



Connecticut

Voluntary Loss Costs, Assigned Risk Rates, and Rating Values Filing

Proposed Effective
January 1, 2021

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September 17, 2020

Andrew N. Mais
Insurance Commissioner
Connecticut Insurance Department
153 Market Street
Hartford, CT 06103

**Re: Connecticut Voluntary Loss Costs, Assigned Risk Rates, and Rating Values Filing—
Proposed Effective January 1, 2021**

Dear Commissioner Mais:

In accordance with applicable Connecticut statutes and regulations, we are filing for your consideration and approval voluntary loss costs, assigned risk rates, and rating values to become effective January 1, 2021 for new and renewal policies.

This filing proposes an overall average decrease of 1.8% to the current voluntary loss cost level and an overall average decrease of 1.4% to the current assigned risk rate level. These changes are applicable to new and renewal business only.

Please note the following in connection with this filing:

- Although considered, since the combined impact and direction of all direct and indirect COVID-19-related forces is unknown, no explicit adjustment has been made in this year's analysis at an overall or individual classification code level.
- As a result of Item B-1437, effective January 1, 2020:
 - Class Codes 2286 and 2220 are combined to reflect the final year of a two-year transition program, and Class Code 2286 is discontinued.
 - Class Codes 2670 and 2688 are combined to reflect the final year of a two-year transition program, and Class Code 2670 is discontinued.

- As a result of Item B-1439, effective January 1, 2021:
 - Class Codes 2683 and 2501 are combined to reflect the first year of a two-year transition program. In the second year of the transition, Class Code 2683 will be discontinued.
 - Class Codes 3240 and 3257 are combined to reflect the first year of a two-year transition program. In the second year of the transition, Class Code 3240 will be discontinued.
- As a result of Item R-1418, the retrospective rating plan parameters were updated.

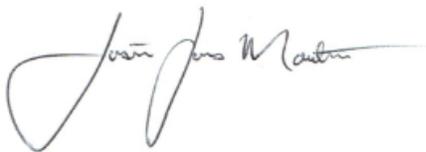
This filing is made exclusively on behalf of the companies that have given valid consideration for the express purpose of fulfilling regulatory rate or pure premium filing requirements and other private use of this information.

In the enclosed appendix is a list of companies, which as of the time this filing is submitted, are eligible to reference this information. The inclusion of a company on this list merely indicates that the company, or the group to which it belongs, is affiliated with NCCI in this state, or has licensed this information as a non-affiliate, and is not intended to indicate whether the company is currently writing business or is even licensed to write business in this state.

Please contact me if you have any questions or need further information.

Sincerely,

National Council on Compensation Insurance, Inc.

A handwritten signature in black ink, appearing to read "Justin Moulton". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Justin Moulton
State Relations Executive



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Actuarial Certification

I, Jay Rosen, am a Practice Leader and Senior Actuary for the National Council on Compensation Insurance, Inc. I am a Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries, and I meet the Qualification Standards of the American Academy of Actuaries to provide the actuarial report contained herein.

The information contained in this report has been prepared under my direction in accordance with applicable Actuarial Standards of Practice as promulgated by the Actuarial Standards Board. The Actuarial Standards Board is vested by the U.S.-based actuarial organizations with the responsibility for promulgating Actuarial Standards of Practice for actuaries providing professional services in the United States. Each of these organizations requires its members, through its Code of Professional Conduct, to observe the Actuarial Standards of Practice when practicing in the United States.

A handwritten signature in black ink that reads "Jay Rosen".

Jay Rosen, FCAS, MAAA
Practice Leader and Senior Actuary
Actuarial and Economic Services



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Disclosures

Purpose of the Report

The purpose of this report is to provide the proposed voluntary loss costs and assigned risk rates for workers compensation policies in Connecticut, proposed to be effective January 1, 2021. The intended users of this report are:

- The Connecticut Insurance Department
- Affiliated carriers, for their reference in determining workers compensation rates

Scope

The prospective loss costs are intended to cover the indemnity and medical benefits provided under the system, as well as some of the expenses associated with providing these benefits (loss adjustment expenses). They do not, however, contemplate any other costs associated with providing workers compensation insurance (such as commissions, taxes, etc.).

Although considered, since the combined impact and direction of all direct and indirect COVID-19-related forces is unknown, no explicit adjustment for the pandemic has been made in this year's analysis at an overall or individual classification code level.

Each insurance company offering workers compensation insurance in Connecticut must file a loss cost multiplier to be applied to the approved prospective loss costs to compute the final workers compensation rates they intend to charge. This multiplier is intended to cover the other costs associated with providing workers compensation insurance that are not already part of the prospective loss costs.

Employers unable to secure coverage in the voluntary market can apply for such coverage in the assigned risk market. The proposed assigned risk rates are intended to cover the indemnity and medical benefits provided under the system, the expenses associated with providing these benefits (loss adjustment expenses), and any other costs associated with providing workers compensation insurance (such as commissions, taxes, etc.).

Data Sources and Dates

The overall average loss cost level change is based on a review of Financial Call Data, which is an aggregation of workers compensation data annually reported to NCCI. In this filing, Financial Call Data submissions received after July 14, 2020 were not considered for inclusion in the analysis.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Disclosures

The overall average loss cost/rate level changes in this filing are based on premium and loss experience evaluated as of December 31, 2019. Therefore, the data on which these changes are based does not reflect potential direct or indirect effects of the COVID-19 pandemic.

Loss cost level changes at the classification code level are based on five years of Unit Statistical Plan Data, which is the audited exposure, premium, and loss information reported to NCCI on a policy level. The Unit Statistical Plan Data used in this filing includes policies with expiration dates through July 2019. Therefore, the individual classification code experience does not reflect potential direct or indirect effects of the COVID-19 pandemic. In this filing, Unit Statistical Plan Data submissions received after July 24, 2020 were not considered for inclusion in the analysis.

In some areas, NCCI's analysis also relies on other data sources, which are reviewed for reasonableness and are referenced in the filing where applicable.

This filing was prepared as of August 14, 2020. Therefore, events that occurred after this date that may have a material impact on workers compensation costs in this jurisdiction have not been considered in the analysis.

NCCI maintains several data reporting initiatives and programs to assist carriers to report data and to ensure that the data that is reported to NCCI is complete, accurate, and reported in a timely fashion. Occasionally, a carrier's data submission is not available for use in an NCCI filing either because the data was not reported prior to the filing, had quality issues, or NCCI determined that the data that was reported should not be included in the filing based on NCCI's actuarial judgment. In this year's filing, data for all carriers writing at least one-tenth of one percent of the Connecticut workers compensation written premium volume have been included in the experience period on which this filing is based.

Risks and Uncertainty

This filing includes assumptions and projections concerning the future. As with any prospective analysis, there exists estimation uncertainty in these assumptions and projections. Areas of this analysis subject to estimation uncertainty that could have a material impact on the final results include the following:

- Projection of future loss development
- Selection of loss ratio trends
- Potential impact of changes to laws and/or regulations



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Disclosures

In addition, any future changes to workers compensation law or regulations that apply retroactively to policies or benefit claims on policies in the proposed effective period may have a significant impact on the adequacy of the loss costs proposed in this filing.

The premium and loss experience on which this filing is based does not reflect potential direct or indirect effects of the COVID-19 pandemic. At this time, the course of the pandemic remains unclear and represents a significant source of uncertainty with respect to estimating workers compensation costs that may exist during the proposed loss cost effective period.

The direct effect of compensable claims resulting from COVID-19 infections may put upward pressure on workers compensation costs, as could certain indirect effects. For example, there is potential for the weakened labor market to lengthen return-to-work times or adverse loss development to occur if the pandemic serves to increase the time to medical treatment for injured workers. However, it is possible that various indirect effects may put downward pressure on workers compensation costs—such as increased telecommuting, decreased exposure to motor vehicle accidents, and an increased focus on worker health and safety. Additional COVID-19-related considerations, such as future economic conditions and their corresponding impact on the labor market, contribute additional uncertainty when estimating future costs.

After considering direct and indirect pandemic-related factors, it is reasonable to believe they will give rise to component changes that may, to some extent, have offsetting impacts on workers compensation system costs. Although considered, since the combined impact and direction of all direct and indirect COVID-19-related forces is unknown, no explicit adjustment for the pandemic has been made in this year's analysis at an overall or individual classification code level.



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Part 1 Filing Overview

- Overview of Methodology
- Summary of Selections
- Selections Underlying the Proposed Changes
- Additional Proposed Changes



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Overview of Methodology

Based on its review of the most recently available data, NCCI has proposed an overall average workers compensation voluntary market loss cost level change of -1.8% to become effective January 1, 2021. In addition, NCCI has proposed an overall average assigned risk rate level change of -1.4%, also to become effective January 1, 2021.

Voluntary Loss Cost Filing Components

| | |
|--|--------------|
| Experience, Trend and Benefit Change | -2.5% |
| <u>Loss Adjustment Expense Change</u> | <u>+0.7%</u> |
| Proposed Overall Average Voluntary Loss Cost Level Change | -1.8% |

Average Voluntary Loss Cost Level Changes by Industry Group

| | |
|---------------------|-------|
| Manufacturing | +0.4% |
| Contracting | -2.4% |
| Office and Clerical | -1.9% |
| Goods and Services | -2.4% |
| Miscellaneous | -2.0% |

Here are some key observations:

- The filing is based on premium and loss experience for Policy Years 2017 and 2018. Policy Year 2018's experience is comparatively more favorable than that for Policy Year 2017.
- Connecticut's lost time claim frequency has declined over the most recent eight policy years—which has contributed to the decrease in the state's indemnity and medical loss ratios over this period.

The voluntary market loss cost level decrease along with the proposed change in the factor to convert from voluntary loss costs to assigned risk rates results in the proposed decrease to the overall average assigned risk rate level.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Overview of Methodology

Aggregate Ratemaking

NCCI's approach to determining the proposed overall average loss cost level change utilizes widely accepted ratemaking methodologies. The approach employed in this filing includes the following steps:

- The reported historical premium totals are projected to an ultimate basis and adjusted to the current pure premium level
- The excess loss portion of individual large claims are removed from reported aggregate losses, based on a Connecticut-specific large loss threshold
- The reported historical limited indemnity and medical loss totals are projected to an ultimate basis and adjusted to the current benefit level
- Ratios of losses to pure premium are projected to the cost levels expected in the loss cost effective period and adjusted to an unlimited basis via the application of an excess ratio
- Proposed benefit level and/or expense changes are applied to the projected cost ratios

The indicated average loss cost level change is calculated for the years in the filing's experience period. If the final projected cost ratios are greater (less) than 1.000, then an increase (decrease) in the average loss cost level is indicated.

Class Ratemaking

Once the proposed overall average voluntary loss cost level change has been determined, NCCI separately determines loss costs per \$100 of payroll for each workers compensation job classification (class); the loss costs and year-over-year changes vary by class. Three sets of pure premiums are combined as part of each class code's loss cost calculation based on the volume of available data for that job classification. The three sets of pure premiums are:

- State-specific payroll and loss experience ("indicated")
- Currently approved pure premium adjusted to the proposed level ("present on rate level")
- Countrywide experience adjusted to state conditions ("national")

Assigned Risk Rates

The proposed assigned risk rates are then determined for each job classification as the product of the classification's voluntary loss cost and a loss cost multiplier (LCM). The LCM incorporates the indicated assigned risk market expense need, changes to the assigned risk differential, and the proposed uncollectible premium provision.

Note: The methodology and assumptions used in this filing may not be applicable to or relevant for another purpose, including but not limited to NCCI filings in other jurisdictions.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Summary of Selections

The following is a summary of selections underlying the voluntary loss costs and assigned risk rates proposed to be effective January 1, 2021, along with the selections underlying the currently approved loss costs and rates.

| Voluntary Loss Costs | Currently Approved January 1, 2020 | Proposed Effective January 1, 2021 |
|--|---|---|
| Experience Period | Policy Years 2016 and 2017 | Policy Years 2017 and 2018 |
| Premium Development | Three-year average | Three-year average |
| Basis of Loss Experience | Average of Paid and Paid+Case losses | Average of Paid and Paid+Case losses |
| Paid Loss Development | Two-year average | Two-year average |
| Paid+Case Loss Development | Five-year average | Five-year average |
| Tail Factors | Selected | Selected |
| Indemnity Annual Loss Ratio Trend Factor | 0.960 | 0.960 |
| Medical Annual Loss Ratio Trend Factor | 0.960 | 0.965 |
| Loss Adjustment Expense Provision | 18.9% | 19.7% |
| Base Threshold for Limiting Losses | \$8,130,150 | \$6,867,067 |
| Large Loss Excess Ratio | 1.9% | 2.3% |
| Classification Swing Limits (applied by Industry Group) | +/-20% | +/-20% |
| Assigned Risk Rates | | |
| Assigned Risk Loss Cost Differential | 1.336 | 1.336 |
| Profit and Contingencies Provision | 0.0% | 1.0% |
| Uncollectible Premium Provision | 1.035 | 1.040 |
| Minimum Premium Multiplier | 320 | 320 |
| Maximum Minimum Premium | \$1,500 | \$1,500 |



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Selections Underlying the Proposed Changes

Experience and Development

NCCI analyzed the emerging experience of Connecticut workers compensation policies in recent years. The primary focus of our analysis was on premiums and losses from policy years 2017 and 2018 evaluated as of December 31, 2019. The most recently available full policy year is 2018 since the last policy had an effective date of December 31, 2018 and did not expire until December 31, 2019. During this year's analysis, after reviewing various possible experience periods, the use of the two most recently available full policy years of data was selected as most appropriate in terms of providing balance between stability and responsiveness.

Different aggregations of limited loss experience were analyzed in preparation of this filing. These were (i) paid losses (benefit amounts already paid by insurers on reported claims) and (ii) the sum of paid losses plus case reserves (paid losses and the amounts set aside to cover future payments on those claims). For use in this filing, NCCI utilized an average of each of these two loss aggregations. This is consistent with NCCI filings made in the past several years in Connecticut. Loss development factors are needed since paid losses and case reserve estimates on a given claim change over time until the claim is finally closed. The loss development factors are based on how paid losses and case reserve estimates changed over time for claims from older years. The specific development link ratio selections underlying this filing are shown below:

- A three-year average of historical premium development factors
- A two-year average of historical paid loss development factors through a 19th report
- A five-year average of historical paid plus case loss development factors through a 19th report
- Loss development tail factors from a 19th report to ultimate were selected based on a review of the ten most recently available factors

The ultimate impact that the COVID-19 pandemic will have on Connecticut's loss development factors is unknown. Although considered, since the combined impact and direction of all direct and indirect COVID-19-related forces is unknown, no explicit adjustment for the pandemic has been made in this year's analysis.

Trend

This filing relies primarily on the experience from Policy Years 2017 and 2018. However, the proposed loss costs and assigned risk rates are intended for use with policies with effective dates on and after January 1, 2021. It is necessary to use trend factors that forecast how much the future Connecticut workers compensation experience will differ from the past. These trend factors measure anticipated changes in the amount of indemnity and medical benefits as



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Selections Underlying the Proposed Changes

compared with anticipated changes in the amount of workers' wages. For example, if benefit costs are expected to grow faster than wages, then a trend factor greater than zero is indicated. Conversely, if wages are expected to grow faster than benefit costs, then a trend factor less than zero is indicated. While historical changes in claim frequency and average cost per case were also reviewed, NCCI applies loss ratio trend factors in the determination of the proposed overall average loss cost level change.

The COVID-19 pandemic is an extraordinary, unprecedented event. At this time, the overall impact the COVID-19 pandemic may have on trends is indeterminate. It is reasonable to believe COVID-19 will give rise to component changes that may, to some extent, have offsetting impacts on system costs. For example,

- There could be an increase in the number of compensable workers compensation claims arising in occupations with greater potential exposure to the pandemic
- There could be a decrease in workers compensation claims due to the increased number of employees who are teleworking

Short- and long-term COVID-19-related impacts may also differ. For example,

- In the short term, during the COVID-19 pandemic, there may be a reduction in the number of physical therapy sessions attended by injured employees and/or a deferral in the number of workers compensation-related surgeries that are not deemed to be immediately critical
- Over the longer term, an increase in these types of services may be expected as the current burden on medical-related personnel and facilities is lessened
- In economic downturns, workers may forego filing claims for certain injuries to maintain active employment as the economy navigates these uncertain times—leading to temporary downward pressure on claim frequency

Although considered, since the combined impact and direction of all direct and indirect COVID-19-related forces is unknown, no explicit adjustment for the pandemic has been made in this year's trend analysis.

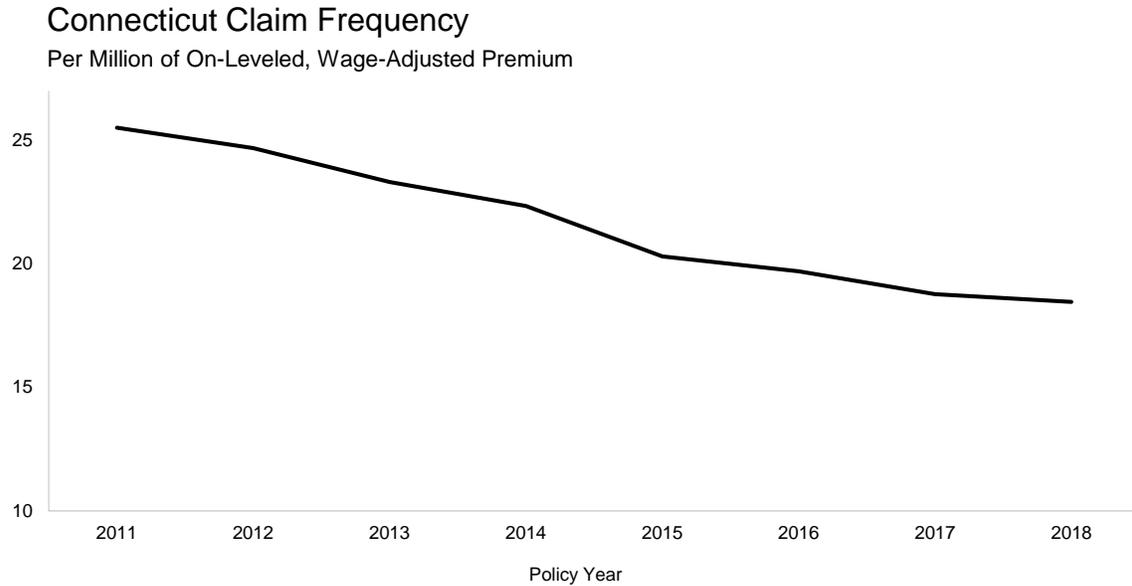


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Selections Underlying the Proposed Changes

The following few charts show a measure of the number of workplace injuries (claim frequency) and the average cost of each of these injuries (claim severity).



Connecticut's lost-time claim frequency has generally declined since 2011.



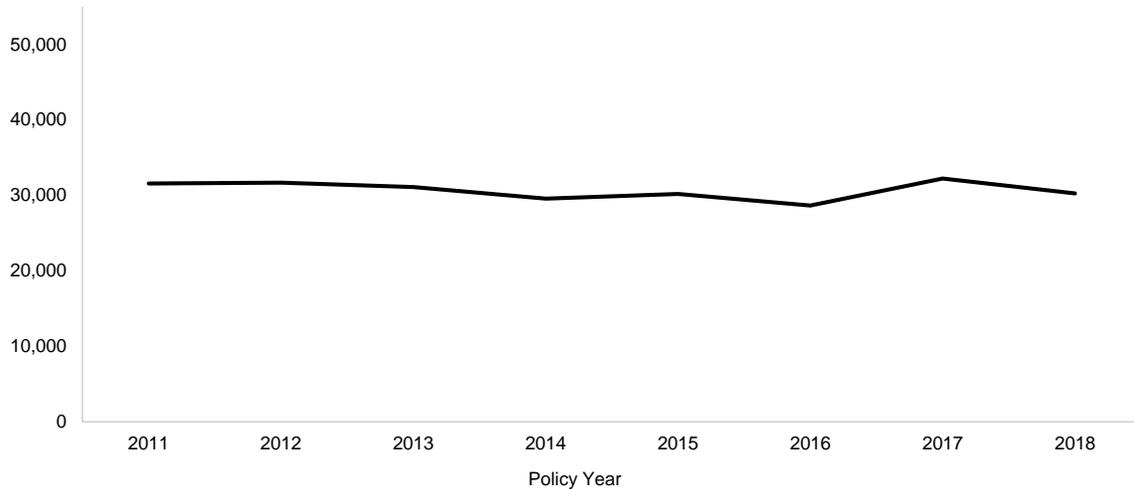
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Selections Underlying the Proposed Changes

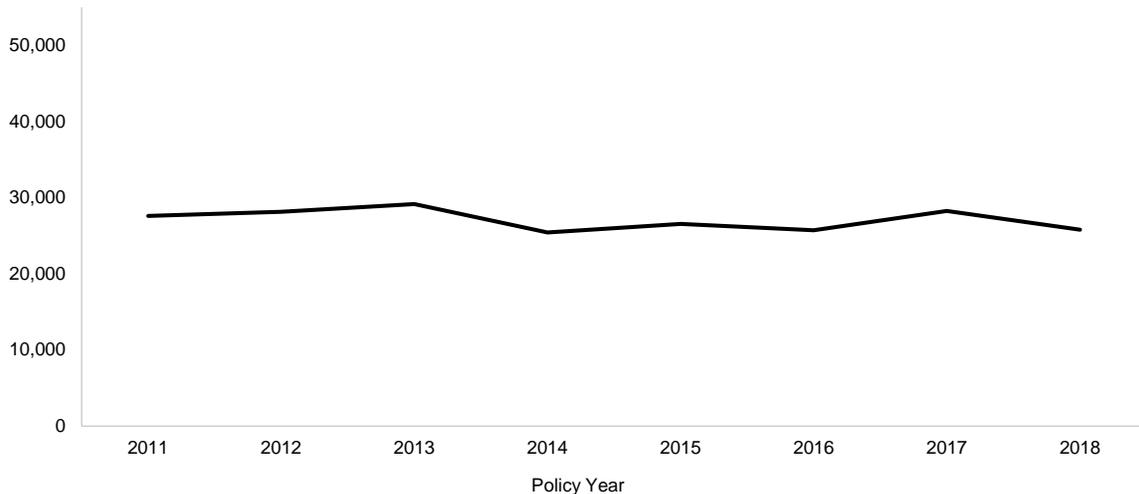
Connecticut Indemnity Average Cost Per Case

Adjusted to a Common Wage Level, Based on an Average of Paid and Paid+Case Losses



Connecticut Medical Average Cost Per Case

Adjusted to a Common Wage Level, Based on an Average of Paid and Paid+Case Losses



As these two charts illustrate, Connecticut's average indemnity and medical cost per case values in excess of wage growth have exhibited some year-to-year volatility over time.



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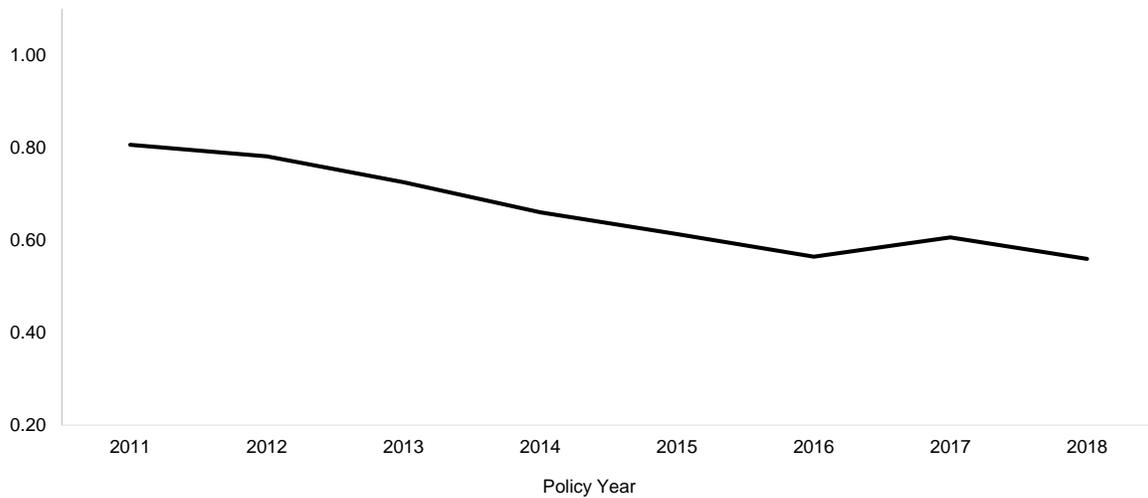
Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Selections Underlying the Proposed Changes

Loss ratios result after combining observed changes in Connecticut's average claim frequency with corresponding changes in Connecticut's average cost per case.

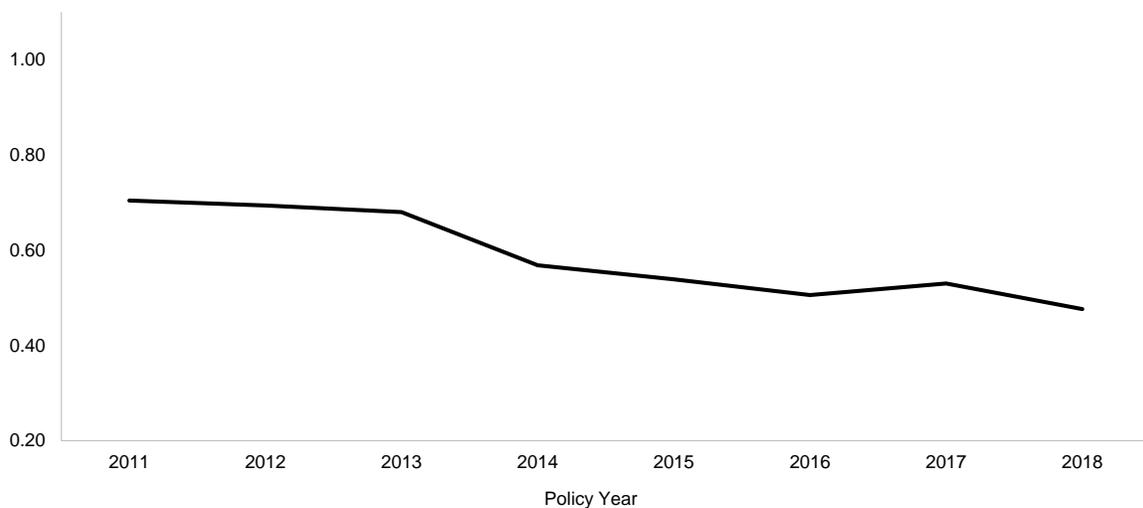
Connecticut Indemnity Loss Ratio History

Based on an Average of Paid and Paid+Case Losses



Connecticut Medical Loss Ratio History

Based on an Average of Paid and Paid+Case Losses



Based on our analysis this year, we are proposing to maintain the annual indemnity loss ratio trend of -4.0% and increase the annual medical loss ratio trend from -4.0% to -3.5% .



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Selections Underlying the Proposed Changes

Benefit Changes

In this year's filing, NCCI has included the impact of the most recent medical fee schedule update effective April 1, 2020. This update is estimated to increase overall workers compensation system costs by 0.4%.

Loss Adjustment Expenses

The proposed loss costs include a provision for loss adjustment expenses (LAE). These are expenses associated with the handling of workers compensation claims. LAE is included in the loss costs by using a ratio of loss adjustment expense dollars to loss dollars (called the LAE provision). In this filing, NCCI is proposing to increase the current voluntary LAE provision from 18.9% to 19.7% of losses.

Additional Proposed Changes

Adjusting and Other Expense (AOE) Provision

Each year, NCCI performs a countrywide analysis to determine an actuarially appropriate AOE provision for inclusion in state loss cost/rate filings. The analysis is based on data from NCCI's Call for Loss Adjustment Expense (Financial Call 19). As a result of Third-Party Administrator (TPA) agreements, some carriers report losses on Call 19 without associated AOE. Beginning with this filing, for policies associated with TPA agreements where the AOE is not reported to NCCI, the associated losses will be excluded from the AOE analysis so that they do not impact the countrywide ultimate AOE ratios. All other aspects of the current AOE methodology remain unchanged.



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Part 2 Proposed Values

- Proposed Voluntary Loss Costs and Rating Values
- Proposed Assigned Risk Rates and Rating Values
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Proposed Voluntary Loss Costs and Rating Values

The following pages include:

- Proposed voluntary loss costs, expected loss rates, and d-ratios by class code, along with associated footnotes

Note: Please refer to the “Special Classifications” section of the **Basic Manual** for information on state-specific classification phraseology. The “X” footnote, which previously indicated the existence of state-special classification phraseology, has been retired from the pages that follow.

- Advisory miscellaneous values, such as:
 - Advisory loss elimination ratios
 - Catastrophe and terrorism advisory loss costs
 - Maximum and minimum weekly payroll applicable for select class codes
 - Premium determination for Partners and Sole Proprietors
 - United States Longshore and Harbor Workers’ Compensation Coverage Percentage
 - Workers Compensation Administration Funds Assessment factors
- Summary description of expected loss rates and d-ratios

ADVISORY LOSS COSTS - NOT RATES

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Advisory loss costs exclude all expense provisions except loss adjustment expense.

Effective January 1, 2021

| CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO |
|------------|-----------|--------|---------|------------|-----------|-------|---------|------------|-----------|------|---------|
| 0005 | 2.99 | 1.86 | 0.36 | 2016 | 3.84 | 2.47 | 0.40 | 2709 | 9.94 | 5.48 | 0.30 |
| 0008 | 2.62 | 1.56 | 0.33 | 2021 | 3.02 | 1.80 | 0.33 | 2710 | 8.04 | 4.21 | 0.27 |
| 0016 | 5.15 | 2.88 | 0.30 | 2039 | 3.72 | 2.38 | 0.40 | 2714 | 4.48 | 2.89 | 0.40 |
| 0034 | 4.35 | 2.71 | 0.36 | 2041 | 3.01 | 1.93 | 0.40 | 2731 | 3.96 | 2.23 | 0.30 |
| 0035 | 2.45 | 1.58 | 0.40 | 2065 | 2.28 | 1.43 | 0.36 | 2735 | 3.78 | 2.44 | 0.40 |
| 0036 | 3.88 | 2.41 | 0.36 | 2070 | 5.26 | 3.26 | 0.36 | 2759 | 5.10 | 3.27 | 0.40 |
| 0037 | 4.03 | 2.39 | 0.33 | 2081 | 3.19 | 2.01 | 0.37 | 2790 | 1.66 | 1.08 | 0.40 |
| 0042 | 6.98 | 4.11 | 0.33 | 2089 | 3.35 | 2.08 | 0.36 | 2797 | 3.74 | 2.35 | 0.36 |
| 0050 | 5.47 | 3.40 | 0.36 | 2095 | 5.47 | 3.42 | 0.36 | 2799 | 5.53 | 3.26 | 0.33 |
| 0059D | 0.18 | 0.04 | 0.30 | 2105 | 3.90 | 2.51 | 0.40 | 2802 | 5.45 | 3.24 | 0.33 |
| 0065D | 0.02 | 0.01 | 0.30 | 2110 | 3.16 | 2.06 | 0.40 | 2835 | 3.28 | 2.23 | 0.44 |
| 0066D | 0.02 | 0.01 | 0.30 | 2111 | 2.19 | 1.41 | 0.40 | 2836 | 3.36 | 2.29 | 0.44 |
| 0067D | 0.02 | 0.01 | 0.30 | 2112 | 3.74 | 2.41 | 0.40 | 2841 | 3.53 | 2.29 | 0.40 |
| 0079 | 2.62 | 1.47 | 0.30 | 2114 | 2.56 | 1.66 | 0.40 | 2881 | 2.75 | 1.85 | 0.43 |
| 0083 | 5.34 | 3.35 | 0.36 | 2121 | 1.54 | 0.96 | 0.36 | 2883 | 3.44 | 2.14 | 0.36 |
| 0106 | 8.09 | 4.23 | 0.27 | 2130 | 2.00 | 1.25 | 0.36 | 2913 | - | 2.14 | 0.36 |
| 0113 | 4.29 | 2.72 | 0.37 | 2131 | 1.67 | 1.04 | 0.36 | 2915 | 3.47 | 2.04 | 0.33 |
| 0170 | 4.29 | 2.72 | 0.37 | 2143 | 2.83 | 1.81 | 0.40 | 2916 | 3.44 | 1.81 | 0.27 |
| 0251 | 3.47 | 2.16 | 0.36 | 2157 | 6.48 | 3.99 | 0.36 | 2923 | 2.29 | 1.47 | 0.40 |
| 0400 | - | 2.13 | 0.33 | 2172 | 1.55 | 0.90 | 0.33 | 2942 | - | 0.85 | 0.44 |
| 0401 | 11.38 | 5.96 | 0.27 | 2174 | 2.70 | 1.74 | 0.40 | 2960 | 4.63 | 2.85 | 0.36 |
| 0771N | 0.48 | - | - | 2211 | 7.33 | 4.08 | 0.30 | 3004 | 1.35 | 0.75 | 0.30 |
| 0908P | 127.00 | 78.85 | 0.36 | 2220 | 1.96 | 1.23 | 0.36 | 3018 | 4.85 | 2.74 | 0.30 |
| 0913P | 524.00 | 323.56 | 0.36 | 2286 | - | 1.23 | 0.36 | 3022 | 5.01 | 3.20 | 0.40 |
| 0917 | 4.34 | 2.80 | 0.40 | 2288 | 3.65 | 2.36 | 0.40 | 3027 | 2.47 | 1.38 | 0.30 |
| 0918 | 1.26 | 0.78 | 0.36 | 2300 | - | 1.50 | 0.36 | 3028 | 3.11 | 1.94 | 0.36 |
| 1005 | 6.63 | 3.12 | 0.26 | 2302 | 1.71 | 1.07 | 0.36 | 3030 | 8.91 | 5.01 | 0.30 |
| 1164D | 3.57 | 1.69 | 0.26 | 2305 | 2.47 | 1.47 | 0.33 | 3040 | 4.59 | 2.55 | 0.30 |
| 1165D | 2.90 | 1.48 | 0.27 | 2361 | 1.86 | 1.18 | 0.37 | 3041 | 5.10 | 3.16 | 0.36 |
| 1320 | 1.63 | 0.84 | 0.27 | 2362 | 1.97 | 1.23 | 0.36 | 3042 | 8.19 | 4.94 | 0.34 |
| 1322 | 8.24 | 4.26 | 0.27 | 2380 | 2.08 | 1.31 | 0.37 | 3064 | 3.72 | 2.31 | 0.36 |
| 1430 | 4.47 | 2.51 | 0.30 | 2386 | - | 1.50 | 0.36 | 3076 | 3.62 | 2.25 | 0.36 |
| 1438 | 4.73 | 2.44 | 0.27 | 2388 | 1.50 | 0.98 | 0.40 | 3081D | 4.72 | 2.60 | 0.30 |
| 1452 | 2.44 | 1.34 | 0.30 | 2402 | 2.61 | 1.46 | 0.30 | 3082D | 4.31 | 2.39 | 0.30 |
| 1463 | 7.34 | 3.82 | 0.27 | 2413 | 2.65 | 1.67 | 0.37 | 3085D | 6.78 | 3.80 | 0.30 |
| 1472 | 3.01 | 1.58 | 0.27 | 2416 | 1.75 | 1.09 | 0.36 | 3110 | 5.23 | 3.26 | 0.36 |
| 1624D | 2.60 | 1.34 | 0.27 | 2417 | 1.16 | 0.72 | 0.36 | 3111 | 1.99 | 1.23 | 0.36 |
| 1642 | 2.21 | 1.23 | 0.30 | 2501 | 2.39 | 1.50 | 0.36 | 3113 | 1.94 | 1.21 | 0.36 |
| 1654 | 5.39 | 2.98 | 0.30 | 2503 | 2.01 | 1.27 | 0.39 | 3114 | 3.38 | 2.09 | 0.36 |
| 1655 | - | 1.23 | 0.30 | 2534 | - | 1.50 | 0.36 | 3118 | 1.90 | 1.22 | 0.40 |
| 1699 | 3.04 | 1.70 | 0.30 | 2560 | - | 1.50 | 0.36 | 3119 | 1.12 | 0.76 | 0.44 |
| 1701 | 3.45 | 1.92 | 0.30 | 2570 | 3.53 | 2.26 | 0.40 | 3120 | - | 1.69 | 0.36 |
| 1710 | 3.82 | 2.10 | 0.30 | 2585 | 4.41 | 2.83 | 0.40 | 3122 | 2.16 | 1.39 | 0.40 |
| 1741 | - | 1.92 | 0.30 | 2586 | 2.57 | 1.61 | 0.36 | 3126 | 1.76 | 1.10 | 0.36 |
| 1747 | 2.95 | 1.65 | 0.30 | 2587 | 2.43 | 1.54 | 0.39 | 3131 | 1.94 | 1.22 | 0.37 |
| 1748 | 4.74 | 2.68 | 0.30 | 2589 | 1.95 | 1.22 | 0.36 | 3132 | 3.07 | 1.92 | 0.36 |
| 1803D | 7.61 | 3.90 | 0.27 | 2600 | 4.49 | 2.85 | 0.39 | 3145 | 2.38 | 1.49 | 0.36 |
| 1852 | - | 1.05 | 0.26 | 2623 | 6.39 | 3.79 | 0.33 | 3146 | 2.96 | 1.85 | 0.36 |
| 1853 | - | 1.92 | 0.30 | 2651 | 1.65 | 1.06 | 0.40 | 3169 | 3.95 | 2.47 | 0.36 |
| 1860 | - | 1.46 | 0.36 | 2660 | 2.48 | 1.60 | 0.40 | 3175 | - | 2.47 | 0.36 |
| 1924 | 2.43 | 1.55 | 0.40 | 2670 | - | 1.41 | 0.40 | 3179 | 2.08 | 1.33 | 0.40 |
| 1925 | 3.57 | 2.13 | 0.33 | 2683 | 2.39 | 1.50 | 0.36 | 3180 | 2.07 | 1.34 | 0.40 |
| 2002 | 2.72 | 1.74 | 0.40 | 2688 | 2.20 | 1.41 | 0.40 | 3188 | 2.08 | 1.34 | 0.40 |
| 2003 | 3.65 | 2.23 | 0.36 | 2701 | 12.46 | 6.84 | 0.30 | 3220 | 3.36 | 2.09 | 0.36 |
| 2014 | 5.13 | 2.86 | 0.30 | 2702 | 21.53 | 10.37 | 0.26 | 3223 | - | 1.34 | 0.40 |

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ADVISORY LOSS COSTS - NOT RATES

CONNECTICUT

Advisory loss costs exclude all expense provisions except loss adjustment expense.

