

# **RHODE ISLAND**



## **LOSS COSTS and RATING VALUES**

**EFFECTIVE JULY 1, 2012**

**(Compliance Filing, submitted 6/15/2012**

**based on**

**Rhode Island Department of Business Regulation  
Rate Order of 5/30/2012)**

June 15, 2012

Honorable Paul McGreevy  
Director  
State of Rhode Island and Providence Plantations  
Department of Business Regulation  
Insurance Division  
1511 Pontiac Ave  
Cranston, RI 02920

Attention: Paula Pallozzi, Chief Property & Casualty Insurance Rate Analyst

**Re: Rhode Island Workers Compensation Loss Cost Level Change including  
Loss Adjustment Expense (LAE) – Effective July 1, 2012**

Dear Director McGreevy:

In accordance with the Department's rate decision of May 30, 2012, I am filing for your consideration and approval revised workers compensation voluntary loss costs representing the following:

- A 5.3% increase in average voluntary loss costs for industrial classifications, reflecting a loss adjustment expense (LAE) provision of 17.5%, as reflected in the Department decision.
- A 8.6% decrease in average voluntary loss costs for F-classes, reflecting the approved LAE provision.

This is filed to be effective July 1, 2012 for new and renewal business.

This filing is made exclusively on behalf of the companies which have given valid consideration for the express purpose of fulfilling regulatory rate or pure premium filing requirements and other private use of this information. This filing and information related hereto is submitted for the examination of and approval by the regulatory authority governing rating organizations in accordance with all applicable rules and regulations governing rate filings.

Please contact me at **802-454-1800** or Karen Ayres at 201-386-2636 if you have any questions or need any further information.



Respectfully Submitted,

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

A handwritten signature in black ink, which appears to read "Laura Backus Hall". The signature is written in a cursive style with some stylized flourishes.

Laura Backus Hall, CPCU  
State Relations Executive  
Regulatory Services Division

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## Actuarial Certification

The information contained in this filing has been prepared under the direction of the undersigned actuary in accordance with applicable Actuarial Standards of Practice as promulgated by the Actuarial Standards Board. The Actuarial Standards Board is vested by the U.S.-based actuarial organizations with the responsibility for promulgating Actuarial Standards of Practice for actuaries providing professional services in the United States. Each of these organizations requires its members, through its Code of Professional Conduct, to observe the Actuarial Standards of Practice when practicing in the United States.

Filing prepared by:



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**RHODE ISLAND**

**EXHIBIT I**

**Section A - Policy Year 2009 Experience**

**Premium:**

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$122,545,160
(2) Premium On-level Factor (Appendix A-I)	1.023
(3) Premium Available for Benefits Costs = (1)x(2)	\$125,363,699

**Indemnity Benefit Cost:**

(4) Limited Indemnity Paid Losses Developed to Ultimate (Appendix A-II)	\$69,596,833
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.023
(6) Factor to Include Loss Adjustment Expenses (Exhibit II)	1.1885
(7) Composite Adjustment Factor = (5)x(6)	1.216
(8) Adjusted Limited Indemnity Losses = (4)x(7)	\$84,629,749
(9) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (8)/(3)	0.675
(10) Factor to Reflect Indemnity Trend (Appendix A-III)	0.983
(11) Projected Limited Indemnity Cost Ratio = (9)x(10)	0.664
(12) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.040
(13) Projected Indemnity Cost Ratio = (11)x(12)	0.691
(14) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.001
(15) Projected Indemnity Cost Ratio including Benefit Changes = (13)x(14)	0.692

**Medical Benefit Cost:**

(16) Limited Medical Paid Losses Developed to Ultimate (Appendix A-II)	\$38,165,385
(17) Medical Loss On-level Factor (Appendix A-I)	1.000
(18) Factor to Include Loss Adjustment Expenses (Exhibit II)	1.1885
(19) Composite Adjustment Factor = (17)x(18)	1.189
(20) Adjusted Limited Medical Losses = (16)x(19)	\$45,378,643
(21) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (20)/(3)	0.362
(22) Factor to Reflect Medical Trend (Appendix A-III)	1.000
(23) Projected Limited Medical Cost Ratio = (21)x(22)	0.362
(24) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.040
(25) Projected Medical Cost Ratio = (23)x(24)	0.376
(26) Factor to Reflect Proposed Changes in Medical Benefits	1.000
(27) Projected Medical Cost Ratio including Benefit Changes = (25)x(26)	0.376

**Total Benefit Cost:**

(28) Indicated Change Based on Experience, Trend and Benefits = (15)+(27)	1.068
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**RHODE ISLAND**

**EXHIBIT I**

**Section B - Policy Year 2008 Experience**

**Premium:**

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$129,911,012
(2) Premium On-level Factor (Appendix A-I)	0.992
(3) Premium Available for Benefits Costs = (1)x(2)	\$128,871,724

**Indemnity Benefit Cost:**

(4) Limited Indemnity Paid Losses Developed to Ultimate (Appendix A-II)	\$73,603,775
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.024
(6) Factor to Include Loss Adjustment Expenses (Exhibit II)	1.1885
(7) Composite Adjustment Factor = (5)x(6)	1.217
(8) Adjusted Limited Indemnity Losses = (4)x(7)	\$89,575,794
(9) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (8)/(3)	0.695
(10) Factor to Reflect Indemnity Trend (Appendix A-III)	0.978
(11) Projected Limited Indemnity Cost Ratio = (9)x(10)	0.680
(12) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.040
(13) Projected Indemnity Cost Ratio = (11)x(12)	0.707
(14) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.001
(15) Projected Indemnity Cost Ratio including Benefit Changes = (13)x(14)	0.708

**Medical Benefit Cost:**

(16) Limited Medical Paid Losses Developed to Ultimate (Appendix A-II)	\$39,026,917
(17) Medical Loss On-level Factor (Appendix A-I)	1.000
(18) Factor to Include Loss Adjustment Expenses (Exhibit II)	1.1885
(19) Composite Adjustment Factor = (17)x(18)	1.189
(20) Adjusted Limited Medical Losses = (16)x(19)	\$46,403,004
(21) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (20)/(3)	0.360
(22) Factor to Reflect Medical Trend (Appendix A-III)	1.000
(23) Projected Limited Medical Cost Ratio = (21)x(22)	0.360
(24) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.040
(25) Projected Medical Cost Ratio = (23)x(24)	0.374
(26) Factor to Reflect Proposed Changes in Medical Benefits	1.000
(27) Projected Medical Cost Ratio including Benefit Changes = (25)x(26)	0.374

**Total Benefit Cost:**

(28) Indicated Change Based on Experience, Trend and Benefits = (15)+(27)	1.082
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**RHODE ISLAND**

**EXHIBIT I**

**Section C - Policy Year 2007 Experience**

**Premium:**

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$143,503,363
(2) Premium On-level Factor (Appendix A-I)	0.938
(3) Premium Available for Benefits Costs = (1)x(2)	\$134,606,154

