

Actuarial Committee

Meeting Agenda

Date	Time	Location	Staff Contact
March 21, 2024	9:30 AM	Microsoft Teams Webinar	Sean Cooper
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I. Approval of Minutes

Meeting held on February 13, 2024

II. Working Group Meeting Summaries

None

III. Unfinished Business

- A. AC20-08-04: Impact of Economic Downturn on Pure Premium Rate Indications
- B. AC21-12-07: Indemnity Claim Frequency Model

IV. New Business

- A. AC24-03-01: First Quarter 2024 Review of Diagnostics
- B. AC24-03-02: 12/31/2023 Experience Review
- C. AC24-03-03: Impact of Injury Type Mix Shifts on Development and Trend
- D. AC24-03-04: Treatment of COVID-19 Claims in Ratemaking

V. Matters Arising at Time of Meeting

VI. Next Meeting Date: April 11, 2024

VII. Adjournment

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Item AC20-08-04

Impact of Economic Downturn on Pure Premium Rate Indications

Introduction

Since the onset of the COVID-19 pandemic and most recently at the April 13, 2023 meeting, the Committee has reviewed analyses of economic changes related to the COVID-19 pandemic and their impacts on the indicated pure premium rates. Staff has presented an update of the analysis as it pertains to the WCIRB's upcoming September 1, 2024 Pure Premium Rate Filing. This agenda item is based on the March 2024 UCLA Anderson quarterly economic forecast.

WCIRB Use of Economic Data and Forecasts

The following summary of the WCIRB's use of economic forecasts and data in the ratemaking process is included as reminder. The use of economic forecasts and historical data generally pertains to selections of changes in the statewide average wage and the WCIRB's Indemnity Claim Frequency Model.

Changes in the Statewide Average Wage

Average wage changes for historic time periods use observed changes compiled by governmental agencies. The WCIRB generally recommends no adjustment to these observations. However, these values may be adjusted when extreme economic events cause aggregate values to be distorted with respect to the purposes for which the values are being used in the projection. When changes in industrial mix distort measures of average wage changes, an adjustment may be made using observed aggregate industry average wages and employment figures. When layoffs or rapid hiring within all or specific industries distort measures of average wage changes, an adjustment may be made using survey level American Community Survey (ACS) or Current Population Survey (CPS) data. This adjustment holds industry mix and industry intra-quartile wages constant while the distribution of employees by quartile within an industry varies year-to-year as observed in the survey data.

Projected average wage changes for future time periods use the average of Department of Finance and UCLA forecasts. Again, the WCIRB generally recommends no adjustment to these forecasts. Staff would recommend using the industry mix adjustment only when the magnitude of the measured adjustment is significant and forecast changes in industrial mix appear very likely. Since, there are no forecasts of the survey level data available, adjustments to future wage forecasts for changes in wage level distributions within industries would be only applied to unwind a portion of measured impacts from observed years.

Economic Data in the WCIRB Indemnity Claim Frequency Model

In the WCIRB's Frequency Model, claim frequencies are adjusted to both a common industrial mix and a common wage level. The adjustment for industrial mix uses Unit Statistical Report (USR) payroll data at a classification level. USR payroll values are adjusted to a common wage level using observed historic wages, including any selected adjustments, as previously described.

The Frequency Model also includes an economic explanatory variable. This variable is a principal component decomposition of changes in the California unemployment rate and aggregate employment, with changes in the unemployment rate being the more important variable. The model is fit using observed historic values of these variables, while projections are made using forecasts of these variables from the UCLA economic forecast.

Impact of Changes in Industry Mix on the Statewide Average Wage

Since the onset of the COVID-19 pandemic, staff has calculated two estimates of the impact of industry mix on changes in the statewide average wage. The first method uses industry wage information from the BLS Quarterly Census of Employment and Wages (QCEW), combined with industry employment values and forecasts from the UCLA forecast. The calculation of the QCEW estimates is shown in Exhibit 1. The second method uses data from the BLS Current Employment Series (CES). The CES method excludes

certain industries and serves as a reasonableness check for the QCEW method. The derivation of the CES estimates is shown in Exhibit 2.

Inclusion of Industry Mix Adjustment to Changes in the Statewide Average Wage

The industry mix adjustment is intended to adjust for significant and abnormal distortions in measurements of the statewide average annual wage change caused solely by changes in the industry mix of employment. Staff recommends applying this adjustment to historic observations of wage changes when the estimated wage change impact of industry mix is more than twice the historic (2011-2019) average. This average was 0.15%, resulting in an application of this adjustment to historic observations when the magnitude of the adjustment is greater than 0.3%.

Staff does not recommend applying this adjustment to forecast years, due to the uncertainty in both the forecast of wage changes and also the forecast of industry mix changes. Any application of this adjustment to forecast years would require special investigation in the event of a large economic disruption.

Staff also investigated changes in measurements of historic wage changes from the first measurement (i.e., the 2022 wage change as of March 2023) and found significant changes in these measurements as government estimates of historic wage levels changed due to data availability and revisions. For the time period including 2001 through 2022, the historic measurement of the wage change differed 0.78% on average from the initial measurement compared to one year later. This measurement error is typically much larger in magnitude than the impact of industry mix on wage changes (see Exhibit 3). For this reason, staff recommends treating the most recent historic year as a forecast year and generally not applying this adjustment.

Statewide Average Annual Wage Change Selections

The use of selected average wage changes varies by year. Wage changes for years 2022 and prior are used only to on-level historic data, while wage changes for 2023 and later factor directly into pure premium rate projections. Average wage change selections for 2020 and later are discussed below. All wage change selections for 2019 and prior use unadjusted historic measures from the BLS.

2020 and 2021 Wage Changes

As used in prior pure premium rate filings, staff continues to recommend adjusting the 2020 and 2021 changes in the average wage using both the industry mix and wage level adjustments that were previously described.

2022 Wage Change

While wage changes in 2020 and 2021 were abnormally high (11.4% and 7.7% respectively), current measures of the 2022 wage change are abnormally low (-1.1%). This low value is partially explained by changes in industry mix. Staff recommends adjusting the observed wage change by a measured impact of 0.4% to account for changes in industrial mix. This low observed change for 2022 is likely further impacted by an unwinding of the wage level distributional shifts observed and measured in 2020 and 2021. Staff's preferred methodology would be to directly adjust this value using the wage level distribution adjustment as in 2020 and 2021. However, as discussed in the selection of the wage change for 2022 in the prior filing, the available survey data for 2022 resulted in an aggregate wage change that was much higher than the -1.1% value being adjusted as well as an adjustment that is directionally inconsistent with the low observed wage change. For these reasons, staff does not recommend applying this wage level adjustment to the 2022 wage change.

In lieu of the wage level adjustment applied to the 2020 and 2021 measures of changes in average wages, staff investigated other measures of the 2022 wage change as a potential alternative to use in combination with or as a replacement to the observed -1.1% figure from aggregate economic data. Staff identified wage series from the BLS Current Employment Statistics (CES) as potential alternatives. These data series are derived from establishment surveys in which an employer provides detailed payroll information once a month and remains in the survey for between two and four years. The CES data sets

contain both weekly and hourly wage series. In the prior filing, staff recommended and the Committee selected to average the observed aggregate wage change of 0.5% with the CES hourly wage series. Changes in the CES data series have typically been close to the aggregate change that is typically used. Furthermore, these data series appear to be less impacted by changes in the wage level distribution as they were very similar to wage level adjusted changes in the aggregate wage. This is shown in Exhibit 4.

Given that data revisions have changed the measured 2022 wage change from 0.5% to -1.1%, staff recommends averaging the changes from the hourly and weekly CES data series and giving no weight to the aggregate value of -1.1%. This results in an average 3.4% wage change that would be adjusted for changing industry mix, but with no explicit adjustment for wage level distribution changes.

2023 through 2026 Wage Changes

Staff recommends using the standard approach of averaging Department of Finance and UCLA forecasts, without adjustment, to project future wage changes as well as the most recent historic year. Staff believes these changes reflect a more typical environment and that any adjustments would be within the margin of error of the wage forecasts/measurements themselves. The combined impacts of these recommendations are shown in Exhibit 5.

Exhibit 1.1: Change in Average Wage Due to Industrial Mix
Bureau of Labor Statistics Quarterly Census of Employment and Wages Data Series/UCLA Anderson Forecast

NAICS	QCEW Average Annual Wage														Average Relativity				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	1-Yr	3-Yr	5-Yr			
11	24,773	25,563	26,636	27,740	28,751	30,283	32,316	33,299	34,521	36,212	39,314	40,745	41,989	0.498	0.490	0.496			
21	129,811	128,432	134,410	135,181	138,053	136,862	134,266	121,769	123,590	124,226	117,665	116,332	124,439	1.476	1.439	1.572			
22	100,108	104,672	107,762	114,079	114,900	124,352	123,633	130,445	131,945	138,608	145,107	146,224	152,312	1.806	1.781	1.842			
23	54,865	56,206	57,999	58,211	59,464	62,257	64,472	67,561	70,084	73,342	76,740	79,218	82,763	0.982	0.958	0.985			
31	72,561	74,882	77,364	77,916	81,368	83,868	87,160	92,246	95,627	98,222	109,888	119,242	117,801	1.397	1.391	1.389			
42	64,348	66,794	68,407	68,871	71,780	75,654	75,496	78,610	78,293	80,979	86,519	92,333	96,879	1.149	1.106	1.119			
44	30,893	31,552	32,560	32,412	33,175	34,630	34,527	35,466	36,669	38,129	42,092	45,867	47,123	0.805	0.542	0.539			
48	46,212	47,426	48,609	49,300	50,140	51,582	53,153	54,446	56,960	62,833	62,684	68,875	67,848	0.805	0.799	0.822			
51	99,973	106,238	113,046	132,339	136,214	145,627	147,264	172,309	188,173	191,278	217,892	251,226	212,712	2.523	2.734	2.725			
52	92,300	95,702	101,367	101,804	108,366	113,062	116,415	123,665	128,085	135,130	148,594	175,307	162,423	1.926	1.948	1.921			
53	48,610	51,329	54,309	55,792	59,119	62,541	63,903	67,607	68,901	72,964	77,460	83,951	85,841	1.018	0.991	1.000			
54	89,642	93,421	102,250	97,589	103,921	111,771	111,856	116,802	122,460	127,874	141,647	154,568	149,092	1.768	1.768	1.787			
55	94,264	100,545	105,363	110,264	118,880	123,826	127,534	128,485	134,943	135,414	151,888	165,612	158,643	1.882	1.909	1.918			
56	36,553	37,777	39,322	38,769	39,477	41,402	42,513	44,781	45,463	48,062	52,454	56,795	61,746	0.732	0.685	0.679			
61	44,426	45,413	46,134	47,197	48,787	50,571	51,782	53,389	54,989	56,271	62,532	63,166	64,717	0.768	0.764	0.777			
62	52,389	53,506	54,406	46,218	46,848	48,396	49,321	50,401	51,795	53,580	57,046	60,517	62,160	0.895	0.928	0.905			
71	49,369	51,591	53,066	52,164	53,678	54,527	55,447	57,842	59,737	61,870	77,303	78,529	75,439	0.381	0.379	0.375			
72	19,010	19,422	19,827	19,944	20,570	21,778	23,022	23,858	25,006	26,675	29,377	33,052	32,097	0.605	0.592	0.592			
81	25,919	26,178	24,209	34,171	35,023	36,446	37,701	40,412	40,668	42,293	47,080	49,426	51,001	0.997	0.997	0.997			
92	57,002	58,575	59,506	60,189	62,175	64,138	65,787	67,701	70,128	72,662	78,041	81,429	84,061	0.997	0.997	0.997			
Total	53,722	55,437	57,415	57,126	59,073	61,689	62,990	65,969	68,553	71,382	79,423	85,609	84,316						

NAICS	Average Annual Wage Relativity														Average Relativity		
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	1-Yr	3-Yr	5-Yr	
11	0.461	0.461	0.464	0.486	0.487	0.491	0.513	0.505	0.504	0.507	0.495	0.476	0.498	0.498	0.490	0.496	
21	2.416	2.317	2.341	2.366	2.337	2.219	2.132	1.846	1.803	1.740	1.481	1.359	1.476	1.476	1.439	1.572	
22	1.863	1.888	1.877	1.997	1.945	2.016	1.963	1.977	1.925	1.942	1.827	1.708	1.806	1.806	1.781	1.842	
23	1.021	1.014	1.010	1.019	1.007	1.009	1.024	1.024	1.022	1.027	0.966	0.925	0.982	0.982	0.958	0.985	
31	1.351	1.351	1.347	1.364	1.377	1.360	1.384	1.398	1.395	1.376	1.384	1.393	1.397	1.397	1.391	1.389	
42	1.198	1.205	1.191	1.206	1.215	1.226	1.199	1.192	1.142	1.134	1.089	1.079	1.149	1.149	1.106	1.119	
44	0.575	0.569	0.567	0.567	0.562	0.561	0.548	0.538	0.535	0.534	0.530	0.536	0.559	0.559	0.542	0.539	
48	0.860	0.855	0.847	0.863	0.849	0.836	0.844	0.825	0.831	0.880	0.789	0.805	0.805	0.805	0.799	0.822	
51	1.861	1.916	1.969	2.317	2.306	2.361	2.338	2.612	2.745	2.680	2.743	2.935	2.523	2.523	2.734	2.725	
52	1.718	1.726	1.766	1.782	1.834	1.833	1.848	1.875	1.868	1.893	1.871	2.048	1.926	1.926	1.948	1.921	
53	0.905	0.926	0.946	0.977	1.001	1.014	1.014	1.025	1.005	1.022	0.975	0.981	1.018	1.018	0.991	1.000	
54	1.669	1.685	1.781	1.708	1.759	1.812	1.776	1.771	1.786	1.791	1.783	1.806	1.768	1.768	1.786	1.787	
55	1.755	1.814	1.835	1.930	2.012	2.007	2.025	1.948	1.968	1.987	1.910	1.935	1.882	1.882	1.909	1.918	
56	0.680	0.681	0.685	0.679	0.668	0.671	0.675	0.679	0.663	0.673	0.660	0.663	0.732	0.732	0.685	0.679	
61	0.827	0.819	0.804	0.826	0.826	0.820	0.822	0.809	0.802	0.788	0.787	0.738	0.768	0.768	0.764	0.777	
62	0.975	0.965	0.948	0.809	0.793	0.785	0.783	0.764	0.756	0.751	0.718	0.707	0.737	0.737	0.721	0.734	
71	0.919	0.931	0.924	0.913	0.909	0.884	0.880	0.877	0.871	0.867	0.973	0.917	0.895	0.895	0.928	0.905	
72	0.354	0.350	0.345	0.348	0.348	0.353	0.365	0.362	0.365	0.374	0.370	0.386	0.381	0.381	0.379	0.375	
81	0.482	0.472	0.422	0.598	0.593	0.591	0.599	0.613	0.593	0.592	0.593	0.577	0.605	0.605	0.592	0.592	
92	1.061	1.057	1.036	1.054	1.053	1.040	1.044	1.026	1.023	1.018	0.983	0.951	0.997	0.997	0.977	0.994	

Source: BLS QCEW Data Set & UCLA Anderson Forecast

Exhibit 1.2: Change in Average Wage Due to Industrial Mix
Bureau of Labor Statistics Quarterly Census of Employment and Wages Data Series/UCLA Anderson Forecast

NAICS		UCLA Employment																
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
11	382,925	389,650	399,808	412,733	416,683	422,550	425,583	422,700	422,000	422,958	406,808	409,808	422,892	435,100	421,721	416,766	415,470	
21	24,700	26,792	28,417	28,425	29,442	26,583	22,508	22,117	22,667	22,783	20,133	19,150	19,750	20,033	22,345	25,453	29,497	
22	57,893	58,723	59,601	59,179	58,147	58,342	59,379	58,195	56,689	56,474	57,742	59,676	62,113	63,004	64,739	66,417	68,360	
23	560,433	561,792	590,475	637,850	674,575	732,308	775,992	810,867	861,200	886,242	856,975	884,083	913,825	926,250	942,024	967,634	973,088	
31	1,249,392	1,256,200	1,262,092	1,264,308	1,282,258	1,305,175	1,311,900	1,314,517	1,326,192	1,329,408	1,268,125	1,282,883	1,336,783	1,340,008	1,347,264	1,369,038	1,377,851	
42	630,892	643,708	657,975	672,883	684,950	692,283	694,900	698,142	701,292	695,183	646,967	649,267	668,742	657,575	663,005	681,298	693,432	
44	1,508,183	1,537,250	1,559,800	1,582,792	1,615,867	1,648,233	1,666,083	1,673,383	1,667,033	1,640,883	1,510,775	1,581,758	1,615,883	1,623,775	1,612,957	1,630,796	1,670,456	
48	410,149	417,761	430,107	446,438	468,470	501,500	538,112	577,355	611,778	651,501	676,624	733,799	790,812	802,162	824,240	845,605	870,350	
51	429,742	432,433	437,675	451,725	465,125	489,258	527,400	531,092	544,675	562,700	535,400	562,450	608,975	587,258	593,002	593,425	583,686	
52	512,633	515,277	522,961	524,228	517,550	530,906	545,667	547,884	543,808	539,311	536,155	539,473	538,411	539,983	538,874	543,275	545,475	
53	248,567	247,389	251,081	259,264	265,775	272,303	278,283	285,591	294,950	302,806	282,329	289,485	306,206	307,100	306,469	308,973	310,223	
54	1,013,967	1,047,510	1,099,981	1,138,095	1,168,352	1,192,957	1,213,033	1,239,884	1,284,304	1,334,228	1,303,774	1,347,736	1,433,111	1,445,012	1,476,801	1,540,491	1,597,689	
55	209,031	214,082	220,516	232,360	236,790	238,611	237,928	248,397	257,441	257,483	244,520	243,816	248,606	250,671	256,185	267,233	277,156	
56	860,718	880,925	930,369	979,454	1,023,958	1,061,406	1,083,972	1,098,786	1,133,180	1,137,265	1,055,955	1,120,514	1,192,208	1,202,109	1,228,554	1,281,538	1,329,121	
61	292,707	307,872	317,359	327,632	339,707	347,535	354,819	363,827	373,860	383,442	347,915	354,949	382,295	402,648	404,462	405,583	408,299	
62	1,838,718	1,854,928	1,915,957	1,981,493	2,038,443	2,116,906	2,197,898	2,287,073	2,349,203	2,424,466	2,389,718	2,461,851	2,554,638	2,690,643	2,702,760	2,710,251	2,728,405	
71	242,053	245,788	254,953	264,953	274,735	284,974	299,945	306,912	316,322	329,957	207,768	239,143	309,475	328,772	340,037	347,103	348,729	
72	1,258,655	1,289,137	1,342,880	1,410,581	1,482,390	1,543,659	1,601,705	1,645,563	1,675,519	1,704,593	1,273,807	1,401,865	1,620,100	1,721,119	1,780,090	1,817,082	1,825,594	
81	483,725	492,475	503,683	515,633	534,967	543,850	553,908	563,950	571,942	576,508	477,633	506,575	563,442	585,858	602,950	601,590	593,099	
92	2,448,217	2,406,492	2,376,050	2,374,033	2,412,958	2,462,292	2,515,675	2,554,000	2,581,267	2,597,117	2,493,208	2,469,508	2,528,283	2,578,633	2,612,426	2,623,567	2,624,693	
Total	14,664,300	14,826,183	15,161,742	15,564,058	15,991,142	16,471,633	16,904,692	17,250,233	17,595,342	17,855,308	16,592,333	17,157,792	18,116,550	18,507,717	18,740,908	19,043,117	19,270,676	
Statewide Average Wages																		
Mix	Wages	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Change Due to Mix*				
New	New	55,437	57,415	57,126	59,073	61,689	62,990	65,969	68,553	71,382	79,423	85,609	84,316	Avg. Relt.	2023	2024	2025	2026
Old	New	55,488	57,478	57,266	59,273	61,777	63,001	66,080	68,494	71,260	78,030	86,059	84,718	1-Yr	0.992	1,000	1,002	1,000
Paasche Index		0.999	0.999	0.998	0.997	0.999	1,000	0.998	1,001	1,002	1,018	0.995	0.995	3-Yr	0.992	1,000	1,002	1,000
New	Old	53,671	55,363	57,287	58,940	58,987	61,677	62,897	66,021	68,666	72,745	78,989	85,255					
Old	Old	53,722	55,437	57,415	57,126	59,073	61,689	62,990	65,969	68,553	71,382	79,423	85,609					
Laspeyres Index		0.999	0.999	0.998	0.997	0.999	1,000	0.999	1,001	1,002	1,019	0.995	0.996	5-Yr	0.992	1,000	1,002	1,000
Geomean Index		0.999	0.999	0.998	0.997	0.999	1,000	0.998	1,001	1,002	1,018	0.995	0.996	Change Due to Mix*				

* Change due to mix is calculated as the employment weighted average
relativity in the stated year compared to the prior year.

Source: BLS QCEW Data Set & UCLA Anderson Forecast

Exhibit 2: Change in Average Wage Due to Industrial Mix
Bureau of Labor Statistics Current Employment Statistics Data Series

Employment in Thousands	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Supersector	892.9	788.1	623.5	560.1	551.6	590.4	637.9	674.7	732.4	776.0	810.8	861.1	886.0	856.7	883.9	913.4	926.0
Construction	1,468.1	1,431.1	1,288.0	1,249.3	1,256.2	1,262.1	1,264.4	1,282.1	1,305.0	1,311.9	1,314.6	1,326.2	1,329.5	1,268.0	1,282.9	1,336.9	1,338.9
Manufacturing	2,893.7	2,829.9	2,624.2	2,608.1	2,657.2	2,707.8	2,761.7	2,827.8	2,900.9	2,958.2	3,006.8	3,036.9	3,044.3	2,892.8	3,024.5	3,133.0	3,145.6
Trade, Transportation, and Utilities	471.0	476.2	441.3	429.9	432.2	437.6	451.6	465.2	489.4	527.2	530.9	544.5	562.5	535.7	562.6	608.2	586.6
Information	898.2	843.5	784.3	761.2	762.7	774.1	783.6	783.4	803.2	824.0	833.5	838.8	842.1	818.4	825.0	844.7	846.9
Financial Activities	2,279.7	2,250.2	2,071.2	2,084.3	2,142.6	2,250.7	2,349.3	2,429.1	2,494.0	2,553.7	2,587.1	2,674.5	2,728.1	2,605.1	2,713.0	2,872.7	2,896.2
Professional and Business Services	1,966.6	2,051.7	2,114.4	2,132.0	2,163.0	2,232.8	2,308.9	2,378.2	2,464.9	2,532.2	2,650.6	2,725.2	2,807.6	2,738.3	2,818.0	2,936.3	3,092.4
Education and Health Services	1,560.4	1,572.7	1,503.3	1,501.0	1,535.1	1,597.5	1,675.2	1,757.0	1,828.8	1,902.1	1,952.4	1,991.7	2,034.3	1,481.8	1,641.4	1,931.6	2,049.1
Leisure and Hospitality	511.4	510.4	485.1	483.7	482.5	503.7	515.7	535.0	543.9	553.9	564.0	572.0	576.5	477.7	506.6	563.3	585.7
Other Services	24.7	26.7	24.1	24.7	26.8	28.4	28.4	29.4	26.6	22.5	22.1	22.7	22.8	20.1	19.2	19.7	20.0
Mining and Logging																	
Average Weekly Wage																	
Supersector	922.7	929.4	965.8	979.8	979.2	1,073.8	1,139.2	1,143.5	1,156.2	1,189.5	1,258.4	1,308.5	1,380.2	1,405.4	1,436.8	1,508.7	1,624.3
Construction	964.8	981.4	1,015.6	1,047.7	1,064.0	1,077.6	1,119.2	1,144.4	1,156.9	1,178.5	1,232.1	1,266.0	1,310.2	1,344.5	1,415.3	1,450.6	1,528.9
Manufacturing	720.8	717.1	725.8	804.6	803.9	761.9	757.7	765.5	801.8	826.2	841.7	839.3	865.8	942.4	996.0	1,030.5	1,054.2
Trade, Transportation, and Utilities	1,239.5	1,231.8	1,205.8	1,321.5	1,493.9	1,554.7	1,516.5	1,528.9	1,548.5	1,521.3	1,609.2	1,723.0	1,870.1	1,936.4	2,068.9	2,274.8	2,355.2
Information	1,298.5	1,136.7	1,127.7	1,114.1	1,110.8	1,121.2	1,152.1	1,226.5	1,250.8	1,270.6	1,325.6	1,411.4	1,462.7	1,530.8	1,625.3	1,690.3	1,612.7
Financial Activities	1,089.2	1,082.1	1,110.1	1,155.4	1,236.0	1,221.2	1,210.6	1,236.3	1,300.2	1,342.6	1,398.5	1,450.4	1,513.8	1,621.8	1,702.7	1,708.1	1,669.4
Professional and Business Services	807.5	834.8	853.7	855.9	871.0	927.0	939.6	945.2	942.6	962.5	1,006.7	1,036.5	1,057.4	1,082.9	1,127.1	1,178.2	1,232.8
Education and Health Services	367.4	374.2	374.5	385.2	391.9	392.6	394.7	416.3	438.8	457.8	468.2	485.6	511.5	536.8	603.4	650.3	666.4
Leisure and Hospitality	582.5	593.7	640.8	634.2	671.3	667.5	687.0	706.5	741.5	749.2	819.3	842.2	877.3	977.3	991.4	949.1	973.5
Other Services	934.4	1,888.2	3,860.4	4,690.2	5,407.1	2,671.2	1,408.1	786.3	745.0	856.5	1,234.2	1,428.0	1,527.9	1,291.0	2,197.6	2,536.7	1,979.1
Mining and Logging																	
New Industry Mix x Old Wages	848.3	841.4	860.3	896.2	896.2	925.0	925.1	929.3	946.7	973.9	996.6	1,039.8	1,073.8	1,138.7	1,192.4	1,248.3	1,283.4
Old Industry Mix x Old Wages	851.5	845.1	861.5	896.2	896.2	924.7	925.4	930.7	946.6	974.1	997.4	1,038.3	1,073.2	1,116.6	1,197.8	1,256.2	1,290.5
Laspeyres Index	0.996	0.996	0.996	0.999	0.999	1.000	1.000	0.999	1.000	1.000	0.999	1.001	1.001	1.020	0.995	0.994	0.994
New Industry Mix x New Wages	845.1	861.5	896.2	924.7	924.7	925.5	930.7	946.6	974.1	997.4	1,038.3	1,073.2	1,116.6	1,197.8	1,256.2	1,290.5	1,306.7
Old Industry Mix x New Wages	847.5	865.6	897.3	924.6	924.6	925.4	931.1	948.0	974.1	997.8	1,039.2	1,071.6	1,116.0	1,175.0	1,261.8	1,298.5	1,313.7
Paasche Index	0.997	0.995	0.995	0.999	1.000	1.000	1.000	0.998	1.000	1.000	0.999	1.002	1.001	1.019	0.996	0.994	0.995
Geomean of Laspeyres and Paasche Indices	0.997	0.995	0.995	0.999	1.000	1.000	1.000	0.999	1.000	1.000	0.999	1.001	1.001	1.020	0.996	0.994	0.995

Source: BLS CES Data Set

Exhibit 3: Magnitude of Differences in Historic Wage Change Measurements and Impact of Industry Mix

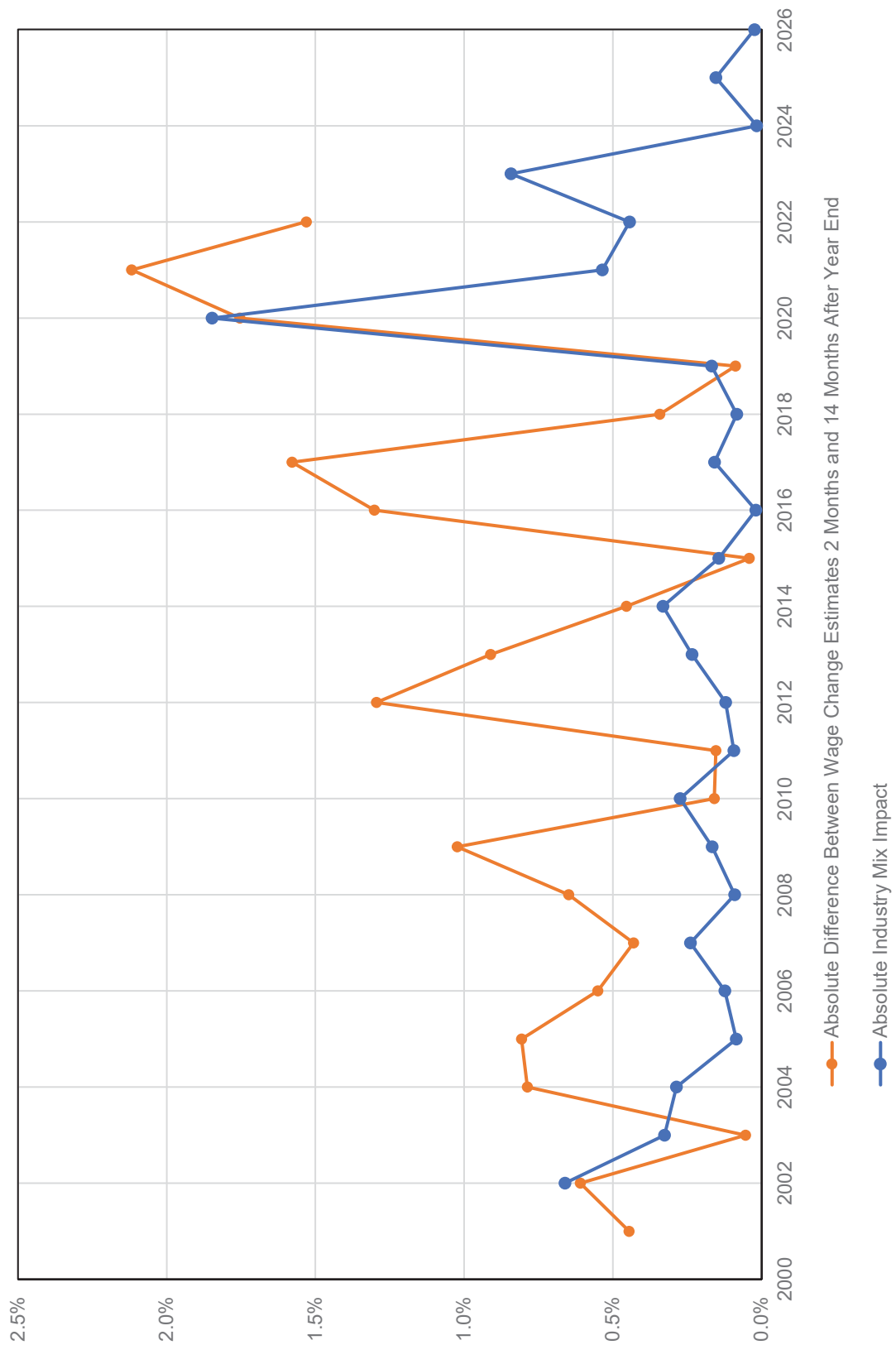


Exhibit 4: Changes in Statewide Average Wage

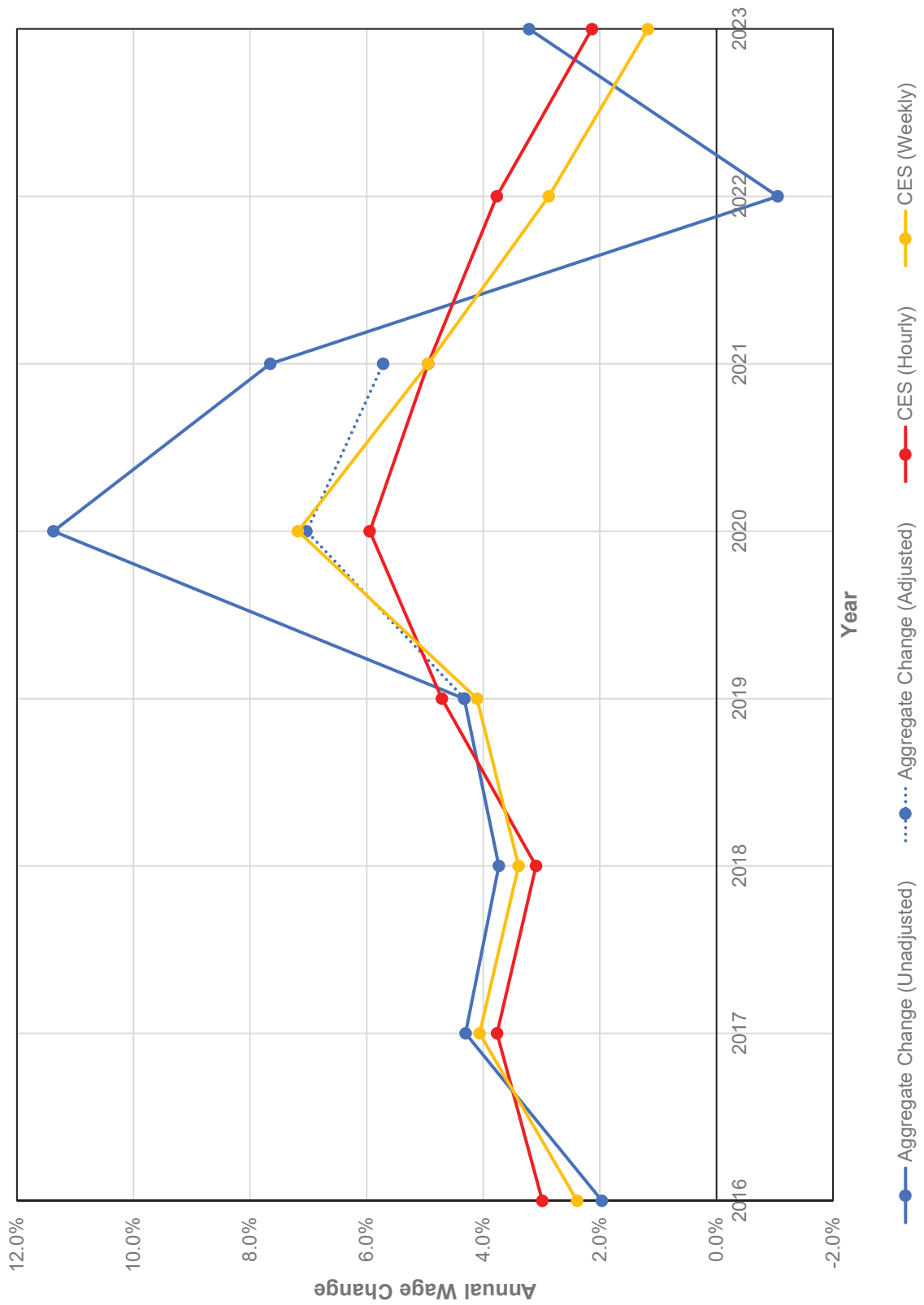


Exhibit 5: Derivation of Industrial Mix and Wage Level Distribution Adjusted Wage Changes

Wage Change Element	Filing Date	2020	2021	2022	2023	2024	2025	2026
Unadjusted	9/1/2021	9.6%	0.9%	1.8%	2.8%			
	9/1/2022	11.4%	8.0%	2.8%	2.0%	2.0%		
	9/1/2023	11.3%	7.7%	2.2%	4.3%	2.9%	2.7%	
	9/1/2024	11.4%	7.7%	3.4%	3.2%	5.1%	3.7%	3.7%
Industry Mix Adjustment	9/1/2021	-1.9%	0.4%					
	9/1/2022	-1.8%	0.3%	0.5%	-0.3%	-0.1%		
	9/1/2023	-1.9%	0.5%	0.5%				
	9/1/2024	-1.8%	0.5%	0.4%				
Industry Mix Adjusted	9/1/2021	7.5%	1.3%	1.8%	2.8%			
	9/1/2022	9.4%	8.3%	3.3%	1.7%	2.0%		
	9/1/2023	9.2%	8.2%	2.7%	4.3%	2.9%	2.7%	
	9/1/2024	9.4%	8.2%	3.8%	3.2%	5.1%	3.7%	3.7%
Wage Level Adjustment	9/1/2021	-4.3%	1.4%	1.0%	0.4%			
	9/1/2022	-3.9%	-1.8%	1.6%	1.1%	0.5%		
	9/1/2023	-3.9%	-1.8%					
	9/1/2024	-3.9%	-1.8%					
Wage Level & Industry Mix Adjusted	9/1/2021	2.9%	2.7%	2.8%	3.2%			
	9/1/2022	5.1%	6.4%	5.0%	2.8%	2.5%		
	9/1/2023	4.9%	6.3%	2.7%	4.3%	2.9%	2.7%	
	9/1/2024	5.1%	6.3%	3.8%	3.2%	5.1%	3.7%	3.7%

Item AC21-12-07

Indemnity Claim Frequency Model

At the December 9, 2021 Actuarial Committee meeting, WCIRB staff presented a report summarizing their comprehensive review of the WCIRB Indemnity Claim Frequency Model, which is used to forecast future indemnity claim frequency changes. This report was accepted by the Committee and several of the recommended changes were implemented in the pure premium rate filing effective September 1, 2022.

In its 2021 review of the Indemnity Claim Frequency Model, the WCIRB recommended the following:

- Consider incorporating a forecast of the cumulative injury index (CII), which had been used as a key explanatory variable in the model for many years.
- In conjunction with the forecast of the CII, also apply the full indicated constant term, instead of a tempered constant.
- Use all available years of data to fit the model.

This review included performance testing of non-cumulative indemnity claim frequency projections using alternative specifications of the model constant and forecast of the change in the CII.

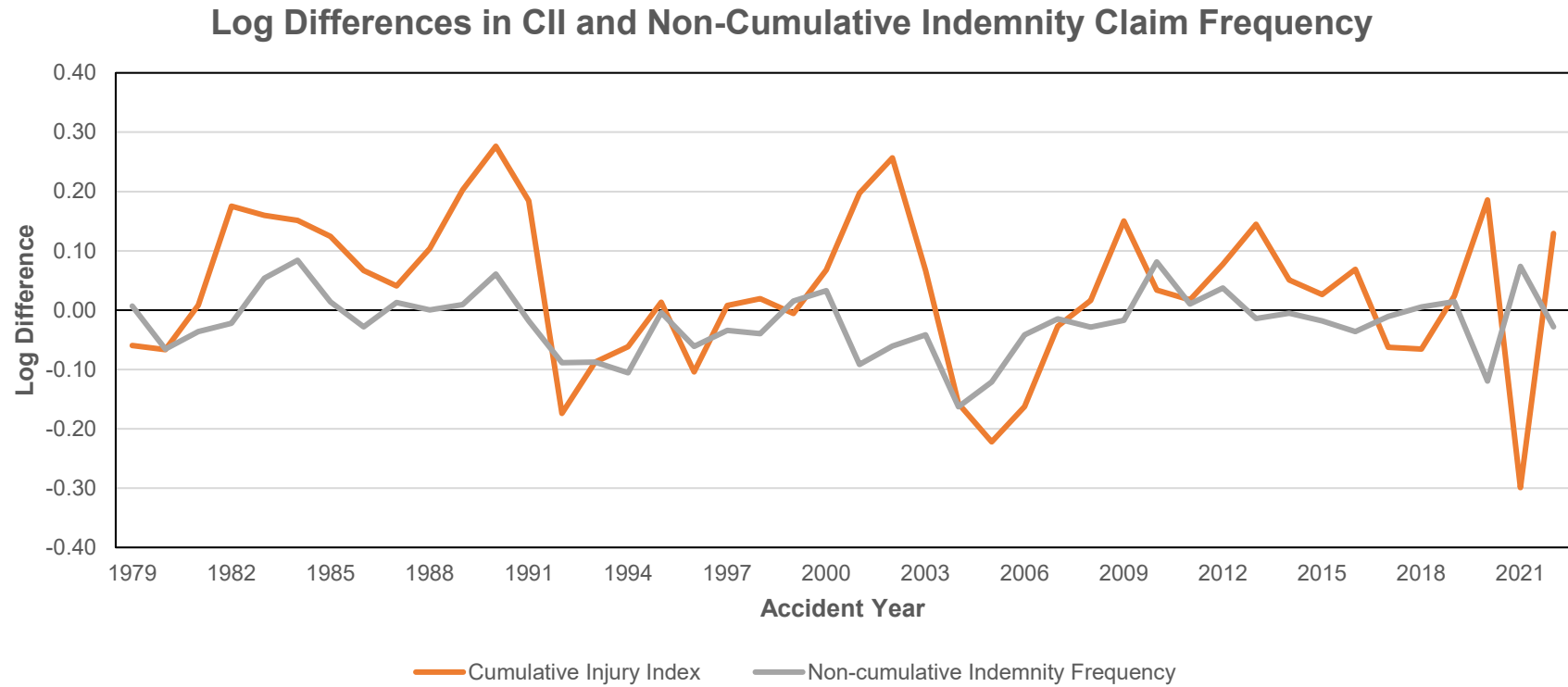
The COVID-19 pandemic and resulting economic disruption has had significant impact on indemnity claim frequency in accident years (AY) 2020, 2021 and 2022. Historically, increases in the frequency of cumulative injury claims have been strongly correlated with increases in the frequency of non-cumulative injury claims, as shown in Exhibit 1. In 2020, however, the frequency of cumulative injury claims increased sharply, while the frequency of non-cumulative injury claims decreased sharply. In 2021, the frequency of cumulative injury claims decreased sharply, while the frequency of non-cumulative injury claims increased sharply.

As a result, the WCIRB's frequency projection underlying the September 1, 2023 Pure Premium Rate Filing excluded AYs 2020 and 2021 from the model fit. Consistent with prior pure premium rate filings, the projection did not incorporate the forecast change in the CII for AYs 2022 through 2025, and the model constant term was instead adjusted to reflect the long-term trend in the CII.

Staff has performed updated performance testing of non-cumulative indemnity claim frequency projections using additional data and alternative forecasts of the change in the CII using long term averages. The performance of the projections one year beyond the latest year included in the parameterization of the model are shown in Exhibit 2. The annualized performance of the four-year cumulative projections beyond the latest year included in the parameterization of the model are shown in Exhibit 3.

At the meeting, staff will present an update of the Indemnity Claim Frequency model and alternative assumptions for consideration. Specifically, the following questions will be posed for consideration and feedback:

- Should we apply a time series or other forecast for the CII?
- Should we temper the constant?
- Should the regression include or exclude AYs 2020, 2021 and 2022?



One Year Out Prediction Error for Non-Cumulative Indemnity Claim Frequency

Model Constant	Full	Tempered	Full	Full	Full
CII Forecast	None	None	CII Average All Years	CII Average 10 Years	Time Series
Last AY in Model					
2001	0.043	0.061	0.058	0.038	0.074
2002	-0.016	0.006	-0.001	-0.014	0.014
2003	0.010	0.033	0.025	0.016	0.035
2004	0.122	0.146	0.137	0.129	0.120
2005	-0.005	0.025	0.010	-0.001	-0.033
2006	0.022	0.049	0.034	0.022	0.006
2007	-0.044	-0.019	-0.035	-0.047	-0.027
2008	-0.054	-0.031	-0.045	-0.057	-0.014
2009	-0.073	-0.052	-0.065	-0.075	-0.037
2010	-0.128	-0.108	-0.119	-0.128	-0.088
2011	-0.041	-0.025	-0.033	-0.041	-0.022
2012	-0.060	-0.045	-0.052	-0.060	-0.045
2013	0.001	0.015	0.010	0.002	0.020
2014	0.001	0.016	0.010	0.004	0.020
2015	0.002	0.017	0.011	0.005	0.007
2016	0.016	0.031	0.025	0.018	0.017
2017	-0.014	0.002	-0.005	-0.011	-0.009
2018	-0.028	-0.013	-0.019	-0.025	-0.039
2019	-0.046	-0.032	-0.038	-0.044	-0.048
2020	-0.008	0.004	-0.001	-0.006	0.008
2021	-0.077	-0.065	-0.070	-0.075	-0.057
2022	0.054	0.067	0.062	0.056	0.041

All Years

Mean Error	-0.01473	0.00367	-0.00463	-0.01333	-0.00265
Mean Absolute Error	0.03933	0.03910	0.03933	0.03977	0.03554
Mean Squared Error	0.00281	0.00268	0.00277	0.00290	0.00206

Change from Full Constant with No CII Forecast

Mean Error	-75.1%	-68.6%	-9.5%	-82.0%
Mean Absolute Error	-0.6%	0.0%	1.1%	-9.6%
Mean Squared Error	-4.6%	-1.3%	3.2%	-26.8%

Excluding Pandemic Years

Mean Error	-0.01539	0.00390	-0.00487	-0.01410	-0.00265
Mean Absolute Error	0.03818	0.03811	0.03858	0.03881	0.03556
Mean Squared Error	0.00278	0.00264	0.00275	0.00289	0.00212

Change from Full Constant with No CII Forecast

Mean Error	-74.6%	-68.3%	-8.4%	-82.8%
Mean Absolute Error	-0.2%	1.0%	1.6%	-6.9%
Mean Squared Error	-4.8%	-0.9%	4.0%	-23.8%

Cumulative Prediction Error for Non-cumulative Indemnity Claim Frequency

Model Constant	Full	Tempered	Full	Full	Full
CII Forecast	None	None	CII Average All Years	CII Average 10 Years	Time Series
Last AY in Model					
2004	0.046	0.069	0.061	0.042	0.071
2005	0.034	0.063	0.049	0.036	0.046
2006	0.035	0.054	0.050	0.041	0.034
2007	0.021	0.027	0.036	0.028	0.015
2008	-0.017	-0.002	-0.002	-0.012	-0.011
2009	-0.012	-0.009	0.000	-0.012	0.013
2010	-0.049	-0.025	-0.039	-0.052	-0.011
2011	-0.077	-0.054	-0.068	-0.080	-0.039
2012	-0.075	-0.049	-0.067	-0.077	-0.043
2013	-0.061	-0.029	-0.052	-0.061	-0.038
2014	-0.029	-0.010	-0.020	-0.029	-0.012
2015	-0.018	0.002	-0.009	-0.017	-0.003
2016	0.004	0.022	0.013	0.005	0.016
2017	0.001	0.016	0.010	0.003	0.006
2018	-0.010	0.004	-0.001	-0.007	-0.009
2019	-0.020	-0.008	-0.011	-0.018	-0.020
2020	-0.003	0.014	0.007	-0.018	-0.004
2021	-0.026	-0.014	-0.017	-0.018	-0.024
2022	-0.030	-0.016	-0.022	-0.018	-0.023

All Years

Mean Error	-0.01494	0.00290	-0.00443	-0.01379	-0.00184
Mean Absolute Error	0.02984	0.02564	0.02821	0.03014	0.02306
Mean Squared Error	0.00138	0.00109	0.00132	0.00142	0.00083

Change from Full Constant with No CII Forecast

Mean Error	-80.6%	-70.4%	-7.7%	-87.7%
Mean Absolute Error	-14.1%	-5.4%	1.0%	-22.7%
Mean Squared Error	-20.8%	-4.4%	2.6%	-39.8%

Excluding Pandemic Years

Mean Error	-0.01411	0.00439	-0.00318	-0.01308	0.00098
Mean Absolute Error	0.02984	0.02564	0.02821	0.03014	0.02306
Mean Squared Error	0.00138	0.00109	0.00132	0.00142	0.00083

Change from Full Constant with No CII Forecast

Mean Error	-68.9%	-77.4%	-7.3%	-93.1%
Mean Absolute Error	-14.1%	-5.4%	1.0%	-22.7%
Mean Squared Error	-20.8%	-4.4%	2.6%	-39.8%

Item AC24-03-01

First Quarter 2024 Review of Diagnostics

Twice a year, staff compiles a comprehensive list of diagnostics to be reviewed by the Claims Working Group and Actuarial Committee in order to identify and quantify changes in claim patterns and trends and help determine the most appropriate methodologies to be used in the development of pure premium rates. The diagnostics are segregated into the following areas (COVID-19 claims are excluded unless otherwise specified):

1. Market and claim characteristic information (exhibit numbers start with M)
2. Claim count information (exhibit numbers start with C)
3. Loss development information (exhibit numbers start with D)
4. Claim severity information (exhibit numbers start with S)
5. Loss adjustment expense information (exhibit numbers start with E)

Staff made the following observations based on the most recent set of system diagnostics:

1. The preliminary proportion of permanent indemnity claims for accident year 2022 continues the declining trend in the proportion of permanent claims that began in 2016, but at a slower rate (Exhibit M4).
2. The percentage of permanent partial claims closed at report level 1 increased in policy year 2021 across all regions (Exhibit M5).
3. The total number of lien decisions continues to decrease in 2022. This may be related to the pandemic as well as lien-related reforms (Exhibit M9.1). The total number of liens filed per quarter has been relatively stable over the last three years with some increases during 3Q and 4Q 2023 (Exhibit M9.2).
4. After years of continuous decline, the number of eligible independent medical review applications stabilized in 2023 (Exhibit M14).
5. The ratio of incremental closed indemnity claims to prior open indemnity claims is stable in calendar year 2022 but generally remains below the pre-pandemic level (Exhibit C3.1).
6. After decreasing in 2021, the share of indemnity claims involving cumulative trauma injury increased for the preliminary accident year 2022. (Exhibit C15).
7. The ratio of incremental paid losses to prior outstanding losses increased in calendar year 2022 for both indemnity and medical, with the exception of accident year 2017 (Exhibit D4).
8. The average claim severities for accident year 2023 generally show modest increases in early development ages for both indemnity and medical (Exhibits S2 through S5).
9. Average paid medical severities on open claims over the most recent calendar year show moderate increases (Exhibit S7).
10. The number of claims and the average severity of claims exceeding \$250,000, \$500,000 and \$1,000,000 all increased in accident year 2021 (Exhibit S16).
11. The proportion of permanent disability claims with over \$1,000 in ALAE costs (a proxy for litigated claims) at first report level and the average ALAE per claim with significant ALAE has been generally increasing in the Los Angeles Basin (Exhibit E7).

Exhibit Numbering Guide March 2024

Exhibit #	Exhibit Name
Market/Claim Characteristics	
M4	Distribution of Estimated Ultimate Number of Claims by Injury Type
M5	Percentage of Claims Closed by Injury Type and Region - First through Third Report Level
M8	Quarterly Expedited Hearings by Region
M9	Number of Division of Workers' Compensation (DWC) Lien Decisions
M14	IMR Filed Counts
M15	COVID Claims Diagnostics
Claim Count	
C2	Indemnity Claim Settlement Rates by Injury Type
C3	Ratio of Incremental Closed Indemnity Claims to Prior Open Indemnity Claims
C7	Accident Year Indemnity Claim Frequency Model & Indemnity Claim Frequency History and Projections
C11	Changes in Incremental Indemnity Claim Counts and Medical Only Claim Counts
C12	Economic Variables
C15	Accident Year Cumulative Injury Indemnity Claim Counts by Policy Year and Report Level
C17	Claim Count Ratios by Region Based on Unit Statistical Data at 1st Report Level
C19	Distribution of Cumulative Injury Claims by Injury Type
Loss Development	
D4	Ratios of Incremental Paid Losses to Prior Outstanding Losses by Accident Year
D6	Comparison of Projected Loss Ratios
Claim Severity	
S2	Average Incurred Indemnity Loss per Reported Indemnity Claim & Incurred Medical Loss per Reported Claim
S3	Average Indemnity & Medical Case Outstanding Per Open Indemnity Claim
S4	Average Paid Losses per Indemnity Claim & Average Paid Medical Loss Per Claim
S5	Average Paid Losses per Closed Indemnity Claim
S6	Ratio of Incremental Paid Indemnity & Medical to Indemnity Claims Open During Period
S7	Ratio of Quarterly Paid Medical to Indemnity Claims Inventory
S8	Estimated Ultimate Severities by Injury Type
S10	Changes in the Number of Weeks of Temporary Disability Benefits
S11	Average Permanent Disability Ratings by Type of Loss
S16	Claim Counts and Losses on Claims in Excess of \$250,000 & \$500,000 & \$1,000,000
Loss Adjustment Expense	
E5	Average Paid ALAE Per Reported Indemnity Claim - Private Insurers
E7	Percentage of Represented Permanent Disability Claims by Region and Loss Type
E15	Average Paid MCCP per Reported Indemnity Claim - Statewide

Distribution of Estimated Ultimate Number of Claims by Injury Type

I. Distribution of Ultimate Number of Indemnity Claims

Accident <u>Year</u>	Permanent <u>Indemnity</u>	Temporary <u>Indemnity</u>	<u>Total</u>
2006	47.3%	52.7%	100%
2007	48.4%	51.6%	100%
2008	50.5%	49.5%	100%
2009	51.9%	48.1%	100%
2010	51.4%	48.6%	100%
2011	51.2%	48.8%	100%
2012	50.5%	49.5%	100%
2013	50.2%	49.8%	100%
2014	50.4%	49.6%	100%
2015	50.7%	49.3%	100%
2016	49.7%	50.3%	100%
2017	47.8%	52.2%	100%
2018	46.8%	53.2%	100%
2019	46.1%	53.9%	100%
2020	44.1%	55.9%	100%
2021	39.5%	60.5%	100%
2022*	39.3%	60.7%	100%

II. Distribution of Ultimate Number of All Claims

Accident <u>Year</u>	Permanent <u>Indemnity**</u>	Temporary <u>Indemnity</u>	Medical <u>Only</u>	<u>Total</u>
2006	13.6%	15.2%	71.2%	100%
2007	14.3%	15.2%	70.5%	100%
2008	15.5%	15.2%	69.3%	100%
2009	17.2%	15.9%	66.9%	100%
2010	17.8%	16.8%	65.4%	100%
2011	18.2%	17.3%	64.5%	100%
2012	18.3%	18.0%	63.7%	100%
2013	18.8%	18.7%	62.5%	100%
2014	18.9%	18.5%	62.6%	100%
2015	18.8%	18.3%	62.9%	100%
2016	18.5%	18.7%	62.8%	100%
2017	17.1%	18.6%	64.3%	100%
2018	16.8%	19.1%	64.1%	100%
2019	16.7%	19.5%	63.8%	100%
2020	17.9%	22.7%	59.4%	100%
2021	15.4%	23.6%	61.0%	100%
2022*	15.5%	24.0%	60.5%	100%

* Accident year 2022 experience is partial in that it only reflects experience from policy year 2021.