Effective January 1, 2021

| CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO |
|------------|-----------|------|---------|------------|-----------|------|---------|------------|-----------|------|---------|
| 3224 | 3.44 | 2.18 | 0.40 | 4024D | 5.12 | 2.85 | 0.30 | 4653 | 1.34 | 0.85 | 0.40 |
| 3227 | 2.32 | 1.49 | 0.40 | 4034 | 6.01 | 3.34 | 0.30 | 4665 | 8.49 | 4.71 | 0.30 |
| 3240 | 2.57 | 1.61 | 0.36 | 4036 | 2.17 | 1.21 | 0.30 | 4670 | - | 2.58 | 0.36 |
| 3241 | 3.00 | 1.88 | 0.36 | 4038 | 2.59 | 1.74 | 0.43 | 4683 | 4.16 | 2.58 | 0.36 |
| 3255 | 2.40 | 1.63 | 0.44 | 4053 | - | 1.52 | 0.36 | 4686 | 2.28 | 1.27 | 0.30 |
| 3257 | 2.57 | 1.61 | 0.36 | 4061 | - | 1.52 | 0.36 | 4692 | 0.75 | 0.48 | 0.40 |
| 3270 | 2.71 | 1.69 | 0.36 | 4062 | 2.45 | 1.52 | 0.36 | 4693 | 0.76 | 0.48 | 0.36 |
| 3300 | 4.76 | 3.01 | 0.37 | 4101 | 2.55 | 1.50 | 0.33 | 4703 | 1.94 | 1.20 | 0.36 |
| 3303 | 2.20 | 1.42 | 0.40 | 4109 | 0.47 | 0.30 | 0.40 | 4717 | 2.19 | 1.48 | 0.43 |
| 3307 | 3.21 | 2.02 | 0.37 | 4110 | 1.04 | 0.65 | 0.36 | 4720 | 1.84 | 1.15 | 0.36 |
| 3315 | 3.99 | 2.53 | 0.39 | 4111 | 1.85 | 1.19 | 0.40 | 4740 | 0.83 | 0.46 | 0.30 |
| 3334 | 3.12 | 1.91 | 0.36 | 4113 | - | 1.19 | 0.40 | 4741 | 2.46 | 1.52 | 0.36 |
| 3336 | 2.96 | 1.64 | 0.30 | 4114 | 2.79 | 1.72 | 0.36 | 4751 | 1.82 | 1.02 | 0.30 |
| 3365 | 4.92 | 2.71 | 0.30 | 4130 | 3.66 | 2.29 | 0.36 | 4767 | - | 1.33 | 0.26 |
| 3372 | 3.25 | 1.93 | 0.33 | 4131 | 4.53 | 2.91 | 0.40 | 4771N | 2.74 | 1.33 | 0.26 |
| 3373 | 3.98 | 2.48 | 0.36 | 4133 | 2.12 | 1.38 | 0.40 | 4777 | 11.27 | 5.54 | 0.26 |
| 3383 | 1.46 | 0.93 | 0.40 | 4149 | 0.89 | 0.60 | 0.44 | 4825 | 0.57 | 0.32 | 0.30 |
| 3385 | 1.53 | 1.01 | 0.40 | 4206 | 2.80 | 1.73 | 0.36 | 4828 | 1.47 | 0.87 | 0.33 |
| 3400 | 3.62 | 2.16 | 0.33 | 4207 | 2.00 | 1.10 | 0.30 | 4829 | 1.18 | 0.61 | 0.27 |
| 3507 | 3.46 | 2.16 | 0.36 | 4239 | 2.67 | 1.49 | 0.30 | 4902 | 2.52 | 1.63 | 0.40 |
| 3515 | 2.34 | 1.47 | 0.36 | 4240 | 3.10 | 2.01 | 0.40 | 4923 | 1.12 | 0.70 | 0.36 |
| 3548 | 1.06 | 0.66 | 0.36 | 4243 | 3.03 | 1.89 | 0.36 | 5020 | 5.26 | 2.90 | 0.30 |
| 3559 | 3.92 | 2.45 | 0.36 | 4244 | 3.05 | 1.90 | 0.36 | 5022 | 7.38 | 3.82 | 0.27 |
| 3574 | 2.06 | 1.33 | 0.40 | 4250 | 1.80 | 1.12 | 0.36 | 5037 | 11.42 | 5.48 | 0.26 |
| 3581 | 1.04 | 0.67 | 0.40 | 4251 | 2.36 | 1.47 | 0.36 | 5040 | 18.88 | 9.16 | 0.26 |
| 3612 | 2.44 | 1.43 | 0.33 | 4263 | 2.18 | 1.36 | 0.36 | 5057 | 5.70 | 2.70 | 0.26 |
| 3620 | 3.26 | 1.81 | 0.30 | 4273 | 3.19 | 2.01 | 0.37 | 5059 | 17.68 | 8.53 | 0.26 |
| 3629 | 1.19 | 0.76 | 0.40 | 4279 | 2.35 | 1.46 | 0.36 | 5069 | - | 8.53 | 0.26 |
| 3632 | 2.62 | 1.55 | 0.33 | 4282 | - | 1.46 | 0.36 | 5102 | 6.08 | 3.13 | 0.27 |
| 3634 | 1.86 | 1.21 | 0.40 | 4283 | 1.53 | 0.95 | 0.36 | 5146 | 5.60 | 3.10 | 0.30 |
| 3635 | 1.94 | 1.21 | 0.36 | 4299 | 2.07 | 1.33 | 0.40 | 5160 | 3.41 | 1.75 | 0.27 |
| 3638 | 1.82 | 1.17 | 0.40 | 4304 | 4.30 | 2.55 | 0.33 | 5183 | 3.46 | 1.93 | 0.30 |
| 3642 | 1.02 | 0.64 | 0.36 | 4307 | 1.91 | 1.29 | 0.44 | 5188 | 3.23 | 1.79 | 0.30 |
| 3643 | 1.77 | 1.10 | 0.36 | 4351 | 0.98 | 0.60 | 0.36 | 5190 | 2.54 | 1.40 | 0.30 |
| 3647 | 2.55 | 1.51 | 0.33 | 4352 | 1.46 | 0.93 | 0.40 | 5191 | 0.95 | 0.59 | 0.36 |
| 3648 | 1.74 | 1.12 | 0.40 | 4360 | - | 0.17 | 0.33 | 5192 | 3.56 | 2.21 | 0.36 |
| 3681 | 1.12 | 0.73 | 0.40 | 4361 | 0.59 | 0.38 | 0.40 | 5213 | 6.91 | 3.56 | 0.27 |
| 3685 | 1.25 | 0.80 | 0.40 | 4410 | 3.02 | 1.89 | 0.36 | 5215 | 7.71 | 4.54 | 0.33 |
| 3719 | 1.16 | 0.56 | 0.26 | 4420 | 4.03 | 2.08 | 0.27 | 5221 | 5.50 | 3.03 | 0.30 |
| 3724 | 4.46 | 2.33 | 0.27 | 4431 | 1.38 | 0.93 | 0.44 | 5222 | 9.16 | 4.69 | 0.27 |
| 3726 | 3.39 | 1.61 | 0.26 | 4432 | 1.25 | 0.85 | 0.44 | 5223 | 7.66 | 4.24 | 0.30 |
| 3803 | 2.44 | 1.50 | 0.36 | 4439 | - | 1.40 | 0.36 | 5348 | 4.75 | 2.62 | 0.30 |
| 3807 | 2.83 | 1.82 | 0.40 | 4452 | 2.76 | 1.73 | 0.36 | 5402 | 7.37 | 4.73 | 0.40 |
| 3808 | 3.37 | 1.97 | 0.33 | 4459 | 2.26 | 1.40 | 0.36 | 5403 | 8.43 | 4.38 | 0.27 |
| 3821 | 5.84 | 3.47 | 0.33 | 4470 | 2.45 | 1.52 | 0.36 | 5437 | 6.20 | 3.44 | 0.30 |
| 3822 | 3.66 | 2.19 | 0.33 | 4484 | 2.45 | 1.52 | 0.36 | 5443 | 4.68 | 2.92 | 0.36 |
| 3824 | 4.30 | 2.55 | 0.33 | 4493 | 3.54 | 2.20 | 0.36 | 5445 | 5.17 | 2.67 | 0.27 |
| 3826 | 1.31 | 0.82 | 0.36 | 4511 | 0.50 | 0.30 | 0.33 | 5462 | 6.24 | 3.45 | 0.30 |
| 3827 | 2.19 | 1.30 | 0.33 | 4557 | 2.03 | 1.30 | 0.40 | 5472 | 5.74 | 2.75 | 0.26 |
| 3830 | 1.70 | 1.01 | 0.33 | 4558 | 2.25 | 1.40 | 0.36 | 5473 | 8.95 | 4.30 | 0.26 |
| 3851 | 2.25 | 1.44 | 0.40 | 4568 | 1.99 | 1.11 | 0.30 | 5474 | 6.03 | 3.15 | 0.27 |
| 3865 | 2.86 | 1.94 | 0.44 | 4581 | 0.94 | 0.50 | 0.27 | 5478 | 3.84 | 2.11 | 0.30 |
| 3881 | 3.94 | 2.44 | 0.36 | 4583 | 3.71 | 1.93 | 0.27 | 5479 | 7.47 | 4.44 | 0.33 |
| 4000 | 4.08 | 2.10 | 0.27 | 4611 | 0.85 | 0.55 | 0.40 | 5480 | 5.88 | 3.01 | 0.27 |
| 4021 | 4.78 | 2.68 | 0.30 | 4635 | 3.14 | 1.51 | 0.26 | 5491 | 1.87 | 0.98 | 0.27 |

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ADVISORY LOSS COSTS - NOT RATES

CONNECTICUT

Advisory loss costs exclude all expense provisions except loss adjustment expense.

Effective January 1, 2021

| CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO |
|------------|-----------|-------|---------|------------|-----------|------|---------|------------|-----------|-------|---------|
| 5506 | 7.33 | 3.53 | 0.26 | 7016M | 2.80 | 1.32 | 0.26 | 7590 | 3.93 | 2.33 | 0.33 |
| 5507 | 5.53 | 2.86 | 0.27 | 7024M | 3.11 | 1.47 | 0.26 | 7600 | 5.20 | 2.87 | 0.30 |
| 5508 | - | 2.86 | 0.27 | 7038M | 4.45 | 2.22 | 0.26 | 7605 | 2.41 | 1.34 | 0.30 |
| 5509 | 7.27 | 3.79 | 0.27 | 7046M | 4.90 | 2.34 | 0.26 | 7607 | 0.10 | 0.06 | 0.36 |
| 5535 | 6.15 | 3.43 | 0.30 | 7047M | 4.24 | 2.01 | 0.26 | 7610 | 0.28 | 0.17 | 0.33 |
| 5537 | 3.75 | 2.08 | 0.30 | 7050M | 6.74 | 3.37 | 0.26 | 7705 | 4.82 | 2.85 | 0.33 |
| 5551 | 16.80 | 8.11 | 0.26 | 7090M | 4.94 | 2.47 | 0.26 | 7710 | 3.36 | 1.75 | 0.27 |
| 5604 | 2.86 | 1.48 | 0.27 | 7097 | - | 1.47 | 0.26 | 7711 | 28.46 | 15.05 | 0.27 |
| 5606 | 1.26 | 0.66 | 0.27 | 7098M | 5.44 | 2.59 | 0.26 | 7720 | 2.95 | 1.64 | 0.30 |
| 5610 | 5.11 | 3.18 | 0.36 | 7099M | 7.42 | 3.53 | 0.26 | 7723 | 1.93 | 0.95 | 0.26 |
| 5645 | 11.82 | 6.18 | 0.27 | 7133 | 4.69 | 2.44 | 0.27 | 7731* | 3.48 | 2.04 | 0.33 |
| 5703 | 12.34 | 6.88 | 0.30 | 7151M | 5.70 | 2.97 | 0.27 | 7855 | 3.53 | 1.95 | 0.30 |
| 5705 | 22.23 | 11.99 | 0.30 | 7152M | 8.63 | 4.49 | 0.27 | 8001 | 1.91 | 1.23 | 0.40 |
| 5951 | 0.37 | 0.24 | 0.40 | 7153M | 6.33 | 3.29 | 0.27 | 8002 | 1.83 | 1.15 | 0.37 |
| 6003 | 9.43 | 5.16 | 0.30 | 7219 | 6.92 | 3.57 | 0.27 | 8006 | 2.43 | 1.51 | 0.36 |
| 6005 | 7.80 | 4.32 | 0.30 | 7222 | 6.43 | 3.52 | 0.30 | 8008 | 0.93 | 0.60 | 0.40 |
| 6017 | - | 3.56 | 0.27 | 7225 | 6.10 | 3.37 | 0.30 | 8010 | 1.75 | 1.13 | 0.40 |
| 6018 | 2.61 | 1.40 | 0.30 | 7228 | - | 3.57 | 0.27 | 8013 | 0.40 | 0.25 | 0.36 |
| 6045 | 5.22 | 2.85 | 0.30 | 7229 | - | 3.57 | 0.27 | 8015 | 0.83 | 0.52 | 0.36 |
| 6204 | 9.53 | 4.98 | 0.27 | 7230 | 8.27 | 4.84 | 0.33 | 8017 | 1.68 | 1.08 | 0.40 |
| 6206 | 3.03 | 1.45 | 0.26 | 7231 | 8.89 | 5.23 | 0.33 | 8018 | 3.07 | 1.96 | 0.40 |
| 6213 | 1.57 | 0.81 | 0.27 | 7232 | 8.09 | 4.13 | 0.27 | 8021 | 2.90 | 1.81 | 0.36 |
| 6214 | 1.94 | 0.93 | 0.26 | 7309F | 9.75 | 4.66 | 0.24 | 8031 | 2.28 | 1.43 | 0.36 |
| 6216 | 5.74 | 2.74 | 0.26 | 7313F | 3.92 | 1.87 | 0.24 | 8032 | 2.03 | 1.30 | 0.40 |
| 6217 | 4.05 | 2.11 | 0.27 | 7317F | 6.11 | 2.91 | 0.24 | 8033 | 2.08 | 1.30 | 0.36 |
| 6229 | 4.63 | 2.40 | 0.27 | 7327F | 18.17 | 8.70 | 0.24 | 8037 | 1.66 | 1.08 | 0.40 |
| 6233 | 2.60 | 1.33 | 0.27 | 7333M | 2.20 | 1.04 | 0.26 | 8039 | 1.53 | 0.99 | 0.40 |
| 6235 | 5.39 | 2.56 | 0.26 | 7335M | 2.44 | 1.15 | 0.26 | 8044 | 3.38 | 2.00 | 0.33 |
| 6236 | 7.28 | 4.01 | 0.30 | 7337M | 3.33 | 1.57 | 0.26 | 8045 | 0.80 | 0.51 | 0.40 |
| 6237 | 1.49 | 0.82 | 0.30 | 7350F | 9.82 | 4.96 | 0.25 | 8046 | 2.86 | 1.79 | 0.36 |
| 6251D | 5.79 | 2.95 | 0.27 | 7360 | 3.53 | 1.96 | 0.30 | 8047 | 0.87 | 0.56 | 0.40 |
| 6252D | 3.39 | 1.60 | 0.26 | 7370 | 4.45 | 2.79 | 0.36 | 8058 | 2.20 | 1.38 | 0.36 |
| 6260 | - | 2.95 | 0.27 | 7380 | 6.56 | 3.84 | 0.33 | 8072 | 0.72 | 0.47 | 0.40 |
| 6306 | 5.85 | 3.05 | 0.27 | 7382 | 3.24 | 2.02 | 0.36 | 8102 | 2.04 | 1.32 | 0.40 |
| 6319 | 3.82 | 1.97 | 0.27 | 7390 | 11.96 | 7.38 | 0.36 | 8103 | 3.56 | 2.13 | 0.33 |
| 6325 | 3.63 | 1.88 | 0.27 | 7394M | 4.22 | 2.03 | 0.26 | 8105 | - | 1.96 | 0.40 |
| 6400 | 7.23 | 4.26 | 0.33 | 7395M | 4.69 | 2.25 | 0.26 | 8106 | 4.79 | 2.68 | 0.30 |
| 6503 | 2.43 | 1.54 | 0.39 | 7398M | 6.40 | 3.07 | 0.26 | 8107 | 3.24 | 1.80 | 0.30 |
| 6504 | 2.77 | 1.78 | 0.40 | 7402 | 0.09 | 0.06 | 0.36 | 8111 | 2.03 | 1.26 | 0.36 |
| 6702M* | 4.29 | 2.37 | 0.30 | 7403 | 3.42 | 1.89 | 0.30 | 8116 | 2.46 | 1.53 | 0.36 |
| 6703M* | 6.50 | 3.59 | 0.30 | 7405N | 1.39 | 0.76 | 0.30 | 8203 | 6.12 | 3.78 | 0.36 |
| 6704M* | 4.77 | 2.64 | 0.30 | 7420 | 6.72 | 3.16 | 0.26 | 8204 | 5.25 | 2.96 | 0.30 |
| 6801F | 3.60 | 1.91 | 0.28 | 7421 | 0.69 | 0.36 | 0.27 | 8209 | 3.97 | 2.49 | 0.36 |
| 6811 | 4.27 | 2.38 | 0.30 | 7422 | 1.18 | 0.56 | 0.26 | 8215 | 3.39 | 1.90 | 0.30 |
| 6824F | 10.23 | 5.20 | 0.25 | 7425 | 2.09 | 0.98 | 0.26 | 8227 | 4.43 | 2.13 | 0.26 |
| 6826F | 4.42 | 2.34 | 0.28 | 7431N | 0.80 | 0.38 | 0.26 | 8232 | 5.41 | 3.01 | 0.30 |
| 6834 | 2.46 | 1.46 | 0.33 | 7445N | 0.75 | - | - | 8233 | 3.17 | 1.72 | 0.30 |
| 6836 | 3.23 | 1.80 | 0.30 | 7453N | 0.43 | - | - | 8235 | 4.47 | 2.77 | 0.36 |
| 6843F | 8.03 | 3.83 | 0.24 | 7502 | 1.92 | 1.06 | 0.30 | 8263 | 5.67 | 3.39 | 0.33 |
| 6845F | 3.96 | 1.89 | 0.24 | 7515 | 1.04 | 0.50 | 0.26 | 8264 | 5.97 | 3.35 | 0.30 |
| 6854 | 4.37 | 2.10 | 0.26 | 7520 | 2.28 | 1.42 | 0.36 | 8265 | 5.96 | 3.12 | 0.27 |
| 6872F | 7.50 | 3.58 | 0.24 | 7538 | 3.20 | 1.54 | 0.26 | 8279 | 4.94 | 2.61 | 0.27 |
| 6874F | 13.08 | 6.24 | 0.24 | 7539 | 1.24 | 0.64 | 0.27 | 8288 | 6.88 | 3.89 | 0.30 |
| 6882 | 3.60 | 1.74 | 0.26 | 7540 | 2.67 | 1.30 | 0.26 | 8291 | 4.31 | 2.53 | 0.33 |
| 6884 | 4.70 | 2.22 | 0.26 | 7580 | 2.56 | 1.42 | 0.30 | 8292 | 3.33 | 2.07 | 0.36 |

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ADVISORY LOSS COSTS - NOT RATES

CONNECTICUT

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Effective January 1, 2021

| CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO | CLASS CODE | LOSS COST | ELR | D RATIO |
|------------|-----------|------|---------|------------|-----------|-------|---------|------------|-----------|-----|---------|
| 8293 | 10.79 | 6.04 | 0.30 | 9015 | 2.95 | 1.83 | 0.36 | | | | |
| 8304 | 5.11 | 2.85 | 0.30 | 9016 | 2.38 | 1.50 | 0.37 | | | | |
| 8350 | 7.08 | 3.67 | 0.27 | 9019 | 2.33 | 1.31 | 0.30 | | | | |
| 8380 | 2.53 | 1.50 | 0.33 | 9033 | 3.96 | 2.47 | 0.36 | | | | |
| 8381 | 1.76 | 1.04 | 0.33 | 9040 | 3.01 | 1.93 | 0.40 | | | | |
| | | | | | | | | | | | |
| 8385 | 2.47 | 1.38 | 0.30 | 9044 | 1.20 | 0.78 | 0.40 | | | | |
| 8392 | 2.34 | 1.47 | 0.36 | 9052 | 2.19 | 1.41 | 0.40 | | | | |
| 8393 | 2.15 | 1.33 | 0.36 | 9058 | 1.55 | 1.04 | 0.44 | | | | |
| 8399 | - | 2.55 | 0.33 | 9060 | 1.18 | 0.76 | 0.40 | | | | |
| 8500 | 7.27 | 4.06 | 0.30 | 9061 | 1.14 | 0.77 | 0.44 | | | | |
| | | | | | | | | | | | |
| 8601 | 0.28 | 0.17 | 0.33 | 9063 | 0.71 | 0.46 | 0.40 | | | | |
| 8602 | 0.99 | 0.58 | 0.33 | 9077F | 2.77 | 1.60 | 0.35 | | | | |
| 8603 | 0.08 | 0.05 | 0.36 | 9082 | 0.98 | 0.67 | 0.44 | | | | |
| 8606 | 2.01 | 1.04 | 0.27 | 9083 | 1.06 | 0.72 | 0.44 | | | | |
| 8709F | 9.44 | 4.50 | 0.24 | 9084 | 1.51 | 0.95 | 0.37 | | | | |
| | | | | | | | | | | | |
| 8719 | 3.36 | 1.58 | 0.26 | 9088a | a | a | a | | | | |
| 8720 | 1.36 | 0.76 | 0.30 | 9089 | 0.93 | 0.61 | 0.40 | | | | |
| 8721 | 0.23 | 0.13 | 0.30 | 9093 | 1.37 | 0.90 | 0.40 | | | | |
| 8723 | 0.10 | 0.06 | 0.36 | 9101 | 3.25 | 2.09 | 0.40 | | | | |
| 8725 | 2.79 | 1.54 | 0.30 | 9102 | 2.61 | 1.63 | 0.36 | | | | |
| | | | | | | | | | | | |
| 8726F | 2.13 | 1.13 | 0.28 | 9154 | 1.46 | 0.92 | 0.37 | | | | |
| 8734M | 0.34 | 0.19 | 0.30 | 9156 | 2.08 | 1.24 | 0.33 | | | | |
| 8737M | 0.30 | 0.17 | 0.30 | 9170 | 10.39 | 5.04 | 0.26 | | | | |
| 8738M | 0.46 | 0.26 | 0.30 | 9178 | 4.39 | 3.08 | 0.45 | | | | |
| 8742 | 0.25 | 0.14 | 0.30 | 9179 | 15.48 | 10.04 | 0.40 | | | | |
| | | | | | | | | | | | |
| 8745 | 3.79 | 2.24 | 0.33 | 9180 | 5.48 | 3.13 | 0.30 | | | | |
| 8748 | 0.53 | 0.31 | 0.33 | 9182 | 2.19 | 1.40 | 0.37 | | | | |
| 8754 | 0.66 | 0.41 | 0.36 | 9186 | 11.24 | 5.98 | 0.27 | | | | |
| 8755 | 0.25 | 0.14 | 0.30 | 9220 | 4.52 | 2.68 | 0.33 | | | | |
| 8799 | 0.39 | 0.25 | 0.37 | 9402 | 3.97 | 2.21 | 0.30 | | | | |
| | | | | | | | | | | | |
| 8800 | 1.40 | 0.95 | 0.44 | 9403 | 8.38 | 4.35 | 0.27 | | | | |
| 8803 | 0.05 | 0.02 | 0.30 | 9410 | 3.12 | 1.96 | 0.36 | | | | |
| 8805M | 0.14 | 0.09 | 0.36 | 9501 | 3.17 | 1.88 | 0.33 | | | | |
| 8810 | 0.10 | 0.06 | 0.36 | 9505 | 4.02 | 2.37 | 0.33 | | | | |
| 8814M | 0.12 | 0.07 | 0.36 | 9516 | 2.98 | 1.65 | 0.30 | | | | |
| | | | | | | | | | | | |
| 8815M | 0.18 | 0.11 | 0.36 | 9519 | 3.64 | 2.00 | 0.30 | | | | |
| 8820 | 0.16 | 0.09 | 0.33 | 9521 | 3.16 | 1.75 | 0.30 | | | | |
| 8824 | 2.97 | 1.91 | 0.40 | 9522 | 1.95 | 1.21 | 0.36 | | | | |
| 8825 | - | 1.36 | 0.37 | 9534 | 5.43 | 2.77 | 0.27 | | | | |
| 8826 | 2.16 | 1.36 | 0.37 | 9554 | 9.23 | 4.80 | 0.27 | | | | |
| | | | | | | | | | | | |
| 8829 | - | 1.91 | 0.40 | 9586 | 0.47 | 0.32 | 0.43 | | | | |
| 8831 | 1.24 | 0.79 | 0.37 | 9600 | 2.31 | 1.47 | 0.40 | | | | |
| 8832 | 0.34 | 0.21 | 0.36 | 9620 | 1.05 | 0.63 | 0.33 | | | | |
| 8833 | 0.79 | 0.49 | 0.36 | | | | | | | | |
| 8835 | 1.97 | 1.23 | 0.36 | | | | | | | | |
| | | | | | | | | | | | |
| 8842 | 3.05 | 1.91 | 0.36 | | | | | | | | |
| 8855 | 0.16 | 0.10 | 0.37 | | | | | | | | |
| 8856 | 0.29 | 0.18 | 0.36 | | | | | | | | |
| 8864 | 2.15 | 1.36 | 0.37 | | | | | | | | |
| 8868 | 0.34 | 0.22 | 0.40 | | | | | | | | |
| | | | | | | | | | | | |
| 8869 | 0.88 | 0.57 | 0.40 | | | | | | | | |
| 8871 | 0.06 | 0.04 | 0.40 | | | | | | | | |
| 8901 | 0.17 | 0.10 | 0.33 | | | | | | | | |
| 9012 | 0.81 | 0.48 | 0.33 | | | | | | | | |
| 9014 | 2.66 | 1.66 | 0.36 | | | | | | | | |

Refer to the special classification section of the *Basic Manual* for any state specific classification phraseology.

* Refer to the Footnotes Page for additional information on this class code.

Effective January 1, 2021

FOOTNOTES

- a Advisory loss cost for each individual risk must be obtained from NCCI Customer Service or the Rating Organization having jurisdiction.
- D Advisory loss cost for classification already includes the specific disease loading shown in the table below. See **Basic Manual** Rule 3-A-7.

| Disease | | | Disease | | | Disease | | |
|----------|---------|--------|----------|---------|--------|----------|---------|--------|
| Code No. | Loading | Symbol | Code No. | Loading | Symbol | Code No. | Loading | Symbol |
| 0059D | 0.18 | S | 1165D | 0.01 | S | 3085D | 0.05 | S |
| 0065D | 0.02 | S | 1624D | 0.01 | S | 4024D | 0.01 | S |
| 0066D | 0.02 | S | 1803D | 0.19 | S | 6251D | 0.02 | S |
| 0067D | 0.02 | S | 3081D | 0.04 | S | 6252D | 0.02 | S |
| 1164D | 0.03 | S | 3082D | 0.04 | S | | | |

S=Silica

- F Advisory loss cost provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions.
- M Risks are subject to Admiralty Law or Federal Employers Liability Act (FELA). However, the published loss cost is for risks that voluntarily purchase standard workers compensation and employers liability coverage.
- N This code is part of a ratable / non-ratable group shown below. The statistical non-ratable code and corresponding advisory loss cost are applied in addition to the basic classification when determining premium.

| Class Code | Non-Ratable Element Code |
|------------|--------------------------|
| 4771 | 0771 |
| 7405 | 7445 |
| 7431 | 7453 |

- P Classification is computed on a per capita basis.

*** Class Codes with Specific Footnotes**

- 6702 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class loss cost and elr each x 1.215.
- 6703 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class loss cost and elr each x 1.841.
- 6704 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class loss cost and elr each x 1.35.
- 7731 Loss cost per Service Response.

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ADVISORY MISCELLANEOUS VALUES

Advisory Loss Elimination Ratios - The following percentages are applicable by deductible amount and hazard group for total losses on a per claim basis. They do not include a safety factor.

| Deductible Amount | Total Losses | | | | | | |
|-------------------|--------------|-------|-------|-------|-------|-------|------|
| | HAZARD GROUP | | | | | | |
| | A | B | C | D | E | F | G |
| \$1,000 | 7.0% | 5.1% | 4.6% | 3.5% | 2.8% | 2.1% | 1.9% |
| \$5,000 | 17.8% | 14.0% | 12.8% | 10.4% | 8.7% | 6.9% | 6.2% |
| \$10,000 | 25.4% | 20.7% | 19.1% | 15.9% | 13.6% | 11.1% | 9.9% |

Basis of premium applicable in accordance with *Basic Manual* footnote instructions for Code 7370 --"Taxicab Co.":

| | |
|--------------------------------|-----------|
| Employee operated vehicle..... | \$107,100 |
| Leased or rented vehicle..... | \$71,400 |

Catastrophe (other than Certified Acts of Terrorism) - (Advisory Loss Cost)..... 0.01

Maximum Weekly Payroll applicable in accordance with the *Basic Manual* footnote instructions for Code 9178 -- "Athletic Sports or Park: Non-Contact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports"..... \$1,350

Maximum Weekly Payroll applicable in accordance with *Basic Manual* Rule 2-E-- "Executive Officers or members of limited liability companies"..... \$2,700

Minimum Weekly Payroll applicable in accordance with *Basic Manual* Rule 2-E -- "Executive Officers or members of limited liability companies"..... \$1,350

Premium Determination for Partners and Sole Proprietors in accordance with *Basic Manual* Rule 2-E-3 (Annual Payroll)..... \$71,400

Terrorism - (Advisory Loss Cost) 0.025

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with *Basic Manual* Rule 3-A-4..... 50%

(Multiply a Non-F classification loss cost by a factor of 1.50 to adjust for the difference in state and federal benefits only.)

Workers Compensation Administration Funds Assessment factors applicable in accordance with the Connecticut State Rule Exception to *Basic Manual* Rule 3-A-13 (expressed as a percentage of premium):

| | |
|--|------|
| Industrial Classifications and Maritime/FELA (Program I and Program II State Act)..... | 2.0% |
| F Classifications and Maritime/FELA (Program II USL Act)..... | 3.7% |

Experience Rating Eligibility

A risk qualifies for experience rating on an intrastate basis when it meets the premium eligibility requirements for the state in which it operates. The eligibility amount varies by rating effective date. The *Experience Rating Plan Manual* should be referenced for the latest approved eligibility amounts by state and by effective date.



CONNECTICUT

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Proposed Voluntary Loss Costs and Rating Values

Summary Description of Expected Loss Rates and D-ratios

An expected loss rate for a classification is used to estimate the expected losses per \$100 of payroll during the experience rating period for risks within that classification. These expected losses are then compared with the actual losses of a risk during the experience rating period to determine the experience modification (mod). The actual losses reflect the loss data during the experience rating period. Expected losses and actual losses must be at the same level to enable an appropriate comparison for purposes of the experience mod calculation. As such, the proposed loss costs are adjusted to reflect the average loss levels of the proposed effective rating period. This is accomplished through the application of ELR factors to the proposed underlying pure premiums. These ELR factors, calculated by hazard group (HG), remove the effects of items such as loss development, losses in excess of the state accident limit, benefit changes, trend, and loss-based expenses.

An adjustment is made to the ELR factors so that the resulting ELRs produce an expected experience rating off-balance that equals the targeted experience rating off-balance used in the calculation of the overall loss cost level change for the state.

The final ELR for each classification is calculated as follows:

$$\text{ELR} = \{(\text{HG indemnity ELR factor}) \times (\text{indemnity pure premium}) + (\text{HG medical ELR factor}) \times (\text{medical pure premium})\} \times \text{Manual/Standard Ratio}$$

In experience rating, losses are divided into primary and excess portions. For each claim, losses below the split point are primary losses, while losses above the split point are excess losses. The d-ratio represents the estimated ratio of expected primary losses to expected total losses for a classification. The d-ratio is used to determine the expected primary losses to be used in the experience mod calculation.

D-ratio factors are calculated separately for indemnity and medical losses by hazard group and are based on the latest three years of Unit Statistical Data. A comparison of the resulting d-ratio factors across hazard groups is done to ensure that the factors monotonically decrease from hazard group A to hazard group G. If they do not, an adjustment is made by averaging the d-ratios over adjacent hazard groups. The final d-ratio for each classification is calculated as follows:

$$\text{D-ratio} = \{(\text{HG indemnity d-ratio factor}) \times (\text{indemnity pure premium}) + (\text{HG medical d-ratio factor}) \times (\text{medical pure premium})\} / \text{total pure premium}$$



CONNECTICUT

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Proposed Assigned Risk Rates and Rating Values

The following pages include:

- Proposed assigned risk rates, minimum premium, expected loss rates, and d-ratios by class code, along with associated footnotes

Note: Please refer to the “Special Classifications” section of the **Basic Manual** for information on state-specific classification phraseology. The “X” footnote, which previously indicated the existence of state-special classification phraseology, has been retired from the pages that follow.

