

Industry-Specific Trends Uncovered

Sandra Kipust, FCAS, MAAA

Senior Practice Leader and Actuary
NCCI





Combined
Office



Health Care



WC Industry-Specific
Trends



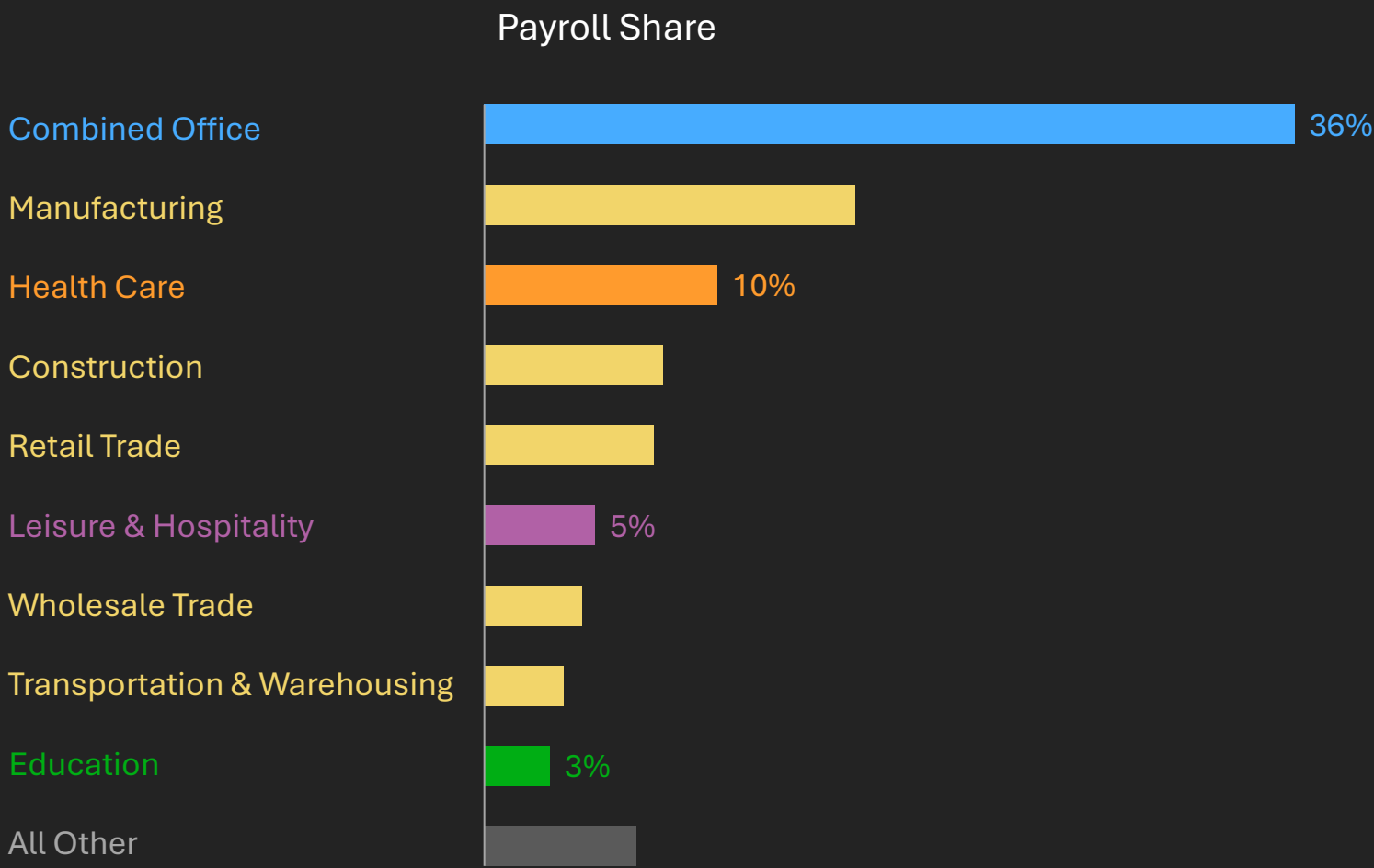
Leisure &
Hospitality



Education

Market Share by Industry

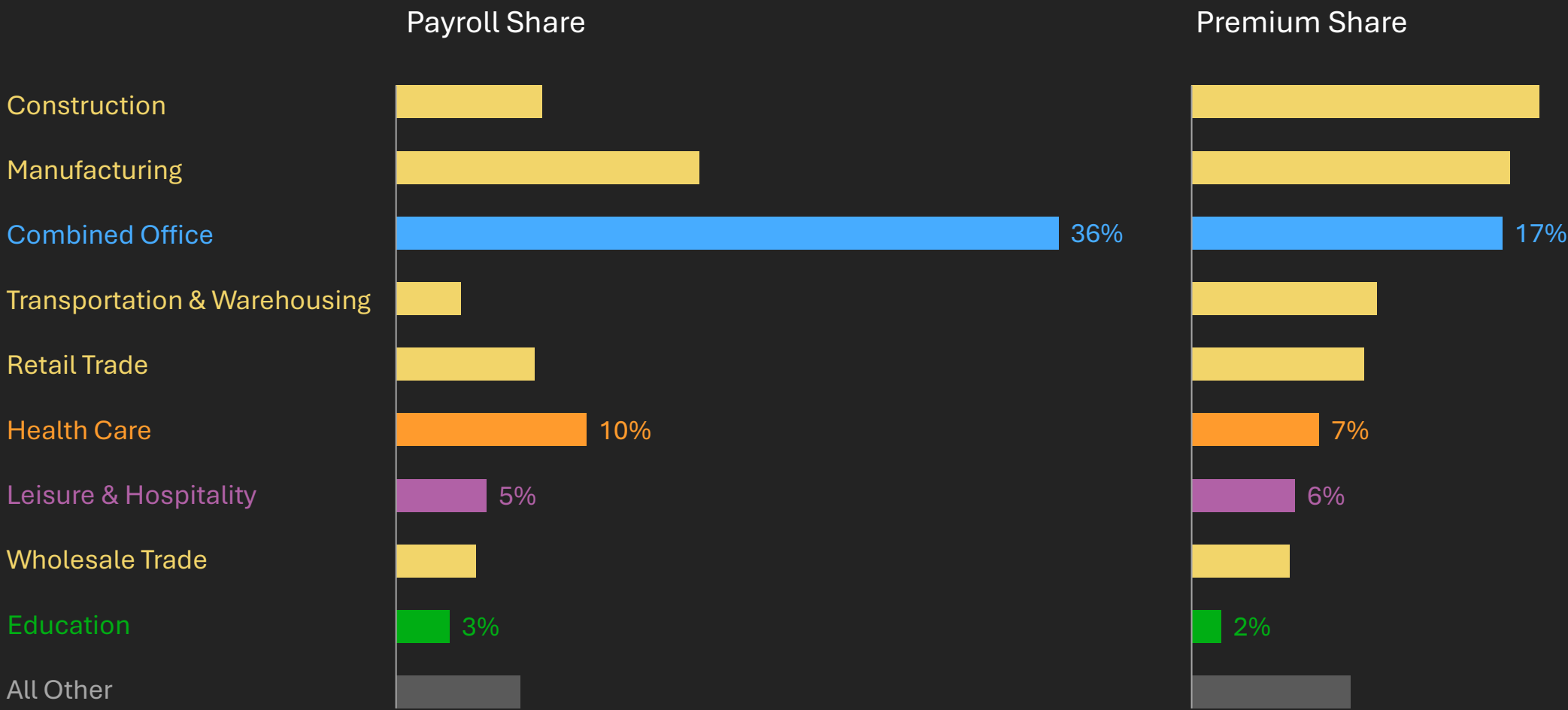
Based on 2023p Payroll



p Preliminary
Source: Based on NCCI's Statistical Plan data at first report
Includes all states where NCCI provides ratemaking services; includes high-deductible policies
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Market Share by Industry

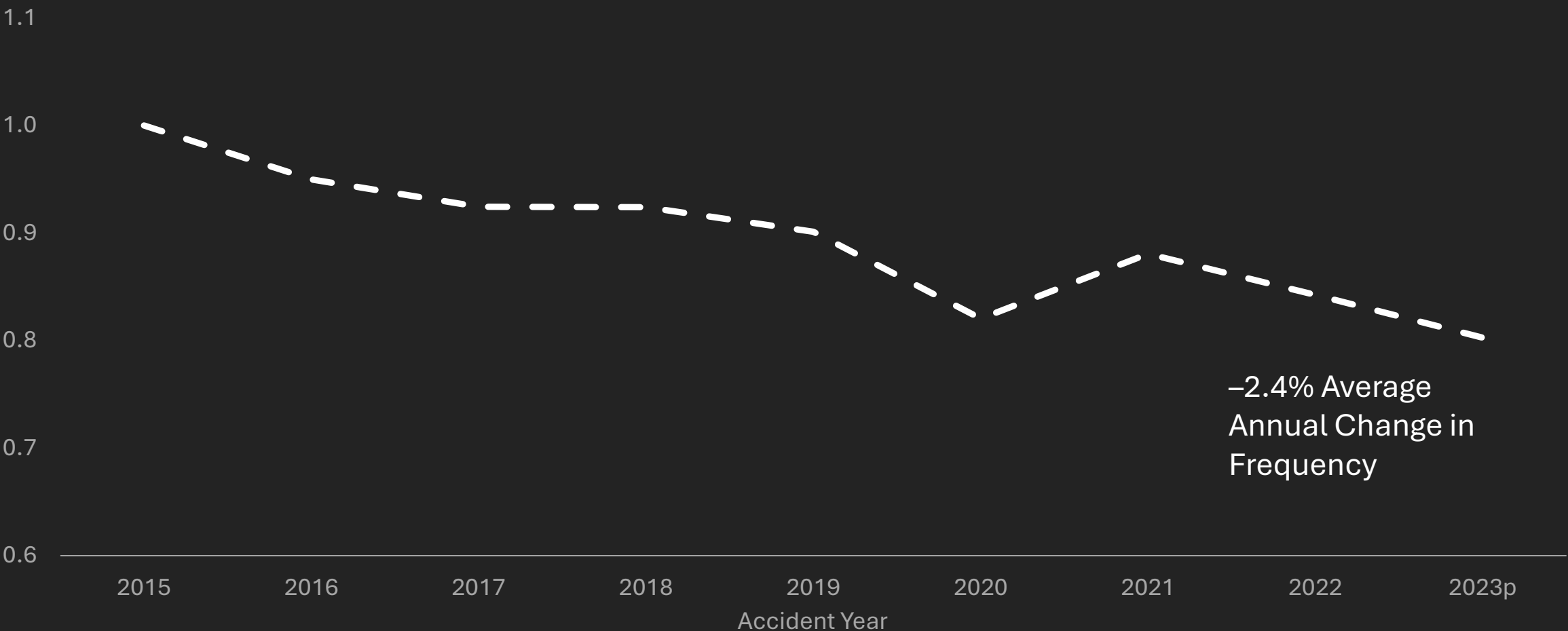
Based on 2023p Payroll and Premium



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Overall Frequency Declined

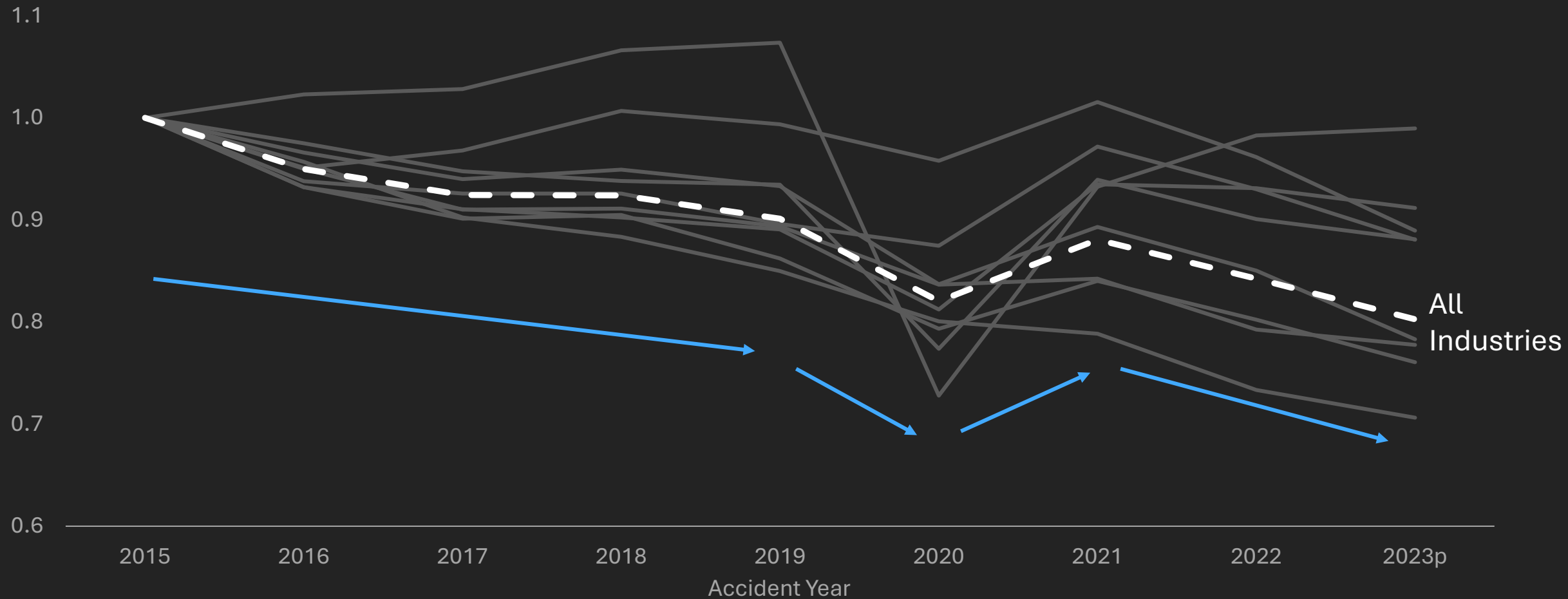
Cumulative Change in Lost-Time Claims per \$1M Pure Premium



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Source: Based on NCCI's Statistical Plan data at first report; frequency measured as lost-time claims per \$1M pure premium adjusted to current wage and voluntary pure premium level
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Frequency Trends Vary, but a Pattern Emerges

Cumulative Change in Lost-Time Claims per \$1M Pure Premium



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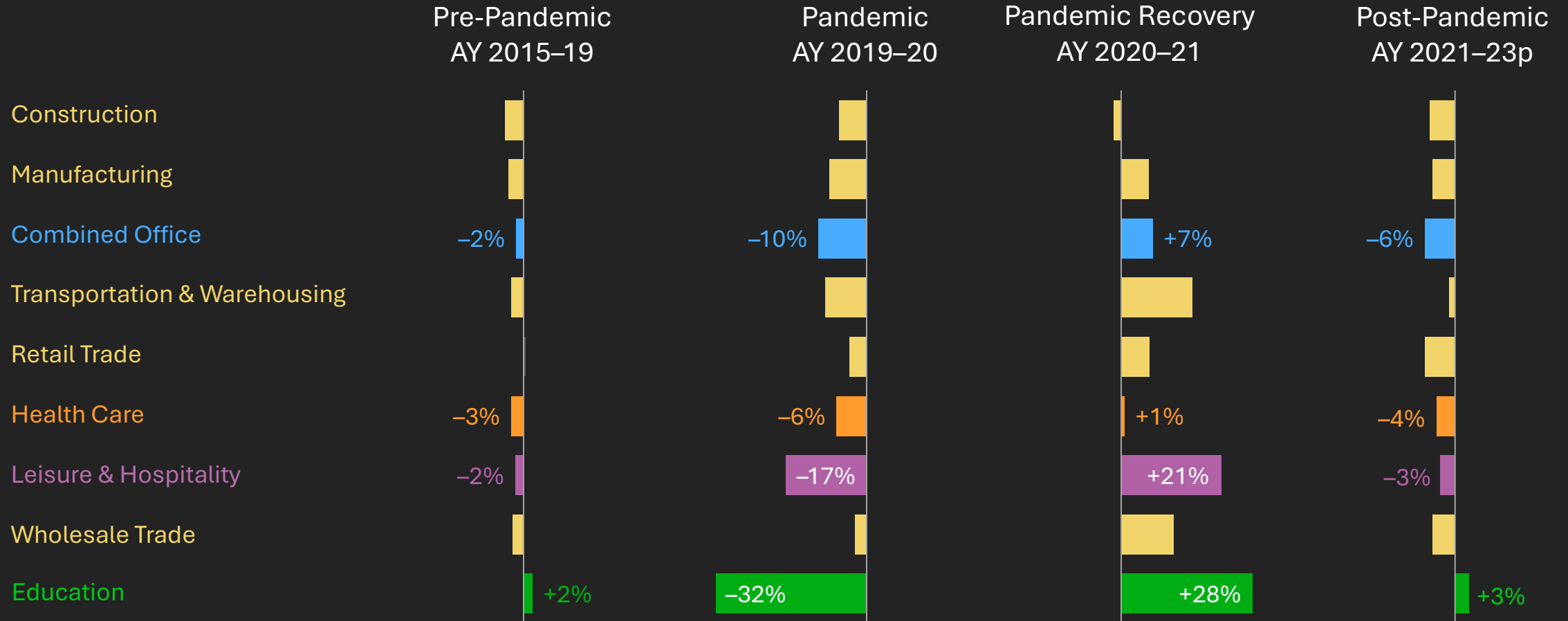
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AIS
2025

