# Actuarial Committee

## Meeting Agenda

| Date | Time | Location | Staff Contact |
|---|---|---|---|
| April 11, 2024 | 9:30 AM | Microsoft Teams Webinar | Sean Cooper |

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Released: April 4, 2024

To Members of the Actuarial Committee, WCIRB Members and All Interested Parties:

**This meeting is Open to the Public.**

Please use this link to register for the meeting webinar. After registering, you will receive a confirmation email containing information about the meeting.

**I.     Approval of Minutes**

>  None

**II.    Working Group Meeting Summaries**

>  None

**III.   Unfinished Business**

>  A.  AC16-06-05: Update on Medical Severity Trends by Component
>
>  B.  AC20-08-04: Impact of Economic Downturn on Pure Premium Rate Indications
>
>  C.  AC22-04-04: Retrospective Evaluation of 2021 Fee Schedule Changes
>
>  D.  AC24-03-01: First Quarter 2024 Review of Diagnostics
>
>  E.  AC24-03-02: 12/31/2023 Experience Review

**IV.    New Business**

>  A.  AC24-04-01: 9/1/2024 Filing – Loss Adjustment Expense Experience Review
>
>  B.  AC24-04-02: 9/1/2024 Filing – Review of Alternative Loss Projection Methodologies

**V.     Matters Arising at Time of Meeting**

**VI.    Next Meeting Date:** June 27, 2024

**VII.   Adjournment**

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## Item AC16-06-05
## Update on Medical Severity Trends by Component

The WCIRB regularly monitors changes in paid per transaction and paid transactions per claim by medical component and discusses the patterns with the Actuarial Committee. A brief update to that analysis with medical transaction data through December 31, 2023 will be presented at the meeting. Slides on the updated medical severity trends are attached.

## Share of Total Medical Payments in 2023H2 by Service Type
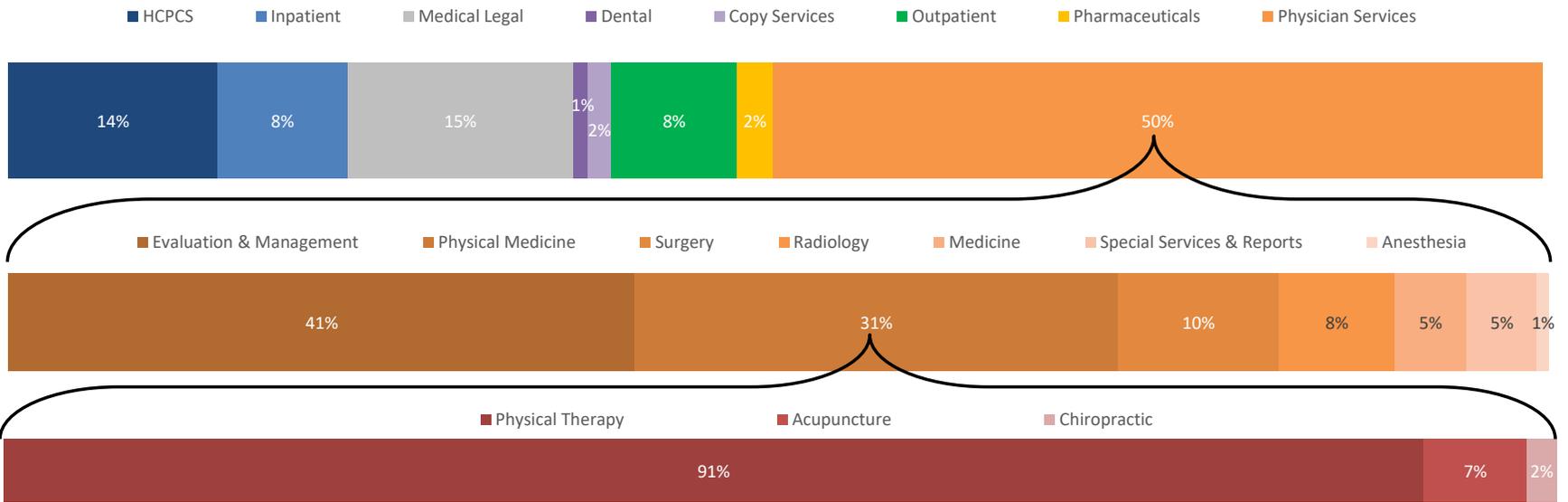
Legend (row 1): ■ HCPCS  ■ Inpatient  ■ Medical Legal  ■ Dental  ■ Copy Services  ■ Outpatient  ■ Pharmaceuticals  ■ Physician Services

Row 1 bar:
- HCPCS: 14%
- Inpatient: 8%
- Medical Legal: 15%
- Dental: 1%
- Copy Services: 2%
- Outpatient: 8%
- Pharmaceuticals: 2%
- Physician Services: 50%

Legend (row 2): ■ Evaluation & Management  ■ Physical Medicine  ■ Surgery  ■ Radiology  ■ Medicine  ■ Special Services & Reports  ■ Anesthesia

Row 2 bar:
- Evaluation & Management: 41%
- Physical Medicine: 31%
- Surgery: 10%
- Radiology: 8%
- Medicine: 5%
- Special Services & Reports: 5%
- Anesthesia: 1%

Legend (row 3): ■ Physical Therapy  ■ Acupuncture  ■ Chiropractic

Row 3 bar:
- Physical Therapy: 91%
- Acupuncture: 7%
- Chiropractic: 2%

Note: HCPCS stands for Healthcare Common Procedure Coding System and includes the Level II codes. HCPCS Level II codes primarily include ambulance services, durable medical equipment, prosthetics, orthotics, and supplies used outside a physician's office, home health services, and interpreter services. Medicine services include the physician services not in any other subcategories, such as psychiatric care.
Source: WCIRB medical transaction data.

# Share of Total Medical Payments by Service Type

As of February 7, 2024



Note. HCPCS stands for Healthcare Common Procedure Coding System and includes the Level II codes. HCPCS Level II codes primarily include ambulance services, durable medical equipment, prosthetics, orthotics, and supplies used outside a physician's office, home health services, and interpreter services. Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *All Medical Services* Cost per Claim

As of February 7, 2024
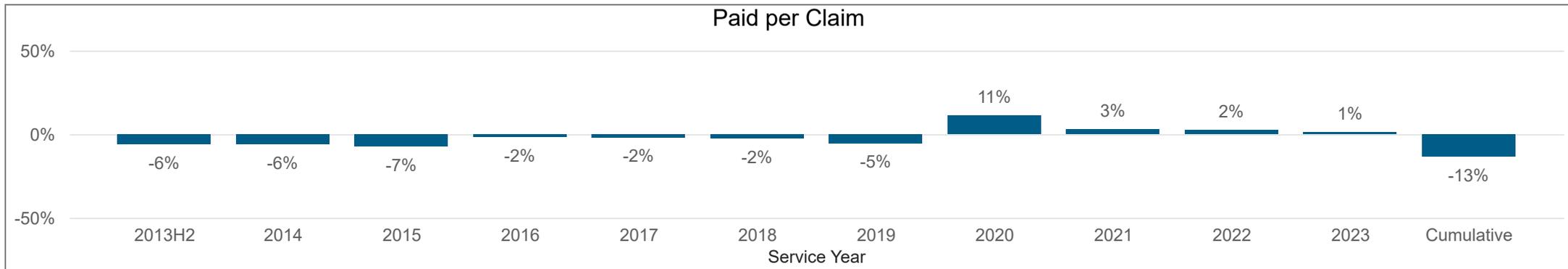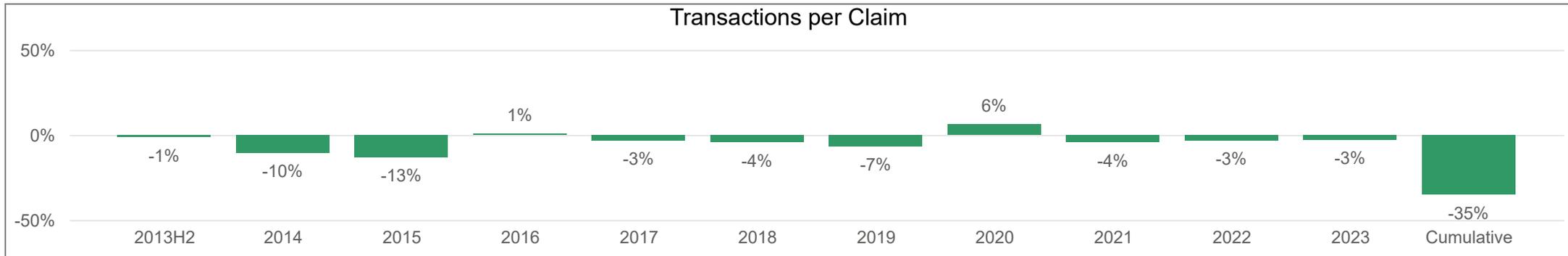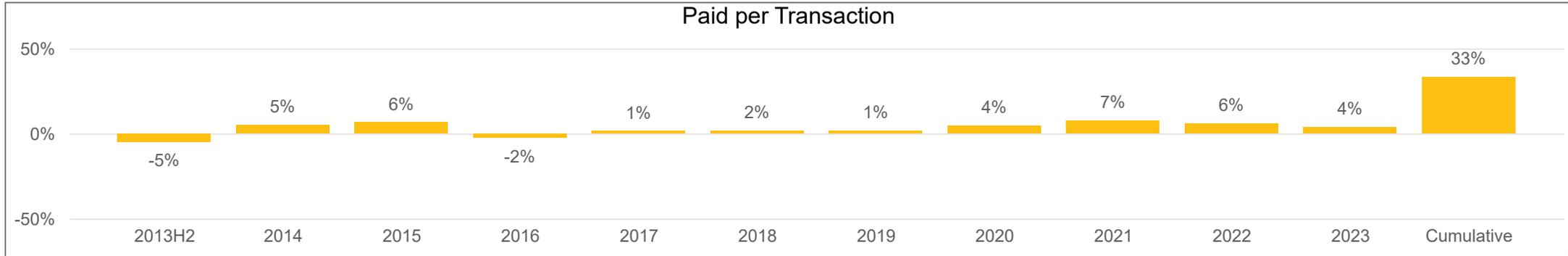


Source: WCIRB medical transaction data collected beginning in the third quarter of 2012. COVID-19 claims were excluded from the analysis and the exclusion applies to all subsequent slides.

# % Change in *Physician Services* Cost per Claim (49% of All Medical Payments*)

As of February 7, 2024
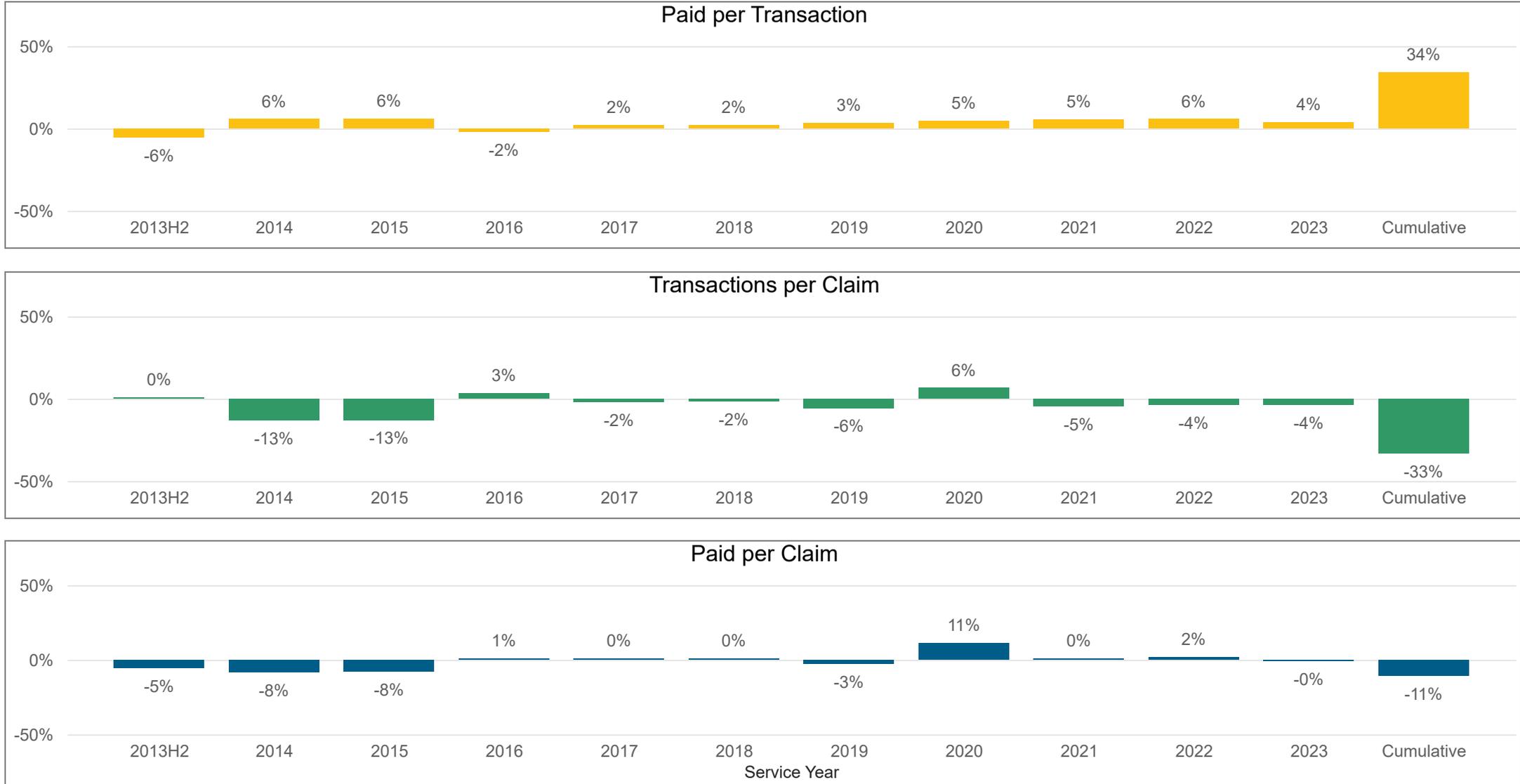
* All medical payments are defined as the total Paid Amount (excluding Liens) in Service Year 2023 in the WCIRB medical transaction data. This definition applies to all subsequent slides.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Evaluation & Management* Cost per Claim (Subcategory of *Physician Services*, 20% of All Medical Payments)
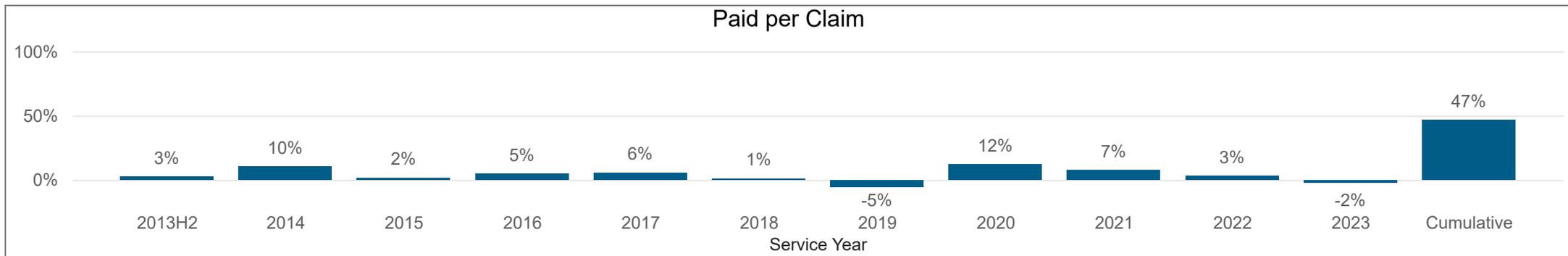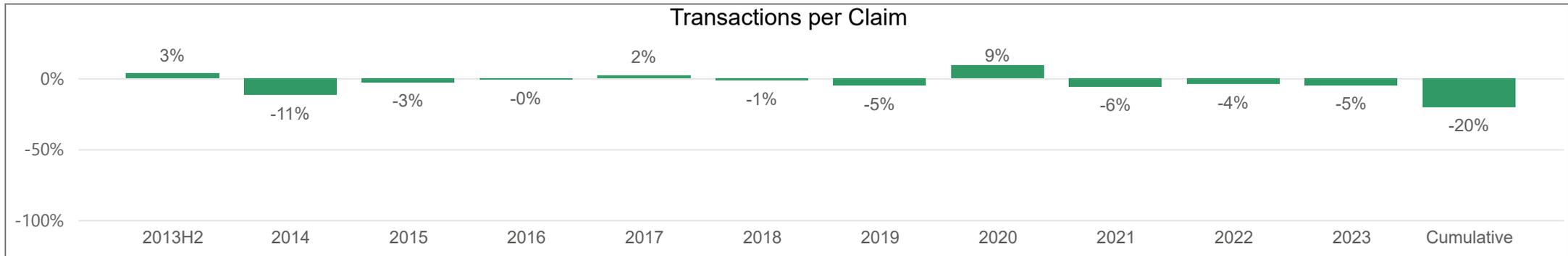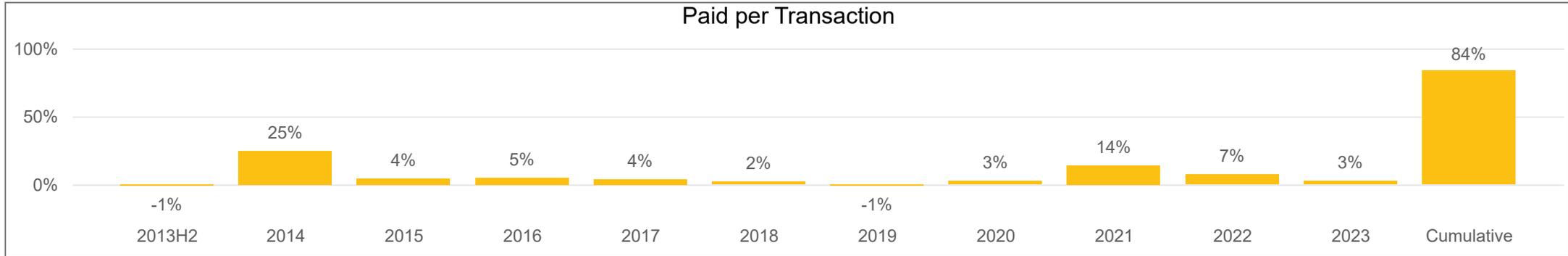
As of February 7, 2024



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Physical Medicine* Cost per Claim (Subcategory of *Physician Services*, 15% of All Medical Payments)
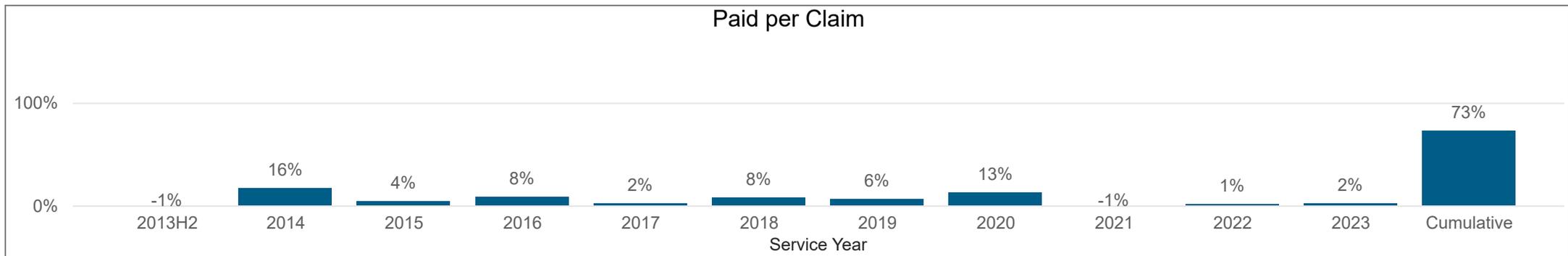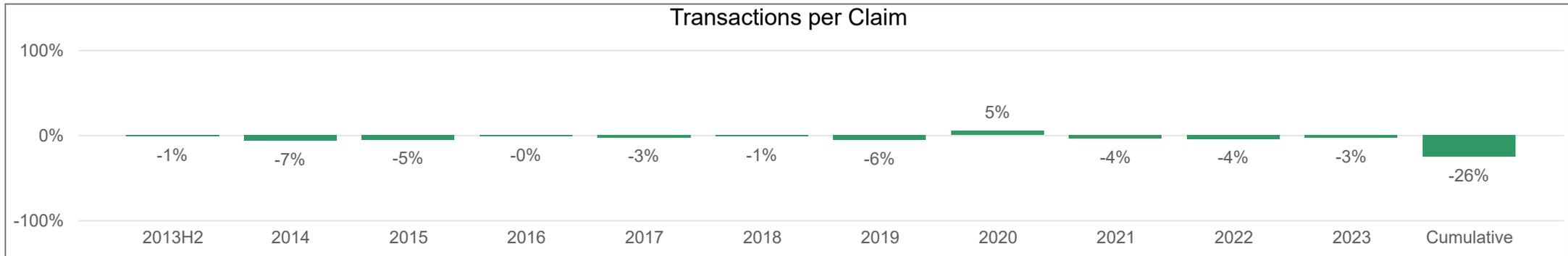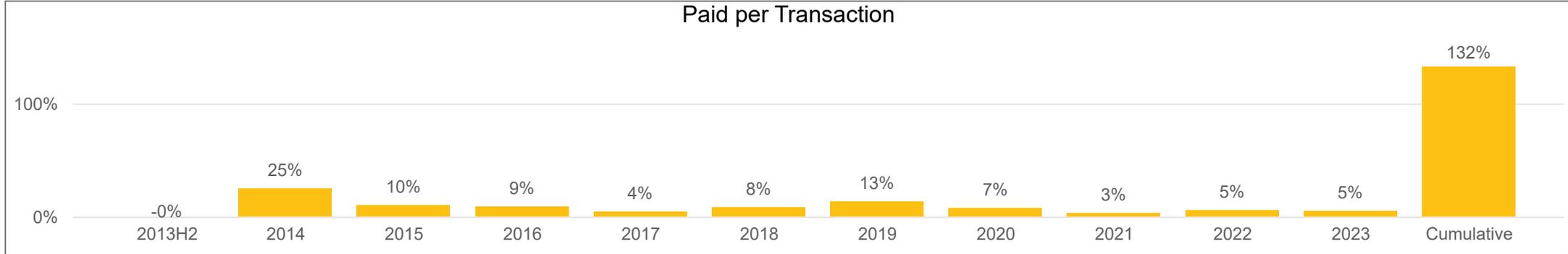
As of February 7, 2024

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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# % Change in *Physical Therapy* Cost per Claim (visit-based) (Subcategory of *Physical Medicine*, 13% of All Medical Payments)
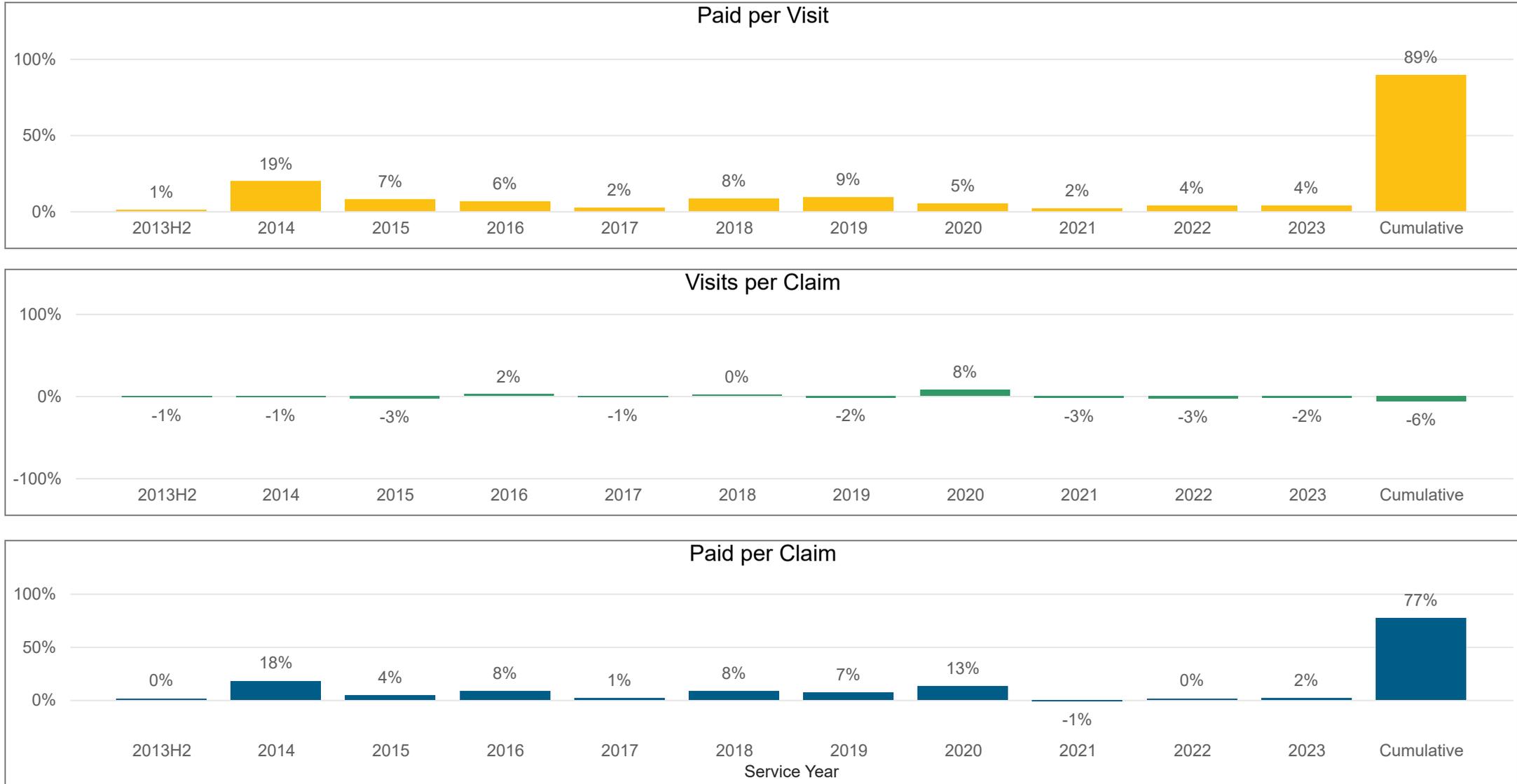
As of February 7, 2024



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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# % Change in *Telemedicine* Cost per Claim

As of February 7, 2024

**Paid per Transaction**

| Year | Value |
|------|-------|
| 2018 | -3% |
| 2019 | -20% |
| 2020 | -2% |
| 2021 | 21% |
| 2022 | 7% |
| 2023 | 5% |
| Cumulative (2020 - 2023) | 35% |

**Transactions per Claim**

| Year | Value |
|------|-------|
| 2018 | 211% |
| 2019 | 122% |
| 2020 | 4333% |
| 2021 | -20% |
| 2022 | -27% |
| 2023 | -17% |
| Cumulative (2020 - 2023) | 2039% |

**Paid per Claim**

| Year | Value |
|------|-------|
| 2018 | 202% |
| 2019 | 78% |
| 2020 | 4257% |
| 2021 | -2% |
| 2022 | -22% |
| 2023 | -13% |
| Cumulative (2020 - 2023) | 2778% |

Service Year

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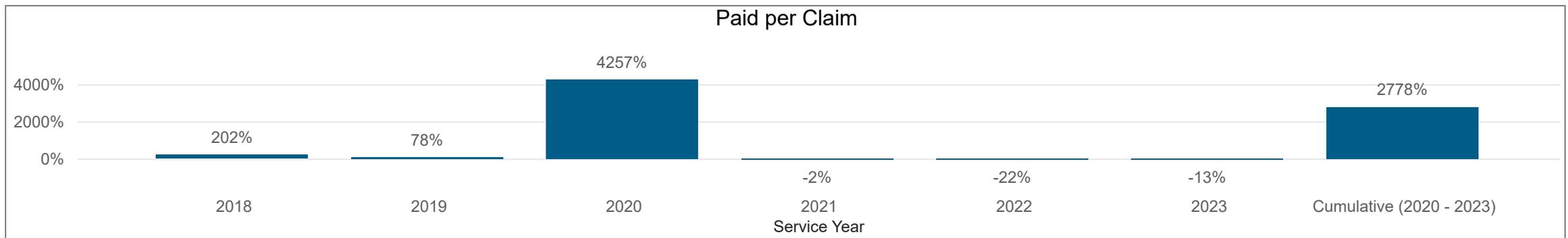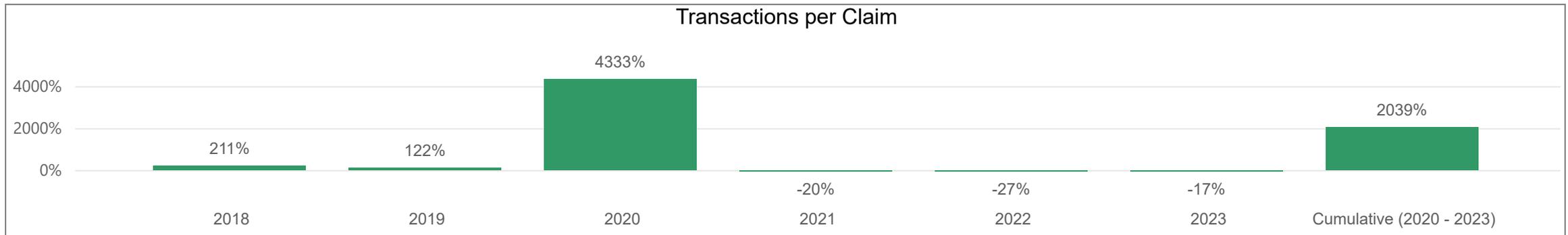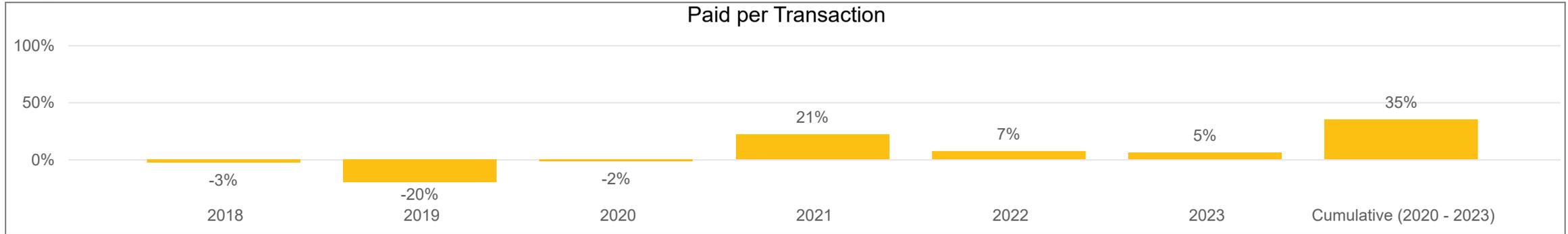
Note: Pre-COVID telemedicine services are defined as any procedures with Place of Service 02 or modifier 95 (excluding Special Services & Reports, Medical Legal, Copy Services, and Interpreter Services). For telemedicine services after March 1, 2020, only services from CMS list of telehealth services are included pursuant to the DWC rules.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Pharmaceutical* Cost per Claim (2.3% of All Medical Payments)

As of February 7, 2024
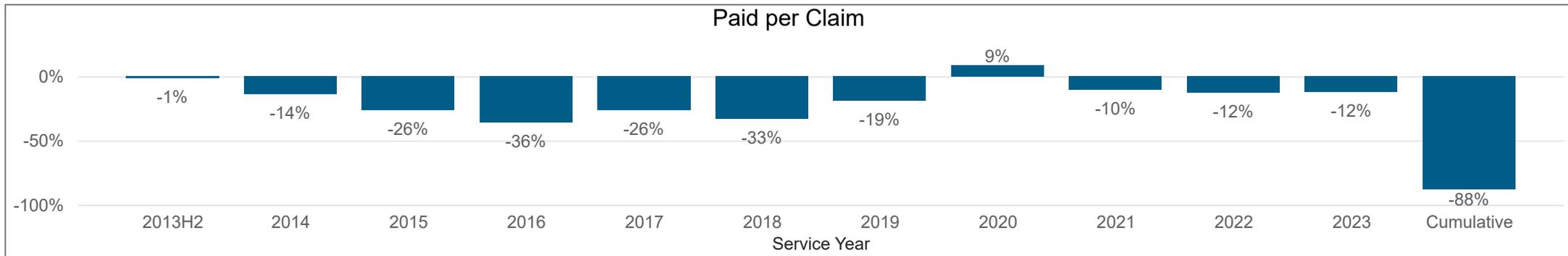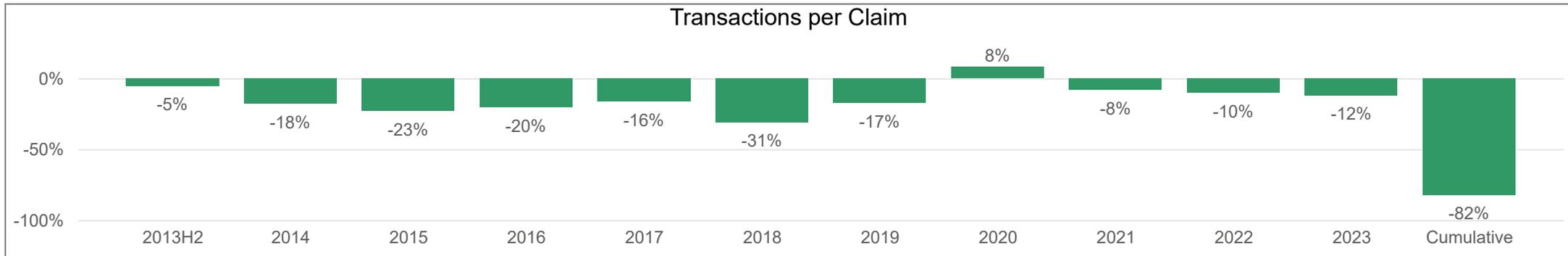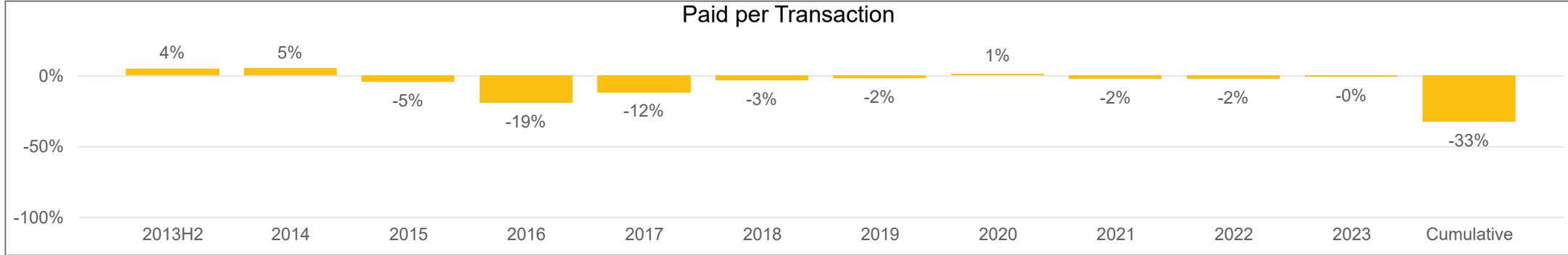


In 2012H2, Pharmaceutical represented 18% of all medical payments.

In 2023H2, Pharmaceutical represented 2% of all medical payments.

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Opioid* Cost per Claim (0.1% of All Medical Payments)
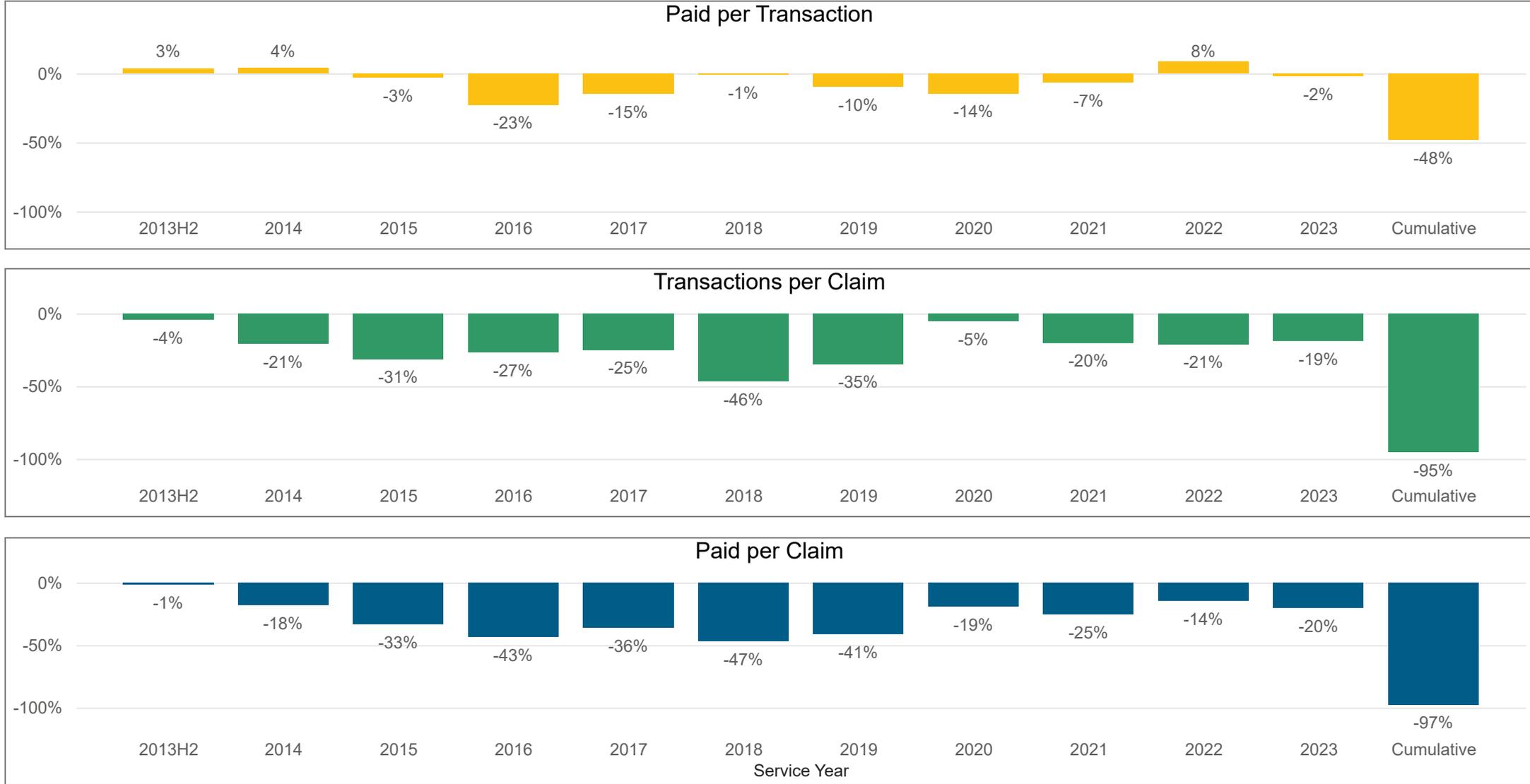
As of February 7, 2024

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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# % Change in Non-*Opioid* Cost per Claim (2.2% of All Medical Payments)

As of February 7, 2024
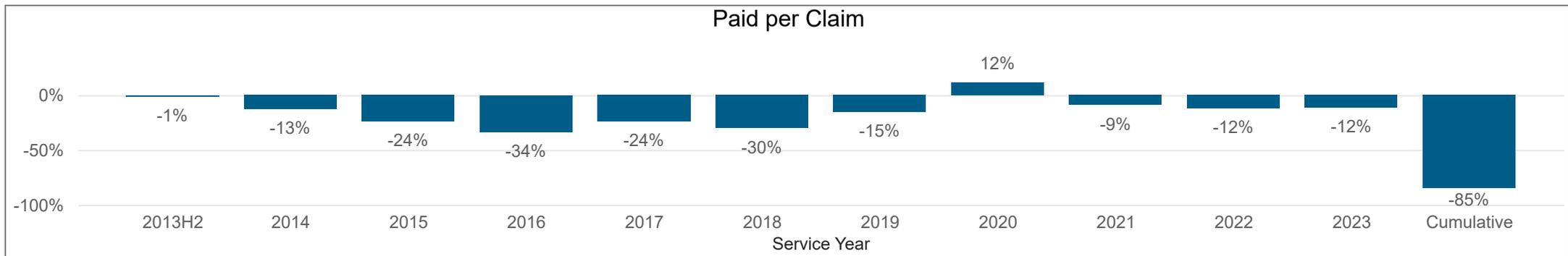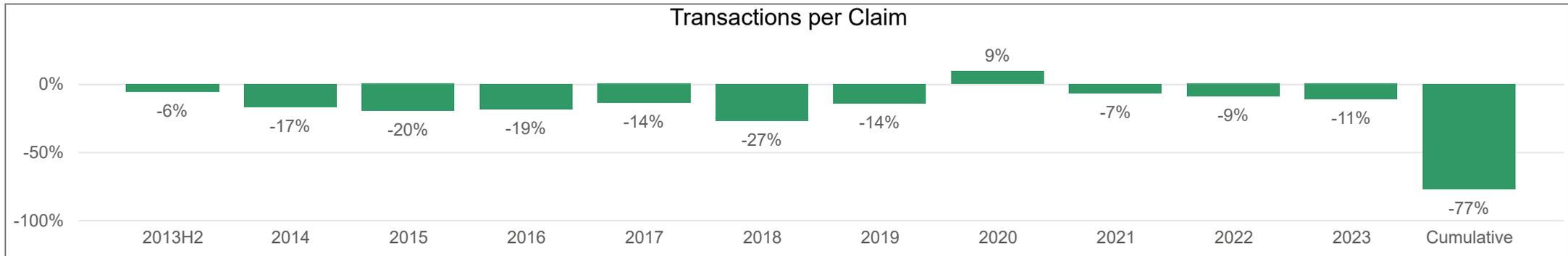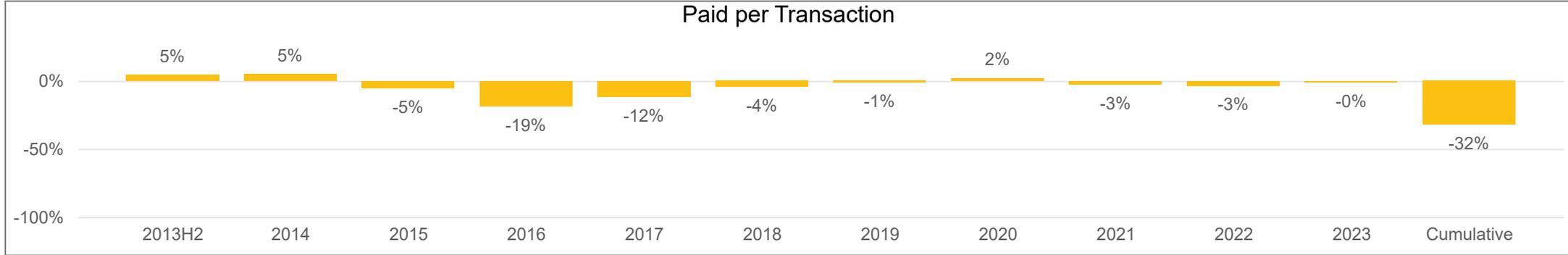


In 2012H2, Non-Opioids represented 13.1% of all medical payments.

In 2023H2, Non-Opioids represented 2.2% of all medical payments.

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Inpatient* Cost per Claim (episode-based) ( 9% of All Medical Payments)
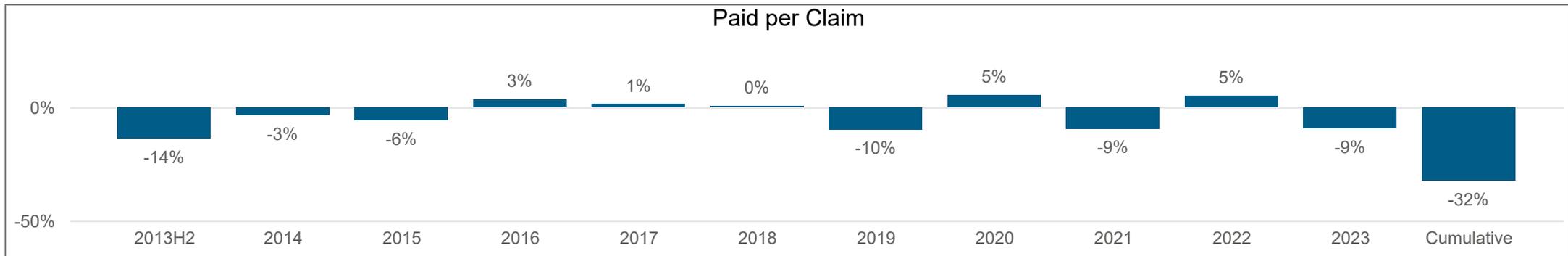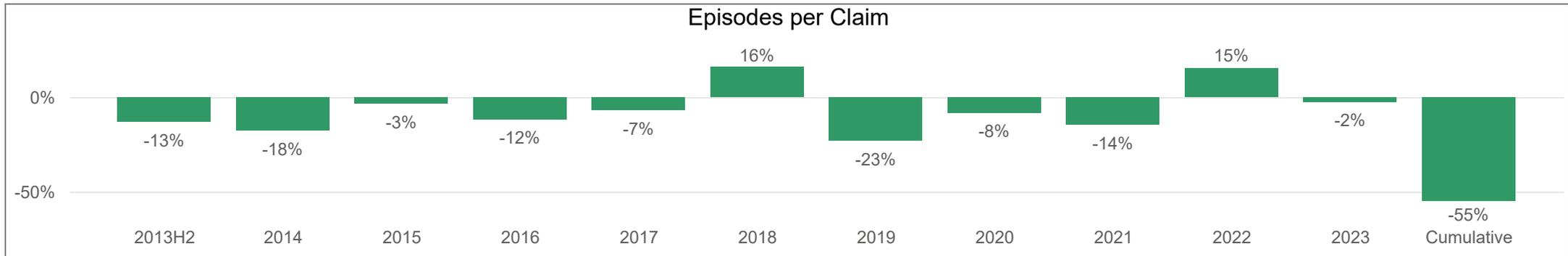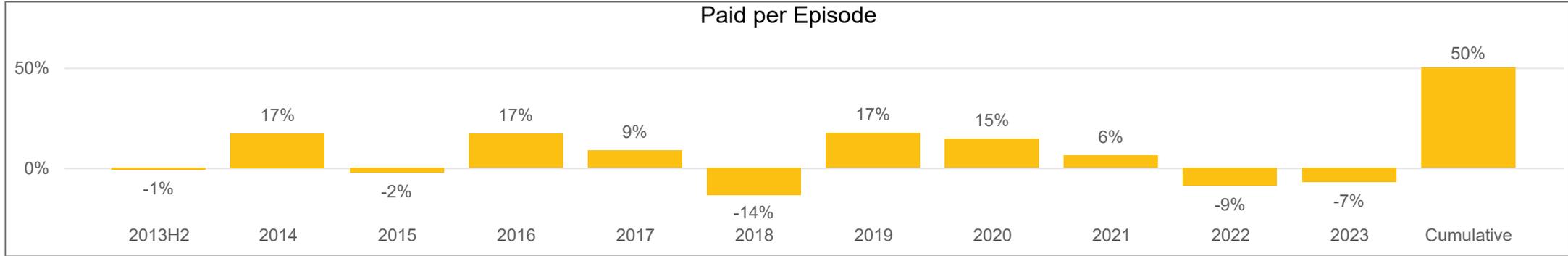
As of February 7, 2024

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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# % Change in *Outpatient* Cost per Claim (9% of All Medical Payments)
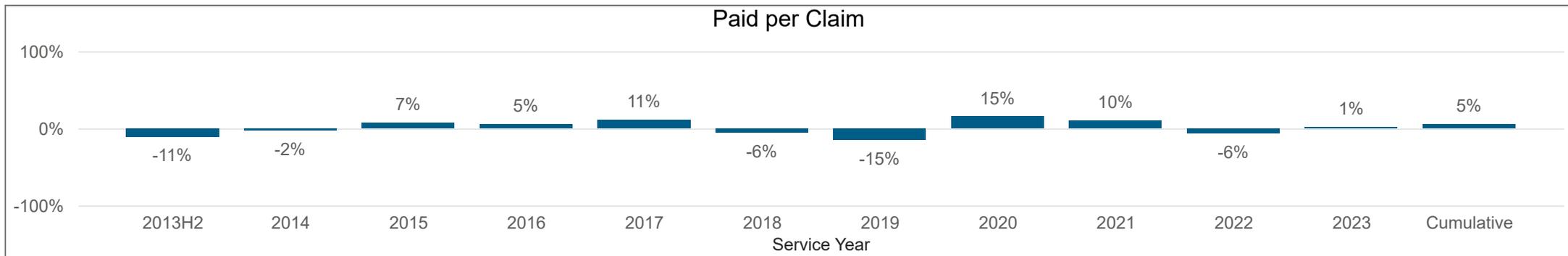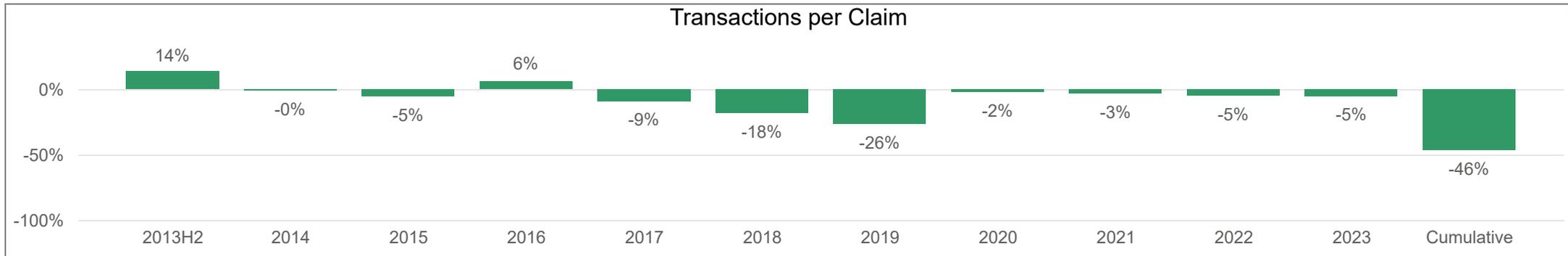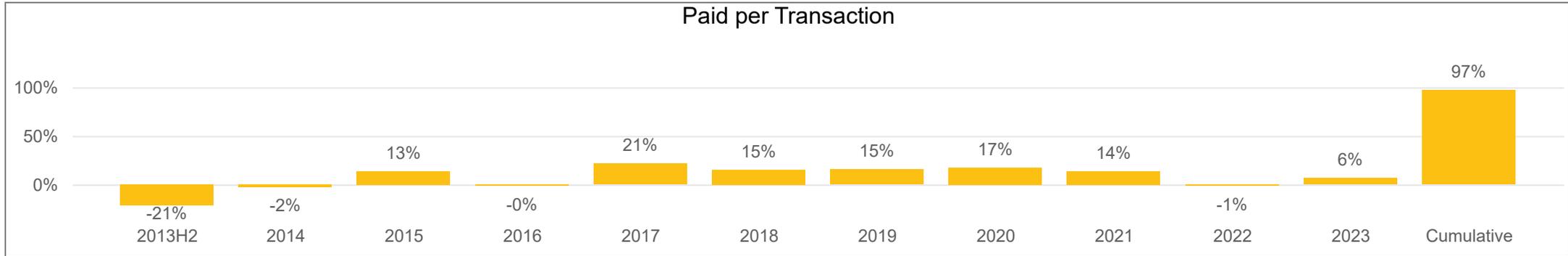
As of February 7, 2024



Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Medical-Legal* Cost per Claim (15% of All Medical Payments)

As of February 7, 2024
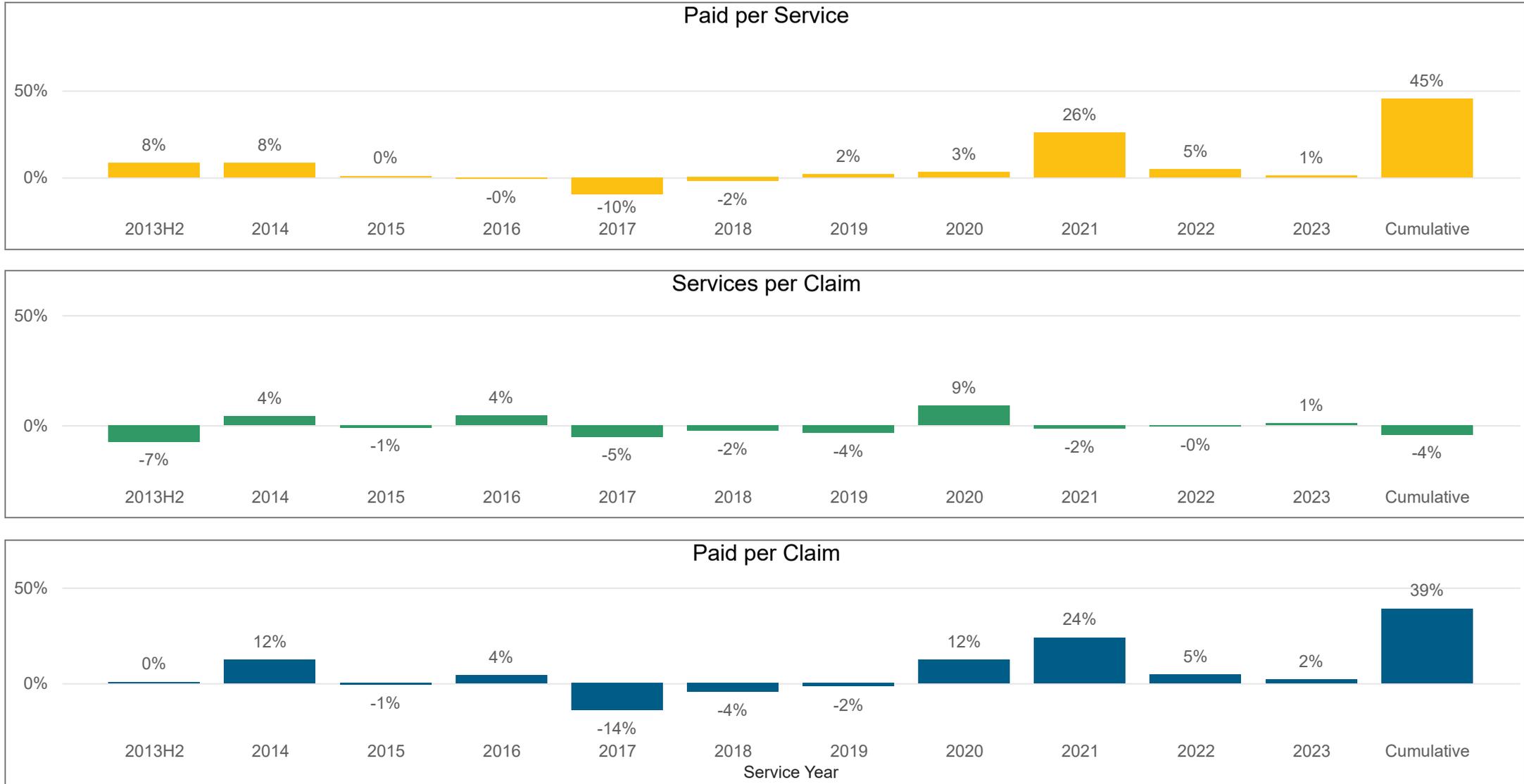


Note: Payments for record review are included in the paid per service and paid per claim. Record review transactions are part of the Medical-Legal services, and therefore are not separately counted in the services per claim.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *HCPCS* Cost per Claim (13% of All Medical Payments)
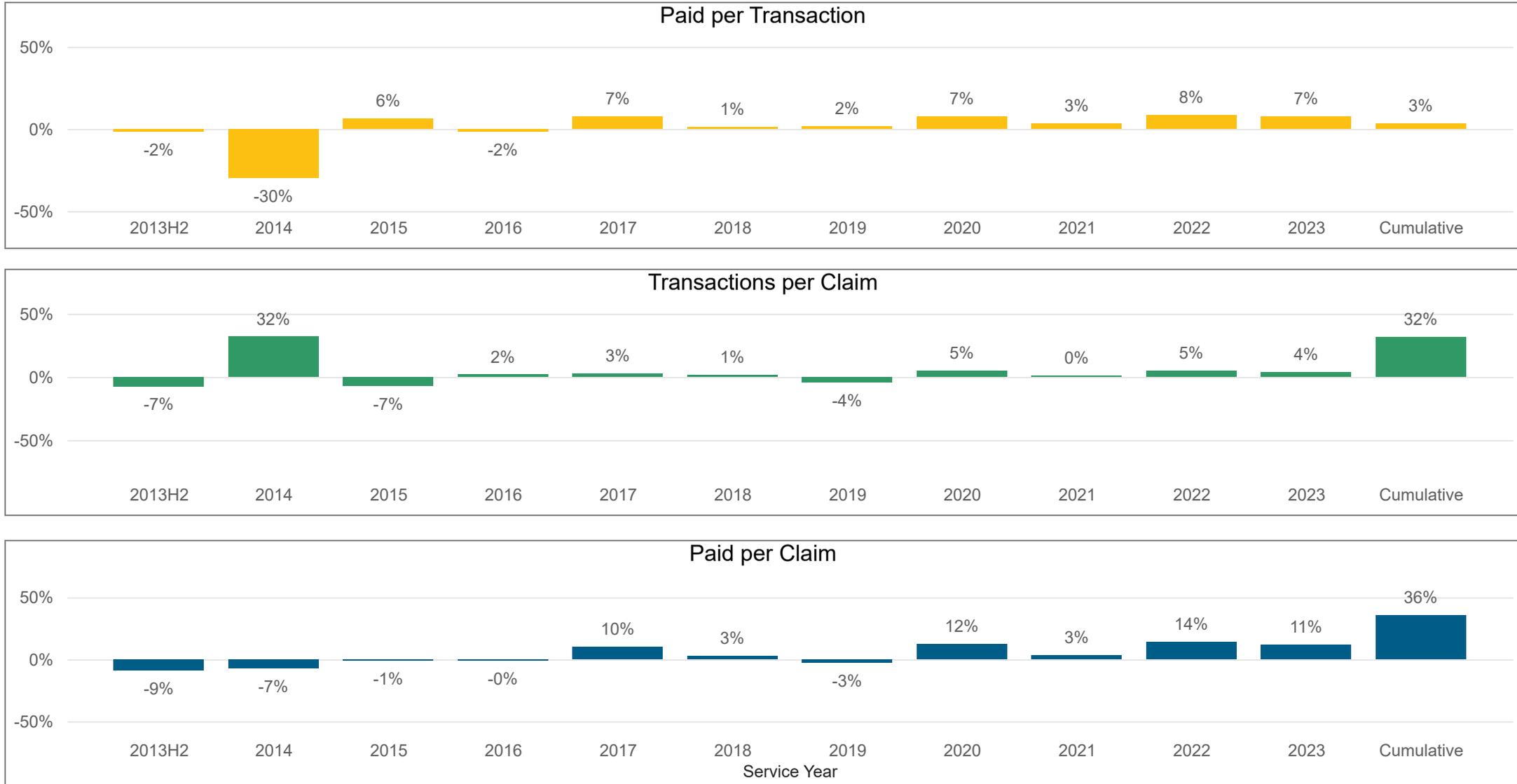
As of February 7, 2024

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

# % Change in *Copy Services* Cost per Claim ( 1% of All Medical Payments)

As of February 7, 2024



## Paid per Transaction

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2023 | Cumulative (2017 - 2023) |
|---|---|---|---|---|---|---|---|
| | 0% | -2% | 0% | -5% | 4% | 29% | 35% |

## Transactions per Claim

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2023 | Cumulative (2017 - 2023) |
|---|---|---|---|---|---|---|---|
| | 9% | 9% | 3% | 20% | -14% | 8% | 53% |

## Paid per Claim

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2023 | Cumulative (2017 - 2023) |
|---|---|---|---|---|---|---|---|
| | 10% | 6% | 3% | 14% | -11% | 40% | 106% |
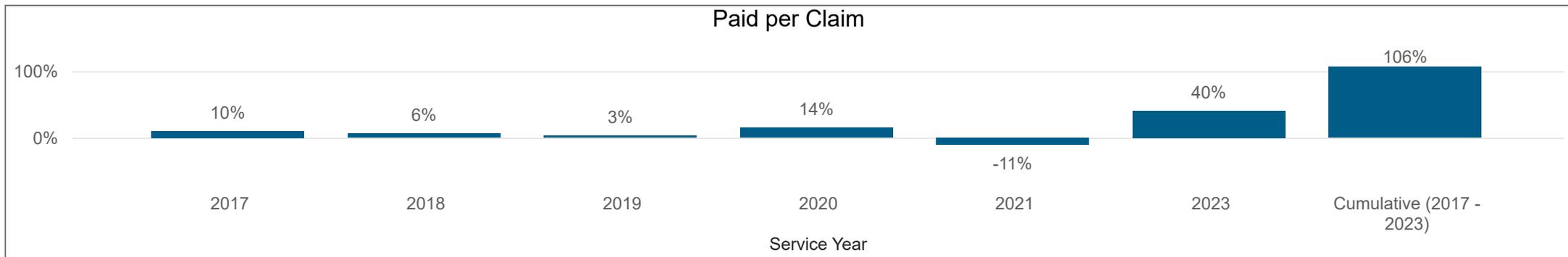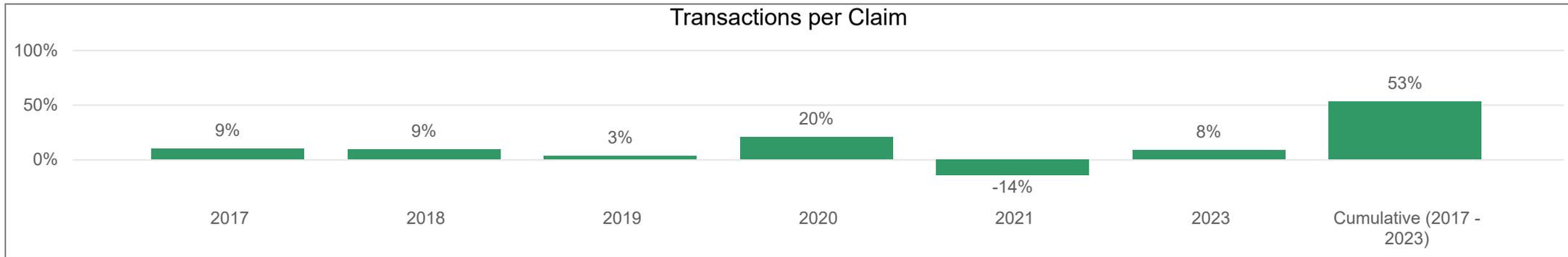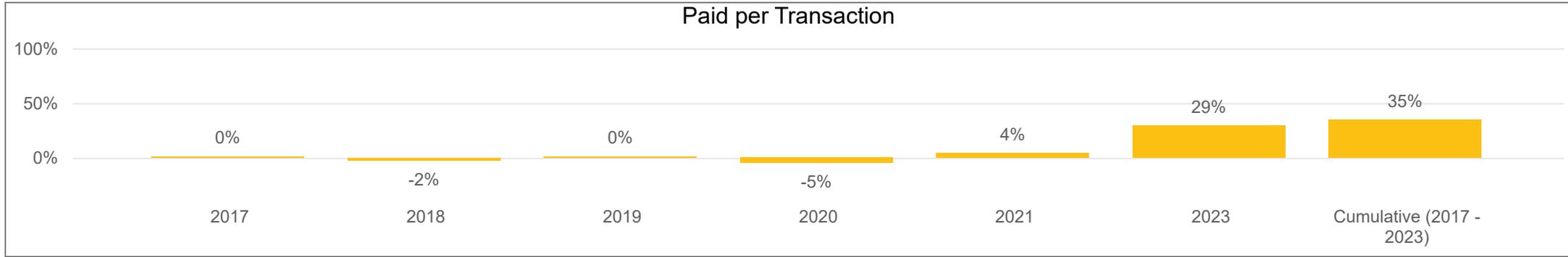
Service Year

Note: Copy Service transactions of Service Year 2022 and the first quarter of Service Year 2023 are not included due to reporting issues. The percentage change for Service Year 2023 is based on the comparison of the second quarter through fourth quarter of Service Year 2023 and the second quarter through fourth quarter of Service Year 2021 at the same maturity level.
Source: WCIRB medical transaction data collected beginning in the third quarter of 2012.

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# Cumulative % Change in Selected Components of Physician Services 2012H2 through 2023H2

As of February 7, 2024

Source: WCIRB medical transaction data collected beginning in the third quarter of 2012. Percentage in the parentheses represents the share of total medical payments for respective physician service categories.

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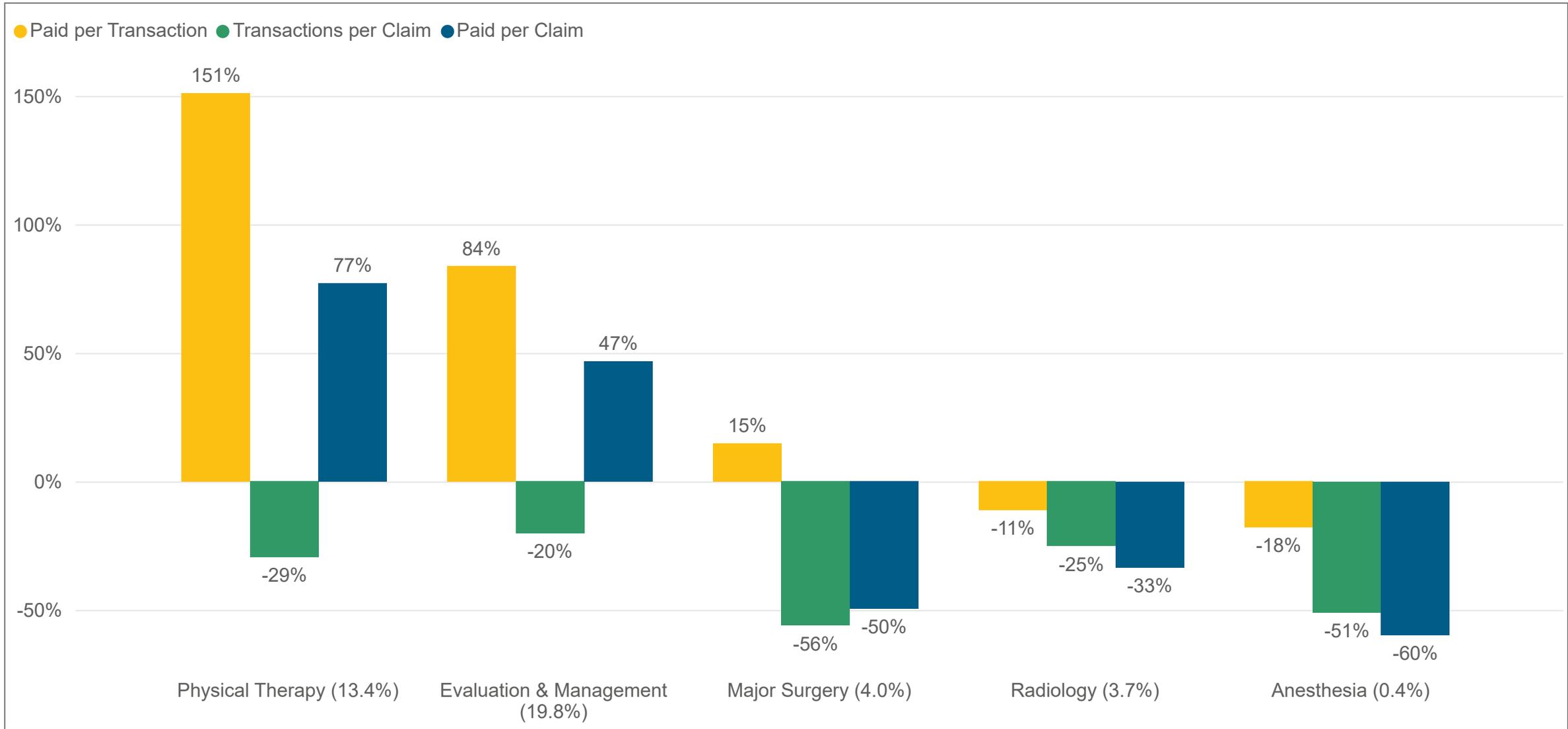
## Item AC20-08-04

## Impact of Economic Downturn on Pure Premium Rate Indications

Since the onset of the COVID-19 pandemic, the Committee has reviewed analyses of economic changes related to the COVID-19 pandemic and their impacts on the indicated pure premium rates. At the March 21, 2024 meeting, staff presented an update of the analysis as it pertains to the WCIRB's upcoming September 1, 2024 Pure Premium Rate Filing. During that presentation, there was discussion about the historical performance of the UCLA and Department of Finance wage forecasts.

Exhibits 1, 2 and 3, respectively, compare the performance of the one-year, two-year and three-year wage forecasts. Exhibit 4 compares the annualized cumulative performance for the three forecast years. Exhibit 5 summarizes the historical errors for the alternative forecast methods.

This retrospective analysis supports the continued use of the average of the UCLA and Department of Finance forecasts to project wage inflation for pure premium ratemaking.