- Miscellaneous values, such as:
 - Catastrophe and terrorism rates
 - Maximum and minimum weekly payroll applicable for select class codes
 - Premium determination for Partners and Sole Proprietors
 - United States Longshore and Harbor Workers’ Compensation Coverage Percentage
 - Workers Compensation Administration Funds Assessment factors

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

CONNECTICUT

Effective January 1, 2021

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

| CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO |
|------------|--------|----------|--------|---------|------------|-------|----------|-------|---------|------------|-------|----------|------|---------|
| 0005 | 4.89 | 1500 | 1.86 | 0.36 | 2016 | 6.29 | 1500 | 2.47 | 0.40 | 2709 | 16.27 | 1500 | 5.48 | 0.30 |
| 0008 | 4.29 | 1500 | 1.56 | 0.33 | 2021 | 4.94 | 1500 | 1.80 | 0.33 | 2710 | 13.16 | 1500 | 4.21 | 0.27 |
| 0016 | 8.43 | 1500 | 2.88 | 0.30 | 2039 | 6.09 | 1500 | 2.38 | 0.40 | 2714 | 7.33 | 1500 | 2.89 | 0.40 |
| 0034 | 7.12 | 1500 | 2.71 | 0.36 | 2041 | 4.93 | 1500 | 1.93 | 0.40 | 2731 | 6.48 | 1500 | 2.23 | 0.30 |
| 0035 | 4.01 | 1443 | 1.58 | 0.40 | 2065 | 3.73 | 1354 | 1.43 | 0.36 | 2735 | 6.19 | 1500 | 2.44 | 0.40 |
| 0036 | 6.35 | 1500 | 2.41 | 0.36 | 2070 | 8.61 | 1500 | 3.26 | 0.36 | 2759 | 8.35 | 1500 | 3.27 | 0.40 |
| 0037 | 6.60 | 1500 | 2.39 | 0.33 | 2081 | 5.22 | 1500 | 2.01 | 0.37 | 2790 | 2.72 | 1030 | 1.08 | 0.40 |
| 0042 | 11.42 | 1500 | 4.11 | 0.33 | 2089 | 5.48 | 1500 | 2.08 | 0.36 | 2797 | 6.12 | 1500 | 2.35 | 0.36 |
| 0050 | 8.95 | 1500 | 3.40 | 0.36 | 2095 | 8.95 | 1500 | 3.42 | 0.36 | 2799 | 9.05 | 1500 | 3.26 | 0.33 |
| 0059D | 0.29 | - | 0.04 | 0.30 | 2105 | 6.38 | 1500 | 2.51 | 0.40 | 2802 | 8.92 | 1500 | 3.24 | 0.33 |
| 0065D | 0.03 | - | 0.01 | 0.30 | 2110 | 5.17 | 1500 | 2.06 | 0.40 | 2835 | 5.37 | 1500 | 2.23 | 0.44 |
| 0066D | 0.03 | - | 0.01 | 0.30 | 2111 | 3.59 | 1309 | 1.41 | 0.40 | 2836 | 5.50 | 1500 | 2.29 | 0.44 |
| 0067D | 0.03 | - | 0.01 | 0.30 | 2112 | 6.12 | 1500 | 2.41 | 0.40 | 2841 | 5.78 | 1500 | 2.29 | 0.40 |
| 0079 | 4.29 | 1500 | 1.47 | 0.30 | 2114 | 4.19 | 1500 | 1.66 | 0.40 | 2881 | 4.50 | 1500 | 1.85 | 0.43 |
| 0083 | 8.74 | 1500 | 3.35 | 0.36 | 2121 | 2.52 | 966 | 0.96 | 0.36 | 2883 | 5.63 | 1500 | 2.14 | 0.36 |
| 0106 | 13.24 | 1500 | 4.23 | 0.27 | 2130 | 3.27 | 1206 | 1.25 | 0.36 | 2913 | - | - | 2.14 | 0.36 |
| 0113 | 7.02 | 1500 | 2.72 | 0.37 | 2131 | 2.73 | 1034 | 1.04 | 0.36 | 2915 | 5.68 | 1500 | 2.04 | 0.33 |
| 0170 | 7.02 | 1500 | 2.72 | 0.37 | 2143 | 4.63 | 1500 | 1.81 | 0.40 | 2916 | 5.63 | 1500 | 1.81 | 0.27 |
| 0251 | 5.68 | 1500 | 2.16 | 0.36 | 2157 | 10.61 | 1500 | 3.99 | 0.36 | 2923 | 3.75 | 1360 | 1.47 | 0.40 |
| 0400 | - | - | 2.13 | 0.33 | 2172 | 2.54 | 973 | 0.90 | 0.33 | 2942 | - | - | 0.85 | 0.44 |
| 0401 | 18.63 | A | 5.96 | 0.27 | 2174 | 4.42 | 1500 | 1.74 | 0.40 | 2960 | 7.58 | 1500 | 2.85 | 0.36 |
| 0771N | 0.79 | - | - | - | 2211 | 12.00 | 1500 | 4.08 | 0.30 | 3004 | 2.21 | 867 | 0.75 | 0.30 |
| 0908P | 208.00 | 333 | 78.85 | 0.36 | 2220 | 3.21 | 1187 | 1.23 | 0.36 | 3018 | 7.94 | 1500 | 2.74 | 0.30 |
| 0913P | 858.00 | 983 | 323.56 | 0.36 | 2286 | - | - | 1.23 | 0.36 | 3022 | 8.20 | 1500 | 3.20 | 0.40 |
| 0917 | 7.10 | 1500 | 2.80 | 0.40 | 2288 | 5.98 | 1500 | 2.36 | 0.40 | 3027 | 4.04 | 1453 | 1.38 | 0.30 |
| 0918 | 2.06 | 650 | 0.78 | 0.36 | 2300 | - | - | 1.50 | 0.36 | 3028 | 5.09 | 1500 | 1.94 | 0.36 |
| 1005 | 10.85 | 1500 | 3.12 | 0.26 | 2302 | 2.80 | 1056 | 1.07 | 0.36 | 3030 | 14.59 | 1500 | 5.01 | 0.30 |
| 1164D | 5.84 | 1500 | 1.69 | 0.26 | 2305 | 4.04 | 1453 | 1.47 | 0.33 | 3040 | 7.51 | 1500 | 2.55 | 0.30 |
| 1165D | 4.75 | 1500 | 1.48 | 0.27 | 2361 | 3.04 | 1133 | 1.18 | 0.37 | 3041 | 8.35 | 1500 | 3.16 | 0.36 |
| 1320 | 2.67 | 1014 | 0.84 | 0.27 | 2362 | 3.22 | 1190 | 1.23 | 0.36 | 3042 | 13.41 | 1500 | 4.94 | 0.34 |
| 1322 | 13.48 | 1500 | 4.26 | 0.27 | 2380 | 3.40 | 1248 | 1.31 | 0.37 | 3064 | 6.09 | 1500 | 2.31 | 0.36 |
| 1430 | 7.32 | 1500 | 2.51 | 0.30 | 2386 | - | - | 1.50 | 0.36 | 3076 | 5.93 | 1500 | 2.25 | 0.36 |
| 1438 | 7.74 | 1500 | 2.44 | 0.27 | 2388 | 2.46 | 947 | 0.98 | 0.40 | 3081D | 7.73 | 1500 | 2.60 | 0.30 |
| 1452 | 3.99 | 1437 | 1.34 | 0.30 | 2402 | 4.27 | 1500 | 1.46 | 0.30 | 3082D | 7.06 | 1500 | 2.39 | 0.30 |
| 1463 | 12.02 | 1500 | 3.82 | 0.27 | 2413 | 4.34 | 1500 | 1.67 | 0.37 | 3085D | 11.10 | 1500 | 3.80 | 0.30 |
| 1472 | 4.93 | 1500 | 1.58 | 0.27 | 2416 | 2.86 | 1075 | 1.09 | 0.36 | 3110 | 8.56 | 1500 | 3.26 | 0.36 |
| 1624D | 4.26 | 1500 | 1.34 | 0.27 | 2417 | 1.90 | 768 | 0.72 | 0.36 | 3111 | 3.26 | 1203 | 1.23 | 0.36 |
| 1642 | 3.62 | 1318 | 1.23 | 0.30 | 2501 | 3.91 | 1411 | 1.50 | 0.36 | 3113 | 3.18 | 1178 | 1.21 | 0.36 |
| 1654 | 8.82 | 1500 | 2.98 | 0.30 | 2503 | 3.29 | 1213 | 1.27 | 0.39 | 3114 | 5.53 | 1500 | 2.09 | 0.36 |
| 1655 | - | - | 1.23 | 0.30 | 2534 | - | - | 1.50 | 0.36 | 3118 | 3.11 | 1155 | 1.22 | 0.40 |
| 1699 | 4.98 | 1500 | 1.70 | 0.30 | 2560 | - | - | 1.50 | 0.36 | 3119 | 1.83 | 746 | 0.76 | 0.44 |
| 1701 | 5.65 | 1500 | 1.92 | 0.30 | 2570 | 5.78 | 1500 | 2.26 | 0.40 | 3120 | - | - | 1.69 | 0.36 |
| 1710 | 6.25 | 1500 | 2.10 | 0.30 | 2585 | 7.22 | 1500 | 2.83 | 0.40 | 3122 | 3.54 | 1293 | 1.39 | 0.40 |
| 1741 | - | - | 1.92 | 0.30 | 2586 | 4.21 | 1500 | 1.61 | 0.36 | 3126 | 2.88 | 1082 | 1.10 | 0.36 |
| 1747 | 4.83 | 1500 | 1.65 | 0.30 | 2587 | 3.98 | 1434 | 1.54 | 0.39 | 3131 | 3.18 | 1178 | 1.22 | 0.37 |
| 1748 | 7.76 | 1500 | 2.68 | 0.30 | 2589 | 3.19 | 1181 | 1.22 | 0.36 | 3132 | 5.03 | 1500 | 1.92 | 0.36 |
| 1803D | 12.46 | 1500 | 3.90 | 0.27 | 2600 | 7.35 | 1500 | 2.85 | 0.39 | 3145 | 3.90 | 1408 | 1.49 | 0.36 |
| 1852 | - | - | 1.05 | 0.26 | 2623 | 10.46 | 1500 | 3.79 | 0.33 | 3146 | 4.85 | 1500 | 1.85 | 0.36 |
| 1853 | - | - | 1.92 | 0.30 | 2651 | 2.70 | 1024 | 1.06 | 0.40 | 3169 | 6.47 | 1500 | 2.47 | 0.36 |
| 1860 | - | - | 1.46 | 0.36 | 2660 | 4.06 | 1459 | 1.60 | 0.40 | 3175 | - | - | 2.47 | 0.36 |
| 1924 | 3.98 | 1434 | 1.55 | 0.40 | 2670 | - | - | 1.41 | 0.40 | 3179 | 3.40 | 1248 | 1.33 | 0.40 |
| 1925 | 5.84 | 1500 | 2.13 | 0.33 | 2683 | 3.91 | 1411 | 1.50 | 0.36 | 3180 | 3.39 | 1245 | 1.34 | 0.40 |
| 2002 | 4.45 | 1500 | 1.74 | 0.40 | 2688 | 3.60 | 1312 | 1.41 | 0.40 | 3188 | 3.40 | 1248 | 1.34 | 0.40 |
| 2003 | 5.98 | 1500 | 2.23 | 0.36 | 2701 | 20.40 | 1500 | 6.84 | 0.30 | 3220 | 5.50 | 1500 | 2.09 | 0.36 |
| 2014 | 8.40 | 1500 | 2.86 | 0.30 | 2702 | 35.24 | 1500 | 10.37 | 0.26 | 3223 | - | - | 1.34 | 0.40 |

Refer to the special classification section of the **Basic Manual** for any state specific classification phraseology.

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

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Effective January 1, 2021

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

| CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO |
|------------|------|----------|------|---------|------------|------|----------|------|---------|------------|-------|----------|------|---------|
| 3224 | 5.63 | 1500 | 2.18 | 0.40 | 4024D | 8.39 | 1500 | 2.85 | 0.30 | 4653 | 2.19 | 861 | 0.85 | 0.40 |
| 3227 | 3.80 | 1376 | 1.49 | 0.40 | 4034 | 9.84 | 1500 | 3.34 | 0.30 | 4665 | 13.90 | 1500 | 4.71 | 0.30 |
| 3240 | 4.21 | 1500 | 1.61 | 0.36 | 4036 | 3.55 | 1296 | 1.21 | 0.30 | 4670 | - | - | 2.58 | 0.36 |
| 3241 | 4.91 | 1500 | 1.88 | 0.36 | 4038 | 4.24 | 1500 | 1.74 | 0.43 | 4683 | 6.81 | 1500 | 2.58 | 0.36 |
| 3255 | 3.93 | 1418 | 1.63 | 0.44 | 4053 | - | - | 1.52 | 0.36 | 4686 | 3.73 | 1354 | 1.27 | 0.30 |
| 3257 | 4.21 | 1500 | 1.61 | 0.36 | 4061 | - | - | 1.52 | 0.36 | 4692 | 1.23 | 554 | 0.48 | 0.40 |
| 3270 | 4.44 | 1500 | 1.69 | 0.36 | 4062 | 4.01 | 1443 | 1.52 | 0.36 | 4693 | 1.24 | 557 | 0.48 | 0.36 |
| 3300 | 7.79 | 1500 | 3.01 | 0.37 | 4101 | 4.17 | 1494 | 1.50 | 0.33 | 4703 | 3.18 | 1178 | 1.20 | 0.36 |
| 3303 | 3.60 | 1312 | 1.42 | 0.40 | 4109 | 0.77 | 406 | 0.30 | 0.40 | 4717 | 3.59 | 1309 | 1.48 | 0.43 |
| 3307 | 5.25 | 1500 | 2.02 | 0.37 | 4110 | 1.70 | 704 | 0.65 | 0.36 | 4720 | 3.01 | 1123 | 1.15 | 0.36 |
| 3315 | 6.53 | 1500 | 2.53 | 0.39 | 4111 | 3.03 | 1130 | 1.19 | 0.40 | 4740 | 1.36 | 595 | 0.46 | 0.30 |
| 3334 | 5.11 | 1500 | 1.91 | 0.36 | 4113 | - | - | 1.19 | 0.40 | 4741 | 4.03 | 1450 | 1.52 | 0.36 |
| 3336 | 4.85 | 1500 | 1.64 | 0.30 | 4114 | 4.57 | 1500 | 1.72 | 0.36 | 4751 | 2.98 | 1114 | 1.02 | 0.30 |
| 3365 | 8.06 | 1500 | 2.71 | 0.30 | 4130 | 5.99 | 1500 | 2.29 | 0.36 | 4767 | - | - | 1.33 | 0.26 |
| 3372 | 5.32 | 1500 | 1.93 | 0.33 | 4131 | 7.42 | 1500 | 2.91 | 0.40 | 4771N | 4.49 | 1500 | 1.33 | 0.26 |
| 3373 | 6.52 | 1500 | 2.48 | 0.36 | 4133 | 3.47 | 1270 | 1.38 | 0.40 | 4777 | 18.45 | 1500 | 5.54 | 0.26 |
| 3383 | 2.39 | 925 | 0.93 | 0.40 | 4149 | 1.46 | 627 | 0.60 | 0.44 | 4825 | 0.93 | 458 | 0.32 | 0.30 |
| 3385 | 2.50 | 960 | 1.01 | 0.40 | 4206 | 4.58 | 1500 | 1.73 | 0.36 | 4828 | 2.41 | 931 | 0.87 | 0.33 |
| 3400 | 5.93 | 1500 | 2.16 | 0.33 | 4207 | 3.27 | 1206 | 1.10 | 0.30 | 4829 | 1.93 | 778 | 0.61 | 0.27 |
| 3507 | 5.66 | 1500 | 2.16 | 0.36 | 4239 | 4.37 | 1500 | 1.49 | 0.30 | 4902 | 4.13 | 1482 | 1.63 | 0.40 |
| 3515 | 3.83 | 1386 | 1.47 | 0.36 | 4240 | 5.07 | 1500 | 2.01 | 0.40 | 4923 | 1.83 | 746 | 0.70 | 0.36 |
| 3548 | 1.74 | 717 | 0.66 | 0.36 | 4243 | 4.96 | 1500 | 1.89 | 0.36 | 5020 | 8.60 | 1500 | 2.90 | 0.30 |
| 3559 | 6.42 | 1500 | 2.45 | 0.36 | 4244 | 4.99 | 1500 | 1.90 | 0.36 | 5022 | 12.07 | 1500 | 3.82 | 0.27 |
| 3574 | 3.37 | 1238 | 1.33 | 0.40 | 4250 | 2.95 | 1104 | 1.12 | 0.36 | 5037 | 18.70 | 1500 | 5.48 | 0.26 |
| 3581 | 1.70 | 704 | 0.67 | 0.40 | 4251 | 3.86 | 1395 | 1.47 | 0.36 | 5040 | 30.90 | 1500 | 9.16 | 0.26 |
| 3612 | 3.99 | 1437 | 1.43 | 0.33 | 4263 | 3.57 | 1302 | 1.36 | 0.36 | 5057 | 9.32 | 1500 | 2.70 | 0.26 |
| 3620 | 5.34 | 1500 | 1.81 | 0.30 | 4273 | 5.22 | 1500 | 2.01 | 0.37 | 5059 | 28.94 | 1500 | 8.53 | 0.26 |
| 3629 | 1.95 | 784 | 0.76 | 0.40 | 4279 | 3.85 | 1392 | 1.46 | 0.36 | 5069 | - | - | 8.53 | 0.26 |
| 3632 | 4.29 | 1500 | 1.55 | 0.33 | 4282 | - | - | 1.46 | 0.36 | 5102 | 9.95 | 1500 | 3.13 | 0.27 |
| 3634 | 3.04 | 1133 | 1.21 | 0.40 | 4283 | 2.50 | 960 | 0.95 | 0.36 | 5146 | 9.16 | 1500 | 3.10 | 0.30 |
| 3635 | 3.18 | 1178 | 1.21 | 0.36 | 4299 | 3.39 | 1245 | 1.33 | 0.40 | 5160 | 5.59 | 1500 | 1.75 | 0.27 |
| 3638 | 2.98 | 1114 | 1.17 | 0.40 | 4304 | 7.04 | 1500 | 2.55 | 0.33 | 5183 | 5.67 | 1500 | 1.93 | 0.30 |
| 3642 | 1.67 | 694 | 0.64 | 0.36 | 4307 | 3.13 | 1162 | 1.29 | 0.44 | 5188 | 5.30 | 1500 | 1.79 | 0.30 |
| 3643 | 2.90 | 1088 | 1.10 | 0.36 | 4351 | 1.60 | 672 | 0.60 | 0.36 | 5190 | 4.16 | 1491 | 1.40 | 0.30 |
| 3647 | 4.17 | 1494 | 1.51 | 0.33 | 4352 | 2.39 | 925 | 0.93 | 0.40 | 5191 | 1.56 | 659 | 0.59 | 0.36 |
| 3648 | 2.85 | 1072 | 1.12 | 0.40 | 4360 | - | - | 0.17 | 0.33 | 5192 | 5.83 | 1500 | 2.21 | 0.36 |
| 3681 | 1.83 | 746 | 0.73 | 0.40 | 4361 | 0.97 | 470 | 0.38 | 0.40 | 5213 | 11.31 | 1500 | 3.56 | 0.27 |
| 3685 | 2.05 | 816 | 0.80 | 0.40 | 4410 | 4.94 | 1500 | 1.89 | 0.36 | 5215 | 12.61 | 1500 | 4.54 | 0.33 |
| 3719 | 1.90 | 768 | 0.56 | 0.26 | 4420 | 6.60 | 1500 | 2.08 | 0.27 | 5221 | 9.00 | 1500 | 3.03 | 0.30 |
| 3724 | 7.31 | 1500 | 2.33 | 0.27 | 4431 | 2.26 | 883 | 0.93 | 0.44 | 5222 | 14.99 | 1500 | 4.69 | 0.27 |
| 3726 | 5.56 | 1500 | 1.61 | 0.26 | 4432 | 2.05 | 816 | 0.85 | 0.44 | 5223 | 12.53 | 1500 | 4.24 | 0.30 |
| 3803 | 3.99 | 1437 | 1.50 | 0.36 | 4439 | - | - | 1.40 | 0.36 | 5348 | 7.79 | 1500 | 2.62 | 0.30 |
| 3807 | 4.63 | 1500 | 1.82 | 0.40 | 4452 | 4.52 | 1500 | 1.73 | 0.36 | 5402 | 12.06 | 1500 | 4.73 | 0.40 |
| 3808 | 5.52 | 1500 | 1.97 | 0.33 | 4459 | 3.70 | 1344 | 1.40 | 0.36 | 5403 | 13.79 | 1500 | 4.38 | 0.27 |
| 3821 | 9.56 | 1500 | 3.47 | 0.33 | 4470 | 4.01 | 1443 | 1.52 | 0.36 | 5437 | 10.14 | 1500 | 3.44 | 0.30 |
| 3822 | 5.99 | 1500 | 2.19 | 0.33 | 4484 | 4.01 | 1443 | 1.52 | 0.36 | 5443 | 7.67 | 1500 | 2.92 | 0.36 |
| 3824 | 7.04 | 1500 | 2.55 | 0.33 | 4493 | 5.79 | 1500 | 2.20 | 0.36 | 5445 | 8.46 | 1500 | 2.67 | 0.27 |
| 3826 | 2.14 | 845 | 0.82 | 0.36 | 4511 | 0.82 | 422 | 0.30 | 0.33 | 5462 | 10.21 | 1500 | 3.45 | 0.30 |
| 3827 | 3.59 | 1309 | 1.30 | 0.33 | 4557 | 3.32 | 1222 | 1.30 | 0.40 | 5472 | 9.39 | 1500 | 2.75 | 0.26 |
| 3830 | 2.78 | 1050 | 1.01 | 0.33 | 4558 | 3.68 | 1338 | 1.40 | 0.36 | 5473 | 14.64 | 1500 | 4.30 | 0.26 |
| 3851 | 3.68 | 1338 | 1.44 | 0.40 | 4568 | 3.26 | 1203 | 1.11 | 0.30 | 5474 | 9.86 | 1500 | 3.15 | 0.27 |
| 3865 | 4.68 | 1500 | 1.94 | 0.44 | 4581 | 1.54 | 653 | 0.50 | 0.27 | 5478 | 6.30 | 1500 | 2.11 | 0.30 |
| 3881 | 6.45 | 1500 | 2.44 | 0.36 | 4583 | 6.07 | 1500 | 1.93 | 0.27 | 5479 | 12.22 | 1500 | 4.44 | 0.33 |
| 4000 | 6.68 | 1500 | 2.10 | 0.27 | 4611 | 1.39 | 605 | 0.55 | 0.40 | 5480 | 9.62 | 1500 | 3.01 | 0.27 |
| 4021 | 7.82 | 1500 | 2.68 | 0.30 | 4635 | 5.14 | 1500 | 1.51 | 0.26 | 5491 | 3.06 | 1139 | 0.98 | 0.27 |

Refer to the special classification section of the **Basic Manual** for any state specific classification phraseology.

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

CONNECTICUT

Effective January 1, 2021

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

| CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO |
|------------|-------|----------|-------|---------|------------|-------|----------|------|---------|------------|-------|----------|-------|---------|
| 5506 | 11.99 | 1500 | 3.53 | 0.26 | 7016M | 4.58 | 1500 | 1.32 | 0.26 | 7590 | 6.43 | 1500 | 2.33 | 0.33 |
| 5507 | 9.05 | 1500 | 2.86 | 0.27 | 7024M | 5.09 | 1500 | 1.47 | 0.26 | 7600 | 8.51 | 1500 | 2.87 | 0.30 |
| 5508 | - | - | 2.86 | 0.27 | 7038M | 7.28 | 1500 | 2.22 | 0.26 | 7605 | 3.95 | 1424 | 1.34 | 0.30 |
| 5509 | 11.89 | 1500 | 3.79 | 0.27 | 7046M | 8.02 | 1500 | 2.34 | 0.26 | 7607 | 0.16 | 211 | 0.06 | 0.36 |
| 5535 | 10.06 | 1500 | 3.43 | 0.30 | 7047M | 6.94 | 1500 | 2.01 | 0.26 | 7610 | 0.46 | 307 | 0.17 | 0.33 |
| 5537 | 6.15 | 1500 | 2.08 | 0.30 | 7050M | 11.03 | 1500 | 3.37 | 0.26 | 7705 | 7.89 | 1500 | 2.85 | 0.33 |
| 5551 | 27.50 | 1500 | 8.11 | 0.26 | 7090M | 8.09 | 1500 | 2.47 | 0.26 | 7710 | 5.50 | 1500 | 1.75 | 0.27 |
| 5604 | 4.68 | 1500 | 1.48 | 0.27 | 7097 | - | - | 1.47 | 0.26 | 7711 | 46.59 | 1500 | 15.05 | 0.27 |
| 5606 | 2.06 | 819 | 0.66 | 0.27 | 7098M | 8.91 | 1500 | 2.59 | 0.26 | 7720 | 4.83 | 1500 | 1.64 | 0.30 |
| 5610 | 8.36 | 1500 | 3.18 | 0.36 | 7099M | 12.15 | 1500 | 3.53 | 0.26 | 7723 | 3.16 | 1171 | 0.95 | 0.26 |
| 5645 | 19.35 | 1500 | 6.18 | 0.27 | 7133 | 7.68 | 1500 | 2.44 | 0.27 | 7731* | 5.70 | 5750 | 2.04 | 0.33 |
| 5703 | 20.20 | 1500 | 6.88 | 0.30 | 7151M | 9.33 | 1500 | 2.97 | 0.27 | 7855 | 5.79 | 1500 | 1.95 | 0.30 |
| 5705 | 36.40 | 1500 | 11.99 | 0.30 | 7152M | 14.13 | 1500 | 4.49 | 0.27 | 8001 | 3.13 | 1162 | 1.23 | 0.40 |
| 5951 | 0.61 | 355 | 0.24 | 0.40 | 7153M | 10.36 | 1500 | 3.29 | 0.27 | 8002 | 3.00 | 1120 | 1.15 | 0.37 |
| 6003 | 15.44 | 1500 | 5.16 | 0.30 | 7219 | 11.33 | 1500 | 3.57 | 0.27 | 8006 | 3.98 | 1434 | 1.51 | 0.36 |
| 6005 | 12.76 | 1500 | 4.32 | 0.30 | 7222 | 10.53 | 1500 | 3.52 | 0.30 | 8008 | 1.52 | 646 | 0.60 | 0.40 |
| 6017 | - | - | 3.56 | 0.27 | 7225 | 9.99 | 1500 | 3.37 | 0.30 | 8010 | 2.86 | 1075 | 1.13 | 0.40 |
| 6018 | 4.27 | 1500 | 1.40 | 0.30 | 7228 | - | - | 3.57 | 0.27 | 8013 | 0.65 | 368 | 0.25 | 0.36 |
| 6045 | 8.54 | 1500 | 2.85 | 0.30 | 7229 | - | - | 3.57 | 0.27 | 8015 | 1.36 | 595 | 0.52 | 0.36 |
| 6204 | 15.60 | 1500 | 4.98 | 0.27 | 7230 | 13.54 | 1500 | 4.84 | 0.33 | 8017 | 2.75 | 1040 | 1.08 | 0.40 |
| 6206 | 4.96 | 1500 | 1.45 | 0.26 | 7231 | 14.55 | 1500 | 5.23 | 0.33 | 8018 | 5.03 | 1500 | 1.96 | 0.40 |
| 6213 | 2.57 | 982 | 0.81 | 0.27 | 7232 | 13.24 | 1500 | 4.13 | 0.27 | 8021 | 4.75 | 1500 | 1.81 | 0.36 |
| 6214 | 3.18 | 1178 | 0.93 | 0.26 | 7309F | 15.96 | 1500 | 4.66 | 0.24 | 8031 | 3.73 | 1354 | 1.43 | 0.36 |
| 6216 | 9.39 | 1500 | 2.74 | 0.26 | 7313F | 6.42 | 1500 | 1.87 | 0.24 | 8032 | 3.32 | 1222 | 1.30 | 0.40 |
| 6217 | 6.64 | 1500 | 2.11 | 0.27 | 7317F | 10.00 | 1500 | 2.91 | 0.24 | 8033 | 3.40 | 1248 | 1.30 | 0.36 |
| 6229 | 7.59 | 1500 | 2.40 | 0.27 | 7327F | 29.74 | 1500 | 8.70 | 0.24 | 8037 | 2.72 | 1030 | 1.08 | 0.40 |
| 6233 | 4.26 | 1500 | 1.33 | 0.27 | 7333M | 3.60 | 1312 | 1.04 | 0.26 | 8039 | 2.50 | 960 | 0.99 | 0.40 |
| 6235 | 8.82 | 1500 | 2.56 | 0.26 | 7335M | 3.99 | 1437 | 1.15 | 0.26 | 8044 | 5.53 | 1500 | 2.00 | 0.33 |
| 6236 | 11.91 | 1500 | 4.01 | 0.30 | 7337M | 5.45 | 1500 | 1.57 | 0.26 | 8045 | 1.31 | 579 | 0.51 | 0.40 |
| 6237 | 2.44 | 941 | 0.82 | 0.30 | 7350F | 16.08 | 1500 | 4.96 | 0.25 | 8046 | 4.68 | 1500 | 1.79 | 0.36 |
| 6251D | 9.47 | 1500 | 2.95 | 0.27 | 7360 | 5.78 | 1500 | 1.96 | 0.30 | 8047 | 1.42 | 614 | 0.56 | 0.40 |
| 6252D | 5.56 | 1500 | 1.60 | 0.26 | 7370 | 7.28 | 1500 | 2.79 | 0.36 | 8058 | 3.60 | 1312 | 1.38 | 0.36 |
| 6260 | - | - | 2.95 | 0.27 | 7380 | 10.74 | 1500 | 3.84 | 0.33 | 8072 | 1.18 | 538 | 0.47 | 0.40 |
| 6306 | 9.57 | 1500 | 3.05 | 0.27 | 7382 | 5.30 | 1500 | 2.02 | 0.36 | 8102 | 3.34 | 1229 | 1.32 | 0.40 |
| 6319 | 6.26 | 1500 | 1.97 | 0.27 | 7390 | 19.58 | 1500 | 7.38 | 0.36 | 8103 | 5.83 | 1500 | 2.13 | 0.33 |
| 6325 | 5.95 | 1500 | 1.88 | 0.27 | 7394M | 6.91 | 1500 | 2.03 | 0.26 | 8105 | - | - | 1.96 | 0.40 |
| 6400 | 11.83 | 1500 | 4.26 | 0.33 | 7395M | 7.68 | 1500 | 2.25 | 0.26 | 8106 | 7.84 | 1500 | 2.68 | 0.30 |
| 6503 | 3.98 | 1434 | 1.54 | 0.39 | 7398M | 10.48 | 1500 | 3.07 | 0.26 | 8107 | 5.30 | 1500 | 1.80 | 0.30 |
| 6504 | 4.53 | 1500 | 1.78 | 0.40 | 7402 | 0.15 | 208 | 0.06 | 0.36 | 8111 | 3.32 | 1222 | 1.26 | 0.36 |
| 6702M* | 7.02 | 1500 | 2.37 | 0.30 | 7403 | 5.60 | 1500 | 1.89 | 0.30 | 8116 | 4.03 | 1450 | 1.53 | 0.36 |
| 6703M* | 10.64 | 1500 | 3.59 | 0.30 | 7405N | 2.28 | 1283 | 0.76 | 0.30 | 8203 | 10.02 | 1500 | 3.78 | 0.36 |
| 6704M* | 7.81 | 1500 | 2.64 | 0.30 | 7420 | 11.00 | 1500 | 3.16 | 0.26 | 8204 | 8.59 | 1500 | 2.96 | 0.30 |
| 6801F | 5.89 | 1500 | 1.91 | 0.28 | 7421 | 1.13 | 522 | 0.36 | 0.27 | 8209 | 6.50 | 1500 | 2.49 | 0.36 |
| 6811 | 6.99 | 1500 | 2.38 | 0.30 | 7422 | 1.93 | 778 | 0.56 | 0.26 | 8215 | 5.55 | 1500 | 1.90 | 0.30 |
| 6824F | 16.75 | 1500 | 5.20 | 0.25 | 7425 | 3.42 | 1254 | 0.98 | 0.26 | 8227 | 7.26 | 1500 | 2.13 | 0.26 |
| 6826F | 7.24 | 1500 | 2.34 | 0.28 | 7431N | 1.31 | 803 | 0.38 | 0.26 | 8232 | 8.86 | 1500 | 3.01 | 0.30 |
| 6834 | 4.03 | 1450 | 1.46 | 0.33 | 7445N | 1.23 | - | - | - | 8233 | 5.19 | 1500 | 1.72 | 0.30 |
| 6836 | 5.29 | 1500 | 1.80 | 0.30 | 7453N | 0.70 | - | - | - | 8235 | 7.32 | 1500 | 2.77 | 0.36 |
| 6843F | 13.15 | 1500 | 3.83 | 0.24 | 7502 | 3.14 | 1165 | 1.06 | 0.30 | 8263 | 9.28 | 1500 | 3.39 | 0.33 |
| 6845F | 6.48 | 1500 | 1.89 | 0.24 | 7515 | 1.70 | 704 | 0.50 | 0.26 | 8264 | 9.77 | 1500 | 3.35 | 0.30 |
| 6854 | 7.15 | 1500 | 2.10 | 0.26 | 7520 | 3.73 | 1354 | 1.42 | 0.36 | 8265 | 9.76 | 1500 | 3.12 | 0.27 |
| 6872F | 12.28 | 1500 | 3.58 | 0.24 | 7538 | 5.25 | 1500 | 1.54 | 0.26 | 8279 | 8.09 | 1500 | 2.61 | 0.27 |
| 6874F | 21.41 | 1500 | 6.24 | 0.24 | 7539 | 2.03 | 810 | 0.64 | 0.27 | 8288 | 11.26 | 1500 | 3.89 | 0.30 |
| 6882 | 5.89 | 1500 | 1.74 | 0.26 | 7540 | 4.37 | 1500 | 1.30 | 0.26 | 8291 | 7.06 | 1500 | 2.53 | 0.33 |
| 6884 | 7.69 | 1500 | 2.22 | 0.26 | 7580 | 4.19 | 1500 | 1.42 | 0.30 | 8292 | 5.45 | 1500 | 2.07 | 0.36 |

Refer to the special classification section of the **Basic Manual** for any state specific classification phraseology.

* Refer to the Footnotes Page for additional information on this class code.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

CONNECTICUT

Effective January 1, 2021

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

| CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO | CLASS CODE | RATE | MIN PREM | ELR | D RATIO |
|------------|-------|----------|------|---------|------------|-------|----------|-------|---------|------------|------|----------|-----|---------|
| 8293 | 17.66 | 1500 | 6.04 | 0.30 | 9015 | 4.83 | 1500 | 1.83 | 0.36 | | | | | |
| 8304 | 8.37 | 1500 | 2.85 | 0.30 | 9016 | 3.90 | 1408 | 1.50 | 0.37 | | | | | |
| 8350 | 11.59 | 1500 | 3.67 | 0.27 | 9019 | 3.81 | 1379 | 1.31 | 0.30 | | | | | |
| 8380 | 4.14 | 1485 | 1.50 | 0.33 | 9033 | 6.48 | 1500 | 2.47 | 0.36 | | | | | |
| 8381 | 2.88 | 1082 | 1.04 | 0.33 | 9040 | 4.93 | 1500 | 1.93 | 0.40 | | | | | |
| 8385 | 4.04 | 1453 | 1.38 | 0.30 | 9044 | 1.96 | 787 | 0.78 | 0.40 | | | | | |
| 8392 | 3.83 | 1386 | 1.47 | 0.36 | 9052 | 3.59 | 1309 | 1.41 | 0.40 | | | | | |
| 8393 | 3.52 | 1286 | 1.33 | 0.36 | 9058 | 2.54 | 973 | 1.04 | 0.44 | | | | | |
| 8399 | - | - | 2.55 | 0.33 | 9060 | 1.93 | 778 | 0.76 | 0.40 | | | | | |
| 8500 | 11.90 | 1500 | 4.06 | 0.30 | 9061 | 1.87 | 758 | 0.77 | 0.44 | | | | | |
| 8601 | 0.46 | 307 | 0.17 | 0.33 | 9063 | 1.16 | 531 | 0.46 | 0.40 | | | | | |
| 8602 | 1.62 | 678 | 0.58 | 0.33 | 9077F | 4.53 | 1500 | 1.60 | 0.35 | | | | | |
| 8603 | 0.13 | 202 | 0.05 | 0.36 | 9082 | 1.60 | 672 | 0.67 | 0.44 | | | | | |
| 8606 | 3.29 | 1213 | 1.04 | 0.27 | 9083 | 1.74 | 717 | 0.72 | 0.44 | | | | | |
| 8709F | 15.45 | 1500 | 4.50 | 0.24 | 9084 | 2.47 | 950 | 0.95 | 0.37 | | | | | |
| 8719 | 5.50 | 1500 | 1.58 | 0.26 | 9088a | a | a | a | a | | | | | |
| 8720 | 2.23 | 874 | 0.76 | 0.30 | 9089 | 1.52 | 646 | 0.61 | 0.40 | | | | | |
| 8721 | 0.38 | 282 | 0.13 | 0.30 | 9093 | 2.24 | 877 | 0.90 | 0.40 | | | | | |
| 8723 | 0.16 | 211 | 0.06 | 0.36 | 9101 | 5.32 | 1500 | 2.09 | 0.40 | | | | | |
| 8725 | 4.57 | 1500 | 1.54 | 0.30 | 9102 | 4.27 | 1500 | 1.63 | 0.36 | | | | | |
| 8726F | 3.49 | 1277 | 1.13 | 0.28 | 9154 | 2.39 | 925 | 0.92 | 0.37 | | | | | |
| 8734M | 0.56 | 339 | 0.19 | 0.30 | 9156 | 3.40 | 1248 | 1.24 | 0.33 | | | | | |
| 8737M | 0.49 | 317 | 0.17 | 0.30 | 9170 | 17.01 | 1500 | 5.04 | 0.26 | | | | | |
| 8738M | 0.75 | 400 | 0.26 | 0.30 | 9178 | 7.19 | 1500 | 3.08 | 0.45 | | | | | |
| 8742 | 0.41 | 291 | 0.14 | 0.30 | 9179 | 25.34 | 1500 | 10.04 | 0.40 | | | | | |
| 8745 | 6.20 | 1500 | 2.24 | 0.33 | 9180 | 8.97 | 1500 | 3.13 | 0.30 | | | | | |
| 8748 | 0.87 | 438 | 0.31 | 0.33 | 9182 | 3.59 | 1309 | 1.40 | 0.37 | | | | | |
| 8754 | 1.08 | 506 | 0.41 | 0.36 | 9186 | 18.40 | 1500 | 5.98 | 0.27 | | | | | |
| 8755 | 0.41 | 291 | 0.14 | 0.30 | 9220 | 7.40 | 1500 | 2.68 | 0.33 | | | | | |
| 8799 | 0.64 | 365 | 0.25 | 0.37 | 9402 | 6.50 | 1500 | 2.21 | 0.30 | | | | | |
| 8800 | 2.29 | 893 | 0.95 | 0.44 | 9403 | 13.72 | 1500 | 4.35 | 0.27 | | | | | |
| 8803 | 0.08 | 186 | 0.02 | 0.30 | 9410 | 5.11 | 1500 | 1.96 | 0.36 | | | | | |
| 8805M | 0.23 | 234 | 0.09 | 0.36 | 9501 | 5.19 | 1500 | 1.88 | 0.33 | | | | | |
| 8810 | 0.16 | 211 | 0.06 | 0.36 | 9505 | 6.58 | 1500 | 2.37 | 0.33 | | | | | |
| 8814M | 0.20 | 224 | 0.07 | 0.36 | 9516 | 4.88 | 1500 | 1.65 | 0.30 | | | | | |
| 8815M | 0.29 | 253 | 0.11 | 0.36 | 9519 | 5.96 | 1500 | 2.00 | 0.30 | | | | | |
| 8820 | 0.26 | 243 | 0.09 | 0.33 | 9521 | 5.17 | 1500 | 1.75 | 0.30 | | | | | |
| 8824 | 4.86 | 1500 | 1.91 | 0.40 | 9522 | 3.19 | 1181 | 1.21 | 0.36 | | | | | |
| 8825 | - | - | 1.36 | 0.37 | 9534 | 8.88 | 1500 | 2.77 | 0.27 | | | | | |
| 8826 | 3.54 | 1293 | 1.36 | 0.37 | 9554 | 15.11 | 1500 | 4.80 | 0.27 | | | | | |
| 8829 | - | - | 1.91 | 0.40 | 9586 | 0.77 | 406 | 0.32 | 0.43 | | | | | |
| 8831 | 2.03 | 810 | 0.79 | 0.37 | 9600 | 3.78 | 1370 | 1.47 | 0.40 | | | | | |
| 8832 | 0.56 | 339 | 0.21 | 0.36 | 9620 | 1.72 | 710 | 0.63 | 0.33 | | | | | |
| 8833 | 1.29 | 573 | 0.49 | 0.36 | | | | | | | | | | |
| 8835 | 3.22 | 1190 | 1.23 | 0.36 | | | | | | | | | | |
| 8842 | 4.99 | 1500 | 1.91 | 0.36 | | | | | | | | | | |
| 8855 | 0.26 | 243 | 0.10 | 0.37 | | | | | | | | | | |
| 8856 | 0.47 | 310 | 0.18 | 0.36 | | | | | | | | | | |
| 8864 | 3.52 | 1286 | 1.36 | 0.37 | | | | | | | | | | |
| 8868 | 0.56 | 339 | 0.22 | 0.40 | | | | | | | | | | |
| 8869 | 1.44 | 621 | 0.57 | 0.40 | | | | | | | | | | |
| 8871 | 0.10 | 192 | 0.04 | 0.40 | | | | | | | | | | |
| 8901 | 0.28 | 250 | 0.10 | 0.33 | | | | | | | | | | |
| 9012 | 1.33 | 586 | 0.48 | 0.33 | | | | | | | | | | |
| 9014 | 4.35 | 1500 | 1.66 | 0.36 | | | | | | | | | | |

Refer to the special classification section of the **Basic Manual** for any state specific classification phraseology.

