



STATE ACTIVITY REPORT

2022

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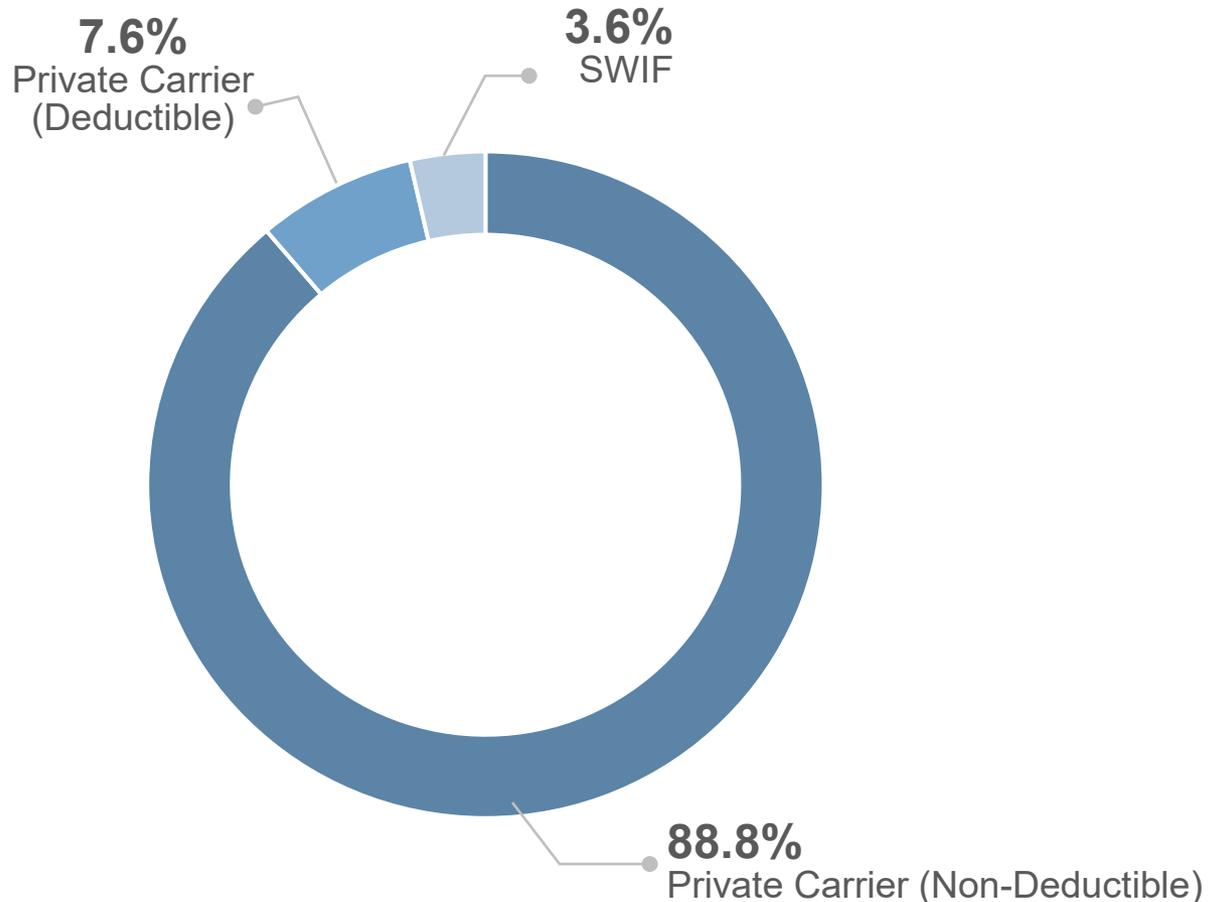
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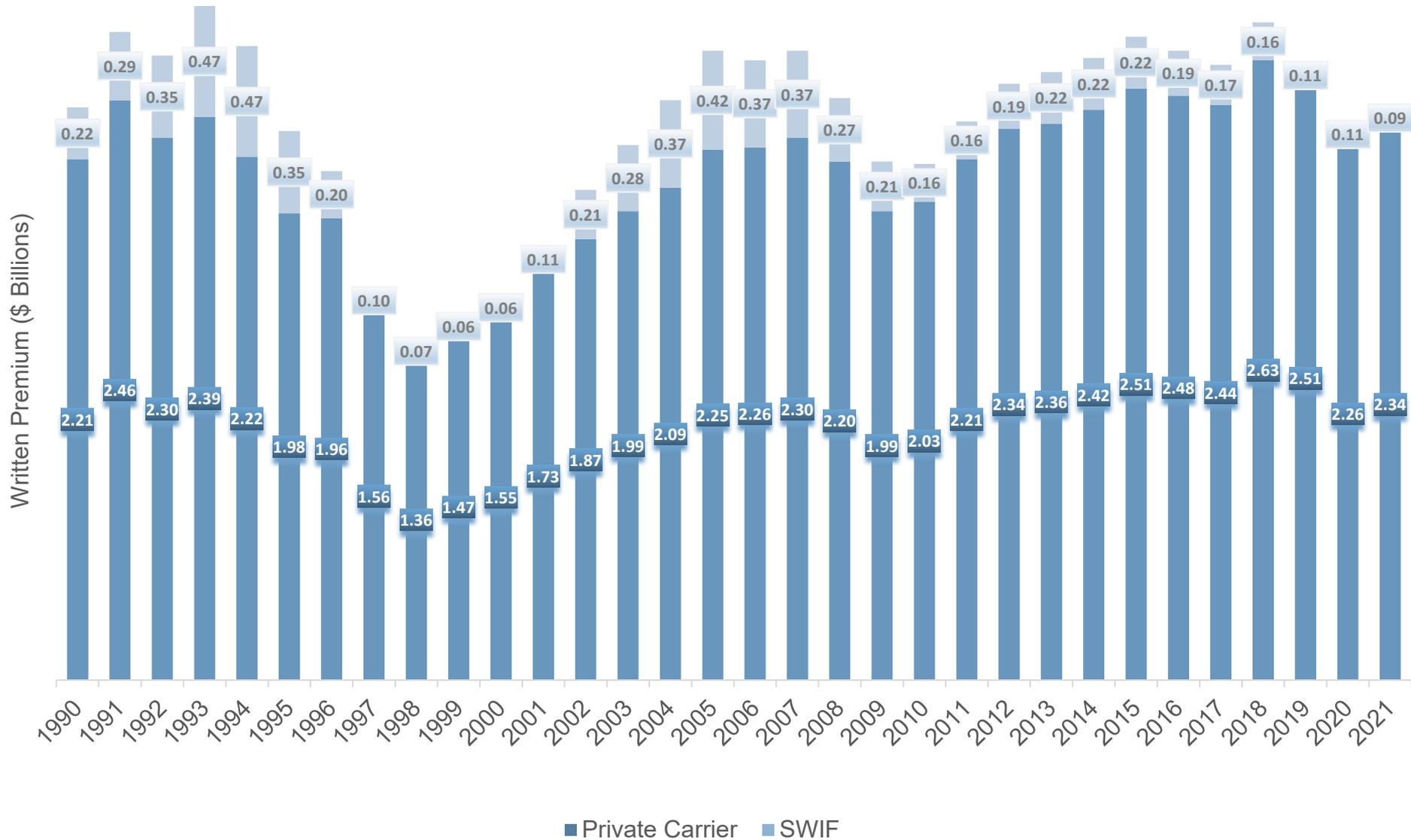
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Pennsylvania Market Share

Pennsylvania employers are required to secure their liability through private insurance, a state fund, self-insurance, or self-insured groups. The State Workers' Insurance Fund (SWIF) operates as an enterprise fund within the Department of Labor & Industry that guarantees workers insurance coverage to many Pennsylvania companies. The PCRB collects data from all private insurance carriers that write workers compensation business in Pennsylvania, including SWIF.



Workers Compensation Premium



Source: A.M. Best, Inc., Best's State/Line Report, Written Premium

Top 20 Carrier Groups

These twenty carrier groups wrote more than 74% of the insured market premium in PA in 2021.

 Carrier Group	 Direct Written Premium	 Market Share	 % Change from 2020
ZURICH	151,849,000	6.5%	-0.7%
TRAVELERS	146,413,000	6.2%	0.0%
ERIE	138,423,000	5.9%	-0.4%
ENCOVA	116,289,000	5.0%	-0.2%
HARTFORD	108,324,000	4.6%	0.4%
AMTRUST	107,063,000	4.6%	0.7%
EASTERN ALLIANCE	105,525,000	4.5%	-0.3%
STATE WORKERS INS FUND	93,741,000	4.0%	-0.5%
UPMC	92,716,000	4.0%	-0.3%
LACKAWANNA	88,413,000	3.8%	3.8%
CHUBB INA	80,375,000	3.4%	-0.4%
LIBERTY MUTUAL	76,926,000	3.3%	-0.1%
BERKSHIRE HATHAWAY	72,427,000	3.1%	-0.4%
PMA + OLD REPUBLIC	71,663,000	3.1%	0.2%
AIG	68,236,000	2.9%	0.3%
W R BERKLEY	68,095,000	2.9%	0.4%
SELECTIVE	49,259,000	2.1%	0.2%
PENN NATIONAL	40,993,000	1.8%	-0.2%
CNA	38,003,000	1.6%	0.1%
DONEGAL	35,234,000	1.5%	0.1%

Premium Demographics

Although 73% of risks are in the lowest premium range, 62% of the standard premium is in the highest premium range.

Number of Risks	Premium Range	\$ Standard Premium (000)
182,270	\$0 – 2,499	\$102,533
23,458	\$2,500-4,999	\$81,539
10,694	\$5,000-7,499	\$62,921
6,413	\$7,500-9,999	\$54,010
7,766	\$10,000-14,999	\$92,331
7,154	\$15,000-24,999	\$134,899
6,372	\$25,000-49,999	\$219,201
3,606	\$50,000-99,999	\$248,654
2,279	\$100,000-249,999	\$340,760
1,259	\$250,000 & above	\$940,979

