951,118,099	1.0656
MANUFACTURING AND UTILITIES			
1998	640,382,811	602,491,527	1.0629
1999	651,464,197	606,342,244	1.0744
2000	677,009,241	608,331,730	1.1129
TOTAL	1,968,856,249	1,817,165,501	1.0835
CONTRACTING AND QUARRYING			
1998	391,007,311	364,707,195	1.0721
1999	422,033,225	396,895,091	1.0633
2000	456,941,028	413,814,230	1.1042
TOTAL	1,269,981,564	1,175,416,516	1.0805
OTHER INDUSTRIES			
1998	1,313,331,656	1,259,602,849	1.0427
1999	1,379,717,302	1,316,543,402	1.0480
2000	1,475,303,686	1,382,389,831	1.0672
TOTAL	4,168,352,644	3,958,536,082	1.0530

* Excludes classifications and coverages not subject to experience rating

CALCULATION OF EXPECTED LOSS COST FACTORS (a)

Policy Year Beginning 4/1	Act 57 Adjust- ment	Adjust- ment Factor	Loss Ratio Development Factor	Collectible Premium Ratio	Trend Factor	Product (2) * (3) * (4) *(5) * (6)	Expected Loss Cost Factor 1.0 / (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<u>Manufacturing and Utilities</u>							
2000	1.0000	1.0000	1.2406	1.0835	1.2003	1.6134	0.6198
2001	1.0000	1.0000	1.3846	1.0835	1.1467	1.7203	0.5813
2002	1.0000	1.0000	1.7863	1.0835	1.0955	2.1204	0.4716
<u>Contracting and Quarrying</u>							
2000	1.0000	1.0000	1.3374	1.0805	1.2003	1.7345	0.5765
2001	1.0000	1.0000	1.4627	1.0805	1.1467	1.8123	0.5518
2002	1.0000	1.0000	1.7961	1.0805	1.0955	2.1261	0.4703
<u>Other Industries</u>							
2000	1.0000	1.0000	1.2640	1.0530	1.2003	1.5976	0.6259
2001	1.0000	1.0000	1.3953	1.0530	1.1467	1.6848	0.5935
2002	1.0000	1.0000	1.7909	1.0530	1.0955	2.0660	0.4840

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