



Rhode Island

Advisory Loss Costs and Rating
Values Filing

Proposed Effective August 1, 2024



Justin Moulton, CPCU, WCP, ARC, AIAF, ARE
Senior State Relations Executive
Regulatory Division
(P) 561-893-3828 (M) 860-969-7903
Email: Justin_Moulton@ncci.com

November 17, 2023

The Honorable Elizabeth Kelleher Dwyer
Director and Superintendent of Insurance
State of Rhode Island and Providence Plantations
Department of Business Regulation
Insurance Division
1511 Pontiac Ave
Cranston, RI 02920

Attention: Beth Vollucci, SPIR, Chief of Consumer and Filing Services

Re: Rhode Island Advisory Loss Costs and Rating Values Filing Proposed to Be Effective August 1, 2024

Dear Superintendent Dwyer:

In accordance with the applicable statutes and regulations of the state of Rhode Island, we are filing for your consideration and approval advisory loss costs changes for Rhode Island. The advisory loss costs, which are proposed to be effective August 1, 2024, reflect a decrease of 10.5% from the current advisory loss costs which became effective August 1, 2023. Reported COVID-19-related claims have been excluded from the data on which this filing is based to better reflect the conditions likely to prevail during the proposed effective period.

This filing is made exclusively on behalf of the companies that have given valid consideration for the express purpose of fulfilling regulatory rate or pure premium filing requirements and other private use of this information.

In the enclosed appendix is a list of companies that, as of the time this filing is submitted, are eligible to reference this information. The inclusion of a company on this list merely indicates that the company, or the group to which it belongs, is affiliated with NCCI in this state, or has licensed this information as a non-affiliate, and is not intended to indicate whether the company is currently writing business or is even licensed to write business in this state.

As always, if you should have any questions or need additional information, please do not hesitate to contact me at (561) 893-3828 or Brett Foster at (561) 893-3121.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Justin Moulton", is positioned below the "Respectfully Submitted," text. The signature is fluid and cursive.

Justin Moulton, CPCU, WCP, ARC, AIAF, ARE
State Relations Executive



© Copyright 2023 National Council on Compensation Insurance, Inc. All Rights Reserved.

These materials are comprised of NCCI actuarial judgment and proprietary and confidential information which are valuable assets of NCCI and are protected by copyright and other intellectual property laws. Any persons in the legal possession of these materials are required to maintain them in the strictest confidence and shall implement sufficient safeguards to protect the confidentiality of such materials in the same respect as it protects its own intellectual property. NCCI will seek appropriate legal remedies for any unauthorized use, sale, reproduction, distribution, preparation of derivative works, or transfer of this material, or any part thereof in any media. Authorized uses of these materials are governed by one or more agreements between NCCI and an end user. Unless expressly authorized by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, or other materials), display, perform, or use the materials, in whole or in part, in any media and in any manner including posting to a web site.

NCCI MAKES NO REPRESENTATIONS OR WARRANTIES RELATING TO THESE MATERIALS, INCLUDING ANY EXPRESS, STATUTORY, OR IMPLIED WARRANTIES INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, AUTHORIZED END USERS ASSUME RESPONSIBILITY FOR THE USE OF, AND FOR ANY AND ALL RESULTS DERIVED OR OBTAINED THROUGH THE USE OF SUCH MATERIALS.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Actuarial Certification

I, Brett Foster, am an Executive Director and Actuary for the National Council on Compensation Insurance, Inc. I am a Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries, and I meet the Qualification Standards of the American Academy of Actuaries to provide the actuarial report contained herein.

The information contained in this report has been prepared under my direction 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.

A handwritten signature in black ink, appearing to read "Brett Foster".

Brett Foster, FCAS, MAAA
Executive Director and Actuary
Actuarial and Economic Services



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Disclosures

Purpose of the Report

The purpose of this report is to provide the proposed advisory loss costs for workers compensation policies in Rhode Island, proposed to be effective August 1, 2024.

The intended users of this report are:

- The Rhode Island Department of Business Regulation, Insurance Division
- Affiliated carriers, for their reference in determining workers compensation rates

Scope

The prospective loss costs are intended to cover the indemnity and medical benefits provided under the system, as well as some of the expenses associated with providing these benefits (loss adjustment expenses). They do not, however, contemplate any other costs associated with providing workers compensation insurance (such as commissions, taxes, etc.).

Each insurance company offering workers compensation insurance in Rhode Island that uses NCCI loss costs may file a loss cost multiplier to be applied to the approved advisory prospective loss costs in order to compute the final workers compensation rates they intend to charge. This multiplier is intended to cover the other costs associated with providing workers compensation insurance that are not already part of the advisory prospective loss costs.

NCCI utilizes widely accepted general ratemaking methodologies in the calculation of voluntary loss costs, including (i) experience base determination, (ii) chain ladder development method, (iii) trending procedure, (iv) expense calculation, and (v) application of indemnity and medical benefit changes. Since the onset of the COVID-19 pandemic, NCCI has conducted in-depth reviews and analyses and has determined that the continued use of data from the pandemic-impacted time-period remains appropriate for use in its ratemaking methodologies.

Data Sources and Dates

Financial Data Valuation Date	December 31, 2022
Financial Call Data Cutoff Date	September 19, 2023
Unit Statistical Plan Data Cutoff Date	September 28, 2023
Filing Preparation Date	October 19, 2023

The overall average loss cost level change is based on a review of Financial Call Data, which is an aggregation of workers compensation data annually reported to NCCI. In this filing, Financial



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Disclosures

Call Data submissions received after the Financial Call Data Cutoff Date were not considered for inclusion in the analysis.

Loss cost level changes at the classification code level are based on five years of Unit Statistical Plan Data, which is the audited exposure, premium, and loss information reported to NCCI on a policy level. In this filing, Unit Statistical Data submissions received after the Unit Statistical Plan Data Cutoff Date were not considered for inclusion in the analysis.

In some areas, NCCI's analysis also relies on other data sources, which are reviewed for reasonableness and are referenced in the filing where applicable. Events that have occurred after the Filing Preparation Date that may have a material impact on workers compensation costs in this jurisdiction have not been considered in the analysis.

Data Exclusions

NCCI maintains several data reporting initiatives and programs to assist carriers to report data and to ensure that the data that is reported to NCCI is complete, accurate, and reported in a timely fashion. Occasionally, a carrier's data submission is not available for use in an NCCI filing either because the data was not reported prior to the filing, had quality issues, or NCCI determined that the data that was reported should not be included in the filing based on NCCI's actuarial judgment. Data for all carriers writing at least one-tenth of one percent of the Rhode Island workers compensation written premium volume have been included in the experience period on which this filing is based.

NCCI categorizes catastrophic events as those that incur aggregate workers compensation losses of more than \$50 million per occurrence. Pandemics have the potential to be catastrophic in terms of the costs they impose on the workers compensation system. NCCI's standard ratemaking methodology excludes catastrophe-related losses from the calculation of loss costs since these events are not considered to be predictive of future experience. NCCI is proposing to treat COVID-19 claims with accident dates between December 1, 2019 through December 31, 2022 as a catastrophe in this filing. These reported claims have been excluded from Financial Call Data and Unit Statistical Plan Data for use in ratemaking to better reflect the conditions expected to prevail in the filing's proposed effective period.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Disclosures

Below is a summary of COVID-19-related lost-time claim counts and indemnity and medical combined paid plus case losses, as reported in NCCI's Financial Call 31 as of year-end 2022.

<u>Year</u>	<u>COVID-19 Lost-Time Claim Counts</u>	<u>COVID-19 Paid+Case Losses</u>
PY 2019	86	\$1,219,348
PY 2020	141	\$1,429,616
PY 2021	29	\$28,181
AY 2020	215	\$2,507,012
AY 2021	31	\$158,242
AY 2022	20	\$32,991

Excludes large deductible and expense-only claims.

Reported COVID-19-related losses would have represented less than a 1.2% share of the reported paid plus case losses in Rhode Island's experience period.

Risks and Uncertainty

This filing includes assumptions and projections concerning the future. As with any prospective analysis, there exists estimation uncertainty in these assumptions and projections. Areas of this analysis subject to estimation uncertainty that could have a material impact on the final results include the following:

- Projection of future loss development
- Selection of loss ratio trends
- Unanticipated changes to wage or medical inflation
- Potential impact of changes to laws and/or regulations

In addition, any future changes to workers compensation law or regulations that apply retroactively to policies or benefit claims on policies in the proposed effective period may have a significant impact on the adequacy of the loss costs proposed in this filing.

The course of the COVID-19 pandemic and related considerations, such as future economic conditions and the labor market, contribute additional uncertainty when estimating future costs.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Table of Contents

Part 1 Filing Overview

- Executive Summary
- Overview of Methodology
- Summary of Selections
- Additional Proposed Changes

Part 2 Proposed Values

- Proposed Voluntary Advisory Loss Costs for Inclusion in the Basic Manual
- Proposed Values for Inclusion in the Experience Rating Plan Manual
- Proposed Values for Inclusion in the Retrospective Rating Plan Manual

Part 3 Supporting Exhibits

- Exhibit I: Determination of Indicated Loss Cost Level Change
- Exhibit II: Workers Compensation Loss Adjustment Expenses
- Appendix A: Factors Underlying the Proposed Loss Cost Level Change
- Appendix B: Calculations Underlying the Loss Cost Change by Classification
- Appendix C: Memoranda for Laws and Assessments

Part 4 Additional Information

- Definitions
- NCCI Affiliate List
- Key Contacts



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Part 1 Filing Overview

- Executive Summary
- Overview of Methodology
- Summary of Selections
- Additional Proposed Changes



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Executive Summary

Based on its review of the most recently available data, NCCI has proposed the following overall average workers compensation voluntary market advisory loss cost level change of -10.5% to become effective August 1, 2024.

Key Components

Impact of change in Experience and Development	- 10.6%
Impact of change in Trend [^]	- 0.1%
Impact of change in Benefits	+ 0.4%
<u>Impact of change in Loss-based Expenses</u>	<u>- 0.2%</u>
Proposed Change in Overall Voluntary Loss Cost Level*	- 10.5%

[^]Change in trend reflects a change in trend length due to the update to the premium distribution by month.

*The loss cost change varies by classification code, each of which belongs to one of five Industry Groups.

Items of Note:

Experience and Development:

- This filing is based on premium and loss experience for Policy Years 2019, 2020, and 2021 evaluated as of December 31, 2022. The financial data experience period evaluated as of December 31, 2022 shows continued improvement when compared to the data evaluated as of December 31, 2021. Refer to Exhibit I for the considerations underlying the Experience Period and Loss Base selections.
- Similar to prior years, paid loss data was selected to best reflect the conditions expected to prevail in the proposed effective period.
- Reported COVID-19-related claims have been excluded from the data on which this filing is based.
- In light of the favorable loss experience which has persisted in the post-pandemic data, equal weight has been allocated to each policy year in the experience period—as opposed to giving more weight to data from the pre-pandemic period.

Trend:

- After adjusting to a common wage level, Rhode Island’s lost-time claim frequency decreased modestly in Policy Years 2020 and 2021; over the same period, both indemnity and medical average cost per case figures declined significantly.
- Annual trend factors were selected with consideration given to the large loss ratio decreases observed in recent policy years. The significant year-over-year loss ratio decreases in Policy Years 2020 and 2021 may be an indirect effect of the pandemic and are not necessarily indicative of how loss ratios are expected to change going forward.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Overview of Methodology

The following methodologies and assumptions used in this filing may not be applicable to or relevant for another purpose, including but not limited to NCCI filings in other jurisdictions.

Aggregate Ratemaking

NCCI's approach to determining the proposed overall average loss cost level change utilizes widely accepted ratemaking methodologies. The approach employed in this filing includes the following steps:

- The reported historical premium totals are projected to an ultimate basis and adjusted to the current pure premium level
- The excess loss portion of individual large claims are removed from reported aggregate losses, based on a Rhode Island-specific large loss threshold
- The reported historical limited indemnity and medical loss totals are projected to an ultimate basis and adjusted to the current benefit level
- Ratios of losses to pure premium are projected to the cost levels expected in the loss cost effective period
- Ultimate, trended, limited losses are adjusted to an unlimited basis via a non-catastrophe excess ratio (with excess ratios at limits beyond \$50 million set equal to zero)
- Proposed benefit level and expense changes are applied to the projected cost ratios

The indicated average loss cost level change is calculated for the years in the filing's experience period. If the final projected cost ratios are greater (less) than 1.000, then an increase (decrease) in the average loss cost level is indicated.

Class Ratemaking

Once the proposed overall average voluntary loss cost level change has been determined, NCCI separately determines loss costs per \$100 of payroll for each workers compensation job classification (class); the loss costs and year-over-year changes vary by class. Three sets of pure premiums are combined as part of each class code's loss cost calculation based on the volume of available data for that job classification. The three sets of pure premiums are:

- State-specific payroll and loss experience ("indicated")
- Currently approved pure premium adjusted to the proposed level ("present on rate level")
- Countrywide experience adjusted to state conditions ("national")



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Summary of Selections

The following is a summary of selections underlying the voluntary loss costs proposed to be effective August 1, 2024, along with the selections underlying the currently approved filing effective August 1, 2023.

<u>Voluntary Market Advisory Loss Costs</u>	<u>Currently Approved August 1, 2023</u>	<u>Proposed Effective August 1, 2024</u>
Experience Period	Policy Years 2018, 2019 and 2020*	Policy Years 2019, 2020 and 2021
Premium Development	3-yr avg	3-yr avg
Loss Experience Base	Paid	Paid
Loss Development - Paid	5-yr xhilo avg	5-yr xhilo avg
Tail Factor – Indemnity	1.005	1.010
Tail Factor – Medical	1.000	1.010
Trend Factor – Indemnity Loss Ratio	0.965	0.965
Trend Factor – Medical Loss Ratio	0.945	0.945
Base Threshold for Limiting Losses	\$2,817,267	\$2,666,303
Excess Ratio	2.1%	2.3%
Loss-based Expense Provision	22.9%	22.7%
Classification Swing Limits (applied by Industry Group)	+/-15%	+/-15%

* Policy Year 2020 was given half the usual weight in the 8/1/2023 filing



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Additional Proposed Changes

Changes to Experience Rating Values

The experience rating values in this filing reflect the updates approved in Item E-1409— Enhancement to NCCI's Experience Rating Plan Methodology, which revised certain underlying components of the methodology used in NCCI's Experience Rating Plan (Plan):

- The primary/excess loss split point (split point) now differs by jurisdiction to better reflect state cost differences.
- The state per claim accident limitation (SAL) and United States Longshore and Harbor Workers' Compensation (USL&HW) per claim accident limitation are now based on the 95th percentile of lost time claims and are generally smaller in magnitude than the limitations under the prior methodology.
- The credibility parameters underlying the calculation of the weight (W) and ballast (B) values have been recalibrated with more recently available data to improve equity within the Plan.
- The G value has been adjusted to enhance consistency with other Plan parameters.
- The Discount ratios (D-ratios) no longer differ for class codes in the same hazard group.

The benefits of these updates include:

- A more accurate and predictive experience rating modification.
- More comparable Plan performance in states with claim costs that vary significantly from the countrywide average.
- Reduced sensitivity to large outlier claims without sacrificing predictive accuracy.
- The elimination of complex calculations where no value is added.

As described above, the split point is now a state-specific value reflecting Rhode Island costs; because D-ratios are a measure of the expected proportion of losses below the split point, the average D-ratio in Rhode Island has decreased.

No statewide premium impact is anticipated from these experience rating plan updates.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Additional Proposed Changes

Changes to Occupational Disease Provisions

NCCI recently completed a comprehensive review of Occupational Diseases (OD), excluding coal worker's pneumoconiosis. The review found that the vast majority of loss experience for OD-related conditions is reported within 10 years of policy expiration and thus captured by our Unit Statistical Plan Data. As this data is included in the ratemaking analysis each year, it was determined that there is no need for separate ratemaking handling. Based on this research, NCCI is proposing to remove all disease loadings specific to any classification that is not related to coal mining. This includes supplementary disease loss costs/rates, where applicable.

The premium generated from disease provisions is negligible, accounting for less than 0.1% of the total premium in the state. Therefore, no offset is being proposed due to the removal of OD provisions. The losses associated with OD claims will continue to be included in the ratemaking data underlying the annual loss cost/rate filings.

As stated in the **Basic Manual** (Rule ID: BM-SUPD-S1257), carriers will continue to have the option to include a load for supplemental OD exposure. The supplemental disease loading proposed must be based on the carrier's judgment after an evaluation of the operation.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Additional Proposed Changes

Calendar Year Wage Adjustments

NCCI's standard methodology is to adjust frequency and severity values included in its loss cost filings to a common wage level before analyzing trends that may be present in those values. This practice allows NCCI to analyze trends over and above changes that may be due solely to wage inflation. In this year's filing, the frequency and severity values have been adjusted to the Policy Year 2021 average weekly wage (AWW) level using data from the Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW).

In addition to the traditional growth in wages/salaries that may be expected to occur each year, the observed 2019-to-2020 and 2020-to-2021 AWW changes were also impacted by COVID-19 pandemic-related shifts in employment across industry sectors. While a change in industry-sector mix occurs to a small degree each year, its impact on the 2020 and 2021 AWW changes was unusually large, due to pandemic-related job losses, followed by wage growth in relatively low-wage industries. Therefore, the 2020 and 2021 AWW values were adjusted to exclude the estimated impact of the pandemic-related, industry-sector mix change.

The impact of industry-sector mix changes on the 2022 AWW change was less atypical than what was observed in 2020 and 2021. As such, the 2022 AWW value has not been modified to exclude the impact of industry-sector mix changes.

The adjustment made to the 2020 and 2021 AWW is reflected in the frequency and severity values shown in Appendix A-III Trend Factors. The overall impact of the 2020 and 2021 AWW adjustment, and the return to an unadjusted 2022 AWW, is expected to be immaterial.



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Part 2 Proposed Values

- Proposed Voluntary Market Advisory Loss Costs for Inclusion in the Basic Manual
- Proposed Values for Inclusion in the Experience Rating Plan Manual
- Proposed Values for Inclusion in the Retrospective Rating Plan Manual

Please note the following in connection with this filing:

- The updated Experience Rating Plan parameters reflect the methodology enhancements from Item E-1409.
- As a result of Item E-1410, claims attributable to COVID-19 with accident dates on or after July 1, 2023 will be included in experience rating calculations. Experience modifications calculated effective beginning July 1, 2024* and subsequent have the potential to be affected by COVID-19 claim experience.
- As a result of Item R-1421, the Retrospective Rating Plan parameters have been updated.

* In certain rare circumstances, a few experience modifications effective as early as March 16, 2024 may be affected.



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Proposed Voluntary Market Advisory Loss Costs for Inclusion in the Basic Manual

The following pages include proposed:

- Voluntary market advisory loss costs by class code, along with associated footnotes
- Advisory miscellaneous values, such as:
 - Catastrophe and Terrorism provisions
 - Maximum and minimum weekly payroll applicable for select class codes
 - Premium determination for Partners and Sole Proprietors
 - United States Longshore and Harbor Workers' Compensation Coverage Percentage

ADVISORY LOSS COSTS - NOT RATES

RHODE ISLAND

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

Original Printing

Page S1

Effective August 1, 2024

CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST
0005	2.19	2081	2.10	2799	3.04	3365	2.93	4149	0.68	4902	1.36	6217	2.47
0008	1.82	2089	1.88	2802	3.35	3372	1.73	4206	2.09	4923	0.98	6229	2.46
0016	3.14	2095	2.24	2835	1.73	3373	2.79	4207	1.48	5020	3.12	6233	1.17
0034	2.62	2105	2.66	2836	1.96	3383	1.28	4239	1.54	5022	3.27	6235	3.00
0035	1.61	2110	1.77	2841	2.22	3385	0.59	4240	1.46	5037	6.40	6236	3.36
0036	2.93	2111	1.67	2881	1.87	3400	1.83	4243	1.72	5040	5.14	6237	0.93
0037	2.79	2112	2.32	2883	2.00	3507	1.60	4244	1.77	5057	2.13	6251D	2.99
0042	3.24	2114	1.37	2915	1.84	3515	1.05	4250	1.50	5059	7.25	6252D	5.16
0050	2.87	2121	0.78	2916	1.82	3548	1.09	4251	2.07	5102	2.94	6306	2.26
0059D	-	2130	1.30	2923	1.15	3559	1.52	4263	2.06	5146	2.61	6319	1.68
0065D	-	2131	1.24	2960	3.49	3574	0.70	4273	1.55	5160	1.17	6325	2.33
0066D	-	2143	1.56	3004	0.91	3581	0.65	4279	1.97	5183	1.95	6400	2.39
0067D	-	2157	2.87	3018	1.68	3612	1.17	4283	1.27	5188	1.79	6503	1.40
0079	2.16	2172	1.20	3022	2.25	3620	1.61	4299	1.04	5190	1.39	6504	1.85
0083	3.38	2174	1.87	3027	2.16	3629	1.11	4304	3.27	5191	0.73	6702M*	2.34
0106	6.16	2211	3.62	3028	1.86	3632	1.43	4307	0.90	5192	2.05	6703M*	4.21
0113	3.70	2220	1.72	3030	3.26	3634	1.05	4351	0.90	5213	3.55	6704M*	2.61
0170	2.11	2286	-	3040	3.27	3635	1.01	4352	0.89	5215	2.71	6801F	3.40
0251	2.63	2288	3.02	3041	2.28	3638	1.14	4360	-	5221	2.27	6811	3.19
0401	7.36	2302	1.15	3042	2.54	3642	0.89	4361	0.61	5222	3.45	6824F	4.03
0771N	0.32	2305	1.54	3064	2.43	3643	1.11	4410	1.83	5223	2.42	6826F	2.26
0908P	126.00	2361	1.18	3076	2.11	3647	1.64	4420	2.21	5348	2.57	6834	1.87
0913P	313.00	2362	1.69	3081D	3.60	3648	0.81	4431	0.83	5402	3.43	6836	1.82
0917	3.04	2380	1.33	3082D	2.24	3681	0.46	4432	0.94	5403	2.71	6843F	5.10
0918	0.65	2386	-	3085D	2.72	3685	0.55	4452	1.98	5437	3.23	6845F	2.76
1005	4.32	2388	0.84	3110	2.38	3719	0.53	4459	1.76	5443	1.78	6854	3.64
1164D	2.27	2402	1.52	3111	1.26	3724	2.03	4470	1.49	5445	3.43	6872F	4.31
1165D	1.91	2413	1.41	3113	1.08	3726	1.79	4484	1.67	5462	3.59	6874F	6.04
1320	1.16	2416	1.36	3114	1.73	3803	1.61	4493	1.36	5472	4.29	6882	3.82
1322	4.71	2417	1.27	3118	1.10	3807	1.38	4511	0.32	5473	4.49	6884	1.77
1430	2.53	2501	1.39	3119	0.54	3808	2.37	4557	1.47	5474	3.34	7016M	2.33
1438	2.43	2503	1.00	3122	1.13	3821	3.97	4558	1.04	5478	2.32	7024M	2.59
1452	1.65	2534	-	3126	1.09	3822	2.44	4568	1.75	5479	3.72	7038M	2.75
1463	6.43	2570	2.20	3131	0.94	3824	2.14	4581	0.59	5480	3.38	7046M	3.65
1472	2.09	2585	2.79	3132	1.70	3826	0.53	4583	2.78	5491	1.17	7047M	4.19
1624D	2.37	2586	2.09	3145	1.27	3827	1.26	4611	0.75	5506	3.66	7050M	4.93
1642	1.86	2587	2.16	3146	1.55	3830	0.84	4635	1.82	5507	2.24	7090M	3.05
1654	3.31	2589	1.11	3169	2.21	3851	1.30	4653	1.94	5508	-	7098M	4.05
1699	1.79	2600	3.23	3179	1.18	3865	2.03	4665	4.81	5535	4.15	7099M	6.54
1701	2.14	2623	3.71	3180	1.59	3881	2.44	4670	-	5537	2.22	7133	1.74
1710D	2.00	2651	1.17	3188	1.17	4000	2.92	4683	2.63	5551	8.14	7151M	2.11
1747	1.91	2660	1.39	3220	1.18	4021	2.54	4686	1.56	5606	0.57	7152M	3.80
1748	2.85	2670	-	3224	2.10	4024D	2.25	4692	0.46	5610	3.01	7153M	2.35
1803D	4.83	2683	-	3227	2.02	4034	4.14	4693	0.61	5645	4.14	7219	4.17
1924	1.60	2688	1.09	3240	-	4036	1.50	4703	1.05	5703	7.85	7222	5.18
1925	2.07	2701	8.14	3241	1.88	4038	1.51	4717	1.27	5705	7.46	7225	6.01
2002	3.88	2702	12.97	3255	1.59	4062	1.59	4720	1.76	5951	0.26	7230	5.28
2003	2.50	2709	5.24	3257	2.04	4101	1.49	4740	1.15	6003	3.40	7231	6.43
2014	2.93	2710	4.62	3270	1.37	4109	0.28	4741	1.92	6005	2.42	7232	6.18
2016	1.75	2714	2.80	3300	2.76	4110	0.86	4751	1.61	6045	3.12	7309F	4.95
2021	2.17	2731	2.82	3303	1.57	4111	1.21	4771N	1.82	6204	4.27	7313F	2.19
2039	1.98	2735	3.24	3307	1.48	4114	1.69	4777	2.19	6206	1.49	7317F	3.63
2041	1.89	2759	4.60	3315	2.02	4130	2.14	4825	0.45	6213	1.17	7327F	9.14
2065	1.30	2790	1.15	3334	1.72	4131	3.41	4828	1.04	6214	0.97	7333M	2.15
2070	3.14	2797	1.98	3336	2.12	4133	1.49	4829	1.18	6216	2.88	7335M	2.39

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Refer to the Classification codes section of the *Basic Manual* for any state specific classification phraseology.

