



*Massachusetts Workers Compensation
Assigned Risk Pool*

June 22, 2021

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 06-21

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_{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, 2021 is 15.3%.

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-17 - Apr-18	185,835	51,024	1,167,915	260,949	1.050	1.050	1,226,310	273,997	18.3%
May-18 - Apr-19	194,812	50,381	1,155,325	239,021	1.050	1.050	1,213,091	250,972	17.1%
May-19 - Apr-20	207,328	46,996	1,178,445	224,969	1.050	1.050	1,237,367	236,217	16.0%
May-20 - Apr-21	211,988	43,684	1,136,802	205,409	1.056	1.060	1,200,436	217,638	15.3%

The estimated ultimate market shares for the March and April policy months of 2018 through 2021 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	12,266	4,453	80,653	19,233	1.050	1.050	84,686	20,195	19.3%
Mar-19	13,097	4,408	77,881	17,231	1.050	1.050	81,775	18,093	18.1%
Mar-20	13,169	3,885	76,120	15,666	1.063	1.036	80,878	16,229	16.7%
Mar-21	13,842	3,827	79,204	13,789	1.060	1.068	83,929	14,725	14.9%
Apr-18	13,491	4,887	102,113	24,356	1.050	1.050	107,219	25,574	19.3%
Apr-19	15,211	4,876	94,790	21,433	1.050	1.050	99,530	22,505	18.4%
Apr-20	13,895	3,889	102,136	19,777	1.065	1.038	108,753	20,534	15.9%
Apr-21	14,159	3,909	97,817	19,652	1.059	1.067	103,577	20,960	16.8%

± 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
2017	18.4%	2017	22.1%
2018	17.9%	2018	20.8%
2019	16.4%	2019	18.9%
2020	15.4%	2020	17.9%

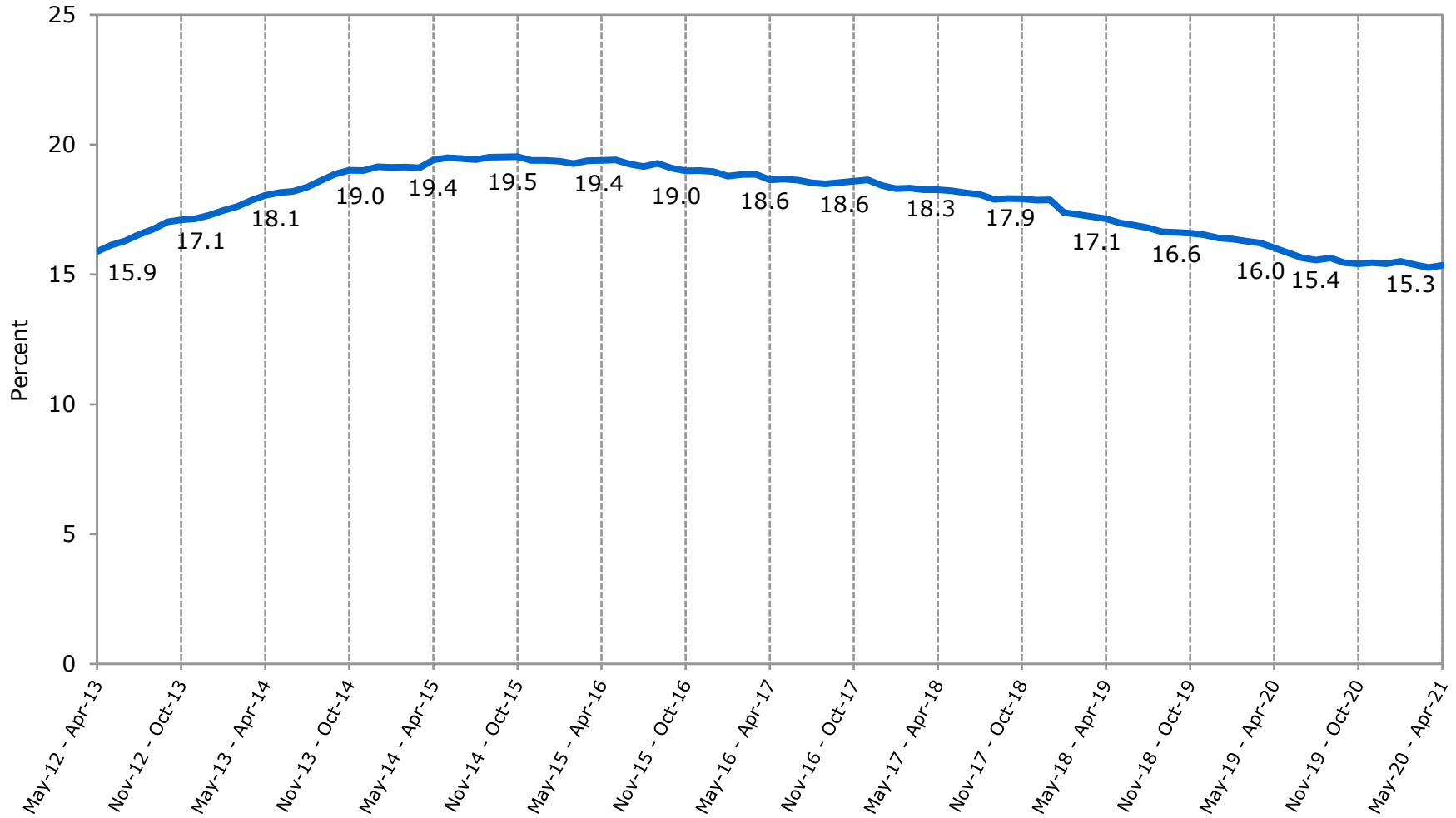
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 6/15/21



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month (Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary) Data as of 6/15/21

