Actuarial Committee

Meeting Agenda

Date	Time	Location	Staff Contact
June 22, 2021	9:00 AM	Webinar Teleconference	David M. Bellusci

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Released: June 15, 2021

Due to the coronavirus (COVID-19) pandemic, this meeting is being held via webinar teleconference.

Please register at:

Registration URL
https://attendee.gotowebinar.com/register/3491837139763892750

After registering, you will receive a confirmation email containing information about joining the webinar.

I. **Approval of Minutes**

Meetings held on March 16, 2021 and April 15, 2021

II. **Working Group Meeting Summaries**

None

III. **Unfinished Business**

A. AC16-06-05: Update on Medical Severity Trends by Component

B. AC17-12-02: Legislative Cost Monitoring Update – SB 1160 UR Provisions

IV. **New Business**

A. AC21-06-01: 3/31/2021 Experience Review

B. AC21-06-02: Impact of High Deductible Health Plans

C. AC21-06-03: WCIRB Member Analytical Tools

V. **Matters Arising at Time of Meeting**

VI. **Next Meeting Date:** September 14, 2021

VII. **Adjournment**

Notice

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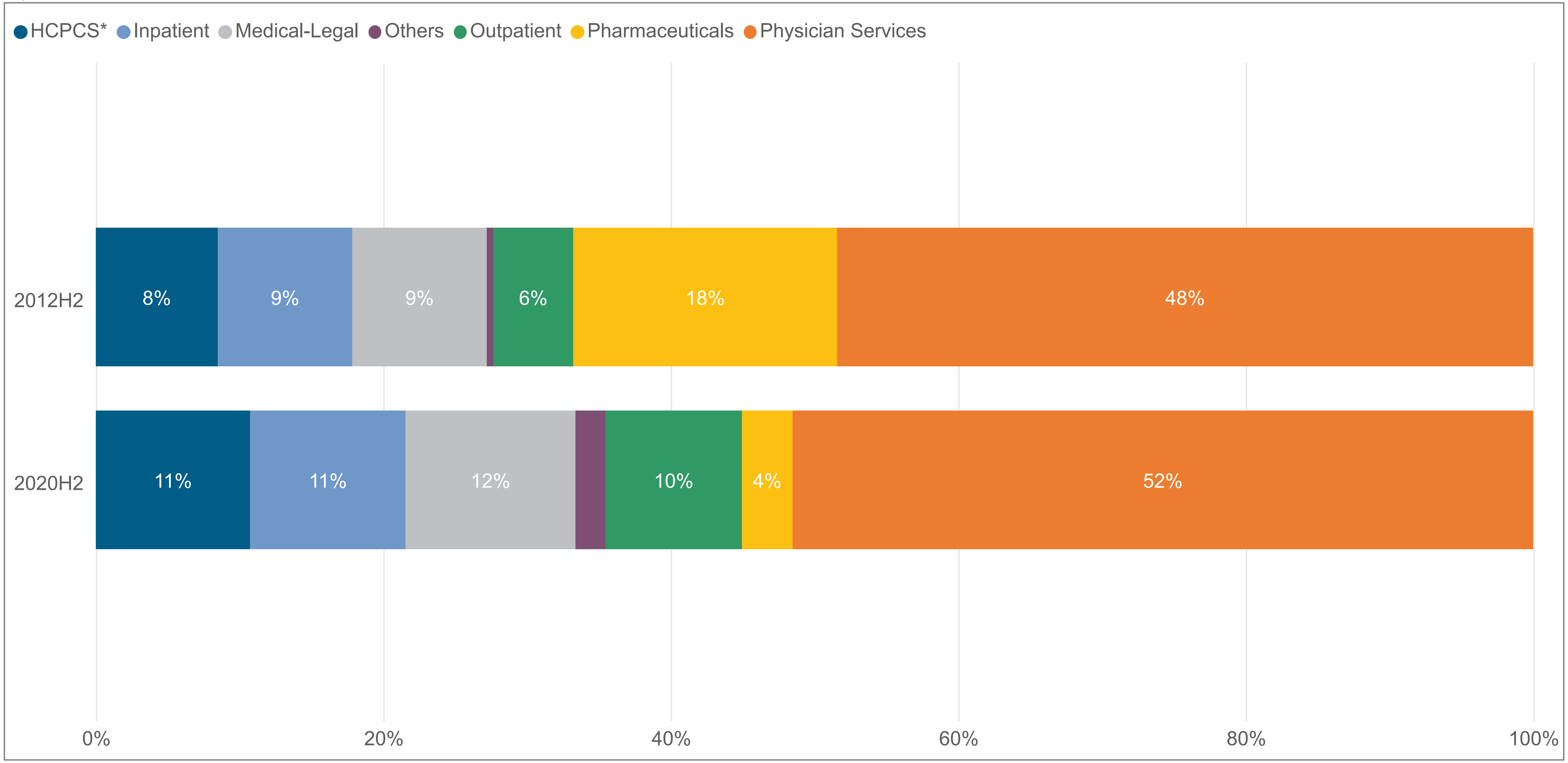
Item AC16-06-05
Update on Medical Severity Trends by Component

Twice a year the Committee reviews a summary of changes in paid per transaction and paid transactions per claim by medical component. A brief update to that analysis with medical transaction data through December 31, 2020 will be presented at the meeting. Slides of the updated medical severity trends are attached.

Share of Total Medical Payments by Service Type

As of April 7, 2021



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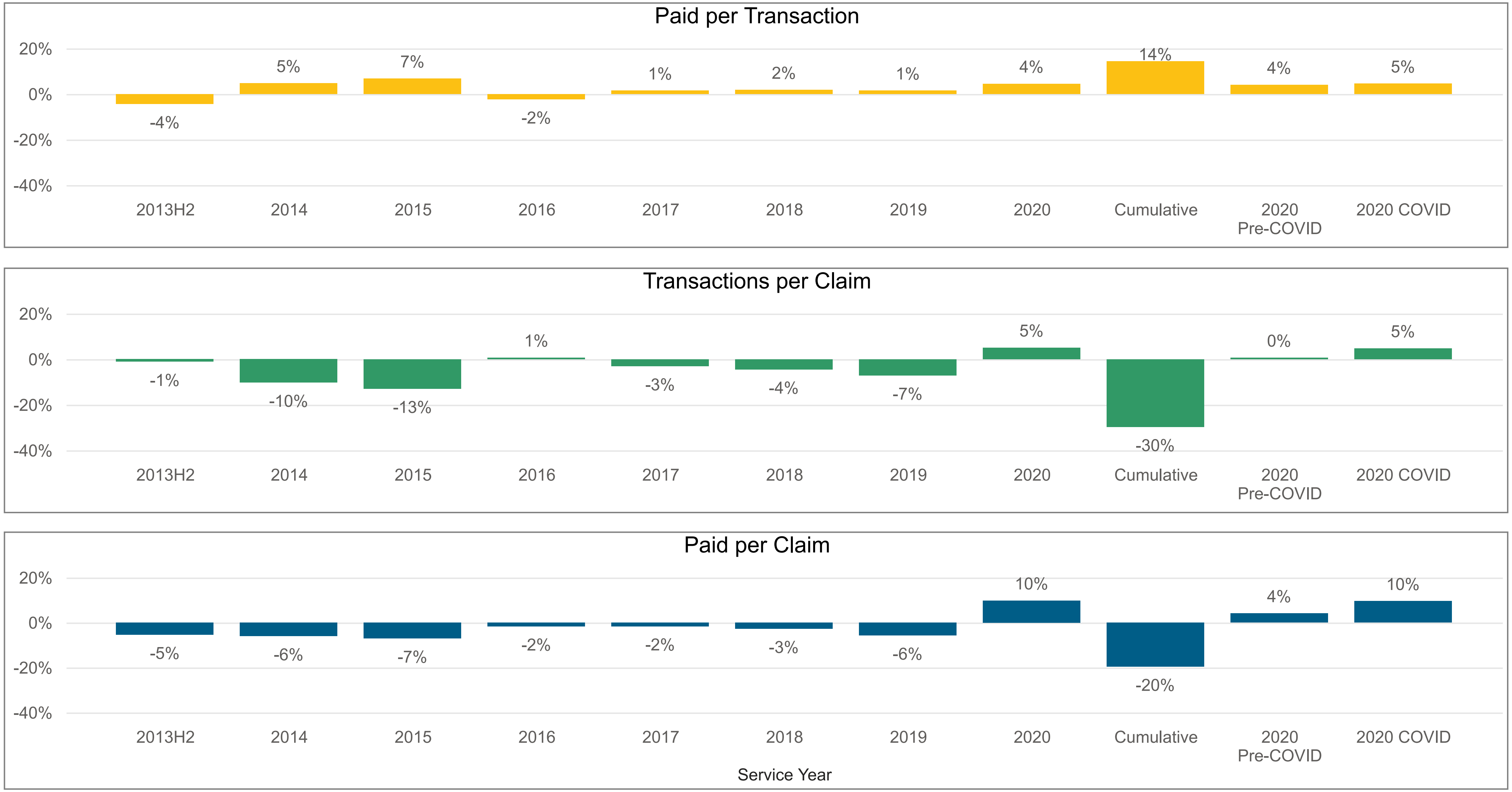
* HCPCS stands for Healthcare Common Procedure Coding System. HCPCS codes primarily include ambulance services, durable medical equipment, prosthetics, orthotics, and supplies used outside a physician's office, home health services, and interpreter services.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

% Change in *All Medical Services* Cost per Claim

As of April 7, 2021



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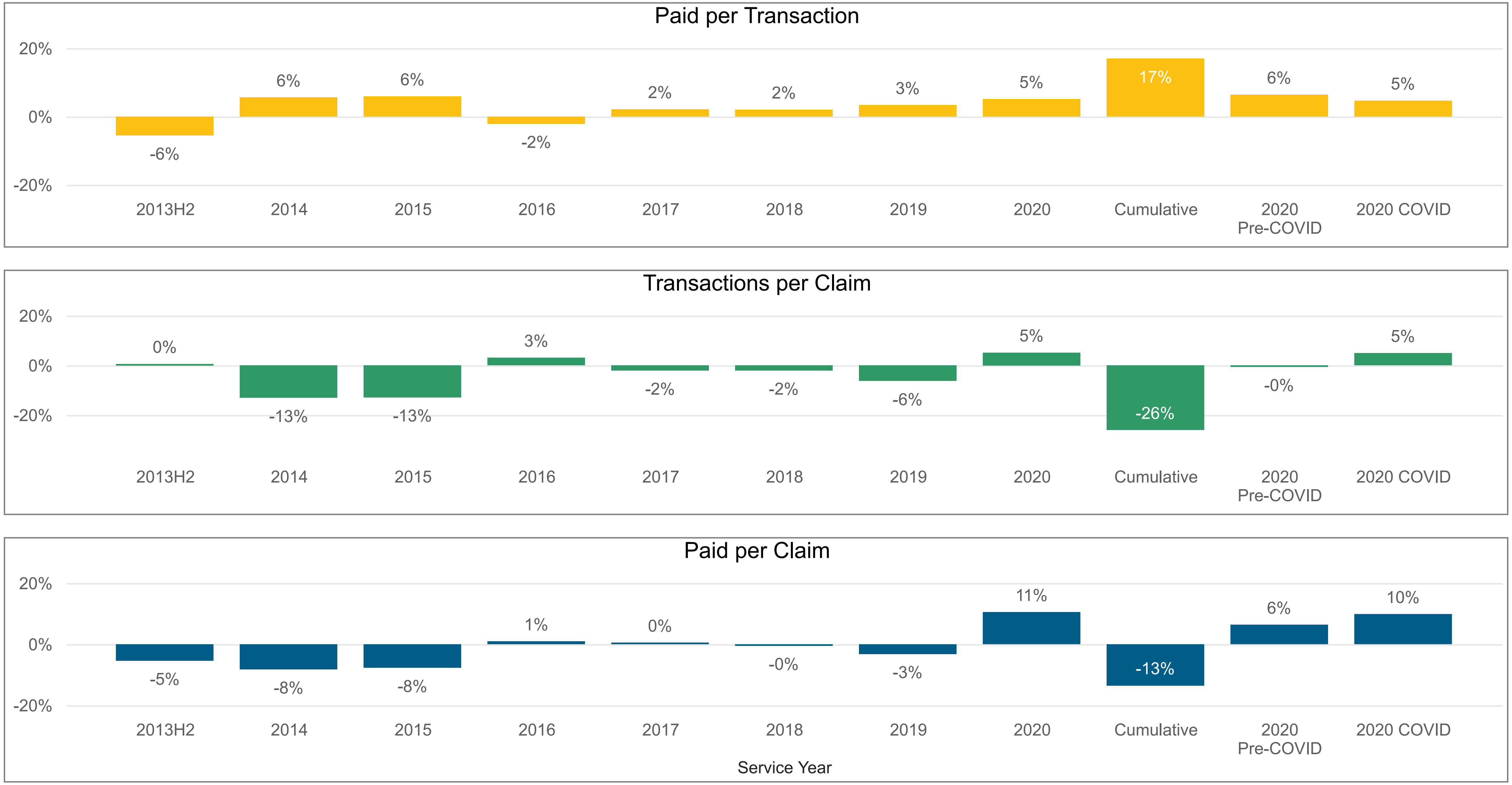
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012. Note: Pre-COVID-19 period refers to January 1 through March 14, 2020. COVID-19 period refers to March 15 through December 31, 2020. COVID-19 Claims are excluded. The denominator for Transactions per Claim and Paid per Claim in the Pre-COVID-19 and COVID-19 periods is the number of claims with any paid medical service in the respective period. The definition and methodology apply to all subsequent slides.

% Change in *Physician Services* Cost per Claim (51% of All Medical Payments*)

As of April 7, 2021



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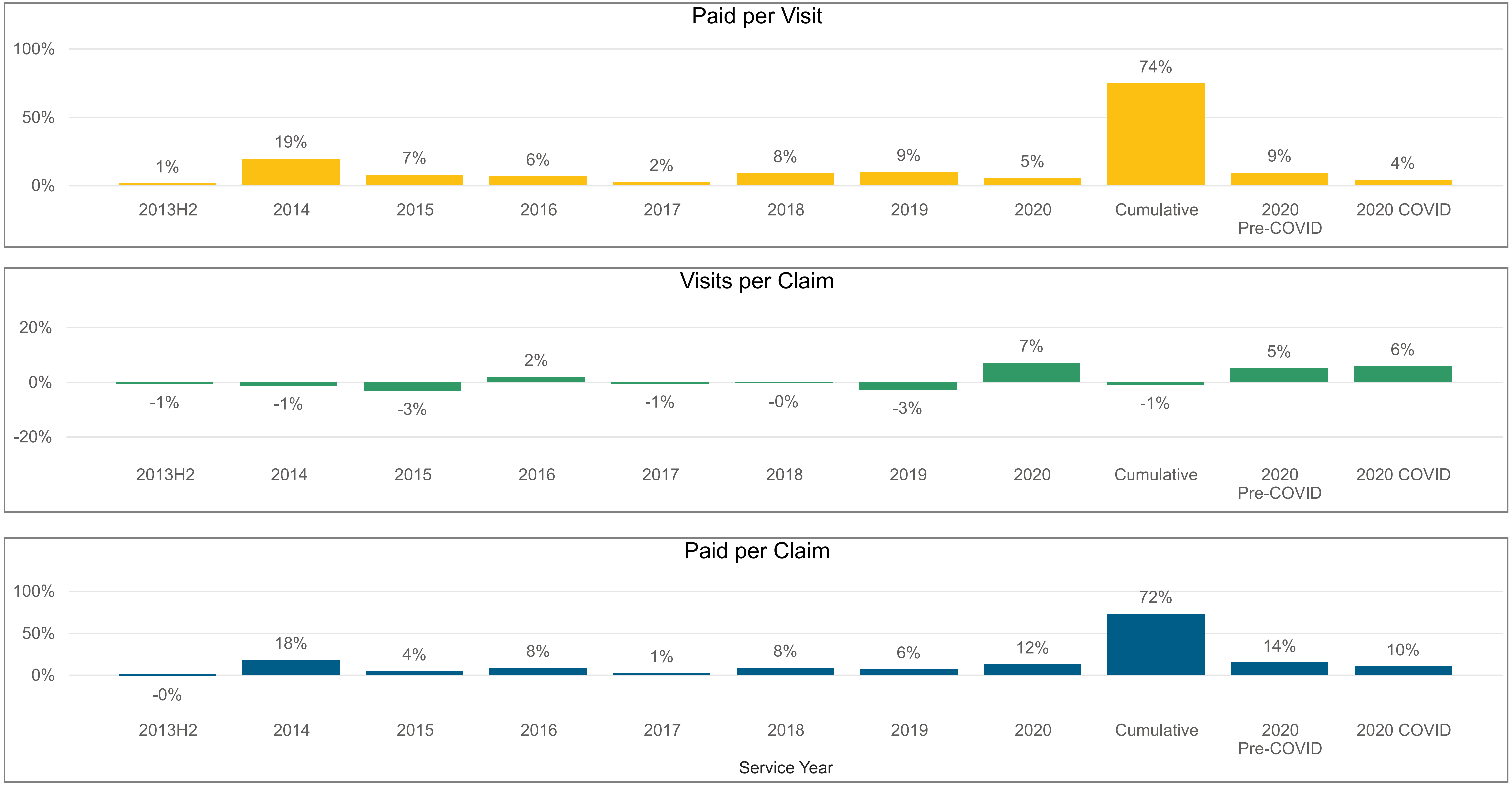
* All medical payments are defined as the total Paid Amount (excluding Liens) of service year 2020 in the WCIRB medical transaction data. This definition applies to all subsequent slides.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

% Change in *Physical Therapy* Cost per Claim (visit-based) (14% of All Medical Payments)

As of April 7, 2021



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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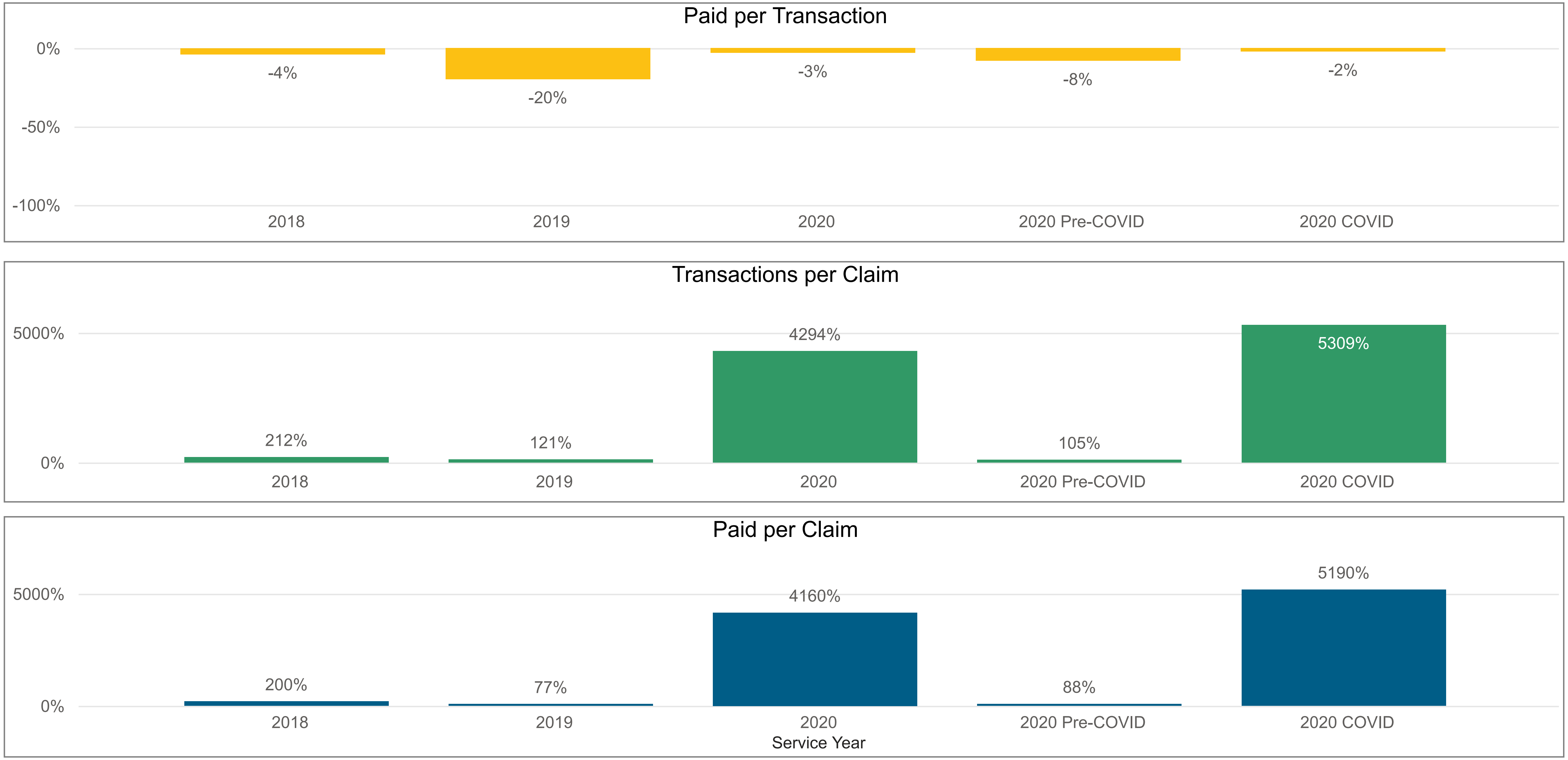
% Change in *Telemedicine* Cost per Claim (1.8% of All Medical Payments)

As of April 7, 2021



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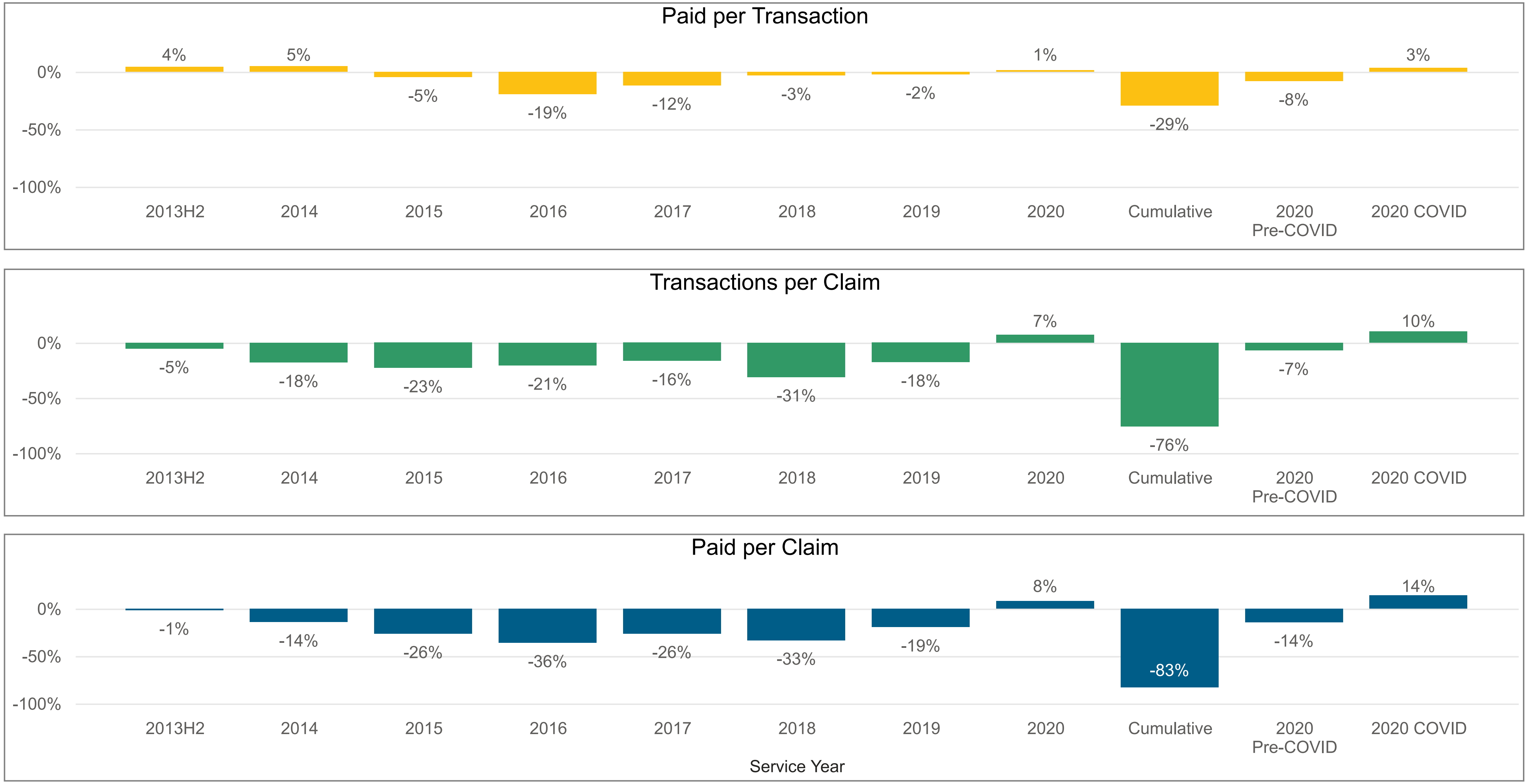
Note: Pre-COVID-19 telemedicine services are defined as any procedures with Place of Service 02 or modifier 95 (excluding Special Services & Reports, Medical Legal, Copy Services, and Interpreter Services). For telemedicine services after March 1, 2020, only services from CMS list of telehealth services are included pursuant to the DWC rules.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

