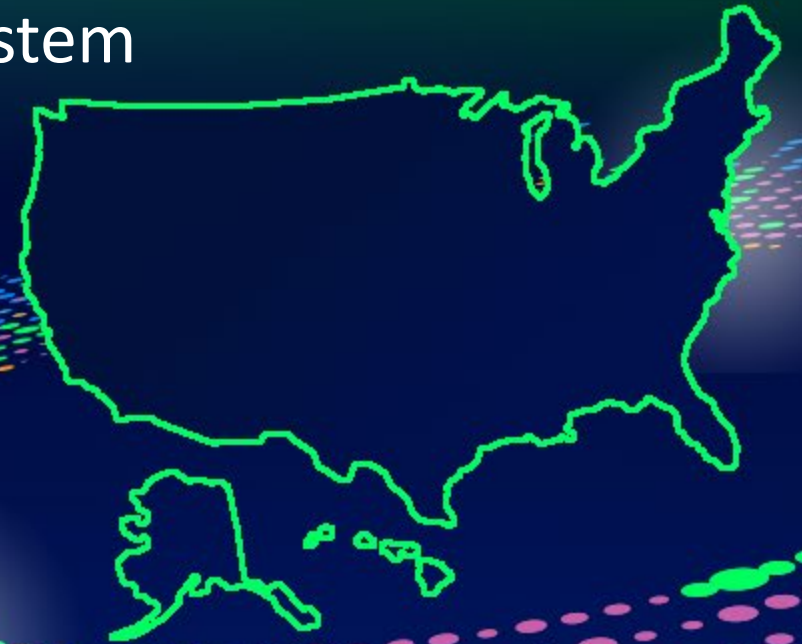


STATE ADVISORY RESOURCES

District of Columbia Workers Compensation System
September 2022

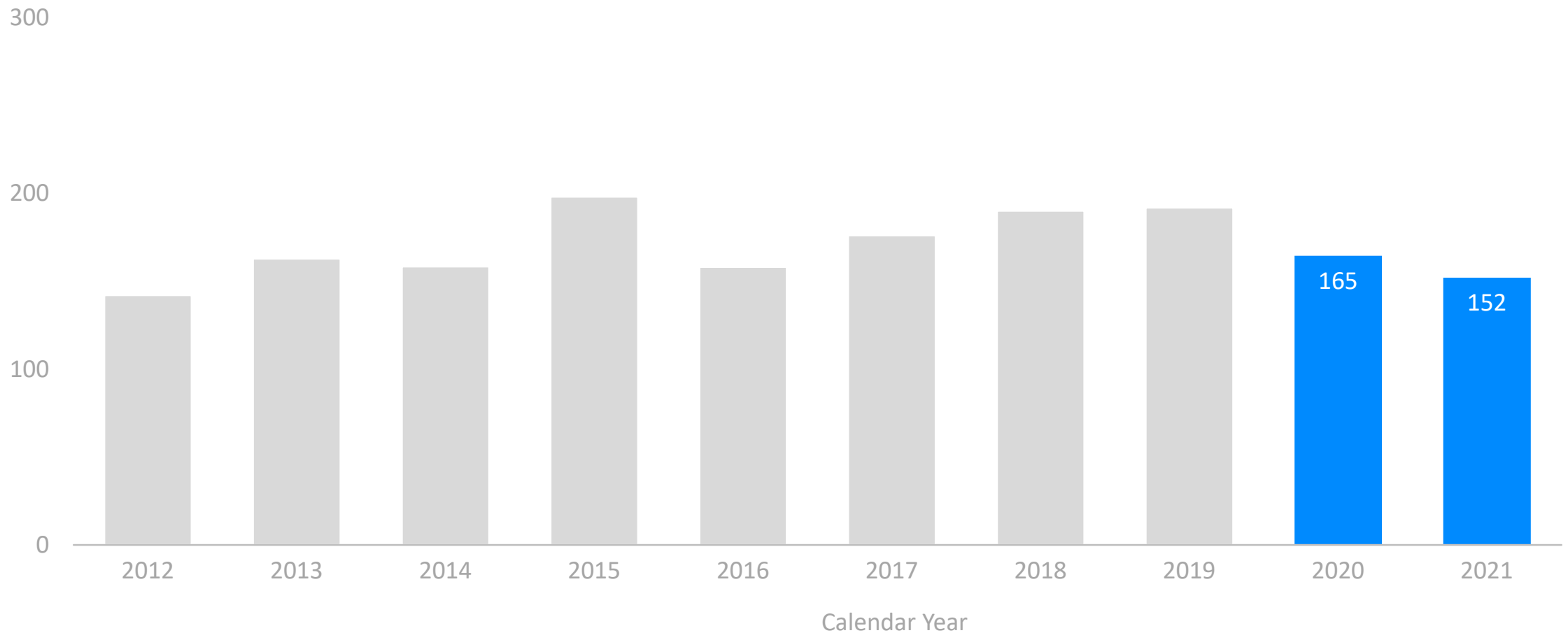


District of Columbia Workers Compensation System—An Overview

- Written premium volume decreased in the latest year
- Accident year combined ratios continue to be favorable
- Lost-time claim frequency continues to decline
- Indemnity and medical severities exhibit some volatility

