

STATE ADVISORY RESOURCES

Mississippi Workers Compensation System
January 2023

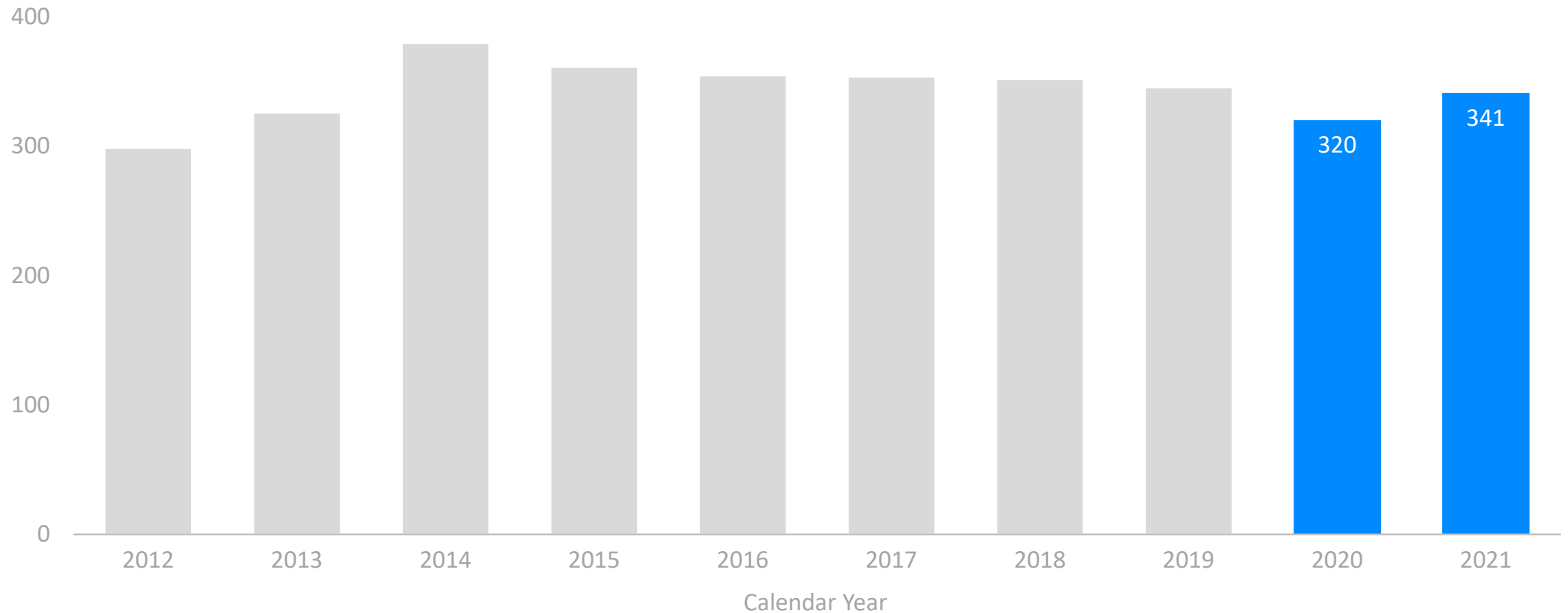


Mississippi Workers Compensation System—An Overview

- Written premium volume increased in the latest year
- Accident year combined ratios continue to be favorable
- Lost-time claim frequency increased, and indemnity and medical severity decreased in the latest policy year