# Comparison of One-Year Wage Forecasts



**Forecast Year**

**Wage Change**

Legend: Actual, UCLA, DoF

**Comparison of Two-Year Wage Forecasts**

# Comparison of Three-Year Wage Forecasts

Comparison of Annualized Cumulative Wage Change Forecasts
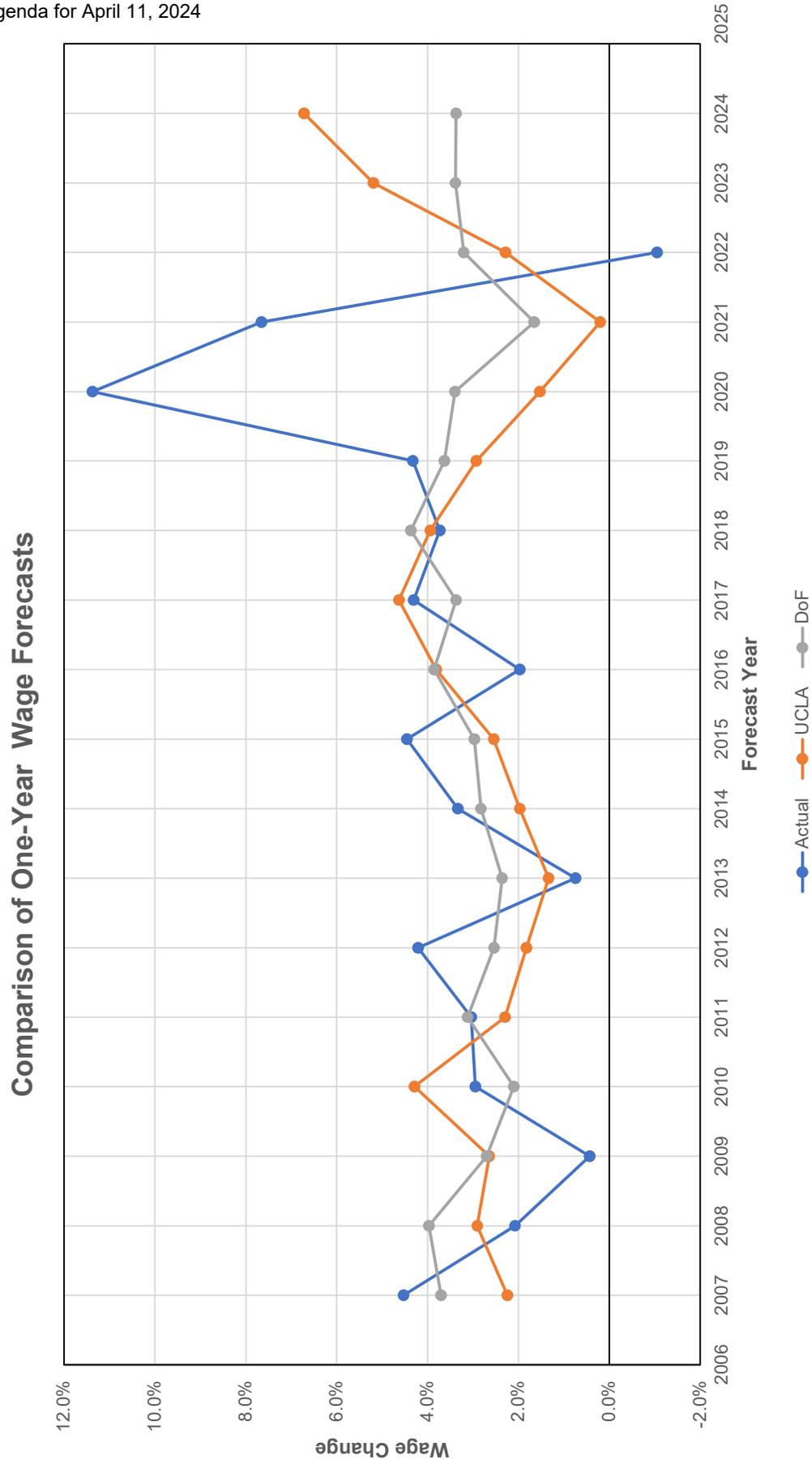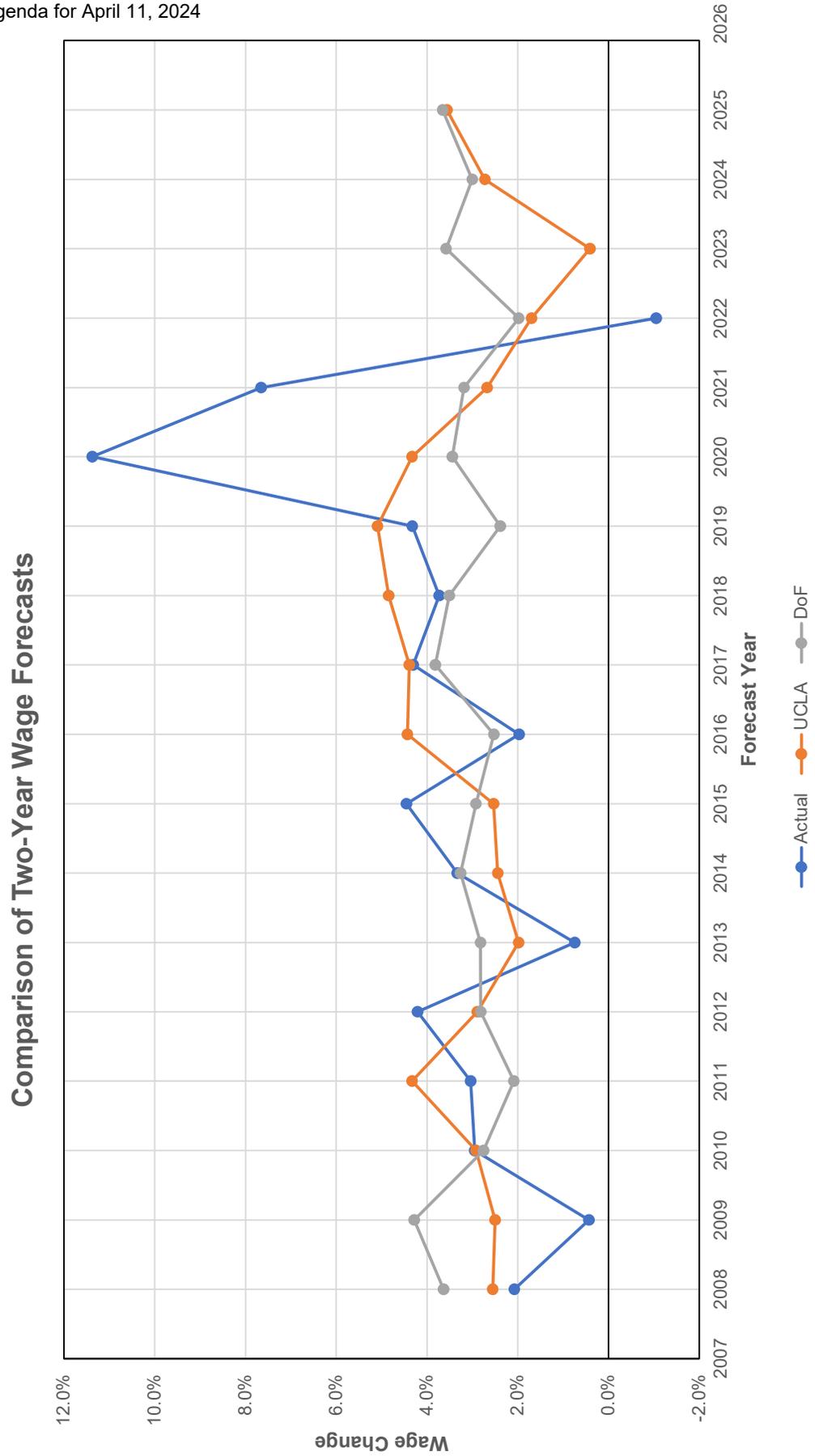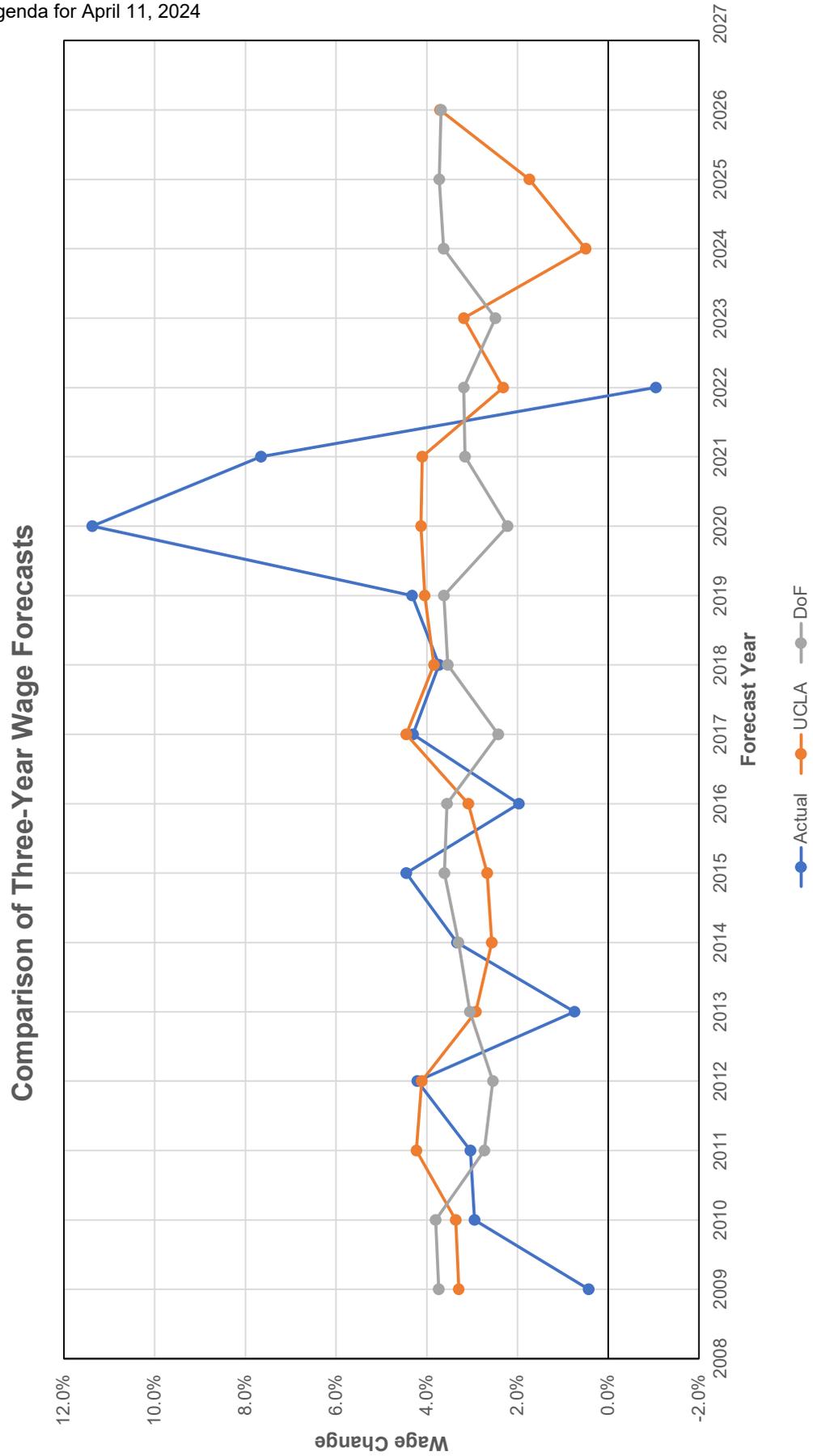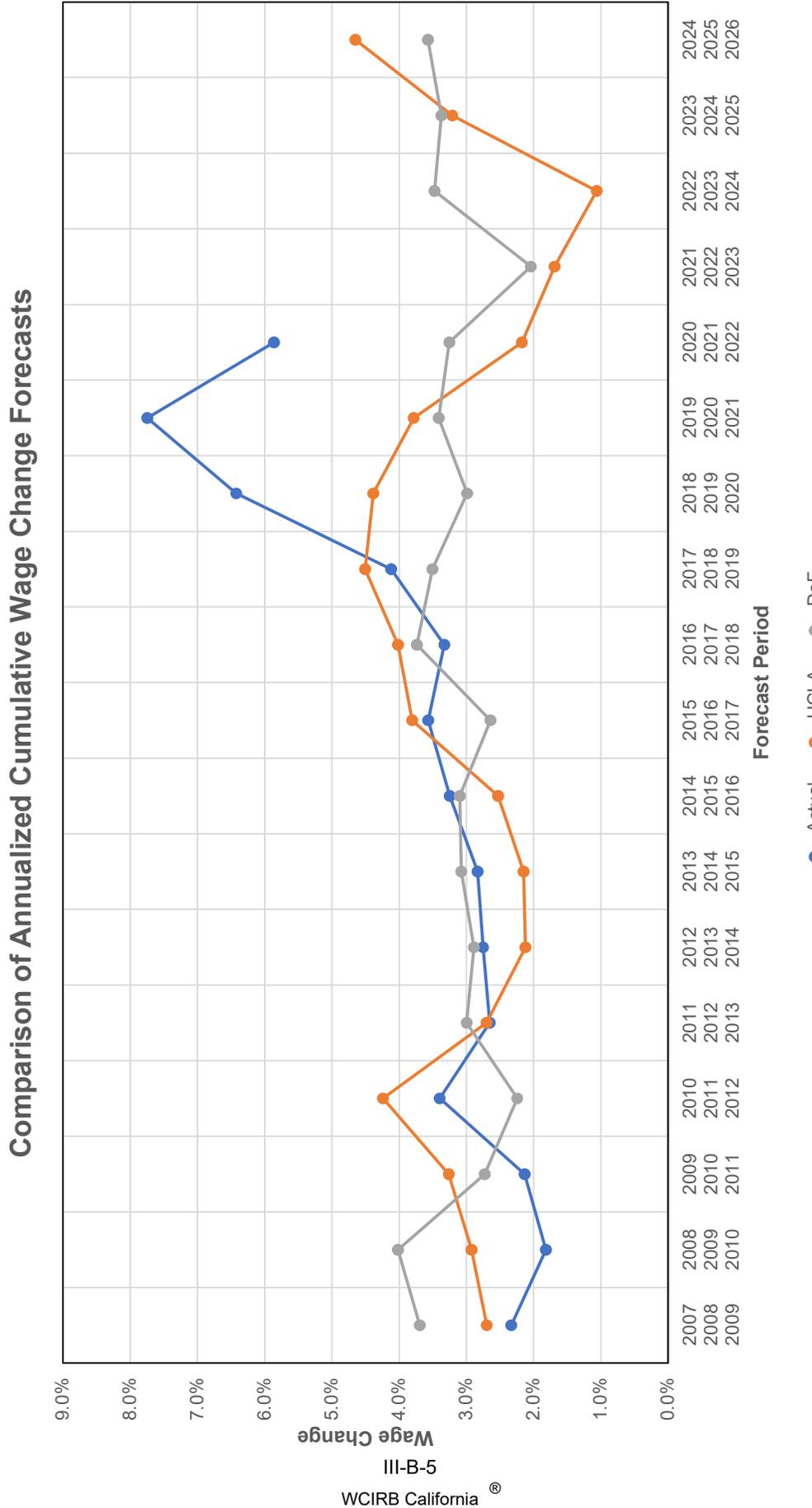
**Performance of Alternative Wage Change Forecasts**

**One Year Out Performance**

| | AY 2007 - 2022 | | | | AY 2007 - 2019 | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | UCLA | DoF | Avg | | UCLA | DoF | Avg |
| Mean Error | -1.0% | -0.5% | -0.8% | | -0.2% | 0.1% | -0.1% |
| Mean Absolute Error | 2.4% | 2.1% | 2.2% | | 1.3% | 1.2% | 1.2% |
| Root Mean Squared Error | **3.5%** | **3.0%** | **3.2%** | | **1.5%** | **1.3%** | **1.3%** |
| Best Estimate | **6** | **8** | **2** | | **5** | **6** | **2** |
| Worst Estimate | **9** | **7** | **0** | | **7** | **6** | **0** |

**Two Years Out Performance**

| | AY 2008 - 2022 | | | | AY 2008 - 2019 | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | UCLA | DoF | Avg | | UCLA | DoF | Avg |
| Mean Error | -0.3% | -0.5% | -0.4% | | 0.4% | 0.1% | 0.3% |
| Mean Absolute Error | 1.9% | 2.0% | 1.8% | | 1.1% | 1.2% | 1.0% |
| Root Mean Squared Error | **2.6%** | **2.9%** | **2.7%** | | **1.3%** | **1.6%** | **1.3%** |
| Best Estimate | **8** | **5** | **2** | | **6** | **4** | **2** |
| Worst Estimate | **6** | **9** | **0** | | **5** | **7** | **0** |

**Three Years Out Performance**

| | AY 2009 - 2022 | | | | AY 2009 - 2019 | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | UCLA | DoF | Avg | | UCLA | DoF | Avg |
| Mean Error | -0.2% | -0.5% | -0.3% | | 0.5% | 0.2% | 0.3% |
| Mean Absolute Error | 1.8% | 2.3% | 2.0% | | 1.0% | 1.2% | 1.1% |
| Root Mean Squared Error | **2.6%** | **3.3%** | **2.9%** | | **1.3%** | **1.6%** | **1.4%** |
| Best Estimate | **10** | **3** | **1** | | **7** | **3** | **1** |
| Worst Estimate | **3** | **11** | **0** | | **3** | **8** | **0** |

**Annualized Cumulative Performance**

| | AY 2007 - 2022 | | | | AY 2007 - 2019 | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | UCLA | DoF | Avg | | UCLA | DoF | Avg |
| Mean Error | -0.5% | -0.6% | -0.5% | | 0.3% | 0.2% | 0.2% |
| Mean Absolute Error | 1.2% | 1.3% | 1.1% | | 0.6% | 0.7% | 0.5% |
| Root Mean Squared Error | **1.7%** | **1.8%** | **1.7%** | | **0.7%** | **1.0%** | **0.7%** |
| Best Estimate | **6** | **5** | **3** | | **4** | **4** | **3** |
| Worst Estimate | **6** | **8** | **0** | | **5** | **6** | **0** |

## Item AC22-04-04
## Retrospective Evaluation of 2021 Fee Schedule Changes

The Division of Workers' Compensation (DWC) adopted the new Medical-Legal Fee Schedule (MLFS) effective April 1, 2021. Since the new fee schedule became effective, the WCIRB has conducted a number of evaluations of the cost impact of the new MLFS including:

- In April 2021, the WCIRB conducted a prospective evaluation of the new fee schedule and estimated an overall increase of 22% to the cost of medical-legal services. The cost impacts of the new MLFS were reflected in the September 1, 2021 Advisory Pure Premium Rate Filing.

- In April 2022, the WCIRB analyzed the actual payments in 2021 and observed that the new MLFS led to a 39% increase in the average ML payment per claim in 2021 compared to 2019, mostly driven by higher-than-projected costs for reviewing additional pages of records. The updated cost impact was reflected in the September 1, 2022 Advisory Pure Premium Rate Filing.

- In April 2023, the WCIRB analyzed the actual payments in 2021 and 2022 and observed that the new MLFS led to a 50% increase in the average ML payment per claim in 2022 compared to 2019, mostly driven by higher-than-projected costs for reviewing additional pages of records and a higher number of ML evaluations per claim. The updated cost impact was reflected in the September 1, 2023 Advisory Pure Premium Rate Filing.

Staff has conducted a retrospective evaluation of the new MLFS based on actual payments in 2021 through 2023 reported in the WCIRB medical transaction data and will present the preliminary evaluation results at the meeting. Slides summarizing staff's preliminary retrospective evaluation are attached.

# Background on New Medical-Legal Fee Schedule

- The Division of Workers' Compensation (DWC) adopted significant changes to the Medical-Legal (ML) Fee Schedule effective April 1, 2021.

- The new ML Fee Schedule is intended to increase the reimbursement allowance for medical-legal reports while eliminating complexity factor overlays onto reimbursement allowances.

- The WCIRB has conducted several cost impact evaluations of the new ML fee schedule since April 2021 (see below).

- Staff has reviewed available data of 2021 through 2023 to update the retrospective evaluation of the cost impact of the new ML Fee Schedule.

| Time and Type of Evaluation | Key Findings | Inclusion in the Filing |
|---|---|---|
| April 2021, Prospective | Estimated +22% to the medical-legal costs | September 1, 2021 Pure Premium Rate Filing |
| April 2022, Retrospective | +39% in the average ML payment per claim in 2021 compared to 2019, driven by record review | September 1, 2022 Pure Premium Rate Filing |
| April 2023, Retrospective | +50% in the average ML payment per claim in 2022 compared to 2019, driven by record review and a higher number of ML services per claim | September 1, 2023 Pure Premium Rate Filing |

III-C-2

Source: California Code of Regulations sections 9793-9795

# April 1, 2021 ML Fee Schedule – Summary of Key Changes

- Increases relative value (RV) used to calculate reimbursement allowance from $12.50 to $16.25
- Adds a reimbursement allowance for missed appointments
- Allows increased reimbursement for:
  - Agreed Medical Evaluator (AME) (from 25% to 35%)
  - Interpreter in all face-to-face examinations (110%)
  - Specialist examiners in Psychology/Psychiatry (200%), Toxicology (150%) and Oncology (150%)
- Eliminates time-based complexity factor component in the old fee schedule
- Adds a separate record review procedure code for records in excess of included quantity in ML code billed
- Adds a ML code for sub rosa film review

| Pre-4/1/21 ML Code | New ML Code | Procedure Description |
|---|---|---|
| ML100 | ML200 | **Missed Appointment** for a Comprehensive or Follow-Up Medical-Legal Evaluation |
| ML102 | ML201 | **Comprehensive** Medical-Legal Evaluation |
| ML103 | | |
| ML104 | | |
| ML101 | ML202 | **Follow-up** Medical-Legal Evaluation |
| ML106 | ML203 | Fees for **Supplemental** Medical-legal Evaluations |
| ML105 | ML204 | Fees for Medical-Legal **Testimony** |
| | ML205 | Fees for Review of **Sub Rosa** Recordings |
| | MLPRR | **Record Review (applicable to ML200-ML203)** |

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# Distribution of Medical-Legal (ML) Services (Q2 through Q4)

As of February 7, 2024

**Percent of Total Medical-Legal Services**

Legend: ■ Missed Appointment ■ Comprehensive ■ Follow-up ■ Supplemental ■ Testimony ■ Sub Rosa ■ Record Review

| Service Year | Missed Appointment | Comprehensive | Follow-up | Supplemental | Testimony |
|---|---|---|---|---|---|
| 2018 | 6% | 53% | 6% | 34% | 1% |
| 2019 | 6% | 52% | 6% | 35% | 1% |
| 2020 | 7% | 52% | 5% | 36% | 1% |
| 2021 | 8% | 46% | 13% | 30% | 1% |
| 2022 | 9% | 44% | 14% | 31% | 1% |
| 2023 | 10% | 44% | 13% | 30% | 1% |

Service Year

New Fee Schedule Effective 4/1/2021

III-C-4

Source: WCIRB medical transaction data (COVID-19 claims excluded)

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3

# Percent Change in Number of ML Services per Claim by Types of ML Service (2019 through 2023)

As of February 7, 2024

Percent Change in ML Services per Claim

- 2019 through 2021
- 2019 through 2022
- 2019 through 2023

**2022 through 2023: +6%**

**Increased from 5% of ML Services in 2019 to 13% in 2023**

**+1%**

**-4%**

**+1%**

**-2%**

**-0.3%**

Missed Appointment: 37%, 62%, 72%

Comprehensive: -10%, -5%, -5%

Follow-up: 119%, 158%, 149%

Supplemental: -11%, 0%, -2%

Testimony: 73%, 88%, 90%

Overall: 2%, 13%, 12%

III-C-7

Note: The number in the orange box represents the percentage change from 2022 through 2023.
Source: WCIRB medical transaction data (COVID-19 claims excluded)

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6

# Quarterly Trend of Average Payment for Leading ML Services including Record Review

As of February 7, 2024

**Paid per ML Service Including Record Review**

— Comprehensive — Follow-up — Supplemental – – Overall

2006 ML Fee Schedule

2021 ML Fee Schedule

$2,988

$3,026

$1,989

$2,068

$1,908

$1,441

Service Year-Quarter

2018 Q1 | 2018 Q2 | 2018 Q3 | 2018 Q4 | 2019 Q1 | 2019 Q2 | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 | 2021 Q3 | 2021 Q4 | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 | 2023 Q1 | 2023 Q2 | 2023 Q3 | 2023 Q4

III-C-9

Source: WCIRB medical transaction data (COVID-19 claims excluded)

8

# Distribution of Payments for ML Services (Q2 through Q4)
**(8.3% of payments for all 2022 medical services)**

As of February 7, 2024

Percent of Total ML Payments

Legend: ■ Missed Appointment  ■ Comprehensive  ■ Follow-up  ■ Supplemental  ■ Testimony  ■ Sub Rosa  ■ Record Review

| Service Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|
| Record Review | | | | 25% | 26% | 27% |
| Supplemental | 18% | 20% | 22% | 11% | 11% | 10% |
| Follow-up | 7% | 7% | 6% | 9% | 10% | 10% |
| Comprehensive | 73% | 72% | 71% | 52% | 51% | 50% |
| Missed Appointment | 1% | 1% | 2% | 2% | 2% | 2% |

New Fee Schedule Effective 4/1/2021

III-C-10

Source: WCIRB medical transaction data (COVID-19 claims excluded)

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9

# Summary of Key Preliminary Findings

- During the third year (2023) of the new ML Fee Schedule, ML payment per claim remained consistent with 2022:
    - 1% higher than 2022, 57% higher than 2019

- Record review continued to be a key cost driver
    - 27% of all ML payments in 2023, similar to 2021 and 2022
    - Paid per record review increased by 6% in 2023 compared to 2022

- Including record review, paid per ML service in 2023 remained at a high level similar to 2022
    - 1% higher than 2022, 40% higher than 2019

- Number of ML services per claim started to increase in 2022 and remained consistent in 2023
    - 0.3% lower than 2022, 12% higher than 2019
    - The increase is concentrated in follow-up evaluations

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## Item AC24-03-01
## First Quarter 2024 Review of Diagnostics

At the March 21, 2024 meeting, the Committee reviewed the first quarter 2024 diagnostics. Those diagnostics were also reviewed by the Claims Working Group at the March 26, 2024 meeting. The information and feedback provided by the Claims Working Group on selected diagnostics will be provided at the meeting.

## Item AC24-03-02
## 12/31/2023 Experience Review

At the March 21, 2024 meeting, the Committee reviewed an initial analysis of statewide experience through December 31, 2023. Exhibits 1 through 8 include an updated analysis of December 31, 2023 experience. In total, approximately 100% of the market is included. Wage and loss levels are projected to September 1, 2025—the approximate midpoint of experience on policies incepting between September 1, 2024 and August 31, 2025, and premiums were adjusted to the September 1, 2023 advisory pure premium rate level. The loss and premium information shown in Exhibits 1 through 8 excludes COVID-19 claims for calendar/accident years 2020 through 2022 but includes COVID-19 claims for 2023. For the claim frequency and severity information shown in Exhibits 6.1 to 6.4, COVID-19 claims are excluded from accident year 2023.

The loss development, on-leveling and trending methodologies reflected in Exhibits 1 through 8 are generally consistent with those reflected in the September 1, 2023 Pure Premium Rate Filing and the initial analysis of December 31, 2023 experience reviewed at the March 21, 2024 meeting, with the following updates made in part based on the discussion at the March 21, 2024 meeting:

- Adjustments to indemnity benefit levels for the impact of wage inflation in indemnity benefits have been updated to reflect actual values for 2021 and 2022 based on WCIRB unit statistical data. Projected adjustments to indemnity benefit levels for estimated wage inflation and the annual cost of living adjustments to weekly maximum temporary disability and permanent total disability benefits have been updated to reflect the latest available unit statistical data. (Exhibit 4.1)

- The projected changes in average wage levels for 2023 to 2026 are updated with the March 2024 UCLA Anderson School of Business forecast. Adjustments to the 2022 and 2023 average wage changes for the pandemic are based on those reviewed at the March 21, 2024 meeting. (Exhibit 5.1)

- The projected claim frequency trends for accident years 2024 to 2026 based on the WCIRB's indemnity claim frequency model have been updated to reflect the March 2024 UCLA forecast. The frequency model parameters are based on those reviewed by the Committee at the March 21, 2024 meeting and reflect the forecast change in the cumulative injury index and full model constant term. (Exhibit 6.1)

- The projected annual on-level medical severity trend is updated to 2.0%. (Exhibits 6.3 and 6.4)

- The underlying aggregate financial data has been updated to reflect several additional insurer data submissions and corrections.

As shown in Exhibit 8, the preliminary projected loss ratio for policies incepting between September 1, 2024 and August 31, 2025 based on December 31, 2023 insurer experience and the methodologies reflected in Exhibits 1 to 8 is 0.752. (The projected loss ratio reviewed at the March 21, 2024 meeting was 0.756.)

Additional supplemental information is included in Exhibits 9 through 12.

**California Workers' Compensation**

**Accident Year Experience as of December 31, 2023**

| Year | Earned Premium | Paid Indemnity | Indemnity Reserves | Paid Medical** | Medical Reserves | IBNR* | Total Incurred** | Loss Ratio* |
|------|------|------|------|------|------|------|------|------|
| 1987 | 4,373,802,923 | 1,509,783,963 | 5,592,395 | 1,347,173,629 | 36,404,858 | 14,493,524 | 2,913,448,369 | 0.666 |
| 1988 | 5,172,689,663 | 1,707,469,549 | 4,547,176 | 1,556,564,284 | 18,759,780 | 28,145,272 | 3,315,486,061 | 0.641 |
| 1989 | 5,675,354,099 | 1,943,971,133 | 4,702,094 | 1,817,165,282 | 29,541,531 | 36,406,012 | 3,831,786,052 | 0.675 |
| 1990 | 5,704,833,514 | 2,267,226,508 | 4,329,062 | 2,062,895,664 | 25,718,489 | 49,044,281 | 4,409,214,004 | 0.773 |
| 1991 | 5,866,830,467 | 2,488,103,067 | 10,815,405 | 2,220,055,589 | 27,711,666 | 47,657,500 | 4,794,343,227 | 0.817 |
| 1992 | 5,685,646,721 | 1,985,997,254 | 9,014,450 | 1,782,330,539 | 28,859,732 | 39,258,656 | 3,845,460,631 | 0.676 |
| 1993 | 5,935,051,898 | 1,699,903,018 | 7,889,079 | 1,529,938,509 | 40,452,590 | 90,198,736 | 3,368,381,932 | 0.568 |
| 1994 | 5,031,286,773 | 1,637,130,910 | 13,137,820 | 1,489,927,745 | 52,059,724 | 35,184,358 | 3,227,440,557 | 0.641 |
| 1995 | 3,789,372,110 | 1,776,526,063 | 17,748,345 | 1,654,731,751 | 70,377,737 | 37,719,421 | 3,557,103,317 | 0.939 |
| 1996 | 3,746,680,214 | 1,970,666,406 | 22,399,107 | 1,752,007,771 | 63,595,440 | 43,784,410 | 3,852,453,134 | 1.028 |
| 1997 | 3,926,898,608 | 2,337,837,413 | 23,658,005 | 2,054,834,629 | 68,037,305 | 84,509,373 | 4,568,876,725 | 1.163 |
| 1998 | 4,332,127,034 | 2,794,331,101 | 31,161,991 | 2,717,651,572 | 134,686,354 | 172,525,654 | 5,850,356,672 | 1.350 |
| 1999 | 4,550,437,880 | 3,071,348,974 | 31,111,703 | 3,106,457,459 | 98,422,429 | 211,943,685 | 6,519,284,250 | 1.433 |
| 2000 | 5,920,961,162 | 3,457,431,182 | 44,440,039 | 3,640,459,477 | 133,238,642 | 340,205,136 | 7,615,774,476 | 1.286 |
| 2001 | 10,108,322,683 | 4,889,977,757 | 59,063,964 | 5,484,008,965 | 198,305,705 | 575,154,702 | 11,206,511,093 | 1.109 |
| 2002 | 13,309,435,814 | 4,795,468,254 | 57,404,986 | 5,567,435,748 | 190,206,173 | 798,842,832 | 11,409,357,993 | 0.857 |
| 2003 | 19,280,128,929 | 4,590,519,223 | 95,525,376 | 5,155,879,794 | 201,764,185 | 1,164,331,705 | 11,208,020,283 | 0.581 |
| 2004 | 23,014,791,568 | 3,253,459,848 | 86,767,261 | 4,149,774,175 | 182,618,305 | 1,272,891,122 | 8,945,510,711 | 0.389 |
| 2005 | 21,384,360,071 | 2,586,308,753 | 72,504,803 | 3,759,547,802 | 148,529,764 | 1,030,297,595 | 7,597,188,717 | 0.355 |
| 2006 | 17,221,780,296 | 2,683,302,967 | 73,595,238 | 3,883,411,127 | 180,296,755 | 673,737,210 | 7,494,343,297 | 0.435 |
| 2007 | 13,260,139,026 | 2,832,428,040 | 82,144,217 | 4,157,500,184 | 186,211,668 | 640,983,389 | 7,899,267,498 | 0.596 |
| 2008 | 10,744,447,308 | 2,889,109,746 | 98,789,034 | 4,152,974,886 | 208,860,658 | 343,606,973 | 7,693,341,297 | 0.716 |
| 2009 | 8,873,155,994 | 2,779,686,260 | 91,874,360 | 3,991,283,033 | 220,186,025 | 301,722,072 | 7,384,751,750 | 0.832 |
| 2010 | 9,374,814,819 | 2,801,868,172 | 78,464,314 | 4,085,508,174 | 152,249,060 | 379,795,115 | 7,497,884,835 | 0.800 |
| 2011 | 10,120,427,050 | 2,780,185,288 | 93,912,213 | 3,720,429,247 | 193,390,242 | 655,830,227 | 7,443,747,217 | 0.736 |
| 2012 | 11,699,330,284 | 2,855,701,715 | 109,788,266 | 3,659,005,098 | 199,864,933 | 576,798,960 | 7,401,158,972 | 0.633 |
| 2013 | 14,161,005,539 | 2,899,813,074 | 106,154,597 | 3,503,182,733 | 207,202,785 | 1,032,647,338 | 7,749,000,527 | 0.547 |
| 2014 | 15,986,106,452 | 3,075,283,400 | 128,875,839 | 3,484,874,971 | 233,775,373 | 1,405,362,734 | 8,328,172,317 | 0.521 |
| 2015 | 17,060,021,462 | 3,154,189,727 | 156,239,655 | 3,440,487,580 | 275,504,054 | 1,691,952,552 | 8,718,373,568 | 0.511 |
| 2016 | 17,949,045,779 | 3,100,498,849 | 188,882,546 | 3,357,343,176 | 310,427,644 | 1,665,127,336 | 8,622,279,551 | 0.480 |
| 2017 | 17,671,411,530 | 3,048,179,320 | 260,565,788 | 3,310,042,543 | 419,903,390 | 1,718,326,592 | 8,757,017,633 | 0.496 |
| 2018 | 17,426,671,333 | 3,084,254,256 | 349,564,223 | 3,408,022,353 | 538,707,556 | 1,721,103,168 | 9,101,651,556 | 0.522 |
| 2019 | 16,116,850,562 | 3,129,324,460 | 511,819,064 | 3,346,956,924 | 672,192,827 | 2,770,338,382 | 10,430,631,657 | 0.647 |
| 2020 | 14,095,940,927 | 2,570,075,689 | 601,363,594 | 2,736,519,368 | 818,981,341 | 1,947,463,126 | 8,674,403,118 | 0.615 |
| 2021 | 13,597,391,304 | 2,312,662,935 | 857,605,734 | 2,463,537,851 | 1,166,711,751 | 2,403,133,359 | 9,203,651,630 | 0.677 |
| 2022 | 15,309,332,883 | 1,702,818,185 | 1,105,367,832 | 1,851,950,037 | 1,522,429,057 | 3,596,197,406 | 9,778,762,517 | 0.639 |
| 2023 | 15,735,363,716 | 607,192,287 | 884,962,558 | 744,675,330 | 1,575,984,053 | 5,789,763,662 | 9,602,577,890 | 0.610 |

\* Shown for informational purposes only.

\*\* Paid medical for accident years 2011 and subsequent exclude the paid cost of medical cost containment programs (MCCP). Paid medical for accident years 2010 and prior include paid MCCP costs.

Source: WCIRB quarterly experience calls. COVID-19 claims and COVID-19 premium charges are excluded from 2020 to 2022.

**Incurred Indemnity Loss Development Factors**

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1996 | | | | | | | | | | | | | | 1.000 | 1.001 | 1.002 |
| 1997 | | | | | | | | | | | | | 1.003 | 1.002 | 1.001 | 1.001 |
| 1998 | | | | | | | | | | | | 1.003 | 1.004 | 1.001 | 1.002 | 1.001 |
| 1999 | | | | | | | | | | | 1.002 | 1.003 | 1.003 | 1.002 | 1.002 | 1.001 |
| 2000 | | | | | | | | | | 1.004 | 1.005 | 1.003 | 1.001 | 1.004 | 1.002 | 1.000 |
| 2001 | | | | | | | | | 1.006 | 1.007 | 1.006 | 1.005 | 1.003 | 1.002 | 1.001 | 1.001 |
| 2002 | | | | | | | 1.010 | 1.010 | 1.010 | 1.007 | 1.005 | 1.003 | 1.002 | 1.002 | 1.003 | 1.002 |
| 2003 | | | | | | 1.018 | 1.015 | 1.015 | 1.015 | 1.009 | 1.006 | 1.004 | 1.003 | 1.002 | 1.002 | 1.004 |
| 2004 | | | | | 1.026 | 1.028 | 1.018 | 1.018 | 1.014 | 1.007 | 1.007 | 1.003 | 1.001 | 1.002 | 1.006 | 1.001 |
| 2005 | | | | 1.080 | 1.053 | 1.040 | 1.028 | 1.016 | 1.012 | 1.006 | 1.005 | 1.006 | 1.003 | 1.004 | 1.004 | 1.002 |
| 2006 | | | 1.120 | 1.070 | 1.053 | 1.035 | 1.023 | 1.015 | 1.009 | 1.007 | 1.004 | 1.005 | 1.002 | 1.005 | 1.001 | 1.003 |
| 2007 | | | 1.136 | 1.074 | 1.049 | 1.037 | 1.022 | 1.012 | 1.011 | 1.005 | 1.007 | 1.010 | 1.001 | 1.003 | 1.003 | 1.001 |
| 2008 | | 1.302 | 1.142 | 1.076 | 1.045 | 1.030 | 1.019 | 1.012 | 1.009 | 1.006 | 1.007 | 1.006 | 1.005 | 1.002 | 1.003 | |
| 2009 | 1.983 | 1.293 | 1.131 | 1.069 | 1.048 | 1.024 | 1.019 | 1.014 | 1.009 | 1.010 | 1.005 | 1.008 | 1.007 | 1.001 | | |
| 2010 | 1.994 | 1.315 | 1.133 | 1.061 | 1.045 | 1.026 | 1.016 | 1.012 | 1.012 | 1.006 | 1.004 | 1.004 | 1.004 | | | |
| 2011 | 1.997 | 1.277 | 1.113 | 1.063 | 1.037 | 1.022 | 1.019 | 1.011 | 1.008 | 1.007 | 1.004 | 1.005 | | | | |
| 2012 | 1.992 | 1.279 | 1.111 | 1.055 | 1.041 | 1.023 | 1.016 | 1.013 | 1.007 | 1.007 | 1.005 | | | | | |
| 2013 | 1.931 | 1.259 | 1.115 | 1.059 | 1.032 | 1.020 | 1.013 | 1.007 | 1.006 | 1.006 | | | | | | |
| 2014 | 1.960 | 1.278 | 1.101 | 1.047 | 1.029 | 1.016 | 1.011 | 1.006 | 1.009 | | | | | | | |
| 2015 | 1.969 | 1.260 | 1.095 | 1.046 | 1.027 | 1.017 | 1.008 | 1.008 | | | | | | | | |
| 2016 | 1.941 | 1.246 | 1.088 | 1.043 | 1.026 | 1.017 | 1.011 | | | | | | | | | |
| 2017 | 1.911 | 1.241 | 1.083 | 1.043 | 1.028 | 1.016 | | | | | | | | | | |
| 2018 | 1.901 | 1.228 | 1.100 | 1.043 | 1.028 | | | | | | | | | | | |
| 2019 | 1.900 | 1.231 | 1.110 | 1.052 | | | | | | | | | | | | |
| 2020 | 1.815 | 1.238 | 1.110 | | | | | | | | | | | | | |
| 2021 | 1.908 | 1.253 | | | | | | | | | | | | | | |
| 2022 | 1.940 | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| Selected (a) | 1.940 | 1.253 | 1.110 | 1.052 | 1.028 | 1.016 | 1.011 | 1.008 | 1.009 | 1.007 | 1.005 | 1.006 | 1.004 | 1.003 | 1.003 | 1.002 |
| Cumulative | 3.185 | 1.642 | 1.310 | 1.180 | 1.122 | 1.091 | 1.074 | 1.062 | 1.054 | 1.045 | 1.038 | 1.032 | 1.026 | 1.022 | 1.019 | 1.016 |

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and six-year average for the subsequent age-to-age factors.

**Incurred Indemnity Loss Development Factors (Continued)**

Age-to-Age (in months)

| Accident Year | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Inc (b) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | | | | | | | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | |
| 1984 | | | | | | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 1985 | | | | | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 1986 | | | | | | | | | | 1.001 | 1.001 | 1.000 | 0.999 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.001 | | | |
| 1987 | | | | | | | 1.000 | | 1.000 | 1.002 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 1988 | | | | | | | 1.002 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | | | | | |
| 1989 | | | | 0.999 | | 1.001 | 1.000 | 1.001 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | |
| 1990 | | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | 1.000 | 1.001 | 1.000 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | | | | | | | |
| 1991 | | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | | | | | | | | |
| 1992 | 0.999 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 0.999 | 1.000 | | | | | | | | | |
| 1993 | 1.001 | 1.002 | 1.002 | 1.000 | 1.001 | 1.001 | 0.999 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | |
| 1994 | 1.003 | 0.998 | 0.998 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | | | | | | | | | | | |
| 1995 | 1.003 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | | | | | | | | | | | | |
| 1996 | 1.000 | 1.000 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | | | |
| 1997 | 1.003 | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | | | | | | | | | | | | | | |
| 1998 | 1.000 | 1.002 | 1.002 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | | | | | |
| 1999 | 1.002 | 1.001 | 1.001 | 1.002 | 1.000 | 1.000 | 1.001 | | | | | | | | | | | | | | | | |
| 2000 | 1.001 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | | | | | | | | | | | | | | | | | |
| 2001 | 1.001 | 1.003 | 1.001 | 1.000 | 1.000 | | | | | | | | | | | | | | | | | | |
| 2002 | 1.002 | 1.002 | 1.003 | 1.000 | | | | | | | | | | | | | | | | | | | |
| 2003 | 1.001 | 1.001 | 1.001 | | | | | | | | | | | | | | | | | | | | |
| 2004 | 1.003 | 1.001 | | | | | | | | | | | | | | | | | | | | | |
| 2005 | 1.003 | | | | | | | | | | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | |
| Selected (a) | 1.002 | 1.002 | 1.002 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | |
| Cumulative | 1.014 | 1.012 | 1.010 | 1.009 | 1.008 | 1.008 | 1.007 | 1.006 | 1.006 | 1.005 | 1.005 | 1.004 | 1.004 | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 |

(b) The ULT/468Inc tail factor was calculated based on an inverse power curve fit to a six-year average of the 108-to-120 through 348-to-360 factors, excluding the 2016, 2017, and 2018 evaluations, and extrapolated to 80 development years.

**Incurred Medical Loss Development Factors**

Age-to-Age (in months) (b)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1996 | | | | | | | | | | | | | | 1.013 | 1.014 | 1.005 |
| 1997 | | | | | | | | | | | | | 1.015 | 1.012 | 1.003 | 1.007 |
| 1998 | | | | | | | | | | | | 1.017 | 1.004 | 1.014 | 1.008 | 1.012 |
| 1999 | | | | | | | | | | | 1.018 | 1.013 | 1.011 | 1.013 | 1.005 | 0.999 |
| 2000 | | | | | | | | | | 1.024 | 1.018 | 1.018 | 1.012 | 1.006 | 0.999 | 0.995 |
| 2001 | | | | | | | | | 1.035 | 1.022 | 1.017 | 1.015 | 1.013 | 1.001 | 0.997 | 0.994 |
| 2002 | | | | | | | | 1.029 | 1.028 | 1.022 | 1.014 | 1.010 | 0.999 | 0.997 | 1.000 | 0.999 |
| 2003 | | | | | | | 1.042 | 1.037 | 1.029 | 1.018 | 1.011 | 1.003 | 0.998 | 0.999 | 1.001 | 1.006 |
| 2004 | | | | | | 1.061 | 1.043 | 1.032 | 1.026 | 1.012 | 1.006 | 1.001 | 0.996 | 0.998 | 1.002 | 1.000 |
| 2005 | | | | | 1.084 | 1.055 | 1.045 | 1.032 | 1.020 | 1.006 | 1.006 | 0.999 | 1.000 | 1.000 | 1.000 | 0.998 |
| 2006 | | | | 1.081 | 1.066 | 1.048 | 1.040 | 1.022 | 1.012 | 1.000 | 1.001 | 1.006 | 0.999 | 1.003 | 1.000 | 1.003 |
| 2007 | | | 1.124 | 1.081 | 1.070 | 1.050 | 1.032 | 1.018 | 1.004 | 1.008 | 1.001 | 1.004 | 0.996 | 0.999 | 1.000 | 0.999 |
| 2008 | | 1.212 | 1.129 | 1.092 | 1.061 | 1.041 | 1.026 | 1.010 | 1.005 | 1.002 | 1.005 | 0.999 | 0.999 | 1.001 | 1.001 | |
| 2009 | 1.604 | 1.227 | 1.140 | 1.087 | 1.061 | 1.030 | 1.016 | 1.007 | 1.006 | 1.008 | 1.001 | 1.003 | 1.003 | 1.004 | | |
| 2010 | 1.620 | 1.245 | 1.134 | 1.077 | 1.045 | 1.025 | 1.012 | 1.008 | 1.010 | 1.005 | 0.999 | 1.002 | 0.999 | | | |
| 2011 | 1.667 | 1.222 | 1.125 | 1.069 | 1.034 | 1.016 | 1.010 | 1.010 | 1.002 | 1.004 | 1.003 | 1.003 | | | | |
| 2012 | 1.592 | 1.188 | 1.092 | 1.056 | 1.031 | 1.015 | 1.015 | 1.006 | 1.005 | 0.999 | 1.005 | | | | | |
| 2013 | 1.559 | 1.150 | 1.086 | 1.039 | 1.022 | 1.014 | 1.006 | 1.001 | 1.006 | 1.004 | | | | | | |
| 2014 | 1.523 | 1.159 | 1.079 | 1.035 | 1.027 | 1.011 | 1.010 | 1.007 | 1.005 | | | | | | | |
| 2015 | 1.511 | 1.146 | 1.064 | 1.030 | 1.018 | 1.007 | 1.005 | 1.009 | | | | | | | | |
| 2016 | 1.498 | 1.124 | 1.045 | 1.031 | 1.017 | 1.013 | 1.005 | | | | | | | | | |
| 2017 | 1.440 | 1.117 | 1.051 | 1.027 | 1.024 | 1.009 | | | | | | | | | | |
| 2018 | 1.449 | 1.110 | 1.054 | 1.031 | 1.029 | | | | | | | | | | | |
| 2019 | 1.452 | 1.124 | 1.064 | 1.043 | | | | | | | | | | | | |
| 2020 | 1.445 | 1.152 | 1.084 | | | | | | | | | | | | | |
| 2021 | 1.460 | 1.169 | | | | | | | | | | | | | | |
| 2022 | 1.511 | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| Selected (a) | 1.511 | 1.169 | 1.084 | 1.043 | 1.029 | 1.009 | 1.005 | 1.009 | 1.006 | 1.004 | 1.002 | 1.003 | 0.999 | 1.001 | 1.001 | 1.001 |
| Cumulative | 2.126 | 1.407 | 1.204 | 1.110 | 1.065 | 1.035 | 1.025 | 1.020 | 1.011 | 1.005 | 1.002 | 0.999 | 0.997 | 0.997 | 0.996 | 0.996 |

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and six-year average for the subsequent age-to-age factors.
(b) Incurred medical loss development factors include the paid cost of medical cost containment programs for accident years 2011 and prior.

**Incurred Medical Loss Development Factors (Continued)**

Age-to-Age (in months)

| Accident Year | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Inc (c) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | | | | | | 1.002 | 1.006 | 1.003 | 1.004 | 1.003 | 0.997 | 0.999 | 0.998 | 1.001 | 1.001 | 1.001 | 0.998 | 1.000 |
| 1984 | | | | | | | | | | 1.002 | 1.003 | 1.001 | 1.003 | 1.001 | 0.997 | 1.000 | 1.001 | 1.000 | 1.000 | 0.998 | 1.000 | 0.999 | |
| 1985 | | | | | | | | 1.005 | 1.003 | 1.003 | 1.005 | 1.002 | 1.003 | 0.998 | 0.999 | 0.999 | 1.000 | 1.001 | 1.000 | 1.000 | 1.001 | 0.998 | |
| 1986 | | | | | | | | 1.007 | 1.006 | 1.004 | 1.005 | 1.000 | 1.002 | 0.998 | 1.001 | 1.006 | 0.994 | 1.002 | 1.001 | 1.001 | 1.001 | | |
| 1987 | | | | | | 0.999 | 1.005 | 1.005 | 1.003 | 1.004 | 1.005 | 1.000 | 0.997 | 1.001 | 1.000 | 1.005 | 1.002 | 0.999 | 1.000 | 1.002 | | | |
| 1988 | | | | | 1.005 | 1.002 | 1.007 | 1.000 | 1.003 | 1.003 | 1.002 | 1.001 | 0.999 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | 0.999 | | | | |
| 1989 | | | | 1.005 | 1.008 | 1.006 | 1.005 | 0.997 | 0.999 | 0.999 | 0.999 | 0.998 | 0.999 | 1.002 | 0.999 | 1.000 | 0.999 | 1.001 | | | | | |
| 1990 | | | 1.005 | 1.003 | 1.003 | 1.003 | 1.000 | 0.999 | 1.000 | 1.000 | 1.000 | 0.999 | 0.999 | 1.000 | 1.000 | 0.999 | 1.002 | | | | | | |
| 1991 | | 1.006 | 1.002 | 1.003 | 1.002 | 1.003 | 0.999 | 0.997 | 0.998 | 0.999 | 0.998 | 1.000 | 1.001 | 1.001 | 1.000 | 0.998 | | | | | | | |
| 1992 | 1.007 | 1.004 | 1.002 | 1.005 | 1.003 | 1.005 | 1.002 | 1.001 | 1.002 | 0.999 | 1.002 | 0.999 | 0.999 | 1.000 | 0.999 | | | | | | | | |
| 1993 | 1.011 | 1.011 | 1.014 | 1.004 | 1.003 | 1.000 | 1.006 | 1.002 | 1.001 | 0.998 | 0.997 | 0.998 | 1.000 | 1.000 | | | | | | | | | |
| 1994 | 1.015 | 1.004 | 1.007 | 1.006 | 1.001 | 0.996 | 1.003 | 1.000 | 0.998 | 0.999 | 0.997 | 0.998 | 0.998 | | | | | | | | | | |
| 1995 | 1.008 | 0.996 | 1.006 | 0.999 | 1.006 | 0.992 | 1.000 | 0.997 | 1.002 | 1.001 | 1.000 | 1.003 | | | | | | | | | | | |
| 1996 | 1.001 | 1.005 | 1.001 | 0.998 | 0.999 | 0.997 | 0.996 | 0.999 | 0.999 | 1.003 | 1.001 | | | | | | | | | | | | |
| 1997 | 1.001 | 0.994 | 0.998 | 0.997 | 0.998 | 1.001 | 0.995 | 0.999 | 1.000 | 0.995 | | | | | | | | | | | | | |
| 1998 | 1.001 | 1.001 | 0.994 | 1.001 | 1.003 | 1.000 | 0.999 | 1.002 | 1.001 | | | | | | | | | | | | | | |
| 1999 | 0.999 | 0.995 | 1.002 | 0.999 | 0.999 | 0.999 | 1.000 | 1.001 | | | | | | | | | | | | | | | |
| 2000 | 0.996 | 0.999 | 0.999 | 1.000 | 0.998 | 0.999 | 0.997 | | | | | | | | | | | | | | | | |
| 2001 | 1.001 | 1.003 | 0.998 | 0.998 | 0.999 | 0.997 | | | | | | | | | | | | | | | | | |
| 2002 | 1.001 | 1.001 | 0.999 | 1.000 | 0.999 | | | | | | | | | | | | | | | | | | |
| 2003 | 1.001 | 0.998 | 1.000 | 1.000 | | | | | | | | | | | | | | | | | | | |
| 2004 | 0.999 | 1.000 | 1.004 | | | | | | | | | | | | | | | | | | | | |
| 2005 | 0.999 | 1.000 | | | | | | | | | | | | | | | | | | | | | |
| 2006 | 1.000 | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | |
| Selected (a) | 1.000 | 1.000 | 1.000 | 1.000 | 0.999 | 0.999 | 0.999 | 0.999 | 1.000 | 0.999 | 0.999 | 0.999 | 0.999 | 1.001 | 1.000 | 1.002 | 1.000 | 1.001 | 1.000 | 1.000 | 1.001 | 0.998 | 1.000 |
| Cumulative | 0.995 | 0.995 | 0.995 | 0.994 | 0.995 | 0.995 | 0.996 | 0.998 | 0.998 | 0.999 | 1.000 | 1.001 | 1.001 | 1.002 | 1.001 | 1.002 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 0.999 | 1.000 |

(c) The ULT/468Inc tail factor was calculated based on an inverse power curve fit to a six-year average of the 108-to-120 through 348-to-360 factors, excluding the 2016, 2017, and 2018 evaluations, and extrapolated to 80 development years.

**Paid Indemnity Loss Development Factors**

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1996 | | | | | | | | | | | | | | 1.006 | 1.004 | 1.004 |
| 1997 | | | | | | | | | | | | | 1.007 | 1.006 | 1.006 | 1.005 |
| 1998 | | | | | | | | | | | | 1.009 | 1.009 | 1.007 | 1.006 | 1.006 |
| 1999 | | | | | | | | | | | 1.011 | 1.009 | 1.008 | 1.007 | 1.006 | 1.004 |
| 2000 | | | | | | | | | | 1.013 | 1.010 | 1.009 | 1.008 | 1.007 | 1.005 | 1.004 |
| 2001 | | | | | | | | | 1.017 | 1.014 | 1.012 | 1.011 | 1.008 | 1.007 | 1.006 | 1.005 |
| 2002 | | | | | | | 1.030 | 1.020 | 1.018 | 1.015 | 1.014 | 1.008 | 1.008 | 1.006 | 1.006 | 1.005 |
| 2003 | | | | | | 1.049 | 1.041 | 1.026 | 1.023 | 1.021 | 1.015 | 1.012 | 1.009 | 1.008 | 1.007 | 1.007 |
| 2004 | | | | | 1.079 | 1.060 | 1.047 | 1.035 | 1.030 | 1.020 | 1.015 | 1.011 | 1.009 | 1.008 | 1.009 | 1.006 |
| 2005 | | | | 1.135 | 1.090 | 1.068 | 1.050 | 1.042 | 1.028 | 1.020 | 1.015 | 1.013 | 1.010 | 1.010 | 1.010 | 1.005 |
| 2006 | | | 1.246 | 1.140 | 1.092 | 1.066 | 1.046 | 1.035 | 1.026 | 1.018 | 1.016 | 1.012 | 1.011 | 1.009 | 1.007 | 1.006 |
| 2007 | | 1.577 | 1.271 | 1.150 | 1.092 | 1.060 | 1.041 | 1.033 | 1.027 | 1.020 | 1.016 | 1.013 | 1.013 | 1.007 | 1.006 | 1.005 |
| 2008 | 3.069 | 1.616 | 1.280 | 1.156 | 1.092 | 1.061 | 1.043 | 1.027 | 1.023 | 1.018 | 1.015 | 1.010 | 1.009 | 1.007 | 1.006 | |
| 2009 | 3.157 | 1.628 | 1.281 | 1.147 | 1.091 | 1.060 | 1.038 | 1.031 | 1.023 | 1.019 | 1.011 | 1.013 | 1.010 | 1.008 | | |
| 2010 | 3.208 | 1.613 | 1.266 | 1.144 | 1.087 | 1.056 | 1.041 | 1.027 | 1.021 | 1.013 | 1.012 | 1.012 | 1.007 | | | |
| 2011 | 3.137 | 1.597 | 1.262 | 1.137 | 1.087 | 1.051 | 1.034 | 1.026 | 1.016 | 1.016 | 1.010 | 1.007 | | | | |
| 2012 | 3.169 | 1.606 | 1.260 | 1.129 | 1.072 | 1.044 | 1.028 | 1.023 | 1.017 | 1.014 | 1.012 | | | | | |
| 2013 | 3.229 | 1.635 | 1.257 | 1.129 | 1.071 | 1.039 | 1.027 | 1.020 | 1.014 | 1.011 | | | | | | |
| 2014 | 3.278 | 1.618 | 1.244 | 1.119 | 1.058 | 1.042 | 1.026 | 1.018 | 1.017 | | | | | | | |
| 2015 | 3.235 | 1.586 | 1.230 | 1.103 | 1.060 | 1.043 | 1.028 | 1.018 | | | | | | | | |
| 2016 | 3.185 | 1.569 | 1.210 | 1.109 | 1.064 | 1.041 | | | | | | | | | | |
| 2017 | 3.110 | 1.526 | 1.222 | 1.111 | 1.071 | | | | | | | | | | | |
| 2018 | 3.063 | 1.549 | 1.238 | 1.122 | | | | | | | | | | | | |
| 2019 | 2.958 | 1.540 | 1.240 | | | | | | | | | | | | | |
| 2020 | 2.937 | 1.530 | | | | | | | | | | | | | | |
| 2021 | 2.952 | | | | | | | | | | | | | | | |
| 2022 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| Selected (a) | 2.952 | 1.530 | 1.240 | 1.122 | 1.071 | 1.041 | 1.028 | 1.018 | 1.016 | 1.014 | 1.011 | 1.011 | 1.009 | 1.007 | 1.006 | 1.005 |
| Cumulative | 8.276 | 2.804 | 1.832 | 1.478 | 1.317 | 1.230 | 1.181 | 1.149 | 1.129 | 1.111 | 1.096 | 1.084 | 1.072 | 1.063 | 1.055 | 1.049 |

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors.

**Paid Indemnity Loss Development Factors (Continued)**

Age-to-Age (in months)

| Accident Year | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Pd (b) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | |
| 1984 | | | | | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | |
| 1985 | | | | | | | | | 1.001 | 1.001 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 1986 | | | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | | |
| 1987 | | | | | | | 1.001 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | | | |
| 1988 | | | | | | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 1989 | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | | | | | |
| 1990 | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | | | | | | |
| 1991 | | | 1.001 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | | | | | | | |
| 1992 | | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | | | | | | | | |
| 1993 | 1.002 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | | | | | | | | | |
| 1994 | 1.004 | 1.003 | 1.003 | 1.003 | 1.002 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | | | | | | | | | | |
| 1995 | 1.005 | 1.005 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | |
| 1996 | 1.005 | 1.004 | 1.003 | 1.002 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | |
| 1997 | 1.004 | 1.003 | 1.002 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | | |
| 1998 | 1.006 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | | | |
| 1999 | 1.004 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | | | | |
| 2000 | 1.004 | 1.004 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | | | | | | | | | | | | | | | | |
| 2001 | 1.005 | 1.004 | 1.004 | 1.003 | 1.002 | 1.002 | | | | | | | | | | | | | | | | | |
| 2002 | 1.004 | 1.005 | 1.003 | 1.002 | 1.002 | | | | | | | | | | | | | | | | | | |
| 2003 | 1.007 | 1.004 | 1.003 | 1.003 | | | | | | | | | | | | | | | | | | | |
| 2004 | 1.004 | 1.003 | 1.003 | | | | | | | | | | | | | | | | | | | | |
| 2005 | 1.005 | 1.004 | | | | | | | | | | | | | | | | | | | | | |
| 2006 | 1.005 | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | |
| Selected (a) | 1.005 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | |
| Cumulative | 1.043 | 1.038 | 1.034 | 1.031 | 1.028 | 1.026 | 1.024 | 1.022 | 1.020 | 1.019 | 1.017 | 1.015 | 1.014 | 1.013 | 1.012 | 1.011 | 1.011 | 1.011 | 1.010 | 1.010 | 1.010 | 1.009 | 1.009 |

(b) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 factors and extrapolated to 80 development years.

**Paid Medical Loss Development Factors**

### Unadjusted (a)

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1996 | | | | | | | | | | | | | | | | 1.013 |
| 1997 | | | | | | | | | | | | | | | 1.016 | 1.014 |
| 1998 | | | | | | | | | | | | | | 1.018 | 1.014 | 1.017 |
| 1999 | | | | | | | | | | | | | 1.019 | 1.016 | 1.015 | 1.015 |
| 2000 | | | | | | | | | | | | 1.021 | 1.019 | 1.019 | 1.018 | 1.010 |
| 2001 | | | | | | | | | 1.034 | 1.027 | 1.025 | 1.025 | 1.016 | 1.016 | 1.013 | 1.011 |
| 2002 | | | | | | | | 1.034 | 1.032 | 1.030 | 1.023 | 1.020 | 1.020 | 1.017 | 1.011 | 1.010 |
| 2003 | | | | | | | 1.048 | 1.041 | 1.030 | 1.030 | 1.022 | 1.022 | 1.022 | 1.012 | 1.012 | 1.010 |
| 2004 | | | | | | 1.070 | 1.055 | 1.040 | 1.036 | 1.034 | 1.026 | 1.018 | 1.016 | 1.013 | 1.013 | 1.009 |
| 2005 | | | | | 1.095 | 1.073 | 1.054 | 1.049 | 1.038 | 1.031 | 1.024 | 1.019 | 1.015 | 1.012 | 1.012 | 1.008 |
| 2006 | | | | 1.140 | 1.099 | 1.068 | 1.056 | 1.042 | 1.034 | 1.025 | 1.021 | 1.019 | 1.014 | 1.011 | 1.010 | 1.008 |
| 2007 | | | 1.230 | 1.142 | 1.097 | 1.075 | 1.057 | 1.041 | 1.031 | 1.022 | 1.020 | 1.015 | 1.012 | 1.009 | 1.007 | 1.006 |
| 2008 | | 1.421 | 1.241 | 1.148 | 1.103 | 1.072 | 1.051 | 1.035 | 1.027 | 1.018 | 1.017 | 1.012 | 1.009 | 1.008 | 1.006 | |
| 2009 | 2.408 | 1.447 | 1.251 | 1.160 | 1.104 | 1.067 | 1.046 | 1.032 | 1.024 | 1.019 | 1.013 | 1.014 | 1.009 | 1.011 | | |
| 2010 | 2.479 | 1.468 | 1.265 | 1.152 | 1.096 | 1.066 | 1.043 | 1.030 | 1.024 | 1.017 | 1.013 | 1.009 | 1.008 | | | |
| 2011 | 2.580 | 1.470 | 1.248 | 1.145 | 1.095 | 1.058 | 1.041 | 1.028 | 1.018 | 1.015 | 1.011 | 1.009 | | | | |
| 2012 | 2.561 | 1.468 | 1.247 | 1.143 | 1.087 | 1.056 | 1.039 | 1.023 | 1.019 | 1.014 | 1.014 | | | | | |
| 2013 | 2.492 | 1.464 | 1.238 | 1.130 | 1.077 | 1.048 | 1.029 | 1.022 | 1.016 | 1.013 | | | | | | |
| 2014 | 2.518 | 1.462 | 1.226 | 1.121 | 1.076 | 1.043 | 1.033 | 1.022 | 1.017 | | | | | | | |
| 2015 | 2.533 | 1.439 | 1.216 | 1.111 | 1.062 | 1.044 | 1.029 | 1.023 | | | | | | | | |
| 2016 | 2.480 | 1.410 | 1.196 | 1.099 | 1.064 | 1.048 | 1.028 | | | | | | | | | |
| 2017 | 2.373 | 1.391 | 1.177 | 1.104 | 1.071 | 1.044 | | | | | | | | | | |
| 2018 | 2.378 | 1.378 | 1.197 | 1.105 | 1.073 | | | | | | | | | | | |
| 2019 | 2.347 | 1.428 | 1.218 | 1.123 | | | | | | | | | | | | |
| 2020 | 2.493 | 1.444 | 1.227 | | | | | | | | | | | | | |
| 2021 | 2.492 | 1.450 | | | | | | | | | | | | | | |
| 2022 | 2.618 | | | | | | | | | | | | | | | |
| **Selected (c)** | 2.618 | 1.450 | 1.224 | 1.120 | 1.070 | 1.042 | 1.028 | 1.018 | 1.015 | 1.013 | 1.011 | 1.010 | 1.010 | 1.009 | 1.009 | 1.008 |
| **Cumulative** | 7.766 | 2.966 | 2.046 | 1.671 | 1.492 | 1.395 | 1.338 | 1.274 | 1.252 | 1.234 | 1.218 | 1.204 | 1.193 | 1.181 | 1.170 | |

### Adjusted (b)

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2005 | | | | | | | | | | | | | | | | 1.008 |
| 2006 | | | | | | | | | | | | | | | 1.011 | 1.009 |
| 2007 | | | | | | | | | | | | | | 1.010 | 1.008 | 1.007 |
| 2008 | | | | | | | | | | | | | 1.010 | 1.009 | 1.007 | |
| 2009 | | | | | | | | | | | | 1.015 | 1.010 | 1.012 | | |
| 2010 | | | | | | | | | | | 1.014 | 1.009 | 1.009 | | | |
| 2011 | | | | | | | | | | 1.016 | 1.011 | 1.010 | | | | |
| 2012 | | | | | | | | | 1.020 | 1.015 | 1.014 | | | | | |
| 2013 | | | | | | | | 1.023 | 1.016 | 1.013 | | | | | | |
| 2014 | | | | | | | 1.033 | 1.021 | 1.017 | | | | | | | |
| 2015 | | | | | | 1.044 | 1.028 | 1.022 | | | | | | | | |
| 2016 | | | | | 1.063 | 1.047 | 1.028 | | | | | | | | | |
| 2017 | | | | 1.101 | 1.068 | 1.042 | | | | | | | | | | |
| 2018 | | | 1.192 | 1.101 | 1.070 | | | | | | | | | | | |
| 2019 | | 1.420 | 1.211 | 1.120 | | | | | | | | | | | | |
| 2020 | 2.468 | 1.436 | 1.224 | | | | | | | | | | | | | |
| 2021 | 2.490 | 1.450 | | | | | | | | | | | | | | |
| 2022 | 2.618 | | | | | | | | | | | | | | | |
| **Selected (c)** | 2.618 | 1.450 | 1.224 | 1.120 | 1.070 | 1.042 | 1.028 | 1.018 | 1.015 | 1.013 | 1.011 | 1.010 | 1.010 | 1.009 | 1.009 | 1.008 |
| **Cumulative** | 7.766 | 2.966 | 2.046 | 1.671 | 1.492 | 1.395 | 1.338 | 1.274 | 1.252 | 1.234 | 1.218 | 1.204 | 1.193 | 1.181 | 1.170 | |

(a) Paid medical loss development factors include the paid cost of medical cost containment programs for accident years 2011 and prior.

(b) These factors are adjusted for the impact of pharmaceutical cost reductions through 2018 and the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule in order to bring the historical payments to the current pharmaceutical and medical service cost level.

(c) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors.

**Paid Medical Loss Development Factors (Continued)**

### Unadjusted (a)

Age-to-Age (in months)

| Accident Year | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Pd (d) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | | | | | | | | | | 1.003 | 1.002 | 1.003 | 1.003 | 1.002 | 1.001 | 1.002 | 1.002 | 1.002 |
| 1984 | | | | | | | | | | | | | 1.004 | 1.004 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 |
| 1985 | | | | | | | | | | | | 1.004 | 1.003 | 1.003 | 1.003 | 1.004 | 1.002 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 |
| 1986 | | | | | | | | | 1.003 | 1.003 | 1.004 | 1.004 | 1.002 | 1.002 | 1.004 | 1.002 | 1.003 | 1.002 | 1.001 | 1.002 | 1.002 | | |
| 1987 | | | | | | | | 1.005 | 1.005 | 1.004 | 1.004 | 1.005 | 1.006 | 1.006 | 1.003 | 1.002 | 1.002 | 1.003 | 1.002 | 1.002 | | | |
| 1988 | | | | | | | | 1.005 | 1.005 | 1.005 | 1.005 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | | | | |
| 1989 | | | | | 1.005 | 1.005 | 1.007 | 1.006 | 1.004 | 1.005 | 1.003 | 1.003 | 1.004 | 1.004 | 1.003 | 1.002 | 1.002 | | | | | | |
| 1990 | | | | 1.006 | 1.008 | 1.006 | 1.004 | 1.003 | 1.003 | 1.003 | 1.002 | 1.003 | 1.003 | 1.003 | 1.001 | 1.002 | | | | | | | |
| 1991 | 1.007 | 1.006 | 1.005 | 1.005 | 1.006 | 1.006 | 1.003 | 1.003 | 1.002 | 1.003 | 1.004 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | |
| 1992 | 1.011 | 1.002 | 1.005 | 1.006 | 1.006 | 1.004 | 1.005 | 1.005 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | | | | | | | | | |
| 1993 | 1.011 | 1.009 | 1.010 | 1.006 | 1.008 | 1.007 | 1.005 | 1.006 | 1.004 | 1.004 | 1.006 | 1.002 | 1.002 | 1.002 | | | | | | | | | |
| 1994 | 1.013 | 1.016 | 1.010 | 1.013 | 1.009 | 1.008 | 1.007 | 1.004 | 1.004 | 1.008 | 1.004 | 1.004 | 1.003 | | | | | | | | | | |
| 1995 | 1.011 | 1.013 | 1.013 | 1.010 | 1.009 | 1.012 | 1.007 | 1.008 | 1.007 | 1.005 | 1.004 | 1.004 | | | | | | | | | | | |
| 1996 | 1.014 | 1.011 | 1.010 | 1.012 | 1.007 | 1.009 | 1.008 | 1.006 | 1.004 | 1.005 | 1.004 | | | | | | | | | | | | |
| 1997 | 1.014 | 1.011 | 1.011 | 1.009 | 1.007 | 1.007 | 1.006 | 1.004 | 1.004 | 1.004 | | | | | | | | | | | | | |
| 1998 | 1.013 | 1.010 | 1.009 | 1.008 | 1.009 | 1.007 | 1.006 | 1.005 | 1.006 | | | | | | | | | | | | | | |
| 1999 | 1.012 | 1.009 | 1.009 | 1.008 | 1.006 | 1.005 | 1.004 | 1.004 | | | | | | | | | | | | | | | |
| 2000 | 1.009 | 1.008 | 1.007 | 1.006 | 1.005 | 1.003 | 1.004 | | | | | | | | | | | | | | | | |
| 2001 | 1.010 | 1.010 | 1.009 | 1.005 | 1.004 | 1.004 | | | | | | | | | | | | | | | | | |
| 2002 | 1.009 | 1.008 | 1.008 | 1.004 | 1.004 | | | | | | | | | | | | | | | | | | |
| 2003 | 1.010 | 1.008 | 1.006 | 1.005 | | | | | | | | | | | | | | | | | | | |
| 2004 | 1.008 | 1.005 | 1.005 | | | | | | | | | | | | | | | | | | | | |
| 2005 | 1.006 | 1.005 | | | | | | | | | | | | | | | | | | | | | |
| 2006 | 1.006 | | | | | | | | | | | | | | | | | | | | | | |
| Selected (c) | 1.007 | 1.006 | 1.006 | 1.006 | 1.005 | 1.005 | 1.005 | 1.005 | 1.005 | 1.005 | 1.004 | 1.004 | 1.003 | 1.004 | 1.003 | 1.002 | 1.003 | 1.003 | 1.002 | 1.001 | 1.002 | 1.002 | |
| Cumulative | 1.161 | 1.153 | 1.145 | 1.138 | 1.132 | 1.127 | 1.121 | 1.116 | 1.110 | 1.104 | 1.098 | 1.094 | 1.090 | 1.087 | 1.085 | 1.081 | 1.080 | 1.077 | 1.074 | 1.072 | 1.070 | 1.068 | |

### Adjusted (b)

Age-to-Age (in months)

| Accident Year | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Pd (d) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | | | | | | | | | | | | | | | | | 1.002 | |
| 1984 | | | | | | | | | | | | | | | | | | | | | 1.001 | 1.001 | |
| 1985 | | | | | | | | | | | | | | | | | | | | 1.001 | 1.002 | 1.003 | |
| 1986 | | | | | | | | | | | | | | | | | | | 1.001 | 1.002 | 1.002 | | |
| 1987 | | | | | | | | | | | | | | | | | | 1.003 | 1.003 | 1.002 | | | |
| 1988 | | | | | | | | | | | | | | | | | 1.003 | 1.003 | 1.002 | | | | |
| 1989 | | | | | | | | | | | | | | | | 1.002 | 1.002 | 1.002 | | | | | |
| 1990 | | | | | | | | | | | | | | | 1.003 | 1.001 | 1.003 | | | | | | |
| 1991 | | | | | | | | | | | | | | 1.002 | 1.003 | 1.002 | | | | | | | |
| 1992 | | | | | | | | | | | | | 1.003 | 1.002 | 1.003 | | | | | | | | |
| 1993 | | | | | | | | | | | | 1.003 | 1.002 | 1.002 | | | | | | | | | |
| 1994 | | | | | | | | | | | 1.003 | 1.005 | 1.003 | | | | | | | | | | |
| 1995 | | | | | | | | | | 1.006 | 1.005 | 1.004 | | | | | | | | | | | |
| 1996 | | | | | | | | | 1.005 | 1.006 | 1.004 | | | | | | | | | | | | |
| 1997 | | | | | | | | 1.005 | 1.004 | 1.004 | | | | | | | | | | | | | |
| 1998 | | | | | | | 1.006 | 1.006 | 1.007 | | | | | | | | | | | | | | |
| 1999 | | | | | | 1.006 | 1.004 | 1.004 | | | | | | | | | | | | | | | |
| 2000 | | | | | 1.006 | 1.004 | 1.004 | | | | | | | | | | | | | | | | |
| 2001 | | | | 1.006 | 1.004 | 1.005 | | | | | | | | | | | | | | | | | |
| 2002 | | | 1.007 | 1.005 | 1.004 | | | | | | | | | | | | | | | | | | |
| 2003 | | 1.009 | 1.005 | 1.006 | | | | | | | | | | | | | | | | | | | |
| 2004 | 1.008 | 1.006 | 1.006 | | | | | | | | | | | | | | | | | | | | |
| 2005 | 1.007 | 1.005 | | | | | | | | | | | | | | | | | | | | | |
| 2006 | 1.007 | | | | | | | | | | | | | | | | | | | | | | |
| Selected (c) | 1.007 | 1.007 | 1.006 | 1.006 | 1.005 | 1.005 | 1.005 | 1.005 | 1.005 | 1.005 | 1.004 | 1.004 | 1.003 | 1.002 | 1.003 | 1.002 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | |
| Cumulative | 1.161 | 1.153 | 1.145 | 1.138 | 1.132 | 1.127 | 1.121 | 1.116 | 1.110 | 1.104 | 1.098 | 1.094 | 1.090 | 1.087 | 1.085 | 1.081 | 1.080 | 1.077 | 1.074 | 1.072 | 1.070 | 1.068 | 1.066 |

(d) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 adjusted factors and extrapolated to 80 development years.

**Selected Indemnity Development Factors - Paid to Ultimate**

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1996 | | | | | | | | | | | | | | 1.006 | 1.004 | 1.004 | 1.005 | 1.004 | 1.003 | 1.003 | 1.002 |
| 1997 | | | | | | | | | | | | | 1.007 | 1.006 | 1.006 | 1.005 | 1.004 | 1.003 | 1.002 | 1.002 | 1.003 |
| 1998 | | | | | | | | | | | | | 1.009 | 1.007 | 1.006 | 1.006 | 1.006 | 1.004 | 1.003 | 1.003 | 1.003 |
| 1999 | | | | | | | | | | | 1.011 | 1.009 | 1.008 | 1.007 | 1.006 | 1.004 | 1.004 | 1.003 | 1.003 | 1.003 | 1.002 |
| 2000 | | | | | | | | | | 1.013 | 1.010 | 1.009 | 1.008 | 1.007 | 1.005 | 1.004 | 1.004 | 1.004 | 1.003 | 1.002 | 1.002 |
| 2001 | | | | | | | | | 1.017 | 1.014 | 1.012 | 1.009 | 1.008 | 1.007 | 1.006 | 1.005 | 1.005 | 1.005 | 1.004 | 1.003 | 1.002 |
| 2002 | | | | | | | | 1.020 | 1.018 | 1.015 | 1.014 | 1.011 | 1.008 | 1.006 | 1.006 | 1.005 | 1.004 | 1.004 | 1.003 | 1.003 | 1.002 |
| 2003 | | | | | | | 1.030 | 1.026 | 1.023 | 1.021 | 1.015 | 1.008 | 1.009 | 1.008 | 1.007 | 1.007 | 1.007 | 1.004 | 1.003 | 1.003 | |
| 2004 | | | | | | 1.049 | 1.041 | 1.035 | 1.030 | 1.020 | 1.015 | 1.012 | 1.009 | 1.008 | 1.009 | 1.006 | 1.004 | 1.005 | 1.003 | | |
| 2005 | | | | | | 1.060 | 1.047 | 1.042 | 1.028 | 1.020 | 1.016 | 1.011 | 1.010 | 1.010 | 1.010 | 1.005 | 1.005 | 1.003 | | | |
| 2006 | | | | 1.135 | 1.079 | 1.068 | 1.050 | 1.035 | 1.026 | 1.018 | 1.016 | 1.013 | 1.011 | 1.009 | 1.007 | 1.006 | 1.005 | | | | |
| 2007 | | | 1.246 | 1.140 | 1.090 | 1.066 | 1.046 | 1.033 | 1.027 | 1.020 | 1.015 | 1.013 | 1.013 | 1.007 | 1.006 | 1.005 | | | | | |
| 2008 | | 1.577 | 1.271 | 1.150 | 1.092 | 1.060 | 1.041 | 1.027 | 1.023 | 1.018 | 1.013 | 1.010 | 1.009 | 1.007 | 1.006 | | | | | | |
| 2009 | 3.069 | 1.616 | 1.280 | 1.156 | 1.092 | 1.061 | 1.043 | 1.031 | 1.023 | 1.019 | 1.011 | 1.013 | 1.010 | 1.008 | | | | | | | |
| 2010 | 3.157 | 1.628 | 1.281 | 1.147 | 1.091 | 1.060 | 1.038 | 1.027 | 1.021 | 1.013 | 1.012 | 1.012 | 1.007 | | | | | | | | |
| 2011 | 3.208 | 1.613 | 1.266 | 1.144 | 1.087 | 1.056 | 1.041 | 1.026 | 1.016 | 1.016 | 1.010 | 1.007 | | | | | | | | | |
| 2012 | 3.137 | 1.597 | 1.262 | 1.137 | 1.087 | 1.051 | 1.034 | 1.023 | 1.017 | 1.014 | 1.007 | | | | | | | | | | |
| 2013 | 3.169 | 1.606 | 1.260 | 1.129 | 1.072 | 1.044 | 1.028 | 1.020 | 1.014 | 1.011 | | | | | | | | | | | |
| 2014 | 3.229 | 1.635 | 1.257 | 1.129 | 1.071 | 1.039 | 1.027 | 1.018 | 1.017 | | | | | | | | | | | | |
| 2015 | 3.278 | 1.618 | 1.244 | 1.119 | 1.058 | 1.042 | 1.026 | 1.018 | | | | | | | | | | | | | |
| 2016 | 3.235 | 1.586 | 1.230 | 1.103 | 1.060 | 1.043 | 1.028 | | | | | | | | | | | | | | |
| 2017 | 3.185 | 1.569 | 1.210 | 1.109 | 1.064 | 1.041 | | | | | | | | | | | | | | | |
| 2018 | 3.110 | 1.526 | 1.222 | 1.111 | 1.071 | | | | | | | | | | | | | | | | |
| 2019 | 3.063 | 1.549 | 1.238 | 1.122 | | | | | | | | | | | | | | | | | |
| 2020 | 2.958 | 1.540 | 1.240 | | | | | | | | | | | | | | | | | | |
| 2021 | 2.937 | 1.530 | | | | | | | | | | | | | | | | | | | |
| 2022 | 2.952 | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | |
| Selected (a) | 2.952 | 1.530 | 1.240 | 1.122 | 1.071 | 1.041 | 1.028 | 1.018 | 1.016 | 1.014 | 1.011 | 1.011 | 1.009 | 1.007 | 1.006 | 1.005 | 1.005 | 1.004 | 1.003 | 1.003 | 1.002 |
| Cumulative | 8.252 | 2.795 | 1.827 | 1.473 | 1.313 | 1.226 | 1.178 | 1.146 | 1.125 | 1.108 | 1.093 | 1.081 | 1.069 | 1.060 | 1.052 | 1.046 | 1.040 | 1.035 | 1.031 | 1.028 | 1.025 |

(a) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year averages for the subsequent paid age-to-age factors.

