Connecticut

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

Proposed Effective January 1, 2026

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Justin Moulton, CPCU, WCP, ARC, AIAF, ARe
Senior State Relations Executive
Regulatory Division

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September 12, 2025

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, 2026

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, 2026 for new and renewal policies. This filing proposes an overall average decrease of 3.8% to the current voluntary loss cost level and an average decrease of 0.4% to the current assigned risk rate level. These changes are applicable to new and renewal business only.

This filing also proposes extending loss costs, rates, and Expected Loss Rates (ELRs) to three decimal places for all classification codes and statistical codes. This proposed change enables NCCI to recommend more precise and responsive changes by individual classification. The proposed change is expected to be premium neutral on an overall basis for the statewide, voluntary, and assigned risk markets.

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,

Justin Moulton, CPCU, WCP, ARC, AIAF, ARe
Senior State Relations Executive

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Actuarial Certification

I, Robert Moss, am an Actuary II for the National Council on Compensation Insurance, Inc. I am an Associate 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.

Robert Moss, ACAS, MAAA
Actuary II
Actuarial and Economic Services

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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, 2026.

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.).

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.).

NCCI utilizes widely accepted general ratemaking methodologies in the calculation of advisory loss costs, including (i) experience base determination, (ii) chain ladder development method, (iii) trending procedure, and (iv) application of indemnity and medical benefit changes. These ratemaking methodologies are unchanged from the prior filing and continue to remain appropriate for use in this filing.

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Disclosures

Data Sources

Key Dates

Financial Data Valuation Date	December 31, 2024
Financial Call Data Cutoff Date	July 8, 2025
Unit Statistical Plan Data Cutoff Date	July 23, 2025
Filing Preparation Date	August 13, 2025

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 the Financial Call Data Cutoff Date were not considered for inclusion in the analysis.

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. In this filing, Unit Statistical Data submissions received after the Unit Statistical Plan Data Cutoff Date 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. Events that have occurred after the Filing Preparation Date that may have a material impact on workers compensation costs in this jurisdiction have not been considered in the analysis.

Data Exclusions

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.

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Disclosures

NCCI categorizes catastrophic events as those that incur aggregate workers compensation losses in excess of $50 million per occurrence. Terrorism, industrial accidents, natural disasters, pandemics, and other perils all have the potential to be catastrophic in terms of the costs they impose on the workers compensation system. NCCI's ratemaking methodology excludes losses related to catastrophes from the calculation of loss costs since the actual experience from such events is not considered predictive of future experience. Future catastrophic experience is contemplated through the terrorism and catastrophe provisions. In line with previous filings, NCCI continues to exclude COVID-19 claims with accident dates between December 1, 2019 and June 30, 2023 from Financial Call Data and Unit Statistical Plan Data for use in ratemaking.

Other exclusions are made for the purposes of analysis, but do not have a material impact on the proposed changes in this filing.

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
- Unanticipated changes to wage or medical inflation
- Potential impact of changes to laws and/or regulations
- Unforeseen changes in future economic conditions, including any unexpected changes to the labor market

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.

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Part 1   Filing Overview

- Executive Summary

- Overview of Methodology

- Summary of Selections

- Additional Proposed Changes

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Voluntary Loss Costs and Assigned Risk Rate Filing – January 1, 2026

Executive Summary

Based on its review of the most recently available data, NCCI has proposed the following overall average workers compensation voluntary loss cost and assigned risk rate level changes in Connecticut to become effective January 1, 2026.

Summary of Overall Indications

Proposed Change in Overall Voluntary Loss Cost Level	**– 3.8%**
Proposed Change in Overall Assigned Risk Rate Level	**– 0.4%**

Breakdown of the Change in Key Components

Below are changes in the key components underlying the overall voluntary loss cost and assigned risk rate level indications. The impact of these components are combined multiplicatively to produce the overall change. The overall change varies by classification code, each of which belongs to one of five Industry Groups.

Voluntary Loss Cost
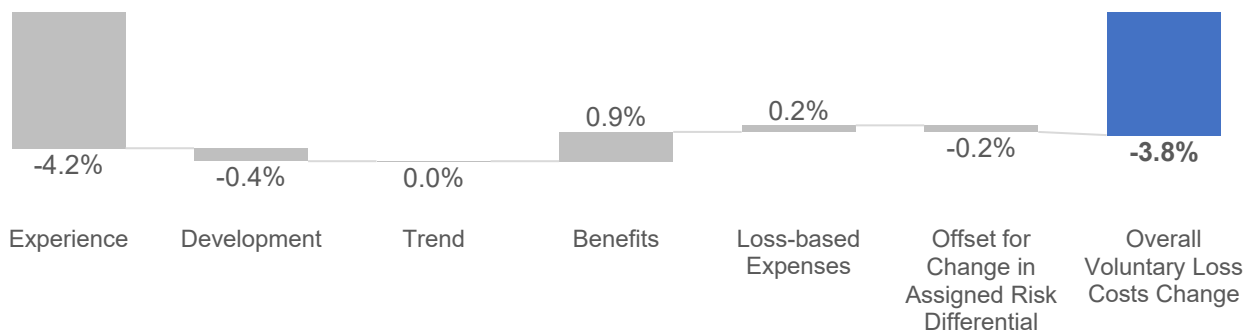
Assigned Risk Rate
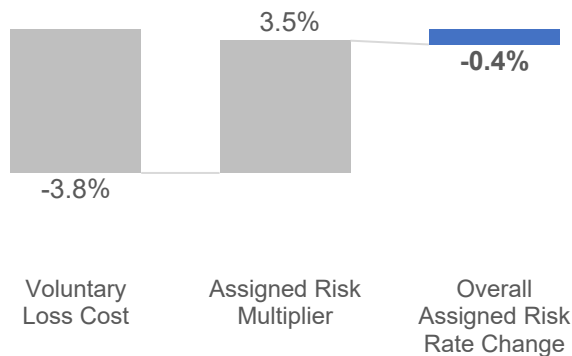
The key components shown above are described in detail on the following page(s).

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Executive Summary

Key Components

Experience and Development

- This filing is based on premium and loss experience for Policy Years 2022 and 2023 evaluated as of December 31, 2024. The financial data experience period evaluated as of December 31, 2024 shows improvement when compared to the data evaluated as of December 31, 2023. Refer to Exhibit I for the considerations underlying the experience period and loss base selections.
    - A combination of both paid and paid plus case data was selected to best reflect the conditions likely to prevail in the proposed effective period.
- Similar to previous Connecticut filings, the reported loss amounts are projected to an ultimate basis using a 3-year average of development factors for paid losses and a 5-year average for paid plus case losses. The most recent valuation of development factors shows no clear deviation from historical values. Refer to Appendix A-II for considerations underlying the development selections.

Trend

- Generally, the selected annual loss ratio trends in this year's filing are primarily based on observed longer-term patterns. Refer to Appendix A-III for considerations underlying the trend selection.
    - Exponential fits were reviewed to support maintaining the currently approved indemnity and medical loss ratio trends of -4.0% and -6.0%, respectively.
    - After adjusting to a common wage level, Connecticut lost-time claim frequency has observed a general long-term decline.
    - After adjusting to a common wage level, the indemnity average cost per case has been relatively flat over the long-term although with moderate year-to-year variability, while the medical average cost per case figures have been declining, on average, with significant year-to-year variability.

Other Items of Note

- The primary driver of the proposed change is improved experience.
- The benefit change reflects the impact of recent updates to the Connecticut medical fee schedule as well as Connecticut House Bill 6863.
- The proposed assigned risk rate level change includes a proposed increase to the assigned risk differential as well as a proposed decrease to the uncollectible premium provision.

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Executive Summary

- Due to the change to the assigned risk differential, an offset to the voluntary loss cost level is needed to make the change premium neutral.
- Additional proposed methodology changes in this filing include changes to the decimal extension of loss costs, rates, and expected loss rates. Please refer to the Additional Proposed Changes section for additional information.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Overview of Methodology

The following 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.

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
- Ultimate, trended, limited losses are adjusted to an unlimited basis via a non-catastrophe excess ratio (with excess ratios at limits beyond $50 million set equal to zero)
- 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")

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Overview of Methodology

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.

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Voluntary Loss Costs and Assigned Risk Rate Filing – January 1, 2026

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, 2026, along with the selections underlying the currently approved filing effective January 1, 2025.

Voluntary Loss Costs	**Currently Approved January 1, 2025**	**Proposed Effective January 1, 2026**
Experience Period	Policy Years 2021 and 2022	Policy Years 2022 and 2023
Premium Development	3-yr avg	3-yr avg
Loss Experience Base	Avg Paid and P+C	Avg Paid and P+C
Loss Development - Paid	3-yr avg	3-yr avg
Loss Development - Paid+Case	5-yr avg	5-yr avg
Tail Factor – Indemnity	1.055	1.055
Tail Factor – Medical	1.015	1.015
Trend Factor – Indemnity Loss Ratio	0.960	0.960
Trend Factor – Medical Loss Ratio	0.940	0.940
Base Threshold for Limiting Losses	$6,218,175	$6,248,081
Excess Ratio	3.0%	3.2%
Loss-based Expense Provision	21.9%	22.2%
Classification Swing Limits (applied by Industry Group)	+/-20%	+/-20%

Assigned Risk Rates	**Currently Approved January 1, 2025**	**Proposed Effective January 1, 2026**
Selected Assigned Risk Market Share	5.0%	5.0%
Additional Premium from Assigned Risk Programs Included in Statewide Premium	Yes -- based on targeted market share of 5%	Yes -- based on targeted market share of 5%
Offset for Change in Assigned Risk Programs	-0.2%	-0.2%
Assigned Risk Differential	1.550	1.600
Impact of Change to Differential	1.033	1.032
Impact of ARAP	1.051	1.045
Assigned Risk to Voluntary Index	1.577	1.620
Permissible Loss Ratio (PLR)	0.740	0.732
Uncollectible Premium Provision (UPP)	4.0%	3.5%
Servicing Carrier Allowance (SCA)	18.6%	18.6%
Profit and Contingencies Provision (P&C)	-1.0%	-1.0%
Maximum Minimum Premium	$1,500	$1,500
Minimum Premium Multiplier	320	320
Expense Constant	$160	$160

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Additional Proposed Changes

Decimal Extension of Loss Costs, Rates, and Expected Loss Rates

This filing proposes extending the decimal precision of loss costs, rates, and Expected Loss Rates (ELRs) from two to three decimal places. This change allows for more precise adjustments. This will be particularly beneficial for classification codes with lower loss costs or rates. The primary goal is to minimize rounding constraints that may affect certain class codes.

For example, under the previous two-decimal system, the smallest possible adjustment for a loss cost/rate of 0.04 was 0.01, resulting in a 25% change. By extending to three decimals, more granular adjustments are possible, such as a change of 0.001, which represents a 2.5% adjustment in this example.

The methodology for determining loss costs, rates, and ELRs is unchanged. To remain consistent with the current methodology, intermediate values, such as indemnity and medical pure premiums, have been extended by one decimal place, from three to four. This ensures consistency with current ratemaking procedures where certain intermediate calculations retain an additional decimal place compared to the final loss costs, rates, and ELRs.

Additionally, certain miscellaneous values, provisions, and charges provided in the Footnotes and Advisory Miscellaneous Values pages will be extended to three decimal places to support calculations. Factors that are applied to loss costs, rates, ELRs or premium, such as experience modifications, D-ratios, and United States Longshore and Harbor Workers Coverage factors, are not changing due to this initiative. These factors are generally of a higher magnitude, making an adjustment to extend the decimal precision of these values unnecessary at this time.

This change is premium-neutral on both a statewide and industry group basis.

Part 2   Proposed Values

- Proposed Voluntary Loss Costs for Inclusion in the Basic Manual

- Proposed Assigned Risk Rates for Inclusion in the Residual Market Manual

- Proposed Values for Inclusion in the Experience Rating Plan Manual

- Proposed Values for Inclusion in the Retrospective Rating Plan Manual

Please note the following in connection with this filing:

● The proposed loss costs, rates, and expected loss rates (ELRs) are calculated to three decimal places.

● As a result of Item R-1424, the Retrospective Rating Plan parameters have been updated.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Proposed Voluntary Loss Costs for Inclusion in the Basic Manual

The following pages include proposed:

- Table of payroll-weighted class codes

- Voluntary loss costs by class code, along with associated footnotes

- Advisory miscellaneous values, such as:

  ○ Catastrophe and Terrorism provisions
  ○ 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

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Table of Payroll-Weighted Class Codes

This exhibit is included to display combined experience for indicated groupings of classes in the determination of loss costs.

Loss costs for these groups are calculated by payroll-weighting the indicated loss costs of the class codes using the latest policy period of payroll included in this filing. If swing limits are applied to a class code's loss cost, preventing it from achieving the payroll-weighted loss cost, it is noted in the table below with an "Upper" or "Lower" to indicate which limit was applied because of payroll-weighting.

The class codes below also have a footnote indicating a non-standard calculation in the Individual Classification Exhibit that accompanies this filing.

Class Code	Swing Limit Applied
0008	-
0079	-
0113	-
0170	-

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Effective January 1, 2026

CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST
0005	1.619	2081	2.418	2835	2.149	3373	2.844	4207	1.755	5037	4.668	6233	1.413
0008	1.641	2089	2.069	2836	2.146	3383	1.093	4239	1.671	5040	6.743	6235	4.045
0016	2.919	2095	2.517	2841	2.286	3385	1.562	4240	1.946	5057	3.587	6236	4.052
0034	2.318	2105	2.929	2881	1.800	3400	2.324	4243	1.693	5059	9.725	6237	1.187
0035	1.462	2110	3.546	2883	2.128	3507	1.885	4244	2.178	5102	3.720	6251	4.443
0036	2.632	2111	1.709	2915	2.193	3515	1.339	4250	1.603	5146	3.037	6252	2.234
0037	2.975	2112	2.584	2916	2.189	3548	0.939	4251	1.919	5160	1.869	6306	3.086
0042	3.900	2114	1.245	2923	1.420	3559	1.640	4263	2.518	5183	2.539	6319	2.234
0050	4.185	2121	1.008	2960	3.396	3574	1.258	4273	1.649	5188	2.764	6325	2.566
0059	–	2130	1.350	3004	0.958	3581	0.659	4279	2.329	5190	1.835	6400	3.315
0065	–	2131	1.182	3018	2.511	3612	1.175	4283	1.261	5191	0.749	6503	1.476
0066	–	2143	1.880	3022	2.562	3620	1.770	4299	1.774	5192	2.731	6504	2.168
0067	–	2157	3.776	3027	2.232	3629	1.077	4304	2.910	5213	5.524	6702M*	2.652
0079	1.641	2172	1.464	3028	2.007	3632	1.485	4307	1.198	5215	4.783	6703M*	4.052
0083	3.435	2174	2.020	3030	4.551	3634	1.546	4351	0.737	5221	3.887	6704M*	2.947
0106	5.807	2211	5.151	3040	3.354	3635	1.192	4352	0.828	5222	5.235	6801F	3.138
0113	2.322	2220	2.001	3041	2.828	3638	1.212	4361	0.469	5223	3.259	6811	2.714
0170	2.322	2286	–	3042	2.084	3642	0.806	4410	1.855	5348	3.166	6824F	3.392
0251	2.525	2288	3.241	3064	2.863	3643	1.263	4420	2.409	5402	4.765	6826F	1.738
0401	7.051	2302	1.437	3076	2.300	3647	1.982	4431	0.767	5403	4.620	6834	1.934
0771N	0.359	2305	1.851	3081	3.854	3648	0.812	4432	1.257	5437	4.033	6836	2.031
0908P	111.000	2361	1.454	3082	3.031	3681	0.584	4452	2.101	5443	2.644	6843F	3.813
0913P	347.000	2362	1.789	3085	3.277	3685	0.589	4459	1.932	5445	3.667	6845F	3.728
0917	2.596	2380	1.450	3110	2.469	3719	0.798	4470	1.770	5462	4.490	6854	2.965
0918	0.516	2388	0.955	3111	1.417	3724	2.642	4484	1.866	5472	3.901	6872F	4.189
1005	3.800	2402	1.480	3113	1.086	3726	2.580	4493	1.758	5473	5.702	6874F	4.296
1164	2.420	2413	1.278	3114	1.668	3803	2.014	4511	0.290	5474	3.877	6882	1.976
1165	1.770	2416	1.481	3118	1.216	3807	1.345	4557	1.634	5478	2.417	6884	2.745
1320	1.175	2417	0.866	3119	0.638	3808	2.518	4558	1.582	5479	5.921	7016M	2.144
1322	6.700	2501	1.724	3122	1.158	3821	3.844	4568	1.721	5480	4.842	7024M	2.382
1430	2.466	2503	0.936	3126	2.181	3822	2.796	4581	0.607	5491	1.674	7038M	3.016
1438	2.548	2570	2.906	3131	1.242	3824	2.319	4583	2.602	5506	4.230	7046M	3.349
1452	1.547	2585	2.763	3132	1.907	3826	0.586	4611	0.687	5507	3.544	7047M	3.275
1463	4.598	2586	2.787	3145	1.694	3827	1.584	4635	2.009	5509	3.964	7050M	4.608
1472	2.266	2587	1.857	3146	2.015	3830	1.009	4653	1.254	5535	4.937	7090M	3.351
1624	2.039	2589	1.225	3169	1.868	3851	1.309	4665	5.501	5537	2.368	7098M	3.721
1642	2.233	2600	3.175	3179	1.601	3865	1.920	4683	2.941	5551	10.587	7099M	5.116
1654	2.871	2623	3.501	3180	1.539	3881	2.274	4686	1.758	5604	1.227	7133	1.962
1699	1.989	2651	0.895	3188	1.189	4000	3.556	4692	0.451	5606	0.812	7151M	2.384
1701	2.172	2660	1.344	3220	1.339	4021	2.536	4693	0.608	5610	2.956	7152M	3.641
1710	2.243	2670	–	3224	2.305	4024	2.688	4703	1.095	5645	9.835	7153M	2.649
1747	2.528	2683	–	3227	1.702	4034	4.129	4717	1.526	5703	7.067	7219	5.167
1748	2.966	2688	1.150	3240	–	4036	1.580	4720	1.368	5705	12.822	7222	4.980
1803	3.921	2701	7.443	3241	2.679	4038	1.680	4740	0.854	5951	0.349	7225	5.090
1924	2.310	2702	11.487	3255	1.811	4062	1.323	4741	2.059	6003	5.371	7230	4.999
1925	2.031	2709	5.529	3257	1.670	4101	2.040	4751	1.783	6005	4.281	7231	5.752
2002	2.770	2710	4.103	3270	1.387	4109	0.374	4771N	2.037	6018	2.507	7232	5.453
2003	3.191	2714	3.131	3300	2.526	4110	0.608	4777	4.384	6045	3.586	7309F	4.189
2014	5.329	2731	3.086	3303	2.133	4111	2.010	4825	0.539	6204	4.676	7313F	1.845
2016	3.087	2735	3.078	3307	1.779	4114	1.877	4828	1.140	6206	2.192	7317F	2.824
2021	2.340	2759	3.472	3315	2.352	4130	2.765	4829	0.746	6213	1.559	7327F	5.968
2039	2.275	2790	1.315	3334	1.913	4131	3.679	4902	1.406	6214	1.189	7333M	1.539
2041	2.400	2797	2.389	3336	1.952	4133	1.888	4923	1.223	6216	3.613	7335M	1.710
2065	1.634	2799	4.430	3365	3.835	4149	0.571	5020	3.462	6217	2.778	7337M	2.351
2070	3.113	2802	3.154	3372	2.141	4206	3.164	5022	5.258	6229	2.526	7350F	3.596

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Refer to the Classification codes section of the **Basic Manual** for any state-specific classification phraseology.
* Refer to the Footnotes Page for additional information on this class code.

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Effective January 1, 2026

CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST
7360	4.118	8047	0.642	8805M	0.096	9516	1.830								
7370	3.386	8058	1.586	8810	0.071	9519	2.915								
7380	5.096	8072	0.498	8814M	0.086	9521	2.025								
7382	2.296	8102	1.475	8815M	0.132	9522	1.503								
7390	9.002	8103	2.296	8820	0.080	9534	3.235								
7394M	2.527	8106	3.015	8824	1.926	9554	5.391								
7395M	2.808	8107	2.117	8826	1.467	9586	0.326								
7398M	3.861	8111	1.751	8831	0.687	9600	1.535								
7402	0.071	8116	2.149	8832	0.273	9620	1.087								
7403	2.143	8203	4.433	8833	0.549										
7405N	0.727	8204	2.589	8835	1.336										
7420	4.899	8209	2.927	8842	1.788										
7421	0.358	8215	2.373	8855	0.076										
7422	0.707	8227	3.164	8856	0.282										
7425	1.287	8232	3.649	8864	1.073										
7431N	0.459	8233	2.981	8868	0.288										
7445N	0.391	8235	2.983	8869	0.584										
7453N	0.247	8263	3.962	8871	0.025										
7502	1.445	8264	3.133	8901	0.102										
7515	0.787	8265	4.064	9012	0.706										
7520	1.528	8279	4.374	9014	1.905										
7538	1.575	8288	5.165	9015	1.954										
7539	0.994	8291	2.638	9016	1.444										
7540	2.023	8292	2.182	9019	1.847										
7580	1.529	8293	5.513	9033	2.054										
7590	3.328	8304	3.997	9040	2.063										
7600	4.659	8350	5.050	9044	1.148										
7605	1.769	8380	1.573	9052	1.262										
7607	0.068	8381	1.210	9058	0.930										
7610	0.249	8385	2.157	9060	0.856										
7705	3.068	8392	1.483	9061	0.874										
7710	3.579	8393	1.370	9063	0.523										
7711	16.961	8500	3.686	9077F	3.138										
7720	2.211	8601	0.209	9082	0.673										
7723	0.944	8602	0.931	9083	0.686										
7731*	2.073	8603	0.047	9084	0.853										
7855	2.185	8606	0.960	9088a	a										
8001	1.398	8709F	3.104	9089	0.616										
8002	1.313	8719	1.770	9093	0.786										
8006	1.319	8720	0.790	9101	2.164										
8008	0.724	8721	0.149	9102	1.755										
8010	1.162	8723	0.041	9154	0.978										
8013	0.208	8725	1.673	9156	1.441										
8015	0.616	8726F	0.704	9170	9.069										
8017	0.973	8734M	0.196	9178	3.731										
8018	2.587	8737M	0.176	9179	7.386										
8021	2.006	8738M	0.269	9180	2.889										
8031	1.260	8742	0.145	9182	1.560										
8032	1.391	8745	2.549	9186	7.709										
8033	1.357	8748	0.307	9220	2.722										
8037	1.657	8754	0.519	9402	2.476										
8039	1.153	8755	0.208	9403	5.962										
8044	2.172	8799	0.325	9410	3.350										
8045	0.832	8800	1.311	9501	2.145										
8046	1.975	8803	0.025	9505	2.124										

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Refer to the Classification codes section of the ***Basic Manual*** for any state-specific classification phraseology.
* Refer to the Footnotes Page for additional information on this class code.

FOOTNOTES

a   Advisory loss cost for each individual risk must be obtained from NCCI Customer Service or the Rating Organization having jurisdiction.

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 1.856.

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.

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

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	6.2%	4.7%	3.7%	3.2%	2.4%	1.9%	1.5%
$5,000	16.1%	13.1%	10.9%	9.7%	7.6%	6.2%	5.2%
$10,000	23.3%	19.6%	16.7%	15.1%	12.2%	10.1%	8.6%

Basis of premium applicable in accordance with the *Basic Manual* notes for Code 7370 --"Taxicab Co.":
Employee operated vehicle……………………………………………………………………………… $133,800
Leased or rented vehicle………………………………………………………………………………… $89,200

Catastrophe (other than Certified Acts of Terrorism) - (Advisory Loss Cost)……………………………………… 0.010

Maximum Weekly Payroll applicable in accordance with the *Basic Manual* rule, Rule for premium determination of executive officers and the *Basic Manual* notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports".. $1,700

Maximum Weekly Payroll applicable in accordance with the *Basic Manual* rules, Rule for premium determination of executive officers and Rule for premium determination of members of LLCs…...………………… $3,400

Minimum Weekly Payroll applicable in accordance with the *Basic Manual* rules, Rule for premium determination of executive officers and Rule for premium determination of members of LLCs…...………………… $1,700

Premium Determination for Partners and Sole Proprietors in accordance with the *Basic Manual* rule, Rule for premium determination for partners or sole proprietors (Annual Payroll)………………………………… $89,200

Terrorism - (Advisory Loss Cost) ………………………………………………………………………… 0.025

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with the *Basic Manual* rule, Federal coverages………………………………… 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 *Basic Manual* rule, Rule for applying the Connecticut Workers Compensation Administration Fund Assessment factors
Industrial Classifications and Maritime/FELA (Program I and Program II State Act)……………………… 1.8%
F Classifications and Maritime/FELA (Program II USL Act)…………………………………...…………… 2.9%

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.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Proposed Assigned Risk Rates for Inclusion in the Residual Market Manual

The following pages include proposed:

- Assigned risk rates and minimum premiums by class code, along with associated footnotes

- Miscellaneous values, such as:

  ○ Catastrophe and Terrorism provisions
  ○ Expense Constant and Minimum Premium parameters
  ○ 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

Effective January 1, 2026
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
0005	2.997	1119	2081	4.476	1500	2835	3.978	1433	3373	5.264	1500	4207	3.249	1200
0008	3.037	1132	2089	3.830	1386	2836	3.972	1431	3383	2.023	807	4239	3.093	1150
0016	5.403	1500	2095	4.659	1500	2841	4.231	1500	3385	2.891	1085	4240	3.602	1313
0034	4.291	1500	2105	5.422	1500	2881	3.332	1226	3400	4.302	1500	4243	3.134	1163
0035	2.706	1026	2110	6.564	1500	2883	3.939	1420	3507	3.489	1276	4244	4.031	1450
0036	4.872	1500	2111	3.163	1172	2915	4.059	1459	3515	2.478	953	4250	2.967	1109
0037	5.507	1500	2112	4.783	1500	2916	4.052	1457	3548	1.738	716	4251	3.552	1297
0042	7.218	1500	2114	2.304	897	2923	2.628	1001	3559	3.036	1132	4263	4.661	1500
0050	7.747	1500	2121	1.866	757	2960	6.286	1500	3574	2.329	905	4273	3.052	1137
0059	–	–	2130	2.499	960	3004	1.773	727	3581	1.220	550	4279	4.311	1500
0065	–	–	2131	2.188	860	3018	4.648	1500	3612	2.175	856	4283	2.334	907
0066	–	–	2143	3.480	1274	3022	4.742	1500	3620	3.276	1208	4299	3.284	1211
0067	–	–	2157	6.989	1500	3027	4.131	1482	3629	1.994	798	4304	5.386	1500
0079	3.037	1132	2172	2.710	1027	3028	3.715	1349	3632	2.749	1040	4307	2.217	869
0083	6.358	1500	2174	3.739	1356	3030	8.424	1500	3634	2.862	1076	4351	1.364	596
0106	10.749	1500	2211	9.535	1500	3040	6.208	1500	3635	2.206	866	4352	1.533	651
0113	4.298	1500	2220	3.704	1345	3041	5.235	1500	3638	2.243	878	4361	0.868	438
0170	4.298	1500	2286	–	–	3042	3.857	1394	3642	1.492	637	4410	3.434	1259
0251	4.674	1500	2288	5.999	1500	3064	5.299	1500	3643	2.338	908	4420	4.459	1500
0401	13.051	A	2302	2.660	1011	3076	4.257	1500	3647	3.669	1334	4431	1.420	614
0771N	0.665	–	2305	3.426	1256	3081	7.134	1500	3648	1.503	641	4432	2.327	905
0908P	205.000	330	2361	2.691	1021	3082	5.610	1500	3681	1.081	506	4452	3.889	1404
0913P	642.000	767	2362	3.311	1220	3085	6.066	1500	3685	1.090	509	4459	3.576	1304
0917	4.805	1500	2380	2.684	1019	3110	4.570	1500	3719	1.476	632	4470	3.276	1208
0918	0.955	650	2388	1.768	726	3111	2.623	999	3724	4.890	1500	4484	3.454	1265
1005	7.034	1500	2402	2.739	1036	3113	2.010	803	3726	4.775	1500	4493	3.254	1201
1164	4.479	1500	2413	2.366	917	3114	3.087	1148	3803	3.728	1353	4511	0.537	332
1165	3.276	1208	2416	2.741	1037	3118	2.251	880	3807	2.490	957	4557	3.025	1128
1320	2.175	856	2417	1.603	673	3119	1.181	538	3808	4.661	1500	4558	2.928	1097
1322	12.401	1500	2501	3.191	1181	3122	2.143	846	3821	7.115	1500	4568	3.186	1180
1430	4.565	1500	2503	1.733	715	3126	4.037	1452	3822	5.175	1500	4581	1.124	520
1438	4.716	1500	2570	5.379	1500	3131	2.299	896	3824	4.292	1500	4583	4.816	1500
1452	2.863	1076	2585	5.114	1500	3132	3.530	1290	3826	1.085	507	4611	1.272	567
1463	8.511	1500	2586	5.159	1500	3145	3.136	1164	3827	2.932	1098	4635	3.719	1350
1472	4.194	1500	2587	3.437	1260	3146	3.730	1354	3830	1.868	758	4653	2.321	903
1624	3.774	1368	2589	2.267	885	3169	3.458	1267	3851	2.423	935	4665	10.182	1500
1642	4.133	1483	2600	5.877	1500	3179	2.963	1108	3865	3.554	1297	4683	5.444	1500
1654	5.314	1500	2623	6.480	1500	3180	2.849	1072	3881	4.209	1500	4686	3.254	1201
1699	3.682	1338	2651	1.657	690	3188	2.201	864	4000	6.582	1500	4692	0.835	427
1701	4.020	1446	2660	2.488	956	3220	2.478	953	4021	4.694	1500	4693	1.125	520
1710	4.152	1489	2670	–	–	3224	4.267	1500	4024	4.975	1500	4703	2.027	809
1747	4.679	1500	2683	–	–	3227	3.150	1168	4034	7.643	1500	4717	2.825	1064
1748	5.490	1500	2688	2.129	841	3240	–	–	4036	2.925	1096	4720	2.532	970
1803	7.258	1500	2701	13.777	1500	3241	4.959	1500	4038	3.110	1155	4740	1.581	666
1924	4.276	1500	2702	21.262	1500	3255	3.352	1233	4062	2.449	944	4741	3.811	1380
1925	3.759	1363	2709	10.234	1500	3257	3.091	1149	4101	3.776	1368	4751	3.300	1216
2002	5.127	1500	2710	7.595	1500	3270	2.567	981	4109	0.692	381	4771N	3.770	1500
2003	5.907	1500	2714	5.795	1500	3300	4.676	1500	4110	1.125	520	4777	8.115	1500
2014	9.864	1500	2731	5.712	1500	3303	3.948	1423	4111	3.721	1351	4825	0.998	479
2016	5.714	1500	2735	5.697	1500	3307	3.293	1214	4114	3.474	1272	4828	2.110	835
2021	4.331	1500	2759	6.427	1500	3315	4.354	1500	4130	5.118	1500	4829	1.381	602
2039	4.211	1500	2790	2.434	939	3334	3.541	1293	4131	6.810	1500	4902	2.603	993
2041	4.442	1500	2797	4.422	1500	3336	3.613	1316	4133	3.495	1278	4923	2.264	884
2065	3.025	1128	2799	8.201	1500	3365	7.098	1500	4149	1.057	498	5020	6.409	1500
2070	5.762	1500	2802	5.838	1500	3372	3.963	1428	4206	5.857	1500	5022	9.733	1500

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Effective January 1, 2026
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
5037	8.640	1500	6233	2.617	997	7360	7.622	1500	8047	1.188	540	8805M	0.178	217
5040	12.480	1500	6235	7.487	1500	7370	6.267	1500	8058	2.936	1100	8810	0.131	202
5057	6.639	1500	6236	7.500	1500	7380	9.433	1500	8072	0.922	455	8814M	0.159	211
5059	18.000	1500	6237	2.197	863	7382	4.250	1500	8102	2.730	1034	8815M	0.244	238
5102	6.885	1500	6251	8.225	1500	7390	16.663	1500	8103	4.250	1500	8820	0.148	207
5146	5.622	1500	6252	4.135	1483	7394M	4.677	1500	8106	5.581	1500	8824	3.565	1301
5160	3.459	1267	6306	5.713	1500	7395M	5.198	1500	8107	3.919	1414	8826	2.715	1029
5183	4.699	1500	6319	4.135	1483	7398M	7.147	1500	8111	3.241	1197	8831	1.272	567
5188	5.116	1500	6325	4.749	1500	7402	0.131	202	8116	3.978	1433	8832	0.505	322
5190	3.396	1247	6400	6.137	1500	7403	3.967	1429	8203	8.205	1500	8833	1.016	485
5191	1.386	604	6503	2.732	1034	7405N	1.346	822	8204	4.792	1500	8835	2.473	951
5192	5.055	1500	6504	4.013	1444	7420	9.068	1500	8209	5.418	1500	8842	3.310	1219
5213	10.224	1500	6702M*	4.909	1500	7421	0.663	372	8215	4.392	1500	8855	0.141	205
5215	8.853	1500	6703M*	7.500	1500	7422	1.309	579	8227	5.857	1500	8856	0.522	327
5221	7.194	1500	6704M*	5.455	1500	7425	2.382	922	8232	6.754	1500	8864	1.986	796
5222	9.691	1500	6801F	5.808	1500	7431N	0.850	578	8233	5.518	1500	8868	0.533	331
5223	6.033	1500	6811	5.024	1500	7445N	0.724	–	8235	5.522	1500	8869	1.081	506
5348	5.861	1500	6824F	6.279	1500	7453N	0.457	–	8263	7.334	1500	8871	0.046	175
5402	8.820	1500	6826F	3.217	1189	7502	2.675	1016	8264	5.799	1500	8901	0.189	220
5403	8.551	1500	6834	3.580	1306	7515	1.457	626	8265	7.522	1500	9012	1.307	578
5437	7.465	1500	6836	3.759	1363	7520	2.828	1065	8279	8.096	1500	9014	3.526	1288
5443	4.893	1500	6843F	7.058	1500	7538	2.915	1093	8288	9.560	1500	9015	3.617	1317
5445	6.787	1500	6845F	6.901	1500	7539	1.840	749	8291	4.883	1500	9016	2.673	1015
5462	8.312	1500	6854	5.488	1500	7540	3.745	1358	8292	4.039	1452	9019	3.419	1254
5472	7.220	1500	6872F	7.754	1500	7580	2.830	1066	8293	10.205	1500	9033	3.802	1377
5473	10.554	1500	6874F	7.952	1500	7590	6.160	1500	8304	7.398	1500	9040	3.819	1382
5474	7.176	1500	6882	3.658	1331	7600	8.624	1500	8350	9.348	1500	9044	2.125	840
5478	4.474	1500	6884	5.081	1500	7605	3.274	1208	8380	2.912	1092	9052	2.336	908
5479	10.960	1500	7016M	3.969	1430	7607	0.126	200	8381	2.240	877	9058	1.721	711
5480	8.962	1500	7024M	4.409	1500	7610	0.461	308	8385	3.993	1438	9060	1.584	667
5491	3.098	1151	7038M	5.583	1500	7705	5.679	1500	8392	2.745	1038	9061	1.618	678
5506	7.830	1500	7046M	6.199	1500	7710	6.625	1500	8393	2.536	972	9063	0.968	470
5507	6.560	1500	7047M	6.062	1500	7711	31.395	1500	8500	6.823	1500	9077F	5.808	1500
5509	7.337	1500	7050M	8.529	1500	7720	4.093	1470	8601	0.387	284	9082	1.246	559
5535	9.138	1500	7090M	6.203	1500	7723	1.747	719	8602	1.723	711	9083	1.270	566
5537	4.383	1500	7098M	6.888	1500	7731*	3.837	7500	8603	0.087	188	9084	1.579	665
5551	19.596	1500	7099M	9.470	1500	7855	4.045	1454	8606	1.777	729	9088a	a	a
5604	2.271	887	7133	3.632	1322	8001	2.588	988	8709F	5.746	1500	9089	1.140	525
5606	1.503	641	7151M	4.413	1500	8002	2.430	938	8719	3.276	1208	9093	1.455	626
5610	5.471	1500	7152M	6.739	1500	8006	2.441	941	8720	1.462	628	9101	4.006	1442
5645	18.204	1500	7153M	4.903	1500	8008	1.340	589	8721	0.276	248	9102	3.249	1200
5703	13.081	1500	7219	9.564	1500	8010	2.151	848	8723	0.076	184	9154	1.810	739
5705	23.733	1500	7222	9.218	1500	8013	0.385	283	8725	3.097	1151	9156	2.667	1013
5951	0.646	367	7225	9.422	1500	8015	1.140	525	8726F	1.303	577	9170	16.787	1500
6003	9.942	1500	7230	9.253	1500	8017	1.801	736	8734M	0.363	276	9178	6.906	1500
6005	7.925	1500	7231	10.647	1500	8018	4.789	1500	8737M	0.326	264	9179	13.671	1500
6018	4.640	1500	7232	10.094	1500	8021	3.713	1348	8738M	0.498	319	9180	5.348	1500
6045	6.637	1500	7309F	7.754	1500	8031	2.332	906	8742	0.268	246	9182	2.888	1084
6204	8.655	1500	7313F	3.415	1253	8032	2.575	984	8745	4.718	1500	9186	14.269	1500
6206	4.058	1459	7317F	5.227	1500	8033	2.512	964	8748	0.568	342	9220	5.038	1500
6213	2.885	1083	7327F	11.047	1500	8037	3.067	1141	8754	0.961	468	9402	4.583	1500
6214	2.201	864	7333M	2.849	1072	8039	2.134	843	8755	0.385	283	9403	11.036	1500
6216	6.687	1500	7335M	3.165	1173	8044	4.020	1446	8799	0.602	353	9410	6.201	1500
6217	5.142	1500	7337M	4.352	1500	8045	1.540	653	8800	2.427	937	9501	3.970	1430
6229	4.675	1500	7350F	6.656	1500	8046	3.656	1330	8803	0.046	175	9505	3.932	1418

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Refer to the Classification codes 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, 2026
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
9516	3.387	1244												
9519	5.396	1500												
9521	3.748	1359												
9522	2.782	1050												
9534	5.988	1500												
9554	9.979	1500												
9586	0.603	353												
9600	2.841	1069												
9620	2.012	804												

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Refer to the Classification codes 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, 2026
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.