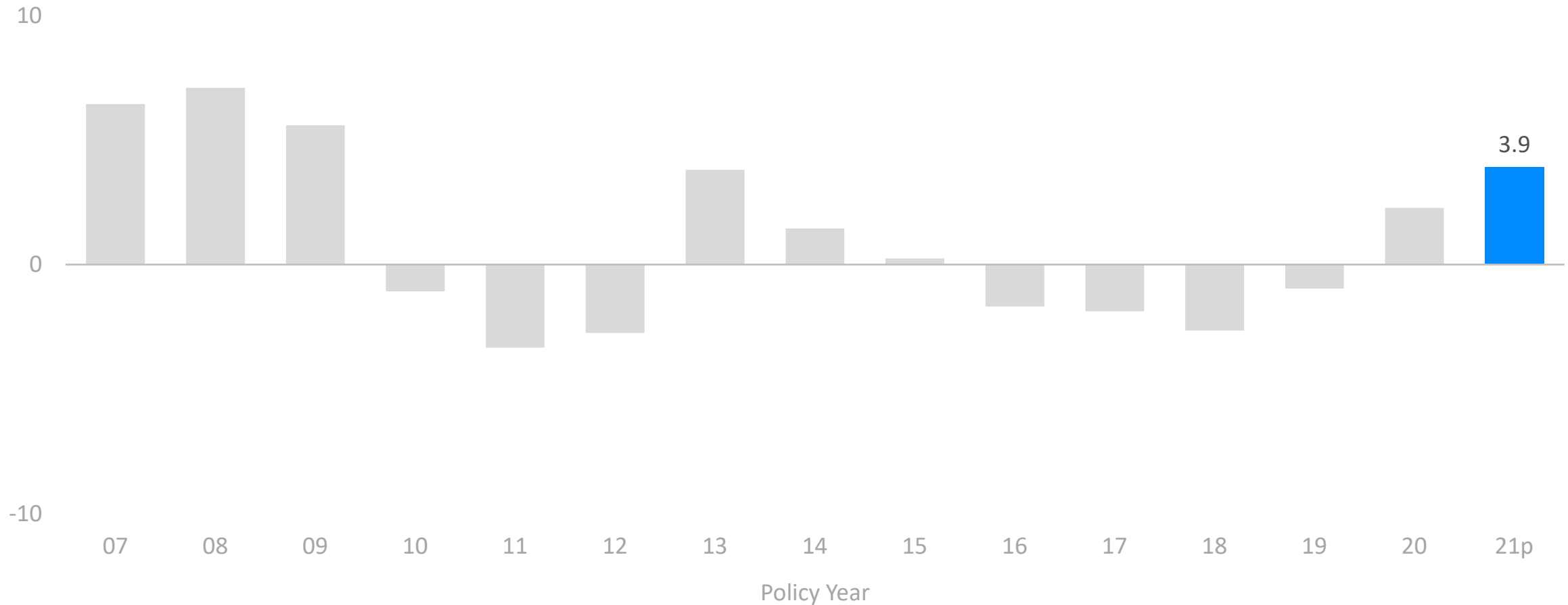
District of Columbia Premium Volume

Direct Written Premium in \$ Millions



Source: NAIC's Annual Statement data.

