



*Massachusetts Workers' Compensation
Assigned Risk Pool*

October 25, 2023

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 09-23

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_{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, 2023 is 12.9%.

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-19 - Aug-20	209,094	44,962	1,175,317	216,413	1.050	1.050	1,234,083	227,234	15.5%
Sep-20 - Aug-21	221,203	43,273	1,179,968	202,873	1.050	1.050	1,238,966	213,017	14.7%
Sep-21 - Aug-22	235,762	41,389	1,271,531	210,629	1.052	1.050	1,337,495	221,212	14.2%
Sep-22 - Aug-23	243,220	38,578	1,332,617	199,141	1.071	1.057	1,426,580	210,540	12.9%

The estimated ultimate market shares for the July and August policy months of 2020 through 2023 are as follows.

Month	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)]
Jul-20	16,545	3,869	116,732	24,833	1.050	1.050	122,569	26,075	17.5%
Jul-21	18,450	3,777	125,543	23,633	1.050	1.050	131,820	24,815	15.8%
Jul-22	19,275	3,504	128,667	24,591	1.073	1.042	138,023	25,614	15.7%
Jul-23	19,394	3,217	132,898	20,508	1.085	1.059	144,202	21,723	13.1%
Aug-20	11,441	3,696	66,736	17,561	1.050	1.050	70,073	18,439	20.8%
Aug-21	12,209	3,541	74,270	15,237	1.050	1.050	77,984	15,999	17.0%
Aug-22	13,427	3,359	77,201	15,415	1.075	1.053	82,963	16,231	16.4%
Aug-23	14,459	3,159	77,062	12,717	1.090	1.081	83,962	13,743	14.1%

± 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	16.3%	2019	18.9%
2020	15.4%	2020	17.9%
2021	14.4%	2021	17.5%
2022	13.7%	2022	17.2%

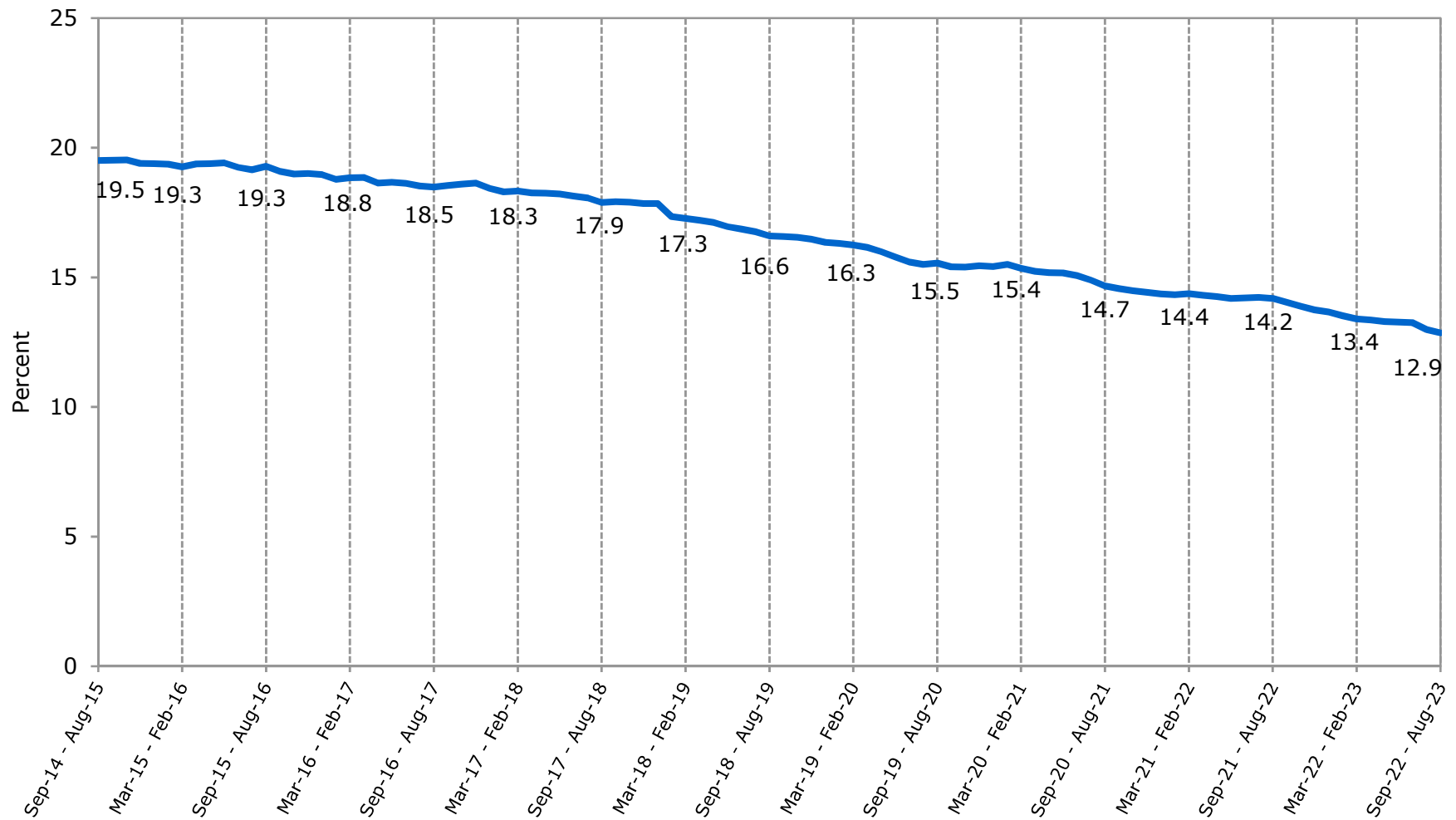
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

(Serving Carrier + VDAC) / (Serving Carrier + VDAC + Voluntary)

Data as of 10/15/23



**Massachusetts Workers' Compensation
Estimated Ultimate Residual Market Share by Month**
(Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary)
Data as of 10/15/23