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

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

Effective August 1, 2024

CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST
7337M	3.86	8058	1.83	8805M	0.11	9501	1.69						
7350F	6.31	8072	0.45	8810	0.08	9505	1.97						
7360	2.73	8102	1.36	8814M	0.10	9516	1.76						
7370	3.48	8103	2.34	8815M	0.17	9519	2.75						
7380	3.62	8106	2.55	8820	0.08	9521	1.98						
7382	2.86	8107	2.12	8824	2.03	9522	1.49						
7390	5.82	8111	1.37	8825	-	9534	2.14						
7394M	2.46	8116	2.40	8826	1.58	9554	4.12						
7395M	2.73	8203	4.83	8831	0.71	9586	0.34						
7398M	4.41	8204	3.07	8832	0.20	9600	1.60						
7402	0.12	8209	3.01	8833	0.67	9620	1.03						
7403	2.99	8215	2.57	8835	1.55								
7405N	0.79	8227	1.73	8841	1.49								
7420	6.70	8232	3.72	8842	1.71								
7421	0.62	8233	2.80	8855	0.08								
7422	0.94	8235	3.17	8856	0.32								
7425	1.47	8263	4.30	8864	0.91								
7431N	0.70	8264	3.27	8868	0.20								
7445N	0.43	8265	3.56	8869	0.65								
7453N	0.38	8279	4.41	8871	0.03								
7502	1.11	8288	5.26	8901	0.13								
7515	0.65	8291	2.38	9012	0.63								
7520	2.43	8292	2.27	9014	1.89								
7538	1.44	8293	5.78	9015	2.39								
7539	0.86	8304	4.16	9016	1.88								
7540	1.85	8350	4.83	9019	2.02								
7580	2.08	8381	1.18	9033	2.08								
7590	2.33	8385	1.66	9040	3.69								
7600	3.67	8387	1.95	9047	1.66								
7605	1.39	8391	2.09	9052	1.26								
7610	0.40	8392	1.39	9058	1.06								
7705	3.46	8393	1.23	9060	0.86								
7710	2.65	8500	3.83	9061	0.81								
7711	2.65	8601	0.16	9063	0.52								
7720	1.67	8602	0.83	9077F	3.28								
7855	1.93	8603	0.04	9082	0.81								
8001	1.53	8606	1.41	9083	0.96								
8002	1.34	8709F	2.25	9084	0.84								
8006	1.30	8719	1.62	9088a	a								
8008	0.72	8720	0.77	9089	0.68								
8010	1.04	8721	0.24	9093	0.79								
8013	0.43	8723	0.07	9101	2.18								
8015	0.48	8725	1.46	9102	2.21								
8017	1.18	8726F	1.03	9154	1.00								
8018	2.03	8734M	0.26	9156	1.71								
8021	1.83	8737M	0.23	9170	6.13								
8031	1.68	8738M	0.41	9178	2.38								
8032	1.29	8742	0.19	9179	5.45								
8033	1.14	8745	2.27	9180	3.32								
8037	1.25	8748	0.42	9182	1.20								
8039	1.12	8754	0.68	9186	5.83								
8044	2.33	8755	0.20	9220	3.39								
8045	0.55	8799	0.53	9402	3.46								
8046	1.89	8800	0.92	9403	5.23								
8047	0.71	8803	0.03	9410	1.72								

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Refer to the Classification codes section of the *Basic Manual* for any state specific classification phraseology.

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

Effective August 1, 2024

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 no longer includes disease loading. A supplemental disease loading may be added, as described in the the **Basic Manual** rule, Supplemental disease exposure.
- 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.

*** 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 2.182 and elr x 2.12.
- 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.

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective August 1, 2024

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:

Advisory Loss Elimination Ratios							
Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$250	2.4%	2.0%	1.6%	1.4%	1.1%	0.8%	0.7%
\$500	4.3%	3.6%	3.0%	2.5%	2.0%	1.5%	1.2%
\$1,000	7.0%	6.1%	5.0%	4.2%	3.5%	2.7%	2.2%
\$2,500	12.4%	11.0%	9.3%	8.0%	6.7%	5.4%	4.5%
\$5,000	18.8%	17.0%	14.6%	12.7%	10.9%	9.0%	7.5%

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 the <i>Basic Manual</i> notes for Code 7370 -- "Taxicab Co.":	
Employee operated vehicle.....	\$95,700
Leased or rented vehicle.....	\$63,800
Catastrophe (other than Certified Acts of Terrorism) - (Advisory Loss Cost).....	0.01
Maximum Weekly Payroll applicable in accordance with the <i>Basic Manual</i> rule, Rule for premium determination of executive officers and the <i>Basic Manual</i> notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports".....	\$4,900
Minimum Weekly Payroll applicable in accordance with the <i>Basic Manual</i> rule, Rule for premium determination of executive officers.....	\$1,250
Terrorism - (Advisory Loss Cost).....	0.005
United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with the <i>Basic Manual</i> rule, Federal coverages.....	81%

(Multiply a Non-F classification loss cost by a factor of 1.81 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.75) and the adjustment for differences in loss-based expenses (1.037).)

Experience Rating Eligibility

A risk qualifies for experience rating on an intrastate basis when it meets the premium eligibility requirements for the state in which it operates. The eligibility amount varies by rating effective date. The *Experience Rating Plan Manual* should be referenced for the latest approved eligibility amounts by state and by effective date.



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Proposed Values for Inclusion in the Experience Rating Plan Manual

The following pages include proposed values for inclusion in the Experience Rating Plan Manual:

- Description of Expected Loss Rates and D-ratios
- Description of the Weighting and Ballast values
- Expected Loss Rates and D-ratios by class code
- Table of Weighting Values
- Table of Ballast Values
- Experience Rating Premium Eligibility Amounts



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Proposed Rating Values

Description of Expected Loss Rates and D-ratios

An expected loss rate for a classification is used to estimate the expected losses per \$100 of payroll during the experience rating period for risks within that classification. These expected losses are then compared with the actual losses of a risk during the experience rating period to determine the experience modification (mod).

The actual losses reflect the loss data during the experience rating period. Expected losses and actual losses must be at the same level to enable an appropriate comparison for purposes of the experience mod calculation. As such, the proposed loss costs are adjusted to reflect the average loss levels of the experience rating period. This is accomplished through the application of ELR factors to the proposed underlying pure premiums. These ELR factors, calculated by hazard group (HG), remove the effects of the following: loss development, expected losses in excess of the State Accident Limit, a portion of medical-only losses, benefit changes, trend, loss-based expenses, experience, and assigned risk programs.

In experience rating, losses are divided into primary and excess portions. For each claim, losses below the split point are primary losses, while losses above the split point are excess losses. The D-ratio represents the estimated ratio of expected primary losses to expected total losses for a classification. The D-ratio is used to determine the expected excess losses to be used in the experience mod calculation.

D-ratios are calculated by hazard group and are based on the latest three years of Unit Statistical Data trended to the midpoint of the proposed experience rating period. A comparison of the resulting D-ratios across hazard groups is done to ensure that they monotonically decrease from hazard group A to hazard group G. If they do not, an adjustment is made by averaging the D-ratios over adjacent hazard groups. The final D-ratio for each classification is the hazard group D-ratio.

An adjustment to the ELR factors is necessary so that the resulting ELRs produce an expected intrastate experience rating off-balance that equals the targeted intrastate experience rating off-balance used in the calculation of the overall loss cost level change for the state. Preliminary ELR factors are calculated by class code utilizing the appropriate hazard group factors and underlying pure premiums. Intrastate experience rating modifications for the most recent year of rating effective dates available at the time of the production of the filing are calculated based on the preliminary ELRs and D-ratios, and the losses underlying the mod calculations are adjusted for trend and to the appropriate benefit level of the data that will be used for experience ratings in the proposed effective period. The trend is applied separately by frequency and severity using selected values that are appropriate for the time period covered. It should be noted that the loss ratio trends used in other parts of the filing may not match the ELR trends due to possible differences between the experience rating trend periods and the ratemaking trend periods. An average of these intrastate experience modifications is calculated, and an iterative process follows where the ELR factors are adjusted up or down, class ELRs are recalculated, and experience rating modifications are restated until the target average intrastate experience mod is achieved.



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Proposed Rating Values

The final ELR for each classification is calculated as follows:

$$\text{ELR} = \{(\text{HG indemnity ELR factor}) \times (\text{indemnity pure premium}) + (\text{HG medical ELR factor}) \times (\text{medical pure premium})\} \times \text{Manual/Standard Ratio}$$

Description of the Weighting and Ballast Values

The weighting value (W) and ballast value (B) influence the degree to which an employer's actual losses impact the experience rating modification for employers of various sizes - generally described as excess loss credibility - and are governed by the formulas in Item E-1409.

One element of these formulas is the G-value, which represents the state average claim severity in thousands of dollars and reflects the state accident limitation and the reduction of medical only losses. The state accident limit is used to curtail the impact of large claims on the experience modification and is based on a state-level 95th percentile of lost-time claims so that the limitation is expected to impact the largest 5% of lost-time claims.

The values for W and B are such that larger employers receive higher excess loss credibility in their experience modification calculation than smaller employers.

The ballast value is a stabilizing value designed to control the effect of actual loss experience on the experience rating modification. It is added to both the numerator and denominator in the experience modification calculation and increases as expected losses increase.

The weighting value for various levels of expected losses is provided in the Table of Weighting Values.

The ballast value for various levels of expected losses is provided in the Table of Ballast Values.

Effective August 1, 2024

TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS
APPLICABLE TO ALL POLICIES

CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO
0005	1.72	0.38	2081	1.72	0.41	2799	2.27	0.36	3365	1.90	0.33	4149	0.56	0.41
0008	1.42	0.38	2089	1.47	0.38	2802	2.51	0.36	3372	1.29	0.36	4206	1.62	0.38
0016	2.21	0.34	2095	1.68	0.36	2835	1.41	0.41	3373	2.16	0.38	4207	0.96	0.33
0034	1.97	0.36	2105	2.17	0.41	2836	1.60	0.41	3383	0.99	0.38	4239	1.00	0.33
0035	1.21	0.36	2110	1.38	0.38	2841	1.75	0.38	3385	0.46	0.38	4240	1.20	0.41
0036	2.26	0.38	2111	1.30	0.38	2881	1.52	0.41	3400	1.42	0.38	4243	1.29	0.36
0037	1.96	0.34	2112	1.80	0.38	2883	1.56	0.38	3507	1.20	0.36	4244	1.24	0.34
0042	2.44	0.36	2114	1.12	0.41	2915	1.28	0.34	3515	0.80	0.36	4250	1.13	0.36
0050	2.00	0.34	2121	0.65	0.41	2916	1.28	0.34	3548	0.85	0.38	4251	1.61	0.38
0059	-	-	2130	0.98	0.36	2923	0.95	0.41	3559	1.14	0.36	4263	1.54	0.36
0065	-	-	2131	0.97	0.38	2960	2.62	0.36	3574	0.54	0.38	4273	1.16	0.36
0066	-	-	2143	1.28	0.41	3004	0.59	0.33	3581	0.51	0.38	4279	1.38	0.34
0067	-	-	2157	2.21	0.38	3018	1.10	0.33	3612	0.87	0.36	4283	0.98	0.38
0079	1.63	0.36	2172	0.83	0.34	3022	1.75	0.38	3620	1.12	0.34	4299	0.78	0.36
0083	2.54	0.36	2174	1.47	0.38	3027	1.51	0.34	3629	0.84	0.36	4304	2.46	0.36
0106	4.02	0.33	2211	2.54	0.34	3028	1.30	0.34	3632	1.08	0.36	4307	0.73	0.41
0113	2.88	0.38	2220	1.28	0.36	3030	2.28	0.34	3634	0.79	0.36	4351	0.70	0.38
0170	1.64	0.38	2286	1.28	0.36	3040	2.46	0.36	3635	0.76	0.36	4352	0.69	0.38
0251	1.98	0.36	2288	2.34	0.38	3041	1.71	0.36	3638	0.89	0.38	4360	0.28	0.34
0401	4.85	0.33	2302	0.87	0.36	3042	1.91	0.36	3642	0.69	0.38	4361	0.47	0.38
0771	-	-	2305	1.07	0.34	3064	1.83	0.36	3643	0.77	0.34	4410	1.42	0.38
0908	95.72	0.36	2361	0.89	0.36	3076	1.64	0.38	3647	1.23	0.36	4420	1.43	0.33
0913	234.09	0.36	2362	1.32	0.38	3081	2.70	0.36	3648	0.66	0.41	4431	0.68	0.41
0917	2.49	0.41	2380	1.05	0.38	3082	1.57	0.34	3681	0.36	0.38	4432	0.77	0.41
0918	0.49	0.36	2386	1.08	0.38	3085	2.04	0.36	3685	0.43	0.38	4452	1.50	0.36
1005	2.55	0.30	2388	0.70	0.41	3110	1.79	0.36	3719	0.31	0.30	4459	1.23	0.34
1164	1.36	0.30	2402	1.07	0.34	3111	0.97	0.38	3724	1.22	0.30	4470	1.11	0.36
1165	1.14	0.30	2413	1.06	0.36	3113	0.81	0.36	3726	1.07	0.30	4484	1.30	0.38
1320	0.75	0.33	2416	1.06	0.38	3114	1.30	0.36	3803	1.25	0.38	4493	1.02	0.36
1322	2.81	0.30	2417	0.98	0.38	3118	0.90	0.41	3807	1.07	0.38	4511	0.24	0.36
1430	1.78	0.34	2501	1.08	0.38	3119	0.45	0.42	3808	1.76	0.36	4557	1.02	0.34
1438	1.69	0.34	2503	0.77	0.38	3122	0.93	0.41	3821	2.76	0.34	4558	0.78	0.36
1452	1.14	0.34	2534	1.08	0.38	3126	0.81	0.36	3822	1.92	0.38	4568	1.21	0.34
1463	3.89	0.30	2570	1.71	0.38	3131	0.71	0.36	3824	1.67	0.38	4581	0.39	0.33
1472	1.46	0.34	2585	2.09	0.36	3132	1.33	0.38	3826	0.39	0.36	4583	1.81	0.33
1624	1.54	0.33	2586	1.63	0.38	3145	0.95	0.36	3827	0.97	0.38	4611	0.59	0.38
1642	1.30	0.34	2587	1.67	0.38	3146	1.17	0.36	3830	0.63	0.36	4635	1.18	0.33
1654	2.31	0.34	2589	0.84	0.36	3169	1.71	0.38	3851	1.01	0.38	4653	1.53	0.38
1699	1.26	0.34	2600	2.50	0.38	3179	0.91	0.38	3865	1.66	0.41	4665	3.35	0.34
1701	1.40	0.33	2623	2.60	0.34	3180	1.24	0.38	3881	1.83	0.36	4670	1.98	0.36
1710	1.39	0.34	2651	0.91	0.38	3188	0.87	0.36	4000	1.90	0.33	4683	1.98	0.36
1747	1.32	0.34	2660	1.14	0.41	3220	0.88	0.36	4021	1.91	0.36	4686	1.09	0.34
1748	2.00	0.34	2670	0.85	0.38	3224	1.70	0.41	4024	1.57	0.34	4692	0.35	0.38
1803	3.38	0.34	2683	1.08	0.38	3227	1.56	0.38	4034	2.90	0.34	4693	0.47	0.38
1924	1.24	0.38	2688	0.85	0.38	3240	1.60	0.38	4036	1.05	0.34	4703	0.79	0.36
1925	1.56	0.36	2701	5.26	0.33	3241	1.47	0.38	4038	1.23	0.41	4717	1.04	0.41
2002	3.04	0.38	2702	7.79	0.30	3255	1.31	0.41	4062	1.20	0.36	4720	1.34	0.36
2003	1.87	0.36	2709	3.41	0.33	3257	1.60	0.38	4101	1.12	0.36	4740	0.68	0.30
2014	2.05	0.34	2710	3.23	0.34	3270	1.07	0.38	4109	0.22	0.38	4741	1.43	0.36
2016	1.35	0.38	2714	2.19	0.38	3300	2.27	0.41	4110	0.67	0.38	4751	1.13	0.34
2021	1.64	0.36	2731	2.20	0.38	3303	1.22	0.38	4111	0.94	0.38	4771	1.18	0.33
2039	1.54	0.38	2735	2.55	0.38	3307	1.11	0.36	4114	1.27	0.36	4777	1.44	0.33
2041	1.47	0.38	2759	3.61	0.38	3315	1.56	0.38	4130	1.66	0.38	4825	0.31	0.34
2065	0.98	0.36	2790	0.95	0.41	3334	1.27	0.36	4131	2.66	0.38	4828	0.68	0.33
2070	2.34	0.36	2797	1.63	0.41	3336	1.58	0.36	4133	1.23	0.41	4829	0.77	0.33

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective August 1, 2024

TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS
APPLICABLE TO ALL POLICIES

CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO
4902	1.06	0.38	6217	1.49	0.30	7337	2.23	0.30	8058	1.43	0.38	8805	0.08	0.38
4923	0.73	0.36	6229	1.71	0.34	7350F	3.06	0.28	8072	0.37	0.41	8810	0.06	0.38
5020	2.02	0.33	6233	0.70	0.30	7360	1.89	0.34	8102	1.06	0.38	8814	0.08	0.38
5022	1.96	0.30	6235	1.79	0.30	7370	2.70	0.38	8103	1.77	0.36	8815	0.13	0.38
5037	3.82	0.30	6236	2.32	0.34	7380	2.51	0.34	8106	1.78	0.34	8820	0.05	0.34
5040	3.07	0.30	6237	0.60	0.33	7382	2.15	0.36	8107	1.38	0.33	8824	1.69	0.42
5057	1.27	0.30	6251	1.93	0.33	7390	4.51	0.38	8111	1.03	0.36	8825	1.29	0.41
5059	4.37	0.30	6252	3.08	0.30	7394	1.46	0.30	8116	1.80	0.36	8826	1.29	0.41
5102	1.92	0.33	6306	1.47	0.33	7395	1.62	0.30	8203	3.62	0.36	8831	0.61	0.42
5146	1.81	0.34	6319	1.01	0.30	7398	2.54	0.30	8204	2.33	0.36	8832	0.16	0.38
5160	0.70	0.30	6325	1.40	0.30	7402	0.10	0.38	8209	2.34	0.38	8833	0.52	0.38
5183	1.27	0.33	6400	1.67	0.34	7403	2.31	0.38	8215	1.80	0.34	8835	1.21	0.38
5188	1.16	0.33	6503	1.08	0.38	7405	0.60	0.38	8227	1.13	0.33	8841	1.12	0.36
5190	0.91	0.33	6504	1.44	0.38	7420	3.94	0.30	8232	2.60	0.34	8842	1.43	0.42
5191	0.51	0.34	6702	1.62	0.34	7421	0.43	0.34	8233	1.91	0.34	8855	0.06	0.38
5192	1.53	0.36	6703	2.84	0.34	7422	0.61	0.33	8235	2.39	0.36	8856	0.24	0.38
5213	2.13	0.30	6704	1.81	0.34	7425	0.94	0.33	8263	3.24	0.36	8864	0.75	0.41
5215	1.88	0.34	6801F	1.75	0.30	7431	0.44	0.33	8264	2.28	0.34	8868	0.17	0.41
5221	1.47	0.33	6811	2.24	0.34	7445	-	-	8265	2.33	0.33	8869	0.54	0.41
5222	2.07	0.30	6824F	2.07	0.30	7453	-	-	8279	2.91	0.33	8871	0.03	0.38
5223	1.68	0.34	6826F	1.16	0.30	7502	0.77	0.34	8288	4.00	0.36	8901	0.09	0.34
5348	1.78	0.34	6834	1.46	0.38	7515	0.39	0.30	8291	1.79	0.36	9012	0.44	0.34
5402	2.66	0.38	6836	1.37	0.36	7520	1.82	0.36	8292	1.76	0.38	9014	1.47	0.38
5403	1.77	0.33	6843F	2.31	0.24	7538	0.87	0.30	8293	4.49	0.38	9015	1.80	0.36
5437	2.10	0.33	6845F	1.25	0.24	7539	0.56	0.33	8304	2.72	0.33	9016	1.49	0.38
5443	1.33	0.36	6854	2.37	0.33	7540	1.12	0.30	8350	3.12	0.33	9019	1.43	0.34
5445	2.06	0.30	6872F	1.95	0.24	7580	1.44	0.34	8381	0.88	0.36	9033	1.56	0.36
5462	2.49	0.34	6874F	2.74	0.24	7590	1.63	0.34	8385	1.24	0.36	9040	3.03	0.41
5472	2.57	0.30	6882	2.54	0.33	7600	2.55	0.34	8387	1.46	0.36	9047	1.29	0.38
5473	2.69	0.30	6884	1.15	0.33	7605	0.91	0.33	8391	1.57	0.36	9052	1.03	0.41
5474	2.01	0.30	7016	1.38	0.30	7610	0.28	0.34	8392	1.13	0.41	9058	0.89	0.42
5478	1.51	0.33	7024	1.53	0.30	7705	2.58	0.36	8393	0.85	0.34	9060	0.70	0.41
5479	2.61	0.34	7038	1.72	0.30	7710	1.73	0.33	8500	2.68	0.34	9061	0.66	0.41
5480	2.19	0.33	7046	2.20	0.30	7711	1.73	0.33	8601	0.10	0.33	9063	0.43	0.41
5491	0.77	0.33	7047	2.40	0.30	7720	1.17	0.34	8602	0.58	0.34	9077F	1.88	0.34
5506	2.39	0.33	7050	3.00	0.30	7855	1.34	0.34	8603	0.04	0.38	9082	0.68	0.42
5507	1.47	0.33	7090	1.91	0.30	8001	1.20	0.38	8606	0.92	0.33	9083	0.81	0.42
5508	1.47	0.33	7098	2.43	0.30	8002	1.05	0.38	8709F	1.02	0.24	9084	0.69	0.41
5535	2.52	0.30	7099	3.82	0.30	8006	1.06	0.41	8719	1.06	0.33	9088	a	a
5537	1.54	0.34	7133	1.14	0.33	8008	0.59	0.41	8720	0.51	0.33	9089	0.56	0.41
5551	4.98	0.30	7151	1.38	0.33	8010	0.81	0.38	8721	0.16	0.34	9093	0.65	0.41
5606	0.34	0.30	7152	2.42	0.33	8013	0.32	0.36	8723	0.05	0.36	9101	1.78	0.41
5610	2.10	0.34	7153	1.54	0.33	8015	0.36	0.36	8725	1.02	0.34	9102	1.66	0.36
5645	2.49	0.30	7219	2.71	0.33	8017	0.96	0.41	8726F	0.53	0.30	9154	0.79	0.38
5703	5.51	0.34	7222	3.33	0.33	8018	1.57	0.38	8734	0.18	0.34	9156	1.40	0.41
5705	5.23	0.34	7225	4.17	0.34	8021	1.43	0.38	8737	0.16	0.34	9170	4.00	0.33
5951	0.20	0.38	7230	3.93	0.36	8031	1.30	0.38	8738	0.28	0.34	9178	2.04	0.42
6003	2.21	0.33	7231	4.78	0.36	8032	1.00	0.38	8742	0.13	0.34	9179	4.54	0.42
6005	1.68	0.34	7232	3.96	0.33	8033	0.93	0.41	8745	1.71	0.36	9180	2.54	0.36
6045	2.15	0.34	7309F	2.24	0.24	8037	1.05	0.42	8748	0.27	0.33	9182	0.95	0.38
6204	2.78	0.33	7313F	0.99	0.24	8039	0.92	0.41	8754	0.51	0.36	9186	3.89	0.33
6206	0.89	0.30	7317F	1.64	0.24	8044	1.81	0.38	8755	0.14	0.34	9220	2.53	0.36
6213	0.70	0.30	7327F	4.14	0.24	8045	0.43	0.38	8799	0.41	0.38	9402	2.25	0.33
6214	0.63	0.33	7333	1.28	0.30	8046	1.48	0.38	8800	0.72	0.38	9403	3.38	0.33
6216	1.72	0.30	7335	1.42	0.30	8047	0.55	0.38	8803	0.02	0.34	9410	1.33	0.38

