

STATE ADVISORY RESOURCES

South Carolina Workers Compensation System
November 2022

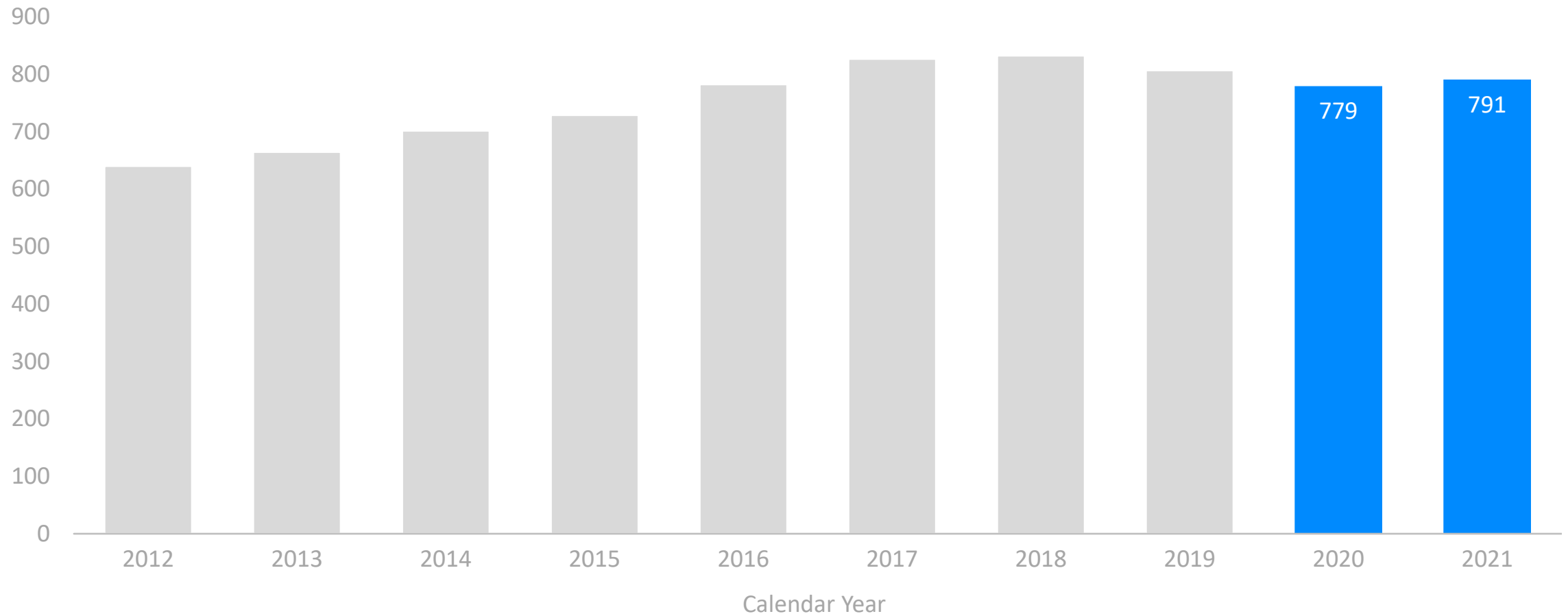


South Carolina Workers Compensation System—An Overview

- Written premium volume increased in 2021
- Combined ratios have been favorable over the recent past
- South Carolina's indemnity severity figures have been relatively more consistent from year to year when compared with those for medical