** Permanent indemnity consists of the death, permanent total, and permanent partial injury types.

Source: WCIRB unit statistical data

***COVID-19 claims have been excluded

Percentage of Claims Closed by Injury Type and Region

Permanent Partial & Temporary

Permanent Partial		Policy Year							Latest Year Reported Claim Distribution
Report Level	Region*	2015	2016	2017	2018	2019	2020	2021	
1	Bay Area	18%	19%	20%	19%	21%	19%	22%	10%
1	Los Angeles	21%	24%	25%	26%	23%	22%	24%	63%
1	San Diego	23%	26%	27%	27%	25%	21%	27%	7%
1	Remainder of CA	20%	22%	23%	24%	21%	21%	24%	20%
	ALL REGIONS COMBINED	20%	23%	24%	25%	23%	21%	24%	100%
2	Bay Area	45%	47%	48%	44%	48%	43%		12%
2	Los Angeles	45%	51%	50%	48%	46%	46%		63%
2	San Diego	50%	53%	53%	50%	50%	47%		7%
2	Remainder of CA	47%	48%	48%	48%	45%	45%		19%
	ALL REGIONS COMBINED	46%	50%	50%	47%	47%	46%		100%
3	Bay Area	65%	66%	65%	63%	65%			11%
3	Los Angeles	65%	69%	66%	65%	64%			64%
3	San Diego	70%	75%	69%	66%	67%			7%
3	Remainder of CA	67%	68%	67%	65%	63%			18%
	ALL REGIONS COMBINED	66%	69%	66%	65%	64%			100%

Temporary		Policy Year							Latest Year Reported Claim Distribution
Report Level	Region*	2015	2016	2017	2018	2019	2020	2021	
1	Bay Area	60%	61%	62%	64%	61%	63%	61%	15%
1	Los Angeles	51%	52%	54%	53%	53%	53%	52%	57%
1	San Diego	57%	60%	62%	60%	60%	61%	59%	7%
1	Remainder of CA	60%	61%	61%	64%	64%	62%	61%	20%
	ALL REGIONS COMBINED	55%	57%	58%	58%	57%	57%	56%	100%
2	Bay Area	79%	79%	80%	82%	76%	79%		14%
2	Los Angeles	72%	73%	74%	71%	70%	70%		59%
2	San Diego	77%	80%	79%	76%	75%	74%		7%
2	Remainder of CA	77%	78%	81%	80%	79%	78%		20%
	ALL REGIONS COMBINED	75%	76%	77%	75%	73%	73%		100%
3	Bay Area	89%	89%	89%	90%	85%			12%
3	Los Angeles	84%	86%	85%	82%	82%			60%
3	San Diego	89%	88%	89%	85%	85%			7%
3	Remainder of CA	88%	90%	90%	89%	88%			20%
	ALL REGIONS COMBINED	86%	88%	87%	85%	84%			100%

*Los Angeles Includes Los Angeles County and remainder of Los Angeles Basin

Figures in italics are based on preliminary partial data.

Source: WCIRB unit statistical data, excluding COVID-19 claims

Quarterly Expedited Hearings by Region

<u>Time Period</u>	<u>Northern California</u>	<u>Central California</u>	<u>Southern California</u>	<u>Expedited Hearing</u>	<u>Change from Same Quarter in Prior Year</u>
1st Qtr 2013	---	---	---	3,480	40.3%
2nd Qtr 2013	---	---	---	3,615	43.2%
3rd Qtr 2013	---	---	---	4,109	8.5%
4th Qtr 2013	---	---	---	4,013	50.1%
1st Qtr 2014	---	---	---	3,813	9.6%
2nd Qtr 2014	14.4%	24.6%	60.9%	4,463	23.5%
3rd Qtr 2014	16.6%	23.5%	59.8%	4,404	7.2%
4th Qtr 2014	16.9%	16.8%	66.3%	3,926	-2.2%
1st Qtr 2015	15.9%	18.2%	65.9%	4,062	6.5%
2nd Qtr 2015	18.0%	18.0%	63.9%	3,993	-10.5%
3rd Qtr 2015	17.6%	20.1%	62.3%	4,222	-4.1%
4th Qtr 2015	19.1%	20.3%	60.6%	4,252	8.3%
1st Qtr 2016	18.4%	20.7%	60.8%	4,507	11.0%
2nd Qtr 2016	16.7%	20.5%	62.8%	4,631	16.0%
3rd Qtr 2016	17.5%	20.3%	62.2%	4,764	12.8%
4th Qtr 2016	18.3%	20.1%	61.6%	4,569	7.5%
1st Qtr 2017	19.1%	20.3%	60.6%	4,983	10.6%
2nd Qtr 2017	16.8%	17.8%	65.4%	4,990	7.8%
3rd Qtr 2017	16.8%	15.3%	67.9%	5,041	5.8%
4th Qtr 2017	16.5%	15.3%	68.2%	5,155	12.8%
1st Qtr 2018	20.0%	16.4%	63.6%	5,633	13.0%
2nd Qtr 2018	19.7%	14.8%	65.5%	5,768	15.6%
3rd Qtr 2018	20.7%	13.8%	65.5%	5,594	11.0%
4th Qtr 2018	20.3%	12.5%	67.2%	5,537	7.4%
1st Qtr 2019	20.1%	14.6%	65.3%	5,705	1.3%
2nd Qtr 2019	17.8%	12.0%	70.2%	5,831	1.1%
3rd Qtr 2019	17.7%	14.8%	67.5%	6,380	14.1%
4th Qtr 2019	15.8%	12.7%	71.5%	5,793	4.6%
1st Qtr 2020	17.8%	13.7%	68.5%	5,773	1.2%
2nd Qtr 2020	18.3%	13.3%	68.4%	4,773	-18.1%
3rd Qtr 2020	19.3%	13.5%	67.1%	5,638	-11.6%
4th Qtr 2020	19.9%	15.2%	64.8%	5,992	3.4%
1st Qtr 2021	17.5%	12.7%	69.9%	6,414	11.1%
2nd Qtr 2021	19.1%	9.0%	72.0%	6,773	41.9%
3rd Qtr 2021	16.5%	11.6%	71.9%	7,357	30.5%
4th Qtr 2021	13.0%	11.7%	75.3%	4,694	-21.7%
1st Qtr 2022	15.0%	11.7%	73.3%	6,008	-6.3%
2nd Qtr 2022	13.0%	10.7%	76.2%	5,200	-23.2%
3rd Qtr 2022	15.6%	9.4%	75.0%	5,116	-30.5%
4th Qtr 2022	13.9%	6.8%	79.3%	5,158	9.9%
1st Qtr 2023	13.1%	8.5%	78.4%	4,892	-18.6%
2nd Qtr 2023	12.6%	7.5%	79.9%	4,985	-4.1%
3rd Qtr 2023	12.7%	7.2%	80.2%	5,325	4.1%
4th Qtr 2023	11.8%	6.3%	81.8%	5,546	7.5%

Source: DWC

Quarterly Expedited Hearings - DOR Reasons by Region

Northern California

<u>Time Period</u>	<u>Medical Treatment</u>	<u>TD</u>	<u>Other</u>
2Q14-4Q14	77.4%	18.1%	4.5%
2015	76.4%	19.9%	3.7%
2016	77.6%	19.2%	3.2%
2017	77.5%	20.5%	2.0%
2018	80.8%	17.3%	1.9%
2019	81.1%	17.1%	1.8%
2020	81.4%	17.2%	1.4%
2021	82.9%	16.0%	1.1%
2022	84.4%	14.4%	1.2%
2023	84.9%	13.9%	1.2%

Central California

<u>Time Period</u>	<u>Medical Treatment</u>	<u>TD</u>	<u>Other</u>
2Q14-4Q14	86.8%	12.2%	1.0%
2015	84.6%	14.2%	1.2%
2016	87.3%	12.0%	0.7%
2017	84.8%	14.3%	0.9%
2018	84.7%	14.9%	0.4%
2019	82.7%	17.0%	0.3%
2020	81.9%	17.7%	0.5%
2021	82.1%	17.4%	0.5%
2022	82.5%	16.9%	0.6%
2023	82.2%	17.2%	0.6%

Southern California

<u>Time Period</u>	<u>Medical Treatment</u>	<u>TD</u>	<u>Other</u>
2Q14-4Q14	70.0%	19.4%	10.7%
2015	65.4%	20.5%	14.1%
2016	69.1%	18.9%	12.0%
2017	71.5%	18.6%	9.9%
2018	74.2%	17.0%	8.8%
2019	77.7%	16.0%	6.3%
2020	79.7%	15.1%	5.3%
2021	82.6%	13.6%	3.8%
2022	83.7%	13.6%	2.7%
2023	85.5%	12.7%	1.8%

Source: DWC

Number of Division of Workers' Compensation (DWC) Lien Decisions

<u>Calendar Year</u>	<u>Number of Lien Decisions (in 000s)</u>	<u>Year-to-Year Change</u>
1993	18.4	---
1994	26.3	42.9%
1995	33.6	27.8%
1996	33.9	0.9%
1997	27.1	-20.1%
1998	19.3	-28.8%
1999	17.6	-8.8%
2000	15.1	-14.2%
2001	14.8	-2.0%
2002	16.6	12.2%
2003	16.5	-0.6%
2004	21.2	28.5%
2005	24.3	14.6%
2006	28.3	16.5%
2007	35.2	24.4%
2008*	34.5	-2.0%
2009	28.5	-17.4%
2010	37.1	30.2%
2011	41.4	11.6%
2012	64.3	55.3%
2013	65.8	2.3%
2014	63.4	-3.6%
2015	64.1	1.1%
2016	56.1	-12.5%
2017	52.2	-7.0%
2018	49.7	-4.8%
2019	42.1	-15.3%
2020	16.4	-61.0%
2021	4.7	-71.3%
2022	4.2	-10.6%

*Prior to 8/9/2008, DWC's workload adjudication data was available from the legacy system. DWC transitioned to a new computer-based system, the Electronic Adjudication Management System (EAMS), at the end of August 2008. Therefore, data for 2008 are comprised of data both from the legacy and from the EAMS system and may not be directly comparable to previous years due to transition issues.

Source: DWC via Commission on Health and Safety & Workers' Compensation 2023 Annual Report

Liens Filed Counts***Counts by Region****

<u>Time Period</u>	<u>Bay Area</u>	<u>Central Coast/ Valley</u>	<u>Los Angeles County</u>	<u>Remainder of LA Basin</u>	<u>Remaining CA Zip Codes</u>	<u>Sacramento</u>	<u>San Diego County</u>	<u>Total</u>
1st Qtr 2013	1,232	2,193	46,830	17,032	230	268	1,312	69,097
2nd Qtr 2013	1,450	1,562	18,947	6,917	211	339	684	30,110
3rd Qtr 2013	1,607	1,795	25,999	9,855	247	410	991	40,904
4th Qtr 2013	1,928	2,025	29,537	10,893	276	358	1,136	46,153
1st Qtr 2014	1,841	2,029	25,668	10,117	239	384	1,165	41,443
2nd Qtr 2014	1,697	2,306	29,417	11,942	265	354	1,263	47,244
3rd Qtr 2014	1,941	1,996	29,665	12,198	355	424	1,378	47,957
4th Qtr 2014	1,690	2,371	34,772	12,469	374	384	1,488	53,548
1st Qtr 2015	2,071	3,058	45,827	18,016	431	488	2,133	72,024
2nd Qtr 2015	2,370	4,218	54,147	22,198	501	500	2,787	86,721
3rd Qtr 2015	2,428	4,977	61,619	24,827	691	526	3,047	98,115
4th Qtr 2015	2,338	4,991	68,843	26,571	686	495	3,085	107,009
1st Qtr 2016	2,884	5,410	67,259	27,326	672	538	3,931	108,020
2nd Qtr 2016	2,543	5,112	66,511	26,852	536	506	3,912	105,972
3rd Qtr 2016	2,243	4,167	45,707	20,136	420	462	3,404	76,539
4th Qtr 2016	1,872	4,433	66,169	25,942	506	397	4,400	103,719
1st Qtr 2017	1,228	1,872	24,947	9,594	334	312	1,380	39,667
2nd Qtr 2017	1,537	2,211	33,194	11,969	349	369	1,764	51,393
3rd Qtr 2017	1,700	2,047	29,215	10,487	298	419	1,149	45,315
4th Qtr 2017	1,535	1,804	26,566	9,914	313	366	1,176	41,674
1st Qtr 2018	1,501	1,575	28,754	10,848	312	406	1,314	44,710
2nd Qtr 2018	1,264	1,538	23,697	9,034	312	338	986	37,169
3rd Qtr 2018	1,156	1,178	18,596	6,340	241	309	702	28,522
4th Qtr 2018	1,276	1,217	19,034	6,108	230	308	690	28,863
1st Qtr 2019	1,206	1,044	17,863	5,664	268	336	577	26,958
2nd Qtr 2019	1,447	1,049	15,862	5,073	244	334	445	24,454
3rd Qtr 2019	1,246	1,195	16,354	4,731	319	381	549	24,775
4th Qtr 2019	1,206	948	15,597	4,496	286	334	434	23,301
1st Qtr 2020	1,189	1,108	14,627	4,095	260	360	461	22,100
2nd Qtr 2020	1,059	878	11,743	3,548	213	288	480	18,209
3rd Qtr 2020	1,462	825	13,277	3,875	260	420	408	20,527
4th Qtr 2020	1,368	706	13,494	4,128	261	255	325	20,537
1st Qtr 2021	1,111	806	14,407	4,134	277	288	353	21,376
2nd Qtr 2021	1,107	904	14,143	3,857	360	277	345	20,993
3rd Qtr 2021	1,056	807	16,129	4,140	386	275	324	23,117
4th Qtr 2021	1,056	752	12,745	3,691	324	289	272	19,129
1st Qtr 2022	1,028	814	12,998	3,767	339	285	302	19,533
2nd Qtr 2022	1,112	820	13,944	4,152	357	277	316	20,978
3rd Qtr 2022	1,162	780	15,537	4,904	270	280	332	23,265
4th Qtr 2022	1,192	752	14,986	5,192	471	574	320	23,487
1st Qtr 2023	1,024	765	15,958	5,115	369	308	377	23,916
2nd Qtr 2023	1,372	772	15,299	4,997	309	291	334	23,374
3rd Qtr 2023	1,099	737	16,672	5,382	496	360	310	25,056
4th Qtr 2023	1,045	950	19,505	5,927	626	246	310	28,609

* Lien Counts exclude SDI/EDD Liens

** Regions reflect the following WCAB Office mapping: Bay Area - Oakland, San Jose, San Francisco; Central Coast/Valley - Bakersfield, Fresno, Goleta, Grover Beach, Salinas, Stockton; Los Angeles County - Long Beach, Los Angeles, Marina Del Rey, Pomona, Van Nuys; Remainder of LA Basin - Anaheim, Oxnard, Riverside, San Bernardino, Santa Ana; Remaining CA Zip Codes - Eureka, Redding, San Luis Obispo, Santa Barbara, Santa Rosa; Sacramento - Sacramento; San Diego County - San Diego

Source: EAMS Liens Data

Liens Filed Counts*

<u>Time Period</u>	<u>Counts by Type</u>					<u>Total</u>
	<u>Interpreter</u>	<u>Medical</u>	<u>Medical- Legal</u>	<u>Copy Service</u>	<u>Other***</u>	
1st Qtr 2013	2,397	45,631	11,411	11	9,647	69,097
2nd Qtr 2013	831	22,480	587	20	6,192	30,110
3rd Qtr 2013	484	32,356	653	23	7,388	40,904
4th Qtr 2013	378	37,515	537	8	7,715	46,153
1st Qtr 2014	421	33,105	397	16	7,504	41,443
2nd Qtr 2014	275	38,534	320	10	8,105	47,244
3rd Qtr 2014	140	39,810	179	7	7,821	47,957
4th Qtr 2014	156	45,440	160	4	7,788	53,548
1st Qtr 2015	143	60,155	216	18	11,492	72,024
2nd Qtr 2015	152	74,037	268	7	12,257	86,721
3rd Qtr 2015	134	84,290	191	7	13,493	98,115
4th Qtr 2015	101	91,820	236	15	14,837	107,009
1st Qtr 2016	60	93,393	233	5	14,329	108,020
2nd Qtr 2016	90	89,781	467	6	15,628	105,972
3rd Qtr 2016	64	64,924	262	11	11,278	76,539
4th Qtr 2016	94	91,867	68	4	11,686	103,719
1st Qtr 2017	29	33,952	19	3	5,664	39,667
2nd Qtr 2017	33	43,470	34	5	7,851	51,393
3rd Qtr 2017	77	37,815	31	0	7,392	45,315
4th Qtr 2017	65	33,876	18	1	7,714	41,674
1st Qtr 2018	64	36,674	29	2	7,941	44,710
2nd Qtr 2018	103	29,276	22	0	7,768	37,169
3rd Qtr 2018	79	21,334	14	4	7,091	28,522
4th Qtr 2018	60	21,595	22	1	7,185	28,863
1st Qtr 2019	75	19,887	12	1	6,983	26,958
2nd Qtr 2019	54	18,497	17	1	5,885	24,454
3rd Qtr 2019	43	17,721	9	1	6,674	24,775
4th Qtr 2019	48	15,977	14	0	7,262	23,301
1st Qtr 2020	38	15,775	16	0	6,271	22,100
2nd Qtr 2020	16	12,693	8	0	5,492	18,209
3rd Qtr 2020	15	14,211	12	0	6,289	20,527
4th Qtr 2020	10	14,460	10	0	6,057	20,537
1st Qtr 2021	24	14,869	15	0	6,468	21,376
2nd Qtr 2021	15	14,598	15	0	6,365	20,993
3rd Qtr 2021	14	17,289	1	0	5,813	23,117
4th Qtr 2021	38	14,146	4	0	4,941	19,129
1st Qtr 2022	18	14,194	15	0	5,306	19,533
2nd Qtr 2022	11	15,165	8	0	5,794	20,978
3rd Qtr 2022	16	17,295	7	0	5,947	23,265
4th Qtr 2022	8	16,429	7	0	7,043	23,487
1st Qtr 2023	32	17,978	2	0	5,904	23,916
2nd Qtr 2023	15	16,255	9	0	7,095	23,374
3rd Qtr 2023	15	17,950	11	1	7,079	25,056
4th Qtr 2023	22	19,747	7	2	8,831	28,609

* Lien Counts exclude SDI/EDD Liens

***Other includes Attorney Fees, Family Support, Living Expense, PFL, Transport, Wage Replace Liens

Source: EAMS Liens Data

IMR Filed CountsQuarterly IMRs Filed

<u>Year & Quarter</u>	<u>IMRs Filed</u>	Change from	<u>Eligible IMRs</u>	Change from
		Same Quarter in <u>Prior Year</u>		Same Quarter in <u>Prior Year</u>
2015 1Q	61,142	22.5%	36,314	108.4%
2015 2Q	65,418	9.0%	48,628	99.2%
2015 3Q	65,889	10.4%	40,603	-26.1%
2015 4Q	61,330	4.7%	39,950	-14.1%
2016 1Q	60,772	-0.6%	41,023	13.0%
2016 2Q	64,852	-0.9%	44,287	-8.9%
2016 3Q	62,411	-5.3%	43,892	8.1%
2016 4Q	61,318	0.0%	43,618	9.2%
2017 1Q	61,253	0.8%	43,194	5.3%
2017 2Q	62,773	-3.2%	42,866	-3.2%
2017 3Q	63,380	1.6%	42,836	-2.4%
2017 4Q	60,125	-1.9%	43,298	-0.7%
2018 1Q	64,533	5.4%	47,336	9.6%
2018 2Q	66,647	6.2%	48,175	12.4%
2018 3Q	61,658	-2.7%	45,775	6.9%
2018 4Q	59,539	-1.0%	44,941	3.8%
2019 1Q	56,083	-13.1%	42,334	-10.6%
2019 2Q	57,498	-13.7%	43,658	-9.4%
2019 3Q	55,759	-9.6%	43,873	-4.2%
2019 4Q	52,759	-11.4%	42,489	-5.5%
2020 1Q	51,925	-7.4%	38,405	-9.3%
2020 2Q	40,642	-29.3%	31,524	-27.8%
2020 3Q	45,183	-19.0%	34,674	-21.0%
2020 4Q	46,270	-12.3%	35,467	-16.5%
2021 1Q	45,406	-12.6%	34,354	-10.5%
2021 2Q	46,130	13.5%	35,250	11.8%
2021 3Q	44,748	-1.0%	34,559	-0.3%
2021 4Q	42,645	-7.8%	32,482	-8.4%
2022 1Q	41,320	-9.0%	31,210	-9.2%
2022 2Q	44,004	-4.6%	33,107	-6.1%
2022 3Q	43,784	-2.2%	33,064	-4.3%
2022 4Q	41,742	-2.1%	32,118	-1.1%
2023 1Q	41,883	1.4%	32,155	3.0%
2023 2Q	45,009	2.3%	34,301	3.6%
2023 3Q	43,643	-0.3%	33,034	-0.1%
2023 4Q	44,491	6.6%	33,667	4.8%

Yearly IMR Counts

	Original IMR	<u>Duplicates</u>	<u>Ineligible</u>	<u>Total Rejected</u>	<u>Eligible IMRs</u>	Eligible IMR
	<u>Applications</u>					<u>Yearly Change</u>
2013 IMR Counts	83,920	15,560	15,516	31,076	52,844	---
2014 IMR Counts	228,084	56,503	28,272	84,775	143,309	171.2%
2015 IMR Counts	253,776	58,106	30,175	88,281	165,495	15.5%
2016 IMR Counts	249,353	53,314	23,219	76,533	172,820	4.4%
2017 IMR Counts	247,531	54,993	20,344	75,337	172,194	-0.4%
2018 IMR Counts	252,377	52,294	13,856	66,150	186,227	8.1%
2019 IMR Counts	222,099	44,773	4,972	49,745	172,354	-7.4%
2020 IMR Counts	184,020	35,133	8,817	43,950	140,070	-18.7%
2021 IMR Counts	178,929	33,238	9,046	42,284	136,645	-2.4%
2022 IMR Counts	170,850	30,426	10,925	41,351	129,499	-5.2%
2023 IMR Counts	175,026	30,022	11,847	41,869	133,157	2.8%

Source: DWC Collected from IMR Vendor

DWC Via Commission on Health and Safety & Workers' Compensation 2023 Annual Report

Characteristics of Indemnity Claims due to COVID-19

I. COVID-19 Indemnity Claim Frequency by Accident Year (Latest Evaluation)

Accident Year	Share of Indemnity Claims	Share of Indemnity Claims Open		
	<u>COVID-19</u>	<u>All Other</u>	<u>COVID-19</u>	<u>Relativity</u>
2020	12.0%	20.3%	6.6%	0.326
2021	4.7%	29.9%	9.3%	0.311
2022	3.9%	44.4%	8.1%	0.182
2023	2.0%	67.8%	15.9%	0.234

II. COVID-19 Indemnity Claim Severity by Accident Year (Latest Evaluation)

Accident Year	Incurred Medical Severity				Incurred Indemnity Severity			
	<u>Total</u>	<u>All Other</u>	<u>COVID-19</u>	<u>Relativity</u>	<u>Total</u>	<u>All Other</u>	<u>COVID-19</u>	<u>Relativity</u>
2020	24,363	26,360	9,772	0.371	22,068	23,520	11,457	0.487
2021	23,719	24,540	7,213	0.294	20,818	21,430	8,509	0.397
2022	21,177	21,969	1,813	0.083	17,684	18,299	2,657	0.145
2023	17,830	18,169	1,045	0.058	11,469	11,673	1,375	0.118

Data evaluated as of December 31, 2023

Source: WCIRB quarterly calls for experience

Indemnity Claim Settlement Ratios by Injury Type

Permanent Partial						Temporary					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2000	7.9%	26.3%	44.6%	56.6%	65.7%	2000	63.9%	80.4%	86.7%	90.3%	92.3%
2001	6.8%	21.8%	40.6%	57.0%	68.8%	2001	60.8%	76.1%	84.9%	88.4%	90.6%
2002	5.1%	19.0%	41.1%	59.6%	71.0%	2002	60.4%	78.1%	85.3%	89.5%	92.3%
2003	4.0%	20.6%	44.0%	61.0%	72.1%	2003	64.5%	79.6%	87.2%	91.7%	94.2%
2004	5.2%	22.4%	43.9%	59.9%	71.1%	2004	67.0%	82.6%	90.0%	94.2%	95.2%
2005	5.9%	22.5%	43.2%	59.3%	69.6%	2005	67.3%	82.4%	89.5%	92.1%	95.2%
2006	6.5%	23.6%	44.3%	59.4%	68.9%	2006	68.7%	84.6%	90.3%	93.6%	95.3%
2007	6.0%	23.9%	43.6%	58.0%	68.1%	2007	69.2%	83.8%	90.5%	93.5%	94.9%
2008	6.1%	24.0%	43.2%	57.9%	69.8%	2008	68.5%	83.0%	88.9%	92.0%	94.2%
2009	6.1%	23.5%	42.4%	58.4%	70.6%	2009	66.9%	80.7%	86.8%	90.9%	93.1%
2010	7.2%	25.2%	45.7%	62.3%	73.6%	2010	64.8%	78.2%	85.5%	89.8%	92.5%
2011	8.0%	27.4%	48.6%	64.4%	75.6%	2011	63.3%	77.5%	84.9%	89.5%	91.8%
2012	9.2%	30.5%	51.4%	66.3%	77.6%	2012	63.1%	78.0%	86.1%	90.7%	93.0%
2013	10.2%	31.9%	53.2%	69.5%	80.0%	2013	62.9%	79.5%	87.0%	91.0%	93.5%
2014	10.8%	33.7%	55.9%	72.3%	82.4%	2014	65.1%	80.0%	87.0%	91.2%	93.9%
2015	12.8%	38.5%	60.8%	75.8%	84.4%	2015	65.2%	80.7%	88.6%	93.1%	95.2%
2016	14.2%	41.2%	63.7%	77.1%	84.6%	2016	66.7%	82.3%	90.3%	93.8%	95.3%
2017	16.0%	43.4%	64.4%	76.8%	84.5%	2017	67.6%	83.6%	90.4%	93.3%	95.0%
2018	16.2%	42.6%	63.2%	77.1%	82.8%	2018	67.3%	82.2%	88.4%	91.7%	94.2%
2019	15.0%	38.7%	59.8%	75.1%		2019	66.8%	80.8%	88.1%	90.9%	
2020	13.4%	37.6%	61.5%			2020	62.5%	76.8%	85.0%		
2021	16.3%	38.6%				2021	67.1%	80.8%			
2022	18.0%					2022	63.2%				

Cumulative Injury*						Non-Cumulative Injury					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2000	11.6%	28.1%	43.9%	55.7%	65.3%	2000	30.8%	49.4%	62.9%	71.4%	77.0%
2001	10.5%	24.4%	41.7%	55.5%	66.2%	2001	26.1%	42.9%	58.4%	69.6%	77.4%
2002	10.5%	25.1%	42.8%	58.3%	69.4%	2002	26.4%	43.0%	59.5%	72.1%	79.8%
2003	11.8%	26.5%	44.5%	59.0%	69.2%	2003	29.7%	46.5%	63.2%	74.8%	82.2%
2004	14.8%	29.6%	46.0%	60.2%	69.6%	2004	34.1%	51.4%	66.3%	76.7%	83.2%
2005	12.6%	26.7%	42.3%	54.8%	64.5%	2005	37.8%	54.0%	67.6%	76.5%	84.3%
2006	12.7%	27.6%	42.8%	54.8%	64.1%	2006	39.0%	56.2%	69.1%	78.8%	84.0%
2007	13.4%	28.8%	43.4%	55.3%	65.2%	2007	39.3%	56.0%	69.8%	78.0%	83.3%
2008	12.0%	27.2%	42.0%	54.7%	65.9%	2008	39.1%	56.3%	68.4%	76.9%	83.6%
2009	11.3%	25.2%	40.5%	54.6%	66.9%	2009	39.4%	55.3%	67.5%	77.2%	83.7%
2010	12.9%	27.3%	44.7%	61.1%	71.9%	2010	39.2%	55.0%	68.7%	78.4%	84.9%
2011	11.8%	29.1%	48.4%	62.9%	73.0%	2011	39.4%	56.4%	70.0%	79.5%	85.7%
2012	12.8%	32.8%	50.5%	63.9%	75.0%	2012	40.3%	58.2%	72.0%	80.9%	87.0%
2013	15.9%	35.9%	54.0%	67.7%	78.0%	2013	41.2%	59.7%	73.2%	82.4%	88.3%
2014	17.5%	38.3%	55.6%	70.6%	80.4%	2014	42.9%	60.8%	74.6%	83.9%	89.5%
2015	18.8%	41.5%	60.4%	74.2%	82.9%	2015	43.1%	63.2%	77.5%	86.4%	91.0%
2016	20.2%	47.2%	67.0%	78.1%	84.9%	2016	45.4%	65.6%	79.7%	87.2%	91.1%
2017	23.8%	50.0%	67.0%	76.7%	83.8%	2017	47.7%	68.1%	80.6%	87.4%	91.3%
2018	24.6%	51.8%	69.2%	82.0%	80.4%	2018	47.6%	66.3%	77.9%	85.0%	90.5%
2019	22.1%	43.7%	60.6%	75.5%		2019	48.9%	66.9%	79.7%	85.3%	
2020	17.1%	38.7%	61.8%			2020	47.0%	64.9%	77.4%		
2021	24.8%	42.3%				2021	49.6%	66.7%			
2022	22.0%					2022	47.9%				

All Indemnity					
AY/RL	1	2	3	4	5
2000	34.6%	52.1%	64.7%	72.7%	78.4%
2001	31.5%	46.6%	60.9%	71.4%	78.8%
2002	29.5%	45.1%	60.6%	72.8%	80.4%
2003	31.4%	47.3%	63.5%	74.9%	82.1%
2004	35.5%	51.9%	66.4%	76.7%	82.9%
2005	38.7%	54.6%	68.0%	76.9%	83.3%
2006	39.4%	55.9%	68.6%	77.5%	82.9%
2007	39.0%	55.2%	68.0%	76.5%	82.1%
2008	37.4%	53.6%	66.1%	75.0%	82.0%
2009	36.0%	51.6%	64.3%	74.4%	81.7%
2010	35.8%	51.5%	65.4%	75.9%	82.9%
2011	35.6%	52.4%	66.8%	77.0%	83.7%
2012	36.4%	54.4%	68.9%	78.6%	85.4%
2013	36.8%	55.9%	70.3%	80.3%	86.9%
2014	38.2%	57.1%	71.6%	81.8%	88.2%
2015	39.2%	59.7%	74.8%	84.5%	89.8%
2016	41.1%	62.3%	77.3%	85.7%	90.1%
2017	43.4%	64.8%	78.2%	85.6%	90.1%
2018	44.3%	64.4%	77.0%	85.2%	89.1%
2019	43.1%	61.5%	75.1%	83.6%	
2020	40.8%	59.4%	74.4%		
2021	47.0%	63.5%			
2022	43.6%				

Notes:

*Cumulative Injury includes both cumulative injury and occupational disease.

Latest diagonal (italics) is based on a partial accident year.

Settlement rates are based on claim counts developed to 5th report.

Source: WCIRB Unit Statistical data, excluding COVID-19 Claims

Ratio of Incremental Closed Indemnity Claims to Prior Open Indemnity Claims

Accident Year	Development								
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>
2004									23.7%
2005								24.6%	19.7%
2006							24.5%	21.0%	18.9%
2007						26.6%	22.7%	20.9%	23.3%
2008					28.1%	24.9%	23.9%	25.5%	21.9%
2009				28.5%	26.4%	25.8%	27.8%	24.1%	22.3%
2010			30.0%	29.4%	27.4%	29.5%	27.3%	23.9%	24.9%
2011		28.7%	30.6%	30.2%	29.3%	29.8%	27.8%	26.7%	20.9%
2012	30.7%	30.0%	31.7%	31.6%	31.5%	29.9%	29.5%	22.4%	20.9%
2013	31.8%	31.4%	34.1%	34.4%	31.7%	32.2%	26.6%	22.6%	19.4%
2014	33.0%	33.2%	35.9%	35.7%	32.6%	28.1%	25.3%	21.5%	19.2%
2015	34.9%	36.3%	37.7%	36.4%	28.9%	27.1%	25.0%	21.2%	
2016	37.5%	38.0%	39.2%	32.2%	28.5%	27.0%	24.2%		
2017	39.4%	38.8%	34.9%	32.1%	28.6%	26.7%			
2018	39.3%	35.0%	34.4%	32.7%	29.8%				
2019	36.0%	33.3%	35.3%	32.8%					
2020	35.9%	33.8%	34.1%						
2021	37.9%	33.2%							
2022	37.8%								

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Ratio of Incremental Closed Indemnity Claims to Prior Open Indemnity Claims

Accident Year	Development														
	<u>3-6</u>	<u>6-9</u>	<u>9-12</u>	<u>12-15</u>	<u>15-18</u>	<u>18-21</u>	<u>21-24</u>	<u>24-27</u>	<u>27-30</u>	<u>30-33</u>	<u>33-36</u>	<u>36-39</u>	<u>39-42</u>	<u>42-45</u>	<u>45-48</u>
2009	4.0%	7.9%	10.3%	10.6%	8.5%	6.8%	6.6%	6.5%	6.9%	7.6%	7.8%	7.2%	7.9%	7.1%	7.7%
2010	4.1%	7.5%	10.4%	11.1%	8.5%	6.8%	7.1%	6.8%	7.6%	7.3%	7.9%	7.8%	9.1%	8.8%	9.3%
2011	4.3%	7.2%	10.6%	10.7%	8.7%	7.0%	7.3%	7.0%	8.4%	8.3%	9.2%	8.4%	8.5%	9.2%	9.1%
2012	4.3%	7.4%	10.4%	10.5%	9.1%	7.5%	8.2%	7.6%	8.6%	9.2%	9.3%	8.9%	9.3%	9.5%	9.6%
2013	4.2%	7.1%	10.4%	10.6%	9.4%	8.4%	8.6%	8.5%	9.2%	9.3%	9.9%	9.8%	10.4%	10.1%	10.6%
2014	4.1%	7.3%	10.3%	11.2%	9.6%	9.1%	9.0%	9.1%	9.6%	9.9%	10.5%	9.9%	11.4%	10.3%	11.4%
2015	4.0%	7.6%	10.4%	11.8%	10.6%	9.1%	9.7%	10.2%	11.3%	10.7%	11.2%	10.6%	11.7%	11.3%	11.3%
2016	4.2%	7.6%	10.9%	12.5%	11.5%	10.0%	10.7%	10.0%	11.7%	11.2%	12.3%	11.8%	12.0%	11.0%	11.5%
2017	4.7%	8.2%	12.2%	13.1%	12.1%	10.8%	11.5%	10.7%	11.8%	11.6%	12.0%	10.9%	9.6%	10.0%	9.7%
2018	4.8%	8.5%	12.3%	13.2%	11.9%	10.8%	10.9%	10.6%	9.7%	9.9%	10.2%	9.6%	10.1%	9.8%	10.0%
2019	4.7%	8.4%	12.3%	13.4%	9.9%	9.3%	9.4%	8.9%	9.8%	9.7%	9.9%	9.7%	10.5%	10.4%	10.2%
2020	---	---	---	12.2%	11.2%	9.1%	9.4%	8.7%	9.9%	10.0%	10.3%	9.5%	9.8%	9.9%	10.0%
2021	5.3%	8.7%	12.0%	13.8%	11.8%	9.6%	9.3%	9.2%	9.1%	9.6%	10.2%				
2022	5.0%	8.8%	12.2%	13.6%	11.1%	9.9%	9.7%								
2023	5.4%	8.8%	12.7%												

Note: All figures in each accident year contain information from the same combination of insurers, all of whom submitted complete data for all evaluations for that accident year. Therefore, each accident year may contain a different mix of insurers (ranging from 84% to 99% of the total California workers' compensation insured market measured using 2023 earned premium levels).

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims for accident years 2020 through 2022.

2023 Accident Year Indemnity Claim Frequency Model
As of PY 2021 1st Set & December 2023 UCLA

AY	Annual % Changes Intra- Class Ind Freq	Annual Log Differences					
		Intra-Class Indemnity Frequency per \$M Exposure at PY 2020 Level			AY+1 Indemnity Benefit Level	Cumulative Injury Index	Economic Variables (1st Prin. Comp.)
		Total	Cumulative	Non-cum.			
1979	0.5%	0.005	-0.053	0.007	0.000	-0.060	0.133
1980	-6.5%	-0.068	-0.132	-0.066	0.000	-0.066	-0.082
1981	-3.5%	-0.036	-0.028	-0.036	0.033	0.008	-0.079
1982	-1.6%	-0.016	0.153	-0.022	0.000	0.175	-0.294
1983	6.2%	0.060	0.214	0.054	0.352	0.160	0.029
1984	9.5%	0.091	0.235	0.084	0.081	0.151	0.221
1985	2.0%	0.020	0.138	0.014	0.000	0.124	0.080
1986	-2.4%	-0.024	0.039	-0.028	0.000	0.067	0.077
1987	1.5%	0.015	0.053	0.013	0.000	0.041	0.150
1988	0.7%	0.007	0.104	0.000	0.000	0.104	0.087
1989	2.5%	0.024	0.212	0.009	0.000	0.203	0.044
1990	9.0%	0.087	0.337	0.061	0.046	0.276	-0.121
1991	0.3%	0.003	0.166	-0.018	0.071	0.184	-0.293
1992	-10.3%	-0.108	-0.263	-0.089	0.023	-0.174	-0.186
1993	-9.2%	-0.097	-0.175	-0.088	0.013	-0.088	-0.022
1994	-10.5%	-0.111	-0.167	-0.105	-0.057	-0.061	0.106
1995	-0.3%	-0.003	0.009	-0.004	0.061	0.013	0.092
1996	-6.8%	-0.070	-0.165	-0.061	0.053	-0.104	0.074
1997	-3.3%	-0.033	-0.026	-0.034	0.096	0.008	0.137
1998	-3.7%	-0.038	-0.020	-0.040	0.066	0.019	0.078
1999	1.5%	0.015	0.010	0.015	0.058	-0.005	0.127
2000	4.0%	0.039	0.101	0.033	0.040	0.068	0.065
2001	-6.9%	-0.072	0.106	-0.091	-0.003	0.197	-0.104
2002	-2.8%	-0.029	0.196	-0.061	-0.007	0.257	-0.212
2003	-3.2%	-0.032	0.025	-0.042	0.060	0.067	-0.019
2004	-16.8%	-0.184	-0.321	-0.163	-0.065	-0.158	0.103
2005	-13.6%	-0.147	-0.343	-0.121	-0.398	-0.222	0.147
2006	-5.6%	-0.058	-0.204	-0.042	0.051	-0.163	0.094
2007	-1.7%	-0.017	-0.042	-0.015	0.016	-0.027	-0.080
2008	-2.7%	-0.027	-0.012	-0.029	0.049	0.017	-0.316
2009	-0.3%	-0.003	0.133	-0.017	0.069	0.150	-0.461
2010	8.8%	0.085	0.115	0.081	0.016	0.034	-0.077
2011	1.2%	0.012	0.028	0.010	0.000	0.017	0.047
2012	4.7%	0.046	0.115	0.037	0.003	0.077	0.125
2013	0.4%	0.004	0.131	-0.014	0.019	0.145	0.153
2014	0.2%	0.002	0.046	-0.005	0.070	0.051	0.179
2015	-1.5%	-0.015	0.008	-0.018	0.000	0.026	0.194
2016	-2.6%	-0.026	0.033	-0.036	0.000	0.069	0.127
2017	-1.9%	-0.020	-0.073	-0.011	0.000	-0.062	0.130
2018	-0.4%	-0.004	-0.061	0.005	0.000	-0.066	0.127
2019	1.8%	0.018	0.038	0.015	0.000	0.024	0.045
2020	-8.8%	-0.092	0.066	-0.119	0.000	0.186	-0.913
2021	3.2%	0.032	-0.225	0.074	0.000	-0.299	0.328
2022*	-4.4%	-0.010	0.101	-0.028	0.000	0.129	0.561
2023	-2.8%	-0.028	-0.028	-0.028	0.000	0.000	-0.083
2024	-1.9%	-0.019	-0.019	-0.019	0.000	0.000	0.012
2025	-0.3%	-0.003	-0.003	-0.003	0.000	0.000	0.163
2026	-2.4%	-0.025	-0.025	-0.025	0.000	0.000	-0.045

Y = Hazardousness-Adjusted Noncumulative Indemnity Claim Frequency

Constant -0.020

Std Err of Y Est 0.041

R Squared 0.435

No. of Observations 41

Degrees of Freedom 37

X Coefficient(s) 0.188 0.209 0.102

Std Err of Coef. 0.077 0.062 0.043

Notes:

The Indemnity Benefit Level variable is concurrent. The AY 2004 benefit level change is related to the AY 2004 change in non-cumulative frequency.

The Indemnity Benefit Level variable excludes indemnity benefit utilization, cost-of-living adjustments, and changes in the death and permanent total benefits.

The Indemnity Benefit Level variable has been revised due to on-leveling reassessments. See Actuarial Committee item AC09-03-03.

For 1993 on, cumulative claims include both cumulative trauma and occupational disease claims. See Actuarial Committee item AC14-03-19.

The definition of cumulative claims has been further amended to include claims coded with certain nature of injury codes in USR. See Actuarial Committee item AC21-12-09.

Economic variables are historical through 2022; December 2023 UCLA Anderson Forecasts for 2023 on.

The indicator variable for Cal-OSHA inspections has been moved into an on-level adjustment. See Actuarial Committee item AC21-12-09.

Regression is over AY 1979 through AY 2022, excluding 2020 and 2021. AY 2023 through AY 2026 are projections.

Excludes claims due to COVID-19.

The constant term, -0.020, consists of measured offsets that recognize annual changes in real benefit levels relative to nominal benefit levels and long-term economic growth.

Without these offsets, the indemnity benefit level and economic variables would project frequency to increase without bound.

*AY 2022 is preliminary and change is based on a comparison of 2022 accidents on 2021 policies to 2021 accidents on 2020 policies.

Indemnity Claim Frequency History and Projections

AY	Intra-Class Indemnity Claim Frequency(a)	Inter-Class Indemnity Claim Frequency Index(b)	Overall Indemnity Claim Frequency	Annual Percent Changes		
				Intra-Class	Inter-Class	Overall
1979	0.355	0.921	0.563	---	---	---
1980	0.331	0.914	0.522	-6.54%	-0.75%	-7.24%
1981	0.320	0.900	0.496	-3.54%	-1.56%	-5.04%
1982	0.315	0.882	0.478	-1.59%	-2.00%	-3.56%
1983	0.334	0.873	0.503	6.20%	-0.98%	5.17%
1984	0.366	0.871	0.550	9.53%	-0.18%	9.32%
1985	0.373	0.867	0.558	2.05%	-0.51%	1.52%
1986	0.364	0.859	0.540	-2.38%	-0.92%	-3.28%
1987	0.370	0.854	0.545	1.53%	-0.56%	0.97%
1988	0.373	0.854	0.549	0.69%	-0.06%	0.64%
1989	0.382	0.853	0.562	2.47%	-0.08%	2.39%
1990	0.416	0.845	0.607	9.04%	-0.89%	8.07%
1991	0.418	0.832	0.599	0.28%	-1.58%	-1.30%
1992	0.375	0.813	0.525	-10.27%	-2.34%	-12.37%
1993	0.340	0.752	0.441	-9.21%	-7.46%	-15.98%
1994	0.304	0.733	0.385	-10.52%	-2.56%	-12.81%
1995	0.303	0.702	0.367	-0.28%	-4.22%	-4.49%
1996	0.283	0.693	0.338	-6.78%	-1.25%	-7.94%
1997	0.274	0.685	0.323	-3.29%	-1.23%	-4.48%
1998	0.263	0.680	0.309	-3.73%	-0.60%	-4.31%
1999	0.267	0.670	0.309	1.48%	-1.49%	-0.02%
2000	0.278	0.651	0.312	3.96%	-2.91%	0.93%
2001	0.259	0.652	0.291	-6.90%	0.13%	-6.78%
2002	0.251	0.660	0.286	-2.84%	1.34%	-1.54%
2003	0.243	0.662	0.278	-3.18%	0.20%	-2.99%
2004	0.202	0.660	0.230	-16.84%	-0.21%	-17.02%
2005	0.175	0.658	0.198	-13.65%	-0.31%	-13.91%
2006	0.165	0.653	0.186	-5.60%	-0.81%	-6.36%
2007	0.162	0.649	0.181	-1.68%	-0.68%	-2.35%
2008	0.158	0.641	0.174	-2.70%	-1.18%	-3.85%
2009	0.157	0.629	0.171	-0.27%	-1.82%	-2.09%
2010	0.171	0.617	0.182	8.83%	-1.87%	6.79%
2011	0.173	0.609	0.182	1.22%	-1.42%	-0.22%
2012	0.182	0.601	0.188	4.71%	-1.20%	3.45%
2013	0.182	0.599	0.188	0.36%	-0.36%	0.00%
2014	0.182	0.600	0.189	0.17%	0.21%	0.38%
2015	0.180	0.597	0.185	-1.46%	-0.59%	-2.05%
2016	0.175	0.593	0.179	-2.58%	-0.74%	-3.30%
2017	0.172	0.588	0.174	-1.94%	-0.73%	-2.66%
2018	0.171	0.585	0.173	-0.36%	-0.54%	-0.90%
2019	0.174	0.574	0.173	1.79%	-1.81%	-0.05%
2020	0.159	0.580	0.159	-8.81%	0.94%	-7.95%
2021(c)	0.164	0.598	0.171	3.24%	3.13%	7.47%
2021(d)	0.164	0.598	0.170	---	---	---
2022(e)	0.156	0.602	0.164	-4.40%	0.71%	-3.73%
2023	0.158	0.604	0.160	-2.80%	0.36%	-2.45%
2024	0.155	0.603	0.157	-1.86%	-0.25%	-2.11%
2025	0.154	0.601	0.156	-0.35%	-0.26%	-0.61%
2026	0.150	0.601	0.152	-2.43%	-0.10%	-2.53%
PY						
2008	0.158	0.636	0.173			
2009	0.164	0.624	0.176	3.83%	-1.84%	1.88%
2010	0.172	0.613	0.182	5.23%	-1.67%	3.51%
2011	0.177	0.605	0.185	2.80%	-1.32%	1.43%
2012	0.182	0.600	0.188	2.69%	-0.82%	1.87%
2013	0.182	0.600	0.189	0.28%	-0.10%	0.17%
2014	0.181	0.599	0.187	-0.57%	-0.15%	-0.72%
2015	0.178	0.595	0.182	-1.96%	-0.66%	-2.61%
2016	0.173	0.589	0.176	-2.46%	-0.98%	-3.40%
2017	0.173	0.580	0.173	-0.47%	-1.51%	-1.99%
2018	0.167	0.577	0.166	-3.04%	-0.58%	-3.62%
2019	0.161	0.588	0.164	-3.64%	1.93%	-1.30%
2020	0.164	0.598	0.171	1.64%	1.69%	3.85%
2021	0.160	0.600	0.167	-2.11%	0.32%	-1.81%
2022	0.157	0.603	0.162	-2.12%	0.55%	-3.16%
2023	0.156	0.604	0.158	-0.42%	0.08%	-2.30%
2024	0.154	0.602	0.156	-1.19%	-0.26%	-1.44%
2025	0.152	0.601	0.154	-1.29%	-0.19%	-1.47%

Notes: (a) All frequencies are per \$M exposure at PY 2022 Level.
 (b) Index is to AY 1961. Index has been revised due to on-leveling reassessments for Cal-OSHA inspections. See Actuarial Committee item AC21-12-09.
 (c) 2021 accidents on 2021 and 2020 policies.
 (d) 2021 accidents on 2020 policies only.
 (e) AY 2022 percent changes are based on a comparison of 2022 accidents on 2021 policies to 2021 accidents on 2020 policies.
 (f) Forecasts below thick solid line.

Source: WCIRB Indemnity Frequency Model

Changes in Incremental Indemnity Claim Counts and Medical-Only Claim Counts

Calendar Quarter Evaluation	Change in Statewide Incremental Number of Indemnity Claims		Change in Statewide Incremental Number of Medical-Only Claims	
	Change in	Change in	Change in	Change in
	Quarterly Increment	4-Quarter Increment	Quarterly Increment	4-Quarter Increment
	from Same Quarter at Prior Calendar Year	from Same Quarter at Prior Calendar Year	from Same Quarter at Prior Calendar Year	from Same Quarter at Prior Calendar Year
3/31/2015	-2.3%	-0.4%	4.2%	0.2%
6/30/2015	2.4%	0.2%	2.7%	2.4%
9/30/2015	18.4%	4.8%	8.2%	4.3%
12/31/2015	2.7%	5.5%	0.7%	4.0%
3/31/2016	5.0%	7.3%	6.3%	4.5%
6/30/2016	2.7%	7.3%	4.6%	5.0%
9/30/2016	-13.7%	-1.6%	-3.6%	1.7%
12/31/2016	0.3%	-2.2%	-1.3%	1.2%
3/31/2017	3.8%	-2.4%	1.3%	0.1%
6/30/2017	3.8%	-2.1%	6.3%	0.6%
9/30/2017	0.9%	2.2%	5.2%	3.0%
12/31/2017	2.1%	2.6%	13.2%	6.5%
3/31/2018	-19.8%	-3.1%	13.5%	9.4%
6/30/2018	-2.1%	-4.6%	-1.4%	7.4%
9/30/2018	7.4%	-2.9%	10.2%	8.7%
12/31/2018	3.6%	-2.5%	5.0%	6.7%
3/31/2019	26.1%	7.6%	-5.8%	2.1%
6/30/2019	2.8%	8.9%	7.3%	4.2%
9/30/2019	2.0%	7.4%	-3.1%	0.7%
12/31/2019	1.3%	6.7%	25.9%	6.1%
3/31/2020	1.8%	2.0%	-20.8%	2.8%
6/30/2020	-13.8%	-2.2%	-40.4%	-8.8%
9/30/2020	5.1%	-1.4%	-28.7%	-15.7%
12/31/2020	12.0%	1.3%	-14.9%	-25.5%
3/31/2021	6.8%	2.5%	-33.5%	-28.0%
6/30/2021	12.0%	8.9%	34.1%	-14.6%
9/30/2021	-4.3%	6.1%	35.0%	0.9%
12/31/2021	-12.8%	-0.5%	-9.6%	3.8%
3/31/2022	8.4%	0.0%	50.3%	20.5%
6/30/2022	9.5%	-0.3%	26.3%	19.4%
9/30/2022	-0.3%	0.8%	-10.0%	7.1%
12/31/2022	6.4%	5.9%	-8.1%	8.1%
3/31/2023	-8.1%	1.5%	10.6%	2.9%
6/30/2023	3.4%	0.2%	-21.5%	-8.6%
9/30/2023	3.4%	1.1%	0.2%	-6.0%
12/31/2023	9.3%	1.9%	-4.9%	-5.1%

Source: WCIRB quarterly calls for experience, excluding COVID-19 Claims

Economic Variables (Unemployment Rate)					
CY	Aggregate Employment	Unemployment Rate	Annual Log Differences		Economic Variables 1st Prin. Comp.
			Aggregate Employment	Unemployment Rate	
1961	3,962,063	6.90			
1962	4,145,516	5.80	0.045	-0.174	
1963	4,292,689	6.00	0.035	0.034	-0.030
1964	4,425,052	6.00	0.030	0.000	0.003
1965	4,545,366	5.90	0.027	-0.017	0.020
1966	4,792,538	4.90	0.053	-0.186	0.190
1967	4,927,691	5.70	0.028	0.151	-0.147
1968	5,133,075	5.40	0.041	-0.054	0.058
1969	5,367,674	5.20	0.045	-0.038	0.043
1970	5,334,957	7.30	-0.006	0.339	-0.338
1971	5,283,490	8.81	-0.010	0.188	-0.188
1972	6,020,843	7.62	0.131	-0.144	0.158
1973	6,498,772	7.04	0.076	-0.080	0.088
1974	6,707,505	7.32	0.032	0.040	-0.036
1975	6,683,242	9.90	-0.004	0.302	-0.300
1976	7,259,049	9.19	0.083	-0.074	0.083
1977	7,679,686	8.27	0.056	-0.105	0.111
1978	9,200,361	7.13	0.181	-0.149	0.168
1979	9,618,953	6.26	0.044	-0.129	0.133
1980	10,266,276	6.85	0.065	0.090	-0.082
1981	10,405,157	7.43	0.013	0.081	-0.079
1982	10,232,006	9.97	-0.017	0.294	-0.294
1983	10,331,728	9.70	0.010	-0.028	0.029
1984	10,822,801	7.80	0.046	-0.217	0.221
1985	11,175,130	7.23	0.032	-0.077	0.080
1986	11,486,027	6.71	0.027	-0.074	0.077
1987	11,890,331	5.79	0.035	-0.147	0.150
1988	12,357,536	5.33	0.039	-0.084	0.087
1989	12,689,184	5.11	0.026	-0.041	0.044
1990	12,943,236	5.79	0.020	0.124	-0.121
1991	12,778,778	7.76	-0.013	0.293	-0.293
1992	12,578,731	9.34	-0.016	0.186	-0.186
1993	12,479,673	9.54	-0.008	0.021	-0.022
1994	12,612,207	8.58	0.011	-0.106	0.106
1995	12,869,757	7.84	0.020	-0.090	0.092
1996	13,227,810	7.30	0.027	-0.071	0.074
1997	13,622,128	6.38	0.029	-0.134	0.137
1998	14,085,578	5.93	0.033	-0.074	0.078
1999	14,482,489	5.23	0.028	-0.125	0.127
2000	14,995,108	4.92	0.035	-0.062	0.065
2001	15,100,992	5.46	0.007	0.105	-0.104
2002	14,974,917	6.76	-0.008	0.213	-0.212
2003	14,952,658	6.89	-0.001	0.019	-0.019
2004	15,132,383	6.22	0.012	-0.102	0.103
2005	15,422,942	5.38	0.019	-0.146	0.147
2006	15,700,767	4.90	0.018	-0.093	0.094
2007	15,845,625	5.32	0.009	0.081	-0.080
2008	15,691,050	7.30	-0.010	0.317	-0.316
2009	14,809,792	11.54	-0.058	0.457	-0.461
2010	14,664,300	12.45	-0.010	0.076	-0.077
2011	14,826,183	11.89	0.011	-0.046	0.047
2012	15,161,742	10.51	0.022	-0.124	0.125
2013	15,564,058	9.03	0.026	-0.152	0.153
2014	15,991,142	7.56	0.027	-0.177	0.179
2015	16,471,633	6.24	0.030	-0.192	0.194
2016	16,904,692	5.50	0.026	-0.125	0.127
2017	17,250,233	4.84	0.020	-0.129	0.130
2018	17,595,342	4.27	0.020	-0.126	0.127
2019	17,855,308	4.08	0.015	-0.043	0.045
2020	16,592,333	10.15	-0.073	0.911	-0.913
2021	17,157,792	7.32	0.034	-0.326	0.328
2022	18,116,550	4.19	0.054	-0.558	0.561
2023	18,512,636	4.57	0.022	0.086	-0.083
2024	18,820,503	4.52	0.016	-0.010	0.012
2025	19,141,184	3.85	0.017	-0.162	0.163
2026	19,256,678	4.03	0.006	0.046	-0.045

Notes: The first principal component is of the annual log difference data from 1962-2023.