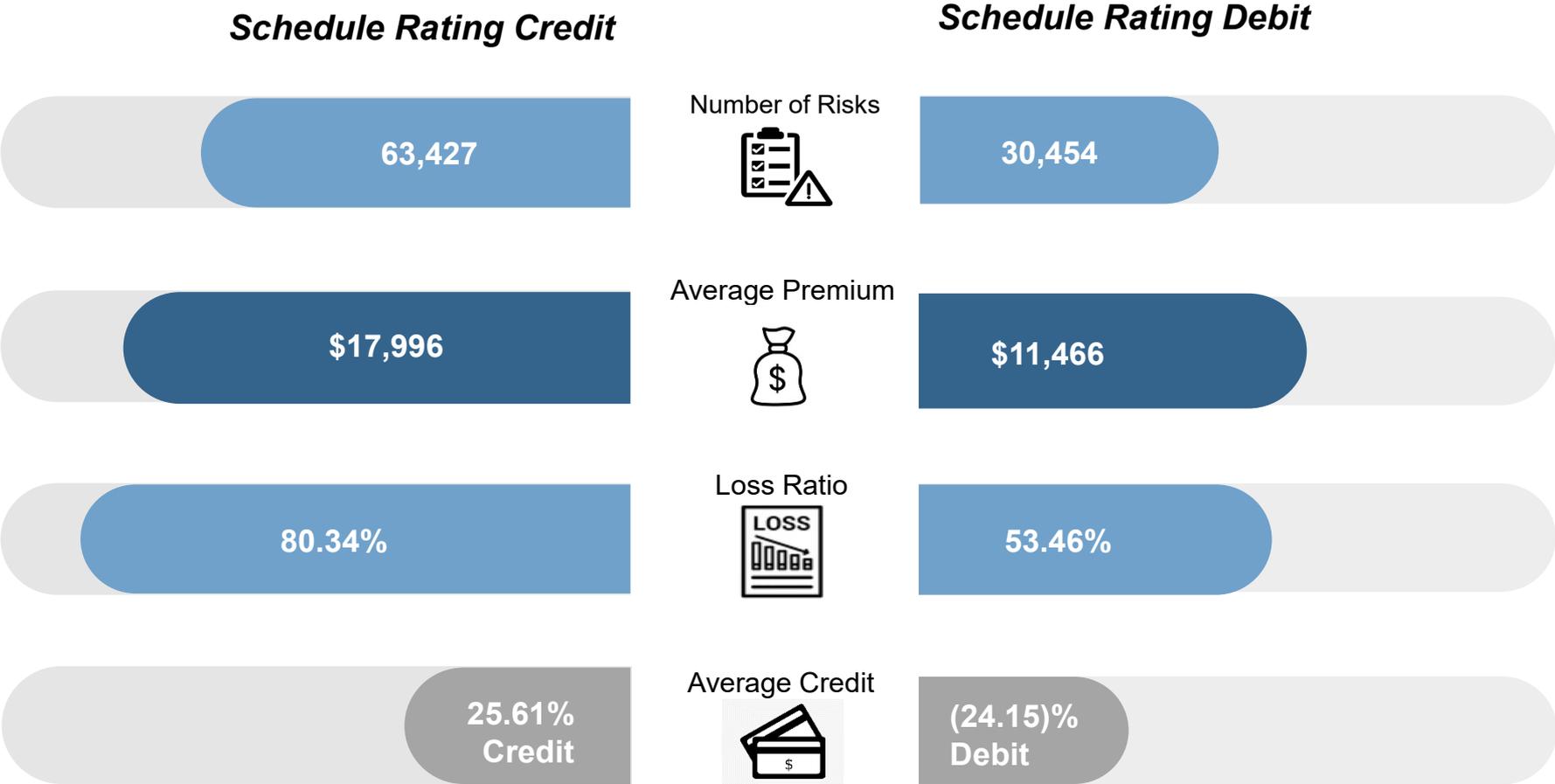
Premium Adjustment Programs Results

	Credits	No Premium Adjustment	Debits/Surcharges
Schedule Rating	25% receive average credit of 25.6%	63% do not receive a credit or debit	12% receive average debit of -24.2%
PA Certified Safety Credit Program	3% of eligible risks receive average credit of 5.0%	97% of eligible risks do not participate	Not Applicable
PCCPAP	7% of eligible risks receive average credit of 15.5%	93% of eligible risks do not participate	Not Applicable
Merit Rating Program	97.8% of qualified risks receive a 5.0% credit	2% of qualified risks do not receive a credit or debit	0.2% of qualified risks receive a 5% surcharge

Source: PA 2023 Loss Cost Filing – USR Data Policy Year 2019

Risks with Schedule Rating Credits

The loss and/or expense components of an insured risk's premium may, at the option of the underwriting carrier, be adjusted in accordance with provisions of this plan to reflect defined characteristics of the risk which, in the sole judgment of the underwriting carrier, are not adequately reflected in prior experience of the insured risk.



Source: PA 2023 Loss Cost Filing – USR Data Policy Year 2019

Claim Counts and Losses by Classification

Class Code and Description	Indemnity Claim Count	\$ Total Incurred Loss	\$ Average Incurred Loss
811: Trucking N.O.C.	1,082	76,497,592	70,700
808: Parcel Delivery Company	853	43,628,839	51,148
928: Retail Store, N.O.C.	834	29,885,891	35,834
965: College or School, N.O.C.	799	27,074,872	33,886
924: Wholesale Store, N.O.C.	749	39,448,081	52,668
917: Grocery Store	716	25,512,932	35,633
953: Office	657	24,457,417	37,226
975: Restaurant, N.O.C.	512	15,218,162	29,723
971: Automobile Dealer	493	29,040,782	58,906
960: Nursing and Convalescent Home	467	22,738,305	48,690
All Other:	20,589	1,117,324,936	54,268

These are the top 10 classes by number of lost time claims. These classes represent 26% of claims and 23% of losses.

Top 10 Classes by Payroll

The Top 10 Class Codes are unchanged from last year. They represent 58% of the total payroll.

Office, 70,997,015,291	Salesperson - Outside, 19,479,448,331		College or School, N.O.C., 13,294,428,697	
	Physician or Dentist, 10,812,389...	Engineering Consulting Firm, 6,528,644,420	Insurance Company, 5,449,471...	Law Firm, 3,983,...
		Bank, 5,568,548,573	Hospitals, 3,940,689...	Automob... Dealer, 3,755,10...

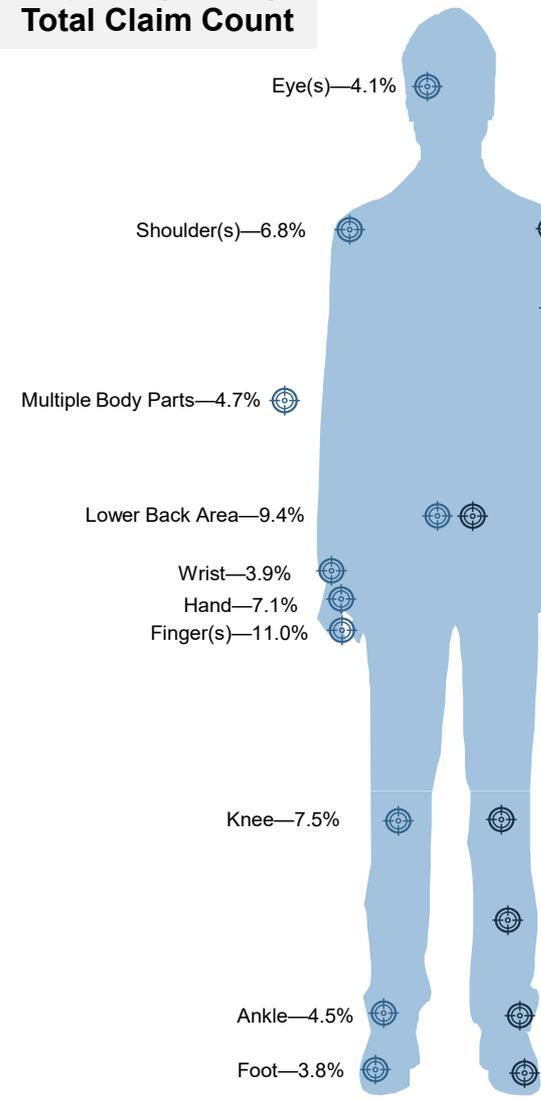
Top 10 Classes by Premium

Trucking remains the class with the highest premium.

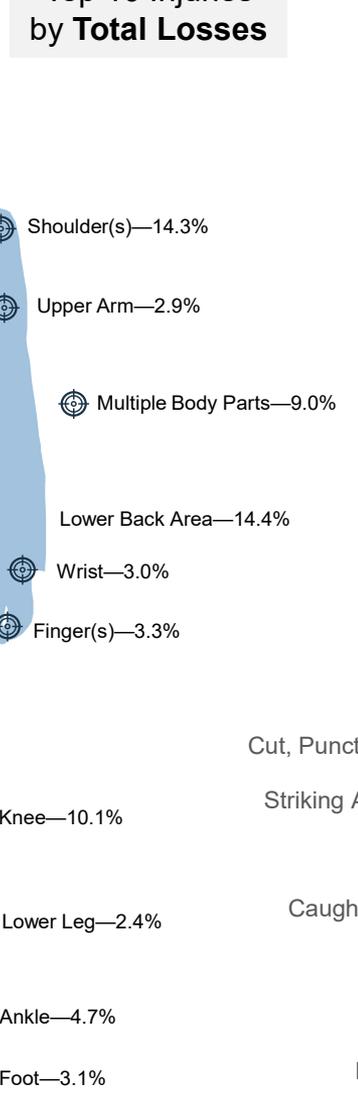
Trucking N.O.C., 104,024,258	Office, 60,749,883	Retail Store, N.O.C., 45,116,293	Commercial Buildings, 40,860,757
	College or School, N.O.C., 49,678,497	Salesperson - Outside, 40,163,964	Carpentry - Commercial, 39,908,578
Home Care Services, 63,725,228		Wholesale Store, N.O.C., 39,992,790	Carpentry - Residential, 37,547,559