Mississippi Premium Volume

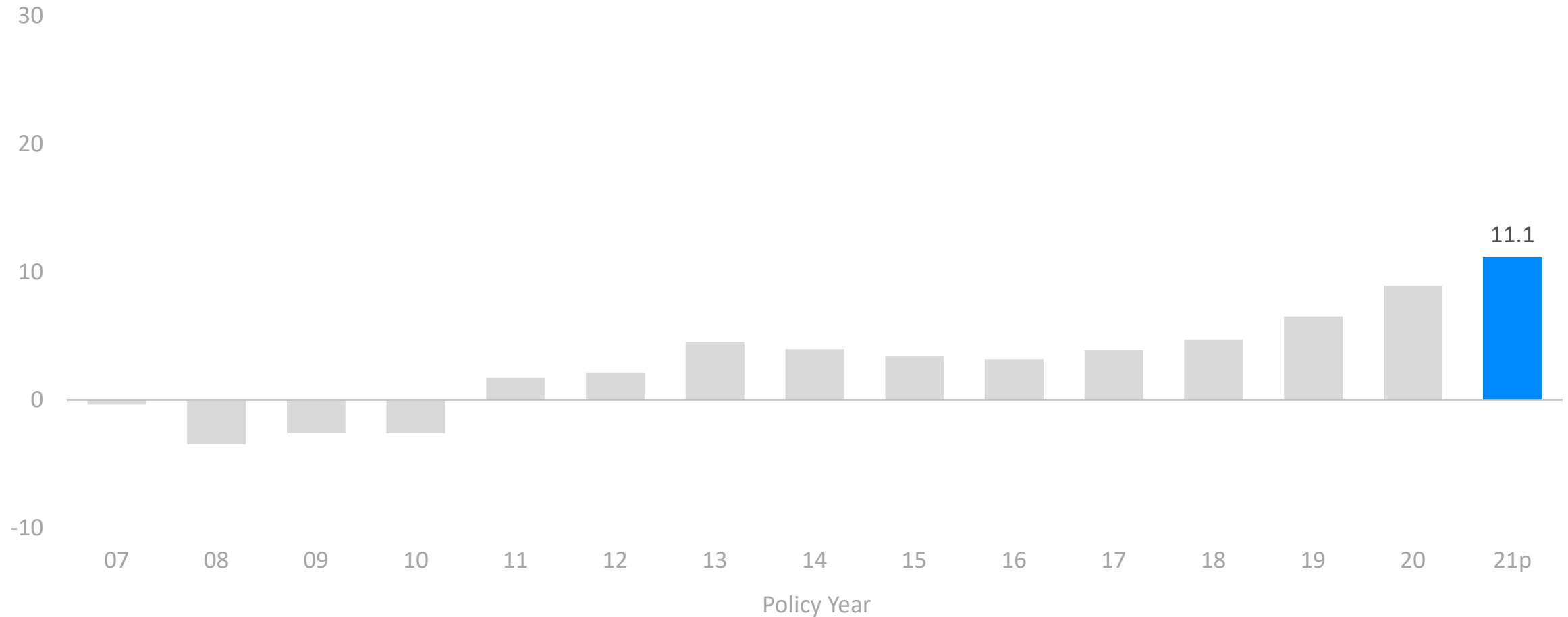
Direct Written Premium in \$ Millions



Source: NAIC's Annual Statement data.



Impact of Discounting on Workers Compensation Premium in Mississippi



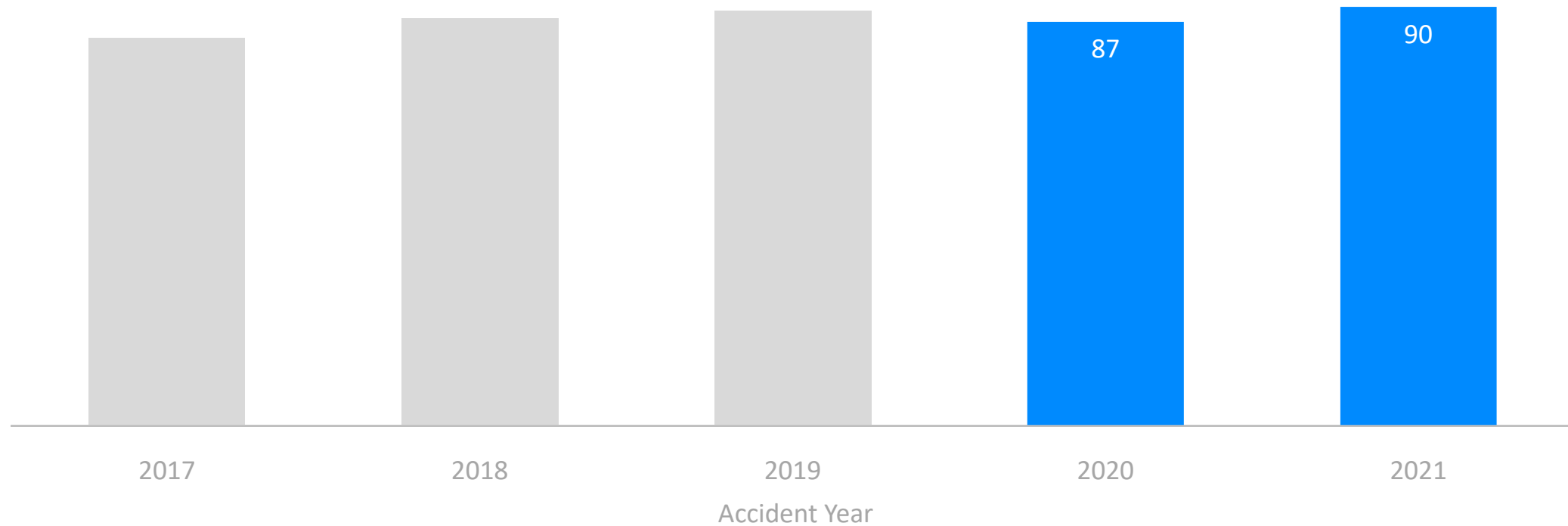
p Preliminary.
Based on data through 12/31/2021.