The first principal component of the annual log difference of the economic variables is:

1st PC of Econ Variables = 0.1120143 x Aggregate Employment + -0.9937066 x Unemployment Rate

Sources: Government historical labor statistics through 2022

UCLA Anderson forecasts through 2026 are as of December 2023

Accident Year Cumulative Injury Indemnity Claim Counts by Accident Year and Report Level

Cumulative Injury Share of Total Indemnity Count

AY/RL	1	2	3	4	5	6	7	8	9	10	Developed
2007	7.2%	8.2%	8.8%	9.2%	9.4%	9.5%	9.5%	9.5%	9.5%	9.6%	9.6%
2008	7.8%	8.9%	9.6%	10.0%	10.1%	10.1%	10.2%	10.3%	10.3%	10.3%	10.3%
2009	9.1%	10.5%	11.3%	11.6%	11.7%	11.8%	11.9%	11.9%	11.9%	12.0%	12.0%
2010	10.1%	11.2%	11.6%	11.8%	11.9%	12.1%	12.2%	12.2%	12.2%	12.2%	12.3%
2011	9.7%	11.1%	11.6%	11.7%	11.9%	12.1%	12.1%	12.1%	12.2%	12.3%	12.3%
2012	10.2%	11.6%	12.0%	12.4%	12.7%	12.9%	12.9%	12.9%	12.9%	13.0%	13.0%
2013	11.6%	12.9%	13.6%	14.0%	14.2%	14.2%	14.2%	14.3%	14.3%	14.4%	14.4%
2014	12.0%	13.6%	14.2%	14.5%	14.5%	14.5%	14.6%	14.6%	14.7%		14.8%
2015	12.3%	14.0%	14.4%	14.5%	14.6%	14.7%	14.7%	14.8%			14.9%
2016	12.6%	15.1%	15.5%	15.7%	15.8%	15.9%	15.9%				16.1%
2017	12.1%	13.8%	14.3%	14.6%	14.8%	14.8%					15.1%
2018	11.8%	13.5%	13.9%	14.1%	14.2%						14.5%
2019	12.4%	14.0%	14.5%	14.6%							15.1%
2020	14.3%	16.1%	16.8%								17.6%
2021	12.1%	14.0%									15.2%
2022	13.6%										16.7%

Figures in italics are based on preliminary partial data. Cumulative injury claims include occupational disease.

Source: WCIRB unit statistical data, excluding COVID-19 Claims

Claim Count Ratios by Region Based on Unit Statistical Data at 1st Report Level

Region	Ratio of Permanent Disability Claims to Indemnity Claims for Accident Year														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bay Area	0.296	0.305	0.313	0.323	0.309	0.293	0.302	0.310	0.299	0.284	0.278	0.276	0.251	0.199	<i>0.192</i>
Los Angeles/LA Basin	0.405	0.405	0.397	0.403	0.398	0.369	0.374	0.392	0.381	0.375	0.350	0.331	0.322	0.280	<i>0.281</i>
San Diego	0.336	0.362	0.356	0.357	0.361	0.327	0.348	0.360	0.345	0.353	0.333	0.316	0.281	0.269	<i>0.243</i>
All Other	0.320	0.315	0.325	0.320	0.314	0.290	0.302	0.315	0.301	0.293	0.296	0.310	0.288	0.256	<i>0.249</i>
All Regions	0.357	0.360	0.360	0.363	0.358	0.332	0.341	0.355	0.343	0.334	0.323	0.319	0.303	0.263	<i>0.259</i>

Region	Annual Change														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bay Area	---	3.1%	2.5%	3.3%	-4.4%	-5.2%	3.0%	2.7%	-3.5%	-4.9%	-2.2%	-0.9%	-8.9%	-20.8%	<i>-3.6%</i>
Los Angeles/LA Basin	---	-0.1%	-2.1%	1.6%	-1.3%	-7.2%	1.4%	4.8%	-2.8%	-1.5%	-6.6%	-5.4%	-2.7%	-13.2%	<i>0.5%</i>
San Diego	---	7.6%	-1.5%	0.2%	1.1%	-9.3%	6.2%	3.4%	-4.1%	2.3%	-5.7%	-5.0%	-11.1%	-4.1%	<i>-9.9%</i>
All Other	---	-1.6%	3.3%	-1.7%	-1.8%	-7.8%	4.2%	4.4%	-4.4%	-2.9%	1.1%	4.8%	-7.1%	-11.0%	<i>-2.7%</i>
All Regions	---	0.9%	0.0%	0.8%	-1.5%	-7.3%	2.7%	4.2%	-3.5%	-2.5%	-3.3%	-1.3%	-4.9%	-13.3%	<i>-1.4%</i>

Region	Ratio of Indemnity Claims to Total Claims for Accident Year														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bay Area	0.295	0.307	0.315	0.323	0.322	0.331	0.328	0.333	0.334	0.333	0.341	0.335	0.390	0.391	<i>0.380</i>
Los Angeles/LA Basin	0.316	0.341	0.352	0.359	0.372	0.389	0.393	0.391	0.391	0.371	0.369	0.366	0.405	0.395	<i>0.394</i>
San Diego	0.272	0.285	0.303	0.313	0.327	0.329	0.329	0.327	0.327	0.315	0.318	0.311	0.364	0.350	<i>0.344</i>
All Other	0.300	0.313	0.321	0.329	0.330	0.343	0.339	0.331	0.332	0.319	0.313	0.323	0.362	0.366	<i>0.377</i>
All Regions	0.304	0.323	0.333	0.340	0.348	0.361	0.361	0.358	0.358	0.344	0.345	0.348	0.391	0.385	<i>0.385</i>

Region	Annual Change														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bay Area	---	3.9%	2.7%	2.4%	-0.2%	2.8%	-0.8%	1.4%	0.3%	-0.4%	2.4%	-1.8%	16.6%	0.2%	<i>-2.8%</i>
Los Angeles/LA Basin	---	7.9%	3.3%	1.7%	3.7%	4.7%	0.9%	-0.4%	-0.2%	-5.1%	-0.5%	-0.7%	10.7%	-2.5%	<i>-0.3%</i>
San Diego	---	4.6%	6.4%	3.5%	4.3%	0.5%	0.0%	-0.6%	0.1%	-3.5%	0.8%	-2.2%	17.1%	-4.0%	<i>-1.6%</i>
All Other	---	4.2%	2.7%	2.3%	0.4%	3.9%	-1.3%	-2.3%	0.3%	-3.9%	-1.8%	3.2%	11.9%	0.9%	<i>3.2%</i>
All Regions	---	6.0%	3.3%	2.1%	2.2%	3.8%	0.0%	-0.8%	0.0%	-4.0%	0.3%	1.0%	12.3%	-1.6%	<i>0.0%</i>

Region	Cumulative Injury Claims per 100 Indemnity Claims for Accident Year														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bay Area	7.55	8.20	8.18	8.21	7.73	9.12	8.74	8.04	8.05	8.11	7.34	8.05	7.87	6.09	<i>7.28</i>
Los Angeles/LA Basin	8.90	10.60	11.63	11.26	12.52	14.89	15.62	16.18	16.58	16.62	15.13	14.72	17.81	14.38	<i>16.25</i>
San Diego	6.96	7.30	9.20	8.51	8.77	11.76	12.44	12.22	12.17	12.08	11.79	13.01	12.12	11.09	<i>11.49</i>
All Other	4.86	5.77	6.30	5.94	6.15	7.02	7.12	6.79	6.66	6.43	7.15	6.31	6.62	7.14	<i>8.36</i>
All Regions	7.37	8.61	9.39	9.04	9.69	11.51	11.90	11.89	12.02	11.77	11.46	12.04	13.83	11.49	<i>13.04</i>

Region	Annual Change														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bay Area	---	8.7%	-0.3%	0.4%	-5.8%	18.0%	-4.1%	-8.0%	0.1%	0.7%	-9.4%	9.6%	-2.3%	-22.6%	<i>19.4%</i>
Los Angeles/LA Basin	---	19.1%	9.6%	-3.1%	11.2%	18.9%	4.9%	3.6%	2.5%	0.2%	-9.0%	-2.7%	21.0%	-19.3%	<i>13.0%</i>
San Diego	---	4.8%	26.1%	-7.6%	3.0%	34.2%	5.8%	-1.8%	-0.4%	-0.8%	-2.4%	10.4%	-6.9%	-8.5%	<i>3.5%</i>
All Other	---	18.8%	9.2%	-5.8%	3.6%	14.1%	1.5%	-4.7%	-1.9%	-3.4%	11.1%	-11.7%	4.9%	7.8%	<i>17.1%</i>
All Regions	---	16.9%	9.1%	-3.8%	7.2%	18.8%	3.3%	0.0%	1.0%	-2.1%	-2.6%	5.0%	14.9%	-16.9%	<i>13.5%</i>

Figures in italics are based on preliminary partial data. Cumulative injury claims include occupational disease.

Source: WCIRB unit statistical data, excluding COVID-19 Claims

Distribution of Cumulative Injury Claims by Injury Type

Permanent Indemnity*

Percentage of All Cumulative Injury Claims						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2002	34.1%	38.9%	40.8%	41.2%	40.9%	2002	---	---	---	---	---
2003	35.5%	39.6%	41.0%	41.1%	41.4%	2003	4.1%	1.8%	0.5%	-0.3%	1.1%
2004	30.0%	33.1%	34.2%	35.0%	36.0%	2004	-15.5%	-16.5%	-16.5%	-14.9%	-13.0%
2005	24.0%	27.4%	29.8%	31.8%	33.1%	2005	-20.2%	-17.1%	-13.0%	-9.1%	-8.2%
2006	21.9%	27.0%	30.2%	31.7%	32.6%	2006	-8.8%	-1.6%	1.6%	-0.2%	-1.4%
2007	22.1%	28.1%	30.8%	31.3%	32.6%	2007	1.0%	4.1%	1.8%	-1.3%	-0.2%
2008	22.5%	28.8%	32.2%	32.2%	34.1%	2008	1.9%	2.7%	4.5%	2.7%	4.7%
2009	25.7%	32.5%	36.0%	37.8%	38.2%	2009	14.2%	12.8%	12.0%	17.5%	11.9%
2010	26.5%	34.4%	37.3%	38.8%	39.3%	2010	3.0%	5.8%	3.5%	2.7%	2.9%
2011	28.7%	35.4%	38.9%	40.4%	41.4%	2011	8.6%	2.9%	4.4%	4.1%	5.3%
2012	30.9%	37.6%	40.9%	42.6%	43.3%	2012	7.7%	6.2%	5.2%	5.6%	4.6%
2013	34.2%	40.6%	43.5%	44.8%	45.0%	2013	10.7%	8.0%	6.3%	5.2%	3.9%
2014	36.2%	43.1%	45.0%	45.6%	45.9%	2014	5.9%	6.1%	3.4%	1.7%	2.0%
2015	37.2%	42.6%	44.2%	44.6%	44.5%	2015	2.8%	-1.0%	-1.9%	-2.2%	-2.9%
2016	35.2%	44.5%	46.0%	46.5%	46.7%	2016	-5.5%	4.2%	4.1%	4.3%	4.9%
2017	32.8%	39.6%	41.4%	42.2%	42.8%	2017	-6.9%	-10.9%	-10.0%	-9.2%	-8.5%
2018	31.4%	36.6%	38.6%	39.4%	41.5%	2018	-4.1%	-7.5%	-6.9%	-6.7%	-3.0%
2019	32.8%	37.6%	39.8%	41.7%		2019	4.5%	2.8%	3.2%	5.7%	
2020	37.1%	41.5%	47.6%			2020	13.0%	10.2%	19.8%		
2021	31.9%	38.7%				2021	-14.1%	-6.8%			
2022	30.5%					2022	-4.2%				

Temporary Indemnity

Percentage of All Cumulative Injury Claims						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2002	19.5%	17.8%	15.9%	15.0%	15.0%	2002	---	---	---	---	---
2003	20.7%	17.2%	15.7%	15.3%	15.0%	2003	6.0%	-3.7%	-1.5%	2.0%	0.0%
2004	21.4%	18.6%	17.4%	16.5%	15.8%	2004	3.6%	8.5%	11.2%	7.9%	5.4%
2005	21.2%	18.9%	17.3%	16.1%	15.4%	2005	-0.9%	1.4%	-0.6%	-2.1%	-2.6%
2006	21.3%	18.5%	16.2%	15.3%	14.6%	2006	0.5%	-2.3%	-6.8%	-5.3%	-4.8%
2007	22.2%	18.7%	17.3%	16.2%	15.8%	2007	4.3%	1.2%	7.2%	5.9%	8.1%
2008	23.0%	19.4%	17.5%	16.3%	16.3%	2008	3.5%	3.9%	1.1%	0.4%	3.0%
2009	25.4%	21.7%	19.2%	17.8%	17.2%	2009	10.5%	11.7%	9.6%	9.6%	5.6%
2010	26.7%	21.9%	19.2%	17.6%	17.0%	2010	5.2%	0.7%	-0.2%	-1.0%	-1.1%
2011	26.5%	23.1%	20.0%	18.6%	17.6%	2011	-0.9%	5.5%	4.3%	5.5%	3.6%
2012	27.2%	23.5%	20.7%	19.2%	18.5%	2012	2.7%	1.8%	3.5%	3.3%	5.1%
2013	28.3%	23.7%	21.1%	19.7%	19.4%	2013	4.1%	1.0%	2.1%	2.8%	4.4%
2014	27.7%	22.5%	20.4%	19.6%	19.1%	2014	-2.2%	-5.1%	-3.6%	-0.5%	-1.2%
2015	25.5%	21.6%	19.8%	18.9%	18.6%	2015	-7.8%	-4.2%	-2.7%	-3.5%	-2.6%
2016	26.3%	21.5%	19.7%	18.9%	18.5%	2016	2.9%	-0.2%	-0.4%	-0.5%	-0.6%
2017	26.3%	22.3%	20.9%	20.2%	19.6%	2017	0.1%	3.9%	5.7%	7.2%	5.9%
2018	26.6%	24.1%	22.4%	21.6%	19.5%	2018	1.1%	8.0%	7.4%	6.9%	-0.8%
2019	26.3%	24.0%	22.1%	20.5%		2019	-1.1%	-0.5%	-1.4%	-4.9%	
2020	29.2%	26.7%	25.8%			2020	10.9%	11.3%	16.7%		
2021	31.9%	30.0%				2021	9.3%	12.5%			
2022	33.6%					2022	5.6%				

Medical-Only

Percentage of All Cumulative Injury Claims						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2002	46.4%	43.2%	43.3%	43.8%	44.1%	2002	---	---	---	---	---
2003	43.8%	43.2%	43.4%	43.6%	43.6%	2003	-5.5%	-0.1%	0.1%	-0.4%	-1.0%
2004	48.6%	48.3%	48.3%	48.5%	48.2%	2004	10.9%	11.8%	11.5%	11.3%	10.4%
2005	54.8%	53.7%	52.9%	52.1%	51.6%	2005	12.9%	11.1%	9.4%	7.3%	7.0%
2006	56.8%	54.5%	53.6%	53.0%	52.7%	2006	3.7%	1.6%	1.4%	1.7%	2.3%
2007	55.7%	53.2%	51.9%	52.5%	51.6%	2007	-2.0%	-2.4%	-3.2%	-0.9%	-2.2%
2008	54.5%	51.7%	50.3%	51.6%	49.6%	2008	-2.1%	-2.8%	-3.0%	-1.7%	-3.9%
2009	48.9%	45.7%	44.8%	44.4%	44.6%	2009	-10.3%	-11.5%	-11.0%	-13.9%	-10.1%
2010	46.8%	43.7%	43.5%	43.6%	43.7%	2010	-4.3%	-4.5%	-2.8%	-1.9%	-2.1%
2011	44.8%	41.5%	41.1%	41.0%	41.0%	2011	-4.3%	-5.0%	-5.6%	-5.9%	-6.2%
2012	41.9%	38.9%	38.4%	38.2%	38.2%	2012	-6.5%	-6.3%	-6.6%	-7.0%	-6.8%
2013	37.5%	35.7%	35.4%	35.4%	35.7%	2013	-10.6%	-8.3%	-7.8%	-7.2%	-6.5%
2014	36.1%	34.4%	34.6%	34.7%	35.0%	2014	-3.7%	-3.6%	-2.1%	-1.9%	-1.9%
2015	37.2%	35.8%	36.0%	36.5%	36.8%	2015	3.2%	4.1%	4.0%	4.9%	5.2%
2016	38.5%	34.0%	34.3%	34.6%	34.8%	2016	3.5%	-4.9%	-4.8%	-5.0%	-5.6%
2017	40.9%	38.0%	37.7%	37.6%	37.6%	2017	6.2%	11.8%	10.1%	8.5%	8.3%
2018	42.0%	39.2%	39.0%	39.0%	39.1%	2018	2.6%	3.1%	3.4%	3.8%	3.8%
2019	40.9%	38.3%	38.1%	37.8%		2019	-2.7%	-2.3%	-2.3%	-3.1%	
2020	33.7%	31.8%	26.6%			2020	-17.5%	-17.1%	-30.3%		
2021	36.3%	31.3%				2021	7.5%	-1.7%			
2022	35.7%					2022	-1.5%				

* Includes Permanent Partial, Permanent Total, and Death

Figures in italics are based on preliminary partial data. Cumulative injury claims include occupational disease.

Source: WCIRB unit statistical data, excluding COVID-19 Claims

Ratios of Incremental Paid Losses to Prior Outstanding Losses by Accident Year

Accident	Paid Indemnity								
Year	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117
1998							0.250	0.228	0.217
1999						0.316	0.273	0.243	0.214
2000					0.366	0.319	0.310	0.261	0.226
2001				0.487	0.401	0.366	0.292	0.266	0.227
2002			0.564	0.485	0.433	0.365	0.327	0.267	0.250
2003		0.700	0.597	0.504	0.410	0.337	0.275	0.260	0.252
2004	0.961	0.605	0.536	0.423	0.377	0.323	0.306	0.282	0.298
2005	1.141	0.706	0.566	0.483	0.399	0.341	0.301	0.308	0.267
2006	1.229	0.760	0.558	0.468	0.407	0.362	0.313	0.287	0.245
2007	1.391	0.778	0.569	0.473	0.423	0.379	0.339	0.264	0.292
2008	1.475	0.804	0.632	0.518	0.443	0.383	0.329	0.273	0.258
2009	1.547	0.808	0.637	0.529	0.447	0.389	0.349	0.331	0.303
2010	1.632	0.838	0.661	0.554	0.482	0.436	0.383	0.342	0.326
2011	1.657	0.814	0.626	0.517	0.456	0.414	0.401	0.367	0.302
2012	1.657	0.803	0.638	0.548	0.523	0.417	0.385	0.337	0.255
2013	1.604	0.817	0.678	0.586	0.512	0.425	0.360	0.331	0.282
2014	1.609	0.883	0.706	0.593	0.489	0.399	0.346	0.306	0.314
2015	1.629	0.867	0.677	0.564	0.442	0.400	0.346	0.313	
2016	1.665	0.859	0.682	0.537	0.445	0.399	0.390		
2017	1.641	0.841	0.624	0.504	0.438	0.382			
2018	1.618	0.793	0.581	0.494	0.444				
2019	1.633	0.769	0.619	0.518					
2020	1.472	0.806	0.654						
2021	1.743	0.839							
2022	1.848								

Accident	Paid Medical								
Year	9-21	21-33	33-45	45-57	57-69	69-81	81-93	93-105	105-117
1998							0.196	0.202	0.165
1999						0.249	0.209	0.191	0.201
2000					0.297	0.231	0.227	0.241	0.179
2001				0.399	0.309	0.283	0.275	0.213	0.204
2002			0.429	0.369	0.335	0.324	0.262	0.237	0.189
2003		0.561	0.436	0.375	0.355	0.265	0.255	0.217	0.190
2004	1.052	0.541	0.442	0.402	0.335	0.294	0.246	0.230	0.229
2005	1.062	0.491	0.444	0.400	0.358	0.294	0.239	0.281	0.205
2006	1.078	0.556	0.453	0.391	0.338	0.296	0.261	0.226	0.189
2007	1.152	0.578	0.468	0.395	0.354	0.331	0.278	0.218	0.199
2008	1.187	0.572	0.492	0.432	0.386	0.320	0.261	0.216	0.190
2009	1.212	0.583	0.502	0.466	0.377	0.303	0.259	0.214	0.197
2010	1.232	0.597	0.542	0.443	0.377	0.333	0.288	0.240	0.239
2011	1.142	0.561	0.466	0.394	0.349	0.290	0.265	0.238	0.187
2012	1.095	0.519	0.453	0.401	0.369	0.290	0.272	0.228	0.178
2013	1.061	0.507	0.455	0.411	0.337	0.294	0.242	0.204	0.217
2014	1.056	0.530	0.474	0.406	0.351	0.297	0.264	0.237	0.222
2015	1.021	0.520	0.444	0.375	0.300	0.275	0.237	0.249	
2016	1.067	0.508	0.421	0.368	0.311	0.306	0.255		
2017	1.012	0.490	0.402	0.343	0.329	0.269			
2018	1.020	0.479	0.420	0.378	0.348				
2019	0.997	0.495	0.465	0.422					
2020	0.957	0.541	0.493						
2021	0.996	0.557							
2022	1.058								

Note: Entries for paid medical from accident years 2011 and prior reflect the paid cost of medical cost containment programs attributable to policies with effective dates prior to July 1, 2010. Entries for accident years 2012 and subsequent exclude the paid cost of medical cost containment programs.

Source: WCIRB quarterly calls for experience; excluding COVID-19 claims

**Comparison of Projected Loss Ratios as of September 30, 2023
Accident Year 2017 Projected to 81 Months^[1]**

	Indemnity					
<u>Methodology</u>	<u>Based on Experience Evaluated as of (in months):</u>					
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>Current</u>
3-Year Avg. Incurred	0.202	0.197	0.194	0.190	0.188	0.187
Latest Year Incurred	0.195	0.194	0.192	0.189	0.187	0.187
3-Year Avg. Paid	0.211	0.205	0.198	0.193	0.189	0.187
Latest Year Paid	0.201	0.200	0.194	0.190	0.188	0.187
Reform-Adj. Paid ^[2]	0.201	0.200	0.194	0.190	0.188	0.187
Latest Yr. Pd. Adj. for Settlement ^[3]	0.189	0.190	0.188	0.187	0.187	0.187
	<u>Difference from Actual 81-Month Loss Ratio</u>					
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>Current</u>
3-Year Avg. Incurred	8.1%	5.5%	3.7%	1.8%	0.7%	0.0%
Latest Year Incurred	4.8%	3.9%	3.0%	1.1%	0.4%	0.0%
3-Year Avg. Paid	12.9%	10.0%	6.0%	3.6%	1.5%	0.0%
Latest Year Paid	8.0%	7.2%	4.1%	2.0%	0.9%	0.0%
Reform-Adj. Paid ^[2]	8.0%	7.2%	4.1%	2.0%	0.9%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	1.1%	2.0%	0.6%	0.2%	0.0%	0.0%
	Medical					
	<u>Based on Experience Evaluated as of (in months):</u>					
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>Current</u>
3-Year Avg. Incurred	0.231	0.224	0.219	0.214	0.213	0.210
Latest Year Incurred	0.220	0.217	0.214	0.211	0.212	0.210
3-Year Avg. Paid	0.243	0.234	0.225	0.218	0.214	0.210
Latest Year Paid	0.231	0.226	0.219	0.214	0.213	0.210
Reform-Adj. Paid ^[2]	0.231	0.226	0.219	0.214	0.213	0.210
Latest Yr. Pd. Adj. for Settlement ^[3]	0.227	0.223	0.217	0.214	0.212	0.210
	<u>Difference from Actual 81-Month Loss Ratio</u>					
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>Current</u>
3-Year Avg. Incurred	9.8%	6.6%	4.2%	1.9%	1.3%	0.0%
Latest Year Incurred	4.6%	3.0%	1.7%	0.4%	0.8%	0.0%
3-Year Avg. Paid	15.6%	11.3%	6.7%	3.6%	1.6%	0.0%
Latest Year Paid	9.8%	7.6%	4.1%	1.8%	1.1%	0.0%
Reform-Adj. Paid ^[2]	9.8%	7.6%	4.1%	1.8%	1.1%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	7.9%	6.1%	3.1%	1.5%	0.9%	0.0%

^[1] Each loss ratio is projected to incurred losses at 81 months. Loss ratios projected under paid methods are converted to an incurred basis causing the ratio of incurred losses to paid losses reported at 81 months.

^[2] The Reform-Adjusted Paid Methodology reflects adjustments for SB 1160 lien reforms. Factors are also adjusted for the impact of pharmaceutical cost reductions to bring the historical payments to the current pharmaceutical cost level.

^[3] The Latest Year Claim-Settlement Methodology for projecting ultimate loss ratios also contemplates adjustments for reforms. See [2] above.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims.

**Comparison of Projected Loss Ratios as of September 30, 2023
Accident Year 2018 Projected to 69 Months^[1]**

Indemnity					
<u>Methodology</u>	Based on Experience Evaluated as of (in months):				
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>Current</u>
3-Year Avg. Incurred	0.208	0.205	0.200	0.197	0.196
Latest Year Incurred	0.201	0.201	0.198	0.197	0.196
3-Year Avg. Paid	0.214	0.206	0.201	0.198	0.196
Latest Year Paid	0.205	0.201	0.198	0.196	0.196
Reform-Adj. Paid ^[2]	0.205	0.201	0.198	0.196	0.196
Latest Yr. Pd. Adj. for Settlement ^[3]	0.197	0.193	0.193	0.194	0.196
Difference from Actual 69-Month Loss Ratio					
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>Current</u>
3-Year Avg. Incurred	6.0%	4.8%	2.0%	0.8%	0.0%
Latest Year Incurred	2.7%	2.8%	1.0%	0.4%	0.0%
3-Year Avg. Paid	9.1%	5.5%	2.7%	1.0%	0.0%
Latest Year Paid	4.9%	2.7%	1.1%	0.3%	0.0%
Reform-Adj. Paid ^[2]	4.9%	2.7%	1.1%	0.3%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	0.5%	-1.5%	-1.5%	-0.9%	0.0%
Medical					
	Based on Experience Evaluated as of (in months):				
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>Current</u>
3-Year Avg. Incurred	0.235	0.230	0.227	0.225	0.225
Latest Year Incurred	0.225	0.224	0.225	0.225	0.225
3-Year Avg. Paid	0.240	0.236	0.231	0.228	0.225
Latest Year Paid	0.227	0.227	0.227	0.226	0.225
Reform-Adj. Paid ^[2]	0.227	0.227	0.227	0.226	0.225
Latest Yr. Pd. Adj. for Settlement ^[3]	0.222	0.222	0.223	0.224	0.225
Difference from Actual 69-Month Loss Ratio					
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>Current</u>
3-Year Avg. Incurred	4.7%	2.3%	0.9%	0.1%	0.0%
Latest Year Incurred	0.1%	-0.4%	0.2%	0.1%	0.0%
3-Year Avg. Paid	6.9%	4.7%	2.7%	1.2%	0.0%
Latest Year Paid	1.1%	1.1%	0.9%	0.3%	0.0%
Reform-Adj. Paid ^[2]	1.1%	1.1%	0.9%	0.3%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	-1.1%	-1.2%	-0.7%	-0.4%	0.0%

^[1] Each loss ratio is projected to incurred losses at 69 months. Loss ratios projected under paid methods are converted to an incurred basis causing the ratio of incurred losses to paid losses reported at 69 months.

^[2] The Reform-Adjusted Paid Methodology reflects adjustments for SB 1160 lien reforms. Factors are also adjusted for the impact of pharmaceutical cost reductions to bring the historical payments to the current pharmaceutical cost level.

^[3] The Latest Year Claim-Settlement Methodology for projecting ultimate loss ratios also contemplates adjustments for reforms. See [2] above.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims.

**Comparison of Projected Loss Ratios as of September 30, 2023
Accident Year 2019 Projected to 57 Months^[1]**

Indemnity				
<u>Methodology</u>	<u>Based on Experience Evaluated as of (in months):</u>			
	<u>21</u>	<u>33</u>	<u>45</u>	<u>Current</u>
3-Year Avg. Incurred	0.227	0.224	0.224	0.224
Latest Year Incurred	0.225	0.222	0.223	0.224
3-Year Avg. Paid	0.227	0.223	0.223	0.224
Latest Year Paid	0.217	0.217	0.221	0.224
Reform-Adj. Paid ^[2]	0.217	0.217	0.221	0.224
Latest Yr. Pd. Adj. for Settlement ^[3]	0.223	0.220	0.220	0.224
	<u>Difference from Actual 57-Month Loss Ratio</u>			
	<u>21</u>	<u>33</u>	<u>45</u>	<u>Current</u>
3-Year Avg. Incurred	1.3%	0.0%	0.0%	0.0%
Latest Year Incurred	0.3%	-0.7%	-0.3%	0.0%
3-Year Avg. Paid	1.4%	-0.5%	-0.2%	0.0%
Latest Year Paid	-3.1%	-3.2%	-1.4%	0.0%
Reform-Adj. Paid ^[2]	-3.1%	-3.2%	-1.4%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	-0.3%	-1.9%	-1.7%	0.0%
Medical				
	<u>Based on Experience Evaluated as of (in months):</u>			
	<u>21</u>	<u>33</u>	<u>45</u>	<u>Current</u>
3-Year Avg. Incurred	0.242	0.243	0.245	0.247
Latest Year Incurred	0.239	0.243	0.245	0.247
3-Year Avg. Paid	0.237	0.241	0.246	0.247
Latest Year Paid	0.229	0.235	0.243	0.247
Reform-Adj. Paid ^[2]	0.229	0.235	0.243	0.247
Latest Yr. Pd. Adj. for Settlement ^[3]	0.233	0.237	0.243	0.247
	<u>Difference from Actual 57-Month Loss Ratio</u>			
	<u>21</u>	<u>33</u>	<u>45</u>	<u>Current</u>
3-Year Avg. Incurred	-2.3%	-1.6%	-0.9%	0.0%
Latest Year Incurred	-3.2%	-1.7%	-0.8%	0.0%
3-Year Avg. Paid	-4.3%	-2.7%	-0.6%	0.0%
Latest Year Paid	-7.3%	-5.2%	-1.6%	0.0%
Reform-Adj. Paid ^[2]	-7.3%	-5.2%	-1.6%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	-5.9%	-4.3%	-1.8%	0.0%

^[1] Each loss ratio is projected to incurred losses at 57 months. Loss ratios projected under paid methods are converted to an incurred basis causing the ratio of incurred losses to paid losses reported at 57 months.

^[2] The Reform-Adjusted Paid Methodology reflects adjustments for SB 1160 lien reforms. Factors are also adjusted for the impact of pharmaceutical cost reductions to bring the historical payments to the current pharmaceutical cost level.

^[3] The Latest Year Claim-Settlement Methodology for projecting ultimate loss ratios also contemplates adjustments for reforms. See [2] above.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims.

**Comparison of Projected Loss Ratios as of September 30, 2023
Accident Year 2020 Projected to 45 Months^[1]**

Indemnity			
<u>Methodology</u>	<u>Based on Experience Evaluated as of (in months):</u>		
	<u>21</u>	<u>33</u>	<u>Current</u>
3-Year Avg. Incurred	0.217	0.217	0.221
Latest Year Incurred	0.213	0.214	0.221
3-Year Avg. Paid	0.222	0.218	0.221
Latest Year Paid	0.219	0.217	0.221
Reform-Adj. Paid ^[2]	0.219	0.217	0.221
Latest Yr. Pd. Adj. for Settlement ^[3]	0.227	0.223	0.221
	<u>Difference from Actual 45-Month Loss Ratio</u>		
	<u>21</u>	<u>33</u>	<u>Current</u>
3-Year Avg. Incurred	-1.7%	-1.9%	0.0%
Latest Year Incurred	-3.4%	-2.9%	0.0%
3-Year Avg. Paid	0.5%	-1.1%	0.0%
Latest Year Paid	-0.7%	-1.5%	0.0%
Reform-Adj. Paid ^[2]	-0.7%	-1.5%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	2.8%	1.0%	0.0%
Medical			
	<u>Based on Experience Evaluated as of (in months):</u>		
	<u>21</u>	<u>33</u>	<u>Current</u>
3-Year Avg. Incurred	0.233	0.241	0.249
Latest Year Incurred	0.235	0.241	0.249
3-Year Avg. Paid	0.232	0.241	0.249
Latest Year Paid	0.236	0.241	0.249
Reform-Adj. Paid ^[2]	0.239	0.242	0.249
Latest Yr. Pd. Adj. for Settlement ^[3]	0.241	0.245	0.249
	<u>Difference from Actual 45-Month Loss Ratio</u>		
	<u>21</u>	<u>33</u>	<u>Current</u>
3-Year Avg. Incurred	-6.4%	-3.3%	0.0%
Latest Year Incurred	-5.5%	-3.2%	0.0%
3-Year Avg. Paid	-6.9%	-3.4%	0.0%
Latest Year Paid	-5.2%	-3.1%	0.0%
Reform-Adj. Paid ^[2]	-3.9%	-2.7%	0.0%
Latest Yr. Pd. Adj. for Settlement ^[3]	-3.1%	-1.5%	0.0%

^[1] Each loss ratio is projected to incurred losses at 45 months. Loss ratios projected under paid methods are converted to an incurred basis causing the ratio of incurred losses to paid losses reported at 45 months.

^[2] The Reform-Adjusted Paid Methodology reflects adjustments for SB 1160 lien reforms. Factors are also adjusted for the impact of pharmaceutical cost reductions to bring the historical payments to the current pharmaceutical cost level.

^[3] The Latest Year Claim-Settlement Methodology for projecting ultimate loss ratios also contemplates adjustments for reforms. See [2] above.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims.

Comparison of Projected Loss Ratios as of September 30, 2023
Accident Year 2021 Projected to 33 Months^[1]

Indemnity		
<u>Methodology</u>	<u>Based on Experience Evaluated as of (in months):</u>	
	<u>21</u>	<u>Current</u>
3-Year Avg. Incurred	0.221	0.225
Latest Year Incurred	0.221	0.225
3-Year Avg. Paid	0.229	0.225
Latest Year Paid	0.227	0.225
Reform-Adj. Paid ^[2]	0.227	0.225
Latest Yr. Pd. Adj. for Settlement [†]	0.225	0.225
	<u>Difference from Actual 33-Month Loss Ratio</u>	
	<u>21</u>	<u>Current</u>
3-Year Avg. Incurred	-1.7%	0.0%
Latest Year Incurred	-1.7%	0.0%
3-Year Avg. Paid	1.6%	0.0%
Latest Year Paid	1.0%	0.0%
Reform-Adj. Paid ^[2]	1.0%	0.0%
Latest Yr. Pd. Adj. for Settlement [†]	-0.2%	0.0%
Medical		
	<u>Based on Experience Evaluated as of (in months):</u>	
	<u>21</u>	<u>Current</u>
3-Year Avg. Incurred	0.251	0.259
Latest Year Incurred	0.256	0.259
3-Year Avg. Paid	0.254	0.259
Latest Year Paid	0.259	0.259
Reform-Adj. Paid ^[2]	0.254	0.259
Latest Yr. Pd. Adj. for Settlement [†]	0.256	0.259
	<u>Difference from Actual 33-Month Loss Ratio</u>	
	<u>21</u>	<u>Current</u>
3-Year Avg. Incurred	-3.2%	0.0%
Latest Year Incurred	-1.2%	0.0%
3-Year Avg. Paid	-2.1%	0.0%
Latest Year Paid	0.1%	0.0%
Reform-Adj. Paid ^[2]	-1.8%	0.0%
Latest Yr. Pd. Adj. for Settlement [†]	-1.0%	0.0%

^[1] Each loss ratio is projected to incurred losses at 33 months. Loss ratios projected under paid methods are converted to an incurred basis causing the ratio of incurred losses to paid losses reported at 33 months.

^[2] The Reform-Adjusted Paid Methodology reflects adjustments for SB 1160 lien reforms. Factors are also adjusted for the impact of pharmaceutical cost reductions to bring the historical payments to the current pharmaceutical cost level.

^[3] The Latest Year Claim-Settlement Methodology for projecting ultimate loss ratios also contemplates adjustments for reforms. See [2] above.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims.

Average Incurred Indemnity Loss per Reported Indemnity Claim
As of December 31, 2023

Accident	Evaluated as of (in months):									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1998										21,043
1999									22,644	22,783
2000								23,531	23,716	23,831
2001							25,311	25,672	25,931	26,104
2002						23,524	23,957	24,248	24,502	24,758
2003					22,549	23,312	23,849	24,297	24,696	25,072
2004				17,317	18,025	18,798	19,301	19,850	20,212	20,520
2005			13,674	14,978	16,000	16,834	17,482	17,986	18,268	18,493
2006		12,054	14,847	16,422	17,700	18,608	19,249	19,652	19,928	20,104
2007	8,156	12,900	16,192	18,033	19,217	20,118	20,855	21,287	21,525	21,757
2008	8,575	13,914	17,737	19,938	21,324	22,212	22,810	23,220	23,472	23,688
2009	8,732	14,560	18,317	20,698	22,154	23,092	23,597	24,032	24,373	24,607
2010	8,746	14,277	18,213	20,368	21,603	22,484	23,016	23,377	23,674	23,926
2011	9,141	14,781	18,230	20,310	21,346	22,085	22,536	22,938	23,163	23,352
2012	9,181	14,689	17,990	19,697	20,856	21,649	22,137	22,440	22,730	22,877
2013	9,382	14,527	17,692	19,449	20,415	21,036	21,424	21,678	21,826	21,953
2014	9,282	14,673	18,277	20,169	21,294	21,861	22,198	22,448	22,567	22,758
2015	9,634	15,349	18,832	20,641	21,555	22,078	22,438	22,630	22,807	
2016	9,816	15,310	18,559	20,178	21,052	21,573	21,933	22,172		
2017	9,971	15,630	18,951	20,476	21,292	21,873	22,198			
2018	10,573	16,387	19,659	21,163	22,045	22,625				
2019	11,029	17,144	20,549	22,441	23,503					
2020	11,917	17,662	21,364	23,546						
2021	11,255	17,558	21,459							
2022	11,693	18,331								
2023	11,493									

Accident	Annual Change									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1999										8.3%
2000									4.7%	4.6%
2001								9.1%	9.3%	9.5%
2002							-5.4%	-5.5%	-5.5%	-5.2%
2003						-0.9%	-0.4%	0.2%	0.8%	1.3%
2004					-20.1%	-19.4%	-19.1%	-18.3%	-18.2%	-18.2%
2005				-13.5%	-11.2%	-10.4%	-9.4%	-9.4%	-9.6%	-9.9%
2006			8.6%	9.6%	10.6%	10.5%	10.1%	9.3%	9.1%	8.7%
2007		7.0%	9.1%	9.8%	8.6%	8.1%	8.3%	8.3%	8.0%	8.2%
2008	5.1%	7.9%	9.5%	10.6%	11.0%	10.4%	9.4%	9.1%	9.0%	8.9%
2009	1.8%	4.6%	3.3%	3.8%	3.9%	4.0%	3.4%	3.5%	3.8%	3.9%
2010	0.2%	-1.9%	-0.6%	-1.6%	-2.5%	-2.6%	-2.5%	-2.7%	-2.9%	-2.8%
2011	4.5%	3.5%	0.1%	-0.3%	-1.2%	-1.8%	-2.1%	-1.9%	-2.2%	-2.4%
2012	0.4%	-0.6%	-1.3%	-3.0%	-2.3%	-2.0%	-1.8%	-2.2%	-1.9%	-2.0%
2013	2.2%	-1.1%	-1.7%	-1.3%	-2.1%	-2.8%	-3.2%	-3.4%	-4.0%	-4.0%
2014	-1.1%	1.0%	3.3%	3.7%	4.3%	3.9%	3.6%	3.6%	3.4%	3.7%
2015	3.8%	4.6%	3.0%	2.3%	1.2%	1.0%	1.1%	0.8%	1.1%	
2016	1.9%	-0.3%	-1.4%	-2.2%	-2.3%	-2.3%	-2.2%	-2.0%		
2017	1.6%	2.1%	2.1%	1.5%	1.1%	1.4%	1.2%			
2018	6.0%	4.8%	3.7%	3.4%	3.5%	3.4%				
2019	4.3%	4.6%	4.5%	6.0%	6.6%					
2020	8.1%	3.0%	4.0%	4.9%						
2021	-5.6%	-0.6%	0.4%							
2022	3.9%	4.4%								
2023	-1.7%									

Annual Trend*										
All-Year	2.3%	2.1%	2.1%	1.8%	1.1%	0.5%	0.0%	-0.2%	-0.2%	0.0%
R ²	0.947	0.914	0.798	0.689	0.332	0.084	0.000	0.010	0.011	0.001
5-Year	0.6%	2.5%	3.4%	4.1%	2.2%	0.6%	0.6%	0.2%	-0.4%	-1.6%
R ²	0.108	0.900	0.954	0.957	0.629	0.281	0.278	0.032	0.075	0.641

*Trend is based on an exponential distribution.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Incurred Medical Loss per Reported Claim
As of December 31, 2023

Accident	Evaluated as of (in months):									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
2002										10,249
2003									9,860	10,133
2004								8,055	8,308	8,524
2005							7,393	7,722	7,971	8,124
2006						7,781	8,146	8,463	8,638	8,733
2007					8,340	8,904	9,346	9,628	9,791	9,831
2008				8,783	9,568	10,129	10,512	10,775	10,879	10,925
2009			8,864	10,041	10,874	11,465	11,776	11,952	12,032	12,093
2010		7,620	9,298	10,462	11,178	11,634	11,902	12,029	12,116	12,133
2011	5,575	7,854	9,342	10,348	10,988	11,313	11,460	11,562	11,575	11,579
2012	5,719	7,798	9,046	9,774	10,274	10,570	10,719	10,794	10,849	10,898
2013	5,826	7,741	8,721	9,389	9,722	9,910	9,982	10,034	10,040	10,097
2014	5,683	7,337	8,370	8,964	9,245	9,440	9,537	9,626	9,685	9,715
2015	5,801	7,445	8,407	8,901	9,107	9,254	9,309	9,350	9,414	
2016	5,910	7,498	8,306	8,604	8,847	8,988	9,086	9,125		
2017	5,890	7,307	8,045	8,415	8,629	8,816	8,892			
2018	6,111	7,636	8,399	8,827	9,070	9,320				
2019	6,129	7,715	8,569	9,067	9,434					
2020	6,961	8,719	9,926	10,697						
2021	6,732	8,402	9,716							
2022	6,779	8,764								
2023	7,078									

Accident	Annual Change									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
2003										-1.1%
2004									-15.7%	-15.9%
2005								-4.1%	-4.1%	-4.7%
2006							10.2%	9.6%	8.4%	7.5%
2007						14.4%	14.7%	13.8%	13.4%	12.6%
2008					14.7%	13.7%	12.5%	11.9%	11.1%	11.1%
2009				14.3%	13.7%	13.2%	12.0%	10.9%	10.6%	10.7%
2010			4.9%	4.2%	2.8%	1.5%	1.1%	0.6%	0.7%	0.3%
2011		3.1%	0.5%	-1.1%	-1.7%	-2.8%	-3.7%	-3.9%	-4.5%	-4.6%
2012	2.6%	-0.7%	-3.2%	-5.5%	-6.5%	-6.6%	-6.5%	-6.6%	-6.3%	-5.9%
2013	1.9%	-0.7%	-3.6%	-3.9%	-5.4%	-6.2%	-6.9%	-7.0%	-7.5%	-7.3%
2014	-2.4%	-5.2%	-4.0%	-4.5%	-4.9%	-4.7%	-4.5%	-4.1%	-3.5%	-3.8%
2015	2.1%	1.5%	0.4%	-0.7%	-1.5%	-2.0%	-2.4%	-2.9%	-2.8%	
2016	1.9%	0.7%	-1.2%	-3.3%	-2.9%	-2.9%	-2.4%	-2.4%		
2017	-0.3%	-2.5%	-3.1%	-2.2%	-2.5%	-1.9%	-2.1%			
2018	3.8%	4.5%	4.4%	4.9%	5.1%	5.7%				
2019	0.3%	1.0%	2.0%	2.7%	4.0%					
2020	13.6%	13.0%	15.8%	18.0%						
2021	-3.3%	-3.6%	-2.1%							
2022	0.7%	4.3%								
2023	4.4%									

Annual Trend*										
All-Year	2.0%	0.9%	0.1%	-0.5%	-0.9%	-0.3%	0.5%	1.3%	1.4%	1.4%
R ²	0.856	0.347	0.002	0.061	0.137	0.013	0.019	0.117	0.162	0.185
5-Year	2.7%	3.7%	5.6%	5.2%	1.0%	-0.7%	-2.8%	-4.0%	-5.1%	-5.6%
R ²	0.548	0.744	0.857	0.716	0.204	0.176	0.974	0.946	0.962	0.991

*Trend is based on an exponential distribution.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Indemnity Case Outstanding per Open Indemnity Claim
As of December 31, 2023

Accident	Evaluated as of (in months):									
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1998										33,695
1999									30,342	32,445
2000								25,255	25,954	27,103
2001							21,088	22,492	23,982	24,975
2002						17,586	18,584	19,461	21,051	22,828
2003					16,698	18,592	21,018	23,703	26,682	29,730
2004				14,158	15,511	17,891	19,932	23,275	25,183	29,193
2005			11,163	12,560	14,801	17,666	20,635	23,410	25,547	27,311
2006		10,422	12,572	14,647	17,688	20,210	22,066	24,699	26,491	27,397
2007	7,307	11,113	13,804	15,990	17,882	19,717	23,642	26,271	27,917	30,969
2008	7,549	11,559	14,508	16,509	18,031	20,570	22,937	25,584	29,573	32,578
2009	7,672	12,209	14,441	16,463	18,639	20,855	22,402	25,561	28,696	31,504
2010	7,760	11,853	14,319	16,125	17,732	19,664	21,840	24,454	27,223	31,315
2011	8,312	12,609	14,672	16,999	18,592	20,571	22,815	25,446	28,454	32,065
2012	8,188	12,444	14,592	15,929	18,157	20,642	24,011	27,847	32,521	35,434
2013	8,470	12,337	14,013	15,474	17,267	19,546	23,238	26,409	28,252	30,712
2014	8,337	12,517	14,748	16,899	19,852	22,088	24,959	28,010	29,708	32,049
2015	8,686	13,446	16,147	18,835	21,475	24,271	26,417	28,627	31,217	
2016	8,918	13,797	16,645	19,482	22,244	24,692	26,901	29,176		
2017	9,333	14,947	18,703	21,543	23,853	26,885	29,489			
2018	9,931	15,842	19,383	21,547	24,559	26,994				
2019	10,359	16,092	18,909	22,008	25,002					
2020	10,932	15,731	18,898	21,989						
2021	10,039	15,915	19,414							
2022	10,329	16,233								
2023	10,209									

Accident	Annual Change									
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1999										-3.7%
2000									-14.5%	-16.5%
2001								-10.9%	-7.6%	-7.9%
2002							-11.9%	-13.5%	-12.2%	-8.6%
2003						5.7%	13.1%	21.8%	26.8%	30.2%
2004					-7.1%	-3.8%	-5.2%	-1.8%	-5.6%	-1.8%
2005				-11.3%	-4.6%	-1.3%	3.5%	0.6%	1.4%	-6.4%
2006			12.6%	16.6%	19.5%	14.4%	6.9%	5.5%	3.7%	0.3%
2007		6.6%	9.8%	9.2%	1.1%	-2.4%	7.1%	6.4%	5.4%	13.0%
2008	3.3%	4.0%	5.1%	3.2%	0.8%	4.3%	-3.0%	-2.6%	5.9%	5.2%
2009	1.6%	5.6%	-0.5%	-0.3%	3.4%	1.4%	-2.3%	-0.1%	-3.0%	-3.3%
2010	1.2%	-2.9%	-0.8%	-2.1%	-4.9%	-5.7%	-2.5%	-4.3%	-5.1%	-0.6%
2011	7.1%	6.4%	2.5%	5.4%	4.9%	4.6%	4.5%	4.1%	4.5%	2.4%
2012	-1.5%	-1.3%	-0.5%	-6.3%	-2.3%	0.3%	5.2%	9.4%	14.3%	10.5%
2013	3.4%	-0.9%	-4.0%	-2.9%	-4.9%	-5.3%	-3.2%	-5.2%	-13.1%	-13.3%
2014	-1.6%	1.5%	5.2%	9.2%	15.0%	13.0%	7.4%	6.1%	5.2%	4.4%
2015	4.2%	7.4%	9.5%	11.5%	8.2%	9.9%	5.8%	2.2%	5.1%	
2016	2.7%	2.6%	3.1%	3.4%	3.6%	1.7%	1.8%	1.9%		
2017	4.7%	8.3%	12.4%	10.6%	7.2%	8.9%	9.6%			
2018	6.4%	6.0%	3.6%	0.0%	3.0%	0.4%				
2019	4.3%	1.6%	-2.4%	2.1%	1.8%					
2020	5.5%	-2.2%	-0.1%	-0.1%						
2021	-8.2%	1.2%	2.7%							
2022	2.9%	2.0%								
2023	-1.2%									

Annual Trend*										
All-Year	2.5%	2.8%	3.1%	3.1%	2.8%	2.4%	2.1%	1.6%	1.3%	0.9%
R ²	0.924	0.939	0.881	0.847	0.824	0.817	0.807	0.646	0.367	0.178
5-Year	-0.9%	0.4%	0.5%	2.7%	4.1%	5.2%	5.7%	1.8%	1.0%	0.0%
R ²	0.180	0.226	0.218	0.674	0.955	0.922	0.967	0.537	0.062	0.000

*Trend is based on an exponential distribution.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Medical Case Outstanding per Open Indemnity Claim
As of December 31, 2023

