



*Administrator
Massachusetts Assigned Risk Pool*

October 31, 2025

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

SPECIAL BULLETIN NO. 12-25

2024 VOLUNTARY ASSESSABLE PREMIUM

The Calendar Year 2024 Voluntary Assessable Premium Bases have been finalized. They are as follows:

**Total Voluntary Assessable Premium Basis - Used to Determine
Shares of the PY 2024 Residual Market:** **\$1,404,294,552**

**Total Voluntary Assessable Premium Basis - Used to Determine
Shares of the PY 2024 Reinsurance Pool Result:** **\$620,698,929**

The above figures were arrived at from reported Calendar Year 2024 values as follows:

**VOLUNTARY ASSESSABLE PREMIUM (VAP) BASIS –
USED TO DETERMINE SHARES OF THE RESIDUAL MARKET**

**Calculation of Voluntary Assessable Premium Basis –
Used to Determine Shares of the PY 2024 Residual Market**

Direct Written Premium ¹		\$1,338,424,484
Premium for National Defense Projects ²	-	\$160
Residual Market Premium ³	-	\$191,790,494
Take Out Credits	-	\$33,822,702
Premium for Large Deductible Policies Reported on the Annual Statement ⁴	-	\$122,877,369
Standard Premium + ARAP for Large Deductible Policies ⁵	+	\$413,941,160
Adjustment for Carriers with Negative Premium ⁶	+	\$419,633
VAP Basis - Used to Determine Shares of the Residual Market		\$1,404,294,552

¹ From Calendar Year 2024 Annual Statement, Exhibit of Premiums and Losses, Column 1, Line 16.

² From Massachusetts Call #5B, Column 3

³ Consists of \$85,387,857 in Servicing Carrier Premium and \$106,402,637 in VDAC Premium.

⁴ From Massachusetts Call #5B, Column 5.

⁵ From Massachusetts Call #5A, Column 1 + Column 2.

⁶ Carriers showing a calculated voluntary assessable premium less than zero have had their voluntary assessable premium adjusted to equal zero.

Each carrier’s Residual Market Ratio (prior to adjusting for the VDAC Program) is its voluntary assessable premium divided by the above total. This ratio is the share of the total Residual Market for Policy Year 2024 for which that carrier is responsible and is used to calculate the assignment quotas for Voluntary Direct Assignment and Servicing Carriers.

**VOLUNTARY ASSESSABLE PREMIUM (VAP) BASIS –
USED TO DETERMINE SHARES OF THE REINSURANCE POOL RESULTS**

During 2024, eight carriers accepted direct assignments in order to satisfy their assessment obligations to the Pool. Each of these eight VDAC carrier groups had their voluntary assessable premium set equal to zero. Pool Participation Ratios, used for allocating the results of the Reinsurance Pool, are based on voluntary assessable premium adjusted for VDAC carriers. This is calculated as follows:

***Calculation of Voluntary Assessable Premium Basis –
Used to Determine Shares of the PY 2024 Reinsurance Pool Result***

VAP Basis - Used to Determine Shares of the Residual Market	\$1,404,294,552
VAP for VDAC Carrier Groups	- \$783,595,623
VAP Basis – Used to Determine Shares of the Reinsurance Pool Results	\$620,698,929

Each non-VDAC carrier’s Pool Participation Ratio (after adjusting for the VDAC carriers) is its voluntary assessable premium divided by the above total. This ratio is the share of the Reinsurance Pool Results for Policy Year 2024 for which that carrier is responsible.

VDAC REAPPORTIONMENT

Since assignments must be made during the current policy year and since the VDACs’ percentages for policy year 2024 were not yet available, the most recent available percentages (based on 2022 and 2023 data) were used to make assignments. Therefore, VDACs were not assigned their exact share of the residual market. For example, in 2024 VDACs were not assigned exactly 56% (= \$783,595,623/\$1,404,294,552) of Policy Year 2024 residual market premium.

The purpose of the VDAC Reapportionments is to correct for over or under assignments to VDACs. Article IX-7 of the updated Pool Plan of Operation provides for an *optional* Intermediate Reapportionment of pool shares to be made within two years of the beginning of the policy year, and for a Final Reapportionment of pool shares, to be completed on all policy years including those policy years for which an Intermediate Reapportionment was completed, within three years of the beginning of the policy year. Upon completion of those reapportionments, individual VDACs will be given small positive or negative Pool Participation Ratios.