Frequency Patterns Across Industries

Average Annual Change in Lost-Time Claim Frequency



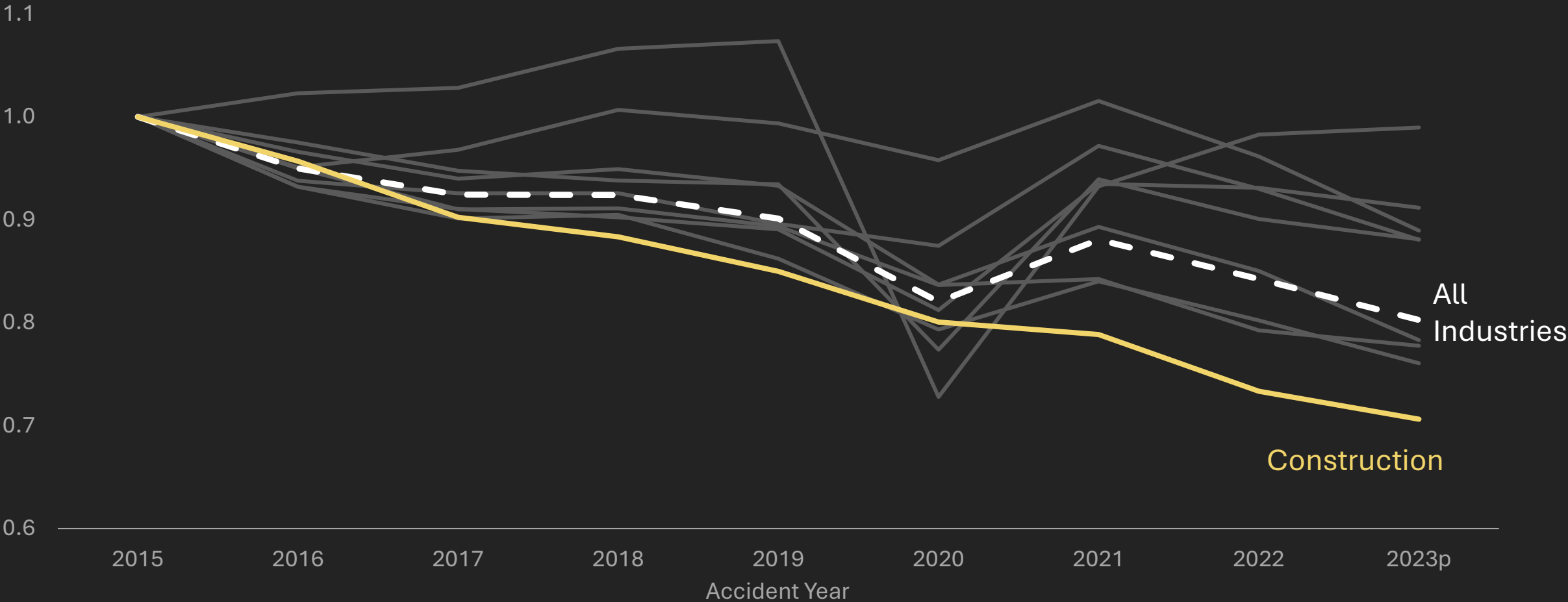
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Update—Construction Frequency Trend

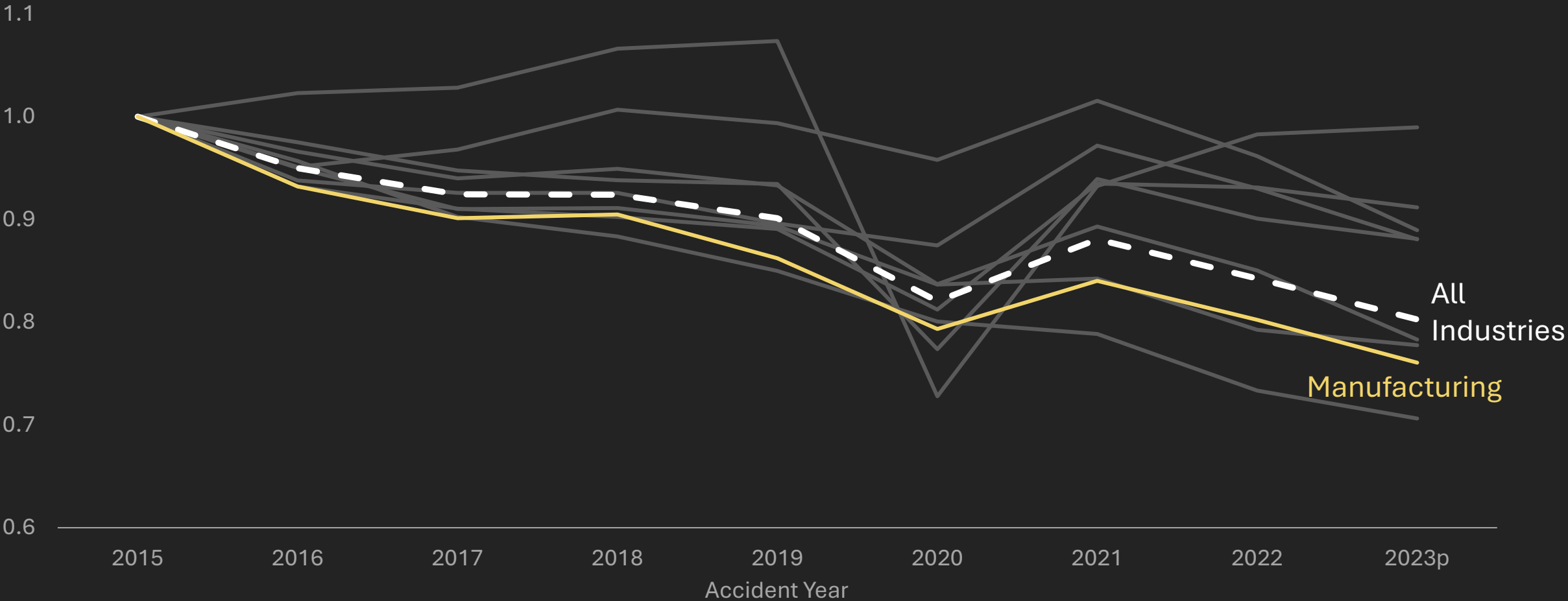
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Update—Manufacturing Frequency Trend

Cumulative Change in Lost-Time Claims per \$1M Pure Premium

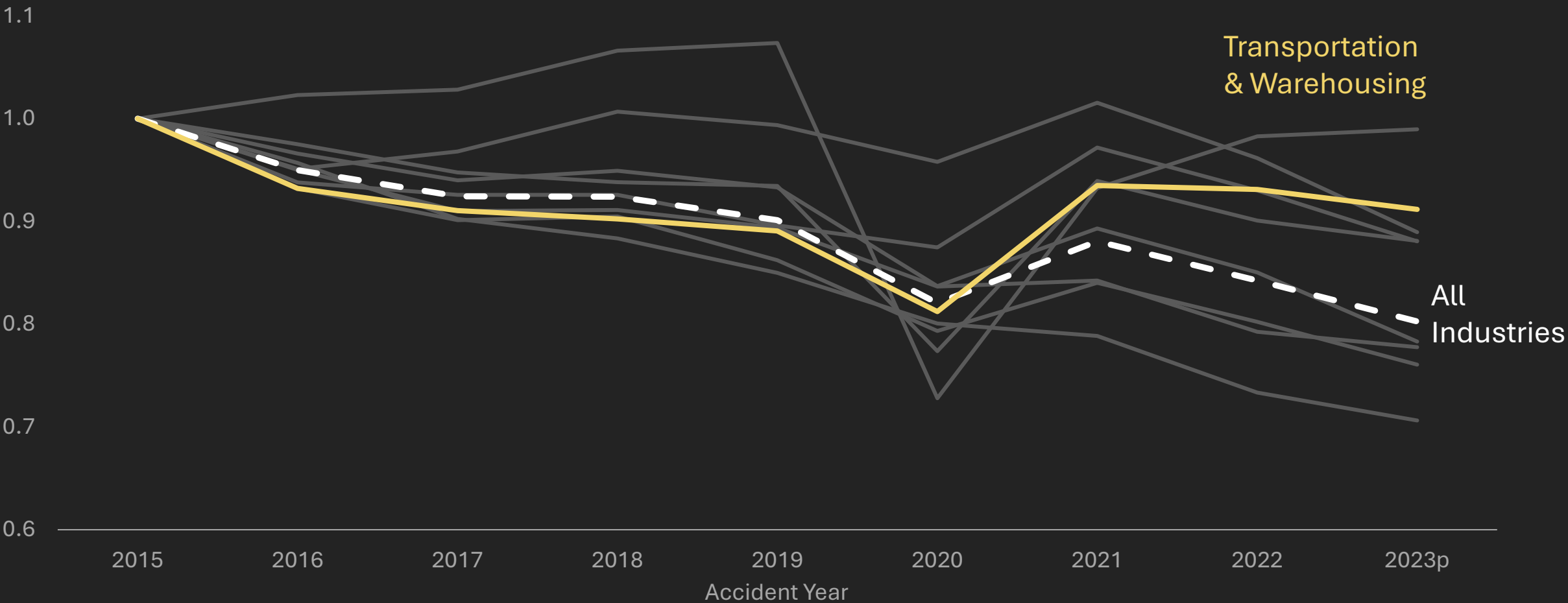


p Preliminary

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Update—Transportation & Warehousing Frequency Trend

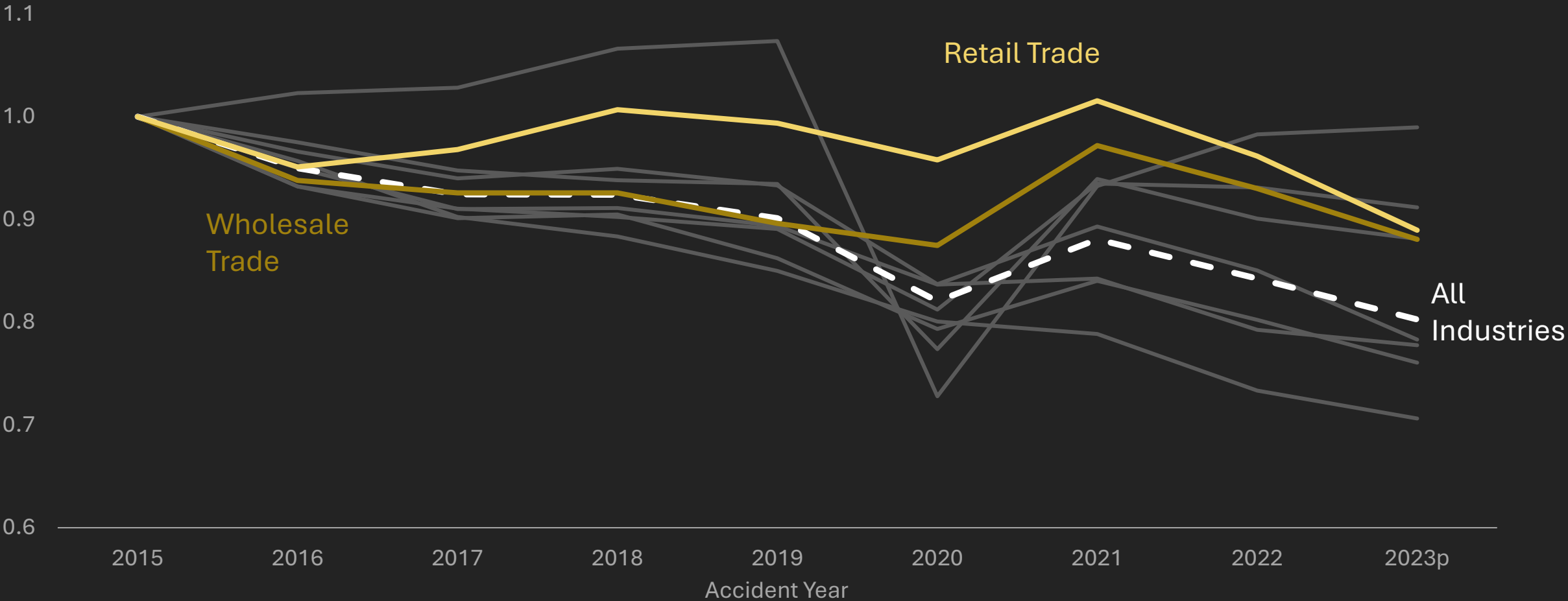
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Update—Retail Trade & Wholesale Trade Frequency Trend

Cumulative Change in Lost-Time Claims per \$1M Pure Premium



p Preliminary
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Combined
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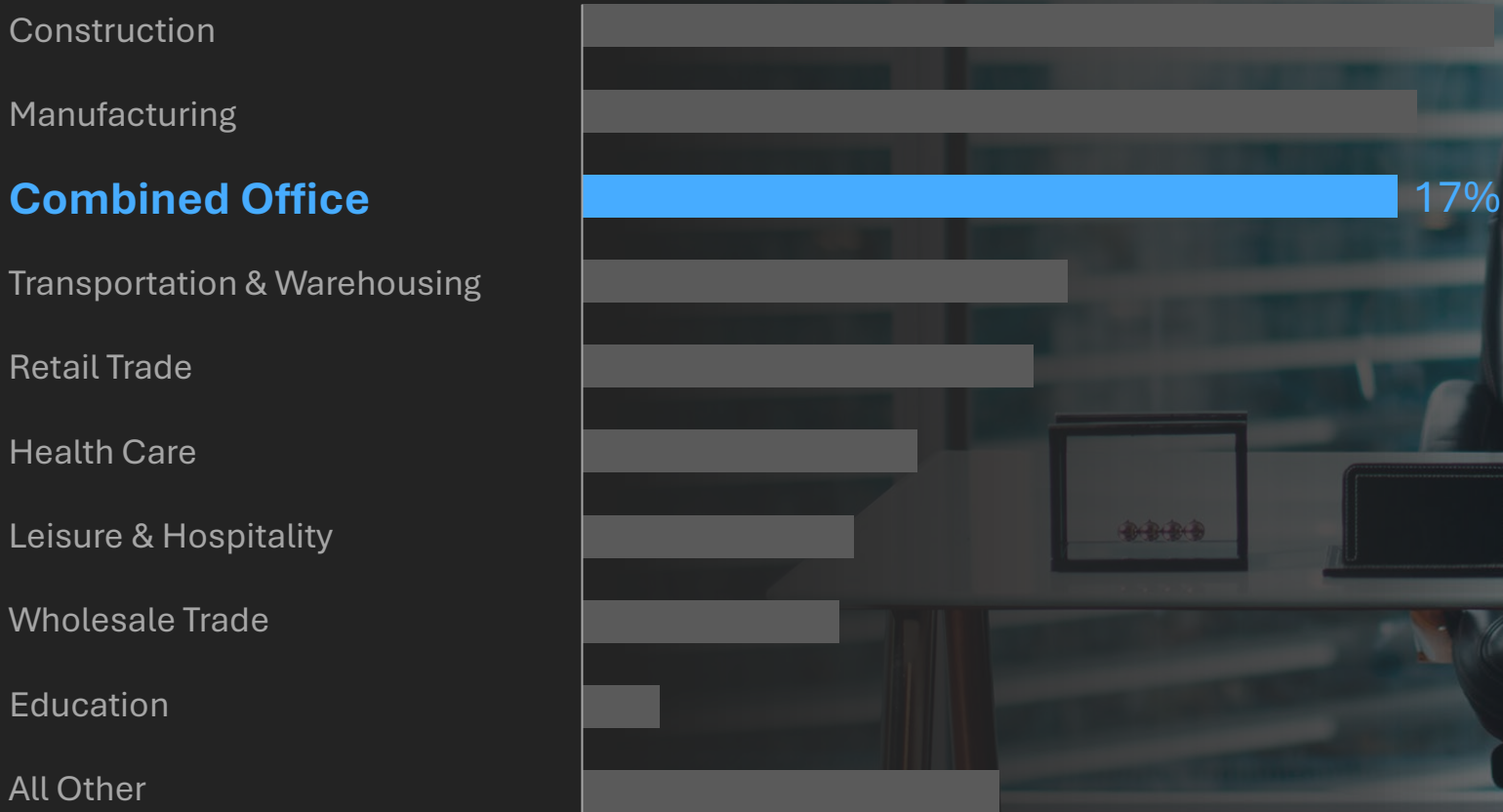


