



Pennsylvania Compensation Rating Bureau

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February 10, 2020

PCRB CIRCULAR NO. 1733

To All Members of the PCRB:

Re: **APRIL 1, 2020 LOSS COST FILING APPROVAL**

By action dated February 5, 2020, Pennsylvania Insurance Commissioner Jessica Altman has approved revised loss costs and related rating values, as filed, **effective on a new and renewal basis** as of 12:01 a.m., **April 1, 2020**.

The PCRB's April 1, 2020 loss cost filing, PCRB Filing No. C-377, proposed an overall average decrease in collectible loss costs of -10.08 percent.

All approved loss costs, expected loss factors and other rating values are available in two Excel files in the "Rating Values" section of the PCRB's website.

The Manual loss costs in the files include all of the following provisions and/or adjustments:

- Offset for Experience Rating Plan off-balance
- Offset for Merit Rating Plan off-balance
- Loadings in construction classifications for the effects of Pennsylvania Construction Classification Premium Adjustment Program (PCCPAP) credits
- Provision for the Office of the Small Business Advocate's portion of the Administration Fund
- Offsets for the effects of credits granted under the Certified Safety Committee Program

The items listed above are included in current loss costs in Pennsylvania and continue to be included in the approved values effective April 1, 2020.

Below is a list of those other rating values, including the change to the employer assessment factor:

- Code 994 loss costs by population band
- Excess loss (pure premium) factors
- Small deductible program – loss elimination ratios
- State and hazard group relativities
- Optional retrospective rating plan loss development factors
- Employer assessment factor (revised from 0.0183 to 0.0202)

All filings that will be effective on April 1, 2020 are shown in the following table.

PCRB Filings Effective April 1, 2020		
Filing	Approval Circular	Description
377	1733	April 1, 2020 Loss Cost Filing
300	1727	Basic Manual Revisions to Section 2 – Classification Revision
301	1728	Basic Manual Housekeeping Revisions to Sections 1 & 2
302	1726	Basic Manual Revisions to Rule V – Premium Basis
303	1729	Basic Manual Revisions to Sections 1 & 2 – Designated Auditable Payrolls
306	1730	Basic Manual Revisions to Section 2 - Classification Revision

Manual revisions reflecting approval of PCRB Filing No. C-377 with respect to rating values effective April 1, 2020 will be updated on our website (www.pcrb.com) at a later date.

Please direct all questions to Brent Otto, Vice President of Actuarial Services and Chief Actuary, at Extension 4451 or botto@pcrb.com or to Kenneth Creighton, Director of Actuarial Services, at Extension 4924 or kcreighton@pcrb.com for any questions regarding this Circular.

William V. Taylor
President

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Remember to visit our web site at www.pcrb.com for more information about this and other topics.