Mississippi Combined Ratios

Percent

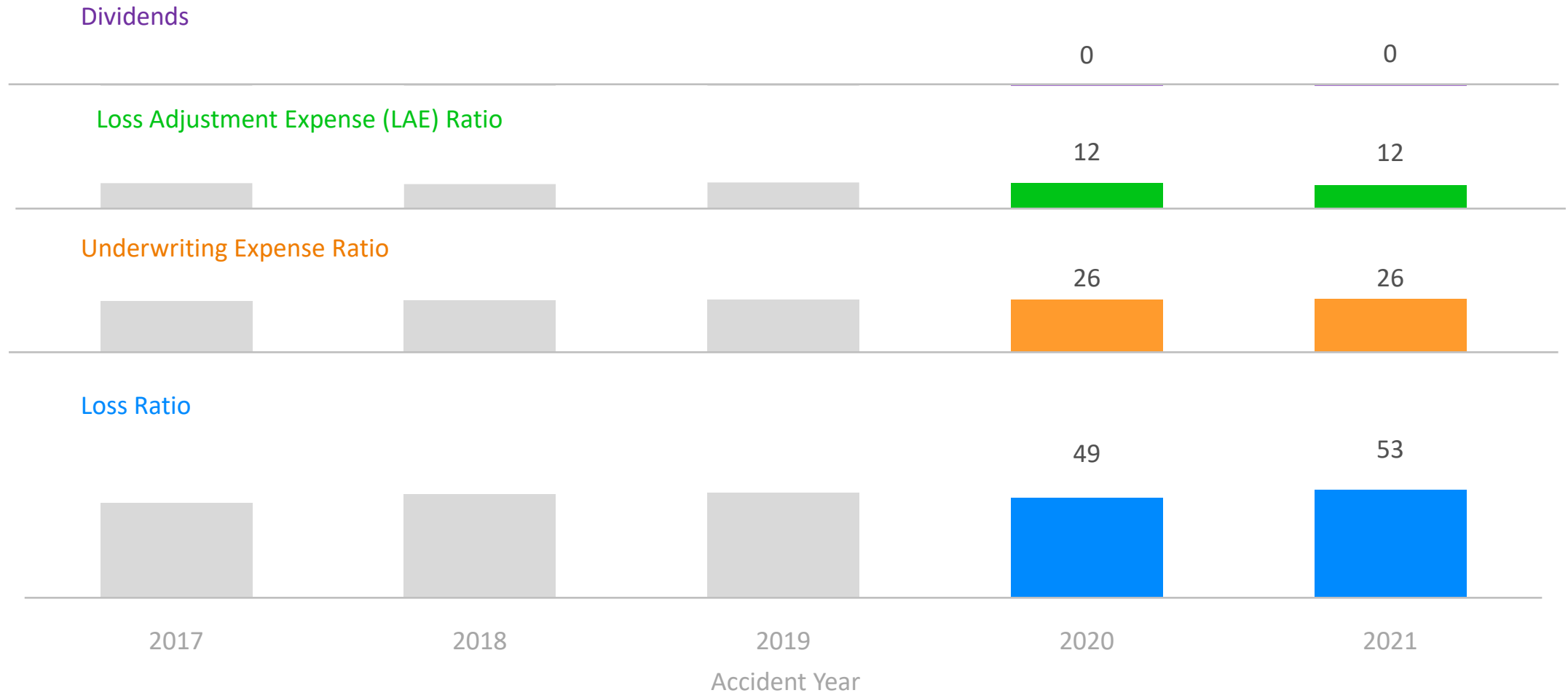
100



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

Mississippi Combined Ratios by Component

Percent

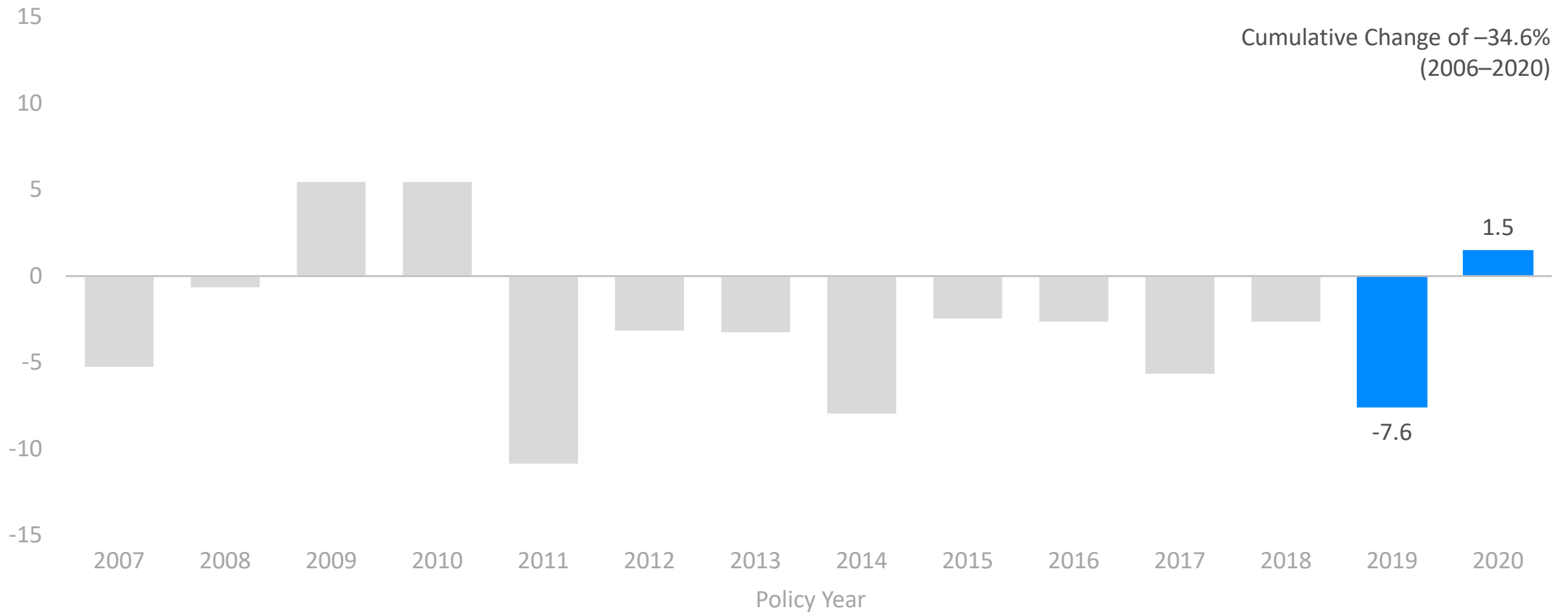


