

STATE ADVISORY RESOURCES

Florida Workers Compensation System
November 2022

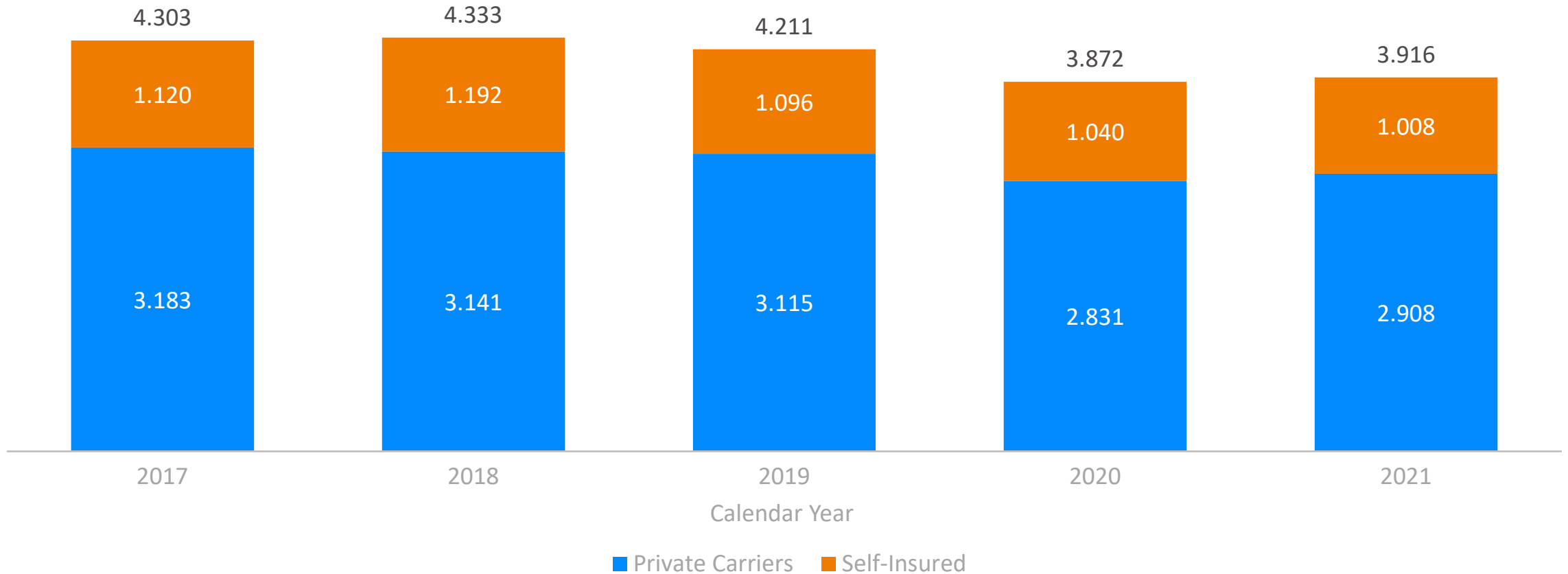


Florida Workers Compensation System—An Overview

- Written premium increased slightly between 2020 and 2021
- Combined ratios have been favorable over the recent past
- Florida's indemnity average severity figures have been relatively more consistent from year to year when compared with those for medical

