

SCHEDULE RATING 2024

ANALYSIS OF EXPERIENCE



EXECUTIVE SUMMARY

The Pennsylvania Compensation Rating Bureau (PCRB) has compiled and reviewed aggregate statistical data for schedule rating programs covering Policy Years 2006 through 2021. This data includes application of the PCRB's schedule rating plan by its various member insurers, and application of independently filed carrier programs.

Act 57 of 1996 introduced provisions for schedule rating in pricing for workers compensation policies. In response to that statute, the Insurance Department identified the following criteria as conditions for approval of individual carrier schedule rating plans.

- Act 57 allows approval of plans that provide schedule rating plan adjustment of the rate, including the loss portion of the rate, for businesses ineligible for experience rating.
- The Department will consider schedule rating plans for risks eligible for experience rating provided that the schedule rating plan modification for these businesses is not based on measurement of loss producing characteristics of the individual insured.

Per Act 44 of 1993, the uniform Experience Rating Plan is the exclusive means of providing prospective premium adjustments based on measurements of loss producing characteristics of an individual insured in Pennsylvania. As a means of providing pricing flexibility for experience-rated businesses, the PCRB incorporated a schedule rating plan to be used in conjunction with the approved uniform Experience Rating Plan. By using the PCRB's schedule rating plan, carriers were advised as follows:

- For businesses eligible for experience rating, the loss and or expense components of an insured risk's premium may be adjusted to reflect characteristics of the risk which are deemed to be not adequately reflected in prior experience of the insured business.





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KEY TAKEAWAYS

HIGH UTILIZATION

Schedule Rating boasts around 60% of eligible premium utilizing the program.

AVERAGE POLICY SIZE

Average policy size has decreased dramatically among participants. This is related to the growth of the program, recent lower rates, and how smaller policies have entered the mix.

ACTUAL VS. INDICATED

Actual credits are typically much higher than the post application assessment, however actual debits are much closer to their indicated counterpart.

CREDITS & DEBITS

Figure 1

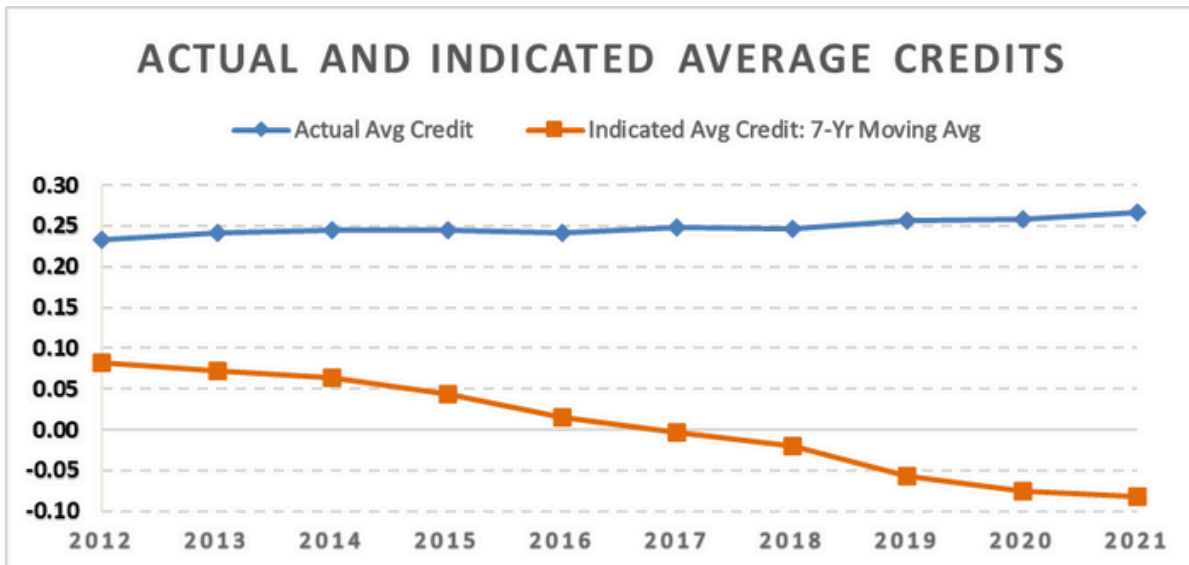
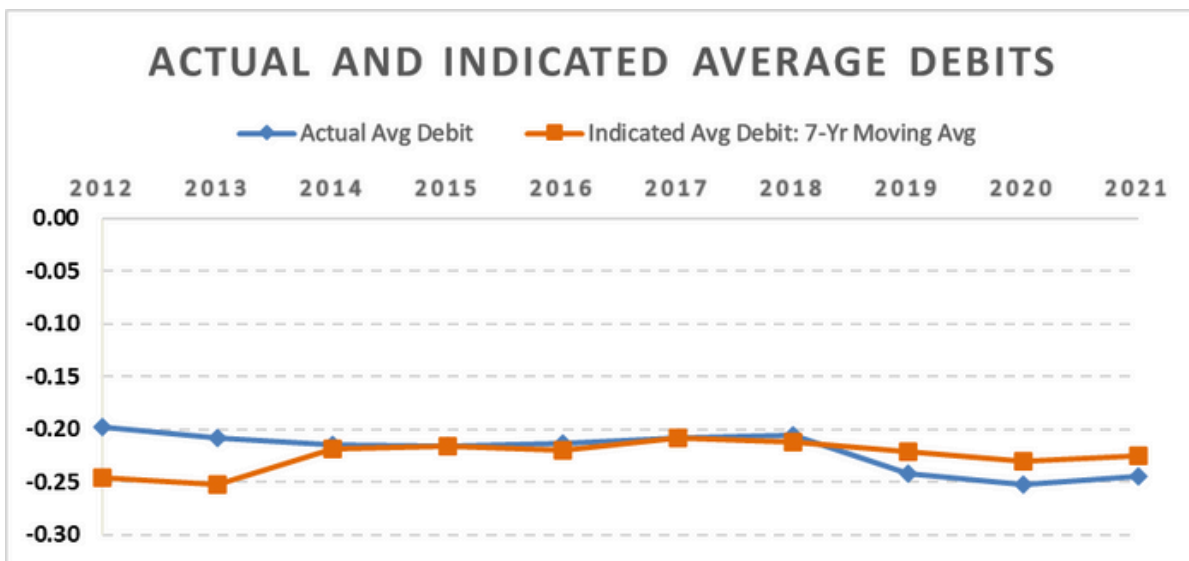


Figure 2



Figures 1 and 2 show actual and indicated credits and debits respectively. As actual credits applied have generally increased, the credit indicated during that same period has declined to indicate a debit in the more recent years. The overall average indicated credit is hovering right around **1%**, while the average actual credit averaged **24%**.