% Change in *Pharmaceutical* Cost per Claim (3.5% of All Medical Payments)

As of April 7, 2021



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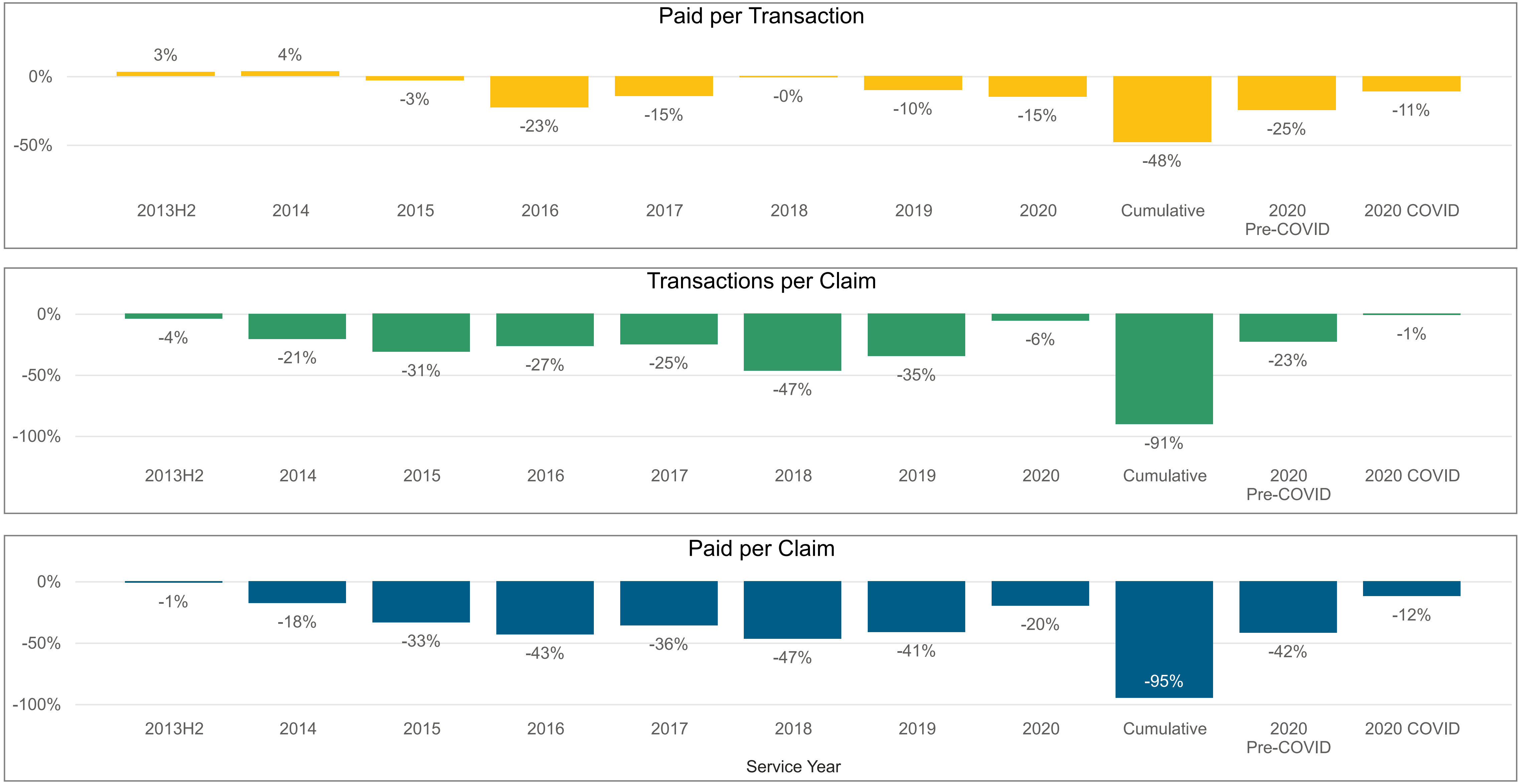
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

% Change in *Opioid* Cost per Claim (0.3% of All Medical Payments)

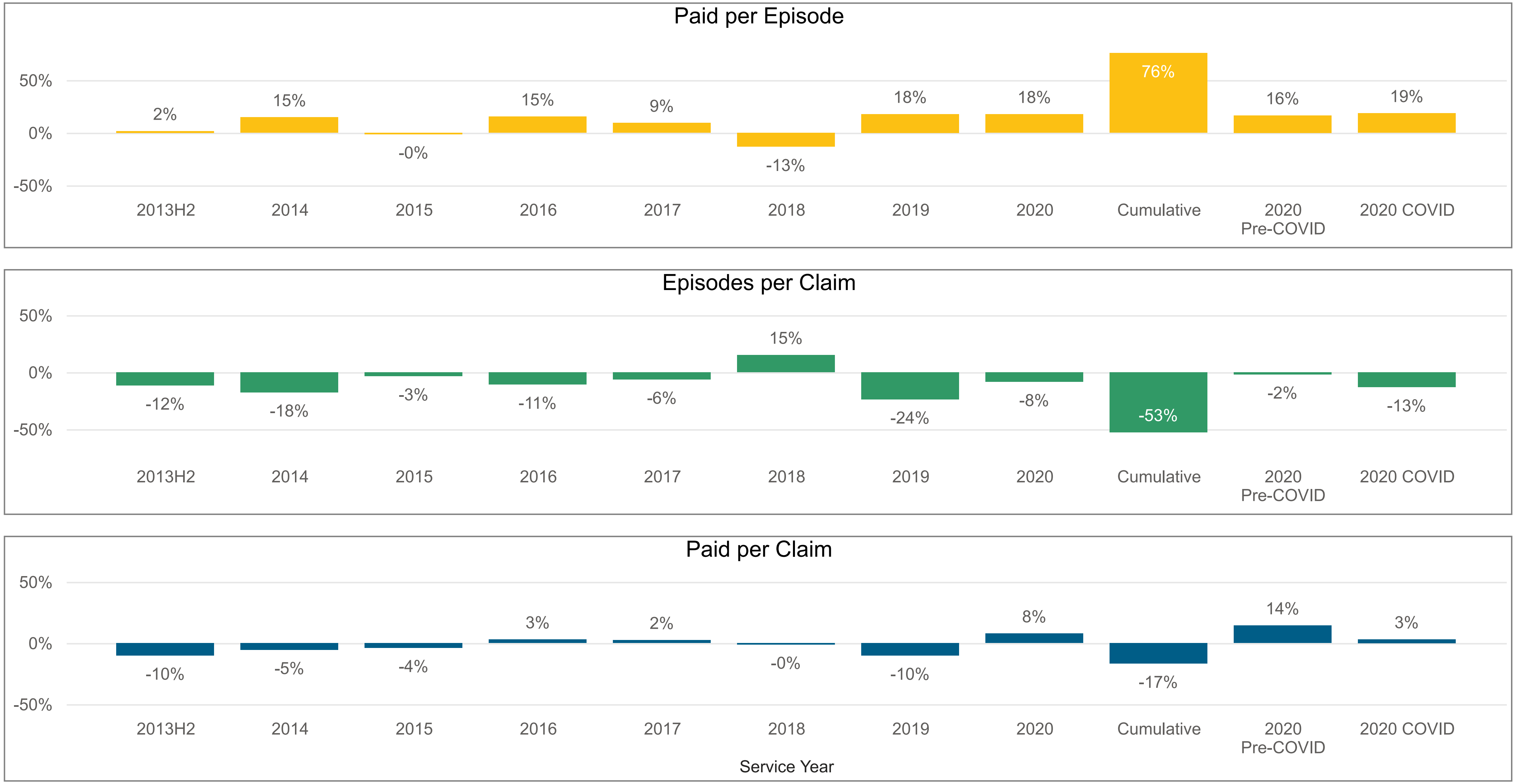
As of April 7, 2021



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

% Change in *Inpatient* Cost per Claim (episode-based) (12% of All Medical Payments)

As of April 7, 2021



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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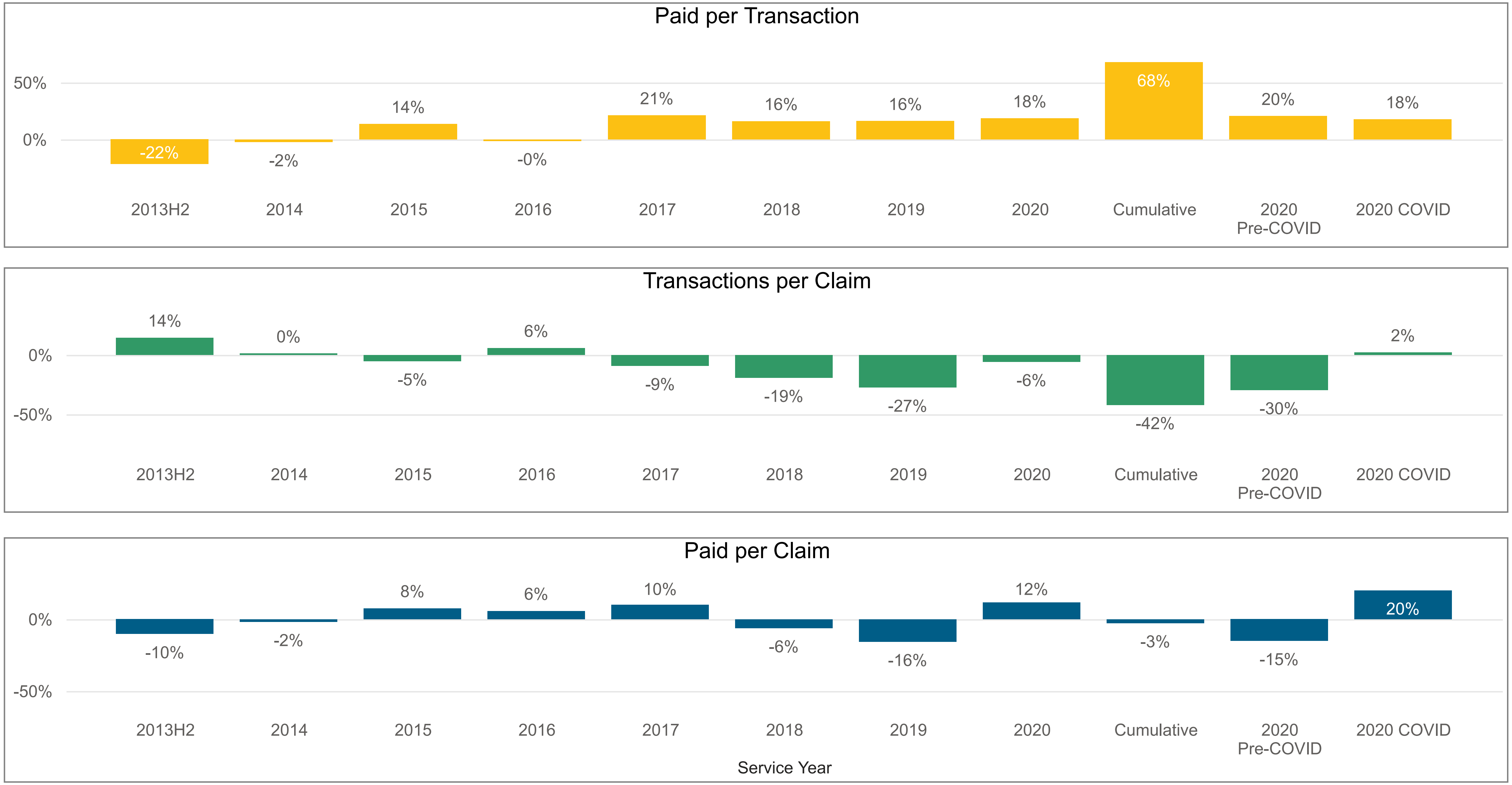
% Change in *Outpatient* Cost per Claim (9% of All Medical Payments)

As of April 7, 2021



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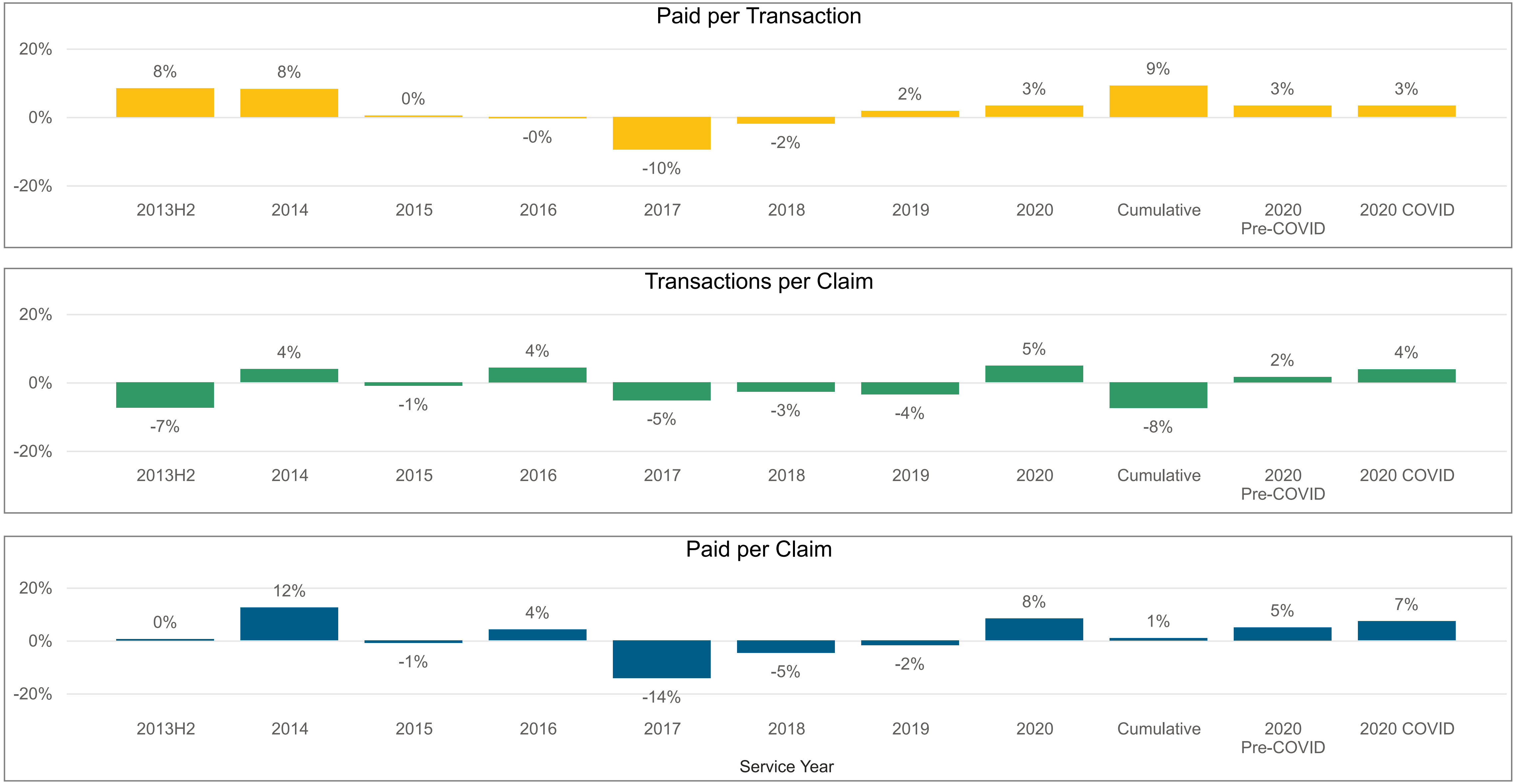
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

% Change in *Medical-Legal* Cost per Claim (12% of All Medical Payments)

As of April 7, 2021



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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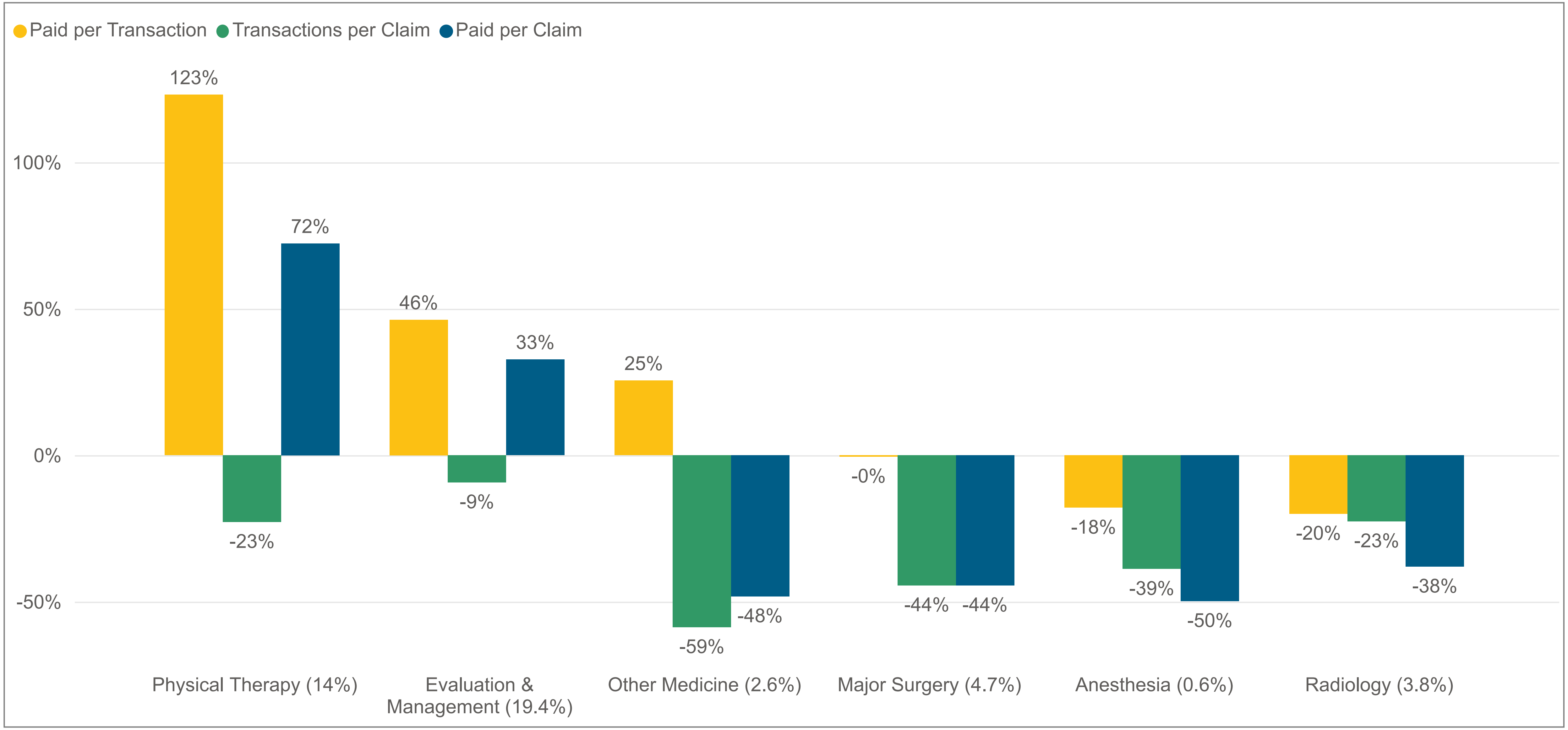
Cumulative % Change in Selected Components of Physician Services 2012H2 through 2020

As of April 7, 2021



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Source: WCIRB medical transaction data collected beginning in the third quarter of 2012. Percentage in the parentheses represents the share of total medical payments for respective physician service categories.

Item AC17-12-02
Legislative Cost Monitoring Update – SB 1160 UR Provisions

At the August 1, 2019 meeting, the Committee reviewed the updated cost analysis of the provisions of Senate Bill No. 1160 (SB 1160) related to utilization review (UR), effective January 1, 2018, based on medical transaction information through December 31, 2018. The SB 1160 UR provisions exempt the prospective utilization review (UR) requirement for certain medical services provided in the first 30 days following the date of injury. The Committee was advised that the one-year post-reform evaluation showed preliminary indications of increased utilization and earlier provision of physical therapy services in the first 30 days, suggestive of the impact of the SB 1160 UR provisions. On the other hand, physical therapy services were used less after the first 30 days in 2018 compared to prior years.

At the meeting, staff will present an update to the cost impact analysis of SB 1160 provisions related to UR using medical transaction data through December 31, 2020.

Item AC21-06-01
3/31/2021 Experience Review

Staff has prepared an analysis of statewide experience through March 31, 2021, which is included in Exhibits 1 through 8. This information reflects insurers writing almost 100% of the market based on 2020 premium levels. The methodologies used are consistent with those reflected in the September 1, 2021 Pure Premium Rate Filing. Wage and loss levels are projected to September 1, 2022—the approximate midpoint of experience on policies incepting in between September 1, 2021 and August 31, 2022, and premiums were adjusted to the industry average filed pure premium rate level as of January 1, 2021. The accident year 2020 and 2021 information shown in Exhibits 1 through 8 have been adjusted to remove COVID-19 claims. (A summary of COVID-19 claim experience as of March 31, 2021 is included in Exhibit 13.)

As on Exhibit 8, the projected loss to the industry average filed pure premium ratio for policies incepting between September 1, 2021 and August 31, 2022 based on March 31, 2021 experience is 0.596. This compares to the projected loss ratio included in the September 1, 2021 Pure Premium Rate Filing which was also 0.596.

Additional supplemental information is included in Exhibits 9 through 16.

Exhibit 1

California Workers' Compensation

Accident Year Experience as of March 31, 2021

Year	Earned Premium	Paid Indemnity	Indemnity Reserves	Paid Medical**	Medical Reserves	IBNR*	Total Incurred**	Loss Ratio*
1987	4,308,464,804	1,480,627,570	7,064,068	1,322,138,132	40,356,567	50,289,631	2,900,475,968	0.673
1988	5,089,868,218	1,673,688,893	6,125,496	1,528,292,959	30,175,954	37,700,298	3,275,983,600	0.644
1989	5,539,633,201	1,895,760,418	6,263,444	1,779,059,883	41,158,336	44,160,143	3,766,402,224	0.680
1990	5,702,683,242	2,262,398,140	6,003,718	2,050,088,017	37,721,673	58,295,737	4,414,507,285	0.774
1991	5,865,875,476	2,481,539,061	14,081,881	2,208,592,390	41,338,268	57,881,966	4,803,433,566	0.819
1992	5,684,885,495	1,979,717,421	13,702,338	1,770,118,308	43,664,904	51,494,126	3,858,697,097	0.679
1993	5,934,051,189	1,695,937,210	10,422,142	1,521,046,678	53,095,950	51,622,328	3,332,124,308	0.562
1994	5,031,061,313	1,630,314,161	19,675,613	1,475,486,230	74,077,135	34,723,979	3,234,277,118	0.643
1995	3,788,921,794	1,770,805,686	23,667,925	1,636,385,502	81,186,781	41,799,796	3,553,845,690	0.938
1996	3,746,680,214	1,963,308,807	26,608,591	1,729,770,658	82,127,757	55,042,884	3,856,858,697	1.029
1997	3,926,898,608	2,327,968,875	31,721,527	2,029,241,523	103,306,984	92,864,141	4,585,103,050	1.168
1998	4,332,127,034	2,785,182,381	46,174,993	2,668,098,430	193,358,294	162,962,205	5,855,776,303	1.352
1999	4,550,437,880	3,065,682,845	45,109,228	3,059,692,263	143,699,509	243,216,893	6,557,400,738	1.441
2000	5,921,821,993	3,439,614,513	59,132,017	3,588,707,205	175,978,536	375,780,937	7,639,213,208	1.290
2001	10,109,372,827	4,858,860,560	82,692,619	5,410,310,527	296,961,335	595,434,364	11,244,259,405	1.112
2002	13,427,526,833	4,791,043,670	81,613,947	5,531,297,031	265,518,780	856,070,105	11,525,543,533	0.858
2003	19,469,750,869	4,586,032,186	118,773,057	5,119,571,160	291,300,113	1,218,910,737	11,334,587,253	0.582
2004	23,088,856,471	3,233,650,215	105,235,599	4,093,315,436	235,985,930	1,352,648,626	9,020,835,806	0.391
2005	21,194,751,308	2,537,609,985	86,284,877	3,670,971,883	218,573,537	1,084,886,416	7,598,326,698	0.359
2006	16,818,766,167	2,596,048,801	94,244,712	3,729,434,613	250,724,861	726,814,389	7,397,267,376	0.440
2007	13,102,647,339	2,767,136,817	103,392,207	4,037,329,082	266,066,437	697,221,834	7,871,146,377	0.601
2008	10,737,980,256	2,829,053,181	130,709,727	4,065,980,208	290,632,807	454,276,292	7,770,652,215	0.724
2009	8,872,832,431	2,702,332,270	130,022,429	3,870,977,550	307,078,314	603,767,042	7,614,177,605	0.858
2010	9,374,596,503	2,723,629,527	124,501,362	3,977,658,742	254,187,615	529,290,481	7,609,267,727	0.812
2011	10,120,419,274	2,703,135,495	131,185,986	3,609,271,324	276,643,844	657,184,893	7,377,421,542	0.729
2012	11,699,320,401	2,747,895,711	165,368,356	3,509,150,542	321,556,125	781,990,662	7,525,961,396	0.643
2013	14,161,005,539	2,790,423,875	162,576,311	3,348,045,366	327,907,320	1,375,424,119	8,004,376,991	0.565
2014	15,983,611,908	2,912,388,205	216,274,526	3,273,721,407	369,818,441	1,782,616,250	8,554,818,829	0.535
2015	17,027,390,405	2,927,608,521	291,037,029	3,163,204,157	484,668,214	2,264,717,508	9,131,235,429	0.536
2016	17,916,668,799	2,769,141,883	365,796,929	2,975,607,104	579,497,480	3,000,989,965	9,691,033,361	0.541
2017	17,631,160,678	2,552,464,946	522,619,517	2,753,714,893	785,815,866	2,886,608,465	9,501,223,687	0.539
2018	17,383,437,409	2,257,819,072	772,897,849	2,528,121,706	1,053,717,389	3,089,474,500	9,702,030,516	0.558
2019	16,056,022,259	1,674,491,070	1,063,831,412	1,907,577,273	1,420,854,867	3,646,417,178	9,713,171,800	0.605
2020	13,981,853,526	681,998,214	910,029,079	884,188,033	1,396,656,803	4,840,290,472	8,713,162,601	0.623
2021	3,304,266,519	22,369,562	114,518,555	29,517,111	266,725,135	1,464,851,966	1,897,982,329	0.574

* 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, excluding COVID-19 claims.

