



RESIDUAL MARKET MANAGEMENT SUMMARY 2024





RESIDUAL MARKET MANAGEMENT SUMMARY

is an annual publication of year-end workers compensation residual market financial and statistical information for the assigned risk plans and reinsurance pools for which the National Council on Compensation Insurance (NCCI) provides residual market services. *Residual Market Management Summary* is published by:

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Residual Market Management Summary 2024

is available on ncci.com.

Founded in 1923, the mission of the National Council on Compensation Insurance (NCCI) is to foster a healthy workers compensation system. In support of this mission, NCCI gathers data, analyzes industry trends, and provides objective insurance rate and loss cost recommendations. These activities—combined with a comprehensive set of tools and services—make NCCI the source you trust for workers compensation information.

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To Our Readers:

NCCI's ***Residual Market Management Summary 2024*** continues to be the best source for obtaining data on workers compensation residual market plans and reinsurance pools that are serviced by the National Council on Compensation Insurance (NCCI). Annual editions of prior years of the ***Residual Market Management Summary*** are also available on [ncci.com](https://www.ncci.com).

As a result of the effective collaborative efforts of all residual market stakeholders, including assigned carriers, insurance regulators, and NCCI staff, the residual market remained stable and responsive to the needs of employers and injured workers in 2024. The information included in this year's ***Residual Market Management Summary*** reflects a continued decline in the size of the residual market, which continues to operate on a relatively self-funded basis thereby contributing to a healthy workers compensation system.

The following are some highlights from this year's report:

- Aided by effective depopulation programs, residual market premium volume for Calendar Year 2024 continued to decline and is at its lowest level since 2011
- The 2024 residual market premium market share of total workers compensation premium is also at its lowest level in 13 years
- Calendar Year 2024 combined ratio is 86% for aggregated results of all reinsurance pools managed by NCCI
- The newly established Oklahoma residual market mechanism was successfully implemented with an effective date of June 1, 2024, and with reinsurance provided through the National Workers Compensation Reinsurance Association

NCCI, and its insurance industry and regulatory partners in residual market administration and management, remain fully committed to all stakeholders to maintain an effective and self-funded residual market—a critical component in fostering a healthy workers compensation system.

Sincerely,



Clifford G. Merritt
Senior Division Executive—Residual Markets, NCCI

Where NCCI Provides Residual Market Services

NCCI provides many services for the residual market in 30 jurisdictions, including administration of NCCI's Workers Compensation Insurance Plan (WCIP), the National Workers Compensation Reinsurance Pooling Mechanism (NWCPR or National Pool), and the New Mexico Workers' Compensation Assigned Risk Pool. NCCI also provides financial, actuarial, and carrier oversight services for other reinsurance pools and customers. Other types of residual market services are also provided through contractual agreements. Below are the types of services provided in each state.

| State | WCIP | NWCPR | Other Services | Comments |
|-------|------|-------|----------------|--|
| AK | x | x | | |
| AL | x | x | | |
| AR | x | x | | |
| AZ | x | x | | |
| CT | x | x | | |
| DC | x | x | | |
| DE | | x | x | The Delaware Compensation Rating Bureau contracts with NCCI to provide certain Plan Administration services. |
| GA | x | x | | |
| IA | x | x | | |
| ID | x | x | | |
| IL | x | x | | |
| IN | | | x | The Indiana Compensation Rating Bureau contracts with NCCI to provide certain Plan Administration services. |
| KS | x | x | | |
| MA | | | x | NCCI provides financial, actuarial, and related services for the Massachusetts Workers' Compensation Assigned Risk Pool. |
| MI | | | x | NCCI provides financial, Servicing Carrier selection, carrier oversight, and actuarial services for the Michigan Workers' Compensation Placement Facility. |
| MO | | | x | NCCI is the appointed Reinsurance Administrator for the Aggregate Excess of Loss Reinsurance Mechanism. |
| MS | x | | | |
| NC | | x | x | The North Carolina Rating Bureau contracts with NCCI to provide certain Plan Administration services. |
| NH | x | x | | |
| NJ | | x | x | NCCI provides certain Plan Administration services to the New Jersey Compensation Rating & Inspection Bureau. |
| NM | | | x | The New Mexico Workers' Compensation Assigned Risk Pool contracts with NCCI to provide Plan and Pool Administration services. |
| NV | x | x | | |
| OK | x | x | | NCCI's Workers Compensation Plan was effective in Oklahoma beginning June 1, 2024 |
| OR | x | x | | |
| SC | x | x | | |
| SD | x | x | | |
| TN | x | x | | |
| VA | x | x | | |
| VT | x | x | | |
| WV | x | x | | |

Overview—Plan and Pool Administration Highlights

Plan Administration

NCCI and the assigned carriers have successfully managed the residual market during the last year. To put some of these results into perspective, here is a sampling of the overall application processing performance statistics from 2024:

- Number of applications received = 50,172
- Number of applications bound = 38,923
- Average processing time for applications = 2.8 days
- Other:
 - 114,931 calls were fielded; calls decreased by 1.6% from the prior year

NCCI provides application processing, Servicing Carrier selection and oversight, and/or administrative services for its Workers Compensation Insurance Plans (WCIPs or Plans) for the 23 jurisdictions where it serves as Plan Administrator.

2025 Residual Market Forum

NCCI's **Residual Market Forum 2025** was held March 5–6 at the Opal Grand Resort, Delray Beach, FL. This event shared relevant industry information for carriers and regulators by providing updates on key issues affecting the residual market. The Forum included focus sessions for exchange of ideas and networking opportunities for attendees to engage in the important topics that impact this critical market. This event also served as a certification requirement for both current and potential Servicing Carriers in the residual market. As a result of this successful event, NCCI's **Residual Market Forum 2025** received an overall attendee satisfaction rating of 9.53 out of 10.

