



# Florida

Voluntary Market Rates and  
Rating Values Filing

Proposed Effective January 1, 2023



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August 24, 2022

The Honorable David Altmaier, Commissioner  
Office of Insurance Regulation  
Property & Casualty Product Review  
200 East Gaines Street  
Tallahassee, FL 32399-0330

Re: **Florida Workers Compensation Voluntary Rates and Rating Values Filing  
Proposed Effective January 1, 2023**

Dear Commissioner Altmaier:

In accordance with the applicable statutes and regulations of the state of Florida, we are filing for your consideration and approval revised workers compensation rates and rating values for the Florida voluntary market to become effective January 1, 2023.

This filing proposes an overall average decrease of 8.4% to the current voluntary rate level for the industrial classes. This change is applicable to new and renewal business only.

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. After in-depth review and analysis, NCCI has determined that the continued use of its ratemaking methodologies remains appropriate.

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 is a list of companies, which 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.

Please contact me if you have any questions or need any further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Dawn Ingham", written in a cursive style.

Dawn Ingham  
State Relations Executive



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### Workers Compensation Rate Filing – January 1, 2023

#### Actuarial Certification

I, Jay Rosen, am a Practice Leader and Senior 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 that reads "Jay Rosen".

Jay Rosen, FCAS, MAAA  
Practice Leader and Senior Actuary  
Actuarial and Economic Services



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Disclosures

##### Purpose of the Report

The purpose of this report is to provide proposed voluntary rates for workers compensation policies in Florida to be effective January 1, 2023. The intended users of this report are:

- The Florida Office of Insurance Regulation (OIR)
- Affiliated insurance companies

##### Scope

The prospective rates for the voluntary market are intended to cover the indemnity and medical benefits provided under the system, the expenses associated with providing these benefits (loss adjustment expenses), and any other costs associated with providing workers compensation insurance (such as commissions, taxes, etc.).

Each insurance company offering workers compensation insurance in Florida may decide to use the rates approved by the OIR or file an application to deviate from the OIR-approved rates.

NCCI utilizes widely accepted general ratemaking methodologies in the determination of voluntary market rates. After an in-depth review and analysis, as well as a thorough assessment of COVID-19-related impacts, NCCI has determined that the continued use of its ratemaking methodologies remains appropriate. These methodologies include at least the determination of the experience base, premium and loss development factors, trending procedures, and expense calculations.

##### Data Sources and Dates

Financial Call Data Valuation Date	December 31, 2021
Financial Call Data Cutoff Date	July 6, 2022
Unit Statistical Plan Data Cutoff Date	May 6, 2022
Filing Preparation Date	July 12, 2022

The overall average rate 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 Call Data submissions received after July 6, 2022 were not considered for inclusion in the analysis.



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#### Disclosures

Rate level changes at the classification code level are based on Unit Statistical 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 May 6, 2022 were not considered for inclusion in the analysis.

NCCI categorizes catastrophic events as those that incur aggregate workers compensation losses of more than \$50 million per occurrence. NCCI's ratemaking methodology excludes catastrophe-related losses from the calculation of rates since these events are not considered to be predictive of future experience. NCCI is proposing to treat the COVID-19 pandemic as a catastrophic event and, therefore, the losses from reported COVID-19-related claims have been excluded from the data underlying this year's analyses (including reviews of the experience period, trend, and loss adjustment expense) to better reflect the conditions likely to prevail during this filing's proposed effective period.

Note: In this filing, catastrophic exposure in excess of \$50 million is not contemplated in the Florida rates.

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.

This filing was prepared as of July 12, 2022. Therefore, events that occurred after this date that may have a material impact on workers compensation costs in this jurisdiction have not been considered in the analysis.

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. In this year's filing, data for all carriers writing at least one-tenth of one percent of the Florida workers compensation written premium volume have been included in the experience period on which this filing is based.

#### 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 results include the following:



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### Workers Compensation Rate Filing – January 1, 2023

#### Disclosures

- Projection of future loss development
- Selection of loss ratio trends
- 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 rates 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.



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### Workers Compensation Rate Filing – January 1, 2023

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- Key Contacts



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#### **Part 1 Filing Overview**

- Overview of Methodology
- Summary of Selections
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- Selections Underlying the Proposed Changes



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### Workers Compensation Rate Filing – January 1, 2023

#### Overview of Methodology

Based on its review of the most recently available data, NCCI has proposed an overall average workers compensation voluntary rate level change of –8.4% to become effective January 1, 2023 for the industrial classifications.

#### Voluntary Rate Filing Components

Change in Experience, Trend, and Benefits	–8.7%
Change in Production and General Expenses	+0.1%
Change in Taxes and Assessments	0.0%
Change in the Profit and Contingency Provision	0.0%
<u>Change in Loss-Based Expenses</u>	<u>+0.2%</u>
<b>Proposed Overall Average Voluntary Premium and Rate Level Change</b>	<b>–8.4%</b>

For the federal classifications, NCCI has proposed an overall average workers compensation voluntary premium and rate level change of –14.9% to become effective January 1, 2023.

Here are some key observations:

- The filing is based on premium and loss experience for Policy Years 2019 and 2020 as of year-end 2021. Favorable experience has been observed in each of these time periods. Reported COVID-19-related claims have been excluded from the data on which this filing is based.
- Florida’s lost-time claim frequency has generally declined when viewed over the most recent eight years.
- After adjusting to a common wage level, Florida’s average indemnity cost per case figures have been relatively consistent over time, while those for medical have been slightly more volatile from year-to-year.
- The proposed overall average rate level change results after incorporating changes to several expense components.



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### Workers Compensation Rate Filing – January 1, 2023

#### Overview of Methodology

##### Aggregate Ratemaking

NCCI's approach to determining the proposed overall average rate 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 rate level
- The reported historical indemnity and medical loss totals are projected to an ultimate basis and adjusted to the current benefit level
- Ratios of losses to premium are projected to the cost levels expected in the rate effective period
- Proposed benefit level and/or expense changes are applied to the projected cost ratios

The indicated average rate 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 rate level is indicated.

##### Class Ratemaking

Once the proposed overall average voluntary rate level change has been determined, NCCI separately determines rates per \$100 of payroll for each workers compensation job classification (class); the rates and year-over-year changes vary by class. Three sets of pure premiums are combined as part of each class code's rate 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")

Note: The methodology 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.



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### Workers Compensation Rate Filing – January 1, 2023

#### Summary of Selections

The following is a summary of selections underlying the proposed voluntary rates to be effective January 1, 2023, along with the selections underlying the currently approved rates.

Experience Period	<b>Currently Approved January 1, 2022</b>	<b>Proposed Effective January 1, 2023</b>
	Policy Years 2018 and 2019	Policy Years 2019 and 2020
Premium Development	Three-year average	Three-year average
Basis of Loss Experience	Average of Paid and Paid+Case losses	Average of Paid and Paid+Case losses
Loss Development: Paid	Three-year average	Three-year average
Loss Development: Paid+Case	Three-year average	Three-year average
Indemnity Paid+Case Tail Factor (19th:Ultimate)	1.013	1.013
Medical Paid+Case Tail Factor (19th:Ultimate)	1.032	1.029
Indemnity Annual Loss Ratio Trend Factor	0.970	0.970
Medical Annual Loss Ratio Trend Factor	0.960	0.970
Loss Adjustment Expense Provision	22.4%	22.6%
Profit and Contingency Provision	1.5%	1.5%
Expense Constant	\$160	\$160
Minimum Premium Multiplier	100	100
Maximum Minimum Premium	\$1,200	\$1,200
Classification Swing Limits (applied by Industry Group)	+/-15%	+/-15%



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### Workers Compensation Rate Filing – January 1, 2023

#### Summary of Proposed Changes

The following changes are proposed in this year's filing:

<b>Miscellaneous Values</b>	<u>Current</u>	<u>Proposed</u>
USL&HW Percentage	58%	58%
Basis of premium applicable in accordance with the notes for Code 7370:		
Employee operated vehicle	\$78,900	\$85,700
Leased or rented vehicle	\$52,600	\$57,100
Premium Determination for Partners and Sole Proprietors	\$52,600	\$57,100
Maximum Weekly Payroll – Executive Officers, 9178/9179	\$3,000	\$3,300
Minimum Weekly Payroll – Executive Officers in Construction	\$500	\$550
Minimum Weekly Payroll – all other Executive Officers	\$1,000	\$1,100

The deductible premium reduction percentages were updated

<b>Experience Rating Values</b>	<u>Current</u>	<u>Proposed</u>
G	11.30	11.85
State Per Claim Accident Limitation	\$283,000	\$296,500
State Multiple Claim Accident Limitation	\$566,000	\$593,000
USL&HW Per Claim Accident Limitation	\$625,500	\$574,500
USL&HW Multiple Claim Accident Limitation	\$1,251,000	\$1,149,000
Primary/Excess Loss Split Point	\$18,500	\$18,500
USL&HW Act - Expected Loss Factor - Non-F Classes	1.50	1.50

ELRs and D ratios were updated on the Manual Pages with hazard group assignments from Item B-1442



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#### Summary of Proposed Changes

##### Retrospective Rating Values

Changes to the retrospective rating values consist of:

- Excess Loss Factors
- Excess Loss and Allocated Expense Factors
- Retrospective Premium Development Factors
- Tables of average cost per case by hazard group

	<u>Current</u>	<u>Proposed</u>
CW Expected Loss Ratio	0.595	0.586
CW Expected Loss and Allocated Expense Ratio	0.660	0.649
FL Expected Loss Ratio	0.587	0.585
FL Expected Loss and Allocated Expense Ratio	0.663	0.662
Type A	2021-01	2022-01
Type B	2021-01	2022-01
Type FL-A	2021-01	2022-01
Type FL-B	2021-01	2022-01
Tax Multipliers		
State (other than F-Classes)	1.025	1.025
F-Classes	1.056	1.055

##### Disease Loadings

The disease loadings were updated to reflect the rate level change corresponding to the traumatic rate for the respective class code



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### Workers Compensation Rate Filing – January 1, 2023

#### Selections Underlying the Proposed Changes

##### COVID-19 Pandemic-Related Considerations

NCCI utilizes widely accepted general ratemaking methodologies in the determination of voluntary market rates. After an in-depth review and analysis, as well as a thorough assessment of COVID-19-related impacts, NCCI has determined that the continued use of its ratemaking methodologies remains appropriate. These methodologies include at least the determination of the experience base, premium and loss development factors, trending procedures, and expense calculations.

NCCI categorizes catastrophic events as those that incur aggregate workers compensation losses of more than \$50 million per occurrence. NCCI’s ratemaking methodology excludes catastrophe-related losses from the calculation of rates since these events are not considered to be predictive of future experience. NCCI is proposing to treat the COVID-19 pandemic as a catastrophic event and, therefore, the losses from reported COVID-19-related claims with accident dates between December 1, 2019 and December 31, 2021 have been excluded from the data underlying this year’s analyses (including reviews of the experience period, trend, and loss adjustment expense) to better reflect the conditions likely to prevail during this filing’s proposed effective period.

Below is a summary of COVID-19-related losses and claim counts for each of the years in the filing’s experience period, as reported in NCCI’s Financial Call 31 as of year-end 2021.

<u>Policy Year</u>	<u>COVID-19 Paid+Case Losses</u>	<u>COVID-19 Lost-time Claim Count</u>
2019	\$7,419,707	313
2020	\$5,305,359	584

Reported COVID-19-related losses would have represented an approximate 0.5% share of the reported paid+case losses in Florida’s experience period.

Recent policy year (PY) and calendar-accident year (CAY) projected paid+case loss ratios are shown below.

<u>PY</u>	<u>Loss Ratio</u>	<u>CAY</u>	<u>Loss Ratio</u>
2018	1.006	2019	0.984
2019	0.938	2020	0.853
2020	0.887	2021	0.870



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#### Selections Underlying the Proposed Changes

These loss ratios are based on NCCI's Financial Call data reported through year-end 2021 that has been on-leveled, developed to an ultimate report, and trended to the prospective period. The CAY loss ratios include a premium audit adjustment due to changes in audit activity that may be primarily attributable to the COVID-19 pandemic-related recession.

It is possible that some of the improved loss ratio experience observed in the most recent years may reflect trends that may persist into the future—for example, the observed shift to remote work and reduced business travel affecting some industry sectors. However, it is possible that other pandemic-related effects may not persist during the proposed effective period, such as social distancing and other temporary safety measures to separate workers as well as sustained changes to employment levels in certain industries.

During this year's analysis, the use of the two most recently available full policy years of data was selected as most appropriate in terms of providing a balance between stability and responsiveness.

While it is possible that the pandemic may have, to some extent, impacted Florida's historical premium and loss development, this year's review suggests that any impact to date does not appear to have been material. As such, a three-year average of historical premium development factors through a fifth report and a three-year average of historical loss development factors through a 19th report were chosen as being most appropriate for inclusion in this year's filing.

NCCI's standard methodology is to adjust the frequency and severity values included in its rate filings to a common wage level before analyzing trends that may be present in those values. In this year's filing, the frequency and severity adjustments would have incorporated an estimated Calendar 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-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 usually large due to pandemic-related job losses, followed by wage growth in relatively low-wage industries. Therefore, in this year's ratemaking analysis the 2020 and 2021 AWW values were adjusted to exclude the estimated impact of the pandemic-related, industry-sector mix change.



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#### Selections Underlying the Proposed Changes

##### Expense-Related Provisions

This filing proposes changes to several expense-related provisions as described below. Please see Exhibit II for additional detail.

**Production and General Expenses:** The proposed rates include a provision for production and general expenses. This expense component is based on Insurance Expense Exhibit data, reported annually by insurers to state insurance departments. In this filing, NCCI is proposing to change the currently approved production and general expense provision by +0.1%.

**Premium Taxes and Assessments:** This filing proposes to change the current provision for taxes and assessments by 0.0%.

**Profit and Contingency Provision:** By law, Florida workers compensation rates must be determined so that insurers can be expected to earn a reasonable rate of return. Analysis and determination of a profit and contingency (P&C) provision is necessary to ensure this premise is maintained. In this filing, NCCI is proposing no change to the current P&C provision of 1.5%.

**Loss-Based Expenses:** The proposed rates include a provision for loss adjustment expenses (LAE). These are expenses associated with the handling of workers compensation claims. LAE is included in the rates by using a ratio of loss adjustment expense dollars to loss dollars (called the LAE provision). In this filing, NCCI is proposing to change the currently approved LAE provision from 22.4% to 22.6% of losses.



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#### **Part 2 Proposed Values**

- Proposed Rates 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



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### Workers Compensation Rate Filing – January 1, 2023

#### Proposed Voluntary Rates for Inclusion in the Basic Manual

The following pages include proposed:

- Voluntary market rates and minimum premiums by class code, along with associated footnotes
  
- Miscellaneous values, such as:
  - Maximum and minimum weekly payroll applicable for select class codes
  - Premium determination for Partners and Sole Proprietors
  - Premium discount percentages
  - Premium reduction percentages
  - Terrorism rate
  - United States Longshore and Harbor Workers' Compensation Coverage Percentage

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

**FLORIDA**

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*Effective January 1, 2023*

**Original Printing**

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
0005	3.81	541	2003	3.39	499	2731	3.71	531	3270	1.93	353	4062	2.38	398
0008	3.30	490	2014	4.22	582	2735	4.43	603	3300	4.24	584	4101	2.57	417
0016	5.35	695	2016	2.17	377	2759	5.52	712	3303	2.31	391	4109	0.37	197
0030	3.49	509	2021	3.15	475	2790	1.85	345	3307	2.25	385	4110	0.98	258
0034	4.15	575	2039	2.66	426	2797	6.04	764	3315	2.91	451	4111	1.61	321
0035	2.61	421	2041	2.73	433	2799	5.30	690	3334	2.04	364	4113	2.01	361
0036	4.88	648	2065	2.75	435	2802	4.93	653	3336	2.22	382	4114	2.49	409
0037	4.31	591	2070	3.68	528	2835	2.46	406	3365	4.77	637	4130	3.71	531
0042	5.83	743	2081	3.88	548	2836	2.44	404	3372	2.71	431	4131	4.32	592
0050	4.51	611	2089	3.16	476	2841	3.16	476	3373	3.88	548	4133	2.18	378
0052	4.00	560	2095	3.97	557	2881	2.92	452	3383	1.30	290	4149	0.56	216
0059D	0.07	-	2105	4.21	581	2883	3.69	529	3385	0.85	245	4206	3.80	540
0065D	0.03	-	2110	2.42	402	2915	2.31	391	3400	3.07	467	4207	2.15	375
0066D	0.03	-	2111	2.12	372	2916	3.50	510	3507	2.60	420	4239	1.70	330
0067D	0.03	-	2112	4.01	561	2923	1.57	317	3515	1.65	325	4240	2.92	452
0079	2.93	453	2114	2.22	382	2960	4.38	598	3548	1.31	291	4243	1.85	345
0083	5.32	692	2119	2.54	414	3004	1.38	298	3559	2.23	383	4244	2.15	375
0106	7.63	923	2121	1.04	264	3018	2.91	451	3574	0.82	242	4250	2.09	369
0113	3.91	551	2130	2.01	361	3022	3.00	460	3581	1.11	271	4251	3.16	476
0153	3.58	518	2131	1.56	316	3027	2.55	415	3612	1.81	341	4263	2.91	451
0170	2.30	390	2157	2.81	441	3028	3.29	489	3620	2.81	441	4273	2.66	426
0173	0.91	251	2172	1.28	288	3030	5.30	690	3629	1.41	301	4279	3.36	496
0251	3.54	514	2174	2.58	418	3040	5.22	682	3632	2.73	433	4282	1.12	272
0401	8.81	A	2211	7.71	931	3041	3.21	481	3634	1.28	288	4283	1.70	330
0771N	0.34	-	2220	2.41	401	3042	4.29	589	3635	1.64	324	4299	1.80	340
0908P	208.00	368	2286	1.57	317	3064	3.50	510	3638	1.72	332	4304	4.30	590
0913P	562.00	722	2288	3.63	523	3076	3.48	508	3642	1.70	330	4307	1.72	332
0917	3.88	548	2302	1.83	343	3081D	4.15	575	3643	1.99	359	4351	1.03	263
1005	4.81	641	2305	2.38	398	3082D	3.49	509	3647	1.94	354	4352	1.57	317
1164D	2.54	414	2361	1.75	335	3085D	4.28	588	3648	1.59	319	4361	0.96	256
1165D	2.04	364	2362	2.44	404	3110	3.44	504	3681	0.72	232	4410	2.62	422
1218	1.42	302	2380	2.33	393	3111	1.64	324	3685	0.77	237	4420	2.89	449
1320	1.50	310	2388	1.19	279	3113	1.93	353	3719	0.95	255	4431	1.16	276
1322	9.27	1087	2402	2.33	393	3114	2.86	446	3724	3.18	478	4432	1.00	260
1430	2.60	420	2413	2.17	377	3118	1.46	306	3726	3.13	473	4452	2.68	428
1438	4.00	560	2416	2.33	393	3119	0.80	240	3803	2.87	447	4459	2.49	409
1452	2.63	423	2417	1.83	343	3122	1.56	316	3807	1.70	330	4470	2.18	378
1463	10.16	1176	2501	2.12	372	3126	1.72	332	3808	2.36	396	4484	2.41	401
1472	3.07	467	2503	0.82	242	3131	2.66	426	3821	6.79	839	4493	2.01	361
1473	0.93	253	2534	1.80	340	3132	2.38	398	3822	4.21	581	4511	0.61	221
1624D	2.35	395	2570	3.05	465	3145	1.89	349	3824	3.05	465	4557	2.20	380
1642	2.20	380	2585	3.19	479	3146	2.01	361	3826	0.74	234	4558	1.64	324
1654	3.22	482	2586	3.58	518	3169	1.94	354	3827	1.65	325	4568	1.89	349
1655	2.33	393	2587	2.58	418	3175	2.97	457	3830	1.12	272	4581	0.88	248
1699	2.50	410	2589	2.46	406	3179	1.72	332	3851	1.99	359	4583	4.46	606
1701	2.71	431	2600	3.76	536	3180	3.08	468	3865	2.28	388	4611	1.06	266
1710D	4.18	578	2623	4.80	640	3188	2.38	398	3881	2.94	454	4635	3.16	476
1741D	2.59	419	2651	2.14	374	3220	1.35	295	4000	4.42	602	4653	1.80	340
1747	1.81	341	2660	2.09	369	3223	2.34	394	4021	3.48	508	4665	5.36	696
1748	4.58	618	2670	1.59	319	3224	3.05	465	4024D	3.20	480	4670	5.31	691
1803D*	6.61	821	2683	2.05	365	3227	2.97	457	4034	6.02	762	4683	2.71	431
1853	1.85	345	2688	1.85	345	3240	3.27	487	4036	2.22	382	4686	2.79	439
1860	1.80	340	2702*	7.35	895	3241	2.10	370	4038	2.38	398	4692	0.67	227
1924	2.12	372	2710	8.04	964	3255	2.23	383	4053	1.83	343	4693	0.96	256
1925	3.08	468	2714	5.12	672	3257	2.54	414	4061	2.28	388	4703	1.38	298

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

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

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
4710	2.50	410	5610	4.76	636	7090M	4.01	561	7720	3.11	471	8393	1.64	324
4717	1.81	341	5613	7.19	879	7098M	5.36	696	7855	3.46	506	8500	6.22	782
4720	1.96	356	5645	11.44	1200	7099M	7.72	932	8001	2.87	447	8601	0.39	199
4740	1.43	303	5651	6.72	832	7133	2.36	396	8002	2.05	365	8602	1.42	302
4741	2.94	454	5703	9.84	1144	7151M	2.87	447	8006	1.88	348	8603	0.10	170
4751	2.55	415	5705	10.99	1200	7152M	4.59	619	8008	1.26	286	8606	1.56	316
4771N	1.91	385	5951	0.50	210	7153M	3.19	479	8010	1.73	333	8709F	5.61	721
4777	3.82	542	6004	6.93	853	7201	7.93	953	8013	0.38	198	8719	3.20	480
4825	0.93	253	6006F	9.43	1103	7204	1.24	284	8015	0.71	231	8720	1.46	306
4828	3.47	507	6017	2.93	453	7205	9.77	1137	8017	1.35	295	8721	0.24	184
4829	1.12	272	6018	2.66	426	7219	5.65	725	8018	2.85	445	8723	0.13	173
4902	2.07	367	6045	4.28	588	7222	5.81	741	8021	2.79	439	8725	0.35	195
4923	1.59	319	6204	6.32	792	7230	7.03	863	8031	2.26	386	8726F	1.81	341
5020	6.63	823	6206	2.74	434	7231	7.14	874	8032	2.15	375	8728	0.55	215
5022	7.45	905	6213	1.73	333	7232	10.59	1200	8033	1.43	303	8734M	0.39	199
5037	9.39	1099	6214	1.74	334	7309F	8.42	1002	8037	2.65	425	8737M	0.35	195
5040	7.98	958	6216	5.39	699	7313F	2.98	458	8039	1.67	327	8738M	0.56	216
5057	4.34	594	6217	4.25	585	7317F	10.61	1200	8044	2.20	380	8742	0.29	189
5059	15.11	1200	6229	4.71	631	7327F	16.91	1200	8045	0.92	252	8745	3.34	494
5069	20.59	1200	6233	2.11	371	7333M	5.77	737	8046	2.93	453	8748	0.53	213
5102	6.40	800	6235	5.07	667	7335M	6.41	801	8047	0.89	249	8755	0.36	196
5146	4.71	631	6236	5.87	747	7337M	9.24	1084	8058	3.29	489	8799	0.50	210
5160	1.80	340	6237	2.76	436	7350F	8.59	1019	8061	2.06	366	8800	1.52	312
5183	3.38	498	6251D	6.13	773	7360	3.71	531	8072	0.71	231	8803	0.05	165
5188	3.72	532	6252D	3.17	477	7370	4.21	581	8102	1.86	346	8805M	0.20	180
5190	3.81	541	6306	5.05	665	7380	4.82	642	8103	2.97	457	8810	0.15	175
5191	0.96	256	6319	4.03	563	7382	4.50	610	8106	4.64	624	8814M	0.18	178
5192	2.76	436	6325	4.90	650	7383	3.65	525	8107	2.83	443	8815M	0.29	189
5213	7.73	933	6400	5.08	668	7390	3.35	495	8111	2.05	365	8820	0.11	171
5215	5.75	735	6503	2.18	378	7394M	2.79	439	8116	2.62	422	8824	2.76	436
5221	5.11	671	6504	2.84	444	7395M	3.10	470	8203	6.37	797	8825	1.73	333
5222	7.34	894	6702M*	4.20	580	7398M	4.47	607	8204	4.12	572	8826	2.26	386
5223	3.95	555	6703M*	6.73	833	7402	0.13	173	8209	4.67	627	8829	1.85	345
5348	3.64	524	6704M*	4.67	627	7403	3.40	500	8215	4.18	578	8831	1.35	295
5402	6.29	789	6801F	3.82	542	7405N	0.88	295	8227	4.56	616	8832	0.29	189
5403	5.30	690	6811	3.81	541	7420	7.92	952	8232	4.53	613	8833	0.92	252
5437	5.35	695	6824F	7.23	883	7421	0.67	227	8233	2.65	425	8835	1.76	336
5443	3.13	473	6826F	3.72	532	7422	1.10	270	8235	4.58	618	8841	1.43	303
5445	5.19	679	6828F	5.58	718	7425	1.08	268	8263	6.35	795	8842	2.11	371
5462	5.97	757	6834	2.49	409	7431N	0.73	272	8264	4.59	619	8855	0.13	173
5472	5.50	710	6836	2.72	432	7445N	0.47	-	8265	4.73	633	8856	0.40	200
5473	8.31	991	6838	2.52	412	7453N	0.39	-	8273	3.85	545	8864	1.43	303
5474	6.55	815	6843F	8.39	999	7502	1.97	357	8274	4.31	591	8868	0.39	199
5478	2.96	456	6845F	4.07	567	7515	1.02	262	8279	7.06	866	8869	1.17	277
5479	7.05	865	6854	5.04	664	7520	2.35	395	8288	8.88	1048	8871	0.07	167
5480	6.97	857	6872F	7.58	918	7538	3.13	473	8291	3.46	506	8901	0.15	175
5491	2.74	434	6874F	11.38	1200	7539	1.27	287	8292	3.76	536	9012	0.76	236
5506	4.85	645	6882	2.33	393	7540	1.97	357	8293	7.08	868	9014	2.99	459
5507	4.66	626	6884	2.49	409	7580	2.17	377	8304	5.25	685	9015	3.30	490
5508D	7.06	866	7016M	3.08	468	7590	3.51	511	8350	5.15	675	9016	2.06	366
5509	8.51	1011	7024M	3.42	502	7600	4.35	595	8353	5.82	742	9019	2.85	445
5535	6.85	845	7038M	3.61	521	7605	2.23	383	8380	2.05	365	9033	2.09	369
5537	3.86	546	7046M	4.82	642	7610	0.44	204	8381	1.86	346	9040	2.80	440
5551	10.57	1200	7047M	4.93	653	7704	4.46	606	8385	2.40	400	9047	2.56	416
5606	1.05	265	7050M	5.78	738	7705	3.54	514	8392	2.06	366	9052	2.23	383