Incurred Indemnity Loss Development Factors

	Age-to-Age (in months)															
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195
1995												1.002	1.003	1.001	1.002	1.001
1996											1.002	1.002	1.000	0.999	1.002	1.001
1997										1.005	1.003	1.002	1.003	1.002	1.001	1.001
1998									1.004	1.002	1.002	1.004	1.004	1.000	1.003	1.001
1999								1.003	1.007	1.004	1.002	1.004	1.003	1.002	1.002	1.000
2000							1.009	1.007	1.005	1.004	1.004	1.003	1.002	1.003	1.002	1.000
2001						1.018	1.014	1.007	1.008	1.007	1.005	1.005	1.003	1.001	1.002	1.001
2002					1.027	1.019	1.010	1.011	1.009	1.006	1.005	1.002	1.001	1.003	1.002	1.002
2003				1.047	1.030	1.018	1.020	1.016	1.012	1.008	1.008	1.002	1.003	1.003	1.002	1.005
2004			1.063	1.042	1.037	1.026	1.025	1.015	1.015	1.007	1.006	1.003	1.001	1.002	1.005	1.002
2005		1.168	1.085	1.063	1.049	1.039	1.022	1.016	1.010	1.005	1.006	1.004	1.003	1.004	1.004	
2006	1.519	1.188	1.100	1.072	1.051	1.031	1.020	1.012	1.008	1.008	1.005	1.002	1.005	1.003		
2007	1.562	1.216	1.104	1.066	1.045	1.030	1.022	1.012	1.009	1.003	1.009	1.008	1.001			
2008	1.618	1.245	1.116	1.063	1.043	1.025	1.018	1.011	1.008	1.007	1.007	1.004				
2009	1.670	1.233	1.124	1.067	1.043	1.021	1.016	1.013	1.010	1.009	1.005					
2010	1.665	1.250	1.112	1.062	1.037	1.023	1.017	1.011	1.009	1.006						
2011	1.657	1.225	1.109	1.053	1.032	1.024	1.016	1.010	1.008							
2012	1.662	1.218	1.093	1.059	1.033	1.022	1.014	1.011								
2013	1.604	1.201	1.093	1.047	1.030	1.017	1.010									
2014	1.625	1.224	1.097	1.049	1.023	1.014										
2015	1.630	1.195	1.085	1.039	1.026											
2016	1.606	1.187	1.080	1.039												
2017	1.588	1.183	1.073													
2018	1.568	1.177														
2019	1.572															
Selected (a)	1.572	1.177	1.073	1.039	1.026	1.014	1.010	1.011	1.009	1.006	1.006	1.004	1.002	1.003	1.003	1.002
Cumulative	2.299	1.462	1.242	1.158	1.114	1.086	1.071	1.061	1.049	1.040	1.033	1.027	1.023	1.021	1.018	1.015

(a) Selections are latest year for the 15-to-27 month through 99-to-111 month factors and six-year average for the subsequent age-to-age factors.

Incurred Indemnity Loss Development Factors (Continued)

	Age-to-Age (in months)																			
Accident Year	219/207	231/219	243/231	255/243	267/255	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Inc (b)
1983								1.001	1.000	1.000	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.000	1.001	
1984							1.000	1.000	1.001	1.001	1.000	1.001	1.001	0.999	1.000	1.000	1.001	1.001	1.001	
1985						1.000	1.000	1.000	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1986					1.000	1.000	1.001	1.000	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000		
1987				0.999	1.000	1.000	1.000	1.002	1.001	1.000	1.000	1.001	1.000	1.001	1.000	1.001	1.001			
1988			1.000	1.001	1.000	1.002	1.002	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.001	1.000				
1989		1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.001	1.001	1.000	1.001	1.000	1.000					
1990	1.000	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000						
1991	1.001	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.001							
1992	1.000	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.001								
1993	1.000	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	0.999									
1994	1.001	1.002	1.001	1.001	1.001	1.001	1.000	1.001	1.002	1.000										
1995	1.002	0.999	0.999	1.001	1.000	1.001	1.000	1.001	1.001											
1996	1.002	1.001	1.000	1.001	1.001	1.000	1.002	1.000												
1997	1.000	1.000	1.000	0.999	1.001	1.001	1.001													
1998	1.002	1.002	1.001	1.000	1.001	1.002														
1999	1.000	1.000	1.002	1.002	1.000															
2000	1.002	1.001	1.002	1.000																
2001	1.001	1.002	1.001																	
2002	1.002	1.002																		
2003	1.001																			
Selected (a)	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.001	
Cumulative	1.013	1.012	1.011	1.010	1.009	1.009	1.008	1.007	1.007	1.006	1.006	1.006	1.005	1.005	1.005	1.005	1.004	1.004	1.003	1.003

(b) The ULT/435Inc tail factor was calculated based on an inverse power curve fit to a six-year average of the 111-to-123 through 339-to-351 factors, excluding the 2016, 2017, and 2018 evaluations, and extrapolated to 80 development years.

Incurred Medical Loss Development Factors

	Age-to-Age (in months) (b)															
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195
1995												1.020	1.027	1.016	1.005	1.010
1996											1.017	1.020	1.015	1.013	1.012	1.008
1997										1.024	1.023	1.018	1.009	1.010	1.005	1.004
1998									1.035	1.021	1.020	1.010	1.010	1.013	1.007	1.012
1999								1.035	1.028	1.018	1.017	1.014	1.009	1.012	1.003	1.000
2000							1.041	1.022	1.019	1.022	1.016	1.017	1.012	1.005	0.998	0.995
2001						1.045	1.039	1.035	1.030	1.020	1.018	1.018	1.006	0.998	0.999	0.996
2002					1.056	1.038	1.034	1.028	1.027	1.020	1.013	1.007	0.998	0.999	0.999	0.999
2003				1.060	1.051	1.043	1.040	1.036	1.025	1.019	1.009	1.001	0.999	1.000	1.001	1.007
2004			1.094	1.078	1.056	1.062	1.038	1.032	1.026	1.008	1.004	0.999	0.998	0.999	1.002	0.998
2005		1.141	1.077	1.080	1.074	1.057	1.040	1.027	1.018	1.005	1.003	1.003	0.998	1.001	1.000	
2006	1.333	1.164	1.095	1.076	1.061	1.049	1.037	1.018	1.007	1.003	1.002	1.003	1.000	1.002		
2007	1.357	1.171	1.114	1.078	1.069	1.041	1.028	1.015	1.005	1.004	1.003	1.003	0.996			
2008	1.378	1.189	1.116	1.087	1.058	1.035	1.020	1.009	1.004	1.002	1.004	0.998				
2009	1.431	1.182	1.133	1.080	1.049	1.025	1.014	1.007	1.004	1.009	1.002					
2010	1.431	1.212	1.117	1.068	1.036	1.023	1.011	1.011	1.005	1.002						
2011	1.452	1.185	1.103	1.059	1.026	1.016	1.011	1.009	1.001							
2012	1.391	1.153	1.078	1.051	1.025	1.014	1.015	1.004								
2013	1.353	1.119	1.077	1.031	1.023	1.010	1.005									
2014	1.325	1.135	1.064	1.033	1.022	1.010										
2015	1.313	1.117	1.050	1.027	1.015											
2016	1.287	1.093	1.042	1.027												
2017	1.260	1.098	1.041													
2018	1.253	1.095														
2019	1.269															
Selected (a)	1.269	1.095	1.041	1.027	1.015	1.010	1.005	1.004	1.004	1.004	1.003	1.001	0.998	1.000	1.000	0.999
Cumulative	1.557	1.227	1.120	1.076	1.048	1.032	1.022	1.017	1.013	1.009	1.004	1.001	1.000	1.002	1.002	1.002

(a) Selections are latest year for the 15-to-27 month through 99-to-111 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)

	Age-to-Age (in months)																			
Accident Year	219/207	231/219	243/231	255/243	267/255	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Inc (c)
1983								1.004	1.004	1.003	1.003	1.005	1.003	1.003	1.002	0.997	0.999	0.999	1.005	
1984							1.001	1.004	1.002	1.004	1.003	1.000	1.004	0.999	0.999	1.001	1.000	1.000	1.000	
1985						1.001	1.001	1.002	1.004	1.004	1.003	1.004	1.000	0.999	0.999	1.000	1.001	1.001	1.000	
1986					1.005	1.003	1.006	1.006	1.005	1.005	1.004	1.002	1.001	0.998	1.004	1.004	0.993	1.002		
1987				1.001	1.005	1.010	0.999	1.006	1.003	1.005	1.003	1.001	0.999	1.001	0.999	1.006	1.000			
1988			1.002	1.006	1.005	1.005	1.001	1.005	1.002	1.003	1.002	1.000	0.998	1.000	1.001	1.000				
1989		1.006	1.005	1.008	1.005	1.006	1.007	1.000	1.002	0.999	0.999	1.000	0.999	1.003	0.999					
1990	1.003	1.006	1.008	1.005	1.003	1.002	1.004	0.997	1.001	1.001	0.999	0.998	0.999	1.001						
1991	1.007	1.006	1.005	1.002	1.004	1.001	1.003	1.001	0.999	0.999	0.998	1.001	1.000							
1992	1.009	1.001	1.003	1.005	1.003	1.003	0.999	1.000	1.002	0.998	1.002	0.999								
1993	1.005	1.013	1.013	1.001	1.001	0.999	0.996	1.000	1.000	0.998	0.997									
1994	1.011	1.005	1.006	1.004	1.001	0.996	0.997	0.998	1.003	0.998										
1995	1.012	0.996	1.007	1.000	0.997	0.998	0.999	1.003	0.999											
1996	1.007	1.003	1.000	1.001	0.998	0.996	1.001	0.998												
1997	1.000	0.995	0.997	0.998	1.000	1.000	0.996													
1998	0.999	1.000	0.996	1.000	1.003	1.000														
1999	0.998	0.997	1.002	1.000	0.998															
2000	0.997	0.998	1.001	0.998																
2001	1.002	1.001	0.999																	
2002	1.002	0.999																		
2003	1.000																			
Selected (a)	1.000	0.998	0.999	1.000	1.000	0.998	0.998	1.000	1.001	0.999	1.000	1.000	0.999	1.000	1.000	1.001	0.999	1.001	1.002	
Cumulative	1.003	1.004	1.005	1.006	1.007	1.007	1.009	1.011	1.011	1.010	1.011	1.012	1.012	1.013	1.012	1.012	1.011	1.012	1.012	1.010

(c) The ULT/435Inc tail factor was calculated based on an inverse power curve fit to a six-year average of the 111-to-123 through 339-to-351 factors, excluding the 2016, 2017, and 2018 evaluations, and extrapolated to 80 development years.

Paid Indemnity Loss Development Factors

	Age-to-Age (in months)															
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195
1995												1.008	1.007	1.006	1.004	1.004
1996											1.011	1.009	1.007	1.004	1.005	1.004
1997										1.015	1.011	1.007	1.007	1.006	1.005	1.005
1998									1.018	1.016	1.009	1.009	1.008	1.007	1.006	1.006
1999								1.021	1.018	1.014	1.010	1.009	1.008	1.006	1.006	1.005
2000							1.030	1.022	1.015	1.012	1.010	1.009	1.007	1.007	1.004	1.004
2001						1.045	1.030	1.022	1.016	1.014	1.011	1.011	1.008	1.007	1.006	1.005
2002					1.065	1.043	1.028	1.019	1.018	1.014	1.012	1.009	1.007	1.006	1.005	1.005
2003				1.109	1.064	1.039	1.029	1.025	1.022	1.020	1.015	1.010	1.009	1.008	1.007	1.007
2004			1.191	1.102	1.067	1.045	1.041	1.034	1.026	1.018	1.014	1.011	1.008	1.008	1.009	1.006
2005		1.410	1.200	1.104	1.073	1.057	1.048	1.037	1.025	1.019	1.014	1.012	1.010	1.010	1.009	
2006	2.211	1.423	1.197	1.121	1.085	1.062	1.045	1.032	1.026	1.017	1.015	1.011	1.010	1.010		
2007	2.243	1.436	1.211	1.127	1.085	1.061	1.042	1.032	1.025	1.017	1.016	1.013	1.011			
2008	2.279	1.468	1.234	1.132	1.083	1.054	1.040	1.025	1.021	1.018	1.014	1.009				
2009	2.369	1.499	1.238	1.135	1.084	1.056	1.039	1.029	1.023	1.016	1.010					
2010	2.399	1.505	1.240	1.129	1.081	1.053	1.036	1.024	1.021	1.012						
2011	2.433	1.481	1.227	1.129	1.076	1.053	1.038	1.023	1.016							
2012	2.424	1.477	1.219	1.123	1.075	1.047	1.031	1.020								
2013	2.385	1.490	1.216	1.111	1.063	1.038	1.027									
2014	2.455	1.501	1.215	1.109	1.062	1.033										
2015	2.468	1.476	1.202	1.100	1.051											
2016	2.403	1.459	1.188	1.087												
2017	2.390	1.441	1.172													
2018	2.345	1.412														
2019	2.321															
Selected (a)	2.321	1.412	1.172	1.087	1.051	1.033	1.027	1.020	1.020	1.015	1.013	1.011	1.010	1.009	1.008	1.006
Cumulative	5.444	2.345	1.661	1.417	1.304	1.241	1.201	1.169	1.146	1.124	1.107	1.092	1.081	1.069	1.060	1.051

(a) Selections are latest year for the 15-to-27 month through 99-to-111 month factors and three-year average for the subsequent age-to-age factors.

Paid Indemnity Loss Development Factors (Continued)

	Age-to-Age (in months)																			
Accident Year	219/207	231/219	243/231	255/243	267/255	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Pd (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	
1984							1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.000	1.001	1.001	
1985						1.001	1.001	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	
1986					1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.000		
1987				1.001	1.001	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.000	1.001	1.001	1.001	1.001			
1988			1.002	1.001	1.001	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.001	1.001				
1989		1.002	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001					
1990	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.001	1.001						
1991	1.002	1.002	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001							
1992	1.001	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001								
1993	1.002	1.003	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001									
1994	1.004	1.002	1.003	1.003	1.002	1.002	1.002	1.001	1.001	1.002										
1995	1.005	1.004	1.003	1.002	1.003	1.002	1.002	1.002	1.002											
1996	1.005	1.004	1.003	1.003	1.002	1.003	1.003	1.003												
1997	1.004	1.003	1.002	1.002	1.003	1.003	1.003													
1998	1.005	1.004	1.003	1.003	1.003	1.003														
1999	1.004	1.003	1.003	1.003	1.002															
2000	1.004	1.004	1.003	1.003																
2001	1.005	1.004	1.004																	
2002	1.005	1.003																		
2003	1.007																			
Selected (a)	1.006	1.004	1.003	1.003	1.003	1.003	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	
Cumulative	1.045	1.039	1.035	1.031	1.028	1.026	1.023	1.020	1.018	1.016	1.015	1.014	1.013	1.012	1.011	1.010	1.010	1.009	1.009	1.008

(b) The ULT/435Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 111-to-123 through 339-to-351 factors and extrapolated to 80 development years.

Paid Medical Loss Development Factors

Unadjusted (a)	Age-to-Age (in months)															
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195
1995												1.023	1.019	1.018	1.017	1.013
1996											1.025	1.023	1.022	1.014	1.014	1.014
1997										1.028	1.025	1.020	1.019	1.014	1.014	1.015
1998									1.033	1.032	1.027	1.021	1.017	1.019	1.018	1.017
1999								1.031	1.035	1.030	1.025	1.020	1.016	1.018	1.018	1.014
2000							1.039	1.037	1.030	1.026	1.022	1.020	1.021	1.016	1.012	1.011
2001						1.054	1.046	1.037	1.033	1.026	1.022	1.026	1.019	1.017	1.012	1.010
2002					1.068	1.053	1.043	1.032	1.027	1.024	1.026	1.018	1.015	1.011	1.011	1.009
2003				1.100	1.070	1.055	1.045	1.033	1.029	1.033	1.025	1.018	1.015	1.012	1.011	1.011
2004			1.165	1.121	1.086	1.066	1.047	1.039	1.041	1.031	1.022	1.017	1.014	1.011	1.012	1.008
2005		1.292	1.193	1.123	1.091	1.063	1.053	1.051	1.037	1.029	1.020	1.017	1.013	1.013	1.011	
2006	1.773	1.342	1.195	1.126	1.085	1.064	1.057	1.040	1.032	1.023	1.018	1.015	1.013	1.011		
2007	1.851	1.352	1.203	1.120	1.092	1.079	1.051	1.038	1.028	1.021	1.019	1.015	1.010			
2008	1.826	1.359	1.208	1.134	1.098	1.067	1.047	1.033	1.024	1.019	1.015	1.011				
2009	1.876	1.385	1.221	1.150	1.095	1.062	1.042	1.029	1.023	1.018	1.013					
2010	1.926	1.402	1.237	1.133	1.087	1.060	1.039	1.027	1.025	1.013						
2011	1.957	1.401	1.217	1.131	1.082	1.055	1.037	1.026	1.017							
2012	1.983	1.398	1.213	1.128	1.076	1.051	1.036	1.021								
2013	1.939	1.390	1.206	1.111	1.068	1.043	1.026									
2014	1.936	1.387	1.194	1.106	1.067	1.037										
2015	1.955	1.359	1.185	1.097	1.055											
2016	1.876	1.339	1.168	1.086												
2017	1.838	1.320	1.148													
2018	1.849	1.311														
2019	1.826															
Adjusted (b)	Age-to-Age (in months)															
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195
2002																1.010
2003															1.012	1.013
2004														1.013	1.013	1.009
2005													1.015	1.015	1.013	
2006												1.016	1.014	1.012		
2007											1.021	1.017	1.011			
2008										1.020	1.017	1.012				
2009									1.025	1.019	1.014					
2010								1.029	1.027	1.014						
2011							1.043	1.028	1.019							
2012						1.058	1.039	1.023								
2013					1.077	1.046	1.028									
2014				1.115	1.070	1.039										
2015			1.192	1.099	1.056											
2016		1.345	1.170	1.086												
2017	1.844	1.321	1.148													
2018	1.849	1.311														
2019	1.826															
Selected (c)	1.826	1.311	1.148	1.086	1.056	1.039	1.028	1.023	1.024	1.018	1.017	1.015	1.013	1.013	1.013	1.011
Cumulative Unadjusted for Impact of SB 1160	4.656	2.550	1.945	1.694	1.560	1.477	1.422	1.383	1.352	1.321	1.298	1.276	1.257	1.240	1.224	1.209
Cumulative Adjusted for Impact of SB 1160(d)	4.522	2.476	1.889	1.645	1.533	1.465	---	---	---	---	---	---	---	---	---	---

(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 losses paid prior to July 1, 2017 by -3.6%, -3.8%, -3.4%, -2.4%, -0.9%, and -0.1% to accident years 2011 to 2016, respectively, for the 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.
(c) Selections are latest year for the 15-to-27 month through 99-to-111 month factors and three-year average for the subsequent age-to-age factors.
(d) The cumulative factors for 51, 63, and 75 months are adjusted by -2.9%, -1.7%, and -0.8%, respectively, for the impact of the SB 1160 reductions in future lien filings.

Paid Medical Loss Development Factors (Continued)

Unadjusted (a)	Age-to-Age (in months)																			
Accident Year	219/207	231/219	243/231	255/243	267/255	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Pd (e)
1983								1.004	1.004	1.005	1.004	1.004	1.004	1.004	1.003	1.003	1.004	1.003	1.002	
1984							1.003	1.003	1.003	1.004	1.004	1.003	1.003	1.002	1.003	1.002	1.001	1.002	1.002	
1985						1.006	1.004	1.004	1.003	1.004	1.004	1.003	1.003	1.002	1.003	1.002	1.002	1.002	1.002	
1986					1.004	1.004	1.005	1.005	1.005	1.005	1.005	1.006	1.004	1.006	1.004	1.003	1.003	1.003		
1987				1.008	1.005	1.005	1.005	1.005	1.005	1.006	1.005	1.003	1.003	1.002	1.003	1.002	1.002			
1988			1.008	1.005	1.005	1.006	1.006	1.004	1.005	1.004	1.003	1.003	1.003	1.004	1.002	1.003				
1989		1.006	1.006	1.005	1.005	1.008	1.006	1.006	1.005	1.003	1.003	1.003	1.003	1.003	1.004					
1990	1.005	1.005	1.005	1.005	1.006	1.004	1.004	1.004	1.003	1.002	1.002	1.003	1.003	1.002						
1991	1.006	1.006	1.006	1.005	1.006	1.006	1.005	1.004	1.003	1.002	1.004	1.004	1.003							
1992	1.007	1.007	1.000	1.007	1.007	1.005	1.005	1.005	1.005	1.006	1.003	1.003								
1993	1.011	1.011	1.009	1.013	1.010	1.008	1.005	1.006	1.008	1.004	1.003									
1994	1.009	1.009	1.012	1.010	1.008	1.008	1.007	1.004	1.005	1.005										
1995	1.012	1.016	1.013	1.011	1.013	1.007	1.007	1.008	1.006											
1996	1.014	1.014	1.010	1.007	1.007	1.009	1.007	1.005												
1997	1.013	1.010	1.006	1.006	1.007	1.007	1.005													
1998	1.013	1.010	1.007	1.008	1.008	1.007														
1999	1.012	1.009	1.009	1.008	1.006															
2000	1.008	1.008	1.006	1.006																
2001	1.010	1.009	1.008																	
2002	1.009	1.007																		
2003	1.010																			

Adjusted (b)	Age-to-Age (in months)																			
Accident Year	219/207	231/219	243/231	255/243	267/255	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Pd (e)
1983																			1.002	
1984																		1.002	1.002	
1985																	1.002	1.002	1.002	
1986																1.004	1.003	1.003		
1987															1.004	1.003	1.002			
1988														1.004	1.002	1.003				
1989													1.004	1.003	1.005					
1990												1.003	1.003	1.003						
1991											1.004	1.004	1.003							
1992										1.007	1.003	1.003								
1993									1.009	1.004	1.004									
1994								1.004	1.005	1.005										
1995							1.008	1.009	1.007											
1996						1.011	1.008	1.005												
1997					1.008	1.008	1.005													
1998				1.010	1.009	1.008														
1999			1.010	1.009	1.006															
2000		1.008	1.007	1.007																
2001	1.011	1.010	1.009																	
2002	1.010	1.008																		
2003	1.011																			
Selected (c)	1.011	1.009	1.009	1.009	1.008	1.009	1.007	1.006	1.007	1.005	1.004	1.003	1.003	1.003	1.004	1.003	1.002	1.002	1.002	
Cumulative	1.196	1.183	1.173	1.163	1.153	1.144	1.134	1.126	1.119	1.112	1.106	1.102	1.098	1.094	1.091	1.087	1.083	1.081	1.078	1.076

(e) The ULT/435Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 111-to-123 through 339-to-351 adjusted factors and extrapolated to 80 development years.