**Indemnity Benefit Cost:**

(4) Limited Indemnity Paid Losses Developed to Ultimate (Appendix A-II)	\$74,595,936
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.026
(6) Factor to Include Loss Adjustment Expenses (Exhibit II)	1.1885
(7) Composite Adjustment Factor = (5)x(6)	1.219
(8) Adjusted Limited Indemnity Losses = (4)x(7)	\$90,932,446
(9) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (8)/(3)	0.676
(10) Factor to Reflect Indemnity Trend (Appendix A-III)	0.973
(11) Projected Limited Indemnity Cost Ratio = (9)x(10)	0.658
(12) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.040
(13) Projected Indemnity Cost Ratio = (11)x(12)	0.684
(14) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.001
(15) Projected Indemnity Cost Ratio including Benefit Changes = (13)x(14)	0.685

**Medical Benefit Cost:**

(16) Limited Medical Paid Losses Developed to Ultimate (Appendix A-II)	\$39,302,425
(17) Medical Loss On-level Factor (Appendix A-I)	1.000
(18) Factor to Include Loss Adjustment Expenses (Exhibit II)	1.1885
(19) Composite Adjustment Factor = (17)x(18)	1.189
(20) Adjusted Limited Medical Losses = (16)x(19)	\$46,730,583
(21) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (20)/(3)	0.347
(22) Factor to Reflect Medical Trend (Appendix A-III)	1.000
(23) Projected Limited Medical Cost Ratio = (21)x(22)	0.347
(24) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.040
(25) Projected Medical Cost Ratio = (23)x(24)	0.361
(26) Factor to Reflect Proposed Changes in Medical Benefits	1.000
(27) Projected Medical Cost Ratio including Benefit Changes = (25)x(26)	0.361

**Total Benefit Cost:**

(28) Indicated Change Based on Experience, Trend and Benefits = (15)+(27)	1.046
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**RHODE ISLAND**

**EXHIBIT I**

**Section D - Indicated Change Based on Experience, Trend and Benefits**

(1) Policy Year 2009 Combined Projected Loss Ratio	1.068
(2) Policy Year 2008 Combined Projected Loss Ratio	1.082
(3) Policy Year 2007 Combined Projected Loss Ratio	1.046
(4) Indicated Change Based on Experience, Trend & Benefits = $[(1)+(2)+(3)]/3$	1.065

**Section E - Application of the Change in Loss Adjustment Expenses**

(1) Indicated Premium Level Change	1.065
(2) Effect of Change in Loss Adjustment Expenses*	0.989
(3) Indicated Loss Cost Level Change = (1)x(2)	1.053

\*  $0.989 = (1.175 / 1.1885) = (\text{DBR Approved LAE Provision} / \text{Current Approved LAE Provision})$

RHODE ISLAND

EXHIBIT I

Section F - Distribution of Final Loss Cost Level Change to Industry Groups

Industry Group Differentials (Appendix A-V):

Manufacturing	0.999
Contracting	1.019
Office & Clerical	0.986
Goods & Services	0.996
Miscellaneous	1.000

Applying these industry group differentials to the final overall loss cost level change produces the changes in loss cost level proposed for each group as shown:

Industry Group	(1) Final Overall Loss Cost Level Change	(2) Industry Group Differential	(3) = (1)x(2) Final Loss Cost Level Change by Industry Group
Manufacturing	1.053	0.999	1.052 (5.2%)
Contracting	1.053	1.019	1.073 (7.3%)
Office & Clerical	1.053	0.986	1.038 (3.8%)
Goods & Services	1.053	0.996	1.049 (4.9%)
Miscellaneous	1.053	1.000	1.053 (5.3%)
Overall	1.053	1.000	1.053 (5.3%)

**ADVISORY LOSS COSTS - NOT RATES**

**RHODE ISLAND**

Advisory loss costs exclude all expense provisions except loss adjustment expense.