Education

Market Share by Industry

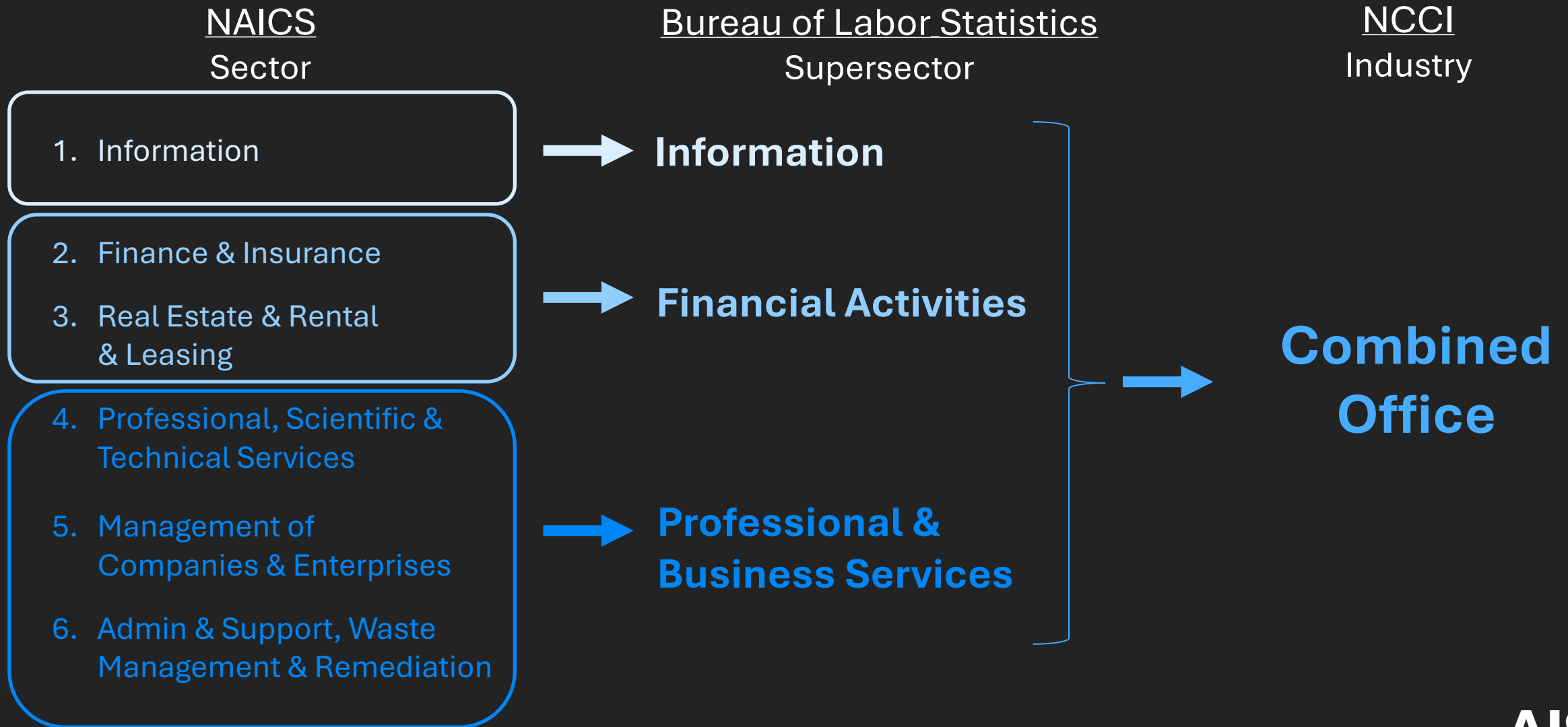
Based on 2023p Premium

Premium Share



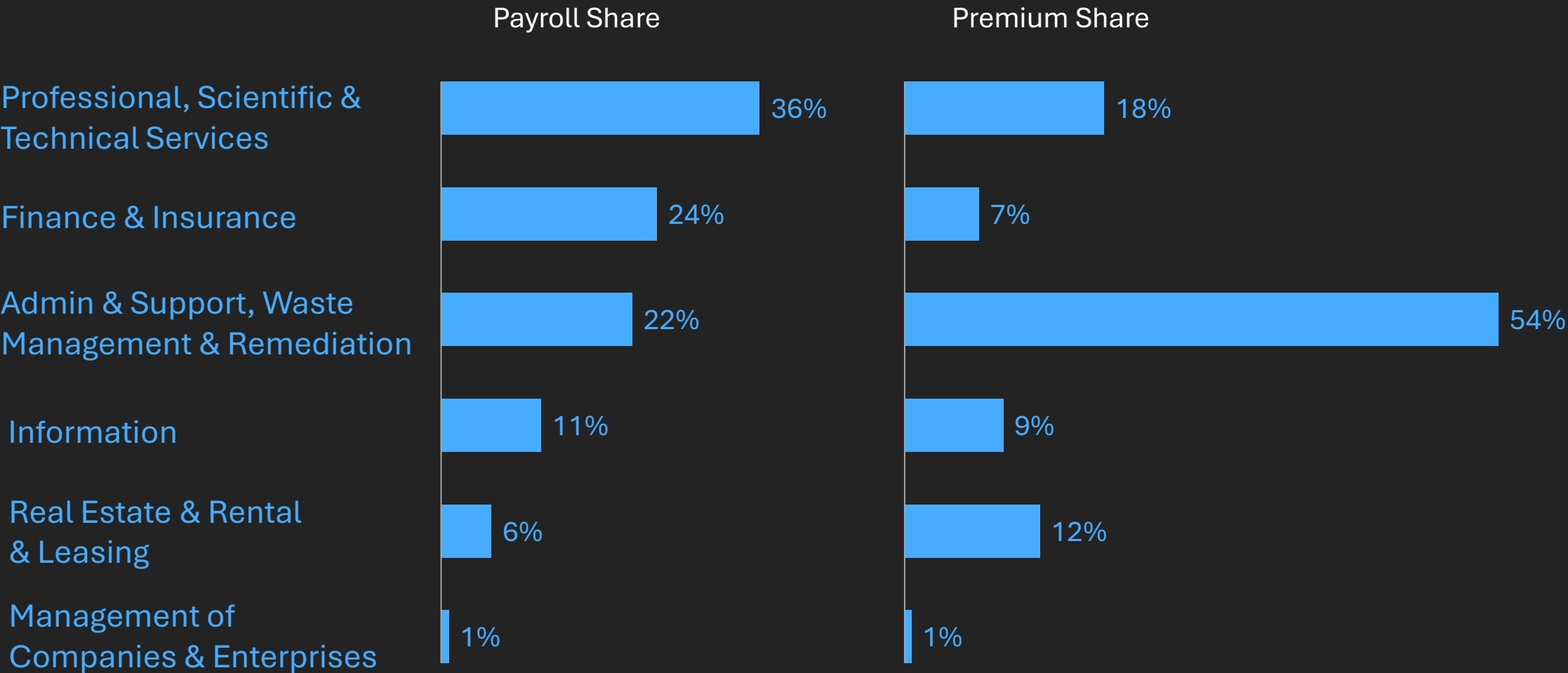
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Source: Based on NCCI's Statistical Plan data at first report, premium adjusted to current voluntary pure premium level
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What's in Combined Office?



Combined Office—Market Share by NAICS Sector

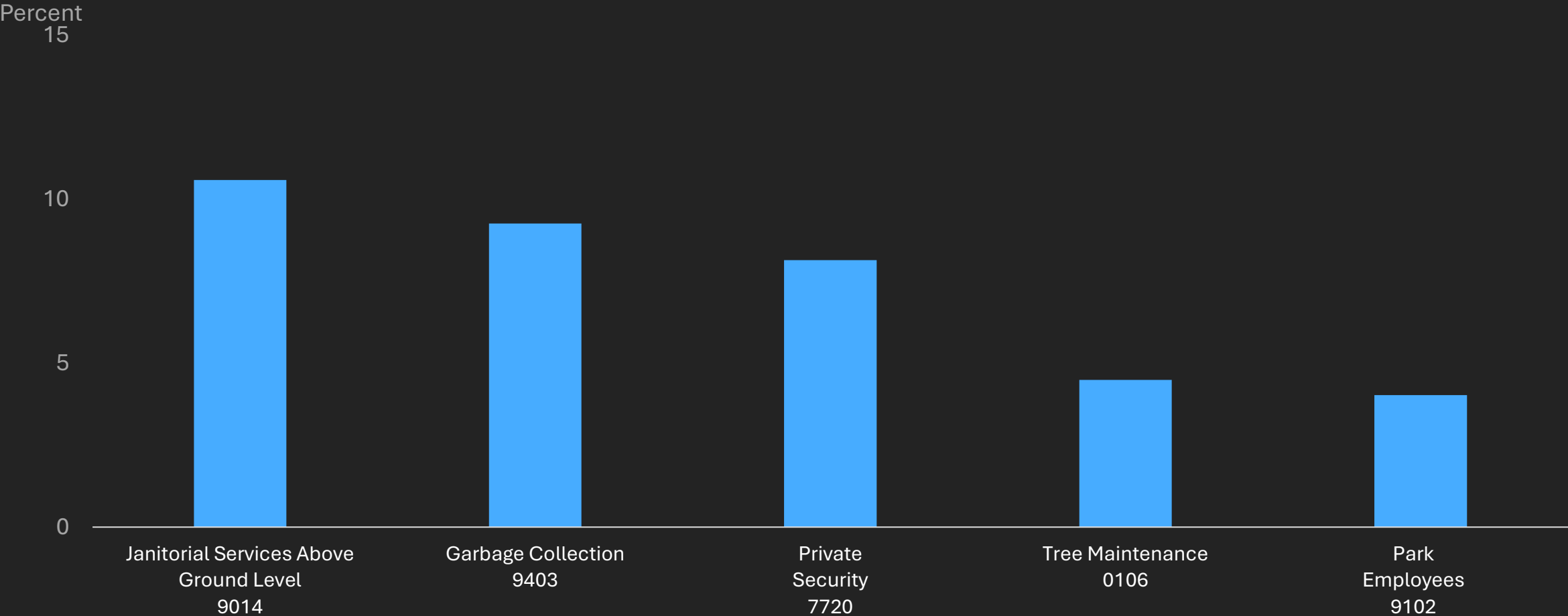
Based on 2023p Payroll and Premium



p Preliminary
Source: Based on NCCI's Statistical Plan data at first report, premium adjusted to current voluntary pure premium level
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Top Classes in Admin & Support, Waste Management & Remediation Sector

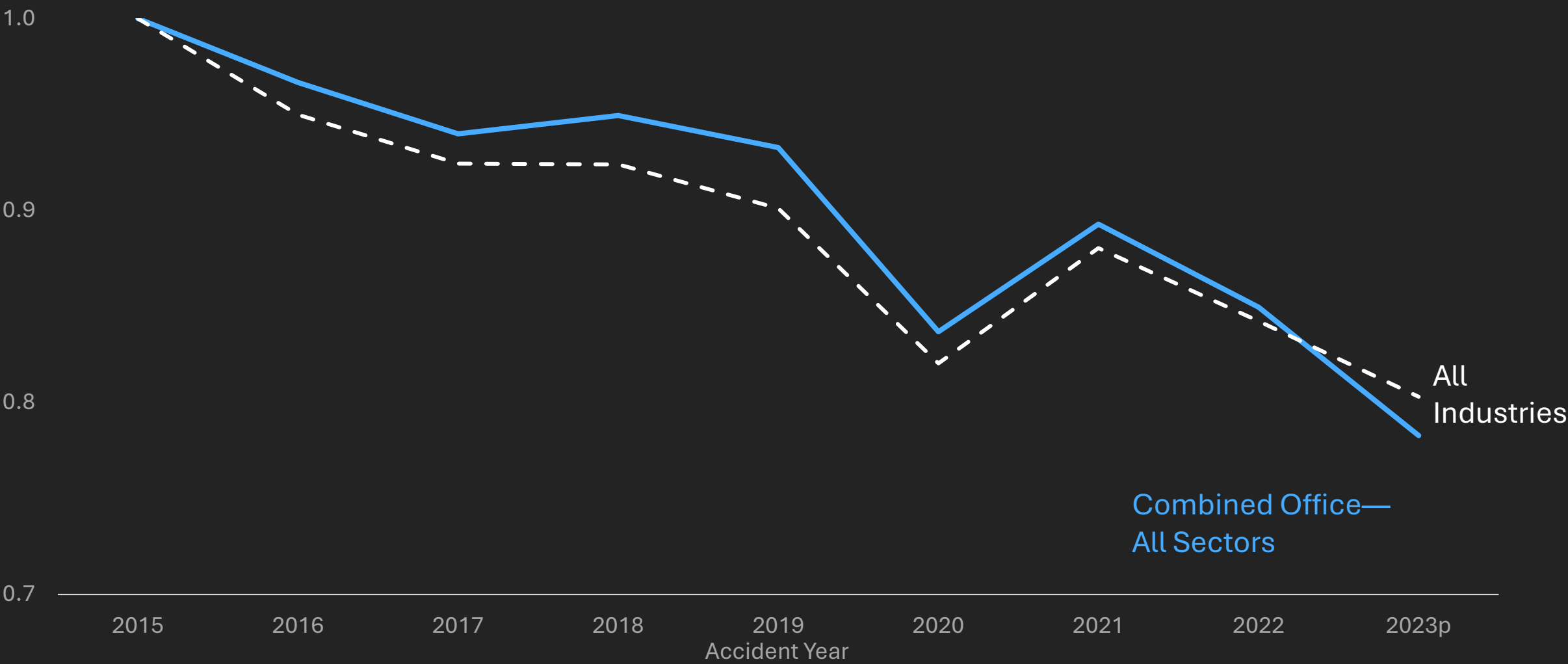
Based on 2023p Premium



p Preliminary
Source: Based on NCCI's Statistical Plan data at first report, premium adjusted to current voluntary pure premium level
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Combined Office Frequency Trend