The average debit aligns closely with the indications throughout the period shown ranging from **20%** and **25%**.

The results above suggest that carriers have tended to correctly identify the businesses that should receive either schedule rating credits or debits respectively, however carriers have generally overestimated the appropriate level of credits and more closely estimated the appropriate level of debits to be applied.

SCHEDULE RATED POLICIES

Figure 3

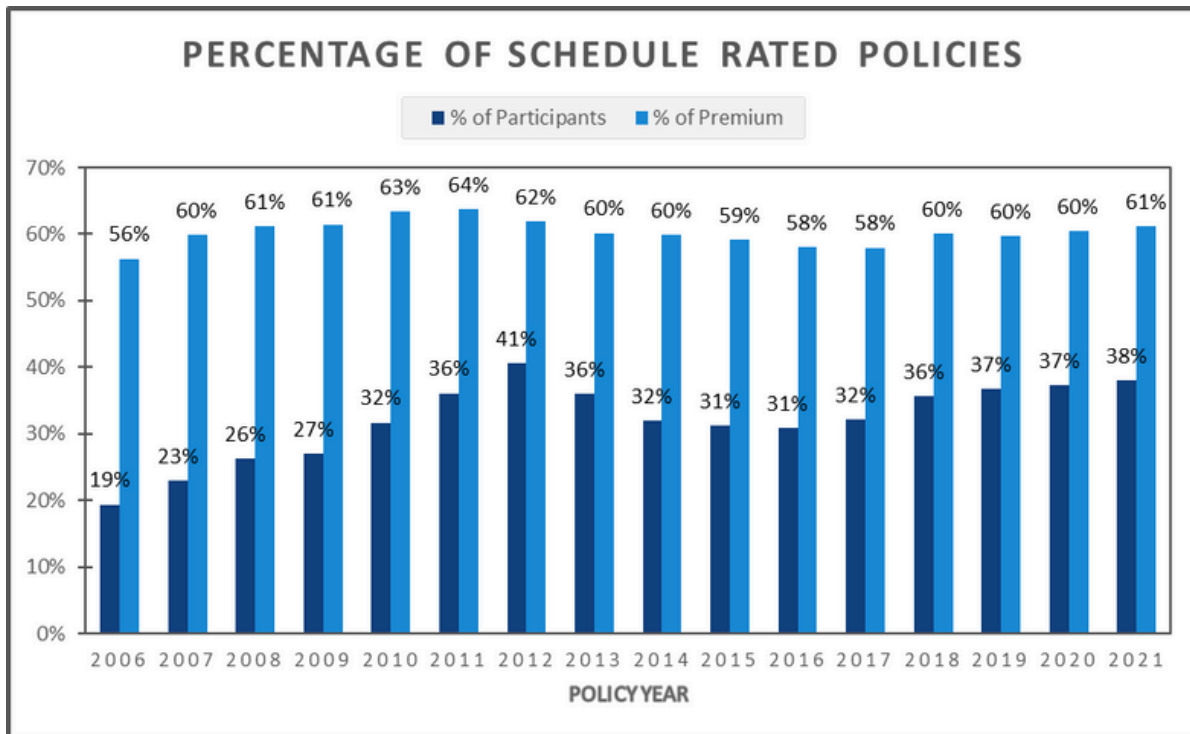
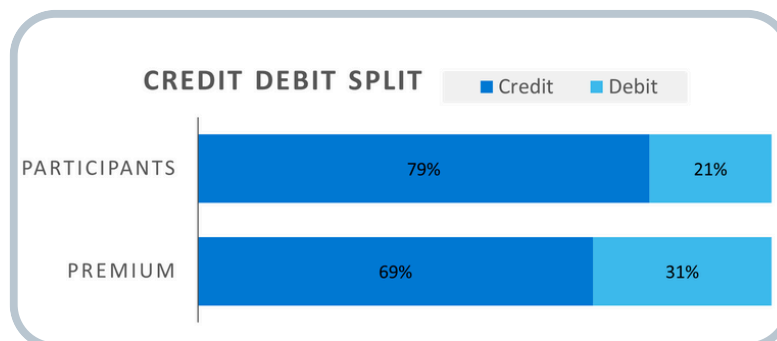


Figure 3 shows the percentage of participation in schedule ratings by both policy count and premium dollars. Schedule rating is readily used among eligible businesses. The period from 2006 through 2012 shows a **general increase** in participation followed by fairly **stable** results in more recent years. When looking at premium, **over half** of all eligible premium dollars are part of a participating business.

