



## Pennsylvania Compensation Rating Bureau

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### PENNSYLVANIA AND DELAWARE CALL FOR EXPERIENCE #8

NET (AS WRITTEN) LARGE DEDUCTIBLE POLICY YEAR CALL FOR COMPENSATION  
EXPERIENCE BY STATE VALUED AS OF DECEMBER 31, 2017 - DUE MARCH 15, 2018 IN  
DELAWARE AND APRIL 16, 2018 IN PENNSYLVANIA

In accordance with the approved statistical program, you are requested to file with the Bureaus on or before March 15, 2018 in Delaware and April 16, 2018 in Pennsylvania, your compensation experience for large deductible policies on a **net** basis valued as of December 31, 2017. **Data reported in this Call is subject to the Financial Data Incentive Program (FDIP) and must be submitted using the Financial Data Reporting Application (FDRA).**

To qualify as a Large Deductible program, the deductible amount per claim or accident cannot be less than \$100,000. All programs with a deductible of less than \$100,000 should be reported on the standard Policy Year Call on a gross basis.

Data collected in the **Net (As Written)** Large Deductible Policy Year Call includes earned premiums and incurred losses generated by the application of large deductible coverage on a **net** basis (**after** the large deductible credit). Large deductible experience is also collected on a **gross** basis (**prior to** large deductible credits) in Call #9.

**This Call continues the phased-in expansion of the Policy Year Call to ultimately collect 30 full underwriting years of data. This Policy Year Call to be reported in 2018 retains the oldest data year 1990 and includes the current year 2017, thus requiring the collection of a total of 27 full underwriting years of data to be reported in 2018. Note that Policy Year 2017, valued as of December 31, 2017, is an incomplete policy year and is not counted as one of the 27 years.**

For Pennsylvania carriers only, please note that the data used to complete this Call, as well as Calls for Experience #1 and #9, must be consistent and comparable to the data used to complete the Pennsylvania Schedule W.

Pennsylvania Designated Statistical Reporting Levels have been updated to reflect loss cost changes effective April 1, 2017. Delaware Designated Statistical Reporting Levels have been updated to reflect voluntary loss cost changes and residual market rates effective December 1, 2017.

All questions should be directed to the Actuarial Department at (215) 568-2371.

**A. GENERAL INSTRUCTIONS:****1. Group Report**

This Call reports this information by individual member or by group as was established on the Designation of Contact Person form.

**2. Designated Statistical Reporting Level**

The Designated Statistical Reporting Level is the Standard Earned Premium that would have been developed if carrier business had been written at Bureau rates, pure premiums or loss costs, as applicable.

Standard Earned Premium at the Company Level must be adjusted to the Standard Earned Premium at the Designated Statistical Reporting Level by referencing the designated statistical reporting rates or loss costs set forth by the Bureaus.

During 1993, Pennsylvania Act 44 was passed providing for a loss cost system of pricing Pennsylvania Workers' Compensation insurance. Thus, the Designated Statistical Reporting Level for Policy Year 1993 is split between PCRB rates and loss costs. For Policy Years 1992 and earlier, the Designated Statistical Reporting Levels will continue to reflect historical PCRB rate levels.

Delaware loss costs became effective August 1, 1994, for voluntary business. Residual market rates also became effective August 1, 1994. Therefore, for voluntary business, the Designated Statistical Reporting Level for Policy Year 1994 is split between DCRB rates and loss costs. Similarly, for the residual market, the Designated Statistical Reporting Level for Policy Year 1994 is split between DCRB rates and DCRB residual market rates. For Policy Years 1993 and earlier, the Designated Statistical Reporting Levels will continue to reflect historical DCRB rate levels.

