



**THE WORKERS' COMPENSATION  
RATING AND INSPECTION BUREAU**

*Massachusetts Workers Compensation  
Assigned Risk Pool*

June 17, 2014

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 06-14**

**UPDATED INFORMATION ON RESIDUAL MARKET SHARE**

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The information in this bi-monthly Special Bulletin is provided as an indicator of the directional movement of the "Residual Market Share". Residual Market Share as used in this report is defined as:

$$\text{Residual Market Share} = (\text{SC}_{wp} + \text{VDAC}_{wp}) / (\text{SC}_{wp} + \text{VDAC}_{wp} + \text{VOL}_{wp})$$

- SC<sub>wp</sub>** - Servicing Carrier Written Premiums
- VDAC<sub>wp</sub>** - Voluntary Direct Assignment Written Premiums
- VOL<sub>wp</sub>** - Voluntary Written Premiums

The basis for the written premiums used in this report is the sum of Standard Premium plus ARAP plus Expense Constant as contained in the WCRIBMA's Policy File Information System which reflects reported estimated values as of policy issuance.

The estimated policy year ultimate residual market share for the 12 months ending April, 2014 is 17.7%.

12 Month Interval	Policy Counts		Written Premium (\$ thousands)		Development Factor		Estimate Ultimate Written Premium ± (\$ thousands)		Estimated Ultimate Residual Market Share
	Voluntary	Residual Market	Voluntary	Residual Market	Voluntary	Residual Market	Voluntary	Residual Market	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(4)x(6)	(9)=(5)x(7)	(10)=(9)/[(8)+(9)]
May-10 - Apr-11	147,839	46,924	915,341	104,022	1.050	1.050	961,108	109,223	10.2%
May-11 - Apr-12	152,385	46,835	906,509	149,710	1.050	1.050	951,834	157,196	14.2%
May-12 - Apr-13	160,567	47,778	937,491	175,726	1.050	1.050	984,366	184,512	15.8%
May-13 - Apr-14	159,322	50,568	945,732	206,908	1.071	1.055	1,013,161	218,382	17.7%

The estimated ultimate market shares for the March and April policy months of 2012 through 2014 are as follows.

Month (1)	Policy Counts		Written Premium (\$ thousands)		Development Factor		Estimate Ultimate Written Premium ± (\$ thousands)		Estimated Ultimate Residual Market Share (10)=(9)/[(8)+(9)]
	Voluntary (2)	Residual Market (3)	Voluntary (4)	Residual Market (5)	Voluntary (6)	Residual Market (7)	Voluntary (8)=(4)x(6)	Residual Market (9)=(5)x(7)	
Mar-12	11,486	4,296	62,808	12,020	1.050	1.050	65,948	12,621	16.1%
Mar-13	11,554	4,353	74,333	14,037	1.057	1.059	78,594	14,867	15.9%
Mar-14	11,255	4,523	67,892	15,671	1.086	1.057	73,698	16,560	18.3%
Apr-12	12,541	4,523	80,346	13,769	1.050	1.050	84,363	14,457	14.6%
Apr-13	12,601	4,717	81,738	15,620	1.060	1.059	86,671	16,544	16.0%
Apr-14	12,437	4,979	80,258	18,004	1.089	1.079	87,363	19,422	18.2%

± Estimated Ultimate Written Premium incorporates an estimate of subsequent audit premium as reflected in the development factor. Scheduled review and adjustments are being made to the development factors as a policy year develops.

