



*Massachusetts Workers Compensation
Assigned Risk Pool*

June 21, 2018

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 06-18

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:

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

- SC_{wp}** - Servicing Carrier Written Premiums
- VDAC_{wp}** - Voluntary Direct Assignment Written Premiums
- VOL_{wp}** - 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 30, 2018 is 18.4%.

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)]
May-14 - Apr-15	172,435	51,886	964,940	232,353	1.050	1.050	1,013,187	243,971	19.4%
May-15 - Apr-16	178,029	53,283	1,030,406	247,780	1.050	1.050	1,081,927	260,169	19.4%
May-16 - Apr-17	184,742	52,761	1,114,534	256,445	1.050	1.050	1,170,260	269,268	18.7%
May-17 - Apr-18	183,174	51,000	1,139,397	257,334	1.064	1.063	1,212,774	273,527	18.4%

The estimated ultimate market shares for the March and April policy months of 2016 through 2018 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)	
Mar-16	12,211	4,805	73,659	18,610	1.050	1.050	77,342	19,541	20.2%
Mar-17	12,610	4,629	78,333	19,714	1.063	1.057	83,301	20,832	20.0%
Mar-18	11,983	4,439	80,541	18,587	1.076	1.078	86,700	20,046	18.8%
Apr-16	13,462	5,352	91,072	25,462	1.050	1.050	95,626	26,735	21.8%
Apr-17	12,889	5,033	98,096	23,735	1.066	1.051	104,607	24,934	19.2%
Apr-18	13,117	4,887	99,942	23,343	1.088	1.086	108,754	25,348	18.9%

± 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.

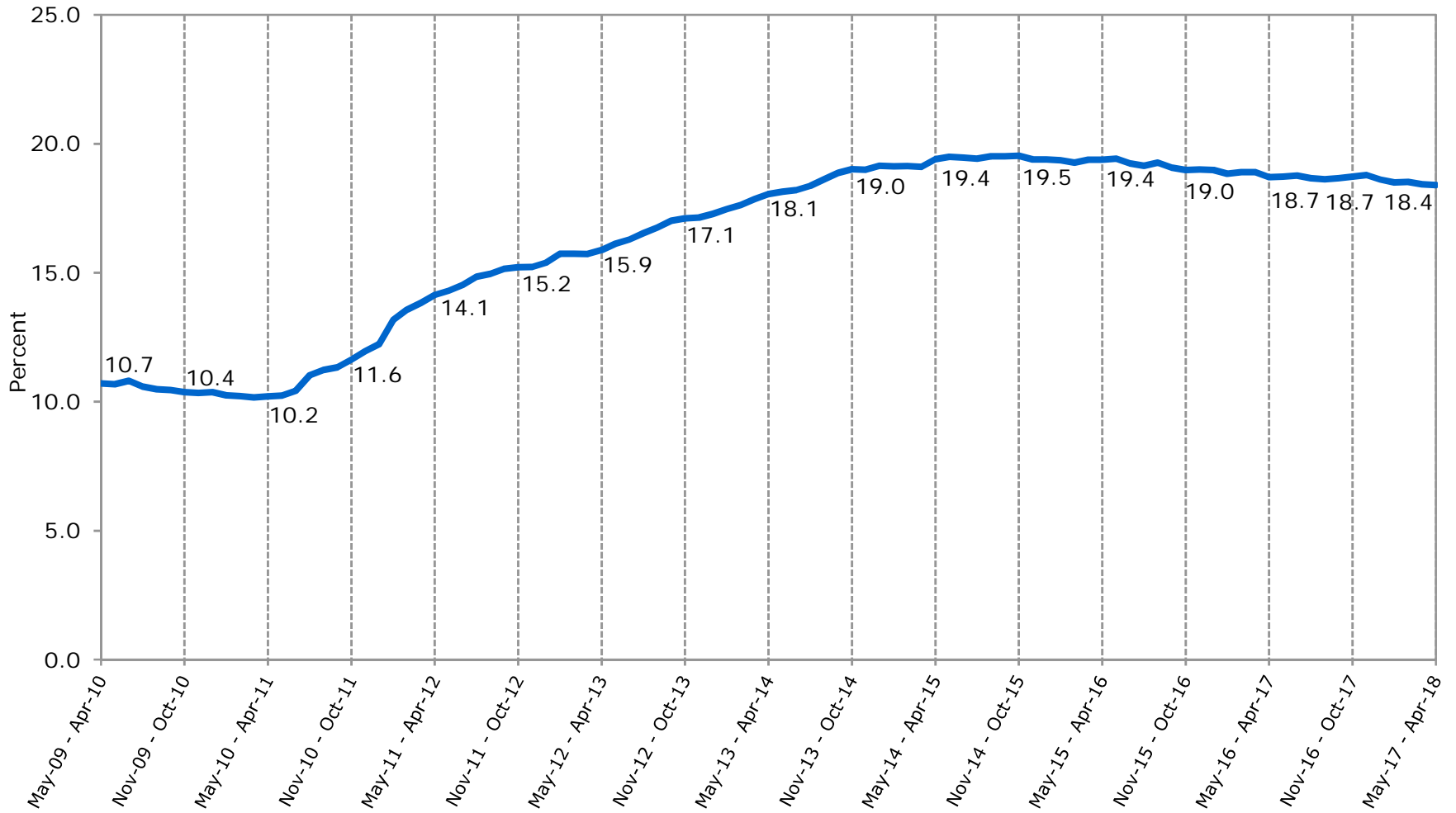
Policy Year	Estimated Ultimate Residual Market Share	Calendar Year	Residual Market Share Based on Annual Statement Data
2014	19.1%	2014	21.7%
2015	19.4%	2015	22.9%
2016	19.0%	2016	22.4%
2017	18.6%	2017	22.1%

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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 6/15/18



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
Data as of 6/15/18