The general session included:

- An "Introduction" from Brian Mourer, CPCU, WCP®, Director of Plan Administration, NCCI, who provided a preview of the program.
- The "State of the Residual Market," presented by Cliff Merritt, Senior Division Executive, Residual Markets, NCCI, who provided an overview of 2024 residual market operating results and other highlights regarding the state of the residual market.
- An "Actuarial Perspective of the Residual Market," presented by NCCI's Aleksandra Bello, ACAS, MAAA, Associate Actuary, and Bryanna Lum, ACAS, MAAA, Associate Actuary, who both provided an analysis of residual market data, including recent shifts and potential implications for the residual market.
- The "State of the Economy," presented by Stephen Cooper, Executive Director and Senior Economist, Actuarial & Economic Services, NCCI, discussed the dynamically changing workforce and evolving economy that are top-of-mind for workers compensation executives. Cooper provided an in-depth perspective on recent economic developments and their impact on workers compensation and the residual market, including a look into how these unfolding trends are influencing premium, frequency, and severity.
- "Servicing Carrier Eligibility Requirements," presented by Heidi Mangum, WCP®, Plan Administration Manager, NCCI, provided a discussion on the eligibility requirements for Servicing Carriers.

- “Carrier Audit Services Panel,” presented by NCCI’s Brian Mourer, CPCU, WCP®, Director of Plan Administration; Alan Kurtz, Director, Carrier Audit Services; Dawn Johnson, Audit Manager, Carrier Audit Services; Jacqueline Miller, Senior Auditor, Carrier Audit Services; and Lisa Patterson, Senior Auditor, Carrier Audit Services, provided a deeper dive into the oversight that NCCI's Carrier Audit Services Department performs for both new and existing Servicing Carriers.
- “Industry Insights,” presented by Sandra Kipust, FCAS, MAAA, CPCU, Senior Practice Leader and Actuary, Actuarial & Economic Services, NCCI, provided insights on workers compensation premium and loss trends at an industry group level, with consideration of the potential impacts in the residual market.
- “Residual Market Filings Update,” presented by Lesley O’Brien, AIM, WCP®, Director, Filings and Research, NCCI, included an update of the proposed residual market and other related multistate item filings for 2025.

Two sessions were held to facilitate focused content and conversations within each group. The Assigned Carrier Forum was for prospective and current assigned carriers, residual market stakeholders such as Independent Bureaus, and others affiliated with the residual market. The Regulator Forum was held for regulators from numerous jurisdictions.

The **Residual Market Forum 2025** Highlights Report is available on ncci.com and includes videos and slides of presentations from the general session and the Assigned Carrier Forum; as well as access to residual market training modules.

We look forward to the next **Residual Market Forum** February 25–26, 2026, at the Opal Grand Resort, Delray Beach, FL.

Voluntary Coverage Assistance Program

NCCI’s Voluntary Coverage Assistance Program, **VCAP® Service**, applies to employers seeking coverage in the Workers Compensation Insurance Plans (WCIPs) administered by NCCI. It operates as a supplemental program to NCCI’s residual market application processing system, **RMAPS® Online Application Service**.

Developed as a depopulation tool, **VCAP® Service** helps producers and employers find voluntary workers compensation coverage as a last-chance effort prior to entering the residual market. **VCAP® Service** applies in AK, AL, AR, AZ, CT, DC, GA, ID, IL, KS, MS, NH, NM, NV, OK, OR, SC, SD, TN, VT, and WV.

Results for 2024 include the following:

- **VCAP® Service** redirected more than \$28 million in premium from the residual market to the voluntary market
- An approximate savings of \$3.4 million on 7,272 confirmed policies—or \$468 per employer—was achieved, equaling an average 12% savings per policy to the employer

For more information on **VCAP® Service**, contact Stacey Dever at 561-893-3628 or stacey_dever@ncci.com.

Oklahoma Plan Administration

Following a multiyear readiness project, NCCI's Workers Compensation Insurance Plan (Plan) was effective June 1, 2024. The Plan is published as the ***Residual Market Manual for Workers Compensation and Employers Liability Insurance*** for Oklahoma, with reinsurance through the National Workers Compensation Reinsurance Association's (NWCRA) quota share reinsurance pooling mechanism (National Pool). NCCI is pleased to report that the onboarding and launch of the Oklahoma Plan has been a successful process. While application volume has been minimal through the first seven months in 2024, there is the potential for increase in future years as the state workers compensation market adjusts to this new assigned risk plan.

Filings and Manuals

NCCI's ***Residual Market Manual for Workers Compensation and Employers Liability Insurance (Residual Market Manual)*** contains critical residual market rules, including:

- State Workers Compensation Insurance Plans (WCIP)
- Available coverages
- Initial or deposit premium and premium installments
- Producer fees
- Professional employer organization (PEO) arrangements
- Loss Sensitive Rating Plan (LSRP)
- Assigned Risk Adjustment Program (ARAP)
- Voluntary Coverage Assistance Program (***VCAP® Service***)
- Take-Out Credit Program
- State Residual Market Pricing Programs

NCCI continues to monitor the residual market to determine future WCIP enhancements. In 2024, NCCI completed several filings that will impact the residual market, including:

- Revisions to Residual Market Manual Rules Related to Deposit Premium for Premium Financed Policies in Connecticut, Georgia, South Carolina, and Virginia effective June 1, 2024.
- Revisions to Residual Market Manual and Forms Manual Related to Loss Sensitive Rating Plan (LSRP) and Producer Fees in the District of Columbia effective June 1, 2024.
- Revisions to the New Mexico Service Center Address in the New Mexico Workers' Compensation Assigned Risk Pool Manual effective July 1, 2024.
- Revisions to the West Virginia Assigned Risk and Voluntary Workers Compensation Premium Algorithms effective August 1, 2024.
- Establishment of Rules and an Endorsement Related to the Arizona Membership Organization Premium Credit effective September 14, 2024.
- Revisions to the Contracting Classification Premium Adjustment Program in Alaska effective January 1, 2025.
- Revisions to NCCI's Residual Market Manual Rules Related to Deposit Premium for Premium Financed Policies in Kansas and Tennessee effective January 1, 2025.
- Revisions to NCCI's Residual Market Manual and Forms Manual Related to the Idaho Assigned Risk Premium Surcharge effective January 1, 2025.