Florida Premium Volume

Direct Written Premium in \$ Billions



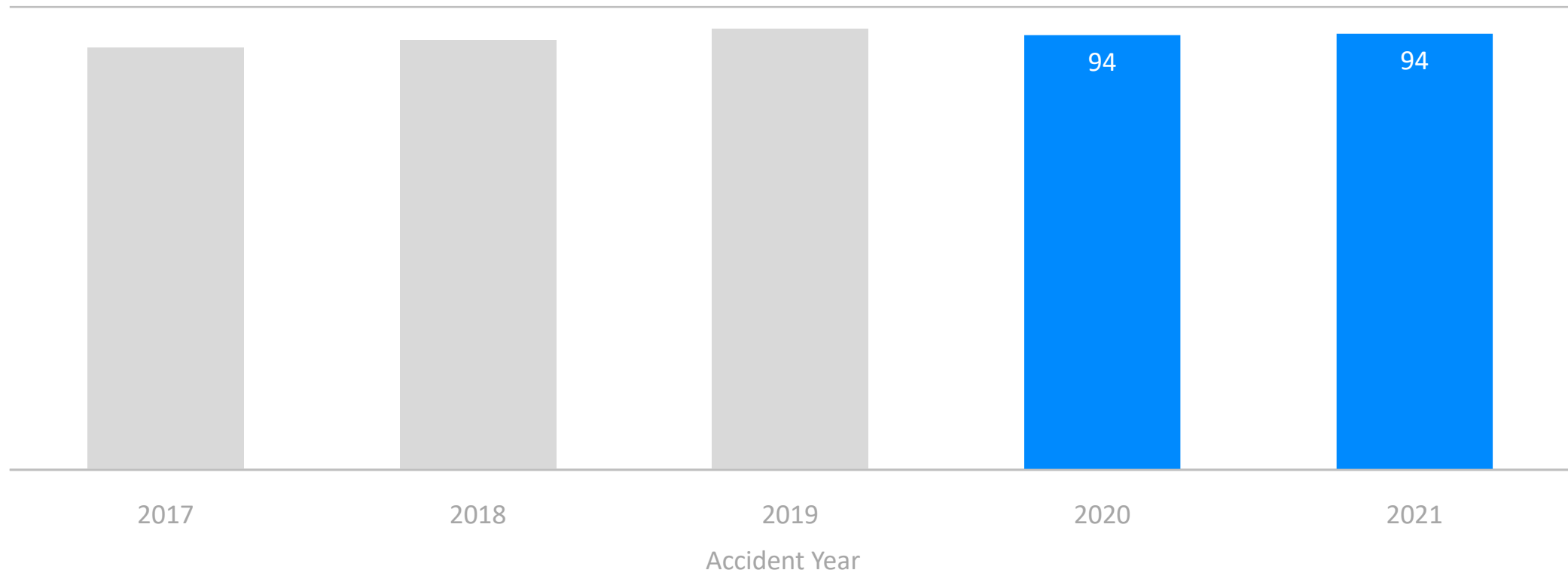
Source: NAIC's Annual Statement data.