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

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

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

Effective January 1, 2023

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
9058	1.55	315												
9060	1.46	306												
9061	1.59	319												
9063	0.88	248												
9077F	4.91	651												
9082	1.47	307												
9083	1.47	307												
9084	1.36	296												
9088a	a	a												
9089	0.86	246												
9093	1.38	298												
9101	3.37	497												
9102	3.39	499												
9154	1.46	306												
9156	2.95	455												
9170	8.23	983												
9178	4.62	622												
9179	7.25	885												
9180	3.45	505												
9182	1.89	349												
9186	15.46	1200												
9220	5.97	757												
9402	5.37	697												
9403	5.22	682												
9410	2.44	404												
9501	2.66	426												
9505	2.83	443												
9516	2.03	363												
9519	4.26	586												
9521	3.52	512												
9522	2.25	385												
9534	4.90	650												
9554	7.33	893												
9586	0.55	215												
9600	2.33	393												
9620	1.43	303												

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

Effective January 1, 2023

FOOTNOTES

- a Rate for each individual risk must be obtained from NCCI Customer Service or the Rating Organization having jurisdiction.
- A Minimum Premium \$100 per ginning location for policy minimum premium computation.
- D Rate for classification already includes the specific disease loading shown in the table below. See the **Basic Manual** rule, Supplemental and supplementary loading.

Disease			Disease			Disease		
Code No.	Loading	Symbol	Code No.	Loading	Symbol	Code No.	Loading	Symbol
0059D	0.07	S	1624D	0.00	S	3085D	0.01	S
0065D	0.03	S	1710D	0.01	S	4024D	0.01	S
0066D	0.03	S	1741D	0.07	S	5508D	0.01	S
0067D	0.03	S	1803D*	0.08	S	6251D	0.01	S
1164D	0.01	S	3081D	0.02	S	6252D	0.01	S
1165D	0.01	S	3082D	0.01	S			

S=Silica

- F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rates include a provision for the USL&HW Assessment.
- M Risks are subject to Admiralty Law or Federal Employers Liability Act (FELA). However, the published rate 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 rate 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**

- 1803 See the Florida **Basic Manual** rule, Disease loading.
- 2702 An upset payroll of \$10.00 per cord has been established for use only when payroll records are not available and shall be used for premium computation purposes in accordance with the classification footnote.
- 6702 Rate 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 rate and elr each x 1.215.
- 6703 Rate 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 rate x 1.945 and elr x 1.863.
- 6704 Rate 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 rate and elr each x 1.35.

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

Effective January 1, 2023

MISCELLANEOUS VALUES

<b>Average Weekly Wage</b> applicable only in connection with the <b>Basic Manual</b> rule, Payroll exclusions.....	\$30
<b>Basis of premium</b> applicable in accordance with the <b>Basic Manual</b> notes for Code 7370 -- "Taxicab Co.":	
Employee operated vehicle.....	\$85,700
Leased or rented vehicle.....	\$57,100
<b>Expense Constant</b> applicable in accordance with the <b>Basic Manual</b> rule.....	\$160
<b>Maximum Minimum Premium</b> .....	\$1,200
<b>Maximum Weekly Payroll</b> applicable in accordance with the <b>Basic Manual</b> rule, Rule for premium determination of executive officers and the <b>Basic Manual</b> notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports".....	\$3,300
<b>Minimum Premium Multiplier</b> .....	100
<b>Minimum Weekly Payroll</b> applicable in accordance with the <b>Basic Manual</b> rule, Rule for premium determination of executive officers:	
Executive officers in the construction industry.....	\$550
All other executive officers.....	\$1,100
<b>Premium Determination for Partners and Sole Proprietors</b> in accordance with the <b>Basic Manual</b> rule, Rule for premium determination for partners or sole proprietors (Annual Payroll).....	\$57,100

**Note:** If the actual remuneration received by the partner or sole proprietor as evidenced by IRS Schedule C forms is less than the amount shown above, the actual amount may be used.

**Premium Discount Percentages** - (See the **Basic Manual** rule, Premium discount.) The following premium discounts are applicable to Standard Premiums:

		Table A	Table B
First	\$10,000	-	-
Next	190,000	9.1%	5.1%
Next	1,550,000	11.3%	6.5%
Over	1,750,000	12.3%	7.5%

**Premium Reduction Percentages** - The following percentages are applicable by deductible and/or coinsurance amount and hazard group for total losses on a per claim basis. They do include a safety factor.

Coinsurance Amount	Coinsurance Program Premium Reduction Percentages						
	HAZARD GROUP						
	A	B	C	D	E	F	G
\$5,000	3.1%	2.7%	2.2%	1.9%	1.5%	1.2%	1.0%
\$10,000	4.4%	3.9%	3.2%	2.8%	2.2%	1.8%	1.6%
\$15,000	5.3%	4.8%	4.0%	3.6%	2.9%	2.4%	2.1%
\$20,000	6.1%	5.5%	4.7%	4.2%	3.4%	2.9%	2.5%
\$21,000	6.2%	5.6%	4.8%	4.3%	3.5%	3.0%	2.6%

Deductible Amount	Deductible Program Premium Reduction Percentages						
	HAZARD GROUP						
	A	B	C	D	E	F	G
\$500	3.5%	2.9%	2.2%	1.9%	1.4%	1.0%	0.8%
\$1,000	5.9%	5.0%	3.9%	3.2%	2.4%	1.8%	1.4%
\$1,500	7.7%	6.6%	5.2%	4.3%	3.2%	2.4%	1.9%
\$2,000	9.2%	7.9%	6.3%	5.2%	3.9%	3.1%	2.4%
\$2,500	10.6%	9.1%	7.2%	6.0%	4.6%	3.6%	2.9%

Effective January 1, 2023

MISCELLANEOUS VALUES (cont.)

Deductible Amount	Deductible with Coinsurance Program Premium Reduction Percentages						
	HAZARD GROUP						
	A	B	C	D	E	F	G
\$500	9.0%	8.0%	6.6%	5.8%	4.6%	3.8%	3.2%
\$1,000	10.9%	9.6%	7.9%	6.9%	5.4%	4.4%	3.7%
\$1,500	12.4%	10.9%	9.0%	7.7%	6.1%	4.9%	4.1%
\$2,000	13.6%	12.0%	9.8%	8.5%	6.7%	5.4%	4.5%
\$2,500	14.7%	12.9%	10.6%	9.1%	7.2%	5.8%	4.9%

Deductible Amount	Intermediate Deductible Program+ Premium Reduction Percentages						
	HAZARD GROUP						
	A	B	C	D	E	F	G
\$5,000	15.4%	13.5%	10.9%	9.3%	7.3%	5.8%	4.9%
\$10,000	21.9%	19.4%	16.1%	14.1%	11.2%	9.2%	7.9%
\$15,000	26.6%	23.9%	20.1%	17.8%	14.4%	12.0%	10.4%
\$20,000	30.4%	27.4%	23.4%	20.9%	17.1%	14.4%	12.6%
\$25,000	33.6%	30.4%	26.2%	23.6%	19.4%	16.6%	14.5%
\$50,000	43.9%	40.6%	36.0%	33.3%	28.1%	24.7%	22.0%
\$75,000	49.6%	46.5%	41.9%	39.4%	33.9%	30.3%	27.4%

+ Identifies a premium reduction percentage provided on an advisory basis. An insurer may deviate from such percentage reductions by filing with and obtaining approval from the Office of Insurance Regulation.

**Terrorism (Voluntary Rates)** ..... 0.01

**United States Longshore and Harbor Workers' Compensation Coverage Percentage** applicable only  
in connection with the **Basic Manual** rule, Federal coverages..... 58%

(Multiply a Non-F classification rate by a factor of 1.58 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.50) and the adjustment for differences in loss-based expenses (1.050).)

**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.



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Proposed Values for Inclusion in the Experience Rating Plan Manual

The following pages include descriptions of experience rating-related factors along with proposed values for inclusion in the Experience Rating Plan Manual:

- Description of expected loss rates and d-ratios
- Expected loss rates and d-ratios by class code
- Description of the weighting and ballast values
- Table of Weighting Values
- Table of Ballast Values



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Proposed Values for Inclusion in the Experience Rating Plan Manual

##### 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 pure premiums underlying the proposed rates are adjusted to reflect the average loss levels of the proposed 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 items such as loss development, losses in excess of the state accident limit, a portion of medical-only losses, benefit changes, trend, and loss-based expenses.

An adjustment is made to the ELR factors so that the resulting ELRs produce an expected experience rating off-balance that equals the targeted experience rating off-balance used in the calculation of the overall rate level change for the state. For the calculation of experience mods, the experience rating plan for Florida uses actual losses net of the deductible reimbursement amount reported per the *Unit Statistical Reporting Guidebook* for the calculation of experience mods for one or more deductible amounts. As a result, the ELR adjustment mentioned above also modifies the ELRs uniformly across all class codes in the state to account for net experience rating. The final ELR for each classification is calculated as follows:

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

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 primary losses to be used in the experience mod calculation.

D-ratio factors are calculated separately for indemnity and medical losses by hazard group and are based on the latest three years of Unit Statistical Data. A comparison of the resulting d-ratio factors across hazard groups is done to ensure that the factors 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 calculated as follows:

$$\text{D-ratio} = \{(\text{HG indemnity d-ratio factor}) \times (\text{indemnity pure premium}) + (\text{HG medical d-ratio factor}) \times (\text{medical pure premium})\} / \text{total pure premium}$$

Effective January 1, 2023

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	1.96	0.40	2003	1.70	0.38	2731	1.91	0.40	3270	0.99	0.40	4062	1.19	0.38
0008	1.70	0.40	2014	1.94	0.34	2735	2.28	0.40	3300	2.30	0.44	4101	1.29	0.38
0016	2.46	0.34	2016	1.11	0.40	2759	2.84	0.40	3303	1.19	0.40	4109	0.19	0.40
0030	1.60	0.34	2021	1.58	0.38	2790	1.00	0.44	3307	1.13	0.38	4110	0.50	0.40
0034	2.09	0.38	2039	1.37	0.40	2797	3.28	0.44	3315	1.49	0.40	4111	0.82	0.40
0035	1.31	0.38	2041	1.40	0.40	2799	2.66	0.38	3334	1.02	0.38	4113	1.03	0.40
0036	2.51	0.40	2065	1.38	0.38	2802	2.48	0.38	3336	1.11	0.38	4114	1.25	0.38
0037	1.98	0.34	2070	1.85	0.38	2835	1.33	0.44	3365	2.07	0.31	4130	1.91	0.40
0042	2.93	0.38	2081	2.11	0.44	2836	1.32	0.44	3372	1.36	0.38	4131	2.22	0.40
0050	2.07	0.34	2089	1.63	0.40	2841	1.63	0.40	3373	2.00	0.40	4133	1.19	0.44
0052	2.01	0.38	2095	2.00	0.38	2881	1.58	0.44	3383	0.67	0.40	4149	0.30	0.44
0059	0.02	0.27	2105	2.28	0.44	2883	1.90	0.40	3385	0.44	0.40	4206	1.96	0.40
0065	0.01	0.34	2110	1.25	0.40	2915	1.06	0.34	3400	1.58	0.40	4207	0.93	0.31
0066	0.01	0.38	2111	1.09	0.40	2916	1.61	0.34	3507	1.31	0.38	4239	0.74	0.31
0067	0.01	0.38	2112	2.06	0.40	2923	0.85	0.44	3515	0.83	0.38	4240	1.58	0.44
0079	1.47	0.38	2114	1.20	0.44	2960	2.20	0.38	3548	0.68	0.40	4243	0.93	0.38
0083	2.68	0.38	2119	1.27	0.38	3004	0.60	0.31	3559	1.12	0.38	4244	0.99	0.34
0106	3.31	0.31	2121	0.57	0.44	3018	1.26	0.31	3574	0.42	0.40	4250	1.05	0.38
0113	2.01	0.40	2130	1.01	0.38	3022	1.54	0.40	3581	0.57	0.40	4251	1.63	0.40
0153	1.80	0.38	2131	0.80	0.40	3027	1.17	0.34	3612	0.91	0.38	4263	1.46	0.38
0170	1.18	0.40	2157	1.44	0.40	3028	1.51	0.34	3620	1.29	0.34	4273	1.34	0.38
0173	0.47	0.40	2172	0.59	0.34	3030	2.44	0.34	3629	0.71	0.38	4279	1.54	0.34
0251	1.78	0.38	2174	1.33	0.40	3040	2.63	0.38	3632	1.37	0.38	4282	0.61	0.44
0401	3.82	0.31	2211	3.54	0.34	3041	1.61	0.38	3634	0.65	0.38	4283	0.87	0.40
0771	-	-	2220	1.21	0.38	3042	2.16	0.38	3635	0.82	0.38	4299	0.91	0.38
0908	104.63	0.38	2286	0.85	0.44	3064	1.76	0.38	3638	0.88	0.40	4304	2.17	0.38
0913	282.08	0.38	2288	1.87	0.40	3076	1.80	0.40	3642	0.88	0.40	4307	0.93	0.44
0917	2.10	0.44	2302	0.92	0.38	3081	2.07	0.38	3643	0.91	0.34	4351	0.53	0.40
1005	1.97	0.27	2305	1.09	0.34	3082	1.60	0.34	3647	0.98	0.38	4352	0.81	0.40
1164	1.04	0.27	2361	0.88	0.38	3085	2.15	0.38	3648	0.86	0.44	4361	0.49	0.40
1165	0.83	0.27	2362	1.26	0.40	3110	1.73	0.38	3681	0.37	0.40	4410	1.35	0.40
1218	0.65	0.34	2380	1.20	0.40	3111	0.84	0.40	3685	0.40	0.40	4420	1.25	0.31
1320	0.65	0.31	2388	0.65	0.44	3113	0.97	0.38	3719	0.39	0.27	4431	0.63	0.44
1322	3.80	0.27	2402	1.07	0.34	3114	1.44	0.38	3724	1.30	0.27	4432	0.54	0.44
1430	1.19	0.34	2413	1.09	0.38	3118	0.79	0.44	3726	1.29	0.27	4452	1.35	0.38
1438	1.83	0.34	2416	1.20	0.40	3119	0.45	0.48	3803	1.48	0.40	4459	1.14	0.34
1452	1.21	0.34	2417	0.94	0.40	3122	0.84	0.44	3807	0.87	0.40	4470	1.10	0.38
1463	4.18	0.27	2501	1.09	0.40	3126	0.86	0.38	3808	1.18	0.38	4484	1.24	0.40
1472	1.41	0.34	2503	0.42	0.40	3131	1.34	0.38	3821	3.12	0.34	4493	1.01	0.38
1473	0.43	0.34	2534	0.98	0.44	3132	1.22	0.40	3822	2.17	0.40	4511	0.31	0.38
1624	1.02	0.31	2570	1.57	0.40	3145	0.95	0.38	3824	1.57	0.40	4557	1.01	0.34
1642	1.01	0.34	2585	1.60	0.38	3146	1.01	0.38	3826	0.37	0.38	4558	0.82	0.38
1654	1.48	0.34	2586	1.85	0.40	3169	1.00	0.40	3827	0.85	0.40	4568	0.87	0.34
1655	1.07	0.34	2587	1.32	0.40	3175	1.53	0.40	3830	0.56	0.38	4581	0.38	0.31
1699	1.15	0.34	2589	1.24	0.38	3179	0.88	0.40	3851	1.02	0.40	4583	1.94	0.31
1701	1.18	0.31	2600	1.93	0.40	3180	1.59	0.40	3865	1.24	0.44	4611	0.55	0.40
1710	1.91	0.34	2623	2.20	0.34	3188	1.20	0.38	3881	1.48	0.38	4635	1.37	0.31
1741	1.04	0.27	2651	1.10	0.40	3220	0.68	0.38	4000	1.92	0.31	4653	0.93	0.40
1747	0.83	0.34	2660	1.13	0.44	3223	1.31	0.48	4021	1.75	0.38	4665	2.46	0.34
1748	2.11	0.34	2670	0.89	0.48	3224	1.65	0.44	4024	1.47	0.34	4670	2.45	0.34
1803	3.00	0.34	2683	1.12	0.44	3227	1.53	0.40	4034	2.77	0.34	4683	1.36	0.38
1853	0.93	0.38	2688	0.95	0.40	3240	1.78	0.44	4036	1.02	0.34	4686	1.28	0.34
1860	0.97	0.44	2702	3.01	0.27	3241	1.08	0.40	4038	1.29	0.44	4692	0.35	0.40
1924	1.09	0.40	2710	3.69	0.34	3255	1.21	0.44	4053	0.94	0.40	4693	0.50	0.40
1925	1.55	0.38	2714	2.64	0.40	3257	1.31	0.40	4061	1.23	0.44	4703	0.69	0.38

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

*Effective January 1, 2023*

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

CLASS CODE	ELR	D RATIO												
4710	1.36	0.44	5610	2.18	0.34	7090	1.65	0.27	7720	1.43	0.34	8393	0.75	0.34
4717	0.98	0.44	5613	3.70	0.40	7098	2.20	0.27	7855	1.58	0.34	8500	2.86	0.34
4720	0.99	0.38	5645	4.70	0.27	7099	3.04	0.27	8001	1.48	0.40	8601	0.17	0.31
4740	0.59	0.27	5651	2.91	0.31	7133	1.02	0.31	8002	1.05	0.40	8602	0.65	0.34
4741	1.48	0.38	5703	4.52	0.34	7151	1.24	0.31	8006	1.02	0.44	8603	0.05	0.40
4751	1.17	0.34	5705	5.04	0.34	7152	1.90	0.31	8008	0.68	0.44	8606	0.68	0.31
4771	0.83	0.31	5951	0.26	0.40	7153	1.38	0.31	8010	0.89	0.40	8709F	1.91	0.24
4777	1.65	0.32	6004	3.17	0.34	7201	4.00	0.38	8013	0.19	0.38	8719	1.39	0.31
4825	0.43	0.34	6006F	3.35	0.29	7204	0.64	0.40	8015	0.36	0.38	8720	0.63	0.31
4828	1.51	0.31	6017	1.34	0.34	7205	4.92	0.38	8017	0.73	0.44	8721	0.11	0.34
4829	0.49	0.31	6018	1.22	0.34	7219	2.44	0.31	8018	1.46	0.40	8723	0.07	0.38
4902	1.07	0.40	6045	1.96	0.34	7222	2.51	0.32	8021	1.44	0.40	8725	0.16	0.34
4923	0.80	0.38	6204	2.74	0.31	7230	3.52	0.38	8031	1.16	0.40	8726F	0.67	0.32
5020	2.87	0.31	6206	1.12	0.27	7231	3.57	0.38	8032	1.11	0.40	8728	0.25	0.34
5022	3.06	0.27	6213	0.71	0.27	7232	4.56	0.32	8033	0.77	0.44	8734	0.18	0.34
5037	3.85	0.27	6214	0.75	0.31	7309F	2.86	0.24	8037	1.48	0.48	8737	0.16	0.34
5040	3.28	0.27	6216	2.21	0.27	7313F	1.01	0.24	8039	0.91	0.44	8738	0.24	0.34
5057	1.78	0.27	6217	1.74	0.27	7317F	3.61	0.24	8044	1.13	0.40	8742	0.13	0.34
5059	6.21	0.27	6229	2.16	0.34	7327F	5.75	0.24	8045	0.48	0.40	8745	1.68	0.38
5069	8.46	0.27	6233	0.86	0.27	7333	2.37	0.27	8046	1.50	0.40	8748	0.23	0.31
5102	2.77	0.31	6235	2.08	0.27	7335	2.63	0.27	8047	0.46	0.40	8755	0.16	0.34
5146	2.16	0.34	6236	2.69	0.34	7337	3.63	0.27	8058	1.69	0.40	8799	0.26	0.40
5160	0.74	0.27	6237	1.19	0.31	7350F	3.05	0.29	8061	1.06	0.40	8800	0.78	0.40
5183	1.46	0.31	6251	2.65	0.31	7360	1.70	0.34	8072	0.39	0.44	8803	0.02	0.34
5188	1.61	0.31	6252	1.29	0.27	7370	2.16	0.40	8102	0.96	0.40	8805	0.10	0.40
5190	1.65	0.31	6306	2.19	0.31	7380	2.21	0.34	8103	1.50	0.38	8810	0.07	0.40
5191	0.44	0.34	6319	1.66	0.27	7382	2.26	0.38	8106	2.13	0.34	8814	0.09	0.40
5192	1.39	0.38	6325	2.01	0.27	7383	1.68	0.34	8107	1.23	0.31	8815	0.13	0.40
5213	3.18	0.27	6400	2.33	0.34	7390	1.72	0.40	8111	1.03	0.38	8820	0.05	0.34
5215	2.64	0.34	6503	1.12	0.40	7394	1.14	0.27	8116	1.32	0.38	8824	1.54	0.48
5221	2.22	0.31	6504	1.46	0.40	7395	1.27	0.27	8203	3.20	0.38	8825	0.97	0.48
5222	3.01	0.27	6702	1.92	0.34	7398	1.75	0.27	8204	2.07	0.38	8826	1.23	0.44
5223	1.81	0.34	6703	2.94	0.34	7402	0.07	0.40	8209	2.41	0.40	8829	1.00	0.44
5348	1.67	0.34	6704	2.14	0.34	7403	1.75	0.40	8215	1.92	0.34	8831	0.76	0.48
5402	3.24	0.40	6801F	1.42	0.32	7405	0.45	0.40	8227	1.98	0.31	8832	0.15	0.40
5403	2.30	0.31	6811	1.75	0.34	7420	3.24	0.27	8232	2.08	0.34	8833	0.48	0.40
5437	2.32	0.31	6824F	2.68	0.32	7421	0.31	0.34	8233	1.21	0.34	8835	0.90	0.40
5443	1.57	0.38	6826F	1.38	0.32	7422	0.48	0.31	8235	2.30	0.38	8841	0.72	0.38
5445	2.13	0.27	6828F	2.07	0.32	7425	0.47	0.32	8263	3.20	0.38	8842	1.18	0.48
5462	2.74	0.34	6834	1.28	0.40	7431	0.32	0.32	8264	2.11	0.34	8855	0.07	0.40
5472	2.26	0.27	6836	1.37	0.38	7445	-	-	8265	2.05	0.31	8856	0.21	0.40
5473	3.41	0.27	6838	1.16	0.34	7453	-	-	8273	1.98	0.40	8864	0.77	0.44
5474	2.69	0.27	6843F	2.85	0.24	7502	0.90	0.34	8274	2.22	0.40	8868	0.21	0.44
5478	1.28	0.31	6845F	1.38	0.24	7515	0.42	0.27	8279	3.07	0.31	8869	0.63	0.44
5479	3.24	0.34	6854	2.18	0.31	7520	1.18	0.38	8288	4.48	0.38	8871	0.03	0.40
5480	3.02	0.31	6872F	2.58	0.24	7538	1.29	0.27	8291	1.74	0.38	8901	0.07	0.34
5491	1.19	0.31	6874F	3.87	0.24	7539	0.55	0.31	8292	1.93	0.40	9012	0.35	0.34
5506	2.10	0.31	6882	1.01	0.31	7540	0.81	0.27	8293	3.64	0.40	9014	1.54	0.40
5507	2.02	0.31	6884	1.08	0.31	7580	1.00	0.34	8304	2.27	0.31	9015	1.66	0.38
5508	3.22	0.34	7016	1.26	0.27	7590	1.61	0.34	8350	2.23	0.31	9016	1.06	0.40
5509	3.70	0.31	7024	1.40	0.27	7600	1.99	0.34	8353	2.67	0.34	9019	1.31	0.34
5535	2.82	0.27	7038	1.49	0.27	7605	0.97	0.31	8380	1.03	0.38	9033	1.05	0.38
5537	1.77	0.34	7046	1.98	0.27	7610	0.20	0.34	8381	0.94	0.38	9040	1.52	0.44
5551	4.35	0.27	7047	1.93	0.27	7704	1.94	0.31	8385	1.20	0.38	9047	1.32	0.40
5606	0.43	0.27	7050	2.28	0.27	7705	1.78	0.38	8392	1.12	0.44	9052	1.21	0.44