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



Mississippi Change in Claim Frequency

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

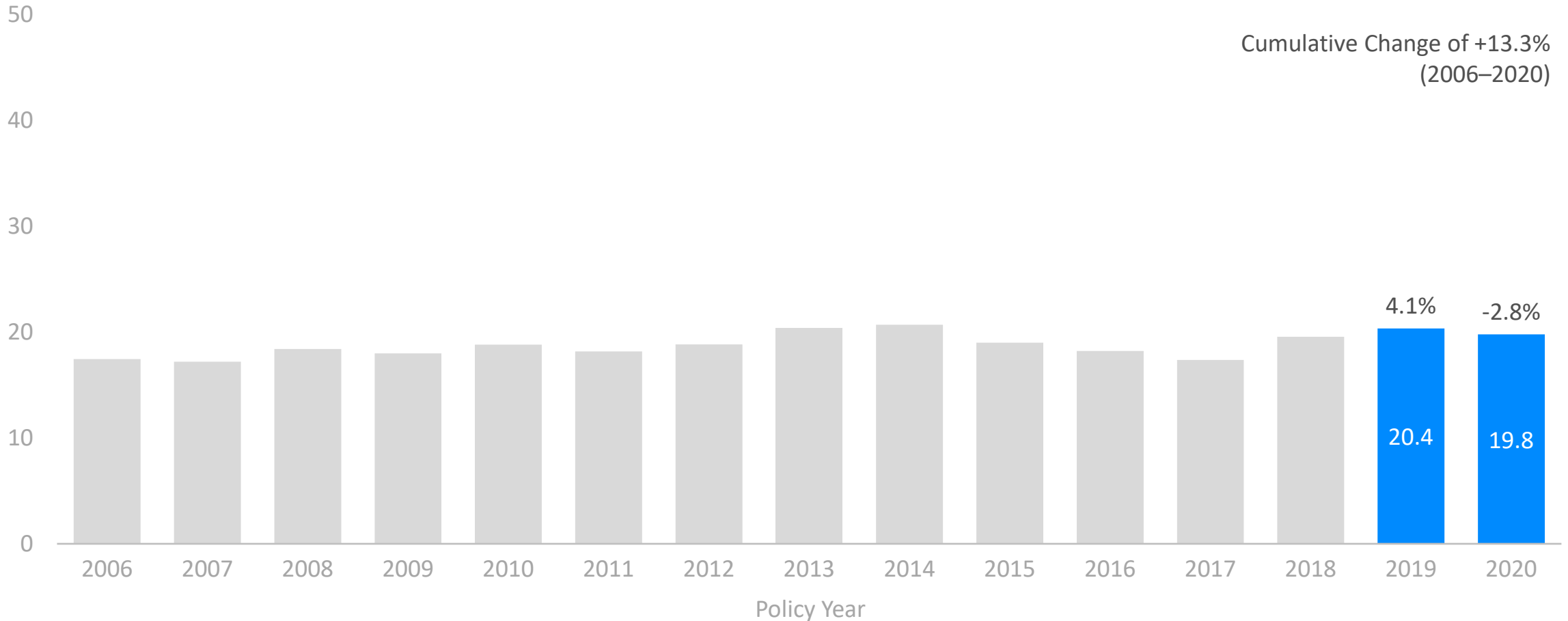


Based on NCCI's Financial data through 12/31/2021, on-levelled, and