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 1.856.

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.

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective January 1, 2026
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES

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

Employee operated vehicle………………………………………………………………………	$133,800
Leased or rented vehicle………………………………………………………………………	$89,200

Catastrophe (other than Certified Acts of Terrorism) - (Assigned Risk)………………………………………… 0.010

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

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
Minimum Premium Factor	0.75
Maximum Premium Factor	1.75
Loss Conversion Factor	1.222
Tax Multiplier	1.015

Loss Development Factors	
1st Adjustment	0.30
2nd Adjustment	0.20
3rd Adjustment	0.15
4th Adjustment	0.11

Maximum Minimum Premium…………………………………………………………………………… $1,500

Maximum Weekly Payroll applicable in accordance with the *Basic Manual* rule, Rule for premium determination of executive officers and the *Basic Manual* notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports"……………………………………… $1,700

Maximum Weekly Payroll applicable in accordance with the *Basic Manual* rules, Rule for premium determination of executive officers and Rule for premium determination of members of LLCs……………………… $3,400

Minimum Premium Multiplier…………………………………………………………………………… 320

Minimum Weekly Payroll applicable in accordance with the *Basic Manual* rules, Rule for premium determination of executive officers and Rule for premium determination of members of LLCs……………………… $1,700

Premium Determination for Partners and Sole Proprietors in accordance with the *Basic Manual* rule, Rule for premium determination for partners or sole proprietors (Annual Payroll)……………………………………… $89,200

Premium Discount Percentages - (See the *Basic Manual* rule, Premium discount.) 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:

	Total Losses						
Deductible	HAZARD GROUP						
Amount	A	B	C	D	E	F	G
$1,000	4.5%	3.4%	2.7%	2.3%	1.7%	1.4%	1.1%
$5,000	11.7%	9.5%	7.9%	7.0%	5.5%	4.5%	3.8%
$10,000	16.9%	14.2%	12.1%	11.0%	8.9%	7.3%	6.2%

Effective January 1, 2026
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES (cont.)

Terrorism (Assigned Risk)………………………………………………..……………………………………… 0.030

United States Longshore and Harbor Workers' Compensation Coverage Percentage
applicable only in connection with the *Basic Manual* rule, Federal coverages………………………………………… 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 *Basic Manual* rule, Rule for applying the Connecticut Workers Compensation Administration Fund Assessment factors

Industrial Classifications and Maritime/FELA (Program I and Program II State Act)……………………… 1.8%
F Classifications and Maritime/FELA (Program II USL Act)……………………………..….…………… 2.9%

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.

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Proposed Values for Inclusion in the Experience Rating Plan Manual

The following pages include proposed values for inclusion in the Experience Rating Plan Manual:

- Description of Expected Loss Rates and D-ratios
- Description of the Weighting and Ballast values
- Expected Loss Rates and D-ratios by class code
- Table of Weighting Values
- Table of Ballast Values
- Experience Rating Premium Eligibility Amounts

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Proposed Rating Values

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 experience 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 the following: loss development, expected losses in excess of the State Accident Limit, a portion of medical-only losses, benefit changes, trend, loss-based expenses, experience, and assigned risk programs.

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 split point is based on the average claim costs in the state, promoting an equitable determination of primary and excess losses. To reflect changes in claim costs and preserve alignment with other experience rating parameters, the split point is reviewed annually and may be adjusted to maintain an average D-ratio of approximately 40%, the average D-ratio utilized when the credibility parameters underlying the weight and ballast values were last recalibrated. Utilizing a consistent average D-ratio promotes similar experience rating plan performance across states with varying cost levels.

The D-ratio is used to determine the expected excess losses to be used in the experience mod calculation. D-ratios are calculated by hazard group and are based on the latest three years of Unit Statistical Data trended to the midpoint of the proposed experience rating period. A comparison of the resulting D-ratios across hazard groups is done to ensure that they 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 the hazard group D-ratio.

An adjustment to the ELR factors is necessary so that the resulting ELRs produce an expected intrastate experience rating off-balance that equals the targeted intrastate experience rating off-balance used in the calculation of the overall loss cost level change for the state. Preliminary ELR factors are calculated by class code utilizing the appropriate hazard group factors and underlying pure premiums. Intrastate experience rating modifications for the most recent year of rating effective dates available at the time of the production of the filing are calculated based on the preliminary ELRs and D-ratios, and the losses underlying the mod calculations are adjusted for trend and to the appropriate benefit level of the data that will be used for experience ratings in the proposed effective period. The trend is applied separately by frequency and severity using selected values that are appropriate for the time period covered. It should be noted that the loss ratio trends used in other parts of the filing may not match the ELR trends due to possible differences between the experience rating trend periods and the ratemaking trend periods. An average of these intrastate experience modifications is calculated, and an iterative process follows where the ELR factors are adjusted up or down, class ELRs are recalculated, and experience rating modifications are restated until the target average intrastate experience mod is achieved.

Proposed Rating Values

The final ELR for each classification is calculated as follows:

ELR = {(HG indemnity ELR factor) x (indemnity pure premium) + (HG medical ELR factor) x (medical pure premium)} x Manual/Standard Ratio

Description of the Weighting and Ballast Values

The weighting value (W) and ballast value (B) influence the degree to which an employer's actual losses impact the experience rating modification for employers of various sizes - generally described as excess loss credibility - and are governed by the formulas in Item E-1409.

One element of these formulas is the G-value, which represents the state average claim severity in thousands of dollars and reflects the state accident limitation and the reduction of medical only losses. The state accident limit is used to curtail the impact of large claims on the experience modification and is based on a state-level 95th percentile of lost-time claims so that the limitation is expected to impact the largest 5% of lost-time claims.

The values for W and B are such that larger employers receive higher excess loss credibility in their experience modification calculation than smaller employers.

The ballast value is a stabilizing value designed to control the effect of 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 weighting value for various levels of expected losses is provided in the Table of Weighting Values.

The ballast value for various levels of expected losses is provided in the Table of Ballast Values.

Effective January 1, 2026
TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS
APPLICABLE TO ALL POLICIES

CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO
0005	1.139	0.39	2081	1.850	0.43	2835	1.649	0.43	3373	1.993	0.39	4207	0.953	0.33			
0008	1.159	0.39	2089	1.451	0.39	2836	1.626	0.43	3383	0.768	0.39	4239	0.916	0.33			
0016	1.792	0.36	2095	1.681	0.39	2841	1.623	0.39	3385	1.151	0.39	4240	1.472	0.43			
0034	1.562	0.39	2105	2.195	0.43	2881	1.343	0.43	3400	1.625	0.39	4243	1.144	0.39			
0035	0.992	0.39	2110	2.497	0.39	2883	1.498	0.39	3507	1.268	0.39	4244	1.307	0.36			
0036	1.810	0.39	2111	1.189	0.39	2915	1.321	0.36	3515	0.912	0.39	4250	1.070	0.39			
0037	1.792	0.36	2112	1.821	0.39	2916	1.337	0.36	3548	0.659	0.39	4251	1.343	0.39			
0042	2.621	0.39	2114	0.942	0.43	2923	1.070	0.43	3559	1.107	0.39	4263	1.685	0.39			
0050	2.488	0.36	2121	0.762	0.43	2960	2.253	0.39	3574	0.896	0.39	4273	1.112	0.39			
0059	–	–	2130	0.909	0.39	3004	0.519	0.33	3581	0.461	0.39	4279	1.423	0.36			
0065	–	–	2131	0.828	0.39	3018	1.405	0.33	3612	0.791	0.39	4283	0.880	0.39			
0066	–	–	2143	1.415	0.43	3022	1.792	0.39	3620	1.059	0.36	4299	1.208	0.39			
0067	–	–	2157	2.612	0.39	3027	1.335	0.36	3629	0.725	0.39	4304	1.949	0.39			
0079	1.111	0.39	2172	0.877	0.36	3028	1.205	0.36	3632	0.991	0.39	4307	0.905	0.43			
0083	2.323	0.39	2174	1.449	0.39	3030	2.766	0.36	3634	1.042	0.39	4351	0.513	0.39			
0106	3.224	0.33	2211	3.127	0.36	3040	2.234	0.39	3635	0.808	0.39	4352	0.578	0.39			
0113	1.637	0.39	2220	1.348	0.39	3041	1.886	0.39	3638	0.849	0.39	4361	0.328	0.39			
0170	1.637	0.39	2286	1.348	0.39	3042	1.383	0.39	3642	0.563	0.39	4410	1.304	0.39			
0251	1.703	0.39	2288	2.296	0.39	3064	1.948	0.39	3643	0.764	0.36	4420	1.312	0.33			
0401	3.973	0.33	2302	0.981	0.39	3076	1.618	0.39	3647	1.313	0.39	4431	0.581	0.43			
0771	–	–	2305	1.120	0.36	3081	2.622	0.39	3648	0.609	0.43	4432	0.948	0.43			
0908	74.297	0.39	2361	0.998	0.39	3082	1.836	0.36	3681	0.415	0.39	4452	1.426	0.39			
0913	230.994	0.39	2362	1.263	0.39	3085	2.199	0.39	3685	0.412	0.39	4459	1.172	0.36			
0917	1.933	0.43	2380	1.027	0.39	3110	1.680	0.39	3719	0.388	0.29	4470	1.193	0.39			
0918	0.336	0.39	2388	0.730	0.43	3111	0.996	0.39	3724	1.311	0.29	4484	1.312	0.39			
1005	1.806	0.29	2402	0.902	0.36	3113	0.735	0.39	3726	1.263	0.29	4493	1.181	0.39			
1164	1.191	0.29	2413	0.865	0.39	3114	1.127	0.39	3803	1.412	0.39	4511	0.195	0.39			
1165	0.864	0.29	2416	1.046	0.39	3118	0.920	0.43	3807	0.934	0.39	4557	0.975	0.36			
1320	0.638	0.33	2417	0.612	0.39	3119	0.516	0.44	3808	1.650	0.39	4558	1.048	0.39			
1322	3.278	0.29	2501	1.217	0.39	3122	0.854	0.43	3821	2.319	0.36	4568	1.018	0.36			
1430	1.502	0.36	2503	0.647	0.39	3126	1.455	0.39	3822	1.987	0.39	4581	0.346	0.33			
1438	1.555	0.36	2570	2.004	0.39	3131	0.848	0.39	3824	1.640	0.39	4583	1.428	0.33			
1452	0.922	0.36	2585	1.850	0.39	3132	1.356	0.39	3826	0.389	0.39	4611	0.482	0.39			
1463	2.275	0.29	2586	1.973	0.39	3145	1.158	0.39	3827	1.095	0.39	4635	1.100	0.33			
1472	1.365	0.36	2587	1.277	0.39	3146	1.379	0.39	3830	0.694	0.39	4653	0.869	0.39			
1624	1.119	0.33	2589	0.830	0.39	3169	1.325	0.39	3851	0.931	0.39	4665	3.319	0.36			
1642	1.332	0.36	2600	2.204	0.39	3179	1.113	0.39	3865	1.422	0.43	4683	1.941	0.39			
1654	1.725	0.36	2623	2.133	0.36	3180	1.089	0.39	3881	1.511	0.39	4686	1.055	0.36			
1699	1.206	0.36	2651	0.629	0.39	3188	0.802	0.39	4000	1.948	0.33	4692	0.313	0.39			
1701	1.201	0.33	2660	1.017	0.43	3220	0.894	0.39	4021	1.713	0.39	4693	0.420	0.39			
1710	1.332	0.36	2670	0.814	0.39	3224	1.708	0.43	4024	1.618	0.36	4703	0.728	0.39			
1747	1.545	0.36	2683	1.217	0.39	3227	1.176	0.39	4034	2.488	0.36	4717	1.145	0.43			
1748	1.823	0.36	2688	0.814	0.39	3240	1.170	0.39	4036	0.956	0.36	4720	0.918	0.39			
1803	2.356	0.36	2701	4.024	0.33	3241	1.875	0.39	4038	1.266	0.43	4740	0.431	0.29			
1924	1.628	0.39	2702	5.627	0.29	3255	1.363	0.43	4062	0.893	0.39	4741	1.378	0.39			
1925	1.371	0.39	2709	3.038	0.33	3257	1.170	0.39	4101	1.379	0.39	4751	1.087	0.36			
2002	1.943	0.39	2710	2.486	0.36	3270	0.965	0.39	4109	0.262	0.39	4771	1.115	0.33			
2003	2.110	0.39	2714	2.238	0.39	3300	1.919	0.43	4110	0.425	0.39	4777	2.447	0.33			
2014	3.305	0.36	2731	2.163	0.39	3303	1.514	0.39	4111	1.395	0.39	4825	0.321	0.36			
2016	2.157	0.39	2735	2.186	0.39	3307	1.205	0.39	4114	1.245	0.39	4828	0.626	0.33			
2021	1.578	0.39	2759	2.435	0.39	3315	1.624	0.39	4130	1.935	0.39	4829	0.407	0.33			
2039	1.597	0.39	2790	0.998	0.43	3334	1.243	0.39	4131	2.574	0.39	4902	1.004	0.39			
2041	1.690	0.39	2797	1.834	0.43	3336	1.287	0.39	4133	1.459	0.43	4923	0.845	0.39			
2065	1.092	0.39	2799	2.920	0.39	3365	2.084	0.33	4149	0.425	0.43	5020	1.878	0.33			
2070	2.049	0.39	2802	2.124	0.39	3372	1.435	0.39	4206	2.192	0.39	5022	2.591	0.29			

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective January 1, 2026
TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS
APPLICABLE TO ALL POLICIES

CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO
5037	2.276	0.29	6233	0.688	0.29	7360	2.491	0.36	8047	0.449	0.39	8805	0.067	0.39
5040	3.332	0.29	6235	1.968	0.29	7370	2.360	0.39	8058	1.120	0.39	8810	0.050	0.39
5057	1.743	0.29	6236	2.394	0.36	7380	2.998	0.36	8072	0.387	0.43	8814	0.061	0.39
5059	4.860	0.29	6237	0.637	0.33	7382	1.524	0.39	8102	1.040	0.39	8815	0.093	0.39
5102	2.025	0.33	6251	2.388	0.33	7390	6.192	0.39	8103	1.550	0.39	8820	0.048	0.36
5146	1.793	0.36	6252	1.085	0.29	7394	1.244	0.29	8106	1.830	0.36	8824	1.506	0.44
5160	0.910	0.29	6306	1.688	0.33	7395	1.383	0.29	8107	1.158	0.33	8826	1.111	0.43
5183	1.385	0.33	6319	1.099	0.29	7398	1.902	0.29	8111	1.184	0.39	8831	0.567	0.44
5188	1.503	0.33	6325	1.267	0.29	7402	0.048	0.39	8116	1.447	0.39	8832	0.190	0.39
5190	1.004	0.33	6400	2.000	0.36	7403	1.480	0.39	8203	2.950	0.39	8833	0.377	0.39
5191	0.446	0.36	6503	1.031	0.39	7405	0.488	0.39	8204	1.772	0.39	8835	0.923	0.39
5192	1.812	0.39	6504	1.533	0.39	7420	2.334	0.29	8209	2.040	0.39	8842	1.399	0.44
5213	2.747	0.29	6702	1.583	0.36	7421	0.212	0.36	8215	1.436	0.36	8855	0.055	0.39
5215	2.852	0.36	6703	2.418	0.36	7422	0.383	0.33	8227	1.730	0.33	8856	0.194	0.39
5221	2.117	0.33	6704	1.759	0.36	7425	0.678	0.33	8232	2.201	0.36	8864	0.810	0.43
5222	2.611	0.29	6801F	1.855	0.32	7431	0.241	0.33	8233	1.705	0.36	8868	0.220	0.43
5223	1.937	0.36	6811	1.659	0.36	7445	–	–	8235	1.977	0.39	8869	0.446	0.43
5348	1.873	0.36	6824F	2.006	0.32	7453	–	–	8263	2.674	0.39	8871	0.017	0.39
5402	3.356	0.39	6826F	1.028	0.32	7502	0.859	0.36	8264	1.880	0.36	8901	0.060	0.36
5403	2.551	0.33	6834	1.360	0.39	7515	0.389	0.29	8265	2.259	0.33	9012	0.429	0.36
5437	2.213	0.33	6836	1.377	0.39	7520	1.013	0.39	8279	2.454	0.33	9014	1.333	0.39
5443	1.753	0.39	6843F	1.983	0.24	7538	0.776	0.29	8288	3.529	0.39	9015	1.309	0.39
5445	1.805	0.29	6845F	1.939	0.24	7539	0.540	0.33	8291	1.755	0.39	9016	1.031	0.39
5462	2.682	0.36	6854	1.628	0.33	7540	1.010	0.29	8292	1.534	0.39	9019	1.132	0.36
5472	1.904	0.29	6872F	2.178	0.24	7580	0.912	0.36	8293	3.825	0.39	9033	1.373	0.39
5473	2.805	0.29	6874F	2.234	0.24	7590	2.013	0.36	8304	2.220	0.33	9040	1.552	0.43
5474	1.911	0.29	6882	1.100	0.33	7600	2.756	0.36	8350	2.748	0.33	9044	0.882	0.43
5478	1.304	0.33	6884	1.472	0.33	7605	0.968	0.33	8380	1.052	0.39	9052	0.943	0.43
5479	3.588	0.36	7016	1.017	0.29	7607	0.048	0.39	8381	0.819	0.39	9058	0.731	0.44
5480	2.609	0.33	7024	1.130	0.29	7610	0.147	0.36	8385	1.459	0.39	9060	0.647	0.43
5491	0.917	0.33	7038	1.601	0.29	7705	2.042	0.39	8392	1.103	0.43	9061	0.654	0.43
5506	2.301	0.33	7046	1.665	0.29	7710	1.975	0.33	8393	0.814	0.36	9063	0.397	0.43
5507	1.929	0.33	7047	1.554	0.29	7711	9.654	0.33	8500	2.251	0.36	9077F	2.082	0.36
5509	2.188	0.33	7050	2.445	0.29	7720	1.317	0.36	8601	0.115	0.33	9082	0.532	0.44
5535	2.478	0.29	7090	1.778	0.29	7723	0.531	0.33	8602	0.563	0.36	9083	0.544	0.44
5537	1.400	0.36	7098	1.849	0.29	7731	1.384	0.39	8603	0.033	0.39	9084	0.638	0.43
5551	5.311	0.29	7099	2.542	0.29	7855	1.303	0.36	8606	0.527	0.33	9088	a	a
5604	0.672	0.33	7133	1.083	0.33	8001	0.985	0.39	8709F	1.614	0.24	9089	0.468	0.43
5606	0.404	0.29	7151	1.317	0.33	8002	0.930	0.39	8719	0.949	0.33	9093	0.594	0.43
5610	1.768	0.36	7152	2.010	0.33	8006	0.982	0.43	8720	0.439	0.33	9101	1.624	0.43
5645	4.944	0.29	7153	1.463	0.33	8008	0.549	0.43	8721	0.091	0.36	9102	1.181	0.39
5703	4.327	0.36	7219	2.786	0.33	8010	0.816	0.39	8723	0.027	0.39	9154	0.694	0.39
5705	7.441	0.36	7222	2.661	0.33	8013	0.139	0.39	8725	1.024	0.36	9156	1.091	0.43
5951	0.244	0.39	7225	2.985	0.36	8015	0.417	0.39	8726F	0.416	0.32	9170	5.024	0.33
6003	2.882	0.33	7230	3.278	0.39	8017	0.733	0.43	8734	0.117	0.36	9178	3.234	0.44
6005	2.561	0.36	7231	3.743	0.39	8018	1.785	0.39	8737	0.106	0.36	9179	5.931	0.44
6018	1.493	0.36	7232	2.904	0.33	8021	1.413	0.39	8738	0.161	0.36	9180	2.016	0.39
6045	2.115	0.36	7309F	2.178	0.24	8031	0.880	0.39	8742	0.087	0.36	9182	1.139	0.39
6204	2.540	0.33	7313F	0.959	0.24	8032	0.977	0.39	8745	1.709	0.39	9186	4.523	0.33
6206	1.068	0.29	7317F	1.469	0.24	8033	1.021	0.43	8748	0.169	0.33	9220	1.807	0.39
6213	0.767	0.29	7327F	3.104	0.24	8037	1.337	0.44	8754	0.352	0.39	9402	1.348	0.33
6214	0.649	0.33	7333	0.743	0.29	8039	0.877	0.43	8755	0.122	0.36	9403	3.285	0.33
6216	1.751	0.29	7335	0.826	0.29	8044	1.512	0.39	8799	0.227	0.39	9410	2.403	0.39
6217	1.380	0.29	7337	1.136	0.29	8045	0.580	0.39	8800	0.920	0.39	9501	1.304	0.36
6229	1.506	0.36	7350F	2.001	0.28	8046	1.389	0.39	8803	0.015	0.36	9505	1.441	0.39

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective January 1, 2026
TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS
APPLICABLE TO ALL POLICIES

CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO
9516	1.196	0.39												
9519	1.736	0.36												
9521	1.216	0.36												
9522	1.107	0.43												
9534	1.609	0.29												
9554	2.939	0.33												
9586	0.244	0.43												
9600	1.085	0.39												
9620	0.656	0.36												

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective January 1, 2026
TABLE OF WEIGHTING VALUES
APPLICABLE TO ALL POLICIES

Expected Losses		Weighting Values	Expected Losses		Weighting Values
0 --	2,585	0.14	1,457,404 --	1,530,710	0.49
2,586 --	7,283	0.15	1,530,711 --	1,607,961	0.50
7,284 --	12,092	0.16	1,607,962 --	1,689,483	0.51
12,093 --	17,019	0.17	1,689,484 --	1,775,639	0.52
17,020 --	18,739	0.18	1,775,640 --	1,866,840	0.53
18,740 --	21,194	0.17	1,866,841 --	1,963,541	0.54
21,195 --	24,547	0.16	1,963,542 --	2,066,254	0.55
24,548 --	29,593	0.15	2,066,255 --	2,175,563	0.56
29,594 --	39,195	0.14	2,175,564 --	2,292,123	0.57
39,196 --	90,070	0.13	2,292,124 --	2,416,679	0.58
90,071 --	121,035	0.14	2,416,680 --	2,550,085	0.59
121,036 --	148,076	0.15	2,550,086 --	2,693,321	0.60
148,077 --	174,088	0.16	2,693,322 --	2,847,514	0.61
174,089 --	199,891	0.17	2,847,515 --	3,013,973	0.62
199,892 --	225,864	0.18	3,013,974 --	3,194,222	0.63
225,865 --	252,218	0.19	3,194,223 --	3,390,050	0.64
252,219 --	279,100	0.20	3,390,051 --	3,603,569	0.65
279,101 --	306,614	0.21	3,603,570 --	3,837,290	0.66
306,615 --	334,850	0.22	3,837,291 --	4,094,222	0.67
334,851 --	363,884	0.23	4,094,223 --	4,378,006	0.68
363,885 --	392,513	0.24	4,378,007 --	4,693,082	0.69
392,514 --	420,650	0.25	4,693,083 --	5,044,932	0.70
420,651 --	449,672	0.26	5,044,933 --	5,440,392	0.71
449,673 --	479,628	0.27	5,440,393 --	5,888,106	0.72
479,629 --	510,570	0.28	5,888,107 --	6,399,164	0.73
510,571 --	542,554	0.29	6,399,165 --	6,988,036	0.74
542,555 --	575,635	0.30	6,988,037 --	7,673,959	0.75
575,636 --	609,877	0.31	7,673,960 --	8,483,081	0.76
609,878 --	645,343	0.32	8,483,082 --	9,451,868	0.77
645,344 --	682,104	0.33	9,451,869 --	10,632,759	0.78
682,105 --	720,234	0.34	10,632,760 --	12,103,972	0.79
720,235 --	759,815	0.35	12,103,973 --	13,987,584	0.80
759,816 --	800,931	0.36	13,987,585 --	16,485,257	0.81
800,932 --	843,676	0.37	16,485,258 --	19,955,753	0.82
843,677 --	888,150	0.38	19,955,754 --	25,104,896	0.83
888,151 --	934,464	0.39	25,104,897 --	33,539,119	0.84
934,465 --	982,735	0.40	33,539,120 --	49,874,776	0.85
982,736 --	1,033,088	0.41	49,874,777 --	94,999,387	0.86
1,033,089 --	1,085,666	0.42	94,999,388 --	809,356,470	0.87
1,085,667 --	1,140,618	0.43	809,356,471 --	AND OVER	0.88
1,140,619 --	1,198,112	0.44			
1,198,113 --	1,258,328	0.45			
1,258,329 --	1,321,466	0.46			
1,321,467 --	1,387,744	0.47			
1,387,745 --	1,457,403	0.48			

(a) G 11.95
(b) State Per Claim Accident Limitation $156,500
(c) State Multiple Claim Accident Limitation $313,000
(d) USL&HW Per Claim Accident Limitation $298,500
(e) USL&HW Multiple Claim Accident Limitation $597,000
(f) Employers Liability Accident Limitation $55,000
(g) Primary/Excess Loss Split Point $21,000
(h) USL&HW Act—Expected Loss Factor—Non-F Classes 1.50
(Multiply a Non-F classification ELR by the USL&HW Act—Expected Loss Factor of 1.50.)

TABLE OF BALLAST VALUES
APPLICABLE TO ALL POLICIES

Expected Losses			Ballast Values	Expected Losses			Ballast Values	Expected Losses			Ballast Values
0	--	431,191	54,970	4,049,916	--	4,156,584	264,095	7,783,771	--	7,890,459	473,220
431,192	--	535,951	60,945	4,156,585	--	4,263,254	270,070	7,890,460	--	7,997,148	479,195
535,952	--	641,331	66,920	4,263,255	--	4,369,925	276,045	7,997,149	--	8,103,837	485,170
641,332	--	747,076	72,895	4,369,926	--	4,476,597	282,020	8,103,838	--	8,210,526	491,145
747,077	--	853,053	78,870	4,476,598	--	4,583,271	287,995	8,210,527	--	8,317,216	497,120
853,054	--	959,188	84,845	4,583,272	--	4,689,946	293,970	8,317,217	--	8,423,906	503,095
959,189	--	1,065,433	90,820	4,689,947	--	4,796,621	299,945	8,423,907	--	8,530,596	509,070
1,065,434	--	1,171,760	96,795	4,796,622	--	4,903,298	305,920	8,530,597	--	8,637,286	515,045
1,171,761	--	1,278,147	102,770	4,903,299	--	5,009,975	311,895	8,637,287	--	8,743,976	521,020
1,278,148	--	1,384,582	108,745	5,009,976	--	5,116,653	317,870	8,743,977	--	8,850,666	526,995
1,384,583	--	1,491,053	114,720	5,116,654	--	5,223,332	323,845	8,850,667	--	8,957,357	532,970
1,491,054	--	1,597,555	120,695	5,223,333	--	5,330,012	329,820	8,957,358	--	9,064,048	538,945
1,597,556	--	1,704,081	126,670	5,330,013	--	5,436,692	335,795	9,064,049	--	9,170,738	544,920
1,704,082	--	1,810,626	132,645	5,436,693	--	5,543,373	341,770	9,170,739	--	9,277,429	550,895
1,810,627	--	1,917,189	138,620	5,543,374	--	5,650,055	347,745	9,277,430	--	9,384,120	556,870
1,917,190	--	2,023,765	144,595	5,650,056	--	5,756,737	353,720	9,384,121	--	9,490,811	562,845
2,023,766	--	2,130,353	150,570	5,756,738	--	5,863,419	359,695	9,490,812	--	9,597,503	568,820
2,130,354	--	2,236,952	156,545	5,863,420	--	5,970,102	365,670	9,597,504	--	9,704,194	574,795
2,236,953	--	2,343,560	162,520	5,970,103	--	6,076,786	371,645	9,704,195	--	9,810,886	580,770
2,343,561	--	2,450,175	168,495	6,076,787	--	6,183,470	377,620	9,810,887	--	9,917,577	586,745
2,450,176	--	2,556,797	174,470	6,183,471	--	6,290,154	383,595	9,917,578	--	10,024,269	592,720
2,556,798	--	2,663,425	180,445	6,290,155	--	6,396,839	389,570	10,024,270	--	10,130,961	598,695
2,663,426	--	2,770,058	186,420	6,396,840	--	6,503,524	395,545	10,130,962	--	10,237,653	604,670
2,770,059	--	2,876,696	192,395	6,503,525	--	6,610,210	401,520	10,237,654	--	10,344,345	610,645
2,876,697	--	2,983,338	198,370	6,610,211	--	6,716,895	407,495	10,344,346	--	10,451,037	616,620
2,983,339	--	3,089,983	204,345	6,716,896	--	6,823,582	413,470	10,451,038	--	10,556,630	622,595
3,089,984	--	3,196,632	210,320	6,823,583	--	6,930,268	419,445				
3,196,633	--	3,303,285	216,295	6,930,269	--	7,036,955	425,420				
3,303,286	--	3,409,940	222,270	7,036,956	--	7,143,642	431,395				
3,409,941	--	3,516,597	228,245	7,143,643	--	7,250,329	437,370				
3,516,598	--	3,623,257	234,220	7,250,330	--	7,357,017	443,345				
3,623,258	--	3,729,919	240,195	7,357,018	--	7,463,705	449,320				
3,729,920	--	3,836,582	246,170	7,463,706	--	7,570,393	455,295				
3,836,583	--	3,943,248	252,145	7,570,394	--	7,677,082	461,270				
3,943,249	--	4,049,915	258,120	7,677,083	--	7,783,770	467,245				

For Expected Losses greater than $10,556,630, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

Ballast = (0.056)(Expected Losses) + 2876.4(Expected Losses)(11.95) / (Expected Losses + (600)(11.95))

G = 11.95

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

Experience Rating Plan Manual

Subject premium eligibility amounts
Rule ID: ER-ELIT-SEE7E
Effective Date: July 1, 2025

A risk's rating effective date determines the applicable minimum subject premium eligibility amount to qualify for experience rating based on (a) subject premium from the most recent 24 months of the experience period, or (b) average annual subject premium if using more than 24 months of experience in the experience period.