Figure 3a



LOSS RATIOS

Figure 4

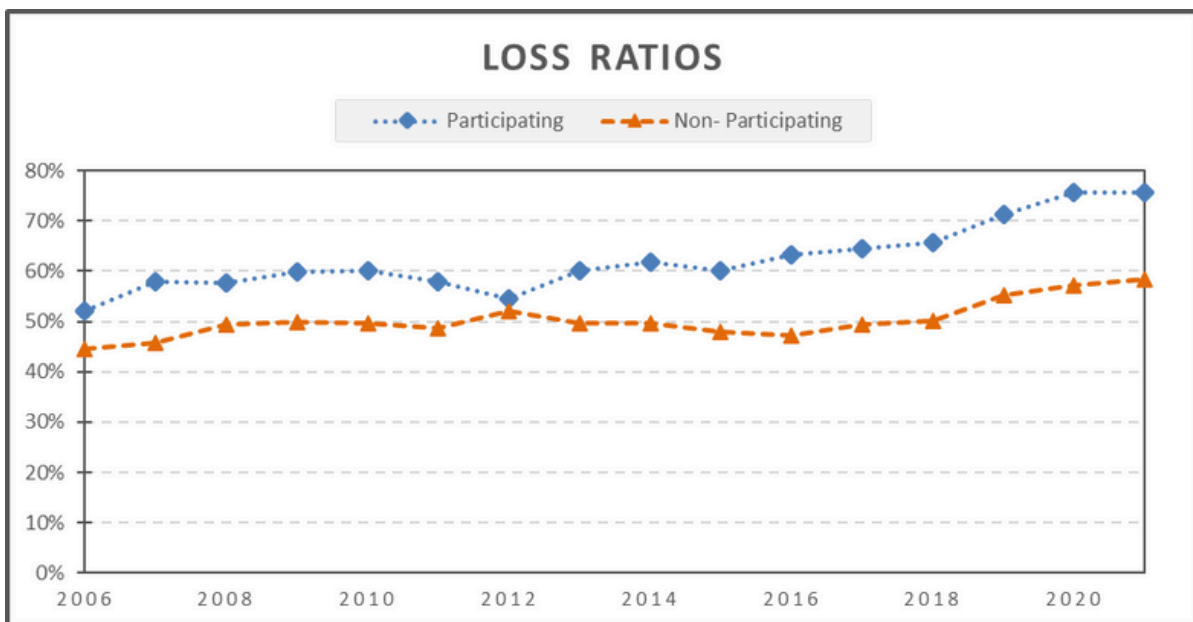


Figure 4 shows loss ratios between participating and non-participating businesses. As Figure 1 demonstrated, credits applied are typically larger than credits indicated. For this reason, loss ratios for all participating businesses tend to be higher. Reductions in loss costs and increased use of credits in recent years may be contributing to the upward trends in both groups.

POLICY SIZE

Figure 5

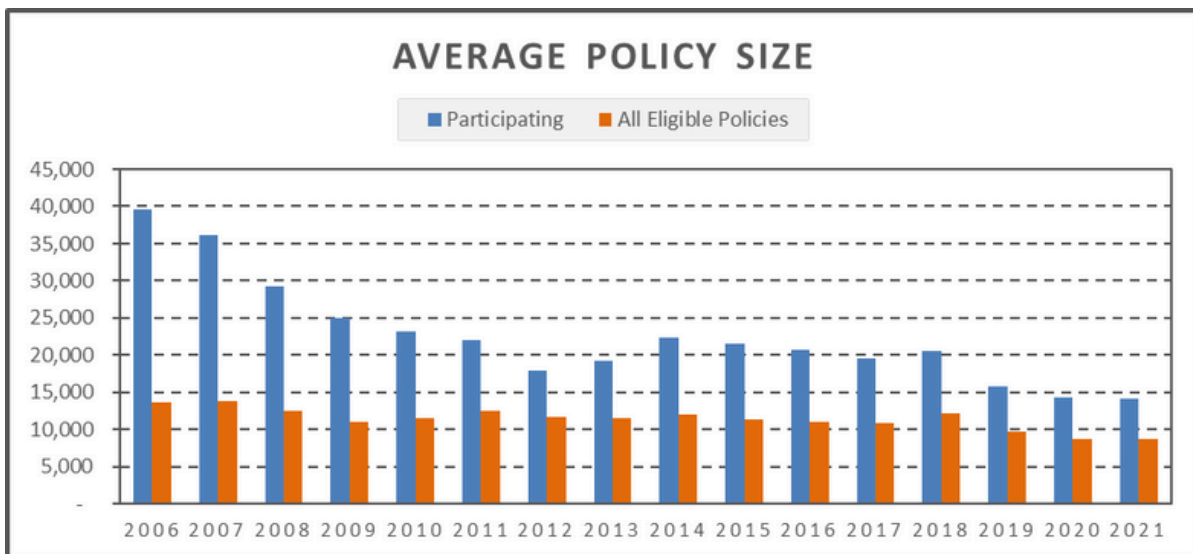


Figure 5 shows the average policy size among participating businesses as well as all eligible businesses inclusive of participants. Participating policies used to be much larger than the overall at about **3 times** the average size of all eligible policies. As more policies started to participate, that average size **fell dramatically**. With the higher levels of participation, the difference between the two groups has since shrunk to be **a little less than twice the size** for participants.

CONCLUSION

Refining Pricing Strategies: Navigating Potential Schedule Rating Discrepancies Amid 2024 Experience Rating Changes

For risks not subject to schedule rating, their average cost is generally the same or higher than the schedule debit risks. Overall, the schedule rating program has provided valuable pricing flexibility for carriers, allowing for more accurate premium adjustments based on individual business characteristics. However, the observed discrepancies in credits and debits suggest that carriers need to continue to assess their methodologies to achieve more precise adjustments. This will be particularly important given the Experience Rating Plan update implemented in 2024 which reduced the experience rating eligibility and will result in small businesses automatically qualifying for loss based characteristic adjustments that should not overlap with this plan.

QUESTIONS?

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APPENDIX

Described below are the 16 statistics used in the analysis shown in Exhibits I through XVI:

(1) Number of Risks: The number of policies issued to the groups of employers described in each column of Exhibits I through XVII. Note that some Pennsylvania employers may not have a workers compensation policy (i.e., self-insureds or those not subject to mandatory coverage), and some insured employers may change insurers and, thus, may have different policies in effect during a given year(s).

(2) Standard Premium: The product of reported exposures for each group of employers described in each column of Exhibits I through XVII times approved PCRB loss costs times each employer's experience modification (if applicable).

(3) Average Premium: Computed by dividing total standard premium by the number of policies reported.

(4) Schedule Rating Adjustment: The total amount of premium credits or debits given under the schedule rating plan to employers included in each column of Exhibits I through XVII.

(5) Net Premium: The standard premium less any applicable schedule rating credits or debits. For employers not subject to schedule rating, net premium and standard premium are equal because no schedule rating adjustments were applied.