Injury Description Distribution

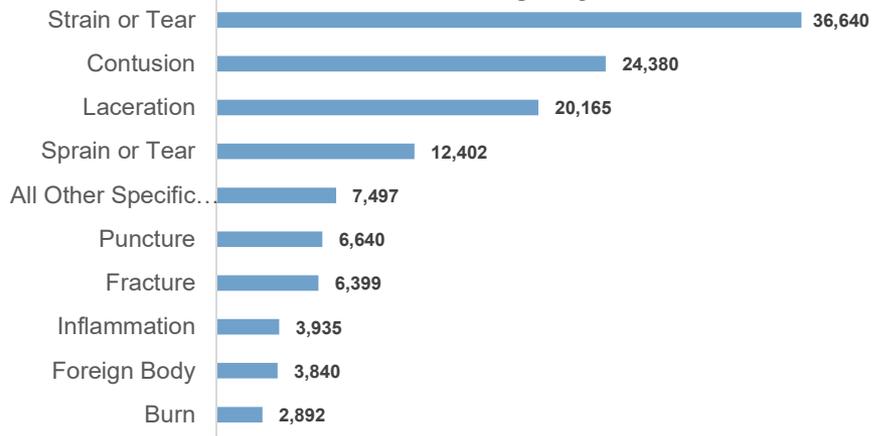
Top 10 Injuries by Total Claim Count



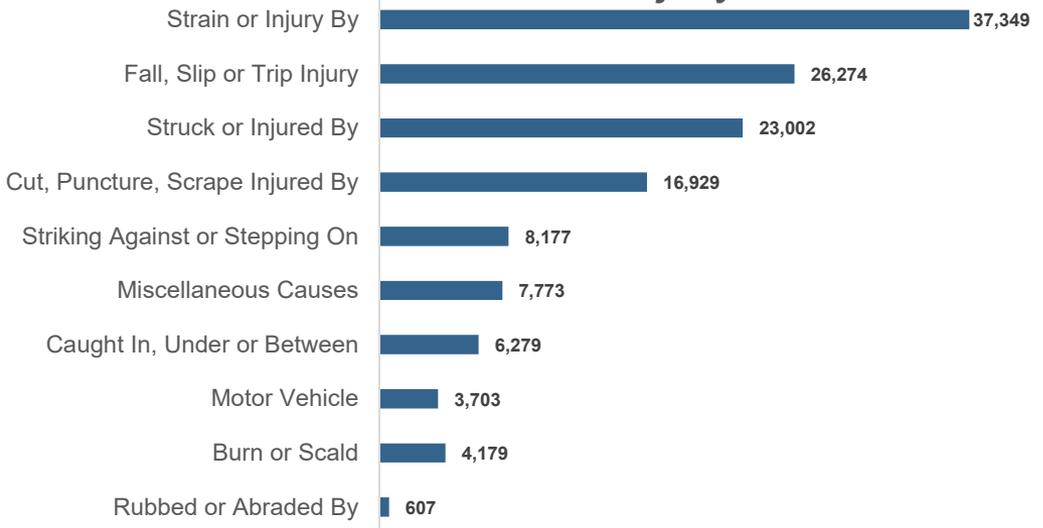
Top 10 Injuries by Total Losses



Nature of Injury



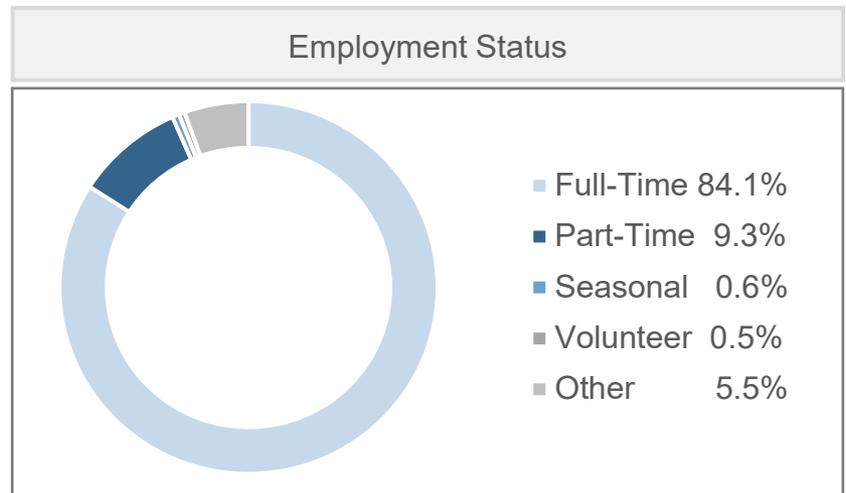
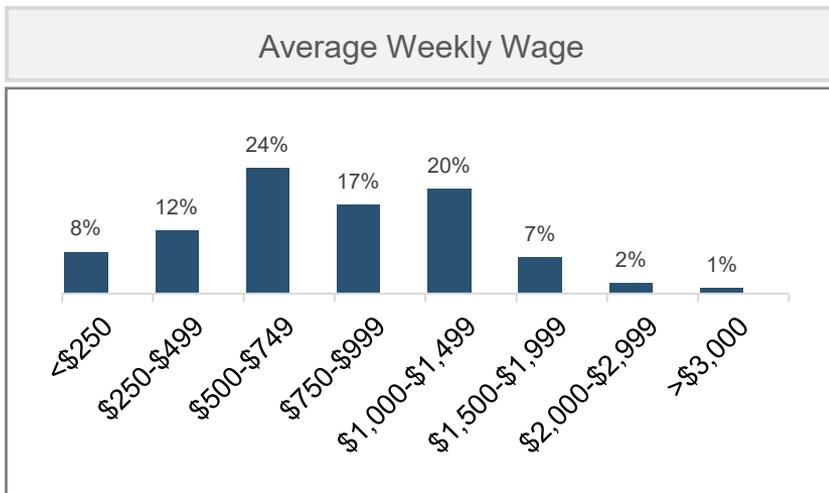
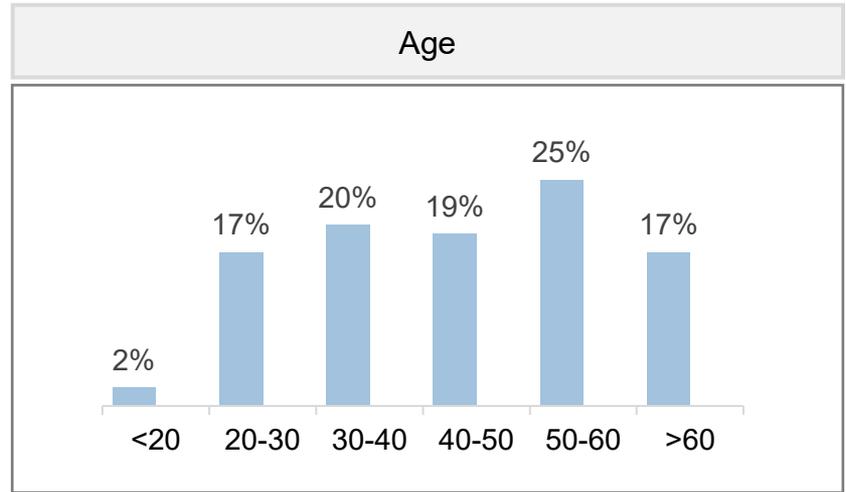
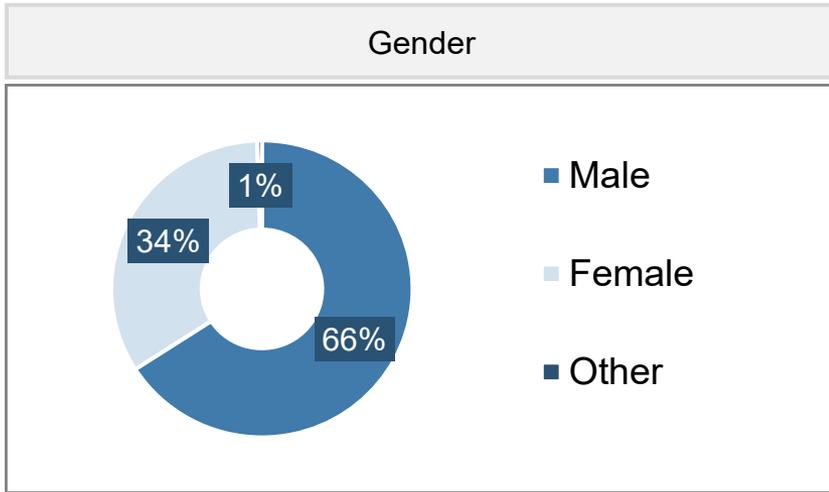
Cause of Injury



Source: PA 2023 Loss Cost Filing – Unit Data Policy Year 2019

Characteristics of Injured Workers

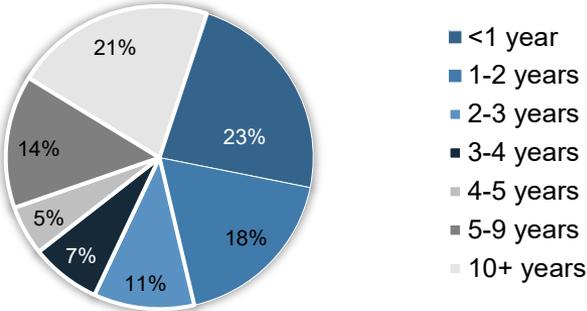
Accidents occurring in 2021 under PA jurisdiction.



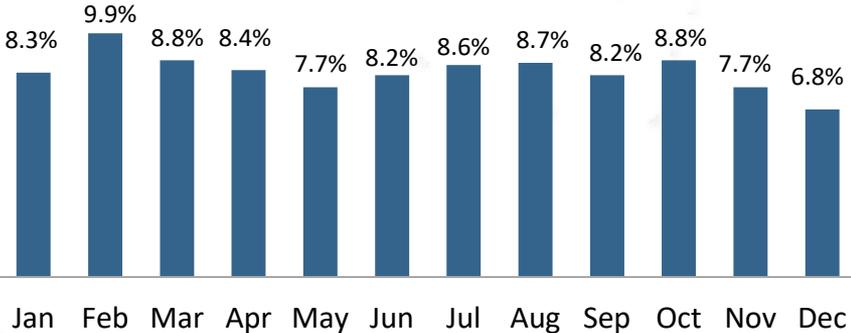
Characteristics of Accidents

Accidents occurring in 2021 under PA jurisdiction.

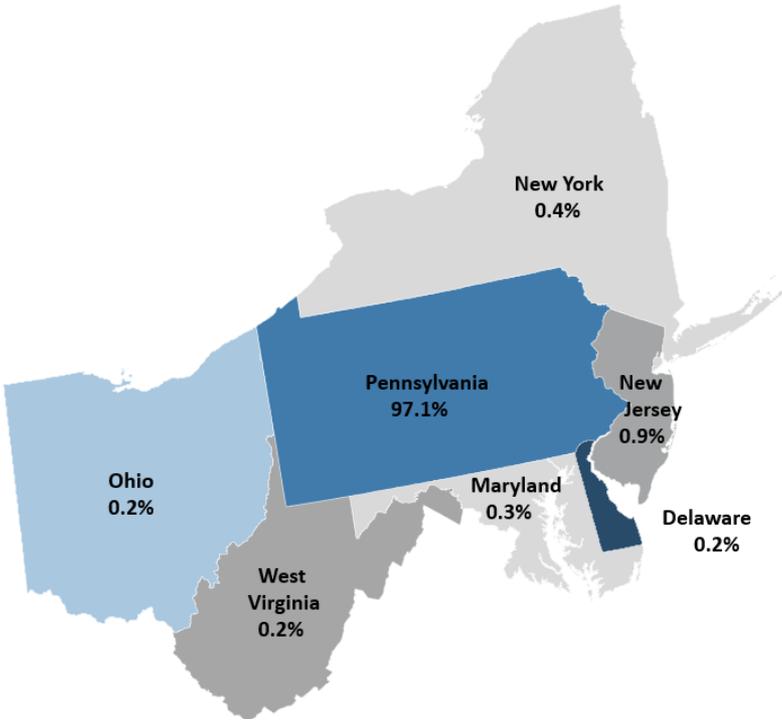
Length of Employment at Time of Accident