Subject premium eligibility amounts table for Connecticut

Rating effective date	Minimum subject premium eligibility amount based on subject premium from the most recent 24 months of the experience period ($)	Minimum subject premium eligibility amount based on average annual subject premium if using more than 24 months of experience in the experience period ($)
07/01/2026 and after	15,000	7,500
07/01/2025 to 06/30/2026	14,500	7,250
07/01/2024 to 06/30/2025	13,500	6,750

Note: This exhibit revises the Connecticut experience rating subject premium eligibility amounts shown in the Subject premium eligibility amounts table for Connecticut in NCCI's *Experience Rating Plan Manual* for Connecticut. The subject premium eligibility amounts are applicable to all policies.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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:

- Average Cost per Case
- Excess Loss Pure Premium Factors
- Retrospective Pure Premium Development Factors

1. **Average Cost per Case by Hazard Group**

A	B	C	D	E	F	G
11,518	15,192	20,310	24,234	34,565	43,488	56,308

Average Cost per Case including ALAE by Hazard Group

A	B	C	D	E	F	G
13,023	17,161	22,919	27,335	38,904	48,906	63,304

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	0.630	0.660	0.684	0.697	0.721	0.737	0.750
$15,000	0.586	0.619	0.647	0.662	0.691	0.711	0.727
$20,000	0.550	0.585	0.615	0.633	0.665	0.688	0.707
$25,000	0.519	0.555	0.588	0.607	0.642	0.667	0.689
$30,000	0.493	0.530	0.564	0.583	0.621	0.648	0.672
$35,000	0.469	0.507	0.542	0.563	0.602	0.631	0.657
$40,000	0.449	0.486	0.523	0.544	0.585	0.615	0.642
$50,000	0.414	0.451	0.489	0.511	0.555	0.587	0.616
$75,000	0.350	0.387	0.426	0.448	0.496	0.530	0.564
$100,000	0.306	0.342	0.381	0.403	0.452	0.487	0.523
$125,000	0.273	0.307	0.346	0.368	0.418	0.454	0.490
$150,000	0.247	0.280	0.318	0.340	0.391	0.426	0.462
$175,000	0.226	0.258	0.295	0.316	0.367	0.403	0.439
$200,000	0.208	0.239	0.276	0.297	0.348	0.382	0.418
$225,000	0.193	0.223	0.260	0.280	0.330	0.365	0.400
$250,000	0.180	0.210	0.245	0.265	0.315	0.349	0.385
$275,000	0.169	0.198	0.232	0.251	0.302	0.335	0.370
$300,000	0.159	0.187	0.221	0.240	0.289	0.323	0.357
$325,000	0.151	0.177	0.211	0.229	0.279	0.311	0.345
$350,000	0.143	0.169	0.202	0.220	0.269	0.301	0.335
$375,000	0.136	0.161	0.194	0.211	0.259	0.291	0.325
$400,000	0.130	0.154	0.186	0.203	0.251	0.283	0.315
$425,000	0.124	0.148	0.179	0.196	0.243	0.274	0.307
$450,000	0.119	0.142	0.173	0.189	0.236	0.267	0.299
$475,000	0.114	0.137	0.167	0.183	0.229	0.260	0.291
$500,000	0.109	0.132	0.162	0.177	0.223	0.253	0.284
$600,000	0.095	0.115	0.143	0.157	0.202	0.230	0.259
$700,000	0.083	0.103	0.129	0.142	0.185	0.212	0.239
$800,000	0.075	0.093	0.118	0.130	0.171	0.197	0.223
$900,000	0.068	0.084	0.108	0.120	0.159	0.184	0.209
$1,000,000	0.062	0.078	0.100	0.111	0.149	0.173	0.196
$2,000,000	0.033	0.044	0.060	0.067	0.096	0.112	0.128
$3,000,000	0.023	0.031	0.044	0.049	0.072	0.086	0.098
$4,000,000	0.017	0.024	0.035	0.038	0.058	0.070	0.079
$5,000,000	0.014	0.019	0.028	0.032	0.049	0.059	0.067
$6,000,000	0.012	0.016	0.024	0.027	0.042	0.051	0.058
$7,000,000	0.010	0.014	0.021	0.023	0.037	0.045	0.051
$8,000,000	0.008	0.012	0.018	0.020	0.033	0.040	0.045
$9,000,000	0.007	0.010	0.016	0.018	0.029	0.036	0.041
$10,000,000	0.006	0.009	0.014	0.016	0.026	0.032	0.037

CONNECTICUT   **RETROSPECTIVE RATING PLAN MANUAL**
RR 2   **STATE SPECIAL RATING VALUES**
Original   *Effective January 1, 2026*

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	0.720	0.752	0.777	0.792	0.817	0.834	0.847
$15,000	0.672	0.708	0.738	0.755	0.785	0.806	0.823
$20,000	0.633	0.671	0.704	0.723	0.757	0.782	0.802
$25,000	0.600	0.639	0.675	0.695	0.732	0.759	0.783
$30,000	0.571	0.611	0.648	0.670	0.710	0.739	0.765
$35,000	0.545	0.586	0.625	0.647	0.690	0.721	0.748
$40,000	0.523	0.564	0.604	0.627	0.671	0.703	0.733
$50,000	0.484	0.526	0.567	0.591	0.638	0.673	0.705
$75,000	0.413	0.454	0.497	0.521	0.573	0.611	0.647
$100,000	0.363	0.403	0.446	0.471	0.525	0.564	0.602
$125,000	0.326	0.364	0.407	0.432	0.487	0.526	0.566
$150,000	0.296	0.334	0.376	0.400	0.456	0.495	0.535
$175,000	0.272	0.308	0.350	0.374	0.430	0.469	0.509
$200,000	0.252	0.287	0.328	0.351	0.407	0.446	0.486
$225,000	0.235	0.269	0.310	0.332	0.388	0.426	0.466
$250,000	0.220	0.253	0.293	0.315	0.371	0.409	0.448
$275,000	0.208	0.240	0.279	0.300	0.355	0.393	0.432
$300,000	0.196	0.227	0.266	0.287	0.342	0.379	0.418
$325,000	0.186	0.216	0.254	0.275	0.329	0.366	0.404
$350,000	0.177	0.207	0.244	0.264	0.318	0.354	0.392
$375,000	0.169	0.198	0.234	0.254	0.307	0.343	0.381
$400,000	0.161	0.190	0.225	0.245	0.298	0.333	0.370
$425,000	0.154	0.182	0.217	0.236	0.289	0.324	0.360
$450,000	0.148	0.175	0.210	0.228	0.281	0.315	0.351
$475,000	0.142	0.169	0.203	0.221	0.273	0.307	0.343
$500,000	0.137	0.163	0.197	0.214	0.266	0.300	0.335
$600,000	0.119	0.143	0.175	0.192	0.241	0.273	0.307
$700,000	0.105	0.128	0.158	0.173	0.221	0.252	0.284
$800,000	0.095	0.116	0.145	0.159	0.205	0.235	0.265
$900,000	0.086	0.106	0.133	0.147	0.192	0.220	0.249
$1,000,000	0.078	0.097	0.124	0.136	0.180	0.207	0.235
$2,000,000	0.042	0.055	0.073	0.082	0.115	0.135	0.154
$3,000,000	0.029	0.038	0.053	0.059	0.086	0.102	0.117
$4,000,000	0.022	0.029	0.041	0.046	0.069	0.083	0.095
$5,000,000	0.017	0.023	0.034	0.038	0.058	0.070	0.080
$6,000,000	0.014	0.019	0.029	0.032	0.050	0.060	0.069
$7,000,000	0.012	0.017	0.025	0.028	0.043	0.053	0.061
$8,000,000	0.010	0.014	0.021	0.024	0.038	0.047	0.054
$9,000,000	0.009	0.012	0.019	0.021	0.034	0.042	0.048
$10,000,000	0.008	0.011	0.017	0.019	0.031	0.038	0.044

3.   **Retrospective Pure Premium Development Factors**

With Loss Limit				Without Loss Limit			
1st Adj.	2nd Adj.	3rd Adj.		1st Adj.	2nd Adj.	3rd Adj.	4th & Subsequent Adjustment
0.09	0.06	0.04		0.34	0.23	0.17	0.00

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

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Exhibit I – Determination of the Indicated Loss Cost Level Change

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 the proposed experience period, as shown in the exhibits on the next few pages.

Determination of the Loss Base

In analyzing losses for the purpose of Aggregate Ratemaking, NCCI reviews both "paid" and "paid plus case" loss data, which are (i) the benefit amounts already paid by insurers on reported claims and (ii) the benefit amounts already paid by insurers on reported claims plus the amounts set aside to cover future payments on those claims.

During this year's analysis, which included an assessment of the predictiveness of the experience period years, a combination of both paid and paid plus case data was selected as most appropriate to best reflect the conditions likely to prevail in the proposed effective period. This methodology makes the most use of the available financial data and is consistent with the currently approved filing made in Connecticut.

Determination of the Experience Period

This year's analysis included a review of various experience periods. The most recent five policy year and calendar-accident year projected loss ratios are shown below. Policy year data is given greater consideration by NCCI because policy year data reflects the best match between exposure and losses.

Policy Year	Loss Ratio	Calendar-Accident Year	Loss Ratio
2019	1.022	2020	0.945
2020	0.991	2021	0.986
2021	0.954	2022	0.939
2022	0.937	2023	0.960
2023	0.987	2024	0.993

Note the following regarding the projected loss ratios:

- *Based on NCCI's Financial Call data reported through 12/31/2024, on-leveled, developed to an ultimate report, and trended to the prospective period. Projected loss ratios do not include the change in expenses and standard earned premium at Designated Statistical Reporting (DSR) level is adjusted to a pure premium level.*
- *The Calendar-Accident Year analysis was not conducted separately; the displayed loss ratios are trended using the policy year loss ratio selections underlying this filing.*
- *Calendar-Accident Year 2020–2023 loss ratios include a premium audit adjustment due to changes in audit activity.*

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Exhibit I – Determination of the Indicated Loss Cost Level Change

The policy year loss ratios are generally consistent in this time period and the loss ratios in the selected experience period (i.e., Policy Years 2022 and 2023) demonstrate relatively favorable experience with Policy Year 2023 generally consistent with the latest calendar-accident year experience.

Data for the two most recently available full policy years was selected as the most appropriate experience period on which to base this year's filing. The selection provides a balance between stability and responsiveness and best reflected the conditions likely to prevail in the proposed effective period. This method is consistent with prior filings in Connecticut.

Determination of the Indicated 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. Standard earned premium at the Designated Statistical Reporting (DSR) level is developed to an ultimate basis, on-leveled to the current approved loss cost level, and adjusted to a 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. Limited losses are adjusted to an unlimited basis via a non-catastrophe excess ratio (with excess ratios at limits beyond $50 million set equal to zero).
6. A factor is applied to reflect the impact of proposed indemnity and medical benefit changes.
7. The projected unlimited indemnity and medical cost ratios including benefit changes are added 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, (1) the impact of the offset due to the change in assigned risk pricing programs (i.e., the assigned risk differential) and (2) the change in loss adjustment expenses are applied to determine the indicated overall average loss cost level change.

An increase to the assigned risk differential raises the amount of statewide premium used in determining the overall loss cost level need. To prevent the increased premium from affecting the statewide loss cost level change, an offset is required. All else equal, if no premium offset

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Exhibit I – Determination of the Indicated Loss Cost Level Change

were applied, the assigned risk premium would increase (since an increase to the differential is being proposed) while the voluntary premium would not change. To ensure that there is no increase in total statewide premium (i.e., voluntary + assigned risk), a statewide offset must be applied to both the voluntary and assigned risk rate indication for this proposed change to be premium neutral.

The offset is calculated as follows:

$$Statewide\ Offset = \frac{1}{(AR\ Market\ Share * \Delta\ AR\ Differential + (1 - AR\ MS)}$$

$$= \frac{1}{0.05 * 1.032 + (1 - 0.05)} = \frac{1}{1.002} = 0.998$$

Where:

AR Market Share = 0.05 (i.e., selected assigned risk market share of 5%)
Δ AR Differential = 1.032 (i.e., 1.600 / 1.550 -1)

The detailed calculations can be found on the following pages. For additional details on the selected assigned risk market share, please refer to Appendix A-I. For Additional details on the change in the differential, please refer to Appendix D.

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EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section A - Policy Year 2023 Experience

Premium:

(1)	Standard Earned Premium Developed to Ultimate (Appendix A-II)	$462,569,495
(2)	Premium On-level Factor (Appendix A-I)	0.689
(3)	Pure Premium Available for Benefit Costs = (1) x (2)	$318,710,382

Indemnity Benefit Cost:

(4)	Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	$200,312,168
(5)	Indemnity Loss On-level Factor (Appendix A-I)	1.000
(6)	Adjusted Limited Indemnity Losses = (4) x (5)	$200,312,168
(7)	Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.629
(8)	Factor to Reflect Indemnity Trend (Appendix A-III)	0.885
(9)	Projected Limited Indemnity Cost Ratio = (7) x (8)	0.557
(10)	Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.033
(11)	Projected Indemnity Cost Ratio = (9) x (10)	0.575
(12)	Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.011
(13)	Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.581

Medical Benefit Cost:

(14)	Limited Medical Losses Developed to Ultimate (Appendix A-II)	$148,430,758
(15)	Medical Loss On-level Factor (Appendix A-I)	1.010
(16)	Adjusted Limited Medical Losses = (14) x (15)	$149,915,066
(17)	Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.470
(18)	Factor to Reflect Medical Trend (Appendix A-III)	0.831
(19)	Projected Limited Medical Cost Ratio = (17) x (18)	0.391
(20)	Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.033
(21)	Projected Medical Cost Ratio = (19) x (20)	0.404
(22)	Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.006
(23)	Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.406

Total Benefit Cost:

(24)	Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.987

EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section B - Policy Year 2022 Experience

Premium:

(1)	Standard Earned Premium Developed to Ultimate (Appendix A-II)	$457,556,477
(2)	Premium On-level Factor (Appendix A-I)	0.664
(3)	Pure Premium Available for Benefit Costs = (1) x (2)	$303,817,501

Indemnity Benefit Cost:

(4)	Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	$191,777,241
(5)	Indemnity Loss On-level Factor (Appendix A-I)	1.000
(6)	Adjusted Limited Indemnity Losses = (4) x (5)	$191,777,241
(7)	Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.631
(8)	Factor to Reflect Indemnity Trend (Appendix A-III)	0.849
(9)	Projected Limited Indemnity Cost Ratio = (7) x (8)	0.536
(10)	Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.033
(11)	Projected Indemnity Cost Ratio = (9) x (10)	0.554
(12)	Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.011
(13)	Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.560

Medical Benefit Cost:

(14)	Limited Medical Losses Developed to Ultimate (Appendix A-II)	$138,231,779
(15)	Medical Loss On-level Factor (Appendix A-I)	1.023
(16)	Adjusted Limited Medical Losses = (14) x (15)	$141,411,110
(17)	Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.465
(18)	Factor to Reflect Medical Trend (Appendix A-III)	0.781
(19)	Projected Limited Medical Cost Ratio = (17) x (18)	0.363
(20)	Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.033
(21)	Projected Medical Cost Ratio = (19) x (20)	0.375
(22)	Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.006
(23)	Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.377

Total Benefit Cost:

(24)	Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.937

EXHIBIT I

Determination of Indicated Loss Cost Level Change

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

(1) Policy Year 2023 Indicated Change Based on Experience, Trend, and Benefits	0.987
(2) Policy Year 2022 Indicated Change Based on Experience, Trend, and Benefits	0.937
(3) Indicated Change Based on Experience, Trend, and Benefits* = [(1) + (2)] / 2	0.962

    * The weight applied to each loss ratio in the experience period does not vary by year.

Section D - Application of the Offset Due to the Change in Assigned Risk Pricing Programs

(1) Indicated Loss Cost Level Change	0.962
(2) Effect of the Offset Due to the Change in Assigned Risk Pricing Programs	0.998
(3) Indicated Change Modified to Reflect the Offset Due to the Change in A/R Pricing Programs = (1) x (2)	0.960

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

(1) Indicated Loss Cost Level Change	0.960
(2) Effect of the Change in Loss-based Expenses (Exhibit II)	1.002
(3) Indicated Change Modified to Reflect the Change in Loss-based Expenses = (1) x (2)	0.962

EXHIBIT I

Determination of Indicated Loss Cost Level Change

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

Industry Group Differentials (Appendix A-IV):

Manufacturing	0.981
Contracting	0.989
Office & Clerical	1.053
Goods & Services	0.998
Miscellaneous	1.002

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	0.962	0.981	0.944	(-5.6%)
Contracting	0.962	0.989	0.951	(-4.9%)
Office & Clerical	0.962	1.053	1.013	(+1.3%)
Goods & Services	0.962	0.998	0.960	(-4.0%)
Miscellaneous	0.962	1.002	0.964	(-3.6%)
Overall	0.962	1.000	0.962	(-3.8%)

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Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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).

Given the nature of AOE, it cannot be allocated to a specific claim, and hence cannot be accurately attributed to specific states. Therefore, the state-specific AOE ratio reflects the latest selected countrywide provision. The countrywide provision was calculated using data obtained from the NCCI Call for Loss Adjustment Expense. The accident year developed AOE ratios are calculated on a countrywide basis using private carrier-only data.

NCCI used the following general methodology to determine the proposed DCCE provision based on Connecticut-specific paid DCCE and losses reported on the NCCI Call for Policy Year Data:

- Ratios of reported paid DCCE-to-paid losses by policy year are developed to a 19th report using DCCE ratio development factors.
- A 19th-to-ultimate tail factor is applied to reflect expected development beyond a 19th report.
- The proposed DCCE provision is selected based on the ultimate projected DCCE ratios by policy year.

The calculation of the loss adjustment expense provision is shown on the following pages.

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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 22.2% loss adjustment expense allowance as a percentage of losses. This represents a 0.2% increase from the currently approved loss adjustment expense provision.

	(1)	(2)
Connecticut Provisions	Current Approved	Proposed
AOE	9.8%	**9.8%**
DCCE	12.1%	**12.4%**
Total LAE	21.9%	**22.2%**

Proposed Change in Connecticut LAE Provision	1.002
= [1.0 + (2)] / [1.0 + (1)] - 1	**0.2%**

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 9.8%.

Accident Year	Ultimate AOE Ratio
2020	10.4%
2021	10.1%
2022	9.8%
2023	9.7%
2024	9.9%
Countrywide Selected	9.8%
Connecticut Selected	**9.8%**

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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) Ultimate DCCE Ratio
2019	10.6%	1.006	10.7%
2020	11.4%	1.011	11.5%
2021	12.0%	1.023	12.3%
2022	11.8%	1.047	12.4%
2023	10.9%	1.139	12.4%

	Connecticut Selected	**12.4%**

(2) Section D

(3) = (1) x (2)

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

Report	(1) To Next Report	(2) To Ultimate
	DCCE Ratio Development	
1st	1.088	1.139
2nd	1.023	1.047
3rd	1.012	1.023
4th	1.005	1.011
5th	0.999	1.006
6th	0.998	1.007
7th	0.997	1.009
8th	0.996	1.012
9th	1.003	1.016
10th	1.002	1.013
11th	0.999	1.011
12th	1.002	1.012
13th	0.998	1.010
14th	1.002	1.012
15th	1.003	1.010
16th	1.001	1.007
17th	1.001	1.006
18th	1.000	1.005
19th		1.005*

(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

Valuation	1st/2nd	2nd/3rd	3rd/4th	4th/5th	5th/6th	6th/7th
12/31/2022	1.109	1.013	1.000	1.014	0.987	1.005
12/31/2023	1.125	1.036	1.011	1.008	1.006	0.994
12/31/2024	1.030	1.019	1.025	0.992	1.003	0.996
Average	1.088	1.023	1.012	1.005	0.999	0.998

Valuation	7th/8th	8th/9th	9th/10th	10th/11th	11th/12th	12th/13th
12/31/2022	0.997	0.998	1.013	1.004	0.996	1.000
12/31/2023	0.998	0.994	1.001	1.000	0.999	1.001
12/31/2024	0.995	0.996	0.994	1.001	1.001	1.004
Average	0.997	0.996	1.003	1.002	0.999	1.002

Valuation	13th/14th	14th/15th	15th/16th	16th/17th	17th/18th	18th/19th
12/31/2022	0.994	1.003	1.009	1.000	1.001	1.002
12/31/2023	1.001	1.000	1.001	1.001	1.000	0.996
12/31/2024	0.998	1.002	1.000	1.001	1.002	1.001
Average	0.998	1.002	1.003	1.001	1.001	1.000

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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 and benefit levels, respectively.

Premium on-level factors capture the difference between the average premium level for the year being on-leveled and the present premium level. The average premium level for the year being on-leveled is calculated using a weighted average based on a monthly premium distribution derived from Connecticut Unit Statistical Plan data. Differences in premium level changes specific to the market are addressed through distinct voluntary and assigned risk on-level factors. These factors are weighted together, using market shares as weights, to arrive at the final statewide on-level factor. The following adjustments are applied as part of the premium on-level factor calculation:

- 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 expected during the proposed filing effective period. Additional details on this adjustment factor are provided in the sub-section below.

- Current Premium Index (Assigned Risk-To-Voluntary): This factor reflects the cumulative impact of the current assigned risk standard premium programs.

- Factor to Reflect the Impact of Assigned Risk Pricing Programs: This factor, in conjunction with the Current Premium Index, adjusts premium to a selected assigned risk market share volume by incorporating the current assigned risk premium programs at the selected level. The selected assigned risk market share is the percentage of statewide premium at the assigned risk level that is selected when determining the statewide loss cost level change. Based on a review of historical assigned risk market shares in Connecticut, a market share of 5% was selected in this filing. Additional details on the assigned risk market share methodology and selection are provided in the sub-

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

section below.

Loss on-level factors are adjustment factors that reflect the cumulative impact of all 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.

Experience Rating Off-Balance Adjustment Factor

The term "off-balance" refers to the average experience rating modification factor (E-mod) across all employers for a given time period. Historical off-balance values are calculated as a weighted average—using expected losses as weights—of the following:

- E-mods for intrastate rated employers
- E-mods for interstate rated employers
- A unity factor for all non-rated employers

NCCI reviews changes in each state's average off-balance annually. The historical data review combined with the experience rating parameters included in the latest approved filing provide all necessary information to adjust historical premiums to reflect any changes in the off-balance values over time. Specifically, the premiums in the financial data experience period are adjusted to the off-balance expected in the proposed filing effective period. This adjustment can be seen in the premium on-level adjustment factors provided in Appendix A-I.

The key components used to estimate the off-balance for the proposed filing include:

- A targeted average E-mod of 0.960 for intrastate rated employers is used to estimate the off-balance. A targeted average intrastate E-mod slightly below unity is desirable because employers who qualify for experience rating typically have better loss experience, on average, than non-rated employers. The impact of NCCI's off-balance adjustment is premium-neutral on a statewide basis while promoting loss cost adequacy for non-rated employers.

- An average interstate E-mod is used to estimate the off-balance. The average interstate E-mod is estimated based on experience rating data for interstate rated employers compiled within the most recent twelve months. Unlike intrastate-rated employers, interstate employers have exposure in multiple states, where each state's data and underlying experience rating parameters are used to determine the employer's interstate E-mod. Because E-mods for interstate employers are influenced by experience rating values for multiple states, NCCI's standard approach is to assume that the average

interstate E-mod during the proposed filing period is best approximated by the average interstate E-mod observed over the most recent twelve months of E-mod data available at the time of the analysis.

Selected Assigned Risk Market Share Premium Calculation

NCCI adjusts the historical policy year experience to the current level by reflecting approved loss cost and rate level changes. In this process, known as on-leveling, premium adjustment factors are calculated for the assigned risk market as well as the voluntary market to calculate a final premium that is applicable statewide.

Selecting an assigned risk market share, and thus bringing assigned risk premium to a common selected market share level, removes possible policy year-to-year distortions that may result due to changes in the volume of business written in the voluntary or assigned risk markets.

Based on a review of historical assigned risk market shares, NCCI is proposing to maintain the currently approved market share selection of 5% in this filing.

Rather than establishing voluntary loss costs that assume all risks will be written at the voluntary loss cost premium level, this selection is intended to recognize that there will inevitably be some minimum proportion of employers who obtain coverage in the assigned risk market each year. The selection in this year's loss cost filing considers the observed history across a 15-year period in which assigned risk market shares range from 3% to 7%, while also considering Connecticut's industry mix, economic factors, and the assigned risk mechanisms in effect. The 5% market share selection recognizes that 5% of premium is a reasonable expectation of the long-term average (or baseline) proportion of residual market premium in Connecticut for the purposes of ratemaking. This assumed level considers the estimated impact from the current assigned risk premium programs in the calculation of the overall advisory loss cost and rate level change.

NCCI's methodology of selecting an assigned risk market share leads to a stable benchmark loss cost, that is independent of variations in the assigned risk market's size over time.

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section A - Factor Adjusting 2023 Policy Year Assigned Risk Premium to Present Assigned Risk Level

	Date	(1) Rate Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) UPP Adj. to Gross Premium Factor	(9) Premium Adjustment Factor (5)x(6)x(7)x(8)
NR	01/01/23	Base	1.000	1.000	1.000	0.840	0.946	0.740	0.962	0.566
NR	01/01/24	0.895	0.895							
NR	01/01/25	0.938	0.840		1.000					

Section B - Factor Adjusting 2023 Policy Year Voluntary Premium to Present Voluntary Level

	Date	(1) Loss Cost Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) UPP Adj. to Gross Premium Factor	(9) Premium Adjustment Factor (5)x(6)x(7)x(8)
NR	01/01/23	Base	1.000	1.000	1.000	0.847	1.000	0.820	1.000	0.695
NR	01/01/24	0.902	0.902							
NR	01/01/25	0.939	0.847		1.000					

Section C - Factor Adjusting 2023 Policy Year Assigned Risk Premium and Voluntary Premium to Present Statewide Level

(1)	Assigned Risk Market Share PY 2023	0.067
(2)	Voluntary Market Share PY 2023	0.933
(3)	Assigned Risk Standard Premium Adjustment Factor (See Sec. A)	0.566
(4)	Voluntary Standard Premium Adjustment Factor (See Sec. B)	0.695
(5)	Premium Adjustment Factor = [(1)x(3)]/1.620+(2)x(4) #	0.671
(6)	Experience Rating Off-balance Adjustment Factor*	1.006
(7)	Factor to Reflect the Impact of Assigned Risk Pricing Programs	0.980
(8)	Final Premium Adjustment Factor = [(5)x(6)]/(7)	0.689

NR New and renewal business.
@ Eliminates premium derived from expense constants.
# Current premium index (assigned risk-to-voluntary) = 1.620 (Approved Assigned Risk Differential x ARAP Impact = 1.550 x 1.045)
* = 1.006 = 0.954 / 0.948 = (Targeted Off-balance) / (Off-balance for Policy Year 2023)

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section D - Factor Adjusting 2023 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)
07/15/22	Base	1.000	0.051	0.051	1.000
04/01/23	1.000	1.000	0.138	0.138	
07/15/23	1.000	1.000	0.589	0.589	
04/01/24	1.000	1.000	0.151	0.151	
07/15/24	1.000	1.000	0.071	0.071	
				1.000	

Section E - Factor Adjusting 2023 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)
07/15/22	Base	1.000	0.051	0.051	1.010
04/01/23	1.012	1.012	0.138	0.140	
07/15/23	1.002	1.014	0.589	0.597	
04/01/24	1.011	1.025	0.151	0.155	
07/15/24	1.001	1.026	0.071	0.073	
				1.016	

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section F - Factor Adjusting 2022 Policy Year Assigned Risk Premium to Present Assigned Risk Level

	Date	(1) Rate Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) UPP Adj. to Gross Premium Factor	(9) Premium Adjustment Factor (5)x(6)x(7)x(8)
NR	01/01/22	Base	1.000	1.000	1.000	0.840	0.947	0.740	0.962	0.566
NR	01/01/23	1.000	1.000							
NR	01/01/24	0.895	0.895							
NR	01/01/25	0.938	0.840		1.000					

Section G - Factor Adjusting 2022 Policy Year Voluntary Premium to Present Voluntary Level

	Date	(1) Loss Cost Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) UPP Adj. to Gross Premium Factor	(9) Premium Adjustment Factor (5)x(6)x(7)x(8)
NR	01/01/22	Base	1.000	1.000	1.000	0.822	1.000	0.820	1.000	0.674
NR	01/01/23	0.970	0.970							
NR	01/01/24	0.902	0.875							
NR	01/01/25	0.939	0.822		1.000					

Section H - Factor Adjusting 2022 Policy Year Assigned Risk Premium and Voluntary Premium to Present Statewide Level

(1) Assigned Risk Market Share PY 2022   0.067
(2) Voluntary Market Share PY 2022   0.933
(3) Assigned Risk Standard Premium Adjustment Factor (See Sec. F)   0.566
(4) Voluntary Standard Premium Adjustment Factor (See Sec. G)   0.674
(5) Premium Adjustment Factor = [(1)x(3)]/1.620+(2)x(4) #   0.652
(6) Experience Rating Off-balance Adjustment Factor*   0.999
(7) Factor to Reflect the Impact of Assigned Risk Pricing Programs   0.980
(8) Final Premium Adjustment Factor = [(5)x(6)]/(7)   0.664

NR New and renewal business.
@   Eliminates premium derived from expense constants.
#   Current premium index (assigned risk-to-voluntary) = 1.620 (Approved Assigned Risk Differential x ARAP Impact = 1.550 x 1.045)
*   = 0.999 = 0.954 / 0.955 = (Targeted Off-balance) / (Off-balance for Policy Year 2022)

APPENDIX A-I

Determination of Policy Year On-level Factors

Section I - Factor Adjusting 2022 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)
07/15/21	Base	1.000	0.051	0.051	1.000
04/01/22	1.000	1.000	0.138	0.138	
07/15/22	1.000	1.000	0.589	0.589	
04/01/23	1.000	1.000	0.151	0.151	
07/15/23	1.000	1.000	0.071	0.071	
04/01/24	1.000	1.000			
07/15/24	1.000	1.000			
				1.000	

Section J - Factor Adjusting 2022 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)
07/15/21	Base	1.000	0.051	0.051	1.023
04/01/22	1.001	1.001	0.138	0.138	
07/15/22	0.999	1.000	0.589	0.589	
04/01/23	1.012	1.012	0.151	0.153	
07/15/23	1.002	1.014	0.071	0.072	
04/01/24	1.011	1.025			
07/15/24	1.001	1.026			
				1.003	

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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, as shown on the following pages.

Limited Large Loss Methodology

To limit volatility on the loss cost level indications due to the impact of extraordinary 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. It is calculated as one percent of the total volume of premium from the state's experience period underlying the currently approved filing. The base threshold is then 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 (QCEW). Detrended thresholds are used in the experience period, trend period, and loss development period. 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, non-catastrophe excess ratio at the base threshold is used to adjust the limited losses to an unlimited basis. The excess ratios are non-catastrophe because excess ratios at limits beyond $50 million are set equal to zero. The excess ratio is derived from Connecticut's Retrospective Rating Plan Parameters.

Premium Development

Premium at an ultimate report is estimated by incorporating a review of historical patterns of premium development over time–primarily due to payroll audits. For premium development, link ratios are used from 1st report through 5th report. It is assumed that no further development occurs after the 5th report.

In this filing, a three-year average of historical premium development factors was selected to strike a balance between responsiveness to recently observed changes and maintaining stability in the selected development factors from one filing to the next.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

<u>Loss Development</u>

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. For indemnity and medical loss development, link ratios calculated from limited losses are used from 1st through 19th report. For indemnity and medical loss development past the 19th report, a 19th-to-ultimate "tail" factor is used to reflect all future expected loss emergence. The loss development factors are based on how paid losses and case reserve estimates changed over time for claims from older years.

The graphs below display the age-to-19th cumulative loss development factors over the last ten valuations.
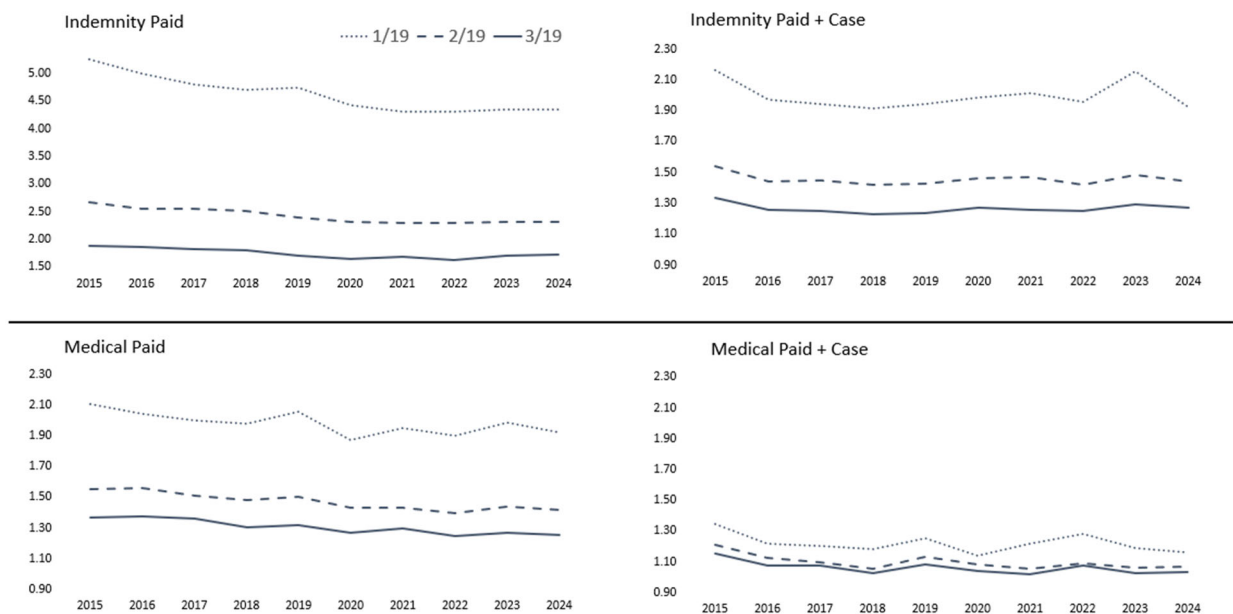
The specific development link ratio selections underlying this filing are shown below:

- A three-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

As can be seen in the graphs above, the latest valuation of development factors are generally consistent with those from historical periods for both indemnity and medical paid development as well as indemnity and medical paid plus case development and shows no clear deviation from historical values. Therefore, there was no change in the selected development averages compared to last year's filing.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

The development factor selections were made to strike a balance between responsiveness to recently observed changes and maintaining stability in the selected development factors from one filing to the next. A shorter-term average was selected for paid losses to capture more recent changes in paid development patterns over time, while a longer-term average was selected for paid plus case losses to limit the amount of variability from year to year.

19th-to-Ultimate Tail Factor

Tail factors are calculated separately for indemnity and medical unlimited losses by comparing the changes in the volume of policy year losses that occur on policy years reported after a nineteenth report to the volume of policy year losses at the nineteenth report. To adjust for these differences in the volume of losses between policy years, a growth adjustment factor is applied. The tail factors are brought from an unlimited basis to a limited basis through the application of a tail adjustment factor, which is based on countrywide data and the state specific large loss threshold.

The 19th-to-ultimate tail factor in Connecticut is calculated on a paid plus case basis. Both the indemnity and medical tail factors utilize all available experience for the years prior to the tail attachment point and are calculated for the most recent ten available policy years. Loss development paid plus case tail factors from a nineteenth report to ultimate were judgmentally selected in this filing based on a review of the ten most recently available factors.

Paid plus case data is used in the calculation of 19th-to-ultimate loss development factors since it is most reflective of the expected ultimate losses. Since this filing utilizes both paid and paid plus case data, the selected paid plus case loss development tail factors are converted to a paid basis using paid-to-paid plus case conversion ratios.

Both the indemnity and medical paid-to-paid plus case conversion ratios were selected based on a review of historical conversion ratios. The selection of the indemnity conversion ratio considers the relatively higher indemnity conversion ratios for the underlying experience period at early reports.