Selected Indemnity Development Factors - Paid to Ultimate

	Age-to-Age (in months)																				
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195	219/207	231/219	243/231	255/243	267/255
1994													1.006	1.005	1.003	1.003	1.004	1.002	1.003	1.003	1.002
1995												1.008	1.007	1.006	1.004	1.004	1.005	1.004	1.003	1.002	1.003
1996											1.011	1.009	1.007	1.004	1.005	1.004	1.005	1.004	1.003	1.003	1.002
1997										1.015	1.011	1.007	1.007	1.006	1.005	1.005	1.004	1.003	1.002	1.002	1.003
1998									1.018	1.016	1.009	1.009	1.008	1.007	1.006	1.006	1.005	1.004	1.003	1.003	1.003
1999								1.021	1.018	1.014	1.010	1.009	1.008	1.006	1.006	1.005	1.004	1.003	1.003	1.003	1.002
2000							1.030	1.022	1.015	1.012	1.010	1.009	1.007	1.007	1.004	1.004	1.004	1.004	1.003	1.003	
2001						1.045	1.030	1.022	1.016	1.014	1.011	1.011	1.008	1.007	1.006	1.005	1.005	1.004	1.004		
2002					1.065	1.043	1.028	1.019	1.018	1.014	1.012	1.009	1.007	1.006	1.005	1.005	1.005	1.003			
2003				1.109	1.064	1.039	1.029	1.025	1.022	1.020	1.015	1.010	1.009	1.008	1.007	1.007	1.007				
2004			1.191	1.102	1.067	1.045	1.041	1.034	1.026	1.018	1.014	1.011	1.008	1.008	1.009	1.006					
2005		1.410	1.200	1.104	1.073	1.057	1.048	1.037	1.025	1.019	1.014	1.012	1.010	1.010	1.009						
2006	2.211	1.423	1.197	1.121	1.085	1.062	1.045	1.032	1.026	1.017	1.015	1.011	1.010	1.010							
2007	2.243	1.436	1.211	1.127	1.085	1.061	1.042	1.032	1.025	1.017	1.016	1.013	1.011								
2008	2.279	1.468	1.234	1.132	1.083	1.054	1.040	1.025	1.021	1.018	1.014	1.009									
2009	2.369	1.499	1.238	1.135	1.084	1.056	1.039	1.029	1.023	1.016	1.010										
2010	2.399	1.505	1.240	1.129	1.081	1.053	1.036	1.024	1.021	1.012											
2011	2.433	1.481	1.227	1.129	1.076	1.053	1.038	1.023	1.016												
2012	2.424	1.477	1.219	1.123	1.075	1.047	1.031	1.020													
2013	2.385	1.490	1.216	1.111	1.063	1.038	1.027														
2014	2.455	1.501	1.215	1.109	1.062	1.033															
2015	2.468	1.476	1.202	1.100	1.051																
2016	2.403	1.459	1.188	1.087																	
2017	2.390	1.441	1.172																		
2018	2.345	1.412																			
2019	2.321																				
Selected (a)	2.308(b)	1.458(b)	1.193(b)	1.089(b)	1.050(b)	1.036	1.029	1.022	1.020	1.015	1.013	1.011	1.010	1.009	1.008	1.006	1.006	1.004	1.003	1.003	1.003
Cumulative	5.692	2.466	1.691	1.418	1.302	1.239	1.197	1.163	1.139	1.116	1.100	1.085	1.073	1.062	1.053	1.044	1.038	1.032	1.028	1.025	1.021

(a) Selections are two-year averages for the 15-to-27 month through 99-to-111 month factors and three-year averages for the subsequent paid age-to-age factors.
(b) Based on calculations shown on Exhibits 2.5.3 to 2.5.8. Each of these selections is calculated as the two-year average paid indemnity age-to-age factor multiplied by an adjustment for changes in claim settlement rates.

Selected Indemnity Development Factors - Paid to Ultimate (Continued)

	Age-to-Age (in months)														
Accident Year	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Pd (d)
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	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.000	1.001	1.001	
1985	1.001	1.001	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	
1986	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.000		
1987	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.000	1.001	1.001	1.001	1.001			
1988	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.001	1.001				
1989	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001					
1990	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.001	1.001						
1991	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001							
1992	1.001	1.001	1.001	1.001	1.001	1.001	1.001								
1993	1.001	1.001	1.001	1.001	1.001	1.001									
1994	1.002	1.002	1.001	1.001	1.002										
1995	1.002	1.002	1.002	1.002											
1996	1.003	1.003	1.003												
1997	1.003	1.003													
1998	1.003														
Unadjusted (a)	1.003	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.008
Selected (c)	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.005
Cumulative	1.019	1.016	1.014	1.012	1.011	1.010	1.010	1.009	1.008	1.008	1.007	1.006	1.006	1.006	1.005

(c) Adjusted for the impact of changes in claim settlement rates on later period development for 279 months and later. See Exhibits 2.5.9 through 2.5.12.

(d) The ULT/435Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 111-to-123 through 339-to-351 factors and extrapolated to 80 development years.

Paid Indemnity Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

A. Total Reported Indemnity Claim Counts

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						113,285
2013					121,163	121,327
2014				125,978	126,422	126,596
2015			129,925	130,530	130,902	131,138
2016		130,350	132,867	133,547	133,871	
2017	120,415	131,034	133,300	134,020		
2018	122,113	133,384	135,265			
2019	125,247	135,778				
2020	110,386					

B. Development of Total Reported Indemnity Claim Counts

Accident	Age-to-Age Development (in months):					
Year	15-27	27-39	39-51	51-63	63-75	75-Ult
2013					1.001	
2014				1.004	1.001	
2015			1.005	1.003	1.002	
2016		1.019	1.005	1.002		
2017	1.088	1.017	1.005			
2018	1.092	1.014				
2019	1.084					
Latest Year	1.084	1.014	1.005	1.002	1.002	
Cumulative	1.114	1.028	1.013	1.008	1.005	1.004

Acc. Year	2020	2019	2018	2017	2016	2015
Ult. Claim Counts	122,959	139,512	137,052	135,061	134,585	131,600

C. Closed Indemnity Claim Counts

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						101,284
2013					104,449	110,123
2014				101,408	110,541	115,950
2015			93,304	108,082	116,493	120,716
2016		75,632	98,984	112,728	119,534	
2017	45,997	79,957	101,733	112,969		
2018	47,434	81,250	100,465			
2019	48,367	79,029				
2020	41,765					

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

Paid Indemnity Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

D. Ultimate Indemnity Claim Settlement Ratio (a)

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						89.0%
2013					85.7%	90.3%
2014				79.8%	87.0%	91.3%
2015			70.9%	82.1%	88.5%	91.7%
2016		56.2%	73.5%	83.8%	88.8%	
2017	34.1%	59.2%	75.3%	83.6%		
2018	34.6%	59.3%	73.3%			
2019	34.7%	56.6%				
2020	34.0%					

E. Adjusted Closed Indemnity Claim Counts at Equal Percentiles of Ultimate Claim Counts (b)

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						104,332
2013					108,277	111,828
2014				106,261	112,835	116,535
2015			96,468	110,074	116,883	120,716
2016		76,238	98,656	112,570	119,534	
2017	45,876	76,508	99,006	112,969		
2018	46,552	77,636	100,465			
2019	47,388	79,029				
2020	41,765					

F. Average Paid Indemnity per Closed Claim

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						17,183
2013					15,718	17,232
2014				14,355	16,584	18,042
2015			11,719	14,992	17,025	18,249
2016		7,612	11,875	14,920	16,611	
2017	3,297	7,683	11,845	14,661		
2018	3,551	8,165	12,171			
2019	3,846	8,087				
2020	3,889					

(a) Ratio of closed indemnity claim counts (Item C) to the estimated ultimate indemnity claim counts (Item B) for that accident year.
(b) The claim counts for the latest evaluation of each accident year are equal to the reported number of closed indemnity claims. All prior evaluations shown are the product of the latest ultimate indemnity claim settlement ratio (Item D) and the ultimate indemnity claim counts (Item B) for that accident year.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

Paid Indemnity Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

G. Adjusted Average Paid Indemnity per Closed Claim (c)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						18,161
2013					16,724	17,691
2014				15,500	17,187	18,219
2015			12,354	15,450	17,134	18,249
2016		7,701	11,802	14,881	16,611	
2017	3,284	7,051	11,220	14,661		
2018	3,450	7,470	12,171			
2019	3,727	8,087				
2020	3,889					
2021						

H. Adjusted Paid Indemnity on Closed Claims (in $000) (d)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						1,894,787
2013					1,810,868	1,978,328
2014				1,646,997	1,939,337	2,123,123
2015			1,191,739	1,700,654	2,002,728	2,202,922
2016		587,089	1,164,297	1,675,198	1,985,611	
2017	150,656	539,451	1,110,887	1,656,259		
2018	160,611	579,945	1,222,751			
2019	176,628	639,122				
2020	162,403					

I. Paid Indemnity on Open Claims (in $000)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						451,171
2013					535,320	416,406
2014				671,743	525,770	414,091
2015			780,232	631,271	493,765	403,373
2016		736,360	739,841	592,747	483,675	
2017	410,598	729,912	731,087	610,832		
2018	438,228	759,158	783,885			
2019	458,148	849,371				
2020	442,585					

(c) Adjusted based on ultimate indemnity claim settlement ratios (Item D) and assuming a log-linear relationship between maturities.
(d) Each amount is the product of the adjusted closed indemnity claim counts (Item E) and the adjusted average paid indemnity per closed claim (Item G), and divided by $1,000.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates**

J. Average Paid Indemnity per Open Claim for Indemnity Claims in Transition (e)

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						37,595
2013					32,028	37,165
2014				27,340	33,106	38,896
2015			21,306	28,121	34,268	38,704
2016		13,457	19,438	28,554	33,736	
2017	4,888	9,931	20,641	29,017		
2018	5,383	10,563	22,525			
2019	5,616	14,967				
2020	6,450					

K. Changes in Paid Indemnity on Open Claims Resulting from the Impact of Changes in Claim Settlement Rates (in $000) (f)

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						-114,628
2013					-122,603	-63,367
2014				-132,707	-75,946	-22,754
2015			-67,412	-56,017	-13,364	
2016		-8,155	6,376	4,511		
2017	592	34,253	56,289			
2018	4,748	38,173				
2019	5,498					

L. Adjusted Paid Indemnity on Open Claims (in $000) (g)

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						336,543
2013					412,717	353,040
2014				539,036	449,824	391,336
2015			712,821	575,254	480,400	403,373
2016		728,205	746,217	597,258	483,675	
2017	411,190	764,165	787,376	610,832		
2018	442,975	797,331	783,885			
2019	463,646	849,371				
2020	442,585					

(e) Each amount is equal to the product of [the average monthly indemnity payment per open indemnity claim] and [the number of months for the current evaluation]. For evaluations indicating claim settlement rate decreases, the average monthly indemnity payment per open indemnity claim at the prior evaluation is used. For evaluations indicating claim settlement rate increases, the average monthly indemnity payment per open indemnity claim at the same evaluation is used.

(f) Each amount is equal to [the difference between unadjusted and adjusted closed indemnity claim counts (Items C and E)] multiplied by the corresponding [average paid indemnity per open claim for indemnity claims in transition (Item J)].

(g) Each amount is the sum of [paid indemnity on open claims (Item I)] and the corresponding [incremental changes in paid indemnity on open claims resulting from the impact of changes in claim settlement rates (Item K)].

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

Paid Indemnity Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

M. Adjusted Total Paid Indemnity (in $000) (h)

Accident Year	Evaluated as of (in months) 15	27	39	51	63	75
2012						2,231,330
2013					2,223,584	2,331,368
2014				2,186,033	2,389,161	2,514,460
2015			1,904,560	2,275,909	2,483,129	2,606,294
2016		1,315,294	1,910,514	2,272,456	2,469,286	
2017	561,845	1,303,617	1,898,263	2,267,091		
2018	603,586	1,377,276	2,006,636			
2019	640,274	1,488,493				
2020	604,988					

N. Paid Indemnity Loss Development Factors Based on Adjusted Total Paid Indemnity

Accident Year	Evaluated as of (in months) 15-27	27-39	39-51	51-63	63-75
2012					
2013					1.048
2014				1.093	1.052
2015			1.195	1.091	1.050
2016		1.453	1.189	1.087	
2017	2.320	1.456	1.194		
2018	2.282	1.457			
2019	2.325				
Latest Year	2.325	1.457	1.194	1.087	1.050
3-Year Average	2.309	1.455	1.193	1.090	1.050

O. Paid Indemnity Loss Development Factors (i)

Accident Year	Evaluated as of (in months) 15-27	27-39	39-51	51-63	63-75
2013					1.063
2014				1.109	1.062
2015			1.202	1.100	1.052
2016		1.460	1.188	1.086	
2017	2.391	1.440	1.171		
2018	2.345	1.411			
2019	2.311				

(h) Each amount is the sum of the adjusted paid indemnity on closed claims (Item H) and the adjusted paid indemnity on open claims (Item L).
(i) Development factors are based on paid indemnity losses from the same insurer mix as that used in the adjustment for changes in claim settlement rates and applied in the calculation of the development factors in Item N.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates**

P. Impact of Adjustment for Changes in Claim Settlement Rates (j)

Accident	Evaluated as of (in months)				
Year	15-27	27-39	39-51	51-63	63-75
2013					-1.36%
2014				-1.44%	-0.93%
2015			-0.56%	-0.82%	-0.25%
2016		-0.49%	0.15%	0.10%	
2017	-2.95%	1.10%	2.00%		
2018	-2.69%	3.29%			
2019	0.61%				

Q. Paid Indemnity Loss Development Factors Adjusted for Changes in
Indemnity Claim Settlement Rates (k)

Accident	Evaluated as of (in months)				
Year	15-27	27-39	39-51	51-63	63-75
2013					1.049
2014				1.093	1.052
2015			1.195	1.091	1.048
2016		1.452	1.190	1.088	
2017	2.320	1.457	1.195		
2018	2.282	1.458			
2019	2.335				
Latest Year	2.335	1.458	1.195	1.088	1.048
2-Year Average	2.308	1.458	1.193	1.089	1.050
3-Year Average	2.312	1.456	1.193	1.091	1.050

(j) Each factor represents the change in age-to-age development factors from Item O to those in Item N.
(k) Each factor is the product of [1.0 + the impact of adjustment for changes in claim settlement rates (Item P)] and [the paid indemnity age-to-age development factor from Exhibit 2.5.1].

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

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

1. Reported Closed Indemnity Claim Counts

Accident Year	291	303	315	327	339	351	363	375	387	399
	Evaluated as of (in months)									
1989							216,353	216,435	216,528	216,582
1990						219,299	219,411	219,485	219,568	
1991					173,118	173,197	173,269	173,352		
1992				136,241	136,331	136,399	136,490			
1993			124,646	124,747	124,817	124,904				
1994		116,789	116,906	116,998	117,116					
1995	111,585	111,740	111,845	111,954						
1996	115,567	115,732	115,890							
1997	124,506	124,701								
1998	127,845									
1999										

	Accident Year	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989
2. Ult. Claim Counts (a)		129,252	125,978	116,859	112,735	117,791	125,470	136,965	173,789	220,033	216,928

3. Ultimate Indemnity Claim Settlement Ratio (b)

Accident Year	291	303	315	327	339	351	363	375	387	399
	Evaluated as of (in months)									
1989							99.7%	99.8%	99.8%	99.8%
1990						99.7%	99.7%	99.8%	99.8%	
1991					99.6%	99.7%	99.7%	99.7%		
1992				99.5%	99.5%	99.6%	99.7%			
1993			99.3%	99.4%	99.5%	99.5%				
1994		99.1%	99.2%	99.3%	99.4%					
1995	99.0%	99.1%	99.2%	99.3%						
1996	98.9%	99.0%	99.2%							
1997	98.8%	99.0%								
1998	98.9%									

(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	279-291	291-303	303-315	315-327	327-339	339-351	351-363	363-375	375-387	387-399
1989								---	---	--
1990							14.3%	18.8%	13.5%	
1991						15.3%	11.9%	15.1%		
1992					11.7%	12.2%	16.0%			
1993				12.5%	10.7%	16.1%				
1994			12.3%	9.7%	13.3%					
1995		11.7%	10.4%	14.9%						
1996	13.5%	10.6%	12.2%							
1997	12.8%	14.0%								
1998	13.2%									
1999										
3-Year Average	13.2%	12.1%	11.6%	12.3%	11.9%	14.5%	14.1%	17.0%	13.5%	
Share of Open on Prior (d)	86.8%	87.9%	88.4%	87.7%	88.1%	85.5%	85.9%	83.0%	86.5%	

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

Accident	Evaluated as of (in months)								
Year	291	303	315	327	339	351	363	375	387
1989									
1990									*465*
1991								*437*	314
1992							*475*	339	293
1993						*566*	416	345	299
1994					*675*	508	437	363	314
1995				*781*	603	516	443	368	318
1996			*969*	751	661	565	486	403	349
1997		*1,277*	992	870	766	655	563	467	404
1998	*1,407*	1,074	949	832	733	626	538	447	387
1999	1,336	1,175	1,038	910	801	685	589	489	423
…									
2019	307	269	238	209	184	157	135	112	97
2020	347	305	270	237	208	178	153	127	110

(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	291	303	315	327	339	351	363	375	387
1989								*0.2%*	*0.2%*
1990							*0.2%*	*0.2%*	*0.2%*
1991						*0.3%*	*0.3%*	*0.2%*	0.2%
1992					*0.4%*	*0.3%*	*0.3%*	0.2%	0.2%
1993				*0.5%*	*0.5%*	*0.4%*	0.3%	0.3%	0.2%
1994			*0.7%*	*0.6%*	*0.5%*	0.4%	0.4%	0.3%	0.3%
1995		*0.8%*	*0.7%*	*0.6%*	0.5%	0.5%	0.4%	0.3%	0.3%
1996	*1.0%*	*0.8%*	*0.7%*	0.6%	0.6%	0.5%	0.4%	0.3%	0.3%
1997	*1.0%*	*0.9%*	0.8%	0.7%	0.6%	0.5%	0.4%	0.4%	0.3%
1998	*0.9%*	0.8%	0.7%	0.6%	0.6%	0.5%	0.4%	0.3%	0.3%
1999	0.9%	0.8%	0.7%	0.6%	0.6%	0.5%	0.4%	0.3%	0.3%
…									
2019	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
2020	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
3-Year Historical Avg.	*1.0%*	*0.8%*	*0.6%*	*0.5%*	*0.4%*	*0.3%*	*0.2%*	*0.2%*	*0.2%*

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

Accident	Evaluated as of (in months)								
Year	291	303	315	327	339	351	363	375	387
1989									
1990									
1991									1.13
1992								1.25	1.34
1993							1.37	1.39	1.49
1994						1.39	1.53	1.56	1.67
1995					1.33	1.48	1.62	1.65	1.77
1996				1.24	1.41	1.56	1.71	1.74	1.87
1997			1.22	1.33	1.51	1.68	1.84	1.87	2.01
1998		1.05	1.13	1.24	1.41	1.57	1.72	1.75	1.88
1999	1.00	1.06	1.14	1.25	1.42	1.57	1.72	1.76	1.88
…									
2019	0.26	0.28	0.30	0.33	0.37	0.41	0.45	0.46	0.49
2020	0.26	0.28	0.30	0.32	0.37	0.41	0.45	0.46	0.49

(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	291-303	303-315	315-327	327-339	339-351	351-363	363-375	375-387	387-399
8. 3-Year Average (h)									
Indemnity	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
Medical	1.006	1.007	1.005	1.004	1.003	1.003	1.003	1.004	1.003
9. Adjustment Ratio (i)									
Accident Year 2019	0.70	0.71	0.72	0.73	0.75	0.77	0.78	0.78	0.80
Accident Year 2020	0.70	0.71	0.72	0.73	0.75	0.76	0.78	0.78	0.80
10. Adjusted Factors (j)									
Indemnity									
Accident Year 2019	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
Accident Year 2020	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
Medical									
Accident Year 2019	1.004	1.005	1.004	1.003	1.003	1.003	1.003	1.003	1.003
Accident Year 2020	1.004	1.005	1.004	1.003	1.002	1.003	1.003	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 SB 1160 and changes in pharmaceutical costs.
(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

Adjusted (a)(b)	Age-to-Age (in months)																				
Accident Year	27/15	39/27	51/39	63/51	75/63	87/75	99/87	111/99	123/111	135/123	147/135	159/147	171/159	183/171	195/183	207/195	219/207	231/219	243/231	255/243	267/255
1997																					1.008
1998																				1.010	1.009
1999																			1.010	1.009	1.006
2000																		1.008	1.007	1.007	
2001																	1.011	1.010	1.009		
2002																1.010	1.010	1.008			
2003															1.012	1.013	1.011				
2004														1.013	1.013	1.009					
2005													1.015	1.015	1.013						
2006												1.016	1.014	1.012							
2007											1.021	1.017	1.011								
2008										1.020	1.017	1.012									
2009									1.025	1.019	1.014										
2010								1.029	1.027	1.014											
2011							1.043	1.028	1.019												
2012						1.058	1.039	1.023													
2013					1.077	1.046	1.028														
2014				1.115	1.070	1.039															
2015			1.192	1.099	1.056																
2016		1.345	1.170	1.086																	
2017	1.844	1.321	1.148																		
2018	1.849	1.311																			
2019	1.826																				
Selected (c)	1.826(d)	1.332(d)	1.166(d)	1.089(d)	1.056(d)	1.043	1.034	1.026	1.024	1.018	1.017	1.015	1.013	1.013	1.013	1.011	1.011	1.009	1.009	1.009	1.008
Cumulative Unadjusted for Impact of SB 1160	4.682	2.565	1.925	1.650	1.515	1.434	1.376	1.331	1.298	1.268	1.246	1.225	1.207	1.191	1.175	1.160	1.148	1.136	1.126	1.117	1.107
Cumulative Adjusted for Impact of SB 1160(e)	4.547	2.491	1.870	1.603	1.489	1.422	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

(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 losses paid prior to July 1, 2017 by -3.6%, -3.8%, -3.4%, -2.4%, -0.9%, and -0.1% to accident years 2011 to 2016, respectively, for the 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.
(c) Selections are two-year averages for the 15-to-27 month through 99-to-111 month factors and three-year averages for the subsequent paid age-to-age factors.
(d) Based on calculations shown on Exhibits 2.6.3 to 2.6.8. Each of these selections are calculated as the two-year average paid medical age-to-age factor multiplied by an adjustment for changes in claim settlement rates.
(e) The cumulative factors for 51, 63, and 75 months are adjusted by -2.9%, -1.7%, and -0.8%, respectively, for the impact of the SB 1160 reductions in future lien filings.

Selected Medical Development Factors - Paid to Ultimate (Continued)

	Age-to-Age (in months)														
Accident Year	279/267	291/279	303/291	315/303	327/315	339/327	351/339	363/351	375/363	387/375	399/387	411/399	423/411	435/423	ULT/435Pd (g)
1983														1.002	
1984													1.002	1.002	
1985												1.002	1.002	1.002	
1986											1.004	1.003	1.003		
1987										1.004	1.003	1.002			
1988									1.004	1.002	1.003				
1989								1.004	1.003	1.005					
1990							1.003	1.003	1.003						
1991						1.004	1.004	1.003							
1992					1.007	1.003	1.003								
1993				1.009	1.004	1.004									
1994			1.004	1.005	1.005										
1995		1.008	1.009	1.007											
1996	1.011	1.008	1.005												
1997	1.008	1.005													
1998	1.008														
Unadjusted (c)	1.009	1.007	1.006	1.007	1.005	1.004	1.003	1.003	1.003	1.004	1.003	1.002	1.002	1.002	1.076
Selected (f)	1.009	1.005	1.004	1.005	1.004	1.003	1.003	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.047
Cumulative	1.099	1.089	1.083	1.079	1.073	1.069	1.066	1.064	1.061	1.058	1.055	1.053	1.051	1.049	1.047

(f) Adjusted for the impact of changes in claim settlement rates on later period development for 279 months and later. See Exhibits 2.5.9 through 2.5.12.

(g) The ULT/435Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 111-to-123 through 339-to-351 factors and extrapolated to 80 development years.

**Paid Medical Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates**

A. Total Reported Indemnity Claim Counts

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						113,285
2013					121,163	121,327
2014				125,978	126,422	126,596
2015			129,925	130,530	130,902	131,138
2016		130,350	132,867	133,547	133,871	
2017	120,415	131,034	133,300	134,020		
2018	122,113	133,384	135,265			
2019	125,247	135,778				
2020	110,386					

B. Development of Total Reported Indemnity Claim Counts

Accident	Age-to-Age Development (in months):					
Year	15-27	27-39	39-51	51-63	63-75	75-Ult
2013					1.001	
2014				1.004	1.001	
2015			1.005	1.003	1.002	
2016		1.019	1.005	1.002		
2017	1.088	1.017	1.005			
2018	1.092	1.014				
2019	1.084					
Latest Year	1.084	1.014	1.005	1.002	1.002	
Cumulative	1.114	1.028	1.013	1.008	1.005	1.004

Acc. Year	2020	2019	2018	2017	2016	2015
Ult. Claim Counts	122,959	139,512	137,052	135,061	134,585	131,600

C. Closed Indemnity Claim Counts

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						101,284
2013					104,449	110,123
2014				101,408	110,541	115,950
2015			93,304	108,082	116,493	120,716
2016		75,632	98,984	112,728	119,534	
2017	45,997	79,957	101,733	112,969		
2018	47,434	81,250	100,465			
2019	48,367	79,029				
2020	41,765					

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

Paid Medical Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

D. Ultimate Indemnity Claim Settlement Ratio (a)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						89.0%
2013					85.7%	90.3%
2014				79.8%	87.0%	91.3%
2015			70.9%	82.1%	88.5%	91.7%
2016		56.2%	73.5%	83.8%	88.8%	
2017	34.1%	59.2%	75.3%	83.6%		
2018	34.6%	59.3%	73.3%			
2019	34.7%	56.6%				
2020	34.0%					

E. Adjusted Closed Indemnity Claim Counts at Equal Percentiles of Ultimate Claim Counts (b)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						104,332
2013					108,277	111,828
2014				106,261	112,835	116,535
2015			96,468	110,074	116,883	120,716
2016		76,238	98,656	112,570	119,534	
2017	45,876	76,508	99,006	112,969		
2018	46,552	77,636	100,465			
2019	47,388	79,029				
2020	41,765					

F. Average Paid Medical per Closed Indemnity Claim

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						19,946
2013					17,185	19,063
2014				14,573	17,053	18,724
2015			11,424	14,683	16,701	18,047
2016		7,542	11,397	14,163	15,937	
2017	3,592	7,762	11,477	13,987		
2018	3,761	8,186	12,031			
2019	3,910	7,976				
2020	3,695					

(a) Ratio of closed indemnity claim counts (Item C) to the estimated ultimate indemnity claim counts (Item B) for that accident year.
(b) The claim counts for the latest evaluation of each accident year are equal to the reported number of closed indemnity claims. All prior evaluations shown are the product of the latest ultimate indemnity claim settlement ratio (Item D) and the ultimate indemnity claim counts (Item B) for that accident year.