* Refer to the Footnotes Page for additional information on this class code.

Effective January 1, 2021

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

FOOTNOTES

- a Rate for each individual risk must be obtained by NCCI Customer Service or the Rating Organization having jurisdiction.
- A Minimum Premium \$100 per ginning location for policy minimum premium computation.
- D Rate for classification already includes the specific disease loading shown in the table below. See **Basic Manual** Rule 3-A-7.

| Disease | | | Disease | | | Disease | | |
|----------|---------|--------|----------|---------|--------|----------|---------|--------|
| Code No. | Loading | Symbol | Code No. | Loading | Symbol | Code No. | Loading | Symbol |
| 0059D | 0.29 | S | 1165D | 0.02 | S | 3085D | 0.08 | S |
| 0065D | 0.03 | S | 1624D | 0.02 | S | 4024D | 0.02 | S |
| 0066D | 0.03 | S | 1803D | 0.31 | S | 6251D | 0.03 | S |
| 0067D | 0.03 | S | 3081D | 0.07 | S | 6252D | 0.03 | S |
| 1164D | 0.05 | S | 3082D | 0.07 | S | | | |

S=Silica

- F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions.
- M Risks are subject to Admiralty Law or Federal Employers Liability Act (FELA). However, the published rate is for risks that voluntarily purchase standard workers compensation and employers liability coverage. The listed codes of 6702, 6703, 6704, 7151, 7152, 7153, 8734, 8737, 8738, 8805, 8814, and 8815 under the Federal Employers' Liability Act (FELA) for employees of interstate railroads are not applicable in the residual market.
- N This code is part of a ratable / non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.

| Class Code | Non-Ratable Element Code |
|------------|--------------------------|
| 4771 | 0771 |
| 7405 | 7445 |
| 7431 | 7453 |

- P Classification is computed on a per capita basis.

*** Class Codes with Specific Footnotes**

- 6702 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate and elr each x 1.215.
- 6703 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate and elr each x 1.841.
- 6704 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate and elr each x 1.35.
- 7731 Rate per Service Response.

Effective January 1, 2021
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES

Basis of premium applicable in accordance with **Basic Manual** footnote instructions for Code 7370 --

"Taxicab Co.":

| | |
|--------------------------------|-----------|
| Employee operated vehicle..... | \$107,100 |
| Leased or rented vehicle..... | \$71,400 |

Catastrophe (other than Certified Acts of Terrorism) - (Assigned Risk)..... 0.01

Expense Constant applicable for policies with the following classification in accordance with **Basic Manual**

Rule 3-A-11:

| | |
|----------------------------|-------|
| Per Capita Codes Only..... | \$125 |
| All Other..... | \$160 |

Loss Sensitive Rating Plan (LSRP) - The factors which are used in the calculation of the LSRP are as follows:

| | | | |
|------------------------|-------|---------------------------------|------|
| Basic Premium Factor | 0.40 | Loss Development Factors | |
| Minimum Premium Factor | 0.75 | 1st Adjustment | 0.29 |
| Maximum Premium Factor | 1.75 | 2nd Adjustment | 0.22 |
| Loss Conversion Factor | 1.197 | 3rd Adjustment | 0.17 |
| Tax Multiplier | 1.020 | 4th Adjustment | 0.14 |

Maximum Minimum Premium..... \$1,500

Maximum Weekly Payroll applicable in accordance with the **Basic Manual** footnote instructions for Code 9178 -- "Athletic Sports or Park: Non-Contact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports"..... \$1,350

Maximum Weekly Payroll applicable in accordance with **Basic Manual** Rule 2-E -- "Executive Officers or members of limited liability companies"..... \$2,700

Minimum Premium Multiplier..... 320

Minimum Weekly Payroll applicable in accordance with **Basic Manual** Rule 2-E -- "Executive Officers or members of limited liability companies"..... \$1,350

Premium Determination for Partners and Sole Proprietors in accordance with **Basic Manual** Rule 2-E-3 (Annual Payroll)..... \$71,400

Premium Discount Percentages- (See **Basic Manual** Rule 3-A-19-a.) The following premium discounts are applicable to Standard Premiums:

| | | |
|-------|-------------|------|
| First | \$10,000 | - |
| Next | \$190,000 | 5.1% |
| Next | \$1,550,000 | 6.5% |
| Over | \$1,750,000 | 7.5% |

Premium Reduction Percentages - The following percentages are applicable by deductible amount and hazard group for total losses on a per claim basis:

| Deductible Amount | Total Losses | | | | | | |
|-------------------|--------------|-------|-------|-------|-------|------|------|
| | HAZARD GROUP | | | | | | |
| | A | B | C | D | E | F | G |
| \$1,000 | 5.2% | 3.8% | 3.4% | 2.6% | 2.1% | 1.5% | 1.4% |
| \$5,000 | 13.3% | 10.4% | 9.6% | 7.7% | 6.5% | 5.1% | 4.6% |
| \$10,000 | 19.0% | 15.4% | 14.2% | 11.9% | 10.1% | 8.3% | 7.4% |

Effective January 1, 2021
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES (cont.)

| | |
|---|------|
| Terrorism (Assigned Risk)..... | 0.03 |
| United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with Basic Manual Rule 3-A-4..... | 50% |
| (Multiply a Non-F classification rate by a factor of 1.50 to adjust for the difference in state and federal benefits only.) | |
| Workers Compensation Administration Funds Assessment factors applicable in accordance with the Connecticut State Rule Exception to Basic Manual Rule 3-A-13 (expressed as a percentage of premium): | |
| Industrial Classifications and Maritime/FELA (Program I and Program II State Act)..... | 2.0% |
| F Classifications and Maritime/FELA (Program II USL Act)..... | 3.7% |

Experience Rating Eligibility

A risk qualifies for experience rating on an intrastate basis when it meets the premium eligibility requirements for the state in which it operates. The eligibility amount varies by rating effective date. The **Experience Rating Plan Manual** should be referenced for the latest approved eligibility amounts by state and by effective date.



CONNECTICUT

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Proposed Values for Inclusion in the Experience Rating Plan Manual

The following pages include a summary description of the weighting and ballast values along with proposed values for inclusion in the Experience Rating Plan Manual, such as:

- Table of Weighting Values
- Table of Ballast Values
- Experience rating premium eligibility amounts



CONNECTICUT

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Proposed Values for Inclusion in the Experience Rating Plan Manual

Summary Description of the Weighting and Ballast Values

Table of Weighting Values

The weighting value determines the volume of actual and expected excess losses that will enter the experience modification formula. The weighting value increases as expected losses increase with larger insureds receiving a larger weighting value. The weighting value for various levels of expected losses is provided in the Table of Weighting Values. The table is updated in each experience filing based on the state reference point.

The state reference point is calculated based on Unit Statistical Data as the state average cost per case for the experience rating period multiplied by 250. The state reference point serves to determine how much credibility is assigned to the losses of an individual risk and as an index of claim cost differences by state. The state per claim accident limitation shown on the Table of Weighting Values is 10% of the state reference point.

Table of Ballast Values

The ballast value is a stabilizing value designed to limit the effect of any actual loss experience on the experience rating modification. It is added to both the numerator and denominator in the experience modification calculation and increases as expected losses increase. The ballast value for various levels of expected loss ranges is provided in the Table of Ballast Values. The table is updated based on the state reference point. The G value used in the ballast formula is the state reference point divided by 250,000, rounded to the nearest 0.05.

Effective January 1, 2021
TABLE OF WEIGHTING VALUES
APPLICABLE TO ALL POLICIES
Experience Rating Program - ERA

| Expected Losses | | | Weighting Values | Expected Losses | | | Weighting Values |
|-----------------|----|-----------|------------------|-----------------|----------|-------------|------------------|
| 0 | -- | 2,492 | 0.04 | 1,405,259 | -- | 1,482,772 | 0.44 |
| 2,493 | -- | 10,074 | 0.05 | 1,482,773 | -- | 1,564,774 | 0.45 |
| 10,075 | -- | 17,818 | 0.06 | 1,564,775 | -- | 1,651,665 | 0.46 |
| 17,819 | -- | 25,729 | 0.07 | 1,651,666 | -- | 1,743,898 | 0.47 |
| 25,730 | -- | 33,814 | 0.08 | 1,743,899 | -- | 1,841,982 | 0.48 |
| 33,815 | -- | 56,557 | 0.09 | 1,841,983 | -- | 1,946,493 | 0.49 |
| 56,558 | -- | 84,187 | 0.10 | 1,946,494 | -- | 2,058,084 | 0.50 |
| 84,188 | -- | 108,764 | 0.11 | 2,058,085 | -- | 2,177,502 | 0.51 |
| 108,765 | -- | 132,693 | 0.12 | 2,177,503 | -- | 2,305,600 | 0.52 |
| 132,694 | -- | 156,627 | 0.13 | 2,305,601 | -- | 2,443,361 | 0.53 |
| 156,628 | -- | 180,854 | 0.14 | 2,443,362 | -- | 2,591,922 | 0.54 |
| 180,855 | -- | 205,541 | 0.15 | 2,591,923 | -- | 2,752,607 | 0.55 |
| 205,542 | -- | 230,798 | 0.16 | 2,752,608 | -- | 2,926,963 | 0.56 |
| 230,799 | -- | 256,709 | 0.17 | 2,926,964 | -- | 3,116,813 | 0.57 |
| 256,710 | -- | 283,344 | 0.18 | 3,116,814 | -- | 3,324,320 | 0.58 |
| 283,345 | -- | 310,766 | 0.19 | 3,324,321 | -- | 3,552,067 | 0.59 |
| 310,767 | -- | 339,035 | 0.20 | 3,552,068 | -- | 3,803,169 | 0.60 |
| 339,036 | -- | 368,208 | 0.21 | 3,803,170 | -- | 4,081,413 | 0.61 |
| 368,209 | -- | 398,344 | 0.22 | 4,081,414 | -- | 4,391,452 | 0.62 |
| 398,345 | -- | 429,503 | 0.23 | 4,391,453 | -- | 4,739,067 | 0.63 |
| 429,504 | -- | 461,747 | 0.24 | 4,739,068 | -- | 5,131,533 | 0.64 |
| 461,748 | -- | 495,143 | 0.25 | 5,131,534 | -- | 5,578,127 | 0.65 |
| 495,144 | -- | 529,758 | 0.26 | 5,578,128 | -- | 6,090,879 | 0.66 |
| 529,759 | -- | 565,668 | 0.27 | 6,090,880 | -- | 6,685,667 | 0.67 |
| 565,669 | -- | 602,950 | 0.28 | 6,685,668 | -- | 7,383,892 | 0.68 |
| 602,951 | -- | 641,689 | 0.29 | 7,383,893 | -- | 8,215,107 | 0.69 |
| 641,690 | -- | 681,975 | 0.30 | 8,215,108 | -- | 9,221,310 | 0.70 |
| 681,976 | -- | 723,907 | 0.31 | 9,221,311 | -- | 10,464,261 | 0.71 |
| 723,908 | -- | 767,590 | 0.32 | 10,464,262 | -- | 12,038,661 | 0.72 |
| 767,591 | -- | 813,139 | 0.33 | 12,038,662 | -- | 14,097,484 | 0.73 |
| 813,140 | -- | 860,677 | 0.34 | 14,097,485 | -- | 16,904,964 | 0.74 |
| 860,678 | -- | 910,341 | 0.35 | 16,904,965 | -- | 20,960,204 | 0.75 |
| 910,342 | -- | 962,278 | 0.36 | 20,960,205 | -- | 27,332,714 | 0.76 |
| 962,279 | -- | 1,016,650 | 0.37 | 27,332,715 | -- | 38,803,217 | 0.77 |
| 1,016,651 | -- | 1,073,633 | 0.38 | 38,803,218 | -- | 65,567,704 | 0.78 |
| 1,073,634 | -- | 1,133,421 | 0.39 | 65,567,705 | -- | 199,390,070 | 0.79 |
| 1,133,422 | -- | 1,196,229 | 0.40 | 199,390,071 | AND OVER | 0.80 | |
| 1,196,230 | -- | 1,262,293 | 0.41 | | | | |
| 1,262,294 | -- | 1,331,872 | 0.42 | | | | |
| 1,331,873 | -- | 1,405,258 | 0.43 | | | | |

- (a) G 11.90
- (b) State Per Claim Accident Limitation \$297,000
- (c) State Multiple Claim Accident Limitation \$594,000
- (d) USL&HW Per Claim Accident Limitation \$665,000
- (e) USL&HW Multiple Claim Accident Limitation \$1,330,000
- (f) Employers Liability Accident Limitation \$55,000
- (g) Primary/Excess Loss Split Point \$18,000
- (h) USL&HW Act -- Expected Loss Factor -- Non-F Classes 1.50
- (i) (Multiply a Non-F classification ELR by the USL&HW Act - Expected Loss Factor of 1.50.)

Effective January 1, 2021
TABLE OF BALLAST VALUES
APPLICABLE TO ALL POLICIES
Experience Rating Plan - ERA

| Expected Losses | Ballast Values | Expected Losses | Ballast Values | Expected Losses | Ballast Values |
|------------------------|----------------|------------------------|----------------|------------------------|----------------|
| 0 -- 64,008 | 29,750 | 2,053,952 -- 2,113,417 | 238,000 | 4,135,848 -- 4,195,339 | 446,250 |
| 64,009 -- 110,163 | 35,700 | 2,113,418 -- 2,172,886 | 243,950 | 4,195,340 -- 4,254,831 | 452,200 |
| 110,164 -- 163,197 | 41,650 | 2,172,887 -- 2,232,355 | 249,900 | 4,254,832 -- 4,314,323 | 458,150 |
| 163,198 -- 219,144 | 47,600 | 2,232,356 -- 2,291,827 | 255,850 | 4,314,324 -- 4,373,815 | 464,100 |
| 219,145 -- 276,452 | 53,550 | 2,291,828 -- 2,351,300 | 261,800 | 4,373,816 -- 4,433,307 | 470,050 |
| 276,453 -- 334,479 | 59,500 | 2,351,301 -- 2,410,774 | 267,750 | 4,433,308 -- 4,492,800 | 476,000 |
| 334,480 -- 392,926 | 65,450 | 2,410,775 -- 2,470,249 | 273,700 | 4,492,801 -- 4,552,293 | 481,950 |
| 392,927 -- 451,637 | 71,400 | 2,470,250 -- 2,529,726 | 279,650 | 4,552,294 -- 4,611,786 | 487,900 |
| 451,638 -- 510,526 | 77,350 | 2,529,727 -- 2,589,204 | 285,600 | 4,611,787 -- 4,671,279 | 493,850 |
| 510,527 -- 569,538 | 83,300 | 2,589,205 -- 2,648,682 | 291,550 | 4,671,280 -- 4,730,772 | 499,800 |
| 569,539 -- 628,640 | 89,250 | 2,648,683 -- 2,708,162 | 297,500 | 4,730,773 -- 4,790,266 | 505,750 |
| 628,641 -- 687,809 | 95,200 | 2,708,163 -- 2,767,642 | 303,450 | 4,790,267 -- 4,849,760 | 511,700 |
| 687,810 -- 747,030 | 101,150 | 2,767,643 -- 2,827,123 | 309,400 | 4,849,761 -- 4,909,253 | 517,650 |
| 747,031 -- 806,292 | 107,100 | 2,827,124 -- 2,886,606 | 315,350 | 4,909,254 -- 4,968,747 | 523,600 |
| 806,293 -- 865,585 | 113,050 | 2,886,607 -- 2,946,088 | 321,300 | 4,968,748 -- 5,028,242 | 529,550 |
| 865,586 -- 924,905 | 119,000 | 2,946,089 -- 3,005,572 | 327,250 | 5,028,243 -- 5,087,736 | 535,500 |
| 924,906 -- 984,246 | 124,950 | 3,005,573 -- 3,065,056 | 333,200 | 5,087,737 -- 5,147,230 | 541,450 |
| 984,247 -- 1,043,605 | 130,900 | 3,065,057 -- 3,124,541 | 339,150 | 5,147,231 -- 5,206,725 | 547,400 |
| 1,043,606 -- 1,102,979 | 136,850 | 3,124,542 -- 3,184,026 | 345,100 | 5,206,726 -- 5,266,219 | 553,350 |
| 1,102,980 -- 1,162,366 | 142,800 | 3,184,027 -- 3,243,512 | 351,050 | 5,266,220 -- 5,325,714 | 559,300 |
| 1,162,367 -- 1,221,764 | 148,750 | 3,243,513 -- 3,302,998 | 357,000 | 5,325,715 -- 5,385,209 | 565,250 |
| 1,221,765 -- 1,281,171 | 154,700 | 3,302,999 -- 3,362,485 | 362,950 | 5,385,210 -- 5,444,704 | 571,200 |
| 1,281,172 -- 1,340,587 | 160,650 | 3,362,486 -- 3,421,972 | 368,900 | 5,444,705 -- 5,504,199 | 577,150 |
| 1,340,588 -- 1,400,009 | 166,600 | 3,421,973 -- 3,481,460 | 374,850 | 5,504,200 -- 5,563,694 | 583,100 |
| 1,400,010 -- 1,459,438 | 172,550 | 3,481,461 -- 3,540,948 | 380,800 | 5,563,695 -- 5,623,190 | 589,050 |
| 1,459,439 -- 1,518,872 | 178,500 | 3,540,949 -- 3,600,436 | 386,750 | 5,623,191 -- 5,682,250 | 595,000 |
| 1,518,873 -- 1,578,311 | 184,450 | 3,600,437 -- 3,659,925 | 392,700 | | |
| 1,578,312 -- 1,637,755 | 190,400 | 3,659,926 -- 3,719,414 | 398,650 | | |
| 1,637,756 -- 1,697,203 | 196,350 | 3,719,415 -- 3,778,904 | 404,600 | | |
| 1,697,204 -- 1,756,654 | 202,300 | 3,778,905 -- 3,838,394 | 410,550 | | |
| 1,756,655 -- 1,816,108 | 208,250 | 3,838,395 -- 3,897,884 | 416,500 | | |
| 1,816,109 -- 1,875,565 | 214,200 | 3,897,885 -- 3,957,374 | 422,450 | | |
| 1,875,566 -- 1,935,025 | 220,150 | 3,957,375 -- 4,016,865 | 428,400 | | |
| 1,935,026 -- 1,994,487 | 226,100 | 4,016,866 -- 4,076,356 | 434,350 | | |
| 1,994,488 -- 2,053,951 | 232,050 | 4,076,357 -- 4,135,847 | 440,300 | | |

For Expected Losses greater than \$5,682,250, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})(11.90) / (\text{Expected Losses} + (700)(11.90))$$

G = 11.90

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

CONNECTICUT—UPDATE TO EXPERIENCE RATING PREMIUM ELIGIBILITY

EXPERIENCE RATING PLAN MANUAL—2003 EDITION RULE 2—EXPERIENCE RATING ELEMENTS AND FORMULA A. PREMIUM ELIGIBILITY

2. State Subject Premium Eligibility Amounts

A risk qualifies for experience rating when its subject premium, developed in its experience period, meets or exceeds the minimum eligibility amount shown in the State Table of Subject Premium Eligibility Amounts in Rule 2-A-2-c. *Refer to Rule 2-E-1 to determine a risk's experience period.*

- a. A risk qualifies for experience rating if its data within the most recent 24 months of the experience period develops a subject premium of at least the amount shown in Column A.
- b. A risk may not qualify according to Rule 2-A-2-a. If it has more than the amount of experience referenced in Rule 2-A-2-a, then to qualify for experience rating the risk must develop an average annual subject premium of at least the amount shown in Column B. *Refer to Rule 2-A-3 to determine average annual subject premium.*
- c. A risk's rating effective date determines the applicable Column A and Column B subject premium eligibility amounts required to qualify for experience rating. *Refer to Rule 2-B for rating effective date determination.*

State Table of Subject Premium Eligibility Amounts

| State | Rating Effective Date | Column A (\$) | Column B (\$) |
|-------|-------------------------|---------------|---------------|
| CT | <u>7/1/21 and after</u> | <u>12,000</u> | <u>6,000</u> |
| | <u>7/1/20 - 6/30/21</u> | 11,500 | 5,750 |
| | <u>7/1/19 - 6/30/20</u> | 11,500 | 5,750 |

NOTE: This exhibit revises the Connecticut experience rating subject premium eligibility amounts shown in the State Table of Subject Premium Eligibility Amounts in NCCI's *Experience Rating Plan Manual* national Rule 2-A-2. The content shown in this table is not a complete replacement of the existing State Table of Subject Premium Eligibility Amounts. The premium eligibility amounts are applicable to all policies.



CONNECTICUT

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Proposed Values for Inclusion in the Retrospective Rating Plan Manual

The following pages include values for inclusion in the Retrospective Rating Plan Manual, such as:

- Excess loss pure premium factors
- Excess loss and allocated expense pure premium factors
- Hazard group average cost per case
- Hazard group average cost per case including ALAE
- Retrospective pure premium development factors

Effective January 1, 2021

1. Average Cost per Case by Hazard Group

| A | B | C | D | E | F | G |
|-------|--------|--------|--------|--------|--------|--------|
| 9,911 | 14,024 | 15,797 | 21,555 | 27,963 | 39,848 | 43,097 |

Average Cost per Case including ALAE by Hazard Group

| A | B | C | D | E | F | G |
|--------|--------|--------|--------|--------|--------|--------|
| 11,081 | 15,667 | 17,634 | 24,040 | 31,156 | 44,366 | 47,894 |

2.

Excess Loss Pure Premium Factors
(Applicable to New and Renewal Policies)

| Per Accident Limitation | Hazard Groups | | | | | | |
|----------------------------|---------------|-------|-------|-------|-------|-------|-------|
| | A | B | C | D | E | F | G |
| \$10,000 | 0.628 | 0.668 | 0.681 | 0.707 | 0.727 | 0.748 | 0.758 |
| \$15,000 | 0.581 | 0.625 | 0.641 | 0.671 | 0.694 | 0.719 | 0.732 |
| \$20,000 | 0.542 | 0.590 | 0.607 | 0.640 | 0.666 | 0.694 | 0.710 |
| \$25,000 | 0.510 | 0.559 | 0.578 | 0.612 | 0.641 | 0.671 | 0.690 |
| \$30,000 | 0.482 | 0.533 | 0.552 | 0.588 | 0.619 | 0.651 | 0.671 |
| \$35,000 | 0.458 | 0.510 | 0.530 | 0.567 | 0.599 | 0.633 | 0.655 |
| \$40,000 | 0.437 | 0.489 | 0.510 | 0.548 | 0.581 | 0.616 | 0.639 |
| \$50,000 | 0.402 | 0.454 | 0.475 | 0.514 | 0.550 | 0.586 | 0.612 |
| \$75,000 | 0.338 | 0.389 | 0.411 | 0.451 | 0.488 | 0.527 | 0.557 |
| \$100,000 | 0.294 | 0.343 | 0.366 | 0.405 | 0.443 | 0.483 | 0.515 |
| \$125,000 | 0.261 | 0.308 | 0.331 | 0.370 | 0.408 | 0.448 | 0.482 |
| \$150,000 | 0.235 | 0.281 | 0.303 | 0.341 | 0.380 | 0.419 | 0.455 |
| \$175,000 | 0.214 | 0.258 | 0.281 | 0.318 | 0.356 | 0.395 | 0.431 |
| \$200,000 | 0.197 | 0.239 | 0.261 | 0.298 | 0.336 | 0.374 | 0.411 |
| \$225,000 | 0.182 | 0.223 | 0.245 | 0.281 | 0.318 | 0.356 | 0.393 |
| \$250,000 | 0.170 | 0.209 | 0.231 | 0.266 | 0.303 | 0.340 | 0.378 |
| \$275,000 | 0.159 | 0.197 | 0.218 | 0.252 | 0.289 | 0.326 | 0.363 |
| \$300,000 | 0.149 | 0.186 | 0.207 | 0.240 | 0.277 | 0.313 | 0.351 |
| \$325,000 | 0.141 | 0.177 | 0.197 | 0.230 | 0.265 | 0.301 | 0.339 |
| \$350,000 | 0.133 | 0.168 | 0.188 | 0.220 | 0.255 | 0.290 | 0.328 |
| \$375,000 | 0.127 | 0.161 | 0.180 | 0.211 | 0.246 | 0.280 | 0.318 |
| \$400,000 | 0.120 | 0.154 | 0.173 | 0.203 | 0.238 | 0.271 | 0.309 |
| \$425,000 | 0.115 | 0.147 | 0.166 | 0.196 | 0.230 | 0.263 | 0.301 |
| \$450,000 | 0.110 | 0.141 | 0.160 | 0.189 | 0.223 | 0.255 | 0.293 |
| \$475,000 | 0.105 | 0.136 | 0.155 | 0.183 | 0.216 | 0.248 | 0.286 |
| \$500,000 | 0.101 | 0.131 | 0.149 | 0.177 | 0.210 | 0.241 | 0.279 |
| \$600,000 | 0.087 | 0.114 | 0.132 | 0.158 | 0.188 | 0.218 | 0.255 |
| \$700,000 | 0.077 | 0.102 | 0.118 | 0.143 | 0.172 | 0.200 | 0.236 |
| \$800,000 | 0.069 | 0.092 | 0.107 | 0.130 | 0.158 | 0.185 | 0.220 |
| \$900,000 | 0.062 | 0.084 | 0.098 | 0.120 | 0.147 | 0.172 | 0.206 |
| \$1,000,000 | 0.057 | 0.077 | 0.091 | 0.112 | 0.137 | 0.161 | 0.195 |
| \$2,000,000 | 0.031 | 0.043 | 0.053 | 0.067 | 0.085 | 0.102 | 0.130 |
| \$3,000,000 | 0.021 | 0.030 | 0.038 | 0.049 | 0.064 | 0.077 | 0.100 |
| \$4,000,000 | 0.016 | 0.023 | 0.030 | 0.039 | 0.051 | 0.062 | 0.082 |
| \$5,000,000 | 0.012 | 0.019 | 0.024 | 0.032 | 0.042 | 0.052 | 0.069 |
| \$6,000,000 | 0.010 | 0.016 | 0.020 | 0.027 | 0.036 | 0.044 | 0.060 |
| \$7,000,000 | 0.009 | 0.013 | 0.017 | 0.023 | 0.031 | 0.039 | 0.053 |
| \$8,000,000 | 0.007 | 0.011 | 0.015 | 0.020 | 0.027 | 0.034 | 0.047 |
| \$9,000,000 | 0.006 | 0.010 | 0.013 | 0.018 | 0.024 | 0.030 | 0.042 |
| \$10,000,000 | 0.005 | 0.009 | 0.012 | 0.016 | 0.022 | 0.027 | 0.038 |

Effective January 1, 2021

**Excess Loss and Allocated
Expense Pure Premium Factors**
(Applicable to New and Renewal Policies)

| Per Accident Limitation | Hazard Groups | | | | | | |
|----------------------------|---------------|-------|-------|-------|-------|-------|-------|
| | A | B | C | D | E | F | G |
| \$10,000 | 0.710 | 0.753 | 0.766 | 0.794 | 0.815 | 0.837 | 0.847 |
| \$15,000 | 0.659 | 0.707 | 0.723 | 0.755 | 0.781 | 0.807 | 0.820 |
| \$20,000 | 0.617 | 0.669 | 0.687 | 0.722 | 0.751 | 0.780 | 0.797 |
| \$25,000 | 0.582 | 0.636 | 0.656 | 0.693 | 0.724 | 0.756 | 0.775 |
| \$30,000 | 0.552 | 0.608 | 0.628 | 0.667 | 0.700 | 0.735 | 0.756 |
| \$35,000 | 0.526 | 0.582 | 0.604 | 0.644 | 0.679 | 0.715 | 0.738 |
| \$40,000 | 0.503 | 0.560 | 0.582 | 0.623 | 0.659 | 0.697 | 0.721 |
| \$50,000 | 0.464 | 0.521 | 0.544 | 0.587 | 0.625 | 0.664 | 0.692 |
| \$75,000 | 0.393 | 0.449 | 0.474 | 0.517 | 0.558 | 0.600 | 0.632 |
| \$100,000 | 0.344 | 0.398 | 0.423 | 0.466 | 0.508 | 0.552 | 0.586 |
| \$125,000 | 0.307 | 0.360 | 0.385 | 0.427 | 0.470 | 0.513 | 0.550 |
| \$150,000 | 0.278 | 0.329 | 0.354 | 0.396 | 0.438 | 0.481 | 0.519 |
| \$175,000 | 0.254 | 0.304 | 0.328 | 0.369 | 0.412 | 0.454 | 0.493 |
| \$200,000 | 0.235 | 0.283 | 0.307 | 0.347 | 0.389 | 0.431 | 0.471 |
| \$225,000 | 0.218 | 0.265 | 0.288 | 0.328 | 0.369 | 0.411 | 0.451 |
| \$250,000 | 0.204 | 0.249 | 0.272 | 0.311 | 0.352 | 0.393 | 0.434 |
| \$275,000 | 0.192 | 0.235 | 0.258 | 0.296 | 0.337 | 0.377 | 0.418 |
| \$300,000 | 0.181 | 0.223 | 0.246 | 0.283 | 0.323 | 0.363 | 0.404 |
| \$325,000 | 0.171 | 0.212 | 0.234 | 0.271 | 0.310 | 0.350 | 0.391 |
| \$350,000 | 0.162 | 0.202 | 0.224 | 0.260 | 0.299 | 0.338 | 0.379 |
| \$375,000 | 0.154 | 0.193 | 0.215 | 0.250 | 0.288 | 0.327 | 0.368 |
| \$400,000 | 0.147 | 0.185 | 0.207 | 0.241 | 0.279 | 0.317 | 0.357 |
| \$425,000 | 0.141 | 0.178 | 0.199 | 0.232 | 0.270 | 0.307 | 0.348 |
| \$450,000 | 0.135 | 0.171 | 0.192 | 0.225 | 0.262 | 0.298 | 0.339 |
| \$475,000 | 0.129 | 0.165 | 0.185 | 0.218 | 0.254 | 0.290 | 0.331 |
| \$500,000 | 0.124 | 0.159 | 0.179 | 0.211 | 0.247 | 0.283 | 0.323 |
| \$600,000 | 0.108 | 0.139 | 0.159 | 0.188 | 0.223 | 0.256 | 0.296 |
| \$700,000 | 0.095 | 0.124 | 0.143 | 0.170 | 0.203 | 0.235 | 0.274 |
| \$800,000 | 0.085 | 0.112 | 0.130 | 0.156 | 0.187 | 0.218 | 0.256 |
| \$900,000 | 0.077 | 0.102 | 0.119 | 0.144 | 0.174 | 0.203 | 0.241 |
| \$1,000,000 | 0.070 | 0.094 | 0.110 | 0.134 | 0.163 | 0.191 | 0.227 |
| \$2,000,000 | 0.037 | 0.053 | 0.064 | 0.080 | 0.101 | 0.121 | 0.152 |
| \$3,000,000 | 0.025 | 0.036 | 0.046 | 0.058 | 0.075 | 0.090 | 0.116 |
| \$4,000,000 | 0.019 | 0.028 | 0.035 | 0.045 | 0.059 | 0.072 | 0.095 |
| \$5,000,000 | 0.015 | 0.022 | 0.029 | 0.037 | 0.049 | 0.060 | 0.080 |
| \$6,000,000 | 0.012 | 0.018 | 0.024 | 0.031 | 0.042 | 0.052 | 0.070 |
| \$7,000,000 | 0.010 | 0.016 | 0.020 | 0.027 | 0.036 | 0.045 | 0.061 |
| \$8,000,000 | 0.008 | 0.013 | 0.017 | 0.023 | 0.032 | 0.039 | 0.054 |
| \$9,000,000 | 0.007 | 0.012 | 0.015 | 0.020 | 0.028 | 0.035 | 0.048 |
| \$10,000,000 | 0.006 | 0.010 | 0.013 | 0.018 | 0.025 | 0.031 | 0.044 |

3.

Retrospective Pure Premium Development Factors

| With Loss Limit | | | Without Loss Limit | | | 4th & Subsequent Adjustment |
|-----------------|-------------|-------------|--------------------|-------------|-------------|--------------------------------|
| 1st Adj. | 2nd Adj. | 3rd Adj. | 1st Adj. | 2nd Adj. | 3rd Adj. | |
| 0.09 | 0.07 | 0.05 | 0.34 | 0.26 | 0.20 | 0.00 |



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Part 3 Supporting Exhibits

- Exhibit I – Determination of the Indicated Loss Cost Level Change
- Exhibit II – Workers Compensation Loss Adjustment Expense Provision
- Appendix A – Factors Underlying the Proposed Loss Cost Level Change
- Appendix B – Calculations Underlying the Loss Cost Change by Classification
- Appendix C – Memoranda for Laws and Assessments
- Appendix D – Determination of Assigned Risk Rates



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Exhibit I – Determination of the Indicated Loss Cost Level Change

NCCI uses the following general methodology to determine the indicated change based on experience, trend, and benefits for each of the policy years in the experience period:

1. Reported standard earned premium at the Designated Statistical Reporting (DSR) level is developed to an ultimate basis and adjusted (via on-level factors) to the current pure premium level.
2. Reported indemnity and medical losses are limited by a large loss threshold, developed to an ultimate report, and adjusted (via on-level factors) to the current benefit level.
3. Limited indemnity and medical cost ratios excluding trend and benefits are calculated as adjusted losses (step 2) divided by premium available for benefit costs (step 1).
4. Trend factors are applied to the indemnity and medical cost ratios to reflect anticipated changes in the amount of indemnity and medical benefits as compared with anticipated changes in the amount of workers' wages between (i) the years in filing's experience period and (ii) the period during which the proposed loss costs will be in effect.
5. An excess provision is applied to adjust the limited cost ratios to an unlimited basis.
6. The impact of proposed benefit changes is then applied.
7. The separate indemnity and medical cost ratios including benefit changes are then summed to yield the indicated change based on experience, trend, and benefits.

The indicated change based on experience, trend, and benefits for this filing is calculated as the average of the indicated changes for each of the individual policy years in the experience period. Lastly, the impact of the change in loss adjustment expense is applied to determine the indicated overall average loss cost level change.