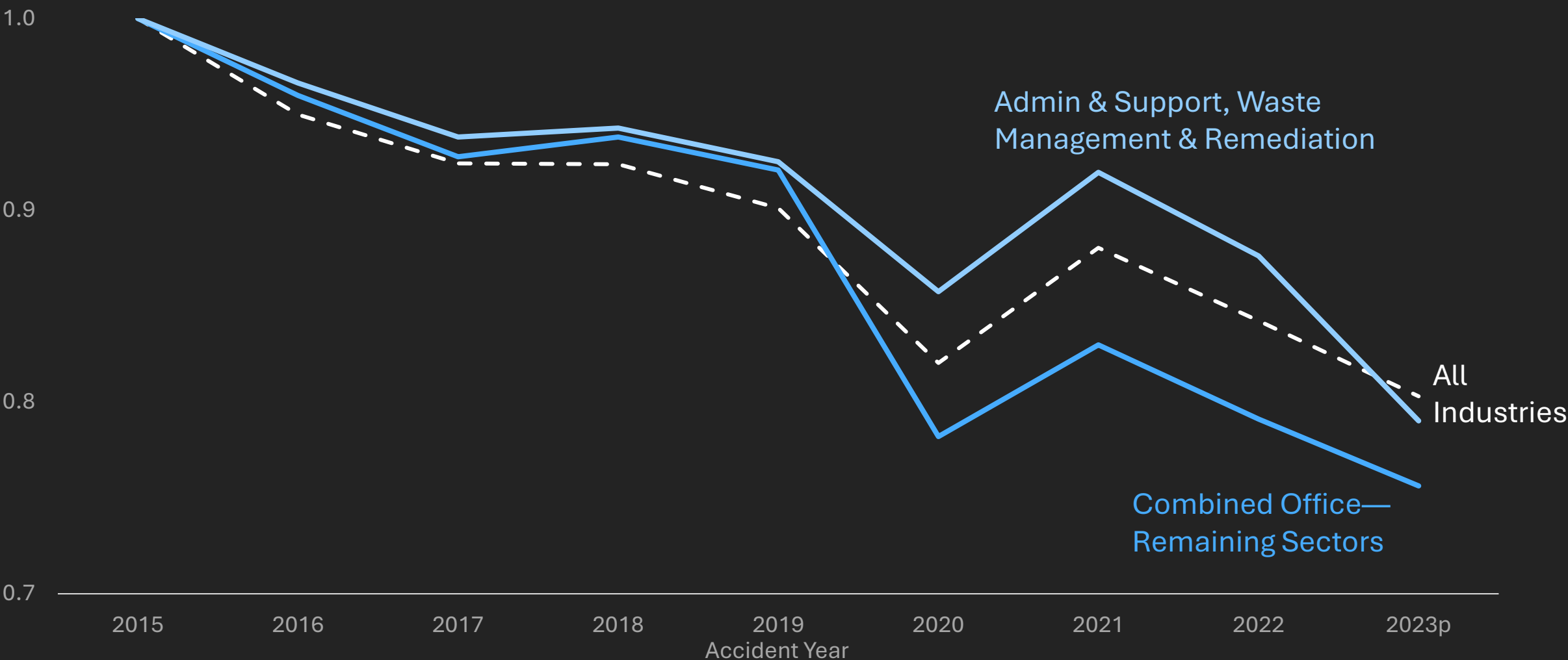
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Frequency Trend Variation Within Combined Office

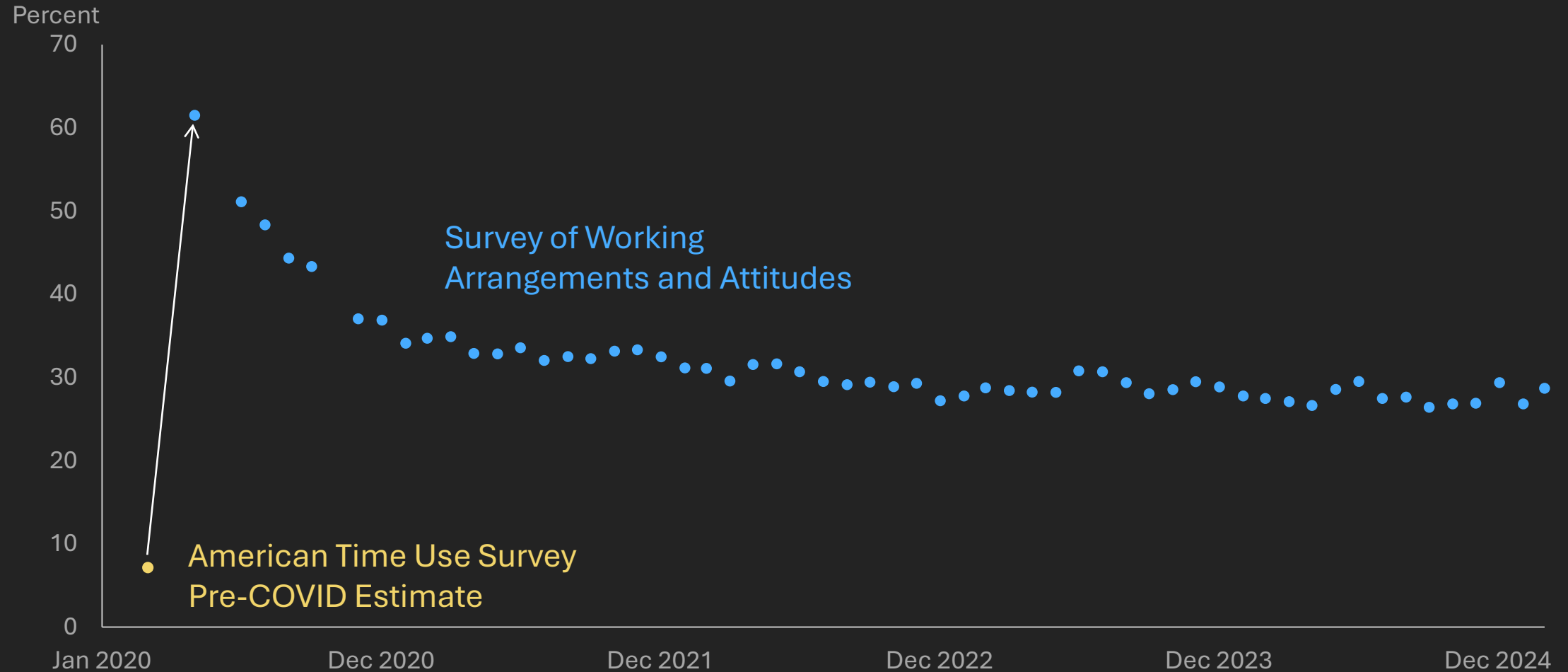
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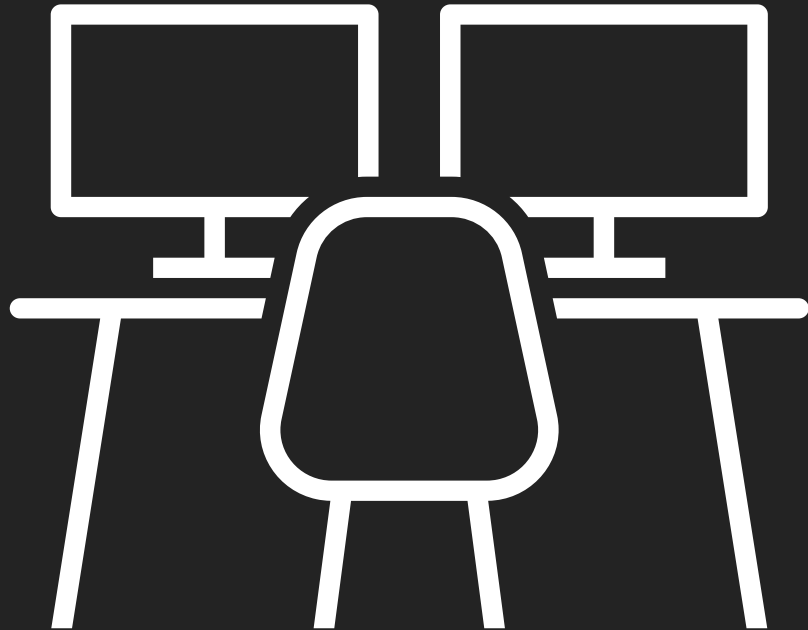
Remote Work Has Stabilized Post-Pandemic

Percentage of Paid Full Days Worked From Home



Source: Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731.

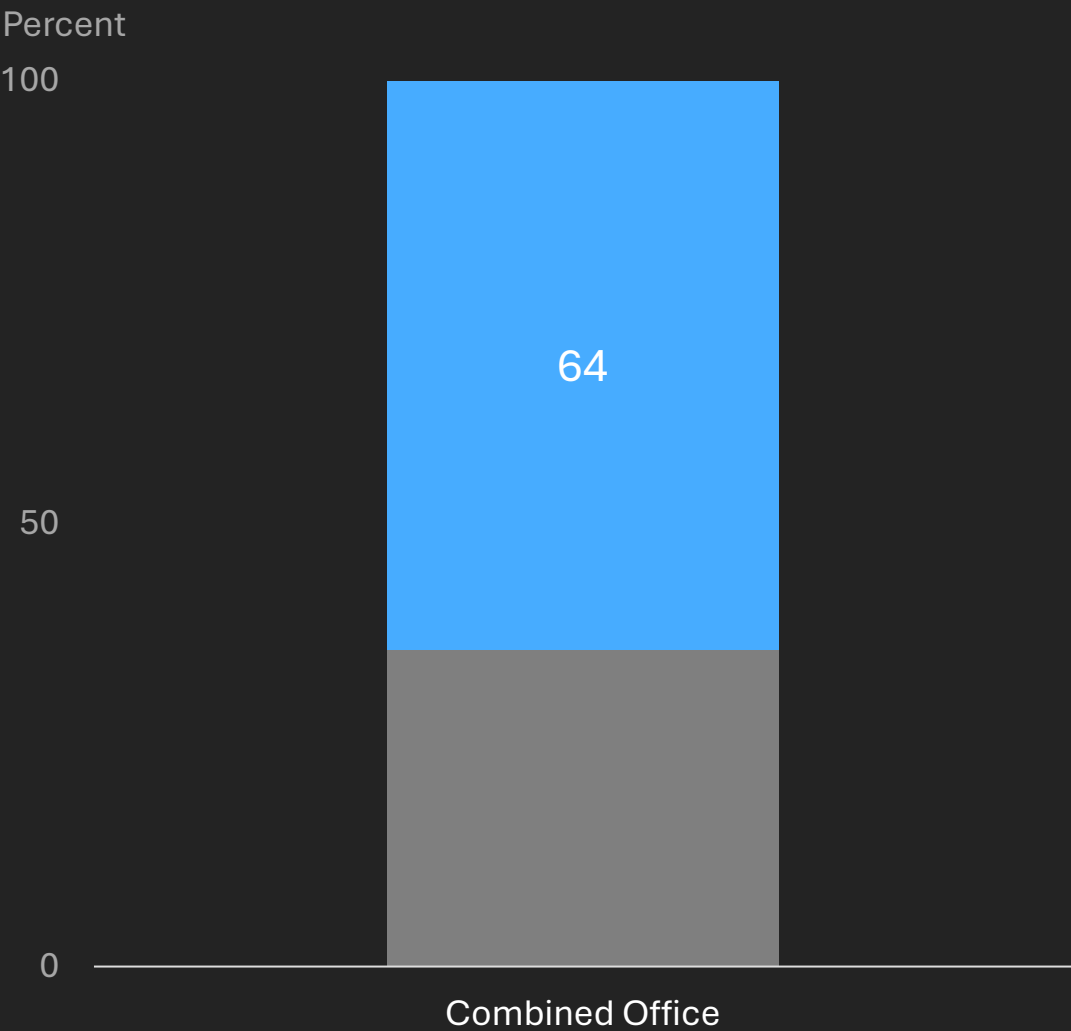
Remote-Friendly Classes



Clerical Office	8810
Banks and Trust Co	8855
Insurance Companies	8723
Salespersons	8742
Telecommuting	8871

Share of Remote-Friendly vs. All Other Classes

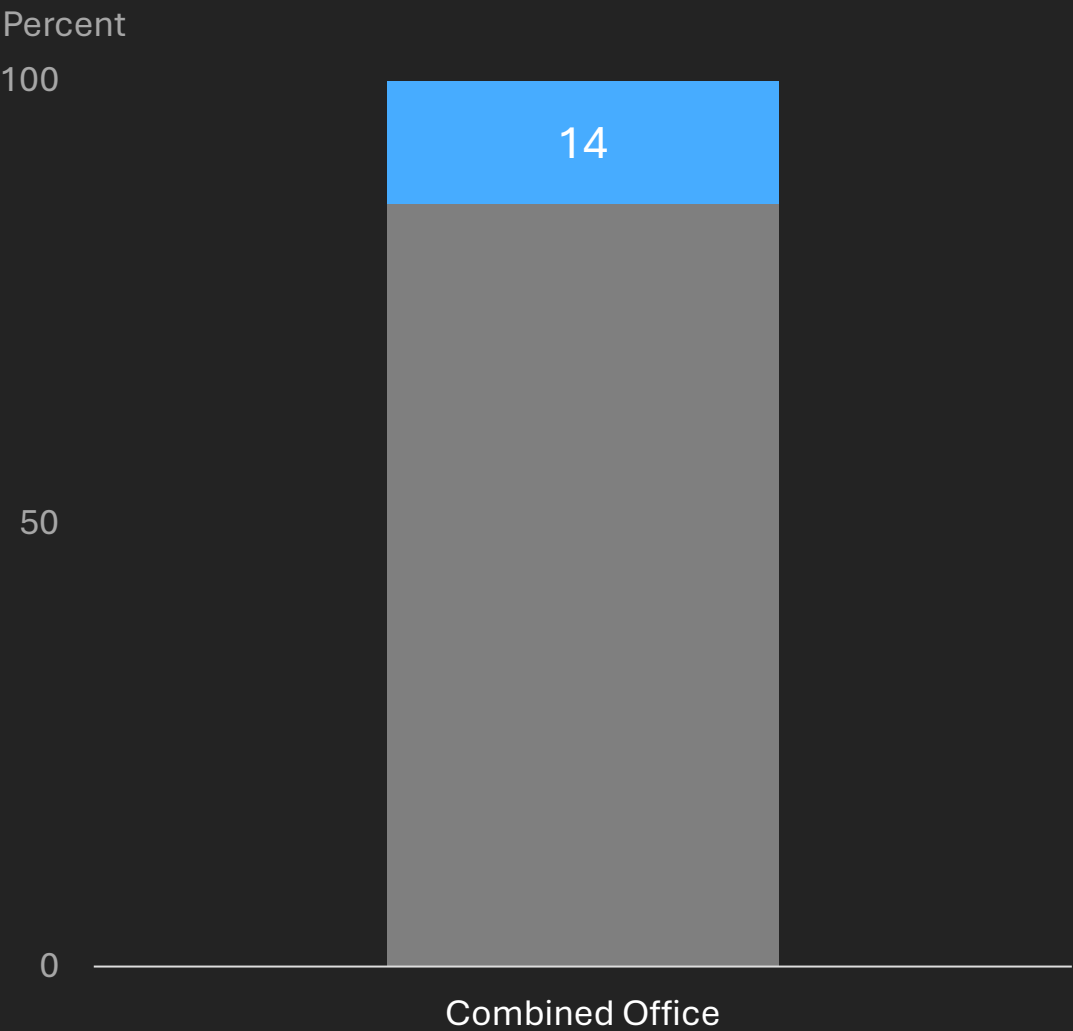
Payroll Share 2023p



p Preliminary
Source: Based on NCCI's Statistical Plan data at first report
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Share of Remote-Friendly vs. All Other Classes

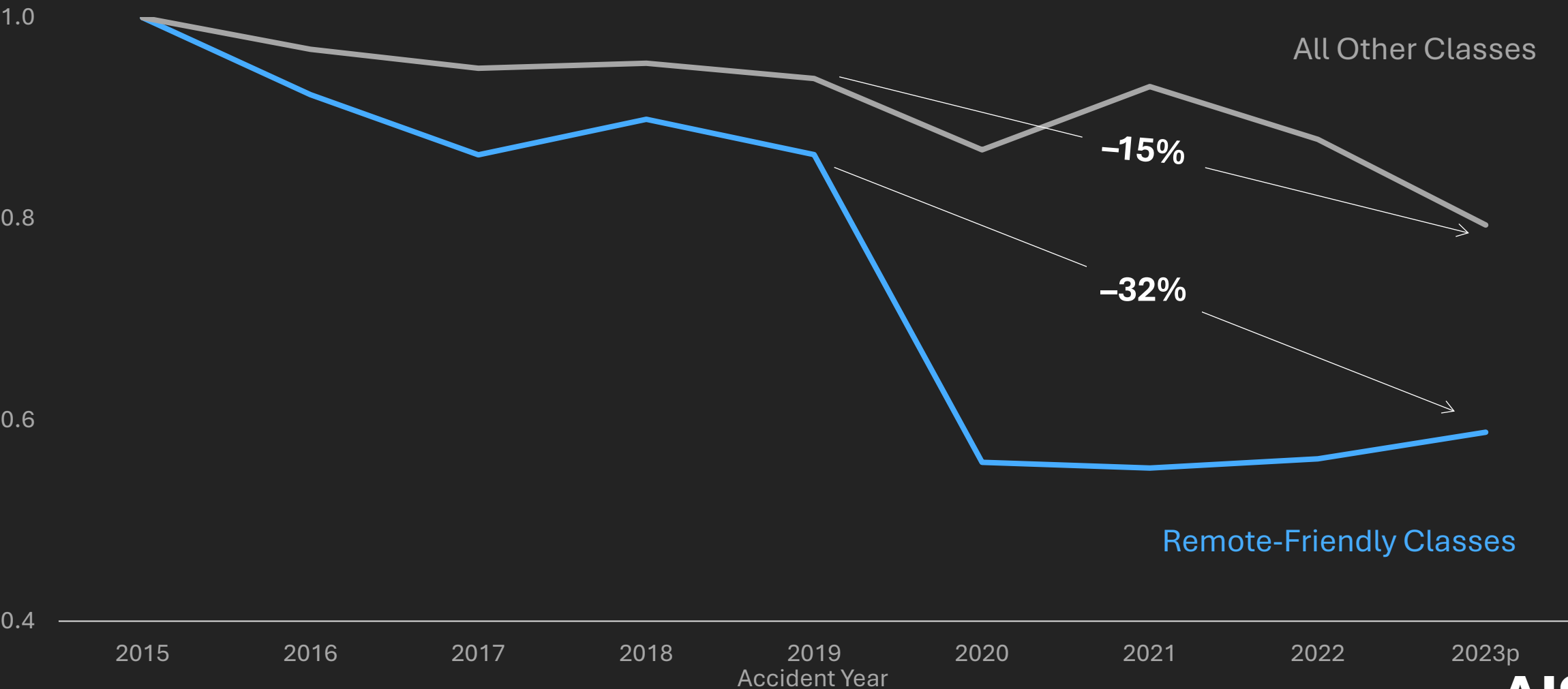
Premium Share 2023p



p Preliminary
Source: Based on NCCI's Statistical Plan data at first report, premium adjusted to current voluntary pure premium level
Includes all states where NCCI provides ratemaking services; includes high-deductible policies