Accident	Evaluated as of (in months):									
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1998										75,451
1999									61,932	77,043
2000								47,768	56,855	65,067
2001							35,040	44,381	56,050	69,726
2002						26,882	33,897	42,990	52,003	63,265
2003					21,646	29,221	37,196	46,738	58,778	69,421
2004				19,020	25,121	31,338	40,296	49,957	58,410	72,769
2005			17,451	21,216	25,669	34,369	43,050	52,570	63,596	73,017
2006		15,583	20,276	24,655	30,732	37,902	45,267	56,155	64,957	70,785
2007	12,940	17,004	21,284	26,629	32,773	40,133	50,963	60,304	68,774	76,158
2008	13,775	17,741	22,143	27,639	33,739	42,044	50,655	60,345	70,025	76,697
2009	14,265	18,543	23,293	28,590	34,880	41,929	48,953	58,163	65,241	73,783
2010	14,616	18,850	23,496	28,817	34,295	40,054	46,600	52,748	58,936	67,958
2011	15,637	20,255	24,732	30,386	37,204	42,440	48,755	55,216	64,237	68,752
2012	15,934	20,173	24,048	28,050	33,260	39,601	46,012	55,623	62,944	68,635
2013	15,580	19,673	22,549	27,005	31,792	37,130	44,808	51,834	54,595	61,402
2014	14,976	18,539	21,854	26,293	31,331	37,317	42,946	48,610	53,983	58,133
2015	15,563	19,316	23,880	29,272	35,689	40,811	44,374	49,260	55,046	
2016	15,998	20,261	24,934	29,858	35,333	39,733	44,140	47,951		
2017	16,886	21,468	26,870	32,003	37,057	43,041	47,522			
2018	17,710	22,377	26,198	30,016	35,317	41,600				
2019	17,712	22,024	24,798	28,574	32,836					
2020	18,070	21,270	25,245	29,944						
2021	17,882	21,959	26,414							
2022	18,105	22,354								
2023	18,181									

Accident	Annual Change									
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1999										2.1%
2000									-8.2%	-15.5%
2001								-7.1%	-1.4%	7.2%
2002							-3.3%	-3.1%	-7.2%	-9.3%
2003						8.7%	9.7%	8.7%	13.0%	9.7%
2004					16.1%	7.2%	8.3%	6.9%	-0.6%	4.8%
2005				11.5%	2.2%	9.7%	6.8%	5.2%	8.9%	0.3%
2006			16.2%	16.2%	19.7%	10.3%	5.1%	6.8%	2.1%	-3.1%
2007		9.1%	5.0%	8.0%	6.6%	5.9%	12.6%	7.4%	5.9%	7.6%
2008	6.5%	4.3%	4.0%	3.8%	2.9%	4.8%	-0.6%	0.1%	1.8%	0.7%
2009	3.6%	4.5%	5.2%	3.4%	3.4%	-0.3%	-3.4%	-3.6%	-6.8%	-3.8%
2010	2.5%	1.7%	0.9%	0.8%	-1.7%	-4.5%	-4.8%	-9.3%	-9.7%	-7.9%
2011	7.0%	7.5%	5.3%	5.4%	8.5%	6.0%	4.6%	4.7%	9.0%	1.2%
2012	1.9%	-0.4%	-2.8%	-7.7%	-10.6%	-6.7%	-5.6%	0.7%	-2.0%	-0.2%
2013	-2.2%	-2.5%	-6.2%	-3.7%	-4.4%	-6.2%	-2.6%	-6.8%	-13.3%	-10.5%
2014	-3.9%	-5.8%	-3.1%	-2.6%	-1.5%	0.5%	-4.2%	-6.2%	-1.1%	-5.3%
2015	3.9%	4.2%	9.3%	11.3%	13.9%	9.4%	3.3%	1.3%	2.0%	
2016	2.8%	4.9%	4.4%	2.0%	-1.0%	-2.6%	-0.5%	-2.7%		
2017	5.5%	6.0%	7.8%	7.2%	4.9%	8.3%	7.7%			
2018	4.9%	4.2%	-2.5%	-6.2%	-4.7%	-3.3%				
2019	0.0%	-1.6%	-5.3%	-4.8%	-7.0%					
2020	2.0%	-3.4%	1.8%	4.8%						
2021	-1.0%	3.2%	4.6%							
2022	1.2%	1.8%								
2023	0.4%									

Annual Trend*										
All-Year	2.0%	1.8%	1.8%	2.0%	2.1%	2.0%	1.4%	0.6%	0.0%	-0.7%
R ²	0.904	0.811	0.672	0.542	0.501	0.524	0.343	0.088	0.000	0.184
5-Year	0.5%	0.0%	-0.7%	-1.1%	-1.7%	2.7%	1.5%	-3.4%	-4.5%	-4.2%
R ²	0.651	0.001	0.115	0.176	0.363	0.634	0.378	0.819	0.746	0.761

*Trend is based on an exponential distribution.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Paid Indemnity Loss per Reported Indemnity Claim
As of December 31, 2023

Accident	Evaluated as of (in months):									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1998										19,493
1999									20,877	21,249
2000								21,480	22,032	22,396
2001							22,736	23,513	24,079	24,493
2002						20,790	21,758	22,448	22,899	23,318
2003					19,073	20,468	21,390	22,057	22,657	23,191
2004				13,469	15,031	16,159	16,954	17,656	18,292	18,846
2005			9,584	11,799	13,227	14,260	15,098	15,816	16,484	16,965
2006		6,814	10,351	12,656	14,333	15,607	16,654	17,466	18,071	18,543
2007	2,836	7,324	11,160	13,801	15,678	17,081	18,201	19,012	19,625	20,151
2008	3,106	7,914	12,190	15,319	17,549	19,114	20,229	21,042	21,594	22,086
2009	3,109	7,997	12,535	15,862	18,236	19,854	21,027	21,922	22,590	23,116
2010	3,069	7,965	12,568	15,915	18,136	19,708	20,849	21,625	22,227	22,681
2011	3,117	8,111	12,662	15,817	17,921	19,422	20,481	21,317	21,843	22,200
2012	3,243	8,203	12,618	15,701	17,755	19,252	20,219	20,883	21,357	21,706
2013	3,186	8,128	12,695	15,826	17,782	19,039	19,833	20,379	20,774	21,057
2014	3,150	8,315	13,249	16,478	18,536	19,808	20,568	21,123	21,492	21,837
2015	3,279	8,701	13,709	16,967	18,927	19,976	20,802	21,348	21,730	
2016	3,417	8,884	13,716	16,758	18,422	19,517	20,345	20,899		
2017	3,474	9,078	13,920	16,713	18,492	19,668	20,450			
2018	3,732	9,463	14,109	17,143	19,021	20,322				
2019	3,890	9,748	14,703	18,084	20,199					
2020	4,263	10,301	15,495	19,081						
2021	4,367	10,487	15,654							
2022	4,661	11,119								
2023	4,677									

Accident	Annual Change									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1999										9.0%
2000									5.5%	5.4%
2001								9.5%	9.3%	9.4%
2002							-4.3%	-4.5%	-4.9%	-4.8%
2003						-1.5%	-1.7%	-1.7%	-1.1%	-0.5%
2004					-21.2%	-21.1%	-20.7%	-20.0%	-19.3%	-18.7%
2005				-12.4%	-12.0%	-11.8%	-10.9%	-10.4%	-9.9%	-10.0%
2006			8.0%	7.3%	8.4%	9.4%	10.3%	10.4%	9.6%	9.3%
2007		7.5%	7.8%	9.0%	9.4%	9.4%	9.3%	8.9%	8.6%	8.7%
2008	9.5%	8.1%	9.2%	11.0%	11.9%	11.9%	11.1%	10.7%	10.0%	9.6%
2009	0.1%	1.0%	2.8%	3.5%	3.9%	3.9%	3.9%	4.2%	4.6%	4.7%
2010	-1.3%	-0.4%	0.3%	0.3%	-0.5%	-0.7%	-0.8%	-1.4%	-1.6%	-1.9%
2011	1.6%	1.8%	0.8%	-0.6%	-1.2%	-1.5%	-1.8%	-1.4%	-1.7%	-2.1%
2012	4.0%	1.1%	-0.3%	-0.7%	-0.9%	-0.9%	-1.3%	-2.0%	-2.2%	-2.2%
2013	-1.7%	-0.9%	0.6%	0.8%	0.2%	-1.1%	-1.9%	-2.4%	-2.7%	-3.0%
2014	-1.1%	2.3%	4.4%	4.1%	4.2%	4.0%	3.7%	3.7%	3.5%	3.7%
2015	4.1%	4.7%	3.5%	3.0%	2.1%	0.8%	1.1%	1.1%	1.1%	
2016	4.2%	2.1%	0.1%	-1.2%	-2.7%	-2.3%	-2.2%	-2.1%		
2017	1.7%	2.2%	1.5%	-0.3%	0.4%	0.8%	0.5%			
2018	7.4%	4.3%	1.4%	2.6%	2.9%	3.3%				
2019	4.2%	3.0%	4.2%	5.5%	6.2%					
2020	9.6%	5.7%	5.4%	5.5%						
2021	2.5%	1.8%	1.0%							
2022	6.7%	6.0%								
2023	0.3%									

Annual Trend*										
All-Year	3.0%	2.5%	2.5%	2.3%	1.5%	0.9%	0.3%	0.1%	0.0%	0.1%
R ²	0.890	0.941	0.900	0.824	0.457	0.176	0.027	0.003	0.000	0.005
5-Year	4.7%	4.0%	3.3%	3.4%	1.6%	0.4%	0.5%	0.5%	0.0%	-1.3%
R ²	0.915	0.979	0.955	0.884	0.482	0.132	0.202	0.193	0.001	0.545

*Trend is based on an exponential distribution.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Paid Medical Loss per Indemnity Claim
As of December 31, 2023

Accident	Evaluated as of (in months):									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
2005										21,986
2006									23,412	24,259
2007								25,211	26,299	27,159
2008							26,286	27,689	28,689	29,507
2009						26,043	27,861	29,187	30,171	30,945
2010					23,540	25,892	27,667	28,857	29,760	30,477
2011				19,066	21,965	24,194	25,678	26,812	27,577	28,095
2012			14,377	18,061	20,709	22,556	23,875	24,799	25,403	25,906
2013		9,176	13,744	17,121	19,404	20,956	21,981	22,624	23,143	23,528
2014	3,808	8,994	13,472	16,666	18,791	20,278	21,204	21,940	22,441	22,835
2015	3,886	9,116	13,428	16,605	18,550	19,752	20,676	21,332	21,844	
2016	4,072	9,270	13,360	16,174	17,869	19,090	20,079	20,675		
2017	4,261	9,479	13,535	16,117	17,908	19,273	20,172			
2018	4,445	9,893	13,951	16,910	18,853	20,302				
2019	4,367	9,549	13,958	17,252	19,499					
2020	4,338	10,020	14,796	18,386						
2021	4,305	9,950	14,780							
2022	4,289	10,301								
2023	4,320									

Accident	Annual Change									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
2006										10.3%
2007									12.3%	12.0%
2008								9.8%	9.1%	8.6%
2009							6.0%	5.4%	5.2%	4.9%
2010						-0.6%	-0.7%	-1.1%	-1.4%	-1.5%
2011**					-6.7%	-6.6%	-7.2%	-7.1%	-7.3%	-7.8%
2012**				-5.3%	-5.7%	-6.8%	-7.0%	-7.5%	-7.9%	-7.8%
2013			-4.4%	-5.2%	-6.3%	-7.1%	-7.9%	-8.8%	-8.9%	-9.2%
2014		-2.0%	-2.0%	-2.7%	-3.2%	-3.2%	-3.5%	-3.0%	-3.0%	-2.9%
2015	2.0%	1.3%	-0.3%	-0.4%	-1.3%	-2.6%	-2.5%	-2.8%	-2.7%	
2016	4.8%	1.7%	-0.5%	-2.6%	-3.7%	-3.4%	-2.9%	-3.1%		
2017	4.6%	2.3%	1.3%	-0.4%	0.2%	1.0%	0.5%			
2018	4.3%	4.4%	3.1%	4.9%	5.3%	5.3%				
2019	-1.8%	-3.5%	0.0%	2.0%	3.4%					
2020	-0.7%	4.9%	6.0%	6.6%						
2021	-0.8%	-0.7%	-0.1%							
2022	-0.4%	3.5%								
2023	0.7%									

Annual Trend*										
All-Year	1.3%	1.4%	0.7%	-0.5%	-2.2%	-3.5%	-4.0%	-3.5%	-2.0%	-0.2%
R ²	0.569	0.872	0.259	0.076	0.587	0.835	0.898	0.704	0.271	0.002
5-Year	-0.3%	1.2%	2.4%	3.3%	1.5%	-0.2%	-2.2%	-4.1%	-5.7%	-7.3%
R ²	0.554	0.500	0.889	0.902	0.437	0.015	0.908	0.920	0.936	0.981

*Trend is based on an exponential distribution.

**Entries for accident years 2010 and 2011 only reflect the paid cost of medical cost containment programs attributable to policies with effective dates prior to July 1, 2010. Entries for accident years 2012 and subsequent exclude the paid cost of medical cost containment programs.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Paid Medical Loss per Claim**
As of December 31, 2023

Accident	Evaluated as of (in months):									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
2002										8,839
2003									8,277	8,586
2004								6,564	6,900	7,206
2005							5,939	6,298	6,674	6,931
2006						6,152	6,606	7,026	7,320	7,567
2007					6,414	7,068	7,647	8,078	8,402	8,659
2008				6,401	7,388	8,174	8,752	9,189	9,506	9,760
2009			5,792	7,263	8,445	9,304	9,913	10,359	10,687	10,936
2010		4,201	6,099	7,703	8,847	9,669	10,295	10,715	11,028	11,202
2011	1,824	4,090	5,997	7,469	8,528	9,340	9,884	10,299	10,511	10,699
2012	1,846	4,046	5,834	7,211	8,201	8,891	9,377	9,665	9,885	10,074
2013	1,865	3,972	5,726	7,026	7,906	8,490	8,839	9,084	9,283	9,430
2014	1,820	3,900	5,617	6,834	7,631	8,158	8,502	8,777	8,964	9,100
2015	1,839	3,956	5,607	6,791	7,498	7,952	8,297	8,537	8,716	
2016	1,926	4,046	5,619	6,666	7,303	7,764	8,124	8,353		
2017	1,957	4,000	5,483	6,428	7,082	7,562	7,891			
2018	2,041	4,186	5,715	6,818	7,512	8,048				
2019	2,016	4,102	5,791	7,014	7,856					
2020	2,190	4,735	6,752	8,233						
2021	2,157	4,598	6,594							
2022	2,147	4,810								
2023	2,271									

Accident	Annual Change									
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
2003										-2.9%
2004									-16.6%	-16.1%
2005								-4.0%	-3.3%	-3.8%
2006							11.2%	11.6%	9.7%	9.2%
2007						14.9%	15.8%	15.0%	14.8%	14.4%
2008					15.2%	15.6%	14.4%	13.8%	13.1%	12.7%
2009				13.5%	14.3%	13.8%	13.3%	12.7%	12.4%	12.1%
2010			5.3%	6.1%	4.8%	3.9%	3.9%	3.4%	3.2%	2.4%
2011		-2.6%	-1.7%	-3.0%	-3.6%	-3.4%	-4.0%	-3.9%	-4.7%	-4.5%
2012	1.2%	-1.1%	-2.7%	-3.5%	-3.8%	-4.8%	-5.1%	-6.2%	-6.0%	-5.8%
2013	1.1%	-1.8%	-1.9%	-2.6%	-3.6%	-4.5%	-5.7%	-6.0%	-6.1%	-6.4%
2014	-2.4%	-1.8%	-1.9%	-2.7%	-3.5%	-3.9%	-3.8%	-3.4%	-3.4%	-3.5%
2015	1.1%	1.4%	-0.2%	-0.6%	-1.7%	-2.5%	-2.4%	-2.7%	-2.8%	
2016	4.7%	2.3%	0.2%	-1.8%	-2.6%	-2.4%	-2.1%	-2.2%		
2017	1.6%	-1.1%	-2.4%	-3.6%	-3.0%	-2.6%	-2.9%			
2018	4.3%	4.6%	4.2%	6.1%	6.1%	6.4%				
2019	-1.2%	-2.0%	1.3%	2.9%	4.6%					
2020	8.6%	15.4%	16.6%	17.4%						
2021	-1.5%	-2.9%	-2.3%							
2022	-0.4%	4.6%								
2023	5.8%									

Annual Trend*										
All-Year	1.9%	1.3%	0.6%	0.1%	-0.2%	0.5%	1.5%	2.4%	2.5%	2.4%
R ²	0.900	0.478	0.116	0.004	0.006	0.021	0.128	0.289	0.340	0.353
5-Year	2.2%	4.0%	5.5%	5.2%	1.2%	-0.8%	-2.7%	-3.5%	-4.6%	-5.3%
R ²	0.639	0.726	0.837	0.708	0.251	0.166	0.988	0.955	0.970	0.992

*Trend is based on an exponential distribution.

**All entries reflect the paid cost of medical cost containment programs.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Paid Indemnity Loss per Closed Indemnity Claim**

As of December 31, 2023

Accident Year	Evaluated as of (in months):									
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1998										17,377
1999									18,517	19,048
2000								18,586	19,411	20,029
2001							18,857	19,909	20,703	21,290
2002						16,973	18,328	19,291	19,929	20,419
2003					15,113	16,894	18,012	18,786	19,431	20,053
2004				9,914	11,933	13,222	14,111	14,816	15,618	16,488
2005			5,712	8,395	10,276	11,432	12,323	13,180	14,225	14,916
2006		3,290	6,285	9,083	11,004	12,428	13,647	14,894	15,777	16,535
2007	1,393	3,510	6,773	9,647	11,758	13,480	15,068	16,251	17,195	18,063
2008	1,510	3,834	7,484	10,676	13,227	15,526	17,003	18,259	19,239	19,976
2009	1,591	4,088	7,852	11,258	14,274	16,389	18,101	19,443	20,404	21,212
2010	1,541	4,150	8,065	11,819	14,658	16,704	18,408	19,630	20,489	21,172
2011	1,656	4,478	8,611	12,229	14,928	16,890	18,413	19,545	20,376	20,933
2012	1,832	5,035	9,143	12,590	15,150	17,051	18,343	19,357	20,035	20,522
2013	2,112	5,357	9,540	12,975	15,437	17,104	18,224	19,046	19,588	20,022
2014	2,128	5,627	10,174	13,775	16,337	17,931	19,003	19,770	20,362	20,827
2015	2,340	6,177	10,888	14,496	16,893	18,273	19,267	19,997	20,628	
2016	2,493	6,545	11,038	14,481	16,454	17,824	18,854	19,675		
2017	2,591	6,648	11,144	14,345	16,462	17,863	18,935			
2018	2,875	7,039	11,390	14,635	16,867	18,488				
2019	3,160	7,059	11,451	15,386	17,981					
2020	3,295	7,670	12,539	16,525						
2021	3,174	7,275	11,972							
2022	3,491	7,966								
2023	3,725									

Accident Year	Annual Change									
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>
1999										9.6%
2000									4.8%	5.2%
2001								7.1%	6.7%	6.3%
2002							-2.8%	-3.1%	-3.7%	-4.1%
2003						-0.5%	-1.7%	-2.6%	-2.5%	-1.8%
2004					-21.0%	-21.7%	-21.7%	-21.1%	-19.6%	-17.8%
2005				-15.3%	-13.9%	-13.5%	-12.7%	-11.0%	-8.9%	-9.5%
2006			10.0%	8.2%	7.1%	8.7%	10.7%	13.0%	10.9%	10.9%
2007		6.7%	7.8%	6.2%	6.8%	8.5%	10.4%	9.1%	9.0%	9.2%
2008	8.4%	9.3%	10.5%	10.7%	12.5%	15.2%	12.8%	12.4%	11.9%	10.6%
2009	5.3%	6.6%	4.9%	5.5%	7.9%	5.6%	6.5%	6.5%	6.1%	6.2%
2010	-3.1%	1.5%	2.7%	5.0%	2.7%	1.9%	1.7%	1.0%	0.4%	-0.2%
2011	7.5%	7.9%	6.8%	3.5%	1.8%	1.1%	0.0%	-0.4%	-0.6%	-1.1%
2012	10.6%	12.4%	6.2%	3.0%	1.5%	1.0%	-0.4%	-1.0%	-1.7%	-2.0%
2013	15.3%	6.4%	4.3%	3.1%	1.9%	0.3%	-0.6%	-1.6%	-2.2%	-2.4%
2014	0.7%	5.1%	6.6%	6.2%	5.8%	4.8%	4.3%	3.8%	4.0%	4.0%
2015	10.0%	9.8%	7.0%	5.2%	3.4%	1.9%	1.4%	1.1%	1.3%	
2016	6.5%	6.0%	1.4%	-0.1%	-2.6%	-2.5%	-2.1%	-1.6%		
2017	3.9%	1.6%	1.0%	-0.9%	0.0%	0.2%	0.4%			
2018	11.0%	5.9%	2.2%	2.0%	2.5%	3.5%				
2019	9.9%	0.3%	0.5%	5.1%	6.6%					
2020	4.3%	8.7%	9.5%	7.4%						
2021	-3.7%	-5.2%	-4.5%							
2022	10.0%	9.5%								
2023	6.7%									

Annual Trend*										
All-Year	6.6%	5.8%	4.7%	3.9%	2.7%	1.9%	1.2%	0.9%	0.7%	0.7%
R ²	0.983	0.970	0.950	0.931	0.676	0.419	0.212	0.131	0.094	0.101
5-Year	3.9%	2.8%	2.4%	3.4%	1.5%	0.4%	0.7%	0.8%	0.4%	-0.8%
R ²	0.768	0.657	0.646	0.809	0.427	0.144	0.276	0.455	0.104	0.323

*Trend is based on an exponential distribution.

**Paid indemnity losses used in the severity calculations above represent paid indemnity losses on closed claims only.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Average Paid Medical Loss per Closed Indemnity Claim***

As of December 31, 2023

Accident	Evaluated as of (in months):									
Year	12	24	36	48	60	72	84	96	108	120
2005										17,965
2006									18,871	20,192
2007								19,994	21,648	23,144
2008							20,756	22,694	24,315	25,504
2009						20,202	22,704	24,762	26,154	27,615
2010					17,902	20,769	23,412	25,265	26,628	27,695
2011				13,864	17,235	20,202	22,398	24,047	25,202	25,953
2012			9,966	13,764	17,019	19,368	21,060	22,348	23,327	23,859
2013		5,721	9,970	13,584	16,474	18,509	19,882	20,820	21,515	22,066
2014	2,376	5,794	10,040	13,642	16,347	18,132	19,282	20,114	20,869	21,417
2015	2,503	6,243	10,431	13,856	16,234	17,713	18,709	19,623	20,283	
2016	2,709	6,471	10,501	13,518	15,526	16,817	17,977	18,849		
2017	2,835	6,662	10,654	13,478	15,474	16,900	18,187			
2018	2,982	6,974	11,109	14,021	16,186	17,895				
2019	3,426	6,735	10,818	14,290	16,815					
2020	2,897	6,947	11,491	15,363						
2021	2,862	6,537	11,097							
2022	2,781	7,172								
2023	3,439									

Accident	Annual Change									
Year	12	24	36	48	60	72	84	96	108	120
2006										12.4%
2007									14.7%	14.6%
2008								13.5%	12.3%	10.2%
2009							9.4%	9.1%	7.6%	8.3%
2010						2.8%	3.1%	2.0%	1.8%	0.3%
2011					-3.7%	-2.7%	-4.3%	-4.8%	-5.4%	-6.3%
2012				-0.7%	-1.3%	-4.1%	-6.0%	-7.1%	-7.4%	-8.1%
2013**			0.0%	-1.3%	-3.2%	-4.4%	-5.6%	-6.8%	-7.8%	-7.5%
2014**		1.3%	0.7%	0.4%	-0.8%	-2.0%	-3.0%	-3.4%	-3.0%	-2.9%
2015	5.3%	7.7%	3.9%	1.6%	-0.7%	-2.3%	-3.0%	-2.4%	-2.8%	
2016	8.2%	3.7%	0.7%	-2.4%	-4.4%	-5.1%	-3.9%	-3.9%		
2017	4.6%	2.9%	1.5%	-0.3%	-0.3%	0.5%	1.2%			
2018	5.2%	4.7%	4.3%	4.0%	4.6%	5.9%				
2019	14.9%	-3.4%	-2.6%	1.9%	3.9%					
2020	-15.5%	3.2%	6.2%	7.5%						
2021	-1.2%	-5.9%	-3.4%							
2022	-2.8%	9.7%								
2023	23.7%									

Annual Trend*										
All-Year	2.8%	2.2%	1.5%	0.8%	-1.0%	-2.2%	-2.7%	-1.9%	-0.4%	1.5%
R ²	0.502	0.745	0.883	0.369	0.456	0.825	0.742	0.325	0.010	0.099
5-Year	-0.3%	0.3%	1.2%	3.2%	1.1%	-0.7%	-2.5%	-3.9%	-5.3%	-6.5%
R ²	0.003	0.014	0.397	0.869	0.261	0.114	0.894	0.962	0.945	0.981

*Trend is based on an exponential distribution.

**Entries for accident years 2010 and 2011 only reflect the paid cost of medical cost containment programs attributable to policies with effective dates prior to July 1, 2010. Entries for accident years 2012 and subsequent exclude the paid cost of medical cost containment programs.

***Paid medical losses used in the severity calculations above represent paid medical losses on closed indemnity claims only.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Ratio of Incremental Paid Indemnity to Indemnity Claims Open During the Period
As of December 31, 2023

Accident	Evaluated as of (in months):									
Year	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120
1998										6,845
1999									6,715	6,472
2000								6,909	6,784	5,506
2001							6,866	6,282	5,829	5,302
2002						6,950	6,190	5,800	4,805	5,425
2003					7,389	6,661	5,855	5,570	6,168	6,892
2004				6,590	5,770	5,768	5,369	5,883	6,667	7,163
2005			6,331	6,093	5,636	5,545	5,839	6,182	7,230	6,910
2006		5,792	7,108	6,522	6,586	6,751	7,075	6,958	6,942	6,814
2007	2,836	6,330	7,736	7,358	7,216	7,209	7,306	7,299	7,117	7,799
2008	3,106	6,848	8,398	8,378	8,127	7,644	7,501	7,306	6,711	7,792
2009	3,109	6,941	8,644	8,507	8,271	7,901	7,653	7,935	8,160	8,404
2010	3,069	6,982	8,849	8,694	8,261	8,156	8,250	7,944	8,309	8,802
2011	3,117	7,185	8,834	8,558	8,139	8,279	8,310	9,318	8,511	7,721
2012	3,243	7,183	8,727	8,577	8,379	8,929	8,421	8,568	8,482	8,498
2013	3,186	7,103	8,993	8,970	8,538	8,328	8,005	8,101	8,156	7,680
2014	3,150	7,316	9,894	9,667	9,558	9,336	8,217	8,504	7,901	9,736
2015	3,279	7,726	10,313	10,369	10,187	8,800	9,610	8,774	8,677	
2016	3,417	7,940	10,561	10,602	9,631	9,345	9,953	9,487		
2017	3,474	8,295	11,193	10,554	10,311	10,076	9,705			
2018	3,732	8,603	10,809	10,725	10,144	10,727				
2019	3,890	8,804	11,001	11,090	10,886					
2020	4,263	9,032	11,311	11,709						
2021	4,367	9,304	11,846							
2022	4,661	9,911								
2023	4,677									

Accident	Annual Change									
Year	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120
1999										-5.4%
2000									1.0%	-14.9%
2001								-9.1%	-14.1%	-3.7%
2002							-9.8%	-7.7%	-17.6%	2.3%
2003						-4.2%	-5.4%	-4.0%	28.4%	27.1%
2004					-21.9%	-13.4%	-8.3%	5.6%	8.1%	3.9%
2005				-7.5%	-2.3%	-3.9%	8.7%	5.1%	8.4%	-3.5%
2006			12.3%	7.0%	16.9%	21.7%	21.2%	12.6%	-4.0%	-1.4%
2007		9.3%	8.8%	12.8%	9.6%	6.8%	3.3%	4.9%	2.5%	14.5%
2008	9.5%	8.2%	8.6%	13.9%	12.6%	6.0%	2.7%	0.1%	-5.7%	-0.1%
2009	0.1%	1.4%	2.9%	1.5%	1.8%	3.4%	2.0%	8.6%	21.6%	7.9%
2010	-1.3%	0.6%	2.4%	2.2%	-0.1%	3.2%	7.8%	0.1%	1.8%	4.7%
2011	1.6%	2.9%	-0.2%	-1.6%	-1.5%	1.5%	0.7%	17.3%	2.4%	-12.3%
2012	4.0%	0.0%	-1.2%	0.2%	3.0%	7.8%	1.3%	-8.1%	-0.3%	10.1%
2013	-1.7%	-1.1%	3.1%	4.6%	1.9%	-6.7%	-4.9%	-5.4%	-3.8%	-9.6%
2014	-1.1%	3.0%	10.0%	7.8%	11.9%	12.1%	2.7%	5.0%	-3.1%	26.8%
2015	4.1%	5.6%	4.2%	7.3%	6.6%	-5.7%	17.0%	3.2%	9.8%	
2016	4.2%	2.8%	2.4%	2.3%	-5.5%	6.2%	3.6%	8.1%		
2017	1.7%	4.5%	6.0%	-0.5%	7.1%	7.8%	-2.5%			
2018	7.4%	3.7%	-3.4%	1.6%	-1.6%	6.5%				
2019	4.2%	2.3%	1.8%	3.4%	7.3%					
2020	9.6%	2.6%	2.8%	5.6%						
2021	2.5%	3.0%	4.7%							
2022	6.7%	6.5%								
2023	0.3%									

Annual Trend*										
All-Year	3.0%	2.8%	3.4%	3.8%	3.6%	3.4%	3.3%	3.0%	2.5%	2.8%
R ²	0.890	0.955	0.925	0.929	0.840	0.839	0.810	0.779	0.625	0.667
5-Year	4.7%	3.4%	1.6%	2.5%	1.9%	4.2%	5.9%	2.9%	-0.3%	2.0%
R ²	0.915	0.949	0.526	0.825	0.446	0.721	0.794	0.602	0.018	0.099

*Trend is based on an exponential distribution.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Ratio of Incremental Paid Medical to Indemnity Claims Open During the Period**
As of December 31, 2023

Accident Year	Evaluated as of (in months):									
	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120
2005										12,652
2006									11,515	12,176
2007								12,945	12,614	12,710
2008							12,445	12,567	11,995	12,944
2009						12,298	11,829	11,730	11,996	12,372
2010					11,917	12,165	12,770	12,149	12,491	13,789
2011				10,798	11,164	12,241	11,612	12,629	12,292	11,212
2012			9,391	10,230	10,756	10,999	11,457	11,839	10,798	12,164
2013		7,556	9,045	9,676	9,942	10,260	10,271	9,529	10,667	10,399
2014	3,808	7,493	9,052	9,574	9,859	10,865	10,004	11,274	10,682	11,073
2015	3,886	7,628	8,966	10,112	10,103	10,017	10,733	10,555	11,550	
2016	4,072	7,759	9,037	9,824	9,794	10,399	11,892	10,184		
2017	4,261	7,971	9,471	9,770	10,372	11,682	11,101			
2018	4,445	8,400	9,524	10,465	10,485	11,911				
2019	4,367	8,014	9,838	10,798	11,523					
2020	4,338	8,578	10,426	11,709						
2021	4,305	8,650	11,080							
2022	4,289	9,213								
2023	4,320									

Accident Year	Annual Change									
	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120
2006										-3.8%
2007									9.5%	4.4%
2008								-2.9%	-4.9%	1.8%
2009							-5.0%	-6.7%	0.0%	-4.4%
2010						-1.1%	8.0%	3.6%	4.1%	11.5%
2011					-6.3%	0.6%	-9.1%	4.0%	-1.6%	-18.7%
2012				-5.3%	-3.7%	-10.2%	-1.3%	-6.3%	-12.2%	8.5%
2013**			-3.7%	-5.4%	-7.6%	-6.7%	-10.3%	-19.5%	-1.2%	-14.5%
2014**		-0.8%	0.1%	-1.0%	-0.8%	5.9%	-2.6%	18.3%	0.1%	6.5%
2015	2.0%	1.8%	-1.0%	5.6%	2.5%	-7.8%	7.3%	-6.4%	8.1%	
2016	4.8%	1.7%	0.8%	-2.8%	-3.1%	3.8%	10.8%	-3.5%		
2017	4.6%	2.7%	4.8%	-0.6%	5.9%	12.3%	-6.6%			
2018	4.3%	5.4%	0.6%	7.1%	1.1%	2.0%				
2019	-1.8%	-4.6%	3.3%	3.2%	9.9%					
2020	-0.7%	7.0%	6.0%	8.4%						
2021	-0.8%	0.8%	6.3%							
2022	-0.4%	6.5%								
2023	0.7%									

Annual Trend*										
All-Year	1.3%	2.2%	1.9%	0.9%	-0.6%	-1.0%	-1.5%	-2.6%	-1.2%	-1.7%
R ²	0.569	0.892	0.676	0.199	0.064	0.141	0.314	0.624	0.346	0.388
5-Year	-0.3%	2.6%	4.1%	4.6%	3.4%	3.4%	3.3%	-2.0%	-1.3%	-5.0%
R ²	0.554	0.667	0.922	0.913	0.733	0.520	0.585	0.137	0.118	0.560

*Trend is based on an exponential distribution.

**Entries for accident years 2010 and 2011 only reflect the paid cost of medical cost containment programs attributable to policies with effective dates prior to July 1, 2010. Entries for accident years 2012 and subsequent exclude the paid cost of medical cost containment programs.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

Ratio of Quarterly Paid Medical to Indemnity Claims Inventory*
Through December 31, 2023

Development	Evaluation Years										
Period	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
3/0	1,403	1,511	1,675	1,582	1,938	1,951	2,056	2,035	1,688	1,592	1,868
6/3	2,690	2,572	2,885	2,869	3,088	3,196	2,993	2,925	3,158	2,886	2,905
9/6	2,930	2,768	2,765	2,920	3,019	3,305	2,990	2,672	2,928	2,978	3,009
12/9	2,700	2,672	2,638	2,875	3,064	3,126	3,203	3,055	2,956	3,009	3,137
12/0	5,414	5,294	5,382	5,662	5,984	6,173	5,977	5,814	5,764	5,721	5,951
15/12	2,942	2,752	2,811	2,817	3,090	3,145	3,200	3,129	3,050	3,101	3,186
18/15	2,843	2,535	2,542	2,705	2,781	2,874	2,875	2,694	2,964	3,091	3,315
21/18	2,626	2,537	2,525	2,555	2,544	2,705	2,812	2,641	2,913	3,076	3,266
24/21	2,658	2,473	2,449	2,567	2,638	2,656	2,986	2,711	2,946	3,007	3,276
24/12	8,930	8,335	8,302	8,473	8,654	8,824	9,212	8,845	9,372	9,494	10,088
27/24	2,775	2,620	2,526	2,548	2,669	2,614	2,849	2,875	2,791	2,907	3,051
30/27	2,924	2,777	2,762	2,814	2,816	2,876	2,887	2,702	2,977	3,204	3,345
33/30	2,970	2,933	2,742	2,763	2,723	2,919	2,983	3,025	3,011	3,244	3,525
36/33	3,093	2,883	2,851	2,874	2,861	2,854	3,083	3,056	3,198	3,254	3,471
36/24	10,198	9,635	9,277	9,299	9,211	9,227	9,650	9,738	10,102	10,671	11,312
39/36	3,217	2,973	3,011	2,796	2,849	2,927	2,892	3,074	2,999	3,118	3,471
42/39	3,488	3,255	3,108	2,896	3,080	3,274	3,012	2,712	3,079	3,192	3,592
45/42	3,387	3,477	3,117	3,011	2,817	3,055	3,093	3,052	3,228	3,507	3,488
48/45	3,579	3,226	3,027	3,236	2,965	3,174	3,299	2,998	3,430	3,271	3,384
48/36	11,867	11,148	10,535	10,060	9,842	10,261	10,022	9,935	10,769	11,019	11,909

Development	Year-to-Year Change										
Period	12-to-13	13-to-14	14-to-15	15-to-16	16-to-17	17-to-18	18-to-19	19-to-20	20-to-21	21-to-22	22-to-23
3/0	0.5%	7.7%	10.9%	-5.5%	22.5%	0.7%	5.4%	-1.0%	-17.9%	-5.7%	17.4%
6/3	1.1%	-4.4%	12.2%	-0.5%	7.7%	3.5%	-6.3%	-2.3%	5.5%	-8.6%	0.6%
9/6	4.5%	-5.6%	-0.1%	5.6%	3.4%	9.5%	-9.5%	-10.6%	-2.1%	1.7%	1.0%
12/9	-6.9%	-1.0%	-1.3%	9.0%	6.6%	2.0%	2.5%	-4.6%	-7.7%	1.8%	4.3%
12/0	-1.0%	-2.2%	1.7%	5.2%	5.7%	3.2%	-3.2%	-2.7%	-3.6%	-0.7%	4.0%
15/12	-2.1%	-6.5%	2.1%	0.2%	9.7%	1.8%	1.7%	-2.2%	-4.7%	1.7%	2.7%
18/15	-2.1%	-10.8%	0.3%	6.4%	2.8%	3.4%	0.0%	-6.3%	3.1%	4.3%	7.2%
21/18	-3.2%	-3.4%	-0.5%	1.2%	-0.4%	6.3%	4.0%	-6.1%	3.6%	5.6%	6.2%
24/21	-4.5%	-6.9%	-1.0%	4.8%	2.8%	0.7%	12.4%	-9.2%	-1.3%	2.1%	9.0%
24/12	-3.5%	-6.7%	-0.4%	2.1%	2.1%	2.0%	4.4%	-4.0%	1.7%	1.3%	6.3%
27/24	3.2%	-5.6%	-3.6%	0.9%	4.8%	-2.1%	9.0%	0.9%	-2.0%	4.1%	5.0%
30/27	-0.8%	-5.0%	-0.5%	1.9%	0.1%	2.1%	0.4%	-6.4%	3.1%	7.6%	4.4%
33/30	-2.3%	-1.2%	-6.5%	0.8%	-1.4%	7.2%	2.2%	1.4%	0.9%	7.7%	8.6%
36/33	-8.2%	-6.8%	-1.1%	0.8%	-0.5%	-0.2%	8.0%	-0.9%	3.7%	1.8%	6.7%
36/24	-2.9%	-5.5%	-3.7%	0.2%	-1.0%	0.2%	4.6%	0.9%	4.7%	5.6%	6.0%
39/36	6.6%	-7.6%	1.3%	-7.1%	1.9%	2.7%	-1.2%	6.3%	3.7%	4.0%	11.3%
42/39	11.7%	-6.7%	-4.5%	-6.8%	6.3%	6.3%	-8.0%	-10.0%	2.2%	3.7%	12.5%
45/42	4.4%	2.7%	-10.4%	-3.4%	-6.4%	8.5%	1.2%	-1.3%	4.4%	8.6%	-0.5%
48/45	4.9%	-9.9%	-6.2%	6.9%	-8.4%	7.0%	3.9%	-9.1%	4.0%	-4.6%	3.4%
48/36	5.7%	-6.1%	-5.5%	-4.5%	-2.2%	4.3%	-2.3%	-0.9%	7.5%	2.3%	8.1%

*Indemnity claim inventory is the sum of indemnity claims open at the beginning of the development period and newly-reported indemnity claims during that period.

Source: WCIRB accident year experience calls, excluding COVID-19 claims.

Estimated Ultimate Severities by Injury Type

Accident Year	Ultimate Indemnity Severity		Indemnity Severity Adjusted to Sept 1, 2023 Benefit Level		Accident Year	Ultimate Medical Severity**			Medical Severity Adjusted to Sept 1, 2023 Benefit Level**		
	Permanent	Temporary	Permanent	Temporary		Permanent	Temporary	Medical	Permanent	Temporary	Medical
	Partial	Temporary	Partial	Temporary		Partial	Temporary	Only	Partial	Temporary	Only
2007	39,779	4,181	65,861	6,097	2007	61,265	6,409	974	52,734	5,516	838
2008	41,944	4,740	62,736	6,619	2008	63,188	7,216	1,051	54,172	6,186	901
2009	41,840	5,427	62,241	7,525	2009	62,317	8,208	1,170	53,213	7,009	999
2010	40,777	6,203	59,556	8,432	2010	60,467	9,136	1,198	51,478	7,778	1,020
2011	39,173	6,498	56,423	8,711	2011	54,762	8,908	1,151	47,431	7,715	997
2012	38,256	6,973	53,820	9,112	2012	50,239	8,907	1,152	45,140	8,003	1,035
2013	36,307	7,255	49,276	9,416	2013	44,854	8,599	1,186	42,018	8,056	1,111
2014	38,385	7,083	47,570	9,027	2014	43,195	8,141	1,241	42,964	8,097	1,234
2015	38,756	6,999	46,834	8,674	2015	41,845	7,872	1,271	42,473	7,990	1,290
2016	38,361	7,099	45,794	8,669	2016	40,778	7,821	1,324	41,556	7,970	1,349
2017	39,396	7,252	45,832	8,595	2017	42,188	7,844	1,328	43,124	8,018	1,358
2018	41,745	7,571	47,340	8,713	2018	45,444	8,032	1,405	46,498	8,218	1,438
2019	43,658	8,452	48,195	9,439	2019	46,374	8,682	1,419	47,261	8,848	1,446
2020	45,224	9,174	48,524	9,922	2020	48,683	9,126	1,635	49,417	9,263	1,659
2021	46,852	9,176	48,553	9,554	2021	49,902	8,830	1,664	50,553	8,946	1,686
2022*	47,362	10,641	48,302	10,869	2022*	50,224	9,433	1,733	50,475	9,480	1,742

Accident Year	Annual Change		Annual Change		Accident Year	Annual Change			Annual Change		
Year	Partial	Temporary	Partial	Temporary	Year	Partial	Temporary	Medical	Partial	Temporary	Medical
2007	---	---	---	---	2007	---	---	---	---	---	---
2008	5.4%	13.4%	-4.7%	8.6%	2008	3.1%	12.6%	7.9%	2.7%	12.1%	7.5%
2009	-0.2%	14.5%	-0.8%	13.7%	2009	-1.4%	13.7%	11.4%	-1.8%	13.3%	10.9%
2010	-2.5%	14.3%	-4.3%	12.1%	2010	-3.0%	11.3%	2.3%	-3.3%	11.0%	2.0%
2011	-3.9%	4.8%	-5.3%	3.3%	2011	-9.4%	-2.5%	-3.9%	-7.9%	-0.8%	-2.2%
2012	-2.3%	7.3%	-4.6%	4.6%	2012	-8.3%	0.0%	0.1%	-4.8%	3.7%	3.8%
2013	-5.1%	4.0%	-8.4%	3.3%	2013	-10.7%	-3.4%	3.0%	-6.9%	0.7%	7.3%
2014	5.7%	-2.4%	-3.5%	-4.1%	2014	-3.7%	-5.3%	4.6%	2.3%	0.5%	11.0%
2015	1.0%	-1.2%	-1.5%	-3.9%	2015	-3.1%	-3.3%	2.4%	-1.1%	-1.3%	4.5%
2016	-1.0%	1.4%	-2.2%	-0.1%	2016	-2.6%	-0.6%	4.2%	-2.2%	-0.2%	4.6%
2017	2.7%	2.2%	0.1%	-0.9%	2017	3.5%	0.3%	0.3%	3.8%	0.6%	0.6%
2018	6.0%	4.4%	3.3%	1.4%	2018	7.7%	2.4%	5.8%	7.8%	2.5%	5.9%
2019	4.6%	11.6%	1.8%	8.3%	2019	2.0%	8.1%	1.0%	1.6%	7.7%	0.6%
2020	3.6%	8.5%	0.7%	5.1%	2020	5.0%	5.1%	15.2%	4.6%	4.7%	14.7%
2021	3.6%	0.0%	0.1%	-3.7%	2021	2.5%	-3.2%	1.8%	2.3%	-3.4%	1.6%
2022*	1.1%	16.0%	-0.5%	13.8%	2022*	0.6%	6.8%	4.1%	-0.2%	6.0%	3.3%

* Accident year 2022 experience is partial in that it only reflects experience from policy year 2021.

** Entries for accident years 2010 and 2011 only reflect the paid cost of medical cost containment programs attributable to policies with effective dates prior to July 1, 2010. Entries for accident year 2012 and forward exclude the paid cost of medical cost containment programs.

Source: WCIRB unit statistical data

***COVID-19 claims have been excluded

**Changes in the Number of Weeks of
Temporary Disability Benefits on
Permanent and Temporary Disability Claims**

As of 12 Months

Accident Quarter	Average TD Duration	Change
2020 Q2	14.5	-----
2020 Q3	14.4	-0.8%
2020 Q4	14.0	-2.3%
2021 Q1	14.3	1.6%
2021 Q2	13.6	-4.7%
2021 Q3	12.8	-5.6%
2021 Q4	12.2	-5.0%
2022 Q1	12.1	-1.1%
2022 Q2	11.9	-1.1%
2022 Q3	11.5	-3.4%
2022 Q4	11.2	-3.2%

As of 18 Months

Accident Quarter	Average TD Duration	Change
2020 Q2	18.4	-----
2020 Q3	18.1	-1.3%
2020 Q4	17.7	-2.5%
2021 Q1	17.9	1.2%
2021 Q2	17.1	-4.2%
2021 Q3	16.0	-6.3%
2021 Q4	15.0	-6.5%
2022 Q1	14.7	-2.0%
2022 Q2	14.4	-2.3%

Source: WCIRB Indemnity Data
COVID-19 claims have been excluded

Average Permanent Disability Ratings by Type of Loss

All Permanent Disability Claims

PY/RL	Average Permanent Disability Rating				
	1	2	3	4	5
2012	11.7	13.0	14.1	14.9	15.3
2013	11.2	12.8	13.8	14.4	14.8
2014	10.7	12.2	13.4	14.0	14.4
2015	10.1	12.0	13.1	13.7	14.1
2016	10.1	11.7	12.7	13.3	13.6
2017	10.0	11.7	12.9	13.4	13.6
2018	10.0	11.7	12.8	13.1	
2019	10.2	11.9	12.7		
2020	10.4	11.7			
2021	10.1				

Cumulative Permanent Disability Claims

PY/RL	Average Permanent Disability Rating				
	1	2	3	4	5
2012	10.9	12.1	13.1	13.9	14.3
2013	10.3	11.5	12.4	13.0	13.6
2014	10.1	10.9	12.0	12.8	13.4
2015	9.4	11.0	12.0	12.8	13.3
2016	9.0	10.1	10.8	11.5	11.8
2017	9.2	10.6	11.7	12.3	12.6
2018	9.2	10.5	11.4	11.9	
2019	9.2	10.4	11.2		
2020	9.3	10.4			
2021	9.2				

Non-Cumulative Permanent Disability Claims

PY/RL	Average Permanent Disability Rating				
	1	2	3	4	5
2012	11.8	13.2	14.3	15.1	15.5
2013	11.3	13.1	14.1	14.7	15.1
2014	10.9	12.5	13.7	14.3	14.7
2015	10.3	12.2	13.3	13.9	14.3
2016	10.4	12.1	13.2	13.7	14.1
2017	10.2	12.0	13.1	13.7	13.8
2018	10.2	12.0	13.1	13.4	
2019	10.5	12.2	13.0		
2020	10.7	12.0			
2021	10.3				

Count of Permanent Disability Claims

PY/RL	Count of Permanent Disability Claims				
	1	2	3	4	5
2012	41,005	53,428	59,482	62,494	64,484
2013	41,949	56,146	63,704	66,925	67,728
2014	45,032	59,647	66,334	68,430	69,542
2015	46,233	60,767	66,093	68,641	69,714
2016	45,982	59,967	66,245	68,655	69,884
2017	43,749	57,642	63,332	65,860	67,061
2018	44,114	58,141	64,349	67,073	
2019	42,382	54,849	60,850		
2020	35,078	46,312			
2021	35,315				

Count of Permanent Disability Claims

PY/RL	Count of Permanent Disability Claims				
	1	2	3	4	5
2012	4,991	7,478	9,052	10,091	10,686
2013	6,327	9,358	11,179	12,012	12,233
2014	7,173	10,608	11,918	12,437	12,693
2015	7,905	11,031	12,081	12,574	12,773
2016	8,387	12,670	14,023	14,527	14,963
2017	7,351	9,947	10,866	11,483	11,768
2018	7,507	10,152	11,479	12,077	
2019	8,074	10,913	12,269		
2020	6,392	8,602			
2021	6,256				

Count of Permanent Disability Claims

PY/RL	Count of Permanent Disability Claims				
	1	2	3	4	5
2012	36,014	45,950	50,430	52,403	53,798
2013	35,622	46,788	52,525	54,913	55,495
2014	37,859	49,039	54,416	55,993	56,849
2015	38,328	49,736	54,012	56,067	56,941
2016	37,595	47,297	52,222	54,128	54,921
2017	36,398	47,695	52,466	54,377	55,293
2018	36,607	47,989	52,870	54,996	
2019	34,308	43,936	48,581		
2020	28,686	37,710			
2021	29,059				

Median Permanent Disability Rating

PY/RL	Median Permanent Disability Rating				
	1	2	3	4	5
2012	10	13	11	15	12
2013	9	10	15	11	16
2014	8	10	15	10	15
2015	8	10	12	10	14
2016	8	10	12	10	14
2017	8	10	12	10	14
2018	8	10	12	14	
2019	8	10	12		
2020	9	11			
2021	8				

Median Permanent Disability Rating

PY/RL	Median Permanent Disability Rating				
	1	2	3	4	5
2012	9	15	22	10	12
2013	8	9	20	12	30
2014	8	8	16	10	20
2015	7	11	13	15	15
2016	7	8	15	10	18
2017	7	8	11	13	14
2018	8	8	12	14	
2019	8	9	12		
2020	8	8			
2021	8				

Median Permanent Disability Rating

PY/RL	Median Permanent Disability Rating				
	1	2	3	4	5
2012	10	12	11	15	12
2013	9	10	15	11	15
2014	9	10	14	11	15
2015	8	10	12	10	14
2016	8	10	12	10	13
2017	8	10	12	10	14
2018	8	10	12	13	
2019	9	10	12		
2020	9	11			
2021	9				

Note: Cumulative claims include both cumulative and occupational disease claims.

Source: WCIRB unit statistical data, excluding COVID-19 claims.