- Revisions to Assigned Carrier Performance Standards Related to Remote Audits in New Hampshire effective January 1, 2025.
- Revisions to Residual Market Manual Rules Related to the Voluntary Coverage Assistance Program Provider Underwriting Criteria effective January 1, 2025.
- Elimination of Basic Manual Trucking Classification Codes 7228 and 7229 and Reestablishment of Classification Code 7219 in Virginia effective April 1, 2025.
- Revisions to NCCI's Basic Manual for Arkansas, Residual Market Manual for Arkansas, and Statistical Plan Related to Arkansas Pricing Programs effective July 1, 2025
- Revisions to Basic Manual Rules Related to the Rounding of Rates Used in Premium Calculations in Virginia effective April 1, 2026.

For more information on residual market filings and manuals, contact NCCI's Plan Administration Department at plan_administration@ncci.com.

Take-Out Credit Program Update

NCCI's Take-Out Credit (TOC) Program encourages the depopulation of the residual market. This is achieved by providing a credit incentive to participating plan insurers for the removal of an employer from the residual market and replacement of coverage with a voluntary market policy. Credits are applied that reduce the amount of premium used in calculating the coverage provider's reinsurance pooling mechanism participation base or direct assignment carrier quota in a given state.

In 2024, more than \$97 million in credits were earned for policies removed from the residual market and placed in the voluntary market. These credits were derived from 17,142 policies and approximately \$78 million in qualifying premium.

TOC Program rules and criteria are included in NCCI's **Residual Market Manual**. Please email ncci_toc_admin@ncci.com with any questions.

| State | Calendar Year Credits | | | | | |
|----------------------|-----------------------|--------------------|---------------|--------------------|---------------|--------------------|
| | 2022 | | 2023 | | 2024 | |
| | Policies | Credit Amount (\$) | Policies | Credit Amount (\$) | Policies | Credit Amount (\$) |
| Alabama | 149 | 1,175,331 | 133 | 1,145,512 | 148 | 1,814,231 |
| Alaska | 965 | 4,730,374 | 913 | 5,017,124 | 895 | 4,769,592 |
| Arizona | 1,956 | 11,085,409 | 1,797 | 10,367,603 | 1,579 | 7,998,199 |
| Arkansas | 759 | 5,231,708 | 1,085 | 5,719,436 | 1,016 | 5,073,486 |
| Connecticut | 1,091 | 4,668,990 | 1,122 | 4,388,574 | 998 | 5,157,778 |
| District of Columbia | 203 | 236,768 | 178 | 290,272 | 135 | 491,682 |
| Georgia | 1,275 | 13,233,552 | 1,385 | 12,498,579 | 1,419 | 13,568,523 |
| Illinois | 2,840 | 15,998,020 | 2,747 | 15,127,003 | 2,505 | 11,643,470 |
| Iowa | 603 | 5,614,249 | 625 | 4,657,188 | 687 | 4,303,123 |
| Kansas | 1,842 | 5,509,428 | 1,258 | 4,909,587 | 951 | 4,560,159 |
| Mississippi | 416 | 2,923,668 | 352 | 2,081,158 | 300 | 1,757,222 |
| New Hampshire | 713 | 2,053,249 | 573 | 2,354,527 | 480 | 1,869,544 |
| New Mexico | 687 | 1,695,118 | 606 | 2,236,072 | 3,641 | 1,288,100 |
| Oklahoma | - | - | - | - | 1 | 295,566 |
| Oregon | 2,239 | 11,628,855 | 1,953 | 12,069,735 | 1,513 | 11,866,722 |
| South Carolina | 936 | 3,364,137 | 920 | 3,292,673 | 869 | 2,967,203 |
| South Dakota | 276 | 3,364,573 | 227 | 896,609 | 209 | 2,049,095 |
| Tennessee | 1,473 | 8,602,785 | 1,687 | 9,011,850 | 1,691 | 7,877,370 |
| Vermont | 414 | 2,437,152 | 291 | 2,231,446 | 216 | 1,185,153 |
| Virginia | 1,203 | 6,699,322 | 1,141 | 6,529,242 | 1,007 | 5,321,289 |
| West Virginia | 166 | 850,547 | 143 | 947,907 | 159 | 1,808,069 |
| Totals | 20,206 | 111,103,235 | 19,136 | 105,772,097 | 17,142 | 97,665,576 |

Pool Administration

NCCI provides accounting, actuarial, management, and administrative services for various reinsurance pooling mechanisms. During 2024, these pooling mechanisms provided reinsurance for the assigned risk plans in 27 jurisdictions, with 24 of these state plans reinsured through the National Workers Compensation Reinsurance Association's (NWCRA) quota share reinsurance pooling mechanism.

The NWCRA is responsible for all policymaking and oversight functions for the National Workers Compensation Reinsurance Pooling Mechanism (National Pool). The National Pool operates pursuant to the NWCRA bylaws and quota share reinsurance agreements, under the direction of the NWCRA Board of Directors. The NWCRA contracts with NCCI for the provision of administrative and operational services.

Reinsurance Pools Results and Information

The **Reinsurance Pools Results and Information (RPRI)** system on **ncci.com** provides Pool participants with the ability to view Pool-related data and download reports into Microsoft® Excel spreadsheets or PDFs.

RPRI contains reports and information for reinsurance pools for which NCCI acts as Pool Administrator or is contracted to provide financial reporting services. The Pools contained in **RPRI** are:

- National Workers Compensation Reinsurance Pooling Mechanism
- Massachusetts Workers' Compensation Assigned Risk Pool
- Michigan Workers' Compensation Placement Facility
- New Mexico Workers' Compensation Assigned Risk Pool

Pool participants can access their own operating results on an individual carrier level, group level, or aggregate level, as well as invoices and distribution notices, accident year data, and the Quarterly Summary of Operating Results circular.