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EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section A - Policy Year 2018 Experience

Premium:

| | |
|---|---------------|
| (1) Standard Earned Premium Developed to Ultimate (Appendix A-II) | \$534,817,143 |
| (2) Premium On-level Factor (Appendix A-I) | 0.664 |
| (3) Pure Premium Available for Benefit Costs = (1) x (2) | \$355,118,583 |

Indemnity Benefit Cost:

| | |
|--|---------------|
| (4) Limited Indemnity Losses Developed to Ultimate (Appendix A-II) | \$197,177,101 |
| (5) Indemnity Loss On-level Factor (Appendix A-I) | 1.006 |
| (6) Adjusted Limited Indemnity Losses = (4) x (5) | \$198,360,164 |
| (7) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3) | 0.559 |
| (8) Factor to Reflect Indemnity Trend (Appendix A-III) | 0.885 |
| (9) Projected Limited Indemnity Cost Ratio = (7) x (8) | 0.495 |
| (10) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II) | 1.024 |
| (11) Projected Indemnity Cost Ratio = (9) x (10) | 0.507 |
| (12) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C) | 1.000 |
| (13) Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12) | 0.507 |

Medical Benefit Cost:

| | |
|--|---------------|
| (14) Limited Medical Losses Developed to Ultimate (Appendix A-II) | \$167,931,484 |
| (15) Medical Loss On-level Factor (Appendix A-I) | 1.007 |
| (16) Adjusted Limited Medical Losses = (14) x (15) | \$169,107,004 |
| (17) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3) | 0.476 |
| (18) Factor to Reflect Medical Trend (Appendix A-III) | 0.899 |
| (19) Projected Limited Medical Cost Ratio = (17) x (18) | 0.428 |
| (20) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II) | 1.024 |
| (21) Projected Medical Cost Ratio = (19) x (20) | 0.438 |
| (22) Factor to Reflect Proposed Changes in Medical Benefits (Appendix C) | 1.008 |
| (23) Projected Medical Cost Ratio including Benefit Changes = (21) x (22) | 0.442 |

Total Benefit Cost:

| | |
|---|-------|
| (24) Indicated Change Based on Experience, Trend and Benefits = (13) + (23) | 0.949 |
|---|-------|



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EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section B - Policy Year 2017 Experience

Premium:

| | |
|---|---------------|
| (1) Standard Earned Premium Developed to Ultimate (Appendix A-II) | \$591,471,794 |
| (2) Premium On-level Factor (Appendix A-I) | 0.568 |
| (3) Pure Premium Available for Benefit Costs = (1) x (2) | \$335,955,979 |

Indemnity Benefit Cost:

| | |
|--|---------------|
| (4) Limited Indemnity Losses Developed to Ultimate (Appendix A-II) | \$199,537,725 |
| (5) Indemnity Loss On-level Factor (Appendix A-I) | 1.020 |
| (6) Adjusted Limited Indemnity Losses = (4) x (5) | \$203,528,480 |
| (7) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3) | 0.606 |
| (8) Factor to Reflect Indemnity Trend (Appendix A-III) | 0.849 |
| (9) Projected Limited Indemnity Cost Ratio = (7) x (8) | 0.514 |
| (10) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II) | 1.024 |
| (11) Projected Indemnity Cost Ratio = (9) x (10) | 0.526 |
| (12) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C) | 1.000 |
| (13) Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12) | 0.526 |

Medical Benefit Cost:

| | |
|--|---------------|
| (14) Limited Medical Losses Developed to Ultimate (Appendix A-II) | \$175,188,043 |
| (15) Medical Loss On-level Factor (Appendix A-I) | 1.017 |
| (16) Adjusted Limited Medical Losses = (14) x (15) | \$178,166,240 |
| (17) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3) | 0.530 |
| (18) Factor to Reflect Medical Trend (Appendix A-III) | 0.867 |
| (19) Projected Limited Medical Cost Ratio = (17) x (18) | 0.460 |
| (20) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II) | 1.024 |
| (21) Projected Medical Cost Ratio = (19) x (20) | 0.471 |
| (22) Factor to Reflect Proposed Changes in Medical Benefits (Appendix C) | 1.008 |
| (23) Projected Medical Cost Ratio including Benefit Changes = (21) x (22) | 0.475 |

Total Benefit Cost:

| | |
|---|-------|
| (24) Indicated Change Based on Experience, Trend and Benefits = (13) + (23) | 1.001 |
|---|-------|



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EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section C - Indicated Change Based on Experience, Trend, and Benefits

| | |
|---|-------|
| (1) Policy Year 2018 Indicated Change Based on Experience, Trend, and Benefits | 0.949 |
| (2) Policy Year 2017 Indicated Change Based on Experience, Trend, and Benefits | 1.001 |
| (3) Indicated Change Based on Experience, Trend, and Benefits = $[(1)+(2)] / 2$ | 0.975 |

Section D - Application of the Change in Loss-based Expenses

| | |
|--|-------|
| (1) Indicated Loss Cost Level Change | 0.975 |
| (2) Effect of the Change in Loss-based Expenses (Exhibit II) | 1.007 |
| (3) Indicated Change Modified to Reflect the Change in Loss-based Expenses = (1) x (2) | 0.982 |

Section E - Distribution of Overall Loss Cost Level Change to Industry Groups

Industry Group Differentials (Appendix A-IV):

| | |
|-------------------|-------|
| Manufacturing | 1.022 |
| Contracting | 0.994 |
| Office & Clerical | 0.999 |
| Goods & Services | 0.994 |
| Miscellaneous | 0.998 |

Applying these industry group differentials to the final overall loss cost level change produces the changes in loss cost level proposed for each group as shown:

| Industry Group | (1) Final Overall Loss Cost Level Change | (2) Industry Group Differential | (3) = (1) x (2) Final Loss Cost Level Change by Industry Group | |
|-------------------|---|--|---|---------|
| Manufacturing | 0.982 | 1.022 | 1.004 | (+0.4%) |
| Contracting | 0.982 | 0.994 | 0.976 | (-2.4%) |
| Office & Clerical | 0.982 | 0.999 | 0.981 | (-1.9%) |
| Goods & Services | 0.982 | 0.994 | 0.976 | (-2.4%) |
| Miscellaneous | 0.982 | 0.998 | 0.980 | (-2.0%) |
| Overall | 0.982 | 1.000 | 0.982 | (-1.8%) |



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Exhibit II – Workers Compensation Loss Adjustment Expense Provision

The proposed loss costs include a provision for loss adjustment expenses (LAE). LAE is included in the loss costs by using a ratio of loss adjustment expense dollars to loss dollars (called the “LAE provision”). These expenses are directly associated with the handling of workers compensation claims. The LAE provision is comprised of two components: Defense and Cost Containment Expenses (DCCE) and Adjusting and Other Expenses (AOE).

NCCI uses the following general methodology to determine the proposed LAE provision based on data for private carriers.

1. Based on Connecticut-specific data obtained from NCCI’s Policy Year Financial Call, ratios of paid DCCE to paid losses by policy year are developed to an ultimate basis. The proposed DCCE provision is based on the ultimate projected DCCE ratios by policy year.
2. The proposed AOE ratio is based on countrywide data reported to NCCI on its Call for Loss Adjustment Expense. The nature of AOE generally precludes its accurate allocation to specific jurisdictions.
3. The proposed LAE provision is the sum of the separate DCCE and AOE ratio components.



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EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section A - Proposed Change in Connecticut Loss Adjustment Expense Provision

NCCI proposes a 19.7% loss adjustment expense allowance as a percentage of incurred losses. This represents a 0.7% increase from the currently approved loss adjustment expense provision.

| | (1) | (2) |
|-------------------------------|---------------------------|-----------------|
| <u>Connecticut Provisions</u> | <u>Currently Approved</u> | <u>Proposed</u> |
| AOE | 8.0% | 8.9% |
| DCCE | 10.9% | 10.8% |
| Total LAE | 18.9% | 19.7% |

| | | |
|--|-------|---------|
| Proposed Change in Connecticut LAE Provision | 1.007 | (+0.7%) |
| = $[1.0 + (2)] / [1.0 + (1)] - 1$ | | |

Section B - Selection of AOE Provision

The adjusting and other expense data by accident year shown below is based on countrywide data for private carriers. NCCI's countrywide selection for the AOE provision is 8.9%.

| <u>Accident Year</u> | <u>Ultimate AOE Ratio</u> |
|----------------------|---------------------------|
| 2015 | 7.8% |
| 2016 | 8.3% |
| 2017 | 8.9% |
| 2018 | 8.8% |
| 2019 | 8.9% |
| Countrywide Selected | 8.9% |
| Connecticut Selected | 8.9% |



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EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section C - Selection of DCCE Provision

| Policy Year | (1) Reported Ratio of Paid DCCE to Paid Losses | (2) Age-to-Ultimate Development Factor | (3) = (1) x (2) Ultimate DCCE Ratio |
|-------------|---|---|--|
| 2014 | 11.6% | 0.993 | 11.5% |
| 2015 | 10.6% | 0.996 | 10.6% |
| 2016 | 11.2% | 1.000 | 11.2% |
| 2017 | 10.6% | 0.990 | 10.5% |
| 2018 | 10.2% | 1.063 | 10.8% |
| | | Connecticut Selected | 10.8% |

Section D - Summary of Paid DCCE to Paid Loss Ratio Development Factors

| <u>Report</u> | (1) (2) <u>DCCE Ratio Development</u> | |
|---------------|--|--------------------|
| | <u>To Next Report</u> | <u>To Ultimate</u> |
| 1st | 1.074 | 1.063 |
| 2nd | 0.990 | 0.990 |
| 3rd | 1.004 | 1.000 |
| 4th | 1.003 | 0.996 |
| 5th | 0.991 | 0.993 |
| 6th | 0.994 | 1.002 |
| 7th | 0.997 | 1.008 |
| 8th | 0.996 | 1.011 |
| 9th | 1.002 | 1.015 |
| 10th | 0.997 | 1.013 |
| 11th | 1.000 | 1.016 |
| 12th | 1.002 | 1.016 |
| 13th | 0.996 | 1.014 |
| 14th | 1.002 | 1.018 |
| 15th | 0.997 | 1.016 |
| 16th | 1.000 | 1.019 |
| 17th | 1.001 | 1.019 |
| 18th | 1.003 | 1.018 |
| 19th | | 1.015* |

(1) Section E

(2) = Cumulative upward product of column (1)

* Selection



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EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section E - Paid DCCE to Paid Loss Ratio Development Factors

| <u>Valuation</u> | <u>1st/2nd</u> | <u>2nd/3rd</u> | <u>3rd/4th</u> | <u>4th/5th</u> | <u>5th/6th</u> | <u>6th/7th</u> |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 12/31/2017 | 1.084 | 0.994 | 1.017 | 1.002 | 0.992 | 0.992 |
| 12/31/2018 | 1.067 | 0.997 | 1.012 | 1.002 | 0.990 | 1.001 |
| 12/31/2019 | <u>1.070</u> | <u>0.980</u> | <u>0.982</u> | <u>1.006</u> | <u>0.990</u> | <u>0.989</u> |
| Average | 1.074 | 0.990 | 1.004 | 1.003 | 0.991 | 0.994 |

| <u>Valuation</u> | <u>7th/8th</u> | <u>8th/9th</u> | <u>9th/10th</u> | <u>10th/11th</u> | <u>11th/12th</u> | <u>12th/13th</u> |
|------------------|----------------|----------------|-----------------|------------------|------------------|------------------|
| 12/31/2017 | 0.992 | 0.992 | 1.002 | 0.997 | 1.002 | 1.006 |
| 12/31/2018 | 1.000 | 0.999 | 0.995 | 0.990 | 0.994 | 0.997 |
| 12/31/2019 | <u>0.999</u> | <u>0.996</u> | <u>1.008</u> | <u>1.003</u> | <u>1.003</u> | <u>1.002</u> |
| Average | 0.997 | 0.996 | 1.002 | 0.997 | 1.000 | 1.002 |

| <u>Valuation</u> | <u>13th/14th</u> | <u>14th/15th</u> | <u>15th/16th</u> | <u>16th/17th</u> | <u>17th/18th</u> | <u>18th/19th</u> |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 12/31/2017 | 0.998 | 1.000 | 0.989 | 1.004 | 0.999 | 1.004 |
| 12/31/2018 | 0.993 | 1.002 | 1.004 | 0.995 | 1.002 | 1.002 |
| 12/31/2019 | <u>0.996</u> | <u>1.003</u> | <u>0.999</u> | <u>1.000</u> | <u>1.002</u> | <u>1.003</u> |
| Average | 0.996 | 1.002 | 0.997 | 1.000 | 1.001 | 1.003 |



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

Appendix A-I Determination of Policy Year On-level Factors

NCCI uses premium and loss on-level factors to adjust historical policy year experience to current loss cost/rate and benefit levels, respectively.

Premium on-level factors are adjustment factors that reflect the cumulative impact of all premium level changes that have occurred during and after the individual year being on-leveled. Additional adjustments applied as part of the premium on-level factor calculation include:

- Adjustment for Expense Constant Removal: This factor removes premium collected via the charged expense constant.
- Adjustment for Expense Removal: This factor is applied to remove expenses from the reported assigned risk and voluntary DSR level premium totals—serving to make the separate market premiums more comparable.
- Uncollectible Premium Provision to Gross Premium Factor: This factor is applied to the assigned risk market premium to account for the difference between gross premium as reported and the ultimate premium that is collected.
- Experience Rating Off-Balance Adjustment Factor: This factor reflects the relative difference between the average experience rating modification for the historical year being on-leveled and the average experience rating modification targeted in the filing.

Loss on-level factors are adjustment factors that reflect the cumulative impact of all included benefit level changes that have occurred during and after the individual year of data being on-leveled.

Note: For NCCI ratemaking purposes, proposed benefit level changes that (i) do not impact the experience period of the filing and (ii) have not yet been approved are included in Exhibit I, rather than in the loss on-level calculation.



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APPENDIX A-I

Determination of Policy Year On-level Factors

Section A - Factor Adjusting 2018 Policy Year Assigned Risk Premium to Present Assigned Risk Level

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|-------------|-------------------|------------------|--------|-----------------|---|-------------------------------------|--------------------------|----------------------------------|---|
| | Rate Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) | Adj. For Expense Constant Removal @ | Adj. For Expense Removal | UPP Adj. to Gross Premium Factor | Premium Adjustment Factor (5)x(6)x(7)x(8) |
| Date | | | | | | | | | |
| NR 01/01/18 | Base | 1.000 | 1.000 | 1.000 | 0.766 | 0.952 | 0.713 | 0.966 | 0.502 |
| NR 01/01/19 | 0.802 | 0.802 | | | | | | | |
| NR 01/01/20 | 0.955 | 0.766 | | | | | | | |
| | | | | 1.000 | | | | | |

Section B - Factor Adjusting 2018 Policy Year Voluntary Premium to Present Voluntary Level

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|-------------|------------------------|------------------|--------|-----------------|---|-------------------------------------|--------------------------|----------------------------------|---|
| | Loss Cost Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) | Adj. For Expense Constant Removal @ | Adj. For Expense Removal | UPP Adj. to Gross Premium Factor | Premium Adjustment Factor (5)x(6)x(7)x(8) |
| Date | | | | | | | | | |
| NR 01/01/18 | Base | 1.000 | 1.000 | 1.000 | 0.808 | 1.000 | 0.841 | 1.000 | 0.680 |
| NR 01/01/19 | 0.832 | 0.832 | | | | | | | |
| NR 01/01/20 | 0.971 | 0.808 | | | | | | | |
| | | | | 1.000 | | | | | |

Section C - Factor Adjusting 2018 Policy Year Assigned Risk Premium and Voluntary Premium to Present Statewide Level

| | |
|---|-------|
| (1) Assigned Risk Market Share PY 2018 | 0.077 |
| (2) Voluntary Market Share PY 2018 | 0.923 |
| (3) Assigned Risk Standard Premium Adjustment Factor (See Sec. A) | 0.502 |
| (4) Voluntary Standard Premium Adjustment Factor (See Sec. B) | 0.680 |
| (5) Premium Adjustment Factor = [(1)x(3)]/1.413+(2)x(4) # | 0.656 |
| (6) Experience Rating Off-balance Adjustment Factor* | 1.012 |
| (7) Final Premium Adjustment Factor = (5)x(6) | 0.664 |

NR New and renewal business.

@ Eliminates premium derived from expense constants.

Current premium index (assigned risk-to-voluntary) = 1.413

* = 1.012 = 0.958 / 0.947 = (Targeted Off-balance) / (Off-balance for Policy Year 2018)



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APPENDIX A-I

Determination of Policy Year On-level Factors

Section D - Factor Adjusting 2018 Policy Year Indemnity Losses to Present Benefit Level

| | (1) | (2) | (3) | (4) | (5) |
|----------|----------------------|------------------|--------|-----------------|---|
| Date | Benefit Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) |
| 07/15/17 | Base | 1.000 | 0.051 | 0.051 | 1.006 |
| 04/01/18 | 1.000 | 1.000 | 0.137 | 0.137 | |
| 07/15/18 | 1.000 | 1.000 | 0.154 | 0.154 | |
| 10/01/18 | 1.020 | 1.020 | 0.430 | 0.439 | |
| 04/01/19 | 1.000 | 1.020 | 0.152 | 0.155 | |
| 07/15/19 | 1.000 | 1.020 | 0.076 | 0.078 | |
| | | | | <u>1.014</u> | |

Section E - Factor Adjusting 2018 Policy Year Medical Losses to Present Benefit Level

| | (1) | (2) | (3) | (4) | (5) |
|----------|----------------------|------------------|--------|-----------------|---|
| Date | Benefit Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) |
| 07/15/17 | Base | 1.000 | 0.051 | 0.051 | 1.007 |
| 04/01/18 | 1.011 | 1.011 | 0.137 | 0.139 | |
| 07/15/18 | 0.999 | 1.010 | 0.154 | 0.156 | |
| 10/01/18 | 1.000 | 1.010 | 0.430 | 0.434 | |
| 04/01/19 | 1.008 | 1.018 | 0.152 | 0.155 | |
| 07/15/19 | 1.001 | 1.019 | 0.076 | 0.077 | |
| | | | | <u>1.012</u> | |



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APPENDIX A-I

Determination of Policy Year On-level Factors

Section F - Factor Adjusting 2017 Policy Year Assigned Risk Premium to Present Assigned Risk Level

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|-------------|-------------------|------------------|--------|-----------------|---|-------------------------------------|--------------------------|----------------------------------|---|
| | Rate Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) | Adj. For Expense Constant Removal @ | Adj. For Expense Removal | UPP Adj. to Gross Premium Factor | Premium Adjustment Factor (5)x(6)x(7)x(8) |
| Date | | | | | | | | | |
| NR 01/01/17 | Base | 1.000 | 1.000 | 1.000 | 0.669 | 0.951 | 0.713 | 0.966 | 0.438 |
| NR 01/01/18 | 0.874 | 0.874 | | | | | | | |
| NR 01/01/19 | 0.802 | 0.701 | | | | | | | |
| NR 01/01/20 | 0.955 | 0.669 | | | | | | | |
| | | | | 1.000 | | | | | |

Section G - Factor Adjusting 2017 Policy Year Voluntary Premium to Present Voluntary Level

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|-------------|------------------------|------------------|--------|-----------------|---|-------------------------------------|--------------------------|----------------------------------|---|
| | Loss Cost Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) | Adj. For Expense Constant Removal @ | Adj. For Expense Removal | UPP Adj. to Gross Premium Factor | Premium Adjustment Factor (5)x(6)x(7)x(8) |
| Date | | | | | | | | | |
| NR 01/01/17 | Base | 1.000 | 1.000 | 1.000 | 0.694 | 1.000 | 0.841 | 1.000 | 0.584 |
| NR 01/01/18 | 0.859 | 0.859 | | | | | | | |
| NR 01/01/19 | 0.832 | 0.715 | | | | | | | |
| NR 01/01/20 | 0.971 | 0.694 | | | | | | | |
| | | | | 1.000 | | | | | |

Section H - Factor Adjusting 2017 Policy Year Assigned Risk Premium and Voluntary Premium to Present Statewide Level

| | |
|---|-------|
| (1) Assigned Risk Market Share PY 2017 | 0.077 |
| (2) Voluntary Market Share PY 2017 | 0.923 |
| (3) Assigned Risk Standard Premium Adjustment Factor (See Sec. F) | 0.438 |
| (4) Voluntary Standard Premium Adjustment Factor (See Sec. G) | 0.584 |
| (5) Premium Adjustment Factor = $[(1)x(3)]/1.413+(2)x(4)$ # | 0.563 |
| (6) Experience Rating Off-balance Adjustment Factor* | 1.008 |
| (7) Final Premium Adjustment Factor = (5)x(6) | 0.568 |

NR New and renewal business.

@ Eliminates premium derived from expense constants.

Current premium index (assigned risk-to-voluntary) = 1.413

* = $1.008 = 0.958 / 0.950 = (\text{Targeted Off-balance}) / (\text{Off-balance for Policy Year 2017})$



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APPENDIX A-I

Determination of Policy Year On-level Factors

Section I - Factor Adjusting 2017 Policy Year Indemnity Losses to Present Benefit Level

| | (1) | (2) | (3) | (4) | (5) |
|----------|----------------------|------------------|--------|-----------------|---|
| Date | Benefit Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) |
| 07/15/16 | Base | 1.000 | 0.051 | 0.051 | 1.020 |
| 04/01/17 | 1.000 | 1.000 | 0.137 | 0.137 | |
| 07/15/17 | 1.000 | 1.000 | 0.583 | 0.583 | |
| 04/01/18 | 1.000 | 1.000 | 0.152 | 0.152 | |
| 07/15/18 | 1.000 | 1.000 | 0.058 | 0.058 | |
| 10/01/18 | 1.020 | 1.020 | 0.019 | 0.019 | |
| 04/01/19 | 1.000 | 1.020 | | | |
| 07/15/19 | 1.000 | 1.020 | | | |
| | | | | 1.000 | |

Section J - Factor Adjusting 2017 Policy Year Medical Losses to Present Benefit Level

| | (1) | (2) | (3) | (4) | (5) |
|----------|----------------------|------------------|--------|-----------------|---|
| Date | Benefit Level Change | Cumulative Index | Weight | Product (2)x(3) | Adj. Factor Present Index/ Sum Column (4) |
| 07/15/16 | Base | 1.000 | 0.051 | 0.051 | 1.017 |
| 04/01/17 | 1.004 | 1.004 | 0.137 | 0.138 | |
| 07/15/17 | 1.000 | 1.004 | 0.583 | 0.585 | |
| 04/01/18 | 1.011 | 1.015 | 0.152 | 0.154 | |
| 07/15/18 | 0.999 | 1.014 | 0.058 | 0.059 | |
| 10/01/18 | 1.000 | 1.014 | 0.019 | 0.019 | |
| 04/01/19 | 1.008 | 1.022 | | | |
| 07/15/19 | 1.001 | 1.023 | | | |
| | | | | 1.006 | |



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

Appendix A-II Determination of Premium and Losses Developed to an Ultimate Report

Development factors are used to project premium and limited losses to an ultimate report. In general, the ultimate development factors are based on a chain-ladder approach that utilizes average link ratios for several maturities and the application of a tail factor.

For premium development, link ratios are used from first through fifth report, after which it is assumed no further development occurs.

For indemnity and medical loss development, link ratios are used from first through nineteenth report. For loss development beyond a nineteenth report, a “tail” factor is used to reflect all future expected emergence. Tail factors are calculated separately for indemnity and medical losses by comparing the changes in the volume of policy year losses that occur for years older than a nineteenth report to the volume of policy year losses at the nineteenth report, along with the application of a growth adjustment factor.

To limit volatility on the loss cost level indications due to the impact of large losses, a limited large loss methodology is utilized. A base threshold for the large loss limitation is determined by the volume of premium in the state as well as the number of years used in the experience period. The base threshold is detrended by policy year to reflect the inflationary impact on claim costs due to wage inflation. The wage index used is based on the Connecticut average weekly wages from the Quarterly Census of Employment and Wages. Indemnity and medical losses are limited to the year-specific detrended large loss thresholds. Limited indemnity and medical losses are used to calculate estimated losses at an ultimate report. A statewide excess ratio is used to adjust the limited losses to an unlimited basis.



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section A - Premium and Loss Summary Valued as of 12/31/2019

Policy Year 2018

| | | |
|------|---|---------------|
| (1) | Standard Earned Premium | \$534,817,143 |
| (2) | Factor to Develop Premium to Ultimate | 1.000 |
| (3) | Standard Earned Premium Developed to Ultimate = (1)x(2) | \$534,817,143 |
| (4) | Limited Indemnity Paid Losses | \$41,610,607 |
| (5) | Limited Indemnity Paid Development Factor to Ultimate | 5.072 |
| (6) | Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5) | \$211,048,999 |
| (7) | Limited Indemnity Paid+Case Losses | \$88,467,762 |
| (8) | Limited Indemnity Paid+Case Development Factor to Ultimate | 2.072 |
| (9) | Limited Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8) | \$183,305,203 |
| (10) | Policy Year 2018 Limited Indemnity Losses Developed to Ultimate = [(6)+(9)]/2 | \$197,177,101 |
| (11) | Limited Medical Paid Losses | \$80,446,989 |
| (12) | Limited Medical Paid Development Factor to Ultimate | 2.204 |
| (13) | Limited Medical Paid Losses Developed to Ultimate = (11)x(12) | \$177,305,164 |
| (14) | Limited Medical Paid+Case Losses | \$123,008,382 |
| (15) | Limited Medical Paid+Case Development Factor to Ultimate | 1.289 |
| (16) | Limited Medical Paid+Case Losses Developed to Ultimate = (14)x(15) | \$158,557,804 |
| (17) | Policy Year 2018 Limited Medical Losses Developed to Ultimate = [(13)+(16)]/2 | \$167,931,484 |

Policy Year 2017

| | | |
|------|---|---------------|
| (1) | Standard Earned Premium | \$592,657,108 |
| (2) | Factor to Develop Premium to Ultimate | 0.998 |
| (3) | Standard Earned Premium Developed to Ultimate = (1)x(2) | \$591,471,794 |
| (4) | Limited Indemnity Paid Losses | \$77,091,866 |
| (5) | Limited Indemnity Paid Development Factor to Ultimate | 2.635 |
| (6) | Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5) | \$203,137,067 |
| (7) | Limited Indemnity Paid+Case Losses | \$128,991,694 |
| (8) | Limited Indemnity Paid+Case Development Factor to Ultimate | 1.519 |
| (9) | Limited Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8) | \$195,938,383 |
| (10) | Policy Year 2017 Limited Indemnity Losses Developed to Ultimate = [(6)+(9)]/2 | \$199,537,725 |
| (11) | Limited Medical Paid Losses | \$109,502,341 |
| (12) | Limited Medical Paid Development Factor to Ultimate | 1.630 |
| (13) | Limited Medical Paid Losses Developed to Ultimate = (11)x(12) | \$178,488,816 |
| (14) | Limited Medical Paid+Case Losses | \$148,562,895 |
| (15) | Limited Medical Paid+Case Development Factor to Ultimate | 1.157 |
| (16) | Limited Medical Paid+Case Losses Developed to Ultimate = (14)x(15) | \$171,887,270 |
| (17) | Policy Year 2017 Limited Medical Losses Developed to Ultimate = [(13)+(16)]/2 | \$175,188,043 |



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section B - Premium Development Factors

| Policy Year | <u>1st/2nd</u> | Policy Year | <u>2nd/3rd</u> | Policy Year | <u>3rd/4th</u> | Policy Year | <u>4th/5th</u> |
|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|
| 2015 | 1.005 | 2014 | 0.998 | 2013 | 0.999 | 2012 | 1.000 |
| 2016 | 1.003 | 2015 | 0.999 | 2014 | 0.999 | 2013 | 0.999 |
| 2017 | 0.997 | 2016 | 0.999 | 2015 | 1.000 | 2014 | 1.000 |
| Average | 1.002 | Average | 0.999 | Average | 0.999 | Average | 1.000 |

Summary of Premium Development Factors

| <u>1st/5th</u> | <u>2nd/5th</u> | <u>3rd/5th</u> | <u>4th/5th</u> |
|----------------|----------------|----------------|----------------|
| 1.000 | 0.998 | 0.999 | 1.000 |



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section C - Limited Indemnity Paid Loss Development Factors

| | | | | | | | |
|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|
| Policy Year | <u>1st/2nd</u> | Policy Year | <u>2nd/3rd</u> | Policy Year | <u>3rd/4th</u> | Policy Year | <u>4th/5th</u> |
| 2016 | 1.877 | 2015 | 1.382 | 2014 | 1.164 | 2013 | 1.112 |
| 2017 | 1.973 | 2016 | 1.398 | 2015 | 1.214 | 2014 | 1.085 |
| Average | 1.925 | Average | 1.390 | Average | 1.189 | Average | 1.099 |
| Policy Year | <u>5th/6th</u> | Policy Year | <u>6th/7th</u> | Policy Year | <u>7th/8th</u> | Policy Year | <u>8th/9th</u> |
| 2012 | 1.084 | 2011 | 1.048 | 2010 | 1.032 | 2009 | 1.022 |
| 2013 | 1.073 | 2012 | 1.049 | 2011 | 1.033 | 2010 | 1.031 |
| Average | 1.079 | Average | 1.049 | Average | 1.033 | Average | 1.027 |
| Policy Year | <u>9th/10th</u> | Policy Year | <u>10th/11th</u> | Policy Year | <u>11th/12th</u> | Policy Year | <u>12th/13th</u> |
| 2008 | 1.030 | 2007 | 1.035 | 2006 | 1.026 | 2005 | 1.013 |
| 2009 | 1.012 | 2008 | 1.012 | 2007 | 1.011 | 2006 | 1.007 |
| Average | 1.021 | Average | 1.024 | Average | 1.019 | Average | 1.010 |
| Policy Year | <u>13th/14th</u> | Policy Year | <u>14th/15th</u> | Policy Year | <u>15th/16th</u> | Policy Year | <u>16th/17th</u> |
| 2004 | 1.025 | 2003 | 1.006 | 2002 | 1.004 | 2001 | 1.007 |
| 2005 | 1.010 | 2004 | 1.005 | 2003 | 1.007 | 2002 | 1.006 |
| Average | 1.018 | Average | 1.006 | Average | 1.006 | Average | 1.007 |
| Policy Year | <u>17th/18th</u> | Policy Year | <u>18th/19th</u> | | | | |
| 2000 | 1.006 | 1999 | 1.005 | | | | |
| 2001 | 1.007 | 2000 | 1.004 | | | | |
| Average | 1.007 | Average | 1.005 | | | | |



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section D - Limited Medical Paid Loss Development Factors

| Policy Year | <u>1st/2nd</u> | Policy Year | <u>2nd/3rd</u> | Policy Year | <u>3rd/4th</u> | Policy Year | <u>4th/5th</u> |
|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|
| 2016 | 1.336 | 2015 | 1.135 | 2014 | 1.052 | 2013 | 1.046 |
| 2017 | 1.368 | 2016 | 1.143 | 2015 | 1.071 | 2014 | 1.036 |
| Average | 1.352 | Average | 1.139 | Average | 1.062 | Average | 1.041 |
| Policy Year | <u>5th/6th</u> | Policy Year | <u>6th/7th</u> | Policy Year | <u>7th/8th</u> | Policy Year | <u>8th/9th</u> |
| 2012 | 1.028 | 2011 | 1.025 | 2010 | 1.020 | 2009 | 1.014 |
| 2013 | 1.035 | 2012 | 1.027 | 2011 | 1.022 | 2010 | 1.019 |
| Average | 1.032 | Average | 1.026 | Average | 1.021 | Average | 1.017 |
| Policy Year | <u>9th/10th</u> | Policy Year | <u>10th/11th</u> | Policy Year | <u>11th/12th</u> | Policy Year | <u>12th/13th</u> |
| 2008 | 1.013 | 2007 | 1.020 | 2006 | 1.008 | 2005 | 1.009 |
| 2009 | 1.007 | 2008 | 1.012 | 2007 | 1.007 | 2006 | 1.009 |
| Average | 1.010 | Average | 1.016 | Average | 1.008 | Average | 1.009 |
| Policy Year | <u>13th/14th</u> | Policy Year | <u>14th/15th</u> | Policy Year | <u>15th/16th</u> | Policy Year | <u>16th/17th</u> |
| 2004 | 1.010 | 2003 | 1.007 | 2002 | 1.004 | 2001 | 1.008 |
| 2005 | 1.012 | 2004 | 1.005 | 2003 | 1.005 | 2002 | 1.005 |
| Average | 1.011 | Average | 1.006 | Average | 1.005 | Average | 1.007 |
| Policy Year | <u>17th/18th</u> | Policy Year | <u>18th/19th</u> | | | | |
| 2000 | 1.006 | 1999 | 1.003 | | | | |
| 2001 | 1.006 | 2000 | 1.005 | | | | |
| Average | 1.006 | Average | 1.004 | | | | |



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section E - Limited Indemnity Paid + Case Loss Development Factors

| Policy Year | 1st/2nd | Policy Year | 2nd/3rd | Policy Year | 3rd/4th | Policy Year | 4th/5th |
|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|
| 2013 | 1.403 | 2012 | 1.156 | 2011 | 1.088 | 2010 | 1.049 |
| 2014 | 1.366 | 2013 | 1.148 | 2012 | 1.064 | 2011 | 1.035 |
| 2015 | 1.338 | 2014 | 1.158 | 2013 | 1.072 | 2012 | 1.036 |
| 2016 | 1.351 | 2015 | 1.155 | 2014 | 1.065 | 2013 | 1.048 |
| 2017 | 1.361 | 2016 | 1.150 | 2015 | 1.064 | 2014 | 1.038 |
| Average | 1.364 | Average | 1.153 | Average | 1.071 | Average | 1.041 |
| Policy Year | 5th/6th | Policy Year | 6th/7th | Policy Year | 7th/8th | Policy Year | 8th/9th |
| 2009 | 1.030 | 2008 | 1.032 | 2007 | 1.019 | 2006 | 1.005 |
| 2010 | 1.031 | 2009 | 1.027 | 2008 | 1.023 | 2007 | 1.017 |
| 2011 | 1.028 | 2010 | 1.016 | 2009 | 1.017 | 2008 | 1.010 |
| 2012 | 1.045 | 2011 | 1.015 | 2010 | 1.007 | 2009 | 0.997 |
| 2013 | 1.043 | 2012 | 1.015 | 2011 | 1.016 | 2010 | 1.013 |
| Average | 1.035 | Average | 1.021 | Average | 1.016 | Average | 1.008 |
| Policy Year | 9th/10th | Policy Year | 10th/11th | Policy Year | 11th/12th | Policy Year | 12th/13th |
| 2005 | 1.014 | 2004 | 1.008 | 2003 | 1.010 | 2002 | 1.003 |
| 2006 | 1.001 | 2005 | 1.005 | 2004 | 1.008 | 2003 | 1.009 |
| 2007 | 1.013 | 2006 | 1.012 | 2005 | 1.012 | 2004 | 1.004 |
| 2008 | 1.007 | 2007 | 1.009 | 2006 | 0.999 | 2005 | 0.998 |
| 2009 | 1.006 | 2008 | 0.999 | 2007 | 1.009 | 2006 | 1.003 |
| Average | 1.008 | Average | 1.007 | Average | 1.008 | Average | 1.003 |
| Policy Year | 13th/14th | Policy Year | 14th/15th | Policy Year | 15th/16th | Policy Year | 16th/17th |
| 2001 | 1.012 | 2000 | 1.003 | 1999 | 1.010 | 1998 | 1.007 |
| 2002 | 1.001 | 2001 | 1.004 | 2000 | 0.996 | 1999 | 1.004 |
| 2003 | 1.005 | 2002 | 1.000 | 2001 | 0.999 | 2000 | 0.999 |
| 2004 | 1.005 | 2003 | 1.002 | 2002 | 1.005 | 2001 | 0.995 |
| 2005 | 1.004 | 2004 | 0.998 | 2003 | 1.003 | 2002 | 1.006 |
| Average | 1.005 | Average | 1.001 | Average | 1.003 | Average | 1.002 |
| Policy Year | 17th/18th | Policy Year | 18th/19th | | | | |
| 1997 | 1.003 | 1996 | 1.004 | | | | |
| 1998 | 1.004 | 1997 | 1.005 | | | | |
| 1999 | 1.004 | 1998 | 1.003 | | | | |
| 2000 | 1.003 | 1999 | 1.003 | | | | |
| 2001 | 1.002 | 2000 | 1.000 | | | | |
| Average | 1.003 | Average | 1.003 | | | | |