**Note: The DCRB's Filing No. 0806 (October 1, 2008 filing) was applicable to new, renewal and all outstanding policies. Final rating values for December 1, 2008 (Filing No. 0807, Circular #858, Exhibit 41), December 1, 2009 (Filing No. 0903, Circular #859, Exhibit 41), December 1, 2010 (Filing No. 1002, Circular #865, Exhibit 41) and December 1, 2011 (Filing No. 1105, Circular #872, Exhibit 41) include rating values that reflect the Chancery Court-ordered reductions. The Chancery Court-ordered reductions do not apply to rating values effective December 1, 2012 and subsequent.**

**Designated Statistical Reporting Level Other than U S L & H\* Business  
Policy Years 2004 and Later**

<b>PENNSYLVANIA</b>	
<b>Policy Effective Date</b>	<b>DSR Level</b>
4/1/03 - 3/31/04	4/1/03 PCRB Loss Costs
4/1/04 - 3/31/05	4/1/04 PCRB Loss Costs
4/1/05 - 3/31/06	4/1/05 PCRB Loss Costs
4/1/06 - 3/31/07	4/1/06 PCRB Loss Costs
4/1/07 - 3/31/08	4/1/07 PCRB Loss Costs
4/1/08 - 3/31/09	4/1/08 PCRB Loss Costs
4/1/09 - 3/31/10	4/1/09 PCRB Loss Costs
4/1/10 - 3/31/11	4/1/10 PCRB Loss Costs
4/1/11 - 3/31/12	4/1/11 PCRB Loss Costs
4/1/12 - 3/31/13	4/1/12 PCRB Loss Costs
4/1/13 - 3/31/14	4/1/13 PCRB Loss Costs
4/1/14 - 3/31/15	4/1/14 PCRB Loss Costs
4/1/15 - 3/31/16	4/1/15 PCRB Loss Costs
4/1/16 - 3/31/17	4/1/16 PCRB Loss Costs
4/1/17 - 12/31/17	4/1/17 PCRB Loss Costs
<b>DELAWARE</b>	
<b>VOLUNTARY MARKET</b>	
12/1/03 - 11/30/04	12/1/03 DCRB Loss Costs
12/1/04 - 11/30/05	12/1/04 DCRB Loss Costs
12/1/05 - 11/30/06	12/1/05 DCRB Loss Costs
12/1/06 - 11/30/07	12/1/06 DCRB Loss Costs
12/1/07 - 9/30/08	12/1/07 DCRB Loss Costs
10/1/08 - 11/30/08	10/1/08 DCRB Loss Costs (applicable to new, renewal and outstanding policies)
12/1/08 - 11/30/09	12/1/08 DCRB Loss Costs (reflecting Chancery Court-ordered reductions as described in DCRB Circular #858)
12/1/09 - 11/30/10	12/1/09 DCRB Loss Costs (reflecting Chancery Court-ordered reductions as described in DCRB Circular #859)
12/1/10 - 11/30/11	12/1/10 DCRB Loss Costs (reflecting Chancery Court-ordered reductions as described in DCRB Circular #865)
12/1/11 - 11/30/12	12/1/11 DCRB Loss Costs (reflecting Chancery Court-ordered reductions as described in DCRB Circular #872)
12/1/12 - 11/30/13	12/1/12 DCRB Loss Costs
12/1/13 - 11/30/14	12/1/13 DCRB Loss Costs
12/1/14 - 11/30/15	12/1/14 DCRB Loss Costs
12/1/15 - 11/30/16	12/1/15 DCRB Loss Costs
12/1/16 - 11/30/17	12/1/16 DCRB Loss Costs
12/1/17 - 12/31/17	12/1/17 DCRB Loss Costs

