

Governing Committee

Meeting Agenda

Date	Time	Location	Staff Contact
April 16, 2025	9:30 AM	Microsoft Teams	Kristen Marsh
1901 Harrison Street, 17 th Floor • Oakland, CA 94612 • 415.777.0777 • Fax 415.778.7007 • www.wcirb.com • wcirb@wcirb.com			

Released: April 9, 2025

To Members of the Governing 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. Confirmation of Governing Committee Chairperson

II. Approval of Minutes

Meeting held February 13, 2025

III. Additions to the Agenda

IV. Ratification of Actions of WCIRB Committees

A. Actuarial Committee Meetings Held December 10, 2024 and February 12, 2025

V. Unfinished Business

A. September 1, 2025 Regulatory Filing (Oral Report)

VI. New Business

A. September 1, 2025 Pure Premium Rate Filing

VII. Next Meeting Date: September 24, 2025

VIII. Adjournment

Antitrust Notice

As members of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), you are bound, when involved in meetings, presentations or other activities of the WCIRB, to limit your actions (as well as discussions and virtual chats, other than social ones) to matters relating to the business of the WCIRB. Matters that do not relate directly to WCIRB business should be avoided. Members should particularly avoid discussions, chats or conduct that could be construed as intended to affect competition (or access to markets). Thus, as members, you should not discuss or pursue the business interests of individual insurers or others, including, in particular, the plans of individual members involving, or the possibility or desirability of (a) raising, lowering, or stabilizing prices (premiums or commissions); (b) doing business or refusing to do business with particular, or classes of, insurers, reinsurers, agents, brokers, or insureds, or in particular locales; or (c) potential actions that would affect the availability of products or service either generally or in specific markets or locales.

Notice

The information in this Agenda was developed by the Workers' Compensation Insurance Rating Bureau of California (WCIRB) for the purpose of assisting the WCIRB Governing Committee. The WCIRB cannot make any guarantees if this information is used for any other purpose and the WCIRB shall not be liable for any damages, of any kind, whether direct, indirect, incidental, punitive or consequential, arising from the use of or reliance upon this information for any other purpose.

© 2025 Workers' Compensation Insurance Rating Bureau of California. All rights reserved.

No part of this work may be reproduced or transmitted in any form or by any means, electronic or mechanical, including, without limitation, photocopying and recording, or by any information storage or retrieval system without the prior written permission of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), unless such copying is expressly permitted in this copyright notice or by federal copyright law. No copyright is claimed in the text of statutes and regulations quoted within this work.

Each WCIRB member company, including any registered third party entities, (Company) is authorized to reproduce any part of this work solely for the following purposes in connection with the transaction of workers' compensation insurance: (1) as necessary in connection with Company's required filings with the California Department of Insurance; (2) to incorporate portions of this work, as necessary, into Company manuals distributed at no charge only to Company employees; and (3) to the extent reasonably necessary for the training of Company personnel. Each Company and all agents and brokers licensed to transact workers' compensation insurance in the state of California are authorized to physically reproduce any part of this work for issuance to a prospective or current policyholder upon request at no charge solely for the purpose of transacting workers' compensation insurance and for no other purpose. This reproduction right does not include the right to make any part of this work available on any website or any form of social media.

Workers' Compensation Insurance Rating Bureau of California, WCIRB, WCIRB California, WCIRB Connect, WCIRB Inquiry, WCIRB CompEssentials, X-Mod Direct, eSCAD, Comprehensive Risk Summary, X-Mods and More, Annual Business Comparative and the WCIRB California logo (WCIRB Marks) are registered trademarks or service marks of the WCIRB. WCIRB Marks may not be displayed or used in any manner without the WCIRB's prior written permission. Any permitted copying of this work must maintain any and all trademarks and/or service marks on all copies.

To seek permission to use any of the WCIRB Marks or any copyrighted material, please contact the WCIRB at customerservice@wcirb.com.

Actuarial Committee

Meeting Minutes

Date	Time	Location	Staff Contact
December 10, 2024	9:30 AM	Microsoft Teams Webinar	Tony Milano

1901 Harrison Street, 17th Floor • Oakland, CA 94612 • 415.777.0777 • Fax 415.778.7007 • www.wcirb.com • wcirb@wcirb.com

Released: January 17, 2025

Members

Ika Irsan*
Matt Jahnke
Joel Clark
Neal Leibowitz*
Joanne Ottone*
Anthony Pragovich
Mark Priven*
Kate Smith
Bryan Ware
Chris Westermeyer

Representing

Republic Indemnity Company of America
CopperPoint Insurance Companies
Accident Fund Group, Inc.
Liberty Mutual Group
Berkshire Hathaway Homestate Companies
Zurich North America
Public Member of Governing Committee
State Compensation Insurance Fund
AmTrust
Travelers

California Department of Insurance

Yvonne Hauscarriague
Margaret Hosel
Giovanni Muzzarelli
Mitra Sanandajifar
Garen Sargsyan
Serina Wu

WCIRB

Bill Mudge*
Tony Milano*
Laura Carstensen*
Andrea Coleman*
Ziyan Li*
Shane Steele
Katrina Terasaki*
Julia Zhang*

* Attended in Person

After a reminder of the antitrust restrictions, the meeting of the Actuarial Committee was called to order at 9:30 AM with Mr. Tony Milano, Executive Vice President and Chief Actuary, presiding.

* * * * *

Approval of Minutes

The Minutes of the meeting held on September 17, 2024, were distributed to the Committee members in advance of the meeting for review. As there were no corrections to the Minutes, the Committee adopted the Minutes as written.

Notice

The information in these Minutes was developed by the Workers' Compensation Insurance Rating Bureau of California (WCIRB) for the purpose of assisting the WCIRB Actuarial Committee. The WCIRB cannot make any guarantees if this information is used for any other purpose and the WCIRB shall not be liable for any damages, of any kind, whether direct, indirect, incidental, punitive or consequential, arising from the use of or reliance upon this information for any other purpose.

© 2025 Workers' Compensation Insurance Rating Bureau of California. All rights reserved.

No part of this work may be reproduced or transmitted in any form or by any means, electronic or mechanical, including, without limitation, photocopying and recording, or by any information storage or retrieval system without the prior written permission of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), unless such copying is expressly permitted in this copyright notice or by federal copyright law. No copyright is claimed in the text of statutes and regulations quoted within this work.

Each WCIRB member company, including any registered third party entities, (Company) is authorized to reproduce any part of this work solely for the following purposes in connection with the transaction of workers' compensation insurance: (1) as necessary in connection with Company's required filings with the California Department of Insurance; (2) to incorporate portions of this work, as necessary, into Company manuals distributed at no charge only to Company employees; and (3) to the extent reasonably necessary for the training of Company personnel. Each Company and all agents and brokers licensed to transact workers' compensation insurance in the state of California are authorized to physically reproduce any part of this work for issuance to a prospective or current policyholder upon request at no charge solely for the purpose of transacting workers' compensation insurance and for no other purpose. This reproduction right does not include the right to make any part of this work available on any website or any form of social media.

Workers' Compensation Insurance Rating Bureau of California, WCIRB, WCIRB California, WCIRB Connect, WCIRB Inquiry, WCIRB CompEssentials, X-Mod Direct, eSCAD, Comprehensive Risk Summary, X-Mods and More, Annual Business Comparative and the WCIRB California logo (WCIRB Marks) are registered trademarks or service marks of the WCIRB. WCIRB Marks may not be displayed or used in any manner without the WCIRB's prior written permission. Any permitted copying of this work must maintain any and all trademarks and/or service marks on all copies.

To seek permission to use any of the WCIRB Marks or any copyrighted material, please contact the WCIRB at customerservice@wcirb.com.

Item II

Working Group Meeting Summaries

The summaries of the Claims Working Group meeting held on September 4, 2024 and the Actuarial Research Working Group meeting held on November 13, 2024 were included in the Agenda for the Committee's review and were accepted by the Committee.

Item AC22-09-03

Pandemic Impact on Classification Relativities

The Committee was reminded that, in the September 1, 2023 and September 1, 2024 Regulatory Filings, the classification relativities included one additional year of experience for each classification in order to mitigate the impact of the pandemic-period data. Staff noted that the refined approach resulted in less dispersion in the September 1, 2023 and September 1, 2024 classification relativity changes. For the September 1, 2025 classification relativities, the latest two available policy years (2021 and 2022) are primarily post-pandemic. In addition, a preliminary review of September 1, 2025 classification relativity changes suggests that removing the additional year of experience does not result in significant additional dispersion. As a result, staff recommended to no longer to include the additional year for the September 1, 2025 Regulatory Filing.

The Committee was reminded that COVID-19 claims have been excluded from the data underlying the classification relativities since the pandemic began as the relative differences in COVID-19 claim experience by classification from earlier periods in the pandemic are not necessarily indicative of the future. Staff noted that for experience rating, COVID-19 claims that occur on or after September 1, 2024 are included in the experience period for experience modifications. Staff recommended to include COVID-19 claims occurring on or after September 1, 2024 in the classification relativities to be consistent with the process for experience rating. During the discussion, a Committee member requested a distribution of COVID-19 claim experience by industry, which is included in Attachment 1.

After discussion, the consensus of the Committee was that staff's recommendations were appropriate.

Share of COVID-19 Indemnity Claims by Accident Year and by Industry

NAICS	NAICS Desc	Indemnity Claim Counts				Incurred Loss			
		2021	2022	2023	Total	2021	2022	2023	Total
11	Agriculture	0.6%	0.4%	0.1%	0.4%	0.2%	0.0%	0.0%	0.1%
21	Mining	0.5%	0.4%	0.0%	0.3%	0.7%	0.0%	0.0%	0.2%
22	Utilities	9.7%	0.0%	6.1%	5.7%	0.5%	0.0%	0.2%	0.3%
23	Construction	1.5%	0.7%	0.0%	0.8%	0.4%	0.3%	0.0%	0.2%
31	Manufacturing	2.3%	1.4%	0.9%	1.6%	2.3%	0.2%	0.1%	0.9%
42	Wholesale	1.1%	0.6%	0.1%	0.7%	2.1%	0.1%	0.0%	0.8%
44	Retail	3.1%	2.9%	0.9%	2.4%	1.7%	0.3%	0.1%	0.7%
48	Transportation	1.1%	0.6%	0.1%	0.6%	0.7%	0.1%	0.1%	0.3%
51	Information	1.1%	1.1%	0.7%	1.0%	1.7%	0.5%	0.3%	1.0%
52	Finance	4.1%	3.9%	1.6%	3.3%	2.5%	0.7%	0.2%	1.1%
53	Real Estate	2.6%	1.4%	0.2%	1.4%	3.7%	0.2%	0.0%	1.3%
54	Professional Services	4.7%	4.4%	2.0%	3.8%	3.1%	0.3%	0.1%	1.2%
56	Administrative Services	1.3%	0.8%	0.1%	0.8%	0.6%	0.1%	0.0%	0.2%
61	Education	4.1%	3.8%	3.6%	3.8%	1.8%	1.4%	0.5%	1.2%
62	Health Care	33.6%	30.2%	14.3%	26.5%	8.3%	2.7%	0.9%	4.0%
71	Arts & Entertainment	4.3%	5.8%	1.6%	4.0%	0.3%	0.2%	0.0%	0.2%
72	Accommodation & Food Services	3.8%	2.6%	0.7%	2.4%	1.3%	0.4%	0.1%	0.5%
81	Other Services	2.1%	1.0%	0.1%	1.1%	1.0%	0.7%	0.0%	0.6%
92	Public Administration	36.9%	11.5%	6.9%	17.3%	24.3%	0.5%	0.4%	8.2%
8742	Outside Sales	3.4%	1.7%	0.9%	2.0%	1.3%	0.2%	0.0%	0.5%
8810	Clerical	8.9%	6.9%	3.5%	6.5%	4.7%	0.8%	0.1%	1.9%
	Total	5.0%	4.0%	1.9%	3.7%	1.9%	0.4%	0.1%	0.8%

Source: WCIRB Unit Statistical Data from PY 2020 through 2023 at 1st Report Level
Mapped to North American Industry Classification System (NAICS) sectors

Industry Distribution of Indemnity Claims by Accident Year

NAICS	NAICS Desc	COVID 19				NON-COVID 19			
		2021	2022	2023	Total	2021	2022	2023	Total
11	Agriculture	0.7%	0.5%	0.2%	0.5%	5.3%	4.6%	4.9%	4.9%
21	Mining	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.1%	0.2%
22	Utilities	0.2%	0.0%	0.3%	0.1%	0.1%	0.1%	0.1%	0.1%
23	Construction	3.4%	1.8%	0.2%	2.3%	11.0%	10.7%	10.4%	10.7%
31	Manufacturing	6.8%	5.0%	7.1%	6.1%	14.7%	14.5%	14.3%	14.5%
42	Wholesale	1.8%	1.3%	0.4%	1.4%	8.4%	8.4%	6.3%	7.8%
44	Retail	6.8%	7.7%	4.8%	6.8%	10.9%	10.8%	10.5%	10.8%
48	Transportation	2.2%	1.4%	0.6%	1.6%	10.2%	9.9%	9.5%	9.9%
51	Information	0.3%	0.4%	0.4%	0.4%	1.6%	1.4%	1.0%	1.4%
52	Finance	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	0.5%	0.6%
53	Real Estate	1.1%	0.7%	0.2%	0.8%	2.1%	1.9%	2.1%	2.0%
54	Professional Services	1.4%	1.7%	1.7%	1.6%	1.5%	1.5%	1.6%	1.5%
56	Administrative Services	1.5%	1.1%	0.3%	1.2%	5.6%	5.5%	6.1%	5.7%
61	Education	1.0%	1.4%	3.3%	1.5%	1.2%	1.5%	1.7%	1.5%
62	Health Care	55.9%	59.9%	66.9%	59.1%	8.3%	8.0%	8.7%	8.3%
71	Arts & Entertainment	1.2%	2.6%	1.7%	1.8%	1.4%	1.8%	2.0%	1.7%
72	Accommodation & Food Services	8.1%	7.7%	4.8%	7.4%	10.6%	11.8%	13.1%	11.8%
81	Other Services	1.1%	0.7%	0.1%	0.8%	2.7%	2.8%	2.9%	2.8%
92	Public Administration	0.8%	0.3%	0.6%	0.6%	0.1%	0.1%	0.2%	0.1%
8742	Outside Sales	0.6%	0.4%	0.5%	0.5%	0.9%	1.0%	1.0%	1.0%
8810	Clerical	4.7%	4.9%	5.5%	4.9%	2.7%	2.9%	2.9%	2.8%

Source: WCIRB Unit Statistical Data from PY 2020 through 2023 at 1st Report Level
Mapped to North American Industry Classification System (NAICS) sectors

Item AC24-09-03

Experience Rating Credibility Methodology for D-Ratios

The Committee was reminded that, at the September 17, 2024 meeting, staff noted that the selected D-ratio credibility method does not have a significant impact on the accuracy of experience modifications (X-Mods) and that a simpler D-ratio methodology using Retro Hazard Group (RHG) experience only yields very similar performance in terms of efficiency. Staff presented an analysis addressing the outstanding concerns raised at the September 17, 2024 Actuarial Committee meeting.

Staff showed that the impact on X-Mods for individual insureds while moving from a classification specific D-ratio methodology (current method) to one based solely on RHG level losses (proposed method) is expected to be similar to the typical annual change and the impact is not significantly different for different sizes of insureds.

Staff showed the retrospective impact from changing the methodology for the construction industry under the pre-2024 RHG groupings. Staff noted that the majority of insureds in the construction industry would have had a slightly lower change in X-Mod under the proposed method. Staff shared that the expected annual changes in X-Mods to insureds with current X-Mods around 100% and around 120% were very similar under either method.

Staff reviewed the potential impact to X-Mods due to updating the RHG assignments using the 2018 RHG changes and noted that insureds in classifications that move to a lower RHG are likely to have a lower change in X-Mod under the proposed method, and conversely, a higher change in X-Mod for insureds in classifications that move to a more severe RHG. Staff noted that the overall impact in years when the RHGs are changing is similar to years where there are no changes to the RHGs.

Lastly, staff showed the estimate range of prospective impacts that can be expected during the transition. Most insureds will expect to have similar change in X-Mods under RHG movement between the two methods.

Based on these findings, staff recommended calculating D-ratios using RHG level experience only beginning with the September 1, 2025 Regulatory Filing. The Committee supported this recommendation.

Item AC24-12-01

9/30/2024 Experience Review

Staff presented a summary of the analysis of statewide accident year experience evaluated as of September 30, 2024, which was included in the Agenda. It was noted that the projected loss ratio for policies incepting between September 1, 2024 and August 31, 2025 based on September 30, 2024 experience and the methodologies reflected in the Agenda was moderately higher than the projection included in the September 1, 2024 Pure Premium Rate Filing, primarily driven by increasing medical loss development and a higher accident year 2023 frequency trend.

During the discussion, the Committee noted the following:

- Early period paid and incurred medical loss development continued to increase through the third quarter of 2024. A review of WCIRB medical transaction data showed increases in the share of paid medical costs in 2024 increased for medical-legal and inpatient services.
- The post-Filing medical development increases were slightly higher for the incurred method compared to the paid method. As a result, the developed loss ratio projections for the adjusted paid method and hybrid incurred method are more consistent compared to the Filing.
- Average wage changes forecast by the UCLA Anderson School of Business as of September 2024 were, on average, modestly higher than those forecast at the time of the Filing.
- The estimated indemnity claim frequency change for accident year 2023 at 21 months based on aggregate indemnity claim counts (excluding COVID-19 claims) and statewide employment is moderately higher than the Filing estimate, driven by increased indemnity claim count development. The estimated indemnity claim frequency change for accident year 2024 at nine months was a modest increase.
- Recent accident year indemnity severity trends have flattened since the Filing, while recent accident year medical severity trends increased moderately since the Filing due to the increasing loss development.
- Indemnity claim severities for accident year 2024 through nine months were increasing moderately and generally consistent with Filing projections. Medical claim severities for accident year 2024 through nine months showed a significant increase for both paid and incurred. The Committee discussed potential drivers of the significant medical severity increase. Staff agreed to review the medical transaction data to explore the increase further and report back to the Committee on this issue in early 2025.
- Paid ALAE development continued to emerge generally flat in the third quarter of 2024. Average paid ALAE costs for accident years 2022 and 2023 continue to show significant increases and the first nine months of 2024 also suggests another increase.

Item AC24-12-02

Classification Ratemaking – Credibility

Staff presented to the Committee a summary of recent changes to the classification ratemaking methodologies regarding loss development, wage inflation, small classifications and loss limitations. Staff noted that all of these changes impacted the derivation of the adjusted loss to payroll ratio, which serves as each classification's observed value in the relativity calculation.

Staff then presented the current calculations of the adjusted loss to payroll ratio, the expected limited loss to payroll ratio, and the classification credibility. Staff noted that the expected limited loss to payroll ratio serves as the complement of credibility and that, together, these three components determine each classification's indicated relativity (and relativity change).

The Committee was shown initial results from the August and November meetings of the Actuarial Research Working Group (ARWG). Staff noted that a preliminary update of the prior full credibility standard methodology suggested that full credibility standards would likely decrease. Staff then presented a testing framework used to test various experience periods and full credibility standards. Staff informed the Committee that, once using a common methodology in all years, the relationship between the relative coefficients of variation (CV) of the adjusted loss to payroll ratio and expected limited loss to payroll ratio by classification size no longer held and as such the prior methodology was no longer viable.

Staff informed the Committee that a number of changes, enhancements, and alternative measures of accuracy and stability had been implemented into the testing framework based on input from the ARWG.

Staff reminded the Committee that under the current methodology, two to five years of experience is used in the derivation of the adjusted loss to payroll ratio. Staff presented the results of using the current experience period as well as nine alternatives. Staff noted that a shorter experience period would generally increase accuracy for small classifications while generally decreasing accuracy for medium and large classifications. The decrease in accuracy for the large classifications is due to rebalancing factors that change as the amount of data used in medium and small classifications changes. It was further noted that a shorter experience period would decrease stability for all sizes of classification, particularly small classifications. Staff noted that, particularly for small classifications, the increase in volatility would likely outweigh any potential increase in accuracy that could be gained by reducing the length of the experience period. The Committee generally agreed and one Committee member stated that their stakeholders prefer consistency. Another Committee member asked if there was a way to quantify the tradeoff between accuracy and stability. Staff noted that standard statistical measures that penalize accuracy based on the number of parameters or other factors do not lend themselves well to these calculations due to the vast difference in the size of classifications. Finally, a Committee member suggested possibly weighting the indications of a two-year experience period and a five-year experience period.

Staff then described a brute force technique for testing full credibility standards in which all indemnity standards from 200 to 800 indemnity claims were tested in conjunction with all medical standards from 650 to 2,000 total claims, both in increments of 25 claims resulting in 1,375 full credibility standard combinations to be tested for each of the ten experience periods considered. Staff showed the Committee the results of this testing with the "best" set of full credibility standards defined as the set with the best average performance over projection years 2016 to 2021. Staff noted that the best indicated standards were often the same, regardless of the experience period used, and were also frequently the upper or lower bound of the tested standards.

A Committee member suggested that results from 2020 might not be as reliable due to shutdowns and other factors and wondered if results from this year were unduly influencing results. Staff agreed to investigate this issue further. Another Committee member wondered if cumulative trauma (CT) claims might be unduly influencing results, particularly for 2020. Staff noted that if there was a big enough

difference in CT claim filing in 2020, there could be an unintended distortion in loss development and agreed to investigate this issue.

Staff informed the Committee of plans to test the continuing appropriateness of using the industry (NAICS) adjustment in the derivation of the complement of credibility, select the appropriate credibility exponent, and investigate alternative methods of selecting the full credibility standards. Staff noted plans to investigate the use of a single standard for both indemnity and medical losses. Multiple Committee members thought the use of a single standard would be an intuitively appealing simplification if shown to be appropriate.

Item AC24-12-03

Study of Recent Increases in ALAE Costs

The Committee was reminded that, in the September 1, 2024 Pure Premium Rate Filing, rising allocated loss adjustment expense (ALAE) severity was identified as a cost driver. Staff presented to the Committee preliminary findings regarding the increasing ALAE costs per indemnity claim in accident years 2022 and 2023.

Staff noted that the increase in projected ultimate ALAE severity was also observed in reported paid ALAE severity at 12 months of maturity. The Committee was advised that increasing paid ALAE or decreasing indemnity claim counts could result in an upward ALAE severity trend. Staff noted that the recent increases were driven by paid ALAE outpacing increases in indemnity claim counts.

Staff informed the Committee that the increasing ALAE severity trend was experienced across multiple insurer groups. Staff then presented the change in ALAE severity by NAICS industry sector between policy years 2021 and 2022 at first unit statistical report level. Staff observed that the average ALAE severity increase including medical cost containment program (MCCP) costs was 7.3% among all industries. Staff observed that although most industries had similar increases in paid ALAE severity, industries with outlier paid ALAE severity changes were a small share of the total paid ALAE. Staff reminded the Committee that policy years encompass two accident years, so the ALAE severity changes in accident years 2022 and 2023 are partially in policy year 2021 and wholly in policy year 2022 which may reduce the observed change. The Committee suggested comparing these changes to prior policy years.

Staff then presented a comparison of paid ALAE, paid MCCP, and paid medical loss development factors in recent years. Staff observed that the 12-to-24 month paid ALAE and paid medical development factors increased by 5% from calendar year 2022 to 2023, whereas the analogous paid MCCP development factor increased by 2%. The Committee was advised that paid ALAE captured in the unit statistical report (USR) data includes MCCP, so increases in paid ALAE from the USR data would be somewhat muted by a flatter MCCP trend.

Staff shared an excerpt from the 2024 WCIRB Geo Study and noted that median ALAE increased sharply for several regions in Northern California, particularly in Sacramento. One potential factor previously identified by the Claims Working Group could be attorneys based in the Los Angeles region practicing in Northern California through virtual hearings, which were previously unavailable before the 2020 COVID-19 pandemic. Staff noted that it plans to review data from the Division of Workers' Compensation (DWC) Electronic Adjudication Management System (EAMS) to investigate this issue.

Staff then summarized preliminary findings comparing claims with varying ALAE paid by various claims characteristics. The Committee was reminded that this approach was originally discussed during the November 8, 2016 Actuarial Committee meeting and measuring claims with "significant ALAE" was used as a proxy for whether a claim was litigated. Staff noted that "significant ALAE" indicated claims with more than \$1,000 paid ALAE, "non-significant ALAE" indicated claims with more than \$0 and up to \$1,000, and "no ALAE" indicated claims with no paid ALAE. Staff observed that, over the past two policy years, the average Paid ALAE severity increased among "significant ALAE" claims but decreased among "non-significant ALAE" claims. Additionally, staff noted that the proportion of "significant ALAE" claims increased in policy year 2022 compared to recent policy years but is consistent with the policy year 2016 through 2019 level. Staff observed that temporary disability claims represented an increasing share of indemnity claims among both "significant" and "non-significant" claims, and that the share of "significant ALAE" claims grew in policy year 2022 among both temporary disability claims and permanent injury claims. The Committee was advised that shifts in injury types were unlikely to be driving the recent increases in paid ALAE severity per indemnity claims as both permanent and temporary claims were observed with similar increases. Staff also noted that the share of "significant ALAE" claims that involve

cumulative trauma injury increased in 2022 and the share of “significant ALAE” claims settled by compromise and release also increased.

Staff informed the Committee of plans to investigate economic data on attorney costs as inflationary increases in the defense attorney costs were a driver identified by the Claims Working Group. Staff notified the Committee that an update to the analysis of recent increasing ALAE costs will be presented in the first quarter of 2025.

Item AC24-12-04

Potential 2025 Actuarial and Research Projects

The Committee reviewed the list of potential actuarial and research studies included in the Agenda under consideration for 2025. It was noted that many of the listed studies were either requested by the California Department of Insurance (CDI), required by statute, or developed in response to issues raised in recent CDI Decisions or at Actuarial Committee meetings.

The consensus of the Committee was that the schedule of projects outlined in the Agenda to be undertaken in 2025 was appropriate.

Item AC24-12-05

2025 Schedule of Meetings

The following schedule of Actuarial Committee meetings for 2025 was approved by the Committee:

Wednesday, February 12, 2025 (September 1, 2025 Regulatory Filing)

Thursday, March 20, 2025

Thursday, April 10, 2025 (September 1, 2025 Pure Premium Rate Filing)

Tuesday, June 24, 2025

Tuesday, September 16, 2025

Tuesday, December 9, 2025

It was noted that the WCIRB intends to hold hybrid meetings in 2025 so that Committee members and California Department of Insurance staff may attend either in person or virtually and all members of the public could attend virtually.

It was also agreed that all 2025 meetings will begin at 9:30 AM Pacific Time.

The meeting was adjourned at 12:45 PM.

* * * * *

Note to Committee Members: These Minutes, as written, have not been approved. Please refer to the Minutes of the meeting scheduled for February 12, 2025 for approval and/or modification.

Actuarial Committee

Meeting Minutes

Date	Time	Location	Staff Contact
February 12, 2025	9:30 AM	Microsoft Teams Webinar	Tony Milano
1901 Harrison Street, 17 th Floor • Oakland, CA 94612 • 415.777.0777 • Fax 415.778.7007 • www.wcirb.com • wcirb@wcirb.com			

Released: February 21, 2025

Members

Joel Clark
Nina Gau
Ika Irsan*
Matt Jahnke
Neal Leibowitz
Joanne Ottone*
Anthony Pragovich
Kate Smith
Bryan Ware
Chris Westermeyer

Representing

Accident Fund Group, Inc.
Public Members of Governing Committee
Republic Indemnity Company of America
CopperPoint Insurance Companies
Liberty Mutual Group
Berkshire Hathaway Homestate Companies
Zurich American Insurance
State Compensation Insurance Fund
AmTrust
Travelers

California Department of Insurance

Yvonne Hauscarriague
Margaret Hosel
Giovanni Muzzarelli
Mitra Sanandajifar
Serina Wu

WCIRB

Laura Carstensen*
Andrea Coleman*
Ziyan Li*
Tony Milano*
Julia Zhang*

* Attended in Person

After a reminder of the antitrust restrictions, the meeting of the Actuarial Committee was called to order at 9:30 AM with Tony Milano, Executive Vice President and Chief Actuary, presiding.

* * * * *

Approval of Minutes

The Minutes of the meeting held on December 10, 2024, were distributed to the Committee members in advance of the meeting for review. As there were no corrections to the Minutes, the Committee adopted the Minutes as written.

Notice

The information in these Minutes was developed by the Workers' Compensation Insurance Rating Bureau of California (WCIRB) for the purpose of assisting the WCIRB Actuarial Committee. The WCIRB cannot make any guarantees if this information is used for any other purpose and the WCIRB shall not be liable for any damages, of any kind, whether direct, indirect, incidental, punitive or consequential, arising from the use of or reliance upon this information for any other purpose.

© 2025 Workers' Compensation Insurance Rating Bureau of California. All rights reserved.

No part of this work may be reproduced or transmitted in any form or by any means, electronic or mechanical, including, without limitation, photocopying and recording, or by any information storage or retrieval system without the prior written permission of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), unless such copying is expressly permitted in this copyright notice or by federal copyright law. No copyright is claimed in the text of statutes and regulations quoted within this work.

Each WCIRB member company, including any registered third party entities, (Company) is authorized to reproduce any part of this work solely for the following purposes in connection with the transaction of workers' compensation insurance: (1) as necessary in connection with Company's required filings with the California Department of Insurance; (2) to incorporate portions of this work, as necessary, into Company manuals distributed at no charge only to Company employees; and (3) to the extent reasonably necessary for the training of Company personnel. Each Company and all agents and brokers licensed to transact workers' compensation insurance in the state of California are authorized to physically reproduce any part of this work for issuance to a prospective or current policyholder upon request at no charge solely for the purpose of transacting workers' compensation insurance and for no other purpose. This reproduction right does not include the right to make any part of this work available on any website or any form of social media.

Workers' Compensation Insurance Rating Bureau of California, WCIRB, WCIRB California, WCIRB Connect, WCIRB Inquiry, WCIRB CompEssentials, X-Mod Direct, eSCAD, Comprehensive Risk Summary, X-Mods and More, Annual Business Comparative and the WCIRB California logo (WCIRB Marks) are registered trademarks or service marks of the WCIRB. WCIRB Marks may not be displayed or used in any manner without the WCIRB's prior written permission. Any permitted copying of this work must maintain any and all trademarks and/or service marks on all copies.

To seek permission to use any of the WCIRB Marks or any copyrighted material, please contact the WCIRB at customerservice@wcirb.com.

Item AC21-12-07

Indemnity Claim Frequency Model

Staff presented analysis of the impact to the Indemnity Claim Frequency Model (model) from the addition of the latest year of unit statistical report (USR) data through policy year (PY) 2022. Staff noted there is a widespread increase in the frequency of cumulative injury claims while the frequency of non-cumulative injury claims remains flat and showed that, since accident year (AY) 2019, the changes in the frequency of cumulative and non-cumulative injury claims have been significantly and directionally different in each year.

Staff reviewed the accuracy of the current approach for estimating the change in frequency for the latest AY based on a partial year of data and found that the approach works well for non-cumulative injury claims but is less accurate for projecting the change in cumulative injury claims. Staff noted that the largest errors occurred when the changes in the partial year are very different by accident quarter. Staff also assessed the accuracy of the forecasted frequency changes for recent years under different model assumptions. While none of the alternative models consistently outperformed the others, the model with using a forecasted change in the cumulative injury index and a tempered constant performed the best.

Staff solicited feedback on how to parameterize the model for the next Actuarial Committee meeting in preparation for the September 1, 2025 Pure Premium Rate Filing. Committee members suggested reviewing changes in the frequency of cumulative injuries and litigation patterns by territory. Another Committee member observed that cumulative injury claims are more correlated with the economic cycle than non-cumulative injury claims. A Committee member observed that the partial AYs within a single PY may be more correlated than the partial AYs from the same AY but different PYs. Staff will present an updated model at the March 20, 2025 Actuarial Committee meeting.

Item AC25-02-01

9/1/2025 Regulatory Filing – Experience Rating Plan Values

Staff presented a draft analysis of the indicated September 1, 2025 experience rating off-balance correction factor. Staff noted that the methodology used to compute the indicated off-balance factor for policies incepting between September 1, 2025 and August 31, 2026 was consistent with the methodology reflected in the September 1, 2024 Regulatory Filing. The Committee was advised that the preliminary indicated September 1, 2025 off-balance factor using this approach is modestly below the factor reflected in the September 1, 2024 Regulatory Filing, and within the reasonable range of prior off-balance factors. The consensus of the Committee was that the methodology used to compute the off-balance factor outlined by staff is appropriate to be used in the September 1, 2025 Regulatory Filing.

Staff then presented the methodology to compute the factors used to generate the proposed September 1, 2025 expected loss rates. Staff noted that the overall methodology to compute the expected loss rate factors was generally consistent with that reflected in the September 1, 2024 Regulatory Filing. Staff reminded the Committee that COVID-19 claims are included in the experience rating computation beginning with claims that occur September 1, 2024. Staff described the proposed adjustment to expected loss rates to include COVID-19 claim experience, which was based on ratios of incurred losses on COVID-19 claims to that of all claims using the most recent aggregate financial data. Staff noted the resulting adjustment is very small given that COVID-19 claim rates have been declining and it only impacts a small portion of the experience period for the September 1, 2025 Regulatory Filing.

The consensus of the Committee was that the proposed September 1, 2025 expected loss rates should reflect the methodologies summarized at the meeting.

Actuarial Committee
Meeting Minutes for February 12, 2025

The meeting was adjourned at 10:35 AM.

* * * * *

Note to Committee Members: These Minutes, as written, have not been approved. Please refer to the Minutes of the meeting scheduled for March 20, 2025 for approval and/or modification.

Item VI-A

September 1, 2025 Pure Premium Rate Filing

The WCIRB's September 1, 2025 Pure Premium Rate Filing will include proposed changes to the September 1, 2024 advisory pure premium rates. In preparation for the September 1, 2025 Pure Premium Rate Filing, staff has compiled statewide premium, loss and loss adjustment expense experience as of December 31, 2024 for presentation to the Actuarial Committee at the April 10, 2025 meeting. The Agenda for the April 10, 2025 Actuarial Committee meeting is attached.

The actuarial methodologies presented to the Actuarial Committee are generally consistent with those reflected in the September 1, 2024 Pure Premium Rate Filing. A summary of the development of the indicated average September 1, 2025 pure premium rate based on the Actuarial Committee's recommendations made at the April 10, 2025 meeting will be presented at the meeting.

Actuarial Committee

Meeting Agenda

Date	Time	Location	Staff Contact
April 10, 2025	9:30 AM	Microsoft Teams Webinar	Tony Milano
1901 Harrison Street, 17 th Floor • Oakland, CA 94612 • 415.777.0777 • Fax 415.778.7007 • www.wcirb.com • wcirb@wcirb.com			

Released: April 3, 2025

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. AC24-12-03: Study of Recent Increases in ALAE Costs
- C. AC25-03-01: First Quarter 2025 Review of Diagnostics
- D. AC25-03-02: 12/31/2024 Experience Review

IV. New Business

- A. AC25-04-01: 9/1/2025 Filing – Loss Adjustment Expense Experience Review
- B. AC25-04-02: 9/1/2025 Filing – Review of Alternative Loss Projection Methodologies

V. Matters Arising at Time of Meeting

VI. Next Meeting Date: June 24, 2025

VII. Adjournment

Antitrust Notice

As members of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), you are bound, when involved in meetings, presentations or other activities of the WCIRB, to limit your actions (as well as discussions and virtual chats, other than social ones) to matters relating to the business of the WCIRB. Matters that do not relate directly to WCIRB business should be avoided. Members should particularly avoid discussions, chats or conduct that could be construed as intended to affect competition (or access to markets). Thus, as members, you should not discuss or pursue the business interests of individual insurers or others, including, in particular, the plans of individual members involving, or the possibility or desirability of (a) raising, lowering, or stabilizing prices (premiums or commissions); (b) doing business or refusing to do business with particular, or classes of, insurers, reinsurers, agents, brokers, or insureds, or in particular locales; or (c) potential actions that would affect the availability of products or service either generally or in specific markets or locales.

Notice

The information in this Agenda was developed by the Workers' Compensation Insurance Rating Bureau of California (WCIRB) for the purpose of assisting the WCIRB Actuarial Committee. The WCIRB cannot make any guarantees if this information is used for any other purpose and the WCIRB shall not be liable for any damages, of any kind, whether direct, indirect, incidental, punitive or consequential, arising from the use of or reliance upon this information for any other purpose.

© 2025 Workers' Compensation Insurance Rating Bureau of California. All rights reserved.

No part of this work may be reproduced or transmitted in any form or by any means, electronic or mechanical, including, without limitation, photocopying and recording, or by any information storage or retrieval system without the prior written permission of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), unless such copying is expressly permitted in this copyright notice or by federal copyright law. No copyright is claimed in the text of statutes and regulations quoted within this work.

Each WCIRB member company, including any registered third party entities, (Company) is authorized to reproduce any part of this work solely for the following purposes in connection with the transaction of workers' compensation insurance: (1) as necessary in connection with Company's required filings with the California Department of Insurance; (2) to incorporate portions of this work, as necessary, into Company manuals distributed at no charge only to Company employees; and (3) to the extent reasonably necessary for the training of Company personnel. Each Company and all agents and brokers licensed to transact workers' compensation insurance in the state of California are authorized to physically reproduce any part of this work for issuance to a prospective or current policyholder upon request at no charge solely for the purpose of transacting workers' compensation insurance and for no other purpose. This reproduction right does not include the right to make any part of this work available on any website or any form of social media.

Workers' Compensation Insurance Rating Bureau of California, WCIRB, WCIRB California, WCIRB Connect, WCIRB Inquiry, WCIRB CompEssentials, X-Mod Direct, eSCAD, Comprehensive Risk Summary, X-Mods and More, Annual Business Comparative and the WCIRB California logo (WCIRB Marks) are registered trademarks or service marks of the WCIRB. WCIRB Marks may not be displayed or used in any manner without the WCIRB's prior written permission. Any permitted copying of this work must maintain any and all trademarks and/or service marks on all copies.

To seek permission to use any of the WCIRB Marks or any copyrighted material, please contact the WCIRB at customerservice@wcirb.com.

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

At the March 20, 2025 meeting, the Committee reviewed updated medical severity trends by component. Those medical severity trends were also reviewed by the Claims Working Group at the March 25, 2025 meeting and by the Medical Analytics Working Group at the March 27, 2025 meeting. The information and feedback provided by both Working Groups on selected medical trends will be provided at the meeting.

Item AC24-12-03

Study of Recent Increases in ALAE Costs

Background

Average allocated loss adjustment expenses (ALAE) per indemnity claim have increased sharply in recent years. The increasing ALAE costs were discussed at the April 11, 2024 Actuarial Committee meeting as well as in the California Department of Insurance Decision on the September 1, 2024 Pure Premium Rate Filing. Staff has studied the factors driving the recent increases in ALAE costs. A summary of staff's analysis is below.

Components of ALAE Severity

In order to discern what is driving the increasing ALAE severity, staff reviewed trends underlying each component of ALAE severity: projected ultimate compared to reported ALAE severity, paid ALAE costs versus indemnity claim counts, and medical cost containment program (MCCP) versus ALAE-excluding-MCCP development trends. The results of these initial analyses inform the subsequent steps of the study.

Staff first compared ALAE severity at a projected ultimate basis to a 12-month maturity level to discern the extent to which the increasing ALAE severity trend is present in actual reported data. This initial comparison is shown on Exhibit 1 and excludes paid amounts and projections related to MCCP and COVID-19 claims. Projected ultimate ALAE severity increased sharply from accident year 2021 to 2023. However, estimated ultimate amounts from recent accident years can be volatile due to the leveraging impact of developing ultimate ALAE and indemnity claim counts on immature data. Despite removing the impact of development, reported actual average ALAE severity per indemnity claim similarly increased from accident year 2021 to 2023.

ALAE severity per indemnity claim is comprised of paid ALAE costs and indemnity claim counts, either of which could drive the observed increase. A rise in paid ALAE costs or a decline in indemnity claim counts would similarly drive ALAE severity per indemnity claim upwards. Exhibit 2 shows the four-quarter incremental change in paid ALAE costs and indemnity claim counts by calendar quarter. Both paid ALAE costs and indemnity claim counts have increased in 2023 and 2024, showing that the increasing ALAE indemnity severity trend is driven by the upward paid ALAE trend rather than a downward indemnity claim count trend.

Exhibit 3 shows the actual development patterns of paid ALAE costs, paid medical losses, and paid MCCP costs. In this exhibit, MCCP was removed from the underlying paid ALAE amounts to enable paid ALAE development patterns to be considered independently from MCCP development patterns. Both paid ALAE and paid medical loss development from 12 to 24 months increased over the most recent calendar year by 5%, whereas paid MCCP development increased by 2% in the same period. Therefore, MCCP may modestly temper an observed increasing trend if included in ALAE.

Regional and Industry Differences

Exhibits 4.1 through 4.4 show regional differences in ALAE patterns based on the 2024 WCIRB Geo Study. The share of litigated indemnity claims by region are shown in Exhibits 4.1 and 4.2. Exhibit 4.1 shows a high concentration of litigation rates in the Los Angeles and surrounding areas in policy year 2021. Exhibit 4.2 shows similar results in policy year 2022. However, the relative share of litigated indemnity claims is less dispersed in policy year 2022 among all regions, indicating that regional differences in litigation rates are eroding. Litigation rates can be a significant driver of paid ALAE trends, and the converging litigation rate relativities may be an indicator of increasing paid ALAE indemnity claim severity among regions outside of Los Angeles and the surrounding area.

Exhibits 4.3 and 4.4 depict regional differences in median paid ALAE on permanent disability claims. Exhibit 4.3 shows that Los Angeles and the surrounding area have significantly higher median paid ALAE

on permanent disability claims in policy year 2022. However, Exhibit 4.4 shows that there are significant increases in median paid ALAE on these claims in the Northern California region.

Staff examined the change in average paid ALAE severity per indemnity claim by industry using unit statistical data in Exhibit 5. Most industrial sectors experienced a notable increase in ALAE severity from policy year 2021 to 2022. While some specific industries experienced a relatively larger or smaller change in paid ALAE severity, these were mostly in smaller sectors. The increase in paid ALAE severity per indemnity claim is therefore not driven by any specific industry.

Detailed Unit Statistical Report Findings

The WCIRB collects paid ALAE costs at the claim level in its unit statistical report (USR) data. Consistent with prior WCIRB studies of ALAE cost trends,¹ staff selected a threshold of \$1,000 in paid ALAE costs to represent “significant” ALAE. Each USR claim was then categorized as “Significant ALAE” (has paid ALAE greater than \$1,000), “Non-Significant ALAE” (has paid ALAE greater than \$0 and up to \$1,000), or “No ALAE” based on this criteria. This threshold was selected to remove the impact of “MCCP only” claims and be a proxy for litigated claims. For consistency, this threshold was applied to all policy years and report levels and was not adjusted for inflation.

Exhibit 6.1 shows the distribution of indemnity claim counts and paid losses among the Significant ALAE, Non-Significant ALAE, and No ALAE categories. Exhibit 6.2 shows the paid loss and ALAE severity on indemnity claims by paid ALAE costs. Severity of paid loss and ALAE has been increasing among claims with Significant ALAE in policy years 2021 and 2022 at first report level compared to historical policy years. Paid indemnity claim severity has been increasing over the same period among claims with Non-Significant ALAE, yet paid ALAE and paid medical severity on indemnity claims have a flat trend among Non-Significant ALAE claims. Among indemnity claims with no ALAE, paid indemnity and medical severities have been decreasing after policy year 2019.

Exhibits 6.3 through 6.6 show the share of indemnity counts by ALAE size and region. The groupings of regions are based on mapping policy zip codes to the regions used in the 2024 WCIRB Geo Study. These are then grouped to broader regions as shown in more detail on Exhibit 7.1. Exhibits 6.3 and 6.4 show that the greater Los Angeles area has a large proportion of all indemnity claims regardless of the size of their ALAE. Exhibits 6.5 and 6.6 show that all regions except for the greater Los Angeles area have an increasing share of Significant ALAE claims within their region.

Exhibits 6.7 and 6.8 show the average paid ALAE per indemnity claim by region. The ALAE severity for the Los Angeles Area is higher than other regions regardless of the size of ALAE on the claim. Additionally, the average paid ALAE per indemnity claim has increased in policy year 2022 for all regions except for Central California.

Exhibits 6.9 and 6.10 show the distribution of indemnity claim counts by cumulative injury and non-cumulative injury claims. The majority of indemnity claims are non-cumulative injury claims, so a severity trend in non-cumulative injury claims could drive the overall trend in paid ALAE severity. The share of cumulative injury claims has increased in policy year 2022, and a greater share of cumulative injury claims have Significant ALAE paid.

Exhibit 6.11 shows the average paid ALAE per indemnity claim by cumulative injury and non-cumulative injury claims. The paid ALAE severity for non-cumulative injury claims has increased significantly in policy year 2022 at first report level for claims with Significant ALAE costs. Although the ALAE severity for cumulative injury claims appears stable, given that cumulative injury claims are more likely to have Significant ALAE, the increase in the proportion of cumulative injury claims is a driver of the recent higher ALAE costs.

¹ See Item AC16-11-01 of the November 8, 2016 Actuarial Committee Agenda.

Paid ALAE and cumulative injury indemnity claim trends by region are shown in Exhibits 6.12 through 6.17. The average paid ALAE per indemnity claim on cumulative injury claims appears stable by region. Additionally, the paid ALAE severity of cumulative injury claims appears somewhat consistent among the various regions.

Exhibits 6.18 and 6.19 show the share of closed indemnity claim counts by ALAE size and highlight the trends among claims settled through compromise and release. As shown in Exhibit 6.18, claims settled through compromise and release are a significant share of all closed indemnity claims with Significant ALAE costs. For closed indemnity claims with Non-Significant and No ALAE costs, compromise and release claims comprise a significantly smaller of all closed indemnity claims. Exhibit 6.19 shows how the characteristics of claims with paid ALAE shift among settlement types. Notably, compromise and release claims experienced an increase in the proportion of Significant ALAE claims in policy years 2021 and 2022.

Exhibit 6.20 shows that the average paid ALAE severity on closed claims settled through compromise and release has declined, whereas severity for all other closed indemnity claims and open indemnity claims has increased among claims with Significant ALAE costs. Given that compromise and release claims have higher average paid ALAE than other types of closed claims, shift in the mix of closed indemnity claims may be a driver of higher average ALAE costs.

Exhibit 6.21 shows the distribution of claim counts by injury type and size of ALAE costs. The share of temporary disability-only claims has grown at first report level after policy year 2019 regardless of ALAE size. During that same period, the share of permanent disability claims had been decreasing among Significant ALAE claims. Exhibit 6.22 shows a shift among all injury types towards Significant ALAE claims in policy year 2022. Therefore, the overall shift towards Significant ALAE claims is not driven by a particular injury type.

Exhibit 6.23 highlights the trends in paid ALAE severity among permanent disability, temporary disability and medical-only injury types. The increase in paid ALAE severity is present among all injury types, indicating that the shifting mix of injury types are not a significant driver of the increasing paid ALAE severity in policy years 2021 and 2022.

Review of DWC EAMS Data

Staff reviewed case hearing data provided by the Division of Workers' Compensation (DWC) for shifts toward remote hearings as well as regional shifts among employers, applicant attorneys and DWC hearing locations. Summarized case details were from the Electronic Adjudication Management System (EAMS) from the DWC and included insured and self-insured employers statewide. Annual trends were based on the DWC Document Date, which is the date that the DWC receives a hearing application. This approach is similar to examining hearings by calendar year. Note that the law firm location in Exhibits 7.1 to 7.5 refers to the location of the applicant's attorney.

Exhibit 7.1 presents a legend of Workers' Compensation Appeals Board (WCAB) office locations, employer locations and law firm locations assigned to each summarized region for the purposes of comparison. The Van Nuys office (VNO-ADJ) was separately examined for trends in remote hearings or regional shifts given that office shows different patterns compared to the surrounding areas. When available, employer or law firm zip codes were assigned to each region based on the WCIRB Geo Study 2024 location mapping.

Exhibit 7.2 shows the percentage of cases with fully remote hearings by WCAB office location over time. The data shown on Exhibit 7.2 includes all hearings, including mandatory settlement conferences as well as trials. If a particular case had one or more hearings located in-office, then the case is not considered to be fully remote. The proportion of cases which were fully remote increased dramatically during the 2020-2021 pandemic period, yet subsequent periods have not returned to pre-pandemic levels. Rather, the majority of hearings among all WCAB office locations are fully remote, indicating a sustained industry-

wide shift towards remote hearings. This shift toward remote hearings may facilitate law firms from other regions representing across the state.

Exhibit 7.3 shows the proportion of case hearings within each employer region by WCAB office location from 2018 to 2024. While the majority of hearing locations tend to be within the employer's region (*italicized on Exhibit 7.3*), there is a notable shift away from the WCAB office local to the employer's region from 2018 to 2024. Hearings from all regions have moved to the Los Angeles Area and Van Nuys office locations.

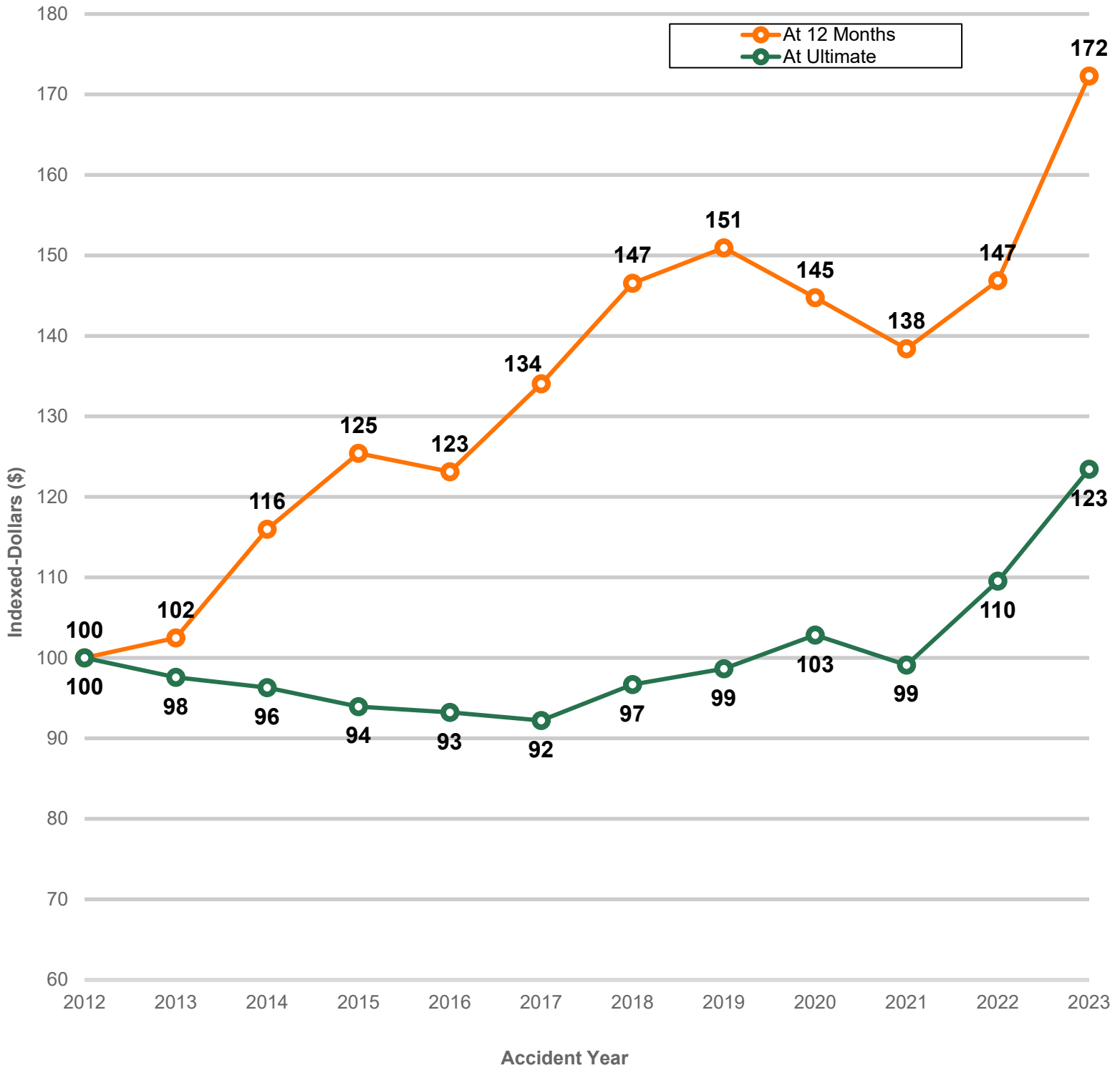
Exhibit 7.4 shows the proportion of case hearings within each law firm region by WCAB office location from 2018 to 2024. Similar to Exhibit 7.3, the majority of law firms represent applicants within their own region. However, there has been a significant shift over time among law firm and case hearing locations. Regionally, many law offices have increasingly represented applicants at hearings outside their region, which is likely facilitated by the remote hearing process.

Exhibit 7.5 shows the proportion of case hearings within each employer region by applicant law firm region from 2018 to 2024. There is a significant shift among all non-Los Angeles Area employer locations towards Los Angeles Area law firms for the applicant. As shown in Exhibits 6.7 and 6.8, average paid ALAE per indemnity claim is higher in the Los Angeles Area compared to other regions regardless of the size of ALAE on the claim. Therefore, a statewide shift toward applicant attorneys from the Los Angeles Area could potentially drive up the average paid ALAE per indemnity claim among non-Los Angeles Area regions.

Summary of Findings

Rising ultimate ALAE severities are driven by increases in paid ALAE costs and appear to be driven by increases in regions outside the typically higher Los Angeles area. Shifts to a higher proportion of cumulative injury claims as well as claims settled by compromise and release, both types which have higher average ALAE than other claim types, are likely drivers of the recent increase. WCAB case hearings have largely transitioned to become fully remote, enabling applicant attorneys to represent further from their office location.

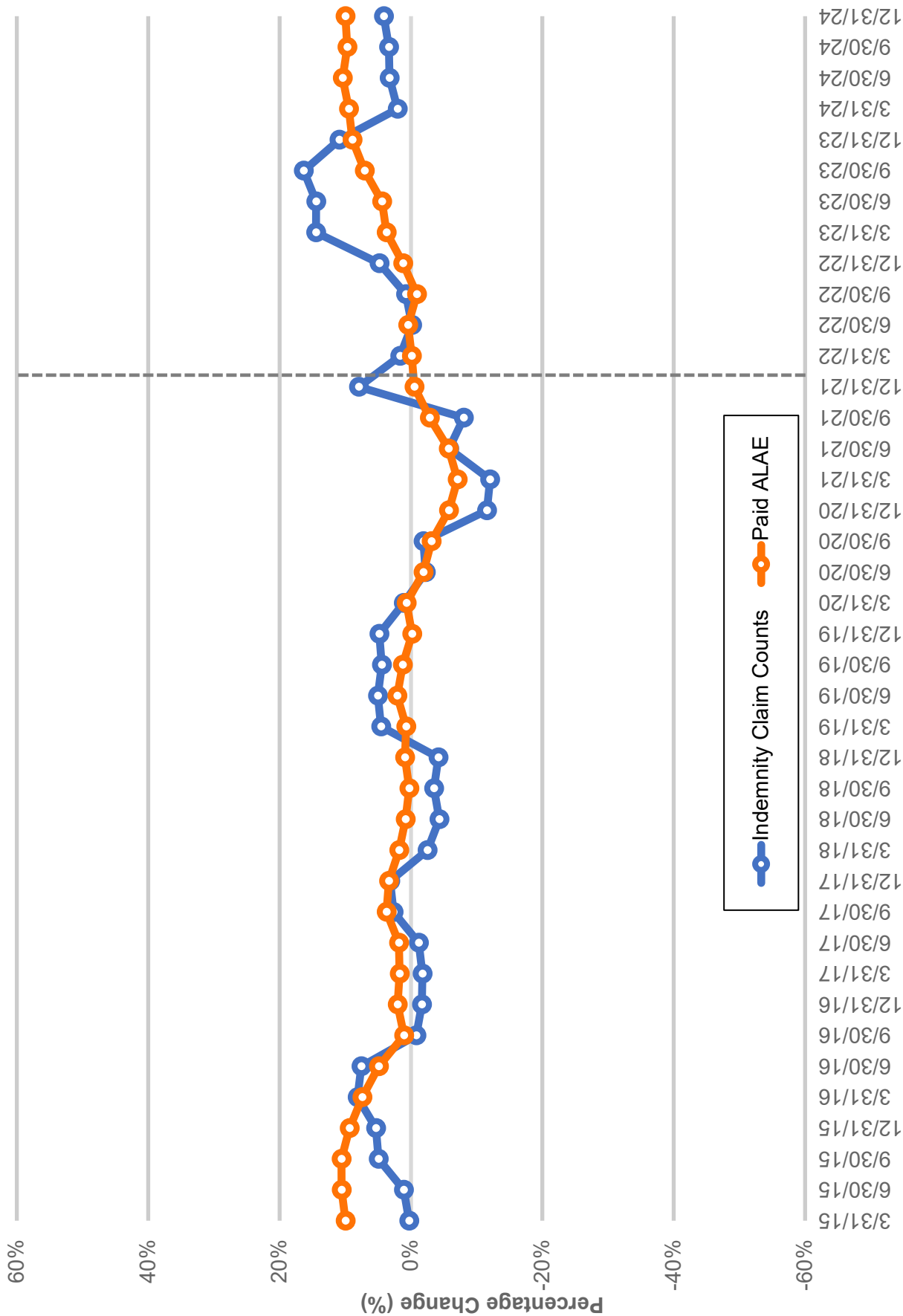
Average ALAE Severity Per Indemnity Claim Indexed to 2012



Allocated Loss Adjustment Expense (ALAE) costs exclude the paid cost of medical cost containment programs (MCCP). ALAE Severity at ultimate is projected based on the September 1, 2024 Rate Filing.