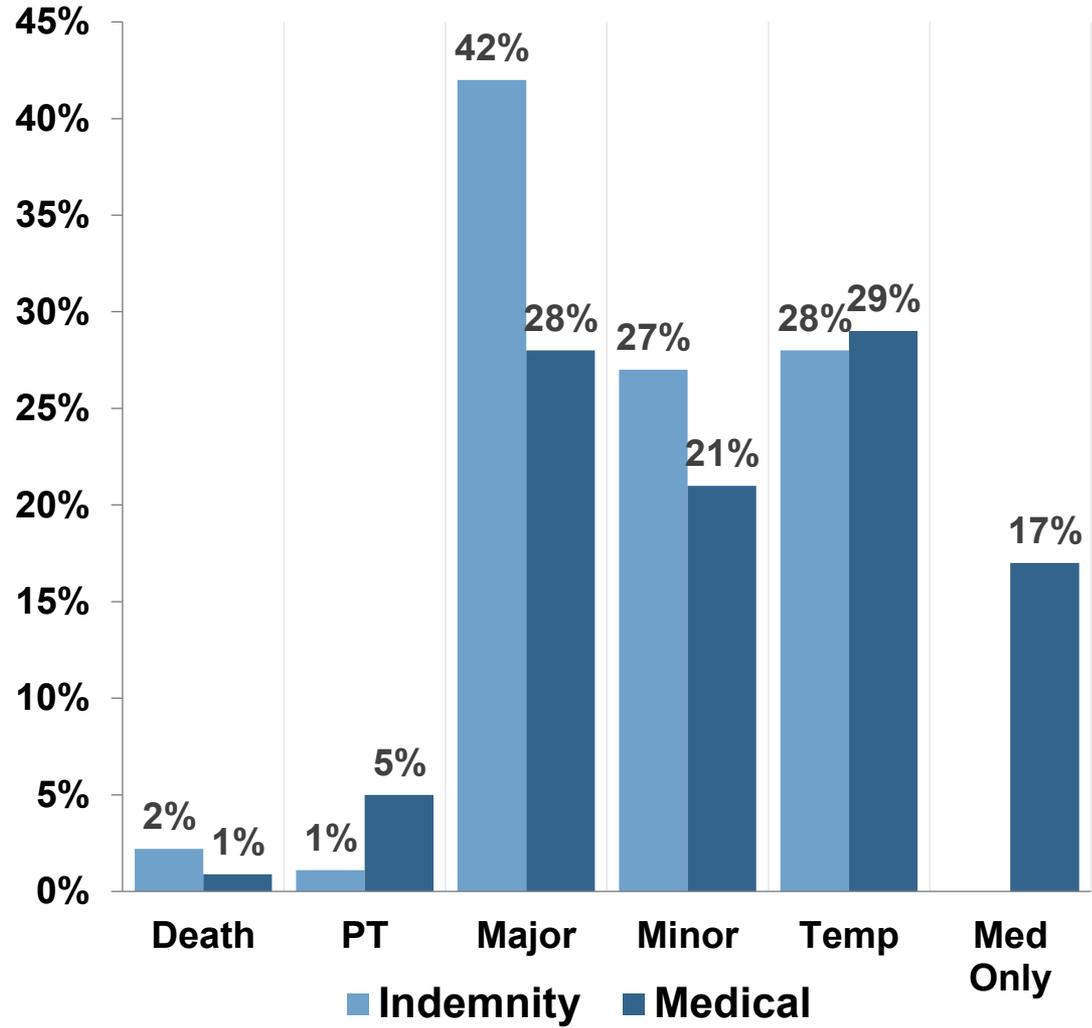
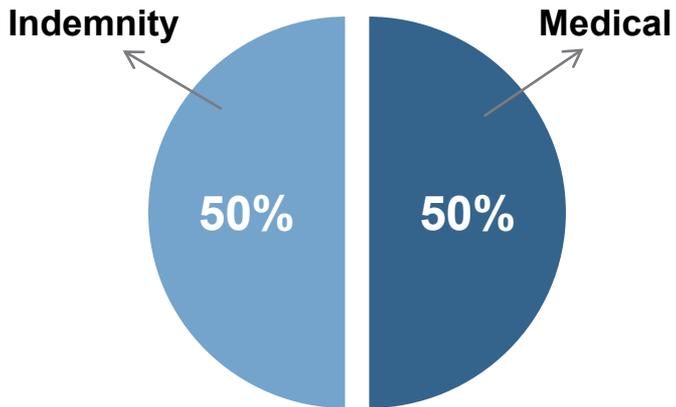
Month of Accident



Accident State



Indemnity and Medical Splits

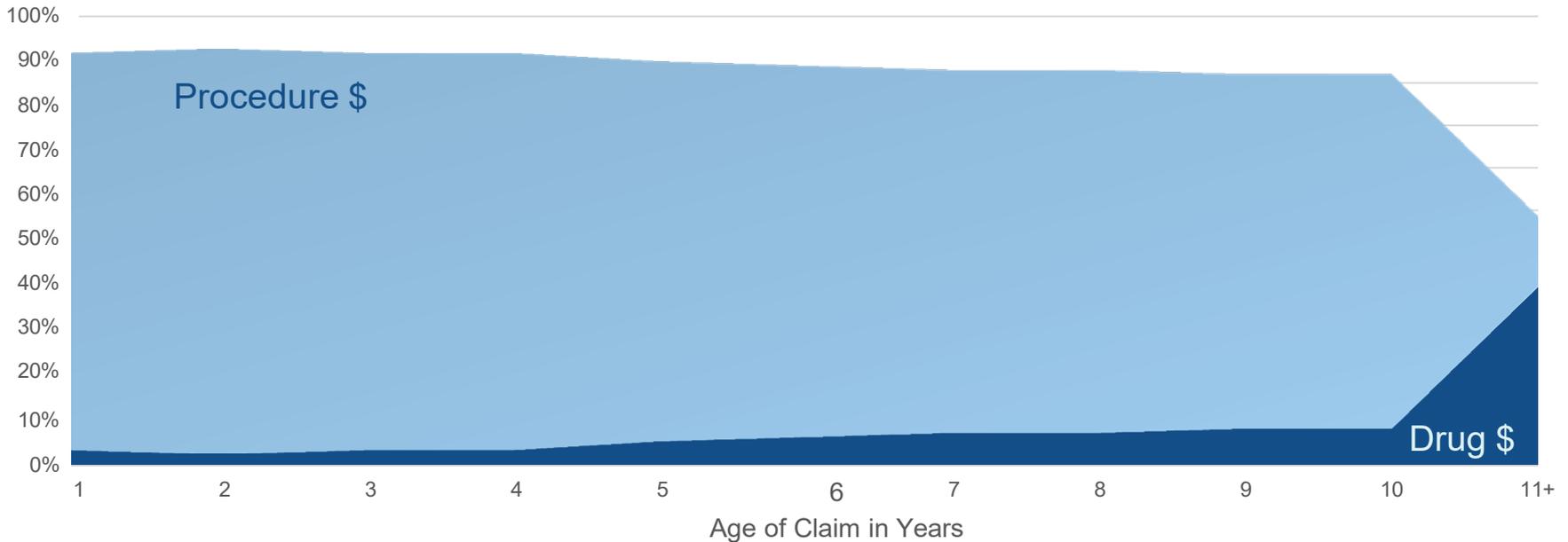


Source: PA Loss Cost Filing – Unit Data Policy Year 2019

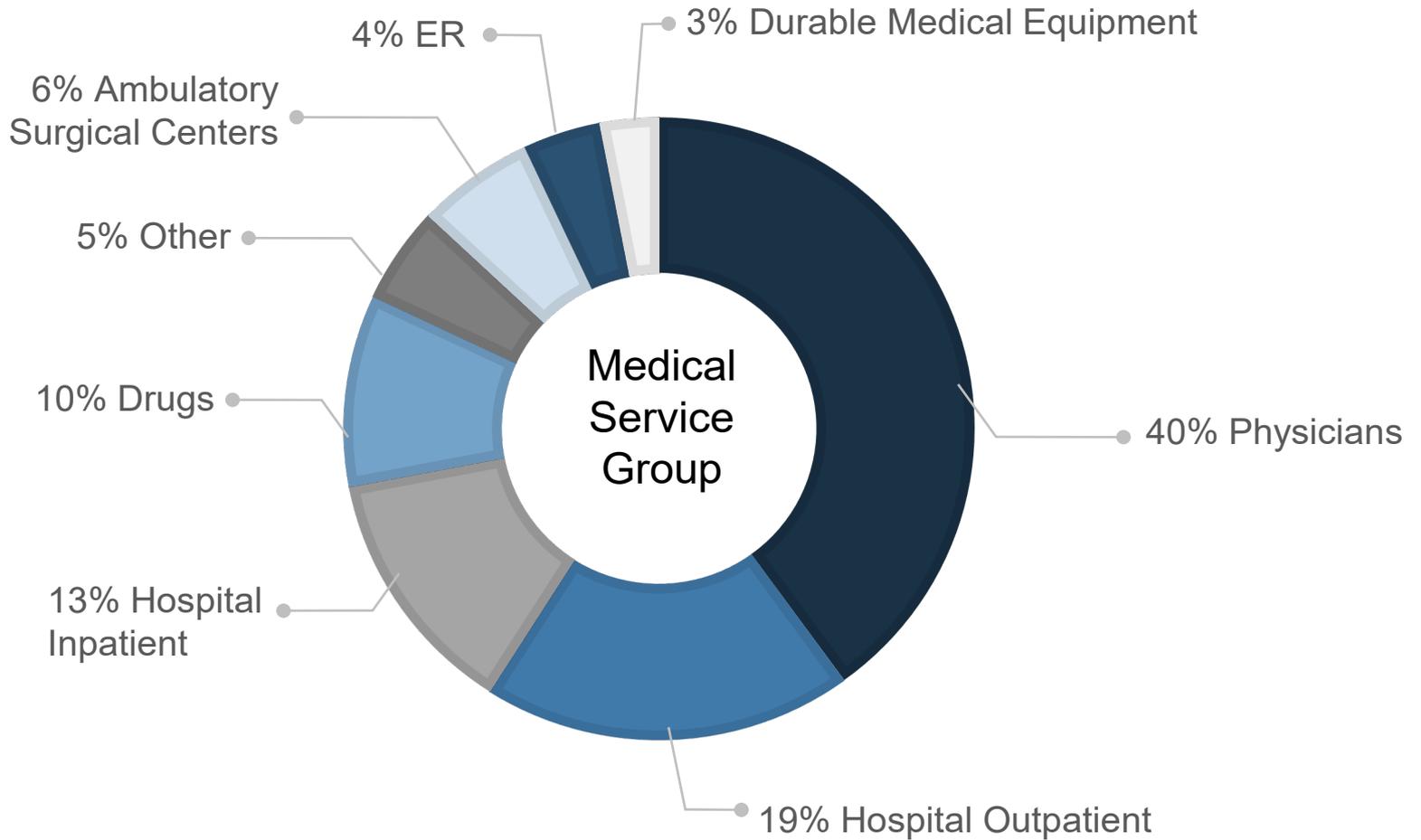
Medical Cost Breakdown

Medical treatment is a primary driver of rising medical costs. Using our Medical Data Call (MDC) data, we observe that, overall, the bulk of medical dollars are attributable to medical procedures. As the claim ages, prescription drug costs increase more rapidly as a share of medical costs. Medical expenses are not included in the MDC.