South Carolina Premium Volume

Direct Written Premium in \$ Millions



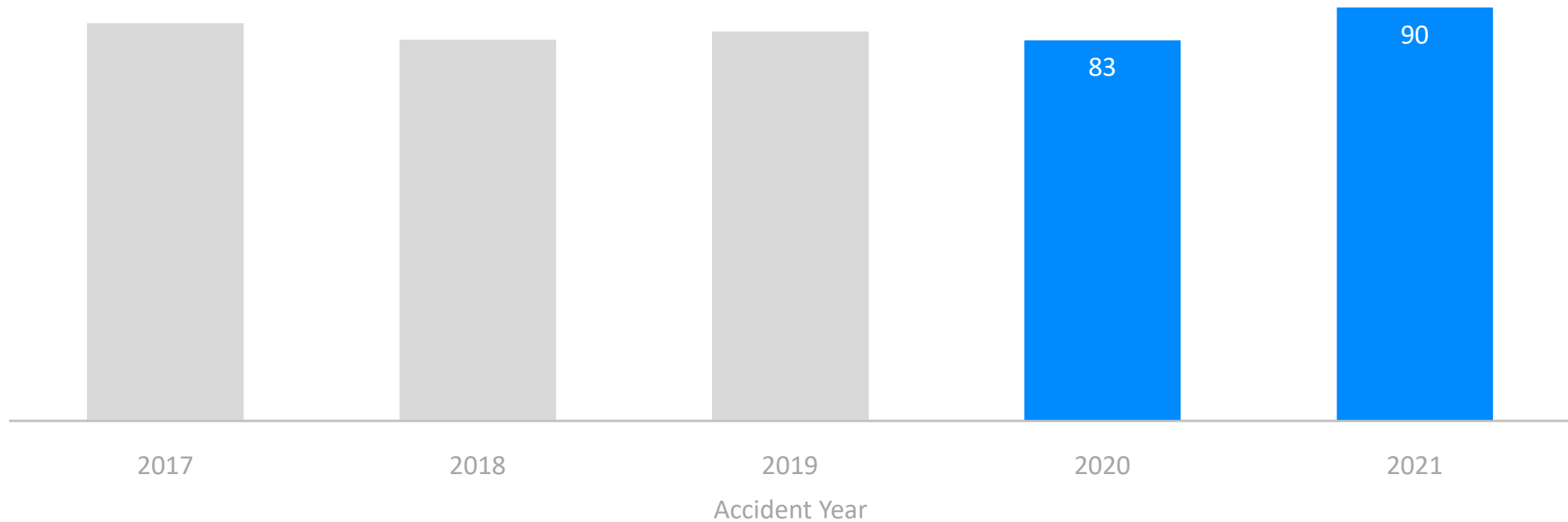
Source: NAIC's Annual Statement data.