Source: WCIRB quarterly calls for private insurers' experience as of December 31, 2023, excluding COVID-19 claims.

Change in 4-Quarter Increment from Same Quarter at Prior Calendar Year



Calendar Quarter Evaluation Date

Source: WCIRB quarterly calls for experience for private insurers.
COVID-19 claims are excluded from incremental changes for calendar periods 3/31/2021 - 3/31/2022 and forward.

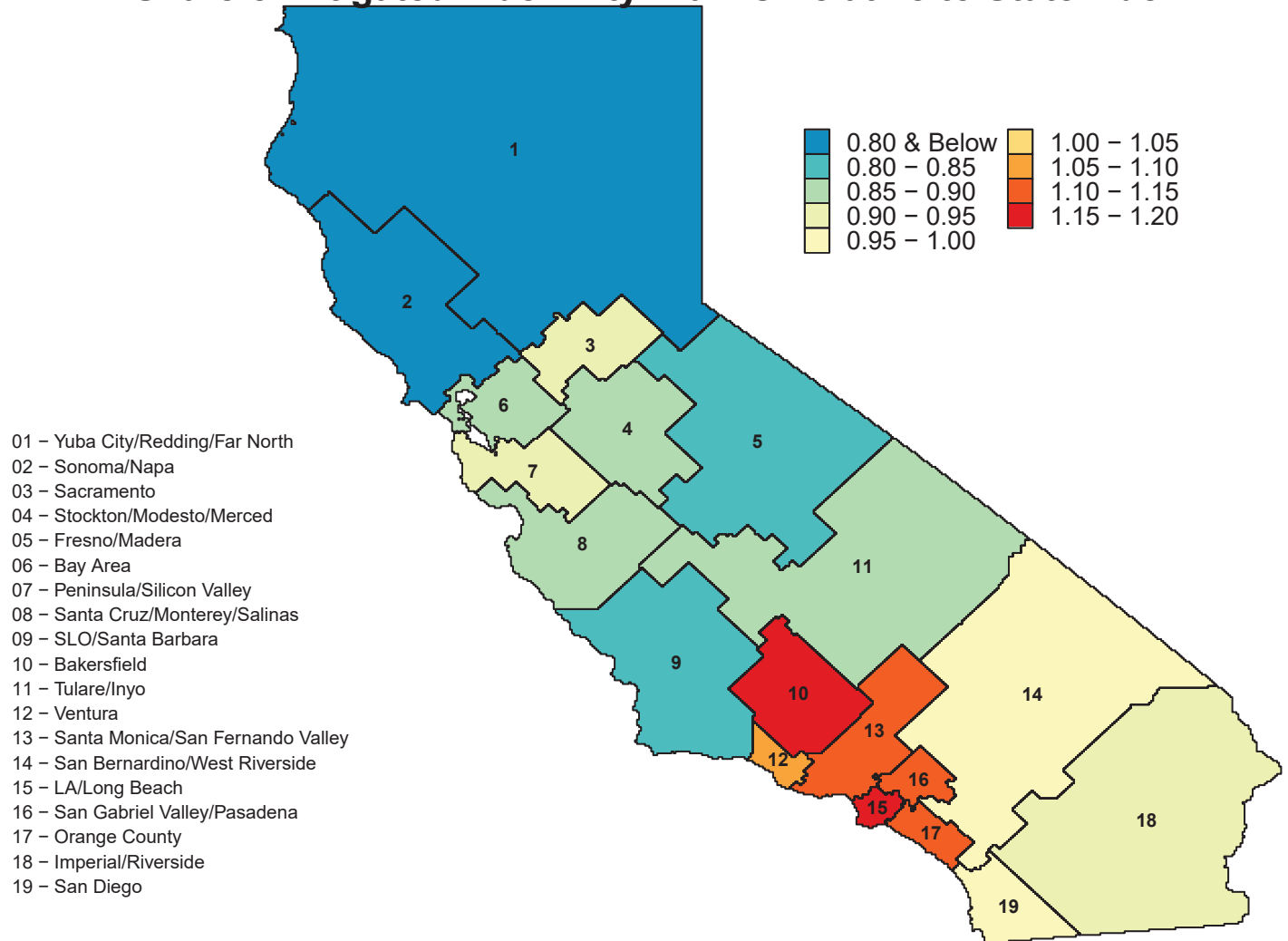
Development of Paid ALAE and Paid Medical Losses

Age in Months	Paid ALAE Development in Calendar Year:			Paid Medical Development in Calendar Year:			Paid M CCP Development in Calendar Year:		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
12-24	3.931	3.861	4.053	2.493	2.492	2.618	2.365	2.347	2.398
24-36	1.572	1.566	1.590	1.428	1.443	1.450	1.317	1.306	1.332
36-48	1.230	1.245	1.253	1.197	1.218	1.226	1.137	1.145	1.142
48-60	1.117	1.126	1.131	1.104	1.105	1.123	1.075	1.077	1.079
60-72	1.072	1.071	1.076	1.064	1.071	1.073	1.048	1.048	1.049
72-84	1.048	1.047	1.048	1.044	1.048	1.044	1.029	1.031	1.030
84-96	1.032	1.030	1.032	1.033	1.029	1.028	1.019	1.022	1.021
96-108	1.024	1.022	1.024	1.022	1.022	1.023	1.015	1.019	1.015

Notes:

1. Paid allocated loss adjustment expense (ALAE) development factors exclude the paid cost of medical cost containment programs (MCCP).
2. Paid medical loss development factors exclude the paid cost of medical cost containment programs (MCCP).
3. Source: WCIRB accident year experience calls, excluding COVID-19 claims for accident years 2020 through 2022.

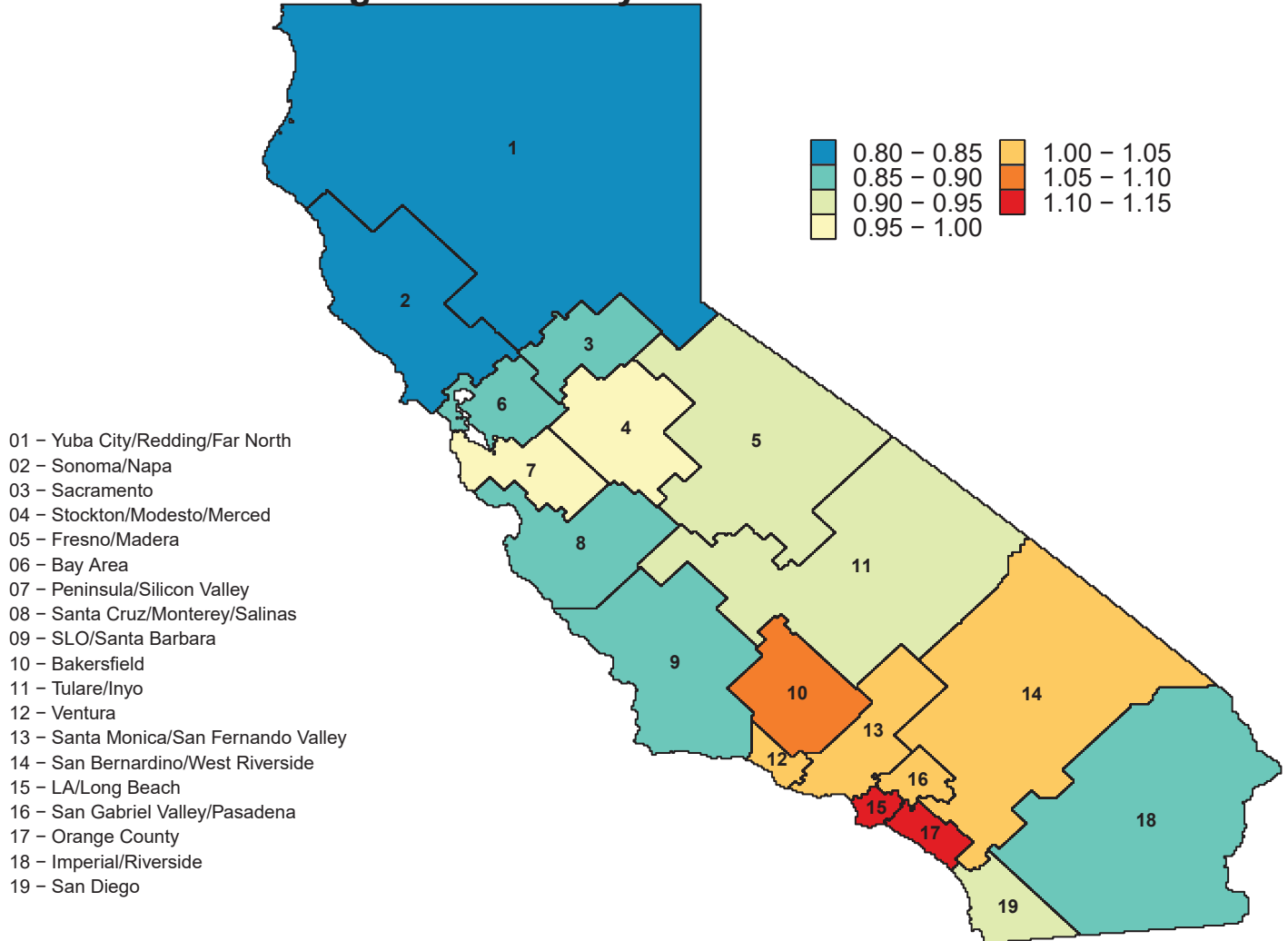
Policy Year 2021 Share of Litigated Indemnity Claims Relative to Statewide



Includes FROIs and SROIs from AY 2021 and AY 2022.

Source: 2023 WCIRB Geo Study, Exhibit 21.

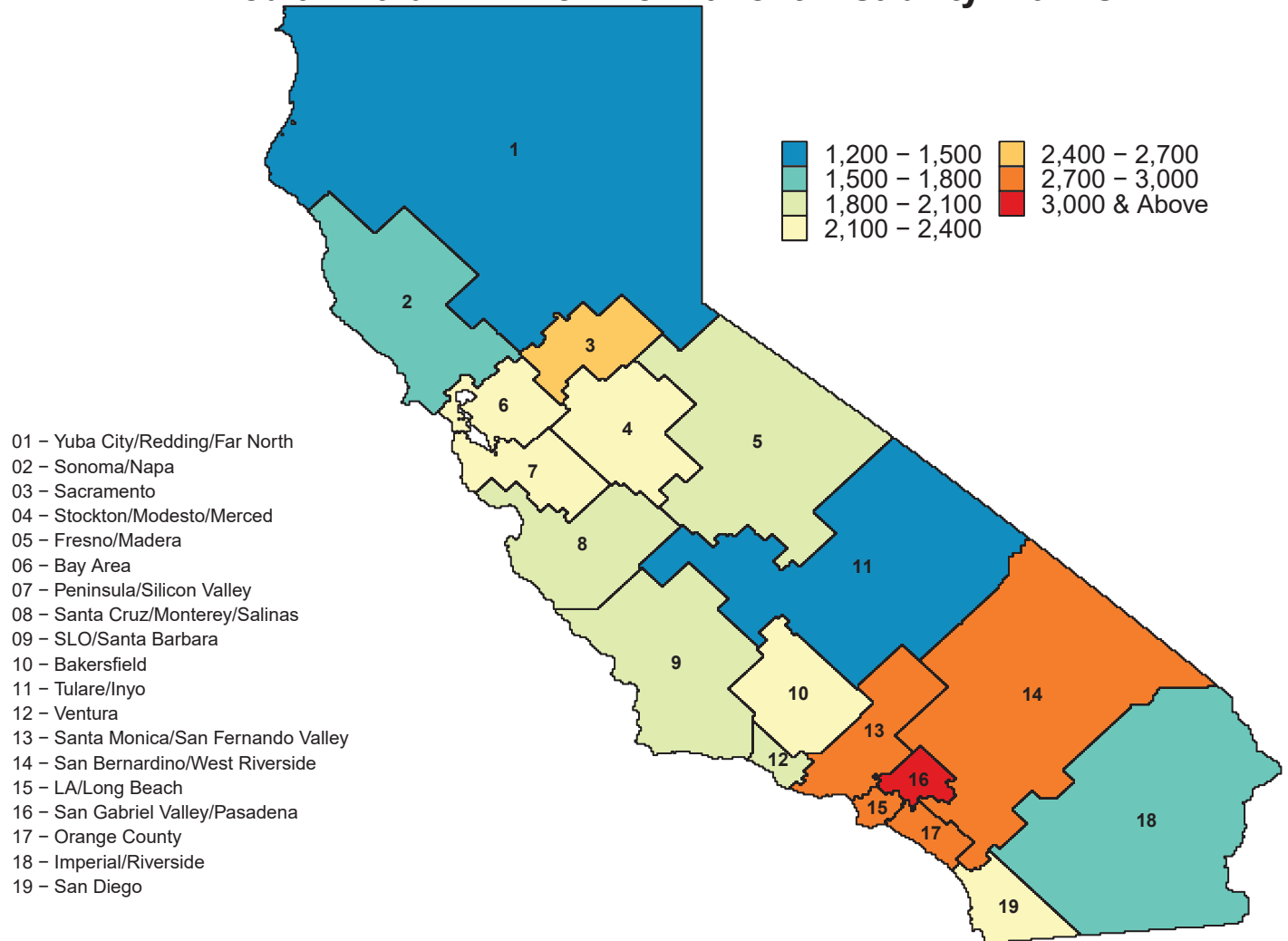
Policy Year 2022 Share of Litigated Indemnity Claims Relative to Statewide



Includes FROIs and SROIs from AY 2022 and AY 2023.

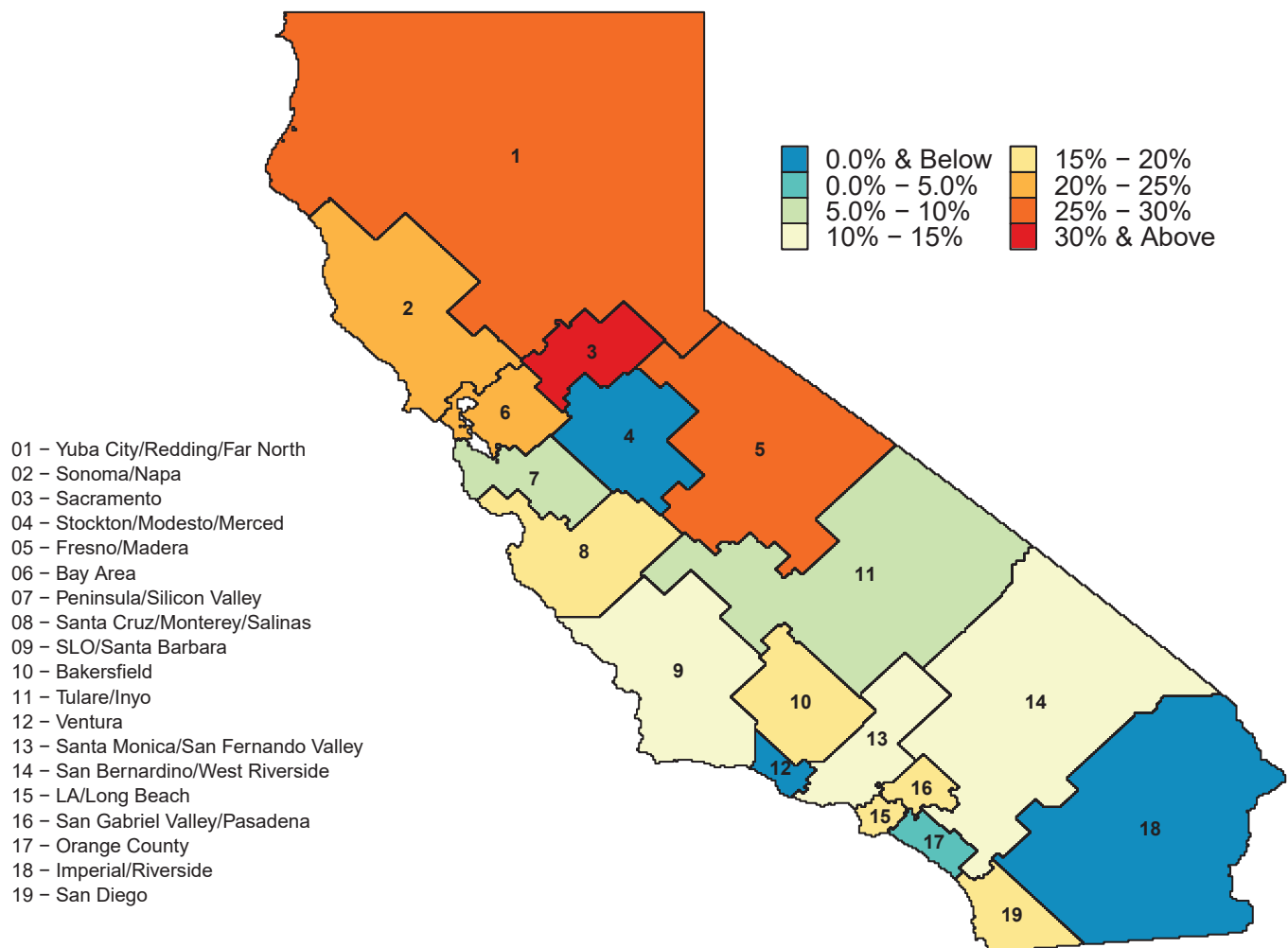
Source: 2024 WCIRB Geo Study, Exhibit 19.

Policy Year 2022 Median Paid ALAE on Permanent Disability Claims



Source: 2024 WCIRB Geo Study, Exhibit 15.

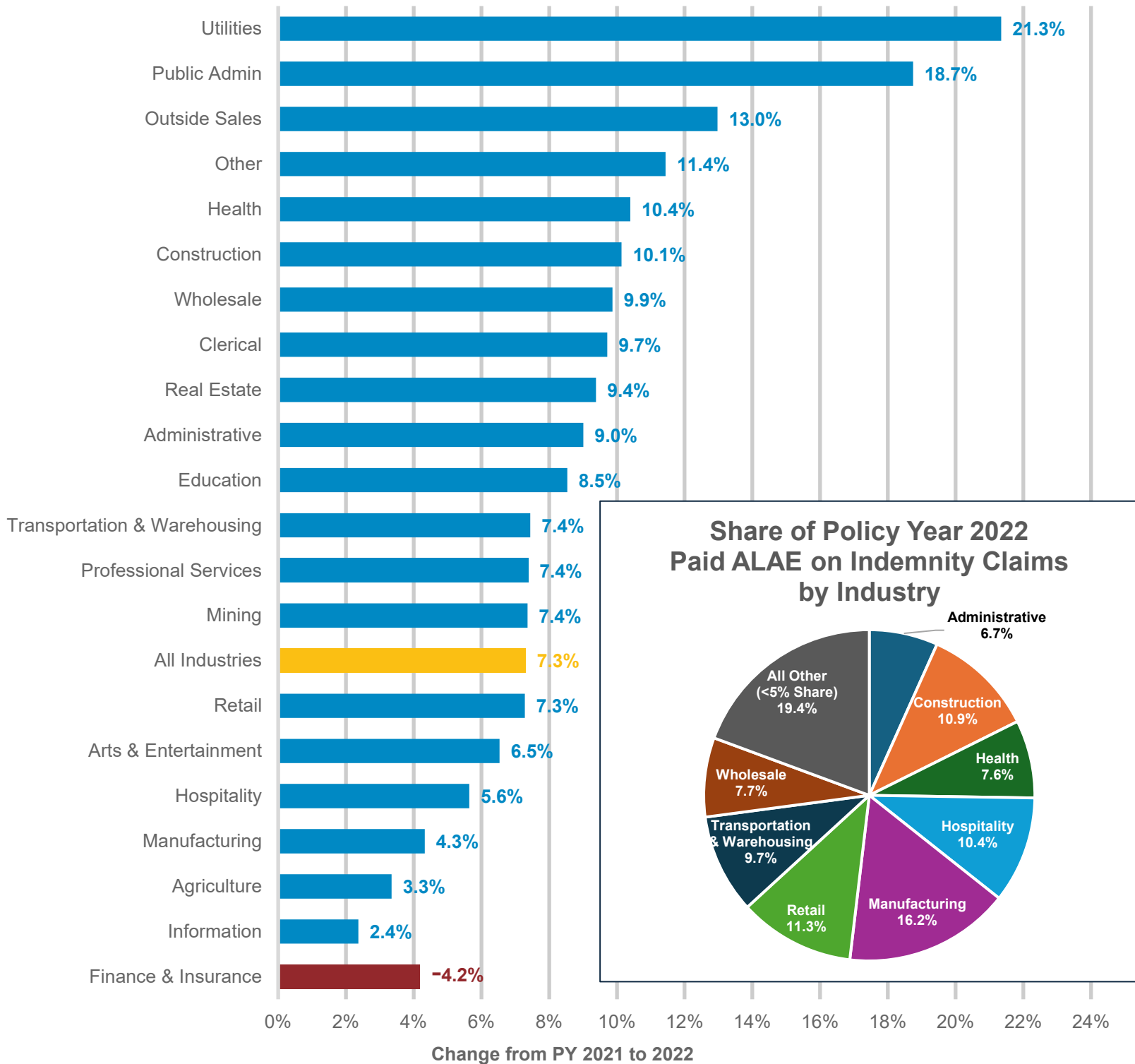
PY 2021 to PY 2022 Change in Median Paid ALAE on Permanent Disability Claims



Source: 2024 WCIRB Geo Study, Exhibit 16.

Change in Average Paid ALAE Claim Severity from Policy Year 2021 to 2022 by Industry (at 1st Report Level)

NAICS Sector



Source: WCIRB unit statistical data for indemnity claims only, excluding COVID-19 claims.

Share of Indemnity Claim Counts and Paid Loss and ALAE for Significant/Non-Significant/No-ALAE Claims

PY/RL		Significant ALAE									Non-Significant ALAE									No ALAE									
		1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Indemnity Claim Counts																													
2012	41.6%	53.7%	58.2%	59.8%	60.6%	61.1%	61.4%	61.5%	61.6%		48.8%	38.5%	35.5%	34.3%	33.7%	33.4%	33.2%	33.1%	33.1%		9.6%	7.8%	6.3%	5.9%	5.7%	5.5%	5.4%	5.4%	5.4%
2013	42.2%	55.1%	58.7%	60.1%	61.0%	61.4%	61.5%	61.7%	61.7%		46.7%	36.9%	34.2%	33.3%	32.7%	32.4%	32.3%	32.2%	32.2%		11.1%	8.0%	7.1%	6.6%	6.3%	6.1%	6.1%	6.1%	6.1%
2014	44.2%	55.8%	59.1%	60.6%	61.3%	61.6%	61.8%	61.8%	61.9%		46.0%	36.7%	34.3%	33.3%	32.8%	32.6%	32.5%	32.4%	32.4%		9.8%	7.5%	6.6%	6.1%	5.8%	5.8%	5.8%	5.7%	5.7%
2015	45.6%	57.0%	60.3%	61.4%	61.8%	62.1%	62.2%	62.3%			46.2%	36.6%	34.2%	33.4%	33.0%	32.9%	32.8%	32.7%		8.2%	6.4%	5.5%	5.2%	5.1%	5.1%	5.0%	5.0%		
2016	46.5%	57.9%	60.8%	61.7%	62.2%	62.4%	62.5%				46.3%	36.8%	34.4%	33.7%	33.3%	33.2%	33.1%			7.2%	5.3%	4.8%	4.7%	4.5%	4.5%	4.4%			
2017	47.7%	57.7%	60.1%	60.9%	61.3%	61.6%					45.9%	37.2%	35.3%	34.6%	34.3%	34.1%				6.5%	5.1%	4.6%	4.5%	4.3%	4.3%				
2018	48.4%	57.9%	60.6%	61.5%	62.0%						45.6%	37.2%	35.1%	34.4%	34.1%					6.0%	4.8%	4.3%	4.1%	4.0%					
2019	48.3%	58.6%	61.2%	62.1%							45.0%	36.4%	34.4%	33.6%						6.7%	4.9%	4.4%	4.2%						
2020	45.7%	55.6%	58.2%								46.2%	38.1%	36.1%							8.2%	6.2%	5.7%							
2021	45.3%	55.5%									47.1%	38.7%								7.6%	5.8%								
2022	47.8%										45.7%									6.5%									
Paid Indemnity																													
2012	66.0%	81.7%	87.3%	89.3%	90.1%	90.8%	91.1%	91.3%	91.4%		26.8%	13.0%	9.4%	8.0%	7.4%	7.0%	6.7%	6.5%	6.4%		7.2%	5.3%	3.3%	2.7%	2.5%	2.3%	2.2%	2.2%	2.1%
2013	67.0%	82.8%	87.0%	88.6%	89.9%	90.3%	90.6%	90.8%	90.9%		25.2%	12.6%	9.4%	8.4%	7.5%	7.1%	6.9%	6.8%	6.7%		7.9%	4.5%	3.5%	3.0%	2.6%	2.5%	2.4%	2.4%	2.4%
2014	68.9%	83.0%	86.8%	88.7%	89.6%	89.9%	90.2%	90.4%	90.5%		24.1%	12.5%	9.7%	8.4%	7.7%	7.4%	7.2%	7.0%	7.0%		7.0%	4.5%	3.5%	2.9%	2.7%	2.6%	2.6%	2.5%	2.5%
2015	70.9%	84.7%	88.8%	90.2%	90.8%	91.1%	91.3%	91.5%			23.6%	11.8%	8.8%	7.7%	7.2%	6.9%	6.7%	6.6%		5.5%	3.5%	2.5%	2.1%	2.1%	2.0%	1.9%	1.9%		
2016	73.0%	86.1%	89.4%	90.4%	91.1%	91.4%	91.6%				22.7%	11.3%	8.6%	7.7%	7.2%	6.9%	6.7%			4.3%	2.6%	2.0%	1.9%	1.8%	1.7%	1.7%			
2017	74.6%	86.8%	89.7%	90.8%	91.2%	91.6%					21.6%	10.8%	8.4%	7.5%	7.0%	6.7%				3.8%	2.4%	1.9%	1.7%	1.7%	1.7%				
2018	75.2%	86.5%	89.7%	90.7%	91.4%						21.5%	11.2%	8.5%	7.6%	7.0%					3.3%	2.3%	1.8%	1.7%	1.5%					
2019	73.6%	86.0%	89.4%	90.7%							22.5%	11.5%	8.7%	7.6%						3.9%	2.5%	1.9%	1.7%						
2020	71.8%	84.7%	88.1%								23.3%	12.1%	9.3%							5.0%	3.2%	2.5%							
2021	71.7%	85.0%									23.8%	12.1%								4.5%	2.9%								
2022	73.7%										23.0%									3.3%									
Paid Medical on Indemnity Claims																													
2012	67.6%	81.5%	87.2%	89.4%	90.1%	90.9%	91.2%	91.4%	91.6%		24.3%	13.3%	9.6%	8.0%	7.6%	7.1%	6.8%	6.6%	6.5%		8.1%	5.3%	3.2%	2.7%	2.3%	2.0%	1.9%	1.9%	1.9%
2013	67.7%	82.4%	86.8%	88.6%	90.0%	90.6%	90.9%	91.1%	91.2%		24.0%	12.9%	9.8%	8.6%	7.5%	7.1%	6.8%	6.6%	6.5%		8.3%	4.7%	3.4%	2.8%	2.5%	2.4%	2.3%	2.3%	2.2%
2014	68.4%	81.7%	86.2%	88.4%	89.4%	89.8%	90.1%	90.3%	90.5%		23.2%	13.4%	10.4%	8.9%	8.1%	7.7%	7.5%	7.3%	7.2%		8.4%	4.9%	3.4%	2.7%	2.5%	2.4%	2.4%	2.4%	2.3%
2015	70.2%	83.5%	88.1%	89.8%	90.5%	90.9%	91.2%	91.4%			23.3%	12.9%	9.4%	8.2%	7.5%	7.2%	6.9%	6.8%		6.5%	3.6%	2.5%	2.1%	2.0%	1.9%	1.8%	1.8%		
2016	72.6%	85.0%	88.6%	89.7%	90.5%	90.9%	91.2%				23.4%	12.5%	9.4%	8.5%	7.8%	7.4%	7.2%			4.1%	2.5%	2.0%	1.8%	1.7%	1.6%	1.6%			
2017	75.3%	86.0%	88.9%	90.3%	91.0%	91.4%					20.9%	11.7%	9.2%	8.0%	7.4%	7.0%				3.8%	2.3%	1.9%	1.7%	1.6%	1.6%				
2018	76.8%	86.3%	89.3%	90.5%	91.3%						20.2%	11.5%	8.9%	7.8%	7.2%					3.0%	2.2%	1.8%	1.7%	1.5%					
2019	76.3%	86.2%	89.3%	90.6%							20.4%	11.4%	8.8%	7.7%						3.3%	2.4%	1.9%	1.7%						
2020	75.2%	85.2%	88.3%								20.2%	11.6%	9.0%							4.6%	3.3%	2.7%							
2021	75.9%	85.8%									19.8%	11.3%								4.3%	2.9%								
2022	77.1%										19.6%									3.3%									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%).

Source: WCRB unit statistical data for private insurers.

Average Paid Indemnity Claim Severity on Significant/Non-Significant/No-ALAE Claims

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE								
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Paid ALAE																											
2012	4,966	7,785	10,205	12,057	13,233	13,995	14,511	14,837	15,076	304	290	279	274	272	272	271	270	270	-	-	-	-	-	-	-	-	-
2013	5,116	7,885	10,234	11,858	12,862	13,541	13,980	14,260	14,479	309	291	280	276	275	275	274	274	274	-	-	-	-	-	-	-	-	-
2014	5,320	8,096	10,316	11,759	12,858	13,248	13,648	13,949	14,171	302	283	274	271	269	268	268	268	268	-	-	-	-	-	-	-	-	-
2015	5,267	8,142	10,209	11,532	12,334	12,896	13,308	13,592		299	280	270	268	266	266	265	265		-	-	-	-	-	-	-	-	-
2016	5,431	8,106	10,067	11,297	12,111	12,691	13,100			296	279	269	267	266	266	265			-	-	-	-	-	-	-	-	-
2017	5,546	8,399	10,357	11,642	12,512	13,126				299	280	273	271	270	269				-	-	-	-	-	-	-	-	-
2018	5,642	8,392	10,466	11,851	12,759					306	289	281	279	279					-	-	-	-	-	-	-	-	-
2019	5,606	8,531	10,644	12,093						306	290	283	281						-	-	-	-	-	-	-	-	-
2020	5,593	8,537	10,783							302	288	281							-	-	-	-	-	-	-	-	-
2021	5,703	8,789								293	275								-	-	-	-	-	-	-	-	-
2022	5,836									290									-	-	-	-	-	-	-	-	-
Paid Indemnity																											
2012	9,362	16,512	21,807	25,424	27,698	29,191	30,181	30,950	31,465	3,247	3,671	3,854	3,978	4,090	4,094	4,107	4,118	4,121	4,444	7,299	7,613	7,916	8,124	8,184	8,294	8,448	8,429
2013	9,689	16,782	22,334	25,781	27,986	29,337	30,236	30,850	31,302	3,291	3,826	4,153	4,408	4,369	4,380	4,400	4,419	4,446	4,324	6,267	7,474	7,809	7,972	8,197	8,366	8,419	8,440
2014	9,770	17,237	22,786	26,369	28,510	29,771	30,775	31,490	31,986	3,276	3,948	4,392	4,536	4,596	4,634	4,647	4,660	4,698	4,476	6,947	8,127	8,622	8,945	9,314	9,465	9,619	9,617
2015	10,160	17,757	23,375	26,687	28,653	29,964	30,933	31,625		3,338	3,845	4,073	4,172	4,225	4,270	4,312	4,342		4,398	6,474	7,153	7,451	7,859	8,063	8,203	8,227	
2016	10,554	17,915	23,272	26,171	28,144	29,481	30,466			3,292	3,704	3,953	4,068	4,143	4,183	4,209			4,041	5,811	6,527	7,321	7,491	7,786	7,875		
2017	10,913	18,704	24,052	27,340	29,497	30,961				3,292	3,608	3,840	3,962	4,059	4,098				4,071	5,812	6,598	7,120	7,929	8,161			
2018	11,309	18,750	24,311	27,713	30,060					3,435	3,794	3,974	4,146	4,214					4,041	5,894	6,950	7,641	7,835				
2019	11,618	19,433	25,405	29,252						3,799	4,197	4,402	4,539						4,413	6,687	7,550	7,888					
2020	12,364	20,652	26,828							3,967	4,297	4,579							4,806	6,967	7,919						
2021	13,147	21,899								4,203	4,470								4,920	7,167							
2022	13,251									4,323									4,396								
Paid Medical																											
2012	11,719	18,593	24,478	28,873	31,702	33,566	34,969	35,860	36,500	3,597	4,235	4,401	4,487	4,786	4,803	4,823	4,833	4,827	6,084	8,230	8,288	8,727	8,747	8,401	8,482	8,683	8,617
2013	11,187	17,562	23,013	26,700	29,143	30,833	31,967	32,796	33,394	3,586	4,103	4,449	4,672	4,563	4,550	4,553	4,569	4,592	5,225	6,879	7,566	7,653	7,816	8,013	8,225	8,213	8,295
2014	10,993	17,251	22,456	26,082	28,399	29,948	31,094	32,026	32,697	3,583	4,302	4,673	4,772	4,837	4,869	4,930	4,911	4,948	6,082	7,634	7,915	8,102	8,279	8,631	8,952	9,115	9,025
2015	10,861	17,088	22,136	25,441	27,627	29,099	30,242	31,093		3,554	4,112	4,179	4,259	4,312	4,340	4,368	4,388		5,657	6,568	6,745	6,917	7,237	7,387	7,604	7,572	
2016	11,533	17,291	21,895	24,668	26,823	28,328	29,445			3,730	4,016	4,103	4,266	4,309	4,356	4,380			4,188	5,560	6,246	6,661	6,863	7,135	7,199		
2017	12,168	18,391	23,075	26,344	28,695	30,414				3,507	3,877	4,051	4,104	4,173	4,216				4,503	5,630	6,490	6,852	7,286	7,489			
2018	12,202	18,017	22,921	26,497	29,050					3,403	3,738	3,946	4,091	4,149					3,843	5,513	6,574	7,289	7,494				
2019	11,967	18,413	24,006	27,864						3,426	3,929	4,210	4,359						3,774	6,121	7,157	7,654					
2020	12,739	19,643	25,742							3,385	3,889	4,211							4,407	6,747	8,104						
2021	13,019	20,364								3,273	3,855								4,455	6,574							
2022	12,847									3,423									4,004								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Indemnity Claim Counts Distribution - By Region

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Northern CA																												
2012						5.5%	5.2%	5.2%	5.2%								7.2%	7.2%	7.2%							12.6%	12.6%	12.7%
2013					5.6%	5.6%	5.5%	5.5%	5.4%								7.1%	7.1%	7.1%							10.9%	10.8%	10.9%
2014					6.2%	6.0%	6.0%	6.0%	5.6%								7.2%	7.2%	7.2%							11.6%	11.6%	11.6%
2015				6.2%	7.2%	7.2%	7.2%	7.2%	6.0%								8.0%	8.0%	8.0%							11.1%	11.1%	11.1%
2016			7.4%	7.4%	7.2%	7.2%	7.2%	7.2%	6.2%								8.0%	8.5%	8.4%							11.0%	11.1%	11.1%
2017		6.1%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%								7.6%	7.6%	7.7%							11.2%	11.3%	11.7%
2018	4.6%	4.7%	4.7%	4.6%	4.6%	4.6%											6.5%	6.7%	6.8%							10.4%	10.9%	11.2%
2019	4.1%	4.0%	4.0%	4.0%													5.9%	6.1%	6.2%							10.6%	11.0%	11.7%
2020	3.5%	3.5%	3.5%														5.3%	5.4%	5.4%							8.9%	10.0%	11.1%
2021	4.0%	4.1%															5.2%	5.2%								8.4%	9.5%	9.8%
2022	4.2%																5.2%									8.6%	9.4%	
Bay Area																												
2012						15.1%	17.1%	17.1%	17.1%								20.6%	20.7%	20.7%							18.1%	18.1%	18.2%
2013					14.7%	14.7%	15.1%	15.1%	15.1%								19.7%	19.7%	19.7%							19.4%	19.5%	19.5%
2014				15.8%	15.8%	15.7%	15.7%	14.7%	14.7%								19.9%	19.9%	20.0%							18.6%	18.5%	18.5%
2015				14.9%	14.8%	14.8%	15.7%	15.7%	15.7%								20.4%	20.5%	20.5%							19.7%	19.8%	19.9%
2016			15.0%	14.9%	14.8%	14.8%	14.8%	14.8%	14.8%								20.2%	20.2%	20.3%							19.8%	20.0%	20.2%
2017		14.6%	14.5%	14.4%	14.4%	14.4%	14.4%	14.4%									18.9%	19.1%	19.0%							20.4%	21.1%	21.4%
2018	14.5%	14.5%	14.4%	14.4%	14.4%	14.4%											18.8%	18.9%	19.0%							18.6%	19.6%	20.8%
2019	10.4%	10.9%	10.9%	10.9%													14.7%	14.9%	14.9%							17.0%	18.5%	19.4%
2020	11.7%	11.9%	12.1%														17.0%	16.9%	17.2%							18.5%	19.7%	20.5%
2021	11.7%	12.2%															16.9%	17.1%								18.8%	20.2%	
2022	10.6%																13.7%									17.0%		
Central CA																												
2012						14.4%	13.9%	13.9%	13.9%								16.7%	16.7%	16.7%							17.1%	17.1%	17.1%
2013					13.1%	13.1%	14.4%	14.3%	14.3%								17.4%	17.4%	17.5%							19.1%	19.2%	19.2%
2014				13.0%	13.0%	13.0%	13.1%	13.1%	13.1%								17.4%	17.4%	17.5%							18.3%	18.4%	18.5%
2015				13.0%	13.0%	13.0%	13.0%	12.9%	12.9%								17.5%	17.5%	17.6%							17.4%	17.5%	17.6%
2016			13.2%	13.2%	12.9%	12.9%	13.0%	12.9%	12.9%								17.7%	17.8%	17.7%							16.2%	16.3%	16.6%
2017		14.5%	14.5%	14.4%	14.4%	14.4%	14.4%	14.4%									18.8%	18.9%	19.0%							18.8%	18.8%	19.3%
2018	12.7%	12.5%	12.5%	12.5%	12.5%	12.5%											15.6%	15.4%	15.5%							16.7%	17.2%	17.3%
2019	11.1%	11.2%	11.3%	11.3%													14.6%	14.6%	14.6%							15.3%	16.4%	16.7%
2020	11.9%	12.2%	12.2%														15.6%	15.5%	15.5%							15.1%	15.6%	15.7%
2021	11.6%	11.8%															15.1%	15.1%								15.2%	15.4%	
2022	10.9%																14.1%									12.8%		

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum down the column (i.e. Northern + Bay Area + Central + Greater LA + San Diego = 100%).

Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Indemnity Claim Counts Distribution - By Region

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE										
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9		
Los Angeles Area																													
2012						56.8%	56.8%	56.8%	56.8%								47.0%	47.0%	47.0%							46.4%	46.3%	46.1%	
2013						57.6%	57.6%	57.7%	57.7%							46.9%	46.9%	46.9%	46.9%							44.4%	44.2%	44.1%	
2014					59.9%	59.9%	59.9%	60.0%	60.0%								47.6%	47.5%	47.5%	47.5%						44.3%	44.3%	44.2%	
2015				58.0%	58.0%	58.2%	58.3%	58.3%									46.2%	46.0%	46.0%	46.0%						44.6%	44.6%	44.4%	
2016			56.3%	56.4%	56.8%	56.9%	56.9%									45.5%	45.3%	45.5%	45.4%						44.4%	44.2%			
2017		58.3%	58.4%	58.6%	58.6%	58.7%										47.3%	47.0%	46.9%	46.8%						44.8%	44.4%			
2018	61.2%	61.5%	61.7%	61.8%	61.8%					51.5%	51.5%	51.1%	50.9%			50.8%									41.9%				
2019	67.6%	67.1%	67.2%	67.2%						57.1%	56.6%	56.3%	56.2%												42.6%				
2020	66.2%	65.9%	65.8%							54.6%	54.8%	54.4%													45.0%				
2021	65.8%	65.3%								55.5%	55.2%														45.4%				
2022	67.9%									59.9%															46.9%				
San Diego																													
2012							7.0%	7.0%	7.0%								8.4%	8.4%	8.4%							5.9%	5.9%	5.9%	
2013						7.5%	7.5%	7.5%									8.8%	8.8%	8.8%							6.3%	6.3%	6.4%	
2014					6.6%	6.6%	6.7%	6.6%	6.6%								7.9%	7.9%	7.9%	7.9%						7.2%	7.2%	7.2%	
2015				7.1%	7.1%	7.1%	7.0%	7.0%									7.9%	8.0%	7.9%							7.0%	7.0%	7.0%	
2016			8.2%	8.2%	8.2%	8.2%	8.2%										8.2%	8.2%	8.2%	8.2%						7.0%	7.0%	7.0%	
2017		6.4%	6.4%	6.4%	6.3%	6.3%											7.4%	7.4%	7.4%							7.1%	7.1%	7.2%	
2018	6.9%	6.8%	6.7%	6.7%	6.7%					7.3%	7.4%	7.6%	7.6%				7.6%	7.6%								6.1%			
2019	6.9%	6.7%	6.6%	6.6%						7.6%	7.5%	7.6%	8.0%				7.6%									7.2%			
2020	6.8%	6.5%	6.4%							7.7%	7.9%	8.0%					8.0%									7.4%			
2021	6.8%	6.7%								7.4%	7.4%	7.5%														8.7%			
2022	6.5%									7.3%	7.4%															8.0%			
										7.1%																	8.8%		

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.
Distributions sum down the column (i.e. Northern + Bay Area + Central + Greater LA + San Diego = 100%).
Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Indemnity Claim Counts Distribution - By Region and Size of ALAE

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Northern CA																												
2012						50.8%		50.9%	51.0%							38.1%	38.0%	38.0%	38.0%							11.1%	11.1%	11.1%
2013						52.8%		52.9%	53.0%	52.9%					36.6%	36.5%	36.4%	36.4%						10.6%	10.6%	10.6%	10.6%	
2014					53.2%	53.5%	53.6%	53.7%	53.7%					36.3%	36.1%	36.0%	36.0%	36.0%					10.5%	10.4%	10.4%	10.4%	10.3%	
2015				53.7%	54.0%	54.0%	54.0%	54.1%					38.1%	37.8%	37.9%	37.9%	37.8%					8.2%	8.2%	8.1%	8.1%	8.0%		
2016				56.2%	57.1%	57.3%	57.5%	57.5%				37.0%	36.2%	36.0%	35.8%	35.8%					6.8%	6.7%	6.7%	6.7%	6.7%			
2017		51.1%	53.5%	54.3%	54.8%	55.0%					41.3%	39.1%	38.4%	38.2%	38.0%					7.6%	7.3%	7.3%	7.0%	7.0%				
2018	38.4%	47.5%	49.6%	50.3%	50.7%					51.2%	43.6%	42.0%	41.4%	41.1%						10.4%	9.0%	8.4%	8.3%	8.3%				
2019	37.6%	46.5%	48.3%	49.0%						50.9%	43.7%	42.3%	41.7%							11.5%	9.7%	9.4%	9.3%					
2020	33.4%	42.1%	44.4%							52.0%	44.9%	43.3%								14.6%	12.9%	12.3%						
2021	36.8%	46.8%								50.0%	42.0%									13.2%	11.3%							
2022	40.8%									48.5%										10.8%								
Bay Area																												
2012							57.1%	57.2%	57.3%							37.4%	37.3%	37.3%	37.3%						5.5%	5.4%	5.5%	
2013						54.9%	54.9%	55.1%	55.1%						38.0%	37.9%	37.8%	37.8%						7.2%	7.2%	7.1%	7.1%	
2014					54.1%	54.3%	54.5%	54.5%	54.5%					39.3%	39.2%	39.1%	39.1%	39.1%					6.6%	6.5%	6.4%	6.4%		
2015				55.2%	55.5%	55.7%	55.9%	55.9%					39.0%	38.7%	38.5%	38.5%	38.4%					5.9%	5.8%	5.7%	5.7%	5.7%		
2016				53.5%	54.1%	54.5%	54.6%	54.7%				40.9%	40.3%	40.1%	40.0%	40.0%					5.6%	5.5%	5.4%	5.3%	5.3%			
2017		51.0%	53.0%	53.8%	54.1%	54.4%					42.7%	41.0%	40.5%	40.2%	40.0%					6.3%	6.0%	5.7%	5.7%	5.6%				
2018	42.0%	51.2%	53.5%	54.3%	54.6%					51.3%	43.0%	41.1%	40.5%	40.2%						6.7%	5.8%	5.4%	5.3%	5.2%				
2019	39.1%	50.2%	52.8%	53.8%						51.9%	42.6%	40.5%	39.7%							9.0%	7.2%	6.7%	6.5%					
2020	36.4%	46.2%	48.8%							53.4%	45.1%	43.1%								10.3%	8.6%	8.1%						
2021	36.1%	46.3%								54.2%	45.6%									9.7%	8.1%							
2022	40.7%									50.4%										8.9%								
Central CA																												
2012							56.7%	56.8%	56.9%							37.0%	36.9%	36.9%	36.9%						6.3%	6.3%	6.2%	
2013						56.2%	56.3%	56.4%	56.5%						36.2%	36.1%	36.0%	36.0%						7.6%	7.6%	7.5%		
2014					54.2%	54.4%	54.5%	54.6%	54.6%					38.5%	38.4%	38.3%	38.3%	38.2%					7.3%	7.2%	7.2%	7.2%		
2015				54.1%	54.5%	54.6%	54.8%	54.8%					39.7%	39.4%	39.3%	39.3%	39.2%					6.2%	6.1%	6.0%	6.0%			
2016			53.6%	54.4%	54.6%	54.8%	54.9%				41.1%	40.5%	40.3%	40.1%	40.0%							5.3%	5.1%	5.1%	5.1%			
2017		51.3%	53.5%	54.0%	54.4%	54.6%					42.9%	41.1%	40.7%	40.4%	40.3%							5.4%	5.3%	5.1%	5.1%			
2018	43.2%	52.4%	55.0%	55.9%	56.2%					49.9%	41.7%	39.6%	38.9%	38.7%						7.0%	5.9%	5.4%	5.2%	5.1%				
2019	41.2%	51.8%	54.5%	55.4%						50.9%	41.8%	39.7%	38.9%							7.9%	6.4%	5.8%	5.7%					
2020	39.1%	49.6%	52.2%							52.0%	43.3%	41.2%								8.9%	7.1%	6.6%						
2021	38.8%	49.3%								52.6%	44.0%									8.5%	6.7%							
2022	41.6%									51.7%										6.7%								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.
Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%).
Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Indemnity Claim Counts Distribution - By Region and Size of ALAE

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Los Angeles Area																												
2012						65.7%	65.8%	65.9%								29.5%	29.4%	29.3%								4.9%	4.8%	4.8%
2013						66.2%	66.4%	66.5%	66.6%						28.6%	28.5%	28.4%	28.3%							5.2%	5.1%	5.1%	
2014					66.8%	67.0%	67.2%	67.3%	67.4%						28.5%	28.2%	28.1%	28.0%						4.7%	4.7%	4.6%	4.6%	
2015				66.6%	67.2%	67.5%	67.6%	67.7%							28.9%	28.5%	28.3%	28.1%						4.4%	4.3%	4.2%	4.1%	
2016			65.6%	66.5%	67.1%	67.4%	67.5%			30.2%	29.4%	29.0%	28.8%	28.7%										4.2%	3.9%	3.8%	3.8%	
2017		62.8%	65.3%	66.2%	66.6%	67.0%				33.0%	31.0%	30.2%	30.0%	29.7%									4.2%	3.8%	3.5%	3.4%	3.3%	
2018	52.8%	62.4%	65.2%	66.2%	66.7%					42.0%	33.7%	31.4%	30.6%	30.3%									5.2%	3.9%	3.4%	3.1%	3.0%	
2019	52.7%	63.1%	65.7%	66.7%						41.6%	33.1%	31.0%	30.3%									5.6%	3.8%	3.2%	3.1%			
2020	50.7%	60.6%	63.2%							42.4%	34.6%	32.5%										6.9%	4.8%	4.3%				
2021	49.9%	60.0%								43.8%	35.5%											6.3%	4.5%					
2022	51.2%									43.3%												5.5%						
San Diego																												
2012						57.7%	57.8%	57.9%								37.8%	37.7%	37.7%								4.4%	4.4%	4.4%
2013					58.5%	58.6%	58.7%	58.8%							36.6%	36.4%	36.3%	36.2%						5.0%	5.0%	5.0%	5.0%	
2014				57.3%	57.6%	57.8%	57.8%	57.9%							36.7%	36.4%	36.3%	36.3%						6.0%	5.9%	5.9%	5.9%	
2015				59.1%	59.4%	59.6%	59.6%								35.9%	35.7%	35.6%	35.5%						5.0%	4.9%	4.8%	4.8%	
2016			61.2%	61.9%	62.3%	62.5%	62.5%			34.5%	34.0%	33.8%	33.6%	33.6%										4.3%	4.1%	4.0%	3.9%	3.9%
2017		54.9%	57.1%	57.9%	58.1%	58.2%				40.7%	39.0%	38.1%	38.0%	37.9%										4.4%	3.9%	4.0%	3.9%	
2018	46.5%	55.4%	57.7%	58.4%	58.9%					48.1%	39.9%	38.0%	37.4%	37.0%									5.4%	4.7%	4.3%	4.2%	4.1%	
2019	45.9%	54.9%	56.8%	57.6%						47.6%	40.1%	38.5%	37.9%										6.5%	5.0%	4.8%	4.8%		
2020	43.0%	51.9%	54.0%							47.8%	40.7%	38.8%											9.2%	7.5%	7.2%			
2021	43.3%	52.7%								48.4%	40.8%												8.3%	6.6%				
2022	44.7%									47.0%													8.2%					

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000. Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%). Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Average Paid ALAE per Indemnity Claim By Region

PY/RL	Significant ALAE									Any ALAE									All Indemnity Claims										
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9		
Northern CA																													
2012							13,141	13,438	13,657							7,624	7,799	7,936							6,778	6,934	7,056		
2013						12,900	13,309	13,604	13,746						7,724	7,984	8,172	8,245						6,902	7,140	7,309	7,368		
2014					12,299	12,884	13,387	13,681	13,934					7,411	7,793	8,111	8,294	8,448					6,631	6,980	7,268	7,434	7,577		
2015				11,124	11,872	12,252	12,586	12,826					6,617	7,088	7,301	7,505	7,655					6,076	6,510	6,708	6,898	7,039			
2016					10,682	12,005	12,935	13,713	14,138							8,810													
2017					8,352	10,489	11,993	12,974	13,600						6,542	7,448	8,040	8,548	8,810			6,097	6,945	7,499	7,978	8,220			
2018					5,473	8,050	10,181	11,483	12,402						4,744	6,173	7,134	7,757	8,148			4,383	5,720	6,614	7,214	7,580			
2019					5,234	8,243	10,365	11,756							2,502	4,322	5,631	6,414	6,961			2,241	3,935	5,156	5,882	6,386			
2020					5,332	7,989	10,454								2,387	4,379	5,650	6,469			2,113	3,953	5,120	5,866					
2021															2,260	4,008	5,428				1,931	3,491	4,763						
2022															2,394	4,472					2,078	3,968							
															2,771						2,473								
Bay Area																													
2012							14,552	14,899	15,141							8,894	9,119	9,277							8,408	8,623	8,770		
2013							13,972	14,310	14,517							8,088	8,376	8,594	8,718						7,509	7,775	7,981	8,099	
2014							13,508	13,273	13,956	14,196						7,389	7,817	8,056	8,233	8,377					6,904	7,309	7,535	7,704	7,839
2015							12,576	12,337	12,960	13,694						6,806	7,376	7,764	8,024	8,221					6,406	6,945	7,317	7,568	7,756
2016							11,431	12,337	13,694							5,994	6,862	7,434	8,108						6,406	6,945	7,317	7,568	7,756
2017							10,390	11,788	12,721	13,387	13,853					4,746	6,082	6,961	7,572	7,996					5,658	6,483	7,036	7,413	7,677
2018							8,499	10,589	12,002	12,998	13,700					4,449	5,718	6,563	7,141	7,548					4,449	5,718	6,563	7,141	7,548
2019							5,336	8,103	10,133	11,582	12,563					2,568	4,535	5,854	6,751	7,348					2,396	4,272	5,537	6,395	6,968
2020							5,503	8,181	10,305	11,908						2,524	4,548	5,942	6,960						2,298	4,220	5,544	6,507	
2021							5,361	8,195	10,552							2,346	4,284	5,726							2,104	3,914	5,261		
2022							5,224	8,274								2,257	4,300								2,038	3,954			
																2,696									2,456				
Central CA																													
2012							13,959	14,290	14,525							8,542	8,759	8,909							8,003	8,209	8,353		
2013							13,596	13,896	14,132							8,102	8,385	8,576	8,734						7,487	7,748	7,926	8,076	
2014							13,146	13,409	13,667							7,184	7,568	7,808	7,986	8,146					6,663	7,025	7,247	7,414	7,562
2015							12,107	12,411	12,624							6,503	7,007	7,318	7,575	7,734					6,101	6,581	6,875	7,121	7,272
2016							11,093	11,900	12,411	12,828	13,090					5,812	6,634	7,152	7,518	7,799					5,507	6,293	6,786	7,133	7,403
2017							10,076	11,384	12,243	12,838	13,306					4,494	5,723	6,499	7,007	7,368					4,233	5,414	6,155	6,647	6,994
2018							8,038	9,923	11,208	12,021	12,624					2,619	4,594	5,929	6,775	7,289					2,435	4,324	5,607	6,423	6,917
2019							5,309	8,037	10,014	11,316	12,131					2,580	4,623	5,987	6,870						2,375	4,327	5,638	6,478	
2020							5,405	8,135	10,153	11,509						2,437	4,462	5,899							2,219	4,144	5,511		
2021							5,292	8,120	10,346							2,464	4,484								2,254	4,184			
2022							5,414									2,571									2,399				

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0.
Source: WCIRB unit statistical data for indemnity claims only.

