

June 12, 2025

PCRB Circular No. 1830

To All Members of the PCRB:

Re: Transition to Three-Decimal Precision for Loss Costs and Expected Loss Rates

The Pennsylvania Compensation Rating Bureau (PCRB) is implementing a significant change designed to enhance accuracy and consistency across our data systems. Beginning with the **Annual Loss Cost Filing effective April 1, 2026**, loss costs and expected loss rates (ELRs) will be filed and published using three decimal places (e.g. 2.324) instead of the current two decimals (e.g. 2.32).

This nationally motivated change, initially highlighted in [PCRB Circular No. 1806](#), enables improved pricing precision, particularly for low-rate classification codes where rounding can lead to disproportionate premium impacts.

To prepare the industry for this transition, changes will begin rolling out **as early as July 1, 2025**, when ELR values in WCRATING files will begin assuming three digits after the decimal. Carriers must update systems to interpret ELRs in field positions 189–195 with three-decimal precision. A value like 2.65 will now be stored as 0002650, not 0000265.

Beginning with data reported for policies effective **April 1, 2026**, all policy-related data must align with this three-decimal standard:

- **Policy Reporting (WCPOLS):**
Manual rates on policies effective **April 1, 2026**, or later must use three decimal places. Submissions based on two-decimal loss costs will trigger validation errors. Carriers unable to meet this requirement must contact policyinquiries@pcrb.com.
- **Unit Statistical Reporting (WCSTAT):**
Units with policy effective dates on or after **April 1, 2026**, must be calculated using the new three-decimal rates. Any miscalculation may result in rejected unit reports.
- **Financial Data Calls:**
Premiums submitted as part of financial data reporting must match the three-decimal loss cost level to maintain data consistency.
- **Rating Worksheets:**
Beginning now, **ELRs** will display three decimals (with zero placeholders for the third

decimal until **April 2026**). Final experience rating modification factors will continue to be shown to three decimals.

- **WCRATE File:**

The **WCRATE** file format already supports three-decimal precision and will begin applying it with the **April 1, 2026** loss cost filing.

We urge all member carriers and vendors to review their systems to ensure full readiness ahead of the implementation. Both the **WCPOLS** and **WCSTAT** file formats already support the required precision. Systems should be updated now to properly store, calculate, and report three-decimal loss cost values.

For additional support, please contact Central Support at centralsupport@pcrb.com.

This initiative underscores PCRB's commitment to data quality and operational excellence. We thank our members for their continued partnership in building a more precise and stable workers compensation system.

William Taylor

President

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