developed to ultimate, with premium adjusted to common wage level.



Mississippi Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

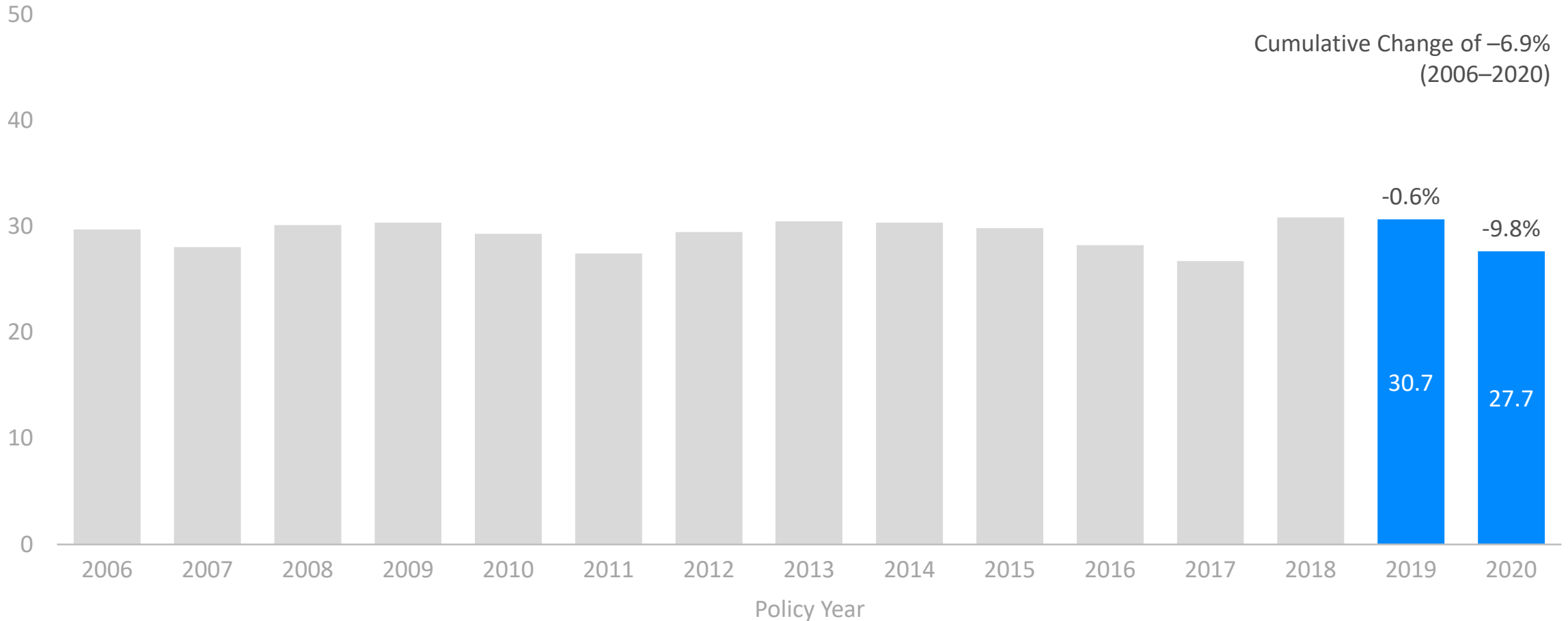


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.