RPRI also provides Pool participants with Premium Call data, displaying components for written premium and premium credits used in the calculation of each participating company's voluntary premium writings for the determination of quota share percentages. The premium ratio report provides data by state, year, industry premium totals, carrier premium totals, and the participation ratios (quota share). Other available information includes commutations and insolvencies, salvage and subrogation, and working fund advances.

Additional reports accessible to Pool participants through **RPRI** are audited financial statements of the Pools, Pool Reserving Committee Meeting Agendas and Minutes, and the Annual Actuarial Report on Pool Reserves, along with the Statements of Actuarial Opinion. Also, the report on the reserve liabilities by state and policy year related to the participation of insolvent companies, as referenced in the Quarterly Summary of Operating Results circular, can be accessed, as well as a variance analysis tool that allows two quarters of comparison of carrier operating results by state and policy year.

Pool participants can sign up for emails that notify them when results become available on **ncci.com** and when invoices and distribution notices are due. **RPRI** also provides remittance information.

For more information on **RPRI**, contact Andy Kondoleon at 561-893-3014 or andy_kondoleon@ncci.com.

To obtain access to **RPRI**, contact NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123).

Pool Quota Share Allocation Method

The reinsurance pooling mechanisms serviced by NCCI are a collection of state-specific quota share reinsurance agreements, with each participating company being responsible, on an assumed reinsurance basis, for the actual financial results of the residual market policies reinsured through these various pooling mechanisms.

Each state and policy year represent a separate quota share reinsurance agreement. Each participating company's quota share is based on its voluntary market share of direct workers compensation written premium (Annual Statement Statutory Page 14 basis) in each state during the calendar year corresponding to each policy year (e.g., Policy Year 2024 allocations based on Calendar Year 2024 market shares).

These reinsurance agreements are similar to quota share reinsurance agreements in the voluntary market, with the participating reinsurers continuing to receive assumption reports for their respective share of the reinsured activity until such time as all claims are closed. Until then, the results that are reinsured by the participating companies are subject to change as a result of loss development and the incurring of contractual administrative and other expenses.

Allocations and distributions of operating results are made on a quarterly basis, approximately 75 days following the last day of each calendar quarter, representing assumed reinsurance transactions for participating companies in these reinsurance pooling mechanisms.

Pool Data Reporting

Servicing Carriers for the NCCI-serviced reinsurance pooling mechanisms use the ***Pool Financial Data Collection*** tool on **ncci.com** to electronically report residual market data. Features of the tool include:

- Action-oriented dashboard that displays a summary view of your expected and submitted data
- Easy to use interface where users can search, validate, import, create, view, modify, and delete Pool data prior to each quarter's reporting due date
- Centralized access to all quarterly Pool-related data including edits, data by data type, attachments, and adjustments
- The ability to upload detailed spreadsheets and attach the signed transmittal directly into the tool

Servicing Carriers report residual market data such as:

- NP-1 Transmittal Letter
- Financial Summary (NP-4) data
- Expanded Financial (NPX) data
- Large Loss Claims (LGL) data
- Supplemental detail reports including NP-2, NP-3, NP-5, and NP-6

The following resources are available to support the quarterly Pool data submission process:

Learning Center

Targeted webinars (demos) are available in the Learning Center to assist users with navigating the tool. Demos are on **ncci.com** under the heading **Learn@NCCI**.

Pool Data Reporting Guidebook

NCCI's **Pool Data Reporting Guidebook** provides the rules and requirements for the Servicing Carrier reporting of residual market Pool data to NCCI. It contains coding values, record layouts, and reporting examples. The guidebook complements the compliance requirements in NCCI's **Servicing Carrier Reference Guide** and is a detailed data reporting resource for Servicing Carriers. The **Pool Data Reporting Guidebook** can be accessed from **NCCI Atlas** on **ncci.com**.

For more information on the **Pool Data Reporting Guidebook**, contact NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123).

Data Manager Dashboard

Data Manager Dashboard (DMD) provides Servicing Carrier users with the ability to monitor the quality and timeliness of their group's Pool data submissions by:

- Providing carrier group level timeliness and error volume trends for the current and prior four quarters
- Displaying a status indicator for on-time and late submissions
- Comparing and trending the volume of errors received from quarter to quarter

Residual Market Results

As shown in Exhibit A, Policy Year (PY) 2024 ultimate written premium for all reinsurance pooling mechanisms serviced by NCCI is projected to be \$655 million, representing a 6% decrease in premium volume from the projected level of \$695 million for PY 2023.

Premium volume gradually decreased from policy years 2015 to 2020 at an average of 8% year-over-year. For policy years 2021 and 2022, premiums remained relatively flat, then continued to decrease slightly in policy year 2023 and 2024.

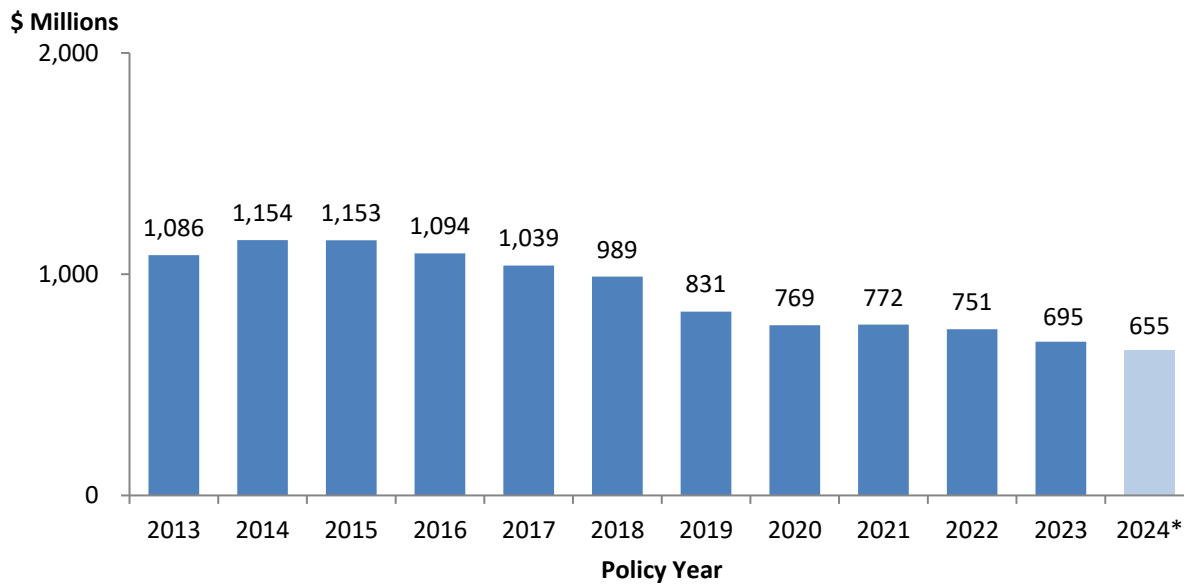
These premium volumes and year-over-year changes include the effect of new policies, renewals, cancellations, nonrenewals, and premium-level changes. Estimates of "true growth" in residual market premium volume, which consider various economic factors and market conditions, are discussed separately in a later section of this report.

