



## Experience Modification Estimator

(...continued)

### H Number of Claims

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

### I Individual Claim Value

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

### J Claim Type

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

### K Percentage of Actual to Gross

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

H

I

J

K

### “X-Mod Results” Tab

#### L Primary Threshold

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

#### M Total Actual and Total Actual Primary Losses

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

#### N Experience Modification

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

**Experience Modification Calculation Results**

**Primary Threshold Used** = 7,500 L

**Experience Modification** = 161%

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

Adjusted Losses				
Claim Type	# of Claims	Actual Losses	Actual Primary Losses	Notes from User Input page (if any)
Non-exception Claim	1	150	0	
Non-exception Claim	1	7,222	6,972	
Non-exception Claim	1	43,964	7,250	
		<b>Total Actual Losses</b>	<b>Total Actual Primary Losses (i)</b>	
		51,336	14,222	<span style="border: 1px solid blue; border-radius: 50%; padding: 2px 5px; color: blue; font-weight: bold;">M</span>

Estimated Experience Modification						
<b>Total Actual Primary Losses (i)</b>	+	<b>Total Expected Excess Losses (h)</b>	/	<b>Total Expected Losses (g)</b>	=	<b>Experience Modification [(i) + (h)]/(g)</b>
14,222		12,019		16,322		<span style="border: 1px solid blue; border-radius: 50%; padding: 2px 5px; color: blue; font-weight: bold;">N</span> <span style="color: red; font-weight: bold;">161%</span>
Loss-Free Rating		74%				

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

X-Mod Calculation Inputs
X-Mod Results