Exhibit IV

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Effective July 1, 2012

CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO
0005	3.68	2.77	0.19	2002	6.11	4.72	0.21	2683	2.41	1.87	0.21
0008	2.26	1.64	0.17	2003	4.82	3.61	0.19	2688	3.40	2.63	0.21
0016	5.70	3.95	0.15	2014	6.89	4.77	0.15	2701	9.83	6.79	0.15
0034	4.25	3.18	0.19	2016	3.08	2.39	0.21	2702	19.59	11.22	0.11
0035	2.14	1.66	0.21	2021	5.41	3.93	0.17	2709	15.71	10.85	0.15
0036	3.67	2.76	0.19	2039	3.51	2.72	0.21	2710	8.83	5.66	0.13
0037	3.69	2.69	0.17	2041	5.07	3.93	0.21	2714	5.36	4.15	0.21
0042	5.29	3.85	0.20	2065	4.23	3.16	0.19	2731	5.08	3.52	0.19
0050	5.49	4.12	0.19	2070	4.88	3.66	0.19	2735	6.71	5.21	0.21
0059D	0.26	0.07	0.11	2081	5.72	4.30	0.19	2759	7.40	5.74	0.21
0065D	0.05	0.02	0.16	2089	4.04	3.03	0.19	2790	1.99	1.54	0.21
0066D	0.05	0.02	0.16	2095	4.81	3.61	0.19	2797	5.16	3.75	0.17
0067D	0.05	0.02	0.19	2105	3.04	2.35	0.21	2799	3.08	2.24	0.17
0079	4.64	3.22	0.15	2110	3.30	2.55	0.21	2802	5.16	3.75	0.17
0083	5.21	3.91	0.19	2111	11.34	8.81	0.21	2812	-	2.91	0.19
0106	11.39	7.31	0.13	2112	3.84	2.97	0.21	2835	2.90	2.33	0.24
0113	4.18	3.14	0.19	2114	2.00	1.55	0.21	2836	3.88	3.12	0.24
0170	4.24	3.19	0.20	2121	2.52	1.89	0.19	2841	6.37	4.94	0.21
0251	3.94	2.95	0.19	2130	3.67	2.76	0.19	2881	3.58	2.87	0.24
0400	10.82	7.85	0.17	2131	3.79	2.84	0.19	2883	3.88	2.91	0.19
0401	10.23	6.56	0.13	2143	3.34	2.58	0.21	2913	4.45	3.57	0.24
0771N	1.02	-	-	2156	-	6.61	0.19	2915	4.33	3.15	0.17
0908P	141.00	105.43	0.19	2157	8.83	6.61	0.19	2916	4.21	2.70	0.15
0909	-	105.43	0.19	2172	2.65	1.92	0.17	2923	3.06	2.36	0.21
0912	-	228.87	0.19	2174	3.68	2.85	0.21	2942	3.73	2.99	0.24
0913P	305.00	228.87	0.19	2211	6.83	4.75	0.16	2960	8.16	6.13	0.20
0917	7.02	5.45	0.28	2220	3.04	2.28	0.19	3004	3.39	2.34	0.15
0918X	1.49	1.11	0.19	2260X	7.04	4.86	0.15	3018	4.21	2.91	0.15
1005	6.35	3.63	0.12	2286	2.72	2.11	0.21	3022	3.22	2.49	0.21
1164D	6.79	3.86	0.11	2288	3.68	2.85	0.21	3027	3.50	2.43	0.17
1165D	4.10	2.61	0.13	2300	2.90	2.32	0.33	3028	3.54	2.67	0.19
1320	2.99	1.92	0.13	2302	3.97	2.98	0.19	3030	9.40	6.50	0.21
1322	9.45	6.04	0.13	2305	2.19	1.59	0.18	3040	8.71	6.03	0.16
1430	8.61	5.97	0.15	2361	2.07	1.55	0.19	3041	5.05	3.79	0.19
1438	4.01	2.57	0.15	2362	3.47	2.61	0.20	3042	6.74	4.91	0.17
1452	2.79	1.93	0.15	2380	2.68	2.01	0.19	3064	6.64	5.00	0.19
1463	12.24	7.85	0.13	2386	1.95	1.51	0.21	3066	-	3.17	0.21
1472	4.31	2.76	0.13	2388	2.23	1.72	0.21	3069	5.30	3.67	0.15
1624D	3.42	2.19	0.13	2402	6.75	4.70	0.15	3076	4.10	3.17	0.21
1642	5.35	3.70	0.17	2413	2.88	2.16	0.19	3081D	5.20	3.57	0.19
1654	9.24	6.39	0.15	2416	2.15	1.62	0.19	3082D	6.71	4.60	0.16
1655	5.34	3.70	0.15	2417	4.87	3.64	0.19	3085D	4.64	3.17	0.16
1699	5.10	3.53	0.15	2501	2.58	1.95	0.19	3110	4.42	3.31	0.19
1701	4.97	3.44	0.15	2503	1.19	0.92	0.21	3111	3.45	2.58	0.19
1710D	3.96	2.73	0.15	2534	3.26	2.53	0.21	3113	2.64	1.98	0.19
1741D	5.42	2.93	0.11	2570	4.46	3.45	0.21	3114	3.46	2.59	0.19
1747	3.68	2.55	0.15	2585	3.48	2.70	0.21	3118	2.30	1.78	0.21
1748	3.84	2.66	0.16	2586	2.32	1.74	0.19	3119	1.25	1.00	0.24
1803D	8.72	5.40	0.13	2587	3.75	2.91	0.21	3122	2.89	2.24	0.21
1852D	4.43	2.49	0.11	2589	2.19	1.64	0.19	3126	3.68	2.76	0.19
1853	3.32	2.40	0.17	2600	2.93	2.27	0.21	3131	3.34	2.51	0.19
1860	2.02	1.57	0.21	2623	5.38	3.91	0.18	3132	4.78	3.59	0.19
1924	4.20	3.24	0.20	2651	2.65	2.06	0.21	3145	2.76	2.08	0.19
1925	4.56	3.32	0.18	2660	2.82	2.18	0.21	3146	3.10	2.33	0.19
2001	-	3.61	0.19	2670	2.40	1.93	0.24	3169	3.94	2.96	0.21

\* Refer to the Footnotes Page for additional information on this class code.

**ADVISORY LOSS COSTS - NOT RATES**

**RHODE ISLAND**

Advisory loss costs exclude all expense provisions except loss adjustment expense.

Exhibit IV

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Effective July 1, 2012

CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO
3175D	4.35	3.24	0.19	3826	1.22	0.91	0.19	4459	3.36	2.53	0.19
3179	2.95	2.28	0.21	3827	2.06	1.49	0.18	4470	4.72	3.54	0.19
3180	3.08	2.39	0.21	3830	1.68	1.22	0.17	4484	3.24	2.43	0.19
3188	2.68	2.08	0.21	3851	3.71	2.88	0.21	4493	3.52	2.64	0.19
3220	3.11	2.33	0.19	3865	2.72	2.19	0.24	4511	0.63	0.46	0.17
3223	4.06	3.28	0.25	3881	5.61	4.21	0.19	4557	2.99	2.32	0.21
3224	4.66	3.60	0.21	4000	7.39	4.74	0.13	4558	2.07	1.55	0.19
3227	3.23	2.50	0.21	4021	5.55	3.85	0.15	4561	-	1.81	0.17
3240	4.12	3.20	0.21	4024D	5.36	3.67	0.15	4568	3.84	2.66	0.15
3241	4.46	3.34	0.19	4034	10.14	7.03	0.15	4581	2.34	1.50	0.13
3255	2.50	2.01	0.24	4036	3.21	2.22	0.15	4583	6.08	3.90	0.13
3257	3.80	2.86	0.19	4038	3.29	2.64	0.24	4611	1.42	1.10	0.21
3270	2.45	1.83	0.19	4053	3.34	2.51	0.19	4635	4.59	2.63	0.11
3300	6.04	4.53	0.19	4061	8.09	6.25	0.26	4653	2.07	1.60	0.21
3303	3.91	3.03	0.21	4062	2.41	1.81	0.19	4665	9.43	6.53	0.15
3307	4.50	3.38	0.19	4101	3.30	2.40	0.17	4670	7.18	4.96	0.15
3315	4.58	3.54	0.21	4109	1.65	1.28	0.21	4683	3.66	2.75	0.20
3334	4.85	3.63	0.19	4110	1.62	1.22	0.19	4686	6.36	4.42	0.15
3336	4.75	3.30	0.18	4111	2.74	2.12	0.21	4692	0.75	0.58	0.21
3365	13.14	9.08	0.15	4112	-	1.22	0.19	4693	1.08	0.81	0.20
3372	3.14	2.29	0.17	4113	2.59	1.95	0.19	4703	3.03	2.27	0.19
3373	6.19	4.64	0.19	4114	3.65	2.74	0.19	4717	2.46	1.97	0.24
3383X	1.84	1.42	0.21	4130	6.11	4.57	0.19	4720	4.66	3.50	0.21
3385	1.12	0.86	0.21	4131	4.63	3.59	0.21	4740	1.55	1.08	0.15
3400	4.36	3.17	0.18	4133	3.02	2.34	0.21	4741	2.71	2.04	0.19
3507	4.02	3.01	0.19	4149	1.66	1.33	0.24	4751	2.70	1.88	0.17
3515	2.93	2.20	0.19	4150	-	1.33	0.24	4771N	5.77	3.33	0.13
3516X	1.48	1.13	0.20	4206	5.01	3.75	0.19	4777	6.69	3.83	0.11
3548	1.96	1.47	0.19	4207	1.53	1.06	0.15	4825	0.89	0.62	0.18
3559	2.89	2.17	0.19	4239	2.69	1.86	0.15	4828	2.74	2.00	0.17
3561X	2.18	1.69	0.21	4240	3.27	2.53	0.21	4829	2.96	1.90	0.13
3574	1.18	0.91	0.21	4243	2.94	2.21	0.19	4902	2.51	1.95	0.22
3581	2.15	1.66	0.21	4244	3.62	2.72	0.19	4923	2.65	1.99	0.19
3612	3.06	2.22	0.18	4250	2.51	1.89	0.19	5020	8.14	5.64	0.15
3620	6.16	4.26	0.15	4251	2.95	2.22	0.20	5022	6.90	4.42	0.13
3629	2.31	1.78	0.21	4263	2.98	2.24	0.19	5037	27.12	15.47	0.12
3632	3.44	2.50	0.17	4273	3.17	2.38	0.19	5040	24.05	13.81	0.11
3634	2.31	1.78	0.21	4279	3.33	2.50	0.19	5057	16.75	9.58	0.12
3635	3.85	2.89	0.19	4282	3.22	2.48	0.20	5059	41.93	24.09	0.11
3638	2.23	1.72	0.21	4283	4.01	3.01	0.19	5069	41.51	23.68	0.12
3642	1.33	0.99	0.19	4299	2.32	1.79	0.21	5102	5.05	3.24	0.13
3643	2.25	1.68	0.19	4301X	3.66	2.82	0.20	5146	7.19	4.97	0.15
3647	3.74	2.72	0.17	4304	4.90	3.56	0.17	5160	3.32	2.12	0.13
3648	1.77	1.37	0.21	4307	1.77	1.42	0.24	5183	4.62	3.20	0.15
3681	1.30	1.00	0.21	4351	1.49	1.12	0.19	5188	4.01	2.77	0.15
3685	1.30	1.00	0.21	4352	1.46	1.12	0.23	5190	3.14	2.17	0.15
3719	1.94	1.11	0.11	4360	1.61	1.25	0.21	5191	0.90	0.68	0.19
3724	4.33	2.77	0.15	4361	1.14	0.88	0.21	5192	3.90	2.93	0.19
3726	7.76	4.44	0.12	4362	-	1.25	0.21	5213	8.60	5.51	0.13
3803	3.40	2.54	0.19	4410	9.75	7.32	0.19	5215	5.90	4.28	0.17
3807	3.10	2.40	0.21	4420	4.61	2.95	0.15	5221	6.63	4.59	0.15
3808	5.28	3.84	0.18	4431	2.16	1.73	0.24	5222	8.64	5.53	0.13
3821	5.38	3.92	0.17	4432	2.64	2.12	0.24	5223	3.86	2.67	0.17
3822	6.33	4.59	0.17	4439	2.49	1.81	0.17	5348	3.65	2.53	0.15
3824	5.78	4.22	0.17	4452	3.57	2.70	0.20	5402	5.35	4.12	0.20