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

Paid Medical Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

G. Adjusted Average Paid Medical per Closed Indemnity Claim (c)

Accident Year	15	27	39	51	63	75
	Evaluated as of (in months)					
2012						21,235
2013					18,431	19,638
2014				15,843	17,743	18,915
2015			12,054	15,138	16,821	18,047
2016		7,623	11,331	14,128	15,937	
2017	3,580	7,178	10,928	13,987		
2018	3,668	7,533	12,031			
2019	3,786	7,976				
2020	3,695					

H. Adjusted Paid Medical (in $000) on Closed Indemnity Claims (d)

Accident Year	15	27	39	51	63	75
	Evaluated as of (in months)					
2012						2,215,538
2013					1,995,683	2,196,095
2014				1,683,477	2,002,003	2,204,297
2015			1,162,865	1,666,256	1,966,145	2,178,598
2016		581,176	1,117,888	1,590,356	1,905,052	
2017	164,218	549,177	1,081,981	1,580,087		
2018	170,743	584,825	1,208,741			
2019	179,426	630,324				
2020	154,336					

I. Paid Medical on Open Indemnity Claims (in $000)

Accident Year	15	27	39	51	63	75
	Evaluated as of (in months)					
2012						595,135
2013					634,115	505,230
2014				726,801	570,672	460,915
2015			796,289	655,027	529,898	445,840
2016		783,522	752,766	634,053	535,170	
2017	522,706	780,336	749,099	653,242		
2018	546,380	812,667	802,255			
2019	533,357	833,271				
2020	472,373					

(c) Adjusted based on ultimate indemnity claim settlement ratios (Item D) and assuming a log-linear relationship between maturities.
(d) Each amount is equal to the product of [adjusted closed indemnity claim counts (Item E)] and [adjusted average paid medical per closed indemnity claim (Item G)], and divided by $1,000.

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

Paid Medical Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

J. Average Paid Medical per Open Indemnity Claim for Indemnity Claims in Transition (e)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						49,591
2013					37,939	45,093
2014				29,580	35,934	43,295
2015			21,744	29,179	36,776	42,779
2016		14,319	22,217	30,456	37,328	
2017	7,024	15,277	23,730	31,031		
2018	7,316	15,588	23,053			
2019	6,938	14,683				
2020	6,884					

K. Changes in Paid Medical on Open Indemnity Claims Resulting from the Impact of Changes in Indemnity Claim Settlement Rates (in $000) (f)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						-151,204
2013					-145,230	-76,883
2014				-143,584	-82,432	-25,327
2015			-68,799	-58,125	-14,342	
2016		-8,677	6,784	4,590		
2017	745	43,605	60,178			
2018	5,219	47,594				
2019	6,244					

L. Adjusted Paid Medical on Open Indemnity Claims (in $000) (g)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						443,931
2013					488,885	428,347
2014				583,217	488,241	435,588
2015			727,490	596,903	515,556	445,840
2016		774,844	759,551	638,644	535,170	
2017	523,451	823,942	809,277	653,242		
2018	551,599	860,262	802,255			
2019	539,601	833,271				
2020	472,373					

(e) Each amount is equal to the product of [the average monthly medical payment per open indemnity claim] and [the number of months for the current evaluation]. For evaluations indicating claim settlement rate decreases, the average monthly medical payment per open indemnity claim at the prior evaluation is used. For evaluations indicating claim settlement rate increases, the average monthly medical payment per open indemnity claim at the same evaluation is used.

(f) Each amount is equal to [the difference between unadjusted and adjusted closed indemnity claim counts (Items C and E)] multiplied by [the corresponding average paid medical per open indemnity claim for indemnity claims in transition (Item J)].

(g) Each amount is the sum of [paid medical on open indemnity claims (Item I)] and the corresponding [incremental changes in paid medical on open indemnity claims resulting from the impact of changes in indemnity claim settlement rates (Item K)].

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

Paid Medical Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

M. Paid Medical on Medical-Only Claims (in $000)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						204,240
2013					207,126	209,363
2014				221,096	223,530	226,102
2015			219,878	224,604	229,224	231,704
2016		224,160	232,853	238,939	243,116	
2017	204,078	238,515	247,438	252,909		
2018	210,116	251,447	262,551			
2019	215,956	254,854				
2020	168,321					

N. Adjusted Total Paid Medical (in $000) (h)

Accident	Evaluated as of (in months)					
Year	15	27	39	51	63	75
2012						3,148,317
2013					2,691,695	2,833,805
2014				2,487,790	2,713,774	2,865,987
2015			2,110,232	2,487,763	2,710,924	2,856,142
2016		1,580,180	2,110,292	2,467,939	2,683,338	
2017	891,746	1,611,634	2,138,696	2,486,237		
2018	932,458	1,696,533	2,273,547			
2019	934,983	1,718,448				
2020	795,030					

O. Paid Medical Loss Development Factors Based on Adjusted Total Paid Medical

Accident	Evaluated as of (in months)				
Year	15-27	27-39	39-51	51-63	63-75
2013					1.053
2014				1.091	1.056
2015			1.179	1.090	1.054
2016		1.335	1.169	1.087	
2017	1.807	1.327	1.163		
2018	1.819	1.340			
2019	1.838				
Latest Year	1.838	1.340	1.163	1.087	1.054

(h) Each amount is the sum of [adjusted paid medical on closed indemnity claims (Item H)], [adjusted paid medical on open indemnity claims (Item L)] and [paid medical on medical-only claims (Item M)]. The effect of the paid cost of medical cost containment programs are only present for accident years 2011 and prior.

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

Paid Medical Loss Development Factors
With Separate Adjustments on Open and Closed Claims
for Changes in Claim Settlement Rates

P. Paid Medical Loss Development Factors (i)

Accident Year	Evaluated as of (in months) 15-27	27-39	39-51	51-63	63-75
2013					1.067
2014				1.105	1.067
2015			1.185	1.097	1.056
2016		1.339	1.168	1.087	
2017	1.838	1.320	1.149		
2018	1.850	1.315			
2019	1.831				

Q. Impact of Adjustment for Changes in Indemnity Claim Settlement Rates (j)

Accident Year	Evaluated as of (in months) 15-27	27-39	39-51	51-63	63-75
2013					-1.37%
2014				-1.24%	-1.00%
2015			-0.49%	-0.62%	-0.23%
2016		-0.29%	0.10%	0.06%	
2017	-1.67%	0.53%	1.19%		
2018	-1.63%	1.93%			
2019	0.37%				

R. Paid Medical Loss Development Factors Adjusted for Changes in Indemnity Claim Settlement Rates (k)

Accident Year	Evaluated as of (in months) 15-27	27-39	39-51	51-63	63-75
2013					1.062
2014				1.101	1.059
2015			1.186	1.092	1.054
2016		1.341	1.171	1.087	
2017	1.813	1.328	1.162		
2018	1.819	1.336			
2019	1.833				
Latest Year	1.833	1.336	1.162	1.087	1.054
2-Year Average	1.826	1.332	1.166	1.089	1.056
3-Year Average	1.822	1.335	1.173	1.093	1.058

(i) Development factors are based on paid medical losses from the same insurer mix as that used in the adjustment for changes in claim settlement rates and applied in the calculation of the development factors in Item O.
(j) Each factor represents the change in age-to-age development factors from Item P to those in Item O.
(k) Each factor is the product of [1.0 + the impact of adjustment for changes in claim settlement rates (Item Q)] and [the adjusted paid medical age-to-age development factor from Exhibit 2.6.1].

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

Developed Indemnity Loss Ratios Using Selected Loss Development Factors
Adjusted for Changes in Claim Settlement Rates
Based on Experience as of March 31, 2021

		Development Factors		
	(1)	(2)	(3)	(4)
Accident Year	Paid Loss Ratio (a)	Annual (b)	Cumulative	Projected Ultimate Loss Ratio (4) = (1) x (3)
1987	0.344	1.000	1.006	0.346
1988	0.329	1.001	1.006	0.331
1989	0.342	1.001	1.007	0.345
1990	0.397	1.001	1.008	0.400
1991	0.423	1.001	1.008	0.427
1992	0.348	1.001	1.009	0.351
1993	0.286	1.001	1.010	0.289
1994	0.324	1.001	1.010	0.327
1995	0.467	1.001	1.011	0.473
1996	0.524	1.001	1.012	0.531
1997	0.593	1.001	1.014	0.601
1998	0.643	1.002	1.016	0.653
1999	0.674	1.003	1.019	0.686
2000	0.581	1.003	1.021	0.593
2001	0.481	1.003	1.025	0.492
2002	0.357	1.003	1.028	0.367
2003	0.236	1.004	1.032	0.243
2004	0.140	1.006	1.038	0.145
2005	0.120	1.006	1.044	0.125
2006	0.154	1.008	1.053	0.162
2007	0.211	1.009	1.062	0.224
2008	0.263	1.010	1.073	0.283
2009	0.305	1.011	1.085	0.330
2010	0.291	1.013	1.100	0.319
2011	0.267	1.015	1.116	0.298
2012	0.235	1.020	1.139	0.267
2013	0.197	1.022	1.163	0.229
2014	0.182	1.029	1.197	0.218
2015	0.172	1.036	1.239	0.213
2016	0.155	1.050	1.302	0.201
2017	0.145	1.089	1.418	0.205
2018	0.130	1.193	1.691	0.220
2019	0.104	1.458	2.466	0.257
2020	0.049	2.308	5.692	0.278

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

Developed Medical Loss Ratios Using Selected Loss Development Factors
Adjusted for Changes in Claim Settlement Rates
Based on Experience as of March 31, 2021

	(1)	(2)	(3)	(4)	(5)	(6)
		Reform Adjusted				
			Development Factors			
Accident Year	Paid Loss Ratio (a)	Adjusted Paid Loss Ratio (b)	Annual (c)	Cumulative (c)	Adjusted Developed Loss Ratio (d)	Projected Ultimate Loss Ratio
					(2) x (4)	(1) + ((5) - (2))
1987	0.307	0.272	1.002	1.051	0.286	0.321
1988	0.300	0.266	1.002	1.053	0.280	0.314
1989	0.321	0.285	1.002	1.055	0.300	0.337
1990	0.359	0.319	1.003	1.058	0.337	0.378
1991	0.377	0.334	1.003	1.061	0.354	0.397
1992	0.311	0.276	1.003	1.064	0.294	0.329
1993	0.256	0.228	1.003	1.066	0.243	0.271
1994	0.293	0.261	1.003	1.069	0.279	0.311
1995	0.432	0.384	1.004	1.073	0.413	0.460
1996	0.462	0.411	1.005	1.079	0.443	0.494
1997	0.517	0.460	1.004	1.083	0.498	0.555
1998	0.616	0.549	1.005	1.089	0.598	0.665
1999	0.672	0.600	1.009	1.099	0.660	0.732
2000	0.606	0.541	1.008	1.107	0.599	0.664
2001	0.535	0.480	1.009	1.117	0.536	0.591
2002	0.412	0.371	1.009	1.126	0.417	0.459
2003	0.263	0.237	1.009	1.136	0.270	0.295
2004	0.177	0.160	1.011	1.148	0.184	0.201
2005	0.173	0.157	1.011	1.160	0.182	0.198
2006	0.222	0.202	1.013	1.175	0.237	0.257
2007	0.308	0.281	1.013	1.191	0.335	0.362
2008	0.379	0.347	1.013	1.207	0.419	0.450
2009	0.436	0.403	1.015	1.225	0.494	0.527
2010	0.424	0.394	1.017	1.246	0.491	0.521
2011	0.357	0.335	1.018	1.268	0.425	0.446
2012	0.300	0.285	1.024	1.298	0.369	0.385
2013	0.236	0.227	1.026	1.331	0.302	0.312
2014	0.205	0.200	1.034	1.376	0.275	0.280
2015	0.186	0.184	1.043	1.422	0.261	0.263
2016	0.166	0.165	1.056	1.489	0.246	0.247
2017	0.156	0.156	1.089	1.603	0.250	0.250
2018	0.145	0.145	1.166	1.870	0.272	0.272
2019	0.119	0.119	1.332	2.491	0.296	0.296
2020	0.063	0.063	1.826	4.547	0.288	0.288

(a) Based on Exhibit 1. Paid MCCP costs are excluded from accident years 2011 and subsequent.

(b) Based on experience evaluated as of March 31, 2021. Reflects an adjustment for the pharmaceutical cost reductions to restate the historical medical paid-to-date ratios at a 2018 pharmaceutical cost 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. 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	1.594
1988	0.0	0.0	1.5	1.5	1.570
1989	0.0	0.0	1.5	1.5	1.547
1990	2.3	19.9	1.7	24.7	1.240
1991	4.9	14.8	0.8	21.4	1.022
1992	1.8	-8.3	1.6	-5.2	1.077
1993	0.2	-18.1	0.4	-17.6	1.308
1994	-5.1	0.2	0.6	-4.3	1.367
1995	6.3	0.6	1.0	8.0	1.266
1996	5.3	0.4	1.2	7.0	1.183
1997	9.7	0.2	1.6	11.7	1.059
1998	6.5	0.0	1.8	8.4	0.977
1999	5.7	0.0	2.1	7.9	0.905
2000	3.9	0.0	3.1	7.1	0.845
2001	-0.3	0.0	0.2	-0.1	0.846
2002	-0.7	0.0	0.4	-0.3	0.867 (e)
2003	7.3	0.0	1.2	8.6	0.864 (e)
2004	-6.0	-13.7	2.1	-17.2	1.182 (e)
2005	-31.6	-15.3	1.6	-41.2	1.603
2006	5.6	-5.7	2.2	1.8	1.575
2007	1.6	0.0	2.1	3.7	1.518
2008	4.8	0.6	1.0	6.5	1.426
2009	0.4	1.4	0.2	2.0	1.398
2010	0.4	0.0	1.5	1.9	1.371
2011	0.0	0.0	1.4	1.4	1.352
2012	-0.8	0.0	2.1	1.3	1.336
2013	1.4	0.2	0.6	2.3	1.306
2014	5.8	1.5	1.7	9.2	1.196
2015	-0.8	0.0	2.3	1.4	1.179
2016	0.3	0.0	1.0	1.3	1.164
2017	0.5	0.0	2.2	2.7	1.134
2018	0.4	0.0	2.2	2.6	1.105
2019	0.4	0.0	2.6	3.0	1.073
2020	0.4	0.0	1.9	2.3	1.048
2021	0.4	0.0	2.5	2.9	1.018
2022	0.7	0.0	0.8	1.5	1.003
9/1/2022	0.0 (Annual 0.0)	0.0	0.3 (Annual 2.0)	0.3	

(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 column 2 of Exhibit 5.1) of injured workers and the legislatively scheduled benefits for that year.

(c) { [Column (1) /100 + 1.0] x [Column (2) /100 + 1.0] x [Column (3) /100 + 1.0] - 1.0 } x 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 9/1/2022 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 Year	(1) Proportion of Medical Subject to Fee Schedule (a)	(2) Proportion of Medical Not Subject to Fee Schedule (a)	(3) Impact of Fee Schedule Change on Total Medical (b)		(4) Change in Medical CPI (c)		(5) Impact of CPI Change on Total Medical (d)		(6) Annual Non-Legislative Cost Impact on 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%		0.1%
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	0.873	0.127	0.0%		3.8%		0.4%		0.4%
2020	0.873	0.127	0.0%		3.0%		0.4%		0.4%
2021	0.873	0.127	0.0%		1.4%		0.2%		0.2%
2022	0.873	0.127	0.0%		2.3%		0.3%		0.3%
9/1/2022	0.873	0.127	0.0%	(Annual 0.0%)	0.4%	(Annual 2.5%)	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.
(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).

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	-4.5%	0.0%	-4.5%
2013	-8.2%	0.2%	-8.0%
2014	-6.0%	1.3%	-4.8%
2015	-2.1%	0.0%	-2.1%
2016	-0.7%	0.0%	-0.7%
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%
9/1/2022	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) [Column (1) + 1.0] x [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%	0.802
1988	3.8%	0.0%	3.8%	0.773
1989	3.0%	0.0%	3.0%	0.750
1990	3.7%	19.1%	23.5%	0.608
1991	3.6%	12.9%	16.9%	0.520
1992	3.0%	-7.9%	-5.2%	0.548
1993	2.7%	-18.7%	-16.5%	0.656
1994	-2.3%	-2.3%	-4.6%	0.688
1995	0.9%	0.5%	1.4%	0.678
1996	1.0%	0.4%	1.4%	0.669
1997	0.7%	0.2%	0.9%	0.663
1998	0.8%	12.6%	13.5%	0.584
1999	2.5%	12.6%	15.4%	0.506
2000	1.7%	7.0%	8.8%	0.465
2001	2.9%	6.6%	9.7%	0.424
2002	2.0%	-5.6%	-3.7%	0.440
2003	1.4%	-6.0%	-4.7%	0.462
2004	0.0%	-33.9%	-33.9%	0.698
2005	0.0%	-13.9%	-13.9%	0.811
2006	0.3%	-5.1%	-4.8%	0.852
2007	1.8%	0.1%	1.9%	0.836
2008	0.2%	0.5%	0.7%	0.830
2009	0.4%	1.0%	1.4%	0.819
2010	0.3%	0.0%	0.3%	0.816
2011	0.3%	-2.0%	-1.7%	0.830
2012	0.1%	-4.5%	-4.4%	0.869
2013	0.1%	-8.0%	-7.9%	0.943
2014	0.3%	-4.8%	-4.5%	0.988
2015	0.2%	-2.1%	-1.9%	1.007
2016	0.4%	-0.7%	-0.3%	1.010
2017	0.2%	-0.5%	-0.3%	1.013
2018	0.2%	-0.3%	-0.1%	1.014
2019	0.4%	0.0%	0.4%	1.010
2020	0.4%	0.0%	0.4%	1.006
2021	0.2%	0.0%	0.2%	1.004
2022	0.3%	0.0%	0.3%	1.001
9/1/2022	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 9/1/2022 level.

Annual Wage Level Changes

Year	(1) Annual Wage Level Change (a)		(2) Adjusted Annual Wage Level Change (b)		(3) Factor to a 9/1/2022 Wage Level (c)
1987	5.6				3.331
1988	4.4				3.190
1989	4.3				3.059
1990	5.0				2.913
1991	2.3				2.848
1992	4.7				2.720
1993	1.2				2.688
1994	1.9				2.637
1995	2.9				2.563
1996	3.4				2.479
1997	4.7				2.368
1998	5.2				2.251
1999	6.2				2.119
2000	9.0				1.944
2001	0.6				1.933
2002	1.1				1.912
2003	3.6				1.845
2004	5.0				1.757
2005	3.2				1.703
2006	4.6				1.628
2007	4.5				1.558
2008	2.1				1.526
2009	0.5				1.518
2010	3.0				1.474
2011	3.1				1.430
2012	4.2				1.372
2013	0.7				1.362
2014	3.3				1.319
2015	4.5				1.262
2016	1.9				1.239
2017	4.3				1.188
2018	3.7				1.145
2019	4.4				1.097
2020	9.9		3.2		1.063
Projected:					
2021	2.5		4.3		
2022	0.4		1.4		
9/1/2022	0.5	(Annual = 3.0)	0.6	(Annual = 3.4)	

(a) Historical wage changes through 2020 are based on Bureau of Labor Statistics data. Forecasts for 2021 and forward are based on the average of wage level projections made by the UCLA Anderson School of Business as of June 2021 and those made by the California Department of Finance as of April 2021.

(b) Wage level changes for 2020 to 2023 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. See Appendix B, Exhibit 2 for more information.

(c) Based on Column (1) for 2019 and prior and Column (2) for 2020 and subsequent.

Exhibit 5.2

Premium Adjustment Factors

	(1)	(2a)	(2b)	(2c)	(3)	(4)	(5)	(6)	(7)
Calendar Year	Factor to a 9/1/2022 Wage Level (a)	Ratio of Industry Average Charged Rates to Advisory Pure Premium Rates (b)	Factor to Industry Average Filed Pure Premium Rate Level as of January 1, 2021 (c)	Factor to Adjust Insurer Premium to an Industry Average Filed Pure Premium Rate Level as of January 1, 2021 (d)	Adjustment to Remove Surcharge Premium (e)	Average Experience Modification (f)	Off-Balance Correction in Advisory January 1, 2021 Pure Premium Rates	Factor to Adjust for Impact of Premium Resulting from Audits (g)	Composite Premium Adjustment Factor (h)
1987	3.331	---	---	0.589	0.992	0.983	1.019	---	1.941
1988	3.190	---	---	0.527	0.993	0.963	1.019	---	1.701
1989	3.059	---	---	0.519	0.993	0.945	1.019	---	1.636
1990	2.913	---	---	0.506	0.991	0.942	1.019	---	1.521
1991	2.848	---	---	0.469	0.987	0.939	1.019	---	1.377
1992	2.720	---	---	0.449	0.982	0.940	1.019	---	1.252
1993	2.688	---	---	0.444	0.981	0.949	1.019	---	1.211
1994	2.637	---	---	0.508	0.986	0.948	1.019	---	1.368
1995	2.563	---	---	0.688	0.995	0.958	1.019	---	1.797
1996	2.479	1.023	0.731	0.714	1.000	0.935	1.019	---	1.858
1997	2.368	0.989	0.729	0.737	1.000	0.949	1.019	---	1.805
1998	2.251	0.965	0.759	0.787	1.000	0.959	1.019	---	1.812
1999	2.119	0.972	0.767	0.790	1.000	0.954	1.019	---	1.721
2000	1.944	1.005	0.696	0.692	1.000	0.970	1.019	---	1.362
2001	1.933	1.030	0.613	0.595	1.000	0.969	1.019	---	1.165
2002	1.912	1.157	0.549	0.474	1.000	0.991	1.019	---	0.897
2003	1.845	1.266	0.449	0.355	1.000	1.005	1.019	---	0.639
2004	1.757	1.397	0.457	0.327	1.000	0.981	1.019	---	0.575
2005	1.703	1.470	0.549	0.374	1.000	0.982	1.019	---	0.636
2006	1.628	1.450	0.708	0.488	1.000	0.956	1.019	---	0.816
2007	1.558	1.494	0.966	0.646	1.000	0.931	1.019	0.985	1.045
2008	1.526	1.426	1.148	0.805	1.000	0.946	1.019	0.991	1.263
2009	1.518	1.366	1.131	0.829	1.000	0.937	1.019	1.034	1.362
2010	1.474	1.383	1.109	0.802	1.000	0.941	1.019	1.005	1.238
2011	1.430	1.401	1.108	0.791	1.000	0.982	1.019	---	1.130
2012	1.372	1.223	0.913	0.747	1.000	1.000	1.019	---	1.005
2013	1.362	1.138	0.735	0.646	1.000	0.983	1.019	---	0.879
2014	1.319	1.127	0.678	0.601	1.000	0.961	1.019	---	0.810
2015	1.262	1.108	0.658	0.594	1.000	0.951	1.019	---	0.774
2016	1.239	1.147	0.716	0.624	1.000	0.949	1.019	---	0.800
2017	1.188	1.155	0.793	0.687	1.000	0.955	1.019	---	0.838
2018	1.145	1.195	0.897	0.750	1.000	0.956	1.019	---	0.882
2019	1.097	1.213	1.042	0.859	1.000	0.947	1.019	---	0.976
2020	1.063	1.204	1.162	0.965	1.000	0.947	1.019	---	1.063

(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 (1) advisory pure premium rate level changes to bring premium to the advisory January 1, 2021 pure premium rate level and (2) an additional adjustment factor, which is the ratio of the average advisory January 1, 2021 pure premium rate ($1.46) to the industry average filed pure premium rate as of January 1, 2021 ($1.86).

(d) (2b) ÷ (2a). This column adjusts premiums at the industry average charged rate level to the industry average filed pure premium rate level as of January 1, 2021.

(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, during which reported premiums were impacted by recessionary economic forces.