Impact of Discounting on Workers Compensation Premium in District of Columbia

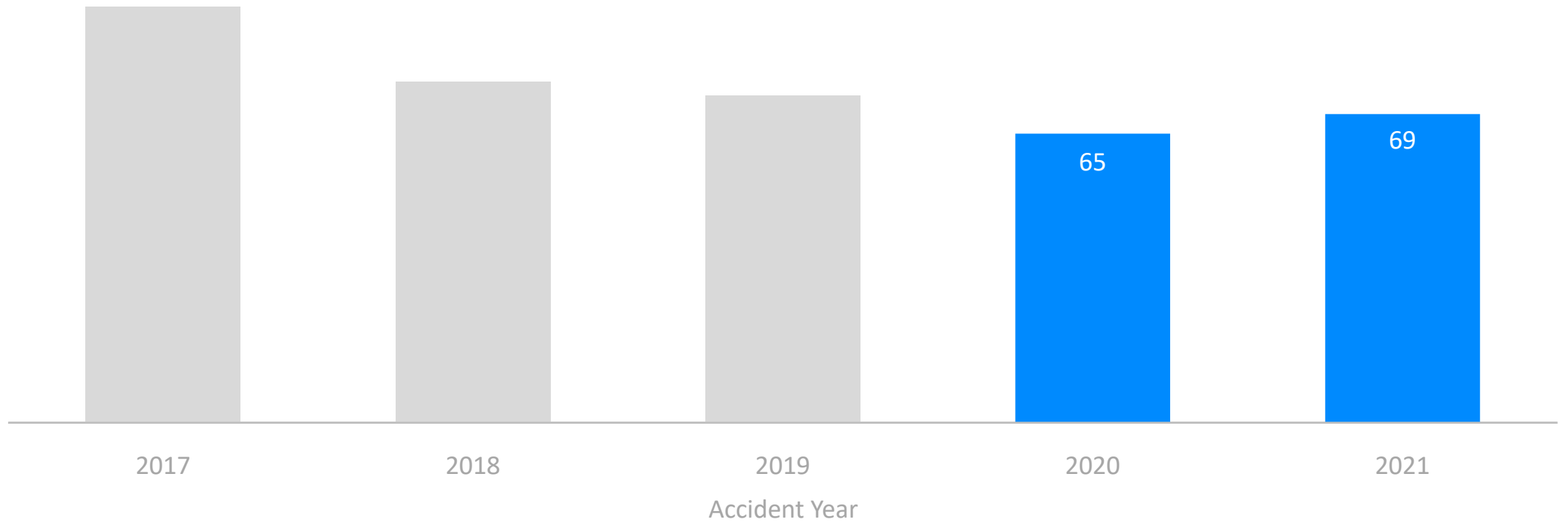


p Preliminary.
Based on data through 12/31/2021.