**Selected Indemnity Development Factors - Paid to Ultimate (Continued)**

Age-to-Age (in months)

| Accident Year | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Pd (c) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | |
| 1984 | | | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | 1.000 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | |
| 1985 | | | | 1.001 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 1986 | | | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | | |
| 1987 | | 1.001 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | | | |
| 1988 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 1989 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | |
| 1990 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | | | | | | |
| 1991 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | | | | | | | |
| 1992 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | | | | | | | | |
| 1993 | 1.001 | 1.002 | 1.001 | 1.001 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | | | | | | | | | |
| 1994 | 1.002 | 1.002 | 1.001 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | | | | | | | | | | |
| 1995 | 1.002 | 1.002 | 1.003 | 1.002 | 1.002 | 1.001 | 1.001 | | | | | | | | | | | |
| 1996 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | |
| 1997 | 1.003 | 1.003 | 1.002 | 1.001 | 1.001 | | | | | | | | | | | | | |
| 1998 | 1.003 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | | | |
| 1999 | 1.002 | 1.002 | 1.001 | | | | | | | | | | | | | | | |
| 2000 | 1.002 | 1.002 | | | | | | | | | | | | | | | | |
| 2001 | 1.002 | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| Unadjusted (a) | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.009 |
| Selected (b) | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.007 |
| Cumulative | 1.023 | 1.021 | 1.019 | 1.017 | 1.016 | 1.014 | 1.013 | 1.012 | 1.011 | 1.010 | 1.009 | 1.009 | 1.009 | 1.008 | 1.008 | 1.007 | 1.007 | 1.007 |

(b) Adjusted for the impact of changes in claim settlement rates on later period development for 312 months and later. See Exhibits 2.5.3 through 2.5.6.

(c) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 factors and extrapolated to 80 development years.

**Paid Loss Development Factors**
**Adjusted for the Impact of Claim Settlement Rate**
**Changes on Later Period Development**

1.  Reported Closed Indemnity Claim Counts

| Accident | Evaluated as of (in months) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Year | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 | 420 |
| 1989 | | | | | | | 210,991 | 211,046 | 211,039 | 211,073 |
| 1990 | | | | | | 230,974 | 231,050 | 231,101 | 231,122 | |
| 1991 | | | | | 231,397 | 231,477 | 231,519 | 231,570 | | |
| 1992 | | | | 182,246 | 182,323 | 182,381 | 182,412 | | | |
| 1993 | | | 142,787 | 142,863 | 142,905 | 142,922 | | | | |
| 1994 | | 130,048 | 130,156 | 130,206 | 130,240 | | | | | |
| 1995 | 120,898 | 120,987 | 121,056 | 121,110 | | | | | | |
| 1996 | 115,312 | 115,380 | 115,437 | | | | | | | |
| 1997 | 121,580 | 121,683 | | | | | | | | |
| 1998 | 131,865 | | | | | | | | | |
| 1999 | | | | | | | | | | |

2.  Ult. Claim Counts (a)

| Accident Year | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 | 1992 | 1991 | 1990 | 1989 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 132,924 | 122,475 | 116,063 | 121,667 | 130,698 | 143,303 | 182,773 | 231,965 | 231,400 | 211,398 |

3. Ultimate Indemnity Claim Settlement Ratio (b)

| Accident | Evaluated as of (in months) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Year | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 | 420 |
| 1989 | | | | | | | 99.8% | 99.8% | 99.8% | 99.8% |
| 1990 | | | | | | 99.8% | 99.8% | 99.9% | 99.9% | |
| 1991 | | | | | 99.8% | 99.8% | 99.8% | 99.8% | | |
| 1992 | | | | 99.7% | 99.8% | 99.8% | 99.8% | | | |
| 1993 | | | 99.6% | 99.7% | 99.7% | 99.7% | | | | |
| 1994 | | 99.5% | 99.6% | 99.6% | 99.6% | | | | | |
| 1995 | 99.4% | 99.4% | 99.5% | 99.5% | | | | | | |
| 1996 | 99.4% | 99.4% | 99.5% | | | | | | | |
| 1997 | 99.3% | 99.4% | | | | | | | | |
| 1998 | 99.2% | | | | | | | | | |

(a)  Based on the latest year age-to-age development in indemnity claim counts. See Exhibit 2.5.3.
(b)  Ratio of closed indemnity claim counts (Item 1) to the estimated ultimate indemnity claim counts (Item 2) for that accident year.

Source:  Accident year experience of insurers with available claim count data

**Paid Loss Development Factors**
**Adjusted for the Impact of Claim Settlement Rate**
**Changes on Later Period Development**

4. Ratio of Incremental Closed Indemnity Claims to Estimated Prior Open Indemnity Claims (c)

| Accident Year | \_\_\_\_\_ Evaluated as of (in months) \_\_\_\_\_ | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
| 1989 | | | | | | | | 13.5% | -2.0% | 9.5% |
| 1990 | | | | | | | 17.8% | 14.6% | 7.0% | |
| 1991 | | | | | | 14.1% | 8.6% | 11.4% | | |
| 1992 | | | | | 14.6% | 12.9% | 7.9% | | | |
| 1993 | | | | 14.7% | 9.5% | 4.3% | | | | |
| 1994 | | | 16.6% | 9.2% | 6.9% | | | | | |
| 1995 | | 11.6% | 10.1% | 8.8% | | | | | | |
| 1996 | 14.6% | 9.0% | 8.3% | | | | | | | |
| 1997 | 10.0% | 11.5% | | | | | | | | |
| 1998 | 7.5% | | | | | | | | | |
| 1999 | | | | | | | | | | |
| | | | | | | | | | | |
| 3-Year Average | 10.7% | 10.7% | 11.7% | 10.9% | 10.4% | 10.4% | 11.4% | 13.2% | 2.5% | |
| | | | | | | | | | | |
| Share of Open on Prior (d) | 89.3% | 89.3% | 88.3% | 89.1% | 89.6% | 89.6% | 88.6% | 86.8% | 97.5% | |

5. Projected Open + IBNR Indemnity Claim Counts (e)

| Accident Year | \_\_\_\_\_ Evaluated as of (in months) \_\_\_\_\_ | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 |
| 1989 | | | | | | | | | |
| 1990 | | | | | | | | | *278* |
| 1991 | | | | | | | | *395* | 385 |
| 1992 | | | | | | | *361* | 314 | 306 |
| 1993 | | | | | | *381* | 337 | 293 | 286 |
| 1994 | | | | | *458* | 410 | 363 | 316 | 308 |
| 1995 | | | | *557* | 499 | 447 | 396 | 344 | 335 |
| 1996 | | | *626* | 557 | 499 | 447 | 396 | 344 | 335 |
| 1997 | | *792* | 699 | 623 | 558 | 500 | 443 | 385 | 375 |
| 1998 | *1,059* | 946 | 835 | 744 | 667 | 598 | 529 | 459 | 448 |
| 1999 | 1,003 | 896 | 791 | 705 | 632 | 566 | 501 | 435 | 424 |
| … | | | | | | | | | |
| 2022 | 664 | 593 | 523 | 466 | 418 | 374 | 332 | 288 | 281 |
| 2023 | 686 | 612 | 541 | 482 | 432 | 387 | 343 | 297 | 290 |

(c) Equal to [the difference in ultimate indemnity claim settlement ratios from the prior evaluation (Item 3)] divided by
[1.0 less the ultimate indemnity claim settlement ratio from the prior evaluation].

(d) Equal to 1.0 minus the selected ratio of incremental closed indemnity claims to prior open indemnity claims from Item 4.

(e) The italicized diagonal is equal to the Ultimate Indemnity Claim Counts (Item 2) less the Reported Closed Indemnity
Claim Counts (Item 1) as of the latest evaluation. The remaining figures are projected based on the italicized diagonal and
the Share of Open on Prior from Item 4.

Source: Accident year experience of insurers with available claim count data

**Paid Loss Development Factors**
**Adjusted for the Impact of Claim Settlement Rate**
**Changes on Later Period Development**

6. Ratio of Projected Open Claim Counts to Ultimate Claim Counts (f)

| Accident Year | \_\_\_\_Evaluated as of (in months)\_\_\_\_ | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 |
| 1989 | | | | | | | | *0.2%* | *0.2%* |
| 1990 | | | | | | | *0.2%* | *0.1%* | *0.1%* |
| 1991 | | | | | | *0.2%* | *0.2%* | *0.2%* | 0.2% |
| 1992 | | | | | *0.2%* | *0.2%* | *0.2%* | 0.2% | 0.2% |
| 1993 | | | | *0.3%* | *0.3%* | *0.3%* | 0.2% | 0.2% | 0.2% |
| 1994 | | | *0.4%* | *0.4%* | *0.4%* | 0.3% | 0.3% | 0.2% | 0.2% |
| 1995 | | *0.6%* | *0.5%* | *0.5%* | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% |
| 1996 | *0.6%* | *0.6%* | *0.5%* | 0.5% | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% |
| 1997 | *0.7%* | *0.6%* | 0.6% | 0.5% | 0.5% | 0.4% | 0.4% | 0.3% | 0.3% |
| 1998 | *0.8%* | 0.7% | 0.6% | 0.6% | 0.5% | 0.4% | 0.4% | 0.3% | 0.3% |
| 1999 | 0.7% | 0.7% | 0.6% | 0.5% | 0.5% | 0.4% | 0.4% | 0.3% | 0.3% |
| … | | | | | | | | | |
| 2022 | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% |
| 2023 | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% |
| | | | | | | | | | |
| 3-Year Historical Avg. | *0.7%* | *0.6%* | *0.5%* | *0.4%* | *0.3%* | *0.2%* | *0.2%* | *0.2%* | *0.1%* |

7. Ratio of Projected Percent Open to Historical Percent Open (g)

| Accident Year | \_\_\_\_Evaluated as of (in months)\_\_\_\_ | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 |
| 1989 | | | | | | | | | |
| 1990 | | | | | | | | | |
| 1991 | | | | | | | | | 1.15 |
| 1992 | | | | | | | | 1.11 | 1.15 |
| 1993 | | | | | | | 1.30 | 1.32 | 1.37 |
| 1994 | | | | | | 1.36 | 1.54 | 1.55 | 1.62 |
| 1995 | | | | | 1.41 | 1.60 | 1.80 | 1.82 | 1.90 |
| 1996 | | | | 1.26 | 1.48 | 1.67 | 1.89 | 1.91 | 1.99 |
| 1997 | | | 1.18 | 1.34 | 1.56 | 1.77 | 2.00 | 2.02 | 2.11 |
| 1998 | | 1.19 | 1.29 | 1.47 | 1.72 | 1.95 | 2.21 | 2.22 | 2.32 |
| 1999 | 1.03 | 1.11 | 1.21 | 1.38 | 1.61 | 1.83 | 2.06 | 2.08 | 2.17 |
| … | | | | | | | | | |
| 2022 | 0.57 | 0.62 | 0.67 | 0.76 | 0.89 | 1.01 | 1.14 | 1.15 | 1.21 |
| 2023 | 0.57 | 0.62 | 0.67 | 0.77 | 0.90 | 1.02 | 1.15 | 1.16 | 1.21 |

(f) Equal to the Projected Open + IBNR Indemnity Claim Counts (Item 5) divided by the Ultimate Indemnity Claim Counts (Item 2).
   The italicized diagonals are based on historical data while the remaining figures are projections.
(g) Equal to the Ratio of Projected Open Claim Counts to Ultimate Claim Counts (Item 6) divided by the three-year historical average.

   Source: Accident year experience of insurers with available claim count data

**Paid Loss Development Factors**
**Adjusted for the Impact of Claim Settlement Rate**
**Changes on Later Period Development**

| | Age-to-Age Paid Development (in months): | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Age | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |

8. 3-Year Average (h)

| | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|
| Indemnity | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 |
| Medical | 1.005 | 1.004 | 1.004 | 1.003 | 1.002 | 1.003 | 1.002 | 1.003 | 1.003 |

9. Adjustment Ratio (i)

| | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|
| Accident Year 2022 | 0.83 | 0.85 | 0.87 | 0.91 | 0.96 | 1.00 | 1.06 | 1.06 | 1.08 |
| Accident Year 2023 | 0.83 | 0.85 | 0.87 | 0.91 | 0.96 | 1.01 | 1.06 | 1.06 | 1.08 |

10. Adjusted Factors (j)

| | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|
| **Indemnity** | | | | | | | | | |
| Accident Year 2022 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 |
| Accident Year 2023 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 |
| **Medical** | | | | | | | | | |
| Accident Year 2022 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.003 | 1.002 | 1.003 | 1.003 |
| Accident Year 2023 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.003 | 1.002 | 1.003 | 1.003 |

(h) Indemnity development factors are from Exhibit 2.3.2. Medical development factors are from Exhibit 2.4.2 and include adjustments for changes in pharmaceutical costs and the 2021 medical fee schedule updates.

(i) Equal to the Ratio of Projected Percent Open to Historical Percent Open (Item 7) for the given accident year, with the difference from 1.0 adjusted by 40% to reflect the estimated impact of claim settlement rate changes on later period development.

(j) Equal to the [three year average factors (Item 8) - 1.0] multiplied by the Adjustment Ratio (Item 9), and adding 1.0.

Source: Accident year experience of insurers with available claim count data

## Selected Medical Development Factors - Paid to Ultimate

### Unadjusted (a)

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1996 | | | | | | | | | | | | 1.021 | | 1.018 | 1.016 | 1.013 | 1.014 | 1.013 | 1.011 | 1.009 | 1.007 |
| 1997 | | | | | | | | | | | | 1.025 | | 1.016 | 1.014 | 1.014 | 1.014 | 1.011 | 1.006 | 1.006 | 1.007 |
| 1998 | | | | | | | | | | | | 1.020 | 1.019 | 1.019 | 1.015 | 1.017 | 1.013 | 1.010 | 1.009 | 1.008 | 1.009 |
| 1999 | | | | | | | | | | | | 1.022 | 1.019 | 1.016 | 1.018 | 1.015 | 1.012 | 1.009 | 1.009 | 1.008 | 1.006 |
| 2000 | | | | | | | | | | 1.027 | 1.025 | 1.023 | 1.016 | 1.017 | 1.013 | 1.010 | 1.009 | 1.008 | 1.007 | 1.006 | 1.005 |
| 2001 | | | | | | | | | | 1.030 | 1.023 | 1.019 | 1.020 | 1.012 | 1.012 | 1.011 | 1.010 | 1.010 | 1.009 | 1.005 | 1.004 |
| 2002 | | | | | | | | 1.034 | 1.034 | 1.024 | 1.022 | 1.018 | 1.022 | 1.012 | 1.011 | 1.010 | 1.009 | 1.008 | 1.006 | 1.004 | 1.004 |
| 2003 | | | | | | | 1.048 | 1.041 | 1.032 | 1.030 | 1.023 | 1.018 | 1.016 | 1.013 | 1.012 | 1.010 | 1.010 | 1.008 | 1.004 | 1.005 | |
| 2004 | | | | | | 1.070 | 1.055 | 1.040 | 1.030 | 1.034 | 1.026 | 1.019 | 1.015 | 1.012 | 1.013 | 1.009 | 1.008 | 1.005 | 1.005 | | |
| 2005 | | | | | 1.095 | 1.073 | 1.054 | 1.049 | 1.036 | 1.031 | 1.024 | 1.015 | 1.014 | 1.013 | 1.012 | 1.008 | 1.006 | 1.005 | | | |
| 2006 | | | | 1.140 | 1.099 | 1.068 | 1.056 | 1.042 | 1.038 | 1.025 | 1.021 | 1.012 | 1.014 | 1.011 | 1.010 | 1.008 | 1.006 | | | | |
| 2007 | | | 1.230 | 1.142 | 1.097 | 1.075 | 1.057 | 1.041 | 1.031 | 1.022 | 1.020 | 1.014 | 1.012 | 1.009 | 1.007 | 1.006 | | | | | |
| 2008 | 2.408 | 1.421 | 1.241 | 1.148 | 1.103 | 1.072 | 1.051 | 1.035 | 1.027 | 1.018 | 1.020 | 1.013 | 1.009 | 1.008 | 1.006 | | | | | | |
| 2009 | 2.479 | 1.447 | 1.251 | 1.160 | 1.104 | 1.067 | 1.046 | 1.032 | 1.024 | 1.019 | 1.017 | 1.011 | 1.009 | 1.011 | | | | | | | |
| 2010 | 2.580 | 1.468 | 1.265 | 1.152 | 1.096 | 1.066 | 1.043 | 1.030 | 1.024 | 1.017 | 1.013 | 1.009 | 1.008 | | | | | | | | |
| 2011 | 2.561 | 1.470 | 1.248 | 1.145 | 1.095 | 1.058 | 1.041 | 1.028 | 1.018 | 1.015 | 1.011 | 1.009 | | | | | | | | | |
| 2012 | 2.492 | 1.468 | 1.247 | 1.143 | 1.087 | 1.056 | 1.039 | 1.023 | 1.019 | 1.014 | 1.014 | | | | | | | | | | |
| 2013 | 2.492 | 1.464 | 1.238 | 1.130 | 1.077 | 1.048 | 1.033 | 1.022 | 1.016 | 1.013 | | | | | | | | | | | |
| 2014 | 2.518 | 1.462 | 1.226 | 1.121 | 1.076 | 1.043 | 1.029 | 1.022 | 1.017 | | | | | | | | | | | | |
| 2015 | 2.533 | 1.439 | 1.218 | 1.111 | 1.062 | 1.044 | 1.029 | 1.023 | | | | | | | | | | | | | |
| 2016 | 2.480 | 1.410 | 1.196 | 1.099 | 1.064 | 1.048 | 1.028 | | | | | | | | | | | | | | |
| 2017 | 2.373 | 1.391 | 1.177 | 1.104 | 1.071 | 1.044 | | | | | | | | | | | | | | | |
| 2018 | 2.378 | 1.378 | 1.197 | 1.105 | 1.073 | | | | | | | | | | | | | | | | |
| 2019 | 2.347 | 1.428 | 1.218 | 1.123 | | | | | | | | | | | | | | | | | |
| 2020 | 2.493 | 1.444 | 1.227 | | | | | | | | | | | | | | | | | | |
| 2021 | 2.492 | 1.450 | | | | | | | | | | | | | | | | | | | |
| 2022 | 2.618 | | | | | | | | | | | | | | | | | | | | |

### Adjusted (a)(b)

Age-to-Age (in months)

| Accident Year | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2000 | | | | | | | | | | | | | | | | | | | | | 1.006 |
| 2001 | | | | | | | | | | | | | | | | | | | | 1.006 | 1.004 |
| 2002 | | | | | | | | | | | | | | | | | | | 1.007 | 1.005 | 1.004 |
| 2003 | | | | | | | | | | | | | | | | | | 1.009 | 1.005 | 1.006 | |
| 2004 | | | | | | | | | | | | | | | | | 1.008 | 1.006 | 1.006 | | |
| 2005 | | | | | | | | | | | | | | | | 1.008 | 1.007 | 1.005 | | | |
| 2006 | | | | | | | | | | | | | | | 1.011 | 1.009 | 1.007 | | | | |
| 2007 | | | | | | | | | | | | | | 1.010 | 1.008 | 1.007 | | | | | |
| 2008 | | | | | | | | | | | | | 1.010 | 1.009 | 1.007 | | | | | | |
| 2009 | | | | | | | | | | | | 1.015 | 1.010 | 1.012 | | | | | | | |
| 2010 | | | | | | | | | | | 1.014 | 1.009 | 1.009 | | | | | | | | |
| 2011 | | | | | | | | | | 1.016 | 1.011 | 1.010 | | | | | | | | | |
| 2012 | | | | | | | | | 1.020 | 1.015 | 1.014 | | | | | | | | | | |
| 2013 | | | | | | | | 1.023 | 1.016 | 1.013 | | | | | | | | | | | |
| 2014 | | | | | | | 1.033 | 1.021 | 1.017 | | | | | | | | | | | | |
| 2015 | | | | | | 1.044 | 1.028 | 1.022 | | | | | | | | | | | | | |
| 2016 | | | | | 1.063 | 1.047 | 1.028 | | | | | | | | | | | | | | |
| 2017 | | | | 1.101 | 1.068 | 1.042 | | | | | | | | | | | | | | | |
| 2018 | | | 1.192 | 1.101 | 1.070 | | | | | | | | | | | | | | | | |
| 2019 | | 1.420 | 1.211 | 1.120 | | | | | | | | | | | | | | | | | |
| 2020 | 2.468 | 1.436 | 1.224 | | | | | | | | | | | | | | | | | | |
| 2021 | 2.490 | 1.450 | | | | | | | | | | | | | | | | | | | |
| 2022 | 2.618 | | | | | | | | | | | | | | | | | | | | |

| | 24/12 | 36/24 | 48/36 | 60/48 | 72/60 | 84/72 | 96/84 | 108/96 | 120/108 | 132/120 | 144/132 | 156/144 | 168/156 | 180/168 | 192/180 | 204/192 | 216/204 | 228/216 | 240/228 | 252/240 | 264/252 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Selected (c) | 2.618 | 1.450 | 1.224 | 1.120 | 1.070 | 1.042 | 1.028 | 1.022 | 1.018 | 1.015 | 1.013 | 1.011 | 1.010 | 1.010 | 1.009 | 1.008 | 1.007 | 1.007 | 1.006 | 1.006 | 1.005 |
| Cumulative | 7.630 | 2.914 | 2.010 | 1.642 | 1.466 | 1.370 | 1.315 | 1.279 | 1.252 | 1.230 | 1.212 | 1.197 | 1.183 | 1.172 | 1.160 | 1.150 | 1.141 | 1.133 | 1.125 | 1.118 | 1.112 |

(a) Paid medical loss development factors include the paid cost of medical cost containment programs for accident years 2011 and prior.

(b) These factors are adjusted for the impact of pharmaceutical cost reductions through 2018 and the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule in order to bring the historical payments to the current pharmaceutical and medical service cost level.

(c) Selections are latest year for the 12-to-24 month through 96-to-108 month factors and three-year averages for the subsequent paid age-to-age factors.

**Selected Medical Development Factors - Paid to Ultimate (Continued)**

Age-to-Age (in months)

| Accident Year | 276/264 | 288/276 | 300/288 | 312/300 | 324/312 | 336/324 | 348/336 | 360/348 | 372/360 | 384/372 | 396/384 | 408/396 | 420/408 | 432/420 | 444/432 | 456/444 | 468/456 | ULT/468Pd (e) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1983 | | | | | | | | | | | | | | | | | 1.002 | |
| 1984 | | | | | | | | | | | | | | | | 1.001 | 1.001 | |
| 1985 | | | | | | | | | | | | | | | 1.001 | 1.002 | 1.003 | |
| 1986 | | | | | | | | | | | | | | 1.001 | 1.002 | 1.002 | | |
| 1987 | | | | | | | | | | | | | 1.003 | 1.003 | 1.002 | | | |
| 1988 | | | | | | | | | | | | 1.003 | 1.003 | 1.002 | | | | |
| 1989 | | | | | | | | | | | 1.002 | 1.002 | 1.002 | | | | | |
| 1990 | | | | | | | | | | 1.003 | 1.001 | 1.003 | | | | | | |
| 1991 | | | | | | | | | 1.002 | 1.003 | 1.002 | | | | | | | |
| 1992 | | | | | | | | 1.003 | 1.002 | 1.003 | | | | | | | | |
| 1993 | | | | | | | 1.003 | 1.002 | 1.002 | | | | | | | | | |
| 1994 | | | | | | 1.004 | 1.005 | 1.003 | | | | | | | | | | |
| 1995 | | | | | 1.006 | 1.004 | 1.004 | | | | | | | | | | | |
| 1996 | | | | 1.005 | 1.006 | 1.004 | | | | | | | | | | | | |
| 1997 | | | 1.005 | 1.004 | 1.004 | | | | | | | | | | | | | |
| 1998 | | 1.006 | 1.006 | 1.007 | | | | | | | | | | | | | | |
| 1999 | 1.006 | 1.004 | 1.004 | | | | | | | | | | | | | | | |
| 2000 | 1.004 | 1.004 | | | | | | | | | | | | | | | | |
| 2001 | 1.005 | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| Unadjusted (c) | 1.005 | 1.005 | 1.005 | 1.005 | 1.005 | 1.004 | 1.004 | 1.003 | 1.002 | 1.003 | 1.002 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.066 |
| Selected (d) | 1.005 | 1.005 | 1.005 | 1.005 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.003 | 1.002 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.047 |
| Cumulative | 1.107 | 1.101 | 1.096 | 1.091 | 1.085 | 1.080 | 1.077 | 1.073 | 1.070 | 1.068 | 1.065 | 1.063 | 1.060 | 1.057 | 1.054 | 1.052 | 1.049 | 1.047 |

(d) Adjusted for the impact of changes in claim settlement rates on later period development for 312 months and later. See Exhibits 2.5.3 through 2.5.6.
(e) The ULT/468Pd tail factor was calculated based on an inverse power curve fit to a four-year average of the 108-to-120 through 348-to-360 factors and extrapolated to 80 development years.

**Developed Indemnity Loss Ratios Using Selected Loss Development Factors**
**Based on Experience as of December 31, 2023**

| | | Development Factors | | |
| | (1) | (2) | (3) | (4) |
| Accident Year | Paid Loss Ratio (a) | Annual (b) | Cumulative | Projected Ultimate Loss Ratio |
| | | | | (4) = (1) x (3) |
| 1987 | 0.345 | 1.000 | 1.007 | 0.348 |
| 1988 | 0.330 | 1.001 | 1.008 | 0.333 |
| 1989 | 0.343 | 1.000 | 1.008 | 0.345 |
| 1990 | 0.397 | 1.000 | 1.009 | 0.401 |
| 1991 | 0.424 | 1.000 | 1.009 | 0.428 |
| 1992 | 0.349 | 1.000 | 1.009 | 0.352 |
| 1993 | 0.286 | 1.001 | 1.010 | 0.289 |
| 1994 | 0.325 | 1.001 | 1.011 | 0.329 |
| 1995 | 0.469 | 1.001 | 1.012 | 0.474 |
| 1996 | 0.526 | 1.001 | 1.013 | 0.533 |
| 1997 | 0.595 | 1.001 | 1.014 | 0.604 |
| 1998 | 0.645 | 1.002 | 1.016 | 0.655 |
| 1999 | 0.675 | 1.002 | 1.017 | 0.687 |
| 2000 | 0.584 | 1.002 | 1.019 | 0.595 |
| 2001 | 0.484 | 1.002 | 1.021 | 0.494 |
| 2002 | 0.360 | 1.002 | 1.023 | 0.369 |
| 2003 | 0.238 | 1.002 | 1.025 | 0.244 |
| 2004 | 0.141 | 1.003 | 1.028 | 0.145 |
| 2005 | 0.121 | 1.003 | 1.031 | 0.125 |
| 2006 | 0.156 | 1.004 | 1.035 | 0.161 |
| 2007 | 0.214 | 1.005 | 1.040 | 0.222 |
| 2008 | 0.269 | 1.005 | 1.046 | 0.281 |
| 2009 | 0.313 | 1.006 | 1.052 | 0.330 |
| 2010 | 0.299 | 1.007 | 1.060 | 0.317 |
| 2011 | 0.275 | 1.009 | 1.069 | 0.294 |
| 2012 | 0.244 | 1.011 | 1.081 | 0.264 |
| 2013 | 0.205 | 1.011 | 1.093 | 0.224 |
| 2014 | 0.192 | 1.014 | 1.108 | 0.213 |
| 2015 | 0.185 | 1.016 | 1.125 | 0.208 |
| 2016 | 0.173 | 1.018 | 1.146 | 0.198 |
| 2017 | 0.172 | 1.028 | 1.178 | 0.203 |
| 2018 | 0.177 | 1.041 | 1.226 | 0.217 |
| 2019 | 0.194 | 1.071 | 1.313 | 0.255 |
| 2020 | 0.182 | 1.122 | 1.473 | 0.269 |
| 2021 | 0.170 | 1.240 | 1.827 | 0.311 |
| 2022 | 0.111 | 1.530 | 2.795 | 0.311 |
| 2023 | 0.039 | 2.952 | 8.252 | 0.318 |

(a)     Based on Exhibit 1.
(b)     See Exhibits 2.5.1 and 2.5.2.

**Developed Medical Loss Ratios Using Selected Loss Development Factors**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) |
|---|---|---|---|---|---|---|
| | | | | Reform Adjusted | | |
| | | | Development Factors | | | |
| Accident Year | Paid Loss Ratio (a) | Adjusted Paid Loss Ratio (b) | Annual (c) | Cumulative (c) | Adjusted Developed Loss Ratio (d) (2) x (4) | Projected Ultimate Loss Ratio (1) + ((5) - (2)) |
| 1987 | 0.308 | 0.273 | 1.002 | 1.052 | 0.287 | 0.322 |
| 1988 | 0.301 | 0.267 | 1.002 | 1.054 | 0.281 | 0.315 |
| 1989 | 0.320 | 0.284 | 1.003 | 1.057 | 0.300 | 0.336 |
| 1990 | 0.362 | 0.321 | 1.003 | 1.060 | 0.340 | 0.381 |
| 1991 | 0.378 | 0.336 | 1.003 | 1.063 | 0.357 | 0.400 |
| 1992 | 0.313 | 0.278 | 1.002 | 1.065 | 0.297 | 0.332 |
| 1993 | 0.258 | 0.229 | 1.003 | 1.068 | 0.245 | 0.273 |
| 1994 | 0.296 | 0.263 | 1.002 | 1.070 | 0.282 | 0.315 |
| 1995 | 0.437 | 0.389 | 1.002 | 1.073 | 0.417 | 0.465 |
| 1996 | 0.468 | 0.416 | 1.003 | 1.077 | 0.448 | 0.499 |
| 1997 | 0.523 | 0.466 | 1.003 | 1.080 | 0.503 | 0.561 |
| 1998 | 0.627 | 0.560 | 1.004 | 1.085 | 0.608 | 0.675 |
| 1999 | 0.683 | 0.610 | 1.005 | 1.091 | 0.665 | 0.738 |
| 2000 | 0.615 | 0.550 | 1.005 | 1.096 | 0.603 | 0.668 |
| 2001 | 0.543 | 0.487 | 1.005 | 1.101 | 0.537 | 0.592 |
| 2002 | 0.418 | 0.377 | 1.005 | 1.107 | 0.417 | 0.459 |
| 2003 | 0.267 | 0.242 | 1.005 | 1.112 | 0.269 | 0.294 |
| 2004 | 0.180 | 0.163 | 1.006 | 1.118 | 0.183 | 0.200 |
| 2005 | 0.176 | 0.160 | 1.006 | 1.125 | 0.179 | 0.196 |
| 2006 | 0.225 | 0.205 | 1.007 | 1.133 | 0.233 | 0.253 |
| 2007 | 0.314 | 0.287 | 1.007 | 1.141 | 0.327 | 0.354 |
| 2008 | 0.387 | 0.355 | 1.008 | 1.150 | 0.408 | 0.440 |
| 2009 | 0.450 | 0.416 | 1.009 | 1.160 | 0.483 | 0.516 |
| 2010 | 0.436 | 0.405 | 1.010 | 1.172 | 0.475 | 0.505 |
| 2011 | 0.368 | 0.346 | 1.010 | 1.183 | 0.409 | 0.431 |
| 2012 | 0.313 | 0.297 | 1.011 | 1.197 | 0.355 | 0.371 |
| 2013 | 0.247 | 0.247 | 1.013 | 1.212 | 0.300 | 0.300 |
| 2014 | 0.218 | 0.222 | 1.015 | 1.230 | 0.273 | 0.269 |
| 2015 | 0.202 | 0.208 | 1.018 | 1.252 | 0.260 | 0.254 |
| 2016 | 0.187 | 0.194 | 1.022 | 1.279 | 0.248 | 0.241 |
| 2017 | 0.187 | 0.194 | 1.028 | 1.315 | 0.256 | 0.249 |
| 2018 | 0.196 | 0.202 | 1.042 | 1.370 | 0.277 | 0.270 |
| 2019 | 0.208 | 0.212 | 1.070 | 1.466 | 0.311 | 0.307 |
| 2020 | 0.194 | 0.196 | 1.120 | 1.642 | 0.322 | 0.320 |
| 2021 | 0.181 | 0.181 | 1.224 | 2.010 | 0.365 | 0.364 |
| 2022 | 0.121 | 0.121 | 1.450 | 2.914 | 0.353 | 0.353 |
| 2023 | 0.047 | 0.047 | 2.618 | 7.630 | 0.361 | 0.361 |

(a)  Based on Exhibit 1. Paid MCCP costs are excluded from accident years 2011 and subsequent.
(b)  Based on experience evaluated as of December 31, 2023. Reflects adjustments for the pharmaceutical cost reductions through 2018 and 2021 changes to the Official Medical Fee Schedule (OMFS) and Medical-Legal Fee Schedule (MLFS), restating the historical medical paid-to-date ratios at a 2018 pharmaceutical cost level and a 2021 OMFS and MLFS level.
(c)  See Exhibits 2.6.1 and 2.6.2.
(d)  The developed medical loss ratios shown were derived based on an adjustment for pharmaceutical cost reductions and 2021 medical fee schedule changes. They are only for purposes of projecting future medical loss ratios and do not reflect true estimates of ultimate loss ratios for those accident years.

**Indemnity Benefit Level Factors**

| Accident Year | (1) Annual Benefit Change Prior to Frequency Adjustments (a) | (2) Frequency Adjustments (a) | (3) Annual Impact on Indemnity Benefits Due to Wage Inflation (b) | (4) Annual Cost Impact on Indemnity (c) | (5) Composite Indemnity Adjustment Factor (d) | |
|---|---|---|---|---|---|---|
| 1987 | 0.0 | 0.0 | 1.9 | 1.9 | 1.785 | |
| 1988 | 0.0 | 0.0 | 1.5 | 1.5 | 1.759 | |
| 1989 | 0.0 | 0.0 | 1.5 | 1.5 | 1.733 | |
| 1990 | 2.3 | 19.9 | 1.7 | 24.7 | 1.389 | |
| 1991 | 4.9 | 14.8 | 0.8 | 21.4 | 1.144 | |
| 1992 | 1.8 | -8.3 | 1.6 | -5.2 | 1.206 | |
| 1993 | 0.2 | -18.1 | 0.4 | -17.6 | 1.464 | |
| 1994 | -5.1 | 0.2 | 0.6 | -4.3 | 1.531 | |
| 1995 | 6.3 | 0.6 | 1.0 | 8.0 | 1.417 | |
| 1996 | 5.3 | 0.4 | 1.2 | 7.0 | 1.325 | |
| 1997 | 9.7 | 0.2 | 1.6 | 11.7 | 1.186 | |
| 1998 | 6.5 | 0.0 | 1.8 | 8.4 | 1.094 | |
| 1999 | 5.7 | 0.0 | 2.1 | 7.9 | 1.014 | |
| 2000 | 3.9 | 0.0 | 3.1 | 7.1 | 0.946 | |
| 2001 | -0.3 | 0.0 | 0.2 | -0.1 | 0.947 | |
| 2002 | -0.7 | 0.0 | 0.4 | -0.3 | 0.970 | (e) |
| 2003 | 7.3 | 0.0 | 1.2 | 8.6 | 0.967 | (e) |
| 2004 | -6.0 | -13.7 | 2.1 | -17.2 | 1.324 | (e) |
| 2005 | -31.6 | -15.3 | 1.6 | -41.2 | 1.795 | |
| 2006 | 5.6 | -5.7 | 2.2 | 1.8 | 1.763 | |
| 2007 | 1.6 | 0.0 | 2.1 | 3.7 | 1.700 | |
| 2008 | 4.8 | 0.6 | 1.0 | 6.5 | 1.596 | |
| 2009 | 0.4 | 1.4 | 0.2 | 2.0 | 1.565 | |
| 2010 | 0.4 | 0.0 | 1.5 | 1.9 | 1.536 | |
| 2011 | 0.0 | 0.0 | 1.4 | 1.4 | 1.515 | |
| 2012 | -0.8 | 0.0 | 2.1 | 1.3 | 1.496 | |
| 2013 | 1.4 | 0.2 | 0.6 | 2.3 | 1.463 | |
| 2014 | 5.8 | 1.5 | 1.7 | 9.2 | 1.340 | |
| 2015 | -0.8 | 0.0 | 2.3 | 1.4 | 1.320 | |
| 2016 | 0.3 | 0.0 | 1.0 | 1.3 | 1.304 | |
| 2017 | 0.5 | 0.0 | 2.2 | 2.7 | 1.270 | |
| 2018 | 0.4 | 0.0 | 2.2 | 2.6 | 1.237 | |
| 2019 | 0.4 | 0.0 | 2.4 | 2.8 | 1.204 | |
| 2020 | 0.4 | 0.0 | 2.5 | 3.0 | 1.169 | |
| 2021 | 0.5 | 0.0 | 3.3 | 3.8 | 1.126 | |
| 2022 | 1.2 | 0.0 | 2.1 | 3.4 | 1.089 | |
| 2023 | 0.5 | 0.0 | 1.9 | 2.4 | 1.064 | |
| 2024 | 0.0 | 0.0 | 3.2 | 3.2 | 1.031 | |
| 2025 | 0.3 | 0.0 | 2.3 | 2.6 | 1.004 | |
| 9/1/2025 | 0.1  (Annual 0.4) | 0.0 | 0.4  (Annual 2.3) | 0.4 | | |

(a)   Based on WCIRB evaluations of the average impact of legislative changes on the cost of indemnity benefits. These annual changes in benefits reflect the WCIRB's retrospective estimates of the cost impact of recent legislation as reflected in emerging post-reform costs.  The annual cost impacts have been segregated between claim severity and claim frequency impacts.

(b)   These impacts are based on the weekly wages (see Exhibit 5.1) of injured workers and the legislatively scheduled benefits for that year.

(c)   { [Column (1) /100 + 1.0] x [Column (2) /100 + 1.0] x [Column (3) /100 + 1.0 ] - 1.0 } x 100.

(d)   These factors represent the combined impact of the annual benefit changes on claim severity shown in Column (1), claim frequencies shown in Column (2) and wage inflation impact on benefits shown in Column (3), adjusted to the 9/1/2025 level.

(e)   On-level factors for accident years 2002, 2003 and 2004 adjust the portion of permanent disability claims that are estimated to not be subject to the January 1, 2005 PDRS (95% for accident year 2002, 75% for accident year 2003 and 40% for accident year 2004) to the January 1, 2005 PDRS level, and adjust for the corresponding utilization impacts on all 2002, 2003 and 2004 indemnity claims.

**Annual Medical Cost Level Change - Non-Legislative**

| Accident Year | (1) Proportion of Medical Subject to Fee Schedule (a) | (2) Proportion of Medical Not Subject to Fee Schedule (a) | (3) Impact of Fee Schedule Change on Total Medical (b) | (4) Change in Medical CPI (c) | (5) Impact of CPI Change on Total Medical (d) | (6) Annual Non-Legislative Cost Impact on Total Medical (e) |
|---|---|---|---|---|---|---|
| 1987 | 0.610 | 0.390 | 0.9% | 7.4% | 2.9% | 3.8% |
| 1988 | 0.649 | 0.351 | 0.8% | 7.7% | 3.0% | 3.8% |
| 1989 | 0.647 | 0.353 | 0.0% | 8.6% | 3.0% | 3.0% |
| 1990 | 0.661 | 0.339 | 0.0% | 10.4% | 3.7% | 3.7% |
| 1991 | 0.631 | 0.369 | 0.0% | 10.6% | 3.6% | 3.6% |
| 1992 | 0.628 | 0.372 | 0.0% | 8.1% | 3.0% | 3.0% |
| 1993 | 0.565 | 0.435 | 0.0% | 7.3% | 2.7% | 2.7% |
| 1994 | 0.691 | 0.309 | -3.6% | 4.3% | 1.3% (i) | -2.3% |
| 1995 | 0.681 | 0.319 | 0.0% | 3.0% | 0.9% | 0.9% |
| 1996 | 0.663 | 0.337 | 0.0% | 3.0% | 1.0% | 1.0% |
| 1997 | 0.643 | 0.357 | 0.0% | 2.2% | 0.7% | 0.7% |
| 1998 | 0.658 | 0.342 | 0.0% | 2.2% | 0.8% | 0.8% |
| 1999 | 0.728 | 0.272 | 1.6% | 3.3% | 0.9% (ii) | 2.5% |
| 2000 | 0.715 | 0.285 | 0.5% | 4.3% | 1.2% | 1.7% |
| 2001 | 0.722 | 0.278 | 1.5% | 4.8% | 1.4% | 2.9% |
| 2002 | 0.635 | 0.365 | 0.6% | 5.1% | 1.4% | 2.0% |
| 2003 | 0.786 | 0.214 | 0.0% | 4.8% | 1.4% (iii) | 1.4% |
| 2004 | 0.952 | 0.048 | 0.0% | 5.0% | 0.0% (iv),(v) | 0.0% |
| 2005 | 0.936 | 0.064 | 0.0% | 4.8% | 0.0% (v) | 0.0% |
| 2006 | 0.926 | 0.074 | 0.0% | 4.1% | 0.3% | 0.3% |
| 2007 | 0.923 | 0.077 | 1.4% | 5.3% | 0.4% | 1.8% |
| 2008 | 0.896 | 0.104 | -0.1% | 4.2% | 0.3% | 0.2% |
| 2009 | 0.894 | 0.106 | 0.0% | 3.6% | 0.4% | 0.4% |
| 2010 | 0.895 | 0.105 | 0.0% | 2.8% | 0.3% | 0.3% |
| 2011 | 0.969 | 0.031 | 0.0% | 3.2% | 0.3% | 0.3% |
| 2012 | 0.969 | 0.031 | 0.0% | 2.7% | 0.1% | 0.1% |
| 2013 | 0.938 | 0.062 | 0.0% | 2.6% | 0.1% | 4.9% (f) |
| 2014 | 0.928 | 0.072 | 0.0% | 4.2% | 0.3% | 0.3% |
| 2015 | 0.933 | 0.067 | 0.0% | 3.1% | 0.2% | 0.2% |
| 2016 | 0.918 | 0.082 | 0.0% | 5.4% | 0.4% | 0.4% |
| 2017 | 0.906 | 0.094 | 0.0% | 2.2% | 0.2% | 0.2% |
| 2018 | 0.887 | 0.113 | 0.0% | 2.5% | 0.2% | 0.2% |
| 2019 | 0.872 | 0.128 | 0.0% | 3.6% | 0.4% | 0.4% |
| 2020 | 0.866 | 0.134 | 0.0% | 2.9% | 0.4% | 0.4% |
| 2021 | 0.865 | 0.135 | 4.8% | 1.3% | 0.2% | 0.2% (f) |
| 2022 | 0.859 | 0.141 | 0.0% | 5.7% | 0.8% | 0.8% |
| 2023 | 0.859 | 0.141 | 0.0% | 1.6% | 0.2% | 0.2% |
| 2024 | 0.859 | 0.141 | 0.0% | 3.1% | 0.4% | 0.4% |
| 2025 | 0.859 | 0.141 | 0.0% | 4.1% | 0.6% | 0.6% |
| 9/1/2025 | 0.859 | 0.141 | 0.0% (Annual 0.0%) | 0.7% (Annual 4.2%) | 0.1% | 0.1% |

(a) From a Special Carrier Study through 1990. Based on WCIRB's Aggregate Indemnity and Medical Costs Calls for years 1991 through 2012. Based on WCIRB medical transaction data from 2013 onwards. Accident years 2011 and subsequent do not include MCCP costs.

(b) Based on the WCIRB's evaluation of the cost impact of changes in the medical fee schedules. Does not include the impact of the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule, which are reflected in the medical loss development projections for accident years 2013 and later.

(c) Based on a component of the Consumer Price Index. Projections furnished by the California Department of Finance.

(d) Adjusted CPI on workers' compensation medical costs that are not subject to fee schedules. The current year impact is the weighted average of 0% and Column (4), with Columns (1) and (2) from prior years as weights. (i) 1993's non-fee proportion is reduced by 13.8% due to the new medical-legal fee schedule enacted in 1994. (ii) 1998's non-fee proportion is reduced by 7.7% due to the Inpatient Hospital Fee Schedule (IHFS) effective 4/1/1999. (iii) 2002's non-fee proportion is reduced by 7.6% due to the new pharmaceutical fee schedule effective 1/1/2003. (iv) 2003's non-fee proportion is reduced by 17.2% due to the outpatient fee schedule effective 1/1/2004. (v) Given the anticipated impact of legislative reform, a 0% inflation rate has been assumed for 2004 and 2005.

(e) Column (6) = Column (3) + Column (5).

(f) The impact of the 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule is applied to accident years 2012 and prior, which are not reflected in the medical loss development projections.

**Annual Medical Cost Level Change - Legislative**

| Accident Year | (1) Annual Legislative Cost Impact on Medical Severity (a) | (2) Annual Legislative Cost Impact on Medical Due to Frequency Changes (b) | (3) Annual Total Legislative Cost Impact on Medical (c) |
|---|---|---|---|
| 1987 | 0.0% | 0.0% | 0.0% |
| 1988 | 0.0% | 0.0% | 0.0% |
| 1989 | 0.0% | 0.0% | 0.0% |
| 1990 | -0.7% | 19.9% | 19.1% |
| 1991 | -1.6% | 14.7% | 12.9% |
| 1992 | 0.5% | -8.4% | -7.9% |
| 1993 | -0.7% | -18.1% | -18.7% |
| 1994 | -2.6% | 0.3% | -2.3% |
| 1995 | 0.0% | 0.5% | 0.5% |
| 1996 | 0.0% | 0.4% | 0.4% |
| 1997 | 0.0% | 0.2% | 0.2% |
| 1998 | 12.6% | 0.0% | 12.6% |
| 1999 | 12.6% | 0.0% | 12.6% |
| 2000 | 7.0% | 0.0% | 7.0% |
| 2001 | 6.6% | 0.0% | 6.6% |
| 2002 | -5.6% | 0.0% | -5.6% |
| 2003 | -6.0% | 0.0% | -6.0% |
| 2004 | -24.4% | -12.5% | -33.9% |
| 2005 | 0.0% | -13.9% | -13.9% |
| 2006 | 0.1% | -5.2% | -5.1% |
| 2007 | 0.1% | 0.0% | 0.1% |
| 2008 | 0.2% | 0.3% | 0.5% |
| 2009 | 0.0% | 1.0% | 1.0% |
| 2010 | 0.0% | 0.0% | 0.0% |
| 2011 | -2.0% | 0.0% | -2.0% |
| 2012 | -3.7% | 0.0% | -3.7% |
| 2013 | -8.6% | 0.2% | -8.4% |
| 2014 | -6.1% | 1.3% | -4.9% |
| 2015 | -2.2% | 0.0% | -2.2% |
| 2016 | -0.8% | 0.0% | -0.8% |
| 2017 | -0.5% | 0.0% | -0.5% |
| 2018 | -0.3% | 0.0% | -0.3% |
| 2019 | 0.0% | 0.0% | 0.0% |
| 2020 | 0.0% | 0.0% | 0.0% |
| 2021 | 0.0% | 0.0% | 0.0% |
| 2022 | 0.0% | 0.0% | 0.0% |
| 2023 | 0.0% | 0.0% | 0.0% |
| 2024 | 0.0% | 0.0% | 0.0% |
| 2025 | 0.0% | 0.0% | 0.0% |
| 9/1/2025 | 0.0% | 0.0% | 0.0% |

(a) Reflects the WCIRB's most recent estimates of the cost impact of legislation. Does not include the impact of the SB 1160 lien provisions on future medical costs as well as the estimated reductions to pharmaceutical costs attributable to SB 863, which are reflected in the medical loss development projections.

(b) This reflects the annual percentage impact on medical costs due to changes in the frequency of indemnity claims as a result of benefit changes.

(c) [Column (1) + 1.0] x [Column (2) + 1.0] - 1.0

**Total Medical Cost Level Factors**

| Accident Year | (1) Annual Non-Legislative Cost Impact on Medical (a) | (2) Annual Legislative Cost Impact on Medical (b) | (3) Total Annual Cost Impact on Medical (c) | (4) Composite Medical On-level Factor (d) |
|---|---|---|---|---|
| 1987 | 3.8% | 0.0% | 3.8% | 0.856 |
| 1988 | 3.8% | 0.0% | 3.8% | 0.825 |
| 1989 | 3.0% | 0.0% | 3.0% | 0.801 |
| 1990 | 3.7% | 19.1% | 23.5% | 0.649 |
| 1991 | 3.6% | 12.9% | 16.9% | 0.555 |
| 1992 | 3.0% | -7.9% | -5.2% | 0.585 |
| 1993 | 2.7% | -18.7% | -16.5% | 0.700 |
| 1994 | -2.3% | -2.3% | -4.6% | 0.734 |
| 1995 | 0.9% | 0.5% | 1.4% | 0.724 |
| 1996 | 1.0% | 0.4% | 1.4% | 0.714 |
| 1997 | 0.7% | 0.2% | 0.9% | 0.707 |
| 1998 | 0.8% | 12.6% | 13.5% | 0.623 |
| 1999 | 2.5% | 12.6% | 15.4% | 0.540 |
| 2000 | 1.7% | 7.0% | 8.8% | 0.496 |
| 2001 | 2.9% | 6.6% | 9.7% | 0.452 |
| 2002 | 2.0% | -5.6% | -3.7% | 0.470 |
| 2003 | 1.4% | -6.0% | -4.7% | 0.493 |
| 2004 | 0.0% | -33.9% | -33.9% | 0.745 |
| 2005 | 0.0% | -13.9% | -13.9% | 0.865 |
| 2006 | 0.3% | -5.1% | -4.8% | 0.909 |
| 2007 | 1.8% | 0.1% | 1.9% | 0.892 |
| 2008 | 0.2% | 0.5% | 0.7% | 0.886 |
| 2009 | 0.4% | 1.0% | 1.4% | 0.874 |
| 2010 | 0.3% | 0.0% | 0.3% | 0.871 |
| 2011 | 0.3% | -2.0% | -1.7% | 0.886 |
| 2012 | 0.1% | -3.7% | -3.6% | 0.919 |
| 2013 | 4.9% | -8.4% | -3.9% | 0.957 |
| 2014 | 0.3% | -4.9% | -4.6% | 1.003 |
| 2015 | 0.2% | -2.2% | -2.0% | 1.023 |
| 2016 | 0.4% | -0.8% | -0.4% | 1.027 |
| 2017 | 0.2% | -0.5% | -0.3% | 1.030 |
| 2018 | 0.2% | -0.3% | -0.1% | 1.031 |
| 2019 | 0.4% | 0.0% | 0.4% | 1.027 |
| 2020 | 0.4% | 0.0% | 0.4% | 1.023 |
| 2021 | 0.2% | 0.0% | 0.2% | 1.021 |
| 2022 | 0.8% | 0.0% | 0.8% | 1.013 |
| 2023 | 0.2% | 0.0% | 0.2% | 1.011 |
| 2024 | 0.4% | 0.0% | 0.4% | 1.007 |
| 2025 | 0.6% | 0.0% | 0.6% | |
| 9/1/2025 | 0.1% | 0.0% | 0.1% | |

(a)     See Exhibit 4.2, Column (6).
(b)     See Exhibit 4.3, Column (3).
(c)     Column (3) = [1.0 + Column (1) ] x [1.0 + Column (2)] - 1.0.
(d)     These factors adjust the annual impact shown in Column (3) to the 9/1/2025 level.

**Annual Wage Level Changes**

| | (1) | (2) | (3) |
|---|---|---|---|
| | | Adjusted | Factor to a |
| | Annual Wage | Annual Wage | 9/1/2025 |
| Year | Level Change (a) | Level Change (b) | Wage Level (c) |
| 1987 | 5.6 | | 3.909 |
| 1988 | 4.4 | | 3.744 |
| 1989 | 4.3 | | 3.590 |
| 1990 | 5.0 | | 3.419 |
| 1991 | 2.3 | | 3.342 |
| 1992 | 4.7 | | 3.192 |
| 1993 | 1.2 | | 3.154 |
| 1994 | 1.9 | | 3.095 |
| 1995 | 2.9 | | 3.008 |
| 1996 | 3.4 | | 2.909 |
| 1997 | 4.7 | | 2.779 |
| 1998 | 5.2 | | 2.641 |
| 1999 | 6.2 | | 2.487 |
| 2000 | 9.0 | | 2.282 |
| 2001 | 0.6 | | 2.268 |
| 2002 | 0.5 | | 2.257 |
| 2003 | 3.3 | | 2.185 |
| 2004 | 4.7 | | 2.087 |
| 2005 | 3.1 | | 2.024 |
| 2006 | 4.6 | | 1.935 |
| 2007 | 4.5 | | 1.852 |
| 2008 | 2.1 | | 1.814 |
| 2009 | 0.4 | | 1.806 |
| 2010 | 3.0 | | 1.754 |
| 2011 | 3.0 | | 1.703 |
| 2012 | 4.2 | | 1.634 |
| 2013 | 0.7 | | 1.623 |
| 2014 | 3.3 | | 1.571 |
| 2015 | 4.5 | | 1.503 |
| 2016 | 2.0 | | 1.474 |
| 2017 | 4.3 | | 1.413 |
| 2018 | 3.7 | | 1.363 |
| 2019 | 4.3 | | 1.306 |
| 2020 | 11.4 | 5.1 | 1.243 |
| 2021 | 7.7 | 6.3 | 1.170 |
| 2022 | 3.4 | 3.8 | 1.127 |
| 2023 | 3.0 | | 1.095 |
| Projected: | | | |
| 2024 | 5.0 | | |
| 2025 | 3.6 | | |
| 9/1/2025 | 0.6 | (Annual = 3.7) | |

(a)    Historical wage changes through 2021 are based on Bureau of Labor Statistics (BLS) data. The 2022 wage change is based on the average of the BLS Current Employment Statistics hourly and weekly wage estimates. Forecasts for 2023 and forward are based on the average of wage level projections made by the UCLA Anderson School of Business as of March 2024 and those made by the California Department of Finance as of November 2023.

(b)    Wage level changes for 2020 to 2022 were adjusted for estimated shifts in industrial mix and shifts in the wage level mix within industries impacting average wages in order to more appropriately project changes in average wages for the typical worker.

(c)    Based on Column (2) for 2020 through 2022 and Column (1) for all other years.

**Premium Adjustment Factors**

| Calendar Year | (1) Factor to a 9/1/2025 Wage Level (a) | (2a) Ratio of Industry Average Charged Rates to Advisory Pure Premium Rates (b) | (2b) Factor to Approved Pure Premium Rate Level as of Sept. 1, 2023 (c) | (2c) Factor to Adjust Insurer Premium to Approved Pure Premium Rate Level as of Sept. 1, 2023 (d) | (3) Adjustment to Remove Surcharge Premium (e) | (4) Average Experience Modification (f) | (5) Off-Balance Correction in Advisory Sept. 1, 2023 Pure Premium Rates | (6) Factor to Adjust for Impact of Premium Resulting from Audits (g) | (7) Composite Premium Adjustment Factor (h) |
|---|---|---|---|---|---|---|---|---|---|
| 1987 | 3.909 | --- | --- | 0.435 | 0.992 | 0.983 | 1.039 | --- | 1.650 |
| 1988 | 3.744 | --- | --- | 0.389 | 0.993 | 0.963 | 1.039 | --- | 1.446 |
| 1989 | 3.590 | --- | --- | 0.383 | 0.993 | 0.945 | 1.039 | --- | 1.391 |
| 1990 | 3.419 | --- | --- | 0.373 | 0.991 | 0.942 | 1.039 | --- | 1.293 |
| 1991 | 3.342 | --- | --- | 0.346 | 0.987 | 0.939 | 1.039 | --- | 1.170 |
| 1992 | 3.192 | --- | --- | 0.332 | 0.982 | 0.940 | 1.039 | --- | 1.064 |
| 1993 | 3.154 | --- | --- | 0.328 | 0.981 | 0.949 | 1.039 | --- | 1.029 |
| 1994 | 3.095 | --- | --- | 0.375 | 0.986 | 0.948 | 1.039 | --- | 1.163 |
| 1995 | 3.008 | --- | --- | 0.508 | 0.995 | 0.958 | 1.039 | --- | 1.527 |
| 1996 | 2.909 | 1.031 | 0.539 | 0.523 | 1.000 | 0.935 | 1.039 | --- | 1.567 |
| 1997 | 2.779 | 0.998 | 0.538 | 0.539 | 1.000 | 0.949 | 1.039 | --- | 1.519 |
| 1998 | 2.641 | 0.965 | 0.561 | 0.581 | 1.000 | 0.959 | 1.039 | --- | 1.540 |
| 1999 | 2.487 | 0.972 | 0.567 | 0.583 | 1.000 | 0.954 | 1.039 | --- | 1.463 |
| 2000 | 2.282 | 1.005 | 0.514 | 0.511 | 1.000 | 0.970 | 1.039 | --- | 1.158 |
| 2001 | 2.268 | 1.031 | 0.452 | 0.439 | 1.000 | 0.969 | 1.039 | --- | 0.988 |
| 2002 | 2.257 | 1.167 | 0.405 | 0.347 | 1.000 | 0.991 | 1.039 | --- | 0.761 |
| 2003 | 2.185 | 1.282 | 0.331 | 0.258 | 1.000 | 1.005 | 1.039 | --- | 0.541 |
| 2004 | 2.087 | 1.400 | 0.337 | 0.241 | 1.000 | 0.981 | 1.039 | --- | 0.493 |
| 2005 | 2.024 | 1.470 | 0.406 | 0.276 | 1.000 | 0.982 | 1.039 | --- | 0.547 |
| 2006 | 1.935 | 1.447 | 0.523 | 0.361 | 1.000 | 0.956 | 1.039 | --- | 0.704 |
| 2007 | 1.852 | 1.493 | 0.712 | 0.477 | 1.000 | 0.931 | 1.039 | 0.985 | 0.900 |
| 2008 | 1.814 | 1.426 | 0.848 | 0.594 | 1.000 | 0.946 | 1.039 | 0.991 | 1.087 |
| 2009 | 1.806 | 1.366 | 0.835 | 0.612 | 1.000 | 0.937 | 1.039 | 1.034 | 1.174 |
| 2010 | 1.754 | 1.383 | 0.819 | 0.592 | 1.000 | 0.941 | 1.039 | 1.005 | 1.067 |
| 2011 | 1.703 | 1.401 | 0.818 | 0.584 | 1.000 | 0.982 | 1.039 | --- | 0.974 |
| 2012 | 1.634 | 1.223 | 0.674 | 0.551 | 1.000 | 1.000 | 1.039 | --- | 0.867 |
| 2013 | 1.623 | 1.138 | 0.543 | 0.477 | 1.000 | 0.983 | 1.039 | --- | 0.758 |
| 2014 | 1.571 | 1.127 | 0.500 | 0.444 | 1.000 | 0.961 | 1.039 | --- | 0.698 |
| 2015 | 1.503 | 1.109 | 0.486 | 0.438 | 1.000 | 0.951 | 1.039 | --- | 0.667 |
| 2016 | 1.474 | 1.148 | 0.529 | 0.461 | 1.000 | 0.949 | 1.039 | --- | 0.688 |
| 2017 | 1.413 | 1.156 | 0.586 | 0.507 | 1.000 | 0.955 | 1.039 | --- | 0.721 |
| 2018 | 1.363 | 1.196 | 0.662 | 0.554 | 1.000 | 0.956 | 1.039 | --- | 0.759 |
| 2019 | 1.306 | 1.214 | 0.769 | 0.634 | 1.000 | 0.945 | 1.039 | --- | 0.843 |
| 2020 | 1.243 | 1.207 | 0.858 | 0.711 | 1.000 | 0.943 | 1.039 | 0.990 | 0.892 |
| 2021 | 1.170 | 1.224 | 0.924 | 0.755 | 1.000 | 0.946 | 1.039 | 1.033 | 0.928 |
| 2022 | 1.127 | 1.188 | 0.965 | 0.812 | 1.000 | 0.955 | 1.039 | 0.993 | 0.916 |
| 2023 | 1.095 | 1.112 | 0.973 | 0.875 | 1.000 | 0.970 | 1.039 | --- | 0.951 |

(a)  See Exhibit 5.1.

(b)  Based on WCIRB calendar year experience calls.  The industry average charged rates reflect most rating plan adjustments but do not reflect the application of deductible credits or retrospective rating plan adjustments.

(c)  Reflects approved advisory pure premium rate level changes to bring premium to the advisory September 1, 2023 pure premium rate level.

(d)  (2b) ÷ (2a).  This column adjusts premiums at the industry average charged rate level to the approved advisory pure premium rate level as of September 1, 2023.

(e)  Based on unit statistical data.

(f)  Based on average promulgated experience modifications.  Calendar years 1996 through 2000 include adjustments for the impacts of AB 1913 and SB 1217 (1998).

(g)  Based on a comparison of premium reported on a calendar year basis to premium reported on an estimated ultimate policy year basis over the course of two accident years.  The factor is applied only for calendar years 2007 to 2010 and 2020 to 2022, during which reported premiums were impacted by recessionary economic forces.

(h)  (1)x(2c)x(3)x(6) ÷ [(4)x(5)] for calendar years 2007 to 2010 and 2020 to 2022.  (1)x(2c)x(3) ÷ [(4)x(5)] for all other calendar years.

**2023 Accident Year Indemnity Claim Frequency Model**
**As of PY 2021 Preliminary 1st Set & March 2024 UCLA**

| AY | Annual % Changes Intra-Class Ind Freq Total | Annual Log Differences | | | | | |
|----|----|----|----|----|----|----|----|
| | | Intra-Class Indemnity Frequency per $M Exposure at PY 2021 Level | | | AY+1 Indemnity Benefit Level | Cumulative Injury Index | Economic Variables (1st Prin. Comp.) |
| | | Total | Cumulative | Non-cum. | | | |
| 1962 | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| 1963 | 2.0% | 0.020 | ----- | ----- | 0.000 | ----- | -0.030 |
| 1964 | 0.3% | 0.003 | ----- | ----- | 0.000 | ----- | 0.003 |
| 1965 | -0.3% | -0.003 | ----- | ----- | 0.000 | ----- | 0.020 |
| 1966 | 1.7% | 0.017 | ----- | ----- | 0.000 | ----- | 0.190 |
| 1967 | 1.8% | 0.017 | ----- | ----- | 0.000 | ----- | -0.147 |
| 1968 | 1.4% | 0.014 | ----- | ----- | 0.000 | ----- | 0.058 |
| 1969 | 2.7% | 0.026 | ----- | ----- | 0.049 | ----- | 0.042 |
| 1970 | 1.8% | 0.018 | ----- | ----- | 0.000 | ----- | -0.338 |
| 1971 | 1.5% | 0.015 | ----- | ----- | 0.000 | ----- | -0.188 |
| 1972 | -4.3% | -0.044 | ----- | ----- | 0.162 | ----- | 0.158 |
| 1973 | 7.0% | 0.067 | ----- | ----- | 0.048 | ----- | 0.088 |
| 1974 | 19.2% | 0.176 | ----- | ----- | 0.041 | ----- | -0.036 |
| 1975 | 12.5% | 0.118 | ----- | ----- | 0.058 | ----- | -0.300 |
| 1976 | 0.8% | 0.008 | ----- | ----- | 0.000 | ----- | 0.083 |
| 1977 | 4.3% | 0.042 | ----- | ----- | 0.063 | ----- | 0.111 |
| 1978 | -8.7% | -0.091 | ----- | ----- | 0.001 | ----- | 0.167 |
| 1979 | 0.5% | 0.005 | -0.053 | 0.007 | 0.000 | -0.060 | 0.133 |
| 1980 | -6.5% | -0.068 | -0.132 | -0.066 | 0.000 | -0.066 | -0.082 |
| 1981 | -3.5% | -0.036 | -0.028 | -0.036 | 0.033 | 0.008 | -0.079 |
| 1982 | -1.6% | -0.016 | 0.153 | -0.022 | 0.000 | 0.175 | -0.294 |
| 1983 | 6.2% | 0.060 | 0.214 | 0.054 | 0.352 | 0.160 | 0.029 |
| 1984 | 9.5% | 0.091 | 0.235 | 0.084 | 0.081 | 0.151 | 0.221 |
| 1985 | 2.0% | 0.020 | 0.138 | 0.014 | 0.000 | 0.124 | 0.080 |
| 1986 | -2.4% | -0.024 | 0.039 | -0.028 | 0.000 | 0.067 | 0.077 |
| 1987 | 1.5% | 0.015 | 0.053 | 0.013 | 0.000 | 0.041 | 0.150 |
| 1988 | 0.7% | 0.007 | 0.104 | 0.000 | 0.000 | 0.104 | 0.087 |
| 1989 | 2.5% | 0.024 | 0.212 | 0.009 | 0.000 | 0.203 | 0.044 |
| 1990 | 9.0% | 0.087 | 0.337 | 0.061 | 0.046 | 0.276 | -0.121 |
| 1991 | 0.3% | 0.003 | 0.166 | -0.018 | 0.071 | 0.184 | -0.293 |
| 1992 | -10.3% | -0.108 | -0.263 | -0.089 | 0.023 | -0.174 | -0.186 |
| 1993 | -9.2% | -0.097 | -0.175 | -0.088 | 0.013 | -0.088 | -0.022 |
| 1994 | -10.5% | -0.111 | -0.167 | -0.105 | -0.057 | -0.061 | 0.106 |
| 1995 | -0.3% | -0.003 | 0.009 | -0.004 | 0.061 | 0.013 | 0.092 |
| 1996 | -6.8% | -0.070 | -0.165 | -0.061 | 0.053 | -0.104 | 0.074 |
| 1997 | -3.3% | -0.033 | -0.026 | -0.034 | 0.096 | 0.008 | 0.137 |
| 1998 | -3.7% | -0.038 | -0.020 | -0.040 | 0.066 | 0.019 | 0.078 |
| 1999 | 1.5% | 0.015 | 0.010 | 0.015 | 0.058 | -0.005 | 0.127 |
| 2000 | 4.0% | 0.039 | 0.101 | 0.033 | 0.040 | 0.068 | 0.065 |
| 2001 | -6.9% | -0.072 | 0.106 | -0.091 | -0.003 | 0.197 | -0.104 |
| 2002 | -2.8% | -0.029 | 0.196 | -0.061 | -0.007 | 0.257 | -0.212 |
| 2003 | -3.2% | -0.032 | 0.025 | -0.042 | 0.060 | 0.067 | -0.019 |
| 2004 | -16.8% | -0.184 | -0.321 | -0.163 | -0.065 | -0.158 | 0.103 |
| 2005 | -13.6% | -0.147 | -0.343 | -0.121 | -0.398 | -0.222 | 0.147 |
| 2006 | -5.6% | -0.058 | -0.204 | -0.042 | 0.051 | -0.163 | 0.094 |
| 2007 | -1.7% | -0.017 | -0.042 | -0.015 | 0.016 | -0.027 | -0.080 |
| 2008 | -2.7% | -0.027 | -0.012 | -0.029 | 0.049 | 0.017 | -0.316 |
| 2009 | -0.3% | -0.003 | 0.133 | -0.017 | 0.069 | 0.150 | -0.461 |
| 2010 | 8.8% | 0.085 | 0.115 | 0.081 | 0.016 | 0.034 | -0.077 |
| 2011 | 1.2% | 0.012 | 0.028 | 0.010 | 0.000 | 0.017 | 0.047 |
| 2012 | 4.7% | 0.046 | 0.115 | 0.037 | 0.003 | 0.077 | 0.125 |
| 2013 | 0.4% | 0.004 | 0.131 | -0.014 | 0.019 | 0.145 | 0.153 |
| 2014 | 0.2% | 0.002 | 0.046 | -0.005 | 0.070 | 0.051 | 0.179 |
| 2015 | -1.5% | -0.015 | 0.008 | -0.018 | 0.000 | 0.026 | 0.194 |
| 2016 | -2.6% | -0.026 | 0.033 | -0.036 | 0.000 | 0.069 | 0.127 |
| 2017 | -1.9% | -0.020 | -0.073 | -0.011 | 0.000 | -0.062 | 0.130 |
| 2018 | -0.4% | -0.004 | -0.061 | 0.005 | 0.000 | -0.066 | 0.127 |
| 2019 | 1.8% | 0.018 | 0.038 | 0.015 | 0.000 | 0.024 | 0.070 |
| 2020 | -8.7% | -0.091 | 0.067 | -0.118 | 0.000 | 0.186 | -0.932 |
| 2021 | 3.2% | 0.032 | -0.225 | 0.074 | 0.000 | -0.299 | 0.332 |
| 2022* | -4.4% | -0.010 | 0.101 | -0.028 | 0.000 | 0.129 | 0.636 |
| 2023 | -1.6% | -0.017 | 0.047 | -0.027 | 0.000 | 0.074 | -0.096 |
| 2024 | -2.5% | -0.025 | 0.008 | -0.031 | 0.000 | 0.039 | -0.058 |
| 2025 | -0.7% | -0.007 | 0.011 | -0.010 | 0.000 | 0.021 | 0.182 |
| 2026 | -3.0% | -0.030 | -0.019 | -0.032 | 0.000 | 0.014 | -0.023 |

**Y = Hazardousness-Adjusted Noncumulative Indemnity Claim Frequency**

| | |
|----|----|
| Constant | -0.033 |
| Std Err of Y Est | 0.041 |
| R Squared | 0.437 |
| No. of Observations | 41 |
| Degrees of Freedom | 37 |

| | | | |
|----|----|----|----|
| X Coefficient(s) | 0.188 | 0.210 | 0.103 |
| Std Err of Coef. | 0.077 | 0.062 | 0.043 |

Notes:
The Indemnity Benefit Level variable is concurrent. The AY 2004 benefit level change is related to the AY 2004 change in non-cumulative frequency.
The Indemnity Benefit Level variable excludes indemnity benefit utilization, cost-of-living adjustments, and changes in the death and permanent total benefits.
The Indemnity Benefit Level variable has been revised due to on-leveling reassessments. See Actuarial Committee item AC09-03-03.
For 1993 on, cumulative claims include both cumulative trauma and occupational disease claims. See Actuarial Committee item AC14-03-19.
The definition of cumulative claims has been further amended to include claims coded with certain nature of injury codes in USR. See Actuarial Committee item AC21-12-09.
Economic variables are historical through 2022; December 2023 UCLA Anderson Forecasts for 2023 on.
The indicator variable for Cal-OSHA inspections has been moved into an on-level adjustment. See Actuarial Committee item AC21-12-09.
Regression is over AY 1979 through AY 2022, excluding 2020, 2021, and 2022. AY 2023 through AY 2026 are projections.
The constant term, -0.020, consists of measured offsets that recognize annual changes in real benefit levels relative to nominal benefit levels and long-term economic growth.
Without these offsets, the indemnity benefit level and economic variables would project frequency to increase without bound.
*AY 2022 is preliminary and change is based on a comparison of 2022 accidents on 2021 policies to 2021 accidents on 2020 policies.

**Projection of Indemnity Severity Trends by Accident Year**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Estimated Ultimate Severity | (2) Annual % Change | (3) Indemnity Adjustment Factor (a) | (4) Ultimate On-level Severity (1) x (3) | (5) Annual % Change |
|---|---|---|---|---|---|
| 1990 | 10,017 | --- | 2.222 | 22,255 | --- |
| 1991 | 10,940 | 9.2% | 2.101 | 22,985 | 3.3% |
| 1992 | 11,018 | 0.7% | 2.031 | 22,382 | -2.6% |
| 1993 | 11,973 | 8.7% | 2.019 | 24,177 | 8.0% |
| 1994 | 12,972 | 8.3% | 2.115 | 27,438 | 13.5% |
| 1995 | 14,568 | 12.3% | 1.970 | 28,700 | 4.6% |
| 1996 | 16,504 | 13.3% | 1.849 | 30,511 | 6.3% |
| 1997 | 19,393 | 17.5% | 1.659 | 32,168 | 5.4% |
| 1998 | 21,273 | 9.7% | 1.530 | 32,546 | 1.2% |
| 1999 | 23,129 | 8.7% | 1.418 | 32,789 | 0.7% |
| 2000 | 24,821 | 7.3% | 1.323 | 32,849 | 0.2% |
| 2001 | 27,175 | 9.5% | 1.325 | 36,000 | 9.6% |
| 2002 | 26,220 | -3.5% | 1.357 | 35,578 | -1.2% |
| 2003 | 25,976 | -0.9% | 1.353 | 35,138 | -1.2% |
| 2004 | 21,096 | -18.8% | 1.598 | 33,713 | -4.1% |
| 2005 | 19,129 | -9.3% | 1.834 | 35,091 | 4.1% |
| 2006 | 20,829 | 8.9% | 1.700 | 35,405 | 0.9% |
| 2007 | 22,586 | 8.4% | 1.639 | 37,009 | 4.5% |
| 2008 | 24,576 | 8.8% | 1.548 | 38,046 | 2.8% |
| 2009 | 25,764 | 4.8% | 1.539 | 39,646 | 4.2% |
| 2010 | 25,052 | -2.8% | 1.510 | 37,830 | -4.6% |
| 2011 | 24,519 | -2.1% | 1.489 | 36,514 | -3.5% |
| 2012 | 23,978 | -2.2% | 1.471 | 35,265 | -3.4% |
| 2013 | 23,153 | -3.4% | 1.441 | 33,366 | -5.4% |
| 2014 | 24,050 | 3.9% | 1.340 | 32,216 | -3.4% |
| 2015 | 24,320 | 1.1% | 1.320 | 32,114 | -0.3% |
| 2016 | 23,803 | -2.1% | 1.304 | 31,037 | -3.4% |
| 2017 | 23,929 | 0.5% | 1.270 | 30,386 | -2.1% |
| 2018 | 24,723 | 3.3% | 1.237 | 30,585 | 0.7% |
| 2019 | 26,264 | 6.2% | 1.204 | 31,612 | 3.4% |
| 2020 | 27,698 | 5.5% | 1.169 | 32,376 | 2.4% |
| 2021 | 27,982 | 1.0% | 1.126 | 31,506 | -2.7% |
| 2022 | 29,707 | 6.2% | 1.089 | 32,362 | 2.7% |
| 2023 | 30,301 | 2.0% | 1.064 | 32,243 | -0.4% |

| | | |
|---|---|---|
| (6) | Estimated Annual Exponential Trend Based on 1990 to 2023: | 0.7% |
| (7) | Estimated Annual Exponential Trend Based on 2005 to 2023: | -1.1% |
| (8) | Estimated Annual Exponential Trend Based on 2019 to 2023: | 0.4% |

Selected Indemnity Severity Trend: 1.0%

(a) These adjustment factors are based on Exhibit 4.1, excluding the impact of frequency.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims for accident years 2020 to 2023.