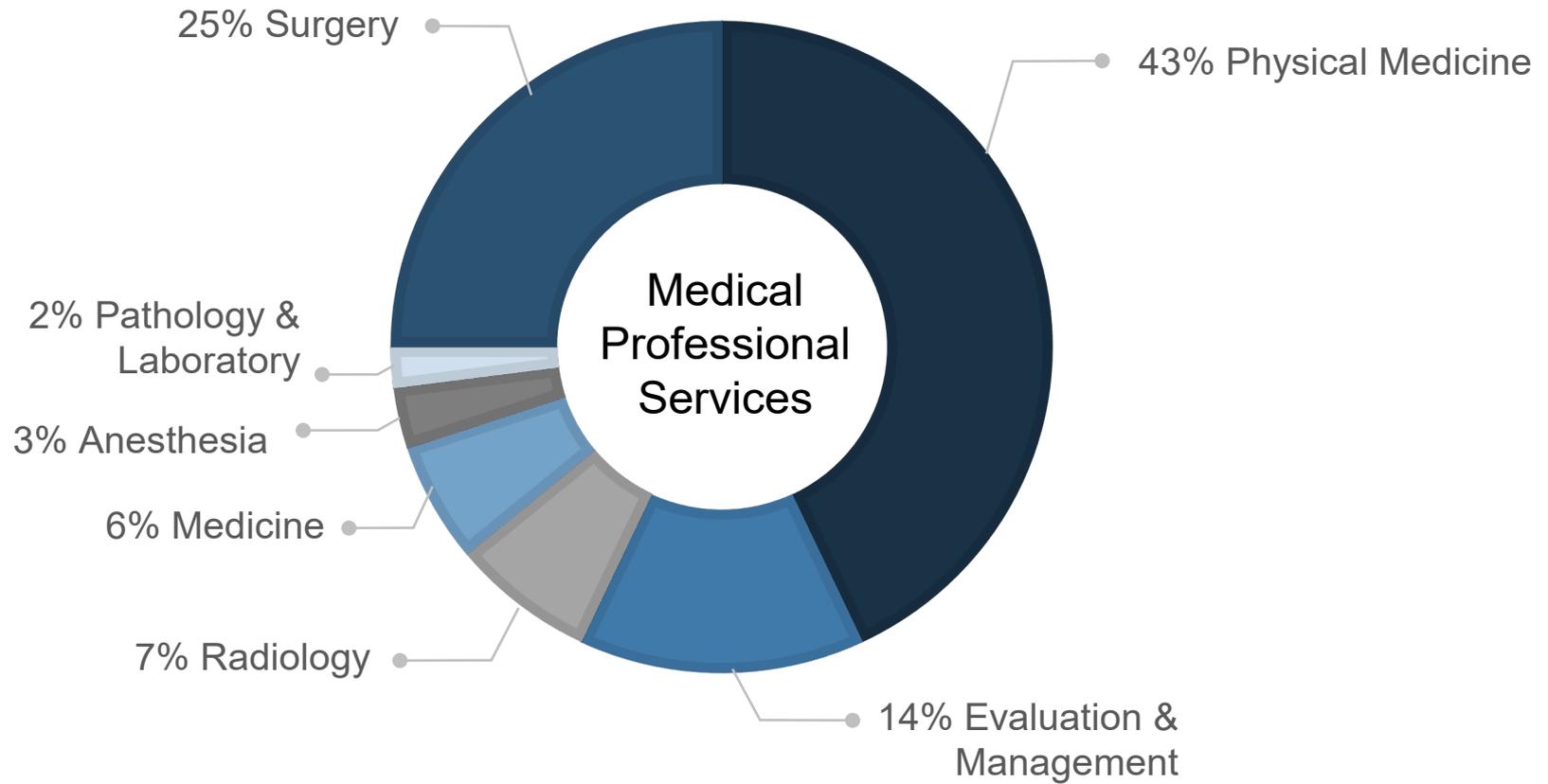
90% of medical dollars are attributed to medical procedures while 10% are due to drug costs.



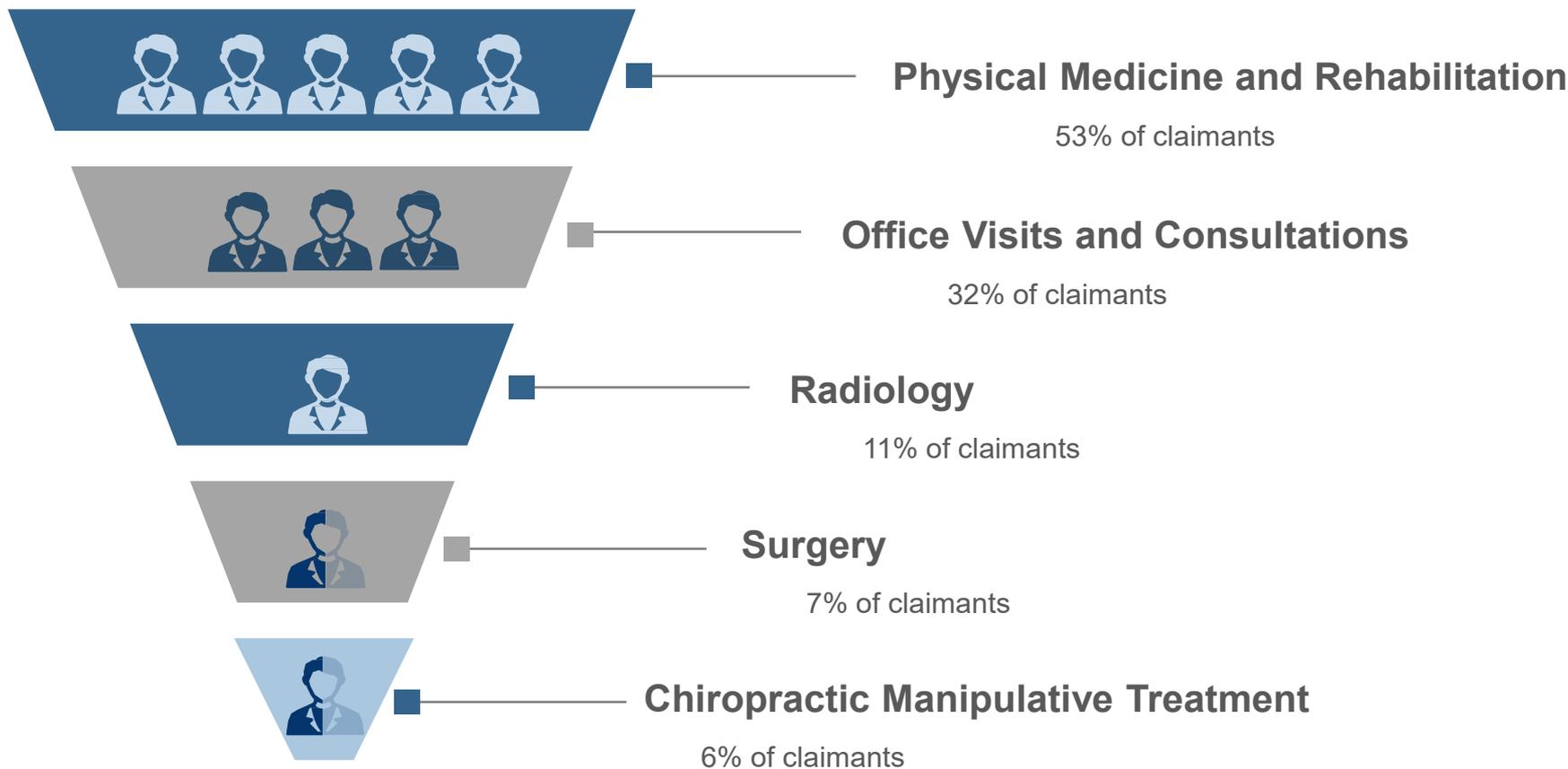
Medical Services Breakdown



Medical Services Breakdown (Continued)



Medical Visits Per Claim



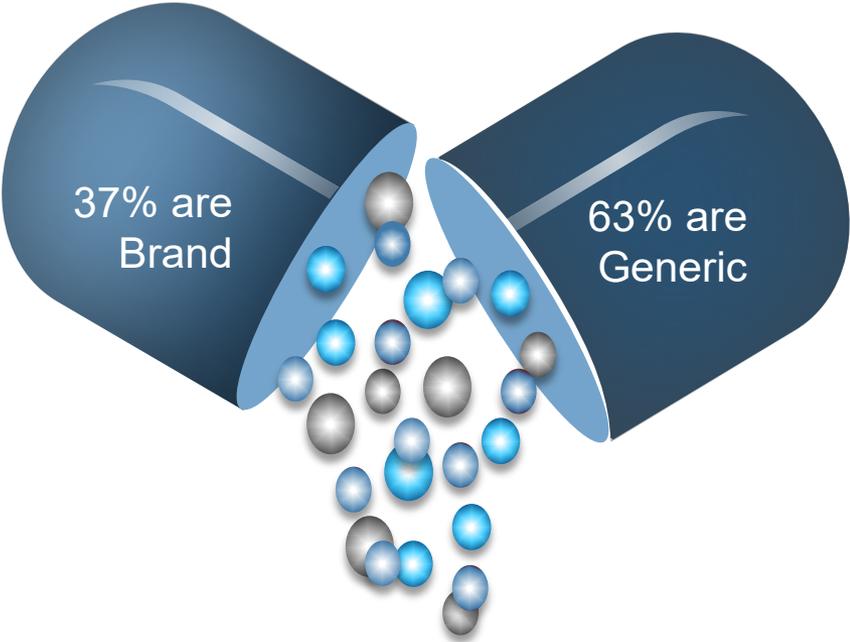
Based on 1,144,226 professional visits and 112,482 claims

*When examining the number of actual visits to a health care provider, workers compensation claimants appear to visit physical medicine and rehabilitation providers more frequently than any other health care provider.

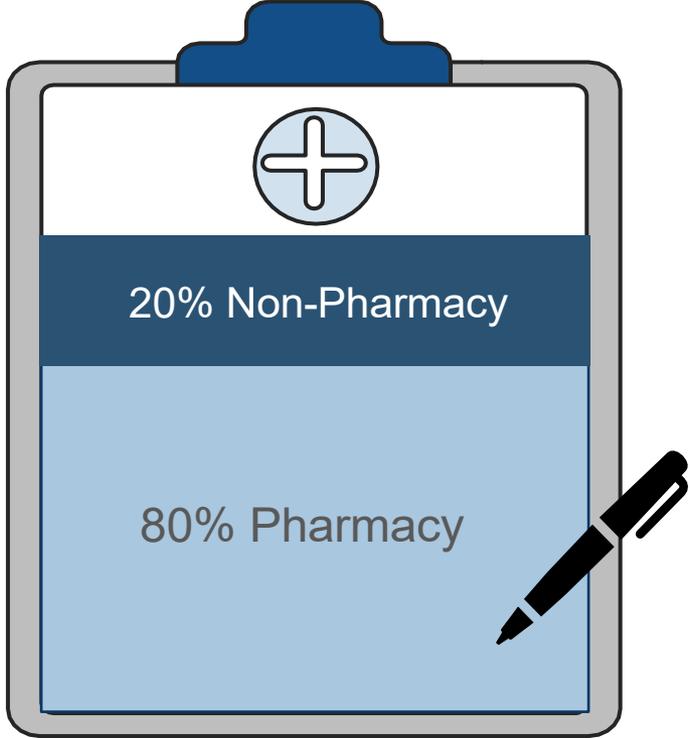
Prescription Drug Dispensing

Based on total amount paid, along with their ranks for earlier service years.