RESIDUAL MARKET	
12/1/03 - 11/30/04	12/1/03 DCRB Residual Market Rates
12/1/04 - 11/30/05	12/1/04 DCRB Residual Market Rates
12/1/05 - 11/30/06	12/1/05 DCRB Residual Market Rates
12/1/06 - 11/30/07	12/1/06 DCRB Residual Market Rates
12/1/07 - 9/30/08	12/1/07 DCRB Residual Market Rates
10/1/08 - 11/30/08	10/1/08 DCRB Residual Market Rates (applicable to new, renewal and outstanding policies)
12/1/08 - 11/30/09	12/1/08 DCRB Residual Market Rates (reflecting Chancery Court-ordered reductions as described in DCRB Circular #858)
12/1/09 - 11/30/10	12/1/09 DCRB Residual Market Rates (reflecting Chancery Court-ordered reductions as described in DCRB Circular #859)
12/1/10 - 11/30/11	1/10 DCRB Residual Market Rates (reflecting Chancery Court-ordered reductions as described in DCRB Circular #865)
12/1/11 - 11/30/12	12/1/11 DCRB Residual Market Rates (reflecting Chancery Court-ordered reductions as described in DCRB Circular #872)
12/1/12 - 11/30/13	12/1/12 DCRB Residual Market Rates
12/1/13 - 11/30/14	12/1/13 DCRB Residual Market Rates
12/1/14 - 11/30/15	12/1/14 DCRB Residual Market Rates
12/1/15 - 11/30/16	12/1/15 DCRB Residual Market Rates
12/1/16 - 11/30/17	12/1/16 DCRB Residual Market Rates
12/1/17 - 12/31/17	12/1/17 DCRB Residual Market Rates

\* U S L & H - United States Longshore and Harbor Workers Act Coverages. U S L & H data should be excluded from Calls #1, #8 and #9.

### 3. **Accumulated Standard Earned Premium at Bureau Designated Statistical Reporting Level**

You are required to report Accumulated Standard Earned Premium generated by the application of large deductible coverage on a **net** basis (**after** premium deductible credits) for each of the indicated policy years. Specifically, for any given policy year, you are to report the entire Standard Earned Premium since policy inception through December 31, 2017, for those policies becoming effective during the policy year being reported.

For each policy year indicated, the Accumulated Standard Earned Premium at Bureau Designated Statistical Reporting Level shall be the accumulated earned premium for that particular policy year resulting from standard rating procedures after the application of:

1. Experience Rating Plan Adjustments
2. Expense Constants (In Pennsylvania and Delaware, for voluntary business subsequent to the implementation of Loss Costs, the Expense Constants at the Bureau Designated Statistical Reporting Level are 0.)
3. Loss Constants (In Pennsylvania and Delaware, for voluntary business subsequent to the implementation of Loss Costs, the Loss Constants at the Bureau Designated Statistical Reporting Level are 0.)
4. Construction Classification Premium Adjustment Program (PA & DE)
5. Delaware Workplace Safety Program (policies with effective dates prior to 7/1/99)
6. Premium Credits for Large Deductible Coverage

7. Assigned Risk rating programs, surcharges, etc.

but prior to the application of:

1. Deviations from Bureau Designated Statistical Reporting Levels
2. Retrospective Rating Plan Adjustments
3. Other Individual Risk Rating Plan Adjustments (e.g., Schedule Rating)
4. Premium Discounts
5. Payment of Policyholder Dividends
6. Premium Credits for Pennsylvania Certified Safety Committee Credit Program
7. Delaware Workplace Safety Program (policies with effective dates on or after 7/1/99)
8. Merit Rating Plan (Pennsylvania and Delaware)
9. Terrorism premium as coded under Statistical Classification 9740
10. Catastrophe (Other than Certified Acts of Terrorism) premium as coded under Statistical Classification 9741

**Note:** For policies effective 7/1/98 through 9/30/99, Pennsylvania Employer Assessments were included as a part of PCRB loss costs and PCRB Designated Statistical Reporting Levels. Therefore, Employer Assessments for that period are included in Standard Earned Premiums at PCRB and Company Levels. For policies effective 10/1/99 and later, there was no provision for Employer Assessments in PCRB loss costs and those assessments should be excluded from Standard Earned Premiums at PCRB and Company Levels.