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section A - Premium and Loss Summary Valued as of 12/31/2024

Policy Year 2023

(1)	Standard Earned Premium	$457,536,592
(2)	Factor to Develop Premium to Ultimate	1.011
(3)	Standard Earned Premium Developed to Ultimate = (1)x(2)	$462,569,495
(4)	Limited Indemnity Paid Losses	$44,988,101
(5)	Limited Indemnity Paid Development Factor to Ultimate	4.508
(6)	Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	$202,806,359
(7)	Limited Indemnity Paid+Case Losses	$95,610,428
(8)	Limited Indemnity Paid+Case Development Factor to Ultimate	2.069
(9)	Limited Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8)	$197,817,976
(10)	Policy Year 2023 Limited Indemnity Losses Developed to Ultimate = [(6)+(9)]/2	$200,312,168
(11)	Limited Medical Paid Losses	$74,231,504
(12)	Limited Medical Paid Development Factor to Ultimate	2.007
(13)	Limited Medical Paid Losses Developed to Ultimate = (11)x(12)	$148,982,629
(14)	Limited Medical Paid+Case Losses	$122,517,719
(15)	Limited Medical Paid+Case Development Factor to Ultimate	1.207
(16)	Limited Medical Paid+Case Losses Developed to Ultimate = (14)x(15)	$147,878,887
(17)	Policy Year 2023 Limited Medical Losses Developed to Ultimate = [(13)+(16)]/2	$148,430,758

Policy Year 2022

(1)	Standard Earned Premium	$458,014,491
(2)	Factor to Develop Premium to Ultimate	0.999
(3)	Standard Earned Premium Developed to Ultimate = (1)x(2)	$457,556,477
(4)	Limited Indemnity Paid Losses	$81,461,405
(5)	Limited Indemnity Paid Development Factor to Ultimate	2.399
(6)	Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	$195,425,911
(7)	Limited Indemnity Paid+Case Losses	$125,419,047
(8)	Limited Indemnity Paid+Case Development Factor to Ultimate	1.500
(9)	Limited Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8)	$188,128,571
(10)	Policy Year 2022 Limited Indemnity Losses Developed to Ultimate = [(6)+(9)]/2	$191,777,241
(11)	Limited Medical Paid Losses	$97,095,093
(12)	Limited Medical Paid Development Factor to Ultimate	1.468
(13)	Limited Medical Paid Losses Developed to Ultimate = (11)x(12)	$142,535,597
(14)	Limited Medical Paid+Case Losses	$124,237,441
(15)	Limited Medical Paid+Case Development Factor to Ultimate	1.078
(16)	Limited Medical Paid+Case Losses Developed to Ultimate = (14)x(15)	$133,927,961
(17)	Policy Year 2022 Limited Medical Losses Developed to Ultimate = [(13)+(16)]/2	$138,231,779

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section B - Premium Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2020	1.010	2019	0.999	2018	1.000	2017	0.999
2021	1.012	2020	0.999	2019	0.999	2018	1.000
2022	1.013	2021	1.000	2020	1.000	2019	1.000
Average	1.012	Average	0.999	Average	1.000	Average	1.000

Summary of Premium Development Factors

1st/5th	2nd/5th	3rd/5th	4th/5th
1.011	0.999	1.000	1.000

Determination of Premium and Losses Developed to an Ultimate Report

Section C - Limited Indemnity Paid Loss Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2020	1.881	2019	1.414	2018	1.186	2017	1.091
2021	1.876	2020	1.361	2019	1.189	2018	1.096
2022	1.880	2021	1.345	2020	1.203	2019	1.107
Average	1.879	Average	1.373	Average	1.193	Average	1.098

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2016	1.068	2015	1.032	2014	1.026	2013	1.020
2017	1.058	2016	1.048	2015	1.036	2014	1.028
2018	1.065	2017	1.050	2016	1.031	2015	1.030
Average	1.064	Average	1.043	Average	1.031	Average	1.026

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2012	1.015	2011	1.008	2010	1.019	2009	1.009
2013	1.016	2012	1.017	2011	1.017	2010	1.011
2014	1.019	2013	1.011	2012	1.011	2011	1.011
Average	1.017	Average	1.012	Average	1.016	Average	1.010

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2008	1.011	2007	1.005	2006	1.004	2005	1.003
2009	1.009	2008	1.005	2007	1.004	2006	1.008
2010	1.014	2009	1.005	2008	1.004	2007	1.004
Average	1.011	Average	1.005	Average	1.004	Average	1.005

Policy Year	17th/18th	Policy Year	18th/19th
2004	1.004	2003	1.003
2005	1.003	2004	1.013
2006	1.004	2005	1.002
Average	1.004	Average	1.006

Determination of Premium and Losses Developed to an Ultimate Report

Section D - Limited Medical Paid Loss Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2020	1.361	2019	1.119	2018	1.049	2017	1.028
2021	1.380	2020	1.134	2019	1.081	2018	1.038
2022	1.360	2021	1.131	2020	1.067	2019	1.026
Average	1.367	Average	1.128	Average	1.066	Average	1.031

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2016	1.047	2015	1.016	2014	1.015	2013	1.011
2017	1.028	2016	1.016	2015	1.017	2014	1.014
2018	1.026	2017	1.026	2016	1.013	2015	1.015
Average	1.034	Average	1.019	Average	1.015	Average	1.013

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2012	1.009	2011	1.007	2010	1.011	2009	1.004
2013	1.006	2012	1.008	2011	1.003	2010	1.007
2014	1.007	2013	1.009	2012	1.012	2011	1.003
Average	1.007	Average	1.008	Average	1.009	Average	1.005

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2008	1.007	2007	1.004	2006	1.005	2005	1.004
2009	1.005	2008	1.005	2007	1.002	2006	1.005
2010	1.007	2009	1.002	2008	1.006	2007	1.004
Average	1.006	Average	1.004	Average	1.004	Average	1.004

Policy Year	17th/18th	Policy Year	18th/19th
2004	1.005	2003	1.004
2005	1.004	2004	1.007
2006	1.003	2005	1.002
Average	1.004	Average	1.004

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
2018	1.359	2017	1.151	2016	1.077	2015	1.042
2019	1.367	2018	1.173	2017	1.061	2016	1.041
2020	1.379	2019	1.133	2018	1.085	2017	1.024
2021	1.453	2020	1.151	2019	1.094	2018	1.051
2022	1.337	2021	1.129	2020	1.079	2019	1.043
Average	1.379	Average	1.147	Average	1.079	Average	1.040

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2014	1.019	2013	1.023	2012	1.014	2011	1.019
2015	1.024	2014	1.012	2013	1.017	2012	1.012
2016	1.033	2015	1.020	2014	1.012	2013	1.007
2017	1.021	2016	1.023	2015	1.008	2014	1.014
2018	1.042	2017	1.020	2016	1.001	2015	1.020
Average	1.028	Average	1.020	Average	1.010	Average	1.014

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2010	1.007	2009	1.012	2008	1.012	2007	1.008
2011	1.016	2010	1.009	2009	1.010	2008	1.004
2012	1.007	2011	1.010	2010	1.009	2009	1.003
2013	1.007	2012	1.008	2011	1.008	2010	1.009
2014	0.999	2013	1.012	2012	1.009	2011	1.006
Average	1.007	Average	1.010	Average	1.010	Average	1.006

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2006	1.003	2005	1.005	2004	0.998	2003	1.001
2007	1.002	2006	1.000	2005	1.000	2004	1.018
2008	1.005	2007	1.007	2006	1.004	2005	1.003
2009	1.007	2008	1.001	2007	1.000	2006	1.002
2010	1.006	2009	1.002	2008	1.001	2007	1.004
Average	1.005	Average	1.003	Average	1.001	Average	1.006

Policy Year	17th/18th	Policy Year	18th/19th
2002	1.002	2001	1.002
2003	1.003	2002	1.002
2004	1.006	2003	0.997
2005	1.003	2004	1.005
2006	1.004	2005	1.001
Average	1.004	Average	1.001

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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
2018	1.055	2017	1.041	2016	1.004	2015	1.003
2019	1.158	2018	1.030	2017	1.002	2016	1.002
2020	1.176	2019	1.013	2018	1.007	2017	1.012
2021	1.123	2020	1.031	2019	1.033	2018	1.007
2022	1.089	2021	1.032	2020	1.000	2019	0.981
Average	1.120	Average	1.029	Average	1.009	Average	1.001

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2014	0.996	2013	0.998	2012	1.011	2011	1.002
2015	1.002	2014	1.009	2013	1.004	2012	1.012
2016	1.016	2015	1.007	2014	1.000	2013	1.002
2017	1.008	2016	0.992	2015	0.983	2014	0.998
2018	1.026	2017	0.987	2016	1.002	2015	1.011
Average	1.010	Average	0.999	Average	1.000	Average	1.005

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2010	1.007	2009	0.998	2008	1.016	2007	1.006
2011	1.004	2010	0.994	2009	0.999	2008	0.995
2012	0.999	2011	1.008	2010	1.001	2009	1.002
2013	1.005	2012	1.001	2011	0.995	2010	1.006
2014	1.006	2013	1.003	2012	1.015	2011	1.002
Average	1.004	Average	1.001	Average	1.005	Average	1.002

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2006	0.998	2005	1.001	2004	0.994	2003	1.002
2007	1.000	2006	0.996	2005	0.997	2004	1.003
2008	1.008	2007	1.000	2006	1.001	2005	1.006
2009	1.000	2008	1.004	2007	0.997	2006	0.996
2010	1.003	2009	1.001	2008	1.001	2007	1.003
Average	1.002	Average	1.000	Average	0.998	Average	1.002

Policy Year	17th/18th	Policy Year	18th/19th
2002	0.999	2001	1.004
2003	1.000	2002	1.003
2004	1.007	2003	0.998
2005	0.999	2004	1.005
2006	0.993	2005	1.000
Average	1.000	Average	1.002

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)	(2)	(3)	(4)	(5)	(6)	(7)
					Factor to	Indicated
Policy	Losses for Policy Year		Losses for All Prior Policy Years		Adjust Losses	19th-to-Ult Development
Year	19th Report	20th Report	Previous	Current	for Prior Policy Years	for Policy Year
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	4,471,762,090	1.142	1.092
2000	175,634,276	176,329,901	4,537,247,438	4,550,541,941	0.866	1.091
2001	142,221,703	143,826,707	4,715,870,933	4,722,758,156	0.976	1.061
2002	131,662,945	131,648,253	4,952,261,536	4,960,374,848	0.958	1.064
2003	144,228,783	144,443,536	5,092,288,462	5,093,232,506	0.836	1.009
2004	155,328,356	155,632,999	5,237,676,042	5,242,876,925	0.773	1.045

Selected Indemnity 19th-to-Ultimate Loss Development Factor   1.055

Medical Paid+Case Data for Matching Companies

(8)	(9)	(10)	(11)	(12)	(13)	(14)
					Factor to	Indicated
Policy	Losses for Policy Year		Losses for All Prior Policy Years		Adjust Losses	19th-to-Ult Development
Year	19th Report	20th Report	Previous	Current	for Prior Policy Years	for Policy Year
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	2,227,967,333	0.976	1.029
2000	121,359,556	121,175,295	2,283,072,251	2,279,852,297	0.819	0.966
2001	103,911,420	104,982,843	2,393,340,503	2,390,795,407	0.934	0.984
2002	103,962,584	103,452,003	2,552,922,306	2,551,229,781	0.880	0.977
2003	115,838,307	115,899,480	2,654,891,111	2,652,850,148	0.770	0.978
2004	136,560,769	136,629,236	2,768,749,628	2,774,119,212	0.670	1.059

Selected Medical 19th-to-Ultimate Loss Development Factor   1.015

(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.

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
2001	0.981	0.966
2002	0.990	0.959
2003	0.970	0.966
2004	0.978	0.974
2005	0.985	0.974
Selected	0.990	0.975

Indemnity Tail

(1) Paid+Case 19th-to-Ultimate Loss Development Factor (Section G)	1.055
(2) Factor to Adjust 19th-to-Ultimate Development Factor to a Limited Basis	0.530
(3) Limited Paid+Case 19th-to-Ultimate Loss Development Factor = [(1) - 1] x (2) + 1	1.029
(4) Limited Paid-to-Paid+Case Ratio	0.990
(5) Limited Paid 19th-to-Ultimate Loss Development Factor = (3) / (4)	1.039

Medical Tail

(1) Paid+Case 19th-to-Ultimate Loss Development Factor (Section G)	1.015
(2) Factor to Adjust 19th-to-Ultimate Development Factor to a Limited Basis	0.530
(3) Limited Paid+Case 19th-to-Ultimate Loss Development Factor = [(1) - 1] x (2) + 1	1.008
(4) Limited Paid-to-Paid+Case Ratio	0.975
(5) Limited Paid 19th-to-Ultimate Loss Development Factor = (3) / (4)	1.034

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section I - Summary of Limited Paid Loss Development Factors

	(1) Indemnity Paid Loss Development	(2)			(3) Medical Paid Loss Development	(4)
Report	to Next Report	to Ultimate		Report	to Next Report	to Ultimate
1st	1.879	4.508		1st	1.367	2.007
2nd	1.373	2.399		2nd	1.128	1.468
3rd	1.193	1.747		3rd	1.066	1.301
4th	1.098	1.464		4th	1.031	1.220
5th	1.064	1.333		5th	1.034	1.183
6th	1.043	1.253		6th	1.019	1.144
7th	1.031	1.201		7th	1.015	1.123
8th	1.026	1.165		8th	1.013	1.106
9th	1.017	1.135		9th	1.007	1.092
10th	1.012	1.116		10th	1.008	1.084
11th	1.016	1.103		11th	1.009	1.075
12th	1.010	1.086		12th	1.005	1.065
13th	1.011	1.075		13th	1.006	1.060
14th	1.005	1.063		14th	1.004	1.054
15th	1.004	1.058		15th	1.004	1.050
16th	1.005	1.054		16th	1.004	1.046
17th	1.004	1.049		17th	1.004	1.042
18th	1.006	1.045		18th	1.004	1.038
19th		1.039		19th		1.034

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

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

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

	(1)	(2)			(3)	(4)
	Indemnity Paid+Case Loss Development				Medical Paid+Case Loss Development	
Report	to Next Report	to Ultimate		Report	to Next Report	to Ultimate
1st	1.379	2.069		1st	1.120	1.207
2nd	1.147	1.500		2nd	1.029	1.078
3rd	1.079	1.308		3rd	1.009	1.048
4th	1.040	1.212		4th	1.001	1.039
5th	1.028	1.165		5th	1.010	1.038
6th	1.020	1.133		6th	0.999	1.028
7th	1.010	1.111		7th	1.000	1.029
8th	1.014	1.100		8th	1.005	1.029
9th	1.007	1.085		9th	1.004	1.024
10th	1.010	1.077		10th	1.001	1.020
11th	1.010	1.066		11th	1.005	1.019
12th	1.006	1.055		12th	1.002	1.014
13th	1.005	1.049		13th	1.002	1.012
14th	1.003	1.044		14th	1.000	1.010
15th	1.001	1.041		15th	0.998	1.010
16th	1.006	1.040		16th	1.002	1.012
17th	1.004	1.034		17th	1.000	1.010
18th	1.001	1.030		18th	1.002	1.010
19th		1.029		19th		1.008

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

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*	6,248,081
(2) Statewide Excess Ratio for (1)	0.032
(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) x (1.0 - (3))]}	1.033

Section L - Policy Year Large Loss Limits

Experience Year	Policy Year Detrended Limit
2023	5,611,587
2022	5,403,912
2021	5,171,130
2020	4,912,102
2019	4,666,200
2018	4,480,565
2017	4,383,176
2016	4,328,231
2015	4,298,341
2014	4,235,255
2013	4,135,402
2012	4,087,601
2011	4,042,350
2010	3,948,677
2009	3,828,370
2008	3,812,137
2007	3,830,760
2006	3,704,912
2005	3,529,799
2004	3,390,283
2003	3,234,835
2002	3,103,147
2001	3,074,917

* December 2, 2026 is the midpoint of the effective period for which the revised loss costs are being proposed.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

Appendix A-III Trend Factors

The proposed loss costs and assigned risk rates are intended for use with policies with effective dates in the proposed effective period. However, the data underlying this filing is based on the years in the experience period. Thus, it is necessary to use trend factors that forecast how much future Connecticut workers compensation experience will differ from historical experience.

Trend factors measure anticipated changes in the amount of indemnity and medical benefits as 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.

Overview of Methodology

NCCI separately analyzes a measure of the number of workplace injuries (claim frequency) and the average indemnity and medical costs of each of these injuries (claim severity). Adjustments are made to the premium, losses, and claim counts underlying the trend analysis. Premium is adjusted to the current loss cost level excluding expense-related premium, developed to ultimate, and adjusted for changes in the level of workers' wages over time using the United States Bureau of Labor Statistics Quarterly Census of Employment and Wages for Connecticut. Similarly, losses are developed to ultimate and adjusted to the current benefit level and a common wage level. Indemnity lost-time claims are developed to ultimate and used in the frequency and severity calculations. Medical-only claim counts are excluded from the trend analysis, but the losses associated with medical-only claims are included. The claim severities and loss ratios in the trend analysis are based on an average of paid and paid plus case losses.

While claim frequency and severity are reviewed separately, NCCI selects annual indemnity and medical loss ratio trend factors in Connecticut. Loss ratios do not require an adjustment to a common wage level since the wage adjustment to frequency and severities cancels out. Loss ratios are relied upon as they are less impacted by shifts in the industry mix since these impacts to frequency and severity tend to offset one another. In order to estimate the average annual percentage changes in the loss ratios, exponential curves are fit to the historical data points. Considerations in the trend factor selections include a review of loss ratio patterns observed over an extended period of time, along with other pertinent considerations including, but not limited to, changes in system benefits and administration, economic environment, credibility of state data, experience period, and prior trend approach and selection.

The trend lengths displayed on the following exhibits are calculated by comparing the average accident date, or midpoint, for the effective period of the proposed loss costs to each average accident date of the policy years in the experience period. The average accident dates are

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

based on a Connecticut distribution of policy writings by month and assume a uniform probability of loss over the coverage period.

Considerations Underlying Trend Selections in this Filing

The trend factors selected in this filing are meant to recognize the impact the changes in benefits and inflation will have on loss ratios between the midpoints of the experience period years on which the filing is based and the midpoint of the proposed loss cost effective period. Trends using the most recent 15 policy years are typically reviewed to allow one to evaluate changes over an extended period of time, including both economic and non-economic factors, and to mitigate short-term anomalous year-to-year changes.

In addition to the indicated exponential indemnity and medical loss ratio trend fits, these exhibits also show the exponential trend fits for the underlying frequency and severity components for periods ranging from 5 to 15 years. Note that frequency and severity trends were reviewed but not selected.

The COVID-19 pandemic may have permanently altered aspects of the workplace and economy. For example, remote work and reduced business travel affecting some sectors, changes in job duties and workplaces, and changes in the mix of business are likely to persist into the future. The increasingly favorable policy year and calendar-accident year experience, coupled with the strength and stability of Connecticut's labor market, suggests improvements in experience are predictive of future experience and expected to persist into the filing effective period.

Indemnity Loss Ratio Considerations

The range of indicated exponential loss ratio fits for indemnity, with all fits based on 5 to 15 years, ranges between −3.6% to −5.0%. Consideration of the trend component included a review of loss ratio patterns observed over an extended period of time. This allows one to review trends over an entire underwriting cycle and smooth out year-to-year fluctuations.

In Connecticut, the wage growth accelerated between 2020 and 2022, increasing by more than 5% on average in these years. As wages increase, both premiums and the amounts payable for indemnity benefits increase. While wage inflation could have some indirect impact on loss ratios to the extent that either the maximum weekly indemnity benefit lags behind wage growth, or the wage growth among injured workers differs from the state's overall workforce, the recent inflationary impacts are not expected to significantly distort the relationship between lost-time benefits and premium.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

In light of the above information, the selected annual indemnity loss ratio trend is based more heavily on mid- to long-term exponential trend fits because they are less volatile and strike a balance between responsiveness and stability. The increasingly favorable indemnity loss ratios, driven by declining claim frequency and flat severity trends, began prior to the onset of COVID-19 and are expected to continue. NCCI also considered the impact of Connecticut House Bill 6863, which includes some unquantifiable changes that are expected to put upward pressure on indemnity costs in the state. **Based on this year's analysis, NCCI is proposing to maintain the annual indemnity loss ratio trend of -4.0% in this filing.**

Medical Loss Ratio Considerations

The abovementioned acceleration in wage growth can also be expected to impact recent changes in medical loss ratios as wage growth has outpaced medical inflation, as measured by the Chain-Weighted Personal Healthcare (PHC) index. From 2008 to 2019, wages in Connecticut grew at an average annual rate of about 1.5%, according to the US Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW). However, from 2020 to 2022, annual wage growth exceeded the historical average, rising at a rate of more than 5% per year. Looking ahead, forecasts suggest that wage growth in Connecticut will moderate to around 3% to 3.5% annually in 2025 and beyond (Moody's Analytics), a trend supported by the latest data observed for 2024.

While the anticipated 3% to 3.5% annual wage growth remains strong compared to the historical pre-COVID growth rate, the latest data and forecasts suggest that the unusually high wage growth seen in 2020-2022 is unlikely to continue. Since payroll serves as the exposure base for determining workers compensation premiums, rising wages lead to higher premiums, which in turn exert downward pressure on medical loss ratios over time. The extent of this effect depends on the rate of wage growth. Therefore, it is important to consider how future wage growth expectations, which differ from historical rates, may influence prospective estimates of medical loss ratio trends.

Another factor influencing historical medical loss ratio changes is the rate of medical inflation. Workers compensation medical costs in Connecticut are affected by the general cost of medical services, which typically rises over time. Annual medical inflation rates, as measured by the countrywide Chain-Weighted Personal Healthcare (PHC) index[1], have fluctuated—dropping from around 3% in 2008, 2009, and 2010 to below 1% in 2015, and then gradually increasing to approximately 2.5% in 2023. The PHC index is projected to see annual increases of around 3% through the prospective rate effective period (Centers for Medicare & Medicaid Services).

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[1] The PHC Chain-Weighted Price Index, produced by the Centers for Medicare & Medicaid Services, is a proxy for medical care price inflation that responds to changes in the blend of different medical services over time.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

Given that historical patterns of wage growth and medical inflation differ from future expectations, NCCI also analyzed medical loss ratio changes adjusted to reflect prospective estimates for wage growth and medical inflation, in addition to the unadjusted medical loss ratio analysis. Specifically, for 2019 and beyond, the historically observed annual changes in medical loss ratios were restated to align with projected estimates of annual wage growth (3.5%) and medical inflation (3%), rather than relying on the actual historical values as measured by the QCEW and PHC.

Displayed below are the unadjusted policy year medical loss ratios, the associated year-over-year changes, and the adjusted policy year medical loss ratios which reflect these adjustments.

Scenario A: Unadjusted medical loss ratios

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Loss ratio	1.036	1.077	1.027	1.010	0.969	0.810	0.753	0.705	0.743	0.631	0.632	0.561	0.475	0.465	0.470
% Change		4.0%	-4.6%	-1.7%	-4.1%	-16.4%	-7.0%	-6.4%	5.4%	-15.1%	0.2%	-11.2%	-15.3%	-2.1%	1.1%

Scenario B: Adjusted medical loss ratio changes for 2019 and subsequent to reflect the prospective expectations of wage growth and medical inflation:

	2019	2020	2021	2022	2023
PY PHC Index % Change	1.7%	2.0%	2.2%	2.5%	2.8%
PY QCEW AWW % Change[+]	4.1%	5.3%	5.3%	4.5%	3.8%
Adjusted Med L/R % Change*	2.0%	-8.8%	-13.2%	-0.7%	1.6%
Adjusted Med Loss Ratio^	0.644	0.587	0.510	0.506	0.514

[+] Calendar-Accident Years 2020 and 2021 QCEW AWW values have been adjusted for industry cross sector mix changes as a result of COVID-19-related shifts in employment.

* = (1+ Unadjusted Med L/R % Change) x [(1 + QCEW AWW % Change) / (1 + 3.5%)] x [(1 + 3%) / (1 + PHC Index % Change)] -1, where 3.5% and 3% are the prospective wage and medical inflation expectations, respectively.

^ 2008 - 2018 loss ratios are unadjusted. For 2019 and subsequent, Adjusted Loss Ratio = (Adjusted Med L/R % Change) x (prior year's Adjusted Loss Ratio).

Overall, the observed year-over-year changes for medical average cost per case figures have been more variable relative to those for indemnity. The range of indicated exponential loss ratio fits for medical, with all unadjusted fits based on 5 to 15 years, range between −6.4% to −7.8%. After making the adjustment to historical wage growth and medical inflation outlined above, the range of indicated exponential loss ratio fits for medical, with fits based on 5 to 15 years, falls between −5.3% and −6.2%. By giving some weight to the short-term fits, there is recognition of

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix A – Factors Underlying the Proposed Loss Cost Level Change

the declining trend in medical loss ratios while not being overly responsive to large changes in the average medical cost per case. **Based on this year's analysis, in this filing NCCI is proposing to maintain the annual medical loss ratio trend of −6.0%.**

Frequency and Severity Trends

Lost-time claim frequency experienced a slight decrease in the latest year, continuing the long-term general decline that has been observed over the entire history displayed. While small increases in claim frequency were observed in Policy Years 2020 and 2021, those increases, as well as the larger than typical decrease seen from Policy Year 2018 to Policy Year 2019 may have been driven, to some extent, by the impact of the COVID-19 pandemic.

After adjusting to a common wage level, both the indemnity and medical average cost per case figures observed slight increases in the latest year. Looking over a longer-term history, the indemnity average cost per case appears relatively flat, while the medical average cost per case has exhibited more variability in recent years with a downward trend since 2013. Together, claim frequency and severity trends suggest improving workers compensation experience in Connecticut.

APPENDIX A-III

Policy Year Trend Factors

Section A - Calculation of Annual Loss Ratio Trend Factors

	Indemnity	Medical
(1) Selected Annual Loss Ratio Trends:	**−4.0%**	**−6.0%**

(2) Length of Trend Period from Midpoint of Policy Year to Midpoint of Effective Period:

	PY 2023	PY 2022
Trend Length:	3.001	4.001

(3) Trend Factors Applied to Experience Year Loss Ratios = [1 + (1)] ^ (2)

	PY 2023	PY 2022
Indemnity:	0.885	0.849
Medical:	0.831	0.781

Section B - Indemnity Loss Ratio Trend Data
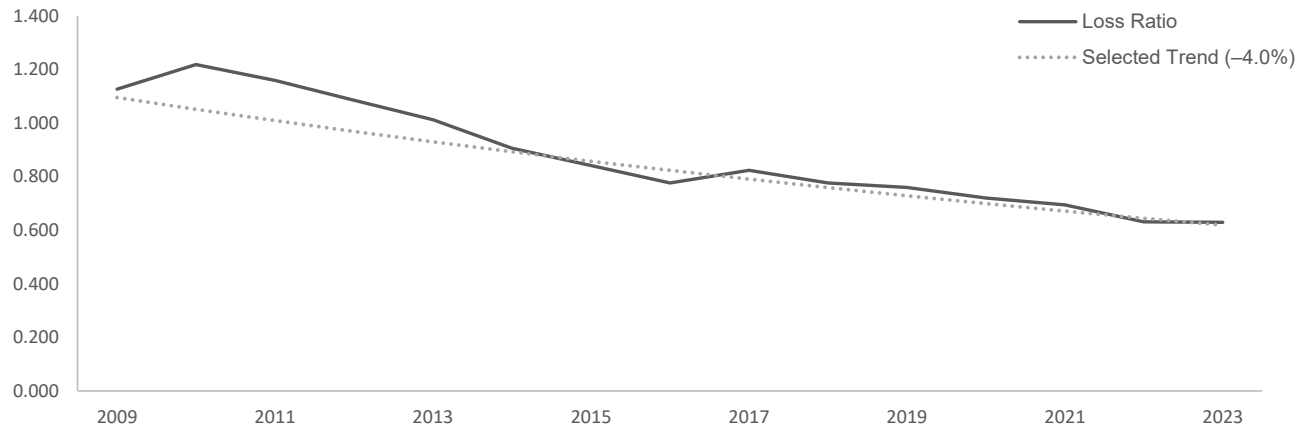
Policy Year	Indemnity Loss Ratio^	Annual Percent Change
2009	1.126	-
2010	1.218	8.2%
2011	1.159	-4.8%
2012	1.085	-6.4%
2013	1.012	-6.7%
2014	0.906	-10.5%
2015	0.841	-7.2%
2016	0.776	-7.7%
2017	0.823	6.1%
2018	0.776	-5.7%
2019	0.759	-2.2%
2020	0.720	-5.1%
2021	0.694	-3.6%
2022	0.631	-9.1%
2023	0.629	-0.3%

# of Years in Fit	Exponential Fits
15	-4.7%
14	-4.9%
13	-4.7%
12	-4.4%
11	-4.1%
10	-3.7%
9	-3.6%
8	-3.7%
7	-4.6%
6	-4.6%
5	-5.0%

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

Section C - Medical Loss Ratio Trend Data
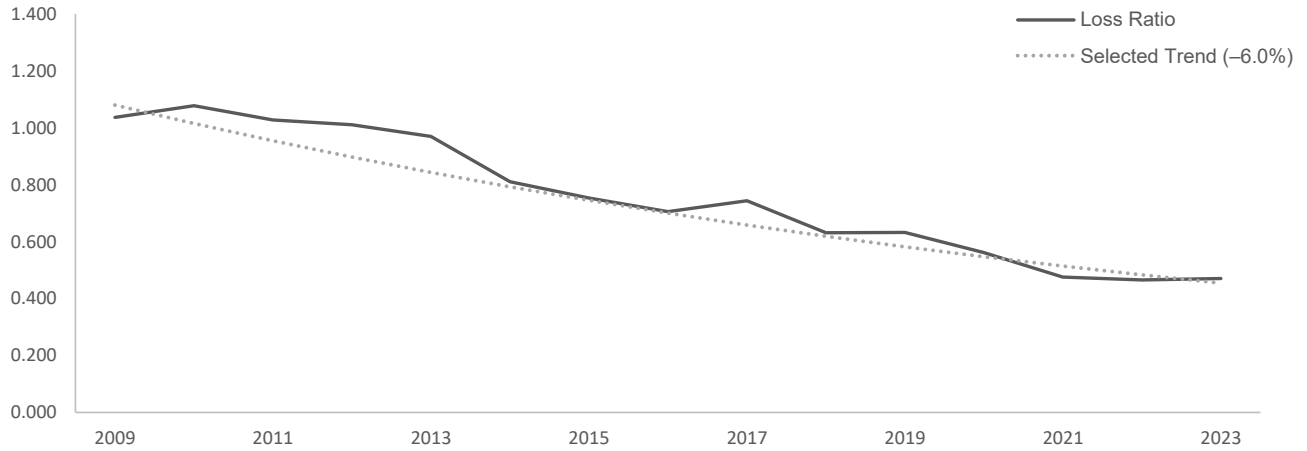
Policy Year	Medical Loss Ratio^	Annual Percent Change
2009	1.036	-
2010	1.077	4.0%
2011	1.027	-4.6%
2012	1.010	-1.7%
2013	0.969	-4.1%
2014	0.810	-16.4%
2015	0.753	-7.0%
2016	0.705	-6.4%
2017	0.743	5.4%
2018	0.631	-15.1%
2019	0.632	0.2%
2020	0.561	-11.2%
2021	0.475	-15.3%
2022	0.465	-2.1%
2023	0.470	1.1%

# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
15	-6.4%	-5.8%
14	-6.8%	-6.1%
13	-6.9%	-6.2%
12	-7.0%	-6.2%
11	-6.9%	-5.9%
10	-6.5%	-5.4%
9	-6.7%	-5.4%
8	-7.1%	-5.6%
7	-7.8%	-6.2%
6	-7.1%	-5.3%
5	-7.5%	-5.8%

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

*Exponential fits adjusted for medical loss ratio changes for PY 2019 and subsequent to reflect the prospective expectations of wage growth and medical inflation

Section D - Frequency Trend Data
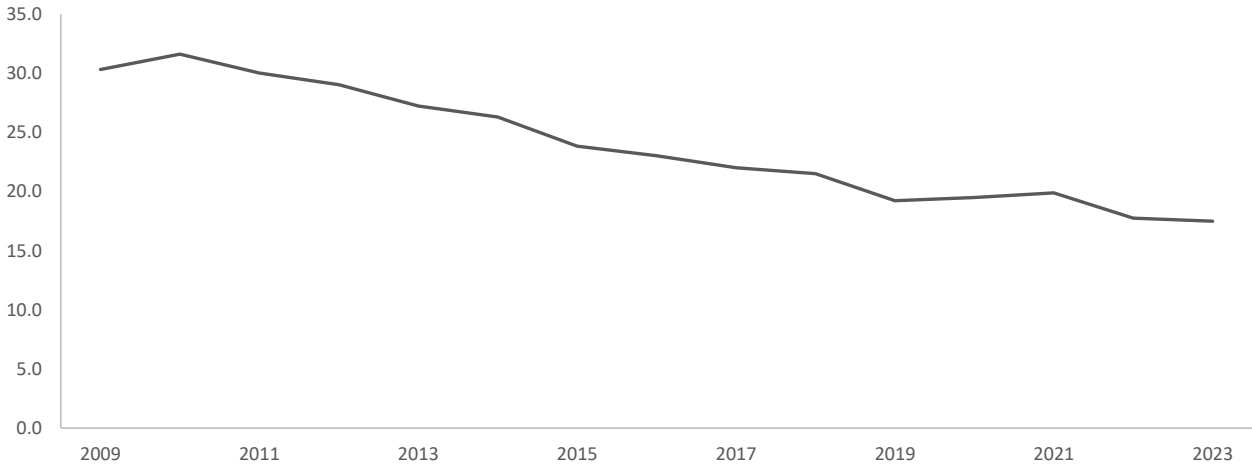
Policy Year	Claim Frequency^	Annual Percent Change
2009	30.307	-
2010	31.614	4.3%
2011	30.009	-5.1%
2012	29.030	-3.3%
2013	27.235	-6.2%
2014	26.295	-3.5%
2015	23.840	-9.3%
2016	23.026	-3.4%
2017	22.001	-4.5%
2018	21.501	-2.3%
2019	19.216	-10.6%
2020	19.485	1.4%
2021	19.888	2.1%
2022	17.739	-10.8%
2023	17.496	-1.4%

# of Years in Fit	Exponential Fits
15	-4.4%
14	-4.5%
13	-4.5%
12	-4.4%
11	-4.3%
10	-4.1%
9	-3.8%
8	-3.8%
7	-3.6%
6	-3.5%
5	-2.8%

^Per million of on-leveled, wage-adjusted premium

Section E - Indemnity Severity Trend Data
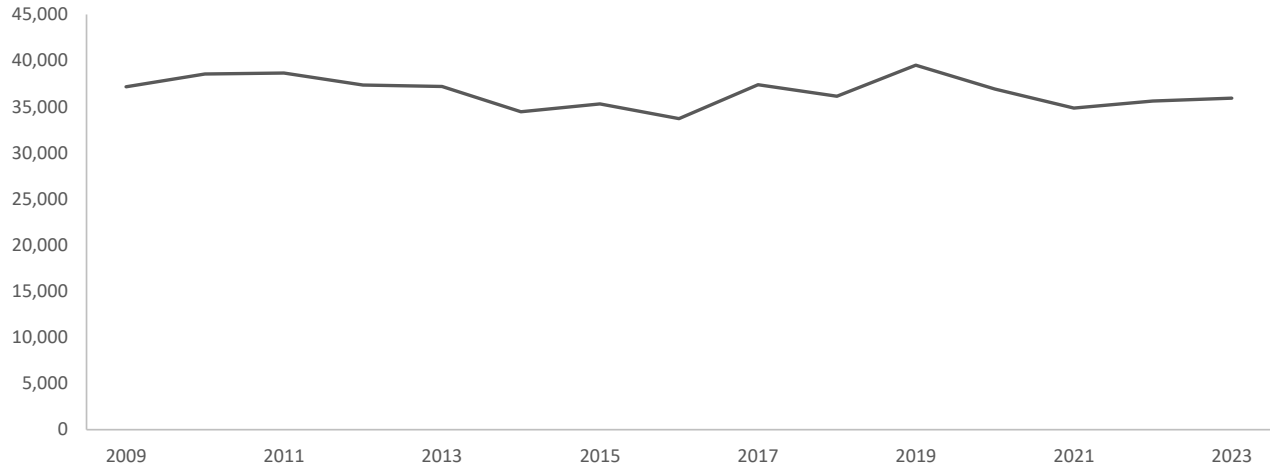
Policy Year	Indemnity Severity^	Annual Percent Change
2009	37,158	-
2010	38,542	3.7%
2011	38,641	0.3%
2012	37,355	-3.3%
2013	37,192	-0.4%
2014	34,446	-7.4%
2015	35,296	2.5%
2016	33,710	-4.5%
2017	37,378	10.9%
2018	36,131	-3.3%
2019	39,502	9.3%
2020	36,920	-6.5%
2021	34,845	-5.6%
2022	35,605	2.2%
2023	35,924	0.9%

# of Years in Fit	Exponential Fits
15	-0.3%
14	-0.4%
13	-0.2%
12	0.0%
11	0.1%
10	0.4%
9	0.2%
8	0.0%
7	-1.0%
6	-1.1%
5	-2.2%

^Adjusted to a common wage level, based on an average of paid and paid+case losses

Section F - Medical Severity Trend Data

Policy Year	Medical Severity^	Annual Percent Change
2009	34,189	-
2010	34,079	-0.3%
2011	34,231	0.4%
2012	34,788	1.6%
2013	35,619	2.4%
2014	30,791	-13.6%
2015	31,603	2.6%
2016	30,600	-3.2%
2017	33,740	10.3%
2018	29,352	-13.0%
2019	32,886	12.0%
2020	28,786	-12.5%
2021	23,857	-17.1%
2022	26,257	10.1%
2023	26,886	2.4%

# of Years in Fit	Exponential Fits
15	-2.1%
14	-2.3%
13	-2.5%
12	-2.7%
11	-2.7%
10	-2.5%
9	-3.0%
8	-3.4%
7	-4.3%
6	-3.7%
5	-4.8%

^Adjusted to a common wage level, based on an average of paid and paid+case losses

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	86,591,253	404,886,368	389,152,124	1.133	1.130
Contracting	110,835,962	479,139,506	460,569,233	1.106	1.099
Office & Clerical	61,730,724	277,784,358	266,986,421	1.134	1.141
Goods & Services	224,764,681	971,270,056	933,568,123	1.030	1.026
Miscellaneous	111,141,177	483,158,992	464,484,492	1.076	1.063
Statewide	595,063,797	2,616,239,280	2,514,760,394		

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	86,821,142	405,961,287	390,185,272	1.040	1.000
Contracting	111,541,923	482,191,350	463,502,795	1.040	1.000
Office & Clerical	61,352,008	276,080,160	265,348,468	1.040	1.000
Goods & Services	225,640,956	975,056,684	937,207,765	1.040	1.000
Miscellaneous	112,500,382	489,067,803	470,164,923	1.040	1.000
Statewide	597,856,411	2,628,357,284	2,526,409,223	1.040	1.000

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 expected excess loss provisions are non-catastrophe and the excess ratios at a loss limit of $50 million are set equal to zero. 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	380,354,209	0.975	0.975	7,661
Contracting	454,637,316	0.981	0.981	5,135
Office & Clerical	286,243,761	1.079	1.079	5,257
Goods & Services	934,252,131	0.997	0.997	23,439
Miscellaneous	470,447,331	1.001	1.001	7,991
Statewide	2,525,934,748	1.000		

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	0.80	0.980	0.981
Contracting	12,000	0.65	0.988	0.989
Office & Clerical	12,000	0.66	1.052	1.053
Goods & Services	12,000	1.00	0.997	0.998
Miscellaneous	12,000	0.82	1.001	1.002
Statewide			0.999	1.000

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

III. Description of Industry Group Differentials

Column (2) reflects the indemnity and medical combined expected losses calculated as five years of payroll (in hundreds) extended separately by indemnity and medical pure premiums underlying the latest approved loss costs. Column (3) adjusts the current expected losses to the proposed level by applying the components of the proposed loss cost level change. These components are applied separately for indemnity and medical, where possible. These adjustments are reflected in Appendix B-I, Section B.

