

STATE ADVISORY RESOURCES

New Hampshire
State Workers Compensation System
September 2022

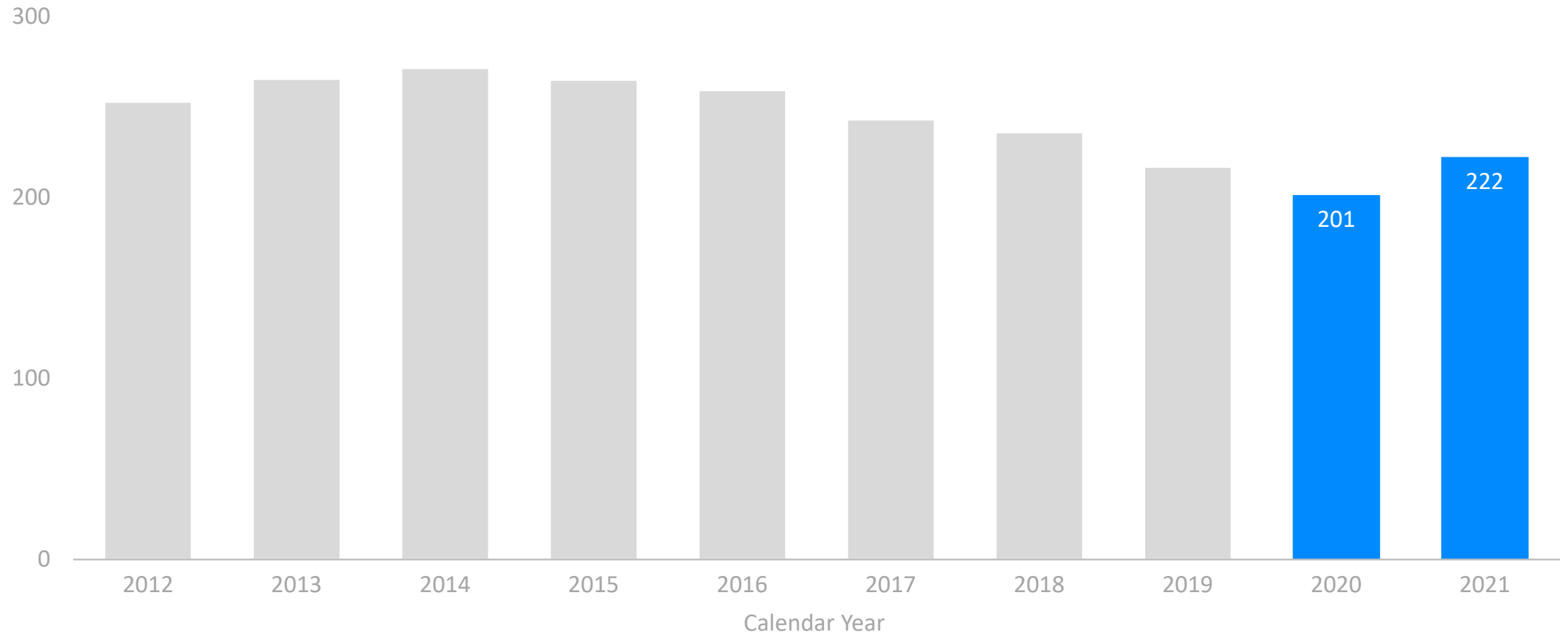


New Hampshire Workers Compensation System— An Overview

- Written premium volume increased for the first time since 2014
- Accident year combined ratios continue to be favorable
- Lost-time claim frequency increased in the latest year
- Indemnity severity increased in the latest year and medical severity declined