\* Refer to the Footnotes Page for additional information on this class code.

**ADVISORY LOSS COSTS - NOT RATES**

**RHODE ISLAND**

Advisory loss costs exclude all expense provisions except loss adjustment expense.

Exhibit IV

Page S3

Effective July 1, 2012

CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO
5403	9.42	6.04	0.16	6826F	4.89	2.17	0.14	7502	3.17	2.20	0.23
5437	7.91	5.49	0.15	6834	4.59	3.34	0.17	7515	1.24	0.71	0.12
5443	3.54	2.66	0.19	6836	3.75	2.61	0.19	7520	4.85	3.64	0.20
5445	5.58	3.58	0.13	6843F	13.45	5.20	0.18	7538	6.62	3.80	0.11
5462	7.27	5.03	0.15	6845F	11.79	4.54	0.14	7539	2.17	1.39	0.13
5472	8.76	5.02	0.13	6854	7.05	4.05	0.19	7540	4.06	2.33	0.11
5473	10.00	5.72	0.11	6872F	10.08	3.88	0.12	7580	4.78	3.32	0.21
5474	6.04	3.86	0.13	6874F	12.75	4.91	0.11	7590	3.93	2.86	0.17
5478	4.38	3.02	0.16	6882	3.82	2.18	0.12	7600	3.12	2.15	0.17
5479	8.55	6.22	0.17	6884	4.48	2.57	0.11	7601	3.98	2.55	0.13
5480	5.95	3.81	0.13	7016M	4.35	2.48	0.12	7605	2.84	1.97	0.17
5491	2.57	1.65	0.13	7024M	4.83	2.76	0.12	7610	0.45	0.32	0.17
5506	8.16	4.69	0.12	7038M	4.51	2.60	0.16	7611	3.71	2.56	0.15
5507	3.95	2.53	0.13	7046M	6.87	3.93	0.11	7612	4.38	3.02	0.15
5508D	12.77	8.80	0.15	7047M	7.51	4.12	0.12	7613	3.68	2.55	0.15
5535	6.18	4.28	0.15	7050M	7.80	4.29	0.16	7704	-	2.79	0.13
5537	5.81	4.02	0.15	7090M	5.02	2.88	0.16	7705	5.09	3.71	0.18
5538	-	4.26	0.15	7098M	7.63	4.37	0.11	7710	4.35	2.79	0.13
5551	16.16	9.30	0.13	7099M	11.87	6.52	0.11	7711	4.35	2.79	0.13
5606	1.30	0.83	0.13	7133	4.94	3.16	0.13	7720	2.91	2.02	0.20
5610	2.99	2.24	0.19	7151M	6.00	3.84	0.14	7855	5.58	3.86	0.15
5645	6.74	4.33	0.15	7152M	10.38	6.36	0.13	8001	2.27	1.76	0.21
5651	6.74	4.33	0.15	7153M	6.67	4.27	0.14	8002	2.81	2.12	0.20
5703	15.17	10.50	0.15	7222	7.57	5.22	0.15	8006	1.72	1.29	0.19
5705	11.63	8.08	0.15	7228	6.94	4.80	0.15	8008	1.56	1.22	0.21
5951	0.48	0.37	0.21	7229	8.19	5.24	0.13	8010	1.63	1.27	0.21
6003	13.22	9.14	0.15	7230	6.10	4.43	0.17	8013	0.77	0.58	0.20
6005	5.74	3.96	0.15	7231	10.57	7.68	0.17	8015	0.90	0.68	0.19
6045	4.11	2.83	0.15	7232	5.95	3.81	0.13	8017	1.80	1.40	0.21
6204	8.03	5.15	0.18	7309F	11.48	4.43	0.11	8018	2.39	1.85	0.21
6206	4.46	2.56	0.11	7313F	4.53	1.75	0.12	8021	3.23	2.43	0.19
6213	3.00	1.92	0.13	7317F	6.73	2.60	0.15	8031	2.66	2.00	0.19
6214	4.01	2.29	0.12	7327F	12.87	5.02	0.11	8032	2.64	2.05	0.21
6216	7.29	4.17	0.11	7333M	5.92	3.37	0.12	8033	2.85	2.15	0.20
6217	5.59	3.58	0.13	7335M	6.57	3.74	0.12	8037	1.80	1.40	0.21
6229	3.76	2.41	0.13	7337M	10.23	5.58	0.12	8039	2.12	1.65	0.21
6233	4.44	2.83	0.13	7350F	9.05	3.78	0.12	8044X	4.22	3.06	0.17
6235	8.92	5.10	0.11	7360	5.95	4.12	0.16	8045	0.73	0.57	0.21
6236	12.39	8.57	0.15	7370	4.30	3.23	0.19	8046	3.97	2.99	0.20
6237	1.78	1.23	0.15	7380	5.28	3.83	0.17	8047	1.40	1.08	0.21
6251D	15.24	9.70	0.13	7382	5.01	3.76	0.19	8058	4.26	3.20	0.20
6252D	7.89	4.49	0.12	7390	7.49	5.62	0.19	8072	0.68	0.53	0.21
6260D	14.37	8.14	0.12	7394M	9.61	5.48	0.12	8102	2.50	1.94	0.21
6306	4.96	3.18	0.13	7395M	10.68	6.08	0.12	8103	3.96	2.89	0.17
6319	4.33	2.77	0.13	7398M	16.61	9.07	0.12	8105	4.64	3.60	0.21
6325	3.67	2.36	0.13	7402	0.22	0.16	0.19	8106	5.94	4.11	0.15
6400	6.11	4.44	0.17	7403	4.32	2.99	0.18	8107	4.51	3.12	0.15
6503	3.63	2.81	0.21	7405N	1.10	0.76	0.18	8111	4.11	3.08	0.19
6504	3.63	2.81	0.21	7420	21.68	12.33	0.12	8116	2.90	2.18	0.19
6702M*	6.78	4.69	0.15	7421	1.82	1.17	0.13	8203	5.59	4.19	0.19
6703M*	11.72	7.77	0.15	7422	2.73	1.55	0.12	8204	4.17	2.88	0.15
6704M*	7.53	5.21	0.15	7425	5.54	3.16	0.12	8209	4.21	3.16	0.19
6801F	6.33	2.77	0.14	7431N	2.62	1.49	0.12	8215	3.67	2.55	0.15
6811	6.15	4.25	0.15	7445N	0.59	-	-	8227	5.45	3.13	0.14
6824F	8.15	3.41	0.16	7453N	1.42	-	-	8232	4.86	3.37	0.15

