

PENNSYLVANIA COMPENSATION RATING BUREAU

Review Of Experience Rating Plan Results – Capped Experience Modification Values

Attached is an exhibit routinely prepared in review of the results of the experience rating plan. The attachment is a summary report titled “Comparison of Actual Loss Ratios and Manual Loss Ratios”. This report displays comparative loss ratios computed on both Manual and Standard bases for selected risk sizes and experience modification values for all Industry Groups combined for the five year period 1998 through 2002.

Bureau Filing No. 208, approved effective April 1, 2004 revised various parameters within the Experience Rating Plan. The premiums and loss ratios contained in this report have been adjusted to reflect the experience as it would have been if the revisions of Filing No. 208 had been in place for the entire experience period shown. The experience modification factors used to generate this report are on a capped basis, consistent with the Experience Rating Plan effective April 1, 2004.

DATE 11/03/05

COMPARISON OF ACTUAL LOSS RATIOS AND MANUAL LOSS RATIOS  
FOR ALL MANUAL YEARS

EXP-MOD	RISKS	UP TO - 2,499				\$2,500 - 4,999				\$5,000 - 7,499				\$7,500 - 9,999			
		STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR	RISKS	STD PREM	ACT LR	MAN LR	RISKS	STD PREM	ACT LR	MAN LR
0- 60	180	80	2.80	1.31	73	129	1.61	.75	35	105	1.76	.84	29	121	.87	.41	
61- 80	1,017	718	1.36	1.02	575	1,658	.80	.61	568	2,701	.88	.68	686	4,658	.63	.49	
81- 85	8,080	9,330	.98	.82	25,015	81,317	.64	.53	23,583	120,762	.62	.51	14,553	104,287	.57	.47	
86- 90	1,685	1,863	1.42	1.24	4,882	16,727	.82	.72	5,300	28,676	.74	.65	3,395	25,713	.73	.64	
91- 95	1,566	1,686	1.49	1.39	2,589	9,323	1.11	1.03	2,731	15,708	1.02	.95	2,096	16,925	.74	.69	
96- 99	2,894	3,334	1.25	1.21	3,069	11,367	.75	.73	2,549	15,256	1.14	1.11	1,658	13,942	.91	.88	
100-100	717,433	490,809	.73	.73	79,859	269,379	.63	.63	15,455	92,944	.70	.70	6,056	52,039	.85	.85	
CREDITS	732,855	507,819	.74	.74	116,062	389,899	.65	.62	50,221	276,152	.71	.64	28,473	217,686	.69	.61	
101-105	836	1,045	1.05	1.08	1,226	4,879	.82	.84	1,349	8,536	.91	.94	963	8,586	.91	.93	
106-110	511	653	2.62	2.82	846	3,540	.88	.95	916	6,087	.86	.92	655	6,140	.90	.97	
111-115	393	519	6.78	7.65	675	2,977	1.24	1.39	695	4,890	.68	.77	504	4,950	1.03	1.16	
116-120	407	568	2.50	2.95	665	3,072	1.04	1.22	779	5,775	.70	.83	718	7,394	.61	.72	
121-130	1,228	1,884	1.87	2.32	2,653	12,697	.89	1.10	2,424	18,597	.69	.86	1,539	16,595	.93	1.16	
131-140	380	591	2.38	3.22	742	3,903	.75	1.02	788	6,575	1.15	1.55	571	6,682	.98	1.32	
141- UP	772	1,538	6.33	10.18	1,427	8,804	.78	1.25	1,639	15,992	.69	1.09	1,371	18,722	.59	.93	
CHARGES	4,527	6,797	3.30	4.09	8,234	39,872	.88	1.10	8,590	66,452	.78	.98	6,321	69,069	.81	1.02	
TOTALS	737,382	514,616	.78	.78	124,296	429,771	.67	.66	58,811	342,604	.72	.69	34,794	286,754	.72	.69	