Florida Combined Ratios

Percent

100

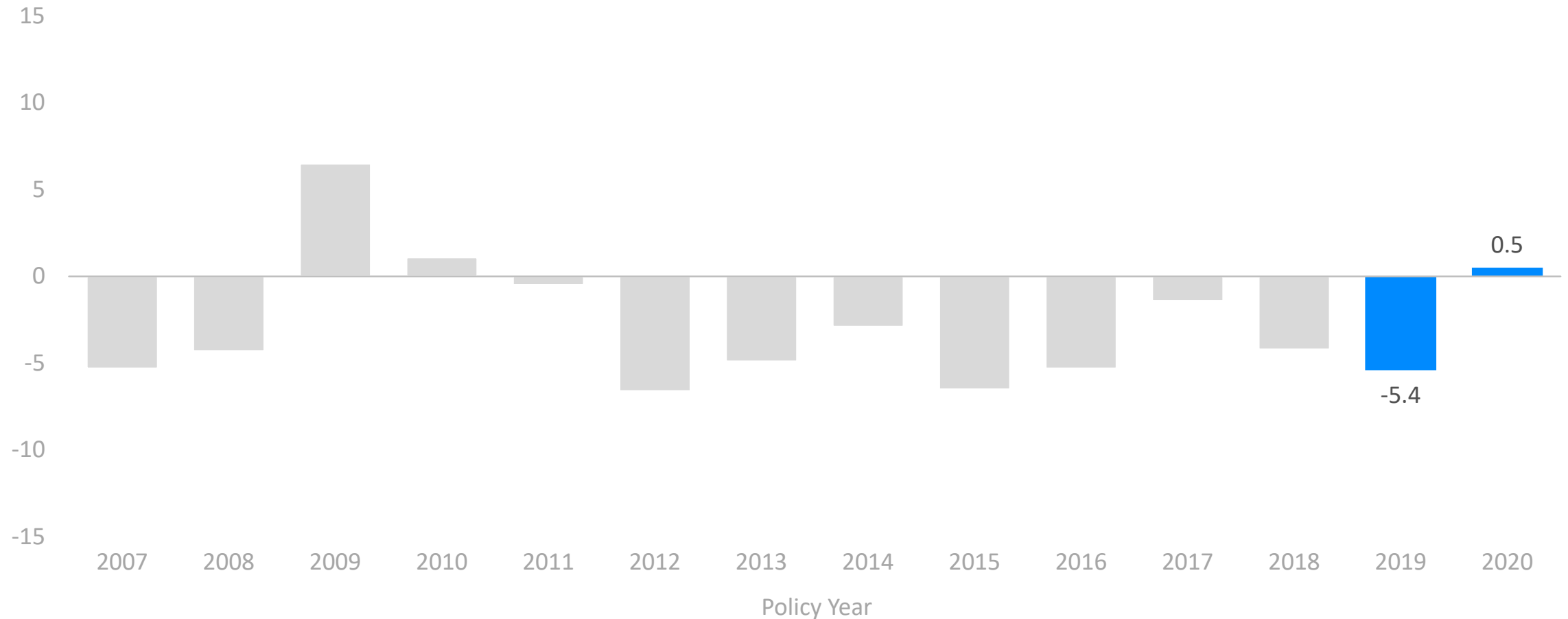


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



Florida Change in Claim Frequency

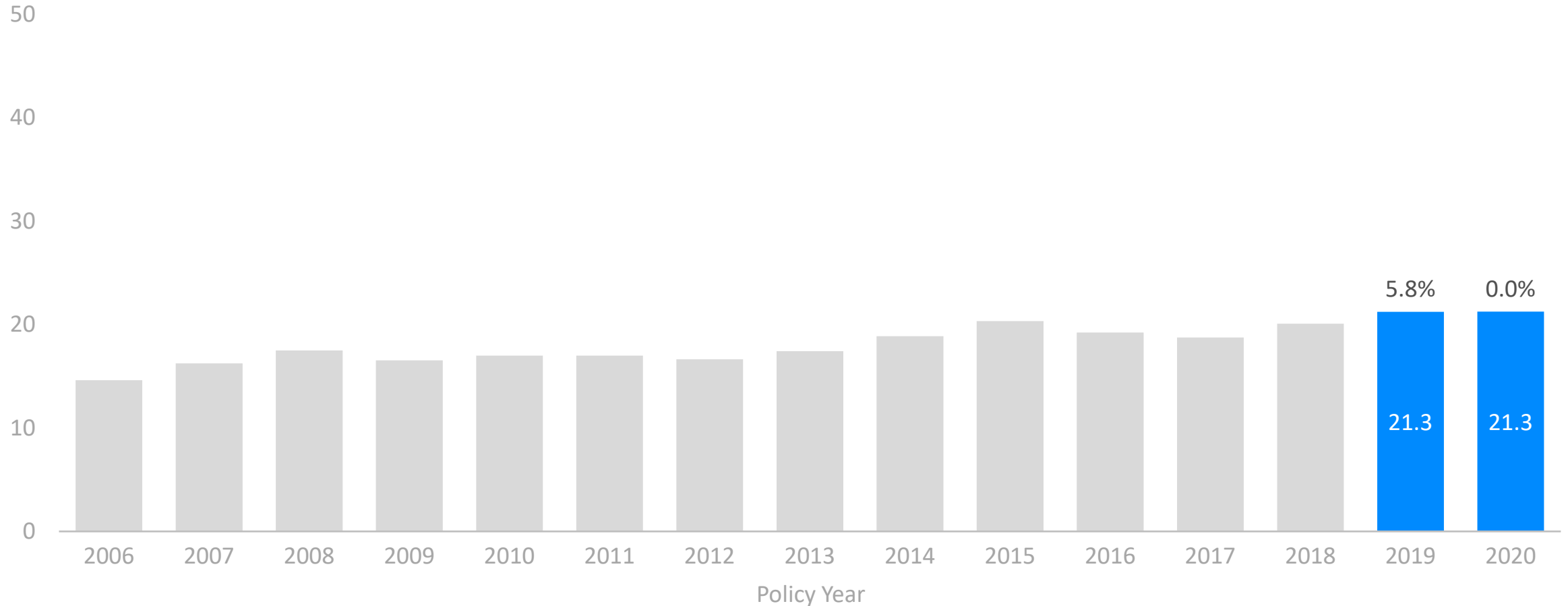
Percent Change in Lost-Time Claims, per \$ Million of On-Levelled Premium



