Iowa

Advisory Rates,
Assigned Risk Rates,
and Rating Values Filing

Proposed Effective January 1, 2025

Dan Nelson, MCM, WCP
State Relations Executive
Regulatory Division

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August 27, 2024

Honorable Doug Ommen
Insurance Commissioner
Iowa Department of Insurance and Financial Services
Iowa Insurance Division
1963 Bell Avenue
Des Moines, IA 50315

Re: Iowa Advisory Rates, Assigned Risk Rates, and Rating Values Filing
Proposed Effective January 1, 2025

Dear Commissioner Ommen:

In accordance with the applicable statutes and regulations of the state of Iowa, we are filing for your consideration and approval of prospective rates and rating values for the Iowa voluntary and assigned risk markets to become effective January 1, 2025 for new and renewal policies.

This filing proposes an overall average change of –7.2% to the voluntary rate level and an overall average change of –9.6% to the assigned risk rate level. The advisory prospective rates of the voluntary market are used as a basis for the rates in the assigned risk market.

This filing is made exclusively on behalf of the companies that have given valid consideration for the express purpose of fulfilling regulatory rate filing requirements and other private use of this information.

In the enclosed appendix 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 nonaffiliate, and is not intended to indicate whether the company is currently writing business or is even licensed to write business in this state.

As always, if you should have any questions or need additional information, please do not hesitate to contact Dan Benzshawel at (561) 893-3093 or me at (561) 893-3784.

Sincerely,

Dan Nelson, MCM, WCP
State Relations Executive

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Workers Compensation Rate Filing – January 1, 2025

Actuarial Certification

I, Dan Benzshawel, am an Executive Director and 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.

Dan Benzshawel, FCAS, MAAA
Executive Director and Actuary
Actuarial and Economic Services

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Disclosures

Purpose of the Report

The purpose of this report is to provide the proposed voluntary and assigned risk rates for workers compensation policies in Iowa, proposed to be effective January 1, 2025.

The intended users of this report are:

- The Iowa Insurance Division
- Affiliated carriers, for their reference in determining workers compensation rates

Scope

The prospective advisory 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-based expenses), and any other costs associated with providing workers compensation insurance (such as commissions, taxes, etc.).

Each insurance company offering workers compensation insurance in Iowa may:

a) adopt the advisory rates which include provisions for expenses based on NCCI's compilation of industry expense data, or
b) deviate from the advisory rates.

Employers unable to secure coverage in the voluntary market can apply for such coverage in the assigned risk market. The proposed assigned risk rates are intended to cover the indemnity and medical benefits provided under the system, the expenses associated with providing these benefits (loss-based expenses), and any other costs associated with providing workers compensation insurance (such as commissions, taxes, etc.).

NCCI utilizes widely accepted general ratemaking methodologies in the calculation of voluntary and assigned risk rates, including (i) experience base determination, (ii) chain ladder development method, (iii) trending procedure, (iv) expense calculation, and (v) application of indemnity and medical benefit changes. These ratemaking methodologies are unchanged from the prior filing and continue to remain appropriate for use in this filing.

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Disclosures

Data Sources

Key Dates

Financial Data Valuation Date	December 31, 2023
Financial Call Data Cutoff Date	June 24, 2024
Unit Statistical Plan Data Cutoff Date	June 19, 2024
Filing Preparation Date	July 15, 2024

The overall average advisory 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 the Financial Call Data Cutoff Date were not considered for inclusion in the analysis.

Advisory rate level changes at the classification code level are based on Unit Statistical Plan Data, which is the audited exposure, premium, and loss information reported to NCCI on a policy level. In this filing, Unit Statistical Plan Data submissions received after the Unit Statistical Plan Data Cutoff Date were not considered for inclusion in the analysis.

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. Events that have occurred after the Filing Preparation Date that may have a material impact on workers compensation costs in this jurisdiction have not been considered in the analysis.

Data Exclusions

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 Iowa workers compensation written premium volume have been included in the experience period on which this filing is based.

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NCCI categorizes catastrophic events as those that incur aggregate workers compensation losses in excess of $50 million per occurrence. Pandemics have the potential to be catastrophic in terms of the costs they impose on the workers compensation system. NCCI's standard ratemaking methodology excludes catastrophe-related losses from the calculation of rates since these events are not considered to be predictive of future experience. Consistent with this methodology, NCCI is proposing to treat COVID-19 claims with accident dates between December 1, 2019 through June 30, 2023 as a catastrophe in this filing. These reported claims have been excluded from Financial Call Data and Unit Statistical Plan Data for use in ratemaking to better reflect the conditions expected to prevail in the filing's proposed effective period. Due to approved Item E-1410, claims attributable to COVID-19 with accident dates on or after July 1, 2023, are no longer treated as catastrophic claims and are included in the calculation of rates in this year's filing. The temporary classification of COVID-19 claims as catastrophic was intended to address the initial surge in cases but is no longer necessary. As COVID-19 losses are expected to persist, they no longer represent a unique risk in workers compensation. Starting from July 1, 2023, NCCI anticipates that COVID-19 claims will align with typical claim patterns and no longer require special treatment and thus should be treated like any other standard workers compensation claims.

Below is a summary of COVID-19-related lost-time claim counts and indemnity and medical combined paid plus case losses, as reported in NCCI's Financial Call 31–Large Loss and Catastrophe as of year-end 2023.

Year	COVID-19 Lost-Time Claim Counts	COVID-19 Paid+Case Losses
PY 2019	100	$1,963,079
PY 2020	262	$2,597,858
PY 2021	35	$1,000,740
PY 2022	4	$3,130
AY 2020	342	$4,513,947
AY 2021	39	$886,336
AY 2022	19	$164,391
AY 2023	3	$1,433

Excludes large deductible and expense-only claims.

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Reported COVID-19-related losses would have represented less than a 0.2% share of the reported paid plus case losses in Iowa's experience period.

Other exclusions are made for the purposes of analysis, but do not have a material impact on the proposed changes in this filing.

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 final results include the following:

- Projection of future loss development
- Selection of loss ratio trends
- Unanticipated changes to wage or medical inflation
- 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.

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Part 1 Filing Overview

- Executive Summary
- Overview of Methodology
- Summary of Selections
- Additional Proposed Changes

Workers Compensation Rate Filing – January 1, 2025

Executive Summary

Based on its review of the most recently available data, NCCI has proposed the following overall average workers compensation voluntary rate and assigned risk rate level changes in Iowa to become effective January 1, 2025.

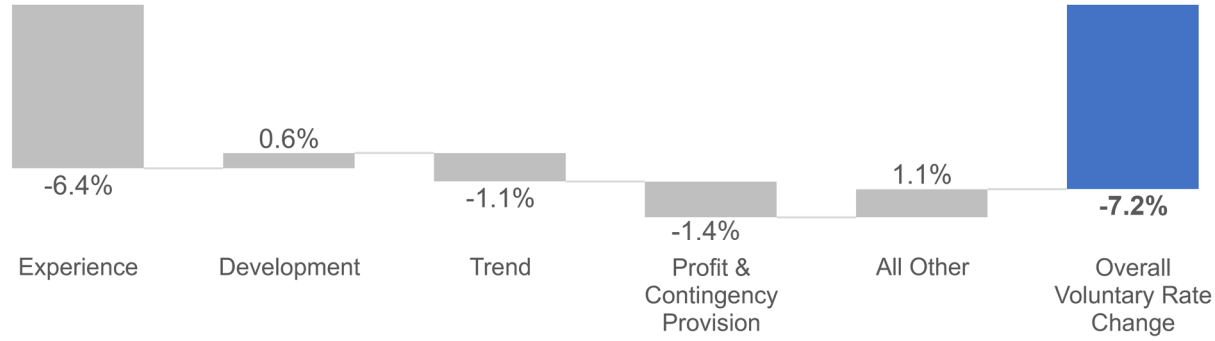
Summary of Overall Indications

Proposed Change in Overall Voluntary Rate Level	**– 7.2%**
Proposed Change in Overall Assigned Risk Rate Level	**– 9.6%**

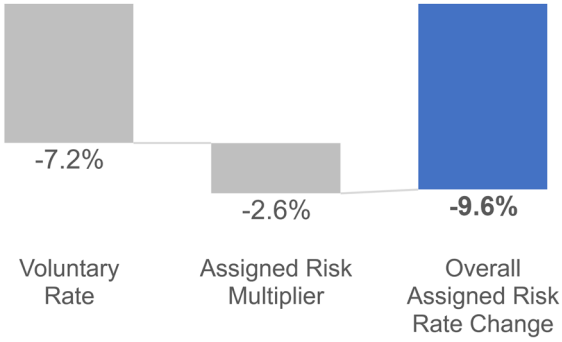
Breakdown of the Change in Key Components

Below are the changes in the key components underlying the overall voluntary rate and assigned risk rate level indications. The impact of these components are combined multiplicatively to produce the overall change. The overall change varies by classification code, each of which belongs to one of five Industry Groups.

Voluntary Rate



Assigned Risk Rate



The key components shown above are described in detail on the following page(s).

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Executive Summary

Key Component Overview

Experience and Development

- The filing is based on financial premium and loss experience for Policy Years 2021 and 2022 evaluated as of December 31, 2023. The experience period evaluated as of December 31, 2023 shows continued improvement when compared to the data evaluated as of December 31, 2022. Refer to Exhibit I for the considerations underlying the Experience Period and Loss Base selections.
    - A combination of both paid and paid plus case data was selected to best reflect the conditions likely to prevail in the proposed effective period.
    - Both Policy Years 2021 and 2022 demonstrate favorable experience. The use of the two most recently available full policy years appropriately balances stability and responsiveness. This methodology is consistent with prior filings in Iowa.
    - Reported COVID-19-related claims with accident dates between December 1, 2019 through June 30, 2023 have been excluded from the data on which this filing is based.
- Similar to previous Iowa filings, the reported loss amounts are projected to an ultimate basis using a 3-year average for paid losses and a 5-year average for paid plus case losses. The most recent valuation of development factors shows no clear deviation from historical values. Refer to Appendix A-II for considerations underlying the Development selection.

Trend

- Generally, the selected annual loss ratio trends in this year's filing are more heavily based on the observed mid- to long-term patterns. Refer to Appendix A-III for considerations underlying the Trend selection.
    - The selected annual indemnity loss ratio trend is –4.5% and the selected medical loss ratio trend is –3.5%. This represents no change to indemnity loss ratio trend and a half-point decrease to medical loss ratio trend in relation to currently approved trend factors. These selections consider several aspects, including recent inflationary changes as well as impacts from House File 518.
    - After adjusting to a common wage level, Iowa's lost-time claim frequency continues to exhibit a long-term pattern of decline, although this trend has moderated in more recent policy years.
    - After adjusting to a common wage level, long-term indemnity average cost per case figures demonstrate a declining trend, while long-term medical costs per case figures remain flat.

Other Items of Note

- The primary driver of the proposed change is attributable to improved experience. The changes in development and trend factor selections have partially offsetting impacts on the overall voluntary rate level change, as displayed in the visual on the first page of this section.
- There are no benefit changes proposed in this filing.
- This filing proposes a decrease in the profit and continency provision from 0.0% to -1.0%, which reflects the investment returns expected in the prospective interest rate environment.
- The remaining components attributable to the voluntary rate level change include an increase to both production expense and loss adjustment expense.
- The difference between the advisory rate change and the assigned risk rate level change is due to a decrease in the assigned risk multiplier. A component of that multiplier is an uncollectible premium provision that is explicitly being selected in this filing for the first time in Iowa. Please refer to Appendix D for more information.
- This filing proposes to increase the selected assigned risk market share from 0% to 3% based on a 20-year history of observed assigned risk market shares in Iowa. Please see the disclosure in the Selected Assigned Risk Market Share Premium Calculation within the Additional Proposed Changes section for more information.
- An offset to the voluntary rate is applied to ensure the change to the assigned risk differential, paired with the positive assigned risk market share, results in a premium neutral impact.

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Overview of Methodology

The following methodologies 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.

Aggregate Ratemaking

NCCI's approach to determining the proposed overall average advisory 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 pure premium level
- The excess loss portion of individual large claims are removed from reported aggregate losses, based on an Iowa-specific large loss threshold
- The reported historical limited indemnity and medical loss totals are projected to an ultimate basis and adjusted to the current benefit level
- Ratios of losses to pure premium are projected to the cost levels expected in the rate effective period
- Ultimate, trended, limited losses are adjusted to an unlimited basis via a non-catastrophe excess ratio (with excess ratios at limits beyond $50 million set equal to zero)
- Proposed benefit level and expense changes are applied to the projected cost ratios

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

Overview of Methodology

Assigned Risk Rates

The proposed assigned risk rates are then determined for each job classification as the product of the classification's advisory voluntary rate and an assigned risk multiplier. The multiplier incorporates changes to the assigned risk differential and the proposed uncollectible premium provision.

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Summary of Selections

The following is a summary of selections underlying the voluntary rates and assigned risk rates proposed to be effective January 1, 2025, along with the selections underlying the currently approved filing effective January 1, 2024.

Voluntary Market Advisory Rates	**Currently Approved January 1, 2024**	**Proposed Effective January 1, 2025**
Experience Period	Policy Years 2020 and 2021	Policy Years 2021 and 2022
Premium Development	3-yr avg	3-yr avg
Loss Experience Base	Avg Paid and P+C	Avg Paid and P+C
Loss Development - Paid	3-yr avg	3-yr avg
Loss Development - Paid+Case	5-yr avg	5-yr avg
Tail Factor – Indemnity	1.010	1.010
Tail Factor – Medical	1.020	1.030
Trend Factor – Indemnity Loss Ratio	0.955	0.955
Trend Factor – Medical Loss Ratio	0.970	0.965
Base Threshold for Limiting Losses	$6,901,988	$6,676,416
Excess Ratio	3.2%	3.4%
Loss-based Expense Provision	17.8%	18.5%
Production and General Expenses	24.4%	24.6%
Premium Taxes and Assessments	2.7%	2.7%
Profit and Contingencies Provision	0.0%	-1.0%
Classification Swing Limits (applied by Industry Group)	+/-25%	+/-25%

Assigned Risk Rates	**Currently Approved January 1, 2024**	**Proposed Effective January 1, 2025**
Assigned Risk Differential	1.250	1.200
Uncollectible Premium Provision (UPP)*	N/A	1.5%

*The 1/1/2025 filing is the first time a value is being explicitly selected for the UPP.

Additional Proposed Changes

Selected Assigned Risk Market Share Premium Calculation

NCCI adjusts the historical policy year experience to the current level by reflecting approved rate level changes. In this process, known as on-leveling, premium adjustment factors are calculated for the assigned risk market as well as the voluntary market to calculate a final premium that is applicable statewide.

In order to remove possible policy year-to-year distortions that may result due to changes in the volume of business written in the voluntary or assigned risk markets, assigned risk premium is brought to a common selected market share level. A consistent selected assigned risk market share value from filing-to-filing results in a benchmark rate level that is independent of changes in the size of the assigned risk market. In prior Iowa filings, a market share of 0% was selected which adjusted the assigned risk premium to the voluntary premium level by removing the assigned risk premium programs (e.g., ARAP, differential).

Based on a review of historical assigned risk market shares, a market share of 3% was selected in this filing. Rather than establishing voluntary rates that assume all risks will be written at the voluntary rate premium level, this selection is intended to recognize that there will inevitably be some minimum proportion of employers who obtain coverage in the assigned risk market each year. The selection in this year's rate filing considers the observed history across a 20-year period in which assigned risk market shares range from 3.4% to 12.5%, while also considering Iowa's industry mix, economic factors, and the assigned risk mechanisms in effect. The positive market share selection recognizes that 3% of premium will be a function of the assigned risk market. This assumed level considers the estimated impact from the current assigned risk premium programs in the calculation of the overall advisory rate level change.

NCCI's methodology of selecting an assigned risk market share leads to a stable benchmark rate level, that is independent of variations in the assigned risk market's size over time. The updated selection in this filing, which reflects various state-specific factors, will result in a downward impact of approximately 1% to the voluntary rates.

When a positive assigned risk market share is selected, the assigned risk differential is calculated by comparing the historical on-leveled assigned risk loss ratios to the similarly adjusted voluntary loss ratios, after accounting for additional premium generated from assigned risk pricing programs. Under the prior approach, the historical on-leveled assigned risk loss ratios were compared to the similarly adjusted statewide loss ratios, without accounting for additional premium from assigned risk pricing programs.

Please refer to Appendix A-I for more information.

Part 2 Proposed Values

- Proposed Voluntary Market Advisory Rates for Inclusion in the Basic Manual
- Proposed Assigned Risk Rates for Inclusion in the Residual Market Manual
- Proposed Values for Inclusion in the Experience Rating Plan Manual
- Proposed Values for Inclusion in the Retrospective Rating Plan Manual

Please note the following in connection with this filing:

- Class Codes 7710 and 7711 are no longer payroll-weighted to produce a single combined rate.

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Proposed Voluntary Market Advisory Rates for Inclusion in the Basic Manual

The following pages include proposed:

- Voluntary market advisory rates and minimum premiums by class code, along with associated footnotes

- Miscellaneous values, such as:

    - Catastrophe and Terrorism provisions
    - Expense Constant and Minimum Premium parameters
    - Maximum and minimum weekly payroll applicable for select class codes
    - Premium determination for Partners and Sole Proprietors
    - United States Longshore and Harbor Workers' Compensation Coverage Percentage

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	2.93	482	2081	3.14	505	2835	2.78	466	3373	4.55	661	4207	2.50	435
0008	2.14	395	2089	3.36	530	2836	2.55	441	3383	1.35	309	4239	2.39	423
0016	3.74	500	2095	2.84	472	2841	3.14	505	3385	0.88	257	4240	2.28	411
0034	3.42	536	2105	3.64	560	2881	2.47	432	3400	1.79	357	4243	1.80	358
0035	1.82	360	2110	2.68	455	2883	2.76	464	3507	2.76	464	4244	2.44	428
0036	3.10	500	2111	2.45	430	2915	2.58	444	3515	1.71	348	4250	1.82	360
0037	3.23	500	2112	3.54	549	2916	3.09	500	3548	1.27	300	4251	2.73	460
0042	3.88	587	2114	1.98	378	2923	1.84	362	3559	2.97	487	4263	3.56	552
0050	5.15	727	2121	1.28	301	2960	3.93	592	3574	0.80	248	4273	1.97	377
0059	–	–	2130	1.74	351	3004	1.41	315	3581	1.19	291	4279	2.19	401
0065	–	–	2131	1.56	332	3018	2.55	441	3612	1.71	348	4283	1.67	344
0066	–	–	2143	2.03	383	3022	3.17	509	3620	2.42	426	4299	1.63	339
0067	–	–	2157	3.04	494	3027	1.93	372	3629	1.87	366	4304	4.05	606
0079	2.22	404	2172	1.61	337	3028	2.52	437	3632	2.45	430	4307	1.58	334
0083	4.12	500	2174	2.86	475	3030	4.39	643	3634	1.35	309	4351	0.93	262
0106	6.10	831	2211	6.40	864	3040	4.36	640	3635	1.59	335	4352	1.20	292
0113	3.44	538	2220	2.32	415	3041	3.22	514	3638	1.66	343	4360	–	–
0170	2.80	468	2286	–	–	3042	3.62	558	3642	1.66	343	4361	0.85	254
0251	2.98	488	2288	3.88	587	3064	3.04	494	3643	1.71	348	4410	2.65	452
0401	8.66	A	2302	1.76	354	3076	2.54	439	3647	2.65	452	4420	4.45	650
0771N	0.35	–	2305	2.21	403	3081	4.63	669	3648	0.91	260	4431	1.06	277
0908P	138.00	298	2361	1.87	366	3082	4.17	619	3681	0.55	221	4432	1.15	287
0913P	397.00	557	2362	2.10	391	3085	4.36	640	3685	1.06	277	4452	2.23	405
0917	2.74	461	2380	1.76	354	3110	4.70	677	3719	0.87	256	4459	2.45	430
1005	4.37	641	2388	1.37	311	3111	2.80	468	3724	3.69	566	4470	2.34	417
1016	12.50	1000	2402	2.11	392	3113	1.82	360	3726	3.78	576	4484	2.75	463
1164	2.62	448	2413	1.79	357	3114	2.28	411	3803	2.39	423	4493	1.90	369
1165	2.83	471	2416	2.21	403	3118	1.43	317	3807	2.15	397	4511	0.51	216
1320	1.37	311	2417	1.15	287	3119	0.72	239	3808	3.01	491	4557	2.16	398
1322	6.07	828	2501	1.93	372	3122	1.67	344	3821	4.41	645	4558	1.63	339
1430	3.45	540	2503	0.86	255	3126	2.13	394	3822	3.67	564	4568	2.18	400
1438	3.48	543	2570	2.89	478	3131	1.40	314	3824	3.28	521	4581	0.86	255
1452	2.00	380	2585	3.20	512	3132	2.06	387	3826	0.68	235	4583	2.86	475
1463	7.44	978	2586	4.36	640	3145	1.71	348	3827	1.66	343	4611	1.07	278
1472	2.89	478	2587	2.11	392	3146	1.95	375	3830	1.09	280	4635	2.44	428
1624	2.92	481	2589	2.06	387	3169	2.39	423	3851	2.76	464	4653	2.47	432
1642	3.36	530	2600	3.61	557	3179	1.98	378	3865	2.60	446	4665	6.50	875
1654	3.62	558	2623	5.06	717	3180	1.97	377	3881	3.62	558	4670	–	–
1699	2.55	441	2651	1.66	343	3188	1.93	372	4000	3.70	567	4683	3.40	534
1701	2.26	409	2660	1.89	368	3220	1.46	321	4021	4.18	620	4686	2.18	400
1710	2.73	460	2670	–	–	3224	2.93	482	4024	3.93	592	4692	0.57	223
1747	2.50	435	2683	–	–	3227	2.86	475	4034	5.15	727	4693	1.02	272
1748	4.47	652	2688	1.97	377	3240	–	–	4036	2.11	392	4703	1.17	289
1803	5.04	714	2701	12.45	1000	3241	2.75	463	4038	1.98	378	4717	1.54	329
1924	2.45	430	2702	14.20	1000	3255	2.19	401	4062	2.06	387	4720	1.87	366
1925	3.19	511	2709	6.50	875	3257	2.23	405	4101	2.58	444	4740	1.15	287
2002	2.73	460	2710	6.91	920	3270	1.87	366	4109	0.39	203	4741	3.45	540
2003	4.49	654	2714	3.84	582	3300	3.72	569	4110	0.65	232	4751	2.78	466
2014	3.98	598	2731	3.46	541	3303	2.49	434	4111	1.80	358	4771N	2.00	419
2016	2.54	439	2735	5.98	818	3307	2.16	398	4114	2.18	400	4777	3.07	498
2021	2.93	482	2759	5.01	711	3315	2.83	471	4130	2.63	449	4825	0.83	251
2039	2.81	469	2790	1.63	339	3334	2.05	386	4131	4.88	697	4828	1.93	372
2041	3.09	500	2797	2.89	478	3336	2.37	421	4133	2.57	443	4829	0.89	258
2065	1.98	378	2799	5.29	742	3365	3.65	562	4149	0.73	240	4902	1.95	375
2070	4.34	637	2802	3.54	549	3372	3.06	497	4206	2.57	443	4923	1.06	277

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

Refer to the Classification codes section of the ***Basic Manual*** for any state specific classification phraseology.

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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
5020	3.74	571	6229	3.65	562	7350F	5.23	735	8072	0.57	223	8815M	0.25	188
5022	5.47	762	6233	1.70	347	7360	3.68	565	8102	1.38	312	8820	0.12	173
5037	7.49	984	6235	4.09	610	7370	3.97	597	8103	2.17	399	8824	1.53	328
5040	4.99	709	6236	4.15	617	7380	4.13	614	8106	4.21	623	8825	–	–
5057	2.97	487	6237	1.24	296	7382	4.75	683	8107	2.34	417	8826	1.59	335
5059	10.42	1000	6251	4.78	686	7390	3.16	508	8111	2.20	402	8829	–	–
5102	5.36	750	6252	2.54	439	7394M	5.98	818	8116	1.96	376	8831	1.06	277
5146	3.45	540	6306	3.98	598	7395M	6.64	890	8203	7.36	970	8832	0.26	189
5160	2.71	458	6319	2.53	438	7398M	8.13	1000	8204	3.71	568	8833	0.60	226
5183	2.33	416	6325	3.19	511	7402	0.20	182	8209	3.22	514	8835	1.64	340
5188	3.02	492	6400	3.71	568	7403	2.65	452	8215	3.07	498	8842	1.91	370
5190	1.70	347	6503	1.97	377	7405N	0.79	294	8227	3.13	504	8855	0.11	172
5191	0.89	258	6504	2.47	432	7420	4.35	639	8232	3.59	555	8856	0.48	213
5192	2.78	466	6702M*	3.01	491	7421	0.59	225	8233	2.53	438	8864	1.13	284
5213	5.58	774	6703M*	4.10	611	7422	1.42	316	8235	3.60	556	8868	0.42	206
5215	4.27	630	6704M*	3.35	529	7425	1.81	359	8263	5.85	804	8869	0.89	258
5221	3.28	521	6801F	4.56	662	7431N	0.87	307	8264	4.32	635	8871	0.05	166
5222	8.35	1000	6811	4.48	653	7445N	0.43	–	8265	4.88	697	8901	0.14	175
5223	3.81	579	6824F	4.93	702	7453N	0.47	–	8279	5.95	815	9012	0.95	265
5348	3.02	492	6826F	2.77	465	7502	1.60	336	8288	5.75	793	9014	1.96	376
5402	4.75	683	6834	2.01	381	7515	0.76	244	8291	3.39	533	9015	2.29	412
5403	4.72	679	6836	2.42	426	7520	2.10	391	8292	3.02	492	9016	2.16	398
5437	3.69	566	6843F	5.54	769	7538	2.04	384	8293	5.12	723	9019	2.57	443
5443	2.70	457	6845F	4.47	652	7539	1.61	337	8304	5.21	733	9033	1.58	334
5445	3.66	563	6854	4.58	664	7540	2.07	388	8350	4.42	646	9040	2.74	461
5462	4.21	623	6872F	6.09	830	7580	1.92	371	8380	2.19	401	9044	1.18	290
5472	5.79	797	6874F	7.74	1000	7590	3.68	565	8381	1.38	312	9052	1.41	315
5473	5.96	816	6882	5.36	750	7600	2.74	461	8385	2.01	381	9058	1.19	291
5474	4.83	691	6884	4.52	657	7605	1.70	347	8392	1.88	367	9060	1.18	290
5478	2.77	465	7016M	3.93	592	7610	0.60	226	8393	1.44	318	9061	0.97	267
5479	4.76	684	7024M	4.37	641	7705	4.14	615	8500	4.75	683	9062	0.98	268
5480	4.78	686	7038M	4.49	654	7710	29.34	1000	8601	0.28	191	9063	0.67	234
5491	1.84	362	7046M	9.29	1000	7711	49.42	1000	8602	1.69	346	9077F	4.56	662
5506	5.16	728	7047M	5.35	749	7720	2.39	423	8603	0.08	169	9082	0.97	267
5507	3.13	504	7050M	6.11	832	7855	2.48	433	8606	1.31	304	9083	0.97	267
5508	–	–	7090M	4.99	709	8001	1.94	373	8709F	2.37	421	9084	0.98	268
5535	4.90	699	7098M	10.32	1000	8002	1.70	347	8719	1.46	321	9088a	a	a
5537	3.42	536	7099M	12.64	1000	8006	1.79	357	8720	0.77	245	9089	0.94	263
5551	10.74	1000	7133	2.50	435	8008	0.92	261	8721	0.26	189	9093	1.13	284
5606	0.93	262	7151M	3.04	494	8010	1.59	335	8723	0.09	170	9101	3.56	552
5610	3.52	547	7152M	4.14	615	8013	0.25	188	8725	1.99	379	9102	2.28	411
5645	7.11	942	7153M	3.38	532	8015	0.65	232	8726F	1.10	281	9154	1.40	314
5703	8.55	1000	7219	5.89	808	8017	1.18	290	8734M	0.39	203	9156	2.22	404
5705	10.28	1000	7222	5.59	775	8018	2.60	446	8737M	0.35	199	9170	8.65	1000
5951	0.57	223	7225	6.61	887	8021	1.92	371	8738M	0.48	213	9178	4.77	685
6003	3.75	573	7230	5.94	813	8031	1.50	325	8742	0.29	192	9179	11.20	1000
6005	2.91	480	7231	6.21	843	8032	1.49	324	8745	3.29	522	9180	4.61	667
6018	2.45	430	7232	7.72	1000	8033	1.13	284	8748	0.46	211	9182	2.13	394
6045	4.44	648	7309F	6.09	830	8037	1.62	338	8755	0.37	201	9186	7.63	999
6204	5.62	778	7313F	2.68	455	8039	1.59	335	8799	0.69	236	9220	4.00	600
6206	2.02	382	7317F	4.10	611	8044	2.05	386	8800	1.80	358	9402	3.17	509
6213	1.61	337	7327F	9.50	1000	8045	0.60	226	8803	0.05	166	9403	6.87	916
6214	1.27	300	7333M	4.81	689	8046	2.28	411	8805M	0.20	182	9410	1.83	361
6216	3.71	568	7335M	5.34	747	8047	0.70	237	8810	0.15	177	9501	3.45	540
6217	3.45	540	7337M	6.54	879	8058	2.25	408	8814M	0.18	180	9505	2.68	455

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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
9516	2.02	382												
9519	3.07	498												
9521	2.73	460												
9522	2.50	435												
9534	3.20	512												
9554	5.81	799												
9586	0.40	204												
9600	1.98	378												
9620	1.09	280												

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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.

F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate includes a provision for 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**

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 1.654 and elr x 1.604.

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.

MISCELLANEOUS VALUES

Basis of premium applicable in accordance with the ***Basic Manual*** notes for Code 7370 -- "Taxicab Co.":
Employee operated vehicle..... $88,700
Leased or rented vehicle..... $59,100

Catastrophe (other than Certified Acts of Terrorism) - (Voluntary) 0.01

Expense Constant applicable in accordance with the ***Basic Manual*** rule..... $160

Maximum Minimum Premium..... $1,000
Note: Maximum Minimum Premium varies for farming and agricultural class codes

Maximum Weekly Payroll applicable in accordance with the ***Basic Manual*** notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports" $4,500

Maximum Weekly Payroll for executive officers including members of limited liability companies and partners or sole proprietors in accordance with the ***Basic Manual*** rules, Rule for premium determination of executive officers, Rule for premium determination of members of LLCs, and Rule for premium determination for partners or sole proprietors $4,500

Minimum Premium Multiplier..... 110

Minimum Weekly Payroll for executive officers including members of limited liability companies and partners or sole proprietors in accordance with the ***Basic Manual*** rules, Rule for premium determination of executive officers, Rule for premium determination of members of LLCs, and Rule for premium determination for partners or sole proprietors $550

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

		Type A	Type 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%

Terrorism (Voluntary) 0.01

United States Longshore and Harbor Workers' Compensation Coverage Percentage
applicable only in connection with the ***Basic Manual*** rule, Federal coverages..... 30%

(Multiply a Non-F classification rate by a factor of 1.30 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.25) and the adjustment for differences in loss-based expenses (1.038).)

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.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Proposed Assigned Risk Rates for Inclusion in the Residual Market Manual

The following pages include proposed:

- Assigned risk rates and minimum premiums by class code, along with associated footnotes
- Miscellaneous values, such as:
    - Catastrophe and Terrorism provisions
    - Expense Constant and Minimum Premium parameters
    - Maximum and minimum weekly payroll applicable for select class codes
    - Premium determination for Partners and Sole Proprietors
    - United States Longshore and Harbor Workers' Compensation Coverage Percentage

Effective January 1, 2025

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

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	3.57	553	2081	3.82	580	2835	3.39	533	3373	5.54	769	4207	3.05	496
0008	2.61	447	2089	4.09	610	2836	3.11	502	3383	1.64	340	4239	2.91	480
0016	4.56	500	2095	3.46	541	2841	3.82	580	3385	1.07	278	4240	2.78	466
0034	4.17	619	2105	4.43	647	2881	3.01	491	3400	2.18	400	4243	2.19	401
0035	2.22	404	2110	3.26	519	2883	3.36	530	3507	3.36	530	4244	2.97	487
0036	3.78	500	2111	2.98	488	2915	3.14	505	3515	2.08	389	4250	2.22	404
0037	3.93	500	2112	4.31	634	2916	3.76	574	3548	1.55	331	4251	3.33	526
0042	4.73	650	2114	2.41	425	2923	2.24	406	3559	3.62	558	4263	4.34	637
0050	6.27	850	2121	1.56	332	2960	4.79	687	3574	0.97	267	4273	2.40	424
0059	–	–	2130	2.12	393	3004	1.72	349	3581	1.45	320	4279	2.67	454
0065	–	–	2131	1.90	369	3018	3.11	502	3612	2.08	389	4283	2.03	383
0066	–	–	2143	2.47	432	3022	3.86	585	3620	2.95	485	4299	1.99	379
0067	–	–	2157	3.70	567	3027	2.35	419	3629	2.28	411	4304	4.93	702
0079	2.70	457	2172	1.96	376	3028	3.07	498	3632	2.98	488	4307	1.92	371
0083	5.02	500	2174	3.48	543	3030	5.35	749	3634	1.64	340	4351	1.13	284
0106	7.43	977	2211	7.80	1000	3040	5.31	744	3635	1.94	373	4352	1.46	321
0113	4.19	621	2220	2.83	471	3041	3.92	591	3638	2.02	382	4360	–	–
0170	3.41	535	2286	–	–	3042	4.41	645	3642	2.02	382	4361	1.04	274
0251	3.63	559	2288	4.73	680	3064	3.70	567	3643	2.08	389	4410	3.23	515
0401	10.55	A	2302	2.14	395	3076	3.09	500	3647	3.23	515	4420	5.42	756
0771N	0.43	–	2305	2.69	456	3081	5.64	780	3648	1.11	282	4431	1.29	302
0908P	168.00	328	2361	2.28	411	3082	5.08	719	3681	0.67	234	4432	1.40	314
0913P	484.00	644	2362	2.56	442	3085	5.31	744	3685	1.29	302	4452	2.72	459
0917	3.34	527	2380	2.14	395	3110	5.72	789	3719	1.06	277	4459	2.98	488
1005	5.32	745	2388	1.67	344	3111	3.41	535	3724	4.49	654	4470	2.85	474
1016	15.23	1000	2402	2.57	443	3113	2.22	404	3726	4.60	666	4484	3.35	529
1164	3.19	511	2413	2.18	400	3114	2.78	466	3803	2.91	480	4493	2.31	414
1165	3.45	540	2416	2.69	456	3118	1.74	351	3807	2.62	448	4511	0.62	228
1320	1.67	344	2417	1.40	314	3119	0.88	257	3808	3.67	564	4557	2.63	449
1322	7.39	973	2501	2.35	419	3122	2.03	383	3821	5.37	751	4558	1.99	379
1430	4.20	622	2503	1.05	276	3126	2.59	445	3822	4.47	652	4568	2.66	453
1438	4.24	626	2570	3.52	547	3131	1.71	348	3824	4.00	600	4581	1.05	276
1452	2.44	428	2585	3.90	589	3132	2.51	436	3826	0.83	251	4583	3.48	543
1463	9.06	1000	2586	5.31	744	3145	2.08	389	3827	2.02	382	4611	1.30	303
1472	3.52	547	2587	2.57	443	3146	2.38	422	3830	1.33	306	4635	2.97	487
1624	3.56	552	2589	2.51	436	3169	2.91	480	3851	3.36	530	4653	3.01	491
1642	4.09	610	2600	4.40	644	3179	2.41	425	3865	3.17	509	4665	7.92	1000
1654	4.41	645	2623	6.16	838	3180	2.40	424	3881	4.41	645	4670	–	–
1699	3.11	502	2651	2.02	382	3188	2.35	419	4000	4.51	656	4683	4.14	615
1701	2.75	463	2660	2.30	413	3220	1.78	356	4021	5.09	720	4686	2.66	453
1710	3.33	526	2670	–	–	3224	3.57	553	4024	4.79	687	4692	0.69	236
1747	3.05	496	2683	–	–	3227	3.48	543	4034	6.27	850	4693	1.24	296
1748	5.44	758	2688	2.40	424	3240	–	–	4036	2.57	443	4703	1.43	317
1803	6.14	835	2701	15.16	1000	3241	3.35	529	4038	2.41	425	4717	1.88	367
1924	2.98	488	2702	17.30	1000	3255	2.67	454	4062	2.51	436	4720	2.28	411
1925	3.89	588	2709	7.92	1000	3257	2.72	459	4101	3.14	505	4740	1.40	314
2002	3.33	526	2710	8.42	1000	3270	2.28	411	4109	0.48	213	4741	4.20	622
2003	5.47	762	2714	4.68	675	3300	4.53	658	4110	0.79	247	4751	3.39	533
2014	4.85	694	2731	4.21	623	3303	3.03	493	4111	2.19	401	4771N	2.44	476
2016	3.09	500	2735	7.28	961	3307	2.63	449	4114	2.66	453	4777	3.74	571
2021	3.57	553	2759	6.10	831	3315	3.45	540	4130	3.20	512	4825	1.01	271
2039	3.42	536	2790	1.99	379	3334	2.50	435	4131	5.94	813	4828	2.35	419
2041	3.76	574	2797	3.52	547	3336	2.89	478	4133	3.13	504	4829	1.08	279
2065	2.41	425	2799	6.44	868	3365	4.45	650	4149	0.89	258	4902	2.38	422
2070	5.29	742	2802	4.31	634	3372	3.73	570	4206	3.13	504	4923	1.29	302

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Effective January 1, 2025

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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
5020	4.56	662	6229	4.45	650	7350F	6.37	861	8072	0.69	236	8815M	0.30	193
5022	6.66	893	6233	2.07	388	7360	4.48	653	8102	1.68	345	8820	0.15	177
5037	9.12	1000	6235	4.98	708	7370	4.84	692	8103	2.64	450	8824	1.86	365
5040	6.08	829	6236	5.05	716	7380	5.03	713	8106	5.13	724	8825	–	–
5057	3.62	558	6237	1.51	326	7382	5.79	797	8107	2.85	474	8826	1.94	373
5059	12.69	1000	6251	5.82	800	7390	3.85	584	8111	2.68	455	8829	–	–
5102	6.53	878	6252	3.09	500	7394M	7.28	961	8116	2.39	423	8831	1.29	302
5146	4.20	622	6306	4.85	694	7395M	8.09	1000	8203	8.96	1000	8832	0.32	195
5160	3.30	523	6319	3.08	499	7398M	9.90	1000	8204	4.52	657	8833	0.73	240
5183	2.84	472	6325	3.89	588	7402	0.24	186	8209	3.92	591	8835	2.00	380
5188	3.68	565	6400	4.52	657	7403	3.23	515	8215	3.74	571	8842	2.33	416
5190	2.07	388	6503	2.40	424	7405N	0.96	323	8227	3.81	579	8855	0.13	174
5191	1.08	279	6504	3.01	491	7420	5.30	743	8232	4.37	641	8856	0.58	224
5192	3.39	533	6702M*	3.67	564	7421	0.72	239	8233	3.08	499	8864	1.38	312
5213	6.80	908	6703M*	4.99	709	7422	1.73	350	8235	4.38	642	8868	0.51	216
5215	5.20	732	6704M*	4.08	609	7425	2.20	402	8263	7.13	944	8869	1.08	279
5221	4.00	600	6801F	5.55	771	7431N	1.06	339	8264	5.26	739	8871	0.06	167
5222	10.17	1000	6811	5.46	761	7445N	0.52	–	8265	5.94	813	8901	0.17	179
5223	4.64	670	6824F	6.00	820	7453N	0.57	–	8279	7.25	958	9012	1.16	288
5348	3.68	565	6826F	3.37	531	7502	1.95	375	8288	7.00	930	9014	2.39	423
5402	5.79	797	6834	2.45	430	7515	0.93	262	8291	4.13	614	9015	2.79	467
5403	5.75	793	6836	2.95	485	7520	2.56	442	8292	3.68	565	9016	2.63	449
5437	4.49	654	6843F	6.75	903	7538	2.48	433	8293	6.24	846	9019	3.13	504
5443	3.29	522	6845F	5.44	758	7539	1.96	376	8304	6.35	859	9033	1.92	371
5445	4.46	651	6854	5.58	774	7540	2.52	437	8350	5.38	752	9040	3.34	527
5462	5.13	724	6872F	7.42	976	7580	2.34	417	8380	2.67	454	9044	1.44	318
5472	7.05	936	6874F	9.43	1000	7590	4.48	653	8381	1.68	345	9052	1.72	349
5473	7.26	959	6882	6.53	878	7600	3.34	527	8385	2.45	430	9058	1.45	320
5474	5.88	807	6884	5.51	766	7605	2.07	388	8392	2.29	412	9060	1.44	318
5478	3.37	531	7016M	4.79	687	7610	0.73	240	8393	1.75	353	9061	1.18	290
5479	5.80	798	7024M	5.32	745	7705	5.04	714	8500	5.79	797	9062	1.19	291
5480	5.82	800	7038M	5.47	762	7710	35.74	1000	8601	0.34	197	9063	0.82	250
5491	2.24	406	7046M	11.32	1000	7711	60.19	1000	8602	2.06	387	9077F	5.55	771
5506	6.28	851	7047M	6.52	877	7720	2.91	480	8603	0.10	171	9082	1.18	290
5507	3.81	579	7050M	7.44	978	7855	3.02	492	8606	1.60	336	9083	1.18	290
5508	–	–	7090M	6.08	829	8001	2.36	420	8709F	2.89	478	9084	1.19	291
5535	5.97	817	7098M	12.57	1000	8002	2.07	388	8719	1.78	356	9088a	a	a
5537	4.17	619	7099M	15.40	1000	8006	2.18	400	8720	0.94	263	9089	1.14	285
5551	13.08	1000	7133	3.05	496	8008	1.12	283	8721	0.32	195	9093	1.38	312
5606	1.13	284	7151M	3.70	567	8010	1.94	373	8723	0.11	172	9101	4.34	637
5610	4.29	632	7152M	5.04	714	8013	0.30	193	8725	2.42	426	9102	2.78	466
5645	8.66	1000	7153M	4.12	613	8015	0.79	247	8726F	1.34	307	9154	1.71	348
5703	10.41	1000	7219	7.17	949	8017	1.44	318	8734M	0.48	213	9156	2.70	457
5705	12.52	1000	7222	6.81	909	8018	3.17	509	8737M	0.43	207	9170	10.54	1000
5951	0.69	236	7225	8.05	1000	8021	2.34	417	8738M	0.58	224	9178	5.81	799
6003	4.57	663	7230	7.23	955	8031	1.83	361	8742	0.35	199	9179	13.64	1000
6005	3.54	549	7231	7.56	992	8032	1.81	359	8745	4.01	601	9180	5.61	777
6018	2.98	488	7232	9.40	1000	8033	1.38	312	8748	0.56	222	9182	2.59	445
6045	5.41	755	7309F	7.42	976	8037	1.97	377	8755	0.45	210	9186	9.29	1000
6204	6.85	914	7313F	3.26	519	8039	1.94	373	8799	0.84	252	9220	4.87	696
6206	2.46	431	7317F	4.99	709	8044	2.50	435	8800	2.19	401	9402	3.86	585
6213	1.96	376	7327F	11.57	1000	8045	0.73	240	8803	0.06	167	9403	8.37	1000
6214	1.55	331	7333M	5.86	805	8046	2.78	466	8805M	0.24	186	9410	2.23	405
6216	4.52	657	7335M	6.50	875	8047	0.85	254	8810	0.18	180	9501	4.20	622
6217	4.20	622	7337M	7.97	1000	8058	2.74	461	8814M	0.22	184	9505	3.26	519

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

Refer to the Classification codes section of the ***Basic Manual*** for any state specific classification phraseology.