Claim Counts and Losses on Claims in Excess of \$250,000 with COVID-19 Excluded

AY/RL	Number of Claims in Excess of \$250,000							
	1	2	3	4	5	6	7	8
2008	650	1,217	2,140	3,089	3,835	4,366	4,643	4,788
2009	620	1,237	2,042	3,010	3,788	4,252	4,521	4,635
2010	584	1,143	2,042	2,975	3,589	4,002	4,210	4,349
2011	601	1,174	1,858	2,582	3,051	3,416	3,544	3,655
2012	640	1,124	1,759	2,379	2,872	3,109	3,252	3,351
2013	720	1,091	1,628	2,155	2,522	2,732	2,827	2,880
2014	659	1,083	1,693	2,238	2,599	2,840	2,923	2,996
2015	711	1,198	1,785	2,296	2,606	2,760	2,850	
2016	759	1,295	1,827	2,303	2,590	2,783		
2017	847	1,362	1,955	2,393	2,677			
2018	950	1,501	2,091	2,626				
2019	1,008	1,609	2,309					
2020	895	1,469						
2021	979							

AY/RL	% of Indemnity Incurred on Claims in Excess of \$250,000							
	1	2	3	4	5	6	7	8
2008	9.33%	11.21%	15.74%	20.56%	24.46%	27.15%	28.69%	29.75%
2009	10.02%	11.26%	15.34%	20.42%	24.56%	27.29%	28.80%	29.80%
2010	7.97%	9.84%	14.25%	18.92%	22.28%	24.92%	25.98%	27.12%
2011	10.41%	11.68%	14.32%	17.85%	20.40%	22.21%	23.53%	24.47%
2012	8.81%	9.86%	12.56%	16.10%	18.65%	20.58%	21.77%	23.01%
2013	9.07%	9.32%	11.93%	14.89%	17.04%	18.70%	19.51%	20.16%
2014	7.20%	8.49%	11.53%	14.80%	16.97%	18.29%	19.12%	19.93%
2015	9.47%	10.37%	12.92%	15.55%	17.28%	18.77%	19.34%	
2016	9.16%	10.29%	13.22%	15.83%	17.30%	18.54%		
2017	10.76%	11.80%	14.89%	16.81%	18.54%			
2018	11.98%	12.90%	15.30%	17.41%				
2019	12.10%	13.06%	15.68%					
2020	12.15%	12.75%						
2021	11.83%							

AY/RL	Average Severity on Claims in Excess of \$250,000							
	1	2	3	4	5	6	7	8
2008	649,948	553,653	481,927	472,231	473,741	482,415	492,700	503,790
2009	666,451	534,454	483,069	464,430	465,324	471,761	480,800	488,789
2010	598,988	511,469	462,972	444,516	452,779	471,873	468,372	477,443
2011	755,952	605,356	527,764	499,793	496,659	483,048	495,334	502,379
2012	656,500	555,315	493,114	479,912	470,032	482,043	490,048	501,987
2013	663,708	555,969	509,393	488,532	483,242	487,979	495,415	500,142
2014	634,645	538,453	497,353	480,372	480,208	480,385	489,570	501,217
2015	741,001	622,876	551,860	517,197	510,467	520,842	518,358	
2016	768,448	613,026	551,558	524,132	517,899	511,206		
2017	790,306	644,385	581,643	541,667	537,404			
2018	801,084	663,480	576,548	538,229				
2019	760,228	620,939	541,878					
2020	780,771	636,110						
2021	799,781							

AY/RL	% of Claims in Excess of \$250,000							
	1	2	3	4	5	6	7	8
2008	0.187%	0.332%	0.577%	0.827%	1.023%	1.162%	1.234%	1.271%
2009	0.196%	0.379%	0.620%	0.908%	1.139%	1.277%	1.356%	1.388%
2010	0.181%	0.345%	0.611%	0.887%	1.067%	1.188%	1.247%	1.287%
2011	0.188%	0.357%	0.559%	0.774%	0.912%	1.019%	1.056%	1.089%
2012	0.193%	0.329%	0.510%	0.686%	0.827%	0.893%	0.934%	0.962%
2013	0.210%	0.309%	0.458%	0.603%	0.704%	0.762%	0.787%	0.801%
2014	0.184%	0.295%	0.457%	0.602%	0.698%	0.761%	0.783%	0.802%
2015	0.192%	0.315%	0.466%	0.597%	0.676%	0.715%	0.738%	
2016	0.201%	0.334%	0.468%	0.588%	0.660%	0.708%		
2017	0.213%	0.335%	0.478%	0.584%	0.652%			
2018	0.235%	0.363%	0.503%	0.630%				
2019	0.247%	0.387%	0.552%					
2020	0.284%	0.454%						
2021	0.275%							

AY/RL	% of Medical Incurred on Claims in Excess of \$250,000							
	1	2	3	4	5	6	7	8
2008	13.69%	16.09%	20.45%	25.85%	29.86%	33.15%	35.16%	36.48%
2009	13.54%	16.43%	20.29%	25.41%	29.75%	32.46%	34.43%	35.30%
2010	11.51%	13.98%	18.65%	23.34%	26.92%	30.04%	30.80%	31.88%
2011	14.30%	16.76%	19.83%	23.76%	26.38%	27.80%	28.87%	29.80%
2012	13.00%	14.59%	17.53%	20.88%	23.45%	25.07%	26.11%	27.02%
2013	13.94%	13.71%	16.21%	18.85%	20.86%	22.12%	22.93%	23.26%
2014	12.29%	13.01%	16.09%	18.71%	20.77%	22.20%	22.97%	23.79%
2015	13.98%	15.62%	18.21%	20.40%	21.96%	22.93%	23.29%	
2016	15.85%	17.03%	18.80%	20.85%	22.42%	23.08%		
2017	17.13%	17.99%	20.49%	22.01%	23.45%			
2018	18.34%	19.12%	20.49%	22.64%				
2019	17.49%	17.95%	19.63%					
2020	18.32%	19.38%						
2021	19.14%							

AY/RL	Median Severity on Claims in Excess of \$250,000							
	1	2	3	4	5	6	7	8
2008	368,391	327,792	325,373	330,194	339,938	350,423	356,451	362,614
2009	357,747	324,630	320,850	327,576	337,959	343,520	350,317	353,038
2010	351,888	323,264	319,959	323,321	332,799	338,843	343,137	345,436
2011	338,812	317,318	315,561	324,630	329,894	336,262	341,638	343,666
2012	352,315	323,762	317,582	319,560	322,740	327,409	332,931	335,982
2013	339,748	328,031	319,898	320,043	321,308	325,900	331,968	338,834
2014	350,275	328,624	326,285	321,073	323,360	325,930	330,515	332,675
2015	351,090	328,647	321,149	322,112	326,521	330,867	333,420	
2016	350,394	325,622	322,712	325,347	328,188	330,964		
2017	356,013	318,829	316,649	320,084	324,081			
2018	371,857	337,500	329,956	331,052				
2019	360,343	331,716	320,437					
2020	367,251	327,015						
2021	365,518							

Notes: Incurred Amounts and Severities are first dollar.
All COVID-19 Data excluded

Source: WCIRB unit statistical data

Claim Counts and Losses on Claims in Excess of \$500,000 with COVID-19 Excluded

Number of Claims in Excess of \$500,000								
AY/RL	1	2	3	4	5	6	7	8
2008	191	260	371	531	737	942	1,101	1,201
2009	165	225	325	507	697	876	998	1,093
2010	160	222	318	466	648	781	879	963
2011	166	213	297	408	543	653	735	794
2012	180	229	302	401	496	598	657	732
2013	190	224	263	337	426	490	547	579
2014	173	208	281	393	481	531	567	612
2015	205	270	329	440	501	554	589	
2016	226	285	340	420	491	551		
2017	252	301	369	425	495			
2018	311	397	453	532				
2019	304	360	444					
2020	293	357						
2021	327							

% of Indemnity Incurred on Claims in Excess of \$500,000								
AY/RL	1	2	3	4	5	6	7	8
2008	4.39%	4.80%	5.63%	7.31%	9.51%	11.17%	12.46%	13.56%
2009	4.93%	4.17%	5.33%	7.16%	8.94%	10.80%	11.91%	13.06%
2010	3.45%	3.53%	4.54%	6.20%	7.93%	9.72%	10.41%	11.42%
2011	5.93%	5.23%	5.35%	6.24%	7.40%	8.23%	9.39%	10.26%
2012	4.29%	4.01%	4.46%	5.81%	6.67%	8.15%	9.00%	10.30%
2013	3.99%	3.70%	4.29%	5.23%	6.28%	7.37%	8.00%	8.68%
2014	3.06%	3.06%	3.86%	5.39%	6.51%	7.14%	7.84%	8.59%
2015	5.14%	4.80%	5.20%	6.27%	6.94%	8.12%	8.55%	
2016	4.85%	4.22%	5.17%	6.17%	6.94%	7.79%		
2017	6.01%	5.54%	6.47%	6.88%	7.80%			
2018	7.41%	6.65%	6.92%	7.31%				
2019	7.43%	6.50%	6.94%					
2020	7.46%	6.22%						
2021	7.43%							

Average Severity on Claims in Excess of \$500,000								
AY/RL	1	2	3	4	5	6	7	8
2008	1,406,282	1,407,494	1,236,256	1,167,158	1,069,401	1,018,449	996,489	999,865
2009	1,583,757	1,489,075	1,333,179	1,143,346	1,058,267	1,006,255	995,300	985,602
2010	1,316,950	1,295,984	1,227,970	1,094,567	1,016,981	1,057,327	988,809	990,213
2011	1,895,778	1,899,848	1,619,256	1,434,716	1,282,268	1,138,474	1,125,240	1,120,208
2012	1,491,439	1,473,253	1,332,823	1,266,193	1,173,196	1,141,796	1,128,437	1,123,713
2013	1,608,761	1,473,313	1,497,533	1,389,106	1,280,308	1,237,768	1,195,950	1,180,970
2014	1,489,907	1,437,269	1,367,561	1,231,959	1,179,070	1,163,669	1,177,038	1,183,466
2015	1,757,124	1,664,217	1,577,764	1,346,996	1,294,756	1,294,549	1,249,709	
2016	1,809,691	1,649,349	1,554,640	1,429,807	1,350,583	1,263,828		
2017	1,885,712	1,798,238	1,715,303	1,566,258	1,486,639			
2018	1,767,486	1,609,294	1,497,766	1,384,110				
2019	1,759,181	1,655,565	1,476,077					
2020	1,711,121	1,620,434						
2021	1,738,824							

% of Claims in Excess of \$500,000								
AY/RL	1	2	3	4	5	6	7	8
2008	0.055%	0.071%	0.100%	0.142%	0.197%	0.251%	0.293%	0.319%
2009	0.052%	0.069%	0.099%	0.153%	0.210%	0.263%	0.299%	0.327%
2010	0.050%	0.067%	0.095%	0.139%	0.193%	0.232%	0.260%	0.285%
2011	0.052%	0.065%	0.089%	0.122%	0.162%	0.195%	0.219%	0.237%
2012	0.054%	0.067%	0.087%	0.116%	0.143%	0.172%	0.189%	0.210%
2013	0.055%	0.063%	0.074%	0.094%	0.119%	0.137%	0.152%	0.161%
2014	0.048%	0.057%	0.076%	0.106%	0.129%	0.142%	0.152%	0.164%
2015	0.055%	0.071%	0.086%	0.114%	0.130%	0.144%	0.153%	
2016	0.060%	0.073%	0.087%	0.107%	0.125%	0.140%		
2017	0.063%	0.074%	0.090%	0.104%	0.121%			
2018	0.077%	0.096%	0.109%	0.128%				
2019	0.075%	0.087%	0.106%					
2020	0.093%	0.110%						
2021	0.092%							

% of Medical Incurred on Claims in Excess of \$500,000								
AY/RL	1	2	3	4	5	6	7	8
2008	9.64%	9.62%	10.06%	11.97%	13.71%	15.90%	17.73%	19.00%
2009	9.41%	9.35%	9.87%	11.42%	13.35%	15.06%	16.57%	17.53%
2010	7.75%	7.76%	8.61%	9.74%	11.66%	13.92%	14.28%	15.35%
2011	10.69%	10.51%	10.89%	12.08%	13.50%	13.78%	14.80%	15.57%
2012	9.14%	8.82%	9.14%	10.29%	11.13%	12.35%	13.00%	13.94%
2013	10.07%	8.48%	8.76%	9.48%	10.40%	10.98%	11.61%	11.76%
2014	8.49%	7.69%	8.50%	9.51%	10.47%	11.04%	11.64%	12.36%
2015	10.48%	10.57%	10.96%	11.48%	12.01%	12.54%	12.57%	
2016	12.20%	11.59%	11.38%	11.87%	12.51%	12.45%		
2017	13.29%	12.50%	12.96%	12.84%	13.48%			
2018	14.12%	13.59%	12.98%	13.33%				
2019	12.95%	11.81%	11.42%					
2020	14.09%	13.42%						
2021	14.77%							

Median Severity on Claims in Excess of \$500,000								
AY/RL	1	2	3	4	5	6	7	8
2008	809,942	767,266	722,110	695,522	672,725	678,868	679,149	690,136
2009	856,492	746,390	704,408	666,007	651,693	652,119	670,652	664,343
2010	861,187	764,053	699,036	675,911	663,702	669,405	671,837	674,626
2011	866,151	780,562	726,826	702,491	701,315	684,272	685,091	688,913
2012	913,629	802,956	766,841	740,885	703,789	700,751	710,565	709,477
2013	812,234	764,360	757,865	714,457	683,684	693,127	681,962	699,878
2014	766,592	797,440	750,095	738,829	734,903	737,125	753,388	745,090
2015	827,299	784,206	761,418	704,058	703,784	728,358	727,402	
2016	831,348	795,812	795,783	796,222	747,952	740,089		
2017	1,013,260	932,621	888,291	820,716	796,227			
2018	879,393	843,092	827,990	769,073				
2019	934,730	881,492	818,065					
2020	849,259	856,845						
2021	855,752							

Notes: Incurred Amounts and Severities are first dollar.
All COVID-19 Data excluded

Source: WCIRB unit statistical data

Claim Counts and Losses on Claims in Excess of \$1,000,000 with COVID-19 Excluded

Number of Claims in Excess of \$1,000,000									% of Claims in Excess of \$1,000,000								
AY/RL	1	2	3	4	5	6	7	8	AY/RL	1	2	3	4	5	6	7	8
2008	68	88	112	132	169	217	241	269	2008	0.020%	0.024%	0.030%	0.035%	0.045%	0.058%	0.064%	0.071%
2009	66	80	97	126	155	179	214	222	2009	0.021%	0.025%	0.029%	0.038%	0.047%	0.054%	0.064%	0.066%
2010	62	74	88	107	138	165	180	198	2010	0.019%	0.022%	0.026%	0.032%	0.041%	0.049%	0.053%	0.059%
2011	72	84	99	118	131	144	163	179	2011	0.023%	0.026%	0.030%	0.035%	0.039%	0.043%	0.049%	0.053%
2012	76	83	93	107	129	150	168	187	2012	0.023%	0.024%	0.027%	0.031%	0.037%	0.043%	0.048%	0.054%
2013	75	77	95	105	124	145	150	170	2013	0.022%	0.022%	0.027%	0.029%	0.035%	0.040%	0.042%	0.047%
2014	69	81	99	129	145	155	172	187	2014	0.019%	0.022%	0.027%	0.035%	0.039%	0.042%	0.046%	0.050%
2015	85	100	116	130	143	165	173		2015	0.023%	0.026%	0.030%	0.034%	0.037%	0.043%	0.045%	
2016	95	108	125	149	164	180			2016	0.025%	0.028%	0.032%	0.038%	0.042%	0.046%		
2017	128	146	163	171	189				2017	0.032%	0.036%	0.040%	0.042%	0.046%			
2018	130	154	176	194					2018	0.032%	0.037%	0.042%	0.047%				
2019	141	150	171						2019	0.035%	0.036%	0.041%					
2020	127	147							2020	0.040%	0.045%						
2021	137								2021	0.038%							

% of Indemnity Incurred on Claims in Excess of \$1,000,000									% of Medical Incurred on Claims in Excess of \$1,000,000								
AY/RL	1	2	3	4	5	6	7	8	AY/RL	1	2	3	4	5	6	7	8
2008	2.43%	2.72%	3.00%	3.64%	4.60%	5.29%	5.60%	6.06%	2008	6.98%	6.94%	6.69%	7.29%	7.62%	8.30%	8.92%	9.61%
2009	3.19%	2.44%	3.02%	3.73%	4.16%	4.89%	5.23%	5.66%	2009	7.24%	7.05%	6.90%	6.91%	7.40%	7.68%	8.41%	8.63%
2010	2.05%	1.95%	2.30%	2.97%	3.47%	4.48%	4.51%	4.96%	2010	5.47%	5.34%	5.61%	5.52%	6.07%	7.33%	6.91%	7.49%
2011	4.61%	3.87%	3.45%	3.63%	3.62%	3.67%	4.26%	4.64%	2011	8.66%	8.47%	8.29%	8.56%	8.83%	8.16%	8.61%	9.09%
2012	2.85%	2.52%	2.43%	3.04%	3.29%	3.93%	4.33%	5.10%	2012	6.86%	6.42%	6.25%	6.57%	6.93%	7.49%	7.85%	8.33%
2013	2.63%	2.17%	2.68%	3.07%	3.49%	4.14%	4.25%	4.73%	2013	7.78%	6.25%	6.65%	6.75%	7.13%	7.35%	7.50%	7.66%
2014	1.95%	1.87%	2.19%	2.87%	3.29%	3.50%	3.98%	4.44%	2014	6.49%	5.78%	6.22%	6.58%	6.95%	7.22%	7.68%	8.20%
2015	3.58%	3.09%	3.17%	3.38%	3.70%	4.57%	4.70%		2015	8.43%	8.30%	8.49%	8.16%	8.31%	8.60%	8.44%	
2016	3.18%	2.57%	3.17%	3.61%	3.86%	4.29%			2016	9.96%	9.16%	8.78%	8.82%	9.07%	8.70%		
2017	4.55%	3.98%	4.51%	4.55%	5.09%				2017	11.18%	10.45%	10.58%	10.06%	10.24%			
2018	5.32%	4.34%	4.36%	4.29%					2018	11.20%	10.49%	9.93%	9.95%				
2019	5.66%	4.66%	4.67%						2019	10.39%	9.16%	8.48%					
2020	5.40%	4.31%							2020	11.16%	10.37%						
2021	5.57%								2021	11.56%							

Average Severity on Claims in Excess of \$1,000,000									Median Severity on Claims in Excess of \$1,000,000								
AY/RL	1	2	3	4	5	6	7	8	AY/RL	1	2	3	4	5	6	7	8
2008	2,713,782	2,837,584	2,571,074	2,701,983	2,482,225	2,238,787	2,211,266	2,172,988	2008	1,949,872	1,922,233	1,715,180	1,842,401	1,727,836	1,550,353	1,555,549	1,499,485
2009	2,929,647	2,994,669	2,961,601	2,669,595	2,508,146	2,419,675	2,253,533	2,293,645	2009	2,124,097	1,928,934	2,085,090	1,838,022	1,606,032	1,530,392	1,409,045	1,462,255
2010	2,319,764	2,551,176	2,721,607	2,573,064	2,361,088	2,529,967	2,256,687	2,265,089	2010	1,854,113	1,812,778	1,791,152	1,729,271	1,599,080	1,527,830	1,518,707	1,485,222
2011	3,501,327	3,799,392	3,552,595	3,346,585	3,230,543	2,833,256	2,749,070	2,689,954	2011	2,242,237	2,237,095	1,721,535	1,654,282	1,662,031	1,555,890	1,506,067	1,546,016
2012	2,580,666	2,862,477	2,800,066	2,869,086	2,626,171	2,574,160	2,478,149	2,466,146	2012	1,892,316	1,945,519	1,949,557	2,079,645	1,749,297	1,664,434	1,698,179	1,676,336
2013	3,055,250	3,004,383	2,993,643	3,007,809	2,830,047	2,642,839	2,639,631	2,458,727	2013	1,749,237	1,898,610	1,797,017	1,944,612	1,936,388	1,826,884	1,689,565	1,581,068
2014	2,762,009	2,651,268	2,665,277	2,401,311	2,380,522	2,372,646	2,341,939	2,355,610	2014	1,967,582	2,021,951	1,808,725	1,610,416	1,701,557	1,638,270	1,623,331	1,604,079
2015	3,292,144	3,358,249	3,256,390	2,987,729	2,894,225	2,784,679	2,660,482		2015	1,854,040	1,850,592	1,799,572	2,032,972	2,059,819	2,025,823	1,838,673	
2016	3,364,830	3,261,503	3,073,957	2,793,997	2,706,926	2,498,565			2016	2,259,791	1,862,813	1,919,978	1,801,054	1,807,709	1,792,473		
2017	3,048,236	2,985,078	3,030,167	2,898,382	2,815,357				2017	1,813,439	1,861,618	1,918,238	1,805,383	1,772,639			
2018	3,269,499	3,060,566	2,784,995	2,637,510					2018	1,990,184	1,895,502	1,830,452	1,684,110				
2019	2,997,854	3,008,263	2,751,623						2019	1,897,421	2,085,413	2,102,276					
2020	3,049,743	2,952,015							2020	2,071,067	2,025,600						
2021	3,211,319								2021	2,478,979							

Notes: Incurred Amounts and Severities are first dollar.
All COVID-19 Data excluded

Source: WCIRB unit statistical data

Average Paid ALAE per Reported Indemnity Claim - Private Insurers

As of September 30, 2023

Accident	Evaluated as of (in months):									
Year	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002							5,859	6,202	6,401	6,576
2003						5,796	6,232	6,527	6,756	6,956
2004					4,911	5,460	5,865	6,157	6,388	6,579
2005				3,774	4,549	5,101	5,501	5,824	6,092	6,281
2006			2,831	3,909	4,704	5,306	5,766	6,090	6,352	6,572
2007		1,616	3,025	4,177	5,043	5,711	6,244	6,613	6,912	7,144
2008	415	1,734	3,273	4,582	5,577	6,331	6,862	7,294	7,615	7,837
2009	464	1,944	3,685	5,142	6,238	7,024	7,653	8,107	8,428	8,669
2010	510	2,060	3,861	5,274	6,318	7,129	7,753	8,164	8,454	8,665
2011	496	2,091	3,800	5,214	6,311	7,170	7,733	8,096	8,366	8,565
2012	509	2,086	3,925	5,422	6,548	7,308	7,786	8,136	8,405	8,551
2013	521	2,282	4,171	5,647	6,652	7,293	7,729	8,050	8,232	8,355
2014	577	2,452	4,378	5,778	6,684	7,271	7,714	7,957	8,127	8,250
2015	641	2,548	4,468	5,780	6,606	7,179	7,521	7,739	7,916	
2016	631	2,617	4,506	5,785	6,607	7,104	7,439	7,687		
2017	677	2,712	4,578	5,797	6,534	7,013	7,361			
2018	751	2,836	4,745	5,976	6,795	7,359				
2019	751	2,810	4,743	6,065	6,923					
2020	653	2,921	4,888	6,280						
2021	723	2,769	4,715							
2022	748	3,026								
2023	833									

	Annual Change									
Year	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2003							6.4%	5.3%	5.5%	5.8%
2004						-5.8%	-5.9%	-5.7%	-5.5%	-5.4%
2005					-7.4%	-6.6%	-6.2%	-5.4%	-4.6%	-4.5%
2006				3.6%	3.4%	4.0%	4.8%	4.6%	4.3%	4.6%
2007			6.8%	6.8%	7.2%	7.6%	8.3%	8.6%	8.8%	8.7%
2008		7.3%	8.2%	9.7%	10.6%	10.9%	9.9%	10.3%	10.2%	9.7%
2009	11.9%	12.1%	12.6%	12.2%	11.9%	10.9%	11.5%	11.1%	10.7%	10.6%
2010	10.0%	5.9%	4.8%	2.6%	1.3%	1.5%	1.3%	0.7%	0.3%	0.0%
2011	-2.8%	1.5%	-1.6%	-1.1%	-0.1%	0.6%	-0.3%	-0.8%	-1.0%	-1.1%
2012	2.6%	-0.2%	3.3%	4.0%	3.8%	1.9%	0.7%	0.5%	0.5%	-0.2%
2013	2.2%	9.4%	6.3%	4.2%	1.6%	-0.2%	-0.7%	-1.1%	-2.1%	-2.3%
2014	10.9%	7.5%	5.0%	2.3%	0.5%	-0.3%	-0.2%	-1.2%	-1.3%	-1.3%
2015	11.0%	3.9%	2.1%	0.0%	-1.2%	-1.3%	-2.5%	-2.7%	-2.6%	
2016	-1.6%	2.7%	0.8%	0.1%	0.0%	-1.1%	-1.1%	-0.7%		
2017	7.3%	3.6%	1.6%	0.2%	-1.1%	-1.3%	-1.1%			
2018	11.1%	4.6%	3.6%	3.1%	4.0%	4.9%				
2019	-0.1%	-0.9%	0.0%	1.5%	1.9%					
2020	-13.1%	3.9%	3.1%	3.5%						
2021	10.7%	-5.2%	-3.5%							
2022	3.5%	9.3%								
2023	11.4%									

Source: WCIRB accident year experience calls excluding COVID-19 claims.

ALAE on Claims by Region and Loss Type
First Report Level, Open Permanent Disability Claims Only

Proportion of Indemnity Claims with Significant ALAE

Policy Year	Bay Area	Los Angeles	Other CA	CT Claims	Non-CT Claims
2011	65.7%	70.0%	64.0%	70.8%	66.0%
2012	67.3%	69.7%	66.5%	70.9%	66.9%
2013	67.9%	70.7%	67.7%	72.2%	67.8%
2014	69.5%	73.7%	67.5%	73.4%	70.5%
2015	70.2%	74.1%	67.6%	73.7%	71.3%
2016	71.3%	73.4%	69.0%	71.0%	70.7%
2017	73.4%	76.0%	71.0%	73.7%	73.8%
2018	72.1%	76.1%	69.9%	74.4%	73.9%
2019	70.1%	77.2%	69.4%	71.3%	75.1%
2020	73.9%	78.2%	68.5%	75.2%	74.9%
2021	71.3%	78.6%	69.5%	74.9%	74.9%

Average ALAE per Claim with Significant ALAE

Policy Year	Bay Area	Los Angeles	Other CA	CT Claims	Non-CT Claims
2011	5,425	5,729	5,516	5,043	5,787
2012	5,466	5,636	5,486	5,086	5,758
2013	5,449	5,760	5,576	4,939	5,739
2014	5,810	5,940	5,674	5,674	5,905
2015	5,384	5,686	5,655	5,494	5,633
2016	5,746	5,973	6,092	5,220	5,876
2017	5,911	6,285	6,093	5,678	6,013
2018	5,695	6,485	6,062	5,603	6,164
2019	6,355	6,289	6,175	5,501	6,245
2020	5,925	6,349	6,310	5,829	6,177
2021	5,806	6,482	6,160	5,772	6,251

Change in Average ALAE per Claim with Significant ALAE

Policy Year	Bay Area	Los Angeles	Other CA	CT Claims	Non-CT Claims
2011-12	0.8%	-1.6%	-0.5%	0.9%	-0.5%
2012-13	-0.3%	2.2%	1.6%	-2.9%	-0.3%
2013-14	6.6%	3.1%	1.8%	14.9%	2.9%
2014-15	-7.3%	-4.3%	-0.3%	-3.2%	-4.6%
2015-16	6.7%	5.1%	7.7%	-5.0%	4.3%
2016-17	2.9%	5.2%	0.0%	8.8%	2.3%
2017-18	-3.6%	3.2%	-0.5%	-1.3%	2.5%
2018-19	11.6%	-3.0%	1.9%	-1.8%	1.3%
2019-20	-6.8%	0.9%	2.2%	6.0%	-1.1%
2020-21	-2.0%	2.1%	-2.4%	-1.0%	1.2%

Significant ALAE are claims with paid ALAE greater than \$1,000.

Source: WCIRB unit statistical data for open permanent partial disability claims only, excluding COVID-19 claims.

Average Paid MCCP per Reported Indemnity Claim - Statewide
As of December 31, 2023

Accident	Evaluated as of (in months):							
<u>Year</u>	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>
2014	504	1,091	1,505	1,745	1,909	2,002	2,030	2,071
2015	491	1,095	1,473	1,706	1,843	1,875	1,931	1,980
2016	485	1,041	1,386	1,589	1,658	1,736	1,806	1,843
2017	467	1,016	1,364	1,525	1,648	1,736	1,788	
2018	494	1,072	1,361	1,560	1,697	1,783		
2019	489	1,003	1,357	1,574	1,704			
2020	418	980	1,324	1,526				
2021	436	942	1,282					
2022	421	897						
2023	437							

Accident	Annual Change							
<u>Year</u>	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>
2015	-2.7%	0.4%	-2.1%	-2.2%	-3.5%	-6.3%	-4.9%	-4.4%
2016	-1.2%	-5.0%	-5.9%	-6.8%	-10.0%	-7.4%	-6.5%	-6.9%
2017	-3.7%	-2.4%	-1.5%	-4.1%	-0.6%	0.0%	-1.0%	
2018	5.8%	5.5%	-0.3%	2.3%	3.0%	2.7%		
2019	-0.9%	-6.5%	-0.3%	0.9%	0.4%			
2020	-14.5%	-2.3%	-2.5%	-3.1%				
2021	4.4%	-4.0%	-3.1%					
2022	-3.5%	-4.7%						
2023	3.7%							

Source: WCIRB accident year experience calls, excluding COVID-19 claims

Item AC24-03-02

12/31/2023 Experience Review

Staff has prepared a preliminary analysis of statewide experience through December 31, 2023, which is included in Exhibits 1 through 8. This information reflects insurers writing almost 100% of the market based on 2023 premium levels. The economic information reflected in Exhibits 5.1 through 8 reflects UCLA Anderson forecasts as of December 2023. The methodologies used are generally consistent with those reflected in the September 1, 2023 Pure Premium Rate Filing.¹ Wage and loss levels are projected to September 1, 2025 — the approximate midpoint of experience on policies incepting in between September 1, 2024 and August 31, 2025 and premiums were adjusted to the September 1, 2023 advisory pure premium rate level. The information shown in Exhibits 1 through 8 excludes COVID-19 claims for accident years 2020 through 2022 but includes COVID-19 claims for accident year 2023.

As shown in Exhibit 8, the preliminary projected loss ratio for policies incepting between September 1, 2024 and August 31, 2025 based on December 31, 2023 insurer experience is 0.756. (The projected loss ratio included in the September 1, 2023 Pure Premium Rate Filing was 0.755.)

Additional supplemental information is included in Exhibits 9 through 13.

¹ The adjustment to paid medical loss development for the impact of Senate Bill No. 1160 is no longer applied as it has unwound in its entirety.

**California Workers' Compensation
Accident Year Experience as of December 31, 2023**

<u>Year</u>	<u>Earned Premium</u>	<u>Paid Indemnity</u>	<u>Indemnity Reserves</u>	<u>Paid Medical**</u>	<u>Medical Reserves</u>	<u>IBNR*</u>	<u>Total Incurred**</u>	<u>Loss Ratio*</u>
1983	2,016,825,986	817,274,516	2,717,636	638,901,797	10,278,490	6,602,348	1,475,774,787	0.732
1984	2,388,795,989	1,065,280,118	1,908,460	803,004,486	6,485,510	14,801,932	1,891,480,506	0.792
1985	2,823,354,059	1,259,377,891	2,999,167	982,142,824	9,518,408	11,560,008	2,265,598,298	0.802
1986	3,506,133,444	1,383,921,205	3,852,650	1,153,201,758	17,239,784	13,369,545	2,571,584,942	0.733
1987	4,373,802,923	1,509,783,963	5,592,395	1,347,173,629	36,404,858	14,493,812	2,913,448,657	0.666
1988	5,172,689,663	1,707,469,549	4,547,176	1,556,564,284	18,759,780	28,145,811	3,315,486,600	0.641
1989	5,675,354,099	1,943,971,133	4,702,094	1,817,165,282	29,541,531	36,406,344	3,831,786,384	0.675
1990	5,704,833,514	2,267,226,508	4,329,062	2,062,895,664	25,718,489	49,045,428	4,409,215,151	0.773
1991	5,866,830,467	2,488,103,067	10,815,405	2,220,055,589	27,711,666	47,657,808	4,794,343,535	0.817
1992	5,685,646,721	1,985,997,254	9,014,450	1,782,330,539	28,859,732	39,261,017	3,845,462,992	0.676
1993	5,935,051,898	1,699,903,018	7,889,079	1,529,938,509	40,452,590	90,200,069	3,368,383,265	0.568
1994	5,031,286,773	1,637,130,910	13,137,820	1,489,927,745	52,059,724	35,185,218	3,227,441,417	0.641
1995	3,789,372,110	1,776,526,063	17,748,345	1,654,731,751	70,377,737	37,720,123	3,557,104,019	0.939
1996	3,746,680,214	1,970,666,406	22,399,107	1,752,007,771	63,595,440	43,785,056	3,852,453,780	1.028
1997	3,926,898,608	2,337,837,413	23,658,005	2,054,834,629	68,037,305	84,520,896	4,568,888,248	1.163
1998	4,332,127,034	2,794,331,101	31,161,991	2,717,651,572	134,686,354	172,539,101	5,850,370,119	1.350
1999	4,550,437,880	3,071,348,974	31,111,703	3,106,457,459	98,422,429	211,944,855	6,519,285,420	1.433
2000	5,920,961,162	3,457,431,182	44,440,039	3,640,459,477	133,238,642	340,216,220	7,615,785,560	1.286
2001	10,108,322,683	4,889,977,757	59,063,964	5,484,008,965	198,305,705	575,156,219	11,206,512,610	1.109
2002	13,309,435,814	4,795,468,254	57,404,986	5,567,435,748	190,206,173	798,855,266	11,409,370,427	0.857
2003	19,280,128,929	4,590,519,223	95,525,376	5,155,879,794	201,764,185	1,164,332,758	11,208,021,336	0.581
2004	23,014,791,568	3,253,459,848	86,767,261	4,149,774,175	182,618,305	1,272,892,448	8,945,512,037	0.389
2005	21,384,360,071	2,586,308,753	72,504,803	3,759,547,802	148,529,764	1,030,309,170	7,597,200,292	0.355
2006	17,221,780,296	2,683,302,967	73,595,238	3,883,411,127	180,296,755	673,772,443	7,494,378,530	0.435
2007	13,260,139,026	2,832,428,040	82,144,217	4,157,500,184	186,211,668	641,046,003	7,899,330,112	0.596
2008	10,744,447,308	2,889,109,746	98,789,034	4,152,974,886	208,860,658	343,756,948	7,693,491,272	0.716
2009	8,873,155,994	2,779,686,260	91,874,360	3,991,283,033	220,186,025	301,869,035	7,384,898,713	0.832
2010	9,374,814,819	2,801,868,172	78,464,314	4,085,508,174	152,249,060	379,956,438	7,498,046,158	0.800
2011	10,120,427,050	2,780,185,288	93,912,213	3,720,429,247	193,390,242	655,966,509	7,443,883,499	0.736
2012	11,699,330,284	2,855,701,715	109,788,266	3,659,005,098	199,864,933	576,772,350	7,401,132,362	0.633
2013	14,161,005,539	2,899,813,074	106,154,597	3,503,182,733	207,202,785	1,032,916,374	7,749,269,563	0.547
2014	15,986,106,452	3,075,283,400	128,875,839	3,484,874,971	233,775,373	1,405,689,371	8,328,498,954	0.521
2015	17,060,021,462	3,154,189,727	156,239,655	3,440,487,580	275,504,054	1,692,744,756	8,719,165,772	0.511
2016	17,949,045,779	3,100,498,849	188,882,546	3,357,343,176	310,427,644	1,666,817,903	8,623,970,118	0.480
2017	17,671,411,530	3,048,179,320	260,565,788	3,310,042,543	419,903,390	1,719,677,828	8,758,368,869	0.496
2018	17,426,671,333	3,084,254,256	349,564,223	3,408,022,353	538,707,556	1,723,414,006	9,103,962,394	0.522
2019	16,116,850,562	3,129,324,460	511,819,064	3,346,956,924	672,192,827	2,772,763,237	10,433,056,512	0.647
2020	14,095,940,927	2,570,075,689	601,363,594	2,736,519,368	818,981,341	1,951,655,245	8,678,595,237	0.616
2021	13,599,208,582	2,312,662,935	857,605,734	2,463,537,851	1,166,711,751	2,413,545,926	9,214,064,197	0.678
2022	15,309,332,883	1,702,818,185	1,105,367,832	1,851,950,037	1,522,429,057	3,613,389,651	9,795,954,762	0.640
2023	15,737,202,116	607,192,287	884,962,558	744,675,330	1,575,984,053	5,779,406,641	9,592,220,869	0.610

* Shown for informational purposes only.

** Paid medical for accident years 2011 and subsequent exclude the paid cost of medical cost containment programs (MCCP). Paid medical for accident years 2010 and prior include paid MCCP costs.

Source: WCIRB quarterly experience calls. COVID-19 claims and COVID-19 premium charges are excluded from 2020 to 2022.

Incurred Indemnity Loss Development Factors

Accident Year	Age-to-Age (in months)															
	<u>24/12</u>	<u>36/24</u>	<u>48/36</u>	<u>60/48</u>	<u>72/60</u>	<u>84/72</u>	<u>96/84</u>	<u>108/96</u>	<u>120/108</u>	<u>132/120</u>	<u>144/132</u>	<u>156/144</u>	<u>168/156</u>	<u>180/168</u>	<u>192/180</u>	<u>204/192</u>
1996																
1997													1.003	1.002	1.001	1.002
1998												1.003	1.004	1.001	1.002	1.001
1999											1.002	1.003	1.003	1.002	1.002	1.001
2000										1.004	1.005	1.003	1.001	1.004	1.002	1.001
2001									1.006	1.007	1.006	1.005	1.003	1.002	1.001	1.001
2002								1.010	1.010	1.007	1.005	1.003	1.002	1.002	1.003	1.002
2003							1.018	1.015	1.015	1.009	1.006	1.004	1.003	1.002	1.002	1.004
2004						1.026	1.028	1.018	1.014	1.007	1.007	1.003	1.001	1.002	1.006	1.001
2005					1.053	1.040	1.028	1.016	1.012	1.006	1.005	1.006	1.003	1.004	1.004	1.001
2006				1.080	1.053	1.035	1.023	1.015	1.009	1.007	1.004	1.005	1.002	1.005	1.001	1.003
2007			1.120	1.070	1.049	1.037	1.022	1.012	1.011	1.005	1.007	1.010	1.001	1.003	1.003	1.001
2008		1.302	1.136	1.074	1.045	1.030	1.019	1.012	1.009	1.006	1.007	1.006	1.005	1.002	1.003	
2009	1.983	1.293	1.142	1.076	1.048	1.024	1.019	1.014	1.009	1.010	1.005	1.008	1.007	1.001		
2010	1.994	1.315	1.131	1.069	1.045	1.026	1.016	1.012	1.012	1.006	1.004	1.004	1.004			
2011	1.997	1.277	1.133	1.061	1.037	1.022	1.019	1.011	1.008	1.007	1.004					
2012	1.992	1.279	1.113	1.063	1.041	1.023	1.016	1.013	1.007	1.007	1.005					
2013	1.931	1.259	1.111	1.055	1.032	1.020	1.013	1.007	1.006	1.006						
2014	1.960	1.278	1.115	1.059	1.029	1.016	1.011	1.006	1.009							
2015	1.969	1.260	1.101	1.047	1.027	1.017	1.008	1.008								
2016	1.941	1.246	1.095	1.046	1.026	1.017	1.011									
2017	1.911	1.241	1.088	1.043	1.028	1.016										
2018	1.901	1.228	1.083	1.043	1.028											
2019	1.900	1.231	1.100	1.052												
2020	1.815	1.238	1.110													
2021	1.908	1.253														
2022	1.940															
Selected (a)	1.940	1.253	1.110	1.052	1.028	1.016	1.011	1.008	1.009	1.007	1.005	1.006	1.004	1.003	1.003	1.002
Cumulative	3.185	1.642	1.310	1.180	1.122	1.091	1.074	1.062	1.054	1.045	1.038	1.032	1.026	1.022	1.019	1.016

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and six-year average for the subsequent age-to-age factors.

Incurred Indemnity Loss Development Factors (Continued)

Accident Year	Age-to-Age (in months)																						468/456	UL T/468 Inc (b)
	216/204	228/216	240/228	252/240	264/252	276/264	288/276	300/288	312/300	324/312	336/324	348/336	360/348	372/360	384/372	396/384	408/396	420/408	432/420	444/432	456/444			
1983											1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001		
1984										1.001	1.000	1.001	1.001	1.001	1.000	0.999	1.000	1.000	1.001	1.001	1.000	1.000		
1985										1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000		
1986										1.001	1.002	1.001	1.000	0.999	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000		
1987								1.000	1.000	1.002	1.000	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
1988						1.001	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.001		
1989					1.000	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000		
1990				0.999	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1991			1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1992			1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1993	0.999		1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1994	1.001		1.001	1.002	1.000	1.001	1.001	0.999	1.001	1.001	1.001	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000		
1995	1.003	1.001	0.998	1.001	1.000	1.001	1.000	1.001	1.000	1.001	1.000	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.000	1.000	1.000	1.001		
1996	1.003	1.000	1.000	1.000	1.001	1.001	1.002	1.001	1.001	1.000	1.001	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.001		
1997	1.000	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1998	1.003	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001		
1999	1.000	1.000	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2000	1.002	1.001	1.001	1.002	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2001	1.001	1.002	1.001	1.001	1.001	1.000	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2002	1.001	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2003	1.002	1.002	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001		
2005	1.003	1.001																						
2006	1.003																							
Selected (a)	1.002	1.002	1.002	1.001	1.000	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000		
Cumulative	1.014	1.012	1.010	1.009	1.008	1.008	1.007	1.006	1.006	1.005	1.005	1.004	1.004	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.002	1.001		

(b) The UL T/468 Inc tail factor was calculated based on an inverse power curve fit to a six-year average of the 108-to-120 through 348-to-360 factors, excluding the 2016, 2017, and 2018 evaluations, and extrapolated to 80 development years.

Incurred Medical Loss Development Factors

Accident Year	<u>24/12</u>	<u>36/24</u>	<u>48/36</u>	<u>60/48</u>	<u>72/60</u>	<u>84/72</u>	<u>96/84</u>	<u>108/96</u>	<u>120/108</u>	<u>132/120</u>	<u>144/132</u>	<u>156/144</u>	<u>168/156</u>	<u>180/168</u>	<u>192/180</u>	<u>204/192</u>
1996																
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2022																
Selected (a)	1.511	1.169	1.084	1.043	1.029	1.009	1.005	1.009	1.006	1.004	1.002	1.003	0.999	1.001	1.001	1.001
Cumulative	2.126	1.407	1.203	1.110	1.064	1.034	1.025	1.020	1.011	1.005	1.002	0.999	0.997	0.997	0.996	0.996

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and six-year average for the subsequent age-to-age factors.

(b) Incurred medical loss development factors include the paid cost of medical cost containment programs for accident years 2011 and prior.

Incurred Medical Loss Development Factors (Continued)

Accident Year	Age-to-Age (in months)															
	216/204	228/216	240/228	252/240	264/252	276/264	288/276	300/288	312/300	324/312	336/324	348/336	360/348	372/360	384/372	396/384
1983																
1984																
1985																
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Selected (a)	1.000	1.000	1.000	1.000	1.000	0.999	0.999	0.999	1.000	1.000	0.999	0.999	0.999	1.001	1.001	1.001
Cumulative	0.995	0.995	0.995	0.994	0.995	0.995	0.996	0.998	0.998	0.999	1.000	1.001	1.001	1.000	1.000	1.000

(c) The UL T/468Inc tail factor was calculated based on an inverse power curve fit to a six-year average of the 108-to-120 through 348-to-360 factors, excluding the 2016, 2017, and 2018 evaluations, and extrapolated to 80 development years.

Paid Indemnity Loss Development Factors

Accident Year	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	132/120	144/132	156/144	168/156	180/168	192/180	204/192
1996																
1997															1.004	1.004
1998															1.006	1.005
1999															1.006	1.006
2000															1.006	1.004
2001															1.005	1.004
2002															1.006	1.005
2003															1.007	1.007
2004															1.008	1.006
2005															1.010	1.005
2006															1.007	1.006
2007															1.006	1.005
2008															1.007	1.007
2009															1.009	1.006
2010															1.010	1.005
2011															1.007	1.006
2012															1.006	1.005
2013															1.006	1.005
2014															1.007	1.006
2015															1.007	1.006
2016															1.007	1.006
2017															1.007	1.006
2018															1.007	1.006
2019															1.007	1.006
2020															1.007	1.006
2021															1.007	1.006
2022															1.007	1.006
Selected (a)	2.952	1.530	1.240	1.122	1.071	1.041	1.028	1.018	1.016	1.014	1.011	1.011	1.009	1.007	1.006	1.005
Cumulative	8.273	2.803	1.832	1.477	1.317	1.229	1.181	1.149	1.128	1.111	1.096	1.083	1.072	1.063	1.055	1.049

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors.

Paid Indemnity Loss Development Factors (Continued)

Accident Year	216/204	228/216	240/228	252/240	264/252	276/264	288/276	300/288	312/300	324/312	336/324	348/336	360/348	372/360	384/372	396/384	408/396	420/408	432/420	444/432	456/444	468/456	ULT/468Pd (b)
1983											1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1984										1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1985									1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1986								1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1987							1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1988					1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1989				1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1990				1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1991			1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1992		1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1993	1.002	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1994	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1995	1.005	1.005	1.003	1.003	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1996	1.005	1.004	1.003	1.003	1.002	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1997	1.004	1.003	1.003	1.002	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.003	1.003	1.003	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
1998	1.006	1.004	1.003	1.003	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
1999	1.004	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
2000	1.004	1.004	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
2001	1.005	1.005	1.004	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
2002	1.004	1.004	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
2003	1.007	1.005	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
2004	1.004	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001
2005	1.005	1.004																					
2006	1.005																						

Selected (a)
Cumulative

1.005
1.043

1.004
1.038

1.003
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1.003
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1.011

1.002
1.010

1.002
1.010

1.002
1.009

(b) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 factors and extrapolated to 80 development years.

Paid Medical Loss Development Factors

Unadjusted (a) Accident Year	Age-to-Age (in months)															
	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	132/120	144/132	156/144	168/156	180/168	192/180	204/192
1996																
1997																
1998													1.019	1.018	1.016	1.013
1999												1.021	1.019	1.019	1.015	1.017
2000											1.025	1.016	1.016	1.016	1.018	1.015
2001										1.027	1.023	1.020	1.020	1.017	1.013	1.010
2002									1.034	1.030	1.022	1.022	1.022	1.017	1.012	1.011
2003								1.034	1.032	1.024	1.023	1.018	1.016	1.012	1.011	1.010
2004							1.048	1.041	1.030	1.030	1.026	1.019	1.016	1.013	1.012	1.010
2005					1.095	1.070	1.055	1.040	1.036	1.034	1.024	1.018	1.015	1.012	1.013	1.009
2006				1.140	1.099	1.073	1.054	1.049	1.038	1.031	1.021	1.015	1.014	1.013	1.012	1.008
2007			1.230	1.142	1.097	1.075	1.057	1.041	1.031	1.022	1.020	1.015	1.012	1.009	1.007	1.006
2008	1.421	1.241	1.241	1.148	1.103	1.072	1.051	1.035	1.027	1.018	1.017	1.012	1.009	1.008	1.006	
2009	2.408	1.447	1.251	1.160	1.104	1.067	1.046	1.032	1.024	1.019	1.013	1.014	1.009	1.011		
2010	2.479	1.468	1.265	1.152	1.096	1.066	1.043	1.030	1.024	1.017	1.013	1.009	1.008			
2011	2.580	1.470	1.248	1.145	1.095	1.058	1.041	1.028	1.018	1.015	1.011	1.009				
2012	2.561	1.468	1.247	1.143	1.087	1.056	1.039	1.023	1.019	1.014	1.014					
2013	2.492	1.464	1.238	1.130	1.077	1.048	1.029	1.022	1.016	1.013						
2014	2.518	1.462	1.226	1.121	1.062	1.043	1.026	1.022	1.017							
2015	2.533	1.439	1.218	1.111	1.062	1.044	1.029	1.023								
2016	2.480	1.410	1.196	1.099	1.064	1.048	1.028									
2017	2.373	1.391	1.177	1.104	1.071	1.044										
2018	2.378	1.378	1.197	1.105	1.073											
2019	2.347	1.428	1.218	1.123												
2020	2.494	1.444	1.227													
2021	2.492	1.450														
2022	2.618															

Adjusted (b) Accident Year	Age-to-Age (in months)															
	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	132/120	144/132	156/144	168/156	180/168	192/180	204/192
2005																
2006															1.011	1.008
2007														1.010	1.008	1.009
2008														1.009	1.007	1.007
2009													1.010	1.010	1.012	
2010											1.014	1.015	1.009			
2011										1.016	1.011	1.010				
2012									1.020	1.015	1.014					
2013								1.023	1.015	1.013						
2014							1.034	1.020	1.017							
2015							1.045	1.027								
2016					1.065		1.044									
2017				1.105	1.064		1.042									
2018			1.198	1.095	1.070											
2019		1.432	1.201	1.120												
2020	2.496	1.420	1.224													
2021	2.420	1.450														
2022	2.618															
Selected (c)	2.618	1.450	1.224	1.120	1.070	1.042	1.028	1.022	1.017	1.015	1.013	1.011	1.010	1.010	1.009	1.008
Cumulative	7.763	2.965	2.045	1.671	1.492	1.394	1.338	1.302	1.274	1.252	1.234	1.218	1.204	1.193	1.181	1.170

- (a) Paid medical loss development factors include the paid cost of medical cost containment programs for accident years 2011 and prior.
 (b) These factors are adjusted for the impact of pharmaceutical cost reductions through 2018 and the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule in order to bring the historical payments to the current pharmaceutical and medical service cost level.
 (c) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors.

Paid Medical Loss Development Factors (Continued)

Unadjusted (a)	216/204	228/216	240/228	252/240	264/252	276/264	288/276	300/288	312/300	324/312	336/324	348/336	360/348	372/360	384/372	396/384	408/396	420/408	432/420	444/432	456/444	468/456	ULT/468Pd (d)
1983											1.004	1.004	1.003	1.004	1.003	1.002	1.004	1.003	1.003	1.002	1.002	1.002	1.002
1984										1.003	1.004	1.004	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001
1985									1.003	1.005	1.005	1.005	1.004	1.006	1.004	1.004	1.003	1.003	1.002	1.001	1.002	1.002	1.002
1986								1.005	1.005	1.005	1.005	1.005	1.003	1.003	1.003	1.002	1.002	1.003	1.001	1.002	1.002	1.002	1.002
1987							1.005	1.005	1.005	1.005	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.003	1.002	1.002	1.002	1.002	1.002
1988						1.005	1.006	1.007	1.006	1.003	1.003	1.003	1.003	1.003	1.004	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1989						1.006	1.006	1.004	1.003	1.002	1.003	1.002	1.003	1.002	1.003	1.001	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1990				1.005	1.005	1.005	1.006	1.003	1.003	1.003	1.003	1.003	1.003	1.002	1.003	1.001	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1991			1.006	1.005	1.006	1.005	1.006	1.003	1.003	1.003	1.003	1.003	1.003	1.002	1.003	1.001	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1992		1.007	1.002	1.006	1.008	1.006	1.005	1.005	1.005	1.004	1.006	1.003	1.003	1.002	1.002	1.001	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1993	1.011	1.011	1.010	1.013	1.011	1.007	1.006	1.006	1.005	1.008	1.003	1.002	1.003	1.002	1.002								
1994	1.013	1.009	1.010	1.010	1.009	1.008	1.007	1.004	1.004	1.005	1.004	1.004	1.003	1.003	1.003								
1995	1.011	1.016	1.013	1.012	1.009	1.012	1.007	1.008	1.007	1.005	1.004	1.004	1.004	1.003	1.003								
1996	1.014	1.013	1.011	1.009	1.007	1.009	1.008	1.006	1.004	1.005	1.004	1.004	1.004	1.003	1.003								
1997	1.014	1.011	1.006	1.006	1.007	1.007	1.006	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.003								
1998	1.013	1.010	1.009	1.008	1.009	1.007	1.006	1.005	1.006	1.006	1.005	1.004	1.004	1.003	1.003								
1999	1.012	1.009	1.009	1.008	1.006	1.005	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.003								
2000	1.009	1.008	1.007	1.006	1.005	1.003	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.003								
2001	1.010	1.010	1.009	1.005	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.003								
2002	1.009	1.008	1.006	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.003								
2003	1.010	1.008	1.006	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.003								
2004	1.008	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.005	1.003	1.003								
2005	1.006	1.005																					
2006	1.006																						

Adjusted (b)	216/204	228/216	240/228	252/240	264/252	276/264	288/276	300/288	312/300	324/312	336/324	348/336	360/348	372/360	384/372	396/384	408/396	420/408	432/420	444/432	456/444	468/456	ULT/468Pd (d)
1983																							
1984																							
1985																							
1986																							
1987																							
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2002																							
2003																							
2004																							
2005																							
2006																							

(d) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 adjusted factors and extrapolated to 80 development years.

Selected Indemnity Development Factors - Paid to Ultimate

Accident Year	Age-to-Age (in months)																				
	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	132/120	144/132	156/144	168/156	180/168	192/180	204/192	216/204	228/216	240/228	252/240	264/252
1996																					
1997																					
1998																					
1999																					
2000																					
2001																					
2002																					
2003																					
2004																					
2005																					
2006																					
2007																					
2008																					
2009	3.069	1.577	1.271	1.150	1.092	1.060	1.041	1.027	1.023	1.018	1.015	1.010	1.009	1.007	1.006	1.005					
2010	3.157	1.628	1.281	1.147	1.091	1.060	1.038	1.027	1.021	1.013	1.012	1.012	1.007								
2011	3.208	1.613	1.266	1.144	1.087	1.056	1.041	1.026	1.016	1.016	1.010	1.007									
2012	3.137	1.597	1.262	1.137	1.087	1.051	1.034	1.023	1.017	1.014	1.012	1.007									
2013	3.169	1.606	1.260	1.129	1.072	1.044	1.028	1.020	1.014	1.011											
2014	3.229	1.635	1.257	1.129	1.071	1.039	1.027	1.018	1.017												
2015	3.278	1.618	1.244	1.119	1.058	1.042	1.026	1.018													
2016	3.235	1.586	1.230	1.103	1.060	1.043	1.028														
2017	3.185	1.569	1.210	1.109	1.064	1.041															
2018	3.110	1.526	1.222	1.111	1.071																
2019	3.063	1.549	1.238	1.122																	
2020	2.960	1.540	1.240																		
2021	2.937	1.530																			
2022	2.952																				

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year averages for the subsequent paid age-to-age factors.

Selected Indemnity Development Factors - Paid to Ultimate (Continued)

Accident Year	Age-to-Age (in months)																	
	276/264	288/276	300/288	312/300	324/312	336/324	348/336	360/348	372/360	384/372	396/384	408/396	420/408	432/420	444/432	456/444	468/456	ULT/468Pd (d)
1983						1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	
1984					1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.000	1.001	1.001	1.000	1.001	1.000	
1985				1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.000	1.000	
1986			1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	
1987		1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.001	
1988	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	
1989	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1990	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	
1991	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	
1992	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1993	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1994	1.002	1.002	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1995	1.002	1.002	1.003	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1996	1.003	1.003	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1997	1.003	1.003	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1998	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	
1999	1.002	1.002	1.001															
2000	1.002																	
2001	1.002																	
Unadjusted (a)	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.009
Selected (c)	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.007
Cumulative	1.024	1.022	1.020	1.018	1.016	1.015	1.013	1.012	1.011	1.010	1.009	1.009	1.009	1.009	1.009	1.008	1.008	1.007

(c) Adjusted for the impact of changes in claim settlement rates on later period development for 312 months and later. See Exhibits 2.5.3 through 2.5.6.