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section F - Limited Medical Paid + Case Loss Development Factors

| Policy Year | 1st/2nd | Policy Year | 2nd/3rd | Policy Year | 3rd/4th | Policy Year | 4th/5th |
|-------------|---------|-------------|---------|-------------|---------|-------------|---------|
| 2013 | 1.111 | 2012 | 1.058 | 2011 | 1.026 | 2010 | 1.023 |
| 2014 | 1.083 | 2013 | 1.041 | 2012 | 1.006 | 2011 | 1.020 |
| 2015 | 1.102 | 2014 | 1.020 | 2013 | 1.038 | 2012 | 1.016 |
| 2016 | 1.152 | 2015 | 1.019 | 2014 | 1.007 | 2013 | 1.019 |
| 2017 | 1.123 | 2016 | 1.039 | 2015 | 1.004 | 2014 | 1.018 |
| Average | 1.114 | Average | 1.035 | Average | 1.016 | Average | 1.019 |

| Policy Year | 5th/6th | Policy Year | 6th/7th | Policy Year | 7th/8th | Policy Year | 8th/9th |
|-------------|---------|-------------|---------|-------------|---------|-------------|---------|
| 2009 | 1.018 | 2008 | 1.010 | 2007 | 1.016 | 2006 | 1.000 |
| 2010 | 1.015 | 2009 | 1.011 | 2008 | 1.012 | 2007 | 1.006 |
| 2011 | 1.014 | 2010 | 0.994 | 2009 | 1.000 | 2008 | 1.011 |
| 2012 | 0.994 | 2011 | 1.010 | 2010 | 1.003 | 2009 | 0.992 |
| 2013 | 1.019 | 2012 | 1.000 | 2011 | 1.011 | 2010 | 1.008 |
| Average | 1.012 | Average | 1.005 | Average | 1.008 | Average | 1.003 |

| Policy Year | 9th/10th | Policy Year | 10th/11th | Policy Year | 11th/12th | Policy Year | 12th/13th |
|-------------|----------|-------------|-----------|-------------|-----------|-------------|-----------|
| 2005 | 1.002 | 2004 | 1.009 | 2003 | 1.010 | 2002 | 0.995 |
| 2006 | 1.002 | 2005 | 0.993 | 2004 | 1.001 | 2003 | 1.000 |
| 2007 | 1.007 | 2006 | 1.001 | 2005 | 1.008 | 2004 | 1.000 |
| 2008 | 0.996 | 2007 | 0.990 | 2006 | 0.997 | 2005 | 1.003 |
| 2009 | 1.004 | 2008 | 1.007 | 2007 | 1.002 | 2006 | 1.001 |
| Average | 1.002 | Average | 1.000 | Average | 1.004 | Average | 1.000 |

| Policy Year | 13th/14th | Policy Year | 14th/15th | Policy Year | 15th/16th | Policy Year | 16th/17th |
|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|
| 2001 | 1.013 | 2000 | 0.998 | 1999 | 1.002 | 1998 | 1.003 |
| 2002 | 0.997 | 2001 | 1.007 | 2000 | 0.999 | 1999 | 1.005 |
| 2003 | 1.011 | 2002 | 0.989 | 2001 | 0.984 | 2000 | 0.997 |
| 2004 | 1.003 | 2003 | 1.003 | 2002 | 1.004 | 2001 | 0.993 |
| 2005 | 0.998 | 2004 | 1.002 | 2003 | 1.000 | 2002 | 1.006 |
| Average | 1.004 | Average | 1.000 | Average | 0.998 | Average | 1.001 |

| Policy Year | 17th/18th | Policy Year | 18th/19th |
|-------------|-----------|-------------|-----------|
| 1997 | 1.004 | 1996 | 1.011 |
| 1998 | 1.004 | 1997 | 0.999 |
| 1999 | 1.004 | 1998 | 1.004 |
| 2000 | 1.001 | 1999 | 0.999 |
| 2001 | 1.003 | 2000 | 1.002 |
| Average | 1.003 | Average | 1.003 |



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section G - Determination of Policy Year Loss Development Factors (19th-to-Ultimate Report)

Indemnity Paid+Case Data for Matching Companies

| (1) Policy Year | (2) Losses for Policy Year 19th Report | (3) Losses for Policy Year 20th Report | (4) Losses for All Prior Policy Years Previous | (5) Losses for All Prior Policy Years Current | (6) Factor to Adjust Losses for Prior Policy Years | (7) Indicated 19th-to-Ult Development for Policy Year |
|---|--|--|--|---|---|--|
| 1990 | 207,554,663 | 208,667,626 | 2,122,194,357 | 2,130,799,454 | 0.745 | 1.061 |
| 1991 | 213,583,002 | 215,234,719 | 3,309,896,858 | 3,320,336,035 | 1.030 | 1.055 |
| 1992 | 173,755,199 | 174,798,681 | 3,535,570,754 | 3,546,234,083 | 1.316 | 1.053 |
| 1993 | 135,386,411 | 135,239,482 | 3,721,136,501 | 3,736,342,854 | 1.726 | 1.064 |
| 1994 | 122,415,525 | 122,354,079 | 3,871,203,569 | 3,886,232,413 | 1.909 | 1.064 |
| 1995 | 113,817,954 | 114,177,802 | 4,005,788,708 | 4,017,051,757 | 2.009 | 1.052 |
| 1996 | 126,705,721 | 126,897,455 | 4,130,518,682 | 4,139,232,424 | 1.732 | 1.041 |
| 1997 | 149,206,465 | 150,189,849 | 4,264,033,202 | 4,278,850,907 | 1.409 | 1.077 |
| 1998 | 149,708,274 | 150,694,029 | 4,429,040,756 | 4,442,176,978 | 1.315 | 1.073 |
| 1999 | 148,261,652 | 148,293,152 | 4,456,195,299 | 4,471,479,264 | 1.142 | 1.090 |
| Selected Indemnity 19th-to-Ultimate Loss Development Factor | | | | | | 1.060 |

Medical Paid+Case Data for Matching Companies

| (8) Policy Year | (9) Losses for Policy Year 19th Report | (10) Losses for Policy Year 20th Report | (11) Losses for All Prior Policy Years Previous | (12) Losses for All Prior Policy Years Current | (13) Factor to Adjust Losses for Prior Policy Years | (14) Indicated 19th-to-Ult Development for Policy Year |
|---|--|---|---|--|--|---|
| 1990 | 102,602,485 | 103,590,336 | 890,544,856 | 890,981,182 | 0.678 | 1.016 |
| 1991 | 121,382,639 | 122,042,224 | 1,442,908,461 | 1,449,823,580 | 0.816 | 1.075 |
| 1992 | 106,335,410 | 107,192,180 | 1,571,865,804 | 1,577,651,892 | 1.001 | 1.062 |
| 1993 | 96,693,019 | 97,165,194 | 1,684,630,196 | 1,684,047,701 | 1.160 | 1.000 |
| 1994 | 91,368,551 | 91,086,660 | 1,780,977,194 | 1,791,033,757 | 1.266 | 1.084 |
| 1995 | 83,451,149 | 83,539,241 | 1,881,583,695 | 1,886,914,499 | 1.403 | 1.047 |
| 1996 | 111,739,962 | 111,359,915 | 1,970,073,399 | 1,972,788,087 | 1.039 | 1.020 |
| 1997 | 95,944,030 | 96,330,529 | 2,082,740,916 | 2,087,168,032 | 1.222 | 1.042 |
| 1998 | 103,340,130 | 103,268,435 | 2,183,498,561 | 2,186,775,082 | 1.110 | 1.028 |
| 1999 | 109,180,143 | 108,447,992 | 2,224,150,900 | 2,228,261,350 | 0.976 | 1.032 |
| Selected Medical 19th-to-Ultimate Loss Development Factor | | | | | | 1.045 |

$$(7) = 1 + [(3)-(2) + ((5)-(4)) / (6)] / (2)$$

$$(14) = 1 + [(10)-(9) + ((12)-(11)) / (13)] / (9)$$

Columns (4) and (11) are valued as of the date at which the given policy year is at a 19th report.

Columns (5) and (12) are valued as of the date at which the given policy year is at a 20th report.



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section H - Derivation of Policy Year Limited 19th-to-Ultimate Loss Development Factors

| Policy Year | Indemnity Paid-to-Paid + Case Ratio 19th Report | Medical Paid-to-Paid + Case Ratio 19th Report |
|-------------|--|--|
| 1996 | 0.973 | 0.913 |
| 1997 | 0.951 | 0.967 |
| 1998 | 0.956 | 0.954 |
| 1999 | 0.980 | 0.965 |
| 2000 | 0.986 | 0.952 |
| Selected | 0.980 | 0.955 |

| | Indemnity | Medical |
|--|-----------|---------|
| (1) Paid+Case 19th-to-Ultimate Loss Development Factor (Section G) | 1.060 | 1.045 |
| (2) Factor to Adjust 19th-to-Ultimate Development Factor to a Limited Basis | 0.774 | 0.774 |
| (3) Limited Paid+Case 19th-to-Ultimate Loss Development Factor = $[(1)-1]x(2)+1$ | 1.046 | 1.035 |
| (4) Limited Paid-to-Paid+Case Ratio (Section H) | 0.980 | 0.955 |
| (5) Limited Paid 19th-to-Ultimate Loss Development Factor = (3) / (4) | 1.067 | 1.084 |

Section I - Summary of Limited Paid Loss Development Factors

| Report | (1) Indemnity Paid Loss Development | | Report | (3) Medical Paid Loss Development | |
|--------|--|-------------|--------|--------------------------------------|-------------|
| | to Next Report | to Ultimate | | to Next Report | to Ultimate |
| 1st | 1.925 | 5.072 | 1st | 1.352 | 2.204 |
| 2nd | 1.390 | 2.635 | 2nd | 1.139 | 1.630 |
| 3rd | 1.189 | 1.896 | 3rd | 1.062 | 1.431 |
| 4th | 1.099 | 1.595 | 4th | 1.041 | 1.347 |
| 5th | 1.079 | 1.451 | 5th | 1.032 | 1.294 |
| 6th | 1.049 | 1.345 | 6th | 1.026 | 1.254 |
| 7th | 1.033 | 1.282 | 7th | 1.021 | 1.222 |
| 8th | 1.027 | 1.241 | 8th | 1.017 | 1.197 |
| 9th | 1.021 | 1.208 | 9th | 1.010 | 1.177 |
| 10th | 1.024 | 1.183 | 10th | 1.016 | 1.165 |
| 11th | 1.019 | 1.155 | 11th | 1.008 | 1.147 |
| 12th | 1.010 | 1.133 | 12th | 1.009 | 1.138 |
| 13th | 1.018 | 1.122 | 13th | 1.011 | 1.128 |
| 14th | 1.006 | 1.102 | 14th | 1.006 | 1.116 |
| 15th | 1.006 | 1.095 | 15th | 1.005 | 1.109 |
| 16th | 1.007 | 1.088 | 16th | 1.007 | 1.103 |
| 17th | 1.007 | 1.080 | 17th | 1.006 | 1.095 |
| 18th | 1.005 | 1.072 | 18th | 1.004 | 1.088 |
| 19th | | 1.067 | 19th | | 1.084 |

(2) = Cumulative upward product of column (1).
 (4) = Cumulative upward product of column (3).



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section J - Summary of Limited Paid+Case Loss Development Factors

| Report | (1) Indemnity Paid+Case Loss Development | | Report | (3) Medical Paid+Case Loss Development | |
|--------|---|-------------|--------|---|-------------|
| | to Next Report | to Ultimate | | to Next Report | to Ultimate |
| 1st | 1.364 | 2.072 | 1st | 1.114 | 1.289 |
| 2nd | 1.153 | 1.519 | 2nd | 1.035 | 1.157 |
| 3rd | 1.071 | 1.317 | 3rd | 1.016 | 1.118 |
| 4th | 1.041 | 1.230 | 4th | 1.019 | 1.100 |
| 5th | 1.035 | 1.182 | 5th | 1.012 | 1.079 |
| 6th | 1.021 | 1.142 | 6th | 1.005 | 1.066 |
| 7th | 1.016 | 1.119 | 7th | 1.008 | 1.061 |
| 8th | 1.008 | 1.101 | 8th | 1.003 | 1.053 |
| 9th | 1.008 | 1.092 | 9th | 1.002 | 1.050 |
| 10th | 1.007 | 1.083 | 10th | 1.000 | 1.048 |
| 11th | 1.008 | 1.075 | 11th | 1.004 | 1.048 |
| 12th | 1.003 | 1.066 | 12th | 1.000 | 1.044 |
| 13th | 1.005 | 1.063 | 13th | 1.004 | 1.044 |
| 14th | 1.001 | 1.058 | 14th | 1.000 | 1.040 |
| 15th | 1.003 | 1.057 | 15th | 0.998 | 1.040 |
| 16th | 1.002 | 1.054 | 16th | 1.001 | 1.042 |
| 17th | 1.003 | 1.052 | 17th | 1.003 | 1.041 |
| 18th | 1.003 | 1.049 | 18th | 1.003 | 1.038 |
| 19th | | 1.046 | 19th | | 1.035 |

(2) = Cumulative upward product of column (1).
 (4) = Cumulative upward product of column (3).



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section K - Factor to Adjust Limited Losses to an Unlimited Basis

| | |
|--|-----------|
| (1) Threshold at the Midpoint of the Loss Cost Effective Period* | 6,867,067 |
| (2) Statewide Excess Ratio for (1) | 0.023 |
| (3) Market Share for Carriers Missing from Large Loss and Catastrophe Call | 0.000 |
| (4) Factor to Adjust Limited Losses to an Unlimited Basis = $1.0 / \{1.0 - [(2) \times (1.0 - (3))]\}$ | 1.024 |

Section L - Policy Year Large Loss Limits

| Experience Year | Policy Year Detrended Limit |
|--------------------|-----------------------------------|
| 2018 | 6,712,603 |
| 2017 | 6,563,277 |
| 2016 | 6,480,849 |
| 2015 | 6,435,825 |
| 2014 | 6,342,083 |
| 2013 | 6,192,630 |
| 2012 | 6,120,214 |
| 2011 | 6,053,037 |
| 2010 | 5,913,119 |
| 2009 | 5,733,162 |
| 2008 | 5,707,118 |
| 2007 | 5,735,725 |
| 2006 | 5,549,015 |
| 2005 | 5,286,345 |
| 2004 | 5,077,254 |
| 2003 | 4,844,905 |
| 2002 | 4,647,082 |
| 2001 | 4,603,686 |
| 2000 | 4,527,487 |

* December 4, 2021 is the midpoint of the effective period for which the revised loss costs are being proposed.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

Appendix A-III Trend Factors

NCCI applies loss ratio trend factors in the determination of the proposed overall average loss cost level change. In addition, historical changes in claim frequency and average cost per case are also reviewed.

The claim frequency and average cost per case analysis is based on the premium, losses, and lost-time claim counts reported to NCCI. Note that the medical-only claim counts are excluded from the claim frequency and severity calculations, but the losses associated with medical-only claims are included.

The lost-time claim frequency, average costs per case, and loss ratios are shown in Appendix A-III, along with the impact of the trend factor selection on each policy year in the filing's experience period. The trend lengths displayed are based on the number of years between the average accident date of the loss cost effective period and the average accident date of the respective experience period year.



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APPENDIX A-III

Policy Year Trend Factors

Section A - Summary of Policy Year Data

| (1) | (2) | (3) | (4) | (5) | (6) |
|-------------|----------------------------|---------------------|-------------|---------------------|-------------|
| Policy Year | Lost-Time Claim Frequency* | Indemnity | | Medical | |
| | | Avg Cost Per Case*^ | Loss Ratio^ | Avg Cost Per Case*^ | Loss Ratio^ |
| 2011 | 25.513 | 31,570 | 0.806 | 27,601 | 0.704 |
| 2012 | 24.683 | 31,673 | 0.781 | 28,135 | 0.694 |
| 2013 | 23.313 | 31,099 | 0.725 | 29,145 | 0.680 |
| 2014 | 22.347 | 29,555 | 0.660 | 25,432 | 0.568 |
| 2015 | 20.307 | 30,196 | 0.613 | 26,528 | 0.539 |
| 2016 | 19.696 | 28,647 | 0.564 | 25,695 | 0.506 |
| 2017 | 18.778 | 32,251 | 0.606 | 28,234 | 0.530 |
| 2018 | 18.464 | 30,252 | 0.559 | 25,790 | 0.476 |

* Figures have been adjusted to the common wage level.

^ Based on an average of paid and paid+case losses.

Section B - Summary of Annual Trend Factors

| | <u>Indemnity</u> | <u>Medical</u> |
|--|------------------|----------------|
| (1) Current Approved Annual Loss Ratio Trend Factor | 0.960 | 0.960 |
| (2) Selected Annual Loss Ratio Trend Factor | 0.960 | 0.965 |
| (3) Length of Trend Period from Midpoint of Policy Year to Midpoint of Effective Period: | | |
| | | <u>Years</u> |
| | Policy Year 2017 | 4.001 |
| | Policy Year 2018 | 3.001 |
| (4) Trend Factor Applied to Experience Year = (2) ^ (3) | <u>Indemnity</u> | <u>Medical</u> |
| | Policy Year 2017 | 0.867 |
| | Policy Year 2018 | 0.899 |



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APPENDIX A-IV

Derivation of Industry Group Differentials

Industry group differentials are used to more equitably distribute the overall loss cost level change based on the individual experience of each industry group. The payroll, losses and claim counts used in the calculations below are from NCCI's Workers Compensation Statistical Plan (WCSP) data.

I. Expected Losses

The current expected losses (columns (1) and (2)) are the payroll extended by the pure premiums underlying the latest approved loss costs. The proposed expected losses (3) are the current expected losses adjusted to the proposed level. These adjustments include the proposed experience, trend, benefit and, if applicable, loss-based expense changes as well as any miscellaneous premium adjustments.

| Industry Group | (1) Latest Year Current Expected Losses Prior to Adjustment for Change in Off-Balance | (2) Five Year Current Expected Losses Prior to Adjustment for Change in Off-Balance | (3) Five Year Proposed Expected Losses Prior to Adjustment for Change in Off-Balance | (4) Current Ratio of Manual to Standard Premium | (5) Proposed Ratio of Manual to Standard Premium |
|-------------------|---|---|--|--|---|
| Manufacturing | 101,535,906 | 463,137,117 | 454,858,520 | 1.112 | 1.123 |
| Contracting | 120,147,381 | 564,934,731 | 554,379,302 | 1.100 | 1.107 |
| Office & Clerical | 75,230,263 | 363,907,080 | 357,516,280 | 1.120 | 1.126 |
| Goods & Services | 242,576,980 | 1,148,955,331 | 1,128,882,961 | 1.015 | 1.024 |
| Miscellaneous | 101,242,325 | 481,765,375 | 472,681,862 | 1.082 | 1.085 |
| Statewide | 640,732,854 | 3,022,699,634 | 2,968,318,926 | | |

| Industry Group | (6) Latest Year Current Expected Losses Adjusted for Change in Off-Balance (1)x(4)/(5) | (7) Five Year Current Expected Losses Adjusted for Change in Off-Balance (2)x(4)/(5) | (8) Five Year Proposed Expected Losses Adjusted for Change in Off-Balance (3)x(4)/(5) | (9) Current/ Proposed (7)/(8) | (10) Adjustment to Proposed for Current Relativity (9)IG/(9)SW |
|-------------------|--|--|---|--|---|
| Manufacturing | 100,541,342 | 458,600,600 | 450,403,094 | 1.018 | 1.000 |
| Contracting | 119,387,641 | 561,362,425 | 550,873,742 | 1.019 | 1.001 |
| Office & Clerical | 74,829,391 | 361,967,966 | 355,611,220 | 1.018 | 1.000 |
| Goods & Services | 240,444,955 | 1,138,857,091 | 1,118,961,138 | 1.018 | 1.000 |
| Miscellaneous | 100,962,392 | 480,433,305 | 471,374,907 | 1.019 | 1.001 |
| Statewide | 636,165,721 | 3,001,221,387 | 2,947,224,101 | 1.018 | |



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APPENDIX A-IV

II. Industry Group Differentials

To calculate the converted indicated balanced losses (11) the reported losses are limited to \$500,000 for a single claim occurrence and \$1,500,000 for each multiple claim occurrence. After the application of limited development, trend and benefit factors, the limited losses are brought to an unlimited level through the application of the expected excess provision. The proposed experience change, applicable loss-based expenses and any miscellaneous premium adjustments are applied to calculate the indicated losses. These indicated losses are then balanced to the expected losses using the factors shown in Appendix B-I, Section A-3.

| Industry Group | (11) Converted Indicated Balanced Losses | (12) Indicated/ Expected Ratio (11)/[(8)x(10)] | (13) Indicated Differential (12)IG/(12)SW | (14) Lost-Time Claim Counts |
|-------------------|---|---|--|-----------------------------------|
| Manufacturing | 461,415,655 | 1.024 | 1.026 | 8,741 |
| Contracting | 545,452,798 | 0.989 | 0.991 | 5,967 |
| Office & Clerical | 354,492,360 | 0.997 | 0.999 | 6,587 |
| Goods & Services | 1,109,947,198 | 0.992 | 0.994 | 26,454 |
| Miscellaneous | 469,639,733 | 0.995 | 0.997 | 7,637 |
| Statewide | 2,940,947,744 | 0.998 | | |

| Industry Group | (15) Full Credibility Standard for Lost-Time Claim Counts | (16) Credibility Minimum of 1.000 and ((14)/(15))^0.5 | (17) Credibility Weighted Indicated/Expected Ratio [(16)IGx(12)IG] + [1-(16)IG]x(12)SW* | (18) Final Industry Group Differential (17)IG/(17)SW |
|-------------------|---|---|--|--|
| Manufacturing | 12,000 | 0.85 | 1.020 | 1.022 |
| Contracting | 12,000 | 0.71 | 0.992 | 0.994 |
| Office & Clerical | 12,000 | 0.74 | 0.997 | 0.999 |
| Goods & Services | 12,000 | 1.00 | 0.992 | 0.994 |
| Miscellaneous | 12,000 | 0.80 | 0.996 | 0.998 |
| Statewide | | | 0.998 | 1.000 |

*Statewide ratio (column 17) = $\sum_{IG} [(6)x(17)] \div \sum_{IG} (6)$



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix B – Calculations Underlying the Loss Cost Change by Classification

NCCI separately determines voluntary loss costs for each workers compensation classification. The proposed change from the current loss cost will vary depending on the classification. The following are the general steps utilized to determine the individual classification loss costs:

1. Calculate industry group differentials, which are used to more equitably distribute the proposed overall average loss cost level change based on the individual experience of each industry group.
2. For each classification, determine the indicated pure premiums based on the most recently available five policy periods of Connecticut payroll and loss experience.
3. Indicated pure premiums are credibility-weighted with present on rate level pure premiums and national pure premiums to generate derived by formula pure premiums.
4. Final adjustments include the application of a test correction factor, the ratio of manual-to-standard premium, and swing limits.



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APPENDIX B-I

Distribution of Loss Cost Level Change to Occupational Classification

After determining the required changes in the overall loss cost level for the state and by industry group, the next step in the ratemaking procedure is to distribute these changes among the various occupational classifications. In order to do this, the pure premiums by classification must be adjusted, by policy period, industry group, or on an overall basis, to incorporate the changes proposed in the filing. There are three sets of pure premiums for each classification: indicated, present on rate level, and national pure premiums.

Section A – Calculation of Indicated Pure Premiums

The indicated pure premiums are calculated from the payroll and loss data reported, by class code and policy period, in the Workers Compensation Statistical Plan (WCSP) for the latest available five policy periods. Various adjustments are made to these pure premiums to put them at the level proposed in this filing (Sections A-1 to A-3).

Section A-1 – Calculation of Primary Conversion Factors

1. Limited Loss Development Factors

The following factors are applied to develop the losses from first through fifth report to an ultimate basis.

| Policy Period | Indemnity | | Medical | |
|---------------|-------------------|-----------------------|-------------------|-----------------------|
| | Likely-to-Develop | Not-Likely-to-Develop | Likely-to-Develop | Not-Likely-to-Develop |
| 8/13-7/14 | 1.261 | 1.110 | 1.149 | 1.039 |
| 8/14-7/15 | 1.323 | 1.154 | 1.177 | 1.047 |
| 8/15-7/16 | 1.447 | 1.242 | 1.223 | 1.060 |
| 8/16-7/17 | 1.735 | 1.394 | 1.321 | 1.077 |
| 8/17-7/18 | 2.684 | 1.793 | 1.608 | 1.121 |

2. Factors to Adjust to the Proposed Trend Level

The proposed trend factors are applied to adjust the losses to the proposed level.

| Policy Period | Indemnity | Medical |
|---------------|-----------|---------|
| 8/13-7/14 | 0.741 | 0.770 |
| 8/14-7/15 | 0.772 | 0.797 |
| 8/15-7/16 | 0.804 | 0.826 |
| 8/16-7/17 | 0.837 | 0.856 |
| 8/17-7/18 | 0.872 | 0.887 |

3. Factors to Adjust to the Proposed Benefit Level

The following factors are applied to adjust the losses to the proposed benefit level.

| Policy Period | Fatal | Permanent Total (P.T.) | Permanent Partial (P.P.) | Temporary Total (T.T.) | Medical |
|---------------|-------|------------------------|--------------------------|------------------------|---------|
| 8/13-7/14 | 1.011 | 1.019 | 1.021 | 1.019 | 0.989 |
| 8/14-7/15 | 1.011 | 1.019 | 1.021 | 1.019 | 1.025 |
| 8/15-7/16 | 1.011 | 1.019 | 1.021 | 1.019 | 1.032 |
| 8/16-7/17 | 1.011 | 1.019 | 1.021 | 1.019 | 1.027 |
| 8/17-7/18 | 1.007 | 1.012 | 1.014 | 1.012 | 1.018 |



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APPENDIX B-I

4. Primary Conversion Factors: Indicated Pure Premiums

The factors above, contained within Section A-1, are combined multiplicatively, resulting in the following factors for the Likely-to-Develop (L) and Not-Likely-to-Develop (NL) groupings.

| Policy Period | Fatal (L) | Fatal (NL) | P.T.* | P.P. (L) | P.P. (NL) | T.T. (L) | T.T. (NL) | Medical (L) | Medical (NL) |
|---------------|-----------|------------|-------|----------|-----------|----------|-----------|-------------|--------------|
| 8/13-7/14 | 0.945 | 0.832 | 0.952 | 0.954 | 0.840 | 0.952 | 0.838 | 0.875 | 0.791 |
| 8/14-7/15 | 1.033 | 0.901 | 1.041 | 1.043 | 0.910 | 1.041 | 0.908 | 0.962 | 0.855 |
| 8/15-7/16 | 1.176 | 1.010 | 1.185 | 1.188 | 1.020 | 1.185 | 1.018 | 1.043 | 0.904 |
| 8/16-7/17 | 1.468 | 1.180 | 1.480 | 1.483 | 1.191 | 1.480 | 1.189 | 1.161 | 0.947 |
| 8/17-7/18 | 2.357 | 1.574 | 2.369 | 2.373 | 1.585 | 2.369 | 1.582 | 1.452 | 1.012 |

* Permanent total losses are always assigned to the Likely-to-Develop grouping.

Section A-2 – Expected Excess Provision and Redistribution

After the application of the primary conversion factors, the limited losses are brought to an expected unlimited level through the application of excess loss factors by hazard group. These factors are shown below.

| Hazard Group | A | B | C | D | E | F | G |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| (1) Excess Ratios | 0.114 | 0.149 | 0.171 | 0.204 | 0.243 | 0.281 | 0.326 |
| (2) Excess Factors 1/(1-(1)) | 1.129 | 1.175 | 1.206 | 1.256 | 1.321 | 1.391 | 1.484 |

As the excess loss factors are on a combined (indemnity and medical) basis, a portion (40%) of the indemnity expected excess losses are redistributed to medical in order to more accurately allocate expected excess losses. Since a portion of the expected excess losses are redistributed in an additive manner, the expected excess factors shown above cannot be combined multiplicatively with either the primary or secondary loss conversion factors.



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APPENDIX B-I

Section A-3 – Calculation of Secondary Conversion Factors

1. Factors to Adjust for Proposed Industry Group Differentials

The following factors are applied to adjust the indicated industry group differentials for the effects of credibility weighting the industry group differentials and weighting the differentials by the latest year expected losses.

| | Manufacturing | Contracting | Office and Clerical | Goods and Services | Miscellaneous |
|------------------------------|---------------|-------------|---------------------|--------------------|---------------|
| (1) Indicated Differentials* | 1.026 | 0.991 | 0.999 | 0.994 | 0.997 |
| (2) Final Differentials** | 1.022 | 0.994 | 0.999 | 0.994 | 0.998 |
| (3) Adjustment (2)/(1) | 0.996 | 1.003 | 1.000 | 1.000 | 1.001 |

*See Appendix A-IV, column (13).

**See Appendix A-IV, column (18).

2. Factors to Balance Indicated to Expected Losses

The expected losses are calculated as the pure premium underlying the current loss costs, adjusted to the proposed level and adjusted for the Experience Rating Plan off-balance. The indicated losses are balanced to the expected losses by applying the following factors.

| Policy Period | (1) Adjustment of Indicated Losses to Pure Premium at Proposed Level | (2) Current Ratio of Manual to Standard Premium | (3) Proposed Ratio of Manual to Standard Premium | (4) Off-balance Adjustment (2)/(3) | (5) Balancing Indicated to Expected Losses (1)x(4) |
|---------------|---|--|---|---------------------------------------|---|
| 8/13-7/14 | 0.886 | 1.069 | 1.064 | 1.005 | 0.890 |
| 8/14-7/15 | 0.947 | 1.069 | 1.068 | 1.001 | 0.948 |
| 8/15-7/16 | 0.981 | 1.069 | 1.079 | 0.991 | 0.972 |
| 8/16-7/17 | 0.959 | 1.069 | 1.090 | 0.981 | 0.941 |
| 8/17-7/18 | 0.918 | 1.069 | 1.092 | 0.979 | 0.899 |

3. Adjustment for Experience Change

A factor of 0.962 is applied to adjust for the experience change in the proposed loss cost level.

4. Factor to Reflect the Proposed Loss-Based Expense Provisions

A factor of 1.197 is applied to include the proposed loss-based expense provisions.

5. Secondary Conversion Factors: Indicated Pure Premiums

The factors above, contained within section A-3, are combined multiplicatively, resulting in the following factors:

| Policy Period | Manufacturing | Contracting | Office and Clerical | Goods and Services | Miscellaneous |
|---------------|---------------|-------------|---------------------|--------------------|---------------|
| 8/13-7/14 | 1.021 | 1.028 | 1.025 | 1.025 | 1.026 |
| 8/14-7/15 | 1.087 | 1.095 | 1.092 | 1.092 | 1.093 |
| 8/15-7/16 | 1.115 | 1.123 | 1.119 | 1.119 | 1.120 |
| 8/16-7/17 | 1.079 | 1.087 | 1.084 | 1.084 | 1.085 |
| 8/17-7/18 | 1.031 | 1.038 | 1.035 | 1.035 | 1.036 |



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APPENDIX B-I

Section B – Calculation of Present on Rate Level Pure Premiums

The present on rate level pure premiums are the pure premiums underlying the current loss costs, adjusted to the proposed level. The data sources for the above-captioned pure premiums are the partial pure premiums underlying the current loss costs.

1. Adjustment for Experience Change

A factor of 0.962 is applied to adjust for the experience change in the proposed loss cost level.

2. Factors to Adjust to the Proposed Trend Level

The pure premiums underlying the current loss costs contain the current trend. The change in trend factors, 1.000 and 1.019, for indemnity and medical, respectively, are applied to adjust to the proposed trend level.

3. Factors to Adjust to the Proposed Benefit Level

The following factors are applied to adjust the pure premiums underlying the current loss costs to the proposed benefit level.

| Effective Date | Indemnity | Medical |
|----------------|-----------|---------|
| April 1, 2020 | 1.000 | 1.008 |

4. Factors to Include the Proposed Loss-Based Expense Provisions

The pure premiums underlying the current loss costs include the current loss-based expense provisions and must be adjusted to the proposed level.

| | (a) Current | | (b) Proposed | |
|------------------------------|-------------|---------|--------------|---------|
| | Indemnity | Medical | Indemnity | Medical |
| (1) Loss Adjustment Expense | 1.189 | 1.189 | 1.197 | 1.197 |
| (2) Loss-based Assessment | 1.000 | 1.000 | 1.000 | 1.000 |
| (3) = (1) + (2) – 1.000 | 1.189 | 1.189 | 1.197 | 1.197 |
| (4) Overall Change (3b)/(3a) | | | 1.007 | 1.007 |

5. Adjustment to Obtain Expected Losses

The pure premiums underlying the current loss costs reflect the current Experience Rating Plan off-balance. The change in off-balance must be applied.

| Industry Group | (1) Current Ratio of Manual to Standard Premium | (2) Proposed Ratio of Manual to Standard Premium | (3) Off-balance Adjustment (1)/(2) |
|-------------------|--|---|---|
| Manufacturing | 1.112 | 1.123 | 0.990 |
| Contracting | 1.100 | 1.107 | 0.994 |
| Office & Clerical | 1.120 | 1.126 | 0.995 |
| Goods & Services | 1.015 | 1.024 | 0.991 |
| Miscellaneous | 1.082 | 1.085 | 0.997 |



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6. Factors to Adjust for Proposed Industry Group Differentials

The pure premiums underlying the current loss costs are adjusted by the proposed industry group differentials.

| Industry Group | (1) Final Differential* | (2) Adjustment to Proposed for Current Relativities** | (3) Adjusted Differential (1)x(2) |
|-------------------|-------------------------------|---|---|
| Manufacturing | 1.022 | 1.000 | 1.022 |
| Contracting | 0.994 | 1.001 | 0.995 |
| Office & Clerical | 0.999 | 1.000 | 0.999 |
| Goods & Services | 0.994 | 1.000 | 0.994 |
| Miscellaneous | 0.998 | 1.001 | 0.999 |

*See Appendix A-IV, column (18).

**See Appendix A-IV, column (10).

7. Combined Conversion Factors

The factors above, contained within Section B, are combined multiplicatively, resulting in the following factors.

| Industry Group | Indemnity | Medical |
|-------------------|-----------|---------|
| Manufacturing | 0.980 | 1.007 |
| Contracting | 0.958 | 0.984 |
| Office & Clerical | 0.963 | 0.989 |
| Goods & Services | 0.955 | 0.980 |
| Miscellaneous | 0.965 | 0.991 |



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APPENDIX B-I

Section C – Calculation of National Pure Premiums

Finally, there are the national pure premiums, which reflect the countrywide experience for each classification adjusted to state conditions. These pure premiums reflect the countrywide experience for each classification as indicated by the latest available individual classification experience for all states for which the National Council on Compensation Insurance compiles workers compensation data.

Countrywide data is adjusted to Connecticut conditions in four steps. First, statewide indicated pure premiums are determined for Connecticut. Second, using Connecticut payrolls as weights, corresponding statewide-average pure premiums are computed for each remaining state. Third, the ratios of Connecticut statewide pure premiums to those for other states are used as adjustment factors to convert losses for other states to a basis that is consistent with the Connecticut indicated pure premiums. The quotient of the countrywide total of such adjusted losses divided by the total countrywide payroll for the classification is the initial pure premium indicated by national relativity. Finally, national pure premiums are balanced to the level of the state indicated pure premiums to ensure unbiased derived by formula pure premiums. Indemnity and medical pure premiums are computed separately.

Section D – Calculation of Derived by Formula Pure Premiums

The indicated, present on rate level and national pure premiums are credibility weighted, and the resulting derived by formula pure premiums are used to determine the final class loss costs.

As for the preceding pure premiums, separate computations are performed for each partial pure premium: indemnity and medical. Each partial formula pure premium is derived by the weighting of the indicated, present on rate level and national partial pure premiums. The weight assigned to the policy year indicated pure premium varies in one-percent intervals from zero percent to one hundred percent, depending upon the volume of expected losses (i.e. the product of the underlying pure premiums and the payroll in hundreds). To achieve full state credibility, a classification must have expected losses of at least: \$45,377,532 for indemnity and \$21,526,725 for medical.

The partial credibilities formula is:

$$z = [(\text{expected losses}) / (\text{full credibility standard})]^{0.5}$$

For the national pure premiums, credibility is determined from the number of lost-time claims. Full credibility standards are: 2,300 lost-time claims for indemnity and 2,000 lost-time claims for medical.

Partial credibilities are assigned using a credibility formula similar to that used for indicated pure premiums but based on the number of national cases. In no case is the national credibility permitted to exceed 50% of the complement of the state credibility.

National Credibility equals the smaller of:

$$[(\text{national cases}) / (\text{full credibility standard})]^{0.5} \text{ and } [(1 - \text{state credibility}) / 2]$$

The residual credibility (100% minus the sum of the state and national credibilities) is assigned to the present on rate level pure premium.

For example, if the state credibility is 40%, the national pure premium is assigned a maximum credibility of 30% $((100 - 40) / 2)$. The remainder is assigned to the present on rate level pure premium.

The total pure premium shown on the attached Appendix B-III is obtained by adding the indemnity and medical partial pure premiums obtained above and rounding the sum to two decimal places.



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APPENDIX B-II

Adjustments to Obtain Loss Costs

The following items are combined with the derived by formula pure premium to obtain the proposed loss cost:

1. Test Correction Factor

The payrolls are now extended by the loss costs presently in effect and by the indicated loss costs to determine if the required change in manual premium level as calculated in Exhibit I has been achieved. Since at first this calculation may not yield the required results, an iterative process is initiated which continuously tests the proposed loss costs including tentative test correction factors until the required change in manual premium level is obtained. The test correction factor is applied to the derived by formula pure premiums.

The factors referred to above are set out as follows:

| | Test Correction Factor |
|-------------------|------------------------|
| Manufacturing | 0.9997 |
| Contracting | 1.0129 |
| Office & Clerical | 0.9892 |
| Goods & Services | 0.9990 |
| Miscellaneous | 0.9780 |

2. Ratios of Manual to Standard Premiums

The ratios of manual to standard premiums by industry group have also been excluded from the classification experience, and it is necessary to apply these factors to the derived by formula pure premiums.

| | Ratio of Manual to Standard Premiums |
|-------------------|--------------------------------------|
| Manufacturing | 1.123 |
| Contracting | 1.107 |
| Office & Clerical | 1.126 |
| Goods & Services | 1.024 |
| Miscellaneous | 1.085 |

3. Disease Loadings

The proposed manual loss costs shown in this filing include specific disease loadings for those classifications where they apply. The proposed specific disease loadings are shown on the footnotes page.