For policy year 2024, the VDACs’ collective share of the residual market will be adjusted to their exact share based on policy year data as of December 31, 2025, which is currently estimated to be 56%. Similarly, non-VDACs will have their Pool Participation Ratios adjusted slightly to bring their share of the residual market to that which remains after adjusting the VDAC’s market share. Each VDAC reapportionment will result in an adjustment to the Pool Participation Ratios and a cash adjustment. If conducted, the optional Intermediate VDAC Reapportionment for policy year 2024 will be reflected in NCCI’s Fourth Quarter 2025 Massachusetts Pool Statements. The Final VDAC Reapportionment for policy year 2024 will be reflected in NCCI’s Fourth Quarter 2026 Massachusetts Pool Statements.

Exhibit 1 summarizes the finalized 1994 through 2024 VDAC shares of the Residual Market and shows the target percentages for 2025 and 2026 VDACS based on 2024 data.

Exhibit 2 summarizes the Take-Out Credits that were used to determine the voluntary assessable premium for Calendar Year 2024. The total Calendar Year 2024 Take-Out Credit was approximately \$33.8 million.

Please contact Christine Cronin at 617-646-7544 or ccronin@wcribma.org or Laura Kirchberg at 617-646-7526 or lkirchberg@wcribma.org with any questions.

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SB 12-25
Attachments

VDAC Share Summary		
Policy Year	Number of VDACS	VDACS' Quota of A/R Premium
1994	3	8%
1995	7	20%
1996	10	48%
1997	12	62%
1998	12	62%
1999	14	62%
2000	13	61%
2001	14	67%
2002	12	71%
2003	10	65%
2004	9	60%
2005	8	63%
2006	7	62%
2007	7	60%
2008	9	70%
2009	9	67%
2010	9	65%
2011	10	72%
2012	8	55%
2013	8	53%
2014	8	53%
2015	8	53%
2016	8	55%
2017	8	54%
2018	8	55%
2019	8	57%
2020	8	53%
2021	8	55%
2022	8	56%
2023	8	56%
2024	8	56%
2025	8	56% (target)
2026	7	49% (target)

**Massachusetts Workers Compensation
Calendar Year 2024
Take-Out Credit Summary**

Policy Year	Year of Credit	Policy Count	Calendar Year Written Premium	Take-Out Credit
2024†	1	1,143	10,751,087	10,923,102
	2	1,236	8,825,702	9,305,538
	3	1,029	10,259,651	9,345,593
	Total	3,408	29,836,440	29,574,233
2023*	1	988	1,247,642	1,162,184
	2	829	945,170	690,411
	3	632	1,087,739	762,732
	Total	2,449	3,280,551	2,615,327
2022*	1	586	804,199	634,431
	2	499	374,462	368,050
	3	409	676,336	509,830
	Total	1,494	1,854,997	1,512,311
2021*	1	34	37,850	80,879
	2	28	74,207	7,922
	3	19	23,565	32,030
	Total	81	135,622	120,831
GRAND TOTALS		7,432	35,107,610	33,822,702

† For policies listed under PY 2024:

- Year of Credit 1 are policies that were initially removed in 2024;
- Year of Credit 2 are policies that were initially removed in 2023 and are receiving a 2nd year credit in 2024; and
- Year of Credit 3 are policies that were initially removed in 2022 and receiving a 3rd year credit in 2024.

* The data shown for PYs 2023, 2022 and 2021 includes policies for which carriers have received take-out credits in prior years and whose premiums and resulting take-out credits have been adjusted during 2024 as a result of a payroll audit, in accordance with the approved Take-Out Credit Program. The Calendar Year Written Premium displayed in this exhibit for PYs 2023, 2022 and 2021 is the difference between this year's and last year's premiums.

Since the Take-Out Credit Program allows for no more than thirty-six months of credit, the 2021 adjustments only include those policies where a 2021 audit was revised in 2024, and the tail end of the policy's 36-month credit period falls within 2024.