

STATE ADVISORY RESOURCES

Idaho Workers Compensation System
November 2022

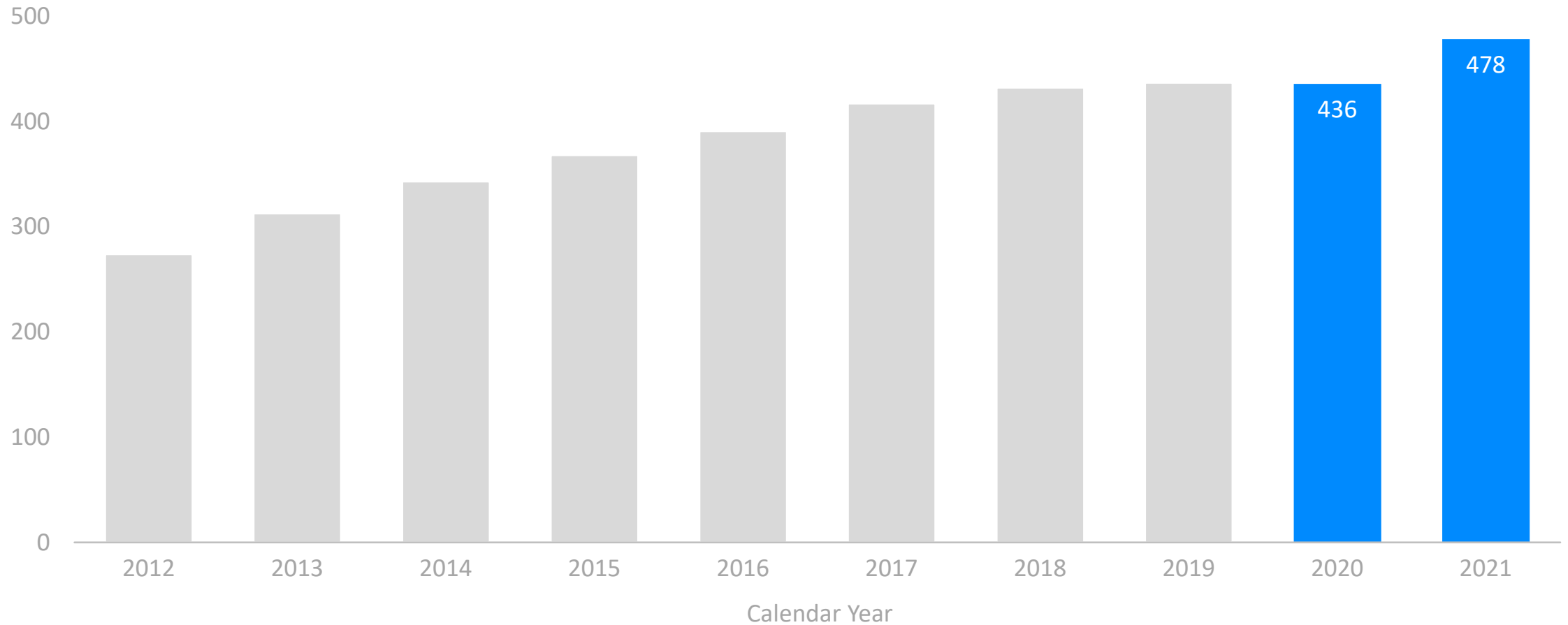


Idaho Workers Compensation System—An Overview

- Written premium volume increased in the latest year
- Accident year combined ratios continue to be favorable
- Lost-time claim frequency continues to decline
- Indemnity severity increased and medical severity decreased in the latest year after several years of relative stability