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0.
Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Indemnity Claim Count Distribution By Loss Type (Cumulative/Non-Cumulative)

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Cumulative Injury Claims																												
2012	13.2%	14.8%	16.1%	17.0%	17.6%	17.8%	17.8%	17.9%	18.0%	6.6%	6.6%	6.6%	6.4%	6.2%	6.0%	6.0%	5.9%	5.9%	17.5%	17.7%	17.8%	16.9%	16.3%	15.3%	14.8%	14.9%	14.8%	
2013	15.1%	17.0%	18.0%	18.8%	19.1%	19.2%	19.3%	19.3%	19.4%	7.3%	7.4%	7.1%	6.9%	6.5%	6.4%	6.4%	6.3%	6.3%	18.5%	19.7%	19.7%	18.5%	17.1%	16.2%	16.2%	16.1%	15.9%	
2014	15.8%	17.7%	18.6%	19.2%	19.5%	19.6%	19.7%	19.8%	19.9%	7.3%	7.5%	7.3%	6.8%	6.5%	6.3%	6.3%	6.2%	6.2%	21.1%	22.8%	21.0%	18.6%	17.3%	17.1%	17.0%	16.8%	16.7%	
2015	16.5%	18.1%	18.9%	19.4%	19.6%	19.7%	19.8%	20.0%		7.2%	7.2%	6.6%	6.2%	6.0%	5.8%	5.8%	5.8%		23.8%	24.6%	21.9%	20.4%	20.1%	19.7%	19.3%	19.3%		
2016	17.7%	20.4%	21.2%	21.6%	21.8%	21.9%	22.0%			7.9%	7.9%	7.0%	6.7%	6.7%	6.6%	6.6%			22.9%	22.2%	21.0%	20.3%	19.9%	19.2%	19.3%			
2017	16.3%	17.6%	18.4%	18.9%	19.1%	19.4%				7.2%	6.8%	6.3%	6.2%	6.1%	6.0%				20.7%	20.4%	19.6%	18.6%	17.8%	17.3%				
2018	16.2%	18.3%	19.2%	19.6%	20.0%					7.6%	7.3%	6.8%	6.5%	6.3%					19.7%	20.8%	18.3%	17.4%	16.6%					
2019	18.1%	20.9%	21.7%	22.3%						8.2%	7.5%	6.8%	6.6%						21.7%	19.9%	17.9%	16.6%						
2020	17.5%	19.1%	20.2%							7.2%	6.7%	6.2%							16.9%	14.3%	12.8%							
2021	17.0%	19.3%								6.8%	6.6%								18.5%	16.3%								
2022	20.2%									8.4%									22.7%									
Non-Cumulative Injury Claims																												
2012	86.8%	85.1%	83.9%	83.0%	82.4%	82.2%	82.2%	82.1%	82.0%	93.4%	93.4%	93.4%	93.6%	93.8%	94.0%	94.0%	94.1%	94.1%	82.5%	82.3%	82.2%	83.1%	83.7%	84.7%	85.2%	85.1%	85.2%	
2013	84.9%	83.0%	82.0%	81.2%	80.9%	80.8%	80.7%	80.7%	80.6%	92.7%	92.6%	92.9%	93.1%	93.5%	93.6%	93.6%	93.7%	93.7%	81.5%	80.3%	80.3%	81.5%	82.9%	83.8%	83.9%	84.1%	84.1%	
2014	84.2%	82.3%	81.4%	80.8%	80.5%	80.4%	80.3%	80.2%	80.1%	92.7%	92.5%	92.7%	93.2%	93.5%	93.7%	93.7%	93.8%	93.8%	78.9%	77.2%	79.0%	81.4%	82.7%	82.9%	83.0%	83.2%	83.3%	
2015	83.5%	81.9%	81.1%	80.6%	80.4%	80.3%	80.2%	80.0%		92.8%	92.8%	93.4%	93.8%	94.0%	94.2%	94.2%	94.2%		76.2%	75.4%	78.1%	79.6%	79.9%	80.3%	80.7%	80.7%		
2016	82.3%	79.6%	78.8%	78.4%	78.2%	78.1%	78.0%			92.1%	92.1%	93.0%	93.3%	93.3%	93.4%	93.4%			77.1%	77.8%	79.0%	79.7%	80.1%	80.8%	80.7%			
2017	83.7%	82.4%	81.6%	81.1%	80.9%	80.6%				92.8%	93.2%	93.7%	93.8%	93.9%	94.0%				79.3%	79.6%	80.4%	81.4%	82.2%	82.7%				
2018	83.8%	81.7%	80.8%	80.4%	80.0%					92.4%	92.7%	93.2%	93.5%	93.7%					80.3%	79.2%	81.7%	82.6%	83.4%					
2019	81.9%	79.1%	78.3%	77.7%						91.8%	92.5%	93.2%	93.4%						78.3%	80.1%	82.1%	83.4%						
2020	82.5%	80.9%	79.8%							92.8%	93.3%	93.8%							83.1%	85.7%	87.2%							
2021	83.0%	80.7%								93.2%	93.4%								81.5%	83.7%								
2022	79.8%									91.6%									77.3%									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.
Distributions sum down the column (i.e. Cumulative Injury Claims + Non-Cumulative Injury Claims = 100%).
Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Indemnity Claim Count Distribution By Loss Type (Cumulative/Non-Cumulative)

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE								
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Cumulative Injury Claims																											
2012	52.8%	67.2%	73.0%	76.1%	77.9%	79.2%	79.7%	80.0%	80.2%	31.0%	21.3%	18.2%	16.4%	15.4%	14.7%	14.4%	14.2%	14.1%	16.2%	11.6%	8.8%	7.5%	6.7%	6.1%	5.8%	5.8%	5.7%
2013	53.8%	68.4%	73.4%	76.2%	78.4%	79.4%	79.6%	79.9%	80.0%	28.9%	20.0%	16.9%	15.5%	14.3%	13.9%	13.8%	13.5%	13.5%	17.3%	11.6%	9.7%	8.3%	7.2%	6.7%	6.6%	6.6%	6.4%
2014	56.3%	68.8%	73.8%	77.5%	79.2%	79.9%	80.1%	80.4%	80.6%	26.9%	19.2%	16.8%	15.0%	14.1%	13.6%	13.4%	13.3%	13.2%	16.8%	12.0%	9.4%	7.5%	6.7%	6.5%	6.5%	6.3%	6.2%
2015	58.8%	71.0%	76.8%	79.1%	80.2%	80.8%	81.2%	81.4%		26.0%	18.2%	15.1%	13.8%	13.0%	12.6%	12.4%	12.3%		15.2%	10.8%	8.1%	7.1%	6.8%	6.6%	6.4%	6.3%	
2016	60.8%	74.3%	79.0%	80.5%	81.3%	81.7%	81.9%			26.9%	18.3%	14.9%	13.7%	13.3%	13.1%	13.0%			12.2%	7.4%	6.2%	5.7%	5.4%	5.1%	5.1%		
2017	62.8%	74.1%	77.9%	79.6%	80.4%	81.1%				26.5%	18.4%	15.7%	14.7%	14.3%	13.9%				10.8%	7.5%	6.4%	5.7%	5.3%	5.0%			
2018	62.9%	74.0%	78.5%	80.4%	81.5%					27.7%	18.9%	16.1%	14.8%	14.2%					9.5%	7.0%	5.3%	4.8%	4.3%				
2019	62.9%	76.7%	80.9%	82.6%						26.7%	17.2%	14.3%	13.2%						10.5%	6.1%	4.8%	4.2%					
2020	63.1%	75.5%	79.8%							26.1%	18.2%	15.3%							10.9%	6.3%	4.9%						
2021	62.5%	75.4%								26.1%	17.9%								11.4%	6.6%							
2022	64.5%									25.6%									9.9%								
Non-Cumulative Injury Claims																											
2012	40.3%	51.9%	56.0%	57.3%	57.9%	58.3%	58.4%	58.5%	58.6%	50.8%	40.8%	38.0%	37.0%	36.7%	36.4%	36.2%	36.2%	36.1%	8.9%	7.3%	6.0%	5.7%	5.5%	5.4%	5.3%	5.3%	
2013	40.6%	53.0%	56.2%	57.3%	58.0%	58.3%	58.4%	58.5%	58.5%	49.1%	39.6%	37.1%	36.4%	35.9%	35.7%	35.6%	35.5%	35.5%	10.3%	7.5%	6.7%	6.3%	6.1%	6.1%	6.0%	6.0%	
2014	42.4%	53.6%	56.5%	57.7%	58.2%	58.3%	58.5%	58.5%	58.5%	48.7%	39.6%	37.4%	36.5%	36.1%	36.0%	35.9%	35.9%	35.9%	8.9%	6.8%	6.2%	5.8%	5.7%	5.7%	5.6%	5.6%	
2015	43.7%	54.6%	57.4%	58.3%	58.6%	58.7%	58.8%	58.9%		49.2%	39.7%	37.5%	36.8%	36.6%	36.5%	36.4%	36.4%		7.1%	5.7%	5.0%	4.9%	4.8%	4.8%	4.8%	4.7%	
2016	44.3%	54.8%	57.3%	57.9%	58.3%	58.5%	58.6%			49.3%	40.2%	38.2%	37.6%	37.3%	37.2%	37.1%			6.4%	4.9%	4.5%	4.4%	4.3%	4.3%	4.3%		
2017	45.5%	55.1%	57.1%	57.8%	58.1%	58.2%				48.6%	40.2%	38.5%	38.0%	37.7%	37.6%				5.8%	4.7%	4.4%	4.2%	4.2%	4.1%			
2018	46.4%	55.3%	57.5%	58.2%	58.4%					48.1%	40.3%	38.4%	37.8%	37.6%					5.5%	4.5%	4.1%	4.0%	3.9%				
2019	45.9%	55.2%	57.3%	58.0%						48.0%	40.1%	38.3%	37.7%						6.1%	4.7%	4.3%	4.2%					
2020	43.1%	52.4%	54.4%							49.1%	41.4%	39.7%							7.8%	6.2%	5.8%						
2021	42.9%	52.2%								50.1%	42.2%								7.0%	5.6%							
2022	44.9%									49.2%									5.9%								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%).

Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Average Paid ALAE By Loss Type (Cumulative/Non-Cumulative)

PY/RL	Significant ALAE									Any ALAE									All Claims								
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Cumulative Injury Claims																											
2012	4,791	7,575	9,655	11,449	12,686	13,385	13,872	14,242	14,552	3,157	5,844	7,804	9,489	10,656	11,344	11,802	12,150	12,427	2,646	5,167	7,116	8,779	9,937	10,653	11,114	11,445	11,718
2013	5,093	7,694	9,714	11,218	12,115	12,781	13,354	13,669	13,956	3,447	6,043	7,964	9,385	10,301	10,937	11,442	11,744	11,992	2,851	5,344	7,192	8,609	9,554	10,204	10,683	10,971	11,221
2014	5,276	7,613	9,602	10,851	11,668	12,299	12,740	13,096	13,356	3,693	6,033	7,889	9,147	9,963	10,565	10,963	11,294	11,527	3,074	5,309	7,147	8,461	9,295	9,874	10,256	10,579	10,807
2015	5,251	7,781	9,557	10,807	11,613	12,213	12,651	13,007		3,759	6,271	8,049	9,260	10,042	10,612	11,019	11,346		3,189	5,592	7,395	8,605	9,357	9,915	10,317	10,635	
2016	5,206	7,359	8,959	10,090	10,952	11,515	11,976			3,719	5,977	7,597	8,673	9,458	9,970	10,380			3,267	5,533	7,127	8,175	8,949	9,458	9,853		
2017	5,507	8,062	9,838	11,205	12,099	12,794				3,981	6,525	8,247	9,511	10,323	10,977				3,552	6,036	7,717	8,969	9,777	10,427			
2018	5,492	7,872	9,702	11,025	11,939					3,922	6,338	8,105	9,362	10,221					3,550	5,893	7,673	8,915	9,778				
2019	5,378	7,953	9,891	11,381						3,883	6,562	8,457	9,858						3,476	6,159	8,051	9,445					
2020	5,538	8,085	10,044							4,015	6,579	8,483							3,579	6,165	8,064						
2021	5,489	7,982								3,973	6,515								3,522	6,082							
2022	5,475									4,014									3,618								
Non-Cumulative Injury Claims																											
2012	4,993	7,822	10,310	12,181	13,349	14,126	14,650	14,967	15,192	2,375	4,503	6,253	7,504	8,275	8,800	9,146	9,350	9,498	2,165	4,173	5,879	7,079	7,820	8,328	8,658	8,854	8,995
2013	5,121	7,924	10,349	12,006	13,038	13,722	14,130	14,401	14,604	2,485	4,658	6,340	7,444	8,158	8,613	8,879	9,062	9,193	2,230	4,310	5,918	6,973	7,659	8,092	8,343	8,517	8,641
2014	5,328	8,200	10,479	11,975	12,897	13,480	13,871	14,159	14,374	2,639	4,833	6,414	7,432	8,055	8,436	8,694	8,877	9,013	2,405	4,504	6,019	7,001	7,597	7,959	8,204	8,378	8,507
2015	5,270	8,222	10,361	11,706	12,510	13,064	13,471	13,737		2,634	4,875	6,371	7,272	7,799	8,160	8,420	8,585		2,446	4,599	6,049	6,917	7,422	7,769	8,020	8,179	
2016	5,479	8,297	10,364	11,629	12,434	13,021	13,418			2,744	4,900	6,324	7,153	7,685	8,062	8,310			2,569	4,659	6,038	6,835	7,351	7,713	7,953		
2017	5,554	8,471	10,474	11,744	12,609	13,206				2,838	5,015	6,364	7,192	7,749	8,125				2,673	4,781	6,087	6,888	7,425	7,789			
2018	5,672	8,508	10,648	12,052	12,964					2,936	5,041	6,496	7,413	7,994					2,775	4,817	6,227	7,117	7,681				
2019	5,656	8,683	10,852	12,297						2,919	5,151	6,615	7,559						2,741	4,909	6,329	7,240					
2020	5,605	8,644	10,969							2,782	4,952	6,458							2,566	4,644	6,083						
2021	5,747	8,981								2,808	5,088								2,611	4,802							
2022	5,928									2,975									2,800								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0.
Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Cumulative Injury Indemnity Claim Counts Distribution - By Region

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Northern CA																												
2012						3.4%	3.3%	3.3%	3.3%								4.9%	4.9%	5.1%							10.8%	10.7%	11.2%
2013						3.2%	3.2%	3.2%	3.1%								3.9%	3.9%	3.8%							6.8%	6.7%	7.0%
2014					3.5%	3.6%	3.6%	3.6%	3.5%							4.0%	4.4%	4.5%	4.4%	4.6%						7.4%	7.3%	7.4%
2015				3.8%	3.8%	3.7%	3.7%	3.7%								4.5%	4.9%	4.8%	4.9%						6.7%	6.9%	6.8%	
2016			3.8%	3.9%	3.9%	3.9%	3.9%						4.7%	4.9%	5.0%	5.0%	5.0%								7.2%	7.8%	8.1%	
2017			3.9%	4.0%	4.1%	4.1%						5.2%	4.9%	5.2%	5.4%	5.6%									6.7%	6.6%	6.7%	
2018	2.6%	2.5%	2.5%	2.5%	2.5%					3.0%	3.5%	3.8%	4.0%	4.0%					4.6%	4.3%	4.0%	5.2%	4.9%	5.1%				
2019	2.3%	2.1%	2.2%	2.2%						2.9%	3.4%	3.9%	4.1%						3.8%	4.6%	4.8%	5.4%	5.6%					
2020	1.7%	1.8%	1.8%							2.6%	3.1%	3.0%							3.2%	4.5%	4.6%							
2021	2.4%	2.7%								3.5%	3.4%								3.3%	3.4%								
2022	2.5%									3.2%									3.8%									
Bay Area																												
2012						13.6%	13.6%	13.7%	13.7%								17.4%	17.7%	17.7%							13.8%	13.7%	14.2%
2013						11.2%	11.3%	11.4%	11.4%							16.0%	16.0%	16.3%	16.4%						14.4%	14.6%	14.1%	
2014					9.4%	9.4%	9.5%	9.6%	9.5%							14.1%	14.3%	14.4%	14.6%	14.7%					13.6%	13.5%	13.3%	
2015				10.6%	10.7%	10.7%	10.8%	10.7%					14.8%	15.4%	15.7%	15.8%	15.8%								13.1%	13.2%	13.1%	
2016			9.3%	9.3%	9.3%	9.3%	9.3%					13.0%	13.6%	13.2%	13.5%	13.6%									12.9%	12.9%	12.9%	
2017			9.5%	9.5%	9.6%	9.8%	9.9%					13.3%	14.1%	14.6%	14.7%	14.9%									14.0%	14.4%		
2018	8.9%	8.6%	8.8%	8.9%	8.9%					13.3%	13.4%	14.3%	14.9%	15.5%					12.9%	9.7%	10.2%	11.9%	12.7%	13.0%				
2019	6.9%	8.5%	8.5%	8.5%						11.9%	11.3%	12.2%	12.2%					8.8%	9.0%	9.0%	9.6%	9.9%						
2020	5.8%	6.6%	6.9%							10.4%	10.0%	10.4%						9.7%	10.9%	11.8%								
2021	7.4%	7.9%								10.6%	10.8%							9.0%	10.3%									
2022	7.4%									9.4%								8.4%										
Central CA																												
2012						8.1%	8.1%	8.1%	8.2%								9.5%	9.5%	9.6%							10.9%	11.2%	10.7%
2013						8.9%	9.0%	9.0%	9.0%							11.7%	11.6%	11.6%	11.6%						13.0%	13.5%	13.8%	
2014					8.1%	8.2%	8.3%	8.3%	8.3%							12.1%	12.3%	12.4%	12.5%	12.4%					13.0%	13.1%	13.0%	
2015				7.0%	7.2%	7.3%	7.3%	7.4%					11.3%	11.5%	11.9%	11.8%	11.8%								11.6%	11.4%	11.8%	
2016			6.2%	6.2%	6.3%	6.3%	6.3%					9.8%	10.1%	10.9%	10.6%	10.5%									11.1%	11.8%	11.4%	
2017			8.9%	8.9%	9.0%	9.0%						12.5%	13.0%	13.0%	13.3%										14.6%	14.8%		
2018	7.3%	7.2%	7.2%	7.3%	7.5%					9.7%	9.2%	9.8%	10.3%	10.2%					13.6%	10.8%	10.5%	11.9%	12.0%	12.4%				
2019	5.2%	5.3%	5.5%	5.6%						7.7%	8.0%	8.7%	8.9%						7.4%	8.6%	8.6%	9.7%						
2020	6.2%	6.8%	7.0%							9.4%	10.8%	11.2%							10.1%	9.8%	10.3%							
2021	7.4%	7.6%								10.5%	11.1%								11.1%	9.8%								
2022	7.1%									8.4%									8.1%									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum down the column (i.e. Northern + Bay Area + Central + Greater LA + San Diego = 100%).

Source: WCIRB unit statistical data for cumulative injury indemnity claims only.

Cumulative Injury Indemnity Claim Counts Distribution - By Region

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Los Angeles Area																												
2012						68.4%	68.3%	68.2%									61.3%	61.0%	60.8%							60.4%	60.2%	59.6%
2013					69.7%	69.6%	69.3%	69.4%									60.2%	59.9%	59.7%							59.9%	59.4%	59.3%
2014					72.4%	72.2%	71.9%	72.0%									61.8%	61.0%	60.8%	60.3%						59.8%	59.7%	59.4%
2015				71.8%	71.6%	71.4%	71.5%	71.5%									61.2%	60.1%	59.2%	59.4%	59.2%					61.6%	61.2%	60.9%
2016			67.7%	67.8%	67.8%	67.8%	67.9%										61.2%	60.5%	59.9%	60.1%						57.8%	57.5%	
2017		71.8%	71.8%	71.7%	71.4%	71.3%											61.1%	59.8%	58.9%	58.2%	57.6%					59.5%	58.0%	56.4%
2018	74.9%	75.4%	75.4%	75.2%	75.0%												66.5%	66.3%	64.2%	63.1%	62.6%					68.4%	63.4%	62.2%
2019	79.6%	78.0%	78.0%	78.0%													70.2%	69.4%	66.8%	66.4%						72.8%	70.0%	67.3%
2020	79.9%	78.6%	78.3%														70.4%	68.2%	67.5%							71.7%	69.4%	67.0%
2021	76.5%	75.5%															68.0%	67.9%								71.2%	71.5%	
2022	76.9%																72.5%									73.3%		
San Diego																												
2012						6.5%	6.6%	6.6%									6.9%	7.0%	7.0%							4.1%	4.2%	4.2%
2013						7.0%	7.0%	7.1%									8.4%	8.3%	8.2%	8.4%						5.8%	5.9%	5.7%
2014					6.6%	6.6%	6.7%	6.6%									7.6%	7.8%	8.0%	7.9%						6.4%	6.7%	6.6%
2015				6.8%	6.8%	6.8%	6.7%	6.7%									7.9%	8.1%	8.2%	8.3%						7.2%	7.3%	7.3%
2016			13.0%	12.8%	12.7%	12.6%	12.5%										10.8%	10.9%	10.8%	10.9%						9.3%	9.5%	9.6%
2017		5.8%	5.8%	5.8%	5.7%	5.7%											8.2%	8.6%	8.7%	8.6%						7.7%		
2018	6.4%	6.3%	6.2%	6.1%	6.1%												7.5%	7.6%	7.9%	7.8%						7.6%	8.2%	8.8%
2019	6.0%	6.0%	5.9%	5.8%													7.4%	7.8%	8.4%	8.4%						7.7%	9.0%	8.5%
2020	6.4%	6.3%	6.1%														7.1%	7.9%	7.9%							5.4%	6.3%	
2021	6.3%	6.3%															7.4%	6.9%								5.4%	5.0%	5.4%
2022	6.1%																6.5%									6.4%		

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.
Distributions sum down the column (i.e. Northern + Bay Area + Central + Greater LA + San Diego = 100%).
Source: WCIRB unit statistical data for private insurers' cumulative injury indemnity claims only.

Cumulative Injury Indemnity Claim Counts Distribution - By Region and Size of ALAE

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Northern CA																												
2012							66.4%	66.7%	66.1%							17.6%	17.5%	17.8%							15.9%	15.9%	16.1%	
2013						71.6%	72.3%	72.8%	72.2%						15.4%	15.1%	14.8%	14.8%						12.9%	12.6%	12.4%	13.0%	
2014					70.8%	72.3%	72.4%	73.1%	72.7%					16.4%	15.4%	15.5%	14.9%	15.4%					12.9%	12.4%	12.1%	12.0%	12.0%	
2015				72.7%	72.9%	73.8%	74.2%	74.6%					15.7%	15.3%	15.3%	14.8%	14.8%					11.5%	11.8%	10.9%	11.0%	10.6%		
2016			70.9%	73.8%	74.4%	74.9%	74.6%			18.2%	18.3%	17.6%	17.5%	15.1%								11.0%	10.4%	9.9%	10.2%			
2017		69.7%	72.5%	73.5%	74.5%	75.0%				21.8%	23.6%	21.4%	20.8%	20.2%	17.4%				8.5%	9.2%	9.7%	8.2%	7.9%					
2018	57.0%	66.3%	68.8%	71.1%	71.9%					29.0%	23.6%	23.3%	21.9%	21.0%					14.0%	10.1%	9.7%	8.2%	7.9%					
2019	55.2%	65.3%	67.9%	70.0%						29.3%	23.3%	21.9%	21.0%						15.5%	11.4%	10.2%	9.1%						
2020	51.2%	61.5%	67.5%							32.5%	25.6%	21.6%							16.4%	12.9%	10.8%							
2021	53.2%	71.0%								33.3%	21.1%								13.5%	7.8%								
2022	57.9%									29.0%									13.1%									
Bay Area																												
2012							76.5%	76.7%	76.7%							17.7%	17.6%	17.5%							5.8%	5.7%	5.8%	
2013						73.7%	74.0%	74.3%	74.3%						18.3%	18.0%	18.0%	18.1%						8.0%	8.0%	7.6%		
2014						72.1%	72.7%	73.2%	73.4%					19.1%	18.8%	18.5%	18.4%	18.6%						8.8%	8.6%	8.1%		
2015				73.7%	74.5%	75.3%	75.6%	75.8%					18.1%	17.6%	17.4%	17.1%	16.9%							8.2%	7.9%	7.3%		
2016			72.6%	74.1%	75.5%	75.7%	75.7%			19.2%	18.5%	17.6%	17.7%	17.7%										6.6%	6.6%	6.6%		
2017		67.4%	70.6%	72.7%	73.4%	74.2%				23.4%	21.1%	20.3%	19.7%	19.1%					9.2%	8.3%	8.3%	6.9%	6.9%					
2018	54.7%	66.2%	70.0%	71.6%	72.4%					36.3%	26.4%	23.5%	22.3%	21.9%					10.9%	7.5%	6.5%	6.1%	5.7%					
2019	51.6%	72.3%	75.6%	77.5%						37.4%	21.5%	19.2%	17.9%						14.3%	9.2%	7.6%							
2020	49.1%	66.4%	71.6%							36.7%	24.4%	20.8%							12.2%	8.0%								
2021	54.8%	69.4%								33.0%	22.7%								10.4%									
2022	59.5%									30.1%																		
Central CA																												
2012							76.2%	76.4%	76.9%							16.2%	15.8%	15.8%							7.6%	7.8%	7.3%	
2013						74.0%	74.1%	74.5%	74.7%						16.9%	16.5%	16.2%	16.2%						9.1%	9.4%	9.0%		
2014						71.6%	72.2%	72.6%	72.9%					18.9%	18.4%	18.1%	18.0%	17.9%						9.6%	9.3%	8.9%		
2015				69.8%	71.7%	71.9%	72.9%	73.1%					19.8%	18.8%	18.6%	18.1%	17.9%							10.3%	9.5%	9.1%		
2016			69.7%	70.9%	71.1%	71.9%	72.6%			20.9%	19.9%	20.5%	19.6%	19.2%										8.4%	8.5%	8.2%		
2017		66.4%	70.4%	71.7%	73.4%	73.9%				23.3%	20.0%	19.3%	18.8%	18.6%					10.3%	9.6%	9.6%	7.2%	7.5%					
2018	55.2%	68.2%	71.7%	73.8%	75.5%					32.5%	22.3%	20.2%	19.0%	17.8%					12.3%	9.5%	8.1%	7.2%	6.7%					
2019	53.6%	68.1%	72.7%	74.3%						33.8%	23.1%	20.5%	19.1%						12.7%	8.9%	6.8%	6.6%						
2020	52.3%	66.3%	71.4%							33.0%	25.6%	22.0%							14.7%	8.1%	6.5%							
2021	53.7%	68.6%								31.7%	23.6%								14.6%	7.8%								
2022	61.0%									28.5%									10.5%									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%).

Source: WCIRB unit statistical data for cumulative injury indemnity claims only.

Cumulative Injury Indemnity Claim Counts Distribution - By Region and Size of ALAE

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE								
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Los Angeles Area																											
2012						81.4%	81.7%	82.0%								13.2%	12.9%	12.8%							5.4%	5.3%	5.2%
2013					81.8%	82.0%	82.2%	82.4%							12.2%	12.2%	12.0%	11.9%						6.0%	5.9%	5.8%	5.7%
2014					81.9%	82.5%	82.7%	83.0%	83.2%					12.4%	11.8%	11.7%	11.5%	11.4%						5.7%	5.6%	5.5%	5.4%
2015				81.5%	82.6%	83.3%	83.6%	83.9%					12.2%	11.3%	10.9%	10.7%	10.6%					6.3%	6.1%	5.9%	5.7%	5.5%	
2016			80.6%	82.3%	83.1%	83.5%	83.7%					13.8%	12.6%	12.1%	12.0%	11.9%					5.6%	5.2%	4.8%	4.5%	4.4%		
2017		76.9%	80.9%	82.7%	83.4%	84.2%					16.3%	13.5%	12.6%	12.1%	11.6%					6.8%	5.5%	4.8%	4.5%	4.1%			
2018	65.3%	76.2%	81.1%	83.0%	84.1%					25.6%	17.2%	14.2%	12.9%	12.2%					9.2%	6.6%	4.7%	4.1%	3.6%				
2019	65.5%	78.6%	83.1%	84.8%						24.5%	15.7%	12.6%	11.6%						10.0%	5.7%	4.3%	3.7%					
2020	65.8%	77.9%	82.1%							24.0%	16.3%	13.6%							10.2%	5.8%	4.4%						
2021	64.9%	77.1%								24.1%	16.4%								11.0%	6.4%							
2022	65.8%									24.7%									9.6%								
San Diego																											
2012						80.9%	81.0%	81.1%								15.4%	15.2%	15.2%							3.7%	3.8%	3.7%
2013					78.3%	78.6%	79.1%	79.1%							16.2%	15.9%	15.5%	15.7%						5.5%	5.4%	5.1%	
2014					77.2%	78.0%	78.4%	78.2%	78.3%					15.9%	15.7%	15.3%	15.6%	15.5%						6.9%	6.3%	6.2%	
2015				77.3%	77.8%	78.4%	78.4%	78.6%					15.8%	15.2%	14.8%	14.8%	14.8%					7.0%	6.8%	6.8%	6.6%		
2016			82.3%	83.5%	83.9%	84.3%	84.2%					13.0%	12.2%	11.9%	11.7%	11.7%					4.7%	4.3%	4.1%	4.0%			
2017		68.3%	72.1%	73.8%	74.2%	74.7%					24.0%	21.6%	19.7%	19.9%	19.2%					7.7%	6.3%	6.4%	5.9%	6.2%			
2018	60.5%	70.7%	74.3%	76.1%	77.0%					31.4%	21.9%	19.5%	17.9%	17.1%					8.1%	7.4%	6.2%	6.1%	5.9%				
2019	58.1%	71.6%	74.4%	76.4%						30.3%	21.0%	18.8%	17.9%						11.6%	7.4%	6.8%	5.7%					
2020	62.4%	72.7%	76.3%							28.6%	22.1%	18.9%							9.0%	5.2%	4.9%						
2021	60.8%	75.3%								29.6%	19.5%								9.5%	5.3%							
2022	63.1%									26.8%									10.2%								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000. Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%). Source: WCIRB unit statistical data for private insurers' cumulative injury indemnity claims only.

Average Paid ALAE per Cumulative Injury Indemnity Claim By Region

PY/RL	Significant ALAE									Any ALAE									All Cumulative Injury Indemnity Claims									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Northern CA																												
2012						12,527	12,746	12,988								9,977	10,176	10,313								8,388	8,560	8,652
2013						12,917	13,618	13,874	13,863							10,686	11,320	11,593	11,558							9,306	9,893	10,156
2014							12,219	13,121	13,487	13,643						9,374	10,138	10,867	11,269	11,321						8,883	9,554	9,916
2015							11,456	12,153	12,762	13,092	13,451					9,447	10,104	10,632	10,967	11,271						8,167	8,907	9,475
2016							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
2017							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
2018							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
2019							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
2020							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
2021							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
2022							11,418	12,153	12,762	13,092	13,451						10,632	10,967	11,271							8,357	8,907	9,475
Bay Area																												
2012						14,923	15,253	15,590								12,187	12,470	12,758								11,481	11,759	12,017
2013						13,932	14,559	15,131	15,378							11,228	11,776	12,247	12,433							10,326	10,833	11,312
2014						12,357	13,169	13,834	14,275	14,524						9,840	10,535	11,108	11,475	11,662						8,970	9,633	10,187
2015						11,083	12,076	12,847	13,312	13,663						8,976	9,834	10,502	10,919	11,230						8,240	9,059	9,730
2016						10,339	11,703	12,731	13,452	13,983						8,237	9,426	10,380	10,960	11,390						7,563	8,726	9,687
2017						8,105	10,192	11,629	12,671	13,506						6,110	7,928	9,163	10,064	10,803						5,547	7,267	8,527
2018						5,312	7,659	9,646	10,971	11,942						3,334	5,576	7,306	8,445	9,247						3,033	5,160	6,831
2019						5,153	7,170	8,822	11,038							3,138	5,602	7,100	9,029							2,795	5,259	6,735
2020						5,255	7,814	10,012								3,144	5,799	7,827								2,686	5,266	7,231
2021						5,154	7,537									3,336	5,766									2,930	5,306	
2022						5,284										3,624										3,246		
Central CA																												
2012						13,044	13,517	13,882								10,824	11,265	11,572								10,000	10,388	10,725
2013						12,070	12,601	13,055	13,327							9,893	10,368	10,769	11,014							8,988	9,397	9,777
2014						11,412	12,174	12,696	13,061	13,482						9,103	9,777	10,228	10,543	10,899						8,233	8,859	9,277
2015						9,902	10,713	11,639	12,249	12,713						7,784	8,552	9,310	9,878	10,281						6,982	7,742	8,432
2016						9,073	10,424	11,588	12,183	12,979						7,052	8,204	9,067	9,645	10,325						6,387	7,451	8,302
2017						7,674	9,296	10,601	11,311	12,027						5,765	7,313	8,414	9,065	9,667						5,172	6,608	7,655
2018						5,451	7,269	8,884	9,962	10,599						3,556	5,557	7,001	7,982	8,632						3,117	5,029	6,432
2019						4,643	7,384	9,131	10,793							2,994	5,615	7,204	8,663							2,615	5,116	6,715
2020						4,985	7,430	9,543								3,183	5,448	7,369								2,714	5,007	6,886
2021						5,008	7,197									3,270	5,439									2,793	5,014	
2022						5,067										3,556										3,181		

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0.

Source: WCIRB unit statistical data for private insurers' cumulative injury indemnity claims only.

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0. Source: WCIRB unit statistical data for private insurers' cumulative injury indemnity claims only.

Indemnity Claim Counts Distribution - By Settlement Type on Closed Claims

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Compromise and Release Claims																												
2012	22.3%	28.0%	30.9%	33.1%	34.3%	35.1%	35.2%	35.7%	36.0%	2.6%	4.7%	6.1%	6.9%	7.5%	7.9%	8.0%	8.2%	8.2%	8.2%	15.4%	20.2%	23.5%	24.9%	25.9%	26.3%	26.3%	26.5%	26.5%
2013	28.1%	33.9%	37.2%	38.7%	39.7%	40.1%	40.6%	41.0%	41.0%	3.0%	5.5%	7.2%	8.2%	8.9%	9.1%	9.4%	9.6%	9.7%	9.7%	16.5%	22.5%	25.5%	27.0%	27.7%	27.8%	28.4%	28.5%	28.5%
2014	34.7%	40.1%	42.2%	43.4%	43.7%	44.3%	44.7%	44.8%	44.8%	3.2%	6.1%	8.0%	9.2%	9.7%	10.0%	10.2%	10.3%	10.4%	10.4%	8.3%	18.9%	25.1%	27.4%	28.0%	28.4%	28.8%	29.1%	29.2%
2015	39.4%	42.1%	43.3%	44.0%	45.0%	45.7%	45.8%	45.8%	45.8%	3.6%	6.2%	8.0%	8.8%	9.3%	9.6%	9.8%	9.9%	9.9%	9.9%	11.1%	22.6%	26.9%	28.5%	29.0%	29.4%	29.8%	30.0%	30.0%
2016	37.6%	41.1%	42.2%	43.5%	44.6%	44.9%	45.1%	45.1%	45.1%	3.8%	6.6%	8.1%	8.9%	9.4%	9.6%	9.8%	9.8%	9.8%	9.8%	11.2%	20.5%	24.3%	25.8%	26.9%	27.4%	27.6%	27.6%	27.6%
2017	36.2%	39.4%	42.3%	44.0%	44.7%	45.2%				3.5%	5.9%	7.3%	8.1%	8.5%	8.8%					10.4%	18.9%	22.7%	24.9%	26.0%	26.2%	26.2%	26.2%	26.2%
2018	36.0%	43.2%	45.4%	46.7%	47.4%					3.7%	6.3%	7.9%	8.6%	9.0%						10.8%	19.7%	23.5%	25.2%	26.2%				
2019	39.9%	45.2%	47.3%	48.5%						4.0%	6.6%	8.1%	8.9%							11.9%	20.7%	24.3%	25.9%					
2020	35.3%	43.0%	46.1%							2.9%	5.3%	6.7%								8.4%	17.1%	20.9%						
2021	42.2%	46.9%								2.9%	5.2%									10.0%	18.8%							
2022	47.0%									3.2%										11.1%								
Closed Indemnity Claims Excluding Compromise and Release Claims																												
2012	77.7%	72.0%	69.1%	66.9%	65.7%	64.9%	64.8%	64.3%	64.0%	97.4%	95.3%	93.9%	93.1%	92.5%	92.1%	92.0%	91.8%	91.8%	91.8%	91.8%	84.6%	79.8%	76.5%	75.1%	74.1%	73.7%	73.7%	73.5%
2013	71.9%	66.1%	62.8%	61.3%	60.3%	59.9%	59.4%	59.0%	59.0%	97.0%	94.5%	92.8%	91.8%	91.1%	90.9%	90.6%	90.4%	90.3%	90.3%	92.0%	83.5%	77.5%	74.5%	73.0%	72.3%	72.2%	71.6%	71.5%
2014	65.3%	59.9%	57.8%	56.6%	56.3%	55.7%	55.3%	55.2%	55.2%	96.8%	93.9%	92.0%	90.8%	90.3%	90.0%	89.8%	89.7%	89.6%	89.6%	91.7%	81.1%	74.9%	72.6%	72.0%	71.6%	71.2%	70.9%	70.8%
2015	60.6%	57.9%	56.7%	56.0%	55.0%	54.3%	54.2%	54.2%	54.2%	96.4%	93.8%	92.0%	91.2%	90.7%	90.4%	90.2%	90.1%	90.1%	90.1%	88.9%	77.4%	73.1%	71.5%	71.0%	70.6%	70.2%	70.0%	70.0%
2016	62.4%	58.9%	57.8%	56.5%	55.4%	55.1%	54.9%	54.9%	54.9%	96.2%	93.4%	91.9%	91.1%	90.6%	90.4%	90.2%				88.8%	79.5%	75.7%	74.2%	73.1%	72.6%	72.4%	72.4%	72.4%
2017	63.8%	60.6%	57.7%	56.0%	55.3%	54.8%				96.5%	94.1%	92.7%	91.9%	91.5%	91.2%					89.6%	81.1%	77.3%	75.1%	74.0%	73.8%			
2018	64.0%	56.8%	54.6%	53.3%	52.6%					96.3%	93.7%	92.1%	91.4%	91.0%						89.2%	80.3%	76.5%	74.8%	73.8%				
2019	60.1%	54.8%	52.7%	51.5%						96.0%	93.4%	91.9%	91.1%							88.1%	79.3%	75.7%	74.1%					
2020	64.7%	57.0%	53.9%							97.1%	94.7%	93.3%								91.6%	82.9%	79.1%						
2021	57.8%	53.1%								97.1%	94.8%									90.0%	81.2%							
2022	53.0%									96.8%										88.9%								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.
Distributions sum down the column (i.e. Compromise and Release Claims + Closed Indemnity Claims Excluding Compromise and Release Claims = 100%).
Source: WCIRB unit statistical data for private insurers' closed indemnity claims only.

Indemnity Claim Counts Distribution - By Settlement Type on Closed Claims

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Compromise and Release Claims																												
2012	61.8%	72.7%	77.7%	80.5%	81.8%	82.5%	82.9%	83.3%	83.6%	27.5%	18.6%	14.9%	12.8%	12.0%	11.6%	11.2%	11.0%	10.9%	10.8%	10.8%	8.7%	7.3%	6.7%	6.2%	5.9%	5.8%	5.6%	
2013	66.9%	75.0%	79.1%	81.0%	82.0%	82.7%	83.1%	83.2%	83.3%	22.9%	16.7%	13.5%	12.2%	11.6%	11.1%	10.9%	10.8%	10.8%	10.7%	10.7%	8.3%	7.4%	6.8%	6.4%	6.2%	6.0%	5.9%	
2014	73.3%	78.2%	80.6%	82.1%	83.0%	83.5%	83.8%	84.0%	84.1%	19.4%	14.8%	12.8%	11.9%	11.4%	11.1%	10.9%	10.8%	10.8%	10.7%	10.7%	7.2%	6.9%	6.6%	6.0%	5.6%	5.4%	5.2%	
2015	75.6%	80.0%	82.4%	83.8%	84.4%	84.8%	85.1%	85.2%		18.0%	13.5%	12.0%	11.1%	10.7%	10.4%	10.3%	10.2%			6.4%	6.5%	5.8%	5.2%	4.9%	4.7%	4.7%	4.6%	
2016	76.2%	81.1%	83.4%	84.4%	85.1%	85.4%	85.6%			18.2%	14.0%	12.1%	11.4%	10.9%	10.7%	10.5%				5.6%	4.9%	4.5%	4.2%	4.0%	4.0%	3.9%		
2017	77.7%	82.1%	84.0%	85.1%	85.7%	86.1%				17.3%	13.3%	11.8%	10.9%	10.5%	10.3%					5.0%	4.6%	4.2%	4.0%	3.8%	3.7%			
2018	77.5%	82.1%	84.3%	85.6%	86.2%					17.9%	13.6%	11.9%	10.9%	10.4%						4.6%	4.2%	3.8%	3.5%	3.3%				
2019	76.6%	81.9%	84.4%	85.7%						18.2%	13.5%	11.6%	10.7%							5.2%	4.6%	4.0%	3.6%					
2020	76.6%	81.3%	83.9%							16.9%	13.0%	11.1%								6.4%	5.7%	5.0%						
2021	79.1%	82.6%								15.0%	12.1%									5.9%	5.3%							
2022	82.0%									13.6%										4.4%								
Closed Indemnity Claims Excluding Compromise and Release Claims																												
2012	15.9%	30.6%	40.1%	45.4%	48.3%	50.1%	51.3%	51.8%	52.1%	75.2%	61.5%	53.2%	48.5%	45.9%	44.3%	43.2%	42.7%	42.5%		9.0%	7.9%	6.7%	6.1%	5.8%	5.5%	5.5%	5.4%	
2013	16.6%	30.8%	39.8%	45.0%	47.7%	49.4%	50.1%	50.6%	51.0%	72.0%	60.3%	52.5%	48.0%	45.6%	44.1%	43.4%	43.0%	42.7%		11.4%	8.9%	7.6%	7.0%	6.7%	6.5%	6.4%	6.3%	
2014	17.1%	31.2%	39.7%	44.4%	47.0%	48.1%	48.8%	49.3%	49.7%	73.1%	60.9%	53.3%	49.0%	46.6%	45.6%	45.0%	44.6%	44.2%		9.8%	7.9%	7.1%	6.6%	6.4%	6.3%	6.2%	6.1%	
2015	18.0%	32.7%	41.4%	45.5%	47.1%	48.0%	48.8%	49.3%		74.2%	60.7%	52.8%	48.9%	47.4%	46.6%	45.9%	45.4%			7.9%	6.6%	5.9%	5.5%	5.5%	5.4%	5.3%	5.3%	
2016	20.0%	35.0%	43.0%	46.0%	47.6%	48.6%	49.3%			73.0%	59.3%	51.8%	48.9%	47.5%	46.5%	45.9%				7.0%	5.7%	5.2%	5.1%	5.0%	4.9%	4.8%		
2017	20.6%	35.2%	41.3%	44.3%	46.1%	47.2%				72.9%	59.3%	53.6%	50.8%	49.2%	48.1%					6.5%	5.5%	5.1%	4.9%	4.7%	4.7%			
2018	21.6%	33.1%	39.9%	43.6%	45.5%					72.3%	61.6%	55.2%	51.8%	50.0%						6.1%	5.3%	4.9%	4.6%	4.5%				
2019	19.7%	32.3%	39.4%	43.2%						73.7%	62.1%	55.4%	51.9%							6.6%	5.7%	5.2%	4.9%					
2020	18.0%	29.5%	36.2%							73.0%	62.9%	56.8%								9.0%	7.6%	6.9%						
2021	16.4%	27.8%								75.6%	65.4%									8.1%	6.8%							
2022	17.3%									76.1%										6.6%								

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%).

Source: WCIRB unit statistical data for private insurers' closed indemnity claims only.

Average Paid ALAE - Closed Claims Settled by C&R and Indemnity Claims by Status

PY/RL	Significant ALAE									Any ALAE									All Indemnity Claims									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Compromise and Release Claims																												
2012	4,777	6,784	8,969	10,959	12,499	13,636	14,396	15,021	15,444	3,429	5,490	7,591	9,509	10,955	12,009	12,727	13,314	13,716	3,059	5,010	7,034	8,872	10,274	11,295	11,987	12,562	12,953	
2013	5,007	6,926	9,095	11,029	12,237	13,101	13,711	14,190	14,488	3,836	5,741	7,827	9,643	10,779	11,601	12,172	12,603	12,873	3,444	5,261	7,247	8,983	10,086	10,881	11,442	11,851	12,112	
2014	5,133	7,255	9,439	11,074	12,124	12,817	13,357	13,766	14,082	4,140	6,167	8,203	9,724	10,715	11,368	11,871	12,248	12,538	3,841	5,738	7,662	9,143	10,112	10,749	11,241	11,605	11,884	
2015	5,207	7,435	9,360	10,715	11,680	12,379	12,931	13,353		4,284	6,420	8,223	9,513	10,419	11,072	11,584	11,971		4,011	6,006	7,761	9,023	9,907	10,548	11,042	11,418		
2016	5,420	7,298	9,107	10,503	11,606	12,295	12,894			4,448	6,287	8,005	9,304	10,336	10,974	11,525			4,199	5,979	7,648	8,913	9,918	10,541	11,079			
2017	5,669	7,823	9,554	10,905	11,970	12,863				4,710	6,793	8,430	9,711	10,711	11,538				4,475	6,484	8,077	9,326	10,301	11,115				
2018	5,812	7,802	9,510	10,941	12,059					4,801	6,755	8,385	9,748	10,805					4,578	6,469	8,067	9,407	10,444					
2019	5,781	7,754	9,626	11,225						4,758	6,719	8,514	10,028						4,510	6,412	8,175	9,666						
2020	6,074	7,968	9,876							5,054	6,931	8,770							4,729	6,534	8,335							
2021	5,774	7,881								4,924	6,933								4,632	6,564								
2022	5,751									4,991									4,772									
Closed Indemnity Claims Excluding Compromise and Release Claims																												
2012	3,673	5,470	7,383	9,130	10,442	11,352	12,040	12,455	12,787	815	1,979	3,319	4,545	5,482	6,148	6,653	6,942	7,161	742	1,823	3,097	4,269	5,164	5,804	6,288	6,563	6,773	
2013	4,020	5,619	7,523	9,220	10,357	11,188	11,781	12,108	12,434	931	2,061	3,388	4,590	5,422	6,027	6,432	6,663	6,885	825	1,878	3,130	4,268	5,060	5,635	6,018	6,238	6,450	
2014	4,062	5,756	7,635	9,159	10,275	10,854	11,358	11,776	12,136	942	2,106	3,400	4,485	5,285	5,689	6,027	6,306	6,537	850	1,938	3,159	4,190	4,949	5,331	5,654	5,920	6,139	
2015	4,127	5,988	7,715	9,091	9,799	10,358	10,891	11,375		974	2,253	3,527	4,509	5,004	5,378	5,733	6,043		898	2,105	3,319	4,260	4,729	5,086	5,427	5,724		
2016	4,262	5,978	7,645	8,585	9,282	9,894	10,443			1,085	2,369	3,601	4,290	4,768	5,176	5,529			1,009	2,233	3,412	4,072	4,532	4,924	5,264			
2017	4,285	6,128	7,402	8,526	9,435	10,075				1,119	2,436	3,361	4,107	4,697	5,116				1,046	2,303	3,189	3,906	4,474	4,877				
2018	4,371	5,849	7,406	8,707	9,611					1,187	2,212	3,259	4,122	4,715					1,115	2,095	3,101	3,932	4,503					
2019	4,006	5,772	7,490	8,784						1,029	2,141	3,263	4,133						961	2,020	3,093	3,930						
2020	3,913	5,711	7,312							964	1,998	3,006							877	1,846	2,798							
2021	4,031	5,902								903	1,933								830	1,801								
2022	4,250									969									905									
All Open Indemnity Claims																												
2012	5,202	9,028	13,390	17,927	21,955	25,947	30,039	33,396	35,351	3,426	7,542	12,014	16,453	20,317	24,339	28,183	31,354	33,165	3,088	6,981	11,417	15,742	19,559	23,585	27,342	30,441	32,184	
2013	5,321	9,143	13,505	17,529	21,532	25,664	29,247	31,784	34,513	3,520	7,724	12,092	15,893	19,811	23,637	26,875	29,183	31,505	3,136	7,204	11,419	15,159	19,092	22,884	26,039	28,304	30,604	
2014	5,576	9,488	13,712	17,858	21,627	25,538	28,366	31,596	34,227	3,818	8,013	12,165	16,200	19,833	23,478	26,085	28,935	31,370	3,440	7,451	11,514	15,541	19,188	22,769	25,182	27,918	30,322	
2015	5,499	9,583	14,037	18,609	22,824	26,670	31,194	34,966		3,799	8,171	12,634	17,083	21,186	24,908	29,248	32,864		3,480	7,682	12,086	16,431	20,477	24,129	28,440	32,032		
2016	5,705	9,793	14,423	19,025	23,053	27,999	32,576			3,970	8,376	13,016	17,428	21,324	26,220	30,525			3,676	7,974	12,512	16,806	20,672	25,444	29,583			
2017	5,839	10,160	14,834	19,234	23,539	27,936				4,189	8,773	13,410	17,656	21,800	26,139				3,915	8,374	12,906	17,053	21,108	25,355				
2018	5,949	10,063	14,562	19,173	23,583					4,290	8,654	13,132	17,583	21,765					4,030	8,278	12,666	17,027	21,156					
2019	5,934	10,216	14,623	19,091						4,300	8,851	13,235	17,587						4,004	8,486	12,830	17,094						
2020	5,906	10,144	14,852							4,239	8,752	13,381							3,914	8,357	12,921							
2021	6,032	10,497								4,322	9,118								4,004	8,708								
2022	6,169									4,507									4,205									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0.

Source: WCIRB unit statistical data for private insurers' indemnity claims only.

Claim Counts Distribution - By Injury Type

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Permanent (Death, PT, PF)																												
2012	41.5%	51.0%	56.5%	58.8%	60.1%	60.1%	59.9%	60.2%	60.2%	5.1%	4.1%	3.6%	3.4%	3.3%	3.3%	3.2%	3.2%	3.2%	3.2%	14.1%	13.5%	10.9%	10.0%	9.4%	8.8%	8.7%	8.6%	8.5%
2013	38.7%	51.1%	56.8%	59.0%	59.5%	59.6%	59.9%	59.9%	60.0%	5.0%	4.1%	3.7%	3.6%	3.4%	3.4%	3.3%	3.3%	3.3%	3.3%	14.6%	12.0%	11.0%	9.8%	8.9%	8.7%	8.6%	8.6%	8.5%
2014	40.2%	51.6%	56.9%	58.4%	59.0%	59.5%	59.6%	59.7%	59.9%	4.9%	4.0%	3.6%	3.4%	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	15.5%	13.6%	11.2%	9.6%	8.8%	8.7%	8.6%	8.6%	8.5%
2015	40.9%	52.0%	56.3%	57.7%	58.6%	59.0%	59.2%	59.4%		4.7%	3.6%	3.2%	3.0%	3.0%	2.9%	2.9%	2.9%		15.2%	12.8%	10.1%	9.3%	9.1%	8.9%	8.7%	8.7%	8.6%	
2016	40.5%	51.1%	55.2%	57.0%	57.7%	58.0%	58.3%			4.6%	3.5%	3.1%	3.0%	2.9%	2.9%	2.9%			13.7%	10.7%	9.6%	9.3%	8.9%	8.8%	8.7%			
2017	39.1%	48.0%	53.2%	54.7%	55.5%	56.1%				3.9%	2.9%	2.7%	2.6%	2.5%	2.5%				11.8%	9.5%	8.5%	8.2%	8.0%	7.9%				
2018	37.9%	48.0%	52.2%	53.9%	55.0%					3.8%	3.0%	2.7%	2.6%	2.6%					11.0%	9.4%	8.6%	8.2%	8.0%					
2019	37.9%	46.4%	50.6%	53.0%						4.0%	3.0%	2.8%	2.7%						12.1%	10.1%	9.3%	9.0%						
2020	34.1%	43.1%	48.8%							3.7%	3.0%	2.8%							12.6%	10.5%	9.5%							
2021	32.1%	42.4%								3.4%	2.8%								11.3%	10.2%								
2022	31.6%									3.4%									11.0%									
Temporary																												
2012	44.8%	36.8%	31.5%	29.0%	27.5%	27.2%	27.3%	26.9%	26.9%	18.2%	16.1%	15.5%	15.3%	15.2%	15.1%	15.1%	15.1%	15.1%	15.1%	22.2%	19.8%	18.6%	18.2%	18.2%	18.3%	18.3%	18.3%	18.2%
2013	47.3%	36.5%	30.8%	28.3%	27.5%	27.3%	26.9%	26.7%	26.7%	18.7%	16.3%	15.7%	15.5%	15.4%	15.4%	15.3%	15.3%	15.3%	15.3%	23.3%	20.7%	19.8%	19.9%	19.9%	19.8%	19.8%	19.8%	19.8%
2014	44.6%	35.0%	29.8%	28.0%	27.3%	26.7%	26.4%	26.3%	26.1%	18.1%	16.0%	15.5%	15.3%	15.3%	15.2%	15.2%	15.2%	15.2%	15.2%	23.0%	20.6%	20.6%	20.5%	20.6%	20.6%	20.6%	20.6%	20.5%
2015	44.1%	34.5%	30.0%	28.4%	27.4%	26.9%	26.6%	26.3%		17.8%	15.8%	15.4%	15.3%	15.2%	15.2%	15.2%	15.2%		22.7%	21.7%	21.7%	21.5%	21.4%	21.3%	21.2%	21.2%		
2016	44.0%	34.9%	30.8%	28.8%	28.1%	27.7%	27.3%			17.4%	15.7%	15.2%	15.1%	15.1%	15.0%	15.0%			25.3%	24.1%	23.5%	23.3%	23.1%	22.9%	22.9%			
2017	44.7%	36.4%	32.0%	30.4%	29.5%	28.8%				17.3%	15.6%	15.2%	15.1%	15.1%	15.0%				24.8%	23.3%	22.9%	22.4%	22.1%	21.9%				
2018	45.3%	36.8%	32.8%	30.9%	29.7%					17.6%	16.0%	15.6%	15.5%	15.4%					24.3%	23.1%	22.0%	21.5%	21.2%					
2019	45.5%	38.7%	34.6%	32.2%						18.8%	17.2%	16.7%	16.6%						26.4%	23.7%	22.6%	22.1%						
2020	49.0%	41.4%	35.9%							21.4%	19.5%	19.0%							30.6%	28.7%	28.3%							
2021	51.0%	42.3%								21.7%	19.6%								31.1%	28.5%								
2022	51.2%									22.1%									30.3%									
Medical-Only																												
2012	13.7%	12.1%	12.0%	12.2%	12.4%	12.7%	12.8%	12.9%	12.9%	76.7%	79.8%	80.9%	81.3%	81.5%	81.6%	81.7%	81.7%	81.7%	81.7%	63.7%	66.7%	70.5%	71.7%	72.4%	72.9%	73.1%	73.1%	73.3%
2013	14.0%	12.4%	12.4%	12.6%	12.9%	13.1%	13.2%	13.3%	13.4%	76.3%	79.6%	80.6%	80.9%	81.2%	81.3%	81.3%	81.4%	81.4%	81.4%	62.1%	67.3%	69.2%	70.3%	71.2%	71.5%	71.6%	71.6%	71.7%
2014	15.2%	13.5%	13.4%	13.6%	13.7%	13.8%	13.9%	14.0%	14.1%	77.0%	80.1%	80.9%	81.3%	81.5%	81.5%	81.6%	81.6%	81.6%	81.6%	61.5%	65.8%	68.2%	69.3%	70.6%	70.7%	70.8%	70.9%	70.9%
2015	15.0%	13.4%	13.7%	13.9%	14.0%	14.1%	14.2%	14.3%		77.4%	80.5%	81.4%	81.7%	81.8%	81.9%	81.9%	81.9%		62.1%	65.5%	68.2%	69.3%	69.6%	69.8%	70.0%	70.2%		
2016	15.5%	14.0%	14.0%	14.1%	14.2%	14.3%	14.4%			78.0%	80.9%	81.7%	81.9%	82.0%	82.1%	82.1%			61.0%	65.1%	66.9%	67.4%	68.0%	68.3%	68.3%			
2017	16.2%	14.8%	14.7%	14.9%	15.0%	15.1%				78.9%	81.5%	82.1%	82.3%	82.4%	82.5%				63.5%	67.2%	68.6%	69.3%	69.9%	70.2%				
2018	16.9%	15.2%	15.0%	15.2%	15.3%					78.6%	81.0%	81.7%	81.9%	82.0%					64.7%	67.4%	69.4%	70.2%	70.8%					
2019	16.5%	14.8%	14.7%	14.8%						77.2%	79.8%	80.5%	80.7%						61.4%	66.2%	68.2%	68.9%						
2020	16.9%	15.5%	15.3%							74.9%	77.5%	78.2%							56.8%	60.8%	62.2%							
2021	16.9%	15.4%								74.9%	77.6%								57.6%	61.3%								
2022	17.2%									74.5%									58.6%									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum down the column (i.e. Permanent (Death, PT, PP) + Temporary + Medical-Only = 100%).

Source: WCIRB unit statistical data for private insurers.