(6) Number of Indemnity Claims: The number of indemnity claims reported on the policies described in each column of Exhibits I through XVII. Indemnity claims are cases involving some wage loss or other form of benefit payable to the worker or their dependents in addition to any applicable treatment costs.

(7) Number of Total Claims: The total number of claims reported on the policies described in each column of Exhibits I through XVII. These counts include indemnity claims and medical only claims, those cases involving only payment of medical treatment costs.

(8) Indemnity Claim Frequency: The number of indemnity claims reported per \$1,000 of standard premium in each group of policies presented in Exhibits I through XVII.

(9) Total Claim Frequency: The number of total claims reported per \$1,000 of standard premium in each group of policies presented in Exhibits I through XVII. Total claim frequency is shown bold-faced and underlined, as this statistic is one of the key bases of comparison between employer groups used in the PCRB's review of the schedule rating plan.

APPENDIX

(10) Incurred Losses: The reported dollar value of losses incurred on the various groups of policies presented on Exhibits I through XVII for indemnity and medical only claims.

(11) Average Claim: Total incurred losses divided by the total number of claims. Average claim amounts are shown bold-faced and underlined, as this statistic is another of the key bases of comparison between employer groups used in the PCRB's review of the schedule rating plan.

(12) Loss Ratio: The total incurred losses divided by the net premium for each group of policies presented on Exhibits I through XVII. Loss ratios are shown bold-faced and underlined, as this statistic is the third key basis of comparison between employer groups used in the PCRB's review of the schedule rating plan.

The last four experience statistics are computed only for Columns (1) and (2) in each exhibit, as those columns represent risks subject to schedule rating. These statistics are described below:

(13) Net Premium to Balance Schedule Rated Employers with Schedule Rating Credits (Column (1)) or Schedule Rated Employers with Schedule Rating Debits (Column (2)) with Non-Schedule Rated Loss Ratios: This is the amount of net premium which would produce the same loss ratio for the schedule rated employers studied in each exhibit's Columns (1) and (2) as was reported for all non-schedule rated employers (Column (3)).

(14) Indicated Schedule Rating Credits or Debits to Balance: This is the difference between standard premium for the schedule rated employers studied in each exhibit's Columns (1) and (2) and the balancing net premium computed in Item (13).

(15) Average Schedule Rating Credit or Debit Factor: This is the average ratio of schedule rating credits or debits actually granted to standard premium for the schedule rated employers studied in each exhibit's Columns (1) and (2). This average schedule rating credit is shown bold-faced and underlined, as this statistic is a key measure of the operation of the schedule rating plan.

(16) Indicated Schedule Rating Credit or Debit Factor: This is the average schedule rating credit or debit ratio that would have resulted in the balancing schedule rating credits or debits computed in Item (14). This indicated schedule rating credit or debit is shown bold-faced and underlined, as this statistic is a key measure of the operation of the schedule rating plan, especially for purposes of comparison to the actual average schedule rating plan credit or debit shown in Item (15).