New Hampshire Premium Volume

Direct Written Premium in \$ Millions

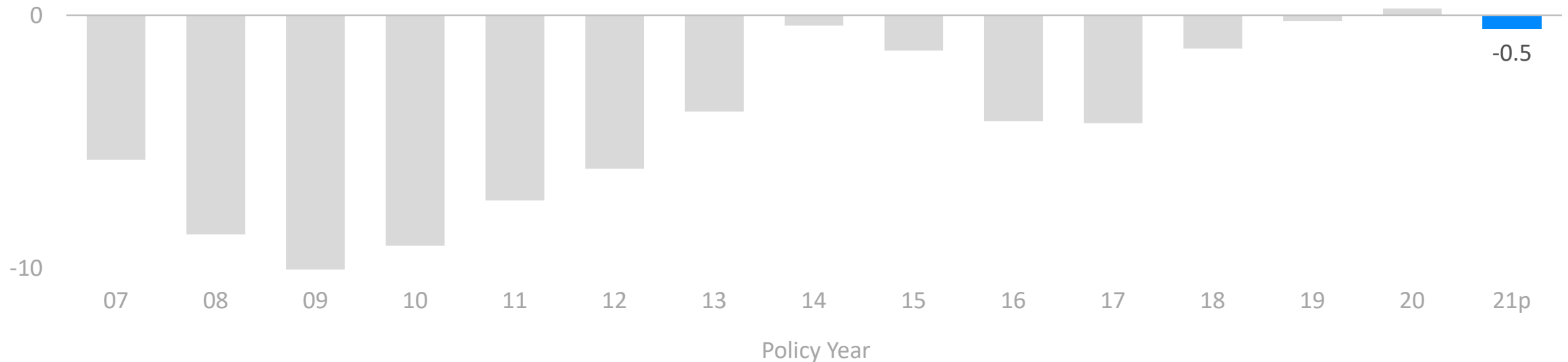


Source: NAIC's Annual Statement data.



Impact of Discounting on Workers Compensation Premium in New Hampshire

10



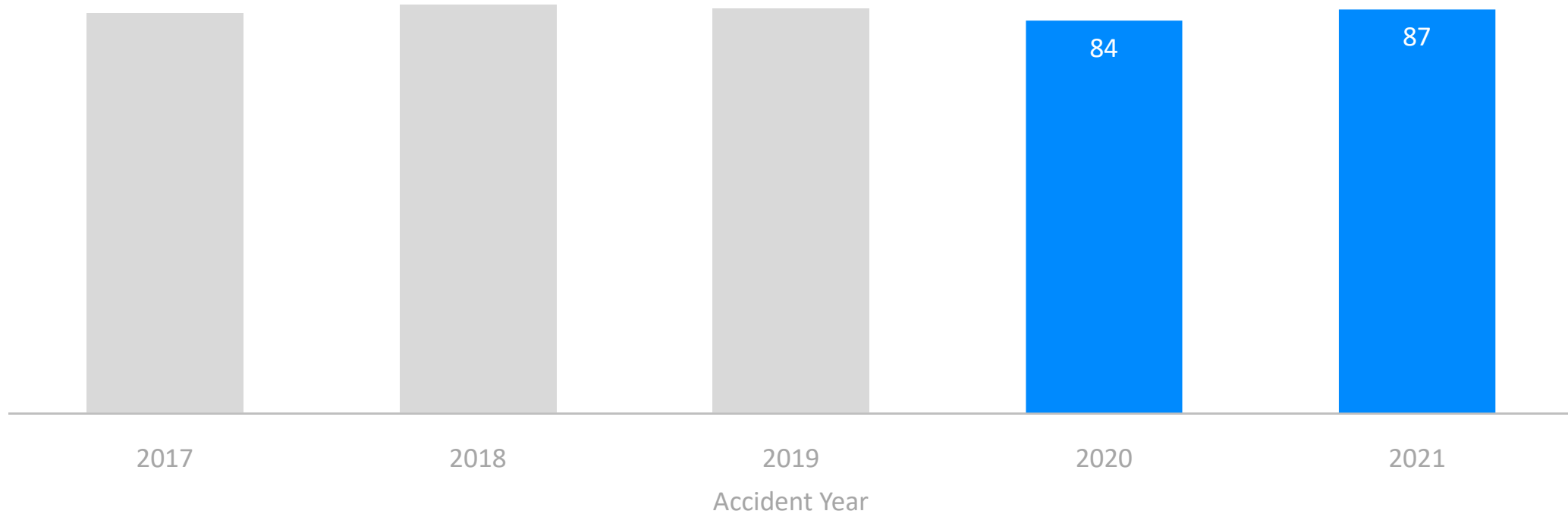
p Preliminary.
Based on data through 12/31/2021.