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

APPLICABLE TO ASSIGNED RISK POLICIES ONLY

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
9516	2.46	431												
9519	3.74	571												
9521	3.33	526												
9522	3.05	496												
9534	3.90	589												
9554	7.08	939												
9586	0.49	214												
9600	2.41	425												
9620	1.33	306												

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

Refer to the Classification codes section of the ***Basic Manual*** for any state specific classification phraseology.

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

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.

F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate includes a provision for 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. For the residual market, coverage under the Federal Employers' Liability Act (FELA) for employees of interstate railroads is not available for codes 6702, 6703, 6704, 7151, 7152, 7153, 8734, 8737, 8738, 8805, 8814, and 8815.

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**

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 1.654 and elr x 1.604.

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.

Effective January 1, 2025
APPLICABLE TO ASSIGNED RISK POLICIES ONLY

MISCELLANEOUS VALUES

Basis of premium applicable in accordance with the ***Basic Manual*** notes for Code 7370 -- "Taxicab Co.":
Employee operated vehicle..... $88,700
Leased or rented vehicle..... $59,100

Catastrophe (other than Certified Acts of Terrorism) - (Assigned Risk)..... 0.01

Expense Constant applicable in accordance with the ***Basic Manual*** rule..... $160

Maximum Minimum Premium..... $1,000
Note: Maximum Minimum Premium varies for farming and agricultural class codes

Maximum Weekly Payroll applicable in accordance with the ***Basic Manual*** notes for Code 9178 -- "Athletic Sports or Park: Noncontact Sports," and Code 9179 -- "Athletic Sports or Park: Contact Sports" $4,500

Maximum Weekly Payroll for executive officers including members of limited liability companies and partners or sole proprietors in accordance with the ***Basic Manual*** rules, Rule for premium determination of executive officers, Rule for premium determination of members of LLCs, and Rule for premium determination for partners or sole proprietors $4,500

Minimum Premium Multiplier..... 110

Minimum Weekly Payroll for executive officers including members of limited liability companies and partners or sole proprietors in accordance with the ***Basic Manual*** rules, Rule for premium determination of executive officers, Rule for premium determination of members of LLCs, and Rule for premium determination for partners or sole proprietors $550

Terrorism - (Assigned Risk)..... 0.01

United States Longshore and Harbor Workers' Compensation Coverage Percentage
applicable only in connection with the ***Basic Manual*** rule, Federal coverages..... 30%

(Multiply a Non-F classification rate by a factor of 1.30 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.25) and the adjustment for differences in loss-based expenses (1.038).)

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.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Proposed Values for Inclusion in the Experience Rating Plan Manual

The following pages include proposed values for inclusion in the Experience Rating Plan Manual:

- Description of Expected Loss Rates and D-ratios
- Description of the Weighting and Ballast values
- Expected Loss Rates and D-ratios by class code
- Table of Weighting Values
- Table of Ballast Values
- Experience Rating Premium Eligibility Amounts

Proposed Rating Values

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 proposed rates are adjusted to reflect the average loss levels of the 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 the following: loss development, expected losses in excess of the State Accident Limit, a portion of medical-only losses, benefit changes, trend, loss-based expenses, experience, and assigned risk programs.

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 split point is based on the average claim costs in the state, promoting an equitable determination of primary and excess losses. To reflect changes in claim costs and preserve alignment with other experience rating parameters, the split point is reviewed annually and may be adjusted to maintain an average D-ratio of approximately 40%, the average D-ratio utilized when the credibility parameters underlying the weight and ballast values were last recalibrated. Utilizing a consistent average D-ratio promotes similar experience rating plan performance across states with varying cost levels. To keep up with changes in claim costs over time, the split point value is reviewed annually and indexed as appropriate so that the average D-ratio in the state remains consistent.

The D-ratio is used to determine the expected excess losses to be used in the experience mod calculation. D-ratios are calculated by hazard group and are based on the latest three years of Unit Statistical Data trended to the midpoint of the proposed experience rating period. A comparison of the resulting D-ratios across hazard groups is done to ensure that they 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 the hazard group D-ratio.

An adjustment to the ELR factors is necessary so that the resulting ELRs produce an expected intrastate experience rating off-balance that equals the targeted intrastate experience rating off-balance used in the calculation of the overall rate level change for the state. Preliminary ELR factors are calculated by class code utilizing the appropriate hazard group factors and underlying pure premiums. Intrastate experience rating modifications for the most recent year of rating effective dates available at the time of the production of the filing are calculated based on the preliminary ELRs and D-ratios, and the losses underlying the mod calculations are adjusted for trend and to the appropriate benefit level of the data that will be used for experience ratings in the proposed effective period. The trend is applied separately by frequency and severity using selected values that are appropriate for the time period covered. It should be noted that the loss ratio trends used in other parts of the filing may not match the ELR trends due to possible differences between the experience rating trend periods and the ratemaking trend periods. An average of these intrastate experience modifications is calculated, and an iterative process follows where the ELR factors are adjusted up or down, class ELRs are recalculated, and experience rating modifications are restated until the target average intrastate experience mod is achieved.

Proposed Rating Values

The final ELR for each classification is calculated as follows:

ELR = {(HG indemnity ELR factor) x (indemnity pure premium) + (HG medical ELR factor) x (medical pure premium)} x Manual/Standard Ratio

Description of the Weighting and Ballast Values

The weighting value (W) and ballast value (B) influence the degree to which an employer's actual losses impact the experience rating modification for employers of various sizes - generally described as excess loss credibility - and are governed by the formulas in Item E-1409.

One element of these formulas is the G-value, which represents the state average claim severity in thousands of dollars and reflects the state accident limitation and the reduction of medical only losses. The state accident limit is used to curtail the impact of large claims on the experience modification and is based on a state-level 95th percentile of lost-time claims so that the limitation is expected to impact the largest 5% of lost-time claims.

The values for W and B are such that larger employers receive higher excess loss credibility in their experience modification calculation than smaller employers.

The ballast value is a stabilizing value designed to control the effect of 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 weighting value for various levels of expected losses is provided in the Table of Weighting Values.

The ballast value for various levels of expected losses is provided in the Table of Ballast Values.

Effective January 1, 2025

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	1.69	0.48	2081	1.95	0.50	2835	1.72	0.50	3373	2.62	0.48	4207	1.11	0.39
0008	1.23	0.48	2089	1.94	0.48	2836	1.58	0.50	3383	0.78	0.48	4239	1.06	0.39
0016	1.82	0.41	2095	1.56	0.46	2841	1.81	0.48	3385	0.51	0.48	4240	1.41	0.50
0034	1.88	0.46	2105	2.26	0.50	2881	1.53	0.50	3400	1.03	0.48	4243	0.99	0.46
0035	1.00	0.46	2110	1.54	0.48	2883	1.59	0.48	3507	1.52	0.46	4244	1.19	0.41
0036	1.78	0.48	2111	1.41	0.48	2915	1.26	0.41	3515	0.94	0.46	4250	1.00	0.46
0037	1.57	0.41	2112	2.04	0.48	2916	1.50	0.41	3548	0.73	0.48	4251	1.57	0.48
0042	2.13	0.46	2114	1.23	0.50	2923	1.14	0.50	3559	1.63	0.46	4263	1.95	0.46
0050	2.50	0.41	2121	0.80	0.50	2960	2.16	0.46	3574	0.46	0.48	4273	1.08	0.46
0059	–	–	2130	0.95	0.46	3004	0.63	0.39	3581	0.68	0.48	4279	1.07	0.41
0065	–	–	2131	0.90	0.48	3018	1.13	0.39	3612	0.94	0.46	4283	0.96	0.48
0066	–	–	2143	1.26	0.50	3022	1.82	0.48	3620	1.18	0.41	4299	0.89	0.46
0067	–	–	2157	1.75	0.48	3027	0.94	0.41	3629	1.03	0.46	4304	2.22	0.46
0079	1.22	0.46	2172	0.78	0.41	3028	1.23	0.41	3632	1.35	0.46	4307	0.98	0.50
0083	2.26	0.46	2174	1.65	0.48	3030	2.14	0.41	3634	0.74	0.46	4351	0.53	0.48
0106	2.70	0.39	2211	3.12	0.41	3040	2.39	0.46	3635	0.87	0.46	4352	0.69	0.48
0113	1.98	0.48	2220	1.28	0.46	3041	1.77	0.46	3638	0.95	0.48	4360	0.29	0.41
0170	1.61	0.48	2286	1.28	0.46	3042	1.99	0.46	3642	0.95	0.48	4361	0.49	0.48
0251	1.64	0.46	2288	2.24	0.48	3064	1.67	0.46	3643	0.83	0.41	4410	1.53	0.48
0401	3.84	0.39	2302	0.96	0.46	3076	1.46	0.48	3647	1.45	0.46	4420	1.97	0.39
0771	–	–	2305	1.08	0.41	3081	2.54	0.46	3648	0.56	0.50	4431	0.66	0.50
0908	75.77	0.46	2361	1.03	0.46	3082	2.03	0.41	3681	0.32	0.48	4432	0.72	0.50
0913	217.92	0.46	2362	1.21	0.48	3085	2.39	0.46	3685	0.61	0.48	4452	1.22	0.46
0917	1.70	0.50	2380	1.01	0.48	3110	2.58	0.46	3719	0.35	0.37	4459	1.19	0.41
1005	1.77	0.37	2388	0.85	0.50	3111	1.61	0.48	3724	1.49	0.37	4470	1.28	0.46
1016	5.05	0.37	2402	1.03	0.41	3113	1.00	0.46	3726	1.53	0.37	4484	1.58	0.48
1164	1.06	0.37	2413	0.98	0.46	3114	1.25	0.46	3803	1.38	0.48	4493	1.04	0.46
1165	1.14	0.37	2416	1.27	0.48	3118	0.89	0.50	3807	1.24	0.48	4511	0.28	0.46
1320	0.61	0.39	2417	0.66	0.48	3119	0.47	0.54	3808	1.65	0.46	4557	1.05	0.41
1322	2.45	0.37	2501	1.11	0.48	3122	1.04	0.50	3821	2.14	0.41	4558	0.89	0.46
1430	1.68	0.41	2503	0.50	0.48	3126	1.17	0.46	3822	2.11	0.48	4568	1.06	0.41
1438	1.69	0.41	2570	1.67	0.48	3131	0.77	0.46	3824	1.89	0.48	4581	0.38	0.39
1452	0.97	0.41	2585	1.76	0.46	3132	1.19	0.48	3826	0.37	0.46	4583	1.27	0.39
1463	3.01	0.37	2586	2.51	0.48	3145	0.94	0.46	3827	0.95	0.48	4611	0.62	0.48
1472	1.41	0.41	2587	1.22	0.48	3146	1.07	0.46	3830	0.60	0.46	4635	1.08	0.39
1624	1.30	0.39	2589	1.13	0.46	3169	1.38	0.48	3851	1.59	0.48	4653	1.42	0.48
1642	1.64	0.41	2600	2.08	0.48	3179	1.14	0.48	3865	1.61	0.50	4665	3.16	0.41
1654	1.76	0.41	2623	2.46	0.41	3180	1.13	0.48	3881	1.99	0.46	4670	1.86	0.46
1699	1.24	0.41	2651	0.95	0.48	3188	1.06	0.46	4000	1.64	0.39	4683	1.86	0.46
1701	1.00	0.39	2660	1.17	0.50	3220	0.80	0.46	4021	2.29	0.46	4686	1.06	0.41
1710	1.33	0.41	2670	1.13	0.48	3224	1.82	0.50	4024	1.91	0.41	4692	0.33	0.48
1747	1.22	0.41	2683	1.11	0.48	3227	1.65	0.48	4034	2.51	0.41	4693	0.59	0.48
1748	2.17	0.41	2688	1.13	0.48	3240	1.28	0.48	4036	1.03	0.41	4703	0.64	0.46
1803	2.45	0.41	2701	5.52	0.39	3241	1.58	0.48	4038	1.23	0.50	4717	0.96	0.50
1924	1.41	0.48	2702	5.74	0.37	3255	1.36	0.50	4062	1.13	0.46	4720	1.03	0.46
1925	1.75	0.46	2709	2.88	0.39	3257	1.28	0.48	4101	1.42	0.46	4740	0.47	0.37
2002	1.57	0.48	2710	3.36	0.41	3270	1.08	0.48	4109	0.22	0.48	4741	1.89	0.46
2003	2.46	0.46	2714	2.21	0.48	3300	2.31	0.50	4110	0.37	0.48	4751	1.35	0.41
2014	1.94	0.41	2731	1.99	0.48	3303	1.43	0.48	4111	1.04	0.48	4771	0.89	0.39
2016	1.46	0.48	2735	3.44	0.48	3307	1.19	0.46	4114	1.20	0.46	4777	1.36	0.39
2021	1.61	0.46	2759	2.88	0.48	3315	1.63	0.48	4130	1.52	0.48	4825	0.40	0.41
2039	1.62	0.48	2790	1.01	0.50	3334	1.12	0.46	4131	2.81	0.48	4828	0.86	0.39
2041	1.78	0.48	2797	1.79	0.50	3336	1.30	0.46	4133	1.59	0.50	4829	0.40	0.39
2065	1.09	0.46	2799	2.90	0.46	3365	1.62	0.39	4149	0.45	0.50	4902	1.12	0.48
2070	2.38	0.46	2802	1.94	0.46	3372	1.68	0.46	4206	1.48	0.48	4923	0.58	0.46

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

Effective January 1, 2025

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
5020	1.66	0.39	6229	1.77	0.41	7350F	1.94	0.34	8072	0.35	0.50	8815	0.14	0.48
5022	2.21	0.37	6233	0.69	0.37	7360	1.79	0.41	8102	0.80	0.48	8820	0.06	0.41
5037	3.03	0.37	6235	1.65	0.37	7370	2.29	0.48	8103	1.19	0.46	8824	1.00	0.54
5040	2.02	0.37	6236	2.02	0.41	7380	2.01	0.41	8106	2.05	0.41	8825	0.99	0.50
5057	1.20	0.37	6237	0.55	0.39	7382	2.61	0.46	8107	1.04	0.39	8826	0.99	0.50
5059	4.21	0.37	6251	2.12	0.39	7390	1.82	0.48	8111	1.21	0.46	8829	1.00	0.54
5102	2.38	0.39	6252	1.03	0.37	7394	2.41	0.37	8116	1.08	0.46	8831	0.69	0.54
5146	1.68	0.41	6306	1.76	0.39	7395	2.68	0.37	8203	4.04	0.46	8832	0.15	0.48
5160	1.10	0.37	6319	1.02	0.37	7398	3.18	0.37	8204	2.03	0.46	8833	0.35	0.48
5183	1.03	0.39	6325	1.29	0.37	7402	0.12	0.48	8209	1.85	0.48	8835	0.94	0.48
5188	1.34	0.39	6400	1.80	0.41	7403	1.53	0.48	8215	1.49	0.41	8842	1.24	0.54
5190	0.75	0.39	6503	1.13	0.48	7405	0.46	0.48	8227	1.38	0.39	8855	0.06	0.48
5191	0.43	0.41	6504	1.42	0.48	7420	1.76	0.37	8232	1.75	0.41	8856	0.27	0.48
5192	1.53	0.46	6702	1.47	0.41	7421	0.29	0.41	8233	1.23	0.41	8864	0.70	0.50
5213	2.25	0.37	6703	1.94	0.41	7422	0.63	0.39	8235	1.98	0.46	8868	0.26	0.50
5215	2.08	0.41	6704	1.63	0.41	7425	0.80	0.39	8263	3.21	0.46	8869	0.55	0.50
5221	1.45	0.39	6801F	1.80	0.37	7431	0.38	0.39	8264	2.10	0.41	8871	0.03	0.48
5222	3.37	0.37	6811	2.18	0.41	7445	–	–	8265	2.16	0.39	8901	0.07	0.41
5223	1.86	0.41	6824F	1.95	0.37	7453	–	–	8279	2.64	0.39	9012	0.46	0.41
5348	1.47	0.41	6826F	1.09	0.37	7502	0.78	0.41	8288	3.15	0.46	9014	1.13	0.48
5402	2.73	0.48	6834	1.16	0.48	7515	0.31	0.37	8291	1.86	0.46	9015	1.26	0.46
5403	2.09	0.39	6836	1.33	0.46	7520	1.15	0.46	8292	1.74	0.48	9016	1.24	0.48
5437	1.64	0.39	6843F	1.93	0.33	7538	0.82	0.37	8293	2.95	0.48	9019	1.25	0.41
5443	1.48	0.46	6845F	1.56	0.33	7539	0.72	0.39	8304	2.31	0.39	9033	0.87	0.46
5445	1.48	0.37	6854	2.03	0.39	7540	0.84	0.37	8350	1.96	0.39	9040	1.70	0.50
5462	2.05	0.41	6872F	2.13	0.33	7580	0.93	0.41	8380	1.20	0.46	9044	0.73	0.50
5472	2.34	0.37	6874F	2.70	0.33	7590	1.79	0.41	8381	0.76	0.46	9052	0.88	0.50
5473	2.41	0.37	6882	2.37	0.39	7600	1.33	0.41	8385	1.10	0.46	9058	0.78	0.54
5474	1.95	0.37	6884	2.01	0.39	7605	0.75	0.39	8392	1.16	0.50	9060	0.73	0.50
5478	1.23	0.39	7016	1.59	0.37	7610	0.29	0.41	8393	0.70	0.41	9061	0.60	0.50
5479	2.32	0.41	7024	1.77	0.37	7705	2.27	0.46	8500	2.31	0.41	9062	0.61	0.50
5480	2.12	0.39	7038	1.81	0.37	7710	13.00	0.39	8601	0.12	0.39	9063	0.42	0.50
5491	0.81	0.39	7046	3.75	0.37	7711	21.90	0.39	8602	0.82	0.41	9077F	2.01	0.44
5506	2.29	0.39	7047	2.10	0.37	7720	1.16	0.41	8603	0.04	0.48	9082	0.63	0.54
5507	1.39	0.39	7050	2.40	0.37	7855	1.21	0.41	8606	0.58	0.39	9083	0.63	0.54
5508	1.39	0.39	7090	2.02	0.37	8001	1.11	0.48	8709F	0.83	0.33	9084	0.61	0.50
5535	1.98	0.37	7098	4.17	0.37	8002	0.98	0.48	8719	0.65	0.39	9088	a	a
5537	1.66	0.41	7099	4.95	0.37	8006	1.11	0.50	8720	0.34	0.39	9089	0.58	0.50
5551	4.34	0.37	7133	1.11	0.39	8008	0.57	0.50	8721	0.13	0.41	9093	0.70	0.50
5606	0.38	0.37	7151	1.35	0.39	8010	0.92	0.48	8723	0.05	0.46	9101	2.21	0.50
5610	1.71	0.41	7152	1.78	0.39	8013	0.14	0.46	8725	0.97	0.41	9102	1.25	0.46
5645	2.87	0.37	7153	1.50	0.39	8015	0.36	0.46	8726F	0.43	0.37	9154	0.81	0.48
5703	4.16	0.41	7219	2.61	0.39	8017	0.73	0.50	8734	0.19	0.41	9156	1.37	0.50
5705	5.00	0.41	7222	2.48	0.39	8018	1.50	0.48	8737	0.17	0.41	9170	3.83	0.39
5951	0.33	0.48	7225	3.22	0.41	8021	1.11	0.48	8738	0.22	0.41	9178	3.11	0.54
6003	1.66	0.39	7230	3.26	0.46	8031	0.87	0.48	8742	0.14	0.41	9179	7.32	0.54
6005	1.42	0.41	7231	3.41	0.46	8032	0.86	0.48	8745	1.81	0.46	9180	2.53	0.46
6018	1.19	0.41	7232	3.42	0.39	8033	0.70	0.50	8748	0.20	0.39	9182	1.23	0.48
6045	2.16	0.41	7309F	2.13	0.33	8037	1.06	0.54	8755	0.18	0.41	9186	3.38	0.39
6204	2.49	0.39	7313F	0.94	0.33	8039	0.99	0.50	8799	0.40	0.48	9220	2.20	0.46
6206	0.82	0.37	7317F	1.43	0.33	8044	1.18	0.48	8800	1.04	0.48	9402	1.40	0.39
6213	0.65	0.37	7327F	3.31	0.33	8045	0.34	0.48	8803	0.02	0.41	9403	3.04	0.39
6214	0.56	0.39	7333	1.95	0.37	8046	1.31	0.48	8805	0.11	0.48	9410	1.05	0.48
6216	1.50	0.37	7335	2.16	0.37	8047	0.40	0.48	8810	0.09	0.48	9501	1.68	0.41
6217	1.39	0.37	7337	2.57	0.37	8058	1.29	0.48	8814	0.11	0.48	9505	1.47	0.46

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

Effective January 1, 2025

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
9516	1.11	0.46												
9519	1.49	0.41												
9521	1.33	0.41												
9522	1.55	0.50												
9534	1.29	0.37												
9554	2.57	0.39												
9586	0.25	0.50												
9600	1.14	0.48												
9620	0.53	0.41												

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

Effective January 1, 2025

TABLE OF WEIGHTING VALUES
APPLICABLE TO ALL POLICIES

Expected Losses			Weighting Values	Expected Losses			Weighting Values
0	--	2,325	0.14	1,311,054	--	1,376,999	0.49
2,326	--	6,551	0.15	1,377,000	--	1,446,492	0.50
6,552	--	10,878	0.16	1,446,493	--	1,519,828	0.51
10,879	--	15,310	0.17	1,519,829	--	1,597,332	0.52
15,311	--	16,857	0.18	1,597,333	--	1,679,375	0.53
16,858	--	19,065	0.17	1,679,376	--	1,766,365	0.54
19,066	--	22,082	0.16	1,766,366	--	1,858,764	0.55
22,083	--	26,621	0.15	1,858,765	--	1,957,097	0.56
26,622	--	35,259	0.14	1,957,098	--	2,061,951	0.57
35,260	--	81,025	0.13	2,061,952	--	2,173,999	0.58
81,026	--	108,880	0.14	2,174,000	--	2,294,009	0.59
108,881	--	133,207	0.15	2,294,010	--	2,422,862	0.60
133,208	--	156,606	0.16	2,422,863	--	2,561,571	0.61
156,607	--	179,819	0.17	2,561,572	--	2,711,315	0.62
179,820	--	203,183	0.18	2,711,316	--	2,873,463	0.63
203,184	--	226,891	0.19	2,873,464	--	3,049,627	0.64
226,892	--	251,073	0.20	3,049,628	--	3,241,705	0.65
251,074	--	275,825	0.21	3,241,706	--	3,451,955	0.66
275,826	--	301,225	0.22	3,451,956	--	3,683,087	0.67
301,226	--	327,343	0.23	3,683,088	--	3,938,373	0.68
327,344	--	353,098	0.24	3,938,374	--	4,221,810	0.69
353,099	--	378,409	0.25	4,221,811	--	4,538,328	0.70
378,410	--	404,516	0.26	4,538,329	--	4,894,076	0.71
404,517	--	431,464	0.27	4,894,077	--	5,296,831	0.72
431,465	--	459,299	0.28	5,296,832	--	5,756,570	0.73
459,300	--	488,072	0.29	5,756,571	--	6,286,309	0.74
488,073	--	517,831	0.30	6,286,310	--	6,903,352	0.75
517,832	--	548,634	0.31	6,903,353	--	7,631,223	0.76
548,635	--	580,539	0.32	7,631,224	--	8,502,727	0.77
580,540	--	613,608	0.33	8,502,728	--	9,565,034	0.78
613,609	--	647,909	0.34	9,565,035	--	10,888,511	0.79
647,910	--	683,515	0.35	10,888,512	--	12,582,973	0.80
683,516	--	720,503	0.36	12,582,974	--	14,829,834	0.81
720,504	--	758,955	0.37	14,829,835	--	17,951,828	0.82
758,956	--	798,964	0.38	17,951,829	--	22,583,902	0.83
798,965	--	840,626	0.39	22,583,903	--	30,171,174	0.84
840,627	--	884,050	0.40	30,171,175	--	44,866,430	0.85
884,051	--	929,347	0.41	44,866,431	--	85,459,700	0.86
929,348	--	976,645	0.42	85,459,701	--	728,082,180	0.87
976,646	--	1,026,079	0.43	728,082,181	--	AND OVER	0.88
1,026,080	--	1,077,799	0.44				
1,077,800	--	1,131,969	0.45				
1,131,970	--	1,188,766	0.46				
1,188,767	--	1,248,389	0.47				
1,248,390	--	1,311,053	0.48				

(a) G	10.75
(b) State Per Claim Accident Limitation	$181,500
(c) State Multiple Claim Accident Limitation	$363,000
(d) USL&HW Per Claim Accident Limitation	$308,500
(e) USL&HW Multiple Claim Accident Limitation	$617,000
(f) Employers Liability Accident Limitation	$55,000
(g) Primary/Excess Loss Split Point	$28,500
(h) USL&HW Act -- Expected Loss Factor -- Non-F Classes	1.25

(Multiply a Non-F classification ELR by the USL&HW Act - Expected Loss Factor of 1.25.)

Effective January 1, 2025

TABLE OF BALLAST VALUES
APPLICABLE TO ALL POLICIES

Expected Losses	Ballast Values	Expected Losses	Ballast Values	Expected Losses	Ballast Values
0 -- 387,892	49,450	3,643,230 -- 3,739,186	237,575	7,002,137 -- 7,098,112	425,700
387,893 -- 482,132	54,825	3,739,187 -- 3,835,144	242,950	7,098,113 -- 7,194,087	431,075
482,133 -- 576,929	60,200	3,835,145 -- 3,931,104	248,325	7,194,088 -- 7,290,063	436,450
576,930 -- 672,056	65,575	3,931,105 -- 4,027,065	253,700	7,290,064 -- 7,386,038	441,825
672,057 -- 767,391	70,950	4,027,066 -- 4,123,026	259,075	7,386,039 -- 7,482,014	447,200
767,392 -- 862,868	76,325	4,123,027 -- 4,218,989	264,450	7,482,015 -- 7,577,991	452,575
862,869 -- 958,444	81,700	4,218,990 -- 4,314,952	269,825	7,577,992 -- 7,673,967	457,950
958,445 -- 1,054,093	87,075	4,314,953 -- 4,410,916	275,200	7,673,968 -- 7,769,943	463,325
1,054,094 -- 1,149,798	92,450	4,410,917 -- 4,506,881	280,575	7,769,944 -- 7,865,920	468,700
1,149,799 -- 1,245,544	97,825	4,506,882 -- 4,602,847	285,950	7,865,921 -- 7,961,896	474,075
1,245,545 -- 1,341,324	103,200	4,602,848 -- 4,698,814	291,325	7,961,897 -- 8,057,873	479,450
1,341,325 -- 1,437,131	108,575	4,698,815 -- 4,794,781	296,700	8,057,874 -- 8,153,850	484,825
1,437,132 -- 1,532,959	113,950	4,794,782 -- 4,890,748	302,075	8,153,851 -- 8,249,827	490,200
1,532,960 -- 1,628,806	119,325	4,890,749 -- 4,986,716	307,450	8,249,828 -- 8,345,804	495,575
1,628,807 -- 1,724,668	124,700	4,986,717 -- 5,082,685	312,825	8,345,805 -- 8,441,782	500,950
1,724,669 -- 1,820,542	130,075	5,082,686 -- 5,178,654	318,200	8,441,783 -- 8,537,759	506,325
1,820,543 -- 1,916,427	135,450	5,178,655 -- 5,274,624	323,575	8,537,760 -- 8,633,737	511,700
1,916,428 -- 2,012,321	140,825	5,274,625 -- 5,370,594	328,950	8,633,738 -- 8,729,714	517,075
2,012,322 -- 2,108,223	146,200	5,370,595 -- 5,466,565	334,325	8,729,715 -- 8,825,692	522,450
2,108,224 -- 2,204,132	151,575	5,466,566 -- 5,562,535	339,700	8,825,693 -- 8,921,670	527,825
2,204,133 -- 2,300,047	156,950	5,562,536 -- 5,658,507	345,075	8,921,671 -- 9,017,648	533,200
2,300,048 -- 2,395,968	162,325	5,658,508 -- 5,754,478	350,450	9,017,649 -- 9,113,626	538,575
2,395,969 -- 2,491,893	167,700	5,754,479 -- 5,850,450	355,825	9,113,627 -- 9,209,604	543,950
2,491,894 -- 2,587,822	173,075	5,850,451 -- 5,946,423	361,200	9,209,605 -- 9,305,582	549,325
2,587,823 -- 2,683,756	178,450	5,946,424 -- 6,042,395	366,575	9,305,583 -- 9,401,560	554,700
2,683,757 -- 2,779,692	183,825	6,042,396 -- 6,138,368	371,950	9,401,561 -- 9,496,550	560,075
2,779,693 -- 2,875,632	189,200	6,138,369 -- 6,234,342	377,325		
2,875,633 -- 2,971,574	194,575	6,234,343 -- 6,330,315	382,700		
2,971,575 -- 3,067,519	199,950	6,330,316 -- 6,426,289	388,075		
3,067,520 -- 3,163,466	205,325	6,426,290 -- 6,522,263	393,450		
3,163,467 -- 3,259,415	210,700	6,522,264 -- 6,618,237	398,825		
3,259,416 -- 3,355,366	216,075	6,618,238 -- 6,714,212	404,200		
3,355,367 -- 3,451,319	221,450	6,714,213 -- 6,810,186	409,575		
3,451,320 -- 3,547,273	226,825	6,810,187 -- 6,906,161	414,950		
3,547,274 -- 3,643,229	232,200	6,906,162 -- 7,002,136	420,325		

For Expected Losses greater than $9,496,550, the Ballast Value can be calculated using the following formula (rounded to the nearest 1):

Ballast = (0.056)(Expected Losses) + 2876.4(Expected Losses)(10.75) / (Expected Losses + (600)(10.75))

G = 10.75

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

IOWA—UPDATE TO EXPERIENCE RATING PREMIUM ELIGIBILITY AMOUNTS

EXPERIENCE RATING PLAN MANUAL—2003 EDITION
RULE 2—EXPERIENCE RATING ELEMENTS AND FORMULA
A. PREMIUM ELIGIBILITY

2. State Subject Premium Eligibility Amounts

A risk qualifies for experience rating when its subject premium, developed in its experience period, meets or exceeds the minimum eligibility amount shown in the State Table of Subject Premium Eligibility Amounts in Rule 2-A-2-c. *Refer to Rule 2-E-1 to determine a risk's experience period.*

a. A risk qualifies for experience rating if its data within the most recent 24 months of the experience period develops a subject premium of at least the amount shown in Column A.

b. A risk may not qualify according to Rule 2-A-2-a. If it has more than the amount of experience referenced in Rule 2-A-2-a, then to qualify for experience rating the risk must develop an average annual subject premium of at least the amount shown in Column B. *Refer to Rule 2-A-3 to determine average annual subject premium.*

c. A risk's rating effective date determines the applicable Column A and Column B subject premium eligibility amounts required to qualify for experience rating. *Refer to Rule 2-B for rating effective date determination.*

State Table of Subject Premium Eligibility Amounts

State	Rating Effective Date	Column A ($)	Column B ($)
IA	7/1/25 and after	10,500	5,250
	7/1/24 - 6/30/25	10,000	5,000
	7/1/23 - 6/30/24	9,500	4,750

NOTE: This exhibit revises the Iowa experience rating subject premium eligibility amounts shown in the State Table of Subject Premium Eligibility Amounts in NCCI's ***Experience Rating Plan Manual*** national Rule 2-A-2-c. The content shown in this table is not a complete replacement of the existing State Table of Subject Premium Eligibility Amounts. The premium eligibility amounts are applicable to all policies.