Remote-Friendly vs. All Other Frequency in Combined Office

Cumulative Change in Lost-Time Claims per \$1M Pure Premium

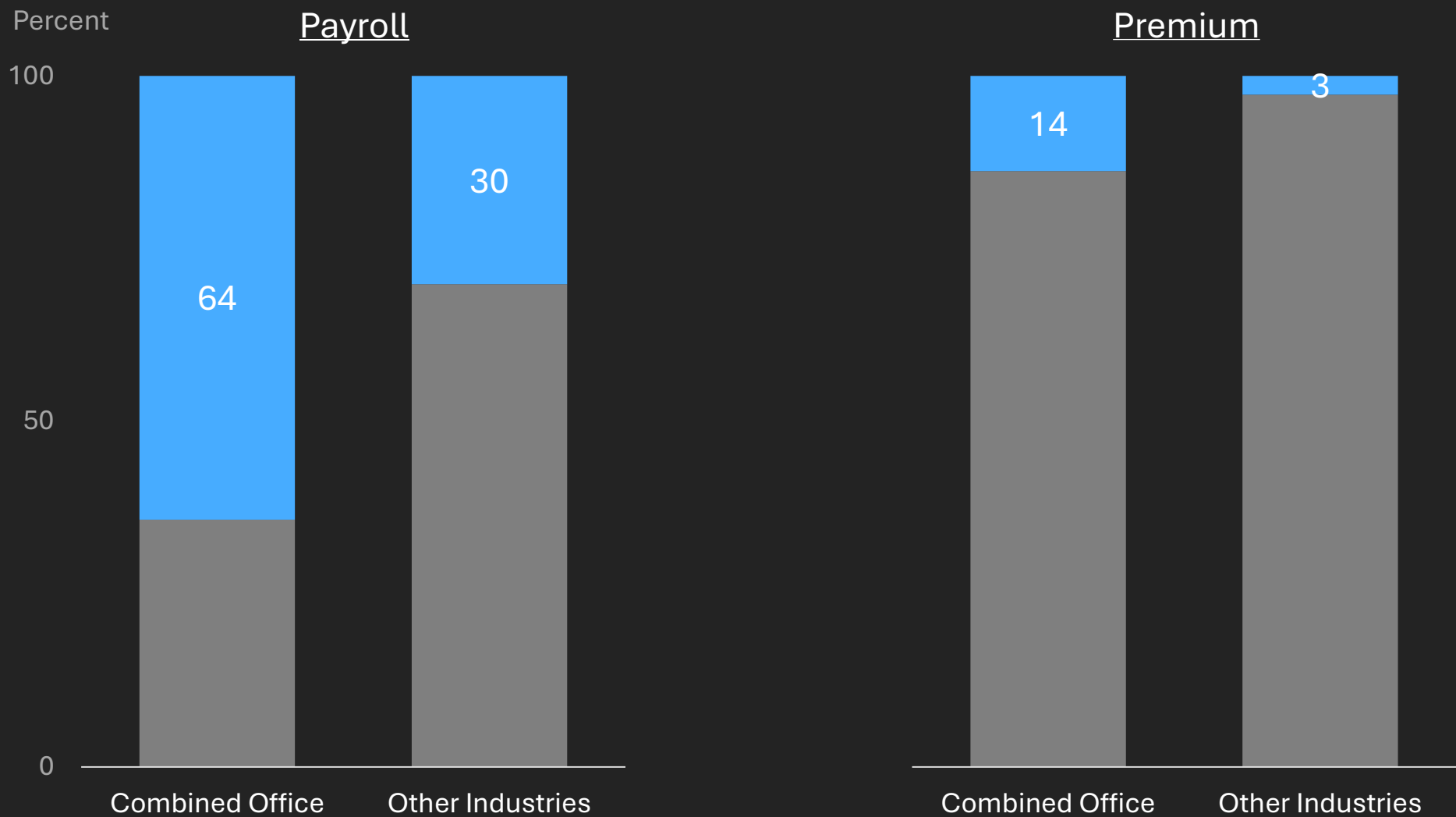


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Share of Remote-Friendly vs. All Other Classes

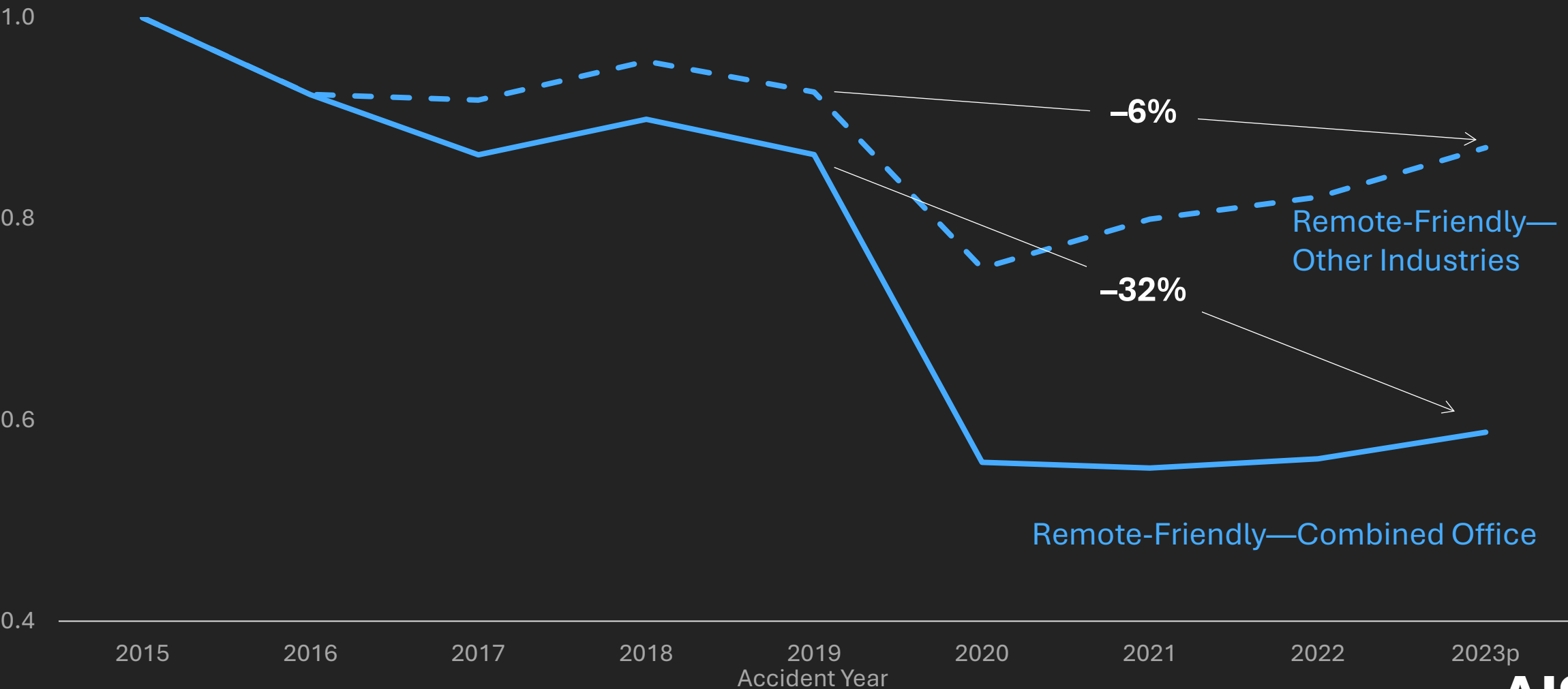
Payroll and Premium Share 2023p



p Preliminary
Source: Based on NCCI's Statistical Plan data at first report, premium adjusted to current voluntary pure premium level
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Remote-Friendly Frequency Trend

Cumulative Change in Lost-Time Claims per \$1M Pure Premium



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Leisure &
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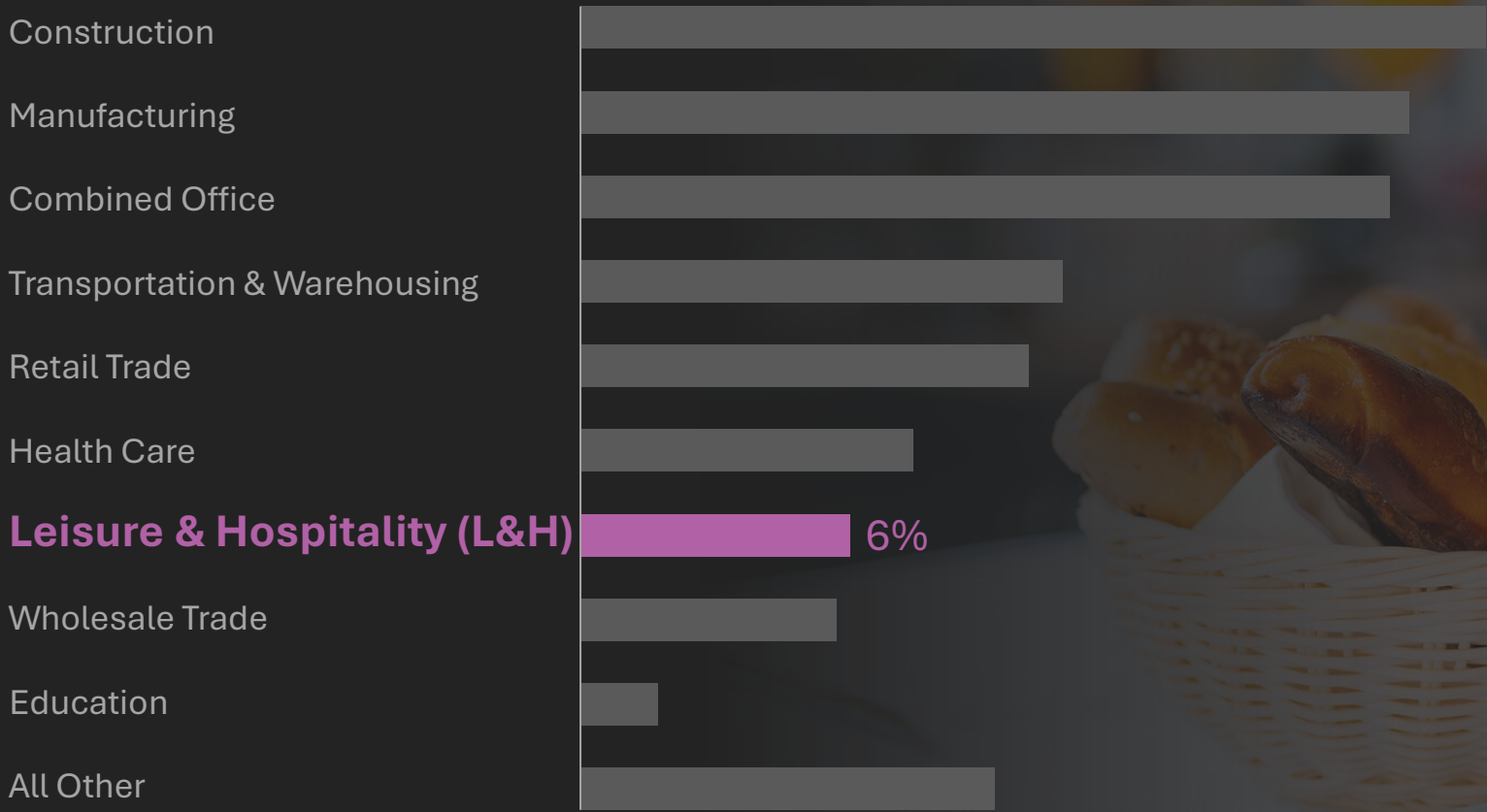


Education

Market Share by Industry

Based on 2023p Premium

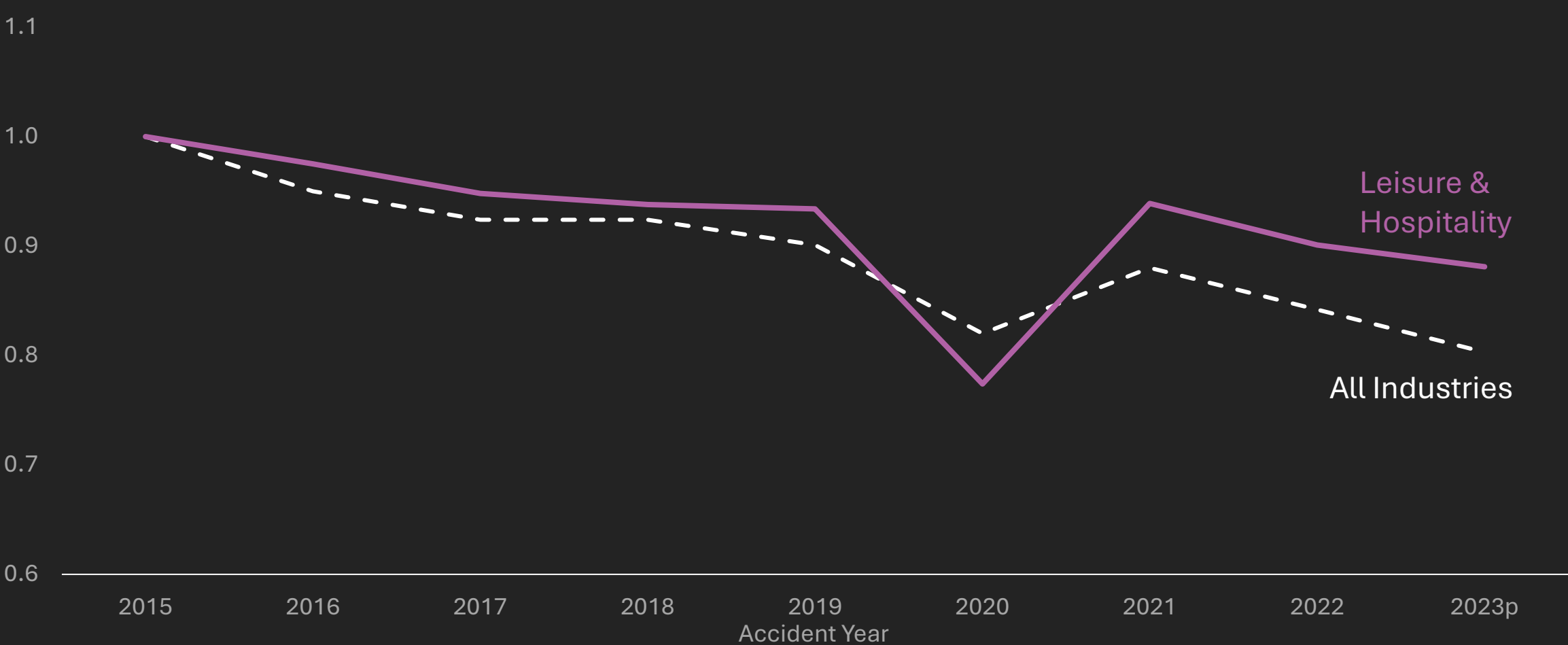
Premium Share



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Leisure & Hospitality Frequency Declined Less Overall