Distribution of Drugs

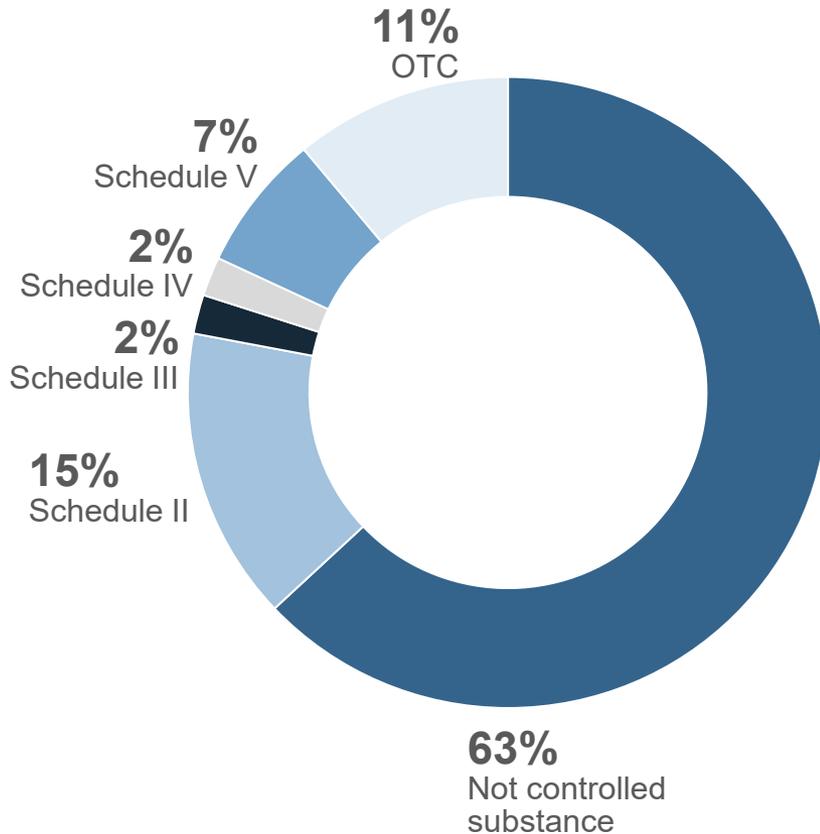


Dispensing of Drugs



Prescription Drugs

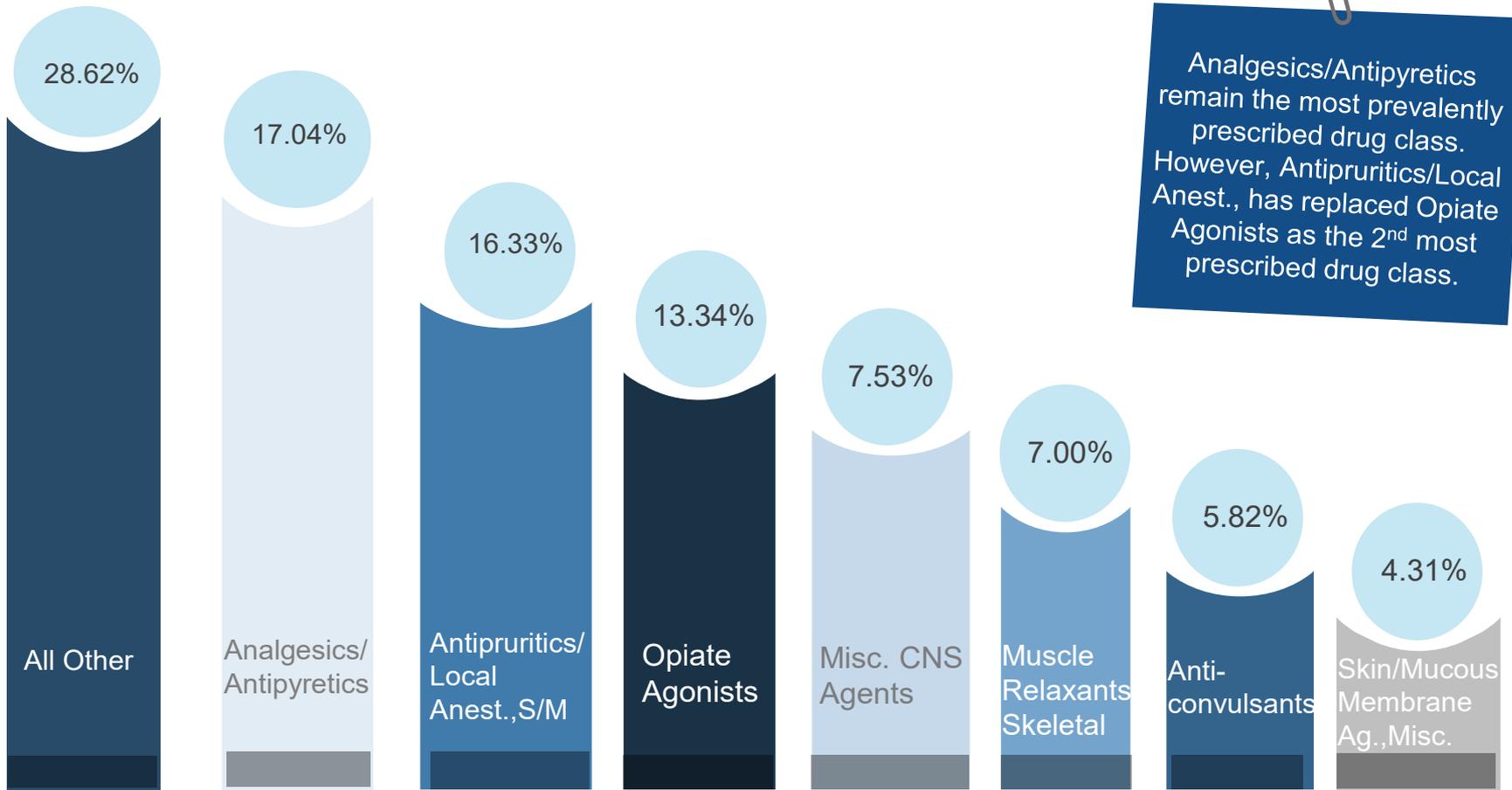
The volume of drugs prescribed to workers compensation claimants continues to grow. This is a distribution of these prescription drugs organized by the **Controlled Substance Act Schedule**, which is based on potential of abuse.



Schedule	Characteristics
I	High potential for use, with no currently accepted medical use in the U.S. Considered dangerous without medical supervision.
II	High potential for abuse, but with some accepted uses in the U.S. Abuse leads to physical and/or psychological dependence and is considered dangerous.
III	Potential for abuse, but lower than previous categories. There are accepted medical uses, and abuse can lead to mild physical dependence or great psychological dependence.
IV	Relatively low potential for abuse. Have accepted medical uses in the U.S. Abuse leads to limited dependence.
V	Low potential for abuse. Have accepted medical uses in the U.S. Abuse may lead to limited dependence.

Prescription Drugs

Therapeutic Classifications

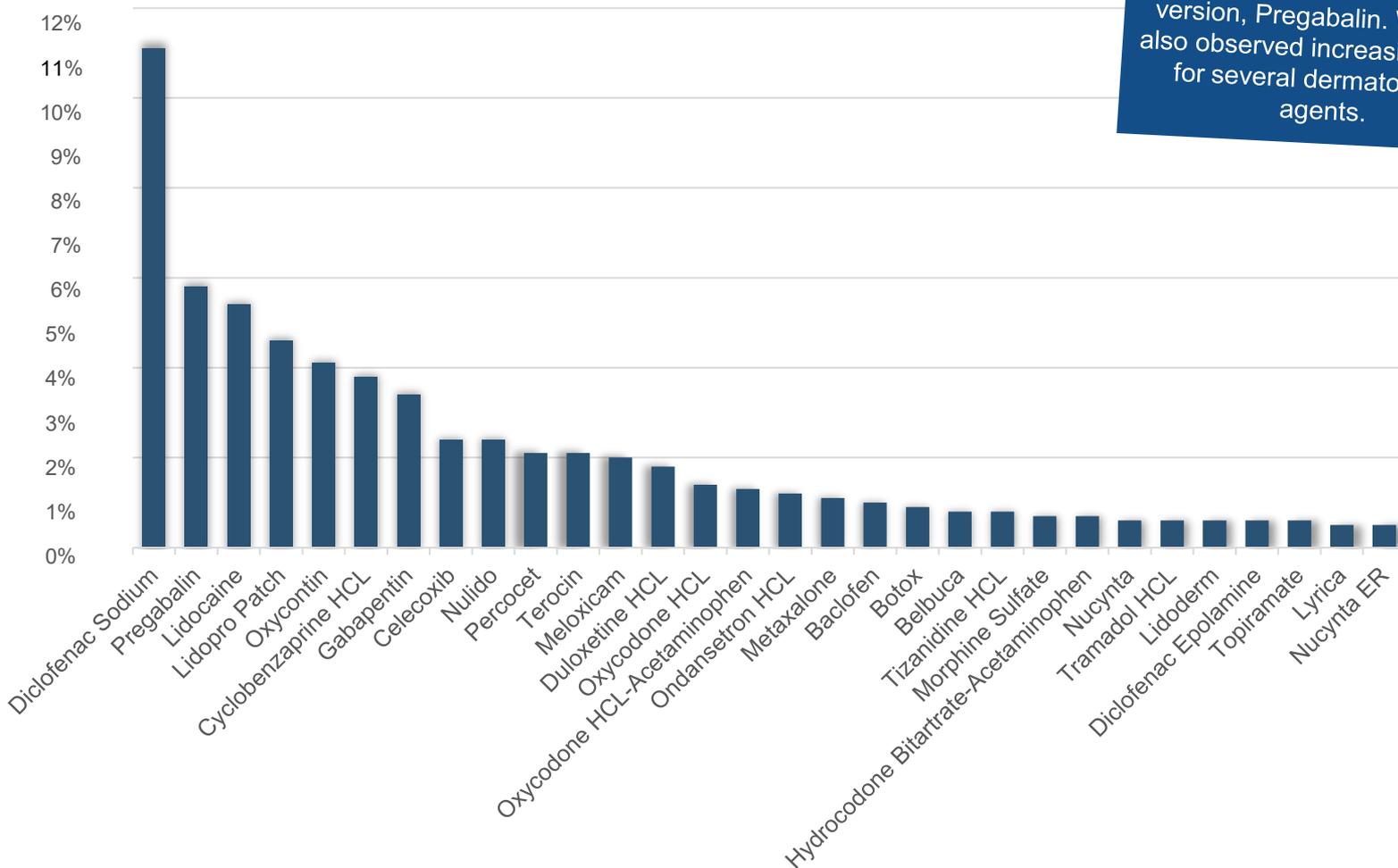


Prescribing Patterns

Paid Share Service Year 2021

Based on total amount paid, along with their ranks for earlier service years.

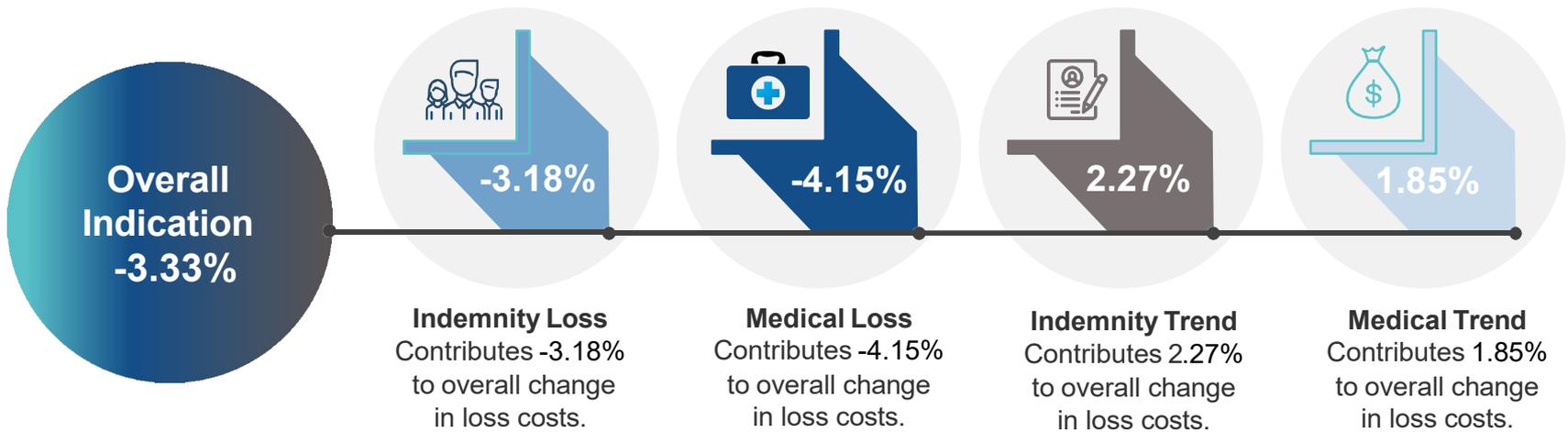
Diclofenac Sodium represents both oral/NSAID (71%) and topical (29%) versions of this top drug. Lyrica went off patent in June 2019, which caused the increasing trend in its generic version, Pregabalin. We have also observed increasing trends for several dermatological agents.