Iowa

Workers Compensation Rate Filing – January 1, 2025

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:

- Average Cost per Case
- Excess Loss Factors
- Expected Loss Ratios
- Retrospective Development Factors
- Tables of Expense Ratios
- Tax Multipliers

1. Average Cost per Case by Hazard Group

A	B	C	D	E	F	G
8,320	10,450	16,030	19,285	28,164	43,524	49,886

Average Cost per Case including ALAE by Hazard Group

A	B	C	D	E	F	G
9,111	11,430	17,511	21,051	30,674	47,352	54,255

2. Tax Multipliers

a. State (non-F Classes) 1.028
b. Federal Classes, or non-F classes where rate is increased by the USL&HW Act Percentage 1.052

3. **Countrywide Expected Loss Ratio**: 0.595

Countrywide Expected Loss and Allocated Expense Ratio: 0.660

4. Table of Expense Ratios
Type A: 2024-01
Type B: 2024-01

5. Excess Loss Factors
(Applicable to New and Renewal Policies)

Per Accident Limitation	Hazard Groups A	B	C	D	E	F	G
$10,000	0.440	0.469	0.498	0.515	0.539	0.557	0.565
$15,000	0.407	0.438	0.470	0.489	0.516	0.537	0.548
$20,000	0.380	0.413	0.446	0.467	0.497	0.520	0.533
$25,000	0.358	0.392	0.426	0.447	0.480	0.505	0.520
$30,000	0.339	0.373	0.408	0.430	0.465	0.491	0.507
$35,000	0.322	0.356	0.393	0.415	0.451	0.479	0.496
$40,000	0.308	0.342	0.378	0.401	0.439	0.467	0.485
$50,000	0.283	0.316	0.354	0.377	0.417	0.446	0.466
$75,000	0.238	0.270	0.307	0.330	0.373	0.404	0.427
$100,000	0.207	0.237	0.274	0.296	0.340	0.371	0.396
$125,000	0.184	0.213	0.248	0.270	0.315	0.346	0.371
$150,000	0.166	0.194	0.228	0.249	0.294	0.325	0.350
$175,000	0.151	0.178	0.212	0.231	0.277	0.307	0.333
$200,000	0.139	0.165	0.198	0.217	0.262	0.292	0.317
$225,000	0.129	0.154	0.186	0.204	0.249	0.279	0.304
$250,000	0.120	0.144	0.176	0.193	0.238	0.267	0.292
$275,000	0.113	0.136	0.167	0.184	0.228	0.256	0.281
$300,000	0.106	0.128	0.158	0.175	0.219	0.247	0.271
$325,000	0.100	0.122	0.151	0.167	0.211	0.238	0.262
$350,000	0.095	0.116	0.145	0.160	0.203	0.231	0.254
$375,000	0.090	0.111	0.139	0.154	0.196	0.223	0.247
$400,000	0.086	0.106	0.134	0.148	0.190	0.217	0.240
$425,000	0.082	0.101	0.129	0.143	0.184	0.211	0.233
$450,000	0.079	0.097	0.124	0.138	0.179	0.205	0.227
$475,000	0.075	0.094	0.120	0.133	0.174	0.199	0.221
$500,000	0.072	0.090	0.116	0.129	0.170	0.194	0.216
$600,000	0.063	0.079	0.103	0.115	0.154	0.177	0.197
$700,000	0.055	0.071	0.093	0.104	0.141	0.163	0.182
$800,000	0.050	0.064	0.085	0.095	0.131	0.152	0.170
$900,000	0.045	0.058	0.079	0.088	0.123	0.143	0.159
$1,000,000	0.041	0.054	0.073	0.082	0.115	0.134	0.150
$2,000,000	0.023	0.031	0.045	0.050	0.076	0.089	0.100
$3,000,000	0.016	0.023	0.034	0.037	0.058	0.069	0.077
$4,000,000	0.012	0.018	0.027	0.030	0.047	0.057	0.063
$5,000,000	0.010	0.014	0.022	0.025	0.040	0.048	0.054
$6,000,000	0.008	0.012	0.019	0.021	0.034	0.042	0.047
$7,000,000	0.007	0.010	0.016	0.018	0.030	0.037	0.041
$8,000,000	0.006	0.009	0.014	0.016	0.026	0.033	0.037
$9,000,000	0.005	0.008	0.012	0.014	0.023	0.029	0.033
$10,000,000	0.004	0.007	0.011	0.013	0.021	0.026	0.030

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	0.487	0.518	0.548	0.566	0.590	0.610	0.618
$15,000	0.451	0.485	0.518	0.538	0.567	0.589	0.600
$20,000	0.423	0.458	0.494	0.515	0.547	0.571	0.585
$25,000	0.400	0.436	0.472	0.495	0.529	0.555	0.571
$30,000	0.380	0.416	0.454	0.477	0.513	0.541	0.558
$35,000	0.362	0.398	0.437	0.461	0.499	0.528	0.546
$40,000	0.346	0.383	0.422	0.446	0.486	0.515	0.535
$50,000	0.320	0.356	0.395	0.420	0.462	0.493	0.515
$75,000	0.271	0.305	0.345	0.370	0.415	0.448	0.473
$100,000	0.237	0.270	0.309	0.333	0.380	0.414	0.440
$125,000	0.212	0.244	0.282	0.305	0.353	0.386	0.414
$150,000	0.192	0.222	0.260	0.282	0.330	0.364	0.391
$175,000	0.176	0.205	0.242	0.263	0.311	0.344	0.372
$200,000	0.163	0.191	0.227	0.247	0.295	0.328	0.355
$225,000	0.152	0.179	0.214	0.234	0.281	0.313	0.341
$250,000	0.142	0.168	0.202	0.221	0.269	0.301	0.328
$275,000	0.133	0.159	0.192	0.211	0.258	0.289	0.316
$300,000	0.126	0.150	0.183	0.201	0.248	0.279	0.305
$325,000	0.119	0.143	0.175	0.193	0.239	0.269	0.296
$350,000	0.113	0.136	0.168	0.185	0.231	0.261	0.287
$375,000	0.108	0.131	0.161	0.178	0.224	0.253	0.278
$400,000	0.103	0.125	0.156	0.172	0.217	0.246	0.271
$425,000	0.099	0.120	0.150	0.166	0.210	0.239	0.264
$450,000	0.095	0.116	0.145	0.160	0.205	0.233	0.257
$475,000	0.091	0.111	0.140	0.155	0.199	0.227	0.251
$500,000	0.088	0.108	0.136	0.151	0.194	0.221	0.245
$600,000	0.076	0.095	0.121	0.135	0.176	0.202	0.224
$700,000	0.068	0.085	0.110	0.122	0.162	0.187	0.208
$800,000	0.061	0.077	0.101	0.112	0.151	0.174	0.194
$900,000	0.055	0.070	0.093	0.104	0.141	0.163	0.182
$1,000,000	0.051	0.065	0.087	0.096	0.133	0.154	0.172
$2,000,000	0.028	0.038	0.053	0.059	0.087	0.103	0.115
$3,000,000	0.020	0.027	0.039	0.044	0.066	0.079	0.088
$4,000,000	0.015	0.021	0.031	0.035	0.054	0.065	0.073
$5,000,000	0.012	0.017	0.026	0.029	0.045	0.055	0.062
$6,000,000	0.010	0.014	0.022	0.024	0.039	0.048	0.054
$7,000,000	0.008	0.012	0.019	0.021	0.034	0.042	0.047
$8,000,000	0.007	0.010	0.016	0.019	0.030	0.037	0.042
$9,000,000	0.006	0.009	0.014	0.016	0.027	0.033	0.038
$10,000,000	0.005	0.008	0.013	0.015	0.024	0.030	0.034

6. **Retrospective Development Factors**

With Loss Limit			Without Loss Limit			
1st Adj.	2nd Adj.	3rd Adj.	1st Adj.	2nd Adj.	3rd Adj.	4th & Subsequent Adjustment
0.03	0.02	0.01	0.11	0.07	0.04	0.00

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

Type A: 2024-01

WC Premium Range From		To	Expense Ratio
0	-	10,055	0.371
10,056	-	10,167	0.370
10,168	-	10,282	0.369
10,283	-	10,399	0.368
10,400	-	10,520	0.367
10,521	-	10,643	0.366
10,644	-	10,769	0.365
10,770	-	10,898	0.364
10,899	-	11,030	0.363
11,031	-	11,165	0.362
11,166	-	11,304	0.361
11,305	-	11,446	0.360
11,447	-	11,592	0.359
11,593	-	11,741	0.358
11,742	-	11,895	0.357
11,896	-	12,052	0.356
12,053	-	12,214	0.355
12,215	-	12,380	0.354
12,381	-	12,551	0.353
12,552	-	12,727	0.352
12,728	-	12,907	0.351
12,908	-	13,093	0.350
13,094	-	13,284	0.349
13,285	-	13,481	0.348
13,482	-	13,684	0.347
13,685	-	13,893	0.346
13,894	-	14,108	0.345
14,109	-	14,330	0.344
14,331	-	14,559	0.343
14,560	-	14,796	0.343
14,797	-	15,041	0.342
15,042	-	15,294	0.341
15,295	-	15,555	0.340
15,556	-	15,826	0.339
15,827	-	16,106	0.338
16,107	-	16,396	0.337
16,397	-	16,697	0.336
16,698	-	17,009	0.335
17,010	-	17,333	0.334
17,334	-	17,669	0.333
17,670	-	18,019	0.332
18,020	-	18,383	0.331
18,384	-	18,762	0.330
18,763	-	19,157	0.329
19,158	-	19,569	0.328
19,570	-	19,999	0.327
20,000	-	20,449	0.326
20,450	-	20,919	0.325
20,920	-	21,411	0.324
21,412	-	21,927	0.323

WC Premium Range From		To	Expense Ratio
21,928	-	22,469	0.322
22,470	-	23,037	0.321
23,038	-	23,636	0.320
23,637	-	24,266	0.319
24,267	-	24,931	0.318
24,932	-	25,633	0.317
25,634	-	26,376	0.316
26,377	-	27,164	0.316
27,165	-	27,999	0.315
28,000	-	28,888	0.314
28,889	-	29,836	0.313
29,837	-	30,847	0.312
30,848	-	31,929	0.311
31,930	-	33,090	0.310
33,091	-	34,339	0.309
34,340	-	35,686	0.308
35,687	-	37,142	0.307
37,143	-	38,723	0.306
38,724	-	40,444	0.305
40,445	-	42,325	0.304
42,326	-	44,390	0.303
44,391	-	46,666	0.302
46,667	-	49,189	0.301
49,190	-	51,999	0.300
52,000	-	55,151	0.299
55,152	-	58,709	0.298
58,710	-	62,758	0.297
62,759	-	67,407	0.296
67,408	-	72,799	0.295
72,800	-	79,130	0.294
79,131	-	86,666	0.293
86,667	-	95,789	0.292
95,790	-	107,058	0.291
107,059	-	121,333	0.290
121,334	-	139,999	0.289
140,000	-	165,454	0.288
165,455	-	200,377	0.288
200,378	-	208,235	0.287
208,236	-	216,734	0.286
216,735	-	225,957	0.285
225,958	-	235,999	0.284
236,000	-	246,976	0.283
246,977	-	259,024	0.282
259,025	-	272,307	0.281
272,308	-	287,027	0.280
287,028	-	303,428	0.279
303,429	-	321,818	0.278
321,819	-	342,580	0.277
342,581	-	366,206	0.276
366,207	-	393,333	0.275

WC Premium Range From		To	Expense Ratio
393,334	-	424,799	0.274
424,800	-	461,739	0.273
461,740	-	505,714	0.272
505,715	-	558,947	0.271
558,948	-	624,705	0.270
624,706	-	707,999	0.269
708,000	-	816,923	0.268
816,924	-	965,454	0.267
965,455	-	1,179,999	0.266
1,180,000	-	1,517,142	0.265
1,517,143	-	1,824,799	0.264
1,824,800	-	1,983,478	0.263
1,983,479	-	2,172,380	0.262
2,172,381	-	2,401,052	0.261
2,401,053	-	2,683,529	0.260
2,683,530	-	3,041,333	0.260
3,041,334	-	3,509,230	0.259
3,509,231	-	4,147,272	0.258
4,147,273	-	5,068,888	0.257
5,068,889	-	6,517,142	0.256
6,517,143	-	9,123,999	0.255
9,124,000	-	15,206,666	0.254
15,206,667	-	45,619,999	0.253
45,620,000	-	And Above	0.252

First	-	10,000	0.0%
Next	-	190,000	9.1%
Next	-	1,550,000	11.3%
Over	-	1,750,000	12.3%

Expected Loss Ratio:	0.595
Tax Multiplier:	1.036

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

Type B: 2024-01

WC Premium Range From		To	Expense Ratio
0	-	10,099	0.371
10,100	-	10,303	0.370
10,304	-	10,515	0.369
10,516	-	10,736	0.368
10,737	-	10,967	0.367
10,968	-	11,208	0.366
11,209	-	11,460	0.365
11,461	-	11,724	0.364
11,725	-	11,999	0.363
12,000	-	12,289	0.362
12,290	-	12,592	0.361
12,593	-	12,911	0.360
12,912	-	13,246	0.359
13,247	-	13,599	0.358
13,600	-	13,972	0.357
13,973	-	14,366	0.356
14,367	-	14,782	0.355
14,783	-	15,223	0.354
15,224	-	15,692	0.353
15,693	-	16,190	0.352
16,191	-	16,721	0.351
16,722	-	17,288	0.350
17,289	-	17,894	0.349
17,895	-	18,545	0.348
18,546	-	19,245	0.347

WC Premium Range From		To	Expense Ratio
19,246	-	19,999	0.346
20,000	-	20,816	0.345
20,817	-	21,702	0.344
21,703	-	22,666	0.343
22,667	-	23,720	0.343
23,721	-	24,878	0.342
24,879	-	26,153	0.341
26,154	-	27,567	0.340
27,568	-	29,142	0.339
29,143	-	30,909	0.338
30,910	-	32,903	0.337
32,904	-	35,172	0.336
35,173	-	37,777	0.335
37,778	-	40,799	0.334
40,800	-	44,347	0.333
44,348	-	48,571	0.332
48,572	-	53,684	0.331
53,685	-	59,999	0.330
60,000	-	67,999	0.329
68,000	-	78,461	0.328
78,462	-	92,727	0.327
92,728	-	113,333	0.326
113,334	-	145,714	0.325
145,715	-	200,606	0.324
200,607	-	213,548	0.323

WC Premium Range From		To	Expense Ratio
213,549	-	228,275	0.322
228,276	-	245,185	0.321
245,186	-	264,799	0.320
264,800	-	287,826	0.319
287,827	-	315,238	0.318
315,239	-	348,421	0.317
348,422	-	389,411	0.316
389,412	-	441,333	0.316
441,334	-	509,230	0.315
509,231	-	601,818	0.314
601,819	-	735,555	0.313
735,556	-	945,714	0.312
945,715	-	1,323,999	0.311
1,324,000	-	1,809,565	0.310
1,809,566	-	1,981,904	0.309
1,981,905	-	2,190,526	0.308
2,190,527	-	2,448,235	0.307
2,448,236	-	2,774,666	0.306
2,774,667	-	3,201,538	0.305
3,201,539	-	3,783,636	0.304
3,783,637	-	4,624,444	0.303
4,624,445	-	5,945,714	0.302
5,945,715	-	8,323,999	0.301
8,324,000	-	13,873,333	0.300
13,873,334	-	41,619,999	0.299
41,620,000	-	And Above	0.298

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:	0.595
Tax Multiplier:	1.036

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

Type A: 2024-01

WC Premium Range From		To	Expense Ratio
0	-	10,055	0.305
10,056	-	10,167	0.304
10,168	-	10,282	0.303
10,283	-	10,399	0.302
10,400	-	10,520	0.301
10,521	-	10,643	0.300
10,644	-	10,769	0.299
10,770	-	10,898	0.298
10,899	-	11,030	0.297
11,031	-	11,165	0.296
11,166	-	11,304	0.295
11,305	-	11,446	0.294
11,447	-	11,592	0.294
11,593	-	11,741	0.293
11,742	-	11,895	0.292
11,896	-	12,052	0.291
12,053	-	12,214	0.290
12,215	-	12,380	0.289
12,381	-	12,551	0.288
12,552	-	12,727	0.287
12,728	-	12,907	0.286
12,908	-	13,093	0.285
13,094	-	13,284	0.284
13,285	-	13,481	0.283
13,482	-	13,684	0.282
13,685	-	13,893	0.281
13,894	-	14,108	0.280
14,109	-	14,330	0.279
14,331	-	14,559	0.278
14,560	-	14,796	0.277
14,797	-	15,041	0.276
15,042	-	15,294	0.275
15,295	-	15,555	0.274
15,556	-	15,826	0.273
15,827	-	16,106	0.272
16,107	-	16,396	0.271
16,397	-	16,697	0.270
16,698	-	17,009	0.269
17,010	-	17,333	0.268
17,334	-	17,669	0.267
17,670	-	18,019	0.266
18,020	-	18,383	0.266
18,384	-	18,762	0.265
18,763	-	19,157	0.264
19,158	-	19,569	0.263
19,570	-	19,999	0.262
20,000	-	20,449	0.261
20,450	-	20,919	0.260
20,920	-	21,411	0.259
21,412	-	21,927	0.258

WC Premium Range From		To	Expense Ratio
21,928	-	22,469	0.257
22,470	-	23,037	0.256
23,038	-	23,636	0.255
23,637	-	24,266	0.254
24,267	-	24,931	0.253
24,932	-	25,633	0.252
25,634	-	26,376	0.251
26,377	-	27,164	0.250
27,165	-	27,999	0.249
28,000	-	28,888	0.248
28,889	-	29,836	0.247
29,837	-	30,847	0.246
30,848	-	31,929	0.245
31,930	-	33,090	0.244
33,091	-	34,339	0.243
34,340	-	35,686	0.242
35,687	-	37,142	0.241
37,143	-	38,723	0.240
38,724	-	40,444	0.239
40,445	-	42,325	0.239
42,326	-	44,390	0.238
44,391	-	46,666	0.237
46,667	-	49,189	0.236
49,190	-	51,999	0.235
52,000	-	55,151	0.234
55,152	-	58,709	0.233
58,710	-	62,758	0.232
62,759	-	67,407	0.231
67,408	-	72,799	0.230
72,800	-	79,130	0.229
79,131	-	86,666	0.228
86,667	-	95,789	0.227
95,790	-	107,058	0.226
107,059	-	121,333	0.225
121,334	-	139,999	0.224
140,000	-	165,454	0.223
165,455	-	200,377	0.222
200,378	-	208,235	0.221
208,236	-	216,734	0.220
216,735	-	225,957	0.219
225,958	-	235,999	0.218
236,000	-	246,976	0.217
246,977	-	259,024	0.216
259,025	-	272,307	0.215
272,308	-	287,027	0.214
287,028	-	303,428	0.213
303,429	-	321,818	0.212
321,819	-	342,580	0.211
342,581	-	366,206	0.211
366,207	-	393,333	0.210

WC Premium Range From		To	Expense Ratio
393,334	-	424,799	0.209
424,800	-	461,739	0.208
461,740	-	505,714	0.207
505,715	-	558,947	0.206
558,948	-	624,705	0.205
624,706	-	707,999	0.204
708,000	-	816,923	0.203
816,924	-	965,454	0.202
965,455	-	1,179,999	0.201
1,180,000	-	1,517,142	0.200
1,517,143	-	1,824,799	0.199
1,824,800	-	1,983,478	0.198
1,983,479	-	2,172,380	0.197
2,172,381	-	2,401,052	0.196
2,401,053	-	2,683,529	0.195
2,683,530	-	3,041,333	0.194
3,041,334	-	3,509,230	0.193
3,509,231	-	4,147,272	0.192
4,147,273	-	5,068,888	0.191
5,068,889	-	6,517,142	0.190
6,517,143	-	9,123,999	0.189
9,124,000	-	15,206,666	0.188
15,206,667	-	45,619,999	0.187
45,620,000	-	And Above	0.186

First	-	10,000	0.0%
Next	-	190,000	9.1%
Next	-	1,550,000	11.3%
Over	-	1,750,000	12.3%

Expected Loss and ALAE Ratio:	0.660
Tax Multiplier:	1.036

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

Type B: 2024-01

WC Premium Range From		To	Expense Ratio
0	-	10,099	0.305
10,100	-	10,303	0.304
10,304	-	10,515	0.303
10,516	-	10,736	0.302
10,737	-	10,967	0.301
10,968	-	11,208	0.300
11,209	-	11,460	0.299
11,461	-	11,724	0.298
11,725	-	11,999	0.297
12,000	-	12,289	0.296
12,290	-	12,592	0.295
12,593	-	12,911	0.294
12,912	-	13,246	0.294
13,247	-	13,599	0.293
13,600	-	13,972	0.292
13,973	-	14,366	0.291
14,367	-	14,782	0.290
14,783	-	15,223	0.289
15,224	-	15,692	0.288
15,693	-	16,190	0.287
16,191	-	16,721	0.286
16,722	-	17,288	0.285
17,289	-	17,894	0.284
17,895	-	18,545	0.283
18,546	-	19,245	0.282

WC Premium Range From		To	Expense Ratio
19,246	-	19,999	0.281
20,000	-	20,816	0.280
20,817	-	21,702	0.279
21,703	-	22,666	0.278
22,667	-	23,720	0.277
23,721	-	24,878	0.276
24,879	-	26,153	0.275
26,154	-	27,567	0.274
27,568	-	29,142	0.273
29,143	-	30,909	0.272
30,910	-	32,903	0.271
32,904	-	35,172	0.270
35,173	-	37,777	0.269
37,778	-	40,799	0.268
40,800	-	44,347	0.267
44,348	-	48,571	0.266
48,572	-	53,684	0.266
53,685	-	59,999	0.265
60,000	-	67,999	0.264
68,000	-	78,461	0.263
78,462	-	92,727	0.262
92,728	-	113,333	0.261
113,334	-	145,714	0.260
145,715	-	200,606	0.259
200,607	-	213,548	0.258

WC Premium Range From		To	Expense Ratio
213,549	-	228,275	0.257
228,276	-	245,185	0.256
245,186	-	264,799	0.255
264,800	-	287,826	0.254
287,827	-	315,238	0.253
315,239	-	348,421	0.252
348,422	-	389,411	0.251
389,412	-	441,333	0.250
441,334	-	509,230	0.249
509,231	-	601,818	0.248
601,819	-	735,555	0.247
735,556	-	945,714	0.246
945,715	-	1,323,999	0.245
1,324,000	-	1,809,565	0.244
1,809,566	-	1,981,904	0.243
1,981,905	-	2,190,526	0.242
2,190,527	-	2,448,235	0.241
2,448,236	-	2,774,666	0.240
2,774,667	-	3,201,538	0.239
3,201,539	-	3,783,636	0.239
3,783,637	-	4,624,444	0.238
4,624,445	-	5,945,714	0.237
5,945,715	-	8,323,999	0.236
8,324,000	-	13,873,333	0.235
13,873,334	-	41,619,999	0.234
41,620,000	-	And Above	0.233

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:	0.660
Tax Multiplier:	1.036

Part 3 Supporting Exhibits

- Exhibit I: Determination of the Indicated Advisory Rate Level Change
- Exhibit II: Workers Compensation Expense Program
- Appendix A: Factors Underlying the Proposed Rate Level Change
- Appendix B: Calculations Underlying the Advisory Rate Change by Classification
- Appendix C: Memoranda for Laws and Assessments
- Appendix D: Determination of Assigned Risk Rates

Iowa

Workers Compensation Rate Filing – January 1, 2025

Exhibit I – Determination of Indicated Advisory Rate Level Change

NCCI analyzed the emerging experience of Iowa workers compensation policies in recent years. The primary focus of our analysis was on premiums and losses from the proposed experience period, as shown in the exhibits on the next few pages.

Determination of the Loss Base

In analyzing losses for the purpose of Aggregate Ratemaking, NCCI reviews both "paid" and "paid plus case" loss data, which are (i) the benefit amounts already paid by insurers on reported claims and (ii) the benefit amounts already paid by insurers on reported claims plus the amounts set aside to cover future payments on those claims.

During this year's analysis, which included an assessment of possible pandemic claim-related impacts, a combination of both paid and paid plus case data was selected to best reflect the conditions likely to prevail in the proposed effective period. This methodology makes the most use of the available financial data information and is consistent with prior filings made in Iowa.

Determination of the Experience Period

This year's analysis included a review of various experience periods and an assessment of possible pandemic claim-related impacts. The most recent five policy year and calendar-accident year projected loss ratios are shown below. Policy year data is given greater consideration by NCCI because policy year data reflects the best match between exposure and losses.

Policy Year	Loss Ratio	Calendar-Accident Year	Loss Ratio
2018	0.980	2019	1.063
2019	1.001	2020	0.919
2020	0.996	2021	1.005
2021	0.919	2022	0.897
2022	0.943	2023	0.950

Note the following regarding the projected loss ratios:

- *Based on NCCI's Financial Call data reported through 12/31/2023, on-leveled, developed to an ultimate report, and trended to the prospective period. Projected losses do not include the change in expenses and standard earned premium at Designated Statistical Reporting (DSR) level is adjusted to a pure premium level.*
- *The Calendar-Accident Year analysis was not conducted separately; the displayed loss ratios are trended using the policy year loss ratio selections underlying this filing.*
- *Calendar-Accident Year 2019–2023 loss ratios include a premium audit adjustment due to changes in audit activity primarily attributable to the COVID-19 pandemic-related recession.*

The policy year loss ratios are generally consistent and favorable in this time period. Policy Years 2021 and 2022 exhibit improved experience based on the most recent data, aligning with Calendar-Accident Years 2022 and 2023. This experience, which tends to fluctuate more on the calendar-

accident year side, is in part influenced by indirect pandemic-related effects, Iowa's strong labor market, and changes in large loss volume.

In Iowa, the COVID-19 pandemic has had a minor and limited impact. Certain temporary effects, like social distancing and decreased medical treatments for minor injuries, could be playing a role in the favorable experience observed in Calendar-Accident Year 2020, however, policy year loss ratios show a more stable pattern. The strong manufacturing and agriculture industries propelled Iowa's unemployment rate to return to a pre-pandemic level of 2.9% by year-end 2021 (Source: Bureau of Labor Statistics). This unemployment level has been maintained throughout the experience period and is forecasted to be approximately 3% into the prospective effective period of this filing (Source: Moody's Analytics). When employment levels are similar, it suggests a comparable industry composition in the historical data. Furthermore, a strong level of employment suggests fewer return-to-work challenges verses what might be expected in a relatively weak labor market.

The loss trends observed in Policy Years 2021 to 2022, and Calendar-Accident Years 2022 to 2023, demonstrate ongoing loss experience improvement in Iowa. Some pandemic effects have increased safety and resulted in lasting changes in the workplace landscape. For example, the shift to remote work and reduced business travel are likely contributing to the improved loss ratio experience. There has also been a long-term pattern of improved workplace safety as well as an increase in the use of automation, both of which continue to put downward pressure on lost-time claim frequency.

An analysis was conducted to evaluate the influence of shifting volumes of large losses on the loss experience of the most years.

Call 31 Claims with Paid+Case Losses over 500K

Policy Year	Claim Counts	Limited Paid+Case	Accident Year	Claim Counts	Limited Paid+Case
2018	34	41M	2019	34	46M
2019	42	63M	2020	32	38M
2020	39	58M	2021	36	51M
2021	46	46M	2022	31	25M
2022	41	48M	2023	35	52M

Based on NCCI's Financial Call data reported through 12/31/2023, Call 31 claims valued at first report

Policy Years 2019 and 2020 show a higher level of initial large loss activity at first report compared to surrounding policy years, which has contributed to the relatively worse experience in those projected loss ratios. Similarly, the loss ratios for Calendar-Accident Years 2019 and 2021 indicate higher projected loss ratios, partly due to the volume of large loss claims. While Calendar-Accident Year 2023 has experienced a higher volume of large losses, the projected loss ratio remains

favorable, aligning with the average of the proposed experience period. Although Iowa's Calendar-Accident Years show more year-to-year fluctuations in the volume of large losses, the policy year activity has remained more consistently robust. Additionally, the most recent two policy years within the experience period reflect a more typical level of large loss activity compared to the history.

In this filing, the data for the two most recently available full policy years, 2021 and 2022, was selected as the most appropriate experience period on which to base this year’s filing. This selection provides a balance between stability and responsiveness and best reflects the conditions likely to prevail in the proposed effective period. This method is consistent with prior filings in Iowa.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Exhibit I – Determination of Indicated Advisory Rate Level Change

Determination of the Indicated Change

NCCI uses 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 Designated Statistical Reporting (DSR) level is developed to ultimate, on-leveled to the current approved advisory rate level, and adjusted to a pure premium level.
2. Reported indemnity and medical losses are limited by a large loss threshold, developed to ultimate using limited development factors, and on-leveled to a common benefit level to yield adjusted limited losses.
3. Limited indemnity and medical cost ratios excluding trend and benefits changes are calculated as 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 expected differences between the historical experience years and the effective period of the proposed filing.
5. Limited losses are adjusted to an unlimited basis via a non-catastrophe excess ratio (with excess ratios at limits beyond $50 million set equal to zero).
6. A factor is applied to reflect the impact of proposed indemnity and medical benefit changes.
7. The projected unlimited indemnity and medical cost ratios including benefit changes are added to yield the indicated change based on experience, trend, and benefits.

The indicated change based on experience, trend, and benefits for this filing 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 loss-based expenses, change in production and general expenses, change in premium taxes and assessments, and change in the profit and contingency provision is applied to determine the indicated overall average advisory rate level change.

The detailed calculations can be found on the following pages.

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EXHIBIT I

Determination of Indicated Rate Level Change

Section A - Policy Year 2022 Experience

Premium:

(1)	Standard Earned Premium Developed to Ultimate (Appendix A-II)	$683,496,096
(2)	Premium On-level Factor (Appendix A-I)	0.494
(3)	Pure Premium Available for Benefit Costs = (1) x (2)	$337,647,071

Indemnity Benefit Cost:

(4)	Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	$150,346,001
(5)	Indemnity Loss On-level Factor (Appendix A-I)	1.000
(6)	Adjusted Limited Indemnity Losses = (4) x (5)	$150,346,001
(7)	Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.445
(8)	Factor to Reflect Indemnity Trend (Appendix A-III)	0.871
(9)	Projected Limited Indemnity Cost Ratio = (7) x (8)	0.388
(10)	Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.035
(11)	Projected Indemnity Cost Ratio = (9) x (10)	0.402
(12)	Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.000
(13)	Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.402

Medical Benefit Cost:

(14)	Limited Medical Losses Developed to Ultimate (Appendix A-II)	$196,364,413
(15)	Medical Loss On-level Factor (Appendix A-I)	1.000
(16)	Adjusted Limited Medical Losses = (14) x (15)	$196,364,413
(17)	Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.582
(18)	Factor to Reflect Medical Trend (Appendix A-III)	0.899
(19)	Projected Limited Medical Cost Ratio = (17) x (18)	0.523
(20)	Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.035
(21)	Projected Medical Cost Ratio = (19) x (20)	0.541
(22)	Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.000
(23)	Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.541

Total Benefit Cost:

(24)	Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.943

IOWA

EXHIBIT I

Determination of Indicated Rate Level Change

Section B - Policy Year 2021 Experience

Premium:

(1)	Standard Earned Premium Developed to Ultimate (Appendix A-II)	$661,870,621
(2)	Premium On-level Factor (Appendix A-I)	0.478
(3)	Pure Premium Available for Benefit Costs = (1) x (2)	$316,374,157

Indemnity Benefit Cost:

(4)	Limited Indemnity Losses Developed to Ultimate (Appendix A-II)	$139,959,786
(5)	Indemnity Loss On-level Factor (Appendix A-I)	1.000
(6)	Adjusted Limited Indemnity Losses = (4) x (5)	$139,959,786
(7)	Adjusted Limited Indemnity Cost Ratio excluding Trend and Benefits = (6) / (3)	0.442
(8)	Factor to Reflect Indemnity Trend (Appendix A-III)	0.832
(9)	Projected Limited Indemnity Cost Ratio = (7) x (8)	0.368
(10)	Factor to Adjust Indemnity Cost Ratio to an Unlimited Basis (Appendix A-II)	1.035
(11)	Projected Indemnity Cost Ratio = (9) x (10)	0.381
(12)	Factor to Reflect Proposed Changes in Indemnity Benefits (Appendix C)	1.000
(13)	Projected Indemnity Cost Ratio including Benefit Changes = (11) x (12)	0.381

Medical Benefit Cost:

(14)	Limited Medical Losses Developed to Ultimate (Appendix A-II)	$189,950,627
(15)	Medical Loss On-level Factor (Appendix A-I)	1.000
(16)	Adjusted Limited Medical Losses = (14) x (15)	$189,950,627
(17)	Adjusted Limited Medical Cost Ratio excluding Trend and Benefits = (16) / (3)	0.600
(18)	Factor to Reflect Medical Trend (Appendix A-III)	0.867
(19)	Projected Limited Medical Cost Ratio = (17) x (18)	0.520
(20)	Factor to Adjust Medical Cost Ratio to an Unlimited Basis (Appendix A-II)	1.035
(21)	Projected Medical Cost Ratio = (19) x (20)	0.538
(22)	Factor to Reflect Proposed Changes in Medical Benefits (Appendix C)	1.000
(23)	Projected Medical Cost Ratio including Benefit Changes = (21) x (22)	0.538

Total Benefit Cost:

(24)	Indicated Change Based on Experience, Trend and Benefits = (13) + (23)	0.919

IOWA

EXHIBIT I

Determination of Indicated Rate Level Change

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

(1)	Policy Year 2022 Indicated Change Based on Experience, Trend, and Benefits	0.943
(2)	Policy Year 2021 Indicated Change Based on Experience, Trend, and Benefits	0.919
(3)	Indicated Change Based on Experience, Trend, and Benefits* = (1) x 50.0% + (2) x 50.0%	0.931

* The weight applied to each loss ratio in the experience period does not vary by year.

Section D - Application of the Offset Due to the Change in Assigned Risk Pricing Programs

(1)	Indicated Rate Level Change	0.931
(2)	Effect of the Offset Due to the Change in Assigned Risk Pricing Programs	1.001
(3)	Indicated Change Modified to Reflect the Offset Due to the Change in A/R Pricing Programs = (1) x (2)	0.932

Section E - Application of the Change in Production and General Expenses

(1)	Indicated Rate Level Change	0.932
(2)	Effect of the Change in Production and General Expenses (Exhibit II)	1.003
(3)	Indicated Change Modified to Reflect the Change in Production and General Expenses = (1) x (2)	0.935

Section F - Application of the Change in Taxes

(1)	Indicated Rate Level Change	0.935
(2)	Effect of the Change in Taxes (Exhibit II)	1.000
(3)	Indicated Change Modified to Reflect the Change in Taxes = (1) x (2)	0.935

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EXHIBIT I

Determination of Indicated Rate Level Change

Section G - Application of the Change in the Profit and Contingency Provision

(1)	Indicated Rate Level Change	0.935
(2)	Effect of the Change in the Profit and Contingency Provision (Exhibit II)	0.986
(3)	Indicated Change Modified to Reflect the Change in the Profit and Contingency Provision = (1) x (2)	0.922

Section H - Application of the Change in Loss-based Expenses

(1)	Indicated Rate Level Change	0.922
(2)	Effect of the Change in Loss-based Expenses (Exhibit II)	1.006
(3)	Indicated Change Modified to Reflect the Change in Loss-based Expenses = (1) x (2)	0.928

Section I - Distribution of Overall Rate Level Change to Industry Groups

Industry Group Differentials (Appendix A-IV):

Manufacturing	0.988
Contracting	0.972
Office & Clerical	1.025
Goods & Services	1.009
Miscellaneous	1.017

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	0.928	0.988	0.917	(-8.3%)
Contracting	0.928	0.972	0.902	(-9.8%)
Office & Clerical	0.928	1.025	0.951	(-4.9%)
Goods & Services	0.928	1.009	0.936	(-6.4%)
Miscellaneous	0.928	1.017	0.944	(-5.6%)
Overall	0.928	1.000	0.928	(-7.2%)

Iowa

Workers Compensation Rate Filing – January 1, 2025

Exhibit II – Workers Compensation Expense Program

The proposed rates include several expense-related provisions as described below. The expense provisions described below are assumed to be the same for both the voluntary and assigned risk market.

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.

The Production and General Expense provisions are reviewed on an annual basis using countrywide NAIC data. Countrywide data is reviewed because insurance carriers cannot easily attribute portions of their Production and General expenses to any specific state. The analysis of the Production and General expenses involves creating expense to premium ratios. Since the premium comes from a non-NCCI data source, adjustments are made to the premium to convert the premium to a Designated Statistical Reporting (DSR) level. In addition, the fixed expenses are removed from the numerator and denominator of the ratio to arrive at a purely variable expense ratio. These expense ratios are reviewed over time and a selection is made to balance stability and responsiveness. A selection for both Production and General expenses is made after a review of the expense to premium ratios and the underlying data.

Premium Taxes and Assessments: The proposed rates have a provision for taxes, licenses, and fees (other than Federal Income Tax) including a Premium Tax provision, a miscellaneous tax provision, and a provision for the Second Injury Fund. Where published by the state, the published value is selected. When no value is published by the state, historical values are reviewed, and a selection is made.

Profit and Contingency Provision: Insurers should have an opportunity to earn a fair rate of return on the capital supporting all of their workers compensation business. Therefore, voluntary rate filings should contemplate the inclusion of a fair and reasonable profit and contingency (P&C) provision.

The proposed P&C provision in this year's filing was selected based on the results of NCCI's Internal Rate of Return (IRR) model, which estimates the time series of expected future cash flows including premium, losses, expenses, investment income and taxes, for a representative insurer underwriting workers compensation coverage. In determining the P&C provision, NCCI reviews both static and dynamic P&C estimates as indicated by the IRR model. The static estimate holds interest rates fixed over time, while the dynamic estimate incorporates projections of future interest rate levels.

Starting with this filing season, NCCI has renamed the previous static estimate as the "static-spot" estimate and incorporated a second static estimate, the "static-average" estimate. The static-average estimate emphasizes the stability of the results from year-to-year. To achieve this, the new static-average estimate utilizes longer-term averages for various inputs of the IRR model. The following differences in methodology between the two static estimates are noted below:

	Static-spot	Static-average
US Treasury Rates	Latest observed rate	5-year average
Equity Market Risk Premium	30-year average	All-year average

Additionally, NCCI has updated the number of years included in calculating the beta utilized in the weighted average cost of capital (WACC) calculation from 3-years to 10-years for all three estimates to promote stability in this value. Please refer to the Derivation of the Indicated Profit and Contingency Provision section of Exhibit II for additional information.

The P&C selection is based on a review of all three of these estimates, while also considering stability in this filing component. This filing proposes a decrease to the P&C provision from 0.0% to -1.0%, which reflects the investment returns expected in the prospective interest rate environment.

Loss-based Expense Provision: The only component of the loss-based expense provision included in the proposed rates is the 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: Adjusting and Other Expenses (AOE) and Defense and Cost Containment Expenses (DCCE).

Given the nature of AOE, it cannot be allocated to a specific claim, and hence cannot be accurately attributed to specific states. Therefore, the state-specific AOE ratio reflects the latest selected countrywide provision. The countrywide provision was calculated using data obtained from the NCCI Call for Loss Adjustment Expense. The accident year developed AOE ratios are calculated on a countrywide basis using private carrier-only data after applying an adjustment to exclude the percentage of COVID-19-related losses relative to total losses for COVID-19 claims with accident dates between December 1, 2019 and June 30, 2023.

The reported DCCE and losses from COVID-19-related claims with accident dates between December 1, 2019 and June 30, 2023 have been excluded from the underlying data in this year's analysis to better reflect the conditions likely to prevail in the proposed effective period. NCCI used the following general methodology to determine the proposed DCCE provision based on Iowa-specific paid DCCE and losses reported on the NCCI Call for Policy Year Data:

- Ratios of reported paid DCCE-to-paid losses by policy year are developed to a 19th report using DCCE ratio development factors.
- A 19th-to-ultimate tail factor is applied to reflect expected development beyond a 19th report.
- The proposed DCCE provision is selected based on the ultimate projected DCCE ratios by policy year.

Workers Compensation Rate Filing – January 1, 2025

Exhibit II – Workers Compensation Expense Program

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 helps address fixed expense differences by size of risk. The expense constant together with the expense provision included in the manual rate provide the necessary funding for insurer expenses.