Mississippi Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

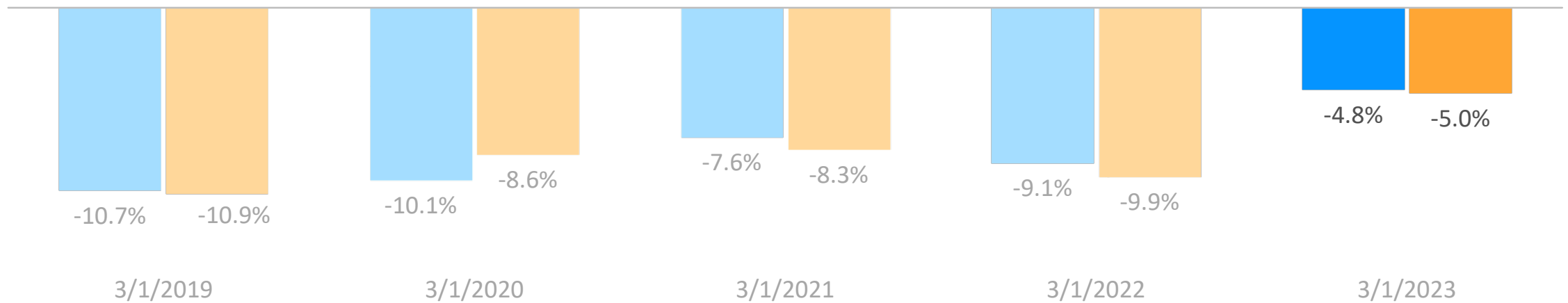


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.
Note that medical-only losses are included in the numerator.



Mississippi Filing Activity

Voluntary Loss Cost and Assigned Risk Rate Changes

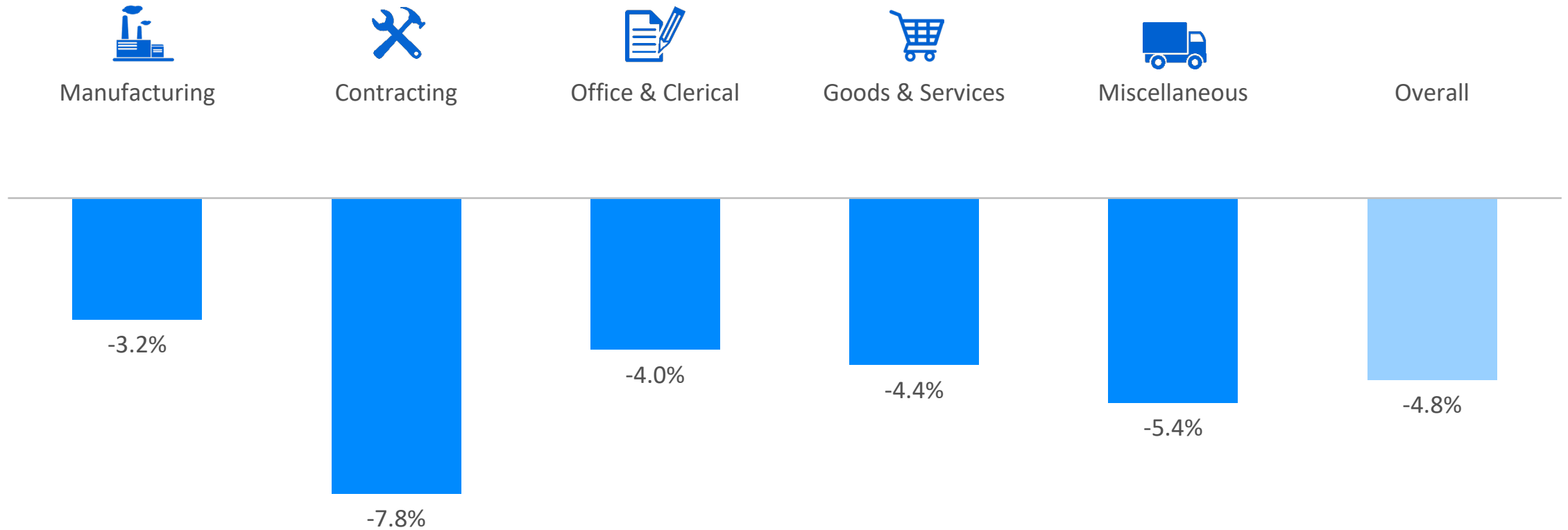


Mississippi March 1, 2023 Loss Cost Filing

Change in Experience:	-4.9%
Change in Trend:	-2.2%
Change in Benefits:	+2.9%
Change in Loss-Based Expenses:	-0.5%
<hr/>	
Overall Loss Cost Level Change:	-4.8%

Mississippi March 1, 2023 Loss Cost Filing

Average Changes by Industry Group



Mississippi Economic Drivers



Manufacturing



Defense



Tourism

Source: Moody's Analytics.

Mississippi Economic Assets and Challenges

■ Assets

- Strong trade connections and exposure to global markets
- Appeal to relocating auto industries
- Lower-than-average business costs

■ Challenges

- Lower individual income relative to the national average
- Low educational achievement
- State landscape is prone to floods and tornadoes
- Lower economic activity with large wealth and income gaps

Source: Moody's Analytics.