District of Columbia Combined Ratios

Percent

100

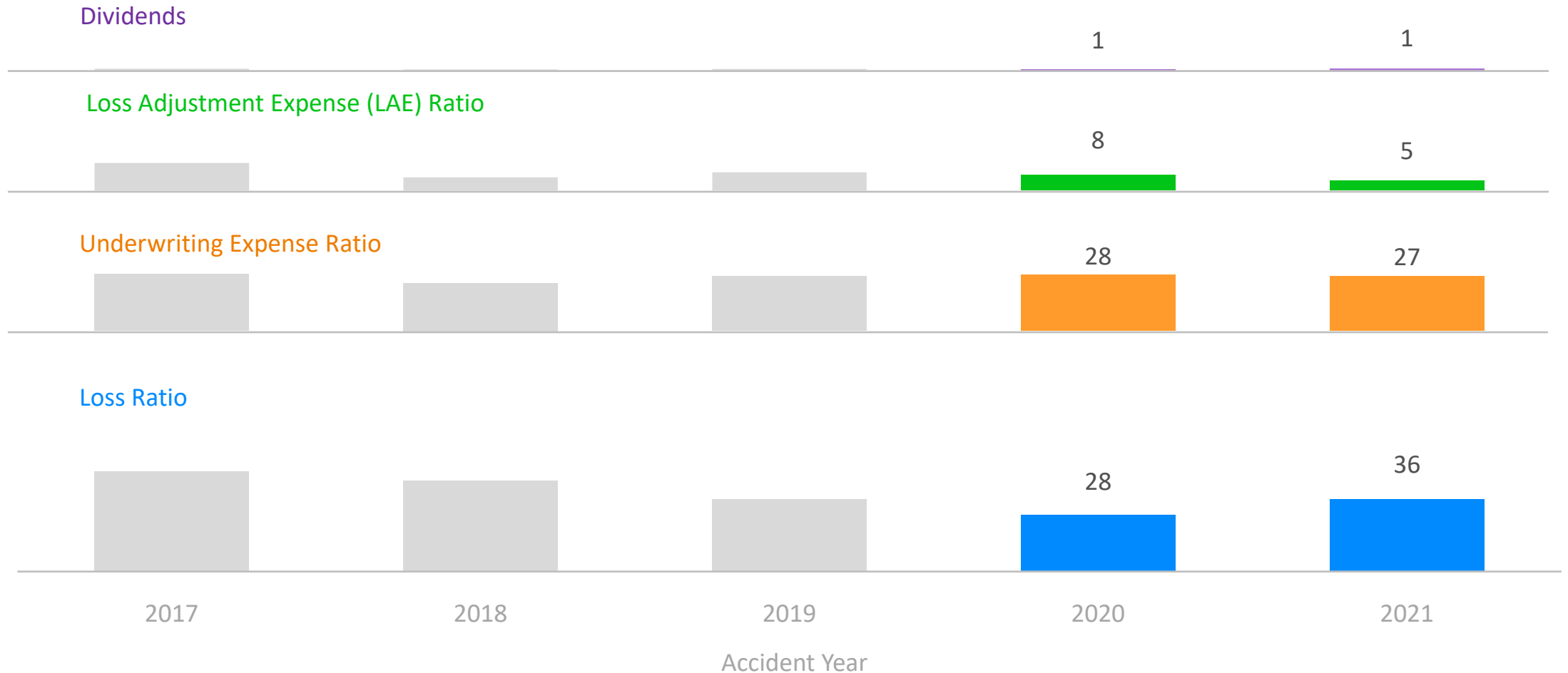


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



District of Columbia Combined Ratios by Component

Percent

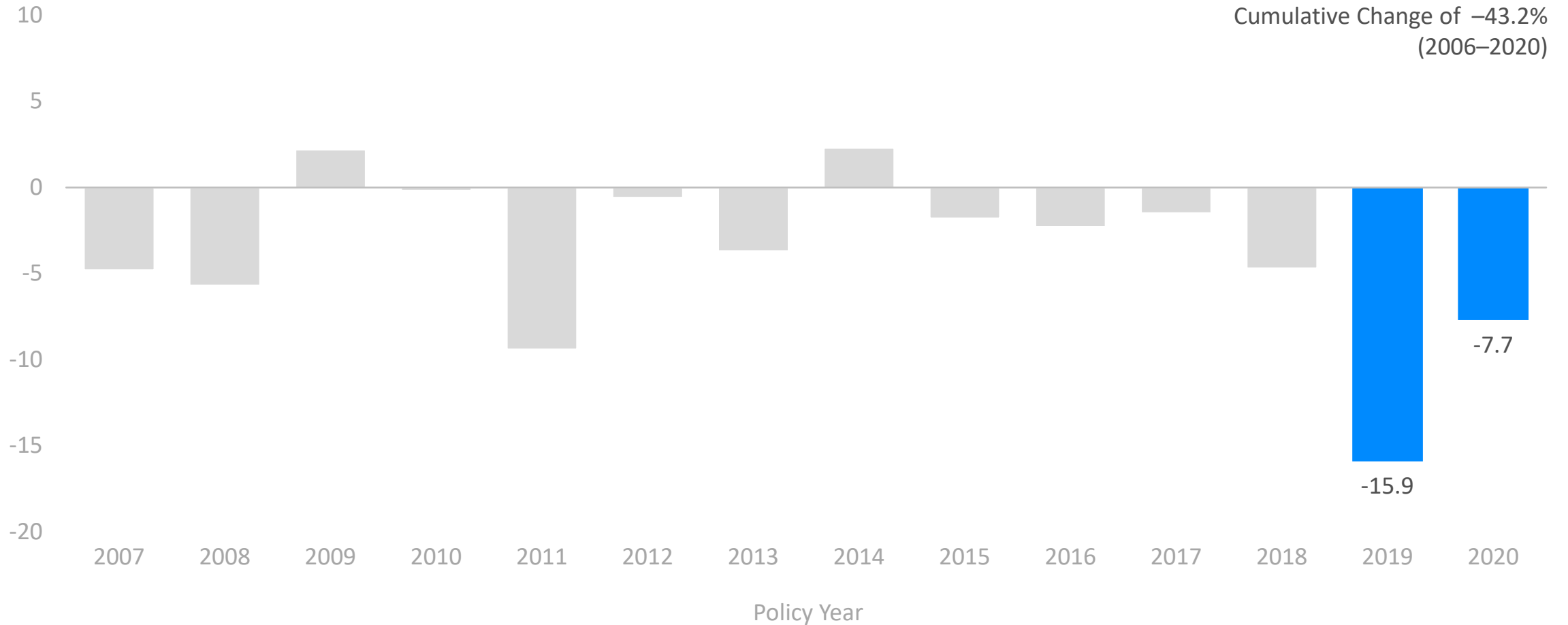


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



District of Columbia Change in Claim Frequency

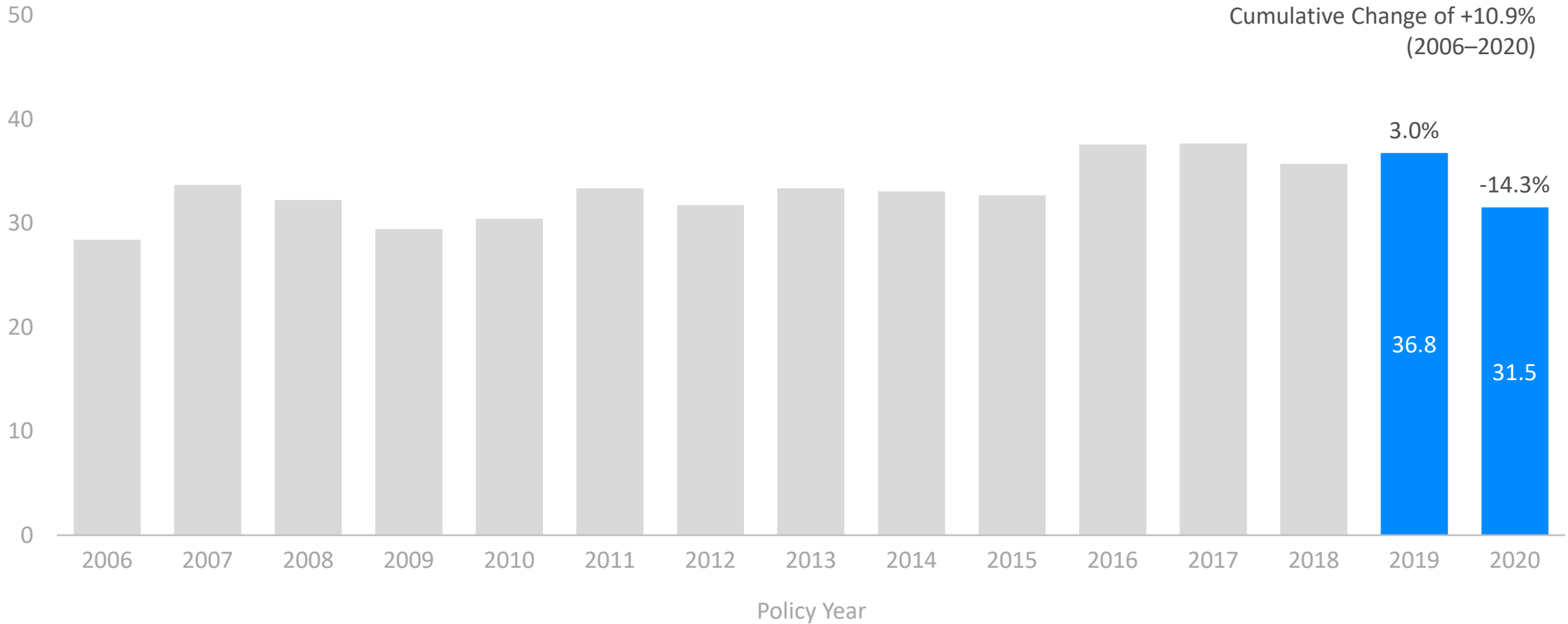
Percent Change in Lost-Time Claims, per \$ Million of On-Leveled Premium



Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate, with premium adjusted to common wage level.

District of Columbia Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

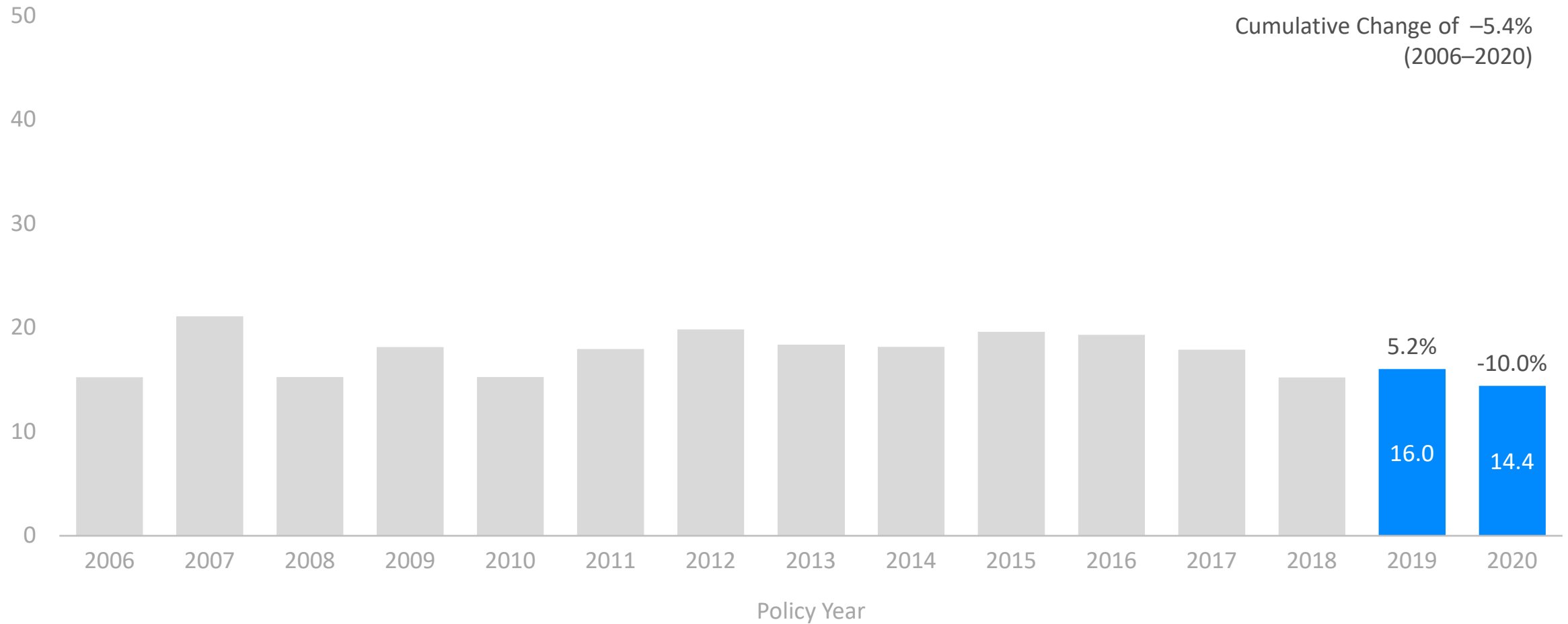


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.



