



**THE WORKERS' COMPENSATION
RATING AND INSPECTION BUREAU OF MASSACHUSETTS**
101 ARCH STREET - 5TH FLOOR, BOSTON, MA 02110
(617) 439-9030 FAX 439-6055

January 29, 1996

CIRCULAR LETTER NO. 1736

To All Members and Subscribers of the Bureau:

LARGE DEDUCTIBLE POLICIES BY CLASS

Attached find a display by class of the percentage of payrolls on Large Deductible Policies, for the most recent three Composite Policy Years: 92/93 at first report, 91/92 at second report, 90/91 at third report. Also shown for each class is the Standard Premium reported for the most recent year. All of this information is derived from the Unit Statistical Plan Data submitted to the Bureau.

It should be noted that Large Deductible Policies were not available in Massachusetts prior to Composite Policy Year 90/91. The overall data of this period of time is:

| Composite Policy Year | <i>Payrolls (\$ billion)</i> | | | <i>Standard Premiums¹ (\$ million)</i> | | |
|-----------------------|------------------------------|------------------|-----|---|------------------|-----|
| | Total | Large Deductible | % | Total | Large Deductible | % |
| 90/91 (3rd) | 50 | 1 | 2% | 1,487 | 33 | 2% |
| 91/92 (2nd) | 48 | 5 | 10% | 1,509 | 182 | 12% |
| 92/93 (1st) | 46 | 9 | 20% | 1,485 | 266 | 18% |

We do not believe that the market share of large deductible policies has changed substantially since Composite Policy Year 92/93.

HOWARD C. MAHLER
Vice President and Actuary

HCM/pw/2614
Attachment