Claim Counts Distribution - By Injury Type and Size of ALAE

PY/RL	Significant ALAE									Non-Significant ALAE									No ALAE									
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Permanent (Death, PT, PF)																												
2012	58.0%	74.0%	80.5%	82.7%	83.8%	84.5%	84.8%	84.9%	85.1%	31.1%	18.5%	14.4%	12.9%	12.3%	11.9%	11.7%	11.6%	11.5%	10.9%	7.5%	5.1%	4.3%	3.9%	3.6%	3.5%	3.4%	3.4%	
2013	57.3%	75.7%	80.7%	82.8%	84.1%	84.6%	84.8%	84.9%	85.0%	29.7%	17.4%	13.9%	12.7%	12.0%	11.7%	11.5%	11.4%	11.4%	12.9%	6.9%	5.4%	4.5%	3.9%	3.8%	3.7%	3.7%	3.6%	
2014	60.4%	76.4%	81.6%	83.8%	84.8%	85.2%	85.4%	85.5%	85.6%	28.2%	16.7%	13.5%	12.3%	11.7%	11.3%	11.2%	11.2%	11.1%	11.5%	6.9%	4.9%	3.9%	3.5%	3.5%	3.4%	3.4%	3.3%	
2015	62.9%	78.8%	83.8%	85.3%	85.9%	86.2%	86.4%	86.5%		27.7%	15.7%	12.5%	11.5%	11.0%	10.8%	10.6%	10.6%		9.4%	5.5%	3.7%	3.3%	3.1%	3.0%	2.9%	2.9%		
2016	64.8%	80.5%	84.5%	85.6%	86.2%	86.4%	86.6%			27.9%	15.7%	12.5%	11.6%	11.2%	11.0%	10.9%			7.3%	3.8%	3.0%	2.8%	2.6%	2.5%	2.5%			
2017	68.1%	81.9%	85.2%	86.3%	86.8%	87.1%				25.6%	14.5%	11.9%	11.1%	10.7%	10.5%				6.4%	3.6%	2.9%	2.6%	2.5%	2.4%				
2018	68.7%	81.9%	85.4%	86.5%	87.1%					25.4%	14.6%	11.8%	11.0%	10.6%					5.8%	3.5%	2.8%	2.5%	2.4%					
2019	68.5%	82.2%	85.5%	86.7%						24.9%	14.1%	11.5%	10.5%						6.6%	3.8%	3.0%	2.7%						
2020	67.2%	80.9%	84.7%							24.3%	14.4%	11.7%							8.5%	4.8%	3.6%							
2021	67.6%	81.4%								24.6%	14.1%								7.8%	4.5%								
2022	70.1%									23.3%									6.7%									
Temporary																												
2012	33.0%	39.0%	38.9%	38.3%	37.8%	38.0%	38.2%	38.0%	38.0%	58.1%	53.0%	53.7%	54.3%	54.8%	54.7%	54.5%	54.7%	54.7%	9.0%	8.0%	7.5%	7.4%	7.4%	7.3%	7.3%	7.3%	7.3%	
2013	34.7%	39.9%	39.0%	38.2%	38.3%	38.4%	38.2%	38.2%	38.2%	55.1%	51.3%	52.3%	53.1%	53.1%	53.0%	53.2%	53.2%	53.2%	10.2%	8.8%	8.6%	8.7%	8.6%	8.5%	8.6%	8.5%	8.5%	
2014	35.6%	39.9%	38.7%	38.5%	38.4%	38.1%	38.0%	38.0%	37.8%	55.4%	52.0%	53.1%	53.5%	53.5%	53.8%	53.9%	53.9%	54.0%	9.0%	8.1%	8.2%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	
2015	36.4%	40.2%	39.5%	39.1%	38.6%	38.5%	38.3%	38.2%		56.1%	52.6%	53.4%	53.8%	54.3%	54.5%	54.6%	54.8%		7.5%	7.1%	7.1%	7.0%	7.1%	7.0%	7.0%	7.0%		
2016	36.9%	41.1%	40.5%	39.7%	39.5%	39.4%	39.2%			56.0%	52.5%	53.2%	53.9%	54.1%	54.3%	54.5%			7.1%	6.4%	6.3%	6.4%	6.3%	6.3%				
2017	37.8%	41.4%	40.3%	39.9%	39.5%	39.3%				55.7%	52.6%	53.6%	54.2%	54.6%	54.9%				6.5%	6.0%	6.1%	6.0%	5.9%	5.9%				
2018	38.8%	42.0%	41.5%	40.9%	40.4%					55.1%	52.3%	53.0%	53.7%	54.2%					6.1%	5.7%	5.5%	5.4%	5.4%					
2019	38.7%	43.7%	43.3%	42.3%						54.5%	50.7%	51.3%	52.2%						6.7%	5.7%	5.4%	5.4%						
2020	37.4%	42.0%	40.8%							54.6%	51.0%	52.2%							8.0%	7.0%	7.0%							
2021	37.5%	42.1%								55.0%	51.5%								7.5%	6.4%								
2022	40.0%									53.6%									6.4%									
Medical-Only																												
2012	3.6%	4.2%	4.6%	4.8%	5.0%	5.2%	5.2%	5.3%	5.3%	87.2%	86.9%	86.7%	86.5%	86.4%	86.3%	86.2%	86.2%	86.1%	9.2%	8.9%	8.8%	8.7%	8.6%	8.5%	8.5%	8.5%	8.5%	
2013	3.9%	4.6%	5.0%	5.2%	5.5%	5.6%	5.7%	5.7%	5.8%	85.7%	85.5%	85.4%	85.3%	85.2%	85.1%	85.0%	85.0%	85.0%	10.4%	9.8%	9.6%	9.4%	9.4%	9.3%	9.3%	9.3%	9.3%	
2014	4.4%	5.1%	5.4%	5.7%	5.8%	5.9%	6.0%	6.0%	6.0%	86.7%	86.4%	86.2%	86.0%	85.9%	85.8%	85.7%	85.7%	85.7%	8.8%	8.5%	8.4%	8.4%	8.3%	8.3%	8.3%	8.3%	8.3%	
2015	4.5%	5.1%	5.6%	5.8%	5.9%	6.0%	6.1%	6.1%		88.1%	87.8%	87.5%	87.3%	87.2%	87.1%	87.1%	87.0%		7.4%	7.1%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%		
2016	4.6%	5.4%	5.7%	5.9%	6.0%	6.1%	6.1%			89.3%	88.9%	88.7%	88.5%	88.4%	88.4%	88.3%			6.1%	5.7%	5.6%	5.6%	5.6%	5.6%	5.6%			
2017	4.8%	5.5%	5.7%	5.9%	6.0%	6.0%				89.3%	88.9%	88.7%	88.6%	88.5%	88.4%				5.8%	5.6%	5.6%	5.5%	5.5%	5.5%				
2018	5.2%	5.8%	6.1%	6.2%	6.4%					88.9%	88.6%	88.4%	88.3%	88.2%					5.8%	5.6%	5.5%	5.5%	5.5%					
2019	5.5%	6.2%	6.5%	6.7%						88.3%	87.9%	87.6%	87.5%						6.2%	5.9%	5.8%	5.8%						
2020	5.9%	6.8%	7.0%							87.3%	86.9%	86.7%							6.8%	6.4%	6.3%							
2021	5.7%	6.6%								87.9%	87.5%								6.4%	6.0%								
2022	6.5%									87.5%									6.0%									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Non-Significant ALAE are claims with paid ALAE greater than \$0 and up to \$1,000.

Distributions sum across the row (i.e. Significant ALAE + Non-Significant ALAE + No ALAE = 100%).

Source: WCIRB unit statistical data for private insurers.

PY/RL	Average Paid ALAE By Injury Type									
	All Claims									
Permanent (Death, PT, PP)	Any ALAE									
	1	2	3	4	5	6	7	8	9	
2012	3,245	6,292	9,062	11,067	12,431	13,343	13,915	14,391	14,686	
2013	3,243	6,517	9,065	10,947	12,110	12,882	13,465	13,804	14,061	
2014	3,531	6,619	9,183	10,880	11,932	12,713	13,182	13,540	13,837	
2015	3,538	6,871	9,326	10,853	11,895	12,572	13,047	13,417		
2016	3,805	6,862	9,275	10,802	11,765	12,438	12,967			
2017	4,070	7,391	9,824	11,321	12,357	13,153				
2018	4,178	7,527	9,975	11,596	12,746					
2019	4,172	7,564	10,007	11,805						
2020	4,087	7,514	10,250							
2021	4,181	7,815								
2022	4,396									
Temporary	Any ALAE									
	1	2	3	4	5	6	7	8	9	
2012	1,673	2,839	3,421	3,777	3,860	3,992	4,121	4,033	4,046	
2013	1,939	2,927	3,462	3,627	3,833	3,965	3,904	3,917	3,935	
2014	1,936	3,080	3,475	3,714	3,863	3,800	3,826	3,838	3,801	
2015	2,007	3,107	3,526	3,733	3,688	3,714	3,748	3,711		
2016	2,064	3,183	3,588	3,623	3,715	3,768	3,736			
2017	2,155	3,302	3,563	3,751	3,836	3,817				
2018	2,255	3,261	3,713	3,916	3,929					
2019	2,217	3,544	4,100	4,230						
2020	2,155	3,423	3,837							
2021	2,215	3,518								
2022	2,404									
Medical-Only	Any ALAE									
	1	2	3	4	5	6	7	8	9	
2012	187	225	249	270	286	298	305	312	316	
2013	196	236	262	283	297	307	316	322	326	
2014	223	263	288	308	322	329	335	340	344	
2015	224	264	294	312	325	335	340	346		
2016	230	278	305	321	330	340	346			
2017	239	284	305	320	332	342				
2018	256	299	325	344	359					
2019	271	333	362	380						
2020	284	348	380							
2021	286	358								
2022	326									

Notes: Significant ALAE are claims with paid ALAE greater than \$1,000. Any ALAE are claims with ALAE greater than \$0.

Source: WCIRB unit statistical data for private insurers.

Region Mapping for WCAB Office, Employer, and Law Firm Location

WCAB Office			Employer or Law Firm	
<u>WCAB Office Regions</u>	<u>Office Code</u>	<u>Location Grouping</u>	<u>Geo Study Region*</u>	<u>Location Grouping</u>
Anaheim	AHM-ADJ	LA Area	Bakersfield	Central CA
Santa Ana	ANA-ADJ	LA Area	Bay Area	Bay Area
Bakersfield	BAK-ADJ	Central CA	Fresno / Madera	Central CA
* Eureka	EUR-ADJ	Northern CA	Imperial / Riverside	LA Area
Fresno	FRE-ADJ	Central CA	LA / Long Beach	LA Area
Los Angeles	LAO-ADJ	LA Area	Orange County	LA Area
Long Beach	LBO-ADJ	LA Area	Peninsula / Silicon Valley	Bay Area
Lodi	LOD-ADJ	Northern CA	Sacramento	Northern CA
Marina Del Rey	MDR-ADJ	LA Area	San Bernardino / West Riverside	LA Area
Oakland	OAK-ADJ	Bay Area	San Diego	San Diego
Oxnard	OXN-ADJ	LA Area	San Gabriel Valley / Pasadena	LA Area
Pomona	POM-ADJ	LA Area	Santa Cruz / Monterey / Salinas	Central CA
Redding	RDG-ADJ	Northern CA	Santa Monica / San Fernando Valley	LA Area
Riverside	RIV-ADJ	LA Area	SLO / Santa Barbara	Central CA
Sacramento	SAC-ADJ	Northern CA	Sonoma / Napa	Bay Area
Salinas	SAL-ADJ	Central CA	Stockton / Modesto / Merced	Central CA
Santa Barbara	SBA-ADJ	Central CA	Ventura	Central CA
San Bernardino	SBR-ADJ	LA Area	Yuba City / Redding / Far North	Northern CA
San Diego	SDO-ADJ	San Diego		
San Francisco	SFO-ADJ	Bay Area		
San Jose	SJO-ADJ	Bay Area		
San Luis Obispo	SLO-ADJ	Central CA		
* Santa Rosa	SRO-ADJ	Northern CA		
Van Nuys	VNO-ADJ	Van Nuys		

Notes: Five-digit zip codes are assigned to each region based on the WCIRB Geo Study 2024.

*The Eureka office was closed effective October 1, 2024, and the venue of Eureka cases were shifted to the Santa Rosa office.

Change in Share of Fully Remote DWC Cases by WCAB Office Location

Office Location	Percentage of Cases With Fully Remote Hearings						
	DWC Document Year						
	2018	2019	2020	2021	2022	2023	2024
Anaheim	5.9%	16.7%	40.7%	80.7%	91.1%	89.8%	84.3%
Santa Ana	5.1%	15.2%	39.3%	79.3%	89.3%	89.8%	83.0%
Bakersfield	12.7%	23.2%	44.3%	82.5%	95.2%	93.3%	92.4%
Fresno	8.6%	19.3%	39.0%	72.6%	83.5%	84.1%	86.4%
Los Angeles	6.7%	18.7%	46.1%	82.8%	90.0%	87.0%	79.1%
Long Beach	5.1%	13.0%	41.9%	81.0%	90.6%	87.0%	79.6%
Lodi	4.2%	13.2%	36.1%	78.0%	92.3%	91.0%	86.9%
Marina Del Rey	8.3%	18.5%	42.8%	84.0%	94.6%	91.8%	86.9%
Oakland	8.3%	18.9%	41.6%	77.3%	88.9%	89.7%	87.7%
Oxnard	6.5%	11.4%	30.4%	72.6%	84.2%	83.7%	79.4%
Pomona	7.1%	17.8%	44.4%	82.9%	91.7%	89.8%	87.4%
Redding	7.4%	13.7%	42.5%	79.8%	93.0%	95.9%	94.5%
Riverside	5.4%	15.0%	38.1%	74.7%	86.6%	87.4%	80.7%
Sacramento	6.6%	17.7%	41.2%	83.7%	95.2%	94.3%	92.4%
Salinas	7.9%	18.2%	39.0%	80.3%	96.0%	96.0%	97.7%
Santa Barbara	7.9%	15.8%	32.4%	72.8%	87.3%	78.2%	68.3%
San Bernardino	6.4%	14.1%	39.5%	78.4%	90.3%	90.7%	87.5%
San Diego	5.7%	17.3%	41.7%	78.4%	90.1%	82.0%	75.8%
San Francisco	8.0%	19.3%	40.9%	77.8%	91.4%	89.4%	87.5%
San Jose	5.6%	15.7%	36.1%	79.5%	95.0%	94.0%	89.8%
San Luis Obispo	7.7%	13.0%	34.1%	77.3%	95.6%	97.2%	94.3%
Santa Rosa	6.3%	16.5%	37.7%	80.0%	94.0%	94.1%	94.4%
Van Nuys	7.3%	18.3%	41.8%	76.2%	83.3%	84.1%	75.7%
All Offices Combined	6.8%	17.1%	41.2%	79.1%	89.3%	88.1%	82.9%

Notes: Document Date refers to the date in which the filer DWC received the hearing application in EAMS.
Data includes information from all statewide cases, including from self-insured employers.
Source: Electronic Adjudication Management System (EAMS) data from the DWC.

Change in Share of DWC Cases by WCAB Office Location and Employer Location

Document Date: 2018						
Employer Location	WCAB Office Location					
	Northern CA	Bay Area	Central CA	LA Area	Van Nuys	San Diego
Northern CA	81.1%	6.8%	1.9%	7.1%	2.6%	0.4%
Bay Area	13.3%	75.7%	4.0%	5.0%	1.7%	0.3%
Central CA	22.1%	2.9%	48.3%	19.3%	7.0%	0.4%
LA Area	0.3%	0.6%	0.5%	75.1%	22.3%	1.3%
San Diego	0.5%	0.6%	0.6%	17.2%	2.7%	78.4%

Document Date: 2024						
Employer Location	WCAB Office Location					
	Northern CA	Bay Area	Central CA	LA Area	Van Nuys	San Diego
Northern CA	71.7%	7.7%	1.1%	11.0%	7.8%	0.6%
Bay Area	16.6%	59.7%	5.9%	10.3%	7.2%	0.4%
Central CA	17.2%	4.1%	41.2%	25.5%	11.5%	0.5%
LA Area	0.5%	0.6%	0.6%	68.4%	28.1%	1.8%
San Diego	1.2%	2.0%	0.8%	19.9%	8.0%	68.2%

Change from 2018 to 2024						
Employer Location	WCAB Office Location					
	Northern CA	Bay Area	Central CA	LA Area	Van Nuys	San Diego
Northern CA	-9.4%	0.9%	-0.8%	3.9%	5.2%	0.3%
Bay Area	3.3%	-16.0%	1.9%	5.3%	5.4%	0.1%
Central CA	-4.9%	1.2%	-7.1%	6.2%	4.5%	0.1%
LA Area	0.2%	0.0%	0.1%	-6.7%	5.9%	0.6%
San Diego	0.7%	1.3%	0.3%	2.7%	5.3%	-10.2%
Change in share	-0.2%	-3.4%	-1.2%	1.9%	5.3%	-2.4%

Notes: Document Date refers to the date in which the filer DWC received the hearing application in EAMS.
Distributions sum across the row.
Data includes information from all statewide cases, including from self-insured employers.
Excludes data with invalid or missing employer zip codes.
Source: Electronic Adjudication Management System (EAMS) case detail information from the DWC.

Change in Share of DWC Cases by WCAB Office Location and Law Firm Location

Document Date: 2018						
Law Firm Location	WCAB Office Location					
	Northern CA	Bay Area	Central CA	LA Area	Van Nuys	San Diego
Northern CA	89.8%	5.7%	2.5%	1.9%	0.0%	0.0%
Bay Area	13.2%	85.0%	1.6%	0.3%	0.0%	0.0%
Central CA	44.2%	0.5%	39.4%	15.8%	0.1%	0.0%
LA Area	2.4%	0.8%	3.5%	69.7%	22.0%	1.6%
San Diego	0.0%	0.0%	0.1%	2.3%	1.0%	96.5%

Document Date: 2024						
Law Firm Location	WCAB Office Location					
	Northern CA	Bay Area	Central CA	LA Area	Van Nuys	San Diego
Northern CA	79.3%	9.0%	4.9%	6.0%	0.0%	0.8%
Bay Area	21.9%	69.1%	5.1%	3.2%	0.3%	0.4%
Central CA	26.0%	4.6%	45.3%	21.9%	0.9%	1.4%
LA Area	2.6%	2.2%	3.1%	64.5%	25.6%	2.0%
San Diego	0.0%	0.3%	0.3%	2.3%	0.8%	96.5%

Change from 2018 to 2024						
Law Firm Location	WCAB Office Location					
	Northern CA	Bay Area	Central CA	LA Area	Van Nuys	San Diego
Northern CA	-10.5%	3.2%	2.4%	4.1%	0.0%	0.8%
Bay Area	8.7%	-15.9%	3.6%	2.9%	0.3%	0.4%
Central CA	-18.2%	4.1%	5.9%	6.1%	0.7%	1.4%
LA Area	0.2%	1.5%	-0.4%	-5.3%	3.6%	0.4%
San Diego	0.0%	0.3%	0.1%	0.0%	-0.3%	-0.1%
Change in share	-2.3%	-2.5%	2.3%	0.9%	1.1%	0.5%

Notes: Document Date refers to the date in which the filer DWC received the hearing application in EAMS.
Distributions sum across the row.
Data includes information from all statewide cases, including from self-insured employers.
Excludes data with invalid, out-of-state or missing law firm zip codes.
Source: Electronic Adjudication Management System (EAMS) case detail information from the DWC.

Change in Share of DWC Cases by Employer Location and Law Firm Region

Document Date: 2018					
Employer Location	Law Firm Location				
	Northern CA	Bay Area	Central CA	LA Area	San Diego
Northern CA	54.0%	8.1%	7.0%	30.4%	0.5%
Bay Area	6.2%	70.0%	4.3%	19.2%	0.4%
Central CA	4.3%	5.4%	39.1%	51.0%	0.2%
LA Area	0.2%	0.4%	0.4%	98.1%	0.9%
San Diego	0.0%	0.5%	0.7%	33.6%	65.2%

Document Date: 2024					
Employer Location	Law Firm Location				
	Northern CA	Bay Area	Central CA	LA Area	San Diego
Northern CA	45.3%	11.2%	6.0%	37.3%	0.2%
Bay Area	6.3%	48.3%	5.4%	39.8%	0.2%
Central CA	2.7%	6.6%	36.3%	54.1%	0.4%
LA Area	0.4%	0.7%	1.0%	96.6%	1.3%
San Diego	1.0%	1.0%	1.7%	45.5%	50.7%

Change from 2018 to 2024					
Employer Location	Law Firm Location				
	Northern CA	Bay Area	Central CA	LA Area	San Diego
Northern CA	-8.7%	3.1%	-1.0%	7.0%	-0.3%
Bay Area	0.2%	-21.6%	1.1%	20.6%	-0.2%
Central CA	-1.6%	1.2%	-2.9%	3.1%	0.2%
LA Area	0.2%	0.3%	0.7%	-1.5%	0.3%
San Diego	1.0%	0.6%	1.0%	11.8%	-14.5%
Change in share	0.0%	-4.9%	0.0%	8.5%	-3.6%

Notes: Document Date refers to the date in which the filer DWC received the hearing application in EAMS.
Distributions sum across the row.
Data includes information from all statewide cases, including from self-insured employers.
Excludes data with invalid, out-of-state or missing law firm or employer zip codes.
Source: Electronic Adjudication Management System (EAMS) case detail information from the DWC.

Item AC25-03-01
First Quarter 2025 Review of Diagnostics

At the March 20, 2025 meeting, the Committee reviewed the first quarter 2025 diagnostics. Those diagnostics were also reviewed by the Claims Working Group at the March 25, 2025 meeting. The information and feedback provided by the Claims Working Group on selected diagnostics will be provided at the meeting.

Item AC25-03-02

12/31/2024 Experience Review

At the March 20, 2025 meeting, the Committee reviewed an initial analysis of statewide experience through December 31, 2024. Exhibits 1 through 8 include an updated analysis of December 31, 2024 experience. In total, approximately 100% of the market is included. Wage and loss levels are projected to September 1, 2026—the approximate midpoint of experience on policies incepting between September 1, 2025 and August 31, 2026, and premiums were adjusted to the September 1, 2024 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.

The loss development, on-leveling and trending methodologies reflected in Exhibits 1 through 8 are generally consistent with those reflected in the September 1, 2024 Pure Premium Rate Filing and the initial analysis of December 31, 2024 experience reviewed at the March 20, 2025 meeting, with the following updates made in part based on the discussion at the March 20, 2025 meeting:

- The projected claim frequency trends for accident years 2025 to 2027 based on the WCIRB's indemnity claim frequency model have been updated to reflect the discussion at the March 20, 2025 meeting to forecast the change in the cumulative injury index (CII) using the long-term average in the CII. (Exhibit 6.1)
- The projected annual on-level indemnity severity trend is updated to 0.5%. (Exhibit 6.1)
- The projected annual on-level medical severity trend is updated to 3.5%. (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, 2025 and August 31, 2026 based on December 31, 2024 insurer experience and the methodologies reflected in Exhibits 1 to 8 is 0.835. (The projected loss ratio reviewed at the March 20, 2025 meeting was 0.831.)

Additional supplemental information is included in Exhibits 9 through 12.

**California Workers' Compensation
Accident Year Experience as of December 31, 2024**

<u>Year</u>	<u>Earned Premium</u>	<u>Paid Indemnity</u>	<u>Indemnity Reserves</u>	<u>Paid Medical**</u>	<u>Medical Reserves</u>	<u>IBNR*</u>	<u>Total Incurred**</u>	<u>Loss Ratio*</u>
1995	3,734,293,230	1,759,127,910	15,403,267	1,641,237,586	65,383,504	35,905,655	3,517,057,922	0.942
1996	3,716,814,162	1,959,242,949	20,555,101	1,744,770,271	57,739,684	42,290,681	3,824,598,686	1.029
1997	3,890,474,523	2,317,715,248	21,097,639	2,038,752,694	65,740,911	74,241,299	4,517,547,791	1.161
1998	4,272,097,531	2,743,343,374	27,727,844	2,673,030,757	121,878,848	162,665,968	5,728,646,791	1.341
1999	4,435,839,419	2,969,430,052	26,981,995	3,010,046,173	83,593,992	221,117,463	6,311,169,675	1.423
2000	5,735,993,977	3,315,526,673	38,031,136	3,498,437,855	115,116,534	324,519,416	7,291,631,614	1.271
2001	9,854,494,997	4,751,598,756	48,434,298	5,333,456,379	170,443,578	530,023,520	10,833,956,531	1.099
2002	13,044,770,411	4,688,698,465	49,352,747	5,464,660,643	162,041,275	727,703,434	11,092,456,564	0.850
2003	18,877,733,885	4,521,777,212	77,104,885	5,086,523,930	182,789,129	1,129,892,448	10,998,087,604	0.583
2004	22,876,634,171	3,249,869,957	75,587,011	4,154,543,307	163,158,435	1,233,358,889	8,876,517,599	0.388
2005	21,328,114,283	2,584,929,815	66,411,940	3,764,466,565	132,598,330	992,838,039	7,541,244,689	0.354
2006	17,208,175,833	2,691,780,004	63,069,501	3,905,054,719	161,440,912	644,822,691	7,466,167,827	0.434
2007	13,257,873,801	2,843,692,907	73,232,228	4,180,177,576	163,392,936	596,921,309	7,857,416,956	0.593
2008	10,742,880,880	2,901,865,507	90,508,261	4,177,307,915	180,016,132	310,614,581	7,660,312,396	0.713
2009	8,844,271,923	2,785,533,022	85,024,969	4,011,255,689	209,156,988	256,507,443	7,347,478,111	0.831
2010	9,333,104,963	2,802,615,118	73,046,628	4,089,352,504	132,683,138	326,020,524	7,423,717,912	0.795
2011	10,068,503,632	2,786,192,333	83,802,296	3,731,675,254	173,236,887	387,002,712	7,161,909,482	0.711
2012	11,644,693,867	2,868,344,833	89,297,817	3,678,202,633	173,709,506	702,385,877	7,511,940,666	0.645
2013	14,103,394,678	2,911,399,316	97,499,383	3,531,305,745	174,895,430	956,095,746	7,671,195,620	0.544
2014	15,953,840,619	3,103,379,561	113,587,392	3,524,755,235	198,034,076	1,238,473,144	8,178,229,408	0.513
2015	17,049,343,457	3,198,073,370	135,507,224	3,508,136,622	221,752,287	1,556,437,537	8,619,907,040	0.506
2016	17,940,115,255	3,158,733,772	150,234,467	3,437,570,470	256,760,215	1,487,775,393	8,491,074,317	0.473
2017	17,662,410,236	3,132,941,837	217,076,311	3,414,160,049	363,875,239	1,508,344,785	8,636,398,221	0.489
2018	17,419,710,247	3,210,746,723	289,047,939	3,576,079,079	422,010,763	1,434,457,696	8,932,342,200	0.513
2019	16,111,876,339	3,367,885,084	398,421,400	3,609,978,184	534,320,165	1,414,327,210	9,324,932,043	0.579
2020	14,090,332,068	2,883,165,080	454,814,659	3,089,770,910	626,008,865	2,272,166,772	9,325,926,286	0.662
2021	13,577,799,904	2,842,126,218	670,632,175	3,049,358,316	916,291,798	1,794,528,699	9,272,937,206	0.683
2022	15,308,777,550	2,601,776,110	937,610,776	2,728,644,998	1,283,390,921	2,512,677,084	10,064,099,889	0.657
2023	15,772,241,707	1,796,636,434	1,139,177,687	1,969,312,815	1,582,058,565	3,779,698,074	10,266,883,575	0.651
2024	15,498,308,425	624,868,532	982,469,081	844,531,210	1,688,663,756	5,749,907,112	9,890,439,691	0.638

* 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

<u>Accident Year</u>	<u>24/12</u>	<u>36/24</u>	<u>48/36</u>	<u>60/48</u>	<u>72/60</u>	<u>84/72</u>	<u>96/84</u>	<u>Age-to-Age (in months)</u>										<u>144/132</u>	<u>156/144</u>	<u>168/156</u>	<u>180/168</u>	<u>192/180</u>	<u>204/192</u>
1997																							
1998																							
1999																							
2000																							
2001																							
2002																							
2003																							
2004																							
2005																							
2006																							
2007																							
2008																							
2009																							
2010																							
2011																							
2012																							
2013																							
2014																							
2015																							
2016																							
2017																							
2018																							
2019																							
2020																							
2021																							
2022																							
2023																							
Selected (a)	1.969	1.261	1.109	1.053	1.035	1.020	1.014	1.007	1.008	1.007	1.005	1.006	1.004	1.003	1.003	1.002	1.002	1.005	1.006	1.004	1.003	1.003	1.002
Cumulative	3.288	1.670	1.324	1.194	1.134	1.096	1.074	1.059	1.052	1.043	1.036	1.031	1.025	1.021	1.018	1.015	1.015	1.036	1.031	1.025	1.021	1.018	1.015

(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)

Accident Year	Age-to-Age (in months)															
	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
1983																
1984												1.001	1.001	1.001	1.001	1.000
1985											1.000	1.001	1.001	1.000	0.999	1.000
1986										1.001	1.001	1.001	1.000	1.000	1.000	1.000
1987									1.001	1.002	1.001	1.000	0.999	1.000	1.000	1.000
1988							1.001	1.001	1.002	1.000	1.001	1.001	1.001	1.001	1.001	1.000
1989						1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990					1.001	1.000	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	1.001	1.000	1.000
1992			1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000
1993		1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000
1994	1.001	1.001	1.002	1.000	1.001	1.001	0.999	1.001	1.001	1.001	1.000	1.001	0.999	1.000	1.000	1.000
1995	1.003	1.001	0.998	1.001	1.000	1.001	1.000	1.001	1.001	1.001	1.000	1.001	1.000	1.000	1.001	1.000
1996	1.003	1.000	1.000	1.000	1.001	1.001	1.002	1.001	1.001	1.000	1.001	1.001	1.000	1.001	1.001	1.000
1997	1.000	1.000	1.000	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000
1998	1.003	1.001	1.001	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000
1999	1.000	1.000	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.002	1.001	1.001	1.002	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.001	1.002	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	1.000
2002	1.001	1.003	1.001	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.002	1.002	1.003	1.000	0.999											
2004	1.001	1.001	1.001	1.000												
2005	1.003	1.001														
2006	1.003	1.000														
2007	1.001															

Selected (a) 1.002 1.002 1.001 1.001 1.000 1.001 1.001 1.001 1.000 1.001 1.000 1.001 1.000 1.000 1.000 1.000 1.000

Cumulative 1.013 1.011 1.009 1.008 1.007 1.007 1.007 1.006 1.005 1.001 1.000 1.001 1.004 1.003 1.003 1.003 1.002

(b) The ULT/480inc 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 and extrapolated to 80 development years.

Incurred Medical Loss Development Factors

Accident Year	<u>24/12</u>	<u>36/24</u>	<u>48/36</u>	<u>60/48</u>	<u>72/60</u>	<u>84/72</u>	<u>96/84</u>	Age-to-Age (in months) (b)						<u>144/132</u>	<u>156/144</u>	<u>168/156</u>	<u>180/168</u>	<u>192/180</u>	<u>204/192</u>
1997																			
1998																	1.012	1.003	1.007
1999																1.004	1.014	1.008	1.012
2000															1.013	1.011	1.013	1.005	0.999
2001														1.018	1.018	1.012	1.006	0.999	0.995
2002														1.017	1.015	1.013	1.001	0.997	0.994
2003									1.028					1.022	1.010	0.999	0.997	1.000	0.999
2004									1.037					1.022	1.003	0.998	0.999	1.001	1.006
2005									1.043					1.012	1.001	0.996	0.998	1.002	1.000
2006									1.045					1.006	0.999	1.000	1.000	1.000	0.998
2007									1.040					1.001	1.006	0.999	1.003	1.000	1.003
2008									1.032					1.001	1.004	0.996	0.999	1.001	0.999
2009									1.026					1.005	0.999	0.999	1.001	1.001	0.999
2010									1.016					1.006	1.003	1.003	1.004	1.005	
2011									1.012					1.010	1.002	0.999	1.002		
2012									1.010					1.005	1.003	1.003	1.003		
2013									1.015					1.005	1.005	1.003	1.003		
2014									1.014					1.006	1.004	1.003	1.004		
2015									1.011					1.007	1.004	1.004	1.004		
2016									1.007					1.009	1.004	1.004	1.004		
2017									1.013					1.005	1.004	1.004	1.005		
2018									1.009					1.014	1.003	1.003	1.003		
2019									1.014					1.014	1.003	1.003	1.002		
2020									1.014					1.014	1.003	1.003	1.002		
2021									1.014					1.014	1.003	1.003	1.002		
2022									1.014					1.014	1.003	1.003	1.002		
2023									1.014					1.014	1.003	1.003	1.002		
Selected (a)	1.530	1.190	1.092	1.045	1.032	1.014	1.014	1.008	1.005	1.004	1.004	1.003	1.002	1.003	1.002	1.000	1.002	1.001	1.001
Cumulative	2.259	1.477	1.241	1.136	1.087	1.054	1.039	1.025	1.017	1.011	1.011	1.007	1.005	1.007	1.005	1.002	1.003	1.001	1.000

(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)

Accident Year	Age-to-Age (in months)															
	336/324	348/336	360/348	372/360	384/372	396/384	408/396	420/408	432/420	444/432	456/444	468/456	480/468	UL T/480 Inc. (c)		
1983																
1984																
1985																
1986																
1987																
1988																
1989																
1990																
1991																
1992																
1993																
1994																
1995																
1996																
1997																
1998																
1999																
2000																
2001																
2002																
2003																
2004																
2005																
2006																
2007																

Selected (a)
Cumulative

(c) The UL T/480 Inc 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 and extrapolated to 80 development years.

Paid Indemnity Loss Development Factors

Accident Year	24/12	36/24	48/36	60/48	72/60	84/72	96/84	Age-to-Age (in months)										180/168	192/180	204/192
								108/96	120/108	132/120	144/132	156/144	168/156							
1997																		1.006	1.006	1.005
1998													1.009	1.009				1.007	1.006	1.006
1999												1.009	1.008	1.007				1.007	1.006	1.004
2000										1.010		1.009	1.008	1.007				1.007	1.005	1.004
2001									1.014	1.012		1.011	1.008	1.007				1.006	1.005	1.005
2002									1.015	1.014		1.008	1.008	1.006				1.006	1.005	1.005
2003								1.026	1.023	1.021		1.012	1.009	1.008				1.007	1.007	1.007
2004								1.035	1.030	1.020		1.011	1.009	1.008				1.008	1.009	1.006
2005								1.042	1.028	1.020		1.013	1.010	1.010				1.010	1.010	1.005
2006								1.050	1.026	1.018		1.012	1.011	1.009				1.009	1.007	1.006
2007					1.090	1.068	1.066	1.046	1.033	1.020		1.013	1.013	1.007				1.007	1.006	1.005
2008				1.140	1.092	1.060	1.060	1.041	1.027	1.018		1.010	1.009	1.007				1.007	1.006	1.005
2009			1.271	1.150	1.092	1.061	1.043	1.031	1.023	1.019		1.013	1.010	1.008				1.008	1.005	
2010		1.616	1.280	1.147	1.091	1.060	1.038	1.027	1.021	1.013		1.012	1.008	1.005						
2011	3.157	1.628	1.281	1.144	1.087	1.056	1.041	1.026	1.016	1.016		1.007	1.007							
2012	3.208	1.613	1.266	1.137	1.087	1.051	1.034	1.023	1.017	1.014		1.007	1.007							
2013	3.137	1.597	1.262	1.129	1.072	1.044	1.028	1.020	1.014	1.011	1.008									
2014	3.169	1.606	1.260	1.129	1.071	1.039	1.027	1.018	1.017	1.011										
2015	3.229	1.635	1.257	1.129	1.071	1.039	1.027	1.018	1.017	1.011										
2016	3.278	1.618	1.244	1.119	1.058	1.042	1.026	1.019	1.014											
2017	3.235	1.586	1.230	1.103	1.060	1.043	1.028	1.020												
2018	3.185	1.569	1.210	1.109	1.064	1.041	1.029													
2019	3.110	1.526	1.222	1.111	1.071	1.042														
2020	3.063	1.549	1.238	1.122	1.077															
2021	2.958	1.541	1.239	1.122																
2022	2.937	1.531	1.229																	
2023	2.952	1.529																		
	2.961																			
Selected (a)	2.961	1.529	1.229	1.122	1.077	1.042	1.029	1.020	1.015	1.012	1.010	1.009	1.008	1.007	1.006	1.005				
Cumulative	8.246	2.785	1.821	1.482	1.321	1.226	1.177	1.144	1.121	1.105	1.092	1.081	1.071	1.062	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)

Accident Year	216/204	228/216	240/228	252/240	264/252	276/264	288/276	300/288	312/300	324/312	336/324	Age-to-Age (in months)										384/372	396/384	408/396	420/408	432/420	444/432	456/444	468/456	480/468	ULT/480Pd (b)			
1983												1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1984												1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1985												1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1986												1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1987												1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1988												1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1989												1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
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	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1991												1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1992												1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1993												1.003	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1994												1.004	1.003	1.003	1.002	1.002	1.002	1.001	1.001	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	1.001	1.001
1995												1.005	1.003	1.003	1.002	1.002	1.002	1.003	1.002	1.002	1.002	1.002	1.002	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
1996												1.005	1.004	1.003	1.002	1.003	1.003	1.003	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	1.001	1.001	1.001
1997												1.004	1.003	1.003	1.002	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1998												1.006	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
1999												1.004	1.003	1.003	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	1.001	1.001	1.001	1.001	1.001	1.001	1.001
2000												1.004	1.004	1.004	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
2001												1.005	1.005	1.004	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
2002												1.004	1.004	1.003	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
2003												1.007	1.005	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003
2004												1.004	1.004	1.003	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003
2005												1.005	1.004	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
2006												1.005	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003
2007												1.004	1.004	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
Selected (a)	1.005	1.004	1.003	1.003	1.002	1.002	1.002	1.002	1.001	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
Cumulative	1.043	1.039	1.035	1.032	1.029	1.027	1.025	1.023	1.021	1.019	1.018	1.016	1.015	1.014	1.014	1.013	1.012	1.012	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.011	1.010

Selected (a)
Cumulative

1.005
1.043

1.004
1.039

1.003
1.035

1.003
1.032

1.002
1.002

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

1.003
1.003

(b) The ULT/480Pd 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) Accident Year	Age-to-Age (in months)															
	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
1997																
1998																
1999													1.019	1.016	1.015	1.017
2000												1.025	1.016	1.016	1.018	1.015
2001											1.023	1.020	1.020	1.017	1.013	1.010
2002											1.022	1.022	1.022	1.017	1.012	1.011
2003									1.032	1.030	1.023	1.018	1.016	1.012	1.011	1.010
2004								1.041	1.030	1.030	1.026	1.019	1.016	1.013	1.012	1.010
2005							1.055	1.049	1.038	1.034	1.024	1.018	1.015	1.012	1.013	1.009
2006						1.073	1.068	1.056	1.042	1.031	1.021	1.019	1.014	1.013	1.012	1.008
2007					1.099	1.097	1.075	1.057	1.041	1.031	1.022	1.015	1.012	1.009	1.007	1.006
2008			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	1.006
2009		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	1.008	
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	1.007		
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	1.008			
2012	2.561	1.468	1.247	1.143	1.087	1.056	1.039	1.023	1.019	1.014	1.014	1.010				
2013	2.492	1.464	1.238	1.130	1.077	1.046	1.029	1.022	1.016	1.013	1.013					
2014	2.518	1.462	1.226	1.121	1.076	1.043	1.033	1.022	1.017	1.013						
2015	2.533	1.439	1.198	1.111	1.062	1.044	1.029	1.023	1.020							
2016	2.480	1.410	1.196	1.099	1.064	1.048	1.028	1.024								
2017	2.373	1.391	1.177	1.104	1.071	1.044	1.032									
2018	2.378	1.378	1.197	1.105	1.073	1.050										
2019	2.347	1.428	1.218	1.123	1.079											
2020	2.493	1.444	1.226	1.130												
2021	2.492	1.450	1.238													
2022	2.618	1.473														
2023	2.644															

Adjusted (b) Accident Year	Age-to-Age (in months)															
	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
2006																1.009
2007															1.008	1.007
2008															1.007	1.006
2009															1.009	
2010													1.010	1.012	1.009	
2011												1.009	1.009	1.007		
2012											1.011	1.009	1.008			
2013										1.015	1.014	1.011				
2014									1.016	1.013	1.013					
2015								1.021	1.016							
2016							1.028	1.021	1.019							
2017					1.067		1.047	1.025								
2018				1.099	1.066		1.040	1.031								
2019			1.208	1.113	1.077	1.048										
2020		1.427	1.217	1.128												
2021	2.422	1.449	1.238													
2022	2.618	1.473														
2023	2.644															
Selected (c)	2.644	1.473	1.238	1.128	1.077	1.048	1.031	1.023	1.017	1.014	1.013	1.010	1.009	1.009	1.008	1.007
Cumulative	8.132	3.076	2.088	1.687	1.495	1.388	1.325	1.285	1.256	1.235	1.218	1.203	1.192	1.181	1.170	1.161

- (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)																								
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	480/468	ULT/480Pd (d)
1983												1.004	1.003	1.004	1.003	1.002	1.004	1.003	1.003	1.002	1.002	1.002	1.003	
1984											1.004	1.004	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	
1985										1.004	1.004	1.004	1.003	1.003	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.002	1.001	
1986									1.005	1.005	1.005	1.005	1.004	1.006	1.004	1.004	1.003	1.003	1.001	1.002	1.002	1.002	1.001	
1987								1.005	1.005	1.005	1.005	1.003	1.003	1.003	1.003	1.002	1.002	1.003	1.002	1.002	1.002	1.003	1.003	
1988							1.006	1.005	1.005	1.004	1.003	1.003	1.003	1.003	1.004	1.002	1.003	1.003	1.002	1.002	1.002	1.002	1.002	
1989						1.008	1.006	1.007	1.006	1.003	1.003	1.003	1.003	1.003	1.004	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	
1990				1.005	1.006	1.005	1.004	1.004	1.003	1.002	1.003	1.002	1.003	1.002	1.003	1.001	1.002	1.001	1.001	1.002	1.002	1.002	1.003	
1991			1.002	1.006	1.008	1.006	1.005	1.005	1.005	1.004	1.006	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1992			1.010	1.013	1.011	1.007	1.006	1.006	1.005	1.008	1.003	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		1.011	1.009	1.010	1.009	1.008	1.007	1.004	1.004	1.005	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1994	1.013	1.009	1.010	1.010	1.009	1.008	1.007	1.006	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1995	1.011	1.016	1.013	1.012	1.009	1.012	1.007	1.008	1.007	1.005	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1996	1.014	1.013	1.011	1.009	1.007	1.009	1.008	1.006	1.004	1.005	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1997	1.014	1.011	1.006	1.006	1.007	1.007	1.006	1.004	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1998	1.013	1.010	1.009	1.008	1.009	1.007	1.006	1.005	1.006	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
1999	1.012	1.009	1.009	1.008	1.006	1.005	1.004	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2000	1.009	1.008	1.007	1.006	1.005	1.003	1.004	1.003	1.004	1.003	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2001	1.010	1.010	1.009	1.005	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2002	1.009	1.008	1.006	1.004	1.004	1.005	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2003	1.010	1.008	1.004	1.005	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2004	1.008	1.005	1.005	1.006	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2005	1.006	1.005	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	
2006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	1.006	
2007	1.006																							

Adjusted (b)																								
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	480/468	ULT/480Pd (d)
1983																								
1984																								
1985																								
1986																								
1987																								
1988																								
1989																								
1990																								
1991																								
1992																								
1993																								
1994																								
1995																								
1996																								
1997																								
1998																								
1999																								
2000																								
2001																								
2002																								
2003																								
2004																								
2005																								
2006																								
2007																								

Selected (c)																								
Cumulative	1.007	1.006	1.005	1.006	1.004	1.005	1.004	1.005	1.005	1.005	1.004	1.004	1.003	1.003	1.002	1.003	1.001	1.002	1.002	1.002	1.002	1.002	1.002	1.060
1.152	1.145	1.138	1.138	1.132	1.125	1.121	1.115	1.111	1.105	1.100	1.095	1.091	1.086	1.083	1.081	1.077	1.076	1.074	1.071	1.069	1.066	1.064	1.062	1.060

(d) The ULT/480Pd 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

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
1997																					
1998																					
1999																					
2000																					
2001																					
2002																					
2003																					
2004																					
2005																					
2006																					
2007																					
2008																					
2009																					
2010																					
2011																					
2012																					
2013																					
2014																					
2015																					
2016																					
2017																					
2018																					
2019																					
2020																					
2021																					
2022																					
2023																					
Selected (a)	2.961	1.529	1.229	1.122	1.077	1.042	1.029	1.020	1.015	1.012	1.010	1.009	1.008	1.007	1.006	1.005	1.005	1.004	1.003	1.003	1.002
Cumulative	8.226	2.778	1.817	1.478	1.318	1.224	1.174	1.141	1.119	1.102	1.089	1.078	1.068	1.060	1.053	1.047	1.041	1.036	1.032	1.030	1.027

Selected Indemnity Development Factors - Incurred to Ultimate

Accident Year	Age-to-Age (in months)																				
	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	120Pd/Inc (c)											
2013	1.931	1.259	1.111	1.055	1.032	1.020	1.013	1.007	1.006	0.960											
2014	1.960	1.278	1.115	1.059	1.029	1.016	1.011	1.006	1.009	0.960											
2015	1.969	1.260	1.101	1.047	1.027	1.017	1.008	1.008	1.008	0.959											
2016	1.941	1.246	1.095	1.046	1.026	1.017	1.011	1.007													
2017	1.911	1.241	1.088	1.043	1.028	1.016	1.014														
2018	1.901	1.228	1.083	1.043	1.028	1.020															
2019	1.900	1.231	1.099	1.052	1.035																
2020	1.815	1.239	1.109	1.053																	
2021	1.908	1.253	1.109																		
2022	1.940	1.261																			
2023	1.969																				
Selected (b)	1.969	1.261	1.109	1.053	1.035	1.020	1.014	1.007	1.008												
Cumulative	3.333	1.693	1.343	1.211	1.150	1.111	1.089	1.074	1.067	1.102	1.089	1.078	1.068	1.060	1.053	1.047	1.041	1.036	1.032	1.030	1.027

- (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.
(b) 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.
(c) A 3-year average of the ratio of paid losses to incurred losses at 120 months is selected to convert incurred development to paid development.

Selected Indemnity Development Factors - Paid to Ultimate (Continued)

Accident Year	Age-to-Age (in months)																ULT/480Pd (e)	
	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
1983							1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.001
1984						1.001	1.001	1.001	1.001	1.000	1.001	1.000	1.001	1.001	1.000	1.001	1.000	1.000
1985					1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.001
1986				1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	
1987			1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.001	1.000	
1988		1.002	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			
1989	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000			
1990	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	1.000				
1991	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	1.001	1.000			
1992	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000			
1993	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001			
1994	1.002	1.002	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001								
1995	1.002	1.002	1.003	1.002	1.002	1.002	1.001	1.001	1.001									
1996	1.003	1.003	1.002	1.002	1.002	1.001	1.001	1.002										
1997	1.003	1.003	1.002	1.002	1.002	1.002												
1998	1.003	1.002	1.002	1.001	1.001													
1999	1.002	1.002	1.001	1.001														
2000	1.002	1.002	1.002															
2001	1.002	1.002																
2002	1.002																	
Unadjusted (a)	1.002	1.002	1.002	1.001	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.010
Selected (d)	1.002	1.002	1.002	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	1.000	1.008
Cumulative	1.024	1.022	1.020	1.018	1.017	1.015	1.014	1.013	1.012	1.011	1.010	1.010	1.009	1.009	1.009	1.008	1.008	1.008

(d) Adjusted for the impact of changes in claim settlement rates on later-period development for 324 months and later. See Exhibits 2.5.3 through 2.5.6.

(e) The ULT/480Pd 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 Year	Evaluated as of (in months)									
	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>	<u>432</u>
1989							199,570	199,563	199,594	199,616
1990						221,029	221,078	221,098	221,131	
1991					223,026	223,067	223,117	223,155		
1992				176,176	176,234	176,264	176,291			
1993			137,607	137,649	137,665	137,714				
1994		124,836	124,885	124,918	124,987					
1995	117,134	117,203	117,256	117,314						
1996	112,569	112,624	112,696							
1997	118,350	118,451								
1998	126,481									

2. Ult. Claim Counts (a)

Accident Year	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
	127,486	119,231	113,305	117,849	125,388	138,057	176,628	223,530	221,377	199,911

3. Ultimate Indemnity Claim Settlement Ratio (b)

Accident Year	Evaluated as of (in months)									
	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>	<u>432</u>
1989							99.8%	99.8%	99.8%	99.9%
1990						99.8%	99.9%	99.9%	99.9%	
1991					99.8%	99.8%	99.8%	99.8%		
1992				99.7%	99.8%	99.8%	99.8%			
1993			99.7%	99.7%	99.7%	99.8%				
1994		99.6%	99.6%	99.6%	99.7%					
1995	99.4%	99.5%	99.5%	99.5%						
1996	99.3%	99.4%	99.5%							
1997	99.3%	99.3%								
1998	99.2%									

- (a) Based on the latest year age-to-age development in indemnity claim counts.
(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	Evaluated as of (in months)									
Year	<u>312-324</u>	<u>324-336</u>	<u>336-348</u>	<u>348-360</u>	<u>360-372</u>	<u>372-384</u>	<u>384-396</u>	<u>396-408</u>	<u>408-420</u>	<u>420-432</u>
1989								-2.0%	9.0%	6.9%
1990							14.3%	6.5%	11.8%	
1991						8.0%	10.8%	9.2%		
1992					12.9%	7.5%	7.4%			
1993				9.4%	3.9%	12.5%				
1994			8.7%	6.6%	14.7%					
1995		9.5%	8.3%	9.8%						
1996	8.2%	7.5%	10.6%							
1997	10.3%	11.5%								
1998	9.9%									
3-Year Average	9.5%	9.5%	9.2%	8.6%	10.5%	9.3%	10.9%	4.6%	10.4%	
Share of Open on Prior (d)	90.5%	90.5%	90.8%	91.4%	89.5%	90.7%	89.1%	95.4%	89.6%	

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

Accident	Evaluated as of (in months)									
Year	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>	
1989										
1990										246
1991								375	336	
1992							337	321	288	
1993						343	306	292	262	
1994					401	364	324	309	277	
1995				535	479	434	387	369	331	
1996			609	557	499	452	403	384	344	
1997		780	708	647	580	525	468	447	400	
1998	1,005	909	826	755	676	613	546	521	467	
1999	976	884	802	733	657	595	531	506	454	
...										
2023	749	678	616	563	504	457	407	388	348	
2024	773	700	636	581	520	471	420	401	359	

- (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	Evaluated as of (in months)								
Year	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>
1989								0.2%	0.2%
1990							0.1%	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%	0.2%	0.2%	0.2%	0.2%
1994			0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%
1995		0.5%	0.5%	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%
1996	0.7%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%	0.3%	0.3%
1997	0.7%	0.7%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%	0.3%
1998	0.8%	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%
1999	0.8%	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%
...									
2023	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%
2024	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	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	Evaluated as of (in months)								
Year	<u>324</u>	<u>336</u>	<u>348</u>	<u>360</u>	<u>372</u>	<u>384</u>	<u>396</u>	<u>408</u>	<u>420</u>
1989									
1990									
1991									1.11
1992								1.17	1.21
1993							1.30	1.36	1.40
1994						1.32	1.52	1.58	1.64
1995					1.47	1.67	1.93	2.01	2.08
1996				1.31	1.60	1.81	2.09	2.17	2.25
1997			1.24	1.45	1.76	2.00	2.31	2.40	2.49
1998		1.19	1.35	1.58	1.92	2.18	2.52	2.62	2.71
1999	1.05	1.15	1.30	1.53	1.86	2.11	2.44	2.53	2.63
...									
2023	0.62	0.68	0.77	0.91	1.10	1.25	1.44	1.50	1.56
2024	0.62	0.68	0.77	0.91	1.11	1.25	1.45	1.51	1.56

(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	<u>324-336</u>	<u>336-348</u>	<u>348-360</u>	<u>360-372</u>	<u>372-384</u>	<u>384-396</u>	<u>396-408</u>	<u>408-420</u>	<u>420-432</u>

8. 3-Year Average (h)

Indemnity	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000
Medical	1.004	1.004	1.003	1.002	1.003	1.001	1.002	1.002	1.003

9. Adjustment Ratio (i)

Accident Year 2023	0.85	0.87	0.91	0.96	1.04	1.10	1.18	1.20	1.22
Accident Year 2024	0.85	0.87	0.91	0.96	1.04	1.10	1.18	1.20	1.22

10. Adjusted Factors (j)

Indemnity									
Accident Year 2023	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000
Accident Year 2024	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000
Medical									
Accident Year 2023	1.003	1.004	1.003	1.002	1.003	1.001	1.002	1.003	1.003
Accident Year 2024	1.003	1.004	1.003	1.002	1.003	1.001	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

Adjusted (a)(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	216/204	228/216	240/228	252/240	264/252
2001																					1.004
2002																				1.005	1.004
2003																			1.006	1.006	1.004
2004																			1.007	1.007	
2005																		1.008	1.008	1.005	
2006																		1.009	1.009	1.006	
2007																		1.009	1.007	1.006	
2008																		1.008	1.007	1.006	
2009																		1.009	1.009	1.009	
2010																		1.010	1.012	1.009	
2011																		1.009	1.009	1.007	
2012																		1.011	1.009	1.008	
2013																		1.011	1.014	1.011	
2014																		1.015	1.013	1.013	
2015																		1.016	1.016	1.013	
2016																		1.021	1.021	1.019	
2017																		1.028	1.025	1.023	
2018																		1.047	1.040	1.031	
2019																		1.067	1.066	1.048	
2020																		1.099	1.099	1.077	
2021																		1.208	1.113	1.128	
2022																		1.427	1.217	1.238	
2023																		2.422	1.449	1.473	
																		2.618	1.473		
																		2.644			
Selected (c)	2.644	1.473	1.238	1.128	1.077	1.048	1.031	1.023	1.017	1.014	1.013	1.010	1.009	1.009	1.008	1.007	1.007	1.006	1.006	1.005	1.004
Cumulative	8.077	3.055	2.074	1.675	1.485	1.379	1.316	1.276	1.248	1.227	1.210	1.195	1.184	1.173	1.162	1.153	1.145	1.137	1.130	1.124	1.118

Selected Medical Development Factors - Incurred to Ultimate

Accident Year	24/12	36/24	48/36	60/48	72/60	84/72	96/84	108/96	120/108	120Pd/Inc (e)
2013	1.559	1.150	1.086	1.039	1.022	1.014	1.006	1.001	1.006	0.935
2014	1.523	1.159	1.079	1.035	1.027	1.011	1.010	1.007	1.005	0.937
2015	1.511	1.146	1.064	1.030	1.018	1.007	1.005	1.009	1.004	0.941
2016	1.498	1.124	1.045	1.031	1.017	1.013	1.005	1.008		
2017	1.440	1.117	1.051	1.027	1.024	1.009	1.014			
2018	1.449	1.110	1.054	1.031	1.029	1.014				
2019	1.452	1.124	1.064	1.043	1.032					
2020	1.445	1.153	1.084	1.045						
2021	1.460	1.169	1.092							
2022	1.511	1.190								
2023	1.530									
Selected (d)	1.530	1.190	1.092	1.045	1.032	1.014	1.014	1.008	1.005	
Cumulative	2.569	1.679	1.411	1.292	1.237	1.198	1.182	1.165	1.156	

- (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.
 (d) 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.
 (e) A 3-year average of the ratio of paid losses to incurred losses at 120 months is selected to convert incurred development to paid development.

Selected Medical Development Factors - Paid to Ultimate (Continued)

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	480/468	ULT/480Pd (g)
1984																			
1985																	1.001	1.001	
1986																1.002	1.003	1.001	
1987															1.002	1.002	1.002		
1988														1.003	1.002	1.003			
1989												1.002	1.003	1.002					
1990											1.001	1.002	1.002						
1991										1.003	1.003	1.001							
1992									1.002	1.003	1.001								
1993									1.002	1.002									
1994								1.002	1.003	1.002									
1995								1.005	1.004	1.004									
1996					1.006	1.004	1.004												
1997				1.004	1.004	1.003													
1998			1.006	1.007	1.005														
1999		1.004	1.004	1.003															
2000	1.004	1.004	1.004																
2001	1.005	1.005																	
2002	1.006																		
Unadjusted (c)	1.005	1.004	1.005	1.005	1.005	1.004	1.004	1.003	1.002	1.003	1.001	1.002	1.002	1.003	1.002	1.002	1.002	1.002	1.060
Selected (f)	1.005	1.004	1.005	1.005	1.005	1.003	1.004	1.003	1.002	1.003	1.001	1.003	1.003	1.004	1.003	1.003	1.003	1.001	1.049
Cumulative	1.113	1.108	1.103	1.098	1.093	1.087	1.084	1.080	1.077	1.075	1.072	1.070	1.067	1.064	1.059	1.057	1.054	1.050	1.049

(f) Adjusted for the impact of changes in claim settlement rates on later-period development for 324 months and later. See Exhibits 2.5.3 through 2.5.6.

(g) The ULT/480Pd 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 Paid Loss Development Factors
Based on Experience as of December 31, 2024**

Accident Year	Development Factors			
	(1) Paid Loss Ratio (a)	(2) Annual (b)	(3) Cumulative (b)	(4) Projected Ultimate Loss Ratio (4) = (1) x (3)
1995	0.471	1.001	1.012	0.477
1996	0.527	1.001	1.013	0.534
1997	0.596	1.001	1.014	0.604
1998	0.642	1.001	1.015	0.652
1999	0.669	1.002	1.017	0.681
2000	0.578	1.001	1.018	0.589
2001	0.482	1.002	1.020	0.492
2002	0.359	1.002	1.022	0.367
2003	0.240	1.002	1.024	0.245
2004	0.142	1.002	1.027	0.146
2005	0.121	1.003	1.030	0.125
2006	0.156	1.003	1.032	0.161
2007	0.214	1.004	1.036	0.222
2008	0.270	1.005	1.041	0.281
2009	0.315	1.005	1.047	0.330
2010	0.300	1.006	1.053	0.316
2011	0.277	1.007	1.060	0.293
2012	0.246	1.008	1.068	0.263
2013	0.206	1.009	1.078	0.223
2014	0.195	1.010	1.089	0.212
2015	0.188	1.012	1.102	0.207
2016	0.176	1.015	1.119	0.197
2017	0.177	1.020	1.141	0.202
2018	0.184	1.029	1.174	0.216
2019	0.209	1.042	1.224	0.256
2020	0.205	1.077	1.318	0.270
2021	0.209	1.122	1.478	0.309
2022	0.170	1.229	1.817	0.309
2023	0.114	1.529	2.778	0.316
2024	0.040	2.961	8.226	0.332

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

**Developed Indemnity Loss Ratios Using Selected Hybrid Incurred Loss Development Factors
Based on Experience as of December 31, 2024**

Accident Year	Development Factors				Selected Ultimate Loss Ratio (c)
	(1) Paid or Incurred Loss Ratio (a)	(2) Annual (b)	(3) Cumulative (b)	(4) Projected Ultimate Loss Ratio (4) = (1) x (3)	
1995	0.471	1.001	1.012	0.477	0.477
1996	0.527	1.001	1.013	0.534	0.534
1997	0.596	1.001	1.014	0.604	0.604
1998	0.642	1.001	1.015	0.652	0.652
1999	0.669	1.002	1.017	0.681	0.681
2000	0.578	1.001	1.018	0.589	0.589
2001	0.482	1.002	1.020	0.492	0.492
2002	0.359	1.002	1.022	0.367	0.367
2003	0.240	1.002	1.024	0.245	0.245
2004	0.142	1.002	1.027	0.146	0.146
2005	0.121	1.003	1.030	0.125	0.125
2006	0.156	1.003	1.032	0.161	0.161
2007	0.214	1.004	1.036	0.222	0.222
2008	0.270	1.005	1.041	0.281	0.281
2009	0.315	1.005	1.047	0.330	0.330
2010	0.300	1.006	1.053	0.316	0.316
2011	0.277	1.007	1.060	0.293	0.293
2012	0.246	1.008	1.068	0.263	0.263
2013	0.206	1.009	1.078	0.223	0.223
2014	0.195	1.010	1.089	0.212	0.212
2015	0.188	1.012	1.102	0.207	0.207
2016	0.184	1.008	1.067	0.197	0.197
2017	0.190	1.007	1.074	0.204	0.203
2018	0.201	1.014	1.089	0.219	0.218
2019	0.234	1.020	1.111	0.260	0.258
2020	0.237	1.035	1.150	0.272	0.271
2021	0.259	1.053	1.211	0.313	0.311
2022	0.231	1.109	1.343	0.310	0.310
2023	0.186	1.261	1.693	0.315	0.316
2024	0.104	1.969	3.333	0.346	0.339

- (a) Based on Exhibit 1. Paid loss ratios are shown for accident years 2015 and prior while incurred loss ratios are shown for accident years 2016 and later.
- (b) See Exhibits 2.5.1 and 2.5.2.
- (c) Selected ultimate loss ratio is the average of the projection in column 4 and the projection in Exhibit 3.1, column 4.