\* Refer to the Footnotes Page for additional information on this class code.

**ADVISORY LOSS COSTS - NOT RATES**

**RHODE ISLAND**

Advisory loss costs exclude all expense provisions except loss adjustment expense.

Exhibit IV

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Effective July 1, 2012

CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO	CLASS CODE	LOSS COST	ELR	D RATIO
8233	6.71	4.62	0.15	8855	0.22	0.16	0.19				
8235	6.06	4.54	0.19	8856	0.22	0.16	0.19				
8263	10.25	7.45	0.17	8861	-	1.10	0.20				
8264	5.15	3.56	0.16	8864	1.47	1.10	0.20				
8265	5.00	3.21	0.14	8868	0.30	0.23	0.21				
8279	6.42	4.13	0.17	8869	0.92	0.72	0.21				
8288	7.00	4.87	0.15	8871	0.23	0.18	0.20				
8291	5.28	3.84	0.17	8901	0.27	0.20	0.19				
8292	5.15	3.86	0.21	9012	1.04	0.75	0.17				
8293	13.48	9.35	0.15	9014	3.41	2.56	0.19				
8304	7.95	5.51	0.15	9015	4.06	3.05	0.19				
8350X	4.70	3.01	0.13	9016	4.25	3.18	0.19				
8381X	3.03	2.21	0.17	9019	2.12	1.46	0.15				
8385	3.11	2.15	0.17	9033X	2.97	2.23	0.19				
8387X	3.32	2.41	0.17	9040	3.01	2.33	0.21				
8391X	3.08	2.24	0.17	9047X	3.46	2.59	0.19				
8392	2.70	2.03	0.19	9052	2.56	1.99	0.21				
8393X	2.57	1.93	0.19	9058	1.67	1.34	0.24				
8500	7.47	5.18	0.15	9059	-	0.72	0.21				
8601	0.52	0.38	0.17	9060	1.60	1.24	0.21				
8602	0.52	0.38	0.17	9061	1.24	1.00	0.24				
8603	0.22	0.16	0.19	9063	0.96	0.75	0.21				
8606	4.60	2.95	0.13	9077F	1.87	0.87	0.19				
8709F	4.59	1.77	0.15	9082	1.93	1.55	0.24				
8719	3.27	1.87	0.14	9083	1.80	1.45	0.24				
8720	1.38	0.96	0.15	9084	1.72	1.30	0.20				
8721	0.45	0.31	0.15	9088a	a	a	a				
8723	0.22	0.16	0.19	9089	1.03	0.80	0.21				
8725	1.38	0.96	0.15	9093	1.92	1.49	0.21				
8726F	3.37	1.50	0.14	9101	3.72	2.88	0.21				
8734M	0.38	0.26	0.20	9102	3.83	2.88	0.21				
8737M	0.34	0.23	0.20	9110	-	1.10	0.20				
8738M	0.58	0.38	0.15	9154	2.35	1.77	0.19				
8742	0.28	0.19	0.15	9156	2.17	1.59	0.21				
8745	3.85	2.81	0.17	9170	4.82	2.77	0.19				
8748	0.86	0.63	0.17	9178	8.41	6.74	0.24				
8754X	0.79	0.59	0.19	9179	7.13	5.50	0.21				
8755	0.39	0.27	0.15	9180	5.10	3.55	0.16				
8799	1.27	0.95	0.22	9182	1.95	1.47	0.20				
8800	1.54	1.24	0.24	9186	20.14	12.90	0.13				
8803	0.09	0.06	0.15	9220	4.32	3.14	0.17				
8805M	0.30	0.22	0.20	9402	5.78	4.00	0.15				
8810	0.22	0.16	0.19	9403	6.79	4.35	0.13				
8814M	0.27	0.20	0.20	9410	2.81	2.12	0.20				
8815M	0.46	0.32	0.19	9501	3.85	2.80	0.18				
8820	0.21	0.15	0.17	9505	4.01	2.91	0.17				
8824	3.68	2.86	0.21	9516	2.89	2.00	0.15				
8825	1.92	1.54	0.24	9519	2.97	2.06	0.15				
8826	2.63	1.97	0.21	9521	5.77	3.99	0.15				
8831	1.25	0.94	0.20	9522	1.92	1.44	0.19				
8832	0.31	0.23	0.19	9534	5.12	3.28	0.13				
8833	1.23	0.92	0.19	9554	7.23	4.63	0.13				
8835	2.43	1.82	0.19	9586	0.70	0.57	0.24				
8841X	2.17	1.58	0.17	9600	2.57	1.99	0.21				
8842	1.51	1.14	0.19	9620	0.81	0.59	0.17				

\* Refer to the Footnotes Page for additional information on this class code.

