



Massachusetts Workers Compensation
Assigned Risk Pool

March 1, 2022

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 02-22

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 December 31, 2021 is 14.8%.

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)]
Jan-18 - Dec-18	188,875	50,471	1,145,753	249,071	1.050	1.050	1,203,040	261,525	17.9%
Jan-19 - Dec-19	202,673	48,797	1,173,224	229,181	1.050	1.050	1,231,885	240,640	16.3%
Jan-20 - Dec-20	210,010	44,238	1,159,394	210,941	1.050	1.050	1,217,364	221,488	15.4%
Jan-21 - Dec-21	221,905	42,816	1,181,131	203,164	1.056	1.064	1,247,829	216,240	14.8%

The estimated ultimate market shares for the November and December 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)	
Nov-18	9,622	3,578	70,398	13,158	1.050	1.050	73,918	13,816	15.7%
Nov-19	10,767	3,350	74,413	12,752	1.050	1.050	78,134	13,390	14.6%
Nov-20	10,485	3,077	66,846	12,404	1.059	1.036	70,770	12,855	15.4%
Nov-21	11,516	3,026	70,054	12,729	1.060	1.086	74,286	13,818	15.7%
Dec-18	10,965	3,340	87,517	16,139	1.050	1.050	91,893	16,946	15.6%
Dec-19	10,869	3,068	89,931	14,390	1.050	1.050	94,428	15,110	13.8%
Dec-20	11,775	2,965	87,081	13,761	1.061	1.038	92,426	14,282	13.4%
Dec-21	12,230	2,892	94,587	13,598	1.062	1.087	100,437	14,782	12.8%

± 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
2018	17.9%	2018	20.8%
2019	16.3%	2019	18.9%
2020	15.4%	2020	17.9%
2021	14.8%	2021	N/A

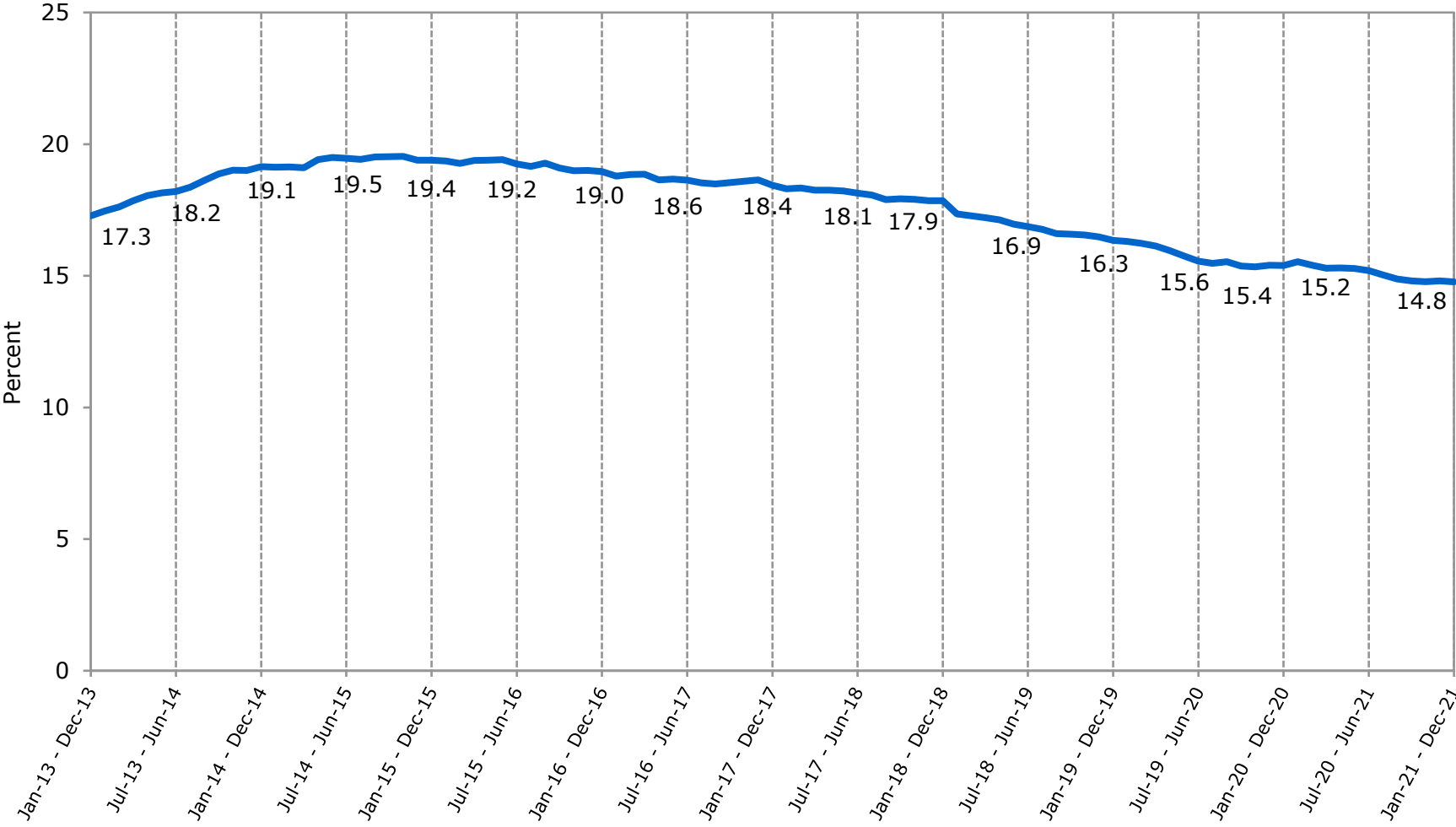
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 2/15/22



**Massachusetts Workers' Compensation
Estimated Ultimate Residual Market Share by Month**
(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
Data as of 2/15/22

