

State of the Line Report

Donna Glenn, FCAS, MAAA

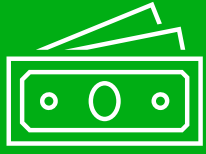
Chief Actuary
NCCI



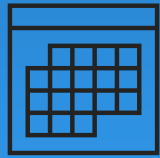
The Formula

$$\text{Data} * (\text{Context} + \text{Variation} + \text{State Dimension})^Q = \text{Understanding}$$

The diagram shows a chalkboard with a wooden frame. On the board, the title 'The Formula' is written in white. Below it, a mathematical formula is drawn with colorful chalk. The formula is: Data * (Context + Variation + State Dimension)^Q = Understanding. Each term is accompanied by a small icon: 'Data' has a blue icon of a computer monitor with a bar chart and a pie chart; 'Context' has a green icon of a location pin on a map; 'Variation' has a pink icon of a line graph with data points; 'State Dimension' has a yellow icon of a map of the United States; and 'Understanding' has an orange icon of a glowing lightbulb. The entire scene is set against a dark background, with a yellow eraser and a pink piece of chalk resting on the chalkboard ledge at the bottom.



Premium



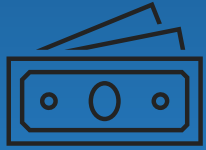
Results



Loss Drivers



Premium relatively flat



Premium



Results



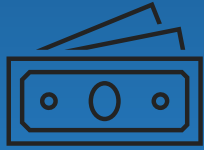
Loss Drivers



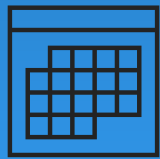
Rising combined ratio, but still profitable



Healthy reserve position



Premium



Results



Loss Drivers



Frequency declining



Severity explainable, but nuanced



State mix and industry mix matter



Property/Casualty (P/C) Industry Net Written Premium Growth

Private Carriers

Line of Business	2024 (\$B)	2025p (\$B)	% Change From 2024
Personal Auto	345.9	359.6	
Homeowners	145.7	160.0	
Other Liability (Incl. Product Liability)	104.4	111.2	
Commercial Auto	61.8	66.3	
Commercial Multi-Peril	58.3	61.1	
Fire & Allied Lines (Incl. Earthquake)	58.0	59.2	
Workers Compensation (WC)	41.6	41.6	-0.2
All Other Lines	112.1	115.3	
Total P/C Industry	927.8	974.3	5.0

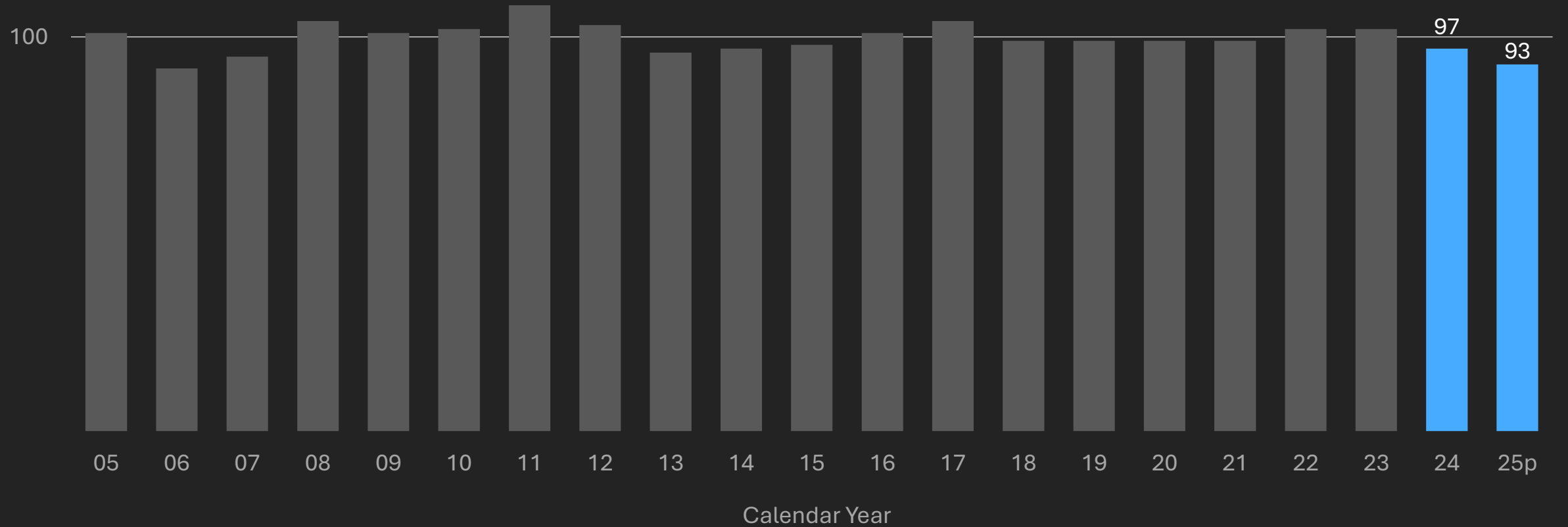
p Preliminary

Source: NAIC's Annual Statement data for individual carriers prior to consolidation of affiliated carriers

P/C Industry Net Combined Ratio

Private Carriers

Percent



p Preliminary

Sources: 2005–2008 and 2013–2025p NAIC’s Annual Statement data; 2009–2012 Insurance Services Office (ISO)

P/C Industry Net Combined Ratio

Private Carriers

Line of Business	2024 (%)	2025p (%)	Difference From 2024
Personal Auto	95	92	
Homeowners	100	88	
Other Liability (Incl. Product Liability)	109	109	
Commercial Auto	107	102	
Commercial Multi-Peril	100	96	
Fire & Allied Lines (Incl. Earthquake)	83	76	
Workers Compensation	86	91	5
All Other Lines	88	91	
Total P/C Industry	97	93	-4

p Preliminary

Source: NAIC's Annual Statement data for individual carriers prior to consolidation of affiliated carriers



P/C Industry grew more moderately and had lowest combined ratio since 2006

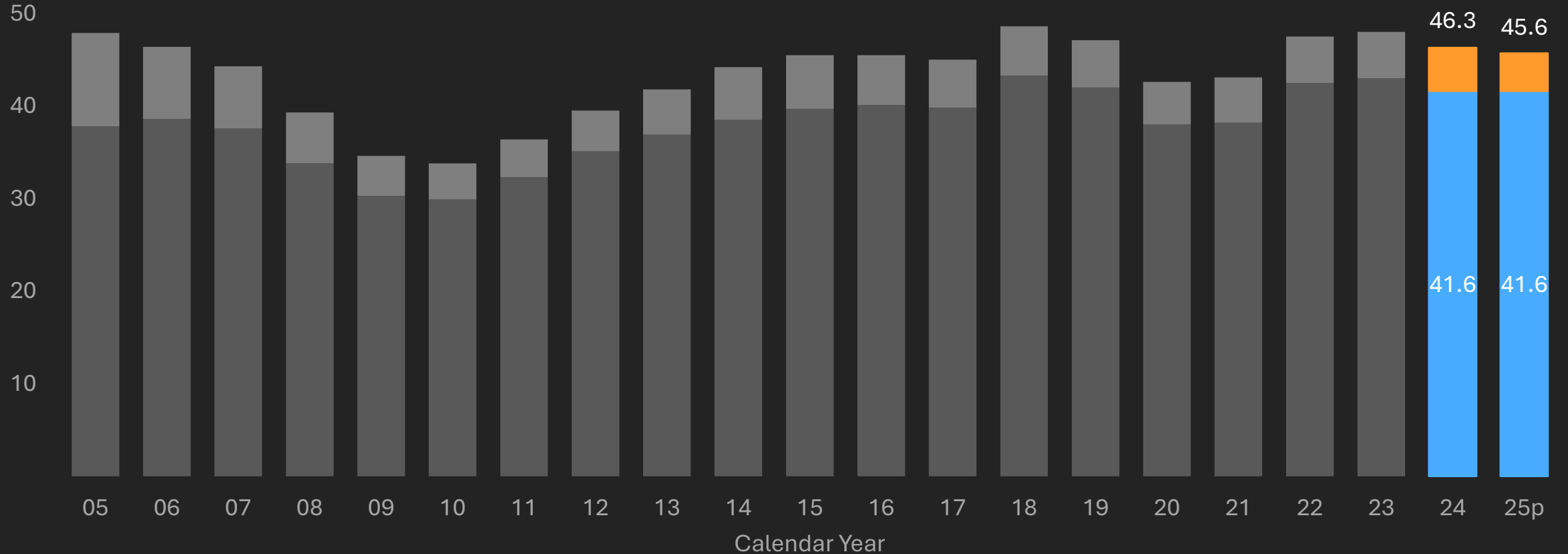
WC still profitable as combined ratio ticked up



WC Net Written Premium

Private Carriers and State Funds

\$ Billions



p Preliminary

Source: NAIC's Annual Statement data

The following states are included in the respective calendar years in which they operated as state funds: AZ, CA, CO, HI, ID, KY, LA, MD, MO, MT, NM, OK, OR, RI, TX, and UT

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WC Residual Market Premium

NCCI-Serviced WC Residual Market Pools

\$ Billions

2.0

1.5

1.0

0.5

05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25p

Policy Year

0.66 0.64

p Preliminary, incomplete policy year projected to ultimate

Source: NCCI's **Residual Market Quarterly Results**

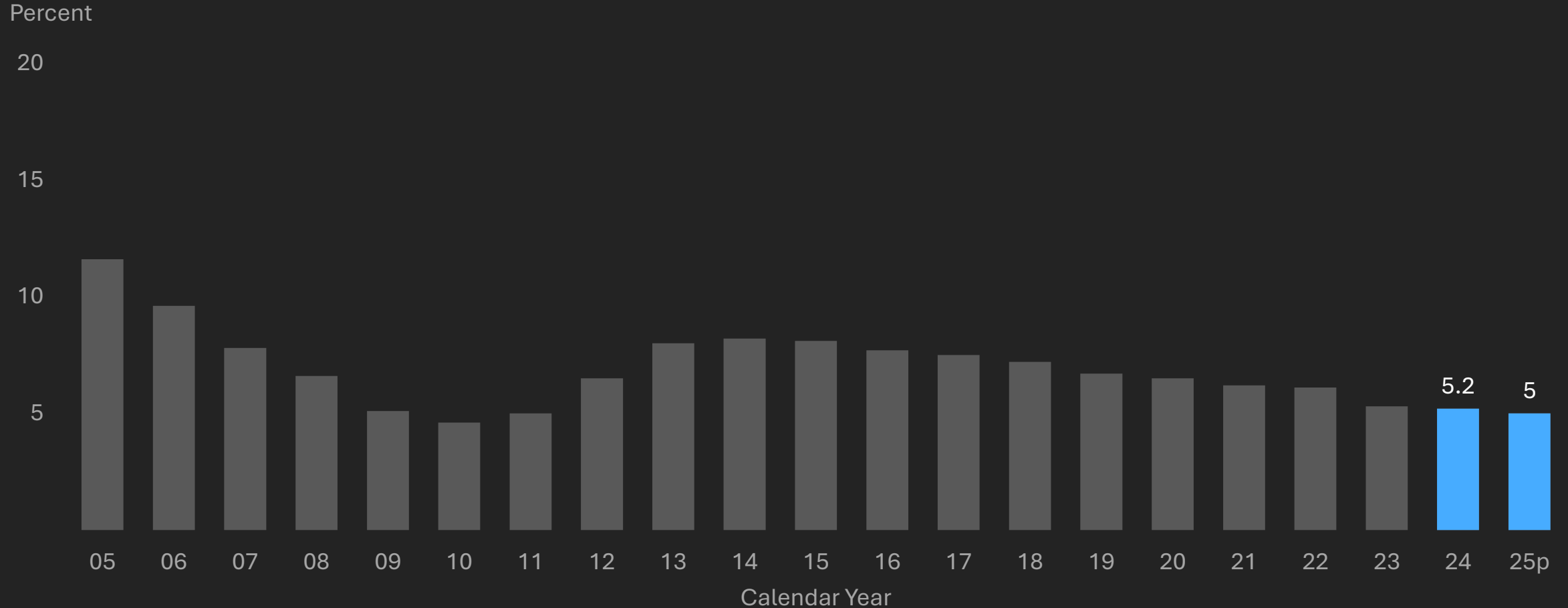
Includes Pool Data for all NCCI-serviced WC Residual Market Pool states, valued as of 12/31/2025

Tennessee Reinsurance Mechanism premium is not included

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WC Residual Market Share

NCCI-Serviced WC Residual Market Pools



p Preliminary

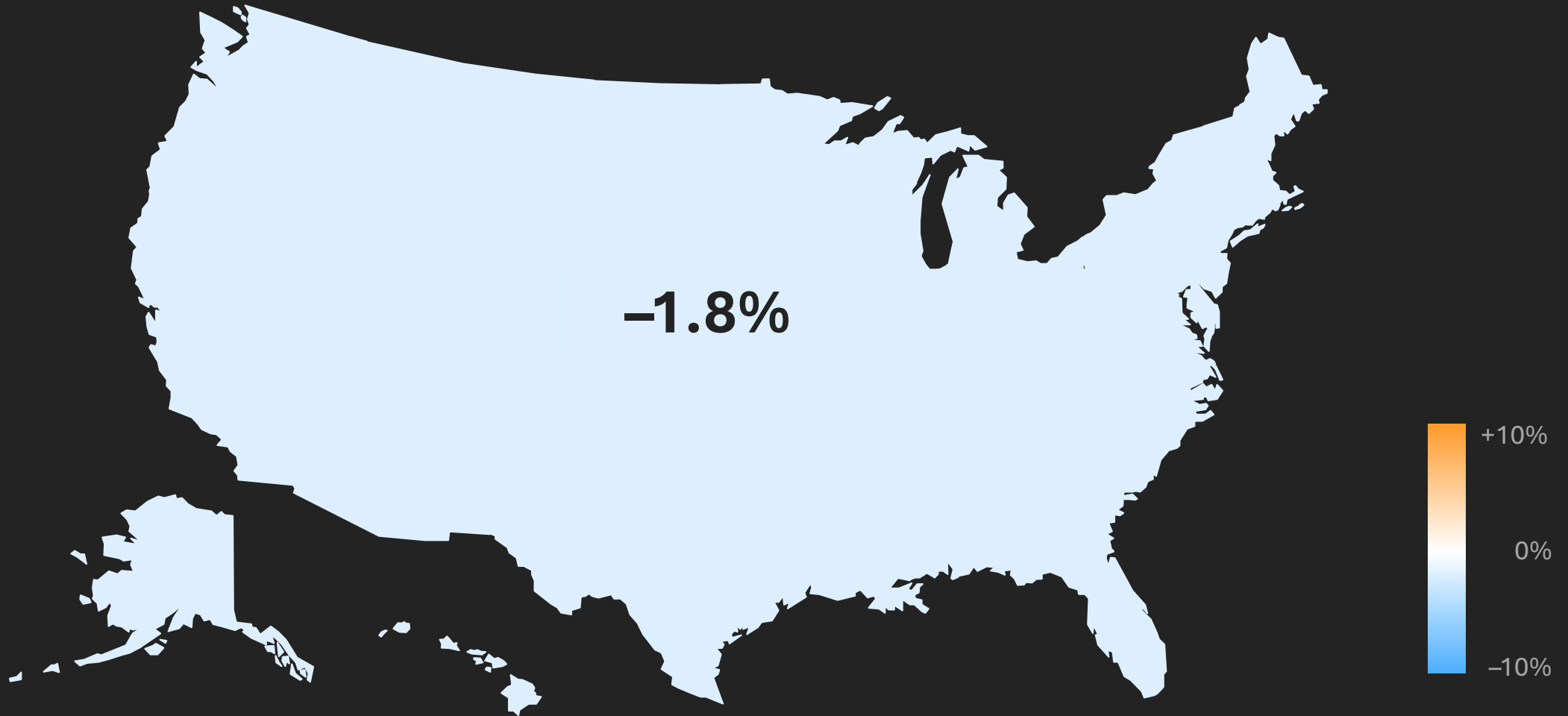
Source: NCCI's *Residual Market Management Summary*

Includes Pool and direct assignment data for all NCCI-serviced WC Residual Market Pool states

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WC Direct Written Premium Change—2024 to 2025

Private Carriers



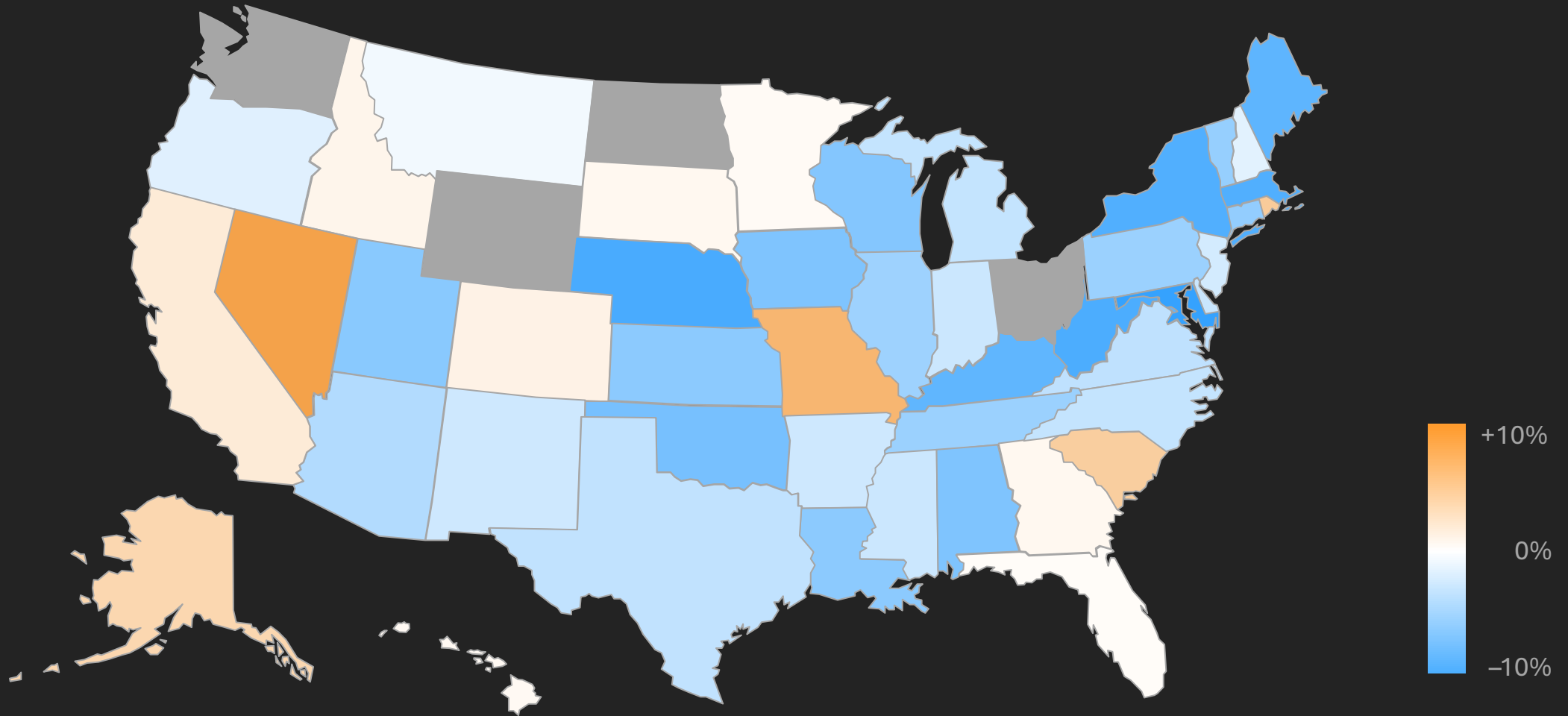
Sources: 2024 and 2025 NAIC's Annual Statement Statutory Page 14

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WC Direct Written Premium Change—2024 to 2025

Private Carriers



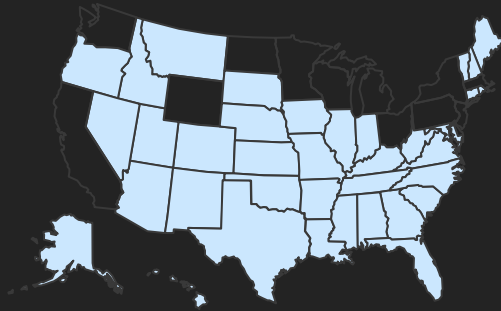
Sources: 2024 and 2025 NAIC's Annual Statement Statutory Page 14

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WC Direct Written Premium (DWP) Change—2024 to 2025

Private Carriers



NCCI States

2025p DWP	\$25.6B
YOY Change	-2.0%
Share	51%



California

2025p DWP	\$10.8B
YOY Change	1.6%
Share	21%



New York

2025p DWP	\$3.2B
YOY Change	-6.8%
Share	6%

Changes in Payroll by Component—2024 to 2025

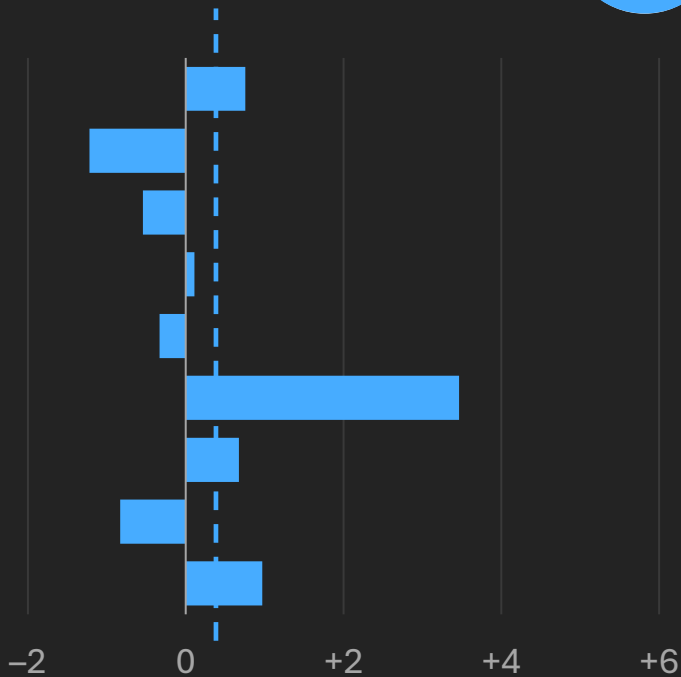
Payroll 4.8%



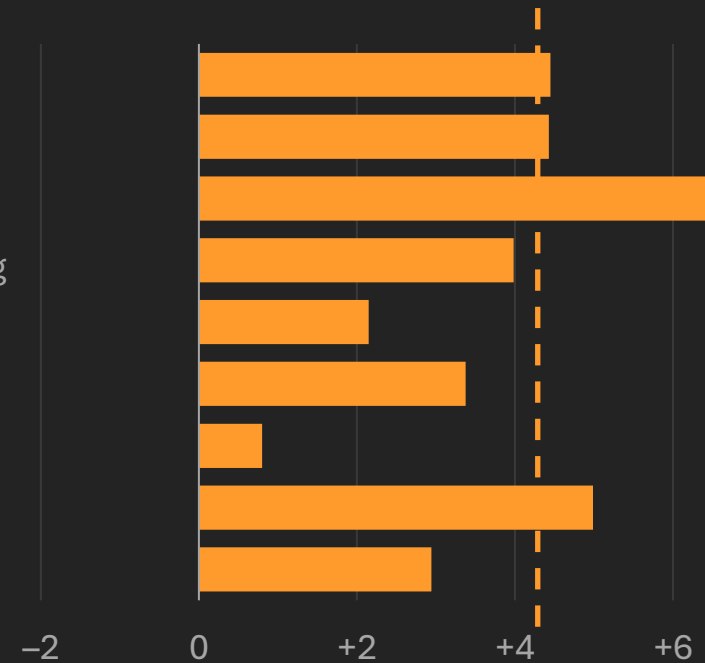
Employment 0.5%



Wage Rate 4.3%



- Construction
- Manufacturing
- Combined Office
- Transportation and Warehousing
- Retail Trade
- Health Care
- Leisure and Hospitality
- Wholesale Trade
- All Other



Sources: US Bureau of Labor Statistics (BLS); US Bureau of Economic Analysis (BEA); NCCI

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Change in Combined Impact of Schedule Rating, Dividends, and Rate/Loss Cost Departure

Private Carriers—NCCI States

Percent

5



p Preliminary

Sources: NAIC's Annual Statement Statutory Page 14 and NCCI's Financial Call data

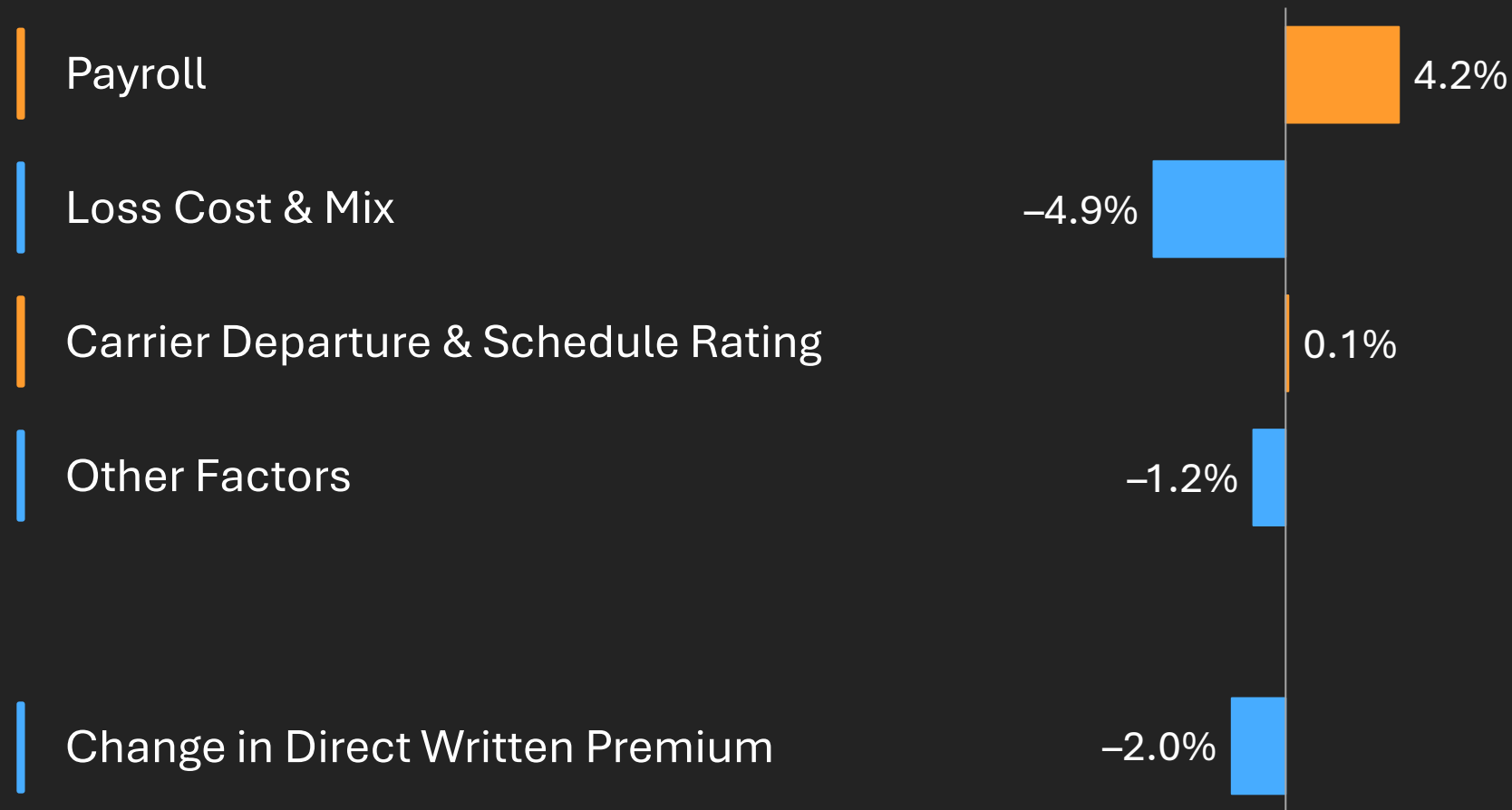
Reflects the impact of carrier dividends, schedule rating, and departure from NCCI rates/loss costs