Column (4) shows the current manual premium to standard premium ratios that were calculated using the latest five years of WCSP data used in the currently approved Connecticut filing. Column (5) shows the proposed manual premium to standard premium ratios calculated using the latest five years of manual premium and experience modification factors reported in the WCSP data used in the proposed Connecticut filing. "Proposed" ratio refers to the fact that these ratios are based on the latest available WCSP data in the proposed filing, and they are used to adjust the proposed industry group differentials to reflect the latest available impact of experience rating by industry group. The differences between columns (4) and (5) relate to the different periods of data being used, which are rolling 5-year periods.

Columns (6), (7), and (8) are based on columns (1), (2), and (3), respectively, and include an adjustment for the change in the average experience rating off-balance by Industry Group (IG). The adjustment for the change in the average experience rating off-balance by IG is reflected by multiplying columns (1), (2), and (3) by the ratio of column (4) to column (5). The ratio of column (4) to column (5) adjusts the current and proposed expected losses (and therefore the IG differentials) to reflect the latest available impact of experience rating by industry group.

The expected losses in column (6) are used as the IG weights when determining the statewide average Credibility Weighted Indicated-to-Expected Ratio in column (17).

The expected losses in columns (7) and (8) are used to determine the relative IG changes from the prior filing to the proposed filing in column (9). Since the indicated IG relativities in column (9) reflect a statewide average that differs from 1.000, the calculation in column (10) ensures that the indicated changes by IG balance to the overall proposed statewide loss cost level change.

Column (13) normalizes the indicated to expected ratios determined in column (12) to determine differentials before credibility weighting. The credibilities are calculated for each industry group using actual lost-time cases (column (14)) and the full credibility standard. The full credibility standard (column (15)) is determined based on an analysis of five successive years of five industry group differential fluctuations across 36 states. In column (16), the credibility is 1.00 when lost-time claims exceed 12,000. The final differentials reflected in column (18) are the normalized credibility weighted industry group differentials calculated in column (17).

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

**Appendix B – Calculations Underlying the
Loss Cost Change by Classification**

NCCI separately determines 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 industrial 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, swing limits, and where applicable, any additional loads

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
8/18-7/19	1.199	1.126	1.055	1.023
8/19-7/20	1.259	1.167	1.068	1.029
8/20-7/21	1.379	1.258	1.096	1.042
8/21-7/22	1.674	1.437	1.167	1.056
8/22-7/23	2.712	1.868	1.411	1.111

*The likely/not-likely development factors reflect a 60% likely / 40% not-likely distribution of the total tail development.

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
8/18-7/19	0.741	0.635
8/19-7/20	0.772	0.676
8/20-7/21	0.804	0.719
8/21-7/22	0.838	0.764
8/22-7/23	0.873	0.813

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
8/18-7/19	1.052	1.000	1.018	1.000	1.054
8/19-7/20	1.052	1.000	1.017	1.000	1.045
8/20-7/21	1.045	1.000	1.017	1.000	1.034
8/21-7/22	1.042	1.000	1.017	1.000	1.031
8/22-7/23	1.042	1.000	1.017	1.000	1.021

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)
8/18-7/19	0.935	0.878	0.888	0.904	0.849	0.888	0.834	0.706	0.685
8/19-7/20	1.022	0.948	0.972	0.988	0.916	0.972	0.901	0.754	0.727
8/20-7/21	1.159	1.057	1.109	1.128	1.029	1.109	1.011	0.815	0.775
8/21-7/22	1.462	1.255	1.403	1.427	1.225	1.403	1.204	0.919	0.832
8/22-7/23	2.467	1.699	2.368	2.408	1.658	2.368	1.631	1.171	0.922

* 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. The expected excess loss provisions are non-catastrophe and the excess ratios at a loss limit of $50 million are set equal to zero. These factors are shown below.

Hazard Group	A	B	C	D	E	F	G
(1) Excess Ratios	0.126	0.154	0.190	0.209	0.266	0.302	0.341
(2) Excess Factors 1/(1-(1))	1.144	1.182	1.235	1.264	1.362	1.433	1.517

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.

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*	0.975	0.981	1.079	0.997	1.001
(2) Final Differentials**	0.981	0.989	1.053	0.998	1.002
(3) Adjustment (2)/(1)	1.006	1.008	0.976	1.001	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)
8/18-7/19	0.827	1.080	1.087	0.994	0.822
8/19-7/20	0.837	1.079	1.075	1.004	0.840
8/20-7/21	0.835	1.080	1.074	1.006	0.840
8/21-7/22	0.843	1.080	1.070	1.009	0.851
8/22-7/23	0.831	1.079	1.070	1.008	0.838

3. Adjustment for Experience Change

A factor of 0.953 is applied to adjust for the experience change in the proposed loss cost level.

4. Offset for Change in Assigned Risk Pricing Programs

A factor of 0.998 is applied to offset the change in the assigned risk pricing programs.

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

A factor of 1.222 is applied to include the proposed loss-based expense provisions.

6. 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
8/18-7/19	0.961	0.963	0.932	0.956	0.956
8/19-7/20	0.982	0.984	0.953	0.977	0.977
8/20-7/21	0.982	0.984	0.953	0.977	0.977
8/21-7/22	0.995	0.997	0.965	0.990	0.990
8/22-7/23	0.980	0.982	0.951	0.975	0.975

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 0.953 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 1.000, 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
04/01/2025	1.000	1.005
05/20/2025	1.001	1.000
07/01/2025	1.010	1.000
07/15/2025	1.000	1.001
Combined Benefit Adjustment	1.011	1.006

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	1.219	1.219	1.222	1.222
(2) Loss-based Assessment	1.000	1.000	1.000	1.000
(3) = (1) + (2) – 1.000	1.219	1.219	1.222	1.222
(4) Overall Change (3b)/(3a)			1.002	1.002

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	1.133	1.130	1.003
Contracting	1.106	1.099	1.006
Office & Clerical	1.134	1.141	0.994
Goods & Services	1.030	1.026	1.004
Miscellaneous	1.076	1.063	1.012

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	0.981	1.000	0.981
Contracting	0.989	1.000	0.989
Office & Clerical	1.053	1.000	1.053
Goods & Services	0.998	1.000	0.998
Miscellaneous	1.002	1.000	1.002

*See Appendix A-IV, column (18).
**See Appendix A-IV, column (10).

7. Offset for Change in Assigned Risk Pricing Programs

A factor of 0.998 is applied to offset the change in the assigned risk pricing programs.

8. Combined Conversion Factors

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

Industry Group	Indemnity	Medical
Manufacturing	0.948	0.944
Contracting	0.958	0.954
Office & Clerical	1.008	1.004
Goods & Services	0.965	0.961
Miscellaneous	0.977	0.972

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: $48,220,415 for indemnity and $17,967,196 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 three decimal places.

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	1.0036
Contracting	1.0003
Office & Clerical	1.0051
Goods & Services	0.9994
Miscellaneous	0.9865

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	1.130
Contracting	1.099
Office & Clerical	1.141
Goods & Services	1.026
Miscellaneous	1.063

3. 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 14% above to 26% below
Contracting	from 15% above to 25% below
Office & Clerical	from 21% above to 19% below
Goods & Services	from 16% above to 24% below
Miscellaneous	from 16% above to 24% 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.

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.

* A code listed below with an asterisk indicates the code's swing limit was adjusted by 0.001 before being applied; this is only performed when the upper and lower bounds calculated by the swing limit are equal.

List of Classifications Limited by the Upper Swing	List of Classifications Limited by the Lower Swing
3827 4683 6251 9044	8723 8871

4. Connecticut Contracting Classification Premium Adjustment Program (CCPAP)

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

A list of the eligible class codes can be found under the **Basic Manual** state pricing programs.

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
08/01/18 - 07/31/19	0	0	0	1,901,634	2,152,350	948,495	1,354,278	2,096,924	5,477,543
08/01/19 - 07/31/20	463,876	0	0	1,692,463	1,372,503	2,628,670	1,711,546	2,931,824	3,669,555
08/01/20 - 07/31/21	0	500,000	0	1,183,870	2,225,670	953,846	2,295,984	1,935,287	5,124,207
08/01/21 - 07/31/22	0	12,516	246,717	872,192	1,264,517	1,448,925	2,330,441	2,753,987	5,074,213
08/01/22 - 07/31/23	0	17,765	0	601,665	1,549,106	1,917,053	3,796,397	2,457,244	6,763,242

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
08/01/18 - 07/31/19	0.935	0.878	0.888	0.904	0.849	0.888	0.834	0.706	0.685
08/01/19 - 07/31/20	1.022	0.948	0.972	0.988	0.916	0.972	0.901	0.754	0.727
08/01/20 - 07/31/21	1.159	1.057	1.109	1.128	1.029	1.109	1.011	0.815	0.775
08/01/21 - 07/31/22	1.462	1.255	1.403	1.427	1.225	1.403	1.204	0.919	0.832
08/01/22 - 07/31/23	2.467	1.699	2.368	2.408	1.658	2.368	1.631	1.171	0.922

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	1.235

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%

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
08/01/18 - 07/31/19	0	0	0	1,961,021	2,084,527	960,805	1,288,430	2,068,012	4,909,672
08/01/19 - 07/31/20	540,803	0	0	1,907,493	1,434,154	2,914,669	1,759,140	3,170,240	3,556,190
08/01/20 - 07/31/21	0	602,881	0	1,523,351	2,612,541	1,206,692	2,647,933	2,171,782	5,385,057
08/01/21 - 07/31/22	0	17,919	394,860	1,419,786	1,767,045	2,318,945	3,200,749	3,464,577	5,622,111
08/01/22 - 07/31/23	0	34,431	0	1,652,715	2,929,899	5,178,486	7,063,380	4,114,260	8,523,196

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

Policy Period	INDUSTRY GROUP: Office and Clerical
08/01/18 - 07/31/19	0.932
08/01/19 - 07/31/20	0.953
08/01/20 - 07/31/21	0.953
08/01/21 - 07/31/22	0.965
08/01/22 - 07/31/23	0.951

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
08/01/18 - 07/31/19	25,579,017,820	2,723,142	3,143,596	1,927,387	4,575,814	5,866,738	6,503,201	12,369,939
08/01/19 - 07/31/20	24,965,964,526	5,110,906	3,043,209	3,021,239	3,389,049	8,154,115	6,410,288	14,564,403
08/01/20 - 07/31/21	29,387,205,561	2,601,731	5,587,777	2,069,708	5,131,959	8,189,508	7,201,667	15,391,175
08/01/21 - 07/31/22	30,932,600,828	3,988,915	4,811,213	3,343,317	5,425,337	8,800,128	8,768,654	17,568,782
08/01/22 - 07/31/23	31,150,199,723	6,496,472	9,536,352	3,912,661	8,105,559	16,032,824	12,018,220	28,051,044
Total	142,014,988,458	20,921,166	26,122,147	14,274,312	26,627,718	47,043,313	40,902,030	87,945,343
			INDICATED PURE PREMIUM			**0.0331**	**0.0288**	**0.062**

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	0.033	0.027	0.06
Conversion Factors (App. B-I, Section B)	1.008	1.004	xxx
PURE PREMIUMS PRESENT ON RATE LEVEL (Underlying Pure Premiums) x (Conversion Factor)	0.0333	0.0271	0.060

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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:

		Indemnity	Medical	Total
1.	Indicated Pure Premium	0.0331	0.0288	0.062
2.	Pure Premium Indicated by National Relativity	0.0355	0.0313	0.067
3.	Pure Premium Present on Rate Level	0.0333	0.0271	0.060
4.	State Credibilities	97%	100%	xxx
5.	National Credibilities	1%	0%	xxx
6.	Residual Credibilities = 100% - (4) - (5)	2%	0%	xxx
7.	Derived by Formula Pure Premiums = (1) x (4) + (2) x (5) + (3) x (6)	0.0331	0.0288	0.062
8.	Test Correction Factor	1.0051	1.0051	xxx
9.	Underlying Pure Premiums = (7) x (8) *	0.0331	0.0289	0.062
10.	Ratio of Manual to Standard Premium			1.141
11.	Loss Cost = (9) x (10)			0.071
12.	Loss Cost Within Swing Limits			0.071
	Current Loss Cost x Swing Limits a) Lower bound = 0.07 x 0.810 = 0.057 b) Upper bound = 0.07 x 1.210 = 0.084			
13.	Pure Premiums Underlying Proposed Loss Cost* = ((13TOT) / (9TOT)) x (9) , (13TOT) = (12) / (10)	0.0331	0.0289	0.062
14.	Miscellaneous Loadings			0.000
15.	Final Loaded Loss Cost			0.071

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

WCSP data is used to determine the F-Classification (F-Class) loss costs. The latest year of WCSP payroll is extended by both the current and proposed loss costs. Based on $2,349,909 of payroll, the overall loss cost level change in Connecticut is -7.6%.

I.   Overview of Methodology

- Ten years of F-Class losses* across all states for which the National Council on Compensation Insurance compiles workers compensation ratemaking data are converted and adjusted to a countrywide level and used with ten years of F-Class countrywide payroll to determine the F-class countrywide pure premiums at both an overall and individual classification level.

- F-class code countrywide relativities are then calculated by comparing the F-class countrywide pure premiums by class to the overall countrywide F-class pure premium. The relativity values are reflected in the table in Section II.

- A single state primary base pure premium is calculated by applying a countrywide to state relativity factor to bring the F-class overall countrywide pure premium to the Connecticut proposed level.

- A final base pure premium is calculated by bringing the primary base pure premium to the proposed Connecticut trend and benefit levels, and applying any applicable expenses and/or offsets.

- Final F-Class loss costs are calculated by applying the countrywide relativity by class code to the final base pure premium and applying swing limits.

*Losses are limited to $500,000 for a single claim occurrence and $1,500,000 for each multiple claim occurrence. Texas data is included for policies effective 1/1/2013 and subsequent.

II.   The F-class code countrywide relativities:

Class Code	Countrywide Relativity**
6006	1.427
6801*	1.000
6824	1.081
6825	0.365
6826	0.554
6828*	1.000
6829*	1.000
6843	1.215
6845	1.188
6872	1.335
6873*	1.000
6874	1.342
7309	1.335
7313	0.588
7317	0.900
7327*	1.000
7350	1.146
8709	0.365
8726	0.215
9077*	1.000

*Relativities for class codes with a limited amount of data are set to 1.000.
**The relativities have been locked into the values from the prior filing.

III.   Swing Limits

The proposed loss costs are limited to the swing limits based on 20% above and 20% below the current loss costs.

Classifications Limited by the Upper Swing	Classifications Limited by the Lower Swing			
NONE	6874	7327	8709	8726

APPENDIX B-IV

Derivation of State Base Pure Premium

	Indemnity	Medical	Total
1. Overall Countrywide Pure Premium			2.303
2. State Act Pure Premium Relativity Factor			1.761
3. Countrywide State Act Weight			25%
4. **Primary Base Pure Premium** =[(1) x (2) x (3)] + [(1) x (1 - (3))]			**2.741**
5. Countrywide Weights	52%	48%	100%
6. Trend Factors	0.963	0.945	xx
7. Weighted Benefits	1.003	1.002	xx
8. Weighted Loss-Based Expenses	1.222	1.222	xx
9. **Secondary Base Pure Premium*** = (4tot) x (5) x (6) x (7) x (8)	1.6826	1.5224	**3.205**
10. Additional Offsets			0.979
11. **Final Base Pure Premium** = (9) x (10)			**3.138**

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

APPENDIX B-IV

Derivation of Proposed Loss Cost - Code 6872
Industry Group - F-Class, Hazard Group - G

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

1. Connecticut's Final Base Pure Premium	3.138
2. Countrywide Class Code 6872 Relativity (Section II)	1.335
3. Loss Cost = (1) x (2)	4.189
4. Loss Cost Within Swing Limits	4.189

Current Loss Cost x Swing Limits
a) Lower bound = 4.67 x 0.80 = 3.736
b) Upper bound = 4.67 x 1.20 = 5.604

5. Miscellaneous Loadings	0.000
6. Final Loaded Loss Cost	4.189

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APPENDIX B-IV

Computation of Workers' Compensation Commission Administrative Assessment

I.   INDUSTRIAL CLASSIFICATIONS

    1.   WC Commission Assessment as a Percentage of Losses (source: CT WCC)   2.52%

    2.   Proposed Permissible Loss Ratio (Appendix D, Section A)   73.2%

    3.   Proposed Assessment as a Percentage of Premium = (1) x (2)   1.8%

II.   "F" CLASSIFICATIONS

    4.   2024 USL&HW Assessments on Total Losses (Appendix B-IV)   4.5%

    5.   Percent of "F" Class Losses under State Act (Appendix B-IV)   25.0%

    6.   Percent of "F" Class Losses under Federal Act = (1 - (5))   75.0%

    7.   Assessments as a Percentage of Premium = { [(1) x (5)] + [(4) x (6)] } x (2)   2.9%

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

I.   INDUSTRIAL CLASSIFICATIONS

    1.   Proposed Assessment as a Percentage of Premium = (3)   1.8%

II.   "F" CLASSIFICATIONS

    2.   Assessments as a Percentage of Premium = (7)   2.9%

Note: The Workers' Compensation Commission Administrative Assessment is NOT part of the loss costs or assigned risk rates. The Connecticut Insurance Department requests that NCCI calculate the annual assessment for Industrial Codes and "F" Classifications as a percent of premium.

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APPENDIX B-IV

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

1.) Assessment Rate on Indemnity Losses *   7.1%

2.) Assessment Rate on Total Losses #   4.5%

*   Calculated using data provided by the U.S. Department of Labor
\#   Calculated using U.S. Department of Labor data and on-leveled and developed USL&HW losses - statistical plan data

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APPENDIX B-V

Calculation of Factor to Convert Loss Costs to Assigned Risk Rates

A factor of 1.851 = [1.600 / 1.222 / 0.732 x 1.035] is applied to the loss costs in order to convert to assigned risk rates. The proposed assigned risk differential (1.600) is applied. Next, since the loss costs include a provision for loss adjustment expense, that provision (1.222) is removed and assigned risk expenses are loaded through application of the permissible loss ratio (0.732). The uncollectible premium provision (1.035) is also applied.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix C – Memoranda for Laws and Assessments

The purpose of this appendix is to provide details on changes affecting workers compensation benefit costs that are not yet reflected in the on-level factors shown in Appendix A-I. Such changes may result from annual updates in medical reimbursement levels or other changes that directly affect worker compensation benefit levels. In addition, changes to the administration of the workers compensation system, including benefit levels, may result from specific regulatory, legislative, or judicial action. The overall effect of benefit changes displayed within this appendix is calculated as of the benefit effective date, which may differ from the overall impact on the filing as shown in the Executive Summary.

The following changes affecting Connecticut benefit levels are detailed in this section of the filing:

- Annual Updates to the Medical Fee Schedule
- Connecticut House Bill 6863

APPENDIX C-I

**ANALYSIS OF CONNECTICUT MEDICAL FEE SCHEDULE CHANGES
EFFECTIVE APRIL 1, 2025 AND JULY 15, 2025**

NCCI estimates that the changes to the medical fee schedules in Connecticut, effective April 1, 2025, will result in an impact of +0.2% on overall workers compensation system costs.

NCCI estimates that the changes to the medical fee schedule in Connecticut, effective July 15, 2025, will result in a negligible[1] increase to overall workers compensation system costs.

SUMMARY OF QUANTIFIED CHANGES

The following fee schedules are effective April 1, 2025, revising the prior fee schedules which have been in effect since April 1, 2024.

Hospital Inpatient
- Connecticut's hospital inpatient fee schedule is being updated to reflect 174% of Medicare's 2025 Inpatient Prospective Payment System (IPPS). The prior hospital inpatient fee schedule was based on 174% of Medicare's 2024 IPPS.

Hospital Outpatient
- Connecticut's hospital outpatient fee schedule is being updated to reflect 210% of Medicare's 2025 Outpatient Prospective Payment System (OPPS). The prior hospital outpatient fee schedule was based on 210% of Medicare's 2024 OPPS.

Ambulatory Surgical Centers (ASC)
- Connecticut's ASC fee schedule for hospital-based ASCs services is being updated to reflect 210% of Medicare's 2025 OPPS. The prior hospital-based ASC fee schedule was based on 210% of Medicare's 2024 OPPS.
- Connecticut's ASC fee schedule for non-hospital-based ASC services is being updated to reflect 195% of Medicare's 2025 OPPS. The prior non-hospital-based ASC fee schedule was based on 195% of Medicare's 2024 OPPS.

The following fee schedule is effective July 15, 2025, revising the prior fee schedule which has been in effect since July 15, 2024.

Physician
- The maximum allowable reimbursements (MARs) for Physician services, published by the Connecticut Workers Compensation Commission, are being updated.

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[1] Negligible is defined in this context to be an impact of less than +/- 0.1%.

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 and ASC services, observed payments are aggregated according to packaging rules, where applicable.

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.
   - Any potential impact from the share of costs not subject to the fee schedule will be realized in future claim experience.

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.

Note that the values presented in the document are rounded and may not be displayed to full precision.

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 2023. Reported medical experience for COVID-19 claims with accident dates between 12/1/2019 and 6/30/2023 as reported in NCCI Call 31 for Large Loss and Catastrophe have been excluded from the data on which this analysis is based.
- The share of benefit costs attributed to medical benefits is based on unlimited developed, on-leveled, and trended Financial Call data underlying the NCCI experience filing for Connecticut effective January 1, 2025.

**ANALYSIS OF CONNECTICUT MEDICAL FEE SCHEDULE CHANGES
EFFECTIVE APRIL 1, 2025 AND JULY 15, 2025**

SUMMARY OF IMPACTS

The impacts from the fee schedule changes in Connecticut, effective April 1, 2025, 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	+0.1%	12.2%	Negligible Increase
Hospital Outpatient	+2.1%	15.1%	+0.3%
ASC	+1.2%	15.2%	+0.2%
Combined Impact on Medical Costs (D) = Total of (C)			**+0.5%**
Medical Costs as a Share of Overall Costs (E)			41%
Combined Impact on Overall Costs (F) = (D) x (E)			**+0.2%**

The impacts from the fee schedule change in Connecticut, effective July 15, 2025, is summarized below.

Type of Service	(A) Impact on Type of Service	(B) Share of Medical Costs	(C) = (A) x Impact on Medical Costs	(D) Medical Costs as a Share of Overall Costs	(E) = (C) x Impact on Overall Costs
Physician	+0.2%	39.4%	**+0.1%**	41%	**Negligible**

Refer to the appendix for the weighted-average changes in MARs by physician practice category, the share of costs subject to the fee schedule by type of service, and the weighted-average change in MAR by type of service.

ADDITIONAL CONSIDERATIONS & NON-QUANTIFIED CHANGES

- In Connecticut, the reimbursement for ASC services varies depending on the ownership of the facility. Hospital-based ASCs are subject to a maximum reimbursement based on Medicare's OPPS packaging rules. Non-hospital-based ASCs use Multiple Procedure Payment Reduction, which reduces the payment for second and subsequent procedures by 50%. Due to limited ability to differentiate between hospital and non-hospital-based ASCs, this component of the fee schedule change was analyzed assuming all ASCs are non-hospital based.

- Maximum reimbursements for custom orthotics and prosthetics are also governed by the fee schedule in Connecticut. The share of these payments with a MAR makes up a small portion of medical costs. Therefore, the impact on overall costs due to updating the fee schedule for these services is not anticipated to be material. As such, any potential impact from this change will be realized in future claim experience.

**ANALYSIS OF CONNECTICUT MEDICAL FEE SCHEDULE CHANGES
EFFECTIVE APRIL 1, 2025 AND JULY 15, 2025**

APPENDIX

*Weighted-Average Percentage Change in MARs Prior to Price Realization by Physician
Practice Category*

Physician Practice Category	Share of Physician Costs	Percentage Change in MARs
Anesthesia	3.0%	–
Surgery	28.0%	+0.4%
Radiology	8.6%	-0.1%
Pathology & Laboratory	0.4%	+2.5%
General Medicine	2.4%	+0.8%
Physical Medicine	30.6%	Negligible Decrease
Evaluation & Management	22.2%	+0.6%
Subject to the Fee Schedule	**95.2%**	**+0.3%**
Payments with no specific MAR	4.8%	-
Total	**100.0%**	**+0.3%**

*Share of Costs Subject to the Fee Schedule (FS) and Weighted-Average Percentage
Change in MARs by Type of Service*

Type of Service	(A) Change in MARs for Costs Subject to the FS	(B) Share of Costs Subject to the FS	(C) = (A) x (B) Change in MARs by Type of Service	(D) = (C) x 80% Impact after Price Realization
Physician	+0.3%	95.2%	+0.3%	+0.2%
Hospital Inpatient	+0.1%	66.5%	+0.1%	+0.1%
Hospital Outpatient	+2.9%	90.0%	+2.6%	+2.1%
ASC	+1.6%	96.4%	+1.5%	+1.2%

ANALYSIS OF CONNECTICUT HOUSE BILL 6863
As Enacted on May 20, 2025

Connecticut House Bill 6863/Public Act No. 25-12 (HB 6863), as enacted on May 20, 2025, will result in a +0.7% increase on overall workers compensation (WC) system costs in Connecticut. A summary of the enacted provisions of HB 6863 that are expected to have an impact on overall system costs, along with their potential impact, is displayed below. HB 6863 became effective upon passage and applies to accidents occurring on or after May 20, 2025. However, changes to the schedule of permanent partial disability benefits become effective for accidents occurring on or after July 1, 2025.

The estimated increase to WC system costs resulting from HB 6863 is expected to reverse the anticipated cost increases from the *Gardner v. Department of Mental Health and Addiction Services* decision.

Bill Section	Section of CT WC Statutes	Description of Proposed Provision	Overall System Cost Impact (%)
(13)	31-308(b)	Increases the maximum duration for cervical spine injuries to 208 weeks from 117 weeks	+0.6%
		Adds additional parts of body to the list of scheduled injuries	Indeterminate increase
		Requires administrative law judges to award permanent partial disability benefits, per the schedule	Neutral[1]
		Allows injured workers who have reached maximum medical improvement to continue to receive total incapacity benefits in some circumstances	Indeterminate increase
(14)	31-306(a)(6)	Adds non-dependency benefits for parents of a deceased employee	+0.1%
(16)	31-308a(c)	Allows for additional supplemental benefits to injured workers engaged in vocational rehabilitation programs	Negligible[2] increase

[1] This change is intended to address the Supreme Court decision *Gardner v. Department of Health and Mental Addiction Services* which permitted extension of temporary partial disability payments beyond reaching maximum medical improvement.
[2] Negligible is defined in this context to be an impact of less than +0.1%.

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APPENDIX C-II

ANALYSIS OF CONNECTICUT HOUSE BILL 6863
As Enacted on May 20, 2025

SUMMARY AND ACTUARIAL ANALYSIS OF HB 6863

Maximum Duration for Cervical Spine Injuries

Benefits for permanent partial disability (PPD) follow the schedule of injuries set forth in Section 31-308(b) of the Connecticut statutes. HB 6863 increases the maximum number of weeks payable for cervical spine injuries from 117 weeks to 208 weeks.

The impact on PPD benefits for cervical spine injuries due to the increase in the maximum number of weeks payable, effective July 1, 2025, is +78% (=208/117 – 1). Since the share of benefits attributable to cervical spine injuries in comparison to all scheduled PPD injuries in Connecticut is approximately 5.1%[3], the impact to scheduled PPD indemnity benefit costs from this provision of HB 6863 is approximately +4.0% (= +78% x 5.1%).

Scheduled PPD indemnity benefits are estimated to comprise approximately 42.2%[4] of all PPD indemnity benefits. The overall impact to PPD claim costs from this provision is approximately +1.7% (= +4.0% x 42.2%). In Connecticut, PPD indemnity benefits represent approximately 56.6%[5] of total indemnity benefits and total indemnity benefit costs are projected to represent 59%[6] of total WC benefit costs. **Therefore, NCCI estimates that the impact of this change on overall WC system costs in Connecticut is +0.6% (= +1.7% x 56.6% x 59%).**

The calculation of the overall impact for this provision of the bill is summarized in the following table.

(A) Scheduled PPD impact	+4.0%
(B) Scheduled PPD share of PPD indemnity benefit costs	42.2%
(C) **Impact on PPD indemnity benefits** = (A) x (B)	**+1.7%**
(D) PPD share of indemnity benefits	56.6%
(E) Indemnity share of overall benefit costs	59%
(F) **Proposed combined impact on overall benefit costs** = (C) x (D) x (E)	**+0.6%**

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[3] Based on data reported in NCCI Indemnity Data Call (IDC) for Accident Years 2021, 2022, and 2023.
[4] Based on NCCI Detailed Claim Information (DCI) data for Connecticut from Accident Years 2014 to 2017.
[5] Based on NCCI Workers Compensation Statistical Plan data for policies becoming effective during the 24-month period ending July 31, 2022, brought to the current benefit level and developed to an ultimate basis by injury type.
[6] Based on trended and on-leveled financial data from the latest approved NCCI experience filing for Connecticut, effective January 1, 2025.

ANALYSIS OF CONNECTICUT HOUSE BILL 6863
As Enacted on May 20, 2025

Additional Parts of Body Added to List of Scheduled PPD Injuries

HB 6863 adds the following parts of body to the list of scheduled injuries along with the maximum number of weeks of compensation for the corresponding parts of body:

Part of Body	Maximum Weeks of Compensation
Intestinal tract	347
Esophagus	180

Under section 31-308(b) in Connecticut, PPD benefits are not currently available for injuries to parts of the body that are not listed on the schedule. The inclusion of additional scheduled parts of body would be impactful for the claims affected, since they are not receiving any PPD benefits under current statute. The inclusion of additional parts of body to the list of scheduled injuries is expected to place upward pressure on WC system costs in Connecticut, the magnitude of which is unknown since these injuries were not previously compensable and thus not reported to NCCI. Data[7] reported to NCCI for regional states indicates that the percentage of claims associated with these parts of body is expected to be low. As such, the overall impact to WC system costs in CT based on this provision is not expected to be significant.

Discretion Regarding PPD Benefits

On March 18, 2025, the Connecticut Supreme Court issued a decision in *Gardner v. Department of Mental Health and Addiction Services* (*Gardner*), which held that an administrative law judge (ALJ) with the Workers Compensation Commission has the discretion to award ongoing temporary partial disability (TPD) benefits, up to the statutory maximum of 520 weeks, to a claimant who has reached maximum medical improvement (MMI) in lieu of converting the benefits to permanent partial disability.

HB 6863 replaces the word "may" with "shall" in current statutory language, such that "the administrative law judge shall, in lieu of other compensation, award" PPD benefits pursuant to § 31-308(b) of the Connecticut Workers Compensation Act. This provision of HB 6863 applies to "any matter filed with the Workers' Compensation Commission on or after July 1, 1993, that remains open and pending before said commission on the effective date of this section, and for any matter filed with said commission on and after the effective date of this section."

NCCI's previous analysis anticipated that the *Gardner* decision could place significant upward pressure on WC system costs in Connecticut. HB 6863 is expected to reverse the potential increase in overall system costs from the *Gardner* decision since this change would mean that ALJs will no longer have discretion to award TPD benefits after a claimant reaches MMI. As

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[7] Based on data reported in NCCI Medical Data Call (MDC) for Accident Years 2003 – 2023, for Maine, New Hampshire, Rhode Island, and Vermont.

such, TPD and PPD benefits would be expected to be awarded consistent with experience prior to the *Gardner* decision.[8]

Extension of Total Incapacity Benefits

HB 6863 adds new language to section 31-308(b), "Compensation for partial incapacity", allowing that an injured worker who has reached MMI and is eligible for PPD benefits, but whose injuries continue to result in total incapacity to work,[9] shall continue to be eligible to receive total incapacity benefits until such period of total incapacity ends.

Allowing an extension of total incapacity benefits under the above circumstances is expected to place upward pressure on WC system costs in Connecticut.

NCCI is unable to determine the precise magnitude of such an impact, since it is unknown how frequently extended TTD benefits will occur and how many additional weeks of benefits would be due.

Non-Dependency Benefit for Parents of a Deceased Employee

Under current Connecticut statutes, benefits are paid to presumptive dependents[10] of deceased workers and, in cases where there are no presumptive dependents, those who are determined to be "dependent in fact"[11]. HB 6863 adds benefits to parents of the deceased employee, divided equally among them, in cases where there are no presumptive dependents or persons wholly dependent in fact.

Adding additional awards to non-dependent parents will result in an increase in costs associated with fatal claims. Since these types of benefits would only be available when there are no dependents and would only apply to non-dependent parents, it is expected that this provision would impact a subset of non-dependency cases. NCCI estimates that, of the fatal claimants that do not have dependents, approximately 62% may have non-dependent parents.[12] Providing additional benefits to this subset of non-dependency claims will result in an increase on fatal benefit costs of approximately 4.2%. Fatal benefits represent 2.0%[5] of total indemnity benefits and indemnity benefit costs represent approximately 59%[6] of total WC benefit costs in Connecticut. Thus, NCCI estimates that the impact of this enacted provision will result in a +0.1% increase on indemnity benefits (+4.2% x 2.0% = +0.1%) and a +0.1% increase on overall WC system costs in Connecticut (+0.1% x 59% = +0.1%).

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[8] While there may be certain claims that may have been impacted between the date of the *Gardner* decision and the effective date of HB 6863, the impact from such cases on overall system costs is not expected to be significant.
[9] Pursuant to § 31-307.
[10] "Presumptive dependents" is defined in § 31-275 of the Connecticut Workers Compensation Act and includes dependent spouses, children under the age of 18, and children over the age of 18 in certain circumstances.
[11] "Dependent in fact" is defined as a person determined to be a dependent of an injured employee, in any case where there is no presumptive dependent, in accordance with the facts existing at the date of the injury.
[12] Based on US Census Bureau data as of 2023, https://www.census.gov/library/visualizations/interactive/losing-our-parents.html, and NCCI IDC data for Accident Years 2018-2024.

APPENDIX C-II

ANALYSIS OF CONNECTICUT HOUSE BILL 6863
As Enacted on May 20, 2025

(A) Fatal impact	+4.2%
(B) Fatal share of indemnity benefit costs	2.0%
(C) **Impact on indemnity benefits** = (A) x (B)	**+0.1%**
(D) Indemnity share of overall benefit costs	59%
(E) **Proposed impact on overall benefit costs** = (C) x (D)	**+0.1%**

Additional Supplemental Benefits

Under current Connecticut statute section 31-308a(a), discretionary benefits, based on wage loss, can be awarded by the ALJ after payments for scheduled PPD have been paid. The duration of these benefits is limited to the lesser of (1) the employee's permanent partial disability benefits, or (2) five hundred twenty weeks.

HB 6863 adds new section 31-308a(c) allowing for additional supplemental benefits to be available to injured workers who (1) following the receipt of benefits under 31-308a(a), remain unable to perform their usual work, and (2) are actively engaged in a vocational rehabilitation service or equivalent program, or have completed such service or program. These benefits are limited to a duration of sixty weeks, including the benefits previously awarded in section 31-308a(a).