(h) (1)x(2c)x(3)x(6) ÷ [(4)x(5)] for calendar years 2007 to 2010. (1)x(2c)x(3) ÷ [(4)x(5)] for all other calendar years.

Exhibit 6.1

Accident Year Indemnity Claim Frequency Model
As of PY 2018 Preliminary 1st Set & March 2021 UCLA

AY	Annual % Changes Intra-Class Ind Freq Total	Annual Log Differences: Intra-Class Indemnity Frequency per $M Exposure at PY 2019 Level Total	Cumulative	Non-cum.	AY+1 Indemnity Benefit Level	Cumulative Injury Index	Economic Variables (1st Prin. Comp.)	CalOSHA Dummy Variable
1979	0.5%	0.005	-0.053	0.007	0.000	-0.060	0.134	0.000
1980	-6.5%	-0.068	-0.132	-0.066	0.033	-0.066	-0.081	0.000
1981	-3.5%	-0.036	-0.028	-0.036	0.000	0.008	-0.079	0.000
1982	-1.6%	-0.016	0.153	-0.022	0.352	0.175	-0.294	0.000
1983	6.2%	0.060	0.214	0.054	0.081	0.160	0.029	0.000
1984	9.5%	0.091	0.235	0.084	0.000	0.151	0.222	0.000
1985	2.0%	0.020	0.138	0.014	0.000	0.124	0.080	0.000
1986	-2.4%	-0.024	0.039	-0.028	0.000	0.067	0.078	0.000
1987	1.5%	0.015	0.053	0.013	0.000	0.041	0.151	0.000
1988	0.7%	0.007	0.104	0.000	0.000	0.104	0.088	0.000
1989	2.5%	0.024	0.212	0.009	0.046	0.203	0.045	0.000
1990	9.0%	0.087	0.337	0.061	0.071	0.276	-0.121	0.000
1991	0.3%	0.003	0.166	-0.018	0.023	0.184	-0.293	0.000
1992	-11.1%	-0.118	-0.272	-0.098	0.013	-0.174	-0.186	0.068
1993	-14.9%	-0.162	-0.240	-0.153	-0.057	-0.088	-0.022	0.464
1994	-12.8%	-0.136	-0.462	-0.107	0.061	-0.355	0.106	0.173
1995	-4.6%	-0.048	-0.016	-0.050	0.053	0.034	0.092	0.295
1996	-6.8%	-0.070	-0.136	-0.065	0.096	-0.071	0.074	0.000
1997	-3.3%	-0.033	-0.023	-0.034	0.066	0.011	0.137	0.000
1998	-3.8%	-0.038	-0.040	-0.038	0.058	-0.002	0.078	0.000
1999	1.5%	0.014	0.100	0.008	0.040	0.092	0.128	0.000
2000	4.0%	0.039	0.071	0.037	-0.003	0.034	0.066	0.000
2001	-6.9%	-0.072	-0.018	-0.076	-0.007	0.059	-0.101	0.000
2002	-2.3%	-0.023	0.007	-0.026	0.060	0.033	-0.202	0.000
2003	-2.9%	-0.029	-0.005	-0.031	-0.065	0.026	-0.023	0.000
2004	-16.6%	-0.182	-0.209	-0.180	-0.398	-0.030	0.093	0.000
2005	-13.6%	-0.146	-0.298	-0.133	0.051	-0.165	0.141	0.000
2006	-5.7%	-0.059	-0.050	-0.059	0.016	0.009	0.095	0.000
2007	-1.6%	-0.017	0.021	-0.019	0.049	0.040	-0.085	0.000
2008	-2.7%	-0.027	0.038	-0.033	0.006	0.071	-0.309	0.000
2009	-0.2%	-0.002	0.168	-0.018	0.066	0.186	-0.427	0.000
2010	8.9%	0.085	0.139	0.079	0.012	0.060	-0.092	0.000
2011	1.2%	0.012	0.032	0.010	0.003	0.022	0.043	0.000
2012	4.7%	0.046	0.127	0.036	0.025	0.091	0.123	0.000
2013	0.4%	0.004	0.126	-0.013	0.071	0.139	0.151	0.000
2014	0.2%	0.002	0.041	-0.004	0.003	0.046	0.178	0.000
2015	-1.4%	-0.014	0.006	-0.017	0.002	0.023	0.193	0.000
2016	-2.6%	-0.026	0.054	-0.039	0.004	0.093	0.124	0.000
2017	-2.1%	-0.021	-0.083	-0.011	0.004	-0.072	0.136	0.000
2018	-1.0%	-0.010	-0.053	-0.004	0.003	-0.049	0.119	0.000
2019*	0.1%	0.001	0.076	-0.012	0.004	0.088	0.053	0.000
2020	*-11.1%*	*-0.118*	*-0.118*	*-0.118*	*0.004*	*0.000*	-0.925	0.000
2021	*2.4%*	*0.024*	*0.024*	*0.024*	*0.004*	*0.000*	0.407	0.000
2022	*1.2%*	*0.012*	*0.012*	*0.012*	*0.004*	*0.000*	0.290	0.000
2023	*0.3%*	*0.003*	*0.003*	*0.003*	*0.004*	*0.000*	0.214	0.000

Y = Hazardousness-Adjusted Noncumulative Indemnity Claim Frequency

Constant	-0.020				
Std Err of Y Est	0.039				
R Squared	0.574				
No. of Observations	41				
Degrees of Freedom	36				
X Coefficient(s)		0.178	0.277	0.107	-0.144
Std Err of Coef.		0.070	0.059	0.042	0.074

Notes:
Indemnity Benefit Level variable is leading. The benefit level change for AY 2004 is related to the AY 2003 change in non-cumulative frequency.
The Indemnity Benefit Level change for Ogilvie & Almaraz / Guzman in 2009-2010 is not leading.
The Indemnity Benefit Level variable excludes indemnity benefit utilization, 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 March 19, 2014 Actuarial Committee Agenda Item III.
Economic variables are historical through 2020; March 2021 UCLA Anderson Forecasts for 2021 on.
Regression is over AY 1979 through AY 2019. AY 2020 through AY 2023 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 2019 is preliminary and change is based on a comparison of 2019 accidents on 2018 policies to 2018 accidents on 2017 policies.

Projection of Indemnity Severity Trends by Accident Year
Based on Experience as of March 31, 2021

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	9,987	---	1.984	19,813	---
1991	10,880	8.9%	1.876	20,415	3.0%
1992	10,960	0.7%	1.814	19,882	-2.6%
1993	11,917	8.7%	1.803	21,488	8.1%
1994	12,864	8.0%	1.889	24,298	13.1%
1995	14,411	12.0%	1.759	25,352	4.3%
1996	16,216	12.5%	1.651	26,772	5.6%
1997	19,290	19.0%	1.481	28,573	6.7%
1998	21,173	9.8%	1.366	28,927	1.2%
1999	23,068	9.0%	1.266	29,204	1.0%
2000	24,498	6.2%	1.182	28,952	-0.9%
2001	26,994	10.2%	1.183	31,934	10.3%
2002	26,072	-3.4%	1.212	31,593	-1.1%
2003	25,829	-0.9%	1.208	31,201	-1.2%
2004	21,063	-18.5%	1.427	30,058	-3.7%
2005	19,150	-9.1%	1.638	31,371	4.4%
2006	20,968	9.5%	1.518	31,828	1.5%
2007	22,759	8.5%	1.463	33,302	4.6%
2008	24,692	8.5%	1.382	34,135	2.5%
2009	25,838	4.6%	1.374	35,506	4.0%
2010	25,284	-2.1%	1.348	34,095	-4.0%
2011	24,944	-1.3%	1.330	33,172	-2.7%
2012	24,400	-2.2%	1.313	32,048	-3.4%
2013	23,785	-2.5%	1.287	30,610	-4.5%
2014	24,667	3.7%	1.196	29,507	-3.6%
2015	24,908	1.0%	1.179	29,372	-0.5%
2016	24,200	-2.8%	1.164	28,178	-4.1%
2017	24,208	0.0%	1.134	27,452	-2.6%
2018	25,027	3.4%	1.105	27,648	0.7%
2019	26,687	6.6%	1.073	28,629	3.5%
2020	28,938	8.4%	1.048	30,337	6.0%

(6)	Estimated Annual Exponential Trend Based on 1990 to 2020:	1.1%
(7)	Estimated Annual Exponential Trend Based on 2005 to 2019:	-1.5%
(8)	Estimated Annual Exponential Trend Based on 2015 to 2019:	-0.7%
	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.

Projection of Medical Severity Trends by Accident Year
Based on Experience as of March 31, 2021

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	8,799	---	0.913	8,032	---
1991	9,449	7.4%	0.896	8,462	5.4%
1992	9,491	0.4%	0.865	8,211	-3.0%
1993	10,356	9.1%	0.848	8,785	7.0%
1994	11,352	9.6%	0.891	10,120	15.2%
1995	13,059	15.0%	0.883	11,538	14.0%
1996	14,090	7.9%	0.875	12,325	6.8%
1997	16,793	19.2%	0.869	14,588	18.4%
1998	20,424	21.6%	0.765	15,632	7.2%
1999	23,359	14.4%	0.663	15,490	-0.9%
2000	26,116	11.8%	0.609	15,914	2.7%
2001	31,140	19.2%	0.556	17,299	8.7%
2002	31,343	0.7%	0.577	18,083	4.5%
2003	30,007	-4.3%	0.605	18,163	0.4%
2004	27,611	-8.0%	0.801	22,108	21.7%
2005	28,598	3.6%	0.801	22,898	3.6%
2006	31,228	9.2%	0.797	24,904	8.8%
2007	34,624	10.9%	0.783	27,097	8.8%
2008	37,176	7.4%	0.779	28,978	6.9%
2009	39,064	5.1%	0.776	30,328	4.7%
2010	39,186	0.3%	0.774	30,332	0.0%
2011	35,394 (c)	---	0.796	28,160 (c)	---
2012	33,197	-6.2%	0.841	27,921	-0.8%
2013	30,503	-8.1%	0.925	28,226	1.1%
2014	29,755	-2.5%	0.986	29,328	3.9%
2015	28,834	-3.1%	1.010	29,122	-0.7%
2016	27,671	-4.0%	1.013	28,031	-3.7%
2017	27,361	-1.1%	1.016	27,802	-0.8%
2018	28,724	5.0%	1.017	29,216	5.1%
2019	28,459	-0.9%	1.013	28,831	-1.3%
2020	27,940	-1.8%	1.009	28,193	-2.2%

Selected Medical Severity Trend: 1.0%

(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 SB 1160 provisions 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.

Exhibit 6.4

Projection of Medical Severity Trends by Accident Year
Adjusted to Remove the Cost of Medical Cost Containment Programs (MCCP)
Based on Experience as of March 31, 2021

	MCCP Included				MCCP Removed Based on WCIRB Aggregate Calendar Year Data Calls (b)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Accident Year	Estimated Ultimate Severity (a)	Annual % Change	Ultimate On-Level Severity (c)	Annual % Change	Estimated Ultimate Severity (a)	Annual % Change	Ultimate On-Level Severity (c)	Annual % Change
2005	28,598	---	22,898	---	27,128	---	21,720	---
2006	31,228	9.2%	24,904	8.8%	29,310	8.0%	23,374	7.6%
2007	34,624	10.9%	27,097	8.8%	32,360	10.4%	25,325	8.3%
2008	37,176	7.4%	28,978	6.9%	33,965	5.0%	26,475	4.5%
2009	39,064	5.1%	30,328	4.7%	35,846	5.5%	27,830	5.1%
2010	39,186	0.3%	30,332	0.0%	35,923	0.2%	27,806	-0.1%
2011	38,740	-1.1%	30,821	1.6%	35,394	-1.5%	28,160	1.3%
2012	36,256	-6.4%	30,494	-1.1%	33,197	-6.2%	27,921	-0.8%
2013	33,402	-7.9%	30,909	1.4%	30,503	-8.1%	28,226	1.1%
2014	32,540	-2.6%	32,074	3.8%	29,755	-2.5%	29,328	3.9%
2015	31,428	-3.4%	31,742	-1.0%	28,834	-3.1%	29,122	-0.7%
2016	30,081	-4.3%	30,473	-4.0%	27,671	-4.0%	28,031	-3.7%
2017	29,780	-1.0%	30,259	-0.7%	27,361	-1.1%	27,802	-0.8%
2018	31,324	5.2%	31,860	5.3%	28,724	5.0%	29,216	5.1%
2019	31,252	-0.2%	31,661	-0.6%	28,459	-0.9%	28,831	-1.3%
2020	30,773	-1.5%	31,051	-1.9%	27,940	-1.8%	28,193	-2.2%

Estimated Annual Exponential Trend		
Trend Based on 1990 to 2020:	5.2%	N/A
Trend Based on 2005 to 2019:	1.7%	1.5%
Trend Based on 2015 to 2019:	0.4%	0.2%
Selected Medical Severity Trend:		1.0%

(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.

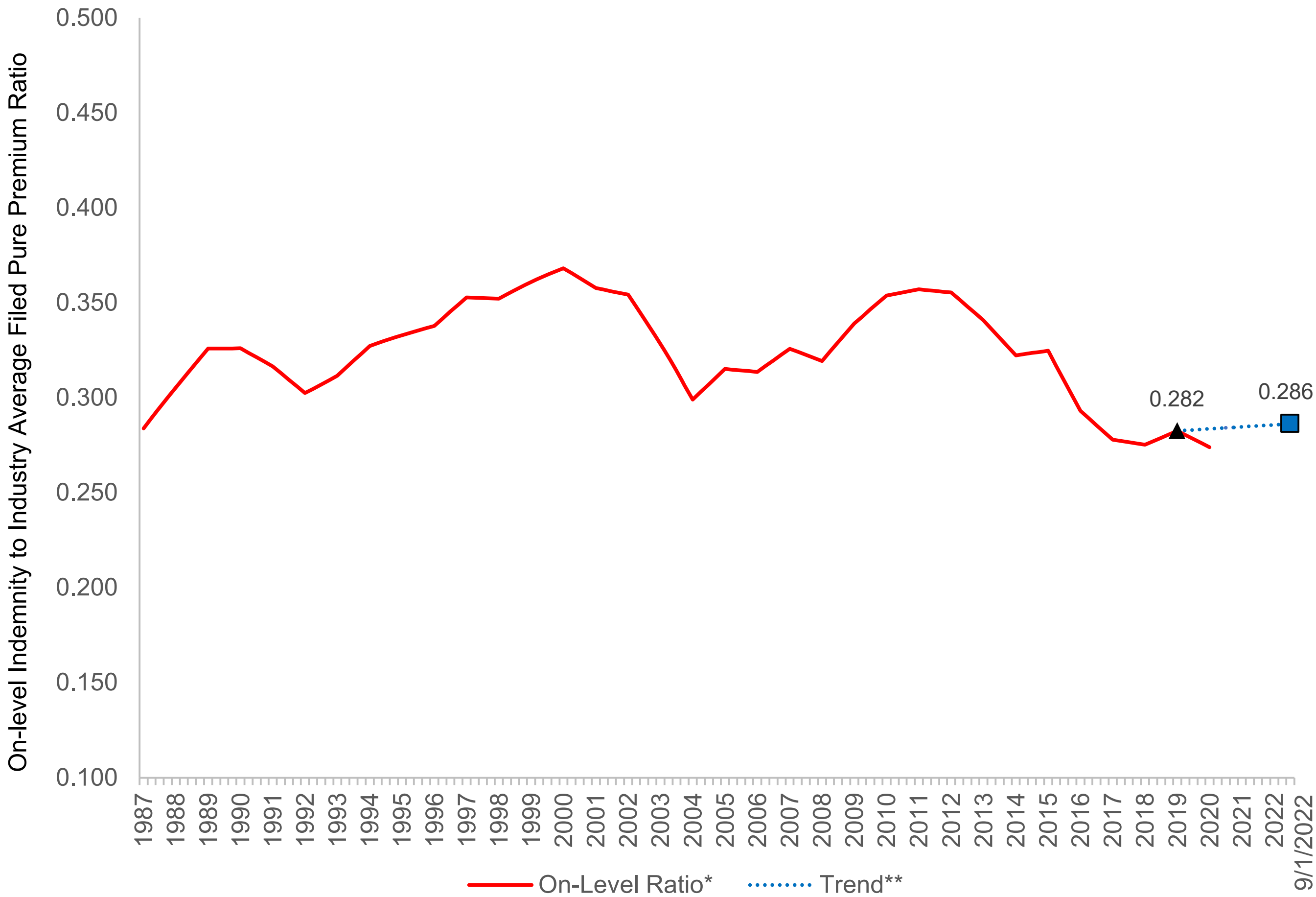
Source: WCIRB quarterly experience calls, excluding COVID-19 claims.

**Projected On-Level Accident Year
Indemnity Loss to Industry Average Filed Pure Premium Ratios
Based on Experience as of March 31, 2021**

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 Industry Average Filed Pure Premium Ratio (1)×(2)÷(3)
1987	0.346	1.594	1.941	0.284
1988	0.331	1.570	1.701	0.305
1989	0.345	1.547	1.636	0.326
1990	0.400	1.240	1.521	0.326
1991	0.427	1.022	1.377	0.317
1992	0.351	1.077	1.252	0.302
1993	0.289	1.308	1.211	0.312
1994	0.327	1.367	1.368	0.327
1995	0.473	1.266	1.797	0.333
1996	0.531	1.183	1.858	0.338
1997	0.601	1.059	1.805	0.353
1998	0.653	0.977	1.812	0.352
1999	0.686	0.905	1.721	0.361
2000	0.593	0.845	1.362	0.368
2001	0.492	0.846	1.165	0.358
2002	0.367	0.867	0.897	0.354
2003	0.243	0.864	0.639	0.329
2004	0.145	1.182	0.575	0.299
2005	0.125	1.603	0.636	0.315
2006	0.162	1.575	0.816	0.314
2007	0.224	1.518	1.045	0.326
2008	0.283	1.426	1.263	0.319
2009	0.330	1.398	1.362	0.339
2010	0.319	1.371	1.238	0.354
2011	0.298	1.352	1.130	0.357
2012	0.267	1.336	1.005	0.355
2013	0.229	1.306	0.879	0.341
2014	0.218	1.196	0.810	0.322
2015	0.213	1.179	0.774	0.325
2016	0.201	1.164	0.800	0.293
2017	0.205	1.134	0.838	0.278
2018	0.220	1.105	0.882	0.275
2019	0.257	1.073	0.976	0.282
2020	0.278	1.048	1.063	0.274
				Projections (d)
2021				0.280
2022				0.286
9/1/2022				0.286

(a) See Exhibit 3.1.
(b) See Exhibit 4.1.
(c) See Exhibit 5.2.
(d) These on-level ratios were projected based on an estimated annual indemnity severity trend from Exhibit 6.2, the actual intra-class frequency trend for accident year 2020 from Exhibit 12, and projected frequency trends for accident years 2021 to 2023 from Exhibit 6.1; these trends were then separately applied to the 2019 on-level ratio.

On-Level Indemnity Loss to Industry Average Filed Pure Premium Ratios
Based on Experience as of March 31, 2021



* On-level indemnity to industry average filed pure premium ratios (see Exhibit 7.1)
** The 9/1/2022 indemnity to industry average filed pure premium ratio was calculated based on separate frequency and severity trends applied to the 2019 year.

**Projected On-Level Accident Year
Medical Loss to Industry Average Filed Pure Premium Ratios
Based on Experience as of March 31, 2021**

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 Industry Average Filed Pure Premium Ratio (e) (1)×(2)÷(3)
1987	0.286	0.802	1.941	0.118
1988	0.280	0.773	1.701	0.127
1989	0.300	0.750	1.636	0.138
1990	0.337	0.608	1.521	0.135
1991	0.354	0.520	1.377	0.134
1992	0.294	0.548	1.252	0.129
1993	0.243	0.656	1.211	0.132
1994	0.279	0.688	1.368	0.140
1995	0.413	0.678	1.797	0.156
1996	0.443	0.669	1.858	0.159
1997	0.498	0.663	1.805	0.183
1998	0.598	0.584	1.812	0.193
1999	0.660	0.506	1.721	0.194
2000	0.599	0.465	1.362	0.205
2001	0.536	0.424	1.165	0.195
2002	0.417	0.440	0.897	0.205
2003	0.270	0.462	0.639	0.195
2004	0.184	0.698	0.575	0.224
2005	0.182	0.811	0.636	0.232
2006	0.237	0.852	0.816	0.247
2007	0.335	0.836	1.045	0.268
2008	0.419	0.830	1.263	0.275
2009	0.494	0.819	1.362	0.297
2010	0.491	0.816	1.238	0.323
2011	0.425	0.830	1.130	0.312
2012	0.369	0.869	1.005	0.319
2013	0.302	0.943	0.879	0.325
2014	0.275	0.988	0.810	0.336
2015	0.261	1.007	0.774	0.340
2016	0.246	1.010	0.800	0.311
2017	0.250	1.013	0.838	0.303
2018	0.272	1.014	0.882	0.313
2019	0.296	1.010	0.976	0.306
2020	0.288	1.006	1.063	0.272
				Projections (d)
2021				0.303
2022				0.309
9/1/2022				0.310

(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.

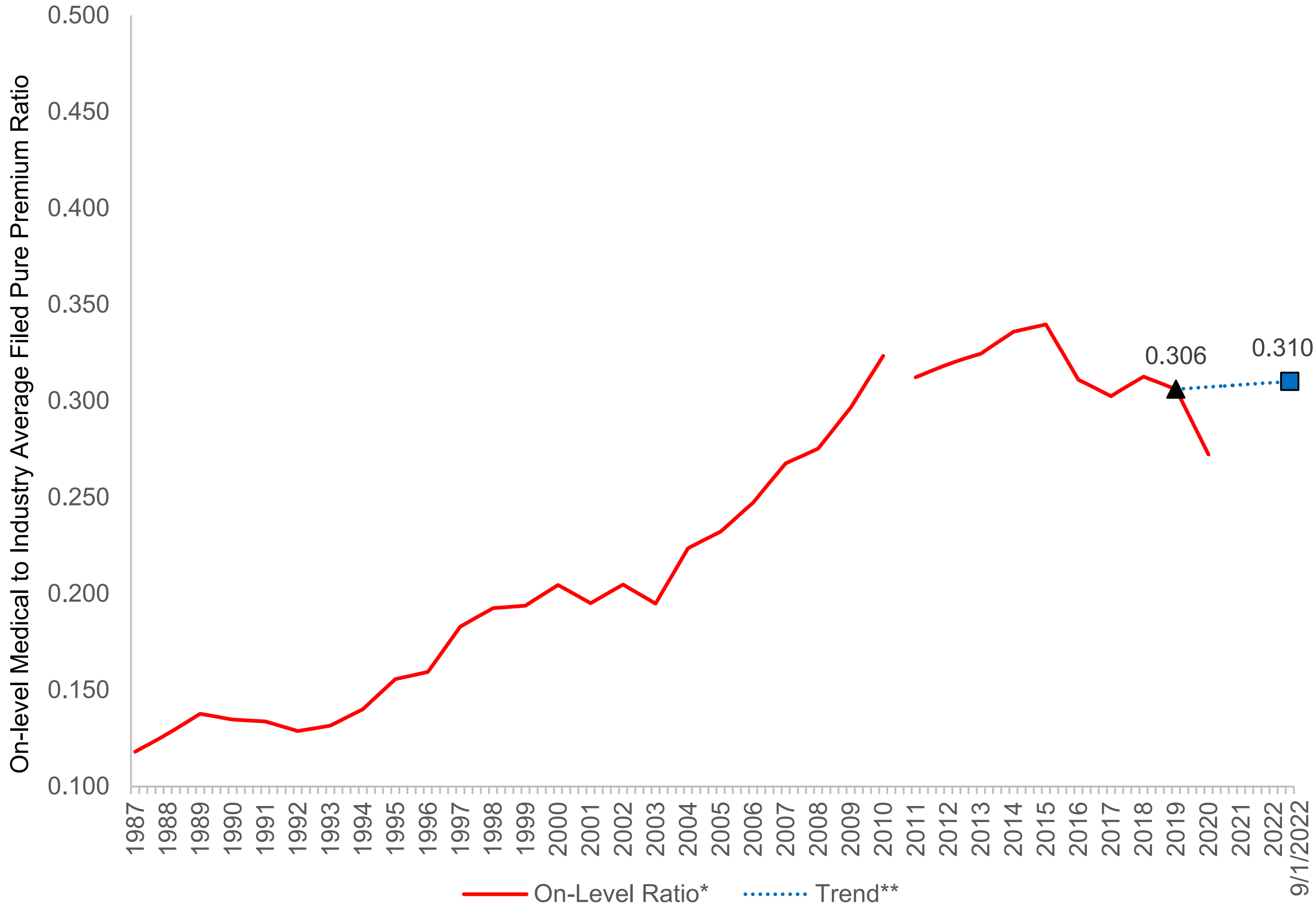
(b) See Exhibit 4.4.

(c) See Exhibit 5.2.

(d) These on-level ratios were projected based on an estimated annual medical severity trend from Exhibit 6.4, the actual intra-class frequency trend for accident year 2020 from Exhibit 12, and projected frequency trends for accident years 2021 to 2023 from Exhibit 6.1; these trends were then separately applied to the 2019 on-level ratio.