Cumulative Change in Lost-Time Claims per \$1M Pure Premium



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L&H Wages Increased Significantly in 2021 & 2022

Average Annual Percentage Change in Wages; Leisure & Hospitality vs. All Industries

Percent

15

10

5

0

2016

2017

2018

2019

2020

2021

2022

2023

2024p

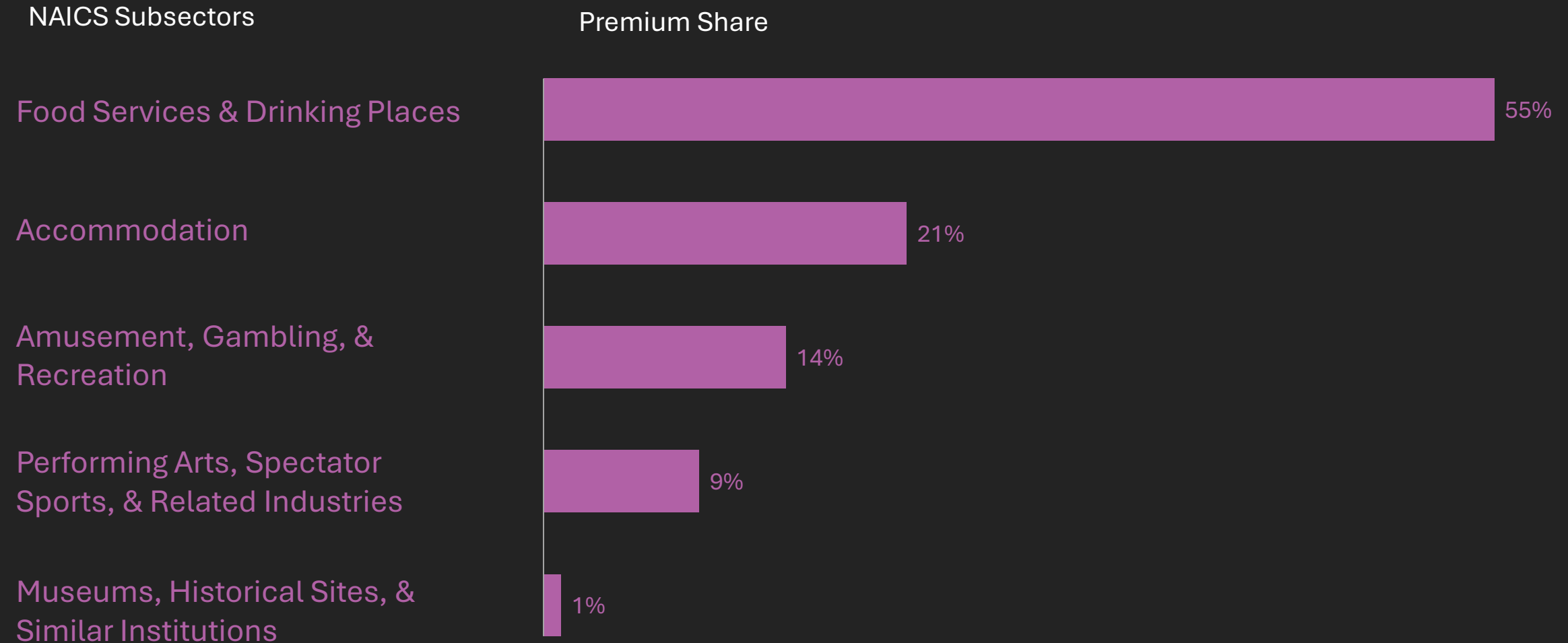
Calendar Year

p Preliminary

Sources: 2016-2023 US Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages; 2024p BLS, US Bureau of Economic Analysis, and NCCI

Food & Drink Accounts for 50%+ of Leisure & Hospitality

Based on 2023p Premium



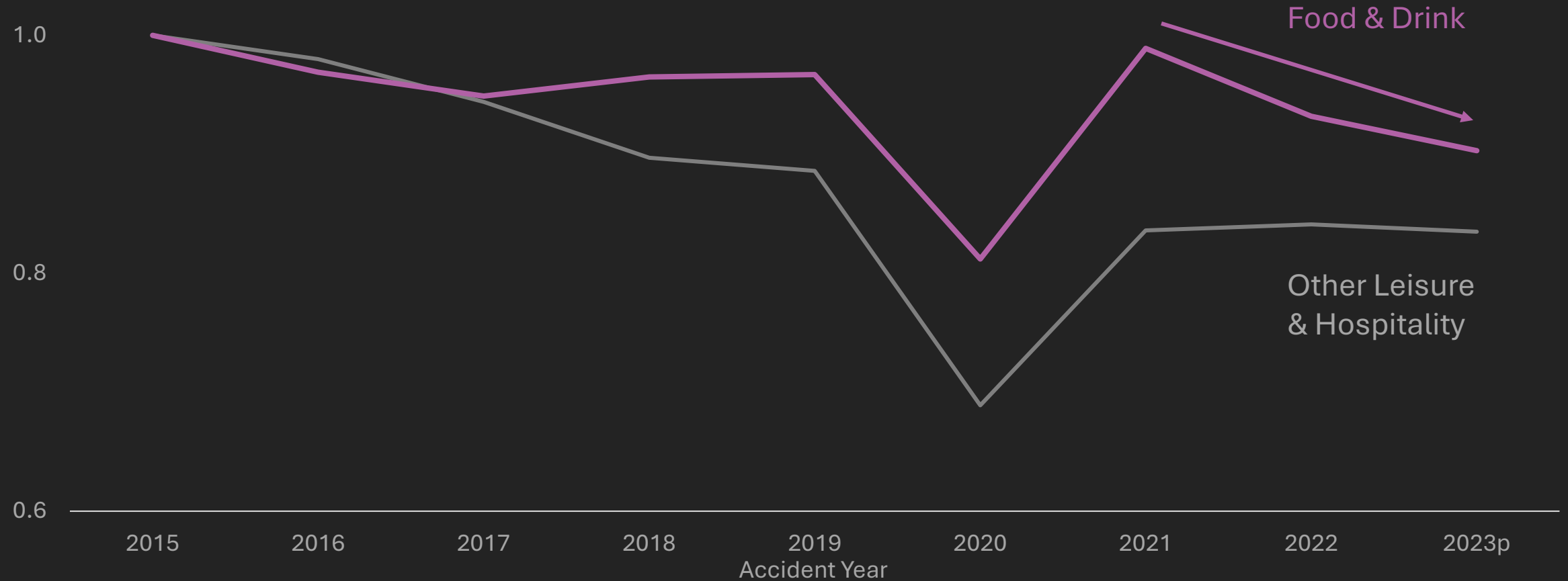
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Frequency for All Other L&H Subsectors Remained Flat Since 2021, While Food & Drink Declined

Cumulative Change in Lost-Time Claims per \$1M Pure Premium



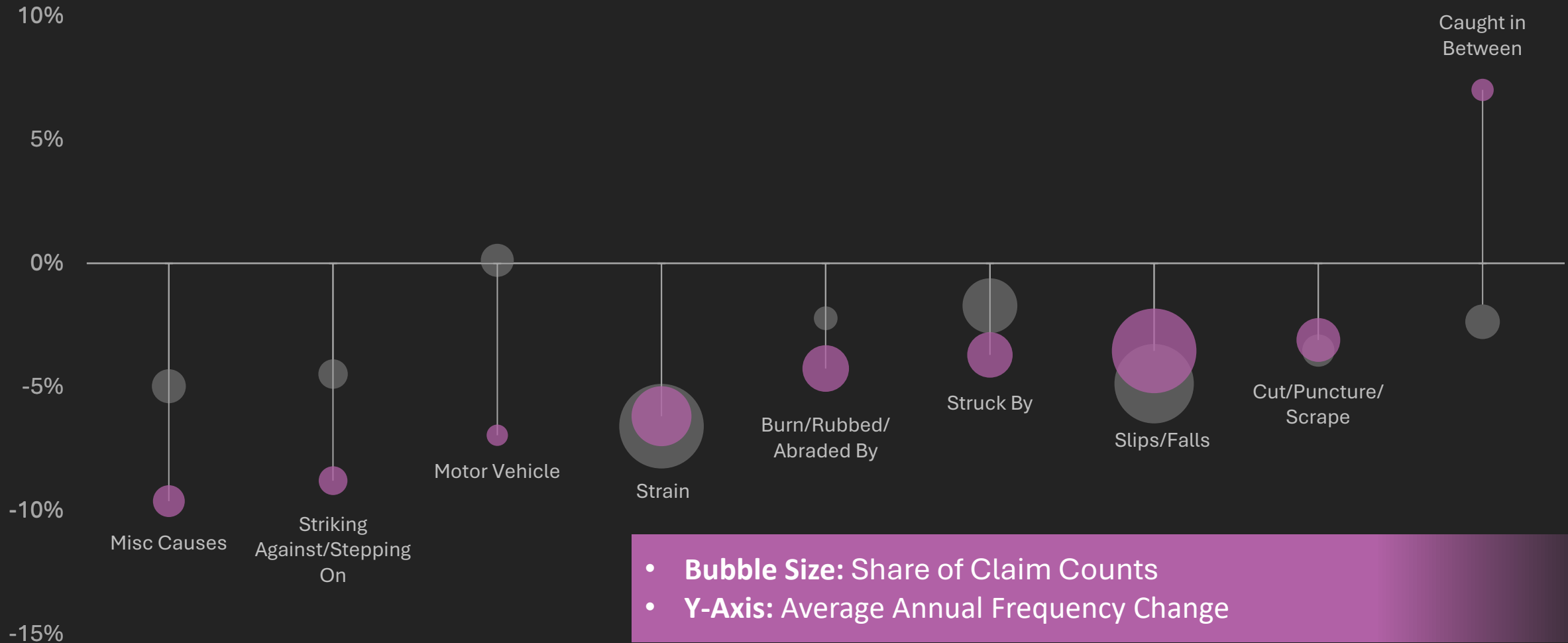
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Frequency by Cause of Injury—Food & Drink vs. All Industries

