



*Massachusetts Workers Compensation
Assigned Risk Pool*

June 22, 2020

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 06-20

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, 2020 is 16.2%.

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)]
May-16 - Apr-17	185,159	52,768	1,121,117	256,365	1.050	1.050	1,177,173	269,183	18.6%
May-17 - Apr-18	185,818	51,024	1,170,952	260,920	1.050	1.050	1,229,500	273,966	18.2%
May-18 - Apr-19	194,369	50,386	1,153,070	239,684	1.050	1.050	1,210,724	251,669	17.2%
May-19 - Apr-20	205,012	47,007	1,178,430	226,058	1.057	1.062	1,245,361	240,049	16.2%

The estimated ultimate market shares for the March and April policy months of 2018 through 2020 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-18	12,265	4,453	81,255	19,268	1.050	1.050	85,318	20,231	19.2%
Mar-19	12,996	4,407	76,915	17,294	1.058	1.044	81,355	18,049	18.2%
Mar-20	12,891	3,884	76,981	15,996	1.058	1.075	81,476	17,200	17.4%
Apr-18	13,490	4,887	102,660	24,367	1.050	1.050	107,793	25,585	19.2%
Apr-19	15,083	4,881	94,554	21,629	1.062	1.046	100,379	22,621	18.4%
Apr-20	13,651	3,888	102,683	19,323	1.063	1.085	109,162	20,961	16.1%

± 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
2016	19.0%	2016	22.4%
2017	18.4%	2017	22.1%
2018	17.9%	2018	20.8%
2019	16.6%	2019	18.9%

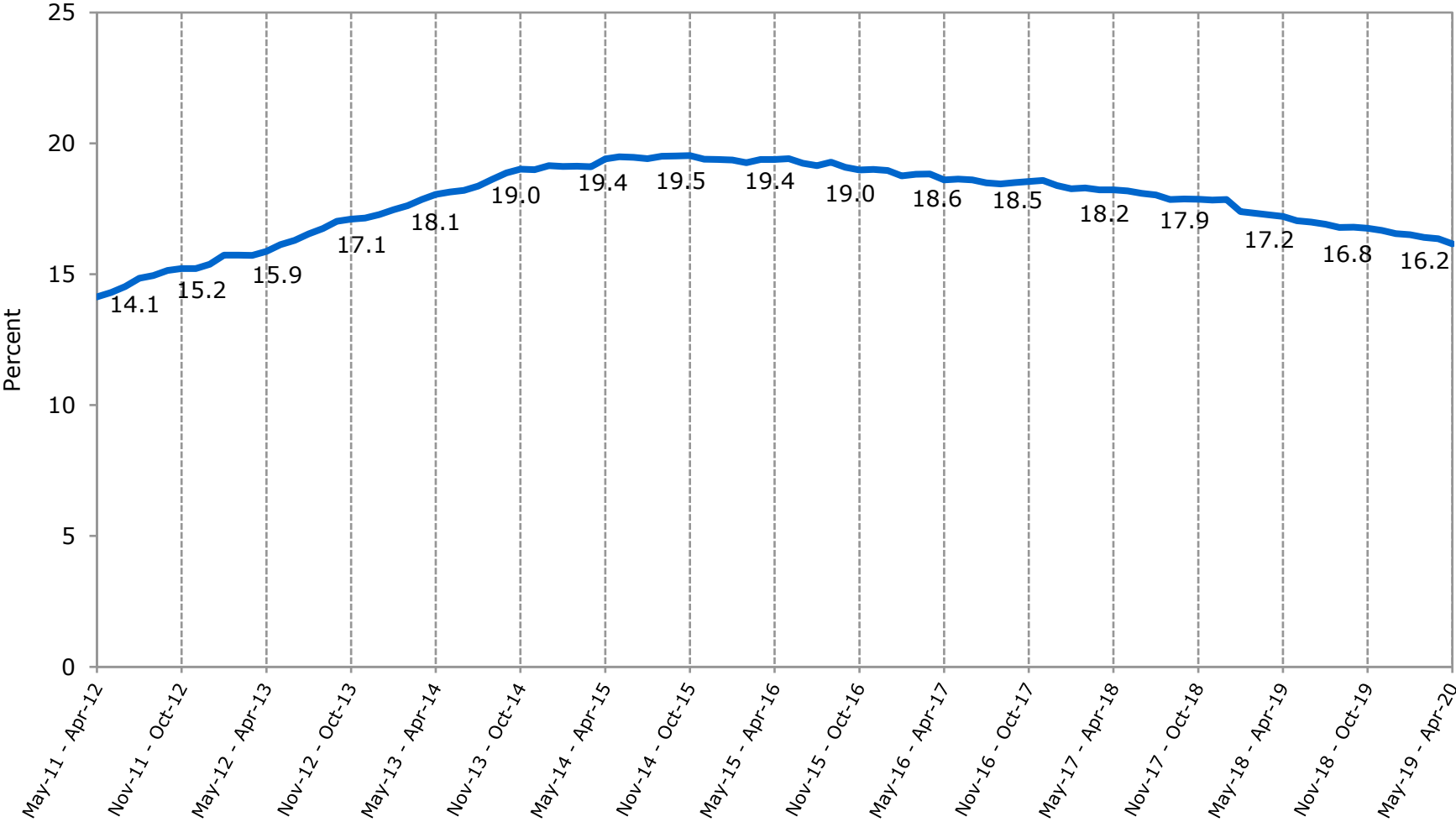
Please contact Christine Cronin at 617-646-7544 or ccronin@wcribma.org or Laura Kirchberg at 617-646-7526 or lkirchberg@wcribma.org with any questions.

Laura Kirchberg
Customer Service Specialist

Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)

Data as of 6/15/20



Massachusetts Workers' Compensation
Estimated Ultimate Residual Market Share by Month
 (Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
 Data as of 6/15/20