Idaho Premium Volume

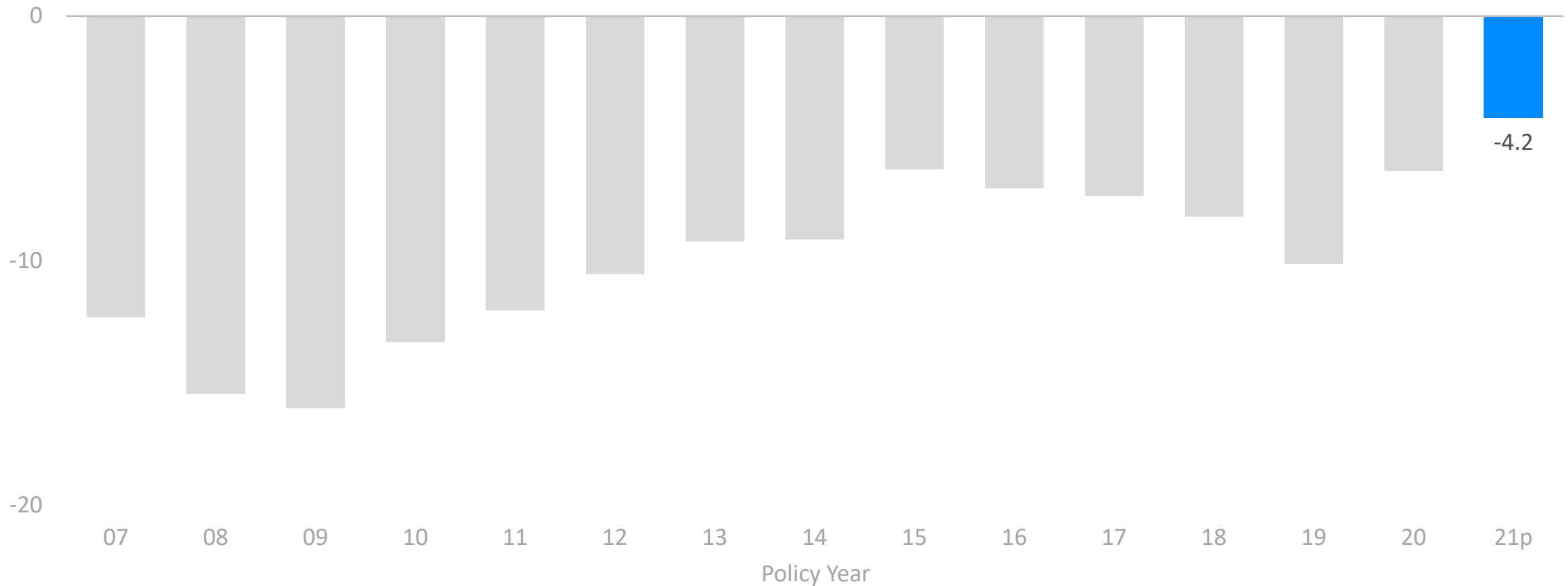
Direct Written Premium in \$ Millions



Source: NAIC's Annual Statement data.



Impact of Discounting on Workers Compensation Premium in Idaho

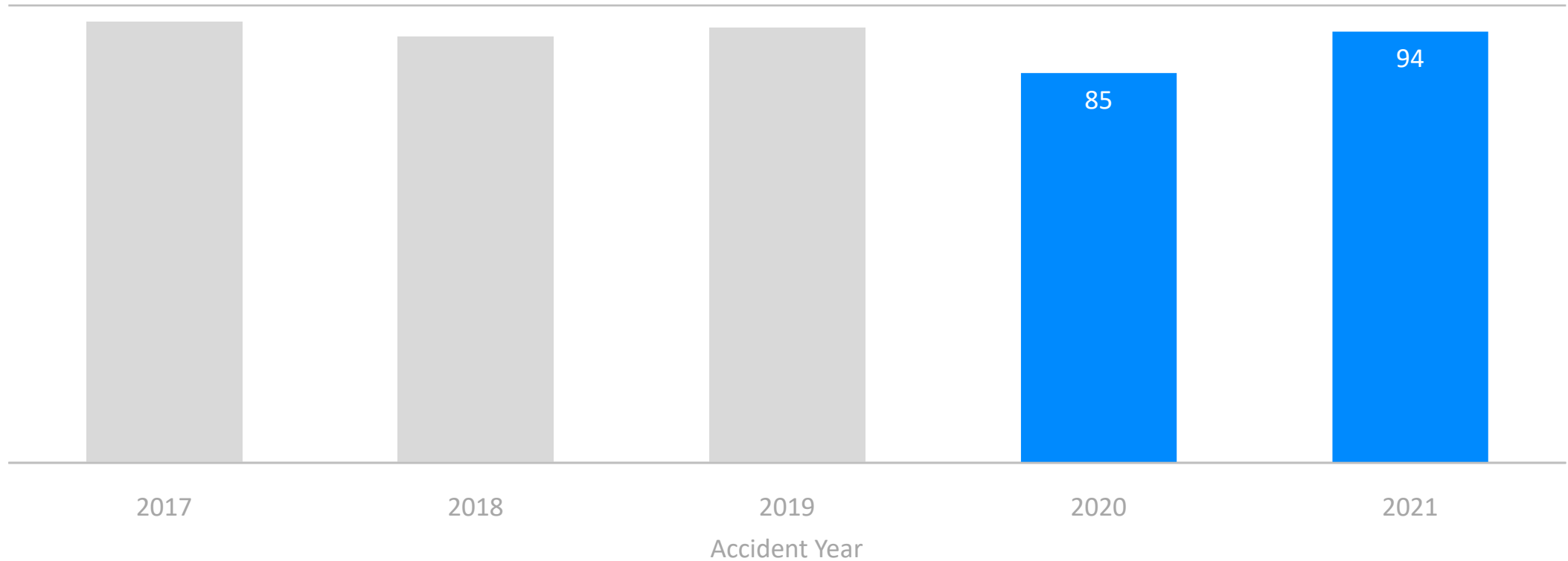


p Preliminary.
Based on data through 12/31/2021.