EXP-MOD	RISKS	\$10,000 - 14,999				\$15,000 - 24,999				\$25,000 - 49,999				\$50,000 - 99,999			
		STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR	RISKS	STD PREM	ACT LR	MAN LR	RISKS	STD PREM	ACT LR	MAN LR
0- 60	60	351	1.13	.52	67	615	1.66	.76	126	2,101	1.02	.47	137	5,318	1.01	.52	
61- 80	2,270	22,649	.68	.53	6,272	97,691	.56	.43	7,940	213,053	.59	.45	5,392	276,044	.59	.43	
81- 85	14,782	147,738	.58	.48	8,977	139,828	.61	.50	5,062	142,797	.68	.57	1,943	109,850	.74	.61	
86- 90	4,136	44,306	.81	.71	3,792	64,043	.75	.66	3,107	94,976	.73	.64	1,502	91,491	.69	.61	
91- 95	2,806	32,090	.82	.76	2,706	48,319	.68	.63	2,280	74,157	.78	.73	1,403	91,190	.67	.62	
96- 99	1,884	22,454	.76	.74	1,739	32,620	.77	.75	1,666	57,786	.83	.81	1,196	80,881	.66	.64	
100-100	4,898	59,069	.68	.68	3,411	64,907	.70	.70	2,158	74,624	.73	.73	991	68,608	.72	.72	
CREDITS	30,836	328,656	.67	.59	26,964	448,024	.65	.56	22,339	659,494	.69	.59	12,564	723,383	.66	.55	
101-105	1,265	15,937	.92	.95	1,391	27,689	.71	.73	1,655	61,317	.72	.74	1,204	85,699	.70	.72	
106-110	825	10,941	.71	.77	1,077	22,762	.74	.80	1,509	58,247	.70	.75	938	70,361	.69	.74	
111-115	814	11,344	.68	.77	1,115	24,576	.68	.77	1,488	59,126	.67	.76	794	62,260	.65	.74	
116-120	1,080	15,732	.69	.81	1,209	27,826	.67	.79	1,210	49,715	.72	.85	660	53,837	.67	.79	
121-130	1,901	29,218	.78	.98	2,128	51,648	.78	.97	2,064	89,664	.81	1.01	1,172	102,396	.85	1.07	
131-140	819	13,670	.51	.69	1,022	26,703	.77	1.04	923	43,918	.70	.94	580	54,072	.68	.91	
141- UP	1,770	34,166	.66	1.04	1,734	53,762	.88	1.41	1,593	90,009	.88	1.42	1,093	127,814	.71	1.17	
CHARGES	8,474	131,008	.71	.90	9,676	234,965	.77	.96	10,442	451,997	.76	.93	6,441	556,439	.72	.89	
TOTALS	39,310	459,664	.68	.65	36,640	682,989	.69	.67	32,781	1111,490	.72	.70	19,005	1279,822	.69	.66	

EXP-MOD	\$100,000 - 249,999					\$250,000 AND OVER					ALL RISKS								
	RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR		RISKS	STD PREM	ACT LR	MAN LR
0- 60	436	41,039	.70	.37	1,021	415,750	.76	.34	2,164	465,608	.76	.34							
61- 80	3,619	401,643	.61	.44	1,845	986,989	.63	.45	30,184	2007,804	.61	.45							
81- 85	1,139	143,556	.64	.53	529	305,543	.68	.56	103,663	1305,007	.64	.53							
86- 90	938	127,423	.64	.56	483	391,527	.57	.50	29,220	886,746	.65	.57							
91- 95	977	140,699	.71	.66	473	295,955	.62	.58	19,627	726,051	.69	.64							
96- 99	736	110,658	.63	.62	344	239,424	.54	.53	17,735	587,721	.66	.64							
100-100	635	98,196	.60	.60	390	306,926	.59	.59	831,286	1577,501	.68	.68							
CREDITS	8,480	1063,214	.64	.51	5,085	2942,114	.63	.47	33,879	7556,439	.66	.53							
101-105	717	112,562	.71	.73	365	215,689	.79	.81	10,971	541,938	.76	.78							
106-110	604	99,896	.66	.71	246	137,479	.66	.71	8,127	416,104	.69	.74							
111-115	518	91,304	.79	.89	215	113,580	.85	.96	7,211	375,526	.77	.87							
116-120	381	67,429	.59	.70	180	100,697	.70	.82	7,289	332,044	.68	.80							
121-130	735	141,697	.76	.96	306	185,149	.97	1.21	16,150	649,545	.85	1.07							
131-140	394	81,163	.72	.97	150	90,224	.79	1.08	6,369	327,501	.74	1.00							
141- UP	727	185,927	.78	1.30	284	214,763	.70	1.20	12,410	751,498	.76	1.26							
CHARGES	4,076	779,977	.73	.91	1,746	1057,582	.78	.96	68,527	3394,157	.76	.94							
TOTALS	12,556	1843,191	.68	.64	6,831	3999,695	.67	.55	102,406	10950,597	.69	.62							