(d) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 factors and extrapolated to 80 development years.

Paid Loss Development Factors
Adjusted for the Impact of Claim Settlement Rate
Changes on Later Period Development

1. Reported Closed Indemnity Claim Counts

Accident	Evaluated as of (in months)									
<u>Year</u>	<u>312</u>	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>
1989							210,991	211,046	211,039	211,073
1990						230,974	231,050	231,101	231,123	
1991					231,397	231,477	231,518	231,570		
1992				182,246	182,323	182,381	182,413			
1993			142,787	142,863	142,905	142,922				
1994		130,048	130,156	130,206	130,240					
1995	120,898	120,987	121,056	121,110						
1996	115,312	115,380	115,439							
1997	121,580	121,683								
1998	131,864									
1999										

2. Ult. Claim Counts (a)

Accident Year	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
	132,927	122,478	116,066	121,668	130,699	143,304	182,775	231,966	231,401	211,398

3. Ultimate Indemnity Claim Settlement Ratio (b)

Accident	Evaluated as of (in months)									
<u>Year</u>	<u>312</u>	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>
1989							99.8%	99.8%	99.8%	99.8%
1990						99.8%	99.8%	99.9%	99.9%	
1991					99.8%	99.8%	99.8%	99.8%		
1992				99.7%	99.8%	99.8%	99.8%			
1993			99.6%	99.7%	99.7%	99.7%				
1994		99.5%	99.6%	99.6%	99.6%					
1995	99.4%	99.4%	99.5%	99.5%						
1996	99.4%	99.4%	99.5%							
1997	99.3%	99.4%								
1998	99.2%									

(a) Based on the latest year age-to-age development in indemnity claim counts. See Exhibit 2.5.3.

(b) Ratio of closed indemnity claim counts (Item 1) to the estimated ultimate indemnity claim counts (Item 2) for that accident year.

Source: Accident year experience of insurers with available claim count data

Paid Loss Development Factors
Adjusted for the Impact of Claim Settlement Rate
Changes on Later Period Development

4. Ratio of Incremental Closed Indemnity Claims to Estimated Prior Open Indemnity Claims (c)

Accident	Evaluated as of (in months)									
Year	<u>300-312</u>	<u>312-324</u>	<u>324-336</u>	<u>336-348</u>	<u>348-360</u>	<u>360-372</u>	<u>372-384</u>	<u>384-396</u>	<u>396-408</u>	<u>408-420</u>
1989								13.5%	-2.0%	9.5%
1990							17.8%	14.5%	7.3%	
1991						14.1%	8.4%	11.6%		
1992					14.6%	12.8%	8.1%			
1993				14.7%	9.5%	4.3%				
1994			16.6%	9.2%	6.9%					
1995		11.6%	10.1%	8.8%						
1996	14.6%	9.0%	8.6%							
1997	10.0%	11.4%								
1998	7.5%									
1999										
3-Year Average	10.7%	10.7%	11.8%	10.9%	10.3%	10.4%	11.4%	13.2%	2.7%	
Share of Open on Prior (d)	89.3%	89.3%	88.2%	89.1%	89.7%	89.6%	88.6%	86.8%	97.3%	

5. Projected Open + IBNR Indemnity Claim Counts (e)

Accident	Evaluated as of (in months)									
Year	<u>312</u>	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	
1989										
1990										278
1991								396		386
1992							362	314		306
1993						382	339	294		286
1994					459	412	365	316		308
1995				558	501	449	397	345		336
1996			627	558	501	449	397	345		336
1997		795	702	625	561	502	445	386		376
1998	1,063	949	838	746	669	600	531	461		449
1999	1,006	899	793	707	634	568	503	436		425
...										
2022	663	592	523	466	418	374	331	288		280
2023	693	619	546	487	436	391	346	301		293

- (c) Equal to [the difference in ultimate indemnity claim settlement ratios from the prior evaluation (Item 3)] divided by [1.0 less the ultimate indemnity claim settlement ratio from the prior evaluation].
- (d) Equal to 1.0 minus the selected ratio of incremental closed indemnity claims to prior open indemnity claims from Item 4.
- (e) The italicized diagonal is equal to the Ultimate Indemnity Claim Counts (Item 2) less the Reported Closed Indemnity Claim Counts (Item 1) as of the latest evaluation. The remaining figures are projected based on the italicized diagonal and the Share of Open on Prior from Item 4.

Source: Accident year experience of insurers with available claim count data

Paid Loss Development Factors
Adjusted for the Impact of Claim Settlement Rate
Changes on Later Period Development

6. Ratio of Projected Open Claim Counts to Ultimate Claim Counts (f)

Accident	Evaluated as of (in months)								
Year	<u>312</u>	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>
1989								0.2%	0.2%
1990							0.2%	0.1%	0.1%
1991						0.2%	0.2%	0.2%	0.2%
1992					0.2%	0.2%	0.2%	0.2%	0.2%
1993				0.3%	0.3%	0.3%	0.2%	0.2%	0.2%
1994			0.4%	0.4%	0.4%	0.3%	0.3%	0.2%	0.2%
1995		0.6%	0.5%	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%
1996	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%
1997	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.3%	0.3%
1998	0.8%	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.3%	0.3%
1999	0.7%	0.7%	0.6%	0.5%	0.5%	0.4%	0.4%	0.3%	0.3%
...									
2022	0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%
2023	0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%
3-Year Historical Avg.	0.7%	0.6%	0.5%	0.4%	0.3%	0.2%	0.2%	0.2%	0.1%

7. Ratio of Projected Percent Open to Historical Percent Open (g)

Accident	Evaluated as of (in months)								
Year	<u>312</u>	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>
1989									
1990									
1991									1.15
1992								1.10	1.15
1993							1.31	1.32	1.38
1994						1.36	1.54	1.56	1.63
1995					1.41	1.60	1.80	1.82	1.90
1996				1.26	1.47	1.67	1.89	1.91	1.99
1997			1.18	1.34	1.56	1.78	2.01	2.03	2.12
1998		1.19	1.30	1.47	1.72	1.95	2.21	2.23	2.33
1999	1.03	1.11	1.21	1.38	1.61	1.83	2.06	2.08	2.18
...									
2022	0.57	0.61	0.67	0.76	0.89	1.01	1.14	1.15	1.20
2023	0.57	0.61	0.67	0.76	0.89	1.00	1.14	1.15	1.20

(f) Equal to the Projected Open + IBNR Indemnity Claim Counts (Item 5) divided by the Ultimate Indemnity Claim Counts (Item 2).

The italicized diagonals are based on historical data while the remaining figures are projections.

(g) Equal to the Ratio of Projected Open Claim Counts to Ultimate Claim Counts (Item 6) divided by the three-year historical average.

Source: Accident year experience of insurers with available claim count data

**Paid Loss Development Factors
Adjusted for the Impact of Claim Settlement Rate
Changes on Later Period Development**

Age-to-Age Paid Development (in months):									
Age	<u>312-324</u>	<u>324-336</u>	<u>336-348</u>	<u>348-360</u>	<u>360-372</u>	<u>372-384</u>	<u>384-396</u>	<u>396-408</u>	<u>408-420</u>

8. 3-Year Average (h)

Indemnity	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000
Medical	1.005	1.004	1.004	1.003	1.002	1.003	1.002	1.003	1.003

9. Adjustment Ratio (i)

Accident Year 2022	0.83	0.85	0.87	0.90	0.96	1.00	1.06	1.06	1.08
Accident Year 2023	0.83	0.84	0.87	0.90	0.95	1.00	1.05	1.06	1.08

10. Adjusted Factors (j)

Indemnity									
Accident Year 2022	1.002	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000
Accident Year 2023	1.002	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000
Medical									
Accident Year 2022	1.004	1.003	1.003	1.002	1.002	1.003	1.002	1.003	1.003
Accident Year 2023	1.004	1.003	1.003	1.002	1.002	1.003	1.002	1.003	1.003

- (h) Indemnity development factors are from Exhibit 2.3.2. Medical development factors are from Exhibit 2.4.2 and include adjustments for changes in pharmaceutical costs and the 2021 medical fee schedule updates.
- (i) Equal to the Ratio of Projected Percent Open to Historical Percent Open (Item 7) for the given accident year, with the difference from 1.0 adjusted by 40% to reflect the estimated impact of claim settlement rate changes on later period development.
- (j) Equal to the [three year average factors (Item 8) - 1.0] multiplied by the Adjustment Ratio (Item 9), and adding 1.0.

Source: Accident year experience of insurers with available claim count data

Selected Medical Development Factors - Paid to Ultimate

Unadjusted (a) Accident Year	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	132/120	144/132	156/144	168/156	180/168	192/180	204/192	216/204	228/216	240/228	252/240	264/252
1996																					
1997																					
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2021																					
2022																					

Adjusted (a)(b) Accident Year	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	132/120	144/132	156/144	168/156	180/168	192/180	204/192	216/204	228/216	240/228	252/240	264/252
2000																					
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2021																					
2022																					
Selected (c)	2,618	1,450	1,224	1,120	1,070	1,042	1,028	1,022	1,017	1,015	1,013	1,011	1,010	1,010	1,009	1,008	1,007	1,007	1,006	1,006	1,005
Cumulative	7,612	2,908	2,005	1,638	1,463	1,367	1,312	1,276	1,249	1,227	1,210	1,194	1,181	1,170	1,158	1,148	1,139	1,130	1,123	1,116	1,110

- (a) Paid medical loss development factors include the paid cost of medical cost containment programs for accident years 2011 and prior.
 (b) These factors are adjusted for the impact of pharmaceutical cost reductions through 2018 and the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule in order to bring the historical payments to the current pharmaceutical and medical service cost level.
 (c) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year averages for the subsequent paid age-to-age factors.

Selected Medical Development Factors - Paid to Ultimate (Continued)

Accident Year	Age-to-Age (in months)																	
	<u>276/264</u>	<u>288/276</u>	<u>300/288</u>	<u>312/300</u>	<u>324/312</u>	<u>336/324</u>	<u>348/336</u>	<u>360/348</u>	<u>372/360</u>	<u>384/372</u>	<u>396/384</u>	<u>408/396</u>	<u>420/408</u>	<u>432/420</u>	<u>444/432</u>	<u>456/444</u>	<u>468/456</u>	<u>ULT/468Pd (e)</u>
1983																	1.002	
1984																1.001	1.001	
1985																1.002	1.003	
1986														1.001	1.002	1.002		
1987													1.001	1.003	1.002			
1988												1.003	1.003	1.002				
1989											1.002	1.002	1.002					
1990										1.003	1.001	1.003						
1991									1.002	1.003	1.002							
1992								1.003	1.002	1.002								
1993							1.003	1.002	1.002									
1994						1.004	1.005	1.003										
1995					1.006	1.004	1.004											
1996				1.005	1.006	1.004												
1997			1.005	1.004	1.004													
1998		1.006	1.006	1.007														
1999	1.006	1.004	1.004															
2000	1.004	1.004																
2001	1.005																	
Unadjusted (c)	1.005	1.005	1.005	1.005	1.005	1.004	1.004	1.003	1.002	1.003	1.002	1.003	1.003	1.002	1.002	1.002	1.002	1.066
Selected (d)	1.005	1.005	1.005	1.005	1.004	1.003	1.003	1.002	1.002	1.003	1.002	1.003	1.003	1.003	1.002	1.002	1.002	1.046
Cumulative	1.105	1.099	1.094	1.089	1.083	1.078	1.074	1.071	1.068	1.066	1.063	1.061	1.058	1.055	1.052	1.050	1.047	1.046

(d) Adjusted for the impact of changes in claim settlement rates on later period development for 312 months and later. See Exhibits 2.5.3 through 2.5.6.

(e) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 factors and extrapolated to 80 development years.

**Developed Indemnity Loss Ratios Using Selected Loss Development Factors
Based on Experience as of December 31, 2023**

Accident Year	<u>Development Factors</u>			
	(1) Paid Loss Ratio (a)	(2) Annual (b)	(3) Cumulative	(4) Projected Ultimate Loss Ratio (4) = (1) x (3)
1987	0.345	1.000	1.008	0.348
1988	0.330	1.001	1.009	0.333
1989	0.343	1.000	1.009	0.345
1990	0.397	1.000	1.009	0.401
1991	0.424	1.000	1.009	0.428
1992	0.349	1.000	1.009	0.353
1993	0.286	1.001	1.010	0.289
1994	0.325	1.001	1.011	0.329
1995	0.469	1.001	1.012	0.475
1996	0.526	1.001	1.013	0.533
1997	0.595	1.001	1.015	0.604
1998	0.645	1.002	1.016	0.656
1999	0.675	1.002	1.018	0.687
2000	0.584	1.002	1.020	0.595
2001	0.484	1.002	1.022	0.494
2002	0.360	1.002	1.024	0.369
2003	0.238	1.002	1.026	0.244
2004	0.141	1.003	1.029	0.145
2005	0.121	1.003	1.032	0.125
2006	0.156	1.004	1.036	0.161
2007	0.214	1.005	1.041	0.222
2008	0.269	1.005	1.046	0.281
2009	0.313	1.006	1.053	0.330
2010	0.299	1.007	1.060	0.317
2011	0.275	1.009	1.069	0.294
2012	0.244	1.011	1.081	0.264
2013	0.205	1.011	1.093	0.224
2014	0.192	1.014	1.108	0.213
2015	0.185	1.016	1.126	0.208
2016	0.173	1.018	1.146	0.198
2017	0.172	1.028	1.178	0.203
2018	0.177	1.041	1.226	0.217
2019	0.194	1.071	1.313	0.255
2020	0.182	1.122	1.474	0.269
2021	0.170	1.240	1.827	0.311
2022	0.111	1.530	2.796	0.311
2023	0.039	2.952	8.252	0.318

- (a) Based on Exhibit 1.
(b) See Exhibits 2.5.1 and 2.5.2.

**Developed Medical Loss Ratios Using Selected Loss Development Factors
Based on Experience as of December 31, 2023**

	(1)	(2)	(3)	(4)	(5)	(6)
			Reform Adjusted			
			<u>Development Factors</u>			
Accident	Paid	Adjusted			Adjusted	Projected
<u>Year</u>	<u>Loss Ratio (a)</u>	<u>Loss Ratio (b)</u>	<u>Annual (c)</u>	<u>Cumulative (c)</u>	<u>Developed</u>	<u>Ultimate</u>
					<u>Loss Ratio (d)</u>	<u>Loss Ratio</u>
					(2) x (4)	(1) + ((5) - (2))
1987	0.308	0.273	1.002	1.050	0.287	0.322
1988	0.301	0.267	1.002	1.052	0.281	0.315
1989	0.320	0.284	1.003	1.055	0.299	0.336
1990	0.362	0.321	1.003	1.058	0.339	0.380
1991	0.378	0.336	1.003	1.061	0.356	0.399
1992	0.313	0.278	1.002	1.063	0.296	0.331
1993	0.258	0.229	1.003	1.066	0.244	0.273
1994	0.296	0.263	1.002	1.068	0.281	0.314
1995	0.437	0.389	1.002	1.071	0.416	0.464
1996	0.468	0.416	1.003	1.074	0.447	0.499
1997	0.523	0.466	1.003	1.078	0.502	0.560
1998	0.627	0.560	1.004	1.083	0.606	0.674
1999	0.683	0.610	1.005	1.089	0.664	0.737
2000	0.615	0.550	1.005	1.094	0.602	0.667
2001	0.543	0.487	1.005	1.099	0.535	0.591
2002	0.418	0.377	1.005	1.105	0.416	0.458
2003	0.267	0.242	1.005	1.110	0.268	0.294
2004	0.180	0.163	1.006	1.116	0.182	0.199
2005	0.176	0.160	1.006	1.123	0.179	0.195
2006	0.225	0.205	1.007	1.130	0.232	0.252
2007	0.314	0.287	1.007	1.139	0.326	0.353
2008	0.387	0.355	1.008	1.148	0.408	0.439
2009	0.450	0.416	1.009	1.158	0.482	0.515
2010	0.436	0.405	1.010	1.170	0.474	0.504
2011	0.368	0.346	1.010	1.181	0.408	0.430
2012	0.313	0.297	1.011	1.194	0.354	0.370
2013	0.247	0.247	1.013	1.210	0.299	0.299
2014	0.218	0.222	1.015	1.227	0.272	0.268
2015	0.202	0.208	1.017	1.249	0.259	0.253
2016	0.187	0.194	1.022	1.276	0.247	0.241
2017	0.187	0.194	1.028	1.312	0.255	0.248
2018	0.196	0.202	1.042	1.367	0.276	0.270
2019	0.208	0.212	1.070	1.463	0.311	0.306
2020	0.194	0.196	1.120	1.638	0.321	0.319
2021	0.181	0.181	1.224	2.005	0.364	0.364
2022	0.121	0.121	1.450	2.908	0.352	0.352
2023	0.047	0.047	2.618	7.612	0.360	0.360

- (a) Based on Exhibit 1. Paid MCCP costs are excluded from accident years 2011 and subsequent.
- (b) Based on experience evaluated as of December 31, 2023. Reflects adjustments for the pharmaceutical cost reductions through 2018 and 2021 changes to the Official Medical Fee Schedule (OMFS) and Medical-Legal Fee Schedule (MLFS), restating the historical medical paid-to-date ratios at a 2018 pharmaceutical cost level and a 2021 OMFS and MLFS level.
- (c) See Exhibits 2.6.1 and 2.6.2.
- (d) The developed medical loss ratios shown were derived based on an adjustment for pharmaceutical cost reductions and 2021 medical fee schedule changes. They are only for purposes of projecting future medical loss ratios and do not reflect true estimates of ultimate loss ratios for those accident years.

Indemnity Benefit Level Factors

Accident Year	(1) Annual Benefit Change Prior to Frequency Adjustments (a)	(2) Frequency Adjustments (a)	(3) Annual Impact on Indemnity Benefits Due to Wage Inflation (b)	(4) Annual Cost Impact on Indemnity (c)	(5) Composite Indemnity Adjustment Factor (d)	
1987	0.0	0.0	1.9	1.9	1.756	
1988	0.0	0.0	1.5	1.5	1.730	
1989	0.0	0.0	1.5	1.5	1.704	
1990	2.3	19.9	1.7	24.7	1.366	
1991	4.9	14.8	0.8	21.4	1.125	
1992	1.8	-8.3	1.6	-5.2	1.187	
1993	0.2	-18.1	0.4	-17.6	1.440	
1994	-5.1	0.2	0.6	-4.3	1.506	
1995	6.3	0.6	1.0	8.0	1.394	
1996	5.3	0.4	1.2	7.0	1.303	
1997	9.7	0.2	1.6	11.7	1.167	
1998	6.5	0.0	1.8	8.4	1.076	
1999	5.7	0.0	2.1	7.9	0.997	
2000	3.9	0.0	3.1	7.1	0.931	
2001	-0.3	0.0	0.2	-0.1	0.932	
2002	-0.7	0.0	0.4	-0.3	0.954	(e)
2003	7.3	0.0	1.2	8.6	0.951	(e)
2004	-6.0	-13.7	2.1	-17.2	1.302	(e)
2005	-31.6	-15.3	1.6	-41.2	1.765	
2006	5.6	-5.7	2.2	1.8	1.734	
2007	1.6	0.0	2.1	3.7	1.672	
2008	4.8	0.6	1.0	6.5	1.570	
2009	0.4	1.4	0.2	2.0	1.539	
2010	0.4	0.0	1.5	1.9	1.510	
2011	0.0	0.0	1.4	1.4	1.490	
2012	-0.8	0.0	2.1	1.3	1.471	
2013	1.4	0.2	0.6	2.3	1.439	
2014	5.8	1.5	1.7	9.2	1.318	
2015	-0.8	0.0	2.3	1.4	1.299	
2016	0.3	0.0	1.0	1.3	1.282	
2017	0.5	0.0	2.2	2.7	1.249	
2018	0.4	0.0	2.2	2.6	1.217	
2019	0.4	0.0	2.4	2.8	1.184	
2020	0.4	0.0	2.5	3.0	1.150	
2021	0.5	0.0	3.2	3.7	1.108	
2022	1.3	0.0	1.1	2.4	1.082	
2023	0.4	0.0	1.9	2.3	1.058	
2024	0.0	0.0	2.9	2.9	1.028	
2025	0.3	0.0	2.0	2.3	1.004	
9/1/2025	0.1 (Annual 0.4)	0.0	0.4 (Annual 2.3)	0.4		

- (a) Based on WCIRB evaluations of the average impact of legislative changes on the cost of indemnity benefits. These annual changes in benefits reflect the WCIRB's retrospective estimates of the cost impact of recent legislation as reflected in emerging post-reform costs. The annual cost impacts have been segregated between claim severity and claim frequency impacts.
- (b) These impacts are based on the weekly wages (see Exhibit 5.1) of injured workers and the legislatively scheduled benefits for that year.
- (c) $\{ [\text{Column (1)} / 100 + 1.0] \times [\text{Column (2)} / 100 + 1.0] \times [\text{Column (3)} / 100 + 1.0] - 1.0 \} \times 100$.
- (d) These factors represent the combined impact of the annual benefit changes on claim severity shown in Column (1), claim frequencies shown in Column (2) and wage inflation impact on benefits shown in Column (3), adjusted to the 9/1/2025 level.
- (e) On-level factors for accident years 2002, 2003 and 2004 adjust the portion of permanent disability claims that are estimated to not be subject to the January 1, 2005 PDRS (95% for accident year 2002, 75% for accident year 2003 and 40% for accident year 2004) to the January 1, 2005 PDRS level, and adjust for the corresponding utilization impacts on all 2002, 2003 and 2004 indemnity claims.

Annual Medical Cost Level Change - Non-Legislative

Accident	(1) Proportion of Medical Subject to	(2) Proportion of Medical Not Subject to	(3) Impact of Fee Schedule Change on	(4) Change in Medical	(5) Impact of CPI Change on Total	(6) Annual Non-Legislative Cost Impact on
Year	Fee Schedule (a)	Fee Schedule (a)	Total Medical (b)	CPI (c)	Medical (d)	Total Medical (e)
1987	0.610	0.390	0.9%	7.4%	2.9%	3.8%
1988	0.649	0.351	0.8%	7.7%	3.0%	3.8%
1989	0.647	0.353	0.0%	8.6%	3.0%	3.0%
1990	0.661	0.339	0.0%	10.4%	3.7%	3.7%
1991	0.631	0.369	0.0%	10.6%	3.6%	3.6%
1992	0.628	0.372	0.0%	8.1%	3.0%	3.0%
1993	0.565	0.435	0.0%	7.3%	2.7%	2.7%
1994	0.691	0.309	-3.6%	4.3%	1.3% (i)	-2.3%
1995	0.681	0.319	0.0%	3.0%	0.9%	0.9%
1996	0.663	0.337	0.0%	3.0%	1.0%	1.0%
1997	0.643	0.357	0.0%	2.2%	0.7%	0.7%
1998	0.658	0.342	0.0%	2.2%	0.8%	0.8%
1999	0.728	0.272	1.6%	3.3%	0.9% (ii)	2.5%
2000	0.715	0.285	0.5%	4.3%	1.2%	1.7%
2001	0.722	0.278	1.5%	4.8%	1.4%	2.9%
2002	0.635	0.365	0.6%	5.1%	1.4%	2.0%
2003	0.786	0.214	0.0%	4.8%	1.4% (iii)	1.4%
2004	0.952	0.048	0.0%	5.0%	0.0% (iv),(v)	0.0%
2005	0.936	0.064	0.0%	4.8%	0.0% (v)	0.0%
2006	0.926	0.074	0.0%	4.1%	0.3%	0.3%
2007	0.923	0.077	1.4%	5.3%	0.4%	1.8%
2008	0.896	0.104	-0.1%	4.2%	0.3%	0.2%
2009	0.894	0.106	0.0%	3.6%	0.4%	0.4%
2010	0.895	0.105	0.0%	2.8%	0.3%	0.3%
2011	0.969	0.031	0.0%	3.2%	0.3%	0.3%
2012	0.969	0.031	0.0%	2.7%	0.1%	0.1%
2013	0.938	0.062	0.0%	2.6%	0.1%	4.9% (f)
2014	0.928	0.072	0.0%	4.2%	0.3%	0.3%
2015	0.933	0.067	0.0%	3.1%	0.2%	0.2%
2016	0.918	0.082	0.0%	5.4%	0.4%	0.4%
2017	0.906	0.094	0.0%	2.2%	0.2%	0.2%
2018	0.887	0.113	0.0%	2.5%	0.2%	0.2%
2019	0.872	0.128	0.0%	3.6%	0.4%	0.4%
2020	0.866	0.134	0.0%	2.9%	0.4%	0.4%
2021	0.865	0.135	4.8%	1.3%	0.2%	0.2% (f)
2022	0.859	0.141	0.0%	5.7%	0.8%	0.8%
2023	0.859	0.141	0.0%	1.6%	0.2%	0.2%
2024	0.859	0.141	0.0%	3.1%	0.4%	0.4%
2025	0.859	0.141	0.0%	4.1%	0.6%	0.6%
9/1/2025	0.859	0.141	0.0% (Annual 0.0%)	0.7% (Annual 4.2%)	0.1%	0.1%

- (a) From a Special Carrier Study through 1990. Based on WCIRB's Aggregate Indemnity and Medical Costs Calls for years 1991 through 2012. Based on WCIRB medical transaction data from 2013 onwards. Accident years 2011 and subsequent do not include MCCP costs.
- (b) Based on the WCIRB's evaluation of the cost impact of changes in the medical fee schedules. Does not include the impact of the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule, which are reflected in the medical loss development projections for accident years 2013 and later.
- (c) Based on a component of the Consumer Price Index. Projections furnished by the California Department of Finance.
- (d) Adjusted CPI on workers' compensation medical costs that are not subject to fee schedules. The current year impact is the weighted average of 0% and Column (4), with Columns (1) and (2) from prior years as weights. (i) 1993's non-fee proportion is reduced by 13.8% due to the new medical-legal fee schedule enacted in 1994. (ii) 1998's non-fee proportion is reduced by 7.7% due to the Inpatient Hospital Fee Schedule (IHFS) effective 4/1/1999. (iii) 2002's non-fee proportion is reduced by 7.6% due to the new pharmaceutical fee schedule effective 1/1/2003. (iv) 2003's non-fee proportion is reduced by 17.2% due to the outpatient fee schedule effective 1/1/2004. (v) Given the anticipated impact of legislative reform, a 0% inflation rate has been assumed for 2004 and 2005.
- (e) Column (6) = Column (3) + Column (5).
- (f) The impact of the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule is applied to accident years 2012 and prior, which are not reflected in the medical loss development projections.

Annual Medical Cost Level Change - Legislative

Accident Year	(1) Annual Legislative Cost Impact on Medical Severity (a)	(2) Annual Legislative Cost Impact on Medical Due to Frequency Changes (b)	(3) Annual Total Legislative Cost Impact on Medical (c)
1987	0.0%	0.0%	0.0%
1988	0.0%	0.0%	0.0%
1989	0.0%	0.0%	0.0%
1990	-0.7%	19.9%	19.1%
1991	-1.6%	14.7%	12.9%
1992	0.5%	-8.4%	-7.9%
1993	-0.7%	-18.1%	-18.7%
1994	-2.6%	0.3%	-2.3%
1995	0.0%	0.5%	0.5%
1996	0.0%	0.4%	0.4%
1997	0.0%	0.2%	0.2%
1998	12.6%	0.0%	12.6%
1999	12.6%	0.0%	12.6%
2000	7.0%	0.0%	7.0%
2001	6.6%	0.0%	6.6%
2002	-5.6%	0.0%	-5.6%
2003	-6.0%	0.0%	-6.0%
2004	-24.4%	-12.5%	-33.9%
2005	0.0%	-13.9%	-13.9%
2006	0.1%	-5.2%	-5.1%
2007	0.1%	0.0%	0.1%
2008	0.2%	0.3%	0.5%
2009	0.0%	1.0%	1.0%
2010	0.0%	0.0%	0.0%
2011	-2.0%	0.0%	-2.0%
2012	-3.7%	0.0%	-3.7%
2013	-8.6%	0.2%	-8.4%
2014	-6.1%	1.3%	-4.9%
2015	-2.2%	0.0%	-2.2%
2016	-0.8%	0.0%	-0.8%
2017	-0.5%	0.0%	-0.5%
2018	-0.3%	0.0%	-0.3%
2019	0.0%	0.0%	0.0%
2020	0.0%	0.0%	0.0%
2021	0.0%	0.0%	0.0%
2022	0.0%	0.0%	0.0%
2023	0.0%	0.0%	0.0%
2024	0.0%	0.0%	0.0%
2025	0.0%	0.0%	0.0%
9/1/2025	0.0%	0.0%	0.0%

- (a) Reflects the WCIRB's most recent estimates of the cost impact of legislation. Does not include the impact of the SB 1160 lien provisions on future medical costs as well as the estimated reductions to pharmaceutical costs attributable to SB 863, which are reflected in the medical loss development projections.
- (b) This reflects the annual percentage impact on medical costs due to changes in the frequency of indemnity claims as a result of benefit changes.
- (c) $[\text{Column (1)} + 1.0] \times [\text{Column (2)} + 1.0] - 1.0$

Total Medical Cost Level Factors

Accident Year	(1) Annual Non-Legislative Cost Impact on Medical (a)	(2) Annual Legislative Cost Impact on Medical (b)	(3) Total Annual Cost Impact on Medical (c)	(4) Composite Medical On-level Factor (d)
1987	3.8%	0.0%	3.8%	0.856
1988	3.8%	0.0%	3.8%	0.825
1989	3.0%	0.0%	3.0%	0.801
1990	3.7%	19.1%	23.5%	0.649
1991	3.6%	12.9%	16.9%	0.555
1992	3.0%	-7.9%	-5.2%	0.585
1993	2.7%	-18.7%	-16.5%	0.700
1994	-2.3%	-2.3%	-4.6%	0.734
1995	0.9%	0.5%	1.4%	0.724
1996	1.0%	0.4%	1.4%	0.714
1997	0.7%	0.2%	0.9%	0.707
1998	0.8%	12.6%	13.5%	0.623
1999	2.5%	12.6%	15.4%	0.540
2000	1.7%	7.0%	8.8%	0.496
2001	2.9%	6.6%	9.7%	0.452
2002	2.0%	-5.6%	-3.7%	0.470
2003	1.4%	-6.0%	-4.7%	0.493
2004	0.0%	-33.9%	-33.9%	0.745
2005	0.0%	-13.9%	-13.9%	0.865
2006	0.3%	-5.1%	-4.8%	0.909
2007	1.8%	0.1%	1.9%	0.892
2008	0.2%	0.5%	0.7%	0.886
2009	0.4%	1.0%	1.4%	0.874
2010	0.3%	0.0%	0.3%	0.871
2011	0.3%	-2.0%	-1.7%	0.886
2012	0.1%	-3.7%	-3.6%	0.919
2013	4.9%	-8.4%	-3.9%	0.957
2014	0.3%	-4.9%	-4.6%	1.003
2015	0.2%	-2.2%	-2.0%	1.023
2016	0.4%	-0.8%	-0.4%	1.027
2017	0.2%	-0.5%	-0.3%	1.030
2018	0.2%	-0.3%	-0.1%	1.031
2019	0.4%	0.0%	0.4%	1.027
2020	0.4%	0.0%	0.4%	1.023
2021	0.2%	0.0%	0.2%	1.021
2022	0.8%	0.0%	0.8%	1.013
2023	0.2%	0.0%	0.2%	1.011
2024	0.4%	0.0%	0.4%	1.007
2025	0.6%	0.0%	0.6%	
9/1/2025	0.1%	0.0%	0.1%	

(a) See Exhibit 4.2, Column (6).

(b) See Exhibit 4.3, Column (3).

(c) Column (3) = [1.0 + Column (1)] x [1.0 + Column (2)] - 1.0.

(d) These factors adjust the annual impact shown in Column (3) to the 9/1/2025 level.

Annual Wage Level Changes

	(1)	(2)	(3)
<u>Year</u>	<u>Annual Wage Level Change (a)</u>	<u>Adjusted Annual Wage Level Change (b)</u>	<u>Factor to a 9/1/2025 Wage Level (c)</u>
1987	5.6		3.823
1988	4.4		3.662
1989	4.3		3.511
1990	5.0		3.344
1991	2.3		3.269
1992	4.7		3.122
1993	1.2		3.085
1994	1.9		3.028
1995	2.9		2.942
1996	3.4		2.845
1997	4.7		2.718
1998	5.2		2.583
1999	6.2		2.433
2000	9.0		2.232
2001	0.6		2.218
2002	0.5		2.207
2003	3.3		2.137
2004	4.7		2.041
2005	3.1		1.980
2006	4.6		1.893
2007	4.5		1.811
2008	2.1		1.774
2009	0.4		1.767
2010	3.0		1.715
2011	3.0		1.665
2012	4.2		1.598
2013	0.7		1.587
2014	3.3		1.536
2015	4.5		1.470
2016	2.0		1.441
2017	4.3		1.382
2018	3.7		1.333
2019	4.3		1.278
2020	11.4	5.0	1.217
2021	7.7	6.3	1.145
2022	-1.1	1.9	1.124
2023	3.2	3.2	1.090
Projected:			
2024	4.8		
2025	3.3		
9/1/2025	0.6	(Annual = 3.9)	

- (a) Historical wage changes through 2022 are based on Bureau of Labor Statistics (BLS) data. Forecasts for 2023 and forward are based on the average of wage level projections made by the UCLA Anderson School of Business as of December 2023 and those made by the California Department of Finance as of November 2023.
- (b) Wage level changes for 2020 to 2022 were adjusted for estimated shifts in industrial mix and shifts in the wage level mix within industries impacting average wages in order to more appropriately project changes in average wages for the typical worker. For 2022, the observed estimate based on BLS average wage data was averaged with the BLS Current Employment Statistics hourly wage estimate to account for shifts in the wage level mix within industries.
- (c) Based on Column (2) for 2020 through 2022 and Column (1) for all other years.

Premium Adjustment Factors

	(1)	(2a)	(2b)	(2c)	(3)	(4)	(5)	(6)	(7)
		Ratio of		Factor to Adjust			Off-Balance		
		Industry Average	Factor to	Insurer Premium			Correction in	Factor to Adjust	
		Charged Rates	Approved Pure	to Approved	Adjustment		Advisory	for Impact	Composite
	Factor to a	to Advisory	Premium Rate	Pure Premium	to Remove	Average	Sept. 1, 2023	of Premium	Premium
Calendar	9/1/2025	Pure Premium	Level as of	Rate Level as of	Surcharge	Experience	Pure Premium	Resulting from	Adjustment
<u>Year</u>	<u>Wage Level (a)</u>	<u>Rates (b)</u>	<u>Sept. 1, 2023 (c)</u>	<u>Sept. 1, 2023 (d)</u>	<u>Premium (e)</u>	<u>Modification (f)</u>	<u>Rates</u>	<u>Audits (g)</u>	<u>Factor (h)</u>
1987	3.823	---	---	0.435	0.992	0.983	1.039	---	1.614
1988	3.662	---	---	0.389	0.993	0.963	1.039	---	1.414
1989	3.511	---	---	0.383	0.993	0.945	1.039	---	1.360
1990	3.344	---	---	0.373	0.991	0.942	1.039	---	1.264
1991	3.269	---	---	0.346	0.987	0.939	1.039	---	1.144
1992	3.122	---	---	0.332	0.982	0.940	1.039	---	1.041
1993	3.085	---	---	0.328	0.981	0.949	1.039	---	1.007
1994	3.028	---	---	0.375	0.986	0.948	1.039	---	1.137
1995	2.942	---	---	0.508	0.995	0.958	1.039	---	1.493
1996	2.845	1.031	0.539	0.523	1.000	0.935	1.039	---	1.533
1997	2.718	0.998	0.538	0.539	1.000	0.949	1.039	---	1.486
1998	2.583	0.965	0.561	0.581	1.000	0.959	1.039	---	1.506
1999	2.433	0.972	0.567	0.583	1.000	0.954	1.039	---	1.431
2000	2.232	1.005	0.514	0.511	1.000	0.970	1.039	---	1.132
2001	2.218	1.031	0.452	0.439	1.000	0.969	1.039	---	0.967
2002	2.207	1.167	0.405	0.347	1.000	0.991	1.039	---	0.744
2003	2.137	1.282	0.331	0.258	1.000	1.005	1.039	---	0.529
2004	2.041	1.400	0.337	0.241	1.000	0.981	1.039	---	0.482
2005	1.980	1.470	0.406	0.276	1.000	0.982	1.039	---	0.535
2006	1.893	1.447	0.523	0.361	1.000	0.956	1.039	---	0.688
2007	1.811	1.493	0.712	0.477	1.000	0.931	1.039	0.985	0.880
2008	1.774	1.426	0.848	0.594	1.000	0.946	1.039	0.991	1.063
2009	1.767	1.366	0.835	0.612	1.000	0.937	1.039	1.034	1.148
2010	1.715	1.383	0.819	0.592	1.000	0.941	1.039	1.005	1.044
2011	1.665	1.401	0.818	0.584	1.000	0.982	1.039	---	0.953
2012	1.598	1.223	0.674	0.551	1.000	1.000	1.039	---	0.848
2013	1.587	1.138	0.543	0.477	1.000	0.983	1.039	---	0.741
2014	1.536	1.127	0.500	0.444	1.000	0.961	1.039	---	0.683
2015	1.470	1.109	0.486	0.438	1.000	0.951	1.039	---	0.652
2016	1.441	1.148	0.529	0.461	1.000	0.949	1.039	---	0.673
2017	1.382	1.156	0.586	0.507	1.000	0.955	1.039	---	0.705
2018	1.333	1.196	0.662	0.554	1.000	0.956	1.039	---	0.743
2019	1.278	1.214	0.769	0.634	1.000	0.945	1.039	---	0.824
2020	1.217	1.207	0.858	0.711	1.000	0.943	1.039	0.990	0.874
2021	1.145	1.224	0.924	0.755	1.000	0.946	1.039	1.033	0.909
2022	1.124	1.188	0.965	0.812	1.000	0.955	1.039	0.993	0.913
2023	1.090	1.112	0.973	0.875	1.000	0.970	1.039	---	0.946

- (a) See Exhibit 5.1.
- (b) Based on WCIRB calendar year experience calls. The industry average charged rates reflect most rating plan adjustments but do not reflect the application of deductible credits or retrospective rating plan adjustments.
- (c) Reflects approved advisory pure premium rate level changes to bring premium to the advisory September 1, 2023 pure premium rate level.
- (d) $(2b) \div (2a)$. This column adjusts premiums at the industry average charged rate level to the approved advisory pure premium rate level as of September 1, 2023.
- (e) Based on unit statistical data.
- (f) Based on average promulgated experience modifications. Calendar years 1996 through 2000 include adjustments for the impacts of AB 1913 and SB 1217 (1998).
- (g) Based on a comparison of premium reported on a calendar year basis to premium reported on an estimated ultimate policy year basis over the course of two accident years. The factor is applied only for calendar years 2007 to 2010 and 2020 to 2022, during which reported premiums were impacted by recessionary economic forces.
- (h) $(1) \times (2c) \times (3) \times (6) \div [(4) \times (5)]$ for calendar years 2007 to 2010 and 2020 to 2022. $(1) \times (2c) \times (3) \div [(4) \times (5)]$ for all other calendar years.

2023 Accident Year Indemnity Claim Frequency Model
As of PY 2021 Preliminary 1st Set & December 2023 UCLA

AY	Annual %	Annual Log Differences					
	Changes Intra-	Intra-Class Indemnity Frequency			AY+1		Economic
	Class Ind Freq	per \$M Exposure at PY 2021 Level			Indemnity	Cumulative	
	Total	Total	Cumulative	Non-cum.	Benefit Level	Injury Index	Variables (1st Prin. Comp.)
1979	0.5%	0.005	-0.053	0.007	0.000	-0.060	0.133
1980	-6.5%	-0.068	-0.132	-0.066	0.000	-0.066	-0.082
1981	-3.5%	-0.036	-0.028	-0.036	0.033	0.008	-0.079
1982	-1.6%	-0.016	0.153	-0.022	0.000	0.175	-0.294
1983	6.2%	0.060	0.214	0.054	0.352	0.160	0.029
1984	9.5%	0.091	0.235	0.084	0.081	0.151	0.221
1985	2.0%	0.020	0.138	0.014	0.000	0.124	0.080
1986	-2.4%	-0.024	0.039	-0.028	0.000	0.067	0.077
1987	1.5%	0.015	0.053	0.013	0.000	0.041	0.150
1988	0.7%	0.007	0.104	0.000	0.000	0.104	0.087
1989	2.5%	0.024	0.212	0.009	0.000	0.203	0.044
1990	9.0%	0.087	0.337	0.061	0.046	0.276	-0.121
1991	0.3%	0.003	0.166	-0.018	0.071	0.184	-0.293
1992	-10.3%	-0.108	-0.263	-0.089	0.023	-0.174	-0.186
1993	-9.2%	-0.097	-0.175	-0.088	0.013	-0.088	-0.022
1994	-10.5%	-0.111	-0.167	-0.105	-0.057	-0.061	0.106
1995	-0.3%	-0.003	0.009	-0.004	0.061	0.013	0.092
1996	-6.8%	-0.070	-0.165	-0.061	0.053	-0.104	0.074
1997	-3.3%	-0.033	-0.026	-0.034	0.096	0.008	0.137
1998	-3.7%	-0.038	-0.020	-0.040	0.066	0.019	0.078
1999	1.5%	0.015	0.010	0.015	0.058	-0.005	0.127
2000	4.0%	0.039	0.101	0.033	0.040	0.068	0.065
2001	-6.9%	-0.072	0.106	-0.091	-0.003	0.197	-0.104
2002	-2.8%	-0.029	0.196	-0.061	-0.007	0.257	-0.212
2003	-3.2%	-0.032	0.025	-0.042	0.060	0.067	-0.019
2004	-16.8%	-0.184	-0.321	-0.163	-0.065	-0.158	0.103
2005	-13.6%	-0.147	-0.343	-0.121	-0.398	-0.222	0.147
2006	-5.6%	-0.058	-0.204	-0.042	0.051	-0.163	0.094
2007	-1.7%	-0.017	-0.042	-0.015	0.016	-0.027	-0.080
2008	-2.7%	-0.027	-0.012	-0.029	0.049	0.017	-0.316
2009	-0.3%	-0.003	0.133	-0.017	0.069	0.150	-0.461
2010	8.8%	0.085	0.115	0.081	0.016	0.034	-0.077
2011	1.2%	0.012	0.028	0.010	0.000	0.017	0.047
2012	4.7%	0.046	0.115	0.037	0.003	0.077	0.125
2013	0.4%	0.004	0.131	-0.014	0.019	0.145	0.153
2014	0.2%	0.002	0.046	-0.005	0.070	0.051	0.179
2015	-1.5%	-0.015	0.008	-0.018	0.000	0.026	0.194
2016	-2.6%	-0.026	0.033	-0.036	0.000	0.069	0.127
2017	-1.9%	-0.020	-0.073	-0.011	0.000	-0.062	0.130
2018	-0.4%	-0.004	-0.061	0.005	0.000	-0.066	0.127
2019	1.8%	0.018	0.038	0.015	0.000	0.024	0.045
2020	-8.8%	-0.092	0.066	-0.119	0.000	0.186	-0.913
2021	3.2%	0.032	-0.225	0.074	0.000	-0.299	0.328
2022*	-4.4%	-0.010	0.101	-0.028	0.000	0.129	0.561
2023	-2.8%	-0.028	-0.028	-0.028	0.000	0.000	-0.083
2024	-1.9%	-0.019	-0.019	-0.019	0.000	0.000	0.012
2025	-0.3%	-0.003	-0.003	-0.003	0.000	0.000	0.163
2026	-2.4%	-0.025	-0.025	-0.025	0.000	0.000	-0.045

Y = Hazardousness-Adjusted Noncumulative Indemnity Claim Frequency

Constant	-0.020		
Std Err of Y Est	0.041		
R Squared	0.435		
No. of Observations	41		
Degrees of Freedom	37		
X Coefficient(s)	0.188	0.209	0.102
Std Err of Coef.	0.077	0.062	0.043

Notes:

The Indemnity Benefit Level variable is concurrent. The AY 2004 benefit level change is related to the AY 2004 change in non-cumulative frequency.

The Indemnity Benefit Level variable excludes indemnity benefit utilization, cost-of-living adjustments, and changes in the death and permanent total benefits.

The Indemnity Benefit Level variable has been revised due to on-leveling reassessments. See Actuarial Committee item AC09-03-03.

For 1993 on, cumulative claims include both cumulative trauma and occupational disease claims. See Actuarial Committee item AC14-03-19.

The definition of cumulative claims has been further amended to include claims coded with certain nature of injury codes in USR. See Actuarial Committee item AC21-12-09.

Economic variables are historical through 2022; December 2023 UCLA Anderson Forecasts for 2023 on.

The indicator variable for Cal-OSHA inspections has been moved into an on-level adjustment. See Actuarial Committee item AC21-12-09.

Regression is over AY 1979 through AY 2022, excluding 2020, 2021, and 2022. AY 2023 through AY 2026 are projections.

The constant term, -0.020, consists of measured offsets that recognize annual changes in real benefit levels relative to nominal benefit levels and long-term economic growth.

Without these offsets, the indemnity benefit level and economic variables would project frequency to increase without bound.

*AY 2022 is preliminary and change is based on a comparison of 2022 accidents on 2021 policies to 2021 accidents on 2020 policies.

**Projection of Indemnity Severity Trends by Accident Year
Based on Experience as of December 31, 2023**

Accident Year	(1) Estimated Ultimate Severity	(2) Annual % Change	(3) Indemnity Adjustment Factor (a)	(4) Ultimate On-level Severity (1) x (3)	(5) Annual % Change
1990	10,022	---	2.185	21,899	---
1991	10,945	9.2%	2.067	22,617	3.3%
1992	11,023	0.7%	1.998	22,024	-2.6%
1993	11,978	8.7%	1.986	23,790	8.0%
1994	12,978	8.3%	2.080	26,999	13.5%
1995	14,574	12.3%	1.938	28,240	4.6%
1996	16,511	13.3%	1.818	30,022	6.3%
1997	19,401	17.5%	1.631	31,652	5.4%
1998	21,282	9.7%	1.505	32,024	1.2%
1999	23,139	8.7%	1.394	32,263	0.7%
2000	24,831	7.3%	1.302	32,321	0.2%
2001	27,186	9.5%	1.303	35,422	9.6%
2002	26,231	-3.5%	1.335	35,007	-1.2%
2003	25,986	-0.9%	1.330	34,574	-1.2%
2004	21,105	-18.8%	1.572	33,171	-4.1%
2005	19,136	-9.3%	1.804	34,527	4.1%
2006	20,836	8.9%	1.672	34,835	0.9%
2007	22,594	8.4%	1.612	36,413	4.5%
2008	24,584	8.8%	1.523	37,432	2.8%
2009	25,772	4.8%	1.514	39,006	4.2%
2010	25,052	-2.8%	1.485	37,207	-4.6%
2011	24,519	-2.1%	1.465	35,913	-3.5%
2012	23,977	-2.2%	1.447	34,685	-3.4%
2013	23,153	-3.4%	1.417	32,818	-5.4%
2014	24,049	3.9%	1.318	31,685	-3.4%
2015	24,320	1.1%	1.299	31,586	-0.3%
2016	23,804	-2.1%	1.282	30,527	-3.4%
2017	23,929	0.5%	1.249	29,886	-2.1%
2018	24,723	3.3%	1.217	30,081	0.7%
2019	26,262	6.2%	1.184	31,090	3.4%
2020	27,718	5.5%	1.150	31,867	2.5%
2021	28,004	1.0%	1.108	31,036	-2.6%
2022	29,693	6.0%	1.082	32,132	3.5%
2023	29,798	0.4%	1.058	31,519	-1.9%
(6) Estimated Annual Exponential Trend Based on 1990 to 2023:					0.7%
(7) Estimated Annual Exponential Trend Based on 2005 to 2023:					-1.1%
(8) Estimated Annual Exponential Trend Based on 2019 to 2023:					0.4%
Selected Indemnity Severity Trend:					1.0%

(a) These adjustment factors are based on Exhibit 4.1, excluding the impact of frequency.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims for accident years 2020 to 2022.

**Projection of Medical Severity Trends by Accident Year
Based on Experience as of December 31, 2023**

Accident Year	(1) Estimated Ultimate Severity (a)	(2) Annual % Change	(3) Medical Adjustment Factor (b)	(4) Ultimate On-level Severity (1) x (3)	(5) Annual % Change
1990	8,846	---	0.969	8,573	---
1991	9,511	7.5%	0.951	9,042	5.5%
1992	9,561	0.5%	0.918	8,781	-2.9%
1993	10,425	9.0%	0.901	9,388	6.9%
1994	11,483	10.1%	0.946	10,867	15.8%
1995	13,249	15.4%	0.938	12,425	14.3%
1996	14,384	8.6%	0.929	13,357	7.5%
1997	16,900	17.5%	0.922	15,584	16.7%
1998	20,685	22.4%	0.812	16,806	7.8%
1999	23,498	13.6%	0.704	16,541	-1.6%
2000	26,398	12.3%	0.647	17,076	3.2%
2001	31,139	18.0%	0.590	18,364	7.5%
2002	31,200	0.2%	0.612	19,109	4.1%
2003	29,807	-4.5%	0.643	19,153	0.2%
2004	27,279	-8.5%	0.850	23,186	21.1%
2005	28,040	2.8%	0.850	23,833	2.8%
2006	30,492	8.7%	0.847	25,813	8.3%
2007	33,693	10.5%	0.831	27,991	8.4%
2008	36,060	7.0%	0.827	29,838	6.6%
2009	38,001	5.4%	0.824	31,319	5.0%
2010	37,685	-0.8%	0.822	30,966	-1.1%
2011	33,825 (c)	---	0.845	28,567 (c)	---
2012	31,645	-6.4%	0.885	28,016	-1.9%
2013	28,994	-8.4%	0.969	28,088	0.3%
2014	28,268	-2.5%	1.033	29,200	4.0%
2015	27,563	-2.5%	1.058	29,173	-0.1%
2016	26,772	-2.9%	1.061	28,394	-2.7%
2017	26,934	0.6%	1.061	28,565	0.6%
2018	28,321	5.2%	1.057	29,947	4.8%
2019	29,118	2.8%	1.046	30,454	1.7%
2020	30,702	5.4%	1.032	31,698	4.1%
2021	30,519	-0.6%	1.022	31,196	-1.6%
2022	31,411	2.9%	1.013	31,821	2.0%
2023	31,548	0.4%	1.011	31,896	0.2%

Selected Medical Severity Trend: 1.5%

- (a) Estimated ultimate severities for all accident years are derived by dividing ultimate medical losses on indemnity claims by ultimate indemnity claim counts. The estimated ultimate medical severities were derived from the projected ultimate loss ratios shown in Exhibit 3.2, column (6).
- (b) These adjustment factors are based on Exhibit 4.4, excluding the impact of frequency, and including the impact of 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule, applicable to outstanding medical losses.
- (c) Severities for accident years 2011 and subsequent do not reflect the cost of medical cost containment programs (MCCP). Severities for accident years 2010 and prior do reflect MCCP costs.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims for accident years 2020 to 2022.