**Developed Medical Loss Ratios Using Selected Paid Loss Development Factors
Based on Experience as of December 31, 2024**

	(1)	(2)	(3)	(4)	(5)	(6)
			Reform Adjusted			
			<u>Development Factors</u>			
Accident	Paid	Adjusted			Adjusted	Projected
<u>Year</u>	<u>Loss Ratio (a)</u>	<u>Paid Loss Ratio (b)</u>	<u>Annual (c)</u>	<u>Cumulative (c)</u>	<u>Developed Loss Ratio (d)</u>	<u>Ultimate Loss Ratio</u>
					(2) x (4)	(1) + ((5) - (2))
1995	0.440	0.391	1.002	1.077	0.422	0.470
1996	0.469	0.418	1.003	1.080	0.452	0.503
1997	0.524	0.467	1.004	1.084	0.506	0.563
1998	0.626	0.559	1.003	1.087	0.608	0.675
1999	0.679	0.607	1.005	1.093	0.663	0.735
2000	0.610	0.546	1.005	1.098	0.599	0.663
2001	0.541	0.486	1.005	1.103	0.536	0.591
2002	0.419	0.378	1.004	1.108	0.418	0.460
2003	0.269	0.244	1.005	1.113	0.271	0.297
2004	0.182	0.165	1.004	1.118	0.184	0.201
2005	0.177	0.160	1.006	1.124	0.180	0.196
2006	0.227	0.207	1.005	1.130	0.234	0.254
2007	0.315	0.288	1.006	1.137	0.328	0.355
2008	0.389	0.357	1.007	1.145	0.409	0.440
2009	0.454	0.420	1.007	1.153	0.484	0.518
2010	0.438	0.408	1.008	1.162	0.474	0.504
2011	0.371	0.349	1.009	1.173	0.409	0.431
2012	0.316	0.300	1.009	1.184	0.355	0.371
2013	0.250	0.250	1.010	1.195	0.299	0.299
2014	0.221	0.225	1.013	1.210	0.272	0.268
2015	0.206	0.212	1.014	1.227	0.260	0.254
2016	0.192	0.198	1.017	1.248	0.247	0.241
2017	0.193	0.200	1.023	1.276	0.256	0.249
2018	0.205	0.212	1.031	1.316	0.279	0.272
2019	0.224	0.229	1.048	1.379	0.316	0.311
2020	0.219	0.221	1.077	1.485	0.328	0.327
2021	0.225	0.225	1.128	1.675	0.377	0.376
2022	0.178	0.178	1.238	2.074	0.370	0.370
2023	0.125	0.125	1.473	3.055	0.381	0.381
2024	0.054	0.054	2.644	8.077	0.440	0.440

- (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, 2024. 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.

**Developed Medical Loss Ratios Using Selected Hybrid Incurred Loss Development Factors
Based on Experience as of December 31, 2024**

Accident Year	(1)	(2)	(3) (4) Reform Adjusted Development Factors		(5)	(6)	(7)
	Paid or Incurred Loss Ratio (a)	Adjusted Paid or Incurred Loss Ratio (b)	Annual (c)	Cumulative (c)	Adjusted Developed Loss Ratio (d)	Projected Ultimate Loss Ratio	Selected Developed Loss Ratio (e)
					(2) x (4)	(1) + ((5) - (2))	
1995	0.440	0.391	1.002	1.077	0.422	0.470	0.422
1996	0.469	0.418	1.003	1.080	0.452	0.503	0.452
1997	0.524	0.467	1.004	1.084	0.506	0.563	0.506
1998	0.626	0.559	1.003	1.087	0.608	0.675	0.608
1999	0.679	0.607	1.005	1.093	0.663	0.735	0.663
2000	0.610	0.546	1.005	1.098	0.599	0.663	0.599
2001	0.541	0.486	1.005	1.103	0.536	0.591	0.536
2002	0.419	0.378	1.004	1.108	0.418	0.460	0.418
2003	0.269	0.244	1.005	1.113	0.271	0.297	0.271
2004	0.182	0.165	1.004	1.118	0.184	0.201	0.184
2005	0.177	0.160	1.006	1.124	0.180	0.196	0.180
2006	0.227	0.207	1.005	1.130	0.234	0.254	0.234
2007	0.315	0.288	1.006	1.137	0.328	0.355	0.328
2008	0.389	0.357	1.007	1.145	0.409	0.440	0.409
2009	0.454	0.420	1.007	1.153	0.484	0.518	0.484
2010	0.438	0.408	1.008	1.162	0.474	0.504	0.474
2011	0.371	0.349	1.009	1.173	0.409	0.431	0.409
2012	0.316	0.300	1.009	1.184	0.355	0.371	0.355
2013	0.250	0.250	1.010	1.195	0.299	0.299	0.299
2014	0.221	0.225	1.013	1.210	0.272	0.268	0.272
2015	0.206	0.212	1.014	1.227	0.260	0.254	0.260
2016	0.206	0.206	1.005	1.156	0.238	0.238	0.243
2017	0.214	0.214	1.008	1.165	0.249	0.249	0.252
2018	0.230	0.230	1.014	1.182	0.271	0.271	0.275
2019	0.257	0.257	1.014	1.198	0.308	0.308	0.312
2020	0.264	0.264	1.032	1.237	0.326	0.326	0.327
2021	0.292	0.292	1.045	1.292	0.377	0.377	0.377
2022	0.262	0.262	1.092	1.411	0.370	0.370	0.370
2023	0.225	0.225	1.190	1.679	0.378	0.378	0.380
2024	0.163	0.163	1.530	2.569	0.420	0.420	0.430

- (a) Based on Exhibit 1. Paid loss ratios are shown for accident years 2015 and prior while incurred loss ratios are shown for accident years 2016 and later. Paid MCCC costs are excluded from accident years 2011 and subsequent.
- (b) Based on experience evaluated as of December 31, 2024. Paid loss ratios reflect 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.
- (e) Selected developed loss ratio is the average of the projection in column 5 and the projection in Exhibit 3.3, column 5.

Indemnity Benefit Level Factors

Accident Year	(1) Annual Benefit Change Prior to Frequency <u>Adjustments (a)</u>	(2) Frequency <u>Adjustments (a)</u>	(3) Annual Impact on Indemnity Benefits Due to Wage Inflation (b)	(4) Annual Cost Impact on Indemnity (c)	(5) Composite Indemnity Adjustment Factor (d)	
1995	6.3	0.6	1.0	8.0	1.467	
1996	5.3	0.4	1.2	7.0	1.371	
1997	9.7	0.2	1.6	11.7	1.228	
1998	6.5	0.0	1.8	8.4	1.132	
1999	5.7	0.0	2.1	7.9	1.049	
2000	3.9	0.0	3.1	7.1	0.980	
2001	-0.3	0.0	0.2	-0.1	0.981	
2002	-0.7	0.0	0.4	-0.3	1.004	(e)
2003	7.3	0.0	1.2	8.6	1.001	(e)
2004	-6.0	-13.7	2.1	-17.2	1.371	(e)
2005	-31.6	-15.3	1.6	-41.2	1.858	
2006	5.6	-5.7	2.2	1.8	1.825	
2007	1.6	0.0	2.1	3.7	1.759	
2008	4.8	0.6	1.0	6.5	1.652	
2009	0.4	1.4	0.2	2.0	1.620	
2010	0.4	0.0	1.5	1.9	1.590	
2011	0.0	0.0	1.4	1.4	1.568	
2012	-0.8	0.0	2.1	1.3	1.548	
2013	1.4	0.2	0.6	2.3	1.514	
2014	5.8	1.5	1.7	9.2	1.386	
2015	-0.8	0.0	2.3	1.4	1.367	
2016	0.3	0.0	1.0	1.3	1.350	
2017	0.5	0.0	2.2	2.7	1.314	
2018	0.4	0.0	2.2	2.6	1.280	
2019	0.4	0.0	2.4	2.8	1.246	
2020	0.4	0.0	2.5	3.0	1.210	
2021	0.5	0.0	3.3	3.8	1.165	
2022	1.2	0.0	2.1	3.4	1.128	
2023	0.5	0.0	1.8	2.3	1.102	
2024	0.0	0.0	3.2	3.2	1.068	
2025	0.4	0.0	2.9	3.3	1.034	
2026	0.4	0.0	2.6	3.0	1.004	
9/1/2026	0.1 (Annual 0.3)	0.0	0.4 (Annual 2.2)	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) $\{ [\text{Column (1)} / 100 + 1.0] \times [\text{Column (2)} / 100 + 1.0] \times [\text{Column (3)} / 100 + 1.0] - 1.0 \} \times 100$.
- (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 9/1/2026 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	(1) Proportion of Medical Subject to	(2) Proportion of Medical Not Subject to	(3) Impact of Fee Schedule Change on	(4) Change in Medical	(5) Impact of CPI Change on Total	(6) Annual Non-Legislative Cost Impact on
<u>Year</u>	<u>Fee Schedule (a)</u>	<u>Fee Schedule (a)</u>	<u>Total Medical (b)</u>	<u>CPI (c)</u>	<u>Medical (d)</u>	<u>Total Medical (e)</u>
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% (i)	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% (ii)	1.4%
2004	0.952	0.048	0.0%	5.0%	0.0% (iii),(iv)	0.0%
2005	0.936	0.064	0.0%	4.8%	0.0% (iv)	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	0.869	0.131	4.8%	1.3%	0.2%	0.2% (f)
2022	0.877	0.123	0.0%	5.8%	0.8%	0.8%
2023	0.877	0.123	0.0%	1.3%	0.2%	0.2%
2024	0.877	0.123	0.0%	2.5%	0.3%	0.3%
2025	0.877	0.123	0.0%	4.2%	0.5%	0.5%
2026	0.877	0.123	0.0%	4.3%	0.5%	0.5%
9/1/2026	0.877	0.123	0.0% (Annual 0.0%)	0.6% (Annual 3.8%)	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) 1998's non-fee proportion is reduced by 7.7% due to the Inpatient Hospital Fee Schedule (IHFS) effective 4/1/1999. (ii) 2002's non-fee proportion is reduced by 7.6% due to the new pharmaceutical fee schedule effective 1/1/2003. (iii) 2003's non-fee proportion is reduced by 17.2% due to the outpatient fee schedule effective 1/1/2004. (iv) 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)
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	-4.3%	0.0%	-4.3%
2013	-8.4%	0.2%	-8.2%
2014	-6.0%	1.3%	-4.8%
2015	-2.2%	0.0%	-2.2%
2016	-0.7%	0.0%	-0.7%
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%
2026	0.0%	0.0%	0.0%
9/1/2026	0.0%	0.0%	0.0%

- (a) Reflects the WCIRB's most recent estimates of the cost impact of legislation. Does not include 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) $[\text{Column (1)} + 1.0] \times [\text{Column (2)} + 1.0] - 1.0$

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)	(5) Composite Medical On-Level Factor (e)
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%	0.708	---
1998	0.8%	12.6%	13.5%	0.624	---
1999	2.5%	12.6%	15.4%	0.540	---
2000	1.7%	7.0%	8.8%	0.497	---
2001	2.9%	6.6%	9.7%	0.453	---
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%	0.746	---
2005	0.0%	-13.9%	-13.9%	0.866	---
2006	0.3%	-5.1%	-4.8%	0.910	---
2007	1.8%	0.1%	1.9%	0.893	---
2008	0.2%	0.5%	0.7%	0.887	---
2009	0.4%	1.0%	1.4%	0.875	---
2010	0.3%	0.0%	0.3%	0.872	---
2011	0.3%	-2.0%	-1.7%	0.887	---
2012	0.1%	-4.3%	-4.2%	0.926	0.900
2013	4.9%	-8.2%	-3.7%	0.961	0.987
2014	0.3%	-4.8%	-4.5%	1.007	1.042
2015	0.2%	-2.2%	-2.0%	1.027	1.068
2016	0.4%	-0.7%	-0.3%	1.030	1.070
2017	0.2%	-0.5%	-0.3%	1.033	1.072
2018	0.2%	-0.3%	-0.1%	1.035	1.082
2019	0.4%	0.0%	0.4%	1.030	1.072
2020	0.4%	0.0%	0.4%	1.026	1.055
2021	0.2%	0.0%	0.2%	1.024	1.056
2022	0.8%	0.0%	0.8%	1.016	1.016
2023	0.2%	0.0%	0.2%	1.014	1.014
2024	0.3%	0.0%	0.3%	1.011	1.011
2025	0.5%	0.0%	0.5%	1.006	1.006
2026	0.5%	0.0%	0.5%		
9/1/2026	0.1%	0.0%	0.1%		

- (a) See Exhibit 4.2, Column (6).
- (b) See Exhibit 4.3, Column (3).
- (c) $\text{Column (3)} = [1.0 + \text{Column (1)}] \times [1.0 + \text{Column (2)}] - 1.0$.
- (d) These factors adjust the annual impact shown in Column (3) to the 9/1/2026 level.
- (e) These factors are based on the medical on-level adjustments shown in Column (3) but include the full impact of the SB 863 reforms and 2021 changes to medical-legal fee schedules for use in projections that do not reflect the impact of these changes in adjustments to loss development.

Annual Wage Level Changes

	(1)	(2)	(3)
	Annual Wage	Adjusted	Factor to a
	Level Change (a)	Annual Wage	9/1/2026
<u>Year</u>	<u>Level Change (a)</u>	<u>Level Change (b)</u>	<u>Wage Level (c)</u>
1995	2.9		3.182
1996	3.4		3.077
1997	4.7		2.939
1998	5.2		2.794
1999	6.2		2.631
2000	9.0		2.413
2001	0.6		2.399
2002	0.5		2.387
2003	3.3		2.311
2004	4.7		2.207
2005	3.1		2.141
2006	4.6		2.047
2007	4.5		1.958
2008	2.1		1.918
2009	0.4		1.910
2010	3.0		1.855
2011	3.0		1.801
2012	4.2		1.728
2013	0.7		1.716
2014	3.3		1.661
2015	4.5		1.590
2016	2.0		1.559
2017	4.3		1.494
2018	3.7		1.441
2019	4.4		1.380
2020	11.4	5.1	1.313
2021	7.7	6.2	1.236
2022	3.4	3.8	1.191
2023	3.3		1.153
2024	5.2		1.096
Projected:			
2025	4.8		
2026	4.1		
9/1/2026	0.6	(Annual = 3.6)	

- (a) Historical wage changes through 2024 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 2025 and forward are based on the average of wage level projections made by the UCLA Anderson School of Business as of March 2025 and those made by the California Department of Finance as of November 2024.
- (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

	(1)	(2a)	(2b)	(2c)	(3)	(4)	(5)	(6)	(7)
		Ratio of		Factor to Adjust			Off-Balance		
		Industry Average	Factor to	Insurer Premium			Correction in	Factor to Adjust	
		Charged Rates	Approved Pure	to Approved	Adjustment		Advisory	for Impact	Composite
	Factor to a	to Advisory	Premium Rate	Pure Premium	to Remove	Average	Sept. 1, 2024	of Premium	Premium
Calendar	9/1/2026	Pure Premium	Level as of	Rate Level as of	Surcharge	Experience	Pure Premium	Resulting from	Adjustment
<u>Year</u>	<u>Wage Level (a)</u>	<u>Rates (b)</u>	<u>Sept. 1, 2024 (c)</u>	<u>Sept. 1, 2024 (d)</u>	<u>Premium (e)</u>	<u>Modification (f)</u>	<u>Rates</u>	<u>Audits (g)</u>	<u>Factor (h)</u>
1995	3.182	---	---	0.497	0.995	0.958	1.048	---	1.568
1996	3.077	1.034	0.528	0.511	1.000	0.935	1.048	---	1.605
1997	2.939	1.000	0.527	0.527	1.000	0.949	1.048	---	1.557
1998	2.794	0.967	0.549	0.568	1.000	0.959	1.048	---	1.578
1999	2.631	0.974	0.555	0.570	1.000	0.954	1.048	---	1.499
2000	2.413	1.006	0.503	0.500	1.000	0.970	1.048	---	1.187
2001	2.399	1.032	0.443	0.429	1.000	0.969	1.048	---	1.014
2002	2.387	1.167	0.397	0.340	1.000	0.991	1.048	---	0.781
2003	2.311	1.287	0.325	0.252	1.000	1.005	1.048	---	0.553
2004	2.207	1.405	0.330	0.235	1.000	0.981	1.048	---	0.504
2005	2.141	1.472	0.397	0.270	1.000	0.982	1.048	---	0.562
2006	2.047	1.447	0.512	0.354	1.000	0.956	1.048	---	0.723
2007	1.958	1.493	0.697	0.467	1.000	0.931	1.048	0.985	0.924
2008	1.918	1.426	0.830	0.582	1.000	0.946	1.048	0.991	1.116
2009	1.910	1.366	0.818	0.599	1.000	0.937	1.048	1.034	1.205
2010	1.855	1.384	0.802	0.579	1.000	0.941	1.048	1.005	1.095
2011	1.801	1.401	0.801	0.572	1.000	0.982	1.048	---	1.000
2012	1.728	1.223	0.660	0.540	1.000	1.000	1.048	---	0.890
2013	1.716	1.138	0.532	0.467	1.000	0.983	1.048	---	0.778
2014	1.661	1.127	0.490	0.435	1.000	0.961	1.048	---	0.717
2015	1.590	1.109	0.476	0.429	1.000	0.951	1.048	---	0.685
2016	1.559	1.148	0.518	0.451	1.000	0.949	1.048	---	0.707
2017	1.494	1.156	0.573	0.496	1.000	0.955	1.048	---	0.741
2018	1.441	1.196	0.648	0.542	1.000	0.956	1.048	---	0.780
2019	1.380	1.214	0.753	0.620	1.000	0.945	1.048	---	0.865
2020	1.313	1.207	0.840	0.696	1.000	0.943	1.048	0.990	0.915
2021	1.236	1.222	0.905	0.741	1.000	0.946	1.048	1.033	0.954
2022	1.191	1.187	0.944	0.795	1.000	0.955	1.048	0.993	0.940
2023	1.153	1.127	0.954	0.846	1.000	0.968	1.048	---	0.962
2024	1.096	1.140	0.975	0.855	1.000	0.962	1.048	---	0.930

- (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, 2024 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, 2024.
- (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) $(1) \times (2c) \times (3) \times (6) \div [(4) \times (5)]$ for calendar years 2007 to 2010 and 2020 to 2022. $(1) \times (2c) \times (3) \div [(4) \times (5)]$ for all other calendar years.

**2024 Accident Year Indemnity Claim Frequency Model
As of PY 2022 Preliminary 1st Set & March 2025 UCLA**

AY	Annual % Changes Intra- Class Ind Freq	Annual Log Differences					
		Intra-Class Indemnity Frequency per \$M Exposure at PY 2023 Level			AY Indemnity Benefit Level	Cumulative Injury Index	Economic Variables (1st Prin. Comp.)
		Total	Cumulative	Non-cum.			
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	-2.0%	-0.020	-0.073	-0.011	0.000	-0.062	0.130
2018	-0.4%	-0.004	-0.055	0.005	0.000	-0.060	0.127
2019	1.9%	0.019	0.049	0.014	0.000	0.034	0.070
2020	-8.7%	-0.091	0.069	-0.119	0.000	0.188	-0.936
2021	6.8%	0.065	-0.156	0.103	0.000	-0.259	0.325
2022	-1.5%	-0.015	0.127	-0.038	0.000	0.166	0.536
2023*	5.5%	0.053	0.274	0.005	0.000	0.269	-0.096
2024	-2.7%	-0.027	0.007	-0.035	0.000	0.042	-0.107
2025	-2.4%	-0.024	0.009	-0.032	0.000	0.042	-0.078
2026	-0.5%	-0.005	0.028	-0.013	0.000	0.042	0.107
2027	-0.8%	-0.008	0.025	-0.017	0.000	0.042	0.073

Y = Hazardousness-Adjusted Noncumulative Indemnity Claim Frequency

Constant	-0.033
Std Err of Y Est	0.040
R Squared	0.442
No. of Observations	42
Degrees of Freedom	38

X Coefficient(s)	0.190	0.208	0.103
Std Err of Coef.	0.074	0.058	0.042

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.
For 1993 on, cumulative claims include both cumulative trauma and occupational disease claims. See Item III of the March 19th, 2014 Actuarial Committee Agenda.

The forecast of changes in the cumulative injury index are equal to the long term average change in the index, excluding outlier years.
Economic variables are historical through 2024; March 2025 UCLA Anderson Forecasts for 2025 on.

Regression is over AY 1979 through AY 2023, excluding 2020, 2021, and 2022. AY 2024 through AY 2027 are projections.

*AY 2023 is preliminary and change is based on a comparison of 2023 accidents on 2022 policies to 2022 accidents on 2021 policies.

**Projection of Indemnity Severity Trends by Accident Year
Based on Experience as of December 31, 2024**

Accident Year	(1) Estimated Ultimate Severity (a)	(2) Annual % Change	(3) Indemnity Adjustment Factor (b)	(4) Ultimate On-Level Severity (1) x (3)	(5) Annual % Change
1995	14,715	12.3%	2.039	30,005	4.6%
1996	16,599	12.8%	1.913	31,762	5.9%
1997	19,468	17.3%	1.717	33,424	5.2%
1998	21,351	9.7%	1.584	33,810	1.2%
1999	23,207	8.7%	1.467	34,052	0.7%
2000	24,550	5.8%	1.370	33,628	-1.2%
2001	26,866	9.4%	1.371	36,838	9.5%
2002	26,030	-3.1%	1.404	36,558	-0.8%
2003	26,005	-0.1%	1.400	36,410	-0.4%
2004	21,120	-18.8%	1.654	34,933	-4.1%
2005	19,145	-9.4%	1.899	36,352	4.1%
2006	20,851	8.9%	1.759	36,685	0.9%
2007	22,657	8.7%	1.696	38,427	4.8%
2008	24,628	8.7%	1.602	39,462	2.7%
2009	25,801	4.8%	1.593	41,095	4.1%
2010	25,037	-3.0%	1.563	39,132	-4.8%
2011	24,518	-2.1%	1.541	37,792	-3.4%
2012	23,971	-2.2%	1.522	36,491	-3.4%
2013	23,101	-3.6%	1.492	34,459	-5.6%
2014	23,983	3.8%	1.386	33,251	-3.5%
2015	24,233	1.0%	1.367	33,120	-0.4%
2016	23,780	-1.9%	1.350	32,094	-3.1%
2017	24,046	1.1%	1.314	31,605	-1.5%
2018	24,913	3.6%	1.280	31,900	0.9%
2019	26,651	7.0%	1.246	33,202	4.1%
2020	28,104	5.5%	1.210	34,003	2.4%
2021	28,270	0.6%	1.165	32,946	-3.1%
2022	29,783	5.4%	1.128	33,583	1.9%
2023	29,997	0.7%	1.102	33,063	-1.5%
2024	30,768	2.6%	1.068	32,862	-0.6%

- | | |
|---|-------|
| (6) Estimated Annual Exponential Trend Based on 1990 to 2024: | 0.6% |
| (7) Estimated Annual Exponential Trend Based on 2017 to 2024: | 0.5% |
| (8) Estimated Annual Exponential Trend Based on 2021 to 2024: | -0.2% |

Selected Indemnity Severity Trend:	0.5%
------------------------------------	------

(a) The estimated ultimate indemnity severities were derived from the projected ultimate loss ratios shown in Exhibit 3.2, Column (5).

(b) 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 2024.

**Projection of Medical Severity Trends by Accident Year
Based on Experience as of December 31, 2024**

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
1995	13,428	14.7%	0.941	12,633	13.7%
1996	14,506	8.0%	0.931	13,513	7.0%
1997	17,009	17.2%	0.925	15,733	16.4%
1998	20,836	22.5%	0.815	16,981	7.9%
1999	23,689	13.7%	0.706	16,728	-1.5%
2000	26,190	10.6%	0.649	16,995	1.6%
2001	30,765	17.5%	0.592	18,200	7.1%
2002	30,970	0.7%	0.614	19,028	4.5%
2003	29,784	-3.8%	0.645	19,198	0.9%
2004	27,255	-8.5%	0.853	23,238	21.0%
2005	28,016	2.8%	0.853	23,887	2.8%
2006	30,583	9.2%	0.849	25,972	8.7%
2007	33,857	10.7%	0.833	28,215	8.6%
2008	36,190	6.9%	0.830	30,040	6.5%
2009	38,155	5.4%	0.827	31,544	5.0%
2010	37,678	-1.2%	0.824	31,056	-1.5%
2011	33,922 (c)	---	0.847	28,739 (c)	---
2012	31,712	-6.5%	0.894	28,342	-1.4%
2013	29,008	-8.5%	0.975	28,274	-0.2%
2014	28,213	-2.7%	1.037	29,261	3.5%
2015	27,569	-2.3%	1.062	29,268	0.0%
2016	26,631	-3.4%	1.064	28,329	-3.2%
2017	27,087	1.7%	1.064	28,814	1.7%
2018	28,543	5.4%	1.061	30,273	5.1%
2019	29,453	3.2%	1.049	30,897	2.1%
2020	31,394	6.6%	1.036	32,509	5.2%
2021	31,694	1.0%	1.025	32,495	0.0%
2022	33,094	4.4%	1.016	33,627	3.5%
2023	33,581	1.5%	1.014	34,054	1.3%
2024	36,487	8.7%	1.011	36,890	8.3%

Selected Medical Severity Trend: 3.5%

- (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 3.4, column (7).
- (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 2024.

**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, 2024**

(1) Accident Year	MCCP Included				MCCP Removed Based on WCIRB Aggregate Calendar Year Data Calls (b)			
	(2) Estimated Ultimate Severity (a)	(3) Annual % Change	(4) Ultimate On-Level Severity (c)	(5) Annual % Change	(6) Estimated Ultimate Severity (a)	(7) Annual % Change	(8) Ultimate On-Level Severity (c)	(9) Annual % Change
2005	28,016	---	23,887	---	27,001	---	23,021	---
2006	30,583	9.2%	25,972	8.7%	29,165	8.0%	24,767	7.6%
2007	33,857	10.7%	28,215	8.6%	32,150	10.2%	26,792	8.2%
2008	36,190	6.9%	30,040	6.5%	33,594	4.5%	27,884	4.1%
2009	38,155	5.4%	31,544	5.0%	35,572	5.9%	29,409	5.5%
2010	37,678	-1.2%	31,056	-1.5%	35,093	-1.3%	28,926	-1.6%
2011	36,543	-3.0%	30,960	-0.3%	33,922	-3.3%	28,739	-0.6%
2012	34,453	-5.7%	30,792	-0.5%	31,712	-6.5%	28,342	-1.4%
2013	31,694	-8.0%	30,892	0.3%	29,008	-8.5%	28,274	-0.2%
2014	30,812	-2.8%	31,956	3.4%	28,213	-2.7%	29,261	3.5%
2015	29,977	-2.7%	31,823	-0.4%	27,569	-2.3%	29,268	0.0%
2016	28,868	-3.7%	30,708	-3.5%	26,631	-3.4%	28,329	-3.2%
2017	29,334	1.6%	31,205	1.6%	27,087	1.7%	28,814	1.7%
2018	30,863	5.2%	32,733	4.9%	28,543	5.4%	30,273	5.1%
2019	31,809	3.1%	33,368	1.9%	29,453	3.2%	30,897	2.1%
2020	33,740	6.1%	34,939	4.7%	31,394	6.6%	32,509	5.2%
2021	34,117	1.1%	34,979	0.1%	31,694	1.0%	32,495	0.0%
2022	35,629	4.4%	36,203	3.5%	33,094	4.4%	33,627	3.5%
2023	36,539	2.6%	37,053	2.3%	33,581	1.5%	34,054	1.3%
2024	39,809	9.0%	40,248	8.6%	36,487	8.7%	36,890	8.3%

Estimated Annual Exponential Trend

Trend Based on 1990 to 2024:	4.4%	N/A
Trend Based on 2017 to 2024:	3.2%	3.1%
Trend Based on 2021 to 2024:	4.5%	4.0%

Selected Medical Severity Trend: 3.5%

- (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 2024.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Based on Experience as of December 31, 2024**

Accident <u>Year</u>	(1) Developed Indemnity <u>Loss Ratio (a)</u>	(2) Composite Indemnity <u>Adjustment Factor (b)</u>	(3) Composite Premium <u>Adjustment Factor (c)</u>	(4) On-Level Indemnity to <u>Pure Premium Ratio</u> (1)×(2)÷(3)
1995	0.477	1.467	1.568	0.446
1996	0.534	1.371	1.605	0.456
1997	0.604	1.228	1.557	0.476
1998	0.652	1.132	1.578	0.468
1999	0.681	1.049	1.499	0.477
2000	0.589	0.980	1.187	0.486
2001	0.492	0.981	1.014	0.476
2002	0.367	1.004	0.781	0.472
2003	0.245	1.001	0.553	0.444
2004	0.146	1.371	0.504	0.396
2005	0.125	1.858	0.562	0.413
2006	0.161	1.825	0.723	0.408
2007	0.222	1.759	0.924	0.423
2008	0.281	1.652	1.116	0.416
2009	0.330	1.620	1.205	0.443
2010	0.316	1.590	1.095	0.459
2011	0.293	1.568	1.000	0.460
2012	0.263	1.548	0.890	0.458
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projections (d)
2025				0.372
2026				0.372
9/1/2026				0.371

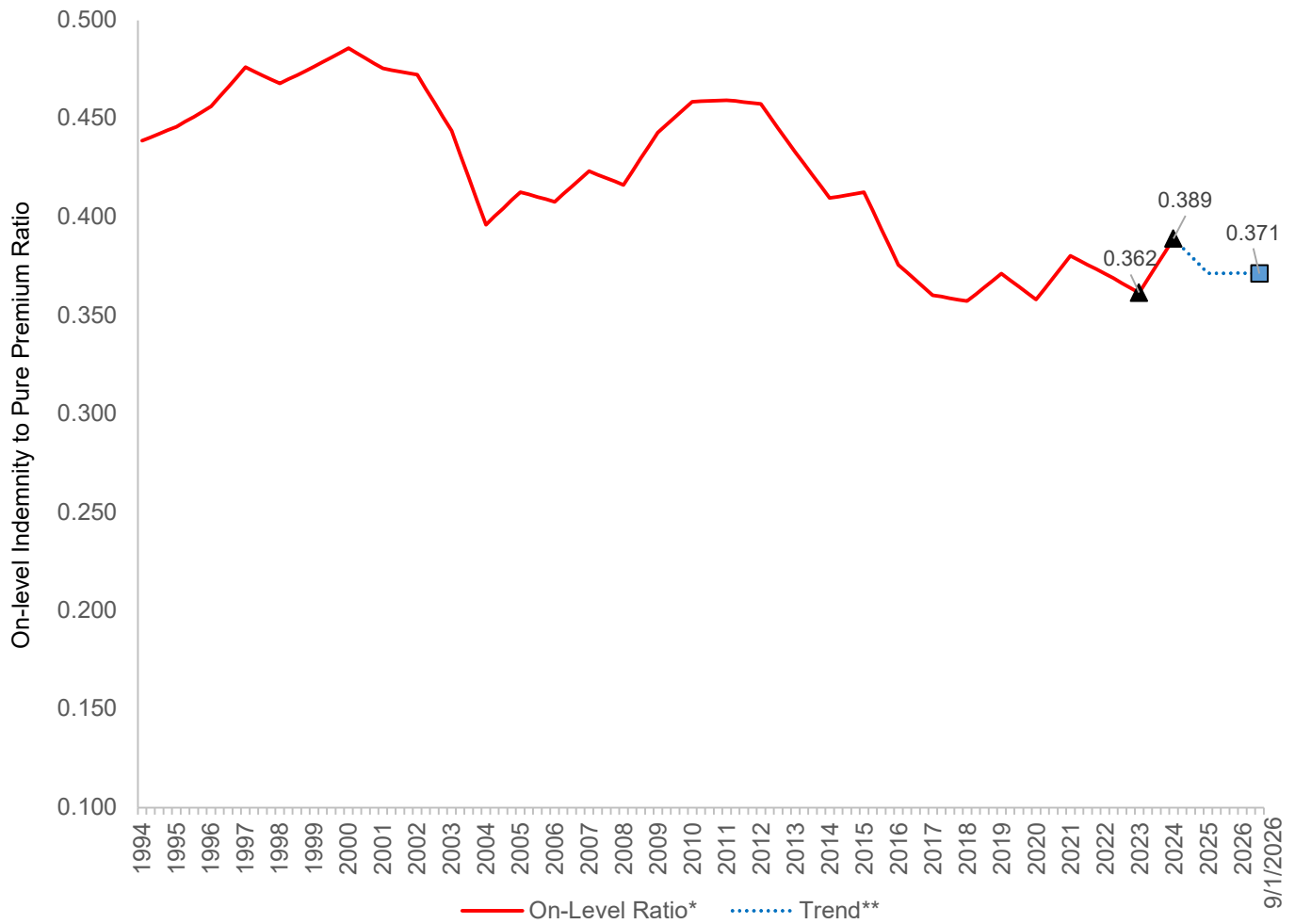
(a) See Exhibit 3.2.

(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 2023 and 2024 on-level ratios. The frequency growth estimates are based on the intra-class frequency changes for accident year 2024 from Exhibit 12 and frequency model projections for accident years 2025 to 2027 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, 2024**



* On-level indemnity to pure premium ratios (see Exhibit 7.1)

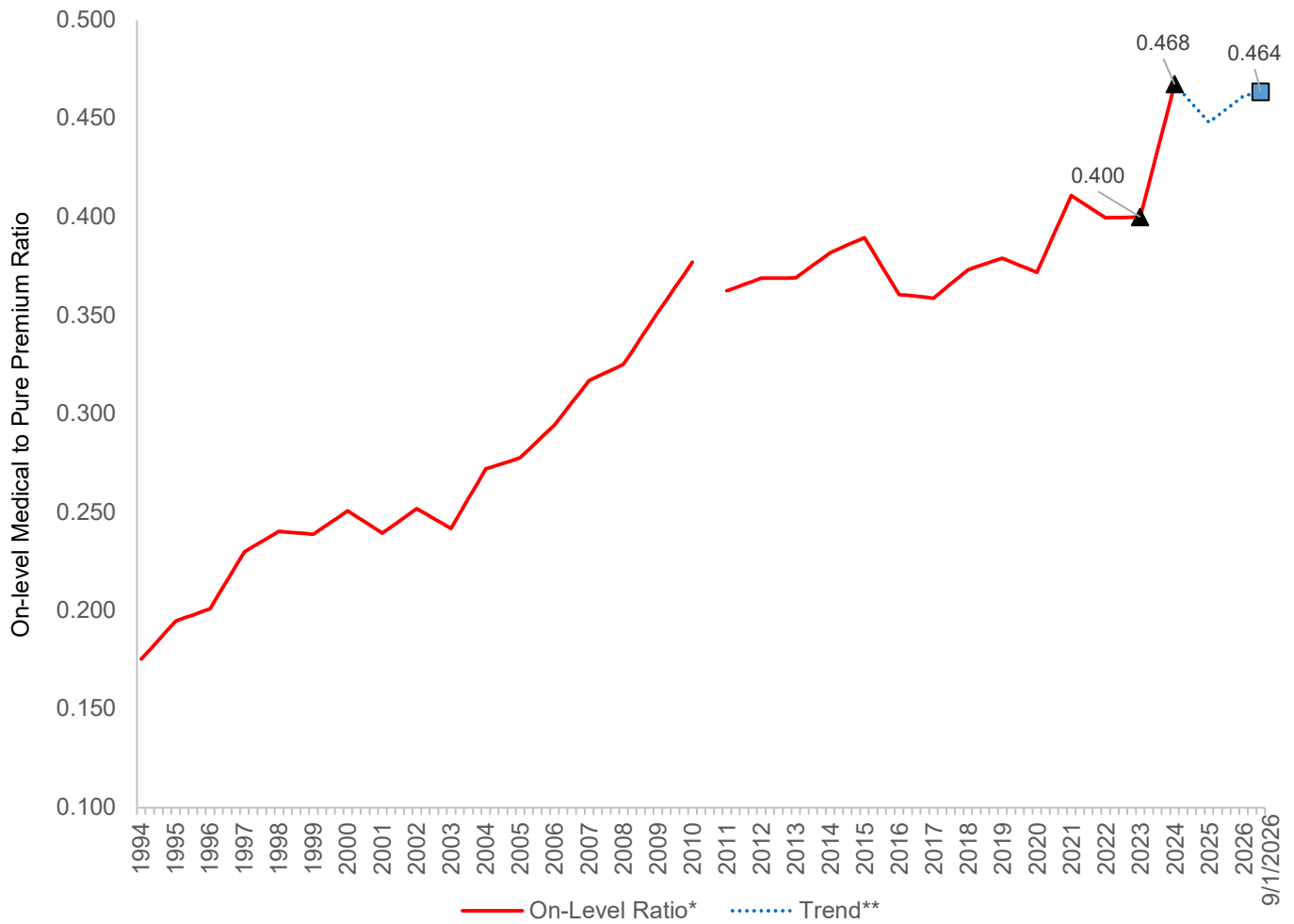
** The 9/1/2026 indemnity to pure premium ratio was calculated based on separate frequency and severity trends applied to the 2023 and 2024 years.

**Projected On-Level Accident Year
Medical Loss to Pure Premium Ratios
Based on Experience as of December 31, 2024**

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)
1995	0.422	0.724	1.568	0.195
1996	0.452	0.714	1.605	0.201
1997	0.506	0.708	1.557	0.230
1998	0.608	0.624	1.578	0.240
1999	0.663	0.540	1.499	0.239
2000	0.599	0.497	1.187	0.251
2001	0.536	0.453	1.014	0.240
2002	0.418	0.470	0.781	0.252
2003	0.271	0.493	0.553	0.242
2004	0.184	0.746	0.504	0.272
2005	0.180	0.866	0.562	0.278
2006	0.234	0.910	0.723	0.294
2007	0.328	0.893	0.924	0.317
2008	0.409	0.887	1.116	0.325
2009	0.484	0.875	1.205	0.352
2010	0.474	0.872	1.095	0.377
2011	0.409	0.887	1.000	0.363
2012	0.355	0.926	0.890	0.369
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.243	1.050	0.707	0.361
2017	0.252	1.053	0.741	0.359
2018	0.275	1.058	0.780	0.373
2019	0.312	1.051	0.865	0.379
2020	0.327	1.041	0.915	0.372
2021	0.377	1.040	0.954	0.411
2022	0.370	1.016	0.940	0.400
2023	0.380	1.014	0.962	0.400
2024	0.430	1.011	0.930	0.468
				Projections (d)
2025				0.448
2026				0.462
9/1/2026				0.464

- (a) See Exhibit 3.4. 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) Based on Column (4) of Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of Exhibit 4.4 for 2016 and later.
- (c) See Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the intra-class frequency changes for accident year 2024 from Exhibit 12 and frequency model projections for accident years 2025 to 2027 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, 2024**



* On-level medical to pure premium ratios (see Exhibit 7.3)

** The 9/1/2026 medical to pure premium ratio was calculated based on separate frequency and severity trends applied to the 2023 and 2024 years.

**Indicated Loss to Pure Premium Ratios
For Policies with Effective Dates between September 1, 2025 and August 31, 2026
Based on Experience as of December 31, 2024**

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
1. Projected Loss to Advisory Pure Premium Ratio (See Exhibits 7.1 and 7.3)	0.371	0.464	0.835

Quarterly Incurred Indemnity Loss Development Factors
Through December 31, 2024

Age in	Accident Year																						
Months	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
6/3	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	3.176		
9/6	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	1.951		
12/9	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	1.568	1.581		
15/12	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	1.310			
18/15	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	1.190			
21/18	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	1.142			
24/21	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	1.106			
27/24	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	1.076				
30/27	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	1.072				
33/30	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	1.045	1.050	1.052				
36/33	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	1.040				
39/36	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	1.030					
42/39	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	1.032	1.029					
45/42	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	1.025					
48/45	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	1.017	1.018	1.020					
51/48	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	1.014						
54/51	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	1.015						
57/54	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	1.012						
60/57	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	1.010	1.011						
63/60	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	1.009							
66/63	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	1.011							
69/66	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	1.009							
72/69	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	1.006	1.006	1.006							
75/72	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	1.003								
78/75	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	1.006								
81/78	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	1.005	1.004								
84/81	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	1.004	1.007								
87/84	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	1.002									
90/87	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	1.005									
93/90	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	1.003									
96/93	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	1.004									

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, 2024

Age in	Accident Year																							
Months	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
6/3	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	2.906	2.746			
9/6	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	1.777			
12/9	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	1.477			
15/12	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	1.194				
18/15	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	1.112				
21/18	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	1.083				
24/21	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	1.064				
27/24	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	1.052					
30/27	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	1.050					
33/30	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	1.030	1.037	1.042					
36/33	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	1.025	1.030	1.034					
39/36	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	1.020	1.024						
42/39	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	1.016	1.024	1.024						
45/42	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	1.023						
48/45	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	1.016	1.019						
51/48	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	1.012							
54/51	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	1.011							
57/54	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	1.010							
60/57	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	1.012							
63/60	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	1.011								
66/63	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	1.005								
69/66	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	1.009								
72/69	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	1.007								
75/72	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	1.003									
78/75	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	1.002									
81/78	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	1.004									
84/81	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	1.005									
87/84	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	1.004										
90/87	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	1.005										
93/90	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	1.003										
96/93	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	1.002										

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, 2024

Age in	Accident Year																					
Months	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
6/3	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	4.928	4.964	
9/6	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	2.463	
12/9	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	1.843	1.830	
15/12	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	1.505		
18/15	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	1.332		
21/18	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	1.244		
24/21	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	1.187		
27/24	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	1.148			
30/27	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	1.127	1.123	1.122			
33/30	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	1.099			
36/33	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	1.080			
39/36	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	1.064				
42/39	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	1.057				
45/42	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	1.049				
48/45	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	1.042				
51/48	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	1.035					
54/51	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	1.031					
57/54	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	1.027					
60/57	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	1.026	1.024					
63/60	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	1.019						
66/63	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	1.022						
69/66	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	1.017						
72/69	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	1.017						
75/72	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	1.010							
78/75	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	1.012							
81/78	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	1.010							
84/81	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	1.010							
87/84	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	1.007								
90/87	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	1.008								
93/90	1.012	1.011	1.011	1.012	1.010	1.010	1.009	1.009	1.008	1.007	1.006	1.006	1.006	1.006								
96/93	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	1.007								

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, 2024

Age in	Accident Year																							
Months	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
6/3	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	5.389			
9/6	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	2.353	2.322	2.353			
12/9	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	1.750			
15/12	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	1.467				
18/15	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	1.289				
21/18	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	1.205				
24/21	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	1.159				
27/24	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	1.128					
30/27	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	1.111					
33/30	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	1.091					
36/33	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	1.076	1.078					
39/36	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	1.064	1.062						
42/39	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	1.057						
45/42	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	1.047	1.055						
48/45	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	1.041	1.044						
51/48	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	1.035							
54/51	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	1.034							
57/54	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	1.028							
60/57	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	1.026							
63/60	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	1.022								
66/63	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	1.019								
69/66	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	1.018								
72/69	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	1.017								
75/72	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	1.012									
78/75	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	1.015									
81/78	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	1.011									
84/81	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	1.011									
87/84	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	1.008										
90/87	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	1.009										
93/90	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	1.007										
96/93	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	1.008										

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	Development															
	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
1999																1.000
2000															1.000	1.000
2001														1.000	1.000	1.000
2002													1.000	1.000	1.000	1.000
2003												1.000	1.000	1.000	1.000	1.000
2004											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
2006									1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007								1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008							1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009						1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010					1.002	1.002	1.001	1.000	1.001	0.999	1.000	1.000	1.000	1.000		
2011				1.005	1.002	1.001	1.000	1.001	1.000	1.000	1.000	1.000	1.000			
2012			1.010	1.005	1.003	1.001	1.002	1.000	1.001	1.000	1.000	1.000				
2013		1.026	1.010	1.005	1.001	1.002	1.000	1.000	1.000	1.001	1.000					
2014	1.216	1.027	1.010	1.003	1.002	0.999	1.000	1.000	1.000	1.000						
2015	1.236	1.027	1.005	1.003	1.001	1.001	1.000	1.000	1.000							
2016	1.245	1.028	1.007	1.000	1.002	1.000	1.000	1.000								
2017	1.219	1.023	1.004	1.003	1.001	1.001	1.000									
2018	1.226	1.021	1.006	1.002	1.002	1.001										
2019	1.218	1.028	1.008	1.005	1.002											
2020	1.233	1.027	1.009	1.000												
2021	1.230	1.027	1.007													
2022	1.245	1.031														
2023	1.260															
Latest Year																
<u>Age-to-Age</u>																
1.260	1.031	1.007	1.000	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
<u>Age-to-Ultimate</u>																
1.318	1.046	1.015	1.008	1.008	1.006	1.004	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2024.

Quarterly Reported Indemnity Claim Count Development Factors

Accident Year	Development														
	<u>3-6</u>	<u>6-9</u>	<u>9-12</u>	<u>12-15</u>	<u>15-18</u>	<u>18-21</u>	<u>21-24</u>	<u>24-27</u>	<u>27-30</u>	<u>30-33</u>	<u>33-36</u>	<u>36-39</u>	<u>39-42</u>	<u>42-45</u>	<u>45-48</u>
2012	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
2013	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
2014	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
2015	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
2016	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
2017	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
2018	2.733	1.717	1.410	1.149	1.047	1.027	1.018	1.012	1.010	1.006	1.004	1.002	1.002	1.002	1.001
2019	2.892	1.696	1.423	1.138	1.034	1.023	1.012	1.014	1.009	1.005	1.001	1.003	1.003	1.001	1.001
2020	2.519	1.869	1.268	1.143	1.042	1.025	1.010	1.010	1.008	1.004	1.004	1.002	1.003	1.002	1.001
2021	--	--	--	1.131	1.045	1.025	1.016	1.010	1.008	1.005	1.003	0.999			
2022	2.871	1.715	1.422	1.140	1.047	1.027	1.016	1.005							
2023	2.788	1.723	1.421	1.133	1.058	1.030	1.020								
2024	2.796	1.754	1.428												

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2024.

Reported Indemnity Claim Settlement Ratios

Accident	Evaluated as of (in months):																
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1999																	98.1%
2000																97.8%	98.0%
2001															96.9%	97.4%	97.7%
2002														96.8%	97.3%	97.7%	98.0%
2003													96.4%	97.0%	97.5%	97.9%	98.2%
2004												96.0%	96.8%	97.3%	97.8%	98.2%	98.5%
2005										95.4%	96.3%	97.0%	97.6%	98.0%	98.4%	98.6%	
2006									94.3%	95.5%	96.4%	97.1%	97.6%	98.1%	98.3%	98.6%	
2007									93.2%	94.8%	96.0%	96.7%	97.4%	97.9%	98.3%	98.5%	98.7%
2008								91.5%	93.7%	95.1%	96.2%	97.0%	97.6%	97.9%	98.2%	98.4%	98.6%
2009							88.5%	91.7%	93.8%	95.3%	96.4%	97.1%	97.6%	97.9%	98.2%	98.4%	
2010						85.9%	90.1%	92.8%	94.7%	96.0%	96.9%	97.6%	98.0%	98.2%	98.5%		
2011					81.6%	87.0%	91.0%	93.6%	95.4%	96.4%	97.1%	97.7%	98.0%	98.3%			
2012				74.9%	82.9%	88.4%	92.0%	94.4%	95.8%	96.7%	97.3%	97.8%	98.1%				
2013			64.4%	76.6%	84.7%	89.8%	93.2%	95.1%	96.3%	97.1%	97.6%	98.0%					
2014		49.2%	65.9%	78.1%	86.1%	90.7%	93.5%	95.3%	96.4%	97.2%	97.7%						
2015	26.8%	50.5%	68.3%	80.5%	87.8%	91.4%	93.9%	95.6%	96.6%	97.4%							
2016	28.2%	53.4%	70.9%	82.4%	88.3%	91.7%	94.1%	95.7%	96.7%								
2017	30.4%	56.2%	73.1%	82.6%	88.3%	91.9%	94.1%	95.6%									
2018	31.1%	56.3%	71.5%	81.4%	87.8%	91.5%	93.8%										
2019	31.1%	54.2%	69.2%	80.3%	86.9%	90.7%											
2020	30.4%	53.5%	69.2%	79.7%	86.1%												
2021	31.7%	55.9%	70.2%	80.1%													
2022	32.2%	55.7%	69.7%														
2023	32.4%	54.7%															
2024	30.6%																

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2024.

Estimated Ultimate Indemnity Claim Settlement Ratios

Accident	Evaluated as of (in months):																
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1999																	98.0%
2000																98.3%	98.6%
2001															96.8%	97.2%	97.5%
2002														96.6%	97.1%	97.5%	97.8%
2003													96.2%	96.8%	97.3%	97.7%	98.0%
2004												95.8%	96.6%	97.1%	97.6%	98.0%	98.2%
2005										95.3%	96.2%	96.8%	97.4%	97.8%	98.1%	98.4%	
2006										94.1%	95.4%	96.2%	96.9%	97.4%	97.8%	98.1%	98.3%
2007									92.9%	94.5%	95.7%	96.5%	97.2%	97.6%	98.0%	98.2%	98.4%
2008								91.1%	93.3%	94.8%	95.8%	96.7%	97.3%	97.6%	97.9%	98.2%	98.4%
2009							88.1%	91.4%	93.4%	94.9%	96.0%	96.8%	97.3%	97.6%	97.9%	98.2%	
2010						85.4%	89.7%	92.5%	94.3%	95.8%	96.6%	97.3%	97.7%	98.0%	98.2%		
2011					80.9%	86.5%	90.5%	93.2%	95.0%	96.1%	96.8%	97.4%	97.8%	98.0%			
2012				73.9%	82.2%	87.8%	91.5%	94.1%	95.4%	96.4%	97.0%	97.5%	97.9%				
2013			63.0%	75.7%	84.1%	89.2%	92.8%	94.7%	95.9%	96.8%	97.3%	97.7%					
2014		47.0%	64.7%	77.4%	85.6%	90.4%	93.2%	95.0%	96.1%	96.9%	97.4%						
2015	20.9%	48.6%	67.4%	79.8%	87.3%	91.0%	93.5%	95.2%	96.3%	97.1%							
2016	21.8%	51.3%	70.0%	81.9%	87.7%	91.3%	93.8%	95.3%	96.4%								
2017	24.0%	54.1%	72.1%	81.8%	87.8%	91.4%	93.7%	95.3%									
2018	24.5%	54.3%	70.3%	80.7%	87.1%	91.0%	93.4%										
2019	24.3%	51.7%	67.9%	79.3%	86.2%	90.2%											
2020	23.6%	51.2%	68.0%	79.1%	85.4%												
2021	24.7%	53.6%	69.1%	79.5%													
2022	24.7%	53.2%	68.6%														
2023	24.6%	52.3%															
2024	23.2%																

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2024.

Quarterly Ultimate Settlement Ratios

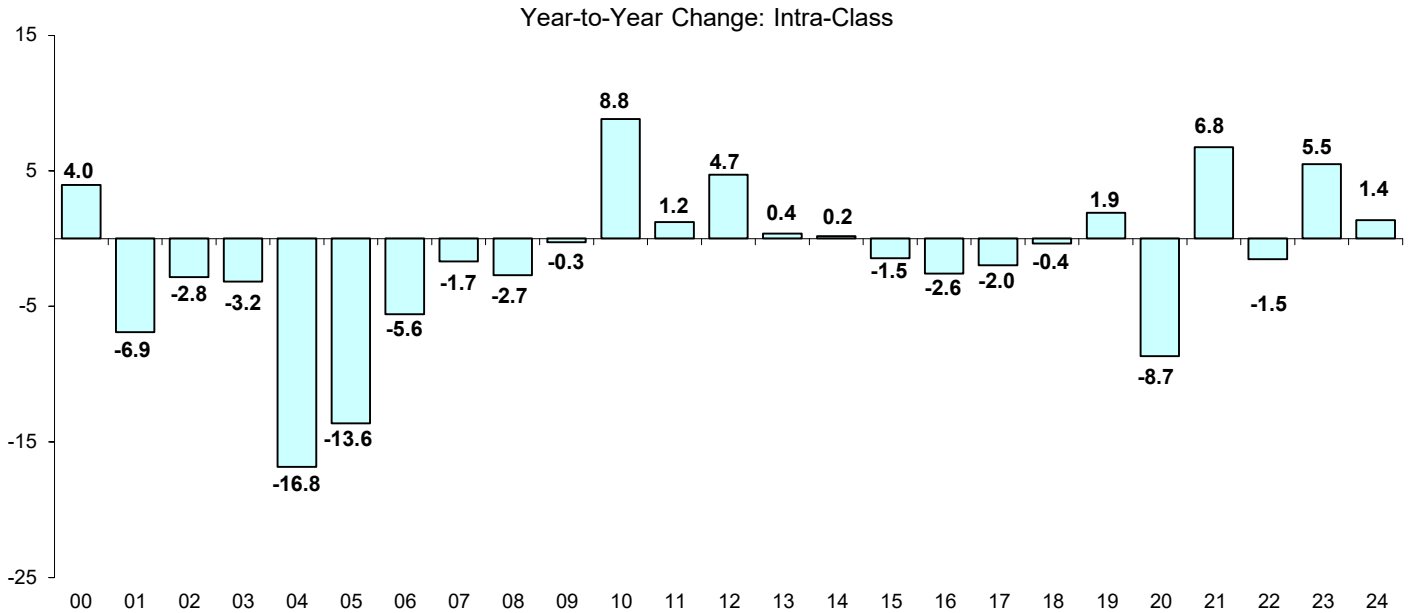
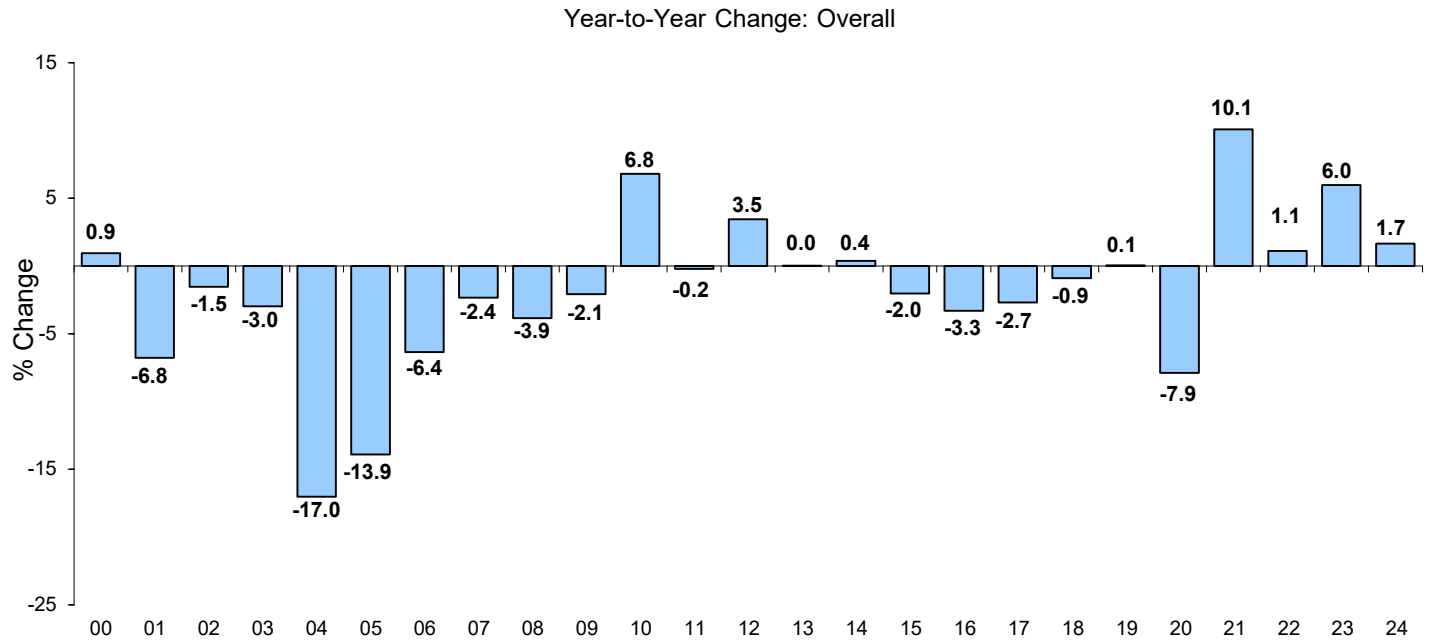
Accident	Evaluated as of (in months):															
Year	<u>3</u>	<u>6</u>	<u>9</u>	<u>12</u>	<u>15</u>	<u>18</u>	<u>21</u>	<u>24</u>	<u>27</u>	<u>30</u>	<u>33</u>	<u>36</u>	<u>39</u>	<u>42</u>	<u>45</u>	<u>48</u>
2015	0.8%	4.7%	11.9%	20.9%	30.0%	37.3%	43.1%	48.6%	53.7%	58.7%	63.1%	67.4%	70.7%	74.0%	76.9%	79.8%
2016	0.8%	5.0%	12.2%	21.8%	31.5%	39.2%	45.3%	51.3%	56.1%	61.0%	65.4%	70.0%	73.4%	76.5%	79.1%	81.9%
2017	0.8%	5.5%	13.2%	24.0%	33.9%	41.6%	47.9%	54.1%	58.9%	63.6%	67.8%	72.1%	75.0%	77.3%	79.5%	81.8%
2018	0.9%	5.7%	13.7%	24.5%	34.4%	42.1%	48.4%	54.3%	59.1%	63.0%	66.6%	70.3%	73.2%	75.9%	78.1%	80.7%
2019	1.0%	5.6%	13.5%	24.3%	34.4%	40.9%	46.4%	51.7%	55.8%	60.1%	63.9%	67.9%	70.8%	73.8%	76.5%	79.3%
2020	1.1%	5.9%	16.3%	23.6%	32.7%	40.2%	45.5%	51.2%	54.9%	59.4%	63.3%	68.0%	70.3%	73.1%	75.8%	79.1%
2021	0.7%	5.9%	14.1%	24.7%	34.7%	42.3%	48.0%	53.6%	57.0%	60.8%	64.9%	69.1%	71.3%	74.0%	76.4%	79.5%
2022	0.8%	5.7%	14.0%	24.7%	34.4%	41.5%	47.7%	53.2%	56.9%	60.7%	64.5%	68.6%				
2023	1.0%	6.0%	14.1%	24.6%	33.8%	41.0%	46.9%	52.3%								
2024	1.1%	6.1%	13.7%	23.2%												

Accident Year	Quarterly Incremental Change														
	<u>3-6</u>	<u>6-9</u>	<u>9-12</u>	<u>12-15</u>	<u>15-18</u>	<u>18-21</u>	<u>21-24</u>	<u>24-27</u>	<u>27-30</u>	<u>30-33</u>	<u>33-36</u>	<u>36-39</u>	<u>39-42</u>	<u>42-45</u>	<u>45-48</u>
2015	3.9%	7.2%	9.0%	9.2%	7.3%	5.7%	5.5%	5.1%	5.0%	4.4%	4.3%	3.4%	3.3%	3.0%	2.9%
2016	4.2%	7.2%	9.6%	9.7%	7.7%	6.0%	6.0%	4.8%	5.0%	4.4%	4.6%	3.4%	3.1%	2.6%	2.8%
2017	4.7%	7.8%	10.8%	9.9%	7.7%	6.3%	6.2%	4.8%	4.7%	4.2%	4.3%	2.9%	2.3%	2.2%	2.3%
2018	4.8%	8.0%	10.8%	10.0%	7.7%	6.2%	5.9%	4.8%	3.9%	3.6%	3.7%	2.9%	2.7%	2.3%	2.5%
2019	4.7%	7.9%	10.8%	10.1%	6.5%	5.5%	5.3%	4.1%	4.3%	3.8%	3.9%	2.9%	3.0%	2.7%	2.8%
2020	--	--	--	--	7.6%	5.3%	5.7%	3.7%	4.4%	4.0%	4.7%	2.3%	2.8%	2.8%	3.2%
2021	5.2%	8.2%	10.7%	9.9%	7.6%	5.7%	5.6%	3.4%	3.8%	4.1%	4.3%	2.2%	2.7%	2.4%	3.1%
2022	4.9%	8.3%	10.7%	9.7%	7.1%	6.2%	5.5%	3.7%	3.8%	3.8%	4.1%				
2023	4.9%	8.2%	10.5%	9.2%	7.2%	5.9%	5.3%								
2024	5.0%	7.6%	9.5%												

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.