Top 30 Drugs

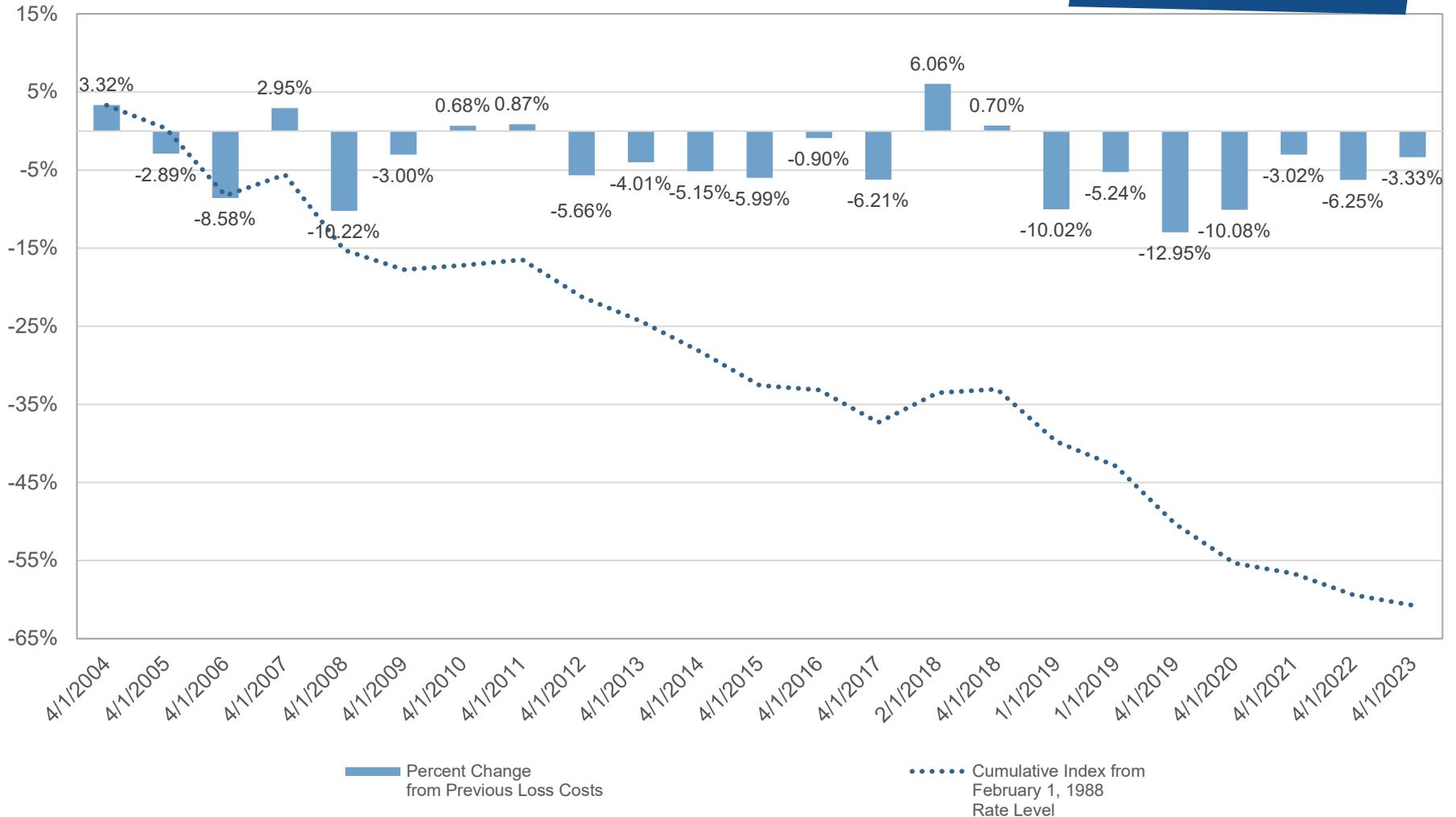
Drug Name	Rank By Service Year				
	2021	2020	2019	2018	2017
Diclofenac Sodium	1	1	2	5	2
Pregabalin	2	2	n/a	n/a	n/a
Lidocaine	3	3	3	3	5
Lidopro Patch	4	15	14	14	13
Oxycontin	5	4	1	2	3
Cyclobenzaprine HCL	6	6	13	13	14
Gabapentin	7	5	5	4	1
Celecoxib	8	8	12	12	12
Nulido	9	7	27	107	n/a
Percocet	10	9	8	9	9
Terocin	11	10	7	10	8
Meloxicam	12	11	6	8	10
Duloxetine HCL	13	13	10	11	11
Oxycodone HCL	14	12	11	6	6
Oxycodone HCL-Acetaminophen	15	14	9	7	7
Ondansetron HCL	16	16	16	n/a	n/a
Metaxalone	17	19	18	20	24
Baclofen	18	17	15	16	19
Botox	19	25	24	49	56
Belbuca	20	23	39	64	111
Tizanidine HCL	21	20	20	21	23
Morphine Sulfate	22	21	21	15	16
Hydrocodone Bitartrate-Acetaminophen	23	18	19	19	20
Nucynta	24	29	41	24	28
Tramadol HCL	25	22	17	18	18
Lidoderm	26	24	23	27	45
Diclofenac Epolamine	27	27	36	n/a	n/a
Topiramate	28	26	25	25	31
Lyrica	29	30	4	1	4
Nucynta ER	30	31	30	22	22

Components of 2022 Indication

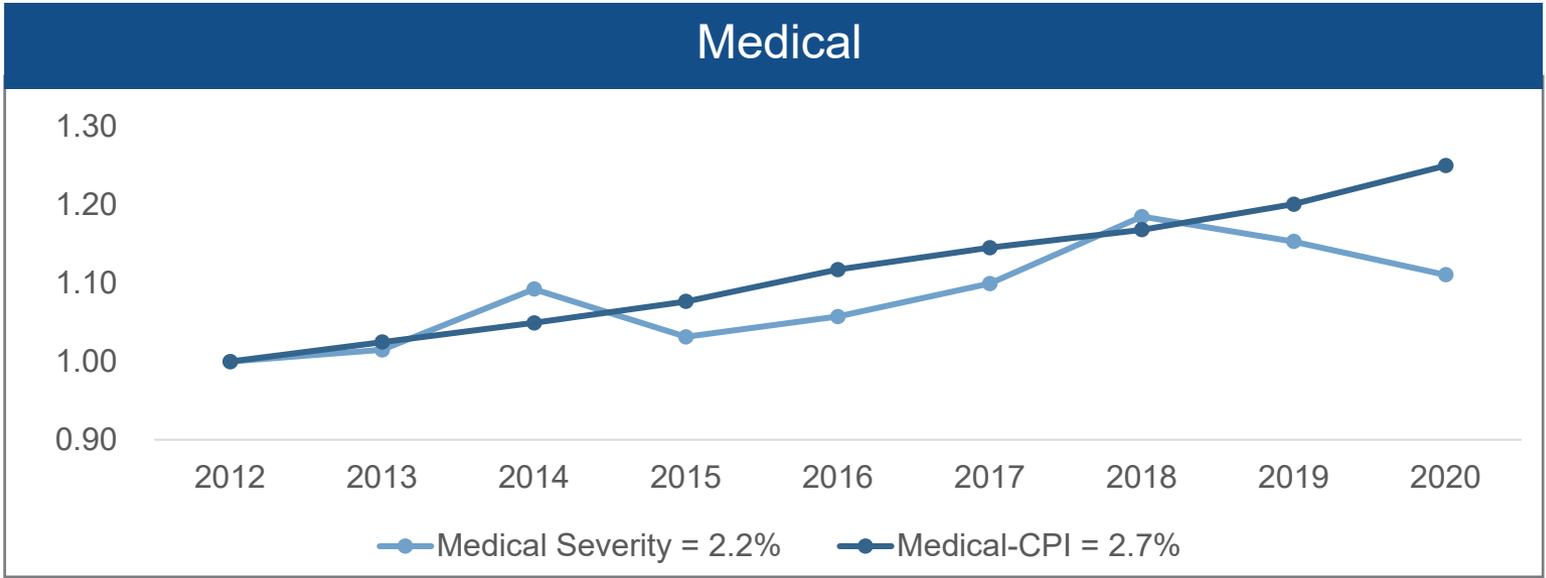
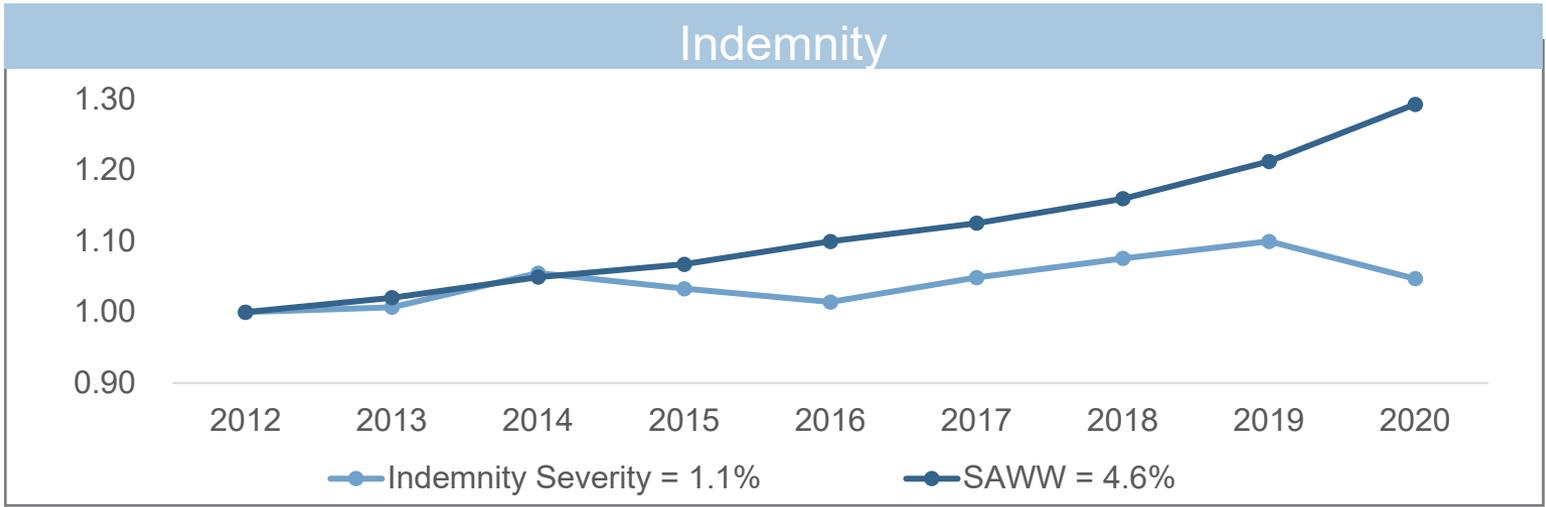