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FOOTNOTES

- a Advisory loss cost for each individual risk must be obtained from NCCI Customer Service or the Rating Organization having jurisdiction.
- D Advisory loss cost for classification already includes the specific disease loading shown in the table below. See **Basic Manual** Rule 3-A-7.

Disease			Disease			Disease		
Code No.	Loading	Symbol	Code No.	Loading	Symbol	Code No.	Loading	Symbol
0059D	0.26	S	1710D	0.02	S	3175D	0.03	S
0065D	0.05	S	1741D	0.32	S	4024D	0.03	S
0066D	0.05	S	1803D	0.30	S	5508D	0.04	S
0067D	0.05	S	1852D	0.07	Asb	6251D	0.06	S
1164D	0.04	S	3081D	0.05	S	6252D	0.03	S
1165D	0.02	S	3082D	0.09	S	6260D	0.06	S
1624D	0.01	S	3085D	0.07	S			

Asb=Asbestos, S=Silica

- F Advisory loss cost provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Loss cost contains a provision for the USL&HW Assessment.
- M Risks are subject to Admiralty Law or Federal Employers Liability Act (FELA). However, the published loss cost is for risks that voluntarily purchase standard workers compensation and employers liability coverage. A provision for the USL&HW Assessment is included for those classifications under Program II USL Act.
- N This code is part of a ratable / non-ratable group shown below. The statistical non-ratable code and corresponding advisory loss cost are applied in addition to the basic classification when determining premium.

Class Code	Non-Ratable Element Code
4771	0771
7405	7445
7431	7453

- P Classification is computed on a per capita basis.
- X Refer to special classification phraseology in these pages which is applicable in this state.

**\* Class Codes with Specific Footnotes**

- 6702 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection code loss cost and elr each x 1.215.
- 6703 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class loss cost x 2.099 and elr x 2.013.
- 6704 Loss cost and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class loss cost and elr each x 1.35.

Effective July 1, 2012

**ADVISORY MISCELLANEOUS VALUES**

**Advisory Loss Elimination Ratios** - The following percentages represent the portion of total loss eliminated per claim and are applicable by hazard group:

<b>Advisory Loss Elimination Ratios</b>							
<b>Deductible Amount</b>	<b>HAZARD GROUP</b>						
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
\$250	3.8%	2.9%	2.5%	2.1%	1.7%	1.2%	0.9%
\$500	6.9%	5.3%	4.6%	3.8%	3.2%	2.3%	1.8%
\$1,000	11.0%	8.6%	7.5%	6.4%	5.5%	4.0%	3.2%
\$2,500	18.1%	14.5%	12.9%	11.2%	9.7%	7.5%	5.9%
\$5,000	25.6%	20.9%	18.8%	16.7%	14.6%	11.6%	9.3%

Note: These percentages do not include a safety factor and do not reflect the premium reductions to be applied to policy premium.

**Basis of premium** applicable in accordance with **Basic Manual** footnote instructions for Code 7370 --"Taxicab Co.":

Employee operated vehicle.....	\$65,900
Leased or rented vehicle.....	\$43,900

**Catastrophe (other than Certified Acts of Terrorism) - (Advisory Loss Cost).....** 0.01

**Maximum Payroll** applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers" and **Basic Manual** footnote instructions for Code 9178 -- "Athletic Sports or Park: Non-Contact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports"..... \$3,400

**Minimum Payroll** applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers" ..... \$850

**Per Passenger Seat Surcharge** - In accordance with **Basic Manual** footnote instructions for Code 7421, the surcharge is:

Maximum surcharge per aircraft.....	\$1,000
Per passenger seat.....	\$100

**Terrorism - (Advisory Loss Cost) .....** 0.01

**United States Longshore and Harbor Workers' Compensation Coverage Percentage** applicable only in connection with **Basic Manual** Rule 3-A-4..... 61%

(Multiply a Non-F classification loss cost by a factor of 1.61 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.52) and the adjustment for differences in loss-based expenses (1.057).)

**Experience Rating Eligibility**

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$10,000. If more than two years, an average annual premium of at least \$5,000 is required. Page A-1 of the **Experience Rating Plan Manual** should be referenced for the latest approved eligibility amounts by state.



Effective July 1, 2012

**TABLE OF WEIGHTING VALUES  
APPLICABLE TO ALL POLICIES**

Expected Losses			Weighting Values	Expected Losses			Weighting Values
0	--	1,696	0.04	956,521	--	1,009,282	0.44
1,697	--	6,857	0.05	1,009,283	--	1,065,098	0.45
6,858	--	12,128	0.06	1,065,099	--	1,124,242	0.46
12,129	--	17,513	0.07	1,124,243	--	1,187,023	0.47
17,514	--	23,016	0.08	1,187,024	--	1,253,786	0.48
23,017	--	38,496	0.09	1,253,787	--	1,324,924	0.49
38,497	--	57,303	0.10	1,324,925	--	1,400,881	0.50
57,304	--	74,032	0.11	1,400,882	--	1,482,165	0.51
74,033	--	90,321	0.12	1,482,166	--	1,569,358	0.52
90,322	--	106,611	0.13	1,569,359	--	1,663,128	0.53
106,612	--	123,102	0.14	1,663,129	--	1,764,250	0.54
123,103	--	139,906	0.15	1,764,251	--	1,873,623	0.55
139,907	--	157,097	0.16	1,873,624	--	1,992,303	0.56
157,098	--	174,734	0.17	1,992,304	--	2,121,528	0.57
174,735	--	192,864	0.18	2,121,529	--	2,262,772	0.58
192,865	--	211,530	0.19	2,262,773	--	2,417,793	0.59
211,531	--	230,771	0.20	2,417,794	--	2,588,711	0.60
230,772	--	250,629	0.21	2,588,712	--	2,778,104	0.61
250,630	--	271,141	0.22	2,778,105	--	2,989,139	0.62
271,142	--	292,350	0.23	2,989,140	--	3,225,752	0.63
292,351	--	314,298	0.24	3,225,753	--	3,492,892	0.64
314,299	--	337,030	0.25	3,492,893	--	3,796,876	0.65
337,031	--	360,592	0.26	3,796,877	--	4,145,892	0.66
360,593	--	385,034	0.27	4,145,893	--	4,550,748	0.67
385,035	--	410,411	0.28	4,550,749	--	5,026,010	0.68
410,412	--	436,780	0.29	5,026,011	--	5,591,795	0.69
436,781	--	464,202	0.30	5,591,796	--	6,276,690	0.70
464,203	--	492,743	0.31	6,276,691	--	7,122,732	0.71
492,744	--	522,477	0.32	7,122,733	--	8,194,382	0.72
522,478	--	553,481	0.33	8,194,383	--	9,595,767	0.73
553,482	--	585,839	0.34	9,595,768	--	11,506,740	0.74
585,840	--	619,644	0.35	11,506,741	--	14,267,030	0.75
619,645	--	654,996	0.36	14,267,031	--	18,604,620	0.76
654,997	--	692,005	0.37	18,604,621	--	26,412,274	0.77
692,006	--	730,792	0.38	26,412,275	--	44,630,117	0.78
730,793	--	771,488	0.39	44,630,118	--	135,719,292	0.79
771,489	--	814,240	0.40	135,719,293	AND OVER	0.80	
814,241	--	859,207	0.41				
859,208	--	906,568	0.42				
906,569	--	956,520	0.43				

