



*Massachusetts Workers' Compensation  
Assigned Risk Pool*

April 27, 2023

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 05-23**

**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 February 28, 2023 is 13.6%.

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-19 - Feb-20	208,928	48,504	1,173,813	227,925	1.050	1.050	1,232,504	239,322	16.3%
Mar-20 - Feb-21	214,983	43,727	1,151,472	208,723	1.050	1.050	1,209,046	219,159	15.3%
Mar-21 - Feb-22	226,978	42,424	1,218,837	205,855	1.050	1.050	1,279,779	216,148	14.4%
Mar-22 - Feb-23	238,908	40,077	1,300,043	204,741	1.070	1.066	1,391,485	218,206	13.6%

The estimated ultimate market shares for the January and February policy months of 2020 through 2023 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)	
Jan-20	20,872	4,033	225,450	26,636	1.050	1.050	236,723	27,968	10.6%
Jan-21	20,493	3,740	212,942	25,648	1.050	1.050	223,589	26,930	10.7%
Jan-22	21,363	3,558	222,128	27,138	1.066	1.048	236,744	28,451	10.7%
Jan-23	22,500	3,297	230,254	24,858	1.086	1.082	249,967	26,905	9.7%
Feb-20	57,408	3,506	65,929	14,122	1.050	1.050	69,225	14,828	17.6%
Feb-21	62,057	3,289	68,633	12,188	1.050	1.050	72,065	12,797	15.1%
Feb-22	61,723	3,083	69,458	13,214	1.070	1.044	74,296	13,790	15.7%
Feb-23	64,960	2,916	75,411	12,119	1.088	1.097	82,013	13,290	13.9%

± 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
2019	16.4%	2019	18.9%
2020	15.4%	2020	17.9%
2021	14.4%	2021	17.5%
2022	13.8%	2022	16.0%*

\*Preliminary Data

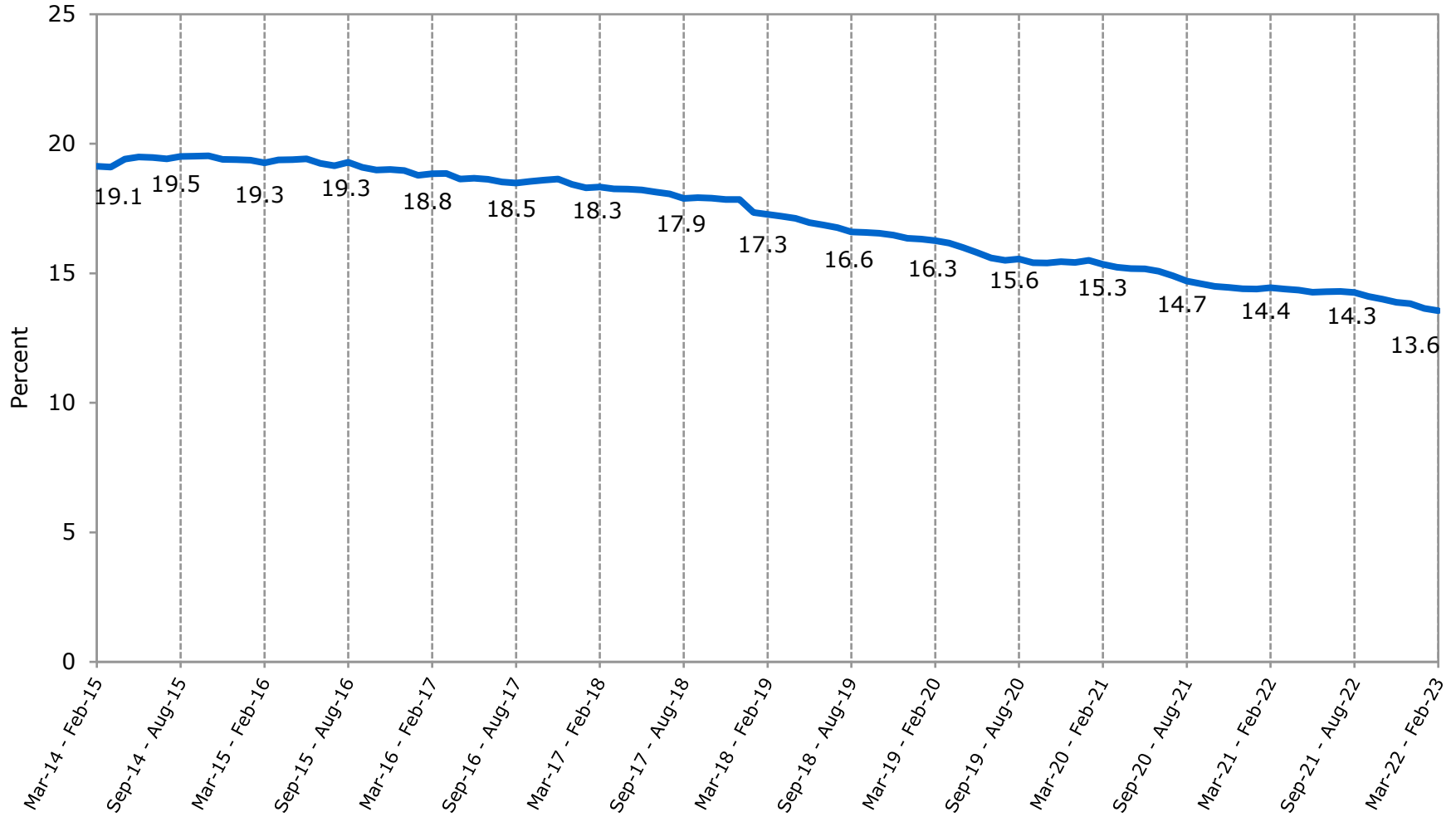
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### Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 4/15/23



### Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month (Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary) Data as of 4/15/23