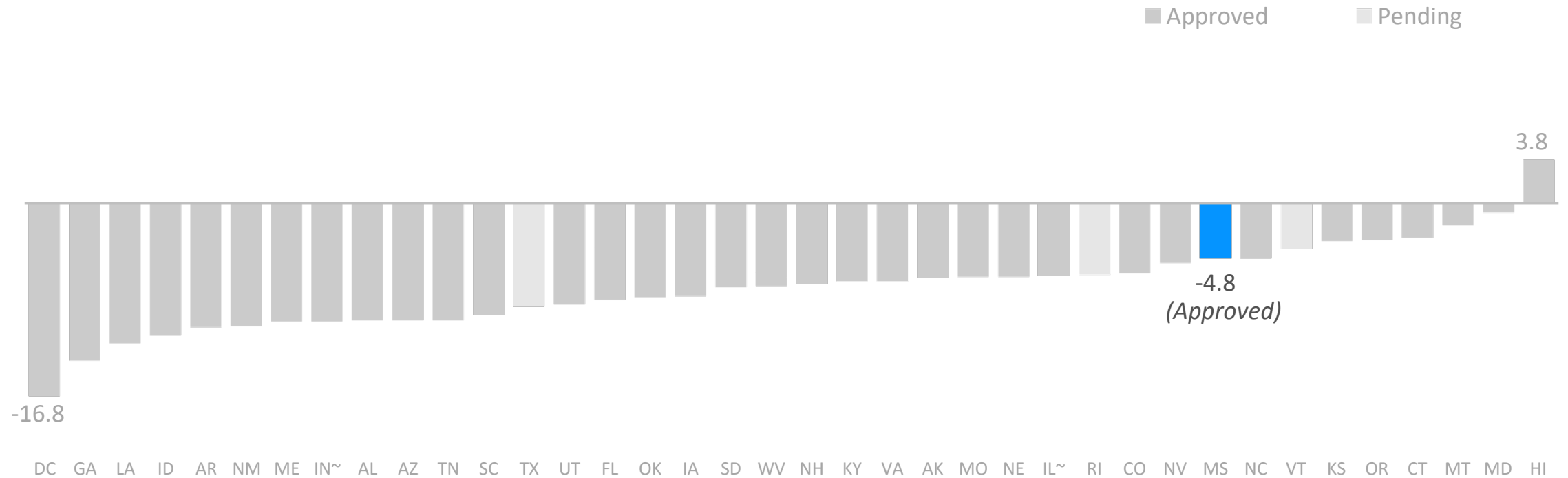
Mississippi Business Cycle Status



Source: Moody's Analytics.