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

*Effective January 1, 2023*

**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
9058	0.86	0.48												
9060	0.79	0.44												
9061	0.86	0.44												
9063	0.48	0.44												
9077F	1.96	0.38												
9082	0.82	0.48												
9083	0.82	0.48												
9084	0.74	0.44												
9088	a	a												
9089	0.47	0.44												
9093	0.75	0.44												
9101	1.83	0.44												
9102	1.70	0.38												
9154	0.75	0.40												
9156	1.60	0.44												
9170	3.57	0.31												
9178	2.60	0.48												
9179	4.06	0.48												
9180	1.74	0.38												
9182	0.98	0.40												
9186	6.70	0.31												
9220	3.01	0.38												
9402	2.33	0.31												
9403	2.26	0.31												
9410	1.26	0.40												
9501	1.22	0.34												
9505	1.42	0.38												
9516	1.02	0.38												
9519	1.95	0.34												
9521	1.61	0.34												
9522	1.22	0.44												
9534	2.01	0.27												
9554	3.18	0.31												
9586	0.30	0.44												
9600	1.20	0.40												
9620	0.65	0.34												

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



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Proposed Values for Inclusion in the Experience Rating Plan Manual

##### Description of the Weighting and Ballast Values

###### Table of Weighting Values

The weighting value determines the volume of actual and expected excess losses that will enter the experience modification formula. The weighting value increases as expected losses increase with larger insureds receiving a larger weighting value. The weighting value for various levels of expected losses is provided in the Table of Weighting Values. The table is updated in each experience filing based on the state reference point.

The state reference point is calculated based on Unit Statistical Data as the state average cost per case for the experience rating period multiplied by 250. The state reference point serves to determine how much credibility is assigned to the losses of an individual risk and as an index of claim cost differences by state. The state per claim accident limitation shown on the Table of Weighting Values is 10% of the state reference point.

###### Table of Ballast Values

The ballast value is a stabilizing value designed to limit the effect of any 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 ballast value for various levels of expected loss ranges is provided in the Table of Ballast Values. The table is updated based on the state reference point. The G value used in the ballast formula is the state reference point divided by 250,000, rounded to the nearest 0.05.

Effective January 1, 2023  
**TABLE OF WEIGHTING VALUES**  
**APPLICABLE TO ALL POLICIES**  
Experience Rating Program - ERA

Expected Losses			Weighting Values	Expected Losses			Weighting Values
0	--	2,481	0.04	1,399,355	--	1,476,542	0.44
2,482	--	10,031	0.05	1,476,543	--	1,558,199	0.45
10,032	--	17,743	0.06	1,558,200	--	1,644,725	0.46
17,744	--	25,621	0.07	1,644,726	--	1,736,571	0.47
25,622	--	33,672	0.08	1,736,572	--	1,834,243	0.48
33,673	--	56,319	0.09	1,834,244	--	1,938,314	0.49
56,320	--	83,833	0.10	1,938,315	--	2,049,437	0.50
83,834	--	108,307	0.11	2,049,438	--	2,168,353	0.51
108,308	--	132,136	0.12	2,168,354	--	2,295,912	0.52
132,137	--	155,969	0.13	2,295,913	--	2,433,095	0.53
155,970	--	180,094	0.14	2,433,096	--	2,581,032	0.54
180,095	--	204,677	0.15	2,581,033	--	2,741,042	0.55
204,678	--	229,828	0.16	2,741,043	--	2,914,665	0.56
229,829	--	255,630	0.17	2,914,666	--	3,103,718	0.57
255,631	--	282,153	0.18	3,103,719	--	3,310,352	0.58
282,154	--	309,460	0.19	3,310,353	--	3,537,142	0.59
309,461	--	337,610	0.20	3,537,143	--	3,787,189	0.60
337,611	--	366,661	0.21	3,787,190	--	4,064,264	0.61
366,662	--	396,670	0.22	4,064,265	--	4,373,000	0.62
396,671	--	427,698	0.23	4,373,001	--	4,719,155	0.63
427,699	--	459,807	0.24	4,719,156	--	5,109,972	0.64
459,808	--	493,062	0.25	5,109,973	--	5,554,689	0.65
493,063	--	527,533	0.26	5,554,690	--	6,065,287	0.66
527,534	--	563,291	0.27	6,065,288	--	6,657,576	0.67
563,292	--	600,417	0.28	6,657,577	--	7,352,867	0.68
600,418	--	638,993	0.29	7,352,868	--	8,180,590	0.69
638,994	--	679,110	0.30	8,180,591	--	9,182,565	0.70
679,111	--	720,866	0.31	9,182,566	--	10,420,294	0.71
720,867	--	764,365	0.32	10,420,295	--	11,988,078	0.72
764,366	--	809,722	0.33	11,988,079	--	14,038,251	0.73
809,723	--	857,061	0.34	14,038,252	--	16,833,935	0.74
857,062	--	906,516	0.35	16,833,936	--	20,872,136	0.75
906,517	--	958,235	0.36	20,872,137	--	27,217,870	0.76
958,236	--	1,012,378	0.37	27,217,871	--	38,640,179	0.77
1,012,379	--	1,069,122	0.38	38,640,180	--	65,292,209	0.78
1,069,123	--	1,128,659	0.39	65,292,210	--	198,552,297	0.79
1,128,660	--	1,191,203	0.40	198,552,298	AND OVER		0.80
1,191,204	--	1,256,989	0.41				
1,256,990	--	1,326,276	0.42				
1,326,277	--	1,399,354	0.43				

(a) G	11.85
(b) State Per Claim Accident Limitation	\$296,500
(c) State Multiple Claim Accident Limitation	\$593,000
(d) USL&HW Per Claim Accident Limitation	\$574,500
(e) USL&HW Multiple Claim Accident Limitation	\$1,149,000
(f) Employers Liability Accident Limitation	\$55,000
(g) Primary/Excess Loss Split Point	\$18,500
(h) USL&HW Act -- Expected Loss Factor -- Non-F Classes	1.50
<i>(Multiply a Non-F classification ELR by the USL&amp;HW Act - Expected Loss Factor of 1.50.)</i>	

Effective January 1, 2023  
**TABLE OF BALLAST VALUES**  
**APPLICABLE TO ALL POLICIES**  
*Experience Rating Plan - ERA*

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 -- 63,739	29,625	2,045,322 -- 2,104,538	237,000	4,118,471 -- 4,177,712	444,375
63,740 -- 109,701	35,550	2,104,539 -- 2,163,756	242,925	4,177,713 -- 4,236,953	450,300
109,702 -- 162,511	41,475	2,163,757 -- 2,222,976	248,850	4,236,954 -- 4,296,195	456,225
162,512 -- 218,223	47,400	2,222,977 -- 2,282,197	254,775	4,296,196 -- 4,355,438	462,150
218,224 -- 275,290	53,325	2,282,198 -- 2,341,420	260,700	4,355,439 -- 4,414,680	468,075
275,291 -- 333,073	59,250	2,341,421 -- 2,400,645	266,625	4,414,681 -- 4,473,923	474,000
333,074 -- 391,275	65,175	2,400,646 -- 2,459,870	272,550	4,473,924 -- 4,533,166	479,925
391,276 -- 449,740	71,100	2,459,871 -- 2,519,097	278,475	4,533,167 -- 4,592,409	485,850
449,741 -- 508,381	77,025	2,519,098 -- 2,578,325	284,400	4,592,410 -- 4,651,652	491,775
508,382 -- 567,145	82,950	2,578,326 -- 2,637,553	290,325	4,651,653 -- 4,710,895	497,700
567,146 -- 625,999	88,875	2,637,554 -- 2,696,783	296,250	4,710,896 -- 4,770,139	503,625
626,000 -- 684,919	94,800	2,696,784 -- 2,756,013	302,175	4,770,140 -- 4,829,382	509,550
684,920 -- 743,891	100,725	2,756,014 -- 2,815,245	308,100	4,829,383 -- 4,888,626	515,475
743,892 -- 802,904	106,650	2,815,246 -- 2,874,477	314,025	4,888,627 -- 4,947,870	521,400
802,905 -- 861,948	112,575	2,874,478 -- 2,933,710	319,950	4,947,871 -- 5,007,114	527,325
861,949 -- 921,019	118,500	2,933,711 -- 2,992,943	325,875	5,007,115 -- 5,066,359	533,250
921,020 -- 980,111	124,425	2,992,944 -- 3,052,177	331,800	5,066,360 -- 5,125,603	539,175
980,112 -- 1,039,220	130,350	3,052,178 -- 3,111,412	337,725	5,125,604 -- 5,184,848	545,100
1,039,221 -- 1,098,345	136,275	3,111,413 -- 3,170,648	343,650	5,184,849 -- 5,244,092	551,025
1,098,346 -- 1,157,482	142,200	3,170,649 -- 3,229,883	349,575	5,244,093 -- 5,303,337	556,950
1,157,483 -- 1,216,631	148,125	3,229,884 -- 3,289,120	355,500	5,303,338 -- 5,362,582	562,875
1,216,632 -- 1,275,788	154,050	3,289,121 -- 3,348,357	361,425	5,362,583 -- 5,421,827	568,800
1,275,789 -- 1,334,954	159,975	3,348,358 -- 3,407,594	367,350	5,421,828 -- 5,481,072	574,725
1,334,955 -- 1,394,127	165,900	3,407,595 -- 3,466,832	373,275	5,481,073 -- 5,540,317	580,650
1,394,128 -- 1,453,306	171,825	3,466,833 -- 3,526,070	379,200	5,540,318 -- 5,599,563	586,575
1,453,307 -- 1,512,490	177,750	3,526,071 -- 3,585,308	385,125	5,599,564 -- 5,658,808	592,500
1,512,491 -- 1,571,680	183,675	3,585,309 -- 3,644,547	391,050		
1,571,681 -- 1,630,874	189,600	3,644,548 -- 3,703,786	396,975		
1,630,875 -- 1,690,071	195,525	3,703,787 -- 3,763,026	402,900		
1,690,072 -- 1,749,273	201,450	3,763,027 -- 3,822,266	408,825		
1,749,274 -- 1,808,477	207,375	3,822,267 -- 3,881,506	414,750		
1,808,478 -- 1,867,684	213,300	3,881,507 -- 3,940,747	420,675		
1,867,685 -- 1,926,894	219,225	3,940,748 -- 3,999,988	426,600		
1,926,895 -- 1,986,107	225,150	3,999,989 -- 4,059,229	432,525		
1,986,108 -- 2,045,321	231,075	4,059,230 -- 4,118,470	438,450		

For Expected Losses greater than \$5,658,375, the Ballast Value can be calculated using the following formula (rounded to the nearest 1

$$\text{Ballast} = (0.10)(\text{Expected Losses}) + 2500(\text{Expected Losses})(11.85) / (\text{Expected Losses} + (700)(11.85))$$

$$G = 11.85$$

REFER TO UPDATE PAGE FOR ALL SUBSEQUENT REVISIONS.



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Proposed Values for Inclusion in the Retrospective Rating Plan Manual

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

- Excess loss factors
- Excess loss and allocated expense factors
- Hazard group average cost per case
- Hazard group average cost per case including ALAE
- Retrospective development factors
- Tax multipliers

*Effective January 1, 2023*

**1. Average Cost per Case by Hazard Group**

A	B	C	D	E	F	G
8,677	10,390	13,936	17,114	24,161	32,568	44,543

**Average Cost per Case including ALAE by Hazard Group**

A	B	C	D	E	F	G
9,915	11,857	15,871	19,476	27,399	36,886	50,419

**2. Tax Multipliers**

- a. State (non-F Classes) 1.025
- b. Federal Classes, or non-F classes where rate is increased by the USL&HW Act Percentage 1.055

**3. Expected Loss Ratio      Expected Loss and Allocated Expense Ratio      4. Table of Expense Ratios**

Countrywide: 0.586	Countrywide: 0.649	Type A: 2022-01 Type B: 2022-01
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Florida: 0.585*	Florida: 0.662*	Type FL - A: 2022-01 Type FL - B: 2022-01
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\* The FL-specific Expected Loss Ratio (ELR) and Expected Loss and Allocated Loss and Allocated Expense Ratio (ELAER) are provided for optional use. If these options are chosen, the FL-specific expense ratio tables should also be used. If the countrywide ELR or ELAER are used, then the standard Type A and Type B tables should be used.

**5. Excess Loss Factors**

(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$10,000	0.407	0.427	0.453	0.470	0.494	0.510	0.521
\$15,000	0.368	0.391	0.421	0.440	0.468	0.487	0.500
\$20,000	0.338	0.362	0.395	0.415	0.446	0.468	0.483
\$25,000	0.312	0.337	0.372	0.393	0.427	0.450	0.467
\$30,000	0.290	0.316	0.352	0.373	0.410	0.434	0.453
\$35,000	0.271	0.298	0.334	0.356	0.394	0.420	0.439
\$40,000	0.255	0.281	0.319	0.341	0.380	0.407	0.427
\$50,000	0.228	0.254	0.292	0.314	0.356	0.384	0.406
\$75,000	0.182	0.207	0.244	0.265	0.310	0.339	0.362
\$100,000	0.152	0.176	0.212	0.231	0.277	0.306	0.330
\$125,000	0.131	0.154	0.188	0.206	0.253	0.281	0.304
\$150,000	0.115	0.137	0.170	0.187	0.233	0.261	0.284
\$175,000	0.102	0.123	0.156	0.172	0.218	0.244	0.267
\$200,000	0.092	0.112	0.144	0.159	0.204	0.230	0.253
\$225,000	0.084	0.104	0.134	0.148	0.193	0.219	0.240
\$250,000	0.077	0.096	0.126	0.139	0.183	0.208	0.229
\$275,000	0.072	0.090	0.118	0.131	0.175	0.199	0.220
\$300,000	0.067	0.084	0.112	0.124	0.167	0.191	0.211
\$325,000	0.062	0.079	0.106	0.118	0.161	0.184	0.203
\$350,000	0.059	0.075	0.101	0.112	0.154	0.177	0.196
\$375,000	0.056	0.071	0.097	0.107	0.149	0.171	0.190
\$400,000	0.053	0.068	0.093	0.103	0.144	0.166	0.184
\$425,000	0.050	0.065	0.089	0.099	0.139	0.160	0.178
\$450,000	0.048	0.062	0.086	0.095	0.135	0.156	0.173
\$475,000	0.046	0.060	0.083	0.092	0.131	0.151	0.169
\$500,000	0.044	0.058	0.080	0.089	0.128	0.147	0.164
\$600,000	0.037	0.050	0.071	0.079	0.115	0.134	0.149
\$700,000	0.033	0.045	0.064	0.071	0.105	0.123	0.138
\$800,000	0.029	0.040	0.058	0.065	0.097	0.114	0.128
\$900,000	0.027	0.037	0.054	0.060	0.091	0.106	0.120
\$1,000,000	0.024	0.034	0.050	0.055	0.085	0.100	0.112
\$2,000,000	0.013	0.019	0.029	0.032	0.052	0.063	0.072
\$3,000,000	0.008	0.012	0.020	0.022	0.037	0.045	0.053
\$4,000,000	0.006	0.009	0.014	0.016	0.028	0.035	0.041
\$5,000,000	0.004	0.006	0.011	0.012	0.021	0.027	0.033
\$6,000,000	0.003	0.005	0.008	0.010	0.017	0.022	0.027
\$7,000,000	0.002	0.004	0.006	0.008	0.014	0.018	0.022
\$8,000,000	0.002	0.003	0.005	0.006	0.011	0.015	0.018
\$9,000,000	0.001	0.002	0.004	0.005	0.009	0.012	0.015
\$10,000,000	0.001	0.002	0.003	0.004	0.007	0.010	0.013

Effective January 1, 2023

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

Per Accident Limitation	Hazard Groups						
	A	B	C	D	E	F	G
\$10,000	0.475	0.496	0.524	0.543	0.567	0.584	0.596
\$15,000	0.433	0.457	0.490	0.511	0.540	0.560	0.574
\$20,000	0.399	0.425	0.461	0.483	0.516	0.539	0.556
\$25,000	0.370	0.398	0.436	0.459	0.495	0.521	0.539
\$30,000	0.346	0.374	0.414	0.438	0.477	0.504	0.523
\$35,000	0.325	0.354	0.394	0.419	0.460	0.488	0.509
\$40,000	0.307	0.336	0.377	0.402	0.444	0.474	0.496
\$50,000	0.276	0.305	0.347	0.372	0.417	0.448	0.472
\$75,000	0.222	0.251	0.292	0.316	0.365	0.397	0.424
\$100,000	0.187	0.214	0.255	0.277	0.328	0.360	0.387
\$125,000	0.162	0.188	0.227	0.248	0.299	0.331	0.358
\$150,000	0.143	0.168	0.206	0.226	0.277	0.308	0.335
\$175,000	0.128	0.152	0.189	0.208	0.258	0.289	0.315
\$200,000	0.116	0.139	0.175	0.193	0.243	0.273	0.298
\$225,000	0.107	0.129	0.163	0.180	0.230	0.259	0.284
\$250,000	0.098	0.120	0.153	0.169	0.219	0.247	0.271
\$275,000	0.091	0.112	0.145	0.160	0.209	0.236	0.260
\$300,000	0.085	0.105	0.137	0.151	0.200	0.227	0.250
\$325,000	0.080	0.099	0.130	0.144	0.192	0.218	0.241
\$350,000	0.075	0.094	0.124	0.137	0.185	0.211	0.233
\$375,000	0.071	0.089	0.119	0.132	0.178	0.203	0.225
\$400,000	0.067	0.085	0.114	0.126	0.172	0.197	0.218
\$425,000	0.064	0.082	0.110	0.121	0.167	0.191	0.212
\$450,000	0.061	0.078	0.106	0.117	0.162	0.186	0.206
\$475,000	0.058	0.075	0.102	0.113	0.157	0.181	0.201
\$500,000	0.056	0.072	0.099	0.109	0.153	0.176	0.195
\$600,000	0.048	0.063	0.087	0.096	0.138	0.160	0.178
\$700,000	0.042	0.056	0.078	0.087	0.126	0.147	0.164
\$800,000	0.037	0.050	0.071	0.079	0.117	0.136	0.152
\$900,000	0.034	0.046	0.066	0.073	0.109	0.127	0.143
\$1,000,000	0.031	0.042	0.061	0.067	0.102	0.119	0.134
\$2,000,000	0.016	0.023	0.035	0.039	0.062	0.075	0.086
\$3,000,000	0.010	0.015	0.024	0.027	0.044	0.054	0.063
\$4,000,000	0.007	0.011	0.017	0.020	0.033	0.042	0.049
\$5,000,000	0.005	0.008	0.013	0.015	0.026	0.033	0.039
\$6,000,000	0.004	0.006	0.010	0.012	0.021	0.027	0.032
\$7,000,000	0.003	0.005	0.008	0.010	0.017	0.022	0.027
\$8,000,000	0.002	0.004	0.006	0.008	0.014	0.018	0.022
\$9,000,000	0.002	0.003	0.005	0.006	0.011	0.015	0.019
\$10,000,000	0.002	0.002	0.004	0.005	0.009	0.013	0.016

6.