For every policy year where Standard Earned Premium at DSR Level is reported, Standard Earned Premium at Company Level must be reported as well.

#### 4. **Standard Earned Premium at Company Level**

The earned premium on all risks after the application of:

1. Deviations from Bureau Designated Statistical Reporting Levels
2. Experience Rating Plan Adjustments
3. Expense Constants (Carrier-charged Expense Constants)
4. Loss Constants (Carrier-charged Loss Constants)
5. Construction Classification Premium Adjustment Program (PA & DE)
6. Delaware Workplace Safety Program (policies with effective dates prior to 7/1/99)
7. Premium Credits for Large Deductible Coverage
8. Assigned Risk rating programs, surcharges, etc.

but prior to the application of:

1. Retrospective Rating Plan Adjustments
2. Other Individual Risk Rating Plan Adjustments (e.g., Schedule Rating)
3. Premium Discounts
4. Payment of Policyholder Dividends
5. Premium Credits for Pennsylvania Certified Safety Committee Credit Program

6. Delaware Workplace Safety Program (policies with effective dates on or after 7/1/99)
7. Merit Rating Plan (Pennsylvania and Delaware)
8. Terrorism premium as coded under Statistical Classification 9740
9. Catastrophe (Other than Certified Acts of Terrorism) premium as coded under Statistical Classification 9741

**Note: For policies effective 7/1/98 through 9/30/99, Pennsylvania Employer Assessments were included as a part of PCRB loss costs and PCRB Designated Statistical Reporting Levels. Therefore, Employer Assessments for that period are included in Standard Earned Premiums at PCRB and Company Levels. For policies effective 10/1/99 and later, there was no provision for Employer Assessments in PCRB loss costs and those assessments should be excluded from Standard Earned Premiums at PCRB and Company Levels.**

#### **5. Carriers Writing in Competitive Rating States**

Carriers must enter the Standard Earned Premium figures at the Bureau Designated Statistical Reporting Level in the appropriate columns on the form. Refer to the Designated Reporting Level Section for appropriate definitions.

#### **6. Carriers Writing at Deviations from Bureau Rates in Administered Pricing States**

For State Funds and other carriers writing at deviations from Bureau Designated Statistical Reporting Levels in non-competitive rating states, the Standard Earned Premiums must be adjusted to Bureau Designated Statistical Reporting Level and reported in the column labeled "Standard at Bureau Designated Stat. Reporting Level." The Standard Earned Premium at the carrier level must be reported in the column labeled "Standard at Company Level."

Carriers that do not deviate from Bureau rates must enter their Standard Earned Premium in the column labeled "Standard Bureau Designated Stat. Reporting Level" and must enter the same figure in the column labeled "Standard at Company Level."

#### **7. Accumulated Net Earned Premium**

You are required to report the accumulated net earned premium (**after** the application of deductible premium credits) on a direct basis for each of the indicated policy years. Specifically, for any given policy year, you are to report the entire net earned premium since policy inception through December 31, 2017, for those policies becoming effective during the policy year being reported. Note that in accumulated data there can be no negative entries.

For each policy year indicated, the accumulated net earned premium shall be the accumulated actual earned premium on all risks prior to the payment of policyholder dividends but after application of the following: retrospective rating plan adjustments, premium discounts, deviations from Bureau rates, schedule rating premium adjustments, merit rating premium adjustments, premium credits for Pennsylvania Certified Safety Committee Credit Program, premium credits for

the Delaware Workplace Safety Program and large deductible premium adjustments. Terrorism premiums (Statistical Classification 9740) and Catastrophe (Other than Certified Acts of Terrorism) premiums (Statistical Classification 9741) should be excluded from Call #8. The Pennsylvania Employer Assessments are not considered premium and should be excluded for all policies effective on or after July 1, 1998.

