



*Massachusetts Workers Compensation  
Assigned Risk Pool*

April 29, 2019

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 05-19**

**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 February 28, 2019 is 17.2%.

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)]
Mar-15 - Feb-16	177,264	53,146	1,023,341	244,239	1.050	1.050	1,074,508	256,451	19.3%
Mar-16 - Feb-17	185,126	53,254	1,108,756	257,169	1.050	1.050	1,164,194	270,027	18.8%
Mar-17 - Feb-18	185,236	51,355	1,154,964	261,472	1.050	1.050	1,212,712	274,545	18.5%
Mar-18 - Feb-19	189,332	50,436	1,157,880	242,099	1.073	1.063	1,242,324	257,282	17.2%

The estimated ultimate market shares for the January and February policy months of 2017 through 2019 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)	
Jan-17	18,356	4,342	201,999	32,533	1.050	1.050	212,099	34,160	13.9%
Jan-18	17,994	4,182	202,339	32,293	1.070	1.048	216,560	33,851	13.5%
Jan-19	18,892	4,207	223,838	27,528	1.085	1.069	242,854	29,422	10.8%
Feb-17	48,015	3,660	62,862	15,355	1.050	1.050	66,005	16,123	19.6%
Feb-18	50,352	3,686	61,905	15,803	1.074	1.046	66,474	16,530	19.9%
Feb-19	52,432	3,625	62,613	13,744	1.094	1.094	68,492	15,033	18.0%

± 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
2015	19.4%	2015	22.9%
2016	19.0%	2016	22.4%
2017	18.4%	2017	22.1%
2018	17.8%	2018	20.8%*

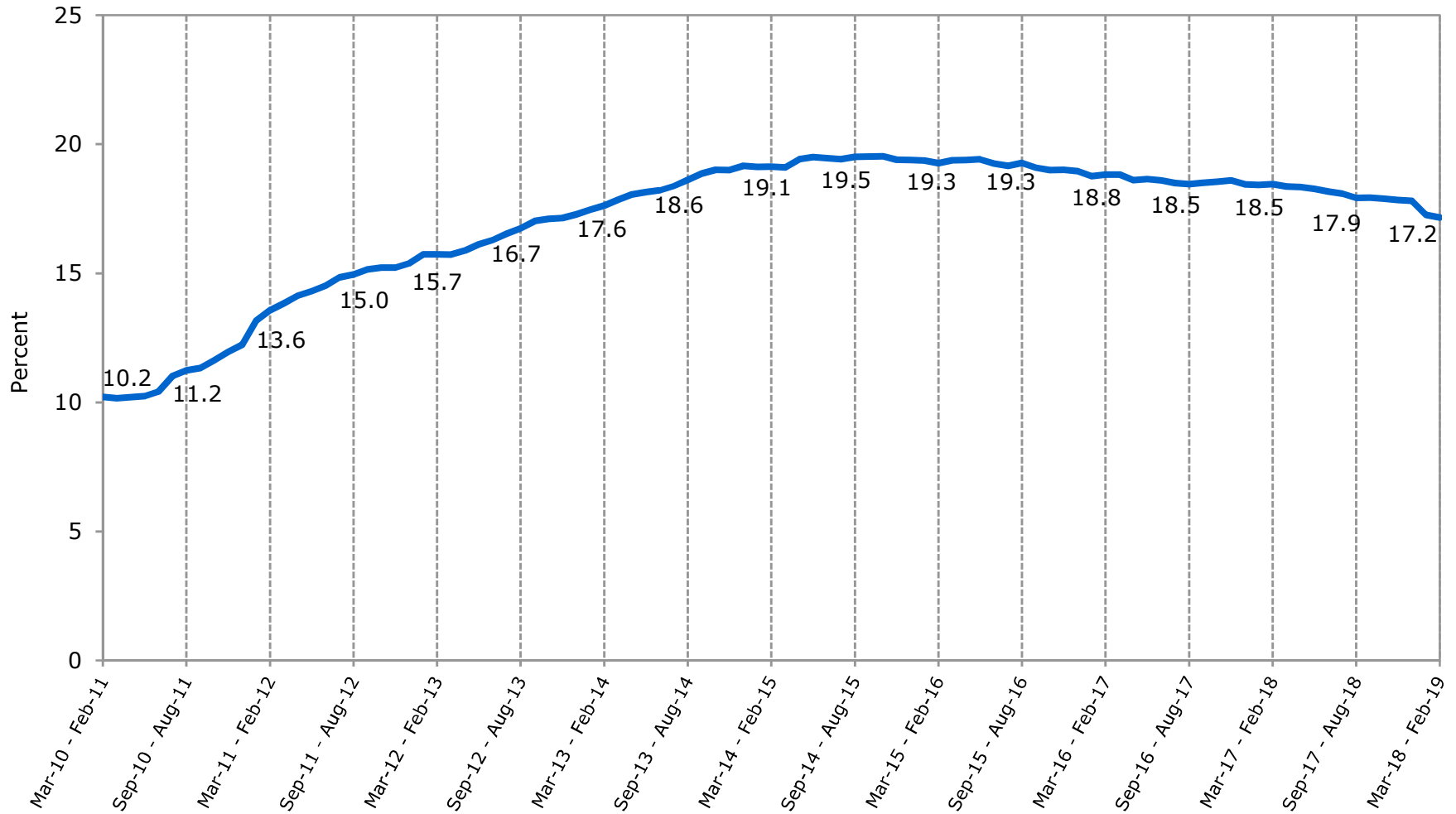
\* Preliminary data

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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 4/15/19



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

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)  
Data as of 4/15/19