South Carolina Combined Ratios

Percent

100

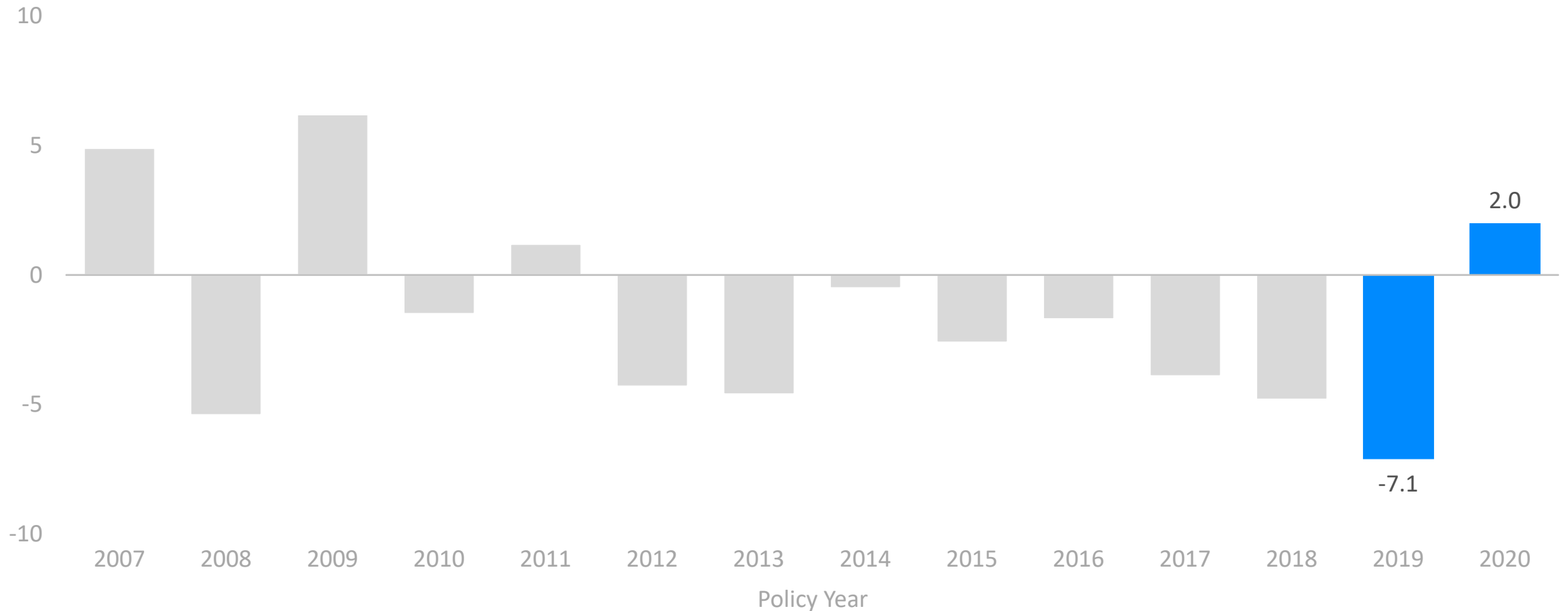


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



South Carolina Change in Claim Frequency

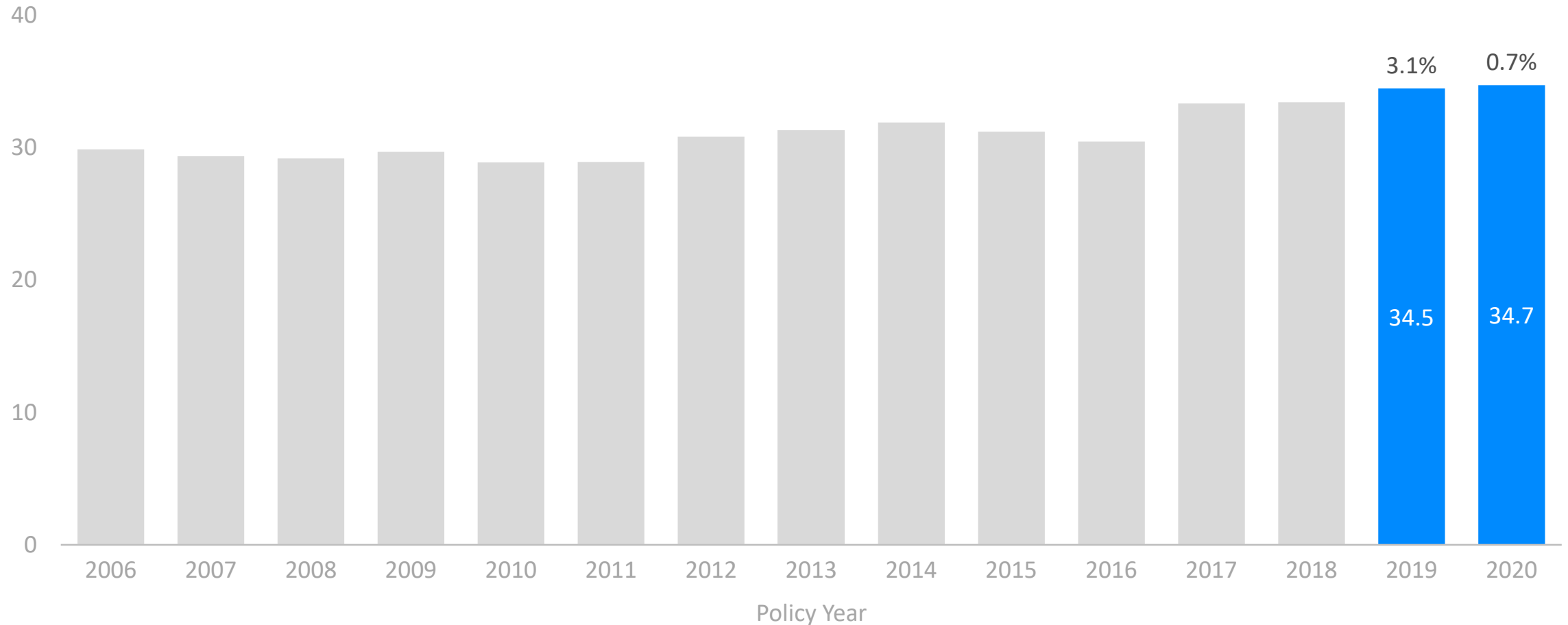
Percent Change in Lost-Time Claims, per \$ Million of On-Leveled Premium