**Retrospective Development Factors**

With Loss Limit			Without Loss Limit			4th & Subsequent Adjustment
1st Adj.	2nd Adj.	3rd Adj.	1st Adj.	2nd Adj.	3rd Adj.	
0.05	0.04	0.03	0.17	0.11	0.08	0.00

## Table of Expense Ratios - Excluding Taxes and Including Profit and Contingencies

Type A: 2022-01

WC Premium Range From	To	Expense Ratio	WC Premium Range From	To	Expense Ratio	WC Premium Range From	To	Expense Ratio
0	10,055	0.381	21,928	22,469	0.332	393,334	424,799	0.284
10,056	10,167	0.380	22,470	23,037	0.331	424,800	461,739	0.283
10,168	10,282	0.379	23,038	23,636	0.330	461,740	505,714	0.282
10,283	10,399	0.378	23,637	24,266	0.329	505,715	558,947	0.281
10,400	10,520	0.377	24,267	24,931	0.328	558,948	624,705	0.280
10,521	10,643	0.376	24,932	25,633	0.327	624,706	707,999	0.279
10,644	10,769	0.375	25,634	26,376	0.326	708,000	816,923	0.278
10,770	10,898	0.374	26,377	27,164	0.326	816,924	965,454	0.277
10,899	11,030	0.373	27,165	27,999	0.325	965,455	1,179,999	0.276
11,031	11,165	0.372	28,000	28,888	0.324	1,180,000	1,517,142	0.275
11,166	11,304	0.371	28,889	29,836	0.323	1,517,143	1,824,799	0.274
11,305	11,446	0.370	29,837	30,847	0.322	1,824,800	1,983,478	0.273
11,447	11,592	0.369	30,848	31,929	0.321	1,983,479	2,172,380	0.272
11,593	11,741	0.368	31,930	33,090	0.320	2,172,381	2,401,052	0.271
11,742	11,895	0.367	33,091	34,339	0.319	2,401,053	2,683,529	0.270
11,896	12,052	0.366	34,340	35,686	0.318	2,683,530	3,041,333	0.269
12,053	12,214	0.365	35,687	37,142	0.317	3,041,334	3,509,230	0.268
12,215	12,380	0.364	37,143	38,723	0.316	3,509,231	4,147,272	0.268
12,381	12,551	0.363	38,724	40,444	0.315	4,147,273	5,068,888	0.267
12,552	12,727	0.362	40,445	42,325	0.314	5,068,889	6,517,142	0.266
12,728	12,907	0.361	42,326	44,390	0.313	6,517,143	9,123,999	0.265
12,908	13,093	0.360	44,391	46,666	0.312	9,124,000	15,206,666	0.264
13,094	13,284	0.359	46,667	49,189	0.311	15,206,667	45,619,999	0.263
13,285	13,481	0.358	49,190	51,999	0.310	45,620,000	And Above	0.262
13,482	13,684	0.357	52,000	55,151	0.309			
13,685	13,893	0.356	55,152	58,709	0.308			
13,894	14,108	0.355	58,710	62,758	0.307			
14,109	14,330	0.354	62,759	67,407	0.306			
14,331	14,559	0.354	67,408	72,799	0.305			
14,560	14,796	0.353	72,800	79,130	0.304			
14,797	15,041	0.352	79,131	86,666	0.303			
15,042	15,294	0.351	86,667	95,789	0.302			
15,295	15,555	0.350	95,790	107,058	0.301			
15,556	15,826	0.349	107,059	121,333	0.300			
15,827	16,106	0.348	121,334	139,999	0.299			
16,107	16,396	0.347	140,000	165,454	0.298			
16,397	16,697	0.346	165,455	200,377	0.297			
16,698	17,009	0.345	200,378	208,235	0.297			
17,010	17,333	0.344	208,236	216,734	0.296			
17,334	17,669	0.343	216,735	225,957	0.295			
17,670	18,019	0.342	225,958	235,999	0.294			
18,020	18,383	0.341	236,000	246,976	0.293			
18,384	18,762	0.340	246,977	259,024	0.292			
18,763	19,157	0.339	259,025	272,307	0.291			
19,158	19,569	0.338	272,308	287,027	0.290			
19,570	19,999	0.337	287,028	303,428	0.289			
20,000	20,449	0.336	303,429	321,818	0.288	First	10,000	0.0%
20,450	20,919	0.335	321,819	342,580	0.287	Next	190,000	9.1%
20,920	21,411	0.334	342,581	366,206	0.286	Next	1,550,000	11.3%
21,412	21,927	0.333	366,207	393,333	0.285	Over	1,750,000	12.3%
						Expected Loss Ratio:		0.586
						Tax Multiplier:		1.035

## Table of Expense Ratios - Excluding Taxes and Including Profit and Contingencies

Type B: 2022-01

WC Premium Range		Expense	WC Premium Range		Expense	WC Premium Range		Expense
From	To	Ratio	From	To	Ratio	From	To	Ratio
0	- 10,099	0.381	19,246	- 19,999	0.356	213,549	- 228,275	0.332
10,100	- 10,303	0.380	20,000	- 20,816	0.355	228,276	- 245,185	0.331
10,304	- 10,515	0.379	20,817	- 21,702	0.354	245,186	- 264,799	0.330
10,516	- 10,736	0.378	21,703	- 22,666	0.354	264,800	- 287,826	0.329
10,737	- 10,967	0.377	22,667	- 23,720	0.353	287,827	- 315,238	0.328
10,968	- 11,208	0.376	23,721	- 24,878	0.352	315,239	- 348,421	0.327
11,209	- 11,460	0.375	24,879	- 26,153	0.351	348,422	- 389,411	0.326
11,461	- 11,724	0.374	26,154	- 27,567	0.350	389,412	- 441,333	0.326
11,725	- 11,999	0.373	27,568	- 29,142	0.349	441,334	- 509,230	0.325
12,000	- 12,289	0.372	29,143	- 30,909	0.348	509,231	- 601,818	0.324
12,290	- 12,592	0.371	30,910	- 32,903	0.347	601,819	- 735,555	0.323
12,593	- 12,911	0.370	32,904	- 35,172	0.346	735,556	- 945,714	0.322
12,912	- 13,246	0.369	35,173	- 37,777	0.345	945,715	- 1,323,999	0.321
13,247	- 13,599	0.368	37,778	- 40,799	0.344	1,324,000	- 1,809,565	0.320
13,600	- 13,972	0.367	40,800	- 44,347	0.343	1,809,566	- 1,981,904	0.319
13,973	- 14,366	0.366	44,348	- 48,571	0.342	1,981,905	- 2,190,526	0.318
14,367	- 14,782	0.365	48,572	- 53,684	0.341	2,190,527	- 2,448,235	0.317
14,783	- 15,223	0.364	53,685	- 59,999	0.340	2,448,236	- 2,774,666	0.316
15,224	- 15,692	0.363	60,000	- 67,999	0.339	2,774,667	- 3,201,538	0.315
15,693	- 16,190	0.362	68,000	- 78,461	0.338	3,201,539	- 3,783,636	0.314
16,191	- 16,721	0.361	78,462	- 92,727	0.337	3,783,637	- 4,624,444	0.313
16,722	- 17,288	0.360	92,728	- 113,333	0.336	4,624,445	- 5,945,714	0.312
17,289	- 17,894	0.359	113,334	- 145,714	0.335	5,945,715	- 8,323,999	0.311
17,895	- 18,545	0.358	145,715	- 200,606	0.334	8,324,000	- 13,873,333	0.310
18,546	- 19,245	0.357	200,607	- 213,548	0.333	13,873,334	- 41,619,999	0.309
						41,620,000	- And Above	0.308
						First	- 10,000	0.0%
						Next	- 190,000	5.1%
						Next	- 1,550,000	6.5%
						Over	- 1,750,000	7.5%
						Expected Loss Ratio:		0.586
						Tax Multiplier:		1.035

## Table of Expense Ratios - Excluding Allocated Loss Adjustment Expense and Taxes and Including Profit and Contingencies

Type A: 2022-01

WC Premium Range From	To	Expense Ratio	WC Premium Range From	To	Expense Ratio	WC Premium Range From	To	Expense Ratio
0	- 10,055	0.317	21,928	- 22,469	0.268	393,334	- 424,799	0.220
10,056	- 10,167	0.316	22,470	- 23,037	0.267	424,800	- 461,739	0.219
10,168	- 10,282	0.315	23,038	- 23,636	0.267	461,740	- 505,714	0.218
10,283	- 10,399	0.314	23,637	- 24,266	0.266	505,715	- 558,947	0.217
10,400	- 10,520	0.313	24,267	- 24,931	0.265	558,948	- 624,705	0.216
10,521	- 10,643	0.312	24,932	- 25,633	0.264	624,706	- 707,999	0.215
10,644	- 10,769	0.311	25,634	- 26,376	0.263	708,000	- 816,923	0.214
10,770	- 10,898	0.310	26,377	- 27,164	0.262	816,924	- 965,454	0.213
10,899	- 11,030	0.309	27,165	- 27,999	0.261	965,455	- 1,179,999	0.212
11,031	- 11,165	0.308	28,000	- 28,888	0.260	1,180,000	- 1,517,142	0.211
11,166	- 11,304	0.307	28,889	- 29,836	0.259	1,517,143	- 1,824,799	0.210
11,305	- 11,446	0.306	29,837	- 30,847	0.258	1,824,800	- 1,983,478	0.209
11,447	- 11,592	0.305	30,848	- 31,929	0.257	1,983,479	- 2,172,380	0.209
11,593	- 11,741	0.304	31,930	- 33,090	0.256	2,172,381	- 2,401,052	0.208
11,742	- 11,895	0.303	33,091	- 34,339	0.255	2,401,053	- 2,683,529	0.207
11,896	- 12,052	0.302	34,340	- 35,686	0.254	2,683,530	- 3,041,333	0.206
12,053	- 12,214	0.301	35,687	- 37,142	0.253	3,041,334	- 3,509,230	0.205
12,215	- 12,380	0.300	37,143	- 38,723	0.252	3,509,231	- 4,147,272	0.204
12,381	- 12,551	0.299	38,724	- 40,444	0.251	4,147,273	- 5,068,888	0.203
12,552	- 12,727	0.298	40,445	- 42,325	0.250	5,068,889	- 6,517,142	0.202
12,728	- 12,907	0.297	42,326	- 44,390	0.249	6,517,143	- 9,123,999	0.201
12,908	- 13,093	0.296	44,391	- 46,666	0.248	9,124,000	- 15,206,666	0.200
13,094	- 13,284	0.295	46,667	- 49,189	0.247	15,206,667	- 45,619,999	0.199
13,285	- 13,481	0.295	49,190	- 51,999	0.246	45,620,000	- And Above	0.198
13,482	- 13,684	0.294	52,000	- 55,151	0.245			
13,685	- 13,893	0.293	55,152	- 58,709	0.244			
13,894	- 14,108	0.292	58,710	- 62,758	0.243			
14,109	- 14,330	0.291	62,759	- 67,407	0.242			
14,331	- 14,559	0.290	67,408	- 72,799	0.241			
14,560	- 14,796	0.289	72,800	- 79,130	0.240			
14,797	- 15,041	0.288	79,131	- 86,666	0.239			
15,042	- 15,294	0.287	86,667	- 95,789	0.238			
15,295	- 15,555	0.286	95,790	- 107,058	0.238			
15,556	- 15,826	0.285	107,059	- 121,333	0.237			
15,827	- 16,106	0.284	121,334	- 139,999	0.236			
16,107	- 16,396	0.283	140,000	- 165,454	0.235			
16,397	- 16,697	0.282	165,455	- 200,377	0.234			
16,698	- 17,009	0.281	200,378	- 208,235	0.233			
17,010	- 17,333	0.280	208,236	- 216,734	0.232			
17,334	- 17,669	0.279	216,735	- 225,957	0.231			
17,670	- 18,019	0.278	225,958	- 235,999	0.230			
18,020	- 18,383	0.277	236,000	- 246,976	0.229			
18,384	- 18,762	0.276	246,977	- 259,024	0.228			
18,763	- 19,157	0.275	259,025	- 272,307	0.227			
19,158	- 19,569	0.274	272,308	- 287,027	0.226			
19,570	- 19,999	0.273	287,028	- 303,428	0.225			
20,000	- 20,449	0.272	303,429	- 321,818	0.224	First	- 10,000	0.0%
20,450	- 20,919	0.271	321,819	- 342,580	0.223	Next	- 190,000	9.1%
20,920	- 21,411	0.270	342,581	- 366,206	0.222	Next	- 1,550,000	11.3%
21,412	- 21,927	0.269	366,207	- 393,333	0.221	Over	- 1,750,000	12.3%
						Expected Loss and ALAE Ratio:		0.649
						Tax Multiplier:		1.035

## Table of Expense Ratios - Excluding Allocated Loss Adjustment Expense and Taxes and Including Profit and Contingencies

Type B: 2022-01

WC Premium Range From      To	Expense Ratio	WC Premium Range From      To	Expense Ratio	WC Premium Range From      To	Expense Ratio
0 - 10,099	0.317	19,246 - 19,999	0.293	213,549 - 228,275	0.268
10,100 - 10,303	0.316	20,000 - 20,816	0.292	228,276 - 245,185	0.267
10,304 - 10,515	0.315	20,817 - 21,702	0.291	245,186 - 264,799	0.267
10,516 - 10,736	0.314	21,703 - 22,666	0.290	264,800 - 287,826	0.266
10,737 - 10,967	0.313	22,667 - 23,720	0.289	287,827 - 315,238	0.265
10,968 - 11,208	0.312	23,721 - 24,878	0.288	315,239 - 348,421	0.264
11,209 - 11,460	0.311	24,879 - 26,153	0.287	348,422 - 389,411	0.263
11,461 - 11,724	0.310	26,154 - 27,567	0.286	389,412 - 441,333	0.262
11,725 - 11,999	0.309	27,568 - 29,142	0.285	441,334 - 509,230	0.261
12,000 - 12,289	0.308	29,143 - 30,909	0.284	509,231 - 601,818	0.260
12,290 - 12,592	0.307	30,910 - 32,903	0.283	601,819 - 735,555	0.259
12,593 - 12,911	0.306	32,904 - 35,172	0.282	735,556 - 945,714	0.258
12,912 - 13,246	0.305	35,173 - 37,777	0.281	945,715 - 1,323,999	0.257
13,247 - 13,599	0.304	37,778 - 40,799	0.280	1,324,000 - 1,809,565	0.256
13,600 - 13,972	0.303	40,800 - 44,347	0.279	1,809,566 - 1,981,904	0.255
13,973 - 14,366	0.302	44,348 - 48,571	0.278	1,981,905 - 2,190,526	0.254
14,367 - 14,782	0.301	48,572 - 53,684	0.277	2,190,527 - 2,448,235	0.253
14,783 - 15,223	0.300	53,685 - 59,999	0.276	2,448,236 - 2,774,666	0.252
15,224 - 15,692	0.299	60,000 - 67,999	0.275	2,774,667 - 3,201,538	0.251
15,693 - 16,190	0.298	68,000 - 78,461	0.274	3,201,539 - 3,783,636	0.250
16,191 - 16,721	0.297	78,462 - 92,727	0.273	3,783,637 - 4,624,444	0.249
16,722 - 17,288	0.296	92,728 - 113,333	0.272	4,624,445 - 5,945,714	0.248
17,289 - 17,894	0.295	113,334 - 145,714	0.271	5,945,715 - 8,323,999	0.247
17,895 - 18,545	0.295	145,715 - 200,606	0.270	8,324,000 - 13,873,333	0.246
18,546 - 19,245	0.294	200,607 - 213,548	0.269	13,873,334 - 41,619,999	0.245
				41,620,000 - And Above	0.244
				First                      10,000	0.0%
				Next                      190,000	5.1%
				Next                      1,550,000	6.5%
				Over                      1,750,000	7.5%
				Expected Loss and ALAE Ratio:	0.649
				Tax Multiplier:	1.035

## Table of Expense Ratios - Excluding Taxes and Including Profit and Contingencies - Florida

Type FL - A: 2022-01

WC Premium Range From	To	Expense Ratio	WC Premium Range From	To	Expense Ratio	WC Premium Range From	To	Expense Ratio
0	- 10,055	0.390	21,928	- 22,469	0.342	393,334	- 424,799	0.293
10,056	- 10,167	0.389	22,470	- 23,037	0.341	424,800	- 461,739	0.292
10,168	- 10,282	0.388	23,038	- 23,636	0.340	461,740	- 505,714	0.291
10,283	- 10,399	0.387	23,637	- 24,266	0.339	505,715	- 558,947	0.290
10,400	- 10,520	0.386	24,267	- 24,931	0.338	558,948	- 624,705	0.289
10,521	- 10,643	0.385	24,932	- 25,633	0.337	624,706	- 707,999	0.288
10,644	- 10,769	0.385	25,634	- 26,376	0.336	708,000	- 816,923	0.287
10,770	- 10,898	0.384	26,377	- 27,164	0.335	816,924	- 965,454	0.286
10,899	- 11,030	0.383	27,165	- 27,999	0.334	965,455	- 1,179,999	0.285
11,031	- 11,165	0.382	28,000	- 28,888	0.333	1,180,000	- 1,517,142	0.284
11,166	- 11,304	0.381	28,889	- 29,836	0.332	1,517,143	- 1,824,799	0.283
11,305	- 11,446	0.380	29,837	- 30,847	0.331	1,824,800	- 1,983,478	0.282
11,447	- 11,592	0.379	30,848	- 31,929	0.330	1,983,479	- 2,172,380	0.281
11,593	- 11,741	0.378	31,930	- 33,090	0.329	2,172,381	- 2,401,052	0.280
11,742	- 11,895	0.377	33,091	- 34,339	0.328	2,401,053	- 2,683,529	0.279
11,896	- 12,052	0.376	34,340	- 35,686	0.327	2,683,530	- 3,041,333	0.278
12,053	- 12,214	0.375	35,687	- 37,142	0.326	3,041,334	- 3,509,230	0.277
12,215	- 12,380	0.374	37,143	- 38,723	0.325	3,509,231	- 4,147,272	0.276
12,381	- 12,551	0.373	38,724	- 40,444	0.324	4,147,273	- 5,068,888	0.275
12,552	- 12,727	0.372	40,445	- 42,325	0.323	5,068,889	- 6,517,142	0.274
12,728	- 12,907	0.371	42,326	- 44,390	0.322	6,517,143	- 9,123,999	0.273
12,908	- 13,093	0.370	44,391	- 46,666	0.321	9,124,000	- 15,206,666	0.272
13,094	- 13,284	0.369	46,667	- 49,189	0.320	15,206,667	- 45,619,999	0.271
13,285	- 13,481	0.368	49,190	- 51,999	0.319	45,620,000	- And Above	0.270
13,482	- 13,684	0.367	52,000	- 55,151	0.318			
13,685	- 13,893	0.366	55,152	- 58,709	0.317			
13,894	- 14,108	0.365	58,710	- 62,758	0.316			
14,109	- 14,330	0.364	62,759	- 67,407	0.315			
14,331	- 14,559	0.363	67,408	- 72,799	0.314			
14,560	- 14,796	0.362	72,800	- 79,130	0.313			
14,797	- 15,041	0.361	79,131	- 86,666	0.312			
15,042	- 15,294	0.360	86,667	- 95,789	0.311			
15,295	- 15,555	0.359	95,790	- 107,058	0.310			
15,556	- 15,826	0.358	107,059	- 121,333	0.309			
15,827	- 16,106	0.357	121,334	- 139,999	0.308			
16,107	- 16,396	0.356	140,000	- 165,454	0.307			
16,397	- 16,697	0.355	165,455	- 200,377	0.306			
16,698	- 17,009	0.354	200,378	- 208,235	0.305			
17,010	- 17,333	0.353	208,236	- 216,734	0.305			
17,334	- 17,669	0.352	216,735	- 225,957	0.304			
17,670	- 18,019	0.351	225,958	- 235,999	0.303			
18,020	- 18,383	0.350	236,000	- 246,976	0.302			
18,384	- 18,762	0.349	246,977	- 259,024	0.301			
18,763	- 19,157	0.348	259,025	- 272,307	0.300			
19,158	- 19,569	0.347	272,308	- 287,027	0.299			
19,570	- 19,999	0.346	287,028	- 303,428	0.298			
20,000	- 20,449	0.345	303,429	- 321,818	0.297	First	- 10,000	0.0%
20,450	- 20,919	0.345	321,819	- 342,580	0.296	Next	- 190,000	9.1%
20,920	- 21,411	0.344	342,581	- 366,206	0.295	Next	- 1,550,000	11.3%
21,412	- 21,927	0.343	366,207	- 393,333	0.294	Over	- 1,750,000	12.3%
						Expected Loss Ratio:		0.585
						Tax Multiplier:		1.025

## Table of Expense Ratios - Excluding Taxes and Including Profit and Contingencies - Florida

Type FL - B: 2022-01

WC Premium Range		Expense Ratio
From	To	
0	- 10,099	0.390
10,100	- 10,303	0.389
10,304	- 10,515	0.388
10,516	- 10,736	0.387
10,737	- 10,967	0.386
10,968	- 11,208	0.385
11,209	- 11,460	0.385
11,461	- 11,724	0.384
11,725	- 11,999	0.383
12,000	- 12,289	0.382
12,290	- 12,592	0.381
12,593	- 12,911	0.380
12,912	- 13,246	0.379
13,247	- 13,599	0.378
13,600	- 13,972	0.377
13,973	- 14,366	0.376
14,367	- 14,782	0.375
14,783	- 15,223	0.374
15,224	- 15,692	0.373
15,693	- 16,190	0.372
16,191	- 16,721	0.371
16,722	- 17,288	0.370
17,289	- 17,894	0.369
17,895	- 18,545	0.368
18,546	- 19,245	0.367

WC Premium Range		Expense Ratio
From	To	
19,246	- 19,999	0.366
20,000	- 20,816	0.365
20,817	- 21,702	0.364
21,703	- 22,666	0.363
22,667	- 23,720	0.362
23,721	- 24,878	0.361
24,879	- 26,153	0.360
26,154	- 27,567	0.359
27,568	- 29,142	0.358
29,143	- 30,909	0.357
30,910	- 32,903	0.356
32,904	- 35,172	0.355
35,173	- 37,777	0.354
37,778	- 40,799	0.353
40,800	- 44,347	0.352
44,348	- 48,571	0.351
48,572	- 53,684	0.350
53,685	- 59,999	0.349
60,000	- 67,999	0.348
68,000	- 78,461	0.347
78,462	- 92,727	0.346
92,728	- 113,333	0.345
113,334	- 145,714	0.345
145,715	- 200,606	0.344
200,607	- 213,548	0.343

WC Premium Range		Expense Ratio
From	To	
213,549	- 228,275	0.342
228,276	- 245,185	0.341
245,186	- 264,799	0.340
264,800	- 287,826	0.339
287,827	- 315,238	0.338
315,239	- 348,421	0.337
348,422	- 389,411	0.336
389,412	- 441,333	0.335
441,334	- 509,230	0.334
509,231	- 601,818	0.333
601,819	- 735,555	0.332
735,556	- 945,714	0.331
945,715	- 1,323,999	0.330
1,324,000	- 1,809,565	0.329
1,809,566	- 1,981,904	0.328
1,981,905	- 2,190,526	0.327
2,190,527	- 2,448,235	0.326
2,448,236	- 2,774,666	0.325
2,774,667	- 3,201,538	0.324
3,201,539	- 3,783,636	0.323
3,783,637	- 4,624,444	0.322
4,624,445	- 5,945,714	0.321
5,945,715	- 8,323,999	0.320
8,324,000	- 13,873,333	0.319
13,873,334	- 41,619,999	0.318
41,620,000	- And Above	0.317
First	- 10,000	0.0%
Next	- 190,000	5.1%
Next	- 1,550,000	6.5%
Over	- 1,750,000	7.5%
Expected Loss Ratio:		0.585
Tax Multiplier:		1.025

Table of Expense Ratios - Excluding Allocated Loss Adjustment  
Expense and Taxes and Including Profit and Contingencies - Florida

Type FL - A: 2022-01

WC Premium Range From To	Expense Ratio	WC Premium Range From To	Expense Ratio	WC Premium Range From To	Expense Ratio
0 - 10,055	0.313	21,928 - 22,469	0.264	393,334 - 424,799	0.216
10,056 - 10,167	0.312	22,470 - 23,037	0.263	424,800 - 461,739	0.215
10,168 - 10,282	0.311	23,038 - 23,636	0.262	461,740 - 505,714	0.214
10,283 - 10,399	0.310	23,637 - 24,266	0.261	505,715 - 558,947	0.213
10,400 - 10,520	0.309	24,267 - 24,931	0.260	558,948 - 624,705	0.212
10,521 - 10,643	0.308	24,932 - 25,633	0.259	624,706 - 707,999	0.211
10,644 - 10,769	0.307	25,634 - 26,376	0.258	708,000 - 816,923	0.210
10,770 - 10,898	0.306	26,377 - 27,164	0.258	816,924 - 965,454	0.209
10,899 - 11,030	0.305	27,165 - 27,999	0.257	965,455 - 1,179,999	0.208
11,031 - 11,165	0.304	28,000 - 28,888	0.256	1,180,000 - 1,517,142	0.207
11,166 - 11,304	0.303	28,889 - 29,836	0.255	1,517,143 - 1,824,799	0.206
11,305 - 11,446	0.302	29,837 - 30,847	0.254	1,824,800 - 1,983,478	0.205
11,447 - 11,592	0.301	30,848 - 31,929	0.253	1,983,479 - 2,172,380	0.204
11,593 - 11,741	0.300	31,930 - 33,090	0.252	2,172,381 - 2,401,052	0.203
11,742 - 11,895	0.299	33,091 - 34,339	0.251	2,401,053 - 2,683,529	0.202
11,896 - 12,052	0.298	34,340 - 35,686	0.250	2,683,530 - 3,041,333	0.201
12,053 - 12,214	0.298	35,687 - 37,142	0.249	3,041,334 - 3,509,230	0.200
12,215 - 12,380	0.297	37,143 - 38,723	0.248	3,509,231 - 4,147,272	0.199
12,381 - 12,551	0.296	38,724 - 40,444	0.247	4,147,273 - 5,068,888	0.198
12,552 - 12,727	0.295	40,445 - 42,325	0.246	5,068,889 - 6,517,142	0.197
12,728 - 12,907	0.294	42,326 - 44,390	0.245	6,517,143 - 9,123,999	0.196
12,908 - 13,093	0.293	44,391 - 46,666	0.244	9,124,000 - 15,206,666	0.195
13,094 - 13,284	0.292	46,667 - 49,189	0.243	15,206,667 - 45,619,999	0.194
13,285 - 13,481	0.291	49,190 - 51,999	0.242	45,620,000 - And Above	0.193
13,482 - 13,684	0.290	52,000 - 55,151	0.241		
13,685 - 13,893	0.289	55,152 - 58,709	0.240		
13,894 - 14,108	0.288	58,710 - 62,758	0.239		
14,109 - 14,330	0.287	62,759 - 67,407	0.238		
14,331 - 14,559	0.286	67,408 - 72,799	0.237		
14,560 - 14,796	0.285	72,800 - 79,130	0.236		
14,797 - 15,041	0.284	79,131 - 86,666	0.235		
15,042 - 15,294	0.283	86,667 - 95,789	0.234		
15,295 - 15,555	0.282	95,790 - 107,058	0.233		
15,556 - 15,826	0.281	107,059 - 121,333	0.232		
15,827 - 16,106	0.280	121,334 - 139,999	0.231		
16,107 - 16,396	0.279	140,000 - 165,454	0.230		
16,397 - 16,697	0.278	165,455 - 200,377	0.229		
16,698 - 17,009	0.277	200,378 - 208,235	0.228		
17,010 - 17,333	0.276	208,236 - 216,734	0.227		
17,334 - 17,669	0.275	216,735 - 225,957	0.226		
17,670 - 18,019	0.274	225,958 - 235,999	0.225		
18,020 - 18,383	0.273	236,000 - 246,976	0.224		
18,384 - 18,762	0.272	246,977 - 259,024	0.223		
18,763 - 19,157	0.271	259,025 - 272,307	0.222		
19,158 - 19,569	0.270	272,308 - 287,027	0.221		
19,570 - 19,999	0.269	287,028 - 303,428	0.220		
20,000 - 20,449	0.268	303,429 - 321,818	0.219	First - 10,000	0.0%
20,450 - 20,919	0.267	321,819 - 342,580	0.218	Next - 190,000	9.1%
20,920 - 21,411	0.266	342,581 - 366,206	0.218	Next - 1,550,000	11.3%
21,412 - 21,927	0.265	366,207 - 393,333	0.217	Over - 1,750,000	12.3%
				Expected Loss and ALAE Ratio:	0.662
				Tax Multiplier:	1.025