Source: WCIRB accident year experience calls, excluding COVID-19 claims for Accident Years 2020 through 2024.

California Workers' Compensation Estimated Indemnity Claim Frequency by Accident Year



Note:

The 2024 estimates are based on a comparison of claim counts based on WCIRB accident year experience as of December 31, 2024 relative to the estimated change in statewide employment. Prior years are based on unit statistical data. Experience excludes COVID-19 claims.

Item AC25-04-01

9/1/2025 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, 2025 and August 31, 2026 based on calendar year unallocated loss adjustment expense (ULAE) experience through calendar year 2023 and accident year allocated loss adjustment expense (ALAE) experience as of December 31, 2024, which reflects the latest LAE information available. The projection methodologies are generally consistent with those reflected in the WCIRB's September 1, 2024 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 TPA 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.

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 2023 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 2023 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 year 2014 reflects 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.

Exhibit 2 shows the average calendar year paid ULAE per open indemnity claim for private insurers. The ULAE severities for calendar years 2016 through 2023 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 2014 and 2015 only partially reflect the adjustments discussed above. The amounts shown for calendar years 2020 to 2023 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, 2024. 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 2025 and 2026 shown in Exhibit 3.3 are based on the intra-class indemnity claim frequency changes reflected in the analysis of projected losses (Item AC25-03-02) applied to accident years 2023 and 2024.⁴ 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 AC25-03-02). The ULAE severity is projected based on trending from the average paid ULAE per open indemnity claim for the latest two available calendar years (2022 and 2023). As shown in Exhibit 3.5, the projected ratio of ULAE to loss for policies incepting between September 1, 2025 and August 31, 2026 using this approach is 13.6%.

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’ (2022 and 2023) paid ULAE to paid loss ratios for private insurers is 14.3%. The preliminary ULAE projection for policies incepting between September 1, 2025 and August 31, 2026 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, 2024 Pure Premium Rate Filing was also 13.9%.)

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

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 AC25-03-02. Given that accident years 2023 and 2024 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 2023 and 2024. 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.

based on calendar year 2023 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 10, 2025 Agenda Methodology	
Paid ULAE per Open Indemnity Claim Applied to 2022 and 2023	13.6%
Average of Calendar Year 2022 and 2023 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 2023	14.3%
Calendar Year 2023 Paid ULAE to Loss Ratio	14.7%

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 AC25-03-02, COVID-19 losses are included in the projected loss ratio for accident years 2023 and 2024. 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 2024.

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 last three years.⁶

Exhibits 8.1 through 8.4 show the preliminary ALAE projection excluding MCCP costs using the September 1, 2024 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 prior 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.⁷ However, as shown in Exhibit 11.2 of Item AC25-03-02, 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 AC25-03-02 and a 5.0% ALAE severity trend selected based on the approximate average of the private insurer longer-term (2017 to 2024) and shorter-term (2021 to 2024) growth rates of (a) estimated ultimate accident year ALAE per indemnity claim (Exhibit 6) and

⁶ See Item AC24-12-03 of this Agenda for more information on the recent ALAE increase.

⁷ See Item AC19-08-04 of the August 4, 2020 Actuarial Committee Agenda.

(b) incremental paid calendar year ALAE per open indemnity claim (Exhibit 7). (The projected ALAE severity trend reflected in the September 1, 2024 Premium Rate Filing based on this approach was 2.0%.) These trends were applied to the latest two accident years (2023 and 2024) 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, 2024 Pure Premium Rate Filing, a separate adjustment is applied to the projected ALAE ratio. This adjustment, which is shown in line (12) of Exhibit 8.4, is based on the estimated full impact of a 1.0% reduction in ALAE costs⁸ judgmentally tempered by 91% based on the estimated average percentage of 168-month ALAE costs paid as of December 31, 2024 for accident years 2017 and 2018.⁹ (The continued appropriateness of this adjustment will be reviewed at the meeting.)

As shown in line (13) 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 18.1%. (For comparison purposes, the projected ALAE excluding MCCP costs to loss ratio reflected in the September 1, 2024 Pure Premium Rate Filing was 17.0%.)

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. 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 Year 2023 – Exhibit 10
3. Projected Ultimate ALAE per Indemnity Claim and Future Number of Indemnity Claims – Projection Based on Accident Year 2024 – Exhibit 11
4. Projected Ultimate ALAE per Indemnity Claim and Future Number of Indemnity Claims – Projection Based on Accident Years 2022 to 2024 Average ALAE – Exhibit 12

The ALAE projections for policies incepting between September 1, 2025 and August 31, 2026 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 2.¹⁰

⁸ As reflected in the September 1, 2021 Pure Premium Rate Filing.

⁹ This approach resulted in an 88% tempering in the September 1, 2024 Pure Premium Rate Filing based on December 31, 2023 ALAE experience.

¹⁰ All projections shown in Table 2 also reflect the impact of SB 1160 and AB 1244 on ALAE costs.

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

ALAE Projection Method	Statewide with Private Insurer Average ALAE
April 10, 2025 Agenda Methodology	
Projected Ultimate ALAE per Indemnity Claim – Latest Year Paid ALAE Development – Trend Applied to 2023 and 2024	18.1%
Alternative Methodologies	
Projected Ultimate ALAE per Indemnity Claim – 3-Year Average Paid ALAE Development	17.8%
Projected Ultimate ALAE per Indemnity Claim – Trend Applied to 2023 Average ALAE	17.7%
Projected Ultimate ALAE per Indemnity Claim – Trend Applied to 2024	19.2%
Projected Ultimate ALAE per Indemnity Claim – Trend Applied to 2022 to 2024 Average ALAE	17.9%

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 2024.

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. Similar to ALAE excluding MCCP, average MCCP costs have grown in the most recent years following a prior flat period.

Exhibits 16.1 and 16.3 show the preliminary projection of MCCP costs based on statewide data. Projected MCCP development through 156 months shown in Exhibit 16.1 is based on the latest year paid MCCP age-to-age factors while projected MCCP development after 156 months is based on the selected paid medical 156-to-ultimate development factor.¹¹ 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 2023 and 2024 projected ultimate indemnity claim counts and ultimate MCCP per indemnity claim. A 0.5% 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 Exhibit 14 and (b) calendar year MCCP per indemnity claims inventory from Exhibit 15. (The projected MCCP severity trend reflected in the September 1, 2024 Premium Rate Filing based on this approach was -1.5%.) The preliminary projected ratio of MCCP to loss based on this methodology is 3.5%. (For comparison purposes, the projected MCCP to loss ratio reflected in the September 1, 2024 Pure Premium Rate Filing was 3.1%.)

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:

¹¹ See Exhibit 2.6.1 of Item AC25-03-02.

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 2024 – Exhibit 18

The MCCP cost projections for policies incepting between September 1, 2025 and August 31, 2026 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 10, 2025 Agenda Methodology	
Projected Ultimate MCCP per Indemnity Claim – Latest Year Paid MCCP Development – Trend Applied to 2023 and 2024	3.5%
Alternative Methodologies	
Projected Ultimate MCCP per Indemnity Claim – 3-Year Average Paid MCCP Development	3.3%
Projected Ultimate MCCP per Indemnity Claim – Trend Applied to 2024	3.7%

Summary of Paid LAE Ratios by Insurer Type

Paid ALAE to Paid Loss Ratios

<u>CY</u>	<u>State Fund</u>	<u>CA Private Insurers</u>	<u>National</u>	<u>Statewide</u>	<u>Private Insurers</u>
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%	17.3%	22.7%	20.4%	21.7%
2022	13.5%	16.3%	21.9%	20.1%	20.9%
2023	13.1%	16.2%	22.1%	20.3%	21.1%

Excluding COVID-19

2020	11.5%	17.9%	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%
2023	13.1%	16.2%	22.1%	20.3%	21.1%

Paid ULAE to Paid Loss Ratios

<u>CY</u>		<u>State Fund</u>	<u>CA Private Insurers</u>	<u>National</u>	<u>Statewide</u>	<u>Private Insurers</u>
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%	14.1%	13.8%	14.4%	13.8%
2023	[2]	23.1%	13.9%	14.9%	15.5%	14.7%

Paid LAE to Paid Loss Ratios

<u>CY</u>		<u>State Fund</u>	<u>CA Private Insurers</u>	<u>National</u>	<u>Statewide</u>	<u>Private Insurers</u>
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%	37.3%	35.4%	36.3%
2022	[2]	32.0%	30.4%	35.7%	34.5%	34.8%
2023	[2]	36.2%	30.2%	37.0%	35.8%	35.8%

Notes:

[1] 2014 ratio 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 2023 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)	Number of Open Indemnity Claims at Beginning of the Year ^[2]	Number of Indemnity Claims Reported During Year ^[3]	ULAE Paid per Open Indemnity Claim ^[4]	Annual Change (5)
	(1)	(2)	(3)	(4)	(5)
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	3,644	13.2%
2021 ^[6]	1,022	293,628	146,910	3,480	-4.5%
2022 ^[6]	1,019	294,581	156,773	3,459	-0.6%
2023 ^[6]	1,177	298,488	160,240	3,942	13.9%

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 2023 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

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	156-168	168-180	180-192	192-204	204-216
1994																	1.000
1995																1.000	1.000
1996															1.000	1.000	1.000
1997														1.000	1.000	1.000	1.000
1998													1.001	1.000	1.000	1.000	1.000
1999												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	1.000	1.000
2001																	1.000
2002									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003								0.999	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004							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	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006					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				1.004	1.002	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008			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	1.000	1.000
2009		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	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	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	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	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2013	1.240	1.031	1.010	1.004	1.002	1.001	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000
2014	1.239	1.027	1.010	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2015	1.236	1.027	1.006	1.003	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
2016	1.244	1.029	1.007	1.003	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2017	1.220	1.023	1.007	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2018	1.226	1.024	1.006	1.002	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
2019	1.222	1.028	1.008	1.005	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2020	1.233	1.027	1.009	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
2021	1.230	1.027	1.007	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
2022	1.242	1.031	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
2023	1.260	1.031	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-Age Development Factors

@12/31/23	1.242	1.027	1.009	1.005	1.002	1.001	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
@12/31/24	1.260	1.031	1.007	1.000	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

Age-to-Ultimate

@12/31/23	1.304	1.050	1.022	1.013	1.009	1.007	1.006	1.005	1.005	1.005	1.004	1.004	1.003	1.003	1.003	1.003	1.002
@12/31/24	1.318	1.046	1.015	1.008	1.008	1.005	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.003	1.003	1.003	1.003

Estimated Percent of Ultimate Indemnity Claims Reported

@12/31/23	76.7%	95.2%	97.8%	98.7%	99.1%	99.3%	99.4%	99.5%	99.5%	99.5%	99.6%	99.6%	99.7%	99.7%	99.7%	99.7%	99.8%
@12/31/24	75.9%	95.6%	98.5%	99.2%	99.2%	99.5%	99.6%	99.6%	99.7%	99.7%	99.7%	99.8%	99.8%	99.7%	99.7%	99.7%	99.7%

Accident Year	Age-to-Age Development (in months):																
	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
1990				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	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	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	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	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	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	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	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	1.000	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	1.000	1.000	1.000	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	1.000	1.000	1.000	1.000	1.000	1.000	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	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	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	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
2004	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
2005	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
2006	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-Age Development Factors

@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
@12/31/24	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

@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	1.000	1.000	1.000	1.000	1.000	1.000
@12/31/24	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000

Estimated Percent of Ultimate Indemnity Claims Reported

@12/31/23	99.8%	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%
@12/31/24	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	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	Evaluated as of (in months):																
Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204
1996													96.3%	96.7%	96.9%	97.1%	97.3%
1997												96.0%	96.5%	96.8%	97.0%	97.2%	97.5%
1998											95.6%	96.3%	96.7%	97.0%	97.3%	97.6%	97.7%
1999										94.8%	95.7%	96.3%	96.7%	97.1%	97.5%	97.7%	97.9%
2000									93.1%	94.4%	95.3%	96.0%	96.4%	97.0%	97.3%	97.6%	97.9%
2001								90.4%	92.3%	93.6%	94.6%	95.4%	96.1%	96.6%	97.0%	97.4%	97.7%
2002							88.3%	90.9%	92.5%	93.8%	94.8%	95.9%	96.4%	96.9%	97.4%	97.7%	98.1%
2003						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					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				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			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%	98.6%
2007		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%	98.3%	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%	98.6%
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%	98.4%	
2010	27.0%	46.9%	60.7%	72.5%	80.5%	85.8%	90.1%	92.8%	94.7%	96.1%	96.9%	97.6%	98.0%	98.2%	98.5%		
2011	27.5%	47.2%	62.0%	73.4%	81.4%	86.9%	90.9%	93.6%	95.3%	96.4%	97.2%	97.7%	98.1%	98.3%			
2012	27.7%	48.1%	63.3%	74.8%	82.8%	88.3%	92.1%	94.4%	95.8%	96.8%	97.3%	97.8%	98.2%				
2013	26.9%	48.4%	64.4%	76.4%	84.7%	89.9%	93.2%	95.1%	96.3%	97.1%	97.6%	98.0%					
2014	26.9%	49.5%	65.8%	78.1%	86.2%	90.8%	93.5%	95.3%	96.5%	97.2%	97.7%						
2015	27.3%	50.5%	68.3%	80.6%	87.8%	91.3%	93.9%	95.6%	96.6%	97.4%							
2016	28.2%	53.4%	71.0%	82.5%	88.2%	91.7%	94.1%	95.7%	96.7%								
2017	30.4%	56.2%	73.1%	82.5%	88.3%	91.9%	94.1%	95.6%									
2018	31.2%	56.3%	71.4%	81.4%	87.8%	91.5%	93.8%										
2019	31.2%	54.0%	69.2%	80.3%	86.9%	90.7%											
2020	30.0%	53.5%	69.2%	79.7%	86.1%												
2021	31.7%	55.9%	70.2%	80.1%													
2022	32.2%	55.7%	69.7%														
2023	32.4%	54.7%															
2024	30.6%																

Reported Closing Rate

@12/31/23	32.4%	55.7%	70.2%	79.7%	86.9%	91.5%	94.1%	95.7%	96.6%	97.2%	97.6%	97.8%	98.1%	98.2%	98.2%	98.4%	98.7%
@12/31/24	30.6%	54.7%	69.7%	80.1%	86.1%	90.7%	93.8%	95.6%	96.7%	97.4%	97.7%	98.0%	98.2%	98.3%	98.5%	98.4%	98.6%

Estimated Percent Closed⁽¹⁾

@12/31/23	24.9%	53.0%	68.7%	78.7%	86.1%	90.9%	93.6%	95.2%	96.1%	96.7%	97.2%	97.5%	97.7%	97.9%	97.9%	98.2%	98.5%
@12/31/24	23.2%	52.3%	68.6%	79.5%	85.5%	90.2%	93.4%	95.3%	96.4%	97.1%	97.5%	97.8%	97.9%	98.1%	98.2%	98.2%	98.4%

Accident	Evaluated as of (in months):																
Year	216	228	240	252	264	276	288	300	312	324	336	348	360	372	384	396	408
1991			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%	99.4%
1992		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%	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%	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%	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%	98.7%				
1996	97.4%	97.6%	97.7%	97.8%	97.8%	98.0%	98.1%	98.1%	98.2%	98.2%	98.3%	98.3%					
1997	97.6%	97.7%	97.9%	98.0%	98.1%	98.3%	98.3%	98.4%	98.5%	98.5%	98.5%						
1998	97.9%	98.0%	98.2%	98.3%	98.5%	98.6%	98.7%	98.7%	98.8%	98.9%							
1999	98.1%	98.4%	98.5%	98.7%	98.8%	98.9%	99.0%	99.1%	99.1%								
2000	98.1%	98.3%	98.6%	98.7%	98.8%	98.9%	99.0%	99.1%									
2001	98.0%	98.3%	98.5%	98.7%	98.8%	98.9%	99.0%										
2002	98.4%	98.6%	96.6%	99.0%	99.0%	99.1%											
2003	98.5%	98.8%	98.9%	99.0%	99.1%												
2004	98.7%	98.9%	99.0%	99.1%													
2005	98.8%	98.9%	99.0%														
2006	98.7%	98.8%															
2007	98.8%																

Reported Closing Rate

@12/31/23	98.7%	98.9%	99.0%	99.0%	99.0%	98.9%	99.0%	99.1%	98.8%	98.5%	98.3%	98.7%	99.1%	99.3%	99.3%	99.4%	
@12/31/24	98.8%	98.8%	99.0%	99.1%	99.1%	99.1%	99.0%	99.1%	99.1%	98.9%	98.5%	98.3%	98.7%	99.1%	99.3%	99.3%	99.4%

Estimated Percent Closed⁽¹⁾

@12/31/23	98.5%	98.7%	98.8%	98.8%	98.8%	98.7%	98.9%	99.0%	98.7%	98.5%	98.2%	98.7%	99.1%	99.3%	99.3%	99.4%	
@12/31/24	98.6%	98.6%	98.8%	98.9%	98.9%	99.0%	98.8%	98.9%	99.0%	98.7%	98.4%	98.2%	98.7%	99.1%	99.3%	99.3%	99.4%

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								Cumulative Indemnity Claim Counts				
December 31 of							Incremental	as of December 31, 2024				
	2023	2024	2023	2024	2023	2024				Estimated	Annual	
Year	Percent Reported ^[1]		Percent Closed ^[2]		Opening Rate ^[3]		Closing Rate ^[4]	AY	Reported	Open	Ultimate ^[5]	Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)	(9)	(10)	
1	76.7%	75.9%	24.9%	23.2%	51.8%	52.6%	47.4%	1989	214,918	603	214,918	
2	95.2%	95.6%	53.0%	52.3%	42.2%	43.3%	16.4%	1990	242,821	1,106	242,838	
3	97.8%	98.5%	68.7%	68.6%	29.2%	29.9%	29.3%	1991	243,553	1,489	243,589	
4	98.7%	99.2%	78.7%	79.5%	20.0%	19.8%	32.2%	1992	193,513	1,267	193,561	
5	99.1%	99.2%	86.1%	85.5%	13.0%	13.8%	31.2%	1993	152,389	1,035	152,431	
6	99.3%	99.4%	90.9%	90.2%	8.4%	9.2%	29.1%	1994	139,658	1,216	139,710	
7	99.4%	99.6%	93.6%	93.4%	5.8%	6.1%	27.1%	1995	131,552	1,690	131,629	
8	99.5%	99.6%	95.1%	95.3%	4.3%	4.4%	25.6%	1996	129,779	2,234	129,895	
9	99.5%	99.7%	96.1%	96.4%	3.4%	3.3%	24.7%	1997	135,380	1,968	135,537	
10	99.5%	99.7%	96.7%	97.1%	2.8%	2.6%	22.8%	1998	144,040	1,654	144,255	
11	99.6%	99.7%	97.2%	97.5%	2.4%	2.2%	20.1%	1999	143,060	1,234	143,299	
12	99.6%	99.7%	97.5%	97.7%	2.2%	2.0%	15.3%	2000	155,492	1,430	155,767	
13	99.6%	99.7%	97.7%	97.9%	1.9%	1.8%	15.2%	2001	181,200	1,821	181,544	
14	99.7%	99.7%	97.9%	98.1%	1.8%	1.7%	14.3%	2002	188,895	1,646	189,256	
15	99.7%	99.7%	97.9%	98.2%	1.8%	1.5%	13.4%	2003	179,217	1,545	179,592	
16	99.7%	99.7%	98.2%	98.2%	1.6%	1.6%	12.0%	2004	157,726	1,444	158,070	
17	99.8%	99.7%	98.5%	98.4%	1.3%	1.4%	12.1%	2005	139,012	1,328	139,322	
18	99.8%	99.8%	98.5%	98.6%	1.3%	1.2%	10.6%	2006	133,253	1,606	133,569	
19	99.8%	99.8%	98.7%	98.6%	1.1%	1.2%	7.9%	2007	130,347	1,516	130,668	
20	99.8%	99.8%	98.8%	98.8%	1.0%	1.0%	11.2%	2008	122,807	1,700	123,133	
21	99.8%	99.8%	98.8%	98.9%	1.0%	0.9%	8.8%	2009	113,231	1,769	113,536	
22	99.8%	99.8%	98.8%	98.9%	1.0%	0.9%	10.0%	2010	117,748	1,797	118,077	
23	99.8%	99.8%	98.7%	98.9%	1.1%	0.9%	9.3%	2011	120,169	2,005	120,492	
24	99.9%	99.8%	98.9%	98.8%	1.0%	1.0%	8.8%	2012	127,625	2,336	127,949	
25	99.9%	99.8%	99.0%	98.9%	0.9%	0.9%	7.8%	2013	135,797	2,721	136,146	
26	99.9%	99.8%	98.7%	99.0%	1.2%	0.9%	5.3%	2014	140,796	3,175	141,207	
27	99.9%	99.9%	98.5%	98.7%	1.5%	1.1%	4.5%	2015	145,020	3,804	145,456	
28	99.9%	99.9%	98.2%	98.4%	1.7%	1.5%	2.3%	2016	148,033	4,839	148,531	
29	99.9%	99.9%	98.7%	98.2%	1.3%	1.7%	1.5%	2017	148,729	6,495	149,293	
30	100.0%	99.9%	99.1%	98.7%	0.9%	1.3%	0.1%	2018	151,640	9,357	152,287	
31	100.0%	100.0%	99.3%	99.1%	0.7%	0.9%	1.9%	2019	155,026	14,405	155,884	
32	100.0%	100.0%	99.3%	99.3%	0.7%	0.7%	3.2%	2020	134,836	18,715	135,881	
33	100.0%	100.0%	99.4%	99.3%	0.6%	0.7%	1.1%	2021	148,229	29,512	149,403	
34	100.0%	100.0%	99.5%	99.4%	0.5%	0.6%	-0.4%	2022	157,041	47,609	159,415	
35	100.0%	100.0%	99.7%	99.5%	0.3%	0.5%	0.7%	2023	158,515	71,815	165,855	
36		100.0%		99.7%		0.3%	-0.7%	2024	129,489	89,845	170,696	1.4%
											Projected ^[6]	
					68.6%			2025			165,355	-2.4%
					52.3%			2026			164,540	-0.5%
Total									5,490,536	339,731		

Notes:

^[1] See Exhibit 3.1.

^[2] See Exhibit 3.2.

^[3] Column (1) - Column (3) for 12/31/2023 and Column (2) - Column (4) for 12/31/2024.

^[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 12/31/2023.

^[5] Estimated based on number of reported indemnity claims (excluding COVID-19 claims) as of December 31, 2024 (Column (8)) and selected reporting pattern on Column (2).

^[6] Estimated based on applying projected frequency trends to accident years 2023 and 2024 estimated ultimate indemnity claim counts. Frequency trend for 2024 is the actual trends adjusted for class mix and wage level, accident years 2025 and 2026 projected frequency trends are based on the projected growth in intra-class indemnity claim frequency from Item AC25-03-02, 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]	
	@12/31/25	@12/31/26	@12/31/25	@12/31/26
	(1)	(2)	(3)	(4)
1989	214,903	214,903	599	603
1990	242,821	242,821	1,098	1,105
1991	243,571	243,571	1,478	1,488
1992	193,532	193,547	1,272	1,263
1993	152,393	152,408	1,023	1,028
1994	139,672	139,676	1,177	1,164
1995	131,580	131,593	1,659	1,605
1996	129,819	129,846	2,231	2,189
1997	135,416	135,458	1,938	1,935
1998	144,089	144,127	1,616	1,592
1999	143,085	143,134	1,179	1,152
2000	155,507	155,535	1,354	1,293
2001	181,223	181,241	1,679	1,589
2002	188,897	188,922	1,501	1,384
2003	179,249	179,251	1,402	1,279
2004	157,740	157,769	1,300	1,179
2005	139,018	139,031	1,211	1,090
2006	133,272	133,278	1,426	1,300
2007	130,359	130,378	1,396	1,240
2008	122,831	122,842	1,519	1,399
2009	113,236	113,258	1,555	1,390
2010	117,760	117,764	1,582	1,390
2011	120,156	120,167	1,737	1,528
2012	127,607	127,593	2,001	1,733
2013	135,801	135,782	2,308	1,977
2014	140,845	140,849	2,688	2,279
2015	145,032	145,083	3,040	2,573
2016	148,086	148,099	3,735	2,985
2017	148,792	148,846	4,893	3,776
2018	151,712	151,776	6,959	5,243
2019	155,221	155,294	10,502	7,811
2020	135,134	135,304	13,275	9,678
2021	148,253	148,581	20,312	14,408
2022	158,163	158,189	32,261	22,204
2023	163,385	164,552	50,782	34,411
2024	163,141	168,154	75,075	53,087
<u>Projected</u>				
2025	125,437	158,037	87,034	72,726
2026		124,819		86,605
Total	5,656,740	5,821,475	347,796	352,683

Notes:

[1], [2] Estimated based on the projected number of indemnity claims as of 12/31/2024 (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 2022 and 2023
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

Calendar Year	Number of Open Indemnity Claims at Beginning of the Year (1)	ULAE Paid per Open Indemnity Claim (2)	ULAE Paid (\$000) (3)
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	3,644	1,175,885
2021	316,313	3,480	1,100,768
2022	315,228	3,459	1,090,473
2023	317,200	3,942	1,250,278
Projected			
2024	327,498	3,953	1,294,577
2025	339,731	4,139	1,406,051
2026	347,796	4,308	1,498,447
2027	352,683	4,464	1,574,206
(4) Projected ULAE Paid (\$000):			1,682,579
(5) Average of Calendar Years 2023 and 2024 Earned Premium (\$000):			15,619,956
(6) Projected Loss to Advisory Pure Premium Ratio:			0.835
(7) Weighted Premium Adjustment Factor for Earned Premium on Line (5):			0.946
(8) Projected Losses (\$000): (5) x (6) x (7)			12,341,106
(9) Projected Ratio of ULAE to Losses: (4)/(8)			13.6%

Notes:

- (1) Calendar years 2014 to 2024 are based on WCIRB accident year experience calls. 2025 to 2027 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 2014 to 2023 are from column (4) of Exhibit 2. Calendar years 2024 to 2027 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 2022 and 2023.
- (3) Column (1) x Column (2).
- (4) Weighted average of calendar years 2025 with 5.6%, 2026 with 72.2% and 2027 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 3.8% 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 2023 and 2024 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 2024 and 2025.
- (6) See Exhibit 8 of Item AC25-03-02.
- (7) See Exhibit 5.2 of Item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.

Projected Ratio of ULAE to Loss - Statewide

Based on Estimated Calendar Year ULAE Paid per Open Indemnity Claim for Private Insurers
Trend Applied to 2023
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

Calendar Year	Number of Open Indemnity Claims at Beginning of the Year (1)	ULAE Paid per Open Indemnity Claim (2)	ULAE Paid (\$000) (3)
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	3,644	1,175,885
2021	316,313	3,480	1,100,768
2022	315,228	3,459	1,090,473
2023	317,200	3,942	1,250,278
Projected			
2024	327,498	4,147	1,357,994
2025	339,731	4,341	1,474,929
2026	347,796	4,519	1,571,850
2027	352,683	4,682	1,651,320
(4) Projected ULAE Paid (\$000):			1,765,002
(5) Average of Calendar Years 2023 and 2024 Earned Premium (\$000):			15,619,956
(6) Projected Loss to Advisory Pure Premium Ratio:			0.835
(7) Weighted Premium Adjustment Factor for Earned Premium on Line (5):			0.946
(8) Projected Losses (\$000): (5) x (6) x (7)			12,341,106
(9) Projected Ratio of ULAE to Losses: (4)/(8)			14.3%

Notes:

- (1) Calendar years 2014 to 2024 are based on WCIRB accident year experience calls. 2025 to 2027 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 2014 to 2023 are from column (4) of Exhibit 2. Calendar years 2024 to 2027 are projected based on applying the California average annual wage level changes selected by the WCIRB to the 2023 ULAE paid per open indemnity claim.
- (3) Column (1) x Column (2).
- (4) Weighted average of calendar years 2025 with 5.6%, 2026 with 72.2% and 2027 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 3.8% 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 2023 and 2024 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 2024 and 2025.
- (6) See Exhibit 8 of Item AC25-03-02.
- (7) See Exhibit 5.2 of Item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.

Average Paid ALAE per Reported Indemnity Claim - Private Insurers

As of December 31, 2024

Accident	Evaluated as of (in months):									
Year	12	24	36	48	60	72	84	96	108	120
2002							5,944	6,260	6,454	6,614
2003						5,917	6,315	6,597	6,809	7,003
2004					5,062	5,577	5,955	6,223	6,437	6,632
2005				3,987	4,698	5,219	5,591	5,899	6,162	6,330
2006			3,126	4,127	4,876	5,436	5,865	6,184	6,410	6,622
2007		1,978	3,323	4,419	5,230	5,864	6,378	6,697	6,978	7,190
2008	619	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	8,593
2012	758	2,555	4,332	5,728	6,766	7,451	7,887	8,225	8,445	8,586
2013	777	2,790	4,582	5,936	6,851	7,418	7,853	8,105	8,275	8,388
2014	879	2,992	4,769	6,056	6,864	7,432	7,782	8,006	8,160	8,277
2015	951	3,067	4,846	6,032	6,816	7,274	7,588	7,795	7,963	8,088
2016	933	3,157	4,901	6,071	6,762	7,211	7,523	7,749	7,923	
2017	1,016	3,281	4,983	6,020	6,678	7,122	7,446	7,681		
2018	1,111	3,419	5,103	6,211	6,955	7,465	7,846			
2019	1,143	3,362	5,120	6,307	7,091	7,619				
2020	1,099	3,468	5,257	6,524	7,405					
2021	1,044	3,278	5,090	6,360						
2022	1,120	3,630	5,558							
2023	1,257	3,899								
2024	1,379									

	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%	-1.5%	-2.0%	-2.3%
2014	13.2%	7.2%	4.1%	2.0%	0.2%	0.2%	-0.9%	-1.2%	-1.4%	-1.3%
2015	8.1%	2.5%	1.6%	-0.4%	-0.7%	-2.1%	-2.5%	-2.6%	-2.4%	-2.3%
2016	-1.8%	2.9%	1.1%	0.7%	-0.8%	-0.9%	-0.8%	-0.6%	-0.5%	
2017	8.9%	3.9%	1.7%	-0.8%	-1.2%	-1.2%	-1.0%	-0.9%		
2018	9.3%	4.2%	2.4%	3.2%	4.1%	4.8%	5.4%			
2019	2.9%	-1.7%	0.3%	1.5%	2.0%	2.1%				
2020	-3.8%	3.2%	2.7%	3.4%	4.4%					
2021	-5.0%	-5.5%	-3.2%	-2.5%						
2022	7.3%	10.7%	9.2%							
2023	12.3%	7.4%								
2024	9.7%									

Notes:

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

(b) AY2020 to AY2024 data excludes COVID-19 claims.

Source: WCIRB quarterly calls for experience.

Ratio of Paid ALAE to Paid Loss - Private Insurers

As of December 31, 2024

Accident	Evaluated as of (in months):									
Year	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	0.151	0.156	0.161	0.164	0.165	0.166	0.166
2012	0.086	0.131	0.148	0.158	0.166	0.169	0.170	0.172	0.173	0.173
2013	0.091	0.143	0.158	0.168	0.174	0.176	0.179	0.180	0.181	0.181
2014	0.101	0.154	0.166	0.173	0.176	0.180	0.182	0.182	0.182	0.182
2015	0.110	0.157	0.169	0.173	0.178	0.180	0.181	0.181	0.181	0.181
2016	0.106	0.160	0.172	0.179	0.182	0.183	0.183	0.184	0.184	
2017	0.111	0.163	0.174	0.178	0.180	0.180	0.181	0.182		
2018	0.115	0.164	0.175	0.178	0.180	0.180	0.182			
2019	0.118	0.163	0.173	0.176	0.177	0.176				
2020	0.107	0.154	0.163	0.166	0.168					
2021	0.102	0.149	0.160	0.164						
2022	0.109	0.160	0.169							
2023	0.119	0.168								
2024	0.124									

Accident	Annual Change									
Year	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%	1.5%	1.7%	3.2%	4.0%	4.1%	3.7%	3.7%	3.7%
2012	-0.5%	0.5%	2.9%	5.0%	6.0%	4.7%	3.9%	4.4%	4.4%	4.4%
2013	5.1%	8.7%	7.0%	6.2%	4.8%	4.4%	5.1%	4.9%	4.5%	4.3%
2014	11.8%	7.7%	4.9%	3.2%	1.6%	1.9%	1.3%	0.8%	0.8%	0.6%
2015	8.2%	2.2%	1.7%	0.1%	0.7%	0.2%	-0.5%	-0.6%	-0.6%	-0.5%
2016	-3.3%	1.9%	1.9%	3.0%	2.4%	1.9%	1.5%	1.7%	1.8%	
2017	4.8%	1.9%	0.7%	-0.1%	-0.9%	-1.6%	-1.2%	-1.2%		
2018	3.7%	0.7%	0.6%	-0.4%	-0.1%	0.1%	0.2%			
2019	2.5%	-0.7%	-0.7%	-1.2%	-1.8%	-2.2%				
2020	-9.1%	-5.4%	-6.0%	-5.5%						
2021	-4.6%	-3.5%	-1.6%	-1.2%						
2022	6.5%	7.5%	5.6%							
2023	9.4%	5.0%								
2024	4.3%									

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 accident year experience calls excluding COVID-19 claims for accident years 2020-2024.

Estimated Ultimate ALAE per Indemnity Claim - Private Insurers
Based on Latest Year Paid ALAE Development

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Acc. Year	Paid ALAE @12/31/24 (in \$000)	Cumulative Development Factors (b)	Estimated Ultimate ALAE (in \$000) (1) x (2)	Indemnity Claim Counts @12/31/2024	Cumulative Count Development Factors (c)	Estimated Ultimate Ind. Counts (4) x (5)	Estimated Ultimate ALAE per Indemnity Claim (3) / (6) x 1,000	Annual Change
1997	364,661	1.035	377,431	102,801	1.001	102,947	3,666	---
1998	493,113	1.037	511,434	109,033	1.002	109,236	4,682	27.7%
1999	531,560	1.039	552,383	110,786	1.002	111,014	4,976	6.3%
2000	627,980	1.041	653,936	111,982	1.002	112,223	5,827	17.1%
2001	740,637	1.043	772,654	109,565	1.002	109,822	7,035	20.7%
2002	778,308	1.046	814,345	107,297	1.002	107,559	7,571	7.6%
2003	802,207	1.049	841,580	103,511	1.003	103,797	8,108	7.1%
2004	720,410	1.052	758,209	98,331	1.003	98,621	7,688	-5.2%
2005	686,955	1.056	725,584	96,879	1.003	97,177	7,467	-2.9%
2006	755,877	1.061	801,869	104,383	1.003	104,729	7,657	2.5%
2007	839,028	1.065	893,936	107,551	1.003	107,925	8,283	8.2%
2008	895,763	1.071	958,919	105,496	1.004	105,890	9,056	9.3%
2009	931,379	1.076	1,002,429	100,489	1.004	100,877	9,937	9.7%
2010	984,246	1.084	1,066,594	108,121	1.004	108,554	9,825	-1.1%
2011	1,005,983	1.090	1,096,658	112,566	1.004	113,005	9,705	-1.2%
2012	1,072,760	1.098	1,177,766	121,326	1.004	121,785	9,671	-0.3%
2013	1,095,735	1.107	1,212,956	128,069	1.004	128,562	9,435	-2.4%
2014	1,095,347	1.118	1,224,316	130,848	1.004	131,407	9,317	-1.2%
2015	1,095,069	1.131	1,238,441	135,345	1.004	135,944	9,110	-2.2%
2016	1,111,551	1.149	1,277,355	140,242	1.005	140,931	9,064	-0.5%
2017	1,087,922	1.176	1,278,959	141,624	1.005	142,396	8,982	-0.9%
2018	1,133,166	1.214	1,375,152	144,929	1.006	145,799	9,432	5.0%
2019	1,129,738	1.277	1,442,932	148,271	1.007	149,364	9,661	2.4%
2020	947,384	1.376	1,303,244	127,921	1.010	129,184	10,088	4.4%
2021	890,275	1.562	1,390,558	139,955	1.010	141,387	9,835	-2.5%
2022	834,929	1.966	1,641,801	150,204	1.018	152,926	10,736	9.2%
2023	595,992	3.108	1,852,078	152,860	1.051	160,627	11,530	7.4%
2024	172,519	12.188	2,102,587	125,108	1.329	166,293	12,644	9.7%

Estimated Annual Exponential Trend Based on:

1990 to 2024	5.1%
2017 to 2024	4.5%
<u>2021 to 2024</u>	<u>8.6%</u>
Average:	6.5%

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
- (b) Based on the latest year paid ALAE age-to-age development from Exhibit 8.1.
- (c) 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 to Indemnity Claims Inventory (b)
By Payment Year - Private Insurers**

Accident	Payment Year Ending December 31																	
Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1989	923	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	1,266
1990	1,086	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	2,013
1991	1,203	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	1,428
1992	1,507	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	1,869	1,833	1,703
1993	1,677	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	1,544	1,697
1994	1,748	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	1,290
1995	1,771	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	1,580
1996	2,003	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	1,644
1997	2,463	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	1,248
1998	2,405	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	1,777	1,711	1,586
1999	2,526	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	1,653	1,616	1,392
2000	2,658	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	1,788	1,736	1,483
2001	2,918	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	1,707	1,695	1,700
2002	3,081	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	2,167	2,099	1,919
2003	3,077	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	2,286	2,039	2,480
2004	2,919	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	2,053	2,498
2005	2,493	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	2,658
2006	1,815	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	2,103	1,919	2,229
2007	572	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	2,447	2,710
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	2,757	2,752
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	3,085	2,743	3,180
2010				746	2,542	3,411	3,684	3,888	4,137	4,351	4,029	3,934	3,800	3,870	2,952	3,097	2,823	3,040
2011					766	2,569	3,342	3,825	4,120	4,428	4,150	4,008	3,844	3,561	3,427	3,214	3,334	3,185
2012						773	2,593	3,610	4,036	4,260	4,181	3,924	4,171	4,009	3,583	3,344	3,452	3,302
2013							791	2,844	3,691	3,931	4,092	3,917	4,103	3,787	3,658	3,318	3,571	3,378
2014								909	3,031	3,631	3,964	3,935	4,111	4,012	3,609	3,458	3,433	3,414
2015									923	2,969	3,754	3,932	4,045	3,996	3,786	3,648	3,890	3,738
2016										933	3,137	3,887	4,029	4,051	3,954	3,872	3,926	4,078
2017											1,016	3,276	3,909	3,953	3,885	3,870	4,059	4,075
2018												1,111	3,334	3,944	3,945	4,034	4,185	4,209
2019													1,121	3,269	3,908	3,910	4,042	4,068
2020														1,106	3,174	3,808	4,018	4,139
2021															1,042	3,221	4,102	4,223
2022																1,120	3,658	4,411
2023																	1,257	3,897
																		1,378
ALAE per Claim	1,979	2,047	2,160	2,318	2,480	2,563	2,639	2,797	2,906	2,918	2,946	2,974	2,992	3,004	2,890	2,874	3,095	3,277
Annual Change	3.4%	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%	-3.8%	-0.5%	7.7%	5.9%

Estimated Annual Exponential Trend Based on Payment Year:

2001-2024	3.4%
2017-2024	0.9%
2021-2024	4.6%
Average:	2.8%

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
- (b) 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, 2024

Accident		Age-to-Age Development (in months):															
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
1998	2.618	1.463	1.229	1.139	1.102	1.083	1.055	1.041	1.028	1.023	1.020	1.018	1.014	1.013	1.011	1.011	1.011
1999	2.514	1.559	1.256	1.152	1.111	1.076	1.058	1.039	1.033	1.027	1.020	1.018	1.015	1.013	1.011	1.011	1.009
2000	2.801	1.593	1.262	1.166	1.110	1.079	1.051	1.042	1.030	1.024	1.020	1.018	1.015	1.013	1.013	1.010	1.008
2001	3.053	1.597	1.291	1.156	1.108	1.075	1.052	1.034	1.028	1.023	1.019	1.016	1.017	1.014	1.010	1.009	1.007
2002	2.790	1.592	1.261	1.153	1.102	1.064	1.040	1.031	1.025	1.020	1.017	1.016	1.013	1.011	1.009	1.007	1.007
2003	2.931	1.550	1.267	1.155	1.089	1.057	1.042	1.032	1.028	1.022	1.019	1.017	1.017	1.012	1.009	1.007	1.006
2004	2.785	1.573	1.283	1.149	1.090	1.064	1.045	1.033	1.029	1.024	1.019	1.014	1.011	1.009	1.008	1.005	1.008
2005	2.746	1.599	1.285	1.157	1.104	1.072	1.052	1.042	1.032	1.027	1.019	1.016	1.012	1.011	1.008	1.007	1.005
2006	2.878	1.591	1.278	1.165	1.108	1.075	1.056	1.043	1.032	1.023	1.018	1.013	1.010	1.008	1.006	1.005	1.004
2007	2.902	1.570	1.291	1.173	1.116	1.081	1.054	1.042	1.029	1.021	1.017	1.012	1.010	1.007	1.006	1.005	1.005
2008	2.832	1.621	1.311	1.177	1.115	1.077	1.055	1.037	1.027	1.020	1.015	1.011	1.009	1.007	1.006	1.005	
2009	3.005	1.623	1.302	1.178	1.112	1.076	1.049	1.034	1.025	1.018	1.013	1.011	1.008	1.006	1.007		
2010	2.944	1.591	1.295	1.166	1.108	1.068	1.044	1.030	1.022	1.016	1.011	1.008	1.006	1.006			
2011	2.943	1.596	1.296	1.168	1.096	1.065	1.042	1.027	1.015	1.016	1.010	1.009	1.007				
2012	3.044	1.603	1.286	1.153	1.092	1.054	1.039	1.021	1.021	1.012	1.010	1.008					
2013	2.999	1.552	1.253	1.136	1.077	1.049	1.026	1.028	1.014	1.012	1.010						
2014	2.881	1.508	1.234	1.120	1.072	1.041	1.029	1.020	1.015	1.012							
2015	2.780	1.477	1.211	1.112	1.061	1.041	1.028	1.022	1.016								
2016	2.781	1.466	1.200	1.100	1.064	1.044	1.031	1.023									
2017	2.684	1.426	1.184	1.102	1.068	1.047	1.032										
2018	2.594	1.418	1.200	1.123	1.076	1.052											
2019	2.544	1.459	1.242	1.130	1.077												
2020	2.691	1.560	1.253	1.135													
2021	3.890	1.598	1.259														
2022	4.046	1.580															
2023	3.922																
<u>Latest Year</u>		3.922	1.580	1.259	1.135	1.077	1.052	1.032	1.023	1.016	1.012	1.010	1.008	1.007	1.006	1.007	1.005
Age-to-Age		12.188	3.108	1.966	1.562	1.376	1.277	1.214	1.176	1.149	1.131	1.118	1.107	1.098	1.090	1.084	1.071
Cumulative																	
<u>3-Year Arithmetic Average</u>		3.953	1.579	1.251	1.129	1.074	1.048	1.030	1.022	1.015	1.012	1.010	1.008	1.007	1.007	1.006	1.005
Age-to-Age		11.995	3.034	1.922	1.536	1.360	1.267	1.209	1.174	1.149	1.132	1.118	1.107	1.097	1.090	1.082	1.070
Cumulative																	

Accident		Age-to-Age Development (in months):															
Year	204-216	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
1991	1.003	1.002	1.003	1.003	1.003	1.003	1.003	1.002	1.003	1.003	1.002	1.002	1.002	1.003	1.001	1.001	1.001
1992	1.003	1.004	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.002	1.003	1.002	1.001	1.001	
1993	1.006	1.007	1.006	1.006	1.005	1.005	1.005	1.004	1.004	1.003	1.003	1.005	1.002	1.002	1.002		
1994	1.007	1.007	1.006	1.007	1.005	1.005	1.004	1.004	1.003	1.003	1.004	1.002	1.002	1.002			
1995	1.009	1.009	1.008	1.007	1.008	1.006	1.006	1.005	1.004	1.003	1.003	1.003	1.003				
1996	1.009	1.008	1.008	1.006	1.005	1.006	1.005	1.003	1.003	1.003	1.003	1.003					
1997	1.008	1.008	1.007	1.006	1.006	1.005	1.004	1.003	1.003	1.003	1.002						
1998	1.011	1.009	1.008	1.006	1.005	1.004	1.003	1.003	1.003	1.002							
1999	1.009	1.007	1.007	1.005	1.004	1.004	1.003	1.002	1.002								
2000	1.008	1.007	1.006	1.004	1.004	1.003	1.003	1.002									
2001	1.007	1.007	1.004	1.004	1.003	1.003	1.003										
2002	1.007	1.005	1.005	1.003	1.003	1.003											
2003	1.006	1.005	1.003	1.003	1.003												
2004	1.008	1.004	1.003	1.004													
2005	1.005	1.004	1.004														
2006	1.004	1.004															
2007	1.005																
<u>Latest Year</u>		1.005	1.004	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.002	1.002	1.003	1.003	1.002	1.002	1.001
Age-to-Age		1.071	1.065	1.061	1.056	1.052	1.049	1.046	1.043	1.041	1.039	1.037	1.035	1.032	1.030	1.028	1.025
Cumulative (b)																	
<u>3-Year Arithmetic Average</u>		1.005	1.004	1.004	1.003	1.003	1.003	1.003	1.002	1.003	1.003	1.003	1.002	1.002	1.002	1.001	1.001
Age-to-Age		1.070	1.065	1.061	1.057	1.054	1.050	1.047	1.044	1.042	1.039	1.036	1.034	1.031	1.029	1.027	1.025
Cumulative (b)																	

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
(b) Factors in *italics* are based on powerfit fit to the "3-Year Arithmetic Average" factors.

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

Quarterly Paid ALAE Loss Development Factors - Private Insurers

Age in Months	Accident Year														
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
3 - 6	9.136	8.769	8.693	8.584	6.234	9.857	8.970	8.932	8.255	7.884	---	9.251	8.756	8.642	8.012
6 - 9	3.023	3.176	3.213	3.058	3.163	3.169	3.155	3.050	3.134	3.137	---	3.169	3.062	3.075	3.215
9 - 12	2.077	2.165	2.115	2.133	2.158	2.103	2.100	2.130	2.076	2.133	---	2.065	2.126	2.108	2.153
12 - 15	1.737	1.701	1.713	1.784	1.744	1.730	1.771	1.699	1.672	1.662	1.639	1.667	1.710	1.693	
15 - 18	1.482	1.486	1.510	1.494	1.486	1.480	1.488	1.450	1.442	1.432	1.458	1.468	1.481	1.464	
18 - 21	1.334	1.343	1.338	1.349	1.328	1.309	1.307	1.309	1.289	1.261	1.309	1.308	1.311	1.308	
21 - 24	1.253	1.248	1.249	1.237	1.237	1.225	1.226	1.226	1.213	1.218	1.209	1.210	1.216	1.210	
24 - 27	1.189	1.186	1.205	1.187	1.176	1.183	1.167	1.150	1.150	1.157	1.152	1.165	1.160		
27 - 30	1.158	1.163	1.160	1.156	1.149	1.141	1.132	1.129	1.123	1.131	1.131	1.133	1.131		
30 - 33	1.133	1.131	1.130	1.122	1.116	1.110	1.109	1.099	1.101	1.109	1.105	1.113	1.107		
33 - 36	1.113	1.108	1.104	1.101	1.095	1.088	1.092	1.084	1.078	1.084	1.083	1.086	1.088		
36 - 39	1.091	1.095	1.093	1.085	1.085	1.073	1.068	1.061	1.063	1.068	1.070	1.072			
39 - 42	1.083	1.081	1.081	1.076	1.072	1.062	1.062	1.055	1.057	1.061	1.063	1.063			
42 - 45	1.069	1.068	1.070	1.061	1.057	1.054	1.049	1.047	1.050	1.052	1.055	1.055			
45 - 48	1.062	1.059	1.057	1.055	1.050	1.046	1.043	1.039	1.040	1.042	1.044	1.047			
48 - 51	1.053	1.051	1.049	1.047	1.041	1.036	1.034	1.031	1.035	1.036	1.037				
51 - 54	1.048	1.048	1.045	1.042	1.036	1.034	1.031	1.030	1.032	1.032	1.035				
54 - 57	1.040	1.043	1.038	1.035	1.031	1.027	1.025	1.027	1.027	1.032	1.029				
57 - 60	1.037	1.036	1.035	1.031	1.028	1.026	1.023	1.022	1.024	1.024	1.028				
60 - 63	1.032	1.031	1.031	1.025	1.023	1.021	1.018	1.018	1.020	1.022					
63 - 66	1.032	1.029	1.028	1.023	1.021	1.019	1.018	1.018	1.021	1.020					
66 - 69	1.028	1.024	1.024	1.021	1.017	1.015	1.017	1.015	1.020	1.018					
69 - 72	1.023	1.023	1.021	1.018	1.018	1.014	1.014	1.015	1.013	1.015					
72 - 75	1.021	1.020	1.019	1.017	1.015	1.012	1.012	1.012	1.013						
75 - 78	1.020	1.019	1.016	1.015	1.013	1.012	1.012	1.011	1.013						
78 - 81	1.017	1.017	1.015	1.011	1.010	1.011	1.010	1.013	1.012						
81 - 84	1.016	1.014	1.014	1.012	1.009	1.009	1.010	1.010	1.010						
84 - 87	1.014	1.014	1.013	1.011	1.008	1.008	1.009	1.009							
87 - 90	1.012	1.012	1.011	1.008	1.008	1.008	1.007	1.009							
90 - 93	1.012	1.011	1.009	1.005	1.007	1.005	1.008	1.007							
93 - 96	1.010	1.011	1.009	1.007	1.006	1.007	1.007	1.007							
96 - 99	1.010	1.008	1.010	1.006	1.006	1.005	1.006								
99 - 102	1.009	1.008	1.007	1.006	1.006	1.005	1.006								
102 - 105	1.008	1.007	1.004	1.005	1.005	1.005	1.006								
105 - 108	1.007	1.007	1.005	1.005	1.004	1.006	1.006								
108 - 111	1.006	1.005	1.005	1.004	1.004	1.004									
111 - 114	1.006	1.005	1.004	1.004	1.004	1.004									
114 - 117	1.006	1.004	1.005	1.003	1.004	1.004									
117 - 120	1.005	1.004	1.004	1.003	1.003	1.004									
120 - 123	1.005	1.004	1.003	1.003	1.003										

Notes:

(a) All paid ALAE exclude the paid cost of medical cost containment programs.