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective August 1, 2024

**TABLE OF EXPECTED LOSS RATES AND DISCOUNT RATIOS
APPLICABLE TO ALL POLICIES**

CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO	CLASS CODE	ELR	D RATIO
9501	1.18	0.34												
9505	1.49	0.36												
9516	1.31	0.36												
9519	1.90	0.34												
9521	1.38	0.34												
9522	1.21	0.41												
9534	1.29	0.30												
9554	2.69	0.33												
9586	0.27	0.41												
9600	1.25	0.38												
9620	0.73	0.34												

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS TO ALL CLASS CODES

Effective August 1, 2024

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

Expected Losses	Weighting Values	Expected Losses	Weighting Values
0 -- 2,325	0.14	1,311,054 -- 1,376,999	0.49
2,326 -- 6,551	0.15	1,377,000 -- 1,446,492	0.50
6,552 -- 10,878	0.16	1,446,493 -- 1,519,828	0.51
10,879 -- 15,310	0.17	1,519,829 -- 1,597,332	0.52
15,311 -- 16,857	0.18	1,597,333 -- 1,679,375	0.53
16,858 -- 19,065	0.17	1,679,376 -- 1,766,365	0.54
19,066 -- 22,082	0.16	1,766,366 -- 1,858,764	0.55
22,083 -- 26,621	0.15	1,858,765 -- 1,957,097	0.56
26,622 -- 35,259	0.14	1,957,098 -- 2,061,951	0.57
35,260 -- 81,025	0.13	2,061,952 -- 2,173,999	0.58
81,026 -- 108,880	0.14	2,174,000 -- 2,294,009	0.59
108,881 -- 133,207	0.15	2,294,010 -- 2,422,862	0.60
133,208 -- 156,606	0.16	2,422,863 -- 2,561,571	0.61
156,607 -- 179,819	0.17	2,561,572 -- 2,711,315	0.62
179,820 -- 203,183	0.18	2,711,316 -- 2,873,463	0.63
203,184 -- 226,891	0.19	2,873,464 -- 3,049,627	0.64
226,892 -- 251,073	0.20	3,049,628 -- 3,241,705	0.65
251,074 -- 275,825	0.21	3,241,706 -- 3,451,955	0.66
275,826 -- 301,225	0.22	3,451,956 -- 3,683,087	0.67
301,226 -- 327,343	0.23	3,683,088 -- 3,938,373	0.68
327,344 -- 353,098	0.24	3,938,374 -- 4,221,810	0.69
353,099 -- 378,409	0.25	4,221,811 -- 4,538,328	0.70
378,410 -- 404,516	0.26	4,538,329 -- 4,894,076	0.71
404,517 -- 431,464	0.27	4,894,077 -- 5,296,831	0.72
431,465 -- 459,299	0.28	5,296,832 -- 5,756,570	0.73
459,300 -- 488,072	0.29	5,756,571 -- 6,286,309	0.74
488,073 -- 517,831	0.30	6,286,310 -- 6,903,352	0.75
517,832 -- 548,634	0.31	6,903,353 -- 7,631,223	0.76
548,635 -- 580,539	0.32	7,631,224 -- 8,502,727	0.77
580,540 -- 613,608	0.33	8,502,728 -- 9,565,034	0.78
613,609 -- 647,909	0.34	9,565,035 -- 10,888,511	0.79
647,910 -- 683,515	0.35	10,888,512 -- 12,582,973	0.80
683,516 -- 720,503	0.36	12,582,974 -- 14,829,834	0.81
720,504 -- 758,955	0.37	14,829,835 -- 17,951,828	0.82
758,956 -- 798,964	0.38	17,951,829 -- 22,583,902	0.83
798,965 -- 840,626	0.39	22,583,903 -- 30,171,174	0.84
840,627 -- 884,050	0.40	30,171,175 -- 44,866,430	0.85
884,051 -- 929,347	0.41	44,866,431 -- 85,459,700	0.86
929,348 -- 976,645	0.42	85,459,701 -- 728,082,180	0.87
976,646 -- 1,026,079	0.43	728,082,181 -- AND OVER	0.88
1,026,080 -- 1,077,799	0.44		
1,077,800 -- 1,131,969	0.45		
1,131,970 -- 1,188,766	0.46		
1,188,767 -- 1,248,389	0.47		
1,248,390 -- 1,311,053	0.48		

(a) G	10.75
(b) State Per Claim Accident Limitation	\$139,000
(c) State Multiple Claim Accident Limitation	\$278,000
(d) USL&HW Per Claim Accident Limitation	\$286,500
(e) USL&HW Multiple Claim Accident Limitation	\$573,000
(f) Employers Liability Accident Limitation	\$55,000
(g) Primary/Excess Loss Split Point	\$17,500
(h) USL&HW Act -- Expected Loss Factor -- Non-F Classes	1.75
<i>(Multiply a Non-F classification ELR by the USL&HW Act - Expected Loss Factor of 1.75.)</i>	

Effective August 1, 2024

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

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 -- 387,892	49,450	3,643,230 -- 3,739,186	237,575	7,002,137 -- 7,098,112	425,700
387,893 -- 482,132	54,825	3,739,187 -- 3,835,144	242,950	7,098,113 -- 7,194,087	431,075
482,133 -- 576,929	60,200	3,835,145 -- 3,931,104	248,325	7,194,088 -- 7,290,063	436,450
576,930 -- 672,056	65,575	3,931,105 -- 4,027,065	253,700	7,290,064 -- 7,386,038	441,825
672,057 -- 767,391	70,950	4,027,066 -- 4,123,026	259,075	7,386,039 -- 7,482,014	447,200
767,392 -- 862,868	76,325	4,123,027 -- 4,218,989	264,450	7,482,015 -- 7,577,991	452,575
862,869 -- 958,444	81,700	4,218,990 -- 4,314,952	269,825	7,577,992 -- 7,673,967	457,950
958,445 -- 1,054,093	87,075	4,314,953 -- 4,410,916	275,200	7,673,968 -- 7,769,943	463,325
1,054,094 -- 1,149,798	92,450	4,410,917 -- 4,506,881	280,575	7,769,944 -- 7,865,920	468,700
1,149,799 -- 1,245,544	97,825	4,506,882 -- 4,602,847	285,950	7,865,921 -- 7,961,896	474,075
1,245,545 -- 1,341,324	103,200	4,602,848 -- 4,698,814	291,325	7,961,897 -- 8,057,873	479,450
1,341,325 -- 1,437,131	108,575	4,698,815 -- 4,794,781	296,700	8,057,874 -- 8,153,850	484,825
1,437,132 -- 1,532,959	113,950	4,794,782 -- 4,890,748	302,075	8,153,851 -- 8,249,827	490,200
1,532,960 -- 1,628,806	119,325	4,890,749 -- 4,986,716	307,450	8,249,828 -- 8,345,804	495,575
1,628,807 -- 1,724,668	124,700	4,986,717 -- 5,082,685	312,825	8,345,805 -- 8,441,782	500,950
1,724,669 -- 1,820,542	130,075	5,082,686 -- 5,178,654	318,200	8,441,783 -- 8,537,759	506,325
1,820,543 -- 1,916,427	135,450	5,178,655 -- 5,274,624	323,575	8,537,760 -- 8,633,737	511,700
1,916,428 -- 2,012,321	140,825	5,274,625 -- 5,370,594	328,950	8,633,738 -- 8,729,714	517,075
2,012,322 -- 2,108,223	146,200	5,370,595 -- 5,466,565	334,325	8,729,715 -- 8,825,692	522,450
2,108,224 -- 2,204,132	151,575	5,466,566 -- 5,562,535	339,700	8,825,693 -- 8,921,670	527,825
2,204,133 -- 2,300,047	156,950	5,562,536 -- 5,658,507	345,075	8,921,671 -- 9,017,648	533,200
2,300,048 -- 2,395,968	162,325	5,658,508 -- 5,754,478	350,450	9,017,649 -- 9,113,626	538,575
2,395,969 -- 2,491,893	167,700	5,754,479 -- 5,850,450	355,825	9,113,627 -- 9,209,604	543,950
2,491,894 -- 2,587,822	173,075	5,850,451 -- 5,946,423	361,200	9,209,605 -- 9,305,582	549,325
2,587,823 -- 2,683,756	178,450	5,946,424 -- 6,042,395	366,575	9,305,583 -- 9,401,560	554,700
2,683,757 -- 2,779,692	183,825	6,042,396 -- 6,138,368	371,950	9,401,561 -- 9,496,550	560,075
2,779,693 -- 2,875,632	189,200	6,138,369 -- 6,234,342	377,325		
2,875,633 -- 2,971,574	194,575	6,234,343 -- 6,330,315	382,700		
2,971,575 -- 3,067,519	199,950	6,330,316 -- 6,426,289	388,075		
3,067,520 -- 3,163,466	205,325	6,426,290 -- 6,522,263	393,450		
3,163,467 -- 3,259,415	210,700	6,522,264 -- 6,618,237	398,825		
3,259,416 -- 3,355,366	216,075	6,618,238 -- 6,714,212	404,200		
3,355,367 -- 3,451,319	221,450	6,714,213 -- 6,810,186	409,575		
3,451,320 -- 3,547,273	226,825	6,810,187 -- 6,906,161	414,950		
3,547,274 -- 3,643,229	232,200	6,906,162 -- 7,002,136	420,325		

For Expected Losses greater than \$9,496,550, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

$$\text{Ballast} = (0.056)(\text{Expected Losses}) + 2876.4(\text{Expected Losses})(10.75) / (\text{Expected Losses} + (600)(10.75))$$

G = 10.75

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS.

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

RHODE ISLAND—UPDATE TO EXPERIENCE RATING PREMIUM ELIGIBILITY AMOUNTS

EXPERIENCE RATING PLAN MANUAL—2003 EDITION RULE 2—EXPERIENCE RATING ELEMENTS AND FORMULA A. PREMIUM ELIGIBILITY

2. State Subject Premium Eligibility Amounts

A risk qualifies for experience rating when its subject premium, developed in its experience period, meets or exceeds the minimum eligibility amount shown in the State Table of Subject Premium Eligibility Amounts in Rule 2-A-2-c. *Refer to Rule 2-E-1 to determine a risk's experience period.*

- a. A risk qualifies for experience rating if its data within the most recent 24 months of the experience period develops a subject premium of at least the amount shown in Column A.
- b. A risk may not qualify according to Rule 2-A-2-a. If it has more than the amount of experience referenced in Rule 2-A-2-a, then to qualify for experience rating the risk must develop an average annual subject premium of at least the amount shown in Column B. *Refer to Rule 2-A-3 to determine average annual subject premium.*
- c. A risk's rating effective date determines the applicable Column A and Column B subject premium eligibility amounts required to qualify for experience rating. *Refer to Rule 2-B for rating effective date determination.*

State Table of Subject Premium Eligibility Amounts

State	Rating Effective Date	Column A (\$)	Column B (\$)
RI	<u>2/1/25 and after</u>	13,500	6,750
	<u>2/1/24 - 1/31/25</u>	13,000	6,500
	<u>2/1/23 - 1/31/24</u>	11,500	5,750

NOTE: This exhibit revises the Rhode Island experience rating subject premium eligibility amounts shown in the State Table of Subject Premium Eligibility Amounts in NCCI's *Experience Rating Plan Manual* national Rule 2-A-2-c. The content shown in this table is not a complete replacement of the existing State Table of Subject Premium Eligibility Amounts. The premium eligibility amounts are applicable to all policies.



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Proposed Values for Inclusion in the Retrospective Rating Plan Manual

The following pages include values for inclusion in the Retrospective Rating Plan Manual, such as:

- Average Cost per Case
- Excess Loss Pure Premium Factors
- Retrospective Pure Premium Development Factors

**RETROSPECTIVE RATING PLAN MANUAL
STATE SPECIAL RATING VALUES**

**RHODE ISLAND
RR 1
Original Printing**

Effective August 1, 2024

1. Average Cost per Case by Hazard Group

A	B	C	D	E	F	G
9,315	11,251	14,186	17,175	22,250	28,606	35,743

Average Cost per Case including ALAE by Hazard Group

A	B	C	D	E	F	G
10,667	12,878	16,225	19,634	25,397	32,625	40,751

2.

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	0.586	0.605	0.632	0.651	0.673	0.694	0.712
\$15,000	0.529	0.551	0.582	0.603	0.631	0.656	0.679
\$20,000	0.484	0.508	0.541	0.564	0.595	0.623	0.649
\$25,000	0.447	0.472	0.507	0.531	0.565	0.595	0.624
\$30,000	0.416	0.442	0.478	0.502	0.538	0.569	0.600
\$35,000	0.390	0.416	0.452	0.477	0.514	0.547	0.579
\$40,000	0.368	0.393	0.430	0.455	0.493	0.527	0.560
\$50,000	0.331	0.356	0.393	0.417	0.457	0.492	0.527
\$75,000	0.267	0.291	0.327	0.350	0.392	0.426	0.462
\$100,000	0.225	0.248	0.283	0.304	0.346	0.380	0.416
\$125,000	0.195	0.216	0.250	0.270	0.312	0.345	0.380
\$150,000	0.172	0.192	0.224	0.244	0.285	0.317	0.351
\$175,000	0.153	0.173	0.204	0.223	0.263	0.294	0.327
\$200,000	0.139	0.157	0.187	0.205	0.244	0.275	0.307
\$225,000	0.126	0.144	0.173	0.190	0.228	0.258	0.290
\$250,000	0.116	0.133	0.161	0.177	0.215	0.244	0.275
\$275,000	0.107	0.124	0.150	0.166	0.203	0.231	0.261
\$300,000	0.100	0.115	0.141	0.156	0.192	0.220	0.249
\$325,000	0.093	0.108	0.133	0.147	0.183	0.209	0.238
\$350,000	0.087	0.102	0.125	0.139	0.174	0.200	0.228
\$375,000	0.082	0.096	0.119	0.132	0.166	0.192	0.219
\$400,000	0.077	0.091	0.113	0.126	0.159	0.184	0.211
\$425,000	0.073	0.086	0.108	0.120	0.153	0.177	0.203
\$450,000	0.069	0.082	0.103	0.115	0.147	0.171	0.196
\$475,000	0.066	0.078	0.098	0.110	0.142	0.165	0.190
\$500,000	0.062	0.075	0.094	0.106	0.137	0.159	0.184
\$600,000	0.052	0.063	0.081	0.091	0.120	0.140	0.163
\$700,000	0.045	0.054	0.071	0.080	0.106	0.126	0.146
\$800,000	0.039	0.048	0.063	0.071	0.096	0.114	0.133
\$900,000	0.034	0.042	0.056	0.064	0.087	0.104	0.122
\$1,000,000	0.031	0.038	0.051	0.058	0.080	0.096	0.112
\$2,000,000	0.014	0.018	0.025	0.029	0.042	0.052	0.062
\$3,000,000	0.008	0.011	0.015	0.018	0.027	0.034	0.042
\$4,000,000	0.005	0.007	0.011	0.013	0.019	0.025	0.030
\$5,000,000	0.004	0.005	0.008	0.009	0.014	0.019	0.023
\$6,000,000	0.003	0.004	0.006	0.007	0.011	0.015	0.018
\$7,000,000	0.002	0.003	0.004	0.005	0.009	0.012	0.015
\$8,000,000	0.002	0.002	0.003	0.004	0.007	0.009	0.012
\$9,000,000	0.001	0.002	0.003	0.003	0.006	0.008	0.010
\$10,000,000	0.001	0.002	0.002	0.003	0.005	0.006	0.008

Effective August 1, 2024

**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	0.684	0.705	0.734	0.755	0.778	0.800	0.820
\$15,000	0.623	0.647	0.681	0.704	0.733	0.760	0.784
\$20,000	0.574	0.600	0.637	0.662	0.695	0.725	0.753
\$25,000	0.533	0.561	0.599	0.626	0.662	0.694	0.726
\$30,000	0.500	0.527	0.567	0.594	0.633	0.667	0.701
\$35,000	0.471	0.499	0.539	0.567	0.607	0.643	0.678
\$40,000	0.445	0.474	0.515	0.542	0.584	0.620	0.657
\$50,000	0.404	0.432	0.473	0.501	0.544	0.582	0.620
\$75,000	0.332	0.359	0.399	0.425	0.471	0.509	0.549
\$100,000	0.284	0.309	0.348	0.373	0.419	0.457	0.497
\$125,000	0.249	0.273	0.311	0.335	0.380	0.417	0.457
\$150,000	0.222	0.245	0.282	0.304	0.349	0.386	0.425
\$175,000	0.200	0.223	0.258	0.280	0.324	0.360	0.398
\$200,000	0.183	0.205	0.238	0.259	0.303	0.337	0.375
\$225,000	0.168	0.189	0.222	0.242	0.285	0.318	0.355
\$250,000	0.156	0.176	0.208	0.227	0.269	0.302	0.337
\$275,000	0.145	0.164	0.195	0.214	0.255	0.287	0.322
\$300,000	0.135	0.154	0.184	0.202	0.243	0.274	0.308
\$325,000	0.127	0.145	0.174	0.192	0.232	0.262	0.296
\$350,000	0.120	0.137	0.165	0.182	0.222	0.252	0.284
\$375,000	0.113	0.130	0.158	0.174	0.212	0.242	0.274
\$400,000	0.107	0.124	0.150	0.166	0.204	0.233	0.264
\$425,000	0.102	0.118	0.144	0.159	0.196	0.225	0.255
\$450,000	0.097	0.112	0.138	0.153	0.189	0.217	0.247
\$475,000	0.092	0.108	0.132	0.147	0.183	0.210	0.239
\$500,000	0.088	0.103	0.127	0.141	0.177	0.203	0.232
\$600,000	0.075	0.088	0.110	0.123	0.156	0.181	0.208
\$700,000	0.064	0.077	0.097	0.109	0.140	0.163	0.188
\$800,000	0.057	0.068	0.086	0.097	0.126	0.148	0.172
\$900,000	0.050	0.061	0.078	0.088	0.115	0.136	0.158
\$1,000,000	0.045	0.055	0.071	0.080	0.106	0.126	0.147
\$2,000,000	0.020	0.026	0.035	0.041	0.057	0.070	0.083
\$3,000,000	0.012	0.016	0.022	0.026	0.037	0.046	0.056
\$4,000,000	0.008	0.011	0.015	0.018	0.027	0.034	0.042
\$5,000,000	0.006	0.008	0.011	0.013	0.020	0.026	0.032
\$6,000,000	0.004	0.006	0.008	0.010	0.015	0.020	0.026
\$7,000,000	0.003	0.004	0.007	0.008	0.012	0.016	0.021
\$8,000,000	0.003	0.003	0.005	0.006	0.010	0.013	0.017
\$9,000,000	0.002	0.003	0.004	0.005	0.008	0.011	0.014
\$10,000,000	0.002	0.002	0.003	0.004	0.007	0.009	0.012

3.

Retrospective Pure Premium Development Factors

With Loss Limit			Without Loss Limit			4th & Subsequent Adjustment
1st Adj.	2nd Adj.	3rd Adj.	1st Adj.	2nd Adj.	3rd Adj.	
0.08	0.04	0.02	0.22	0.10	0.05	0.00



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Part 3 Supporting Exhibits

- Exhibit I – Determination of the Indicated Loss Cost Level Change
- Exhibit II – Workers Compensation Loss Adjustment Expense
- Appendix A – Factors Underlying the Proposed Loss Cost Level Change
- Appendix B – Calculations Underlying the Loss Cost Change by Classification
- Appendix C – Memoranda for Laws and Assessments



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Exhibit I – Determination of Indicated Loss Cost Level Change

NCCI analyzed the emerging experience of Rhode Island workers compensation policies in recent years. The primary focus of the analysis was on premiums and losses from the proposed experience period, as shown in the exhibits on the next few pages.

Determination of the Loss Base

In analyzing losses for the purpose of Aggregate Ratemaking, NCCI reviews both “paid” and “paid plus case” loss data, which are (i) the benefit amounts already paid by insurers on reported claims and (ii) the benefit amounts already paid by insurers on reported claims plus the amounts set aside to cover future payments on those claims.

During this year’s analysis, which included an assessment of possible pandemic claim-related impacts, paid data was selected to best reflect the conditions likely to prevail in the proposed effective period. This methodology makes the most use of the available financial data information and is consistent with prior filings made in Rhode Island.

Determination of the Experience Period

This year’s analysis included a review of various experience periods and an assessment of possible pandemic claim-related impacts. The most recent five policy year and calendar-accident year projected loss ratios are shown below. Policy year data is given greater consideration by NCCI because policy year data reflects the best match between exposure and losses.

<u>Policy Year</u>	<u>Loss Ratio</u>	<u>Calendar-Accident Year</u>	<u>Loss Ratio</u>
2017	0.984	2018	1.078
2018	1.014	2019	1.032
2019	0.995	2020	0.814
2020	0.885	2021	0.896
2021	0.811	2022	0.893

Note the following regarding the projected loss ratios:

- Based on NCCI’s Financial Call data reported through 12/31/2022, on-leveled, developed to an ultimate report, and trended to the prospective period. Projected losses do not include the change in expenses and standard earned premium at Designated Statistical Reporting (DSR) level is adjusted to a pure premium level.
- The Calendar-Accident Year analysis was not conducted separately; the displayed loss ratios are trended using the policy year loss ratio selections underlying this filing.
- Calendar-Accident Year 2019–2022 loss ratios include a premium audit adjustment due to changes in audit activity primarily attributable to the COVID-19 pandemic-related recession.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Exhibit I – Determination of Indicated Loss Cost Level Change

The Rhode Island loss ratio experience for Policy Years 2020 and 2021 shows significant improvement compared to the recent history. While some of the improved experience in the Policy Year 2020 experience may be attributable to the COVID-19 pandemic, the loss ratio decrease observed between Policy Years 2019 and 2020 is substantiated by the continued improvement observed into Policy Year 2021. The loss ratios for Calendar-Accident Years 2021 and 2022 are relatively consistent, and—while they are slightly higher than the loss ratio observed in Calendar-Accident Year 2020—support the proposed loss cost decrease as appropriate for the proposed loss cost effective period.

Pandemic-related effects have generally helped to increase workplace safety. For example, the shift to remote work and reduced business travel are likely contributing to the improved loss ratio experience observed in recent years. Additionally, there has been a long-term pattern of improved workplace safety as well as an increase in the use of automation, both of which continue to put downward pressure on lost-time claim frequency. Other pandemic-related effects that are expected to persist into the future include shifting job duties, many which have reduced person-to-person interaction.

In recent years, average wage increases in Rhode Island have outpaced average claim cost changes. This, in combination with continued claim frequency declines, is contributing to the proposed loss cost decrease.

Data for the three most recently available full policy years was selected as the most appropriate period on which to base this year's filing. Utilizing three policy years provides a balance between stability and responsiveness, and best reflects the conditions expected to prevail in the proposed effective period. The approach of utilizing the latest three policy years with equal weights in this filing represents a return to the historical practice, although is a deviation from the prior year's filing where Policy Year 2020 was given less weight due to the uncertainty around the extent to which the post-pandemic data may be indicative of future experience in Rhode Island.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Exhibit I – Determination of Indicated Loss Cost Level Change

Determination of the Indicated Change

NCCI uses the following general methodology to determine the indicated change based on experience, trend, and benefits for each of the policy years in the experience period:

1. Standard earned premium at Designated Statistical Reporting (DSR) level is developed to ultimate and on-leveled to the current approved loss cost level, and adjusted to a pure premium level.
2. Reported indemnity and medical losses are limited by a large loss threshold, developed to ultimate using limited development factors, and on-leveled to a common benefit level to yield adjusted limited losses.
3. Limited indemnity and medical cost ratios excluding trend and benefits are calculated as adjusted losses (step 2) divided by premium available for benefit costs (step 1).
4. Trend factors are applied to the indemnity and medical cost ratios to reflect expected differences between the historical experience years and the effective period of the proposed filing.
5. Limited losses are adjusted to an unlimited basis via a non-catastrophe excess ratio (with excess ratios at limits beyond \$50 million set equal to zero).
6. A factor is applied to reflect the impact of proposed indemnity and medical benefit changes.
7. The projected unlimited indemnity and medical cost ratios including benefit changes are added to yield the indicated change based on experience, trend, and benefits.