New Hampshire Combined Ratios

Percent

100

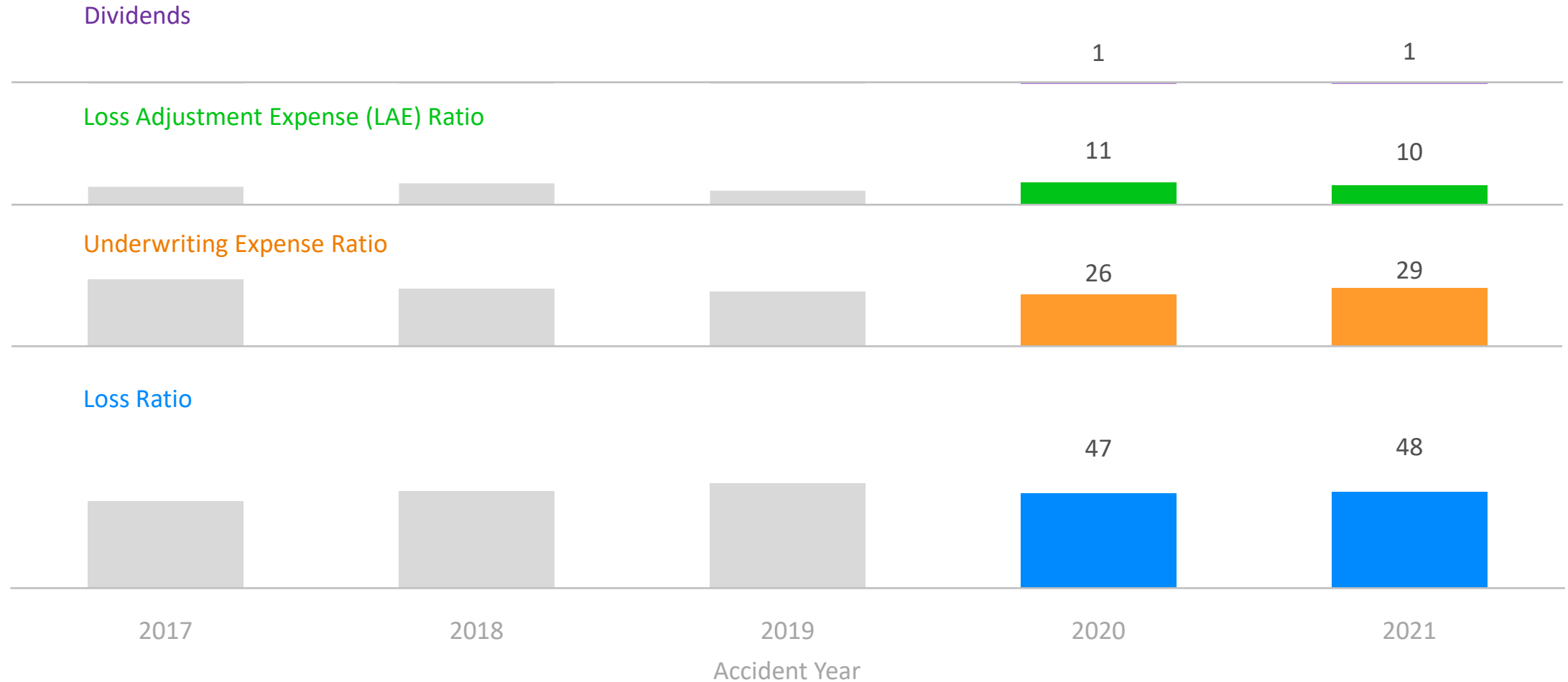


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



New Hampshire Combined Ratios by Component

Percent

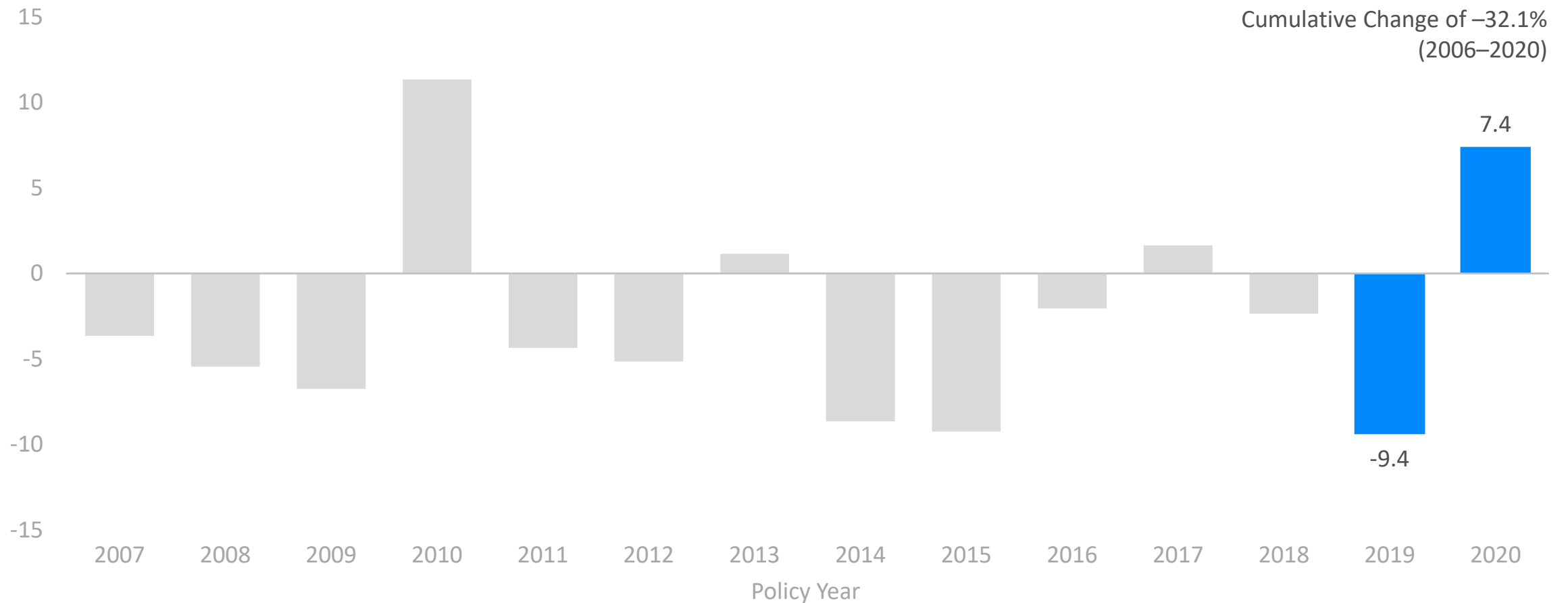


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