NCCI is preliminarily projecting a residual market operating loss of \$33 million for PY 2024 (see Exhibit B) activity reinsured through these reinsurance pooling mechanisms. This is equivalent to a combined ratio of 105% (see Exhibit C). As reflected in Exhibit D, the residual market share of the total market direct written premium remained flat at 4.4% in the preliminary Calendar Year (CY) 2024 results compared to 4.4% in CY 2023 for states in which NCCI is both Plan and Pool Administrator.

Exhibit A

Written Premium[#]

All Pools Serviced by NCCI, as of December 31, 2024



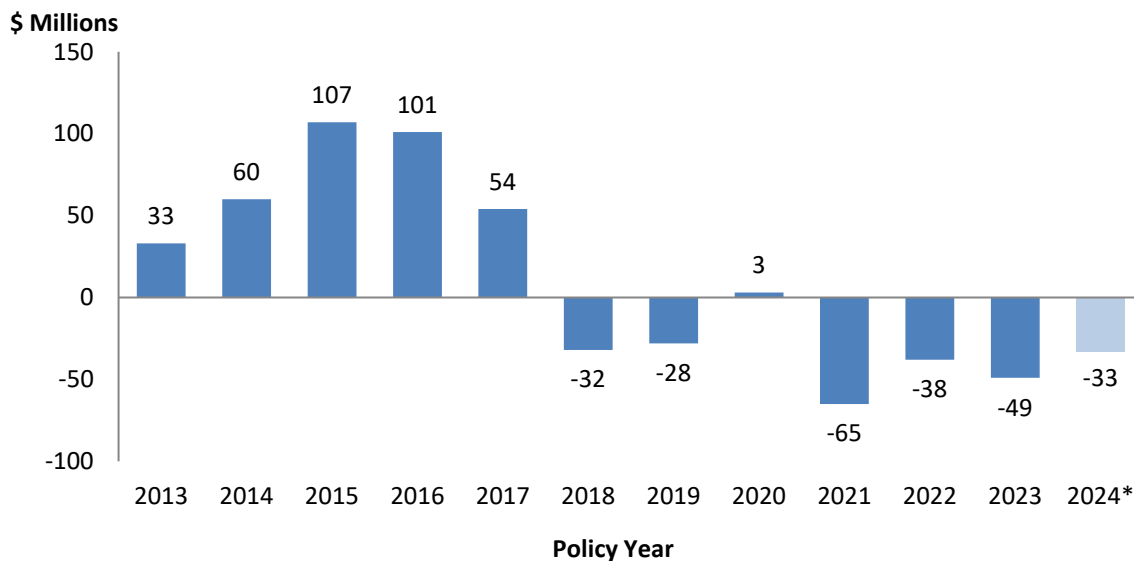
Projected to Ultimate; Tennessee Reinsurance Mechanism premium is not included in policy years prior to 2016.

* Incomplete Policy Year.

Exhibit B

Operating Gain/Loss[#]

All Pools Serviced by NCCI, as of December 31, 2024



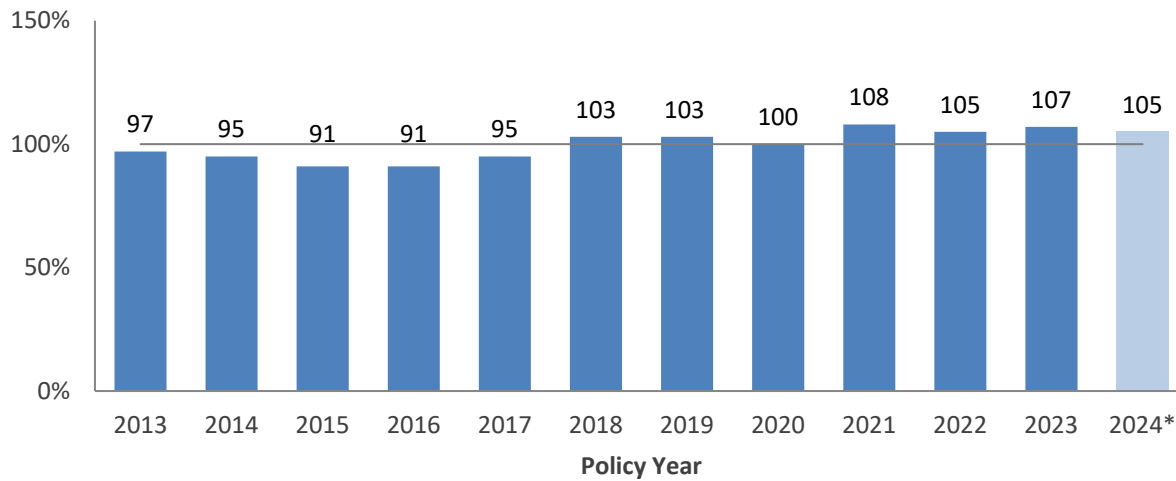
Projected to Ultimate; Tennessee Reinsurance Mechanism experience is not included in the operating results for policy years prior to 2016.

* Incomplete Policy Year.