Idaho Combined Ratios

Percent

100

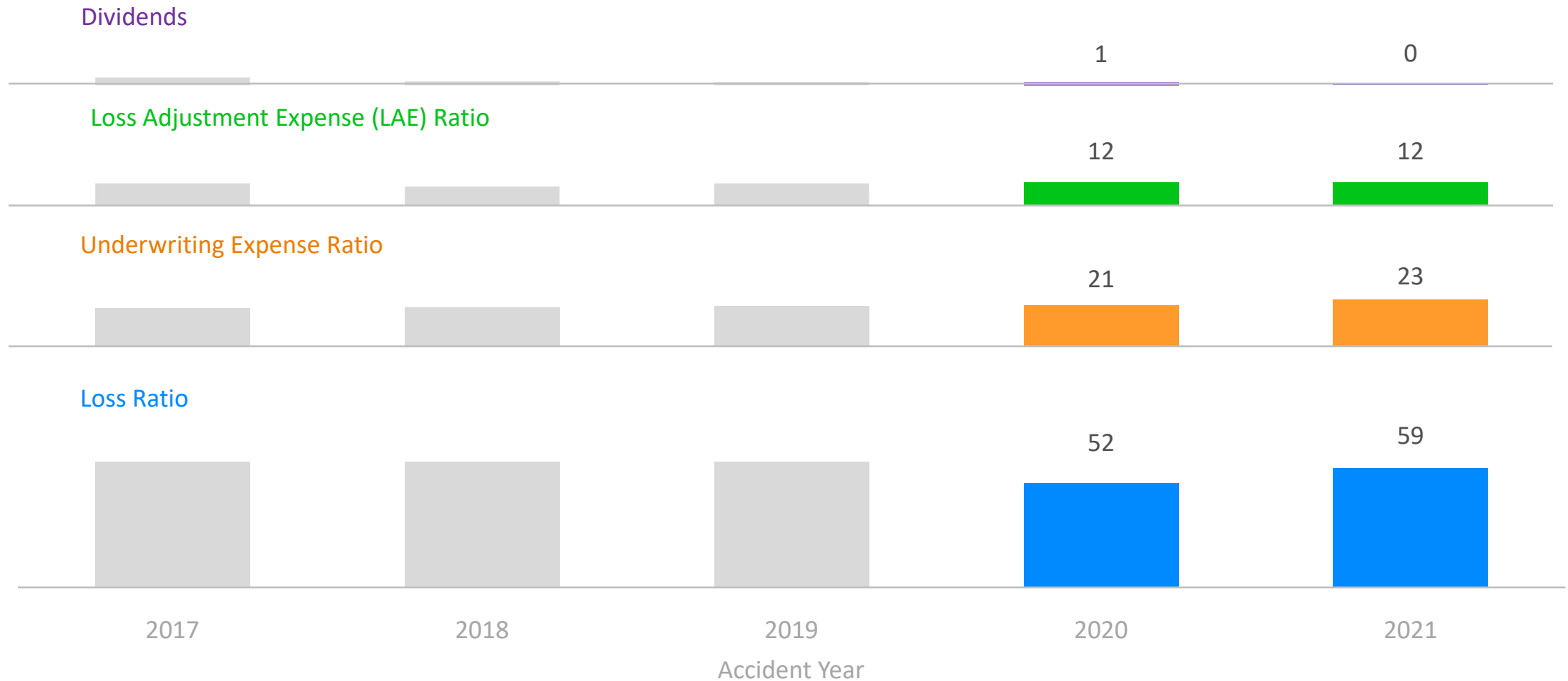


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



Idaho Combined Ratios by Component

Percent

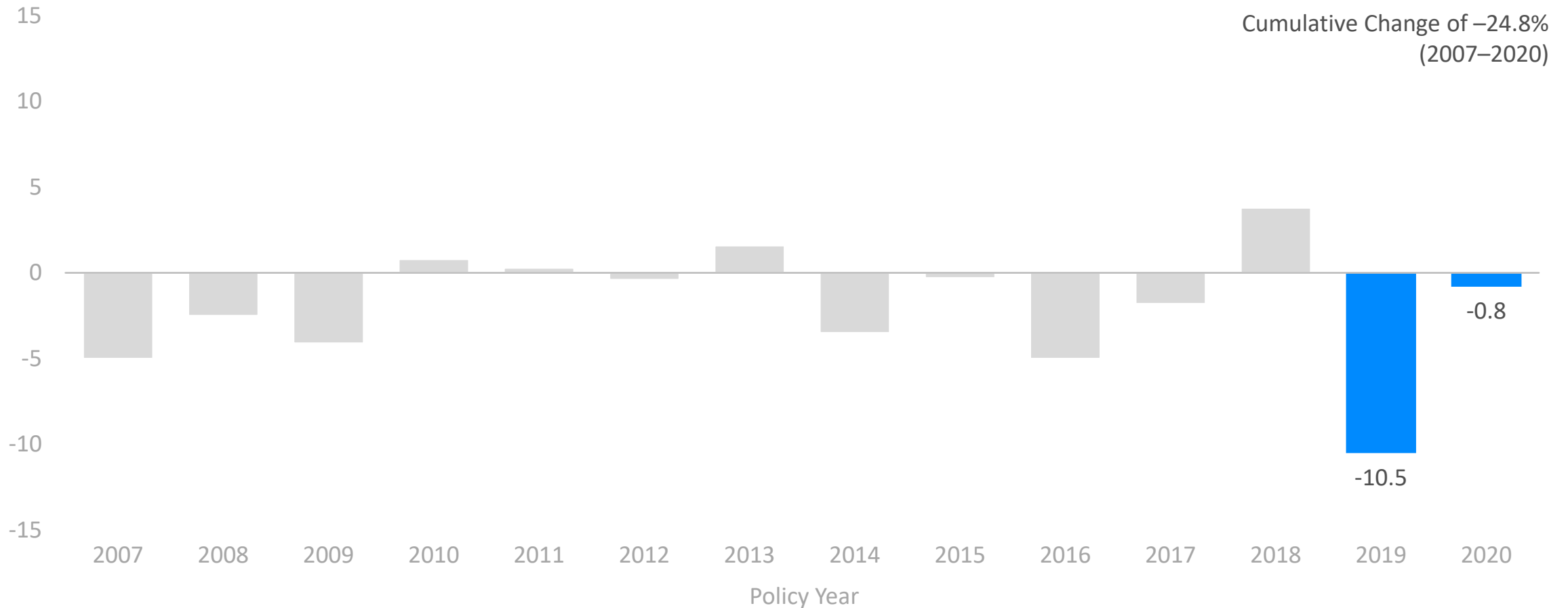


