



Review of NCCI Tennessee Workers
Compensation Loss Cost Filing
Effective March 1, 2018

PROPOSED CHANGE IN VOLUNTARY LOSS COST LEVEL:

Component	NCCI	BYNAC
<ul style="list-style-type: none">• Experience• Trend• Benefits• LAE	<ul style="list-style-type: none">• -11.1%• -1.9%• +0.5%• -0.3%	<ul style="list-style-type: none">• -6.9%• -1.7%• +0.5%• -0.1%

Overall Loss Cost Change

-12.6%

-8.1%

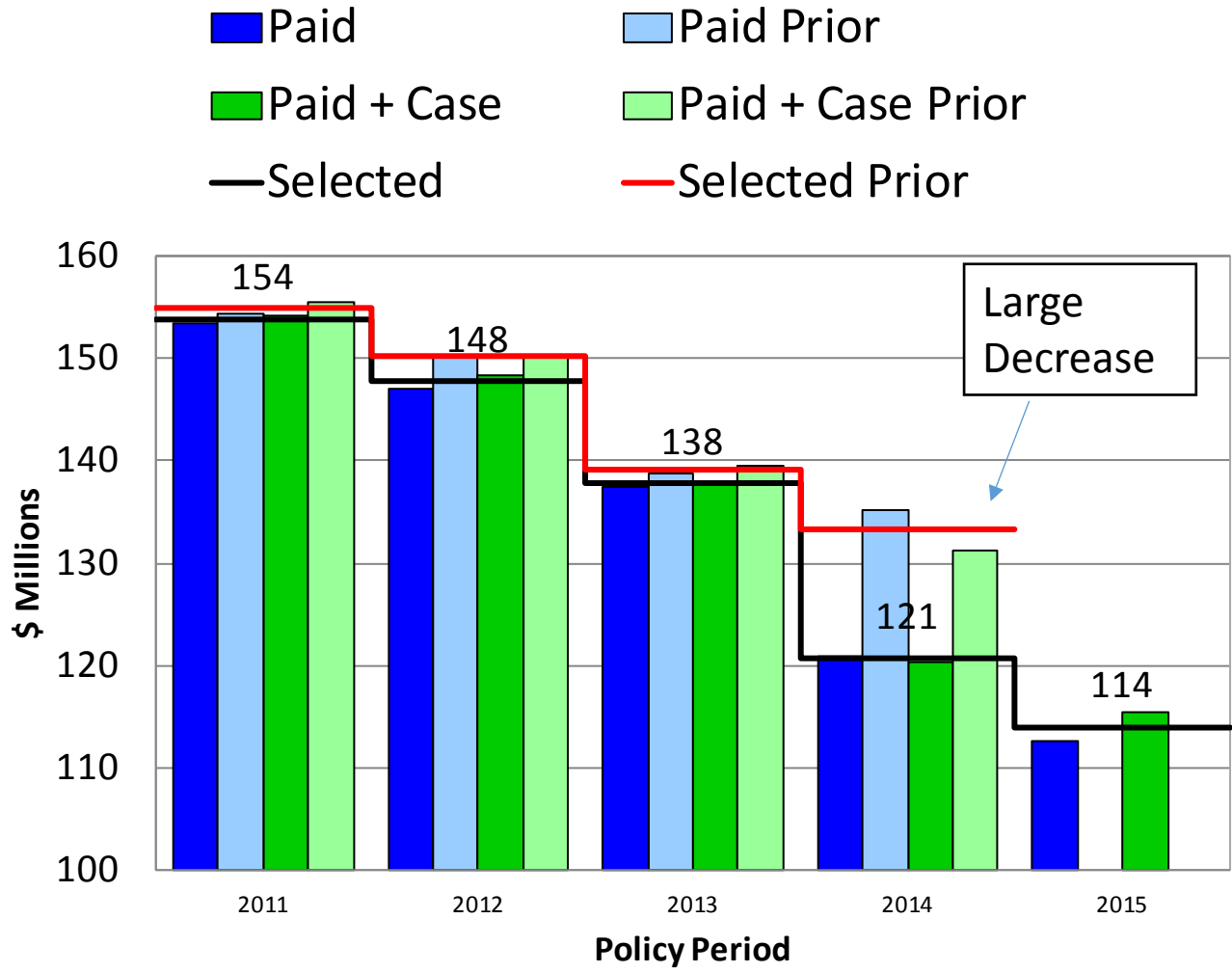
COMPARISON TO PRIOR ESTIMATES