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

Florida Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

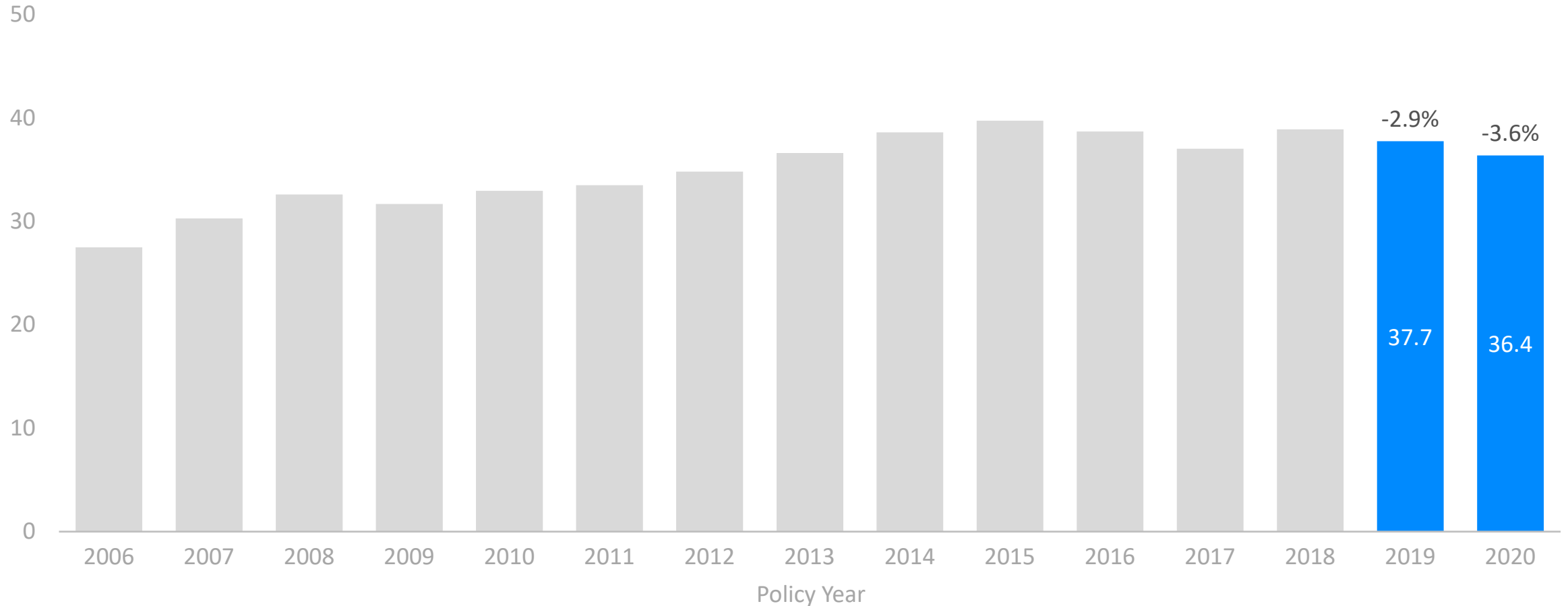


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.