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



Idaho Change in Claim Frequency

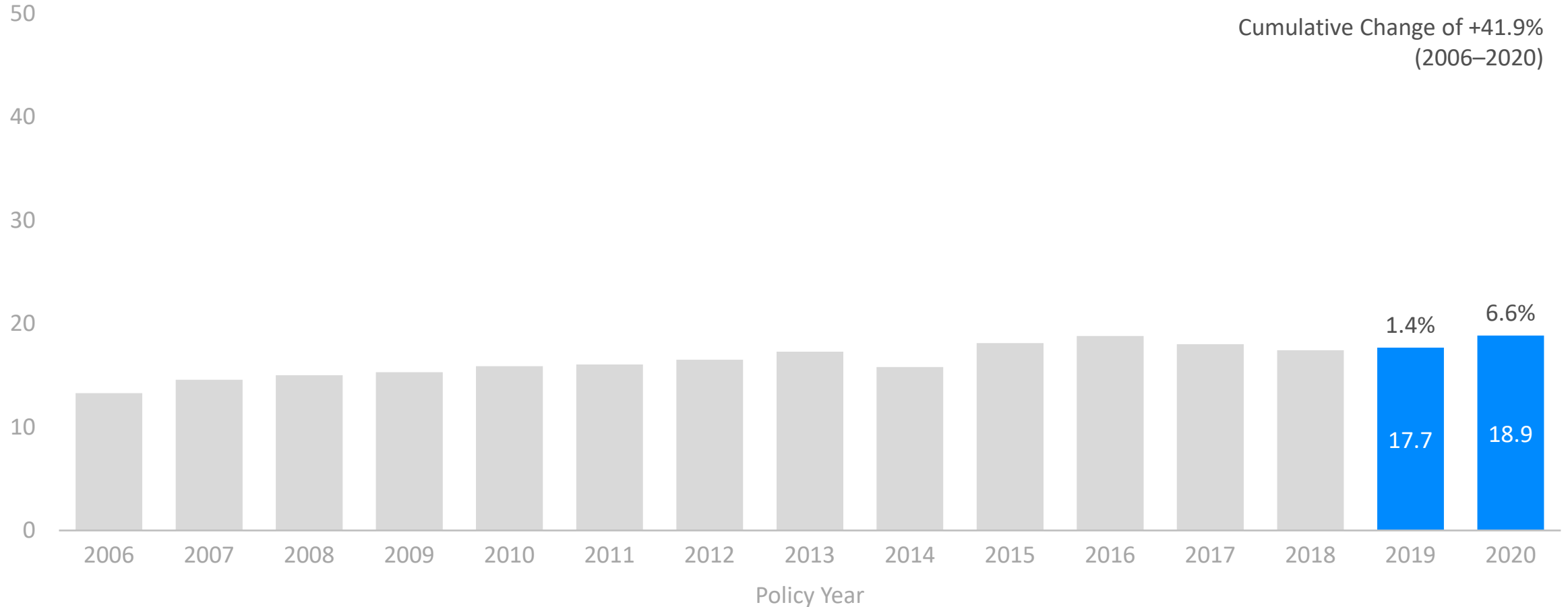
Percent Change in Lost-Time Claims, per \$ Million of On-Levelled Premium