**8. Accumulated Incurred Losses**

You are required to report accumulated total incurred losses (i.e., from date of inception through December 31, 2017) on a **net** basis (**after** the deductible reimbursement). The Call further requires that accumulated total incurred losses be split into the following components: accumulated indemnity losses (separately for Paid, Outstanding Excluding IBNR - Case and Bulk, and IBNR) and accumulated medical losses (separately for Paid, Outstanding Excluding IBNR - Case and Bulk, and IBNR). The reporting of these components of incurred losses is mandatory for all carriers. Please note that for line Z only, under Outstanding Excluding IBNR and IBNR, the calendar year change should be reported rather than the accumulated total.

The Outstanding Excluding IBNR category is designed to capture case reserves and bulk reserves. For the purposes of this Call, the following working definitions may be used by carriers:

Case Reserves - Those outstanding reserves established for specific known cases which would be reported in an aggregate amount to reflect the total case reserve for the company.

Bulk Reserves - Those outstanding reserves for general case reserve inadequacy, supplemental case reserves, cases that may reopen, or other reserves which are not associated with specific claims.

The goal of this reporting is to clearly isolate case reserves without impacting the carrier methodology of reporting IBNR. Carriers should not alter the mix of data which has historically been allocated to IBNR, since doing so would adversely impact the Bureaus' development of IBNR data.

For this reason, carriers who have reported bulk reserves in IBNR should continue to do so. In Section #2 of the Reporting Form, these carriers should respond "Yes" to the interrogatory regarding bulk reserves.

Those carriers who report bulk reserves in the Outstanding Excluding IBNR category should respond "No" to the interrogatory regarding bulk reserves on Section #2 of the Reporting Form. These carriers should have data reported in both the case reserves and bulk reserves.

## 9. Claim Count Information

### a. Incurred Indemnity Claim Count

The incurred indemnity claim count (i.e., the accumulated number of claims for which an indemnity payment has been made and/or an outstanding reserve exists) must be reported on a mandatory basis for Policy Years 1990 and subsequent.

The incurred indemnity claim should exclude claims that start out with an indemnity reserve, but were resolved as medical only claims or closed without payment. If a claim, which was originally thought to include indemnity losses, turns out to be a medical only claim, the incurred indemnity claim count should be reduced at the time of discovery.

The incurred indemnity claim count should include claims that start out as medical only but were resolved as indemnity at future valuations. If a medical only claim develops indemnity, then the indemnity claim count should be increased at the time the indemnity developed.

If indemnity claims are reopened, they should not be added to the incurred indemnity claim count.

Counts for claims with incurred amounts below the deductible amount should be excluded.

For PENNSYLVANIA CARRIERS ONLY, the incurred indemnity claim count reported on Call for Experience #8 should reconcile with Schedule "W", Part D-1 incurred claims for appropriate policy years.

### b. Closed (Paid) Indemnity Claim Count

This count includes those claims which are paid in full with no existing reserves. Claims that are reopened for which a case reserve exists at the valuation date should be removed from this category.

Report the accumulated number of paid and closed indemnity claims. Claims included in this count should contain indemnity or a combination of indemnity and medical.

1. Include claims that start out as medical only claims but were resolved as indemnity at future valuations.
2. Exclude indemnity claims that are resolved as medical only claims and claims closed without payment.

For PENNSYLVANIA CARRIERS ONLY, the closed indemnity claim count reported on Call for Experience #8 should reconcile with Schedule "W", Part D-1



claims closed with payment for the appropriate policy years.

c. Open (Outstanding) Indemnity Claim Count

This includes those indemnity claims for which outstanding indemnity case reserves exist regardless of whether or not any payments have been made on those claims.

Report the total number of open indemnity claims which have outstanding reserves at year end. Claims with both indemnity payments and outstanding indemnity are also counted in this column.

If a claim previously closed with indemnity payment is reopened in the year and remains open at the valuation date, then the open indemnity claim count should be increased.

For PENNSYLVANIA CARRIERS ONLY, separate reporting of open and closed claims is required for Policy Years 1990 and subsequent since this data is consistent with and available in Schedule "W".