**Projection of Medical Severity Trends by Accident Year**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Estimated Ultimate Severity (a) | (2) Annual % Change | (3) Medical Adjustment Factor (b) | (4) Ultimate On-level Severity (1) x (3) | (5) Annual % Change |
|---|---|---|---|---|---|
| 1990 | 8,863 | --- | 0.969 | 8,589 | --- |
| 1991 | 9,529 | 7.5% | 0.951 | 9,059 | 5.5% |
| 1992 | 9,580 | 0.5% | 0.918 | 8,798 | -2.9% |
| 1993 | 10,445 | 9.0% | 0.901 | 9,406 | 6.9% |
| 1994 | 11,505 | 10.1% | 0.946 | 10,888 | 15.8% |
| 1995 | 13,274 | 15.4% | 0.938 | 12,450 | 14.3% |
| 1996 | 14,413 | 8.6% | 0.929 | 13,383 | 7.5% |
| 1997 | 16,933 | 17.5% | 0.922 | 15,614 | 16.7% |
| 1998 | 20,726 | 22.4% | 0.812 | 16,839 | 7.8% |
| 1999 | 23,544 | 13.6% | 0.704 | 16,573 | -1.6% |
| 2000 | 26,449 | 12.3% | 0.647 | 17,110 | 3.2% |
| 2001 | 31,199 | 18.0% | 0.590 | 18,399 | 7.5% |
| 2002 | 31,260 | 0.2% | 0.612 | 19,146 | 4.1% |
| 2003 | 29,866 | -4.5% | 0.643 | 19,191 | 0.2% |
| 2004 | 27,334 | -8.5% | 0.850 | 23,233 | 21.1% |
| 2005 | 28,097 | 2.8% | 0.850 | 23,881 | 2.8% |
| 2006 | 30,555 | 8.7% | 0.847 | 25,866 | 8.3% |
| 2007 | 33,763 | 10.5% | 0.831 | 28,049 | 8.4% |
| 2008 | 36,137 | 7.0% | 0.827 | 29,901 | 6.6% |
| 2009 | 38,081 | 5.4% | 0.824 | 31,385 | 5.0% |
| 2010 | 37,765 | -0.8% | 0.822 | 31,032 | -1.1% |
| 2011 | 33,897 (c) | --- | 0.845 | 28,629 (c) | --- |
| 2012 | 31,714 | -6.4% | 0.885 | 28,077 | -1.9% |
| 2013 | 29,060 | -8.4% | 0.969 | 28,151 | 0.3% |
| 2014 | 28,333 | -2.5% | 1.033 | 29,268 | 4.0% |
| 2015 | 27,637 | -2.5% | 1.058 | 29,252 | -0.1% |
| 2016 | 26,845 | -2.9% | 1.061 | 28,471 | -2.7% |
| 2017 | 27,007 | 0.6% | 1.061 | 28,644 | 0.6% |
| 2018 | 28,398 | 5.2% | 1.057 | 30,029 | 4.8% |
| 2019 | 29,198 | 2.8% | 1.046 | 30,537 | 1.7% |
| 2020 | 30,761 | 5.4% | 1.032 | 31,758 | 4.0% |
| 2021 | 30,575 | -0.6% | 1.022 | 31,253 | -1.6% |
| 2022 | 31,508 | 3.1% | 1.013 | 31,919 | 2.1% |
| 2023 | 32,157 | 2.1% | 1.011 | 32,511 | 1.9% |

Selected Medical Severity Trend: 2.0%

(a) Estimated ultimate severities for all accident years are derived by dividing ultimate medical losses on indemnity claims by ultimate indemnity claim counts. The estimated ultimate medical severities were derived from the projected ultimate loss ratios shown in Exhibit 3.2, column (6).

(b) These adjustment factors are based on Exhibit 4.4, excluding the impact of frequency, and including the impact of 2021 changes to the Official Medical Fee Schedule and Medical-Legal Fee Schedule, applicable to outstanding medical losses.

(c) Severities for accident years 2011 and subsequent do not reflect the cost of medical cost containment programs (MCCP). Severities for accident years 2010 and prior do reflect MCCP costs.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims for accident years 2020 to 2023.

**Projection of Medical Severity Trends by Accident Year**
**Adjusted to Remove the Cost of Medical Cost Containment Programs (MCCP)**
**Based on Experience as of December 31, 2023**

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|
| | | MCCP Included | | | MCCP Removed Based on WCIRB Aggregate Calendar Year Data Calls (b) | | | |
| | Estimated | | Ultimate | | Estimated | | Ultimate | |
| Accident | Ultimate | Annual | On-Level | Annual | Ultimate | Annual | On-Level | Annual |
| Year | Severity (a) | % Change | Severity (c) | % Change | Severity (a) | % Change | Severity (c) | % Change |
| 2005 | 28,097 | --- | 23,881 | --- | 26,656 | --- | 22,656 | --- |
| 2006 | 30,555 | 8.7% | 25,866 | 8.3% | 28,682 | 7.6% | 24,282 | 7.2% |
| 2007 | 33,763 | 10.5% | 28,049 | 8.4% | 31,559 | 10.0% | 26,218 | 8.0% |
| 2008 | 36,137 | 7.0% | 29,901 | 6.6% | 33,020 | 4.6% | 27,323 | 4.2% |
| 2009 | 38,081 | 5.4% | 31,385 | 5.0% | 34,949 | 5.8% | 28,804 | 5.4% |
| 2010 | 37,765 | -0.8% | 31,032 | -1.1% | 34,625 | -0.9% | 28,451 | -1.2% |
| 2011 | 37,096 | -1.8% | 31,331 | 1.0% | 33,897 | -2.1% | 28,629 | 0.6% |
| 2012 | 34,591 | -6.8% | 30,624 | -2.3% | 31,714 | -6.4% | 28,077 | -1.9% |
| 2013 | 31,756 | -8.2% | 30,763 | 0.5% | 29,060 | -8.4% | 28,151 | 0.3% |
| 2014 | 30,903 | -2.7% | 31,922 | 3.8% | 28,333 | -2.5% | 29,268 | 4.0% |
| 2015 | 30,005 | -2.9% | 31,759 | -0.5% | 27,637 | -2.5% | 29,252 | -0.1% |
| 2016 | 29,038 | -3.2% | 30,797 | -3.0% | 26,845 | -2.9% | 28,471 | -2.7% |
| 2017 | 29,195 | 0.5% | 30,964 | 0.5% | 27,007 | 0.6% | 28,644 | 0.6% |
| 2018 | 30,677 | 5.1% | 32,438 | 4.8% | 28,398 | 5.2% | 30,029 | 4.8% |
| 2019 | 31,537 | 2.8% | 32,984 | 1.7% | 29,198 | 2.8% | 30,537 | 1.7% |
| 2020 | 33,136 | 5.1% | 34,210 | 3.7% | 30,761 | 5.4% | 31,758 | 4.0% |
| 2021 | 33,062 | -0.2% | 33,795 | -1.2% | 30,575 | -0.6% | 31,253 | -1.6% |
| 2022 | 34,128 | 3.2% | 34,574 | 2.3% | 31,508 | 3.1% | 31,919 | 2.1% |
| 2023 | 35,153 | 3.0% | 35,540 | 2.8% | 32,157 | 2.1% | 32,511 | 1.9% |

Estimated Annual Exponential Trend

| | | |
|---|---|---|
| Trend Based on 1990 to 2023: | 4.5% | N/A |
| Trend Based on 2005 to 2023: | 1.5% | 1.4% |
| Trend Based on 2019 to 2023: | 1.6% | 1.3% |

| Selected Medical Severity Trend: | 2.0% |
|---|---|

(a) Estimated ultimate severities for all accident years were derived by dividing ultimate medical losses on indemnity claims by ultimate indemnity claim counts.
(b) Adjustments to accident years 2005 through 2010 based on WCIRB's Annual Calls for Direct California Workers' Compensation Aggregate Indemnity and Medical Costs.
(c) Ultimate severities are on-leveled based on adjustment factors shown on Exhibit 6.3.

Source: WCIRB quarterly experience calls, excluding COVID-19 claims for accident years 2020 to 2023.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Indemnity Loss Ratio (a) | (2) Composite Indemnity Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Indemnity to Pure Premium Ratio (1)×(2)÷(3) |
|---|---|---|---|---|
| 1987 | 0.348 | 1.785 | 1.650 | 0.376 |
| 1988 | 0.333 | 1.759 | 1.446 | 0.405 |
| 1989 | 0.345 | 1.733 | 1.391 | 0.430 |
| 1990 | 0.401 | 1.389 | 1.293 | 0.431 |
| 1991 | 0.428 | 1.144 | 1.170 | 0.418 |
| 1992 | 0.352 | 1.206 | 1.064 | 0.400 |
| 1993 | 0.289 | 1.464 | 1.029 | 0.412 |
| 1994 | 0.329 | 1.531 | 1.163 | 0.433 |
| 1995 | 0.474 | 1.417 | 1.527 | 0.440 |
| 1996 | 0.533 | 1.325 | 1.567 | 0.450 |
| 1997 | 0.604 | 1.186 | 1.519 | 0.471 |
| 1998 | 0.655 | 1.094 | 1.540 | 0.466 |
| 1999 | 0.687 | 1.014 | 1.463 | 0.476 |
| 2000 | 0.595 | 0.946 | 1.158 | 0.486 |
| 2001 | 0.494 | 0.947 | 0.988 | 0.473 |
| 2002 | 0.369 | 0.970 | 0.761 | 0.470 |
| 2003 | 0.244 | 0.967 | 0.541 | 0.437 |
| 2004 | 0.145 | 1.324 | 0.493 | 0.390 |
| 2005 | 0.125 | 1.795 | 0.547 | 0.409 |
| 2006 | 0.161 | 1.763 | 0.704 | 0.404 |
| 2007 | 0.222 | 1.700 | 0.900 | 0.420 |
| 2008 | 0.281 | 1.596 | 1.087 | 0.413 |
| 2009 | 0.330 | 1.565 | 1.174 | 0.440 |
| 2010 | 0.317 | 1.536 | 1.067 | 0.456 |
| 2011 | 0.294 | 1.515 | 0.974 | 0.456 |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

|  |  |  |  | Projections (d) |
|---|---|---|---|---|
| 2024 |  |  |  | 0.359 |
| 2025 |  |  |  | 0.361 |
| 9/1/2025 |  |  |  | 0.359 |

(a)  See Exhibit 3.1.
(b)  See Exhibit 4.1.
(c)  See Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the intra-class frequency changes for accident year 2023 from Exhibit 12 and frequency model projections for accident years 2024 to 2026 from Exhibit 6.1. The annual indemnity severity growth estimates are from Exhibit 6.2.

**On-Level Indemnity Loss to Pure Premium Ratios**
**Based on Experience as of December 31, 2023**
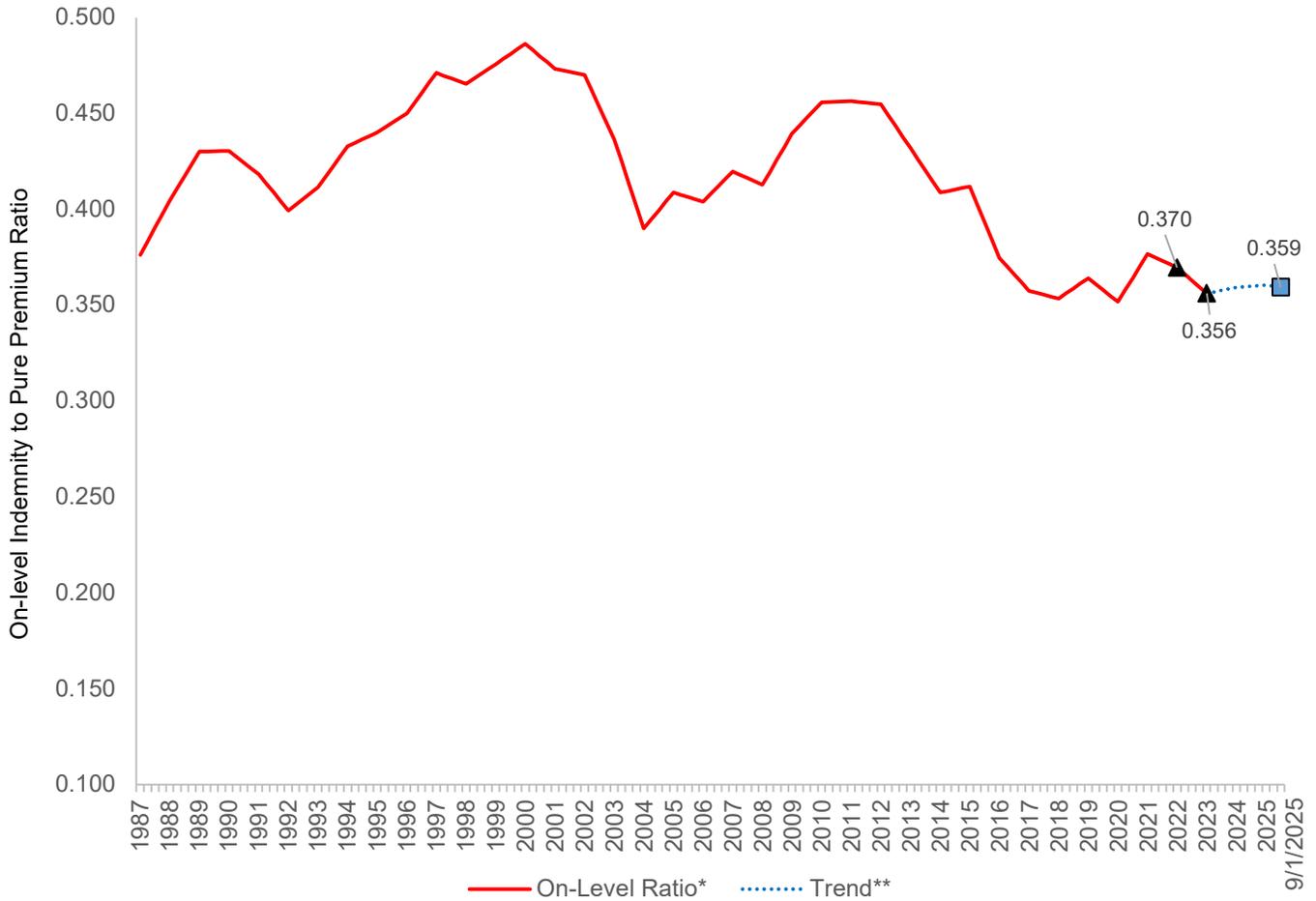


* On-level indemnity to pure premium ratios (see Exhibit 7.1)
** The 9/1/2025 indemnity to pure premium ratio was calculated based on separate frequency and severity trends applied to the 2022 and 2023 years.

**Projected On-Level Accident Year
Medical Loss to Pure Premium Ratios
Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical On-Level Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (e) (1)×(2)÷(3) |
|---|---|---|---|---|
| 1987 | 0.287 | 0.856 | 1.650 | 0.149 |
| 1988 | 0.281 | 0.825 | 1.446 | 0.160 |
| 1989 | 0.300 | 0.801 | 1.391 | 0.173 |
| 1990 | 0.340 | 0.649 | 1.293 | 0.171 |
| 1991 | 0.357 | 0.555 | 1.170 | 0.169 |
| 1992 | 0.297 | 0.585 | 1.064 | 0.163 |
| 1993 | 0.245 | 0.700 | 1.029 | 0.166 |
| 1994 | 0.282 | 0.734 | 1.163 | 0.178 |
| 1995 | 0.417 | 0.724 | 1.527 | 0.198 |
| 1996 | 0.448 | 0.714 | 1.567 | 0.204 |
| 1997 | 0.503 | 0.707 | 1.519 | 0.234 |
| 1998 | 0.608 | 0.623 | 1.540 | 0.246 |
| 1999 | 0.665 | 0.540 | 1.463 | 0.246 |
| 2000 | 0.603 | 0.496 | 1.158 | 0.258 |
| 2001 | 0.537 | 0.452 | 0.988 | 0.246 |
| 2002 | 0.417 | 0.470 | 0.761 | 0.257 |
| 2003 | 0.269 | 0.493 | 0.541 | 0.245 |
| 2004 | 0.183 | 0.745 | 0.493 | 0.276 |
| 2005 | 0.179 | 0.865 | 0.547 | 0.284 |
| 2006 | 0.233 | 0.909 | 0.704 | 0.300 |
| 2007 | 0.327 | 0.892 | 0.900 | 0.324 |
| 2008 | 0.408 | 0.886 | 1.087 | 0.333 |
| 2009 | 0.483 | 0.874 | 1.174 | 0.360 |
| 2010 | 0.475 | 0.871 | 1.067 | 0.388 |
| 2011 | 0.409 | 0.886 | 0.974 | 0.372 |
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 |
| 2013 | 0.300 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.256 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.376 |
| 2019 | 0.311 | 1.027 | 0.843 | 0.380 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.369 |
| 2021 | 0.365 | 1.021 | 0.928 | 0.401 |
| 2022 | 0.353 | 1.013 | 0.916 | 0.390 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

|  |  |  |  | Projections (d) |
|---|---|---|---|---|
| 2024 |  |  |  | 0.389 |
| 2025 |  |  |  | 0.394 |
| 9/1/2025 |  |  |  | 0.393 |

(a)  See Exhibit 3.2. Medical loss ratios for accident years 2011 and subsequent do not reflect the cost of medical cost containment programs (MCCP). Ratios for accident years 2010 and prior do reflect MCCP costs.

(b)  See Exhibit 4.4.

(c)  See Exhibit 5.2.

(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the intra-class frequency changes for accident year 2023 from Exhibit 12 and frequency model projections for accident years 2024 to 2026 from Exhibit 6.1. The annual medical severity growth estimates are from Exhibit 6.4.

(e)  Accident years 2011 and subsequent do not reflect the paid MCCP costs. Accident years 2010 and prior do reflect paid MCCP costs.

**On-Level Medical Loss to Pure Premium Ratios**
**Based on Experience as of December 31, 2023**
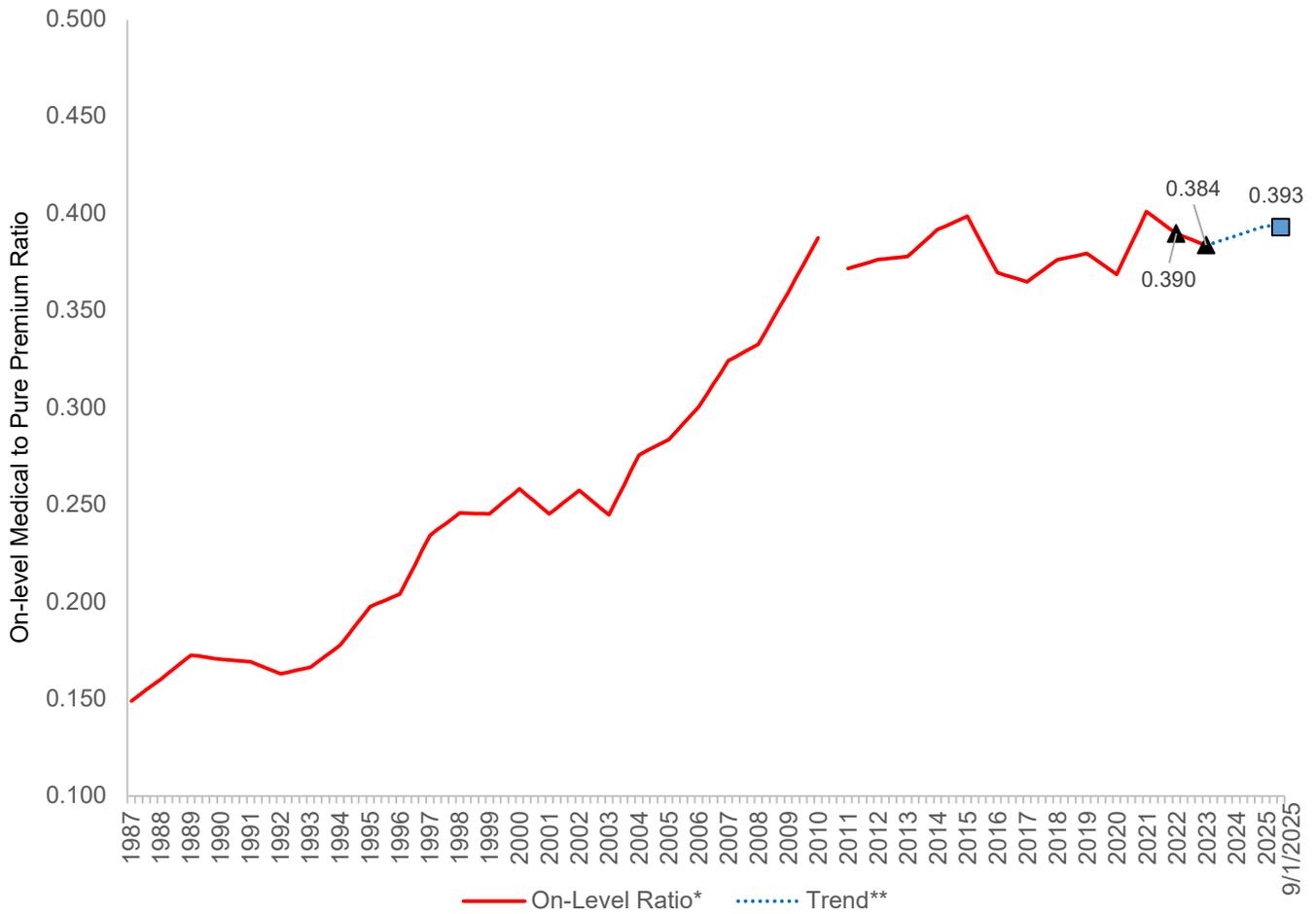


\* On-level medical to pure premium ratios (see Exhibit 7.3)
\*\* The 9/1/2025 medical to pure premium ratio was calculated based on separate frequency and severity trends applied to the 2022 and 2023 years.

**Indicated Loss to Pure Premium Ratios**
**For Policies with Effective Dates between September 1, 2024 and August 31, 2025**
**Based on Experience as of December 31, 2023**

|  | Indemnity | Medical | Total |
|---|---|---|---|
| 1. Projected Loss to Advisory Pure Premium Ratio (See Exhibits 7.1 and 7.3) | 0.359 | 0.393 | 0.752 |

Quarterly Incurred Indemnity Loss Development Factors

Through December 31, 2023

| Age in Months | Accident Year | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| 6/3 | 2.834 | 2.736 | 2.463 | 2.417 | 2.724 | 2.785 | 3.031 | 3.116 | 3.052 | 3.238 | 3.344 | 3.303 | 3.209 | 3.201 | 3.372 | 3.200 | 3.228 | -- | 3.161 | 3.187 | 3.266 |
| 9/6 | 1.808 | 1.776 | 1.618 | 1.656 | 1.776 | 1.820 | 1.848 | 1.904 | 2.001 | 1.966 | 1.940 | 1.960 | 1.948 | 1.945 | 1.874 | 1.998 | 2.017 | -- | 1.968 | 1.912 | 1.976 |
| **12/9** | **1.473** | **1.460** | **1.355** | **1.448** | **1.511** | **1.510** | **1.530** | **1.564** | **1.632** | **1.587** | **1.585** | **1.570** | **1.578** | **1.578** | **1.580** | **1.578** | **1.596** | **--** | **1.561** | **1.563** | **1.569** |
| 15/12 | 1.238 | 1.180 | 1.149 | 1.189 | 1.234 | 1.248 | 1.293 | 1.306 | 1.306 | 1.303 | 1.301 | 1.301 | 1.313 | 1.309 | 1.298 | 1.298 | 1.295 | 1.261 | 1.293 | 1.298 | |
| 18/15 | 1.167 | 1.101 | 1.103 | 1.140 | 1.158 | 1.182 | 1.194 | 1.197 | 1.195 | 1.206 | 1.178 | 1.190 | 1.187 | 1.189 | 1.177 | 1.183 | 1.189 | 1.169 | 1.183 | 1.191 | |
| 21/18 | 1.127 | 1.066 | 1.096 | 1.117 | 1.128 | 1.139 | 1.153 | 1.140 | 1.146 | 1.141 | 1.141 | 1.132 | 1.137 | 1.134 | 1.138 | 1.123 | 1.128 | 1.122 | 1.134 | 1.137 | |
| **24/21** | **1.094** | **1.045** | **1.082** | **1.098** | **1.106** | **1.106** | **1.114** | **1.119** | **1.117** | **1.111** | **1.104** | **1.114** | **1.111** | **1.104** | **1.100** | **1.102** | **1.094** | **1.097** | **1.100** | **1.104** | |
| 27/24 | 1.073 | 1.045 | 1.070 | 1.082 | 1.081 | 1.088 | 1.089 | 1.091 | 1.085 | 1.087 | 1.081 | 1.082 | 1.087 | 1.079 | 1.078 | 1.071 | 1.073 | 1.079 | 1.078 | | |
| 30/27 | 1.051 | 1.040 | 1.054 | 1.057 | 1.072 | 1.075 | 1.075 | 1.080 | 1.071 | 1.068 | 1.067 | 1.074 | 1.066 | 1.064 | 1.059 | 1.066 | 1.062 | 1.058 | 1.065 | | |
| 33/30 | 1.032 | 1.036 | 1.042 | 1.049 | 1.053 | 1.059 | 1.052 | 1.064 | 1.053 | 1.060 | 1.047 | 1.055 | 1.050 | 1.047 | 1.047 | 1.045 | 1.045 | 1.046 | 1.051 | | |
| **36/33** | **1.020** | **1.029** | **1.033** | **1.039** | **1.043** | **1.051** | **1.049** | **1.049** | **1.043** | **1.041** | **1.043** | **1.042** | **1.036** | **1.037** | **1.038** | **1.029** | **1.034** | **1.038** | **1.039** | | |
| 39/36 | 1.017 | 1.027 | 1.029 | 1.031 | 1.033 | 1.040 | 1.039 | 1.039 | 1.041 | 1.035 | 1.031 | 1.036 | 1.030 | 1.028 | 1.028 | 1.027 | 1.029 | 1.029 | | | |
| 42/39 | 1.018 | 1.020 | 1.020 | 1.031 | 1.033 | 1.036 | 1.038 | 1.035 | 1.032 | 1.028 | 1.031 | 1.030 | 1.027 | 1.026 | 1.028 | 1.023 | 1.027 | 1.031 | | | |
| 45/42 | 1.019 | 1.018 | 1.024 | 1.026 | 1.028 | 1.030 | 1.035 | 1.027 | 1.033 | 1.022 | 1.024 | 1.024 | 1.024 | 1.021 | 1.016 | 1.015 | 1.022 | 1.026 | | | |
| **48/45** | **1.013** | **1.013** | **1.021** | **1.019** | **1.021** | **1.024** | **1.024** | **1.026** | **1.023** | **1.024** | **1.020** | **1.020** | **1.016** | **1.017** | **1.014** | **1.015** | **1.018** | **1.019** | | | |
| 51/48 | 1.016 | 1.010 | 1.018 | 1.021 | 1.018 | 1.022 | 1.023 | 1.021 | 1.018 | 1.017 | 1.015 | 1.019 | 1.015 | 1.014 | 1.013 | 1.014 | 1.016 | | | | |
| 54/51 | 1.017 | 1.009 | 1.017 | 1.021 | 1.020 | 1.021 | 1.020 | 1.020 | 1.016 | 1.019 | 1.015 | 1.014 | 1.013 | 1.015 | 1.011 | 1.011 | 1.013 | | | | |
| 57/54 | 1.011 | 1.011 | 1.018 | 1.017 | 1.014 | 1.018 | 1.017 | 1.015 | 1.014 | 1.013 | 1.011 | 1.014 | 1.011 | 1.009 | 1.009 | 1.009 | 1.012 | | | | |
| **60/57** | **1.009** | **1.011** | **1.013** | **1.019** | **1.016** | **1.013** | **1.015** | **1.012** | **1.014** | **1.012** | **1.012** | **1.011** | **1.007** | **1.007** | **1.009** | **1.009** | **1.009** | | | | |
| 63/60 | 1.008 | 1.010 | 1.014 | 1.013 | 1.015 | 1.011 | 1.014 | 1.014 | 1.009 | 1.012 | 1.008 | 1.010 | 1.007 | 1.007 | 1.008 | 1.008 | | | | | |
| 66/63 | 1.008 | 1.010 | 1.013 | 1.016 | 1.014 | 1.015 | 1.013 | 1.013 | 1.009 | 1.010 | 1.009 | 1.008 | 1.007 | 1.007 | 1.008 | 1.006 | | | | | |
| 69/66 | 1.007 | 1.011 | 1.012 | 1.011 | 1.010 | 1.009 | 1.012 | 1.007 | 1.010 | 1.010 | 1.007 | 1.006 | 1.007 | 1.005 | 1.006 | 1.008 | | | | | |
| **72/69** | **1.009** | **1.009** | **1.013** | **1.011** | **1.009** | **1.009** | **1.009** | **1.010** | **1.008** | **1.007** | **1.007** | **1.005** | **1.005** | **1.007** | **1.007** | **1.006** | | | | | |
| 75/72 | 1.005 | 1.007 | 1.010 | 1.011 | 1.010 | 1.010 | 1.008 | 1.007 | 1.004 | 1.006 | 1.007 | 1.004 | 1.006 | 1.005 | 1.004 | | | | | | |
| 78/75 | 1.006 | 1.006 | 1.012 | 1.009 | 1.010 | 1.006 | 1.006 | 1.006 | 1.007 | 1.005 | 1.006 | 1.005 | 1.006 | 1.003 | 1.004 | | | | | | |
| 81/78 | 1.005 | 1.006 | 1.010 | 1.009 | 1.007 | 1.007 | 1.006 | 1.006 | 1.007 | 1.005 | 1.005 | 1.003 | 1.003 | 1.003 | 1.004 | | | | | | |
| **84/81** | **1.006** | **1.007** | **1.008** | **1.005** | **1.009** | **1.006** | **1.004** | **1.007** | **1.004** | **1.007** | **1.003** | **1.004** | **1.002** | **1.005** | **1.003** | | | | | | |
| 87/84 | 1.002 | 1.007 | 1.010 | 1.007 | 1.004 | 1.005 | 1.006 | 1.004 | 1.006 | 1.004 | 1.003 | 1.002 | 1.001 | 1.003 | | | | | | | |
| 90/87 | 1.004 | 1.008 | 1.008 | 1.008 | 1.008 | 1.004 | 1.005 | 1.005 | 1.005 | 1.004 | 1.004 | 1.003 | 1.004 | 1.002 | | | | | | | |
| 93/90 | 1.005 | 1.006 | 1.008 | 1.006 | 1.007 | 1.006 | 1.003 | 1.004 | 1.005 | 1.004 | 1.003 | 1.004 | 1.002 | 1.003 | | | | | | | |
| **96/93** | **1.006** | **1.006** | **1.003** | **1.002** | **1.003** | **1.004** | **1.004** | **1.003** | **1.003** | **1.003** | **1.003** | **1.002** | **1.002** | **1.003** | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Quarterly Incurred Medical Loss Development Factors *

Through December 31, 2023

Age in Months — Accident Year

| Age in Months | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6/3 | 2.805 | 2.671 | 2.530 | 2.584 | 2.662 | 2.782 | 2.892 | 2.992 | 2.757 | 2.853 | 2.843 | 2.921 | 2.863 | 3.019 | 3.209 | 2.891 | 2.830 | -- | 2.871 | 2.928 | 2.907 |
| 9/6 | 1.762 | 1.703 | 1.670 | 1.650 | 1.744 | 1.717 | 1.807 | 1.800 | 1.827 | 1.833 | 1.819 | 1.840 | 1.884 | 1.755 | 1.740 | 1.821 | 1.845 | -- | 1.746 | 1.763 | 1.839 |
| **12/9** | **1.425** | **1.400** | **1.375** | **1.453** | **1.443** | **1.466** | **1.454** | **1.488** | **1.521** | **1.484** | **1.500** | **1.482** | **1.451** | **1.487** | **1.448** | **1.459** | **1.470** | **--** | **1.429** | **1.455** | **1.469** |
| 15/12 | 1.197 | 1.132 | 1.145 | 1.138 | 1.182 | 1.167 | 1.199 | 1.206 | 1.228 | 1.211 | 1.207 | 1.199 | 1.206 | 1.215 | 1.184 | 1.191 | 1.183 | 1.166 | 1.172 | 1.179 | |
| 18/15 | 1.126 | 1.086 | 1.087 | 1.103 | 1.106 | 1.126 | 1.135 | 1.129 | 1.141 | 1.136 | 1.117 | 1.114 | 1.094 | 1.095 | 1.087 | 1.096 | 1.100 | 1.092 | 1.103 | 1.112 | |
| 21/18 | 1.093 | 1.055 | 1.061 | 1.073 | 1.081 | 1.090 | 1.097 | 1.101 | 1.103 | 1.085 | 1.088 | 1.077 | 1.082 | 1.069 | 1.069 | 1.063 | 1.060 | 1.077 | 1.067 | 1.079 | |
| **24/21** | **1.060** | **1.040** | **1.052** | **1.070** | **1.074** | **1.067** | **1.074** | **1.080** | **1.080** | **1.067** | **1.064** | **1.055** | **1.059** | **1.057** | **1.046** | **1.044** | **1.052** | **1.054** | **1.058** | **1.068** | |
| 27/24 | 1.042 | 1.034 | 1.048 | 1.055 | 1.058 | 1.053 | 1.071 | 1.066 | 1.072 | 1.058 | 1.048 | 1.046 | 1.048 | 1.040 | 1.036 | 1.030 | 1.034 | 1.049 | 1.051 | | |
| 30/27 | 1.038 | 1.039 | 1.049 | 1.046 | 1.054 | 1.057 | 1.048 | 1.063 | 1.052 | 1.046 | 1.037 | 1.044 | 1.037 | 1.032 | 1.028 | 1.036 | 1.037 | 1.041 | 1.042 | | |
| 33/30 | 1.018 | 1.032 | 1.030 | 1.041 | 1.045 | 1.045 | 1.051 | 1.055 | 1.045 | 1.046 | 1.031 | 1.033 | 1.033 | 1.026 | 1.029 | 1.024 | 1.028 | 1.031 | 1.037 | | |
| **36/33** | **1.016** | **1.024** | **1.034** | **1.042** | **1.033** | **1.042** | **1.040** | **1.041** | **1.037** | **1.028** | **1.026** | **1.027** | **1.021** | **1.021** | **1.020** | **1.016** | **1.021** | **1.024** | **1.030** | | |
| 39/36 | 1.012 | 1.028 | 1.025 | 1.027 | 1.029 | 1.033 | 1.031 | 1.040 | 1.039 | 1.027 | 1.021 | 1.023 | 1.022 | 1.011 | 1.018 | 1.016 | 1.019 | 1.021 | | | |
| 42/39 | 1.013 | 1.017 | 1.020 | 1.025 | 1.035 | 1.036 | 1.037 | 1.037 | 1.031 | 1.022 | 1.026 | 1.022 | 1.017 | 1.010 | 1.015 | 1.014 | 1.017 | 1.024 | | | |
| 45/42 | 1.019 | 1.033 | 1.021 | 1.025 | 1.029 | 1.026 | 1.030 | 1.028 | 1.027 | 1.021 | 1.018 | 1.017 | 1.015 | 1.011 | 1.009 | 1.013 | 1.014 | 1.021 | | | |
| **48/45** | **1.013** | **1.025** | **1.018** | **1.022** | **1.025** | **1.029** | **1.034** | **1.022** | **1.023** | **1.020** | **1.018** | **1.014** | **1.008** | **1.012** | **1.008** | **1.011** | **1.013** | **1.015** | | | |
| 51/48 | 1.013 | 1.018 | 1.015 | 1.020 | 1.021 | 1.021 | 1.026 | 1.024 | 1.019 | 1.014 | 1.013 | 1.010 | 1.008 | 1.008 | 1.009 | 1.007 | 1.013 | | | | |
| 54/51 | 1.012 | 1.021 | 1.019 | 1.022 | 1.022 | 1.027 | 1.023 | 1.019 | 1.018 | 1.015 | 1.011 | 1.009 | 1.009 | 1.012 | 1.005 | 1.009 | 1.012 | | | | |
| 57/54 | 1.017 | 1.020 | 1.018 | 1.019 | 1.019 | 1.023 | 1.020 | 1.017 | 1.018 | 1.013 | 1.007 | 1.009 | 1.007 | 1.006 | 1.007 | 1.005 | 1.008 | | | | |
| **60/57** | **1.014** | **1.020** | **1.019** | **1.018** | **1.017** | **1.019** | **1.016** | **1.015** | **1.014** | **1.012** | **1.007** | **1.007** | **1.005** | **1.005** | **1.007** | **1.009** | **1.008** | | | | |
| 63/60 | 1.016 | 1.015 | 1.021 | 1.015 | 1.018 | 1.016 | 1.020 | 1.015 | 1.009 | 1.009 | 1.005 | 1.008 | 1.005 | 1.004 | 1.004 | 1.007 | | | | | |
| 66/63 | 1.013 | 1.015 | 1.022 | 1.019 | 1.018 | 1.017 | 1.015 | 1.010 | 1.008 | 1.008 | 1.006 | 1.010 | 1.006 | 1.005 | 1.009 | 1.006 | | | | | |
| 69/66 | 1.018 | 1.015 | 1.023 | 1.017 | 1.017 | 1.015 | 1.014 | 1.010 | 1.008 | 1.008 | 1.005 | 1.008 | 1.003 | 1.002 | 1.008 | 1.009 | | | | | |
| **72/69** | **1.010** | **1.014** | **1.015** | **1.013** | **1.014** | **1.012** | **1.011** | **1.010** | **1.007** | **1.005** | **1.005** | **1.002** | **1.003** | **1.005** | **1.003** | **1.007** | | | | | |
| 75/72 | 1.009 | 1.012 | 1.012 | 1.011 | 1.018 | 1.013 | 1.008 | 1.006 | 1.001 | 1.003 | 1.006 | 1.003 | 1.002 | 1.004 | 1.002 | | | | | | |
| 78/75 | 1.011 | 1.018 | 1.013 | 1.012 | 1.012 | 1.010 | 1.008 | 1.008 | 1.006 | 1.005 | 1.003 | 1.005 | 1.003 | 1.003 | 1.002 | | | | | | |
| 81/78 | 1.014 | 1.018 | 1.017 | 1.016 | 1.009 | 1.009 | 1.005 | 1.006 | 1.006 | 1.005 | 1.004 | 1.002 | 1.002 | 1.006 | 1.002 | | | | | | |
| **84/81** | **1.007** | **1.012** | **1.011** | **1.008** | **1.010** | **1.008** | **1.007** | **1.005** | **1.001** | **1.003** | **1.002** | **1.002** | **0.999** | **1.000** | **1.003** | | | | | | |
| 87/84 | 1.010 | 1.012 | 1.014 | 1.012 | 1.008 | 1.007 | 1.004 | 1.003 | 1.001 | 1.002 | 1.002 | 1.001 | 1.001 | 1.002 | | | | | | | |
| 90/87 | 1.012 | 1.009 | 1.009 | 1.013 | 1.008 | 1.006 | 1.006 | 1.003 | 1.006 | 1.006 | 1.001 | 1.004 | 1.001 | 1.000 | | | | | | | |
| 93/90 | 1.010 | 1.011 | 1.012 | 1.009 | 1.009 | 1.007 | 1.002 | 1.003 | 1.002 | 1.004 | 1.000 | 1.003 | 1.002 | 1.002 | | | | | | | |
| **96/93** | **1.010** | **1.011** | **1.009** | **1.005** | **1.006** | **1.005** | **1.003** | **1.002** | **1.001** | **1.003** | **1.002** | **1.002** | **1.001** | **1.001** | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

* Incurred medical loss development factors include the paid cost of medical cost containment programs (MCCP) for accident years 2011 and prior.

Quarterly Paid Indemnity Loss Development Factors

Through December 31, 2023

Accident Year

| Age in Months | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6/3 | 4.908 | 4.745 | 4.512 | 4.376 | 4.495 | 4.553 | 4.807 | 4.911 | 4.722 | 4.854 | 5.099 | 5.076 | 5.056 | 5.087 | 5.272 | 4.987 | 5.083 | -- | 5.102 | 5.241 | 4.929 |
| 9/6 | 2.424 | 2.399 | 2.303 | 2.259 | 2.375 | 2.377 | 2.398 | 2.452 | 2.432 | 2.484 | 2.462 | 2.462 | 2.484 | 2.456 | 2.446 | 2.538 | 2.505 | -- | 2.440 | 2.433 | 2.415 |
| **12/9** | **1.876** | **1.841** | **1.774** | **1.812** | **1.834** | **1.810** | **1.825** | **1.861** | **1.869** | **1.877** | **1.866** | **1.879** | **1.910** | **1.882** | **1.892** | **1.891** | **1.902** | **--** | **1.847** | **1.817** | **1.844** |
| 15/12 | 1.516 | 1.491 | 1.456 | 1.482 | 1.488 | 1.481 | 1.507 | 1.532 | 1.539 | 1.506 | 1.539 | 1.540 | 1.559 | 1.571 | 1.544 | 1.527 | 1.522 | 1.509 | 1.503 | 1.505 | |
| 18/15 | 1.379 | 1.331 | 1.306 | 1.306 | 1.327 | 1.332 | 1.343 | 1.355 | 1.361 | 1.361 | 1.353 | 1.364 | 1.372 | 1.366 | 1.358 | 1.353 | 1.341 | 1.331 | 1.333 | 1.337 | |
| 21/18 | 1.297 | 1.241 | 1.217 | 1.233 | 1.235 | 1.243 | 1.259 | 1.257 | 1.261 | 1.261 | 1.263 | 1.267 | 1.264 | 1.256 | 1.260 | 1.248 | 1.258 | 1.239 | 1.236 | 1.239 | |
| **24/21** | **1.244** | **1.183** | **1.181** | **1.195** | **1.191** | **1.194** | **1.206** | **1.209** | **1.215** | **1.213** | **1.204** | **1.216** | **1.211** | **1.206** | **1.205** | **1.206** | **1.193** | **1.189** | **1.186** | **1.185** | |
| 27/24 | 1.186 | 1.140 | 1.142 | 1.151 | 1.149 | 1.153 | 1.162 | 1.165 | 1.168 | 1.164 | 1.159 | 1.170 | 1.176 | 1.161 | 1.159 | 1.152 | 1.154 | 1.148 | 1.142 | | |
| 30/27 | 1.161 | 1.122 | 1.117 | 1.126 | 1.129 | 1.130 | 1.141 | 1.141 | 1.137 | 1.134 | 1.141 | 1.147 | 1.142 | 1.137 | 1.131 | 1.116 | 1.126 | 1.126 | 1.123 | | |
| 33/30 | 1.123 | 1.097 | 1.096 | 1.100 | 1.101 | 1.108 | 1.114 | 1.116 | 1.112 | 1.111 | 1.111 | 1.115 | 1.107 | 1.104 | 1.105 | 1.103 | 1.101 | 1.101 | 1.102 | | |
| **36/33** | **1.097** | **1.085** | **1.081** | **1.080** | **1.084** | **1.092** | **1.094** | **1.098** | **1.091** | **1.091** | **1.096** | **1.092** | **1.089** | **1.088** | **1.083** | **1.077** | **1.083** | **1.082** | **1.083** | | |
| 39/36 | 1.072 | 1.070 | 1.066 | 1.064 | 1.067 | 1.074 | 1.078 | 1.077 | 1.073 | 1.075 | 1.074 | 1.075 | 1.071 | 1.068 | 1.064 | 1.066 | 1.066 | 1.067 | | | |
| 42/39 | 1.063 | 1.059 | 1.058 | 1.058 | 1.062 | 1.067 | 1.067 | 1.071 | 1.070 | 1.065 | 1.064 | 1.066 | 1.062 | 1.059 | 1.050 | 1.057 | 1.061 | 1.061 | | | |
| 45/42 | 1.049 | 1.047 | 1.049 | 1.047 | 1.051 | 1.058 | 1.059 | 1.057 | 1.055 | 1.054 | 1.052 | 1.050 | 1.050 | 1.045 | 1.044 | 1.045 | 1.050 | 1.050 | | | |
| **48/45** | **1.044** | **1.041** | **1.044** | **1.043** | **1.047** | **1.049** | **1.051** | **1.050** | **1.048** | **1.048** | **1.048** | **1.045** | **1.041** | **1.040** | **1.037** | **1.039** | **1.042** | **1.043** | | | |
| 51/48 | 1.035 | 1.033 | 1.036 | 1.036 | 1.037 | 1.042 | 1.042 | 1.043 | 1.039 | 1.038 | 1.038 | 1.039 | 1.035 | 1.031 | 1.031 | 1.031 | 1.033 | | | | |
| 54/51 | 1.035 | 1.030 | 1.028 | 1.035 | 1.036 | 1.038 | 1.041 | 1.038 | 1.036 | 1.036 | 1.033 | 1.032 | 1.031 | 1.024 | 1.030 | 1.029 | 1.032 | | | | |
| 57/54 | 1.026 | 1.025 | 1.028 | 1.030 | 1.032 | 1.033 | 1.033 | 1.032 | 1.033 | 1.028 | 1.027 | 1.028 | 1.025 | 1.024 | 1.024 | 1.025 | 1.026 | | | | |
| **60/57** | **1.024** | **1.024** | **1.024** | **1.028** | **1.029** | **1.029** | **1.032** | **1.027** | **1.030** | **1.028** | **1.025** | **1.025** | **1.023** | **1.020** | **1.021** | **1.022** | **1.025** | | | | |
| 63/60 | 1.019 | 1.019 | 1.021 | 1.023 | 1.025 | 1.025 | 1.024 | 1.026 | 1.025 | 1.025 | 1.021 | 1.021 | 1.018 | 1.016 | 1.017 | 1.019 | | | | | |
| 66/63 | 1.019 | 1.019 | 1.020 | 1.025 | 1.025 | 1.025 | 1.025 | 1.023 | 1.022 | 1.022 | 1.018 | 1.018 | 1.014 | 1.016 | 1.017 | 1.018 | | | | | |
| 69/66 | 1.017 | 1.016 | 1.021 | 1.020 | 1.020 | 1.020 | 1.022 | 1.020 | 1.019 | 1.022 | 1.017 | 1.014 | 1.013 | 1.015 | 1.015 | 1.016 | | | | | |
| **72/69** | **1.015** | **1.017** | **1.015** | **1.020** | **1.019** | **1.019** | **1.019** | **1.019** | **1.019** | **1.016** | **1.014** | **1.016** | **1.012** | **1.011** | **1.013** | **1.015** | | | | | |
| 75/72 | 1.012 | 1.013 | 1.015 | 1.019 | 1.018 | 1.016 | 1.016 | 1.017 | 1.015 | 1.014 | 1.012 | 1.012 | 1.011 | 1.012 | 1.011 | | | | | | |
| 78/75 | 1.011 | 1.012 | 1.015 | 1.017 | 1.016 | 1.015 | 1.016 | 1.016 | 1.015 | 1.013 | 1.011 | 1.009 | 1.012 | 1.012 | 1.011 | | | | | | |
| 81/78 | 1.010 | 1.012 | 1.015 | 1.015 | 1.016 | 1.015 | 1.015 | 1.013 | 1.012 | 1.011 | 1.010 | 1.008 | 1.009 | 1.009 | 1.010 | | | | | | |
| **84/81** | **1.009** | **1.011** | **1.013** | **1.015** | **1.014** | **1.013** | **1.012** | **1.013** | **1.013** | **1.011** | **1.010** | **1.009** | **1.009** | **1.010** | **1.009** | | | | | | |
| 87/84 | 1.008 | 1.009 | 1.012 | 1.014 | 1.013 | 1.010 | 1.012 | 1.010 | 1.011 | 1.010 | 1.007 | 1.006 | 1.008 | 1.008 | | | | | | | |
| 90/87 | 1.008 | 1.011 | 1.012 | 1.013 | 1.012 | 1.011 | 1.010 | 1.010 | 1.010 | 1.009 | 1.007 | 1.007 | 1.007 | 1.006 | | | | | | | |
| 93/90 | 1.008 | 1.012 | 1.011 | 1.011 | 1.012 | 1.010 | 1.010 | 1.009 | 1.009 | 1.008 | 1.007 | 1.006 | 1.006 | 1.008 | | | | | | | |
| **96/93** | **1.007** | **1.008** | **1.011** | **1.011** | **1.008** | **1.010** | **1.010** | **1.009** | **1.010** | **1.007** | **1.007** | **1.007** | **1.005** | **1.005** | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

Quarterly Paid Medical Loss Development Factors *

Through December 31, 2023

Age in Months     Accident Year

| Months | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6/3 | 7.127 | 7.617 | 5.563 | 5.308 | 5.615 | 6.579 | 6.101 | 6.048 | 5.854 | 5.989 | 6.284 | 5.604 | 5.720 | 5.897 | 5.433 | 5.460 | 4.982 | -- | 6.124 | 6.026 | 5.205 |
| 9/6 | 2.577 | 2.483 | 2.236 | 2.348 | 2.381 | 2.348 | 2.375 | 2.361 | 2.327 | 2.398 | 2.498 | 2.428 | 2.287 | 2.326 | 2.248 | 2.351 | 2.287 | -- | 2.232 | 2.354 | 2.322 |
| **12/9** | **1.825** | **1.759** | **1.666** | **1.716** | **1.765** | **1.731** | **1.723** | **1.756** | **1.746** | **1.763** | **1.736** | **1.750** | **1.705** | **1.752** | **1.737** | **1.719** | **1.796** | **--** | **1.719** | **1.753** | **1.776** |
| 15/12 | 1.510 | 1.437 | 1.423 | 1.429 | 1.444 | 1.413 | 1.429 | 1.445 | 1.472 | 1.446 | 1.443 | 1.460 | 1.454 | 1.479 | 1.434 | 1.426 | 1.433 | 1.436 | 1.437 | 1.455 | |
| 18/15 | 1.295 | 1.243 | 1.230 | 1.227 | 1.259 | 1.243 | 1.259 | 1.268 | 1.282 | 1.284 | 1.263 | 1.265 | 1.278 | 1.263 | 1.250 | 1.245 | 1.231 | 1.270 | 1.272 | 1.293 | |
| 21/18 | 1.179 | 1.153 | 1.151 | 1.163 | 1.173 | 1.170 | 1.178 | 1.182 | 1.187 | 1.192 | 1.193 | 1.192 | 1.189 | 1.173 | 1.170 | 1.173 | 1.170 | 1.190 | 1.192 | 1.204 | |
| **24/21** | **1.125** | **1.115** | **1.118** | **1.127** | **1.133** | **1.132** | **1.137** | **1.144** | **1.153** | **1.154** | **1.148** | **1.146** | **1.146** | **1.141** | **1.131** | **1.143** | **1.138** | **1.149** | **1.145** | **1.156** | |
| 27/24 | 1.093 | 1.090 | 1.093 | 1.106 | 1.107 | 1.110 | 1.112 | 1.119 | 1.120 | 1.123 | 1.122 | 1.122 | 1.124 | 1.111 | 1.111 | 1.108 | 1.114 | 1.117 | 1.117 | | |
| 30/27 | 1.077 | 1.084 | 1.087 | 1.097 | 1.100 | 1.100 | 1.106 | 1.107 | 1.111 | 1.109 | 1.111 | 1.111 | 1.105 | 1.100 | 1.092 | 1.083 | 1.101 | 1.107 | 1.106 | | |
| 33/30 | 1.063 | 1.071 | 1.065 | 1.081 | 1.083 | 1.086 | 1.092 | 1.094 | 1.093 | 1.094 | 1.090 | 1.089 | 1.082 | 1.082 | 1.077 | 1.078 | 1.084 | 1.088 | 1.092 | | |
| **36/33** | **1.055** | **1.062** | **1.062** | **1.071** | **1.072** | **1.072** | **1.077** | **1.083** | **1.082** | **1.078** | **1.080** | **1.076** | **1.071** | **1.067** | **1.065** | **1.066** | **1.074** | **1.073** | **1.075** | | |
| 39/36 | 1.044 | 1.053 | 1.056 | 1.057 | 1.059 | 1.061 | 1.066 | 1.071 | 1.066 | 1.069 | 1.065 | 1.064 | 1.061 | 1.055 | 1.054 | 1.054 | 1.061 | 1.065 | | | |
| 42/39 | 1.044 | 1.049 | 1.054 | 1.055 | 1.058 | 1.059 | 1.061 | 1.068 | 1.063 | 1.062 | 1.057 | 1.059 | 1.057 | 1.048 | 1.040 | 1.048 | 1.053 | 1.058 | | | |
| 45/42 | 1.037 | 1.040 | 1.047 | 1.048 | 1.049 | 1.054 | 1.053 | 1.056 | 1.056 | 1.053 | 1.051 | 1.045 | 1.044 | 1.042 | 1.039 | 1.043 | 1.049 | 1.048 | | | |
| **48/45** | **1.035** | **1.037** | **1.043** | **1.043** | **1.046** | **1.047** | **1.050** | **1.051** | **1.046** | **1.045** | **1.046** | **1.041** | **1.040** | **1.038** | **1.033** | **1.039** | **1.039** | **1.039** | | | |
| 51/48 | 1.030 | 1.033 | 1.037 | 1.036 | 1.036 | 1.039 | 1.041 | 1.043 | 1.040 | 1.039 | 1.038 | 1.037 | 1.032 | 1.031 | 1.027 | 1.027 | 1.033 | | | | |
| 54/51 | 1.029 | 1.034 | 1.034 | 1.035 | 1.035 | 1.036 | 1.042 | 1.038 | 1.035 | 1.035 | 1.034 | 1.032 | 1.029 | 1.023 | 1.029 | 1.029 | 1.032 | | | | |
| 57/54 | 1.024 | 1.029 | 1.031 | 1.034 | 1.031 | 1.033 | 1.038 | 1.034 | 1.034 | 1.031 | 1.028 | 1.026 | 1.025 | 1.023 | 1.023 | 1.025 | 1.026 | | | | |
| **60/57** | **1.026** | **1.028** | **1.029** | **1.028** | **1.032** | **1.032** | **1.035** | **1.030** | **1.030** | **1.030** | **1.023** | **1.022** | **1.021** | **1.019** | **1.021** | **1.021** | **1.025** | | | | |
| 63/60 | 1.020 | 1.024 | 1.024 | 1.024 | 1.024 | 1.027 | 1.027 | 1.026 | 1.027 | 1.025 | 1.021 | 1.022 | 1.019 | 1.018 | 1.017 | 1.018 | | | | | |
| 66/63 | 1.021 | 1.023 | 1.024 | 1.026 | 1.026 | 1.029 | 1.029 | 1.024 | 1.028 | 1.023 | 1.021 | 1.018 | 1.015 | 1.016 | 1.017 | 1.018 | | | | | |
| 69/66 | 1.019 | 1.021 | 1.023 | 1.023 | 1.021 | 1.024 | 1.024 | 1.022 | 1.020 | 1.020 | 1.017 | 1.016 | 1.014 | 1.016 | 1.020 | 1.018 | | | | | |
| **72/69** | **1.016** | **1.021** | **1.021** | **1.022** | **1.022** | **1.023** | **1.021** | **1.020** | **1.019** | **1.016** | **1.015** | **1.017** | **1.014** | **1.013** | **1.014** | **1.017** | | | | | |
| 75/72 | 1.014 | 1.018 | 1.020 | 1.019 | 1.019 | 1.018 | 1.018 | 1.018 | 1.015 | 1.015 | 1.013 | 1.014 | 1.011 | 1.012 | 1.011 | | | | | | |
| 78/75 | 1.015 | 1.016 | 1.018 | 1.017 | 1.022 | 1.019 | 1.018 | 1.017 | 1.017 | 1.015 | 1.013 | 1.011 | 1.012 | 1.015 | 1.012 | | | | | | |
| 81/78 | 1.014 | 1.018 | 1.018 | 1.015 | 1.019 | 1.018 | 1.015 | 1.015 | 1.013 | 1.012 | 1.011 | 1.009 | 1.010 | 1.010 | 1.011 | | | | | | |
| **84/81** | **1.013** | **1.016** | **1.016** | **1.015** | **1.018** | **1.015** | **1.015** | **1.015** | **1.013** | **1.013** | **1.010** | **1.009** | **1.010** | **1.010** | **1.010** | | | | | | |
| 87/84 | 1.012 | 1.014 | 1.013 | 1.015 | 1.017 | 1.013 | 1.013 | 1.011 | 1.012 | 1.010 | 1.008 | 1.008 | 1.008 | 1.009 | | | | | | | |
| 90/87 | 1.013 | 1.015 | 1.013 | 1.015 | 1.013 | 1.013 | 1.012 | 1.011 | 1.012 | 1.009 | 1.008 | 1.009 | 1.007 | 1.006 | | | | | | | |
| 93/90 | 1.013 | 1.013 | 1.012 | 1.014 | 1.014 | 1.013 | 1.011 | 1.010 | 1.009 | 1.010 | 1.006 | 1.007 | 1.007 | 1.008 | | | | | | | |
| **96/93** | **1.009** | **1.013** | **1.015** | **1.016** | **1.011** | **1.012** | **1.010** | **1.009** | **1.009** | **1.009** | **1.006** | **1.007** | **1.007** | **1.006** | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2022.

* Paid medical loss development factors include the paid cost of medical cost containment programs (MCCP) for accident years 2011 and prior.

**Reported Indemnity Claim Count Development**

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1998 | | | | | | | | | | | | | | | | 1.000 |
| 1999 | | | | | | | | | | | | | | | 1.000 | 1.000 |
| 2000 | | | | | | | | | | | | | | 1.000 | 1.000 | 1.000 |
| 2001 | | | | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 |
| 2002 | | | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2003 | | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2004 | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2005 | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2006 | | | | | | | | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2007 | | | | | | | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2008 | | | | | | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 2009 | | | | | 1.004 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | |
| 2010 | | | | 1.006 | 1.002 | 1.002 | 1.001 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | | | |
| 2011 | | | 1.013 | 1.005 | 1.002 | 1.001 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 2012 | | 1.034 | 1.010 | 1.005 | 1.003 | 1.001 | 1.002 | 1.000 | 1.001 | 1.000 | 1.001 | | | | | |
| 2013 | 1.248 | 1.026 | 1.010 | 1.005 | 1.001 | 1.002 | 1.001 | 1.000 | 1.000 | 1.001 | | | | | | |
| 2014 | 1.216 | 1.027 | 1.010 | 1.003 | 1.002 | 1.000 | 1.000 | 1.000 | 1.001 | | | | | | | |
| 2015 | 1.236 | 1.027 | 1.005 | 1.003 | 1.002 | 1.001 | 1.000 | 1.000 | | | | | | | | |
| 2016 | 1.244 | 1.028 | 1.007 | 1.003 | 1.001 | 1.000 | 1.001 | | | | | | | | | |
| 2017 | 1.219 | 1.023 | 1.007 | 1.003 | 1.001 | 1.001 | | | | | | | | | | |
| 2018 | 1.226 | 1.024 | 1.006 | 1.002 | 1.002 | | | | | | | | | | | |
| 2019 | 1.222 | 1.027 | 1.007 | 1.004 | | | | | | | | | | | | |
| 2020 | 1.225 | 1.024 | 1.008 | | | | | | | | | | | | | |
| 2021 | 1.223 | 1.025 | | | | | | | | | | | | | | |
| 2022 | 1.239 | | | | | | | | | | | | | | | |

**Latest Year**

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Age-to-Age | 1.239 | 1.025 | 1.008 | 1.004 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Age-to-Ultimate | 1.298 | 1.048 | 1.022 | 1.014 | 1.010 | 1.008 | 1.007 | 1.006 | 1.005 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2023.

**Quarterly Reported Indemnity Claim Count Development Factors**

| Accident Year | 3-6 | 6-9 | 9-12 | 12-15 | 15-18 | 18-21 | 21-24 | 24-27 | 27-30 | 30-33 | 33-36 | 36-39 | 39-42 | 42-45 | 45-48 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2011 | 2.688 | 1.708 | 1.407 | 1.124 | 1.037 | 1.021 | 1.015 | 1.011 | 1.008 | 1.005 | 1.005 | 1.003 | 1.004 | 1.003 | 1.001 |
| 2012 | 2.691 | 1.738 | 1.424 | 1.123 | 1.041 | 1.026 | 1.018 | 1.010 | 1.010 | 1.006 | 1.005 | 1.004 | 1.004 | 1.003 | 1.002 |
| 2013 | 2.749 | 1.727 | 1.420 | 1.123 | 1.050 | 1.028 | 1.018 | 1.012 | 1.010 | 1.007 | 1.004 | 1.004 | 1.003 | 1.007 | 1.001 |
| 2014 | 2.821 | 1.739 | 1.421 | 1.138 | 1.045 | 1.027 | 1.016 | 1.010 | 1.009 | 1.013 | 1.003 | 1.003 | 1.003 | 1.001 | 1.002 |
| 2015 | 2.778 | 1.723 | 1.421 | 1.130 | 1.045 | 1.037 | 1.015 | 1.010 | 1.008 | 1.004 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 |
| 2016 | 2.817 | 1.781 | 1.414 | 1.135 | 1.045 | 1.023 | 1.014 | 1.014 | 1.008 | 1.005 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 |
| 2017 | 2.733 | 1.717 | 1.410 | 1.149 | 1.047 | 1.027 | 1.018 | 1.012 | 1.010 | 1.006 | 1.004 | 1.002 | 1.003 | 1.002 | 1.002 |
| 2018 | 2.892 | 1.696 | 1.423 | 1.139 | 1.045 | 1.023 | 1.018 | 1.010 | 1.008 | 1.006 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 |
| 2019 | 2.780 | 1.750 | 1.424 | 1.138 | 1.034 | 1.023 | 1.015 | 1.010 | 1.009 | 1.005 | 1.003 | 1.003 | 1.002 | 1.001 | 1.001 |
| 2020 | -- | -- | -- | 1.131 | 1.042 | 1.025 | 1.014 | 1.009 | 1.008 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.000 |
| 2021 | 2.802 | 1.740 | 1.409 | 1.129 | 1.043 | 1.024 | 1.015 | 1.009 | 1.007 | 1.005 | 1.003 | | | | |
| 2022 | 2.845 | 1.715 | 1.418 | 1.138 | 1.045 | 1.026 | 1.016 | | | | | | | | |
| 2023 | 2.778 | 1.719 | 1.424 | | | | | | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2023.

**Reported Indemnity Claim Settlement Ratios**

| Accident Year | \|\| Evaluated as of (in months): | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 |
| 1998 | | | | | | | | | | | | | | | | | 98.2% |
| 1999 | | | | | | | | | | | | | | | | 97.9% | 98.1% |
| 2000 | | | | | | | | | | | | | | | 97.5% | 97.8% | 98.0% |
| 2001 | | | | | | | | | | | | | | 96.5% | 97.0% | 97.4% | 97.7% |
| 2002 | | | | | | | | | | | | | 96.4% | 96.9% | 97.3% | 97.7% | 98.0% |
| 2003 | | | | | | | | | | | | 95.9% | 96.4% | 97.0% | 97.5% | 97.9% | 98.2% |
| 2004 | | | | | | | | | | | 95.3% | 96.0% | 96.8% | 97.3% | 97.8% | 98.2% | 98.4% |
| 2005 | | | | | | | | | | 94.4% | 95.4% | 96.4% | 97.0% | 97.6% | 98.0% | 98.4% | 98.6% |
| 2006 | | | | | | | | | 93.0% | 94.3% | 95.5% | 96.4% | 97.1% | 97.6% | 98.0% | 98.3% | 98.5% |
| 2007 | | | | | | | | 91.3% | 93.2% | 94.8% | 96.0% | 96.7% | 97.4% | 97.9% | 98.2% | 98.5% | 98.7% |
| 2008 | | | | | | | 88.7% | 91.5% | 93.7% | 95.1% | 96.2% | 97.0% | 97.6% | 97.9% | 98.2% | 98.4% | |
| 2009 | | | | | | 84.5% | 88.5% | 91.7% | 93.8% | 95.3% | 96.4% | 97.1% | 97.6% | 97.9% | 98.2% | | |
| 2010 | | | | | 80.4% | 85.9% | 90.1% | 92.8% | 94.7% | 96.0% | 96.9% | 97.5% | 97.9% | 98.2% | | | |
| 2011 | | | | 73.6% | 81.6% | 87.1% | 91.0% | 93.6% | 95.4% | 96.4% | 97.1% | 97.7% | 98.0% | | | | |
| 2012 | | | 63.2% | 74.9% | 82.9% | 88.4% | 92.0% | 94.4% | 95.8% | 96.7% | 97.3% | 97.8% | | | | | |
| 2013 | | 48.1% | 64.3% | 76.6% | 84.7% | 89.8% | 93.2% | 95.1% | 96.3% | 97.1% | 97.6% | | | | | | |
| 2014 | 26.5% | 49.2% | 65.9% | 78.2% | 86.1% | 90.7% | 93.5% | 95.3% | 96.4% | 97.1% | | | | | | | |
| 2015 | 26.8% | 50.6% | 68.3% | 80.5% | 87.8% | 91.3% | 93.8% | 95.5% | 96.6% | | | | | | | | |
| 2016 | 28.2% | 53.4% | 70.9% | 82.4% | 88.2% | 91.7% | 94.1% | 95.6% | | | | | | | | | |
| 2017 | 30.4% | 56.2% | 73.1% | 82.5% | 88.3% | 91.8% | 94.1% | | | | | | | | | | |
| 2018 | 31.1% | 56.3% | 71.4% | 81.3% | 87.7% | 91.5% | | | | | | | | | | | |
| 2019 | 31.1% | 54.0% | 69.1% | 80.2% | 86.8% | | | | | | | | | | | | |
| 2020 | 30.0% | 53.2% | 69.0% | 79.5% | | | | | | | | | | | | | |
| 2021 | 31.4% | 55.6% | 70.0% | | | | | | | | | | | | | | |
| 2022 | 31.9% | 55.4% | | | | | | | | | | | | | | | |
| 2023 | 32.1% | | | | | | | | | | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2023.

**Estimated Ultimate Indemnity Claim Settlement Ratios**

| Accident Year | \_\_ | \_\_ | \_\_ | \_\_ | \_\_ | \_\_ | \_\_ | Evaluated as of (in months): | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 |
| 1998 | | | | | | | | | | | | | | | | | 98.1% |
| 1999 | | | | | | | | | | | | | | | | 97.9% | 98.1% |
| 2000 | | | | | | | | | | | | | | | 98.1% | 98.3% | 98.6% |
| 2001 | | | | | | | | | | | | | | 96.4% | 96.8% | 97.2% | 97.6% |
| 2002 | | | | | | | | | | | | | 96.2% | 96.7% | 97.2% | 97.5% | 97.9% |
| 2003 | | | | | | | | | | | | 95.7% | 96.2% | 96.8% | 97.3% | 97.7% | 98.0% |
| 2004 | | | | | | | | | | | 95.1% | 95.8% | 96.6% | 97.1% | 97.6% | 98.0% | 98.3% |
| 2005 | | | | | | | | | | 94.3% | 95.3% | 96.2% | 96.9% | 97.4% | 97.8% | 98.2% | 98.4% |
| 2006 | | | | | | | | | 92.8% | 94.2% | 95.4% | 96.3% | 96.9% | 97.4% | 97.8% | 98.1% | 98.3% |
| 2007 | | | | | | | | 91.1% | 92.9% | 94.6% | 95.7% | 96.5% | 97.2% | 97.7% | 98.0% | 98.3% | 98.5% |
| 2008 | | | | | | | 88.3% | 91.1% | 93.4% | 94.8% | 95.9% | 96.7% | 97.3% | 97.7% | 98.0% | 98.2% | |
| 2009 | | | | | | 84.0% | 88.1% | 91.4% | 93.5% | 95.0% | 96.1% | 96.8% | 97.3% | 97.6% | 98.0% | | |
| 2010 | | | | | 79.8% | 85.3% | 89.6% | 92.5% | 94.3% | 95.7% | 96.6% | 97.2% | 97.6% | 97.9% | | | |
| 2011 | | | | 72.6% | 80.8% | 86.5% | 90.5% | 93.1% | 95.0% | 96.0% | 96.8% | 97.3% | 97.7% | | | | |
| 2012 | | | 61.6% | 73.8% | 82.1% | 87.7% | 91.4% | 93.9% | 95.3% | 96.3% | 96.9% | 97.5% | | | | | |
| 2013 | | 45.8% | 62.8% | 75.5% | 83.9% | 89.0% | 92.6% | 94.6% | 95.8% | 96.6% | 97.2% | | | | | | |
| 2014 | 20.7% | 46.9% | 64.5% | 77.2% | 85.4% | 90.1% | 92.9% | 94.7% | 95.9% | 96.6% | | | | | | | |
| 2015 | 20.8% | 48.4% | 67.2% | 79.5% | 87.0% | 90.8% | 93.3% | 95.0% | 96.0% | | | | | | | | |
| 2016 | 21.7% | 51.1% | 69.7% | 81.6% | 87.5% | 91.1% | 93.5% | 95.1% | | | | | | | | | |
| 2017 | 23.9% | 53.9% | 71.8% | 81.6% | 87.5% | 91.1% | 93.5% | | | | | | | | | | |
| 2018 | 24.4% | 54.1% | 70.1% | 80.4% | 86.8% | 90.8% | | | | | | | | | | | |
| 2019 | 24.2% | 51.5% | 67.7% | 79.1% | 85.9% | | | | | | | | | | | | |
| 2020 | 23.4% | 50.9% | 67.5% | 78.4% | | | | | | | | | | | | | |
| 2021 | 24.5% | 53.1% | 68.5% | | | | | | | | | | | | | | |
| 2022 | 24.6% | 52.8% | | | | | | | | | | | | | | | |
| 2023 | 24.7% | | | | | | | | | | | | | | | | |

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2023.

**Quarterly Ultimate Settlement Ratios**

| Accident Year | Evaluated as of (in months): | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 3 | 6 | 9 | 12 | 15 | 18 | 21 | 24 | 27 | 30 | 33 | 36 | 39 | 42 | 45 | 48 |
| 2014 | 0.7% | 4.7% | 11.6% | 20.7% | 29.2% | 36.0% | 41.8% | 46.9% | 51.6% | 56.1% | 60.6% | 64.5% | 67.9% | 71.5% | 74.6% | 77.2% |
| 2015 | 0.8% | 4.7% | 11.9% | 20.8% | 30.0% | 37.3% | 43.1% | 48.4% | 53.6% | 58.7% | 63.2% | 67.2% | 70.6% | 73.9% | 77.1% | 79.5% |
| 2016 | 0.8% | 5.0% | 12.2% | 21.7% | 31.4% | 39.3% | 45.4% | 51.1% | 56.0% | 61.1% | 65.6% | 69.7% | 73.2% | 76.5% | 79.3% | 81.6% |
| 2017 | 0.8% | 5.5% | 13.3% | 23.9% | 33.8% | 41.7% | 48.1% | 53.9% | 58.8% | 63.7% | 68.1% | 71.8% | 74.9% | 77.3% | 79.8% | 81.6% |
| 2018 | 0.9% | 5.8% | 13.8% | 24.4% | 34.4% | 42.2% | 48.5% | 54.1% | 59.1% | 63.0% | 66.8% | 70.1% | 73.2% | 75.9% | 78.4% | 80.4% |
| 2019 | 1.0% | 5.6% | 13.6% | 24.2% | 34.5% | 41.0% | 46.6% | 51.5% | 56.1% | 60.3% | 64.2% | 67.7% | 71.1% | 74.0% | 76.8% | 79.1% |
| 2020 | -- | -- | -- | -- | 32.8% | 40.4% | 45.8% | 50.9% | 55.1% | 59.7% | 63.8% | 67.5% | 71.0% | 73.5% | 76.2% | 78.4% |
| 2021 | 0.7% | 6.0% | 14.1% | 24.5% | 34.8% | 42.7% | 48.3% | 53.1% | 57.7% | 61.4% | 65.2% | 68.5% | | | | |
| 2022 | 0.8% | 5.8% | 14.2% | 24.6% | 35.3% | 42.4% | 48.1% | 52.8% | | | | | | | | |
| 2023 | 1.1% | 6.1% | 14.3% | 24.7% | | | | | | | | | | | | |

| Accident Year | Quarterly Incremental Change | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 3-6 | 6-9 | 9-12 | 12-15 | 15-18 | 18-21 | 21-24 | 24-27 | 27-30 | 30-33 | 33-36 | 36-39 | 39-42 | 42-45 | 45-48 |
| 2014 | 4.0% | 6.9% | 9.1% | 8.5% | 6.8% | 5.8% | 5.0% | 4.7% | 4.5% | 4.4% | 3.9% | 3.4% | 3.5% | 3.1% | 2.7% |
| 2015 | 3.9% | 7.2% | 8.9% | 9.2% | 7.4% | 5.8% | 5.3% | 5.1% | 5.1% | 4.5% | 3.9% | 3.4% | 3.4% | 3.2% | 2.5% |
| 2016 | 4.2% | 7.2% | 9.5% | 9.7% | 7.9% | 6.1% | 5.7% | 4.9% | 5.2% | 4.5% | 4.1% | 3.6% | 3.3% | 2.8% | 2.3% |
| 2017 | 4.7% | 7.8% | 10.6% | 9.9% | 7.9% | 6.3% | 5.8% | 5.0% | 4.8% | 4.4% | 3.7% | 3.2% | 2.4% | 2.5% | 1.8% |
| 2018 | 4.8% | 8.0% | 10.6% | 10.1% | 7.8% | 6.3% | 5.5% | 5.0% | 3.9% | 3.8% | 3.3% | 3.0% | 2.7% | 2.5% | 2.0% |
| 2019 | 4.7% | 7.9% | 10.7% | 10.3% | 6.5% | 5.6% | 4.9% | 4.5% | 4.2% | 3.9% | 3.5% | 3.4% | 2.9% | 2.8% | 2.3% |
| 2020 | -- | -- | -- | | 7.6% | 5.5% | 5.0% | 4.3% | 4.6% | 4.1% | 3.6% | 3.5% | 2.6% | 2.7% | 2.2% |
| 2021 | 5.3% | 8.2% | 10.3% | 10.3% | 7.9% | 5.6% | 4.7% | 4.6% | 3.8% | 3.7% | 3.3% | | | | |
| 2022 | 5.0% | 8.4% | 10.4% | 10.7% | 7.1% | 5.7% | 4.7% | | | | | | | | |
| 2023 | 5.0% | 8.2% | 10.4% | | | | | | | | | | | | |

Notes    All figures in each accident year contain information from the same combination of insurers, all of whom submitted complete data for all evaluations for that accident year. Therefore, each accident year may contain a different mix of insurers (ranging from 93% to 100% of the total California workers' compensation insured market measured using 2023 earned premium levels).

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2023.