IOWA

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".

		Expense Provisions Underlying Current Rates	Expense Provisions Underlying Proposed Rates
(1)	Expense Constant	$160	$160
(2)	Production Expense	18.3%	18.5%
(3)	General Expense	6.1%	6.1%
(4)	Taxes, Licenses and Fees (other than Federal Income Tax)		
	Premium Tax	1.0%	0.9%
	Miscellaneous	0.3%	0.3%
	Second Injury Fund	1.4%	1.5%
	Total	**2.7%**	**2.7%**
(5)	Profit and Contingency Provision	0.0%	-1.0%
(6)	Total Overhead Provisions (2)+(3)+(4)+(5)	27.1%	26.3%
(7)	Target Cost Ratio [100% - (6)]	72.9%	73.7%
(8)	Loss Adjustment Expense	17.8%	18.5%
(9)	Loss-based Assessment	0.0%	0.0%
(10)	Permissible Loss Ratio (7) / [1+(8)+(9)]	61.9%	62.2%

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EXHIBIT II

Section B - Calculation of Change in Expense Provisions

		A Current Expenses	B Col. A with Proposed Prod & Gen Exp	C Col. B with Proposed Taxes	D Col. C with Proposed Profit and Contingency
(1)	Production Expense	18.3%	18.5%	18.5%	18.5%
(2)	General Expense	6.1%	6.1%	6.1%	6.1%
(3)	Taxes	2.7%	2.7%	2.7%	2.7%
(4)	Profit and Contingency Provision	0.0%	0.0%	0.0%	-1.0%
(5)	Total Provisions (1)+(2)+(3)+(4)	27.1%	27.3%	27.3%	26.3%
(6)	TCR (100%-(5))	72.9%	72.7%	72.7%	73.7%
(7)	Loss Based Expenses	17.8%	18.5%	18.5%	18.5%
(8)	Change in Production and General Expense (6A) / (6B)			1.003	+0.3%
(9)	Change in Taxes and Assessments (6B) / (6C)			1.000	0.0%
(10)	Change in Profit and Contingency Provision (6C) / (6D)			0.986	-1.4%
(11)	Change in Loss Based Expenses [1.0 + (7B)] / [1.0 + (7A)]			1.006	+0.6%

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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.

IOWA

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 obtained from the Insurance Expense Exhibit (IEE) include data for stock and mutual companies.

		2021	2022	2023
(1)	Direct Earned Premium *(NAIC Insurance Expense Exhibit Data)*	44,738,409	49,079,544	50,927,960
	(1a) Effect of Premium Discounts	0.930	0.931	0.931
	(1b) Effect of Schedule Rating	0.960	0.960	0.963
	(1c) Effect of Carrier Deviations	1.079	1.086	1.088
	(1d) Effect of Deductibles	0.734	0.741	0.749
	(1e) Expense Constant Offset	0.989	0.989	0.989
(2)	Gross Adjusted Premium *(STD Premium @ NCCI Level Excl. Expense Constant)* {(1) / [(1a) x (1b) x (1c) x (1d)]} x (1e)	62,575,617	67,488,203	68,939,145
(3)	Direct General Expenses Incurred *(NAIC Insurance Expense Exhibit Data)*	3,346,906	3,599,629	3,715,417
	(3a) Proportion of Expense Constant Attributable to General Expenses	0.406	0.406	0.406
(4)	General Expenses Incurred *(Excluding Expense Constant Revenue)* (3) - (2) x [1-(1e)]/(1e) x (3a)	3,064,335	3,294,874	3,404,110
(5)	Ratio of General Expense to Premium *(Excluding Expense Constant Revenue)* (4)/(2)	4.9%	4.9%	4.9%
(6)	General Expense Gradations *(General Expenses in Average Premium Discount)*	1.2%	1.2%	1.2%
(7)	General Expense Provision (5)+(6)	6.1%	6.1%	6.1%
(8)	Selected General Expense Provision			**6.1%**

EXHIBIT II

Section E - Derivation of Production Expense Provisions

The data below (amounts in thousands) illustrates that the combination of a 18.5% 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 obtained from the Insurance Expense Exhibit (IEE) include data for stock and mutual companies.

		2021	2022	2023
(1)	Direct Written Premium *(NAIC Insurance Expense Exhibit Data)*	45,045,328	49,871,770	51,240,473
(1a)	Effect of Premium Discounts	0.930	0.931	0.931
(1b)	Effect of Schedule Rating	0.961	0.960	0.965
(1c)	Effect of Carrier Deviations	1.078	1.085	1.090
(1d)	Effect of Deductibles	0.731	0.749	0.749
(1e)	Expense Constant Offset	0.990	0.989	0.989
(2)	Pool Written Premium *(Summary of NCCI Managed Pools - Combined Stock and Mutual Company Data)*	857,108	921,787	831,752
(3)	Adjusted Direct Written Premium *(STD Premium Excl. Pool Written Premium)* [(1)-(2)] / (1a) x (1e)	47,039,073	51,999,499	53,549,114
(4)	Gross Direct Written Premium *(STD Premium @ NCCI Level Incl. Pool Written Premium)* {(1) / [(1a) x (1b) x (1c) x (1d)]} x (1e)	63,320,229	67,907,635	69,091,419
(5)	Direct Commission & Brokerage Incurred *(NAIC Insurance Expense Exhibit Data)*	4,279,676	4,675,886	4,851,822
(6)	Pool Producer Fees *(Summary of NCCI Managed Pools - Combined Stock and Mutual Company Data)*	28,272	31,610	27,270
(7)	Direct Other Acquisition Expenses Incurred *(NAIC Insurance Expense Exhibit Data)*	2,101,949	2,401,715	2,459,816
(7a)	Proportion of Expense Constant Attributable to Production Expenses	0.531	0.531	0.531
(8)	Other Acquisition Expenses Incurred *(Excluding Expense Constant Revenue)* (7) - (4) x [1-(1e)]/(1e) x (7a)	1,762,322	2,000,655	2,051,764
(9)	Ratio of Other Acq. Expenses to Premium *(Excluding Expense Constant Revenue)* (8)/(4)	2.8%	2.9%	3.0%
(10)	Direct Commission & Brokerage Provision [(5)-(6)]/(3)	9.0%	8.9%	9.0%
(11)	Production Expense Gradations *(Production Expenses in Average Premium Discount)*	6.6%	6.6%	6.6%
(12)	Production Expense Provision (9)+(10)+(11)	18.4%	18.4%	18.6%
(13)	Selected Production Expense Provision			**18.5%**

IOWA

EXHIBIT II

Workers Compensation Loss Adjustment Expense Provision

Section F (a) - Determination of Loss Adjustment Expense Provision

In this filing, NCCI proposes a 18.5% loss adjustment expense allowance as a percentage of losses.
The DCCE provision is based on Iowa-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.

	Developed		Developed		
Policy Year	DCCE Ratio	Accident Year	AOE Ratio		
2018	8.9%	2019	9.6%		
2019	8.2%	2020	10.2%		
2020	8.0%	2021	9.9%		
2021	9.0%	2022	9.7%		
2022	9.3%	2023	9.9%		
Countrywide selected:			9.8%		
Iowa selected:	8.7%	+	9.8%	=	**18.5%**

Section F (b) - Defense and Cost Containment Expense (DCCE) Ratio

(1)	(2)	(3)	(4) = (2) x (3)
	Reported Ratio of	Age-to-Ultimate	
Policy	Paid DCCE to	Development	Ultimate
Year	Paid Losses	Factor	DCCE Ratio
2018	9.1%	0.979	8.9%
2019	8.3%	0.989	8.2%
2020	7.8%	1.020	8.0%
2021	8.1%	1.108	9.0%
2022	7.4%	1.263	9.3%
		Iowa selected:	8.7%

Section F (c) - Proposed Change in the Iowa Loss Adjustment Expense (LAE) Provision

	(5) Current	(6) Proposed
Iowa LAE Provision	17.8%	18.5%
Proposed Change in LAE Provision = [1.000 + (6)] / [1.000 + (5)] - 1		1.006 (+0.6%)

Overview

According to actuarial principles, insurance rates should provide for the cost of capital through an underwriting profit and contingency (P&C) provision, after accounting for investment and other income. NCCI considered Actuarial Standard of Practice #30 *Treatment of Profit and Contingency Provisions and the Cost of Capital in Property/Casualty Insurance Ratemaking* in choosing to employ an Internal Rate of Return (IRR) model to estimate a P&C provision. The cost of capital and investment income assumptions used in the model are estimated using market-based financial methods for investors of securities with a similar risk profile to workers compensation insurance companies. Note that the assumptions used in this IRR model, including the cost of capital and investment income assumptions, may or may not be applicable to any individual insurance company in this state.

The IRR model is based on the principle that the internal rate of return from an investment opportunity equals the investor's cost of capital if the sum of all cash flows from that investment, discounted at the cost of capital, equals zero. In the case of workers compensation insurance, cash flows to the capital providers are comprised of insurance cash flows, investment income, and commitment and release of capital in support of the insurance transaction.

- The insurance cash flows are estimated based on premiums earned less payments for losses and expenses, as included in this rate filing, after recognizing the impact of federal income taxes.
- Investment income on reserves and surplus depends on an after-tax return on investment (RoI), which is estimated using a combination of current financial market data and forecasts.
- The cost of capital used is a weighted average cost of capital (WACC), expressed as a percentage of capital, which takes into account both debt and equity components of a representative insurer's capital structure.

IRR Model Inputs and Results

The model estimates the P&C provision necessary in order for the proposed rates to cover the cost of capital. The P&C provision is estimated using three different assumptions regarding the return on investment and cost of capital:

- The "Static" estimate(s) of the P&C provision assume that the RoI and the WACC do not change over time. The 'Static-Avg' estimate assumes a longer-term average compared to the 'Static-Spot' estimate for certain financial inputs impacting the WACC and RoI, specifically: the US treasury rate and equity market risk premium (ERP). The RoI and the WACC for both static estimates are derived using data through the first quarter of 2024.
- The "Dynamic" estimate assumes that the RoI and WACC vary over time. Dynamic estimates are derived using data through the first quarter of 2024, with forecasts from May of that year. The starting point for the Dynamic estimates is January 1, 2025.

The following table summarizes the inputs and results of the model under each scenario.

TABLE 1: IRR MODEL INPUTS AND RESULTS

Inputs:				
(1)	Expenses and Taxes as a Percentage of Net Premium at NCCI Level			21.90%
(2)	Reserve-to-Surplus Ratio			1.91
(3)	Cash Flow Patterns			See Table 2
		Static - Avg*	Static - Spot*	Dynamic**
(4)	Return on Investments	2.95%	4.78%	3.89% - 4.66%
(5)	Weighted Average Cost of Capital	8.32%	10.36%	9.70% - 10.40%
Results				
		Static - Avg	Static - Spot	Dynamic
(6)	**Indicated Profit and Contingency Provision**	**1.22%**	**-2.13%**	**-1.05%**
(7)	Loss and Loss Adjustment Expense Provision = [100% - (6) - (1)]	76.88%	80.23%	79.15%

Table Notes:

It is assumed that no policyholders dividends are paid and that there are no rate departures (deviations or schedule rating).

(1) Expense provisions and taxes derived from the filing.

(2) Calculated from Best's 2023 Aggregates & Averages, for Commercial Casualty Composite, as the weighted average of Loss, LAE, and Unearned Premium Reserves to Policyholder Surplus, for years 2018 - 2022.

* The Static-Avg estimate assumes a rolling 5-year average for US treasury rates and an all-year average for ERP, while the Static-Spot estimate assumes the current US treasury rate and a 30-year average for ERP.

** The Dynamic estimate uses similar assumptions as the Static-Spot estimate with varying RoI and WACC. See table 3 for details by time period.

TABLE 2: CASH FLOW PATTERNS (CUMULATIVE)

Time	(1) Policy-Year Collected Premium	(2) Earned Premium	(3) Written Premium	(4) Expenses and Taxes	(5) Paid Losses and LAE
0.00	-	-	-	-	-
0.25	12.26%	3.50%	28.00%	12.07%	0.85%
0.50	28.91%	13.61%	52.90%	27.92%	3.31%
0.75	52.18%	30.15%	79.40%	49.72%	7.34%
1.00	75.66%	52.58%	100.00%	71.48%	12.80%
1.25	89.23%	74.08%		83.56%	22.48%
1.50	97.06%	88.96%		90.53%	32.15%
1.75	100.00%	97.43%		100.00%	41.83%
2.00		100.00%			51.50%
2.25					56.18%
2.50					60.85%
2.75					65.53%
3.00					70.20%
3.25					72.85%
3.50					75.50%
3.75					78.15%
4.00					80.80%
4.25					82.23%
4.50					83.65%
4.75					85.08%
5.00					86.50%
6.00					89.30%
7.00					90.50%
8.00					91.60%
9.00					92.20%
10.00					92.60%
11.00					92.90%
12.00					93.30%
13.00					93.80%
14.00					94.10%
15.00					94.40%
16.00					94.50%
17.00					94.70%
18.00					95.10%
19.00					95.40%
20.00					95.70%
21.00					95.70%
22.00					96.00%
23.00					96.20%
24.00					96.60%
25.00					96.60%
26.00					96.80%
27.00					97.00%
28.00					97.20%
29.00					97.30%
30.00					97.50%
31.00					97.60%
32.00					98.25%
33.00					98.86%
34.00					99.45%
35.00					100.00%

TABLE 3: DYNAMIC ESTIMATE INPUTS

Time	(1) Return on Investments	(2) Weighted Average Cost of Capital
0.00	-	-
0.25	4.66%	10.40%
0.50	4.64%	10.32%
0.75	4.58%	10.29%
1.00	4.56%	10.22%
1.25	4.51%	10.17%
1.50	4.49%	10.11%
1.75	4.43%	10.06%
2.00	4.42%	10.04%
2.25	4.41%	10.03%
2.50	4.40%	10.03%
2.75	4.19%	10.01%
3.00	4.19%	10.01%
3.25	4.19%	10.00%
3.50	4.19%	10.00%
3.75	4.18%	9.99%
4.00	4.18%	9.99%
4.25	4.18%	9.99%
4.50	4.18%	9.97%
4.75	4.18%	9.95%
5.00	4.18%	9.94%
6.00	4.10%	9.88%
7.00	4.10%	9.84%
8.00	4.04%	9.81%
9.00	3.99%	9.79%
10.00	3.99%	9.76%
11.00	3.98%	9.75%
12.00	3.98%	9.74%
13.00	3.97%	9.73%
14.00	3.97%	9.72%
15.00	3.97%	9.71%
16.00	3.92%	9.72%
17.00	3.92%	9.73%
18.00	3.93%	9.74%
19.00	3.93%	9.74%
20.00	3.93%	9.73%
21.00	3.91%	9.72%
22.00	3.91%	9.72%
23.00	3.90%	9.71%
24.00	3.90%	9.70%
25.00	3.90%	9.70%
26.00	3.89%	9.70%
27.00	3.89%	9.70%
28.00	3.89%	9.70%
29.00	3.89%	9.70%
30.00	3.89%	9.70%
31.00	3.89%	9.70%
32.00	3.89%	9.70%
33.00	3.89%	9.70%
34.00	3.89%	9.70%
35.00	3.89%	9.70%

Table 2 Notes:

Table 2 shows cumulative cash flows. For ease of reading no additional numbers are shown after a column reaches 100% cumulative cash flow.

(1) Derived from estimates of premium distribution and payment terms by size of policy.

(2) Based on written premium pattern assuming uniform writings within quarters and standard quarterly earning pattern.

(3) Based on this jurisdiction's premium writings by quarter.

(4) Expenses assumed paid as premium is collected; timing of taxes based on NCCI's Tax and Assessment Directory.

(5) Derived from loss development data underlying this rate filing. Payouts for the first 31 years are based upon the ratio of paid losses to incurred losses from the most recent 31 policy years for which data is available. For the following years, loss payouts are assumed to trail off geometrically, with an adjustment so that the payout will be complete at 35 years.

Calculation Details

The tables in the following pages show the detailed calculations of the IRR model.

List of Tables

Static-Average (Static-Avg) Estimate
- Table 4: Derivation of Insurance Cash Flows
- Table 5: Derivation of Cash Flows to the Capital Providers

Static-Spot Estimate
- Table 6: Derivation of Insurance Cash Flows
- Table 7: Derivation of Cash Flows to the Capital Providers

Dynamic Estimate
- Table 8: Derivation of Insurance Cash Flows
- Table 9: Derivation of Cash Flows to the Capital Providers

Appendices
- Appendix A: Calculation of Weighted Average Cost of Capital and Return on Investments
  - Table A.1: Calculation of Weighted Average Cost of Capital
  - Table A.2: Calculation of Return on Investments
- Appendix B: Federal Income Tax Incurred from Insurance Operations
  - Table B.1: Federal Income Tax Calculation (Static-Avg Estimate)
  - Table B.2: Federal Income Tax Calculation (Static-Spot Estimate)
  - Table B.3: Federal Income Tax Calculation (Dynamic Estimate)
- Appendix C: Reserve-to-Surplus Ratio

Note: Although values are displayed to 4 decimal places in the following tables, the calculations themselves are carried to the full precision of the computer.

Calculation Details - Static-Avg Estimate

TABLE 4: DERIVATION OF INSURANCE CASH FLOW (STATIC-AVG ESTIMATE)

Time	(1) Collected Premium Factor	(2) Expense and Taxes Factor	(3) Paid Losses and LAE Factor	(4) Federal Income Tax Factor	(5) Insurance Cash flow Factor
0.00	-	-	-	-	-
0.25	0.1226	0.0264	0.0066	0.0058	0.0838
0.50	0.2891	0.0611	0.0255	0.0117	0.1908
0.75	0.5218	0.1089	0.0564	0.0175	0.3389
1.00	0.7566	0.1565	0.0984	0.0234	0.4783
1.25	0.8923	0.1830	0.1728	0.0204	0.5161
1.50	0.9706	0.1983	0.2472	0.0175	0.5077
1.75	1.0000	0.2190	0.3216	0.0146	0.4449
2.00	1.0000	0.2190	0.3960	0.0116	0.3734
2.25	1.0000	0.2190	0.4319	0.0109	0.3382
2.50	1.0000	0.2190	0.4678	0.0102	0.3030
2.75	1.0000	0.2190	0.5038	0.0094	0.2678
3.00	1.0000	0.2190	0.5397	0.0087	0.2326
3.25	1.0000	0.2190	0.5601	0.0082	0.2127
3.50	1.0000	0.2190	0.5805	0.0077	0.1928
3.75	1.0000	0.2190	0.6009	0.0072	0.1730
4.00	1.0000	0.2190	0.6212	0.0067	0.1531
4.25	1.0000	0.2190	0.6322	0.0064	0.1424
4.50	1.0000	0.2190	0.6431	0.0061	0.1318
4.75	1.0000	0.2190	0.6541	0.0058	0.1211
5.00	1.0000	0.2190	0.6650	0.0055	0.1105
6.00	1.0000	0.2190	0.6866	0.0049	0.0895
7.00	1.0000	0.2190	0.6958	0.0046	0.0806
8.00	1.0000	0.2190	0.7043	0.0043	0.0725
9.00	1.0000	0.2190	0.7089	0.0040	0.0682
10.00	1.0000	0.2190	0.7119	0.0037	0.0653
11.00	1.0000	0.2190	0.7143	0.0036	0.0632
12.00	1.0000	0.2190	0.7173	0.0034	0.0603
13.00	1.0000	0.2190	0.7212	0.0032	0.0566
14.00	1.0000	0.2190	0.7235	0.0030	0.0545
15.00	1.0000	0.2190	0.7258	0.0029	0.0523
16.00	1.0000	0.2190	0.7266	0.0027	0.0517
17.00	1.0000	0.2190	0.7281	0.0027	0.0502
18.00	1.0000	0.2190	0.7312	0.0027	0.0472
19.00	1.0000	0.2190	0.7335	0.0027	0.0449
20.00	1.0000	0.2190	0.7358	0.0027	0.0426
21.00	1.0000	0.2190	0.7358	0.0027	0.0426
22.00	1.0000	0.2190	0.7381	0.0026	0.0403
23.00	1.0000	0.2190	0.7396	0.0026	0.0387
24.00	1.0000	0.2190	0.7427	0.0026	0.0357
25.00	1.0000	0.2190	0.7427	0.0026	0.0357
26.00	1.0000	0.2190	0.7442	0.0026	0.0341
27.00	1.0000	0.2190	0.7458	0.0026	0.0326
28.00	1.0000	0.2190	0.7473	0.0026	0.0311
29.00	1.0000	0.2190	0.7481	0.0026	0.0303
30.00	1.0000	0.2190	0.7496	0.0026	0.0288
31.00	1.0000	0.2190	0.7504	0.0026	0.0280
32.00	1.0000	0.2190	0.7554	0.0026	0.0230
33.00	1.0000	0.2190	0.7601	0.0026	0.0183
34.00	1.0000	0.2190	0.7646	0.0026	0.0139
35.00	1.0000	0.2190	0.7688	0.0026	0.0096

Column Notes:

(1) is Collected Premium by time period, expressed as a factor, = Table 2 col (1)

(2) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(3) is Paid Losses and LAE by time period, expressed as a factor, = Table 1 row (7, Static-Avg) x Table 2 col (5)

(4) per the Tax Cuts and Jobs Act of 2017, federal income taxes are computed as the tax rate (21%) times the adjusted underwriting income calculated per IRS rules. See Appendix B for details.

(5) is the Total Insurance Cash Flow by time period, expressed as a factor, = (1) - [(2) + (3) + (4)]

Calculation Details - Static-Avg Estimate (continued)

TABLE 5: DERIVATION OF CASH FLOWS TO THE CAPITAL PROVIDERS (STATIC-AVG ESTIMATE)

Time	(1) Unearned Premium, Unpaid Loss and Unpaid LAE Reserve Factor	(2) Factor for Surplus Allocated to Reserves	(3) Total Invested Funds Factor	(4) Income from Invested Funds Factor	(5) Capital Provider Equity Factor	(6) Capital Provider Cash Flow Factor	(7) Discounted Capital Provider Cash Flow Factor
0.00	-	-	-	-	-	-	-
0.25	0.2654	0.1389	0.2469	0.0009	(0.1622)	(0.1622)	(0.1606)
0.50	0.4721	0.2471	0.4793	0.0036	(0.2849)	(0.1227)	(0.1191)
0.75	0.6679	0.3497	0.7453	0.0080	(0.3984)	(0.1134)	(0.1079)
1.00	0.7801	0.4084	0.9451	0.0142	(0.4526)	(0.0542)	(0.0505)
1.25	0.6560	0.3434	0.8917	0.0209	(0.3547)	0.0978	0.0894
1.50	0.5472	0.2865	0.8043	0.0271	(0.2695)	0.0852	0.0764
1.75	0.4532	0.2373	0.6905	0.0325	(0.2131)	0.0564	0.0495
2.00	0.3729	0.1952	0.5681	0.0371	(0.1576)	0.0555	0.0478
2.25	0.3369	0.1764	0.5134	0.0411	(0.1341)	0.0235	0.0198
2.50	0.3010	0.1576	0.4586	0.0446	(0.1110)	0.0231	0.0191
2.75	0.2651	0.1388	0.4038	0.0478	(0.0883)	0.0227	0.0184
3.00	0.2291	0.1200	0.3491	0.0505	(0.0660)	0.0223	0.0177
3.25	0.2087	0.1093	0.3180	0.0530	(0.0524)	0.0136	0.0106
3.50	0.1884	0.0986	0.2870	0.0552	(0.0390)	0.0134	0.0102
3.75	0.1680	0.0880	0.2559	0.0572	(0.0258)	0.0132	0.0098
4.00	0.1476	0.0773	0.2249	0.0589	(0.0129)	0.0129	0.0095
4.25	0.1367	0.0716	0.2082	0.0605	(0.0053)	0.0076	0.0055
4.50	0.1257	0.0658	0.1915	0.0620	0.0022	0.0075	0.0053
4.75	0.1147	0.0601	0.1748	0.0633	0.0096	0.0074	0.0051
5.00	0.1038	0.0543	0.1581	0.0645	0.0168	0.0072	0.0049
6.00	0.0823	0.0431	0.1253	0.0687	0.0329	0.0160	0.0103
7.00	0.0730	0.0382	0.1113	0.0722	0.0415	0.0086	0.0051
8.00	0.0646	0.0338	0.0984	0.0753	0.0494	0.0079	0.0043
9.00	0.0600	0.0314	0.0914	0.0781	0.0549	0.0055	0.0028
10.00	0.0569	0.0298	0.0867	0.0807	0.0593	0.0044	0.0021
11.00	0.0546	0.0286	0.0832	0.0832	0.0632	0.0039	0.0017
12.00	0.0515	0.0270	0.0785	0.0856	0.0674	0.0042	0.0017
13.00	0.0477	0.0250	0.0726	0.0878	0.0719	0.0044	0.0016
14.00	0.0454	0.0237	0.0691	0.0899	0.0753	0.0035	0.0012
15.00	0.0431	0.0225	0.0656	0.0919	0.0787	0.0033	0.0010
16.00	0.0423	0.0221	0.0644	0.0938	0.0811	0.0025	0.0007
17.00	0.0407	0.0213	0.0621	0.0957	0.0838	0.0027	0.0007
18.00	0.0377	0.0197	0.0574	0.0975	0.0872	0.0034	0.0008
19.00	0.0354	0.0185	0.0539	0.0991	0.0901	0.0029	0.0007
20.00	0.0331	0.0173	0.0504	0.1007	0.0928	0.0028	0.0006
21.00	0.0331	0.0173	0.0504	0.1021	0.0943	0.0015	0.0003
22.00	0.0308	0.0161	0.0469	0.1036	0.0970	0.0026	0.0005
23.00	0.0292	0.0153	0.0445	0.1049	0.0991	0.0022	0.0004
24.00	0.0261	0.0137	0.0398	0.1062	0.1020	0.0029	0.0004
25.00	0.0261	0.0137	0.0398	0.1073	0.1032	0.0012	0.0002
26.00	0.0246	0.0129	0.0375	0.1085	0.1051	0.0020	0.0003
27.00	0.0231	0.0121	0.0351	0.1096	0.1070	0.0019	0.0002
28.00	0.0215	0.0113	0.0328	0.1106	0.1088	0.0018	0.0002
29.00	0.0208	0.0109	0.0316	0.1115	0.1102	0.0014	0.0001
30.00	0.0192	0.0101	0.0293	0.1124	0.1119	0.0017	0.0002
31.00	0.0185	0.0097	0.0281	0.1133	0.1131	0.0013	0.0001
32.00	0.0135	0.0071	0.0205	0.1140	0.1165	0.0033	0.0003
33.00	0.0088	0.0046	0.0133	0.1145	0.1195	0.0030	0.0002
34.00	0.0043	0.0022	0.0065	0.1148	0.1221	0.0027	0.0002
35.00	-	-	-	0.1149	0.1245	0.0023	0.0001

Column Notes:

(1) is Unearned Premium Reserve (equal to Written Premium minus Earned Premium, per the cashflow pattern) plus Unpaid Loss and LAE Reserve (equal to Incurred minus Paid Losses and LAE) by time period, expressed as a factor,
= [Table 2 col (3) - Table 2 col (2)] + Table 1 row (7, Static-Avg) x [Table 2 col (2) - Table 2 col (5)]

(2) is the Surplus derived from Reserves per the Reserve-to-Surplus Ratio by time period, expressed as a factor, = (1) / Table 1 row (2)

(3) is Reserves plus Surplus minus Agent Balances by time period, expressed as a factor, = (1) + (2) - Agent Balances. Agent Balances exist when Written Premium exceeds Collected Premium, = [Table 2 col (3) - Table 2 col (1)].

(4) is derived by applying the Return on Investments [Table 1 row (4, Static-Avg)] to the average Invested Funds (4) from the previous and current time periods, plus previous Income from Invested Funds, by time period expressed as a factor.

(5) is Insurance Cash Flow plus Income from Invested Funds minus Total Invested Funds by time period, expressed as a factor,
= Table 4 col (5) + (4) - (3)

(6) is the difference between Capital Provider Equity (5) at the current and previous time periods, expressed as a factor

(7) is the Capital Provider Cash Flow (6) discounted by the Weighted Average Cost of Capital [Table 1 row (5, Static-Avg)], expressed as a factor

Calculation Details - Static-Spot Estimate

TABLE 6: DERIVATION OF INSURANCE CASH FLOW (STATIC-SPOT ESTIMATE)

Time	(1) Collected Premium Factor	(2) Expense and Taxes Factor	(3) Paid Losses and LAE Factor	(4) Federal Income Tax Factor	(5) Insurance Cash flow Factor
0.00	-	-	-	-	-
0.25	0.1226	0.0264	0.0068	0.0050	0.0843
0.50	0.2891	0.0611	0.0266	0.0101	0.1913
0.75	0.5218	0.1089	0.0589	0.0151	0.3389
1.00	0.7566	0.1565	0.1027	0.0201	0.4772
1.25	0.8923	0.1830	0.1803	0.0163	0.5126
1.50	0.9706	0.1983	0.2579	0.0126	0.5018
1.75	1.0000	0.2190	0.3356	0.0088	0.4367
2.00	1.0000	0.2190	0.4132	0.0050	0.3628
2.25	1.0000	0.2190	0.4507	0.0042	0.3261
2.50	1.0000	0.2190	0.4882	0.0035	0.2893
2.75	1.0000	0.2190	0.5257	0.0027	0.2526
3.00	1.0000	0.2190	0.5632	0.0019	0.2158
3.25	1.0000	0.2190	0.5845	0.0014	0.1951
3.50	1.0000	0.2190	0.6058	0.0009	0.1744
3.75	1.0000	0.2190	0.6270	0.0004	0.1536
4.00	1.0000	0.2190	0.6483	(0.0002)	0.1329
4.25	1.0000	0.2190	0.6597	(0.0005)	0.1218
4.50	1.0000	0.2190	0.6711	(0.0008)	0.1107
4.75	1.0000	0.2190	0.6826	(0.0011)	0.0995
5.00	1.0000	0.2190	0.6940	(0.0014)	0.0884
6.00	1.0000	0.2190	0.7165	(0.0020)	0.0666
7.00	1.0000	0.2190	0.7261	(0.0023)	0.0572
8.00	1.0000	0.2190	0.7349	(0.0027)	0.0488
9.00	1.0000	0.2190	0.7397	(0.0030)	0.0443
10.00	1.0000	0.2190	0.7429	(0.0032)	0.0413
11.00	1.0000	0.2190	0.7454	(0.0034)	0.0391
12.00	1.0000	0.2190	0.7486	(0.0036)	0.0361
13.00	1.0000	0.2190	0.7526	(0.0038)	0.0322
14.00	1.0000	0.2190	0.7550	(0.0040)	0.0300
15.00	1.0000	0.2190	0.7574	(0.0041)	0.0277
16.00	1.0000	0.2190	0.7582	(0.0043)	0.0271
17.00	1.0000	0.2190	0.7598	(0.0043)	0.0255
18.00	1.0000	0.2190	0.7630	(0.0044)	0.0224
19.00	1.0000	0.2190	0.7654	(0.0044)	0.0200
20.00	1.0000	0.2190	0.7678	(0.0044)	0.0176
21.00	1.0000	0.2190	0.7678	(0.0044)	0.0176
22.00	1.0000	0.2190	0.7702	(0.0044)	0.0152
23.00	1.0000	0.2190	0.7718	(0.0044)	0.0136
24.00	1.0000	0.2190	0.7750	(0.0044)	0.0104
25.00	1.0000	0.2190	0.7750	(0.0044)	0.0104
26.00	1.0000	0.2190	0.7766	(0.0044)	0.0088
27.00	1.0000	0.2190	0.7783	(0.0044)	0.0072
28.00	1.0000	0.2190	0.7799	(0.0044)	0.0056
29.00	1.0000	0.2190	0.7807	(0.0044)	0.0048
30.00	1.0000	0.2190	0.7823	(0.0044)	0.0032
31.00	1.0000	0.2190	0.7831	(0.0044)	0.0024
32.00	1.0000	0.2190	0.7883	(0.0044)	(0.0028)
33.00	1.0000	0.2190	0.7932	(0.0045)	(0.0077)
34.00	1.0000	0.2190	0.7979	(0.0045)	(0.0124)
35.00	1.0000	0.2190	0.8023	(0.0045)	(0.0168)

Column Notes:

(1) is Collected Premium by time period, expressed as a factor, = Table 2 col (1)

(2) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(3) is Paid Losses and LAE by time period, expressed as a factor, = Table 1 row (7, Static-Spot) x Table 2 col (5)

(4) per the Tax Cuts and Jobs Act of 2017, federal income taxes are computed as the tax rate (21%) times the adjusted underwriting income calculated per IRS rules. See Appendix B for details.

(5) is the Total Insurance Cash Flow by time period, expressed as a factor, = (1) - [(2) + (3) + (4)]

Calculation Details - Static-Spot Estimate (continued)

TABLE 7: DERIVATION OF CASH FLOWS TO THE CAPITAL PROVIDERS (STATIC-SPOT ESTIMATE)

Time	(1) Unearned Premium, Unpaid Loss and Unpaid LAE Reserve Factor	(2) Factor for Surplus Allocated to Reserves	(3) Total Invested Funds Factor	(4) Income from Invested Funds Factor	(5) Capital Provider Equity Factor	(6) Capital Provider Cash Flow Factor	(7) Discounted Capital Provider Cash Flow Factor
0.00	-	-	-	-	-	-	-
0.25	0.2662	0.1394	0.2482	0.0015	(0.1625)	(0.1625)	(0.1605)
0.50	0.4755	0.2490	0.4846	0.0058	(0.2875)	(0.1250)	(0.1205)
0.75	0.6755	0.3537	0.7570	0.0130	(0.4050)	(0.1175)	(0.1105)
1.00	0.7934	0.4154	0.9654	0.0232	(0.4650)	(0.0599)	(0.0550)
1.25	0.6732	0.3525	0.9180	0.0342	(0.3712)	0.0938	0.0839
1.50	0.5662	0.2964	0.8332	0.0445	(0.2869)	0.0843	0.0736
1.75	0.4718	0.2470	0.7189	0.0536	(0.2286)	0.0583	0.0497
2.00	0.3891	0.2037	0.5929	0.0613	(0.1687)	0.0599	0.0498
2.25	0.3516	0.1841	0.5357	0.0679	(0.1417)	0.0270	0.0219
2.50	0.3141	0.1645	0.4786	0.0739	(0.1154)	0.0264	0.0209
2.75	0.2766	0.1448	0.4214	0.0792	(0.0897)	0.0257	0.0198
3.00	0.2391	0.1252	0.3643	0.0838	(0.0647)	0.0250	0.0188
3.25	0.2178	0.1140	0.3319	0.0879	(0.0489)	0.0157	0.0116
3.50	0.1966	0.1029	0.2995	0.0916	(0.0336)	0.0154	0.0110
3.75	0.1753	0.0918	0.2671	0.0949	(0.0186)	0.0150	0.0105
4.00	0.1540	0.0807	0.2347	0.0978	(0.0040)	0.0146	0.0100
4.25	0.1426	0.0747	0.2173	0.1005	0.0050	0.0089	0.0060
4.50	0.1312	0.0687	0.1999	0.1029	0.0137	0.0087	0.0057
4.75	0.1197	0.0627	0.1824	0.1052	0.0223	0.0085	0.0054
5.00	0.1083	0.0567	0.1650	0.1072	0.0306	0.0083	0.0052
6.00	0.0858	0.0449	0.1308	0.1143	0.0500	0.0194	0.0113
7.00	0.0762	0.0399	0.1161	0.1202	0.0613	0.0112	0.0059
8.00	0.0674	0.0353	0.1027	0.1254	0.0715	0.0102	0.0049
9.00	0.0626	0.0328	0.0953	0.1301	0.0791	0.0076	0.0033
10.00	0.0594	0.0311	0.0905	0.1346	0.0854	0.0063	0.0025
11.00	0.0570	0.0298	0.0868	0.1388	0.0911	0.0057	0.0020
12.00	0.0538	0.0281	0.0819	0.1428	0.0970	0.0059	0.0019
13.00	0.0497	0.0260	0.0758	0.1466	0.1031	0.0061	0.0018
14.00	0.0473	0.0248	0.0721	0.1501	0.1080	0.0050	0.0013
15.00	0.0449	0.0235	0.0685	0.1535	0.1128	0.0048	0.0011
16.00	0.0441	0.0231	0.0672	0.1567	0.1166	0.0038	0.0008
17.00	0.0425	0.0223	0.0648	0.1599	0.1207	0.0041	0.0008
18.00	0.0393	0.0206	0.0599	0.1629	0.1253	0.0047	0.0008
19.00	0.0369	0.0193	0.0562	0.1657	0.1294	0.0040	0.0007
20.00	0.0345	0.0181	0.0526	0.1683	0.1332	0.0039	0.0006
21.00	0.0345	0.0181	0.0526	0.1708	0.1358	0.0025	0.0003
22.00	0.0321	0.0168	0.0489	0.1732	0.1394	0.0037	0.0004
23.00	0.0305	0.0160	0.0465	0.1755	0.1426	0.0031	0.0003
24.00	0.0273	0.0143	0.0416	0.1776	0.1464	0.0038	0.0004
25.00	0.0273	0.0143	0.0416	0.1796	0.1484	0.0020	0.0002
26.00	0.0257	0.0134	0.0391	0.1815	0.1511	0.0028	0.0002
27.00	0.0241	0.0126	0.0367	0.1833	0.1538	0.0027	0.0002
28.00	0.0225	0.0118	0.0342	0.1850	0.1563	0.0025	0.0002
29.00	0.0217	0.0113	0.0330	0.1866	0.1583	0.0020	0.0001
30.00	0.0201	0.0105	0.0306	0.1881	0.1607	0.0024	0.0001
31.00	0.0193	0.0101	0.0293	0.1895	0.1626	0.0019	0.0001
32.00	0.0141	0.0074	0.0214	0.1908	0.1665	0.0039	0.0002
33.00	0.0091	0.0048	0.0139	0.1916	0.1700	0.0034	0.0001
34.00	0.0045	0.0023	0.0068	0.1921	0.1729	0.0030	0.0001
35.00	-	-	-	0.1923	0.1754	0.0025	0.0001

Column Notes:

(1) is Unearned Premium Reserve (equal to Written Premium minus Earned Premium, per the cashflow pattern) plus Unpaid Loss and LAE Reserve (equal to Incurred minus Paid Losses and LAE) by time period, expressed as a factor,
= [Table 2 col (3) - Table 2 col (2)] + Table 1 row (7, Static-Spot) x [Table 2 col (2) - Table 2 col (5)]

(2) is the Surplus derived from Reserves per the Reserve-to-Surplus Ratio by time period, expressed as a factor, = (1) / Table 1 row (2)

(3) is Reserves plus Surplus minus Agent Balances by time period, expressed as a factor, = (1) + (2) - Agent Balances. Agent Balances exist when Written Premium exceeds Collected Premium, = [Table 2 col (3) - Table 2 col (1)].

