



Massachusetts Workers Compensation
Assigned Risk Pool

October 27, 2021

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 10-21

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 August 31, 2021 is 14.7%.

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)]
Sep-17 - Aug-18	187,661	50,724	1,167,138	254,289	1.050	1.050	1,225,494	267,004	17.9%
Sep-18 - Aug-19	199,120	49,759	1,157,569	230,664	1.050	1.050	1,215,448	242,198	16.6%
Sep-19 - Aug-20	208,459	44,962	1,167,477	216,728	1.050	1.050	1,225,851	227,565	15.7%
Sep-20 - Aug-21	216,093	43,274	1,155,535	198,536	1.056	1.061	1,220,411	210,744	14.7%

The estimated ultimate market shares for the July and August 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)	
Jul-18	14,672	4,291	121,917	28,842	1.050	1.050	128,013	30,284	19.1%
Jul-19	15,719	4,119	124,920	27,784	1.050	1.050	131,166	29,173	18.2%
Jul-20	16,399	3,869	115,841	25,148	1.061	1.035	122,923	26,028	17.5%
Jul-21	17,731	3,774	123,099	22,051	1.061	1.080	130,611	23,806	15.4%
Aug-18	10,336	4,285	65,319	19,151	1.050	1.050	68,585	20,109	22.7%
Aug-19	11,264	4,113	68,116	17,138	1.050	1.050	71,522	17,995	20.1%
Aug-20	11,275	3,696	62,676	17,750	1.063	1.037	66,636	18,412	21.6%
Aug-21	11,569	3,542	67,375	14,354	1.061	1.076	71,495	15,444	17.8%

± 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%

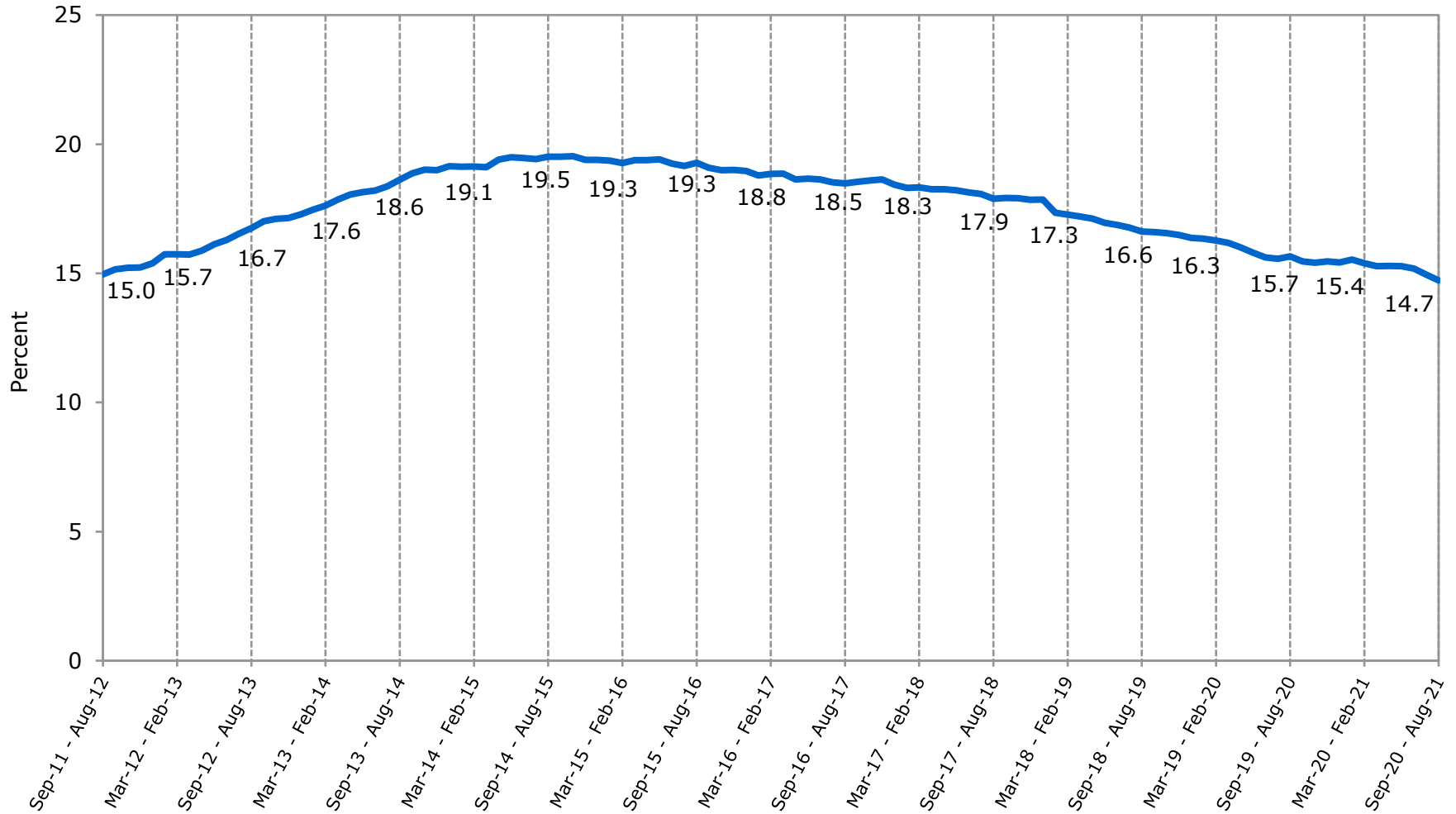
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 10/15/2021



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
Data as of 10/15/2021