**California Workers' Compensation**
**Estimated Indemnity Claim Frequency by Accident Year**

Year-to-Year Change: Overall



Year-to-Year Change: Intra-Class
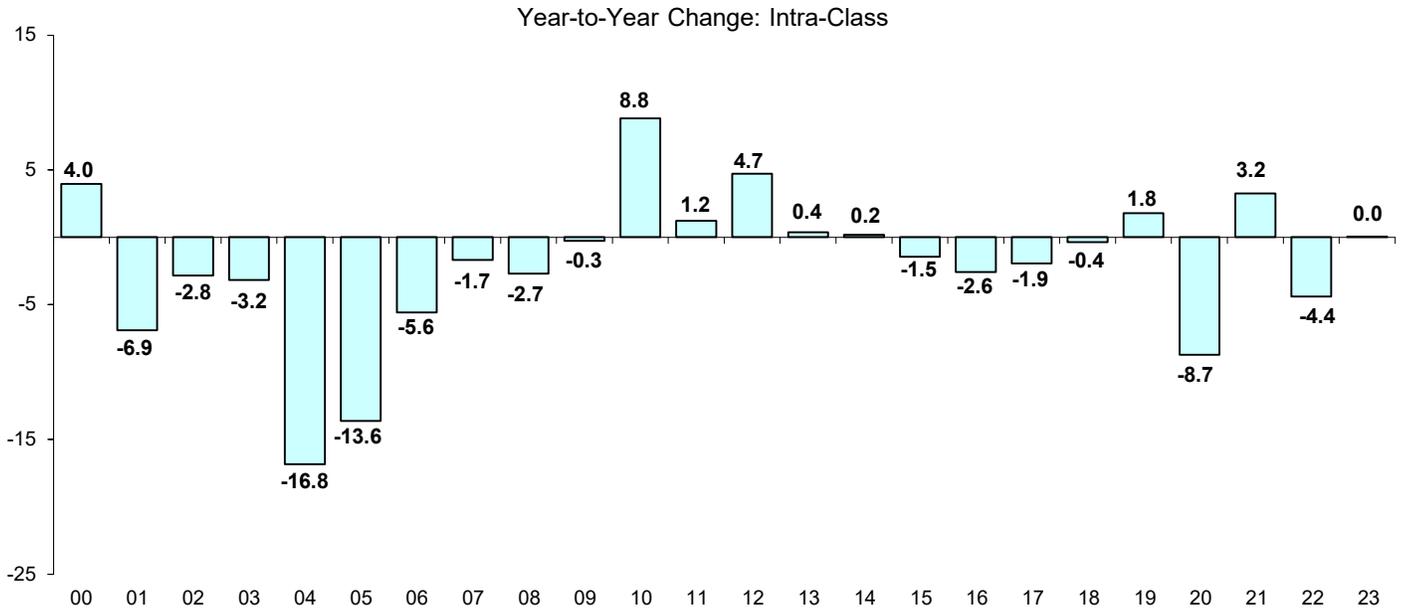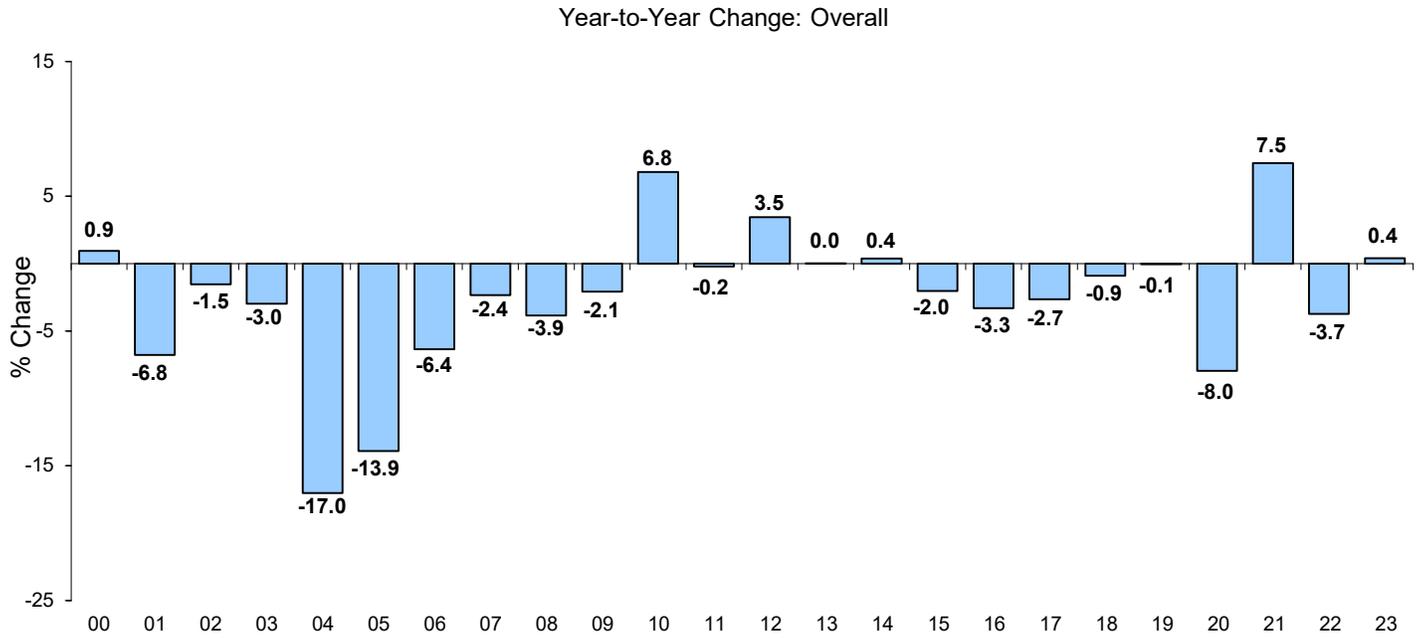


Note:

The 2023 estimates are based on a comparison of claim counts based on WCIRB accident year experience
as of December 31, 2023 relative to the estimated change in statewide employment.  Experience excludes
COVID-19 claims. Prior years are based on unit statistical data.

# Item AC24-04-01
# 9/1/2024 Filing – Loss Adjustment Expense Experience Review

Staff has developed the preliminary indicated ratio of loss adjustment expense (LAE) to loss for policies incepting between September 1, 2024 and August 31, 2025 based on calendar year unallocated loss adjustment expense (ULAE) experience through calendar year 2022 and accident year allocated loss adjustment expense (ALAE) experience as of December 31, 2023, which reflects the latest LAE information available. The projection methodologies are generally consistent with those reflected in the WCIRB's September 1, 2023 Pure Premium Rate Filing. The indicated ULAE and ALAE projections, including projections for the cost of medical cost containment programs (MCCP), are summarized separately below.

*ULAE Projection*
Beginning with the WCIRB's 2015 Expense Call, the WCIRB has collected information related to
(a) negative "service fee" type adjustments that are sometimes reflected in reported countrywide ULAE,
(b) losses on claims on large deductible policies and/or handled by third-party administrators (TPA) for which the associated claims handling costs are not reported in countrywide ULAE amounts, and
(c) various countrywide loss and ULAE amounts consistent with what is reported by insurers on the Insurance Expense exhibit.[1] This information is used to more accurately reflect the cost of handling claims in California primarily for insurers that make use of TPAs or make other adjustments to countrywide reported ULAE costs that ultimately are apportioned to California. Beginning with the WCIRB's 2017 Expense Call, the WCIRB has also collected information related to countrywide open indemnity claim counts in order to more accurately estimate California's share of countrywide paid ULAE.[2]

The approach to derive the adjusted calendar year California paid ULAE for ratemaking purposes, as reflected in the last several pure premium rate filings, involves several steps. First, reported negative "service fee" type adjustments to ULAE were added back into the reported countrywide paid ULAE amount. Second, countrywide paid losses on large deductible policies and/or claims handled by TPAs for which the associated claims handling costs were not reported in countrywide ULAE were subtracted from the countrywide paid losses. This adjustment was applied to losses gross or net of deductible amounts depending on whether the insurer reported ULAE costs on a gross or net basis. Third, the adjusted countrywide paid ULAE ratio was derived based on the ratio of adjusted countrywide paid ULAE computed in the first step described above to adjusted countrywide paid losses computed in the second step. Fourth, the adjusted countrywide paid ULAE was derived by multiplying the adjusted countrywide paid ULAE ratio by the reported countrywide paid losses. Finally, the adjusted countrywide paid ULAE was apportioned to California based on California's share of the insurer's countrywide indemnity claim counts open at the end of the previous calendar year.

For a number of insurers, the negative "service fee" type adjustments to ULAE do not apply and the reported countrywide ULAE reflects all claims handling costs on large deductible policies or related to claims handled by TPAs. In these instances, the approach described above simplifies to apportioning the reported countrywide ULAE to California based on California's share of the insurer's countrywide open indemnity claim counts. Although staff believes open indemnity claim counts is a reasonable measure to apportion countrywide ULAE to California, some insurers may use a more detailed and accurate method to derive the California ULAE. Given that these insurers do not require special adjustments to the reported paid ULAE amounts, the California paid ULAE as reported on the WCIRB's Expense Call was used in deriving the ratios of California paid ULAE to paid losses for these insurers in lieu of the formulaic approach discussed above.

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[1] See Item AC15-03-07 of the June 12, 2015 and August 6, 2015 Actuarial Committee Agendas.

[2] See Item AC17-09-02 of the September 5, 2017 Actuarial Committee Agenda.

Exhibit 1 shows calendar year paid ALAE and ULAE as ratios to paid losses by type of insurer. Calendar years 2016 through 2022 ULAE have been computed as described above and include an apportionment of countrywide ULAE to California based on open indemnity claim counts. As ULAE payments related to handling COVID-19 claims cannot be segregated from other ULAE payments, the paid losses for calendar years 2020 to 2022 underlying the ULAE ratios shown in Exhibit 1 include losses paid on COVID-19 claims. Calendar year 2015 ULAE is adjusted as described above but reflects an apportionment of countrywide ULAE to California based on paid losses. The ULAE for calendar years 2013 and 2014 reflect partial adjustments for the issues addressed by the changes to the Expense Call for several large national insurers. As a result of these adjustments and enhancements, the ULAE ratios, adjusted as described above shown on Exhibit 1 for "national" insurers have become comparable to those for other private insurers. As discussed at prior meetings, ULAE ratios for State Compensation Insurance Fund (State Fund) are higher than those of other insurers, although differences have narrowed in recent years.

Exhibit 2 shows the average calendar year paid ULAE per open indemnity claim for private insurers. The ULAE severities for calendar years 2016 through 2022 shown on Exhibit 2 were computed based on the approach described above and, as a result, are not comparable to the ULAE severities for prior years, which for 2013 through 2015 only partially reflect the adjustments discussed above and, for prior to 2013, are based solely on the California ULAE reported by insurers. The amounts shown for calendar years 2020 to 2022 include the cost of COVID-19 claims.[3]

Exhibits 3.1 through 3.5 show the preliminary projection of ULAE to loss based on the relationship of calendar year paid ULAE to the number of indemnity claims open at the beginning of the calendar year based on claim count information reported as of December 31, 2023. COVID-19 claims continue to be excluded from this "calendar year" approach given that several COVID-19 claims from earlier periods of the pandemic remain open and, if included, may distort projections of future calendar years. Projections of ultimate indemnity claim counts for accident years 2024 and 2025 shown in Exhibit 3.3 are based on the intra-class indemnity claim frequency changes reflected in the analysis of projected losses (Item AC24-03-02) applied to accident years 2022 and 2023.[4] The projections of open claim counts shown in Exhibit 3.3 are based on incremental indemnity claim closing rates. The ULAE projection shown in Exhibit 3.5 is based on statewide claim count and loss projections but using the estimated paid ULAE per open indemnity claim based on the experience of private insurers only.[5]

The projected ULAE severity trends are based on projected annual growth rates in California wage levels as reflected in the analysis of projected losses (Item AC24-03-02). The ULAE severity is projected based on trending from the average paid ULAE per open indemnity claim for the latest two available calendar years (2021 and 2022). As shown in Exhibit 3.5, the projected ratio of ULAE to loss for policies incepting between September 1, 2024 and August 31, 2025 using this approach is 13.5%.

As in the last several pure premium rate filings, the preliminary projected ratio of ULAE to losses is based on the average of the projections resulting from the open indemnity claim count-based method and from the recent paid ULAE to paid loss ratios. As shown in Exhibit 1, the average of the latest two calendar years' (2021 and 2022) paid ULAE to paid loss ratios for private insurers is 14.3%. The preliminary ULAE projection for policies incepting between September 1, 2024 and August 31, 2025 based on the average of the claim count-based and paid loss-based projections is 13.9%. (For comparison purposes, the projected ULAE to loss ratio reflected in the September 1, 2023 Pure Premium Rate Filing was 14.4%.)

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[3] Given that ULAE cannot be allocated to a particular claim, the ULAE on COVID-19 claims cannot be separately reported.

[4] This is based on the trending approach used in the analysis of projected losses in Item AC24-03-02. Given that accident years 2022 and 2023 are used in the projection of open indemnity claims in this approach, the premium used to determine the losses in the projected ULAE to loss ratio shown in line 5 of Exhibit 3.5 is based on the average of calendar years 2022 and 2023. As COVID-19 claims are excluded from the indemnity claim counts in this approach, the premium used excludes COVID-19 premium charges.

[5] The ULAE experience of State Fund has been excluded for reasons that have been discussed at prior Committee meetings and in prior pure premium rate filings and California Department of Insurance decisions.

Table 1 shows the projected ratio of ULAE to losses based on the methodology described above. Table 1 also shows alternative ULAE projections based on the open claim count-based methodology projected based on calendar year 2022 only as shown in Exhibit 4 and projections based on recent calendar year ratios of paid ULAE to paid losses for private insurers based on Exhibit 1.

**Table 1: Projections of ULAE to Loss**

| ULAE Projection Method | Statewide with Private Insurer Average ULAE |
|---|---|
| **April 11, 2024 Agenda Methodology** | |
| Paid ULAE per Open Indemnity Claim Applied to 2021 and 2022 | 13.5% |
| Average of Calendar Year 2021 and 2022 Paid ULAE to Paid Loss Ratios | 14.3% |
| Average of Open Indemnity Claim-Based and Paid Loss-Based Projections | **13.9%** |
| **Alternative Methodologies** | |
| Paid ULAE per Open Indemnity Claim Applied to 2022 | 13.2% |
| Calendar Year 2022 Paid ULAE to Loss Ratio | 13.9% |

*ALAE Projection – Excluding MCCP Costs*
For a number of years, the WCIRB has based the ALAE projection on a methodology that projects future ALAE as a function of the anticipated future number of indemnity claims and private insurer average ALAE per indemnity claim. (The ALAE projection excludes MCCP costs, which are discussed separately below.) As discussed in Item AC24-03-02, COVID-19 losses are included in the projected loss ratio for accident year 2023. However, given that the methodology to project the ALAE to loss ratio involves trending indemnity claim counts and ALAE severities separately, which can still be distorted by COVID-19 claim trends, staff recommends continuing to exclude COVID-19 claims from the projection of the ALAE to loss ratio. As a result, all information for the ALAE projection shown in Exhibits 5 through 12 exclude COVID-19 claims from accident years 2020 through 2023.

Exhibit 5.1 shows private insurer average paid ALAE per reported indemnity claim by accident year. Exhibit 5.2 shows private insurer ratios of paid ALAE to paid losses. Exhibit 6 shows private insurer annual ALAE severity growth percentages based on the estimated ultimate ALAE per indemnity claim. Exhibit 7 shows private insurer annual ALAE growth percentages based on ratios of incremental calendar year paid ALAE per indemnity claims inventory. After many years of fairly modest trends, average paid ALAE has increased significantly over the most recent evaluation.

Exhibits 8.1 through 8.4 show the preliminary ALAE projection excluding MCCP costs using the September 1, 2023 Pure Premium Rate Filing methodology, which is based on statewide claim and loss projections and private insurer average ALAE per indemnity claim. The projected ALAE development shown in Exhibit 8.1 is based on the latest year paid ALAE age-to-age development factor. In the last several pure premium rate filings, the projected paid ALAE development included adjustments to paid ALAE age-to-age development for the impact of changes in claim settlement rates when the estimated claim settlement rate change for the accident year is greater than 1.5 points in absolute value.[6] However, as shown in Exhibit 11.2 of Item AC24-03-02, changes in indemnity claim settlement rates over the most recent evaluation have been modest. As a result, no adjustment to the paid ALAE age-to-age development factors for changes in claim settlement rates is applied in Exhibit 8.1.

The projection shown in Exhibit 8.4 was computed using the intra-class indemnity claim frequency projections included in Item AC24-03-02 and a 2.0% ALAE severity trend selected based on the approximate average of the private insurer longer-term (2009 to 2023) and shorter-term (2019 to 2023)

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[6] See Item AC19-08-04 of the August 4, 2020 Actuarial Committee Agenda.

growth rates of (a) estimated ultimate accident year ALAE per indemnity claim (Exhibit 6) and
(b) incremental paid calendar year ALAE per open indemnity claim (Exhibit 7). (The projected ALAE
severity trend reflected in the September 1, 2023 Premium Rate Filing based on this approach was
0.5%.) These trends were applied to the latest two accident years (2022 and 2023) in this approach.

Effective in 2017, Senate Bill No. 1160 (SB 1160) and Assembly Bill No. 1244 (AB 1244) included several
provisions related to lien filings. As discussed at prior meetings and in prior pure premium rate filings,
liens incur significant LAE costs in addition to the settlement costs paid to the lien claimant. Liens are
typically not filed and paid on claims until later in the claims process. As a result, while some of the impact
of the reforms is already reflected in the emerging paid ALAE for accident years 2017 and later and in the
ALAE development factors, a significant portion is not yet reflected. To reflect the full impact of these
reforms, consistent with the September 1, 2023 Pure Premium Rate Filing, staff recommends including a
separate adjustment to the projected ALAE ratio. This adjustment, which is shown in line (g) of Exhibit
8.4, is based on the estimated full impact of a 11.2% reduction in ALAE costs[7] judgmentally tempered by
88% based on the estimated average percentage of 168-month ALAE costs paid as of December 31,
2023 for accident years 2017 and 2018.[8]

As shown in line (h) of Exhibit 8.4, the preliminary projected ratio of ALAE (excluding MCCP) to loss
based on statewide data and private insurer average ALAE costs and after reflecting the impact of
SB 1160 and AB 1244 based on this methodology is 16.8%. (For comparison purposes, the projected
ALAE excluding MCCP costs to loss ratio reflected in the September 1, 2023 Pure Premium Rate Filing
was 14.0%.)

The significant increase in the projected ALAE to loss ratio based on methodologies consistent with the
September 1, 2023 Pure Premium Rate Filing is driven by (a) a significant increase in the reported
average paid ALAE per indemnity claim for accident year 2023 at 12 months (see Exhibit 5.1),
(b) increases in paid ALAE development through 84 months in the most recent year (see Exhibit 8.1).
Staff reviewed the paid ALAE information reported to the WCIRB and confirmed that these increases
were consistent across insurer groups. Also, as discussed above, there does not appear to be a
significant increase in the rate of claim settlements that may be driving an increase in ALAE costs related
to the faster settling of claims. However, staff has some concern with giving half weight to the accident
year 2023 average paid ALAE given its magnitude and that until recently, ALAE trends have been very
modest.

For the Committee's review, the WCIRB has computed additional ALAE projections (excluding MCCP)
based on alternative methodologies with underlying assumptions that differ from those reflected in
Exhibits 8.1 through 8.4. Some of these alternative methods trend the average ALAE severity based on
different periods to mitigate the impact of accident year 2023 as discussed above. Specifically, ALAE
projections based on the following methodologies and using statewide data with private insurer ALAE
have been included:

1.  Projected Ultimate ALAE per Indemnity Claim and Future Number of Indemnity Claims –
    Unadjusted 3-Year Average Paid ALAE Development – Exhibits 9.1 and 9.2

2.  Projected Ultimate ALAE per Indemnity Claim and Future Number of Indemnity Claims –
    Projection Based on Accident Years 2022 – Exhibit 10

3.  Projected Ultimate ALAE per Indemnity Claim and Future Number of Indemnity Claims –
    Projection Based on Accident Year 2023 – Exhibit 11

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[7] As reflected in the September 1, 2021 Pure Premium Rate Filing.

[8] This approach resulted in an 84% tempering in the September 1, 2023 Pure Premium Rate Filing based on December 31, 2022
ALAE experience.

4.  Projected Ultimate ALAE per Indemnity Claim and Future Number of Indemnity Claims –
    Projection Based on Accident Years 2021 to 2023 Average ALAE – Exhibit 12

The ALAE projections for policies incepting between September 1, 2024 and August 31, 2025 derived based on the methodology presented in Exhibits 8.1 to 8.4 and each of the alternative ALAE projection methodologies are shown in Table 2.[9]

**Table 2: Projections of ALAE (Excluding MCCP) to Loss**

| ALAE Projection Method | Statewide with Private Insurer Average ALAE |
|---|---|
| **April 11, 2024 Agenda Methodology**<br><br>Projected Ultimate ALAE per Indemnity Claim – Latest Year Paid ALAE Development – Trend Applied to 2022 and 2023 | 16.8% |
| **Alternative Methodologies**<br><br>Projected Ultimate ALAE per Indemnity Claim – 3-Year Average Paid ALAE Development | 16.1% |
| Projected Ultimate ALAE per Indemnity Claim – Trend Applied to 2022 Average ALAE | 16.0% |
| Projected Ultimate ALAE per Indemnity Claim – Trend Applied to 2023 | 17.4% |
| Projected Ultimate ALAE per Indemnity Claim – Trend Applied to 2021 to 2023 Average ALAE | 16.2% |

*ALAE Projection – MCCP Costs*
As in the last several pure premium rate filings, the projection of MCCP costs is based on a methodology analogous to that used for ALAE excluding MCCP costs and using statewide claim and MCCP cost data. As with ALAE excluding MCCP costs, all information for the MCCP cost projection shown in Exhibits 13 through 18 exclude COVID-19 claims from accident years 2020 through 2023.

Exhibit 13 shows statewide average paid MCCP per reported indemnity claim by accident year. Exhibit 14 shows statewide annual MCCP severity growth percentages based on estimated accident year ultimate MCCP costs per indemnity claim. Exhibit 15 shows statewide annual MCCP severity growth percentages based on ratios of calendar year paid MCCP costs per indemnity claims inventory.

Exhibits 16.1 and 16.3 show the preliminary projection of MCCP costs based on statewide data. Projected MCCP development through 144 months shown in Exhibit 16.1 is based on the latest year paid MCCP age-to-age factors while projected MCCP development after 144 months is based on the selected paid medical 144-to-ultimate development factor.[10] Similar to the projection of ALAE excluding MCCP costs, Exhibit 16.3 shows the projected ratio of MCCP to loss based on applying separate frequency and severity trends to the accident year 2022 and 2023 projected ultimate indemnity claim counts and ultimate MCCP per indemnity claim. A -1.5% MCCP severity trend was selected based on the approximate average rates of growth in (a) estimated ultimate accident year MCCP costs per indemnity claim from 2012 through 2023 (Exhibit 14) and (b) calendar year MCCP per indemnity claims inventory from 2012 through 2022 (Exhibit 15). (The projected MCCP severity trend reflected in the September 1, 2023 Premium Rate Filing based on this approach was -1.5%.) The preliminary projected ratio of MCCP to loss based on this methodology is 3.1%. (For comparison purposes, the projected MCCP to loss ratio reflected in the September 1, 2023 Pure Premium Rate Filing was 3.3%.)

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[9] All projections shown in Table 2 also reflect the impact of SB 1160 and AB 1244 on ALAE costs.

[10] See Exhibit 2.6.1 of Item AC24-03-02.

For informational purposes, the WCIRB has computed additional MCCP cost projections based on alternative methodologies with underlying assumptions that differ from those reflected in the MCCP projection methodology described above. Specifically, MCCP cost projections based on the following methodologies have been included:

1.  Projected Ultimate MCCP per Indemnity Claim and Future Number of Indemnity Claims – 3-Year Average Paid MCCP Development – Exhibit 17

2.  Projected Ultimate MCCP per Indemnity Claim and Future Number of Indemnity Claims – Projection Based on 2023 – Exhibit 18

The MCCP cost projections for policies incepting between September 1, 2024 and August 31, 2025 derived based on the methodology presented in Exhibit 16.3 and each of the alternative MCCP projection methodologies are shown in Table 3.

**Table 3: Projections of MCCP to Loss**

| MCCP Projection Method | Statewide MCCP Ratio |
|---|---|
| **April 11, 2024 Agenda Methodology**<br><br>Projected Ultimate MCCP per Indemnity Claim – Latest Year Paid MCCP Development – Trend Applied to 2022 and 2023 | **3.1%** |
| **Alternative Methodologies**<br>Projected Ultimate MCCP per Indemnity Claim – 3-Year Average Paid MCCP Development | 3.1% |
| Projected Ultimate MCCP per Indemnity Claim – Trend Applied to 2023 | 3.2% |

**Summary of Paid LAE Ratios by Insurer Type**

Paid ALAE to Paid Loss Ratios

| CY | State Fund | CA Private Insurers | National | Statewide | Private Insurers |
|---|---|---|---|---|---|
| 2013 | 5.9% | 15.4% | 20.0% | 17.0% | 19.5% |
| 2014 | 8.4% | 17.8% | 21.3% | 19.0% | 20.8% |
| 2015 | 10.1% | 18.0% | 22.6% | 20.5% | 22.0% |
| 2016 | 11.0% | 17.9% | 22.4% | 20.4% | 21.6% |
| 2017 | 10.8% | 19.8% | 22.7% | 20.9% | 22.3% |
| 2018 | 11.4% | 19.5% | 22.9% | 21.1% | 22.4% |
| 2019 | 12.9% | 18.0% | 22.8% | 21.0% | 22.2% |
| 2020 | 11.5% | 17.8% | 23.4% | 21.0% | 22.5% |
| 2021 | 11.7% | 17.2% | 21.9% | 20.4% | 21.7% |
| 2022 | 13.5% | 16.3% | 21.1% | 20.1% | 20.9% |

Excluding COVID-19

| CY | State Fund | CA Private Insurers | National | Statewide | Private Insurers |
|---|---|---|---|---|---|
| 2020 | 11.5% | 17.8% | 23.5% | 21.0% | 22.6% |
| 2021 | 11.9% | 17.2% | 22.7% | 20.4% | 21.8% |
| 2022 | 13.7% | 16.3% | 21.9% | 20.1% | 20.9% |

Paid ULAE to Paid Loss Ratios

| CY | | State Fund | CA Private Insurers | National | Statewide | Private Insurers |
|---|---|---|---|---|---|---|
| 2013 | [1] | 21.8% | 16.3% | 8.5% | 11.7% | 9.4% |
| 2014 | [1] | 28.8% | 14.7% | 7.7% | 11.6% | 8.6% |
| 2015 | [2] | 35.1% | 14.8% | 10.2% | 13.9% | 10.9% |
| 2016 | [2] | 37.6% | 14.2% | 12.8% | 15.9% | 13.0% |
| 2017 | [2] | 25.6% | 16.1% | 14.1% | 15.8% | 14.4% |
| 2018 | [2] | 24.8% | 14.9% | 14.8% | 16.1% | 14.8% |
| 2019 | [2] | 21.3% | 14.4% | 13.0% | 14.2% | 13.2% |
| 2020 | [2] | 17.6% | 15.3% | 15.7% | 15.9% | 15.7% |
| 2021 | [2] | 17.6% | 14.1% | 14.7% | 15.0% | 14.6% |
| 2022 | [2] | 18.5% | 14.6% | 13.8% | 14.4% | 13.9% |

Paid LAE to Paid Loss Ratios

| CY | | State Fund | CA Private Insurers | National | Statewide | Private Insurers |
|---|---|---|---|---|---|---|
| 2013 | [1] | 27.7% | 31.7% | 28.5% | 28.6% | 28.9% |
| 2014 | [1] | 37.2% | 32.5% | 29.0% | 30.6% | 29.4% |
| 2015 | [2] | 45.2% | 32.8% | 32.8% | 34.4% | 32.8% |
| 2016 | [2] | 48.6% | 32.1% | 35.2% | 36.3% | 34.7% |
| 2017 | [2] | 36.4% | 36.0% | 36.9% | 36.7% | 36.7% |
| 2018 | [2] | 36.2% | 34.4% | 37.7% | 37.1% | 37.2% |
| 2019 | [2] | 34.2% | 32.4% | 35.7% | 35.2% | 35.4% |
| 2020 | [2] | 29.1% | 33.2% | 39.1% | 36.9% | 38.2% |
| 2021 | [2] | 29.4% | 31.3% | 36.5% | 35.4% | 36.3% |
| 2022 | [2] | 32.0% | 30.9% | 34.9% | 34.5% | 34.8% |

Notes:

[1] 2013 and 2014 ratios included information submitted by several large national insurers to more appropriately reflect ULAE costs related to deductible policies and third-party administrators.

[2] Reflects adjustments based on the Expense Call for ULAE costs related to deductible policies and third-party administrators. 2015 adjusted ratio is based on apportioning adjusted countrywide paid ULAE to California using paid losses. 2016 to 2022 adjusted ratios are based on apportioning adjusted countrywide paid ULAE to California using open indemnity claim counts.

Source: WCIRB expense calls and quarterly calls for experience.

**Calendar Year ULAE Paid per Open Indemnity Claim - Private Insurers**

| Calendar Year | ULAE Paid[1] (in Millions) (1) | Number of Open Indemnity Claims at Beginning of the Year[2] (2) | Number of Indemnity Claims Reported During Year[3] (3) | ULAE Paid per Open Indemnity Claim[4] (4) | Annual Change (5) |
|---|---|---|---|---|---|
| 2013 [5] | 644 | 294,011 | 131,749 | 2,192 | --- |
| 2014 [5] | 598 | 307,227 | 133,061 | 1,947 | -11.2% |
| 2015 [6] | 774 | 311,158 | 140,302 | 2,486 | --- |
| 2016 [6] | 948 | 314,808 | 139,941 | 3,010 | --- |
| 2017 [6] | 1,045 | 311,196 | 145,909 | 3,359 | 11.6% |
| 2018 [6] | 1,076 | 304,634 | 146,120 | 3,531 | 5.1% |
| 2019 [6] | 964 | 294,351 | 149,143 | 3,219 | -8.8% |
| 2020 [6] | 1,054 | 289,298 | 148,364 | 3,642 | 13.2% |
| 2021 [6] | 1,022 | 293,628 | 146,910 | 3,480 | -4.5% |
| 2022 [6] | 1,025 | 294,544 | 156,830 | 3,479 | 0.0% |

Notes:

[1] Calendar year ULAE paid is based on WCIRB expense calls. All figures in each calendar year contain information from the same combination of private insurers that submitted both the ULAE and claim count data for that calendar year. Therefore, each calendar year may contain a different mix of private insurers.

[2],[3] Based on WCIRB accident year experience calls. Column (3) is for information only.

[4] Column (1) / Column (2) x 1,000,000.

[5] 2013 and 2014 paid ULAE included information submitted by several large national insurers to more appropriately reflect ULAE costs related to deductible policies and third party administrators.

[6] Reflects adjustments for ULAE costs related to deductible policies and third-party administrators based on the Expense Call. 2015 paid ULAE is based on apportioning adjusted countrywide paid ULAE to California using paid losses. 2016 to 2022 paid ULAE are based on apportioning adjusted countrywide paid ULAE to California using open indemnity claim counts.

Source: WCIRB expense calls and quarterly calls for experience. COVID-19 claims are included given that ULAE on COVID-19 claims cannot be separated from other ULAE.

**Reported Indemnity Claim Count Development - Statewide**

Age-to-Age Development (in months):

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1993 | | | | | | | | | | | | | | | | | 1.000 |
| 1994 | | | | | | | | | | | | | | | | 1.000 | 1.000 |
| 1995 | | | | | | | | | | | | | | | 1.001 | 1.000 | 1.000 |
| 1996 | | | | | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 |
| 1997 | | | | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1998 | | | | | | | | | | | | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1999 | | | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 |
| 2000 | | | | | | | | | | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2001 | | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2002 | | | | | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2003 | | | | | | | 0.999 | 0.999 | 1.000 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2004 | | | | | | 1.000 | 0.999 | 0.999 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2005 | | | | | 1.001 | 1.001 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2006 | | | | 1.002 | 1.001 | 1.000 | 1.005 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2007 | | | 1.006 | 1.004 | 1.002 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 2008 | | 1.023 | 1.011 | 1.005 | 1.003 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | |
| 2009 | 1.194 | 1.029 | 1.011 | 1.006 | 1.003 | 1.002 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | |
| 2010 | 1.220 | 1.030 | 1.011 | 1.006 | 1.004 | 1.002 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 2011 | 1.230 | 1.033 | 1.014 | 1.007 | 1.002 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | |
| 2012 | 1.241 | 1.035 | 1.013 | 1.005 | 1.003 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | 1.001 | | | | | | |
| 2013 | 1.240 | 1.031 | 1.010 | 1.004 | 1.002 | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | | | | | | | |
| 2014 | 1.239 | 1.027 | 1.010 | 1.004 | 1.002 | 1.000 | 1.000 | 1.000 | 1.001 | | | | | | | | |
| 2015 | 1.236 | 1.027 | 1.006 | 1.003 | 1.002 | 1.001 | 1.000 | 1.000 | | | | | | | | | |
| 2016 | 1.244 | 1.029 | 1.007 | 1.003 | 1.001 | 1.000 | 1.001 | | | | | | | | | | |
| 2017 | 1.220 | 1.023 | 1.007 | 1.003 | 1.001 | 1.001 | | | | | | | | | | | |
| 2018 | 1.226 | 1.024 | 1.006 | 1.002 | 1.002 | | | | | | | | | | | | |
| 2019 | 1.222 | 1.027 | 1.007 | 1.004 | | | | | | | | | | | | | |
| 2020 | 1.225 | 1.024 | 1.008 | | | | | | | | | | | | | | |
| 2021 | 1.223 | 1.025 | | | | | | | | | | | | | | | |
| 2022 | 1.236 | | | | | | | | | | | | | | | | |

Age-to-Age Development Factors

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 1.223 | 1.024 | 1.007 | 1.002 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| @12/31/23 | 1.236 | 1.025 | 1.008 | 1.004 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

Age-to-Ultimate

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 1.269 | 1.037 | 1.013 | 1.007 | 1.005 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 |
| @12/31/23 | 1.295 | 1.048 | 1.022 | 1.014 | 1.010 | 1.008 | 1.007 | 1.006 | 1.006 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 |

Estimated Percent of Ultimate Indemnity Claims Reported

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 78.8% | 96.4% | 98.7% | 99.4% | 99.5% | 99.6% | 99.6% | 99.6% | 99.6% | 99.6% | 99.7% | 99.7% | 99.7% | 99.7% | 99.8% | 99.8% | 99.8% |
| @12/31/23 | 77.2% | 95.4% | 97.8% | 98.6% | 99.0% | 99.2% | 99.3% | 99.4% | 99.4% | 99.5% | 99.6% | 99.7% | 99.7% | 99.7% | 99.7% | 99.8% | 99.8% |

Age-to-Age Development (in months):

| Accident Year | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 | | | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1990 | | | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 1991 | | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | |
| 1992 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | |
| 1993 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 1994 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | |
| 1995 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | |
| 1996 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | |
| 1997 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | |
| 1998 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | |
| 1999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | |
| 2000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | |
| 2001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | | |
| 2002 | 1.000 | 0.996 | 1.000 | 1.000 | | | | | | | | | | | | | |
| 2003 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | | | | |
| 2004 | 1.000 | 1.000 | | | | | | | | | | | | | | | |
| 2005 | 1.000 | | | | | | | | | | | | | | | | |

Age-to-Age Development Factors

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| @12/31/23 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

Age-to-Ultimate

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| @12/31/23 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

Estimated Percent of Ultimate Indemnity Claims Reported

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 99.8% | 99.8% | 99.8% | 99.8% | 99.8% | 99.8% | 99.9% | 99.9% | 99.9% | 99.9% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | |
| @12/31/23 | 99.8% | 99.8% | 99.8% | 99.8% | 99.8% | 99.8% | 99.9% | 99.9% | 99.9% | 99.9% | 99.9% | 99.9% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Reported Indemnity Claim Closing Rate - Statewide**

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1995 | | | | | | | | | | | | | 96.9% | 97.2% | 97.5% | 97.6% | 97.8% |
| 1996 | | | | | | | | | | | | 95.9% | 96.3% | 96.7% | 96.9% | 97.1% | 97.3% |
| 1997 | | | | | | | | | | | 95.6% | 96.0% | 96.5% | 96.8% | 97.0% | 97.2% | 97.5% |
| 1998 | | | | | | | | | | 95.0% | 95.6% | 96.3% | 96.7% | 97.0% | 97.3% | 97.6% | 97.7% |
| 1999 | | | | | | | | | 93.9% | 94.8% | 95.7% | 96.3% | 96.7% | 97.1% | 97.5% | 97.7% | 97.9% |
| 2000 | | | | | | | | 91.7% | 93.1% | 94.4% | 95.3% | 96.0% | 96.4% | 97.0% | 97.3% | 97.6% | 97.9% |
| 2001 | | | | | | | 87.9% | 90.4% | 92.3% | 93.6% | 94.6% | 95.4% | 96.1% | 96.6% | 97.0% | 97.4% | 97.7% |
| 2002 | | | | | | 84.6% | 88.3% | 90.9% | 92.5% | 93.8% | 94.8% | 95.9% | 96.4% | 96.9% | 97.4% | 97.7% | 98.1% |
| 2003 | | | | | 79.4% | 84.8% | 88.4% | 90.7% | 92.5% | 93.8% | 95.2% | 95.9% | 96.4% | 97.0% | 97.5% | 97.9% | 98.3% |
| 2004 | | | | 73.0% | 80.7% | 85.4% | 88.3% | 90.7% | 92.5% | 94.4% | 95.4% | 96.1% | 96.8% | 97.3% | 97.8% | 98.2% | 98.4% |
| 2005 | | | 63.5% | 74.7% | 81.3% | 85.5% | 88.5% | 90.9% | 93.2% | 94.5% | 95.5% | 96.4% | 97.0% | 97.6% | 98.1% | 98.4% | 98.6% |
| 2006 | | 50.3% | 64.5% | 74.7% | 81.5% | 85.7% | 88.8% | 91.3% | 93.0% | 94.3% | 95.5% | 96.4% | 97.1% | 97.7% | 98.0% | 98.3% | 98.5% |
| 2007 | 27.1% | 49.8% | 63.6% | 73.6% | 80.3% | 84.7% | 88.9% | 91.4% | 93.2% | 94.8% | 96.0% | 96.8% | 97.5% | 97.9% | 98.2% | 98.5% | 98.7% |
| 2008 | 27.6% | 48.1% | 61.8% | 72.2% | 79.3% | 85.1% | 88.9% | 91.5% | 93.7% | 95.1% | 96.2% | 97.0% | 97.6% | 97.9% | 98.2% | 98.4% | |
| 2009 | 26.7% | 46.3% | 60.1% | 70.8% | 79.2% | 84.6% | 88.6% | 91.8% | 93.8% | 95.3% | 96.4% | 97.1% | 97.6% | 97.9% | 98.2% | | |
| 2010 | 27.0% | 46.9% | 60.7% | 72.5% | 80.5% | 85.8% | 90.1% | 92.8% | 94.7% | 96.1% | 96.9% | 97.5% | 97.9% | 98.2% | | | |
| 2011 | 27.5% | 47.2% | 62.0% | 73.4% | 81.4% | 86.9% | 90.9% | 93.6% | 95.3% | 96.4% | 97.1% | 97.7% | 98.0% | | | | |
| 2012 | 27.7% | 48.1% | 63.3% | 74.8% | 82.8% | 88.3% | 92.1% | 94.4% | 95.8% | 96.7% | 97.3% | 97.8% | | | | | |
| 2013 | 26.9% | 48.4% | 64.4% | 76.4% | 84.7% | 89.9% | 93.2% | 95.1% | 96.3% | 97.1% | 97.6% | | | | | | |
| 2014 | 26.9% | 49.5% | 65.8% | 78.1% | 86.2% | 90.8% | 93.5% | 95.3% | 96.4% | 97.1% | | | | | | | |
| 2015 | 27.3% | 50.5% | 68.3% | 80.6% | 87.8% | 91.3% | 93.8% | 95.5% | 96.6% | | | | | | | | |
| 2016 | 28.2% | 53.4% | 71.0% | 82.5% | 88.2% | 91.7% | 94.1% | 95.6% | | | | | | | | | |
| 2017 | 30.4% | 56.2% | 73.1% | 82.5% | 88.3% | 91.8% | 94.1% | | | | | | | | | | |
| 2018 | 31.2% | 56.3% | 71.4% | 81.3% | 87.7% | 91.5% | | | | | | | | | | | |
| 2019 | 31.2% | 54.0% | 69.1% | 80.2% | 86.8% | | | | | | | | | | | | |
| 2020 | 30.0% | 53.2% | 69.0% | 79.6% | | | | | | | | | | | | | |
| 2021 | 31.4% | 55.6% | 70.1% | | | | | | | | | | | | | | |
| 2022 | 31.9% | 55.5% | | | | | | | | | | | | | | | |
| 2023 | 32.2% | | | | | | | | | | | | | | | | |

**Reported Closing Rate**

| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 31.9% | 55.6% | 69.0% | 80.2% | 87.7% | 91.8% | 94.1% | 95.5% | 96.4% | 97.1% | 97.3% | 97.7% | 97.9% | 97.9% | 98.2% | 98.5% | 98.5% |
| @12/31/23 | 32.2% | 55.5% | 70.1% | 79.6% | 86.8% | 91.5% | 94.1% | 95.6% | 96.6% | 97.1% | 97.6% | 97.8% | 98.0% | 98.2% | 98.2% | 98.4% | 98.7% |

**Estimated Percent Closed[1]**

| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 | 168 | 180 | 192 | 204 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 25.1% | 53.6% | 68.0% | 79.7% | 87.3% | 91.4% | 93.7% | 95.1% | 96.0% | 96.8% | 97.0% | 97.4% | 97.7% | 97.7% | 98.0% | 98.3% | 98.3% |
| @12/31/23 | 24.8% | 52.9% | 68.6% | 78.5% | 85.9% | 90.7% | 93.5% | 95.1% | 96.0% | 96.7% | 97.2% | 97.5% | 97.7% | 97.9% | 98.0% | 98.2% | 98.5% |

| Accident Year | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1990 | | | 99.2% | 99.2% | 99.2% | 99.3% | 99.3% | 99.3% | 99.4% | 99.4% | 99.4% | 99.4% | 99.5% | 99.5% | 99.5% | 99.5% | 99.5% |
| 1991 | | 98.9% | 99.0% | 99.0% | 99.1% | 99.1% | 99.1% | 99.2% | 99.2% | 99.2% | 99.3% | 99.3% | 99.3% | 99.4% | 99.4% | 99.4% | |
| 1992 | 98.8% | 98.9% | 98.9% | 99.0% | 99.0% | 99.0% | 99.1% | 99.1% | 99.2% | 99.2% | 99.2% | 99.3% | 99.3% | 99.3% | 99.3% | | |
| 1993 | 98.6% | 98.8% | 98.8% | 98.9% | 98.9% | 99.0% | 99.0% | 99.1% | 99.1% | 99.2% | 99.2% | 99.3% | 99.3% | 99.3% | | | |
| 1994 | 98.4% | 98.5% | 98.6% | 98.6% | 98.7% | 98.8% | 98.8% | 98.9% | 98.9% | 99.0% | 99.1% | 99.1% | 99.1% | | | | |
| 1995 | 97.9% | 98.0% | 98.1% | 98.2% | 98.3% | 98.4% | 98.4% | 98.5% | 98.6% | 98.6% | 98.7% | 98.7% | | | | | |
| 1996 | 97.4% | 97.6% | 97.7% | 97.8% | 97.8% | 98.0% | 98.1% | 98.1% | 98.2% | 98.2% | 98.2% | | | | | | |
| 1997 | 97.6% | 97.7% | 97.9% | 98.0% | 98.1% | 98.3% | 98.3% | 98.4% | 98.5% | 98.5% | | | | | | | |
| 1998 | 97.9% | 98.0% | 98.2% | 98.3% | 98.5% | 98.6% | 98.7% | 98.7% | 98.8% | | | | | | | | |
| 1999 | 98.1% | 98.4% | 98.5% | 98.7% | 98.8% | 98.9% | 99.0% | 99.1% | | | | | | | | | |
| 2000 | 98.1% | 98.3% | 98.6% | 98.7% | 98.8% | 98.9% | 99.0% | | | | | | | | | | |
| 2001 | 98.0% | 98.3% | 98.5% | 98.7% | 98.8% | 98.9% | | | | | | | | | | | |
| 2002 | 98.4% | 98.6% | 96.5% | 98.9% | 99.0% | | | | | | | | | | | | |
| 2003 | 98.5% | 98.8% | 98.9% | 99.0% | | | | | | | | | | | | | |
| 2004 | 98.7% | 98.9% | 99.0% | | | | | | | | | | | | | | |
| 2005 | 98.8% | 98.9% | | | | | | | | | | | | | | | |
| 2006 | 98.7% | | | | | | | | | | | | | | | | |

**Reported Closing Rate**

| | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 98.8% | 98.9% | 98.9% | 98.9% | 98.8% | 98.9% | 99.0% | 98.7% | 98.5% | 98.2% | 98.7% | 99.1% | 99.3% | 99.3% | 99.4% | 99.5% | |
| @12/31/23 | 98.7% | 98.9% | 99.0% | 99.0% | 99.0% | 98.9% | 99.0% | 99.1% | 98.8% | 98.5% | 98.2% | 98.7% | 99.1% | 99.3% | 99.3% | 99.4% | 99.5% |

**Estimated Percent Closed[1]**

| | 216 | 228 | 240 | 252 | 264 | 276 | 288 | 300 | 312 | 324 | 336 | 348 | 360 | 372 | 384 | 396 | 408 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| @12/31/22 | 98.6% | 98.7% | 98.7% | 98.7% | 98.6% | 98.8% | 98.9% | 98.6% | 98.4% | 98.1% | 98.6% | 99.1% | 99.3% | 99.3% | 99.4% | 99.5% | |
| @12/31/23 | 98.5% | 98.7% | 98.8% | 98.8% | 98.8% | 98.7% | 98.9% | 99.0% | 98.7% | 98.4% | 98.2% | 98.7% | 99.1% | 99.3% | 99.3% | 99.4% | 99.5% |

Note:[1] Estimated percent closed is the product of (a) the Estimated Percent of Ultimate Indemnity Claims Reported (Exhibit 3.1) and (b) the Reported Closing Rate.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Selected Ultimate Indemnity Claim Reporting and Closure Patterns - Statewide**

| | Selected Indemnity Claim Reporting and Closure Patterns as of December 31 of | | | | | | Incremental | | Cumulative Indemnity Claim Counts as of December 31, 2023 | | | |
| | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | Closing | | | | Estimated | Annual |
| Year | Percent Reported[1] | | Percent Closed [2] | | Opening Rate[3] | | Rate[4] | AY | Reported | Open | Ultimate[5] | Change |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | | (8) | (9) | (10) | |
| 1 | 78.8% | 77.2% | 25.1% | 24.8% | 53.7% | 52.4% | 47.6% | 1989 | 222,085 | 633 | 222,104 | |
| 2 | 96.4% | 95.4% | 53.6% | 52.8% | 42.8% | 42.6% | 20.6% | 1990 | 248,052 | 1,138 | 248,073 | |
| 3 | 98.7% | 97.8% | 68.0% | 68.5% | 30.6% | 29.4% | 31.4% | 1991 | 248,360 | 1,515 | 248,394 | |
| 4 | 99.4% | 98.6% | 79.7% | 78.4% | 19.7% | 20.2% | 34.1% | 1992 | 197,256 | 1,313 | 197,295 | |
| 5 | 99.5% | 99.0% | 87.3% | 85.9% | 12.2% | 13.1% | 33.4% | 1993 | 155,320 | 1,091 | 155,366 | |
| 6 | 99.6% | 99.2% | 91.4% | 90.7% | 8.2% | 8.5% | 30.8% | 1994 | 142,813 | 1,275 | 142,870 | |
| 7 | 99.6% | 99.3% | 93.7% | 93.5% | 5.9% | 5.9% | 27.8% | 1995 | 134,032 | 1,730 | 134,104 | |
| 8 | 99.6% | 99.4% | 95.1% | 95.1% | 4.4% | 4.3% | 26.1% | 1996 | 131,193 | 2,299 | 131,271 | |
| 9 | 99.6% | 99.4% | 96.0% | 96.0% | 3.6% | 3.4% | 22.9% | 1997 | 137,032 | 2,047 | 137,122 | |
| 10 | 99.6% | 99.5% | 96.8% | 96.7% | 2.9% | 2.8% | 20.4% | 1998 | 147,179 | 1,777 | 147,324 | |
| 11 | 99.7% | 99.6% | 97.0% | 97.2% | 2.7% | 2.4% | 16.7% | 1999 | 148,262 | 1,363 | 148,421 | |
| 12 | 99.7% | 99.7% | 97.4% | 97.5% | 2.3% | 2.2% | 18.1% | 2000 | 160,403 | 1,610 | 160,600 | |
| 13 | 99.7% | 99.7% | 97.7% | 97.7% | 2.1% | 2.0% | 14.9% | 2001 | 184,950 | 2,054 | 185,246 | |
| 14 | 99.7% | 99.7% | 97.7% | 97.9% | 2.1% | 1.8% | 13.6% | 2002 | 192,424 | 1,866 | 192,794 | |
| 15 | 99.8% | 99.7% | 98.0% | 98.0% | 1.8% | 1.8% | 14.5% | 2003 | 182,564 | 1,770 | 182,935 | |
| 16 | 99.8% | 99.8% | 98.3% | 98.2% | 1.5% | 1.6% | 12.0% | 2004 | 158,527 | 1,612 | 158,869 | |
| 17 | 99.8% | 99.8% | 98.3% | 98.5% | 1.5% | 1.3% | 12.1% | 2005 | 139,542 | 1,521 | 139,840 | |
| 18 | 99.8% | 99.8% | 98.6% | 98.5% | 1.2% | 1.3% | 9.0% | 2006 | 133,181 | 1,763 | 133,468 | |
| 19 | 99.8% | 99.8% | 98.7% | 98.7% | 1.1% | 1.1% | 9.0% | 2007 | 130,213 | 1,718 | 130,496 | |
| 20 | 99.8% | 99.8% | 98.7% | 98.8% | 1.1% | 1.0% | 9.2% | 2008 | 122,839 | 1,953 | 123,124 | |
| 21 | 99.8% | 99.8% | 98.7% | 98.8% | 1.1% | 1.0% | 10.4% | 2009 | 113,580 | 2,028 | 113,872 | |
| 22 | 99.8% | 99.8% | 98.6% | 98.8% | 1.2% | 1.0% | 8.5% | 2010 | 118,382 | 2,104 | 118,736 | |
| 23 | 99.8% | 99.8% | 98.8% | 98.7% | 1.1% | 1.1% | 8.0% | 2011 | 120,877 | 2,374 | 121,268 | |
| 24 | 99.9% | 99.9% | 98.9% | 98.9% | 1.0% | 1.0% | 5.1% | 2012 | 128,320 | 2,794 | 128,762 | |
| 25 | 99.9% | 99.9% | 98.6% | 99.0% | 1.3% | 0.9% | 7.7% | 2013 | 136,504 | 3,270 | 137,053 | |
| 26 | 99.9% | 99.9% | 98.4% | 98.7% | 1.5% | 1.2% | 4.9% | 2014 | 141,172 | 4,034 | 141,876 | |
| 27 | 99.9% | 99.9% | 98.1% | 98.4% | 1.8% | 1.5% | 3.2% | 2015 | 145,187 | 5,005 | 145,998 | |
| 28 | 100.0% | 99.9% | 98.6% | 98.2% | 1.3% | 1.8% | 2.7% | 2016 | 148,382 | 6,477 | 149,285 | |
| 29 | 100.0% | 99.9% | 99.1% | 98.7% | 0.9% | 1.3% | 3.2% | 2017 | 149,070 | 8,831 | 150,057 | |
| 30 | 100.0% | 100.0% | 99.3% | 99.1% | 0.7% | 0.9% | 1.8% | 2018 | 151,773 | 12,957 | 152,973 | |
| 31 | 100.0% | 100.0% | 99.3% | 99.3% | 0.7% | 0.7% | 2.2% | 2019 | 154,923 | 20,488 | 156,465 | |
| 32 | 100.0% | 100.0% | 99.4% | 99.3% | 0.6% | 0.7% | 2.1% | 2020 | 134,805 | 27,586 | 136,724 | |
| 33 | 100.0% | 100.0% | 99.5% | 99.4% | 0.5% | 0.6% | 3.0% | 2021 | 147,775 | 44,377 | 151,033 | |
| 34 | 100.0% | 100.0% | 99.7% | 99.5% | 0.3% | 0.5% | 2.4% | 2022 | 153,292 | 68,430 | 160,613 | |
| 35 | | 100.0% | | 99.7% | | 0.3% | 2.5% | 2023 | 127,197 | 86,390 | 164,761 | 0.0% |

| | | Projected[6] | |
| --- | --- | --- | --- |
| 2024 | | 158,700 | -2.5% |
| 2025 | | 157,641 | -0.7% |

| Total | 5,387,466 | 329,193 |

Notes:

[1] See Exhibit 3.1.

[2] See Exhibit 3.2.

[3] Column (1) - Column (3) for 12/31/2022 and Column (2) - Column (4) for 12/31/2023.

[4] 1.0 minus ratio of Column (6) claim opening rate for accident year YYYY at 12/31/2023 to Column (5) claim opening rate for accident year YYYY at 12/31/2022.

[5] Estimated based on number of reported indemnity claims (excluding COVID-19 claims) as of December 31, 2023 (Column (8)) and selected reporting pattern on Column (2).

[6] Estimated based on applying projected frequency trends to accident years 2022 and 2023 estimated ultimate indemnity claim counts. Frequency trend for 2023 is the actual trends adjusted for class mix and wage level, accident years 2024 and 2025 projected frequency trends are based on the projected growth in intra-class indemnity claim frequency from Item AC24-03-02, Exhibit 7.1.

**Estimated Number of Open Indemnity Claims - Statewide**
Based on Selected Reporting and Incremental Closing Rates

| AY | Estimated Number of Reported Indemnity Claims[1] | | Estimated Number of Open Indemnity Claims[2] | |
|---|---|---|---|---|
| | @12/31/24 | @12/31/25 | @12/31/24 | @12/31/25 |
| | (1) | (2) | (3) | (4) |
| 1989 | 222,104 | 222,104 | 617 | 602 |
| 1990 | 248,073 | 248,073 | 1,110 | 1,082 |
| 1991 | 248,373 | 248,394 | 1,478 | 1,442 |
| 1992 | 197,268 | 197,278 | 1,274 | 1,243 |
| 1993 | 155,335 | 155,344 | 1,068 | 1,036 |
| 1994 | 142,828 | 142,841 | 1,247 | 1,221 |
| 1995 | 134,051 | 134,065 | 1,699 | 1,662 |
| 1996 | 131,201 | 131,219 | 2,225 | 2,186 |
| 1997 | 137,040 | 137,049 | 1,991 | 1,928 |
| 1998 | 147,227 | 147,236 | 1,720 | 1,674 |
| 1999 | 148,275 | 148,324 | 1,296 | 1,255 |
| 2000 | 160,428 | 160,442 | 1,487 | 1,413 |
| 2001 | 185,018 | 185,047 | 1,949 | 1,799 |
| 2002 | 192,486 | 192,557 | 1,718 | 1,629 |
| 2003 | 182,584 | 182,643 | 1,620 | 1,491 |
| 2004 | 158,546 | 158,563 | 1,444 | 1,321 |
| 2005 | 139,539 | 139,556 | 1,381 | 1,237 |
| 2006 | 133,184 | 133,181 | 1,604 | 1,456 |
| 2007 | 130,215 | 130,218 | 1,563 | 1,421 |
| 2008 | 122,857 | 122,859 | 1,717 | 1,562 |
| 2009 | 113,609 | 113,625 | 1,784 | 1,568 |
| 2010 | 118,431 | 118,461 | 1,799 | 1,582 |
| 2011 | 120,907 | 120,957 | 2,051 | 1,754 |
| 2012 | 128,348 | 128,379 | 2,379 | 2,056 |
| 2013 | 136,582 | 136,611 | 2,678 | 2,280 |
| 2014 | 141,308 | 141,388 | 3,359 | 2,750 |
| 2015 | 145,274 | 145,414 | 3,986 | 3,319 |
| 2016 | 148,456 | 148,545 | 4,991 | 3,975 |
| 2017 | 149,149 | 149,223 | 6,527 | 5,030 |
| 2018 | 151,967 | 152,048 | 9,353 | 6,913 |
| 2019 | 155,237 | 155,435 | 14,184 | 10,239 |
| 2020 | 135,376 | 135,651 | 18,381 | 12,725 |
| 2021 | 148,914 | 149,545 | 29,228 | 19,475 |
| 2022 | 157,148 | 158,359 | 46,959 | 30,929 |
| 2023 | 157,250 | 161,206 | 68,586 | 47,067 |
| Projected | | | | |
| 2024 | 122,518 | 151,466 | 83,212 | 66,063 |
| 2025 | | 121,701 | | 82,657 |
| Total | 5,547,106 | 5,705,009 | 329,666 | 329,044 |

Notes:
[1], [2] Estimated based on the projected number of indemnity claims as of 12/31/2023 (Columns 9 and 10 of Exhibit 3.3) and selected reporting and incremental closing rate (Column 2 and Column 7 of Exhibit 3.3).

**Projected Ratio of ULAE to Loss - Statewide**
Based on Estimated Calendar Year ULAE Paid per Open Indemnity Claim for Private Insurers
Trend Average ULAE from 2021 and 2022
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Calendar Year | Number of Open Indemnity Claims at Beginning of the Year (1) | ULAE Paid per Open Indemnity Claim (2) | ULAE Paid ($000) (3) |
|---|---|---|---|
| 2013 | 365,706 | 2,192 | 801,569 |
| 2014 | 366,420 | 1,947 | 713,493 |
| 2015 | 367,925 | 2,486 | 914,731 |
| 2016 | 370,782 | 3,010 | 1,116,097 |
| 2017 | 362,328 | 3,359 | 1,217,236 |
| 2018 | 350,417 | 3,531 | 1,237,191 |
| 2019 | 334,060 | 3,228 | 1,078,484 |
| 2020 | 322,708 | 3,642 | 1,175,417 |
| 2021 | 316,313 | 3,480 | 1,100,745 |
| 2022 | 318,618 | 3,479 | 1,108,483 |
| Projected | | | |
| 2023 | 320,586 | 3,652 | 1,170,769 |
| 2024 | 329,193 | 3,836 | 1,262,913 |
| 2025 | 329,666 | 3,974 | 1,310,257 |
| 2026 | 329,044 | 4,122 | 1,356,172 |

(4) Projected ULAE Paid ($000): 1,464,224

(5) Average of Calendar Years 2022 and 2023 Earned Premium ($000): 15,493,908

(6) Projected Loss to Advisory Pure Premium Ratio: 0.752

(7) Weighted Premium Adjustment Factor for Earned Premium on Line (5): 0.934

(8) Projected Losses ($000): (5) x (6) x (7) 10,879,843

(9) Projected Ratio of ULAE to Losses: (4)/(8) 13.5%

Notes:
  (1) Calendar years 2013 to 2023 are based on WCIRB accident year experience calls. 2024 to 2026 open claim counts are based on incremental indemnity claim closing rates (see Total of Columns 3 to 4 of Exhibit 3.4).
  (2) Calendar years 2013 to 2022 are from column (4) of Exhibit 2. Calendar years 2023 to 2026 are projected based on applying the California average annual wage level changes selected by the WCIRB, to the ULAE paid per open indemnity claim from averaging 2021 and 2022.
  (3) Column (1) x Column (2).
  (4) Weighted average of calendar years 2024 with 5.6%, 2025 with 72.2% and 2026 with 22.2%, projected 2.9 years to the approximate average midpoint of ultimate ULAE payments on September 1, 2024 to August 31, 2025 policies, based on applying the average annual change of 3.7% from 2025 to 2027 derived from the information published by the UCLA Anderson School of Business and the California Department of Finance.
  (5) Based on the reported calendar year 2022 and 2023 earned premium excluding COVID-19 premium charges from the same group of insurers that reported the number of open indemnity claims at beginning of calendar years 2023 and 2024.
  (6) See Exhibit 8 of Item AC24-03-02.
  (7) See Exhibit 5.2 of Item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

**Projected Ratio of ULAE to Loss - Statewide**
Based on Estimated Calendar Year ULAE Paid per Open Indemnity Claim for Private Insurers
Trend Applied to 2022
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Calendar Year | Number of Open Indemnity Claims at Beginning of the Year (1) | ULAE Paid per Open Indemnity Claim (2) | ULAE Paid ($000) (3) |
|---|---|---|---|
| 2013 | 365,706 | 2,192 | 801,569 |
| 2014 | 366,420 | 1,947 | 713,493 |
| 2015 | 367,925 | 2,486 | 914,731 |
| 2016 | 370,782 | 3,010 | 1,116,097 |
| 2017 | 362,328 | 3,359 | 1,217,236 |
| 2018 | 350,417 | 3,531 | 1,237,191 |
| 2019 | 334,060 | 3,228 | 1,078,484 |
| 2020 | 322,708 | 3,642 | 1,175,417 |
| 2021 | 316,313 | 3,480 | 1,100,745 |
| 2022 | 318,618 | 3,479 | 1,108,483 |
| Projected | | | |
| 2023 | 320,586 | 3,583 | 1,148,790 |
| 2024 | 329,193 | 3,764 | 1,239,204 |
| 2025 | 329,666 | 3,900 | 1,285,659 |
| 2026 | 329,044 | 4,044 | 1,330,713 |

(4) Projected ULAE Paid ($000): 1,436,736

(5) Average of Calendar Years 2022 and 2023 Earned Premium ($000): 15,493,908

(6) Projected Loss to Advisory Pure Premium Ratio: 0.752

(7) Weighted Premium Adjustment Factor for Earned Premium on Line (5): 0.934

(8) Projected Losses ($000): (5) x (6) x (7) 10,879,843

(9) Projected Ratio of ULAE to Losses: (4)/(8) 13.2%

Notes:
(1) Calendar years 2013 to 2023 are based on WCIRB accident year experience calls. 2024 to 2026 open claim counts are based on incremental indemnity claim closing rates (see Total of Columns 3 to 4 of Exhibit 3.4).
(2) Calendar years 2013 to 2022 are from column (4) of Exhibit 2. Calendar years 2023 to 2026 are projected based on applying the California average annual wage level changes selected by the WCIRB to the 2022 ULAE paid per open indemnity claim.
(3) Column (1) x Column (2).
(4) Weighted average of calendar years 2024 with 5.6%, 2025 with 72.2% and 2026 with 22.2%, projected 2.9 years to the approximate average midpoint of ultimate ULAE payments on September 1, 2024 to August 31, 2025 policies, based on applying the average annual change of 3.7% from 2025 to 2027 derived from the information published by the UCLA Anderson School of Business and the California Department of Finance.
(5) Based on the reported calendar year 2022 and 2023 earned premium excluding COVID-19 premium charges from the same group of insurers that reported the number of open indemnity claims at beginning of calendar years 2023 and 2024.
(6) See Exhibit 8 of Item AC24-03-02.
(7) See Exhibit 5.2 of Item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

**Average Paid ALAE per Reported Indemnity Claim - Private Insurers**
As of December 31, 2023

| Accident Year | \_\_\_ | \_\_\_ | \_\_\_ | \_\_\_ | Evaluated as of (in months): | \_\_\_ | \_\_\_ | \_\_\_ | \_\_\_ | \_\_\_ |
|---|---|---|---|---|---|---|---|---|---|---|
| Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 |
| 2002 | | | | | | | | 6,260 | 6,454 | 6,614 |
| 2003 | | | | | | | 6,315 | 6,597 | 6,809 | 7,003 |
| 2004 | | | | | | 5,577 | 5,955 | 6,223 | 6,437 | 6,632 |
| 2005 | | | | | 4,698 | 5,219 | 5,591 | 5,899 | 6,162 | 6,330 |
| 2006 | | | | 4,127 | 4,876 | 5,436 | 5,865 | 6,184 | 6,410 | 6,622 |
| 2007 | | | 3,323 | 4,419 | 5,230 | 5,864 | 6,378 | 6,697 | 6,978 | 7,190 |
| 2008 | | 2,118 | 3,620 | 4,859 | 5,789 | 6,501 | 6,986 | 7,387 | 7,671 | 7,884 |
| 2009 | 675 | 2,406 | 4,083 | 5,460 | 6,484 | 7,203 | 7,783 | 8,196 | 8,490 | 8,718 |
| 2010 | 745 | 2,541 | 4,279 | 5,593 | 6,547 | 7,290 | 7,870 | 8,243 | 8,515 | 8,700 |
| 2011 | 753 | 2,563 | 4,188 | 5,522 | 6,537 | 7,325 | 7,837 | 8,186 | 8,435 | 8,592 |
| 2012 | 758 | 2,555 | 4,332 | 5,728 | 6,766 | 7,451 | 7,887 | 8,226 | 8,441 | 8,581 |
| 2013 | 777 | 2,790 | 4,582 | 5,936 | 6,851 | 7,418 | 7,853 | 8,096 | 8,265 | 8,379 |
| 2014 | 879 | 2,992 | 4,769 | 6,056 | 6,864 | 7,432 | 7,781 | 8,005 | 8,159 | 8,273 |
| 2015 | 951 | 3,067 | 4,846 | 6,032 | 6,817 | 7,273 | 7,587 | 7,794 | 7,959 | |
| 2016 | 933 | 3,157 | 4,901 | 6,072 | 6,751 | 7,199 | 7,512 | 7,734 | | |
| 2017 | 1,016 | 3,281 | 4,984 | 6,012 | 6,669 | 7,109 | 7,431 | | | |
| 2018 | 1,111 | 3,421 | 5,100 | 6,209 | 6,947 | 7,454 | | | | |
| 2019 | 1,144 | 3,365 | 5,124 | 6,306 | 7,088 | | | | | |
| 2020 | 1,098 | 3,478 | 5,272 | 6,546 | | | | | | |
| 2021 | 1,049 | 3,288 | 5,098 | | | | | | | |
| 2022 | 1,114 | 3,634 | | | | | | | | |
| 2023 | 1,257 | | | | | | | | | |

| | | | | | Annual Change | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 |
| 2003 | | | | | | | | 5.4% | 5.5% | 5.9% |
| 2004 | | | | | | | -5.7% | -5.7% | -5.5% | -5.3% |
| 2005 | | | | | | -6.4% | -6.1% | -5.2% | -4.3% | -4.6% |
| 2006 | | | | | 3.8% | 4.2% | 4.9% | 4.8% | 4.0% | 4.6% |
| 2007 | | | | 7.1% | 7.3% | 7.9% | 8.7% | 8.3% | 8.8% | 8.6% |
| 2008 | | | 8.9% | 9.9% | 10.7% | 10.9% | 9.5% | 10.3% | 9.9% | 9.7% |
| 2009 | | 13.6% | 12.8% | 12.4% | 12.0% | 10.8% | 11.4% | 11.0% | 10.7% | 10.6% |
| 2010 | 10.4% | 5.6% | 4.8% | 2.4% | 1.0% | 1.2% | 1.1% | 0.6% | 0.3% | -0.2% |
| 2011 | 1.1% | 0.9% | -2.1% | -1.3% | -0.1% | 0.5% | -0.4% | -0.7% | -0.9% | -1.2% |
| 2012 | 0.7% | -0.3% | 3.4% | 3.7% | 3.5% | 1.7% | 0.6% | 0.5% | 0.1% | -0.1% |
| 2013 | 2.5% | 9.2% | 5.8% | 3.6% | 1.3% | -0.4% | -0.4% | -1.6% | -2.1% | -2.4% |
| 2014 | 13.2% | 7.2% | 4.1% | 2.0% | 0.2% | 0.2% | -0.9% | -1.1% | -1.3% | -1.3% |
| 2015 | 8.1% | 2.5% | 1.6% | -0.4% | -0.7% | -2.1% | -2.5% | -2.6% | -2.4% | |
| 2016 | -1.8% | 2.9% | 1.1% | 0.7% | -1.0% | -1.0% | -1.0% | -0.8% | | |
| 2017 | 8.9% | 3.9% | 1.7% | -1.0% | -1.2% | -1.3% | -1.1% | | | |
| 2018 | 9.3% | 4.3% | 2.3% | 3.3% | 4.2% | 4.9% | | | | |
| 2019 | 3.0% | -1.6% | 0.5% | 1.6% | 2.0% | | | | | |
| 2020 | -4.0% | 3.4% | 2.9% | 3.8% | | | | | | |
| 2021 | -4.5% | -5.5% | -3.3% | | | | | | | |
| 2022 | 6.2% | 10.6% | | | | | | | | |
| 2023 | 12.8% | | | | | | | | | |

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

## Ratio of Paid ALAE to Paid Loss - Private Insurers
### As of December 31, 2023

| Accident Year | Evaluated as of (in months): | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 |
| 2002 | | | | | | | | 0.137 | 0.138 | 0.139 |
| 2003 | | | | | | | 0.146 | 0.147 | 0.148 | 0.149 |
| 2004 | | | | | | 0.157 | 0.159 | 0.160 | 0.160 | 0.160 |
| 2005 | | | | | 0.148 | 0.152 | 0.154 | 0.155 | 0.155 | 0.155 |
| 2006 | | | | 0.136 | 0.142 | 0.146 | 0.148 | 0.149 | 0.150 | 0.150 |
| 2007 | | | 0.123 | 0.134 | 0.140 | 0.145 | 0.147 | 0.147 | 0.148 | 0.149 |
| 2008 | | 0.104 | 0.123 | 0.134 | 0.140 | 0.144 | 0.145 | 0.147 | 0.148 | 0.149 |
| 2009 | 0.072 | 0.117 | 0.135 | 0.145 | 0.150 | 0.152 | 0.155 | 0.156 | 0.157 | 0.158 |
| 2010 | 0.080 | 0.125 | 0.142 | 0.148 | 0.151 | 0.155 | 0.158 | 0.159 | 0.160 | 0.160 |
| 2011 | 0.087 | 0.131 | 0.144 | 0.153 | 0.159 | 0.164 | 0.166 | 0.167 | 0.168 | 0.168 |
| 2012 | 0.086 | 0.131 | 0.151 | 0.163 | 0.170 | 0.173 | 0.174 | 0.175 | 0.176 | 0.176 |
| 2013 | 0.091 | 0.147 | 0.164 | 0.173 | 0.178 | 0.180 | 0.183 | 0.184 | 0.184 | 0.184 |
| 2014 | 0.104 | 0.159 | 0.170 | 0.176 | 0.179 | 0.182 | 0.184 | 0.184 | 0.184 | 0.184 |
| 2015 | 0.112 | 0.158 | 0.170 | 0.174 | 0.178 | 0.180 | 0.181 | 0.181 | 0.181 | |
| 2016 | 0.106 | 0.160 | 0.172 | 0.179 | 0.182 | 0.183 | 0.183 | 0.184 | | |
| 2017 | 0.111 | 0.163 | 0.174 | 0.178 | 0.180 | 0.180 | 0.181 | | | |
| 2018 | 0.115 | 0.164 | 0.175 | 0.178 | 0.180 | 0.180 | | | | |
| 2019 | 0.118 | 0.163 | 0.173 | 0.176 | 0.177 | | | | | |
| 2020 | 0.107 | 0.154 | 0.163 | 0.166 | | | | | | |
| 2021 | 0.103 | 0.149 | 0.161 | | | | | | | |
| 2022 | 0.108 | 0.160 | | | | | | | | |
| 2023 | 0.119 | | | | | | | | | |

| Accident Year | Annual Change | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 |
| 2003 | | | | | | | | 7.3% | 6.9% | 7.1% |
| 2004 | | | | | | | 9.3% | 8.7% | 8.1% | 7.7% |
| 2005 | | | | | | -3.2% | -3.4% | -3.2% | -2.8% | -3.0% |
| 2006 | | | | | -4.3% | -4.3% | -4.0% | -3.6% | -3.7% | -3.1% |
| 2007 | | | | -1.6% | -1.0% | -0.7% | -0.5% | -1.2% | -0.9% | -1.1% |
| 2008 | | | 0.1% | 0.3% | -0.1% | -0.4% | -1.3% | -0.4% | -0.1% | 0.2% |
| 2009 | | 12.1% | 9.5% | 8.2% | 7.1% | 5.7% | 6.8% | 6.4% | 6.2% | 6.1% |
| 2010 | 12.1% | 6.4% | 5.0% | 2.0% | 0.9% | 1.9% | 1.7% | 1.8% | 1.6% | 1.4% |
| 2011 | 8.0% | 4.8% | 1.6% | 3.0% | 5.0% | 5.6% | 5.6% | 5.1% | 5.1% | 5.0% |
| 2012 | -0.5% | 0.7% | 5.2% | 6.7% | 6.7% | 5.4% | 4.5% | 5.0% | 4.9% | 4.9% |
| 2013 | 5.6% | 12.2% | 8.6% | 6.2% | 4.8% | 4.5% | 5.2% | 4.9% | 4.6% | 4.4% |
| 2014 | 14.1% | 7.8% | 3.1% | 1.9% | 0.6% | 0.9% | 0.4% | 0.0% | 0.0% | -0.2% |
| 2015 | 8.3% | -0.5% | 0.1% | -1.2% | -0.5% | -0.9% | -1.4% | -1.5% | -1.5% | |
| 2016 | -5.7% | 1.2% | 1.6% | 2.7% | 2.1% | 1.6% | 1.3% | 1.4% | | |
| 2017 | 4.8% | 1.9% | 0.7% | -0.1% | -0.9% | -1.6% | -1.2% | | | |
| 2018 | 3.7% | 0.7% | 0.6% | -0.4% | -0.2% | 0.0% | | | | |
| 2019 | 2.6% | -0.7% | -0.7% | -1.3% | -1.8% | | | | | |
| 2020 | -9.4% | -5.3% | -6.0% | -5.4% | | | | | | |
| 2021 | -3.9% | -3.4% | -1.5% | | | | | | | |
| 2022 | 5.5% | 7.3% | | | | | | | | |
| 2023 | 10.0% | | | | | | | | | |

Note: All paid ALAE exclude the paid cost of medical cost containment programs. Accident years 2010 and prior paid loss include the paid cost of medical cost containment programs.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Estimated Ultimate ALAE per Indemnity Claim - Private Insurers**