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2006**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	35,854	9,078	187,092	232,024
(2) Standard Premium	\$1,612,706,783	\$165,636,793	\$1,380,220,829	\$3,158,564,405
(3) Average Premium (2)/(1)	\$44,980	\$18,246	\$7,377	\$13,613
(4) Schedule Rating Credit(Debit)	\$385,068,320	(\$30,489,113)	\$0	\$354,579,207
(5) Net Premium (2)- (4)	\$1,227,638,463	\$196,125,906	\$1,380,220,829	\$2,803,985,198
(6) # of Indemnity Claims	20,824	2,672	17,521	41,017
(7) # of Total Claims	117,960	13,422	87,781	219,163
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0129	0.0161	0.0127	0.0130
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0731</u>	<u>0.0810</u>	<u>0.0636</u>	<u>0.0694</u>
(10) Incurred Losses	\$655,455,008	\$85,535,472	\$614,725,459	\$1,355,715,939
(11) Average Claim (10)/(7)	<u>\$5,557</u>	<u>\$6,373</u>	<u>\$7,003</u>	<u>\$6,186</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.5339</u>	<u>0.4361</u>	<u>0.4454</u>	<u>0.4835</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,471,567,524	\$192,030,776	\$1,380,220,829	\$3,043,841,139
(14) Indicated SR Adjustment to Balance (2)- (13)	\$141,139,259	(\$26,393,983)	-	\$114,723,266
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2388</u>	<u>(0.1841)</u>	-	<u>0.1123</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0875</u>	<u>(0.1593)</u>	-	<u>0.0363</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2007**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	46,875	7,266	181,105	235,246
(2) Standard Premium	\$1,816,689,831	\$141,989,673	\$1,313,260,733	\$3,271,940,237
(3) Average Premium (2)/(1)	\$38,756	\$19,542	\$7,251	\$13,909
(4) Schedule Rating Credit(Debit)	\$425,098,401	(\$23,855,096)	\$0	\$401,243,305
(5) Net Premium (2)-(4)	\$1,391,591,430	\$165,844,769	\$1,313,260,733	\$2,870,696,932
(6) # of Indemnity Claims	22,481	2,262	15,897	40,640
(7) # of Total Claims	124,145	11,508	78,284	213,937
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0124	0.0159	0.0121	0.0124
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0683</u>	<u>0.0810</u>	<u>0.0596</u>	<u>0.0654</u>
(10) Incurred Losses	\$804,214,082	\$96,953,625	\$600,646,462	\$1,501,814,169
(11) Average Claim (10)/(7)	<u>\$6,478</u>	<u>\$8,425</u>	<u>\$7,673</u>	<u>\$7,020</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.5779</u>	<u>0.5846</u>	<u>0.4574</u>	<u>0.5232</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,758,200,016	\$211,965,133	\$1,313,260,733	\$3,283,665,577
(14) Indicated SR Adjustment to Balance (2)-(13)	\$58,489,815	(\$69,975,460)	-	(\$11,725,340)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2340</u>	<u>(0.1680)</u>	-	<u>0.1226</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0322</u>	<u>(0.4928)</u>	-	<u>(0.0036)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2008**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	53,932	8,573	176,126	238,631
(2) Standard Premium	\$1,691,411,935	\$134,432,871	\$1,159,921,405	\$2,985,766,211
(3) Average Premium (2)/(1)	\$31,362	\$15,681	\$6,586	\$12,512
(4) Schedule Rating Credit(Debit)	\$391,201,454	(\$21,638,448)	\$0	\$369,563,006
(5) Net Premium (2)-(4)	\$1,300,210,481	\$156,071,319	\$1,159,921,405	\$2,616,203,205
(6) # of Indemnity Claims	20,433	2,041	14,035	36,509
(7) # of Total Claims	112,879	10,180	68,806	191,865
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0121	0.0152	0.0121	0.0122
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0667</u>	<u>0.0757</u>	<u>0.0593</u>	<u>0.0643</u>
(10) Incurred Losses	\$763,304,698	\$77,600,729	\$571,782,766	\$1,412,688,193
(11) Average Claim (10)/(7)	<u>\$6,762</u>	<u>\$7,623</u>	<u>\$8,310</u>	<u>\$7,363</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.5871</u>	<u>0.4972</u>	<u>0.4929</u>	<u>0.5400</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,548,698,668	\$157,432,866	\$1,159,921,405	\$2,866,199,494
(14) Indicated SR Adjustment to Balance (2)-(13)	\$142,713,267	(\$22,999,995)	-	\$119,566,717
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2313</u>	<u>(0.1610)</u>	-	<u>0.1238</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0844</u>	<u>(0.1711)</u>	-	<u>0.0400</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2009**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	56,114	11,091	181,273	248,478
(2) Standard Premium	\$1,528,658,845	\$155,481,977	\$1,057,357,521	\$2,741,498,343
(3) Average Premium (2)/(1)	\$27,242	\$14,019	\$5,833	\$11,033
(4) Schedule Rating Credit(Debit)	\$358,686,927	(\$27,954,244)	\$0	\$330,732,683
(5) Net Premium (2)-(4)	\$1,169,971,918	\$183,436,221	\$1,057,357,521	\$2,410,765,660
(6) # of Indemnity Claims	19,028	2,419	12,901	34,348
(7) # of Total Claims	104,021	11,473	62,956	178,450
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0124	0.0156	0.0122	0.0125
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0680</u>	<u>0.0738</u>	<u>0.0595</u>	<u>0.0651</u>
(10) Incurred Losses	\$715,456,149	\$94,253,937	\$527,595,045	\$1,337,305,131
(11) Average Claim (10)/(7)	<u>\$6,878</u>	<u>\$8,215</u>	<u>\$8,380</u>	<u>\$7,494</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6115</u>	<u>0.5138</u>	<u>0.4990</u>	<u>0.5547</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,433,743,142	\$188,876,814	\$1,057,357,521	\$2,679,863,150
(14) Indicated SR Adjustment to Balance (2)-(13)	\$94,915,703	(\$33,394,837)	-	\$61,635,193
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2346</u>	<u>(0.1798)</u>	-	<u>0.1206</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0621</u>	<u>(0.2148)</u>	-	<u>0.0225</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2010**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	65,886	11,901	167,628	245,415
(2) Standard Premium	\$1,623,806,751	\$174,328,772	\$1,037,739,802	\$2,835,875,325
(3) Average Premium (2)/(1)	\$24,646	\$14,648	\$6,191	\$11,555
(4) Schedule Rating Credit(Debit)	\$387,733,857	(\$30,114,956)	\$0	\$357,618,901
(5) Net Premium (2)-(4)	\$1,236,072,894	\$204,443,728	\$1,037,739,802	\$2,478,256,424