Includes all states where NCCI provides ratemaking services

WC Direct Written Premium Change by Component

Private Carriers—NCCI States

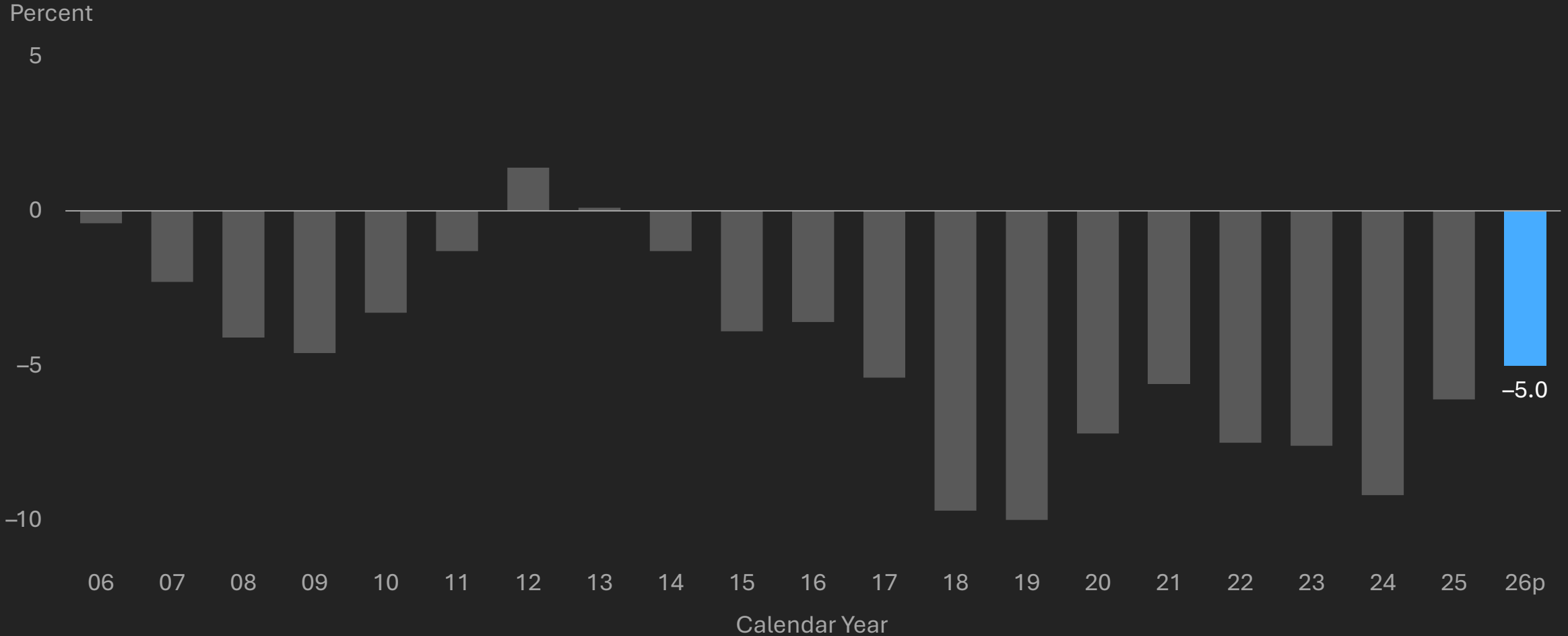
2024 vs. 2025



Sources: Direct Written Premium Change: NAIC's Annual Statement Statutory Page 14 for all states where NCCI provides ratemaking services
Components: NCCI's Policy Data

WC Approved Changes in Bureau Loss Cost Level

Weighted by Effective Date and Premium—NCCI States



p Preliminary

Sources: NCCI; weights are based on NAIC's Annual Statement Statutory Page 14

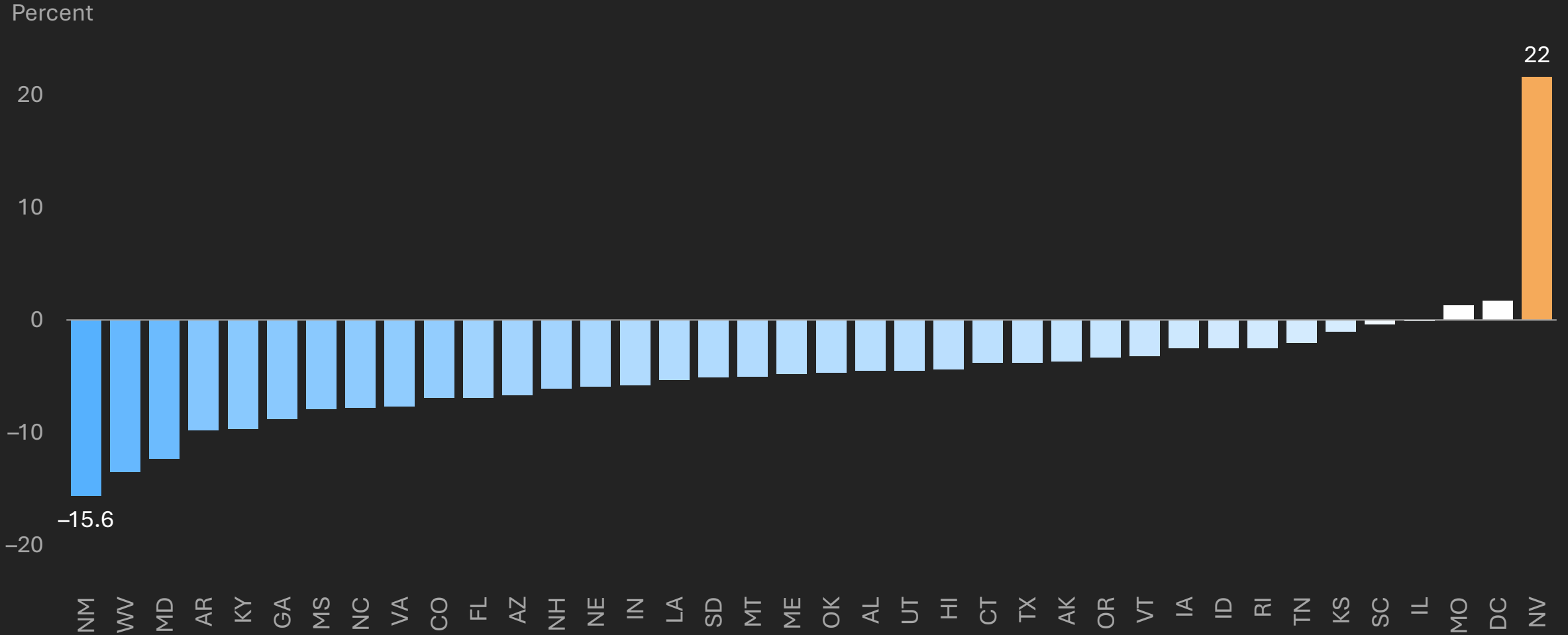
Values reflect changes in average premium levels between years, based on approved changes in advisory rates, loss costs, assigned risk rates, and rating values, as of 5/1/2026

IN and NC are filed in cooperation with state rating bureaus

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Most Recent Changes in Bureau Loss Cost Level

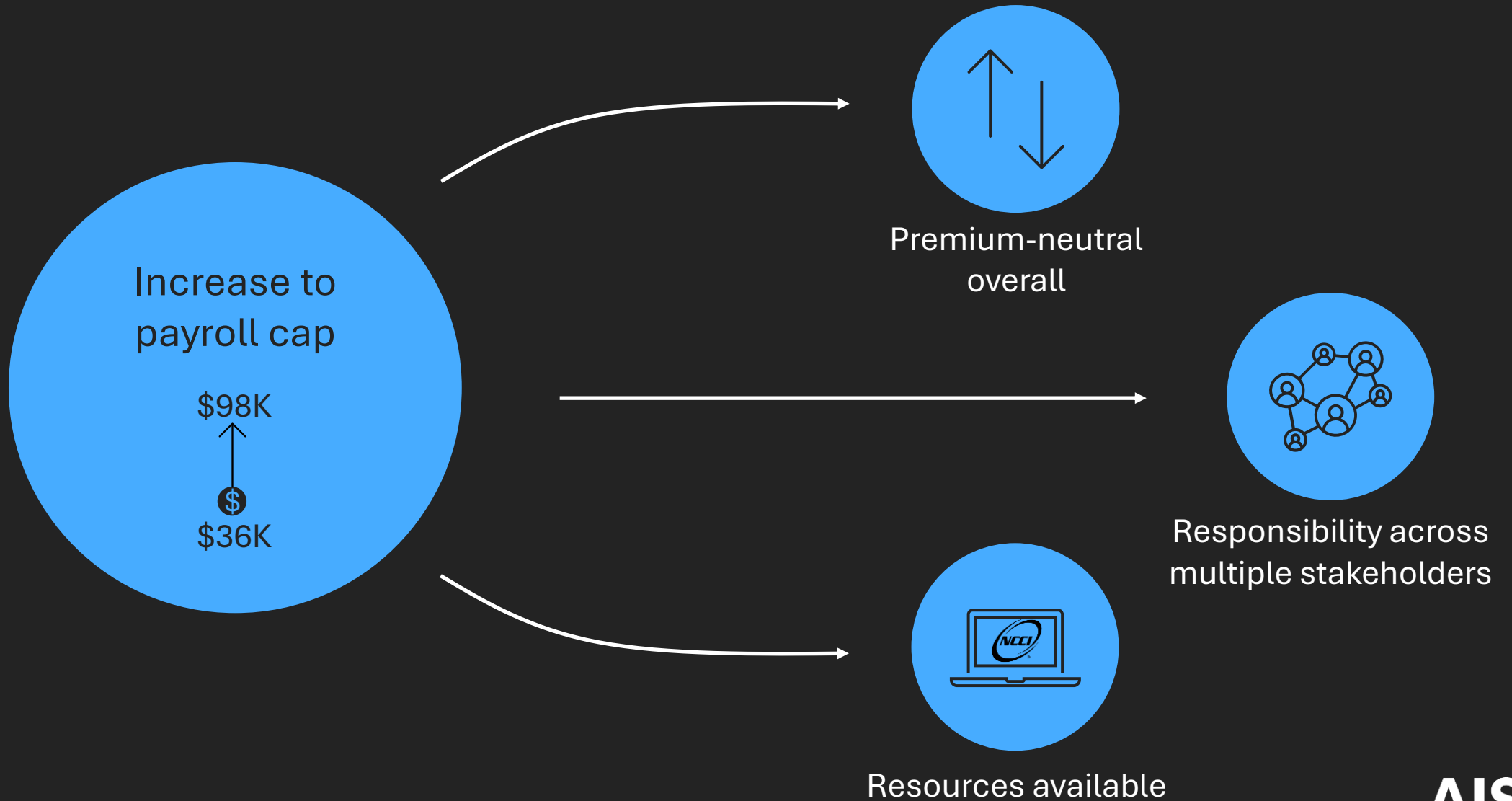
Voluntary Market, Excludes Law-Only Filings



Premium level changes in advisory rates, loss costs, and rating values, as of 5/1/2026, as filed by the applicable rating organization, relative to those previously approved
IN and NC are filed in cooperation with state rating bureaus

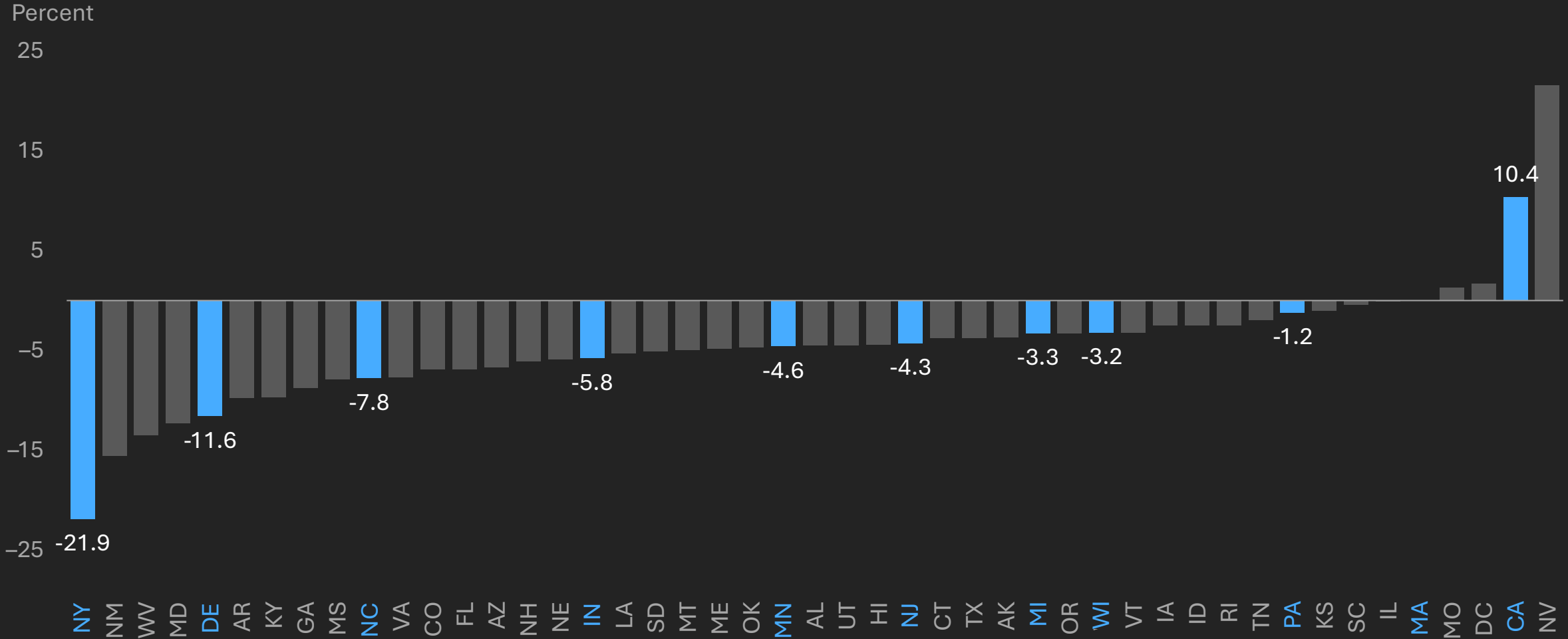
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Nevada Law-Only Filing Effective 10/1/2026



Most Recent Changes in Bureau Loss Cost Level

Voluntary Market, Excludes Law-Only Filings

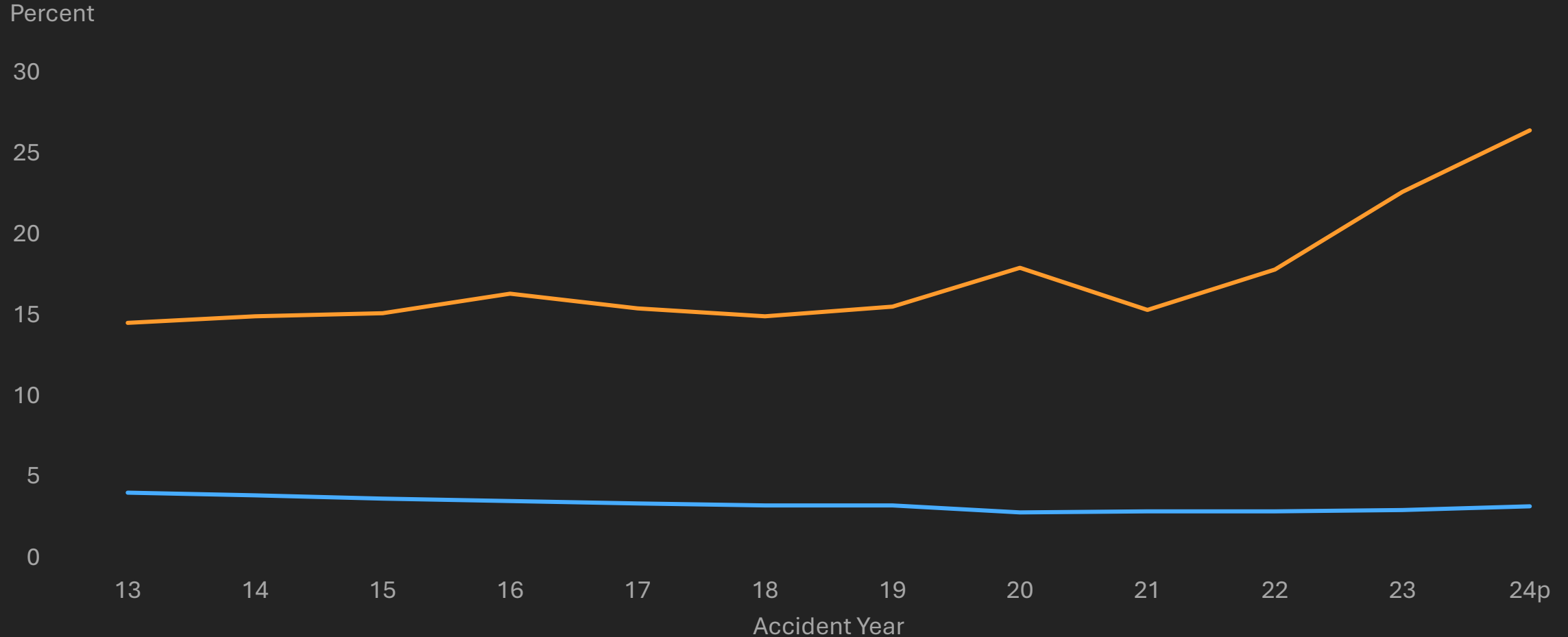


Premium level changes in advisory rates, loss costs, and rating values, as of 4/25/2025, as filed by the applicable rating organization, relative to those previously approved
 IN and NC are filed in cooperation with state rating bureaus

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Cumulative Trauma by Proportion of Claim Counts

NCCI States vs. CA

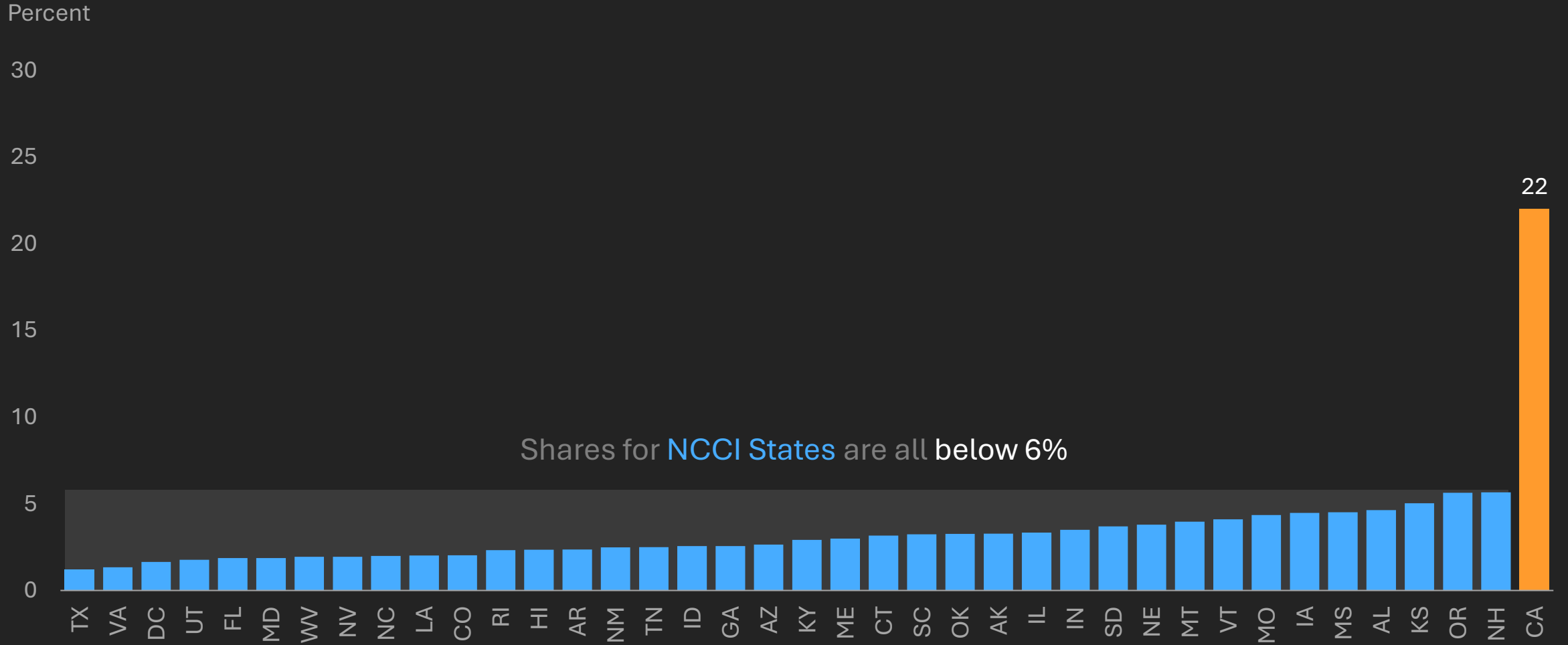


Sources: NCCI; NCCI's Workers Compensation Statistical Plan data for Accident Years 2012–2024 at 1st Report and NCCI's Medical Data Call; excludes COVID-19 claims; includes all states where NCCI provides ratemaking services except TX
CA: WCIRB of California

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Cumulative Trauma for AY 2022–2024

By Proportion of Claim Counts, NCCI States vs. CA



Sources: NCCI; NCCI's Workers Compensation Statistical Plan data for Accident Years 2022–2024 at 1st Report and NCCI's Medical Data Call; excludes COVID-19 claims
CA: WCIRB of California



Net written premium flat

Payroll change components:

0.5%	4.3%
Employment	Wage Rate

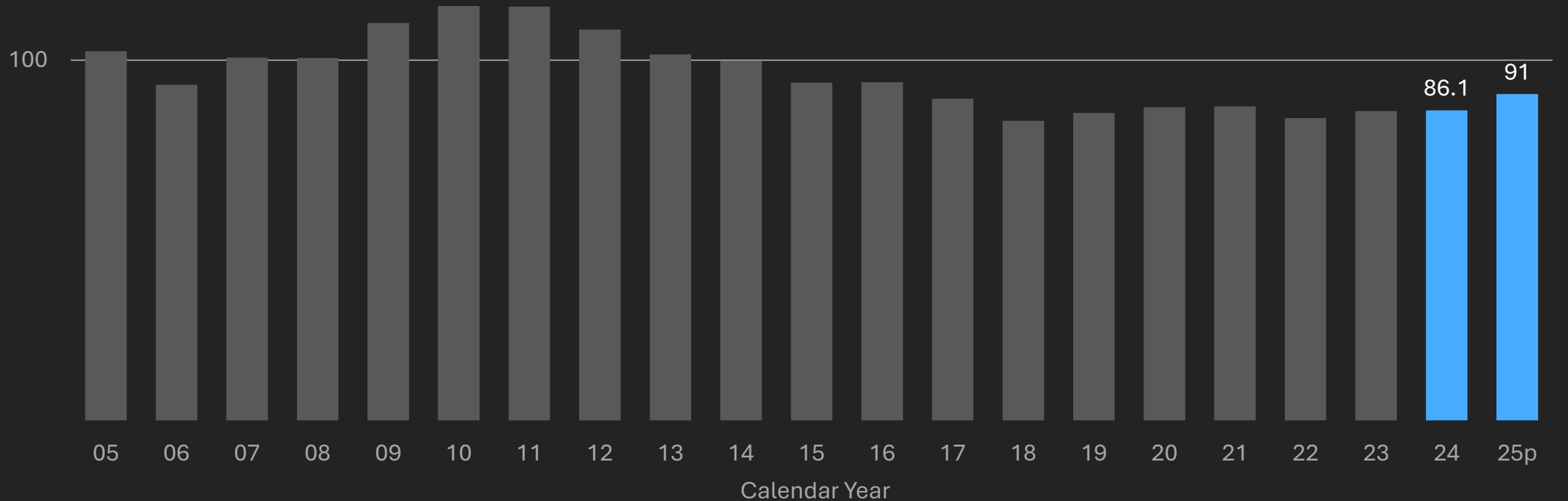
Loss costs continue to decline, although at a more moderate pace