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

Reported Indemnity Claim Count Development - Statewide

Accident	Age-to-Age Development (in months):																
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
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	1.001	1.000	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	1.001	1.000	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	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	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	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	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	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	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2013	1.240	1.031	1.010	1.004	1.002	1.001	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2014	1.239	1.027	1.010	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2015	1.236	1.027	1.006	1.003	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
2016	1.244	1.029	1.007	1.003	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2017	1.220	1.023	1.007	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2018	1.226	1.024	1.006	1.002	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
2019	1.222	1.028	1.008	1.005	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2020	1.233	1.027	1.009	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
2021	1.230	1.027	1.007	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
2022	1.242	1.031	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
2023	1.260	1.031	1.007	1.000	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
<u>I. Age-to-Age (Latest Year)</u>																	
	1.260	1.031	1.007	1.000	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
<u>II. Age-to-Ultimate</u>																	
	1.318	1.046	1.015	1.008	1.008	1.005	1.004	1.004	1.003	1.003	1.003	1.002	1.002	1.003	1.003	1.003	1.003

Accident	Age-to-Age Development (in months):																
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
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	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	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	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	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	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	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	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	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	1.000	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	1.000	1.000	1.000	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	1.000	1.000	1.000	1.000	1.000	1.000	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	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.000	0.996	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
2003	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
2004	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
2005	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
2006	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
<u>I. Age-to-Age (Latest Year)</u>																	
	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
<u>II. Age-to-Ultimate</u>																	
	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	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 to Losses - Statewide
Based on Private Insurers' ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2023 and 2024
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

Accident Year	(1) Indemnity Claim Counts <u>@12/31/2024 (d)</u>	(2) Cumulative Count Development <u>Factors (b)</u>	(3) Estimated Ultimate <u>Ind. Counts</u> (1) x (2)	(4) Estimated Ult. ALAE per Indemnity <u>Claim (c)</u>	(5) Estimated Ult. ALAE <u>(in \$000)</u> (3) x (4)
1997	135,380	1.001	135,537	3,666	496,912
1998	144,040	1.001	144,255	4,682	675,393
1999	143,060	1.002	143,299	4,976	713,029
2000	155,492	1.002	155,767	5,827	907,677
2001	181,200	1.002	181,544	7,035	1,277,255
2002	188,895	1.002	189,256	7,571	1,432,890
2003	179,217	1.002	179,592	8,108	1,456,129
2004	157,726	1.002	158,070	7,688	1,215,255
2005	139,012	1.002	139,322	7,467	1,040,261
2006	133,253	1.002	133,569	7,657	1,022,683
2007	130,347	1.002	130,668	8,283	1,082,311
2008	122,807	1.003	123,133	9,056	1,115,069
2009	113,231	1.003	113,536	9,937	1,128,228
2010	117,748	1.003	118,077	9,825	1,160,167
2011	120,169	1.003	120,492	9,705	1,169,312
2012	127,625	1.003	127,949	9,671	1,237,382
2013	135,797	1.003	136,146	9,435	1,284,514
2014	140,796	1.003	141,207	9,317	1,315,624
2015	145,020	1.003	145,456	9,110	1,325,093
2016	148,033	1.003	148,531	9,064	1,346,246
2017	148,729	1.004	149,293	8,982	1,340,912
2018	151,640	1.004	152,287	9,432	1,436,346
2019	155,026	1.006	155,884	9,661	1,505,916
2020	134,836	1.008	135,881	10,088	1,370,806
2021	148,229	1.008	149,403	9,835	1,469,393
2022	157,041	1.015	159,415	10,736	1,711,471
2023	158,515	1.046	165,855	11,530	1,912,356
2024	129,489	1.318	170,696	12,644	2,158,256

Projected Based on 2023 and 2024:

	<u>Ult. Ind. Counts (e)</u>	<u>Ult. ALAE per Ind. Counts (f)</u>	<u>Ultimate ALAE (g)</u>
2025	165,355	12,994	2,148,636
2026	164,540	13,644	2,244,944
9/1/2026	164,317	13,755	2,260,205

(6) Projected ALAE Incurred (\$000):	2,260,205
(7) Average of Calendar Year 2023 and 2024 Earned Premium (h) (\$000):	15,619,956
(8) Projected Loss to Advisory Pure Premium Ratio (i):	0.835
(9) Weighted Premium Adjustment Factor for Earned Premium on Line (7) (j):	0.946
(10) Projected Losses (\$000): (7) x (8) x (9)	12,341,106
(11) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (6) / (10)	18.3%
(12) Impact of SB 1160 and AB 1244 (k):	-1.0%
(13) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (11) x [1.0 + (12)]	18.1%

Notes:

- All paid ALAE exclude the paid cost of medical cost containment programs.
- Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.
- AY2020 to AY2024 data excludes COVID-19 claims.
- Estimated based on projected frequency trends for accident years 2024 to 2027. The 2024 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC25-03-02, Exhibit 12), and 2025 to 2027 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC25-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- Severities are projected by applying an annual growth rate of 5.0%, 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 2023 and 2024 ultimate ALAE severity.
- Column(3) x Column(4) / 1,000.
- Based on the reported earned premium for calendar year 2023 and 2024 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, 2024. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).
- See Exhibit 8 of Agenda Item AC25-03-02.
- See Exhibit 5.2 of Agenda item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.
- Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 91% 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

Accident Year	(1) Paid ALAE @12/31/24 (in \$000)	(2) Cumulative Development Factors (b)	(3) Estimated Ultimate ALAE (in \$000) (1) x (2)	(4) Indemnity Claim Counts @12/31/24	(5) Cumulative Count Development Factors (c)	(6) Estimated Ultimate Ind. Counts (4) x (5)	(7) Estimated Ultimate ALAE per Indemnity Claim (3) / (6) x 1,000	(8) Annual Change
1997	364,661	1.034	376,954	102,801	1.001	102,947	3,662	---
1998	493,113	1.036	511,018	109,033	1.002	109,236	4,678	27.8%
1999	531,560	1.039	552,263	110,786	1.002	111,014	4,975	6.3%
2000	627,980	1.042	654,096	111,982	1.002	112,223	5,829	17.2%
2001	740,637	1.044	773,261	109,565	1.002	109,822	7,041	20.8%
2002	778,308	1.047	814,925	107,297	1.002	107,559	7,577	7.6%
2003	802,207	1.050	842,455	103,511	1.003	103,797	8,116	7.1%
2004	720,410	1.054	758,954	98,331	1.003	98,621	7,696	-5.2%
2005	686,955	1.057	726,069	96,879	1.003	97,177	7,472	-2.9%
2006	755,877	1.061	801,845	104,383	1.003	104,729	7,656	2.5%
2007	839,028	1.065	893,890	107,551	1.003	107,925	8,282	8.2%
2008	895,763	1.070	958,705	105,496	1.004	105,890	9,054	9.3%
2009	931,379	1.076	1,001,903	100,489	1.004	100,877	9,932	9.7%
2010	984,246	1.082	1,065,415	108,121	1.004	108,554	9,815	-1.2%
2011	1,005,983	1.090	1,096,034	112,566	1.004	113,005	9,699	-1.2%
2012	1,072,760	1.097	1,177,245	121,326	1.004	121,785	9,667	-0.3%
2013	1,095,735	1.107	1,212,669	128,069	1.004	128,562	9,433	-2.4%
2014	1,095,347	1.118	1,224,635	130,848	1.004	131,407	9,319	-1.2%
2015	1,095,069	1.132	1,239,235	135,345	1.004	135,944	9,116	-2.2%
2016	1,111,551	1.149	1,276,917	140,242	1.005	140,931	9,061	-0.6%
2017	1,087,922	1.174	1,276,813	141,624	1.005	142,396	8,967	-1.0%
2018	1,133,166	1.209	1,369,971	144,929	1.006	145,799	9,396	4.8%
2019	1,129,738	1.267	1,431,094	148,271	1.007	149,364	9,581	2.0%
2020	947,384	1.360	1,288,331	127,921	1.010	129,184	9,973	4.1%
2021	890,275	1.536	1,367,163	139,955	1.010	141,387	9,670	-3.0%
2022	834,929	1.922	1,604,362	150,204	1.018	152,926	10,491	8.5%
2023	595,992	3.034	1,808,528	152,860	1.051	160,627	11,259	7.3%
2024	172,519	11.995	2,069,318	125,108	1.329	166,293	12,444	10.5%

Estimated Annual Exponential Trend Based on:

2017 to 2024	4.2%
2021 to 2024	8.6%
Average:	6.4%

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
- (b) Based on the 3-year average paid ALAE age-to-age development from Exhibit 8.1.
- (c) 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 to Losses - Statewide

Based on Private Insurers' ALAE Severity using 3-Year Average Unadjusted Paid ALAE Development
Trend Applied to 2023 and 2024
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

Accident Year	(1) Indemnity Claim Counts @12/31/2024 (d)	(2) Cumulative Count Development Factors (b)	(3) Estimated Ultimate Ind. Counts (1) x (2)	(4) Estimated Ult. ALAE per Indemnity Claim (c)	(5) Estimated Ult. ALAE (in \$000) (3) x (4)
1997	135,380	1.001	135,537	3,662	496,284
1998	144,040	1.001	144,255	4,678	674,844
1999	143,060	1.002	143,299	4,975	712,873
2000	155,492	1.002	155,767	5,829	907,899
2001	181,200	1.002	181,544	7,041	1,278,259
2002	188,895	1.002	189,256	7,577	1,433,910
2003	179,217	1.002	179,592	8,116	1,457,642
2004	157,726	1.002	158,070	7,696	1,216,450
2005	139,012	1.002	139,322	7,472	1,040,955
2006	133,253	1.002	133,569	7,656	1,022,654
2007	130,347	1.002	130,668	8,282	1,082,254
2008	122,807	1.003	123,133	9,054	1,114,820
2009	113,231	1.003	113,536	9,932	1,127,636
2010	117,748	1.003	118,077	9,815	1,158,884
2011	120,169	1.003	120,492	9,699	1,168,647
2012	127,625	1.003	127,949	9,667	1,236,834
2013	135,797	1.003	136,146	9,433	1,284,210
2014	140,796	1.003	141,207	9,319	1,315,966
2015	145,020	1.003	145,456	9,116	1,325,942
2016	148,033	1.003	148,531	9,061	1,345,784
2017	148,729	1.004	149,293	8,967	1,338,662
2018	151,640	1.004	152,287	9,396	1,430,935
2019	155,026	1.006	155,884	9,581	1,493,561
2020	134,836	1.008	135,881	9,973	1,355,120
2021	148,229	1.008	149,403	9,670	1,444,672
2022	157,041	1.015	159,415	10,491	1,672,443
2023	158,515	1.046	165,855	11,259	1,867,389
2024	129,489	1.318	170,696	12,444	2,124,106

Projected Based on 2023 and 2024:

	Ult. Ind. Counts (e)	Ult. ALAE per Ind. Counts (f)	Ultimate ALAE (g)
2025	165,355	12,740	2,106,555
2026	164,540	13,377	2,200,977
9/1/2026	164,317	13,486	2,215,939

(6) Projected ALAE Incurred (\$000):	2,215,939
(7) Average of Calendar Year 2023 and 2024 Earned Premium (\$000): (h)	15,619,956
(8) Projected Loss to Advisory Pure Premium Ratio: (i)	0.835
(9) Premium Adjustment Factor for Calendar Year 2023 and 2024: (j)	0.946
(10) Projected Losses (\$000): (7) x (8) x (9)	12,341,106
(11) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (6) / (10)	18.0%
(12) Impact of SB 1160 and AB 1244: (k)	-1.0%
(13) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (11) x [1.0 + (12)]	17.8%

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
- (b) Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- (c) Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 9.1.
- (d) AY2020 to AY2024 data excludes COVID-19 claims.
- (e) Estimated based on projected frequency trends for accident years 2024 to 2027. The 2024 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC25-03-02, Exhibit 12), and 2025 to 2027 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC25-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- (f) Severities are projected by applying an annual growth rate of 5.0%, 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 2023 and 2024 ultimate ALAE severity.
- (g) Column(3) x Column(4) / 1,000.
- (h) Based on the reported earned premium for calendar year 2023 and 2024 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, 2024. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).
- (i) See Exhibit 8 of Agenda Item AC25-03-02.
- (j) See Exhibit 5.2 of Agenda item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.
- (k) Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 91% to reflect the impact of the reforms in the emerging ALAE data.

Projected Ratio of ALAE 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, 2025 and August 31, 2026

Accident Year	(1) Indemnity Claim Counts @ 12/31/2024 (d)	(2) Cumulative Count Development Factors (b)	(3) Estimated Ultimate Ind. Counts (1) x (2)	(4) Estimated Ult. ALAE per Indemnity Claim (c)	(5) Estimated Ult. ALAE (in \$000) (3) x (4)
1997	135,380	1.001	135,537	3,666	496,912
1998	144,040	1.001	144,255	4,682	675,393
1999	143,060	1.002	143,299	4,976	713,029
2000	155,492	1.002	155,767	5,827	907,677
2001	181,200	1.002	181,544	7,035	1,277,255
2002	188,895	1.002	189,256	7,571	1,432,890
2003	179,217	1.002	179,592	8,108	1,456,129
2004	157,726	1.002	158,070	7,688	1,215,255
2005	139,012	1.002	139,322	7,467	1,040,261
2006	133,253	1.002	133,569	7,657	1,022,683
2007	130,347	1.002	130,668	8,283	1,082,311
2008	122,807	1.003	123,133	9,056	1,115,069
2009	113,231	1.003	113,536	9,937	1,128,228
2010	117,748	1.003	118,077	9,825	1,160,167
2011	120,169	1.003	120,492	9,705	1,169,312
2012	127,625	1.003	127,949	9,671	1,237,382
2013	135,797	1.003	136,146	9,435	1,284,514
2014	140,796	1.003	141,207	9,317	1,315,624
2015	145,020	1.003	145,456	9,110	1,325,093
2016	148,033	1.003	148,531	9,064	1,346,246
2017	148,729	1.004	149,293	8,982	1,340,912
2018	151,640	1.004	152,287	9,432	1,436,346
2019	155,026	1.006	155,884	9,661	1,505,916
2020	134,836	1.008	135,881	10,088	1,370,806
2021	148,229	1.008	149,403	9,835	1,469,393
2022	157,041	1.015	159,415	10,736	1,711,471
2023	158,515	1.046	165,855	11,530	1,912,356
2024	129,489	1.318	170,696	12,644	2,158,256

Projected Based on 2023 and 2024:

	Ult. Ind. Counts (e)	Ult. ALAE per Ind. Counts (f)	Ultimate ALAE (g)
2025	165,355	12,712	2,102,012
2026	164,540	13,348	2,196,230
9/1/2026	164,317	13,457	2,211,160

(6) Projected ALAE Incurred (\$000):	2,211,160
(7) Average of Calendar Year 2023 and 2024 Earned Premium (\$000): (h)	15,619,956
(8) Projected Loss to Advisory Pure Premium Ratio: (i)	0.835
(9) Weighted Premium Adjustment Factor for Earned Premium on Line (7): (j)	0.946
(10) Projected Losses (\$000): (7) x (8) x (9)	12,341,106
(11) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (6) / (10)	17.9%
(12) Impact of SB 1160 and AB 1244: (k)	-1.0%
(13) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (11) x [1.0 + (12)]	17.7%

Notes:

- All paid ALAE exclude the paid cost of medical cost containment programs.
- Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.
- AY2020 to AY2024 data excludes COVID-19 claims.
- Estimated based on projected frequency trends for accident years 2024 to 2027. The 2024 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC25-03-02, Exhibit 12), and 2025 to 2027 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC25-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- Severities are projected by applying an annual growth rate of 5.0%, 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.
- Column(3) x Column(4) / 1,000.
- Based on the reported earned premium for calendar year 2023 and 2024 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, 2024. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).
- See Exhibit 8 of Agenda Item AC25-03-02.
- See Exhibit 5.2 of Agenda item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.
- Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 91% to reflect the impact of the reforms in the emerging ALAE data.

Projected Ratio of ALAE to Losses - Statewide
Based on Private Insurers' ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2024 Ultimate ALAE Severity
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

Accident Year	(1) Indemnity Claim Counts <u>@12/31/2024 (d)</u>	(2) Cumulative Count Development <u>Factors (b)</u>	(3) Estimated Ultimate <u>Ind. Counts</u> (1) x (2)	(4) Estimated Ult. ALAE per Indemnity <u>Claim (c)</u>	(5) Estimated Ult. ALAE <u>(in \$000)</u> (3) x (4)
1997	135,380	1.001	135,537	3,666	496,912
1998	144,040	1.001	144,255	4,682	675,393
1999	143,060	1.002	143,299	4,976	713,029
2000	155,492	1.002	155,767	5,827	907,677
2001	181,200	1.002	181,544	7,035	1,277,255
2002	188,895	1.002	189,256	7,571	1,432,890
2003	179,217	1.002	179,592	8,108	1,456,129
2004	157,726	1.002	158,070	7,688	1,215,255
2005	139,012	1.002	139,322	7,467	1,040,261
2006	133,253	1.002	133,569	7,657	1,022,683
2007	130,347	1.002	130,668	8,283	1,082,311
2008	122,807	1.003	123,133	9,056	1,115,069
2009	113,231	1.003	113,536	9,937	1,128,228
2010	117,748	1.003	118,077	9,825	1,160,167
2011	120,169	1.003	120,492	9,705	1,169,312
2012	127,625	1.003	127,949	9,671	1,237,382
2013	135,797	1.003	136,146	9,435	1,284,514
2014	140,796	1.003	141,207	9,317	1,315,624
2015	145,020	1.003	145,456	9,110	1,325,093
2016	148,033	1.003	148,531	9,064	1,346,246
2017	148,729	1.004	149,293	8,982	1,340,912
2018	151,640	1.004	152,287	9,432	1,436,346
2019	155,026	1.006	155,884	9,661	1,505,916
2020	134,836	1.008	135,881	10,088	1,370,806
2021	148,229	1.008	149,403	9,835	1,469,393
2022	157,041	1.015	159,415	10,736	1,711,471
2023	158,515	1.046	165,855	11,530	1,912,356
2024	129,489	1.318	170,696	12,644	2,158,256

Projected Based on 2024:

	<u>Ult. Ind. Counts (e)</u>	<u>Ult. ALAE per Ind. Counts (f)</u>	<u>Ultimate ALAE (g)</u>
2025	166,613	13,276	2,211,965
2026	165,792	13,940	2,311,112
9/1/2026	165,567	14,054	2,326,823

- (6) Projected ALAE Incurred (\$000): 2,326,823
 (7) Calendar Year 2024 Earned Premium (\$000): (h) 15,478,531
 (8) Projected Loss to Advisory Pure Premium Ratio: (i) 0.835
 (9) Premium Adjustment Factor for Calendar Year 2024: (j) 0.930
 (10) Projected Losses (\$000): (7) x (8) x (9) 12,015,601
 (11) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (6) / (10) 19.4%
 (12) Impact of SB 1160 and AB 1244: (k) -1.0%
 (13) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244:
 (11) x [1.0 + (12)] 19.2%

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
 (b) Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
 (c) Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.
 (d) AY2020 to AY2024 data excludes COVID-19 claims.
 (e) Estimated based on projected frequency trends for accident years 2025 to 2027. The 2025 to 2027 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC25-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2024 ultimate indemnity claim counts.
 (f) Severities are projected by applying an annual growth rate of 5.0%, 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 2024 ultimate ALAE severity.
 (g) Column(3) x Column(4) / 1,000.
 (h) Based on the reported earned premium for calendar year 2024 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, 2024. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).
 (i) See Exhibit 8 of Agenda Item AC25-03-02.
 (j) See Exhibit 5.2 of Agenda item AC25-03-02.
 (k) Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 91% to reflect the impact of the reforms in the emerging ALAE data.

Projected Ratio of ALAE to Losses - Statewide

Based on Private Insurers' ALAE Severity using Latest Year Paid ALAE Development
Trend Applied to 2022 to 2024 Ultimate ALAE Severities
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

Accident Year	(1) Indemnity Claim Counts <u>@12/31/2024 (d)</u>	(2) Cumulative Count Development <u>Factors (b)</u>	(3) Estimated Ultimate <u>Ind. Counts</u> (1) x (2)	(4) Estimated Ult. ALAE per Indemnity <u>Claim (c)</u>	(5) Estimated Ult. ALAE <u>(in \$000)</u> (3) x (4)
1997	135,380	1.001	135,537	3,666	496,912
1998	144,040	1.001	144,255	4,682	675,393
1999	143,060	1.002	143,299	4,976	713,029
2000	155,492	1.002	155,767	5,827	907,677
2001	181,200	1.002	181,544	7,035	1,277,255
2002	188,895	1.002	189,256	7,571	1,432,890
2003	179,217	1.002	179,592	8,108	1,456,129
2004	157,726	1.002	158,070	7,688	1,215,255
2005	139,012	1.002	139,322	7,467	1,040,261
2006	133,253	1.002	133,569	7,657	1,022,683
2007	130,347	1.002	130,668	8,283	1,082,311
2008	122,807	1.003	123,133	9,056	1,115,069
2009	113,231	1.003	113,536	9,937	1,128,228
2010	117,748	1.003	118,077	9,825	1,160,167
2011	120,169	1.003	120,492	9,705	1,169,312
2012	127,625	1.003	127,949	9,671	1,237,382
2013	135,797	1.003	136,146	9,435	1,284,514
2014	140,796	1.003	141,207	9,317	1,315,624
2015	145,020	1.003	145,456	9,110	1,325,093
2016	148,033	1.003	148,531	9,064	1,346,246
2017	148,729	1.004	149,293	8,982	1,340,912
2018	151,640	1.004	152,287	9,432	1,436,346
2019	155,026	1.006	155,884	9,661	1,505,916
2020	134,836	1.008	135,881	10,088	1,370,806
2021	148,229	1.008	149,403	9,835	1,469,393
2022	157,041	1.015	159,415	10,736	1,711,471
2023	158,515	1.046	165,855	11,530	1,912,356
2024	129,489	1.318	170,696	12,644	2,158,256

Projected Based on 2023 and 2024:

	<u>Ult. Ind. Counts (e)</u>	<u>Ult. ALAE per Ind. Counts (f)</u>	<u>Ultimate ALAE (g)</u>
2025	165,355	12,805	2,117,444
2026	164,540	13,446	2,212,354
9/1/2026	164,317	13,556	2,227,394

(6) Projected ALAE Incurred (\$000):	2,227,394
(7) Average of Calendar Year 2023 and 2024 Earned Premium (\$000): (h)	15,619,956
(8) Projected Loss to Advisory Pure Premium Ratio: (i)	0.835
(9) Weighted Premium Adjustment Factor for Earned Premium on Line (7): (j)	0.946
(10) Projected Losses (\$000): (7) x (8) x (9)	12,341,106
(11) Ratio of ALAE to Losses Prior to Impact of SB 1160 and AB 1244: (6) / (10)	18.0%
(12) Impact of SB 1160 and AB 1244: (k)	-1.0%
(13) Projected Ratio of ALAE to Losses after Impact of SB 1160 and AB 1244: (11) x [1.0 + (12)]	17.9%

Notes:

- (a) All paid ALAE exclude the paid cost of medical cost containment programs.
- (b) Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- (c) Based on estimated ultimate ALAE per indemnity claim for private insurers from Exhibit 6.
- (d) AY2020 to AY2024 data excludes COVID-19 claims.
- (e) Estimated based on projected frequency trends for accident years 2024 to 2027. The 2024 frequency trend is the actual trend adjusted for class mix (see Agenda Item AC25-03-02, Exhibit 12), and 2025 to 2027 estimated frequency trends are based on the projected growth in intra-class indemnity claim frequency (see Agenda Item AC25-03-02, Exhibit 6.1). These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- (f) Severities are projected by applying an annual growth rate of 5.0%, 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, 2023 and 2024 ultimate ALAE severity.
- (g) Column(3) x Column(4) / 1,000.
- (h) Based on the reported earned premium for calendar year 2023 and 2024 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, 2024. Premium excludes COVID-19 premium charges to be consistent with the reported indemnity claim counts in column (1).
- (i) See Exhibit 8 of Agenda Item AC25-03-02.
- (j) See Exhibit 5.2 of Agenda item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.
- (k) Based on the WCIRB's most recent evaluation of SB 1160 and AB 1244 reflecting a 70% reduction in lien filings, offset by 91% to reflect the impact of the reforms in the emerging ALAE data.

Average Paid MCCP per Reported Indemnity Claim - Statewide
As of December 31, 2024

Accident Year	Evaluated as of (in months):							
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>
2013	657	1,282	1,638	1,821	1,962	2,080	2,103	2,144
2014	631	1,223	1,576	1,786	1,938	1,980	2,042	2,081
2015	617	1,209	1,538	1,751	1,824	1,892	1,945	1,988
2016	592	1,152	1,454	1,583	1,685	1,763	1,816	1,854
2017	585	1,126	1,391	1,564	1,677	1,755	1,805	1,850
2018	639	1,143	1,421	1,605	1,726	1,807	1,863	
2019	589	1,110	1,422	1,616	1,735	1,823		
2020	564	1,092	1,388	1,570	1,701			
2021	550	1,051	1,361	1,574				
2022	518	1,006	1,334					
2023	550	1,088						
2024	579							

Accident Year	Annual Change							
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>
2014	-4.0%	-4.6%	-3.8%	-1.9%	-1.2%	-4.8%	-2.9%	-2.9%
2015	-2.3%	-1.2%	-2.4%	-2.0%	-5.9%	-4.4%	-4.7%	-4.5%
2016	-4.1%	-4.7%	-5.4%	-9.6%	-7.6%	-6.8%	-6.6%	-6.8%
2017	-1.1%	-2.3%	-4.4%	-1.2%	-0.5%	-0.5%	-0.6%	-0.2%
2018	9.2%	1.5%	2.2%	2.6%	2.9%	2.9%	3.2%	
2019	-7.8%	-2.8%	0.1%	0.7%	0.5%	0.9%		
2020	-4.3%	-1.7%	-2.4%	-2.8%	-2.0%			
2021	-2.4%	-3.8%	-2.0%	0.2%				
2022	-5.9%	-4.2%	-2.0%					
2023	6.3%	8.1%						
2024	5.2%							

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

Estimated Ultimate M CCP per Indemnity Claim - Statewide
Based on Latest Year Paid M CCP Development

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Accident Year	Paid M CCP @12/31/24 (in \$000)	Cumulative Development Factors (a)	Estimated Ultimate M CCP (1) x (2)	Indemnity Claim Counts @12/31/24	Cumulative Count Development Factors (b)	Estimated Ultimate Ind. Counts (4) x (5)	Estimated Ultimate M CCP per Indemnity Claim (3) / (6) x 1,000	Annual change
2012	313,532	1.184	371,077	127,625	1.003	127,949	2,900	---
2013	305,805	1.194	365,252	135,797	1.003	136,146	2,683	-7.5%
2014	307,079	1.207	370,787	140,796	1.003	141,207	2,626	-2.1%
2015	296,148	1.223	362,276	145,020	1.003	145,456	2,491	-5.1%
2016	278,634	1.238	344,908	148,033	1.003	148,531	2,322	-6.8%
2017	275,201	1.257	345,883	148,729	1.004	149,293	2,317	-0.2%
2018	282,580	1.289	364,183	151,640	1.004	152,287	2,391	3.2%
2019	282,690	1.331	376,126	155,026	1.006	155,884	2,413	0.9%
2020	229,361	1.401	321,354	134,836	1.008	135,881	2,365	-2.0%
2021	233,279	1.517	353,970	148,229	1.008	149,403	2,369	0.2%
2022	209,533	1.766	370,030	157,041	1.015	159,415	2,321	-2.0%
2023	172,513	2.413	416,235	158,515	1.046	165,855	2,510	8.1%
2024	74,976	6.009	450,558	129,489	1.318	170,696	2,640	5.2%

Estimated Annual Exponential Trend Based on:

2017 to 2024	1.2%
2021 to 2024	4.1%
Average	2.7%

Notes:

- (a) Based on latest year paid M CCP development through 156 months from Exhibit 16.2.
156-to-ultimate is based on selected paid medical development factors from Exhibit 2.6 of Agenda Item AC25-03-02.
- (b) 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 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	\$881	-5.6%
2021	\$855	-2.9%
2022	\$837	-2.1%
2023	\$886	5.9%

Estimated Annual Exponential Trend Based on:

2017-2023	-1.9%
-----------	-------

Notes:

- (a) 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 M CCP Development Factors - Statewide
Quarterly Development

Age in Months	Accident Year												
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
3 - 6	5.599	5.796	6.047	5.652	6.118	5.561	5.864	5.288	---	5.867	6.090	5.506	5.083
6 - 9	2.356	2.432	2.402	2.457	2.407	2.395	2.335	2.354	---	2.169	2.378	2.430	2.399
9 - 12	1.763	1.773	1.771	1.742	1.725	1.776	1.825	1.780	---	1.755	1.749	1.746	1.747
12 - 15	1.476	1.412	1.456	1.468	1.480	1.444	1.420	1.419	1.439	1.414	1.424	1.438	
15 - 18	1.277	1.253	1.299	1.282	1.244	1.254	1.242	1.239	1.265	1.261	1.254	1.263	
18 - 21	1.171	1.157	1.194	1.177	1.170	1.155	1.148	1.165	1.154	1.171	1.185	1.190	
21 - 24	1.128	1.121	1.128	1.120	1.125	1.122	1.117	1.121	1.121	1.125	1.138	1.148	
24 - 27	1.083	1.099	1.096	1.096	1.086	1.091	1.084	1.096	1.090	1.096	1.102		
27 - 30	1.077	1.081	1.073	1.073	1.076	1.071	1.065	1.082	1.076	1.081	1.089		
30 - 33	1.051	1.068	1.045	1.062	1.054	1.057	1.054	1.058	1.063	1.059	1.076		
33 - 36	1.045	1.054	1.036	1.047	1.053	1.052	1.042	1.047	1.048	1.060	1.060		
36 - 39	1.047	1.053	1.033	1.040	1.036	1.045	1.043	1.043	1.043	1.047			
39 - 42	1.036	1.043	1.026	1.039	1.032	1.030	1.034	1.038	1.035	1.037			
42 - 45	1.036	1.035	1.025	1.029	1.028	1.025	1.027	1.034	1.030	1.041			
45 - 48	1.031	1.027	1.019	1.028	1.026	1.023	1.026	1.024	1.028	1.031			
48 - 51	1.031	1.023	1.025	1.019	1.020	1.025	1.021	1.024	1.025				
51 - 54	1.025	1.023	1.025	1.020	1.016	1.019	1.019	1.020	1.020				
54 - 57	1.022	1.019	1.018	1.015	1.014	1.015	1.021	1.017	1.023				
57 - 60	1.017	1.016	1.016	1.014	1.013	1.014	1.014	1.016	1.015				
60 - 63	1.015	1.015	1.012	1.011	1.013	1.013	1.015	1.015					
63 - 66	1.016	1.016	1.013	1.010	1.012	1.013	1.012	1.014					
66 - 69	1.014	1.012	1.011	1.009	1.010	1.013	1.011	1.012					
69 - 72	1.011	1.012	1.009	1.007	1.013	1.008	1.011	1.012					
72 - 75	1.009	1.010	1.009	0.984	1.008	1.009	1.009						
75 - 78	1.010	1.009	1.007	1.009	1.008	1.008	1.008						
78 - 81	1.007	1.006	1.010	1.007	1.011	1.007	1.008						
81 - 84	1.009	1.006	1.005	1.005	1.003	1.006	1.007						
84 - 87	1.008	1.006	1.003	1.007	1.007	1.007							
87 - 90	1.006	1.005	1.005	1.006	1.006	1.006							
90 - 93	1.004	1.005	1.005	1.007	1.005	1.007							
93 - 96	1.005	1.004	1.004	1.003	1.003	1.005							

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

Paid M CCP Development Factors - Statewide
Annual Development

Accident	Age-to-Age Development (in months):												
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	
2012	2.491	1.278	1.159	1.097	1.055	1.036	1.024	1.015	1.012	1.012	1.010	1.009	
2013	2.284	1.338	1.169	1.082	1.055	1.032	1.020	1.016	1.013	1.011	1.011		
2014	2.438	1.366	1.144	1.084	1.044	1.031	1.020	1.020	1.014	1.013			
2015	2.479	1.306	1.143	1.069	1.038	1.029	1.022	1.015	1.012				
2016	2.423	1.294	1.128	1.064	1.048	1.031	1.021	1.015					
2017	2.336	1.300	1.129	1.076	1.048	1.030	1.025						
2018	2.262	1.268	1.137	1.077	1.049	1.032							
2019	2.295	1.317	1.145	1.078	1.053								
2020	2.366	1.306	1.141	1.083									
2021	2.348	1.330	1.164										
2022	2.415	1.366											
2023	2.491												
	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-Ult (a)
Latest Year	2.491	1.366	1.164	1.083	1.053	1.032	1.025	1.015	1.012	1.013	1.011	1.009	
Age-to-Ult	6.009	2.413	1.766	1.517	1.401	1.331	1.289	1.257	1.238	1.223	1.207	1.194	1.184
	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-Ult (a)
3-Yr Average	2.418	1.334	1.150	1.080	1.050	1.031	1.023	1.017	1.013	1.012	1.010	1.009	
Age-to-Ult	5.578	2.307	1.729	1.504	1.393	1.327	1.287	1.258	1.237	1.221	1.207	1.194	1.184

Notes: (a) 156-to-Ult. is based on selected paid medical 156-to-ultimate development factor on Exhibit 3.2 of Agenda Item AC25-03-02.

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 and 2024
for Policies with Effective Dates between September 1, 2025 and August 31, 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Accident Year	Paid MCCP @12/31/24 (in \$000)	Cumulative Development Factors (a)	Estimated Ultimate MCCP (in \$000) (1) x (2)	Indemnity Claim Counts @12/31/24	Cumulative Count Development Factors (b)	Estimated Ultimate Ind. Counts (4) x (5)	Estimated Ultimate MCCP per Indemnity Claim (3) / (6) x 1,000
2012	313,532	1.184	371,077	127,625	1.003	127,949	2,900
2013	305,805	1.194	365,252	135,797	1.003	136,146	2,683
2014	307,079	1.207	370,787	140,796	1.003	141,207	2,626
2015	296,148	1.223	362,276	145,020	1.003	145,456	2,491
2016	278,634	1.238	344,908	148,033	1.003	148,531	2,322
2017	275,201	1.257	345,883	148,729	1.004	149,293	2,317
2018	282,580	1.289	364,183	151,640	1.004	152,287	2,391
2019	282,690	1.331	376,126	155,026	1.006	155,884	2,413
2020	229,361	1.401	321,354	134,836	1.008	135,881	2,365
2021	233,279	1.517	353,970	148,229	1.008	149,403	2,369
2022	209,533	1.766	370,030	157,041	1.015	159,415	2,321
2023	172,513	2.413	416,235	158,515	1.046	165,855	2,510
2024	74,976	6.009	450,558	129,489	1.318	170,696	2,640

Projected Based on 2-Year Average of 2023 and 2024:

	Ultimate MCCP (e)	Ult. Ind. Counts (c)	Ult. MCCP per Ind. Counts (d)
2025	428,891	165,355	2,594
2026	428,910	164,540	2,607
9/1/2026	428,685	164,317	2,609

(8) Projected MCCP (\$000):	428,685
(9) Average of Calendar Years 2023 and 2024 Earned Premium (f) (\$000):	15,619,956
(10) Projected Loss to Advisory Pure Premium Ratio (g):	0.835
(11) Premium Adjustment Factor for Calendar Year 2023 and 2024 (h):	0.946
(12) Projected Losses (\$000): (9) x (10) x (11)	12,341,106
(13) Projected Ratio of MCCP to Losses: (8) / (12)	3.5%

Notes:

- (a) Based on latest year paid MCCP development through 156 months from Exhibit 16.2. 156-to-ultimate development factor is based on selected paid medical development factors from Exhibit 3.2 of Agenda Item AC25-03-02.
- (b) Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- (c) Estimated based on projected frequency trends for accident years 2024 to 2027. The frequency trend for 2024 is the actual intra-class changes from Agenda item AC25-03-02, Exhibit 12. Frequency trends for accident years 2025 through 2027 are based on the projected growth in intra-class indemnity claim frequency from Exhibit 6.1 of Agenda Item AC25-03-02. These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- (d) Severity is projected by applying an annual growth rate of 0.5% 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 2023 and 2024.
- (e) Column(6) x Column(7) / 1,000.
- (f) Based on the reported earned premium for calendar year 2023 and 2024 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, 2024.
- (g) See Exhibit 8 of Agenda Item AC25-03-02.
- (h) See Exhibit 5.2 of Agenda Item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.

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 2023 and 2024

for Policies with Effective Dates between September 1, 2025 and August 31, 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Accident	Paid	Cumulative	Estimated	Indemnity	Cumulative	Estimated	Estimated
Year	MCCP	Development	Ultimate	Claim	Count	Ultimate	Ultimate
	@12/31/24	Factors (a)	MCCP	Counts	Development	Ind. Counts	MCCP per
	(in \$000)		(in \$000)	@12/31/24	Factors (b)	(4) x (5)	Indemnity
			(1) x (2)				Claim
							(3) / (6) x 1,000
2012	313,532	1.184	371,077	127,625	1.003	127,949	2,900
2013	305,805	1.194	365,252	135,797	1.003	136,146	2,683
2014	307,079	1.207	370,596	140,796	1.003	141,207	2,624
2015	296,148	1.221	361,714	145,020	1.003	145,456	2,487
2016	278,634	1.237	344,778	148,033	1.003	148,531	2,321
2017	275,201	1.258	346,252	148,729	1.004	149,293	2,319
2018	282,580	1.287	363,646	151,640	1.004	152,287	2,388
2019	282,690	1.327	375,001	155,026	1.006	155,884	2,406
2020	229,361	1.393	319,447	134,836	1.008	135,881	2,351
2021	233,279	1.504	350,773	148,229	1.008	149,403	2,348
2022	209,533	1.729	362,346	157,041	1.015	159,415	2,273
2023	172,513	2.307	398,006	158,515	1.046	165,855	2,400
2024	74,976	5.578	418,251	129,489	1.318	170,696	2,450

Projected Based on 2-Year Average of 2023 and 2024:

	Ultimate MCCP (e)	Ult. Ind. Counts (c)	Ult.MCCP per Ind. Counts (d)
2025	403,987	165,355	2,443
2026	404,005	164,540	2,455
9/1/2026	403,793	164,317	2,457

(8) Projected MCCP (\$000):	403,793
(9) Average of Calendar Years 2023 and 2024 Earned Premium (f) (\$000):	15,619,956
(10) Projected Loss to Advisory Pure Premium Ratio (g):	0.835
(11) Premium Adjustment Factor (h):	0.946
(12) Projected Losses (\$000): (9) x (10) x (11)	12,341,106
(13) Projected Ratio of MCCP to Losses: (8) / (12)	3.3%

Notes:

- (a) Based on latest year paid MCCP development through 156 months from Exhibit 16.2. 156-to-ultimate development factor is based on selected paid medical development factors from Exhibit 3.2 of Agenda Item AC25-03-02.
- (b) Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- (c) Estimated based on projected frequency trends for accident years 2024 to 2027. The frequency trend for 2024 is the actual intra-class changes from Agenda item AC25-03-02, Exhibit 12. Frequency trends for accident years 2025 through 2027 are based on the projected growth in intra-class indemnity claim frequency from Exhibit 6.1 of Agenda Item AC25-03-02. These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- (d) Severity is projected by applying an annual growth rate of 0.5% 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 2023 and 2024.
- (e) Column(6) x Column(7) / 1,000.
- (f) Based on the reported earned premium for calendar year 2023 and 2024 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, 2024.
- (g) See Exhibit 8 of Agenda Item AC25-03-02.
- (h) See Exhibit 5.2 of Agenda Item AC25-03-02. Based on a weighting of calendar years 2023 and 2024.

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 2024

for Policies with Effective Dates between September 1, 2025 and August 31, 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Accident Year	Paid MCCP @12/31/24 (in \$000)	Cumulative Development Factors (a)	Estimated Ultimate MCCP (in \$000) (1) x (2)	Indemnity Claim Counts @12/31/24	Cumulative Count Development Factors (b)	Estimated Ultimate Ind. Counts (4) x (5)	Estimated Ultimate MCCP per Indemnity Claim (3) / (6) x 1,000
2012	313,532	1.184	371,077	127,625	1.003	127,949	2,900
2013	305,805	1.194	365,252	135,797	1.003	136,146	2,683
2014	307,079	1.207	370,787	140,796	1.003	141,207	2,626
2015	296,148	1.223	362,276	145,020	1.003	145,456	2,491
2016	278,634	1.238	344,908	148,033	1.003	148,531	2,322
2017	275,201	1.257	345,883	148,729	1.004	149,293	2,317
2018	282,580	1.289	364,183	151,640	1.004	152,287	2,391
2019	282,690	1.331	376,126	155,026	1.006	155,884	2,413
2020	229,361	1.401	321,354	134,836	1.008	135,881	2,365
2021	233,279	1.517	353,970	148,229	1.008	149,403	2,369
2022	209,533	1.766	370,030	157,041	1.015	159,415	2,321
2023	172,513	2.413	416,235	158,515	1.046	165,855	2,510
2024	74,976	6.009	450,558	129,489	1.318	170,696	2,640

Projected Based on 2024:

	<u>Ultimate MCCP (e)</u>	<u>Ult. Ind. Counts (c)</u>	<u>Ult.MCCP per Ind. Counts (d)</u>
2025	441,980	166,613	2,653
2026	442,000	165,792	2,666
9/1/2026	441,768	165,567	2,668

(8) Projected MCCP (\$000):	441,768
(9) Calendar Year 2024 Earned Premium (f) (\$000):	15,478,531
(10) Projected Loss to Advisory Pure Premium Ratio (g):	0.835
(11) Premium Adjustment Factor for Calendar Year 2024 (h):	0.930
(12) Projected Losses (\$000): (8) x (9) x (10)	12,015,601
(13) Projected Ratio of MCCP to Losses: (8) / (12)	3.7%

Notes:

- (a) Based on latest year paid MCCP development through 156 months from Exhibit 16.2. 156-to-ultimate development factor is based on selected paid medical development factors from Exhibit 3.2 of Agenda Item AC25-03-02.
- (b) Based on the latest year indemnity claim count age-to-age development from Exhibit 8.3.
- (c) Estimated based on projected frequency trends for accident years 2024 to 2027. The frequency trend for 2024 is the actual intra-class changes from Agenda item AC25-03-02, Exhibit 12. Frequency trends for accident years 2025 through 2027 are based on the projected growth in intra-class indemnity claim frequency from Exhibit 6.1 of Agenda Item AC25-03-02. These frequency trends were then applied to the accident year 2023 and 2024 ultimate indemnity claim counts.
- (d) Severity is projected by applying an annual growth rate of 0.5% 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 2023 and 2024.
- (e) Column(6) x Column(7) / 1,000.
- (f) Based on the reported earned premium for calendar year 2024 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, 2024.
- (g) See Exhibit 8 of Agenda Item AC25-03-02.
- (h) See Exhibit 5.2 of Agenda Item AC25-03-02.

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

Item AC25-04-02

9/1/2025 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 selected methodology reflected in the summary analysis of December 31, 2024 experience, included in Item AC25-03-02, are an average of projections using an adjusted paid loss methodology and a hybrid incurred loss methodology. The adjusted paid loss methodology includes a combination of latest year reform-adjusted¹ 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. The hybrid incurred loss methodology uses unadjusted latest year incurred loss development factors through 120 months, with the average of the most recent three years' ratios of reported paid losses to incurred losses at 120 months used to convert incurred losses to a paid basis at 120 months (with the selected paid development applied thereafter). 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, 2024 experience, derived using the following loss development methodologies and the trending methodology reflected in the analysis included in Item AC25-03-02 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 Tail³ – 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

A summary of the preliminary loss ratios projected for policies incepting between September 1, 2025 and August 31, 2026 based on the alternative loss development methodologies described above is shown in Table 1.

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 10, 2025 Agenda Methodology			
Average of Latest Year Paid Adjusted for Reforms and Latest Year Hybrid Incurred	0.371	0.464	0.835
Alternative Methodologies			
<u>Incurred Methodologies</u>			
Three-Year Average (Unadjusted)	0.358	0.381	0.739
Latest Year (Unadjusted)	0.370	0.402	0.772
Latest Year Hybrid with Reform-Adjusted Paid After 120 Months	0.375	0.457	0.832
Three-Year Average Adjusted for Changes in Case Reserve Levels	0.379	0.452	0.831
<u>Paid Methodologies</u>			
Three-Year Average (Unadjusted)	0.366	0.446	0.812
Latest Year (Unadjusted)	0.368	0.470	0.838
Latest Year Adjusted for Changes in Claim Settlement Rates and Reforms	0.377	0.480	0.857

Trending Methodologies

The trending projections reflected in the summary analysis of December 31, 2024 experience, included in Item AC25-03-02, are based on separate projections of claim frequency and claim severity growth applied to the 2023 and 2024 on-level loss ratios. The claim frequency growth estimates are based on the preliminary actual 12-month frequency change for accident year 2024 and the WCIRB's indemnity claim frequency model projections for accident years 2025 through 2027. The average annual severity growth estimates are 0.5% for indemnity and 3.5% 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, 2024 experience, derived using the loss development methodologies reflected in the analysis included in Item AC25-03-02 and the following trending methodologies have been included:⁴

1. Separate Projections of Frequency and Severity Growth Applied to the Latest Year (2024) – Exhibits 8.1 and 8.2
2. Separate Projections of Frequency and Severity Growth Applied to the Latest Three Years (2022, 2023 and 2024) – Exhibits 9.1 and 9.2

⁴ All frequency and severity projections are based on those included in Item AC25-03-02 and described above unless otherwise specified.

3. Separate Projections of Frequency and the Long-Term (1990 to 2024) Average Annual Severity Growth Applied to 2023 and 2024 – Exhibits 10.1 and 10.2
4. Separate Projections of Frequency and the Short-Term (2021 to 2024) Average Annual Severity Growth Applied to 2023 and 2024 – Exhibits 11.1 and 11.2
5. Long-Term (1990 to 2024) On-Level Loss Ratio Exponential Trend Applied to 2023 and 2024 – Exhibits 12.1 and 12.2
6. Short-Term (2017 to 2024) On-Level Loss Ratio Exponential Trend Applied to 2023 and 2024 – Exhibits 13.1 and 13.2

A summary of the preliminary loss ratios projected for policies incepting between September 1, 2025 to August 31, 2026 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 10, 2025 Agenda Methodology			
Separate Projections of Frequency and Severity (0.5% Indemnity; 3.5% Medical) Applied to 2023 and 2024	0.371	0.464	0.835
Alternative Methodologies			
Separate Projections of Frequency and Severity Applied to 2024	0.382	0.489	0.871
Separate Projections of Frequency and Severity Applied to 2022, 2023 and 2024	0.379	0.469	0.848
Separate Projections of Frequency and Long-Term (1990 to 2024) Severity Applied to 2023 and 2024	0.373	0.475	0.848
Separate Projections of Frequency and Short-Term (2021 to 2024) Severity Applied to 2023 and 2024	0.364	0.470	0.834
Long-Term (1990 to 2024) On-Level Loss Ratio Exponential Trend Applied to 2023 and 2024	0.367	0.471	0.838
Short-Term (2017 to 2024) On-Level Loss Ratio Exponential Trend Applied to 2023 and 2024	0.383	0.469	0.852

**Developed Loss Ratio Unadjusted 3-Year Average Incurred Development Factors
Based on Experience as of December 31, 2024**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Indemnity				Medical				
Accident	Reported	Annual	Cumulative	Developed	Reported	Annual	Cumulative	Developed	Total
Year	Loss Ratio	Development	Development	Loss Ratio	Loss Ratio	Development	Development	Loss Ratio	Developed
	<u>Ex IBNR (a)</u>	<u>Factor (b)</u>	<u>Factor</u>	<u>Loss Ratio</u>	<u>Ex IBNR (a)</u>	<u>Factor (c)</u>	<u>Factor</u>	<u>Loss Ratio</u>	<u>Loss Ratio</u>
				(1) x (3)				(5) x (7)	(4) + (8)
2013	0.213	1.006	1.031	0.220	0.263	1.002	1.005	0.264	0.484
2014	0.202	1.005	1.036	0.209	0.233	1.003	1.007	0.235	0.444
2015	0.196	1.007	1.043	0.204	0.219	1.004	1.011	0.221	0.425
2016	0.184	1.008	1.052	0.194	0.206	1.005	1.017	0.209	0.403
2017	0.190	1.007	1.059	0.201	0.214	1.008	1.025	0.219	0.420
2018	0.201	1.011	1.071	0.215	0.230	1.008	1.033	0.237	0.452
2019	0.234	1.018	1.090	0.255	0.257	1.012	1.045	0.269	0.524
2020	0.237	1.030	1.123	0.266	0.264	1.028	1.075	0.283	0.549
2021	0.259	1.049	1.178	0.305	0.292	1.040	1.118	0.326	0.631
2022	0.231	1.106	1.303	0.301	0.262	1.080	1.207	0.316	0.618
2023	0.186	1.251	1.630	0.303	0.225	1.171	1.413	0.318	0.622
2024	0.104	1.939	3.160	0.328	0.163	1.500	2.120	0.347	0.674

- (a) Based on AC25-03-02, Exhibit 1.
(b) Based on AC25-03-02, Exhibit 2.1.
(c) Based on AC25-03-02, 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, 2024**

	(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)
2013	0.220	1.514	0.778	0.428
2014	0.209	1.386	0.717	0.404
2015	0.204	1.367	0.685	0.407
2016	0.194	1.350	0.707	0.370
2017	0.201	1.314	0.741	0.357
2018	0.215	1.280	0.780	0.353
2019	0.255	1.246	0.865	0.367
2020	0.266	1.210	0.915	0.352
2021	0.305	1.165	0.954	0.372
2022	0.301	1.128	0.940	0.361
2023	0.303	1.102	0.962	0.347
2024	0.328	1.068	0.930	0.377
				Projected (d)
2025				0.358
2026				0.358
9/1/2026				0.358

(a) See Exhibit 1.1.

(b) Based on AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.264	0.987	0.778	0.335
2014	0.235	1.042	0.717	0.342
2015	0.221	1.068	0.685	0.345
2016	0.209	1.070	0.707	0.317
2017	0.219	1.072	0.741	0.317
2018	0.237	1.082	0.780	0.329
2019	0.269	1.072	0.865	0.333
2020	0.283	1.055	0.915	0.327
2021	0.326	1.056	0.954	0.361
2022	0.316	1.016	0.940	0.342
2023	0.318	1.014	0.962	0.335
2024	0.347	1.011	0.930	0.377
				Projected (d)
2025				0.368
2026				0.379
9/1/2026				0.381

(a) See Exhibit 1.1.

(b) Based on AC25-03-02, Exhibit 4.4.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, Exhibit 6.4.

**Developed Loss Ratio Unadjusted Latest Year Incurred Development Factors
Based on Experience as of December 31, 2024**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Indemnity				Medical				
Accident	Reported	Annual	Cumulative	Developed	Reported	Annual	Cumulative	Developed	Total
Year	Loss Ratio	Development	Development	Loss Ratio	Loss Ratio	Development	Development	Loss Ratio	Developed
	<u>Ex IBNR (a)</u>	<u>Factor (b)</u>	<u>Factor</u>	<u>Loss Ratio</u>	<u>Ex IBNR (a)</u>	<u>Factor (c)</u>	<u>Factor</u>	<u>Loss Ratio</u>	<u>Loss Ratio</u>
				(1) x (3)				(5) x (7)	(4) + (8)
2013	0.213	1.006	1.031	0.220	0.263	1.002	1.005	0.264	0.484
2014	0.202	1.005	1.036	0.209	0.233	1.003	1.007	0.235	0.444
2015	0.196	1.007	1.043	0.204	0.219	1.004	1.011	0.221	0.425
2016	0.184	1.008	1.052	0.194	0.206	1.005	1.017	0.209	0.403
2017	0.190	1.007	1.059	0.201	0.214	1.008	1.025	0.219	0.420
2018	0.201	1.014	1.074	0.216	0.230	1.014	1.039	0.238	0.454
2019	0.234	1.020	1.096	0.256	0.257	1.014	1.054	0.271	0.527
2020	0.237	1.035	1.134	0.269	0.264	1.032	1.087	0.287	0.555
2021	0.259	1.053	1.194	0.309	0.292	1.045	1.136	0.332	0.641
2022	0.231	1.109	1.324	0.306	0.262	1.092	1.241	0.325	0.631
2023	0.186	1.261	1.670	0.311	0.225	1.190	1.477	0.332	0.643
2024	0.104	1.969	3.288	0.341	0.163	1.530	2.259	0.369	0.710

- (a) Based on AC25-03-02, Exhibit 1.
(b) Based on AC25-03-02, Exhibit 2.1.
(c) Based on AC25-03-02, 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, 2024**

	(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)
2013	0.220	1.514	0.778	0.428
2014	0.209	1.386	0.717	0.404
2015	0.204	1.367	0.685	0.407
2016	0.194	1.350	0.707	0.370
2017	0.201	1.314	0.741	0.357
2018	0.216	1.280	0.780	0.354
2019	0.256	1.246	0.865	0.369
2020	0.269	1.210	0.915	0.355
2021	0.309	1.165	0.954	0.377
2022	0.306	1.128	0.940	0.367
2023	0.311	1.102	0.962	0.356
2024	0.341	1.068	0.930	0.392
				Projected (d)
2025				0.370
2026				0.370
9/1/2026				0.370

(a) See Exhibit 2.1.

(b) Based on AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.264	0.987	0.778	0.335
2014	0.235	1.042	0.717	0.342
2015	0.221	1.068	0.685	0.345
2016	0.209	1.070	0.707	0.317
2017	0.219	1.072	0.741	0.317
2018	0.238	1.082	0.780	0.331
2019	0.271	1.072	0.865	0.336
2020	0.287	1.055	0.915	0.331
2021	0.332	1.056	0.954	0.367
2022	0.325	1.016	0.940	0.352
2023	0.332	1.014	0.962	0.350
2024	0.369	1.011	0.930	0.402
				Projected (d)
2025				0.388
2026				0.400
9/1/2026				0.402

(a) See Exhibit 2.1.

(b) Based on AC25-03-02, Exhibit 4.4.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, Exhibit 6.4.

**Developed Loss Ratio Latest Year Hybrid Incurred Development with Paid Development After 120 Months
Based on Experience as of December 31, 2024**

	(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)
2013	0.206	1.009	1.078	0.223	0.250	1.010	1.195	0.299	0.522
2014	0.195	1.010	1.089	0.212	0.225	1.013	1.210	0.272	0.484
2015	0.188	1.012	1.102	0.207	0.212	1.014	1.227	0.260	0.467
2016	0.184	1.008	1.067	0.197	0.206	1.005	1.156	0.238	0.435
2017	0.190	1.007	1.074	0.204	0.214	1.008	1.165	0.249	0.453
2018	0.201	1.014	1.089	0.219	0.230	1.014	1.182	0.271	0.490
2019	0.234	1.020	1.111	0.260	0.257	1.014	1.198	0.308	0.568
2020	0.237	1.035	1.150	0.272	0.264	1.032	1.237	0.326	0.598
2021	0.259	1.053	1.211	0.313	0.292	1.045	1.292	0.377	0.691
2022	0.231	1.109	1.343	0.310	0.262	1.092	1.411	0.370	0.680
2023	0.186	1.261	1.693	0.315	0.225	1.190	1.679	0.378	0.693
2024	0.104	1.969	3.333	0.346	0.163	1.530	2.569	0.420	0.766

- (a) Based on AC25-03-02, Exhibit 1. Paid loss ratios are shown for accident years 2015 and prior while incurred loss ratios are shown for accident years 2016 and subsequent.
- (b) Based on AC25-03-02, Exhibit 2.1 through 120 months and AC25-03-02, 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 AC25-03-02, Exhibit 2.2 through 120 months and AC25-03-02, 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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.204	1.314	0.741	0.362
2018	0.219	1.280	0.780	0.359
2019	0.260	1.246	0.865	0.374
2020	0.272	1.210	0.915	0.360
2021	0.313	1.165	0.954	0.383
2022	0.310	1.128	0.940	0.372
2023	0.315	1.102	0.962	0.361
2024	0.346	1.068	0.930	0.397
				Projected (d)
2025				0.375
2026				0.375
9/1/2026				0.375

- (a) See Exhibit 3.1.
- (b) Based on AC25-03-02, Exhibit 4.1.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.238	1.030	0.707	0.347
2017	0.249	1.033	0.741	0.348
2018	0.271	1.035	0.780	0.360
2019	0.308	1.030	0.865	0.367
2020	0.326	1.026	0.915	0.366
2021	0.377	1.024	0.954	0.405
2022	0.370	1.016	0.940	0.400
2023	0.378	1.014	0.962	0.398
2024	0.420	1.011	0.930	0.457
				Projected (d)
2025				0.442
2026				0.455
9/1/2026				0.457

- (a) See Exhibit 3.1.
- (b) Based on AC25-03-02, Exhibit 4.4.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, Exhibit 6.4.