Average Annual Changes; Accident Years 2021–2023p



p Preliminary

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Combined
Office



Leisure &
Hospitality



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Health Care

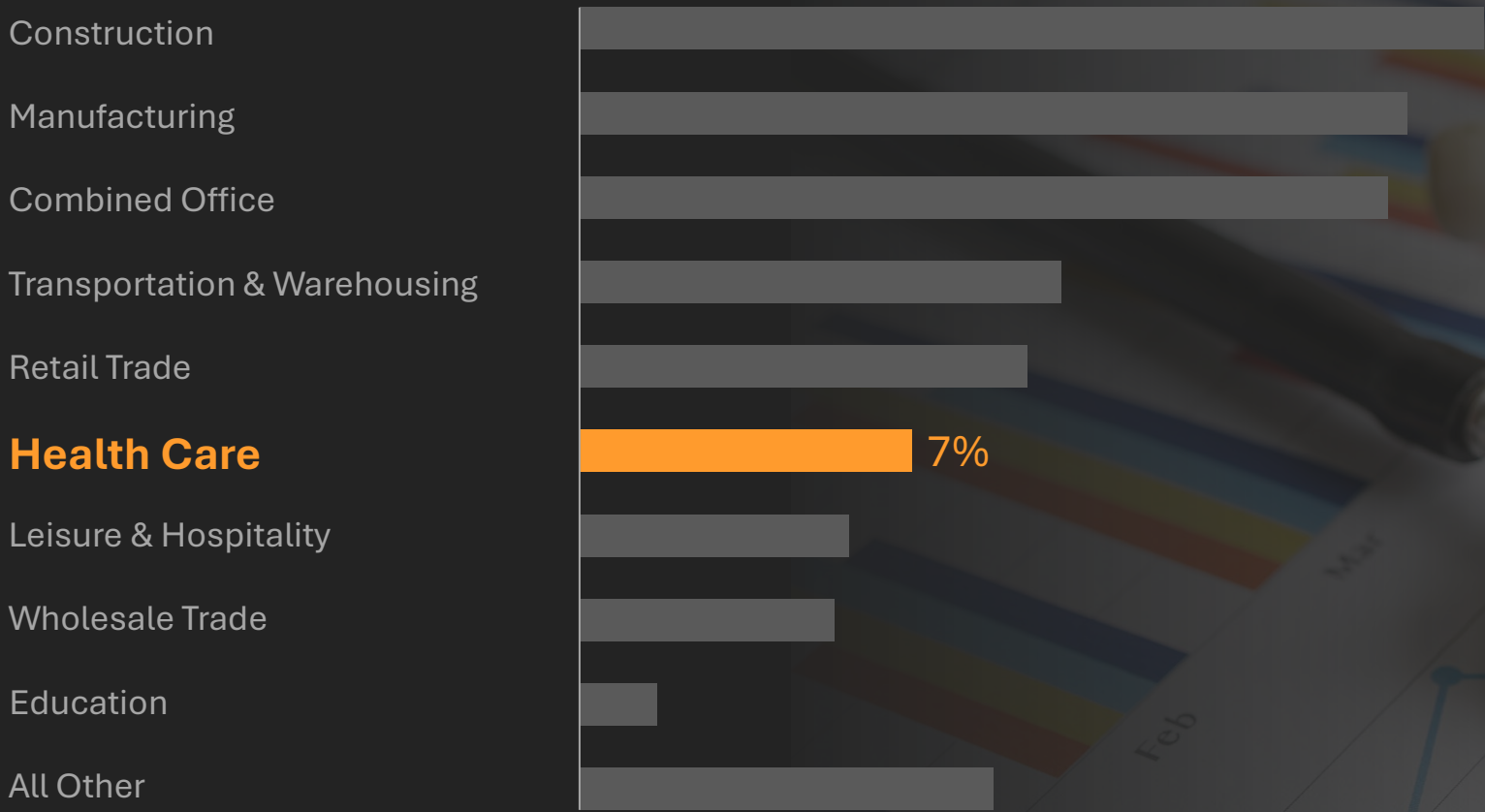


Education

Market Share by Industry

Based on 2023p Premium

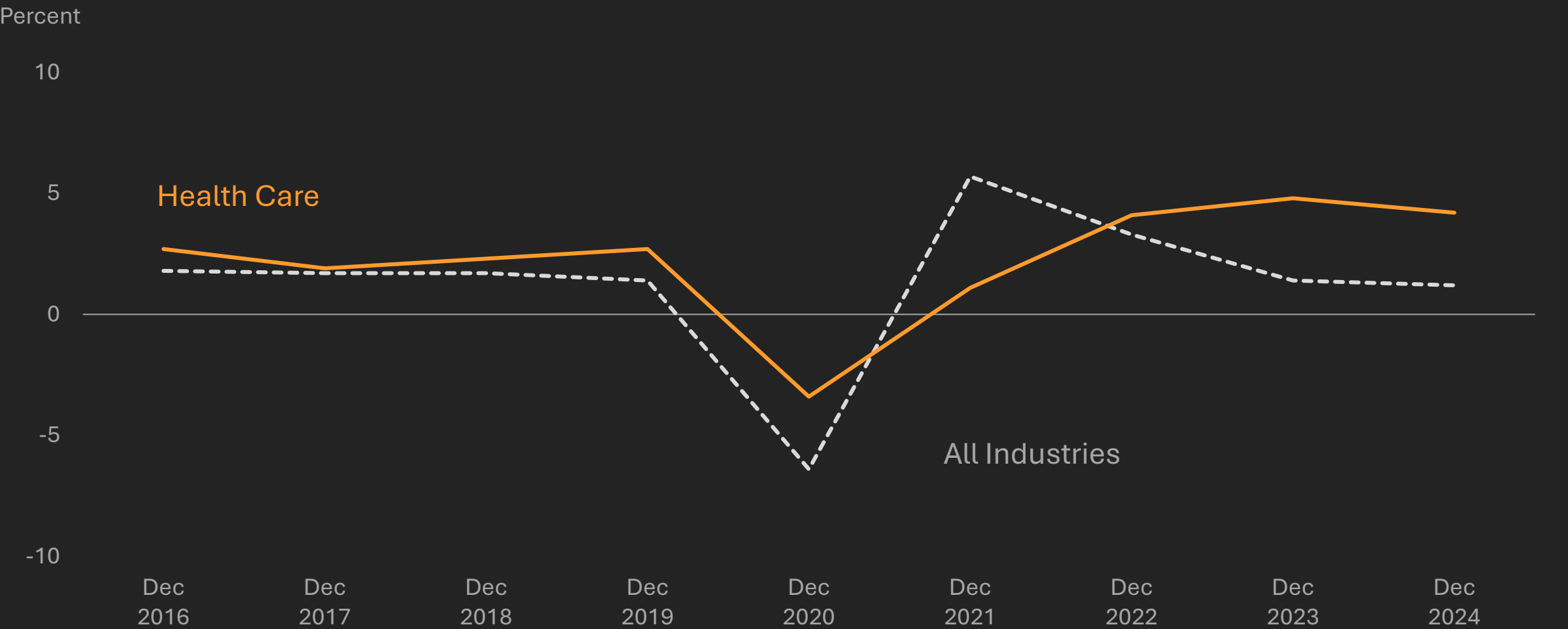
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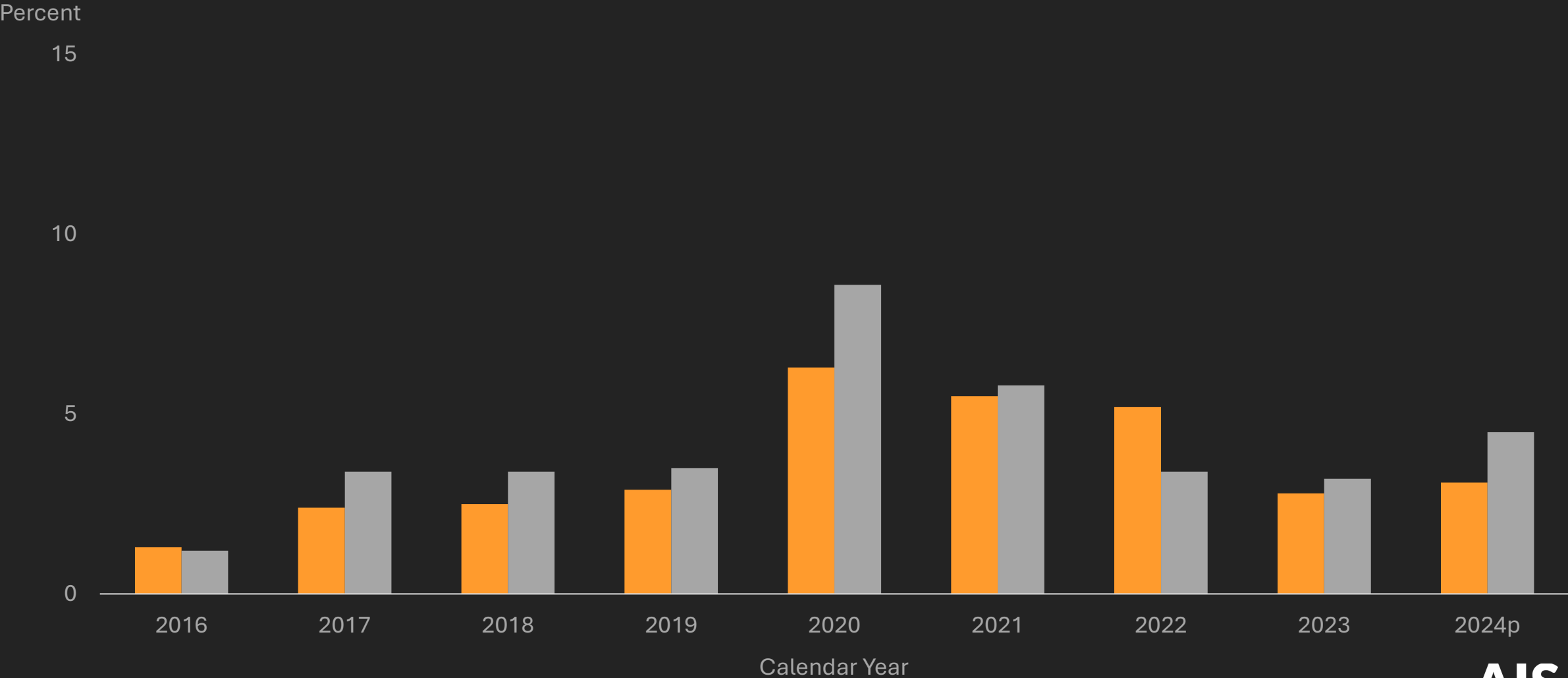
Above-Average Health Care Employment Growth Since 2022

Annual Changes



Health Care Wages Increasing Slower Than All-Industry Average

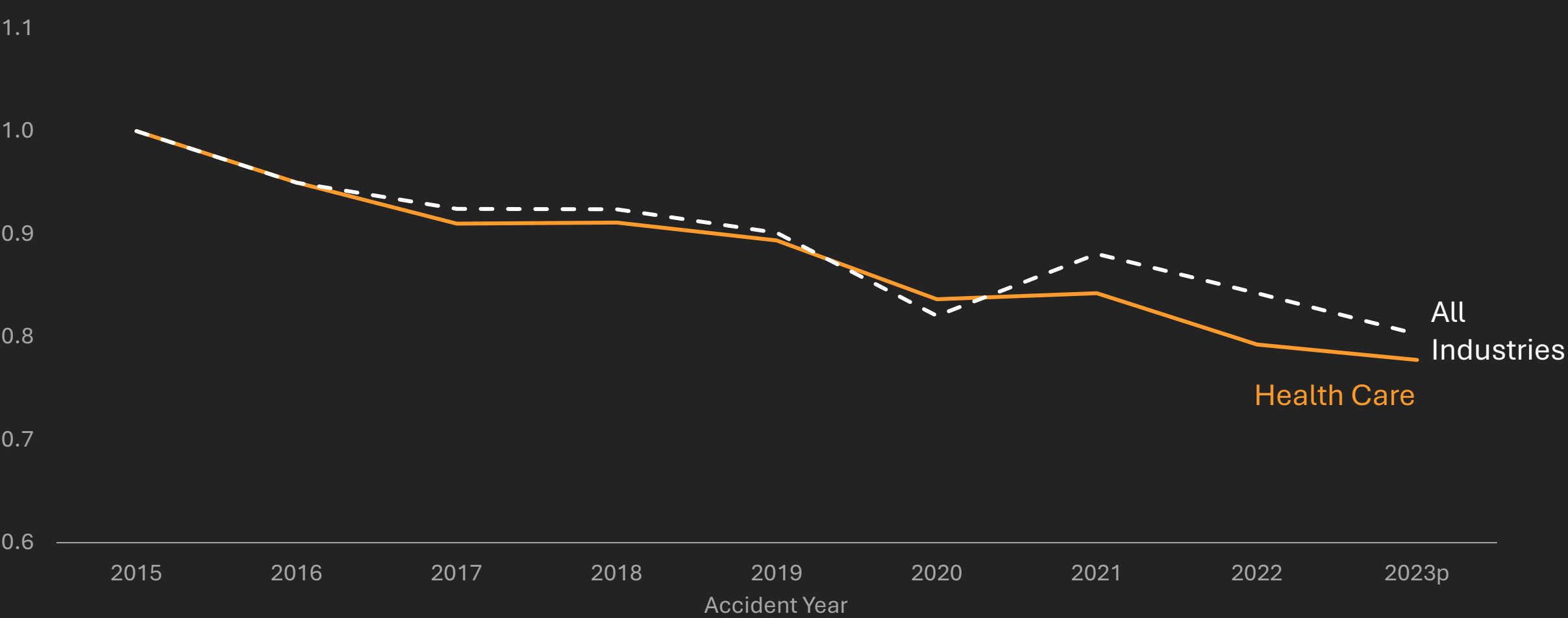
Average Annual Percentage Change in Wages; Health Care vs. All Industries



p Preliminary
Sources: 2016-2023 US Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages; 2024p BLS, US Bureau of Economic Analysis, and NCCI

Frequency Is Trending Down, but Was Flatter in Latest Year

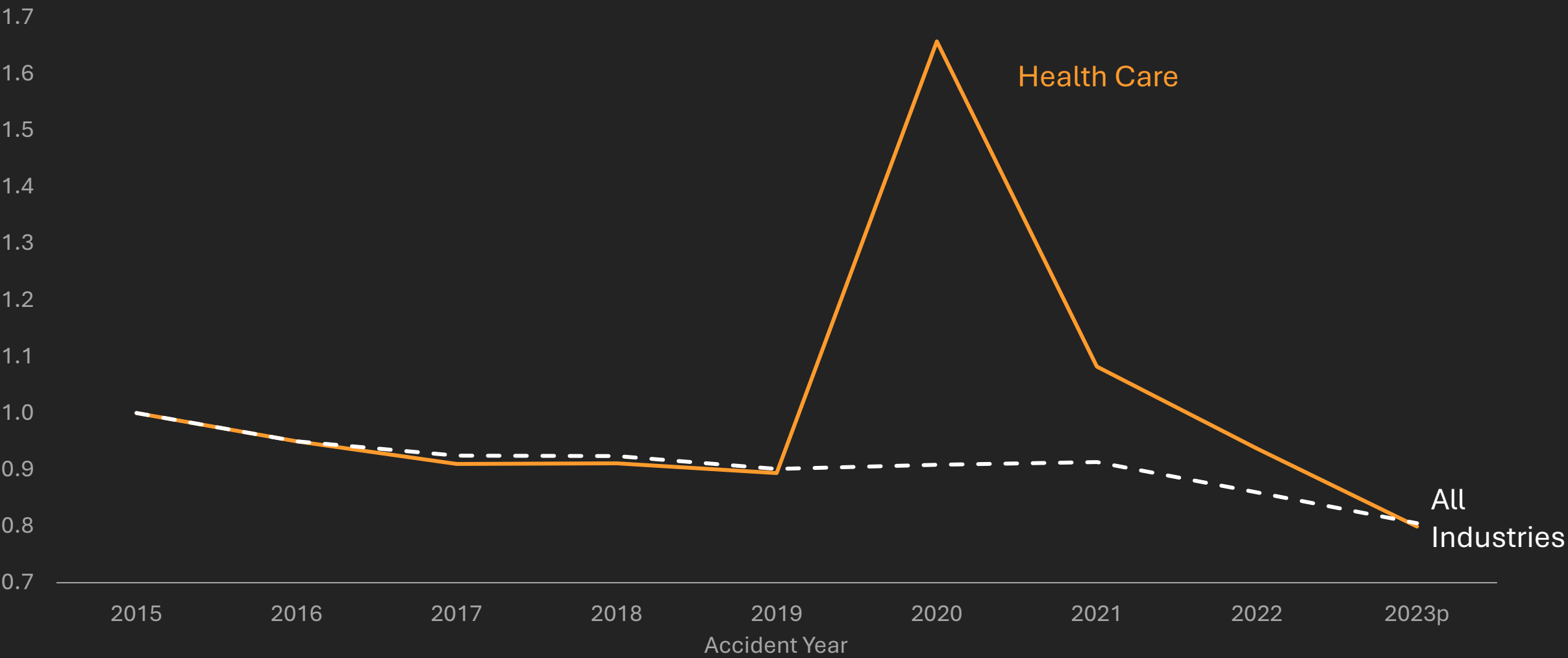
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Frequency Surged in 2020 if Including COVID-19 Claims

Cumulative Change in Lost-Time Claims per \$1M Pure Premium



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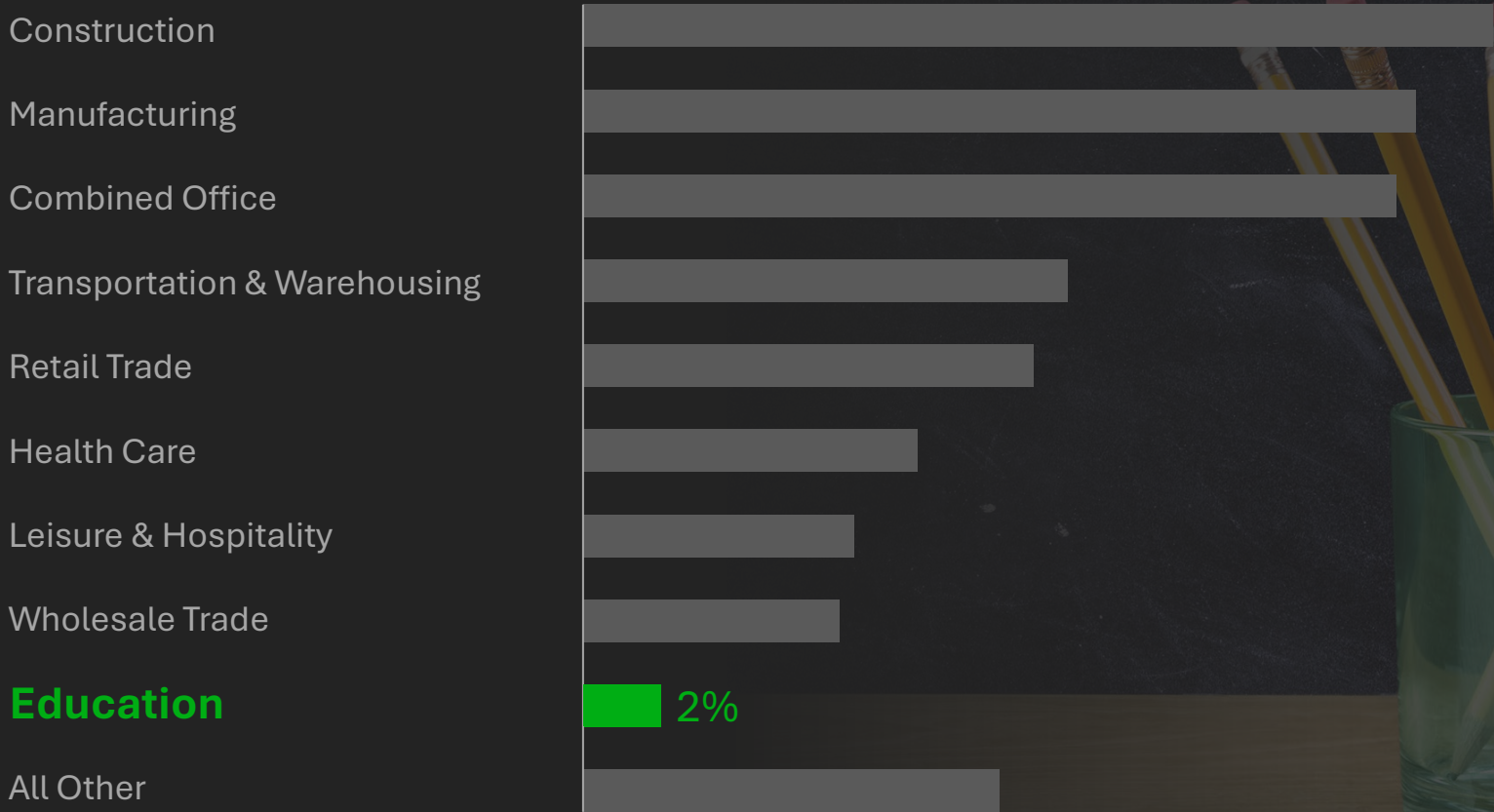