New Hampshire Change in Claim Frequency

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

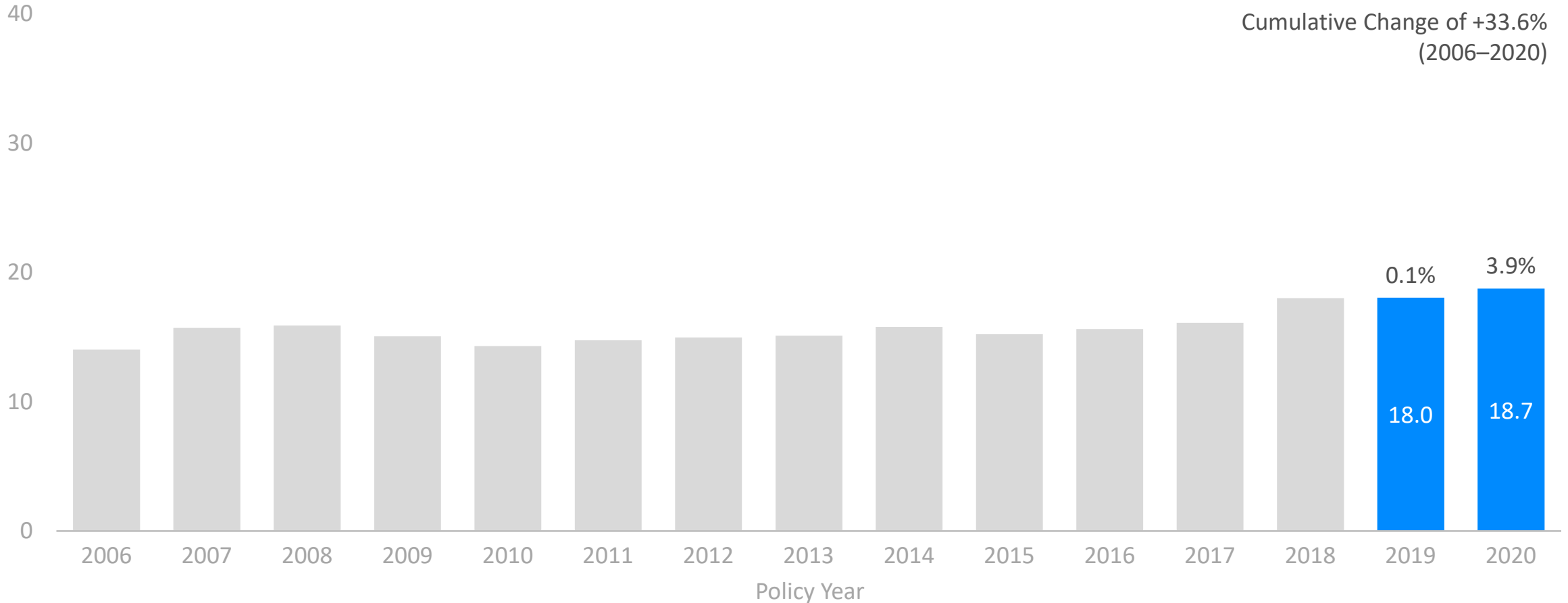


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate, with premium adjusted to common wage level.