Vocational rehabilitation benefits comprise less than 0.1%[3] of PPD benefits in Connecticut. As such, the allowance for additional supplemental benefits may place upward pressure on PPD costs; however, the impact to overall WC system costs in CT is expected to be negligible.[2]

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix D – Determination of Assigned Risk 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:

$$Assigned\ Risk\ Loss\ Cost\ Multiplier = (AR\ Differential) \div (Voluntary\ LAE) \div (PLR) \times UPP$$

The proposed changes to assigned risk rates, as well as the detailed calculations, can be found on the following pages.

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 employers in the assigned risk market is typically worse than that of employers in the voluntary market. Therefore, during the assigned risk ratemaking process, a surcharge called the assigned risk differential is applied to those in the assigned risk market to recognize this disparity.

To derive the indicated differential, loss ratios are calculated for both the (i) assigned risk market and (ii) voluntary market by individual year as follows:

$$\frac{(total\ on\text{-}leveled\ losses)}{(total\ on\text{-}leveled, developed\ standard\ premium\ at\ the\ voluntary\ level)}$$

For each individual policy year, the assigned risk loss ratio is divided by the voluntary loss ratio to produce loss ratio relativities. These loss ratio relativities are reviewed for ten individual years so that changes in the actual differentials can be observed over a long period of time. When selecting the assigned risk differential, the impact of additional premium that is already expected to be generated due to other assigned risk programs (e.g., removal of premium discounts, Assigned Risk Adjustment Program) is also reflected in the calculation.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix D – Determination of Assigned Risk Rates

Based on this year's review, NCCI is proposing to increase the current assigned risk loss cost differential from 1.550 to 1.600. As in prior years, NCCI gave consideration to the indicated differential using a 10-year average and 10-year ex hilo. Given the magnitude of the changes, an increase from 1.550 to 1.600 was determined to be reasonable and is directionally reflective of the change in experience of the assigned risk and voluntary market loss experience. A selection of 1.600 also strikes a balance between responsiveness and stability.

Additionally, NCCI believes there are several other reasons that it is appropriate to increase the current differential:

- The assigned risk differential can vary quite substantially from one year to the next. For example, the individual assigned risk differentials for the latest ten years range from 1.031 to 2.861. A longer-term average provides stability when dealing with a wide range of indications from year to year.

- The differential should be sufficiently high so that an insured would not find an offer of residual market coverage to be more attractive than an offer for voluntary coverage.

- It is important to the health of the workers compensation system to have an adequate rate level in the residual market, allowing that market to be as self-funding as possible. NCCI believes that increasing the differential is appropriate to ensure a self-funded residual market, while also encouraging the process of residual market depopulation.

The data underlying this calculation is shown in Appendix D – Derivation of Assigned Risk Differential.

Statewide Offset for the Change in Assigned Risk Pricing Programs

The Statewide Offset for the Change in Assigned Risk Pricing Programs has been applied (see Exhibit I – Section D) due to the positive assigned risk market share of 5% used in this filing and the change being proposed to the assigned risk differential.

Under a positive market share assumption, the initial statewide loss cost level indication accounts for additional premium generated by the assigned risk pricing programs for a targeted market share. In contrast, under a zero-market share assumption, this additional premium is not used when determining the statewide loss cost level need.

When the differential analysis indicates that a change in the differential is needed, then the initial indication must be offset for the anticipated additional premium that the new differential will generate (or remove in the case that the differential decreases). All else equal, if no premium offset were applied, the assigned risk premium would increase (since an increase to the differential is being proposed) while the voluntary premium would not change. To ensure

that there is no increase in total statewide premium (i.e., voluntary + assigned risk), a statewide offset must be applied to both the voluntary and assigned risk rate indication for this proposed change to be premium neutral.

The offset is calculated as follows:

$$Statewide\ Offset = \frac{1}{(AR\ Market\ Share * \Delta\ AR\ Differential + (1 - AR\ MS)}$$

$$= \frac{1}{0.05 * 1.032 + (1 - 0.05)} = \frac{1}{1.002} = 0.998$$

Where:

AR Market Share = 0.05 (i.e., selected assigned risk market share of 5%)
△ AR Differential = 1.032 (i.e., 1.600 / 1.550 -1)

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. It is selected based on a review of expenses as a percentage of premium over the past ten years. This year's selection provides a balance between the 10-year and 5-year averages.
- Average Commission: Based on a weighted average of the most recently available two policy years.
- Profit and Contingency Provision: Insurers should have an opportunity to earn a fair rate of return on the capital supporting all of their workers compensation business, including the funds supplied to the assigned risk market. Therefore, assigned risk rate filings should contemplate the inclusion of a fair and reasonable profit and contingency (P&C) provision. A reasonable return helps to ensure equity in the residual market and continued participation in the voluntary market, particularly in light of the long-tail nature of the workers compensation line. The proposed P&C provision in this year's filing was selected based on the results of NCCI's Internal Rate of Return (IRR) model, which estimates the

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Appendix D – Determination of Assigned Risk Rates

time series of expected future cash flows including premium, losses, expenses, investment income and taxes, for a representative insurer underwriting workers compensation coverage. In determining the P&C provision, NCCI reviews three P&C estimates as indicated by the IRR model—Static-Avg, Static-Spot, and Dynamic. The dynamic estimate incorporates projections of future interest rate levels, while both static estimates hold interest rates fixed over time with varying degrees of responsiveness. The static-spot estimate utilizes the latest observed US Treasury Rate, while the static-avg estimate utilizes longer-term averages for various inputs of the IRR model to emphasize the stability of the results from year-to-year. In this year's filing, NCCI has updated the input for the Equity Market Risk Premium in the static-spot and dynamic estimates from a 30-year average to an all-year average to promote stability in this value. Please refer to Appendix D – Derivation of the Indicated Profit and Contingency Provision for additional information.

Given the year-to-year variability associated with the static-spot and dynamic estimates, NCCI's approach has been to make a selection for the P&C Provision which provides a balance between responsiveness and stability. In this year's filing, the static-spot and dynamic estimates yielded indicated P&C provisions of -2.53% and -1.07%, respectively, while the static-average estimate yielded an indicated P&C provision of +0.51%. As all three estimates converged towards the currently approved selection when compared to last year's indicated values, NCCI is proposing to maintain the currently approved P&C provision of -1.0%. This selection considers the three P&C estimates indicated by the IRR model, the changes in these estimates from year to year and the current and projected interest rate environment, while maintaining stability in this filing component.

Note that the expense components that are based on net premium are converted to a standard premium basis excluding the impact of expense constants. Then the total assigned risk expenses are used to determine the Permissible Loss Ratio (PLR):

$$PLR = 100\% - (provision\ for\ Assigned\ Risk\ Expenses)$$

The calculation of assigned risk expenses can be found in Appendix D – Expense Components of Assigned Risk Rate.

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 a decrease to the uncollectible premium provision factor from 1.040 to 1.035. This selection provides a balance between the 10-year

and 5-year averages.

The data underlying this provision is shown in Appendix D – Calculation of Ultimate Uncollectible Premium Provision (UPP) Factor.

Determination of Assigned Risk Rates

Section A - Derivation of the Assigned Risk Loss Cost Multiplier

This filing proposes a -0.4% 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, 2026 in order to convert to assigned risk rates.

(1)	Current Assigned Risk Loss Cost Multiplier	1.788
(2)	Proposed Assigned Risk Loss Cost Differential (See Section B)	1.600
(3)	Proposed Voluntary Loss-based Expense Provision (Exhibit II)	22.2%
(4)	Indicated Assigned Risk Permissible Loss Ratio (See Section C)	73.2%
(5)	Proposed Uncollectible Premium Provision Factor (See Section F)	1.035
(6)	Indicated Assigned Risk Loss Cost Multiplier = ({(2) / [1.0 + (3)]} / (4)) x (5)	1.851
(7)	Indicated Change in the Assigned Risk Loss Cost Multiplier = [(6) / (1)] - 1.0	3.5%
(8)	Proposed Voluntary Loss Cost Level Change (Exhibit I)	-3.8%
(9)	Indicated Assigned Risk Rate Level Change = {[1.0 + (7)] x [1.0 + (8)]} - 1.0	**-0.4%**

APPENDIX D

Determination of Assigned Risk Rates

Section B - Derivation of Assigned Risk Differential
Experience Valued as of 12/31/2024

Policy Year	(1) Standard Pure Premium		(3) Unlimited Undeveloped Paid+Case Losses	
	Assigned Risk	(2) Voluntary	Assigned Risk	(4) Voluntary
2014	9,462,801	198,185,573	25,266,094	311,286,340
2015	9,928,254	209,048,495	24,024,486	308,753,115
2016	9,133,804	212,656,763	18,450,610	298,032,957
2017	9,397,238	215,868,169	17,041,731	329,313,034
2018	9,637,504	227,553,132	20,684,662	294,511,781
2019	9,684,388	231,939,980	29,274,003	282,447,765
2020	9,635,853	236,916,269	29,273,356	267,544,620
2021	10,388,524	263,103,020	11,065,261	260,080,441
2022	10,716,872	287,328,122	13,146,196	239,367,753
2023	10,405,415	300,510,285	12,561,838	210,125,512

Policy Year	(5) = (3) / (1) Pure Premium Ratio		(7) = (5) / (6) Assigned Risk to Voluntary Relativity	(8) = (7) / Impact of AR Programs^ Indicated Assigned Risk Differential
	Assigned Risk	(6) = (4) / (2) Voluntary		
2014	2.670	1.571	1.700	1.627
2015	2.420	1.477	1.638	1.567
2016	2.020	1.401	1.442	1.380
2017	1.813	1.526	1.188	1.137
2018	2.146	1.294	1.658	1.587
2019	3.023	1.218	2.482	2.375
2020	3.038	1.129	2.691	2.575
2021	1.065	0.989	1.077	1.031
2022	1.227	0.833	1.473	1.410
2023	1.207	0.699	1.727	1.653

	10-Year Average	1.634
	10-Year Ex-HiLo	1.592
	Current Assigned Risk Differential	1.550
	Proposed Assigned Risk Differential	**1.600**
	Proposed Change in Assigned Risk Differential	1.032 +3.2%

^Impact of the Assigned Risk Adjustment Program (ARAP) = 1.045

Policy Year	ARAP Impact
2022	1.050
2023	1.039
Average	1.045

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.

		Expense Provisions Underlying Proposed Rates
(1)	Expense Constant	$160
(2)	Weighted-Average of Servicing Carrier Allowance Bids	18.6%
(3)	Premium Tax	1.5%
(4)	Assigned Risk Administration Expense (See Section E)	5.6%
(5)	Premium Discount as a Percentage of Standard Premium Excluding the Expense Constant (See Section D)	1.5%
(6)	Expense Constant Premium as a Percentage of Standard Premium Excluding the Expense Constant (See Section D)	5.6%
(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)	22.7%
(8)	Average Commission (See Section D)	5.1%
(9)	Profit and Contingency Provision	-1.0%
(10)	Total Expense Provision in Rate = (7) + (8) + (9)	26.8%
(11)	Permissible Loss Ratio in Rate = 1 - (10)	73.2%
(12)	Current Permissible Loss Ratio in Rate	74.0%
(13)	Impact on Rate due to Change in Expenses = (12) / (11) - 1	1.1%

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 2023 & 2024

Portion of Total Standard Premium	(1) Standard Premium Excl Exp Cnst	(2) Standard Premium Excl Exp Cnst Distribution	(3) [1] Commission Scale [2]	(4) [1] Premium Discounts
First 1,000	17,468,882	30.7%	8.0%	--
Next 4,000	16,513,920	29.1%	5.0%	--
Next 5,000	6,472,766	11.4%	3.0%	--
Next 90,000	13,434,499	23.7%	3.0%	5.1%
Next 100,000	1,312,985	2.3%	2.0%	5.1%
Next 1,550,000	1,563,169	2.8%	2.0%	6.5%
Over 1,750,000	0	0.0%	2.0%	7.5%
Total	56,766,221	100.0%	5.1%	1.5%

(5) Expense Constant Premium as % of Standard Premium Excluding Expense Constant [3] =   5.6%

[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 Connecticut's Residual Market Manual, Producer Fees.

[3] Based on assigned risk policy and premium totals for policy years 2023 & 2024 using the dominant
    state method for the classification of multistate policies.

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)
2015	40,258,766	1,492,000	3.7%
2016	30,795,342	1,314,112	4.3%
2017	26,113,613	1,221,283	4.7%
2018	26,638,105	1,352,311	5.1%
2019	19,291,124	1,248,810	6.5%
2020	17,917,073	1,224,224	6.8%
2021	20,796,265	1,091,213	5.2%
2022	21,398,110	1,115,525	5.2%
2023	20,881,164	1,239,227	5.9%
2024	21,408,679	1,353,776	6.3%
		5-Year Average	5.9%
		10-Year Average	5.4%
		Selected	5.6%

[1] Gross of uncollectible premium.

Section F - Calculation of Ultimate Uncollectible Premium Provision (UPP) Factor

Section 1 - Gross Premium as of 12/31/2024 - Traumatic Only (000s)

Policy Year	1st	2nd	3rd	4th	5th	6th	7th	8th	Ultimate Gross
2009								15,211	15,211
2010							15,748	15,747	15,747
2011						17,559	17,557	17,528	17,528
2012					28,304	28,292	28,288	28,288	28,288
2013				36,828	36,818	36,894	36,892	36,891	36,891
2014			42,722	42,332	42,269	42,265	42,263	42,254	42,254
2015		42,113	42,056	42,072	42,081	42,048	42,021	42,025	42,025
2016	28,608	28,475	28,483	28,301	28,321	28,388	28,373	28,382	28,382
2017	28,754	27,418	27,276	27,874	27,241	27,210	27,114		27,114
2018	24,448	24,172	24,182	24,174	24,094	24,053			24,029
2019	18,982	17,693	17,759	17,757	17,620				17,585
2020	19,579	17,863	17,745	17,727					17,621
2021	19,433	18,839	18,988						18,874
2022	21,923	20,833							20,708
2023	20,640								19,484

Policy Year	1 / 2	2 / 3	3 / 4	4 / 5	5 / 6	6 / 7	7 / 8	8 / Ult
2013						1.000	1.000	
2014					1.000	1.000	1.000	
2015				1.000	0.999	0.999	1.000	
2016			0.994	1.001	1.002	0.999	1.000	
2017		0.995	1.022	0.977	0.999	0.997		
2018	0.989	1.000	1.000	0.997	0.998			
2019	0.932	1.004	1.000	0.992				
2020	0.912	0.993	0.999					
2021	0.969	1.008						
2022	0.950							
5-Yr Avg	0.950	1.000	1.003	0.993	1.000	0.999	1.000	
5-Yr Avg x H/L	0.950	1.000	1.000	0.996	0.999	0.999	1.000	
Selected	0.950	1.000	1.000	0.996	0.999	0.999	1.000	1.000
Ultimate	0.944	0.994	0.994	0.994	0.998	0.999	1.000	1.000

Section 2 - Collected Premium as of 12/31/2024 - Traumatic Only (000s)

Policy Year	1st	2nd	3rd	4th	5th	6th	7th	8th	Ultimate Collected	Gross / Collected
2009								14,802	14,802	1.028
2010							14,906	14,944	14,944	1.054
2011						16,346	16,458	16,488	16,488	1.063
2012					26,830	26,843	26,878	26,893	26,893	1.052
2013				35,441	35,719	35,789	35,814	35,819	35,819	1.030
2014			40,880	40,894	40,899	40,968	40,967	40,958	40,958	1.032
2015		40,353	40,131	40,217	40,204	40,194	40,184	40,197	40,197	1.045
2016	27,567	27,019	26,397	26,496	26,625	26,734	26,724	26,731	26,731	1.062
2017	27,631	25,759	25,798	26,259	25,691	25,752	25,651		25,651	1.057
2018	23,855	23,364	23,299	23,295	23,192	23,155			23,155	1.038
2019	18,657	17,044	17,203	17,213	16,982				16,999	1.034
2020	19,207	17,241	17,428	17,431					17,344	1.016
2021	19,045	18,240	18,472						18,417	1.025
2022	21,125	19,959							20,039	1.033
2023	19,793								18,665	1.044

Policy Year	1 / 2	2 / 3	3 / 4	4 / 5	5 / 6	6 / 7	7 / 8	8 / Ult		
2013						1.001	1.000		5-Yr Avg	1.030
2014					1.002	1.000	1.000		10-Yr Avg	1.039
2015				1.000	1.000	1.000	1.000		10-Yr x H/L	1.039
2016			1.004	1.005	1.004	1.000	1.000		15-Yr Avg	1.041
2017		1.002	1.018	0.978	1.002	0.996			15-Yr x H/L	1.041
2018	0.979	0.997	1.000	0.996	0.998					
2019	0.914	1.009	1.001	0.987					Selected UPP Factor	1.035
2020	0.898	1.011	1.000							
2021	0.958	1.013							Current UPP Factor	1.040
2022	0.945									
									Impact of Change in UPP Factor	0.995
5-Yr Avg	0.939	1.006	1.005	0.993	1.001	0.999	1.000			
5-Yr Avg x H/L	0.939	1.007	1.002	0.994	1.001	1.000	1.000			
Selected	0.939	1.007	1.002	0.994	1.001	1.000	1.000	1.000		
Ultimate	0.943	1.004	0.997	0.995	1.001	1.000	1.000	1.000		

APPENDIX D - Determination of Assigned Risk Rates

Section G - Derivation of the Indicated Profit and Contingency Provision

Overview

According to actuarial principles, insurance rates should provide for the cost of capital through an underwriting profit and contingency (P&C) provision, after accounting for investment and other income. NCCI considered Actuarial Standard of Practice #30 *Treatment of Profit and Contingency Provisions and the Cost of Capital in Property/Casualty Insurance Ratemaking* in choosing to employ an Internal Rate of Return (IRR) model to estimate a P&C provision. The cost of capital and investment income assumptions used in the model are estimated using market-based financial methods for investors of securities with a similar risk profile to workers compensation insurance companies. Note that the assumptions used in this IRR model, including the cost of capital and investment income assumptions, may or may not be applicable to any individual insurance company in this state.

The IRR model is based on the principle that the internal rate of return from an investment opportunity equals the investor's cost of capital if the sum of all cash flows from that investment, discounted at the cost of capital, equals zero. In the case of workers compensation insurance, cash flows to the capital providers are comprised of insurance cash flows, investment income, and commitment and release of capital in support of the insurance transaction.

· The insurance cash flows are estimated based on premiums earned less payments for losses and expenses, as included in this rate filing, after recognizing the impact of federal income taxes.
· Investment income on reserves and surplus depends on an after-tax return on investment (RoI), which is estimated using a combination of current financial market data and forecasts.
· The cost of capital used is a weighted average cost of capital (WACC), expressed as a percentage of capital, which takes into account both debt and equity components of a representative insurer's capital structure.

IRR Model Inputs and Results

The model estimates the P&C provision necessary in order for the proposed rates to cover the cost of capital. The P&C provision is estimated using three different assumptions regarding the return on investment and cost of capital:

· The "Static" estimate(s) of the P&C provision assume that the RoI and the WACC do not change over time. The 'Static-Avg' estimate assumes a longer-term average compared to the 'Static-Spot' estimate for certain financial inputs impacting the WACC and RoI. The Static-Spot estimate assumes the current US treasury rate, while the Static-Average assumes a rolling 5-year average. The RoI and the WACC for both static estimates are derived using data through the first quarter of 2025.
· The "Dynamic" estimate uses similar assumptions as the Static-Spot, but assumes that the RoI and WACC vary over time. Dynamic estimates are derived using data through the first quarter of 2025, with forecasts from May of that year. The starting point for the Dynamic estimate is January 1, 2026.

The following table summarizes the inputs and results of the model under each scenario.

TABLE 1: IRR MODEL INPUTS AND RESULTS

Inputs:				
(1)	Expenses and Taxes as a Percentage of Net Premium at NCCI Level			30.60%
(1a)	Uncollectible Premium			0.00%
(2)	Reserve-to-Surplus Ratio			1.92
(3)	Cash Flow Patterns			See Table 2
		Static - Avg	Static - Spot	Dynamic*
(4)	Return on Investments	3.35%	4.62%	3.99% - 4.27%
(5)	Weighted Average Cost of Capital	9.02%	10.57%	9.99% - 10.29%
Results				
		Static - Avg	Static - Spot	Dynamic
(6)	**Indicated Profit and Contingency Provision . . . .**	**0.51%**	**-2.53%**	**-1.07%**
(7)	Loss Provision [100% - (6) - (1)]	68.89%	71.93%	70.47%

Table Notes:
It is assumed that no policyholders' dividends are paid and that there are no rate departures (deviations or schedule rating).
(1) Expense provisions and taxes derived from the filing.
(2) Calculated from Best's 2024 Aggregates & Averages, for Commercial Casualty Composite, as the weighted average of Loss, LAE, and Unearned Premium Reserves to Policyholder Surplus, for years 2019 - 2023.
* See table 3 for details by time period.

TABLE 2: CASH FLOW PATTERNS (CUMULATIVE)

TABLE 3: DYNAMIC ESTIMATE INPUTS

Time	(1) Policy-Year Collected Premium	(2) Earned Premium	(3) Written Premium	(4) Expenses and Taxes	(5) Paid Losses	Time	(1) Return on Investments	(2) Weighted Average Cost of Capital
0.00	-	-	-	-	-	0.00	-	-
0.25	25.41%	3.51%	28.07%	24.16%	0.50%	0.25	4.27%	10.23%
0.50	53.86%	14.30%	58.28%	52.47%	2.02%	0.50	4.26%	10.26%
0.75	80.80%	32.11%	84.16%	79.48%	4.54%	0.75	4.21%	10.27%
1.00	100.00%	55.13%	100.00%	99.06%	7.80%	1.00	4.21%	10.29%
1.25		76.62%		100.00%	13.93%	1.25	4.21%	10.29%
1.50		90.83%			20.05%	1.50	4.21%	10.29%
1.75		98.02%			26.18%	1.75	4.21%	10.29%
2.00		100.00%			32.30%	2.00	4.21%	10.29%
2.25					37.00%	2.25	4.21%	10.29%
2.50					41.70%	2.50	4.21%	10.29%
2.75					46.40%	2.75	4.17%	10.28%
3.00					51.10%	3.00	4.17%	10.27%
3.25					54.18%	3.25	4.17%	10.26%
3.50					57.25%	3.50	4.16%	10.24%
3.75					60.33%	3.75	4.16%	10.22%
4.00					63.40%	4.00	4.15%	10.19%
4.25					65.53%	4.25	4.14%	10.17%
4.50					67.65%	4.50	4.13%	10.14%
4.75					69.78%	4.75	4.13%	10.13%
5.00					71.90%	5.00	4.12%	10.12%
6.00					77.30%	6.00	4.07%	10.08%
7.00					81.10%	7.00	4.06%	10.02%
8.00					83.80%	8.00	4.03%	9.99%
9.00					85.90%	9.00	4.00%	9.99%
10.00					87.60%	10.00	4.00%	10.00%
11.00					89.00%	11.00	4.00%	10.01%
12.00					89.90%	12.00	4.01%	10.01%
13.00					91.10%	13.00	4.01%	10.01%
14.00					91.90%	14.00	4.01%	10.00%
15.00					92.70%	15.00	4.01%	10.00%
16.00					93.00%	16.00	4.01%	10.01%
17.00					93.50%	17.00	4.01%	10.02%
18.00					93.90%	18.00	4.01%	10.02%
19.00					94.40%	19.00	4.01%	10.02%
20.00					94.80%	20.00	4.01%	10.01%
21.00					95.00%	21.00	4.00%	10.01%
22.00					95.20%	22.00	4.00%	10.01%
23.00					95.50%	23.00	4.00%	10.00%
24.00					95.70%	24.00	3.99%	10.00%
25.00					96.20%	25.00	3.99%	10.00%
26.00					96.50%	26.00	3.99%	10.00%
27.00					96.70%	27.00	3.99%	10.00%
28.00					97.10%	28.00	3.99%	10.00%
29.00					97.20%	29.00	3.99%	10.00%
30.00					97.40%	30.00	3.99%	10.00%
31.00					97.60%	31.00	3.99%	10.00%
32.00					98.26%	32.00	3.99%	10.00%
33.00					98.88%	33.00	3.99%	10.00%
34.00					99.46%	34.00	3.99%	10.00%
35.00					100.00%	35.00	3.99%	10.00%

Table 2 Notes:

Table 2 shows cumulative cash flows. For ease of reading no additional numbers are shown after a column reaches 100% cumulative cash flow.

(1) Derived from estimates of premium distribution and payment terms by size of policy.

(2) Based on written premium pattern assuming uniform writings within quarters and standard quarterly earning pattern.

(3) Based on this jurisdiction's premium writings by quarter.

(4) Expenses assumed paid as premium is collected; timing of taxes based on NCCI's Tax and Assessment Directory.

(5) Derived from loss development data underlying this rate filing. Payouts for the first 31 years are based upon the ratio of paid losses to incurred losses from the most recent 31 policy years for which data is available. For the following years, loss payouts are assumed to trail off geometrically, with an adjustment so that the payout will be complete at 35 years.

Calculation Details

The tables in the following pages show the detailed calculations of the IRR model.

List of Tables

Note: Although values are displayed to 4 decimal places in the following tables, the calculations themselves are carried to the full precision of the computer.

APPENDIX D - Determination of Assigned Risk Rates

Section G - Derivation of the Indicated Profit and Contingency Provision

Calculation Details - Static-Avg Estimate

TABLE 4: DERIVATION OF INSURANCE CASH FLOW (STATIC-AVG ESTIMATE)

Time	(1) Collected Premium Factor	(2) Expense and Taxes Factor	(3) Paid Losses Factor	(4) Federal Income Tax Factor	(5) Insurance Cash flow Factor
0.00	-	-	-	-	-
0.25	0.2541	0.0739	0.0034	0.0015	0.1753
0.50	0.5386	0.1605	0.0139	0.0030	0.3611
0.75	0.8080	0.2432	0.0313	0.0044	0.5290
1.00	1.0000	0.3031	0.0537	0.0059	0.6372
1.25	1.0000	0.3060	0.0959	0.0078	0.5903
1.50	1.0000	0.3060	0.1381	0.0097	0.5462
1.75	1.0000	0.3060	0.1803	0.0116	0.5021
2.00	1.0000	0.3060	0.2225	0.0135	0.4580
2.25	1.0000	0.3060	0.2549	0.0128	0.4263
2.50	1.0000	0.3060	0.2873	0.0122	0.3946
2.75	1.0000	0.3060	0.3196	0.0115	0.3628
3.00	1.0000	0.3060	0.3520	0.0109	0.3311
3.25	1.0000	0.3060	0.3732	0.0103	0.3105
3.50	1.0000	0.3060	0.3944	0.0098	0.2898
3.75	1.0000	0.3060	0.4156	0.0093	0.2692
4.00	1.0000	0.3060	0.4368	0.0087	0.2485
4.25	1.0000	0.3060	0.4514	0.0083	0.2343
4.50	1.0000	0.3060	0.4660	0.0079	0.2201
4.75	1.0000	0.3060	0.4807	0.0074	0.2059
5.00	1.0000	0.3060	0.4953	0.0070	0.1917
6.00	1.0000	0.3060	0.5325	0.0059	0.1556
7.00	1.0000	0.3060	0.5587	0.0051	0.1302
8.00	1.0000	0.3060	0.5773	0.0043	0.1124
9.00	1.0000	0.3060	0.5917	0.0035	0.0987
10.00	1.0000	0.3060	0.6035	0.0030	0.0875
11.00	1.0000	0.3060	0.6131	0.0026	0.0783
12.00	1.0000	0.3060	0.6193	0.0023	0.0724
13.00	1.0000	0.3060	0.6276	0.0020	0.0645
14.00	1.0000	0.3060	0.6331	0.0017	0.0592
15.00	1.0000	0.3060	0.6386	0.0015	0.0539
16.00	1.0000	0.3060	0.6407	0.0013	0.0520
17.00	1.0000	0.3060	0.6441	0.0012	0.0487
18.00	1.0000	0.3060	0.6469	0.0012	0.0459
19.00	1.0000	0.3060	0.6503	0.0012	0.0425
20.00	1.0000	0.3060	0.6531	0.0012	0.0397
21.00	1.0000	0.3060	0.6544	0.0012	0.0384
22.00	1.0000	0.3060	0.6558	0.0012	0.0370
23.00	1.0000	0.3060	0.6579	0.0012	0.0349
24.00	1.0000	0.3060	0.6593	0.0012	0.0336
25.00	1.0000	0.3060	0.6627	0.0012	0.0301
26.00	1.0000	0.3060	0.6648	0.0012	0.0281
27.00	1.0000	0.3060	0.6661	0.0011	0.0267
28.00	1.0000	0.3060	0.6689	0.0011	0.0240
29.00	1.0000	0.3060	0.6696	0.0011	0.0233
30.00	1.0000	0.3060	0.6710	0.0011	0.0219
31.00	1.0000	0.3060	0.6723	0.0011	0.0205
32.00	1.0000	0.3060	0.6769	0.0011	0.0160
33.00	1.0000	0.3060	0.6811	0.0011	0.0118
34.00	1.0000	0.3060	0.6851	0.0011	0.0078
35.00	1.0000	0.3060	0.6889	0.0011	0.0040

Column Notes:
(1) is Collected Premium by time period, expressed as a factor, = Table 2 col (1) x [1 - Table 1 col (1a)]
(2) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)
(3) is Paid Losses by time period, expressed as a factor, = Table 1 row (7, Static-Avg) x Table 2 col (5)
(4) per the Tax Cuts and Jobs Act of 2017, federal income taxes are computed as the tax rate (21%) times the
   adjusted underwriting income calculated per IRS rules. See Appendix B for details.
(5) is the Total Insurance Cash Flow by time period, expressed as a factor, = (1) - [(2) + (3) + (4)]

APPENDIX D - Determination of Assigned Risk Rates

Section G - Derivation of the Indicated Profit and Contingency Provision

Calculation Details - Static-Avg Estimate (continued)

TABLE 5: DERIVATION OF CASH FLOWS TO THE CAPITAL PROVIDERS (STATIC-AVG ESTIMATE)

Time	(1) Unearned Premium and Unpaid Loss Reserve Factor	(2) Factor for Surplus Allocated to Reserves	(3) Admitted Agents' Balances	(4) Total Invested Funds Factor	(5) Income from Invested Funds Factor	(6) Capital Provider Equity Factor	(7) Capital Provider Cash Flow Factor	(8) Discounted Capital Provider Cash Flow Factor
0.00	-	-	-	-	-	-	-	-
0.25	0.2664	0.1387	0.0266	0.3785	0.0016	(0.2017)	(0.2017)	(0.1995)
0.50	0.5244	0.2731	0.0442	0.7533	0.0062	(0.3859)	(0.1842)	(0.1783)
0.75	0.7104	0.3700	0.0336	1.0468	0.0137	(0.5041)	(0.1182)	(0.1120)
1.00	0.7748	0.4035	-	1.1783	0.0229	(0.5182)	(0.0141)	(0.0131)
1.25	0.6657	0.3467	-	1.0124	0.0320	(0.3902)	0.1280	0.1161
1.50	0.5793	0.3017	-	0.8810	0.0398	(0.2950)	0.0951	0.0845
1.75	0.5147	0.2681	-	0.7828	0.0467	(0.2340)	0.0610	0.0530
2.00	0.4664	0.2429	-	0.7093	0.0529	(0.1984)	0.0356	0.0303
2.25	0.4340	0.2260	-	0.6600	0.0585	(0.1752)	0.0232	0.0193
2.50	0.4016	0.2092	-	0.6108	0.0638	(0.1524)	0.0228	0.0186
2.75	0.3692	0.1923	-	0.5616	0.0686	(0.1301)	0.0224	0.0178
3.00	0.3369	0.1754	-	0.5123	0.0731	(0.1081)	0.0220	0.0171
3.25	0.3157	0.1644	-	0.4801	0.0772	(0.0924)	0.0157	0.0120
3.50	0.2945	0.1534	-	0.4479	0.0810	(0.0770)	0.0154	0.0115
3.75	0.2733	0.1424	-	0.4157	0.0846	(0.0619)	0.0151	0.0111
4.00	0.2521	0.1313	-	0.3834	0.0879	(0.0470)	0.0149	0.0106
4.25	0.2375	0.1237	-	0.3612	0.0910	(0.0359)	0.0111	0.0078
4.50	0.2229	0.1161	-	0.3389	0.0939	(0.0249)	0.0110	0.0075
4.75	0.2082	0.1084	-	0.3167	0.0966	(0.0141)	0.0108	0.0072
5.00	0.1936	0.1008	-	0.2944	0.0991	(0.0036)	0.0106	0.0069
6.00	0.1564	0.0814	-	0.2378	0.1081	0.0258	0.0294	0.0183
7.00	0.1302	0.0678	-	0.1980	0.1154	0.0476	0.0217	0.0124
8.00	0.1116	0.0581	-	0.1697	0.1215	0.0642	0.0167	0.0087
9.00	0.0971	0.0506	-	0.1477	0.1268	0.0778	0.0136	0.0065
10.00	0.0854	0.0445	-	0.1299	0.1315	0.0891	0.0113	0.0050
11.00	0.0758	0.0395	-	0.1152	0.1356	0.0986	0.0095	0.0039
12.00	0.0696	0.0362	-	0.1058	0.1393	0.1059	0.0073	0.0027
13.00	0.0613	0.0319	-	0.0932	0.1426	0.1139	0.0080	0.0027
14.00	0.0558	0.0291	-	0.0849	0.1456	0.1200	0.0061	0.0019
15.00	0.0503	0.0262	-	0.0765	0.1483	0.1258	0.0058	0.0017
16.00	0.0482	0.0251	-	0.0733	0.1508	0.1295	0.0038	0.0010
17.00	0.0448	0.0233	-	0.0681	0.1532	0.1338	0.0043	0.0010
18.00	0.0420	0.0219	-	0.0639	0.1554	0.1375	0.0037	0.0008
19.00	0.0386	0.0201	-	0.0587	0.1575	0.1413	0.0039	0.0008
20.00	0.0358	0.0187	-	0.0545	0.1594	0.1447	0.0033	0.0006
21.00	0.0344	0.0179	-	0.0524	0.1612	0.1472	0.0025	0.0004
22.00	0.0331	0.0172	-	0.0503	0.1629	0.1496	0.0024	0.0004
23.00	0.0310	0.0161	-	0.0471	0.1645	0.1523	0.0027	0.0004
24.00	0.0296	0.0154	-	0.0450	0.1661	0.1546	0.0023	0.0003
25.00	0.0262	0.0136	-	0.0398	0.1675	0.1578	0.0032	0.0004
26.00	0.0241	0.0126	-	0.0367	0.1688	0.1602	0.0024	0.0003
27.00	0.0227	0.0118	-	0.0346	0.1700	0.1621	0.0019	0.0002
28.00	0.0200	0.0104	-	0.0304	0.1711	0.1646	0.0025	0.0002
29.00	0.0193	0.0100	-	0.0293	0.1721	0.1660	0.0014	0.0001
30.00	0.0179	0.0093	-	0.0272	0.1730	0.1677	0.0017	0.0001
31.00	0.0165	0.0086	-	0.0251	0.1739	0.1693	0.0016	0.0001
32.00	0.0120	0.0063	-	0.0183	0.1746	0.1724	0.0031	0.0002
33.00	0.0077	0.0040	-	0.0118	0.1751	0.1751	0.0027	0.0002
34.00	0.0038	0.0020	-	0.0057	0.1754	0.1775	0.0024	0.0001
35.00	-	-	-	-	0.1755	0.1795	0.0021	0.0001

Column Notes:

(1) is Unearned Premium Reserve (equal to Written Premium minus Earned Premium, per the cashflow pattern) plus Unpaid Loss Reserve (equal to Incurred minus Paid Losses) by time period, expressed as a factor,
= MAX[Table 4 col (1), Table 2 col (3)] - Table 2 col (2) + Table 1 row (7, Static-Avg) x [Table 2 col (2) - Table 2 col (5)]

(2) is the Surplus derived from Reserves per the Reserve-to-Surplus Ratio by time period, expressed as a factor, = (1) / Table 1 row (2)

(3) Admitted Agents' Balances arise when premium is written before it's collected, or premium is earned in the prior period before it's collected,
= MAX[Table 4 col (1),Table 2 col (3)] - Table 4 col (1) - MAX[0, Table 2 col (2, previous row) - Table 4 col (1)]

(4) is Reserves plus Surplus minus Agent Balances by time period, expressed as a factor, = (1) + (2) - (3)

(5) is derived by applying the Return on Investments [Table 1 row (4, Static-Avg)] to the average Invested Funds (4) from the previous and current time periods, plus previous Income from Invested Funds, by time period expressed as a factor.