(a) G	8.10
(b) State Per Claim Accident Limitation	\$203,000
(c) State Multiple Claim Accident Limitation	\$406,000
(d) USL&HW Per Claim Accident Limitation	\$447,000
(e) USL&HW Multiple Claim Accident Limitation	\$894,000
(f) Employers Liability Accident Limitation	\$55,000
(g) USL&HW Act -- Expected Loss Factor -- Non-F Classes	1.54
<i>(Multiply a Non-F classification ELR by the USL&amp;HW Act - Expected Loss Factor of 1.54.)</i>	

Effective July 1, 2012  
**TABLE OF BALLAST VALUES  
 APPLICABLE TO ALL POLICIES**

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 -- 43,568	20,250	1,398,068 -- 1,438,545	162,000	2,815,158 -- 2,855,651	303,750
43,569 -- 74,985	24,300	1,438,546 -- 1,479,023	166,050	2,855,652 -- 2,896,145	307,800
74,986 -- 111,084	28,350	1,479,024 -- 1,519,502	170,100	2,896,146 -- 2,936,640	311,850
111,085 -- 149,165	32,400	1,519,503 -- 1,559,983	174,150	2,936,641 -- 2,977,134	315,900
149,166 -- 188,173	36,450	1,559,984 -- 1,600,464	178,200	2,977,135 -- 3,017,629	319,950
188,174 -- 227,670	40,500	1,600,465 -- 1,640,947	182,250	3,017,630 -- 3,058,124	324,000
227,671 -- 267,453	44,550	1,640,948 -- 1,681,430	186,300	3,058,125 -- 3,098,619	328,050
267,454 -- 307,417	48,600	1,681,431 -- 1,721,914	190,350	3,098,620 -- 3,139,115	332,100
307,418 -- 347,501	52,650	1,721,915 -- 1,762,399	194,400	3,139,116 -- 3,179,610	336,150
347,502 -- 387,669	56,700	1,762,400 -- 1,802,884	198,450	3,179,611 -- 3,220,105	340,200
387,670 -- 427,898	60,750	1,802,885 -- 1,843,370	202,500	3,220,106 -- 3,260,601	344,250
427,899 -- 468,173	64,800	1,843,371 -- 1,883,857	206,550	3,260,602 -- 3,301,097	348,300
468,174 -- 508,483	68,850	1,883,858 -- 1,924,344	210,600	3,301,098 -- 3,341,593	352,350
508,484 -- 548,820	72,900	1,924,345 -- 1,964,832	214,650	3,341,594 -- 3,382,088	356,400
548,821 -- 589,180	76,950	1,964,833 -- 2,005,320	218,700	3,382,089 -- 3,422,584	360,450
589,181 -- 629,557	81,000	2,005,321 -- 2,045,809	222,750	3,422,585 -- 3,463,081	364,500
629,558 -- 669,949	85,050	2,045,810 -- 2,086,298	226,800	3,463,082 -- 3,503,577	368,550
669,950 -- 710,353	89,100	2,086,299 -- 2,126,788	230,850	3,503,578 -- 3,544,073	372,600
710,354 -- 750,767	93,150	2,126,789 -- 2,167,278	234,900	3,544,074 -- 3,584,569	376,650
750,768 -- 791,190	97,200	2,167,279 -- 2,207,768	238,950	3,584,570 -- 3,625,066	380,700
791,191 -- 831,621	101,250	2,207,769 -- 2,248,259	243,000	3,625,067 -- 3,665,562	384,750
831,622 -- 872,058	105,300	2,248,260 -- 2,288,750	247,050	3,665,563 -- 3,706,059	388,800
872,059 -- 912,500	109,350	2,288,751 -- 2,329,241	251,100	3,706,060 -- 3,746,555	392,850
912,501 -- 952,947	113,400	2,329,242 -- 2,369,733	255,150	3,746,556 -- 3,787,052	396,900
952,948 -- 993,399	117,450	2,369,734 -- 2,410,225	259,200	3,787,053 -- 3,827,549	400,950
993,400 -- 1,033,854	121,500	2,410,226 -- 2,450,717	263,250	3,827,550 -- 3,867,750	405,000
1,033,855 -- 1,074,313	125,550	2,450,718 -- 2,491,209	267,300		
1,074,314 -- 1,114,774	129,600	2,491,210 -- 2,531,702	271,350		
1,114,775 -- 1,155,239	133,650	2,531,703 -- 2,572,195	275,400		
1,155,240 -- 1,195,705	137,700	2,572,196 -- 2,612,688	279,450		
1,195,706 -- 1,236,174	141,750	2,612,689 -- 2,653,181	283,500		
1,236,175 -- 1,276,645	145,800	2,653,182 -- 2,693,675	287,550		
1,276,646 -- 1,317,117	149,850	2,693,676 -- 2,734,169	291,600		
1,317,118 -- 1,357,592	153,900	2,734,170 -- 2,774,662	295,650		
1,357,593 -- 1,398,067	157,950	2,774,663 -- 2,815,157	299,700		

For Expected Losses greater than \$3,867,750, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})(8.10) / (\text{Expected Losses} + (700)(8.10))$$

G = 8.10

Effective July 1, 2012

1. Hazard Group Differentials

A	B	C	D	E	F	G
2.12	1.55	1.39	1.25	1.07	0.88	0.67

2. 2012 Table of Expected Loss Ranges

Effective January 1, 2012

3.

