



*Massachusetts Workers Compensation
Assigned Risk Pool*

April 27, 2022

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 05-22

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 February 28, 2022 is 14.5%.

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)]
Mar-18 - Feb-19	192,268	50,436	1,167,339	243,818	1.050	1.050	1,225,706	256,009	17.3%
Mar-19 - Feb-20	208,917	48,504	1,176,310	227,806	1.050	1.050	1,235,126	239,196	16.2%
Mar-20 - Feb-21	214,218	43,725	1,146,850	207,775	1.050	1.050	1,204,193	218,164	15.3%
Mar-21 - Feb-22	217,674	42,428	1,191,911	203,049	1.058	1.057	1,260,513	214,533	14.5%

The estimated ultimate market shares for the January and February policy months of 2019 through 2022 are as follows.

Month (1)	Policy Counts		Written Premium (\$ thousands)		Development Factor		Estimated Ultimate Written Premium \pm (\$ 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)	
Jan-19	19,395	4,208	227,233	27,525	1.050	1.050	238,595	28,901	10.8%
Jan-20	20,869	4,033	225,416	26,629	1.050	1.050	236,687	27,960	10.6%
Jan-21	20,221	3,739	211,398	25,581	1.060	1.038	224,046	26,541	10.6%
Jan-22	20,689	3,558	218,089	26,752	1.063	1.076	231,725	28,780	11.0%
Feb-19	52,644	3,624	63,347	14,628	1.050	1.050	66,514	15,359	18.8%
Feb-20	57,406	3,506	67,680	14,129	1.050	1.050	71,064	14,835	17.3%
Feb-21	61,907	3,288	67,342	12,181	1.063	1.036	71,599	12,625	15.0%
Feb-22	56,367	3,085	68,427	12,201	1.063	1.078	72,766	13,147	15.3%

\pm 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	14.5%	2021	17.5%*

*Preliminary Data

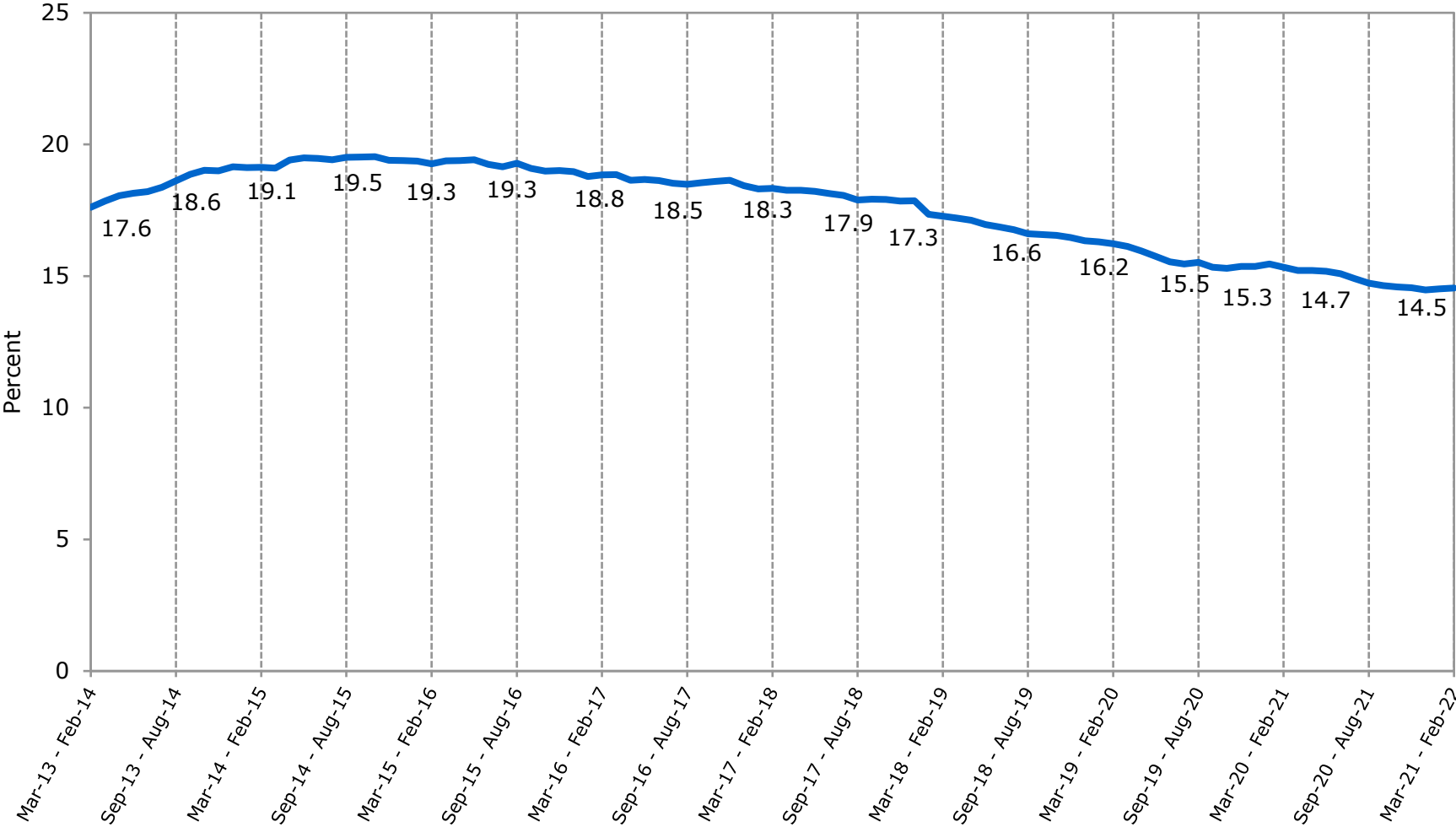
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 4/15/22



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month (Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary) Data as of 4/15/22