(6) is Insurance Cash Flow plus Income from Invested Funds minus Total Invested Funds by time period, expressed as a factor,
= Table 4 col (5) + (5) - (4)

(7) is the difference between Capital Provider Equity (6) at the current and previous time periods, expressed as a factor.

(8) is the Capital Provider Cash Flow (7) discounted by the Weighted Average Cost of Capital [Table 1 row (5, Static-Avg)], expressed as a factor.

Calculation Details - Static-Spot Estimate

TABLE 6: DERIVATION OF INSURANCE CASH FLOW (STATIC-SPOT ESTIMATE)

Time	(1) Collected Premium Factor	(2) Expense and Taxes Factor	(3) Paid Losses Factor	(4) Federal Income Tax Factor	(5) Insurance Cash flow Factor
0.00	-	-	-	-	-
0.25	0.2541	0.0739	0.0036	0.0008	0.1758
0.50	0.5386	0.1605	0.0146	0.0015	0.3620
0.75	0.8080	0.2432	0.0327	0.0023	0.5298
1.00	1.0000	0.3031	0.0561	0.0031	0.6377
1.25	1.0000	0.3060	0.1002	0.0042	0.5896
1.50	1.0000	0.3060	0.1442	0.0054	0.5444
1.75	1.0000	0.3060	0.1883	0.0065	0.4992
2.00	1.0000	0.3060	0.2323	0.0076	0.4540
2.25	1.0000	0.3060	0.2661	0.0070	0.4209
2.50	1.0000	0.3060	0.3000	0.0063	0.3878
2.75	1.0000	0.3060	0.3338	0.0056	0.3546
3.00	1.0000	0.3060	0.3676	0.0049	0.3215
3.25	1.0000	0.3060	0.3897	0.0044	0.3000
3.50	1.0000	0.3060	0.4118	0.0038	0.2784
3.75	1.0000	0.3060	0.4339	0.0032	0.2568
4.00	1.0000	0.3060	0.4560	0.0027	0.2353
4.25	1.0000	0.3060	0.4713	0.0022	0.2205
4.50	1.0000	0.3060	0.4866	0.0018	0.2056
4.75	1.0000	0.3060	0.5019	0.0013	0.1908
5.00	1.0000	0.3060	0.5172	0.0009	0.1759
6.00	1.0000	0.3060	0.5560	(0.0003)	0.1382
7.00	1.0000	0.3060	0.5834	(0.0011)	0.1117
8.00	1.0000	0.3060	0.6028	(0.0020)	0.0932
9.00	1.0000	0.3060	0.6179	(0.0027)	0.0788
10.00	1.0000	0.3060	0.6301	(0.0033)	0.0672
11.00	1.0000	0.3060	0.6402	(0.0037)	0.0575
12.00	1.0000	0.3060	0.6467	(0.0041)	0.0514
13.00	1.0000	0.3060	0.6553	(0.0044)	0.0431
14.00	1.0000	0.3060	0.6610	(0.0047)	0.0376
15.00	1.0000	0.3060	0.6668	(0.0049)	0.0321
16.00	1.0000	0.3060	0.6690	(0.0051)	0.0301
17.00	1.0000	0.3060	0.6726	(0.0052)	0.0266
18.00	1.0000	0.3060	0.6754	(0.0052)	0.0237
19.00	1.0000	0.3060	0.6790	(0.0052)	0.0202
20.00	1.0000	0.3060	0.6819	(0.0052)	0.0173
21.00	1.0000	0.3060	0.6833	(0.0052)	0.0159
22.00	1.0000	0.3060	0.6848	(0.0052)	0.0144
23.00	1.0000	0.3060	0.6869	(0.0052)	0.0123
24.00	1.0000	0.3060	0.6884	(0.0052)	0.0108
25.00	1.0000	0.3060	0.6920	(0.0052)	0.0073
26.00	1.0000	0.3060	0.6941	(0.0052)	0.0051
27.00	1.0000	0.3060	0.6956	(0.0052)	0.0037
28.00	1.0000	0.3060	0.6984	(0.0052)	0.0008
29.00	1.0000	0.3060	0.6992	(0.0052)	0.0001
30.00	1.0000	0.3060	0.7006	(0.0053)	(0.0014)
31.00	1.0000	0.3060	0.7020	(0.0053)	(0.0028)
32.00	1.0000	0.3060	0.7068	(0.0053)	(0.0075)
33.00	1.0000	0.3060	0.7112	(0.0053)	(0.0119)
34.00	1.0000	0.3060	0.7154	(0.0053)	(0.0161)
35.00	1.0000	0.3060	0.7193	(0.0053)	(0.0200)

Column Notes:
(1) is Collected Premium by time period, expressed as a factor, = Table 2 col (1) x [1 - Table 1 col (1a)]
(2) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)
(3) is Paid Losses by time period, expressed as a factor, = Table 1 row (7, Static-Spot) x Table 2 col (5)
(4) per the Tax Cuts and Jobs Act of 2017, federal income taxes are computed as the tax rate (21%) times the
    adjusted underwriting income calculated per IRS rules. See Appendix B for details.
(5) is the Total Insurance Cash Flow by time period, expressed as a factor, = (1) - [(2) + (3) + (4)]

APPENDIX D - Determination of Assigned Risk Rates

Section G - Derivation of the Indicated Profit and Contingency Provision

Calculation Details - Static-Spot Estimate (continued)

TABLE 7: DERIVATION OF CASH FLOWS TO THE CAPITAL PROVIDERS (STATIC-SPOT ESTIMATE)

Time	(1) Unearned Premium and Unpaid Loss Reserve Factor	(2) Factor for Surplus Allocated to Reserves	(3) Admitted Agents' Balances	(4) Total Invested Funds Factor	(5) Income from Invested Funds Factor	(6) Capital Provider Equity Factor	(7) Capital Provider Cash Flow Factor	(8) Discounted Capital Provider Cash Flow Factor
0.00	-	-	-	-	-	-	-	-
0.25	0.2673	0.1392	0.0266	0.3799	0.0022	(0.2019)	(0.2019)	(0.1994)
0.50	0.5281	0.2751	0.0442	0.7589	0.0086	(0.3884)	(0.1865)	(0.1796)
0.75	0.7188	0.3744	0.0336	1.0596	0.0189	(0.5108)	(0.1225)	(0.1150)
1.00	0.7892	0.4110	-	1.2002	0.0318	(0.5307)	(0.0199)	(0.0182)
1.25	0.6848	0.3567	-	1.0414	0.0445	(0.4073)	0.1234	0.1102
1.50	0.6008	0.3129	-	0.9138	0.0556	(0.3138)	0.0935	0.0815
1.75	0.5366	0.2795	-	0.8161	0.0654	(0.2515)	0.0623	0.0529
2.00	0.4870	0.2536	-	0.7406	0.0742	(0.2124)	0.0391	0.0324
2.25	0.4532	0.2360	-	0.6892	0.0823	(0.1860)	0.0264	0.0213
2.50	0.4194	0.2184	-	0.6378	0.0898	(0.1602)	0.0258	0.0203
2.75	0.3855	0.2008	-	0.5864	0.0968	(0.1349)	0.0252	0.0194
3.00	0.3517	0.1832	-	0.5349	0.1031	(0.1103)	0.0246	0.0185
3.25	0.3296	0.1717	-	0.5013	0.1090	(0.0923)	0.0180	0.0131
3.50	0.3075	0.1602	-	0.4677	0.1145	(0.0747)	0.0176	0.0125
3.75	0.2854	0.1486	-	0.4340	0.1196	(0.0575)	0.0172	0.0119
4.00	0.2633	0.1371	-	0.4004	0.1244	(0.0407)	0.0168	0.0114
4.25	0.2480	0.1292	-	0.3771	0.1288	(0.0279)	0.0128	0.0085
4.50	0.2327	0.1212	-	0.3539	0.1329	(0.0153)	0.0126	0.0081
4.75	0.2174	0.1132	-	0.3306	0.1368	(0.0031)	0.0123	0.0077
5.00	0.2021	0.1053	-	0.3074	0.1404	0.0090	0.0120	0.0074
6.00	0.1633	0.0850	-	0.2483	0.1533	0.0432	0.0342	0.0197
7.00	0.1359	0.0708	-	0.2068	0.1638	0.0687	0.0256	0.0133
8.00	0.1165	0.0607	-	0.1772	0.1726	0.0886	0.0198	0.0093
9.00	0.1014	0.0528	-	0.1542	0.1803	0.1049	0.0163	0.0069
10.00	0.0892	0.0465	-	0.1356	0.1870	0.1185	0.0136	0.0052
11.00	0.0791	0.0412	-	0.1203	0.1929	0.1301	0.0116	0.0040
12.00	0.0726	0.0378	-	0.1105	0.1982	0.1391	0.0090	0.0028
13.00	0.0640	0.0333	-	0.0974	0.2030	0.1487	0.0096	0.0027
14.00	0.0583	0.0303	-	0.0886	0.2073	0.1563	0.0076	0.0019
15.00	0.0525	0.0273	-	0.0799	0.2112	0.1634	0.0071	0.0017
16.00	0.0504	0.0262	-	0.0766	0.2148	0.1683	0.0049	0.0010
17.00	0.0468	0.0244	-	0.0711	0.2182	0.1737	0.0054	0.0010
18.00	0.0439	0.0229	-	0.0667	0.2214	0.1784	0.0047	0.0008
19.00	0.0403	0.0210	-	0.0613	0.2243	0.1832	0.0048	0.0008
20.00	0.0374	0.0195	-	0.0569	0.2271	0.1875	0.0042	0.0006
21.00	0.0360	0.0187	-	0.0547	0.2296	0.1908	0.0033	0.0004
22.00	0.0345	0.0180	-	0.0525	0.2321	0.1940	0.0032	0.0004
23.00	0.0324	0.0169	-	0.0492	0.2345	0.1975	0.0035	0.0004
24.00	0.0309	0.0161	-	0.0470	0.2367	0.2005	0.0030	0.0003
25.00	0.0273	0.0142	-	0.0416	0.2387	0.2044	0.0039	0.0003
26.00	0.0252	0.0131	-	0.0383	0.2406	0.2074	0.0030	0.0002
27.00	0.0237	0.0124	-	0.0361	0.2423	0.2098	0.0025	0.0002
28.00	0.0209	0.0109	-	0.0317	0.2438	0.2129	0.0031	0.0002
29.00	0.0201	0.0105	-	0.0306	0.2453	0.2147	0.0018	0.0001
30.00	0.0187	0.0097	-	0.0284	0.2466	0.2169	0.0021	0.0001
31.00	0.0173	0.0090	-	0.0263	0.2479	0.2189	0.0020	0.0001
32.00	0.0125	0.0065	-	0.0191	0.2490	0.2224	0.0035	0.0001
33.00	0.0081	0.0042	-	0.0123	0.2497	0.2254	0.0031	0.0001
34.00	0.0039	0.0020	-	0.0060	0.2501	0.2281	0.0026	0.0001
35.00	-	-	-	-	0.2502	0.2302	0.0022	0.0001

Column Notes:

(1) is Unearned Premium Reserve (equal to Written Premium minus Earned Premium, per the cashflow pattern) plus Unpaid Loss
   Reserve (equal to Incurred minus Paid Losses) by time period, expressed as a factor,
   = MAX[Table 6 col (1), Table 2 col (3)] - Table 2 col (2) + Table 1 row (7, Static-Spot) x [Table 2 col (2) - Table 2 col (5)]

(2) is the Surplus derived from Reserves per the Reserve-to-Surplus Ratio by time period, expressed as a factor, = (1) / Table 1 row (2)

(3) Admitted Agents' Balances arise when premium is written before it's collected, or premium is earned in the prior period before it's collected,
   = MAX[Table 6 col (1),Table 2 col (3)] - Table 6 col (1) - MAX[0, Table 2 col (2, previous row) - Table 6 col (1)]

(4) is Reserves plus Surplus minus Agent Balances by time period, expressed as a factor, = (1) + (2) - (3)

(5) is derived by applying the Return on Investments [Table 1 row (4, Static-Spot)] to the average Invested Funds (4) from the previous and current
   time periods, plus previous Income from Invested Funds, by time period expressed as a factor.

(6) is Insurance Cash Flow plus Income from Invested Funds minus Total Invested Funds by time period, expressed as a factor,
   = Table 6 col (5) + (5) - (4)

(7) is the difference between Capital Provider Equity (6) at the current and previous time periods, expressed as a factor.

(8) is the Capital Provider Cash Flow (7) discounted by the Weighted Average Cost of Capital [Table 1 row (5, Static-Spot)], expressed as a factor.

APPENDIX D - Determination of Assigned Risk Rates

Section G - Derivation of the Indicated Profit and Contingency Provision

Calculation Details - Dynamic Estimate (continued)

TABLE 9: DERIVATION OF CASH FLOWS TO THE CAPITAL PROVIDERS (DYNAMIC ESTIMATE)

Time	(1) Unearned Premium and Unpaid Loss Reserve Factor	(2) Factor for Surplus Allocated to Reserves	(3) Admitted Agents' Balances	(4) Total Invested Funds Factor	(5) Income from Invested Funds Factor	(6) Capital Provider Equity Factor	(7) Capital Provider Cash Flow Factor	(8) Cumulative Discount Factor	(9) Discounted Capital Provider Cash Flow Factor
0.00	-	-	-	-	-	-	-	-	-
0.25	0.2668	0.1390	0.0266	0.3792	0.0020	(0.2017)	(0.2017)	0.9879	(0.1992)
0.50	0.5263	0.2741	0.0442	0.7562	0.0079	(0.3867)	(0.1850)	0.9641	(0.1784)
0.75	0.7148	0.3723	0.0336	1.0534	0.0173	(0.5067)	(0.1200)	0.9408	(0.1129)
1.00	0.7822	0.4074	-	1.1896	0.0290	(0.5232)	(0.0165)	0.9180	(0.0152)
1.25	0.6756	0.3519	-	1.0275	0.0404	(0.3971)	0.1261	0.8958	0.1130
1.50	0.5905	0.3075	-	0.8980	0.0504	(0.3024)	0.0948	0.8742	0.0828
1.75	0.5261	0.2740	-	0.8001	0.0592	(0.2403)	0.0621	0.8530	0.0530
2.00	0.4771	0.2485	-	0.7255	0.0671	(0.2025)	0.0378	0.8324	0.0314
2.25	0.4439	0.2312	-	0.6752	0.0744	(0.1773)	0.0252	0.8122	0.0204
2.50	0.4108	0.2140	-	0.6248	0.0811	(0.1527)	0.0246	0.7926	0.0195
2.75	0.3777	0.1967	-	0.5744	0.0872	(0.1286)	0.0241	0.7734	0.0186
3.00	0.3446	0.1795	-	0.5241	0.0929	(0.1051)	0.0236	0.7548	0.0178
3.25	0.3229	0.1682	-	0.4911	0.0981	(0.0880)	0.0170	0.7366	0.0126
3.50	0.3013	0.1569	-	0.4582	0.1029	(0.0713)	0.0167	0.7188	0.0120
3.75	0.2796	0.1456	-	0.4252	0.1075	(0.0550)	0.0164	0.7016	0.0115
4.00	0.2579	0.1343	-	0.3922	0.1116	(0.0389)	0.0160	0.6847	0.0110
4.25	0.2429	0.1265	-	0.3695	0.1155	(0.0268)	0.0121	0.6684	0.0081
4.50	0.2280	0.1187	-	0.3467	0.1192	(0.0149)	0.0119	0.6524	0.0078
4.75	0.2130	0.1109	-	0.3239	0.1226	(0.0033)	0.0116	0.6369	0.0074
5.00	0.1980	0.1031	-	0.3011	0.1258	0.0081	0.0114	0.6217	0.0071
6.00	0.1600	0.0833	-	0.2433	0.1368	0.0401	0.0320	0.5855	0.0187
7.00	0.1332	0.0694	-	0.2026	0.1459	0.0639	0.0238	0.5322	0.0127
8.00	0.1142	0.0595	-	0.1736	0.1534	0.0823	0.0183	0.4838	0.0089
9.00	0.0994	0.0517	-	0.1511	0.1599	0.0972	0.0149	0.4399	0.0066
10.00	0.0874	0.0455	-	0.1329	0.1656	0.1097	0.0125	0.3999	0.0050
11.00	0.0775	0.0404	-	0.1179	0.1706	0.1203	0.0106	0.3635	0.0038
12.00	0.0712	0.0371	-	0.1082	0.1752	0.1284	0.0082	0.3304	0.0027
13.00	0.0627	0.0327	-	0.0954	0.1792	0.1372	0.0088	0.3003	0.0026
14.00	0.0571	0.0297	-	0.0868	0.1829	0.1441	0.0068	0.2730	0.0019
15.00	0.0514	0.0268	-	0.0782	0.1862	0.1505	0.0065	0.2482	0.0016
16.00	0.0493	0.0257	-	0.0750	0.1893	0.1549	0.0043	0.2256	0.0010
17.00	0.0458	0.0239	-	0.0697	0.1922	0.1597	0.0048	0.2051	0.0010
18.00	0.0430	0.0224	-	0.0654	0.1949	0.1639	0.0042	0.1864	0.0008
19.00	0.0395	0.0206	-	0.0600	0.1974	0.1683	0.0044	0.1694	0.0007
20.00	0.0366	0.0191	-	0.0557	0.1997	0.1721	0.0038	0.1540	0.0006
21.00	0.0352	0.0184	-	0.0536	0.2019	0.1750	0.0029	0.1400	0.0004
22.00	0.0338	0.0176	-	0.0514	0.2040	0.1778	0.0028	0.1273	0.0004
23.00	0.0317	0.0165	-	0.0482	0.2060	0.1809	0.0031	0.1157	0.0004
24.00	0.0303	0.0158	-	0.0461	0.2079	0.1836	0.0026	0.1052	0.0003
25.00	0.0268	0.0139	-	0.0407	0.2096	0.1872	0.0036	0.0956	0.0003
26.00	0.0247	0.0128	-	0.0375	0.2112	0.1898	0.0027	0.0869	0.0002
27.00	0.0233	0.0121	-	0.0354	0.2126	0.1920	0.0022	0.0790	0.0002
28.00	0.0204	0.0106	-	0.0311	0.2140	0.1948	0.0028	0.0719	0.0002
29.00	0.0197	0.0103	-	0.0300	0.2152	0.1964	0.0016	0.0653	0.0001
30.00	0.0183	0.0095	-	0.0279	0.2163	0.1983	0.0019	0.0594	0.0001
31.00	0.0169	0.0088	-	0.0257	0.2174	0.2001	0.0018	0.0540	0.0001
32.00	0.0123	0.0064	-	0.0187	0.2183	0.2034	0.0033	0.0491	0.0002
33.00	0.0079	0.0041	-	0.0121	0.2189	0.2063	0.0029	0.0446	0.0001
34.00	0.0038	0.0020	-	0.0058	0.2193	0.2088	0.0025	0.0406	0.0001
35.00	-	-	-	-	0.2194	0.2109	0.0021	0.0369	0.0001

Column Notes:

(1) is Unearned Premium Reserve (equal to Written Premium minus Earned Premium, per the cashflow pattern) plus Unpaid Loss
Reserve (equal to Incurred minus Paid Losses) by time period, expressed as a factor,
= MAX[Table 8 col (1), Table 2 col (3)] - Table 2 col (2) + Table 1 row (7, Dynamic) x [Table 2 col (2) - Table 2 col (5)]

(2) is the Surplus derived from Reserves per the Reserve-to-Surplus Ratio by time period, expressed as a factor, = (1) / Table 1 row (2)

(3) Admitted Agents' Balances arise when premium is written before it's collected, or premium is earned in the prior period before it's collected,
= MAX[Table 8 col (1),Table 2 col (3)] - Table 8 col (1) - MAX[0, Table 2 col (2, previous row) - Table 8 col (1)]

(4) is Reserves plus Surplus minus Agent Balances by time period, expressed as a factor, = (1) + (2) - (3)

(5) is derived by applying the Return on Investments [Table 3 col (1)] to the average Invested Funds (4) from the previous and current
time periods, plus previous Income from Invested Funds, by time period expressed as a factor.

(6) is Insurance Cash Flow plus Income from Invested Funds minus Total Invested Funds by time period, expressed as a factor,
= Table 8 col (5) + (5) - (4)

(7) is the difference between Capital Provider Equity (6) at the current and previous time periods, expressed as a factor

(8) is derived from the respective Weighted Average Cost of Capital [Table 3 col (2)] for each time period, expressed as a factor

(9) is the Capital Provider Cash Flow (7) discounted by the Cumulative Discount Factor (8), expressed as a factor

APPENDIX A: CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL AND RETURN ON INVESTMENTS

The calculation of the Weighted Average Cost of Capital (WACC) is shown in Table A.1, and the calculation of the Return on Investments (RoI) is shown in Table A.2. The calculation for the Static estimates are shown for each. Calculations of the WACC and RoI under the Dynamic estimate for time periods 1, 2, and 5 are also provided for illustrative purposes. Note that the IRR model under the Dynamic estimate includes estimates of the WACC and RoI on a quarterly basis for the first five years and annually thereafter.

TABLE A.1: CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL

	Static		Dynamic - IRR Model Time (yrs)		
	Avg	**Spot**	**1.00**	**2.00**	**5.00**
(1) 5 year US T-note Yield	2.67%	4.25%	3.95%	3.96%	3.77%
(2) US Equity Market Risk Premium	8.02%	8.02%	8.02%	8.02%	8.02%
(3) Beta for Property/Casualty (P/C) Insurers	0.88	0.88	0.88	0.88	0.88
(4) Equity Cost of Capital for P/C Insurers	9.72%	11.31%	11.00%	11.01%	10.83%
(5) Share of Equity Capital for P/C Insurers	89%	89%	89%	89%	89%
(6) Debt Cost of Capital for P/C Insurers	3.33%	4.60%	4.46%	4.49%	4.34%
(7) Weighted Average Cost of Capital (WACC)	9.02%	10.57%	10.29%	10.29%	10.12%

Row Notes:
  (1) The Static-Avg estimate utilizes a rolling 5-year average, while the Static-Spot estimate utilizes the current US treasury yield.
      Forward estimates of US Treasury yields are from Moody's forecasts and apply only to the Dynamic estimate of the WACC.
      Time periods provided are illustrative; the full model includes estimates on a quarterly basis for the first five years and annually thereafter.
 (3) & (5) P/C beta and share of equity capital are estimated from historical data for a collection of insurers with publicly traded equity and debt.
  (4) = (1) + (2) x (3)
  (6) P/C debt cost of capital is the sum of the 10-year US T-note yield plus the historical corporate spread, net of income tax.
  (7) = (4) x (5) + (6) x [1 - (5)]

APPENDIX A: CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL AND RETURN ON INVESTMENTS (CONTINUED)

TABLE A.2 CALCULATION OF RETURN ON INVESTMENTS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Security Description	Investment Portfolio	Yield Curve, Maturity and Spread	Roll-over Period	Income Tax Rate	Post-tax Return				
					Static		Dynamic - IRR Model Time (yrs)		
Bonds, of which	73.3%				Avg	Spot	1.00	2.00	5.00
Government Direct Obligations	8.4%								
< 1yr	2.5%	6 mo US T-bill	0.50 yrs	21.00%	2.28%	3.42%	2.45%	2.39%	2.23%
1 – 5 yrs	3.8%	2.5 yr US T-note	2.50 yrs	21.00%	2.10%	3.29%	2.96%	2.96%	2.84%
5 – 10 yrs	1.5%	7.5 yr US T-note	7.50 yrs	21.00%	2.20%	3.45%	3.19%	3.19%	3.19%
10 – 20 yrs	0.3%	15 yr US T-note	15.00 yrs	21.00%	2.40%	3.64%	3.42%	3.42%	3.42%
> 20 yrs	0.3%	20 yr US T-note	20.00 yrs	21.00%	2.55%	3.76%	3.59%	3.59%	3.59%
Collateralized Securities	7.7%								
< 1yr	0.9%	6 mo US T-bill + 50 basis points	0.50 yrs	21.00%	2.67%	3.81%	2.84%	2.79%	2.62%
1 – 5 yrs	2.6%	2.5 yr US T-note + 50 basis points	2.50 yrs	21.00%	2.49%	3.68%	3.35%	3.35%	3.24%
5 – 10 yrs	2.0%	7.5 yr US T-note + 50 basis points	7.50 yrs	21.00%	2.59%	3.85%	3.58%	3.58%	3.58%
10 – 20 yrs	1.5%	15 yr US T-note + 50 basis points	15.00 yrs	21.00%	2.79%	4.03%	3.82%	3.82%	3.82%
> 20 yrs	0.6%	20 yr US T-note + 50 basis points	20.00 yrs	21.00%	2.94%	4.15%	3.98%	3.98%	3.98%
Tax-exempt Bonds	15.3%								
< 1yr	1.1%	6 mo US T-bill + Tax-exempt spread	0.50 yrs	5.25%	2.71%	4.07%	2.91%	2.84%	2.65%
1 – 5 yrs	4.0%	2.5 yr US T-note + Tax-exempt spread	2.50 yrs	5.25%	2.56%	3.99%	3.59%	3.59%	3.45%
5 – 10 yrs	3.6%	7.5 yr US T-note + Tax-exempt spread	7.50 yrs	5.25%	2.71%	4.21%	3.90%	3.90%	3.90%
10 – 20 yrs	5.3%	15 yr US T-note + Tax-exempt spread	15.00 yrs	5.25%	3.09%	4.57%	4.31%	4.31%	4.31%
> 20 yrs	1.4%	20 yr US T-note + Tax-exempt spread	20.00 yrs	5.25%	3.39%	4.82%	4.61%	4.61%	4.61%
Industrial and Hybrid Securities (unaffiliated)	41.8%								
< 1yr	3.8%	6 mo US T-bill + Corp spread	0.50 yrs	21.00%	2.75%	3.89%	2.92%	2.87%	2.70%
1 – 5 yrs	18.8%	2.5 yr US T-note + Corp spread	2.50 yrs	21.00%	2.80%	3.99%	3.66%	3.66%	3.54%
5 – 10 yrs	14.4%	7.5 yr US T-note + Corp spread	7.50 yrs	21.00%	3.22%	4.47%	4.21%	4.21%	4.21%
10 – 20 yrs	2.8%	15 yr US T-note + Corp spread	15.00 yrs	21.00%	3.54%	4.77%	4.55%	4.55%	4.55%
> 20 yrs	2.0%	20 yr US T-note + Corp spread	20.00 yrs	21.00%	3.70%	4.90%	4.72%	4.72%	4.72%
Industrial and Hybrid Securities (affiliated)	0.1%								
< 1yr	0.0%	6 mo US T-bill + Corp spread	0.50 yrs	5.25%	3.30%	4.67%	3.51%	3.44%	3.24%
1 – 5 yrs	0.0%	2.5 yr US T-note + Corp spread	2.50 yrs	5.25%	3.35%	4.78%	4.39%	4.39%	4.25%
5 – 10 yrs	0.0%	7.5 yr US T-note + Corp spread	7.50 yrs	5.25%	3.86%	5.36%	5.05%	5.05%	5.05%
10 – 20 yrs	0.0%	15 yr US T-note + Corp spread	15.00 yrs	5.25%	4.24%	5.72%	5.46%	5.46%	5.46%
> 20 yrs	0.0%	20 yr US T-note + Corp spread	20.00 yrs	5.25%	4.43%	5.88%	5.66%	5.66%	5.66%
Stocks, of which	11.3%								
Preferred Stock	0.5%	5 year US T-note + 401 basis points	0.25 yrs	13.13%	5.80%	7.18%	6.91%	6.92%	6.76%
Common Stock	10.8%	5 year US T-note + 802 basis points	0.25 yrs	18.51%	8.71%	10.00%	9.75%	9.76%	9.61%
Mortgage Loans	2.6%								
Real Estate	0.5%								
Cash & Short-Term Investment	5.2%	3 month US T-bill	0.25 yrs	21.00%	2.23%	3.47%	2.33%	2.28%	2.11%
All Other Assets*	7.2%								
Post-Tax Return on Invested Funds, pre-Expense:					3.54%	4.81%	4.41%	4.40%	4.31%
Investment Expense**:					-0.19%	-0.19%	-0.19%	-0.19%	-0.19%
Post-Tax Return on Invested Funds:					**3.35%**	**4.62%**	**4.21%**	**4.21%**	**4.12%**

Table Notes:

(1) Government Direct Obligations include US Government Issuer Obligations and Non-US Government Issuer Obligations.

Collateralized Securities include Mortgage Backed, Loan Backed, or Structured Securities.

Tax-exempt Bonds include Issuer Obligations of US States, Territories, and Possessions, US Political Subdivisions of States, Territories, and Possessions, and US Special Revenue and Special Assessment Obligations.

Industrial and Hybrid Securities (unaffiliated) include Industrial and Miscellaneous and Hybrid Securities.

Industrial and Hybrid Securities (affiliated) include Parents, Subsidiaries, and Affiliates.

(2) Bond and total portfolio distributions are 3-year averages for 2021-2023, calculated from annual editions of Best's Aggregates & Averages (Property-Casualty), Assets for Commercial Casualty Composite, page number varies by edition, Column 3, Net Admitted Assets.

For each year 2021-2023, the maturity distribution pertains to all bonds owned as of December 31 at book/adjusted carrying value for Commercial Casualty Composite, Schedule D, Part 1A, Section 2.

(3) Spread to US treasury yields are either constant or varying by maturity (tax-exempt or corporate) as applicable.

The tax-exempt spread is a term structure of average historical spreads in forward rates at different maturities between US municipal bonds and US Treasuries. Data on historical yields to US municipal bonds are from Bloomberg.

The corporate spread is a term structure of average historical spreads in forward rates at different maturities between US corporate bonds and US Treasuries. Historical data on yields to US corporate bonds are from the US Department of Treasury.

(4) Applies only to the Dynamic estimate of the return on invested funds.

The roll-over period is the time interval at which the estimated yield is updated for the given security in the investment portfolio.

For bonds, the roll-over period is the bond's term to maturity. Forward yields for common and preferred stocks are updated quarterly.

(5) It is assumed that investment returns, except dividends and tax exempt municipal bond income, are taxed at 21%.

It is assumed that 50% of dividends received are tax exempt. In accordance with the "pro-ration" provision, it is assumed that 25% of otherwise exempt municipal bond income and dividends are taxed at 21%. For common stock, the portion of income attributable to capital appreciation is assumed to equal 68.3% while the income portion is 31.7%. The percentages are obtained from the SBBI Summary Statistics of Annual Returns: large cap stocks, arithmetic mean.

(6)-(7) Static estimates of US Treasury yields are constant maturity yields from the first quarter of 2025.

(8)-(10) Applies only to the dynamic estimate of the return on invested funds. Forward estimates of US Treasury yields at various maturities are from Moody's.

* Yields to mortgage loans, real estate, and all other assets are not directly estimated, but are assumed to equal the weighted average portfolio yield net of these categories.

** Investment expense calculated from Annual Statement data for the Commercial Casualty Composite by dividing Total Investment Expense by Cash and Invested Assets. Total investment expense for 2023 is from the Annual Statement, Exhibit of Net Investment Income. Average cash and invested assets for 2022 and 2023 are from Best's Aggregates and Averages (Property-Casualty), Assets for Commercial Casualty Composite.

APPENDIX B: FEDERAL INCOME TAX INCURRED FROM INSURANCE OPERATIONS

Federal taxes on underwriting income, based on the Tax Cuts and Jobs Act of 2017, are calculated in the following tables on an annual basis.
Columns (1) through (5) are the same under both Static and the Dynamic Estimates; the paid losses factors (col (6)) vary by Estimate.
Note that investment taxes are accounted for in Appendix A. Annual tax is prorated when quarterly amounts are required.