Excess Loss Pure Premium Factors  
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$10,000 †	0.544	0.594	0.616	0.638	0.662	0.693	0.722
\$15,000 †	0.488	0.543	0.568	0.592	0.620	0.656	0.690
\$20,000 †	0.446	0.503	0.529	0.556	0.586	0.626	0.665
\$25,000	0.411	0.470	0.498	0.525	0.558	0.601	0.643
\$30,000	0.383	0.442	0.470	0.499	0.534	0.578	0.623
\$35,000	0.359	0.418	0.447	0.476	0.512	0.559	0.606
\$40,000	0.338	0.396	0.426	0.456	0.493	0.541	0.590
\$50,000	0.305	0.361	0.390	0.422	0.461	0.510	0.563
\$75,000	0.248	0.298	0.327	0.358	0.399	0.451	0.509
\$100,000	0.211	0.256	0.284	0.314	0.354	0.407	0.467
\$125,000	0.184	0.226	0.252	0.281	0.320	0.372	0.433
\$150,000	0.165	0.203	0.228	0.255	0.293	0.344	0.405
\$175,000	0.148	0.184	0.208	0.234	0.270	0.320	0.381
\$200,000	0.136	0.168	0.192	0.216	0.251	0.299	0.360
\$225,000	0.125	0.155	0.178	0.201	0.234	0.281	0.342
\$250,000	0.117	0.146	0.167	0.189	0.221	0.267	0.326
\$275,000	0.109	0.136	0.157	0.178	0.209	0.253	0.312
\$300,000	0.103	0.128	0.149	0.169	0.198	0.241	0.299
\$325,000	0.097	0.121	0.141	0.160	0.188	0.230	0.287
\$350,000	0.092	0.115	0.134	0.153	0.180	0.220	0.277
\$375,000	0.088	0.110	0.128	0.146	0.172	0.211	0.267
\$400,000	0.084	0.105	0.123	0.140	0.166	0.203	0.258
\$425,000	0.080	0.100	0.118	0.134	0.159	0.196	0.250
\$450,000	0.077	0.096	0.113	0.129	0.154	0.189	0.243
\$475,000	0.074	0.093	0.109	0.125	0.148	0.183	0.236
\$500,000	0.071	0.089	0.106	0.121	0.144	0.177	0.230
\$600,000	0.062	0.078	0.093	0.107	0.128	0.159	0.208
\$700,000	0.056	0.070	0.084	0.096	0.116	0.144	0.191
\$800,000	0.052	0.065	0.077	0.089	0.107	0.133	0.178
\$900,000	0.047	0.059	0.072	0.082	0.099	0.124	0.167
\$1,000,000	0.044	0.055	0.067	0.076	0.092	0.116	0.157
\$2,000,000	0.026	0.033	0.041	0.048	0.058	0.073	0.104
\$3,000,000	0.019	0.024	0.031	0.036	0.044	0.056	0.082
\$4,000,000	0.015	0.019	0.024	0.029	0.036	0.046	0.068
\$5,000,000	0.012	0.016	0.020	0.024	0.030	0.039	0.059
\$6,000,000	0.009	0.012	0.016	0.020	0.025	0.033	0.051
\$7,000,000	0.008	0.011	0.014	0.017	0.022	0.029	0.045
\$8,000,000	0.007	0.009	0.013	0.015	0.019	0.026	0.041
\$9,000,000	0.007	0.008	0.011	0.013	0.017	0.023	0.037
\$10,000,000	0.006	0.008	0.010	0.012	0.016	0.021	0.034

† This loss limit is not applicable for retrospective rating in this state.

Effective July 1, 2012

**Excess Loss and Allocated  
Expense Pure Premium Factors**  
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$10,000 †	0.632	0.685	0.708	0.731	0.756	0.788	0.817
\$15,000 †	0.574	0.633	0.659	0.684	0.713	0.751	0.786
\$20,000 †	0.530	0.591	0.619	0.647	0.679	0.720	0.760
\$25,000	0.494	0.557	0.586	0.616	0.651	0.695	0.738
\$30,000	0.464	0.528	0.558	0.589	0.626	0.672	0.719
\$35,000	0.438	0.502	0.533	0.565	0.603	0.652	0.701
\$40,000	0.416	0.479	0.511	0.544	0.584	0.634	0.685
\$50,000	0.379	0.441	0.474	0.507	0.549	0.602	0.657
\$75,000	0.314	0.371	0.404	0.439	0.483	0.540	0.600
\$100,000	0.269	0.323	0.355	0.389	0.434	0.492	0.556
\$125,000	0.237	0.286	0.317	0.350	0.394	0.453	0.519
\$150,000	0.212	0.258	0.288	0.320	0.363	0.421	0.489
\$175,000	0.192	0.235	0.264	0.294	0.336	0.394	0.461
\$200,000	0.176	0.216	0.244	0.273	0.313	0.369	0.437
\$225,000	0.162	0.200	0.227	0.255	0.294	0.348	0.416
\$250,000	0.152	0.187	0.213	0.240	0.278	0.331	0.398
\$275,000	0.142	0.176	0.201	0.226	0.263	0.315	0.381
\$300,000	0.134	0.165	0.190	0.214	0.250	0.300	0.366
\$325,000	0.126	0.157	0.180	0.204	0.238	0.287	0.352
\$350,000	0.120	0.149	0.172	0.194	0.227	0.275	0.340
\$375,000	0.114	0.142	0.164	0.186	0.218	0.264	0.328
\$400,000	0.109	0.135	0.157	0.178	0.209	0.254	0.318
\$425,000	0.104	0.130	0.151	0.171	0.201	0.245	0.308
\$450,000	0.100	0.125	0.145	0.165	0.194	0.237	0.299
\$475,000	0.096	0.120	0.140	0.159	0.188	0.230	0.291
\$500,000	0.093	0.116	0.135	0.154	0.182	0.223	0.283
\$600,000	0.081	0.101	0.120	0.136	0.162	0.199	0.257
\$700,000	0.073	0.091	0.108	0.123	0.146	0.181	0.236
\$800,000	0.067	0.083	0.099	0.113	0.135	0.167	0.221
\$900,000	0.061	0.077	0.092	0.105	0.125	0.156	0.207
\$1,000,000	0.057	0.071	0.085	0.097	0.117	0.145	0.195
\$2,000,000	0.034	0.043	0.053	0.061	0.073	0.092	0.129
\$3,000,000	0.025	0.032	0.040	0.046	0.056	0.071	0.102
\$4,000,000	0.019	0.025	0.032	0.037	0.046	0.059	0.085
\$5,000,000	0.016	0.021	0.026	0.031	0.039	0.050	0.074
\$6,000,000	0.012	0.016	0.022	0.026	0.033	0.043	0.064
\$7,000,000	0.011	0.014	0.019	0.022	0.029	0.038	0.057
\$8,000,000	0.009	0.012	0.017	0.020	0.025	0.034	0.052
\$9,000,000	0.008	0.011	0.015	0.018	0.023	0.031	0.047
\$10,000,000	0.008	0.010	0.013	0.016	0.021	0.028	0.044

† This loss limit is not applicable for retrospective rating in this state.

4. **Retrospective Pure Premium Development Factors**

1st	<u>With Loss Limit</u>				1st	<u>Without Loss Limit</u>		
	2nd	3rd	4th	2nd		3rd	4th	
Adj.	Adj.	Adj.	Adj.	Adj.	Adj.	Adj.	Adj.	
0.10	0.07	0.03	0.02	0.25	0.19	0.07	0.05	