WC Net Combined Ratio

Private Carriers

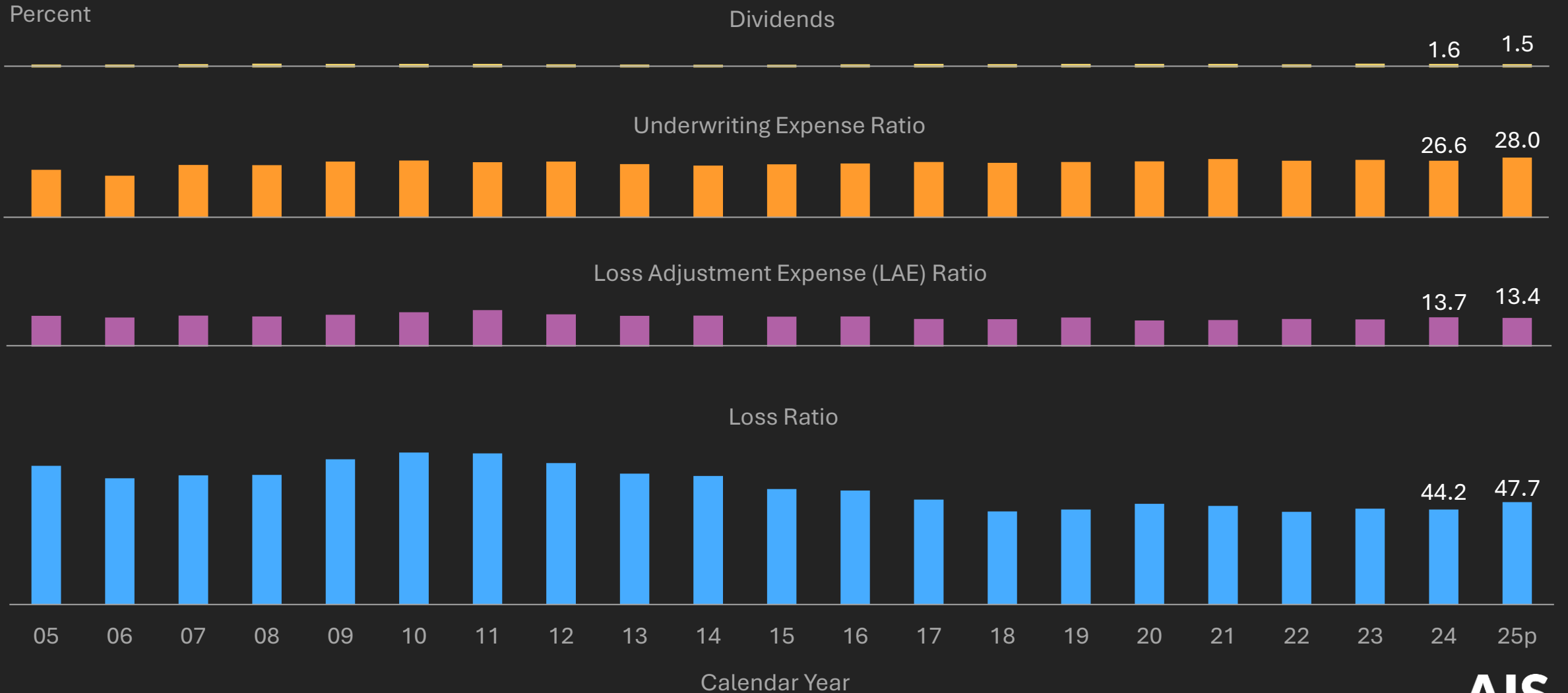
Percent



p Preliminary
Source: NAIC's Annual Statement data

WC Net Combined Ratio by Component

Private Carriers

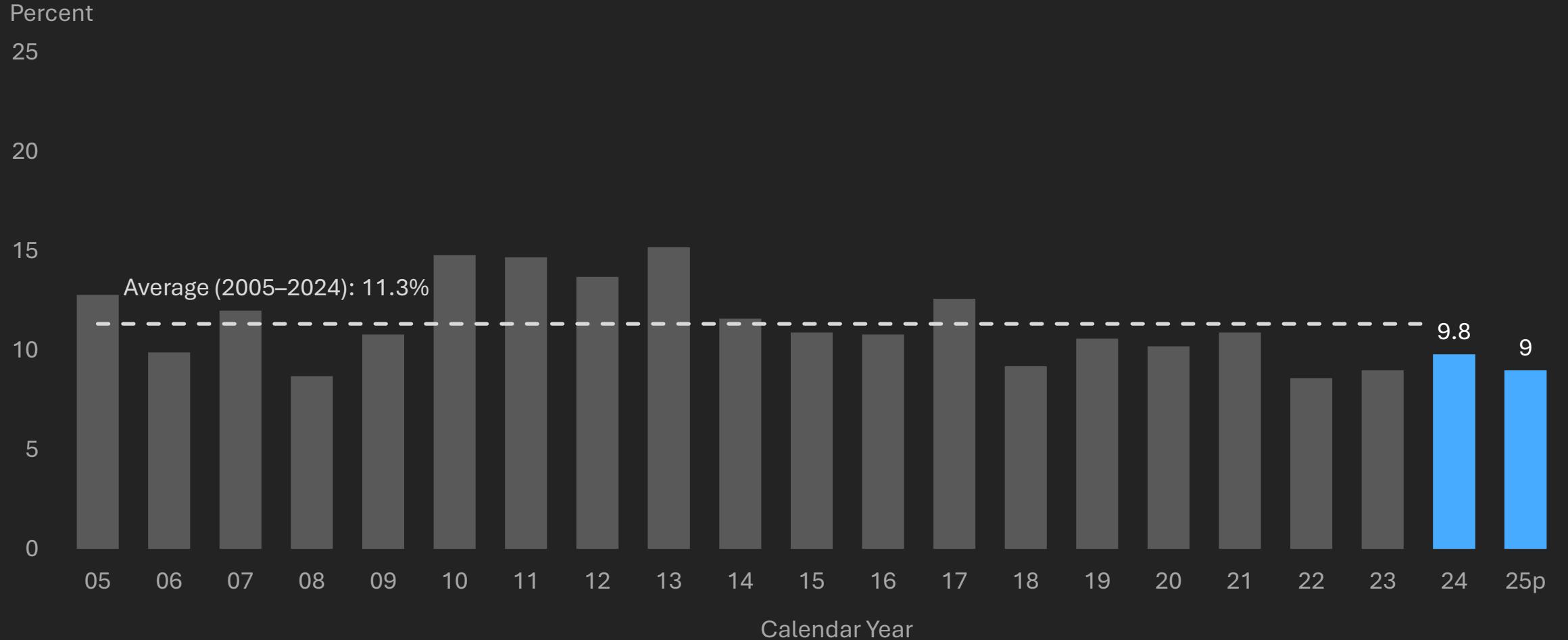


p Preliminary
Source: NAIC's Annual Statement data

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WC Investment Gain on Insurance Transactions

Ratio to Net Earned Premium, Private Carriers



p Preliminary

Source: NAIC's Annual Statement data

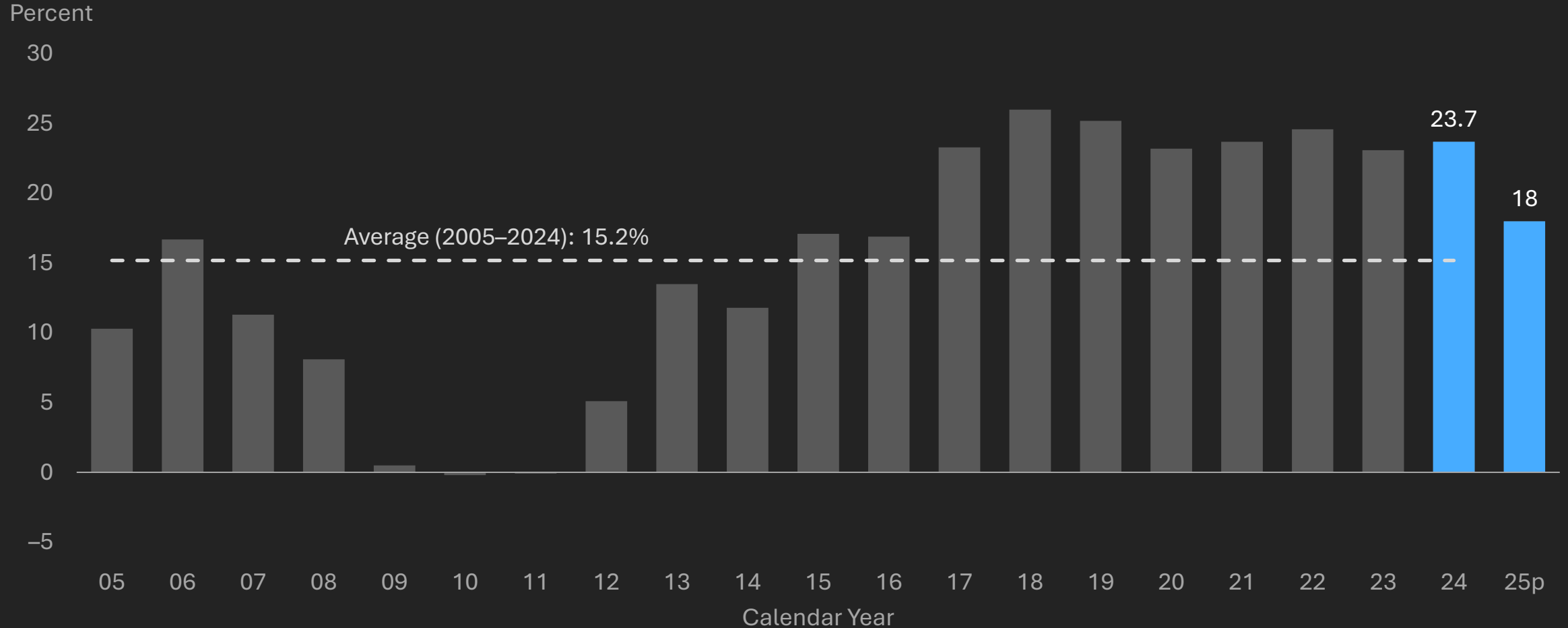
Investment Gain on Insurance Transactions includes Other Income

2013 is adjusted to exclude a material realized gain resulting from a single company transaction that involved corporate restructuring; unadjusted value is 19.4

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WC Pretax Operating Gain

Private Carriers



p Preliminary

Source: NAIC's Annual Statement data

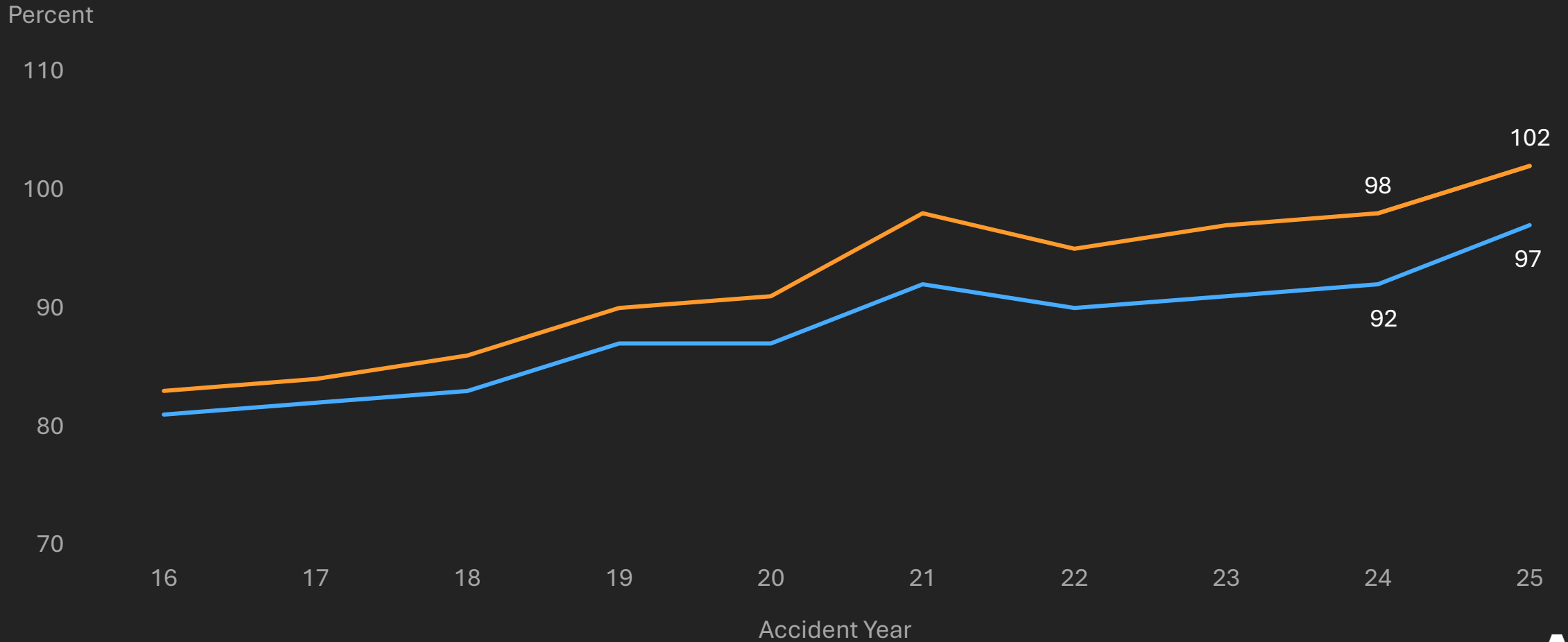
Operating Gain equals 1.00 minus (Combined Ratio less Investment Gain on Insurance Transactions and Other Income)

2013 is adjusted to exclude a material realized gain resulting from a single company transaction that involved corporate restructuring; unadjusted value is 17.7

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WC Net Combined Ratios— Accident Year **As Reported** vs. NCCI's **Selections**

Private Carriers



Sources: As Reported: NAIC's Annual Statement Schedule P—Part 1D data as of 12/31/2025
NCCI Selections: NCCI's analysis based on NAIC's Annual Statement data

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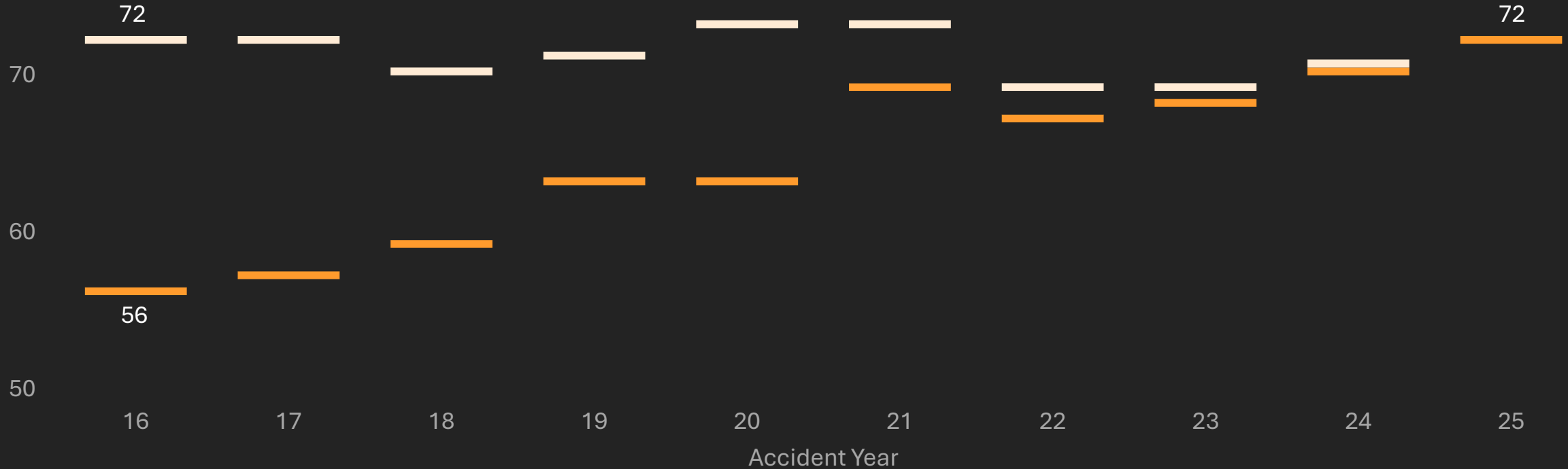
Emergence of Reported WC Net Loss and LAE Ratios

Private Carriers

Percent

80

Initial Reported Loss & LAE Ratio
Current Reported Loss & LAE Ratio

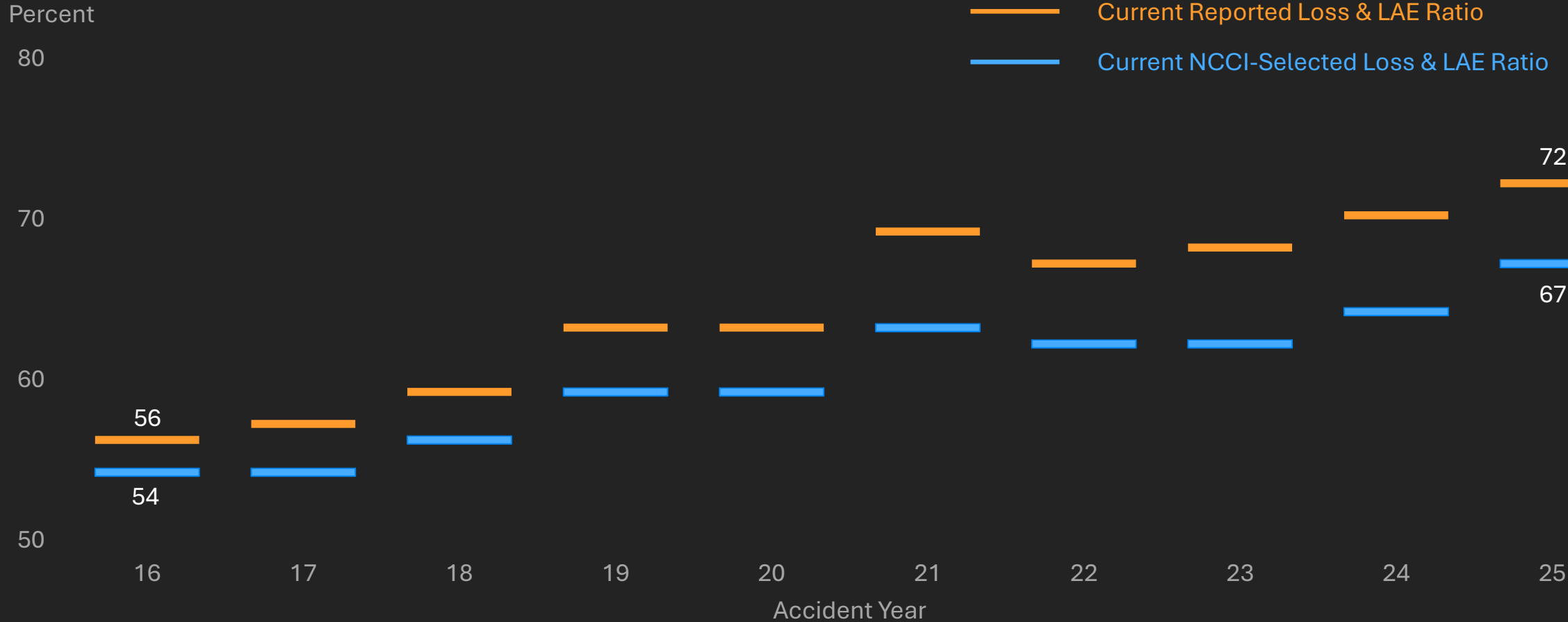


Source: NAIC's Annual Statement Schedule P—Part 1D data at year-end valuations
As Reported Loss and LAE ratios are net of tabular reserve discounts and gross of nontabular reserve discounts

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WC Net Loss and LAE Ratios— Accident Year **As Reported** vs. NCCI's **Selections**

Private Carriers



Sources: As Reported: NAIC's Annual Statement Schedule P—Part 1D data as of 12/31/2025

NCCI Selections: NCCI's analysis based on NAIC's Annual Statement data

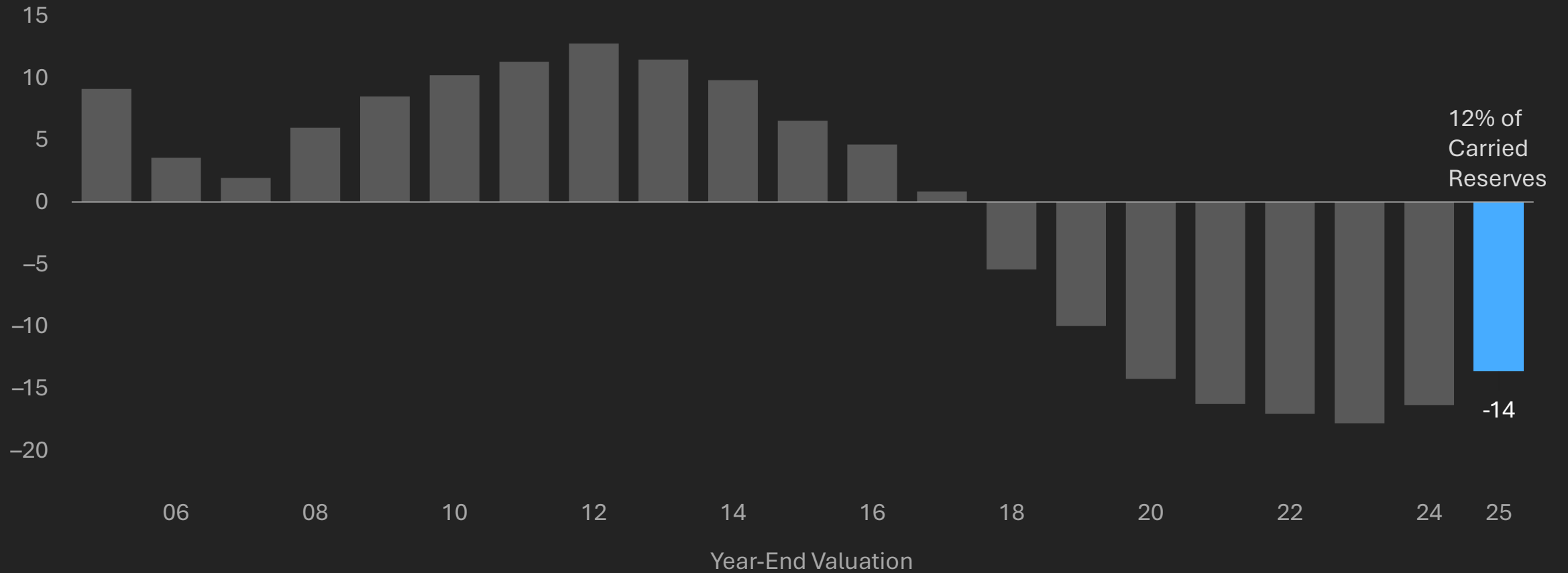
As Reported Loss and LAE ratios are net of tabular reserve discounts and gross of nontabular reserve discounts

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WC Net Loss and LAE Reserve Adequacy

Private Carriers

\$ Billions



Source: NCCI's analysis based on NAIC's Annual Statement data
Adequacy values above consider all reserve discounts as deficiencies

2025 reported combined ratios:

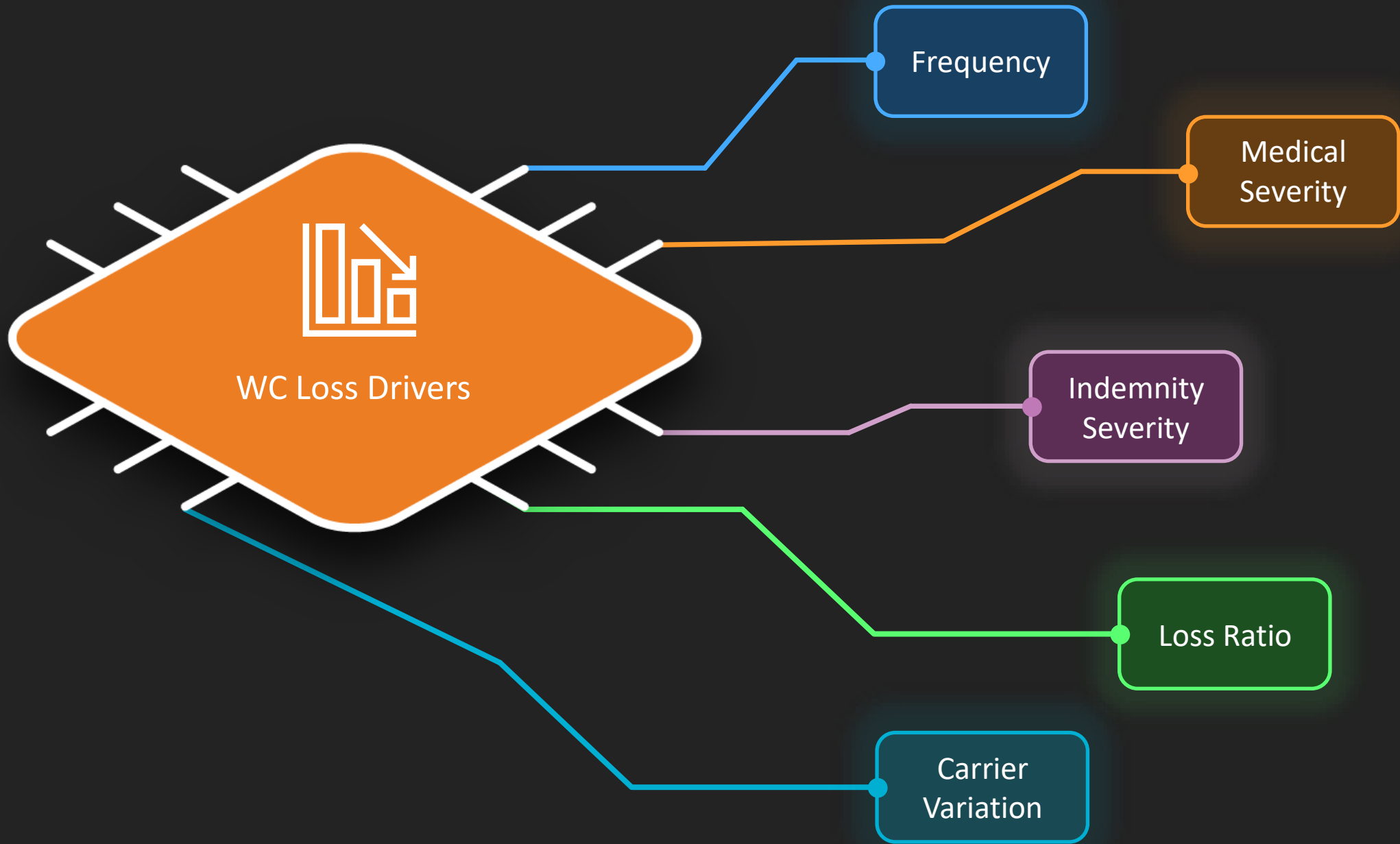
AY
102%

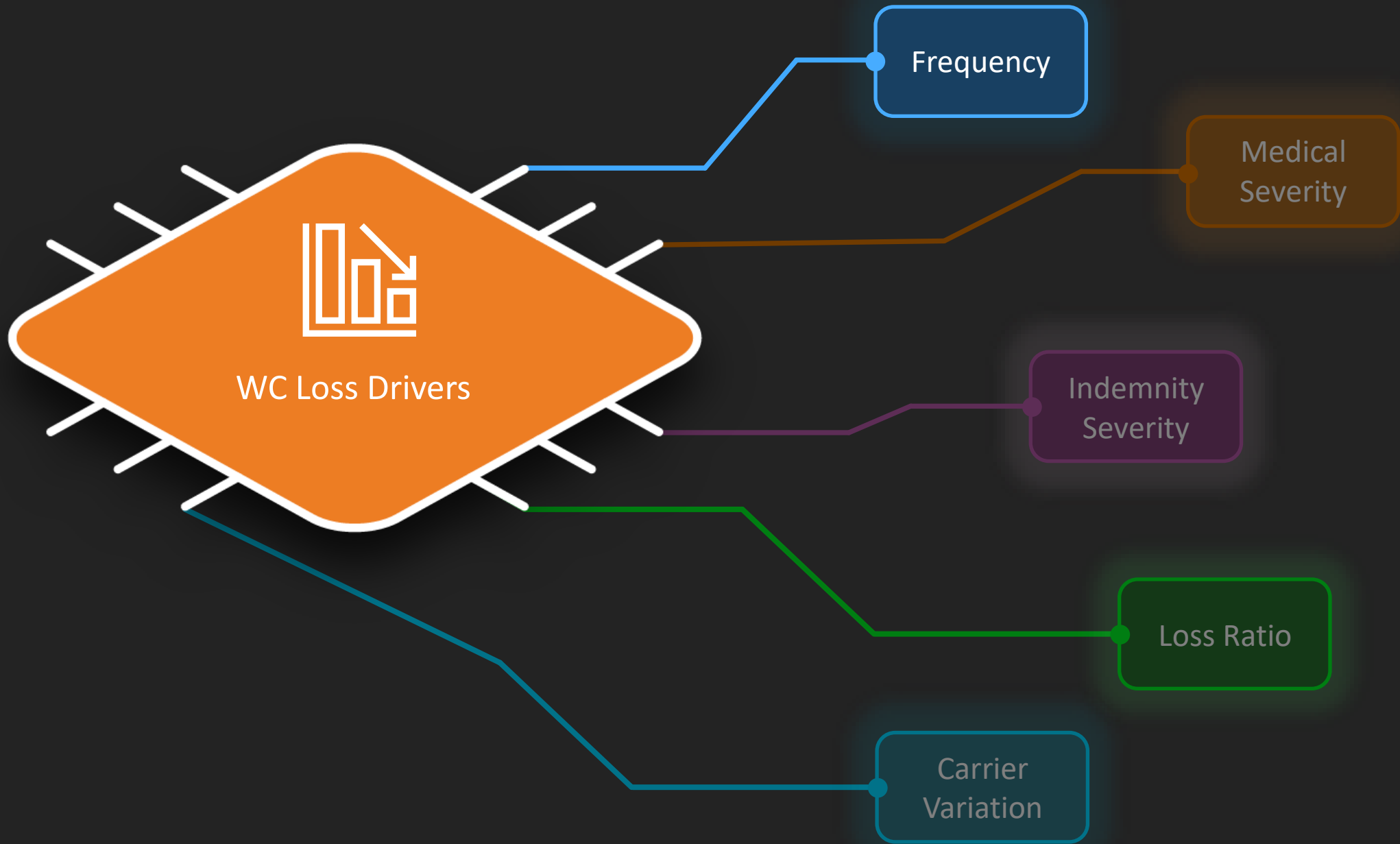
CY
91%

\$14 billion
reserve redundancy





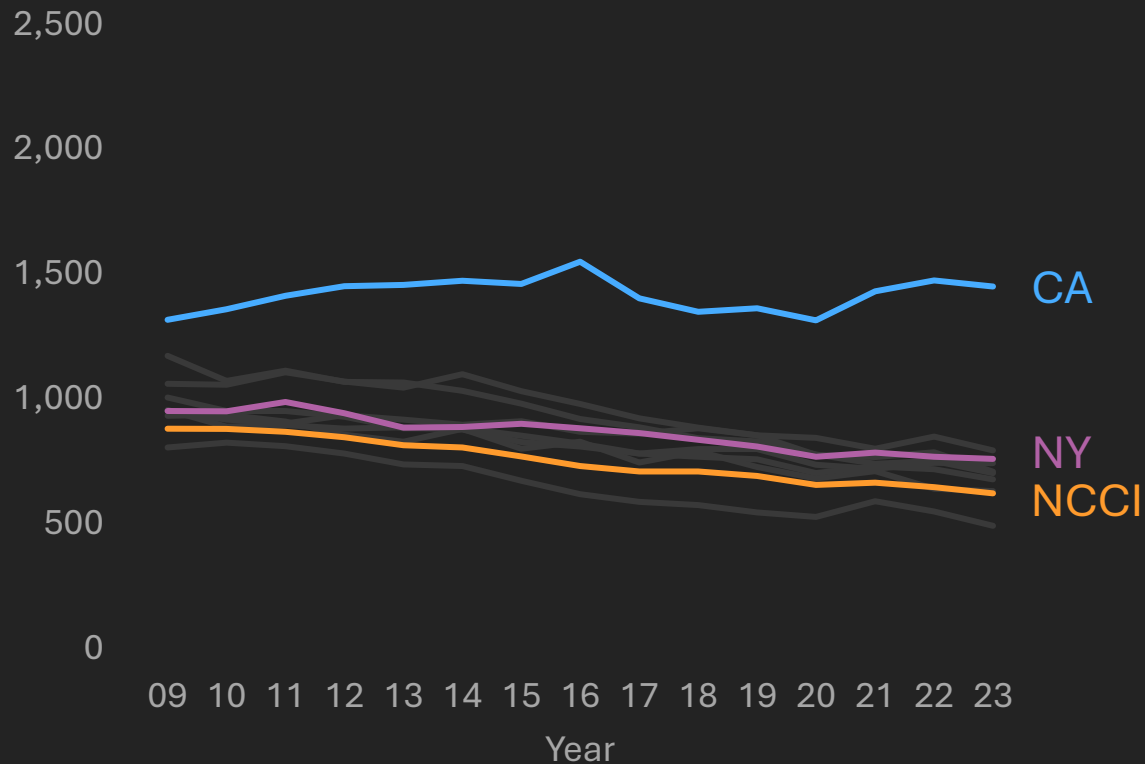




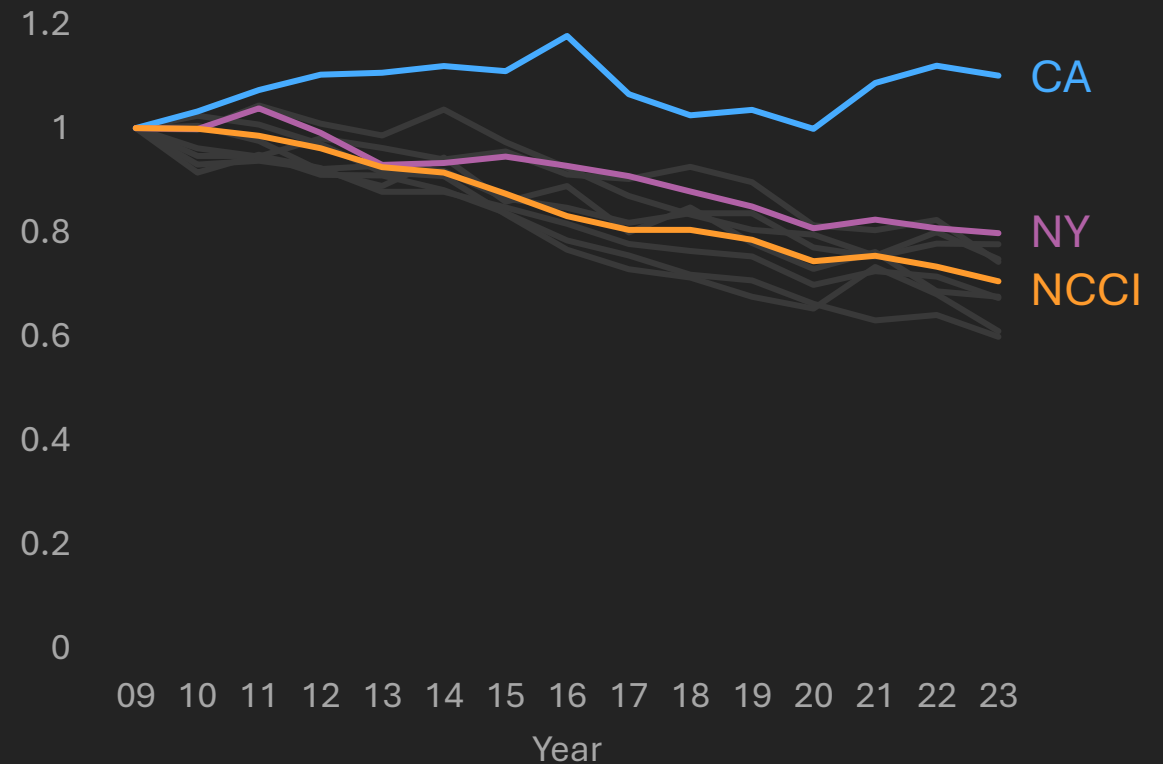
WC Lost-Time Claim Frequency

Private Carriers and State Funds—Bureau States

Lost-Time Claims per 100K Workers



Cumulative Change in Lost-Time Claims per 100K Workers

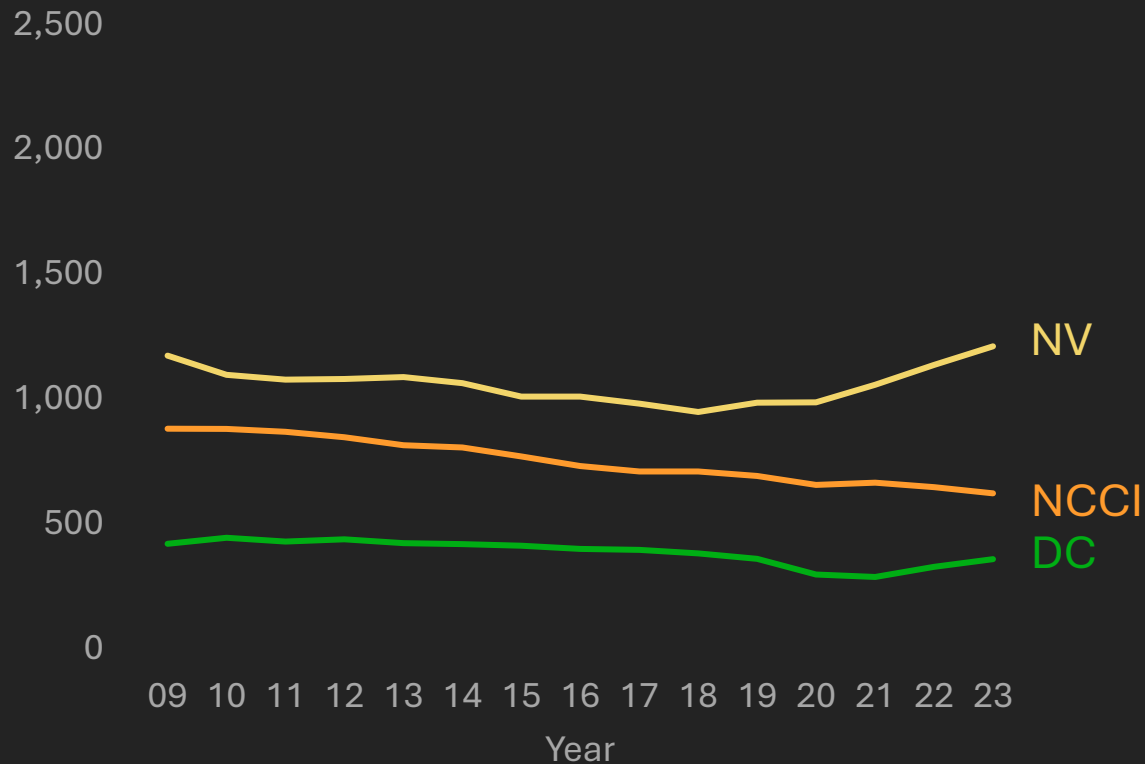


Source: *Annual Statistical Bulletin (ASB)* Exhibit 12; lost-time claims at 1st Report per 100,000 Workers; NCCI line includes all states where NCCI provides ratemaking services; WV is excluded through 2012

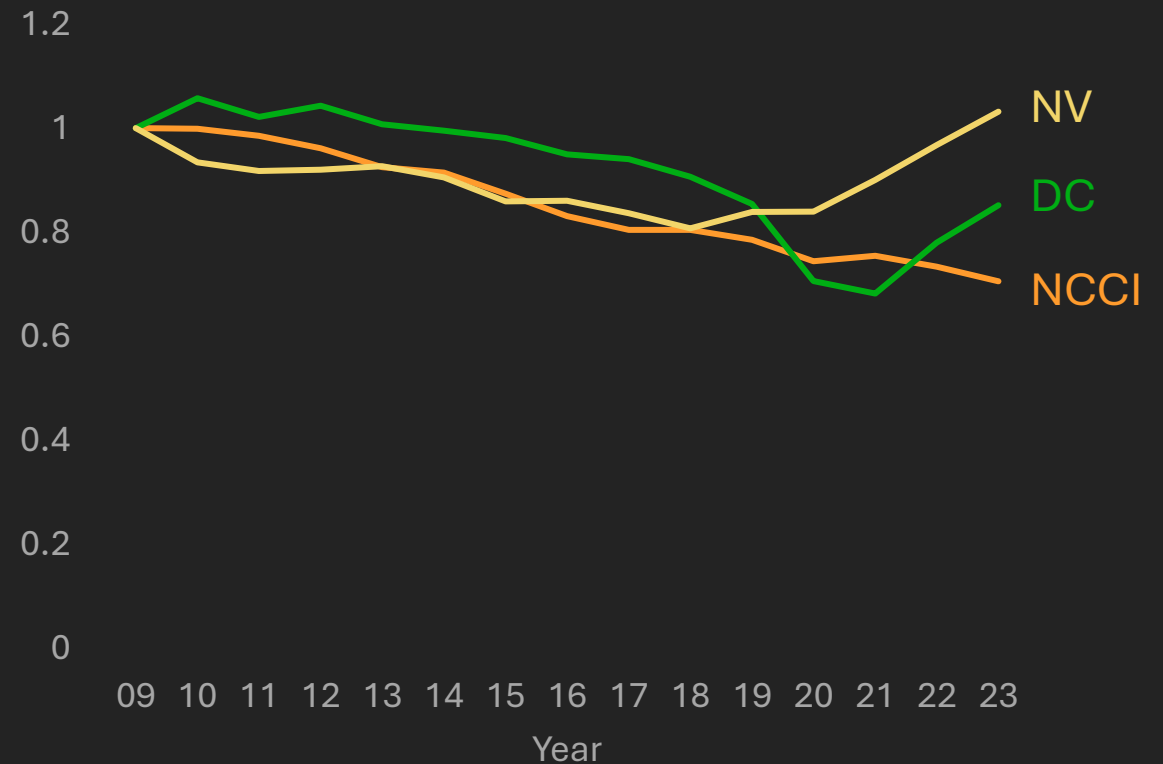
WC Lost-Time Claim Frequency

Private Carriers and State Funds—NCCI States

Lost-Time Claims per 100K Workers



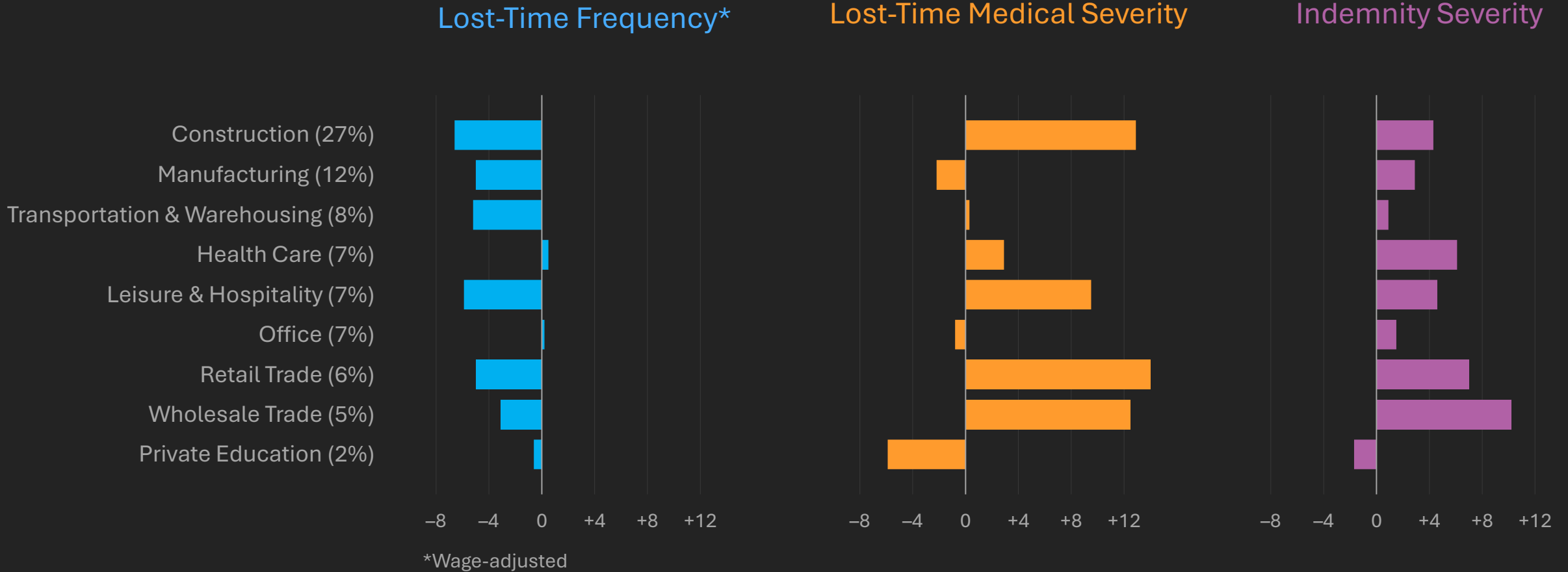
Cumulative Change in Lost-Time Claims per 100K Workers



Source: *Annual Statistical Bulletin (ASB)* Exhibit 12; lost-time claims at 1st Report per 100,000 Workers; NCCI line includes all states where NCCI provides ratemaking services; WV is excluded through 2012

Accident Year 2023–2024p Loss Drivers by Industry

Year-Over-Year Percentage Change



p Preliminary

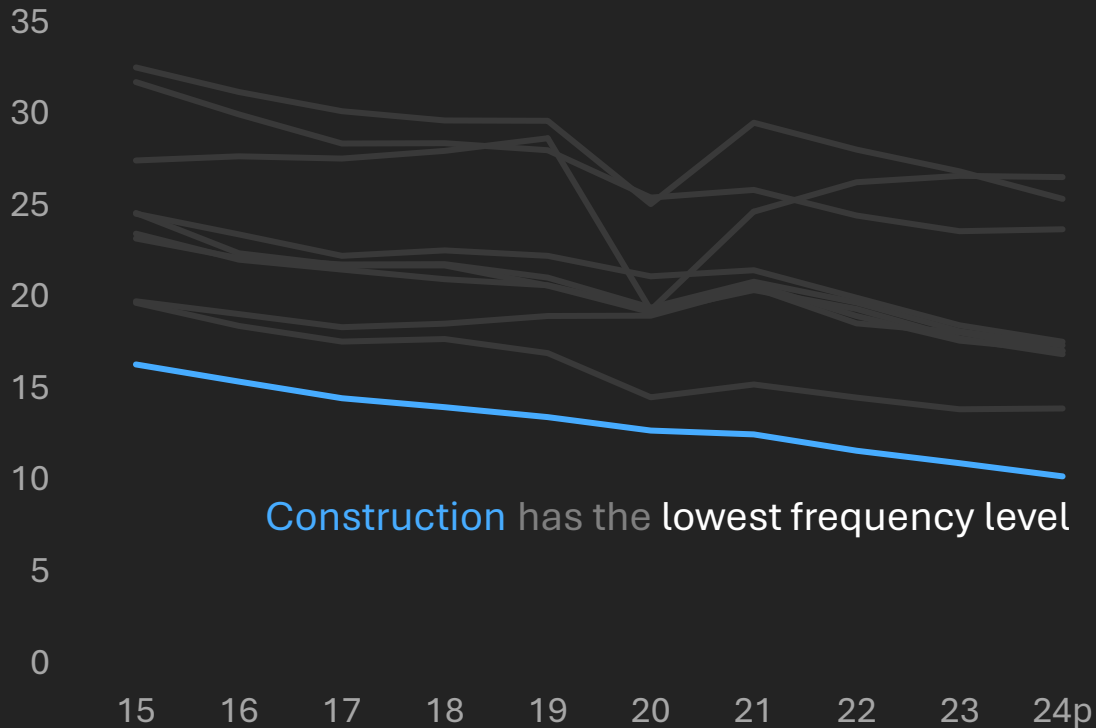
Source: Based on NCCI's Statistical Plan data at 1st Report, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies and COVID-19 claims
Includes all states where NCCI provides ratemaking services

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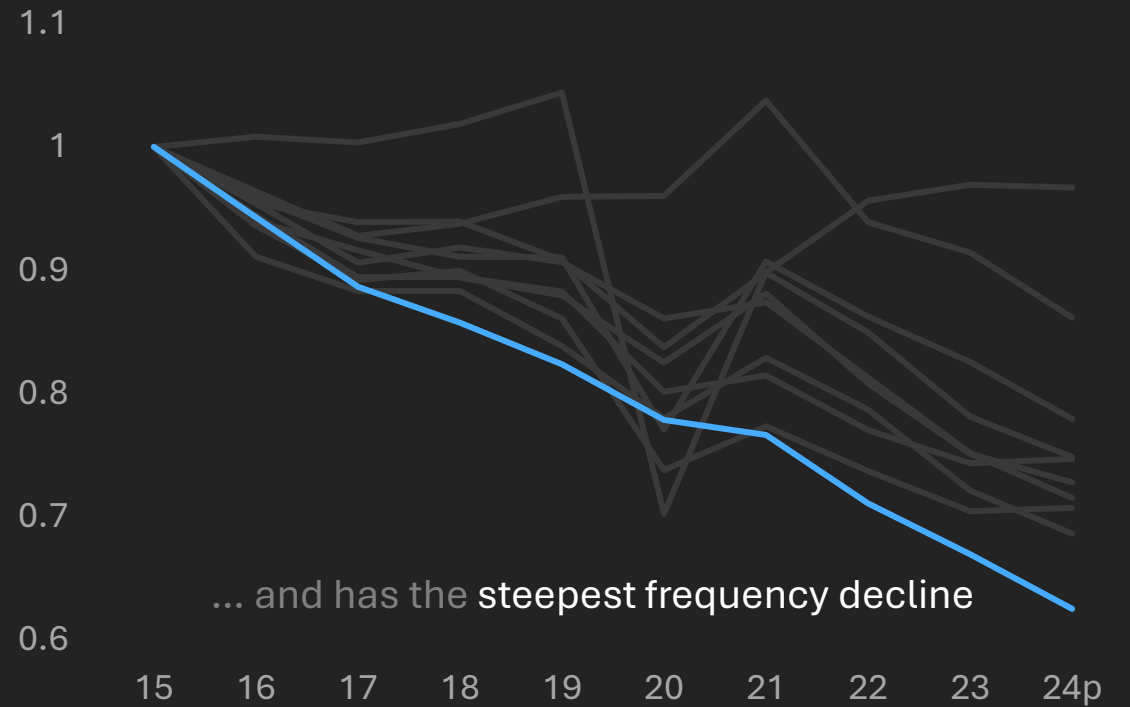
Lost-Time Claim Frequency—Construction

Accident Years 2015–2024p, Private Carriers and State Funds—NCCI States

Claims per \$1M Pure Premium



Cumulative Change in Claims per \$1M Pure Premium

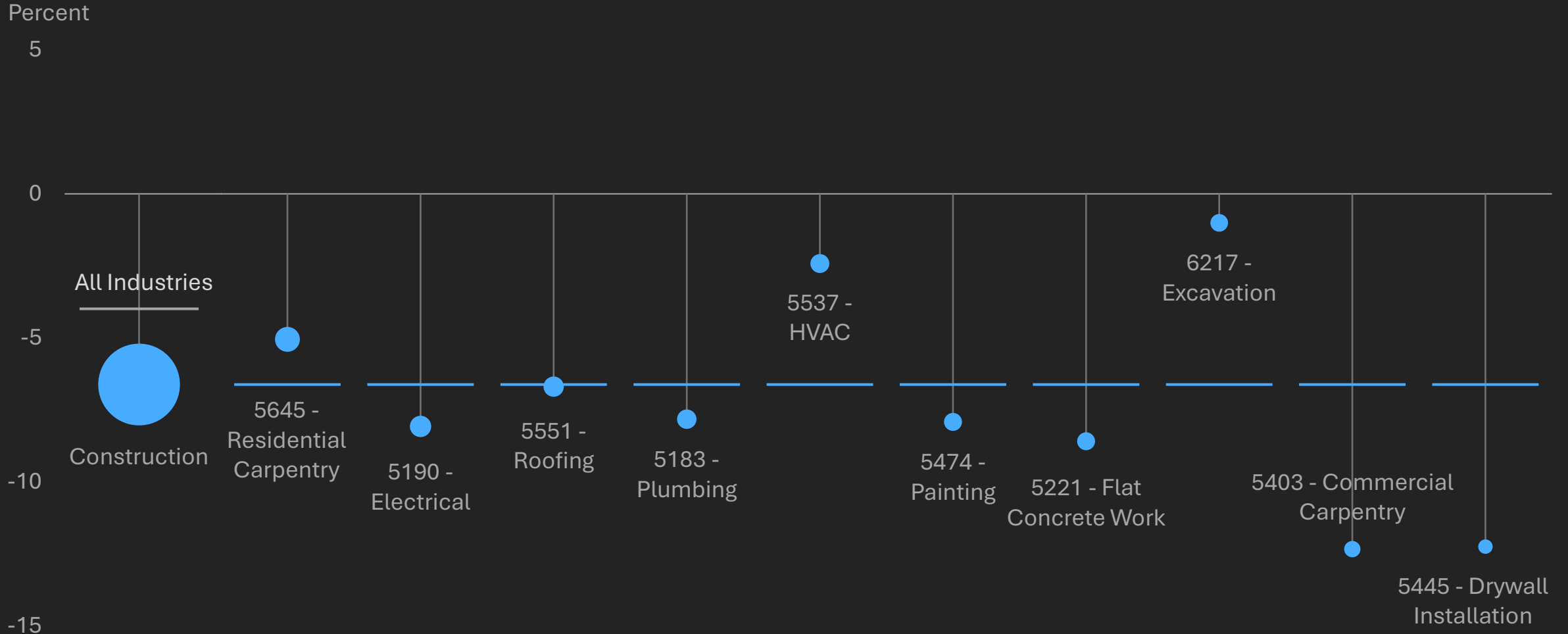


p Preliminary

Source: Based on NCCI's Statistical Plan data at 1st Report, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies and COVID-19 claims
Includes all states where NCCI provides ratemaking services

Lost-Time Claim Frequency—Top Construction Classes

Change in Claims per \$1M Pure Premium, Accident Years 2023–2024p, Private Carriers and State Funds—NCCI States



p Preliminary

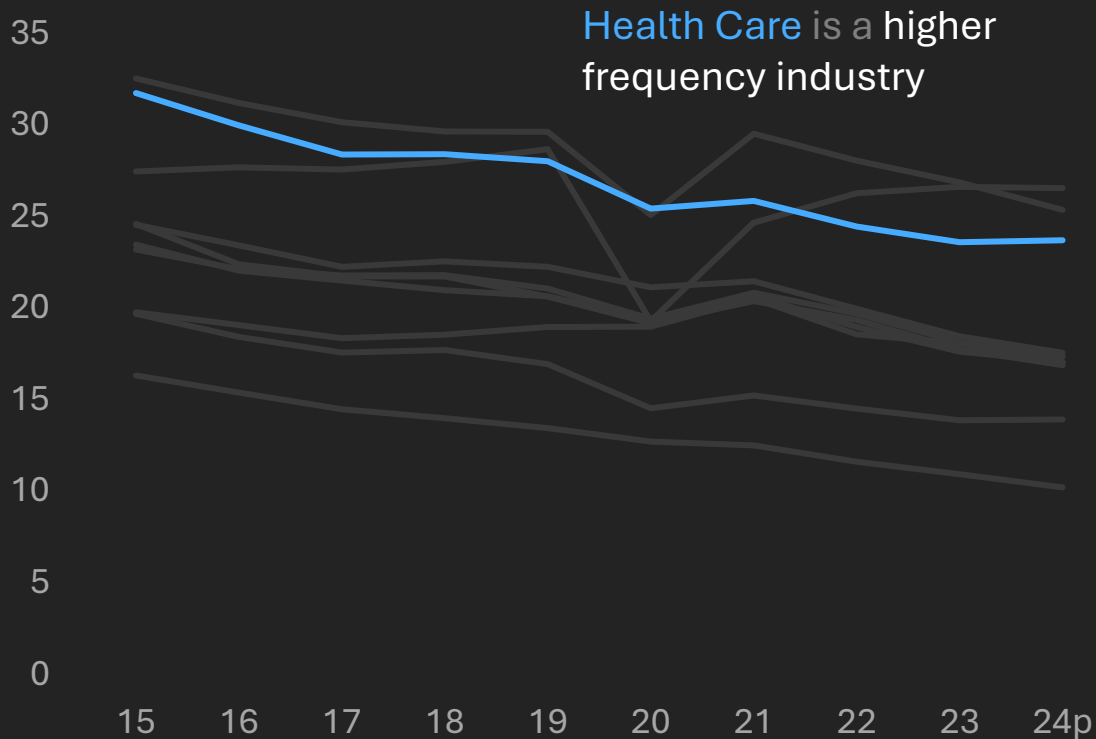
Source: Based on NCCI's Statistical Plan data at 1st Report, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies and COVID-19 claims
Includes all states where NCCI provides ratemaking services

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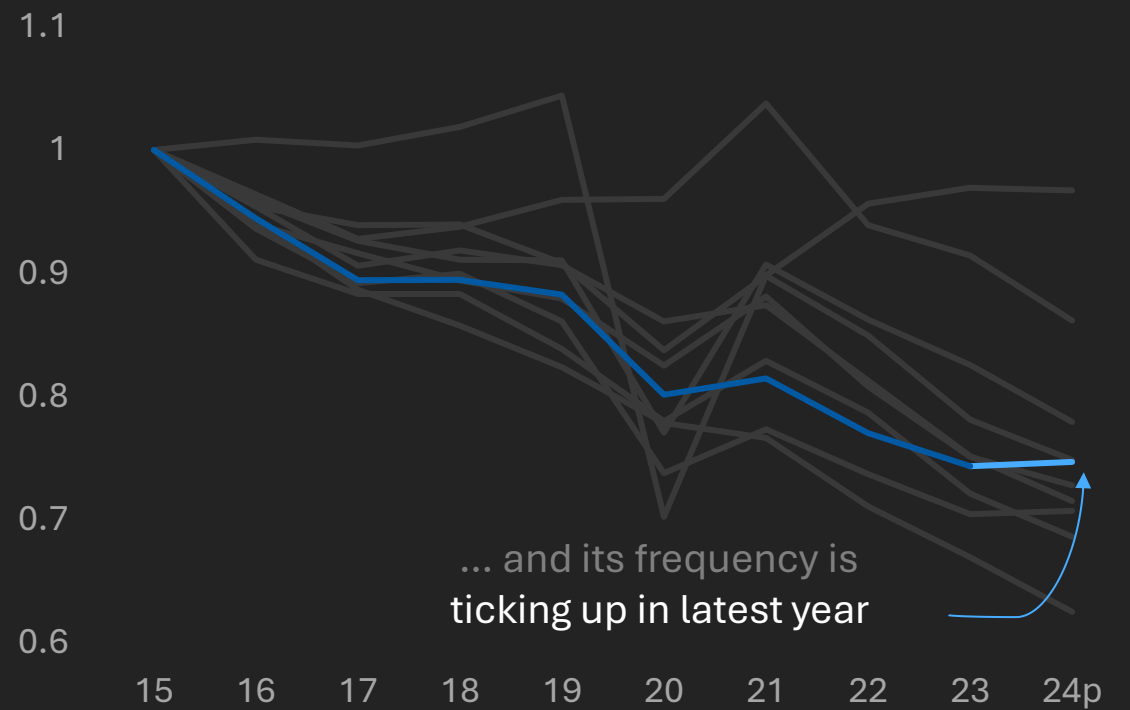
Lost-Time Claim Frequency—Health Care