Exhibit C

Combined Ratio[#]

All Pools Serviced by NCCI, as of December 31, 2024



[#] Projected to Ultimate; Tennessee Reinsurance Mechanism experience is not included in the combined ratios for policy years prior to 2016.

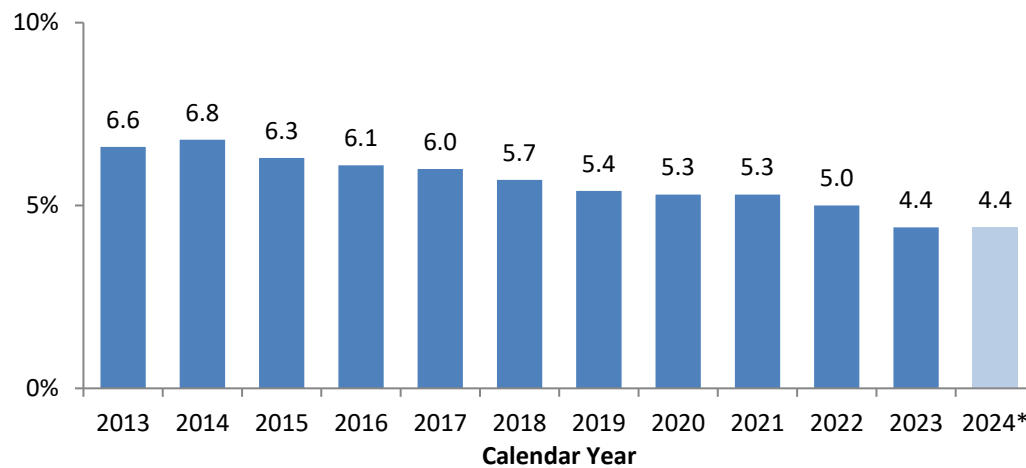
* Incomplete Policy Year.

Exhibit D

Residual Market Share

NCCI Pool- and Plan-Administered States (Includes Direct Assignments)

Plan Premium as a Percentage of Direct Written Premium



* Preliminary

Servicing Carrier Oversight Process

NCCI uses a comprehensive oversight program composed of four components to ensure that the Servicing Carriers are fulfilling their obligations to the Plans and Pools. This program ensures that the assigned carriers are on track to meet performance expectations from the moment they begin writing policies and servicing claims. NCCI manages the oversight program using the following four components:

- Visitations
- Servicing Carrier Operations Reporting (SCOR)
- Self-Audits
- On-Site Audits

Visitations—A visitation is conducted early in the process of underwriting policies and managing claims to provide a new Servicing Carrier with a high-level synopsis of how it is handling residual market business per NCCI’s **Assigned Carrier Performance Standards (ACPS)**. NCCI reviews company procedures through internal control questionnaires and reviews a limited number of policies and claims to determine compliance with established standards of performance and any applicable bid enhancements.

The visitation is an opportunity to partner with the Servicing Carrier to help set expectations, review exceptions to the standard rules, and ensure that the carrier is on track by reviewing a small sampling of files and walking through company procedures.

Results from the visitation are provided to the Servicing Carrier for informational purposes only.

Servicing Carrier Operations Reporting (SCOR)—A program in which the National Pool Servicing Carriers respond, on a quarterly or semiannual basis, to a series of questions at a high level. SCOR acts as an early indicator mechanism to advise Servicing Carriers and residual market administrators of Servicing Carrier compliance with the timeliness aspects of the **ACPS**. SCOR helps determine carrier compliance at a global level and helps the carrier identify any deficiencies early on, instead of waiting for the self-audit or on-site audit.

If a Servicing Carrier scores 10 or more percentage points below the established compliance threshold for any individual attribute, a corrective action plan and detailed SCOR reports must be submitted. As of December 31, 2024, four Servicing Carriers reported detailed SCOR results. Exhibit E indicates the number of data elements rated and how many are rated at or above a “Satisfactory” level.

Self-Audits—The self-audit process is a Web-based application in which randomly selected policies and claims are reviewed. The carrier is required to respond to a series of standardized questions for each of the selected policies and claims. Carrier ratings are then determined for key attributes, which are specific areas of performance linked to individual performance standards as outlined in the established **ACPS**. The carrier is required to submit a corrective action plan for any attributes rated less than “Satisfactory.”

NCCI uses the self-audit process to determine a level of compliance with established standards of performance and applicable bid enhancements during the years in which an on-site audit is not conducted. The process is applicable to all active and first-year run-off Servicing Carriers.

NCCI verifies a sampling of the Servicing Carrier’s self-audit responses during the next on-site audit.

Exhibit F shows the aggregate ratings, which summarize all key attribute ratings for the five National Pool Servicing Carrier self-audits in 2024. These ratings are used as a component of the scoring of future Servicing Carrier bids.

On-Site Audits—On-site audits encompass a full-scope review of policies and claims handled by Servicing Carriers for various attributes outlined in NCCI's on-site rating system for Servicing Carriers.

The on-site audit program consists of two separate reviews. The Operational Performance Review ties results from underwriting, audit, loss prevention, claims, and billing directly to information contained in the policy and/or claim file to the **ACPS**. The NCCI Operational Performance Review measures both accuracy and timeliness on all performance standards.

The Reporting Requirements and Processing Procedures Review focuses on:

- Accurate calculation and reporting of financial transactions to the appropriate reinsurance pooling mechanism
- Timely and accurate reporting of data to the Plan and Pool Administrators
- Adequacy of processing procedures and controls for handling assigned risk policies and claims

Ratings are provided and used as part of the scoring of future Servicing Carrier bids. The aggregate ratings for the three National Pool Servicing Carriers' on-site audits conducted in 2024 are shown in Exhibit F.