(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 Industry Average Filed Pure Premium Ratios
Based on Experience as of March 31, 2021



* On-level medical to industry average filed pure premium ratios (see Exhibit 7.3)
** The 9/1/2022 medical to industry average filed pure premium ratio was calculated based on separate frequency and severity trends applied to the 2019 year.

Indicated Loss to Industry Average Filed Pure Premium Ratios and Average Pure Premium Rate
For Policies with Effective Dates between September 1, 2021 and August 31, 2022
Based on Experience as of March 31, 2021

	Indemnity	Medical	Total
1. Projected Loss to Industry Average Filed Pure Premium Ratio (See Exhibits 7.1 and 7.3)	0.286	0.310	0.596

Quarterly Incurred Indemnity Loss Development Factors

Through March 31, 2021

Age in	Accident Year																				
Months	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
6/3	2.755	2.740	2.841	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	3.227	--
9/6	1.780	1.784	1.790	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	--
12/9	1.518	1.500	1.520	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	1.597	--
15/12	**1.268**	**1.250**	**1.257**	**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**	**1.264**
18/15	1.188	1.184	1.206	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	
21/18	1.150	1.148	1.153	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	
24/21	1.121	1.111	1.117	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	1.093	
27/24	**1.093**	**1.100**	**1.094**	**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**	
30/27	1.074	1.082	1.064	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		
33/30	1.048	1.062	1.047	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		
36/33	1.039	1.046	1.035	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		
39/36	**1.035**	**1.038**	**1.028**	**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**		
42/39	1.034	1.030	1.023	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			
45/42	1.026	1.020	1.009	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			
48/45	1.022	1.013	1.008	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			
51/48	**1.018**	**1.015**	**1.010**	**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**			
54/51	1.013	1.009	1.007	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				
57/54	1.012	1.006	1.008	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				
60/57	1.007	1.005	1.008	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				
63/60	**1.007**	**1.007**	**1.008**	**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**				
66/63	1.005	1.006	1.011	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					
69/66	1.003	1.005	1.008	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					
72/69	1.005	1.005	1.005	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					
75/72	**1.004**	**1.005**	**1.003**	**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**					
78/75	1.003	1.007	1.005	1.006	1.006	1.012	1.009	1.010	1.006	1.006	1.006	1.007	1.005	1.006	1.005						
81/78	1.003	1.004	1.004	1.005	1.006	1.010	1.009	1.007	1.007	1.006	1.006	1.007	1.005	1.005	1.003						
84/81	1.005	1.003	1.006	1.006	1.007	1.008	1.005	1.009	1.006	1.004	1.007	1.004	1.007	1.003	1.004						
87/84	**1.002**	**1.003**	**1.004**	**1.002**	**1.007**	**1.010**	**1.007**	**1.004**	**1.005**	**1.006**	**1.004**	**1.006**	**1.004**	**1.003**	**1.002**						
90/87	1.003	1.003	1.003	1.004	1.008	1.008	1.008	1.008	1.004	1.005	1.005	1.005	1.004	1.004							
93/90	1.004	1.003	1.002	1.005	1.006	1.008	1.006	1.007	1.006	1.003	1.004	1.005	1.004	1.003							
96/93	1.001	1.004	1.002	1.006	1.006	1.003	1.002	1.003	1.004	1.004	1.003	1.003	1.003	1.003							

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

Quarterly Incurred Medical Loss Development Factors *

Through March 31, 2021

Age in											Accident Year										
Months	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
6/3	2.536	2.624	2.797	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	--
9/6	1.713	1.725	1.768	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	1.820	1.845	--
12/9	1.463	1.447	1.570	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	--
15/12	**1.201**	**1.207**	**1.203**	**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**	**1.168**
18/15	1.123	1.144	1.151	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	
21/18	1.101	1.122	1.116	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	1.064	1.060	
24/21	1.080	1.083	1.082	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	
27/24	**1.070**	**1.080**	**1.075**	**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**	
30/27	1.058	1.070	1.051	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		
33/30	1.051	1.059	1.035	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		
36/33	1.035	1.040	1.029	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		
39/36	**1.034**	**1.037**	**1.018**	**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**		
42/39	1.036	1.026	1.019	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			
45/42	1.032	1.023	1.012	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			
48/45	1.026	1.017	1.008	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			
51/48	**1.024**	**1.014**	**1.009**	**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**			
54/51	1.017	1.016	1.010	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				
57/54	1.014	1.007	1.011	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				
60/57	1.015	1.009	1.008	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				
63/60	**1.013**	**1.012**	**1.008**	**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**				
66/63	1.010	1.012	1.015	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					
69/66	1.006	1.008	1.016	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					
72/69	1.007	1.009	1.015	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					
75/72	**1.006**	**1.008**	**1.010**	**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**					
78/75	1.008	1.012	1.010	1.011	1.018	1.013	1.012	1.012	1.010	1.008	1.008	1.006	1.005	1.003	1.005						
81/78	1.006	1.009	1.010	1.014	1.018	1.017	1.016	1.009	1.009	1.005	1.006	1.006	1.005	1.004	1.002						
84/81	1.009	1.014	1.009	1.007	1.012	1.011	1.008	1.010	1.008	1.007	1.005	1.001	1.003	1.002	1.002						
87/84	**1.008**	**1.010**	**1.009**	**1.010**	**1.012**	**1.014**	**1.012**	**1.008**	**1.007**	**1.004**	**1.003**	**1.001**	**1.002**	**1.002**	**1.001**						
90/87	1.008	1.008	1.009	1.012	1.009	1.009	1.013	1.008	1.006	1.006	1.003	1.006	1.006	1.001							
93/90	1.015	1.009	1.011	1.010	1.011	1.012	1.009	1.009	1.007	1.002	1.003	1.002	1.004	1.000							
96/93	1.010	1.012	1.008	1.010	1.011	1.009	1.005	1.006	1.005	1.003	1.002	1.001	1.003	1.002							

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

* 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 March 31, 2021

Age in	Accident Year																				
Months	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
6/3	4.170	4.461	4.720	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	5.081	--
9/6	2.283	2.369	2.443	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	--
12/9	1.839	1.855	1.897	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	1.903	--
15/12	**1.538**	**1.552**	**1.550**	**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**	**1.510**
18/15	1.395	1.401	1.403	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	
21/18	1.303	1.303	1.311	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	
24/21	1.256	1.258	1.260	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	1.192	
27/24	**1.203**	**1.200**	**1.205**	**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**	
30/27	1.165	1.175	1.172	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		
33/30	1.130	1.142	1.136	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		
36/33	1.103	1.115	1.111	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		
39/36	**1.081**	**1.092**	**1.087**	**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**		
42/39	1.077	1.080	1.073	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			
45/42	1.063	1.064	1.056	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			
48/45	1.055	1.053	1.046	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			
51/48	**1.043**	**1.044**	**1.036**	**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**			
54/51	1.036	1.037	1.034	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				
57/54	1.037	1.030	1.028	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				
60/57	1.027	1.026	1.024	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				
63/60	**1.024**	**1.021**	**1.022**	**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**				
66/63	1.023	1.021	1.019	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					
69/66	1.020	1.017	1.016	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					
72/69	1.018	1.016	1.016	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					
75/72	**1.015**	**1.014**	**1.012**	**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**					
78/75	1.012	1.013	1.012	1.011	1.012	1.015	1.017	1.016	1.015	1.016	1.016	1.015	1.013	1.011	1.009						
81/78	1.011	1.012	1.011	1.010	1.012	1.015	1.015	1.016	1.015	1.015	1.013	1.012	1.011	1.010	1.008						
84/81	1.013	1.010	1.010	1.009	1.011	1.013	1.015	1.014	1.013	1.012	1.013	1.013	1.011	1.010	1.009						
87/84	**1.008**	**1.010**	**1.009**	**1.008**	**1.009**	**1.012**	**1.014**	**1.013**	**1.010**	**1.012**	**1.010**	**1.011**	**1.010**	**1.007**	**1.006**						
90/87	1.010	1.009	1.008	1.008	1.011	1.012	1.013	1.012	1.011	1.010	1.010	1.010	1.009	1.007							
93/90	1.008	1.008	1.007	1.008	1.012	1.011	1.011	1.012	1.010	1.010	1.009	1.009	1.008	1.007							
96/93	1.006	1.007	1.007	1.007	1.008	1.011	1.011	1.008	1.010	1.010	1.009	1.010	1.007	1.007							

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

Quarterly Paid Medical Loss Development Factors *

Through March 31, 2021

Age in	Accident Year																				
Months	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
6/3	5.518	6.168	7.221	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	4.984	--
9/6	2.356	2.432	2.694	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	--
12/9	1.749	1.857	1.882	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	--
15/12	**1.514**	**1.547**	**1.554**	**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**	**1.425**	**1.432**	**1.438**
18/15	1.286	1.310	1.330	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	
21/18	1.192	1.219	1.211	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	
24/21	1.149	1.159	1.154	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	
27/24	**1.121**	**1.128**	**1.123**	**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**	
30/27	1.101	1.108	1.103	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		
33/30	1.086	1.089	1.077	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		
36/33	1.069	1.076	1.061	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		
39/36	**1.060**	**1.061**	**1.049**	**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**		
42/39	1.055	1.054	1.041	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			
45/42	1.047	1.044	1.036	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			
48/45	1.044	1.037	1.032	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			
51/48	**1.037**	**1.034**	**1.031**	**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**			
54/51	1.032	1.027	1.030	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				
57/54	1.027	1.024	1.024	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				
60/57	1.026	1.021	1.023	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				
63/60	**1.022**	**1.019**	**1.019**	**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**				
66/63	1.020	1.020	1.018	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					
69/66	1.019	1.018	1.016	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					
72/69	1.016	1.017	1.018	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					
75/72	**1.014**	**1.015**	**1.015**	**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**					
78/75	1.014	1.015	1.016	1.015	1.016	1.018	1.017	1.022	1.019	1.018	1.017	1.017	1.015	1.013	1.011						
81/78	1.013	1.014	1.013	1.014	1.018	1.018	1.015	1.019	1.018	1.015	1.015	1.013	1.012	1.011	1.009						
84/81	1.013	1.012	1.012	1.013	1.016	1.016	1.015	1.018	1.015	1.015	1.015	1.013	1.013	1.010	1.009						
87/84	**1.010**	**1.012**	**1.012**	**1.012**	**1.014**	**1.013**	**1.015**	**1.017**	**1.013**	**1.013**	**1.011**	**1.012**	**1.010**	**1.008**	**1.008**						
90/87	1.011	1.013	1.012	1.013	1.015	1.013	1.015	1.013	1.013	1.012	1.011	1.012	1.009	1.008							
93/90	1.011	1.012	1.011	1.013	1.013	1.012	1.014	1.014	1.013	1.011	1.010	1.009	1.010	1.006							
96/93	1.008	1.010	1.010	1.009	1.013	1.015	1.016	1.011	1.012	1.010	1.009	1.009	1.009	1.006							

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

* 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	Development															
Year	3-15	15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	135-147	147-159	159-171	171-183	183-195
1996																1.000
1997															1.000	1.000
1998														1.000	1.000	1.000
1999													1.000	1.000	1.000	1.000
2000												1.000	1.001	1.001	1.000	1.000
2001											1.000	1.000	1.000	1.000	1.000	1.000
2002										0.999	1.000	1.000	1.000	1.000	1.000	1.000
2003									0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004								0.999	1.000	0.999	1.000	1.001	1.000	1.000	1.000	1.000
2005							1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000
2006						1.001	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	
2007					1.003	1.002	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000		
2008				1.009	1.004	1.003	1.001	1.002	1.001	1.000	1.000	1.000	1.000			
2009			1.023	1.008	1.005	1.003	1.003	1.001	1.000	1.000	1.000	1.000				
2010		1.089	1.022	1.010	1.006	1.004	1.002	1.001	1.000	1.000	1.000					
2011	7.512	1.100	1.026	1.011	1.007	1.002	1.001	1.001	1.000	1.000						
2012	7.672	1.120	1.026	1.012	1.005	1.002	1.001	1.001	1.000							
2013	8.153	1.102	1.029	1.008	1.004	1.001	1.002	1.001								
2014	7.704	1.114	1.019	1.008	1.004	1.001	1.000									
2015	8.136	1.100	1.016	1.005	1.003	1.002										
2016	7.678	1.101	1.019	1.005	1.002											
2017	7.739	1.088	1.017	1.005												
2018	7.741	1.092	1.014													
2019	7.893	1.084														
2020	7.757															

Latest Year																
Age-to-Age	7.757	1.084	1.014	1.005	1.002	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-to-Ultimate	8.640	1.114	1.028	1.013	1.008	1.005	1.004	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.003

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

Quarterly Reported Indemnity Claim Count Development Factors

Accident	Development														
Year	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39	39-42	42-45	45-48
2009	2.539	1.651	1.336	1.093	1.025	1.015	1.010	1.008	1.006	1.004	1.003	1.003	1.002	1.003	1.002
2010	2.681	1.683	1.382	1.109	1.036	1.021	1.012	1.009	1.007	1.007	1.005	1.004	1.003	1.002	1.002
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	1.012	1.010	1.005	1.004	1.003	1.002	1.002	1.002
2017	2.733	1.717	1.410	1.130	1.042	1.024	1.013	1.009	1.007	1.005	1.004	1.003	1.002	1.002	1.001
2018	2.799	1.726	1.410	1.134	1.044	1.022	1.017	1.010	1.007	1.006	1.002	1.002			
2019	2.748	1.744	1.422	1.129	1.036	1.023	1.013	1.010							
2020	--	--	--	1.122											

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

Reported Indemnity Claim Settlement Ratios

Accident	Evaluated as of (in months):																
Year	3	15	27	39	51	63	75	87	99	111	123	135	147	159	171	183	195
1996																	98.5%
1997																98.0%	98.2%
1998															97.5%	97.8%	98.1%
1999														97.1%	97.4%	97.8%	98.0%
2000													96.3%	96.7%	97.3%	97.6%	97.8%
2001												94.6%	95.4%	96.1%	96.6%	97.0%	97.4%
2002											94.0%	94.9%	95.9%	96.5%	97.0%	97.4%	97.8%
2003										92.7%	94.1%	95.4%	96.0%	96.6%	97.1%	97.6%	98.0%
2004									91.1%	92.8%	94.6%	95.6%	96.3%	96.9%	97.4%	97.9%	98.3%
2005								89.2%	91.3%	93.5%	94.8%	95.8%	96.6%	97.2%	97.7%	98.2%	98.5%
2006							86.0%	88.9%	91.7%	93.4%	94.7%	95.8%	96.6%	97.2%	97.7%	98.1%	
2007						81.3%	85.5%	89.5%	91.9%	93.7%	95.1%	96.2%	96.9%	97.6%	98.0%		
2008					73.8%	80.5%	86.0%	89.6%	92.2%	94.0%	95.3%	96.4%	97.1%	97.7%			
2009				62.7%	72.7%	80.5%	85.6%	89.5%	92.2%	94.1%	95.6%	96.6%	97.2%				
2010			50.1%	63.5%	74.7%	82.0%	87.2%	90.8%	93.3%	95.1%	96.3%	97.1%					
2011		34.0%	50.6%	65.2%	75.9%	83.2%	88.1%	91.7%	94.1%	95.7%	96.6%						
2012	7.2%	34.0%	51.8%	66.7%	77.2%	84.4%	89.4%	92.7%	94.8%	96.1%							
2013	8.5%	33.4%	52.8%	67.7%	78.9%	86.2%	90.8%	93.7%	95.4%								
2014	6.6%	33.8%	53.6%	69.2%	80.5%	87.4%	91.6%	94.0%									
2015	7.5%	34.0%	55.3%	71.8%	82.8%	89.0%	92.1%										
2016	7.2%	35.8%	58.0%	74.5%	84.4%	89.3%											
2017	7.2%	38.2%	61.0%	76.3%	84.3%												
2018	8.3%	38.8%	60.9%	74.3%													
2019	8.4%	38.6%	58.2%														
2020	8.1%	37.8%															
2021	8.3%																

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

Estimated Ultimate Indemnity Claim Settlement Ratios

Accident	Evaluated as of (in months):																
Year	3	15	27	39	51	63	75	87	99	111	123	135	147	159	171	183	195
1996																	98.2%
1997																97.6%	97.9%
1998															97.2%	97.5%	97.8%
1999														96.8%	97.1%	97.6%	97.8%
2000													95.9%	96.4%	97.0%	97.3%	97.6%
2001												94.3%	95.1%	95.8%	96.3%	96.7%	97.1%
2002											93.7%	94.7%	95.7%	96.3%	96.8%	97.2%	97.5%
2003										92.6%	93.9%	95.1%	95.8%	96.4%	96.9%	97.3%	97.7%
2004									90.9%	92.6%	94.3%	95.3%	96.1%	96.7%	97.2%	97.7%	98.0%
2005								88.9%	91.1%	93.2%	94.6%	95.6%	96.4%	97.0%	97.5%	97.9%	98.2%
2006							85.6%	88.5%	91.3%	93.1%	94.5%	95.6%	96.3%	97.0%	97.5%	97.9%	
2007						80.7%	85.1%	89.0%	91.4%	93.4%	94.9%	95.9%	96.7%	97.4%	97.8%		
2008					72.8%	79.6%	85.3%	89.0%	91.8%	93.8%	95.1%	96.2%	96.9%	97.5%			
2009				61.3%	71.6%	79.7%	85.0%	89.2%	92.0%	93.9%	95.4%	96.4%	97.0%				
2010			47.9%	61.9%	73.6%	81.2%	86.7%	90.5%	93.1%	94.8%	96.1%	96.9%					
2011		29.4%	48.1%	63.6%	74.9%	82.6%	87.8%	91.4%	93.9%	95.4%	96.4%						
2012	0.8%	28.9%	49.3%	65.1%	76.3%	83.9%	89.0%	92.4%	94.6%	95.9%							
2013	0.9%	28.9%	50.4%	66.5%	78.1%	85.7%	90.3%	93.4%	95.2%								
2014	0.7%	29.3%	51.7%	68.0%	79.8%	87.0%	91.3%	93.7%									
2015	0.8%	30.1%	53.7%	70.9%	82.1%	88.5%	91.7%										
2016	0.8%	31.5%	56.2%	73.5%	83.8%	88.8%											
2017	0.8%	34.1%	59.2%	75.3%	83.6%												
2018	1.0%	34.6%	59.3%	73.3%													
2019	1.0%	34.7%	56.6%														
2020	0.9%	34.0%															
2021	1.0%																

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

Quarterly Ultimate Settlement Ratios

Accident	Evaluated as of (in months):															
Year	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48
2012	0.8%	5.1%	12.1%	20.9%	28.9%	35.9%	40.8%	45.3%	49.3%	54.1%	58.3%	61.8%	65.1%	68.8%	71.7%	74.0%
2013	0.9%	5.1%	11.8%	20.6%	28.9%	36.0%	41.4%	46.0%	50.4%	55.5%	59.6%	63.0%	66.5%	70.5%	73.4%	75.8%
2014	0.8%	4.8%	11.8%	20.8%	29.3%	36.4%	42.1%	47.0%	51.7%	56.5%	60.8%	64.7%	68.0%	71.7%	74.6%	77.5%
2015	0.8%	4.8%	12.2%	20.8%	30.1%	37.8%	43.5%	48.5%	53.7%	59.0%	63.4%	67.3%	70.9%	74.4%	77.4%	79.9%
2016	0.8%	5.1%	12.3%	21.7%	31.5%	39.5%	45.5%	51.1%	56.2%	61.5%	65.9%	69.9%	73.5%	76.9%	79.3%	81.8%
2017	0.9%	5.6%	13.5%	24.0%	34.1%	42.1%	48.3%	54.1%	59.2%	64.0%	68.1%	72.0%	75.3%	77.4%	79.7%	81.9%
2018	1.0%	5.8%	13.9%	24.4%	34.6%	42.6%	48.6%	54.2%	59.3%	62.9%	66.6%	70.3%	73.3%			
2019	1.0%	5.9%	13.7%	24.5%	34.7%	41.2%	46.8%	52.0%	56.6%							
2020	--	--	--	23.6%	34.0%											
2021	1.0%															

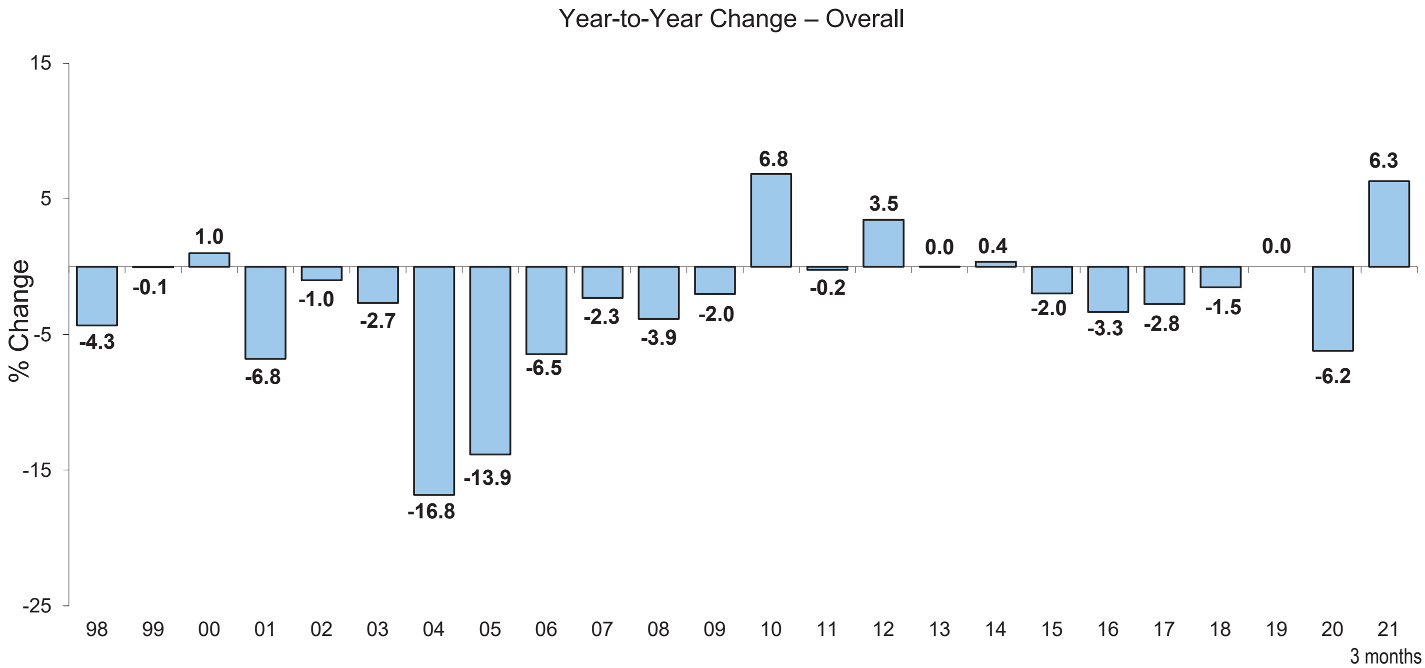
Accident	Quarterly Incremental Change														
Year	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39	39-42	42-45	45-48
2012	4.2%	7.1%	8.8%	8.0%	7.0%	4.8%	4.5%	4.0%	4.8%	4.2%	3.5%	3.3%	3.7%	3.0%	2.3%
2013	4.2%	6.7%	8.8%	8.3%	7.1%	5.4%	4.6%	4.4%	5.1%	4.1%	3.4%	3.5%	4.0%	2.9%	2.4%
2014	4.1%	6.9%	9.0%	8.5%	7.1%	5.8%	4.9%	4.7%	4.8%	4.3%	3.9%	3.3%	3.7%	2.9%	2.9%
2015	4.0%	7.4%	8.6%	9.3%	7.7%	5.7%	5.0%	5.2%	5.3%	4.4%	3.9%	3.6%	3.5%	3.0%	2.5%
2016	4.2%	7.3%	9.4%	9.8%	8.0%	6.0%	5.6%	5.1%	5.3%	4.3%	4.0%	3.6%	3.4%	2.3%	2.5%
2017	4.8%	7.8%	10.5%	10.1%	8.0%	6.2%	5.8%	5.1%	4.8%	4.1%	3.9%	3.3%	2.1%	2.3%	2.2%
2018	4.9%	8.1%	10.5%	10.2%	8.0%	6.0%	5.6%	5.1%	3.6%	3.7%	3.7%	3.0%			
2019	4.9%	7.9%	10.8%	10.2%	6.5%	5.6%	5.2%	4.6%							
2020	--	--	--	10.4%											
2021															

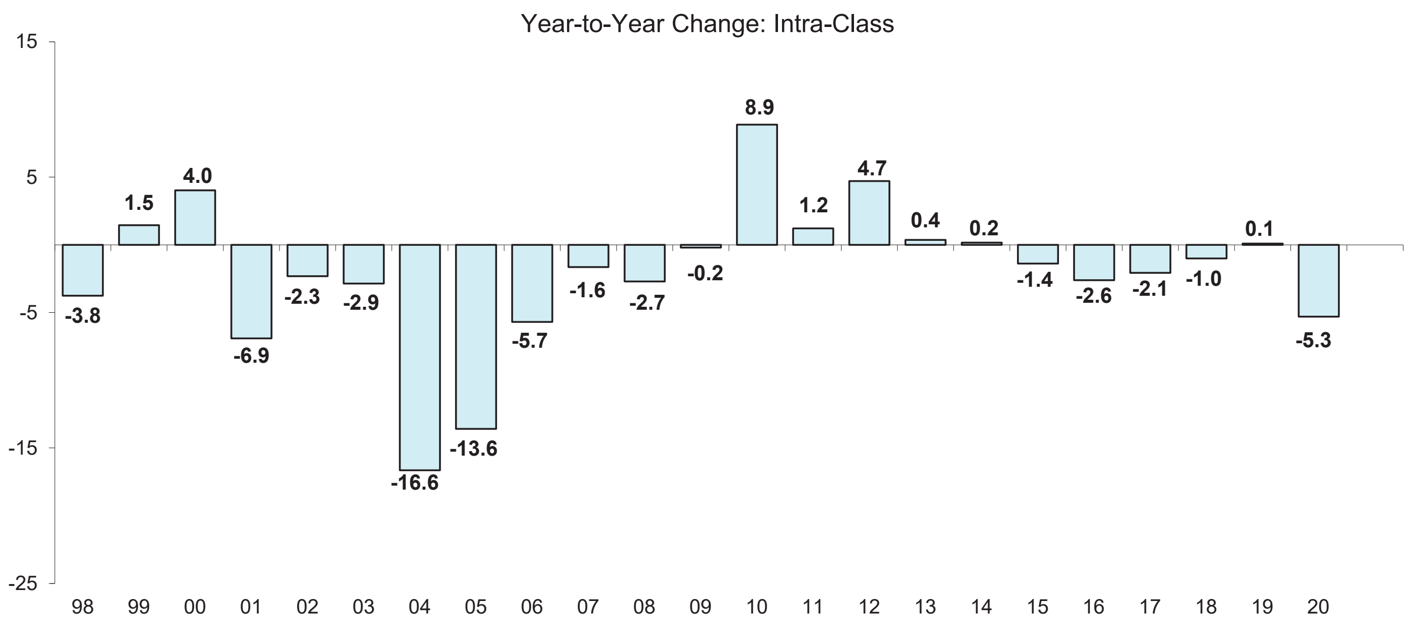
Notes All figures in each accident year contain information from the same combination of insurers, all of whom submitted complete data for all evaluations for that accident year. Therefore, each accident year may contain a different mix of insurers (ranging from 77% to 94% of the total California workers' compensation insured market measured using 2020 earned premium levels).

