



*Massachusetts Workers' Compensation
Assigned Risk Pool*

February 28, 2024

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 02-24

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 December 31, 2023 is 12.5%.

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)]
Jan-20 - Dec-20	210,720	44,237	1,160,424	211,640	1.050	1.050	1,218,445	222,222	15.4%
Jan-21 - Dec-21	226,781	42,812	1,215,807	203,663	1.050	1.050	1,276,598	213,846	14.3%
Jan-22 - Dec-22	238,032	40,498	1,307,459	207,346	1.050	1.050	1,372,832	217,713	13.7%
Jan-23 - Dec-23	245,277	37,741	1,327,129	193,414	1.068	1.051	1,417,586	203,259	12.5%

The estimated ultimate market shares for the November and December 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)	
Nov-20	10,604	3,077	67,136	12,375	1.050	1.050	70,493	12,994	15.6%
Nov-21	11,934	3,027	77,095	12,819	1.050	1.050	80,950	13,460	14.3%
Nov-22	12,437	2,854	82,531	11,838	1.067	1.047	88,036	12,391	12.3%
Nov-23	14,636	2,672	81,013	10,655	1.080	1.051	87,517	11,202	11.3%
Dec-20	12,001	2,963	88,898	13,812	1.050	1.050	93,343	14,503	13.4%
Dec-21	12,873	2,890	95,954	13,968	1.050	1.050	100,752	14,666	12.7%
Dec-22	13,270	2,763	101,811	14,060	1.073	1.043	109,213	14,668	11.8%
Dec-23	12,720	2,510	105,243	12,125	1.080	1.068	113,712	12,949	10.2%

± 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
2020	15.4%	2020	17.9%
2021	14.3%	2021	17.5%
2022	13.7%	2022	17.2%
2023	12.5%	2023	N/A

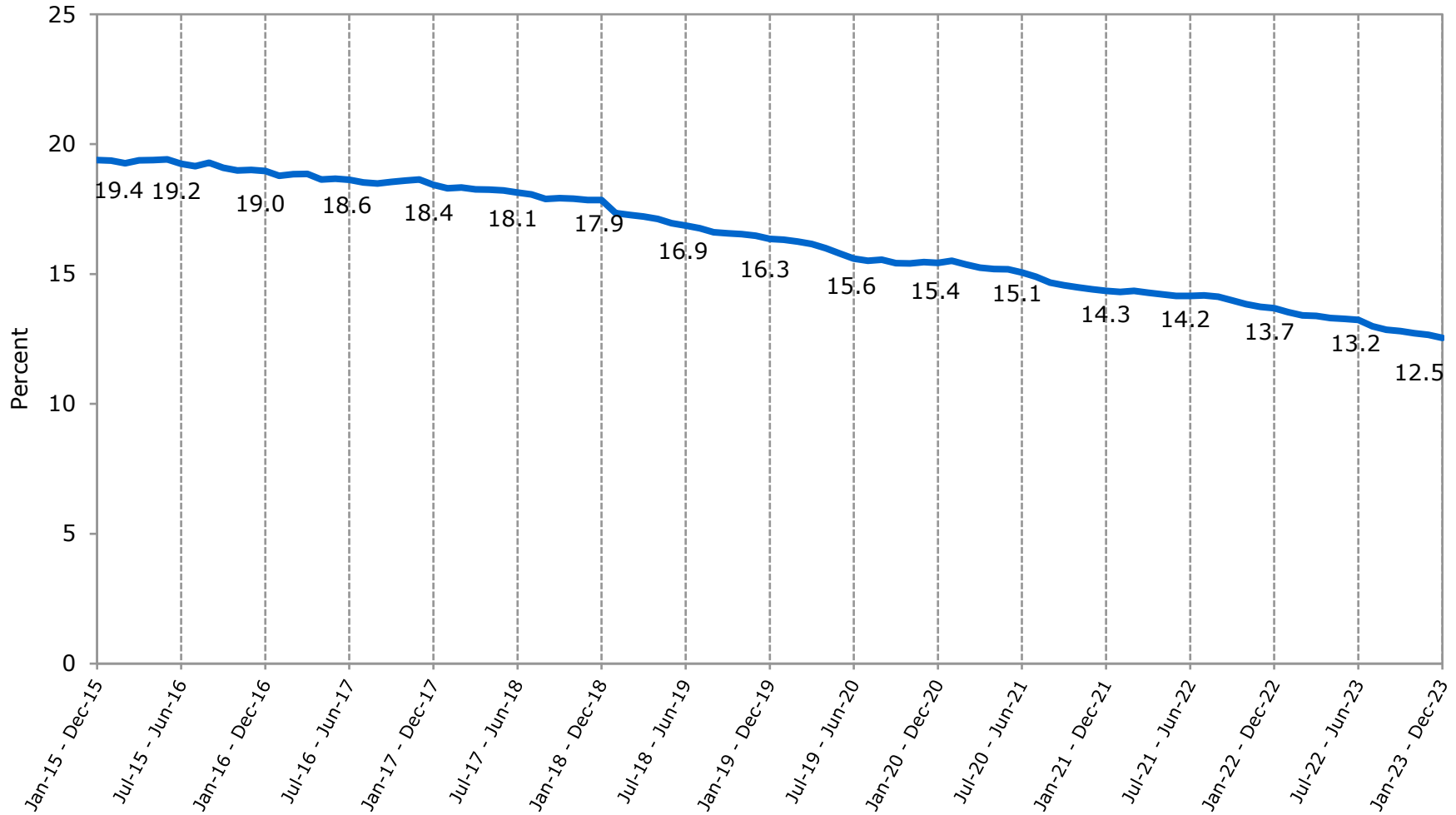
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Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share - 12 Month Moving Average

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

Data as of 2/15/24



Massachusetts Workers' Compensation Estimated Ultimate Residual Market Share by Month (Servicing Carrier + VDAC) / (Servicing Carrier + VDAC + Voluntary) Data as of 2/15/24