The indicated change based on experience, trend, and benefits for this filing is calculated as the average of the indicated changes for each of the individual policy years in the experience period. Lastly, the impact of the change in loss-based expenses is applied.

The detailed calculations can be found on the following pages.



RHODE ISLAND

EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section A - Policy Year 2021 Experience

Premium:

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$135,266,451
(2) Premium On-level Factor (Appendix A-I)	0.685
(3) Pure Premium Available for Benefit Costs = (1) x (2)	\$92,657,519

Indemnity Benefit Cost:

(4) Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	\$62,405,449
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.013
(6) Adjusted Limited Indemnity Losses = (4) x (5)	\$63,216,720
(7) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.682
(8) Factor to Reflect Indemnity Trend (Appendix A-III)	0.879
(9) Projected Limited Indemnity Cost Ratio = (7) x (8)	0.599
(10) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.024
(11) Projected Indemnity Cost Ratio = (9) x (10)	0.613
(12) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.000
(13) Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.613

Medical Benefit Cost:

(14) Limited Medical Losses Developed to Ultimate (Appendix A-II)	\$21,340,539
(15) Medical Loss On-level Factor (Appendix A-I)	1.017
(16) Adjusted Limited Medical Losses = (14) x (15)	\$21,703,328
(17) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.234
(18) Factor to Reflect Medical Trend (Appendix A-III)	0.814
(19) Projected Limited Medical Cost Ratio = (17) x (18)	0.190
(20) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.024
(21) Projected Medical Cost Ratio = (19) x (20)	0.195
(22) Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.014
(23) Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.198

Total Benefit Cost:

(24) Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.811
---	-------



RHODE ISLAND

EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section B - Policy Year 2020 Experience

Premium:

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$135,075,024
(2) Premium On-level Factor (Appendix A-I)	0.613
(3) Pure Premium Available for Benefit Costs = (1) x (2)	\$82,800,990

Indemnity Benefit Cost:

(4) Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	\$61,532,857
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.023
(6) Adjusted Limited Indemnity Losses = (4) x (5)	\$62,948,113
(7) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.760
(8) Factor to Reflect Indemnity Trend (Appendix A-III)	0.848
(9) Projected Limited Indemnity Cost Ratio = (7) x (8)	0.644
(10) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.024
(11) Projected Indemnity Cost Ratio = (9) x (10)	0.659
(12) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.000
(13) Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.659

Medical Benefit Cost:

(14) Limited Medical Losses Developed to Ultimate (Appendix A-II)	\$22,885,727
(15) Medical Loss On-level Factor (Appendix A-I)	1.025
(16) Adjusted Limited Medical Losses = (14) x (15)	\$23,457,870
(17) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.283
(18) Factor to Reflect Medical Trend (Appendix A-III)	0.770
(19) Projected Limited Medical Cost Ratio = (17) x (18)	0.218
(20) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.024
(21) Projected Medical Cost Ratio = (19) x (20)	0.223
(22) Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.014
(23) Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.226

Total Benefit Cost:

(24) Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.885
---	-------



RHODE ISLAND

EXHIBIT I

Determination of Indicated Loss Cost Level Change

Section C - Policy Year 2019 Experience

Premium:

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$150,606,193
(2) Premium On-level Factor (Appendix A-I)	0.557
(3) Pure Premium Available for Benefit Costs = (1) x (2)	\$83,887,650

Indemnity Benefit Cost:

(4) Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	\$71,104,400
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.022
(6) Adjusted Limited Indemnity Losses = (4) x (5)	\$72,668,697
(7) Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.866
(8) Factor to Reflect Indemnity Trend (Appendix A-III)	0.818
(9) Projected Limited Indemnity Cost Ratio = (7) x (8)	0.708
(10) Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.024
(11) Projected Indemnity Cost Ratio = (9) x (10)	0.725
(12) Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.000
(13) Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.725

Medical Benefit Cost:

(14) Limited Medical Losses Developed to Ultimate (Appendix A-II)	\$29,149,669
(15) Medical Loss On-level Factor (Appendix A-I)	1.031
(16) Adjusted Limited Medical Losses = (14) x (15)	\$30,053,309
(17) Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.358
(18) Factor to Reflect Medical Trend (Appendix A-III)	0.727
(19) Projected Limited Medical Cost Ratio = (17) x (18)	0.260
(20) Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.024
(21) Projected Medical Cost Ratio = (19) x (20)	0.266
(22) Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.014
(23) Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.270

Total Benefit Cost:

(24) Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.995
---	-------



RHODE ISLAND

EXHIBIT I

Determination of Indicated Loss Cost Level Change

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

(1) Policy Year 2021 Indicated Change Based on Experience, Trend, and Benefits	0.811
(2) Policy Year 2020 Indicated Change Based on Experience, Trend, and Benefits	0.885
(3) Policy Year 2019 Indicated Change Based on Experience, Trend, and Benefits	0.995
(4) Indicated Change Based on Experience, Trend, and Benefits = (1) x 33.3% + (2) x 33.3% + (3) x 33.3%	0.897

Section E - Application of the Change in Loss-based Expenses

(1) Indicated Loss Cost Level Change	0.897
(2) Effect of the Change in Loss-based Expenses (Exhibit II)	0.998
(3) Indicated Change Modified to Reflect the Change in Loss-based Expenses = (1) x (2)	0.895

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

Industry Group Differentials (Appendix A-IV):

Manufacturing	1.006
Contracting	0.985
Office & Clerical	1.021
Goods & Services	1.002
Miscellaneous	0.994

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	0.895	1.006	0.900	(-10.0%)
Contracting	0.895	0.985	0.882	(-11.8%)
Office & Clerical	0.895	1.021	0.914	(-8.6%)
Goods & Services	0.895	1.002	0.897	(-10.3%)
Miscellaneous	0.895	0.994	0.890	(-11.0%)
Overall	0.895	1.000	0.895	(-10.5%)



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Exhibit II – Workers Compensation Loss Adjustment Expenses

The proposed loss costs include a provision for loss adjustment expenses (LAE).

LAE is included in the loss costs by using a ratio of loss adjustment expense dollars to loss dollars (called the LAE provision). These expenses are directly associated with the handling of workers compensation claims. The LAE provision is comprised of two components: Adjusting and Other Expenses (AOE) and Defense and Cost Containment Expenses (DCCE).

Given the nature of AOE, it cannot be allocated to a specific claim, and hence cannot be accurately attributed to specific states. Therefore, the state-specific AOE ratio reflects the latest selected countrywide provision. The countrywide provision was calculated using data obtained from the NCCI Call for Loss Adjustment Expense. The accident year developed AOE ratios are calculated on a countrywide basis using private carrier-only data after removing the reported COVID-19-related losses.

The reported DCCE and losses from COVID-19-related claims have been excluded from the underlying data in this year's analysis to better reflect the conditions likely to prevail in the proposed effective period. NCCI used the following general methodology to determine the proposed DCCE provision based on Rhode Island-specific paid DCCE and losses reported on the NCCI Call for Policy Year Data:

- Ratios of reported paid DCCE-to-paid losses by policy year are developed to a 19th report using DCCE ratio development factors.
- A 19th-to-ultimate tail factor is applied to reflect expected development beyond a 19th report.
- The proposed DCCE provision is selected based on the ultimate projected DCCE ratios by policy year.

The proposed LAE provision is based on private carrier only data.

The calculation of the loss adjustment expense provision is shown on the following pages.



RHODE ISLAND

EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section A - Proposed Change in Rhode Island Loss Adjustment Expense Provision

NCCI proposes a 22.7% loss adjustment expense allowance as a percentage of losses. This represents a 0.2% decrease from the currently approved loss adjustment expense provision.

Rhode Island Provisions	(1) Current Approved	(2) Proposed
AOE	9.4%	9.4%
DCCE	13.5%	13.3%
Total LAE	22.9%	22.7%

Proposed Change in Rhode Island LAE Provision	0.998
= $[1.0 + (2)] / [1.0 + (1)] - 1$	-0.2%

Section B - Selection of AOE Provision

The adjusting and other expense data by accident year shown below is based on countrywide data for private carriers. NCCI's countrywide selection for the AOE provision is 9.4%.

<u>Accident Year</u>	Ultimate AOE <u>Ratio</u>
2018	9.1%
2019	9.6%
2020	10.2%
2021	9.6%
2022	9.3%
Countrywide Selected	9.4%
Rhode Island Selected	9.4%



RHODE ISLAND

EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section C - Selection of DCCE Provision

<u>Policy Year</u>	(1) Reported Ratio of Paid DCCE to Paid Losses	(2) Age to Ultimate Development Factor	(3) Ultimate DCCE Ratio
2017	15.3%	0.973	14.9%
2018	13.4%	0.968	13.0%
2019	12.9%	0.951	12.3%
2020	14.5%	0.930	13.5%
2021	14.4%	0.971	14.0%
Rhode Island Selected			13.3%

(2) Section D

(3) = (1) x (2)

Section D - Summary of Paid DCCE to Paid Loss Ratio Development Factors

<u>Report</u>	(1) <u>To Next Report</u>	(2) <u>To Ultimate</u>
1st	1.044	0.971
2nd	0.978	0.930
3rd	0.982	0.951
4th	0.995	0.968
5th	0.997	0.973
6th	1.001	0.976
7th	0.999	0.975
8th	0.992	0.976
9th	0.997	0.984
10th	0.998	0.987
11th	0.996	0.989
12th	0.999	0.993
13th	0.997	0.994
14th	0.999	0.997
15th	1.000	0.998
16th	0.998	0.998
17th	1.000	1.000
18th	1.000	1.000
19th		1.000*

(1) Section E

(2) = Cumulative upward product of column (1)

*Selection



RHODE ISLAND

EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section E - Paid DCCE to Paid Loss Ratio Development Factors

<u>Valuation</u>	<u>1st/2nd</u>	<u>2nd/3rd</u>	<u>3rd/4th</u>	<u>4th/5th</u>	<u>5th/6th</u>	<u>6th/7th</u>
12/31/2018	1.050	0.959	1.007	1.004	0.990	0.999
12/31/2019	1.042	1.012	0.865	0.977	1.005	1.000
12/31/2020	1.040	0.930	0.998	0.984	0.982	1.007
12/31/2021	1.058	1.008	1.003	1.013	1.003	0.981
12/31/2022	1.030	0.968	0.944	0.997	0.998	1.004
Average*	1.044	0.978	0.982	0.995	0.997	1.001

*Excludes the years with the lowest and highest factors.

<u>Valuation</u>	<u>7th/8th</u>	<u>8th/9th</u>	<u>9th/10th</u>	<u>10th/11th</u>	<u>11th/12th</u>	<u>12th/13th</u>
12/31/2018	0.981	0.990	0.997	1.002	0.998	0.998
12/31/2019	1.000	0.991	0.996	1.001	0.999	1.001
12/31/2020	0.994	0.992	0.994	0.999	0.979	1.000
12/31/2021	1.006	0.992	1.004	0.992	0.996	0.998
12/31/2022	1.003	1.002	0.999	0.993	0.994	0.992
Average*	0.999	0.992	0.997	0.998	0.996	0.999

*Excludes the years with the lowest and highest factors.

<u>Valuation</u>	<u>13th/14th</u>	<u>14th/15th</u>	<u>15th/16th</u>	<u>16th/17th</u>	<u>17th/18th</u>	<u>18th/19th</u>
12/31/2018	0.995	1.000	1.003	0.980	1.000	0.993
12/31/2019	0.998	0.996	1.001	1.000	1.002	1.000
12/31/2020	0.983	0.998	0.996	1.002	1.000	1.000
12/31/2021	0.999	1.001	0.998	0.997	1.001	1.000
12/31/2022	0.998	1.000	1.001	0.998	0.997	0.999
Average*	0.997	0.999	1.000	0.998	1.000	1.000

*Excludes the years with the lowest and highest factors.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

Appendix A-I Determination of Policy Year On-level Factors

NCCI uses premium and loss on-level factors to adjust historical policy year experience to current loss cost and benefit levels, respectively.

Premium on-level factors are adjustment factors that reflect the cumulative impact of all premium level changes that have occurred during and after the individual year being on-leveled. To calculate a weighted average, NCCI utilizes a monthly premium distribution for Rhode Island based on an analysis of policies reported in the Unit Statistical Data, which was updated for this filing. Additional adjustments applied as part of the premium on-level factor calculation include:

- Adjustment for Expense Removal: This factor is applied to remove expenses from the reported voluntary DSR level premium totals.
- Experience Rating Off-Balance Adjustment Factor: This factor reflects the relative difference between the average experience rating modification for the historical year being on-leveled and the average experience rating modification expected during the proposed filing effective period. Additional details on this adjustment factor are provided in the sub-section below.

Loss on-level factors are adjustment factors that reflect the cumulative impact of all benefit level changes that have occurred during and after the individual year of data being on-leveled.

Note: For NCCI ratemaking purposes, proposed benefit level changes that (i) do not impact the experience period of the filing and (ii) have not yet been approved are included in Exhibit I, rather than in the loss on-level calculation.

Experience Rating Off-Balance Adjustment Factor

The term “off-balance” refers to the average experience rating modification factor (E-mod) across all employers for a given time period. Historical off-balance values are calculated as a weighted average—using expected losses as weights—of the following:

- E-mods for intrastate rated employers
- E-mods for interstate rated employers
- A unity factor for all non-rated employers



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

NCCI reviews changes in each state's average off-balance annually. The historical data review combined with the experience rating parameters included in the latest approved filing provide all necessary information to adjust historical premiums to reflect any changes in the off-balance values over time. Specifically, the premiums in the financial data experience period are adjusted to the off-balance expected in the proposed filing period. This adjustment can be seen in the premium on-level adjustment factors provided in Appendix A-I.

The key components used to estimate the off-balance for the proposed filing include:

- A targeted off-balance of 0.960 for all intrastate rated employers. A targeted intrastate E-mod slightly below unity is desirable because employers who qualify for experience rating typically have better loss experience, on average, than non-rated employers. The choice of an intrastate target is premium-neutral on a statewide basis while promoting loss cost adequacy for non-rated employers.
- The average E-mod for interstate rated employers is estimated based on the E-mod experience rating data for all interstate rated employers compiled within the most recent twelve months. Unlike intrastate rated employers, interstate employers have exposure in multiple states, where each state's data and underlying experience rating parameters are used to determine the employer's interstate E-mod. Because E-mods for interstate employers are influenced by experience rating values for multiple states, NCCI's standard approach is to assume that the interstate off-balance during the proposed filing period is best approximated by the interstate off-balance observed over the most recent twelve months of E-mod data available at the time of the analysis.



RHODE ISLAND

APPENDIX A-I

Determination of Policy Year On-level Factors

Section A - Factor Adjusting 2021 Policy Year Premium to Present Level

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Date	Loss Cost Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)	Adj. For Expense Removal	Off-balance Adjustment Factor*	Premium Adjustment Factor (5)x(6)x(7)
NR 08/01/20	Base	1.000	0.626	0.626	0.838	0.814	1.005	0.685
NR 08/01/21	0.930	0.930	0.374	0.348				
NR 08/01/22	0.936	0.870						
NR 08/01/23	0.938	0.816						
				0.974				

Section B - Factor Adjusting 2021 Policy Year Indemnity Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
Date	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
01/01/21	Base	1.000	0.561	0.561	1.013
01/01/22	1.023	1.023	0.439	0.449	
01/01/23	1.000	1.023			
				1.010	

Section C - Factor Adjusting 2021 Policy Year Medical Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
Date	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
01/01/21	Base	1.000	0.561	0.561	1.017
01/01/22	1.008	1.008	0.439	0.443	
01/01/23	1.013	1.021			
				1.004	

NR New and renewal business.

* $1.005 = 0.963 / 0.958 = (\text{Targeted Off-balance}) / (\text{Off-balance for Policy Year 2021})$



RHODE ISLAND

APPENDIX A-I

Determination of Policy Year On-level Factors

Section D - Factor Adjusting 2020 Policy Year Premium to Present Level

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Loss Cost	Cumulative	Weight	Product	Adj. Factor	Adj. For	Off-balance	Premium
Date	Level	Index		(2)x(3)	Present Index/ Sum Column (4)	Expense Removal	Adjustment Factor*	Adjustment Factor (5)x(6)x(7)
	Change							
NR 08/01/19	Base	1.000	0.626	0.626	0.747	0.814	1.009	0.613
NR 08/01/20	0.870	0.870	0.374	0.325				
NR 08/01/21	0.930	0.809						
NR 08/01/22	0.936	0.757						
NR 08/01/23	0.938	0.710						
				0.951				

Section E - Factor Adjusting 2020 Policy Year Indemnity Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
	Benefit	Cumulative	Weight	Product	Adj. Factor
Date	Level	Index		(2)x(3)	Present Index/ Sum Column (4)
	Change				
01/01/20	Base	1.000	0.561	0.561	1.023
01/01/21	1.000	1.000	0.439	0.439	
01/01/22	1.023	1.023			
01/01/23	1.000	1.023			
				1.000	

Section F - Factor Adjusting 2020 Policy Year Medical Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
	Benefit	Cumulative	Weight	Product	Adj. Factor
Date	Level	Index		(2)x(3)	Present Index/ Sum Column (4)
	Change				
01/01/20	Base	1.000	0.561	0.561	1.025
01/01/21	1.008	1.008	0.439	0.443	
01/01/22	1.008	1.016			
01/01/23	1.013	1.029			
				1.004	

NR New and renewal business.

* 1.009 = 0.963 / 0.954 = (Targeted Off-balance) / (Off-balance for Policy Year 2020)



RHODE ISLAND

APPENDIX A-I

Determination of Policy Year On-level Factors

Section G - Factor Adjusting 2019 Policy Year Premium to Present Level

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Loss Cost	Cumulative	Weight	Product	Adj. Factor	Adj. For	Off-balance	Premium
Date	Level	Index		(2)x(3)	Present Index/ Sum Column (4)	Expense Removal	Adjustment Factor*	Adjustment Factor (5)x(6)x(7)
	Change							
NR 08/01/18	Base	1.000	0.626	0.626	0.673	0.814	1.017	0.557
NR 08/01/19	0.919	0.919	0.374	0.344				
NR 08/01/20	0.870	0.800						
NR 08/01/21	0.930	0.744						
NR 08/01/22	0.936	0.696						
NR 08/01/23	0.938	0.653						
				0.970				

Section H - Factor Adjusting 2019 Policy Year Indemnity Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
	Benefit	Cumulative	Weight	Product	Adj. Factor
Date	Level	Index		(2)x(3)	Present Index/ Sum Column (4)
	Change				
10/01/18	Base	1.000	0.100	0.100	1.022
05/10/19	0.985	0.985	0.461	0.454	
01/01/20	1.000	0.985	0.439	0.432	
01/01/21	1.000	0.985			
01/01/22	1.023	1.008			
01/01/23	1.000	1.008			
				0.986	

Section I - Factor Adjusting 2019 Policy Year Medical Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
	Benefit	Cumulative	Weight	Product	Adj. Factor
Date	Level	Index		(2)x(3)	Present Index/ Sum Column (4)
	Change				
10/01/18	Base	1.000	0.100	0.100	1.031
05/10/19	1.000	1.000	0.461	0.461	
01/01/20	1.004	1.004	0.439	0.441	
01/01/21	1.008	1.012			
01/01/22	1.008	1.020			
01/01/23	1.013	1.033			
				1.002	

NR New and renewal business.

* 1.017 = 0.963 / 0.947 = (Targeted Off-balance) / (Off-balance for Policy Year 2019)



RHODE ISLAND

APPENDIX A-I

Determination of Policy Year On-level Factors

Section J - Premium Adjustment to Average Expected Mod

Rating Year	(1) Average Intrastate Mod	(2) Average Interstate Mod	(3) Average Mod Combined Rated Risk	(4) Weighted Average Off-Balance	(5) Average Mod Expected	(6)= (5)/(4) Policy Year Adjustment Factor
2005	0.976	1.017	0.991	0.992	0.963	0.971
2006	0.974	0.991	0.980	0.982	0.963	0.981
2007	0.985	0.991	0.987	0.989	0.963	0.974
2008	0.985	0.997	0.989	0.991	0.963	0.972
2009	0.995	0.977	0.988	0.990	0.963	0.973
2010	0.992	0.987	0.990	0.991	0.963	0.972
2011	0.998	0.990	0.995	0.996	0.963	0.967
2012	0.996	0.987	0.992	0.993	0.963	0.970
2013	0.988	0.983	0.986	0.988	0.963	0.975
2014	0.960	0.982	0.969	0.973	0.963	0.990
2015	0.951	0.957	0.953	0.959	0.963	1.004
2016	0.949	0.955	0.951	0.958	0.963	1.005
2017	0.939	0.952	0.944	0.951	0.963	1.013
2018	0.945	0.935	0.941	0.949	0.963	1.015
2019	0.938	0.940	0.939	0.947	0.963	1.017
2020	0.943	0.950	0.946	0.954	0.963	1.009
2021	0.945	0.960	0.951	0.958	0.963	1.005
2022	0.938	0.962	0.948	0.956	0.963	1.007



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

Appendix A-II Determination of Premium and Losses Developed to an Ultimate Report

Development factors are used to project premium and limited losses to an ultimate report. In general, the ultimate development factors are based on a chain-ladder approach that utilizes average link ratios for several maturities and the application of a tail factor, as shown on the following pages.

Limited Large Loss Methodology

In order to limit volatility on the loss cost indications due to the impact of extraordinary large losses, a limited large loss methodology is used in Rhode Island. A base threshold for the large loss limitation is determined by the volume of premium in the state as well as the number of years used in the experience period. . It is calculated as one percent of the total volume of premium from the most recent three policy years underlying the currently approved filing. Using 3 years in the determination of the large loss base threshold further mitigates large loss volatility between filings and is consistent with both how the limitation was calculated historically and the anticipated temporary nature of the experience period change. The base threshold is then detrended by policy year to reflect the inflationary impact on claim costs due to wage inflation. The wage index used as a basis for these calculations is the Rhode Island average weekly wages from the Quarterly Census of Employment and Wages (QCEW). Detrended thresholds are used in the experience period, trend period, and loss development period. Indemnity and medical losses are limited at the detrended large loss threshold corresponding to their Policy Year.

After developing limited indemnity and medical losses to an ultimate report, a statewide, non-catastrophe excess ratio at the base threshold is used to adjust the limited losses to an unlimited basis. The excess ratios are non-catastrophe because excess ratios at limits beyond \$50 million are set equal to zero. The excess ratio is derived from Rhode Island's Retrospective Rating Plan Parameters.

Premium Development

Premium at an ultimate report is estimated by incorporating a review of historical patterns of premium development over time—primarily due to payroll audits. For premium development, link ratios are used from 1st report through 5th report. It is assumed that no further development occurs after the 5th report.

In this filing, a three-year average of historical premium development factors was selected to strike a balance between responsiveness to recently observed changes and maintaining stability in the selected development factors from one filing to the next.



Rhode Island

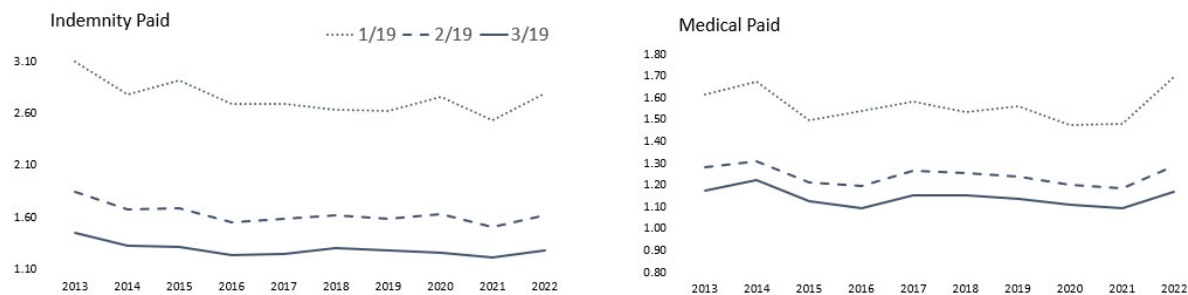
Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

Loss Development

Loss development factors are needed since total paid losses on a given claim change over time until the claim is finally closed. For indemnity and medical loss development, link ratios calculated from limited losses are used from 1st report through the 19th report. For indemnity and medical loss development past the 19th report, a 19th-to-ultimate “tail” factor is used to reflect all future expected loss emergence. The loss development factors are calculated based on how paid losses change over time for claims in older years.