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

Idaho Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

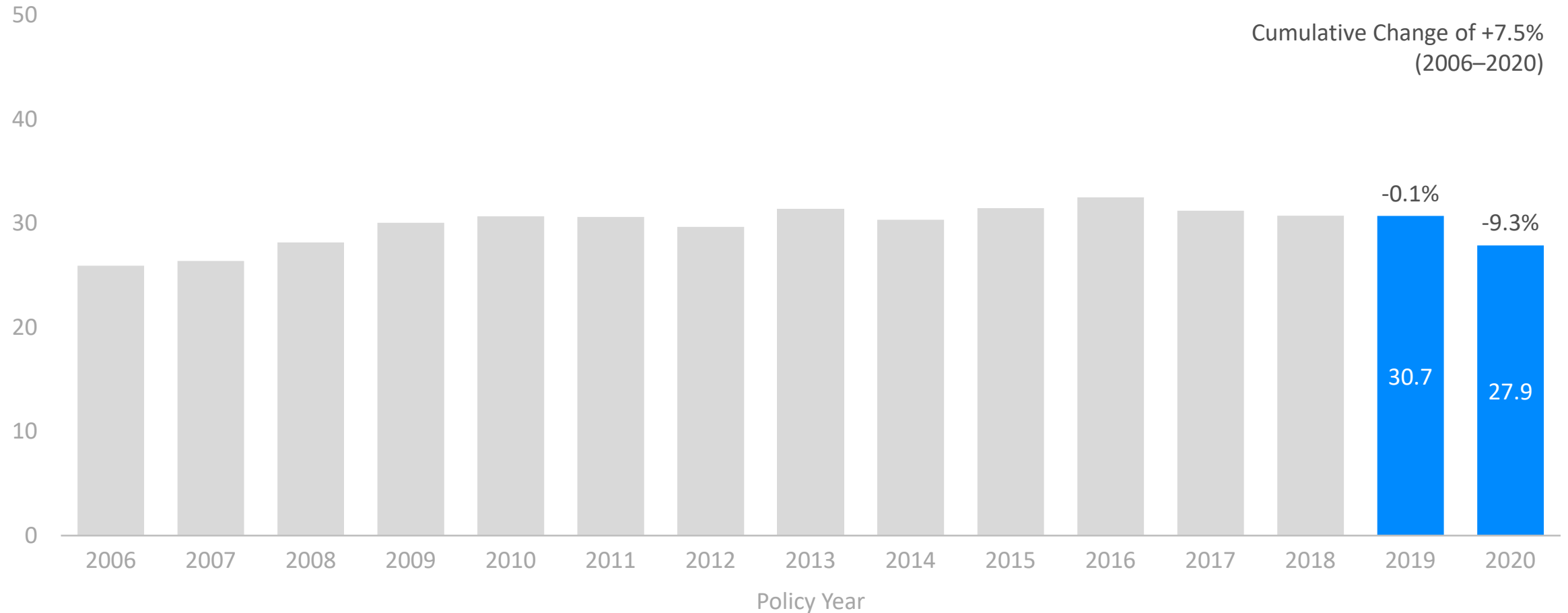


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.



Idaho Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

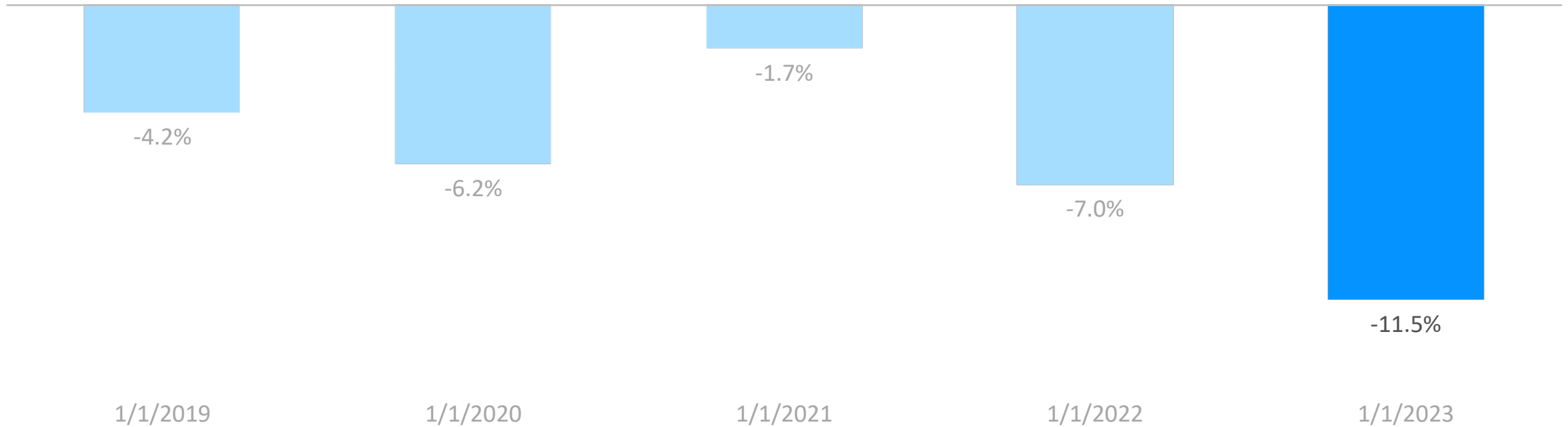


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.
Note that medical-only losses are included in the numerator.