**Projection of Medical Severity Trends by Accident Year
Adjusted to Remove the Cost of Medical Cost Containment Programs (MCCP)
Based on Experience as of December 31, 2023**

(1) Accident Year	MCCP Included				MCCP Removed Based on WCIRB Aggregate Calendar Year Data Calls (b)			
	(2) Estimated Ultimate Severity (a)	(3) Annual % Change	(4) Ultimate On-Level Severity (c)	(5) Annual % Change	(6) Estimated Ultimate Severity (a)	(7) Annual % Change	(8) Ultimate On-Level Severity (c)	(9) Annual % Change
2005	28,040	---	23,833	---	26,602	---	22,610	---
2006	30,492	8.7%	25,813	8.3%	28,623	7.6%	24,232	7.2%
2007	33,693	10.5%	27,991	8.4%	31,494	10.0%	26,164	8.0%
2008	36,060	7.0%	29,838	6.6%	32,951	4.6%	27,265	4.2%
2009	38,001	5.4%	31,319	5.0%	34,875	5.8%	28,743	5.4%
2010	37,685	-0.8%	30,966	-1.1%	34,551	-0.9%	28,391	-1.2%
2011	37,017	-1.8%	31,263	1.0%	33,825	-2.1%	28,567	0.6%
2012	34,516	-6.8%	30,558	-2.3%	31,645	-6.4%	28,016	-1.9%
2013	31,685	-8.2%	30,694	0.4%	28,994	-8.4%	28,088	0.3%
2014	30,831	-2.7%	31,848	3.8%	28,268	-2.5%	29,200	4.0%
2015	29,925	-2.9%	31,674	-0.5%	27,563	-2.5%	29,173	-0.1%
2016	28,960	-3.2%	30,714	-3.0%	26,772	-2.9%	28,394	-2.7%
2017	29,115	0.5%	30,879	0.5%	26,934	0.6%	28,565	0.6%
2018	30,593	5.1%	32,349	4.8%	28,321	5.2%	29,947	4.8%
2019	31,451	2.8%	32,894	1.7%	29,118	2.8%	30,454	1.7%
2020	33,073	5.2%	34,145	3.8%	30,702	5.4%	31,698	4.1%
2021	33,001	-0.2%	33,733	-1.2%	30,519	-0.6%	31,196	-1.6%
2022	34,023	3.1%	34,467	2.2%	31,411	2.9%	31,821	2.0%
2023	34,494	1.4%	34,874	1.2%	31,548	0.4%	31,896	0.2%
Estimated Annual Exponential Trend								
Trend Based on 1990 to 2023:				4.5%	N/A			
Trend Based on 2005 to 2023:				1.5%	1.4%			
Trend Based on 2019 to 2023:				1.3%	1.0%			
Selected Medical Severity Trend:								1.5%

- (a) Estimated ultimate severities for all accident years were derived by dividing ultimate medical losses on indemnity claims by ultimate indemnity claim counts.
(b) Adjustments to accident years 2005 through 2010 based on WCIRB's Annual Calls for Direct California Workers' Compensation Aggregate Indemnity and Medical Costs.
(c) Ultimate severities are on-leveled based on adjustment factors shown on Exhibit 6.3.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims for accident years 2020 to 2022.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Based on Experience as of December 31, 2023**

Accident Year	(1) Developed Indemnity Loss Ratio (a)	(2) Composite Indemnity Adjustment Factor (b)	(3) Composite Premium Adjustment Factor (c)	(4) On-Level Indemnity to Pure Premium Ratio (1)×(2)÷(3)
1987	0.348	1.756	1.614	0.379
1988	0.333	1.730	1.414	0.407
1989	0.345	1.704	1.360	0.433
1990	0.401	1.366	1.264	0.433
1991	0.428	1.125	1.144	0.421
1992	0.353	1.187	1.041	0.402
1993	0.289	1.440	1.007	0.414
1994	0.329	1.506	1.137	0.436
1995	0.475	1.394	1.493	0.443
1996	0.533	1.303	1.533	0.453
1997	0.604	1.167	1.486	0.474
1998	0.656	1.076	1.506	0.468
1999	0.687	0.997	1.431	0.479
2000	0.595	0.931	1.132	0.489
2001	0.494	0.932	0.967	0.476
2002	0.369	0.954	0.744	0.473
2003	0.244	0.951	0.529	0.439
2004	0.145	1.302	0.482	0.392
2005	0.125	1.765	0.535	0.411
2006	0.161	1.734	0.688	0.407
2007	0.222	1.672	0.880	0.422
2008	0.281	1.570	1.063	0.416
2009	0.330	1.539	1.148	0.442
2010	0.317	1.510	1.044	0.459
2011	0.294	1.490	0.953	0.459
2012	0.264	1.471	0.848	0.458
2013	0.224	1.439	0.741	0.434
2014	0.213	1.318	0.683	0.411
2015	0.208	1.299	0.652	0.414
2016	0.198	1.282	0.673	0.377
2017	0.203	1.249	0.705	0.360
2018	0.217	1.217	0.743	0.356
2019	0.255	1.184	0.824	0.366
2020	0.269	1.150	0.874	0.354
2021	0.311	1.108	0.909	0.379
2022	0.311	1.082	0.913	0.368
2023	0.318	1.058	0.946	0.356
				Projections (d)
2024				0.361
2025				0.364
9/1/2025				0.363

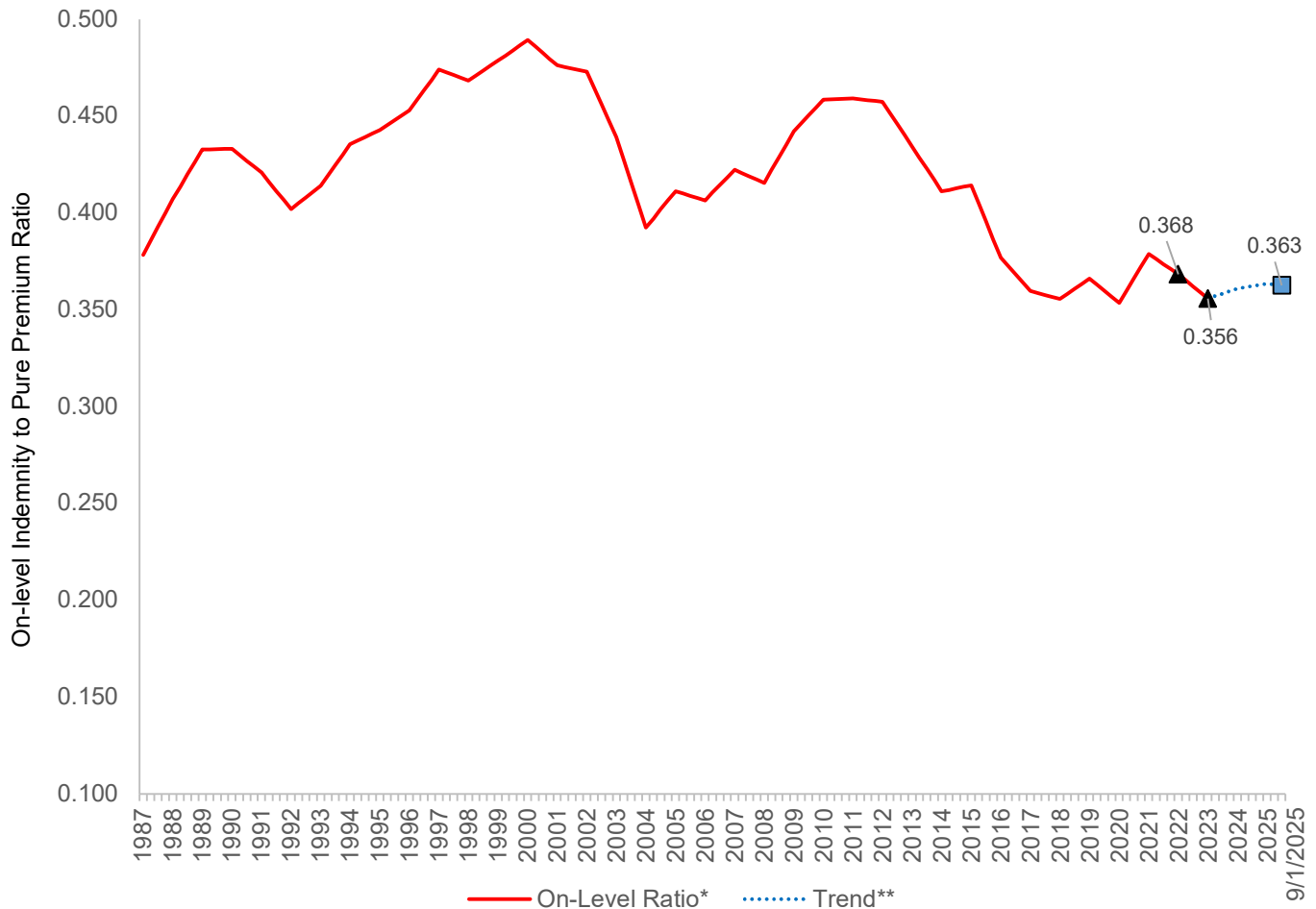
(a) See Exhibit 3.1.

(b) See Exhibit 4.1.

(c) See Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the intra-class frequency changes for accident year 2023 from Exhibit 12 and frequency model projections for accident years 2024 to 2026 from Exhibit 6.1. The annual indemnity severity growth estimates are from Exhibit 6.2.

**On-Level Indemnity Loss to Pure Premium Ratios
Based on Experience as of December 31, 2023**



* On-level indemnity to pure premium ratios (see Exhibit 7.1)

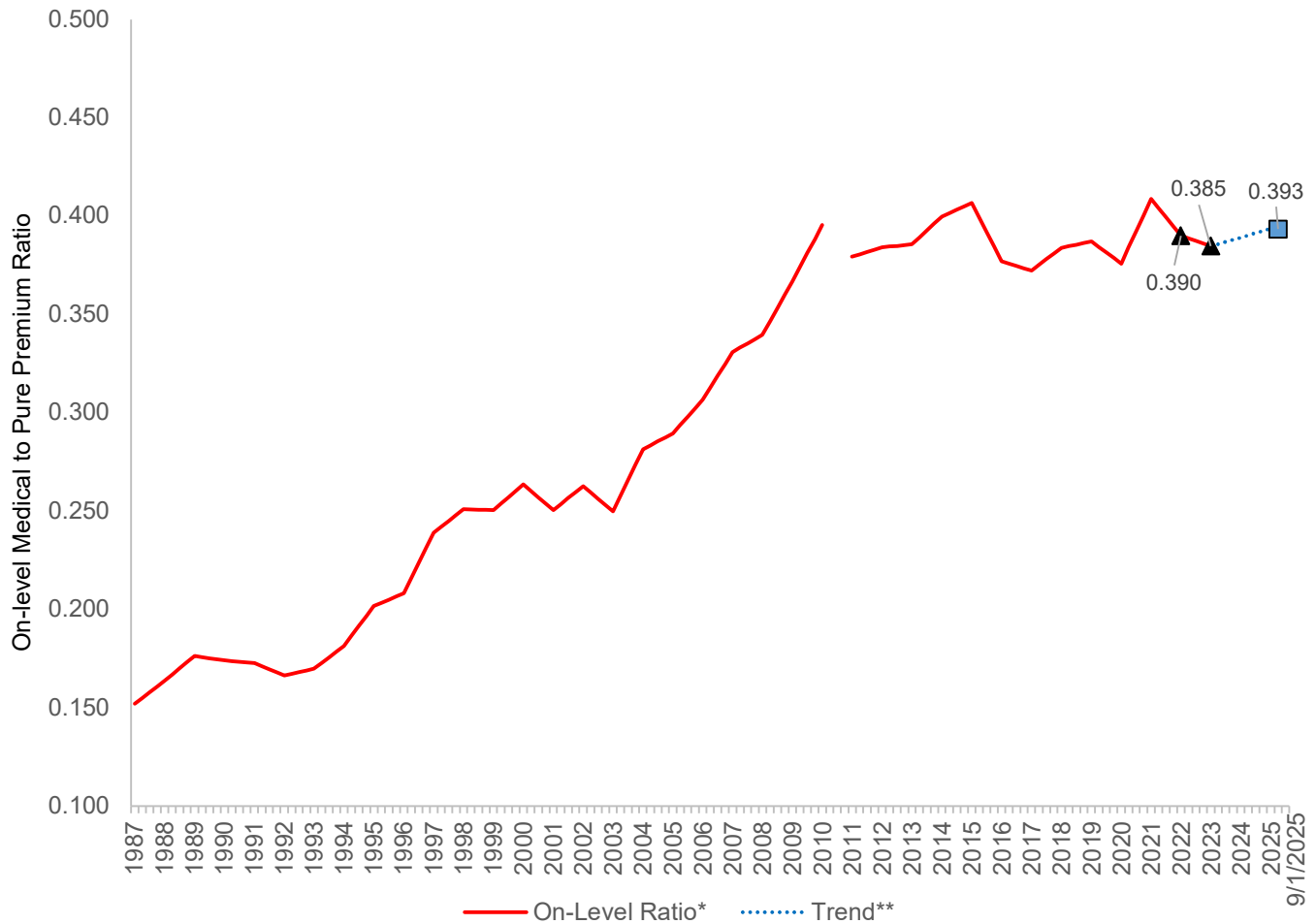
** The 9/1/2025 indemnity to pure premium ratio was calculated based on separate frequency and severity trends applied to the 2022 and 2023 years.

**Projected On-Level Accident Year
Medical Loss to Pure Premium Ratios
Based on Experience as of December 31, 2023**

Accident Year	(1) Developed Medical Loss Ratio (a)	(2) Composite Medical On-Level Factor (b)	(3) Composite Premium Adjustment Factor (c)	(4) On-Level Medical to Pure Premium Ratio (e) (1)×(2)÷(3)
1987	0.287	0.856	1.614	0.152
1988	0.281	0.825	1.414	0.164
1989	0.299	0.801	1.360	0.176
1990	0.339	0.649	1.264	0.174
1991	0.356	0.555	1.144	0.173
1992	0.296	0.585	1.041	0.166
1993	0.244	0.700	1.007	0.170
1994	0.281	0.734	1.137	0.181
1995	0.416	0.724	1.493	0.202
1996	0.447	0.714	1.533	0.208
1997	0.502	0.707	1.486	0.239
1998	0.606	0.623	1.506	0.251
1999	0.664	0.540	1.431	0.251
2000	0.602	0.496	1.132	0.264
2001	0.535	0.452	0.967	0.251
2002	0.416	0.470	0.744	0.263
2003	0.268	0.493	0.529	0.250
2004	0.182	0.745	0.482	0.281
2005	0.179	0.865	0.535	0.289
2006	0.232	0.909	0.688	0.307
2007	0.326	0.892	0.880	0.331
2008	0.408	0.886	1.063	0.340
2009	0.482	0.874	1.148	0.367
2010	0.474	0.871	1.044	0.396
2011	0.408	0.886	0.953	0.379
2012	0.354	0.919	0.848	0.384
2013	0.299	0.957	0.741	0.386
2014	0.272	1.003	0.683	0.400
2015	0.259	1.023	0.652	0.407
2016	0.247	1.027	0.673	0.377
2017	0.255	1.030	0.705	0.372
2018	0.276	1.031	0.743	0.384
2019	0.311	1.027	0.824	0.387
2020	0.321	1.023	0.874	0.376
2021	0.364	1.021	0.909	0.409
2022	0.352	1.013	0.913	0.390
2023	0.360	1.011	0.946	0.385
				Projections (d)
2024				0.389
2025				0.394
9/1/2025				0.393

- (a) See Exhibit 3.2. Medical loss ratios for accident years 2011 and subsequent do not reflect the cost of medical cost containment programs (MCCP). Ratios for accident years 2010 and prior do reflect MCCP costs.
- (b) See Exhibit 4.4.
- (c) See Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the intra-class frequency changes for accident year 2023 from Exhibit 12 and frequency model projections for accident years 2024 to 2026 from Exhibit 6.1. The annual medical severity growth estimates are from Exhibit 6.4.
- (e) Accident years 2011 and subsequent do not reflect the paid MCCP costs. Accident years 2010 and prior do reflect paid MCCP costs.

**On-Level Medical Loss to Pure Premium Ratios
Based on Experience as of December 31, 2023**



* On-level medical to pure premium ratios (see Exhibit 7.3)

** The 9/1/2025 medical to pure premium ratio was calculated based on separate frequency and severity trends applied to the 2022 and 2023 years.

Indicated Loss to Pure Premium Ratios
For Policies with Effective Dates between September 1, 2024 and August 31, 2025
Based on Experience as of December 31, 2023

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
1. Projected Loss to Advisory Pure Premium Ratio (See Exhibits 7.1 and 7.3)	0.363	0.393	0.756

Quarterly Incurred Indemnity Loss Development Factors
Through December 31, 2023

Age in	Accident Year																					
Months	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
6/3	2.834	2.736	2.463	2.417	2.724	2.785	3.031	3.116	3.052	3.238	3.344	3.303	3.209	3.201	3.372	3.200	3.228	--	3.161	3.187	3.266	
9/6	1.808	1.776	1.618	1.656	1.776	1.820	1.848	1.904	2.001	1.966	1.940	1.960	1.948	1.945	1.874	1.998	2.017	--	1.970	1.912	1.976	
12/9	1.473	1.460	1.355	1.448	1.511	1.510	1.530	1.564	1.632	1.587	1.585	1.570	1.578	1.578	1.580	1.578	1.596	--	1.561	1.563	1.569	
15/12	1.238	1.180	1.149	1.189	1.234	1.248	1.293	1.306	1.306	1.303	1.301	1.301	1.313	1.309	1.298	1.298	1.295	1.261	1.293	1.298		
18/15	1.167	1.101	1.103	1.140	1.158	1.182	1.194	1.197	1.195	1.206	1.178	1.190	1.187	1.189	1.177	1.183	1.189	1.169	1.183	1.191		
21/18	1.127	1.066	1.096	1.117	1.128	1.139	1.153	1.140	1.146	1.141	1.141	1.132	1.137	1.134	1.138	1.123	1.128	1.122	1.134	1.137		
24/21	1.094	1.045	1.082	1.098	1.106	1.106	1.114	1.119	1.117	1.111	1.104	1.114	1.111	1.104	1.100	1.102	1.094	1.097	1.100	1.104		
27/24	1.073	1.045	1.070	1.082	1.081	1.088	1.089	1.091	1.085	1.087	1.081	1.082	1.087	1.079	1.078	1.071	1.073	1.079	1.078			
30/27	1.051	1.040	1.054	1.057	1.072	1.075	1.075	1.080	1.071	1.068	1.067	1.074	1.066	1.064	1.059	1.066	1.062	1.058	1.065			
33/30	1.032	1.036	1.042	1.049	1.053	1.059	1.052	1.064	1.053	1.060	1.047	1.055	1.050	1.047	1.047	1.045	1.045	1.046	1.051			
36/33	1.020	1.029	1.033	1.039	1.043	1.051	1.049	1.049	1.043	1.041	1.043	1.042	1.036	1.037	1.038	1.029	1.034	1.038	1.039			
39/36	1.017	1.027	1.029	1.031	1.033	1.040	1.039	1.039	1.041	1.035	1.031	1.036	1.030	1.028	1.028	1.027	1.029	1.029				
42/39	1.018	1.020	1.020	1.031	1.033	1.036	1.038	1.035	1.032	1.028	1.031	1.030	1.027	1.026	1.028	1.023	1.027	1.031				
45/42	1.019	1.018	1.024	1.026	1.028	1.030	1.035	1.027	1.033	1.022	1.024	1.024	1.024	1.021	1.016	1.015	1.022	1.026				
48/45	1.013	1.013	1.021	1.019	1.021	1.024	1.024	1.026	1.023	1.024	1.020	1.020	1.016	1.017	1.014	1.015	1.018	1.019				
51/48	1.016	1.010	1.018	1.021	1.018	1.022	1.023	1.021	1.018	1.017	1.015	1.019	1.015	1.014	1.013	1.014	1.016					
54/51	1.017	1.009	1.017	1.021	1.020	1.021	1.020	1.020	1.016	1.019	1.015	1.014	1.013	1.015	1.011	1.011	1.013					
57/54	1.011	1.011	1.018	1.017	1.014	1.018	1.017	1.015	1.014	1.013	1.011	1.014	1.011	1.009	1.009	1.009	1.012					
60/57	1.009	1.011	1.013	1.019	1.016	1.013	1.015	1.012	1.014	1.012	1.012	1.011	1.007	1.007	1.009	1.009	1.009					
63/60	1.008	1.010	1.014	1.013	1.015	1.011	1.014	1.014	1.009	1.012	1.008	1.010	1.007	1.007	1.008	1.008						
66/63	1.008	1.010	1.013	1.016	1.014	1.015	1.013	1.013	1.009	1.010	1.009	1.008	1.007	1.007	1.008	1.006						
69/66	1.007	1.011	1.012	1.011	1.010	1.009	1.012	1.007	1.010	1.010	1.007	1.006	1.007	1.005	1.006	1.008						
72/69	1.009	1.009	1.013	1.011	1.009	1.009	1.009	1.010	1.008	1.007	1.007	1.005	1.005	1.007	1.007	1.006						
75/72	1.005	1.007	1.010	1.011	1.010	1.010	1.008	1.007	1.004	1.006	1.007	1.004	1.006	1.005	1.004							
78/75	1.006	1.006	1.012	1.009	1.010	1.006	1.006	1.006	1.007	1.005	1.006	1.005	1.006	1.003	1.004							
81/78	1.005	1.006	1.010	1.009	1.007	1.007	1.006	1.006	1.007	1.005	1.005	1.003	1.003	1.003	1.004							
84/81	1.006	1.007	1.008	1.005	1.009	1.006	1.004	1.007	1.004	1.007	1.003	1.004	1.002	1.005	1.003							
87/84	1.002	1.007	1.010	1.007	1.004	1.005	1.006	1.004	1.006	1.004	1.003	1.002	1.001	1.003								
90/87	1.004	1.008	1.008	1.008	1.008	1.004	1.005	1.005	1.005	1.004	1.004	1.003	1.004	1.002								
93/90	1.005	1.006	1.008	1.006	1.007	1.006	1.003	1.004	1.005	1.004	1.003	1.004	1.002	1.003								
96/93	1.006	1.006	1.003	1.002	1.003	1.004	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.003								

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Quarterly Incurred Medical Loss Development Factors *
Through December 31, 2023

Age in	Accident Year																						
Months	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
6/3	2.805	2.671	2.530	2.584	2.662	2.782	2.892	2.992	2.757	2.853	2.843	2.921	2.863	3.019	3.209	2.891	2.830	--	2.871	2.928	2.907		
9/6	1.762	1.703	1.670	1.650	1.744	1.717	1.807	1.800	1.827	1.833	1.819	1.840	1.884	1.755	1.740	1.821	1.845	--	1.747	1.763	1.839		
12/9	1.425	1.400	1.375	1.453	1.443	1.466	1.454	1.488	1.521	1.484	1.500	1.482	1.451	1.487	1.448	1.459	1.470	--	1.429	1.455	1.469		
15/12	1.197	1.132	1.145	1.138	1.182	1.167	1.199	1.206	1.228	1.211	1.207	1.199	1.206	1.215	1.184	1.191	1.183	1.166	1.172	1.179			
18/15	1.126	1.086	1.087	1.103	1.106	1.126	1.135	1.129	1.141	1.136	1.117	1.114	1.094	1.095	1.087	1.096	1.100	1.092	1.103	1.112			
21/18	1.093	1.055	1.061	1.073	1.081	1.090	1.097	1.101	1.103	1.085	1.088	1.077	1.082	1.069	1.069	1.063	1.060	1.077	1.067	1.079			
24/21	1.060	1.040	1.052	1.070	1.074	1.067	1.074	1.080	1.080	1.067	1.064	1.055	1.059	1.057	1.046	1.044	1.052	1.054	1.058	1.068			
27/24	1.042	1.034	1.048	1.055	1.058	1.053	1.071	1.066	1.072	1.058	1.048	1.046	1.048	1.040	1.036	1.030	1.034	1.049	1.051				
30/27	1.038	1.039	1.049	1.046	1.054	1.057	1.048	1.063	1.052	1.046	1.037	1.044	1.037	1.032	1.028	1.036	1.037	1.041	1.042				
33/30	1.018	1.032	1.030	1.041	1.045	1.045	1.051	1.055	1.045	1.046	1.031	1.033	1.033	1.026	1.029	1.024	1.028	1.031	1.037				
36/33	1.016	1.024	1.034	1.042	1.033	1.042	1.040	1.041	1.037	1.028	1.026	1.027	1.021	1.021	1.020	1.016	1.020	1.024	1.030				
39/36	1.012	1.028	1.025	1.027	1.029	1.033	1.031	1.040	1.039	1.027	1.021	1.023	1.022	1.011	1.018	1.016	1.019	1.021					
42/39	1.013	1.017	1.020	1.025	1.035	1.036	1.037	1.037	1.031	1.022	1.026	1.022	1.017	1.010	1.015	1.014	1.017	1.024					
45/42	1.019	1.033	1.021	1.025	1.029	1.026	1.030	1.028	1.027	1.021	1.018	1.017	1.015	1.011	1.009	1.013	1.014	1.021					
48/45	1.013	1.025	1.018	1.022	1.025	1.029	1.034	1.022	1.023	1.020	1.018	1.014	1.008	1.012	1.008	1.011	1.013	1.015					
51/48	1.013	1.018	1.015	1.020	1.021	1.021	1.026	1.024	1.019	1.014	1.013	1.010	1.008	1.008	1.009	1.007	1.013						
54/51	1.012	1.021	1.019	1.022	1.022	1.027	1.023	1.019	1.018	1.015	1.011	1.009	1.009	1.012	1.005	1.009	1.012						
57/54	1.017	1.020	1.018	1.019	1.019	1.023	1.020	1.017	1.018	1.013	1.007	1.009	1.007	1.006	1.007	1.005	1.008						
60/57	1.014	1.020	1.019	1.018	1.017	1.019	1.016	1.015	1.014	1.012	1.007	1.007	1.005	1.005	1.007	1.009	1.008						
63/60	1.016	1.015	1.021	1.015	1.018	1.016	1.020	1.015	1.009	1.009	1.005	1.008	1.005	1.004	1.004	1.007							
66/63	1.013	1.015	1.022	1.019	1.018	1.017	1.015	1.010	1.008	1.008	1.006	1.010	1.006	1.005	1.009	1.006							
69/66	1.018	1.015	1.023	1.017	1.017	1.015	1.014	1.010	1.008	1.008	1.005	1.008	1.003	1.002	1.008	1.009							
72/69	1.010	1.014	1.015	1.013	1.014	1.012	1.011	1.010	1.007	1.005	1.005	1.002	1.003	1.005	1.003	1.007							
75/72	1.009	1.012	1.012	1.011	1.018	1.013	1.008	1.006	1.001	1.003	1.006	1.003	1.002	1.004	1.002								
78/75	1.011	1.018	1.013	1.012	1.012	1.010	1.008	1.008	1.006	1.005	1.003	1.005	1.003	1.003	1.002								
81/78	1.014	1.018	1.017	1.016	1.009	1.009	1.005	1.006	1.006	1.005	1.004	1.002	1.002	1.006	1.002								
84/81	1.007	1.012	1.011	1.008	1.010	1.008	1.007	1.005	1.001	1.003	1.002	1.002	0.999	1.000	1.003								
87/84	1.010	1.012	1.014	1.012	1.008	1.007	1.004	1.003	1.001	1.002	1.002	1.001	1.001	1.002									
90/87	1.012	1.009	1.009	1.013	1.008	1.006	1.006	1.003	1.006	1.006	1.001	1.004	1.001	1.000									
93/90	1.010	1.011	1.012	1.009	1.009	1.007	1.002	1.003	1.002	1.004	1.000	1.003	1.002	1.002									
96/93	1.010	1.011	1.009	1.005	1.006	1.005	1.003	1.002	1.001	1.003	1.002	1.002	1.001	1.001									

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

* Incurred medical loss development factors include the paid cost of medical cost containment programs (MCCP) for accident years 2011 and prior.

Quarterly Paid Indemnity Loss Development Factors
Through December 31, 2023

Age in	Accident Year																					
Months	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
6/3	4.908	4.745	4.512	4.376	4.495	4.553	4.807	4.911	4.722	4.854	5.099	5.076	5.056	5.087	5.272	4.987	5.083	--	5.102	5.241	4.929	
9/6	2.424	2.399	2.303	2.259	2.375	2.377	2.398	2.452	2.432	2.484	2.462	2.462	2.484	2.456	2.446	2.538	2.505	--	2.441	2.433	2.415	
12/9	1.876	1.841	1.774	1.812	1.834	1.810	1.825	1.861	1.869	1.877	1.866	1.879	1.910	1.882	1.892	1.891	1.902	--	1.849	1.817	1.844	
15/12	1.516	1.491	1.456	1.482	1.488	1.481	1.507	1.532	1.539	1.506	1.539	1.540	1.559	1.571	1.544	1.527	1.522	1.509	1.503	1.505		
18/15	1.379	1.331	1.306	1.306	1.327	1.332	1.343	1.355	1.361	1.361	1.353	1.364	1.372	1.366	1.358	1.353	1.341	1.331	1.333	1.337		
21/18	1.297	1.241	1.217	1.233	1.235	1.243	1.259	1.257	1.261	1.261	1.263	1.267	1.264	1.256	1.260	1.248	1.258	1.239	1.236	1.239		
24/21	1.244	1.183	1.181	1.195	1.191	1.194	1.206	1.209	1.215	1.213	1.204	1.216	1.211	1.206	1.205	1.206	1.193	1.189	1.186	1.185		
27/24	1.186	1.140	1.142	1.151	1.149	1.153	1.162	1.165	1.168	1.164	1.159	1.170	1.176	1.161	1.159	1.152	1.154	1.148	1.142			
30/27	1.161	1.122	1.117	1.126	1.129	1.130	1.141	1.141	1.137	1.134	1.141	1.147	1.142	1.137	1.131	1.116	1.126	1.126	1.123			
33/30	1.123	1.097	1.096	1.100	1.101	1.108	1.114	1.116	1.112	1.111	1.111	1.115	1.107	1.104	1.105	1.103	1.101	1.101	1.102			
36/33	1.097	1.085	1.081	1.080	1.084	1.092	1.094	1.098	1.091	1.091	1.096	1.092	1.089	1.088	1.083	1.077	1.084	1.082	1.083			
39/36	1.072	1.070	1.066	1.064	1.067	1.074	1.078	1.077	1.073	1.075	1.074	1.075	1.071	1.068	1.064	1.066	1.066	1.067				
42/39	1.063	1.059	1.058	1.058	1.062	1.067	1.067	1.071	1.070	1.065	1.064	1.066	1.062	1.059	1.050	1.057	1.061	1.061				
45/42	1.049	1.047	1.049	1.047	1.051	1.058	1.059	1.057	1.055	1.054	1.052	1.050	1.050	1.045	1.044	1.045	1.050	1.050				
48/45	1.044	1.041	1.044	1.043	1.047	1.049	1.051	1.050	1.048	1.048	1.048	1.045	1.041	1.040	1.037	1.039	1.042	1.043				
51/48	1.035	1.033	1.036	1.036	1.037	1.042	1.042	1.043	1.039	1.038	1.038	1.039	1.035	1.031	1.031	1.031	1.033					
54/51	1.035	1.030	1.028	1.035	1.036	1.038	1.041	1.038	1.036	1.036	1.033	1.032	1.031	1.024	1.030	1.029	1.032					
57/54	1.026	1.025	1.028	1.030	1.032	1.033	1.033	1.032	1.033	1.028	1.027	1.028	1.025	1.024	1.024	1.025	1.026					
60/57	1.024	1.024	1.024	1.028	1.029	1.029	1.032	1.027	1.030	1.028	1.025	1.025	1.023	1.020	1.021	1.022	1.025					
63/60	1.019	1.019	1.021	1.023	1.025	1.025	1.024	1.026	1.025	1.025	1.021	1.021	1.018	1.016	1.017	1.019						
66/63	1.019	1.019	1.020	1.025	1.025	1.025	1.025	1.023	1.022	1.022	1.018	1.018	1.014	1.016	1.017	1.018						
69/66	1.017	1.016	1.021	1.020	1.020	1.020	1.022	1.020	1.019	1.022	1.017	1.014	1.013	1.015	1.015	1.016						
72/69	1.015	1.017	1.015	1.020	1.019	1.019	1.019	1.019	1.019	1.016	1.014	1.016	1.012	1.011	1.013	1.015						
75/72	1.012	1.013	1.015	1.019	1.018	1.016	1.016	1.017	1.015	1.014	1.012	1.012	1.011	1.012	1.011							
78/75	1.011	1.012	1.015	1.017	1.016	1.015	1.016	1.016	1.015	1.013	1.011	1.009	1.012	1.012	1.011							
81/78	1.010	1.012	1.015	1.015	1.016	1.015	1.015	1.013	1.012	1.011	1.010	1.008	1.009	1.009	1.010							
84/81	1.009	1.011	1.013	1.015	1.014	1.013	1.012	1.013	1.013	1.011	1.010	1.009	1.009	1.010	1.009							
87/84	1.008	1.009	1.012	1.014	1.013	1.010	1.012	1.010	1.011	1.010	1.007	1.006	1.008	1.008								
90/87	1.008	1.011	1.012	1.013	1.012	1.011	1.010	1.010	1.010	1.009	1.007	1.007	1.007	1.006								
93/90	1.008	1.012	1.011	1.011	1.012	1.010	1.010	1.009	1.009	1.008	1.007	1.006	1.006	1.008								
96/93	1.007	1.008	1.011	1.011	1.008	1.010	1.010	1.009	1.010	1.007	1.007	1.007	1.005	1.005								

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Quarterly Paid Medical Loss Development Factors *
Through December 31, 2023

Age in	Accident Year																						
Months	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
6/3	7.127	7.617	5.563	5.308	5.615	6.579	6.101	6.048	5.854	5.989	6.284	5.604	5.720	5.897	5.433	5.460	4.982	--	6.124	6.026	5.205		
9/6	2.577	2.483	2.236	2.348	2.381	2.348	2.375	2.361	2.327	2.398	2.498	2.428	2.287	2.326	2.248	2.351	2.287	--	2.232	2.354	2.322		
12/9	1.825	1.759	1.666	1.716	1.765	1.731	1.723	1.756	1.746	1.763	1.736	1.750	1.705	1.752	1.737	1.719	1.796	--	1.720	1.753	1.776		
15/12	1.510	1.437	1.423	1.429	1.444	1.413	1.429	1.445	1.472	1.446	1.443	1.460	1.454	1.479	1.434	1.426	1.433	1.436	1.437	1.455			
18/15	1.295	1.243	1.230	1.227	1.259	1.243	1.259	1.268	1.282	1.284	1.263	1.265	1.278	1.263	1.250	1.245	1.231	1.270	1.272	1.293			
21/18	1.179	1.153	1.151	1.163	1.173	1.170	1.178	1.182	1.187	1.192	1.193	1.192	1.189	1.173	1.170	1.173	1.170	1.190	1.192	1.204			
24/21	1.125	1.115	1.118	1.127	1.133	1.132	1.137	1.144	1.153	1.154	1.148	1.146	1.146	1.141	1.131	1.143	1.138	1.149	1.145	1.156			
27/24	1.093	1.090	1.093	1.106	1.107	1.110	1.112	1.119	1.120	1.123	1.122	1.122	1.124	1.111	1.111	1.108	1.114	1.117	1.117				
30/27	1.077	1.084	1.087	1.097	1.100	1.100	1.106	1.107	1.111	1.109	1.111	1.111	1.105	1.100	1.092	1.083	1.101	1.107	1.106				
33/30	1.063	1.071	1.065	1.081	1.083	1.086	1.092	1.094	1.093	1.094	1.090	1.089	1.082	1.082	1.077	1.078	1.084	1.088	1.092				
36/33	1.055	1.062	1.062	1.071	1.072	1.072	1.077	1.083	1.082	1.078	1.080	1.076	1.071	1.067	1.065	1.066	1.074	1.073	1.075				
39/36	1.044	1.053	1.056	1.057	1.059	1.061	1.066	1.071	1.066	1.069	1.065	1.064	1.061	1.055	1.054	1.054	1.061	1.065					
42/39	1.044	1.049	1.054	1.055	1.058	1.059	1.061	1.068	1.063	1.062	1.057	1.059	1.057	1.048	1.040	1.048	1.053	1.058					
45/42	1.037	1.040	1.047	1.048	1.049	1.054	1.053	1.056	1.056	1.053	1.051	1.045	1.044	1.042	1.039	1.043	1.049	1.048					
48/45	1.035	1.037	1.043	1.043	1.046	1.047	1.050	1.051	1.046	1.045	1.046	1.041	1.040	1.038	1.033	1.039	1.039	1.039					
51/48	1.030	1.033	1.037	1.036	1.036	1.039	1.041	1.043	1.040	1.039	1.038	1.037	1.032	1.031	1.027	1.027	1.033						
54/51	1.029	1.034	1.034	1.035	1.035	1.036	1.042	1.038	1.035	1.035	1.034	1.032	1.029	1.023	1.029	1.029	1.032						
57/54	1.024	1.029	1.031	1.034	1.031	1.033	1.038	1.034	1.034	1.031	1.028	1.026	1.025	1.023	1.023	1.025	1.026						
60/57	1.026	1.028	1.029	1.028	1.032	1.032	1.035	1.030	1.030	1.030	1.023	1.022	1.021	1.019	1.021	1.021	1.025						
63/60	1.020	1.024	1.024	1.024	1.024	1.027	1.027	1.026	1.027	1.025	1.021	1.022	1.019	1.018	1.017	1.018							
66/63	1.021	1.023	1.024	1.026	1.026	1.029	1.029	1.024	1.028	1.023	1.021	1.018	1.015	1.016	1.017	1.018							
69/66	1.019	1.021	1.023	1.023	1.021	1.024	1.024	1.022	1.020	1.020	1.017	1.016	1.014	1.016	1.020	1.018							
72/69	1.016	1.021	1.021	1.022	1.022	1.023	1.021	1.020	1.019	1.016	1.015	1.017	1.014	1.013	1.014	1.017							
75/72	1.014	1.018	1.020	1.019	1.019	1.018	1.018	1.018	1.015	1.015	1.013	1.014	1.011	1.012	1.011								
78/75	1.015	1.016	1.018	1.017	1.022	1.019	1.018	1.017	1.017	1.015	1.013	1.011	1.012	1.015	1.012								
81/78	1.014	1.018	1.018	1.015	1.019	1.018	1.015	1.015	1.013	1.012	1.011	1.009	1.010	1.010	1.011								
84/81	1.013	1.016	1.016	1.015	1.018	1.015	1.015	1.015	1.013	1.013	1.010	1.009	1.010	1.010	1.010								
87/84	1.012	1.014	1.013	1.015	1.017	1.013	1.013	1.011	1.012	1.010	1.008	1.008	1.008	1.009									
90/87	1.013	1.015	1.013	1.015	1.013	1.013	1.012	1.011	1.012	1.009	1.008	1.009	1.007	1.006									
93/90	1.013	1.013	1.012	1.014	1.014	1.013	1.011	1.010	1.009	1.010	1.006	1.007	1.007	1.008									
96/93	1.009	1.013	1.015	1.016	1.011	1.012	1.010	1.009	1.009	1.009	1.006	1.007	1.007	1.006									

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

* Paid medical loss development factors include the paid cost of medical cost containment programs (MCCP) for accident years 2011 and prior.

Reported Indemnity Claim Count Development

Accident Year	Development															
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>
1998																1.000
1999															1.000	1.000
2000														1.000	1.000	1.000
2001													1.000	1.000	1.000	1.000
2002												1.000	1.000	1.000	1.000	1.000
2003											1.000	1.000	1.000	1.000	1.000	1.000
2004										1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006								1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007							1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008						1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009					1.004	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010				1.006	1.002	1.002	1.001	1.000	1.001	1.000	1.000	1.000	1.000			
2011			1.013	1.005	1.002	1.001	1.000	1.001	1.000	1.000	1.000	1.000				
2012		1.034	1.010	1.005	1.003	1.001	1.002	1.000	1.001	1.000	1.001					
2013	1.248	1.026	1.010	1.005	1.001	1.002	1.001	1.000	1.000	1.001						
2014	1.216	1.027	1.010	1.003	1.002	1.000	1.000	1.000	1.001							
2015	1.236	1.027	1.005	1.003	1.002	1.001	1.000	1.000								
2016	1.244	1.028	1.007	1.003	1.001	1.000	1.001									
2017	1.219	1.023	1.007	1.003	1.001	1.001										
2018	1.226	1.024	1.006	1.002	1.002											
2019	1.222	1.027	1.007	1.004												
2020	1.225	1.024	1.007													
2021	1.223	1.025														
2022	1.240															
Latest Year																
<u>Age-to-Age</u>	1.240	1.025	1.007	1.004	1.002	1.001	1.001	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000
<u>Age-to-Ultimate</u>	1.298	1.047	1.021	1.014	1.010	1.008	1.007	1.006	1.006	1.005	1.004	1.003	1.003	1.003	1.002	1.002

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Quarterly Reported Indemnity Claim Count Development Factors

Accident Year	Development														
	<u>3-6</u>	<u>6-9</u>	<u>9-12</u>	<u>12-15</u>	<u>15-18</u>	<u>18-21</u>	<u>21-24</u>	<u>24-27</u>	<u>27-30</u>	<u>30-33</u>	<u>33-36</u>	<u>36-39</u>	<u>39-42</u>	<u>42-45</u>	<u>45-48</u>
2011	2.688	1.708	1.407	1.124	1.037	1.021	1.015	1.011	1.008	1.005	1.005	1.003	1.004	1.003	1.001
2012	2.691	1.738	1.424	1.123	1.041	1.026	1.018	1.010	1.010	1.006	1.005	1.004	1.004	1.003	1.002
2013	2.749	1.727	1.420	1.123	1.050	1.028	1.018	1.012	1.010	1.007	1.004	1.004	1.003	1.007	1.001
2014	2.821	1.739	1.421	1.138	1.045	1.027	1.016	1.010	1.009	1.013	1.003	1.003	1.003	1.001	1.002
2015	2.778	1.723	1.421	1.130	1.045	1.037	1.015	1.010	1.008	1.004	1.003	1.003	1.003	1.002	1.002
2016	2.817	1.781	1.414	1.135	1.045	1.023	1.014	1.014	1.008	1.005	1.003	1.003	1.002	1.002	1.002
2017	2.733	1.717	1.410	1.149	1.047	1.027	1.018	1.012	1.010	1.006	1.004	1.002	1.003	1.002	1.002
2018	2.892	1.696	1.423	1.139	1.045	1.023	1.017	1.010	1.008	1.006	1.003	1.002	1.002	1.002	1.001
2019	2.780	1.750	1.425	1.138	1.034	1.023	1.015	1.010	1.009	1.005	1.003	1.002	1.002	1.001	1.001
2020	--	--	--	1.131	1.042	1.025	1.014	1.009	1.008	1.004	1.003	1.003	1.003	1.001	1.000
2021	2.801	1.740	1.408	1.129	1.043	1.023	1.015	1.010	1.008	1.005	1.003				
2022	2.843	1.714	1.419	1.138	1.045	1.026	1.016								
2023	2.752	1.716	1.422												

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Reported Indemnity Claim Settlement Ratios

Accident	Evaluated as of (in months):																
Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204
1998																	98.2%
1999																97.9%	98.1%
2000															97.5%	97.8%	98.0%
2001														96.5%	97.0%	97.4%	97.7%
2002													96.4%	96.9%	97.3%	97.7%	98.0%
2003												95.9%	96.4%	97.0%	97.5%	97.9%	98.2%
2004											95.3%	96.0%	96.8%	97.3%	97.8%	98.2%	98.4%
2005										94.4%	95.4%	96.4%	97.0%	97.6%	98.0%	98.4%	98.6%
2006									93.0%	94.3%	95.5%	96.4%	97.1%	97.6%	98.0%	98.3%	98.5%
2007								91.3%	93.2%	94.8%	96.0%	96.7%	97.4%	97.9%	98.2%	98.5%	98.7%
2008							88.7%	91.5%	93.7%	95.1%	96.2%	97.0%	97.6%	97.9%	98.2%	98.4%	
2009						84.5%	88.5%	91.7%	93.8%	95.3%	96.4%	97.1%	97.6%	97.9%	98.2%		
2010					80.4%	85.9%	90.1%	92.8%	94.7%	96.0%	96.9%	97.5%	97.9%	98.2%			
2011				73.6%	81.6%	87.1%	91.0%	93.6%	95.4%	96.4%	97.1%	97.7%	98.0%				
2012			63.2%	74.9%	82.9%	88.4%	92.0%	94.4%	95.8%	96.7%	97.3%	97.8%					
2013		48.1%	64.3%	76.6%	84.7%	89.8%	93.2%	95.1%	96.3%	97.1%	97.6%						
2014	26.5%	49.2%	65.9%	78.2%	86.1%	90.7%	93.5%	95.3%	96.4%	97.1%							
2015	26.8%	50.6%	68.3%	80.5%	87.8%	91.3%	93.8%	95.5%	96.6%								
2016	28.2%	53.4%	70.9%	82.4%	88.2%	91.7%	94.1%	95.6%									
2017	30.4%	56.2%	73.1%	82.5%	88.3%	91.8%	94.1%										
2018	31.1%	56.3%	71.4%	81.3%	87.7%	91.5%											
2019	31.1%	54.0%	69.1%	80.2%	86.8%												
2020	30.0%	53.2%	68.9%	79.7%													
2021	31.4%	55.6%	70.1%														
2022	31.9%	55.6%															
2023	33.2%																

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Estimated Ultimate Indemnity Claim Settlement Ratios

Accident	Evaluated as of (in months):																
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1998																	98.1%
1999																97.9%	98.1%
2000															98.1%	98.3%	98.6%
2001														96.4%	96.8%	97.2%	97.6%
2002													96.2%	96.7%	97.2%	97.5%	97.9%
2003												95.7%	96.2%	96.8%	97.3%	97.7%	98.0%
2004											95.1%	95.8%	96.6%	97.1%	97.6%	98.0%	98.3%
2005										94.3%	95.3%	96.2%	96.9%	97.4%	97.8%	98.2%	98.4%
2006									92.8%	94.2%	95.4%	96.3%	96.9%	97.4%	97.8%	98.1%	98.3%
2007								91.0%	92.9%	94.6%	95.7%	96.5%	97.2%	97.7%	98.0%	98.3%	98.5%
2008							88.3%	91.1%	93.4%	94.8%	95.9%	96.7%	97.3%	97.6%	97.9%	98.2%	
2009						84.0%	88.1%	91.4%	93.5%	94.9%	96.1%	96.8%	97.3%	97.6%	98.0%		
2010					79.8%	85.3%	89.6%	92.5%	94.3%	95.7%	96.6%	97.2%	97.6%	97.9%			
2011				72.5%	80.8%	86.4%	90.5%	93.1%	95.0%	96.0%	96.7%	97.3%	97.7%				
2012			61.6%	73.8%	82.1%	87.7%	91.4%	93.9%	95.3%	96.3%	96.9%	97.4%					
2013		45.8%	62.8%	75.5%	83.9%	89.0%	92.6%	94.5%	95.8%	96.6%	97.2%						
2014	20.7%	46.9%	64.5%	77.2%	85.4%	90.1%	92.9%	94.7%	95.8%	96.6%							
2015	20.8%	48.4%	67.1%	79.5%	87.0%	90.8%	93.3%	94.9%	96.0%								
2016	21.7%	51.1%	69.7%	81.6%	87.5%	91.1%	93.5%	95.1%									
2017	23.9%	53.9%	71.7%	81.6%	87.5%	91.1%	93.5%										
2018	24.4%	54.1%	70.1%	80.4%	86.8%	90.7%											
2019	24.2%	51.5%	67.6%	79.1%	85.9%												
2020	23.4%	50.9%	67.5%	78.6%													
2021	24.5%	53.1%	68.6%														
2022	24.6%	53.1%															
2023	25.6%																

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Quarterly Ultimate Settlement Ratios

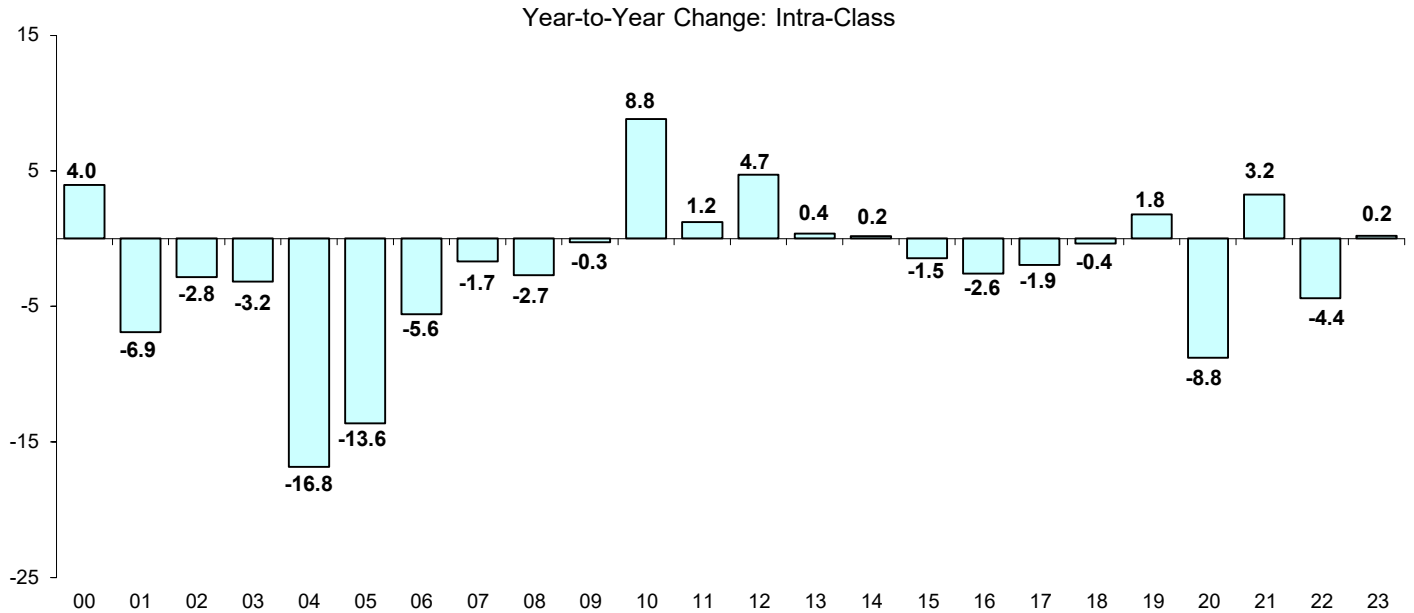
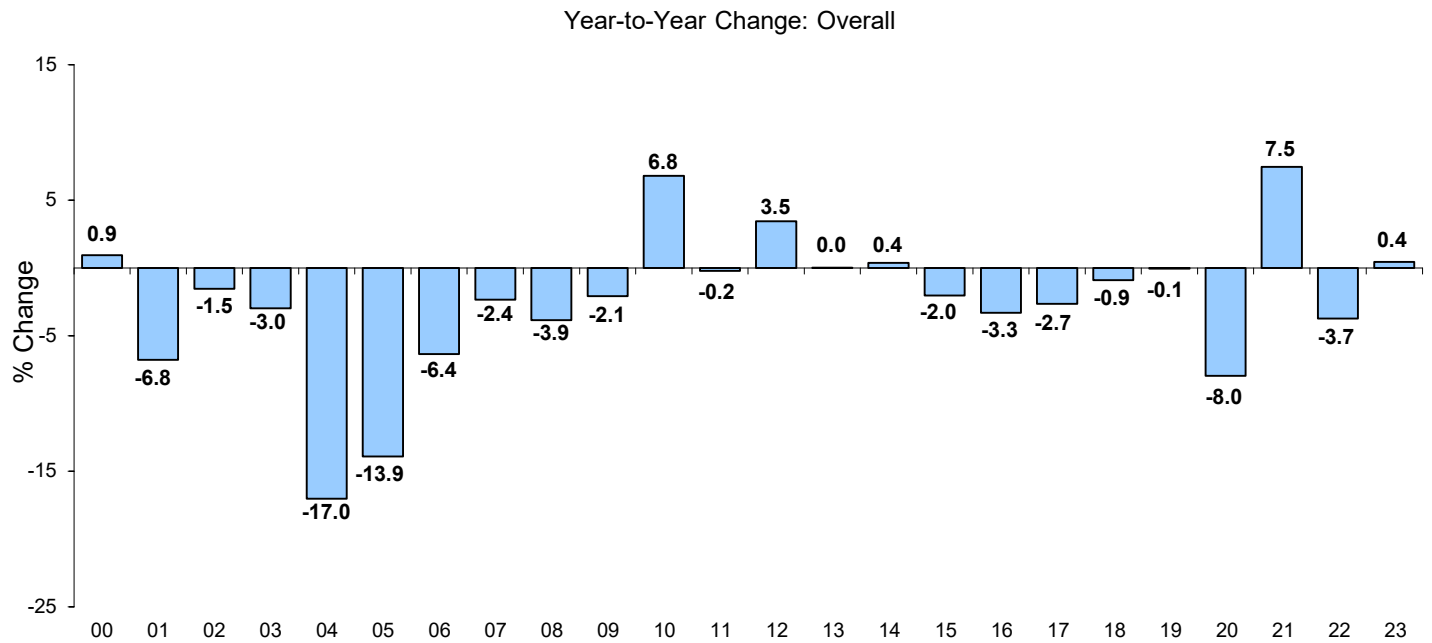
Accident	Evaluated as of (in months):															
Year	<u>3</u>	<u>6</u>	<u>9</u>	<u>12</u>	<u>15</u>	<u>18</u>	<u>21</u>	<u>24</u>	<u>27</u>	<u>30</u>	<u>33</u>	<u>36</u>	<u>39</u>	<u>42</u>	<u>45</u>	<u>48</u>
2014	0.7%	4.7%	11.6%	20.7%	29.2%	36.0%	41.8%	46.9%	51.6%	56.1%	60.6%	64.5%	67.9%	71.5%	74.6%	77.2%
2015	0.8%	4.7%	11.9%	20.8%	30.0%	37.3%	43.1%	48.4%	53.6%	58.7%	63.2%	67.1%	70.6%	73.9%	77.1%	79.5%
2016	0.8%	5.0%	12.2%	21.7%	31.4%	39.3%	45.4%	51.1%	56.0%	61.1%	65.6%	69.7%	73.2%	76.5%	79.3%	81.6%
2017	0.8%	5.5%	13.3%	23.9%	33.8%	41.7%	48.1%	53.9%	58.8%	63.7%	68.1%	71.7%	74.9%	77.3%	79.8%	81.6%
2018	0.9%	5.8%	13.8%	24.4%	34.4%	42.2%	48.5%	54.1%	59.1%	63.0%	66.8%	70.1%	73.2%	75.9%	78.4%	80.4%
2019	1.0%	5.6%	13.6%	24.2%	34.5%	41.0%	46.6%	51.5%	56.1%	60.3%	64.2%	67.6%	71.1%	74.0%	76.8%	79.1%
2020	--	--	--	--	32.8%	40.4%	45.8%	50.9%	55.1%	59.7%	63.8%	67.5%	71.0%	73.5%	76.2%	78.6%
2021	0.7%	6.0%	14.1%	24.5%	34.8%	42.7%	48.3%	53.1%	57.7%	61.4%	65.2%	68.6%				
2022	0.8%	5.8%	14.2%	24.6%	35.3%	42.4%	48.1%	53.1%								
2023	1.1%	6.1%	14.3%	25.6%												

Accident Year	Quarterly Incremental Change														
	<u>3-6</u>	<u>6-9</u>	<u>9-12</u>	<u>12-15</u>	<u>15-18</u>	<u>18-21</u>	<u>21-24</u>	<u>24-27</u>	<u>27-30</u>	<u>30-33</u>	<u>33-36</u>	<u>36-39</u>	<u>39-42</u>	<u>42-45</u>	<u>45-48</u>
2014	4.0%	6.9%	9.1%	8.5%	6.8%	5.8%	5.0%	4.8%	4.5%	4.4%	3.9%	3.4%	3.5%	3.1%	2.7%
2015	3.9%	7.2%	8.9%	9.2%	7.4%	5.8%	5.3%	5.1%	5.1%	4.5%	3.9%	3.4%	3.4%	3.2%	2.5%
2016	4.2%	7.2%	9.5%	9.7%	7.9%	6.1%	5.7%	4.9%	5.2%	4.5%	4.1%	3.6%	3.3%	2.8%	2.2%
2017	4.7%	7.8%	10.6%	9.9%	7.9%	6.3%	5.8%	5.0%	4.8%	4.4%	3.7%	3.2%	2.4%	2.5%	1.8%
2018	4.8%	8.0%	10.6%	10.1%	7.8%	6.3%	5.5%	5.0%	3.9%	3.8%	3.3%	3.0%	2.7%	2.5%	2.0%
2019	4.7%	7.9%	10.7%	10.3%	6.5%	5.6%	4.9%	4.6%	4.2%	3.9%	3.4%	3.5%	2.9%	2.8%	2.2%
2020	--	--	--		7.6%	5.5%	5.0%	4.2%	4.6%	4.1%	3.7%	3.5%	2.6%	2.7%	2.3%
2021	5.3%	8.2%	10.4%	10.3%	7.9%	5.6%	4.8%	4.6%	3.8%	3.7%	3.5%				
2022	5.0%	8.4%	10.4%	10.7%	7.1%	5.7%	5.0%								
2023	5.0%	8.2%	11.3%												

Notes All figures in each accident year contain information from the same combination of insurers, all of whom submitted complete data for all evaluations for that accident year. Therefore, each accident year may contain a different mix of insurers (ranging from 91% to 99% of the total California workers' compensation insured market measured using 2023 earned premium levels).