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

South Carolina Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

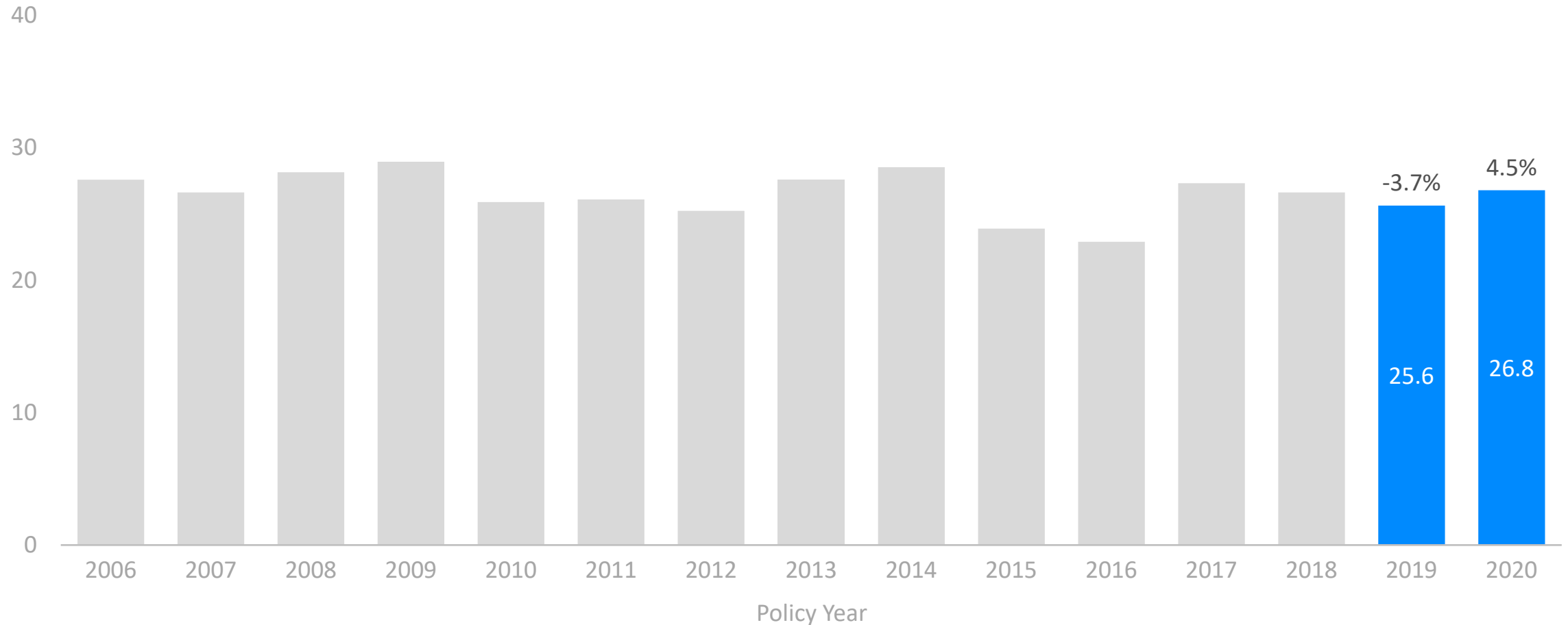


Based on NCCI's Financial data through 12/31/2021, on-leveled, and developed to ultimate.



South Carolina 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.