Education

Market Share by Industry

Based on 2023p Premium

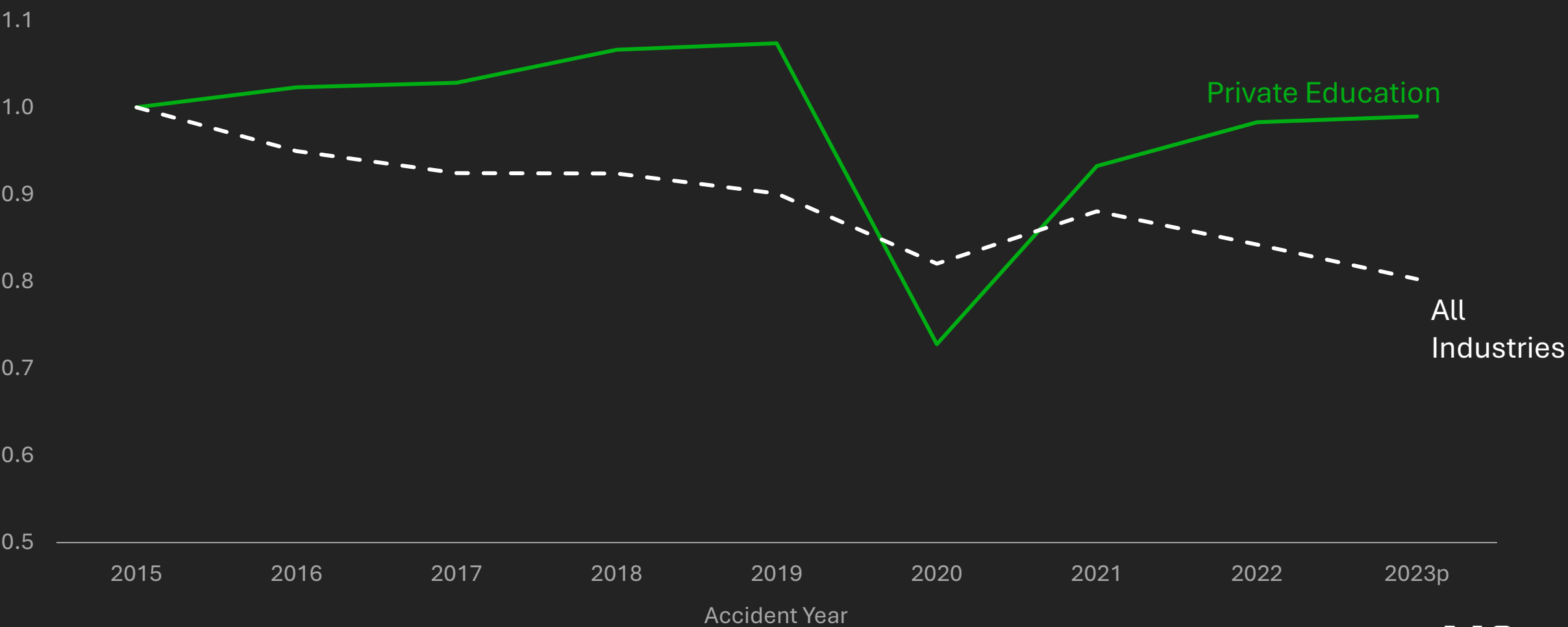
Premium Share



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Private Education Frequency Differs From All Industry Average

Cumulative Change in Lost-Time Claims per \$1M Pure Premium

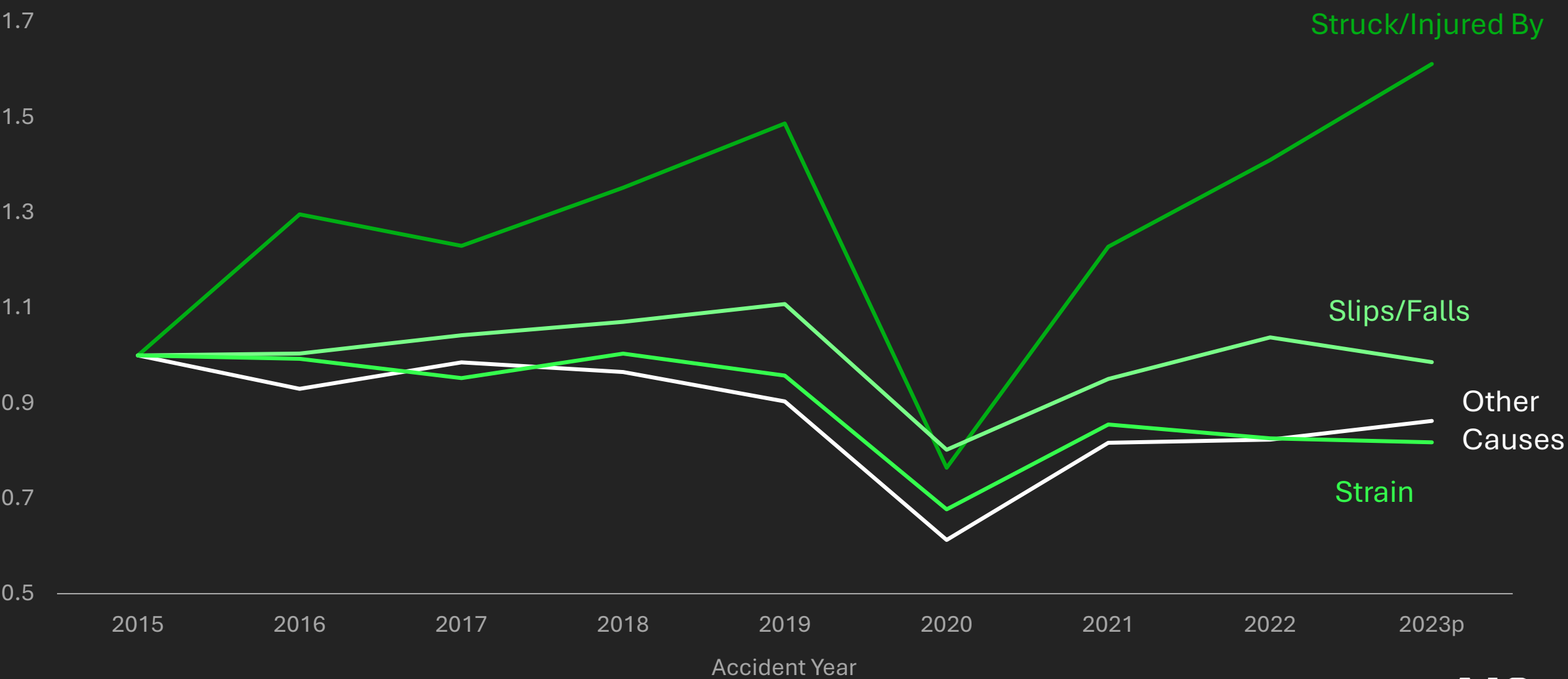


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Private Education Frequency—By Cause of Injury

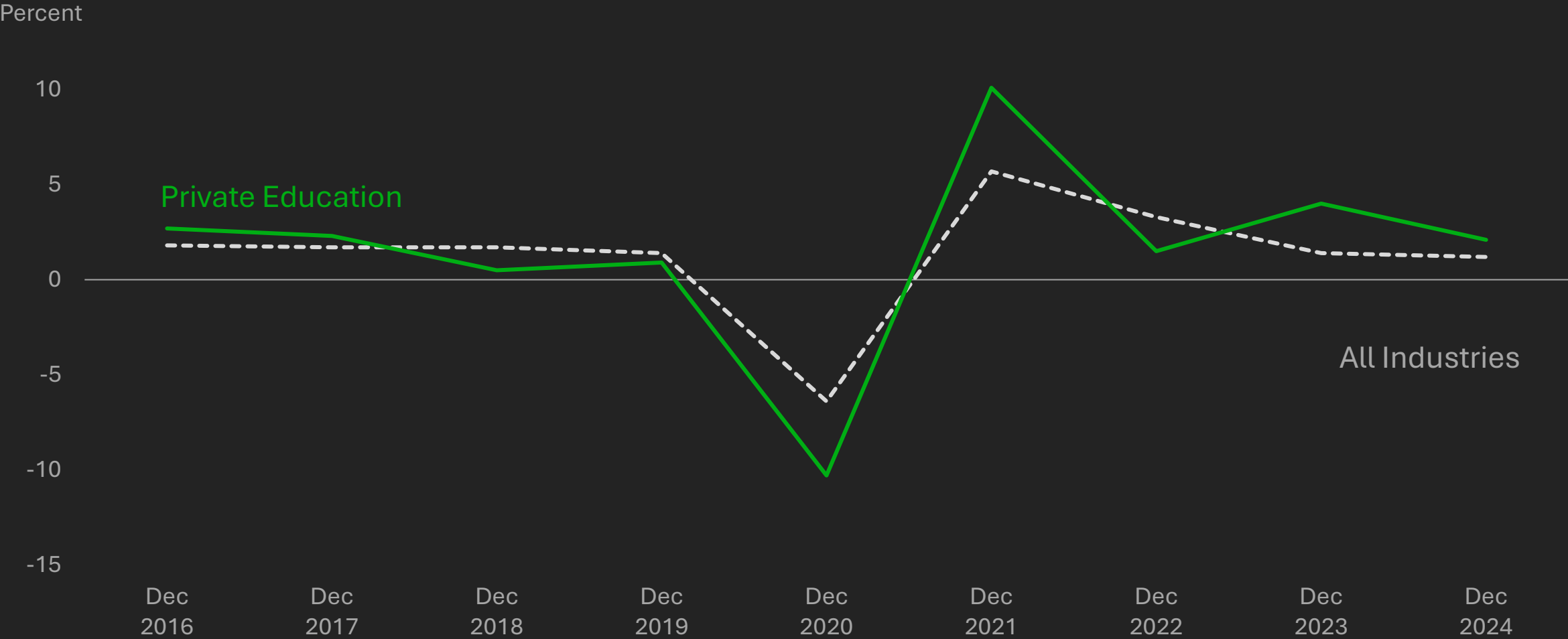
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Private Education Employment Fell Despite Virtual Classrooms

Annual Changes

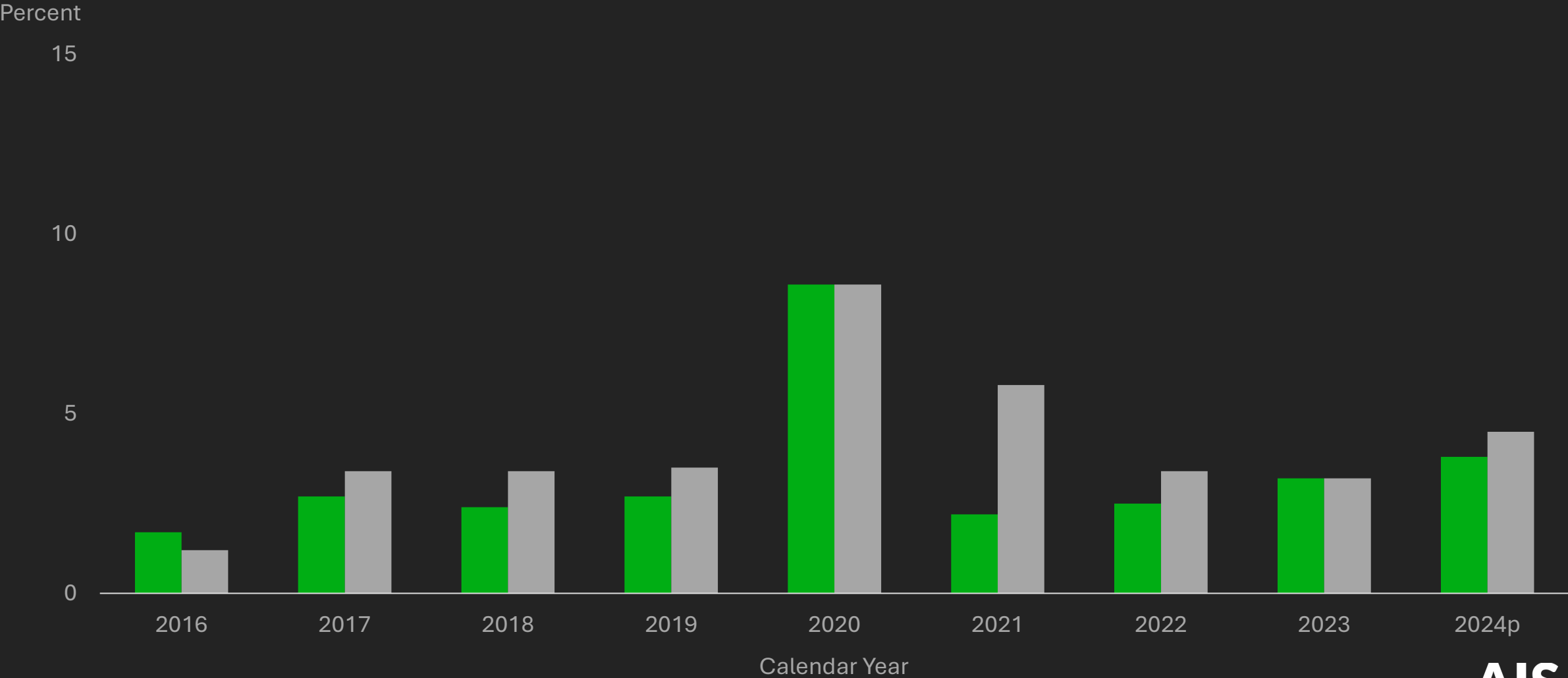


Source: US Bureau of Labor Statistics, Current Employment Statistics (CES)

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Private Education Wage Growth Has Been Comparatively Weak

Average Annual Percentage Change in Wages; Private Education vs. All Industries



p Preliminary
Sources: 2016-2023 US Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages; 2024p BLS, US Bureau of Economic Analysis, and NCCI

Coming Soon to ncci.com

Lost-Time Claim Frequency

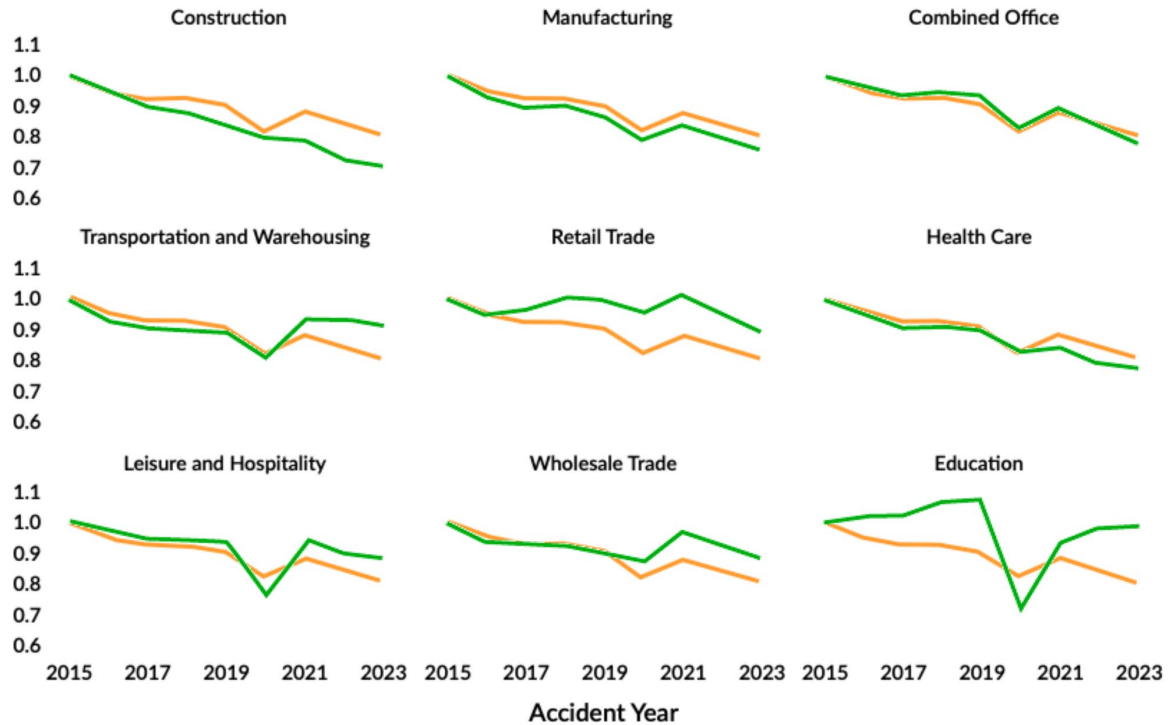
Indemnity Severity

Medical Lost-Time Severity

Total Lost-Time Severity

Cumulative Changes in Lost-Time Claim Frequency

Individual Industry and All Industries



Industry Trend Report

- Frequency trends
- Indemnity and medical severity trends
- Industry market shares
- Access to underlying values



Combined
Office



Health Care



WC Industry-Specific
Trends



Leisure &
Hospitality



Education

WC Combined Office Industry Insights



Workers Comp



Combined
Office

Claim frequency for remote workers declined significantly in 2020 and with many still not back to the office, it remains low

WC Leisure & Hospitality Industry Insights



Workers Comp



Leisure &
Hospitality

Since 2021, Food & Drink frequency fell
while other subsectors stayed flat

WC Health Care Industry Insights



Workers Comp



Health Care

Claim frequency has been trending down,
despite pandemic disruptions

WC Education Industry Insights



Workers Comp



Education

An increase in “Struck or injured by” claims has contributed to a deterioration in claim frequency

Workers Compensation Industry Insights



Combined
Office



Leisure &
Hospitality



Health Care



Education



Construction



Manufacturing



Transportation &
Warehousing



Trade Industries