## Table of Expense Ratios - Excluding Allocated Loss Adjustment Expense and Taxes and Including Profit and Contingencies - Florida

Type FL - B: 2022-01

WC Premium Range		Expense Ratio
From	To	
0	- 10,099	0.313
10,100	- 10,303	0.312
10,304	- 10,515	0.311
10,516	- 10,736	0.310
10,737	- 10,967	0.309
10,968	- 11,208	0.308
11,209	- 11,460	0.307
11,461	- 11,724	0.306
11,725	- 11,999	0.305
12,000	- 12,289	0.304
12,290	- 12,592	0.303
12,593	- 12,911	0.302
12,912	- 13,246	0.301
13,247	- 13,599	0.300
13,600	- 13,972	0.299
13,973	- 14,366	0.298
14,367	- 14,782	0.298
14,783	- 15,223	0.297
15,224	- 15,692	0.296
15,693	- 16,190	0.295
16,191	- 16,721	0.294
16,722	- 17,288	0.293
17,289	- 17,894	0.292
17,895	- 18,545	0.291
18,546	- 19,245	0.290

WC Premium Range		Expense Ratio
From	To	
19,246	- 19,999	0.289
20,000	- 20,816	0.288
20,817	- 21,702	0.287
21,703	- 22,666	0.286
22,667	- 23,720	0.285
23,721	- 24,878	0.284
24,879	- 26,153	0.283
26,154	- 27,567	0.282
27,568	- 29,142	0.281
29,143	- 30,909	0.280
30,910	- 32,903	0.279
32,904	- 35,172	0.278
35,173	- 37,777	0.277
37,778	- 40,799	0.276
40,800	- 44,347	0.275
44,348	- 48,571	0.274
48,572	- 53,684	0.273
53,685	- 59,999	0.272
60,000	- 67,999	0.271
68,000	- 78,461	0.270
78,462	- 92,727	0.269
92,728	- 113,333	0.268
113,334	- 145,714	0.267
145,715	- 200,606	0.266
200,607	- 213,548	0.265

WC Premium Range		Expense Ratio
From	To	
213,549	- 228,275	0.264
228,276	- 245,185	0.263
245,186	- 264,799	0.262
264,800	- 287,826	0.261
287,827	- 315,238	0.260
315,239	- 348,421	0.259
348,422	- 389,411	0.258
389,412	- 441,333	0.258
441,334	- 509,230	0.257
509,231	- 601,818	0.256
601,819	- 735,555	0.255
735,556	- 945,714	0.254
945,715	- 1,323,999	0.253
1,324,000	- 1,809,565	0.252
1,809,566	- 1,981,904	0.251
1,981,905	- 2,190,526	0.250
2,190,527	- 2,448,235	0.249
2,448,236	- 2,774,666	0.248
2,774,667	- 3,201,538	0.247
3,201,539	- 3,783,636	0.246
3,783,637	- 4,624,444	0.245
4,624,445	- 5,945,714	0.244
5,945,715	- 8,323,999	0.243
8,324,000	- 13,873,333	0.242
13,873,334	- 41,619,999	0.241
41,620,000	- And Above	0.240
First	10,000	0.0%
Next	190,000	5.1%
Next	1,550,000	6.5%
Over	1,750,000	7.5%
Expected Loss and ALAE Ratio:		0.662
Tax Multiplier:		1.025



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### **Part 3 Supporting Exhibits**

- Exhibit I – Determination of the Indicated Rate Level Change
- Exhibit II – Workers Compensation Expense Program
- Appendix A – Factors Underlying the Proposed Rate Level Change
- Appendix B – Calculations Underlying the Rate Changes by Classification



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Exhibit I – Determination of the Indicated Rate Level Change

NCCI analyzed the emerging experience of Florida workers compensation policies in recent years. The primary focus of our analysis was on premiums and losses from Policy Years 2019 and 2020 evaluated as of December 31, 2021. The most recently available full policy year is 2020 since the last policy had an effective date of December 31, 2020 and did not expire until December 31, 2021.

NCCI utilizes 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 the Designated Statistical Reporting (DSR) level is developed to an ultimate basis and adjusted to the current level via premium on-level factors. Please see Appendix A-I for additional adjustments included in the premium on-level calculation.
2. Reported indemnity and medical losses are developed to an ultimate report and adjusted (via on-level factors) to the current benefit level.
3. Indemnity and medical cost ratios excluding trend and benefits are calculated as the 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 anticipated changes in the amount of indemnity and medical benefits as compared with anticipated changes in the amount of workers' wages between (i) the years in filing's experience period and (ii) the period during which the proposed rates will be in effect.
5. The impact of proposed indemnity and medical benefit changes is then applied.
6. The separate indemnity and medical cost ratios including benefit changes are then summed to yield the indicated change based on experience, trend, and benefits.

This filing's overall indicated change based on experience, trend, and benefits 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 expense-related provisions is applied to determine the indicated overall average rate level change.



## FLORIDA

### EXHIBIT I

#### Determination of Indicated Rate Level Change

##### Section A - Policy Year 2020 Experience

###### Premium:

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$2,658,771,452
(2) Premium On-level Factor (Appendix A-I)	0.522
(3) Pure Premium Available for Benefit Costs = (1) x (2)	\$1,387,878,698

###### Indemnity Benefit Cost:

(4) Indemnity Losses Developed to Ultimate (Appendix A-II)	\$497,486,026
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.000
(6) Adjusted Indemnity Losses = (4) x (5)	\$497,486,026
(7) Adjusted Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.358
(8) Factor to Reflect Indemnity Trend (Appendix A-III)	0.913
(9) Projected Indemnity Cost Ratio = (7) x (8)	0.327
(10) Factor to Reflect Proposed Changes in Indemnity Benefits	1.000
(11) Projected Indemnity Cost Ratio including Benefit Changes = (9) x (10)	0.327

###### Medical Benefit Cost:

(12) Medical Losses Developed to Ultimate (Appendix A-II)	\$851,007,158
(13) Medical Loss On-level Factor (Appendix A-I)	1.000
(14) Adjusted Medical Losses = (12) x (13)	\$851,007,158
(15) Adjusted Medical Cost Ratio excluding Trend and Benefits = (14) / (3)	0.613
(16) Factor to Reflect Medical Trend (Appendix A-III)	0.913
(17) Projected Medical Cost Ratio = (15) x (16)	0.560
(18) Factor to Reflect Proposed Changes in Medical Benefits	1.000
(19) Projected Medical Cost Ratio including Benefit Changes = (17) x (18)	0.560

###### Total Benefit Cost:

(20) Indicated Change Based on Experience, Trend and Benefits = (11) + (19)	0.887
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## FLORIDA

### EXHIBIT I

#### Determination of Indicated Rate Level Change

##### Section B - Policy Year 2019 Experience

###### Premium:

(1) Standard Earned Premium Developed to Ultimate (Appendix A-II)	\$2,785,301,280
(2) Premium On-level Factor (Appendix A-I)	0.482
(3) Pure Premium Available for Benefit Costs = (1) x (2)	\$1,342,515,217

###### Indemnity Benefit Cost:

(4) Indemnity Losses Developed to Ultimate (Appendix A-II)	\$512,603,617
(5) Indemnity Loss On-level Factor (Appendix A-I)	1.000
(6) Adjusted Indemnity Losses = (4) x (5)	\$512,603,617
(7) Adjusted Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.382
(8) Factor to Reflect Indemnity Trend (Appendix A-III)	0.885
(9) Projected Indemnity Cost Ratio = (7) x (8)	0.338
(10) Factor to Reflect Proposed Changes in Indemnity Benefits	1.000
(11) Projected Indemnity Cost Ratio including Benefit Changes = (9) x (10)	0.338

###### Medical Benefit Cost:

(12) Medical Losses Developed to Ultimate (Appendix A-II)	\$910,262,471
(13) Medical Loss On-level Factor (Appendix A-I)	1.000
(14) Adjusted Medical Losses = (12) x (13)	\$910,262,471
(15) Adjusted Medical Cost Ratio excluding Trend and Benefits = (14) / (3)	0.678
(16) Factor to Reflect Medical Trend (Appendix A-III)	0.885
(17) Projected Medical Cost Ratio = (15) x (16)	0.600
(18) Factor to Reflect Proposed Changes in Medical Benefits	1.000
(19) Projected Medical Cost Ratio including Benefit Changes = (17) x (18)	0.600

###### Total Benefit Cost:

(20) Indicated Change Based on Experience, Trend and Benefits = (11) + (19)	0.938
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## FLORIDA

### EXHIBIT I

#### Determination of Indicated Rate Level Change

##### Section C - Indicated Change Based on Experience, Trend, and Benefits

(1) Policy Year 2020 Indicated Change Based on Experience, Trend, and Benefits	0.887
(2) Policy Year 2019 Indicated Change Based on Experience, Trend, and Benefits	0.938
(3) Indicated Change Based on Experience, Trend, and Benefits = $[(1)+(2)] / 2$	0.913

##### Section D - Application of the Change in Production and General Expenses

(1) Indicated Rate Level Change	0.913
(2) Effect of the Change in Production and General Expenses (Exhibit II)	1.001
(3) Indicated Change Modified to Reflect the Change in Production and General Expenses = (1) x (2)	0.914

##### Section E - Application of the Change in Taxes and Assessments

(1) Indicated Rate Level Change	0.914
(2) Effect of the Change in Taxes and Assessments (Exhibit II)	1.000
(3) Indicated Change Modified to Reflect the Change in Taxes and Assessments = (1) x (2)	0.914

##### Section F - Application of the Change in the Profit and Contingency Provision

(1) Indicated Rate Level Change	0.914
(2) Effect of the Change in the Profit and Contingency Provision (Exhibit II)	1.000
(3) Indicated Change Modified to Reflect the Change in the Profit and Contingency Provision = (1) x (2)	0.914

##### Section G - Application of the Change in Loss-based Expenses

(1) Indicated Rate Level Change	0.914
(2) Effect of the Change in Loss-based Expenses (Exhibit II)	1.002
(3) Indicated Change Modified to Reflect the Change in Loss-based Expenses = (1) x (2)	0.916



**FLORIDA**

**EXHIBIT I**

**Determination of Indicated Rate Level Change**

**Section H - Distribution of Overall Rate Level Change to Industry Groups**

Industry Group Differentials (Appendix A-IV):

Manufacturing	0.997
Contracting	0.984
Office & Clerical	0.997
Goods & Services	1.011
Miscellaneous	1.008

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

Industry Group	(1) Final Overall Rate Level Change	(2) Industry Group Differential	(3) = (1) x (2) Final Rate Level Change by Industry Group	
Manufacturing	0.916	0.997	0.913	(-8.7%)
Contracting	0.916	0.984	0.901	(-9.9%)
Office & Clerical	0.916	0.997	0.913	(-8.7%)
Goods & Services	0.916	1.011	0.926	(-7.4%)
Miscellaneous	0.916	1.008	0.923	(-7.7%)
Overall	0.916	1.000	0.916	(-8.4%)



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Exhibit II – Workers Compensation Expense Program

The proposed workers compensation rates include several expense-related provisions as described below.

**Production and General Expenses:** Production costs include commissions, costs of preparing the policy, verifying the correct application of rates and rating plans, billing and collecting premium and the costs of maintaining company branch offices. General expenses are commonly classified into four categories: general administration, audit, boards and bureaus, and inspection expenses.

**Premium Taxes and Assessments:** Provisions for premium taxes, the Workers Compensation Administration Trust Fund assessment, and the Special Disability Fund assessment are contained in the proposed rates.

**Profit and Contingency Provision:** By law, Florida workers compensation rates must be determined so that insurers can be expected to earn a reasonable rate of return. Analysis and determination of a profit and contingency provision is necessary to ensure this premise is maintained.

**Loss-Based Expenses:** The proposed rates include a provision for loss adjustment expenses (LAE). LAE is included in the rates 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: Defense and Cost Containment Expenses (DCCE) and Adjusting and Other Expenses (AOE). NCCI uses the following general methodology to determine the proposed LAE provision based on data for private carriers.

1. Based on Florida-specific data obtained from NCCI’s Policy Year Financial Call, ratios of paid DCCE to paid losses by policy year are developed to an ultimate basis. The proposed DCCE provision is based on the ultimate projected DCCE ratios by policy year.
2. The proposed AOE ratio is based on countrywide data reported to NCCI on its Call for Loss Adjustment Expense. The nature of AOE generally precludes its accurate allocation to specific jurisdictions.
3. The proposed LAE provision is the sum of the DCCE and AOE components.

**Expense Constant:** Insurer expenses as a proportion of premium vary by size of risk. As risk size increases, marginal expenses tend to diminish. An expense constant (EC) helps address these expense differences by size of risk. The EC together with the expense provision included in the manual rate provide the necessary funding for insurer expenses.



## FLORIDA

### EXHIBIT II

#### Section A - Comparison of Proposed and Current Expense Provisions

Overhead expense provisions are itemized below. These figures are expressed as percentages of standard premium (excluding expense constant) and are indicative of the expenses of the first \$10,000 of policy premium. Taken together these allowances represent that portion of the standard premium dollar necessary to operate the benefit system. The complementary portion corresponds to the portion of the premium dollar available to finance benefits, loss adjustment expenses and loss-based assessments, if applicable. It is referred to as the "target cost ratio".

	<u>Expense Provisions Underlying Current Rates</u>	<u>Expense Provisions Underlying Proposed Rates</u>
(1) Expense Constant	\$160	\$160
(2) Production Expense	18.3%	18.2%
(3) General Expense	5.9%	6.1%
(4) Taxes, Licenses and Fees (other than Federal Income Tax)		
Premium Tax	0.96%	0.96%
Miscellaneous	0.3%	0.3%
Special Disability Trust Fund	0.4%	0.4%
WC Administration Trust Fund	<u>0.79%</u>	<u>0.79%</u>
<b>Total</b>	<b>2.45%</b>	<b>2.45%</b>
(5) Profit and Contingency Provision	1.5%	1.5%
(6) Total Overhead Provisions (2)+(3)+(4)+(5)	28.2%	28.3%
(7) Target Cost Ratio [100% - (6)]	71.8%	71.7%
(8) Loss Adjustment Expense	22.4%	22.6%
(9) Loss-based Assessment	0.0%	0.0%
(10) Permissible Loss Ratio (7) / [1+(8)+(9)]	58.7%	58.5%



# FLORIDA

## EXHIBIT II

### Section B - Calculation of Change in Expense Provisions

	A	B	C	D
	Current Expenses	Col. A with Proposed Prod & Gen Exp	Col. B with Proposed Taxes	Col. C with Proposed Profit and Contingency
(1) Production Expense	18.3%	18.2%	18.2%	18.2%
(2) General Expense	5.9%	6.1%	6.1%	6.1%
(3) Taxes	2.45%	2.45%	2.45%	2.45%
(4) Profit and Contingency Provision	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>
(5) Total Provisions (1)+(2)+(3)+(4)	28.2%	28.3%	28.3%	28.3%
(6) TCR (100%-(5))	71.8%	71.7%	71.7%	71.7%
(7) Loss-Based Expenses	22.4%	22.6%	22.6%	22.6%
(8) Change in Production and General Expense (6A) / (6B)			1.001	+0.1%
(9) Change in Taxes and Assessments (6B) / (6C)			1.000	0.0%
(10) Change in Profit and Contingency Provision (6C) / (6D)			1.000	0.0%
(11) Change in Loss-Based Expenses [1.0 + (7B)]/[1.0 + (7A)]			1.002	+0.2%



## FLORIDA

### EXHIBIT II

#### **Section C - Countrywide Expense Program**

NCCI annually reviews expense provisions underlying workers compensation rates. This review procedure is based on countrywide expense data. Since a significant portion of workers compensation insurance is interstate business, it is not practical to allocate expenses (especially general, other acquisition, and adjusting and other loss adjustment expenses) to particular states.

The NCCI expense program is designed to ensure equity among employers through a percentage provision in manual rates, a schedule of premium discounts for risks with standard premium in excess of \$10,000, and the application of an expense constant.

The majority of expenses incurred in workers compensation vary directly by layer of premium and are accordingly termed variable expenses. An equitable apportionment of variable expense is achieved through the application of premium discounts. As the premium for a policy increases, some expenses incurred in handling the insurance coverage become proportionately less in terms of premium. A fair expense program must, therefore, provide that the larger premium policies be charged a lower percentage of premium for these expenses than the smaller policies.

Other expenses such as issuing, recording and auditing are common to all policies regardless of size. These common expenses are called fixed expenses and are addressed by incorporating an expense constant in the program.



# FLORIDA

## EXHIBIT II

### Section D - Derivation of General Expense Provisions

The data below (amounts in thousands) illustrates that the combination of a 6.1% general expense provision in the manual rates, a \$160 expense constant, and the premium discount schedule generates general expense premium dollars that are consistent with historical actual general expenses as reported in the Insurance Expense Exhibit. All figures below are based on NAIC Insurance Expense Exhibit (IEE) data for stock and mutual companies, supplemented with other data as appropriate.

	<u>2019</u>	<u>2020</u>	<u>2021</u>
(1) Direct Earned Premium <i>(NAIC Insurance Expense Exhibit Data)</i>	48,715,830	44,697,279	44,738,409
(1a) Effect of Premium Discounts	0.9287	0.9299	0.9308
(1b) Effect of Schedule Rating	0.9542	0.9572	0.9592
(1c) Effect of Carrier Deviations	1.0603	1.0758	1.0780
(1d) Effect of Deductibles	0.7398	0.7417	0.7399
(1e) Expense Constant Offset	0.9906	0.9896	0.9896
(2) Gross Adjusted Premium <i>(STD Premium @ NCCI Level Excl. Expense Constant)</i> <i>{{(1) / [(1a) x (1b) x (1c) x (1d)]} x (1e)}</i>	69,424,136	62,279,055	62,170,289
(3) Direct General Expenses Incurred <i>(NAIC Insurance Expense Exhibit Data)</i>	3,518,233	3,321,770	3,346,906
(3a) Proportion of Expense Constant Attributable to General Expenses	0.4063	0.4063	0.4063
(4) General Expenses Incurred <i>(Excluding Expense Constant Revenue)</i> <i>(3) - (2) x [1-(1e)]/(1e) x (3a)</i>	3,250,571	3,055,843	3,081,443
(5) Ratio of General Expense to Premium <i>(Excluding Expense Constant Revenue)</i> <i>(4)/(2)</i>	4.68%	4.91%	4.96%
(6) General Expense Gradations <i>(General Expenses in Average Premium Discount)</i>	1.25%	1.23%	1.23%
(7) General Expense Provision <i>(5)+(6)</i>	5.93%	6.14%	6.19%
(8) Selected General Expense Provision			6.1%



# FLORIDA

## EXHIBIT II

### Section E - Derivation of Production Expense Provisions

The data below (amounts in thousands) illustrates that the combination of a 18.2% production expense provision in the manual rates, a \$160 expense constant, and the premium discount schedule generates production expense premium dollars that are consistent with historical actual production expenses as reported for combined stock and mutual companies' voluntary business. All figures below are based on NAIC Insurance Expense Exhibit (IEE) data for stock and mutual companies, supplemented with other data as appropriate.

	<u>2019</u>	<u>2020</u>	<u>2021</u>
(1) Direct Written Premium <i>(NAIC Insurance Expense Exhibit Data)</i>	48,542,771	44,395,749	45,045,328
(1a) Effect of Premium Discounts	0.9287	0.9308	0.9308
(1b) Effect of Schedule Rating	0.9550	0.9589	0.9594
(1c) Effect of Carrier Deviations	1.0706	1.0797	1.0769
(1d) Effect of Deductibles	0.7440	0.7399	0.7399
(1e) Expense Constant Offset	0.9901	0.9892	0.9892
(2) Pool Written Premium <i>(Summary of NCCI Managed Pools - Combined Stock and Mutual Company Data)</i>	973,698	900,966	857,108
(3) Adjusted Direct Written Premium <i>(STD Premium Excl. Pool Written Premium) [(1)-(2)] / (1a) x (1e)</i>	50,714,051	46,223,721	46,960,665
(4) Gross Direct Written Premium <i>(STD Premium @ NCCI Level Incl. Pool Written Premium) {(1) / [(1a) x (1b) x (1c) x (1d)]} x (1e)</i>	68,033,785	61,591,343	62,622,351
(5) Direct Commission & Brokerage Incurred <i>(NAIC Insurance Expense Exhibit Data)</i>	4,366,984	3,982,263	4,279,676
(6) Pool Producer Fees <i>(Summary of NCCI Managed Pools - Combined Stock and Mutual Company Data)</i>	33,836	29,463	28,272
(7) Direct Other Acquisition Expenses Incurred <i>(NAIC Insurance Expense Exhibit Data)</i>	2,307,660	2,128,770	2,101,949
(7a) Proportion of Expense Constant Attributable to Production Expenses	0.5313	0.5313	0.5313
(8) Other Acquisition Expenses Incurred <i>(Excluding Expense Constant Revenue) (7) - (4) x [1-(1e)]/(1e) x (7a)</i>	1,946,233	1,771,498	1,738,696
(9) Ratio of Other Acq. Expenses to Premium <i>(Excluding Expense Constant Revenue) (8)/(4)</i>	2.86%	2.88%	2.78%
(10) Direct Commission & Brokerage Provision <i>[(5)-(6)]/(3)</i>	8.54%	8.55%	9.05%
(11) Production Expense Gradations <i>(Production Expenses in Average Premium Discount)</i>	6.65%	6.60%	6.60%
(12) Production Expense Provision <i>(9)+(10)+(11)</i>	18.05%	18.03%	18.43%
(13) Selected Production Expense Provision			18.2%



**FLORIDA**

**EXHIBIT II**

**Workers Compensation Loss Adjustment Expense Provision**

**Section F - Determination of Loss Adjustment Expense Provision**

In this filing, NCCI proposes a 22.6% loss adjustment expense allowance as a percentage of losses. The DCCE provision is based on Florida-specific data reported to NCCI on the Policy Year Call for Experience. The AOE provision is based on countrywide data reported to NCCI on the Call for Loss Adjustment Expense.