(6) # of Indemnity Claims	20,045	2,644	12,459	35,148
(7) # of Total Claims	108,095	12,588	60,122	180,805
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0123	0.0152	0.0120	0.0124
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0666</u>	<u>0.0722</u>	<u>0.0579</u>	<u>0.0638</u>
(10) Incurred Losses	\$752,691,471	\$112,678,660	\$514,130,469	\$1,379,500,600
(11) Average Claim (10)/(7)	<u>\$6,963</u>	<u>\$8,951</u>	<u>\$8,551</u>	<u>\$7,630</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6089</u>	<u>0.5511</u>	<u>0.4954</u>	<u>0.5566</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,519,266,825	\$227,430,235	\$1,037,739,802	\$2,784,411,638
(14) Indicated SR Adjustment to Balance (2)-(13)	\$104,539,926	(\$53,101,463)	-	\$51,463,687
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2388</u>	<u>(0.1727)</u>	-	<u>0.1261</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0644</u>	<u>(0.3046)</u>	-	<u>0.0181</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2011**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	73,421	14,972	156,589	244,982
(2) Standard Premium	\$1,727,952,665	\$218,789,555	\$1,108,726,848	\$3,055,469,068
(3) Average Premium (2)/(1)	\$23,535	\$14,613	\$7,080	\$12,472
(4) Schedule Rating Credit(Debit)	\$406,030,864	(\$40,681,654)	\$0	\$365,349,210
(5) Net Premium (2)-(4)	\$1,321,921,801	\$259,471,209	\$1,108,726,848	\$2,690,119,858
(6) # of Indemnity Claims	19,595	3,198	11,986	34,779
(7) # of Total Claims	105,853	15,424	58,369	179,646
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0113	0.0146	0.0108	0.0114
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0613</u>	<u>0.0705</u>	<u>0.0526</u>	<u>0.0588</u>
(10) Incurred Losses	\$784,393,300	\$133,021,868	\$540,243,728	\$1,457,658,896
(11) Average Claim (10)/(7)	<u>\$7,410</u>	<u>\$8,624</u>	<u>\$9,256</u>	<u>\$8,114</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.5934</u>	<u>0.5127</u>	<u>0.4873</u>	<u>0.5419</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,609,744,299	\$272,995,873	\$1,108,726,848	\$2,991,536,940
(14) Indicated SR Adjustment to Balance (2)-(13)	\$118,208,366	(\$54,206,318)	-	\$63,932,128
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2350</u>	<u>(0.1859)</u>	-	<u>0.1196</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0684</u>	<u>(0.2478)</u>	-	<u>0.0209</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2012**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	66,316	35,204	148,715	250,235
(2) Standard Premium	\$1,522,229,096	\$300,922,818	\$1,123,819,617	\$2,946,971,531
(3) Average Premium (2)/(1)	\$22,954	\$8,548	\$7,557	\$11,777
(4) Schedule Rating Credit(Debit)	\$355,463,049	(\$59,527,571)	\$0	\$295,935,478
(5) Net Premium (2)-(4)	\$1,166,766,047	\$360,450,389	\$1,123,819,617	\$2,651,036,053
(6) # of Indemnity Claims	16,608	3,954	12,054	32,616
(7) # of Total Claims	91,184	19,035	58,462	168,681
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0109	0.0131	0.0107	0.0111
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0599</u>	<u>0.0633</u>	<u>0.0520</u>	<u>0.0572</u>
(10) Incurred Losses	\$655,003,240	\$177,144,754	\$584,126,126	\$1,416,274,120
(11) Average Claim (10)/(7)	<u>\$7,183</u>	<u>\$9,306</u>	<u>\$9,992</u>	<u>\$8,396</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.5614</u>	<u>0.4915</u>	<u>0.5198</u>	<u>0.5342</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,260,143,245	\$340,826,022	\$1,123,819,617	\$2,724,477,606
(14) Indicated SR Adjustment to Balance (2)-(13)	\$262,085,851	(\$39,903,204)	-	\$222,493,925
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2335</u>	<u>(0.1978)</u>	-	<u>0.1004</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.1722</u>	<u>(0.1326)</u>	-	<u>0.0755</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2013**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	53,219	40,486	166,596	260,301
(2) Standard Premium	\$1,405,373,146	\$391,141,534	\$1,190,543,390	\$2,987,058,070
(3) Average Premium (2)/(1)	\$26,407	\$9,661	\$7,146	\$11,475
(4) Schedule Rating Credit(Debit)	\$339,345,604	(\$81,650,718)	\$0	\$257,694,886
(5) Net Premium (2)-(4)	\$1,066,027,542	\$472,792,252	\$1,190,543,390	\$2,729,363,184
(6) # of Indemnity Claims	16,515	4,940	12,343	33,798
(7) # of Total Claims	89,892	23,817	57,903	171,612
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0118	0.0126	0.0104	0.0113
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0640</u>	<u>0.0609</u>	<u>0.0486</u>	<u>0.0575</u>
(10) Incurred Losses	\$688,224,407	\$234,974,271	\$592,444,713	\$1,515,643,391
(11) Average Claim (10)/(7)	<u>\$7,656</u>	<u>\$9,866</u>	<u>\$10,232</u>	<u>\$8,832</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6456</u>	<u>0.4970</u>	<u>0.4976</u>	<u>0.5553</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,383,093,612	\$472,222,165	\$1,190,543,390	\$3,045,850,836
(14) Indicated SR Adjustment to Balance (2)-(13)	\$22,279,534	(\$81,080,631)	-	(\$58,792,766)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2415</u>	<u>(0.2087)</u>	-	<u>0.0863</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0159</u>	<u>(0.2073)</u>	-	<u>(0.0197)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2014**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	52,561	26,233	167,760	246,554
(2) Standard Premium	\$1,344,660,119	\$418,882,831	\$1,183,790,272	\$2,947,333,222
(3) Average Premium (2)/(1)	\$25,583	\$15,968	\$7,056	\$11,954
(4) Schedule Rating Credit(Debit)	\$328,351,163	(\$89,842,948)	\$0	\$238,508,215
(5) Net Premium (2)- (4)	\$1,016,308,956	\$508,725,779	\$1,183,790,272	\$2,708,825,007
(6) # of Indemnity Claims	15,388	5,323	12,089	32,800
(7) # of Total Claims	83,069	25,516	58,598	167,183
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0114	0.0127	0.0102	0.0111
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0618</u>	<u>0.0609</u>	<u>0.0495</u>	<u>0.0567</u>
(10) Incurred Losses	\$682,201,114	\$260,097,792	\$589,000,900	\$1,531,299,806