For DELAWARE CARRIERS ONLY, separate reporting of open and closed claims is required for Policy Years 1993 and subsequent. (Those carriers who are in a position to do so are requested to report the open and/or closed indemnity claim counts for as many policy years prior to 1993 as possible.)

Please note that if a carrier is able to capture open indemnity claims then you may be able to report closed indemnity claims from the total indemnity claims. This can be done by subtracting the open indemnity claims from the total indemnity claims.

d. Paid Losses on Closed Claims

Report the accumulated losses paid on claims included in the Closed (Paid) Claim Count. Once again, note if a carrier is able to capture incurred (paid plus outstanding) losses on open indemnity claims then they may be able to report indemnity losses on closed claims. This can be done by subtracting the incurred (paid plus outstanding) losses on open indemnity claims from the total indemnity losses.

If a claim previously closed with payment is reopened in the year and remains open at the valuation date, then the losses paid on the claim should be excluded from the Paid Losses on Closed Claims.

In addition, medical losses paid on closed medical only claims should be included.

All of the information reported relating to indemnity claim counts should be reported consistently with incurred losses; i.e., on a direct basis excluding "F" classifications, underground coal mines, excess policies, National Defense Projects as well as coverages included in Call #1.

**10. Allocated Loss Adjustment Expense**

FOR PENNSYLVANIA CARRIERS ONLY, the reporting of Allocated Loss Adjustment Expense in this call is not required. Columns (23) through (26) should be left blank for Pennsylvania reporting.

For DELAWARE CARRIERS ONLY, starting in 1995 (data valued as of December 31, 1994), the reporting of Allocated Loss Adjustment Expenses is mandatory for Policy Years 1994 and subsequent. Starting with Policy Year 1994, the reporting of Paid, Case and Bulk + IBNR (columns (23) through (26)) is mandatory.

Note that the Allocated Loss Adjustment Expenses reported should be consistent with the incurred losses; i.e., reported on a direct basis excluding “F” classifications, coal mines, excess policies, National Defense Projects as well as coverages included in Call #1.

**Allocated Loss Adjustment Expense Definition**

Effective January 1, 1998, the NAIC developed a new definition for Allocated Loss Adjustment Expense. For the reporting of Policy Years 1998 and subsequent, the new NAIC definition should be used.

For Policy Years 1994 through 1997, allocated loss adjustment expense should be reported according to the definition approved in filing No. 94-01.

DCRB Circular #678 announced the approval of Delaware reference filing No. 94-01 which included Attachment (14) [Filing Item U-1292], establishing a definition of allocated loss adjustment expense.

For Policy Years 1993 and prior, allocated loss adjustment expense should be reported according to the old definition of allocated loss adjustment expense.

**11. No Experience**

State reports should not be submitted for any state in which the carrier(s) has (have) never had experience. In this case, Acknowledgment Forms should be completed and submitted through the FDRA on or before the required due date so the Bureaus can positively confirm the status of those carriers who will not be submitting data for this Call. In instances where the carrier(s) failed to have experience in one or more, but not all, of the 1990 - 2017 Policy Years in a given state, enter zeroes across the appropriate Policy Year line(s) for that state.

**12. Complete Submission**

A complete Call submission per state consists of entering data in Sections #1 and #2 and submitting the Call through the FDRA.

**13. Questionnaire**

Questions relating to reserving and discounting issues are in Section #2 of Call #8.

**14. Rounding Procedure and Reporting of Credits**

Please report amounts of premiums and losses in WHOLE DOLLARS ONLY. The FDRA will not allow cents to be entered onto the form. If the values are not entered as whole dollars, the application will automatically count fifty cents and over as an extra dollar, and reject the cents if less than fifty. Negative amounts must have a negative sign in front of the number being entered.