Accident Years 2015–2024p, Private Carriers and State Funds—NCCI States

Claims per \$1M Pure Premium



Cumulative Change in Claims per \$1M Pure Premium



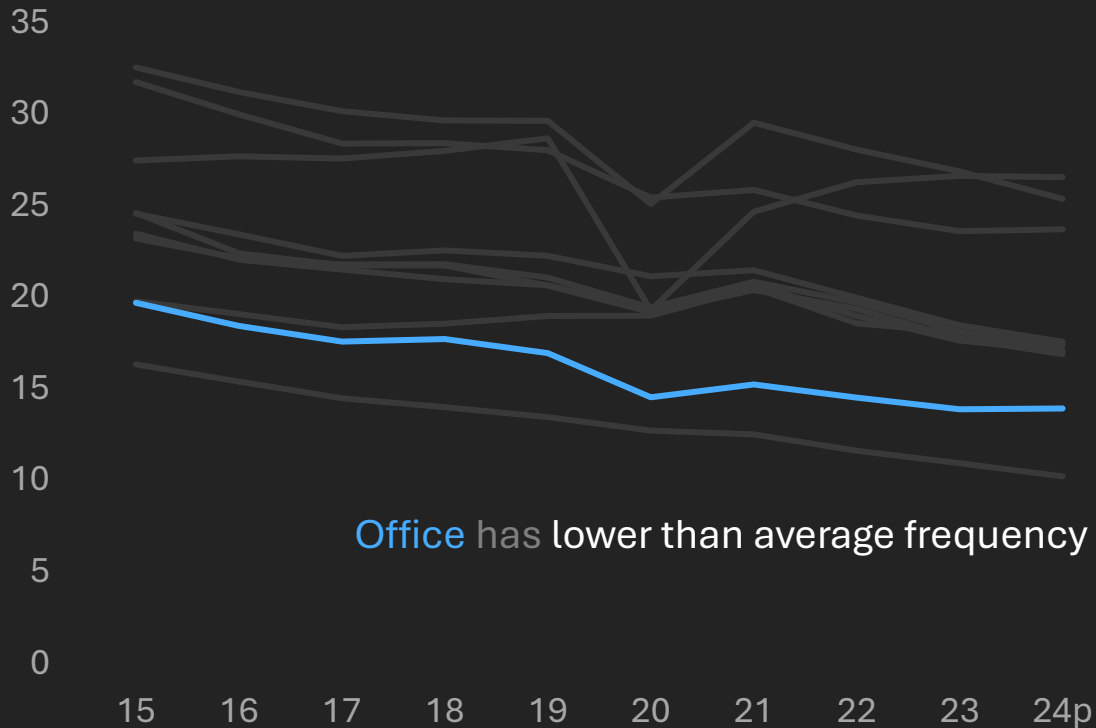
p Preliminary

Source: Based on NCCI's Statistical Plan data at 1st Report, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies and COVID-19 claims
Includes all states where NCCI provides ratemaking services

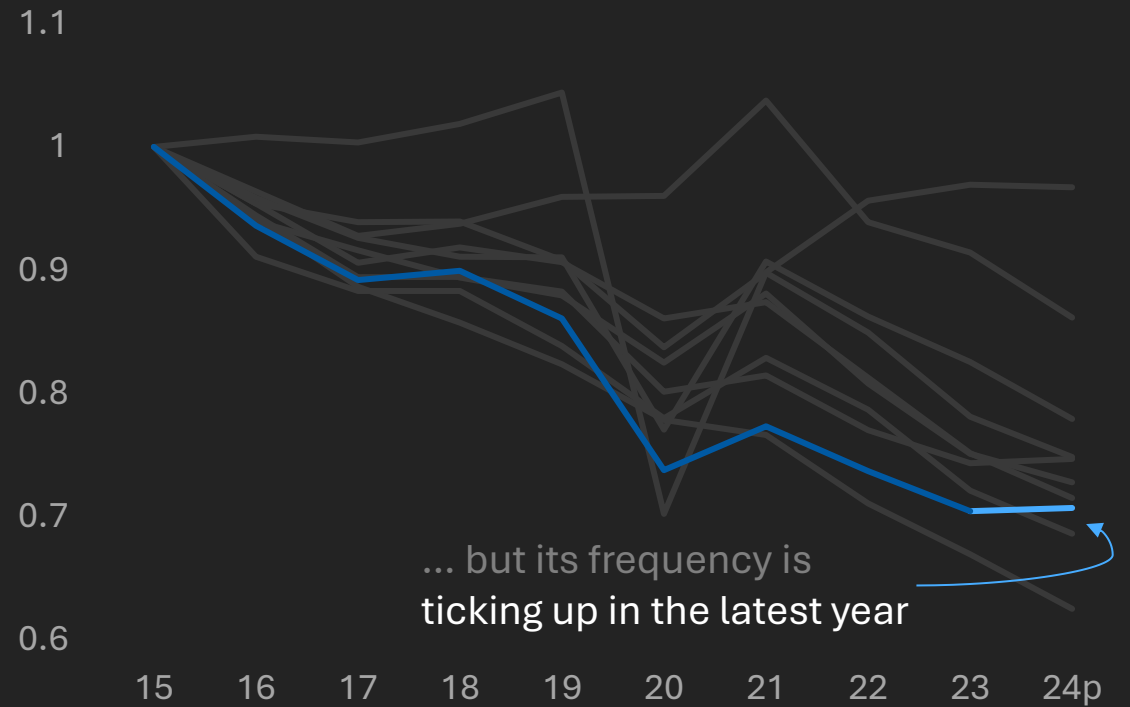
Lost-Time Claim Frequency—Office

Accident Years 2015–2024p, Private Carriers and State Funds—NCCI States

Claims per \$1M Pure Premium



Cumulative Change in Claims per \$1M Pure Premium



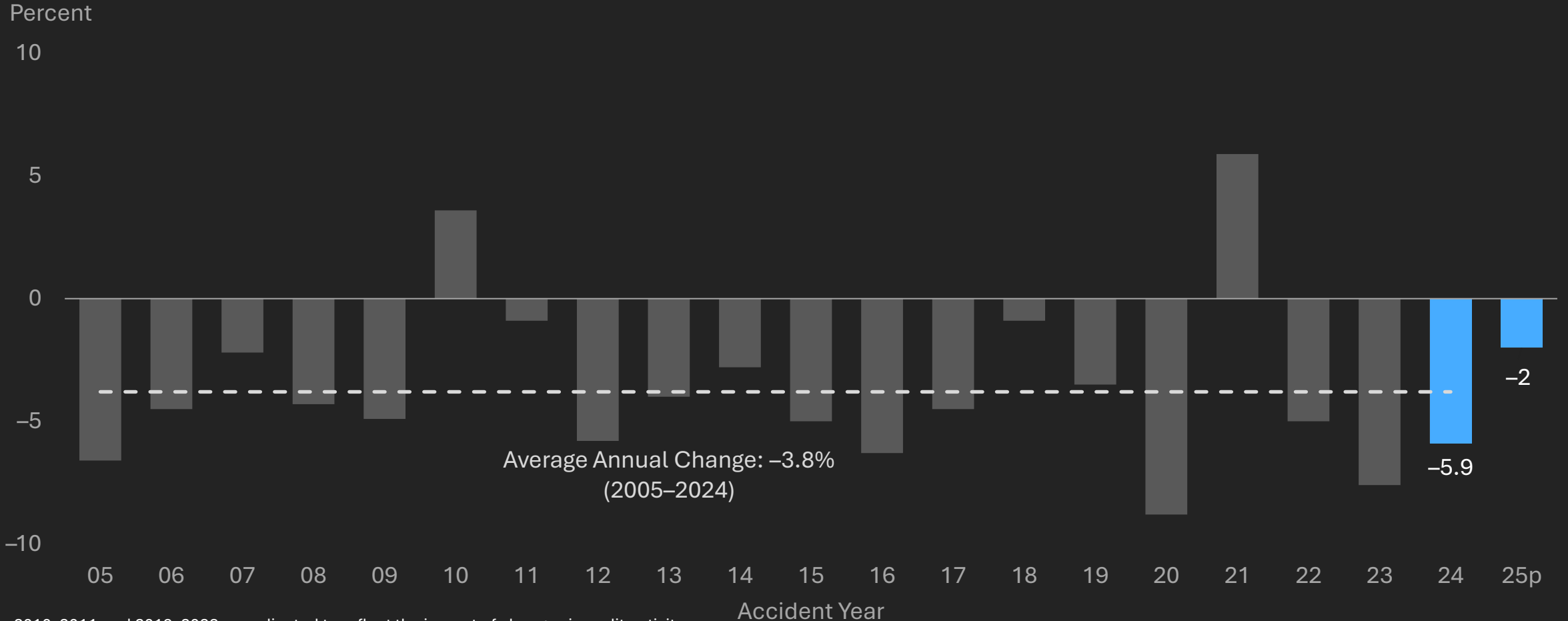
p Preliminary

Source: Based on NCCI's Statistical Plan data at 1st Report, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies and COVID-19 claims
Includes all states where NCCI provides ratemaking services

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WC Lost-Time Claim Frequency

Change in Claims per \$1M Pure Premium, Private Carriers and State Funds—NCCI States



2010–2011 and 2019–2023 are adjusted to reflect the impact of changes in audit activity

p Preliminary, based on data valued as of 12/31/2025

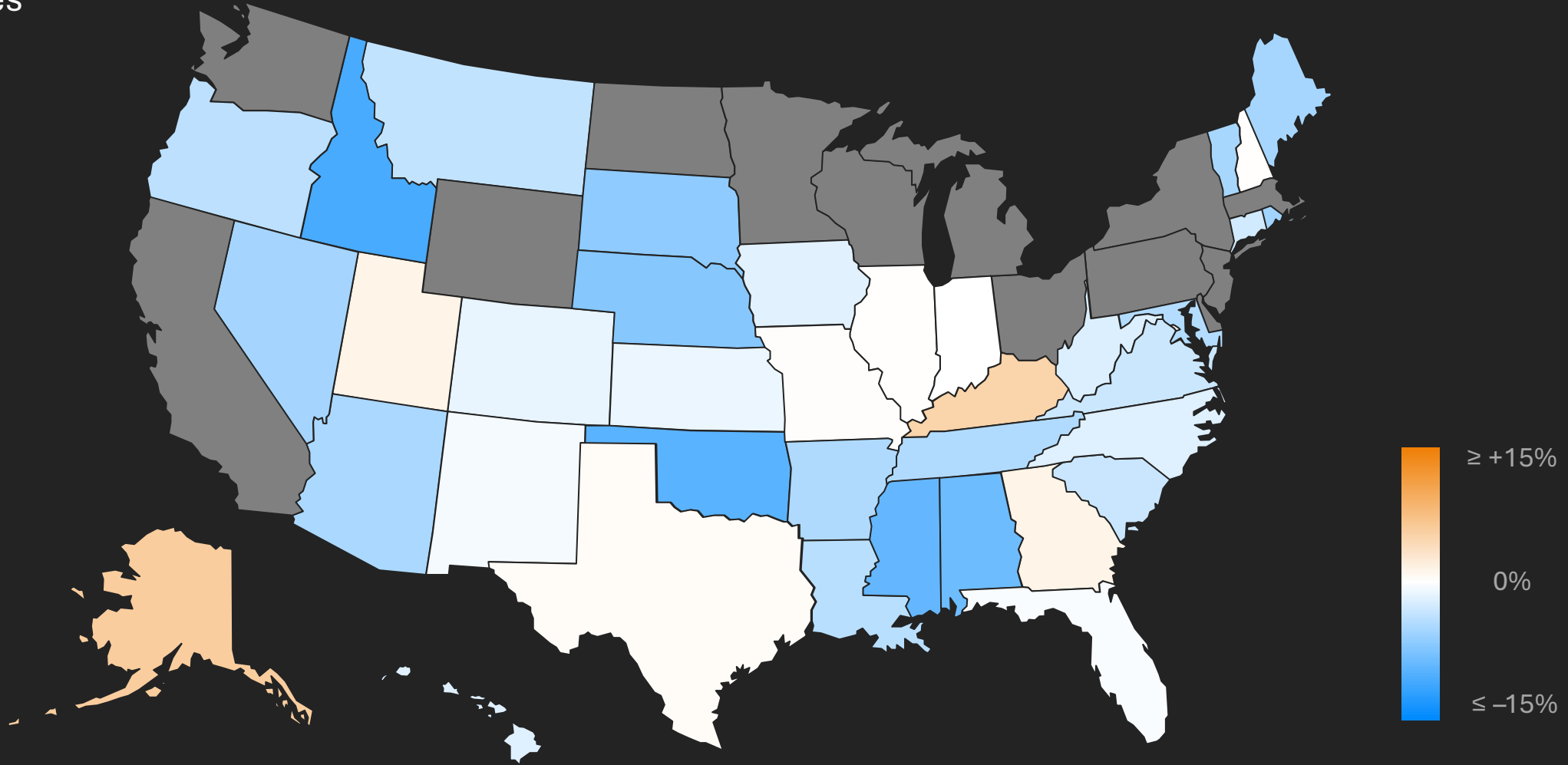
Source: NCCI's Financial Call data, developed to ultimate, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023

Includes all states where NCCI provides ratemaking services; TX is excluded through 2006, and WV is excluded through 2011

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WC Lost-Time Claim Frequency

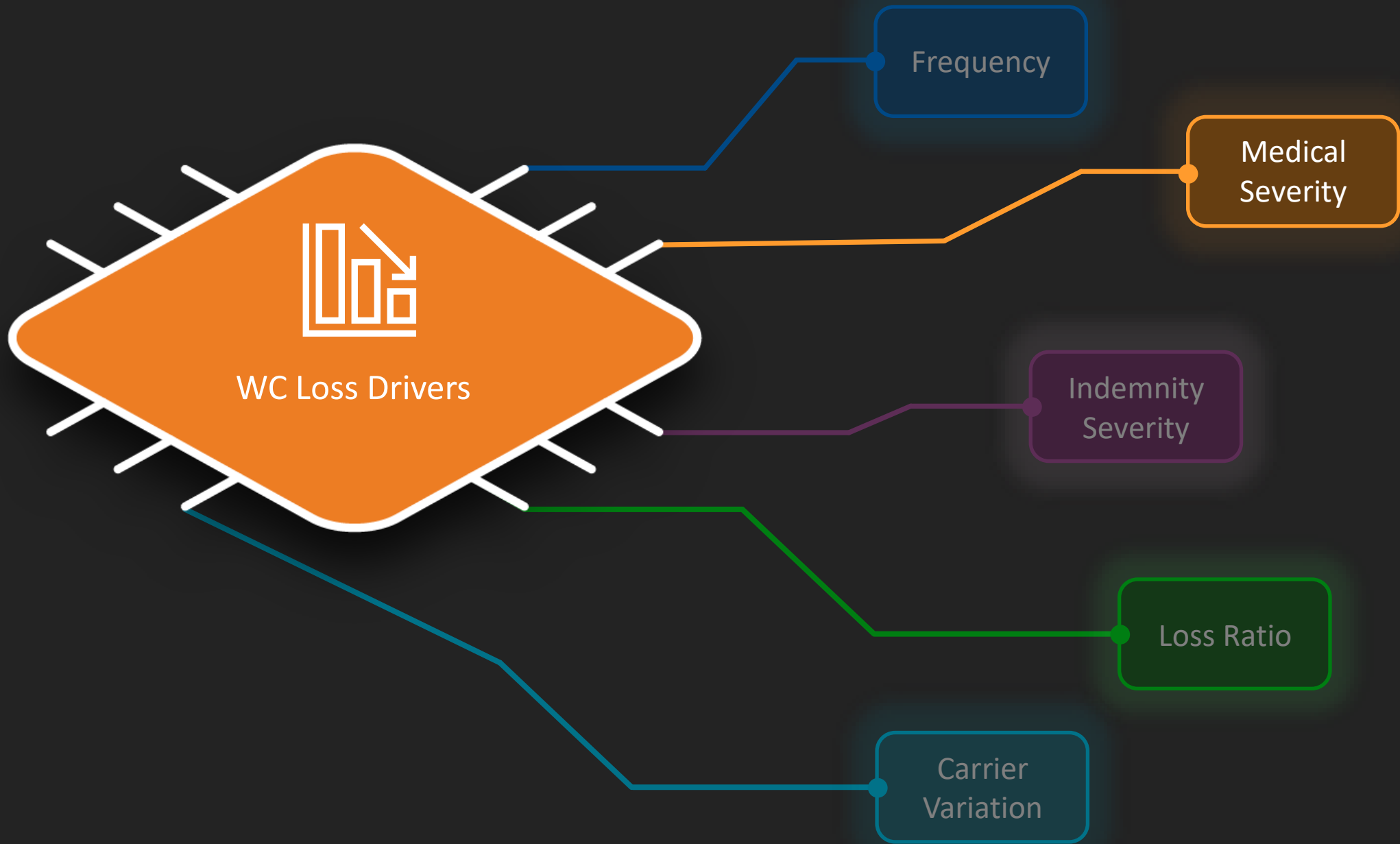
2024–2025p Change in Claims at 1st Report per \$1M Pure Premium, Private Carriers and State Funds—NCCI States



p Preliminary, based on data valued as of 12/31/2025

Source: NCCI's Financial Call data, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies

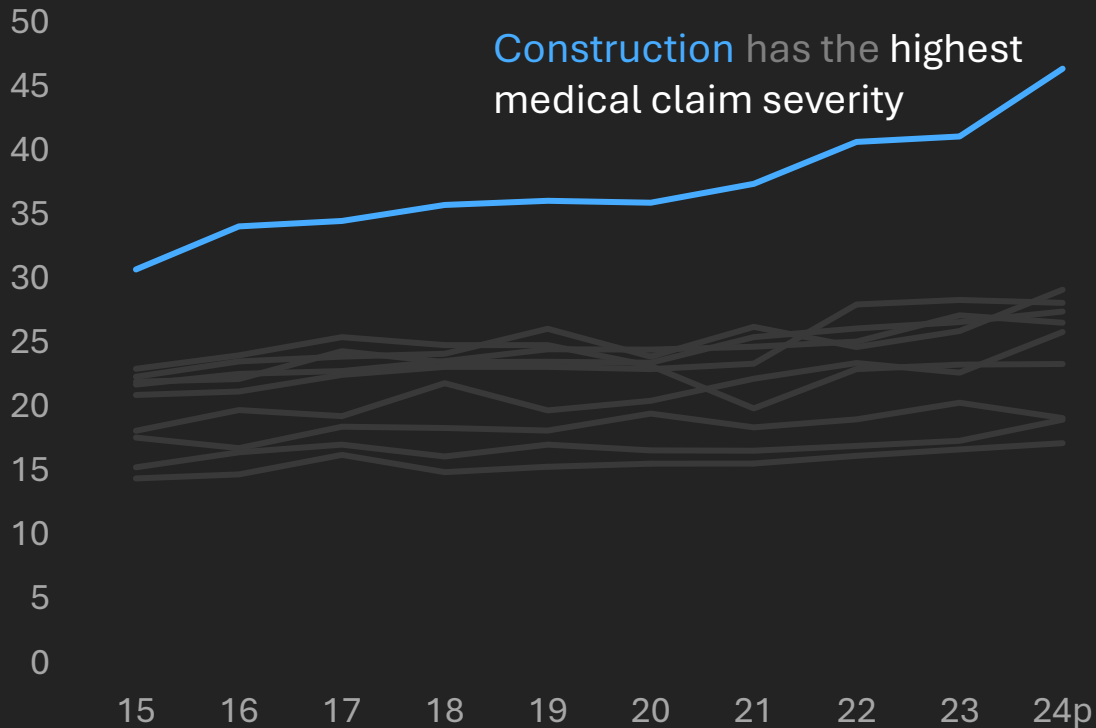
Includes all states where NCCI provides ratemaking services



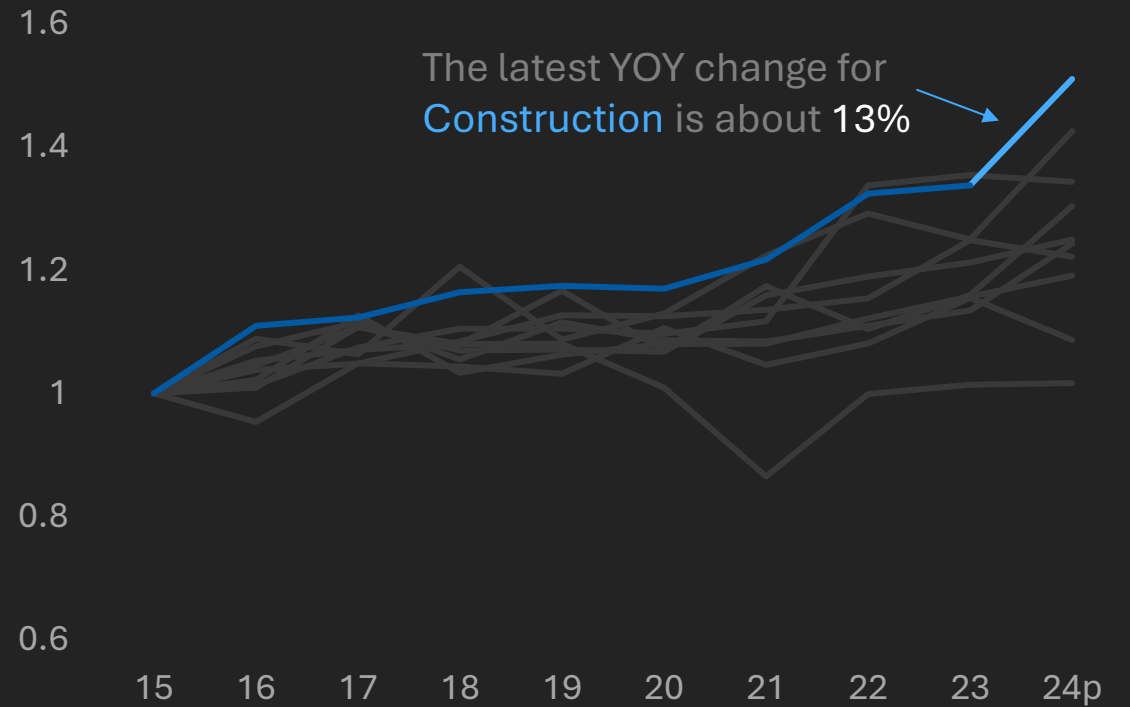
Lost-Time Medical Claim Severity—Construction

Accident Years 2015–2024p, Private Carriers and State Funds—NCCI States

Medical Severity (\$ Thousands)



Cumulative Change in Medical Severity

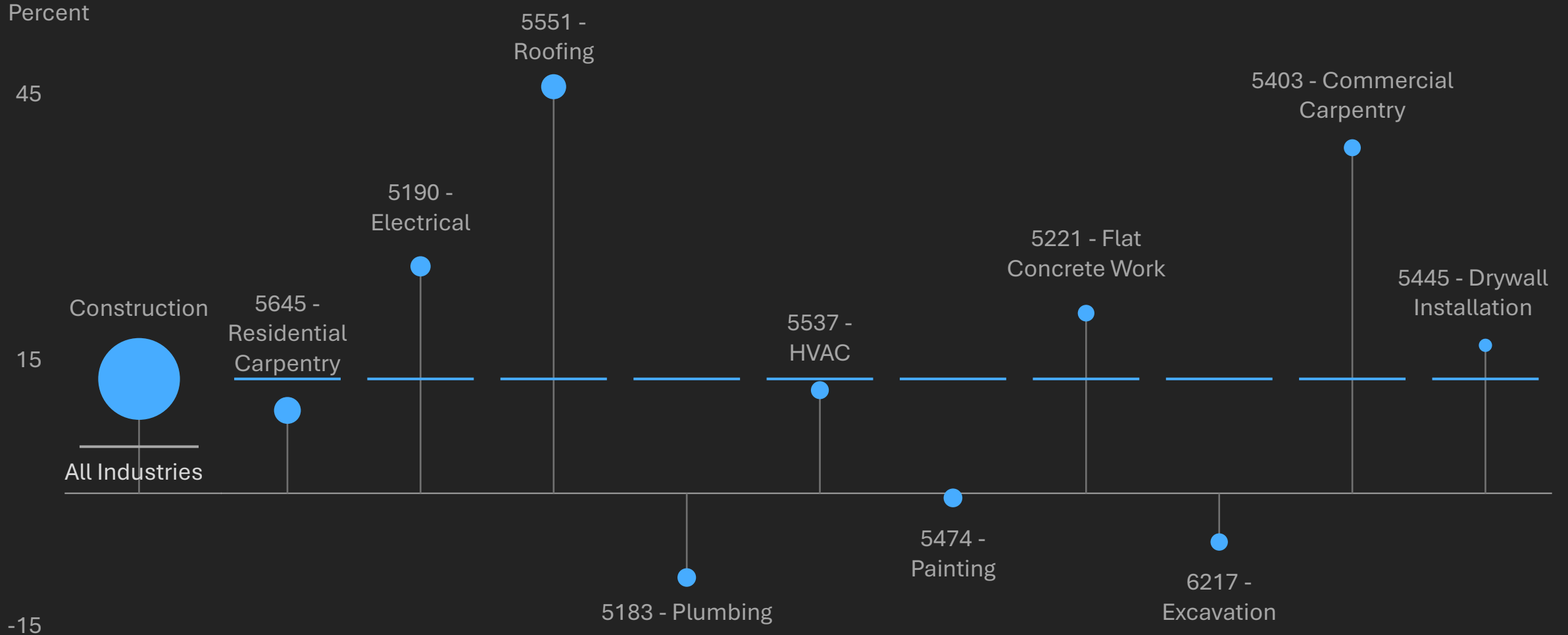


p Preliminary

Source: Based on NCCI's Statistical Plan data at 1st Report, medical paid plus case cost per lost-time claim, excludes large-deductible policies and COVID-19 claims
Includes all states where NCCI provides ratemaking services