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

Actuarial Committee
Meeting Agenda for June 22, 2021

California Workers' Compensation
Estimated Indemnity Claim Frequency by Accident Year





Note:

The 2020 and 2021 estimates are based on a comparison of claim counts based on WCIRB accident year experience as of March 31, 2021 relative to the estimated change in statewide employment. The 2020 and 2021 estimates are without COVID-19 claims. Prior years are based on unit statistical data.

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Summary of COVID-19 Claim Information as of March 31, 2021

AY2020 @3/31/2021	Based on 100% of the Market			Average per Indemnity Claim			Average per Total Claim		
	COVID-19 Claims	1Q-2021 Data Call	COVID-19 Percentage	COVID-19 Claims	All WC Claims	Without COVID-19 Claims	COVID-19 Claims	All WC Claims	COVID-19 Claims
Ind. Paid	39,582,156	724,482,757	5.5%	$2,127	$5,194	$5,667	$1,340	$2,154	$2,232
Ind. Reserves	73,004,179	985,067,508	7.4%	$3,923	$7,063	$7,546	$2,471	$2,928	$2,973
Ind. Incurred	112,586,335	1,709,550,265	6.6%	$6,050	$12,257	$13,213	$3,811	$5,082	$5,205
Med. Paid	35,701,805	923,834,386	3.9%	$1,918	$6,624	$7,348	$1,209	$2,746	$2,895
Med. Reserves	116,407,931	1,516,516,342	7.7%	$6,255	$10,873	$11,584	$3,941	$4,508	$4,563
Med. Incurred	152,109,736	2,440,350,728	6.2%	$8,174	$17,496	$18,932	$5,149	$7,255	$7,458
ALAE Paid	9,101,482	289,650,133	3.1%	$489	$2,077	$2,321	$308	$861	$914
MCCP	2,189,855	91,825,363	2.4%	$118	$658	$742	$74	$273	$292
AY2020 Claim Counts									
# of Open Indemnity Claims	3,972	79,771	5.0%						
# of Med-Only Claims	10,931	196,897	5.6%						
# of Indemnity Claims	18,610	139,477	13.3%						
Total Number of Claims	29,541	336,374	8.8%						

AY2021 @3/31/2021	Based on 100% of the Market			Average per Indemnity Claim			Average per Total Claim		
	COVID-19 Claims	1Q-2021 Data Call	COVID-19 Percentage	COVID-19 Claims	All WC Claims	Without COVID-19 Claims	COVID-19 Claims	All WC Claims	COVID-19 Claims
Ind. Paid	2,571,056	24,940,618	10.3%	$686	$1,192	$1,303	$460	$486	$490
Ind. Reserves	7,376,450	121,895,005	6.1%	$1,969	$5,827	$6,668	$1,321	$2,377	$2,506
Ind. Incurred	9,947,506	146,835,623	6.8%	$2,656	$7,019	$7,971	$1,781	$2,863	$2,995
Med. Paid	638,329	30,155,440	2.1%	$170	$1,441	$1,719	$114	$588	$646
Med. Reserves	16,344,410	283,069,545	5.8%	$4,363	$13,531	$15,531	$2,926	$5,520	$5,837
Med. Incurred	16,982,739	313,224,985	5.4%	$4,534	$14,973	$17,249	$3,041	$6,108	$6,483
ALAE Paid	478,833	5,408,886	8.9%	$128	$259	$287	$86	$105	$108
MCCP	46,790	2,975,576	1.6%	$12	$142	$171	$8	$58	$64
AY2021 Claim Counts									
# of Open Indemnity Claims	1,979	17,972	11.0%						
# of Med-Only Claims	1,839	30,363	6.1%						
# of Indemnity Claims	3,746	20,920	17.9%						
Total Number of Claims	5,585	51,283	10.9%						

Source: WCIRB accident year experience calls.

Actuarial Committee
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Average Paid ALAE per Reported Indemnity Claim - Private Insurers

As of March 31, 2021

Accident Year	Evaluated as of (in months): 3	15	27	39	51	63	75	87	99	111
2000								4,340	4,548	4,786
2001							5,159	5,480	5,819	6,017
2002						5,264	5,668	6,064	6,308	6,493
2003					4,907	5,528	6,043	6,383	6,647	6,869
2004				3,570	4,548	5,212	5,673	6,022	6,283	6,495
2005			2,083	3,279	4,191	4,833	5,307	5,673	5,965	6,175
2006		797	2,176	3,410	4,328	5,022	5,550	5,920	6,211	6,471
2007	71	849	2,340	3,613	4,619	5,393	5,993	6,429	6,768	7,039
2008	85	944	2,494	3,933	5,103	5,975	6,595	7,096	7,468	7,729
2009	150	1,037	2,812	4,448	5,718	6,637	7,358	7,900	8,278	8,553
2010	87	1,111	2,981	4,586	5,816	6,746	7,484	7,978	8,319	8,566
2011	86	1,127	2,942	4,520	5,796	6,818	7,470	7,939	8,265	8,484
2012	85	1,120	3,012	4,721	6,067	6,965	7,585	7,985	8,270	8,457
2013	98	1,202	3,276	4,985	6,201	7,014	7,540	7,899	8,093	
2014	140	1,340	3,480	5,147	6,288	7,009	7,497	7,803		
2015	102	1,424	3,577	5,185	6,234	6,901	7,312			
2016	108	1,443	3,640	5,215	6,216	6,818				
2017	121	1,524	3,737	5,226	6,146					
2018	142	1,629	3,846	5,365						
2019	149	1,624	3,808							
2020	142	1,612								
2021	118									

Year	Annual Change 3	15	27	39	51	63	75	87	99	111
2001								26.3%	27.9%	25.7%
2002							9.9%	10.7%	8.4%	7.9%
2003						5.0%	6.6%	5.2%	5.4%	5.8%
2004					-7.3%	-5.7%	-6.1%	-5.6%	-5.5%	-5.5%
2005				-8.1%	-7.8%	-7.3%	-6.5%	-5.8%	-5.0%	-4.9%
2006			4.4%	4.0%	3.3%	3.9%	4.6%	4.4%	4.1%	4.8%
2007		6.5%	7.5%	5.9%	6.7%	7.4%	8.0%	8.6%	9.0%	8.8%
2008	20.3%	11.3%	6.6%	8.9%	10.5%	10.8%	10.0%	10.4%	10.3%	9.8%
2009	76.5%	9.8%	12.8%	13.1%	12.0%	11.1%	11.6%	11.3%	10.8%	10.7%
2010	-41.7%	7.1%	6.0%	3.1%	1.7%	1.6%	1.7%	1.0%	0.5%	0.2%
2011	-1.4%	1.4%	-1.3%	-1.4%	-0.3%	1.1%	-0.2%	-0.5%	-0.6%	-1.0%
2012	-1.2%	-0.5%	2.4%	4.4%	4.7%	2.1%	1.5%	0.6%	0.1%	-0.3%
2013	15.4%	7.3%	8.8%	5.6%	2.2%	0.7%	-0.6%	-1.1%	-2.1%	
2014	42.0%	11.5%	6.2%	3.3%	1.4%	-0.1%	-0.6%	-1.2%		
2015	-26.9%	6.3%	2.8%	0.7%	-0.9%	-1.5%	-2.5%			
2016	6.2%	1.3%	1.8%	0.6%	-0.3%	-1.2%				
2017	11.8%	5.6%	2.7%	0.2%	-1.1%					
2018	17.2%	6.9%	2.9%	2.7%						
2019	5.0%	-0.3%	-1.0%							
2020	-4.9%	-0.8%								
2021	-16.6%									

Note: All paid ALAE exclude the paid cost of medical cost containment programs. Accident years 2021 at 3 months and 2020 at 15 months excludes COVID-19 claims.

Source: WCIRB accident year experience calls.

Actuarial Committee
Meeting Agenda for June 22, 2021

Paid Allocated Loss Adjustment Expense Development - Private Insurers
As of March 31, 2021

Accident Year	Age-to-Age Development (in months): 15-27	27-39	39-51	51-63	63-75	75-87	87-99	99-111	111-123	123-135	135-147	147-159	159-171	171-183	183-195	195-207
1994	2.485	1.498	1.231	1.117	1.082	1.045	1.036	1.023	1.020	1.014	1.019	1.017	1.013	1.011	1.008	1.007
1995	2.550	1.569	1.237	1.132	1.072	1.046	1.038	1.030	1.022	1.022	1.019	1.017	1.015	1.013	1.010	1.008
1996	2.454	1.490	1.239	1.114	1.072	1.056	1.046	1.036	1.031	1.026	1.021	1.017	1.014	1.008	1.011	1.009
1997	2.424	1.511	1.194	1.112	1.081	1.064	1.051	1.040	1.033	1.025	1.020	1.016	1.013	1.013	1.011	1.009
1998	2.618	1.463	1.229	1.139	1.102	1.083	1.055	1.041	1.028	1.023	1.020	1.018	1.014	1.013	1.011	1.011
1999	2.514	1.559	1.256	1.152	1.111	1.076	1.058	1.039	1.033	1.027	1.020	1.018	1.015	1.013	1.011	1.011
2000	2.801	1.593	1.262	1.166	1.110	1.079	1.051	1.042	1.030	1.024	1.020	1.018	1.015	1.013	1.013	1.010
2001	3.053	1.597	1.291	1.156	1.108	1.075	1.052	1.034	1.028	1.023	1.019	1.016	1.017	1.014	1.010	1.009
2002	2.790	1.592	1.261	1.153	1.102	1.064	1.040	1.031	1.025	1.020	1.017	1.016	1.013	1.011	1.009	1.007
2003	2.931	1.550	1.267	1.155	1.089	1.057	1.042	1.032	1.028	1.022	1.019	1.017	1.012	1.009	1.007	1.007
2004	2.785	1.573	1.283	1.149	1.090	1.064	1.045	1.033	1.029	1.024	1.019	1.014	1.011	1.009	1.008	1.005
2005	2.746	1.599	1.285	1.157	1.104	1.072	1.052	1.042	1.032	1.027	1.019	1.016	1.012	1.011	1.008	
2006	2.878	1.591	1.278	1.165	1.108	1.075	1.056	1.043	1.032	1.023	1.018	1.013	1.010	1.008		
2007	2.902	1.570	1.291	1.173	1.116	1.081	1.054	1.042	1.029	1.021	1.017	1.012	1.010			
2008	2.832	1.621	1.311	1.177	1.115	1.077	1.055	1.037	1.027	1.020	1.015	1.011				
2009	3.005	1.623	1.302	1.178	1.112	1.076	1.049	1.034	1.025	1.018	1.013					
2010	2.944	1.591	1.295	1.166	1.108	1.068	1.044	1.030	1.022	1.016						
2011	2.945	1.597	1.298	1.169	1.097	1.065	1.042	1.027	1.018							
2012	3.060	1.610	1.288	1.154	1.092	1.055	1.039	1.023								
2013	3.024	1.554	1.255	1.137	1.078	1.049	1.028									
2014	2.902	1.512	1.234	1.120	1.072	1.042										
2015	2.785	1.478	1.211	1.112	1.062											
2016	2.796	1.466	1.200	1.101												
2017	2.684	1.426	1.185													
2018	2.594	1.419														
2019	2.554															
	March 31, 2020															
Age-to-Age	2.594	1.426	1.200	1.112	1.072	1.049	1.039	1.027	1.022	1.018	1.015	1.012	1.010	1.011	1.008	1.007
Cumulative	7.247	2.794	1.959	1.632	1.467	1.368	1.304	1.255	1.221	1.196	1.175	1.157	1.143	1.132	1.120	1.111
	March 31, 2021															
Age-to-Age	2.554	1.419	1.185	1.101	1.062	1.042	1.028	1.023	1.018	1.016	1.013	1.011	1.010	1.008	1.008	1.005
Cumulative	6.560	2.568	1.810	1.528	1.387	1.306	1.254	1.219	1.192	1.171	1.153	1.138	1.125	1.115	1.106	1.098
	2-Year Arithmetic Average															
Age-to-Age	6.896	2.679	1.883	1.579	1.427	1.337	1.279	1.237	1.207	1.183	1.164	1.147	1.134	1.123	1.113	1.104
Cumulative	2.492	1.447	1.175	1.069	1.021	0.958	0.908	0.864	0.825	0.788	0.753	0.719	0.685	0.651	0.618	0.585

Accident Year	Age-to-Age Development (in months): 207-219	219-231	231-243	243-255	255-267	267-279	279-291	291-303	303-315	315-327	327-339	339-351	351-363	363-375	375-387	387-399
1988	1.004	1.005	1.005	1.005	1.003	1.005	1.004	1.004	1.005	1.004	1.004	1.003	1.003	1.003	1.003	1.002
1989	1.004	1.004	1.004	1.003	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.005	1.003	1.002	
1990	1.004	1.004	1.002	1.003	1.003	1.003	1.003	1.003	1.002	1.003	1.002	1.002	1.002	1.002		
1991	1.003	1.002	1.003	1.003	1.003	1.003	1.003	1.002	1.003	1.003	1.002	1.002	1.002			
1992	1.003	1.004	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.002				
1993	1.006	1.007	1.006	1.006	1.005	1.005	1.005	1.004	1.004	1.003	1.003					
1994	1.007	1.007	1.006	1.007	1.005	1.005	1.004	1.004	1.003	1.003						
1995	1.009	1.009	1.008	1.007	1.008	1.006	1.006	1.005	1.004							
1996	1.009	1.008	1.008	1.006	1.005	1.006	1.005	1.003								
1997	1.008	1.008	1.007	1.006	1.006	1.005	1.004									
1998	1.011	1.009	1.008	1.006	1.005	1.004										
1999	1.009	1.007	1.007	1.005	1.004											
2000	1.008	1.007	1.006	1.004												
2001	1.007	1.007	1.004													
2002	1.007	1.005														
2003	1.006															
	March 31, 2020															
Age-to-Age	1.007	1.007	1.006	1.005	1.005	1.005	1.005	1.005	1.003	1.003	1.003	1.002	1.002	1.003	1.003	
Cumulative[1]	1.103	1.096	1.088	1.082	1.077	1.071	1.066	1.061	1.055	1.052	1.048	1.046	1.044	*1.042*	*1.039*	
	March 31, 2021															
Age-to-Age	1.006	1.005	1.004	1.004	1.004	1.004	1.004	1.003	1.004	1.003	1.003	1.002	1.002	1.002	1.002	1.002
Cumulative[1]	1.092	1.086	1.081	1.076	1.071	1.067	1.063	1.059	1.055	1.051	1.048	1.045	1.044	*1.042*		
	2-Year Arithmetic Average															
Age-to-Age	1.006	1.006	1.005	1.005	1.004	1.005	1.004	1.004	1.004	1.003	1.003	1.002	1.002	1.002	1.002	1.003
Cumulative[1]	1.097	1.091	1.084	1.079	1.074	1.069	1.064	1.060	1.055	1.052	1.048	1.046	1.044	*1.042*	*1.039*	

Note:
[1] Factors in italics are based on powertail fit to the "3-Year Arithmetic Average" factors.

Source: WCIRB accident year experience calls. Excludes MCCP costs.

Actuarial Committee
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Quarterly Paid ALAE Loss Development Factors[1] - Private Insurers

Age in Months	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
3 - 6		7.976	7.570	5.434	9.136	8.769	8.693	8.584	6.234	9.866	8.946	8.934	8.191	7.885	7.437
6 - 9	2.427	3.016	2.765	2.630	3.023	3.176	3.213	3.058	3.163	3.173	3.144	3.064	3.161	3.139	2.859
9 12	2.022	2.078	2.021	2.034	2.077	2.165	2.115	2.133	2.158	2.107	2.101	2.137	2.091	2.131	2.169
12 - 15	1.653	1.627	1.687	1.724	1.737	1.701	1.713	1.784	1.744	1.734	1.776	1.701	1.672	1.661	1.699
15 - 18	1.415	1.486	1.494	1.509	1.482	1.486	1.510	1.494	1.488	1.482	1.491	1.451	1.442	1.432	
18 - 21	1.357	1.328	1.289	1.326	1.334	1.343	1.338	1.349	1.332	1.309	1.309	1.311	1.289	1.261	
21 24	1.255	1.234	1.237	1.255	1.253	1.248	1.249	1.237	1.239	1.225	1.227	1.227	1.213	1.221	
24 - 27	1.187	1.191	1.190	1.197	1.189	1.186	1.205	1.187	1.177	1.184	1.167	1.150	1.150	1.159	
27 - 30	1.165	1.167	1.172	1.170	1.158	1.163	1.160	1.156	1.151	1.142	1.132	1.129	1.123		
30 - 33	1.128	1.119	1.135	1.138	1.133	1.131	1.130	1.123	1.116	1.110	1.109	1.099	1.101		
33 36	1.107	1.103	1.111	1.114	1.113	1.108	1.104	1.101	1.095	1.088	1.092	1.084	1.078		
36 - 39	1.093	1.090	1.097	1.094	1.091	1.095	1.093	1.085	1.085	1.073	1.068	1.061	1.064		
39 - 42	1.083	1.086	1.096	1.082	1.083	1.081	1.081	1.077	1.072	1.062	1.062	1.055			
42 - 45	1.063	1.069	1.069	1.074	1.069	1.068	1.070	1.061	1.057	1.054	1.049	1.047			
45 48	1.057	1.059	1.063	1.064	1.062	1.059	1.057	1.055	1.051	1.046	1.043	1.039			
48 - 51	1.050	1.050	1.052	1.053	1.053	1.051	1.050	1.047	1.041	1.036	1.034	1.032			
51 - 54	1.049	1.050	1.049	1.050	1.048	1.048	1.046	1.042	1.035	1.034	1.031				
54 - 57	1.038	1.043	1.045	1.043	1.040	1.043	1.038	1.035	1.031	1.027	1.025				
57 60	1.037	1.038	1.039	1.039	1.037	1.036	1.035	1.031	1.028	1.026	1.023				
60 - 63	1.032	1.032	1.034	1.034	1.032	1.031	1.031	1.025	1.023	1.021	1.019				
63 - 66	1.030	1.031	1.033	1.031	1.032	1.029	1.028	1.022	1.021	1.019					
66 - 69	1.027	1.029	1.028	1.028	1.028	1.024	1.024	1.021	1.018	1.016					
69 72	1.025	1.028	1.026	1.026	1.023	1.023	1.021	1.018	1.018	1.014					
72 - 75	1.022	1.023	1.023	1.022	1.021	1.020	1.019	1.016	1.015	1.013					
75 - 78	1.020	1.023	1.022	1.022	1.020	1.019	1.016	1.015	1.013						
78 - 81	1.019	1.020	1.020	1.020	1.017	1.017	1.015	1.013	1.011						
81 84	1.018	1.019	1.018	1.017	1.016	1.014	1.013	1.012	1.009						
84 - 87	1.016	1.016	1.016	1.015	1.014	1.014	1.011	1.010	1.008						
87 - 90	1.015	1.015	1.016	1.014	1.012	1.012	1.011	1.008							
90 - 93	1.014	1.014	1.014	1.012	1.012	1.011	1.011	1.007							
93 96	1.013	1.013	1.013	1.012	1.010	1.011	1.009	1.007							
96 - 99	1.012	1.011	1.011	1.010	1.010	1.008	1.008	1.006							
99 - 102	1.012	1.012	1.011	1.009	1.009	1.008	1.007								
102 - 105	1.012	1.011	1.009	1.009	1.008	1.007	1.006								
105 108	1.010	1.010	1.008	1.008	1.007	1.007	1.006								
108 - 111	1.009	1.009	1.008	1.008	1.006	1.005	1.005								
111 - 114	1.009	1.008	1.007	1.007	1.006	1.005									
114 - 117	1.008	1.007	1.007	1.007	1.006	1.004									
117 120	1.008	1.007	1.006	1.006	1.006	1.006									
120 - 123	1.007	1.006	1.006	1.005	1.006	1.006									

[1] All paid allocated loss adjustment expense exclude the paid cost of medical cost containment programs. Accident Year 2020 at 12-to-15 excludes COVID-19 claims.

Source: WCIRB quarterly calls for experience.

Actuarial Committee
Meeting Agenda for June 22, 2021

Average Paid MCCP per Reported Indemnity Claim - Statewide
As of March 31, 2021

Accident Year	Evaluated as of (in months): 3	15	27	39	51	63	75	87
2012	197	891	1,506	1,819	1,984	2,127	2,228	2,322
2013	187	841	1,363	1,659	1,861	1,990	2,088	2,142
2014	169	784	1,312	1,639	1,828	1,952	2,028	2,084
2015	178	777	1,308	1,596	1,780	1,883	1,944	
2016	156	766	1,237	1,502	1,659	1,750		
2017	169	748	1,218	1,491	1,640			
2018	174	800	1,265	1,520				
2019	191	760	1,243					
2020	183	742						
2021	171							

Accident Year	Annual Change: 3	15	27	39	51	63	75	87
2013	-4.9%	-5.7%	-9.5%	-8.8%	-6.2%	-6.5%	-6.3%	-7.7%
2014	-9.5%	-6.8%	-3.7%	-1.2%	-1.8%	-1.9%	-2.9%	-2.7%
2015	4.9%	-0.8%	-0.3%	-2.6%	-2.6%	-3.5%	-4.1%	
2016	-12.0%	-1.5%	-5.4%	-5.9%	-6.8%	-7.0%		
2017	8.3%	-2.3%	-1.6%	-0.8%	-1.2%			
2018	3.0%	7.0%	3.9%	2.0%				
2019	9.3%	-5.1%	-1.8%					
2020	-3.9%	-2.4%						
2021	-7.0%							

Note: Accident years 2021 at 3 months and 2020 at 15 months excludes COVID-19 claims.

Source: WCIRB accident year experience calls.

Item AC21-06-02
Impact of High Deductible Health Plans

Prevalence of high deductible group health plans among workers has been increasing steadily in California as well as in other states especially after the implementation of the Affordable Care Act. High deductible health plans generally involve a relatively high patient cost sharing element and potentially high out-of-pocket medical costs. As a result, workers with high deductible health plans may be more likely to file a workers' compensation claim or to seek care for certain injuries in the workers' compensation system that has no cost sharing at least until such time as their deductible has been met. In particular, certain injuries on which there is often a question as to whether the injury was work-related may be treated in the workers' compensation system more often in the earlier part of the year than in the later part as workers with high deductible health plans often have not met their annual deductibles early in the year.

Based on suggestions from the Medical Analytics Working Group, staff has conducted a preliminary analysis of the potential impacts of high deductible health plans on utilization of medical services in the workers' compensation system. Staff will present the preliminary analysis framework and findings at the meeting.

Item AC21-06-03
WCIRB Member Analytical Tools

The WCIRB has recently developed a number of new analytical tools for members primarily to help benchmark their own experience. A demonstration of some of these new tools will be provided at the meeting.