(4) is derived by applying the Return on Investments [Table 1 row (4, Static-Spot)] to the average Invested Funds (4) from the previous and current time periods, plus previous Income from Invested Funds, by time period expressed as a factor.

(5) is Insurance Cash Flow plus Income from Invested Funds minus Total Invested Funds by time period, expressed as a factor,
= Table 6 col (5) + (4) - (3)

(6) is the difference between Capital Provider Equity (5) at the current and previous time periods, expressed as a factor

(7) is the Capital Provider Cash Flow (6) discounted by the Weighted Average Cost of Capital [Table 1 row (5, Static-Spot)], expressed as a factor

Calculation Details - Dynamic Estimate

TABLE 8: DERIVATION OF INSURANCE CASH FLOW (DYNAMIC ESTIMATE)

Time	(1) Collected Premium Factor	(2) Expense and Taxes Factor	(3) Paid Losses and LAE Factor	(4) Federal Income Tax Factor	(5) Insurance Cash flow Factor
0.00	-	-	-	-	-
0.25	0.1226	0.0264	0.0067	0.0053	0.0841
0.50	0.2891	0.0611	0.0262	0.0106	0.1911
0.75	0.5218	0.1089	0.0581	0.0159	0.3389
1.00	0.7566	0.1565	0.1013	0.0212	0.4776
1.25	0.8923	0.1830	0.1779	0.0177	0.5137
1.50	0.9706	0.1983	0.2545	0.0141	0.5037
1.75	1.0000	0.2190	0.3311	0.0106	0.4393
2.00	1.0000	0.2190	0.4076	0.0071	0.3662
2.25	1.0000	0.2190	0.4447	0.0064	0.3300
2.50	1.0000	0.2190	0.4817	0.0056	0.2937
2.75	1.0000	0.2190	0.5187	0.0049	0.2575
3.00	1.0000	0.2190	0.5557	0.0041	0.2212
3.25	1.0000	0.2190	0.5766	0.0036	0.2008
3.50	1.0000	0.2190	0.5976	0.0031	0.1803
3.75	1.0000	0.2190	0.6186	0.0026	0.1599
4.00	1.0000	0.2190	0.6396	0.0020	0.1394
4.25	1.0000	0.2190	0.6509	0.0017	0.1284
4.50	1.0000	0.2190	0.6621	0.0014	0.1175
4.75	1.0000	0.2190	0.6734	0.0011	0.1065
5.00	1.0000	0.2190	0.6847	0.0008	0.0955
6.00	1.0000	0.2190	0.7069	0.0002	0.0740
7.00	1.0000	0.2190	0.7164	(0.0001)	0.0647
8.00	1.0000	0.2190	0.7251	(0.0005)	0.0564
9.00	1.0000	0.2190	0.7298	(0.0008)	0.0520
10.00	1.0000	0.2190	0.7330	(0.0010)	0.0490
11.00	1.0000	0.2190	0.7353	(0.0012)	0.0468
12.00	1.0000	0.2190	0.7385	(0.0014)	0.0439
13.00	1.0000	0.2190	0.7425	(0.0016)	0.0401
14.00	1.0000	0.2190	0.7448	(0.0017)	0.0379
15.00	1.0000	0.2190	0.7472	(0.0019)	0.0357
16.00	1.0000	0.2190	0.7480	(0.0020)	0.0350
17.00	1.0000	0.2190	0.7496	(0.0021)	0.0335
18.00	1.0000	0.2190	0.7528	(0.0021)	0.0303
19.00	1.0000	0.2190	0.7551	(0.0021)	0.0280
20.00	1.0000	0.2190	0.7575	(0.0021)	0.0256
21.00	1.0000	0.2190	0.7575	(0.0021)	0.0256
22.00	1.0000	0.2190	0.7599	(0.0021)	0.0232
23.00	1.0000	0.2190	0.7615	(0.0021)	0.0217
24.00	1.0000	0.2190	0.7646	(0.0021)	0.0185
25.00	1.0000	0.2190	0.7646	(0.0021)	0.0185
26.00	1.0000	0.2190	0.7662	(0.0021)	0.0169
27.00	1.0000	0.2190	0.7678	(0.0021)	0.0153
28.00	1.0000	0.2190	0.7694	(0.0021)	0.0138
29.00	1.0000	0.2190	0.7702	(0.0022)	0.0130
30.00	1.0000	0.2190	0.7718	(0.0022)	0.0114
31.00	1.0000	0.2190	0.7726	(0.0022)	0.0106
32.00	1.0000	0.2190	0.7777	(0.0022)	0.0055
33.00	1.0000	0.2190	0.7825	(0.0022)	0.0007
34.00	1.0000	0.2190	0.7872	(0.0022)	(0.0040)
35.00	1.0000	0.2190	0.7915	(0.0022)	(0.0083)

Column Notes:

(1) is Collected Premium by time period, expressed as a factor, = Table 2 col (1)

(2) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(3) is Paid Losses and LAE by time period, expressed as a factor, = Table 1 row (7, Dynamic) x Table 2 col (5)

(4) per the Tax Cuts and Jobs Act of 2017, federal income taxes are computed as the tax rate (21%) times the adjusted underwriting income calculated per IRS rules. See Appendix B for details.

(5) is the Total Insurance Cash Flow by time period, expressed as a factor, = (1) - [(2) + (3) + (4)]

Calculation Details - Dynamic Estimate (continued)

TABLE 9: DERIVATION OF CASH FLOWS TO THE CAPITAL PROVIDERS (DYNAMIC ESTIMATE)

Time	(1) Unearned Premium, Unpaid Loss and Unpaid LAE Reserve Factor	(2) Factor for Surplus Allocated to Reserves	(3) Total Invested Funds Factor	(4) Income from Invested Funds Factor	(5) Capital Provider Equity Factor	(6) Capital Provider Cash Flow Factor	(7) Cumulative Discount Factor	(8) Discounted Capital Provider Cash Flow Factor
0.00	-	-	-	-	-	-	-	-
0.25	0.2660	0.1392	0.2478	0.0014	(0.1623)	(0.1623)	0.9877	(0.1603)
0.50	0.4744	0.2484	0.4829	0.0056	(0.2861)	(0.1239)	0.9638	(0.1194)
0.75	0.6730	0.3524	0.7532	0.0125	(0.4018)	(0.1156)	0.9405	(0.1087)
1.00	0.7891	0.4131	0.9588	0.0221	(0.4591)	(0.0573)	0.9178	(0.0526)
1.25	0.6677	0.3496	0.9096	0.0325	(0.3633)	0.0958	0.8959	0.0858
1.50	0.5601	0.2932	0.8239	0.0420	(0.2782)	0.0852	0.8746	0.0745
1.75	0.4659	0.2439	0.7098	0.0504	(0.2201)	0.0581	0.8539	0.0496
2.00	0.3839	0.2010	0.5849	0.0574	(0.1612)	0.0588	0.8337	0.0490
2.25	0.3469	0.1816	0.5285	0.0635	(0.1351)	0.0262	0.8140	0.0213
2.50	0.3099	0.1622	0.4721	0.0689	(0.1095)	0.0255	0.7948	0.0203
2.75	0.2729	0.1429	0.4158	0.0735	(0.0848)	0.0247	0.7760	0.0192
3.00	0.2359	0.1235	0.3594	0.0775	(0.0607)	0.0241	0.7578	0.0183
3.25	0.2149	0.1125	0.3274	0.0810	(0.0456)	0.0150	0.7399	0.0111
3.50	0.1939	0.1015	0.2955	0.0842	(0.0309)	0.0147	0.7225	0.0106
3.75	0.1730	0.0906	0.2635	0.0871	(0.0165)	0.0144	0.7055	0.0101
4.00	0.1520	0.0796	0.2315	0.0897	(0.0025)	0.0141	0.6889	0.0097
4.25	0.1407	0.0737	0.2144	0.0919	0.0060	0.0085	0.6727	0.0057
4.50	0.1294	0.0678	0.1972	0.0941	0.0143	0.0083	0.6569	0.0055
4.75	0.1181	0.0619	0.1800	0.0960	0.0225	0.0082	0.6415	0.0052
5.00	0.1069	0.0559	0.1628	0.0978	0.0305	0.0080	0.6265	0.0050
6.00	0.0847	0.0443	0.1290	0.1038	0.0487	0.0182	0.5907	0.0107
7.00	0.0752	0.0394	0.1146	0.1088	0.0589	0.0102	0.5378	0.0055
8.00	0.0665	0.0348	0.1013	0.1131	0.0682	0.0093	0.4897	0.0046
9.00	0.0617	0.0323	0.0941	0.1170	0.0749	0.0067	0.4461	0.0030
10.00	0.0586	0.0307	0.0892	0.1207	0.0804	0.0055	0.4064	0.0022
11.00	0.0562	0.0294	0.0856	0.1241	0.0853	0.0049	0.3703	0.0018
12.00	0.0530	0.0278	0.0808	0.1275	0.0905	0.0052	0.3374	0.0017
13.00	0.0491	0.0257	0.0748	0.1305	0.0959	0.0054	0.3075	0.0016
14.00	0.0467	0.0245	0.0712	0.1334	0.1002	0.0043	0.2803	0.0012
15.00	0.0443	0.0232	0.0675	0.1362	0.1043	0.0041	0.2555	0.0011
16.00	0.0435	0.0228	0.0663	0.1388	0.1075	0.0032	0.2328	0.0007
17.00	0.0420	0.0220	0.0639	0.1414	0.1109	0.0035	0.2122	0.0007
18.00	0.0388	0.0203	0.0591	0.1438	0.1150	0.0041	0.1934	0.0008
19.00	0.0364	0.0191	0.0555	0.1460	0.1185	0.0035	0.1762	0.0006
20.00	0.0340	0.0178	0.0519	0.1481	0.1219	0.0034	0.1606	0.0005
21.00	0.0340	0.0178	0.0519	0.1502	0.1239	0.0020	0.1464	0.0003
22.00	0.0317	0.0166	0.0482	0.1521	0.1271	0.0032	0.1334	0.0004
23.00	0.0301	0.0157	0.0458	0.1540	0.1298	0.0027	0.1216	0.0003
24.00	0.0269	0.0141	0.0410	0.1556	0.1331	0.0034	0.1108	0.0004
25.00	0.0269	0.0141	0.0410	0.1572	0.1347	0.0016	0.1010	0.0002
26.00	0.0253	0.0133	0.0386	0.1588	0.1371	0.0024	0.0921	0.0002
27.00	0.0237	0.0124	0.0362	0.1602	0.1394	0.0023	0.0840	0.0002
28.00	0.0222	0.0116	0.0338	0.1616	0.1416	0.0022	0.0765	0.0002
29.00	0.0214	0.0112	0.0326	0.1629	0.1433	0.0017	0.0698	0.0001
30.00	0.0198	0.0104	0.0301	0.1641	0.1454	0.0021	0.0636	0.0001
31.00	0.0190	0.0099	0.0289	0.1653	0.1469	0.0016	0.0580	0.0001
32.00	0.0139	0.0073	0.0211	0.1662	0.1506	0.0037	0.0528	0.0002
33.00	0.0090	0.0047	0.0137	0.1669	0.1538	0.0032	0.0482	0.0002
34.00	0.0044	0.0023	0.0067	0.1673	0.1567	0.0028	0.0439	0.0001
35.00	-	-	-	0.1674	0.1591	0.0024	0.0400	0.0001

Column Notes:

(1) is Unearned Premium Reserve (equal to Written Premium minus Earned Premium, per the cashflow pattern) plus Unpaid Loss and LAE Reserve (equal to Incurred minus Paid Losses and LAE) by time period, expressed as a factor,
= [Table 2 col (3) - Table 2 col (2)] + Table 1 row (7, Dynamic) x [Table 2 col (2) - Table 2 col (5)]

(2) is the Surplus derived from Reserves per the Reserve-to-Surplus Ratio by time period, expressed as a factor, = (1) / Table 1 row (2)

(3) is Reserves plus Surplus minus Agent Balances by time period, expressed as a factor, = (1) + (2) - Agent Balances. Agent Balances exist when Written Premium exceeds Collected Premium, = [Table 2 col (3) - Table 2 col (1)].

(4) is derived by applying the Return on Investments [Table 3 col (1)] to the average Invested Funds (4) from the previous and current time periods, plus previous Income from Invested Funds, by time period expressed as a factor.

(5) is Insurance Cash Flow plus Income from Invested Funds minus Total Invested Funds by time period, expressed as a factor,
= Table 8 col (5) + (4) - (3)

(6) is the difference between Capital Provider Equity (5) at the current and previous time periods, expressed as a factor

(7) is derived from the respective Weighted Average Cost of Capital [Table 3 col (2)] for each time period, expressed as a factor

(8) is the Capital Provider Cash Flow (6) discounted by the Cumulative Discount Factor (7), expressed as a factor

APPENDIX A: CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL AND RETURN ON INVESTMENTS

The calculation of the Weighted Average Cost of Capital (WACC) is shown in Table A.1, and the calculation of the Return on Investments (RoI) is shown in Table A.2. The calculation for the Static estimates are shown for each. Calculations of the WACC and RoI under the Dynamic estimate for time periods 1, 2, and 5 are also provided for illustrative purposes. Note that the IRR model under the Dynamic estimate includes estimates of the WACC and RoI on a quarterly basis for the first five years and annually thereafter.

TABLE A.1: CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL

	Static		Dynamic - IRR Model Time (yrs)		
	Avg	Spot	1.00	2.00	5.00
(1) 5 year US T-note Yield	2.16%	4.12%	3.98%	3.77%	3.68%
(2) US Equity Market Risk Premium	7.74%	7.92%	7.92%	7.92%	7.92%
(3) Beta for Property/Casualty (P/C) Insurers	0.89	0.89	0.89	0.89	0.89
(4) Equity Cost of Capital for P/C Insurers	9.05%	11.17%	11.03%	10.82%	10.73%
(5) Share of Equity Capital for P/C Insurers	88%	88%	88%	88%	88%
(6) Debt Cost of Capital for P/C Insurers	2.96%	4.39%	4.31%	4.29%	4.22%
(7) Weighted Average Cost of Capital (WACC)	8.32%	10.36%	10.22%	10.04%	9.94%

Column Notes:

(1) The Static-Avg estimate utilizes a rolling 5-year average, while the Static-Spot estimate utilizes the current US treasury yield. Forward estimates of US Treasury yields are from Moody's forecasts and apply only to the Dynamic estimate of the WACC. Time periods provided are illustrative; the full model includes estimates on a quarterly basis for the first five years and annually thereafter.

(3) & (5) P/C beta and share of equity capital are estimated from historical data for a collection of insurers publicly traded equity and debt.

(4) = (1) + (2) x (3)

(6) P/C debt cost of capital is the sum of the 10-year US T-note yield plus the historical corporate spread, net of income tax.

(7) = (4) x (5) + (6) x [1 - (5)]

APPENDIX A: CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL AND RETURN ON INVESTMENTS (CONTINUED)

TABLE A.2 CALCULATION OF RETURN ON INVESTMENTS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Security Description	Investment Portfolio	Yield Curve, Maturity and Spread	Roll-over Period	Income Tax Rate	Post-tax Return				
					Static		Dynamic - IRR Model Time (yrs)		
					Avg	Spot	1.00	2.00	5.00
Bonds, of which	72.7%								
Government Direct Obligations	7.7%								
< 1yr	2.6%	6 mo US T-bill	0.50 yrs	21.00%	1.78%	4.22%	3.24%	2.52%	2.36%
1 – 5 yrs	3.3%	2.5 yr US T-note	2.50 yrs	21.00%	1.68%	3.46%	3.36%	3.36%	2.74%
5 – 10 yrs	1.2%	7.5 yr US T-note	7.50 yrs	21.00%	1.81%	3.28%	3.29%	3.29%	3.29%
10 – 20 yrs	0.2%	15 yr US T-note	15.00 yrs	21.00%	2.01%	3.40%	3.46%	3.46%	3.46%
> 20 yrs	0.3%	20 yr US T-note	20.00 yrs	21.00%	2.16%	3.51%	3.62%	3.62%	3.62%
Collateralized Securities	7.1%								
< 1yr	1.1%	6 mo US T-bill + 50 basis points	0.50 yrs	21.00%	2.17%	4.62%	3.64%	2.91%	2.75%
1 – 5 yrs	2.8%	2.5 yr US T-note + 50 basis points	2.50 yrs	21.00%	2.08%	3.85%	3.76%	3.76%	3.13%
5 – 10 yrs	1.8%	7.5 yr US T-note + 50 basis points	7.50 yrs	21.00%	2.20%	3.67%	3.68%	3.68%	3.68%
10 – 20 yrs	1.1%	15 yr US T-note + 50 basis points	15.00 yrs	21.00%	2.40%	3.79%	3.85%	3.85%	3.85%
> 20 yrs	0.3%	20 yr US T-note + 50 basis points	20.00 yrs	21.00%	2.56%	3.91%	4.02%	4.02%	4.02%
Tax-exempt Bonds	17.1%								
< 1yr	1.3%	6 mo US T-bill + Tax-exempt spread	0.50 yrs	5.25%	2.21%	5.14%	3.96%	3.09%	2.90%
1 – 5 yrs	5.0%	2.5 yr US T-note + Tax-exempt spread	2.50 yrs	5.25%	2.15%	4.28%	4.16%	4.16%	3.41%
5 – 10 yrs	4.0%	7.5 yr US T-note + Tax-exempt spread	7.50 yrs	5.25%	2.31%	4.07%	4.08%	4.08%	4.08%
10 – 20 yrs	5.4%	15 yr US T-note + Tax-exempt spread	15.00 yrs	5.25%	2.68%	4.34%	4.41%	4.41%	4.41%
> 20 yrs	1.5%	20 yr US T-note + Tax-exempt spread	20.00 yrs	5.25%	2.98%	4.58%	4.70%	4.70%	4.70%
Industrial and Hybrid Securities (unaffiliated)	40.6%								
< 1yr	4.2%	6 mo US T-bill + Corp spread	0.50 yrs	21.00%	2.27%	4.72%	3.74%	3.01%	2.85%
1 – 5 yrs	17.9%	2.5 yr US T-note + Corp spread	2.50 yrs	21.00%	2.40%	4.18%	4.09%	4.09%	3.46%
5 – 10 yrs	14.0%	7.5 yr US T-note + Corp spread	7.50 yrs	21.00%	2.84%	4.32%	4.33%	4.33%	4.33%
10 – 20 yrs	2.7%	15 yr US T-note + Corp spread	15.00 yrs	21.00%	3.16%	4.56%	4.61%	4.61%	4.61%
> 20 yrs	1.9%	20 yr US T-note + Corp spread	20.00 yrs	21.00%	3.33%	4.69%	4.78%	4.78%	4.78%
Industrial and Hybrid Securities (affiliated)	0.2%								
< 1yr	0.1%	6 mo US T-bill + Corp spread	0.50 yrs	5.25%	2.73%	5.66%	4.48%	3.61%	3.42%
1 – 5 yrs	0.1%	2.5 yr US T-note + Corp spread	2.50 yrs	5.25%	2.88%	5.02%	4.90%	4.90%	4.15%
5 – 10 yrs	0.0%	7.5 yr US T-note + Corp spread	7.50 yrs	5.25%	3.41%	5.18%	5.19%	5.19%	5.19%
10 – 20 yrs	0.0%	15 yr US T-note + Corp spread	15.00 yrs	5.25%	3.79%	5.46%	5.53%	5.53%	5.53%
> 20 yrs	0.0%	20 yr US T-note + Corp spread	20.00 yrs	5.25%	3.99%	5.62%	5.73%	5.73%	5.73%
Stocks, of which	11.7%								
Preferred Stock	0.5%	5 year US T-note + 396 basis points	0.25 yrs	13.13%	5.24%	7.02%	6.90%	6.72%	6.63%
Common Stock	11.2%	5 year US T-note + 792 basis points	0.25 yrs	18.49%	8.07%	9.82%	9.70%	9.53%	9.45%
Mortgage Loans	2.6%								
Real Estate	0.5%								
Cash & Short-Term Investment	5.4%	3 month US T-bill	0.25 yrs	21.00%	1.71%	4.36%	3.02%	2.35%	2.27%
All Other Assets*	7.1%								
				Post-Tax Return on Invested Funds, pre-Expense:	3.12%	4.95%	4.73%	4.59%	4.35%
				Investment Expense**:	-0.17%	-0.17%	-0.17%	-0.17%	-0.17%
				Post-Tax Return on Invested Funds:	**2.95%**	**4.78%**	**4.56%**	**4.42%**	**4.18%**

Table Notes:

(1) Government Direct Obligations include US Government Issuer Obligations and Non-US Government Issuer Obligations.
Collateralized Securities include Mortgage Backed, Loan Backed, or Structured Securities.
Tax-exempt Bonds include Issuer Obligations of US States, Territories, and Possessions, US Political Subdivisions of States, Territories, and Possessions, and US Special Revenue and Special Assessment Obligations.
Industrial and Hybrid Securities (unaffiliated) include Industrial and Miscellaneous and Hybrid Securities.
Industrial and Hybrid Securities (affiliated) include Parents, Subsidiaries, and Affiliates.

(2) Bond and total portfolio distributions are 3-year averages for 2020-2022, calculated from annual editions of Best's Aggregates & Averages (Property-Casualty), Assets for Commercial Casualty Composite, page number varies by edition, Column 3, Net Admitted Assets.
For each year 2020-2022, the maturity distribution pertains to all bonds owned as of December 31 at book/adjusted carrying value for Commercial Casualty Composite, Schedule D, Part 1A, Section 2.

(3) Spread to US treasury yields are either constant or varying by maturity (tax-exempt or corporate) as applicable.
The tax-exempt spread is a term structure of average historical spreads in forward rates at different maturities between US municipal bonds and US Treasuries.
Data on historical yields to US municipal bonds are from Bloomberg.
The corporate spread is a term structure of average historical spreads in forward rates at different maturities between US corporate bonds and US Treasuries.
Historical data on yields to US corporate bonds are from the US Department of Treasury.

(4) Applies only to the Dynamic estimate of the return on invested funds.
The roll-over period is the time interval at which the estimated yield is updated for the given security in the investment portfolio.
For bonds, the roll-over period is the bond's term to maturity. Forward yields for common and preferred stocks are updated quarterly.

(5) It is assumed that investment returns, except dividends and tax exempt municipal bond income, are taxed at 21%.
It is assumed that 50% of dividends received are tax exempt. In accordance with the "pro-ration" provision, it is assumed that 25% of otherwise exempt municipal bond income and dividends are taxed at 21%. For common stock, the portion of income attributable to capital appreciation is assumed to equal 68.1% while the income portion is 31.9%. The percentages are obtained from the SBBI Summary Statistics of Annual Returns: large cap stocks, arithmetic mean.

(6)-(7) Static estimates of US Treasury yields are constant maturity yields from the first quarter of 2024.

(8)-(10) Applies only to the dynamic estimate of the return on invested funds. Forward estimates of US Treasury yields at various maturities are from Moody's.

* Yields to mortgage loans, real estate, and all other assets are not directly estimated, but are assumed to equal the weighted average portfolio yield net of these categories.

** Investment expense calculated from Annual Statement data for the Commercial Casualty Composite by dividing Total Investment Expense by Cash and Invested Assets.
Total investment expense for 2022 is from the Annual Statement, Exhibit of Net Investment Income.
Average cash and invested assets for 2021 and 2022 are from Best's Aggregates and Averages (Property-Casualty), Assets for Commercial Casualty Composite.

APPENDIX B: FEDERAL INCOME TAX INCURRED FROM INSURANCE OPERATIONS

Federal taxes on underwriting income, based on the Tax Cuts and Jobs Act of 2017, are calculated in the following tables on an annual basis. Columns (1) through (4) are the same under both Static and the Dynamic Estimates; the paid losses and LAE factors (col (5)) vary by Estimate. Note that investment taxes are accounted for in Appendix A. Annual tax is prorated when quarterly amounts are required.

TABLE B.1: FEDERAL INCOME TAX CALCULATION (STATIC-AVG ESTIMATE)

Time	(1) Written Premium Factor	(2) Unearned Premium Factor	(3) Expense and Taxes Factor	(4) Discount Factor	(5) Paid Losses and LAE Factor	(6) AY1 Paid Losses and LAE Factor	(7) AY2 Paid Losses and LAE Factor	(8) Discounted AY1 Unpaid Losses & LAE Factor	(9) Discounted AY2 Unpaid Losses & LAE Factor	(10) Federal Income Tax Factor
0.00	-	-	-	-	-	-	-	-	-	-
1.00	1.0000	0.4743	0.1565	0.8896	0.0984	0.0984	-	0.2544	-	0.0234
2.00	1.0000	-	0.2190	0.8748	0.3960	0.2478	0.1482	0.1195	0.2101	0.0116
3.00	1.0000	-	0.2190	0.8689	0.5397	0.2809	0.2588	0.0899	0.1099	0.0087
4.00	1.0000	-	0.2190	0.8642	0.6212	0.3255	0.2958	0.0510	0.0770	0.0067
5.00	1.0000	-	0.2190	0.8671	0.6650	0.3361	0.3290	0.0419	0.0479	0.0055
6.00	1.0000	-	0.2190	0.8611	0.6866	0.3469	0.3397	0.0323	0.0388	0.0049
7.00	1.0000	-	0.2190	0.8670	0.6958	0.3484	0.3474	0.0312	0.0319	0.0046
8.00	1.0000	-	0.2190	0.8819	0.7043	0.3540	0.3503	0.0268	0.0296	0.0043
9.00	1.0000	-	0.2190	0.8959	0.7089	0.3547	0.3542	0.0267	0.0266	0.0040
10.00	1.0000	-	0.2190	0.9051	0.7119	0.3566	0.3553	0.0252	0.0261	0.0037
11.00	1.0000	-	0.2190	0.9178	0.7143	0.3574	0.3569	0.0248	0.0249	0.0036
12.00	1.0000	-	0.2190	0.9307	0.7173	0.3593	0.3580	0.0234	0.0242	0.0034
13.00	1.0000	-	0.2190	0.9439	0.7212	0.3612	0.3599	0.0219	0.0228	0.0032
14.00	1.0000	-	0.2190	0.9573	0.7235	0.3620	0.3615	0.0215	0.0217	0.0030
15.00	1.0000	-	0.2190	0.9710	0.7258	0.3633	0.3624	0.0205	0.0210	0.0029
16.00	1.0000	-	0.2190	0.9847	0.7266	0.3632	0.3633	0.0209	0.0205	0.0027
17.00	1.0000	-	0.2190	0.9857	0.7281	0.3644	0.3636	0.0197	0.0205	0.0027
18.00	1.0000	-	0.2190	0.9857	0.7312	0.3662	0.3650	0.0180	0.0191	0.0027
19.00	1.0000	-	0.2190	0.9857	0.7335	0.3670	0.3664	0.0171	0.0177	0.0027
20.00	1.0000	-	0.2190	0.9857	0.7358	0.3683	0.3675	0.0159	0.0167	0.0027
21.00	1.0000	-	0.2190	0.9857	0.7358	0.3677	0.3681	0.0165	0.0161	0.0027
22.00	1.0000	-	0.2190	0.9857	0.7381	0.3697	0.3684	0.0145	0.0158	0.0026
23.00	1.0000	-	0.2190	0.9857	0.7396	0.3699	0.3698	0.0144	0.0144	0.0026
24.00	1.0000	-	0.2190	0.9857	0.7427	0.3721	0.3706	0.0121	0.0136	0.0026
25.00	1.0000	-	0.2190	0.9857	0.7427	0.3710	0.3717	0.0133	0.0125	0.0026
26.00	1.0000	-	0.2190	0.9857	0.7442	0.3727	0.3715	0.0116	0.0127	0.0026
27.00	1.0000	-	0.2190	0.9857	0.7458	0.3730	0.3728	0.0113	0.0115	0.0026
28.00	1.0000	-	0.2190	0.9857	0.7473	0.3740	0.3733	0.0103	0.0109	0.0026
29.00	1.0000	-	0.2190	0.9857	0.7481	0.3741	0.3740	0.0102	0.0103	0.0026
30.00	1.0000	-	0.2190	0.9857	0.7496	0.3752	0.3744	0.0091	0.0098	0.0026
31.00	1.0000	-	0.2190	0.9857	0.7504	0.3752	0.3752	0.0091	0.0091	0.0026
32.00	1.0000	-	0.2190	0.9857	0.7554	0.3789	0.3764	0.0054	0.0079	0.0026
33.00	1.0000	-	0.2190	0.9857	0.7601	0.3806	0.3795	0.0038	0.0049	0.0026
34.00	1.0000	-	0.2190	0.9857	0.7646	0.3831	0.3814	0.0013	0.0029	0.0026
35.00	1.0000	-	0.2190	0.9857	0.7688	0.3844	0.3844	-	-	0.0026

Column Notes:

(1) is Written Premium by time period, expressed as a factor, = Table 2 col (3)

(2) is Written Premium minus Earned Premium by time period, expressed as a factor, = Table 2 col (3) - Table 2 col (2)

(3) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(4) is from Internal Revenue Bulletin, 2023-52, Rev. Proc. 2023-41, dated December 26, 2023

(5) is Paid Losses and LAE by time period, expressed as a factor, = Table 1 row (7, Static-Avg) x Table 2 col (5)

(6) and (7) split the payments between the accident year coincident with the policy year ("AY1"), and the following accident year ("AY2"). Assuming that the payout pattern is linear between integer times, and that the average accident date for AY2 is two-thirds of a year later than the average accident date for AY1 , columns (6) and (7) are determined by solving these two equations simultaneously:

Col (6) + Col (7) = Col (5)

Col (7) = (2/3) * Col (6, previous row) + (1/3) * Col (6)

with Col (6, Time 1) = Col (5, Time 1) and Col (6, Time 35) = Col (7, Time 35)

(8) is the discounted difference between AY1 Losses and LAE that will ultimately be paid, and the amount already paid,
= [col (6, Time 35) - (6)] x (4)

(9) is the discounted difference between AY2 Losses and LAE that will ultimately be paid, and the amount already paid,
= [col (7, Time 35) - (7)] x col (4, previous row)

(10) Per IRS rules, federal income tax equals the tax rate (21%) times the adjusted underwriting income
= 21% * { (1) - 0.8 * (2) - [(3) + (5) + (8) + (9)]}

APPENDIX B: FEDERAL INCOME TAX INCURRED FROM INSURANCE OPERATIONS (CONTINUED)

TABLE B.2: FEDERAL INCOME TAX CALCULATION (STATIC-SPOT ESTIMATE)

Time	(1) Written Premium Factor	(2) Unearned Premium Factor	(3) Expense and Taxes Factor	(4) Discount Factor	(5) Paid Losses and LAE Factor	(6) AY1 Paid Losses and LAE Factor	(7) AY2 Paid Losses and LAE Factor	(8) Discounted AY1 Unpaid Losses & LAE Factor	(9) Discounted AY2 Unpaid Losses & LAE Factor	(10) Federal Income Tax Factor
0.00	-	-	-	-	-	-	-	-	-	-
1.00	1.0000	0.4743	0.1565	0.8896	0.1027	0.1027	-	0.2655	-	0.0201
2.00	1.0000	-	0.2190	0.8748	0.4132	0.2585	0.1546	0.1248	0.2193	0.0050
3.00	1.0000	-	0.2190	0.8689	0.5632	0.2931	0.2701	0.0939	0.1147	0.0019
4.00	1.0000	-	0.2190	0.8642	0.6483	0.3396	0.3086	0.0532	0.0804	(0.0002)
5.00	1.0000	-	0.2190	0.8671	0.6940	0.3507	0.3433	0.0438	0.0500	(0.0014)
6.00	1.0000	-	0.2190	0.8611	0.7165	0.3620	0.3545	0.0337	0.0405	(0.0020)
7.00	1.0000	-	0.2190	0.8670	0.7261	0.3636	0.3625	0.0326	0.0333	(0.0023)
8.00	1.0000	-	0.2190	0.8819	0.7349	0.3694	0.3655	0.0280	0.0309	(0.0027)
9.00	1.0000	-	0.2190	0.8959	0.7397	0.3701	0.3696	0.0278	0.0278	(0.0030)
10.00	1.0000	-	0.2190	0.9051	0.7429	0.3722	0.3708	0.0262	0.0272	(0.0032)
11.00	1.0000	-	0.2190	0.9178	0.7454	0.3729	0.3724	0.0259	0.0260	(0.0034)
12.00	1.0000	-	0.2190	0.9307	0.7486	0.3750	0.3736	0.0244	0.0253	(0.0036)
13.00	1.0000	-	0.2190	0.9439	0.7526	0.3770	0.3756	0.0228	0.0238	(0.0038)
14.00	1.0000	-	0.2190	0.9573	0.7550	0.3778	0.3772	0.0224	0.0226	(0.0040)
15.00	1.0000	-	0.2190	0.9710	0.7574	0.3792	0.3782	0.0214	0.0220	(0.0041)
16.00	1.0000	-	0.2190	0.9847	0.7582	0.3791	0.3791	0.0218	0.0214	(0.0043)
17.00	1.0000	-	0.2190	0.9857	0.7598	0.3803	0.3795	0.0205	0.0213	(0.0043)
18.00	1.0000	-	0.2190	0.9857	0.7630	0.3821	0.3809	0.0188	0.0200	(0.0044)
19.00	1.0000	-	0.2190	0.9857	0.7654	0.3830	0.3824	0.0179	0.0185	(0.0044)
20.00	1.0000	-	0.2190	0.9857	0.7678	0.3844	0.3835	0.0166	0.0174	(0.0044)
21.00	1.0000	-	0.2190	0.9857	0.7678	0.3837	0.3841	0.0172	0.0168	(0.0044)
22.00	1.0000	-	0.2190	0.9857	0.7702	0.3858	0.3844	0.0151	0.0165	(0.0044)
23.00	1.0000	-	0.2190	0.9857	0.7718	0.3860	0.3859	0.0150	0.0151	(0.0044)
24.00	1.0000	-	0.2190	0.9857	0.7750	0.3883	0.3867	0.0127	0.0142	(0.0044)
25.00	1.0000	-	0.2190	0.9857	0.7750	0.3871	0.3879	0.0138	0.0131	(0.0044)
26.00	1.0000	-	0.2190	0.9857	0.7766	0.3889	0.3877	0.0121	0.0132	(0.0044)
27.00	1.0000	-	0.2190	0.9857	0.7783	0.3892	0.3890	0.0118	0.0120	(0.0044)
28.00	1.0000	-	0.2190	0.9857	0.7799	0.3903	0.3896	0.0107	0.0114	(0.0044)
29.00	1.0000	-	0.2190	0.9857	0.7807	0.3904	0.3903	0.0107	0.0107	(0.0044)
30.00	1.0000	-	0.2190	0.9857	0.7823	0.3915	0.3907	0.0095	0.0103	(0.0044)
31.00	1.0000	-	0.2190	0.9857	0.7831	0.3915	0.3915	0.0095	0.0095	(0.0044)
32.00	1.0000	-	0.2190	0.9857	0.7883	0.3954	0.3928	0.0057	0.0082	(0.0044)
33.00	1.0000	-	0.2190	0.9857	0.7932	0.3972	0.3960	0.0039	0.0051	(0.0045)
34.00	1.0000	-	0.2190	0.9857	0.7979	0.3998	0.3981	0.0013	0.0031	(0.0045)
35.00	1.0000	-	0.2190	0.9857	0.8023	0.4012	0.4012	-	-	(0.0045)

Column Notes:

(1) is Written Premium by time period, expressed as a factor, = Table 2 col (3)

(2) is Written Premium minus Earned Premium by time period, expressed as a factor, = Table 2 col (3) - Table 2 col (2)

(3) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(4) is from Internal Revenue Bulletin, 2023-52, Rev. Proc. 2023-41, dated December 26, 2023

(5) is Paid Losses and LAE by time period, expressed as a factor, = Table 1 row (7, Static-Spot) x Table 2 col (5)

(6) and (7) split the payments between the accident year coincident with the policy year ("AY1"), and the following accident year ("AY2"). Assuming that the payout pattern is linear between integer times, and that the average accident date for AY2 is two-thirds of a year later than the average accident date for AY1 , columns (6) and (7) are determined by solving these two equations simultaneously:

Col (6) + Col (7) = Col (5)

Col (7) = (2/3) * Col (6, previous row) + (1/3) * Col (6)

with Col (6, Time 1) = Col (5, Time 1) and Col (6, Time 35) = Col (7, Time 35)

(8) is the discounted difference between AY1 Losses and LAE that will ultimately be paid, and the amount already paid, = [col (6, Time 35) - (6)] x (4)

(9) is the discounted difference between AY2 Losses and LAE that will ultimately be paid, and the amount already paid, = [col (7, Time 35) - (7)] x col (4, previous row)

(10) Per IRS rules, federal income tax equals the tax rate (21%) times the adjusted underwriting income = 21% * { (1) - 0.8 * (2) - [(3) + (5) + (8) + (9)]}

APPENDIX B: FEDERAL INCOME TAX INCURRED FROM INSURANCE OPERATIONS (CONTINUED)

TABLE B.3: FEDERAL INCOME TAX CALCULATION (DYNAMIC ESTIMATE)