New Hampshire Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

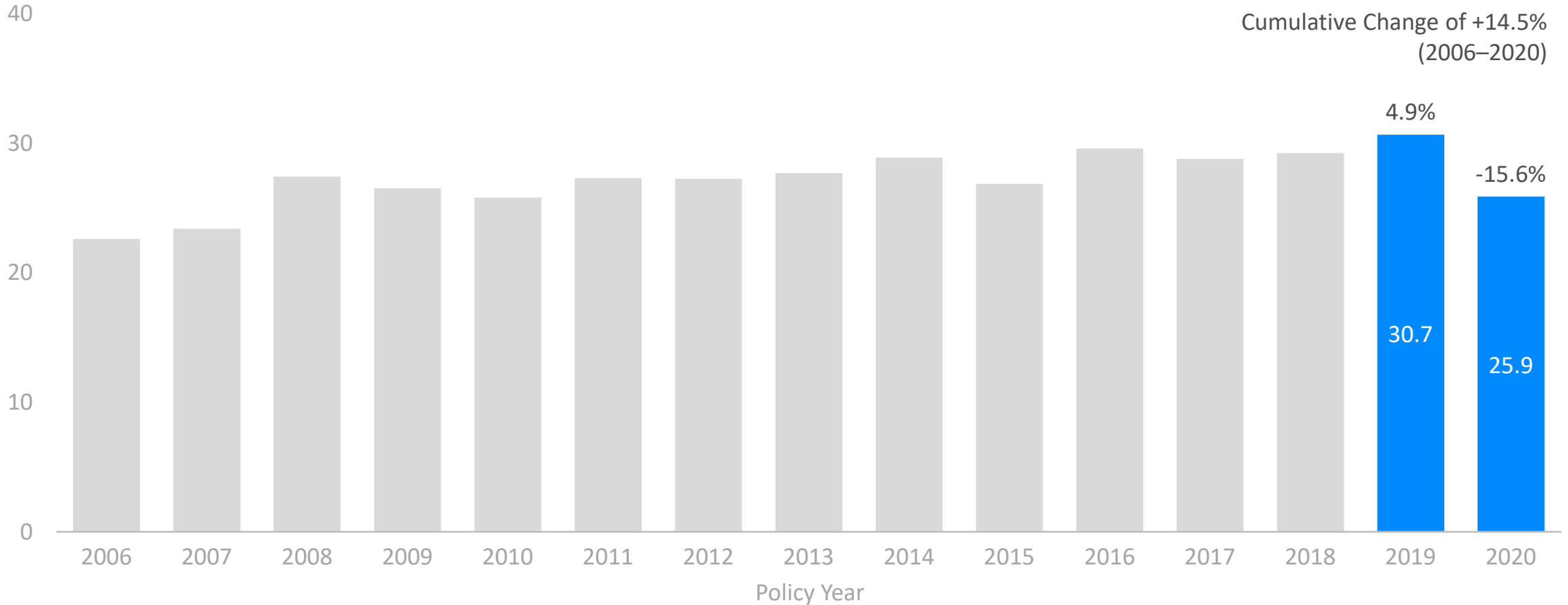


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.



New Hampshire Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

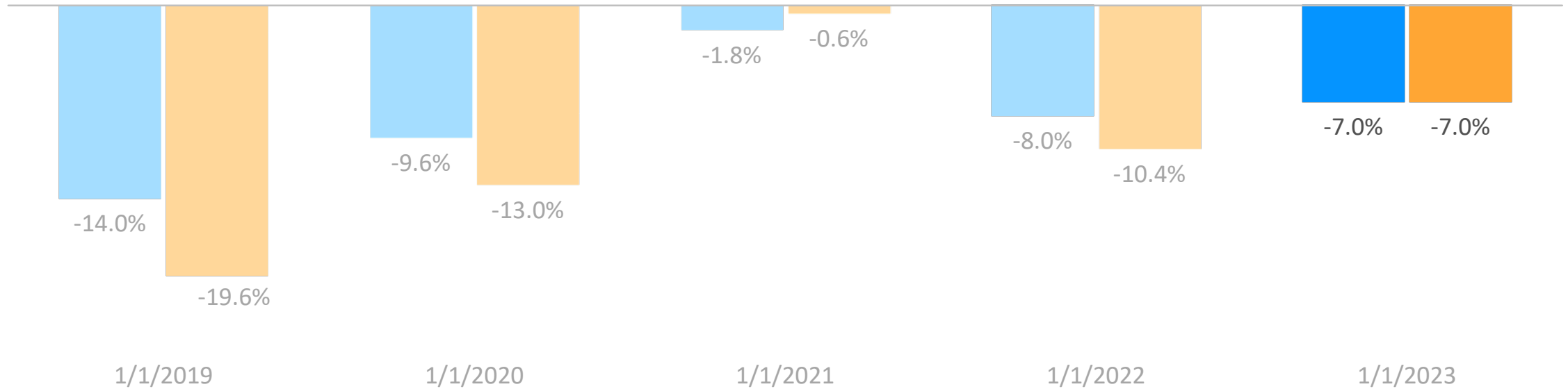


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.
Note that medical-only losses are included in the numerator.