PROJECTED COST RATIOS

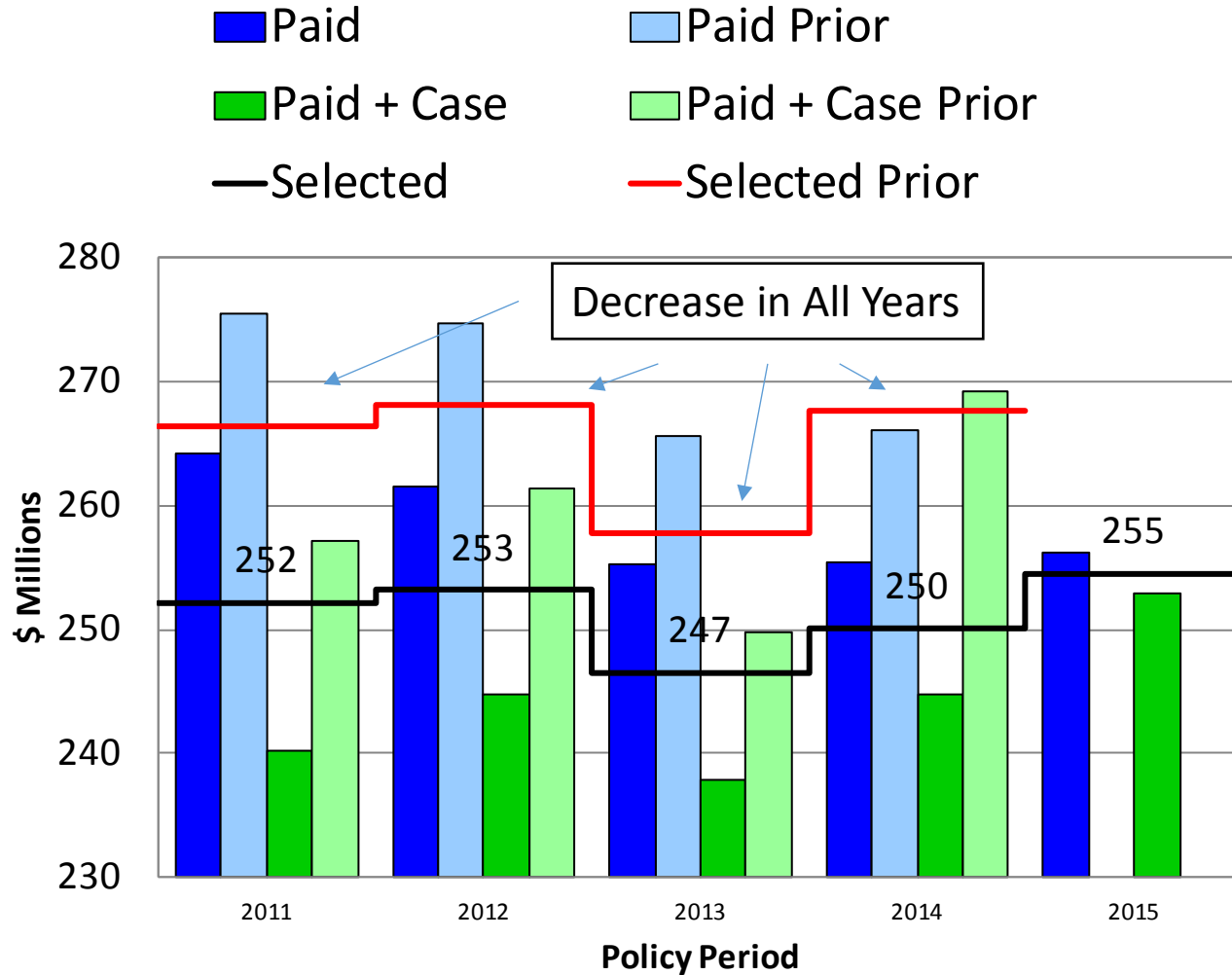
LOSS ADJUSTMENT EXPENSE

FINDINGS

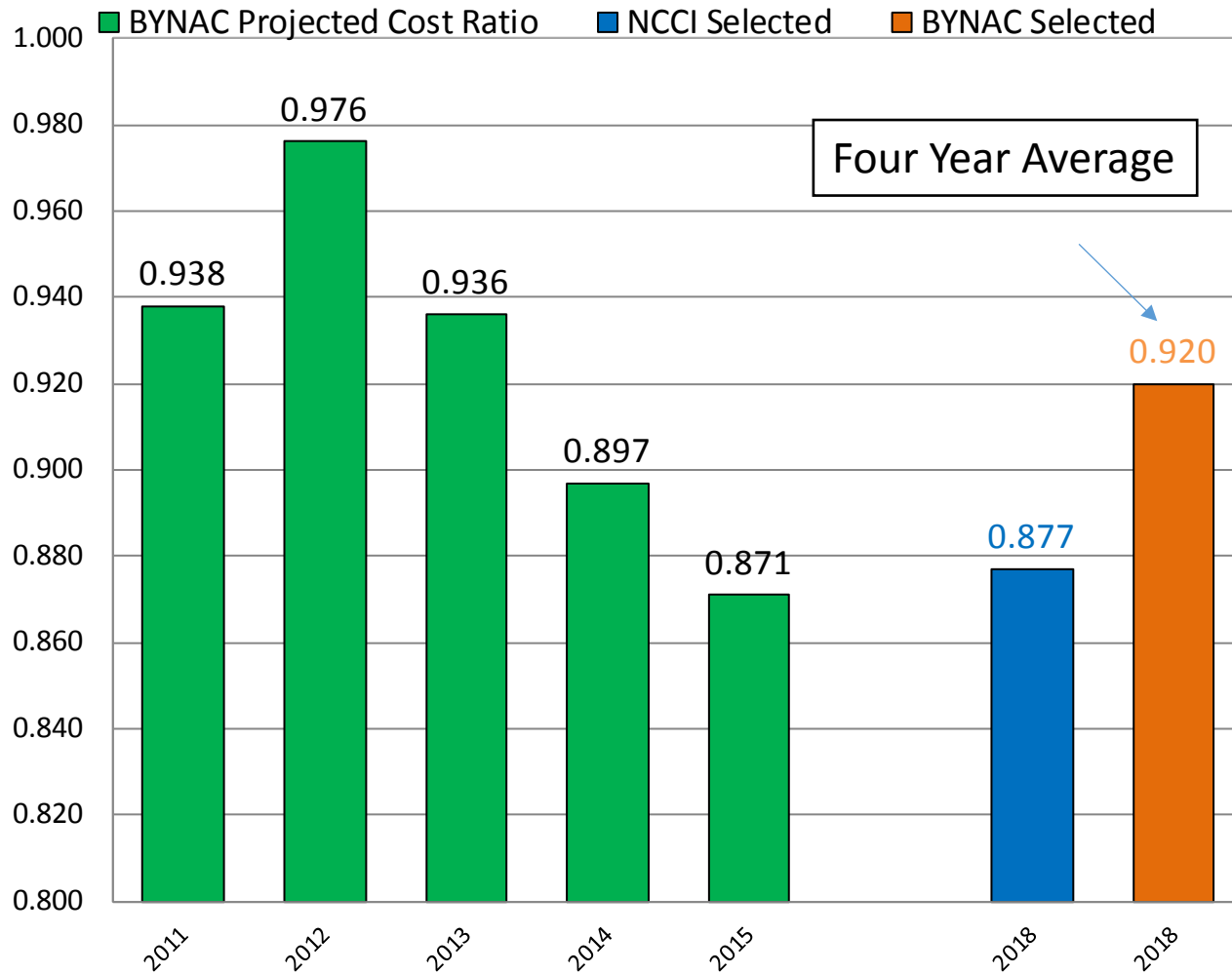
INDEMNITY SELECTED ULTIMATE INCURRED LOSSES



MEDICAL SELECTED ULTIMATE INCURRED LOSSES





PROJECTED COST RATIOS



COMPARISON OF DCCE RATIOS

Filing	Relativity	Paid Losses/Paid DCCE		Developed DCCE Ratio	
		TN	CW	TN	CW
3/1/2012	1.027	0.113	0.110	0.125	0.122
3/1/2013	1.018	0.116	0.114	0.127	0.125
3/1/2014	1.000	0.117	0.117	0.127	0.127
3/1/2015	1.000	0.119	0.119	0.128	0.128
3/1/2016	0.975	0.118	0.121	0.127	0.130
3/1/2017	0.960	0.119	0.124	0.127	0.132
3/1/2018	0.929	0.118	0.127	0.124	0.133

FINDINGS

The proposed change of -12.6% effective 3/1/18 has been reasonably calculated in accordance with actuarial standards of practice.

Volatility in estimated ultimate selections compared to prior analysis supports use of longer experience period in projections.

FINDINGS