Corrective programs that may result from the on-site audit process are:

- **Quantifications**—Quantifications result from NCCI's review of Pool-reported financial transactions. If a Servicing Carrier has misreported transactions to the Pool, then NCCI works with the carrier to identify the issue, address the cause of misreporting, and correct the reporting to the Pool.
- **Self-Assessments**—The self-assessment process requires that the Servicing Carrier provides the status of the corrective actions resulting from the recommendations made during the on-site audit. This occurs about nine months after the on-site audit has concluded. NCCI reviews the Servicing Carrier's self-assessment to ensure that the carrier has shown sufficient evidence that it has corrected the issue.
- **Remediation**—The remediation program is a two-tiered performance management initiative that provides a progressive discipline for Servicing Carriers that have not demonstrated adequate performance for either the self-audit or the on-site audit. Servicing Carriers not performing satisfactorily are required to have additional levels of reporting, oversight, and/or financial penalties imposed.

The remediation program is divided into two tiers:

- Tier One remediation is implemented when a Servicing Carrier performs less than satisfactorily in certain ratable attributes, which are specific areas of performance linked to individual performance standards
- Tier Two remediation is implemented when a Servicing Carrier scores less than satisfactorily on an aggregate basis

In specific situations, NCCI may conduct a re-audit, reduce a Servicing Carrier's quota, or terminate the Servicing Carrier's contract to write policies. In addition, the Servicing Carrier may lose its certification, thereby making it ineligible to qualify to bid until its performance is brought up to acceptable levels.

There were three National Pool Servicing Carriers who were assessed Tier One remediation penalties in 2024, and none were assessed a Tier Two remediation.

Exhibit E

SCOR Results—National Pool

| Data Elements Rated Below Satisfactory | Number of Carriers | | | | | | | | | | | |
|--|--------------------|------|------|-------------|------|------|-------------|------|------|-------------|------|------|
| | 1st Quarter | | | 2nd Quarter | | | 3rd Quarter | | | 4th Quarter | | |
| | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 |
| 0 | 3 | 3 | 3 | 3 | 3 | 4 | 2 | 3 | 4 | 3 | 3 | 2 |
| 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| 3 or more | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Exhibit F

Servicing Carrier Aggregate Ratings—National Pool

| 2024 Self-Audit Aggregate Ratings | Commendable | Satisfactory | Marginal | Unsatisfactory |
|--|-------------|--------------|----------|----------------|
| Underwriting, Premium Audit, and Loss Prevention Performance Standards | 4 | 1 | 0 | 0 |
| Claims Performance Standards | 5 | 0 | 0 | 0 |
| 2024 On-Site Audit Aggregate Ratings | | | | |
| Reporting Requirements and Procedures | N/A | 3 | 0 | 0 |
| Underwriting, Premium Audit, and Loss Prevention Performance Standards | 2 | 1 | 0 | 0 |
| Claims Performance Standards | 3 | 0 | 0 | 0 |

Servicing Carrier Audit Initiatives

NCCI's Carrier Audit Services Department continuously evaluates the processes for the four audit components: visitations, SCOR (Servicing Carrier Operations Reporting), self-audits, and on-site audits.

Initiatives in 2024 included:

- Continued improvements to the electronic work papers and summarization in the ***Carrier Audit Program (CAP)***
- Implementing enhancements to **CAP** to improve customer experience and internal reporting and monitoring
- Conducting remote audits, whenever possible, using a secure and authorized connection to the Servicing Carriers' networks and systems
- Assisting the audit firm engaged by each Pool to conduct the annual independent examination of the Pool financial statements

Financial and Actuarial Results for 2024

Comparative financial analyses and operating results for all pools serviced by NCCI are shown in Exhibits G through J. The 2024 calendar year results for the reinsurance pools NCCI administers reflect a net operating loss for the Massachusetts Workers' Compensation Assigned Risk Pool. Conversely, the National Workers' Compensation Reinsurance Pooling Mechanism, the Michigan Workers' Compensation Placement Facility, and the New Mexico Workers' Compensation Assigned Risk Pool reflect net operating gains (see Exhibits K through N).

The combined net operating gain for all pools NCCI manages was approximately \$95 million in Calendar Year 2024, compared with the net operating loss of \$1.1 million in Calendar Year 2023.

- The National Pool results reflect an operating gain of \$99.2 million compared with an operating loss of \$22.0 million in the prior year (Exhibit K)
- The Massachusetts Pool results reflect an operating loss of \$19.3 million compared with a gain of \$11.7 million in the prior year (Exhibit L)
- The Michigan Pool results reflect an operating gain of \$11.5 million compared with a gain of \$1.2 million in the prior year (Exhibit M)
- The New Mexico Pool results reflect an operating gain of \$3.6 million compared with a gain of \$8.0 million in the prior year (Exhibit N)

Comparative Calendar Year Financial Analysis

Exhibit G

All Pools Serviced by NCCI—Calendar Years 2024 and 2023 (\$000s)

| | Calendar Year 2024 Quarterly Results | | | | Calendar Year | |
|----------------------------------|--------------------------------------|----------------|---------------|-----------------|---------------|----------------|
| | First (\$) | Second (\$) | Third (\$) | Fourth (\$) | 2024 (\$) | 2023 (\$) |
| Premiums Written | 172,160 | 187,081 | 134,620 | 159,034 | 652,895 | 707,236 |
| Premiums Earned | 172,382 | 182,613 | 142,653 | 168,701 | 666,349 | 723,324 |
| Incurred Losses | 55,036 | 109,060 | 50,752 | 141,832 | 356,680 | 476,725 |
| Loss Ratio (%) | 31.9 | 59.7 | 35.6 | 84.1 | 53.5 | 65.9 |
| Paid Losses | 148,286 | 139,714 | 144,176 | 161,929 | 594,105 | 576,836 |
| ALAE for Black Lung | 660 | 761 | 661 | 740 | 2,822 | 4,067 |
| Servicing Carrier Allowance | 38,196 | 46,476 | 35,632 | 33,344 | 153,648 | 173,210 |
| Producer Fees | 6,763 | 7,237 | 5,647 | 6,016 | 25,663 | 27,691 |
| Administrative Expenses | 3,121 | 3,623 | 3,385 | 3,448 | 13,577 | 13,301 |
| Other Expenses | 4,832 | 5,451 | 3,952 | 7,844 | 22,079 | 34,001 |
| Net Underwriting Gain (Loss) | 64,434 | 10,765 | 43,285 | (23,783) | 94,701 | (1,605) |
| Investment Income | 92 | 32 | 122 | 103 | 349 | 471 |
| Net Operating Gain (Loss) | 64,526 | 10,797 | 43,406 | (23,680) | 95,049 | (1,134) |
| EBNR Premium Reserves | (56,045) | (48,602) | (39,790) | (39,159) | (39,159) | (40,324) |
| Loss Ratio With EBNR (%) | 35.1 | 57.4 | 33.5 | 83.8 | 53.4 | 66.9 |
| Unearned Premiums | 232,686 | 237,154 | 229,122 | 219,455 | 219,455 | 232,908 |
| Outstanding Losses | 2,628,177 | 2,589,700 | 2,608,145 | 2,566,234 | 2,566,234 | 2,689,231 |
| IBNR | 1,299,990 | 1,307,813 | 1,195,944 | 1,217,758 | 1,217,758 | 1,332,186 |
| Cash Flow | (28,945) | (15,389) | (58,050) | (53,444) | (155,828) | (117,332) |
| Uncollectible Premiums | 37,707 | 40,921 | 51,192 | 29,970 | 159,790 | 137,967 |