Idaho Filing Activity

Voluntary Rate Changes

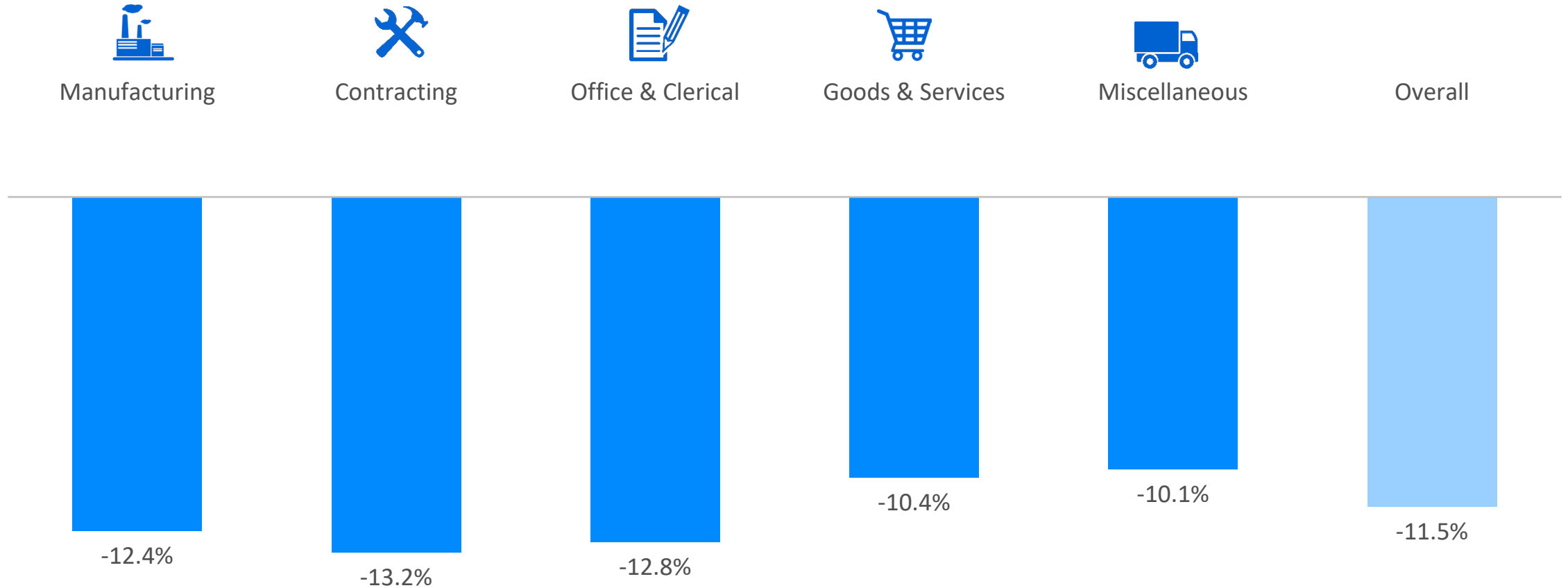


Idaho January 1, 2023 Rate Filing

Change in Experience:	-7.5%
Change in Trend:	-4.8%
Change in Benefits:	+0.2%
Change in All Other:	+0.3%
<hr/>	
Overall Rate Level Change:	-11.5%

Idaho January 1, 2023 Rate Filing

Average Changes by Industry Group



Idaho Economic Drivers



Technology



Agriculture

Source: Moody's Analytics.

Idaho Economic Assets and Challenges

■ Assets

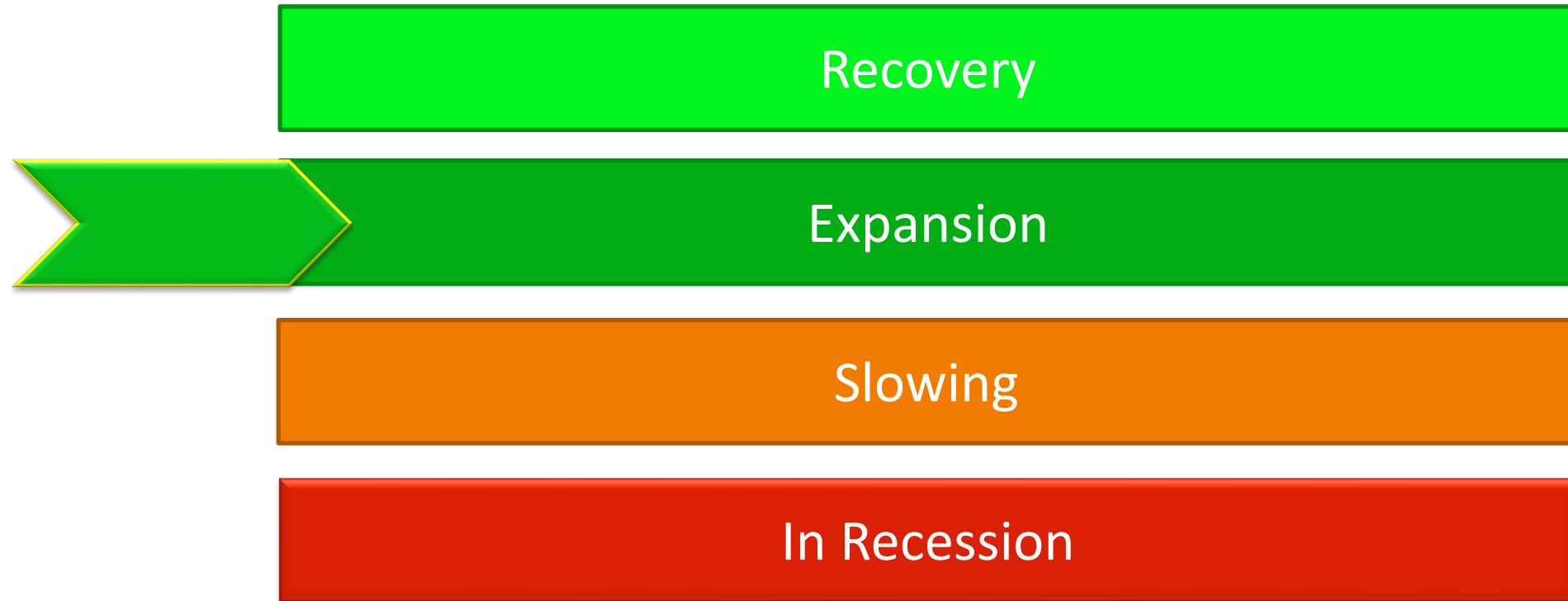
- Leading employment growth in technology
- Rapid population increase and related consumer services
- Demographics support economic expansion