The graphs below display the age-to-19th cumulative loss development factors over the last ten valuations.



Consistent with prior filings in Rhode Island, a five-year excluding highest and lowest average of historical paid loss development factors through a 19th report was selected.

As can be seen in the graphs above, the latest valuation of development factors are generally consistent with those from historical periods for both indemnity and medical paid development. Although there has been more year-to-year fluctuation in indemnity and medical 1st-to-19th, the indemnity and medical 2nd-to-19th and 3rd-to-19th factors have remained relatively stable. Therefore, there was no change in these selected development averages compared to last year’s filing.

These development factors were selected to strike a balance between being responsive to observed changes and promoting stability in the selected development factors from one filing to the next.

19th-to-Ultimate Tail Factor

Tail factors are calculated separately for indemnity and medical unlimited losses by comparing the changes in the volume of policy year losses that occur on policy years reported after a nineteenth report to the volume of policy year losses at the nineteenth report. To adjust for these differences in the volume of losses between policy years, a growth adjustment factor is applied. The tail factors are brought from an unlimited basis to a limited basis through the



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

application of a tail adjustment factor, which is based on countrywide data and the state specific large loss threshold.

The calculation of indemnity and medical paid plus case 19th-to-ultimate tail factors utilizes all available experience for the years prior to the tail attachment point and are calculated for the most recent ten available policy years. Loss development tail factors from a nineteenth report to ultimate were judgmentally selected in this filing based on a review of the ten most recently available factors.

Paid plus case data is used in the calculation of 19th-to-ultimate loss development factors since it is most reflective of the expected ultimate losses. Since this filing utilizes both paid and paid plus case data, the selected paid plus case loss development tail factors are converted to a paid basis using paid-to-paid plus case ratios. Both the indemnity and medical conversion ratios were selected based on a review of historical conversion ratios.



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section A - Premium and Loss Summary Valued as of 12/31/2022

Policy Year 2021

(1) Standard Earned Premium	\$134,326,168
(2) Factor to Develop Premium to Ultimate	1.007
(3) Standard Earned Premium Developed to Ultimate = (1)x(2)	\$135,266,451
(4) Limited Indemnity Paid Losses	\$23,540,343
(5) Limited Indemnity Paid Development Factor to Ultimate	2.651
(6) Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	\$62,405,449
(7) Limited Medical Paid Losses	\$13,857,493
(8) Limited Medical Paid Development Factor to Ultimate	1.540
(9) Limited Medical Paid Losses Developed to Ultimate = (7)x(8)	\$21,340,539

Policy Year 2020

(1) Standard Earned Premium	\$135,210,234
(2) Factor to Develop Premium to Ultimate	0.999
(3) Standard Earned Premium Developed to Ultimate = (1)x(2)	\$135,075,024
(4) Limited Indemnity Paid Losses	\$38,994,206
(5) Limited Indemnity Paid Development Factor to Ultimate	1.578
(6) Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	\$61,532,857
(7) Limited Medical Paid Losses	\$18,500,992
(8) Limited Medical Paid Development Factor to Ultimate	1.237
(9) Limited Medical Paid Losses Developed to Ultimate = (7)x(8)	\$22,885,727

Policy Year 2019

(1) Standard Earned Premium	\$150,606,193
(2) Factor to Develop Premium to Ultimate	1.000
(3) Standard Earned Premium Developed to Ultimate = (1)x(2)	\$150,606,193
(4) Limited Indemnity Paid Losses	\$56,387,312
(5) Limited Indemnity Paid Development Factor to Ultimate	1.261
(6) Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	\$71,104,400
(7) Limited Medical Paid Losses	\$25,682,528
(8) Limited Medical Paid Development Factor to Ultimate	1.135
(9) Limited Medical Paid Losses Developed to Ultimate = (7)x(8)	\$29,149,669



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section B - Premium Development Factors

<u>Policy Year</u>	<u>1st/2nd</u>	<u>Policy Year</u>	<u>2nd/3rd</u>	<u>Policy Year</u>	<u>3rd/4th</u>	<u>Policy Year</u>	<u>4th/5th</u>
2018	1.010	2017	0.999	2016	1.000	2015	1.000
2019	1.001	2018	0.999	2017	1.000	2016	1.000
2020	1.014	2019	0.999	2018	1.000	2017	1.000
Average	1.008	Average	0.999	Average	1.000	Average	1.000

Summary of Premium Development Factors

<u>1st/5th</u>	<u>2nd/5th</u>	<u>3rd/5th</u>	<u>4th/5th</u>
1.007	0.999	1.000	1.000



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section C - Limited Indemnity Paid Loss Development Factors

Policy Year	<u>1st/2nd</u>	Policy Year	<u>2nd/3rd</u>	Policy Year	<u>3rd/4th</u>	Policy Year	<u>4th/5th</u>
2016	1.629	2015	1.242	2014	1.118	2013	1.049
2017	1.657	2016	1.240	2015	1.097	2014	1.048
2018	1.698	2017	1.298	2016	1.097	2015	1.043
2019	1.685	2018	1.248	2017	1.094	2016	1.039
2020	1.732	2019	1.262	2018	1.116	2017	1.040
Average*	1.680	Average*	1.251	Average*	1.103	Average*	1.044

* Excludes the years with the lowest and highest factors.

Policy Year	<u>5th/6th</u>	Policy Year	<u>6th/7th</u>	Policy Year	<u>7th/8th</u>	Policy Year	<u>8th/9th</u>
2012	1.029	2011	1.020	2010	1.014	2009	1.013
2013	1.040	2012	1.017	2011	1.010	2010	1.004
2014	1.032	2013	1.017	2012	1.008	2011	1.005
2015	1.019	2014	1.018	2013	1.004	2012	1.004
2016	1.049	2015	1.005	2014	1.005	2013	1.006
Average*	1.034	Average*	1.017	Average*	1.008	Average*	1.005

* Excludes the years with the lowest and highest factors.

Policy Year	<u>9th/10th</u>	Policy Year	<u>10th/11th</u>	Policy Year	<u>11th/12th</u>	Policy Year	<u>12th/13th</u>
2008	1.006	2007	1.001	2006	1.002	2005	1.003
2009	1.013	2008	1.002	2007	1.002	2006	1.002
2010	1.005	2009	1.003	2008	1.006	2007	1.000
2011	1.001	2010	1.003	2009	1.003	2008	1.002
2012	1.003	2011	1.009	2010	1.002	2009	1.011
Average*	1.005	Average*	1.003	Average*	1.002	Average*	1.002

* Excludes the years with the lowest and highest factors.

Policy Year	<u>13th/14th</u>	Policy Year	<u>14th/15th</u>	Policy Year	<u>15th/16th</u>	Policy Year	<u>16th/17th</u>
2004	1.003	2003	1.000	2002	1.000	2001	1.009
2005	1.010	2004	1.004	2003	1.000	2002	1.000
2006	1.008	2005	1.001	2004	1.001	2003	1.000
2007	1.000	2006	1.001	2005	1.001	2004	1.001
2008	1.002	2007	1.000	2006	1.001	2005	1.002
Average*	1.004	Average*	1.001	Average*	1.001	Average*	1.001

* Excludes the years with the lowest and highest factors.

Policy Year	<u>17th/18th</u>	Policy Year	<u>18th/19th</u>
2000	1.000	1999	1.003
2001	1.002	2000	1.000
2002	1.000	2001	1.002
2003	1.000	2002	1.000
2004	1.002	2003	1.000
Average*	1.001	Average*	1.001

* Excludes the years with the lowest and highest factors.



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section D - Limited Medical Paid Loss Development Factors

Policy Year	<u>1st/2nd</u>	Policy Year	<u>2nd/3rd</u>	Policy Year	<u>3rd/4th</u>	Policy Year	<u>4th/5th</u>
2016	1.225	2015	1.091	2014	1.043	2013	1.030
2017	1.259	2016	1.095	2015	1.042	2014	1.019
2018	1.225	2017	1.085	2016	1.032	2015	1.012
2019	1.252	2018	1.080	2017	1.028	2016	1.015
2020	1.314	2019	1.105	2018	1.060	2017	1.023
Average*	1.245	Average*	1.090	Average*	1.039	Average*	1.019

* Excludes the years with the lowest and highest factors.

Policy Year	<u>5th/6th</u>	Policy Year	<u>6th/7th</u>	Policy Year	<u>7th/8th</u>	Policy Year	<u>8th/9th</u>
2012	1.012	2011	1.011	2010	1.008	2009	1.006
2013	1.017	2012	1.011	2011	1.005	2010	1.006
2014	1.011	2013	1.008	2012	1.011	2011	1.003
2015	1.013	2014	1.005	2013	1.004	2012	1.006
2016	1.032	2015	1.001	2014	1.003	2013	1.005
Average*	1.014	Average*	1.008	Average*	1.006	Average*	1.006

* Excludes the years with the lowest and highest factors.

Policy Year	<u>9th/10th</u>	Policy Year	<u>10th/11th</u>	Policy Year	<u>11th/12th</u>	Policy Year	<u>12th/13th</u>
2008	1.004	2007	1.001	2006	1.003	2005	1.003
2009	1.010	2008	1.002	2007	1.001	2006	1.003
2010	1.005	2009	1.003	2008	1.007	2007	1.001
2011	1.005	2010	1.001	2009	1.004	2008	1.001
2012	1.002	2011	1.011	2010	1.001	2009	1.008
Average*	1.005	Average*	1.002	Average*	1.003	Average*	1.002

* Excludes the years with the lowest and highest factors.

Policy Year	<u>13th/14th</u>	Policy Year	<u>14th/15th</u>	Policy Year	<u>15th/16th</u>	Policy Year	<u>16th/17th</u>
2004	1.002	2003	1.001	2002	1.000	2001	1.011
2005	1.002	2004	1.002	2003	1.001	2002	1.001
2006	1.002	2005	1.001	2004	1.003	2003	1.001
2007	1.001	2006	1.003	2005	1.001	2004	1.002
2008	1.002	2007	1.001	2006	1.003	2005	1.001
Average*	1.002	Average*	1.001	Average*	1.002	Average*	1.001

* Excludes the years with the lowest and highest factors.

Policy Year	<u>17th/18th</u>	Policy Year	<u>18th/19th</u>
2000	1.000	1999	1.005
2001	1.003	2000	1.000
2002	1.001	2001	1.001
2003	1.001	2002	1.000
2004	1.001	2003	1.001
Average*	1.001	Average*	1.001

* Excludes the years with the lowest and highest factors.



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section E - Determination of Policy Year Loss Development Factors (19th-to-Ultimate Report)

Indemnity Paid+Case Data for Matching Companies

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Year	<u>Losses for Policy Year</u>		<u>Losses for All Prior Policy Years</u>		Factor to Adjust Losses for Prior Policy Years	Indicated 19th-to-Ult Development for Policy Year
	19th Report	20th Report	Previous	Current		
1993	32,082,136	32,043,098	1,547,678,324	1,546,925,912	3.353	0.992
1994	35,573,601	35,269,771	1,578,600,354	1,579,786,961	2.916	1.003
1995	33,411,148	33,410,705	1,614,875,524	1,616,415,545	2.984	1.015
1996	32,626,595	32,676,866	1,649,815,097	1,651,133,241	2.862	1.016
1997	37,652,693	37,670,124	1,683,393,920	1,683,526,291	2.232	1.002
1998	42,406,781	42,410,412	1,721,196,415	1,721,953,208	1.735	1.010
1999	52,556,592	52,719,950	1,730,440,924	1,730,858,611	1.200	1.010
2000	56,981,758	57,019,969	1,756,449,271	1,756,846,643	0.905	1.008
2001	59,881,210	60,071,381	1,809,098,780	1,809,617,747	0.754	1.015
2002	54,175,797	54,286,078	1,897,063,163	1,898,351,716	0.791	1.032
Selected Indemnity 19th-to-Ultimate Loss Development Factor						1.010

Medical Paid+Case Data for Matching Companies

(8)	(9)	(10)	(11)	(12)	(13)	(14)
Policy Year	<u>Losses for Policy Year</u>		<u>Losses for All Prior Policy Years</u>		Factor to Adjust Losses for Prior Policy Years	Indicated 19th-to-Ult Development for Policy Year
	19th Report	20th Report	Previous	Current		
1993	17,249,496	17,306,436	447,329,564	445,502,865	1.691	0.941
1994	16,124,192	15,872,178	462,664,689	462,078,050	1.809	0.964
1995	16,651,572	16,805,511	477,878,172	477,524,550	1.741	0.997
1996	15,376,023	15,327,703	494,295,888	493,962,401	1.834	0.985
1997	18,940,099	18,769,960	509,011,886	508,947,030	1.409	0.989
1998	19,623,245	19,624,596	527,716,990	527,527,028	1.281	0.993
1999	31,523,511	32,031,547	536,850,762	536,858,199	0.739	1.016
2000	26,808,696	26,905,235	561,237,193	561,707,372	0.824	1.025
2001	28,641,088	28,104,978	586,366,899	588,575,590	0.736	1.086
2002	29,075,397	29,118,938	624,450,499	626,271,027	0.721	1.088
Selected Medical 19th-to-Ultimate Loss Development Factor						1.010

(7) = 1 + [(3) - (2) + ((5) - (4)) / (6)] / (2)

(14) = 1 + [(10) - (9) + ((12) - (11)) / (13)] / (9)

Columns (4) and (11) are valued as of the date at which the given policy year is at a 19th report.

Columns (5) and (12) are valued as of the date at which the given policy year is at a 20th report.



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section F - Derivation of Policy Year Limited 19th-to-Ultimate Loss Development Factors

Policy Year	Indemnity Paid-to-Paid + Case Ratio <u>19th Report</u>	Medical Paid-to-Paid + Case Ratio <u>19th Report</u>
1999	0.995	0.982
2000	0.999	0.998
2001	0.978	0.979
2002	1.000	0.996
2003	0.990	0.986
Selected	0.995	0.985

	<u>Indemnity</u>	<u>Medical</u>
(1) Paid+Case 19th-to-Ultimate Loss Development Factor (Section E)	1.010	1.010
(2) Factor to Adjust 19th-to-Ultimate Development Factor to a Limited Basis	0.237	0.237
(3) Limited Paid+Case 19th-to-Ultimate Loss Development Factor = [(1) - 1] x (2) + 1	1.002	1.002
(4) Limited Paid-to-Paid+Case Ratio	0.995	0.985
(5) Limited Paid 19th-to-Ultimate Loss Development Factor = (3) / (4)	1.007	1.017

Section G - Summary of Limited Paid Loss Development Factors

Report	(1) <u>Indemnity Paid Loss Development</u>		Report	(3) <u>Medical Paid Loss Development</u>	
	<u>to Next Report</u>	<u>to Ultimate</u>		<u>to Next Report</u>	<u>to Ultimate</u>
1st	1.680	2.651	1st	1.245	1.540
2nd	1.251	1.578	2nd	1.090	1.237
3rd	1.103	1.261	3rd	1.039	1.135
4th	1.044	1.143	4th	1.019	1.092
5th	1.034	1.095	5th	1.014	1.072
6th	1.017	1.059	6th	1.008	1.057
7th	1.008	1.041	7th	1.006	1.049
8th	1.005	1.033	8th	1.006	1.043
9th	1.005	1.028	9th	1.005	1.037
10th	1.003	1.023	10th	1.002	1.032
11th	1.002	1.020	11th	1.003	1.030
12th	1.002	1.018	12th	1.002	1.027
13th	1.004	1.016	13th	1.002	1.025
14th	1.001	1.012	14th	1.001	1.023
15th	1.001	1.011	15th	1.002	1.022
16th	1.001	1.010	16th	1.001	1.020
17th	1.001	1.009	17th	1.001	1.019
18th	1.001	1.008	18th	1.001	1.018
19th		1.007	19th		1.017

(2) = Cumulative upward product of column (1).

(4) = Cumulative upward product of column (3).



RHODE ISLAND

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section H - Factor to Adjust Limited Losses to an Unlimited Basis

(1) Threshold at the Midpoint of the Loss Cost Effective Period*	2,666,303
(2) Statewide Excess Ratio for (1)	0.023
(3) Market Share for Carriers Missing from Large Loss and Catastrophe Call	0.000
(4) Factor to Adjust Limited Losses to an Unlimited Basis = $1.0 / \{1.0 - [(2) \times (1.0 - (3))]\}$	1.024

Section I - Policy Year Large Loss Limits

Experience Year	Policy Year Detrended Limit
2021	2,230,077
2020	2,105,941
2019	1,976,354
2018	1,881,801
2017	1,846,742
2016	1,807,602
2015	1,769,674
2014	1,731,593
2013	1,676,891
2012	1,625,928
2011	1,585,583
2010	1,548,589
2009	1,508,870
2008	1,484,917
2007	1,456,034
2006	1,414,535
2005	1,363,602
2004	1,315,337
2003	1,274,973
2002	1,223,832
2001	1,177,220
2000	1,140,718
1999	1,098,898

* July 25, 2025 is the midpoint of the effective period for which the revised loss costs are being proposed.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

Appendix A-III Trend Factors

The proposed loss costs are intended for use with policies with effective dates in the proposed effective period. However, the data underlying this filing is based on the years in the experience period. Thus, it is necessary to use trend factors that forecast how much the future Rhode Island workers compensation experience will differ from historical experience.

These trend factors measure anticipated changes in the amount of indemnity and medical benefits as compared with anticipated changes in the amount of workers' wages. For example, if benefit costs are expected to grow faster than wages, then a trend factor greater than zero is indicated. Conversely, if wages are expected to grow faster than benefit costs, then a trend factor less than zero is indicated.

Overview of Methodology

NCCI separately analyzes a measure of the number of workplace injuries (claim frequency) and the average indemnity and medical costs of each of these injuries (claim severity). Premium, lost-time claim counts, and losses used in these frequency and severity calculations are developed to ultimate and adjusted for changes in the level of workers' wages over time using the United States Bureau of Labor Statistics Quarterly Census of Employment and Wages for Rhode Island. Note that medical-only claim counts are excluded from the claim frequency and severity calculations, but the losses associated with medical-only claims are included in severity figures.

While claim frequency and severity are reviewed separately, NCCI selects annual indemnity and medical loss ratio trend factors in Rhode Island. Loss ratios are relied upon as they are less impacted by shifts in the industry mix since these impacts to frequency and severity tend to offset one another. Additionally, loss ratios do not require an adjustment to a common wage level, since the wage adjustment to frequency and severities nullify. In order to estimate the average annual percentage changes in the loss ratios, exponential curves are fit to the historical data points. Consideration in the trend factor selections include a review of loss ratio patterns observed over an extended period of time, along with other pertinent considerations including, but not limited to, changes in system benefits and administration, economic environment, credibility of state data, and prior trend approach and selection.

The trend lengths displayed on the following exhibits are calculated by comparing the average accident date, or midpoint, for the effective period of the proposed rates to each average accident date of the policy years in the experience period. The average accident dates are based on a Rhode Island distribution of policy writings by month and assume a uniform probability of loss over the coverage period.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix A – Factors Underlying the Proposed Rate Level Change

Considerations Underlying Trend Selections in this Filing

The trend factors selected in this filing are meant to recognize the impact the changes in benefits and inflation will have on loss ratios between the midpoints of the experience period years on which the filing is based and the midpoint of the proposed loss cost effective period. Trends using the most recent fifteen policy years are typically reviewed to allow one to evaluate changes over an extended period of time, including both economic and non-economic factors, and to mitigate short-term anomalous year-to-year changes.

The indicated exponential indemnity and medical loss ratio trend fits, which helped inform the selections in this filing, are displayed on the following pages. In general, long-term patterns of decreasing loss ratios have been observed over the most recent fifteen policy years. This pattern is expected to continue.

Significant indemnity and medical loss ratio decreases were observed in Policy Years 2020 and 2021, in part due to indirect effects of the COVID-19 pandemic. The favorable experience in these policy years is accounted for directly in the experience period utilized in determining the loss cost indication. However, the magnitude of the year-over-year loss ratio decreases in Policy Year 2020 and 2021 are not necessarily indicative of how loss ratios are expected to change going forward. Therefore, the trend exhibits also display alternate exponential fits excluding Policy Years 2020 and 2021, to quantify and isolate the influence of pandemic-impacted years. While selections were not based solely on these alternative exponential fits, they were used in conjunction with the unadjusted exponential fits to assess the reasonability of the selected loss ratio trends.

The pandemic may have permanently altered aspects of the workplace and economy in Rhode Island. For example, remote work and reduced business travel affecting some sectors, changes in job duties and workplaces, and changes in the mix of business are likely to persist into the future. However, it is possible that some portion of the improved loss ratio experience observed during Policy Years 2020 and 2021 may be due to COVID-19-pandemic-related effects which may not persist during the effective period of the prospective lost costs. To the extent this is the case, it may temper further loss ratio improvement between the historical data—particularly Policy Years 2020 and 2021—and the proposed loss cost effective period.

As a result of the analysis, an annual trend factor of -3.5% was selected for the indemnity loss ratio, and an annual trend factor of -5.5% was selected for the medical loss ratio. These loss ratio trends are unchanged from those underlying the current approved loss costs.



RHODE ISLAND

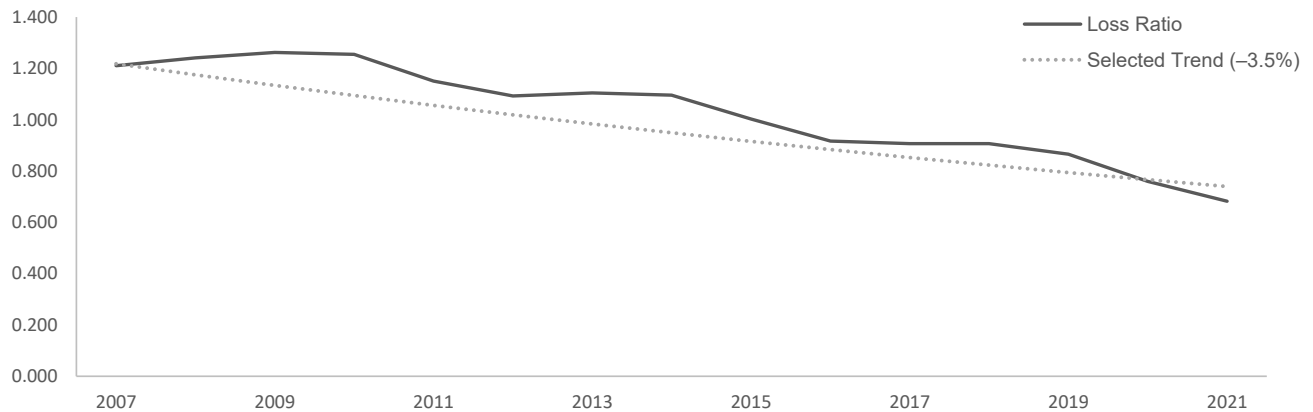
APPENDIX A-III

Policy Year Trend Factors

Section A - Calculation of Annual Loss Ratio Trend Factors

(1) Selected Annual Loss Ratio Trends:	<u>Indemnity</u>	<u>Medical</u>	
	-3.5%	-5.5%	
(2) Length of Trend Period from Midpoint of Policy Year to Midpoint of Effective Period:			
Trend Length:	<u>PY 2021</u>	<u>PY 2020</u>	<u>PY 2019</u>
	3.628	4.628	5.628
(3) Trend Factors Applied to Experience Year Loss Ratios = [1 + (1)] ^ (2)			
Indemnity:	<u>PY 2021</u>	<u>PY 2020</u>	<u>PY 2019</u>
	0.879	0.848	0.818
Medical:	0.814	0.770	0.727

Section B - Indemnity Loss Ratio Trend Data



Policy Year	Indemnity Loss Ratio [^]	Annual Percent Change	# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
2007	1.211				
2008	1.241	2.5%			
2009	1.262	1.7%			
2010	1.255	-0.6%			
2011	1.151	-8.3%	15	-4.0%	x
2012	1.093	-5.0%	14	-4.3%	x
2013	1.105	1.1%	13	-4.5%	-3.3%
2014	1.096	-0.8%	12	-4.7%	-3.6%
2015	1.003	-8.5%	11	-4.7%	-3.9%
2016	0.917	-8.6%	10	-4.9%	-3.9%
2017	0.907	-1.1%	9	-5.4%	-3.7%
2018	0.907	0.0%	8	-5.6%	-3.8%
2019	0.866	-4.5%	7	-5.5%	-4.2%
2020	0.760	-12.2%	6	-5.7%	-4.2%
2021	0.682	-10.3%	5	-7.2%	-3.0%

[^]Based on paid losses

*Exponential Fits excluding the latest two Policy Years. For example, the 5-point alternate fit includes PYs 2015-2019.