(11) Average Claim (10)/(7)	<u>\$8,212</u>	<u>\$10,194</u>	<u>\$10,052</u>	<u>\$9,159</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6713</u>	<u>0.5113</u>	<u>0.4976</u>	<u>0.5653</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,371,077,577	\$522,732,096	\$1,183,790,272	\$3,077,368,924
(14) Indicated SR Adjustment to Balance (2)- (13)	(\$26,417,458)	(\$103,849,265)	-	(\$130,035,702)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2442</u>	<u>(0.2145)</u>	-	<u>0.0809</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.0196)</u>	<u>(0.2479)</u>	-	<u>(0.0441)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2015**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	53,151	25,926	174,473	253,550
(2) Standard Premium	\$1,298,300,842	\$407,481,233	\$1,177,176,502	\$2,882,958,577
(3) Average Premium (2)/(1)	\$24,427	\$15,717	\$6,747	\$11,370
(4) Schedule Rating Credit(Debit)	\$317,774,684	(\$88,110,657)	\$0	\$229,664,027
(5) Net Premium (2)-(4)	\$980,526,158	\$495,591,890	\$1,177,176,502	\$2,653,294,550
(6) # of Indemnity Claims	14,820	4,961	11,864	31,645
(7) # of Total Claims	78,365	25,097	58,245	161,707
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0114	0.0122	0.0101	0.0110
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0604</u>	<u>0.0616</u>	<u>0.0495</u>	<u>0.0561</u>
(10) Incurred Losses	\$660,817,602	\$225,211,783	\$564,401,971	\$1,450,431,356
(11) Average Claim (10)/(7)	<u>\$8,433</u>	<u>\$8,974</u>	<u>\$9,690</u>	<u>\$8,970</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6739</u>	<u>0.4544</u>	<u>0.4795</u>	<u>0.5467</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,378,053,343	\$469,649,541	\$1,177,176,502	\$3,025,143,129
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$79,752,501)	(\$62,168,308)	-	(\$142,184,552)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2448</u>	<u>(0.2162)</u>	-	<u>0.0797</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.0614)</u>	<u>(0.1526)</u>	-	<u>(0.0493)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2016**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	54,403	25,330	178,408	258,141
(2) Standard Premium	\$1,288,254,218	\$369,081,701	\$1,201,241,872	\$2,858,577,791
(3) Average Premium (2)/(1)	\$23,680	\$14,571	\$6,733	\$11,074
(4) Schedule Rating Credit(Debit)	\$311,846,843	(\$78,809,794)	\$0	\$233,037,049
(5) Net Premium (2)-(4)	\$976,407,375	\$447,891,495	\$1,201,241,872	\$2,625,540,742
(6) # of Indemnity Claims	14,742	4,587	11,326	30,655
(7) # of Total Claims	76,091	22,686	57,914	156,691
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0114	0.0124	0.0094	0.0107
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0591</u>	<u>0.0615</u>	<u>0.0482</u>	<u>0.0548</u>
(10) Incurred Losses	\$685,549,177	\$216,404,658	\$566,022,051	\$1,467,975,886
(11) Average Claim (10)/(7)	<u>\$9,010</u>	<u>\$9,539</u>	<u>\$9,773</u>	<u>\$9,369</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.7021</u>	<u>0.4832</u>	<u>0.4712</u>	<u>0.5591</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,454,871,855	\$459,297,900	\$1,201,241,872	\$3,115,322,217
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$166,617,637)	(\$90,216,199)	-	(\$256,744,426)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2421</u>	<u>(0.2135)</u>	-	<u>0.0815</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.1293)</u>	<u>(0.2444)</u>	-	<u>(0.0898)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2017**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	58,426	25,936	178,260	262,622
(2) Standard Premium	\$1,324,274,171	\$332,536,518	\$1,203,274,072	\$2,860,084,761
(3) Average Premium (2)/(1)	\$22,666	\$12,821	\$6,750	\$10,890
(4) Schedule Rating Credit(Debit)	\$329,381,068	(\$69,445,228)	\$0	\$259,935,840
(5) Net Premium (2)-(4)	\$994,893,103	\$401,981,746	\$1,203,274,072	\$2,600,148,921
(6) # of Indemnity Claims	15,185	4,025	11,448	30,658
(7) # of Total Claims	79,452	20,115	56,621	156,188
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0115	0.0121	0.0095	0.0107
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0600</u>	<u>0.0605</u>	<u>0.0471</u>	<u>0.0546</u>
(10) Incurred Losses	\$699,141,535	\$200,963,797	\$594,263,363	\$1,494,368,695
(11) Average Claim (10)/(7)	<u>\$8,800</u>	<u>\$9,991</u>	<u>\$10,495</u>	<u>\$9,568</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.7027</u>	<u>0.4999</u>	<u>0.4939</u>	<u>0.5747</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,415,491,767	\$406,865,104	\$1,203,274,072	\$3,025,522,545
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$91,217,596)	(\$74,328,586)	-	(\$165,437,784)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2487</u>	<u>(0.2088)</u>	-	<u>0.0909</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.0689)</u>	<u>(0.2235)</u>	-	<u>(0.0578)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2018**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	66,506	24,231	163,664	254,401
(2) Standard Premium	\$1,542,263,611	\$325,697,835	\$1,238,922,079	\$3,106,883,525
(3) Average Premium (2)/(1)	\$23,190	\$13,441	\$7,570	\$12,213
(4) Schedule Rating Credit(Debit)	\$379,000,722	(\$66,864,688)	\$0	\$312,136,034
(5) Net Premium (2)-(4)	\$1,163,262,889	\$392,562,523	\$1,238,922,079	\$2,794,747,491
(6) # of Indemnity Claims	16,021	3,705	11,030	30,756
(7) # of Total Claims	82,447	17,699	54,589	154,735
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0104	0.0114	0.0089	0.0099
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0535</u>	<u>0.0543</u>	<u>0.0441</u>	<u>0.0498</u>
(10) Incurred Losses	\$813,977,185	\$207,834,541	\$620,069,114	\$1,641,880,840
(11) Average Claim (10)/(7)	<u>\$9,873</u>	<u>\$11,743</u>	<u>\$11,359</u>	<u>\$10,611</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6997</u>	<u>0.5294</u>	<u>0.5005</u>	<u>0.5875</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,626,243,843	\$415,229,969	\$1,238,922,079	\$3,280,547,754
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$83,980,232)	(\$89,532,134)	-	(\$173,664,229)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2457</u>	<u>(0.2053)</u>	-	<u>0.1005</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.0545)</u>	<u>(0.2749)</u>	-	<u>(0.0559)</u>