■ Challenges

- Increasing service sector employment at lower wages
- Technology sector subject to continued industry volatility
- Labor productivity remains lower than the national rate

Source: Moody's Analytics.

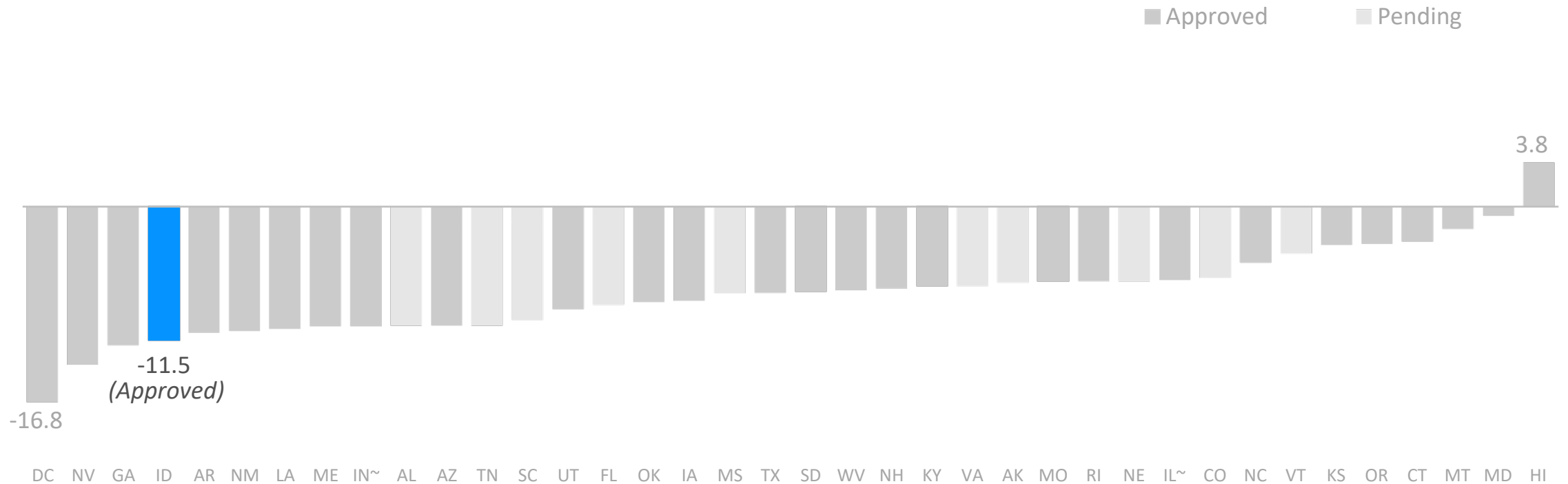
Idaho Business Cycle Status



Source: Moody's Analytics.