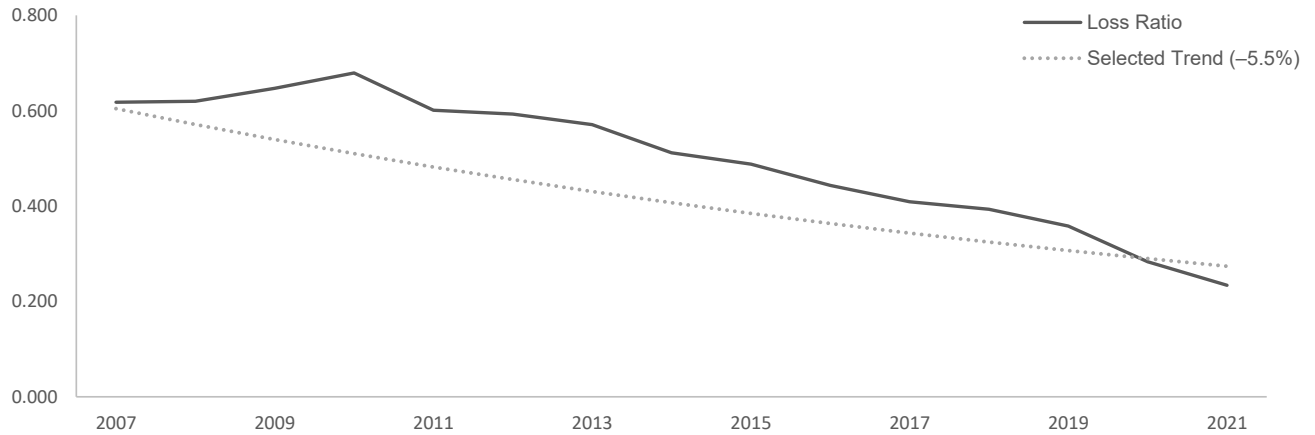


RHODE ISLAND

APPENDIX A-III

Policy Year Trend Factors

Section C - Medical Loss Ratio Trend Data



Policy Year	Medical Loss Ratio [^]	Annual Percent Change	# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
2007	0.618				
2008	0.620	0.3%			
2009	0.647	4.4%			
2010	0.679	4.9%			
2011	0.601	-11.5%	15	-6.4%	x
2012	0.593	-1.3%	14	-7.0%	x
2013	0.571	-3.7%	13	-7.7%	-4.9%
2014	0.512	-10.3%	12	-8.3%	-5.5%
2015	0.488	-4.7%	11	-8.5%	-6.2%
2016	0.443	-9.2%	10	-9.1%	-6.7%
2017	0.409	-7.7%	9	-9.6%	-6.6%
2018	0.393	-3.9%	8	-10.0%	-7.1%
2019	0.358	-8.9%	7	-10.9%	-7.2%
2020	0.283	-20.9%	6	-11.8%	-6.9%
2021	0.234	-17.3%	5	-13.5%	-7.1%

[^]Based on paid losses

*Exponential Fits excluding the latest two Policy Years. For example, the 5-point alternate fit includes PYs 2015-2019.

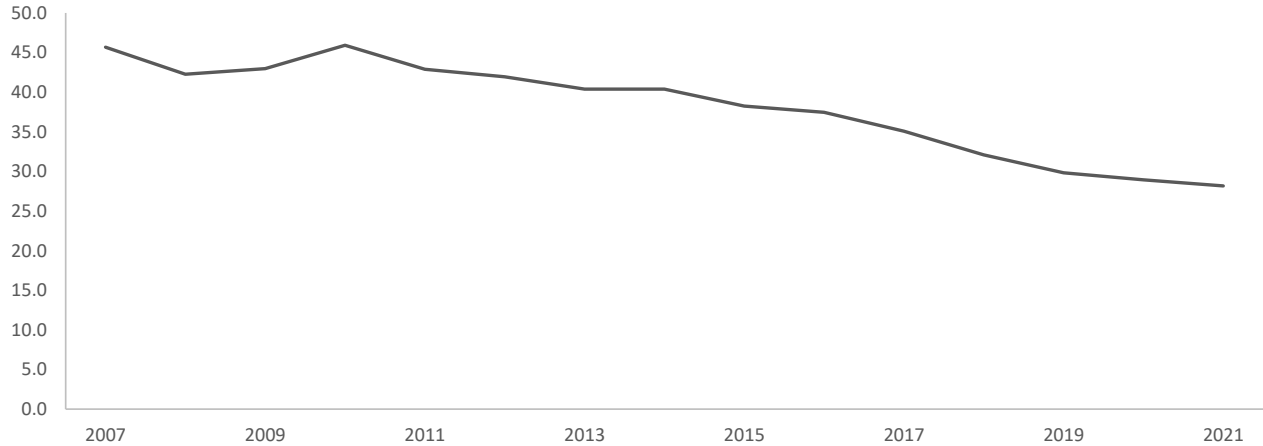


RHODE ISLAND

APPENDIX A-III

Policy Year Trend Factors

Section D - Frequency Trend Data



Policy Year	Claim Frequency [^]	Annual Percent Change	# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
2007	45.679	-			
2008	42.278	-7.4%			
2009	42.985	1.7%			
2010	45.926	6.8%			
2011	42.899	-6.6%	15	-3.4%	x
2012	41.962	-2.2%	14	-3.6%	x
2013	40.400	-3.7%	13	-4.0%	-3.0%
2014	40.399	0.0%	12	-4.4%	-3.2%
2015	38.259	-5.3%	11	-4.5%	-3.7%
2016	37.458	-2.1%	10	-4.8%	-4.2%
2017	35.063	-6.4%	9	-5.0%	-4.3%
2018	32.088	-8.5%	8	-5.4%	-4.6%
2019	29.816	-7.1%	7	-5.5%	-5.1%
2020	28.929	-3.0%	6	-5.8%	-5.9%
2021	28.179	-2.6%	5	-5.3%	-6.3%

[^]Per million of on-leveled, wage-adjusted premium

*Exponential Fits excluding the latest two Policy Years. For example, the 5-point alternate fit includes PYs 2015-2019.

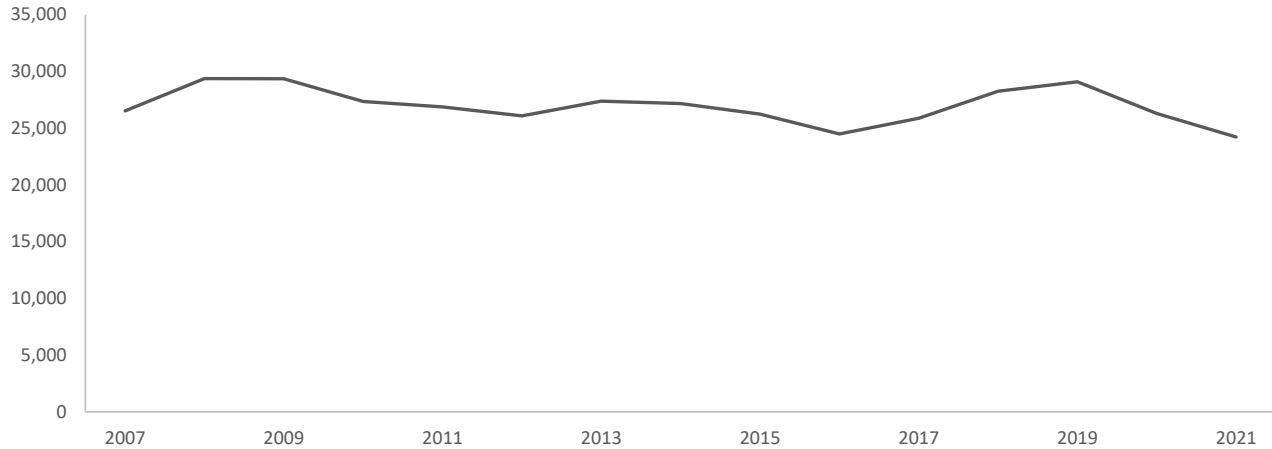


RHODE ISLAND

APPENDIX A-III

Policy Year Trend Factors

Section E - Indemnity Severity Trend Data



Policy Year	Indemnity Severity [^]	Annual Percent Change	# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
2007	26,500	-			
2008	29,357	10.8%			
2009	29,336	-0.1%			
2010	27,334	-6.8%			
2011	26,850	-1.8%	15	-0.5%	x
2012	26,072	-2.9%	14	-0.7%	x
2013	27,367	5.0%	13	-0.6%	-0.3%
2014	27,154	-0.8%	12	-0.3%	-0.5%
2015	26,226	-3.4%	11	-0.2%	-0.2%
2016	24,476	-6.7%	10	-0.2%	0.3%
2017	25,860	5.7%	9	-0.4%	0.6%
2018	28,230	9.2%	8	-0.2%	0.8%
2019	29,072	3.0%	7	0.1%	0.9%
2020	26,278	-9.6%	6	0.1%	1.8%
2021	24,212	-7.9%	5	-2.0%	3.5%

[^]Adjusted to a common wage level, based on paid losses

*Exponential Fits excluding the latest two Policy Years. For example, the 5-point alternate fit includes PYs 2015-2019.

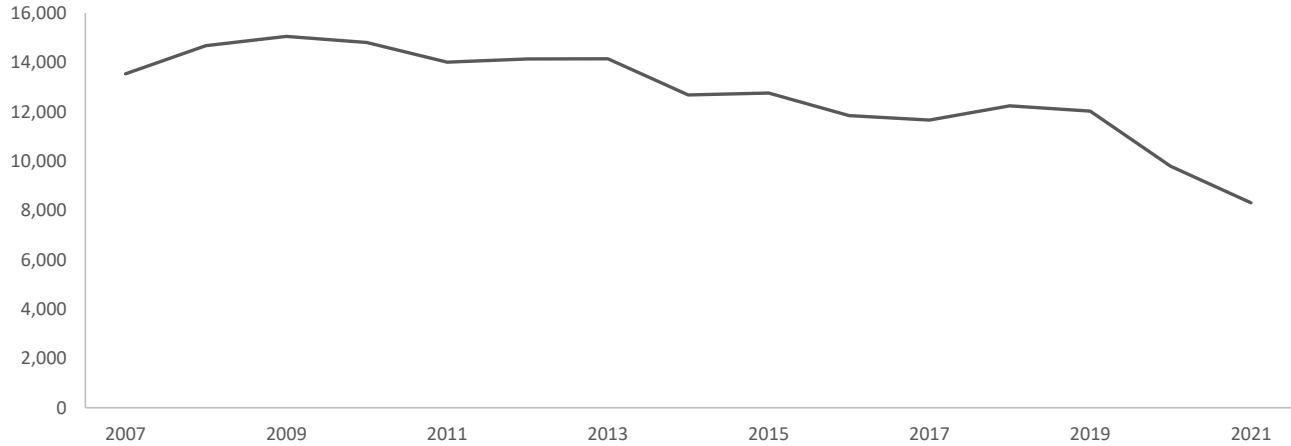


RHODE ISLAND

APPENDIX A-III

Policy Year Trend Factors

Section F - Medical Severity Trend Data



Policy Year	Medical Severity [^]	Annual Percent Change	# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
2007	13,533	-			
2008	14,676	8.4%			
2009	15,055	2.6%			
2010	14,803	-1.7%			
2011	14,005	-5.4%			
2012	14,136	0.9%			
2013	14,143	0.0%			
2014	12,680	-10.3%			
2015	12,754	0.6%			
2016	11,838	-7.2%			
2017	11,659	-1.5%			
2018	12,237	5.0%			
2019	12,022	-1.8%			
2020	9,791	-18.6%			
2021	8,312	-15.1%			

[^]Adjusted to a common wage level, based on paid losses

*Exponential Fits excluding the latest two Policy Years. For example, the 5-point alternate fit includes PYs 2015-2019.



RHODE ISLAND

APPENDIX A-IV

Derivation of Industry Group Differentials

Industry group differentials are used to more equitably distribute the overall loss cost level change based on the individual experience of each industry group. The payroll, losses and claim counts used in the calculations below are from NCCI's Workers Compensation Statistical Plan (WCSP) data.

I. Expected Losses

The current expected losses (columns (1) and (2)) are the payroll extended by the pure premiums underlying the latest approved loss costs. The proposed expected losses (3) are the current expected losses adjusted to the proposed level. These adjustments include the proposed experience, trend, benefit and, if applicable, loss-based expense changes as well as any miscellaneous premium adjustments.

Industry Group	(1) Latest Year Current Expected Losses Prior to Adjustment for Change in Off-Balance	(2) Five Year Current Expected Losses Prior to Adjustment for Change in Off-Balance	(3) Five Year Proposed Expected Losses Prior to Adjustment for Change in Off-Balance	(4) Current Ratio of Manual to Standard Premium	(5) Proposed Ratio of Manual to Standard Premium
Manufacturing	16,837,467	85,230,889	76,353,913	1.111	1.121
Contracting	23,779,343	110,910,282	99,337,152	1.100	1.098
Office & Clerical	16,893,932	79,381,131	71,125,620	1.119	1.124
Goods & Services	59,354,151	280,407,204	251,220,573	1.023	1.023
Miscellaneous	26,428,008	123,484,513	110,590,009	1.075	1.071
Statewide	143,292,901	679,414,018	608,627,267		

Industry Group	(6) Latest Year Current Expected Losses Adjusted for Change in Off-Balance (1)x(4)/(5)	(7) Five Year Current Expected Losses Adjusted for Change in Off-Balance (2)x(4)/(5)	(8) Five Year Proposed Expected Losses Adjusted for Change in Off-Balance (3)x(4)/(5)	(9) Current/ Proposed (7)/(8)	(10) Adjustment to Proposed for Current Relativity (9)IG/(9)SW
Manufacturing	16,687,266	84,470,578	75,672,789	1.116	1.000
Contracting	23,822,657	111,112,304	99,518,094	1.117	1.001
Office & Clerical	16,818,781	79,028,012	70,809,225	1.116	1.000
Goods & Services	59,354,151	280,407,204	251,220,573	1.116	1.000
Miscellaneous	26,526,712	123,945,706	111,003,044	1.117	1.001
Statewide	143,209,567	678,963,804	608,223,725	1.116	



RHODE ISLAND

APPENDIX A-IV

II. Industry Group Differentials

To calculate the converted indicated balanced losses (11) the reported losses are limited to \$500,000 for a single claim occurrence and \$1,500,000 for each multiple claim occurrence. After the application of limited development, trend and benefit factors, the limited losses are brought to an unlimited level through the application of the expected excess provision. The expected excess loss provisions are non-catastrophe and the excess ratios at a loss limit of \$50 million are set equal to zero. The proposed experience change, applicable loss-based expenses and any miscellaneous premium adjustments are applied to calculate the indicated losses. These indicated losses are then balanced to the expected losses using the factors shown in Appendix B-I, Section A-3.

Industry Group	(11) Converted Indicated Balanced Losses	(12) Indicated/ Expected Ratio (11)/[(8)x(10)]	(13) Indicated Differential (12)IG/(12)SW	(14) Lost-Time Claim Counts
Manufacturing	76,511,303	1.011	1.013	2,787
Contracting	95,855,965	0.962	0.964	2,160
Office & Clerical	73,970,359	1.045	1.047	2,305
Goods & Services	251,137,351	1.000	1.002	10,886
Miscellaneous	109,622,796	0.987	0.989	3,205
Statewide	607,097,774	0.998		

Industry Group	(15) Full Credibility Standard for Lost-Time Claim Counts	(16) Credibility Minimum of 1.000 and ((14)/(15))^0.5	(17) Credibility Weighted Indicated/Expected Ratio [(16)IGx(12)IG] + [1-(16)IG]x(12)SW*	(18) Final Industry Group Differential (17)IG/(17)SW
Manufacturing	12,000	0.48	1.004	1.006
Contracting	12,000	0.42	0.983	0.985
Office & Clerical	12,000	0.44	1.019	1.021
Goods & Services	12,000	0.95	1.000	1.002
Miscellaneous	12,000	0.52	0.992	0.994
Statewide			0.998	1.000

*Statewide ratio (column 17) = $\sum_{IG} [(6)x(17)] \div \sum_{IG} (6)$



RHODE ISLAND

APPENDIX A-IV

III. Description of Industry Group Differentials

Column (2) reflects the indemnity and medical combined expected losses calculated as five years of payroll (in hundreds) extended separately by indemnity and medical pure premiums underlying the latest approved loss costs. Column (3) adjusts the current expected losses to the proposed level by applying the components of the proposed loss cost level change. These components are applied separately for indemnity and medical, where possible. These adjustments are reflected in Appendix B-I, Section B.

Column (4) shows the current manual premium to standard premium ratios that were calculated using the latest five years of WCSP data used in the currently approved Rhode Island filing. Column (5) shows the proposed manual premium to standard premium ratios calculated using the latest five years of manual premium and experience modification factors reported in the WCSP data used in the proposed Rhode Island filing. "Proposed" ratio refers to the fact that these ratios are based on the latest available WCSP data in the proposed filing, and they are used to adjust the proposed industry group differentials to reflect the latest available impact of experience rating by industry group. The differences between columns (4) and (5) relate to the different periods of data being used, which are rolling 5-year periods.

Columns (6), (7), and (8) are based on columns (1), (2), and (3), respectively, and include an adjustment for the change in the average experience rating off-balance by Industry Group (IG). The adjustment for the change in the average experience rating off-balance by IG is reflected by multiplying columns (1), (2), and (3) by the ratio of column (4) to column (5). The ratio of column (4) to column (5) adjusts the current and proposed expected losses (and therefore the IG differentials) to reflect the latest available impact of experience rating by industry group.

The expected losses in column (6) are used as the IG weights when determining the statewide average Credibility Weighted Indicated-to-Expected Ratio in column (17).

The expected losses in columns (7) and (8) are used to determine the relative IG changes from the prior filing to the proposed filing in column (9). Since the indicated IG relativities in column (9) reflect a statewide average that differs from 1.000, the calculation in column (10) ensures that the indicated changes by IG balance to the overall proposed statewide loss cost level change.

Column (13) normalizes the indicated to expected ratios determined in column (12) to determine differentials before credibility weighting. The credibilities are calculated for each industry group using actual lost-time cases (column (14)) and the full credibility standard. The full credibility standard (column (15)) is determined based on an analysis of five successive years of five industry group differential fluctuations across 36 states. In column (16), the credibility is 1.00 when lost-time claims exceed 12,000. The final differentials reflected in column (18) are the normalized credibility weighted industry group differentials calculated in column (17).



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix B – Calculations Underlying the Loss Cost Change by Classification

NCCI separately determines loss costs for each workers compensation classification. The proposed change from the current loss cost will vary depending on the classification. The following are the general steps utilized to determine the industrial classification loss costs:

1. Calculate industry group differentials, which are used to more equitably distribute the proposed overall average loss cost level change based on the individual experience of each industry group
2. For each classification, determine the indicated pure premiums based on the most recently-available five policy periods of Rhode Island payroll and loss experience
3. Indicated pure premiums are credibility-weighted with present on rate level pure premiums and national pure premiums to generate derived by formula pure premiums
4. Final adjustments include the application of a test correction factor, the ratio of manual-to-standard premium, swing limits, and where applicable, any additional loads



RHODE ISLAND

APPENDIX B-I

Distribution of Loss Cost Level Change to Occupational Classification

After determining the required changes in the overall loss cost level for the state and by industry group, the next step in the ratemaking procedure is to distribute these changes among the various occupational classifications. In order to do this, the pure premiums by classification must be adjusted, by policy period, industry group, or on an overall basis, to incorporate the changes proposed in the filing. There are three sets of pure premiums for each classification: indicated, present on rate level, and national pure premiums.

Section A – Calculation of Indicated Pure Premiums

The indicated pure premiums are calculated from the payroll and loss data reported, by class code and policy period, in the Workers Compensation Statistical Plan (WCSP) for the latest available five policy periods. Various adjustments are made to these pure premiums to put them at the level proposed in this filing (Sections A-1 to A-3).

Section A-1 – Calculation of Primary Conversion Factors

1. Limited Loss Development Factors*

The following factors are applied to develop the losses from first through fifth report to an ultimate basis.

Policy Period	Indemnity		Medical	
	Likely-to-Develop	Not-Likely-to-Develop	Likely-to-Develop	Not-Likely-to-Develop
1/16-12/16	1.048	1.021	0.994	0.997
1/17-12/17	1.076	1.035	1.004	0.995
1/18-12/18	1.117	1.072	1.033	0.998
1/19-12/19	1.258	1.181	1.061	0.993
1/20-12/20	1.936	1.561	1.096	1.000

*The likely/not-likely development factors reflect a 60% likely / 40% not-likely distribution of the total tail development.

2. Factors to Adjust to the Proposed Trend Level

The proposed trend factors are applied to adjust the losses to the proposed level.

Policy Period	Indemnity	Medical
1/16-12/16	0.735	0.614
1/17-12/17	0.762	0.649
1/18-12/18	0.790	0.687
1/19-12/19	0.818	0.727
1/20-12/20	0.848	0.770

3. Factors to Adjust to the Proposed Benefit Level

The following factors are applied to adjust the losses to the proposed benefit level.

Policy Period	Fatal	Permanent Total (P.T.)	Permanent Partial (P.P.)	Temporary Total (T.T.)	Medical
1/16-12/16	0.995	1.023	1.041	1.022	1.068
1/17-12/17	0.991	1.018	1.034	1.015	1.058
1/18-12/18	0.988	1.004	1.021	1.001	1.051
1/19-12/19	0.997	1.014	1.029	1.011	1.045
1/20-12/20	0.999	1.016	1.031	1.013	1.040



RHODE ISLAND

APPENDIX B-I

4. Primary Conversion Factors: Indicated Pure Premiums

The factors above, contained within Section A-1, are combined multiplicatively, resulting in the following factors for the Likely-to-Develop (L) and Not-Likely-to-Develop (NL) groupings.

Policy Period	Fatal (L)	Fatal (NL)	P.T.*	P.P. (L)	P.P. (NL)	T.T. (L)	T.T. (NL)	Medical (L)	Medical (NL)
1/16-12/16	0.766	0.747	0.788	0.802	0.781	0.787	0.767	0.652	0.654
1/17-12/17	0.813	0.782	0.835	0.848	0.815	0.832	0.801	0.689	0.683
1/18-12/18	0.872	0.837	0.886	0.901	0.865	0.883	0.848	0.746	0.721
1/19-12/19	1.026	0.963	1.043	1.059	0.994	1.040	0.977	0.806	0.754
1/20-12/20	1.640	1.322	1.668	1.693	1.365	1.663	1.341	0.878	0.801

* Permanent total losses are always assigned to the Likely-to-Develop grouping.

Section A-2 – Expected Excess Provision and Redistribution

After the application of the primary conversion factors, the limited losses are brought to an expected unlimited level through the application of excess loss factors by hazard group. The expected excess loss provisions are non-catastrophe and the excess ratios at a loss limit of \$50 million are set equal to zero. These factors are shown below.

Hazard Group	A	B	C	D	E	F	G
(1) Excess Ratios	0.071	0.085	0.109	0.123	0.161	0.189	0.219
(2) Excess Factors 1/(1-(1))	1.076	1.093	1.122	1.140	1.192	1.233	1.280

As the excess loss factors are on a combined (indemnity and medical) basis, a portion (40%) of the indemnity expected excess losses are redistributed to medical in order to more accurately allocate expected excess losses. Since a portion of the expected excess losses are redistributed in an additive manner, the expected excess factors shown above cannot be combined multiplicatively with either the primary or secondary loss conversion factors.



RHODE ISLAND

APPENDIX B-I

Section A-3 – Calculation of Secondary Conversion Factors

1. Factors to Adjust for Proposed Industry Group Differentials

The following factors are applied to adjust the indicated industry group differentials for the effects of credibility weighting the industry group differentials and weighting the differentials by the latest year expected losses.

	Manufacturing	Contracting	Office and Clerical	Goods and Services	Miscellaneous
(1) Indicated Differentials*	1.013	0.964	1.047	1.002	0.989
(2) Final Differentials**	1.006	0.985	1.021	1.002	0.994
(3) Adjustment (2)/(1)	0.993	1.022	0.975	1.000	1.005

*See Appendix A-IV, column (13).