<u>Policy Year</u>	<u>Developed DCCE Ratio</u>	<u>Accident Year</u>	<u>Developed AOE Ratio</u>	
2016	12.4%	2017	9.2%	
2017	13.0%	2018	9.2%	
2018	12.8%	2019	9.6%	
2019	13.2%	2020	10.0%	
2020	<u>13.7%</u>	2021	<u>9.3%</u>	
Countrywide selected:			9.4%	
Florida selected:	13.2%	+	9.4%	= 22.6%

**Defense and Cost Containment Expense (DCCE) Ratio**

(1) <u>Policy Year</u>	(2) <u>Reported Ratio of Paid DCCE to Paid Losses</u>	(3) <u>Age-to-Ultimate Development Factor</u>	(4) = (2) x (3) <u>Ultimate DCCE Ratio</u>
2016	12.9%	0.958	12.4%
2017	13.6%	0.953	13.0%
2018	13.5%	0.948	12.8%
2019	13.8%	0.955	13.2%
2020	13.3%	1.033	<u>13.7%</u>
		Florida selected:	13.2%

**Proposed Change in the Loss Adjustment Expense (LAE) Provision**

	(5) <u>Current</u>	(6) <u>Proposed</u>	
Florida LAE Provision	22.4%	22.6%	
Proposed Change in LAE Provision = [1.000 + (6)] / [1.000 + (5)] - 1		1.002	(+0.2%)



## FLORIDA

### EXHIBIT II

#### Section G - Table of Premium Discounts

<u>Division of Standard Premium</u>	<u>Type A Discounts</u>	<u>Type B Discounts</u>
First \$10,000	---	---
Next \$190,000	9.1%	5.1%
Next \$1,550,000	11.3%	6.5%
Over \$1,750,000	12.3%	7.5%

Application of the appropriate discount schedule to the standard premium produces a dollar discount that is subtracted from the standard premium.



# FLORIDA

## EXHIBIT II

### Section H - Average Expense Provisions

Reproduced below are the graduated expense provisions by policy size.

#### Gradation of Standard Premium

Division of Premium		Expense Gradations		
		Production*	General	Discounts
First	\$10,000	18.2%	6.1%	---
Next	\$190,000	10.7%	5.1%	9.1%
Next	\$1,550,000	9.2%	4.5%	11.3%
Over	\$1,750,000	9.2%	3.6%	12.3%
Proposed Average:		11.6%	4.9%	
Proposed Average Expense Gradation: (Expense for 1st \$10,000 - Avg Expense)		6.6%	1.2%	

#### Average Premium Discount:

$$[Avg\ Exp\ Grad] / [1 - Taxes - P\&C] = [6.6\% + 1.2\%] / [1 - 2.5\% - 1.5\%] = 8.1\%$$

#### Composition of Standard Premium:

Benefit & Loss Adj. Cost	Production (18.2%)	General (6.1%)	Profit (1.5%)	Taxes (2.5%)
71.7%	11.6%	4.9%	1.4%	2.3%
	6.6%	1.2%	0.1%	0.2%
	0.6%	0.4%	0.0%	0.0%

} -- Premium After Discounts (91.9%)

} -- Discount (8.1%)

} -- Premium from \$160 expense constant. (1.1% = 1/0.990 - 1)^

} -- Standard Premium Excluding Expense Constant (100.0%)

### Notes

\* The production expense gradations shown are based on Type A gradations.

^ The 0.990 offset is for the \$160 expense constant.



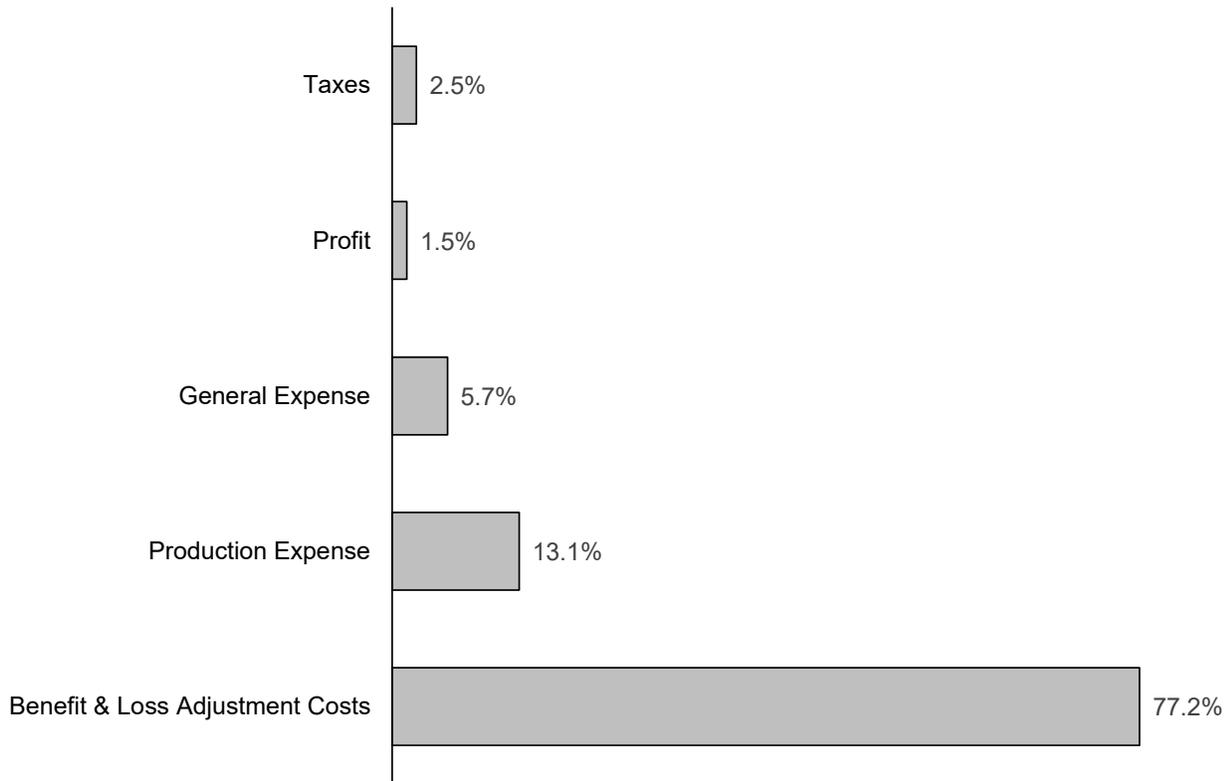
# FLORIDA

## EXHIBIT II

### Section I - Florida Expense Provisions as a Percentage of Net Premium at NCCI Level

The exhibit below illustrates the allocation of the final premium dollar after the application of premium discounts and expense constants based on FLORIDA expense provisions.

### Components of Premium



Notes:

Benefit & Loss Adjustment Costs	77.2%	=	(71.7%) / 92.9%
Production Expense	13.1%	=	(11.6% + 0.6%) / 92.9%
General Expense	5.7%	=	(4.9% + 0.4%) / 92.9%
Profit	1.5%	=	(1.4% + 0.0%) / 92.9%
<u>Taxes</u>	<u>2.5%</u>	=	(2.3% + 0.0%) / 92.9%
Total	100.0%		



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### 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 rate and benefit levels, respectively.

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

Additional adjustments applied as part of the premium on-level factor calculation include:

- Adjustment for Expense Constant Removal: This factor removes premium collected via the charged expense constant.
- Adjustment for Expense Removal: This factor is applied to remove expenses from the reported premium totals.
- 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 targeted in the filing.

Loss on-level factors are adjustment factors that reflect the cumulative impact of all included 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.



FLORIDA

APPENDIX A-I

Determination of Policy Year On-level Factors

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Rate	Cumulative		Product	Adj. Factor	Adj. For	Adj. For	Off-balance	Premium
Date	Change	Index	Weight	(2)x(3)	Present Index/ Sum Column (4)	Expense Constant Removal @	Expense Removal	Adjustment Factor*	Adjustment Factor (5)x(6)x(7)x(8)
NR 01/01/20	Base	1.000	1.000	1.000	0.888	0.989	0.587	1.013	0.522
NR 01/01/21	0.934	0.934							
NR 01/01/22	0.951	0.888							
				1.000					

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

	(1)	(2)	(3)	(4)	(5)
	Benefit	Cumulative		Product	Adj. Factor
Date	Level Change	Index	Weight	(2)x(3)	Present Index/ Sum Column (4)
07/01/17	Base	1.000	1.000	1.000	1.000
				1.000	

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

	(1)	(2)	(3)	(4)	(5)
	Benefit	Cumulative		Product	Adj. Factor
Date	Level Change	Index	Weight	(2)x(3)	Present Index/ Sum Column (4)
07/01/17	Base	1.000	1.000	1.000	1.000
				1.000	

NR New and renewal business.

@ Eliminates premium derived from expense constants.

\*  $1.013 = 0.965 / 0.953 = (\text{Targeted Off-balance}) / (\text{Off-balance for Policy Year 2020})$ .



FLORIDA

APPENDIX A-I

Determination of Policy Year On-level Factors

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Rate Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)	Adj. For Expense Constant Removal @	Adj. For Expense Removal	Off-balance Adjustment Factor*	Premium Adjustment Factor (5)x(6)x(7)x(8)
Date									
NR 01/01/19	Base	1.000	1.000	1.000	0.822	0.989	0.587	1.010	0.482
NR 01/01/20	0.925	0.925							
NR 01/01/21	0.934	0.864							
NR 01/01/22	0.951	0.822							
				1.000					

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

	(1)	(2)	(3)	(4)	(5)
	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
Date					
07/01/17	Base	1.000	1.000	1.000	1.000
				1.000	

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

	(1)	(2)	(3)	(4)	(5)
	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
Date					
07/01/17	Base	1.000	1.000	1.000	1.000
				1.000	

NR New and renewal business.

@ Eliminates premium derived from expense constants.

\* 1.010 = 0.965 / 0.955 = (Targeted Off-balance) / (Off-balance for Policy Year 2019).



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### 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 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.

For premium development, link ratios are used from first through fifth report, after which it is assumed no further development occurs.

For indemnity and medical loss development, link ratios are used from first through nineteenth report. For loss development beyond a nineteenth report, a “tail” factor is used to reflect all future expected emergence. Tail factors are calculated separately for indemnity and medical losses by comparing the changes in the volume of policy year losses that occur for years older than a nineteenth report to the volume of policy year losses at the nineteenth report, along with the application of a growth adjustment factor.

Different aggregations of loss experience were analyzed in preparation of this filing. These were (i) paid losses (benefit amounts already paid by insurers on reported claims) and (ii) the sum of paid losses plus case reserves (paid losses and the amounts set aside to cover future payments on those claims). For use in this filing, NCCI utilized loss development factors based on each of these loss aggregations. Loss development factors are needed since paid losses and case reserve estimates on a given claim change over time until the claim is finally closed. The loss development factors are based on how paid losses and case reserve estimates changed over time for claims from older years. The specific development link ratio selections underlying this filing are shown below:

- A three-year average of historical premium development factors
- A three-year average of historical loss development factors through a 19th report
- Loss development tail factors from a 19th report to ultimate were selected based on a review of the ten most recently available factors



## FLORIDA

### APPENDIX A-II

#### Determination of Premium and Losses Developed to an Ultimate Report

##### Section A - Premium and Loss Summary Valued as of 12/31/2021

###### Policy Year 2020

(1) Standard Earned Premium	\$2,640,289,426
(2) Factor to Develop Premium to Ultimate	1.007
(3) Standard Earned Premium Developed to Ultimate = (1)x(2)	\$2,658,771,452
(4) Indemnity Paid Losses	\$197,225,093
(5) Indemnity Paid Development Factor to Ultimate	2.609
(6) Indemnity Paid Losses Developed to Ultimate = (4)x(5)	\$514,560,268
(7) Indemnity Paid+Case Losses	\$300,069,821
(8) Indemnity Paid+Case Development Factor to Ultimate	1.601
(9) Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8)	\$480,411,783
(10) Policy Year 2020 Indemnity Losses Developed to Ultimate = [(6)+(9)]/2	\$497,486,026
(11) Medical Paid Losses	\$506,544,099
(12) Medical Paid Development Factor to Ultimate	1.675
(13) Medical Paid Losses Developed to Ultimate = (11)x(12)	\$848,461,366
(14) Medical Paid+Case Losses	\$731,407,841
(15) Medical Paid+Case Development Factor to Ultimate	1.167
(16) Medical Paid+Case Losses Developed to Ultimate = (14)x(15)	\$853,552,950
(17) Policy Year 2020 Medical Losses Developed to Ultimate = [(13)+(16)]/2	\$851,007,158

###### Policy Year 2019

(1) Standard Earned Premium	\$2,790,883,046
(2) Factor to Develop Premium to Ultimate	0.998
(3) Standard Earned Premium Developed to Ultimate = (1)x(2)	\$2,785,301,280
(4) Indemnity Paid Losses	\$320,501,034
(5) Indemnity Paid Development Factor to Ultimate	1.650
(6) Indemnity Paid Losses Developed to Ultimate = (4)x(5)	\$528,826,706
(7) Indemnity Paid+Case Losses	\$386,288,349
(8) Indemnity Paid+Case Development Factor to Ultimate	1.285
(9) Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8)	\$496,380,528
(10) Policy Year 2019 Indemnity Losses Developed to Ultimate = [(6)+(9)]/2	\$512,603,617
(11) Medical Paid Losses	\$698,063,637
(12) Medical Paid Development Factor to Ultimate	1.340
(13) Medical Paid Losses Developed to Ultimate = (11)x(12)	\$935,405,274
(14) Medical Paid+Case Losses	\$794,541,892
(15) Medical Paid+Case Development Factor to Ultimate	1.114
(16) Medical Paid+Case Losses Developed to Ultimate = (14)x(15)	\$885,119,668
(17) Policy Year 2019 Medical Losses Developed to Ultimate = [(13)+(16)]/2	\$910,262,471



FLORIDA

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>
2017	1.016	2016	0.998	2015	1.001	2014	1.002
2018	1.015	2017	0.998	2016	0.999	2015	0.999
2019	0.997	2018	0.999	2017	1.000	2016	1.000
Average	1.009	Average	0.998	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	0.998	1.000	1.000



FLORIDA

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section C - 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>
2017	1.575	2016	1.222	2015	1.098	2014	1.055
2018	1.604	2017	1.210	2016	1.101	2015	1.052
2019	1.565	2018	1.206	2017	1.092	2016	1.056
Average	1.581	Average	1.213	Average	1.097	Average	1.054
Policy Year	<u>5th/6th</u>	Policy Year	<u>6th/7th</u>	Policy Year	<u>7th/8th</u>	Policy Year	<u>8th/9th</u>
2013	1.028	2012	1.019	2011	1.021	2010	1.010
2014	1.039	2013	1.025	2012	1.020	2011	1.016
2015	1.025	2014	1.021	2013	1.013	2012	1.009
Average	1.031	Average	1.022	Average	1.018	Average	1.012
Policy Year	<u>9th/10th</u>	Policy Year	<u>10th/11th</u>	Policy Year	<u>11th/12th</u>	Policy Year	<u>12th/13th</u>
2009	1.012	2008	1.008	2007	1.005	2006	1.003
2010	1.013	2009	1.007	2008	1.006	2007	1.003
2011	1.013	2010	1.010	2009	1.006	2008	1.005
Average	1.013	Average	1.008	Average	1.006	Average	1.004
Policy Year	<u>13th/14th</u>	Policy Year	<u>14th/15th</u>	Policy Year	<u>15th/16th</u>	Policy Year	<u>16th/17th</u>
2005	1.006	2004	1.006	2003	1.002	2002	1.007
2006	1.005	2005	1.003	2004	1.004	2003	1.002
2007	1.003	2006	1.002	2005	1.002	2004	1.003
Average	1.005	Average	1.004	Average	1.003	Average	1.004
Policy Year	<u>17th/18th</u>	Policy Year	<u>18th/19th</u>				
2001	1.002	2000	1.004				
2002	1.005	2001	1.005				
2003	1.002	2002	1.002				
Average	1.003	Average	1.004				



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section D - 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>
2017	1.255	2016	1.089	2015	1.045	2014	1.028
2018	1.250	2017	1.084	2016	1.046	2015	1.020
2019	1.244	2018	1.090	2017	1.042	2016	1.024
Average	1.250	Average	1.088	Average	1.044	Average	1.024
Policy Year	<u>5th/6th</u>	Policy Year	<u>6th/7th</u>	Policy Year	<u>7th/8th</u>	Policy Year	<u>8th/9th</u>
2013	1.018	2012	1.012	2011	1.007	2010	1.006
2014	1.018	2013	1.013	2012	1.010	2011	1.006
2015	1.014	2014	1.013	2013	1.007	2012	1.006
Average	1.017	Average	1.013	Average	1.008	Average	1.006
Policy Year	<u>9th/10th</u>	Policy Year	<u>10th/11th</u>	Policy Year	<u>11th/12th</u>	Policy Year	<u>12th/13th</u>
2009	1.008	2008	1.011	2007	1.006	2006	1.003
2010	1.006	2009	1.008	2008	1.004	2007	1.003
2011	1.006	2010	1.006	2009	1.008	2008	1.006
Average	1.007	Average	1.008	Average	1.006	Average	1.004
Policy Year	<u>13th/14th</u>	Policy Year	<u>14th/15th</u>	Policy Year	<u>15th/16th</u>	Policy Year	<u>16th/17th</u>
2005	1.006	2004	1.004	2003	1.004	2002	1.005
2006	1.004	2005	1.003	2004	1.004	2003	1.003
2007	1.004	2006	1.002	2005	1.002	2004	1.002
Average	1.005	Average	1.003	Average	1.003	Average	1.003
Policy Year	<u>17th/18th</u>	Policy Year	<u>18th/19th</u>				
2001	1.002	2000	1.005				
2002	1.002	2001	1.004				
2003	1.003	2002	1.002				
Average	1.002	Average	1.004				



**FLORIDA**  
**APPENDIX A-II**

**Determination of Premium and Losses Developed to an Ultimate Report**

**Section E - Indemnity Paid + Case 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>
2017	1.230	2016	1.110	2015	1.043	2014	1.020
2018	1.261	2017	1.103	2016	1.055	2015	1.026
2019	1.248	2018	1.116	2017	1.054	2016	1.021
Average	1.246	Average	1.110	Average	1.051	Average	1.022
Policy Year	<u>5th/6th</u>	Policy Year	<u>6th/7th</u>	Policy Year	<u>7th/8th</u>	Policy Year	<u>8th/9th</u>
2013	1.012	2012	1.005	2011	1.010	2010	1.011
2014	1.021	2013	1.010	2012	1.014	2011	1.010
2015	1.009	2014	1.008	2013	1.007	2012	1.004
Average	1.014	Average	1.008	Average	1.010	Average	1.008
Policy Year	<u>9th/10th</u>	Policy Year	<u>10th/11th</u>	Policy Year	<u>11th/12th</u>	Policy Year	<u>12th/13th</u>
2009	1.006	2008	1.004	2007	1.001	2006	1.002
2010	1.003	2009	1.003	2008	1.003	2007	1.000
2011	1.006	2010	1.004	2009	1.002	2008	1.001
Average	1.005	Average	1.004	Average	1.002	Average	1.001
Policy Year	<u>13th/14th</u>	Policy Year	<u>14th/15th</u>	Policy Year	<u>15th/16th</u>	Policy Year	<u>16th/17th</u>
2005	1.001	2004	1.005	2003	1.001	2002	1.003
2006	1.004	2005	1.005	2004	1.003	2003	1.001
2007	1.001	2006	1.000	2005	1.001	2004	1.001
Average	1.002	Average	1.003	Average	1.002	Average	1.002
Policy Year	<u>17th/18th</u>	Policy Year	<u>18th/19th</u>				
2001	1.002	2000	1.001				
2002	1.002	2001	1.005				
2003	0.999	2002	1.001				
Average	1.001	Average	1.002				



**FLORIDA**  
**APPENDIX A-II**

**Determination of Premium and Losses Developed to an Ultimate Report**

**Section F - Medical Paid + Case Loss Development Factors**

Policy <u>Year</u>	<u>1st/2nd</u>	Policy <u>Year</u>	<u>2nd/3rd</u>	Policy <u>Year</u>	<u>3rd/4th</u>	Policy <u>Year</u>	<u>4th/5th</u>
2017	1.057	2016	1.024	2015	1.000	2014	1.012
2018	1.071	2017	1.027	2016	1.011	2015	1.007
2019	1.015	2018	1.023	2017	1.007	2016	1.007
Average	1.048	Average	1.025	Average	1.006	Average	1.009
Policy <u>Year</u>	<u>5th/6th</u>	Policy <u>Year</u>	<u>6th/7th</u>	Policy <u>Year</u>	<u>7th/8th</u>	Policy <u>Year</u>	<u>8th/9th</u>
2013	1.008	2012	1.004	2011	1.003	2010	1.010
2014	1.006	2013	1.002	2012	1.003	2011	1.003
2015	1.004	2014	1.003	2013	1.002	2012	1.000
Average	1.006	Average	1.003	Average	1.003	Average	1.004
Policy <u>Year</u>	<u>9th/10th</u>	Policy <u>Year</u>	<u>10th/11th</u>	Policy <u>Year</u>	<u>11th/12th</u>	Policy <u>Year</u>	<u>12th/13th</u>
2009	1.003	2008	1.009	2007	1.001	2006	1.003
2010	1.000	2009	1.002	2008	1.000	2007	1.001
2011	1.004	2010	1.000	2009	1.001	2008	1.008
Average	1.002	Average	1.004	Average	1.001	Average	1.004
Policy <u>Year</u>	<u>13th/14th</u>	Policy <u>Year</u>	<u>14th/15th</u>	Policy <u>Year</u>	<u>15th/16th</u>	Policy <u>Year</u>	<u>16th/17th</u>
2005	1.003	2004	1.003	2003	1.001	2002	0.998
2006	1.003	2005	1.001	2004	1.002	2003	1.001
2007	1.005	2006	1.005	2005	1.000	2004	1.001
Average	1.004	Average	1.003	Average	1.001	Average	1.000
Policy <u>Year</u>	<u>17th/18th</u>	Policy <u>Year</u>	<u>18th/19th</u>				
2001	1.001	2000	1.015				
2002	0.999	2001	1.003				
2003	1.000	2002	1.002				
Average	1.000	Average	1.007				



FLORIDA

APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

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

Indemnity Paid+Case Data for Matching Companies

(1) Policy Year	(2) <u>Losses for Policy Year</u> 19th Report	(3) <u>Losses for Policy Year</u> 20th Report	(4) <u>Losses for All Prior Policy Years</u> Previous	(5) <u>Losses for All Prior Policy Years</u> Current	(6) Factor to Adjust Losses for Prior Policy Years	(7) Indicated 19th-to-Ult Development for Policy Year
1992	396,854,686	397,348,835	7,858,388,073	7,858,540,618	1.398	1.002
1993	317,773,645	318,401,959	8,240,661,724	8,249,301,414	1.793	1.017
1994	325,949,626	326,962,562	8,496,092,159	8,503,281,665	1.756	1.016
1995	353,339,331	354,286,091	8,879,241,950	8,890,441,555	1.598	1.023
1996	369,291,115	369,762,519	9,133,042,006	9,142,462,228	1.409	1.019
1997	431,738,272	432,797,157	9,639,269,716	9,646,462,128	1.231	1.016
1998	460,897,721	460,691,012	10,072,547,391	10,079,449,965	1.093	1.013
1999	449,128,922	449,457,574	10,348,982,557	10,352,047,980	0.997	1.008
2000	473,731,940	475,080,430	10,485,422,311	10,488,816,777	0.858	1.011
2001	459,043,776	458,763,119	10,954,307,306	10,956,072,981	0.837	1.004
Selected Indemnity 19th-to-Ultimate Loss Development Factor						1.013

Medical Paid+Case Data for Matching Companies

(8) Policy Year	(9) <u>Losses for Policy Year</u> 19th Report	(10) <u>Losses for Policy Year</u> 20th Report	(11) <u>Losses for All Prior Policy Years</u> Previous	(12) <u>Losses for All Prior Policy Years</u> Current	(13) Factor to Adjust Losses for Prior Policy Years	(14) Indicated 19th-to-Ult Development for Policy Year
1992	411,780,181	414,373,292	7,094,140,177	7,112,605,122	1.265	1.042
1993	332,863,063	333,475,763	7,526,978,414	7,534,780,863	1.607	1.016
1994	358,802,314	360,539,600	7,806,556,012	7,827,516,844	1.493	1.044
1995	397,112,042	396,939,378	8,225,717,025	8,255,896,162	1.344	1.056
1996	389,600,888	389,488,270	8,530,552,889	8,553,483,204	1.286	1.045
1997	479,712,885	481,021,138	9,099,236,080	9,131,013,192	1.081	1.064
1998	509,923,378	511,011,808	9,322,367,573	9,326,592,849	0.947	1.011
1999	554,660,539	554,152,249	9,989,000,080	9,989,814,558	0.836	1.001
2000	596,415,516	595,043,277	10,220,035,643	10,225,689,990	0.740	1.011
2001	595,357,431	595,013,268	10,811,711,794	10,811,136,617	0.728	0.998
Selected Medical 19th-to-Ultimate Loss Development Factor						1.029

(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.