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APPENDIX B-II

4. Swing Limits

As a further step, a test is made to make certain that the proposed loss costs fall within the following departures from the present loss costs:

| | |
|-------------------|-----------------------------|
| Manufacturing | from 20% above to 20% below |
| Contracting | from 18% above to 22% below |
| Office & Clerical | from 18% above to 22% below |
| Goods & Services | from 18% above to 22% below |
| Miscellaneous | from 18% above to 22% below |

These limits have been calculated in accordance with the following formula:

Max. Deviation = Effect of the final change in loss cost level by industry group plus or minus 20% rounded to the nearest 1%.

The product of the swing limits and the present loss cost sets bounds for the proposed loss cost. If the calculated loss cost falls outside of the bounds, the closest bound is chosen as the proposed loss cost. When a code is limited, the underlying pure premiums are adjusted to reflect the limited loss cost. The classifications which have been so limited are shown below. Note that classifications that are subject to special handling may fall outside of the swing limits. A code listed below with an asterisk indicates the code's swing limit was adjusted by one cent before being applied; this is only performed when the upper and lower bounds calculated by the swing limit are equal.

An illustrative example showing the calculation of a proposed manual class loss cost is attached as Appendix B-III. This example demonstrates the manner in which the partial pure premiums are combined to produce a total pure premium, and shows the steps in the calculation at which the rounding takes place. The loss costs for other classifications are calculated in the same manner.

List of Classifications Limited by the Upper Swing

0170 4751 8856

List of Classifications Limited by the Lower Swing

None

5. Connecticut Contracting Classification Premium Adjustment Program (CCPAP)

For classifications eligible for the CCPAP, the last step in producing the final proposed loss cost is to apply a factor of 1.001 to offset the credits payable under the CCPAP.

A list of eligible class codes can be found under the **Basic Manual** Miscellaneous Rules.



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APPENDIX B-III

Derivation of Proposed Loss Cost - Code 8810

As previously explained in Appendix B-I, the indicated pure premiums are developed by adjusting the limited losses by a set of conversion factors. The converted losses are then summarized into indemnity and medical and then divided by payroll (in hundreds). The derivation of the indicated pure premium for the above-captioned classification follows:

LIMITED LOSSES (Workers Compensation Statistical Plan)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 08/01/13 - 07/31/14 | 0 | 500,000 | 217,974 | 2,728,485 | 3,937,459 | 1,757,962 | 1,737,561 | 3,161,605 | 8,469,249 |
| 08/01/14 - 07/31/15 | 0 | 0 | 0 | 2,767,910 | 2,604,002 | 1,095,503 | 1,750,443 | 2,379,439 | 6,168,504 |
| 08/01/15 - 07/31/16 | 0 | 0 | 0 | 2,044,540 | 2,705,084 | 563,549 | 2,127,035 | 2,411,437 | 7,087,632 |
| 08/01/16 - 07/31/17 | 0 | 0 | 0 | 1,087,508 | 2,089,322 | 1,099,500 | 1,203,291 | 2,127,999 | 5,444,741 |
| 08/01/17 - 07/31/18 | 0 | 0 | 0 | 300,344 | 1,780,301 | 758,646 | 1,967,814 | 1,254,763 | 6,713,874 |

PRIMARY CONVERSION FACTORS (Appendix B-I, Section A-1)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 08/01/13 - 07/31/14 | 0.945 | 0.832 | 0.952 | 0.954 | 0.840 | 0.952 | 0.838 | 0.875 | 0.791 |
| 08/01/14 - 07/31/15 | 1.033 | 0.901 | 1.041 | 1.043 | 0.910 | 1.041 | 0.908 | 0.962 | 0.855 |
| 08/01/15 - 07/31/16 | 1.176 | 1.010 | 1.185 | 1.188 | 1.020 | 1.185 | 1.018 | 1.043 | 0.904 |
| 08/01/16 - 07/31/17 | 1.468 | 1.180 | 1.480 | 1.483 | 1.191 | 1.480 | 1.189 | 1.161 | 0.947 |
| 08/01/17 - 07/31/18 | 2.357 | 1.574 | 2.369 | 2.373 | 1.585 | 2.369 | 1.582 | 1.452 | 1.012 |

EXPECTED EXCESS PROVISION AND REDISTRIBUTION (Appendix B-I, Section A-2)

After the application of the primary conversion factors, the limited losses are brought to an expected unlimited level through the application of a hazard group-specific excess loss factor. The factor is shown below:

| | |
|---------------|-----------------|
| | HAZARD GROUP: C |
| Excess Factor | 1.206 |

As the excess loss factor is on a combined (indemnity and medical) basis, the following portion of the indemnity expected excess losses are redistributed to medical in order to more accurately allocate expected excess losses:

| | |
|------------------|-----|
| Redistribution % | 40% |
|------------------|-----|



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APPENDIX B-III

Derivation of Proposed Loss Cost - Code 8810

EXPECTED UNLIMITED LOSSES (Limited Losses x Primary Conversion Factors, then adjusted for the Excess Provision and Redistribution)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 08/01/13 - 07/31/14 | 0 | 467,485 | 233,193 | 2,925,128 | 3,716,810 | 1,880,708 | 1,636,285 | 3,707,013 | 8,508,392 |
| 08/01/14 - 07/31/15 | 0 | 0 | 0 | 3,244,227 | 2,662,917 | 1,281,561 | 1,786,112 | 3,093,475 | 6,688,624 |
| 08/01/15 - 07/31/16 | 0 | 0 | 0 | 2,729,525 | 3,100,673 | 750,456 | 2,433,310 | 3,289,438 | 8,135,170 |
| 08/01/16 - 07/31/17 | 0 | 0 | 0 | 1,812,377 | 2,796,354 | 1,828,655 | 1,607,783 | 3,247,558 | 6,543,108 |
| 08/01/17 - 07/31/18 | 0 | 0 | 0 | 800,924 | 3,171,010 | 2,019,664 | 3,498,368 | 2,404,821 | 8,685,627 |

SECONDARY CONVERSION FACTORS (Appendix B-I, Section A-3)

| Policy Period | INDUSTRY GROUP: Office and Clerical |
|---------------------|--|
| 08/01/13 - 07/31/14 | 1.025 |
| 08/01/14 - 07/31/15 | 1.092 |
| 08/01/15 - 07/31/16 | 1.119 |
| 08/01/16 - 07/31/17 | 1.084 |
| 08/01/17 - 07/31/18 | 1.035 |

PAYROLL, FINAL CONVERTED LOSSES (Expected Unlimited Losses x Secondary Conversion Factors)

| Policy Period | Payroll | Indemnity Likely | Indemnity Not-Likely | Medical Likely | Medical Not-Likely | Total Indemnity | Total Medical | Total |
|-------------------------------|------------------------|-------------------|----------------------|-------------------|--------------------|-------------------|-------------------|--------------------|
| 08/01/13 - 07/31/14 | 24,087,728,102 | 5,165,005 | 5,966,095 | 3,799,688 | 8,721,102 | 11,131,100 | 12,520,790 | 23,651,890 |
| 08/01/14 - 07/31/15 | 24,797,465,614 | 4,942,160 | 4,858,340 | 3,378,075 | 7,303,977 | 9,800,500 | 10,682,052 | 20,482,552 |
| 08/01/15 - 07/31/16 | 25,662,526,359 | 3,894,099 | 6,192,527 | 3,680,881 | 9,103,255 | 10,086,626 | 12,784,136 | 22,870,762 |
| 08/01/16 - 07/31/17 | 25,927,014,662 | 3,946,879 | 4,774,085 | 3,520,353 | 7,092,729 | 8,720,964 | 10,613,082 | 19,334,046 |
| 08/01/17 - 07/31/18 | 25,775,439,942 | 2,919,309 | 6,902,806 | 2,488,990 | 8,989,624 | 9,822,115 | 11,478,614 | 21,300,729 |
| Total | 126,250,174,679 | 20,867,452 | 28,693,853 | 16,867,987 | 41,210,687 | 49,561,305 | 58,078,674 | 107,639,979 |
| INDICATED PURE PREMIUM | | | | | | 0.039 | 0.046 | 0.09 |

The pure premiums shown were calculated using unrounded losses, while the converted losses have been rounded for display purposes.

The present on rate level pure premiums are developed by adjusting the pure premiums underlying the current loss cost by the conversion factors calculated in Appendix B-I. The derivation of the present on rate level pure premiums for the above-captioned classification follows:

| | Indemnity | Medical | Total |
|---|--------------|--------------|-------------|
| Pure Premiums Underlying Current Loss Cost | 0.044 | 0.046 | 0.09 |
| Conversion Factors (App. B-I, Section B) | 0.963 | 0.989 | xxx |
| PURE PREMIUMS PRESENT ON RATE LEVEL (Underlying Pure Premiums) x (Conversion Factor) | 0.042 | 0.045 | 0.09 |



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APPENDIX B-III

Derivation of Proposed Loss Cost - Code 8810
 Industry Group - Office and Clerical, Hazard Group - C

The loss cost for the above-captioned classification is derived as follows:

| | <u>Indemnity</u> | <u>Medical</u> | <u>Total</u> |
|--|------------------|----------------|--------------|
| 1. Indicated Pure Premium | 0.039 | 0.046 | 0.09 |
| 2. Pure Premium Indicated by National Relativity | 0.044 | 0.052 | 0.10 |
| 3. Pure Premium Present on Rate Level | 0.042 | 0.045 | 0.09 |
| 4. State Credibilities | 100% | 100% | xxx |
| 5. National Credibilities | 0% | 0% | xxx |
| 6. Residual Credibilities = 100% - (4) - (5) | 0% | 0% | xxx |
| 7. Derived by Formula Pure Premiums = (1) x (4) + (2) x (5) + (3) x (6) | 0.039 | 0.046 | 0.09 |
| 8. Test Correction Factor | 0.9892 | 0.9892 | xxx |
| 9. Underlying Pure Premiums = (7) x (8) * | 0.044 | 0.046 | 0.09 |
| 10. Ratio of Manual to Standard Premium | | | 1.126 |
| 11. Loss Cost = (9) x (10) | | | 0.10 |
| 12. Loss Cost Within Swing Limits | | | 0.10 |
| Current Loss Cost x Swing Limits | | | |
| a) Lower bound = 0.10 x 0.780 = 0.08 | | | |
| b) Upper bound = 0.10 x 1.180 = 0.11 | | | |
| 13. Pure Premiums Underlying Proposed Loss Cost* = ((13TOT) / (9TOT)) x (9) , (13TOT) = (12) / (10) | 0.044 | 0.046 | 0.09 |
| 14. Disease, Catastrophe and/or Miscellaneous Loadings | | | 0.00 |
| 15. Final Loaded Loss Cost | | | 0.10 |

* Indemnity pure premium is adjusted for the rounded total pure premium:
 Indemnity Pure Premium = Total Pure Premium - Medical Pure Premium



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APPENDIX B-IV

I. Determination and Distribution of Premium Level Change to “F” Classifications

The Workers Compensation Statistical Plan (WCSP) data is used to determine the overall “F” classifications (F-class) premium level change as well as the individual change by the various classifications. There are three sets of pure premiums for each classification: indicated, present on rate level, and national pure premiums. All sets of pure premiums are adjusted to the common proposed level that is explained further in this exhibit. These three sets of pure premiums are credibility weighted and the results, the derived by formula pure premiums, are adjusted for additional proposed components (Section II) to determine the indicated loss costs. The payrolls are extended by the loss costs presently in effect and by the indicated loss costs. The loss costs are limited to the swing limits based on 20% above and 20% below the current loss costs. This results in the indicated loss cost level change of -8.6%.

Section A – Calculation of F-Class Indicated Pure Premiums

The payroll and loss data reported are from the WCSP data by class code for the latest available five policy periods.

Section A-1 – Calculation of Primary Conversion Factors

1. Factors to Adjust to the Proposed Benefit Levels

The state and federal losses are adjusted to the proposed state and federal benefit levels, respectively.

STATE ACT

| Policy Period | Fatal | Permanent Total (P.T.) | Permanent Partial (P.P.) | Temporary Total (T.T.) | Medical |
|---------------|-------|------------------------|--------------------------|------------------------|---------|
| 1/13 - 12/13 | 1.011 | 1.019 | 1.021 | 1.019 | 0.984 |
| 1/14 - 12/14 | 1.011 | 1.019 | 1.021 | 1.019 | 0.998 |
| 1/15 - 12/15 | 1.011 | 1.019 | 1.021 | 1.019 | 1.033 |
| 1/16 - 12/16 | 1.011 | 1.019 | 1.021 | 1.019 | 1.030 |
| 1/17 - 12/17 | 1.011 | 1.019 | 1.021 | 1.019 | 1.025 |

FEDERAL ACT

| Policy Period | Fatal | Permanent Total (P.T.) | Permanent Partial (P.P.) | Temporary Total (T.T.) | Medical |
|---------------|-------|------------------------|--------------------------|------------------------|---------|
| 1/13 - 12/13 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1/14 - 12/14 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1/15 - 12/15 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1/16 - 12/16 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1/17 - 12/17 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

2. Factors to Adjust to the Proposed Trend Level

The following factors are applied to trend the losses in each policy year to the proposed rating year. The selected annual trends utilized were 0.960 and 0.965 for indemnity and medical, respectively.

| Policy Period | Indemnity | Medical |
|---------------|-----------|---------|
| 1/13 - 12/13 | 0.721 | 0.752 |
| 1/14 - 12/14 | 0.751 | 0.779 |
| 1/15 - 12/15 | 0.783 | 0.808 |
| 1/16 - 12/16 | 0.815 | 0.837 |
| 1/17 - 12/17 | 0.849 | 0.867 |



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APPENDIX B-IV

Section A-1 – Calculation of Primary Conversion Factors (continued)

3. Limited Loss Development Factors

The following factors are applied to develop the losses from first through fifth report to an ultimate basis utilizing countrywide data.

| Policy Period | Indemnity | | Medical | |
|---------------|-------------------|-----------------------|-------------------|-----------------------|
| | Likely-to-Develop | Not-Likely-to-Develop | Likely-to-Develop | Not-Likely-to-Develop |
| 1/13 - 12/13 | 1.085 | 1.041 | 1.184 | 1.029 |
| 1/14 - 12/14 | 1.110 | 1.055 | 1.228 | 1.028 |
| 1/15 - 12/15 | 1.278 | 1.110 | 1.305 | 1.029 |
| 1/16 - 12/16 | 1.477 | 1.255 | 1.374 | 1.065 |
| 1/17 - 12/17 | 2.319 | 1.811 | 1.594 | 1.141 |

4. Primary Conversion Factors = (1) x (2) x (3)

The factors above contained within Section A-1, are combined multiplicatively, resulting in the following factors for the Likely-to-Develop (L) and Not-Likely-to-Develop (NL) groupings.

STATE ACT

| Policy Period | Fatal (L) | Fatal (NL) | P.T.* | P.P. (L) | P.P. (NL) | T.T. (L) | T.T. (NL) | Medical (L) | Medical (NL) |
|---------------|-----------|------------|-------|----------|-----------|----------|-----------|-------------|--------------|
| 1/13 - 12/13 | 0.791 | 0.759 | 0.797 | 0.799 | 0.766 | 0.797 | 0.765 | 0.876 | 0.761 |
| 1/14 - 12/14 | 0.843 | 0.801 | 0.849 | 0.851 | 0.809 | 0.849 | 0.807 | 0.955 | 0.799 |
| 1/15 - 12/15 | 1.012 | 0.879 | 1.020 | 1.022 | 0.887 | 1.020 | 0.886 | 1.089 | 0.859 |
| 1/16 - 12/16 | 1.217 | 1.034 | 1.227 | 1.229 | 1.044 | 1.227 | 1.042 | 1.185 | 0.918 |
| 1/17 - 12/17 | 1.990 | 1.554 | 2.006 | 2.010 | 1.570 | 2.006 | 1.567 | 1.417 | 1.014 |

FEDERAL ACT

| Policy Period | Fatal (L) | Fatal (NL) | P.T.* | P.P. (L) | P.P. (NL) | T.T. (L) | T.T. (NL) | Medical (L) | Medical (NL) |
|---------------|-----------|------------|-------|----------|-----------|----------|-----------|-------------|--------------|
| 1/13 - 12/13 | 0.782 | 0.751 | 0.782 | 0.782 | 0.751 | 0.782 | 0.751 | 0.890 | 0.774 |
| 1/14 - 12/14 | 0.834 | 0.792 | 0.834 | 0.834 | 0.792 | 0.834 | 0.792 | 0.957 | 0.801 |
| 1/15 - 12/15 | 1.001 | 0.869 | 1.001 | 1.001 | 0.869 | 1.001 | 0.869 | 1.054 | 0.831 |
| 1/16 - 12/16 | 1.204 | 1.023 | 1.204 | 1.204 | 1.023 | 1.204 | 1.023 | 1.150 | 0.891 |
| 1/17 - 12/17 | 1.969 | 1.538 | 1.969 | 1.969 | 1.538 | 1.969 | 1.538 | 1.382 | 0.989 |

* Permanent Total losses are always assigned to the Likely-to-Develop grouping.



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APPENDIX B-IV

Section A-2 – Expected Excess Provision and Redistribution

To reduce distortions in individual class loss cost indications, individual claim amounts are subject to a maximum limit of \$500,000. Multiple claim accidents are limited to three times the individual claim loss limitation. After the application of the primary conversion factors, the limited losses are brought to an expected unlimited level through the application of excess loss factors by hazard group. These factors are shown below.

| Hazard Group | A | B | C | D | E | F | G |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| (1) Excess Ratios | 0.114 | 0.149 | 0.171 | 0.204 | 0.243 | 0.281 | 0.326 |
| (2) Excess Factors $1/(1-(1))$ | 1.129 | 1.175 | 1.206 | 1.256 | 1.321 | 1.391 | 1.484 |

As the excess loss factors are on a combined (indemnity and medical) basis, a portion (40%) of the indemnity expected excess losses are redistributed to medical in order to more accurately allocate expected excess losses. Since a portion of the expected excess losses are redistributed in an additive manner, the expected excess factors shown above cannot be combined multiplicatively with either the primary or secondary loss conversion factors.

Section A-3 – Calculation of Secondary Conversion Factors

A factor of 1.197 is applied to include the loss adjustment expense for state law level losses and federal law level losses.



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APPENDIX B-IV

Section B – Present on Rate Level

1. Benefits

The underlying pure premiums are adjusted by the weighted impact of the proposed state and federal benefit levels. The distribution of state and federal losses was used to determine the weighted effects.

| | |
|-----------------------|-------|
| State Weight (St%) | 0.272 |
| Federal Weight (Fed%) | 0.728 |

| | Indemnity | Medical | Total |
|--|-----------|---------|-------|
| (a) State Laws | 1.000 | 1.008 | 1.004 |
| (b) Federal Laws | 1.000 | 1.000 | 1.000 |
| (c) Weighted Laws = [(a)xSt%] + [(b)xFed%] | 1.000 | 1.002 | 1.001 |

2. Trend

Since the trend in the current underlying pure premiums is adequate for the current rating year, additional trend is applied to bring the underlyings to the proposed rating year.

| Indemnity | Medical |
|-----------|---------|
| 0.960 | 0.965 |

3. Loss Adjustment Expenses

The current underlying pure premiums are adjusted to reflect the change in loss adjustment expense provisions.

| | Indemnity | Medical | Total |
|--------------------------------------|-----------|---------|-------|
| (a) Current Loss Adjustment Expense | 1.189 | 1.189 | 1.189 |
| (b) Proposed Loss Adjustment Expense | 1.197 | 1.197 | 1.197 |
| (c) Change = (b)/(a) | 1.007 | 1.007 | 1.007 |

4. Conversion Factors = (1) x (2) x (3)

The factors have been applied multiplicatively resulting in the following factors.

| Indemnity | Medical |
|-----------|---------|
| 0.967 | 0.974 |



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APPENDIX B-IV

Section C – National Pure Premiums

The latest three years of state and federal losses for states in which NCCI compiles workers compensation data are separately adjusted to the same level as the indicated and present on rate level pure premiums.

Class Code 9077

For Code 9077, the indicated, national and present on rate level pure premiums were calculated as described previously in Sections A, B and C but using the non-appropriated benefit changes.

Section D – Derived by Formula Pure Premiums

The derived by formula pure premiums are calculated by a process similar to that of the industrial codes, which is described in Appendix B-I, Section D. To achieve full state credibility, a classification must have expected losses of at least: \$97,831,600 for indemnity and \$47,201,600 for medical.

II. Calculation of Proposed Loss Costs

The following items are combined with the derived by formula pure premiums to obtain the proposed loss cost:

A. Test Correction Factor **1.0000**

B. Ratio of Manual Premium to Earned Premium **1.241**
(determined on a countrywide basis)

C. Swing Limits

No classifications were adjusted on account of swing limits.



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APPENDIX B-IV

Derivation of Proposed Loss Cost - Code 7317

The indicated pure premiums are developed by adjusting the limited losses by a set of conversion factors. The converted losses are then summarized into indemnity and medical and then divided by payroll (in hundreds). The derivation of the indicated pure premium for the above-captioned classification follows:

STATE ACT - LIMITED LOSSES (Workers Compensation Statistical Plan)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 01/01/13 - 12/31/13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/14 - 12/31/14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/15 - 12/31/15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/16 - 12/31/16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/17 - 12/31/17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

FEDERAL ACT - LIMITED LOSSES (Workers Compensation Statistical Plan)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 01/01/13 - 12/31/13 | 0 | 0 | 0 | 0 | 0 | 0 | 2,886 | 0 | 6,360 |
| 01/01/14 - 12/31/14 | 0 | 0 | 0 | 0 | 35,803 | 0 | 3,399 | 0 | 70,939 |
| 01/01/15 - 12/31/15 | 0 | 0 | 0 | 0 | 31,012 | 0 | 0 | 0 | 7,888 |
| 01/01/16 - 12/31/16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/17 - 12/31/17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

STATE ACT - PRIMARY CONVERSION FACTORS (Appendix B-IV, Section A-1)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 01/01/13 - 12/31/13 | 0.791 | 0.759 | 0.797 | 0.799 | 0.766 | 0.797 | 0.765 | 0.876 | 0.761 |
| 01/01/14 - 12/31/14 | 0.843 | 0.801 | 0.849 | 0.851 | 0.809 | 0.849 | 0.807 | 0.955 | 0.799 |
| 01/01/15 - 12/31/15 | 1.012 | 0.879 | 1.020 | 1.022 | 0.887 | 1.020 | 0.886 | 1.089 | 0.859 |
| 01/01/16 - 12/31/16 | 1.217 | 1.034 | 1.227 | 1.229 | 1.044 | 1.227 | 1.042 | 1.185 | 0.918 |
| 01/01/17 - 12/31/17 | 1.990 | 1.554 | 2.006 | 2.010 | 1.570 | 2.006 | 1.567 | 1.417 | 1.014 |

FEDERAL ACT - PRIMARY CONVERSION FACTORS (Appendix B-IV, Section A-1)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 01/01/13 - 12/31/13 | 0.782 | 0.751 | 0.782 | 0.782 | 0.751 | 0.782 | 0.751 | 0.890 | 0.774 |
| 01/01/14 - 12/31/14 | 0.834 | 0.792 | 0.834 | 0.834 | 0.792 | 0.834 | 0.792 | 0.957 | 0.801 |
| 01/01/15 - 12/31/15 | 1.001 | 0.869 | 1.001 | 1.001 | 0.869 | 1.001 | 0.869 | 1.054 | 0.831 |
| 01/01/16 - 12/31/16 | 1.204 | 1.023 | 1.204 | 1.204 | 1.023 | 1.204 | 1.023 | 1.150 | 0.891 |
| 01/01/17 - 12/31/17 | 1.969 | 1.538 | 1.969 | 1.969 | 1.538 | 1.969 | 1.538 | 1.382 | 0.989 |



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APPENDIX B-IV

Derivation of Proposed Loss Cost - Code 7317

EXPECTED EXCESS PROVISION AND REDISTRIBUTION (Appendix B-IV, Section A-2)

After the application of the primary conversion factors, the limited losses are brought to an expected unlimited level through the application of a hazard group-specific excess loss factor. The factor is shown below:

| | |
|---------------|-----------------|
| | HAZARD GROUP: G |
| Excess Factor | 1.484 |

As the excess loss factor is on a combined (indemnity and medical) basis, the following portion of the indemnity expected excess losses are redistributed to medical in order to more accurately allocate expected excess losses:

| | |
|------------------|-----|
| Redistribution % | 40% |
|------------------|-----|

STATE ACT - EXPECTED UNLIM LOSSES (Lim Losses x Primary Conv Factors, then adjusted for the Excess Provision and Redistribution)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 01/01/13 - 12/31/13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/14 - 12/31/14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/15 - 12/31/15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/16 - 12/31/16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/17 - 12/31/17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

FEDERAL ACT - EXPECTED UNLIM LOSSES (Lim Losses x Primary Conv Factors, then adjusted for the Excess Provision and Redistribution)

| Policy Period | Fatal Likely | Fatal Not-Likely | Permanent Total | Permanent Partial Likely | Permanent Partial Not-Likely | Temporary Total Likely | Temporary Total Not-Likely | Medical Likely | Medical Not-Likely |
|---------------------|--------------|------------------|-----------------|--------------------------|------------------------------|------------------------|----------------------------|----------------|--------------------|
| 01/01/13 - 12/31/13 | 0 | 0 | 0 | 0 | 0 | 0 | 2,796 | 0 | 7,723 |
| 01/01/14 - 12/31/14 | 0 | 0 | 0 | 0 | 36,585 | 0 | 3,473 | 0 | 90,313 |
| 01/01/15 - 12/31/15 | 0 | 0 | 0 | 0 | 34,770 | 0 | 0 | 0 | 14,940 |
| 01/01/16 - 12/31/16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/17 - 12/31/17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

STATE ACT - SECONDARY CONVERSION FACTORS (Appendix B-IV, Section A-3)

| | |
|---------------------|----------------------------|
| | INDUSTRY GROUP: F-Class |
| Policy Period | |
| 01/01/13 - 12/31/13 | 1.197 |
| 01/01/14 - 12/31/14 | 1.197 |
| 01/01/15 - 12/31/15 | 1.197 |
| 01/01/16 - 12/31/16 | 1.197 |
| 01/01/17 - 12/31/17 | 1.197 |

FEDERAL ACT - SECONDARY CONVERSION FACTORS (Appendix B-IV, Section A-3)

| | |
|---------------------|----------------------------|
| | INDUSTRY GROUP: F-Class |
| Policy Period | |
| 01/01/13 - 12/31/13 | 1.197 |
| 01/01/14 - 12/31/14 | 1.197 |
| 01/01/15 - 12/31/15 | 1.197 |
| 01/01/16 - 12/31/16 | 1.197 |
| 01/01/17 - 12/31/17 | 1.197 |



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APPENDIX B-IV

Derivation of Proposed Loss Cost - Code 7317

TOTAL - PAYROLL, FINAL CONVERTED LOSSES

| Policy Period | Payroll | Indemnity Likely | Indemnity Not-Likely | Medical Likely | Medical Not-Likely | Total Indemnity | Total Medical | Total |
|-------------------------------|------------------|------------------|----------------------|----------------|--------------------|-----------------|----------------|----------------|
| 01/01/13 - 12/31/13 | 1,808,566 | 0 | 3,347 | 0 | 9,244 | 3,347 | 9,244 | 12,591 |
| 01/01/14 - 12/31/14 | 1,934,431 | 0 | 47,949 | 0 | 108,105 | 47,949 | 108,105 | 156,054 |
| 01/01/15 - 12/31/15 | 2,170,449 | 0 | 41,620 | 0 | 17,883 | 41,620 | 17,883 | 59,503 |
| 01/01/16 - 12/31/16 | 116,955 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 01/01/17 - 12/31/17 | 125,160 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 6,155,561 | 0 | 92,916 | 0 | 135,232 | 92,916 | 135,232 | 228,148 |
| INDICATED PURE PREMIUM | | | | | | 1.509 | 2.197 | 3.71 |

The pure premiums shown were calculated using unrounded losses, while the converted losses have been rounded for display purposes.

The present on rate level pure premiums are developed by adjusting the pure premiums underlying the current loss cost by the conversion factors. The derivation of the present on rate level pure premiums for the above-captioned classification follows:

| | Indemnity | Medical | Total |
|---|--------------|--------------|-------------|
| Pure Premiums Underlying Current Loss Cost | 2.888 | 2.552 | 5.44 |
| Conversion Factors (Section B) | 0.967 | 0.974 | xxx |
| PURE PREMIUMS PRESENT ON RATE LEVEL (Underlying Pure Premiums) x (Conversion Factor) | 2.793 | 2.486 | 5.28 |



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APPENDIX B-IV

Derivation of Proposed Loss Cost - Code 7317

Industry Group - F-Class, Hazard Group - G

The loss cost for the above-captioned classification is derived as follows:

| | <u>Indemnity</u> | <u>Medical</u> | <u>Total</u> |
|--|------------------|----------------|--------------|
| 1. Indicated Pure Premium | 1.509 | 2.197 | 3.71 |
| 2. Pure Premium Indicated by National Relativity | 1.603 | 2.001 | 3.60 |
| 3. Pure Premium Present on Rate Level | 2.793 | 2.486 | 5.28 |
| 4. State Credibilities | 4% | 6% | xxx |
| 5. National Credibilities | 17% | 18% | xxx |
| 6. Residual Credibilities = 100% - (4) - (5) | 79% | 76% | xxx |
| 7. Derived by Formula Pure Premiums = (1) x (4) + (2) x (5) + (3) x (6) | 2.539 | 2.381 | 4.92 |
| 8. Test Correction Factor | 1.0000 | 1.0000 | xxx |
| 9. Underlying Pure Premiums = (7) x (8) * | 2.539 | 2.381 | 4.92 |
| 10. Ratio of Manual to Standard Premium | | | 1.241 |
| 11. Loss Cost = (9) x (10) | | | 6.11 |
| 12. Loss Cost Within Swing Limits | | | 6.11 |
| Current Loss Cost x Swing Limits | | | |
| a) Lower bound = 6.69 x 0.800 = 5.36 | | | |
| b) Upper bound = 6.69 x 1.200 = 8.02 | | | |
| 13. Pure Premiums Underlying Proposed Loss Cost* = ((13TOT) / (9TOT)) x (9) , (13TOT) = (12) / (10) | 2.539 | 2.381 | 4.92 |
| 14. Disease, Catastrophe and/or Miscellaneous Loadings | | | 0.00 |
| 15. Final Loaded Loss Cost | | | 6.11 |

* Indemnity pure premium is adjusted for the rounded total pure premium:
Indemnity Pure Premium = Total Pure Premium - Medical Pure Premium



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix C – Memoranda for Laws and Assessments

The following changes affecting Connecticut benefit levels are detailed in this Appendix:

- Workers' Compensation Commission Administrative Assessment
- Analysis of Medical Fee Schedule Changes, Effective April 1, 2020
- Longshore and Harbor Workers' Compensation Act Assessment



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APPENDIX C-I

Computation of Workers' Compensation Commission Administrative Assessment

| | | |
|-----|--|-------|
| I. | INDUSTRIAL CLASSIFICATIONS | |
| 1. | WC Commission Assessment as a Percentage of Losses | 2.85% |
| 2. | Proposed Permissible Loss Ratio | 70.9% |
| 3. | Proposed Assessment as a Percentage of Premium = (1) x (2) | 2.0% |
| II. | "F" CLASSIFICATIONS | |
| 4. | 2020 USL&HW Assessments on Total Losses | 6.2% |
| 5. | Percent of "F" Class Losses under State Act | 27.2% |
| 6. | Percent of "F" Class Losses under Federal Act | 72.8% |
| 7. | Assessments as a Percentage of Premium = { [(1) x (5)] + [(4) x (6)] } x (2) | 3.7% |

Per the Connecticut Insurance Department, we are proposing the following:

| | | |
|-----|--|------|
| I. | INDUSTRIAL CLASSIFICATIONS | |
| 1. | Proposed Assessment as a Percentage of Premium = (3) | 2.0% |
| II. | "F" CLASSIFICATIONS | |
| 2. | Assessments as a Percentage of Premium = (7) | 3.7% |

Note: The Workers' Compensation Commission Administrative Assessment is NOT part of the loss costs or assigned risk rates.



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APPENDIX C-II

Analysis of Medical Fee Schedule Changes, Effective April 1, 2020

NCCI estimates that the changes to Connecticut's medical fee schedule, effective April 1, 2020, will result in an impact of +0.4% on overall workers compensation system costs.

Summary of Changes

The changes to the medical fee schedule published by the Connecticut Workers' Compensation Commission (WCC) are summarized below.

- Update the hospital inpatient fee schedule to be based on 174% of Medicare's 2020 Inpatient Prospective Payment System (IPPS). Prior to April 1, 2020, hospital inpatient services were subject to a maximum reimbursement rate of 174% of the 2019 IPPS.
- Update the Hospital Outpatient fee schedule to be based on 210% of Medicare's 2020 Outpatient Prospective Payment System (OPPS). Prior to April 1, 2020, hospital outpatient services were subject to a maximum reimbursement rate of 210% of the 2019 OPPS.
- Update the ASC fee schedule to be based on 195% of Medicare's 2020 OPPS. Prior to April 1, 2020, ASC services were subject to a maximum reimbursement rate of 195% of the 2019 OPPS.

Actuarial Analysis

NCCI's methodology to evaluate the impact of medical fee schedule changes includes three major steps:

1. Calculate the percentage change in maximum reimbursements
 - Compare the prior and revised maximum reimbursements by procedure code to determine the percentage change by procedure code. For hospital inpatient services, the prior and revised maximum reimbursements are compared by episode.
 - Calculate the weighted-average percentage change in maximum reimbursements for the fee schedule using observed payments by procedure code as weights. For hospital inpatient services, the observed payments by episode are used as weights. For hospital outpatient services, Connecticut's hospital outpatient fee schedule follows Medicare rules which contain a comprehensive payment policy that packages payment for adjunctive and secondary items, services, and procedures into the primary procedure under certain circumstances. For this analysis, the hospital outpatient experience is aggregated according to the packaging rules, where applicable.



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APPENDIX C-II

Analysis of Medical Fee Schedule Changes, Effective April 1, 2020

2. Determine the share of costs that are subject to the fee schedule
 - The share is based on a combination of fields, such as procedure code, provider type, and place of service, as reported on the NCCI Medical Data Call, to categorize payments that are subject to the fee schedule.
 - The share is calculated as the greater of the percentage of observed payments with a maximum allowable reimbursement (MAR) and 75%. NCCI assumes no change for the share of costs not subject to the fee schedule.
3. Estimate the price level change as a result of the revised fee schedule
 - NCCI research by David Colón and Paul Hendrick, “The Impact of Fee Schedule Updates on Physician Payments” (2018), suggests that approximately 80% of the change in maximum reimbursements for physician fee schedules is realized on payments impacted by the change.
 - For facility fee schedule changes, a price realization factor of 80% is assumed.

In this analysis, NCCI relies primarily on two data sources:

- Detailed medical data underlying the calculations in this analysis are based on NCCI’s Medical Data Call for Connecticut for Service Year 2018.
- The share of benefit costs attributed to medical benefits is based on NCCI’s Financial Call data for Connecticut from Policy Years 2016 and 2017 projected to the effective date of the benefit changes.



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APPENDIX C-II

Analysis of Medical Fee Schedule Changes, Effective April 1, 2020

Summary of Impacts

The impacts from the fee schedule changes in Connecticut, effective April 1, 2020, are summarized below.

| Type of Service | (A) Impact on Type of Service | (B) Share of Medical Costs | (C) = (A) x (B) Impact on Medical Costs |
|--|--|---|--|
| Hospital Inpatient | +0.8% | 14.0% | +0.1% |
| Hospital Outpatient | +1.8% | 13.4% | +0.2% |
| ASC | +3.5% | 13.6% | <u>+0.5%</u> |
| Combined Impact on Medical Costs (D) = Total of (C) | | | +0.8% |
| Medical Costs as a Share of Overall Costs (E) | | | 47% |
| Combined Impact on Overall Costs (F) = (D) x (E) | | | +0.4% |

The table below provides the share of costs subject to the fee schedule and weighted-average change in MARs by type of service:

| Type of Service | Share of Costs Subject to the Fee Schedule | Percentage Change in MARs | Impact after 80% Price Realization |
|------------------------|---|--------------------------------------|---|
| Hospital Inpatient | 55.8% | +1.0% | +0.8% |
| Hospital Outpatient | 94.8% | +2.3% | +1.8% |
| ASC | 98.4% | +4.4% | +3.5% |



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APPENDIX C-III

U.S. Longshore and Harbor Workers' Compensation Act Assessment

| | |
|--|-------------|
| 1.) Estimated Total Expense Needed for 2020 * | 94,000,000 |
| 2.) Compensation Payments Reported (on indemnity only) in 2019 * | 820,509,290 |
| 3.) Assessment Rate on Indemnity Losses (1) / (2) | 11.5% |

Breakdown of Losses Under the Longshore and Harbor Workers Act

| | |
|---|------------|
| 4.) Indemnity Losses (Combination of 1st through 3rd reports) # | 39,408,883 |
| 5.) Medical Losses (Combination of 1st through 3rd reports) # | 33,568,865 |
| 6.) Total Losses (4) + (5) | 72,977,748 |
| 7.) Assessment Rate on Total Losses { (3) x (4) } / (6) | 6.2% |

* Source: U.S. Department of Labor

Source: On-leveled and developed USL&HW losses - statistical plan data



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix D – Determination of Assigned Risks Rates

Overall Proposed Change to Assigned Risk Rate Level

NCCI applies an assigned risk loss cost multiplier (LCM) to the voluntary market loss costs to calculate the assigned risk rates. This factor accounts for differences in the components included in the assigned risk rates versus those in the voluntary market loss costs. The key components of the assigned risk loss cost multiplier are the assigned risk differential, assigned risk market expenses (as reflected in the assigned risk permissible loss ratio (PLR)), and the uncollectible premium provision (UPP). Voluntary market loss-based expenses (LBE) must also be removed in the calculation since the servicing carrier allowance already contemplates these expenses for the assigned risk market. The assigned risk loss cost multiplier formula is as follows:

$$\text{Assigned Risk LCM} = \text{Assigned Risk Differential} / \text{Voluntary Market LBE} / \text{PLR} \times \text{UPP}$$

In this filing, NCCI is proposing an overall average change of –1.4% to the current assigned risk rate level.