History of Loss Cost Changes

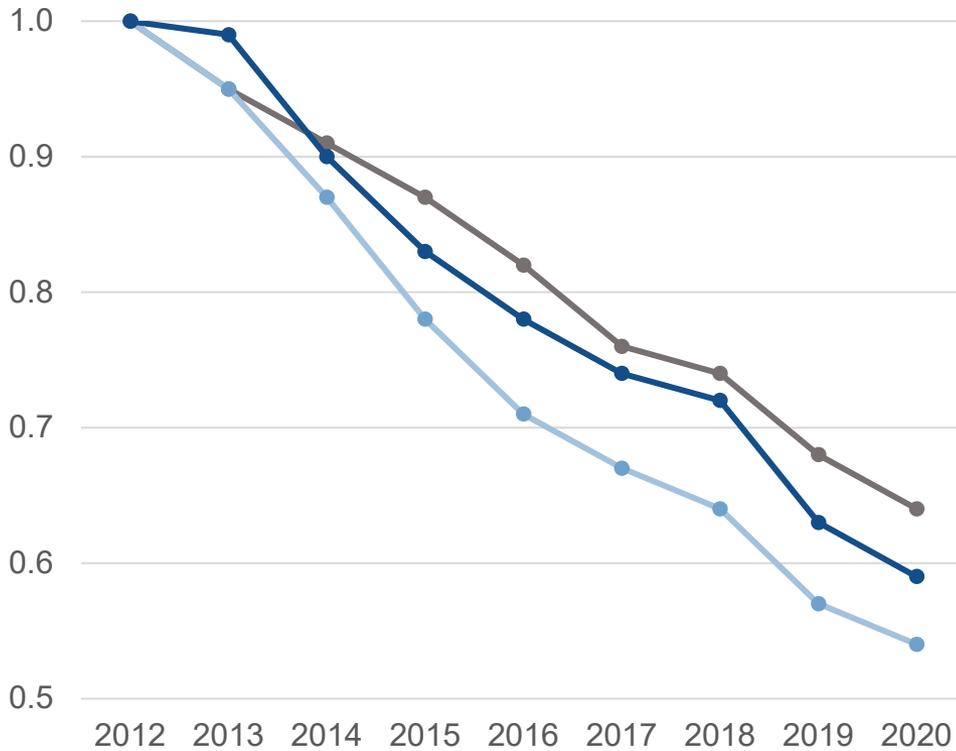
Loss Cost Levels have decreased 60.8% since 4/1/2004.



Trends in Average Cost



Frequency Trend

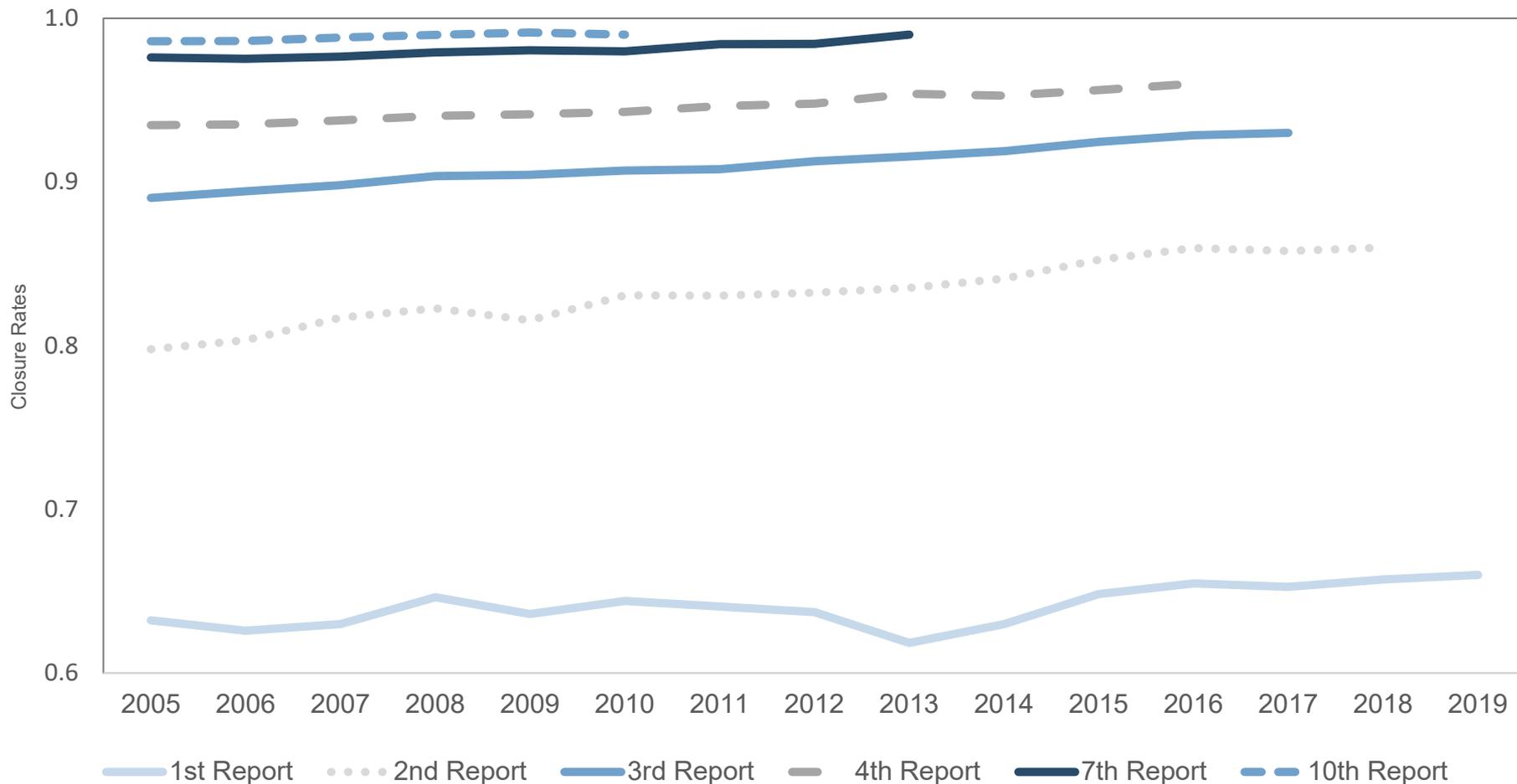


Frequency trend for all industries is -6.2%. This continues the downward long-term frequency trend that has been observed for more than 20 years.

	Manufacturing	-5.0%
	Contracting	-7.7%
	Other Industries	-5.9%

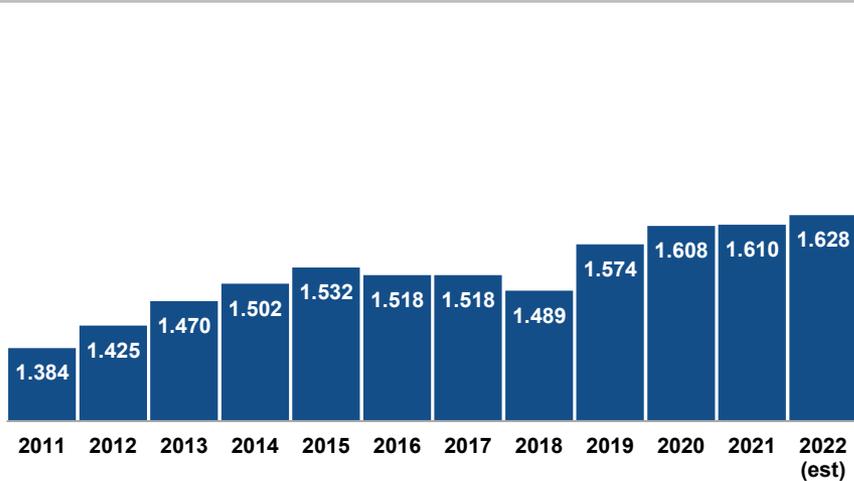
Claim Closure Rates

Claim closure rates continue to rise across all reporting levels except 10th report.

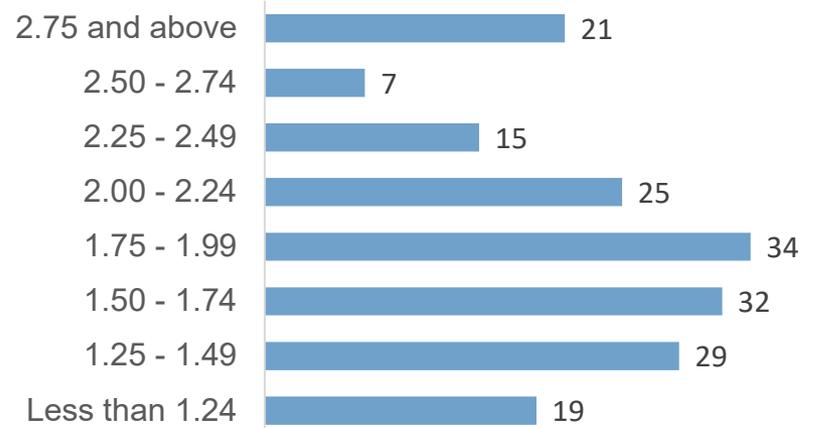


Insurance Carrier Pricing

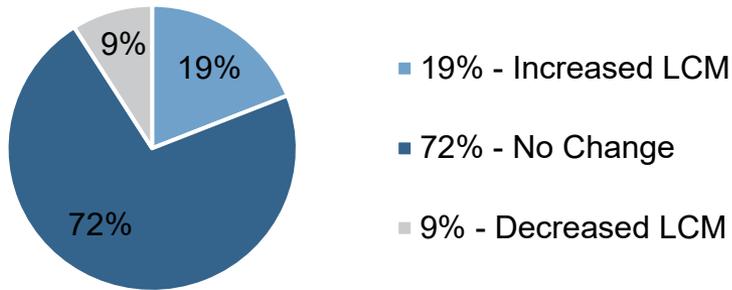
Implied Average Loss Cost Multiplier History



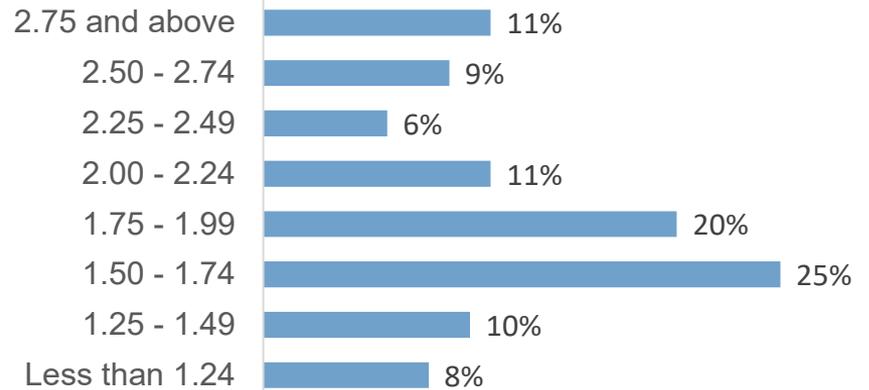
Number of Carriers Distribution



Latest Filed LCM Changes



\$ Premium Distribution





Trusted • Essential • Objective

The PCRB is the licensed rating organization for workers compensation business other than Coal Mine Coverages, in the Commonwealth of Pennsylvania, and has served in that role since 1915. The PCRB is a non-profit, private corporation supported by members comprised of all insurers licensed to underwrite workers compensation insurance in Pennsylvania, including the State Workers' Insurance Fund (SWIF). The PCRB makes annual rating value filings with the Pennsylvania Insurance Department and, subject to review and approval by the Department of Insurance, the PCRB maintains uniform classification and experience rating plans as well as rules and parameters associated with various other mandatory and optional pricing programs. For more information about the PCRB contact us at:

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