Based on Latest Year Paid ALAE Development Adjusted for Changes in Claim Settlement Rates

| Acc. Year | Paid ALAE[1] @12/31/23 (in $000) (1) | Cumulative Development Factors[2] (2) | Estimated Ultimate ALAE (in $000) (3)=(1)x(2) | Indemnity Claim Counts @12/31/23 (4) | Cumulative Count Development Factors[3] (5) | Estimated Ultimate Ind. Counts (6)=(4)x(5) | Estimated Ultimate ALAE per Indemnity Claim (7)=(3)/(6)x1000 | Annual Change (8) |
|---|---|---|---|---|---|---|---|---|
| 1996 | 293,983 | 1.035 | 304,410 | 101,213 | 1.001 | 101,290 | 3,005 | --- |
| 1997 | 369,784 | 1.039 | 384,032 | 104,437 | 1.001 | 104,525 | 3,674 | 22.3% |
| 1998 | 506,166 | 1.042 | 527,174 | 112,157 | 1.001 | 112,299 | 4,694 | 27.8% |
| 1999 | 556,250 | 1.044 | 580,825 | 115,970 | 1.001 | 116,128 | 5,002 | 6.5% |
| 2000 | 669,924 | 1.046 | 701,068 | 116,864 | 1.002 | 117,047 | 5,990 | 19.8% |
| 2001 | 790,968 | 1.049 | 829,876 | 113,279 | 1.002 | 113,510 | 7,311 | 22.1% |
| 2002 | 820,924 | 1.052 | 864,005 | 110,796 | 1.003 | 111,086 | 7,778 | 6.4% |
| 2003 | 834,665 | 1.056 | 881,090 | 106,820 | 1.003 | 107,138 | 8,224 | 5.7% |
| 2004 | 725,607 | 1.059 | 768,142 | 99,101 | 1.003 | 99,424 | 7,726 | -6.1% |
| 2005 | 688,945 | 1.062 | 731,625 | 97,379 | 1.003 | 97,710 | 7,488 | -3.1% |
| 2006 | 753,472 | 1.067 | 803,591 | 104,281 | 1.004 | 104,654 | 7,679 | 2.5% |
| 2007 | 835,307 | 1.071 | 894,502 | 107,386 | 1.004 | 107,783 | 8,299 | 8.1% |
| 2008 | 891,993 | 1.076 | 959,797 | 105,499 | 1.004 | 105,909 | 9,062 | 9.2% |
| 2009 | 929,789 | 1.083 | 1,006,536 | 100,821 | 1.004 | 101,241 | 9,942 | 9.7% |
| 2010 | 986,484 | 1.089 | 1,074,751 | 108,734 | 1.005 | 109,244 | 9,838 | -1.0% |
| 2011 | 1,006,396 | 1.096 | 1,103,463 | 113,256 | 1.005 | 113,817 | 9,695 | -1.5% |
| 2012 | 1,070,874 | 1.105 | 1,183,824 | 121,998 | 1.005 | 122,631 | 9,654 | -0.4% |
| 2013 | 1,091,645 | 1.117 | 1,219,690 | 128,733 | 1.006 | 129,482 | 9,420 | -2.4% |
| 2014 | 1,085,476 | 1.131 | 1,227,993 | 131,171 | 1.007 | 132,081 | 9,297 | -1.3% |
| 2015 | 1,077,920 | 1.148 | 1,237,786 | 135,432 | 1.008 | 136,486 | 9,069 | -2.5% |
| 2016 | 1,086,775 | 1.174 | 1,275,469 | 140,526 | 1.009 | 141,730 | 8,999 | -0.8% |
| 2017 | 1,054,240 | 1.209 | 1,274,857 | 141,867 | 1.009 | 143,200 | 8,903 | -1.1% |
| 2018 | 1,080,495 | 1.266 | 1,367,774 | 144,948 | 1.011 | 146,538 | 9,334 | 4.8% |
| 2019 | 1,048,938 | 1.362 | 1,428,168 | 147,986 | 1.013 | 149,973 | 9,523 | 2.0% |
| 2020 | 835,100 | 1.538 | 1,284,563 | 127,042 | 1.019 | 129,406 | 9,927 | 4.2% |
| 2021 | 708,382 | 1.928 | 1,365,773 | 138,829 | 1.028 | 142,757 | 9,567 | -3.6% |
| 2022 | 529,115 | 3.077 | 1,628,025 | 145,471 | 1.058 | 153,956 | 10,575 | 10.5% |
| 2023 | 151,990 | 12.534 | 1,905,042 | 120,914 | 1.322 | 159,862 | 11,917 | 12.7% |

**Estimated Annual Exponential Trend Based on:**

| | |
|---|---|
| 2009 to 2023 | 0.6% |
| 2019 to 2023 | 5.3% |
| Average: | 2.9% |

Notes:
[1] All paid ALAE exclude the paid cost of medical cost containment programs.
[2] Based on the latest year paid ALAE age-to-age development from Exhibit 8.1.
[3] Based on analogous Exhibit 8.3, applicable to private insurers only.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Ratio of Accident Year Incremental Paid ALAE[1] to Indemnity Claims Inventory[2]**
**By Payment Year - Private Insurers**

| Accident Year | Payment Year Ending December 31 | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| 1989 | 1,167 | 1,027 | 1,221 | 1,236 | 1,525 | 1,530 | 1,368 | 1,669 | 1,784 | 1,517 | 1,655 | 3,290 | 1,703 | 1,520 | 1,389 | 1,256 |
| 1990 | 1,406 | 1,138 | 1,341 | 1,386 | 1,584 | 1,777 | 1,496 | 1,551 | 1,906 | 1,680 | 1,736 | 1,932 | 1,733 | 1,799 | 1,661 | 2,028 |
| 1991 | 1,481 | 1,384 | 1,577 | 1,308 | 1,678 | 1,541 | 1,714 | 1,431 | 2,136 | 2,035 | 1,944 | 1,997 | 1,739 | 2,058 | 1,275 | 1,442 |
| 1992 | 1,647 | 1,477 | 1,718 | 1,434 | 1,579 | 1,633 | 1,501 | 1,925 | 1,596 | 1,738 | 1,977 | 1,997 | 1,914 | 1,526 | 1,876 | 1,833 |
| 1993 | 1,945 | 1,450 | 1,732 | 1,788 | 1,932 | 1,934 | 1,802 | 2,095 | 2,240 | 2,053 | 2,206 | 2,157 | 1,890 | 1,665 | 1,497 | 1,547 |
| 1994 | 1,864 | 1,389 | 1,514 | 1,774 | 1,830 | 1,812 | 1,804 | 1,775 | 1,862 | 1,587 | 1,781 | 1,518 | 1,624 | 1,437 | 1,405 | 1,258 |
| 1995 | 1,866 | 1,682 | 2,022 | 1,602 | 1,996 | 2,144 | 1,998 | 2,179 | 2,434 | 1,956 | 2,105 | 2,076 | 1,867 | 1,541 | 1,402 | 1,533 |
| 1996 | 2,040 | 1,938 | 1,755 | 1,868 | 2,035 | 2,244 | 2,008 | 2,174 | 2,144 | 1,921 | 2,174 | 2,188 | 1,688 | 1,471 | 1,663 | 1,879 |
| 1997 | 2,343 | 2,268 | 2,196 | 2,281 | 2,489 | 2,350 | 1,951 | 2,303 | 2,173 | 2,355 | 2,420 | 2,244 | 1,807 | 2,143 | 1,738 | 1,752 |
| 1998 | 2,426 | 2,374 | 2,398 | 2,338 | 2,401 | 2,362 | 2,306 | 2,324 | 2,453 | 2,509 | 2,536 | 1,976 | 2,008 | 1,903 | 1,773 | 1,701 |
| 1999 | 2,468 | 2,806 | 2,659 | 2,600 | 2,662 | 2,452 | 2,130 | 2,322 | 2,433 | 2,199 | 2,138 | 2,037 | 1,689 | 1,500 | 1,643 | 1,570 |
| 2000 | 2,699 | 2,806 | 2,773 | 2,781 | 2,841 | 2,670 | 2,530 | 2,798 | 2,669 | 2,449 | 2,382 | 2,074 | 2,144 | 1,834 | 1,769 | 1,700 |
| 2001 | 2,644 | 2,756 | 2,707 | 2,730 | 2,841 | 3,113 | 3,290 | 3,044 | 2,801 | 2,592 | 2,591 | 2,588 | 2,248 | 1,928 | 1,702 | 1,703 |
| 2002 | 2,881 | 2,976 | 2,949 | 3,029 | 2,959 | 3,285 | 3,428 | 3,193 | 3,171 | 3,024 | 2,962 | 2,974 | 2,704 | 2,241 | 2,165 | 2,100 |
| 2003 | 3,014 | 3,007 | 3,226 | 3,208 | 3,518 | 3,604 | 3,687 | 3,582 | 3,229 | 2,942 | 2,858 | 2,871 | 3,100 | 2,365 | 2,289 | 2,030 |
| 2004 | 3,062 | 3,170 | 3,256 | 3,156 | 3,084 | 3,462 | 3,556 | 3,487 | 3,113 | 2,948 | 2,971 | 2,852 | 2,507 | 2,457 | 2,407 | 2,054 |
| 2005 | 2,877 | 3,084 | 3,227 | 3,286 | 3,267 | 3,580 | 3,568 | 3,562 | 3,669 | 3,387 | 3,501 | 3,187 | 3,165 | 3,033 | 2,496 | 2,448 |
| 2006 | 2,675 | 2,969 | 3,220 | 3,478 | 3,468 | 3,489 | 3,511 | 3,566 | 3,193 | 3,184 | 3,068 | 2,765 | 2,509 | 2,346 | 2,104 | 1,963 |
| 2007 | 1,987 | 2,752 | 3,155 | 3,398 | 3,572 | 3,756 | 3,671 | 3,745 | 3,518 | 3,478 | 3,545 | 3,240 | 2,968 | 2,750 | 2,584 | 2,446 |
| 2008 | 620 | 2,095 | 2,976 | 3,480 | 3,559 | 3,716 | 3,840 | 3,952 | 3,698 | 3,708 | 3,654 | 3,761 | 3,314 | 3,093 | 2,856 | 2,764 |
| 2009 | | 674 | 2,380 | 3,307 | 3,620 | 3,797 | 3,964 | 4,048 | 3,871 | 3,843 | 3,809 | 3,627 | 3,555 | 3,385 | 3,086 | 2,745 |
| 2010 | | | 746 | 2,542 | 3,411 | 3,684 | 3,888 | 4,137 | 4,351 | 4,029 | 3,934 | 3,800 | 3,870 | 2,952 | 3,096 | 2,815 |
| 2011 | | | | 766 | 2,569 | 3,342 | 3,825 | 4,120 | 4,428 | 4,150 | 4,008 | 3,844 | 3,561 | 3,427 | 3,216 | 3,095 |
| 2012 | | | | | 773 | 2,593 | 3,610 | 4,036 | 4,260 | 4,181 | 3,924 | 4,171 | 4,009 | 3,583 | 3,350 | 3,404 |
| 2013 | | | | | | 791 | 2,844 | 3,691 | 3,931 | 4,092 | 3,917 | 4,103 | 3,787 | 3,658 | 3,316 | 3,539 |
| 2014 | | | | | | | 909 | 3,031 | 3,631 | 3,964 | 3,935 | 4,111 | 4,012 | 3,609 | 3,461 | 3,392 |
| 2015 | | | | | | | | 923 | 2,969 | 3,754 | 3,932 | 4,045 | 3,996 | 3,786 | 3,650 | 3,860 |
| 2016 | | | | | | | | | 933 | 3,137 | 3,887 | 4,029 | 4,051 | 3,954 | 3,872 | 3,886 |
| 2017 | | | | | | | | | | 1,016 | 3,276 | 3,909 | 3,953 | 3,885 | 3,841 | 4,050 |
| 2018 | | | | | | | | | | | 1,111 | 3,334 | 3,944 | 3,945 | 4,011 | 4,180 |
| 2019 | | | | | | | | | | | | 1,121 | 3,269 | 3,908 | 3,895 | 4,041 |
| 2020 | | | | | | | | | | | | | 1,105 | 3,407 | 3,932 | 4,185 |
| 2021 | | | | | | | | | | | | | | 1,042 | 3,272 | 4,145 |
| 2022 | | | | | | | | | | | | | | | 1,114 | 3,695 |
| 2023 | | | | | | | | | | | | | | | | 1,258 |
| ALAE per Claim | 2,047 | 2,160 | 2,318 | 2,480 | 2,563 | 2,639 | 2,797 | 2,906 | 2,918 | 2,946 | 2,974 | 2,992 | 3,005 | 2,937 | 2,892 | 3,116 |
| Annual Change | 3.4% | 5.5% | 7.3% | 7.0% | 3.4% | 3.0% | 6.0% | 3.9% | 0.4% | 1.0% | 0.9% | 0.6% | 0.4% | -2.3% | -1.5% | 7.7% |

**Estimated Annual Exponential Trend Based on Payment Year:**

| | |
|---|---|
| 2008-2023 | 2.4% |
| 2019-2023 | 0.4% |
| Average: | 1.4% |

[1] All paid ALAE exclude the paid cost of medical cost containment programs.
[2] Indemnity claims inventory is the sum of indemnity claims open as of January 1 of Year N-1 and newly-reported indemnity claims between January 1 of year N-1 and December 31 of year N.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Paid Allocated Loss Adjustment Expense Development - Private Insurers**
As of December 31, 2023

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1997 | 2.994 | 1.675 | 1.231 | 1.132 | 1.092 | 1.067 | 1.052 | 1.042 | 1.035 | 1.027 | 1.021 | 1.017 | 1.013 | 1.012 | 1.012 | 1.010 | 1.008 |
| 1998 | 3.591 | 1.608 | 1.248 | 1.163 | 1.105 | 1.076 | 1.071 | 1.045 | 1.032 | 1.024 | 1.021 | 1.017 | 1.014 | 1.014 | 1.012 | 1.012 | 1.010 |
| 1999 | 3.351 | 1.720 | 1.319 | 1.158 | 1.116 | 1.086 | 1.064 | 1.042 | 1.034 | 1.029 | 1.021 | 1.018 | 1.016 | 1.013 | 1.013 | 1.010 | 1.010 |
| 2000 | 4.051 | 1.752 | 1.315 | 1.183 | 1.121 | 1.090 | 1.053 | 1.042 | 1.033 | 1.025 | 1.021 | 1.019 | 1.015 | 1.014 | 1.012 | 1.011 | 1.009 |
| 2001 | 3.939 | 1.768 | 1.357 | 1.182 | 1.118 | 1.078 | 1.054 | 1.039 | 1.028 | 1.024 | 1.020 | 1.017 | 1.017 | 1.014 | 1.011 | 1.009 | 1.008 |
| 2002 | 3.927 | 1.784 | 1.315 | 1.171 | 1.101 | 1.074 | 1.046 | 1.032 | 1.026 | 1.021 | 1.018 | 1.017 | 1.013 | 1.012 | 1.009 | 1.007 | 1.007 |
| 2003 | 4.109 | 1.707 | 1.324 | 1.159 | 1.107 | 1.062 | 1.045 | 1.034 | 1.029 | 1.023 | 1.020 | 1.017 | 1.013 | 1.010 | 1.008 | 1.007 | 1.006 |
| 2004 | 4.040 | 1.713 | 1.319 | 1.169 | 1.101 | 1.069 | 1.048 | 1.036 | 1.030 | 1.025 | 1.020 | 1.015 | 1.012 | 1.010 | 1.008 | 1.006 | 1.005 |
| 2005 | 3.840 | 1.698 | 1.336 | 1.181 | 1.113 | 1.079 | 1.056 | 1.044 | 1.035 | 1.027 | 1.022 | 1.016 | 1.014 | 1.010 | 1.009 | 1.007 | 1.005 |
| 2006 | 3.750 | 1.736 | 1.330 | 1.186 | 1.120 | 1.081 | 1.060 | 1.046 | 1.035 | 1.025 | 1.019 | 1.014 | 1.011 | 1.008 | 1.006 | 1.005 | 1.004 |
| 2007 | 4.027 | 1.716 | 1.340 | 1.194 | 1.126 | 1.088 | 1.060 | 1.044 | 1.032 | 1.023 | 1.018 | 1.013 | 1.010 | 1.007 | 1.006 | 1.005 | |
| 2008 | 4.015 | 1.758 | 1.367 | 1.199 | 1.126 | 1.085 | 1.060 | 1.040 | 1.029 | 1.021 | 1.017 | 1.012 | 1.009 | 1.007 | 1.006 | | |
| 2009 | 4.322 | 1.775 | 1.354 | 1.199 | 1.126 | 1.083 | 1.054 | 1.037 | 1.027 | 1.019 | 1.014 | 1.011 | 1.008 | 1.006 | | | |
| 2010 | 4.300 | 1.737 | 1.342 | 1.190 | 1.120 | 1.076 | 1.049 | 1.033 | 1.023 | 1.017 | 1.010 | 1.008 | 1.006 | | | | |
| 2011 | 4.225 | 1.729 | 1.351 | 1.196 | 1.109 | 1.072 | 1.045 | 1.030 | 1.019 | 1.014 | 1.011 | 1.008 | | | | | |
| 2012 | 4.338 | 1.773 | 1.344 | 1.174 | 1.105 | 1.060 | 1.042 | 1.027 | 1.018 | 1.013 | 1.011 | | | | | | |
| 2013 | 4.542 | 1.706 | 1.297 | 1.161 | 1.085 | 1.056 | 1.032 | 1.022 | 1.015 | 1.013 | | | | | | | |
| 2014 | 4.322 | 1.635 | 1.285 | 1.139 | 1.081 | 1.049 | 1.029 | 1.020 | 1.015 | | | | | | | | |
| 2015 | 4.041 | 1.630 | 1.255 | 1.128 | 1.071 | 1.044 | 1.029 | 1.022 | | | | | | | | | |
| 2016 | 4.254 | 1.603 | 1.240 | 1.117 | 1.068 | 1.044 | 1.030 | | | | | | | | | | |
| 2017 | 3.979 | 1.546 | 1.217 | 1.114 | 1.067 | 1.047 | | | | | | | | | | | |
| 2018 | 3.767 | 1.530 | 1.226 | 1.122 | 1.076 | | | | | | | | | | | | |
| 2019 | 3.627 | 1.569 | 1.241 | 1.130 | | | | | | | | | | | | | |
| 2020 | 3.902 | 1.558 | 1.253 | | | | | | | | | | | | | | |
| 2021 | 3.883 | 1.596 | | | | | | | | | | | | | | | |
| 2022 | 4.074 | | | | | | | | | | | | | | | | |

**Latest Year**

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Age-to-Age | 4.074 | 1.596 | 1.253 | 1.130 | 1.076 | 1.047 | 1.030 | 1.022 | 1.015 | 1.013 | 1.011 | 1.008 | 1.006 | 1.006 | 1.006 | 1.005 | 1.004 |
| Cumulative | 12.534 | 3.077 | 1.928 | 1.538 | 1.362 | 1.266 | 1.209 | 1.174 | 1.148 | 1.131 | 1.117 | 1.105 | 1.096 | 1.089 | 1.083 | 1.076 | 1.071 |

**3-Year Arithmetic Average**

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Age-to-Age | 3.953 | 1.575 | 1.240 | 1.122 | 1.070 | 1.045 | 1.030 | 1.021 | 1.016 | 1.013 | 1.010 | 1.009 | 1.008 | 1.007 | 1.006 | 1.006 | 1.005 |
| Cumulative | 11.794 | 2.984 | 1.895 | 1.528 | 1.362 | 1.273 | 1.218 | 1.183 | 1.158 | 1.140 | 1.125 | 1.113 | 1.103 | 1.095 | 1.087 | 1.081 | 1.075 |

Age-to-Age Development (in months):

| Accident Year | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 | 1.004 | 1.004 | 1.003 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.003 | 1.003 | 1.005 | 1.002 | 1.002 | 1.001 | 1.001 |
| 1990 | 1.004 | 1.002 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.003 | 1.001 | 1.001 | |
| 1991 | 1.002 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | | |
| 1992 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.002 | 1.001 | | | |
| 1993 | 1.006 | 1.006 | 1.006 | 1.005 | 1.005 | 1.005 | 1.004 | 1.004 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | | | | |
| 1994 | 1.007 | 1.006 | 1.006 | 1.005 | 1.005 | 1.004 | 1.005 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | | | | | |
| 1995 | 1.009 | 1.008 | 1.008 | 1.008 | 1.006 | 1.008 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | | | | | | |
| 1996 | 1.008 | 1.007 | 1.007 | 1.006 | 1.007 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | | | | | | | |
| 1997 | 1.008 | 1.007 | 1.007 | 1.006 | 1.005 | 1.004 | 1.004 | 1.003 | 1.003 | | | | | | | | |
| 1998 | 1.010 | 1.008 | 1.006 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | | | | | | | | | |
| 1999 | 1.008 | 1.006 | 1.005 | 1.004 | 1.003 | 1.003 | 1.002 | | | | | | | | | | |
| 2000 | 1.007 | 1.006 | 1.004 | 1.004 | 1.003 | 1.003 | | | | | | | | | | | |
| 2001 | 1.007 | 1.005 | 1.004 | 1.003 | 1.003 | | | | | | | | | | | | |
| 2002 | 1.005 | 1.004 | 1.003 | 1.003 | | | | | | | | | | | | | |
| 2003 | 1.004 | 1.003 | 1.003 | | | | | | | | | | | | | | |
| 2004 | 1.004 | 1.003 | | | | | | | | | | | | | | | |
| 2005 | 1.004 | | | | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | | | | | |

**Latest Year**

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Age-to-Age | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 |
| Cumulative[1] | 1.067 | 1.062 | 1.059 | 1.056 | 1.052 | 1.049 | 1.046 | 1.044 | 1.042 | 1.039 | 1.035 | 1.033 | 1.031 | 1.029 | 1.028 | *1.027* | |

**3-Year Arithmetic Average**

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Age-to-Age | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.002 | 1.001 |
| Cumulative[1] | 1.070 | 1.065 | 1.061 | 1.058 | 1.054 | 1.051 | 1.048 | 1.045 | 1.042 | 1.039 | 1.036 | 1.033 | 1.032 | 1.030 | 1.028 | *1.027* | |

Note:
[1] Factors in italics are based on inverse powertail fit to a "3-Year Arithmetic Average" of the 108-to-120 through 384-to-396 factors.

Source: WCIRB quarterly calls for experience, excluding MCCP costs and COVID-19 claims.

**Quarterly Paid ALAE Loss Development Factors - Private Insurers**

| Age in Months | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3 - 6 | 5.434 | 9.136 | 8.769 | 8.693 | 8.584 | 6.234 | 9.857 | 8.970 | 8.932 | 8.255 | 7.884 | --- | 9.251 | 8.756 | 8.727 |
| 6 - 9 | 2.630 | 3.023 | 3.176 | 3.213 | 3.058 | 3.163 | 3.169 | 3.155 | 3.050 | 3.134 | 3.137 | --- | 3.169 | 3.062 | 3.061 |
| 9 - 12 | 2.034 | 2.077 | 2.165 | 2.115 | 2.133 | 2.158 | 2.103 | 2.100 | 2.130 | 2.076 | 2.133 | --- | 2.065 | 2.126 | 2.194 |
| 12 - 15 | 1.724 | 1.737 | 1.701 | 1.713 | 1.784 | 1.744 | 1.730 | 1.771 | 1.699 | 1.672 | 1.662 | 1.639 | 1.667 | 1.717 | |
| 15 - 18 | 1.509 | 1.482 | 1.486 | 1.510 | 1.494 | 1.486 | 1.480 | 1.488 | 1.450 | 1.442 | 1.432 | 1.458 | 1.469 | 1.485 | |
| 18 - 21 | 1.326 | 1.334 | 1.343 | 1.338 | 1.349 | 1.328 | 1.309 | 1.307 | 1.309 | 1.289 | 1.261 | 1.309 | 1.314 | 1.312 | |
| 21 - 24 | 1.255 | 1.253 | 1.248 | 1.249 | 1.237 | 1.237 | 1.225 | 1.226 | 1.226 | 1.213 | 1.218 | 1.209 | 1.207 | 1.220 | |
| 24 - 27 | 1.197 | 1.189 | 1.186 | 1.205 | 1.187 | 1.176 | 1.183 | 1.167 | 1.150 | 1.150 | 1.157 | 1.152 | 1.165 | | |
| 27 - 30 | 1.170 | 1.158 | 1.163 | 1.160 | 1.156 | 1.149 | 1.141 | 1.132 | 1.129 | 1.123 | 1.131 | 1.131 | 1.134 | | |
| 30 - 33 | 1.138 | 1.133 | 1.131 | 1.130 | 1.122 | 1.116 | 1.110 | 1.109 | 1.099 | 1.101 | 1.109 | 1.105 | 1.113 | | |
| 33 - 36 | 1.114 | 1.113 | 1.108 | 1.104 | 1.101 | 1.095 | 1.088 | 1.092 | 1.084 | 1.078 | 1.084 | 1.082 | 1.086 | | |
| 36 - 39 | 1.094 | 1.091 | 1.095 | 1.093 | 1.085 | 1.085 | 1.073 | 1.068 | 1.061 | 1.063 | 1.068 | 1.071 | | | |
| 39 - 42 | 1.082 | 1.083 | 1.081 | 1.081 | 1.076 | 1.072 | 1.062 | 1.062 | 1.055 | 1.057 | 1.062 | 1.063 | | | |
| 42 - 45 | 1.074 | 1.069 | 1.068 | 1.070 | 1.061 | 1.057 | 1.054 | 1.049 | 1.047 | 1.050 | 1.052 | 1.055 | | | |
| 45 - 48 | 1.064 | 1.062 | 1.059 | 1.057 | 1.055 | 1.050 | 1.046 | 1.043 | 1.039 | 1.040 | 1.041 | 1.044 | | | |
| 48 - 51 | 1.053 | 1.053 | 1.051 | 1.049 | 1.047 | 1.041 | 1.036 | 1.034 | 1.031 | 1.035 | 1.036 | | | | |
| 51 - 54 | 1.050 | 1.048 | 1.048 | 1.045 | 1.042 | 1.036 | 1.034 | 1.031 | 1.030 | 1.032 | 1.032 | | | | |
| 54 - 57 | 1.043 | 1.040 | 1.043 | 1.038 | 1.035 | 1.031 | 1.027 | 1.025 | 1.027 | 1.027 | 1.032 | | | | |
| 57 - 60 | 1.039 | 1.037 | 1.036 | 1.035 | 1.031 | 1.028 | 1.026 | 1.023 | 1.022 | 1.023 | 1.024 | | | | |
| 60 - 63 | 1.034 | 1.032 | 1.031 | 1.031 | 1.025 | 1.023 | 1.021 | 1.018 | 1.018 | 1.020 | | | | | |
| 63 - 66 | 1.031 | 1.032 | 1.029 | 1.028 | 1.023 | 1.021 | 1.019 | 1.018 | 1.018 | 1.021 | | | | | |
| 66 - 69 | 1.028 | 1.028 | 1.024 | 1.024 | 1.021 | 1.017 | 1.015 | 1.017 | 1.015 | 1.020 | | | | | |
| 69 - 72 | 1.026 | 1.023 | 1.023 | 1.021 | 1.018 | 1.018 | 1.014 | 1.014 | 1.014 | 1.013 | | | | | |
| 72 - 75 | 1.022 | 1.021 | 1.020 | 1.019 | 1.017 | 1.015 | 1.012 | 1.012 | 1.012 | | | | | | |
| 75 - 78 | 1.022 | 1.020 | 1.019 | 1.016 | 1.015 | 1.013 | 1.012 | 1.012 | 1.011 | | | | | | |
| 78 - 81 | 1.020 | 1.017 | 1.017 | 1.015 | 1.011 | 1.010 | 1.011 | 1.010 | 1.013 | | | | | | |
| 81 - 84 | 1.017 | 1.016 | 1.014 | 1.014 | 1.012 | 1.009 | 1.009 | 1.010 | 1.010 | | | | | | |
| 84 - 87 | 1.015 | 1.014 | 1.014 | 1.013 | 1.011 | 1.008 | 1.008 | 1.009 | | | | | | | |
| 87 - 90 | 1.014 | 1.012 | 1.012 | 1.011 | 1.008 | 1.008 | 1.008 | 1.007 | | | | | | | |
| 90 - 93 | 1.012 | 1.012 | 1.011 | 1.009 | 1.005 | 1.007 | 1.005 | 1.008 | | | | | | | |
| 93 - 96 | 1.012 | 1.010 | 1.011 | 1.009 | 1.007 | 1.006 | 1.007 | 1.007 | | | | | | | |
| 96 - 99 | 1.010 | 1.010 | 1.008 | 1.010 | 1.006 | 1.006 | 1.005 | | | | | | | | |
| 99 - 102 | 1.009 | 1.009 | 1.008 | 1.007 | 1.006 | 1.006 | 1.006 | | | | | | | | |
| 102 - 105 | 1.009 | 1.008 | 1.007 | 1.004 | 1.005 | 1.005 | 1.005 | | | | | | | | |
| 105 - 108 | 1.008 | 1.007 | 1.007 | 1.005 | 1.005 | 1.004 | 1.006 | | | | | | | | |
| 108 - 111 | 1.008 | 1.006 | 1.005 | 1.005 | 1.004 | 1.004 | | | | | | | | | |
| 111 - 114 | 1.007 | 1.006 | 1.005 | 1.004 | 1.004 | 1.004 | | | | | | | | | |
| 114 - 117 | 1.007 | 1.006 | 1.004 | 1.005 | 1.003 | 1.004 | | | | | | | | | |
| 117 - 120 | 1.006 | 1.005 | 1.004 | 1.004 | 1.003 | 1.003 | | | | | | | | | |
| 120 - 123 | 1.005 | 1.005 | 1.004 | 1.003 | 1.003 | | | | | | | | | | |

Source: WCIRB quarterly calls for experience, excluding MCCP costs and COVID claims from Accident Years 2020-2023

**Reported Indemnity Claim Count Development - Statewide**

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1995 | | | | | | | | | | | | 1.001 | 1.000 | 1.004 | 1.001 | 1.000 | 1.000 |
| 1996 | | | | | | | | | | | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1997 | | | | | | | | | | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1998 | | | | | | | | | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 |
| 1999 | | | | | | | | 1.001 | 1.002 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 |
| 2000 | | | | | | | 1.000 | 0.998 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2001 | | | | | | 0.999 | 0.998 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2002 | | | | | 0.999 | 1.007 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2003 | | | | 0.999 | 1.008 | 0.998 | 0.999 | 0.999 | 1.000 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2004 | | | 1.001 | 1.000 | 0.999 | 1.000 | 0.999 | 0.999 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2005 | | 1.007 | 1.004 | 1.000 | 1.001 | 1.001 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2006 | 1.115 | 1.013 | 1.005 | 1.002 | 1.001 | 1.000 | 1.005 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2007 | 1.125 | 1.015 | 1.006 | 1.004 | 1.002 | 1.000 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 2008 | 1.153 | 1.023 | 1.011 | 1.005 | 1.003 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | |
| 2009 | 1.194 | 1.029 | 1.011 | 1.006 | 1.003 | 1.002 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | |
| 2010 | 1.220 | 1.030 | 1.011 | 1.006 | 1.004 | 1.002 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 2011 | 1.230 | 1.033 | 1.014 | 1.007 | 1.002 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | |
| 2012 | 1.241 | 1.035 | 1.013 | 1.005 | 1.003 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 | 1.001 | | | | | | |
| 2013 | 1.240 | 1.031 | 1.010 | 1.004 | 1.002 | 1.001 | 1.001 | 1.000 | 1.000 | 1.001 | | | | | | | |
| 2014 | 1.239 | 1.027 | 1.010 | 1.004 | 1.002 | 1.000 | 1.000 | 1.000 | 1.001 | | | | | | | | |
| 2015 | 1.236 | 1.027 | 1.006 | 1.003 | 1.002 | 1.001 | 1.000 | 1.000 | | | | | | | | | |
| 2016 | 1.244 | 1.029 | 1.007 | 1.003 | 1.001 | 1.000 | 1.001 | | | | | | | | | | |
| 2017 | 1.220 | 1.023 | 1.007 | 1.003 | 1.001 | 1.001 | | | | | | | | | | | |
| 2018 | 1.226 | 1.024 | 1.006 | 1.002 | 1.002 | | | | | | | | | | | | |
| 2019 | 1.222 | 1.027 | 1.007 | 1.004 | | | | | | | | | | | | | |
| 2020 | 1.225 | 1.024 | 1.008 | | | | | | | | | | | | | | |
| 2021 | 1.223 | 1.025 | | | | | | | | | | | | | | | |
| 2022 | 1.236 | | | | | | | | | | | | | | | | |

I. Age-to-Age (Latest Year)

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1.236 | 1.025 | 1.008 | 1.004 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

II. Age-to-Ultimate

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 | 156-168 | 168-180 | 180-192 | 192-204 | 204-216 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1.295 | 1.048 | 1.022 | 1.014 | 1.010 | 1.008 | 1.007 | 1.006 | 1.006 | 1.005 | 1.004 | 1.003 | 1.003 | 1.003 | 1.003 | 1.002 | 1.002 |

| Accident Year | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 1990 | 0.999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| 1991 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | |
| 1992 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | |
| 1993 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | |
| 1994 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | |
| 1995 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | |
| 1996 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | |
| 1997 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | |
| 1998 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | |
| 1999 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | |
| 2000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | |
| 2001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | | |
| 2002 | 1.000 | 0.996 | 1.000 | 1.000 | | | | | | | | | | | | | |
| 2003 | 1.000 | 1.000 | 1.000 | | | | | | | | | | | | | | |
| 2004 | 1.000 | 1.000 | | | | | | | | | | | | | | | |
| 2005 | 1.000 | | | | | | | | | | | | | | | | |

I. Age-to-Age (Latest Year)

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

II. Age-to-Ultimate

| | 216-228 | 228-240 | 240-252 | 252-264 | 264-276 | 276-288 | 288-300 | 300-312 | 312-324 | 324-336 | 336-348 | 348-360 | 360-372 | 372-384 | 384-396 | 396-408 | 408-420 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.002 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Projected Ratio of ALAE[1] to Losses - Statewide**
Based on Private Insurers ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2022 and 2023
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Acc. Year | Indemnity Claim Counts @12/31/2023[4] | Cumulative Count Development Factors[2] | Estimated Ultimate Ind. Counts | Estimated Ult. ALAE per Indemnity Claim[3] | Estimated Ult. ALAE (in $000) |
|---|---|---|---|---|---|
| | (1) | (2) | (3)=(1)x(2) | (4) | (5)=(3)x(4) |
| 1996 | 131,193 | 1.000 | 131,253 | 3,005 | 394,462 |
| 1997 | 137,032 | 1.001 | 137,103 | 3,674 | 503,725 |
| 1998 | 147,179 | 1.001 | 147,304 | 4,694 | 691,500 |
| 1999 | 148,262 | 1.001 | 148,401 | 5,002 | 742,239 |
| 2000 | 160,403 | 1.001 | 160,578 | 5,990 | 961,807 |
| 2001 | 184,950 | 1.001 | 185,220 | 7,311 | 1,354,158 |
| 2002 | 192,424 | 1.002 | 192,768 | 7,778 | 1,499,307 |
| 2003 | 182,564 | 1.002 | 182,910 | 8,224 | 1,504,237 |
| 2004 | 158,527 | 1.002 | 158,847 | 7,726 | 1,227,232 |
| 2005 | 139,542 | 1.002 | 139,821 | 7,488 | 1,046,942 |
| 2006 | 133,181 | 1.002 | 133,450 | 7,679 | 1,024,697 |
| 2007 | 130,213 | 1.002 | 130,478 | 8,299 | 1,082,849 |
| 2008 | 122,839 | 1.002 | 123,107 | 9,062 | 1,115,655 |
| 2009 | 113,580 | 1.002 | 113,856 | 9,942 | 1,131,954 |
| 2010 | 118,382 | 1.003 | 118,719 | 9,838 | 1,167,972 |
| 2011 | 120,877 | 1.003 | 121,251 | 9,695 | 1,175,534 |
| 2012 | 128,320 | 1.003 | 128,745 | 9,654 | 1,242,847 |
| 2013 | 136,504 | 1.004 | 137,034 | 9,420 | 1,290,823 |
| 2014 | 141,172 | 1.005 | 141,856 | 9,297 | 1,318,872 |
| 2015 | 145,187 | 1.005 | 145,978 | 9,069 | 1,323,870 |
| 2016 | 148,382 | 1.006 | 149,265 | 8,999 | 1,343,279 |
| 2017 | 149,070 | 1.006 | 150,037 | 8,903 | 1,335,717 |
| 2018 | 151,773 | 1.008 | 152,952 | 9,334 | 1,427,647 |
| 2019 | 154,923 | 1.010 | 156,443 | 9,523 | 1,489,780 |
| 2020 | 134,679 | 1.014 | 136,577 | 9,927 | 1,355,752 |
| 2021 | 147,738 | 1.022 | 150,975 | 9,567 | 1,444,390 |
| 2022 | 153,259 | 1.048 | 160,556 | 10,575 | 1,697,821 |
| 2023 | 127,194 | 1.295 | 164,734 | 11,917 | 1,963,103 |

**Projected Based on 2022 and 2023:**

| | Ult. Ind. Counts[5] | Ult. ALAE per Ind. Counts[6] | Ultimate ALAE[7] |
|---|---|---|---|
| 2024 | 158,659 | 11,578 | 1,837,036 |
| 2025 | 157,601 | 11,810 | 1,861,272 |
| 9/1/2025 | 156,808 | 11,849 | 1,858,035 |

| | |
|---|---|
| (a) Projected ALAE Incurred ($000): | 1,858,035 |
| (b) Average of Calendar Year 2022 and 2023 Earned Premium[8] ($000): | 15,493,908 |
| (c) Projected Loss to Advisory Pure Premium Ratio[9]: | 0.752 |
| (d) Weighted Premium Adjustment Factor for Earned Premium on Line (b) [10]: | 0.934 |
| (e) Projected Losses ($000): (b) x (c) x (d) | 10,879,843 |
| (f) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (a)/(e) | 17.1% |
| (g) Impact of SB 1160 and AB 1244[11] | -1.3% |
| (h) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (f) x [1.0 + (g)] | 16.8% |

Notes:

[1] All paid ALAE exclude the paid cost of medical cost containment programs.

[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

[3] Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.

[4] AY2020 to AY2023 data excludes COVID-19 claims.

[5] Estimated based on projected frequency trends for accident years 2023 to 2026. The 2023 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC24-03-02, Exhibit 12), and 2024 to 2026 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC24-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2022 and 2023 ultimate indemnity claim counts.

[6] Severities are projected by applying an annual growth rate of 2.0%, which is based on the approximate average of the private insurers' rates of growth in (i) estimated ultimate accident year ALAE severities from Exhibit 6 and (ii) paid ALAE per open indemnity claim from Exhibit 7, to the average of 2022 and 2023 ultimate ALAE severity.

[7] Column(3) x Column(4) / 1,000.

[8] Based on the reported earned premium for calendar year 2022 and 2023 from the same group of insurers that reported the paid ALAE in column (1) and the indemnity claim counts in column (3) by accident year as of December 31, 2023. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).

[9] See Exhibit 8 of Agenda Item AC24-03-02.

[10] See Exhibit 5.2 of Agenda item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

[11] Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 88% to reflect the impact of the reforms in the emerging ALAE data.

**Estimated Ultimate ALAE per Indemnity Claim - Private Insurers**
Based on 3-Year Average Unadjusted Paid ALAE Development

| Acc. Year | Paid ALAE[1] @12/31/23 (in $000) (1) | Cumulative Development Factors[2] (2) | Estimated Ultimate ALAE (in $000) (3)=(1)x(2) | Indemnity Claim Counts @12/31/23 (4) | Cumulative Count Development Factors[3] (5) | Estimated Ultimate Ind. Counts (6)=(4)x(5) | Estimated Ultimate ALAE per Indemnity Claim (7)=(3)/(6)x1000 | Annual Change (8) |
|---|---|---|---|---|---|---|---|---|
| 1996 | 293,983 | 1.036 | 304,502 | 101,213 | 1.001 | 101,290 | 3,006 | --- |
| 1997 | 369,784 | 1.039 | 384,048 | 104,437 | 1.001 | 104,525 | 3,674 | 22.2% |
| 1998 | 506,166 | 1.042 | 527,244 | 112,157 | 1.001 | 112,299 | 4,695 | 27.8% |
| 1999 | 556,250 | 1.045 | 581,005 | 115,970 | 1.001 | 116,128 | 5,003 | 6.6% |
| 2000 | 669,924 | 1.048 | 701,913 | 116,864 | 1.002 | 117,047 | 5,997 | 19.9% |
| 2001 | 790,968 | 1.051 | 831,222 | 113,279 | 1.002 | 113,510 | 7,323 | 22.1% |
| 2002 | 820,924 | 1.054 | 865,503 | 110,796 | 1.003 | 111,086 | 7,791 | 6.4% |
| 2003 | 834,665 | 1.058 | 883,011 | 106,820 | 1.003 | 107,138 | 8,242 | 5.8% |
| 2004 | 725,607 | 1.061 | 770,154 | 99,101 | 1.003 | 99,424 | 7,746 | -6.0% |
| 2005 | 688,945 | 1.065 | 733,764 | 97,379 | 1.003 | 97,710 | 7,510 | -3.1% |
| 2006 | 753,472 | 1.070 | 805,870 | 104,281 | 1.004 | 104,654 | 7,700 | 2.5% |
| 2007 | 835,307 | 1.075 | 897,574 | 107,386 | 1.004 | 107,783 | 8,328 | 8.1% |
| 2008 | 891,993 | 1.081 | 963,827 | 105,499 | 1.004 | 105,909 | 9,101 | 9.3% |
| 2009 | 929,789 | 1.087 | 1,010,808 | 100,821 | 1.004 | 101,241 | 9,984 | 9.7% |
| 2010 | 986,484 | 1.095 | 1,079,858 | 108,734 | 1.005 | 109,244 | 9,885 | -1.0% |
| 2011 | 1,006,396 | 1.103 | 1,110,332 | 113,256 | 1.005 | 113,817 | 9,755 | -1.3% |
| 2012 | 1,070,874 | 1.113 | 1,192,296 | 121,998 | 1.005 | 122,631 | 9,723 | -0.3% |
| 2013 | 1,091,645 | 1.125 | 1,228,129 | 128,733 | 1.006 | 129,482 | 9,485 | -2.4% |
| 2014 | 1,085,476 | 1.140 | 1,237,255 | 131,171 | 1.007 | 132,081 | 9,367 | -1.2% |
| 2015 | 1,077,920 | 1.158 | 1,248,116 | 135,432 | 1.008 | 136,486 | 9,145 | -2.4% |
| 2016 | 1,086,775 | 1.183 | 1,285,228 | 140,526 | 1.009 | 141,730 | 9,068 | -0.8% |
| 2017 | 1,054,240 | 1.218 | 1,283,837 | 141,867 | 1.009 | 143,200 | 8,965 | -1.1% |
| 2018 | 1,080,495 | 1.273 | 1,375,089 | 144,948 | 1.011 | 146,538 | 9,384 | 4.7% |
| 2019 | 1,048,938 | 1.362 | 1,428,980 | 147,986 | 1.013 | 149,973 | 9,528 | 1.5% |
| 2020 | 835,100 | 1.528 | 1,276,130 | 127,042 | 1.019 | 129,406 | 9,861 | 3.5% |
| 2021 | 708,382 | 1.895 | 1,342,377 | 138,829 | 1.028 | 142,757 | 9,403 | -4.6% |
| 2022 | 529,115 | 2.984 | 1,578,740 | 145,471 | 1.058 | 153,956 | 10,254 | 9.1% |
| 2023 | 151,990 | 11.794 | 1,792,567 | 120,914 | 1.322 | 159,862 | 11,213 | 9.3% |

**Estimated Annual Exponential Trend Based on:**

| | |
|---|---|
| 2009 to 2023 | 0.3% |
| 2019 to 2023 | 3.7% |
| Average: | 2.0% |

Notes:
[1] All paid ALAE exclude the paid cost of medical cost containment programs.
[2] Based on the 3-year average paid ALAE age-to-age development from Exhibit 8.1.
[3] Based on analogous Exhibit 8.3, applicable to private insurers only.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Projected Ratio of ALAE[1] to Losses - Statewide**
Based on Private Insurers ALAE Severity using 3-Year Average Unadjusted Paid ALAE Development
Trend Applied to 2022 and 2023
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Acc. Year | Indemnity Claim Counts @12/31/2023[4] (1) | Cumulative Count Development Factors[2] (2) | Estimated Ultimate Ind. Counts (3)=(1)x(2) | Estimated Ult. ALAE per Indemnity Claim[3] (4) | Estimated Ult. ALAE (in $000) (5)=(3)x(4) |
|---|---|---|---|---|---|
| 1996 | 131,193 | 1.000 | 131,253 | 3,006 | 394,580 |
| 1997 | 137,032 | 1.001 | 137,103 | 3,674 | 503,747 |
| 1998 | 147,179 | 1.001 | 147,304 | 4,695 | 691,592 |
| 1999 | 148,262 | 1.001 | 148,401 | 5,003 | 742,469 |
| 2000 | 160,403 | 1.001 | 160,578 | 5,997 | 962,965 |
| 2001 | 184,950 | 1.001 | 185,220 | 7,323 | 1,356,353 |
| 2002 | 192,424 | 1.002 | 192,768 | 7,791 | 1,501,906 |
| 2003 | 182,564 | 1.002 | 182,910 | 8,242 | 1,507,517 |
| 2004 | 158,527 | 1.002 | 158,847 | 7,746 | 1,230,446 |
| 2005 | 139,542 | 1.002 | 139,821 | 7,510 | 1,050,003 |
| 2006 | 133,181 | 1.002 | 133,450 | 7,700 | 1,027,604 |
| 2007 | 130,213 | 1.002 | 130,478 | 8,328 | 1,086,568 |
| 2008 | 122,839 | 1.002 | 123,107 | 9,101 | 1,120,340 |
| 2009 | 113,580 | 1.002 | 113,856 | 9,984 | 1,136,759 |
| 2010 | 118,382 | 1.003 | 118,719 | 9,885 | 1,173,522 |
| 2011 | 120,877 | 1.003 | 121,251 | 9,755 | 1,182,852 |
| 2012 | 128,320 | 1.003 | 128,745 | 9,723 | 1,251,741 |
| 2013 | 136,504 | 1.004 | 137,034 | 9,485 | 1,299,754 |
| 2014 | 141,172 | 1.005 | 141,856 | 9,367 | 1,328,819 |
| 2015 | 145,187 | 1.005 | 145,978 | 9,145 | 1,334,918 |
| 2016 | 148,382 | 1.006 | 149,265 | 9,068 | 1,353,557 |
| 2017 | 149,070 | 1.006 | 150,037 | 8,965 | 1,345,126 |
| 2018 | 151,773 | 1.008 | 152,952 | 9,384 | 1,435,283 |
| 2019 | 154,923 | 1.010 | 156,443 | 9,528 | 1,490,627 |
| 2020 | 134,679 | 1.014 | 136,577 | 9,861 | 1,346,852 |
| 2021 | 147,738 | 1.022 | 150,975 | 9,403 | 1,419,646 |
| 2022 | 153,259 | 1.048 | 160,556 | 10,254 | 1,646,423 |
| 2023 | 127,194 | 1.295 | 164,734 | 11,213 | 1,847,200 |

**Projected Based on 2022 and 2023:**

| | Ult. Ind. Counts[5] | Ult. ALAE per Ind. Counts[6] | Ultimate ALAE[7] |
|---|---|---|---|
| 2024 | 158,659 | 11,053 | 1,753,684 |
| 2025 | 157,601 | 11,274 | 1,776,820 |
| 9/1/2025 | 156,808 | 11,311 | 1,773,730 |

| | |
|---|---|
| (a) Projected ALAE Incurred ($000): | 1,773,730 |
| (b) Average of Calendar Year 2022 and 2023 Earned Premium[8] ($000): | 15,493,908 |
| (c) Projected Loss to Advisory Pure Premium Ratio[9]: | 0.752 |
| (d) Premium Adjustment Factor for Calendar Year 2022 and 2023[10]: | 0.934 |
| (e) Projected Losses ($000): (b) x (c) x (d) | 10,879,843 |
| (f) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (a)/(e) | 16.3% |
| (g) Impact of SB 1160 and AB 1244[11] | -1.3% |
| (h) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (f) x [1.0 + (g)] | 16.1% |

Notes:

[1] All paid ALAE exclude the paid cost of medical cost containment programs.

[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

[3] Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 9.1.

[4] AY2020 to AY2023 data excludes COVID-19 claims.

[5] Estimated based on projected frequency trends for accident years 2023 to 2026. The 2023 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC24-03-02, Exhibit 12), and 2024 to 2026 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC24-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2022 and 2023 ultimate indemnity claim counts.

[6] Severities are projected by applying an annual growth rate of 2.0%, which is based on the approximate average of the private insurers' rates of growth in (i) estimated ultimate accident year ALAE severities from Exhibit 6 and (ii) paid ALAE per open indemnity claim from Exhibit 7, to the average of 2022 and 2023 ultimate ALAE severity.

[7] Column(3) x Column(4) / 1,000.

[8] Based on the reported earned premium for calendar year 2022 and 2023 from the same group of insurers that reported the paid ALAE in column (1) and the indemnity claim counts in column (3) by accident year as of December 31, 2023. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).

[9] See Exhibit 8 of Agenda Item AC24-03-02.

[10] See Exhibit 5.2 of Agenda item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

[11] Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 88% to reflect the impact of the reforms in the emerging ALAE data.

**Projected Ratio of ALAE[1] to Losses - Statewide**
Based on Private Insurers ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2022 Ultimate ALAE Severity
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Acc. Year | Indemnity Claim Counts @12/31/2023[4] | Cumulative Count Development Factors[2] | Estimated Ultimate Ind. Counts | Estimated Ult. ALAE per Indemnity Claim[3] | Estimated Ult. ALAE (in $000) |
|---|---|---|---|---|---|
| | (1) | (2) | (3)=(1)x(2) | (4) | (5)=(3)x(4) |
| 1996 | 131,193 | 1.000 | 131,253 | 3,005 | 394,462 |
| 1997 | 137,032 | 1.001 | 137,103 | 3,674 | 503,725 |
| 1998 | 147,179 | 1.001 | 147,304 | 4,694 | 691,500 |
| 1999 | 148,262 | 1.001 | 148,401 | 5,002 | 742,239 |
| 2000 | 160,403 | 1.001 | 160,578 | 5,990 | 961,807 |
| 2001 | 184,950 | 1.001 | 185,220 | 7,311 | 1,354,158 |
| 2002 | 192,424 | 1.002 | 192,768 | 7,778 | 1,499,307 |
| 2003 | 182,564 | 1.002 | 182,910 | 8,224 | 1,504,237 |
| 2004 | 158,527 | 1.002 | 158,847 | 7,726 | 1,227,232 |
| 2005 | 139,542 | 1.002 | 139,821 | 7,488 | 1,046,942 |
| 2006 | 133,181 | 1.002 | 133,450 | 7,679 | 1,024,697 |
| 2007 | 130,213 | 1.002 | 130,478 | 8,299 | 1,082,849 |
| 2008 | 122,839 | 1.002 | 123,107 | 9,062 | 1,115,655 |
| 2009 | 113,580 | 1.002 | 113,856 | 9,942 | 1,131,954 |
| 2010 | 118,382 | 1.003 | 118,719 | 9,838 | 1,167,972 |
| 2011 | 120,877 | 1.003 | 121,251 | 9,695 | 1,175,534 |
| 2012 | 128,320 | 1.003 | 128,745 | 9,654 | 1,242,847 |
| 2013 | 136,504 | 1.004 | 137,034 | 9,420 | 1,290,823 |
| 2014 | 141,172 | 1.005 | 141,856 | 9,297 | 1,318,872 |
| 2015 | 145,187 | 1.005 | 145,978 | 9,069 | 1,323,870 |
| 2016 | 148,382 | 1.006 | 149,265 | 8,999 | 1,343,279 |
| 2017 | 149,070 | 1.006 | 150,037 | 8,903 | 1,335,717 |
| 2018 | 151,773 | 1.008 | 152,952 | 9,334 | 1,427,647 |
| 2019 | 154,923 | 1.010 | 156,443 | 9,523 | 1,489,780 |
| 2020 | 134,679 | 1.014 | 136,577 | 9,927 | 1,355,752 |
| 2021 | 147,738 | 1.022 | 150,975 | 9,567 | 1,444,390 |
| 2022 | 153,259 | 1.048 | 160,556 | 10,575 | 1,697,821 |
| 2023 | 127,194 | 1.295 | 164,734 | 11,917 | 1,963,103 |

**Projected Based on 2022 and 2023:**

| | Ult. Ind. Counts[5] | Ult. ALAE per Ind. Counts[6] | Ultimate ALAE[7] |
|---|---|---|---|
| 2024 | 158,659 | 11,002 | 1,745,543 |
| 2025 | 157,601 | 11,222 | 1,768,572 |
| 9/1/2025 | 156,808 | 11,259 | 1,765,496 |

| | |
|---|---|
| (a) Projected ALAE Incurred ($000): | 1,765,496 |
| (b) Average of Calendar Year 2022 and 2023 Earned Premium[8] ($000): | 15,493,908 |
| (c) Projected Loss to Advisory Pure Premium Ratio[9]: | 0.752 |
| (d) Weighted Premium Adjustment Factor for Earned Premium on Line (b) [10]: | 0.934 |
| (e) Projected Losses ($000): (b) x (c) x (d) | 10,879,843 |
| (f) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (a)/(e) | 16.2% |
| (g) Impact of SB 1160 and AB 1244[11] | -1.3% |
| (h) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (f) x [1.0 + (g)] | 16.0% |

Notes:
[1] All paid ALAE exclude the paid cost of medical cost containment programs.
[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
[3] Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.
[4] AY2020 to AY2023 data excludes COVID-19 claims.
[5] Estimated based on projected frequency trends for accident years 2023 to 2026. The 2023 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC24-03-02, Exhibit 12), and 2024 to 2026 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC24-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2022 and 2023 ultimate indemnity claim counts.
[6] Severities are projected by applying an annual growth rate of 2.0%, which is based on the approximate average of the private insurers' rates of growth in (i) estimated ultimate accident year ALAE severities from Exhibit 6 and (ii) paid ALAE per open indemnity claim from Exhibit 7, to the 2022 ultimate ALAE severity.
[7] Column(3) x Column(4) / 1,000.
[8] Based on the reported earned premium for calendar year 2022 and 2023 from the same group of insurers that reported the paid ALAE in column (1) and the indemnity claim counts in column (3) by accident year as of December 31, 2023. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).
[9] See Exhibit 8 of Agenda Item AC24-03-02.
[10] See Exhibit 5.2 of Agenda item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.
[11] Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 88% to reflect the impact of the reforms in the emerging ALAE data.

**Projected Ratio of ALAE[1] to Losses - Statewide**
Based on Private Insurers ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2023 Ultimate ALAE Severity
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Acc. Year | Indemnity Claim Counts @12/31/2023[4] | Cumulative Count Development Factors[2] | Estimated Ultimate Ind. Counts | Estimated Ult. ALAE per Indemnity Claim[3] | Estimated Ult. ALAE (in $000) |
|---|---|---|---|---|---|
| | (1) | (2) | (3)=(1)x(2) | (4) | (5)=(3)x(4) |
| 1996 | 131,193 | 1.000 | 131,253 | 3,005 | 394,462 |
| 1997 | 137,032 | 1.001 | 137,103 | 3,674 | 503,725 |
| 1998 | 147,179 | 1.001 | 147,304 | 4,694 | 691,500 |
| 1999 | 148,262 | 1.001 | 148,401 | 5,002 | 742,239 |
| 2000 | 160,403 | 1.001 | 160,578 | 5,990 | 961,807 |
| 2001 | 184,950 | 1.001 | 185,220 | 7,311 | 1,354,158 |
| 2002 | 192,424 | 1.002 | 192,768 | 7,778 | 1,499,307 |
| 2003 | 182,564 | 1.002 | 182,910 | 8,224 | 1,504,237 |
| 2004 | 158,527 | 1.002 | 158,847 | 7,726 | 1,227,232 |
| 2005 | 139,542 | 1.002 | 139,821 | 7,488 | 1,046,942 |
| 2006 | 133,181 | 1.002 | 133,450 | 7,679 | 1,024,697 |
| 2007 | 130,213 | 1.002 | 130,478 | 8,299 | 1,082,849 |
| 2008 | 122,839 | 1.002 | 123,107 | 9,062 | 1,115,655 |
| 2009 | 113,580 | 1.002 | 113,856 | 9,942 | 1,131,954 |
| 2010 | 118,382 | 1.003 | 118,719 | 9,838 | 1,167,972 |
| 2011 | 120,877 | 1.003 | 121,251 | 9,695 | 1,175,534 |
| 2012 | 128,320 | 1.003 | 128,745 | 9,654 | 1,242,847 |
| 2013 | 136,504 | 1.004 | 137,034 | 9,420 | 1,290,823 |
| 2014 | 141,172 | 1.005 | 141,856 | 9,297 | 1,318,872 |
| 2015 | 145,187 | 1.005 | 145,978 | 9,069 | 1,323,870 |
| 2016 | 148,382 | 1.006 | 149,265 | 8,999 | 1,343,279 |
| 2017 | 149,070 | 1.006 | 150,037 | 8,903 | 1,335,717 |
| 2018 | 151,773 | 1.008 | 152,952 | 9,334 | 1,427,647 |
| 2019 | 154,923 | 1.010 | 156,443 | 9,523 | 1,489,780 |
| 2020 | 134,679 | 1.014 | 136,577 | 9,927 | 1,355,752 |
| 2021 | 147,738 | 1.022 | 150,975 | 9,567 | 1,444,390 |
| 2022 | 153,259 | 1.048 | 160,556 | 10,575 | 1,697,821 |
| 2023 | 127,194 | 1.295 | 164,734 | 11,917 | 1,963,103 |

**Projected Based on 2023:**

| | Ult. Ind. Counts[5] | Ult. ALAE per Ind. Counts[6] | Ultimate ALAE[7] |
|---|---|---|---|
| 2024 | 160,676 | 12,155 | 1,953,044 |
| 2025 | 159,604 | 12,398 | 1,978,810 |
| 9/1/2025 | 158,801 | 12,439 | 1,975,369 |

| | | |
|---|---|---|
| (a) Projected ALAE Incurred ($000): | | 1,975,369 |
| (b) Calendar Year 2023 Earned Premium[8] ($000): | | 15,679,229 |
| (c) Projected Loss to Advisory Pure Premium Ratio[9]: | | 0.752 |
| (d) Premium Adjustment Factor for Calendar Year 2023[10]: | | 0.951 |
| (e) Projected Losses ($000): (b) x (c) x (d) | | 11,213,809 |
| (f) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (a)/(e) | | 17.6% |
| (g) Impact of SB 1160 and AB 1244[11] | | -1.3% |
| (h) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (f) x [1.0 + (g)] | | 17.4% |

Notes:

[1] All paid ALAE exclude the paid cost of medical cost containment programs.

[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

[3] Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.

[4] AY2020 to AY2023 data excludes COVID-19 claims.

[5] Estimated based on projected frequency trends for accident years 2024 to 2026. The 2024 to 2026 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Item AC24-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2023 ultimate indemnity claim counts.

[6] Severities are projected by applying an annual growth rate of 2.0%, which is based on the approximate average of the private insurers' rates of growth in (i) estimated ultimate accident year ALAE severities from Exhibit 6 and (ii) paid ALAE per open indemnity claim from Exhibit 7, to the 2023 ultimate ALAE severity.

[7] Column(3) x Column(4) / 1,000.

[8] Based on the reported earned premium for calendar year 2023 from the same group of insurers that reported the paid ALAE in column (1) and the indemnity claim counts in column (3) by accident year as of December 31, 2023. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).

[9] See Exhibit 8 of Agenda Item AC24-03-02.

[10] See Exhibit 5.2 of Agenda item AC24-03-02.

[11] Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 88% to reflect the impact of the reforms in the emerging ALAE data.

**Projected Ratio of ALAE[1] to Losses - Statewide**
Based on Private Insurers ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2021 to 2023 Ultimate ALAE Severities
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Acc. Year | Indemnity Claim Counts @12/31/2023[4] | Cumulative Count Development Factors[2] | Estimated Ultimate Ind. Counts | Estimated Ult. ALAE per Indemnity Claim[3] | Estimated Ult. ALAE (in $000) |
|---|---|---|---|---|---|
| | (1) | (2) | (3)=(1)x(2) | (4) | (5)=(3)x(4) |
| 1996 | 131,193 | 1.000 | 131,253 | 3,005 | 394,462 |
| 1997 | 137,032 | 1.001 | 137,103 | 3,674 | 503,725 |
| 1998 | 147,179 | 1.001 | 147,304 | 4,694 | 691,500 |
| 1999 | 148,262 | 1.001 | 148,401 | 5,002 | 742,239 |
| 2000 | 160,403 | 1.001 | 160,578 | 5,990 | 961,807 |
| 2001 | 184,950 | 1.001 | 185,220 | 7,311 | 1,354,158 |
| 2002 | 192,424 | 1.002 | 192,768 | 7,778 | 1,499,307 |
| 2003 | 182,564 | 1.002 | 182,910 | 8,224 | 1,504,237 |
| 2004 | 158,527 | 1.002 | 158,847 | 7,726 | 1,227,232 |
| 2005 | 139,542 | 1.002 | 139,821 | 7,488 | 1,046,942 |
| 2006 | 133,181 | 1.002 | 133,450 | 7,679 | 1,024,697 |
| 2007 | 130,213 | 1.002 | 130,478 | 8,299 | 1,082,849 |
| 2008 | 122,839 | 1.002 | 123,107 | 9,062 | 1,115,655 |
| 2009 | 113,580 | 1.002 | 113,856 | 9,942 | 1,131,954 |
| 2010 | 118,382 | 1.003 | 118,719 | 9,838 | 1,167,972 |
| 2011 | 120,877 | 1.003 | 121,251 | 9,695 | 1,175,534 |
| 2012 | 128,320 | 1.003 | 128,745 | 9,654 | 1,242,847 |
| 2013 | 136,504 | 1.004 | 137,034 | 9,420 | 1,290,823 |
| 2014 | 141,172 | 1.005 | 141,856 | 9,297 | 1,318,872 |
| 2015 | 145,187 | 1.005 | 145,978 | 9,069 | 1,323,870 |
| 2016 | 148,382 | 1.006 | 149,265 | 8,999 | 1,343,279 |
| 2017 | 149,070 | 1.006 | 150,037 | 8,903 | 1,335,717 |
| 2018 | 151,773 | 1.008 | 152,952 | 9,334 | 1,427,647 |
| 2019 | 154,923 | 1.010 | 156,443 | 9,523 | 1,489,780 |
| 2020 | 134,679 | 1.014 | 136,577 | 9,927 | 1,355,752 |
| 2021 | 147,738 | 1.022 | 150,975 | 9,567 | 1,444,390 |
| 2022 | 153,259 | 1.048 | 160,556 | 10,575 | 1,697,821 |
| 2023 | 127,194 | 1.295 | 164,734 | 11,917 | 1,963,103 |

**Projected Based on 2022 and 2023:**

| | Ult. Ind. Counts[5] | Ult. ALAE per Ind. Counts[6] | Ultimate ALAE[7] |
|---|---|---|---|
| 2024 | 158,659 | 11,103 | 1,761,630 |
| 2025 | 157,601 | 11,325 | 1,784,871 |
| 9/1/2025 | 156,808 | 11,363 | 1,781,767 |

| | |
|---|---|
| (a) Projected ALAE Incurred ($000): | 1,781,767 |
| (b) Average of Calendar Year 2022 and 2023 Earned Premium[8] ($000): | 15,493,908 |
| (c) Projected Loss to Advisory Pure Premium Ratio[9]: | 0.752 |
| (d) Weighted Premium Adjustment Factor for Earned Premium on Line (b) [10]: | 0.934 |
| (e) Projected Losses ($000): (b) x (c) x (d) | 10,879,843 |
| (f) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (a)/(e) | 16.4% |
| (g) Impact of SB 1160 and AB 1244[11] | -1.3% |
| (h) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (f) x [1.0 + (g)] | 16.2% |

Notes:

[1] All paid ALAE exclude the paid cost of medical cost containment programs.

[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

[3] Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.

[4] AY2020 to AY2023 data excludes COVID-19 claims.

[5] Estimated based on projected frequency trends for accident years 2023 to 2026. The 2023 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC24-03-02, Exhibit 12), and 2024 to 2026 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC24-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2022 and 2023 ultimate indemnity claim counts.

[6] Severities are projected by applying an annual growth rate of 2.0%, which is based on the approximate average of the private insurers' rates of growth in (i) estimated ultimate accident year ALAE severities from Exhibit 6 and (ii) paid ALAE per open indemnity claim from Exhibit 7, to the average of 2021, 2022 and 2023 ultimate ALAE severity.

[7] Column(3) x Column(4) / 1,000.

[8] Based on the reported earned premium for calendar year 2022 and 2023 from the same group of insurers that reported the paid ALAE in column (1) and the indemnity claim counts in column (3) by accident year as of December 31, 2023. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).

[9] See Exhibit 8 of Agenda Item AC24-03-02.

[10] See Exhibit 5.2 of Agenda item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

[11] Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 88% to reflect the impact of the reforms in the emerging ALAE data.

**Average Paid MCCP per Reported Indemnity Claim - Statewide**
As of December 31, 2023

| Accident Year | Evaluated as of (in months): | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 |
| 2013 | 657 | 1,282 | 1,638 | 1,821 | 1,962 | 2,080 | 2,103 | 2,143 |
| 2014 | 631 | 1,223 | 1,576 | 1,786 | 1,938 | 1,979 | 2,040 | 2,080 |
| 2015 | 617 | 1,209 | 1,538 | 1,751 | 1,823 | 1,888 | 1,942 | 1,989 |
| 2016 | 592 | 1,152 | 1,454 | 1,583 | 1,679 | 1,758 | 1,816 | 1,849 |
| 2017 | 585 | 1,126 | 1,390 | 1,558 | 1,671 | 1,751 | 1,799 | |
| 2018 | 639 | 1,141 | 1,414 | 1,599 | 1,720 | 1,801 | | |
| 2019 | 588 | 1,104 | 1,416 | 1,611 | 1,731 | | | |
| 2020 | 558 | 1,084 | 1,383 | 1,569 | | | | |
| 2021 | 544 | 1,043 | 1,356 | | | | | |
| 2022 | 519 | 1,005 | | | | | | |
| 2023 | 546 | | | | | | | |

| Accident Year | Annual Change | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 |
| 2014 | -4.0% | -4.6% | -3.8% | -1.9% | -1.2% | -4.9% | -3.0% | -2.9% |
| 2015 | -2.3% | -1.2% | -2.4% | -2.0% | -5.9% | -4.6% | -4.8% | -4.4% |
| 2016 | -4.1% | -4.7% | -5.4% | -9.6% | -7.9% | -6.9% | -6.5% | -7.0% |
| 2017 | -1.1% | -2.3% | -4.4% | -1.6% | -0.5% | -0.4% | -0.9% | |
| 2018 | 9.2% | 1.4% | 1.8% | 2.6% | 3.0% | 2.9% | | |
| 2019 | -8.0% | -3.3% | 0.1% | 0.8% | 0.6% | | | |
| 2020 | -5.1% | -1.8% | -2.3% | -2.6% | | | | |
| 2021 | -2.5% | -3.8% | -2.0% | | | | | |
| 2022 | -4.6% | -3.6% | | | | | | |
| 2023 | 5.3% | | | | | | | |

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Estimated Ultimate MCCP per Indemnity Claim - Statewide**
Based on Latest Year Paid MCCP Development

| Accident Year | Paid MCCP @12/31/23 (in $000) (1) | Cumulative Development Factors[1] (2) | Estimated Ultimate MCCP (3)=(1)x(2) | Indemnity Claim Counts @12/31/23 (4) | Cumulative Count Development Factors[2] (5) | Estimated Ultimate Ind. Counts (6)=(4)x(5) | Estimated Ultimate MCCP per Indemnity Claim (7)=(3)/(6) x 1000 | Annual change |
|---|---|---|---|---|---|---|---|---|
| 2012 | 312,449 | 1.197 | 373,885 | 128,320 | 1.003 | 128,762 | 2,904 | --- |
| 2013 | 303,957 | 1.209 | 367,462 | 136,504 | 1.004 | 137,053 | 2,681 | -7.7% |
| 2014 | 303,680 | 1.222 | 371,140 | 141,172 | 1.005 | 141,876 | 2,616 | -2.4% |
| 2015 | 292,455 | 1.240 | 362,544 | 145,187 | 1.006 | 145,998 | 2,483 | -5.1% |
| 2016 | 274,413 | 1.259 | 345,352 | 148,382 | 1.006 | 149,285 | 2,313 | -6.8% |
| 2017 | 268,149 | 1.286 | 344,734 | 149,070 | 1.007 | 150,057 | 2,297 | -0.7% |
| 2018 | 273,392 | 1.324 | 361,880 | 151,773 | 1.008 | 152,973 | 2,366 | 3.0% |
| 2019 | 268,197 | 1.389 | 372,560 | 154,923 | 1.010 | 156,465 | 2,381 | 0.7% |
| 2020 | 211,312 | 1.499 | 316,804 | 134,679 | 1.014 | 136,596 | 2,319 | -2.6% |
| 2021 | 200,357 | 1.712 | 343,092 | 147,738 | 1.022 | 150,996 | 2,272 | -2.0% |
| 2022 | 154,273 | 2.281 | 351,829 | 153,259 | 1.048 | 160,579 | 2,191 | -3.6% |
| 2023 | 69,337 | 5.469 | 379,172 | 127,194 | 1.295 | 164,757 | 2,301 | 5.0% |

**Estimated Annual Exponential Trend Based on:**

| | |
|---|---|
| 2012 to 2023 | -1.9% |
| 2019 to 2023 | -1.2% |

Notes:
[1] Based on latest year paid MCCP development through 144 months from Exhibit 15.2. 144-to-ultimate is based on selected paid medical development factors from Exhibit 2.6 of Agenda Item AC24-03-02.
[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Paid MCCP per Indemnity Claims Inventory[1] by Calendar Year - Statewide**

| Calendar Year | Paid MCCP per Indemnity Claim Adjusted to Remove IMR/IBR Fees | Year-to-Year Change |
|---|---|---|
| 2008 | $848 | --- |
| 2009 | $808 | -4.7% |
| 2010 | $872 | 7.9% |
| 2011 | $914 | 4.8% |
| 2012 | $942 | 3.0% |
| 2013 | $984 | 4.5% |
| 2014 | $964 | -2.1% |
| 2015 | $1,034 | 7.3% |
| 2016 | $1,032 | -0.2% |
| 2017 | $944 | -8.6% |
| 2018 | $949 | 0.6% |
| 2019 | $933 | -1.7% |
| 2020 | $880 | -5.7% |
| 2021 | $867 | -1.5% |
| 2022 | $844 | -2.6% |

Estimated Annual Exponential Trend Based on:

2012-2022                                                                 -1.5%

[1] Indemnity claims inventory is the sum of indemnity claims open as of January 1 of Year N and newly-reported indemnity claims between January 1 of Year N and December 31 of Year N.

Source: WCIRB expense calls, aggregate indemnity and medical cost calls, and quarterly calls for experience, excluding COVID-19 claims.

