



Pennsylvania Compensation Rating Bureau

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December 1, 2016

VIA SERFF

The Honorable Teresa D. Miller
Insurance Commissioner
Commonwealth of Pennsylvania - Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Attention: Mark Lersch, Director, Bureau of Property & Casualty Insurance
Michael McKenney, Actuarial Supervisor, Bureau of Property & Casualty Insurance

RE: PCRB Filing C-368, April 1, 2017 Loss Cost Filing – Corrected

Dear Commissioner Miller:

This filing letter has been updated to reflect corrections to exhibits for the April 1, 2017 loss cost filing and its overall impact. In a letter dated November 17, 2016, we presented Filing C-368 (the Filing) which contained workers compensation loss costs and rating values proposed to be **effective 12:01 a.m., April 1, 2017** with respect to new and renewal policies having effective dates on or after that date.

This corrected filing proposes an overall average change in loss costs of -6.21%, prior to application of the assessment for the Office of the Small Business Advocate and loadings for the Pennsylvania Construction Classification Premium Adjustment Program, Merit Rating Plan off-balance and Certified Safety Committee credits. In preparing this submission, the PCRB has carefully considered current Pennsylvania experience and has applied a variety of actuarial analytical techniques. The Filing reflects all initial and continuing effects of both Act 44 of 1993 and Act 57 of 1996, and the anticipated savings from the enactment of House Bill 1846 of 2014. A detailed discussion of the considerations, methods, and exhibits is provided in the accompanying Actuarial Memorandum.

The PCRB respectfully requests a timely review of this filing, allowing implementation on a new and renewal basis **effective April 1, 2017**. A timely review will allow adequate advance notice of final loss costs and related rating values to all participants in the Pennsylvania marketplace. Toward that objective, the PCRB will be pleased to answer any questions or provide any available supplementary information which you or your staff may require.

Please direct all questions to John Pedrick, Vice President – Actuarial Services, or to Kenneth Creighton, Chief Actuary.

Sincerely,

A handwritten signature in black ink that reads "William V. Taylor". The signature is written in a cursive, flowing style.

William V. Taylor
President

WVT/jf