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

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

Policy Year	Indemnity Paid-to-Paid+Case Ratio at a 19th Report	Medical Paid-to-Paid+Case Ratio at a 19th Report
1998	0.984	0.967
1999	0.982	0.970
2000	0.982	0.964
2001	0.981	0.978
2002	0.987	0.978
Selected	0.985	0.975

	<u>Indemnity</u>	<u>Medical</u>
(1) Paid+Case 19th-to-Ultimate Loss Development Factor (Section G)	1.013	1.029
(2) Paid-to-Paid+Case Ratio (Section H)	0.985	0.975
(3) Paid 19th-to-Ultimate Loss Development Factor = (1) / (2)	1.028	1.055

Section I - Summary of 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	1.581	2.609	1st	1.250	1.675
2nd	1.213	1.650	2nd	1.088	1.340
3rd	1.097	1.360	3rd	1.044	1.232
4th	1.054	1.240	4th	1.024	1.180
5th	1.031	1.176	5th	1.017	1.152
6th	1.022	1.141	6th	1.013	1.133
7th	1.018	1.116	7th	1.008	1.118
8th	1.012	1.096	8th	1.006	1.109
9th	1.013	1.083	9th	1.007	1.102
10th	1.008	1.069	10th	1.008	1.094
11th	1.006	1.061	11th	1.006	1.085
12th	1.004	1.055	12th	1.004	1.079
13th	1.005	1.051	13th	1.005	1.075
14th	1.004	1.046	14th	1.003	1.070
15th	1.003	1.042	15th	1.003	1.067
16th	1.004	1.039	16th	1.003	1.064
17th	1.003	1.035	17th	1.002	1.061
18th	1.004	1.032	18th	1.004	1.059
19th		1.028	19th		1.055

(2) = Cumulative upward product of column (1).  
 (4) = Cumulative upward product of column (3).



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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section J - Summary of Paid+Case Loss Development Factors

Report	(1) Indemnity Paid+Case Loss Development		Report	(3) Medical Paid+Case Loss Development	
	to Next Report	to Ultimate		to Next Report	to Ultimate
1st	1.246	1.601	1st	1.048	1.167
2nd	1.110	1.285	2nd	1.025	1.114
3rd	1.051	1.158	3rd	1.006	1.087
4th	1.022	1.102	4th	1.009	1.081
5th	1.014	1.078	5th	1.006	1.071
6th	1.008	1.063	6th	1.003	1.065
7th	1.010	1.055	7th	1.003	1.062
8th	1.008	1.045	8th	1.004	1.059
9th	1.005	1.037	9th	1.002	1.055
10th	1.004	1.032	10th	1.004	1.053
11th	1.002	1.028	11th	1.001	1.049
12th	1.001	1.026	12th	1.004	1.048
13th	1.002	1.025	13th	1.004	1.044
14th	1.003	1.023	14th	1.003	1.040
15th	1.002	1.020	15th	1.001	1.037
16th	1.002	1.018	16th	1.000	1.036
17th	1.001	1.016	17th	1.000	1.036
18th	1.002	1.015	18th	1.007	1.036
19th		1.013	19th		1.029

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

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



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Appendix A – Factors Underlying the Proposed Rate Level Change

##### Appendix A-III Trend Factors

This filing relies primarily on the experience from Policy Years 2019 and 2020. However, the proposed rates are intended for use with policies with effective dates on and after January 1, 2023. It is necessary to use trend factors that forecast how much the future Florida workers compensation experience will differ from the past. These trend factors measure anticipated changes in the amount of indemnity and medical benefits 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.

While NCCI applies loss ratio trend factors in the determination of the proposed overall average rate level change, historical changes in claim frequency and average cost per case are also reviewed. The claim frequency and average cost per case analysis is based on the premium, losses, and lost-time claim counts reported to NCCI. Note that the medical-only claim counts are excluded from the claim frequency and average cost per case calculations, but the losses associated with medical-only claims are included.

The lost-time claim frequency, average costs per case, and loss ratios are shown in this appendix, along with the impact of the trend factor selection on each policy year in the filing's experience period. The trend lengths displayed are based on the number of years between the average accident date of the rate effective period and the average accident date of the respective experience period year.



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**APPENDIX A-III**

**Policy Year Trend Factors**

**Section A - Summary of Policy Year Data**

(1)	(2)	(3)	(4)	(5)	(6)
Policy Year	Lost-Time Claim Frequency*	Avg Cost Per Case*^	Indemnity Loss Ratio^	Avg Cost Per Case*^	Medical Loss Ratio^
2009	24.448	23,116	0.565	44,247	1.081
2010	24.720	23,326	0.577	45,165	1.117
2011	24.605	22,821	0.562	44,921	1.106
2012	22.975	21,905	0.503	45,763	1.051
2013	21.845	22,557	0.493	47,275	1.033
2014	21.210	23,732	0.503	48,455	1.028
2015	19.841	24,855	0.493	48,542	0.963
2016	18.788	22,991	0.432	46,242	0.868
2017	18.526	21,707	0.402	42,822	0.793
2018	17.750	22,475	0.399	43,506	0.772
2019	16.783	22,739	0.382	40,379	0.678
2020	16.863	21,256	0.358	36,362	0.613

\* Figures have been adjusted to the common wage level.

^ Based on an average of paid and paid+case losses.

**Section B - Summary of Annual Trend Factors**

	<u>Indemnity</u>	<u>Medical</u>
(1) Current Approved Annual Loss Ratio Trend Factor	0.970	0.960
(2) Selected Annual Loss Ratio Trend Factor	<b>0.970</b>	<b>0.970</b>

(3) Length of Trend Period from Midpoint of Policy Year to Midpoint of Effective Period:

	<u>Years</u>
Policy Year 2019	3.998
Policy Year 2020	2.998

(4) Trend Factor Applied to Experience Year = (2) ^ (3)	<u>Indemnity</u>	<u>Medical</u>
Policy Year 2019	0.885	0.885
Policy Year 2020	0.913	0.913



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Appendix A – Factors Underlying the Proposed Rate Level Change

Consideration of the trend component included a review of loss ratio patterns observed over an extended period of time. This allows one to review trends over an entire underwriting cycle and smooth out year-to-year fluctuations. The proposed annual loss ratio trend factors utilized in this filing were selected based on actuarial judgment.

Please find below the policy year medical loss ratios shown in Appendix A-III, Section A and the associated year-over-year changes.

(A) Medical loss ratios: Unadjusted

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Loss ratio	1.081	1.117	1.106	1.051	1.033	1.028	0.963	0.868	0.793	0.772	0.678	0.613
% Change		3.3%	-1.0%	-5.0%	-1.7%	-0.5%	-6.3%	-9.9%	-8.6%	-2.6%	-12.2%	-9.6%

Consistent with past Florida trend reviews, the highlighted loss ratio change (2015 to 2016) was deemed not to be representative of annual changes that may be expected going forward in a steady state environment. It is reasonable to believe the large decline observed in 2016 may be associated with the transition from a pre- to post-*Castellanos* workers compensation environment.

To mitigate the impact of that year’s decline on exponential trend fits, a hypothetical scenario was reviewed in which that annual change was replaced by the observed decline in claim frequency between those two years—i.e., a decline of 5.3%. Adjusted loss ratios for years 2017 through 2020 were then calculated in succession beginning with the adjusted 2016 loss ratio and multiplying by the respective, original year-over-year changes from (A). The resulting loss ratios are shown below.

(B) Medical loss ratios: Replacing the 2015-to-2016 loss ratio decline with the corresponding change in lost-time claim frequency.

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016~</u>	<u>2017*</u>	<u>2018*</u>	<u>2019*</u>	<u>2020*</u>
Loss ratio	1.081	1.117	1.106	1.051	1.033	1.028	0.963	0.912	0.834	0.812	0.713	0.645
% Change		3.3%	-1.0%	-5.0%	-1.7%	-0.5%	-6.3%	-5.3%	-8.6%	-2.6%	-12.2%	-9.6%

~ 2015 loss ratio reduced by the observed 2015-2016 change in frequency (-5.3%)

\* Adjusted

While reported COVID-19-related claims have been excluded from the data on which this filing is based, it is possible that the indirect effects of the pandemic may have impacted the observed medical loss ratios beginning with Policy Year 2019. In addition, carrier response to the



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Appendix A – Factors Underlying the Proposed Rate Level Change

Recommended Order dated May 8, 2019, in the case of *Zenith Insurance Company vs. Department of Financial Services, Division of Workers Compensation, Medical Services*, (“*Zenith*”) may also be impacting the reported Policy Year 2019 and 2020 medical paid+case values.

In the *Zenith* case’s Recommended Order, the stop-loss provision contained in the per diem schedule of the 2014 Edition of the Florida *Reimbursement Manual for Hospitals* was nullified. While a final order to remove the stop-loss provision has not yet been issued, to the extent carriers are currently reimbursing at the relatively lower per-diem rates on claims where the stop-loss amount would have been applicable, the medical paid+case loss amounts reported to NCCI would be lower than otherwise. The data on which to quantify the extent this change in carrier practice is occurring and the associated impact on the reported medical paid+case losses is not available.

It is reasonable to believe the combined impact of (i) the indirect effects of the COVID-19 pandemic and (ii) changing carrier reimbursement practices in response to the *Zenith* case’s Recommended Order have contributed to the notably improved Policy Year 2019 and 2020 loss ratios. To the extent some of the favorable pandemic-related impacts affecting these years are temporary, one may expect the going-forward loss ratios to be relatively higher, as we shift into a new post-pandemic workers compensation environment. It is also possible that carriers who are currently reimbursing at the per-diem rates on claims where the stop-loss amount would have been applicable may be prohibited from doing so at some point in the future by rule and/or the result of litigation. This may put upward pressure on at least the Policy Year 2020 loss ratio, as claims may be settled and closed at higher costs than those that have been reported to NCCI and included in the data on which this filing is based.

For these reasons, baseline, long-term medical trends were established by fitting eight-, nine-, and ten-point exponential curves to Florida’s most recent loss ratios shown in (B) above for Policy Years 2009 through 2018. These trends are likely largely unaffected by the short-term, temporary impacts related to the COVID-19 pandemic and recent carrier reimbursement practices in response to the *Zenith* case’s Recommended Order. The resulting baseline annual trends vary between -4.4% and -3.5% are consistent with the currently approved annual medical trend of -4.0%.

These long-term, baseline trends are likely not appropriate to use when projecting the Policy Year 2020 loss ratio into the future—especially since the impact of the favorable Policy Year 2020 experience is already being reflected in the filing’s experience period. Therefore, a less



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Appendix A – Factors Underlying the Proposed Rate Level Change

negative trend than the long-term, baseline trends was deemed more appropriate to use when projecting the Policy Year 2020 forward.

The results of various annual trend combinations are shown in the table below. Each scenario displays (i) an indicated baseline annual trend applicable to Policy Year 2019, (ii) a judgmentally selected, less-negative annual trend applicable to Policy Year 2020, and (iii) a combined annual trend. The combined annual trend for each scenario was derived as the single annual trend, applicable to both years in the experience period, that produced the same overall average rate level indication that would have been determined by trending each experience-period year separately with the policy year trends provided in the respective scenario.

Scenario	Medical Annual Trends		
	PY 2019	PY 2020	Combined
1	-4.4%	-2.0%	-3.4%
2	-4.4%	-1.0%	-2.9%
3	-4.4%	0.0%	-2.5%
4	-4.0%	-2.0%	-3.2%
5	-4.0%	-1.0%	-2.7%
6	-4.0%	0.0%	-2.3%
7	-3.5%	-2.0%	-2.9%
8	-3.5%	-1.0%	-2.4%
9	-3.5%	0.0%	-2.0%

The indicated combined trends in the table above support the filed medical annual loss ratio trend of -3.0%.

A similar analysis of Florida’s indemnity loss ratios was also completed. Please find below the policy year indemnity loss ratios consistent with the medical loss ratios shown in (A) and (B) above.

#### (C) Indemnity loss ratios: Unadjusted

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Loss ratio	0.565	0.577	0.562	0.503	0.493	0.503	0.493	0.432	0.402	0.399	0.382	0.358
% Change		2.1%	-2.6%	-10.5%	-2.0%	2.0%	-2.0%	-12.4%	-6.9%	-0.7%	-4.3%	-6.3%



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### Workers Compensation Rate Filing – January 1, 2023

#### Appendix A – Factors Underlying the Proposed Rate Level Change

(D) Indemnity loss ratios: Replacing the 2015-to-2016 loss ratio decline with the corresponding change in lost-time claim frequency.

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016~</u>	<u>2017*</u>	<u>2018*</u>	<u>2019*</u>	<u>2020*</u>
Loss ratio	0.565	0.577	0.562	0.503	0.493	0.503	0.493	0.467	0.435	0.432	0.413	0.387
% Change		2.1%	-2.6%	-10.5%	-2.0%	2.0%	-2.0%	-5.3%	-6.9%	-0.7%	-4.3%	-6.3%

~ 2015 loss ratio reduced by the observed 2015-2016 change in frequency (-5.3%)

\* Adjusted

Baseline, long-term indemnity trends based on the results of fitting eight-, nine-, and ten-point exponential curves to Florida’s most recent loss ratios shown in (D) above for Policy Years 2009 through 2018 ranged from -3.4% to -3.2%. The results of various annual trend combinations applicable to Policy Years 2019 and 2020 are shown in the table below.

Scenario	Indemnity Annual Trends		
	<u>PY 2019</u>	<u>PY 2020</u>	<u>Combined</u>
1	-3.4%	-2.0%	-2.8%
2	-3.4%	-1.0%	-2.4%
3	-3.4%	0.0%	-2.9%
4	-3.2%	-2.0%	-2.7%
5	-3.2%	-1.0%	-2.3%
6	-3.2%	0.0%	-2.8%

The indicated combined trends in the table above support maintaining the currently approved indemnity loss ratio trend of -3.0% per year.



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APPENDIX A-IV

Derivation of Industry Group Differentials

Industry group differentials are used to more equitably distribute the overall rate 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 rates. 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	223,590,475	1,019,631,716	934,174,183	1.154	1.151
Contracting	764,037,452	3,222,551,741	2,951,571,513	1.107	1.111
Office & Clerical	325,351,102	1,482,718,141	1,358,093,436	1.160	1.161
Goods & Services	988,732,533	4,551,029,834	4,168,697,076	1.090	1.087
Miscellaneous	482,438,311	2,163,926,798	1,978,125,999	1.097	1.094
Statewide	2,784,149,873	12,439,858,230	11,390,662,207		

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	224,173,247	1,022,289,313	936,609,042	1.091	0.999
Contracting	761,286,642	3,210,949,395	2,940,944,793	1.092	1.000
Office & Clerical	325,070,869	1,481,441,037	1,356,923,674	1.092	1.000
Goods & Services	991,461,325	4,563,590,174	4,180,202,220	1.092	1.000
Miscellaneous	483,761,268	2,169,860,784	1,983,550,476	1.094	1.002
Statewide	2,785,753,351	12,448,130,703	11,398,230,205	1.092	



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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	932,103,783	0.996	0.996	19,323
Contracting	2,889,814,481	0.983	0.983	40,187
Office & Clerical	1,351,255,156	0.996	0.996	25,249
Goods & Services	4,222,322,082	1.010	1.010	108,191
Miscellaneous	2,002,023,610	1.007	1.007	39,267
Statewide	11,397,519,112	1.000		

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	1.00	0.996	0.997
Contracting	12,000	1.00	0.983	0.984
Office & Clerical	12,000	1.00	0.996	0.997
Goods & Services	12,000	1.00	1.010	1.011
Miscellaneous	12,000	1.00	1.007	1.008
Statewide			0.999	1.000

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



## Florida

### 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 rates. Column (3) adjusts the current expected losses to the proposed level by applying the components of the proposed rate 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 Florida 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 Florida 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 rate 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).



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Appendix B – Calculations Underlying the Rate Level Changes by Classification

NCCI separately determines a voluntary rate for each workers compensation classification. The proposed change from the current rate will vary depending on the classification. The following are the general steps utilized to determine the individual classification rates:

1. Calculate industry group differentials, which are used to more equitably distribute the proposed overall average rate level change based on the experience of each industry group.
2. For each classification, determine the indicated pure premiums based on the most recently available five policy periods of Florida 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, and swing limits.



**FLORIDA**

**APPENDIX B-I**

**Distribution of Rate Level Change to Occupational Classification**

After determining the required changes in the overall rate 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
1/15-12/15	1.121	1.045	1.148	1.038
1/16-12/16	1.164	1.063	1.170	1.044
1/17-12/17	1.256	1.099	1.204	1.053
1/18-12/18	1.491	1.184	1.283	1.069
1/19-12/19	2.292	1.408	1.468	1.109

\*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
1/15-12/15	0.784	0.784
1/16-12/16	0.808	0.808
1/17-12/17	0.833	0.833
1/18-12/18	0.859	0.859
1/19-12/19	0.885	0.885

**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
1/15-12/15	1.082	1.082	1.152	1.140	1.109
1/16-12/16	1.009	1.009	1.021	1.019	1.014
1/17-12/17	1.000	1.000	1.000	1.000	1.000
1/18-12/18	1.000	1.000	1.000	1.000	1.000
1/19-12/19	1.000	1.000	1.000	1.000	1.000



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**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)
1/15-12/15	0.951	0.886	0.951	1.012	0.944	1.002	0.934	0.998	0.902
1/16-12/16	0.949	0.867	0.949	0.960	0.877	0.958	0.875	0.959	0.855
1/17-12/17	1.046	0.915	1.046	1.046	0.915	1.046	0.915	1.003	0.877
1/18-12/18	1.281	1.017	1.281	1.281	1.017	1.281	1.017	1.102	0.918
1/19-12/19	2.028	1.246	2.028	2.028	1.246	2.028	1.246	1.299	0.981

\* 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	0.069	0.092	0.131	0.145	0.211	0.246	0.275
(2) Excess Factors 1/(1-(1))	1.074	1.101	1.151	1.170	1.267	1.326	1.379

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.



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**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*	0.996	0.983	0.996	1.010	1.007
(2) Final Differentials**	0.997	0.984	0.997	1.011	1.008
(3) Adjustment (2)/(1)	1.001	1.001	1.001	1.001	1.001

\*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 rates, 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)
1/15-12/15	0.846	1.109	1.110	0.999	0.845
1/16-12/16	0.918	1.109	1.109	1.000	0.918
1/17-12/17	0.925	1.109	1.117	0.993	0.919
1/18-12/18	0.918	1.109	1.110	0.999	0.917
1/19-12/19	0.945	1.109	1.097	1.011	0.955

**3. Adjustment for Experience Change**

A factor of 0.892 is applied to adjust for the experience change in the proposed rate level.

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

A factor of 1.226 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
1/15-12/15	0.925	0.925	0.925	0.925	0.925
1/16-12/16	1.005	1.005	1.005	1.005	1.005
1/17-12/17	1.006	1.006	1.006	1.006	1.006
1/18-12/18	1.004	1.004	1.004	1.004	1.004
1/19-12/19	1.045	1.045	1.045	1.045	1.045



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**Section B – Calculation of Present on Rate Level Pure Premiums**

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

**1. Adjustment for Experience Change**

A factor of 0.892 is applied to adjust for the experience change in the proposed rate level.

**2. Factors to Adjust to the Proposed Trend Level**

The pure premiums underlying the current rates contain the current trend. The change in trend factors, 1.000 and 1.037, for indemnity and medical, respectively, are applied to adjust to the proposed trend level.

**3. Factors to Include the Proposed Loss-Based Expense Provisions**

The pure premiums underlying the current rates 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	1.224	1.224	1.226	1.226
(2) Loss-based Assessment	1.000	1.000	1.000	1.000
(3) = (1) + (2) – 1.000	1.224	1.224	1.226	1.226
(4) Overall Change (3b)/(3a)			1.002	1.002

**4. Adjustment to Obtain Expected Losses**

The pure premiums underlying the current rates 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	1.154	1.151	1.003
Contracting	1.107	1.111	0.996
Office & Clerical	1.160	1.161	0.999
Goods & Services	1.090	1.087	1.003
Miscellaneous	1.097	1.094	1.003



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**5. Factors to Adjust for Proposed Industry Group Differentials**

The pure premiums underlying the current rates 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	0.997	0.999	0.996
Contracting	0.984	1.000	0.984
Office & Clerical	0.997	1.000	0.997
Goods & Services	1.011	1.000	1.011
Miscellaneous	1.008	1.002	1.010

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

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

**6. Combined Conversion Factors**

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

Industry Group	Indemnity	Medical
Manufacturing	0.893	0.926
Contracting	0.876	0.909
Office & Clerical	0.890	0.923
Goods & Services	0.907	0.940
Miscellaneous	0.906	0.939



## FLORIDA

### 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 Florida conditions in four steps. First, statewide indicated pure premiums are determined for Florida. Second, using Florida payrolls as weights, corresponding statewide-average pure premiums are computed for each remaining state. Third, the ratios of Florida 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 Florida 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 rates.

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: \$27,801,773 for indemnity and \$26,178,048 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.



**FLORIDA**  
**APPENDIX B-II**

**Adjustments to Obtain Rates**

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

**1. Test Correction Factor**

The payrolls are now extended by the rates presently in effect and by the indicated rates 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 rates 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	0.9995
Contracting	0.9955
Office & Clerical	0.9799
Goods & Services	0.9989
Miscellaneous	0.9914

**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	1.151
Contracting	1.111
Office & Clerical	1.161
Goods & Services	1.087
Miscellaneous	1.094

**3. Expense Allowance**

The expense allowance is introduced into the rate by dividing the product of the proposed pure premium and the appropriate factors above by the proposed target cost ratio of 0.717 (see Exhibit II-A for derivation of this factor). This operation produces the proposed rate prior to the addition of a disease loading, if any.

**4. Disease Loadings**

The proposed manual rates shown in this filing include specific disease loadings for those classifications where they apply. The proposed specific disease loadings are shown on the footnotes page.



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5. Swing Limits

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

Manufacturing	from 6% above to 24% below
Contracting	from 5% above to 25% below
Office & Clerical	from 6% above to 24% below
Goods & Services	from 8% above to 22% below
Miscellaneous	from 7% above to 23% below

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

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

The product of the swing limits and the present rate sets bounds for the proposed rate. If the calculated rate falls outside of the bounds, the closest bound is chosen as the proposed rate. When a code is limited, the underlying pure premiums are adjusted to reflect the limited rate. 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 rate 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 rates 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

1320 2220 3126 3548 4101 6018 6213 8725

7016 7024 7047 8871

6. Florida Contracting Classification Premium Adjustment Program (CCPAP)

For classifications eligible for the CCPAP, the last step in producing the final proposed rates is to apply a factor of 1.000 to offset the credits payable under the CCPAP.

A list of the eligible class codes can be found under the *Basic Manual* state pricing programs.



