



*Massachusetts Workers' Compensation
Assigned Risk Pool*

November 2, 2022

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 10-22

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:

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

- 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, 2022 is 14.2%.

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)]
Sep-18 - Aug-19	199,132	49,759	1,158,218	230,611	1.050	1.050	1,216,128	242,142	16.6%
Sep-19 - Aug-20	209,077	44,962	1,173,014	216,243	1.050	1.050	1,231,665	227,055	15.6%
Sep-20 - Aug-21	220,490	43,272	1,171,232	202,979	1.050	1.050	1,229,794	213,128	14.8%
Sep-21 - Aug-22	226,520	41,389	1,249,965	207,817	1.067	1.062	1,334,300	220,652	14.2%

The estimated ultimate market shares for the July and August policy months of 2019 through 2022 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-19	15,717	4,119	124,921	27,779	1.050	1.050	131,167	29,168	18.2%
Jul-20	16,544	3,869	115,889	24,836	1.050	1.050	121,683	26,078	17.6%
Jul-21	18,269	3,774	124,328	23,695	1.066	1.049	132,558	24,845	15.8%
Jul-22	18,876	3,505	128,320	23,843	1.082	1.082	138,814	25,801	15.7%
Aug-19	11,270	4,113	68,663	17,108	1.050	1.050	72,096	17,963	19.9%
Aug-20	11,433	3,696	65,891	17,556	1.050	1.050	69,186	18,434	21.0%
Aug-21	12,020	3,541	69,104	15,323	1.070	1.044	73,965	16,003	17.8%
Aug-22	12,969	3,359	75,997	14,848	1.082	1.100	82,227	16,330	16.6%

± 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	16.4%	2019	18.9%
2020	15.4%	2020	17.9%
2021	14.4%	2021	17.5%

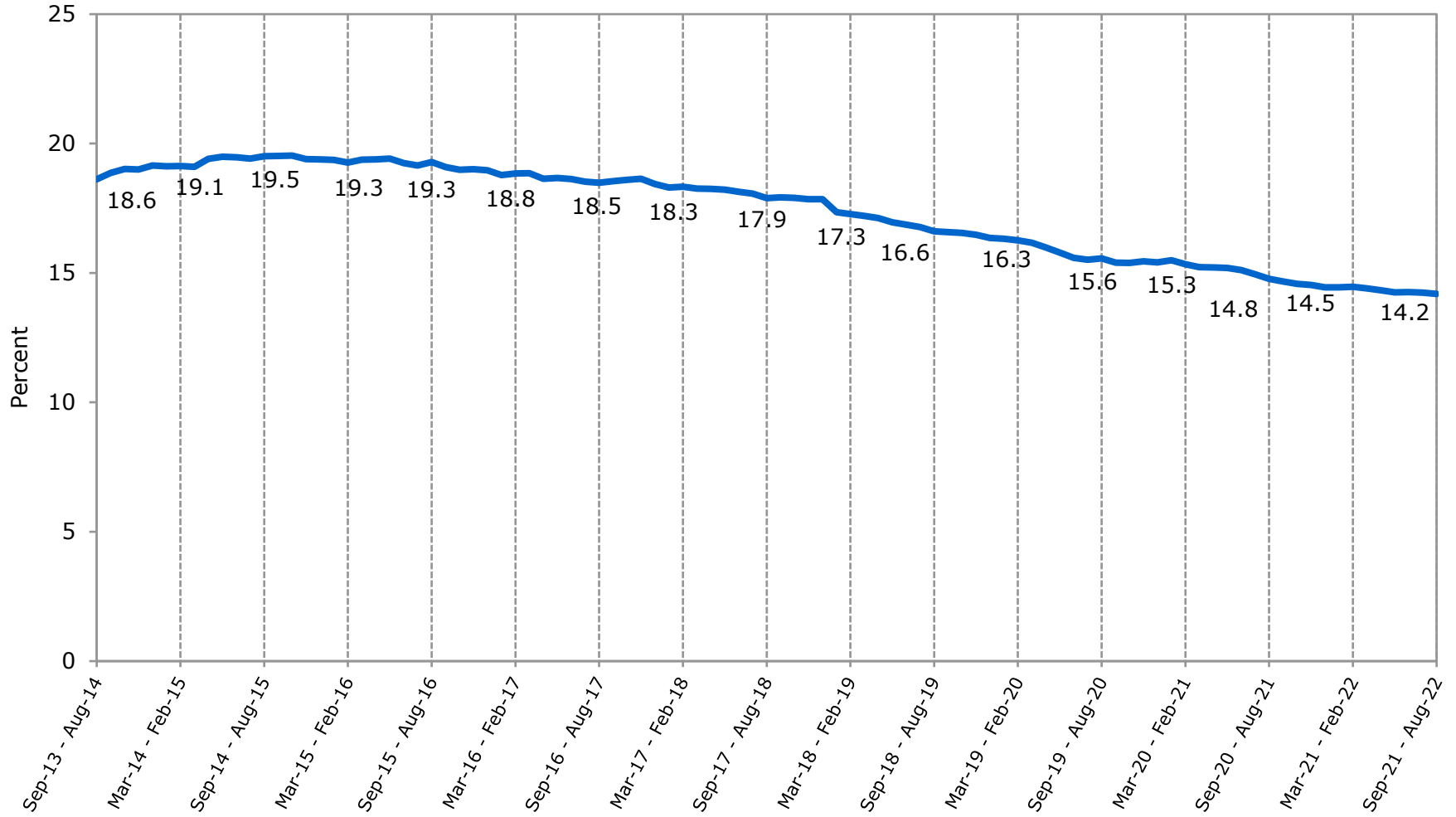
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 10/15/22



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
Data as of 10/15/22