District of Columbia Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

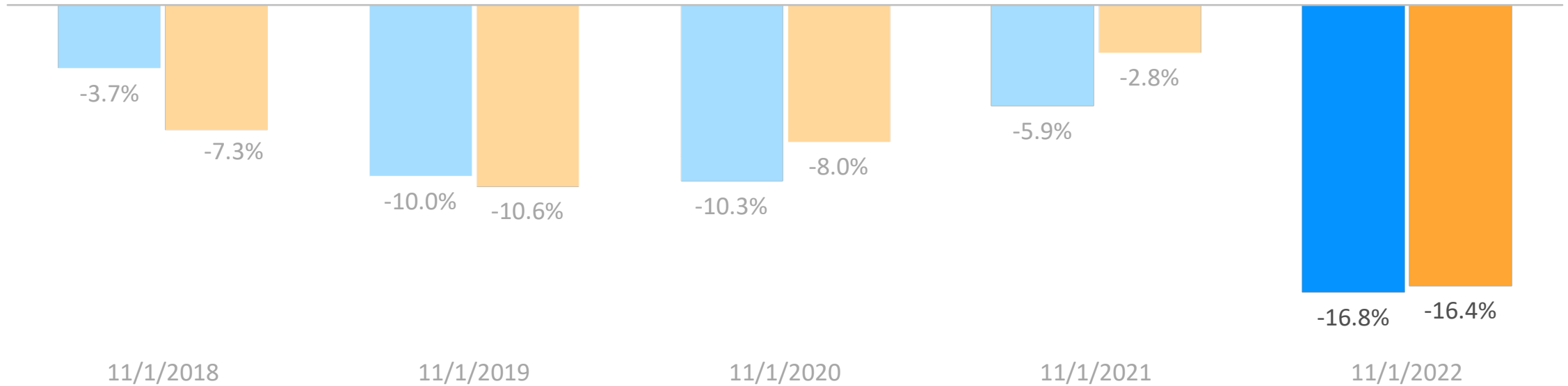


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.
Note that medical-only losses are included in the numerator.



District of Columbia Filing Activity

Voluntary Loss Cost and Assigned Risk Rate Changes



District of Columbia November 1, 2022 Loss Cost Filing

Change in Experience:	-9.9%
Change in Trend:	-8.3%
Change in Benefits:	+0.5%
Change in All Other:	+0.2%
<hr/>	
Overall Loss Cost Level Change:	-16.8%

District of Columbia Economic Drivers



Government



Tourism

Source: Moody's Analytics.

District of Columbia Economic Assets and Challenges

■ Assets

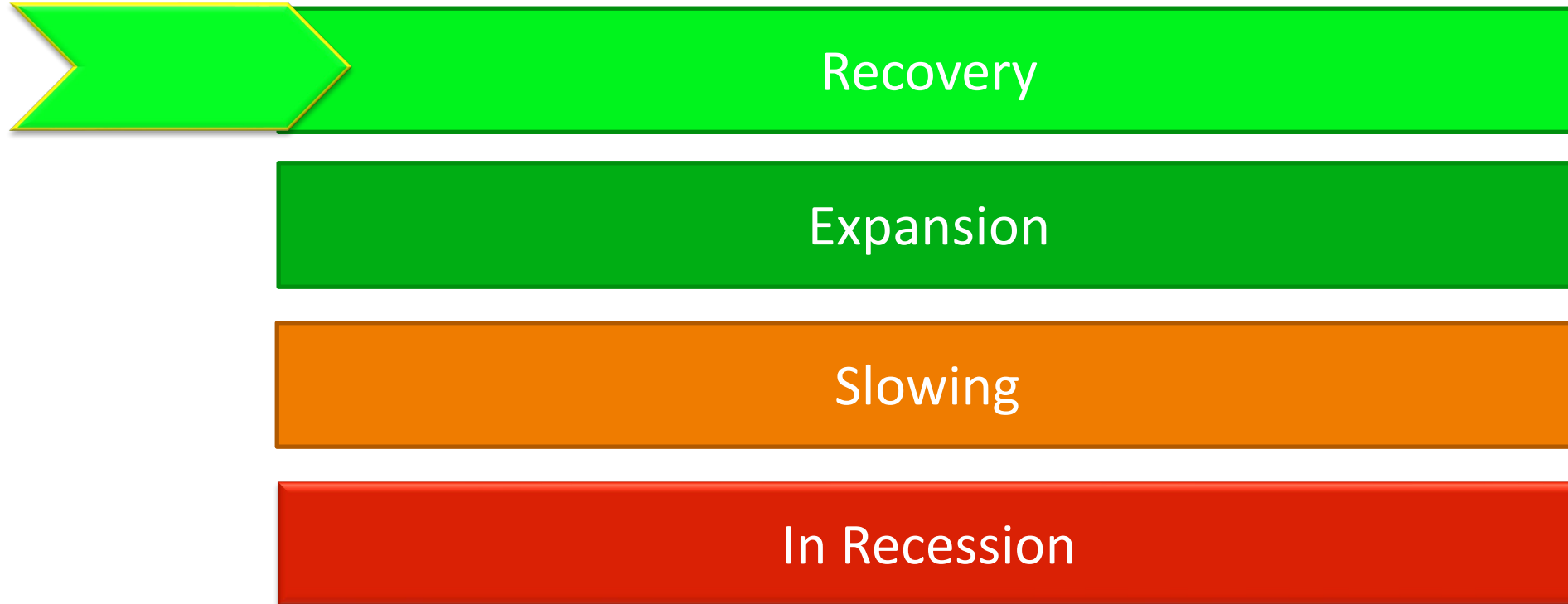
- Stable federal sector employment
- Educated workforce with higher incomes
- Strong business travel and tourism economic impact

■ Challenges

- Strained public education system
- Slow recovery from COVID-19 pandemic
- High cost of living and business expenses

Source: Moody's Analytics.