**See Appendix A-IV, column (18).

2. Factors to Balance Indicated to Expected Losses

The expected losses are calculated as the pure premium underlying the current loss costs, adjusted to the proposed level and adjusted for the Experience Rating Plan off-balance. The indicated losses are balanced to the expected losses by applying the following factors.

Policy Period	(1) Adjustment of Indicated Losses to Pure Premium at Proposed Level	(2) Current Ratio of Manual to Standard Premium	(3) Proposed Ratio of Manual to Standard Premium	(4) Off-balance Adjustment (2)/(3)	(5) Balancing Indicated to Expected Losses (1)x(4)
1/16-12/16	0.908	1.067	1.068	0.999	0.907
1/17-12/17	0.886	1.067	1.071	0.996	0.882
1/18-12/18	0.848	1.068	1.073	0.995	0.844
1/19-12/19	0.886	1.067	1.069	0.998	0.884
1/20-12/20	0.975	1.067	1.067	1.000	0.975

3. Adjustment for Experience Change

A factor of 0.894 is applied to adjust for the experience change in the proposed loss cost level.

4. Factor to Reflect the Proposed Loss-Based Expense Provisions

A factor of 1.227 is applied to include the proposed loss-based expense provisions.

5. Secondary Conversion Factors: Indicated Pure Premiums

The factors above, contained within section A-3, are combined multiplicatively, resulting in the following factors:

Policy Period	Manufacturing	Contracting	Office and Clerical	Goods and Services	Miscellaneous
1/16-12/16	0.988	1.017	0.970	0.995	1.000
1/17-12/17	0.961	0.989	0.943	0.967	0.972
1/18-12/18	0.919	0.946	0.903	0.926	0.930
1/19-12/19	0.963	0.991	0.945	0.970	0.975
1/20-12/20	1.062	1.093	1.043	1.070	1.075



RHODE ISLAND

APPENDIX B-I

Section B – Calculation of Present on Rate Level Pure Premiums

The present on rate level pure premiums are the pure premiums underlying the current loss costs, adjusted to the proposed level. The data sources for the above-captioned pure premiums are the partial pure premiums underlying the current loss costs.

1. Adjustment for Experience Change

A factor of 0.894 is applied to adjust for the experience change in the proposed loss cost level.

2. Factors to Adjust to the Proposed Trend Level

The pure premiums underlying the current loss costs contain the current trend. The change in trend factors, 1.000 and 0.999, for indemnity and medical, respectively, are applied to adjust to the proposed trend level.

3. Factors to Adjust to the Proposed Benefit Level

The following factors are applied to adjust the pure premiums underlying the current loss costs to the proposed benefit level.

Effective Date	Indemnity	Medical
January 1, 2024	1.000	1.014

4. Factors to Include the Proposed Loss-Based Expense Provisions

The pure premiums underlying the current loss costs include the current loss-based expense provisions and must be adjusted to the proposed level.

	(a) Current		(b) Proposed	
	Indemnity	Medical	Indemnity	Medical
(1) Loss Adjustment Expense	1.229	1.229	1.227	1.227
(2) Loss-based Assessment	1.000	1.000	1.000	1.000
(3) = (1) + (2) – 1.000	1.229	1.229	1.227	1.227
(4) Overall Change (3b)/(3a)			0.998	0.998

5. Adjustment to Obtain Expected Losses

The pure premiums underlying the current loss costs reflect the current Experience Rating Plan off-balance. The change in off-balance must be applied.

Industry Group	(1) Current Ratio of Manual to Standard Premium	(2) Proposed Ratio of Manual to Standard Premium	(3) Off-balance Adjustment (1)/(2)
Manufacturing	1.111	1.121	0.991
Contracting	1.100	1.098	1.002
Office & Clerical	1.119	1.124	0.996
Goods & Services	1.023	1.023	1.000
Miscellaneous	1.075	1.071	1.004



RHODE ISLAND

APPENDIX B-I

6. Factors to Adjust for Proposed Industry Group Differentials

The pure premiums underlying the current loss costs are adjusted by the proposed industry group differentials.

Industry Group	(1) Final Differential*	(2) Adjustment to Proposed for Current Relativities**	(3) Adjusted Differential (1)x(2)
Manufacturing	1.006	1.000	1.006
Contracting	0.985	1.001	0.986
Office & Clerical	1.021	1.000	1.021
Goods & Services	1.002	1.000	1.002
Miscellaneous	0.994	1.001	0.995

*See Appendix A-IV, column (18).

**See Appendix A-IV, column (10).

7. Combined Conversion Factors

The factors above, contained within Section B, are combined multiplicatively, resulting in the following factors.

Industry Group	Indemnity	Medical
Manufacturing	0.889	0.901
Contracting	0.881	0.893
Office & Clerical	0.907	0.919
Goods & Services	0.894	0.906
Miscellaneous	0.891	0.903



RHODE ISLAND

APPENDIX B-I

Section C – Calculation of National Pure Premiums

Finally, there are the national pure premiums, which reflect the countrywide experience for each classification adjusted to state conditions. These pure premiums reflect the countrywide experience for each classification as indicated by the latest available individual classification experience for all states for which the National Council on Compensation Insurance compiles workers compensation data.

Countrywide data is adjusted to Rhode Island conditions in four steps. First, statewide indicated pure premiums are determined for Rhode Island. Second, using Rhode Island payrolls as weights, corresponding statewide-average pure premiums are computed for each remaining state. Third, the ratios of Rhode Island statewide pure premiums to those for other states are used as adjustment factors to convert losses for other states to a basis that is consistent with the Rhode Island indicated pure premiums. The quotient of the countrywide total of such adjusted losses divided by the total countrywide payroll for the classification is the initial pure premium indicated by national relativity. Finally, national pure premiums are balanced to the level of the state indicated pure premiums to ensure unbiased derived by formula pure premiums. Indemnity and medical pure premiums are computed separately.

Section D – Calculation of Derived by Formula Pure Premiums

The indicated, present on rate level and national pure premiums are credibility weighted, and the resulting derived by formula pure premiums are used to determine the final class loss costs.

As for the preceding pure premiums, separate computations are performed for each partial pure premium: indemnity and medical. Each partial formula pure premium is derived by the weighting of the indicated, present on rate level and national partial pure premiums. The weight assigned to the policy year indicated pure premium varies in one-percent intervals from zero percent to one hundred percent, depending upon the volume of expected losses (i.e. the product of the underlying pure premiums and the payroll in hundreds). To achieve full state credibility, a classification must have expected losses of at least: \$33,449,902 for indemnity and \$7,066,140 for medical.

The partial credibilities formula is:

$$z = [(\text{expected losses}) / (\text{full credibility standard})]^{0.5}$$

For the national pure premiums, credibility is determined from the number of lost-time claims. Full credibility standards are: 2,300 lost-time claims for indemnity and 2,000 lost-time claims for medical.

Partial credibilities are assigned using a credibility formula similar to that used for indicated pure premiums but based on the number of national cases. In no case is the national credibility permitted to exceed 50% of the complement of the state credibility.

National Credibility equals the smaller of:

$$[(\text{national cases}) / (\text{full credibility standard})]^{0.5} \text{ and } [(1 - \text{state credibility}) / 2]$$

The residual credibility (100% minus the sum of the state and national credibilities) is assigned to the present on rate level pure premium.

For example, if the state credibility is 40%, the national pure premium is assigned a maximum credibility of 30% $((100 - 40) / 2)$. The remainder is assigned to the present on rate level pure premium.

The total pure premium shown on the attached Appendix B-III is obtained by adding the indemnity and medical partial pure premiums obtained above and rounding the sum to two decimal places.



RHODE ISLAND

APPENDIX B-II

Adjustments to Obtain Loss Costs

The following items are combined with the derived by formula pure premium to obtain the proposed loss cost:

1. Test Correction Factor

The payrolls are now extended by the loss costs presently in effect and by the indicated loss costs to determine if the required change in manual premium level as calculated in Exhibit I has been achieved. Since at first this calculation may not yield the required results, an iterative process is initiated which continuously tests the proposed loss costs including tentative test correction factors until the required change in manual premium level is obtained. The test correction factor is applied to the derived by formula pure premiums.

The factors referred to above are set out as follows:

	Test Correction Factor
Manufacturing	0.9931
Contracting	1.0153
Office & Clerical	1.0190
Goods & Services	0.9998
Miscellaneous	1.0099

2. Ratios of Manual to Standard Premiums

The ratios of manual to standard premiums by industry group have also been excluded from the classification experience, and it is necessary to apply these factors to the derived by formula pure premiums.

	Ratio of Manual to Standard Premiums
Manufacturing	1.121
Contracting	1.098
Office & Clerical	1.124
Goods & Services	1.023
Miscellaneous	1.071



RHODE ISLAND

APPENDIX B-II

3. Swing Limits

As a further step, a test is made to make certain that the proposed loss costs fall within the following departures from the present loss costs:

Manufacturing	from 5% above to 25% below
Contracting	from 3% above to 27% below
Office & Clerical	from 6% above to 24% below
Goods & Services	from 5% above to 25% below
Miscellaneous	from 4% above to 26% below

These limits have been calculated in accordance with the following formula:

Max. Deviation = Effect of the final change in loss cost level by industry group plus or minus 15% rounded to the nearest 1%.

The product of the swing limits and the present loss cost sets bounds for the proposed loss cost. If the calculated loss cost falls outside of the bounds, the closest bound is chosen as the proposed loss cost. When a code is limited, the underlying pure premiums are adjusted to reflect the limited loss cost. The classifications which have been so limited are shown below. Note that classifications that are subject to special handling may fall outside of the swing limits. A code listed below with an asterisk indicates the code's swing limit was adjusted by one cent before being applied; this is only performed when the upper and lower bounds calculated by the swing limit are equal.

An illustrative example showing the calculation of a proposed manual class loss cost is attached as Appendix B-III. This example demonstrates the manner in which the partial pure premiums are combined to produce a total pure premium, and shows the steps in the calculation at which the rounding takes place. The loss costs for other classifications are calculated in the same manner.

List of Classifications Limited by the Upper Swing

List of Classifications Limited by the Lower Swing

3365 5491 5606 6325 8856 9040 9534

8803* 8871* 8901



RHODE ISLAND

APPENDIX B-II

Determination of Rating Values on Miscellaneous Values Page

A. Current and Proposed Miscellaneous Values are calculated based on formulas, dependent on the State Average Weekly Wage (SAWW).

	Current	Proposed	Change
1) State Average Weekly Wage (SAWW)	\$1,184.11 ¹	\$1,227.06 ²	3.6%
2) Basis of premium applicable in accordance with the Basic Manual notes for Code 7370 -- "Taxicab Co.":			
Employee operated vehicle ³	\$92,400	\$95,700	3.6%
Leased or rented vehicle ⁴	\$61,600	\$63,800	3.6%
3) Maximum Weekly Payroll applicable in accordance with the Basic Manual rule, Rule for premium determination of executive officers ⁵ and the Basic Manual notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports" ⁶	\$4,700	\$4,900	4.3%
4) Minimum Weekly Payroll applicable in accordance with the Basic Manual rule, Rule for premium determination of executive officers ⁷	\$1,200	\$1,250	4.2%

¹ State Average Weekly Wage. Effective October 1, 2022.
² State Average Weekly Wage. Effective October 1, 2023.
³ Underlying formula is: SAWW x 52 x 1.5 (Rounded to the nearest \$100), Item B-1422.
⁴ Underlying formula is: SAWW x 52 (Rounded to the nearest \$100), Item B-1422.
⁵ Underlying formula is: SAWW x 4 (Rounded to the nearest \$100), Item B-1420.
⁶ Underlying formula is: SAWW x 4 (Rounded to the nearest \$100), Item B-1422.
⁷ Underlying formula is: SAWW (Rounded to the nearest \$50), Item B-1420.

B. Loss Elimination Ratios (LERs) are defined in "Fundamentals of Individual Risk Rating" by Gillam and Snader, 1992. The latest methodology for determining Excess Loss Pure Premium Factors (ELPPFs) is described in "NCCI's 2014 Excess Loss Factors" by Corro and Tseng, 2019. The updated LER values reflect the experience, trend, and development consistent with the Excess Loss Pure Premium Factors (ELPPFs) filed in Item R-1421.



RHODE ISLAND

APPENDIX B-III

Derivation of Proposed Loss Cost - Code 8810

As previously explained in Appendix B-I, the indicated pure premiums are developed by adjusting the limited losses by a set of conversion factors. The converted losses are then summarized into indemnity and medical and then divided by payroll (in hundreds). The derivation of the indicated pure premium for the above-captioned classification follows:

LIMITED LOSSES (Workers Compensation Statistical Plan)

Policy Period	Fatal Likely	Fatal Not-Likely	Permanent Total	Permanent Partial Likely	Permanent Partial Not-Likely	Temporary Total Likely	Temporary Total Not-Likely	Medical Likely	Medical Not-Likely
01/01/16 - 12/31/16	0	500,000	0	44,758	1,326,067	703,242	1,197,395	184,204	1,151,728
01/01/17 - 12/31/17	0	0	0	551,309	892,491	156,441	1,038,891	241,965	1,029,843
01/01/18 - 12/31/18	0	0	0	345,506	1,470,097	531,868	1,051,236	238,044	1,331,430
01/01/19 - 12/31/19	0	0	0	32,401	485,201	439,910	1,308,585	266,406	988,323
01/01/20 - 12/31/20	0	0	0	134,781	129,483	535,832	915,460	281,098	922,263

PRIMARY CONVERSION FACTORS (Appendix B-I, Section A-1)

Policy Period	Fatal Likely	Fatal Not-Likely	Permanent Total	Permanent Partial Likely	Permanent Partial Not-Likely	Temporary Total Likely	Temporary Total Not-Likely	Medical Likely	Medical Not-Likely
01/01/16 - 12/31/16	0.766	0.747	0.788	0.802	0.781	0.787	0.767	0.652	0.654
01/01/17 - 12/31/17	0.813	0.782	0.835	0.848	0.815	0.832	0.801	0.689	0.683
01/01/18 - 12/31/18	0.872	0.837	0.886	0.901	0.865	0.883	0.848	0.746	0.721
01/01/19 - 12/31/19	1.026	0.963	1.043	1.059	0.994	1.040	0.977	0.806	0.754
01/01/20 - 12/31/20	1.640	1.322	1.668	1.693	1.365	1.663	1.341	0.878	0.801

EXPECTED EXCESS PROVISION AND REDISTRIBUTION (Appendix B-I, Section A-2)

After the application of the primary conversion factors, the limited losses are brought to an expected unlimited level through the application of a hazard group-specific excess loss factor. The factor is shown below:

HAZARD GROUP: C	
Excess Factor	1.122

As the excess loss factor is on a combined (indemnity and medical) basis, the following portion of the indemnity expected excess losses are redistributed to medical in order to more accurately allocate expected excess losses:

Redistribution %	40%
------------------	-----



RHODE ISLAND

APPENDIX B-III

Derivation of Proposed Loss Cost - Code 8810

EXPECTED UNLIMITED LOSSES (Limited Losses x Primary Conversion Factors, then adjusted for the Excess Provision and Redistribution)

Policy Period	Fatal Likely	Fatal Not-Likely	Permanent Total	Permanent Partial Likely	Permanent Partial Not-Likely	Temporary Total Likely	Temporary Total Not-Likely	Medical Likely	Medical Not-Likely
01/01/16 - 12/31/16	0	400,915	0	38,531	1,111,676	594,075	985,813	163,632	959,272
01/01/17 - 12/31/17	0	0	0	501,826	780,770	139,713	893,233	216,355	865,745
01/01/18 - 12/31/18	0	0	0	334,151	1,364,973	504,111	956,881	237,519	1,183,245
01/01/19 - 12/31/19	0	0	0	36,832	517,691	491,087	1,372,330	265,058	922,521
01/01/20 - 12/31/20	0	0	0	244,933	189,717	956,496	1,317,741	331,767	897,827

SECONDARY CONVERSION FACTORS (Appendix B-I, Section A-3)

Policy Period	INDUSTRY GROUP: Office and Clerical
01/01/16 - 12/31/16	0.970
01/01/17 - 12/31/17	0.943
01/01/18 - 12/31/18	0.903
01/01/19 - 12/31/19	0.945
01/01/20 - 12/31/20	1.043

PAYROLL, FINAL CONVERTED LOSSES (Expected Unlimited Losses x Secondary Conversion Factors)

Policy Period	Payroll	Indemnity Likely	Indemnity Not-Likely	Medical Likely	Medical Not-Likely	Total Indemnity	Total Medical	Total
01/01/16 - 12/31/16	5,011,547,662	613,628	2,423,452	158,723	930,494	3,037,080	1,089,217	4,126,297
01/01/17 - 12/31/17	5,047,145,938	604,971	1,578,585	204,023	816,398	2,183,556	1,020,421	3,203,977
01/01/18 - 12/31/18	5,027,772,162	756,951	2,096,634	214,480	1,068,470	2,853,585	1,282,950	4,136,535
01/01/19 - 12/31/19	5,142,969,561	498,883	1,786,070	250,480	871,782	2,284,953	1,122,262	3,407,215
01/01/20 - 12/31/20	5,133,237,889	1,253,090	1,572,279	346,033	936,434	2,825,369	1,282,467	4,107,836
Total	25,362,673,212	3,727,523	9,457,020	1,173,739	4,623,578	13,184,543	5,797,317	18,981,860
INDICATED PURE PREMIUM						0.052	0.023	0.08

The pure premiums shown were calculated using unrounded losses, while the converted losses have been rounded for display purposes.

The present on rate level pure premiums are developed by adjusting the pure premiums underlying the current loss cost by the conversion factors calculated in Appendix B-I. The derivation of the present on rate level pure premiums for the above-captioned classification follows:

	Indemnity	Medical	Total
Pure Premiums Underlying Current Loss Cost	0.052	0.028	0.08
Conversion Factors (App. B-I, Section B)	0.907	0.919	xxx
PURE PREMIUMS PRESENT ON RATE LEVEL (Underlying Pure Premiums) x (Conversion Factor)	0.047	0.026	0.07



RHODE ISLAND

APPENDIX B-III

Derivation of Proposed Loss Cost - Code 8810
 Industry Group - Office and Clerical, Hazard Group - C

The loss cost for the above-captioned classification is derived as follows:

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
1. Indicated Pure Premium	0.052	0.023	0.08
2. Pure Premium Indicated by National Relativity	0.049	0.024	0.07
3. Pure Premium Present on Rate Level	0.047	0.026	0.07
4. State Credibilities	59%	95%	xxx
5. National Credibilities	20%	2%	xxx
6. Residual Credibilities = 100% - (4) - (5)	21%	3%	xxx
7. Derived by Formula Pure Premiums = (1) x (4) + (2) x (5) + (3) x (6)	0.050	0.023	0.07
8. Test Correction Factor	1.0190	1.0190	xxx
9. Underlying Pure Premiums = (7) x (8) *	0.047	0.023	0.07
10. Ratio of Manual to Standard Premium			1.124
11. Loss Cost = (9) x (10)			0.08
12. Loss Cost Within Swing Limits			0.08
Current Loss Cost x Swing Limits			
a) Lower bound = 0.09 x 0.760 = 0.07			
b) Upper bound = 0.09 x 1.060 = 0.09			
13. Pure Premiums Underlying Proposed Loss Cost* = ((13TOT) / (9TOT)) x (9) , (13TOT) = (12) / (10)	0.047	0.023	0.07
14. Miscellaneous Loadings			0.00
15. Final Loaded Loss Cost			0.08

* Indemnity pure premium is adjusted for the rounded total pure premium:
 Indemnity Pure Premium = Total Pure Premium - Medical Pure Premium



RHODE ISLAND

APPENDIX B-IV

WCSP data is used to determine the F-Classification (F-Class) loss costs. The latest year of WCSP payroll is extended by both the current and proposed loss costs. Based on \$5,051,528 of payroll, the overall loss cost level change in Rhode Island is -13.4%.

I. Overview of Methodology

- Ten years of F-Class losses* across all states for which the National Council on Compensation Insurance compiles workers compensation ratemaking data are converted and adjusted to a countrywide level and used with ten years of F-Class countrywide payroll to determine the F-class countrywide pure premiums at both an overall and individual classification level.
- F-class code countrywide relativities are then calculated by comparing the F-class countrywide pure premiums by class to the overall countrywide F-class pure premium. The relativity values are reflected in the table in Section II.
- A single state primary base pure premium is calculated by applying a countrywide to state relativity factor to bring the F-class overall countrywide pure premium to the Rhode Island proposed level.
- A final base pure premium is calculated by bringing the primary base pure premium to the proposed Rhode Island trend and benefit levels, and applying any applicable expenses and/or offsets.
- Final F-Class loss costs are calculated by applying the countrywide relativity by class code to the final base pure premium and applying swing limits.

*Losses are limited to \$500,000 for a single claim occurrence and \$1,500,000 for each multiple claim occurrence. Texas data is included for policies effective 1/1/2013 and subsequent.



RHODE ISLAND

APPENDIX B-IV

II. The F-class code countrywide relativities:

Class Code	Countrywide Relativity**
6006	1.686
6801*	1.000
6824	1.184
6825	0.351
6826	0.666
6828*	1.000
6829*	1.000
6843	1.358
6845	0.729
6872	1.268
6873*	1.000
6874	1.592
7309	1.227
7313	0.498
7317	0.946
7327	2.518
7350	1.023
8709	0.385
8726	0.264
9077*	1.000

*Relativities for class codes with a limited amount of data are set to 1.000.

**The relativities have been locked into the values from the prior filing

III. Swing Limits

The proposed loss costs are limited to the swing limits based on 15% above and 15% below the current loss costs.

Classifications Limited by the Upper Swing

9077

Classifications Limited by the Lower Swing

6843	6845	6874	7309
7313	7317	7327	7350
8709	8726		



RHODE ISLAND

APPENDIX B-IV

Derivation of State Base Pure Premium

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
1. Overall Countrywide Pure Premium			2.76
2. State Act Pure Premium Relativity Factor			1.218
3. Countrywide State Act Weight			24%
4. Primary Base Pure Premium = [(1) x (2) x (3)] + [(1) x (1 - (3))]			2.90
5. Countrywide Weights	51%	49%	100%
6. Trend Factors	0.946	0.916	xx
7. Weighted Benefits	1.000	1.003	xx
8. Weighted Loss-Based Expenses	1.288	1.227	xx
9. Secondary Base Pure Premium = (4tot) x (5) x (6) x (7) x (8)	1.802	1.602	3.40
10. Additional Offsets			1.000
11. Final Base Pure Premium = (9) x (10)			3.40



RHODE ISLAND

APPENDIX B-IV

Derivation of Proposed Loss Cost - Code 6872

Industry Group - F-Class, Hazard Group - G

The loss cost for the above-captioned classification is derived as follows:

1. Rhode Island's Final Base Pure Premium	3.40
2. Countrywide Class Code 6872 Relativity (Section II)	1.268
3. Loss Cost = (1) x (2)	4.31
4. Loss Cost Within Swing Limits	4.31
Current Loss Cost x Swing Limits	
a) Lower bound = $5.01 \times 0.85 = 4.26$	
a) Upper bound = $5.01 \times 1.15 = 5.76$	
5. Miscellaneous Loadings	0.00
6. Final Loaded Loss Cost	4.31



RHODE ISLAND

APPENDIX B-IV

U.S. Longshore and Harbor Workers' Compensation Act Assessment

The F-class and Program II, Option II maritime class voluntary loss costs include the following provision for the federal assessment:

1.) Assessment Rate on Indemnity Losses *	8.0%
2.) Assessment Rate on Total Losses #	4.5%

* Calculated using data provided by the U.S. Department of Labor

Calculated using U.S. Department of Labor data and on-leveled and developed USL&HW losses - statistical plan data



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Appendix C – Memoranda for Laws and Assessments

Appendix C provides details on changes affecting workers compensation benefit costs that are not yet reflected in the on-level factors shown in Appendix A-I. Such changes may result from annual updates in medical reimbursement levels or other changes that directly affect worker compensation benefit levels. In addition, changes to the administration of the workers compensation system, including benefit levels, may result from specific regulatory, legislative, or judicial action.

The overall effect of benefit changes displayed in Appendix C is calculated as of the benefit effective date, which may differ from the overall impact on the filing as shown in the Executive Summary.

Changes affecting the Rhode Island Medical Fee Schedule Effective January 1, 2024 are detailed in this section of the filing.