New Hampshire Filing Activity

Voluntary Loss Cost and Assigned Risk Rate Changes



New Hampshire January 1, 2023 Loss Cost Filing

Change in Experience:	-6.0%
Change in Trend:	-1.3%
Change in Benefits:	+0.0%
Change in All Other:	+0.2%
<hr/>	
Overall Loss Cost Level Change:	-7.0%

New Hampshire January 1, 2023 Loss Cost Filing

Average Changes by Industry Group



Manufacturing



Contracting



Office & Clerical

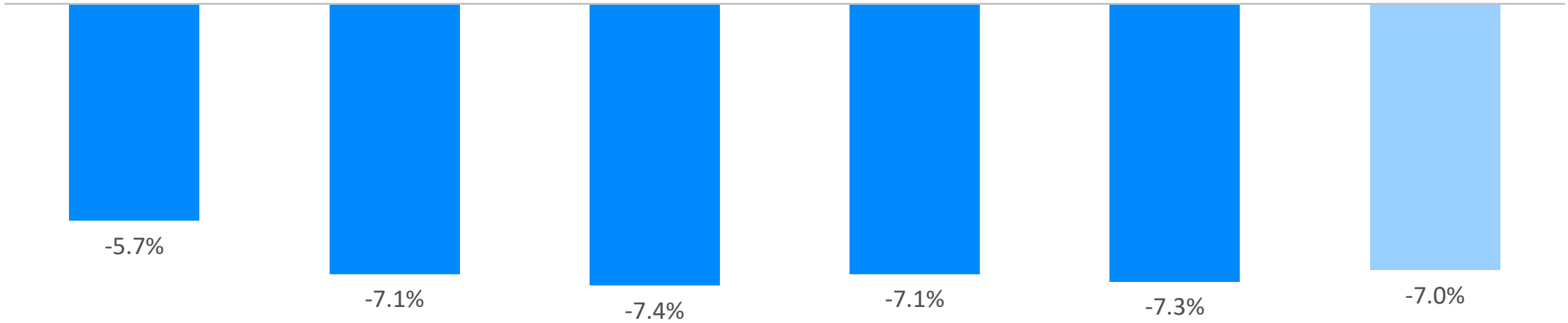


Goods & Services



Miscellaneous

Overall



New Hampshire Economic Drivers



Technology



Financial

Source: Moody's Analytics.

New Hampshire Economic Assets and Challenges

■ Assets

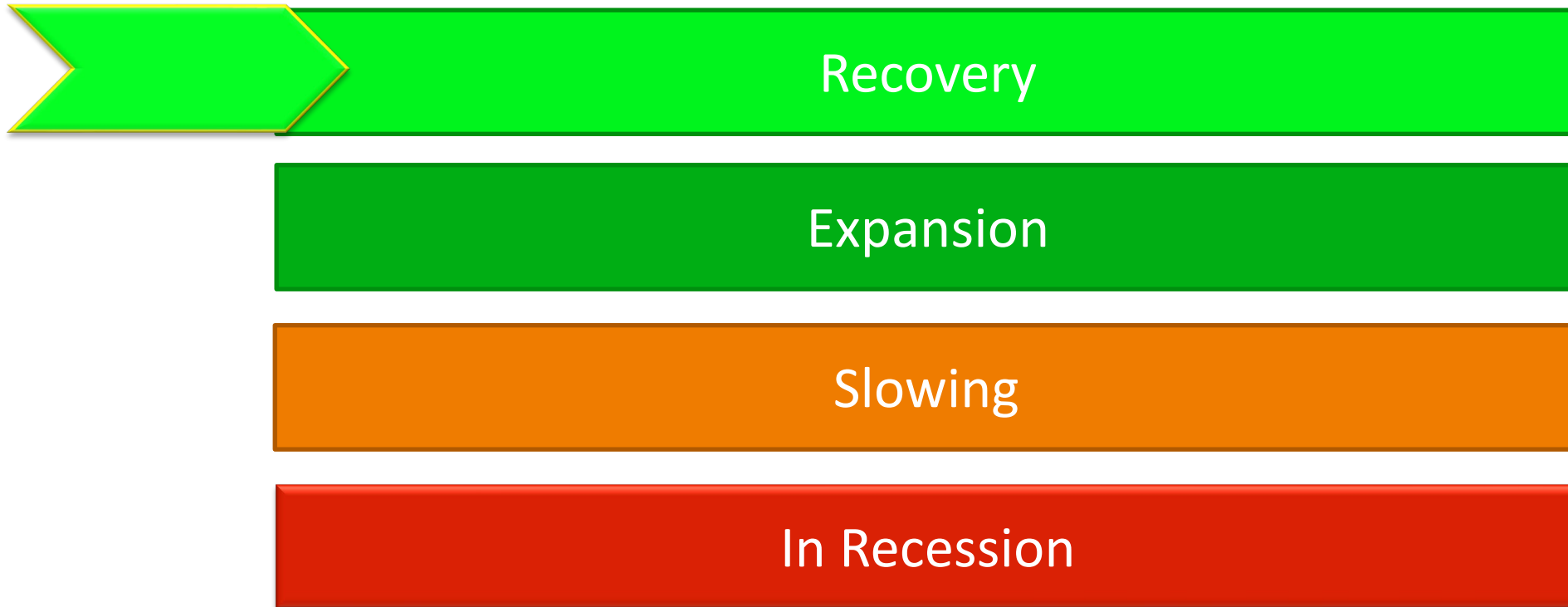
- Stable tax base with low overall tax structure
- Skilled workforce
- Improved migration patterns with low poverty and high per capita income
- Modest employment volatility

■ Challenges

- Energy costs
- Worker productivity is below average

Source: Moody's Analytics.

