



*Massachusetts Workers Compensation  
Assigned Risk Pool*

June 24, 2019

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 06-19**

**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:

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

- 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 30, 2019 is 17.0%.

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-15 - Apr-16	178,032	53,283	1,030,302	247,775	1.050	1.050	1,081,817	260,163	19.4%
May-16 - Apr-17	185,163	52,768	1,121,518	256,359	1.050	1.050	1,177,594	269,177	18.6%
May-17 - Apr-18	185,310	51,020	1,164,694	261,419	1.050	1.050	1,222,928	274,490	18.3%
May-18 - Apr-19	191,924	50,378	1,147,041	237,018	1.073	1.061	1,230,367	251,428	17.0%

The estimated ultimate market shares for the March and April 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)	
Mar-17	12,702	4,638	78,186	19,665	1.050	1.050	82,095	20,648	20.1%
Mar-18	12,158	4,447	82,493	19,337	1.069	1.047	88,157	20,250	18.7%
Mar-19	12,767	4,401	76,176	17,203	1.083	1.067	82,515	18,356	18.2%
Apr-17	13,008	5,033	98,842	23,580	1.050	1.050	103,784	24,759	19.3%
Apr-18	13,339	4,888	102,021	24,586	1.073	1.045	109,430	25,691	19.0%
Apr-19	14,857	4,880	95,018	20,774	1.091	1.097	103,708	22,791	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.

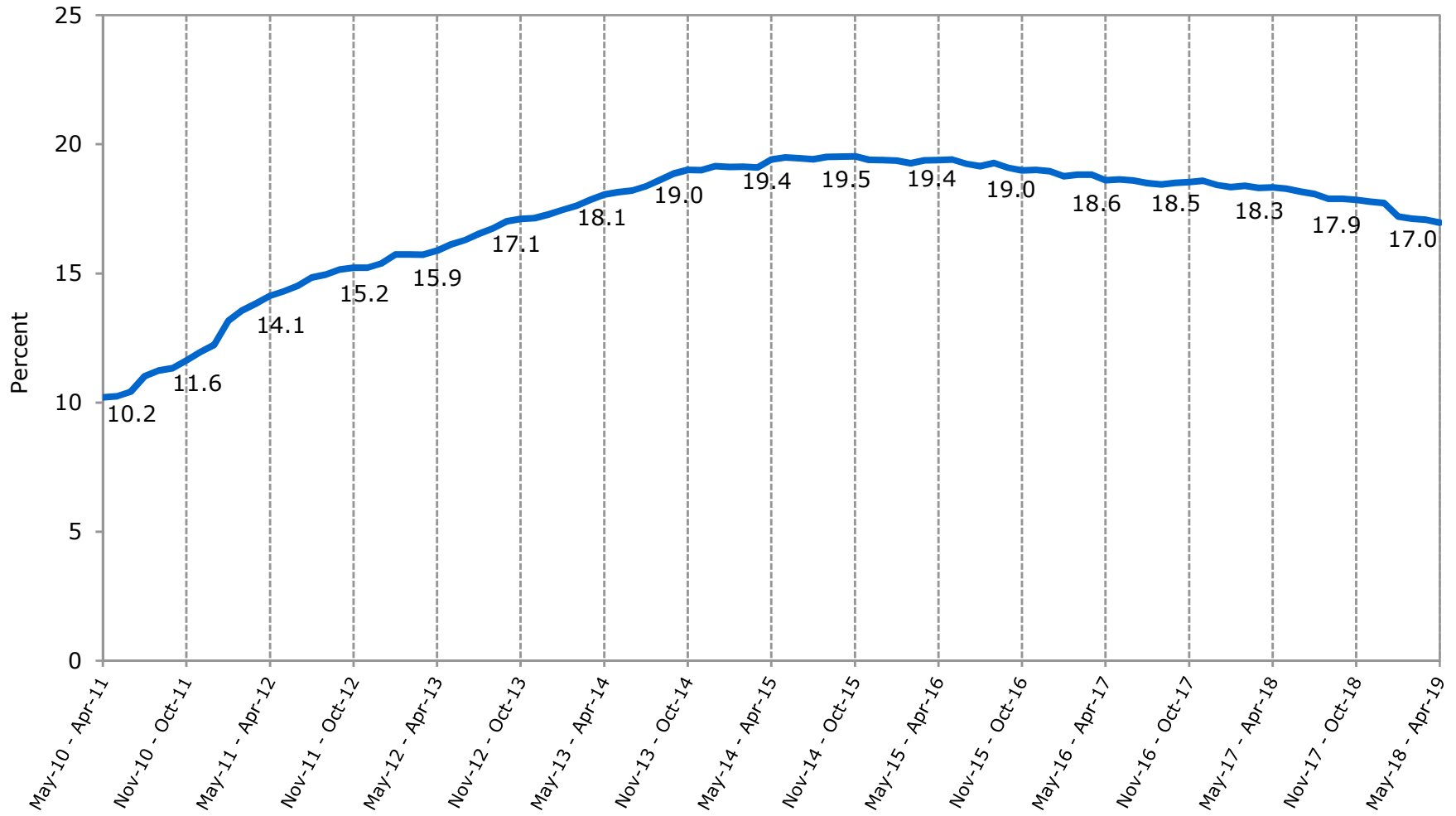
Policy Year	Estimated Ultimate Residual Market Share	Calendar Year	Residual Market Share Based on Annual Statement Data
2015	19.4%	2015	22.9%
2016	19.0%	2016	22.4%
2017	18.4%	2017	22.1%
2018	17.7%	2018	20.8%

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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 6/18/19



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

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)  
Data as of 6/18/19