Current NCCI Voluntary Market Loss Cost/Rate Level Changes

Excludes Law-Only Filings

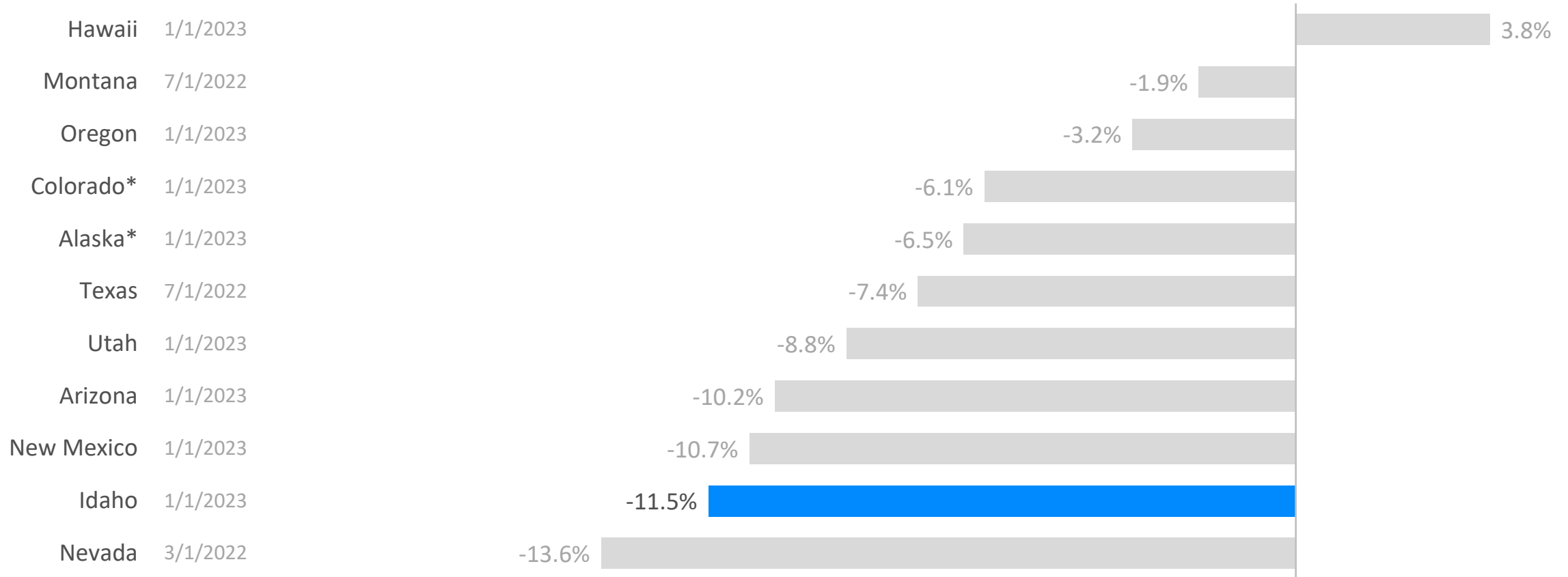


~Value shown is a rate level change; the IL and IN loss cost level changes are -6.2% and -10.3%, respectively.
 Reflects the most recent experience filing in each jurisdiction as of 10/21/2022.
 Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.



Current Voluntary Market Loss Cost/Rate Changes

Western States



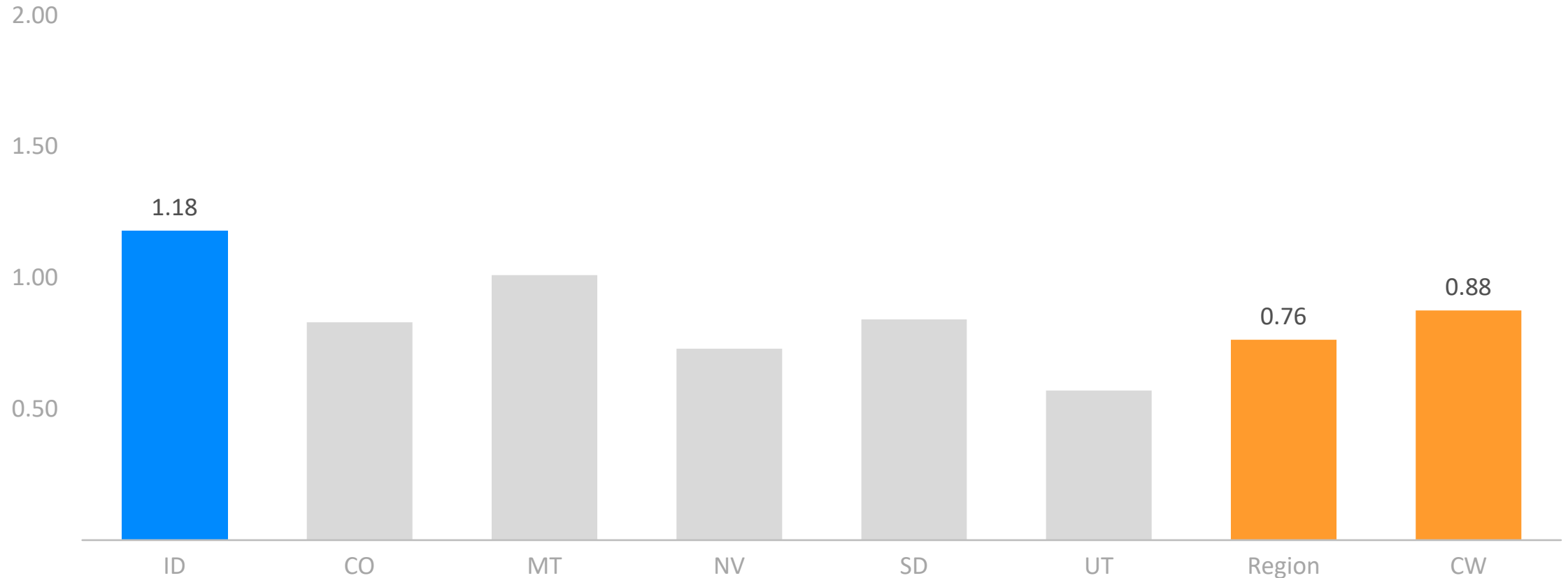
*Pending.

Reflects the most recent experience filing in each jurisdiction as of 10/21/2022.

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 Idaho 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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