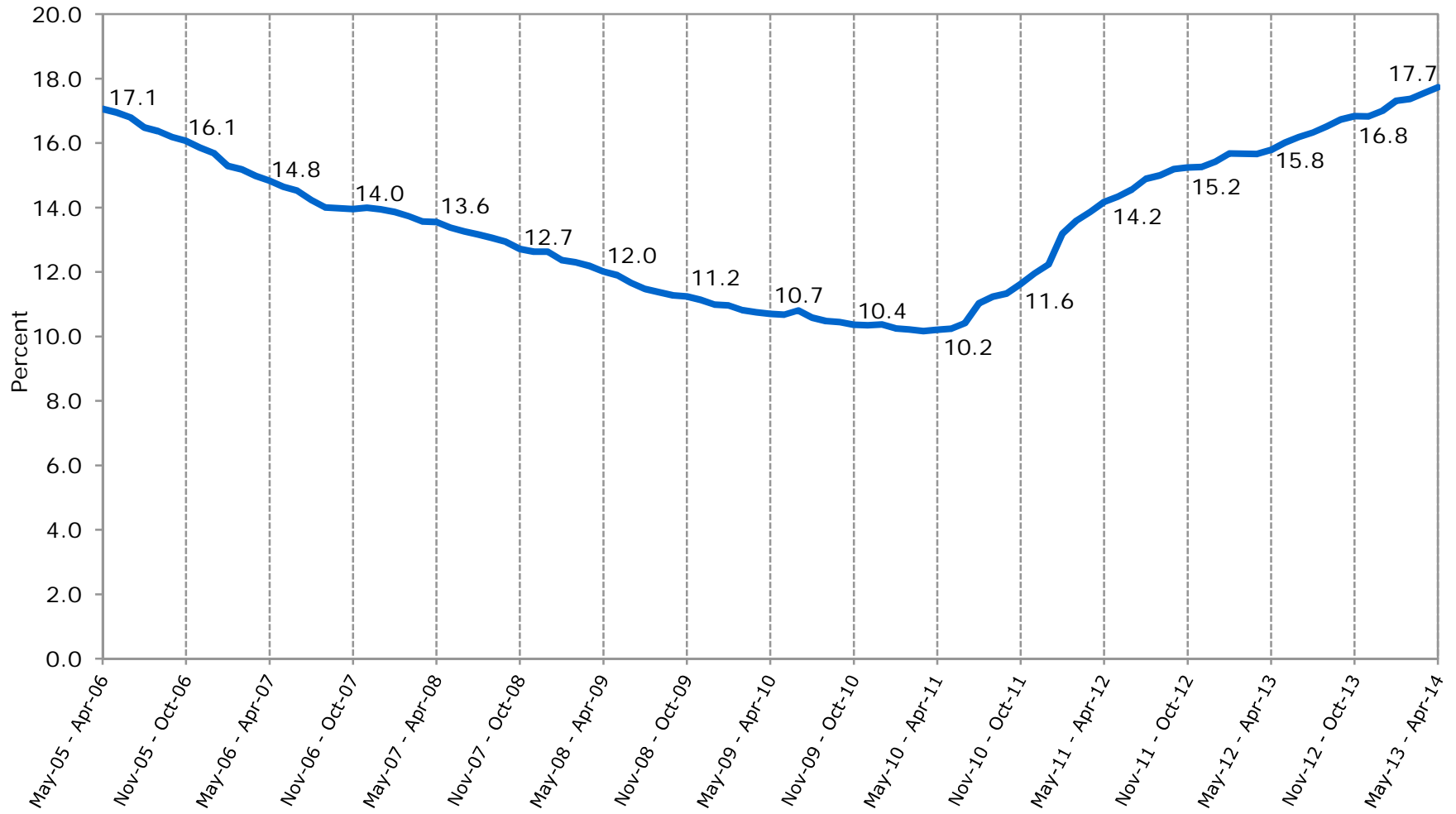
Similar ratios calculated using written premium at the Annual Statement Basis as reported on the Aggregate Financial Calls would tend to be higher because of the impact of deviations and schedule rating.

Policy Year	Estimated Ultimate Residual Market Share	Calendar Year	Residual Market Share Based on Annual Statement Data
2010	10.4%	2010	12.0%
2011	12.2%	2011	13.9%
2012	15.4%	2012	18.0%
2013	17.0%	2013	20.0% *

\* Data is preliminary.

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**Massachusetts Workers' Compensation**  
**Estimated Ultimate Residual Market Share - 12 Month Moving Average**  
(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)  
Data as of 6/15/14



### Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)  
Data as of 6/15/14