**Paid MCCP Development Factors - Statewide**
Quarterly Development

| Age in Months | | Accident Year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| 3 - 6 | 5.599 | 5.796 | 6.047 | 5.652 | 6.118 | 5.561 | 5.864 | 5.288 | --- | 5.867 | 6.090 | 5.436 |
| 6 - 9 | 2.356 | 2.432 | 2.402 | 2.457 | 2.407 | 2.395 | 2.335 | 2.354 | --- | 2.169 | 2.378 | 2.453 |
| 9 - 12 | 1.763 | 1.773 | 1.771 | 1.742 | 1.725 | 1.776 | 1.825 | 1.780 | --- | 1.755 | 1.749 | 1.760 |
| 12 - 15 | 1.476 | 1.412 | 1.456 | 1.468 | 1.480 | 1.444 | 1.420 | 1.419 | 1.439 | 1.414 | 1.422 | |
| 15 - 18 | 1.277 | 1.253 | 1.299 | 1.282 | 1.244 | 1.254 | 1.242 | 1.239 | 1.265 | 1.261 | 1.251 | |
| 18 - 21 | 1.171 | 1.157 | 1.194 | 1.177 | 1.170 | 1.155 | 1.148 | 1.165 | 1.154 | 1.171 | 1.186 | |
| 21 - 24 | 1.128 | 1.121 | 1.128 | 1.120 | 1.125 | 1.122 | 1.117 | 1.121 | 1.121 | 1.125 | 1.137 | |
| 24 - 27 | 1.083 | 1.099 | 1.096 | 1.096 | 1.086 | 1.091 | 1.084 | 1.096 | 1.090 | 1.097 | | |
| 27 - 30 | 1.077 | 1.081 | 1.073 | 1.073 | 1.076 | 1.071 | 1.065 | 1.082 | 1.076 | 1.078 | | |
| 30 - 33 | 1.051 | 1.068 | 1.045 | 1.062 | 1.054 | 1.057 | 1.054 | 1.058 | 1.063 | 1.062 | | |
| 33 - 36 | 1.045 | 1.054 | 1.036 | 1.047 | 1.053 | 1.052 | 1.042 | 1.047 | 1.048 | 1.060 | | |
| 36 - 39 | 1.047 | 1.053 | 1.033 | 1.040 | 1.036 | 1.045 | 1.043 | 1.043 | 1.043 | | | |
| 39 - 42 | 1.036 | 1.043 | 1.026 | 1.039 | 1.032 | 1.030 | 1.034 | 1.038 | 1.033 | | | |
| 42 - 45 | 1.036 | 1.035 | 1.025 | 1.029 | 1.028 | 1.025 | 1.027 | 1.034 | 1.031 | | | |
| 45 - 48 | 1.031 | 1.027 | 1.019 | 1.028 | 1.026 | 1.023 | 1.026 | 1.024 | 1.028 | | | |
| 48 - 51 | 1.031 | 1.023 | 1.025 | 1.019 | 1.020 | 1.025 | 1.021 | 1.024 | | | | |
| 51 - 54 | 1.025 | 1.023 | 1.025 | 1.020 | 1.016 | 1.019 | 1.019 | 1.019 | | | | |
| 54 - 57 | 1.022 | 1.019 | 1.018 | 1.015 | 1.014 | 1.015 | 1.021 | 1.018 | | | | |
| 57 - 60 | 1.017 | 1.016 | 1.016 | 1.014 | 1.013 | 1.014 | 1.014 | 1.016 | | | | |
| 60 - 63 | 1.015 | 1.015 | 1.012 | 1.011 | 1.013 | 1.013 | 1.015 | | | | | |
| 63 - 66 | 1.016 | 1.016 | 1.013 | 1.010 | 1.012 | 1.013 | 1.012 | | | | | |
| 66 - 69 | 1.014 | 1.012 | 1.011 | 1.009 | 1.010 | 1.013 | 1.011 | | | | | |
| 69 - 72 | 1.011 | 1.012 | 1.009 | 1.007 | 1.013 | 1.008 | 1.010 | | | | | |
| 72 - 75 | 1.009 | 1.010 | 1.009 | 0.984 | 1.008 | 1.009 | | | | | | |
| 75 - 78 | 1.010 | 1.009 | 1.007 | 1.009 | 1.008 | 1.008 | | | | | | |
| 78 - 81 | 1.007 | 1.006 | 1.010 | 1.007 | 1.011 | 1.007 | | | | | | |
| 81 - 84 | 1.009 | 1.006 | 1.005 | 1.005 | 1.003 | 1.006 | | | | | | |
| 84 - 87 | 1.008 | 1.006 | 1.003 | 1.007 | 1.007 | | | | | | | |
| 87 - 90 | 1.006 | 1.005 | 1.005 | 1.006 | 1.006 | | | | | | | |
| 90 - 93 | 1.004 | 1.005 | 1.005 | 1.007 | 1.005 | | | | | | | |
| 93 - 96 | 1.005 | 1.004 | 1.004 | 1.003 | 1.004 | | | | | | | |

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Paid MCCP Development Factors - Statewide**
Annual Development

| Accident Year | Age-to-Age Development (in months): | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 |
| 2012 | 2.491 | 1.281 | 1.160 | 1.097 | 1.055 | 1.036 | 1.023 | 1.015 | 1.012 | 1.012 | 1.010 |
| 2013 | 2.292 | 1.341 | 1.168 | 1.082 | 1.055 | 1.031 | 1.020 | 1.015 | 1.013 | 1.011 | |
| 2014 | 2.446 | 1.364 | 1.144 | 1.084 | 1.043 | 1.031 | 1.020 | 1.020 | 1.014 | | |
| 2015 | 2.476 | 1.306 | 1.143 | 1.069 | 1.038 | 1.029 | 1.022 | 1.015 | | | |
| 2016 | 2.423 | 1.294 | 1.128 | 1.064 | 1.048 | 1.031 | 1.022 | | | | |
| 2017 | 2.336 | 1.300 | 1.129 | 1.076 | 1.048 | 1.030 | | | | | |
| 2018 | 2.262 | 1.268 | 1.137 | 1.077 | 1.049 | | | | | | |
| 2019 | 2.295 | 1.317 | 1.146 | 1.079 | | | | | | | |
| 2020 | 2.366 | 1.306 | 1.142 | | | | | | | | |
| 2021 | 2.347 | 1.332 | | | | | | | | | |
| 2022 | 2.398 | | | | | | | | | | |

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-Ult[1] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Latest Year | 2.398 | 1.332 | 1.142 | 1.079 | 1.049 | 1.030 | 1.022 | 1.015 | 1.014 | 1.011 | 1.010 | |
| Age-to-Ult | 5.469 | 2.281 | 1.712 | 1.499 | 1.389 | 1.324 | 1.286 | 1.259 | 1.240 | 1.222 | 1.209 | 1.197 |

| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-Ult[1] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3-Yr Average | 2.370 | 1.318 | 1.142 | 1.077 | 1.048 | 1.030 | 1.021 | 1.017 | 1.013 | 1.012 | 1.010 | |
| Age-to-Ult | 5.337 | 2.252 | 1.708 | 1.496 | 1.389 | 1.325 | 1.286 | 1.260 | 1.239 | 1.223 | 1.209 | 1.197 |

Note: [1] 144-to-Ult. is based on selected paid medical 144-to-ultimate development factor on Exhibit 3.2 of Agenda Item AC24-03-02.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Projected Ratio of MCCP to Losses - Statewide**
Projected Ultimate MCCP per Inemnity Claim based on Latest Year Paid MCCP Development
Trend Applied to 2022 and 2023
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Year | Paid MCCP @12/31/23 (in $000) (1) | Cumulative Development Factors[1] (2) | Estimated Ultimate MCCP (3)=(1)x(2) | Indemnity Claim Counts @12/31/23 (4) | Cumulative Count Development Factors[2] (5) | Estimated Ultimate Ind. Counts (6)=(4)x(5) | Estimated Ultimate MCCP per Indemnity Claim (7)=(3)/(6) x 1000 |
|---|---|---|---|---|---|---|---|
| 2012 | 312,449 | 1.197 | 373,885 | 128,320 | 1.003 | 128,762 | 2,904 |
| 2013 | 303,957 | 1.209 | 367,462 | 136,504 | 1.004 | 137,053 | 2,681 |
| 2014 | 303,680 | 1.222 | 371,140 | 141,172 | 1.005 | 141,876 | 2,616 |
| 2015 | 292,455 | 1.240 | 362,544 | 145,187 | 1.006 | 145,998 | 2,483 |
| 2016 | 274,413 | 1.259 | 345,352 | 148,382 | 1.006 | 149,285 | 2,313 |
| 2017 | 268,149 | 1.286 | 344,734 | 149,070 | 1.007 | 150,057 | 2,297 |
| 2018 | 273,392 | 1.324 | 361,880 | 151,773 | 1.008 | 152,973 | 2,366 |
| 2019 | 268,197 | 1.389 | 372,560 | 154,923 | 1.010 | 156,465 | 2,381 |
| 2020 | 211,312 | 1.499 | 316,804 | 134,679 | 1.014 | 136,596 | 2,319 |
| 2021 | 200,357 | 1.712 | 343,092 | 147,738 | 1.022 | 150,996 | 2,272 |
| 2022 | 154,273 | 2.281 | 351,829 | 153,259 | 1.048 | 160,579 | 2,191 |
| 2023 | 69,337 | 5.469 | 379,172 | 127,194 | 1.295 | 164,757 | 2,301 |

Projected Based on 2-Year Average of 2022 and 2023:

| | Ultimate MCCP[5] | Ult. Ind. Counts[3] | Ult.MCCP per Ind. Counts[4] |
|---|---|---|---|
| 2024 | 348,516 | 158,681 | 2,196 |
| 2025 | 340,998 | 157,622 | 2,163 |
| 9/1/2025 | 338,429 | 156,830 | 2,158 |

| | | |
|---|---|---|
| (a) Projected MCCP ($000): | | 338,429 |
| (b) Calendar Year 2022 and 2023 Earned Premium[6] ($000): | | 15,493,908 |
| (c) Projected Loss to Advisory Pure Premium Ratio[7]: | | 0.752 |
| (d) Premium Adjustment Factor for Calendar Year 2022 and 2023[8]: | | 0.934 |
| (e) Projected Losses ($000): (b) x (c) x (d) | | 10,879,843 |
| (f) Projected Ratio of MCCP to Losses: (a)/(e) | | 3.1% |

Notes:

[1] Based on latest year paid MCCP development through 144 months from Exhibit 16.2. 144-to-ultimate development factor is based on selected paid medical development factors from Exhibit 3.2 of Agenda Item AC24-03-02.

[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

[3] Estimated based on projected frequency trends for accident years 2023 to 2026. Frequency trends for 2023 is the actual "intra-class" changes from Agenda item AC24-03-02, Exhibit 12. Frequency trends for accident years 2024 through 2026 are based on the projected growth in intra-class indemnity claim frequency from Exhibit 6.1 of Agenda Item AC24-03-02. These frequency trends were then applied to the accident year 2022 and 2023 ultimate indemnity claim counts.

[4] Severity is projected by applying an annual growth rate of -1.5% based on the average of the longer-term average rates of growth in ultimate MCCP per indemnity claim from Exhibit 14 and calendar year MCCP paid per open claim from Exhibit 15 to the ultimate MCCP severity estimated from averaging 2022 and 2023.

[5] Column(6) x Column(7) / 1,000.

[6] Based on the reported earned premium for calendar year 2022 and 2023 excluding COVID-19 premium charges from the same group of insurers that reported the paid MCCP in column (1) and the indemnity claim counts in column (4) by accident year as of December 31, 2023.

[7] See Exhibit 8 of Agenda Item AC24-03-02.

[8] See Exhibit 5.2 of Agenda Item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Projected Ratio of MCCP to Losses - Statewide**
Projected Ultimate MCCP per Indemnity Claim based on 3-Year Average Year Paid MCCP Development
Trend Applied to 2022 and 2023
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Year | Paid MCCP @12/31/23 (in $000) (1) | Cumulative Development Factors[1] (2) | Estimated Ultimate MCCP (3)=(1)x(2) | Indemnity Claim Counts @12/31/23 (4) | Cumulative Count Development Factors[2] (5) | Estimated Ultimate Ind. Counts (6)=(4)x(5) | Estimated Ultimate MCCP per Indemnity Claim (7)=(3)/(6) x 1000 |
|---|---|---|---|---|---|---|---|
| 2012 | 312,449 | 1.209 | 377,728 | 128,320 | 1.003 | 128,762 | 2,934 |
| 2013 | 303,957 | 1.209 | 367,462 | 136,504 | 1.004 | 137,053 | 2,681 |
| 2014 | 303,680 | 1.223 | 371,360 | 141,172 | 1.005 | 141,876 | 2,618 |
| 2015 | 292,455 | 1.239 | 362,350 | 145,187 | 1.006 | 145,998 | 2,482 |
| 2016 | 274,413 | 1.260 | 345,722 | 148,382 | 1.006 | 149,285 | 2,316 |
| 2017 | 268,149 | 1.286 | 344,945 | 149,070 | 1.007 | 150,057 | 2,299 |
| 2018 | 273,392 | 1.325 | 362,122 | 151,773 | 1.008 | 152,973 | 2,367 |
| 2019 | 268,197 | 1.389 | 372,446 | 154,923 | 1.010 | 156,465 | 2,380 |
| 2020 | 211,312 | 1.496 | 316,165 | 134,679 | 1.014 | 136,596 | 2,315 |
| 2021 | 200,357 | 1.708 | 342,204 | 147,738 | 1.022 | 150,996 | 2,266 |
| 2022 | 154,273 | 2.252 | 347,364 | 153,259 | 1.048 | 160,579 | 2,163 |
| 2023 | 69,337 | 5.337 | 370,025 | 127,194 | 1.295 | 164,757 | 2,246 |

Projected Based on 2-Year Average of 2022 and 2023:

| | Ultimate MCCP[5] | Ult. Ind. Counts[3] | Ult.MCCP per Ind. Counts[4] |
|---|---|---|---|
| 2024 | 342,037 | 158,681 | 2,155 |
| 2025 | 334,658 | 157,622 | 2,123 |
| 9/1/2025 | 332,138 | 156,830 | 2,118 |

| | | |
|---|---|---|
| (a) Projected MCCP ($000): | | 332,138 |
| (b) Average of Calendar Years 2022 and 2023 Earned Premium[6] ($000): | | 15,493,908 |
| (c) Projected Loss to Advisory Pure Premium Ratio[7]: | | 0.752 |
| (d) Premium Adjustment Factor[8]: | | 0.934 |
| (e) Projected Losses ($000): (b) x (c) x (d) | | 10,879,843 |
| (f) Projected Ratio of MCCP to Losses: (a)/(e) | | 3.1% |

Notes:

[1] Based on 3-year average paid MCCP development through 144 months from Exhibit 16.2. 144-to-ultimate development factor is based on selected paid medical development factors from Exhibit 3.2 of Agenda Item AC24-03-02.

[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.

[3] Estimated based on projected frequency trends for accident years 2023 to 2026. Frequency trends for 2023 is the actual "intra-class" changes from Agenda item AC24-03-02, Exhibit 12. Frequency trends for accident years 2024 through 2026 are based on the projected growth in intra-class indemnity claim frequency from Exhibit 6.1 of Agenda Item AC24-03-02. These frequency trends were then applied to the accident year 2022 and 2023 ultimate indemnity claim counts.

[4] Severity is projected by applying an annual growth rate of -1.5% based on the average of the longer-term average rates of growth in ultimate MCCP per indemnity claim from Exhibit 14 and calendar year MCCP paid per open claim from Exhibit 15 to the ultimate MCCP severity estimated from averaging 2022 and 2023.

[5] Column(6) x Column(7) / 1,000.

[6] Based on the reported earned premium for calendar year 2022 and 2023 excluding COVID-19 premium charges from the same group of insurers that reported the paid MCCP in column (1) and the indemnity claim counts in column (4) by accident year as of December 31, 2023.

[7] See Exhibit 8 of Agenda Item AC24-03-02.

[8] See Exhibit 5.2 of Agenda Item AC24-03-02. Based on a weighting of calendar years 2022 and 2023.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

**Projected Ratio of MCCP to Losses - Statewide**
Projected Ultimate MCCP per Indemnity Claim based on Latest Year Paid MCCP Development
Trend Applied to 2023
for Policies with Effective Dates between September 1, 2024 and August 31, 2025

| Accident Year | Paid MCCP @12/31/23 (in $000) | Cumulative Development Factors[1] | Estimated Ultimate MCCP | Indemnity Claim Counts @12/31/23 | Cumulative Count Development Factors[2] | Estimated Ultimate Ind. Counts | Estimated Ultimate MCCP per Indemnity Claim |
|---|---|---|---|---|---|---|---|
| | (1) | (2) | (3)=(1)x(2) | (4) | (5) | (6)=(4)x(5) | (7)=(3)/(6) x 1000 |
| 2012 | 312,449 | 1.197 | 373,885 | 128,320 | 1.003 | 128,762 | 2,904 |
| 2013 | 303,957 | 1.209 | 367,462 | 136,504 | 1.004 | 137,053 | 2,681 |
| 2014 | 303,680 | 1.222 | 371,140 | 141,172 | 1.005 | 141,876 | 2,616 |
| 2015 | 292,455 | 1.240 | 362,544 | 145,187 | 1.006 | 145,998 | 2,483 |
| 2016 | 274,413 | 1.259 | 345,352 | 148,382 | 1.006 | 149,285 | 2,313 |
| 2017 | 268,149 | 1.286 | 344,734 | 149,070 | 1.007 | 150,057 | 2,297 |
| 2018 | 273,392 | 1.324 | 361,880 | 151,773 | 1.008 | 152,973 | 2,366 |
| 2019 | 268,197 | 1.389 | 372,560 | 154,923 | 1.010 | 156,465 | 2,381 |
| 2020 | 211,312 | 1.499 | 316,804 | 134,679 | 1.014 | 136,596 | 2,319 |
| 2021 | 200,357 | 1.712 | 343,092 | 147,738 | 1.022 | 150,996 | 2,272 |
| 2022 | 154,273 | 2.281 | 351,829 | 153,259 | 1.048 | 160,579 | 2,191 |
| 2023 | 69,337 | 5.469 | 379,172 | 127,194 | 1.295 | 164,757 | 2,301 |

Projected Based on 2023:

| | Ultimate MCCP[5] | Ult. Ind. Counts[3] | Ult.MCCP per Ind. Counts[4] |
|---|---|---|---|
| 2024 | 364,285 | 160,698 | 2,267 |
| 2025 | 356,426 | 159,626 | 2,233 |
| 9/1/2025 | 353,742 | 158,823 | 2,227 |

| | |
|---|---|
| (a) Projected MCCP ($000): | 353,742 |
| (b) Calendar Year 2023 Earned Premium[6] ($000): | 15,679,229 |
| (c) Projected Loss to Advisory Pure Premium Ratio[7]: | 0.752 |
| (d) Premium Adjustment Factor for Calendar Year 2023[8]: | 0.951 |
| (e) Projected Losses ($000): (b) x (c) x (d) | 11,213,809 |
| (f) Projected Ratio of MCCP to Losses: (a)/(e) | 3.2% |

Notes:
[1] Based on latest year paid MCCP development through 144 months from Exhibit 16.2. 144-to-ultimate development factor is based on selected paid medical development factors from Exhibit 3.2 of Agenda Item AC24-03-02.
[2] Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
[3] Estimated based on projected frequency trends for accident years 2023 to 2026. Frequency trends for accident years 2024 through 2026 are based on the projected growth in intra-class indemnity claim frequency from Exhibit 6.1 of Agenda Item AC24-03-02. These frequency trends were then applied to the accident year 2023 ultimate indemnity claim counts.
[4] Severity is projected by applying an annual growth rate of -1.5% based on the average of the longer-term average rates of growth in ultimate MCCP per indemnity claim from Exhibit 14 and calendar year MCCP paid per open claim from Exhibit 15 to the 2023 ultimate MCCP severity.
[5] Column(6) x Column(7) / 1,000.
[6] Based on the reported earned premium for calendar year 2023 from the same group of insurers that reported the paid MCCP in column (1) and the indemnity claim counts in column (4) by accident year as of December 31, 2023.
[7] See Exhibit 8 of Agenda Item AC24-03-02.
[8] See Exhibit 5.2 of Agend Item AC24-03-02.

Source: WCIRB quarterly calls for experience, excluding COVID-19 claims.

# Item AC24-04-02
# 9/1/2024 Filing – Review of Alternative Loss Projection Methodologies

For several years, the WCIRB has included alternative loss development and trending methodology projections in its pure premium rate filing submissions.

*Loss Development Methodologies*
The loss development projections based on the methodology reflected in the summary analysis of December 31, 2023 experience, included in Item AC24-03-02, includes a combination of latest year reform-adjusted[1] paid loss development factors through 108 months and three-year average reform-adjusted paid loss development factors after 108 months with adjustments for the impact of long-term changes in claim settlement rates on the loss development tail. Included for the Committee's review are several alternative loss development projections based on methodologies that have been included, for informational purposes, in prior pure premium rate filing materials or have been discussed at prior meetings. Specifically, alternative loss ratio projections, based on December 31, 2023 experience, derived using the following loss development methodologies and the trending methodology reflected in the analysis included in Item AC24-03-02 are included:[2]

1.  Three-Year Average Unadjusted Incurred Loss Development – Exhibits 1.1 through 1.3

2.  Latest Year Unadjusted Incurred Loss Development – Exhibits 2.1 through 2.3

3.  Latest Year Hybrid Incurred Development with Paid Development Tail[3] – Exhibits 3.1 through 3.3

4.  Three-Year Average Incurred Loss Development Adjusted for Changes in Case Reserve Levels – Exhibits 4.1 through 4.11

5.  Three-Year Average Unadjusted Paid Loss Development – Exhibits 5.1 through 5.3

6.  Latest Year Unadjusted Paid Loss Development – Exhibits 6.1 through 6.3

7.  Latest Year Paid Loss Development Adjusted for Changes in Claim Settlement Rates and Reforms – Exhibits 7.1 through 7.15

8.  Three-Year Average Paid Loss Development Adjusted for Changes in Claim Settlement Rates and Reforms – Exhibits 8.1 through 8.3

A summary of the preliminary loss ratios projected for policies incepting between September 1, 2024 and August 31, 2025 based on the alternative loss development methodologies described above is shown in Table 1.

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[1] These include adjustments for the decreases in pharmaceutical costs through 2018 and adjustments for the changes to medical fee schedules in 2021.

[2] All paid loss development methodologies reflect three-year average loss development factors applied after 108 months and adjustments for the acceleration in claim settlement rates on the loss development tail. All incurred loss development methodologies reflect six-year average incurred loss development factors applied after 108 months.

[3] Hybrid of the latest year unadjusted incurred development method through 120 months and the latest year reform-adjusted paid development method after 120 months. See Item AC22-12-05 of the December 5, 2023 Actuarial Committee Agenda for more information.

**Table 1: Projected Loss Ratios Based on Alternative Loss Development Methodologies**

| Loss Development Methodologies | Indemnity Loss Ratio | Medical Loss Ratio | Total Loss Ratio |
|---|---|---|---|
| **April 11, 2024 Agenda Methodology** | | | |
| Latest Year Paid Adjusted for Reforms | **0.359** | **0.393** | **0.752** |
| | | | |
| **Alternative Methodologies** | | | |
| Incurred Methodologies | | | |
| Three-Year Average (Unadjusted) | 0.330 | 0.323 | 0.653 |
| Latest Year (Unadjusted) | 0.345 | 0.344 | 0.689 |
| Latest Year Hybrid with Reform-Adjusted Paid After 120 Months | 0.351 | 0.396 | 0.747 |
| Three-Year Average Adjusted for Changes in Case Reserve Levels | 0.356 | 0.360 | 0.716 |
| | | | |
| Paid Methodologies | | | |
| Three-Year Average (Unadjusted) | 0.355 | 0.376 | 0.731 |
| Latest Year (Unadjusted) | 0.359 | 0.393 | 0.752 |
| Latest Year Adjusted for Changes in Claim Settlement Rates and Reforms | 0.363 | 0.395 | 0.758 |
| Three-Year Average Adjusted for Changes in Claim Settlement Rates and Reforms | 0.360 | 0.377 | 0.737 |

*Trending Methodologies*

The trending projections reflected in the summary analysis of December 31, 2023 experience, included in Item AC24-03-02, are based on separate projections of claim frequency and claim severity growth applied to the 2022 and 2023 on-level loss ratios. The claim frequency growth estimates are based on the preliminary actual 12-month frequency change for accident year 2023 and the WCIRB's indemnity claim frequency model projections for accident years 2024 through 2026. The average annual severity growth estimates are 1.0% for indemnity and 1.5% for medical, which are based on a review of short-term and long-term growth in claim severities.

Attached for the Committee's review are several alternative trending projections based on methodologies that have been included, for informational purposes, in prior advisory pure premium rate filing materials or have been discussed at prior meetings. Specifically, alternative loss ratio projections, based on December 31, 2023 experience, derived using the loss development methodologies reflected in the analysis included in Item AC24-03-02 and the following trending methodologies have been included:[4]

1. Separate Projections of Frequency and Severity Growth Applied to the Latest Year (2023) – Exhibits 9.1 and 9.2

2. Separate Projections of Frequency and the Long-Term (1990 to 2023) Average Annual Severity Growth Applied to 2022 and 2023 – Exhibits 10.1 and 10.2

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[4] All frequency and severity projections are based on those included in Item AC24-03-02 and described above unless otherwise specified.

3.  Separate Projections of Frequency and the Short-Term (2019 to 2023) Average Annual Severity Growth Applied to 2022 and 2023 – Exhibits 11.1 and 11.2

4.  Long-Term (1990 to 2023) On-Level Loss Ratio Exponential Trend Applied to 2022 and 2023 – Exhibits 12.1 and 12.2

5.  Short-Term (2019 to 2023) On-Level Loss Ratio Exponential Trend Applied to 2022 and 2023 – Exhibits 13.1 and 13.2

A summary of the preliminary loss ratios projected for policies incepting between September 1, 2024 to August 31, 2025 based on the alternative trending methodologies is shown in Table 2.

**Table 2: Projected Loss Ratios Based on Alternative Trending Methodologies**

| Trending Methodologies | Indemnity Loss Ratio | Medical Loss Ratio | Total Loss Ratio |
|---|---|---|---|
| **April 11, 2024 Agenda Methodology** | | | |
| Separate Projections of Frequency and Severity (1.0% Indemnity; 2.0% Medical) Applied to 2022 and 2023 | **0.359** | **0.393** | **0.752** |
| **Alternative Methodologies** | | | |
| Separate Projections of Frequency and Severity Applied to 2023 | 0.351 | 0.386 | 0.737 |
| Separate Projections of Frequency and Long-Term (1990 to 2023) Severity Applied to 2022 and 2023 | 0.357 | 0.419 | 0.776 |
| Separate Projections of Frequency and Short-Term (2019 to 2023) Severity Applied to 2022 and 2023 | 0.354 | 0.386 | 0.740 |
| Long-Term (1990 to 2023) On-Level Loss Ratio Exponential Trend Applied to 2022 and 2023 | 0.356 | 0.421 | 0.777 |
| Short-Term (2019 to 2023) On-Level Loss Ratio Exponential Trend Applied to 2022 and 2023 | 0.364 | 0.395 | 0.759 |

**Developed Loss Ratio Unadjusted 3-Year Average Incurred Development Factors**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | |
| Accident Year | Reported Incurred Loss Ratio Ex IBNR (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Reported Incurred Loss Ratio Ex IBNR (a) | Annual Development Factor (c) | Cumulative Development Factor | Developed Loss Ratio (5) x (7) | Total Developed Loss Ratio (4) + (8) |
| 2012 | 0.253 | 1.006 | 1.032 | 0.262 | 0.330 | 1.003 | 0.999 | 0.330 | 0.591 |
| 2013 | 0.212 | 1.005 | 1.038 | 0.220 | 0.262 | 1.002 | 1.002 | 0.262 | 0.483 |
| 2014 | 0.200 | 1.007 | 1.045 | 0.209 | 0.233 | 1.004 | 1.005 | 0.234 | 0.443 |
| 2015 | 0.194 | 1.009 | 1.054 | 0.205 | 0.218 | 1.006 | 1.011 | 0.220 | 0.425 |
| 2016 | 0.183 | 1.007 | 1.061 | 0.195 | 0.204 | 1.006 | 1.017 | 0.208 | 0.402 |
| 2017 | 0.187 | 1.010 | 1.072 | 0.201 | 0.211 | 1.007 | 1.024 | 0.216 | 0.417 |
| 2018 | 0.197 | 1.017 | 1.090 | 0.215 | 0.226 | 1.010 | 1.034 | 0.234 | 0.449 |
| 2019 | 0.226 | 1.027 | 1.120 | 0.253 | 0.249 | 1.023 | 1.058 | 0.264 | 0.517 |
| 2020 | 0.225 | 1.046 | 1.171 | 0.264 | 0.252 | 1.034 | 1.093 | 0.276 | 0.539 |
| 2021 | 0.233 | 1.098 | 1.286 | 0.300 | 0.267 | 1.067 | 1.167 | 0.312 | 0.611 |
| 2022 | 0.183 | 1.241 | 1.595 | 0.293 | 0.220 | 1.148 | 1.340 | 0.295 | 0.588 |
| 2023 | 0.095 | 1.888 | 3.011 | 0.286 | 0.147 | 1.472 | 1.972 | 0.291 | 0.576 |

(a)    Based on AC24-03-02, Exhibit 1.
(b)    Based on AC24-03-02, Exhibit 2.1.
(c)    Based on AC24-03-02, Exhibit 2.2.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Using Unadjusted 3-Year Average Incurred Development Factors**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Indemnity Loss Ratio (a) | (2) Composite Indemnity Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.262 | 1.496 | 0.867 | 0.451 |
| 2013 | 0.220 | 1.463 | 0.758 | 0.425 |
| 2014 | 0.209 | 1.340 | 0.698 | 0.402 |
| 2015 | 0.205 | 1.320 | 0.667 | 0.405 |
| 2016 | 0.195 | 1.304 | 0.688 | 0.368 |
| 2017 | 0.201 | 1.270 | 0.721 | 0.353 |
| 2018 | 0.215 | 1.237 | 0.759 | 0.350 |
| 2019 | 0.253 | 1.204 | 0.843 | 0.361 |
| 2020 | 0.264 | 1.169 | 0.892 | 0.345 |
| 2021 | 0.300 | 1.126 | 0.928 | 0.364 |
| 2022 | 0.293 | 1.089 | 0.916 | 0.348 |
| 2023 | 0.286 | 1.064 | 0.951 | 0.319 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.330 |
| 2025 | | | | 0.332 |
| 9/1/2025 | | | | 0.330 |

(a)   See Exhibit 1.1.
(b)   Based on AC24-03-02, Exhibit 4.1.
(c)   See AC24-03-02, Exhibit 5.2.
(d)   The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
        on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
        and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
        The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Using Unadjusted 3-Year Average Incurred Development Factors**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.330 | 0.890 | 0.867 | 0.338 |
| 2013 | 0.262 | 0.980 | 0.758 | 0.340 |
| 2014 | 0.234 | 1.036 | 0.698 | 0.347 |
| 2015 | 0.220 | 1.063 | 0.667 | 0.351 |
| 2016 | 0.208 | 1.066 | 0.688 | 0.322 |
| 2017 | 0.216 | 1.067 | 0.721 | 0.320 |
| 2018 | 0.234 | 1.079 | 0.759 | 0.332 |
| 2019 | 0.264 | 1.069 | 0.843 | 0.334 |
| 2020 | 0.276 | 1.052 | 0.892 | 0.325 |
| 2021 | 0.312 | 1.052 | 0.928 | 0.353 |
| 2022 | 0.295 | 1.013 | 0.916 | 0.327 |
| 2023 | 0.291 | 1.011 | 0.951 | 0.309 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.320 |
| 2025 | | | | 0.324 |
| 9/1/2025 | | | | 0.323 |

(a)    See Exhibit 1.1.
(b)    Based on AC24-03-02, Exhibit 4.4.
(c)    See AC24-03-02, Exhibit 5.2.
(d)    The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Developed Loss Ratio Unadjusted Latest Year Incurred Development Factors**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | |
| Accident Year | Reported Incurred Loss Ratio Ex IBNR (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Reported Incurred Loss Ratio Ex IBNR (a) | Annual Development Factor (c) | Cumulative Development Factor | Developed Loss Ratio (5) x (7) | Total Developed Loss Ratio (4) + (8) |
| 2012 | 0.253 | 1.006 | 1.032 | 0.262 | 0.330 | 1.003 | 0.999 | 0.330 | 0.591 |
| 2013 | 0.212 | 1.005 | 1.038 | 0.220 | 0.262 | 1.002 | 1.002 | 0.262 | 0.483 |
| 2014 | 0.200 | 1.007 | 1.045 | 0.209 | 0.233 | 1.004 | 1.005 | 0.234 | 0.443 |
| 2015 | 0.194 | 1.009 | 1.054 | 0.205 | 0.218 | 1.006 | 1.011 | 0.220 | 0.425 |
| 2016 | 0.183 | 1.008 | 1.062 | 0.195 | 0.204 | 1.009 | 1.020 | 0.208 | 0.403 |
| 2017 | 0.187 | 1.011 | 1.074 | 0.201 | 0.211 | 1.005 | 1.025 | 0.216 | 0.418 |
| 2018 | 0.197 | 1.016 | 1.091 | 0.215 | 0.226 | 1.009 | 1.035 | 0.234 | 0.449 |
| 2019 | 0.226 | 1.028 | 1.122 | 0.253 | 0.249 | 1.029 | 1.065 | 0.265 | 0.519 |
| 2020 | 0.225 | 1.052 | 1.180 | 0.266 | 0.252 | 1.043 | 1.110 | 0.280 | 0.546 |
| 2021 | 0.233 | 1.110 | 1.310 | 0.305 | 0.267 | 1.084 | 1.204 | 0.321 | 0.627 |
| 2022 | 0.183 | 1.253 | 1.642 | 0.301 | 0.220 | 1.169 | 1.407 | 0.310 | 0.611 |
| 2023 | 0.095 | 1.940 | 3.185 | 0.302 | 0.147 | 1.511 | 2.126 | 0.314 | 0.616 |

(a)  Based on AC24-03-02, Exhibit 1.
(b)  Based on AC24-03-02, Exhibit 2.1.
(c)  Based on AC24-03-02, Exhibit 2.2.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Using Unadjusted Latest Year Incurred Development Factors**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Indemnity Loss Ratio (a) | (2) Composite Indemnity Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.262 | 1.496 | 0.867 | 0.451 |
| 2013 | 0.220 | 1.463 | 0.758 | 0.425 |
| 2014 | 0.209 | 1.340 | 0.698 | 0.402 |
| 2015 | 0.205 | 1.320 | 0.667 | 0.405 |
| 2016 | 0.195 | 1.304 | 0.688 | 0.369 |
| 2017 | 0.201 | 1.270 | 0.721 | 0.354 |
| 2018 | 0.215 | 1.237 | 0.759 | 0.350 |
| 2019 | 0.253 | 1.204 | 0.843 | 0.362 |
| 2020 | 0.266 | 1.169 | 0.892 | 0.348 |
| 2021 | 0.305 | 1.126 | 0.928 | 0.370 |
| 2022 | 0.301 | 1.089 | 0.916 | 0.358 |
| 2023 | 0.302 | 1.064 | 0.951 | 0.338 |

|  |  | Projected (d) |
|---|---|---|
| 2024 |  | 0.345 |
| 2025 |  | 0.346 |
| 9/1/2025 |  | 0.345 |

(a)    See Exhibit 2.1.
(b)    Based on AC24-03-02, Exhibit 4.1.
(c)    See AC24-03-02, Exhibit 5.2.
(d)    The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
         on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
         and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
         The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Using Unadjusted Latest Year Incurred Development Factors**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.330 | 0.890 | 0.867 | 0.338 |
| 2013 | 0.262 | 0.980 | 0.758 | 0.340 |
| 2014 | 0.234 | 1.036 | 0.698 | 0.347 |
| 2015 | 0.220 | 1.063 | 0.667 | 0.351 |
| 2016 | 0.208 | 1.066 | 0.688 | 0.323 |
| 2017 | 0.216 | 1.067 | 0.721 | 0.320 |
| 2018 | 0.234 | 1.079 | 0.759 | 0.333 |
| 2019 | 0.265 | 1.069 | 0.843 | 0.337 |
| 2020 | 0.280 | 1.052 | 0.892 | 0.330 |
| 2021 | 0.321 | 1.052 | 0.928 | 0.364 |
| 2022 | 0.310 | 1.013 | 0.916 | 0.343 |
| 2023 | 0.314 | 1.011 | 0.951 | 0.333 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.340 |
| 2025 | | | | 0.344 |
| 9/1/2025 | | | | 0.344 |

(a)   See Exhibit 2.1.
(b)   Based on AC24-03-02, Exhibit 4.4.
(c)   See AC24-03-02, Exhibit 5.2.
(d)   The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
      on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
      and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
      The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Developed Loss Ratio Latest Year Hybrid Incurred Development with Paid Development After 120 Months**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| | Indemnity | | | | Medical | | | | |
| Accident Year | Reported Incurred or Paid Loss Ratio Ex IBNR (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Reported Incurred or Paid Loss Ratio Ex IBNR (a) | Annual Development Factor (c) | Cumulative Development Factor | Developed Loss Ratio (5) x (7) | Total Developed Loss Ratio (4) + (8) |
| 2012 | 0.244 | 1.011 | 1.081 | 0.264 | 0.297 | 1.011 | 1.197 | 0.355 | 0.619 |
| 2013 | 0.205 | 1.011 | 1.093 | 0.224 | 0.247 | 1.013 | 1.212 | 0.300 | 0.523 |
| 2014 | 0.192 | 1.014 | 1.108 | 0.213 | 0.222 | 1.015 | 1.230 | 0.273 | 0.486 |
| 2015 | 0.194 | 1.009 | 1.073 | 0.208 | 0.218 | 1.006 | 1.164 | 0.253 | 0.462 |
| 2016 | 0.183 | 1.008 | 1.081 | 0.198 | 0.204 | 1.009 | 1.174 | 0.240 | 0.438 |
| 2017 | 0.187 | 1.011 | 1.093 | 0.205 | 0.211 | 1.005 | 1.180 | 0.249 | 0.454 |
| 2018 | 0.197 | 1.016 | 1.111 | 0.219 | 0.226 | 1.009 | 1.191 | 0.270 | 0.489 |
| 2019 | 0.226 | 1.028 | 1.142 | 0.258 | 0.249 | 1.029 | 1.225 | 0.306 | 0.564 |
| 2020 | 0.225 | 1.052 | 1.201 | 0.270 | 0.252 | 1.043 | 1.278 | 0.322 | 0.593 |
| 2021 | 0.233 | 1.110 | 1.333 | 0.311 | 0.267 | 1.084 | 1.385 | 0.370 | 0.681 |
| 2022 | 0.183 | 1.253 | 1.671 | 0.306 | 0.220 | 1.169 | 1.619 | 0.357 | 0.663 |
| 2023 | 0.095 | 1.940 | 3.241 | 0.307 | 0.147 | 1.511 | 2.447 | 0.361 | 0.668 |

(a)   Based on AC24-03-02, Exhibit 1. Paid loss ratios are shown for accident years 2014 and prior while incurred loss ratios are shown for accident years 2015 and subsequent.

(b)   Based on AC24-03-02, Exhibit 2.1 through 120 months and AC24-03-02, Exhibit 2.5 after 120 months. Incurred development is converted to paid development at 120 months by using a three-year average of the reported ratio of paid indemnity losses to incurred indemnity losses at 120 months.

(c)   Based on AC24-03-02, Exhibit 2.2 through 120 months and AC24-03-02, Exhibit 2.6 after 120 months. Incurred development is converted to paid development at 120 months by using a three-year average of the reported ratio of paid medical losses to incurred medical losses at 120 months.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Using Latest Year Hybrid Incurred Development with Paid Development After 120 Months
Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Indemnity Loss Ratio (a) | Composite Indemnity Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.205 | 1.270 | 0.721 | 0.360 |
| 2018 | 0.219 | 1.237 | 0.759 | 0.357 |
| 2019 | 0.258 | 1.204 | 0.843 | 0.368 |
| 2020 | 0.270 | 1.169 | 0.892 | 0.354 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.306 | 1.089 | 0.916 | 0.364 |
| 2023 | 0.307 | 1.064 | 0.951 | 0.344 |

Projected (d)

| | |
|---|---|
| 2024 | 0.351 |
| 2025 | 0.352 |
| 9/1/2025 | 0.351 |

(a)   See Exhibit 3.1.
(b)   Based on AC24-03-02, Exhibit 4.1.
(c)   See AC24-03-02, Exhibit 5.2.
(d)   The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Using Latest Year Hybrid Incurred Development with Paid Development After 120 Months**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Medical Loss Ratio (a) | Composite Medical Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.355 | 0.919 | 0.867 | 0.377 |
| 2013 | 0.300 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.253 | 1.023 | 0.667 | 0.389 |
| 2016 | 0.240 | 1.027 | 0.688 | 0.358 |
| 2017 | 0.249 | 1.030 | 0.721 | 0.356 |
| 2018 | 0.270 | 1.031 | 0.759 | 0.366 |
| 2019 | 0.306 | 1.027 | 0.843 | 0.372 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.370 |
| 2021 | 0.370 | 1.021 | 0.928 | 0.407 |
| 2022 | 0.357 | 1.013 | 0.916 | 0.395 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

| | Projected (d) |
|---|---|
| 2024 | 0.391 |
| 2025 | 0.396 |
| 9/1/2025 | 0.396 |

(a)  See Exhibit 3.1.
(b)  Based on AC24-03-02, Exhibit 4.4.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Incurred Indemnity Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

A. Indemnity Case Reserves Per Open Claim

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Evaluated as of (in months) | | | | | | | |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 34,575 |
| 2007 | | | | | | | | | | | | 34,776 | 41,963 |
| 2008 | | | | | | | | | | | 35,161 | 39,185 | 44,543 |
| 2009 | | | | | | | | | | 31,504 | 35,810 | 39,956 | 43,419 |
| 2010 | | | | | | | | | 27,223 | 31,315 | 35,170 | 36,944 | 35,644 |
| 2011 | | | | | | | | 25,446 | 28,455 | 32,072 | 33,116 | 35,979 | 39,463 |
| 2012 | | | | | | | 24,011 | 27,847 | 32,521 | 35,434 | 37,953 | 39,348 | |
| 2013 | | | | | | 19,546 | 23,238 | 26,407 | 28,252 | 30,751 | 32,537 | | |
| 2014 | | | | | 19,852 | 22,088 | 24,958 | 28,010 | 29,808 | 32,017 | | | |
| 2015 | | | | 18,835 | 21,475 | 24,259 | 26,417 | 28,689 | 31,217 | | | | |
| 2016 | | | 16,645 | 19,482 | 22,240 | 24,692 | 26,947 | 29,162 | | | | | |
| 2017 | | 14,947 | 18,703 | 21,540 | 23,853 | 26,940 | 29,506 | | | | | | |
| 2018 | 9,931 | 15,842 | 19,376 | 21,547 | 24,595 | 26,979 | | | | | | | |
| 2019 | 10,359 | 16,090 | 18,909 | 22,027 | 24,983 | | | | | | | | |
| 2020 | 10,930 | 15,731 | 18,905 | 21,802 | | | | | | | | | |
| 2021 | 10,039 | 15,919 | 19,326 | | | | | | | | | | |
| 2022 | 10,331 | 16,176 | | | | | | | | | | | |
| 2023 | 10,230 | | | | | | | | | | | | |

B. Average Paid Indemnity per Closed Claim

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Evaluated as of (in months) | | | | | | | |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 18,146 |
| 2007 | | | | | | | | | | | | 19,221 | 19,694 |
| 2008 | | | | | | | | | | | 20,640 | 21,167 | 21,639 |
| 2009 | | | | | | | | | | 21,212 | 21,897 | 22,324 | 22,720 |
| 2010 | | | | | | | | | 20,489 | 21,172 | 21,645 | 22,120 | 22,470 |
| 2011 | | | | | | | | 19,545 | 20,376 | 20,933 | 21,375 | 21,686 | 21,929 |
| 2012 | | | | | | | 18,343 | 19,357 | 20,035 | 20,522 | 20,890 | 21,296 | |
| 2013 | | | | | | 17,104 | 18,224 | 19,047 | 19,588 | 20,023 | 20,295 | | |
| 2014 | | | | | 16,337 | 17,931 | 19,003 | 19,770 | 20,364 | 20,828 | | | |
| 2015 | | | | 14,496 | 16,893 | 18,274 | 19,267 | 19,997 | 20,628 | | | | |
| 2016 | | | 11,038 | 14,481 | 16,449 | 17,824 | 18,853 | 19,676 | | | | | |
| 2017 | | 6,648 | 11,144 | 14,345 | 16,462 | 17,861 | 18,936 | | | | | | |
| 2018 | 2,875 | 7,039 | 11,390 | 14,635 | 16,866 | 18,489 | | | | | | | |
| 2019 | 3,160 | 7,062 | 11,451 | 15,386 | 17,984 | | | | | | | | |
| 2020 | 3,309 | 7,670 | 12,539 | 16,545 | | | | | | | | | |
| 2021 | 3,174 | 7,274 | 11,994 | | | | | | | | | | |
| 2022 | 3,499 | 8,007 | | | | | | | | | | | |
| 2023 | 3,890 | | | | | | | | | | | | |

C. Annual Change of Average Paid Indemnity per Closed Claim

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Evaluated as of (in months) | | | | | | | |
| 2006 | | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | | 8.5% |
| 2008 | | | | | | | | | | | | 10.1% | 9.9% |
| 2009 | | | | | | | | | | | 6.1% | 5.5% | 5.0% |
| 2010 | | | | | | | | | | -0.2% | -1.1% | -0.9% | -1.1% |
| 2011 | | | | | | | | | -0.6% | -1.1% | -1.2% | -2.0% | -2.4% |
| 2012 | | | | | | | | -1.0% | -1.7% | -2.0% | -2.3% | -1.8% | |
| 2013 | | | | | | | -0.6% | -1.6% | -2.2% | -2.4% | -2.8% | | |
| 2014 | | | | | | 4.8% | 4.3% | 3.8% | 4.0% | 4.0% | | | |
| 2015 | | | | | 3.4% | 1.9% | 1.4% | 1.2% | 1.3% | | | | |
| 2016 | | | | -0.1% | -2.6% | -2.5% | -2.2% | -1.6% | | | | | |
| 2017 | | | 1.0% | -0.9% | 0.1% | 0.2% | 0.4% | | | | | | |
| 2018 | | 5.9% | 2.2% | 2.0% | 2.5% | 3.5% | | | | | | | |
| 2019 | 9.9% | 0.3% | 0.5% | 5.1% | 6.6% | | | | | | | | |
| 2020 | 4.7% | 8.6% | 9.5% | 7.5% | | | | | | | | | |
| 2021 | -4.1% | -5.2% | -4.3% | | | | | | | | | | |
| 2022 | 10.3% | 10.1% | | | | | | | | | | | |
| 2023 | 11.2% | | | | | | | | | | | | |

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Indemnity Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

D. Indemnity Case Reserves per Open Claim Adjusted by Paid Indemnity Severity Trend (a)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 32,656 |
| 2007 | | | | | | | | | | | | 35,514 | 35,441 |
| 2008 | | | | | | | | | | | 33,091 | 39,110 | 38,941 |
| 2009 | | | | | | | | | | 32,607 | 35,105 | 41,248 | 40,886 |
| 2010 | | | | | | | | | 31,007 | 32,547 | 34,701 | 40,872 | 40,437 |
| 2011 | | | | | | | | 28,969 | 30,836 | 32,178 | 34,269 | 40,069 | 39,463 |
| 2012 | | | | | | | 28,583 | 28,689 | 30,320 | 31,548 | 33,491 | 39,348 | |
| 2013 | | | | | | 24,958 | 28,397 | 28,231 | 29,644 | 30,780 | 32,537 | | |
| 2014 | | | | | 22,694 | 26,165 | 29,612 | 29,302 | 30,817 | 32,017 | | | |
| 2015 | | | | 19,102 | 23,467 | 26,665 | 30,023 | 29,639 | 31,217 | | | | |
| 2016 | | | 17,786 | 19,083 | 22,851 | 26,009 | 29,377 | 29,162 | | | | | |
| 2017 | | 13,431 | 17,958 | 18,904 | 22,868 | 26,063 | 29,506 | | | | | | |
| 2018 | 7,561 | 14,222 | 18,353 | 19,285 | 23,430 | 26,979 | | | | | | | |
| 2019 | 8,310 | 14,267 | 18,452 | 20,275 | 24,983 | | | | | | | | |
| 2020 | 8,703 | 15,497 | 20,204 | 21,802 | | | | | | | | | |
| 2021 | 8,346 | 14,696 | 19,326 | | | | | | | | | | |
| 2022 | 9,202 | 16,176 | | | | | | | | | | | |
| 2023 | 10,230 | | | | | | | | | | | | |

E. Indemnity Open Claim Counts

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 3,874 |
| 2007 | | | | | | | | | | | | 4,243 | 3,360 |
| 2008 | | | | | | | | | | | 4,695 | 3,716 | 2,990 |
| 2009 | | | | | | | | | | 5,369 | 4,066 | 3,270 | 2,725 |
| 2010 | | | | | | | | | 6,240 | 4,670 | 3,634 | 2,908 | 2,431 |
| 2011 | | | | | | | | 7,539 | 5,497 | 4,255 | 3,426 | 2,768 | 2,362 |
| 2012 | | | | | | | 10,017 | 7,025 | 5,304 | 4,156 | 3,401 | 2,791 | |
| 2013 | | | | | | 13,662 | 9,175 | 6,599 | 4,995 | 3,910 | 3,261 | | |
| 2014 | | | | | 19,377 | 12,999 | 9,134 | 6,618 | 5,047 | 4,027 | | | |
| 2015 | | | | 28,129 | 17,699 | 12,560 | 8,982 | 6,483 | 5,005 | | | | |
| 2016 | | | 42,680 | 25,929 | 17,512 | 12,349 | 8,741 | 6,477 | | | | | |
| 2017 | | 63,082 | 39,619 | 25,915 | 17,459 | 12,188 | 8,831 | | | | | | |
| 2018 | 82,505 | 64,190 | 43,051 | 28,212 | 18,622 | 12,957 | | | | | | | |
| 2019 | 84,109 | 68,553 | 47,366 | 30,516 | 20,488 | | | | | | | | |
| 2020 | 74,707 | 61,153 | 41,533 | 27,586 | | | | | | | | | |
| 2021 | 80,848 | 64,024 | 44,377 | | | | | | | | | | |
| 2022 | 84,257 | 68,430 | | | | | | | | | | | |
| 2023 | 86,390 | | | | | | | | | | | | |

F. Total Indemnity Case Reserves Adjusted by Paid Indemnity Severity Trend (in $000) (b)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 126,508 |
| 2007 | | | | | | | | | | | | 150,687 | 119,083 |
| 2008 | | | | | | | | | | | 155,361 | 145,334 | 116,433 |
| 2009 | | | | | | | | | | 175,070 | 142,737 | 134,882 | 111,415 |
| 2010 | | | | | | | | | 193,472 | 151,979 | 126,105 | 118,855 | 98,302 |
| 2011 | | | | | | | | 218,402 | 169,496 | 136,919 | 117,405 | 110,910 | 93,212 |
| 2012 | | | | | | | 286,306 | 201,536 | 160,817 | 131,112 | 113,903 | 109,821 | |
| 2013 | | | | | | 340,981 | 260,554 | 186,293 | 148,069 | 120,350 | 106,105 | | |
| 2014 | | | | | 439,746 | 340,107 | 270,472 | 193,918 | 155,533 | 128,932 | | | |
| 2015 | | | | 537,336 | 415,344 | 334,910 | 269,665 | 192,147 | 156,240 | | | | |
| 2016 | | | 759,124 | 494,791 | 400,161 | 321,188 | 256,783 | 188,883 | | | | | |
| 2017 | | 847,258 | 711,459 | 489,890 | 399,257 | 317,659 | 260,569 | | | | | | |
| 2018 | 623,825 | 912,881 | 790,122 | 544,070 | 436,320 | 349,569 | | | | | | | |
| 2019 | 698,928 | 978,057 | 874,007 | 618,709 | 511,845 | | | | | | | | |
| 2020 | 650,138 | 947,674 | 839,151 | 601,435 | | | | | | | | | |
| 2021 | 674,771 | 940,888 | 857,645 | | | | | | | | | | |
| 2022 | 775,323 | 1,106,948 | | | | | | | | | | | |
| 2023 | 883,736 | | | | | | | | | | | | |

(a) Latest evaluation of each accident year is unadjusted. Evaluations prior to the latest evaluation are determined by adjusting the latest accident year average indemnity case reserves by a different annual change applied at each individual accident year and maturity based on the change in paid losses per closed claim for that age and maturity (Item C)

(b) Each amount is derived as the product of the indemnity open claim counts (Item E) and the adjusted average indemnity case reserves per open claim (Item D).

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Indemnity Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

G. Paid Indemnity Loss on All Claims

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 2,588,415 |
| 2007 | | | | | | | | | | | | 2,716,254 | 2,750,360 |
| 2008 | | | | | | | | | | | 2,759,618 | 2,799,756 | 2,828,660 |
| 2009 | | | | | | | | | | 2,623,118 | 2,673,399 | 2,702,949 | 2,737,242 |
| 2010 | | | | | | | | | 2,608,779 | 2,664,711 | 2,699,986 | 2,732,463 | 2,764,087 |
| 2011 | | | | | | | | 2,522,841 | 2,588,235 | 2,630,753 | 2,672,640 | 2,699,053 | 2,718,669 |
| 2012 | | | | | | | 2,535,314 | 2,622,958 | 2,682,549 | 2,728,441 | 2,766,118 | 2,800,535 | |
| 2013 | | | | | | 2,545,926 | 2,657,457 | 2,732,681 | 2,786,912 | 2,825,482 | 2,856,485 | | |
| 2014 | | | | | 2,585,841 | 2,769,848 | 2,877,005 | 2,954,693 | 3,007,376 | 3,057,476 | | | |
| 2015 | | | | 2,446,884 | 2,737,911 | 2,896,811 | 3,018,281 | 3,096,816 | 3,153,790 | | | | |
| 2016 | | | 2,011,878 | 2,475,152 | 2,729,213 | 2,894,173 | 3,017,220 | 3,101,023 | | | | | |
| 2017 | | 1,306,272 | 2,050,108 | 2,479,788 | 2,751,087 | 2,928,126 | 3,048,554 | | | | | | |
| 2018 | 446,987 | 1,390,074 | 2,121,387 | 2,592,369 | 2,881,034 | 3,084,401 | | | | | | | |
| 2019 | 474,677 | 1,454,077 | 2,252,727 | 2,789,744 | 3,129,376 | | | | | | | | |
| 2020 | 455,100 | 1,346,207 | 2,072,827 | 2,570,129 | | | | | | | | | |
| 2021 | 514,579 | 1,511,708 | 2,313,175 | | | | | | | | | | |
| 2022 | 576,897 | 1,706,597 | | | | | | | | | | | |
| 2023 | 604,882 | | | | | | | | | | | | |

H. Adjusted Total Indemnity Incurred (in $000) (c)

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 2,714,923 |
| 2007 | | | | | | | | | | | | 2,866,941 | 2,869,442 |
| 2008 | | | | | | | | | | | 2,914,978 | 2,945,090 | 2,945,092 |
| 2009 | | | | | | | | | | 2,798,188 | 2,816,135 | 2,837,831 | 2,848,656 |
| 2010 | | | | | | | | | 2,802,251 | 2,816,690 | 2,826,091 | 2,851,318 | 2,862,389 |
| 2011 | | | | | | | | 2,741,244 | 2,757,731 | 2,767,671 | 2,790,045 | 2,809,963 | 2,811,882 |
| 2012 | | | | | | | 2,821,620 | 2,824,493 | 2,843,366 | 2,859,553 | 2,880,021 | 2,910,356 | |
| 2013 | | | | | | 2,886,907 | 2,918,011 | 2,918,974 | 2,934,981 | 2,945,832 | 2,962,589 | | |
| 2014 | | | | | 3,025,587 | 3,109,954 | 3,147,477 | 3,148,611 | 3,162,909 | 3,186,408 | | | |
| 2015 | | | | 2,984,220 | 3,153,255 | 3,231,721 | 3,287,945 | 3,288,963 | 3,310,030 | | | | |
| 2016 | | | 2,771,002 | 2,969,943 | 3,129,373 | 3,215,361 | 3,274,003 | 3,289,905 | | | | | |
| 2017 | | 2,153,531 | 2,761,567 | 2,969,677 | 3,150,344 | 3,245,785 | 3,309,123 | | | | | | |
| 2018 | 1,070,812 | 2,302,954 | 2,911,509 | 3,136,439 | 3,317,354 | 3,433,970 | | | | | | | |
| 2019 | 1,173,605 | 2,432,135 | 3,126,734 | 3,408,453 | 3,641,221 | | | | | | | | |
| 2020 | 1,105,238 | 2,293,881 | 2,911,978 | 3,171,564 | | | | | | | | | |
| 2021 | 1,189,350 | 2,452,596 | 3,170,820 | | | | | | | | | | |
| 2022 | 1,352,220 | 2,813,545 | | | | | | | | | | | |
| 2023 | 1,488,618 | | | | | | | | | | | | |

I. Indemnity Incurred Loss Development Factors Based on Adjusted Total Indemnity Incurred

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 1.001 |
| 2008 | | | | | | | | | | | 1.010 | 1.000 |
| 2009 | | | | | | | | | | 1.006 | 1.008 | 1.004 |
| 2010 | | | | | | | | | 1.005 | 1.003 | 1.009 | 1.004 |
| 2011 | | | | | | | | 1.006 | 1.004 | 1.008 | 1.007 | 1.001 |
| 2012 | | | | | | | 1.001 | 1.007 | 1.006 | 1.007 | 1.011 | |
| 2013 | | | | | | 1.011 | 1.000 | 1.005 | 1.004 | 1.006 | | |
| 2014 | | | | | 1.028 | 1.012 | 1.000 | 1.005 | 1.007 | | | |
| 2015 | | | | 1.057 | 1.025 | 1.017 | 1.000 | 1.006 | | | | |
| 2016 | | | 1.072 | 1.054 | 1.027 | 1.018 | 1.005 | | | | | |
| 2017 | | 1.282 | 1.075 | 1.061 | 1.030 | 1.020 | | | | | | |
| 2018 | 2.151 | 1.264 | 1.077 | 1.058 | 1.035 | | | | | | | |
| 2019 | 2.072 | 1.286 | 1.090 | 1.068 | | | | | | | | |
| 2020 | 2.075 | 1.269 | 1.089 | | | | | | | | | |
| 2021 | 2.062 | 1.293 | | | | | | | | | | |
| 2022 | 2.081 | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Latest Year | 2.081 | 1.293 | 1.089 | 1.068 | 1.035 | 1.020 | 1.005 | 1.006 | 1.007 | 1.006 | 1.011 | 1.001 |
| 3-Yr Average | 2.073 | 1.283 | 1.085 | 1.062 | 1.031 | 1.018 | 1.002 | 1.005 | 1.006 | 1.007 | 1.009 | 1.003 |

(c) Each amount is the sum of the adjusted total indemnity case reserves (Item F) and the total indemnity paid losses (Item G).

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Indemnity Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

J. Indemnity Incurred Loss Development Factors (d)

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 1.010 |
| 2008 | | | | | | | | | | | 1.007 | 1.006 |
| 2009 | | | | | | | | | | 1.010 | 1.005 | 1.008 |
| 2010 | | | | | | | | | 1.012 | 1.006 | 1.004 | 1.004 |
| 2011 | | | | | | | | 1.011 | 1.008 | 1.007 | 1.005 | 1.005 |
| 2012 | | | | | | | 1.015 | 1.013 | 1.007 | 1.007 | 1.005 | |
| 2013 | | | | | | 1.021 | 1.013 | 1.007 | 1.006 | 1.006 | | |
| 2014 | | | | | 1.029 | 1.016 | 1.011 | 1.006 | 1.009 | | | |
| 2015 | | | | 1.047 | 1.027 | 1.017 | 1.008 | 1.008 | | | | |
| 2016 | | | 1.095 | 1.046 | 1.026 | 1.017 | 1.011 | | | | | |
| 2017 | | 1.241 | 1.088 | 1.043 | 1.028 | 1.016 | | | | | | |
| 2018 | 1.901 | 1.228 | 1.083 | 1.043 | 1.028 | | | | | | | |
| 2019 | 1.900 | 1.231 | 1.100 | 1.052 | | | | | | | | |
| 2020 | 1.815 | 1.238 | 1.110 | | | | | | | | | |
| 2021 | 1.908 | 1.253 | | | | | | | | | | |
| 2022 | 1.944 | | | | | | | | | | | |

K. Impact of Adjustments to Common Case Reserve Level (e)

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | -0.87% |
| 2008 | | | | | | | | | | | 0.32% | -0.56% |
| 2009 | | | | | | | | | | -0.31% | 0.25% | -0.39% |
| 2010 | | | | | | | | | -0.64% | -0.26% | 0.46% | 0.01% |
| 2011 | | | | | | | | -0.50% | -0.46% | 0.13% | 0.26% | -0.40% |
| 2012 | | | | | | | -1.42% | -0.62% | -0.15% | 0.04% | 0.53% | |
| 2013 | | | | | | -0.95% | -1.22% | -0.18% | -0.23% | 0.00% | | |
| 2014 | | | | | -0.12% | -0.36% | -1.08% | -0.11% | -0.16% | | | |
| 2015 | | | | 0.88% | -0.19% | 0.05% | -0.80% | -0.19% | | | | |
| 2016 | | | -2.10% | 0.69% | 0.17% | 0.14% | -0.65% | | | | | |
| 2017 | | 3.34% | -1.20% | 1.75% | 0.22% | 0.33% | | | | | | |
| 2018 | 13.15% | 2.96% | -0.51% | 1.37% | 0.65% | | | | | | | |
| 2019 | 9.08% | 4.42% | -0.86% | 1.57% | | | | | | | | |
| 2020 | 14.34% | 2.52% | -1.85% | | | | | | | | | |
| 2021 | 8.06% | 3.19% | | | | | | | | | | |
| 2022 | 7.03% | | | | | | | | | | | |

L. Indemnity Incurred Loss Development Factors Adjusted for Changes in Case Reserve Adequacy (f)

| Accident Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 1.001 |
| 2008 | | | | | | | | | | | 1.010 | 1.000 |
| 2009 | | | | | | | | | | 1.007 | 1.008 | 1.004 |
| 2010 | | | | | | | | | 1.006 | 1.003 | 1.009 | 1.004 |
| 2011 | | | | | | | | 1.006 | 1.003 | 1.008 | 1.007 | 1.001 |
| 2012 | | | | | | | 1.002 | 1.007 | 1.005 | 1.007 | 1.010 | |
| 2013 | | | | | | 1.010 | 1.001 | 1.005 | 1.004 | 1.006 | | |
| 2014 | | | | | 1.028 | 1.012 | 1.000 | 1.005 | 1.007 | | | |
| 2015 | | | | 1.056 | 1.025 | 1.018 | 1.000 | 1.006 | | | | |
| 2016 | | | 1.072 | 1.053 | 1.028 | 1.018 | 1.004 | | | | | |
| 2017 | | 1.282 | 1.075 | 1.061 | 1.030 | 1.019 | | | | | | |
| 2018 | 2.151 | 1.264 | 1.077 | 1.057 | 1.035 | | | | | | | |
| 2019 | 2.073 | 1.285 | 1.091 | 1.069 | | | | | | | | |
| 2020 | 2.075 | 1.269 | 1.089 | | | | | | | | | |
| 2021 | 2.062 | 1.293 | | | | | | | | | | |
| 2022 | 2.076 | | | | | | | | | | | |
| 3-Year Average | 2.071 | 1.283 | 1.086 | 1.062 | 1.031 | 1.018 | 1.001 | 1.005 | 1.005 | 1.007 | 1.009 | 1.003 |

(d) Development factors are from the same insurer mix as those which have been adjusted for case reserve level adequacy and applied in the calculation of the development factors in Item I.

(e) Each factor represents the change in age-to-age development factors from Item J to those in Item I.

(f) Each factor is the product of [1.0 + the impact of adjustments to common case reserve level (Item K)] and [the incurred indemnity age-to-age development factors from AC24-03-02, Exhibit 2.1.1].

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Medical Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

M. Medical Case Reserves Per Open Indemnity Claim

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 90,133 |
| 2007 | | | | | | | | | | | | 92,947 | 105,261 |
| 2008 | | | | | | | | | | | 85,653 | 96,408 | 101,169 |
| 2009 | | | | | | | | | | 73,783 | 88,124 | 96,335 | 99,477 |
| 2010 | | | | | | | | | 58,936 | 67,958 | 73,974 | 73,719 | 76,845 |
| 2011 | | | | | | | | 55,216 | 64,237 | 68,751 | 72,928 | 78,590 | 81,735 |
| 2012 | | | | | | | 46,012 | 55,623 | 62,946 | 68,635 | 67,892 | 71,610 | |
| 2013 | | | | | | 37,130 | 44,808 | 51,831 | 54,595 | 61,480 | 64,076 | | |
| 2014 | | | | | 31,331 | 37,317 | 42,943 | 48,610 | 54,165 | 58,076 | | | |
| 2015 | | | | 29,272 | 35,689 | 40,785 | 44,374 | 49,367 | 55,046 | | | | |
| 2016 | | | 24,934 | 29,858 | 35,328 | 39,733 | 44,215 | 47,929 | | | | | |
| 2017 | | 21,468 | 26,870 | 31,999 | 37,057 | 43,129 | 47,549 | | | | | | |
| 2018 | 17,710 | 22,377 | 26,189 | 30,016 | 35,368 | 41,577 | | | | | | | |
| 2019 | 17,712 | 22,022 | 24,798 | 28,598 | 32,811 | | | | | | | | |
| 2020 | 18,068 | 21,270 | 25,254 | 29,690 | | | | | | | | | |
| 2021 | 17,882 | 21,965 | 26,294 | | | | | | | | | | |
| 2022 | 18,109 | 22,277 | | | | | | | | | | | |
| 2023 | 18,216 | | | | | | | | | | | | |

N. Average Paid Medical Loss Per Closed Indemnity Claim (g)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 23,043 |
| 2007 | | | | | | | | | | | | 25,138 | 25,912 |
| 2008 | | | | | | | | | | | 26,591 | 27,566 | 28,295 |
| 2009 | | | | | | | | | | 27,615 | 28,672 | 29,252 | 29,829 |
| 2010 | | | | | | | | | 26,628 | 27,695 | 28,571 | 29,290 | 29,849 |
| 2011 | | | | | | | | 24,047 | 25,202 | 25,952 | 26,638 | 27,084 | 27,414 |
| 2012 | | | | | | | 21,060 | 22,348 | 23,327 | 23,859 | 24,533 | 25,043 | |
| 2013 | | | | | | 18,509 | 19,882 | 20,822 | 21,515 | 22,066 | 22,418 | | |
| 2014 | | | | | 16,347 | 18,132 | 19,282 | 20,114 | 20,871 | 21,418 | | | |
| 2015 | | | | 13,856 | 16,234 | 17,712 | 18,709 | 19,624 | 20,284 | | | | |
| 2016 | | | 10,501 | 13,518 | 15,520 | 16,817 | 17,977 | 18,850 | | | | | |
| 2017 | | 6,662 | 10,654 | 13,477 | 15,474 | 16,899 | 18,188 | | | | | | |
| 2018 | 2,982 | 6,974 | 11,110 | 14,021 | 16,186 | 17,895 | | | | | | | |
| 2019 | 3,426 | 6,742 | 10,818 | 14,291 | 16,818 | | | | | | | | |
| 2020 | 2,907 | 6,947 | 11,491 | 15,381 | | | | | | | | | |
| 2021 | 2,862 | 6,536 | 11,117 | | | | | | | | | | |
| 2022 | 2,787 | 7,209 | | | | | | | | | | | |
| 2023 | 3,632 | | | | | | | | | | | | |

O. Annual Change of Average Paid Medical per Closed Claim (h)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2006 | | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | | 12.4% |
| 2008 | | | | | | | | | | | | 9.7% | 9.2% |
| 2009 | | | | | | | | | | | 7.8% | 6.1% | 5.4% |
| 2010 | | | | | | | | | | 2.4% | 2.4% | 2.4% | 1.8% |
| 2011 | | | | | | | | | 3.2% | 3.4% | 3.1% | 3.0% | 3.0% |
| 2012 | | | | | | | | -5.3% | -5.1% | -5.0% | -5.1% | -4.9% | |
| 2013 | | | | | | | -5.6% | -6.8% | -7.8% | -7.5% | -8.6% | | |
| 2014 | | | | | | -2.0% | -3.0% | -3.4% | -3.0% | -2.9% | | | |
| 2015 | | | | | -0.7% | -2.3% | -3.0% | -2.4% | -2.8% | | | | |
| 2016 | | | | -2.4% | -4.4% | -5.1% | -3.9% | -3.9% | | | | | |
| 2017 | | | 1.5% | -0.3% | -0.3% | 0.5% | 1.2% | | | | | | |
| 2018 | | 4.7% | 4.3% | 4.0% | 4.6% | 5.9% | | | | | | | |
| 2019 | 14.9% | -3.3% | -2.6% | 1.9% | 3.9% | | | | | | | | |
| 2020 | -15.2% | 3.0% | 6.2% | 7.6% | | | | | | | | | |
| 2021 | -1.6% | -5.9% | -3.3% | | | | | | | | | | |
| 2022 | -2.6% | 10.3% | | | | | | | | | | | |
| 2023 | 30.3% | | | | | | | | | | | | |

(g) Paid medical per closed claim severities for accident year 2010 and 2011 only reflect the paid cost of medical cost containment programs (MCCP) attributable to policies with effective dates prior to July 1, 2010.

(h) The annual changes for accident year 2010, 2011 and 2012 are based on paid medcial per total claim for consistency and do not compare to the severities in item N.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Medical Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

P. Medical Case Reserves per Open Claim Adjusted by Paid Medical Severity Trend (i)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 60,188 |
| 2007 | | | | | | | | | | | | 61,357 | 67,681 |
| 2008 | | | | | | | | | | | 64,896 | 67,282 | 73,908 |
| 2009 | | | | | | | | | | 64,322 | 69,975 | 71,398 | 77,914 |
| 2010 | | | | | | | | | 64,642 | 65,882 | 71,665 | 73,097 | 79,346 |
| 2011 | | | | | | | | 60,032 | 66,713 | 68,103 | 73,900 | 75,271 | 81,735 |
| 2012 | | | | | | | 55,056 | 56,824 | 63,305 | 64,694 | 70,121 | 71,610 | |
| 2013 | | | | | | 43,002 | 51,976 | 52,942 | 58,389 | 59,833 | 64,076 | | |
| 2014 | | | | | 31,893 | 42,128 | 50,409 | 51,143 | 56,641 | 58,076 | | | |
| 2015 | | | | 26,746 | 31,671 | 41,152 | 48,911 | 49,897 | 55,046 | | | | |
| 2016 | | | 24,836 | 26,093 | 30,279 | 39,072 | 46,997 | 47,929 | | | | | |
| 2017 | | 20,588 | 25,198 | 26,014 | 30,188 | 39,263 | 47,549 | | | | | | |
| 2018 | 14,959 | 21,550 | 26,278 | 27,065 | 31,579 | 41,577 | | | | | | | |
| 2019 | 17,185 | 20,834 | 25,586 | 27,585 | 32,811 | | | | | | | | |
| 2020 | 14,581 | 21,469 | 27,178 | 29,690 | | | | | | | | | |
| 2021 | 14,353 | 20,199 | 26,294 | | | | | | | | | | |
| 2022 | 13,978 | 22,277 | | | | | | | | | | | |
| 2023 | 18,216 | | | | | | | | | | | | |

Q. Total Medical Case Reserves Adjusted by Paid Medical Severity Trend (in $000) (j)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 233,170 |
| 2007 | | | | | | | | | | | | 260,336 | 227,410 |
| 2008 | | | | | | | | | | | 304,688 | 250,018 | 220,985 |
| 2009 | | | | | | | | | | 345,344 | 284,517 | 233,471 | 212,315 |
| 2010 | | | | | | | | | 403,339 | 307,636 | 260,429 | 212,566 | 192,891 |
| 2011 | | | | | | | | 452,592 | 366,701 | 289,779 | 253,181 | 208,350 | 193,058 |
| 2012 | | | | | | | 551,483 | 399,172 | 335,772 | 268,870 | 238,482 | 199,864 | |
| 2013 | | | | | | 587,496 | 476,897 | 349,363 | 291,653 | 233,947 | 208,953 | | |
| 2014 | | | | | 617,987 | 547,606 | 460,438 | 338,465 | 285,867 | 233,870 | | | |
| 2015 | | | | 752,349 | 560,546 | 516,868 | 439,317 | 323,481 | 275,506 | | | | |
| 2016 | | | 1,060,007 | 676,563 | 530,250 | 482,498 | 410,798 | 310,437 | | | | | |
| 2017 | | 1,298,712 | 998,338 | 674,162 | 527,055 | 478,540 | 419,906 | | | | | | |
| 2018 | 1,234,160 | 1,383,326 | 1,131,286 | 763,554 | 588,056 | 538,714 | | | | | | | |
| 2019 | 1,445,455 | 1,428,213 | 1,211,928 | 841,781 | 672,224 | | | | | | | | |
| 2020 | 1,089,329 | 1,312,893 | 1,128,798 | 819,040 | | | | | | | | | |
| 2021 | 1,160,446 | 1,293,238 | 1,166,860 | | | | | | | | | | |
| 2022 | 1,177,716 | 1,524,401 | | | | | | | | | | | |
| 2023 | 1,573,655 | | | | | | | | | | | | |

R. Paid Medical Loss on All Claims

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 3,700,119 |
| 2007 | | | | | | | | | | | | 3,957,933 | 4,016,015 |
| 2008 | | | | | | | | | | | 3,950,354 | 4,016,206 | 4,065,478 |
| 2009 | | | | | | | | | | 3,744,829 | 3,816,220 | 3,864,135 | 3,918,706 |
| 2010 | | | | | | | | | 3,726,187 | 3,814,829 | 3,880,856 | 3,928,222 | 3,962,732 |
| 2011 | | | | | | | | 3,394,371 | 3,490,651 | 3,553,842 | 3,608,245 | 3,647,961 | 3,680,768 |
| 2012 | | | | | | | 3,221,046 | 3,344,545 | 3,421,807 | 3,488,910 | 3,537,834 | 3,586,688 | |
| 2013 | | | | | | 3,033,163 | 3,178,834 | 3,269,942 | 3,343,224 | 3,397,430 | 3,443,392 | | |
| 2014 | | | | | 2,870,875 | 3,087,335 | 3,219,962 | 3,325,871 | 3,398,521 | 3,456,654 | | | |
| 2015 | | | | 2,650,576 | 2,944,688 | 3,128,763 | 3,266,874 | 3,362,837 | 3,439,613 | | | | |
| 2016 | | | 2,225,857 | 2,663,169 | 2,926,338 | 3,114,460 | 3,264,927 | 3,357,951 | | | | | |
| 2017 | | 1,637,864 | 2,278,816 | 2,683,336 | 2,961,518 | 3,170,395 | 3,310,157 | | | | | | |
| 2018 | 732,760 | 1,742,681 | 2,401,729 | 2,873,906 | 3,176,682 | 3,408,137 | | | | | | | |
| 2019 | 730,337 | 1,714,300 | 2,447,846 | 2,981,424 | 3,346,993 | | | | | | | | |
| 2020 | 619,954 | 1,545,716 | 2,231,255 | 2,736,663 | | | | | | | | | |
| 2021 | 681,563 | 1,699,341 | 2,464,209 | | | | | | | | | | |
| 2022 | 707,504 | 1,854,509 | | | | | | | | | | | |
| 2023 | 744,319 | | | | | | | | | | | | |

(i) Latest evaluation of each accident year is unadjusted. Evaluations prior to the latest evaluation are determined by adjusting the latest accident year average medical case reserves by a different annual change applied at each individual accident year and maturity based on the change in paid losses per closed claim for that age and maturity (Item O)

(j) Each amount is derived as the product of the indemnity open claim counts (Exhibit 4.2, Item E) and the adjusted average medical case reserves per open claim (Item P).

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Medical Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

S. Adjusted Total Medical Incurred (in $000) (k)

| Accident Year | Evaluated as of (in months) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | 144 | 156 |
| 2005 | | | | | | | | | | | | | |
| 2006 | | | | | | | | | | | | | 3,933,288 |
| 2007 | | | | | | | | | | | | 4,218,269 | 4,243,425 |
| 2008 | | | | | | | | | | | 4,255,043 | 4,266,224 | 4,286,463 |
| 2009 | | | | | | | | | | 4,090,173 | 4,100,737 | 4,097,605 | 4,131,021 |
| 2010 | | | | | | | | | 4,129,526 | 4,122,465 | 4,141,285 | 4,140,789 | 4,155,622 |
| 2011 | | | | | | | | 3,846,962 | 3,857,352 | 3,843,620 | 3,861,426 | 3,856,311 | 3,873,826 |
| 2012 | | | | | | | 3,772,529 | 3,743,717 | 3,757,579 | 3,757,780 | 3,776,317 | 3,786,551 | |
| 2013 | | | | | | 3,620,658 | 3,655,731 | 3,619,306 | 3,634,876 | 3,631,377 | 3,652,345 | | |
| 2014 | | | | | 3,488,862 | 3,634,941 | 3,680,400 | 3,664,336 | 3,684,388 | 3,690,524 | | | |
| 2015 | | | | 3,402,926 | 3,505,234 | 3,645,630 | 3,706,191 | 3,686,318 | 3,715,120 | | | | |
| 2016 | | | 3,285,863 | 3,339,731 | 3,456,588 | 3,596,958 | 3,675,725 | 3,668,388 | | | | | |
| 2017 | | 2,936,577 | 3,277,154 | 3,357,498 | 3,488,574 | 3,648,936 | 3,730,063 | | | | | | |
| 2018 | 1,966,920 | 3,126,007 | 3,533,015 | 3,637,460 | 3,764,738 | 3,946,851 | | | | | | | |
| 2019 | 2,175,792 | 3,142,513 | 3,659,774 | 3,823,205 | 4,019,217 | | | | | | | | |
| 2020 | 1,709,284 | 2,858,609 | 3,360,053 | 3,555,702 | | | | | | | | | |
| 2021 | 1,842,009 | 2,992,579 | 3,631,069 | | | | | | | | | | |
| 2022 | 1,885,220 | 3,378,910 | | | | | | | | | | | |
| 2023 | 2,317,974 | | | | | | | | | | | | |

T. Medical Incurred Loss Development Factors Based on Adjusted Total Medical Incurred

| Accident Year | Age-to-Age Development (in months): | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 1.006 |
| 2008 | | | | | | | | | | | 1.003 | 1.005 |
| 2009 | | | | | | | | | | 1.003 | 0.999 | 1.008 |
| 2010 | | | | | | | | | 0.998 | 1.005 | 1.000 | 1.004 |
| 2011 | | | | | | | | 1.003 | 0.996 | 1.005 | 0.999 | 1.005 |
| 2012 | | | | | | | 0.992 | 1.004 | 1.000 | 1.005 | 1.003 | |
| 2013 | | | | | | 1.010 | 0.990 | 1.004 | 0.999 | 1.006 | | |
| 2014 | | | | | 1.042 | 1.013 | 0.996 | 1.005 | 1.002 | | | |
| 2015 | | | | 1.030 | 1.040 | 1.017 | 0.995 | 1.008 | | | | |
| 2016 | | | 1.016 | 1.035 | 1.041 | 1.022 | 0.998 | | | | | |
| 2017 | | 1.116 | 1.025 | 1.039 | 1.046 | 1.022 | | | | | | |
| 2018 | 1.589 | 1.130 | 1.030 | 1.035 | 1.048 | | | | | | | |
| 2019 | 1.444 | 1.165 | 1.045 | 1.051 | | | | | | | | |
| 2020 | 1.672 | 1.175 | 1.058 | | | | | | | | | |
| 2021 | 1.625 | 1.213 | | | | | | | | | | |
| 2022 | 1.792 | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Latest Year | 1.792 | 1.213 | 1.058 | 1.051 | 1.048 | 1.022 | 0.998 | 1.008 | 1.002 | 1.006 | 1.003 | 1.005 |
| 3-Yr Average | 1.696 | 1.184 | 1.044 | 1.042 | 1.045 | 1.020 | 0.996 | 1.006 | 1.000 | 1.005 | 1.000 | 1.005 |

U. Medical Incurred Loss Development Factors (l)

| Accident Year | Age-to-Age Development (in months): | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 1.004 |
| 2008 | | | | | | | | | | | 1.005 | 0.999 |
| 2009 | | | | | | | | | | 1.008 | 1.001 | 1.003 |
| 2010 | | | | | | | | | 1.009 | 1.004 | 0.998 | 1.002 |
| 2011 | | | | | | | | 1.009 | 1.001 | 1.003 | 1.002 | 1.002 |
| 2012 | | | | | | | 1.014 | 1.005 | 1.005 | 0.999 | 1.005 | |
| 2013 | | | | | | 1.014 | 1.006 | 1.001 | 1.006 | 1.004 | | |
| 2014 | | | | | 1.027 | 1.011 | 1.010 | 1.007 | 1.005 | | | |
| 2015 | | | | 1.029 | 1.018 | 1.007 | 1.005 | 1.009 | | | | |
| 2016 | | | 1.045 | 1.031 | 1.017 | 1.013 | 1.005 | | | | | |
| 2017 | | 1.117 | 1.051 | 1.027 | 1.024 | 1.009 | | | | | | |
| 2018 | 1.449 | 1.110 | 1.054 | 1.031 | 1.029 | | | | | | | |
| 2019 | 1.452 | 1.124 | 1.064 | 1.043 | | | | | | | | |
| 2020 | 1.445 | 1.152 | 1.084 | | | | | | | | | |
| 2021 | 1.460 | 1.169 | | | | | | | | | | |
| 2022 | 1.513 | | | | | | | | | | | |

(k) Each amount is the sum of the adjusted total medical case reserves (Item Q) and the total medical paid losses (Item R).

