



Massachusetts Workers Compensation
Assigned Risk Pool

August 24, 2021

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 08-21

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:

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

- 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 June 30, 2021 is 15.2%.

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)]
Jul-17 - Jun-18	186,927	50,781	1,168,637	258,839	1.050	1.050	1,227,069	271,780	18.1%
Jul-18 - Jun-19	197,142	50,103	1,151,840	233,858	1.050	1.050	1,209,432	245,551	16.9%
Jul-19 - Jun-20	207,470	45,629	1,184,540	218,791	1.050	1.050	1,243,767	229,731	15.6%
Jul-20 - Jun-21	213,689	43,515	1,142,437	203,594	1.057	1.059	1,207,639	215,627	15.2%

The estimated ultimate market shares for the May and June 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)	
May-18	12,196	4,928	73,442	21,181	1.050	1.050	77,114	22,240	22.4%
May-19	13,218	4,822	71,142	17,961	1.050	1.050	74,699	18,859	20.2%
May-20	12,823	4,060	71,164	14,851	1.064	1.035	75,715	15,369	16.9%
May-21	12,924	3,988	74,192	14,549	1.065	1.076	78,996	15,655	16.5%
Jun-18	13,382	4,665	108,198	20,971	1.050	1.050	113,608	22,020	16.2%
Jun-19	14,689	4,494	105,843	19,029	1.050	1.050	111,135	19,980	15.2%
Jun-20	14,908	3,892	108,739	16,635	1.066	1.037	115,941	17,255	13.0%
Jun-21	15,772	3,790	111,876	15,112	1.066	1.073	119,262	16,217	12.0%

± 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
2017	18.4%	2017	22.1%
2018	17.9%	2018	20.8%
2019	16.4%	2019	18.9%
2020	15.3%	2020	17.9%

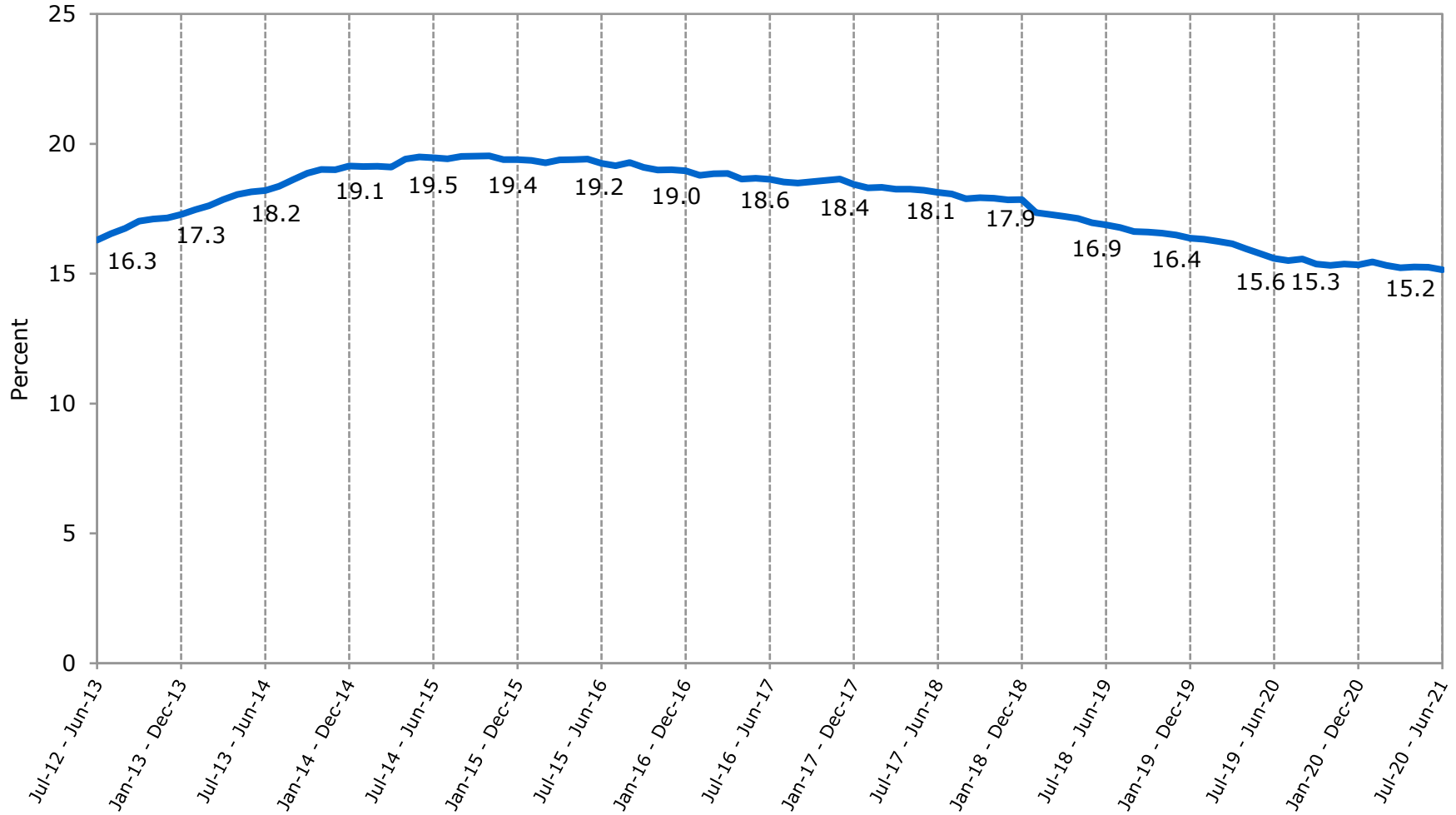
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 8/16/21



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
Data as of 8/16/21