Lost-Time Medical Claim Severity—Top Construction Classes

Change in Average Cost per Case, Accident Years 2023–2024p, Private Carriers and State Funds—NCCI States



p Preliminary

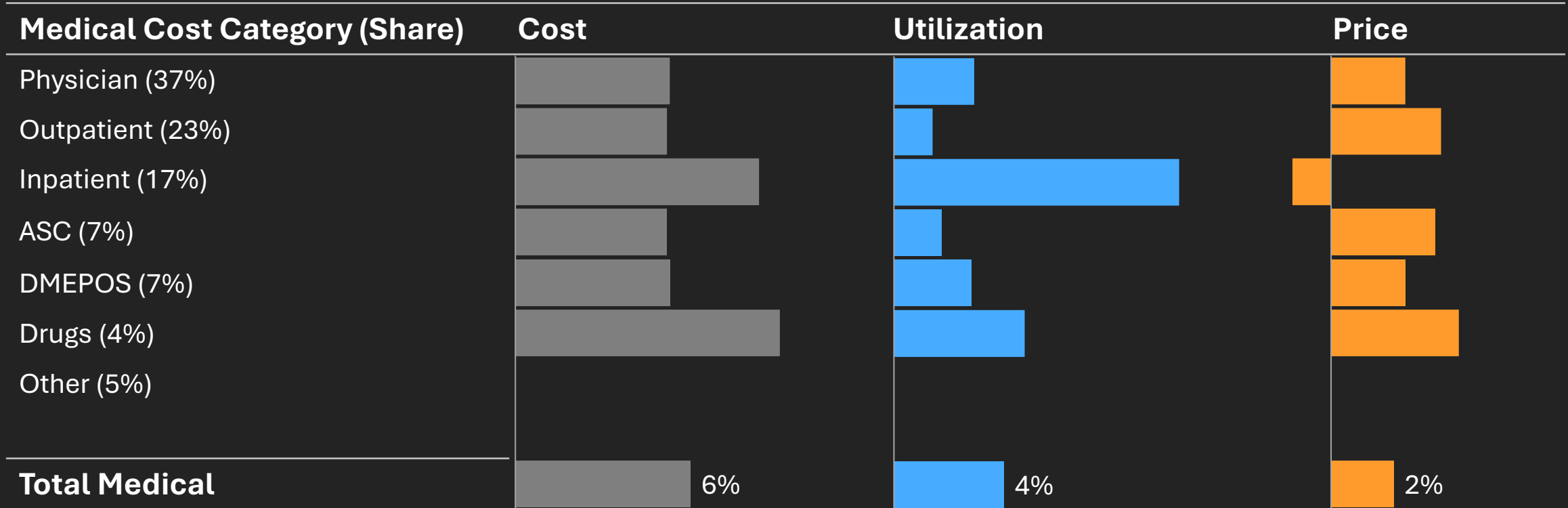
Source: Based on NCCI's Statistical Plan data at 1st Report, medical paid plus case cost per lost-time claim, excludes large-deductible policies and COVID-19 claims

Includes all states where NCCI provides ratemaking services

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Change in Cost, Utilization, and Price per Claim

Year-Over-Year Change 2023–2024, NCCI States



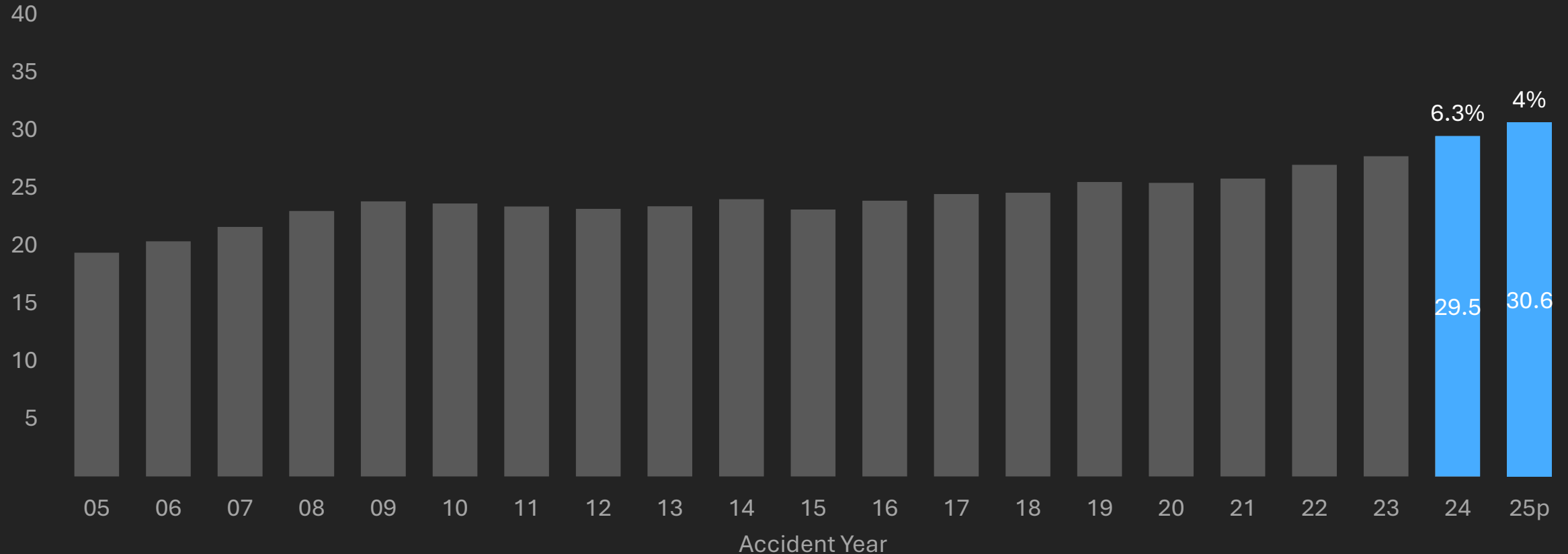
Source: NCCI's Medical Data Call, lost-time claims, excludes large-deductible policies; based on data reported to NCCI prior to April 1 two years after the year in which the accident occurred

Includes all states where NCCI provides ratemaking services

WC Average Lost-Time Medical Claim Severity

Private Carriers and State Funds—NCCI States

Severity
(\$ Thousands)



p Preliminary, based on data valued as of 12/31/2025

Source: NCCI's Financial Call data, developed to ultimate, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023

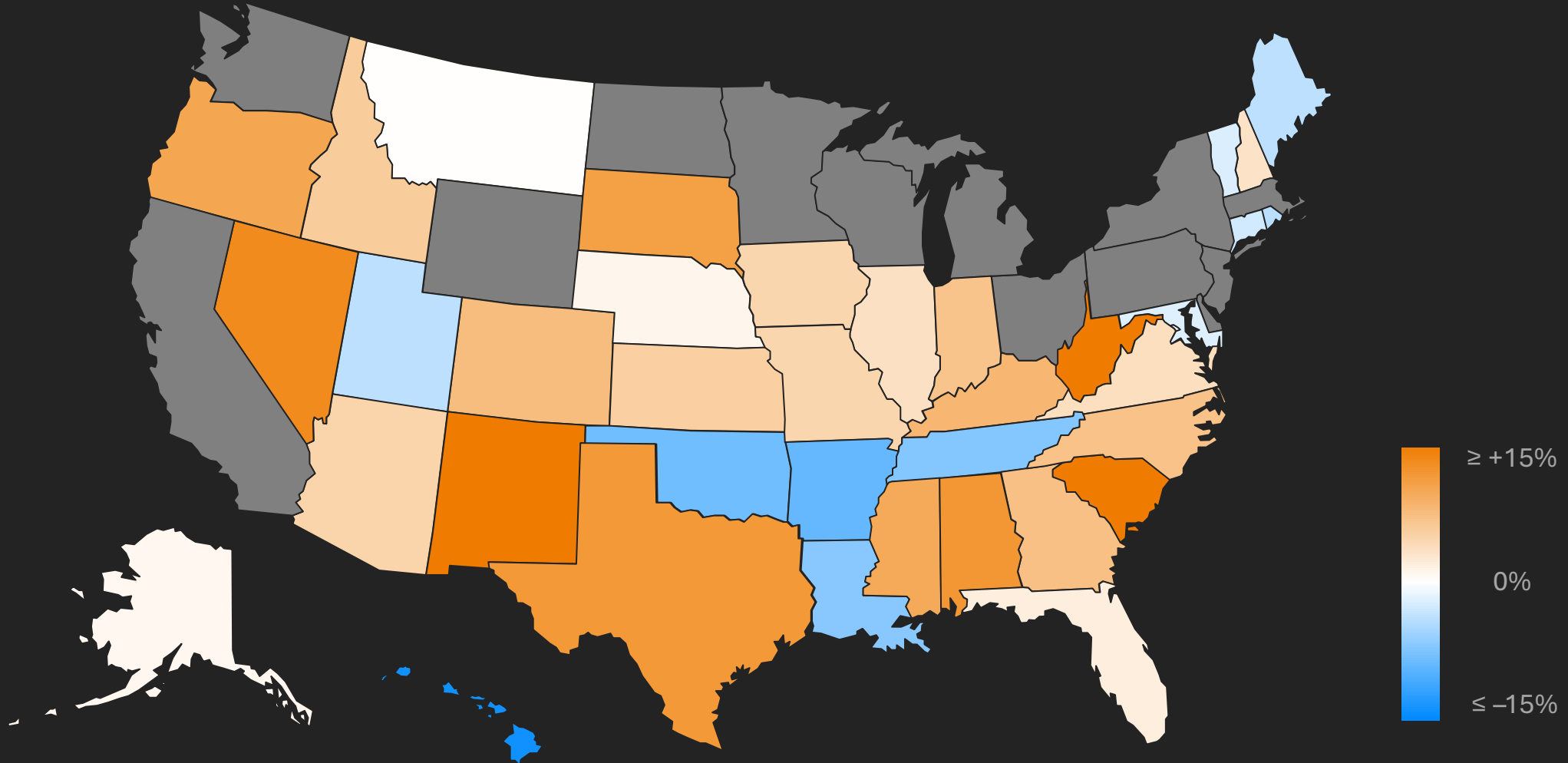
Values displayed reflect the methodology underlying the most recent rate/loss cost filing

Includes all states where NCCI provides ratemaking services; TX is excluded through 2010, and WV is excluded through 2014

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WC Average Medical Claim Severity

2024–2025p Change in Average Cost per Case at 1st Report, Private Carriers and State Funds—NCCI States



p Preliminary, based on data valued as of 12/31/2025

Source: NCCI's Financial Call data, excludes large-deductible policies

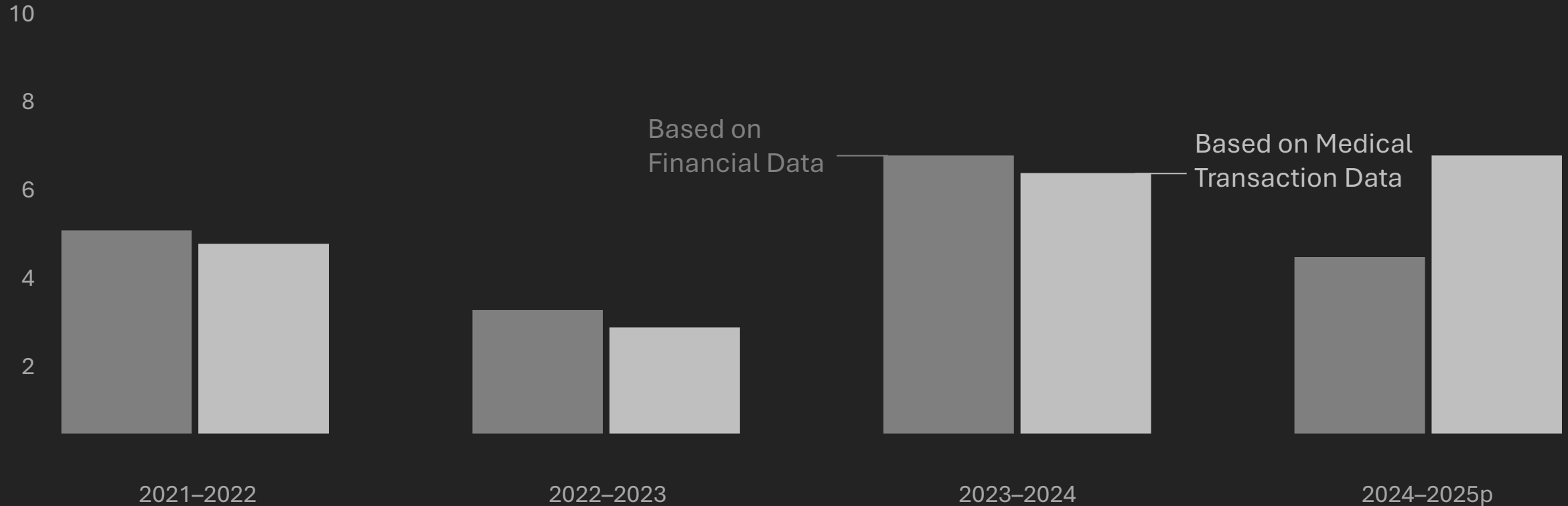
Values displayed reflect the methodology underlying the most recent rate/loss cost filing

Includes all states where NCCI provides ratemaking services

Changes in WC Average Lost-Time Medical Claim Severity

NCCI States

Percent



p Preliminary, based on medical payments made in the same year in which the accident occurred and was reported to NCCI prior to April 1 in the subsequent year

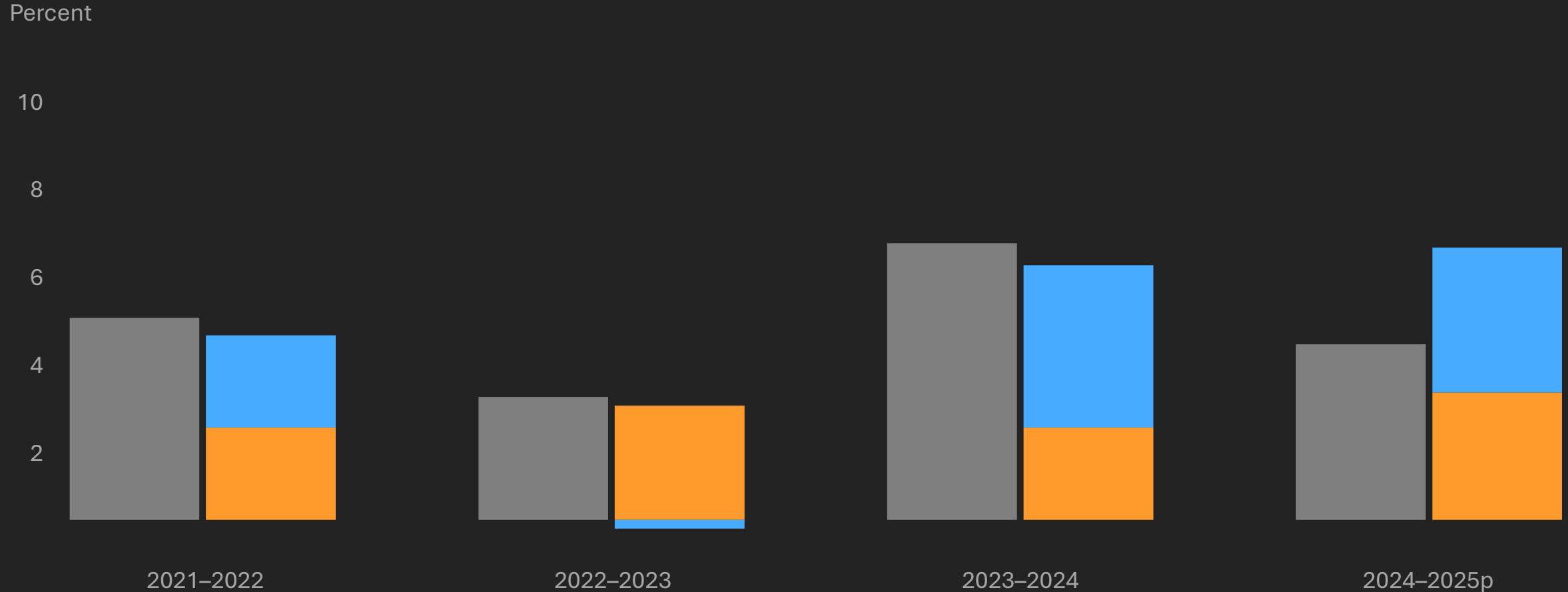
Source: NCCI's Medical Data Call, lost-time claims, excludes large-deductible policies; based on data reported to NCCI prior to April 1 two years after the year in which the accident occurred

Includes all states where NCCI provides ratemaking services

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Changes in WC Average Lost-Time Medical Claim Severity

Change in Average **Price** and **Utilization** per Claim, NCCI States



p Preliminary, based on medical payments made in the same year in which the accident occurred and was reported to NCCI prior to April 1 in the subsequent year

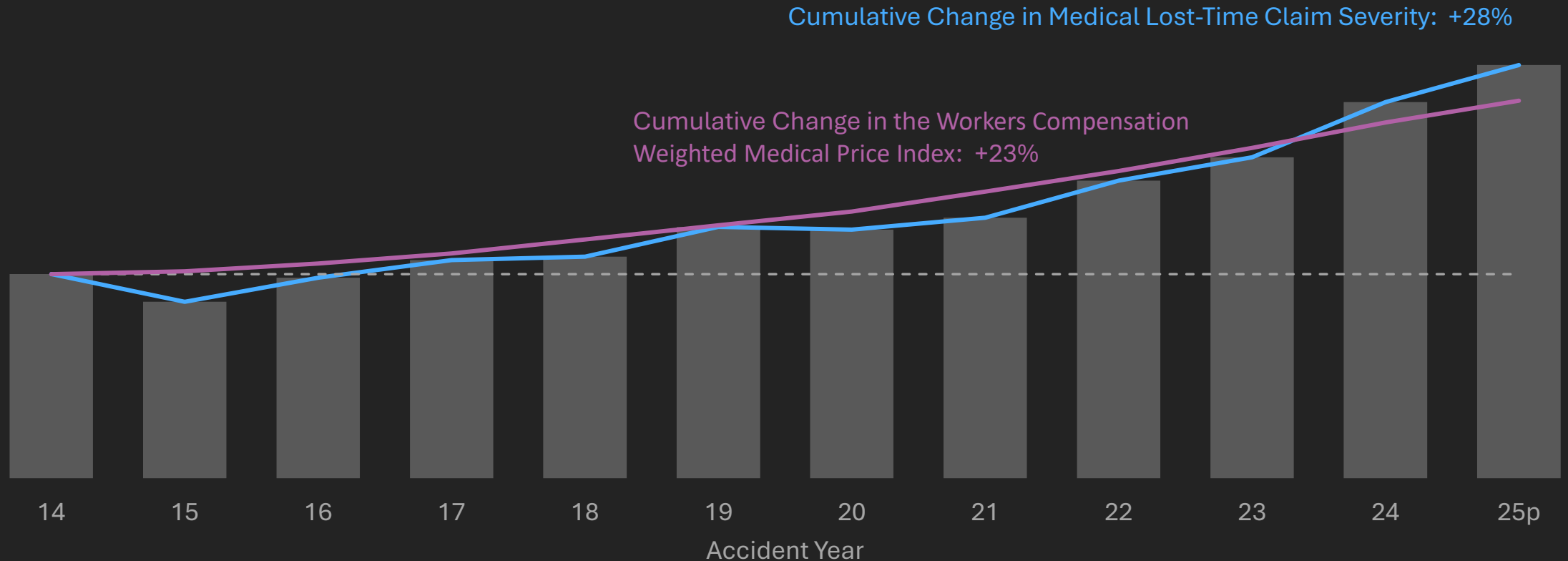
Source: NCCI's Medical Data Call, lost-time claims, excludes large-deductible policies; based on data reported to NCCI prior to April 1 two years after the year in which the accident occurred

Includes all states where NCCI provides ratemaking services

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WC Average Lost-Time Medical Claim Severity

Private Carriers and State Funds—NCCI States



p Preliminary, based on data valued as of 12/31/2025

Sources: Severity: NCCI's Financial Call data, developed to ultimate, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023

Values displayed reflect the methodology underlying the most recent rate/loss cost filing

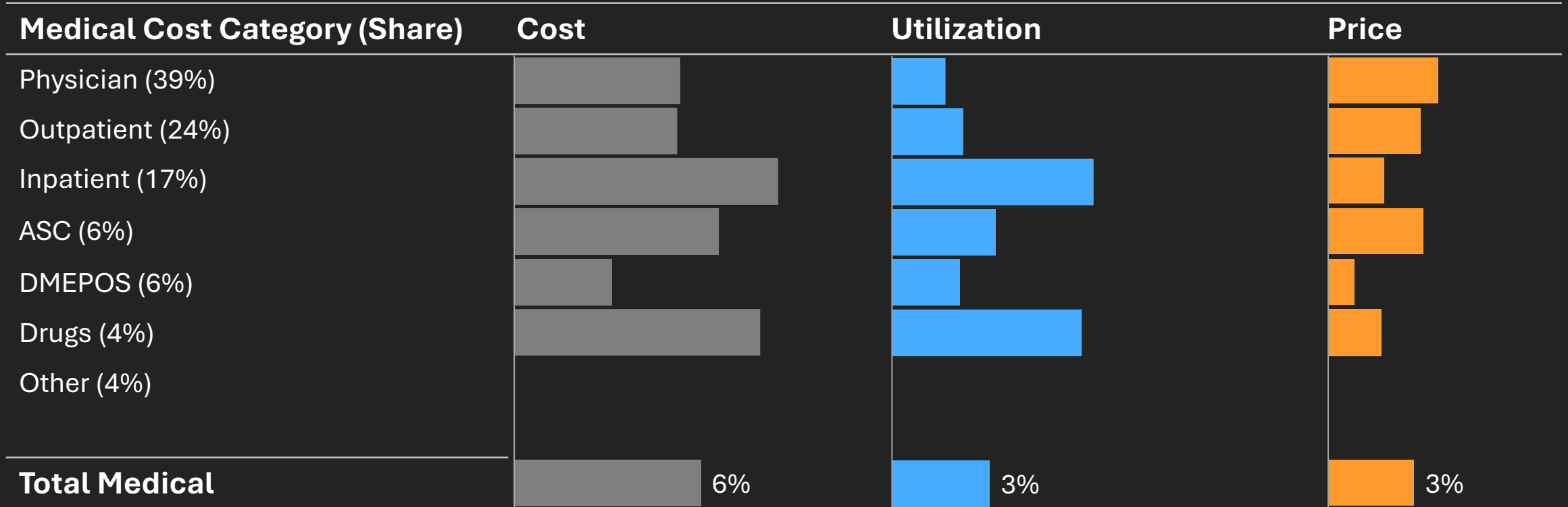
Includes all states where NCCI provides ratemaking services; WV is excluded through 2014

WC Weighted Medical Price Index: 2014–2025p US Bureau of Labor Statistics (BLS) and NCCI

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Change in Cost, Utilization, and Price per Claim

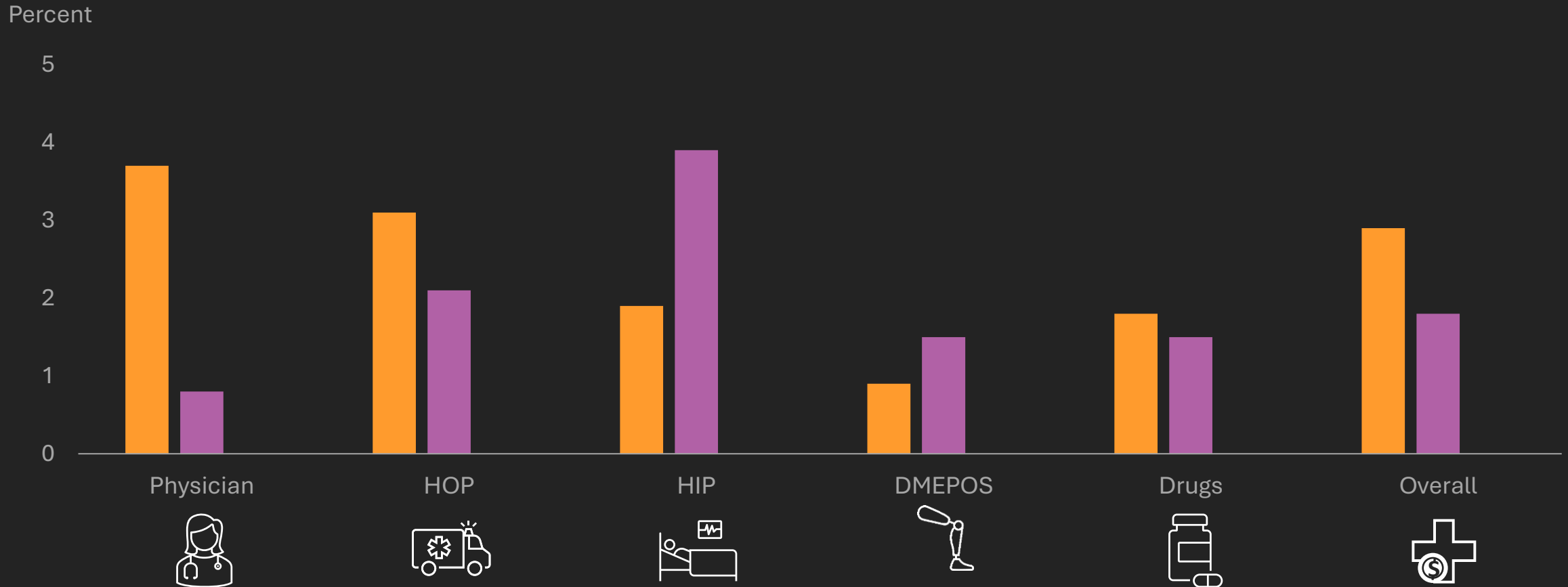
Year-Over-Year Change 2024–2025p, NCCI States



p Preliminary, based on medical payments made in the same year in which the accident occurred and was reported to NCCI prior to April 1 in the subsequent year
 Source: NCCI's Medical Data Call, lost-time claims, excludes large-deductible policies
 Includes all states where NCCI provides ratemaking services

Medical Price Changes by Medical Cost Category

Year-Over-Year Percentage Change, **WCWMI** vs. **Price From Medical Transaction Data**



Sources: WC Weighted Medical Price Index (WCWMI): 2022–2025 US Bureau of Labor Statistics (BLS) and NCCI

Medical Cost Categories: US Bureau of Labor Statistics (BLS)

Component Weights: NCCI's Medical Data Call

Price from Transaction Data: 2024–2025 preliminary change, based on medical payments made in the same year in which the accident occurred and was reported to NCCI prior to April 1 in the subsequent year

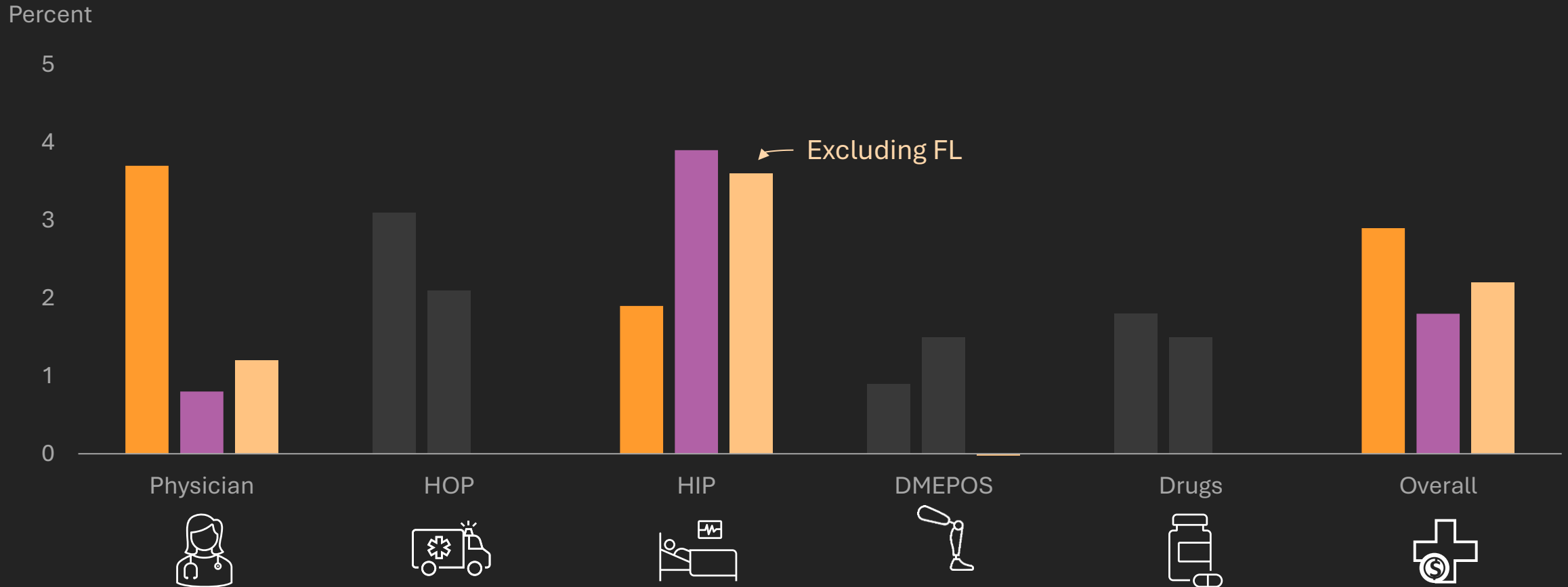
NCCI's Medical Data Call, lost-time claims, excludes large-deductible policies

