

Experience Modification Estimator

- A

Tips

The approved September 1, 2023 eligibility threshold to qualify for an experience modification is \$10,200. The threshold typically varies on an annual basis.

The data needed to complete this page can be found on an insurer’s final audit and loss runs and/or a prior ratesheet.
- B

Determining an Experience Period

The rating effective date determines the experience period and the effective date of your experience modification. To determine the experience period and applicable years of data to use in an experience modification, click [here](#).

For example, a rating effective date of 9/1/2023 will have an experience period of 12/1/2018 - 12/1/2021.
- C

Reset Button

Click the Reset button to clear all of your entries and start over.
- D

Calculate Mod Button

After data is entered below, click the Calculate Mod button to generate the results.
- E

Class Code(s)

Enter the 4-digit classification code(s) applicable to the employer’s operations.
- F

Payroll

Enter payroll for each classification code entered in Column 2. For each classification, payroll can be a total for the experience period or segregated by year in the experience period.
- G

Class Code Validation

Only classifications from the Standard Classification System can be used. For a list of Standard Classifications, click [here](#).

September 1, 2023 WCIRB Experience Modification Estimator

A

B

How to Use this Calculator

- The eligibility threshold to qualify for an experience modification is \$10,200
- Experience rating eligibility is determined based on applying the expected loss rate to the payroll developed over the experience period for the applicable classification
  - [Click here to learn more about experience rating eligibility](#)
- Do not skip rows
- You may enter notes for your own informational purposes only in the columns indicated
- Refer to the **Help Guide** for additional help (click the icon below to access it in Adobe Reader/Acrobat)

PDF

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C

Reset

D

Calculate Mod

Payroll and Expected Losses

Directions: In this section, enter the payroll developed over the experience period. You must enter payroll for at least one classification. Enter the 4-digit class code in Column (2) and the corresponding payroll for that classification in Column (3). You may enter payroll by class code for each year individually, or enter the total combined payroll for all years by class code.

(1) Notes (Optional)	(2) Class Code	(3) Payroll	Class Code Validation
	9079	1,234,567	Y
	8810	135,120	Y
	<div>E</div>	<div>F</div>	<div>G</div>

X-Mod Calculation Inputs

Claims and Actual Losses

Directions: In the fields below, enter information for any claims incurred over the experience period. Leave this section blank if there are no claims to report. Enter each claim individually on each row. Click into Column (6) to select the Claim Type. When a non-death exception claim (such as subrogation claim or joint coverage claim) is selected, Column (7) will appear to ask for the percentage of actual to gross losses. Refer to the **Help Guide** above for more information.

(4) Notes (Optional)	Number of Claims (Single claim only)	(5) Individual Claim Value	(6) Claim Type ("Non-exception" claim type by default)	(7) Percentage of Actual to Gross (100% by default)
	1	150	Non-exception Claim	100%
	1	7,222	Non-exception Claim	100%
	1	43,954	Non-exception Claim	100%
	1	1,000	Joint Coverage Claim	100%

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Experience Modification Estimator  
(...continued)

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**Number of Claims**

Beginning with 2019, the first \$250 of each claim is not used in the experience modification calculation. As such, individual claims need to be listed separately. This X-mod Estimator does not allow claims to be entered on a combined basis nor does it automatically group smaller claims in the Results tab. The Number of Claims is set to “1” for each claim entered in Column 5.
- I

**Individual Claim Value**

Enter the total claims value separately for each claim. This value may be a closed actual loss value or the current paid value plus reserves established for open claims by an insurer (incurred losses).
- J


**Claim Type**

For exception claims, click into each cell in this column to select the Claim Type from the drop down list. By default “Non-exception” claim will be used.
- K

**Percentage of Actual to Gross**


This column appears only if a non-death exception Claim Type is selected in Column 6. Enter the net percentage for the non-death exception claim selected. This value is the reduced loss amount the insurer is liable for, expressed as a percentage of the gross amount the insurer would have been liable for had it not been filed as an exception claim.

September 1, 2023 WCIRB Experience Modification Estimator




### How to Use this Calculator

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- Experience rating eligibility is determined based on applying the expected loss rate to the payroll developed over the experience period for the applicable classification
  - [Click here to learn more about experience rating eligibility](#)
- Do not skip rows
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Reset

Calculate Mod

Payroll and Expected Losses

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X-Mod Calculation Inputs

Claims and Actual Losses

Directions: In the fields below, enter information for any claims incurred over the experience period. Leave this section blank if there are no claims to report. Enter each claim individually on each row. Click into Column (6) to select the Claim Type. When a non-death exception claim (such as subrogation claim or joint coverage claim) is selected, Column (7) will appear to ask for the percentage of actual to gross losses. Refer to the Help Guide above for more information.

(4) Notes (Optional)	Number of Claims (Single claim only)	(5) Individual Claim Value	(6) Claim Type ("Non-exception" claim type by default)	(7) Percentage of Actual to Gross (100% by default)
	1	150	Non-exception Claim	100%
	1	7,222	Non-exception Claim	100%
		43,954	Non-exception Claim	100%
	1	1,000	Joint Coverage Claim	100%

H

I

J

K

“X-Mod Results” Tab

- L

**Primary Threshold**

Beginning with 2017, the primary threshold varies by the size of the employer’s expected losses, rather than fixed at \$7,000 for all employers.
- M

**Total Actual and Total Actual Primary Losses**

Beginning with 2019, the first \$250 of each claim is not used in the X-mod calculation. In this example, out of the risk’s actual losses of \$51,336, only \$14,222 are considered to be primary losses, where \$14,222 is (\$0 from the first claim) plus (\$250 less \$7,222 from the second claim) plus (\$250 less the \$7,500 primary threshold for the third claim).
- N

**Experience Modification**

The estimated experience modification is based on payroll and loss data entered by the user, the Expected Loss Rates and D-ratios by classification codes, and the primary threshold from the table of primary thresholds.

Experience Modification Calculation Results

Primary Threshold Used = 7,500

L

Experience Modification = 161%

Expected Losses

Class Code	Payroll (a)	Expected Loss Rate (b)	Expected Losses (c) = (a)*(b)/100	D-Ratio (d)	Expected Primary Losses (e) = (c)*(d)	Expected Excess Losses (f) = (c) - (e)	Notes from User Input page (if any)
9079	1,234,567	1.31	16,173	0.264	4,270	11,903	
8810	135,120	0.11	149	0.223	33	116	
Total Expected Losses (g)					Total Expected Primary Losses	Total Expected Excess Losses (h)	
16,322					4,303	12,019	

Adjusted Losses

Claim Type	# of Claims	Actual Losses	Actual Primary Losses	Notes from User Input page (if any)
Non-exception Claim	1	150	0	
Non-exception Claim	1	7,222	6,972	
Non-exception Claim	1	43,964	7,250	
Total Actual Losses			Total Actual Primary Losses (i)	
51,336			14,222	

Estimated Experience Modification

(

Total Actual Primary Losses (i)

+

Total Expected Excess Losses (h)

)

/

Total Expected Losses (g)

=

Experience Modification [(i) + (h)]/(g)

14,222

12,019

16,322

N161%

Loss-Free Rating

74%

The estimate shown above is for informational purposes only. It is an estimation calculated using payroll, classification and claims information supplied by you. It is not an experience modification. Actual classifications, payroll and claims

X-Mod Calculation InputsX-Mod Results

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