Time	(1) Written Premium Factor	(2) Unearned Premium Factor	(3) Expense and Taxes Factor	(4) Discount Factor	(5) Paid Losses and LAE Factor	(6) AY1 Paid Losses and LAE Factor	(7) AY2 Paid Losses and LAE Factor	(8) Discounted AY1 Unpaid Losses & LAE Factor	(9) Discounted AY2 Unpaid Losses & LAE Factor	(10) Federal Income Tax Factor
0.00	-	-	-	-	-	-	-	-	-	-
1.00	1.0000	0.4743	0.1565	0.8896	0.1013	0.1013	-	0.2619	-	0.0212
2.00	1.0000	-	0.2190	0.8748	0.4076	0.2551	0.1526	0.1231	0.2163	0.0071
3.00	1.0000	-	0.2190	0.8689	0.5557	0.2892	0.2665	0.0926	0.1131	0.0041
4.00	1.0000	-	0.2190	0.8642	0.6396	0.3351	0.3045	0.0525	0.0793	0.0020
5.00	1.0000	-	0.2190	0.8671	0.6847	0.3460	0.3387	0.0432	0.0493	0.0008
6.00	1.0000	-	0.2190	0.8611	0.7069	0.3571	0.3497	0.0333	0.0400	0.0002
7.00	1.0000	-	0.2190	0.8670	0.7164	0.3587	0.3577	0.0322	0.0328	(0.0001)
8.00	1.0000	-	0.2190	0.8819	0.7251	0.3644	0.3606	0.0276	0.0305	(0.0005)
9.00	1.0000	-	0.2190	0.8959	0.7298	0.3651	0.3647	0.0275	0.0274	(0.0008)
10.00	1.0000	-	0.2190	0.9051	0.7330	0.3672	0.3658	0.0259	0.0268	(0.0010)
11.00	1.0000	-	0.2190	0.9178	0.7353	0.3679	0.3674	0.0256	0.0257	(0.0012)
12.00	1.0000	-	0.2190	0.9307	0.7385	0.3699	0.3686	0.0241	0.0249	(0.0014)
13.00	1.0000	-	0.2190	0.9439	0.7425	0.3719	0.3706	0.0225	0.0235	(0.0016)
14.00	1.0000	-	0.2190	0.9573	0.7448	0.3727	0.3722	0.0221	0.0223	(0.0017)
15.00	1.0000	-	0.2190	0.9710	0.7472	0.3741	0.3732	0.0211	0.0217	(0.0019)
16.00	1.0000	-	0.2190	0.9847	0.7480	0.3740	0.3740	0.0215	0.0211	(0.0020)
17.00	1.0000	-	0.2190	0.9857	0.7496	0.3752	0.3744	0.0203	0.0211	(0.0021)
18.00	1.0000	-	0.2190	0.9857	0.7528	0.3770	0.3758	0.0185	0.0197	(0.0021)
19.00	1.0000	-	0.2190	0.9857	0.7551	0.3779	0.3773	0.0176	0.0182	(0.0021)
20.00	1.0000	-	0.2190	0.9857	0.7575	0.3792	0.3783	0.0163	0.0172	(0.0021)
21.00	1.0000	-	0.2190	0.9857	0.7575	0.3785	0.3790	0.0170	0.0166	(0.0021)
22.00	1.0000	-	0.2190	0.9857	0.7599	0.3806	0.3792	0.0149	0.0163	(0.0021)
23.00	1.0000	-	0.2190	0.9857	0.7615	0.3808	0.3807	0.0148	0.0149	(0.0021)
24.00	1.0000	-	0.2190	0.9857	0.7646	0.3831	0.3815	0.0125	0.0140	(0.0021)
25.00	1.0000	-	0.2190	0.9857	0.7646	0.3819	0.3827	0.0136	0.0129	(0.0021)
26.00	1.0000	-	0.2190	0.9857	0.7662	0.3837	0.3825	0.0119	0.0131	(0.0021)
27.00	1.0000	-	0.2190	0.9857	0.7678	0.3840	0.3838	0.0116	0.0118	(0.0021)
28.00	1.0000	-	0.2190	0.9857	0.7694	0.3850	0.3843	0.0106	0.0113	(0.0021)
29.00	1.0000	-	0.2190	0.9857	0.7702	0.3851	0.3851	0.0105	0.0106	(0.0022)
30.00	1.0000	-	0.2190	0.9857	0.7718	0.3863	0.3855	0.0094	0.0101	(0.0022)
31.00	1.0000	-	0.2190	0.9857	0.7726	0.3863	0.3863	0.0094	0.0094	(0.0022)
32.00	1.0000	-	0.2190	0.9857	0.7777	0.3901	0.3876	0.0056	0.0081	(0.0022)
33.00	1.0000	-	0.2190	0.9857	0.7825	0.3918	0.3907	0.0039	0.0050	(0.0022)
34.00	1.0000	-	0.2190	0.9857	0.7872	0.3944	0.3927	0.0013	0.0030	(0.0022)
35.00	1.0000	-	0.2190	0.9857	0.7915	0.3958	0.3958	-	-	(0.0022)

Column Notes:

(1) is Written Premium by time period, expressed as a factor, = Table 2 col (3)

(2) is Written Premium minus Earned Premium by time period, expressed as a factor, = Table 2 col (3) - Table 2 col (2)

(3) is Expenses and Taxes by time period, expressed as a factor, = Table 1 row (1) x Table 2 col (4)

(4) is from Internal Revenue Bulletin, 2023-52, Rev. Proc. 2023-41, dated December 26, 2023

(5) is Paid Losses and LAE by time period, expressed as a factor, = Table 1 row (7, Dynamic) x Table 2 col (5)

(6) and (7) split the payments between the accident year coincident with the policy year ("AY1"), and the following accident year ("AY2"). Assuming that the payout pattern is linear between integer times, and that the average accident date for AY2 is two-thirds of a year later than the average accident date for AY1 , columns (6) and (7) are determined by solving these two equations simultaneously:

Col (6) + Col (7) = Col (5)

Col (7) = (2/3) * Col (6, previous row) + (1/3) * Col (6)

with Col (6, Time 1) = Col (5, Time 1) and Col (6, Time 35) = Col (7, Time 35)

(8) is the discounted difference between AY1 Losses and LAE that will ultimately be paid, and the amount already paid, = [col (6, Time 35) - (6)] x (4)

(9) is the discounted difference between AY2 Losses and LAE that will ultimately be paid, and the amount already paid, = [col (7, Time 35) - (7)] x col (4, previous row)

(10) Per IRS rules, federal income tax equals the tax rate (21%) times the adjusted underwriting income = 21% * { (1) - 0.8 * (2) - [(3) + (5) + (8) + (9)]}

APPENDIX C: RESERVE-TO-SURPLUS RATIO

in 000's

Year End	(1) Unpaid Losses	(2) Unpaid Loss Adjustment Expense	(3) Unearned Premium	(4) Policyholder Surplus	(5) Ratio excl. Unearned Premium {(1)+(2)} /(4)	(6) Ratio incl. Unearned Premium {(1)+(2) +(3)}/(4)
2022	244,078,630	51,321,882	96,322,738	200,124,833	1.48	1.96
2021	228,459,570	48,775,145	98,954,979	199,495,575	1.39	1.89
2020	213,654,262	47,148,359	91,285,583	184,607,060	1.41	1.91
2019	201,634,477	45,253,873	88,025,958	177,424,154	1.39	1.89
2018	198,071,343	43,050,172	84,424,740	169,657,802	1.42	1.92
2018 - 2022	1,085,898,282	235,549,431	459,013,998	931,309,424	1.42	1.91

Selected Ratio including Unearned Premium: 1.91

Source: Columns (1) - (4) for the latest year are taken from Liabilities, Surplus and Other Funds in Best's 2023 Aggregates & Averages, for Commercial Casualty Composite.

Section H - Table of Premium Discounts

Division of Standard Premium		Type A Discounts	Type B Discounts
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.

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EXHIBIT II

Section I - Average Expense Provisions

Reproduced below are the gradated expense provisions by policy size.

Gradation of Standard Premium

Division of Premium		Expense Gradations Production*	General	Discounts
First	$10,000	18.5%	6.1%	---
Next	$190,000	11.0%	5.1%	9.1%
Next	$1,550,000	9.5%	4.5%	11.3%
Over	$1,750,000	9.5%	3.6%	12.3%
Proposed Average:		11.9%	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%] / [1-2.7% - -1.0%] = 7.9%

Composition of Standard Premium:

Benefit & Loss Adj. Cost	Production (18.5%)	General (6.1%)	Profit (-1.0%)	Taxes (2.7%)		
73.7%	11.9%	4.9%	-0.9%	2.5%	-- Premium After Discounts (92.1%)	-- Standard Premium Excluding Expense Constant (100.0%)
	6.6%	1.2%	-0.1%	0.2%	-- Discount (7.9%)	
	0.6%	0.5%	0.0%	0.0%	-- Premium from $160 expense constant. (1.1% = 1/0.989 - 1)^	

Notes

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

^ The 0.989 offset is for the $160 expense constant.

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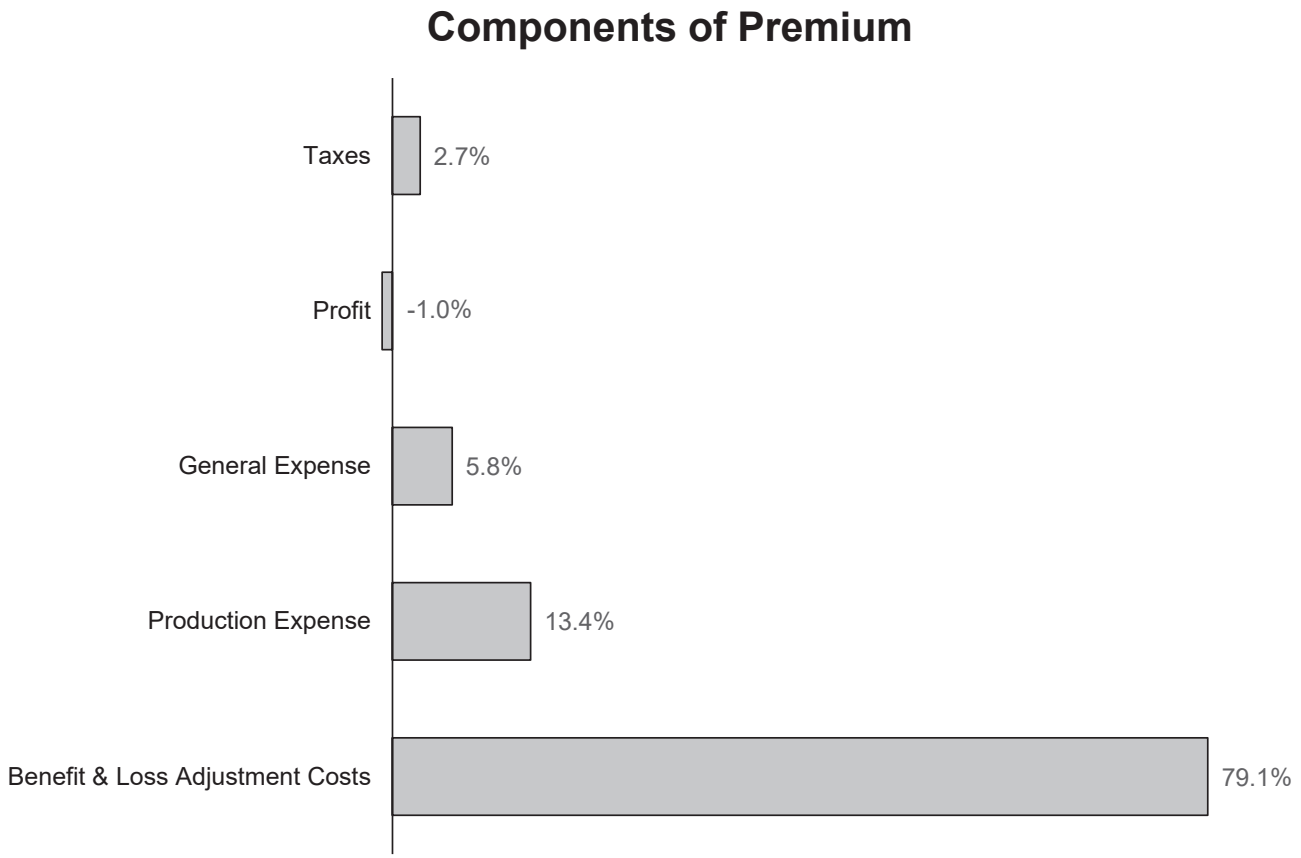
EXHIBIT II

Section J - Iowa 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 Iowa expense provisions.



Notes

Benefit & Loss Adjustment Costs	79.1%	=	(73.7%) / 93.2%
Production Expense	13.4%	=	(11.9% + 0.6%) / 93.2%
General Expense	5.8%	=	(4.9% + 0.5%) / 93.2%
Profit	-1.0%	=	(-0.9% + 0.0%) / 93.2%
Taxes	2.7%	=	(2.5% + 0.0%) / 93.2%
Total	**100.0%**		

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 capture the difference between the average premium level for the year being on-leveled and the present premium level. The average premium level for the year being on-leveled is calculated using a weighted average based on a monthly premium distribution derived from Iowa's Unit Statistical Plan data. Differences in premium level changes specific to the market are addressed through distinct voluntary and assigned risk on-level factors. These factors are weighted together, using selected market shares as weights, to arrive at the final statewide on-level factor. The following adjustments are applied as part of the premium on-level factor calculation:

- 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 assigned risk and voluntary DSR level premium totals—serving to make the separate market premiums more comparable.
- Experience Rating 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 expected during the proposed filing effective period. Additional details on this adjustment factor are provided in the sub-section below.
- Current Premium Index (Assigned Risk-To-Voluntary): This factor reflects the cumulative impact of the current assigned risk standard premium programs.
- Factor to Reflect the Impact of Net Premium and Assigned Risk Pricing Programs: This factor, in conjunction with the Current Premium Index, adjusts premium to a selected assigned risk market share volume by incorporating the current assigned risk premium programs at the selected level. Based on a review of historical assigned risk market shares in Iowa, a market share of 3% was selected in this filing.

  The selection of 3% in this filing recognizes that a baseline level of assigned risk market business is anticipated to exist. The selection considers the observed history across a 20-year period while considering several factors including Iowa's industry mix, economic factors, and the assigned risk mechanisms in effect.

  Selecting a market share removes possible policy year-to-year distortions that may result due to changes in the volume of business written in the voluntary or assigned risk market. By maintaining a consistent A/R market share over an extended period, a stable

benchmark rate level independent of fluctuations in the assigned risk market's size is achieved.

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

Experience Rating Off-Balance Adjustment Factor

The term “off-balance” refers to the average experience rating modification factor (E-mod) across all employers for a given time period. Historical off-balance values are calculated as a weighted average—using expected losses as weights—of the following:

- E-mods for intrastate rated employers
- E-mods for interstate rated employers
- A unity factor for all non-rated employers

NCCI reviews changes in each state’s average off-balance annually. The historical data review combined with the experience rating parameters included in the latest approved filing provide all necessary information to adjust historical premiums to reflect any changes in the off-balance values over time. Specifically, the premiums in the financial data experience period are adjusted to the off-balance expected in the proposed filing period. This adjustment can be seen in the premium on-level adjustment factors provided in Appendix A-I.

The key components used to estimate the off-balance for the proposed filing include:

- A targeted average E-mod of 0.960 for intrastate rated employers is used to estimate the off-balance. A targeted average intrastate E-mod slightly below unity is desirable because employers who qualify for experience rating typically have better loss experience, on average, than non-rated employers. The impact of NCCI’s off-balance adjustment is premium-neutral on a statewide basis while promoting rate adequacy for non-rated employers.
- An average interstate E-mod is used to estimate the off-balance. The average interstate E-mod is estimated based on experience rating data for interstate rated employers compiled within the most recent twelve months. Unlike intrastate rated employers, interstate employers have exposure in multiple states, where each state’s data and underlying experience rating parameters are used to determine the employer’s interstate E-mod. Because E-mods for interstate employers are influenced by experience rating

values for multiple states, NCCI's standard approach is to assume that the average interstate E-mod during the proposed filing period is best approximated by the average interstate E-mod observed over the most recent twelve months of E-mod data available at the time of the analysis.

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section A - Factor Adjusting 2022 Policy Year Assigned Risk Premium to Present Assigned Risk Level

	Date	(1) Rate Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) Premium Adjustment Factor (5)x(6)x(7)
NR	01/01/22	Base	1.000	1.000	1.000	0.809	0.975	0.619	0.488
NR	01/01/23	0.919	0.919						
NR	01/01/24	0.880	0.809						
					1.000				

Section B - Factor Adjusting 2022 Policy Year Voluntary Premium to Present Voluntary Level

	Date	(1) Rate Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) Premium Adjustment Factor (5)x(6)x(7)
NR	01/01/22	Base	1.000	1.000	1.000	0.809	0.987	0.619	0.494
NR	01/01/23	0.919	0.919						
NR	01/01/24	0.880	0.809						
					1.000				

Section C - Factor Adjusting 2022 Policy Year Assigned Risk Premium and Voluntary Premium to Present Statewide Level

(1)	Assigned Risk Market Share PY 2022	0.035
(2)	Voluntary Market Share PY 2022	0.965
(3)	Assigned Risk Standard Premium Adjustment Factor (See Sec. A)	0.488
(4)	Voluntary Standard Premium Adjustment Factor (See Sec. B)	0.494
(5)	Premium Adjustment Factor = [(1)x(3)]/1.339+(2)x(4) #	0.490
(6)	Experience Rating Off-balance Adjustment Factor*	1.000
(7)	Factor to Reflect the Impact of Net Premium and Assigned Risk Pricing Programs	0.992
(8)	Final Premium Adjustment Factor = [(5)x(6)]/(7)	0.494

NR New and renewal business.
@ Eliminates premium derived from expense constants.
# Current premium index (assigned risk-to-voluntary) = 1.339
* = 1.000 = 0.948 / 0.948 = (Targeted Off-balance) / (Off-balance for Policy Year 2022)

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section D - Factor Adjusting 2022 Policy Year Indemnity Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
Date	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
01/01/19	Base	1.000	1.000	1.000	1.000
				1.000	

Section E - Factor Adjusting 2022 Policy Year Medical Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
Date	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
01/01/19	Base	1.000	1.000	1.000	1.000
				1.000	

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section F - Factor Adjusting 2021 Policy Year Assigned Risk Premium to Present Assigned Risk Level

	Date	(1) Rate Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) Premium Adjustment Factor (5)x(6)x(7)
NR	01/01/21	Base	1.000	1.000	1.000	0.735	0.977	0.619	0.444
NR	01/01/22	0.909	0.909						
NR	01/01/23	0.919	0.835						
NR	01/01/24	0.880	0.735						
					1.000				

Section G - Factor Adjusting 2021 Policy Year Voluntary Premium to Present Voluntary Level

	Date	(1) Rate Level Change	(2) Cumulative Index	(3) Weight	(4) Product (2)x(3)	(5) Adj. Factor Present Index/ Sum Column (4)	(6) Adj. For Expense Constant Removal @	(7) Adj. For Expense Removal	(8) Premium Adjustment Factor (5)x(6)x(7)
NR	01/01/21	Base	1.000	1.000	1.000	0.764	0.987	0.619	0.467
NR	01/01/22	0.945	0.945						
NR	01/01/23	0.919	0.868						
NR	01/01/24	0.880	0.764						
					1.000				

Section H - Factor Adjusting 2021 Policy Year Assigned Risk Premium and Voluntary Premium to Present Statewide Level

(1)	Assigned Risk Market Share PY 2021	0.040
(2)	Voluntary Market Share PY 2021	0.960
(3)	Assigned Risk Standard Premium Adjustment Factor (See Sec. F)	0.444
(4)	Voluntary Standard Premium Adjustment Factor (See Sec. G)	0.467
(5)	Premium Adjustment Factor = [(1)x(3)]/1.339+(2)x(4) #	0.461
(6)	Experience Rating Off-balance Adjustment Factor*	1.027
(7)	Factor to Reflect the Impact of Net Premium and Assigned Risk Pricing Programs	0.990
(8)	Final Premium Adjustment Factor = [(5)x(6)]/(7)	0.478

NR New and renewal business.
@ Eliminates premium derived from expense constants.
# Current premium index (assigned risk-to-voluntary) = 1.339
* = 1.027 = 0.948 / 0.923 = (Targeted Off-balance) / (Off-balance for Policy Year 2021)

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APPENDIX A-I

Determination of Policy Year On-level Factors

Section I - Factor Adjusting 2021 Policy Year Indemnity Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
Date	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
01/01/19	Base	1.000	1.000	1.000	1.000
				1.000	

Section J - Factor Adjusting 2021 Policy Year Medical Losses to Present Benefit Level

	(1)	(2)	(3)	(4)	(5)
Date	Benefit Level Change	Cumulative Index	Weight	Product (2)x(3)	Adj. Factor Present Index/ Sum Column (4)
01/01/19	Base	1.000	1.000	1.000	1.000
				1.000	

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 limited 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, as shown on the following pages.

Limited Large Loss Methodology

In order to limit volatility on the rate indications due to the impact of extraordinary large losses, a limited large loss methodology is used in Iowa. A base threshold for the large loss limitation is determined by the volume of premium in the state as well as the number of years used in the experience period. It is calculated as one percent of the total volume of premium from the state's experience period underlying the currently approved filing. The base threshold is detrended by policy year to reflect the inflationary impact on claim costs due to wage inflation. The wage index used as a basis for these calculations is the Iowa average weekly wages from the Quarterly Census of Employment and Wages (QCEW). Detrended thresholds are used in the experience period, trend period, and loss development period. Indemnity and medical losses are limited at the detrended large loss threshold corresponding to their Policy Year.

After developing limited indemnity and medical losses to an ultimate report, a statewide, non-catastrophe excess ratio at the base threshold is used to adjust the limited losses to an unlimited basis. The excess ratios are non-catastrophe because excess ratios at limits beyond $50 million are set equal to zero. The excess ratio is derived from Iowa's Retrospective Rating Plan Parameters.

Premium Development

Premium at an ultimate report is estimated by incorporating a review of historical patterns of premium development over time–primarily due to payroll audits. For premium development, link ratios are used from 1st report through 5th report. It is assumed that no further development occurs after the 5th report.

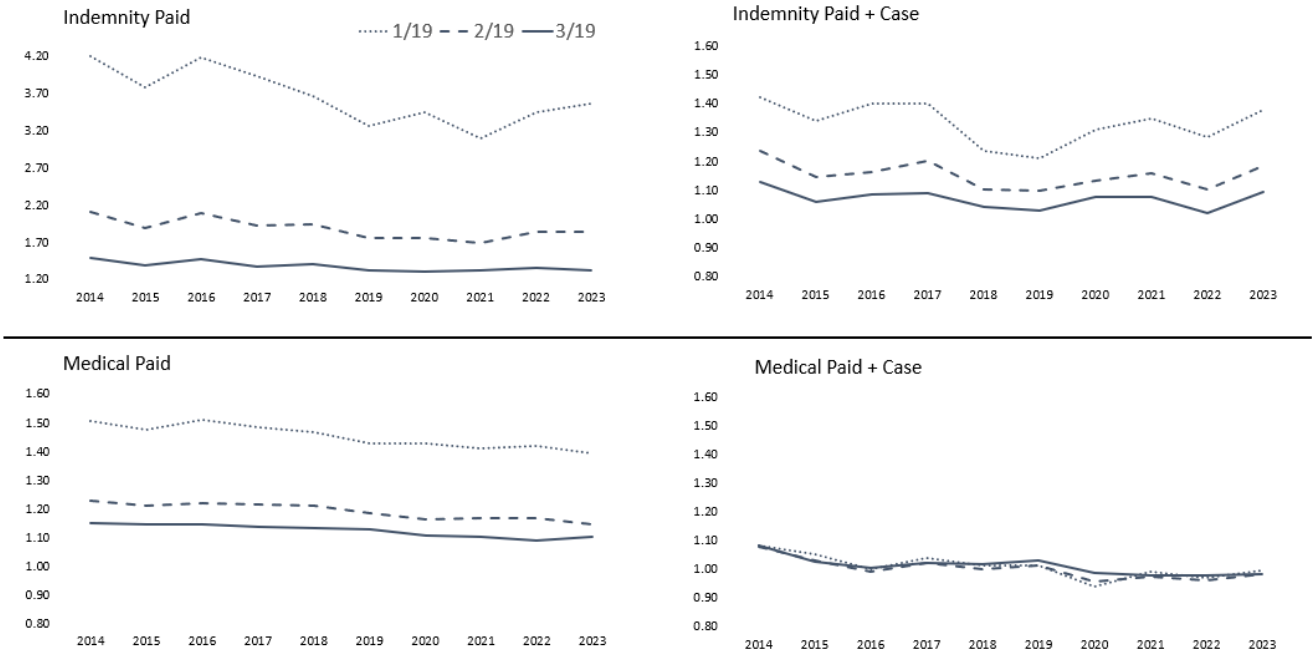
In this filing, a three-year average of historical premium development factors was selected to strike a balance between responsiveness to recently observed changes and maintaining stability in the selected development factors from one filing to the next.

Loss Development

Loss development factors are needed since total paid losses and case reserve estimates on a given claim change over time until the claim is finally closed. For indemnity and medical loss

development, link ratios calculated from limited losses are used from 1st report through the 19th report. For indemnity and medical loss development past the 19th report, a 19th-to-ultimate "tail" factor is used to reflect all future expected loss emergence. The loss development factors are calculated based on how paid losses and case reserve estimates change over time for claims in older years.

The graphs below display the age-to-19th cumulative loss development factors over the last ten valuations.



The specific development link ratio selections underlying this filing are shown below:

- A three-year average of historical paid loss development factors through a 19th report
- A five-year average of historical paid plus case loss development factors through a 19th report

The graphs provided above illustrate that the most recent valuation of development factors remain generally consistent with those observed in historical periods. This consistency applies to both indemnity and medical paid development, as well as indemnity and medical paid plus case development. While there has been some fluctuation in indemnity development, this year's filing demonstrates marginal increases in indemnity paid plus case development and relatively stable indemnity paid development. Medical paid plus case development has converged around

unity in recent valuations, while medical paid development has exhibited a slightly declining trend. The selected development averages remain unchanged in comparison to last year's filing.

The development factor selections were made to strike a balance between stability and responsiveness to the data. A shorter-term average was selected for paid losses to capture more recent changes in paid development patterns over time, while a longer-term average was selected for paid plus case losses to limit the amount of volatility from year to year.

19th-to-Ultimate Tail Factor

Tail factors are calculated separately for indemnity and medical unlimited losses by comparing the changes in the volume of policy year losses that occur on policy years reported after a nineteenth report to the volume of policy year losses at the nineteenth report. To adjust for these differences in the volume of losses between policy years, a growth adjustment factor is applied. The tail factors are brought from an unlimited basis to a limited basis through the application of a tail adjustment factor, which is based on countrywide data and the state specific large loss threshold.

The 19th-to-ultimate tail factor in Iowa is calculated on a paid plus case basis. Both the indemnity and medical tail factors utilize all available experience for the years prior to the tail attachment point and are calculated for the most recent ten available policy years. Loss development paid plus case tail factors from a nineteenth report to ultimate were judgmentally selected in this filing based on a review of the ten most recently available factors. As a result of that review, the indemnity paid plus case tail selection was maintained from the currently approved factor of 1.010, and the medical paid plus case tail selection increased from 1.020 to 1.030. These selections are in line with historical tail factors and representative of development conditions likely to prevail in the filing effective period.

Paid plus case data is used in the calculation of 19th-to-ultimate loss development factors since it is most reflective of the expected ultimate losses. Since this filing utilizes both paid and paid plus case data, the selected paid plus case loss development tail factors are converted to a paid basis using paid-to-paid plus case ratios.

Both the indemnity and medical paid-to-paid plus case conversion ratios were selected based on a review of historical conversion ratios.

Determination of Premium and Losses Developed to an Ultimate Report

Section A - Premium and Loss Summary Valued as of 12/31/2023

Policy Year 2022

(1)	Standard Earned Premium	$677,399,500
(2)	Factor to Develop Premium to Ultimate	1.009
(3)	Standard Earned Premium Developed to Ultimate = (1)x(2)	$683,496,096
(4)	Limited Indemnity Paid Losses	$44,359,567
(5)	Limited Indemnity Paid Development Factor to Ultimate	3.423
(6)	Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	$151,842,798
(7)	Limited Indemnity Paid+Case Losses	$113,365,730
(8)	Limited Indemnity Paid+Case Development Factor to Ultimate	1.313
(9)	Limited Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8)	$148,849,203
(10)	Policy Year 2022 Limited Indemnity Losses Developed to Ultimate = [(6)+(9)]/2	$150,346,001
(11)	Limited Medical Paid Losses	$134,257,958
(12)	Limited Medical Paid Development Factor to Ultimate	1.469
(13)	Limited Medical Paid Losses Developed to Ultimate = (11)x(12)	$197,224,940
(14)	Limited Medical Paid+Case Losses	$195,895,676
(15)	Limited Medical Paid+Case Development Factor to Ultimate	0.998
(16)	Limited Medical Paid+Case Losses Developed to Ultimate = (14)x(15)	$195,503,885
(17)	Policy Year 2022 Limited Medical Losses Developed to Ultimate = [(13)+(16)]/2	$196,364,413

Policy Year 2021

(1)	Standard Earned Premium	$661,870,621
(2)	Factor to Develop Premium to Ultimate	1.000
(3)	Standard Earned Premium Developed to Ultimate = (1)x(2)	$661,870,621
(4)	Limited Indemnity Paid Losses	$76,385,743
(5)	Limited Indemnity Paid Development Factor to Ultimate	1.820
(6)	Limited Indemnity Paid Losses Developed to Ultimate = (4)x(5)	$139,022,052
(7)	Limited Indemnity Paid+Case Losses	$123,485,994
(8)	Limited Indemnity Paid+Case Development Factor to Ultimate	1.141
(9)	Limited Indemnity Paid+Case Losses Developed to Ultimate = (7)x(8)	$140,897,519
(10)	Policy Year 2021 Limited Indemnity Losses Developed to Ultimate = [(6)+(9)]/2	$139,959,786
(11)	Limited Medical Paid Losses	$157,659,585
(12)	Limited Medical Paid Development Factor to Ultimate	1.211
(13)	Limited Medical Paid Losses Developed to Ultimate = (11)x(12)	$190,925,757
(14)	Limited Medical Paid+Case Losses	$190,307,651
(15)	Limited Medical Paid+Case Development Factor to Ultimate	0.993
(16)	Limited Medical Paid+Case Losses Developed to Ultimate = (14)x(15)	$188,975,497
(17)	Policy Year 2021 Limited Medical Losses Developed to Ultimate = [(13)+(16)]/2	$189,950,627

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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section B - Premium Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2019	1.002	2018	1.000	2017	1.000	2016	1.000
2020	1.008	2019	1.000	2018	1.000	2017	1.000
2021	1.016	2020	0.999	2019	1.000	2018	1.000
Average	1.009	Average	1.000	Average	1.000	Average	1.000

Summary of Premium Development Factors

1st/5th	2nd/5th	3rd/5th	4th/5th
1.009	1.000	1.000	1.000

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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section C - Limited Indemnity Paid Loss Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2019	1.838	2018	1.281	2017	1.151	2016	1.053
2020	1.868	2019	1.368	2018	1.165	2017	1.060
2021	1.938	2020	1.396	2019	1.147	2018	1.052
Average	1.881	Average	1.348	Average	1.154	Average	1.055

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2015	1.024	2014	1.010	2013	1.011	2012	1.002
2016	1.026	2015	1.019	2014	1.013	2013	1.004
2017	1.024	2016	1.012	2015	1.008	2014	1.008
Average	1.025	Average	1.014	Average	1.011	Average	1.005

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2011	1.003	2010	1.006	2009	1.006	2008	1.004
2012	1.005	2011	1.003	2010	1.002	2009	1.001
2013	1.006	2012	1.010	2011	1.002	2010	1.002
Average	1.005	Average	1.006	Average	1.003	Average	1.002

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2007	1.002	2006	1.005	2005	1.002	2004	1.002
2008	1.002	2007	1.002	2006	1.004	2005	1.002
2009	1.003	2008	1.002	2007	1.002	2006	1.004
Average	1.002	Average	1.003	Average	1.003	Average	1.003

Policy Year	17th/18th	Policy Year	18th/19th
2003	1.001	2002	1.002
2004	1.001	2003	1.001
2005	1.002	2004	1.001
Average	1.001	Average	1.001

Determination of Premium and Losses Developed to an Ultimate Report

Section D - Limited Medical Paid Loss Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2019	1.208	2018	1.058	2017	1.023	2016	1.014
2020	1.217	2019	1.072	2018	1.015	2017	1.013
2021	1.215	2020	1.041	2019	1.027	2018	1.014
Average	1.213	Average	1.057	Average	1.022	Average	1.014

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2015	1.007	2014	1.007	2013	1.006	2012	1.004
2016	1.009	2015	1.007	2014	1.004	2013	1.004
2017	1.009	2016	1.011	2015	1.003	2014	1.005
Average	1.008	Average	1.008	Average	1.004	Average	1.004

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2011	1.002	2010	1.008	2009	1.005	2008	1.007
2012	1.006	2011	1.003	2010	1.004	2009	1.003
2013	1.004	2012	1.005	2011	1.002	2010	1.004
Average	1.004	Average	1.005	Average	1.004	Average	1.005

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2007	1.002	2006	1.003	2005	1.004	2004	1.001
2008	1.002	2007	1.001	2006	1.004	2005	1.005
2009	1.003	2008	1.002	2007	1.001	2006	1.001
Average	1.002	Average	1.002	Average	1.003	Average	1.002

Policy Year	17th/18th	Policy Year	18th/19th
2003	1.003	2002	1.003
2004	1.002	2003	1.003
2005	1.004	2004	1.001
Average	1.003	Average	1.002

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Determination of Premium and Losses Developed to an Ultimate Report

Section E - Limited Indemnity Paid + Case Loss Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2017	1.100	2016	1.068	2015	1.000	2014	1.013
2018	1.157	2017	1.052	2016	1.033	2015	1.013
2019	1.166	2018	1.073	2017	1.033	2016	1.017
2020	1.166	2019	1.079	2018	1.025	2017	0.998
2021	1.166	2020	1.083	2019	1.054	2018	1.010
Average	1.151	Average	1.071	Average	1.029	Average	1.010

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2013	0.996	2012	1.019	2011	1.002	2010	1.001
2014	1.000	2013	1.002	2012	1.002	2011	1.000
2015	1.005	2014	1.003	2013	1.011	2012	0.997
2016	1.000	2015	0.999	2014	1.004	2013	0.994
2017	1.007	2016	1.004	2015	1.003	2014	0.997
Average	1.002	Average	1.005	Average	1.004	Average	0.998

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2009	0.997	2008	0.998	2007	0.998	2006	0.997
2010	1.001	2009	1.003	2008	1.005	2007	1.000
2011	1.000	2010	1.004	2009	1.001	2008	1.003
2012	1.002	2011	1.000	2010	0.999	2009	1.000
2013	1.001	2012	1.005	2011	1.004	2010	1.000
Average	1.000	Average	1.002	Average	1.001	Average	1.000

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2005	1.001	2004	1.003	2003	0.999	2002	1.001
2006	1.014	2005	1.001	2004	0.997	2003	1.001
2007	1.001	2006	0.999	2005	1.001	2004	1.000
2008	0.998	2007	1.000	2006	1.000	2005	1.000
2009	0.999	2008	1.001	2007	1.002	2006	1.001
Average	1.003	Average	1.001	Average	1.000	Average	1.001

Policy Year	17th/18th	Policy Year	18th/19th
2001	1.001	2000	1.001
2002	1.000	2001	1.001
2003	1.000	2002	1.001
2004	1.001	2003	1.000
2005	1.002	2004	1.000
Average	1.001	Average	1.001

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APPENDIX A-II

Determination of Premium and Losses Developed to an Ultimate Report

Section F - Limited Medical Paid + Case Loss Development Factors

Policy Year	1st/2nd	Policy Year	2nd/3rd	Policy Year	3rd/4th	Policy Year	4th/5th
2017	1.000	2016	0.984	2015	0.998	2014	1.004
2018	0.982	2017	0.969	2016	0.984	2015	1.003
2019	1.017	2018	0.994	2017	0.981	2016	0.997
2020	1.009	2019	0.981	2018	0.986	2017	0.997
2021	1.016	2020	0.999	2019	0.990	2018	0.994
Average	1.005	Average	0.985	Average	0.988	Average	0.999

Policy Year	5th/6th	Policy Year	6th/7th	Policy Year	7th/8th	Policy Year	8th/9th
2013	1.002	2012	1.012	2011	1.005	2010	1.003
2014	1.005	2013	0.999	2012	1.004	2011	1.002
2015	1.000	2014	1.007	2013	1.001	2012	1.004
2016	0.999	2015	0.995	2014	0.995	2013	0.994
2017	0.988	2016	1.002	2015	0.996	2014	1.003
Average	0.999	Average	1.003	Average	1.000	Average	1.001

Policy Year	9th/10th	Policy Year	10th/11th	Policy Year	11th/12th	Policy Year	12th/13th
2009	0.998	2008	0.997	2007	1.003	2006	1.001
2010	0.997	2009	0.996	2008	0.994	2007	1.000
2011	0.997	2010	0.997	2009	0.990	2008	1.005
2012	1.012	2011	0.999	2010	0.995	2009	0.999
2013	1.001	2012	1.000	2011	1.001	2010	0.999
Average	1.001	Average	0.998	Average	0.997	Average	1.001

Policy Year	13th/14th	Policy Year	14th/15th	Policy Year	15th/16th	Policy Year	16th/17th
2005	1.001	2004	1.001	2003	1.001	2002	1.003
2006	1.002	2005	0.999	2004	1.004	2003	0.993
2007	0.999	2006	0.998	2005	0.997	2004	0.999
2008	0.998	2007	1.005	2006	1.001	2005	1.002
2009	0.998	2008	0.998	2007	1.002	2006	1.002
Average	1.000	Average	1.000	Average	1.001	Average	1.000

Policy Year	17th/18th	Policy Year	18th/19th
2001	1.002	2000	0.998
2002	1.002	2001	1.001
2003	1.001	2002	1.005
2004	1.000	2003	1.000
2005	1.001	2004	1.006
Average	1.001	Average	1.002

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

Indemnity Paid+Case Data for Matching Companies

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Year	Losses for Policy Year 19th Report	Losses for Policy Year 20th Report	Losses for All Prior Policy Years Previous	Losses for All Prior Policy Years Current	Factor to Adjust Losses for Prior Policy Years	Indicated 19th-to-Ult Development for Policy Year
1994	82,099,375	82,128,016	1,483,588,317	1,484,308,890	1.112	1.008
1995	85,221,368	85,310,286	1,568,473,892	1,569,599,936	1.100	1.013
1996	95,346,516	95,386,308	1,654,509,644	1,655,835,393	0.995	1.014
1997	92,843,300	92,888,304	1,748,307,509	1,749,276,465	1.035	1.011
1998	102,372,363	102,538,741	1,842,164,769	1,842,881,714	0.934	1.009
1999	105,122,707	105,137,626	1,911,291,201	1,911,609,430	0.892	1.004
2000	110,603,320	110,534,374	2,016,747,056	2,017,835,597	0.836	1.011
2001	114,357,204	114,476,792	2,128,086,225	2,128,825,128	0.806	1.009
2002	114,006,843	114,186,961	2,243,301,920	2,243,806,551	0.828	1.007
2003	118,914,289	118,946,913	2,360,624,086	2,360,763,116	0.783	1.002
				Selected Indemnity 19th-to-Ultimate Loss Development Factor		1.010