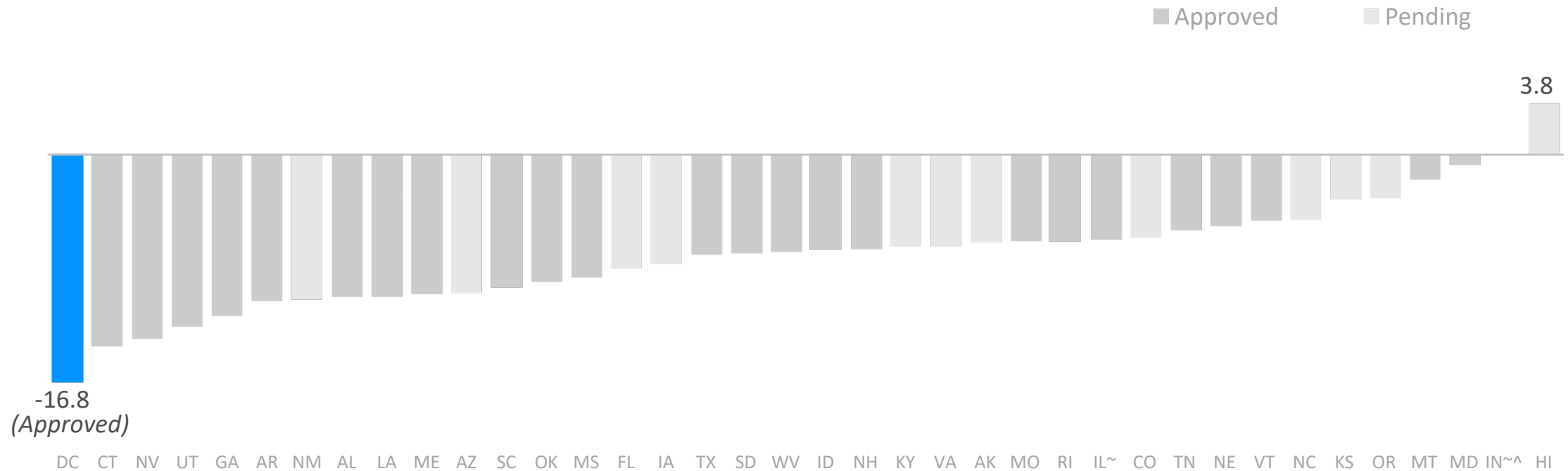
District of Columbia Business Cycle Status



Source: Moody's Analytics.

Current NCCI Voluntary Market Loss Cost/Rate Level Changes

Excludes Law-Only Filings



~Value shown is a rate level change; the IL and IN loss cost level changes are -6.2% and -2.7%, respectively.

^IN approved a flat (0.0%) rate level change.

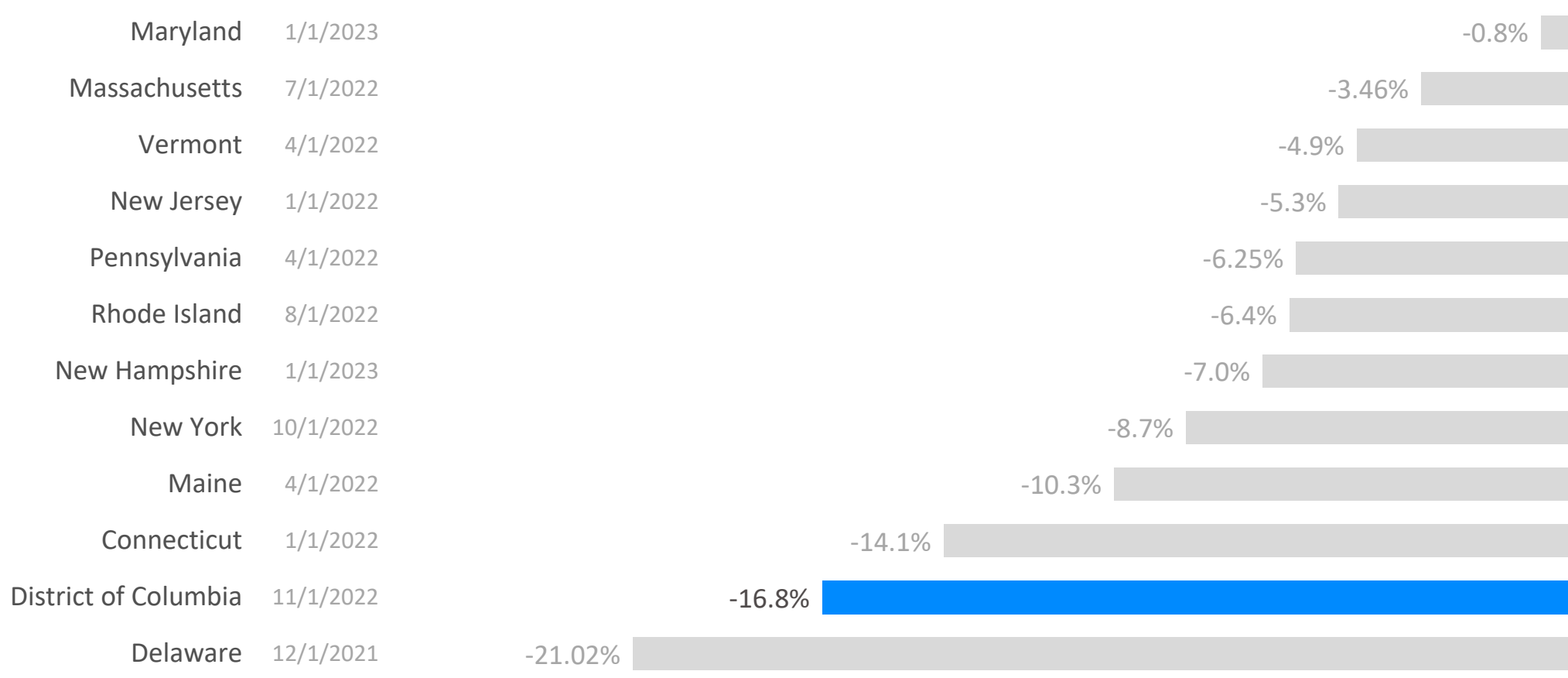
Reflects the most recent experience filing in each jurisdiction as of 9/2/2022.

Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.



Current Voluntary Market Loss Cost/Rate Changes

Northeastern States

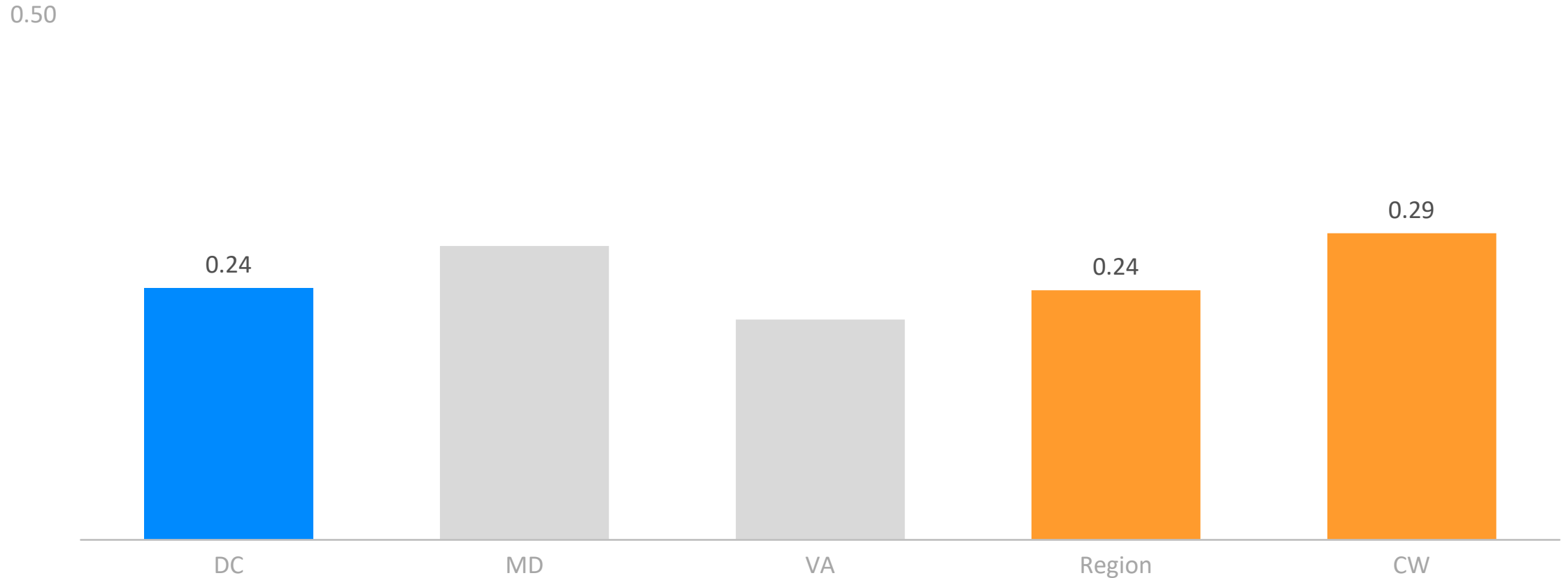


Reflects the most recent experience filing in each jurisdiction as of 9/2/2022.

Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.

Average Voluntary Pure Loss Costs

Using District of Columbia Payroll Distribution



Based on approved rates and loss costs in various jurisdictions from filings using data valued as of 12/31/2020.



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