Exhibit XIV

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2019**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	63,427	30,454	161,282	255,163
(2) Standard Premium	\$1,141,439,847	\$349,173,498	\$1,003,764,075	\$2,494,377,420
(3) Average Premium (2)/(1)	\$17,996	\$11,466	\$6,224	\$9,776
(4) Schedule Rating Credit(Debit)	\$292,293,414	(\$84,313,510)	\$0	\$207,979,904
(5) Net Premium (2)-(4)	\$849,146,433	\$433,487,008	\$1,003,764,075	\$2,286,397,516
(6) # of Indemnity Claims	14,184	4,369	10,345	28,898
(7) # of Total Claims	66,407	20,970	49,160	136,537
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0124	0.0125	0.0103	0.0116
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0582</u>	<u>0.0601</u>	<u>0.0490</u>	<u>0.0547</u>
(10) Incurred Losses	\$682,237,934	\$231,728,193	\$554,705,354	\$1,468,671,481
(11) Average Claim (10)/(7)	<u>\$10,274</u>	<u>\$11,050</u>	<u>\$11,284</u>	<u>\$10,757</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.8034</u>	<u>0.5346</u>	<u>0.5526</u>	<u>0.6424</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,234,535,368	\$419,366,910	\$1,003,764,075	\$2,657,947,456
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$93,095,521)	(\$70,193,412)	-	(\$163,570,036)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2561</u>	<u>(0.2415)</u>	-	<u>0.0834</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.0816)</u>	<u>(0.2010)</u>	-	<u>(0.0656)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2020**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	63,503	31,587	159,925	255,015
(2) Standard Premium	\$1,030,780,002	\$327,682,588	\$891,916,129	\$2,250,378,719
(3) Average Premium (2)/(1)	\$16,232	\$10,374	\$5,577	\$8,824
(4) Schedule Rating Credit(Debit)	\$265,262,180	(\$82,589,032)	\$0	\$182,673,148
(5) Net Premium (2)-(4)	\$765,517,822	\$410,271,620	\$891,916,129	\$2,067,705,571
(6) # of Indemnity Claims	14,640	4,613	10,490	29,743
(7) # of Total Claims	56,965	18,595	41,508	117,068
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0142	0.0141	0.0118	0.0132
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0553</u>	<u>0.0567</u>	<u>0.0465</u>	<u>0.0520</u>
(10) Incurred Losses	\$652,524,394	\$237,017,146	\$509,410,340	\$1,398,951,880
(11) Average Claim (10)/(7)	<u>\$11,455</u>	<u>\$12,746</u>	<u>\$12,273</u>	<u>\$11,950</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.8524</u>	<u>0.5777</u>	<u>0.5711</u>	<u>0.6766</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,142,579,919	\$415,012,983	\$891,916,129	\$2,449,675,345
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$111,799,917)	(\$87,330,395)	-	(\$199,296,626)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2573</u>	<u>(0.2520)</u>	-	<u>0.0812</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.1085)</u>	<u>(0.2665)</u>	-	<u>(0.0886)</u>



Exhibit XVI

**Pennsylvania Schedule Rating Plan Analysis
Policy Year 2021**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	68,800	32,892	166,220	267,912
(2) Standard Premium	\$1,107,163,215	\$331,303,578	\$913,261,839	\$2,351,728,632
(3) Average Premium (2)/(1)	\$16,092	\$10,072	\$5,494	\$8,778
(4) Schedule Rating Credit(Debit)	\$295,835,362	(\$80,904,482)	\$0	\$214,930,880
(5) Net Premium (2)-(4)	\$811,327,853	\$412,208,060	\$913,261,839	\$2,136,797,752
(6) # of Indemnity Claims	14,419	4,345	9,935	28,699
(7) # of Total Claims	60,219	18,734	42,506	121,459
(8) Indemnity Claim Frequency (6)/((2)/1,000}	0.0130	0.0131	0.0109	0.0122
(9) Total Claim Frequency (7)/((2)/1,000}	<u>0.0544</u>	<u>0.0565</u>	<u>0.0465</u>	<u>0.0516</u>
(10) Incurred Losses	\$692,825,145	\$233,709,547	\$532,681,061	\$1,459,215,753
(11) Average Claim (10)/(7)	<u>\$11,505</u>	<u>\$12,475</u>	<u>\$12,532</u>	<u>\$12,014</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.8539</u>	<u>0.5670</u>	<u>0.5833</u>	<u>0.6829</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$1,187,712,761	\$400,689,131	\$913,261,839	\$2,501,661,555
(14) Indicated SR Adjustment to Balance (2)-(13)	(\$80,549,546)	(\$69,385,553)	-	(\$149,932,923)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2672</u>	<u>(0.2442)</u>	-	<u>0.0914</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>(0.0728)</u>	<u>(0.2094)</u>	-	<u>(0.0638)</u>

**Pennsylvania Schedule Rating Plan Analysis
Policy Year (2006 - 2021)**

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	932,394	361,160	2,715,116	4,008,670
(2) Standard Premium	\$23,005,965,077	\$4,544,563,775	\$18,184,936,985	\$45,735,465,837
(3) Average Premium (2)/(1)	\$24,674	\$12,583	\$6,698	\$11,409
(4) Schedule Rating Credit(Debit)	5,568,373,912	(956,792,139)	\$0	\$4,611,581,773
(5) Net Premium (2)-(4)	\$17,437,591,165	\$5,501,355,914	\$18,184,936,985	\$41,123,884,064
(6) # of Indemnity Claims	274,928	60,058	197,723	532,709
(7) # of Total Claims	1,437,044	286,859	951,824	2,675,727
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0120	0.0132	0.0109	0.0116
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0625</u>	<u>0.0631</u>	<u>0.0523</u>	<u>0.0585</u>
(10) Incurred Losses	\$11,388,016,441	\$2,825,130,773	\$9,076,248,922	\$23,289,396,136
(11) Average Claim (10)/(7)	<u>\$7.925</u>	<u>\$9.848</u>	<u>\$9.536</u>	<u>\$8.704</u>
(12) Loss Ratio-Net (10)/(5)	<u>0.6531</u>	<u>0.5135</u>	<u>0.4991</u>	<u>0.5663</u>
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	\$22,818,054,077	\$5,660,080,669	\$18,184,936,985	\$46,660,900,712
(14) Indicated SR Adjustment to Balance (2)-(13)	\$187,911,000	(\$1,115,516,894)	-	(\$925,434,875)
(15) Average Schedule Rating Credit(Debit) (4)/(2)	<u>0.2420</u>	<u>(0.2105)</u>	-	<u>0.1008</u>
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	<u>0.0082</u>	<u>(0.2455)</u>	-	<u>(0.0202)</u>



TRUSTED | ESSENTIAL | OBJECTIVE

Founded in 1915, the Pennsylvania Compensation Rating Bureau (PCRB) is a nonprofit data collection organization serving as a trusted, essential, and objective resource that supports a healthy workers' compensation system for Pennsylvania. PCRB provides data-driven products and services that anticipate and respond to marketplace conditions and identify emerging trends, including accurate and valuable statistical and actuarially-based information, marketplace knowledge, and rating plans. PCRB also conducts innovative research, provides educational services, and engages in outreach that delivers knowledge to empower actionable decisions.

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