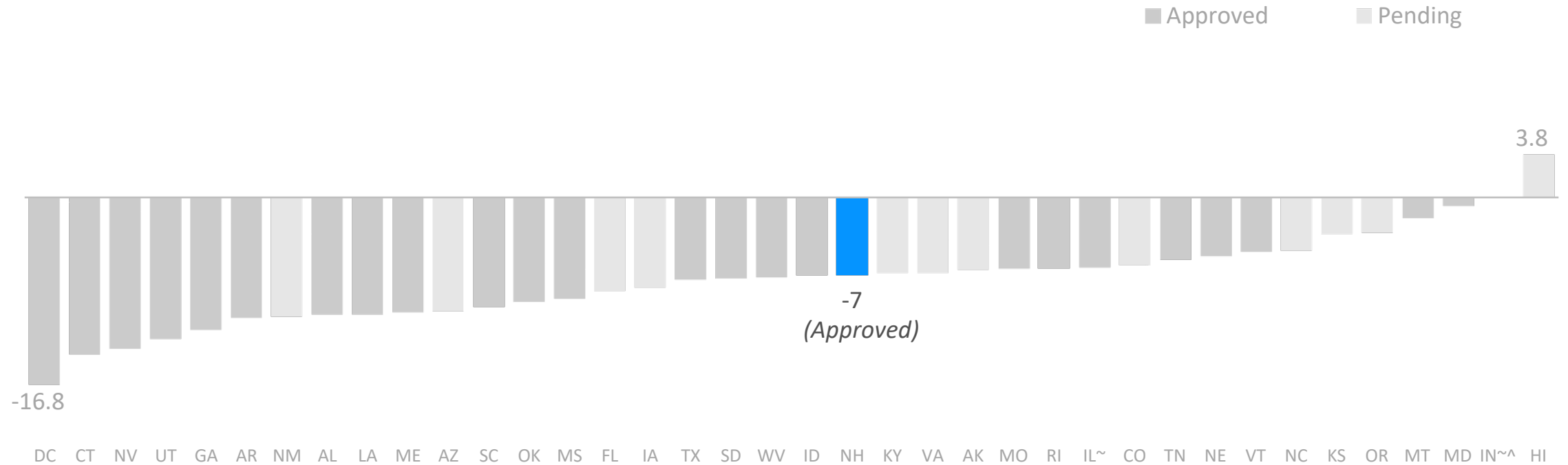
New Hampshire Business Cycle Status



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.

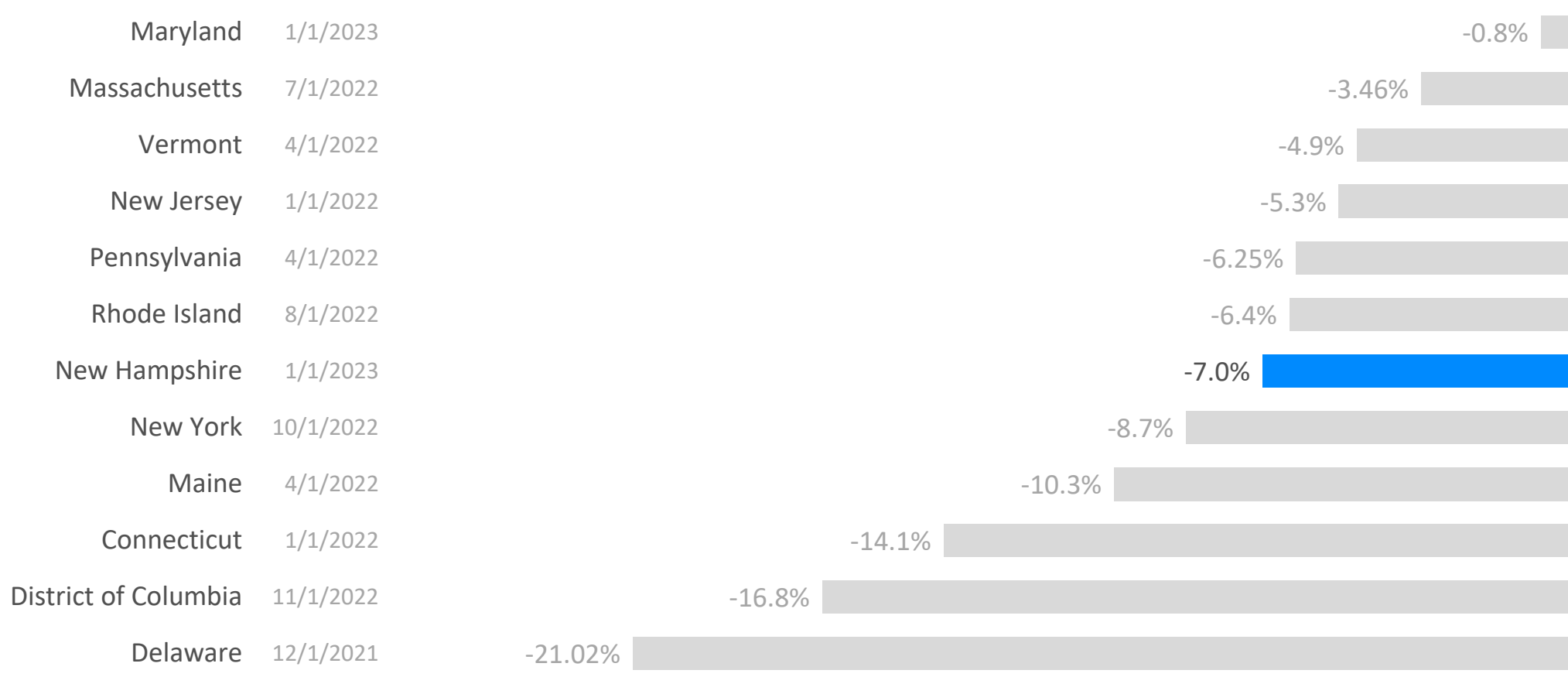
Reflects the most recent experience filing in each jurisdiction as of 9/2/2022.

