

WORKERS COMPENSATION - NEW YORK

GENERAL LOSS COST REVISION - OCTOBER 1, 2011

SUMMARY - ALL ELEMENTS

	2 Policy Years
1. Loss Cost change indicated by Policy Year 2009 Experience (Exhibit B)	1.042
2. Loss Cost change indicated by Policy Year 2008 Experience (Exhibit C)	1.049
3. Average Loss Cost change indicated by Experience $[(1)+(2)] / 2$	1.046
4. Projected change in Loss Costs (Trend Exhibit E)	1.020
5. Change in Loss Adjustment Expenses (Exhibit F)	0.992
6. Indicated Change in Loss Costs Based on Experience $[(3) \times (4) \times (5)]$	1.058
7. Legislative Changes (Exhibit G)	1.033
8. Indicated Total Loss Cost Change $[(6) \times (7)]$	1.093
9. Change in Catastrophe Provision (Exhibit H)	1.000
10. Catastrophe Provision loss cost as percent of total loss costs	0.024
11. Total Proposed Premium Level Change $[(8) \times (1.0 - (10))] + [(9) \times (10)]$	1.091

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DETERMINATION OF TREND FACTOR

	<u>Average Annual Change</u>
(A) Annual Loss Trend (See Exhibit EE)	
(1) Selected Indemnity Claim Cost Trend	1.059
(2) Selected Indemnity Claim Frequency Trend	0.976
(3) Indemnity Loss Trend [(1) x (2)]	1.034
(4) Selected Medical Claim Cost Trend	1.067
(5) Selected Medical Claim Frequency Trend	0.976
(6) Medical Loss Trend [(4) x (5)]	1.041
(7) Indemnity Weight*	0.560
(8) Medical Weight*	0.440
(9) Indicated Annual Loss Trend [(3)x(7) + (6)x(8)]	1.037
(B) Annual Wage Trend (Selected)	1.031
(C) Annual Loss/Wage Trend (A9) / (B)	1.006
(D) Selected Loss/Wage Trend	1.006
(E) Trended to Average Accident Date (D) ^{3.25}	1.020
(F) Final Loss/Wage Trend Factor	1.020

* Policy Year 2009 adjusted ultimate losses - See Exhibit B

Trend Analysis

	Private Carriers		State Insurance Fund		Combined
	(1)	(2)	(3)	(4)	(5)
	Indicated Trend weight		Indicated Trend weight		(1) x (2) + (3) x (4)
Indemnity Severity	7.8%	0.629	2.8%	0.371	5.9%
Medical Seveiry	6.8%	0.629	6.4%	0.371	6.7%
Frequency	-2.7%	0.595	-1.9%	0.405	-2.4%