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

A. Indemnity Case Reserves Per Open Claim

Accident Year	Evaluated as of (in months)												
	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													42,204
2008												39,099	44,798
2009											35,779	40,211	43,676
2010										31,046	35,139	36,847	35,760
2011									28,318	32,162	33,138	35,989	39,621
2012								27,696	32,503	35,439	38,030	39,641	38,275
2013							23,190	26,544	28,530	31,002	32,923	35,836	
2014						22,057	25,126	28,153	30,073	32,257	35,884		
2015					21,453	24,509	26,699	28,959	31,532	35,648			
2016				19,448	22,461	24,873	27,066	29,212	31,043				
2017			18,696	21,737	23,994	27,126	29,670	33,445					
2018		15,835	19,501	21,685	24,675	27,058	30,888						
2019	10,357	16,210	19,040	22,141	25,105	27,706							
2020	11,107	15,879	19,050	21,992	24,316								
2021	10,194	16,092	19,521	22,731									
2022	10,477	16,371	19,727										
2023	10,392	15,858											
2024	10,931												

B. Average Paid Indemnity per Closed Claim

Accident Year	Evaluated as of (in months)												
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
2006													
2007													19,738
2008												21,164	21,640
2009											21,934	22,360	22,755
2010										21,156	21,646	22,123	22,475
2011									20,364	20,922	21,363	21,674	21,922
2012								19,380	20,063	20,551	20,905	21,318	21,525
2013							18,227	19,066	19,610	20,040	20,317	20,579	
2014						17,924	19,001	19,769	20,366	20,839	21,143		
2015					16,889	18,280	19,274	20,005	20,646	21,040			
2016				14,475	16,476	17,854	18,882	19,711	20,216				
2017			11,146	14,377	16,495	17,883	18,968	19,726					
2018		7,039	11,410	14,656	16,883	18,514	19,626						
2019	3,159	7,065	11,455	15,384	17,996	19,802							
2020	3,309	7,664	12,522	16,506	19,214								
2021	3,171	7,265	12,007	15,925									
2022	3,492	8,003	12,678										
2023	3,895	8,186											
2024	4,131												

C. Annual Change of Average Paid Indemnity per Closed Claim

Accident	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2007													
2008													9.6%
2009												5.6%	5.2%
2010											-1.3%	-1.1%	-1.2%
2011										-1.1%	-1.3%	-2.0%	-2.5%
2012									-1.5%	-1.8%	-2.1%	-1.6%	-1.8%
2013								-1.6%	-2.3%	-2.5%	-2.8%	-3.5%	
2014							4.2%	3.7%	3.9%	4.0%	4.1%		
2015						2.0%	1.4%	1.2%	1.4%	1.0%			
2016					-2.4%	-2.3%	-2.0%	-1.5%	-2.1%				
2017				-0.7%	0.1%	0.2%	0.5%	0.1%					
2018			2.4%	1.9%	2.4%	3.5%	3.5%						
2019		0.4%	0.4%	5.0%	6.6%	7.0%							
2020	4.7%	8.5%	9.3%	7.3%	6.8%								
2021	-4.2%	-5.2%	-4.1%	-3.5%									
2022	10.1%	10.2%	5.6%										
2023	11.6%	2.3%											
2024	6.0%												

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	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													35,096
2008												36,856	38,478
2009											37,226	38,938	40,461
2010										35,843	36,737	38,526	39,964
2011									31,269	35,448	36,257	37,745	38,980
2012								32,859	30,808	34,818	35,481	37,123	38,275
2013							28,687	32,327	30,112	33,952	34,481	35,836	
2014						25,079	29,905	33,518	31,273	35,307	35,884		
2015					21,374	25,576	30,335	33,917	31,703	35,648			
2016				20,661	20,851	24,980	29,717	33,419	31,043				
2017			17,342	20,522	20,874	25,022	29,853	33,445					
2018		13,638	17,753	20,919	21,366	25,904	30,888						
2019	8,358	13,688	17,824	21,959	22,775	27,706							
2020	8,755	14,847	19,483	23,560	24,316								
2021	8,391	14,074	18,682	22,731									
2022	9,240	15,505	19,727										
2023	10,308	15,858											
2024	10,931												

E. Indemnity Open Claim Counts

Accident	Evaluated as of (in months)												
Year	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
2006													
2007													3,332
2008												3,660	2,921
2009											4,011	3,201	2,670
2010										4,596	3,544	2,835	2,362
2011									5,446	4,182	3,369	2,733	2,324
2012								6,980	5,243	4,111	3,373	2,755	2,328
2013							9,122	6,522	4,925	3,861	3,208	2,711	
2014						12,964	9,027	6,546	4,970	3,970	3,167		
2015					17,674	12,398	8,859	6,399	4,935	3,801			
2016				25,886	17,269	12,201	8,655	6,425	4,832				
2017				25,593	17,247	12,046	8,731	6,485					
2018		64,010	42,633	27,928	18,454	12,827	9,345						
2019	83,920	67,895	46,928	30,253	20,297	14,388							
2020	73,373	60,433	41,161	27,316	18,701								
2021	79,502	63,239	43,864	29,499									
2022	82,902	67,487	47,570										
2023	84,948	71,755											
2024	89,728												

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

Accident	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													116,926
2008												134,904	112,378
2009											149,305	124,634	108,012
2010										164,744	130,191	109,204	94,394
2011									170,288	148,246	122,134	103,166	90,590
2012								229,363	161,528	143,153	119,686	102,275	89,104
2013							261,686	210,846	148,306	131,098	110,616	97,153	
2014						325,116	269,945	219,415	155,413	140,168	113,644		
2015					377,749	317,098	268,729	217,024	156,456	135,496			
2016				534,811	360,071	304,781	257,186	214,717	149,997				
2017			685,205	525,206	360,014	301,407	260,642	216,891					
2018		872,944	756,871	584,246	394,275	332,277	288,650						
2019	701,409	929,334	836,458	664,325	462,269	398,631							
2020	642,378	897,253	801,949	643,553	454,729								
2021	667,140	890,000	819,476	670,538									
2022	765,994	1,046,367	938,423										
2023	875,635	1,137,915											
2024	980,782												

- (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	Evaluated as of (in months)												
	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													2,736,771
2008												2,762,622	2,791,170
2009											2,636,299	2,666,025	2,699,615
2010										2,623,306	2,658,401	2,690,461	2,721,425
2011									2,561,513	2,603,635	2,645,189	2,671,375	2,691,348
2012								2,610,047	2,669,242	2,714,495	2,751,740	2,785,682	2,810,270
2013							2,644,222	2,718,882	2,772,697	2,811,165	2,842,074	2,866,402	
2014						2,760,461	2,867,146	2,944,701	2,997,093	3,047,181	3,081,473		
2015					2,732,402	2,891,169	3,012,447	3,090,927	3,148,233	3,193,425			
2016				2,469,601	2,723,112	2,887,839	3,010,687	3,093,955	3,154,380				
2017			2,044,510	2,473,019	2,743,599	2,918,678	3,039,186	3,126,767					
2018		1,386,287	2,115,736	2,585,556	2,872,889	3,076,018	3,203,654						
2019	473,643	1,451,036	2,248,262	2,783,627	3,123,405	3,362,650							
2020	454,566	1,344,075	2,070,889	2,566,044	2,880,484								
2021	514,155	1,510,240	2,311,564	2,841,339									
2022	576,038	1,704,193	2,605,393										
2023	603,730	1,790,731											
2024	623,802												

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

Accident Year	Evaluated as of (in months)												
	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													2,853,697
2008												2,897,527	2,903,548
2009											2,785,604	2,790,659	2,807,627
2010										2,788,051	2,788,592	2,799,664	2,815,819
2011									2,731,801	2,751,881	2,767,322	2,774,541	2,781,938
2012								2,839,410	2,830,770	2,857,647	2,871,427	2,887,957	2,899,374
2013							2,905,908	2,929,728	2,921,003	2,942,263	2,952,690	2,963,555	
2014						3,085,577	3,137,091	3,164,116	3,152,506	3,187,349	3,195,117		
2015					3,110,151	3,208,266	3,281,176	3,307,952	3,304,688	3,328,922			
2016				3,004,412	3,083,183	3,192,620	3,267,873	3,308,672	3,304,378				
2017			2,729,716	2,998,225	3,103,613	3,220,085	3,299,828	3,343,658					
2018		2,259,231	2,872,608	3,169,802	3,267,164	3,408,294	3,492,304						
2019	1,175,051	2,380,370	3,084,720	3,447,951	3,585,675	3,761,281							
2020	1,096,944	2,241,329	2,872,838	3,209,597	3,335,213								
2021	1,181,295	2,400,240	3,131,040	3,511,876									
2022	1,342,032	2,750,560	3,543,816										
2023	1,479,365	2,928,647											
2024	1,604,584												

I. Indemnity Incurred Loss Development Factors Based on Adjusted Total Indemnity 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
2007												
2008												1.002
2009											1.002	1.006
2010										1.000	1.004	1.006
2011									1.007	1.006	1.003	1.003
2012								0.997	1.009	1.005	1.006	1.004
2013							1.008	0.997	1.007	1.004	1.004	
2014						1.017	1.009	0.996	1.011	1.002		
2015					1.032	1.023	1.008	0.999	1.007			
2016				1.026	1.035	1.024	1.012	0.999				
2017			1.098	1.035	1.038	1.025	1.013					
2018		1.271	1.103	1.031	1.043	1.025						
2019	2.026	1.296	1.118	1.040	1.049							
2020	2.043	1.282	1.117	1.039								
2021	2.032	1.304	1.122									
2022	2.050	1.288										
2023	1.980											
Latest Year	1.980	1.288	1.122	1.039	1.049	1.025	1.013	0.999	1.007	1.002	1.004	1.004
3-Yr Average	2.020	1.292	1.119	1.037	1.043	1.024	1.011	0.998	1.009	1.004	1.004	1.004

(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	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
2007												
2008												1.006
2009											1.005	1.008
2010										1.006	1.004	1.004
2011									1.008	1.007	1.005	1.005
2012								1.013	1.007	1.007	1.005	1.002
2013							1.013	1.007	1.006	1.006	1.005	
2014						1.016	1.011	1.006	1.009	1.006		
2015					1.027	1.017	1.008	1.008	1.008			
2016				1.046	1.026	1.017	1.011	1.007				
2017			1.088	1.042	1.028	1.016	1.014					
2018		1.228	1.083	1.043	1.029	1.020						
2019	1.900	1.231	1.099	1.052	1.035							
2020	1.815	1.239	1.109	1.053								
2021	1.908	1.253	1.109									
2022	1.945	1.262										
2023	1.970											

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

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
2007												
2008												-0.35%
2009											-0.35%	-0.16%
2010										-0.59%	-0.03%	0.18%
2011									-0.09%	-0.12%	-0.21%	-0.23%
2012								-1.58%	0.22%	-0.21%	0.06%	0.24%
2013							-0.44%	-1.02%	0.12%	-0.22%	-0.17%	
2014						0.11%	-0.27%	-0.92%	0.19%	-0.38%		
2015					0.46%	0.57%	-0.02%	-0.93%	-0.03%			
2016				-1.93%	0.94%	0.67%	0.12%	-0.82%				
2017			0.91%	-0.68%	0.94%	0.84%	-0.05%					
2018		3.54%	1.91%	-1.17%	1.43%	0.43%						
2019	6.61%	5.25%	1.69%	-1.14%	1.32%							
2020	12.60%	3.42%	0.72%	-1.33%								
2021	6.47%	4.09%	1.18%									
2022	5.40%	2.12%										
2023	0.48%											

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

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
2007												1.002
2008												1.006
2009											1.001	1.006
2010										1.000	1.004	1.006
2011									1.007	1.006	1.002	1.003
2012								0.997	1.009	1.005	1.006	1.004
2013							1.009	0.997	1.007	1.004	1.003	
2014						1.017	1.008	0.997	1.011	1.002		
2015					1.032	1.023	1.008	0.999	1.008			
2016				1.026	1.036	1.024	1.012	0.999				
2017			1.098	1.036	1.038	1.024	1.014					
2018		1.271	1.104	1.031	1.043	1.024						
2019	2.026	1.296	1.118	1.040	1.049							
2020	2.044	1.281	1.117	1.039								
2021	2.031	1.304	1.122									
2022	2.045	1.288										
2023	1.979											
3-Year Average	2.018	1.291	1.119	1.037	1.043	1.024	1.011	0.998	1.009	1.004	1.004	1.004

- (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 AC25-03-02, 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	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													105,714
2008												96,480	102,031
2009											88,707	97,739	100,947
2010										68,118	74,820	74,458	78,031
2011									64,322	69,420	73,611	79,111	82,580
2012								55,683	63,291	69,030	68,132	72,264	74,579
2013							44,848	52,146	55,008	61,825	64,775	64,473	
2014						37,288	43,278	48,943	54,758	58,571	62,370		
2015					35,669	41,238	44,904	49,919	55,726	58,340			
2016				29,831	35,723	40,083	44,500	48,121	53,074				
2017			26,850	32,281	37,322	43,479	47,912	56,042					
2018		22,368	26,362	30,222	35,568	41,854	45,113						
2019	17,704	22,179	24,961	28,763	33,014	37,104							
2020	18,361	21,480	25,449	29,957	33,463								
2021	18,163	22,220	26,589	31,058									
2022	18,361	22,531	26,990										
2023	18,524	22,018											
2024	18,795												

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

Accident	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													25,972
2008												27,598	28,208
2009											28,728	29,183	29,761
2010										27,730	28,533	29,254	29,808
2011									25,221	25,897	26,580	27,020	27,353
2012								22,343	23,258	23,788	24,440	24,956	25,285
2013							19,886	20,741	21,436	21,965	22,308	22,719	
2014						18,131	19,174	20,001	20,764	21,312	21,687		
2015					16,234	17,603	18,591	19,496	20,157	20,692			
2016				13,521	15,449	16,737	17,889	18,765	19,363				
2017			10,652	13,394	15,380	16,790	18,083	18,853					
2018		6,974	11,001	13,910	16,064	17,772	19,109						
2019	3,428	6,639	10,703	14,166	16,681	18,559							
2020	2,831	6,803	11,309	15,154	17,863								
2021	2,780	6,360	10,905	14,680									
2022	2,727	7,059	11,551										
2023	3,574	7,364											
2024	4,524												

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

Accident	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2007													
2008													8.6%
2009												5.7%	5.5%
2010											2.4%	2.4%	1.9%
2011										-4.3%	-4.6%	-4.7%	-4.7%
2012									2.9%	2.8%	2.7%	3.0%	3.0%
2013								-7.2%	-7.8%	-7.7%	-8.7%	-9.0%	
2014							-3.6%	-3.6%	-3.1%	-3.0%	-2.8%		
2015					-4.8%	-2.9%	-3.0%	-2.5%	-2.9%	-2.9%			
2016					-4.9%	-4.9%	-3.8%	-3.8%	-3.9%				
2017				-0.9%	-0.4%	0.3%	1.1%	0.5%					
2018			3.3%	3.9%	4.5%	5.8%	5.7%						
2019		-4.8%	-2.7%	1.8%	3.8%	4.4%							
2020	-17.4%	2.5%	5.7%	7.0%	7.1%								
2021	-1.8%	-6.5%	-3.6%	-3.1%									
2022	-1.9%	11.0%	5.9%										
2023	31.0%	4.3%											
2024	26.6%												

(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 medical 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	Evaluated as of (in months)												
Year	12	24	36	48	60	72	84	96	108	120	132	144	156
2006													
2007													65,070
2008												66,679	70,674
2009											70,053	70,509	74,565
2010										68,175	71,757	72,217	75,956
2011									61,938	65,210	68,446	68,792	72,378
2012								66,416	63,750	67,067	70,289	70,822	74,579
2013							46,946	61,653	58,756	61,928	64,156	64,473	
2014						36,248	45,266	59,454	56,913	60,085	62,370		
2015					30,412	35,192	43,890	57,952	55,249	58,340			
2016				28,606	28,941	33,461	42,232	55,778	53,074				
2017			24,890	28,337	28,811	33,567	42,689	56,042					
2018		20,853	25,705	29,429	30,094	35,530	45,113						
2019	14,240	19,850	25,008	29,971	31,249	37,104							
2020	11,761	20,341	26,425	32,060	33,463								
2021	11,549	19,015	25,482	31,058									
2022	11,330	21,106	26,990										
2023	14,846	22,018											
2024	18,795												

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

Accident Year	Evaluated as of (in months)												
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
2006													
2007													216,789
2008												244,066	206,410
2009											280,964	225,690	199,053
2010										313,348	254,298	204,700	179,406
2011									337,305	272,716	230,567	188,026	168,205
2012								463,604	334,250	275,741	237,104	195,115	173,621
2013							428,254	402,122	289,377	239,123	205,811	174,787	
2014						469,911	408,596	389,200	282,830	238,539	197,525		
2015					537,498	436,318	388,806	370,817	272,655	221,749			
2016				740,471	499,784	408,255	365,502	358,375	256,454				
2017			983,395	725,207	496,900	404,342	372,720	363,431					
2018		1,334,809	1,095,879	821,896	555,338	455,747	421,582						
2019	1,195,056	1,347,687	1,173,606	906,696	634,261	533,849							
2020	862,919	1,229,268	1,087,674	875,756	625,791								
2021	918,133	1,202,504	1,117,756	916,185									
2022	939,271	1,424,398	1,283,902										
2023	1,261,110	1,579,914											
2024	1,686,443												

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
2006													
2007													3,999,109
2008												3,972,833	4,021,607
2009											3,770,352	3,819,052	3,873,055
2010										3,769,327	3,834,543	3,881,486	3,915,121
2011									3,462,542	3,525,408	3,579,624	3,619,133	3,651,807
2012								3,328,043	3,405,113	3,471,598	3,520,198	3,568,844	3,605,362
2013							3,165,089	3,255,935	3,328,927	3,383,013	3,428,708	3,472,722	
2014						3,081,228	3,213,838	3,319,663	3,392,214	3,450,269	3,495,668		
2015					2,943,267	3,127,243	3,265,338	3,361,347	3,438,117	3,506,975			
2016				2,661,879	2,924,962	3,113,027	3,263,388	3,356,413	3,437,540				
2017			2,277,279	2,681,566	2,959,544	3,167,392	3,307,299	3,413,530					
2018		1,741,970	2,400,755	2,872,770	3,174,627	3,406,133	3,575,593						
2019	730,012	1,713,506	2,446,824	2,980,226	3,345,699	3,609,406							
2020	619,723	1,544,978	2,230,188	2,734,594	3,089,075								
2021	681,054	1,698,112	2,462,833	3,048,753									
2022	706,432	1,852,545	2,729,596										
2023	744,210	1,967,488											
2024	843,922												

- (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
2006													
2007													4,215,899
2008												4,216,899	4,228,017
2009											4,051,316	4,044,742	4,072,107
2010										4,082,675	4,088,841	4,086,186	4,094,528
2011									3,799,847	3,798,124	3,810,190	3,807,159	3,820,013
2012								3,791,647	3,739,363	3,747,338	3,757,302	3,763,958	3,778,982
2013							3,593,343	3,658,057	3,618,303	3,622,136	3,634,519	3,647,509	
2014						3,551,139	3,622,434	3,708,863	3,675,044	3,688,808	3,693,193		
2015					3,480,765	3,563,561	3,654,145	3,732,164	3,710,772	3,728,725			
2016				3,402,350	3,424,747	3,521,282	3,628,889	3,714,787	3,693,994				
2017			3,260,674	3,406,773	3,456,444	3,571,735	3,680,019	3,776,961					
2018		3,076,779	3,496,634	3,694,666	3,729,965	3,861,879	3,997,175						
2019	1,925,068	3,061,193	3,620,429	3,886,922	3,979,960	4,143,255							
2020	1,482,641	2,774,246	3,317,862	3,610,350	3,714,866								
2021	1,599,188	2,900,617	3,580,589	3,964,938									
2022	1,645,703	3,276,943	4,013,498										
2023	2,005,320	3,547,402											
2024	2,530,365												

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
2007												
2008												1.003
2009											0.998	1.007
2010										1.002	0.999	1.002
2011									1.000	1.003	0.999	1.003
2012								0.986	1.002	1.003	1.002	1.004
2013							1.018	0.989	1.001	1.003	1.004	
2014						1.020	1.024	0.991	1.004	1.001		
2015					1.024	1.025	1.021	0.994	1.005			
2016				1.007	1.028	1.031	1.024	0.994				
2017			1.045	1.015	1.033	1.030	1.026					
2018		1.136	1.057	1.010	1.035	1.035						
2019	1.590	1.183	1.074	1.024	1.041							
2020	1.871	1.196	1.088	1.029								
2021	1.814	1.234	1.107									
2022	1.991	1.225										
2023	1.769											
Latest Year	1.769	1.225	1.107	1.029	1.041	1.035	1.026	0.994	1.005	1.001	1.004	1.004
3-Yr Avera	1.858	1.218	1.090	1.021	1.037	1.032	1.024	0.993	1.003	1.002	1.002	1.003

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
2007												
2008												0.999
2009											1.001	1.003
2010										1.004	0.998	1.002
2011									1.001	1.003	1.002	1.002
2012								1.005	1.005	0.999	1.005	1.003
2013							1.006	1.001	1.006	1.004	1.003	
2014						1.011	1.010	1.007	1.005	1.003		
2015					1.018	1.007	1.005	1.009	1.004			
2016				1.031	1.017	1.013	1.005	1.008				
2017			1.051	1.027	1.024	1.009	1.014					
2018		1.110	1.054	1.031	1.029	1.014						
2019	1.452	1.124	1.064	1.043	1.032							
2020	1.445	1.153	1.084	1.045								
2021	1.460	1.169	1.092									
2022	1.514	1.190										
2023	1.531											

(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
2007												
2008												0.41%
2009											-0.30%	0.42%
2010										-0.27%	0.11%	0.04%
2011									-0.12%	0.01%	-0.28%	0.12%
2012								-1.91%	-0.28%	0.41%	-0.30%	0.11%
2013							1.18%	-1.19%	-0.50%	-0.06%	0.06%	
2014						0.88%	1.39%	-1.57%	-0.13%	-0.16%		
2015					0.56%	1.86%	1.65%	-1.44%	0.07%			
2016				-2.40%	1.11%	1.75%	1.89%	-1.32%				
2017			-0.55%	-1.22%	0.89%	2.09%	1.25%					
2018		2.37%	0.22%	-2.04%	0.61%	2.12%						
2019	9.48%	5.26%	0.90%	-1.81%	0.92%							
2020	29.49%	3.75%	0.40%	-1.57%								
2021	24.21%	5.56%	1.36%									
2022	31.56%	2.94%										
2023	15.58%											

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
2007												1.003
2008											0.998	1.007
2009										1.002	1.000	1.002
2010									1.001	1.004	1.000	1.004
2011								0.987	1.002	1.003	1.002	1.004
2012							1.018	0.989	1.001	1.003	1.004	
2013						1.020	1.024	0.991	1.004	1.001		
2014					1.024	1.026	1.022	0.994	1.005			
2015				1.006	1.028	1.031	1.024	0.995				
2016			1.045	1.015	1.033	1.030	1.027					
2017		1.136	1.056	1.010	1.035	1.035						
2018		1.590	1.183	1.074	1.024	1.041						
2019	1.871	1.196	1.088	1.029								
2020	1.813	1.234	1.107									
2021	1.988	1.225										
2022	1.768											
2023												
3-Year Average	1.857	1.218	1.090	1.021	1.037	1.032	1.024	0.993	1.003	1.003	1.002	1.004

(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 AC25-03-02, 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, 2024**

	(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)
2013	0.213	1.004	1.029	0.220	0.263	1.004	1.006	0.264	0.484
2014	0.202	1.004	1.033	0.208	0.233	1.002	1.008	0.235	0.444
2015	0.196	1.004	1.037	0.203	0.219	1.003	1.011	0.221	0.424
2016	0.184	1.009	1.046	0.193	0.206	1.003	1.014	0.209	0.402
2017	0.190	0.998	1.044	0.198	0.214	0.993	1.007	0.215	0.413
2018	0.201	1.011	1.055	0.212	0.230	1.024	1.031	0.237	0.449
2019	0.234	1.024	1.081	0.253	0.257	1.032	1.064	0.274	0.526
2020	0.237	1.043	1.128	0.267	0.264	1.037	1.103	0.291	0.558
2021	0.259	1.037	1.169	0.302	0.292	1.021	1.126	0.329	0.631
2022	0.231	1.119	1.308	0.302	0.262	1.090	1.227	0.322	0.624
2023	0.186	1.292	1.689	0.314	0.225	1.218	1.495	0.337	0.651
2024	0.104	2.020	3.413	0.354	0.163	1.857	2.776	0.454	0.808

- (a) Based on AC25-03-02, Exhibit 1.
- (b) Age-to-age factors for developing accident years 2013 to 2024 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 2013 to 2024 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, 2024**

	(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)
2013	0.220	1.514	0.778	0.427
2014	0.208	1.386	0.717	0.403
2015	0.203	1.367	0.685	0.405
2016	0.193	1.350	0.707	0.368
2017	0.198	1.314	0.741	0.351
2018	0.212	1.280	0.780	0.348
2019	0.253	1.246	0.865	0.364
2020	0.267	1.210	0.915	0.353
2021	0.302	1.165	0.954	0.370
2022	0.302	1.128	0.940	0.363
2023	0.314	1.102	0.962	0.360
2024	0.354	1.068	0.930	0.407
				Projected (d)
2025				0.379
2026				0.379
9/1/2026				0.379

(a) See Exhibit 4.9.

(b) Based on AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.264	0.987	0.778	0.335
2014	0.235	1.042	0.717	0.342
2015	0.221	1.068	0.685	0.345
2016	0.209	1.070	0.707	0.316
2017	0.215	1.072	0.741	0.312
2018	0.237	1.082	0.780	0.328
2019	0.274	1.072	0.865	0.339
2020	0.291	1.055	0.915	0.335
2021	0.329	1.056	0.954	0.364
2022	0.322	1.016	0.940	0.348
2023	0.337	1.014	0.962	0.355
2024	0.454	1.011	0.930	0.493
				Projected (d)
2025				0.437
2026				0.450
9/1/2026				0.452

(a) See Exhibit 4.9.

(b) Based on AC25-03-02, Exhibit 4.4.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, Exhibit 6.4.

**Developed Loss Ratio Unadjusted 3-Year Average Paid Development Factors
Based on Experience as of December 31, 2024**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Indemnity				Medical				
Accident	Reported	Annual	Cumulative	Developed	Reported	Annual	Cumulative	Developed	Total
<u>Year</u>	<u>Paid</u>	<u>Development</u>	<u>Development</u>	<u>Loss Ratio</u>	<u>Paid</u>	<u>Development</u>	<u>Development</u>	<u>Loss Ratio</u>	<u>Developed</u>
	<u>Loss Ratio (a)</u>	<u>Factor (b)</u>	<u>Factor</u>	<u>(1) x (3)</u>	<u>Loss Ratio (a)</u>	<u>Factor (c)</u>	<u>Factor</u>	<u>(5) x (7)</u>	<u>Loss Ratio</u>
									<u>(4) + (8)</u>
2013	0.206	1.009	1.078	0.223	0.250	1.009	1.185	0.297	0.519
2014	0.195	1.010	1.089	0.212	0.221	1.013	1.200	0.265	0.477
2015	0.188	1.012	1.102	0.207	0.206	1.013	1.216	0.250	0.457
2016	0.176	1.015	1.119	0.197	0.192	1.018	1.237	0.237	0.434
2017	0.177	1.019	1.140	0.202	0.193	1.023	1.266	0.245	0.447
2018	0.184	1.028	1.172	0.216	0.205	1.030	1.303	0.268	0.483
2019	0.209	1.042	1.221	0.255	0.224	1.047	1.365	0.306	0.561
2020	0.205	1.071	1.307	0.267	0.219	1.074	1.466	0.322	0.589
2021	0.209	1.118	1.462	0.306	0.225	1.119	1.641	0.369	0.675
2022	0.170	1.235	1.806	0.307	0.178	1.227	2.014	0.359	0.666
2023	0.114	1.534	2.769	0.315	0.125	1.456	2.932	0.366	0.682
2024	0.040	2.950	8.169	0.329	0.054	2.585	7.579	0.413	0.742

(a) Based on AC25-03-02, Exhibit 1.

(b) Age-to-age factors are selected as three-year averages based on AC25-03-02, Exhibit 2.5.

(c) Age-to-age factors are selected as three-year averages based on AC25-03-02, 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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.202	1.314	0.741	0.359
2018	0.216	1.280	0.780	0.355
2019	0.255	1.246	0.865	0.368
2020	0.267	1.210	0.915	0.354
2021	0.306	1.165	0.954	0.374
2022	0.307	1.128	0.940	0.368
2023	0.315	1.102	0.962	0.361
2024	0.329	1.068	0.930	0.378
				Projected (d)
2025				0.366
2026				0.366
9/1/2026				0.366

(a) See Exhibit 5.1.

(b) Based on AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.297	0.987	0.778	0.376
2014	0.265	1.042	0.717	0.385
2015	0.250	1.068	0.685	0.390
2016	0.237	1.070	0.707	0.359
2017	0.245	1.072	0.741	0.354
2018	0.268	1.082	0.780	0.371
2019	0.306	1.072	0.865	0.379
2020	0.322	1.055	0.915	0.371
2021	0.369	1.056	0.954	0.408
2022	0.359	1.016	0.940	0.388
2023	0.366	1.014	0.962	0.386
2024	0.413	1.011	0.930	0.449
				Projected (d)
2025				0.431
2026				0.444
9/1/2026				0.446

(a) See Exhibit 5.1.

(b) Based on AC25-03-02, Exhibit 4.4.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, Exhibit 6.4.

**Developed Loss Ratio Unadjusted Latest Year Paid Development Factors
Based on Experience as of December 31, 2024**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Indemnity				Medical				
Accident	Reported	Annual	Cumulative	Developed	Reported	Annual	Cumulative	Developed	Total
Year	<u>Loss Ratio (a)</u>	<u>Factor (b)</u>	<u>Factor</u>	<u>Loss Ratio</u> <u>(1) x (3)</u>	<u>Loss Ratio (a)</u>	<u>Factor (c)</u>	<u>Factor</u>	<u>Loss Ratio</u> <u>(5) x (7)</u>	<u>Loss Ratio</u> <u>(4) + (8)</u>
2013	0.206	1.009	1.078	0.223	0.250	1.009	1.185	0.297	0.519
2014	0.195	1.010	1.089	0.212	0.221	1.013	1.200	0.265	0.477
2015	0.188	1.012	1.102	0.207	0.206	1.013	1.216	0.250	0.457
2016	0.176	1.015	1.119	0.197	0.192	1.018	1.237	0.237	0.434
2017	0.177	1.020	1.141	0.202	0.193	1.024	1.267	0.245	0.447
2018	0.184	1.029	1.174	0.216	0.205	1.032	1.307	0.268	0.485
2019	0.209	1.042	1.224	0.256	0.224	1.050	1.373	0.308	0.563
2020	0.205	1.077	1.318	0.270	0.219	1.079	1.481	0.325	0.594
2021	0.209	1.122	1.478	0.309	0.225	1.130	1.674	0.376	0.685
2022	0.170	1.229	1.817	0.309	0.178	1.238	2.072	0.369	0.678
2023	0.114	1.529	2.778	0.316	0.125	1.473	3.052	0.381	0.698
2024	0.040	2.961	8.226	0.332	0.054	2.644	8.070	0.440	0.771

- (a) Based on AC25-03-02, 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 AC25-03-02, 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 AC25-03-02, 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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.202	1.314	0.741	0.359
2018	0.216	1.280	0.780	0.355
2019	0.256	1.246	0.865	0.369
2020	0.270	1.210	0.915	0.356
2021	0.309	1.165	0.954	0.378
2022	0.309	1.128	0.940	0.370
2023	0.316	1.102	0.962	0.362
2024	0.332	1.068	0.930	0.381
				Projected (d)
2025				0.368
2026				0.368
9/1/2026				0.368

(a) See Exhibit 6.1.

(b) Based on AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.297	0.987	0.778	0.376
2014	0.265	1.042	0.717	0.385
2015	0.250	1.068	0.685	0.390
2016	0.237	1.070	0.707	0.359
2017	0.245	1.072	0.741	0.355
2018	0.268	1.082	0.780	0.372
2019	0.308	1.072	0.865	0.381
2020	0.325	1.055	0.915	0.375
2021	0.376	1.056	0.954	0.416
2022	0.369	1.016	0.940	0.399
2023	0.381	1.014	0.962	0.402
2024	0.440	1.011	0.930	0.478
				Projected (d)
2025				0.454
2026				0.468
9/1/2026				0.470

(a) See Exhibit 6.1.

(b) Based on AC25-03-02, Exhibit 4.4.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, 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 Year	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							144,653
2016						147,630	147,693
2017					147,920	148,079	148,260
2018				150,432	150,745	151,049	151,239
2019			152,517	153,674	154,375	154,720	
2020		129,946	133,438	134,625	134,649		
2021	116,442	143,239	147,102	148,155			
2022	122,299	152,262	156,946				
2023	125,724	158,409					
2024	129,360						

B. 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
2016						1.000	
2017					1.001	1.001	
2018				1.002	1.002	1.001	
2019			1.008	1.005	1.002		
2020		1.027	1.009	1.000			
2021	1.230	1.027	1.007				
2022	1.245	1.031					
2023	1.260						
Latest Year	1.260	1.031	1.007	1.000	1.002	1.001	
Cumulative	1.318	1.046	1.015	1.008	1.008	1.006	1.004

Acc. Year	2024	2023	2022	2021	2020	2019	2018
Ult. Claim Counts	170,551	165,757	159,325	149,332	135,694	155,573	151,882

C. Closed Indemnity Claim Counts

Accident Year	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							135,794
2016						135,429	139,039
2017					130,673	136,034	139,529
2018				122,503	132,291	138,222	141,894
2019			105,588	123,421	134,078	140,332	
2020		69,513	92,277	107,309	115,948		
2021	36,940	80,000	103,238	118,656			
2022	39,397	84,775	109,376				
2023	40,776	86,654					
2024	39,632						

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)					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>84</u>
2015						93.5%
2016						91.3%
2017					87.8%	91.4%
2018				80.7%	87.1%	91.0%
2019			67.9%	79.3%	86.2%	90.2%
2020		51.2%	68.0%	79.1%	85.4%	
2021	24.7%	53.6%	69.1%	79.5%		
2022	24.7%	53.2%	68.6%			
2023	24.6%	52.3%				
2024	23.2%					

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

Accident Year	Evaluated as of (in months)					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>84</u>
2015						135,628
2016						133,769
2017					127,224	134,304
2018				120,683	129,780	137,002
2019			106,801	123,616	132,934	140,332
2020		70,938	93,154	107,820	115,948	
2021	34,701	78,067	102,516	118,656		
2022	37,023	83,291	109,376			
2023	38,518	86,654				
2024	39,632					

F. Average Paid Indemnity per Closed Claim

Accident Year	Evaluated as of (in months)					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>84</u>
2015						19,274
2016						17,854
2017					16,495	17,883
2018				14,656	16,883	18,514
2019			11,455	15,384	17,996	19,802
2020		7,664	12,522	16,506	19,214	
2021	3,171	7,265	12,007	15,925		
2022	3,492	8,003	12,678			
2023	3,895	8,186				
2024	4,131					

(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)					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u> <u>84</u>
2015						19,228
2016						17,410 18,738
2017					15,632	17,423 18,831
2018				14,236	16,281	18,167 19,626
2019			11,687	15,428	17,696	19,802
2020		7,903	12,725	16,655	19,214	
2021	3,038	6,999	11,821	15,925		
2022	3,344	7,789	12,678			
2023	3,756	8,186				
2024	4,131					

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

Accident Year	Evaluated as of (in months)					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u> <u>84</u>
2015						2,607,846
2016					2,328,947	2,596,036
2017				1,988,815	2,339,995	2,619,410
2018				1,718,032	2,112,994	2,488,893 2,784,779
2019			1,248,217	1,907,192	2,352,454	2,778,833
2020		560,627	1,185,392	1,795,720	2,227,796	
2021	105,406	546,416	1,211,830	1,889,594		
2022	123,792	648,773	1,386,702			
2023	144,663	709,325				
2024	163,713					

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

Accident Year	Evaluated as of (in months)					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u> <u>84</u>
2015						395,119
2016					469,925	385,420
2017					588,203	485,934 392,639
2018				790,165	639,443	516,916 418,875
2019			1,038,720	884,884	710,472	583,817
2020		811,351	915,445	794,851	652,687	
2021	397,009	929,078	1,072,016	951,745		
2022	438,469	1,025,724	1,218,692			
2023	444,887	1,081,406				
2024	460,089					

- (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	Evaluated as of (in months)						
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>
2015							44,753
2016						40,243	44,935
2017					35,223	40,927	47,064
2018				28,049	35,366	41,582	44,823
2019			22,134	29,250	36,562	40,577	
2020		13,426	22,241	29,098	34,901		
2021	4,994	9,987	22,037	32,264			
2022	5,289	10,578	25,619				
2023	5,237	15,071					
2024	5,128						

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

Accident	Evaluated as of (in months)						
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>
2015							7,474
2016						66,844	22,198
2017					121,486	70,803	20,237
2018				51,077	88,803	50,730	
2019			-26,827	-5,674	41,827		
2020		-19,131	-19,505	-14,869			
2021	11,181	19,306	15,911				
2022	12,556	15,698					
2023	11,826						

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

Accident	Evaluated as of (in months)						
<u>Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>
2015							402,593
2016						536,769	407,618
2017					709,688	556,737	412,877
2018				841,242	728,246	567,646	418,875
2019			1,011,894	879,209	752,299	583,817	
2020		792,219	895,940	779,982	652,687		
2021	408,190	948,384	1,087,927	951,745			
2022	451,025	1,041,422	1,218,692				
2023	456,712	1,081,406					
2024	460,089						

(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	Evaluated as of (in months)						
Year	12	24	36	48	60	72	84
2015							3,010,439
2016						2,865,717	3,003,654
2017					2,698,503	2,896,732	3,032,286
2018				2,559,274	2,841,241	3,056,539	3,203,654
2019			2,260,111	2,786,402	3,104,753	3,362,650	
2020		1,352,846	2,081,332	2,575,702	2,880,484		
2021	513,596	1,494,799	2,299,757	2,841,339			
2022	574,817	1,690,194	2,605,393				
2023	601,375	1,790,731					
2024	623,802						

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

Accident	Evaluated as of (in months)					
Year	12-24	24-36	36-48	48-60	60-72	72-84
2015						
2016						1.048
2017					1.073	1.047
2018				1.110	1.076	1.048
2019			1.233	1.114	1.083	
2020		1.538	1.238	1.118		
2021	2.910	1.539	1.235			
2022	2.940	1.541				
2023	2.978					
Latest Year	2.978	1.541	1.235	1.118	1.083	1.048
3-Year Average	2.943	1.539	1.235	1.114	1.077	1.048

O. Paid Indemnity Loss Development Factors (i)

Accident	Evaluated as of (in months)					
Year	12-24	24-36	36-48	48-60	60-72	72-84
2016						1.043
2017					1.064	1.041
2018				1.111	1.071	1.041
2019			1.238	1.122	1.077	
2020		1.541	1.239	1.123		
2021	2.937	1.531	1.229			
2022	2.958	1.529				
2023	2.966					

(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 Year	Evaluated as of (in months)					
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>
2016						0.54%
2017					0.91%	0.53%
2018				-0.09%	0.47%	0.64%
2019			-0.43%	-0.70%	0.60%	
2020		-0.15%	-0.13%	-0.37%		
2021	-0.91%	0.52%	0.51%			
2022	-0.61%	0.83%				
2023	0.39%					

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

Accident Year	Evaluated as of (in months)					
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>
2016						1.049
2017					1.074	1.047
2018				1.110	1.076	1.049
2019			1.233	1.114	1.083	
2020		1.539	1.237	1.118		
2021	2.910	1.539	1.235			
2022	2.934	1.542				
2023	2.973					
Latest Year	2.973	1.542	1.235	1.118	1.083	1.049
2-Year Average	2.953	1.540	1.236	1.116	1.080	1.048
3-Year Average	2.939	1.540	1.235	1.114	1.078	1.048

- (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
2015							144,850
2016						147,834	147,897
2017					148,294	148,454	148,635
2018				150,807	151,121	151,426	151,614
2019			152,780	153,939	154,641	154,984	
2020		130,080	133,575	134,764	134,789		
2021	116,464	143,266	147,130	148,186			
2022	122,331	152,302	156,988				
2023	125,745	158,439					
2024	129,433						

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
2016						1.000	
2017					1.001	1.001	
2018				1.002	1.002	1.001	
2019			1.008	1.005	1.002		
2020		1.027	1.009	1.000			
2021	1.230	1.027	1.007				
2022	1.245	1.031					
2023	1.260						
Latest Year	1.260	1.031	1.007	1.000	1.002	1.001	
Cumulative	1.324	1.051	1.019	1.012	1.012	1.010	1.008

Acc. Year	2024	2023	2022	2021	2020	2019	2018
Ult. Claim Counts	171,364	166,481	160,032	149,983	136,398	156,487	152,895

T. Closed Indemnity Claim Counts

Accident Year	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							135,984
2016						135,616	139,230
2017					131,011	136,386	139,890
2018				122,815	132,628	138,574	142,260
2019			105,772	123,636	134,311	140,588	
2020		69,588	92,376	107,425	116,087		
2021	36,946	80,014	103,256	118,682			
2022	39,406	84,795	109,408				
2023	40,785	86,668					
2024	39,641						

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	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							93.2%
2016						90.9%	93.4%
2017					87.4%	91.0%	93.3%
2018				80.3%	86.7%	90.6%	93.0%
2019			67.6%	79.0%	85.8%	89.8%	
2020		51.0%	67.7%	78.8%	85.1%		
2021	24.6%	53.3%	68.8%	79.1%			
2022	24.6%	53.0%	68.4%				
2023	24.5%	52.1%					
2024	23.1%						

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

Accident Year	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							135,826
2016						133,972	138,750
2017					127,570	134,662	139,465
2018				120,986	130,127	137,360	142,260
2019			106,984	123,829	133,185	140,588	
2020		71,007	93,250	107,932	116,087		
2021	34,695	78,080	102,538	118,682			
2022	37,020	83,311	109,408				
2023	38,511	86,668					
2024	39,641						

W. Average Paid Medical per Closed Indemnity Claim

Accident Year	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							18,591
2016						16,737	17,889
2017					15,380	16,790	18,083
2018				13,910	16,064	17,772	19,109
2019			10,703	14,166	16,681	18,559	
2020		6,803	11,309	15,154	17,863		
2021	2,780	6,360	10,905	14,680			
2022	2,727	7,059	11,551				
2023	3,574	7,364					
2024	4,524						

(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
2015							18,548
2016						16,327	17,732
2017					14,575	16,324	17,921
2018				13,535	15,485	17,409	19,109
2019			10,908	14,208	16,396	18,559	
2020		7,022	11,503	15,301	17,863		
2021	2,662	6,128	10,725	14,680			
2022	2,594	6,843	11,551				
2023	3,448	7,364					
2024	4,524						

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
2015							2,519,259
2016						2,187,307	2,460,315
2017					1,859,284	2,198,215	2,499,374
2018				1,637,579	2,015,073	2,391,357	2,718,501
2019			1,167,028	1,759,371	2,183,667	2,609,132	
2020		498,613	1,072,644	1,651,438	2,073,607		
2021	92,365	478,448	1,099,766	1,742,262			
2022	96,038	570,096	1,263,720				
2023	132,778	638,220					
2024	179,342						

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

Accident Year	Evaluated as of (in months)						
	12	24	36	48	60	72	84
2015							452,335
2016						542,913	467,753
2017					630,946	559,310	455,940
2018				831,161	704,711	596,732	505,795
2019			992,282	892,530	759,445	646,870	
2020		824,156	916,504	824,496	726,363		
2021	399,610	907,171	1,030,815	985,665			
2022	418,517	964,218	1,147,237				
2023	410,299	1,025,291					
2024	464,520						

(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
2015							51,018
2016						44,436	53,972
2017					36,507	46,345	52,137
2018				29,693	38,107	46,431	54,073
2019			21,109	29,453	37,356	44,934	
2020		13,624	22,246	30,158	38,839		
2021	5,025	14,342	23,495	33,408			
2022	5,047	14,283	24,112				
2023	4,829	14,286					
2024	5,173						

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
2015							7,677
2016						70,488	24,884
2017					123,894	75,527	22,979
2018				51,602	92,827	55,515	
2019			-25,605	-5,684	41,455		
2020		-19,346	-19,443	-15,290			
2021	11,312	19,448	15,447				
2022	12,047	14,979					
2023	10,982						

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
2015							460,012
2016						613,401	492,637
2017					754,840	634,837	478,919
2018				882,764	797,539	652,247	505,795
2019			966,677	886,845	800,901	646,870	
2020		804,810	897,061	809,206	726,363		
2021	410,922	926,620	1,046,261	985,665			
2022	430,564	979,197	1,147,237				
2023	421,281	1,025,291					
2024	464,520						

(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	Evaluated as of (in months)						
Year	12	24	36	48	60	72	84
2015							284,912
2016						300,365	304,916
2017					313,701	318,226	321,773
2018				333,267	339,364	346,711	351,297
2019			322,506	336,270	345,850	353,403	
2020		247,414	269,018	282,211	289,106		
2021	178,740	282,077	305,969	320,826			
2022	180,445	289,762	318,639				
2023	188,166	303,977					
2024	200,060						

AE. Adjusted Total Paid Medical (in \$000) (s)

Accident	Evaluated as of (in months)						
Year	12	24	36	48	60	72	84
2015							3,264,184
2016						3,101,074	3,257,869
2017					2,927,825	3,151,278	3,300,066
2018				2,853,610	3,151,975	3,390,315	3,575,593
2019			2,456,211	2,982,487	3,330,418	3,609,406	
2020		1,550,837	2,238,723	2,742,855	3,089,075		
2021	682,026	1,687,144	2,451,997	3,048,753			
2022	707,047	1,839,055	2,729,596				
2023	742,225	1,967,488					
2024	843,922						

AF. Paid Medical Loss Development Factors Based on Adjusted Total Paid Medical

Accident	Evaluated as of (in months)					
Year	12-24	24-36	36-48	48-60	60-72	72-84
2016						1.051
2017					1.076	1.047
2018				1.105	1.076	1.055
2019			1.214	1.117	1.084	
2020		1.444	1.225	1.126		
2021	2.474	1.453	1.243			
2022	2.601	1.484				
2023	2.651					
Latest Year	2.651	1.484	1.243	1.126	1.084	1.055

(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
2016						1.048
2017					1.070	1.044
2018				1.105	1.073	1.050
2019			1.218	1.123	1.079	
2020		1.444	1.226	1.130		
2021	2.493	1.450	1.238			
2022	2.622	1.473				
2023	2.644					

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
2016						0.22%
2017					0.57%	0.29%
2018				-0.05%	0.25%	0.47%
2019			-0.31%	-0.53%	0.46%	
2020		0.00%	-0.08%	-0.30%		
2021	-0.79%	0.21%	0.44%			
2022	-0.81%	0.73%				
2023	0.27%					

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
2016						1.049
2017					1.073	1.043
2018				1.098	1.069	1.053
2019			1.204	1.107	1.082	
2020		1.427	1.216	1.125		
2021	2.403	1.452	1.243			
2022	2.597	1.484				
2023	2.651					
Latest Year	2.651	1.484	1.243	1.125	1.082	1.053
2-Year Average	2.624	1.468	1.230	1.116	1.075	1.048
3-Year Average	2.550	1.454	1.221	1.110	1.075	1.048

- (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, 2024**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Indemnity				Medical					
					Adjusted					
Accident	Reported	Annual	Cumulative				Annual	Cumulative		Total
Year	Paid	Development	Development	Developed	Paid	Paid	Development	Development	Developed	Developed
	Loss Ratio (a)	Factor (b)	Factor	Loss Ratio	Loss Ratio (a)	Loss Ratio (c)	Factor (d)	Factor	Loss Ratio	Loss Ratio
				(1) x (3)					(6) x (8)	(4) + (9)
2013	0.206	1.009	1.078	0.223	0.250	0.250	1.010	1.195	0.299	0.522
2014	0.195	1.010	1.089	0.212	0.221	0.225	1.013	1.210	0.272	0.484
2015	0.188	1.012	1.102	0.207	0.206	0.212	1.014	1.227	0.260	0.467
2016	0.176	1.015	1.119	0.197	0.192	0.198	1.017	1.248	0.247	0.444
2017	0.177	1.020	1.141	0.202	0.193	0.200	1.023	1.276	0.256	0.458
2018	0.184	1.029	1.174	0.216	0.205	0.212	1.031	1.316	0.279	0.495
2019	0.209	1.049	1.231	0.257	0.224	0.229	1.053	1.385	0.317	0.574
2020	0.205	1.083	1.334	0.273	0.219	0.221	1.082	1.499	0.331	0.604
2021	0.209	1.118	1.491	0.312	0.225	0.225	1.125	1.686	0.379	0.691
2022	0.170	1.235	1.842	0.313	0.178	0.178	1.243	2.096	0.374	0.687
2023	0.114	1.542	2.840	0.324	0.125	0.125	1.484	3.110	0.388	0.712
2024	0.040	2.973	8.442	0.340	0.054	0.054	2.651	8.245	0.449	0.790

- (a) Based on AC25-03-02, 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 AC25-03-02, Exhibit 2.5. Age-to-age factors for developing accident years 2019 to 2024 were adjusted for changes in claim settlement rates based on latest year selections (see AC25-03-02, Exhibit 7.6, Item Q).
- (c) See AC25-03-02, Exhibit 3.3, Column (2).
- (d) Based on AC25-03-02, Exhibits 2.6.1 and includes adjustments for SB 1160 and recent pharmaceutical cost declines. Age-to-age factors for developing accident years 2019 to 2024 were adjusted for changes in claim settlement rates based on latest year selections (see AC25-03-02, 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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.202	1.314	0.741	0.359
2018	0.216	1.280	0.780	0.355
2019	0.257	1.246	0.865	0.371
2020	0.273	1.210	0.915	0.361
2021	0.312	1.165	0.954	0.381
2022	0.313	1.128	0.940	0.376
2023	0.324	1.102	0.962	0.370
2024	0.340	1.068	0.930	0.391
				Projected (d)
2025				0.377
2026				0.377
9/1/2026				0.377

- (a) See Exhibit 7.13.
- (b) Based on AC25-03-02, Exhibit 4.1.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are from AC25-03-02, 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, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.247	1.030	0.707	0.361
2017	0.256	1.033	0.741	0.357
2018	0.279	1.035	0.780	0.370
2019	0.317	1.030	0.865	0.378
2020	0.331	1.026	0.915	0.372
2021	0.379	1.024	0.954	0.407
2022	0.374	1.016	0.940	0.404
2023	0.388	1.014	0.962	0.409
2024	0.449	1.011	0.930	0.489
<hr/>				
				Projected (d)
2025				0.464
2026				0.477
9/1/2026				0.480

- (a) See Exhibit 7.13.
 (b) Based on AC25-03-02, Exhibit 4.4.
 (c) See AC25-03-02, Exhibit 5.2.
 (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the actual frequency change for accident year 2024 and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are from AC25-03-02, 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 2024
Based on Experience as of December 31, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projected (d)
2025				0.382
2026				0.382
9/1/2026				0.382

- (a) See AC25-03-02, Exhibit 3.2.
 (b) See AC25-03-02, Exhibit 4.1.
 (c) See AC25-03-02, Exhibit 5.2.
 (d) These on-level ratios were projected based on an estimated annual indemnity severity trend from AC25-03-02, Exhibit 6.2, and projected frequency trends for accident years 2025 to 2027 from AC25-03-02, Exhibit 6.1; these trends were then separately applied to the 2024 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 2024
Based on Experience as of December 31, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.243	1.050	0.707	0.361
2017	0.252	1.053	0.741	0.359
2018	0.275	1.058	0.780	0.373
2019	0.312	1.051	0.865	0.379
2020	0.327	1.041	0.915	0.372
2021	0.377	1.040	0.954	0.411
2022	0.370	1.016	0.940	0.400
2023	0.380	1.014	0.962	0.400
2024	0.430	1.011	0.930	0.468
				Projected (d)
2025				0.472
2026				0.487
9/1/2026				0.489

- (a) See AC25-03-02, Exhibit 3.4.
- (b) Based on Column (4) of AC25-03-02, Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of AC25-03-02, Exhibit 4.4 for 2016 and later.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) These on-level ratios were projected based on an estimated annual medical severity trend from AC25-03-02, Exhibit 6.2, and projected frequency trends for accident years 2025 to 2027 from AC25-03-02, Exhibit 6.1; these trends were then separately applied to the 2024 on-level ratio.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Separate Applications of Frequency and Severity Trends
Applied to Accident Years 2022, 2023, and 2024
Based on Experience as of December 31, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projected (d)
2025				0.379
2026				0.379
9/1/2026				0.379

(a) See AC25-03-02, Exhibit 3.2.

(b) See AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) These on-level ratios were projected based on an estimated annual indemnity severity trend from AC25-03-02, Exhibit 6.2, actual 12-month frequency changes for accident years 2023 and 2024 from AC25-03-02, Exhibit 12, and projected frequency trends for accident years 2025 to 2027 from AC25-03-02, Exhibit 6.1; these trends were then separately applied to the 2022, 2023, and 2024 on-level ratios.

**Projected On-Level Accident Year
Medical Loss to Pure Premium Ratios
Separate Applications of Frequency and Severity Trends
Applied to Accident Years 2022, 2023, and 2024
Based on Experience as of December 31, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.243	1.050	0.707	0.361
2017	0.252	1.053	0.741	0.359
2018	0.275	1.058	0.780	0.373
2019	0.312	1.051	0.865	0.379
2020	0.327	1.041	0.915	0.372
2021	0.377	1.040	0.954	0.411
2022	0.370	1.016	0.940	0.400
2023	0.380	1.014	0.962	0.400
2024	0.430	1.011	0.930	0.468
				Projected (d)
2025				0.453
2026				0.467
9/1/2026				0.469

- (a) See AC25-03-02, Exhibit 3.4.
- (b) Based on Column (4) of AC25-03-02, Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of AC25-03-02, Exhibit 4.4 for 2016 and later.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) These on-level ratios were projected based on an estimated annual medical severity trend from AC25-03-02, Exhibit 6.2, actual 12-month frequency changes for accident years 2023 and 2024 from AC25-03-02, Exhibit 12, and projected frequency trends for accident years 2025 to 2027 from AC25-03-02, Exhibit 6.1; these trends were then separately applied to the 2022, 2023, and 2024 on-level ratios.

**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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projected (d)
2025				0.372
2026				0.373
9/1/2026				0.373

(a) See AC25-03-02, Exhibit 3.2.

(b) See AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2024 from AC25-03-02, Exhibit 12, and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are based on the 1990-2024 annual indemnity severity trend of 0.6%.

**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, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.243	1.050	0.707	0.361
2017	0.252	1.053	0.741	0.359
2018	0.275	1.058	0.780	0.373
2019	0.312	1.051	0.865	0.379
2020	0.327	1.041	0.915	0.372
2021	0.377	1.040	0.954	0.411
2022	0.370	1.016	0.940	0.400
2023	0.380	1.014	0.962	0.400
2024	0.430	1.011	0.930	0.468
				Projected (d)
2025				0.454
2026				0.472
9/1/2026				0.475

- (a) See AC25-03-02, Exhibit 3.4.
- (b) Based on Column (4) of AC25-03-02, Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of AC25-03-02, Exhibit 4.4 for 2016 and later.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2024 from AC25-03-02, Exhibit 12, and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are based on the 1990-2024 annual medical severity trend of 4.4%.

**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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projected (d)
2025				0.368
2026				0.365
9/1/2026				0.364

(a) See AC25-03-02, Exhibit 3.2.

(b) See AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2024 from AC25-03-02, Exhibit 12, and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual indemnity severity growth estimates are based on the 2021-2024 annual indemnity severity trend of -0.2%.

**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, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.243	1.050	0.707	0.361
2017	0.252	1.053	0.741	0.359
2018	0.275	1.058	0.780	0.373
2019	0.312	1.051	0.865	0.379
2020	0.327	1.041	0.915	0.372
2021	0.377	1.040	0.954	0.411
2022	0.370	1.016	0.940	0.400
2023	0.380	1.014	0.962	0.400
2024	0.430	1.011	0.930	0.468
				Projected (d)
2025				0.452
2026				0.467
9/1/2026				0.470

- (a) See AC25-03-02, Exhibit 3.4.
- (b) Based on Column (4) of AC25-03-02, Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of AC25-03-02, Exhibit 4.4 for 2016 and later.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) The trending projection is based on frequency and severity growth separately applied to the 2023 and 2024 on-level ratios. The frequency growth estimates are based on the average of the actual 12-month frequency change for accident year 2024 from AC25-03-02, Exhibit 12, and frequency model projections for accident years 2025 through 2027 from Item AC25-03-02, Exhibit 6.1. The annual medical severity growth estimates are based on the 2021-2024 annual medical severity trend of 4.0%.

**Projected On-Level Accident Year
Indemnity Loss to Pure Premium Ratios
Long-Term Exponential Loss Ratio Trend
Based on Experience as of December 31, 2024**

	(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)
1993	0.290	1.516	1.056	0.417
1994	0.331	1.584	1.194	0.439
1995	0.477	1.467	1.568	0.446
1996	0.534	1.371	1.605	0.456
1997	0.604	1.228	1.557	0.476
1998	0.652	1.132	1.578	0.468
1999	0.681	1.049	1.499	0.477
2000	0.589	0.980	1.187	0.486
2001	0.492	0.981	1.014	0.476
2002	0.367	1.004	0.781	0.472
2003	0.245	1.001	0.553	0.444
2004	0.146	1.371	0.504	0.396
2005	0.125	1.858	0.562	0.413
2006	0.161	1.825	0.723	0.408
2007	0.222	1.759	0.924	0.423
2008	0.281	1.652	1.116	0.416
2009	0.330	1.620	1.205	0.443
2010	0.316	1.590	1.095	0.459
2011	0.293	1.568	1.000	0.460
2012	0.263	1.548	0.890	0.458
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projected (d)
2025				0.371
2026				0.368
9/1/2026				0.367

- (a) See AC25-03-02, Exhibit 3.2.
- (b) See AC25-03-02, Exhibit 4.1.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) These on-level ratios were projected by separately applying an exponential trend of approximately -0.8% based on the 1990 to 2024 on-level indemnity to pure premium ratios to the 2023 and 2024 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, 2024**

	(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 (1) x (2) ÷ (3)	On-Level Medical to Pure Premium Ratio (e)
1993	0.246	0.701	1.056	0.164	0.164
1994	0.285	0.735	1.194	0.175	0.175
1995	0.422	0.724	1.568	0.195	0.195
1996	0.452	0.714	1.605	0.201	0.201
1997	0.506	0.708	1.557	0.230	0.230
1998	0.608	0.624	1.578	0.240	0.240
1999	0.663	0.540	1.499	0.239	0.239
2000	0.599	0.497	1.187	0.251	0.251
2001	0.536	0.453	1.014	0.240	0.240
2002	0.418	0.470	0.781	0.252	0.252
2003	0.271	0.493	0.553	0.242	0.242
2004	0.184	0.746	0.504	0.272	0.272
2005	0.180	0.866	0.562	0.278	0.278
2006	0.234	0.910	0.723	0.294	0.294
2007	0.328	0.893	0.924	0.317	0.317
2008	0.409	0.887	1.116	0.325	0.325
2009	0.484	0.875	1.205	0.352	0.352
2010	0.474	0.872	1.095	0.377	0.377
2011	0.409	0.887	1.000	0.363	0.393
2012	0.355	0.926	0.890	0.369	0.403
2013	0.299	0.961	0.778	0.369	0.403
2014	0.272	1.007	0.717	0.382	0.417
2015	0.260	1.027	0.685	0.390	0.423
2016	0.243	1.050	0.707	0.361	0.390
2017	0.252	1.053	0.741	0.359	0.388
2018	0.275	1.058	0.780	0.373	0.403
2019	0.312	1.051	0.865	0.379	0.409
2020	0.327	1.041	0.915	0.372	0.400
2021	0.377	1.040	0.954	0.411	0.443
2022	0.370	1.016	0.940	0.400	0.430
2023	0.380	1.014	0.962	0.400	0.435
2024	0.430	1.011	0.930	0.468	0.510
Projected (d)					
2025				0.454	
2026				0.469	
9/1/2026				0.471	

- (a) See AC25-03-02, Exhibit 3.4.
- (b) Based on Column (4) of AC25-03-02, Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of AC25-03-02, Exhibit 4.4 for 2016 and later.
- (c) See AC25-03-02, 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 2024 on-level medical to pure premium ratios (including MCCP costs) to the 2023 and 2024 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, 2024**

	(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)
2013	0.223	1.514	0.778	0.433
2014	0.212	1.386	0.717	0.410
2015	0.207	1.367	0.685	0.413
2016	0.197	1.350	0.707	0.376
2017	0.203	1.314	0.741	0.360
2018	0.218	1.280	0.780	0.357
2019	0.258	1.246	0.865	0.371
2020	0.271	1.210	0.915	0.358
2021	0.311	1.165	0.954	0.380
2022	0.310	1.128	0.940	0.371
2023	0.316	1.102	0.962	0.362
2024	0.339	1.068	0.930	0.389
				Projected (d)
2025				0.380
2026				0.383
9/1/2026				0.383

(a) See AC25-03-02, Exhibit 3.2.

(b) See AC25-03-02, Exhibit 4.1.

(c) See AC25-03-02, Exhibit 5.2.

(d) These on-level ratios were projected by separately applying an exponential trend of approximately 0.8% based on the 2017 to 2024 on-level indemnity to pure premium ratios to the 2023 and 2024 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, 2024**

	(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)
2013	0.299	0.961	0.778	0.369
2014	0.272	1.007	0.717	0.382
2015	0.260	1.027	0.685	0.390
2016	0.243	1.050	0.707	0.361
2017	0.252	1.053	0.741	0.359
2018	0.275	1.058	0.780	0.373
2019	0.312	1.051	0.865	0.379
2020	0.327	1.041	0.915	0.372
2021	0.377	1.040	0.954	0.411
2022	0.370	1.016	0.940	0.400
2023	0.380	1.014	0.962	0.400
2024	0.430	1.011	0.930	0.468
				Projected (d)
2025				0.453
2026				0.467
9/1/2026				0.469

- (a) See AC25-03-02, Exhibit 3.4.
- (b) Based on Column (4) of AC25-03-02, Exhibit 4.4 for 2015 and prior and the average of Columns (4) and (5) of AC25-03-02, Exhibit 4.4 for 2016 and later.
- (c) See AC25-03-02, Exhibit 5.2.
- (d) These on-level ratios were projected by separately applying an exponential trend of approximately 3.0% based on the 2017 to 2024 on-level medical to pure premium ratios to the 2023 and 2024 on-level medical to pure premium ratios.