(l) Development factors are from the same insurer mix as those which have been adjusted for case reserve level adequacy and applied in the calculation of the development factors in Item T.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Incurred Medical Loss Development Factors**
**Adjusted for Changes in Case Reserve Adequacy**

V. Impact of Adjustments to Common Case Reserve Level (m)

| Accident Year | Age-to-Age Development (in months): | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 0.20% |
| 2008 | | | | | | | | | | | -0.24% | 0.62% |
| 2009 | | | | | | | | | | -0.55% | -0.19% | 0.56% |
| 2010 | | | | | | | | | -1.09% | 0.03% | 0.16% | 0.19% |
| 2011 | | | | | | | | -0.59% | -0.42% | 0.16% | -0.32% | 0.24% |
| 2012 | | | | | | | -2.18% | -0.17% | -0.48% | 0.64% | -0.20% | |
| 2013 | | | | | | -0.42% | -1.60% | 0.32% | -0.70% | 0.18% | | |
| 2014 | | | | | 1.43% | 0.13% | -1.40% | -0.12% | -0.34% | | | |
| 2015 | | | | 0.06% | 2.16% | 0.98% | -1.01% | -0.09% | | | | |
| 2016 | | | -2.72% | 0.36% | 2.33% | 0.89% | -0.66% | | | | | |
| 2017 | | -0.13% | -2.48% | 1.14% | 2.12% | 1.29% | | | | | | |
| 2018 | 9.68% | 1.81% | -2.34% | 0.41% | 1.87% | | | | | | | |
| 2019 | -0.54% | 3.65% | -1.81% | 0.81% | | | | | | | | |
| 2020 | 15.73% | 2.00% | -2.38% | | | | | | | | | |
| 2021 | 11.28% | 3.78% | | | | | | | | | | |
| 2022 | 18.46% | | | | | | | | | | | |

W. Medical Incurred Loss Development Factors Adjusted for Changes in Case Reserve Adequacy (n)

| Accident Year | Age-to-Age Development (in months): | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-96 | 96-108 | 108-120 | 120-132 | 132-144 | 144-156 |
| 2006 | | | | | | | | | | | | |
| 2007 | | | | | | | | | | | | 1.006 |
| 2008 | | | | | | | | | | | 1.003 | 1.005 |
| 2009 | | | | | | | | | | 1.002 | 0.999 | 1.009 |
| 2010 | | | | | | | | | 0.999 | 1.005 | 1.001 | 1.004 |
| 2011 | | | | | | | | 1.004 | 0.998 | 1.006 | 1.000 | 1.005 |
| 2012 | | | | | | | 0.993 | 1.004 | 1.000 | 1.005 | 1.003 | |
| 2013 | | | | | | 1.010 | 0.990 | 1.004 | 0.999 | 1.006 | | |
| 2014 | | | | | 1.042 | 1.012 | 0.996 | 1.006 | 1.002 | | | |
| 2015 | | | | 1.031 | 1.040 | 1.017 | 0.995 | 1.008 | | | | |
| 2016 | | | 1.017 | 1.035 | 1.041 | 1.022 | 0.998 | | | | | |
| 2017 | | 1.116 | 1.025 | 1.039 | 1.046 | 1.022 | | | | | | |
| 2018 | 1.589 | 1.130 | 1.029 | 1.035 | 1.048 | | | | | | | |
| 2019 | 1.444 | 1.165 | 1.045 | 1.051 | | | | | | | | |
| 2020 | 1.672 | 1.175 | 1.058 | | | | | | | | | |
| 2021 | 1.625 | 1.213 | | | | | | | | | | |
| 2022 | 1.790 | | | | | | | | | | | |
| 3-Year Average | 1.696 | 1.184 | 1.044 | 1.042 | 1.045 | 1.020 | 0.996 | 1.006 | 1.000 | 1.006 | 1.001 | 1.006 |

(m) Each factor represents the change in age-to-age development factors from Item U to those in Item T.

(n) Each factor is the product of [1.0 + the impact of adjustments to common case reserve level (Item V)] and [the incurred Medical age-to-age development factors from AC24-03-02, Exhibit 2.2.1].

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Developed Loss Ratio 3-Year Average Incurred Development Factors**
**Adjusted for Changes in Average Case Reserve Levels**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | |
| Accident Year | Reported Incurred Loss Ratio Ex IBNR (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Reported Incurred Loss Ratio Ex IBNR (a) | Annual Development Factor (c) | Cumulative Development Factor | Developed Loss Ratio (5) x (7) | Total Developed Loss Ratio (4) + (8) |
| 2012 | 0.253 | 1.003 | 1.029 | 0.261 | 0.330 | 1.006 | 1.003 | 0.331 | 0.591 |
| 2013 | 0.212 | 1.009 | 1.038 | 0.220 | 0.262 | 1.001 | 1.004 | 0.263 | 0.483 |
| 2014 | 0.200 | 1.007 | 1.045 | 0.209 | 0.233 | 1.006 | 1.009 | 0.235 | 0.444 |
| 2015 | 0.194 | 1.006 | 1.051 | 0.204 | 0.218 | 1.000 | 1.009 | 0.220 | 0.424 |
| 2016 | 0.183 | 1.005 | 1.057 | 0.194 | 0.204 | 1.006 | 1.016 | 0.208 | 0.401 |
| 2017 | 0.187 | 1.002 | 1.059 | 0.198 | 0.211 | 0.996 | 1.012 | 0.214 | 0.412 |
| 2018 | 0.197 | 1.018 | 1.078 | 0.212 | 0.226 | 1.020 | 1.032 | 0.234 | 0.446 |
| 2019 | 0.226 | 1.031 | 1.112 | 0.251 | 0.249 | 1.045 | 1.079 | 0.269 | 0.520 |
| 2020 | 0.225 | 1.062 | 1.181 | 0.266 | 0.252 | 1.042 | 1.124 | 0.283 | 0.549 |
| 2021 | 0.233 | 1.085 | 1.282 | 0.299 | 0.267 | 1.044 | 1.173 | 0.313 | 0.612 |
| 2022 | 0.183 | 1.283 | 1.644 | 0.302 | 0.220 | 1.184 | 1.390 | 0.306 | 0.608 |
| 2023 | 0.095 | 2.073 | 3.408 | 0.323 | 0.147 | 1.696 | 2.357 | 0.348 | 0.671 |

(a)   Based on AC24-03-02, Exhibit 1.
(b)   Age-to-age factors for developing accident years 2012 to 2023 were adjusted for changes in indemnity case reserve levels based on 3-year average selections (see Exhibit 4.4, Item L).
(c)   Age-to-age factors for developing accident years 2012 to 2023 were adjusted for changes in medical case reserve levels based on 3-year average selections (see Exhibit 4.8, Item W).

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Using 3-Year Average Incurred Development Factors
Adjusted for Changes in Average Case Reserve Levels
Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Indemnity Loss Ratio (a) | (2) Composite Indemnity Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.261 | 1.496 | 0.867 | 0.450 |
| 2013 | 0.220 | 1.463 | 0.758 | 0.425 |
| 2014 | 0.209 | 1.340 | 0.698 | 0.402 |
| 2015 | 0.204 | 1.320 | 0.667 | 0.404 |
| 2016 | 0.194 | 1.304 | 0.688 | 0.367 |
| 2017 | 0.198 | 1.270 | 0.721 | 0.349 |
| 2018 | 0.212 | 1.237 | 0.759 | 0.346 |
| 2019 | 0.251 | 1.204 | 0.843 | 0.359 |
| 2020 | 0.266 | 1.169 | 0.892 | 0.348 |
| 2021 | 0.299 | 1.126 | 0.928 | 0.362 |
| 2022 | 0.302 | 1.089 | 0.916 | 0.359 |
| 2023 | 0.323 | 1.064 | 0.951 | 0.362 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.357 |
| 2025 | | | | 0.358 |
| 9/1/2025 | | | | 0.356 |

(a)     See Exhibit 4.9.
(b)     Based on AC24-03-02, Exhibit 4.1.
(c)     See AC24-03-02, Exhibit 5.2.
(d)     The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Using 3-Year Average Incurred Development Factors**
**Adjusted for Changes in Average Case Reserve Levels**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Medical Loss Ratio (a) | Composite Medical Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.331 | 0.890 | 0.867 | 0.339 |
| 2013 | 0.263 | 0.980 | 0.758 | 0.340 |
| 2014 | 0.235 | 1.036 | 0.698 | 0.348 |
| 2015 | 0.220 | 1.063 | 0.667 | 0.350 |
| 2016 | 0.208 | 1.066 | 0.688 | 0.321 |
| 2017 | 0.214 | 1.067 | 0.721 | 0.316 |
| 2018 | 0.234 | 1.079 | 0.759 | 0.332 |
| 2019 | 0.269 | 1.069 | 0.843 | 0.341 |
| 2020 | 0.283 | 1.052 | 0.892 | 0.334 |
| 2021 | 0.313 | 1.052 | 0.928 | 0.355 |
| 2022 | 0.306 | 1.013 | 0.916 | 0.339 |
| 2023 | 0.348 | 1.011 | 0.951 | 0.369 |

|  | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.356 |
| 2025 | | | | 0.360 |
| 9/1/2025 | | | | 0.360 |

(a)    See Exhibit 4.9.
(b)    Based on AC24-03-02, Exhibit 4.4.
(c)    See AC24-03-02, Exhibit 5.2.
(d)    The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Developed Loss Ratio Unadjusted 3-Year Average Paid Development Factors**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | |
| Accident Year | Reported Paid Loss Ratio (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Reported Paid Loss Ratio (a) | Annual Development Factor (c) | Cumulative Development Factor | Developed Loss Ratio (5) x (7) | Total Developed Loss Ratio (4) + (8) |
| 2012 | 0.244 | 1.011 | 1.081 | 0.264 | 0.313 | 1.011 | 1.184 | 0.370 | 0.634 |
| 2013 | 0.205 | 1.011 | 1.093 | 0.224 | 0.247 | 1.013 | 1.199 | 0.297 | 0.520 |
| 2014 | 0.192 | 1.014 | 1.108 | 0.213 | 0.218 | 1.014 | 1.216 | 0.265 | 0.478 |
| 2015 | 0.185 | 1.016 | 1.125 | 0.208 | 0.202 | 1.017 | 1.237 | 0.250 | 0.458 |
| 2016 | 0.173 | 1.019 | 1.146 | 0.198 | 0.187 | 1.022 | 1.265 | 0.237 | 0.435 |
| 2017 | 0.172 | 1.027 | 1.177 | 0.203 | 0.187 | 1.030 | 1.303 | 0.244 | 0.447 |
| 2018 | 0.177 | 1.042 | 1.227 | 0.217 | 0.196 | 1.045 | 1.362 | 0.266 | 0.483 |
| 2019 | 0.194 | 1.065 | 1.307 | 0.254 | 0.208 | 1.069 | 1.456 | 0.302 | 0.556 |
| 2020 | 0.182 | 1.114 | 1.456 | 0.265 | 0.194 | 1.111 | 1.618 | 0.314 | 0.579 |
| 2021 | 0.170 | 1.233 | 1.795 | 0.305 | 0.181 | 1.214 | 1.964 | 0.356 | 0.661 |
| 2022 | 0.111 | 1.540 | 2.764 | 0.307 | 0.121 | 1.441 | 2.829 | 0.342 | 0.650 |
| 2023 | 0.039 | 2.949 | 8.151 | 0.315 | 0.047 | 2.534 | 7.170 | 0.339 | 0.654 |

(a)  Based on AC24-03-02, Exhibit 1.
(b)  Age-to-age factors are selected as three-year averages based on AC24-03-02, Exhibit 2.5.
(c)  Age-to-age factors are selected as three-year averages based on AC24-03-02, Exhibit 2.6. These factors have not been adjusted for any reforms.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Using Unadjusted 3-Year Average Paid Development Factors
Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Indemnity Loss Ratio (a) | Composite Indemnity Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.254 | 1.204 | 0.843 | 0.362 |
| 2020 | 0.265 | 1.169 | 0.892 | 0.348 |
| 2021 | 0.305 | 1.126 | 0.928 | 0.370 |
| 2022 | 0.307 | 1.089 | 0.916 | 0.366 |
| 2023 | 0.315 | 1.064 | 0.951 | 0.352 |

Projected (d)

| | | | | |
|---|---|---|---|---|
| 2024 | | | | 0.355 |
| 2025 | | | | 0.356 |
| 9/1/2025 | | | | 0.355 |

(a)     See Exhibit 5.1.
(b)     Based on AC24-03-02, Exhibit 4.1.
(c)     See AC24-03-02, Exhibit 5.2.
(d)     The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
        on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
        and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
        The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Using Unadjusted 3-Year Average Paid Development Factors**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.370 | 0.890 | 0.867 | 0.380 |
| 2013 | 0.297 | 0.980 | 0.758 | 0.384 |
| 2014 | 0.265 | 1.036 | 0.698 | 0.394 |
| 2015 | 0.250 | 1.063 | 0.667 | 0.398 |
| 2016 | 0.237 | 1.066 | 0.688 | 0.366 |
| 2017 | 0.244 | 1.067 | 0.721 | 0.361 |
| 2018 | 0.266 | 1.079 | 0.759 | 0.378 |
| 2019 | 0.302 | 1.069 | 0.843 | 0.383 |
| 2020 | 0.314 | 1.052 | 0.892 | 0.370 |
| 2021 | 0.356 | 1.052 | 0.928 | 0.403 |
| 2022 | 0.342 | 1.013 | 0.916 | 0.378 |
| 2023 | 0.339 | 1.011 | 0.951 | 0.361 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.371 |
| 2025 | | | | 0.376 |
| 9/1/2025 | | | | 0.376 |

(a)  See Exhibit 5.1.
(b)  Based on AC24-03-02, Exhibit 4.4.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
       on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
       and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
       The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Developed Loss Ratio Unadjusted Latest Year Paid Development Factors**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | |
| Accident Year | Reported Paid Loss Ratio (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Reported Paid Loss Ratio (a) | Annual Development Factor (c) | Cumulative Development Factor | Developed Loss Ratio (5) x (7) | Total Developed Loss Ratio (4) + (8) |
| 2012 | 0.244 | 1.011 | 1.081 | 0.264 | 0.313 | 1.011 | 1.184 | 0.370 | 0.634 |
| 2013 | 0.205 | 1.011 | 1.093 | 0.224 | 0.247 | 1.013 | 1.199 | 0.297 | 0.520 |
| 2014 | 0.192 | 1.014 | 1.108 | 0.213 | 0.218 | 1.014 | 1.216 | 0.265 | 0.478 |
| 2015 | 0.185 | 1.016 | 1.125 | 0.208 | 0.202 | 1.017 | 1.237 | 0.250 | 0.458 |
| 2016 | 0.173 | 1.018 | 1.146 | 0.198 | 0.187 | 1.023 | 1.266 | 0.237 | 0.435 |
| 2017 | 0.172 | 1.028 | 1.178 | 0.203 | 0.187 | 1.028 | 1.301 | 0.244 | 0.447 |
| 2018 | 0.177 | 1.041 | 1.226 | 0.217 | 0.196 | 1.044 | 1.358 | 0.266 | 0.483 |
| 2019 | 0.194 | 1.071 | 1.313 | 0.255 | 0.208 | 1.073 | 1.458 | 0.303 | 0.558 |
| 2020 | 0.182 | 1.122 | 1.473 | 0.269 | 0.194 | 1.123 | 1.637 | 0.318 | 0.586 |
| 2021 | 0.170 | 1.240 | 1.827 | 0.311 | 0.181 | 1.227 | 2.008 | 0.364 | 0.675 |
| 2022 | 0.111 | 1.530 | 2.795 | 0.311 | 0.121 | 1.450 | 2.912 | 0.352 | 0.663 |
| 2023 | 0.039 | 2.952 | 8.252 | 0.318 | 0.047 | 2.618 | 7.624 | 0.361 | 0.679 |

(a)    Based on AC24-03-02, Exhibit 1.
(b)    Age-to-age factors are selected as latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors based on AC24-03-02, Exhibit 2.5.
(c)    Age-to-age factors are selected as latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors based on AC24-03-02, Exhibit 2.6.
       These factors have not been adjusted for any reforms.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Using Unadjusted Latest Year Paid Development Factors
Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Indemnity Loss Ratio (a) | Composite Indemnity Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.359 |
| 2025 | | | | 0.361 |
| 9/1/2025 | | | | 0.359 |

(a)  See Exhibit 6.1.
(b)  Based on AC24-03-02, Exhibit 4.1.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Using Unadjusted Latest Year Paid Development Factors**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Medical Loss Ratio (a) | Composite Medical Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.370 | 0.890 | 0.867 | 0.380 |
| 2013 | 0.297 | 0.980 | 0.758 | 0.384 |
| 2014 | 0.265 | 1.036 | 0.698 | 0.394 |
| 2015 | 0.250 | 1.063 | 0.667 | 0.398 |
| 2016 | 0.237 | 1.066 | 0.688 | 0.367 |
| 2017 | 0.244 | 1.067 | 0.721 | 0.361 |
| 2018 | 0.266 | 1.079 | 0.759 | 0.377 |
| 2019 | 0.303 | 1.069 | 0.843 | 0.384 |
| 2020 | 0.318 | 1.052 | 0.892 | 0.375 |
| 2021 | 0.364 | 1.052 | 0.928 | 0.413 |
| 2022 | 0.352 | 1.013 | 0.916 | 0.390 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.389 |
| 2025 | | | | 0.394 |
| 9/1/2025 | | | | 0.393 |

(a)    See Exhibit 6.1.
(b)    Based on AC24-03-02, Exhibit 4.4.
(c)    See AC24-03-02, Exhibit 5.2.
(d)    The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Paid Indemnity Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

A. Total Reported Indemnity Claim Counts

| Accident | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 139,876 |
| 2015 | | | | | | 145,012 | 145,094 |
| 2016 | | | | | 148,146 | 148,290 | 148,303 |
| 2017 | | | | 148,369 | 148,769 | 148,880 | 149,070 |
| 2018 | | | 150,343 | 151,222 | 151,466 | 151,773 | |
| 2019 | | 149,149 | 153,213 | 154,269 | 154,923 | | |
| 2020 | 106,689 | 130,684 | 133,774 | 134,805 | | | |
| 2021 | 117,830 | 144,149 | 147,775 | | | | |
| 2022 | 123,691 | 153,292 | | | | | |
| 2023 | 127,197 | | | | | | |

B. Development of Total Reported Indemnity Claim Counts

| Accident | Age-to-Age Development (in months): | | | | | | |
|---|---|---|---|---|---|---|---|
| Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-Ult |
| 2015 | | | | | | 1.001 | |
| 2016 | | | | | 1.001 | 1.000 | |
| 2017 | | | | 1.003 | 1.001 | 1.001 | |
| 2018 | | | 1.006 | 1.002 | 1.002 | | |
| 2019 | | 1.027 | 1.007 | 1.004 | | | |
| 2020 | 1.225 | 1.024 | 1.008 | | | | |
| 2021 | 1.223 | 1.025 | | | | | |
| 2022 | 1.239 | | | | | | |
| | | | | | | | |
| Latest Year | 1.239 | 1.025 | 1.008 | 1.004 | 1.002 | 1.001 | |
| Cumulative | 1.298 | 1.048 | 1.022 | 1.014 | 1.010 | 1.008 | 1.007 |

| Acc. Year | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|
| Ult. Claim Counts | 165,150 | 160,597 | 151,019 | 136,710 | 156,450 | 152,958 | 150,043 |

C. Closed Indemnity Claim Counts

| Accident | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 130,742 |
| 2015 | | | | | | 132,452 | 136,112 |
| 2016 | | | | | 130,634 | 135,941 | 139,562 |
| 2017 | | | | 122,454 | 131,310 | 136,692 | 140,239 |
| 2018 | | | 107,292 | 123,010 | 132,844 | 138,816 | |
| 2019 | | 80,596 | 105,847 | 123,753 | 134,435 | | |
| 2020 | 31,982 | 69,531 | 92,241 | 107,219 | | | |
| 2021 | 36,982 | 80,125 | 103,398 | | | | |
| 2022 | 39,434 | 84,862 | | | | | |
| 2023 | 40,807 | | | | | | |

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

D. Ultimate Indemnity Claim Settlement Ratio (a)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 92.9% |
| 2015 | | | | | | 90.8% | 93.3% |
| 2016 | | | | | 87.5% | 91.1% | 93.5% |
| 2017 | | | | 81.6% | 87.5% | 91.1% | 93.5% |
| 2018 | | | 70.1% | 80.4% | 86.8% | 90.8% | |
| 2019 | | 51.5% | 67.7% | 79.1% | 85.9% | | |
| 2020 | 23.4% | 50.9% | 67.5% | 78.4% | | | |
| 2021 | 24.5% | 53.1% | 68.5% | | | | |
| 2022 | 24.6% | 52.8% | | | | | |
| 2023 | 24.7% | | | | | | |

E. Adjusted Closed Indemnity Claim Counts at Equal Percentiles of Ultimate Claim Counts (b)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 131,504 |
| 2015 | | | | | | 132,437 | 136,395 |
| 2016 | | | | | 128,266 | 135,469 | 139,517 |
| 2017 | | | | 117,675 | 128,930 | 136,170 | 140,239 |
| 2018 | | | 104,726 | 119,962 | 131,435 | 138,816 | |
| 2019 | | 82,670 | 107,116 | 122,700 | 134,435 | | |
| 2020 | 33,780 | 72,240 | 93,602 | 107,219 | | | |
| 2021 | 37,315 | 79,800 | 103,398 | | | | |
| 2022 | 39,682 | 84,862 | | | | | |
| 2023 | 40,807 | | | | | | |

F. Average Paid Indemnity per Closed Claim

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 19,003 |
| 2015 | | | | | | 18,274 | 19,267 |
| 2016 | | | | | 16,449 | 17,824 | 18,853 |
| 2017 | | | | 14,345 | 16,462 | 17,861 | 18,936 |
| 2018 | | | 11,390 | 14,635 | 16,866 | 18,489 | |
| 2019 | | 7,062 | 11,451 | 15,386 | 17,984 | | |
| 2020 | 3,309 | 7,670 | 12,539 | 16,545 | | | |
| 2021 | 3,174 | 7,274 | 11,994 | | | | |
| 2022 | 3,499 | 8,007 | | | | | |
| 2023 | 3,890 | | | | | | |

(a) Ratio of closed indemnity claim counts (Item C) to the estimated ultimate indemnity claim counts (Item B) for that accident year.

(b) The claim counts for the latest evaluation of each accident year are equal to the reported number of closed indemnity claims. All prior evaluations shown are the product of the latest ultimate indemnity claim settlement ratio (Item D) and the ultimate indemnity claim counts (Item B) for that accident year.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

G. Adjusted Average Paid Indemnity per Closed Claim (c)

| Accident Year | Evaluated as of (in months) 12 | 24 | 36 | 48 | 60 | 72 | 84 |
|---|---|---|---|---|---|---|---|
| 2014 | | | | | | | 19,232 |
| 2015 | | | | | | 18,270 | 19,350 |
| 2016 | | | | | 15,899 | 17,698 | 18,840 |
| 2017 | | | | 13,222 | 15,864 | 17,721 | 18,936 |
| 2018 | | | 10,832 | 13,941 | 16,527 | 18,489 | |
| 2019 | | 7,348 | 11,694 | 15,121 | 17,984 | | |
| 2020 | 3,445 | 8,134 | 12,859 | 16,545 | | | |
| 2021 | 3,194 | 7,229 | 11,994 | | | | |
| 2022 | 3,515 | 8,007 | | | | | |
| 2023 | 3,890 | | | | | | |

H. Adjusted Paid Indemnity on Closed Claims (in $000) (d)

| Accident Year | Evaluated as of (in months) 12 | 24 | 36 | 48 | 60 | 72 | 84 |
|---|---|---|---|---|---|---|---|
| 2014 | | | | | | | 2,529,133 |
| 2015 | | | | | | 2,419,633 | 2,639,214 |
| 2016 | | | | | 2,039,293 | 2,397,517 | 2,628,496 |
| 2017 | | | | 1,555,922 | 2,045,382 | 2,413,042 | 2,655,505 |
| 2018 | | | 1,134,437 | 1,672,346 | 2,172,250 | 2,566,569 | |
| 2019 | | 607,463 | 1,252,601 | 1,855,379 | 2,417,654 | | |
| 2020 | 116,382 | 587,576 | 1,203,605 | 1,773,934 | | | |
| 2021 | 119,195 | 576,872 | 1,240,144 | | | | |
| 2022 | 139,488 | 679,478 | | | | | |
| 2023 | 158,742 | | | | | | |

I. Paid Indemnity on Open Claims (in $000)

| Accident Year | Evaluated as of (in months) 12 | 24 | 36 | 48 | 60 | 72 | 84 |
|---|---|---|---|---|---|---|---|
| 2014 | | | | | | | 392,484 |
| 2015 | | | | | | 476,436 | 395,794 |
| 2016 | | | | | 580,403 | 471,117 | 386,114 |
| 2017 | | | | 723,137 | 589,492 | 486,624 | 393,049 |
| 2018 | | | 899,338 | 792,142 | 640,435 | 517,832 | |
| 2019 | | 884,919 | 1,040,631 | 885,687 | 711,722 | | |
| 2020 | 349,261 | 812,870 | 916,233 | 796,195 | | | |
| 2021 | 397,204 | 928,874 | 1,073,031 | | | | |
| 2022 | 438,908 | 1,027,119 | | | | | |
| 2023 | 446,141 | | | | | | |

(c) Adjusted based on ultimate indemnity claim settlement ratios (Item D) and assuming a log-linear relationship between maturities.
(d) Each amount is the product of the adjusted closed indemnity claim counts (Item E) and the adjusted average paid indemnity per closed claim (Item G), and divided by $1,000.

Source:  Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

J. Average Paid Indemnity per Open Claim for Indemnity Claims in Transition (e)

| Accident Year | Evaluated as of (in months) |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 42,970 |
| 2015 | | | | | | 40,223 | 44,065 |
| 2016 | | | | | 34,314 | 39,772 | 44,509 |
| 2017 | | | | 28,616 | 34,880 | 40,517 | 44,508 |
| 2018 | | | 18,880 | 27,853 | 35,098 | 39,965 | |
| 2019 | | 12,909 | 21,970 | 29,293 | 34,738 | | |
| 2020 | 4,675 | 13,292 | 22,060 | 28,862 | | | |
| 2021 | 4,913 | 9,826 | 24,180 | | | | |
| 2022 | 5,209 | 15,010 | | | | | |
| 2023 | 5,164 | | | | | | |

K. Changes in Paid Indemnity on Open Claims Resulting from the Impact of Changes in
   Claim Settlement Rates (in $000) (f)

| Accident Year | Evaluated as of (in months) |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | -32,743 |
| 2015 | | | | | | 603 | -12,470 |
| 2016 | | | | | 81,256 | 18,772 | 2,003 |
| 2017 | | | | 136,757 | 83,015 | 21,150 | |
| 2018 | | | 48,446 | 84,897 | 49,453 | | |
| 2019 | | -26,772 | -27,880 | 30,846 | | | |
| 2020 | -8,406 | -36,009 | -30,024 | | | | |
| 2021 | -1,636 | 3,193 | | | | | |
| 2022 | -1,292 | | | | | | |

L. Adjusted Paid Indemnity on Open Claims (in $000) (g)

| Accident Year | Evaluated as of (in months) |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 359,741 |
| 2015 | | | | | | 477,039 | 383,323 |
| 2016 | | | | | 661,659 | 489,889 | 388,116 |
| 2017 | | | | 859,894 | 672,507 | 507,774 | 393,049 |
| 2018 | | | 947,784 | 877,039 | 689,888 | 517,832 | |
| 2019 | | 858,147 | 1,012,751 | 916,533 | 711,722 | | |
| 2020 | 340,855 | 776,861 | 886,209 | 796,195 | | | |
| 2021 | 395,568 | 932,067 | 1,073,031 | | | | |
| 2022 | 437,616 | 1,027,119 | | | | | |
| 2023 | 446,141 | | | | | | |

(e) Each amount is equal to the product of [the average monthly indemnity payment per open indemnity claim] and [the number of months for the current evaluation]. For evaluations indicating claim settlement rate decreases, the average monthly indemnity payment per open indemnity claim at the prior evaluation is used. For evaluations indicating claim settlement rate increases, the average monthly indemnity payment per open indemnity claim at the same evaluation is used.

(f) Each amount is equal to [the difference between unadjusted and adjusted closed indemnity claim counts (Items C and E)] multiplied by the corresponding [average paid indemnity per open claim for indemnity claims in transition (Item J)].

(g) Each amount is the sum of [paid indemnity on open claims (Item I)] and the corresponding [incremental changes in paid indemnity on open claims resulting from the impact of changes in claim settlement rates (Item K)].

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

M. Adjusted Total Paid Indemnity (in $000) (h)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 2,888,874 |
| 2015 | | | | | | 2,896,673 | 3,022,537 |
| 2016 | | | | | 2,700,952 | 2,887,406 | 3,016,612 |
| 2017 | | | | 2,415,816 | 2,717,889 | 2,920,816 | 3,048,554 |
| 2018 | | | 2,082,221 | 2,549,385 | 2,862,138 | 3,084,401 | |
| 2019 | | 1,465,610 | 2,265,352 | 2,771,912 | 3,129,376 | | |
| 2020 | 457,237 | 1,364,437 | 2,089,814 | 2,570,129 | | | |
| 2021 | 514,763 | 1,508,939 | 2,313,175 | | | | |
| 2022 | 577,104 | 1,706,597 | | | | | |
| 2023 | 604,882 | | | | | | |

N. Paid Indemnity Loss Development Factors Based on Adjusted Total Paid Indemnity

| Accident Year | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2014 | | | | | | |
| 2015 | | | | | | 1.043 |
| 2016 | | | | | 1.069 | 1.045 |
| 2017 | | | | 1.125 | 1.075 | 1.044 |
| 2018 | | | 1.224 | 1.123 | 1.078 | |
| 2019 | | 1.546 | 1.224 | 1.129 | | |
| 2020 | 2.984 | 1.532 | 1.230 | | | |
| 2021 | 2.931 | 1.533 | | | | |
| 2022 | 2.957 | | | | | |
| | | | | | | |
| Latest Year | 2.957 | 1.533 | 1.230 | 1.129 | 1.078 | 1.044 |
| 3-Year Average | 2.958 | 1.537 | 1.226 | 1.126 | 1.074 | 1.044 |

O. Paid Indemnity Loss Development Factors (i)

| Accident Year | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 1.042 |
| 2016 | | | | | 1.060 | 1.043 |
| 2017 | | | | 1.109 | 1.064 | 1.041 |
| 2018 | | | 1.222 | 1.111 | 1.071 | |
| 2019 | | 1.549 | 1.238 | 1.122 | | |
| 2020 | 2.958 | 1.540 | 1.240 | | | |
| 2021 | 2.938 | 1.530 | | | | |
| 2022 | 2.958 | | | | | |

(h) Each amount is the sum of the adjusted paid indemnity on closed claims (Item H) and the adjusted paid indemnity on open claims (Item L).

(i) Development factors are based on paid indemnity losses from the same insurer mix as that used in the adjustment for changes in claim settlement rates and applied in the calculation of the development factors in Item N.

Source: Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Indemnity Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

P. Impact of Adjustment for Changes in Claim Settlement Rates (j)

| Accident | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 0.15% |
| 2016 | | | | | 0.81% | 0.21% |
| 2017 | | | | 1.41% | 0.97% | 0.25% |
| 2018 | | | 0.19% | 1.02% | 0.66% | |
| 2019 | | -0.23% | -1.19% | 0.64% | | |
| 2020 | 0.88% | -0.53% | -0.81% | | | |
| 2021 | -0.22% | 0.18% | | | | |
| 2022 | -0.04% | | | | | |

Q. Paid Indemnity Loss Development Factors Adjusted for Changes in
   Indemnity Claim Settlement Rates (k)

| Accident | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| Year | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 1.044 |
| 2016 | | | | | 1.069 | 1.045 |
| 2017 | | | | 1.125 | 1.074 | 1.044 |
| 2018 | | | 1.224 | 1.122 | 1.078 | |
| 2019 | | 1.545 | 1.223 | 1.129 | | |
| 2020 | 2.984 | 1.532 | 1.230 | | | |
| 2021 | 2.931 | 1.533 | | | | |
| 2022 | 2.951 | | | | | |
| | | | | | | |
| Latest Year | 2.951 | 1.533 | 1.230 | 1.129 | 1.078 | 1.044 |
| 2-Year Average | 2.941 | 1.532 | 1.227 | 1.126 | 1.076 | 1.044 |
| 3-Year Average | 2.955 | 1.537 | 1.226 | 1.125 | 1.074 | 1.044 |

(j) Each factor represents the change in age-to-age development factors from Item O to those in Item N.
(k) Each factor is the product of [1.0 + the impact of adjustment for changes in claim settlement rates (Item P)]
   and [the paid indemnity age-to-age development factor from Exhibit 2.5.1].

   Source:  Accident year experience of insurers with available claim count data, excluding COVID-19 claims.

**Paid Medical Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

R. Total Reported Indemnity Claim Counts

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 139,876 |
| 2015 | | | | | | 145,012 | 145,094 |
| 2016 | | | | | 148,146 | 148,290 | 148,303 |
| 2017 | | | | 148,369 | 148,769 | 148,880 | 149,070 |
| 2018 | | | 150,343 | 151,222 | 151,466 | 151,773 | |
| 2019 | | 149,149 | 153,213 | 154,269 | 154,923 | | |
| 2020 | 106,689 | 130,684 | 133,774 | 134,805 | | | |
| 2021 | 117,830 | 144,149 | 147,775 | | | | |
| 2022 | 123,691 | 153,292 | | | | | |
| 2023 | 127,197 | | | | | | |

S. Development of Total Reported Indemnity Claim Counts

| Accident Year | Age-to-Age Development (in months): | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 | 84-Ult |
| 2015 | | | | | | 1.001 | |
| 2016 | | | | | 1.001 | 1.000 | |
| 2017 | | | | 1.003 | 1.001 | 1.001 | |
| 2018 | | | 1.006 | 1.002 | 1.002 | | |
| 2019 | | 1.027 | 1.007 | 1.004 | | | |
| 2020 | 1.225 | 1.024 | 1.008 | | | | |
| 2021 | 1.223 | 1.025 | | | | | |
| 2022 | 1.239 | | | | | | |
| | | | | | | | |
| Latest Year | 1.239 | 1.025 | 1.008 | 1.004 | 1.002 | 1.001 | |
| Cumulative | 1.298 | 1.048 | 1.022 | 1.014 | 1.010 | 1.008 | 1.007 |

| Acc. Year | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|
| Ult. Claim Counts | 165,150 | 160,597 | 151,019 | 136,710 | 156,450 | 152,958 | 150,043 |

T. Closed Indemnity Claim Counts

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 130,742 |
| 2015 | | | | | | 132,452 | 136,112 |
| 2016 | | | | | 130,634 | 135,941 | 139,562 |
| 2017 | | | | 122,454 | 131,310 | 136,692 | 140,239 |
| 2018 | | | 107,292 | 123,010 | 132,844 | 138,816 | |
| 2019 | | 80,596 | 105,847 | 123,753 | 134,435 | | |
| 2020 | 31,982 | 69,531 | 92,241 | 107,219 | | | |
| 2021 | 36,982 | 80,125 | 103,398 | | | | |
| 2022 | 39,434 | 84,862 | | | | | |
| 2023 | 40,807 | | | | | | |

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

**Paid Medical Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

U. Ultimate Indemnity Claim Settlement Ratio (l)

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
|---|---|---|---|---|---|---|---|
| | | | | Evaluated as of (in months) | | | |
| 2014 | | | | | | | 92.9% |
| 2015 | | | | | | 90.8% | 93.3% |
| 2016 | | | | | 87.5% | 91.1% | 93.5% |
| 2017 | | | | 81.6% | 87.5% | 91.1% | 93.5% |
| 2018 | | | 70.1% | 80.4% | 86.8% | 90.8% | |
| 2019 | | 51.5% | 67.7% | 79.1% | 85.9% | | |
| 2020 | 23.4% | 50.9% | 67.5% | 78.4% | | | |
| 2021 | 24.5% | 53.1% | 68.5% | | | | |
| 2022 | 24.6% | 52.8% | | | | | |
| 2023 | 24.7% | | | | | | |

V. Adjusted Closed Indemnity Claim Counts at Equal Percentiles of Ultimate Claim Counts (m)

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
|---|---|---|---|---|---|---|---|
| | | | | Evaluated as of (in months) | | | |
| 2014 | | | | | | | 131,504 |
| 2015 | | | | | | 132,437 | 136,395 |
| 2016 | | | | | 128,266 | 135,469 | 139,517 |
| 2017 | | | | 117,675 | 128,930 | 136,170 | 140,239 |
| 2018 | | | 104,726 | 119,962 | 131,435 | 138,816 | |
| 2019 | | 82,670 | 107,116 | 122,700 | 134,435 | | |
| 2020 | 33,780 | 72,240 | 93,602 | 107,219 | | | |
| 2021 | 37,315 | 79,800 | 103,398 | | | | |
| 2022 | 39,682 | 84,862 | | | | | |
| 2023 | 40,807 | | | | | | |

W. Average Paid Medical per Closed Indemnity Claim

| Accident Year | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
|---|---|---|---|---|---|---|---|
| | | | | Evaluated as of (in months) | | | |
| 2014 | | | | | | | 19,282 |
| 2015 | | | | | | 17,712 | 18,709 |
| 2016 | | | | | 15,520 | 16,817 | 17,977 |
| 2017 | | | | 13,477 | 15,474 | 16,899 | 18,188 |
| 2018 | | | 11,110 | 14,021 | 16,186 | 17,895 | |
| 2019 | | 6,742 | 10,818 | 14,291 | 16,818 | | |
| 2020 | 2,907 | 6,947 | 11,491 | 15,381 | | | |
| 2021 | 2,862 | 6,536 | 11,117 | | | | |
| 2022 | 2,787 | 7,209 | | | | | |
| 2023 | 3,632 | | | | | | |

(l) Ratio of closed indemnity claim counts (Item T) to the estimated ultimate indemnity claim counts (Item S) for that accident year.

(m) The claim counts for the latest evaluation of each accident year are equal to the reported number of closed indemnity claims. All prior evaluations shown are the product of the latest ultimate indemnity claim settlement ratio (Item U) and the ultimate indemnity claim counts (Item S) for that accident year.

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

**Paid Medical Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

X. Adjusted Average Paid Medical per Closed Indemnity Claim (n)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 19,531 |
| 2015 | | | | | | 17,708 | 18,812 |
| 2016 | | | | | 14,958 | 16,698 | 17,963 |
| 2017 | | | | 12,492 | 14,910 | 16,756 | 18,188 |
| 2018 | | | 10,583 | 13,403 | 15,857 | 17,895 | |
| 2019 | | 7,009 | 11,034 | 14,059 | 16,818 | | |
| 2020 | 3,031 | 7,377 | 11,800 | 15,381 | | | |
| 2021 | 2,880 | 6,496 | 11,117 | | | | |
| 2022 | 2,801 | 7,209 | | | | | |
| 2023 | 3,632 | | | | | | |

Y. Adjusted Paid Medical (in $000) on Closed Indemnity Claims (o)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 2,568,378 |
| 2015 | | | | | | 2,345,250 | 2,565,923 |
| 2016 | | | | | 1,918,647 | 2,262,024 | 2,506,118 |
| 2017 | | | | 1,469,986 | 1,922,325 | 2,281,631 | 2,550,721 |
| 2018 | | | 1,108,364 | 1,607,824 | 2,084,161 | 2,484,140 | |
| 2019 | | 579,416 | 1,181,885 | 1,725,015 | 2,260,900 | | |
| 2020 | 102,391 | 532,919 | 1,104,460 | 1,649,185 | | | |
| 2021 | 107,475 | 518,380 | 1,149,492 | | | | |
| 2022 | 111,167 | 611,737 | | | | | |
| 2023 | 148,207 | | | | | | |

Z. Paid Medical on Open Indemnity Claims (in $000)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 444,985 |
| 2015 | | | | | | 518,249 | 453,376 |
| 2016 | | | | | 619,733 | 544,718 | 468,931 |
| 2017 | | | | 740,866 | 632,281 | 559,380 | 456,416 |
| 2018 | | | 905,732 | 832,461 | 705,333 | 597,258 | |
| 2019 | | 881,019 | 993,530 | 892,919 | 760,065 | | |
| 2020 | 369,909 | 826,432 | 919,334 | 827,406 | | | |
| 2021 | 401,418 | 910,556 | 1,034,417 | | | | |
| 2022 | 421,036 | 969,386 | | | | | |
| 2023 | 412,406 | | | | | | |

(n) Adjusted based on ultimate indemnity claim settlement ratios (Item U) and assuming a log-linear relationship between maturities.

(o) Each amount is equal to the product of [adjusted closed indemnity claim counts (Item V)] and [adjusted average paid medical per closed indemnity claim (Item X)], and divided by $1,000.

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

**Paid Medical Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

AA. Average Paid Medical per Open Indemnity Claim for Indemnity Claims in Transition (p)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 48,717 |
| 2015 | | | | | | 41,262 | 50,476 |
| 2016 | | | | | 35,389 | 44,110 | 53,647 |
| 2017 | | | | 28,588 | 36,215 | 45,896 | 51,683 |
| 2018 | | | 21,039 | 29,507 | 37,876 | 46,095 | |
| 2019 | | 12,852 | 20,976 | 29,261 | 37,098 | | |
| 2020 | 4,951 | 13,514 | 22,135 | 29,994 | | | |
| 2021 | 4,965 | 14,222 | 23,310 | | | | |
| 2022 | 4,997 | 14,166 | | | | | |
| 2023 | 4,774 | | | | | | |

AB. Changes in Paid Medical on Open Indemnity Claims Resulting from the Impact of Changes in Indemnity Claim Settlement Rates (in $000) (q)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | -37,123 |
| 2015 | | | | | | 633 | -14,285 |
| 2016 | | | | | 84,802 | 20,044 | 2,316 |
| 2017 | | | | 136,143 | 85,050 | 22,685 | |
| 2018 | | | 52,557 | 85,501 | 51,970 | | |
| 2019 | | -26,654 | -26,618 | 29,450 | | | |
| 2020 | -8,903 | -36,610 | -30,126 | | | | |
| 2021 | -1,653 | 3,227 | | | | | |
| 2022 | -1,239 | | | | | | |

AC. Adjusted Paid Medical on Open Indemnity Claims (in $000) (r)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 407,863 |
| 2015 | | | | | | 518,882 | 439,091 |
| 2016 | | | | | 704,535 | 564,763 | 471,247 |
| 2017 | | | | 877,009 | 717,332 | 582,066 | 456,416 |
| 2018 | | | 958,288 | 917,962 | 757,303 | 597,258 | |
| 2019 | | 854,365 | 966,912 | 922,369 | 760,065 | | |
| 2020 | 361,006 | 789,822 | 889,208 | 827,406 | | | |
| 2021 | 399,764 | 913,783 | 1,034,417 | | | | |
| 2022 | 419,796 | 969,386 | | | | | |
| 2023 | 412,406 | | | | | | |

(p) Each amount is equal to the product of [the average monthly medical payment per open indemnity claim] and [the number of months for the current evaluation]. For evaluations indicating claim settlement rate decreases, the average monthly medical payment per open indemnity claim at the prior evaluation is used. For evaluations indicating claim settlement rate increases, the average monthly medical payment per open indemnity claim at the same evaluation is used.

(q) Each amount is equal to [the difference between unadjusted and adjusted closed indemnity claim counts (Items T and V)] multiplied by [the corresponding average paid medical per open indemnity claim for indemnity claims in transition (Item AA)].

(r) Each amount is the sum of [paid medical on open indemnity claims (Item Z)] and the corresponding [incremental changes in paid medical on open indemnity claims resulting from the impact of changes in indemnity claim settlement rates (Item AB)].

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

**Paid Medical Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

AD. Paid Medical on Medical-Only Claims (in $000)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 253,952 |
| 2015 | | | | | | 264,499 | 266,942 |
| 2016 | | | | | 279,127 | 283,633 | 287,077 |
| 2017 | | | | 292,154 | 297,398 | 301,015 | 303,020 |
| 2018 | | | 303,961 | 316,687 | 321,097 | 326,739 | |
| 2019 | | 289,932 | 309,273 | 319,992 | 326,027 | | |
| 2020 | 157,065 | 236,238 | 251,984 | 260,073 | | | |
| 2021 | 174,309 | 265,061 | 280,300 | | | | |
| 2022 | 176,570 | 273,385 | | | | | |
| 2023 | 183,707 | | | | | | |

AE. Adjusted Total Paid Medical (in $000) (s)

| Accident Year | Evaluated as of (in months) | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 | 24 | 36 | 48 | 60 | 72 | 84 |
| 2014 | | | | | | | 3,230,192 |
| 2015 | | | | | | 3,128,631 | 3,271,957 |
| 2016 | | | | | 2,902,309 | 3,110,420 | 3,264,442 |
| 2017 | | | | 2,639,149 | 2,937,054 | 3,164,712 | 3,310,157 |
| 2018 | | | 2,370,614 | 2,842,474 | 3,162,561 | 3,408,137 | |
| 2019 | | 1,723,713 | 2,458,070 | 2,967,376 | 3,346,993 | | |
| 2020 | 620,463 | 1,558,979 | 2,245,652 | 2,736,663 | | | |
| 2021 | 681,548 | 1,697,224 | 2,464,209 | | | | |
| 2022 | 707,533 | 1,854,509 | | | | | |
| 2023 | 744,319 | | | | | | |

AF. Paid Medical Loss Development Factors Based on Adjusted Total Paid Medical

| Accident Year | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 1.046 |
| 2016 | | | | | 1.072 | 1.050 |
| 2017 | | | | 1.113 | 1.078 | 1.046 |
| 2018 | | | 1.199 | 1.113 | 1.078 | |
| 2019 | | 1.426 | 1.207 | 1.128 | | |
| 2020 | 2.513 | 1.440 | 1.219 | | | |
| 2021 | 2.490 | 1.452 | | | | |
| 2022 | 2.621 | | | | | |
| | | | | | | |
| Latest Year | 2.621 | 1.452 | 1.219 | 1.128 | 1.078 | 1.046 |

(s) Each amount is the sum of [adjusted paid medical on closed indemnity claims (Item Y)], [adjusted paid medical on open indemnity claims (Item AC)] and [paid medical on medical-only claims (Item AD)]. The effect of the paid cost of medical cost containment programs are only present for accident years 2011 and prior.

Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

**Paid Medical Loss Development Factors**
**With Separate Adjustments on Open and Closed Claims**
**for Changes in Claim Settlement Rates**

AG. Paid Medical Loss Development Factors (t)

| Accident Year | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 1.044 |
| 2016 | | | | | 1.064 | 1.048 |
| 2017 | | | | 1.104 | 1.071 | 1.044 |
| 2018 | | | 1.197 | 1.105 | 1.073 | |
| 2019 | | 1.428 | 1.218 | 1.123 | | |
| 2020 | 2.493 | 1.444 | 1.227 | | | |
| 2021 | 2.493 | 1.450 | | | | |
| 2022 | 2.621 | | | | | |

AH. Impact of Adjustment for Changes in Indemnity Claim Settlement Rates (u)

| Accident Year | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 0.16% |
| 2016 | | | | | 0.70% | 0.12% |
| 2017 | | | | 0.83% | 0.65% | 0.18% |
| 2018 | | | 0.20% | 0.66% | 0.45% | |
| 2019 | | -0.13% | -0.89% | 0.47% | | |
| 2020 | 0.78% | -0.21% | -0.64% | | | |
| 2021 | -0.12% | 0.12% | | | | |
| 2022 | 0.00% | | | | | |

AI. Paid Medical Loss Development Factors Adjusted for Changes in Indemnity
   Claim Settlement Rates (v)

| Accident Year | Evaluated as of (in months) | | | | | |
|---|---|---|---|---|---|---|
| | 12-24 | 24-36 | 36-48 | 48-60 | 60-72 | 72-84 |
| 2015 | | | | | | 1.046 |
| 2016 | | | | | 1.070 | 1.048 |
| 2017 | | | | 1.110 | 1.075 | 1.044 |
| 2018 | | | 1.194 | 1.108 | 1.075 | |
| 2019 | | 1.418 | 1.200 | 1.125 | | |
| 2020 | 2.487 | 1.433 | 1.216 | | | |
| 2021 | 2.487 | 1.452 | | | | |
| 2022 | 2.618 | | | | | |
| | | | | | | |
| Latest Year | 2.618 | 1.452 | 1.216 | 1.125 | 1.075 | 1.044 |
| 2-Year Average | 2.552 | 1.442 | 1.208 | 1.117 | 1.075 | 1.046 |
| 3-Year Average | 2.531 | 1.434 | 1.204 | 1.115 | 1.073 | 1.046 |

(t) Development factors are based on paid medical losses from the same insurer mix as that used in the adjustment for changes in
   claim settlement rates and applied in the calculation of the development factors in Item AF.
(u) Each factor represents the change in age-to-age development factors from Item AG to those in Item AF.
(v) Each factor is the product of [1.0 + the impact of adjustment for changes in claim settlement rates (Item AH)] and [the adjusted
   paid medical age-to-age development factor from Exhibit 2.6.1].

   Source: Accident year experience of insurers with available claim count and paid loss data, excluding COVID-19 claims.

**Developed Loss Ratios Adjusted for the Impact of Reforms and Changes in Claim Settlement Rates**
**Based on Paid Latest Year Selections**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | | |
| | | | | | | | | Adjusted | | |
| Accident Year | Reported Paid Loss Ratio (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Paid Loss Ratio (a) | Paid Loss Ratio (c) | Annual Development Factor (d) | Cumulative Development Factor | Developed Loss Ratio (6) x (8) | Total Developed Loss Ratio (4) + (9) |
| 2012 | 0.244 | 1.011 | 1.081 | 0.264 | 0.313 | 0.297 | 1.011 | 1.197 | 0.355 | 0.619 |
| 2013 | 0.205 | 1.011 | 1.093 | 0.224 | 0.247 | 0.247 | 1.013 | 1.212 | 0.300 | 0.523 |
| 2014 | 0.192 | 1.014 | 1.108 | 0.213 | 0.218 | 0.222 | 1.015 | 1.230 | 0.273 | 0.486 |
| 2015 | 0.185 | 1.016 | 1.125 | 0.208 | 0.202 | 0.208 | 1.018 | 1.252 | 0.260 | 0.468 |
| 2016 | 0.173 | 1.018 | 1.146 | 0.198 | 0.187 | 0.194 | 1.022 | 1.279 | 0.248 | 0.446 |
| 2017 | 0.172 | 1.028 | 1.178 | 0.203 | 0.187 | 0.194 | 1.028 | 1.315 | 0.256 | 0.459 |
| 2018 | 0.177 | 1.044 | 1.229 | 0.218 | 0.196 | 0.202 | 1.043 | 1.372 | 0.277 | 0.495 |
| 2019 | 0.194 | 1.078 | 1.325 | 0.257 | 0.208 | 0.212 | 1.075 | 1.474 | 0.313 | 0.570 |
| 2020 | 0.182 | 1.129 | 1.496 | 0.273 | 0.194 | 0.196 | 1.125 | 1.659 | 0.325 | 0.598 |
| 2021 | 0.170 | 1.230 | 1.840 | 0.313 | 0.181 | 0.181 | 1.216 | 2.018 | 0.366 | 0.679 |
| 2022 | 0.111 | 1.533 | 2.821 | 0.314 | 0.121 | 0.121 | 1.452 | 2.929 | 0.354 | 0.668 |
| 2023 | 0.039 | 2.951 | 8.325 | 0.321 | 0.047 | 0.047 | 2.618 | 7.669 | 0.363 | 0.684 |

(a)  Based on AC24-03-02, Exhibit 1.
(b)  Age-to-age factors are selected as latest year for the 12-to-24 month through 96-to-108 month factors and three-year average for the subsequent age-to-age factors based on AC24-03-02, Exhibit 2.5. Age-to-age factors for developing accident years 2018 to 2023 were adjusted for changes in claim settlement rates based on latest year selections (see AC24-03-02, Exhibit 7.6, Item Q).
(c)  See AC24-03-02, Exhibit 3.2, Column (2).
(d)  Based on AC24-03-02, Exhibits 2.6.1 and includes adjustments for SB 1160 and recent pharmaceutical cost declines. Age-to-age factors for developing accident years 2018 to 2023 were adjusted for changes in claim settlement rates based on latest year selections (see AC24-03-02, Exhibit 7.12, Item AI).

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Adjusted for the Impact of Reforms and Changes in Claim Settlement Rates**
**Based on Paid Latest Year Selections**
**Based on Experience as of December 31, 2023**

| Accident Year | (1)<br>Developed Indemnity<br>Loss Ratio (a) | (2)<br>Composite Indemnity<br>Adjustment Factor (b) | (3)<br>Composite Premium<br>Adjustment Factor (c) | (4)<br>On-Level Indemnity to<br>Pure Premium Ratio<br>(1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.218 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.257 | 1.204 | 0.843 | 0.367 |
| 2020 | 0.273 | 1.169 | 0.892 | 0.357 |
| 2021 | 0.313 | 1.126 | 0.928 | 0.380 |
| 2022 | 0.314 | 1.089 | 0.916 | 0.373 |
| 2023 | 0.321 | 1.064 | 0.951 | 0.359 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.363 |
| 2025 | | | | 0.364 |
| 9/1/2025 | | | | 0.363 |

(a)    See Exhibit 7.13.
(b)    Based on AC24-03-02, Exhibit 4.1.
(c)    See AC24-03-02, Exhibit 5.2.
(d)    The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
       on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
       and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
       The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Adjusted for the Impact of Reforms and Changes in Claim Settlement Rates**
**Based on Paid Latest Year Selections**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.355 | 0.919 | 0.867 | 0.377 |
| 2013 | 0.300 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.256 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.377 |
| 2019 | 0.313 | 1.027 | 0.843 | 0.382 |
| 2020 | 0.325 | 1.023 | 0.892 | 0.373 |
| 2021 | 0.366 | 1.021 | 0.928 | 0.403 |
| 2022 | 0.354 | 1.013 | 0.916 | 0.392 |
| 2023 | 0.363 | 1.011 | 0.951 | 0.386 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.391 |
| 2025 | | | | 0.396 |
| 9/1/2025 | | | | 0.395 |

(a)   See Exhibit 7.13.
(b)   Based on AC24-03-02, Exhibit 4.4.
(c)   See AC24-03-02, Exhibit 5.2.
(d)   The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
       on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
       and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
       The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Developed Loss Ratios Adjusted for the Impact of Reforms and Changes in Claim Settlement Rates**
**Based on 3-Year Average Selections**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Indemnity | | | | Medical | | | | |
| | | | | | | | Adjusted | | | |
| Accident Year | Reported Paid Loss Ratio (a) | Annual Development Factor (b) | Cumulative Development Factor | Developed Loss Ratio (1) x (3) | Paid Loss Ratio (a) | Paid Loss Ratio (c) | Annual Development Factor (d) | Cumulative Development Factor | Developed Loss Ratio (6) x (8) | Total Developed Loss Ratio (4) + (9) |
| 2012 | 0.244 | 1.011 | 1.081 | 0.264 | 0.313 | 0.297 | 1.011 | 1.196 | 0.355 | 0.619 |
| 2013 | 0.205 | 1.011 | 1.093 | 0.224 | 0.247 | 0.247 | 1.013 | 1.211 | 0.299 | 0.523 |
| 2014 | 0.192 | 1.014 | 1.108 | 0.213 | 0.218 | 0.222 | 1.015 | 1.229 | 0.273 | 0.486 |
| 2015 | 0.185 | 1.016 | 1.125 | 0.208 | 0.202 | 0.208 | 1.018 | 1.251 | 0.260 | 0.468 |
| 2016 | 0.173 | 1.019 | 1.146 | 0.198 | 0.187 | 0.194 | 1.022 | 1.278 | 0.248 | 0.446 |
| 2017 | 0.172 | 1.027 | 1.177 | 0.203 | 0.187 | 0.194 | 1.030 | 1.316 | 0.256 | 0.459 |
| 2018 | 0.177 | 1.044 | 1.229 | 0.218 | 0.196 | 0.202 | 1.046 | 1.377 | 0.278 | 0.496 |
| 2019 | 0.194 | 1.074 | 1.320 | 0.256 | 0.208 | 0.212 | 1.073 | 1.478 | 0.314 | 0.570 |
| 2020 | 0.182 | 1.125 | 1.485 | 0.271 | 0.194 | 0.196 | 1.115 | 1.647 | 0.323 | 0.594 |
| 2021 | 0.170 | 1.226 | 1.821 | 0.310 | 0.181 | 0.181 | 1.204 | 1.982 | 0.360 | 0.669 |
| 2022 | 0.111 | 1.537 | 2.798 | 0.311 | 0.121 | 0.121 | 1.434 | 2.843 | 0.344 | 0.655 |
| 2023 | 0.039 | 2.955 | 8.269 | 0.319 | 0.047 | 0.047 | 2.531 | 7.196 | 0.341 | 0.660 |

(a)   Based on AC24-03-02, Exhibit 1.
(b)   Age-to-age factors for developing accident years 2018 to 2023 were adjusted for changes in claim settlement rates based on
       3-year average selections (see AC24-03-02, Exhibit 7.6, Item Q).
(c)   See AC24-03-02, Exhibit 3.2, Column (2).
(d)   Based on AC24-03-02, Exhibit 2.6.1 and includes adjustments for SB 1160 and recent pharmaceutical cost declines. Age-to-age
       factors for developing accident years 2018 to 2023 were adjusted for changes in claim settlement rates based on 3-year average
       selections (see AC24-03-02, Exhibit 7.12, Item AI).

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Adjusted for the Impact of Reforms and Changes in Claim Settlement Rates**
**Based on 3-Year Average Selections**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Indemnity Loss Ratio (a) | Composite Indemnity Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.218 | 1.237 | 0.759 | 0.355 |
| 2019 | 0.256 | 1.204 | 0.843 | 0.366 |
| 2020 | 0.271 | 1.169 | 0.892 | 0.355 |
| 2021 | 0.310 | 1.126 | 0.928 | 0.376 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.319 | 1.064 | 0.951 | 0.357 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.360 |
| 2025 | | | | 0.361 |
| 9/1/2025 | | | | 0.360 |

(a)   See Exhibit 8.1.
(b)   Based on AC24-03-02, Exhibit 4.1.
(c)   See AC24-03-02, Exhibit 5.2.
(d)   The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023 and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC24-03-02, Exhibit 6.2.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Adjusted for the Impact of Reforms and Changes in Claim Settlement Rates**
**Based on 3-Year Average Selections**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 |
| 2013 | 0.299 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.256 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.278 | 1.031 | 0.759 | 0.378 |
| 2019 | 0.314 | 1.027 | 0.843 | 0.383 |
| 2020 | 0.323 | 1.023 | 0.892 | 0.370 |
| 2021 | 0.360 | 1.021 | 0.928 | 0.396 |
| 2022 | 0.344 | 1.013 | 0.916 | 0.380 |
| 2023 | 0.341 | 1.011 | 0.951 | 0.362 |

|  |  |  |  | Projected (d) |
|---|---|---|---|---|
| 2024 |  |  |  | 0.373 |
| 2025 |  |  |  | 0.378 |
| 9/1/2025 |  |  |  | 0.377 |

(a)  See Exhibit 8.1.
(b)  Based on AC24-03-02, Exhibit 4.4.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023
     on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2023
     and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1.
     The annual medical severity growth estimates are from AC24-03-02, Exhibit 6.4.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Separate Applications of Frequency and Severity Trends**
**Applied to Accident Year 2023**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Indemnity Loss Ratio (a) | (2) Composite Indemnity Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.351 |
| 2025 | | | | 0.352 |
| 9/1/2025 | | | | 0.351 |

(a) See AC24-03-02, Exhibit 3.1.
(b) See AC24-03-02, Exhibit 4.1.
(c) See AC24-03-02, Exhibit 5.2.
(d) These on-level ratios were projected based on an estimated annual indemnity severity trend from AC24-03-02, Exhibit 6.2, and projected frequency trends for accident years 2024 to 2026 from AC24-03-02, Exhibit 6.1; these trends were then separately applied to the 2023 on-level ratio.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Separate Applications of Frequency and Severity Trends**
**Applied to Accident Year 2023**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 |
| 2013 | 0.299 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.255 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.376 |
| 2019 | 0.311 | 1.027 | 0.843 | 0.379 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.369 |
| 2021 | 0.364 | 1.021 | 0.928 | 0.401 |
| 2022 | 0.352 | 1.013 | 0.916 | 0.390 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

|  |  | Projected (d) |
|---|---|---|
| 2024 |  | 0.382 |
| 2025 |  | 0.387 |
| 9/1/2025 |  | 0.386 |

(a)  See AC24-03-02, Exhibit 3.2.
(b)  See AC24-03-02, Exhibit 4.4.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  These on-level ratios were projected based on an estimated annual medical severity trend from AC24-03-02, Exhibit 6.2, and projected frequency trends for accident years 2024 to 2026 from AC24-03-02, Exhibit 6.1; these trends were then separately applied to the 2023 on-level ratio.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Separate Applications of Frequency and Long-Term Severity Trends**
**Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Indemnity Loss Ratio (a) | (2) Composite Indemnity Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.358 |
| 2025 | | | | 0.358 |
| 9/1/2025 | | | | 0.357 |

(a)   See AC24-03-02, Exhibit 3.1.
(b)   See AC24-03-02, Exhibit 4.1.
(c)   See AC24-03-02, Exhibit 5.2.
(d)   The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2023 from AC24-03-02, Exhibit 12, and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are based on the 1990-2023 annual indemnity severity trend of 0.7%.

**Projected On-Level Accident Year
Medical Loss to Pure Premium Ratios
Separate Applications of Frequency and Long-Term Severity Trends
Based on Experience as of December 31, 2023**

| Accident Year | (1) Developed Medical Loss Ratio (a) | (2) Composite Medical Adjustment Factor (b) | (3) Composite Premium Adjustment Factor (c) | (4) On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 |
| 2013 | 0.299 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.255 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.376 |
| 2019 | 0.311 | 1.027 | 0.843 | 0.379 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.369 |
| 2021 | 0.364 | 1.021 | 0.928 | 0.401 |
| 2022 | 0.352 | 1.013 | 0.916 | 0.390 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

| | Projected (d) |
|---|---|
| 2024 | 0.403 |
| 2025 | 0.418 |
| 9/1/2025 | 0.419 |

(a)  See AC24-03-02, Exhibit 3.2.
(b)  See AC24-03-02, Exhibit 4.4.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2023 from AC24-03-02, Exhibit 12, and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual medical severity growth estimates are based on the 1990-2023 annual medical severity trend of 4.5%.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Separate Applications of Frequency and Short-Term Severity Trends**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Indemnity Loss Ratio (a) | Composite Indemnity Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.356 |
| 2025 | | | | 0.355 |
| 9/1/2025 | | | | 0.354 |

(a)  See AC24-03-02, Exhibit 3.1.
(b)  See AC24-03-02, Exhibit 4.1.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2023 from AC24-03-02, Exhibit 12, and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are based on the 2019-2023 annual indemnity severity trend of 0.4%.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Separate Applications of Frequency and Short-Term Severity Trends**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Medical Loss Ratio (a) | Composite Medical Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 |
| 2013 | 0.299 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.255 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.376 |
| 2019 | 0.311 | 1.027 | 0.843 | 0.379 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.369 |
| 2021 | 0.364 | 1.021 | 0.928 | 0.401 |
| 2022 | 0.352 | 1.013 | 0.916 | 0.390 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.385 |
| 2025 | | | | 0.387 |
| 9/1/2025 | | | | 0.386 |

(a)     See AC24-03-02, Exhibit 3.2.
(b)     See AC24-03-02, Exhibit 4.4.
(c)     See AC24-03-02, Exhibit 5.2.
(d)     The trending projection is based on frequency and severity growth separately applied to the 2022 and 2023 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2023 from AC24-03-02, Exhibit 12, and frequency model projections for accident years 2024 through 2026 from Item AC24-03-02, Exhibit 6.1. The annual medical severity growth estimates are based on the 2019-2023 annual medical severity trend of 1.3%.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Long-Term Exponential Loss Ratio Trend
Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Indemnity Loss Ratio (a) | Composite Indemnity Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Indemnity to Pure Premium Ratio (1) x (2) ÷ (3) |
| 1992 | 0.352 | 1.206 | 1.064 | 0.400 |
| 1993 | 0.289 | 1.464 | 1.029 | 0.412 |
| 1994 | 0.329 | 1.531 | 1.163 | 0.433 |
| 1995 | 0.474 | 1.417 | 1.527 | 0.440 |
| 1996 | 0.533 | 1.325 | 1.567 | 0.450 |
| 1997 | 0.604 | 1.186 | 1.519 | 0.471 |
| 1998 | 0.655 | 1.094 | 1.540 | 0.466 |
| 1999 | 0.687 | 1.014 | 1.463 | 0.476 |
| 2000 | 0.595 | 0.946 | 1.158 | 0.486 |
| 2001 | 0.494 | 0.947 | 0.988 | 0.473 |
| 2002 | 0.369 | 0.970 | 0.761 | 0.470 |
| 2003 | 0.244 | 0.967 | 0.541 | 0.437 |
| 2004 | 0.145 | 1.324 | 0.493 | 0.390 |
| 2005 | 0.125 | 1.795 | 0.547 | 0.409 |
| 2006 | 0.161 | 1.763 | 0.704 | 0.404 |
| 2007 | 0.222 | 1.700 | 0.900 | 0.420 |
| 2008 | 0.281 | 1.596 | 1.087 | 0.413 |
| 2009 | 0.330 | 1.565 | 1.174 | 0.440 |
| 2010 | 0.317 | 1.536 | 1.067 | 0.456 |
| 2011 | 0.294 | 1.515 | 0.974 | 0.456 |
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

Projected (d)

| | | | | |
|---|---|---|---|---|
| 2024 | | | | 0.359 |
| 2025 | | | | 0.357 |
| 9/1/2025 | | | | 0.356 |

(a) See AC24-03-02, Exhibit 3.1.
(b) See AC24-03-02, Exhibit 4.1.
(c) See AC24-03-02, Exhibit 5.2.
(d) These on-level ratios were projected by separately applying an exponential trend of approximately -0.7% based on the 1990 to 2023 on-level indemnity to pure premium ratios to the 2022and 2023 on-level indemnity to pure premium ratios.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Long-Term Exponential Loss Ratio Trend**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|---|
| Accident Year | Developed Medical Loss Ratio (a) | Composite Medical Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Medical to Pure Premium Ratio (e) (1) x (2) ÷ (3) | On-Level Medical to Pure Premium Ratio |
| 1992 | 0.296 | 0.585 | 1.064 | 0.163 | 0.163 |
| 1993 | 0.244 | 0.700 | 1.029 | 0.166 | 0.166 |
| 1994 | 0.282 | 0.734 | 1.163 | 0.178 | 0.178 |
| 1995 | 0.417 | 0.724 | 1.527 | 0.198 | 0.198 |
| 1996 | 0.448 | 0.714 | 1.567 | 0.204 | 0.204 |
| 1997 | 0.503 | 0.707 | 1.519 | 0.234 | 0.234 |
| 1998 | 0.607 | 0.623 | 1.540 | 0.246 | 0.246 |
| 1999 | 0.665 | 0.540 | 1.463 | 0.245 | 0.245 |
| 2000 | 0.602 | 0.496 | 1.158 | 0.258 | 0.258 |
| 2001 | 0.536 | 0.452 | 0.988 | 0.245 | 0.245 |
| 2002 | 0.417 | 0.470 | 0.761 | 0.257 | 0.257 |
| 2003 | 0.269 | 0.493 | 0.541 | 0.245 | 0.245 |
| 2004 | 0.183 | 0.745 | 0.493 | 0.276 | 0.276 |
| 2005 | 0.179 | 0.865 | 0.547 | 0.284 | 0.284 |
| 2006 | 0.232 | 0.909 | 0.704 | 0.300 | 0.300 |
| 2007 | 0.327 | 0.892 | 0.900 | 0.324 | 0.324 |
| 2008 | 0.408 | 0.886 | 1.087 | 0.333 | 0.333 |
| 2009 | 0.483 | 0.874 | 1.174 | 0.359 | 0.359 |
| 2010 | 0.475 | 0.871 | 1.067 | 0.387 | 0.387 |
| 2011 | 0.409 | 0.886 | 0.974 | 0.372 | 0.372 |
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 | 0.376 |
| 2013 | 0.299 | 0.957 | 0.758 | 0.378 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 | 0.427 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 | 0.433 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 | 0.400 |
| 2017 | 0.255 | 1.030 | 0.721 | 0.365 | 0.394 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.376 | 0.406 |
| 2019 | 0.311 | 1.027 | 0.843 | 0.379 | 0.410 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.369 | 0.397 |
| 2021 | 0.364 | 1.021 | 0.928 | 0.401 | 0.434 |
| 2022 | 0.352 | 1.013 | 0.916 | 0.390 | 0.422 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 | 0.419 |

Projected (d)

| | |
|---|---|
| 2024 | 0.405 |
| 2025 | 0.418 |
| 9/1/2025 | 0.421 |

(a) See AC24-03-02, Exhibit 3.2.
(b) See AC24-03-02, Exhibit 4.4.
(c) See AC24-03-02, Exhibit 5.2.
(d) These on-level ratios were projected by separately applying an exponential trend of approximately 3.2%
 based on the 1990 to 2023 on-level medical to pure premium ratios (including MCCP costs)
 to the 2022 and 2023 on-level medical to pure premium ratios.
(e) Medical costs include the MCCP cost for all accident years for selecting the loss ratio trend.

**Projected On-Level Accident Year**
**Indemnity Loss to Pure Premium Ratios**
**Short-Term Exponential Loss Ratio Trend**
**Based on Experience as of December 31, 2023**

| Accident Year | (1)<br>Developed Indemnity<br>Loss Ratio (a) | (2)<br>Composite Indemnity<br>Adjustment Factor (b) | (3)<br>Composite Premium<br>Adjustment Factor (c) | (4)<br>On-Level Indemnity to<br>Pure Premium Ratio<br>(1) x (2) ÷ (3) |
|---|---|---|---|---|
| 2012 | 0.264 | 1.496 | 0.867 | 0.455 |
| 2013 | 0.224 | 1.463 | 0.758 | 0.432 |
| 2014 | 0.213 | 1.340 | 0.698 | 0.409 |
| 2015 | 0.208 | 1.320 | 0.667 | 0.412 |
| 2016 | 0.198 | 1.304 | 0.688 | 0.375 |
| 2017 | 0.203 | 1.270 | 0.721 | 0.358 |
| 2018 | 0.217 | 1.237 | 0.759 | 0.354 |
| 2019 | 0.255 | 1.204 | 0.843 | 0.364 |
| 2020 | 0.269 | 1.169 | 0.892 | 0.352 |
| 2021 | 0.311 | 1.126 | 0.928 | 0.377 |
| 2022 | 0.311 | 1.089 | 0.916 | 0.370 |
| 2023 | 0.318 | 1.064 | 0.951 | 0.356 |

Projected (d)

| | | | | |
|---|---|---|---|---|
| 2024 | | | | 0.364 |
| 2025 | | | | 0.364 |
| 9/1/2025 | | | | 0.364 |

(a)  See AC24-03-02, Exhibit 3.1.
(b)  See AC24-03-02, Exhibit 4.1.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  These on-level ratios were projected by separately applying an exponential trend of approximately 0.1% based on the 2019 to 2023 on-level indemnity to pure premium ratios to the 2022 and 2023 on-level indemnity to pure premium ratios.

**Projected On-Level Accident Year**
**Medical Loss to Pure Premium Ratios**
**Short-Term Exponential Loss Ratio Trend**
**Based on Experience as of December 31, 2023**

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Accident Year | Developed Medical Loss Ratio (a) | Composite Medical Adjustment Factor (b) | Composite Premium Adjustment Factor (c) | On-Level Medical to Pure Premium Ratio (1) x (2) ÷ (3) |
| 2012 | 0.355 | 0.919 | 0.867 | 0.376 |
| 2013 | 0.299 | 0.957 | 0.758 | 0.378 |
| 2014 | 0.273 | 1.003 | 0.698 | 0.392 |
| 2015 | 0.260 | 1.023 | 0.667 | 0.399 |
| 2016 | 0.248 | 1.027 | 0.688 | 0.370 |
| 2017 | 0.255 | 1.030 | 0.721 | 0.365 |
| 2018 | 0.277 | 1.031 | 0.759 | 0.376 |
| 2019 | 0.311 | 1.027 | 0.843 | 0.379 |
| 2020 | 0.322 | 1.023 | 0.892 | 0.369 |
| 2021 | 0.364 | 1.021 | 0.928 | 0.401 |
| 2022 | 0.352 | 1.013 | 0.916 | 0.390 |
| 2023 | 0.361 | 1.011 | 0.951 | 0.384 |

| | | | | Projected (d) |
|---|---|---|---|---|
| 2024 | | | | 0.391 |
| 2025 | | | | 0.394 |
| 9/1/2025 | | | | 0.395 |

(a)  See AC24-03-02, Exhibit 3.2.
(b)  See AC24-03-02, Exhibit 4.4.
(c)  See AC24-03-02, Exhibit 5.2.
(d)  These on-level ratios were projected by separately applying an exponential trend of approximately 0.8% based on the 2019 to 2023 on-level medical to pure premium ratios to the 2022 and 2023 on-level medical to pure premium ratios.