Medical Paid+Case Data for Matching Companies

(8)	(9)	(10)	(11)	(12)	(13)	(14)
Policy Year	Losses for Policy Year 19th Report	Losses for Policy Year 20th Report	Losses for All Prior Policy Years Previous	Losses for All Prior Policy Years Current	Factor to Adjust Losses for Prior Policy Years	Indicated 19th-to-Ult Development for Policy Year
1994	87,981,179	88,426,279	1,060,976,600	1,063,783,871	0.810	1.044
1995	84,860,040	84,924,354	1,155,011,907	1,157,821,436	0.899	1.038
1996	107,031,423	107,131,340	1,242,481,684	1,249,363,852	0.752	1.086
1997	91,737,394	91,544,484	1,353,980,947	1,347,106,215	0.938	0.918
1998	92,403,946	92,596,429	1,438,650,699	1,441,337,176	0.962	1.032
1999	100,831,692	100,541,259	1,499,121,113	1,496,394,765	0.888	0.967
2000	109,409,124	109,018,981	1,596,936,024	1,595,300,991	0.830	0.978
2001	104,010,073	103,948,788	1,703,795,061	1,709,063,179	0.885	1.057
2002	119,154,292	119,144,434	1,813,011,967	1,822,808,632	0.784	1.105
2003	122,228,245	122,521,263	1,944,876,936	1,951,448,577	0.774	1.072
				Selected Medical 19th-to-Ultimate Loss Development Factor		1.030

(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 Limited 19th-to-Ultimate Loss Development Factors

Policy Year	Indemnity Paid-to-Paid + Case Ratio 19th Report	Medical Paid-to-Paid + Case Ratio 19th Report
2000	0.984	0.975
2001	0.989	0.985
2002	0.989	0.969
2003	0.987	0.975
2004	0.986	0.952
Selected	0.985	0.970

	Indemnity	Medical
(1) Paid+Case 19th-to-Ultimate Loss Development Factor (Section G)	1.010	1.030
(2) Factor to Adjust 19th-to-Ultimate Development Factor to a Limited Basis	0.580	0.580
(3) Limited Paid+Case 19th-to-Ultimate Loss Development Factor = [(1) - 1] x (2) + 1	1.006	1.017
(4) Limited Paid-to-Paid+Case Ratio	0.985	0.970
(5) Limited Paid 19th-to-Ultimate Loss Development Factor = (3) / (4)	1.021	1.048

Section I - Summary of Limited Paid Loss Development Factors

	(1)	(2)		(3)	(4)
	Indemnity Paid Loss Development			Medical Paid Loss Development	
Report	to Next Report	to Ultimate	Report	to Next Report	to Ultimate
1st	1.881	3.423	1st	1.213	1.469
2nd	1.348	1.820	2nd	1.057	1.211
3rd	1.154	1.350	3rd	1.022	1.146
4th	1.055	1.170	4th	1.014	1.121
5th	1.025	1.109	5th	1.008	1.106
6th	1.014	1.082	6th	1.008	1.097
7th	1.011	1.067	7th	1.004	1.088
8th	1.005	1.055	8th	1.004	1.084
9th	1.005	1.050	9th	1.004	1.080
10th	1.006	1.045	10th	1.005	1.076
11th	1.003	1.039	11th	1.004	1.071
12th	1.002	1.036	12th	1.005	1.067
13th	1.002	1.034	13th	1.002	1.062
14th	1.003	1.032	14th	1.002	1.060
15th	1.003	1.029	15th	1.003	1.058
16th	1.003	1.026	16th	1.002	1.055
17th	1.001	1.023	17th	1.003	1.053
18th	1.001	1.022	18th	1.002	1.050
19th		1.021	19th		1.048

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

Section J - Summary of Limited Paid+Case Loss Development Factors

	(1)	(2)		(3)	(4)
	Indemnity Paid+Case Loss Development			Medical Paid+Case Loss Development	
Report	to Next Report	to Ultimate	Report	to Next Report	to Ultimate
1st	1.151	1.313	1st	1.005	0.998
2nd	1.071	1.141	2nd	0.985	0.993
3rd	1.029	1.065	3rd	0.988	1.008
4th	1.010	1.035	4th	0.999	1.020
5th	1.002	1.025	5th	0.999	1.021
6th	1.005	1.023	6th	1.003	1.022
7th	1.004	1.018	7th	1.000	1.019
8th	0.998	1.014	8th	1.001	1.019
9th	1.000	1.016	9th	1.001	1.018
10th	1.002	1.016	10th	0.998	1.017
11th	1.001	1.014	11th	0.997	1.019
12th	1.000	1.013	12th	1.001	1.022
13th	1.003	1.013	13th	1.000	1.021
14th	1.001	1.010	14th	1.000	1.021
15th	1.000	1.009	15th	1.001	1.021
16th	1.001	1.009	16th	1.000	1.020
17th	1.001	1.008	17th	1.001	1.020
18th	1.001	1.007	18th	1.002	1.019
19th		1.006	19th		1.017

(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 K - Factor to Adjust Limited Losses to an Unlimited Basis

(1) Threshold at the Midpoint of the Rate Effective Period*	6,676,416
(2) Statewide Excess Ratio for (1)	0.034
(3) Market Share for Carriers Missing from Large Loss and Catastrophe Call	0.000
(4) Factor to Adjust Limited Losses to an Unlimited Basis = 1.0 / {1.0 - [(2) x (1.0 - (3))]}	1.035

Section L - Policy Year Large Loss Limits

Experience Year	Policy Year Detrended Limit
2022	5,924,144
2021	5,613,372
2020	5,305,952
2019	5,027,958
2018	4,830,508
2017	4,687,680
2016	4,553,255
2015	4,453,720
2014	4,326,568
2013	4,174,520
2012	4,070,598
2011	3,967,070
2010	3,850,542
2009	3,735,725
2008	3,689,044
2007	3,625,545
2006	3,498,925
2005	3,368,088
2004	3,257,496
2003	3,129,897
2002	3,006,419
2001	2,916,632
2000	2,831,979

* November 29, 2025 is the midpoint of the effective period for which the revised rates are being proposed.

Appendix A – Factors Underlying the Proposed Rate Level Change

Appendix A-III Trend Factors

The proposed voluntary and assigned risk rates are intended for use with policies with effective dates in the proposed effective period. However, the data underlying this filing is based on the years in the experience period. Thus, it is necessary to use trend factors that forecast how much future Iowa workers compensation experience will differ from historical experience.

Trend factors measure anticipated changes in the amount of indemnity and medical benefits as 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.

Overview of Methodology

NCCI separately analyzes a measure of the number of workplace injuries (claim frequency) and the average indemnity and medical costs of each of these injuries (claim severity). Premium, lost-time claim counts, and losses used in these frequency and severity calculations are developed to ultimate and adjusted for changes in the level of workers' wages over time using the United States Bureau of Labor Statistics Quarterly Census of Employment and Wages for Iowa. Note that medical-only claim counts are excluded from the claim frequency and severity calculations, but the losses associated with medical-only claims are included in severity figures.

While claim frequency and severity are reviewed separately, NCCI selects annual indemnity and medical loss ratio trend factors in Iowa. Loss ratios are relied upon as they are less impacted by shifts in the industry mix since these impacts to frequency and severity tend to offset one another. Additionally, loss ratios do not require an adjustment to a common wage level, since the wage adjustment to frequency and severities nullify.

In order to estimate the average annual percentage changes in the loss ratios, exponential curves are fit to the historical data points. Consideration in the trend factor selections include a review of loss ratio patterns observed over an extended period of time, along with other pertinent considerations including, but not limited to, changes in system benefits and administration, economic environment, credibility of state data, and prior trend approach and selection.

The trend lengths displayed on the following exhibits are calculated by comparing the average accident date, or midpoint, for the effective period of the proposed rates to each average accident date of the policy years in the experience period. The average accident dates are based on an Iowa distribution of policy writings by month and assume a uniform probability of loss over the coverage period.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Appendix A – Factors Underlying the Proposed Rate Level Change

Considerations Underlying Trend Selections in this Filing

The trend factors selected in this filing are meant to recognize the impact the changes in benefits and inflation will have on loss ratios between the midpoints of the experience period years on which the filing is based and the midpoint of the proposed rate effective period. Trends using the most recent 15 policy years are typically reviewed to allow one to evaluate changes over an extended period of time, including both economic and non-economic factors, and to mitigate short-term anomalous year-to-year changes.

The indicated exponential indemnity and medical loss ratio trend fits for which the trend selections in this filing are based are displayed on the following pages. The loss ratio trend selections in this year's filing were influenced by considerations related to:

- House File 518
- COVID-19 pandemic-related impacts

The indemnity and medical loss ratios have demonstrated a long-term trend of improved loss experience, which is expected to continue, driven by reduced claim frequency and safer workplaces. The effects of House File 518 and COVID-19 were assessed, as these factors may represent some one-time changes that might not continue the downward pressure on loss experience at the same rate in the future.

The trend selections primarily rely on mid- to long-term exponential fits, both on an adjusted and unadjusted basis. These selected fits demonstrate reduced volatility and effectively balance responsiveness with stability. The analysis did not suggest the need to revise the current annual indemnity loss ratio trend. Continued improvement in medical loss ratio experience has resulted in a sustained long-term pattern, exerting downward pressure on the Iowa rate level. As a result, the annual medical loss ratio trend was lowered to better align with the indicated long-term trend pattern.

Indemnity Loss Ratio Selection

Similar to previous filings, the trend selections explicitly incorporate considerations for the aspects of House File 518 (effective July 2017) that have emerged in experience but are not fully reflected in the loss on-level factors. A notable decrease in the Policy Year 2016[1] indemnity loss ratio and a corresponding increase in Policy Year 2017 aligns with the enactment of House File 518.

[1] Policy Year 2016 experience was influenced by House File 518 provisions as the last policy underlying this year was effective from December 31, 2016, to December 31, 2017.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Appendix A – Factors Underlying the Proposed Rate Level Change

House File 518 included unquantified impacts, such as:

- 90-day notice and statute of limitations defenses
- Use of *AMA Guides* for permanent impairment
- Determination of reduction in earning capacity for unscheduled permanent partial disability awards
- Changes to employer liability for successive disabilities

Due to these factors, the year-over-year indemnity loss ratio changes for 2016 and 2017 were given less weight in analyzing loss ratio trends. To evaluate the long-term exponential fits, a hypothetical scenario was used in this year's trend analysis:

- Scenario A shows the unadjusted indemnity loss ratios.
- Scenario B replaces the 2016 and 2017 year-over-year changes with judgmentally adjusted values of -7.6% and -1.9%, respectively, reflecting Iowa's actual lost-time claim frequency changes for those years.

Scenario A: Unadjusted indemnity loss ratios

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Loss ratio	0.778	0.784	0.782	0.687	0.676	0.714	0.651	0.613	0.503	0.527	0.514	0.510	0.478	0.442	0.445
% Change		0.8%	-0.3%	-12.1%	-1.6%	5.6%	-8.8%	-5.8%	-17.9%	4.8%	-2.5%	-0.8%	-6.3%	-7.5%	0.7%

Scenario B: Adjusted indemnity loss ratios after replacing the 2015-to-2016 and 2016-to-2017 loss ratio changes with the actual changes in lost-time claim frequency.

	2008	2009	2010	2011	2012	2013	2014	2015	2016~	2017~	2018*	2019*	2020*	2021*	2022*
Loss ratio	0.778	0.784	0.782	0.687	0.676	0.714	0.651	0.613	0.566	0.555	0.541	0.537	0.503	0.465	0.468
% Change		0.8%	-0.3%	-12.1%	-1.6%	5.6%	-8.8%	-5.8%	-7.7%	-1.9%	-2.5%	-0.7%	-6.3%	-7.6%	0.6%

~ The 2016 and 2017 loss ratios were reduced by the actual decline in lost-time claim frequency
* Adjusted

The improved loss ratio experience observed in recent years is expected to continue. The increasingly favorable policy year and calendar-accident year experience, along with the strength and stability of Iowa's labor market, suggest that these improvements are predictive of future experience and will persist into the filing effective period. However, the COVID-19 pandemic may have resulted in one-time improvements to the workplace and economy that may not sustain at the same rate. For example, the rapid shift to remote work and reduced business travel have affected some sectors. New levels of remote work and business travel are expected

to continue; however, the change from pre- to post-pandemic levels represents a one-time adjustment.

Wage growth accelerated in Iowa during and after the COVID-19 pandemic, with an average annual increase of more than 5% from 2020 through 2022. As wages rise, premiums and the associated indemnity benefits automatically increase. Recent inflationary impacts are not expected to significantly distort lost-time wage replacement benefits relative to premium.

Consequently, the indemnity loss ratio changes for 2020 and 2021 were not adjusted and were evaluated using the standard exponential trend fit smoothing.

Considering the factors outlined above, the selected annual indemnity loss ratio trends are primarily based on mid- to long-term exponential trend fits. Long-term patterns indicate improving loss ratios over the past 15 years. The unadjusted fit ranges from -4.8% to -2.8%, while the House File 518 adjusted fit ranges from -4.3% to -3.5%. The current annual **indemnity loss ratio selection of –4.5% has been maintained**, as it is well-supported by the loss ratio trend analyses. This selection is also higher than the changes observed during the 2020 and 2021 pandemic period.

Medical Loss Ratio Selection

Additional consideration was given to the accelerated wage growth observed in Iowa during and after the COVID-19 pandemic in relation to medical benefits. Historically, wages have grown annually at a rate ranging from about 1.0% to 3.5% up through 2019, as measured by the US Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW) program. From 2020 to 2022, annual wage growth exceeded the historical average—even growing at an annual rate of approximately 6% in 2021. However, forecasts indicate that future wage growth in Iowa is anticipated to moderate, hovering around 4% in 2024 and subsequent (Moody’s Analytics). These forecasts are supported by the latest observed data for 2023.

While 4% anticipated annual wage growth is still strong relative to the historical pre-COVID rate of growth, the latest data and forecasts suggest that the unusually high wage growth observed in 2020-2022 is unlikely to continue. Payroll serves as the exposure base for determining workers compensation premium, so as wages rise, premiums increase as well—resulting in downward pressure on the medical loss ratios over time. The rate of this effect is dependent on the rate of wage growth. Therefore, it is appropriate to consider how future expectations of wage growth which differ from the historical rates of growth may influence our prospective estimate of medical loss ratio trends.

Appendix A – Factors Underlying the Proposed Rate Level Change

Another factor influencing the historical medical loss ratio changes is the rate of medical inflation. Workers compensation medical costs in Iowa are influenced by the general cost of medical services, which tends to increase over time. Annual medical inflation rates, as measured by the countrywide Chain-Weighted Personal Healthcare (PHC) index[2], have fluctuated over time—decreasing from around 3% in 2008, 2009, and 2010 to less than 1% in 2015, before increasing slowly to around 2.5% in 2023. Annual changes in the PHC index are projected to hover around 3% per year through the prospective rate effective period (Centers for Medicare & Medicaid Services).

In light of historical wage growth and medical inflation patterns that differ from future expectations, in addition to the unadjusted medical loss ratio analysis, NCCI also reviewed medical loss ratio changes that have been adjusted to reflect prospective expectations for wage growth and medical inflation as opposed to the observed values in each year. That is, for 2019 and subsequent, the historically observed annual changes in medical loss ratios were restated to reflect prospective estimates of annual wage growth (4%) and medical inflation (3%), rather than the historically observed values—as measured by the QCEW and PHC.

Displayed below are the unadjusted policy year medical loss ratios, the associated year-over-year changes, and the adjusted policy year medical loss ratios which reflect these adjustments.

Scenario A: Unadjusted medical loss ratios

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Loss ratio	0.936	0.981	0.962	0.856	0.885	0.883	0.817	0.798	0.695	0.758	0.738	0.718	0.696	0.600	0.582
% Change		4.8%	-1.9%	-11.0%	3.4%	-0.2%	-7.5%	-2.3%	-12.9%	9.1%	-2.6%	-2.7%	-3.1%	-13.8%	-3.0%

[2] The PHC Chain-Weighted Price Index, produced by the Centers for Medicare & Medicaid Services, is a proxy for medical care price inflation that responds to changes in the blend of different medical services over time. Medical inflation in Iowa may be higher than measured by the index, as Iowa does not have medical fee schedules for medical services.

Appendix A – Factors Underlying the Proposed Rate Level Change

Scenario B: Adjusted medical loss ratio changes for 2019 and subsequent to reflect the prospective expectations of wage growth and medical inflation:

% Change	2019	2020	2021	2022
PY PHC Index	1.7%	2.0%	2.2%	2.4%
PY QCEW AWW[+]	4.1%	5.5%	5.8%	5.5%
Adjusted Med L/R*	-1.4%	-0.7%	-11.6%	-1.0%
Adjusted Loss Ratio^	0.728	0.723	0.639	0.632

[+] Calendar-Accident Years 2020 and 2021 QCEW AWW values have been adjusted for industry cross sector mix changes as a result of COVID-19-related shifts in employment.

* = (1+ Unadjusted Med L/R % Change) x [(1 + QCEW AWW % Change) / (1 + 4%)] x [(1 + 3%) / (1 + PHC Index % Change)] -1, where 4% and 3% are the prospective wage and medical inflation expectations, respectively.

^ 2008 - 2018 loss ratios are unadjusted. For 2019 and subsequent, Adjusted Loss Ratio = (Adjusted Med L/R % Change) x (prior year's Adjusted Loss Ratio).

An adjustment for House File 518 was reviewed in the medical loss ratio analysis but was found to be immaterial. The more significant-than-usual decline in the Policy Year 2016 medical loss ratio is partially offset by the increase in Policy Year 2017.

The medical loss ratio for Policy Year 2021 decreased by 13.8% on an unadjusted basis and 11.6% on an adjusted basis. This pronounced decline may be influenced by one-time shifts driven by pandemic-related factors beyond inflationary impacts, such as the rapid increase in remote work. Consequently, the favorable change in the medical loss ratio from Policy Year 2020 to 2021 may not be a reliable indicator of future trends. Therefore, short-term exponential fits were assigned less weight in the analysis.

The selected annual medical loss ratio trends take the above considerations into account and are primarily based on mid- to long-term exponential trend fits. Overall, long-term patterns indicate improving loss ratios. The unadjusted fit ranges from -6.3% to -3.4%, while the inflation-adjusted fit ranges from -4.3% to -2.3%. The annual **medical loss ratio selection was revised to –3.5%**, supported by both unadjusted and adjusted loss ratio trend analyses.

Frequency and Severity Values

The following pages also display the underlying frequency and severity components. Note that while frequency and severity trends were reviewed, they were not selected. These figures

reflect the current rate level and a common wage level, derived from an average of paid and paid plus case losses. Lost-time claim frequency has shown a long-term decline, though the decrease has moderated in more recent policy years. Long-term average indemnity costs per case exhibit a declining trend, while long-term medical costs per case remain flat. Overall, the trends in claim frequency and severity suggest an improving workers compensation experience in Iowa.

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APPENDIX A-III

Policy Year Trend Factors

Section A - Calculation of Annual Loss Ratio Trend Factors

	Indemnity	Medical
(1) Selected Annual Loss Ratio Trends:	**–4.5%**	**–3.5%**

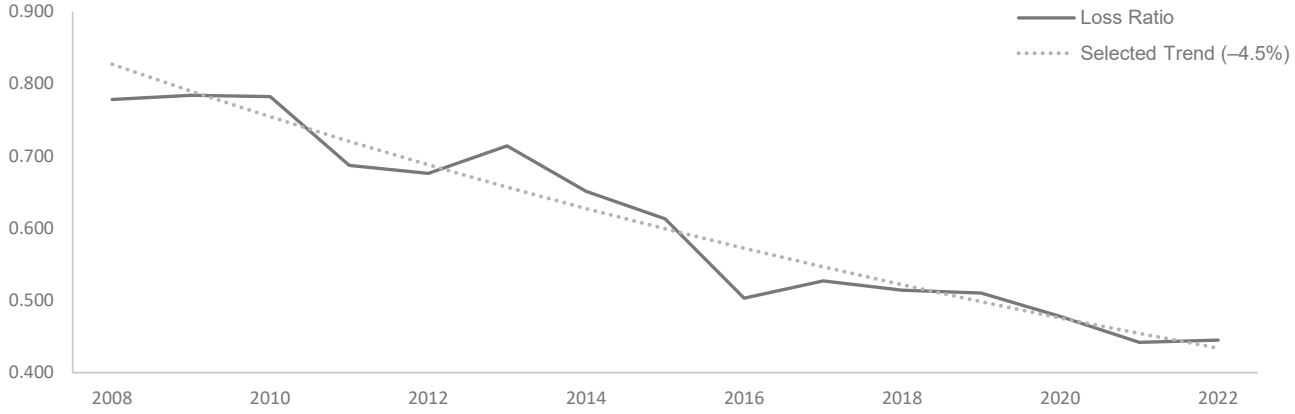
(2) Length of Trend Period from Midpoint of Policy Year to Midpoint of Effective Period:

	PY 2022	PY 2021
Trend Length:	3.001	4.001

(3) Trend Factors Applied to Experience Year Loss Ratios = [1 + (1)] ^ (2)

	PY 2022	PY 2021
Indemnity:	0.871	0.832
Medical:	0.899	0.867

Section B - Indemnity Loss Ratio Trend Data



Policy Year	Indemnity Loss Ratio^	Annual Percent Change
2008	0.778	
2009	0.784	0.8%
2010	0.782	-0.3%
2011	0.687	-12.1%
2012	0.676	-1.6%
2013	0.714	5.6%
2014	0.651	-8.8%
2015	0.613	-5.8%
2016	0.503	-17.9%
2017	0.527	4.8%
2018	0.514	-2.5%
2019	0.510	-0.8%
2020	0.478	-6.3%
2021	0.442	-7.5%
2022	0.445	0.7%

# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
15	-4.4%	-3.9%
14	-4.6%	-4.0%
13	-4.6%	-4.1%
12	-4.5%	-3.9%
11	-4.7%	-4.1%
10	-4.8%	-4.3%
9	-4.3%	-4.0%
8	-3.7%	-3.7%
7	-2.8%	-3.5%
6	-3.8%	-3.8%
5	-4.2%	-4.2%

^Based on an average of paid and paid+case losses
*Exponential Fits from Scenario B (as described in preceding pages)

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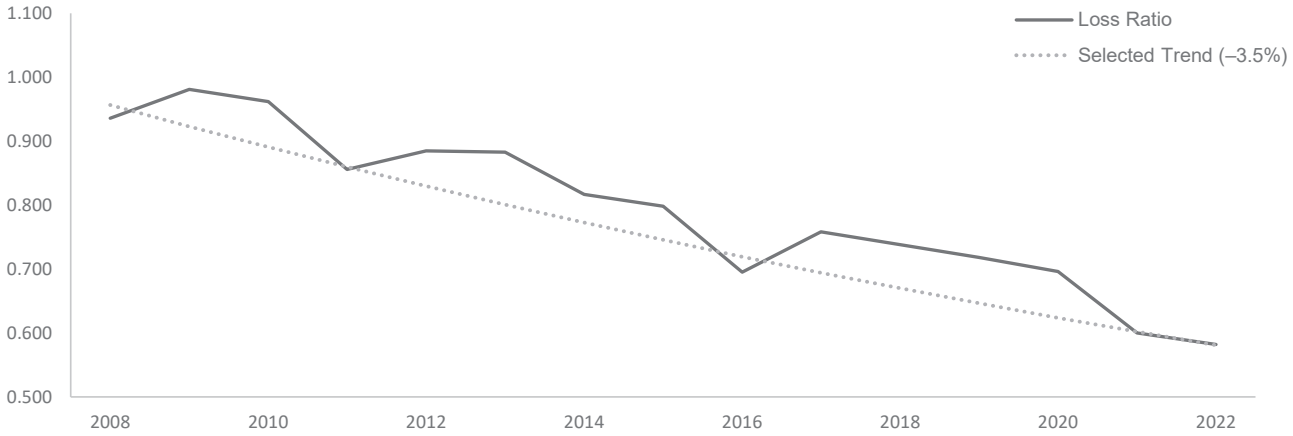
APPENDIX A-III

Policy Year Trend Factors

Section C - Medical Loss Ratio Trend Data



Policy Year	Medical Loss Ratio^	Annual Percent Change
2008	0.936	
2009	0.981	4.8%
2010	0.962	-1.9%
2011	0.856	-11.0%
2012	0.885	3.4%
2013	0.883	-0.2%
2014	0.817	-7.5%
2015	0.798	-2.3%
2016	0.695	-12.9%
2017	0.758	9.1%
2018	0.738	-2.6%
2019	0.718	-2.7%
2020	0.696	-3.1%
2021	0.600	-13.8%
2022	0.582	-3.0%

# of Years in Fit	Exponential Fits	Alternate Exponential Fits*
15	-3.4%	-3.0%
14	-3.6%	-3.1%
13	-3.6%	-3.0%
12	-3.5%	-2.9%
11	-3.8%	-3.1%
10	-3.9%	-3.1%
9	-3.7%	-2.7%
8	-3.8%	-2.6%
7	-3.7%	-2.3%
6	-5.5%	-3.8%
5	-6.3%	-4.3%

^Based on an average of paid and paid+case losses
*Exponential Fits from Scenario B (as described in preceding pages)

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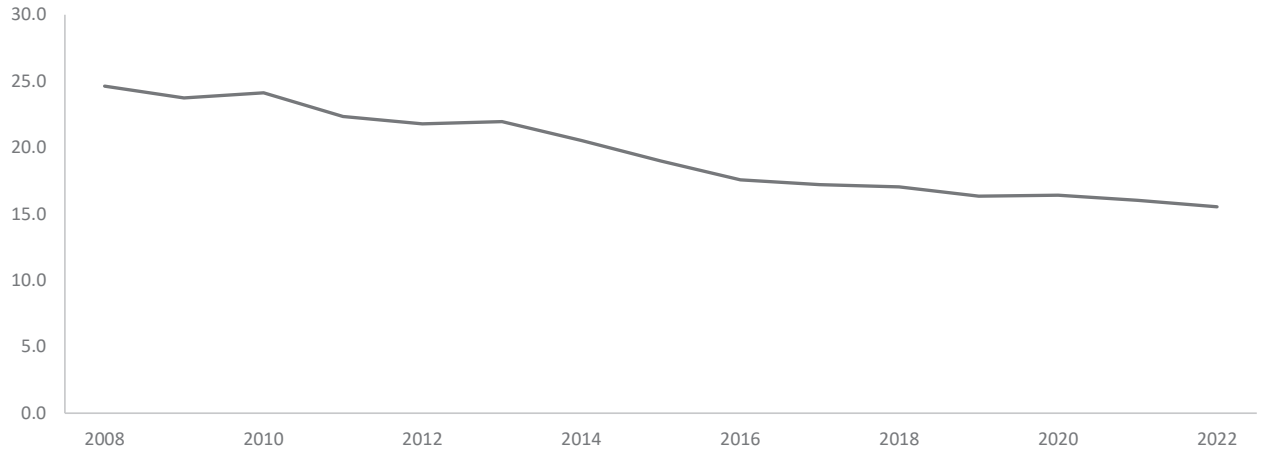
APPENDIX A-III

Policy Year Trend Factors

Section D - Frequency Trend Data



Policy Year	Claim Frequency^	Annual Percent Change
2008	24.624	-
2009	23.748	-3.6%
2010	24.117	1.6%
2011	22.342	-7.4%
2012	21.792	-2.5%
2013	21.961	0.8%
2014	20.527	-6.5%
2015	18.998	-7.4%
2016	17.559	-7.6%
2017	17.217	-1.9%
2018	17.039	-1.0%
2019	16.340	-4.1%
2020	16.403	0.4%
2021	16.026	-2.3%
2022	15.540	-3.0%

# of Years in Fit	Exponential Fits
15	-3.6%
14	-3.6%
13	-3.7%
12	-3.5%
11	-3.5%
10	-3.5%
9	-3.0%
8	-2.4%
7	-1.9%
6	-2.0%
5	-2.0%

^Per million of on-leveled, wage-adjusted premium

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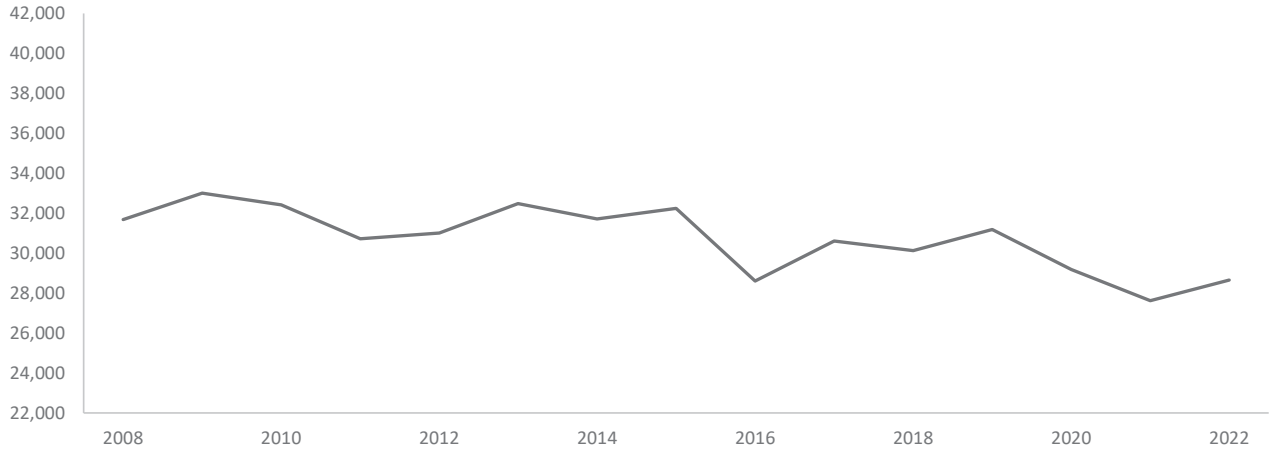
APPENDIX A-III

Policy Year Trend Factors

Section E - Indemnity Severity Trend Data



Policy Year	Indemnity Severity^	Annual Percent Change
2008	31,688	-
2009	33,004	4.2%
2010	32,422	-1.8%
2011	30,721	-5.2%
2012	31,005	0.9%
2013	32,479	4.8%
2014	31,705	-2.4%
2015	32,242	1.7%
2016	28,599	-11.3%
2017	30,599	7.0%
2018	30,128	-1.5%
2019	31,187	3.5%
2020	29,180	-6.4%
2021	27,620	-5.3%
2022	28,654	3.7%

# of Years in Fit	Exponential Fits
15	-0.9%
14	-1.0%
13	-1.0%
12	-1.0%
11	-1.2%
10	-1.4%
9	-1.3%
8	-1.3%
7	-0.8%
6	-1.9%
5	-2.2%

^Adjusted to a common wage level, based on an average of paid and paid+case losses

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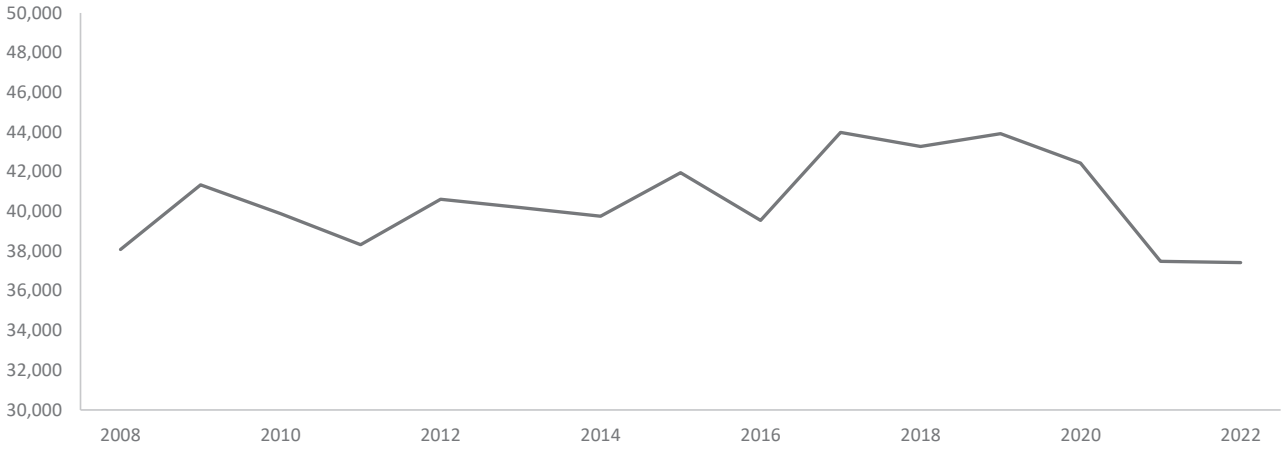
APPENDIX A-III

Policy Year Trend Factors

Section F - Medical Severity Trend Data



Policy Year	Medical Severity^	Annual Percent Change
2008	38,084	-
2009	41,332	8.5%
2010	39,881	-3.5%
2011	38,331	-3.9%
2012	40,615	6.0%
2013	40,198	-1.0%
2014	39,759	-1.1%
2015	41,954	5.5%
2016	39,550	-5.7%
2017	43,982	11.2%
2018	43,274	-1.6%
2019	43,917	1.5%
2020	42,431	-3.4%
2021	37,486	-11.7%
2022	37,424	-0.2%

# of Years in Fit	Exponential Fits
15	0.2%
14	0.0%
13	0.1%
12	0.0%
11	-0.3%
10	-0.4%
9	-0.7%
8	-1.4%
7	-1.8%
6	-3.6%
5	-4.4%

^Adjusted to a common wage level, based on an average of paid and paid+case losses

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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	134,207,449	588,801,399	551,963,002	1.188	1.198
Contracting	106,655,595	478,645,966	448,846,999	1.133	1.129
Office & Clerical	56,020,810	249,942,308	234,255,127	1.125	1.134
Goods & Services	189,438,557	842,623,643	789,538,120	1.090	1.097
Miscellaneous	96,480,983	431,429,250	404,951,122	1.121	1.122
Statewide	582,803,395	2,591,442,566	2,429,554,370		

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	133,087,187	583,886,529	547,355,631	1.067	1.000
Contracting	107,033,472	480,341,789	450,437,245	1.066	0.999
Office & Clerical	55,576,200	247,958,639	232,395,959	1.067	1.000
Goods & Services	188,229,742	837,246,829	784,500,046	1.067	1.000
Miscellaneous	96,394,993	431,044,732	404,590,203	1.065	0.998
Statewide	580,321,594	2,580,478,518	2,419,279,084	1.067	

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	540,354,968	0.987	0.987	10,759
Contracting	432,196,359	0.960	0.960	5,660
Office & Clerical	241,899,084	1.041	1.041	4,308
Goods & Services	791,492,913	1.009	1.009	18,956
Miscellaneous	412,903,690	1.023	1.023	6,419
Statewide	2,418,847,014	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	0.95	0.988	0.988
Contracting	12,000	0.69	0.972	0.972
Office & Clerical	12,000	0.60	1.025	1.025
Goods & Services	12,000	1.00	1.009	1.009
Miscellaneous	12,000	0.73	1.017	1.017
Statewide			1.000	1.000

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

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 Iowa 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 Iowa 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).

Workers Compensation Rate Filing – January 1, 2025

Appendix B – Calculations Underlying the Advisory Rate Change by Classification

NCCI separately determines rates 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 industrial classification rates:

1. Calculate industry group differentials, which are used to more equitably distribute the proposed overall average advisory rate level change based on the individual experience of each industry group
2. For each classification, determine the indicated pure premiums based on the most recently-available five policy periods of Iowa 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, swing limits, and where applicable, an expense allowance and any additional loads

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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
3/17-2/18	1.042	1.019	1.056	1.008
3/18-2/19	1.060	1.033	1.064	1.007
3/19-2/20	1.109	1.065	1.058	1.006
3/20-2/21	1.256	1.166	1.051	1.006
3/21-2/22	1.712	1.323	1.089	1.017

*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
3/17-2/18	0.698	0.757
3/18-2/19	0.731	0.785
3/19-2/20	0.765	0.813
3/20-2/21	0.801	0.843
3/21-2/22	0.839	0.873

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
3/17-2/18	1.007	1.013	1.003	1.013	1.000
3/18-2/19	1.002	1.002	1.002	1.002	1.000
3/19-2/20	1.000	1.000	1.000	1.000	1.000
3/20-2/21	1.000	1.000	1.000	1.000	1.000
3/21-2/22	1.000	1.000	1.000	1.000	1.000

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)
3/17-2/18	0.732	0.716	0.737	0.729	0.713	0.737	0.721	0.799	0.763
3/18-2/19	0.776	0.757	0.776	0.776	0.757	0.776	0.757	0.835	0.790
3/19-2/20	0.848	0.815	0.848	0.848	0.815	0.848	0.815	0.860	0.818
3/20-2/21	1.006	0.934	1.006	1.006	0.934	1.006	0.934	0.886	0.848
3/21-2/22	1.436	1.110	1.436	1.436	1.110	1.436	1.110	0.951	0.888

* 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	0.110	0.138	0.180	0.201	0.266	0.307	0.342
(2) Excess Factors 1/(1-(1))	1.124	1.160	1.220	1.252	1.362	1.443	1.520

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*	0.987	0.960	1.041	1.009	1.023
(2) Final Differentials**	0.988	0.972	1.025	1.009	1.017
(3) Adjustment (2)/(1)	1.001	1.013	0.985	1.000	0.994

*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)
3/17-2/18	0.827	1.128	1.125	1.003	0.829
3/18-2/19	0.795	1.129	1.133	0.996	0.792
3/19-2/20	0.851	1.129	1.133	0.996	0.848
3/20-2/21	0.843	1.129	1.128	1.001	0.844
3/21-2/22	0.889	1.129	1.148	0.983	0.874

3. Adjustment for Experience Change

A factor of 0.941 is applied to adjust for the experience change in the proposed rate level.

4. Offset for Change in Assigned Risk Pricing Programs

A factor of 1.001 is applied to offset the change in assigned risk pricing programs.

5. Factor to Reflect the Proposed Loss-Based Expense Provisions

A factor of 1.185 is applied to include the proposed loss-based expense provisions.

6. 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
3/17-2/18	0.926	0.937	0.911	0.925	0.920
3/18-2/19	0.885	0.896	0.871	0.884	0.879
3/19-2/20	0.947	0.959	0.932	0.947	0.941
3/20-2/21	0.943	0.954	0.928	0.942	0.936
3/21-2/22	0.977	0.988	0.961	0.976	0.970

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 0.941 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 0.982, for indemnity and medical, respectively, are applied to adjust to the proposed trend level.

3. Factors to Adjust to the Proposed Benefit Level

The following factors are applied to adjust the pure premiums underlying the current rates to the proposed benefit level.