Florida Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

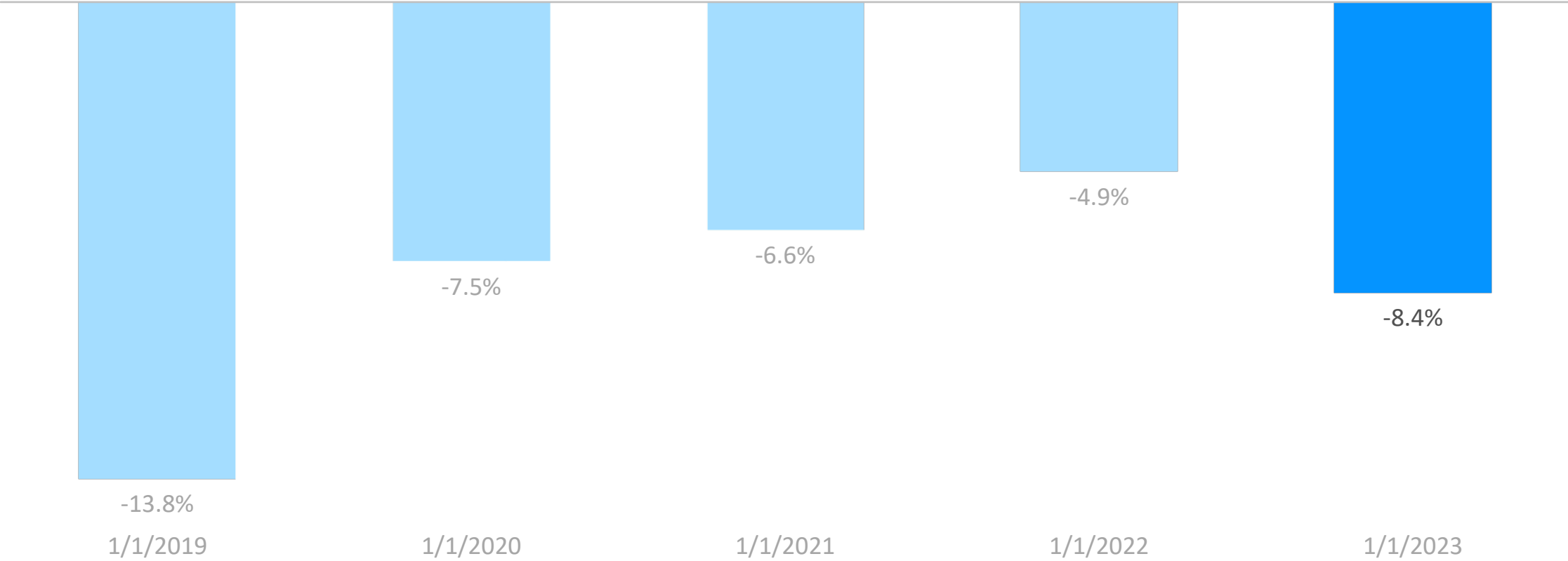


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.
Note that medical-only losses are included in the numerator.