South Carolina Voluntary Market Filing Activity

Voluntary Loss Cost Changes



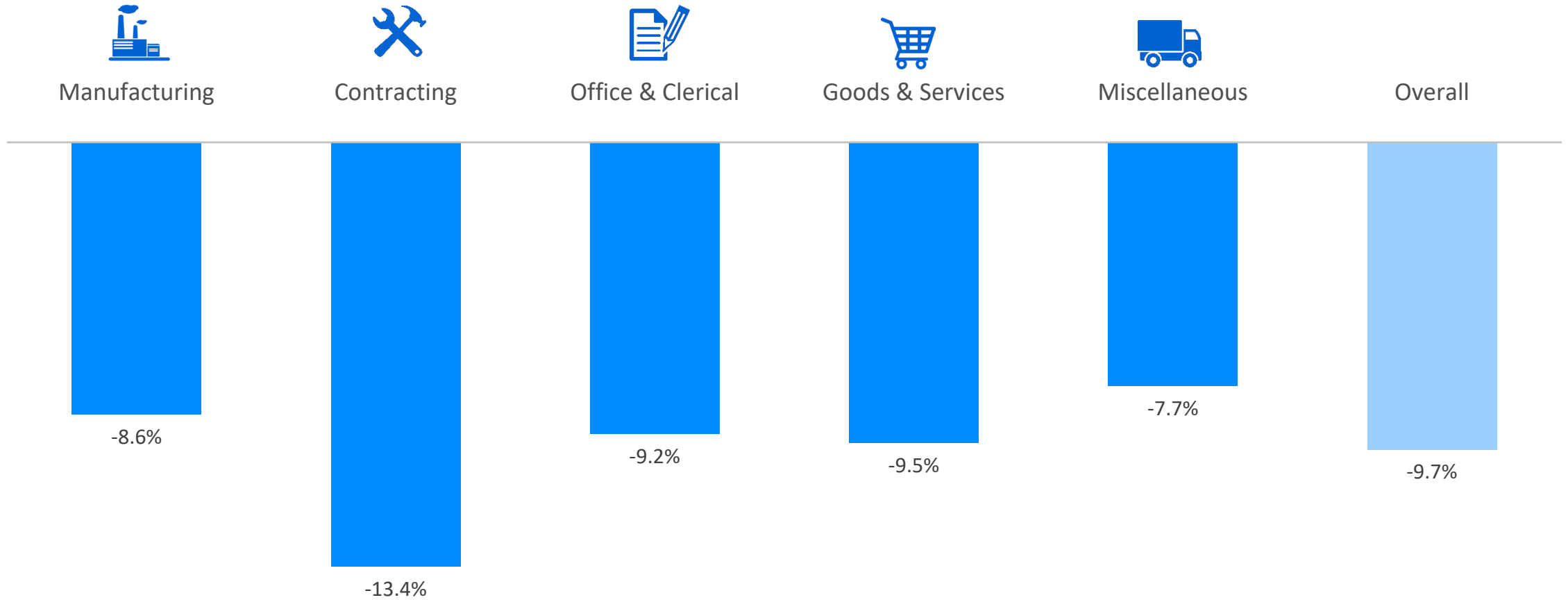
*Pending.

South Carolina April 1, 2023 Loss Cost Filing

Change in Experience and Trend:	-9.8%
Change in Benefits:	+0.4%
Change in Loss-Based Expenses:	-0.3%
<hr/>	
Overall Loss Cost Level Change:	-9.7%

South Carolina April 1, 2023 Loss Cost Filing

Average Changes by Industry Group



South Carolina Economic Drivers



Manufacturing



Defense



Tourism

Source: Moody's Analytics.

South Carolina Economic Assets and Challenges

■ Assets

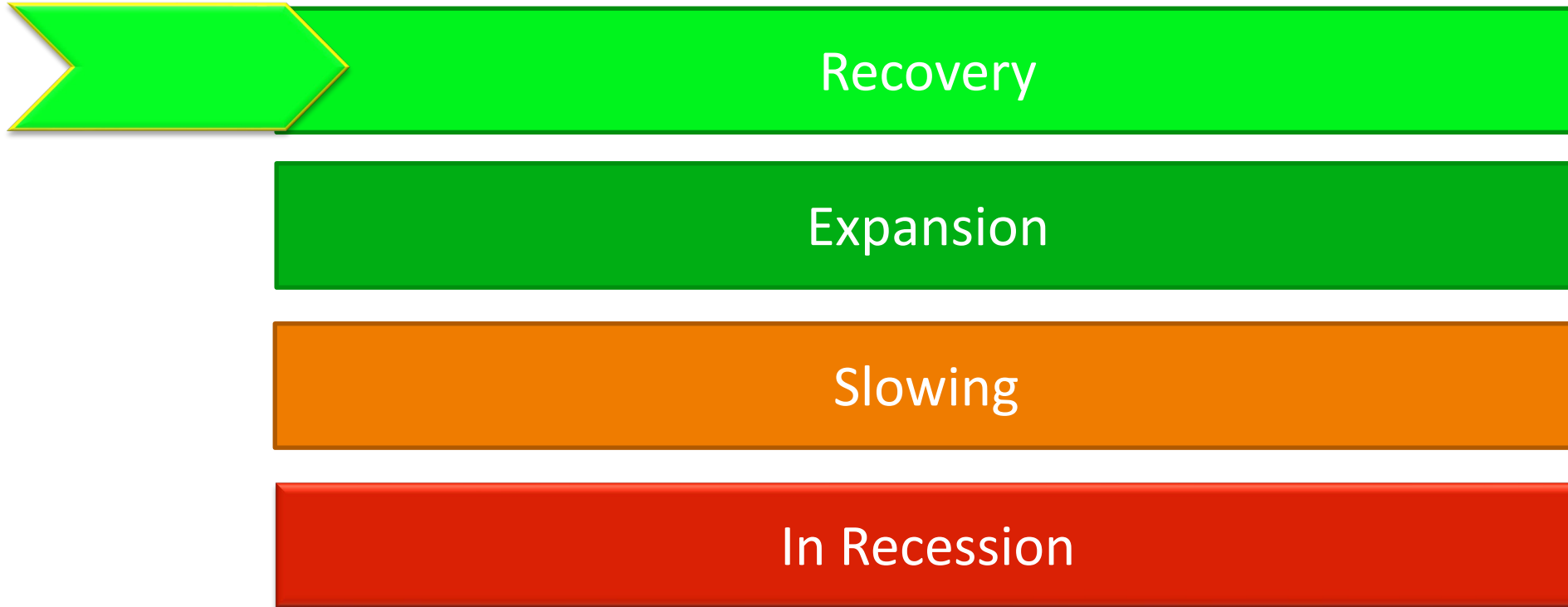
- Auto industry is an integral part of the state economy
- Migration into state far outpaces out-migration
- Ports and transportation logistics remain a strong economic factor