**B. SPECIFIC INSTRUCTIONS:****1. "F" Classifications**

Experience of the "F" Classifications for policies effective January 1, 1974, and thereafter MUST BE EXCLUDED.

**2. Coal Mine Experience**

Coal Mine experience MUST BE EXCLUDED. Note that in Pennsylvania, this exclusion applies to ALL Coal Mine Experience, not just underground coal mines.

**3. Excess Policies**

Experience on excess policies MUST BE EXCLUDED.

**4. National Defense Projects**

Experience on National Defense Projects written under either the old Comprehensive Rating Plan or the new National Defense Projects Rating Plan MUST BE EXCLUDED. Experience incurred on a Defense Base should be included unless written under the National Defense Projects Rating Plan.

**5. Terrorism**

All premiums collected in connection with Terrorism (Statistical Classification 9740) MUST BE EXCLUDED. Qualifying losses should be included.

**6. Catastrophe (Other than Certified Acts of Terrorism)**

All premiums collected in connection with Catastrophe (Other than Certified Acts of Terrorism) (Statistical Classification 9741) MUST BE EXCLUDED. Qualifying losses should be included.

7. **Reinsurance**

No deductions shall be made from premiums and losses for or on account of reinsurance ceded. Premiums and losses arising from reinsurance received by the reporting company shall be excluded from the experience. Experience should be DIRECT BUSINESS ONLY.

8. **Assigned Risk**

Experience for assigned risk policies must be INCLUDED. Assigned risk policies must be reported at the level of approved assigned risk rates.

9. **Experience Incurred Under Occupational Disease Act**

Experience incurred under any Occupational Disease Act, which is separate and distinct from the Compensation Act for the state, shall be combined with the traumatic experience under the State Compensation Act, and the total of such combined experience shall be reported.

10. **IBNR**

Losses reported by state should include an appropriate reserve for incurred but not reported cases. The IBNR reserve must be reported separately for indemnity and medical.

Commencing with the Policy Year Call valued as of December 31, 1986, the Outstanding Excluding IBNR category has been further refined to capture case reserves and bulk reserves.

This reporting clearly isolates case reserves without impacting the carrier methodology of reporting IBNR. Carriers should not alter the mix of data which has historically been allocated to IBNR, since doing so would adversely impact the Bureaus' development of IBNR data.

11. **Reopened Cases**

Include an appropriate loss reserve for reopened cases in the IBNR reserve.

12. **Reserves for Specific Contingencies**

Include medical and other loss reserves to meet specific contingencies in the IBNR reserve.

13. **Other Voluntary Reserves**

Exclude voluntary reserves other than those mentioned above.

**14. Expenses**

Exclude all expenses, allocated or unallocated, except allocated Employers Liability loss adjustment expense from losses. Allocated loss adjustment expense is to be separately reported (Delaware only).

**15. Assessments and Special Compensation Funds**

The inclusion of assessments and other compensation special funds as incurred losses in this Policy Year Call follow the same instructions that apply in reporting of experience under the Bureaus' Workers Compensation Unit Statistical Plan Manual. Specifically, where the compensation law states that, in connection with a certain type of injury, a specified amount shall be paid into special funds (e.g., a Second Injury Fund), and that such amounts are in addition to the compensation payable to the injured worker or his dependents, then the combined total amount shall be reported as incurred indemnity losses. Examples are (1) payments in no dependent death claims, and (2) a specified percentage of the permanent partial award. However, any special payments to the states, which are assessed on total premium writings, total losses paid or incurred, or total indemnity losses paid or incurred instead of on a per-claim basis, shall not be reported as losses to the Bureaus. In other words, special funds or assessments are reported as incurred losses only when the assessment is levied on certain types of injuries.

Please note that the due dates for reporting this data is on or before March 15, 2018 in Delaware and April 16, 2018 in Pennsylvania. It is urged that every effort be made to comply with these reporting dates, as a delay in receiving this data will seriously hamper the Bureaus in the preparation of filings.