Florida Filing Activity

Voluntary Rate Level Changes

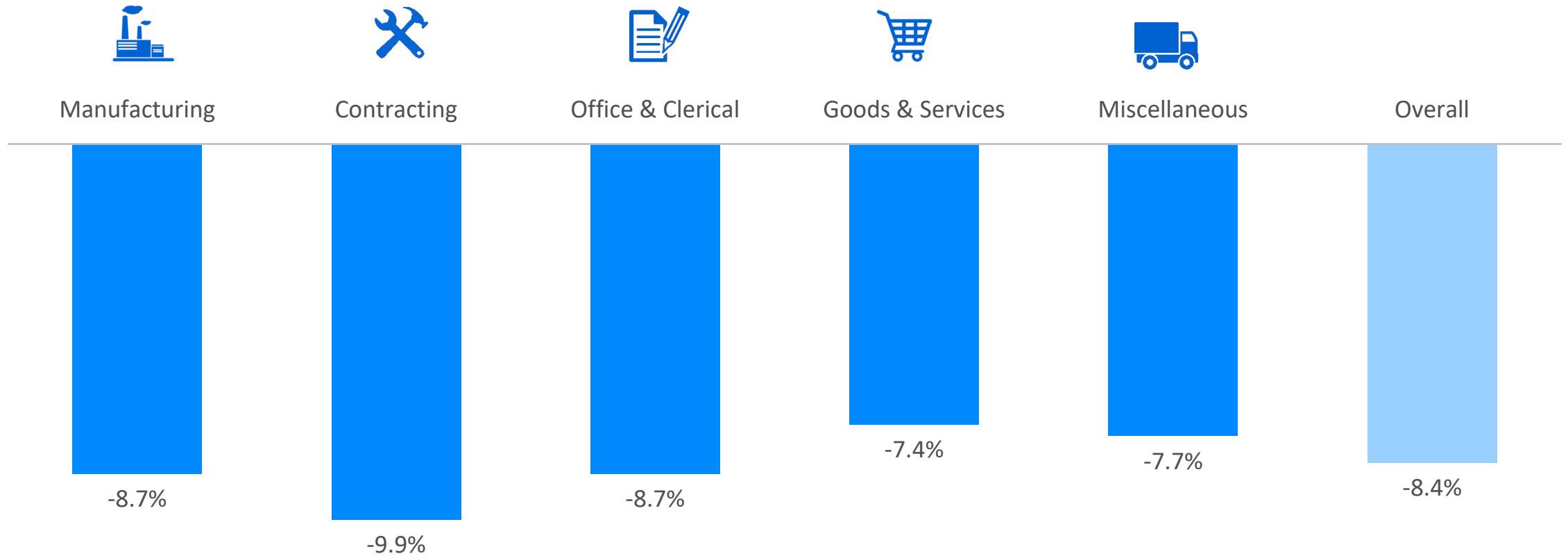


Florida January 1, 2023 Rate Filing

Change in Experience:	-10.8%
Change in Trend:	+2.3%
Change in Benefits:	0.0%
Change in Expenses:	+0.3%
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Overall Rate Level Change:	-8.4%

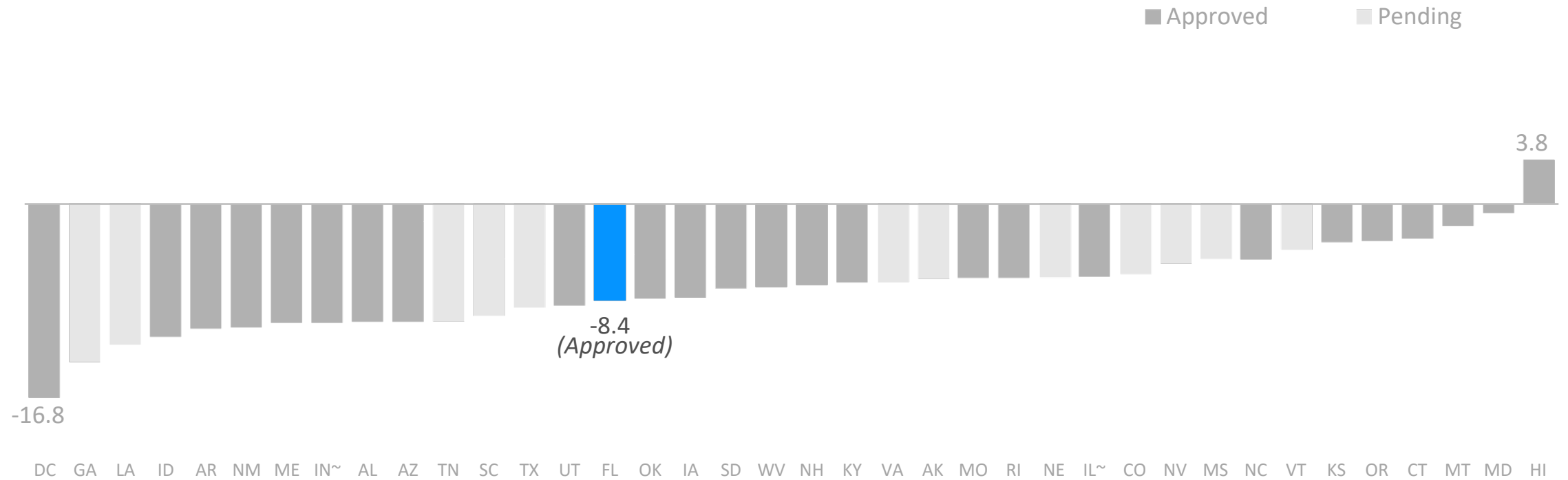
Florida January 1, 2023 Rate Filing

Average Changes by Industry Group



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 -10.3%, respectively.
 Reflects the most recent experience filing in each jurisdiction as of 11/18/2022.
 Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.