Current NCCI Voluntary Market Loss Cost/Rate Level Changes

Excludes Law-Only Filings

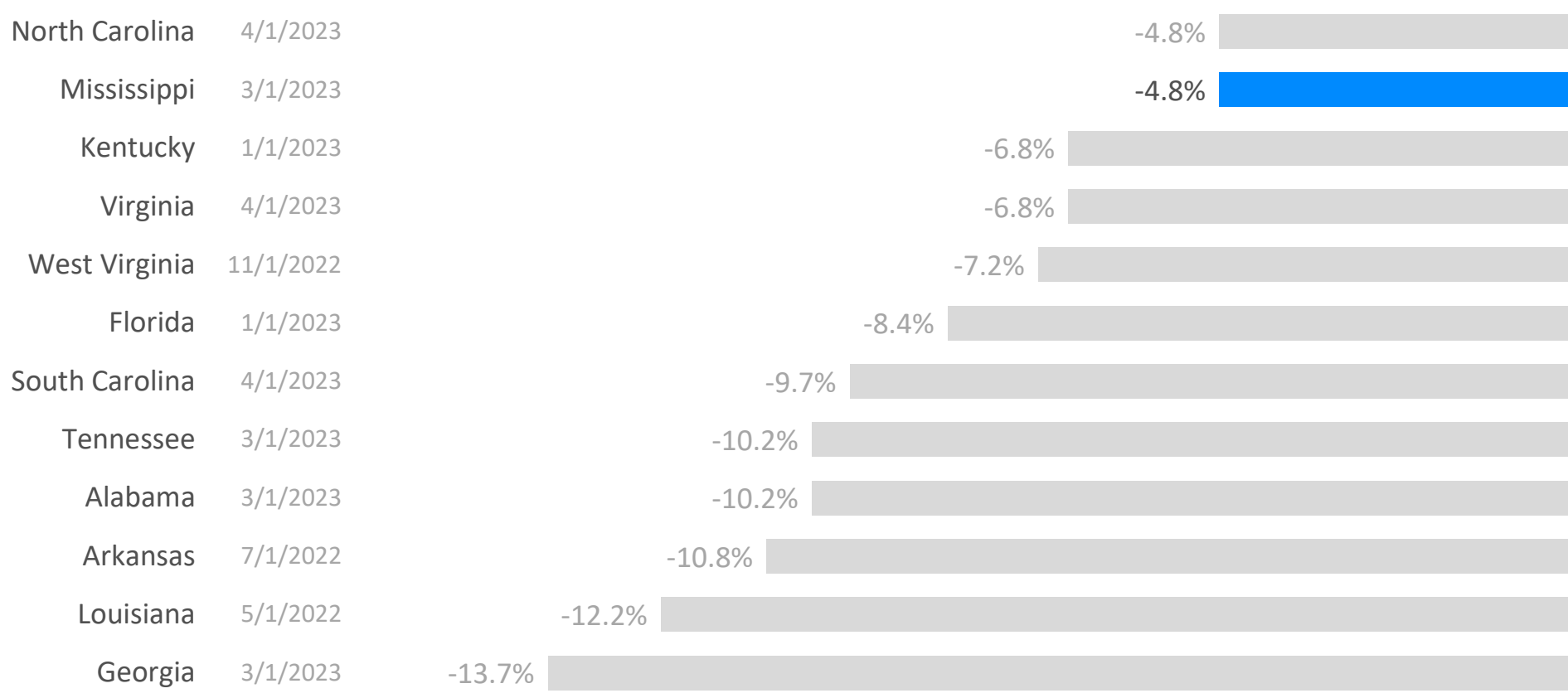


~Value shown is a rate level change; the IL and IN loss cost level changes are -6.2% and -10.3%, respectively.
 Reflects the most recent experience filing in each jurisdiction as of 1/6/2023.
 Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.



Current Voluntary Market Loss Cost/Rate Changes

Southeastern States

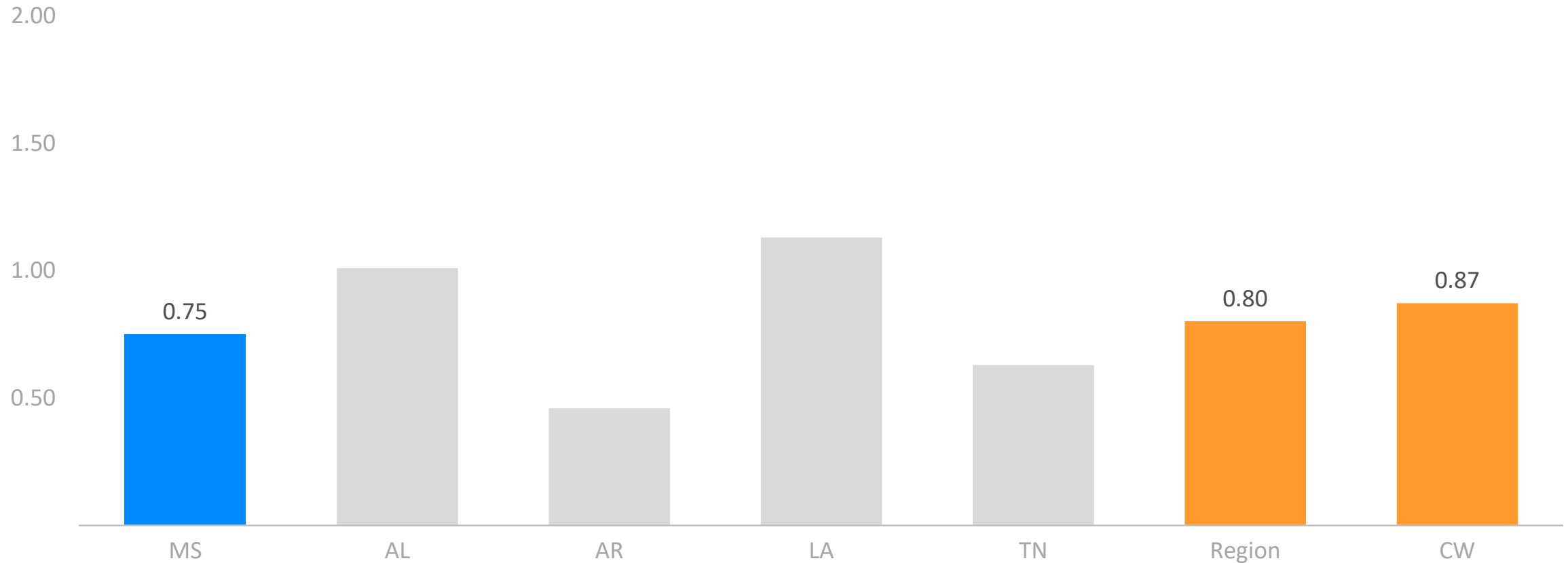


Reflects the most recent experience filing in each jurisdiction as of 1/6/2023.

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 Mississippi 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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