

## **Overview for the Voluntary Market Premium Calculator and Residual Market Premium Calculator**

Effective January 1, 2008, the Division of Insurance approved separate premium algorithms for Massachusetts workers' compensation policies written in the voluntary market and the residual market. The premium calculators were developed to provide insurance companies with a tool to help verify the accuracy of their internal systems when calculating premium for guaranteed cost workers' compensation premiums based on Bureau filed and approved rating programs. The algorithms were *not* designed to handle calculations which include anniversary rating; retrospective rating; midterm endorsements; or premium discount for multi-state policies, large construction projects, and two or more policies for the same insured.

On the Data Entry page, enter class codes for the following: admiralty/FELA classes, non-admiralty/FELA payroll classes, per capita classes, supplemental rate disease classes, supplemental non-ratable classes, and/or the supplemental rate atomic energy exposure as outlined in the algorithm Part I (1).

Effective July 1, 2016 Admiralty and FELA changes necessitated creating new versions of the Residual Market and Voluntary Market calculators. Depending on the effective date you need to calculate, select the appropriate version of the calculator.

**Note:** for best results when printing the premium calculation pages, go to Tools → Internet Options → Advanced Tab → go to section on Printing → Check off Print background colors and images.