**FLORIDA**

**APPENDIX B-III**

**Derivation of Proposed Rate - 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
01/01/15 - 12/31/15	0	150,489	727,385	2,740,944	4,990,249	4,750,802	7,250,977	13,311,152	33,665,448
01/01/16 - 12/31/16	303,573	385,833	1,134,027	2,186,020	4,975,655	4,724,206	7,043,088	10,814,487	31,190,038
01/01/17 - 12/31/17	0	307,850	607,171	3,667,870	4,491,188	4,633,422	7,955,328	15,634,437	31,402,050
01/01/18 - 12/31/18	63,500	431,897	23,572	2,952,181	4,344,545	5,450,564	7,547,454	13,268,752	35,250,822
01/01/19 - 12/31/19	0	165,013	171,383	1,408,727	3,170,206	2,603,656	7,319,138	10,042,773	31,559,015

**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
01/01/15 - 12/31/15	0.951	0.886	0.951	1.012	0.944	1.002	0.934	0.998	0.902
01/01/16 - 12/31/16	0.949	0.867	0.949	0.960	0.877	0.958	0.875	0.959	0.855
01/01/17 - 12/31/17	1.046	0.915	1.046	1.046	0.915	1.046	0.915	1.003	0.877
01/01/18 - 12/31/18	1.281	1.017	1.281	1.281	1.017	1.281	1.017	1.102	0.918
01/01/19 - 12/31/19	2.028	1.246	2.028	2.028	1.246	2.028	1.246	1.299	0.981

**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	1.151

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%
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APPENDIX B-III

Derivation of Proposed Rate - 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
01/01/15 - 12/31/15	0	145,393	754,310	3,024,725	5,136,881	5,190,868	7,384,970	15,783,160	35,644,351
01/01/16 - 12/31/16	314,148	364,774	1,173,532	2,288,393	4,758,336	4,935,141	6,720,111	12,416,224	31,342,453
01/01/17 - 12/31/17	0	307,161	692,545	4,183,607	4,481,130	5,284,924	7,937,513	18,607,153	32,394,843
01/01/18 - 12/31/18	88,701	478,967	32,927	4,123,798	4,818,041	7,613,701	8,370,025	17,482,208	37,994,252
01/01/19 - 12/31/19	0	224,203	379,002	3,115,301	4,307,357	5,757,803	9,944,507	15,523,774	36,426,952

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

Policy Period	INDUSTRY GROUP: Office and Clerical
01/01/15 - 12/31/15	0.925
01/01/16 - 12/31/16	1.005
01/01/17 - 12/31/17	1.006
01/01/18 - 12/31/18	1.004
01/01/19 - 12/31/19	1.045

**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
01/01/15 - 12/31/15	75,379,841,099	8,297,160	11,717,201	14,599,423	32,971,025	20,014,361	47,570,448	67,584,809
01/01/16 - 12/31/16	77,899,988,634	8,754,770	11,902,437	12,478,305	31,499,165	20,657,207	43,977,470	64,634,677
01/01/17 - 12/31/17	82,423,566,559	10,222,042	12,802,159	18,718,796	32,589,212	23,024,201	51,308,008	74,332,209
01/01/18 - 12/31/18	87,394,921,662	11,906,564	13,721,701	17,552,137	38,146,229	25,628,265	55,698,366	81,326,631
01/01/19 - 12/31/19	90,136,833,460	9,668,451	15,127,490	16,222,344	38,066,165	24,795,941	54,288,509	79,084,450
Total	413,235,151,414	48,848,987	65,270,988	79,571,005	173,271,796	114,119,975	252,842,801	366,962,776
<b>INDICATED PURE PREMIUM</b>						<b>0.028</b>	<b>0.061</b>	<b>0.09</b>

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 rate 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 Rate	0.035	0.065	0.10
Conversion Factors (App. B-I, Section B)	0.890	0.923	xxx
<b>PURE PREMIUMS PRESENT ON RATE LEVEL (Underlying Pure Premiums) x (Conversion Factor)</b>	<b>0.031</b>	<b>0.060</b>	<b>0.09</b>



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**APPENDIX B-III**

**Derivation of Proposed Rate - Code 8810**  
 Industry Group - Office and Clerical, Hazard Group - C

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

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
1. Indicated Pure Premium	0.028	0.061	0.09
2. Pure Premium Indicated by National Relativity	0.025	0.058	0.08
3. Pure Premium Present on Rate Level	0.031	0.060	0.09
4. State Credibilities	100%	100%	xxx
5. National Credibilities	0%	0%	xxx
6. Residual Credibilities = 100% - (4) - (5)	0%	0%	xxx
7. Derived by Formula Pure Premiums = (1) x (4) + (2) x (5) + (3) x (6)	0.028	0.061	0.09
8. Test Correction Factor	0.9799	0.9799	xxx
9. Underlying Pure Premiums = (7) x (8) *	0.030	0.060	0.09
10. Ratio of Manual to Standard Premium			1.161
11. Target Cost Ratio			0.717
12. Rate = (9) x (10) / (11)			0.15
13. Rate Within Swing Limits			0.15
Current Rate x Swing Limits			
a) Lower bound = 0.16 x 0.760 = 0.13			
b) Upper bound = 0.16 x 1.060 = 0.16			
14. Pure Premiums Underlying Proposed Rate* = ((14TOT) / (9TOT)) x (9) ; (14TOT) = (13) x (11) / (10)	0.030	0.060	0.09
15. Disease, Catastrophe and/or Miscellaneous Loadings			0.00
16. Final Loaded Rate			0.15

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



## FLORIDA APPENDIX B-IV

WCSP data is used to determine the F-Classification (F-Class) rates. The latest year of WCSP payroll is extended by both the current and proposed rates. Based on \$112,599,476 of payroll, the overall rate level change in Florida is -14.9%.

### 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 were updated in this filing and 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 Florida proposed level.
- A final base rate is calculated by bringing the primary base pure premium to the proposed Florida trend and benefit levels, and applying any applicable expenses and/or offsets.
- Final F-Class rates are calculated by applying the countrywide relativity by class code to the final base rate 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



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APPENDIX B-IV**

II. The F-class code countrywide relativities:

<b>Class Code</b>	<b>(1) 10-Year Countrywide Payroll</b>	<b>(2) 10-Year Expected Unlimited Countrywide Losses</b>	<b>(3) = (2)/((1)/100) Countrywide Pure Premium</b>	<b>(4) = (3)/(3)CW Countrywide Relativity</b>
6006	319,348,635	16,099,739	5.04	1.686
6801*	25,149,359	317,541	1.26	1.000
6824	458,135,225	16,228,862	3.54	1.184
6825	282,951,707	2,983,160	1.05	0.351
6826	131,202,370	2,614,329	1.99	0.666
6828*	32,547,556	295,888	0.91	1.000
6829*	14,486,717	215,799	1.49	1.000
6843	1,175,200,155	47,728,908	4.06	1.358
6845	261,305,795	5,703,096	2.18	0.729
6872	1,586,157,671	60,116,329	3.79	1.268
6873*	33,323,113	1,109,521	3.33	1.000
6874	119,940,848	5,708,295	4.76	1.592
7309	899,444,077	33,043,808	3.67	1.227
7313	694,325,089	10,328,694	1.49	0.498
7317	1,259,736,448	35,680,681	2.83	0.946
7327	53,442,740	4,022,190	7.53	2.518
7350	673,451,636	20,606,788	3.06	1.023
8709	404,943,249	4,647,082	1.15	0.385
8726	703,002,097	5,536,694	0.79	0.264
9077*	442,283	3,517	0.80	1.000
<b>Overall</b>	<b>9,128,536,770</b>	<b>272,990,921</b>	<b>2.99</b>	

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

III. Swing Limits

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

Classifications Limited by the Upper Swing

6801      9077

Classifications Limited by the Lower Swing

6006	6824	6843	6872
6874	7309	7313	7317
7327	7350	8709	8726

IV. Florida Contracting Classification Premium Adjustment Program (CCPAP)

For classifications eligible for the CCPAP, a factor of 1.000 is applied to offset the credits payable under the CCPAP. A list of the eligible class codes can be found under the **Basic Manual** state pricing programs.



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**Derivation of State Base Rate**

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
1. Overall Countrywide Pure Premium			2.99
2. State Act Pure Premium Relativity Factor			1.351
3. Countrywide State Act Weight			24%
<b>4. Primary Base Pure Premium</b> = [(1) x (2) x (3)] + [(1) x (1 - (3))]			<b>3.24</b>
5. Countrywide Weights	50%	50%	100%
6. Trend Factors	0.973	0.973	xx
7. Weighted Benefits	1.000	1.000	xx
8. Weighted Loss-Based Expenses	1.312	1.226	xx
<b>9. Secondary Base Pure Premium</b> = (4tot) x (5) x (6) x (7) x (8)	2.068	1.932	<b>4.00</b>
10. Additional Offsets			1.000
11. Expense Allowance			0.717
<b>12. Final Base Rate</b> = (9) x (10) / (11)			<b>5.58</b>



**FLORIDA  
APPENDIX B-IV**

**Derivation of Proposed Rate - Code 6872  
Industry Group - F-Class, Hazard Group - G**

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

1. Florida's Final Base Rate	5.58
2. Countrywide Class Code 6872 Relativity (Section II)	1.268
3. Rate = (1) x (2)	7.08
4. Rate Within Swing Limits	7.58
Current Rate x Swing Limits	
a) Lower bound = $8.91 \times 0.85 = 7.58$	
a) Upper bound = $8.91 \times 1.15 = 10.24$	
5. Disease, Catastrophe and/or Miscellaneous Loadings	0.00
6. Final Loaded Rate	7.58



**FLORIDA**

**APPENDIX B-IV**

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

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

1.) Assessment Rate on Indemnity Losses *	11.3%
2.) Assessment Rate on Total Losses #	6.1%

\* 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



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### **Part 4 Additional Information**

- Definitions
- NCCI Affiliate List
- Key Contacts



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### 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):**

- The 12-month period beginning January 1 and ending December 31.
- 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 rates or loss costs 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.

**On-Level Factor:** Applied to historical premiums and losses to adjust the historical experience to reflect approved rate/loss cost 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.



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Definitions

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

**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.

**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.



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### NCCI Affiliate List

ACCIDENT FUND GENERAL INS CO  
ACCIDENT FUND INS CO OF AMERICA  
ACCIDENT FUND NATIONAL INS CO  
ACCIDENT INSURANCE COMPANY INC  
ACCREDITED SURETY & CASUALTY COMPANY INC  
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)  
AK NATIONAL INS CO  
ALLIED EASTERN IND CO  
ALLIED INSURANCE COMPANY OF AMERICA  
ALLIED PROPERTY AND CASUALTY INS CO  
ALLIED WORLD INSURANCE CO  
ALLMERICA FINANCIAL ALLIANCE INS CO  
ALLMERICA FINANCIAL BENEFIT INS CO  
AMERICA FIRST INSURANCE COMPANY  
AMERICAN ALTERNATIVE INSURANCE CORPORATION  
AMERICAN AUTOMOBILE INSURANCE CO  
AMERICAN BUILDERS INSURANCE COMPANY  
AMERICAN CASUALTY COMPANY OF READING PA  
AMERICAN COMPENSATION INS CO  
AMERICAN ECONOMY 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 INS CO  
AMERICAN INTERSTATE INS CO  
AMERICAN INTERSTATE INS CO OF TX  
AMERICAN LIBERTY INSURANCE CO  
AMERICAN MODERN HOME INS CO  
AMERICAN PROPERTY INSURANCE COMPANY  
AMERICAN SENTINEL INS CO  
AMERICAN STATES INS CO A SAFECO COMPANY  
AMERICAN SUMMIT INS CO  
AMERICAN ZURICH INS CO  
AMERISURE INS CO  
AMERISURE MUTUAL INS CO  
AMERISURE PARTNERS INS CO  
AMERITRUST INS CORP  
AMFED ADVANTAGE INSURANCE COMPANY  
AMFED CASUALTY INS CO  
AMFED NATIONAL INSURANCE COMPANY  
AMGUARD INS CO  
ANSUR AMERICA  
ARCH INDEMNITY INSURANCE COMPANY  
ARCH INSURANCE COMPANY  
ARCH PROPERTY CASUALTY INS CO  
ARGONAUT GREAT CENTRAL INS CO  
ARGONAUT INS CO  
ARGONAUT MIDWEST INS CO  
ASCENDANT COMMERCIAL INSURANCE INC  
ASCOT INSURANCE COMPANY  
ASSOCIATED INDUSTRIES INS CO INC  
ASSOCIATION CASUALTY INS CO  
ATLANTIC SPECIALTY INS CO (INTACT )  
AUTO OWNERS INS CO  
AUTOMOBILE INSURANCE CO OF HARTFORD  
AXIS INSURANCE CO  
AXIS REINSURANCE CO  
BANKERS STANDARD INS CO  
BEARING MIDWEST CASUALTY COMPANY  
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  
BERKSHIRE HATHAWAY SPECIALTY INSURANCE COMPANY  
BITCO GENERAL INSURANCE CORPORATION  
BITCO NATIONAL INSURANCE COMPANY  
BLACKBOARD INSURANCE COMPANY  
BRIDGEFIELD CASUALTY INS CO  
BRIDGEFIELD EMPLOYERS INS CO  
BROTHERHOOD MUTUAL INS CO  
BUILDERS ALLIANCE INSURANCE COMPANY  
BUILDERS MUTUAL INS CO  
BUILDERS PREMIER INS CO  
BUSINESSFIRST INS COMPANY  
CALIFORNIA INSURANCE COMPANY  
CAROLINA CASUALTY INS CO  
CEDAR INSURANCE COMPANY  
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.  
CIMARRON INSURANCE COMPANY INC  
CINCINNATI CASUALTY COMPANY  
CINCINNATI INDEMNITY COMPANY  
CINCINNATI INS CO  
CLARENDON NATIONAL INSURANCE CO (SUSSEX INS CO)  
CLEAR SPRING PROPERTY AND CASUALTY COMPANY  
COLONIAL AMERICAN CASUALTY & SURETY CO  
COLONY SPECIALTY INS CO  
COMMERCE AND INDUSTRY INS CO  
CONSOLIDATED INS CO  
CONTINENTAL CASUALTY CO  
CONTINENTAL DIVIDE INSURANCE COMPANY  
CONTINENTAL INDEMNITY CO  
CONTINENTAL INS CO  
COREPOINTE INSURANCE COMPANY  
CRESTBROOK INS CO  
CRUM AND FORSTER INDEMNITY CO  
DAKOTA TRUCK UNDERWRITERS  
DEPOSITORS INS CO  
DISCOVER PROPERTY & CASUALTY INS CO  
DISCOVER SPECIALTY INSURANCE COMPANY  
EASTERN ADVANTAGE ASSURANCE COMPANY  
EASTERN ALLIANCE INSURANCE COMPANY  
EASTGUARD INS CO  
ELECTRIC INS CO  
EMC PROPERTY & CASUALTY COMPANY



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### NCCI Affiliate List

EMPIRE FIRE AND MARINE INS CO  
EMPIRE INDEMNITY INSURANCE CO  
EMPLOYERS ASSURANCE COMPANY  
EMPLOYERS COMPENSATION INS CO  
EMPLOYERS INS CO OF WAUSAU  
EMPLOYERS INSURANCE COMPANY OF NEVADA  
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  
EXPLORER INS CO  
FAIR AMERICAN INSURANCE AND REINSURANCE COMPANY  
FALLS LAKE NATIONAL INSURANCE CO  
FARMERS INSURANCE EXCHANGE  
FARMINGTON CASUALTY COMPANY  
FCCI COMMERCIAL INS CO  
FCCI INSURANCE COMPANY  
FEDERAL INSURANCE COMPANY  
FEDERATED MUTUAL INS CO  
FEDERATED RESERVE INSURANCE CO  
FEDERATED RURAL ELECTRIC INS EXCHANGE  
FEDERATED SERVICE INS CO  
FFVA MUTUAL INSURANCE COMPANY  
FFVA SELECT INSURANCE CO  
FHM INSURANCE COMPANY  
FIDELITY & DEPOSIT COMPANY OF MARYLAND  
FIDELITY & GUARANTY INS UNDERWRITERS  
FIDELITY & GUARANTY INSURANCE CO  
FIRE INS EXCHANGE  
FIREMANS FUND INSURANCE CO  
FIRST DAKOTA INDEMNITY CO  
FIRST LIBERTY INS CORP  
FIRST NATIONAL INS CO OF AMERICA  
FIRST NONPROFIT INS CO  
FIRSTCOMP INSURANCE CO  
FL RURAL ELECTRIC SI FUND  
FLORIDA CASUALTY INSURANCE COMPANY  
FLORIDA CITRUS BUSINESS AND INDUSTRIES FUND  
FLORIDA INSURANCE ALLIANCE  
FLORIDA MUNICIPAL INS TRUST  
FLORIDA WC JUA  
FLORISTS INS CO  
FLORISTS MUTUAL INSURANCE CO  
FOREMOST INS CO GRAND RAPIDS MICHIGAN  
FOREMOST PROPERTY & CAS INS  
FOREMOST SIGNATURE INS CO  
FORESTRY MUTUAL INS CO  
FRANK WINSTON CRUM INSURANCE CO  
FRANKENMUTH MUTUAL INS CO  
FREEDOM SPECIALTY INSURANCE COMPANY  
FRSA SELF INSURERS FUND INC  
GENERAL CASUALTY COMPANY OF WISCONSIN  
GENERAL INS CO OF AMERICA  
GENESIS INS CO  
GLENCAR INSURANCE COMPANY  
GOTHAM INSURANCE COMPANY  
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 SECURITY INS CO  
GREAT AMERICAN SPIRIT INS CO  
GREAT DIVIDE INSURANCE COMPANY  
GREAT MIDWEST INS CO  
GREAT NORTHERN INS CO  
GREAT WEST CASUALTY COMPANY  
GREENWICH INS CO  
GUIDEONE ELITE INS CO  
GUIDEONE INSURANCE COMPANY  
GUIDEONE SPECIALTY INSURANCE COMPANY  
HANOVER AMERICAN INS CO  
HANOVER INS 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  
HIGHMARK CASUALTY INSURANCE COMPANY  
HISCOX INSURANCE COMPANY INC  
HUDSON INS CO  
ILLINOIS INSURANCE COMPANY  
ILLINOIS NATIONAL INSURANCE COMPANY  
IMPERIUM INSURANCE COMPANY  
INCLINE CASUALTY COMPANY  
INDEMNITY INS CO OF N AMERICA (INA INS) (CT GEN)  
INDIANA INSURANCE COMPANY  
INS CO OF NORTH AMERICA  
INS CO OF THE STATE PA  
INS CO OF THE WEST  
INTREPID INSURANCE COMPANY  
KEY RISK INS CO  
LACKAWANNA AMERICAN INS CO  
LACKAWANNA CASUALTY CO  
LACKAWANNA NATIONAL INS CO  
LANCER INDEMNITY COMPANY  
LANCER INSURANCE COMPANY  
LIBERTY INS CORP  
LIBERTY INSURANCE UNDERWRITERS INC  
LIBERTY MUTUAL FIRE INS CO  
LIBERTY MUTUAL INS CO  
LION INSURANCE COMPANY  
LM INS CORP  
LUBA CASUALTY INS CO  
MA BAY INS CO  
MAG MUTUAL INS CO  
MAIN STREET AMERICA ASSURANCE CO  
MANUFACTURERS ALLIANCE INS CO  
MARKEL AMERICAN INSURANCE CO



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### NCCI Affiliate List

MARKEL INSURANCE CO  
MEMIC CASUALTY COMPANY  
MEMIC INDEMNITY CO  
MERIDIAN SECURITY INSURANCE COMPANY  
MICHIGAN COMMERCIAL INSURANCE MUTUAL  
MID CENTURY INS CO  
MIDDLESEX INS CO  
MIDSOUTH MUTUAL INSURANCE COMPANY  
MIDVALE INDEMNITY COMPANY  
MIDWEST BUILDERS CASUALTY MUTUAL COMPANY  
MIDWEST EMPLOYERS CASUALTY CO  
MIDWEST INS CO  
MILBANK INSURANCE COMPANY  
MILFORD CASUALTY INSURANCE CO  
MITSUI SUMITOMO INS CO OF AMERICA  
MITSUI SUMITOMO INS USA INC  
MUNICH REINSURANCE AMERICA INC  
NATIONAL AMERICAN INS CO  
NATIONAL BUILDERS INSURANCE COMPANY  
NATIONAL CASUALTY CO  
NATIONAL FIRE INS CO OF HARTFORD  
NATIONAL INDEMNITY CO  
NATIONAL INDEMNITY CO OF THE SOUTH  
NATIONAL INTERSTATE INS CO  
NATIONAL LIABILITY & FIRE INSURANCE CO  
NATIONAL SURETY CORP  
NATIONAL TRUST INS CO  
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 FIRE INS CO  
NATIONWIDE MUTUAL INS CO  
NATIONWIDE PROPERTY AND CASUALTY INS CO  
NETHERLANDS INSURANCE COMPANY  
NEW HAMPSHIRE INSURANCE COMPANY  
NEW YORK MARINE AND GENERAL INSURANCE CO  
NEXT INSURANCE US COMPANY  
NGM INSURANCE COMPANY  
NORGUARD INS CO  
NORMANDY INSURANCE COMPANY  
NORTH POINTE INS CO  
NORTH RIVER INS CO  
NOVA CASUALTY COMPANY  
NUTMEG INS CO  
OAK RIVER INSURANCE COMPANY  
OBI AMERICA INSURANCE COMPANY  
OBI NATIONAL INSURANCE COMPANY  
OH CASUALTY INS CO  
OH FARMERS INS CO  
OHIO SECURITY INS CO  
OLD DOMINION INS CO  
OLD GUARD INSURANCE COMPANY  
OLD REPUBLIC GENERAL INSURANCE CORPORATION  
OLD REPUBLIC INS CO  
OWNERS INSURANCE COMPANY  
PA MANUFACTURERS ASSN INS CO  
PA MANUFACTURERS INDEMNITY CO  
PA NATIONAL MUTUAL CAS INS CO  
PACIFIC EMPLOYERS INS CO  
PACIFIC INDEMNITY CO  
PATRIOT GENERAL INS CO  
PATRONS MUTUAL INS CO OF CT  
PEERLESS INSURANCE COMPANY  
PENNSYLVANIA INSURANCE COMPANY  
PETROLEUM CASUALTY CO  
PHARMACISTS MUTUAL INS CO  
PHOENIX INS CO  
PINNACLE NATIONAL INSURANCE COMPANY  
PLAZA INSURANCE CO  
PRAETORIAN INSURANCE COMPANY  
PREFERRED EMPLOYERS INS CO  
PREFERRED GOVERNMENTAL INS TRUST  
PREFERRED PROFESSIONAL INSURANCE COMPANY  
PREMIER GROUP INS CO  
PRESCIENT NATIONAL INSURANCE COMPANY  
PREVISOR INSURANCE COMPANY  
PRIVILEGE UNDERWRITERS RECIPROCAL EXCHANGE  
PROPERTY AND CASUALTY INS CO OF HARTFORD  
PROTECTIVE INS CO  
QBE INSURANCE CORPORATION  
REGENT INSURANCE COMPANY  
REPUBLIC INDEMNITY CO OF CA  
REPUBLIC INDEMNITY COMPANY OF AMERICA  
RETAILFIRST INSURANCE COMPANY  
RIVERPORT INSURANCE COMPANY  
RLI INSURANCE COMPANY  
ROCKWOOD CASUALTY INS CO  
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  
SELECT INS CO  
SELECTIVE INS CO OF SC  
SELECTIVE INS CO OF THE SOUTHEAST  
SELECTIVE INSURANCE COMPANY OF AMERICA  
SELECTIVE WAY INS CO  
SENECA INSURANCE 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  
SFM MUTUAL INS CO  
SILVER OAK CASUALTY INC  
SIRIUSPOINT AMERICA INSURANCE COMPANY  
SOMPO AMERICA FIRE & MARINE INSURANCE COMPANY  
SOMPO AMERICA INSURANCE COMPANY  
SOUTHERN INS CO  
SOUTHERN OWNERS 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



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### NCCI Affiliate List

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 FARM FIRE AND CASUALTY CO  
STATE NATIONAL INSURANCE COMPANY  
STONEWOOD INSURANCE CO  
STONINGTON INS CO  
SUNZ INSURANCE COMPANY  
SUTTON NATIONAL 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  
TRANSVERSE INSURANCE COMPANY  
TRAVELERS CASUALTY & SURETY CO OF AMERICA  
TRAVELERS CASUALTY AND SURETY CO  
TRAVELERS CASUALTY CO OF CONNECTICUT  
TRAVELERS CASUALTY INS CO OF AMERICA  
TRAVELERS COMMERCIAL CASUALTY CO  
TRAVELERS COMMERCIAL INS CO  
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  
UFG SPECIALTY INSURANCE COMPANY  
UNION INSURANCE COMPANY  
UNITED STATES FIDELITY AND GUARANTY CO  
UNITED WI INS CO  
UNIVERSAL UNDERWRITERS INS CO  
UPMC HEALTH BENEFITS INC  
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  
WESTFIELD CHAMPION INSURANCE COMPANY  
WESTFIELD INS CO  
WESTFIELD PREMIER INSURANCE COMPANY  
WESTFIELD SUPERIOR INSURANCE COMPANY  
WESTFIELD TOUCHSTONE INSURANCE COMPANY  
WESTPORT INSURANCE CORPORATION  
WILLIAMSBURG NATIONAL INS CO  
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



## Florida

### Workers Compensation Rate Filing – January 1, 2023

#### Key Contacts

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