Includes all states where NCCI provides ratemaking services

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Medical Price Changes by Medical Cost Category

Year-Over-Year Percentage Change, **WCWMI** vs. **Price From Medical Transaction Data**



Sources: WC Weighted Medical Price Index (WCWMI): 2022–2025 US Bureau of Labor Statistics (BLS) and NCCI

Medical Cost Categories: US Bureau of Labor Statistics (BLS)

Component Weights: NCCI's Medical Data Call

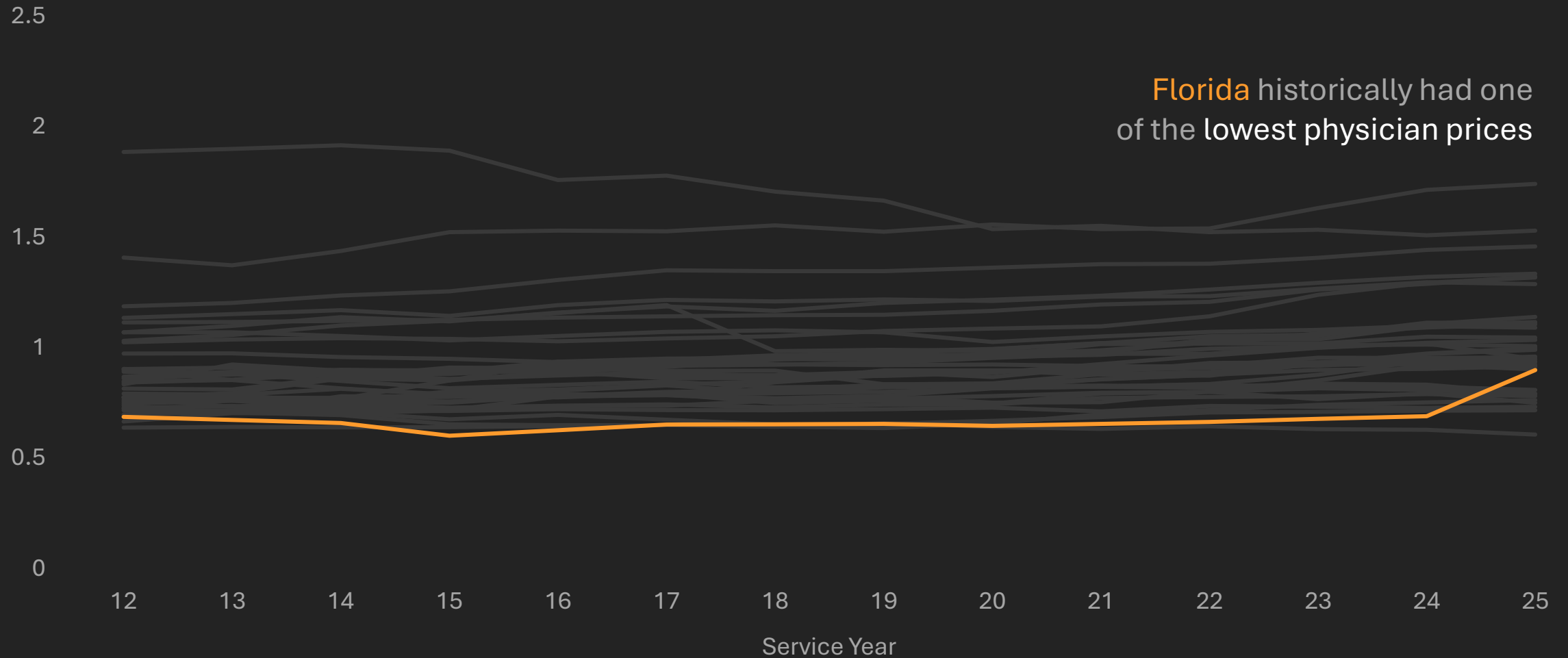
Price from Transaction Data: 2024–2025 preliminary change, based on medical payments made in the same year in which the accident occurred and was reported to NCCI prior to April 1 in the subsequent year

NCCI's Medical Data Call, lost-time claims, excludes large-deductible policies

Includes all states where NCCI provides ratemaking services

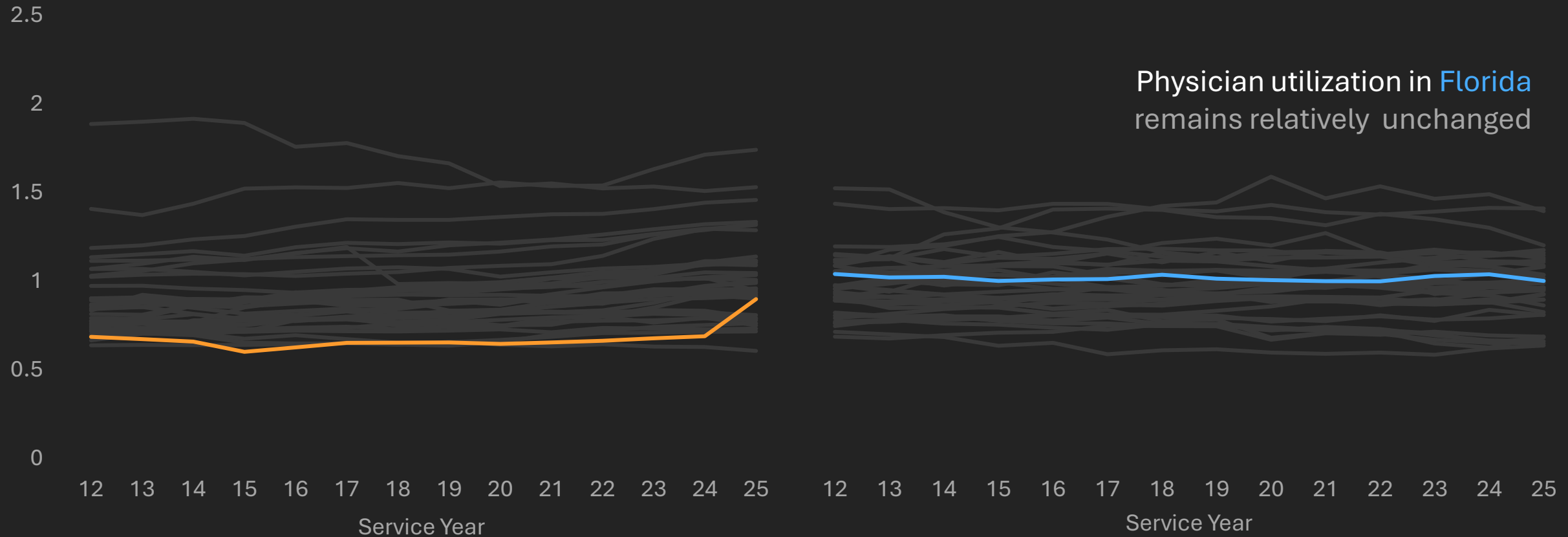
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Relative Physician Price by State



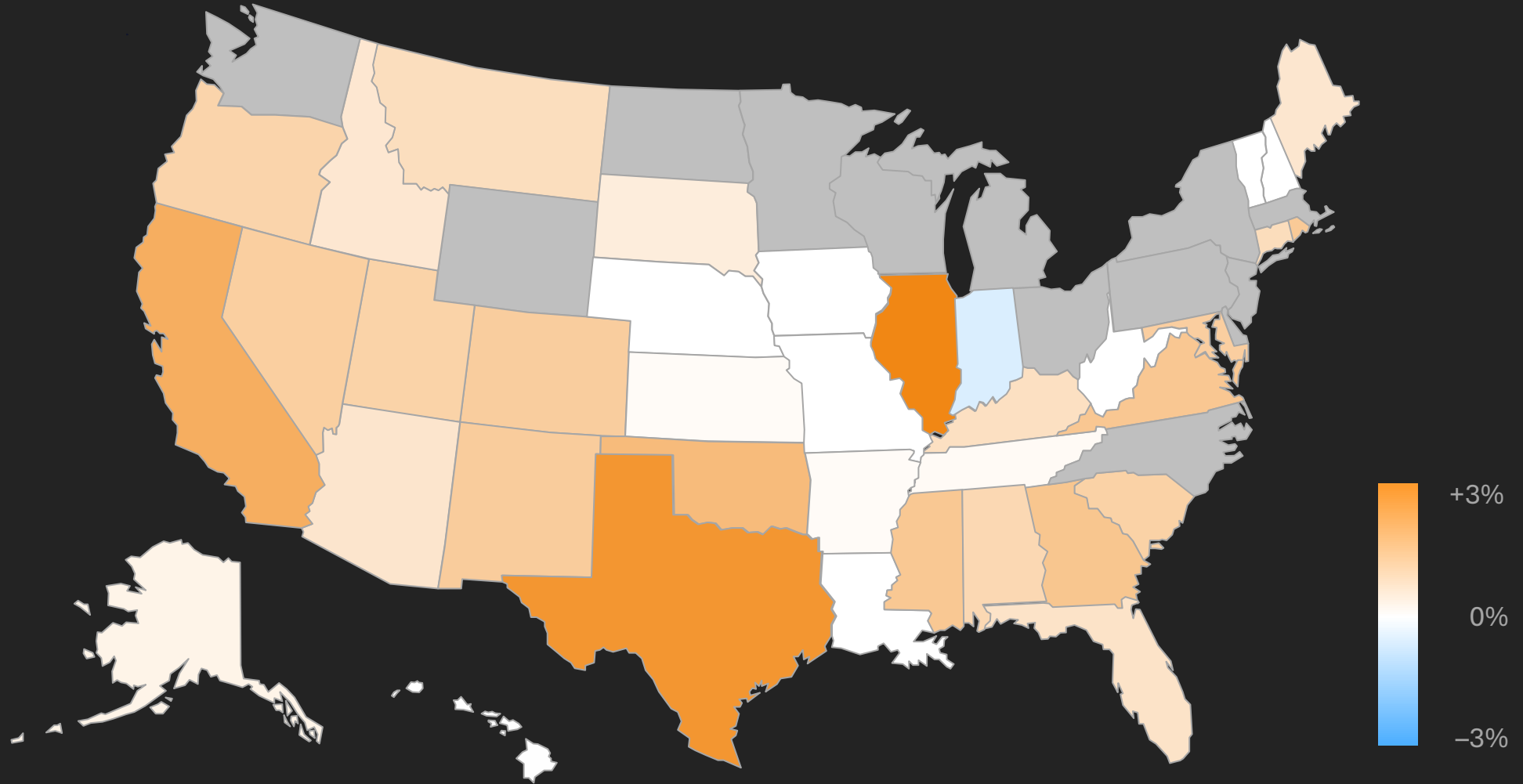
Source: Based on NCCI's Medical Data Call
Includes all states where NCCI provides ratemaking services

Relative Physician Price and Utilization by State

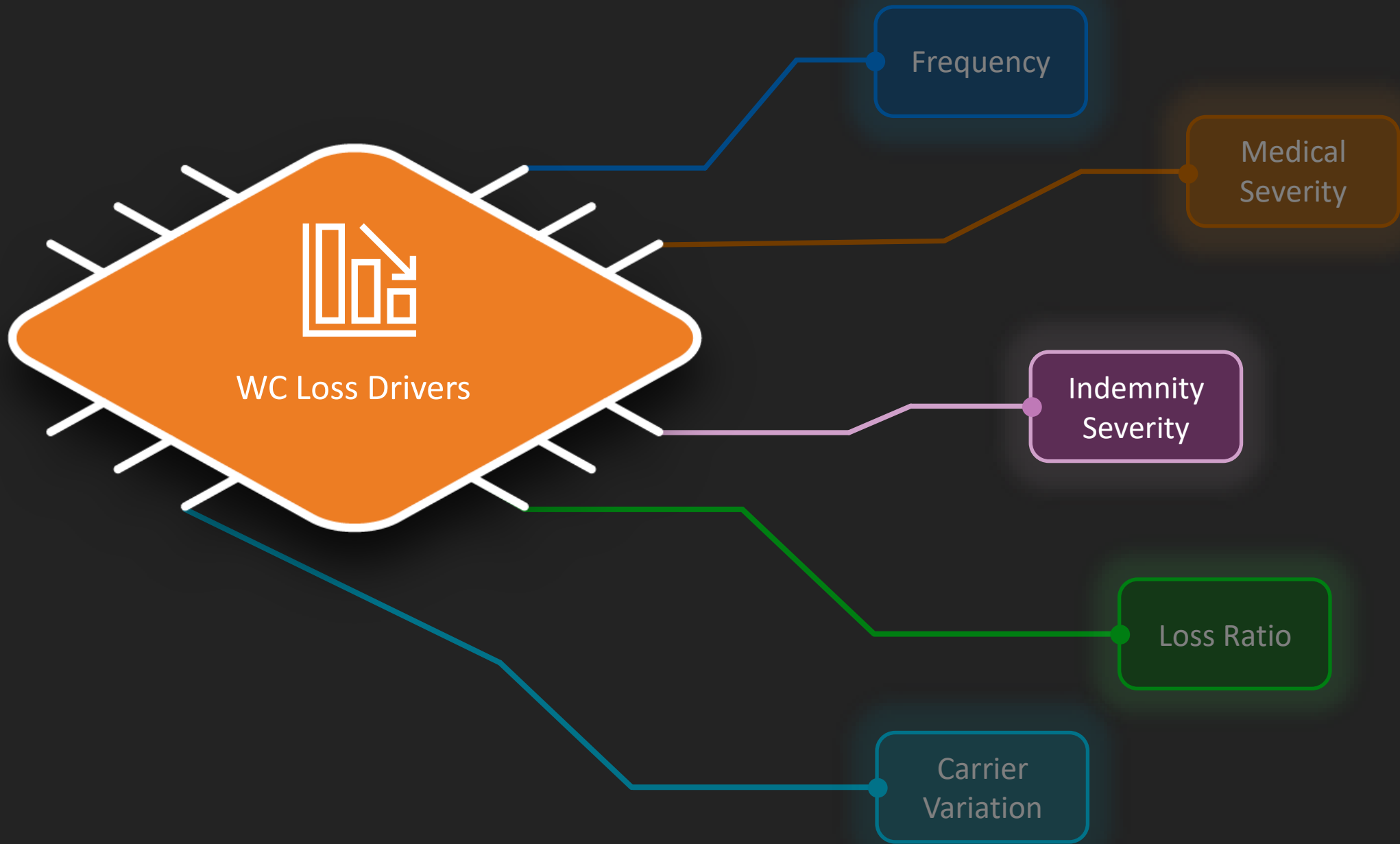


Source: Based on NCCI's Medical Data Call
Includes all states where NCCI provides ratemaking services

Medical Fee Schedule Average Annual Changes



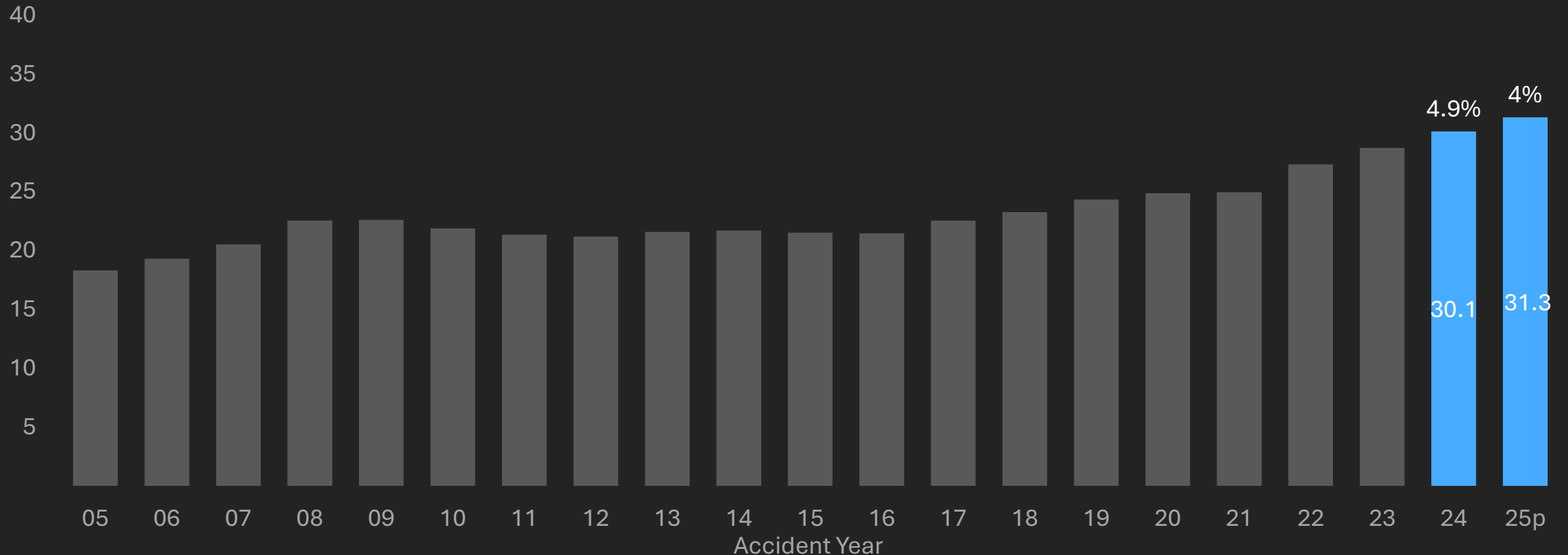
Sources: NCCI States: Values displayed reflect medical benefit changes in NCCI Loss Cost & Rate Filings with filing effective dates from 2023 to 2026
CA: WCIRB of California



WC Average Lost-Time Indemnity Claim Severity

Private Carriers and State Funds—NCCI States

Severity
(\$ Thousands)



p Preliminary, based on data valued as of 12/31/2025

Source: NCCI's Financial Call data, developed to ultimate, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023

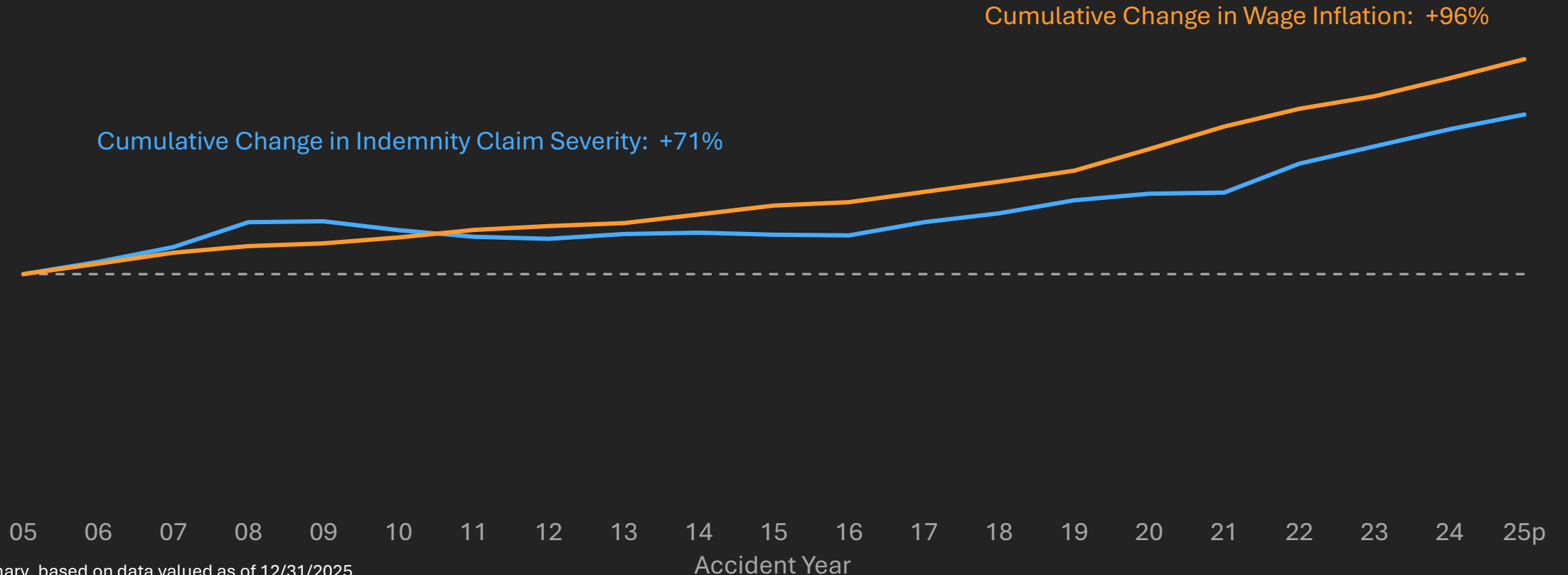
Values displayed reflect the methodology underlying the most recent rate/loss cost filing

Includes all states where NCCI provides ratemaking services; TX is excluded through 2010, and WV is excluded through 2014

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WC Average Lost-Time Indemnity Claim Severity

Private Carriers and State Funds—NCCI States



p Preliminary, based on data valued as of 12/31/2025

Sources: US Average Weekly Wage: 2005–2007, 2012–2019, and 2022–2024 Quarterly Census of Employment and Wages (QCEW) and US Bureau of Labor Statistics (BLS); 2008–2011 and 2020–2021 NCCI and QCEW; 2025p BLS, US Bureau of Economic Analysis (BEA), and NCCI

Severity: NCCI's Financial Call data, developed to ultimate, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023

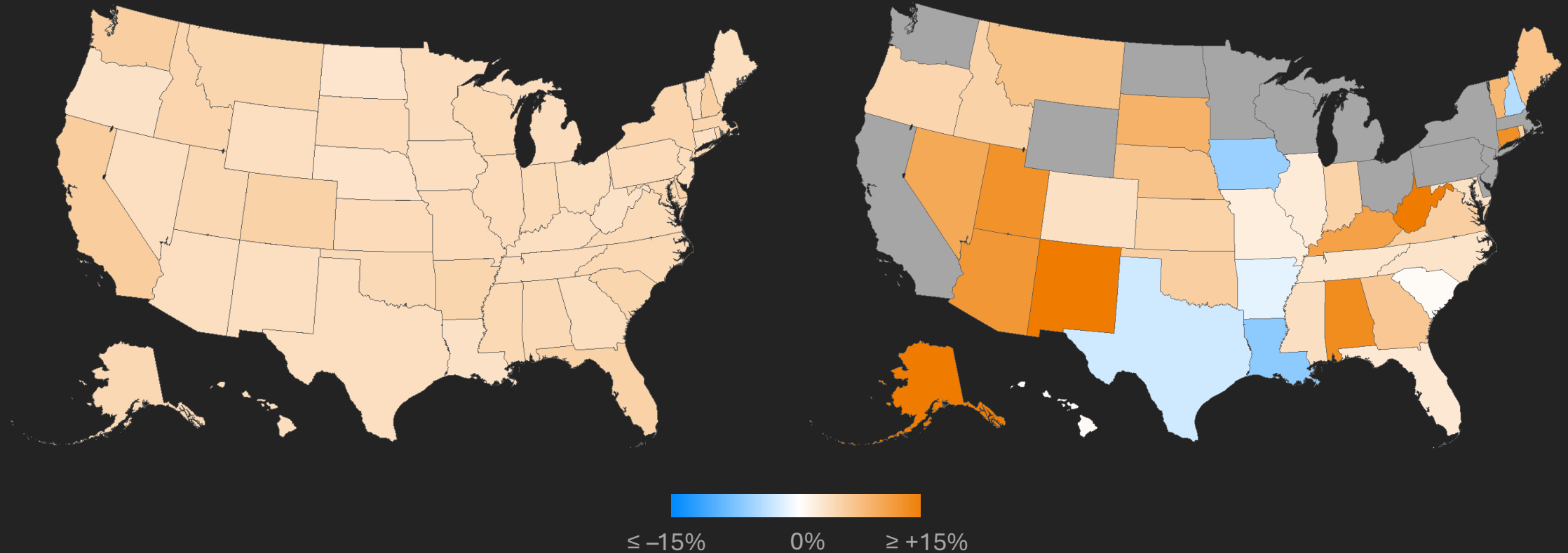
Values displayed reflect the methodology underlying the most recent rate/loss cost filing

Includes all states where NCCI provides ratemaking services; TX is excluded through 2010, and WV is excluded through 2014

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Change in Average Weekly Wage Compared to Indemnity Claim Severity by State

2024–2025p



p Preliminary, based on data valued as of 12/31/2025

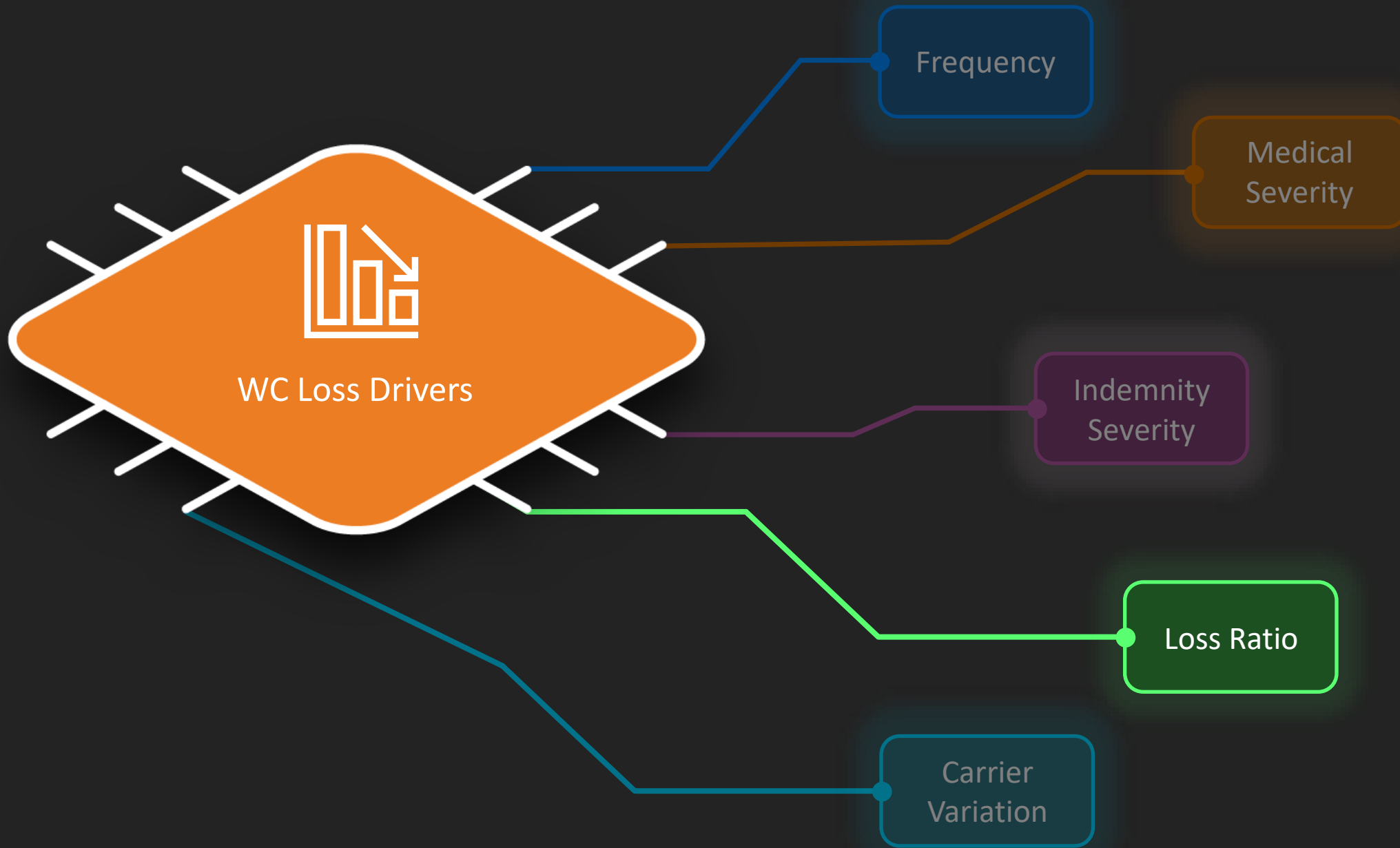
Sources: US Average Weekly Wage: 2024–2025p US Bureau of Labor Statistics (BLS), the US Bureau of Economic Analysis (BEA), and NCCI

Indemnity Claim Severity: NCCI's Financial Call data, excludes large-deductible policies.