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

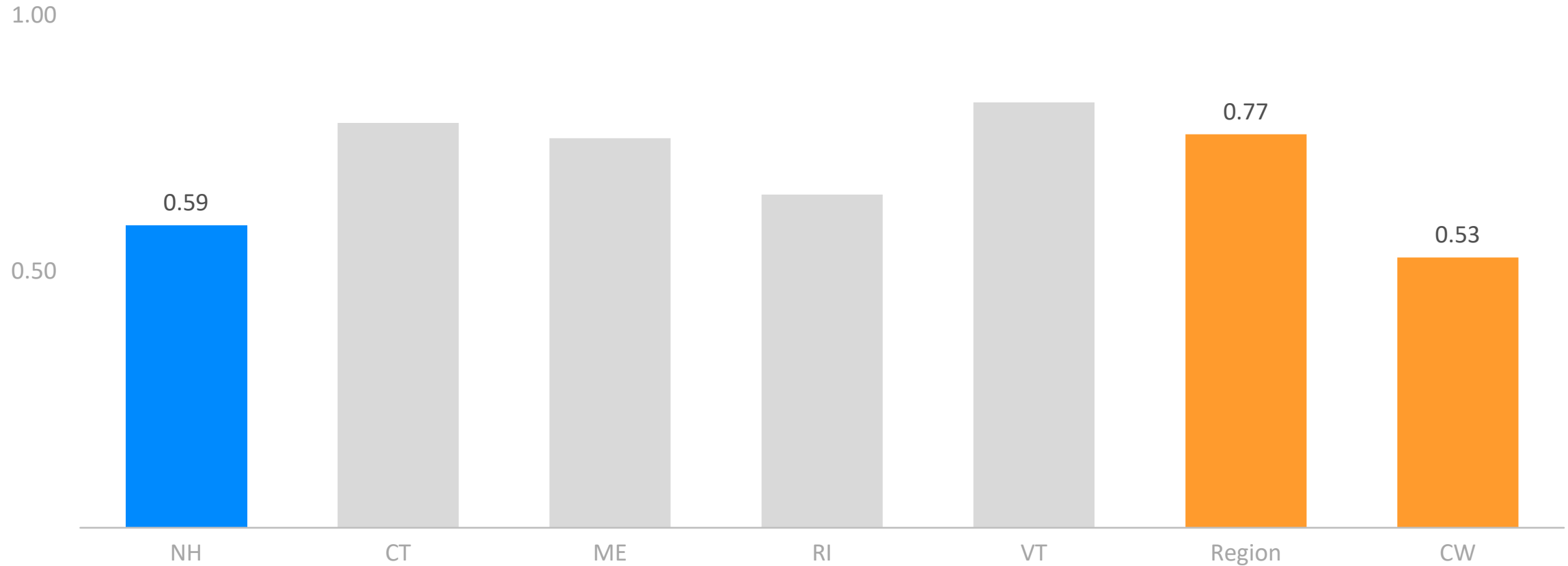


Reflects the most recent experience filing in each jurisdiction as of 9/2/2022.

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 New Hampshire 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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