	Indemnity	Medical
Benefit Adjustment	1.000	1.000

4. 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	1.178	1.178	1.185	1.185
(2) Loss-based Assessment	1.000	1.000	1.000	1.000
(3) = (1) + (2) – 1.000	1.178	1.178	1.185	1.185
(4) Overall Change (3b)/(3a)			1.006	1.006

5. 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	1.188	1.198	0.992
Contracting	1.133	1.129	1.004
Office & Clerical	1.125	1.134	0.992
Goods & Services	1.090	1.097	0.994
Miscellaneous	1.121	1.122	0.999

6. 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	0.988	1.000	0.988
Contracting	0.972	0.999	0.971
Office & Clerical	1.025	1.000	1.025
Goods & Services	1.009	1.000	1.009
Miscellaneous	1.017	0.998	1.015

*See Appendix A-IV, column (18).
**See Appendix A-IV, column (10).

7. Offset for Change in Assigned Risk Pricing Programs

A factor of 1.001 is applied to offset the change in assigned risk pricing programs.

8. Combined Conversion Factors

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

Industry Group	Indemnity	Medical
Manufacturing	0.929	0.912
Contracting	0.924	0.908
Office & Clerical	0.964	0.947
Goods & Services	0.951	0.934
Miscellaneous	0.961	0.944

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 Iowa conditions in four steps. First, statewide indicated pure premiums are determined for Iowa. Second, using Iowa payrolls as weights, corresponding statewide-average pure premiums are computed for each remaining state. Third, the ratios of Iowa 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 Iowa 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: $34,483,857 for indemnity and $25,953,134 for medical.

The partial credibilities formula is:

$$z = [\text{ (expected losses) / (full credibility standard) }]^{0.5}$$

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:

$$[\text{ (national cases)/(full credibility standard) }]^{0.5} \text{ and } [\text{ (1 – state credibility)/2 }]$$

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.

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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	0.9991
Contracting	1.0037
Office & Clerical	1.0023
Goods & Services	0.9972
Miscellaneous	1.0026

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	1.198
Contracting	1.129
Office & Clerical	1.134
Goods & Services	1.097
Miscellaneous	1.122

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 0.737 (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. 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 17% above to 33% below
Contracting	from 15% above to 35% below
Office & Clerical	from 20% above to 30% below
Goods & Services	from 19% above to 31% below
Miscellaneous	from 19% above to 31% 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 25% 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.

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.

* 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.

List of Classifications Limited by the Upper Swing	List of Classifications Limited by the Lower Swing
3082	7710

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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
03/01/17 - 02/28/18	0	0	0	823,611	2,186,677	412,556	799,431	1,279,290	6,733,957
03/01/18 - 02/28/19	0	0	0	1,116,749	3,635,182	778,451	866,772	2,541,769	7,636,714
03/01/19 - 02/29/20	0	497,330	0	994,619	1,561,142	573,754	1,314,565	1,455,017	5,861,067
03/01/20 - 02/28/21	0	0	0	1,096,609	1,562,872	505,331	598,764	1,534,009	4,820,604
03/01/21 - 02/28/22	0	200,001	0	549,131	1,112,321	437,749	992,048	1,043,313	5,910,490

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
03/01/17 - 02/28/18	0.732	0.716	0.737	0.729	0.713	0.737	0.721	0.799	0.763
03/01/18 - 02/28/19	0.776	0.757	0.776	0.776	0.757	0.776	0.757	0.835	0.790
03/01/19 - 02/29/20	0.848	0.815	0.848	0.848	0.815	0.848	0.815	0.860	0.818
03/01/20 - 02/28/21	1.006	0.934	1.006	1.006	0.934	1.006	0.934	0.886	0.848
03/01/21 - 02/28/22	1.436	1.110	1.436	1.436	1.110	1.436	1.110	0.951	0.888

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	1.220

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
03/01/17 - 02/28/18	0	0	0	679,491	1,764,446	344,100	652,305	1,325,945	6,453,372
03/01/18 - 02/28/19	0	0	0	980,734	3,114,270	683,639	742,565	2,717,397	7,656,559
03/01/19 - 02/29/20	0	458,708	0	954,524	1,439,906	550,624	1,212,477	1,642,773	6,088,150
03/01/20 - 02/28/21	0	0	0	1,248,487	1,651,978	575,318	632,903	1,798,980	5,162,485
03/01/21 - 02/28/22	0	251,240	0	892,410	1,397,292	711,400	1,246,206	1,334,423	6,625,220

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

Policy Period	INDUSTRY GROUP: Office and Clerical
03/01/17 - 02/28/18	0.911
03/01/18 - 02/28/19	0.871
03/01/19 - 02/29/20	0.932
03/01/20 - 02/28/21	0.928
03/01/21 - 02/28/22	0.961

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
03/01/17 - 02/28/18	10,207,910,823	932,491	2,201,660	1,207,936	5,879,022	3,134,151	7,086,958	10,221,109
03/01/18 - 02/28/19	10,715,735,382	1,449,669	3,359,303	2,366,853	6,668,863	4,808,972	9,035,716	13,844,688
03/01/19 - 02/29/20	12,212,434,025	1,402,798	2,899,537	1,531,064	5,674,156	4,302,335	7,205,220	11,507,555
03/01/20 - 02/28/21	11,567,272,942	1,692,491	2,120,370	1,669,453	4,790,786	3,812,861	6,460,239	10,273,100
03/01/21 - 02/28/22	12,883,120,109	1,541,261	2,781,843	1,282,381	6,366,836	4,323,104	7,649,217	11,972,321
Total	57,586,473,281	7,018,710	13,362,713	8,057,687	29,379,663	20,381,423	37,437,350	57,818,773
		INDICATED PURE PREMIUM				**0.035**	**0.065**	**0.10**

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	0.038	0.072	0.11
Conversion Factors (App. B-I, Section B)	0.964	0.947	xxx
PURE PREMIUMS PRESENT ON RATE LEVEL (Underlying Pure Premiums) x (Conversion Factor)	0.037	0.068	0.11

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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:

		Indemnity	Medical	Total
1.	Indicated Pure Premium	0.035	0.065	0.10
2.	Pure Premium Indicated by National Relativity	0.028	0.051	0.08
3.	Pure Premium Present on Rate Level	0.037	0.068	0.11
4.	State Credibilities	78%	100%	xxx
5.	National Credibilities	11%	0%	xxx
6.	Residual Credibilities = 100% - (4) - (5)	11%	0%	xxx
7.	Derived by Formula Pure Premiums = (1) x (4) + (2) x (5) + (3) x (6)	0.034	0.065	0.10
8.	Test Correction Factor	1.0023	1.0023	xxx
9.	Underlying Pure Premiums = (7) x (8) *	0.035	0.065	0.10
10.	Ratio of Manual to Standard Premium			1.134
11.	Target Cost Ratio			0.737
12.	Rate = (9) x (10) / (11)			0.15
13.	Rate Within Swing Limits			0.15
	Current Rate x Swing Limits a) Lower bound = 0.17 x 0.700 = 0.12 b) Upper bound = 0.17 x 1.200 = 0.20			
14.	Pure Premiums Underlying Proposed Rate* = ((14TOT) / (9TOT)) x (9) ; (14TOT) = (13) x (11) / (10)	0.035	0.065	0.10
15.	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

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 $1,318,354 of payroll, the overall rate level change in Iowa is -2.4%.

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 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 Iowa proposed level.
- A final base rate is calculated by bringing the primary base pure premium to the proposed Iowa 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.

II. The F-class code countrywide relativities:

Class Code	(1) 10-Year Countrywide Payroll	(2) 10-Year Expected Unlimited Countrywide Losses	(3) = (2)/((1)/100) Countrywide Pure Premium	(4) = (3)/(3)Overall Countrywide Relativity
6006	414,124,714	15,368,473	3.71	1.427
6801*	27,346,413	722,254	2.64	1.000
6824	447,172,653	12,575,174	2.81	1.081
6825	278,629,234	2,654,069	0.95	0.365
6826	144,020,407	2,070,534	1.44	0.554
6828*	29,276,826	457,014	1.56	1.000
6829*	8,759,538	88,208	1.01	1.000
6843	929,338,676	29,396,645	3.16	1.215
6845	281,500,815	8,701,152	3.09	1.188
6872	1,618,863,209	56,150,653	3.47	1.335
6873*	33,096,319	684,303	2.07	1.000
6874	152,731,608	5,330,294	3.49	1.342
7309	971,348,463	33,700,883	3.47	1.335
7313	702,956,785	10,776,600	1.53	0.588
7317	1,401,745,011	32,773,878	2.34	0.900
7327*	43,082,544	3,224,307	7.48	1.000
7350	703,993,474	20,979,050	2.98	1.146
8709	440,829,790	4,200,289	0.95	0.365
8726	741,743,944	4,171,383	0.56	0.215
9077*	309,799	0	0.00	1.000
Overall	9,370,870,222	244,025,163	2.60	

*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 25% above and 25% below the current rates.

Classifications Limited by the Upper Swing	Classifications Limited by the Lower Swing
6845	6826 6874 7327 8709 8726

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APPENDIX B-IV

Derivation of State Base Rate

	Indemnity	Medical	Total
1. Overall Countrywide Pure Premium			2.60
2. State Act Pure Premium Relativity Factor			1.449
3. Countrywide State Act Weight			25%
4. **Primary Base Pure Premium** =[(1) x (2) x (3)] + [(1) x (1 - (3))]			**2.89**
5. Countrywide Weights	53%	47%	100%
6. Trend Factors	0.958	0.968	xx
7. Weighted Benefits	1.000	1.000	xx
8. Weighted Loss-Based Expenses	1.245	1.185	xx
9. **Secondary Base Pure Premium** = (4tot) x (5) x (6) x (7) x (8)	1.827	1.558	**3.39**
10. Additional Offsets			0.992
11. Expense Allowance			0.737
12. **Final Base Rate** = (9) x (10) / (11)			**4.56**

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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. Iowa's Final Base Rate	4.56
2. Countrywide Class Code 6872 Relativity (Section II)	1.335
3. Rate = (1) x (2)	6.09
4. Rate Within Swing Limits	6.09
Current Rate x Swing Limits a) Lower bound = 6.23 x 0.75 = 4.68 a) Upper bound = 6.23 x 1.25 = 7.78	
5. Miscellaneous Loadings	0.00
6. Final Loaded Rate	6.09

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APPENDIX B-IV

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

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

1.)	Assessment Rate on Indemnity Losses *	8.0%
2.)	Assessment Rate on Total Losses #	4.5%

* 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

Appendix B-V

Calculation of Coal Mine Traumatic

Coal mine experience is reflected in the following class codes:

- Surface Coal Mine – Class Code 1005
- Underground Coal Mine – Class Code 1016

The traumatic rate for Surface Coal Mine Class Code 1005 is calculated based on WCSP data as explained in Appendices B-I through B-III. Class Code 1005 is in the Miscellaneous industry group.

The traumatic rate for Underground Coal Mine Class Code 1016 is calculated using WCSP data. Pure premiums are calculated and adjusted for trend, benefits, and any applicable offsets or expense provisions. Swing limits for Class Code 1016 are applied around the currently approved rate.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Appendix C – Memoranda for Laws and Assessments

The purpose of this appendix is to provide details on changes affecting workers compensation benefit costs that are not yet reflected in the on-level factors shown in Appendix A-I. Such changes may result from annual updates in medical reimbursement levels or other changes that directly affect worker compensation benefit levels. In addition, changes to the administration of the workers compensation system, including benefit levels, may result from specific regulatory, legislative, or judicial action. The overall effect of benefit changes displayed within this appendix is calculated as of the benefit effective date, which may differ from the overall impact on the filing as shown in the Executive Summary.

In this year's filing, there have been no newly enacted benefit changes in Iowa.

Iowa

Workers Compensation Rate Filing – January 1, 2025

Appendix D – Determination of Assigned Risk Rates

Overall Proposed Change to Assigned Risk Rate Level

NCCI applies an assigned risk multiplier to convert the advisory voluntary rates to assigned risk rates. This factor accounts for differences in the components included in the assigned risk rates versus the advisory rates. The key components of the assigned risk multiplier are the assigned risk rate differential and the uncollectible premium provision (UPP). Thus, the assigned risk multiplier formula is as follows:

$$Assigned\ Risk\ Multiplier = Assigned\ Risk\ Rate\ Differential \times UPP$$

The proposed changes to assigned risk rates, as well as the detailed calculations, can be found on the following pages.

Assigned Risk Rate Differential

The assigned risk rate differential reflects the fact that the collective experience for employers in the assigned risk market is typically worse than that of employers in the voluntary market. To derive the indicated differential, loss ratios are calculated for both the (i) assigned risk market and (ii) voluntary market by individual year as follows:

$$\frac{(total\ onleveled\ losses)}{(total\ onleveled, developed\ standard\ premium\ at\ the\ voluntary\ level\ )}$$

For each individual policy year, the assigned risk loss ratio is divided by the voluntary loss ratio to produce loss ratio relativities. These loss ratio relativities are reviewed for fifteen individual years so that changes in the actual differentials can be observed over a long period of time. When selecting the assigned risk rate differential, the impact of additional premium that is already expected to be generated due to other assigned risk programs (e.g., removal of premium discounts, Assigned Risk Adjustment Program) is also reflected in the calculation. In addition, the expected difference between the voluntary and assigned risk expenses was accounted for during the selection of the assign risk rate differential.

Based on this year's analysis, NCCI is proposing a decrease to the currently approved assigned risk rate differential, net of the uncollectible premium provision. NCCI believes there are several reasons that it is appropriate to decrease the current differential:

- The assigned risk differential can vary quite substantially from one year to the next. For example, the individual assigned risk differentials for the latest fifteen years range from 0.688 to 1.764. A longer-term average provides stability when dealing with such a wide range of indications from year to year.

- The differential should be sufficiently high so that an insured would not find an offer of residual market coverage to be more attractive than an offer for voluntary coverage.

- It is important to the health of the workers compensation system to have an adequate rate level in the residual market, allowing that market to be as self-funding as possible. NCCI believes that lowering the differential is appropriate considering the reviewed historical trends, while also maintaining a sufficient differential level that still encourages the process of residual market depopulation.

The data underlying this calculation is shown in Appendix D – Derivation of Assigned Risk Differential.

Uncollectible Premium Provision

The purpose of the uncollectible premium provision is to make available sufficient funds in the rate structure to offset the policy premium ultimately determined to be uncollectible. In previous filings, this provision was implicitly considered as part of the assigned risk differential selection. Beginning in this year's filing, an explicit selection was made based on a review of fifteen years of historical ratios of ultimate gross premium to ultimate collected premium in Iowa's assigned risk market. The proposed uncollectible premium provision factor in this filing was selected considering various longer-term averages.

The data underlying this provision is shown in Appendix D – Calculation of Ultimate Uncollectible Premium Provision (UPP) Factor.

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APPENDIX D

Determination of Assigned Risk Rate Level Change

Section A - Derivation of the Assigned Risk Multiplier

This filing proposes a -9.6% overall average change to the current assigned risk rate level. For all classifications, an assigned risk multiplier is applied to the voluntary rates proposed effective January 1, 2025 in order to convert to assigned risk rates.

(1)	Current Assigned Risk Multiplier	1.250
(2)	Proposed Assigned Risk Rate Differential (See Section B)	1.200
(3)	Proposed Uncollectible Premium Provision Factor (See Section C)	1.015
(4)	Indicated Assigned Risk Multiplier = (2) x (3)	1.218
(5)	Indicated Change in the Assigned Risk Multiplier = [(4) / (1)] - 1.0	-2.6%
(6)	Proposed Voluntary Rate Level Change (Exhibit I)	-7.2%
(7)	Indicated Assigned Risk Rate Level Change = {[1.0 + (5)] x [1.0 + (6)]} -1.0	**-9.6%**

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APPENDIX D

Determination of Assigned Risk Rates

Section B - Derivation of Assigned Risk Differential
Experience Valued as of 12/31/2023

Policy Year	(1) Standard Pure Premium Assigned Risk	(2) Standard Pure Premium Voluntary	(3) Unlimited Undeveloped Paid+Case Losses Assigned Risk	(4) Unlimited Undeveloped Paid+Case Losses Voluntary
2008	7,186,171	204,089,205	21,025,243	334,282,542
2009	6,371,326	201,042,093	17,062,723	360,518,860
2010	5,584,022	213,072,184	20,494,332	347,898,291
2011	6,296,429	225,871,348	14,578,996	325,645,933
2012	8,163,701	225,435,841	23,738,457	329,000,852
2013	10,707,832	229,891,291	19,754,793	349,932,771
2014	10,641,044	234,843,765	21,336,185	335,093,255
2015	10,448,847	242,386,602	19,792,306	336,164,683
2016	8,790,821	251,432,871	10,338,071	303,712,721
2017	7,697,624	261,930,345	12,111,964	337,725,002
2018	7,593,940	267,172,074	8,547,851	343,118,424
2019	7,974,006	274,076,746	9,778,265	342,853,401
2020	8,223,318	278,377,036	13,879,842	321,599,559
2021	8,656,061	296,757,590	10,709,660	311,248,921
2022	8,510,054	325,829,030	10,855,211	298,406,195

Policy Year	(5) = (3) / (1) Pure Premium Ratio Assigned Risk	(6) = (4) / (2) Pure Premium Ratio Voluntary	(7) = (5) / (6) Assigned Risk to Voluntary Relativity	(8) = (7) / Impact of AR Programs^ Indicated Assigned Risk Differential
2008	2.926	1.638	1.786	1.402
2009	2.678	1.793	1.494	1.173
2010	3.670	1.633	2.247	1.764
2011	2.315	1.442	1.605	1.260
2012	2.908	1.459	1.993	1.564
2013	1.845	1.522	1.212	0.951
2014	2.005	1.427	1.405	1.103
2015	1.894	1.387	1.366	1.072
2016	1.176	1.208	0.974	0.765
2017	1.573	1.289	1.220	0.958
2018	1.126	1.284	0.877	0.688
2019	1.226	1.251	0.980	0.769
2020	1.688	1.155	1.461	1.147
2021	1.237	1.049	1.179	0.925
2022	1.276	0.916	1.393	1.093

Current Assigned Risk Differential	1.250	
Proposed Assigned Risk Differential	**1.200**	
Proposed Change in Assigned Risk Differential	0.960	-4%

^**Assigned Risk Programs in Addition to the Differential**

(a) Removal of Premium Discounts and Expense Differential	1.190
(b) ARAP	1.071
Total impact of programs = (a) x (b)	1.274

Section C - Calculation of Ultimate Uncollectible Premium Provision (UPP) Factor

Section 1 - Gross Premium as of 12/31/2023 - Traumatic Only (000s)

Policy Year	1st	2nd	3rd	4th	5th	6th	7th	8th	Ultimate Gross
2008								26,898	26,898
2009							22,456	22,457	22,457
2010						20,175	20,175	20,175	20,175
2011					24,937	24,934	24,934	24,932	24,932
2012				33,707	33,782	33,700	33,704	33,704	33,704
2013			47,335	47,337	47,337	47,335	46,857	46,857	46,857
2014		41,009	40,988	40,993	40,982	40,535	40,536	40,536	40,536
2015	37,296	38,579	38,078	38,074	37,701	37,701	37,701	37,701	37,701
2016	31,700	32,941	32,893	32,888	32,887	32,878	32,877		32,877
2017	26,258	26,359	26,276	26,222	26,168	26,221			26,221
2018	22,742	22,810	22,834	22,838	22,817				22,817
2019	21,806	21,516	21,422	21,379					21,357
2020	20,994	21,063	20,848						20,806
2021	22,854	22,551							22,439
2022	20,273								20,131

Policy Year	1 / 2	2 / 3	3 / 4	4 / 5	5 / 6	6 / 7	7 / 8	8 / Ult
2012						1.000	1.000	
2013					1.000	0.990	1.000	
2014				1.000	0.989	1.000	1.000	
2015			1.000	0.990	1.000	1.000	1.000	
2016		0.999	1.000	1.000	1.000	1.000		
2017	1.004	0.997	0.998	0.998	1.002			
2018	1.003	1.001	1.000	0.999				
2019	0.987	0.996	0.998					
2020	1.003	0.990						
2021	0.987							
5-Yr Avg	0.997	0.997	0.999	0.997	0.998	0.998	1.000	
5-Yr Avg x H/L	0.998	0.997	0.999	0.999	1.000	1.000	1.000	
Selected	0.998	0.997	0.999	0.999	1.000	1.000	1.000	1.000
Ultimate	0.993	0.995	0.998	0.999	1.000	1.000	1.000	1.000

Section 2 - Collected Premium as of 12/31/2023 - Traumatic Only (000s)

Policy Year	1st	2nd	3rd	4th	5th	6th	7th	8th	Ultimate Collected	Gross / Collected
2008								26,654	26,654	1.009
2009							22,297	22,298	22,298	1.007
2010						19,989	19,989	19,989	19,989	1.009
2011					24,597	24,581	24,582	24,586	24,586	1.014
2012				33,287	33,400	33,351	33,364	33,394	33,394	1.009
2013			46,532	46,546	46,554	46,564	46,564	46,565	46,565	1.006
2014		40,321	40,299	40,324	40,315	40,327	40,348	40,351	40,351	1.005
2015	36,495	37,545	37,109	37,110	37,189	37,230	37,241	37,239	37,239	1.012
2016	31,345	31,787	31,706	31,701	31,733	31,750	31,755		31,755	1.035
2017	25,731	25,584	25,590	25,601	25,607	25,669			25,669	1.022
2018	22,440	22,378	22,425	22,472	22,549				22,571	1.011
2019	21,546	21,193	21,148	21,117					21,159	1.009
2020	20,510	20,721	20,526						20,567	1.012
2021	22,303	21,797							21,797	1.029
2022	19,869								19,710	1.021

Policy Year	1 / 2	2 / 3	3 / 4	4 / 5	5 / 6	6 / 7	7 / 8	8 / Ult	5-Yr Avg	1.016
2012						1.000	1.001		10-Yr Avg	1.016
2013					1.000	1.000	1.000		10-Yr x H/L	1.015
2014				1.000	1.000	1.001	1.000		15-Yr Avg	1.014
2015			1.000	1.002	1.001	1.000	1.000		15-Yr x H/L	1.013
2016		0.997	1.000	1.001	1.001	1.000				
2017	0.994	1.000	1.000	1.000	1.002				Selected UPP Factor	1.015
2018	0.997	1.002	1.002	1.003						
2019	0.984	0.998	0.999						Current UPP Factor	1.000
2020	1.010	0.991								
2021	0.977								Impact of Change in UPP Factor	**1.015**
5-Yr Avg	0.992	0.998	1.000	1.001	1.001	1.000	1.000			
5-Yr Avg x H/L	0.992	0.998	1.000	1.001	1.001	1.000	1.000			
Selected	0.992	0.998	1.000	1.001	1.001	1.000	1.000	1.000		
Ultimate	0.992	1.000	1.002	1.002	1.001	1.000	1.000	1.000		

Part 4 Additional Information

- Definitions
- NCCI Affiliate List
- Key Contacts

Iowa

Workers Compensation Rate Filing – January 1, 2025

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):
1. The 12-month period beginning January 1 and ending December 31.
2. 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 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.

Limited Losses: Losses that result after the application of NCCI's large loss procedure—in which individual large claims are limited to jurisdiction and year-specific large loss thresholds.

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

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

Iowa

Workers Compensation Rate Filing – January 1, 2025

Definitions

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.

Unlimited Losses: Losses that have not been limited to jurisdiction and year-specific large loss thresholds as part of NCCI's large loss procedure.

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.

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Workers Compensation Rate Filing – January 1, 2025

NCCI Affiliate List

A M C O INSURANCE COMPANY
ACADIA INSURANCE COMPANY
ACCIDENT FUND GENERAL INS CO
ACCIDENT FUND INS CO OF AMERICA
ACCIDENT FUND NATIONAL INS CO
ACCREDITED SURETY & CASUALTY COMPANY INC
ACE AMERICAN INSURANCE COMPANY
ACE FIRE UNDERWRITERS INSURANCE COMPANY
ACE PROPERTY & CASUALTY INSURANCE COMPANY
ACIG INS CO
ACUITY A MUTUAL INS COMPANY
ADDISON INSURANCE COMPANY
AIG ASSURANCE COMPANY
AIG PROPERTY CASUALTY COMPANY
AIU INSURANCE CO
AK NATIONAL INS CO
ALLIED EASTERN IND CO
ALLIED INSURANCE COMPANY OF AMERICA
ALLIED PROPERTY AND CASUALTY INS CO
ALLMERICA FINANCIAL ALLIANCE INS CO
ALLMERICA FINANCIAL BENEFIT INS CO
AMERICAN ALTERNATIVE INSURANCE CORPORATION
AMERICAN AUTOMOBILE INSURANCE CO
AMERICAN BUSINESS AND MERCANTILE INS MUTUAL INC
AMERICAN CASUALTY COMPANY OF READING P A
AMERICAN COMPENSATION INS CO
AMERICAN ECONOMY INS CO
AMERICAN FAMILY HOME INS CO
AMERICAN FAMILY INS CO
AMERICAN FAMILY MUTUAL INSURANCE COMPANY, S.I.
AMERICAN FIRE AND CASUALTY CO
AMERICAN GUARANTEE AND LIABILITY INS CO
AMERICAN HOME ASSUR CO-NATIONAL UNION FIRE OF PIT
AMERICAN INTERSTATE INS CO
AMERICAN INTERSTATE INS CO OF TX
AMERICAN LIBERTY INSURANCE CO
AMERICAN MODERN HOME INS CO
AMERICAN NATIONAL PROPERTY AND CASUALTY CO
AMERICAN SELECT INS CO
AMERICAN STATES INS CO A SAFECO COMPANY
AMERICAN ZURICH INS CO
AMERISURE INS CO
AMERISURE MUTUAL INS CO
AMERISURE PARTNERS INS CO
AMFED ADVANTAGE INSURANCE COMPANY
AMFED CASUALTY INS CO
AMFED NATIONAL INSURANCE COMPANY
AMGUARD INS CO
AMTRUST INSURANCE CO
ARCH INDEMNITY INSURANCE COMPANY
ARCH INSURANCE COMPANY
ARCH PROPERTY CASUALTY INS CO
ARGONAUT GREAT CENTRAL INS CO
ARGONAUT INS CO
ARGONAUT MIDWEST INS CO
ASCOT INSURANCE COMPANY
ASSOCIATION CASUALTY INS CO
ATLANTIC SPECIALTY INS CO
ATLANTIC STATES INS CO
AUSTIN MUTUAL INSURANCE COMPANY
AUTO OWNERS INS CO
BADGER MUTUAL INS 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
BITCO GENERAL INSURANCE CORPORATION
BITCO NATIONAL INSURANCE COMPANY
BRICKSTREET MUTUAL INS CO
BROTHERHOOD MUTUAL INS CO
CALIFORNIA INSURANCE COMPANY
CAROLINA CASUALTY INS CO
CELINA MUTUAL INS CO
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
CITIZENS INS CO OF AMERICA
CLEAR SPRING AMERICAN INSURANCE COMPANY
CLEAR SPRING CASUALTY INSURANCE COMPANY
CLEAR SPRING NATIONAL INSURANCE COMPANY
CLEAR SPRING PROPERTY AND CASUALTY COMPANY
CLERMONT INS CO
COLONIAL AMERICAN CASUALTY & SURETY CO
COLONIAL SURETY COMPANY
COLUMBIA MUTUAL INSURANCE CO
COLUMBIA NATIONAL INS CO
COMMERCE AND INDUSTRY INS CO
CONSOLIDATED INS CO
CONTINENTAL CASUALTY CO
CONTINENTAL INDEMNITY CO
CONTINENTAL INS CO
CONTINENTAL WESTERN INSURANCE COMPANY
COREPOINTE INSURANCE COMPANY
CRESTBROOK INS CO
CRUM AND FORSTER INDEMNITY CO
DAKOTA TRUCK UNDERWRITERS
DEPOSITORS INS CO
DIAMOND INS CO
DONEGAL MUTUAL INS CO
EASTERN ADVANTAGE ASSURANCE COMPANY
EASTERN ALLIANCE INSURANCE COMPANY
EASTGUARD INS CO
EMC PROPERTY & CASUALTY COMPANY
EMCASCO INS CO
EMPLOYERS ASSURANCE COMPANY
EMPLOYERS COMPENSATION INS CO
EMPLOYERS INS CO OF WAUSAU
EMPLOYERS INSURANCE COMPANY OF NEVADA

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NCCI Affiliate List

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
EXECUTIVE RISK INDEMNITY INC
EXPLORER INS CO
FARM BUREAU PROPERTY & CASUALTY INS CO
FARMERS AUTOMOBILE INS ASSN
FARMERS INSURANCE EXCHANGE
FARMINGTON CASUALTY COMPANY
FEDERAL INSURANCE COMPANY
FEDERATED MUTUAL INS CO
FEDERATED RESERVE INSURANCE CO
FEDERATED RURAL ELECTRIC INS EXCHANGE
FEDERATED SERVICE INS CO
FIDELITY & DEPOSIT COMPANY OF MARYLAND
FIDELITY & GUARANTY INS UNDERWRITERS
FIDELITY & GUARANTY INSURANCE CO
FIRE INS EXCHANGE
FIREMANS FUND INSURANCE CO
FIREMENS INS CO OF WASHINGTON DC
FIRST DAKOTA INDEMNITY CO
FIRST LIBERTY INS CORP
FIRST NATIONAL INS CO OF AMERICA
FIRSTCOMP INSURANCE CO
FLORISTS MUTUAL INSURANCE CO
FOREMOST INS CO GRAND RAPIDS MICHIGAN
FOREMOST PROPERTY & CAS INS
FOREMOST SIGNATURE INS CO
FRANK WINSTON CRUM INSURANCE CO
FREEDOM SPECIALTY INSURANCE COMPANY
GENERAL CASUALTY COMPANY OF WISCONSIN
GENERAL CASUALTY INSURANCE COMPANY
GENERAL INS CO OF AMERICA
GENESIS INS CO
GLATFELTER INSURANCE COMPANY
GRANGE INDEMNITY INSURANCE COMPANY
GRANGE 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 SPIRIT INS CO
GREAT DIVIDE INSURANCE COMPANY
GREAT MIDWEST INS CO
GREAT NORTHERN INS CO
GREAT WEST CASUALTY COMPANY
GREATER NY MUTUAL INS CO
GREENWICH INS CO
GRINNELL MUTUAL REINSURANCE CO
GRINNELL SELECT INS CO
GUIDEONE ELITE INS CO
GUIDEONE INSURANCE COMPANY
GUIDEONE SPECIALTY INSURANCE COMPANY
HANOVER AMERICAN INS CO
HANOVER INS CO
HARLEYSVILLE INSURANCE COMPANY
HARLEYSVILLE PREFERRED INSURANCE CO
HARLEYSVILLE WORCESTER INSURANCE 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
HASTINGS INSURANCE COMPANY
HAWKEYE-SECURITY INS CO
HDI GLOBAL INSURANCE COMPANY
HORIZON MIDWEST CASUALTY COMPANY
IA AMERICAN INS CO
IA LONG TERM CARE RISK MGMT ASSN
IA MUTUAL INS CO
IL EMCASCO INS CO
ILLINOIS CASUALTY COMPANY
ILLINOIS INSURANCE COMPANY
ILLINOIS NATIONAL INSURANCE COMPANY
IMPERIUM INSURANCE COMPANY
IMT INS CO
INCLINE CASUALTY COMPANY
INDEMNITY INS CO OF N AMERICA
INDIANA INSURANCE COMPANY
INS CO OF NORTH AMERICA
INS CO OF THE STATE PA
INS CO OF THE WEST
INTEGRITY INSURANCE COMPANY
INTEGRITY PROPERTY & CASUALTY INS CO
INTEGRITY SELECT INSURANCE COMPANY
INTREPID CASUALTY COMPANY
INTREPID INSURANCE COMPANY
KEY RISK INS CO
LAFAYETTE INS CO
LIBERTY INS CORP
LIBERTY INSURANCE UNDERWRITERS INC
LIBERTY MUTUAL FIRE INS CO
LIBERTY MUTUAL INS CO
LM INS CORP
MA BAY INS CO
MAG MUTUAL INS CO
MANUFACTURERS ALLIANCE INS CO
MARKEL AMERICAN INSURANCE CO
MARKEL INSURANCE CO
MEMIC INDEMNITY CO
MERIDIAN SECURITY INSURANCE COMPANY
MID CENTURY INS CO
MIDDLESEX INS CO
MIDVALE INDEMNITY COMPANY
MIDWEST EMPLOYERS CASUALTY CO
MIDWEST FAMILY ADVANTAGE INSURANCE CO
MIDWEST FAMILY MUTUAL INS CO
MIDWEST INS CO
MIDWESTERN INDEMNITY CO
MILBANK INSURANCE COMPANY

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MILFORD CASUALTY INSURANCE CO
MITSUI SUMITOMO INS CO OF AMERICA
MITSUI SUMITOMO INS USA INC
MOTORISTS COMMERCIAL MUTUAL INSURANCE COMPANY
NATIONAL AMERICAN INS CO
NATIONAL CASUALTY CO
NATIONAL FIRE INS CO OF HARTFORD
NATIONAL INTERSTATE INS CO
NATIONAL LIABILITY & FIRE INSURANCE CO
NATIONAL SPECIALTY INS CO
NATIONAL SURETY CORP
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 INS CO
NATIONWIDE PROPERTY AND CASUALTY INS CO
NETHERLANDS INSURANCE COMPANY
NEW HAMPSHIRE INSURANCE COMPANY
NEW YORK MARINE AND GENERAL INSURANCE CO
NHRMA MUTUAL INSURANCE COMPANY
NORGUARD INS CO
NORTH POINTE INS CO
NORTH RIVER INS CO
NORTHSTONE INSURANCE COMPANY
NOVA CASUALTY COMPANY
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 GUARD INSURANCE COMPANY
OLD REPUBLIC GENERAL INSURANCE CORPORATION
OLD REPUBLIC INS CO
OMAHA NATIONAL INS CO
OWNERS INSURANCE COMPANY
PA MANUFACTURERS ASSN INS CO
PA MANUFACTURERS INDEMNITY CO
PACIFIC EMPLOYERS INS CO
PACIFIC INDEMNITY CO
PACIFIC INS CO LTD
PARK NATIONAL INS COMPANY
PARTNERS MUTUAL INS CO
PATRONS MUTUAL INS CO OF CT
PEERLESS INDEMNITY INS CO
PEERLESS INSURANCE COMPANY
PEKIN INS CO
PEKIN SELECT INS CO
PENINSULA INDEMNITY CO
PENINSULA INS CO
PENN MILLERS INS CO
PENNSYLVANIA INSURANCE COMPANY
PETROLEUM CASUALTY CO
PHARMACISTS MUTUAL INS CO
PHOENIX INS CO
PIE CASUALTY INS CO
PIE INSURANCE COMPANY
PINNACLE NATIONAL INSURANCE COMPANY
PINNACLEPOINT INSURANCE COMPANY
PIONEER SPECIALTY INSURANCE COMPANY
PLAZA INSURANCE CO
PRAETORIAN INSURANCE COMPANY
PREFERRED EMPLOYERS INS CO
PREFERRED PROFESSIONAL INSURANCE COMPANY
PRESCIENT NATIONAL INSURANCE COMPANY
PREVISOR INSURANCE COMPANY
PROPERTY AND CASUALTY INS CO OF HARTFORD
PROTECTIVE INS CO
QBE INSURANCE CORPORATION
REDWOOD FIRE & CASUALTY INS CO
REGENT INSURANCE COMPANY
REPUBLIC FIRE AND CASUALTY INS CO
REPUBLIC INDEMNITY COMPANY OF AMERICA
RIVERPORT INSURANCE COMPANY
RLI INSURANCE COMPANY
ROCHDALE INSURANCE COMPANY
ROCKWOOD CASUALTY INS CO
RURAL TRUST INSURANCE COMPANY
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
SECURA INSURANCE COMPANY
SECURA SUPREME INS CO
SECURITY NATIONAL INS CO
SELECTIVE INS CO OF SC
SELECTIVE INS CO OF THE SOUTHEAST
SELECTIVE INSURANCE COMPANY OF AMERICA
SELECTIVE WAY INS 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
SFM SAFE INSURANCE COMPANY
SFM SELECT INSURANCE COMPANY
SILVER OAK CASUALTY INC
SIRIUSPOINT AMERICA INSURANCE COMPANY
SOCIETY INSURANCE A MUTUAL COMPANY
SOMPO AMERICA FIRE & MARINE INSURANCE COMPANY
SOMPO AMERICA INSURANCE COMPANY
SOUTHERN INS CO
ST PAUL FIRE AND MARINE INS CO
ST PAUL GUARDIAN INS CO
ST PAUL PROTECTIVE INS CO
STANDARD FIRE INSURANCE COMPANY
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

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STATE FARM FIRE AND CASUALTY CO
STATE NATIONAL INSURANCE COMPANY
STONETRUST COMMERCIAL INS CO
STONINGTON INS CO
SUMMITPOINT INSURANCE COMPANY
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
T H E 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
TRAVCO PERSONAL INSURANCE COMPANY
TRAVELERS CASUALTY AND SURETY CO
TRAVELERS CASUALTY INS CO OF AMERICA
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
TRIANGLE INSURANCE COMPANY INC
TRIUMPHE CASUALTY COMPANY
TRUCK INSURANCE EXCHANGE
TRUMBULL INS CO
TRUSTGARD INSURANCE COMPANY
TWIN CITY FIRE INS CO
UNION INS CO OF PROVIDENCE
UNION INSURANCE COMPANY
UNITED FIRE AND CASUALTY CO
UNITED STATES FIDELITY AND GUARANTY CO
UNITED WI INS CO
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
WADENA INSURANCE COMPANY
WAUSAU BUSINESS INSURANCE COMPANY
WAUSAU UNDERWRITERS INSURANCE COMPANY
WAYPOINT MUTUAL
WCF NATIONAL INSURANCE COMPANY
WCF SELECT INSURANCE COMPANY
WELLFLEET INSURANCE COMPANY
WELLFLEET NEW YORK INSURANCE COMPANY
WESCO INSURANCE COMPANY
WEST AMERICAN INS CO
WEST BEND INSURANCE COMPANY
WEST RIVER INSURANCE COMPANY
WESTCHESTER FIRE INSURANCE COMPANY
WESTERN AGRICULTURAL INS CO
WESTERN NATIONAL ASSURANCE CO
WESTERN NATIONAL MUTUAL INS CO
WESTFIELD CHAMPION INSURANCE COMPANY
WESTFIELD INS CO
WESTFIELD NATIONAL 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
ZNAT INS CO
ZURICH AMERICAN INS CO
ZURICH AMERICAN INS CO OF IL

Iowa

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