TABLE B.1: FEDERAL INCOME TAX CALCULATION (STATIC-AVG ESTIMATE)

Time	(1) Written Premium Factor	(2) Unearned Premium Factor	(3) Expense and Taxes Factor	(4) Premium Balances Charged Off Factor	(5) Discount Factor	(6) Paid Losses Factor	(7) AY1 Paid Losses Factor	(8) AY2 Paid Losses Factor	(9) Discounted AY1 Unpaid Losses Factor	(10) Discounted AY2 Unpaid Losses Factor	(11) Federal Income Tax Factor
0.00	-	-	-	-	-	-	-	-	-	-	-
1.00	1.0000	0.4487	0.3031	-	0.8803	0.0537	0.0537	-	0.2559	-	0.0059
2.00	1.0000	-	0.3060	-	0.8643	0.2225	0.1400	0.0825	0.1767	0.2306	0.0135
3.00	1.0000	-	0.3060	-	0.8580	0.3520	0.1940	0.1580	0.1291	0.1611	0.0109
4.00	1.0000	-	0.3060	-	0.8528	0.4368	0.2306	0.2062	0.0971	0.1186	0.0087
5.00	1.0000	-	0.3060	-	0.8559	0.4953	0.2562	0.2391	0.0755	0.0898	0.0070
6.00	1.0000	-	0.3060	-	0.8493	0.5325	0.2713	0.2612	0.0621	0.0712	0.0059
7.00	1.0000	-	0.3060	-	0.8556	0.5587	0.2834	0.2753	0.0522	0.0587	0.0051
8.00	1.0000	-	0.3060	-	0.8715	0.5773	0.2913	0.2860	0.0463	0.0500	0.0043
9.00	1.0000	-	0.3060	-	0.8868	0.5917	0.2982	0.2936	0.0410	0.0443	0.0035
10.00	1.0000	-	0.3060	-	0.8967	0.6035	0.3035	0.3000	0.0367	0.0395	0.0030
11.00	1.0000	-	0.3060	-	0.9104	0.6131	0.3081	0.3050	0.0331	0.0353	0.0026
12.00	1.0000	-	0.3060	-	0.9244	0.6193	0.3104	0.3089	0.0314	0.0324	0.0023
13.00	1.0000	-	0.3060	-	0.9388	0.6276	0.3155	0.3121	0.0272	0.0299	0.0020
14.00	1.0000	-	0.3060	-	0.9534	0.6331	0.3171	0.3160	0.0261	0.0267	0.0017
15.00	1.0000	-	0.3060	-	0.9682	0.6386	0.3204	0.3182	0.0233	0.0250	0.0015
16.00	1.0000	-	0.3060	-	0.9832	0.6407	0.3203	0.3204	0.0237	0.0233	0.0013
17.00	1.0000	-	0.3060	-	0.9843	0.6441	0.3229	0.3212	0.0212	0.0229	0.0012
18.00	1.0000	-	0.3060	-	0.9843	0.6469	0.3237	0.3232	0.0204	0.0209	0.0012
19.00	1.0000	-	0.3060	-	0.9843	0.6503	0.3259	0.3244	0.0183	0.0197	0.0012
20.00	1.0000	-	0.3060	-	0.9843	0.6531	0.3269	0.3262	0.0173	0.0179	0.0012
21.00	1.0000	-	0.3060	-	0.9843	0.6544	0.3274	0.3270	0.0168	0.0171	0.0012
22.00	1.0000	-	0.3060	-	0.9843	0.6558	0.3282	0.3277	0.0160	0.0165	0.0012
23.00	1.0000	-	0.3060	-	0.9843	0.6579	0.3293	0.3286	0.0149	0.0156	0.0012
24.00	1.0000	-	0.3060	-	0.9843	0.6593	0.3298	0.3295	0.0144	0.0147	0.0012
25.00	1.0000	-	0.3060	-	0.9843	0.6627	0.3321	0.3306	0.0121	0.0137	0.0012
26.00	1.0000	-	0.3060	-	0.9843	0.6648	0.3325	0.3323	0.0117	0.0120	0.0012
27.00	1.0000	-	0.3060	-	0.9843	0.6661	0.3334	0.3328	0.0109	0.0115	0.0011
28.00	1.0000	-	0.3060	-	0.9843	0.6689	0.3350	0.3339	0.0093	0.0104	0.0011
29.00	1.0000	-	0.3060	-	0.9843	0.6696	0.3347	0.3349	0.0096	0.0094	0.0011
30.00	1.0000	-	0.3060	-	0.9843	0.6710	0.3359	0.3351	0.0084	0.0092	0.0011
31.00	1.0000	-	0.3060	-	0.9843	0.6723	0.3363	0.3360	0.0080	0.0083	0.0011
32.00	1.0000	-	0.3060	-	0.9843	0.6769	0.3395	0.3374	0.0049	0.0069	0.0011
33.00	1.0000	-	0.3060	-	0.9843	0.6811	0.3411	0.3400	0.0033	0.0043	0.0011
34.00	1.0000	-	0.3060	-	0.9843	0.6851	0.3433	0.3418	0.0011	0.0026	0.0011
35.00	1.0000	-	0.3060	-	0.9843	0.6889	0.3444	0.3444	-	-	0.0011

Column Notes:
(1) is Written Premium by time period, expressed as a factor, = Table 2 col (3)
(2) is Written Premium minus Earned Premium by time period, expressed as a factor, = Table 2 col (3) - Table 2 col (2)
(3) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)
(4) is Premium Balances Charged Off by time period, expressed as a factor, = Table 1 col (1a) x Table 2 col (1)
(5) is from Internal Revenue Bulletin, 2025-11, Rev. Proc. 2025-15, dated March 10, 2025
(6) is Paid Losses by time period, expressed as a factor, = Table 1 row (7, Static-Avg) x Table 2 col (5)
(7) and (8) split the payments between the accident year coincident with the policy year ("AY1"), and the following accident year
   ("AY2"). Assuming that the payout pattern is linear between integer times, and that the average accident date for AY2 is
   two-thirds of a year later than the average accident date for AY1 , columns (7) and (8) are determined by solving these two
   equations simultaneously:
     Col (7) + Col (8) = Col (6)
     Col (8) = (2/3) * Col (7, previous row) + (1/3) * Col (7)
   with Col (7, Time 1) = Col (6, Time 1) and Col (7, Time 35) = Col (8, Time 35)
(9) is the discounted difference between AY1 Losses that will ultimately be paid, and the amount already paid,
   = [col (7, Time 35) - (7)] x (5)
(10) is the discounted difference between AY2 Losses that will ultimately be paid, and the amount already paid,
   = [col (8, Time 35) - (8)] x col (5, previous row)
(11) Per IRS rules, federal income tax equals the tax rate (21%) times the adjusted underwriting income
   = 21% * { (1) - 0.8 * (2) - [(3) + (4) + (6) + (9) + (10)]}

APPENDIX B: FEDERAL INCOME TAX INCURRED FROM INSURANCE OPERATIONS (CONTINUED)

TABLE B.2: FEDERAL INCOME TAX CALCULATION (STATIC-SPOT ESTIMATE)

Time	(1) Written Premium Factor	(2) Unearned Premium Factor	(3) Expense and Taxes Factor	(4) Premium Balances Charged Off Factor	(5) Discount Factor	(6) Paid Losses Factor	(7) AY1 Paid Losses Factor	(8) AY2 Paid Losses Factor	(9) Discounted AY1 Unpaid Losses Factor	(10) Discounted AY2 Unpaid Losses Factor	(11) Federal Income Tax Factor
0.00	-	-	-	-	-	-	-	-	-	-	-
1.00	1.0000	0.4487	0.3031	-	0.8803	0.0561	0.0561	-	0.2672	-	0.0031
2.00	1.0000	-	0.3060	-	0.8643	0.2323	0.1462	0.0861	0.1845	0.2408	0.0076
3.00	1.0000	-	0.3060	-	0.8580	0.3676	0.2026	0.1650	0.1348	0.1683	0.0049
4.00	1.0000	-	0.3060	-	0.8528	0.4560	0.2407	0.2153	0.1014	0.1239	0.0027
5.00	1.0000	-	0.3060	-	0.8559	0.5172	0.2675	0.2497	0.0789	0.0938	0.0009
6.00	1.0000	-	0.3060	-	0.8493	0.5560	0.2833	0.2728	0.0649	0.0744	(0.0003)
7.00	1.0000	-	0.3060	-	0.8556	0.5834	0.2959	0.2875	0.0546	0.0613	(0.0011)
8.00	1.0000	-	0.3060	-	0.8715	0.6028	0.3041	0.2986	0.0484	0.0522	(0.0020)
9.00	1.0000	-	0.3060	-	0.8868	0.6179	0.3113	0.3065	0.0428	0.0463	(0.0027)
10.00	1.0000	-	0.3060	-	0.8967	0.6301	0.3169	0.3132	0.0383	0.0412	(0.0033)
11.00	1.0000	-	0.3060	-	0.9104	0.6402	0.3217	0.3185	0.0346	0.0369	(0.0037)
12.00	1.0000	-	0.3060	-	0.9244	0.6467	0.3242	0.3225	0.0328	0.0338	(0.0041)
13.00	1.0000	-	0.3060	-	0.9388	0.6553	0.3294	0.3259	0.0284	0.0312	(0.0044)
14.00	1.0000	-	0.3060	-	0.9534	0.6610	0.3311	0.3300	0.0272	0.0279	(0.0047)
15.00	1.0000	-	0.3060	-	0.9682	0.6668	0.3346	0.3322	0.0243	0.0261	(0.0049)
16.00	1.0000	-	0.3060	-	0.9832	0.6690	0.3344	0.3345	0.0248	0.0243	(0.0051)
17.00	1.0000	-	0.3060	-	0.9843	0.6726	0.3372	0.3354	0.0221	0.0239	(0.0052)
18.00	1.0000	-	0.3060	-	0.9843	0.6754	0.3380	0.3375	0.0213	0.0219	(0.0052)
19.00	1.0000	-	0.3060	-	0.9843	0.6790	0.3403	0.3387	0.0191	0.0206	(0.0052)
20.00	1.0000	-	0.3060	-	0.9843	0.6819	0.3413	0.3406	0.0181	0.0187	(0.0052)
21.00	1.0000	-	0.3060	-	0.9843	0.6833	0.3419	0.3415	0.0175	0.0179	(0.0052)
22.00	1.0000	-	0.3060	-	0.9843	0.6848	0.3427	0.3421	0.0167	0.0173	(0.0052)
23.00	1.0000	-	0.3060	-	0.9843	0.6869	0.3439	0.3431	0.0155	0.0163	(0.0052)
24.00	1.0000	-	0.3060	-	0.9843	0.6884	0.3443	0.3440	0.0151	0.0154	(0.0052)
25.00	1.0000	-	0.3060	-	0.9843	0.6920	0.3468	0.3452	0.0126	0.0143	(0.0052)
26.00	1.0000	-	0.3060	-	0.9843	0.6941	0.3472	0.3469	0.0123	0.0125	(0.0052)
27.00	1.0000	-	0.3060	-	0.9843	0.6956	0.3481	0.3475	0.0114	0.0120	(0.0052)
28.00	1.0000	-	0.3060	-	0.9843	0.6984	0.3498	0.3487	0.0097	0.0108	(0.0052)
29.00	1.0000	-	0.3060	-	0.9843	0.6992	0.3495	0.3497	0.0100	0.0098	(0.0052)
30.00	1.0000	-	0.3060	-	0.9843	0.7006	0.3507	0.3499	0.0088	0.0096	(0.0053)
31.00	1.0000	-	0.3060	-	0.9843	0.7020	0.3512	0.3509	0.0083	0.0086	(0.0053)
32.00	1.0000	-	0.3060	-	0.9843	0.7068	0.3545	0.3523	0.0051	0.0073	(0.0053)
33.00	1.0000	-	0.3060	-	0.9843	0.7112	0.3562	0.3551	0.0034	0.0045	(0.0053)
34.00	1.0000	-	0.3060	-	0.9843	0.7154	0.3585	0.3569	0.0012	0.0027	(0.0053)
35.00	1.0000	-	0.3060	-	0.9843	0.7193	0.3597	0.3597	-	-	(0.0053)

Column Notes:

(1) is Written Premium by time period, expressed as a factor, = Table 2 col (3)

(2) is Written Premium minus Earned Premium by time period, expressed as a factor, = Table 2 col (3) - Table 2 col (2)

(3) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(4) is Premium Balances Charged Off by time period, expressed as a factor, = Table 1 col (1a) x Table 2 col (1)

(5) is from Internal Revenue Bulletin, 2025-11, Rev. Proc. 2025-15, dated March 10, 2025

(6) is Paid Losses by time period, expressed as a factor, = Table 1 row (7, Static-Spot) x Table 2 col (5)

(7) and (8) split the payments between the accident year coincident with the policy year ("AY1"), and the following accident year
   ("AY2"). Assuming that the payout pattern is linear between integer times, and that the average accident date for AY2 is
   two-thirds of a year later than the average accident date for AY1 , columns (7) and (8) are determined by solving these two
   equations simultaneously:
   Col (7) + Col (8) = Col (6)
   Col (8) = (2/3) * Col (7, previous row) + (1/3) * Col (7)
   with Col (7, Time 1) = Col (6, Time 1) and Col (7, Time 35) = Col (8, Time 35)

(9) is the discounted difference between AY1 Losses that will ultimately be paid, and the amount already paid,
   = [col (7, Time 35) - (7)] x (5)

(10) is the discounted difference between AY2 Losses that will ultimately be paid, and the amount already paid,
   = [col (8, Time 35) - (8)] x col (5, previous row)

(11) Per IRS rules, federal income tax equals the tax rate (21%) times the adjusted underwriting income
   = 21% * { (1) - 0.8 * (2) - [(3) + (4) + (6) + (9) + (10)]}

<u>APPENDIX B: FEDERAL INCOME TAX INCURRED FROM INSURANCE OPERATIONS (CONTINUED)</u>

<u>TABLE B.3: FEDERAL INCOME TAX CALCULATION (DYNAMIC ESTIMATE)</u>

Time	(1) Written Premium Factor	(2) Unearned Premium Factor	(3) Expense and Taxes Factor	(4) Premium Balances Charged Off Factor	(5) Discount Factor	(6) Paid Losses Factor	(7) AY1 Paid Losses Factor	(8) AY2 Paid Losses Factor	(9) Discounted AY1 Unpaid Losses Factor	(10) Discounted AY2 Unpaid Losses Factor	(11) Federal Income Tax Factor
0.00	-	-	-	-	-	-	-	-	-	-	-
1.00	1.0000	0.4487	0.3031	-	0.8803	0.0550	0.0550	-	0.2618	-	0.0044
2.00	1.0000	-	0.3060	-	0.8643	0.2276	0.1432	0.0844	0.1807	0.2359	0.0104
3.00	1.0000	-	0.3060	-	0.8580	0.3601	0.1985	0.1616	0.1320	0.1648	0.0078
4.00	1.0000	-	0.3060	-	0.8528	0.4468	0.2358	0.2109	0.0993	0.1213	0.0056
5.00	1.0000	-	0.3060	-	0.8559	0.5067	0.2621	0.2446	0.0773	0.0919	0.0038
6.00	1.0000	-	0.3060	-	0.8493	0.5447	0.2775	0.2672	0.0636	0.0729	0.0027
7.00	1.0000	-	0.3060	-	0.8556	0.5715	0.2899	0.2816	0.0534	0.0601	0.0019
8.00	1.0000	-	0.3060	-	0.8715	0.5905	0.2980	0.2926	0.0474	0.0511	0.0010
9.00	1.0000	-	0.3060	-	0.8868	0.6053	0.3050	0.3003	0.0420	0.0453	0.0003
10.00	1.0000	-	0.3060	-	0.8967	0.6173	0.3105	0.3068	0.0375	0.0404	(0.0003)
11.00	1.0000	-	0.3060	-	0.9104	0.6272	0.3151	0.3120	0.0339	0.0361	(0.0007)
12.00	1.0000	-	0.3060	-	0.9244	0.6335	0.3176	0.3159	0.0322	0.0331	(0.0010)
13.00	1.0000	-	0.3060	-	0.9388	0.6420	0.3227	0.3193	0.0278	0.0306	(0.0013)
14.00	1.0000	-	0.3060	-	0.9534	0.6476	0.3244	0.3232	0.0267	0.0273	(0.0016)
15.00	1.0000	-	0.3060	-	0.9682	0.6532	0.3278	0.3255	0.0238	0.0256	(0.0018)
16.00	1.0000	-	0.3060	-	0.9832	0.6554	0.3276	0.3277	0.0243	0.0238	(0.0020)
17.00	1.0000	-	0.3060	-	0.9843	0.6589	0.3303	0.3285	0.0217	0.0234	(0.0021)
18.00	1.0000	-	0.3060	-	0.9843	0.6617	0.3311	0.3306	0.0209	0.0214	(0.0021)
19.00	1.0000	-	0.3060	-	0.9843	0.6652	0.3334	0.3319	0.0187	0.0202	(0.0021)
20.00	1.0000	-	0.3060	-	0.9843	0.6680	0.3343	0.3337	0.0177	0.0184	(0.0021)
21.00	1.0000	-	0.3060	-	0.9843	0.6694	0.3349	0.3345	0.0172	0.0175	(0.0021)
22.00	1.0000	-	0.3060	-	0.9843	0.6709	0.3357	0.3352	0.0164	0.0169	(0.0021)
23.00	1.0000	-	0.3060	-	0.9843	0.6730	0.3369	0.3361	0.0152	0.0160	(0.0021)
24.00	1.0000	-	0.3060	-	0.9843	0.6744	0.3373	0.3370	0.0148	0.0151	(0.0021)
25.00	1.0000	-	0.3060	-	0.9843	0.6779	0.3398	0.3381	0.0124	0.0140	(0.0022)
26.00	1.0000	-	0.3060	-	0.9843	0.6800	0.3401	0.3399	0.0120	0.0123	(0.0022)
27.00	1.0000	-	0.3060	-	0.9843	0.6814	0.3410	0.3404	0.0112	0.0117	(0.0022)
28.00	1.0000	-	0.3060	-	0.9843	0.6842	0.3427	0.3416	0.0095	0.0106	(0.0022)
29.00	1.0000	-	0.3060	-	0.9843	0.6849	0.3424	0.3426	0.0098	0.0096	(0.0022)
30.00	1.0000	-	0.3060	-	0.9843	0.6864	0.3436	0.3428	0.0086	0.0094	(0.0022)
31.00	1.0000	-	0.3060	-	0.9843	0.6878	0.3440	0.3437	0.0082	0.0085	(0.0022)
32.00	1.0000	-	0.3060	-	0.9843	0.6924	0.3473	0.3451	0.0050	0.0071	(0.0022)
33.00	1.0000	-	0.3060	-	0.9843	0.6968	0.3489	0.3478	0.0034	0.0044	(0.0022)
34.00	1.0000	-	0.3060	-	0.9843	0.7008	0.3512	0.3497	0.0012	0.0026	(0.0022)
35.00	1.0000	-	0.3060	-	0.9843	0.7047	0.3523	0.3523	-	-	(0.0022)

Column Notes:
(1) is Written Premium by time period, expressed as a factor, = Table 2 col (3)
(2) is Written Premium minus Earned Premium by time period, expressed as a factor, = Table 2 col (3) - Table 2 col (2)
(3) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)
(4) is Premium Balances Charged Off by time period, expressed as a factor, = Table 1 col (1a) x Table 2 col (1)
(5) is from Internal Revenue Bulletin, 2025-11, Rev. Proc. 2025-15, dated March 10, 2025
(6) is Paid Losses by time period, expressed as a factor, = Table 1 row (8, Dynamic) x Table 2 col (5)
(7) and (8) split the payments between the accident year coincident with the policy year ("AY1"), and the following accident year
   ("AY2"). Assuming that the payout pattern is linear between integer times, and that the average accident date for AY2 is
   two-thirds of a year later than the average accident date for AY1 , columns (7) and (8) are determined by solving these two
   equations simultaneously:
   Col (7) + Col (8) = Col (6)
   Col (8) = (2/3) * Col (7, previous row) + (1/3) * Col (7)
   with Col (7, Time 1) = Col (6, Time 1) and Col (7, Time 35) = Col (8, Time 35)
(9) is the discounted difference between AY1 Losses that will ultimately be paid, and the amount already paid,
   = [col (7, Time 35) - (7)] x (5)
(10) is the discounted difference between AY2 Losses that will ultimately be paid, and the amount already paid,
   = [col (8, Time 35) - (8)] x col (5, previous row)
(11) Per IRS rules, federal income tax equals the tax rate (21%) times the adjusted underwriting income
   = 21% * { (1) - 0.8 * (2) - [(3) + (4) + (6) + (9) + (10)]}

APPENDIX C: RESERVE-TO-SURPLUS RATIO

in 000's

Year End	(1) Unpaid Losses	(2) Unpaid Loss Adjustment Expense	(3) Unearned Premium	(4) Policyholder Surplus	(5) Ratio excl. Unearned Premium {(1)+(2)}/(4)	(6) Ratio incl. Unearned Premium {(1)+(2)+(3)}/(4)
2023	256,372,016	54,377,852	105,513,788	210,558,344	1.48	1.98
2022	244,078,630	51,321,882	96,322,738	200,124,833	1.48	1.96
2021	228,459,570	48,775,145	98,954,979	199,495,575	1.39	1.89
2020	213,654,262	47,148,359	91,285,583	184,607,060	1.41	1.91
2019	201,634,477	45,253,873	88,025,958	177,424,154	1.39	1.89
2019 - 2023	1,144,198,955	246,877,111	480,103,046	972,209,966	1.43	1.92

Selected Ratio including Unearned Premium: 1.92

Source: Columns (1) - (4) for the latest year are taken from Liabilities, Surplus and Other Funds
in Best's 2024 Aggregates & Averages, for Commercial Casualty Composite.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

Part 4   Additional Information

- Definitions

- NCCI Affiliate List

- Key Contacts

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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.

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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.

A M C O INSURANCE COMPANY	BERKLEY NATIONAL INSURANCE COMPANY
ACADIA INSURANCE COMPANY	BERKLEY REGIONAL INS CO
ACCIDENT FUND GENERAL INS CO	BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY
ACCIDENT FUND INS CO OF AMERICA	BERKSHIRE HATHAWAY HOMESTATE INS CO
ACCIDENT FUND NATIONAL INS CO	BITCO GENERAL INSURANCE CORPORATION
ACCREDITED SURETY & CASUALTY COMPANY INC	BITCO NATIONAL INSURANCE COMPANY
ACE AMERICAN INSURANCE COMPANY	BROTHERHOOD MUTUAL INS CO
ACE FIRE UNDERWRITERS INSURANCE COMPANY	CALIFORNIA INSURANCE COMPANY
ACE PROPERTY & CASUALTY INSURANCE COMPANY	CAROLINA CASUALTY INS CO
ACIG INS CO	CEDAR INSURANCE COMPANY
ADMIRAL INDEMNITY COMPANY	CENTRAL INSURANCE COMPANY
AIG ASSURANCE COMPANY	CHARTER OAK FIRE INS CO
AIG PROPERTY CASUALTY COMPANY	CHEROKEE INS CO
AIU INSURANCE CO	CHIRON INSURANCE COMPANY
ALL AMERICA INS CO	CHUBB INDEMNITY INS CO
ALLIED EASTERN IND CO	CHUBB NATIONAL INS CO
ALLIED INSURANCE COMPANY OF AMERICA	CHURCH MUTUAL INS CO, S.I.
ALLIED PROPERTY AND CASUALTY INS CO	CINCINNATI CASUALTY COMPANY
ALLMERICA FINANCIAL ALLIANCE INS CO	CINCINNATI INDEMNITY COMPANY
ALLMERICA FINANCIAL BENEFIT INS CO	CINCINNATI INSURANCE COMPANY
AMERICAN ALTERNATIVE INSURANCE CORPORATION	CITIZENS INS CO OF AMERICA
AMERICAN AUTOMOBILE INSURANCE CO	CLEAR SPRING AMERICAN INSURANCE COMPANY
AMERICAN CASUALTY COMPANY OF READING P A	CLEAR SPRING CASUALTY INSURANCE COMPANY
AMERICAN COMPENSATION INS CO	CLEAR SPRING NATIONAL INSURANCE COMPANY
AMERICAN ECONOMY INS CO	CLEAR SPRING PROPERTY AND CASUALTY COMPANY
AMERICAN FAMILY HOME INS CO	CLERMONT INS CO
AMERICAN FIRE AND CASUALTY CO	COLONIAL AMERICAN CASUALTY & SURETY CO
AMERICAN GUARANTEE AND LIABILITY INS CO	COLONIAL SURETY COMPANY
AMERICAN HOME ASSUR CO-NATIONAL UNION FIRE OF PIT	COMMERCE AND INDUSTRY INS CO
AMERICAN LIBERTY INSURANCE CO	CONTINENTAL CASUALTY CO
AMERICAN MODERN HOME INS CO	CONTINENTAL DIVIDE INSURANCE COMPANY
AMERICAN NATIONAL PROPERTY AND CASUALTY CO	CONTINENTAL INDEMNITY CO
AMERICAN STATES INS CO A SAFECO COMPANY	CONTINENTAL INS CO
AMERICAN SUMMIT INS CO	CONTINENTAL WESTERN INSURANCE COMPANY
AMERICAN ZURICH INS CO	COREPOINTE INSURANCE COMPANY
AMERISURE INS CO	CRESTBROOK INS CO
AMERISURE MUTUAL INS CO	CRUM AND FORSTER INDEMNITY CO
AMFED ADVANTAGE INSURANCE COMPANY	DAKOTA TRUCK UNDERWRITERS
AMFED CASUALTY INS CO	DEPOSITORS INS CO
AMFED NATIONAL INSURANCE COMPANY	EASTERN ADVANTAGE ASSURANCE COMPANY
AMGUARD INS CO	EASTERN ALLIANCE INSURANCE COMPANY
AMTRUST INSURANCE CO	EASTGUARD INS CO
ANSUR AMERICA	EMC PROPERTY & CASUALTY COMPANY
ARBELLA INDEMNITY INS CO	EMCASCO INS CO
ARBELLA PROTECTION INS CO	EMPLOYERS ASSURANCE COMPANY
ARCH INDEMNITY INSURANCE COMPANY	EMPLOYERS COMPENSATION INS CO
ARCH INSURANCE COMPANY	EMPLOYERS INS CO OF WAUSAU
ARCH PROPERTY CASUALTY INS CO	EMPLOYERS INSURANCE COMPANY OF NEVADA
ARGONAUT INS CO	EMPLOYERS MUTUAL CASUALTY CO
ARTISAN AND TRUCKERS CASUALTY COMPANY	EMPLOYERS PREFERRED INS CO
ASCOT INSURANCE COMPANY	ENDURANCE AMERICAN INS CO
ASSOCIATED EMPLOYERS INS CO	ENDURANCE ASSURANCE CORPORATION
ASSOCIATED INDUSTRIES OF MASS MUTUAL INS CO	EVEREST DENALI INSURANCE COMPANY
ATLANTIC CHARTER INS CO	EVEREST NATIONAL INS CO
ATLANTIC SPECIALTY INS CO	EVEREST PREMIER INSURANCE COMPANY
BANKERS STANDARD INS CO	EVEREST REINSURANCE CO DIRECT
BEACON MUTUAL INS CO	EXCELSIOR INSURANCE COMPANY
BENCHMARK INSURANCE COMPANY	EXECUTIVE RISK INDEMNITY INC
BERKLEY CASUALTY COMPANY	EXECUTIVE RISK SPECIALTY INS CO
BERKLEY INSURANCE COMPANY	FALLS LAKE NATIONAL INSURANCE CO

FARM FAMILY CASUALTY INS CO	INS CO OF GREATER NY
FARMERS INSURANCE EXCHANGE	INS CO OF NORTH AMERICA
FARMINGTON CASUALTY COMPANY	INS CO OF THE STATE PA
FEDERAL INSURANCE COMPANY	INS CO OF THE WEST
FEDERATED MUTUAL INS CO	INTREPID CASUALTY COMPANY
FEDERATED RESERVE INSURANCE CO	INTREPID INSURANCE COMPANY
FEDERATED SERVICE INS CO	KEY RISK INS CO
FIDELITY & DEPOSIT COMPANY OF MARYLAND	LIBERTY INS CORP
FIDELITY & GUARANTY INS UNDERWRITERS	LIBERTY INSURANCE UNDERWRITERS INC
FIDELITY & GUARANTY INSURANCE CO	LIBERTY MUTUAL FIRE INS CO
FIRE INS EXCHANGE	LIBERTY MUTUAL INS CO
FIREMANS FUND INSURANCE CO	LION INSURANCE COMPANY
FIREMENS INS CO OF WASHINGTON DC	LM INS CORP
FIRST DAKOTA INDEMNITY CO	MA BAY INS CO
FIRST LIBERTY INS CORP	MAG MUTUAL INS CO
FIRST NATIONAL INS CO OF AMERICA	MAIN STREET AMERICA ASSURANCE CO
FIRSTCOMP INSURANCE CO	MANUFACTURERS ALLIANCE INS CO
FLORISTS MUTUAL INSURANCE CO	MARKEL INSURANCE CO
FOREMOST INS CO GRAND RAPIDS MICHIGAN	ME EMPLOYERS MUTUAL INS CO
FOREMOST PROPERTY & CAS INS	MEMIC CASUALTY COMPANY
FOREMOST SIGNATURE INS CO	MEMIC INDEMNITY CO
FRANK WINSTON CRUM INSURANCE CO	MERIDIAN SECURITY INSURANCE COMPANY
FRANKENMUTH INS COMPANY	MID CENTURY INS CO
FREEDOM SPECIALTY INSURANCE COMPANY	MIDDLESEX INS CO
GENERAL CASUALTY COMPANY OF WISCONSIN	MIDVALE INDEMNITY COMPANY
GENERAL INS CO OF AMERICA	MIDWEST EMPLOYERS CASUALTY CO
GENESIS INS CO	MIDWESTERN INDEMNITY CO
GLATFELTER INSURANCE COMPANY	MILBANK INSURANCE COMPANY
GRANITE STATE INSURANCE COMPANY	MILFORD CASUALTY INSURANCE CO
GRAPHIC ARTS MUTUAL INS CO	MITSUI SUMITOMO INS CO OF AMERICA
GRAY INSURANCE COMPANY	MITSUI SUMITOMO INS USA INC
GREAT AMERICAN ALLIANCE INS CO	MOTORISTS COMMERCIAL MUTUAL INSURANCE COMPANY
GREAT AMERICAN ASSURANCE COMPANY	NATIONAL AMERICAN INS CO
GREAT AMERICAN INS CO OF NY	NATIONAL CASUALTY CO
GREAT AMERICAN INSURANCE COMPANY	NATIONAL FIRE INS CO OF HARTFORD
GREAT AMERICAN SPIRIT INS CO	NATIONAL INTERSTATE INS CO
GREAT DIVIDE INSURANCE COMPANY	NATIONAL LIABILITY & FIRE INSURANCE CO
GREAT MIDWEST INS CO	NATIONAL SPECIALTY INS CO
GREAT NORTHERN INS CO	NATIONAL SUMMIT INS CO
GREAT WEST CASUALTY COMPANY	NATIONAL SURETY CORP
GREATER NY MUTUAL INS CO	NATIONAL UNION FIRE INS CO OF PITTSBURGH PA
GREENWICH INS CO	NATIONWIDE AGRIBUSINESS INS CO
GUIDEONE INSURANCE COMPANY	NATIONWIDE ASSURANCE CO
HANOVER AMERICAN INS CO	NATIONWIDE GENERAL INSURANCE CO
HANOVER INS CO	NATIONWIDE INS CO OF AMERICA
HARLEYSVILLE INSURANCE COMPANY	NATIONWIDE MUTUAL INS CO
HARLEYSVILLE PREFERRED INSURANCE CO	NATIONWIDE PROPERTY AND CASUALTY INS CO
HARLEYSVILLE WORCESTER INSURANCE CO	NETHERLANDS INSURANCE COMPANY
HARTFORD ACCIDENT AND INDEMNITY CO	NEW HAMPSHIRE INSURANCE COMPANY
HARTFORD CASUALTY INS CO	NEW JERSEY CASUALTY INS CO
HARTFORD FIRE INSURANCE CO	NEW JERSEY INDEMNITY INS CO
HARTFORD INS CO OF IL	NEW JERSEY MANUFACTURERS INS CO
HARTFORD INS CO OF MIDWEST	NEW JERSEY RE-INSURANCE CO
HARTFORD INS CO OF THE SOUTHEAST	NEW YORK MARINE AND GENERAL INSURANCE CO
HARTFORD UNDERWRITERS INS CO	NEXT INSURANCE US COMPANY
HDI GLOBAL INSURANCE COMPANY	NGM INSURANCE COMPANY
ILLINOIS NATIONAL INSURANCE COMPANY	NORGUARD INS CO
IMPERIUM INSURANCE COMPANY	NORMANDY INSURANCE COMPANY
INCLINE CASUALTY COMPANY	NORTH POINTE INS CO
INDEMNITY INS CO OF N AMERICA	NORTH RIVER INS CO

NOVA CASUALTY COMPANY	SENTINEL INS CO
NUTMEG INS CO	SENTRY CASUALTY CO
OAK RIVER INSURANCE COMPANY	SENTRY INS CO
OBI AMERICA INSURANCE COMPANY	SENTRY SELECT INSURANCE COMPANY
OBI NATIONAL INSURANCE COMPANY	SEQUOIA INSURANCE CO
OH CASUALTY INS CO	SERVICE AMERICAN INDEMNITY COMPANY
OHIO SECURITY INS CO	SERVICE LLOYDS INSURANCE CO, A STOCK COMPANY
OLD DOMINION INS CO	SFM MUTUAL INS CO
OLD REPUBLIC GENERAL INSURANCE CORPORATION	SIRIUSPOINT AMERICA INSURANCE COMPANY
OLD REPUBLIC INS CO	SOMPO AMERICA FIRE & MARINE INSURANCE COMPANY
OMAHA NATIONAL INS CO	SOMPO AMERICA INSURANCE COMPANY
PA MANUFACTURERS ASSN INS CO	SOUTHERN INS CO
PA MANUFACTURERS INDEMNITY CO	ST PAUL FIRE AND MARINE INS CO
PACIFIC EMPLOYERS INS CO	ST PAUL GUARDIAN INS CO
PACIFIC INDEMNITY CO	ST PAUL PROTECTIVE INS CO
PACIFIC INS CO LTD	STANDARD FIRE INSURANCE COMPANY
PARK NATIONAL INS COMPANY	STAR INS CO
PATRIOT GENERAL INS CO	STARNET INSURANCE COMPANY
PATRONS MUTUAL INS CO OF CT	STARR INDEMNITY AND LIABILITY CO
PEERLESS INDEMNITY INS CO	STARR SPECIALTY INSURANCE COMPANY
PEERLESS INSURANCE COMPANY	STARSTONE NATIONAL INSURANCE COMPANY
PENN MILLERS INS CO	STATE AUTO PROPERTY AND CASUALTY INS CO
PENNSYLVANIA INSURANCE COMPANY	STATE AUTOMOBILE MUTUAL INS CO
PETROLEUM CASUALTY CO	STATE FARM FIRE AND CASUALTY CO
PHARMACISTS MUTUAL INS CO	STATE NATIONAL INSURANCE COMPANY
PHOENIX INS CO	STONINGTON INS CO
PIE INSURANCE COMPANY	STRATHMORE INS CO
PINNACLE NATIONAL INSURANCE COMPANY	SUNZ INSURANCE COMPANY
PLAZA INSURANCE CO	SWISS RE CORPORATE SOLUTIONS AMERICA INS CORP
PRAETORIAN INSURANCE COMPANY	SWISS RE CORPORATE SOLUTIONS ELITE INS CORP
PREFERRED EMPLOYERS INS CO	SWISS RE CORPORATE SOLUTIONS PREMIER INS CORP
PREFERRED PROFESSIONAL INSURANCE COMPANY	T H E INSURANCE COMPANY
PRESCIENT NATIONAL INSURANCE COMPANY	TECHNOLOGY INSURANCE CO
PRIVILEGE UNDERWRITERS RECIPROCAL EXCHANGE	THE TRAVELERS CASUALTY COMPANY
PROPERTY AND CASUALTY INS CO OF HARTFORD	TNUS INSURANCE CO
PROTECTIVE INS CO	TOKIO MARINE AMERICA INSURANCE CO
QBE INSURANCE CORPORATION	TRANS PACIFIC INS CO
REDWOOD FIRE & CASUALTY INS CO	TRANSGUARD INS CO OF AMERICA INC
REGENT INSURANCE COMPANY	TRANSPORTATION INS CO
REPUBLIC FIRE AND CASUALTY INS CO	TRAVCO PERSONAL INSURANCE COMPANY
REPUBLIC FRANKLIN INS CO	TRAVELERS CASUALTY & SURETY CO OF AMERICA
REPUBLIC INDEMNITY CO OF CA	TRAVELERS CASUALTY AND SURETY CO
REPUBLIC INDEMNITY COMPANY OF AMERICA	TRAVELERS CASUALTY CO OF CONNECTICUT
REPUBLIC UNDERWRITERS INSURANCE CO	TRAVELERS CASUALTY INS CO OF AMERICA
RIVERPORT INSURANCE COMPANY	TRAVELERS COMMERCIAL CASUALTY CO
RIVERSTONE INTERNATIONAL INSURANCE, INC.	TRAVELERS COMMERCIAL INS CO
RLI INSURANCE COMPANY	TRAVELERS INDEMNITY CO
ROCHDALE INSURANCE COMPANY	TRAVELERS INDEMNITY CO OF AMERICA
ROCKWOOD CASUALTY INS CO	TRAVELERS INDEMNITY CO OF CT
SAFECO INS CO OF AMERICA	TRAVELERS INSURANCE CO
SAFETY FIRST INS CO	TRAVELERS PROPERTY CASUALTY CO OF AMERICA
SAFETY NATIONAL CASUALTY CORP	TRI STATE INSURANCE COMPANY OF MINNESOTA
SAGAMORE INSURANCE CO	TRIUMPHE CASUALTY COMPANY
SAMSUNG FIRE AND MARINE INS CO LTD USB	TRUCK INSURANCE EXCHANGE
SCOTTSDALE INDEMNITY CO	TRUMBULL INS CO
SECURITY NATIONAL INS CO	TWIN CITY FIRE INS CO
SELECTIVE INS CO OF SC	UNION INS CO OF PROVIDENCE
SELECTIVE INS CO OF THE SOUTHEAST	UNION INSURANCE COMPANY
SELECTIVE INSURANCE COMPANY OF AMERICA	UNITED STATES FIDELITY AND GUARANTY CO
SELECTIVE WAY INS CO	UNITED STATES FIRE INSURANCE COMPANY

UNITED WI 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
WAUSAU BUSINESS INSURANCE COMPANY
WAUSAU UNDERWRITERS INSURANCE COMPANY
WCF NATIONAL INSURANCE COMPANY
WCF SELECT INSURANCE COMPANY
WELLFLEET INSURANCE COMPANY
WELLFLEET NEW YORK INSURANCE COMPANY
WESCO INSURANCE COMPANY
WEST AMERICAN INS CO
WEST BEND INSURANCE COMPANY
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

CONNECTICUT

Voluntary Loss Cost and Assigned Risk Rate Filing – January 1, 2026

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