Assigned Risk Differential

The primary purpose of the loss cost differential is to ensure equity between the assigned risk and voluntary markets. To help ensure a self-funded assigned risk market—one that does not require subsidization by participants in the voluntary market—the adequacy of the loss cost differential is reviewed.

In Connecticut, as is usually the case, the combined experience for those employers in the assigned risk market is worse than the combined experience for those in the voluntary market. Therefore, during the assigned risk ratemaking process, a surcharge is applied to those in the assigned risk market to recognize this disparity. This surcharge is called the assigned risk differential. Based on this year's review, no change to the current assigned risk loss cost differential is being proposed.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Appendix D – Determination of Assigned Risks Rates

Assigned Risk Expenses

Provisions for expense items related to the writing of workers compensation insurance not already contemplated in the loss costs must be included in the final assigned risk rates. These include:

- **Servicing Carrier Allowance (SCA):** This is the market-based cost paid to the assigned risk market servicing carriers as a percentage of final net collected premium that is intended to compensate for expenses incurred in handling the assigned risk business. The average SCA is determined through a competitive bid process and typically includes provisions for such items as general (overhead), production, and loss-based expenses.
- **Assigned Risk Administration Expense:** Reflects NCCI Plan Administration Expenses, NWCRA Pool Administration Expenses, and Servicing Carrier Other Expenses.
- **Average Commission**
- **Profit and Contingency Provision**

Based on our analysis this year, an increase of 0.6% to the current assigned risk expense level is being proposed.

Uncollectible Premium Provision

The purpose of the uncollectible premium provision is to make available sufficient funds in the rate structure to offset the policy premium ultimately determined to be uncollectible. Based on a review of historical ratios of ultimate gross premium to ultimate collected premium in Connecticut's assigned risk market, NCCI is proposing to change the uncollectible premium provision from 1.035 to 1.040.



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APPENDIX D

Determination of Assigned Risk Rates

Section A - Derivation of the Assigned Risk Loss Cost Multiplier

This filing proposes a -1.4% overall average change to the current assigned risk rate level. For all classifications, an assigned risk multiplier is applied to the voluntary loss costs proposed effective January 1, 2021 in order to convert to assigned risk rates.

| | | |
|-----|--|-------|
| (1) | Current Assigned Risk Loss Cost Multiplier | 1.631 |
| (2) | Proposed Assigned Risk Loss Cost Differential (Section B) | 1.336 |
| (3) | Proposed Voluntary Loss-based Expense Provision (Exhibit II) | 19.7% |
| (4) | Indicated Assigned Risk Permissible Loss Ratio (Section C) | 70.9% |
| (5) | Proposed Uncollectible Premium Provision (Section G) | 1.040 |
| (6) | Indicated Assigned Risk Loss Cost Multiplier = $\{(2) / [1 + (3)]\} / (4) \times (5)$ | 1.637 |
| (7) | Indicated Change in the Assigned Risk Loss Cost Multiplier = $[(6) / (1)] - 1.0$ | 0.4% |
| (8) | Proposed Voluntary Loss Cost Level Change (Exhibit I) | -1.8% |
| (9) | Indicated Assigned Risk Rate Level Change = $\{[1.0 + (7)] \times [1.0 + (8)]\} - 1.0$ | -1.4% |



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APPENDIX D

Determination of Assigned Risk Rates

Section B - Derivation of Assigned Risk Differential

Experience Valued as of 12/31/2019

| Policy Year | (1) | (2) | (3) | (4) |
|-------------|--|------------------|---|------------------|
| | <u>Standard Pure Premium Assigned Risk</u> | <u>Statewide</u> | <u>Unlimited Undeveloped Paid+Case Losses Assigned Risk</u> | <u>Statewide</u> |
| 2009 | 8,142,548 | 277,799,387 | 12,669,549 | 373,548,232 |
| 2010 | 7,094,319 | 301,406,962 | 19,752,341 | 428,807,107 |
| 2011 | 7,320,203 | 307,345,565 | 14,710,376 | 405,057,345 |
| 2012 | 10,019,945 | 299,689,255 | 21,355,697 | 381,163,034 |
| 2013 | 13,466,477 | 300,900,370 | 46,955,542 | 373,809,558 |
| 2014 | 13,999,068 | 308,220,198 | 29,880,307 | 320,767,295 |
| 2015 | 14,551,015 | 325,258,673 | 22,136,035 | 307,671,308 |
| 2016 | 13,418,822 | 328,497,441 | 16,388,144 | 282,043,287 |
| 2017 | 13,929,247 | 330,996,940 | 14,330,520 | 281,356,685 |
| 2018 | 14,521,852 | 350,422,637 | 17,428,266 | 212,868,010 |

(5) = (3) / (1) (6) = (4) / (2) (7) = (5) / (6) (8) = (7) / Impact of ARAP^

| Policy Year | Pure Premium Ratio | | Assigned Risk-to-Statewide Relativity | Indicated Assigned Risk Differential |
|-------------|----------------------|------------------|---------------------------------------|--------------------------------------|
| | <u>Assigned Risk</u> | <u>Statewide</u> | | |
| 2009 | 1.556 | 1.345 | 1.157 | 1.094 |
| 2010 | 2.784 | 1.423 | 1.956 | 1.849 |
| 2011 | 2.010 | 1.318 | 1.525 | 1.441 |
| 2012 | 2.131 | 1.272 | 1.675 | 1.583 |
| 2013 | 3.487 | 1.242 | 2.808 | 2.654 |
| 2014 | 2.134 | 1.041 | 2.050 | 1.938 |
| 2015 | 1.521 | 0.946 | 1.608 | 1.520 |
| 2016 | 1.221 | 0.859 | 1.421 | 1.343 |
| 2017 | 1.029 | 0.850 | 1.211 | 1.145 |
| 2018 | 1.200 | 0.607 | 1.977 | 1.869 |

Current Assigned Risk Differential 1.336 *

Proposed Assigned Risk Differential 1.336

Proposed Change in the Assigned Risk Differential 0.0%

^ Impact of the Assigned Risk Adjustment Program (ARAP) = 1.058.

* Includes the impact of reduced premium discounts.



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APPENDIX D

Determination of Assigned Risk Rates

Section C - Expense Components of Assigned Risk Rate

The assigned risk expense provision including loss-based expenses is derived directly from the servicing carrier allowance, since this is the market-based cost to the assigned risk plan to have the plan serviced. The average commission rate, the profit and contingency provision, a provision for administrative expenses, and all taxes and assessments not included in the servicing carrier allowance must be added to the allowance to derive an average expense provision as a percentage of standard premium excluding the expense constants.

| | <u>Expense Provisions Underlying Proposed Rates</u> |
|--|---|
| (1) Expense Constant | \$160 |
| (2) Weighted-Average of Servicing Carrier Allowance Bids | 21.6% |
| (3) Tax and Assessment True-Up (See Section F) | -0.5% |
| (4) Assigned Risk Administration Expense (See Section E) | 4.6% |
| (5) Premium Discount as a Percentage of Standard Premium Excluding the Expense Constant (See Section D) | 1.7% |
| (6) Expense Constant Premium as a Percentage of Standard Premium Excluding the Expense Constant (See Section D) | 5.2% |
| (7) Servicing Carrier Allowance, Taxes and Administrative Expense Converted to a Standard Premium Excluding Expense Constant Basis = [(2) + (3) + (4)] x [1 - (5) + (6)] + (5) - (6) | 23.1% |
| (8) Average Commission (See Section D) | 5.0% |
| (9) Profit and Contingency Provision | 1.0% |
| (10) Total Expense Provision in Rate = (7) + (8) + (9) | 29.1% |
| (11) Permissible Loss Ratio in Rate = 1 - (10) | 70.9% |
| (12) Current Permissible Loss Ratio in Rate | 71.3% |
| (13) Impact on Rate due to Change in Expenses = (0.713 / 0.709) - 1 | 0.6% |



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APPENDIX D

Determination of Assigned Risk Rates

Section D - Derivation of Premium Discount, Expense Constant and Commission as a Percentage of Premium

Premium Distribution by Layer for Assigned Risk Policies for Policy Years 2018 & 2019

| | (1) | (2) | (3) ¹ | (4) ¹ |
|--------------------------------------|--------------------------------------|--|----------------------------------|----------------------|
| Portion of Total Standard Premium | Standard Premium Excl Exp Cnst | Standard Premium Excl Exp Cnst Distribution | Commission Scale ² | Premium Discounts |
| First 1,000 | 20,579,534 | 29.9% | 8.0% | -- |
| Next 4,000 | 18,932,997 | 27.5% | 5.0% | -- |
| Next 5,000 | 7,132,307 | 10.4% | 3.0% | -- |
| Next 90,000 | 17,760,471 | 25.8% | 3.0% | 5.1% |
| Next 100,000 | 2,952,717 | 4.3% | 2.0% | 5.1% |
| Next 1,550,000 | 1,501,552 | 2.2% | 2.0% | 6.5% |
| Over 1,750,000 | 0 | 0.0% | 2.0% | 7.5% |
| Total | 68,859,578 | 100.0% | 5.0% | 1.7% |

(5) Expense Constant Premium as % of Standard Premium Excluding Expense Constant³ = 5.2%

¹ Totals represent weighted averages based on column (2).

² Commissions paid in Connecticut are based on standard premium excluding expense constant premium. Source of the commission scale is NCCI's Basic Manual, Rule 4-H-6.

³ Based on assigned risk policy and premium totals for policy years 2018 & 2019 using the dominant state method for the classification of multistate policies.



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APPENDIX D

Determination of Assigned Risk Rates

Section E - Derivation of NCCI Plan Administration Expenses, NWCRA Pool Administration Expenses, and Servicing Carrier Other Expenses

| Calendar Year | (1) Net Written Premium ¹ | (2) Expenses | (3) Expenses as % of NWP = (2)/(1) |
|------------------|---|-----------------|---|
| 2010 | 13,667,771 | 1,384,984 | 10.1% |
| 2011 | 16,349,238 | 1,578,273 | 9.7% |
| 2012 | 27,947,446 | 1,686,226 | 6.0% |
| 2013 | 40,119,761 | 1,625,692 | 4.1% |
| 2014 | 41,749,644 | 1,635,357 | 3.9% |
| 2015 | 40,258,766 | 1,442,000 | 3.6% |
| 2016 | 30,795,342 | 1,314,112 | 4.3% |
| 2017 | 26,113,613 | 1,221,283 | 4.7% |
| 2018 | 26,638,105 | 1,302,311 | 4.9% |
| 2019 | 19,291,124 | 1,248,810 | 6.5% |
| | | Selected | 4.6% |

¹ Gross of uncollectible premium.



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APPENDIX D

Determination of Assigned Risk Rates

Section F - Calculation of Tax and Assessment True-up

| | |
|--|-------|
| (1) Tax and Assessment % in SCA Bid ¹ | 2.5% |
| (2) Proposed Tax and Assessment % ² | 2.0% |
| (3) Adjustment for Tax and Assessment = (2) - (1) | -0.5% |

¹ Basis for tax and assessment true-up. The servicing carrier fee will be adjusted if the actual tax and assessment differs from 2.5%.

² Based on the latest tax and assessment information.



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APPENDIX D

Determination of Assigned Risk Rates

Section G - Calculation of Ultimate Uncollectible Premium Provision (UPP)

Gross Premium as of 12/31/2019 - Traumatic Only (000s)

| Policy Year | 1st | 2nd | 3rd | 4th | 5th | 6th | 7th | 8th | Ultimate Gross |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|----------------|
| 2008 | | | | 18,682 | 18,694 | 18,674 | 18,670 | 18,679 | 18,679 |
| 2009 | | | 15,346 | 15,213 | 15,214 | 15,214 | 15,211 | 15,211 | 15,211 |
| 2010 | | 15,780 | 15,767 | 15,741 | 15,745 | 15,749 | 15,748 | 15,747 | 15,747 |
| 2011 | 18,000 | 17,630 | 17,568 | 17,555 | 17,560 | 17,559 | 17,557 | 17,528 | 17,528 |
| 2012 | 29,133 | 28,658 | 28,426 | 28,286 | 28,304 | 28,292 | 28,288 | | 28,288 |
| 2013 | 37,624 | 37,209 | 36,913 | 36,828 | 36,818 | 36,894 | | | 36,894 |
| 2014 | 43,192 | 42,990 | 42,722 | 42,332 | 42,269 | | | | 42,269 |
| 2015 | 41,931 | 42,113 | 42,056 | 42,072 | | | | | 42,072 |
| 2016 | 28,608 | 28,475 | 28,483 | | | | | | 28,397 |
| 2017 | 29,092 | 27,478 | | | | | | | 27,258 |
| 2018 | 24,448 | | | | | | | | 24,081 |

| Policy Year | 1 / 2 | 2 / 3 | 3 / 4 | 4 / 5 | 5 / 6 | 6 / 7 | 7 / 8 | 8 / Ult |
|----------------|-------|-------|-------|-------|-------|-------|-------|---------|
| 2008 | | | | | | 1.000 | 1.000 | |
| 2009 | | | | | 1.000 | 1.000 | 1.000 | |
| 2010 | | | | 1.000 | 1.000 | 1.000 | 1.000 | |
| 2011 | | | 0.999 | 1.000 | 1.000 | 1.000 | 0.998 | |
| 2012 | | 0.992 | 0.995 | 1.001 | 1.000 | 1.000 | | |
| 2013 | 0.989 | 0.992 | 0.998 | 1.000 | 1.002 | | | |
| 2014 | 0.995 | 0.994 | 0.991 | 0.999 | | | | |
| 2015 | 1.004 | 0.999 | 1.000 | | | | | |
| 2016 | 0.995 | 1.000 | | | | | | |
| 2017 | 0.945 | | | | | | | |
| 5-Yr Avg | 0.986 | 0.995 | 0.997 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 5-Yr Avg x H/L | 0.993 | 0.995 | 0.997 | 1.000 | 1.000 | 1.000 | 1.000 | |
| Selected | 0.993 | 0.995 | 0.997 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Ultimate | 0.985 | 0.992 | 0.997 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

Collected Premium as of 12/31/2019 - Traumatic Only (000s)

| Policy Year | 1st | 2nd | 3rd | 4th | 5th | 6th | 7th | 8th | Ultimate Collected | Gross / Collected |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------------------|-------------------|
| 2008 | | | | 17,236 | 17,251 | 17,271 | 17,276 | 17,286 | 17,286 | 1.081 |
| 2009 | | | 14,874 | 14,750 | 14,778 | 14,783 | 14,801 | 14,802 | 14,802 | 1.028 |
| 2010 | | 14,574 | 14,571 | 14,605 | 14,763 | 14,893 | 14,906 | 14,944 | 14,944 | 1.054 |
| 2011 | 17,071 | 16,305 | 16,286 | 16,330 | 16,349 | 16,346 | 16,458 | 16,488 | 16,488 | 1.063 |
| 2012 | 27,711 | 26,696 | 26,788 | 26,795 | 26,830 | 26,843 | 26,878 | | 26,931 | 1.050 |
| 2013 | 36,881 | 35,733 | 35,494 | 35,441 | 35,719 | 35,789 | | | 35,896 | 1.028 |
| 2014 | 42,426 | 41,051 | 40,880 | 40,894 | 40,899 | | | | 41,063 | 1.029 |
| 2015 | 40,827 | 40,353 | 40,131 | 40,217 | | | | | 40,499 | 1.039 |
| 2016 | 27,567 | 27,019 | 26,397 | | | | | | 26,608 | 1.067 |
| 2017 | 27,739 | 25,802 | | | | | | | 25,879 | 1.053 |
| 2018 | 23,855 | | | | | | | | 23,259 | 1.035 |

| Policy Year | 1 / 2 | 2 / 3 | 3 / 4 | 4 / 5 | 5 / 6 | 6 / 7 | 7 / 8 | 8 / Ult | |
|----------------|-------|-------|-------|-------|-------|-------|-------|---------|---------------------------------------|
| 2008 | | | | | | 1.000 | 1.001 | | |
| 2009 | | | | | 1.000 | 1.001 | 1.000 | | |
| 2010 | | | | 1.011 | 1.009 | 1.001 | 1.003 | | |
| 2011 | | | 1.003 | 1.001 | 1.000 | 1.007 | 1.002 | | Current UPP 1.035 |
| 2012 | | 1.003 | 1.000 | 1.001 | 1.001 | 1.001 | | | |
| 2013 | 0.969 | 0.993 | 0.999 | 1.008 | 1.002 | | | | Selected UPP 1.040 |
| 2014 | 0.968 | 0.996 | 1.000 | 1.000 | | | | | |
| 2015 | 0.988 | 0.995 | 1.002 | | | | | | Impact of the change in the UPP 1.005 |
| 2016 | 0.980 | 0.977 | | | | | | | |
| 2017 | 0.930 | | | | | | | | |
| 5-Yr Avg | 0.967 | 0.993 | 1.001 | 1.004 | 1.002 | 1.002 | 1.002 | | |
| 5-Yr Avg x H/L | 0.972 | 0.995 | 1.001 | 1.003 | 1.001 | 1.001 | 1.002 | | |
| Selected | 0.972 | 0.995 | 1.001 | 1.003 | 1.001 | 1.001 | 1.002 | 1.000 | |
| Ultimate | 0.975 | 1.003 | 1.008 | 1.007 | 1.004 | 1.003 | 1.002 | 1.000 | |

Source: Residual Market data reported to NCCI by Pool servicing carriers.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Part 4 Additional Information

- Definitions
- NCCI Affiliate List
- Key Contacts



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Definitions

Accident Year (AY): A loss accounting definition in which experience is summarized by the calendar year in which an accident occurred.

Calendar Year (CY):

- The 12-month period beginning January 1 and ending December 31.
- Method of accounting for all financial transactions occurring during a specific year.

Case Reserves: Reserves that an insurance company establishes for specific (known) claims.

DSR Level Premium: The standard earned premium that would result if business were written at NCCI state-approved loss costs or rates instead of at the company rates. It is the common benchmark level at which carriers report premium on the Financial Calls.

Frequency: The number of lost-time claims per million dollars of on-leveled, wage-adjusted premium.

Incurred Claim Count: The total of all claims reported, whether open or closed, as of a given valuation date. An indemnity claim is associated with a payment or case reserve for an indemnity loss (i.e., lost work time-related benefits) and excludes claims closed without an indemnity payment.

Lost-time Claims: Claims where an injured employee has received wage replacement benefits due to a compensable workplace injury.

Limited Losses: Losses that result after the application of NCCI's large loss procedure—in which individual large claims are limited to jurisdiction and year-specific large loss thresholds.

On-Level Factor: Applied to historical premiums and losses to adjust the historical experience to reflect approved loss cost/rate level changes as well as statutory benefit level changes implemented since that time.

Paid+Case Losses: The sum of paid losses and case reserves. Also known as “case incurred losses.”

Paid Losses: Losses that an insurance company has paid as a result of claim activity.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

Definitions

Policy Year:

- The one-year period beginning with the effective date or anniversary of a policy.
- A premium and loss accounting definition in which experience is summarized for all policies with effective dates in a given calendar year period.

Severity: The average cost per case (claim) calculated as ultimate losses divided by ultimate lost-time claim counts.

Ultimate Development Factor: For an aggregation of data, an estimate of the development that will occur between the data's current valuation date and the time when all claims are closed.

Unlimited Losses: Losses that have not been limited to jurisdiction and year-specific large loss thresholds as part of NCCI's large loss procedure.

Valuation Date: The date that premiums and losses are evaluated for reporting purposes. Premiums and losses may change over time from initial estimates to final values. Therefore, interim snapshots have associated valuation dates.

Wage Level Adjustment Factor: The ratio of the average workers' wages during the most recent time period to the average workers' wages during a historical time period.



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

NCCI Affiliate List

A M C O INSURANCE COMPANY
ACADIA INSURANCE COMPANY
ACCIDENT FUND GENERAL INS CO
ACCIDENT FUND INS CO OF AMERICA
ACCIDENT FUND NATIONAL INS CO
ACCREDITED SURETY AND CASUALTY CO INC
ACE AMERICAN INSURANCE COMPANY
ACE FIRE UNDERWRITERS INSURANCE COMPANY
ACE PROPERTY & CASUALTY INSURANCE COMPANY
ACIG INS CO
ADMIRAL INDEMNITY COMPANY
AIG ASSURANCE COMPANY
AIG PROPERTY CASUALTY COMPANY
AIOI NISSAY DOWA INS CO OF AMERICA
AIU INSURANCE CO (NATIONAL UNION FIRE OF PITTS PA)
ALL AMERICA INS CO
ALLIED EASTERN IND CO
ALLIED INSURANCE COMPANY OF AMERICA
ALLIED PROPERTY AND CASUALTY INS CO
ALLMERICA FINANCIAL ALLIANCE INS CO
ALLMERICA FINANCIAL BENEFIT INS CO
AMERICAN ALTERNATIVE INSURANCE CORPORATION
AMERICAN AUTOMOBILE INSURANCE CO
AMERICAN CASUALTY COMPANY OF READING PA
AMERICAN COMPENSATION INS CO
AMERICAN ECONOMY INS CO
AMERICAN FAMILY HOME INS CO
AMERICAN FIRE AND CASUALTY CO
AMERICAN GUARANTEE AND LIABILITY INS CO
AMERICAN HOME ASSUR CO-NATIONAL UNION FIRE OF PIT
AMERICAN INS CO
AMERICAN LIBERTY INSURANCE CO
AMERICAN MODERN HOME INS CO
AMERICAN STATES INS CO A SAFECO COMPANY
AMERICAN ZURICH INS CO
AMERISURE INS CO
AMERISURE MUTUAL INS CO
AMGUARD INS CO
ANSUR AMERICA
ARBELLA INDEMNITY INS CO
ARBELLA PROTECTION INS CO
ARCH INDEMNITY INSURANCE COMPANY
ARCH INSURANCE COMPANY
ARCH PROPERTY CASUALTY INS CO
ARGONAUT GREAT CENTRAL INS CO
ARGONAUT INS CO
ASHMERE INSURANCE COMPANY
ASSOCIATED EMPLOYERS INS CO
ASSOCIATED INDEMNITY CORP
ASSOCIATED INDUSTRIES OF MASS MUTUAL INS CO
ATLANTIC CHARTER INS CO
ATLANTIC SPECIALTY INS CO (ONEBEACON)
BANKERS STANDARD INS CO
BENCHMARK INSURANCE COMPANY
BERKLEY CASUALTY COMPANY
BERKLEY INSURANCE COMPANY
BERKLEY NATIONAL INSURANCE COMPANY
BERKLEY REGIONAL INS CO
BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY
BERKSHIRE HATHAWAY HOMESTATE INS CO
BITCO GENERAL INSURANCE CORPORATION
BLACKBOARD INSURANCE COMPANY
BROTHERHOOD MUTUAL INS CO
CALIFORNIA INSURANCE COMPANY
CAROLINA CASUALTY INS CO
CENTRAL MUTUAL INS CO
CHARTER OAK FIRE INS CO
CHEROKEE INS CO
CHIRON INSURANCE COMPANY
CHUBB INDEMNITY INS CO
CHUBB NATIONAL INS CO
CHURCH MUTUAL INS CO, S.I.
CINCINNATI CASUALTY COMPANY
CINCINNATI INDEMNITY COMPANY
CINCINNATI INS CO
CITIZENS INS CO OF AMERICA
CLEAR SPRING PROPERTY AND CASUALTY COMPANY
CLERMONT INS CO
COLONIAL AMERICAN CASUALTY & SURETY CO
COMMERCE AND INDUSTRY INS CO
CONTINENTAL CASUALTY CO
CONTINENTAL INDEMNITY CO
CONTINENTAL INS CO
CONTINENTAL WESTERN INSURANCE COMPANY
COUNTRY MUTUAL INSURANCE CO
CRESTBROOK INS CO
CRUM AND FORSTER INDEMNITY CO
DAKOTA TRUCK UNDERWRITERS
DEPOSITORS INS CO
DISCOVER PROPERTY & CASUALTY INS CO
EASTERN ADVANTAGE ASSURANCE COMPANY
EASTERN ALLIANCE INSURANCE COMPANY
EASTGUARD INS CO
ELECTRIC INS CO
EMC PROPERTY & CASUALTY COMPANY
EMCASCO INS CO
EMPLOYERS ASSURANCE COMPANY
EMPLOYERS COMPENSATION INS CO
EMPLOYERS INS CO OF WAUSAU
EMPLOYERS INSURANCE COMPANY OF NEVADA
EMPLOYERS MUTUAL CASUALTY CO
EMPLOYERS PREFERRED INS CO
ENDURANCE AMERICAN INS CO
ENDURANCE ASSURANCE CORPORATION
EVEREST DENALI INSURANCE COMPANY
EVEREST NATIONAL INS CO
EVEREST PREMIER INSURANCE COMPANY
EVEREST REINSURANCE CO DIRECT
EXCELSIOR INSURANCE COMPANY
EXECUTIVE RISK SPECIALTY INS CO
FALLS LAKE NATIONAL INSURANCE CO
FARM FAMILY CASUALTY INS CO
FARMERS INSURANCE EXCHANGE
FARMINGTON CASUALTY COMPANY
FEDERAL INSURANCE COMPANY
FEDERATED MUTUAL INS CO
FEDERATED RESERVE INSURANCE CO
FEDERATED SERVICE INS CO
FIDELITY & DEPOSIT COMPANY OF MARYLAND
FIDELITY & GUARANTY INS UNDERWRITERS



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

NCCI Affiliate List

FIDELITY & GUARANTY INSURANCE CO
FIRE INS EXCHANGE
FIREMANS FUND INSURANCE CO
FIREMENS INS CO OF WASHINGTON DC
FIRST DAKOTA INDEMNITY CO
FIRST LIBERTY INS CORP
FIRST NATIONAL INS CO OF AMERICA
FIRSTCOMP INSURANCE CO
FLORISTS MUTUAL INSURANCE CO
FRANK WINSTON CRUM INSURANCE CO
FRANKENMUTH MUTUAL INS CO
GENERAL CASUALTY COMPANY OF WISCONSIN
GENERAL INS CO OF AMERICA
GENESIS INS CO
GRANITE STATE INSURANCE COMPANY
GRAPHIC ARTS MUTUAL INS CO
GRAY INSURANCE COMPANY
GREAT AMERICAN ALLIANCE INS CO
GREAT AMERICAN ASSURANCE COMPANY
GREAT AMERICAN INS CO OF NY
GREAT AMERICAN INSURANCE COMPANY
GREAT AMERICAN SPIRIT INS CO
GREAT DIVIDE INSURANCE COMPANY
GREAT MIDWEST INS CO
GREAT NORTHERN INS CO
GREAT WEST CASUALTY COMPANY
GREATER NY MUTUAL INS CO
GREENWICH INS CO
GUIDEONE MUTUAL INS CO
HANOVER AMERICAN INS CO
HANOVER INS CO
HARLEYSVILLE INSURANCE COMPANY
HARLEYSVILLE PREFERRED INSURANCE CO
HARLEYSVILLE WORCESTER INSURANCE CO
HARTFORD ACCIDENT AND INDEMNITY CO
HARTFORD CASUALTY INS CO
HARTFORD FIRE INSURANCE CO
HARTFORD INS CO OF IL
HARTFORD INS CO OF MIDWEST
HARTFORD INS CO OF THE SOUTHEAST
HARTFORD UNDERWRITERS INS CO
HDI GLOBAL INSURANCE COMPANY
ILLINOIS NATIONAL INSURANCE COMPANY
IMPERIUM INSURANCE COMPANY
INDEMNITY INS CO OF N AMERICA (INA INS) (CT GEN)
INS CO OF GREATER NY
INS CO OF NORTH AMERICA
INS CO OF THE STATE PA
INS CO OF THE WEST
INTREPID INSURANCE COMPANY
KEY RISK INS CO
LACKAWANNA AMERICAN INS CO
LACKAWANNA CASUALTY CO
LACKAWANNA NATIONAL INS CO
LIBERTY INS CORP
LIBERTY INSURANCE UNDERWRITERS INC
LIBERTY MUTUAL FIRE INS CO
LIBERTY MUTUAL INS CO
LION INSURANCE COMPANY
LM INS CORP
MA BAY INS CO
MAG MUTUAL INS CO
MAIN STREET AMERICA ASSURANCE CO
MANUFACTURERS ALLIANCE INS CO
MARKEL INSURANCE CO
ME EMPLOYERS MUTUAL INS CO
MEMIC CASUALTY COMPANY
MEMIC INDEMNITY CO
MERIDIAN SECURITY INSURANCE COMPANY
MID CENTURY INS CO
MIDDLESEX INS CO
MIDVALE INDEMNITY COMPANY
MIDWEST EMPLOYERS CASUALTY CO
MIDWESTERN INDEMNITY CO
MILBANK INSURANCE COMPANY
MITSUI SUMITOMO INS CO OF AMERICA
MITSUI SUMITOMO INS USA INC
MOTORISTS COMMERCIAL MUTUAL INSURANCE COMPANY
NATIONAL AMERICAN INS CO
NATIONAL CASUALTY CO
NATIONAL FIRE INS CO OF HARTFORD
NATIONAL INTERSTATE INS CO
NATIONAL LIABILITY & FIRE INSURANCE CO
NATIONAL SPECIALTY INS CO
NATIONAL SURETY CORP
NATIONAL UNION FIRE INS CO OF PITTSBURGH PA
NATIONWIDE AGRIBUSINESS INS CO
NATIONWIDE ASSURANCE CO
NATIONWIDE GENERAL INSURANCE CO
NATIONWIDE INS CO OF AMERICA
NATIONWIDE MUTUAL FIRE INS CO
NATIONWIDE MUTUAL INS CO
NATIONWIDE PROPERTY AND CASUALTY INS CO
NETHERLANDS INSURANCE COMPANY
NEW HAMPSHIRE INSURANCE COMPANY
NEW JERSEY CASUALTY INS CO
NEW JERSEY MANUFACTURERS INS CO
NEW JERSEY RE-INSURANCE CO
NEW YORK MARINE AND GENERAL INSURANCE CO
NGM INSURANCE COMPANY
NORGUARD INS CO
NORMANDY INSURANCE COMPANY
NORTH AMERICAN ELITE INSURANCE CO
NORTH AMERICAN SPECIALTY INS CO
NORTH POINTE INS CO
NORTH RIVER INS CO
NOVA CASUALTY COMPANY
NUTMEG INS CO
OAK RIVER INSURANCE COMPANY
OBI AMERICA INSURANCE COMPANY
OBI NATIONAL INSURANCE COMPANY
OH CASUALTY INS CO
OHIO SECURITY INS CO
OLD DOMINION INS CO
OLD REPUBLIC GENERAL INSURANCE CORPORATION
OLD REPUBLIC INS CO
PA MANUFACTURERS ASSN INS CO
PA MANUFACTURERS INDEMNITY CO
PACIFIC EMPLOYERS INS CO
PACIFIC INDEMNITY CO



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NCCI Affiliate List

PACIFIC INS CO LTD
PATRIOT GENERAL INS CO
PATRONS MUTUAL INS CO OF CT
PEERLESS INDEMNITY INS CO
PEERLESS INSURANCE COMPANY
PENN MILLERS INS CO
PENNSYLVANIA INSURANCE COMPANY
PETROLEUM CASUALTY CO
PHARMACISTS MUTUAL INS CO
PHOENIX INS CO
PLAZA INSURANCE CO
PRAETORIAN INSURANCE COMPANY
PREFERRED EMPLOYERS INS CO
PREFERRED PROFESSIONAL INSURANCE COMPANY
PRIVILEGE UNDERWRITERS RECIPROCAL EXCHANGE
PROPERTY AND CASUALTY INS CO OF HARTFORD
PROTECTIVE INS CO
QBE INSURANCE CORPORATION
REDWOOD FIRE & CASUALTY INS CO
REGENT INSURANCE COMPANY
REPUBLIC FRANKLIN INS CO
REPUBLIC INDEMNITY CO OF CA
REPUBLIC INDEMNITY COMPANY OF AMERICA
REPUBLIC UNDERWRITERS INSURANCE CO
RIVERPORT INSURANCE COMPANY
RLI INSURANCE COMPANY
ROCKWOOD CASUALTY INS CO
SAFECO INS CO OF AMERICA
SAFETY FIRST INS CO
SAFETY NATIONAL CASUALTY CORP
SAGAMORE INSURANCE CO
SAMSUNG FIRE AND MARINE INS CO LTD USB
SECURITY NATIONAL INS CO (AMTRUST GROUP)
SELECTIVE INS CO OF SC
SELECTIVE INS CO OF THE SOUTHEAST
SELECTIVE INSURANCE COMPANY OF AMERICA
SELECTIVE WAY INS CO
SENTINEL INS CO
SENTRY CASUALTY CO
SENTRY INSURANCE A MUTUAL CO
SENTRY SELECT INSURANCE COMPANY
SERVICE AMERICAN INDEMNITY COMPANY
SFM MUTUAL INS CO
SIRIUS AMERICA INSURANCE COMPANY
SOMPO AMERICA FIRE & MARINE INSURANCE COMPANY
SOMPO AMERICA INSURANCE COMPANY
ST PAUL FIRE AND MARINE INS CO
ST PAUL GUARDIAN INS CO
ST PAUL MERCURY INS CO
ST PAUL PROTECTIVE INS CO
STANDARD FIRE INSURANCE COMPANY
STAR INS CO
STARNET INSURANCE COMPANY
STARR INDEMNITY AND LIABILITY CO
STARR SPECIALTY INSURANCE COMPANY
STARSTONE NATIONAL INSURANCE COMPANY
STATE AUTO PROPERTY AND CASUALTY INS CO
STATE AUTOMOBILE MUTUAL INS CO
STATE FARM FIRE AND CASUALTY CO
STATE NATIONAL INSURANCE COMPANY
STONINGTON INS CO
STRATHMORE INS CO
SUNZ INSURANCE COMPANY
T H E INSURANCE COMPANY
TECHNOLOGY INSURANCE CO
THE TRAVELERS CASUALTY COMPANY
TNUS INSURANCE CO
TOKIO MARINE AMERICA INSURANCE CO
TRANS PACIFIC INS CO
TRANSGUARD INS CO OF AMERICA INC
TRANSPORTATION INS CO
TRAVELERS CASUALTY & SURETY CO OF AMERICA
TRAVELERS CASUALTY AND SURETY CO
TRAVELERS CASUALTY INS CO OF AMERICA
TRAVELERS COMMERCIAL INS CO
TRAVELERS INDEMNITY CO
TRAVELERS INDEMNITY CO OF AMERICA
TRAVELERS INDEMNITY CO OF CT
TRAVELERS INSURANCE CO
TRAVELERS PROPERTY CASUALTY CO OF AMERICA
TRI STATE INSURANCE COMPANY OF MINNESOTA
TRIUMPH CASUALTY COMPANY
TRUCK INSURANCE EXCHANGE
TRUMBULL INS CO
TWIN CITY FIRE INS CO
UNION INS CO OF PROVIDENCE
UNION INSURANCE COMPANY
UNITED STATES FIDELITY AND GUARANTY CO
UNITED WI INS CO
US FIRE INS CO
UTICA MUTUAL INS CO
UTICA NATIONAL ASSURANCE CO
UTICA NATIONAL INS CO OF TX
UTICA NATIONAL INSURANCE COMPANY OF OH
VALLEY FORGE INS CO
VANLINER INS CO
VANTAPRO SPECIALTY INS CO
VICTORIA FIRE & CASUALTY COMPANY
VIGILANT INS CO
WASHINGTON INTERNATIONAL INSURANCE COMPANY
WCF NATIONAL INSURANCE COMPANY
WELLFLEET INSURANCE COMPANY
WELLFLEET NEW YORK INSURANCE COMPANY
WESCO INSURANCE COMPANY (AMTRUST GROUP)
WEST AMERICAN INS CO
WEST BEND MUTUAL INS CO
WESTCHESTER FIRE INSURANCE COMPANY
WESTPORT INSURANCE CORPORATION
WORK FIRST CASUALTY CO
XL INS CO OF NY INC
XL INSURANCE AMERICA INC
XL SPECIALTY INS CO
ZENITH INS CO
ZURICH AMERICAN INS CO
ZURICH AMERICAN INS CO OF IL



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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2021

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