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

California Workers' Compensation Estimated Indemnity Claim Frequency by Accident Year



Note:

The 2023 estimates are based on a comparison of claim counts based on WCIRB accident year experience as of December 31, 2023 relative to the estimated change in statewide employment. Experience excludes COVID-19 claims. Prior years are based on unit statistical data.

Summary of COVID-19 Claim Information as of December 31, 2023

AY2020 @12/31/2023	Based on 100% of the Market			Average per Indemnity Claim			Average per Total Claim		
	COVID-19 Claims	4Q-2023 Data Call	COVID-19 Percentage	COVID-19 Claims	All WC Claims	Without COVID-19 Claims	COVID-19 Claims	All WC Claims	Without COVID-19 Claims
Ind. Paid	150,429,710	2,720,558,277	5.5%	\$8,155	\$17,765	\$19,081	\$5,428	\$7,554	\$7,732
Ind. Reserves	60,803,440	662,238,491	9.2%	\$3,296	\$4,324	\$4,465	\$2,194	\$1,839	\$1,809
Ind. Incurred	211,233,150	3,382,796,768	6.2%	\$11,451	\$22,089	\$23,546	\$7,622	\$9,393	\$9,541
Med. Paid	109,893,667	2,846,556,373	3.9%	\$5,958	\$18,587	\$20,317	\$3,965	\$7,904	\$8,233
Med. Reserves	70,084,477	889,124,006	7.9%	\$3,799	\$5,806	\$6,081	\$2,529	\$2,469	\$2,464
Med. Incurred	179,978,144	3,735,680,379	4.8%	\$9,757	\$24,393	\$26,397	\$6,494	\$10,373	\$10,697
ALAE Paid	41,282,049	1,135,677,756	3.6%	\$2,238	\$7,416	\$8,125	\$1,490	\$3,154	\$3,292
MCCP	6,480,696	217,792,549	3.0%	\$351	\$1,422	\$1,569	\$234	\$605	\$636
Paid on Med-Only Claims	7,497,216	267,569,872	2.8%						
Ind. Paid on Open Ind. Claims	150,429,710	2,720,558,277	5.5%						
Med. Paid on Open Ind. Claims	60,803,440	662,238,491	9.2%						
AY2020 Claim Counts									
# of Open Indemnity Claims	1,217	28,569	4.3%						
# of Med-Only Claims	9,269	206,984	4.5%						
# of Indemnity Claims	18,446	153,145	12.0%						
Total Number of Claims	27,715	360,129	7.7%						

AY2021 @12/31/2023	Based on 100% of the Market			Average per Indemnity Claim			Average per Total Claim		
	COVID-19 Claims	4Q-2023 Data Call	COVID-19 Percentage	COVID-19 Claims	All WC Claims	Without COVID-19 Claims	COVID-19 Claims	All WC Claims	Without COVID-19 Claims
Ind. Paid	40,663,811	2,353,839,091	1.7%	\$5,512	\$15,172	\$15,654	\$3,673	\$6,117	\$6,190
Ind. Reserves	21,907,472	879,552,423	2.5%	\$2,970	\$5,669	\$5,804	\$1,979	\$2,286	\$2,295
Ind. Incurred	62,571,283	3,233,391,514	1.9%	\$8,482	\$20,841	\$21,459	\$5,652	\$8,403	\$8,485
Med. Paid	28,958,253	2,493,167,160	1.2%	\$3,925	\$16,070	\$16,677	\$2,616	\$6,479	\$6,594
Med. Reserves	24,092,443	1,190,952,173	2.0%	\$3,266	\$7,677	\$7,897	\$2,176	\$3,095	\$3,122
Med. Incurred	53,050,696	3,684,119,333	1.4%	\$7,191	\$23,747	\$24,573	\$4,792	\$9,574	\$9,716
ALAE Paid	12,456,228	964,870,838	1.3%	\$1,689	\$6,219	\$6,445	\$1,125	\$2,508	\$2,548
MCCP	1,863,049	202,220,509	0.9%	\$253	\$1,303	\$1,356	\$168	\$526	\$536
Paid on Med-Only Claims	2,756,913	283,056,915	1.0%						
Ind. Paid on Open Ind. Claims	40,663,811	2,353,839,091	1.7%						
Med. Paid on Open Ind. Claims	21,907,472	879,552,423	2.5%						
AY2021 Claim Counts									
# of Open Indemnity Claims	682	44,858	1.5%						
# of Med-Only Claims	3,694	229,645	1.6%						
# of Indemnity Claims	7,377	155,142	4.8%						
Total Number of Claims	11,071	384,787	2.9%						

AY2022 @12/31/2023	Based on 100% of the Market			Average per Indemnity Claim			Average per Total Claim		
	COVID-19 Claims	4Q-2023 Data Call	COVID-19 Percentage	COVID-19 Claims	All WC Claims	Without COVID-19 Claims	COVID-19 Claims	All WC Claims	Without COVID-19 Claims
Ind. Paid	10,233,685	1,716,830,999	0.6%	\$1,630	\$10,746	\$11,119	\$1,064	\$4,344	\$4,426
Ind. Reserves	6,455,067	1,113,403,229	0.6%	\$1,028	\$6,969	\$7,212	\$671	\$2,817	\$2,871
Ind. Incurred	16,688,752	2,830,234,228	0.6%	\$2,657	\$17,715	\$18,331	\$1,735	\$7,162	\$7,297
Med. Paid	5,103,634	1,859,612,275	0.3%	\$813	\$11,640	\$12,083	\$531	\$4,706	\$4,810
Med. Reserves	6,289,416	1,530,690,358	0.4%	\$1,001	\$9,581	\$9,932	\$654	\$3,873	\$3,954
Med. Incurred	11,393,050	3,390,302,633	0.3%	\$1,814	\$21,220	\$22,014	\$1,184	\$8,579	\$8,764
ALAE Paid	3,430,145	712,447,602	0.5%	\$546	\$4,459	\$4,619	\$357	\$1,803	\$1,839
MCCP	495,987	154,768,699	0.3%	\$79	\$969	\$1,005	\$52	\$392	\$400
Paid on Med-Only Claims	836,278	274,221,735	0.3%						
Ind. Paid on Open Ind. Claims	10,233,685	1,716,830,999	0.6%						
Med. Paid on Open Ind. Claims	6,455,067	1,113,403,229	0.6%						
AY2022 Claim Counts									
# of Open Indemnity Claims	509	68,702	0.7%						
# of Med-Only Claims	3,339	235,411	1.4%						
# of Indemnity Claims	6,280	159,767	3.9%						
Total Number of Claims	9,619	395,178	2.4%						

AY2023 @12/31/2023	Based on 100% of the Market			Average per Indemnity Claim			Average per Total Claim		
	COVID-19 Claims	4Q-2023 Data Call	COVID-19 Percentage	COVID-19 Claims	All WC Claims	Without COVID-19 Claims	COVID-19 Claims	All WC Claims	Without COVID-19 Claims
Ind. Paid	2,309,835	607,192,287	0.4%	\$898	\$4,677	\$4,753	\$736	\$1,852	\$1,863
Ind. Reserves	1,226,861	884,962,558	0.1%	\$477	\$6,816	\$6,944	\$391	\$2,699	\$2,722
Ind. Incurred	3,536,696	1,492,154,845	0.2%	\$1,375	\$11,493	\$11,697	\$1,127	\$4,551	\$4,584
Med. Paid	356,000	744,675,330	0.0%	\$138	\$5,736	\$5,849	\$113	\$2,271	\$2,292
Med. Reserves	2,329,100	1,575,984,053	0.1%	\$906	\$12,138	\$12,365	\$742	\$4,807	\$4,846
Med. Incurred	2,685,100	2,320,659,383	0.1%	\$1,044	\$17,874	\$18,214	\$855	\$7,078	\$7,138
ALAE Paid	289,701	235,650,566	0.1%	\$113	\$1,815	\$1,849	\$92	\$719	\$725
MCCP	44,113	69,535,483	0.1%	\$17	\$536	\$546	\$14	\$212	\$214
Paid on Med-Only Claims	43,984	183,750,599	0.0%						
Ind. Paid on Open Ind. Claims	2,309,835	607,192,287	0.4%						
Med. Paid on Open Ind. Claims	1,226,861	884,962,558	0.1%						
AY2023 Claim Counts									
# of Open Indemnity Claims	408	86,682	0.5%						
# of Med-Only Claims	567	198,026	0.3%						
# of Indemnity Claims	2,572	129,834	2.0%						
Total Number of Claims	3,139	327,860	1.0%						

Source: WCIRB accident year experience calls.

Item AC24-03-03

Impact of Injury Type Mix Shifts on Development and Trend

Since accident year 2016, the proportion of indemnity claims that involve only temporary disability has increased while the proportion that involve permanent disability has declined.¹ Temporary-only claims on average cost less than permanent disability claims and can have different loss development patterns. This shift in the mix of injury types and the potential impact on loss development and trend projections has been discussed by the Actuarial Committee and in recent California Department of Insurance pure premium rate filing decisions.

Loss Development Impact

The different types of injuries can have different loss development patterns. Exhibits 1 to 4 estimate the impact of shifts in the injury type distribution on loss development for policy years 2011 through 2020. In this analysis, the injury type is fixed at first report level so that the loss development pattern of those specific claims can be “tracked” over time. For example, the development factor for second report level to third report level shown for an injury type is based on the second-to-third development of claims reported for that injury type at *first* report level. If this is not done, the development patterns would include claims shifting between the injury types over time that would mask the actual claim development within the injury type. This also more closely approximates the maturity of the claims from accident years used as the basis of the loss ratio projections, which are typically at 12 and 24 months.

Exhibits 1.1 to 1.3 show the impact on incurred indemnity development. Exhibit 1.1 shows the distribution of incurred indemnity by injury type reported at first report level. The more serious injury types of death, permanent total disability, and permanent partial disability are combined as the former two injury types represent a low claim volume. The shift in injury types over time can be observed by the growing share of temporary-only losses at first report level through 2021. Exhibit 1.2 shows the incurred indemnity loss development patterns by injury type based on the injury type reported at first report level. Although there are, by definition, no indemnity losses on medical-only claims at first report level, some of those claims will later transition to indemnity and develop indemnity losses at later report levels. The top section of Exhibit 1.3 shows the total incurred indemnity development weighted by injury type using the historical injury type weights. The middle section of Exhibit 1.3 shows the total incurred indemnity development weighted by the *most recent* injury type weights at each report level. The bottom section of Exhibit 1.3 shows the impact of using the reweighted incurred indemnity development compared to the historical weighted development. Exhibits 2, 3, and 4 show analogous information for incurred medical, paid indemnity, and paid medical, respectively.

Under this approach, the impact of injury type shifts on loss development is modest, particularly for paid development. One reason for this is the transition of claims to different injury types over time. Although temporary-only claims cost less than permanent disability claims on average, many temporary-only claims at first report level will later transition to be permanent disability claims, which shows up in the development patterns for temporary-only claims in this approach. These late-developing claims often cost more and develop higher than average. As a result, and as shown in Exhibits 3.2 and 4.2, the differences in paid development patterns for permanent disability and temporary-only claims are modest. Secondly, the recent shift to more temporary-only claims is already evident at first report level. This will manifest as a lower reported loss ratio base at the early maturities, to which the development factor is applied. Although this will then result in a lower ultimate loss ratio (due to the lower base), it does not necessarily mean the *development factor* needs to be adjusted, as the shift is already accounted for in the base.

Although the development pattern of claims based on their *ultimate* injury type may show a different pattern, it is difficult to review since the ultimate injury type of more recent claims is not yet known. As a result, it would be challenging to consistently review and compute an adjustment to loss development

¹ See Exhibit M4 of Item AC24-03-01 of this Agenda.

based on a “back tracking” approach. Staff explored such an approach and did not find the results to be meaningful due to these restrictions.

Based on this review, staff does not believe the shifting mix in the injury type distribution is significantly distorting loss development projections.

Severity Trend Impact

The increase in the share of temporary-only claims dampens overall indemnity claim severity trends over time as these types of claims cost less than permanent disability claims. Exhibits 5 and 6 quantify this impact by restating the historical severities using the current injury type loss distribution. Exhibit 5 shows the ultimate indemnity cost per indemnity claim using the historical injury type distribution for that accident year. Claim counts and losses based on unit statistical data for each injury type are separately developed to ultimate and then combined to compute the average indemnity severity. These figures may differ from other measures of ultimate indemnity severity which are based on aggregate financial data and are developed in aggregate.

Exhibit 5 also shows the indemnity severity by accident year weighted using the latest year (2022) loss distribution by injury type. It is a weighted average of the 2022 injury type distribution applied to the ultimate severity by injury type for each historical accident year. Exhibit 6 shows analogous information for the ultimate medical cost per indemnity claim.

As shown in Exhibits 5 and 6, the average (not on-leveled) severity trend is approximately 2 to 3 percentage points higher per year after restating the severities using the current injury type weights. If the shift to a greater proportion of temporary-only claims is not expected to continue, using the historical severity trends as the basis of the projection may understate the severity trend projections. However, if this shift is expected to continue, it may be appropriate to reflect some of this change in the projected severity trends.

Share of Incurred Indemnity by Injury Type

All Permanent Injury Types*										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	69.2%	62.7%	60.1%	58.7%	58.0%	57.9%	57.8%	57.7%	57.7%	57.6%
2012	63.7%	56.3%	53.7%	52.4%	51.9%	51.9%	51.7%	51.7%	51.7%	51.7%
2013	60.1%	53.8%	51.4%	50.4%	49.9%	49.8%	49.7%	49.7%	49.6%	
2014	62.7%	55.9%	53.2%	52.5%	52.0%	51.9%	51.8%	51.6%		
2015	62.9%	56.0%	53.8%	52.9%	52.5%	52.3%	52.3%			
2016	62.0%	55.6%	53.6%	52.7%	52.4%	52.2%				
2017	61.0%	54.3%	52.3%	51.1%	50.6%					
2018	60.3%	53.5%	51.0%	50.0%						
2019	60.5%	54.2%	51.7%							
2020	55.6%	49.5%								
2021	50.2%									

Temporary-Only										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	30.8%	34.0%	35.2%	35.9%	36.2%	36.2%	36.2%	36.3%	36.3%	36.3%
2012	36.3%	40.3%	41.6%	42.4%	42.6%	42.5%	42.7%	42.7%	42.6%	42.7%
2013	39.9%	42.9%	44.0%	44.4%	44.6%	44.7%	44.8%	44.7%	44.8%	
2014	37.3%	40.8%	42.2%	42.5%	42.6%	42.6%	42.7%	42.9%		
2015	37.1%	40.6%	41.6%	41.9%	42.0%	42.1%	42.1%			
2016	38.0%	41.2%	41.9%	42.3%	42.4%	42.4%				
2017	39.0%	42.4%	43.3%	43.9%	44.1%					
2018	39.7%	43.4%	44.6%	45.0%						
2019	39.5%	42.6%	43.8%							
2020	44.4%	47.4%								
2021	49.7%									

Medical-Only										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	--	3.3%	4.7%	5.4%	5.8%	6.0%	6.0%	6.0%	6.1%	6.1%
2012	--	3.4%	4.7%	5.3%	5.5%	5.6%	5.6%	5.6%	5.6%	5.6%
2013	--	3.3%	4.6%	5.2%	5.5%	5.6%	5.6%	5.6%	5.6%	
2014	--	3.3%	4.6%	5.1%	5.4%	5.5%	5.6%	5.6%		
2015	--	3.4%	4.6%	5.2%	5.5%	5.5%	5.6%			
2016	--	3.3%	4.5%	5.0%	5.2%	5.3%				
2017	--	3.3%	4.4%	5.0%	5.3%					
2018	--	3.1%	4.4%	5.0%						
2019	--	3.1%	4.5%							
2020	--	3.1%								
2021	--									

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Incurred Indemnity Development by Injury Type

<u>Policy Year</u>	All Permanent Injury Types*								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.177	1.097	1.046	1.023	1.022	1.015	1.007	1.008	1.005
2012	1.225	1.086	1.041	1.025	1.026	1.007	1.016	1.005	1.004
2013	1.225	1.086	1.039	1.021	1.015	1.007	1.010	1.000	
2014	1.221	1.081	1.045	1.020	1.014	1.008	1.003		
2015	1.214	1.080	1.034	1.016	1.014	1.009			
2016	1.198	1.075	1.029	1.020	1.015				
2017	1.177	1.076	1.022	1.014					
2018	1.182	1.058	1.031						
2019	1.188	1.066							
2020	1.182								

<u>Policy Year</u>	Temporary-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.434	1.187	1.093	1.041	1.025	1.016	1.012	1.009	1.008
2012	1.536	1.177	1.085	1.041	1.021	1.017	1.013	1.005	1.007
2013	1.471	1.168	1.071	1.035	1.019	1.012	1.009	1.003	
2014	1.498	1.176	1.066	1.031	1.018	1.010	1.013		
2015	1.492	1.149	1.060	1.029	1.019	1.009			
2016	1.450	1.136	1.055	1.029	1.017				
2017	1.434	1.142	1.060	1.029					
2018	1.462	1.136	1.062						
2019	1.432	1.149							
2020	1.419								

<u>Policy Year</u>	Medical-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	--	1.623	1.226	1.113	1.053	1.029	1.007	1.015	1.009
2012	--	1.558	1.192	1.082	1.044	1.020	1.005	1.009	1.005
2013	--	1.589	1.188	1.090	1.037	1.013	1.010	1.013	
2014	--	1.583	1.176	1.095	1.040	1.021	1.010		
2015	--	1.496	1.189	1.081	1.029	1.018			
2016	--	1.516	1.170	1.078	1.038				
2017	--	1.486	1.174	1.089					
2018	--	1.574	1.191						
2019	--	1.597							
2020	--								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Weighted Incurred Indemnity Development

<u>Policy Year</u>	Using Historical Weights								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.256	1.145	1.071	1.034	1.025	1.016	1.009	1.009	1.007
2012	1.338	1.139	1.066	1.035	1.025	1.012	1.014	1.005	1.005
2013	1.323	1.138	1.060	1.031	1.018	1.010	1.010	1.002	
2014	1.324	1.136	1.060	1.029	1.017	1.010	1.008		
2015	1.317	1.122	1.052	1.025	1.017	1.009			
2016	1.294	1.114	1.046	1.027	1.017				
2017	1.277	1.117	1.045	1.024					
2018	1.293	1.108	1.052						
2019	1.285	1.118							
2020	1.287								

<u>Policy Year</u>	Using Current Weights*								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.305	1.156	1.075	1.036	1.025	1.016	1.009	1.009	1.007
2012	1.380	1.144	1.067	1.035	1.025	1.012	1.014	1.005	1.005
2013	1.347	1.141	1.060	1.031	1.018	1.010	1.010	1.002	
2014	1.358	1.141	1.060	1.029	1.017	1.010	1.008		
2015	1.352	1.126	1.052	1.025	1.017	1.009			
2016	1.323	1.117	1.047	1.027	1.017				
2017	1.305	1.120	1.045	1.025					
2018	1.321	1.111	1.052						
2019	1.310	1.122							
2020	1.300								

<u>Policy Year</u>	Difference (Impact of Reweighting)								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.039	1.009	1.003	1.001	1.000	1.000	1.000	1.000	1.000
2012	1.031	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000
2013	1.018	1.002	1.000	1.000	1.000	1.000	1.000	1.000	
2014	1.026	1.005	1.000	1.000	1.000	1.000	1.000		
2015	1.027	1.003	1.000	1.000	1.000	1.000			
2016	1.023	1.003	1.000	1.000	1.000				
2017	1.021	1.002	1.000	1.000					
2018	1.022	1.003	1.000						
2019	1.019	1.003							
2020	1.010								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Current Weights calculated using most recent injury type at that report level

Share of Incurred Medical by Injury Type

Policy Year	All Permanent Injury Types* Report Level									
	1	2	3	4	5	6	7	8	9	10
2011	60.3%	58.7%	57.5%	56.8%	56.3%	55.7%	55.6%	55.4%	55.4%	55.3%
2012	56.9%	53.9%	52.5%	51.9%	51.5%	51.5%	51.4%	51.4%	51.3%	51.1%
2013	53.6%	50.6%	49.3%	48.5%	48.3%	48.1%	48.0%	47.9%	47.8%	
2014	55.6%	52.9%	51.6%	51.0%	50.9%	50.6%	50.4%	50.3%		
2015	54.6%	52.4%	51.7%	50.9%	50.6%	50.3%	49.8%			
2016	55.1%	52.2%	51.4%	50.9%	50.5%	50.2%				
2017	54.7%	51.8%	50.7%	50.0%	49.7%					
2018	51.9%	49.3%	48.5%	48.1%						
2019	54.5%	51.9%	50.3%							
2020	51.4%	48.9%								
2021	45.7%									

Policy Year	Temporary-Only Report Level									
	1	2	3	4	5	6	7	8	9	10
2011	29.0%	30.3%	31.4%	32.1%	32.6%	33.1%	33.2%	33.3%	33.3%	33.4%
2012	32.5%	35.0%	36.2%	36.8%	37.3%	37.3%	37.4%	37.3%	37.4%	37.6%
2013	35.6%	37.8%	39.1%	39.9%	40.0%	40.2%	40.2%	40.3%	40.4%	
2014	32.9%	35.0%	36.3%	36.9%	37.0%	37.2%	37.4%	37.6%		
2015	33.3%	34.9%	35.7%	36.3%	36.5%	36.8%	37.2%			
2016	32.7%	35.0%	35.8%	36.2%	36.5%	36.7%				
2017	33.1%	35.2%	36.2%	36.8%	37.0%					
2018	35.4%	37.5%	38.2%	38.6%						
2019	33.9%	35.9%	37.3%							
2020	36.9%	38.9%								
2021	41.7%									

Policy Year	Medical-Only Report Level									
	1	2	3	4	5	6	7	8	9	10
2011	10.7%	11.0%	11.0%	11.1%	11.1%	11.2%	11.3%	11.3%	11.3%	11.3%
2012	10.6%	11.1%	11.3%	11.3%	11.3%	11.2%	11.2%	11.2%	11.3%	11.3%
2013	10.8%	11.6%	11.6%	11.6%	11.7%	11.7%	11.7%	11.8%	11.8%	
2014	11.5%	12.1%	12.0%	12.1%	12.1%	12.2%	12.2%	12.1%		
2015	12.1%	12.7%	12.6%	12.8%	12.9%	12.9%	13.0%			
2016	12.2%	12.8%	12.8%	12.9%	13.0%	13.1%				
2017	12.2%	12.9%	13.0%	13.2%	13.3%					
2018	12.6%	13.1%	13.3%	13.4%						
2019	11.6%	12.2%	12.5%							
2020	11.6%	12.2%								
2021	12.5%									

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Incurred Medical Development by Injury Type

Policy Year	All Permanent Injury Types*								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.137	1.097	1.052	1.022	1.007	1.004	1.000	1.003	1.000
2012	1.154	1.070	1.043	1.018	1.015	1.009	1.007	0.998	0.995
2013	1.113	1.065	1.019	1.019	1.008	1.003	1.001	1.000	
2014	1.112	1.061	1.019	1.020	1.005	1.002	1.005		
2015	1.133	1.050	1.009	1.014	1.002	0.993			
2016	1.079	1.031	1.022	1.006	1.005				
2017	1.075	1.034	1.012	1.013					
2018	1.095	1.046	1.032						
2019	1.102	1.038							
2020	1.117								

Policy Year	Temporary-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.221	1.159	1.090	1.046	1.033	1.010	1.008	1.003	1.006
2012	1.309	1.138	1.070	1.042	1.014	1.013	1.007	1.003	1.004
2013	1.253	1.128	1.059	1.026	1.018	1.005	1.004	1.004	
2014	1.247	1.127	1.049	1.024	1.016	1.010	1.014		
2015	1.238	1.089	1.042	1.026	1.015	1.012			
2016	1.218	1.073	1.042	1.022	1.017				
2017	1.207	1.086	1.043	1.027					
2018	1.220	1.085	1.050						
2019	1.222	1.114							
2020	1.238								

Policy Year	Medical-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.200	1.120	1.073	1.032	1.023	1.015	1.004	1.003	1.004
2012	1.281	1.114	1.057	1.026	1.011	1.010	1.007	1.002	1.004
2013	1.266	1.089	1.040	1.024	1.018	1.007	1.005	1.002	
2014	1.230	1.079	1.039	1.024	1.015	1.004	1.005		
2015	1.236	1.062	1.044	1.022	1.013	1.006			
2016	1.194	1.054	1.035	1.023	1.015				
2017	1.204	1.064	1.043	1.026					
2018	1.200	1.079	1.043						
2019	1.217	1.093							
2020	1.231								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Weighted Incurred Medical Development

Policy Year	Using Historical Weights								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.168	1.118	1.066	1.031	1.018	1.007	1.003	1.003	1.002
2012	1.218	1.099	1.054	1.028	1.014	1.011	1.007	1.001	0.999
2013	1.179	1.091	1.037	1.022	1.013	1.004	1.003	1.002	
2014	1.170	1.086	1.033	1.022	1.010	1.005	1.008		
2015	1.181	1.065	1.025	1.020	1.008	1.002			
2016	1.138	1.049	1.031	1.014	1.011				
2017	1.135	1.056	1.028	1.020					
2018	1.153	1.065	1.041						
2019	1.156	1.072							
2020	1.175								

Policy Year	Using Current Weights*								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.180	1.124	1.069	1.033	1.019	1.008	1.004	1.003	1.003
2012	1.235	1.102	1.055	1.028	1.014	1.011	1.007	1.001	1.000
2013	1.190	1.092	1.036	1.022	1.013	1.004	1.003	1.001	
2014	1.183	1.089	1.033	1.022	1.010	1.005	1.008		
2015	1.190	1.067	1.026	1.020	1.008	1.002			
2016	1.151	1.050	1.031	1.015	1.011				
2017	1.146	1.058	1.028	1.020					
2018	1.161	1.065	1.040						
2019	1.167	1.074							
2020	1.182								

Policy Year	Difference (Impact of Reweighting)								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.010	1.005	1.002	1.002	1.001	1.000	1.000	1.000	1.000
2012	1.014	1.003	1.000	1.001	1.000	1.000	1.000	1.000	1.000
2013	1.010	1.001	0.999	1.000	1.000	1.000	1.000	1.000	
2014	1.011	1.002	1.000	1.000	1.000	1.000	1.000		
2015	1.008	1.001	1.000	1.000	1.000	1.000			
2016	1.011	1.001	1.000	1.000	1.000				
2017	1.010	1.002	1.000	1.000					
2018	1.007	1.000	1.000						
2019	1.009	1.002							
2020	1.006								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Current Weights calculated using most recent injury type at that report level

Share of Paid Indemnity by Injury Type

All Permanent Injury Types										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	62.0%	61.4%	59.3%	58.3%	57.6%	57.5%	57.5%	57.5%	57.5%	57.5%
2012	56.1%	54.7%	53.0%	51.7%	51.3%	51.2%	51.1%	51.3%	51.3%	51.3%
2013	52.8%	52.0%	50.5%	49.8%	49.5%	49.4%	49.3%	49.4%	49.4%	
2014	55.0%	54.2%	52.7%	52.1%	51.8%	51.7%	51.7%	51.7%		
2015	56.1%	54.6%	53.1%	52.4%	52.1%	52.1%	52.2%			
2016	55.2%	54.3%	53.0%	52.3%	52.0%	51.9%				
2017	53.7%	52.8%	51.9%	51.0%	50.5%					
2018	53.1%	52.0%	50.4%	49.4%						
2019	52.5%	52.1%	51.0%							
2020	47.2%	47.4%								
2021	43.2%									

Temporary-Only										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	38.0%	36.2%	36.7%	36.8%	36.8%	36.7%	36.7%	36.5%	36.5%	36.4%
2012	43.9%	42.9%	43.0%	43.6%	43.5%	43.4%	43.3%	43.1%	43.1%	43.0%
2013	47.2%	45.7%	45.6%	45.5%	45.3%	45.2%	45.1%	45.0%	45.0%	
2014	45.0%	43.5%	43.5%	43.3%	43.1%	43.0%	42.9%	42.8%		
2015	43.9%	42.9%	42.9%	42.8%	42.7%	42.6%	42.4%			
2016	44.8%	43.3%	43.2%	43.1%	43.0%	42.9%				
2017	46.3%	44.9%	44.5%	44.6%	44.6%					
2018	46.9%	46.0%	46.0%	46.2%						
2019	47.5%	45.7%	45.4%							
2020	52.8%	50.4%								
2021	56.8%									

Medical-Only										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	-	2.4%	4.0%	4.9%	5.6%	5.8%	5.9%	6.0%	6.0%	6.0%
2012	-	2.4%	4.0%	4.8%	5.2%	5.4%	5.5%	5.6%	5.6%	5.7%
2013	-	2.3%	3.9%	4.8%	5.2%	5.4%	5.5%	5.6%	5.6%	
2014	-	2.3%	3.8%	4.6%	5.1%	5.3%	5.4%	5.5%		
2015	-	2.5%	4.0%	4.7%	5.1%	5.3%	5.4%			
2016	-	2.3%	3.8%	4.6%	5.0%	5.2%				
2017	-	2.2%	3.6%	4.4%	4.9%					
2018	-	2.0%	3.6%	4.4%						
2019	-	2.2%	3.6%							
2020	-	2.2%								
2021	-									

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Paid Indemnity Development by Injury Type

Policy Year	All Permanent Injury Types								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.756	1.305	1.149	1.077	1.056	1.038	1.027	1.016	1.014
2012	1.864	1.298	1.134	1.080	1.048	1.029	1.026	1.015	1.012
2013	1.868	1.307	1.135	1.075	1.041	1.027	1.019	1.012	
2014	1.890	1.297	1.139	1.070	1.040	1.029	1.020		
2015	1.847	1.286	1.122	1.062	1.041	1.030			
2016	1.836	1.268	1.108	1.065	1.040				
2017	1.804	1.271	1.114	1.061					
2018	1.755	1.268	1.112						
2019	1.799	1.279							
2020	1.777								

Policy Year	Temporary-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.693	1.371	1.172	1.088	1.057	1.037	1.021	1.014	1.012
2012	1.869	1.342	1.177	1.085	1.048	1.030	1.017	1.015	1.010
2013	1.835	1.343	1.147	1.077	1.041	1.025	1.015	1.013	
2014	1.854	1.332	1.148	1.072	1.036	1.028	1.019		
2015	1.858	1.323	1.133	1.066	1.038	1.024			
2016	1.806	1.296	1.121	1.069	1.040				
2017	1.782	1.284	1.136	1.070					
2018	1.756	1.309	1.140						
2019	1.744	1.299							
2020	1.690								

Policy Year	Medical-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	-	2.278	1.449	1.231	1.097	1.057	1.042	1.026	1.020
2012	-	2.208	1.391	1.189	1.093	1.055	1.031	1.020	1.018
2013	-	2.280	1.416	1.178	1.091	1.051	1.024	1.020	
2014	-	2.236	1.388	1.193	1.085	1.054	1.026		
2015	-	2.126	1.361	1.153	1.080	1.048			
2016	-	2.116	1.355	1.171	1.079				
2017	-	2.085	1.396	1.192					
2018	-	2.284	1.396						
2019	-	2.204							
2020	-								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Weighted Paid Indemnity Development

Policy Year	Using Historical Weights								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.732	1.352	1.169	1.088	1.059	1.039	1.026	1.016	1.014
2012	1.866	1.339	1.163	1.087	1.050	1.031	1.022	1.015	1.011
2013	1.852	1.346	1.151	1.081	1.044	1.027	1.018	1.012	
2014	1.874	1.334	1.152	1.076	1.041	1.030	1.020		
2015	1.851	1.322	1.136	1.068	1.042	1.028			
2016	1.822	1.300	1.123	1.071	1.042				
2017	1.794	1.295	1.134	1.071					
2018	1.756	1.308	1.135						
2019	1.773	1.308							
2020	1.731								

Policy Year	Using Current Weights*								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.720	1.359	1.170	1.089	1.059	1.039	1.025	1.016	1.014
2012	1.866	1.340	1.163	1.087	1.050	1.031	1.022	1.015	1.011
2013	1.849	1.347	1.151	1.080	1.044	1.027	1.018	1.012	
2014	1.869	1.335	1.152	1.076	1.040	1.030	1.020		
2015	1.853	1.323	1.135	1.068	1.041	1.028			
2016	1.819	1.301	1.123	1.071	1.042				
2017	1.792	1.295	1.134	1.071					
2018	1.756	1.311	1.135						
2019	1.768	1.309							
2020	1.728								

Policy Year	Difference (Impact of Reweighting)								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	0.993	1.006	1.001	1.000	1.000	1.000	1.000	1.000	1.000
2012	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2013	0.998	1.001	0.999	1.000	1.000	1.000	1.000	1.000	
2014	0.998	1.001	1.000	1.000	1.000	1.000	1.000		
2015	1.001	1.000	1.000	1.000	1.000	1.000			
2016	0.998	1.001	1.000	1.000	1.000				
2017	0.999	1.000	1.000	1.000					
2018	1.000	1.003	1.000						
2019	0.997	1.001							
2020	0.998								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Current Weights calculated using most recent injury type at that report level

Share of Paid Medical by Injury Type

All Permanent Injury Types										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	49.8%	53.9%	54.6%	54.6%	54.7%	54.9%	55.0%	55.1%	55.0%	55.0%
2012	47.2%	49.3%	49.8%	49.7%	50.0%	50.0%	50.1%	50.2%	50.2%	50.4%
2013	43.6%	46.1%	46.6%	46.8%	47.0%	47.0%	47.1%	47.3%	47.4%	
2014	46.0%	48.7%	49.3%	49.6%	49.8%	50.0%	50.0%	50.1%		
2015	45.1%	47.8%	48.5%	48.8%	49.0%	49.2%	49.3%			
2016	45.1%	47.8%	48.4%	48.6%	48.9%	48.9%				
2017	44.5%	47.2%	48.0%	48.0%	47.9%					
2018	42.9%	45.9%	46.4%	46.3%						
2019	44.5%	47.7%	48.2%							
2020	41.8%	43.9%								
2021	38.0%									

Temporary-Only										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	31.3%	31.9%	32.7%	33.2%	33.4%	33.4%	33.4%	33.3%	33.4%	33.4%
2012	34.1%	36.6%	37.5%	38.1%	38.1%	38.1%	38.2%	38.2%	38.2%	38.1%
2013	37.3%	39.3%	40.2%	40.7%	40.7%	40.7%	40.7%	40.6%	40.5%	
2014	34.3%	36.2%	37.1%	37.4%	37.5%	37.4%	37.4%	37.4%		
2015	34.5%	36.6%	37.1%	37.4%	37.4%	37.4%	37.3%			
2016	34.4%	36.2%	37.0%	37.3%	37.2%	37.3%				
2017	34.7%	36.7%	37.2%	37.6%	37.9%					
2018	36.3%	37.9%	38.8%	39.4%						
2019	35.7%	37.1%	38.0%							
2020	39.1%	40.8%								
2021	42.5%									

Medical-Only										
Report Level										
Policy Year	1	2	3	4	5	6	7	8	9	10
2011	18.9%	14.1%	12.7%	12.2%	12.0%	11.7%	11.6%	11.6%	11.6%	11.6%
2012	18.7%	14.1%	12.7%	12.2%	11.9%	11.8%	11.8%	11.7%	11.6%	11.6%
2013	19.1%	14.5%	13.1%	12.6%	12.3%	12.3%	12.2%	12.1%	12.1%	
2014	19.7%	15.1%	13.6%	13.0%	12.8%	12.7%	12.6%	12.5%		
2015	20.4%	15.7%	14.4%	13.9%	13.6%	13.5%	13.4%			
2016	20.5%	16.0%	14.6%	14.1%	13.9%	13.7%				
2017	20.8%	16.1%	14.8%	14.3%	14.2%					
2018	20.8%	16.3%	14.8%	14.3%						
2019	19.8%	15.2%	13.9%							
2020	19.1%	15.2%								
2021	19.5%									

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Paid Medical Development by Injury Type

Policy Year	All Permanent Injury Types								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.673	1.343	1.169	1.099	1.073	1.042	1.027	1.016	1.013
2012	1.720	1.309	1.160	1.099	1.052	1.038	1.023	1.016	1.021
2013	1.720	1.302	1.148	1.084	1.050	1.032	1.026	1.016	
2014	1.693	1.285	1.148	1.081	1.050	1.034	1.027		
2015	1.684	1.277	1.135	1.079	1.047	1.034			
2016	1.638	1.248	1.117	1.082	1.046				
2017	1.624	1.253	1.122	1.069					
2018	1.626	1.269	1.131						
2019	1.716	1.286							
2020	1.677								

Policy Year	Temporary-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.575	1.359	1.188	1.103	1.068	1.041	1.023	1.019	1.014
2012	1.762	1.331	1.182	1.091	1.053	1.036	1.022	1.017	1.012
2013	1.710	1.317	1.158	1.080	1.050	1.029	1.018	1.013	
2014	1.691	1.303	1.149	1.078	1.043	1.035	1.023		
2015	1.685	1.278	1.135	1.072	1.045	1.030			
2016	1.631	1.258	1.120	1.072	1.049				
2017	1.621	1.248	1.135	1.077					
2018	1.585	1.283	1.152						
2019	1.660	1.304							
2020	1.667								

Policy Year	Medical-Only								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.153	1.188	1.123	1.077	1.048	1.032	1.023	1.014	1.012
2012	1.241	1.171	1.116	1.066	1.043	1.029	1.016	1.010	1.010
2013	1.236	1.165	1.095	1.060	1.042	1.023	1.015	1.013	
2014	1.222	1.148	1.091	1.059	1.037	1.026	1.016		
2015	1.222	1.154	1.087	1.052	1.034	1.024			
2016	1.204	1.122	1.081	1.054	1.036				
2017	1.192	1.128	1.087	1.061					
2018	1.190	1.141	1.092						
2019	1.228	1.160							
2020	1.271								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Includes permanent partial, permanent total, and death

Weighted Paid Medical Development

Policy Year	Using Historical Weights								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.544	1.326	1.169	1.098	1.068	1.041	1.025	1.017	1.013
2012	1.645	1.298	1.163	1.092	1.051	1.036	1.022	1.016	1.016
2013	1.624	1.288	1.145	1.079	1.049	1.030	1.022	1.015	
2014	1.599	1.271	1.140	1.077	1.046	1.033	1.024		
2015	1.590	1.258	1.128	1.073	1.045	1.031			
2016	1.546	1.231	1.113	1.074	1.046				
2017	1.533	1.231	1.122	1.071					
2018	1.520	1.254	1.133						
2019	1.600	1.273							
2020	1.595								

Policy Year	Using Current Weights*								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	1.530	1.326	1.170	1.097	1.068	1.041	1.025	1.017	1.013
2012	1.645	1.297	1.162	1.091	1.051	1.036	1.022	1.016	1.016
2013	1.621	1.287	1.144	1.079	1.049	1.030	1.022	1.015	
2014	1.600	1.272	1.140	1.076	1.046	1.033	1.024		
2015	1.594	1.259	1.129	1.072	1.044	1.031			
2016	1.550	1.233	1.113	1.074	1.046				
2017	1.539	1.232	1.122	1.071					
2018	1.524	1.255	1.134						
2019	1.598	1.274							
2020	1.593								

Policy Year	Difference (Impact of Reweighting)								
	Report Level								
	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10
2011	0.991	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000
2012	1.000	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000
2013	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	
2014	1.001	1.000	1.000	1.000	1.000	1.000	1.000		
2015	1.003	1.000	1.000	1.000	1.000	1.000			
2016	1.003	1.001	1.000	1.000	1.000				
2017	1.003	1.001	1.000	1.000					
2018	1.002	1.001	1.000						
2019	0.999	1.001							
2020	0.999								

Source: WCIRB unit statistical data

All claims data categorized by report level 1 injury type

*Current Weights calculated using most recent injury type at that report level

Estimated Indemnity Severities

Accident <u>Year</u>	Estimated Ultimate <u>Severity</u>	Annual <u>% Change</u>	Mix-adjusted Ultimate <u>Severity*</u>	Annual <u>% Change</u>
2006	21,368		18,390	
2007	23,109	8.1%	19,542	6.3%
2008	25,132	8.8%	20,607	5.4%
2009	26,077	3.8%	21,059	2.2%
2010	25,388	-2.6%	20,863	-0.9%
2011	24,696	-2.7%	20,445	-2.0%
2012	24,195	-2.0%	20,369	-0.4%
2013	23,250	-3.9%	19,760	-3.0%
2014	23,985	3.2%	20,240	2.4%
2015	24,450	1.9%	20,514	1.4%
2016	24,063	-1.6%	20,490	-0.1%
2017	24,386	1.3%	21,316	4.0%
2018	24,961	2.4%	22,162	4.0%
2019	26,710	7.0%	23,999	8.3%
2020	27,082	1.4%	25,113	4.6%
2021	26,750	-1.2%	26,635	6.1%
2022	27,313	2.1%	27,313	2.5%

	Historical	Mix-adjusted
Estimated Annual Exponential Trend Based on Latest 10 years	1.9%	3.9%
Estimated Annual Exponential Trend Based on Latest 5 years	1.8%	5.4%

Source: WCIRB unit statistical data. Ultimate losses and claim counts are separately developed by injury type.

*Using most recent injury type mix% (2022). See Exhibits M4 and S8 of Item AC24-03-01.

Estimated Medical per Indemnity Claim Severities

Accident <u>Year</u>	Estimated Ultimate <u>Severity</u>	Annual <u>% Change</u>	Mix-adjusted Ultimate <u>Severity*</u>	Annual <u>% Change</u>
2006	32,242		27,704	
2007	35,885	11.3%	30,331	9.5%
2008	38,037	6.0%	31,197	2.9%
2009	39,278	3.3%	31,728	1.7%
2010	38,184	-2.8%	31,332	-1.2%
2011	34,993	-8.4%	28,901	-7.8%
2012	31,967	-8.6%	26,844	-7.1%
2013	28,829	-9.8%	24,415	-9.0%
2014	27,804	-3.6%	23,448	-4.0%
2015	27,208	-2.1%	22,846	-2.6%
2016	26,435	-2.8%	22,515	-1.5%
2017	27,186	2.8%	23,720	5.4%
2018	28,011	3.0%	24,796	4.5%
2019	28,529	1.8%	25,582	3.2%
2020	29,354	2.9%	27,131	6.1%
2021	28,484	-3.0%	28,356	4.5%
2022	27,872	-2.2%	27,872	-1.7%

	Historical	Mix-adjusted
Estimated Annual Exponential Trend Based on Latest 10 years	0.3%	2.3%
Estimated Annual Exponential Trend Based on Latest 5 years	-0.1%	3.4%

Source: WCIRB unit statistical data. Ultimate losses and claim counts are separately developed by injury type.

*Using most recent injury type mix% (2022). See Exhibits M4 and S8 of Item AC24-03-01.

Item AC24-03-04

Treatment of COVID-19 Claims in Ratemaking

Since the pandemic began, thousands of COVID-19 workers' compensation claims have occurred. On May 6, 2020, the Governor issued Executive Order N-62-20, which created a rebuttable presumption for the compensability of COVID-19 workers' compensation claims. The presumption, which was later codified in Senate Bill No. 1159, was effective for COVID-19 claims that occurred up until December 31, 2023.

In the January 1, 2021 Pure Premium Rate Filing, the WCIRB included a separate estimate for the cost of COVID-19 claims in advisory pure premium rates. This estimate differed by industry and was based on COVID-19 claim information available at the time as well as external published information and projections on COVID-19 inflection and claim rates.

In the September 1, 2021 Pure Premium Rate Filing, the WCIRB did not include a separate provision for the cost of COVID-19 claims given that COVID-19 claim rates were low at the time and external models and research at the time suggested COVID-19 infections were plateauing. The WCIRB also did not use accident year 2020 experience in the filing given the anomalous impact of the pandemic on that year.

In the September 1, 2022 Pure Premium Rate Filing, the WCIRB excluded COVID-19 claims from the accident year 2021 experience used as the basis for the projected loss and loss adjustment expense (LAE) ratio given that the 2021 COVID-19 claim experience represented a different period of the pandemic. Instead, the WCIRB included a modest provision (0.5%) for the cost of COVID-19 claims in pure premium rates given the continued impact of variants of the coronavirus and claim surges occurring during the Delta and Omicron variant periods.

In the September 1, 2023 Pure Premium Rate Filing, the WCIRB continued to exclude COVID-19 claims from the accident year 2021 and 2022 experience used as the basis for the projected loss and LAE ratio and the policy year 2020 experience used as the basis for the classification relativities. The WCIRB did not include a separate provision for the cost of COVID-19 claims given that they were representing a small and declining share of overall costs.

Given the tumultuous nature of COVID-19 claim experience during different periods of the pandemic and post-pandemic, staff is outlining its recommended strategy for the treatment of COVID-19 claims in experience rating, ratemaking, and research going forward.

Experience Rating

In the September 1, 2024 Regulatory Filing, the WCIRB is recommending that COVID-19 claims that occur September 1, 2024 and later be included in the computation of experience modifications. The WCIRB did not adjust expected loss rates for September 1, 2024 to August 31, 2025 experience modifications as those experience modifications will essentially reflect claim experience from prior to September 1, 2024. However, claim experience from September 1, 2024 and later will in part be included in the computation of September 1, 2025 to August 31, 2026 experience modifications. If the WCIRB's recommendation is approved by the Insurance Commissioner, staff plans to review and reflect COVID-19 claim experience in expected loss rates as appropriate for September 1, 2025 and later regulatory filings.

Aggregate Ratemaking

As discussed above, the accident year 2020 through 2022 experience used as the basis of the projected loss and LAE ratio in pure premium rate filings has excluded COVID-19 claims. This is due to (a) COVID-19 claim experience from earlier and different periods of the pandemic is generally not indicative of future COVID-19 claim costs and (b) COVID-19 claims are typically much smaller than other indemnity claims and can distort frequency and severity trends when included. Staff recommends continuing to exclude COVID-19 claims from the loss and LAE experience for accident years 2020 through 2022 used in

aggregate pure premium ratemaking for these reasons. This includes the computation of loss development factors on those accident years.

Table 1 shows the proportion of incurred losses for COVID-19 claims by accident year at 12 months maturity. The proportion has declined by year and for accident year 2023 is very small. Given that, staff recommends including COVID-19 premium charges and claims for accident years 2023 and later in the loss and LAE ratios and development factors used in pure premium ratemaking.

Table 1 – COVID-19 Claim Proportion of Incurred Losses at 12 Months

Accident Year	Proportion of Incurred Losses
2020	5.7%
2021	2.0%
2022	0.6%
2023	0.2%

Although the impact of including COVID-19 claims in total losses and LAE for accident year 2023 is small, it can distort claim frequency and severity trends if not treated consistently. Table 2 shows the estimated accident year 2023 indemnity claim frequency change at 12 months and the incurred indemnity and medical severity changes at 12 months with and without COVID-19 claims.

The claim frequency change that includes COVID-19 claims in 2023 but not 2022 is distorted by the approximately 2,500 COVID-19 indemnity claims incurred in 2023. However, the claim frequency change including COVID-19 claims in both accident years is also distorted by the sharp drop in COVID-19 claim volume in 2023. As a result, staff believes that excluding COVID-19 claims from both 2022 and 2023 produces the most appropriate estimate of the claim frequency change for 2023. Staff recommends re-evaluating the impact of including COVID-19 claims on the 2024 claim frequency change next year. Staff recommends using this same approach when computing the claim frequency changes that underlie the WCIRB's indemnity claim frequency model.

Table 2 – Accident Year 2023 Frequency and Severity Changes at 12 Months

COVID-19 Claim Treatment	Indemnity Claim Frequency	Incurred Indemnity Severity	Incurred Medical Severity
In 2022, In 2023	-2.3%	2.5%	3.7%
Out of 2022, In 2023	2.7%	-1.7%	-0.9%
Out of 2022, Out of 2023	0.4%	0.1%	1.0%

As shown in Table 2, there is a moderate impact of including COVID-19 claims in the estimated accident year 2023 claim severity changes. To be consistent with the recommended treatment of COVID-19 claims in other aspects of pure premium ratemaking, staff recommends generally including COVID-19 claims in claim severities for accident years 2023 and later. However, given the impact on severity trends, staff also recommends reviewing these trends excluding COVID-19 claims until such time that the impact of including COVID-19 claims on severity trends is immaterial.

The WCIRB separately collects COVID-19 claim experience on its Quarterly Call. To accurately exclude COVID-19 claim experience from accident years 2020 through 2022, including development factors, and monitor the impact on later accident years, staff recommends continuing to collect this data separately and to consider eliminating this page from the Quarterly Call after COVID-19 claims have been fully integrated into the pure premium ratemaking process. Staff also plans to monitor emerging COVID-19 claim costs and trends through the semi-annual review of diagnostics.

Classification Ratemaking

Exposure to COVID-19 differs by industry. For example, a relatively larger proportion of COVID-19 claims have occurred in the healthcare sector compared to industries where remote work is common. However, the relative risk of COVID-19 claims among classifications has evolved over the course of the pandemic. The classification relativities that underlie the pure premium rates typically use unit statistical data from policies incepting more than three years prior to the effective date.¹ As a result, the WCIRB has been excluding COVID-19 claims from the unit statistical data underlying the classification relativities and instead separately considered the potential cost of COVID-19 claims by classification in pure premium rates.

Given the relative risk of COVID-19 claims from accident years 2022 and prior may still reflect a different period of the pandemic that is not indicative of future rate relationships among classifications, staff recommends continuing to exclude COVID-19 claims from the unit statistical data underlying the classification relativities from these years. To be consistent with the treatment of COVID-19 claims in aggregate ratemaking, staff recommends including COVID-19 claims in the unit statistical data underlying the classification relativities beginning with accident year 2023. This only impacts the *relative* risk of COVID-19 claims by classification as the overall cost of COVID-19 claims will be included in the overall pure premium rate change and expected loss rates computed separately. This will also allow COVID-19 claims to be reflected in the classification relativities gradually as classifications use two to five years of unit statistical data depending on their size.

Research Studies

The appropriate treatment of COVID-19 claims is considered separately in each research study. In some reports, COVID-19 claim experience is included, while in other exhibits (such as combined ratios) it is included. The WCIRB has also published a number of reports and studies specific to the impact of COVID-19 claims and the pandemic. Staff plans to provide specific language in the Conditions and Limitations section of each research report that makes clear where COVID-19 claim experience is included or excluded.

¹ For example, the September 1, 2024 advisory pure premium rates will be based on classification relativities using unit statistical data from policies incepting November 30, 2021 and prior.