RHODE ISLAND

APPENDIX C-I

Analysis of Rhode Island Medical Fee Schedule Changes Proposed To Be Effective January 1, 2024

NCCI estimates that the changes to the medical fee schedule in Rhode Island, proposed to be effective January 1, 2024, would result in an impact of +0.4% on overall workers compensation system costs.

Summary of Proposed Changes

The current Medical Fee Schedule (MFS) for professional services, ambulance, Healthcare Common Procedure Coding System (HCPCS), and dental services in Rhode Island became effective January 1, 2023. The changes to the MFS, proposed to be effective January 1, 2024, include revisions to professional services, ambulance, HCPCS, and dental services.

Actuarial Analysis

NCCI's methodology to evaluate the impact of medical fee schedule changes includes three major steps:

1. Calculate the percentage change in maximum reimbursements
 - Compare the current and proposed maximum reimbursements by procedure code to determine the percentage change by procedure code.
 - Calculate the weighted-average percentage change in maximum reimbursements for the fee schedule using observed payments by procedure code as weights.
2. Determine the share of costs that are subject to the fee schedule
 - The share is based on a combination of fields, such as procedure code, provider type, and place of service, as reported on the NCCI Medical Data Call, to categorize payments that are subject to the fee schedule.
 - Any potential impact from the share of costs not subject to the fee schedule will be realized in future claim experience and reflected in subsequent NCCI loss cost filings, as appropriate.
3. Estimate the price level change as a result of the revised fee schedule
 - NCCI research by David Colón and Paul Hendrick, "The Impact of Fee Schedule Updates on Physician Payments" (2018), suggests that approximately 80% of the change in maximum reimbursements for physician fee schedules is realized on payments impacted by the change.
 - A price realization factor of 80% is also assumed for the ambulance, HCPCS, and dental fee schedules.

In this analysis, NCCI relies primarily on two data sources:

- Detailed medical data underlying the calculations in this analysis are based on NCCI's Medical Data Call for Rhode Island for Service Year 2021. Reported medical experience for COVID-19 claims as reported in NCCI Call 31 for Large Loss and Catastrophe have been excluded from the data on which this analysis is based.



RHODE ISLAND

APPENDIX C-I

Analysis of Rhode Island Medical Fee Schedule Changes Proposed To Be Effective January 1, 2024

- The share of benefit costs attributed to medical benefits is based on NCCI's Financial Call data for Rhode Island from Policy Years 2018, 2019, and 2020 projected to the effective date of the benefit changes.

Summary of Impacts

The estimated impacts from the fee schedule changes in Rhode Island, proposed to be effective January 1, 2024, are summarized below.

Table with 4 columns: Type of Service, (A) Estimated Impact on Type of Service, (B) Share of Medical Costs, (C) = (A) x (B) Estimated Impact on Medical Costs. Rows include Physician (+2.0%, 57.0%, +1.1%), Other1 (+1.9%, 13.7%, +0.3%), Combined Estimated Impact on Medical Costs (D) = Total of (C) (+1.4%), Medical Costs as a Share of Overall Costs (E) (28%), and Combined Estimated Impact on Overall Costs (F) = (D) x (E) (+0.4%).

Refer to the appendix for the estimated weighted-average changes in MARs by physician practice category, the share of costs subject to the fee schedule by type of service, and the estimated weighted-average change in MAR by type of service.

1 Other includes ambulance, dental, home healthcare, durable medical equipment, prosthetics, orthotics, and supplies.



RHODE ISLAND

APPENDIX C-I

Analysis of Rhode Island Medical Fee Schedule Changes
Proposed To Be Effective January 1, 2024

Appendix

Estimated Weighted-Average Percentage Change in MARs Prior to Price Realization by Physician Practice Category

Physician Practice Category	Share of Physician Costs	Estimated Percentage Change in MARs
Anesthesia	3.2%	+3.0%
Surgery	25.5%	+2.4%
Radiology	9.8%	+3.0%
Pathology & Laboratory	0.2%	+3.0%
Evaluation & Management	24.0%	+2.8%
Medicine	1.5%	+2.8%
State-Specific Codes	27.3%	+3.0%
Subject to the Fee Schedule	91.5%	+2.8%
Physician Payments with no specific MAR	8.5%	--
Total Physician Costs	100.0%	+2.5%

Share of Costs Subject to the Fee Schedule and Estimated Weighted-Average Percentage Change in MARs by Type of Service³

Type of Service	(A) Estimated Change in MARS for Costs Subject to the FS	(B) Share of Costs Subject to the Fee Schedule	(C) = (A) x (B) Estimated Percentage Change in MARs	(D) = (C) x 80% Estimated Impact after 80% Price Realization
Physician	+2.8%	91.5%	+2.5%	+2.0%
Other	+5.6%	43.5%	+2.4%	+1.9%

³ Displayed values not shown to full precision.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Part 4 Additional Information

- Definitions
- NCCI Affiliate List
- Key Contacts



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Definitions

Accident Year (AY): A loss accounting definition in which experience is summarized by the calendar year in which an accident occurred.

Calendar Year (CY):

1. The 12-month period beginning January 1 and ending December 31.
2. Method of accounting for all financial transactions occurring during a specific year.

Case Reserves: Reserves that an insurance company establishes for specific (known) claims.

DSR Level Premium: The standard earned premium that would result if business were written at NCCI state-approved loss costs or rates instead of at the company rates. It is the common benchmark level at which carriers report premium on the Financial Calls.

Frequency: The number of lost-time claims per million dollars of on-leveled, wage-adjusted premium.

Incurred Claim Count: The total of all claims reported, whether open or closed, as of a given valuation date. An indemnity claim is associated with a payment or case reserve for an indemnity loss (i.e., lost work time-related benefits) and excludes claims closed without an indemnity payment.

Lost-time Claims: Claims where an injured employee has received wage replacement benefits due to a compensable workplace injury.

Limited Losses: Losses that result after the application of NCCI's large loss procedure—in which individual large claims are limited to jurisdiction and year-specific large loss thresholds.

On-Level Factor: Applied to historical premiums and losses to adjust the historical experience to reflect approved loss cost/rate level changes as well as statutory benefit level changes implemented since that time.

Paid+Case Losses: The sum of paid losses and case reserves. Also known as “case incurred losses.”

Paid Losses: Losses that an insurance company has paid as a result of claim activity.

Policy Year:

- The one-year period beginning with the effective date or anniversary of a policy.
- A premium and loss accounting definition in which experience is summarized for all policies with effective dates in a given calendar year period.

Severity: The average cost per case (claim) calculated as ultimate losses divided by ultimate lost-time claim counts.



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Definitions

Ultimate Development Factor: For an aggregation of data, an estimate of the development that will occur between the data's current valuation date and the time when all claims are closed.

Unlimited Losses: Losses that have not been limited to jurisdiction and year-specific large loss thresholds as part of NCCI's large loss procedure.

Valuation Date: The date that premiums and losses are evaluated for reporting purposes. Premiums and losses may change over time from initial estimates to final values. Therefore, interim snapshots have associated valuation dates.

Wage Level Adjustment Factor: The ratio of the average workers' wages during the most recent time period to the average workers' wages during a historical time period.



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

NCCI Affiliate List

ACADIA INSURANCE COMPANY
ACCIDENT FUND GENERAL INS CO
ACCIDENT FUND INS CO OF AMERICA
ACCIDENT FUND NATIONAL INS CO
ACE AMERICAN INSURANCE COMPANY
ACE FIRE UNDERWRITERS INSURANCE COMPANY
ACE PROPERTY & CASUALTY INSURANCE COMPANY
ACIG INS CO
AIG ASSURANCE COMPANY
AIG PROPERTY CASUALTY COMPANY
AIU INSURANCE CO (NATIONAL UNION FIRE OF PITTS PA)
ALLIED EASTERN IND CO
ALLIED INSURANCE COMPANY OF AMERICA
ALLMERICA FINANCIAL ALLIANCE INS CO
ALLMERICA FINANCIAL BENEFIT INS CO
AMERICAN ALTERNATIVE INSURANCE CORPORATION
AMERICAN AUTOMOBILE INSURANCE CO
AMERICAN CASUALTY COMPANY OF READING P A
AMERICAN COMPENSATION INS CO
AMERICAN FAMILY HOME INS CO
AMERICAN FIRE AND CASUALTY CO
AMERICAN GUARANTEE AND LIABILITY INS CO
AMERICAN HOME ASSUR CO-NATIONAL UNION FIRE OF PIT
AMERICAN INTERSTATE INS CO
AMERICAN MODERN HOME INS CO
AMERICAN ZURICH INS CO
AMERISURE INS CO
AMERISURE MUTUAL INS CO
AMERISURE PARTNERS INS CO
AMFED ADVANTAGE INSURANCE COMPANY
AMFED CASUALTY INS CO
AMFED NATIONAL INSURANCE COMPANY
AMGUARD INS CO
AMTRUST INSURANCE CO
ARBELLA INDEMNITY INS CO
ARBELLA PROTECTION INS CO
ARCH INDEMNITY INSURANCE COMPANY
ARCH INSURANCE COMPANY
ARCH PROPERTY CASUALTY INS CO
ARGONAUT GREAT CENTRAL INS CO
ARGONAUT INS CO
ARGONAUT MIDWEST INS CO
ARROW MUTUAL LIABILITY INS CO
ASCOT INSURANCE COMPANY
ASSOCIATED EMPLOYERS INS CO
ASSOCIATED INDUSTRIES OF MASS MUTUAL INS CO
ATLANTIC CHARTER INS CO
ATLANTIC SPECIALTY INS CO (INTACT)
BANKERS STANDARD INS CO
BEACON MUTUAL INS CO
BENCHMARK INSURANCE COMPANY
BERKLEY CASUALTY COMPANY
BERKLEY INSURANCE COMPANY
BERKLEY NATIONAL INSURANCE COMPANY
BERKLEY REGIONAL INS CO
BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY
BERKSHIRE HATHAWAY HOMESTATE INS CO
BITCO GENERAL INSURANCE CORPORATION
BLACKBOARD INSURANCE COMPANY
BRICKSTREET MUTUAL INS CO
BROTHERHOOD MUTUAL INS CO
CALIFORNIA INSURANCE COMPANY
CAROLINA CASUALTY INS CO
CERITY INSURANCE COMPANY
CHARTER OAK FIRE INS CO
CHEROKEE INS CO
CHIRON INSURANCE COMPANY
CHUBB INDEMNITY INS CO
CHUBB NATIONAL INS CO
CHURCH MUTUAL INS CO, S.I.
CINCINNATI CASUALTY COMPANY
CINCINNATI INDEMNITY COMPANY
CINCINNATI INS CO
CITIZENS INS CO OF AMERICA
CLEAR SPRING AMERICAN INSURANCE COMPANY
CLEAR SPRING CASUALTY INSURANCE COMPANY
CLEAR SPRING NATIONAL INSURANCE COMPANY
CLEAR SPRING PROPERTY AND CASUALTY COMPANY
COLONIAL AMERICAN CASUALTY & SURETY CO
COLONIAL SURETY COMPANY
COMMERCE AND INDUSTRY INS CO
CONTINENTAL CASUALTY CO
CONTINENTAL INDEMNITY CO
CONTINENTAL INS CO
CONTINENTAL WESTERN INSURANCE COMPANY
COREPOINTE INSURANCE COMPANY
CRESTBROOK INS CO
CRUM AND FORSTER INDEMNITY CO
DISCOVER PROPERTY & CASUALTY INS CO
EASTERN ADVANTAGE ASSURANCE COMPANY
EASTERN ALLIANCE INSURANCE COMPANY
EASTGUARD INS CO
ELECTRIC INS CO
EMC PROPERTY & CASUALTY COMPANY
EMCASCO INS CO
EMPLOYERS ASSURANCE COMPANY
EMPLOYERS COMPENSATION INS CO
EMPLOYERS INS CO OF WAUSAU
EMPLOYERS MUTUAL CASUALTY CO
EMPLOYERS PREFERRED INS CO
ENDURANCE AMERICAN INS CO
ENDURANCE ASSURANCE CORPORATION
EVEREST DENALI INSURANCE COMPANY
EVEREST NATIONAL INS CO
EVEREST PREMIER INSURANCE COMPANY
EVEREST REINSURANCE CO DIRECT
EXCELSIOR INSURANCE COMPANY
EXECUTIVE RISK INDEMNITY INC
FALLS LAKE NATIONAL INSURANCE CO
FARM FAMILY CASUALTY INS CO
FARMINGTON CASUALTY COMPANY
FEDERAL INSURANCE COMPANY
FEDERATED MUTUAL INS CO
FEDERATED RESERVE INSURANCE CO
FEDERATED RURAL ELECTRIC INS EXCHANGE
FEDERATED SERVICE INS CO
FIDELITY & DEPOSIT COMPANY OF MARYLAND
FIDELITY & GUARANTY INS UNDERWRITERS
FIDELITY & GUARANTY INSURANCE CO
FIREMANS FUND INSURANCE CO



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

NCCI Affiliate List

FIREMENS INS CO OF WASHINGTON DC
FIRST LIBERTY INS CORP
FIRSTCOMP INSURANCE CO
FLORISTS MUTUAL INSURANCE CO
FOREMOST INS CO GRAND RAPIDS MICHIGAN
FOREMOST PROPERTY & CAS INS
FOREMOST SIGNATURE INS CO
FRANK WINSTON CRUM INSURANCE CO
FREEDOM SPECIALTY INSURANCE COMPANY
GENERAL CASUALTY COMPANY OF WISCONSIN
GENERAL INS CO OF AMERICA
GENESIS INS CO
GRANITE STATE INSURANCE COMPANY
GRAPHIC ARTS MUTUAL INS CO
GRAY INSURANCE COMPANY
GREAT AMERICAN ALLIANCE INS CO
GREAT AMERICAN ASSURANCE COMPANY
GREAT AMERICAN INS CO OF NY
GREAT AMERICAN INSURANCE COMPANY
GREAT AMERICAN SPIRIT INS CO
GREAT DIVIDE INSURANCE COMPANY
GREAT MIDWEST INS CO
GREAT NORTHERN INS CO
GREAT WEST CASUALTY COMPANY
GREATER NY MUTUAL INS CO
GREENWICH INS CO
GUIDEONE ELITE INS CO
GUIDEONE INSURANCE COMPANY
GUIDEONE SPECIALTY INSURANCE COMPANY
HANOVER AMERICAN INS CO
HANOVER INS CO
HARLEYSVILLE INSURANCE COMPANY
HARLEYSVILLE PREFERRED INSURANCE CO
HARLEYSVILLE WORCESTER INSURANCE CO
HARTFORD ACCIDENT AND INDEMNITY CO
HARTFORD CASUALTY INS CO
HARTFORD FIRE INSURANCE CO
HARTFORD INS CO OF IL
HARTFORD INS CO OF MIDWEST
HARTFORD INS CO OF THE SOUTHEAST
HARTFORD UNDERWRITERS INS CO
HDI GLOBAL INSURANCE COMPANY
ILLINOIS NATIONAL INSURANCE COMPANY
IMPERIUM INSURANCE COMPANY
INDEMNITY INS CO OF N AMERICA (INA INS) (CT GEN)
INS CO OF GREATER NY
INS CO OF NORTH AMERICA
INS CO OF THE STATE PA
INS CO OF THE WEST
INTREPID INSURANCE COMPANY
KEY RISK INS CO
LIBERTY INS CORP
LIBERTY INSURANCE UNDERWRITERS INC
LIBERTY MUTUAL FIRE INS CO
LIBERTY MUTUAL INS CO
LM INS CORP
MA BAY INS CO
MAG MUTUAL INS CO
MAIN STREET AMERICA ASSURANCE CO
MANUFACTURERS ALLIANCE INS CO
MARKEL INSURANCE CO
ME EMPLOYERS MUTUAL INS CO
MEMIC CASUALTY COMPANY
MEMIC INDEMNITY CO
MERCHANTS MUTUAL INS CO
MERCHANTS PREFERRED INSURANCE COMPANY
MERIDIAN SECURITY INSURANCE COMPANY
MID CENTURY INS CO
MIDDLESEX INS CO
MIDVALE INDEMNITY COMPANY
MIDWEST EMPLOYERS CASUALTY CO
MILBANK INSURANCE COMPANY
MILFORD CASUALTY INSURANCE CO
MITSUI SUMITOMO INS CO OF AMERICA
MITSUI SUMITOMO INS USA INC
MOTORISTS COMMERCIAL MUTUAL INSURANCE COMPANY
NATIONAL AMERICAN INS CO
NATIONAL CASUALTY CO
NATIONAL FIRE INS CO OF HARTFORD
NATIONAL INTERSTATE INS CO
NATIONAL LIABILITY & FIRE INSURANCE CO
NATIONAL SPECIALTY INS CO
NATIONAL SURETY CORP
NATIONAL UNION FIRE INS CO OF PITTSBURGH PA
NATIONWIDE AGRIBUSINESS INS CO
NATIONWIDE ASSURANCE CO
NATIONWIDE GENERAL INSURANCE CO
NATIONWIDE INS CO OF AMERICA
NATIONWIDE MUTUAL INS CO
NATIONWIDE PROPERTY AND CASUALTY INS CO
NETHERLANDS INSURANCE COMPANY
NEW HAMPSHIRE EMPLOYERS INSURANCE COMPANY
NEW HAMPSHIRE INSURANCE COMPANY
NEW YORK MARINE AND GENERAL INSURANCE CO
NGM INSURANCE COMPANY
NORGUARD INS CO
NORMANDY INSURANCE COMPANY
NORTH POINTE INS CO
NORTH RIVER INS CO
NORTHSTONE INSURANCE COMPANY
NOVA CASUALTY COMPANY
OAK RIVER INSURANCE COMPANY
OBI AMERICA INSURANCE COMPANY
OBI NATIONAL INSURANCE COMPANY
OH CASUALTY INS CO
OHIO SECURITY INS CO
OLD REPUBLIC GENERAL INSURANCE CORPORATION
OLD REPUBLIC INS CO
PA MANUFACTURERS ASSN INS CO
PA MANUFACTURERS INDEMNITY CO
PA NATIONAL MUTUAL CAS INS CO
PACIFIC EMPLOYERS INS CO
PACIFIC INDEMNITY CO
PATRONS MUTUAL INS CO OF CT
PEERLESS INDEMNITY INS CO
PEERLESS INSURANCE COMPANY
PENN MILLERS INS CO
PENNSYLVANIA INSURANCE COMPANY
PETROLEUM CASUALTY CO
PHARMACISTS MUTUAL INS CO



RHODE ISLAND

Advisory Loss Costs and Rating Values Filing – August 1, 2024

NCCI Affiliate List

PHENIX MUTUAL FIRE INS CO
PHOENIX INS CO
PIE CASUALTY INS CO
PIE INSURANCE COMPANY
PINNACLE NATIONAL INSURANCE COMPANY
PINNACLEPOINT INSURANCE COMPANY
PLAZA INSURANCE CO
PRAETORIAN INSURANCE COMPANY
PREFERRED EMPLOYERS INS CO
PREFERRED PROFESSIONAL INSURANCE COMPANY
PRESCIENT NATIONAL INSURANCE COMPANY
PRIVILEGE UNDERWRITERS RECIPROCAL EXCHANGE
PROPERTY AND CASUALTY INS CO OF HARTFORD
PROTECTIVE INS CO
QBE INSURANCE CORPORATION
REDWOOD FIRE & CASUALTY INS CO
REGENT INSURANCE COMPANY
REPUBLIC FRANKLIN INS CO
REPUBLIC INDEMNITY CO OF CA
REPUBLIC INDEMNITY COMPANY OF AMERICA
RIVERPORT INSURANCE COMPANY
RLI INSURANCE COMPANY
SAFECO INS CO OF AMERICA
SAFETY FIRST INS CO
SAFETY NATIONAL CASUALTY CORP
SAGAMORE INSURANCE CO
SAMSUNG FIRE AND MARINE INS CO LTD USB
SCOTTSDALE INDEMNITY CO
SECURITY NATIONAL INS CO (AMTRUST GROUP)
SELECTIVE INS CO OF SC
SELECTIVE INS CO OF THE SOUTHEAST
SELECTIVE INSURANCE COMPANY OF AMERICA
SELECTIVE WAY INS CO
SENTINEL INS CO
SENTRY CASUALTY CO
SENTRY INS CO
SENTRY SELECT INSURANCE COMPANY
SEQUOIA INSURANCE CO
SERVICE AMERICAN INDEMNITY COMPANY
SERVICE LLOYDS INSURANCE CO, A STOCK COMPANY
SIRIUSPOINT AMERICA INSURANCE COMPANY
SOMPO AMERICA FIRE & MARINE INSURANCE COMPANY
SOMPO AMERICA INSURANCE COMPANY
SOUTHERN INS CO
ST PAUL FIRE AND MARINE INS CO
ST PAUL GUARDIAN INS CO
ST PAUL MERCURY INS CO
ST PAUL PROTECTIVE INS CO
STANDARD FIRE INSURANCE COMPANY
STAR INS CO
STARNET INSURANCE COMPANY
STARR INDEMNITY AND LIABILITY CO
STARR SPECIALTY INSURANCE COMPANY
STARSTONE NATIONAL INSURANCE COMPANY
STATE AUTO PROPERTY AND CASUALTY INS CO
STATE AUTOMOBILE MUTUAL INS CO
STATE NATIONAL INSURANCE COMPANY
STONINGTON INS CO
STRATHMORE INS CO
SUMMITPOINT INSURANCE COMPANY
SUNZ INSURANCE COMPANY
SWISS RE CORPORATE SOLUTIONS AMERICA INS CORP
SWISS RE CORPORATE SOLUTIONS ELITE INS CORP
SWISS RE CORPORATE SOLUTIONS PREMIER INS CORP
THE INSURANCE COMPANY
TECHNOLOGY INSURANCE CO
THE TRAVELERS CASUALTY COMPANY
TNUS INSURANCE CO
TOKIO MARINE AMERICA INSURANCE CO
TRANS PACIFIC INS CO
TRANSGUARD INS CO OF AMERICA INC
TRANSPORTATION INS CO
TRAVELERS CASUALTY AND SURETY CO
TRAVELERS CASUALTY INS CO OF AMERICA
TRAVELERS INDEMNITY CO
TRAVELERS INDEMNITY CO OF AMERICA
TRAVELERS INDEMNITY CO OF CT
TRAVELERS INSURANCE CO
TRAVELERS PROPERTY CASUALTY CO OF AMERICA
TRI STATE INSURANCE COMPANY OF MINNESOTA
TRIUMPHE CASUALTY COMPANY
TRUCK INSURANCE EXCHANGE
TRUMBULL INS CO
TWIN CITY FIRE INS CO
UNION INS CO OF PROVIDENCE
UNION INSURANCE COMPANY
UNITED STATES FIDELITY AND GUARANTY CO
UNITED WI INS CO
US FIRE INS CO
UTICA MUTUAL INS CO
VALLEY FORGE INS CO
VANLINER INS CO
VANTAPRO SPECIALTY INS CO
VICTORIA FIRE & CASUALTY COMPANY
VIGILANT INS CO
WAUSAU BUSINESS INSURANCE COMPANY
WAUSAU UNDERWRITERS INSURANCE COMPANY
WCF NATIONAL INSURANCE COMPANY
WCF SELECT INSURANCE COMPANY
WELLFLEET INSURANCE COMPANY
WELLFLEET NEW YORK INSURANCE COMPANY
WESCO INSURANCE COMPANY (AMTRUST GROUP)
WEST AMERICAN INS CO
WEST BEND MUTUAL INS CO
WESTCHESTER FIRE INSURANCE COMPANY
WESTPORT INSURANCE CORPORATION
WORK FIRST CASUALTY CO
XL INS CO OF NY INC
XL INSURANCE AMERICA INC
XL SPECIALTY INS CO
ZENITH INS CO
ZURICH AMERICAN INS CO
ZURICH AMERICAN INS CO OF IL



Rhode Island

Advisory Loss Costs and Rating Values Filing – August 1, 2024

Key Contacts

Justin Moulton, CPCU, WCP, ARC, AIAF, ARe
Senior State Relations Executive
Regulatory Division
National Council on Compensation Insurance, Inc. (NCCI)
901 Peninsula Corporate Circle
Boca Raton, Florida 33487-1362
Phone (561) 893-3828 Fax (561) 893-5762

Brett Foster, FCAS, MAAA
Executive Director and Actuary
Actuarial and Economic Services Division
National Council on Compensation Insurance, Inc. (NCCI)
901 Peninsula Corporate Circle
Boca Raton, Florida 33487-1362
Phone (561) 893-3121 Fax (561) 893-5828

All NCCI employees can be contacted via e-mail using the following format:

First Name_Last Name@NCCI.com