■ Challenges

- Economically impactful industries are absent from rural areas
- Average income is less than national average
- Half of the population has less than a four-year degree
- Instability in employment

Source: Moody's Analytics.

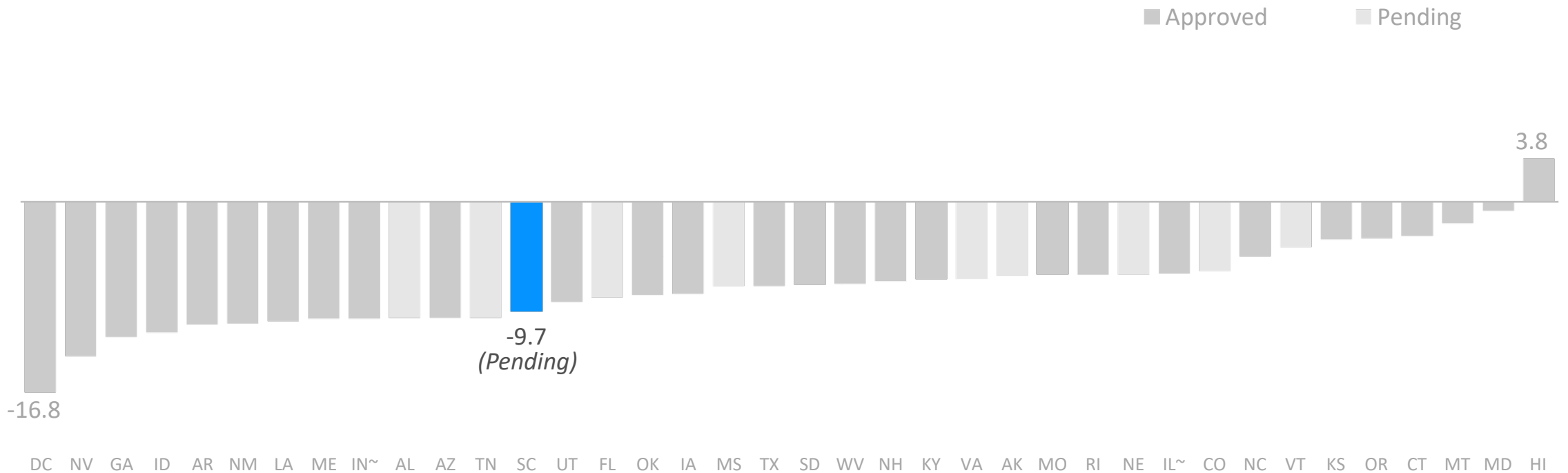
South Carolina Business Cycle Status



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 IN and IL loss cost level changes are -6.2% and -10.3%, respectively.
 Reflects the most recent experience filing in each jurisdiction as of 11/4/2022.
 Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.



CONTACT US



David Benedict
Senior State Relations Executive
david_benedict@ncci.com



Jay Rosen
Practice Leader & Senior Actuary
jay_rosen@ncci.com