Florida Economic Drivers



Finance



Retirement



Tourism

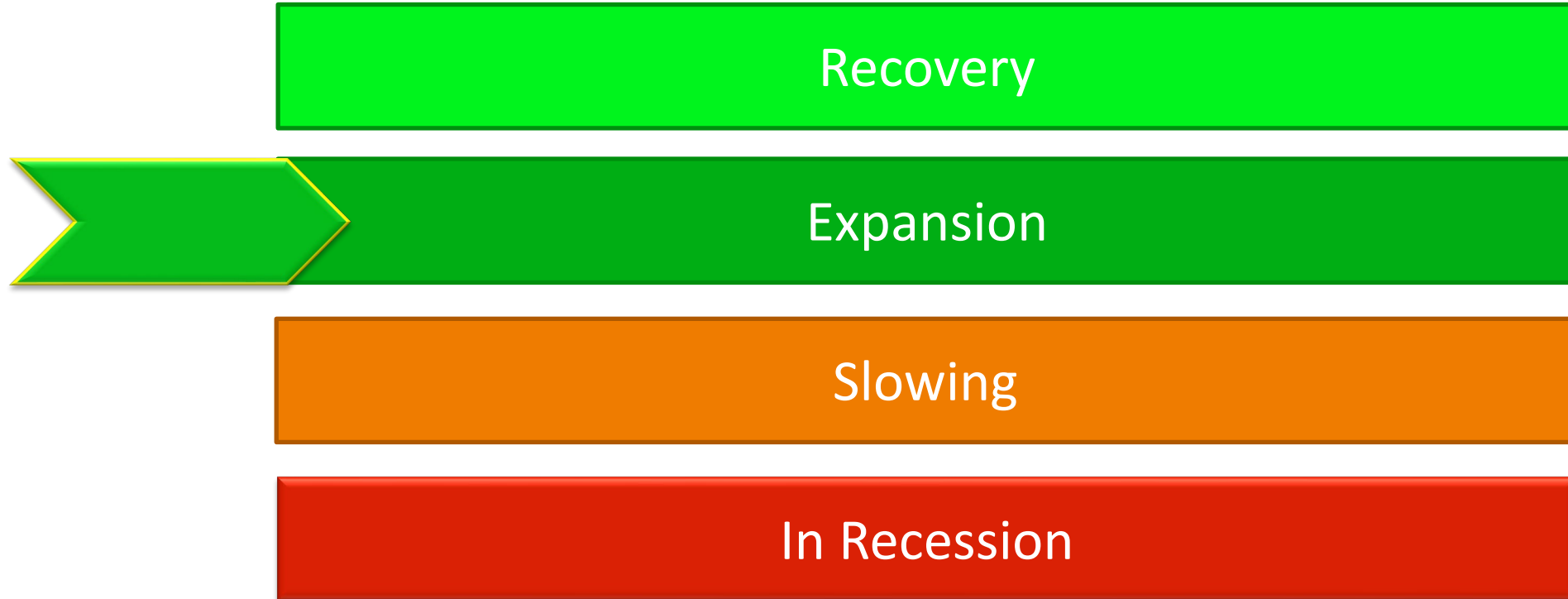
Source: Moody's Analytics.

Florida Economic Assets and Challenges

- Assets
 - Popular with retirees and tourists
 - No personal state income tax
 - Strong links to other countries, especially Latin America
- Challenges
 - Tourism and migration to the state are affected by the national economy
 - Office jobs are susceptible to offshoring

Source: Moody's Analytics.

Florida Business Cycle Status



Source: Moody's Analytics.

CONTACT US



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