Values displayed reflect the methodology underlying the most recent rate/loss cost filing

Includes all states where NCCI provides ratemaking services

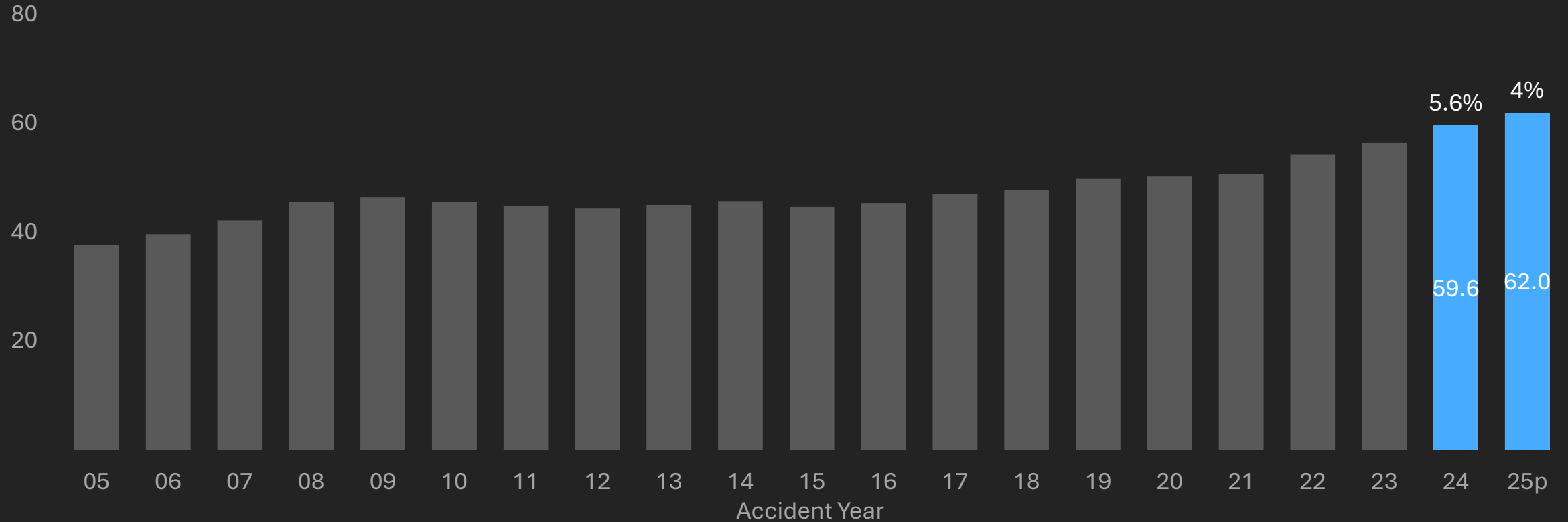
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WC Average Total Lost-Time Claim Severity

Private Carriers and State Funds—NCCI States

Severity
(\$ Thousands)



p Preliminary, based on data valued as of 12/31/2025

Source: NCCI's Financial Call data, developed to ultimate, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023

Values displayed reflect the methodology underlying the most recent rate/loss cost filing

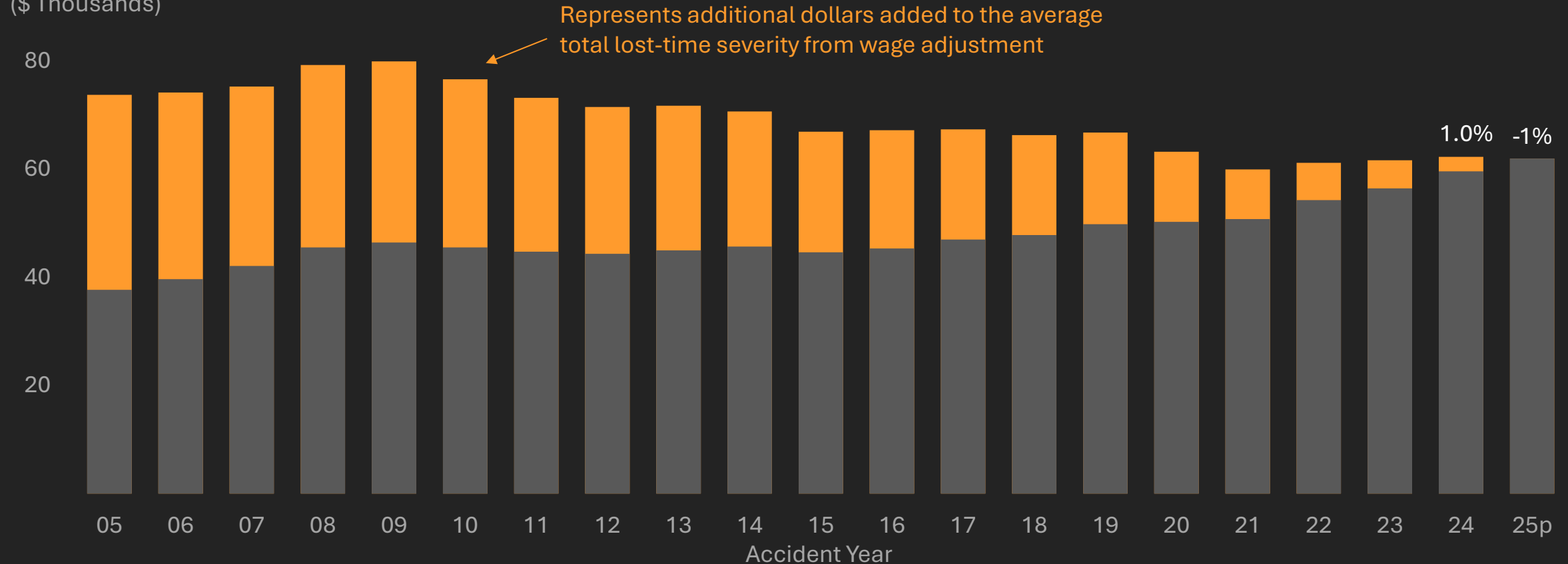
Includes all states where NCCI provides ratemaking services; TX is excluded through 2010, and WV is excluded through 2014

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WC Average Wage-Adjusted Total Lost-Time Claim Severity

Private Carriers and State Funds—NCCI States

Severity
(\$ Thousands)



p Preliminary, based on data valued as of 12/31/2025

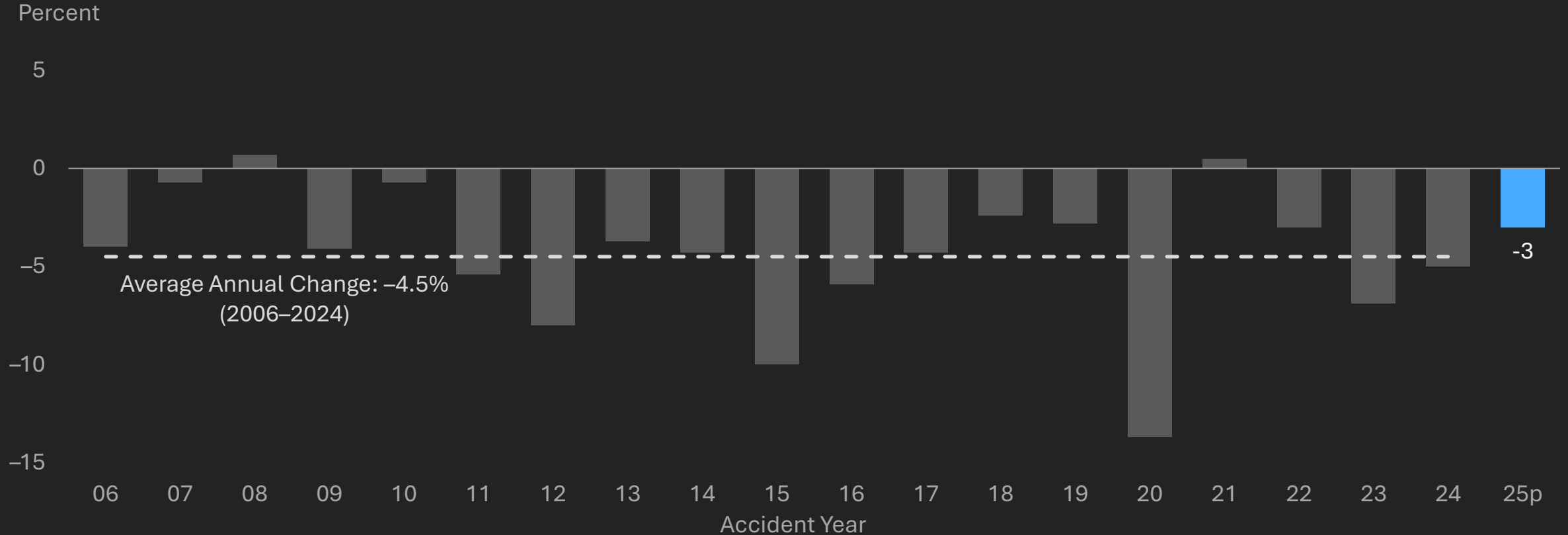
Sources: US Average Weekly Wage: 2005–2007, 2012–2019, and 2022–2024 Quarterly Census of Employment and Wages (QCEW) and US Bureau of Labor Statistics (BLS); 2008–2011 and 2020–2021 NCCI and QCEW; 2025p BLS, US Bureau of Economic Analysis (BEA), and NCCI

Severity: NCCI's Financial Call data, developed to ultimate, adjusted to current wage level, excludes large-deductible policies; based on data through 12/31/2024; excludes COVID-19 claims through 7/1/2023; values displayed reflect the methodology underlying the most recent rate/loss cost filing
Includes all states where NCCI provides ratemaking services; TX is excluded through 2010, and WV is excluded through 2014

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WC Average Lost-Time Loss Ratio

Change in Loss to Premium, Private Carriers and State Funds—NCCI States



Premium in 2010–2011 and 2019–2023 is adjusted to reflect the impact of changes in audit activity

p Preliminary, based on data valued as of 12/31/2025

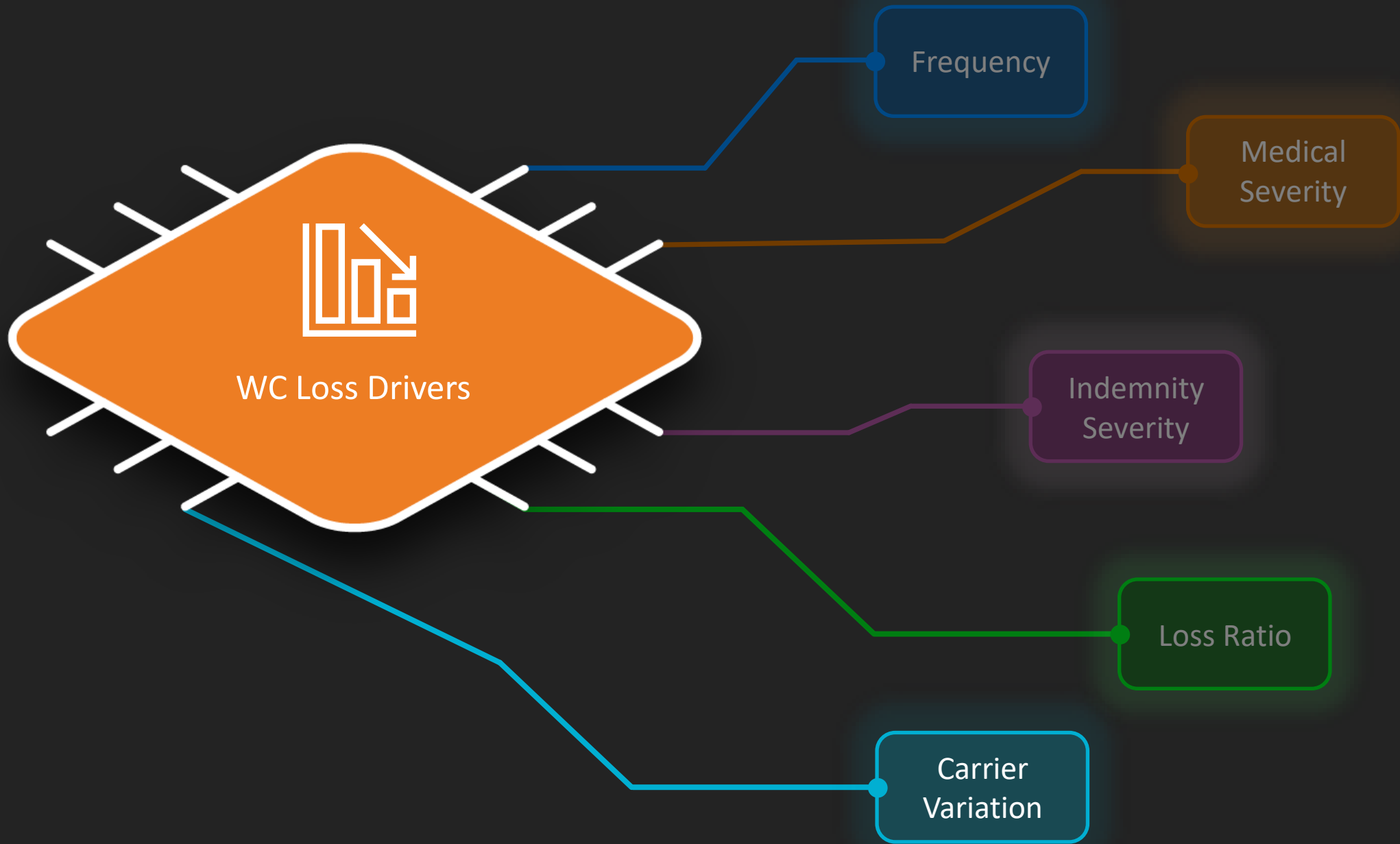
Source: NCCI's Financial Call data, developed to ultimate, premium adjusted to voluntary pure premium level, excludes large-deductible policies; based on data through 12/31/2024;

excludes COVID-19 claims through 7/1/2023; values displayed reflect the methodology underlying the most recent rate/loss cost filing

Premium includes all states where NCCI provides ratemaking services; TX is excluded through 2006, and WV is excluded through 2011

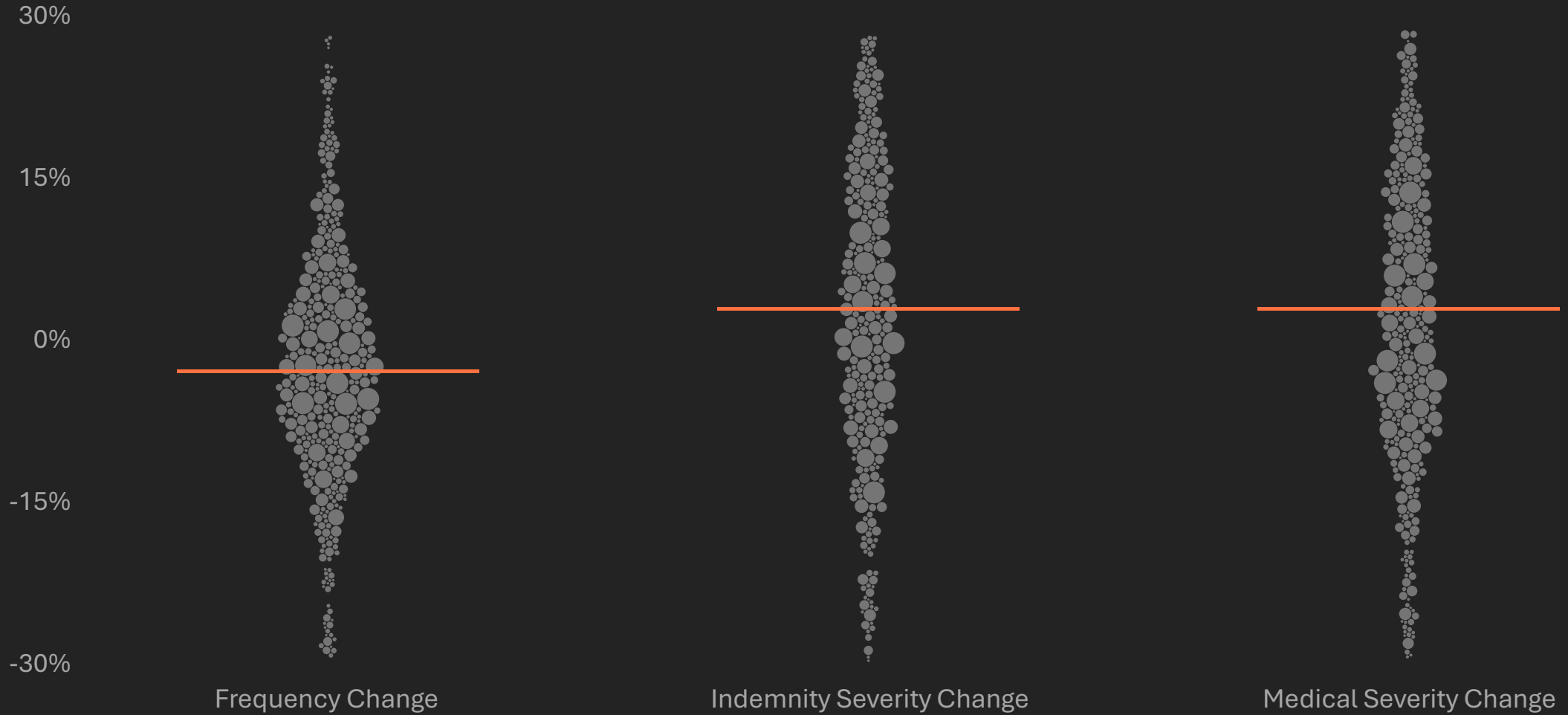
Losses include all states where NCCI provides ratemaking services; TX is excluded through 2010, and WV is excluded through 2014

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Loss Drivers by Carrier

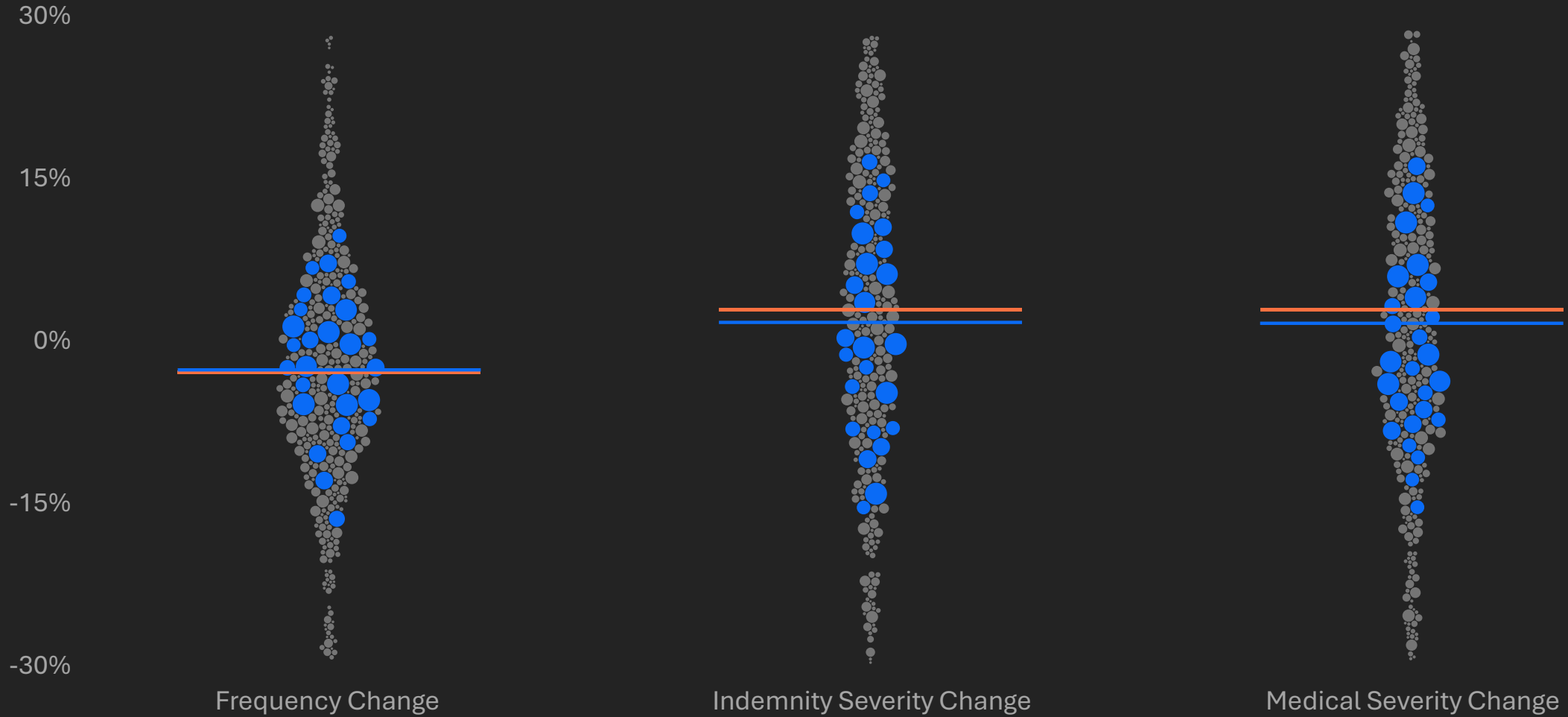
Includes Changes Within $\pm 30\%$



Source: NCCI's Financial Call data, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies; based on preliminary data through 12/31/2025
Includes all states where NCCI provides ratemaking services
The size of the circle is based on the carrier group's premium volume up to \$300M

Loss Drivers by Carrier

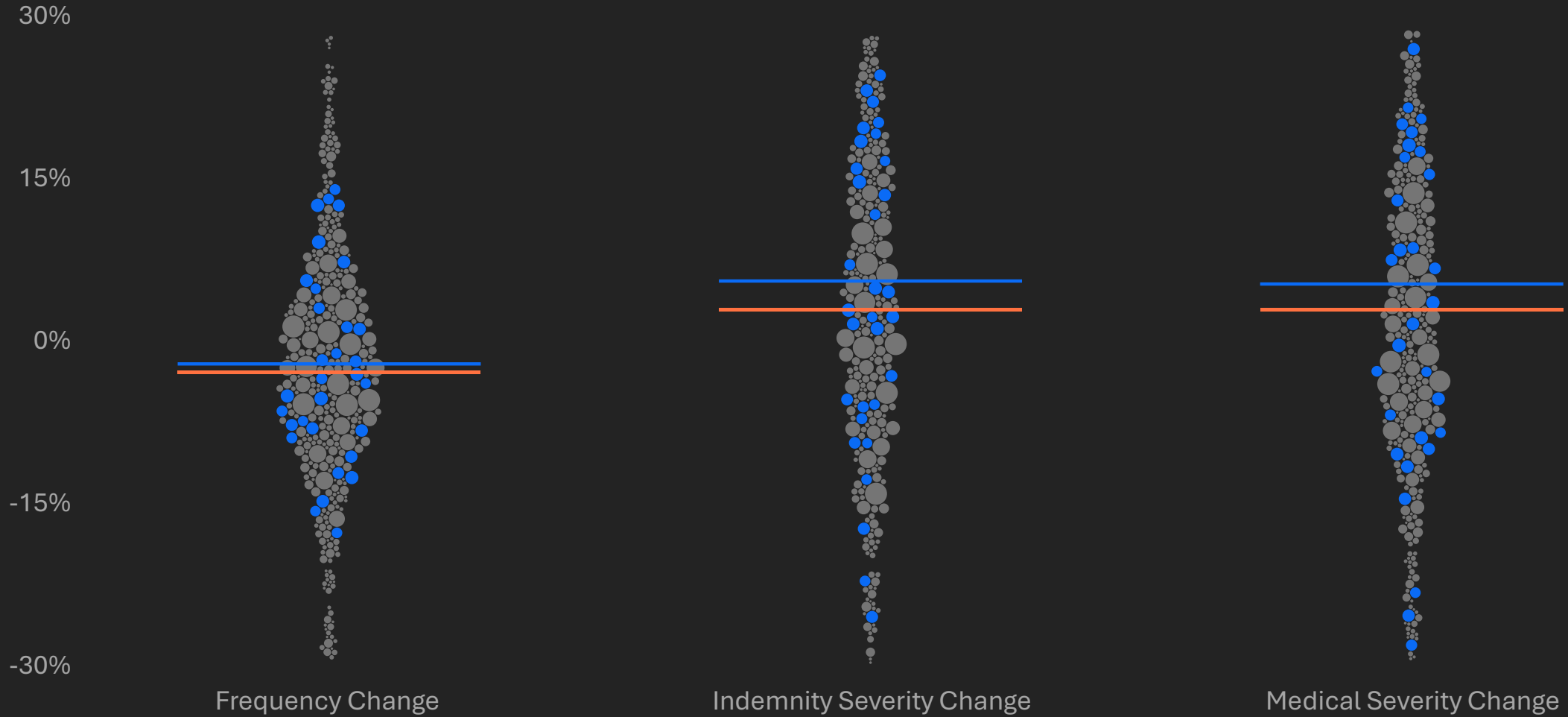
Premium >\$100M vs. All Other



Source: NCCI's Financial Call data, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies; based on preliminary data through 12/31/2025
Includes all states where NCCI provides ratemaking services
The size of the circle is based on the carrier group's premium volume up to \$300M

Loss Drivers by Carrier

Premium \$50M-\$100M vs. All Other



Source: NCCI's Financial Call data, premium adjusted to current wage and voluntary pure premium level, excludes large-deductible policies; based on preliminary data through 12/31/2025
Includes all states where NCCI provides ratemaking services
The size of the circle is based on the carrier group's premium volume up to \$300M

Wage-adjusted changes:

-2%

Claim
frequency

-1%

Total
severity



WC Loss Drivers

Unadjusted severity changes:

4%

Medical

4%

Indemnity



Workers
Comp



P/C Results

P/C Industry growth slowed overall, while WC was flat

93% Lowest combined ratio in nearly two decades



WC Premium

change in **net written premium**
-0.2%

-5.0% 2026 NCCI loss cost change

Payroll change components:

0.5% Employment **4.3%** Wage Rate



WC Results

2025 reported combined ratios:

CY **91%** AY **102%**

\$14 billion reserve redundancy



WC Loss Drivers

Wage-adjusted changes:

-2% Claim frequency
-1% Total severity

Unadjusted severity changes:

4% Medical **4%** Indemnity

2025 Workers Compensation Insights

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State of the Line Dialogue

Live session after break

Contact Us

stateoftheline@ncci.com

Resources on ncci.com

State of the Line Report

State of the Line Guide

State of the Line: At a Glance