



*Massachusetts Workers' Compensation  
Assigned Risk Pool*

December 21, 2022

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 12-22**

**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<sub>wp</sub>** - Servicing Carrier Written Premiums
- VDAC<sub>wp</sub>** - Voluntary Direct Assignment Written Premiums
- VOL<sub>wp</sub>** - 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 October 31, 2022 is 14.1%.

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)]
Nov-18 - Oct-19	201,633	49,297	1,166,556	231,265	1.050	1.050	1,224,884	242,828	16.5%
Nov-19 - Oct-20	209,741	44,615	1,168,065	212,601	1.050	1.050	1,226,468	223,231	15.4%
Nov-20 - Oct-21	223,911	42,932	1,187,662	203,132	1.050	1.050	1,247,045	213,289	14.6%
Nov-21 - Oct-22	227,473	40,798	1,265,961	208,162	1.067	1.065	1,351,002	221,642	14.1%

The estimated ultimate market shares for the September and October 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)	
Sep-19	11,678	3,805	78,291	20,371	1.050	1.050	82,206	21,390	20.6%
Sep-20	11,912	3,606	74,111	17,189	1.050	1.050	77,817	18,048	18.8%
Sep-21	13,165	3,477	83,427	17,295	1.063	1.048	88,675	18,129	17.0%
Sep-22	13,495	3,192	90,918	16,222	1.080	1.082	98,236	17,559	15.2%
Oct-19	14,119	3,910	96,458	18,929	1.050	1.050	101,281	19,875	16.4%
Oct-20	14,548	3,762	95,176	18,499	1.050	1.050	99,935	19,424	16.3%
Oct-21	16,354	3,553	101,321	18,849	1.067	1.045	108,093	19,689	15.4%
Oct-22	16,308	3,249	107,815	17,286	1.081	1.102	116,573	19,046	14.0%

± 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
2018	17.9%	2018	20.8%
2019	16.4%	2019	18.9%
2020	15.4%	2020	17.9%
2021	14.5%	2021	17.5%

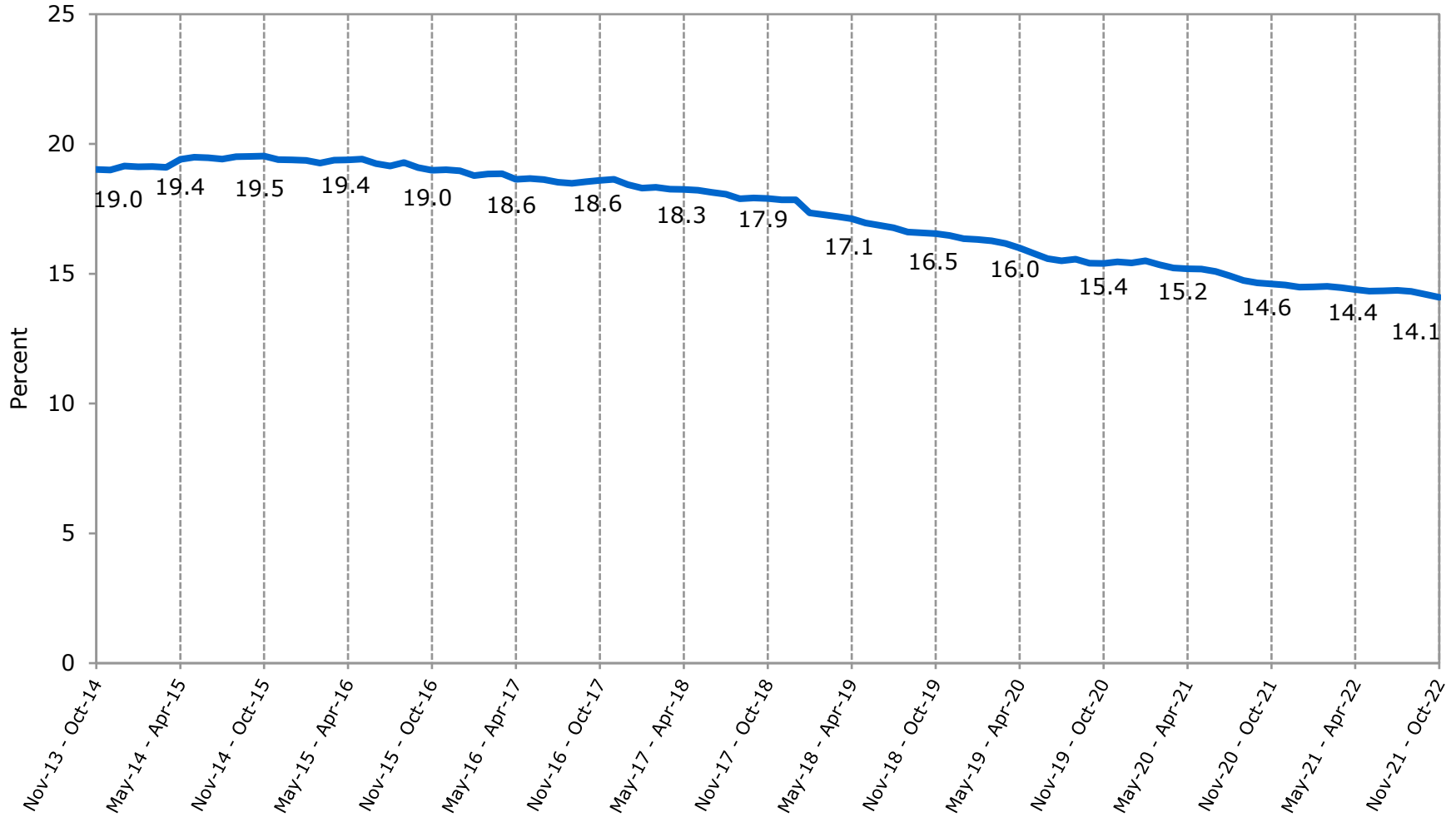
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### Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 12/15/22



### Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month

(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)  
Data as of 12/15/22

