



*Massachusetts Workers Compensation  
Assigned Risk Pool*

August 28, 2017

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 09-17**

**UPDATED INFORMATION ON RESIDUAL MARKET SHARE**

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

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

- 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 June 30, 2017 is 18.9%.

12 Month Interval	Policy Counts		Written Premium (\$ thousands)		Development Factor		Estimated 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)]
Jul-13 - Jun-14	165,818	50,786	949,240	211,252	1.050	1.050	996,702	221,814	18.2%
Jul-14 - Jun-15	173,036	52,253	973,049	235,413	1.050	1.050	1,021,702	247,184	19.5%
Jul-15 - Jun-16	177,601	53,249	1,035,820	247,444	1.050	1.050	1,087,611	259,816	19.3%
Jul-16 - Jun-17	182,329	52,545	1,108,277	256,511	1.070	1.077	1,185,898	276,319	18.9%

The estimated ultimate market shares for the May and June policy months of 2015 through 2017 are as follows.

Month (1)	Policy Counts		Written Premium (\$ thousands)		Development Factor		Estimated 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)	
May-15	11,528	5,182	70,565	20,218	1.050	1.050	74,093	21,229	22.3%
May-16	11,746	5,101	70,630	20,968	1.065	1.049	75,201	21,999	22.6%
May-17	11,537	4,997	72,312	21,029	1.090	1.103	78,806	23,186	22.7%
Jun-15	13,274	4,892	92,114	22,092	1.050	1.050	96,720	23,197	19.3%
Jun-16	12,877	4,940	99,350	20,965	1.071	1.063	106,385	22,284	17.3%
Jun-17	12,373	4,829	100,048	22,138	1.099	1.121	109,924	24,818	18.4%

± 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.

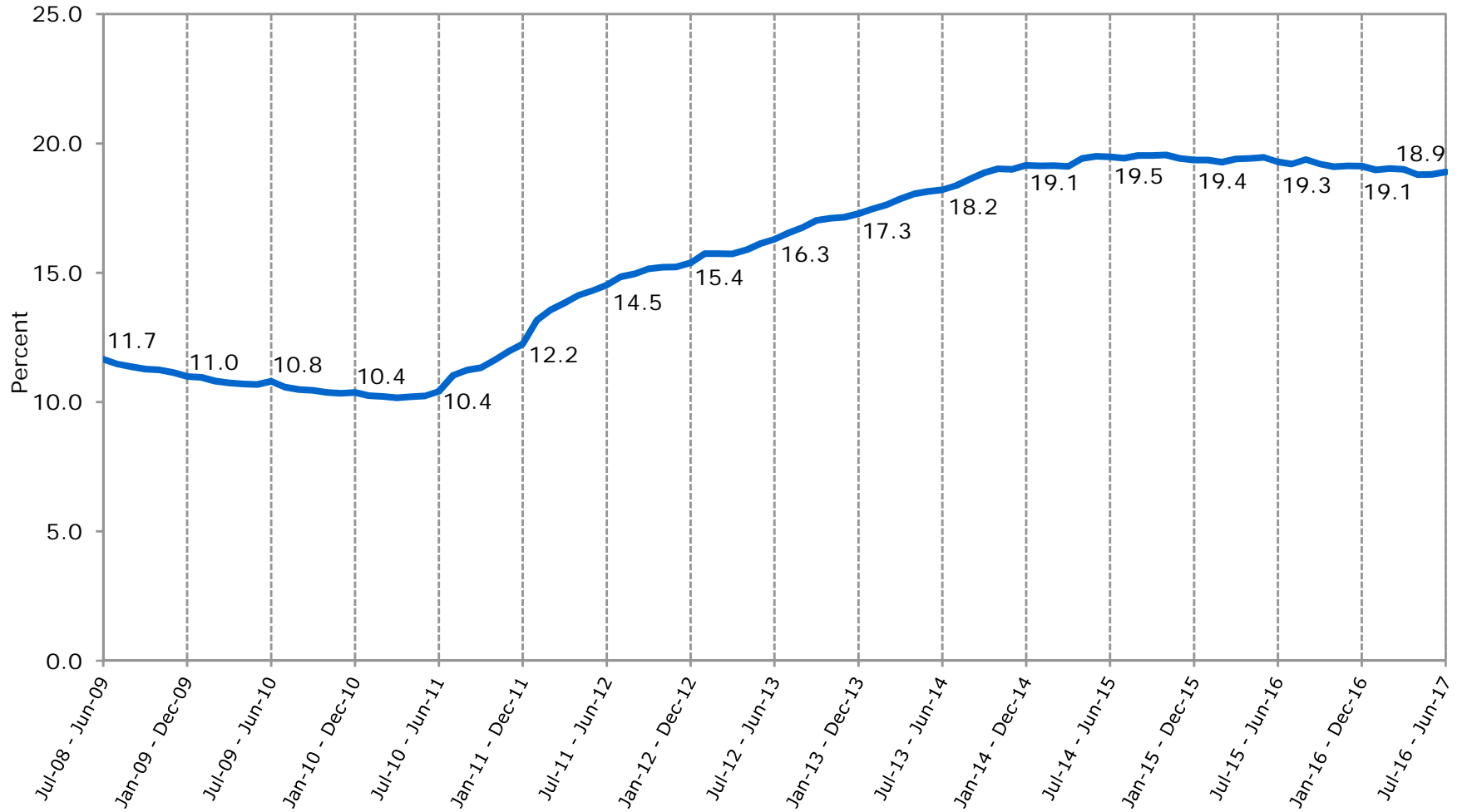
Policy Year	Estimated Ultimate Residual Market Share	Calendar Year	Residual Market Share Based on Annual Statement Data
2013	17.3%	2013	20.0%
2014	19.1%	2014	21.7%
2015	19.4%	2015	22.9%
2016	19.1%	2016	22.4%

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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 8/15/17



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

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)  
Data as of 8/15/17