Exhibit H

All Pools Serviced by NCCI—Calendar Years 2023 and 2022 (\$000s)

| | Calendar Year 2023 Quarterly Results | | | | Calendar Year | |
|----------------------------------|--------------------------------------|----------------|---------------|-----------------|----------------|----------------|
| | First (\$) | Second (\$) | Third (\$) | Fourth (\$) | 2023 (\$) | 2022 (\$) |
| Premiums Written | 190,945 | 188,425 | 155,233 | 172,633 | 707,236 | 797,452 |
| Premiums Earned | 189,369 | 186,248 | 165,215 | 182,492 | 723,324 | 797,607 |
| Incurred Losses | 157,855 | 119,426 | 57,088 | 142,356 | 476,725 | 395,028 |
| Loss Ratio (%) | 83.4 | 64.1 | 34.6 | 78.0 | 65.9 | 49.5 |
| Paid Losses | 146,155 | 146,878 | 139,612 | 144,191 | 576,836 | 564,702 |
| ALAE for Black Lung | 946 | 1,223 | 918 | 980 | 4,067 | 3,664 |
| Servicing Carrier Allowance | 46,746 | 44,147 | 42,483 | 39,834 | 173,210 | 195,479 |
| Producer Fees | 7,259 | 7,526 | 6,113 | 6,793 | 27,691 | 32,087 |
| Administrative Expenses | 2,972 | 3,189 | 3,448 | 3,692 | 13,301 | 12,503 |
| Other Expenses | 9,055 | 5,070 | 7,622 | 12,254 | 34,001 | 32,381 |
| Net Underwriting Gain (Loss) | (34,519) | 6,890 | 48,461 | (22,437) | (1,605) | 130,130 |
| Investment Income | 65 | 116 | 172 | 118 | 471 | 59 |
| Net Operating Gain (Loss) | (34,454) | 7,006 | 48,633 | (22,319) | (1,134) | 130,189 |
| EBNR Premium Reserves | (47,626) | (43,228) | (38,382) | (40,324) | (40,324) | (29,710) |
| Loss Ratio With EBNR (%) | 92.1 | 62.6 | 33.6 | 78.8 | 66.9 | 49.1 |
| Unearned Premiums | 250,572 | 252,749 | 242,768 | 232,908 | 232,908 | 248,996 |
| Outstanding Losses | 2,669,237 | 2,670,423 | 2,667,748 | 2,689,231 | 2,689,231 | 2,674,517 |
| IBNR | 1,463,990 | 1,435,352 | 1,355,504 | 1,332,186 | 1,332,186 | 1,447,011 |
| Cash Flow | (21,178) | (18,269) | (43,872) | (34,013) | (117,332) | (39,639) |
| Uncollectible Premiums | 34,096 | 40,987 | 32,305 | 30,579 | 137,967 | 140,443 |

Exhibit I

Comparative Policy Year Financial Analysis

All Pools Serviced by NCCI—Policy Years 2024 and 2023 (\$000s)

| | Policy Year 2024 Quarterly Results | | | | At December 31, 2024 | |
|----------------------------------|------------------------------------|-----------------|-----------------|----------------|----------------------|-----------------|
| | First (\$) | Second (\$) | Third (\$) | Fourth (\$) | PY 2024 (\$) | PY 2023 (\$) |
| Premiums Written | 126,676 | 157,424 | 159,741 | 161,370 | 605,211 | 730,822 |
| Premiums Earned | 28,063 | 79,173 | 122,371 | 156,150 | 385,757 | 730,822 |
| Incurred Losses | 22,500 | 56,920 | 91,996 | 117,666 | 289,082 | 535,188 |
| Loss Ratio (%) | 80.2 | 71.9 | 75.2 | 75.4 | 74.9 | 73.2 |
| Paid Losses | 730 | 4,645 | 13,567 | 24,339 | 43,281 | 205,016 |
| Net Expenses | 35,539 | 42,352 | 40,814 | 41,630 | 160,335 | 201,523 |
| Net Operating Gain (Loss) | (29,975) | (20,099) | (10,440) | (3,145) | (63,659) | (5,888) |
| EBNR Premium Reserves | 0 | 0 | 0 | 0 | 0 | (36,411) |
| Loss Ratio With EBNR (%) | 80.2 | 71.9 | 75.2 | 75.4 | 74.9 | 77.1 |
| Unearned Premiums | 98,613 | 176,865 | 214,235 | 219,455 | 219,455 | 0 |
| Outstanding Losses | 6,657 | 18,612 | 54,012 | 94,055 | 94,055 | 193,136 |
| IBNR | 15,113 | 55,433 | 98,462 | 151,747 | 151,747 | 137,036 |
| Cash Flow | 90,408 | 110,428 | 105,360 | 95,403 | 401,599 | 324,284 |
| Uncollectible Premiums | 0 | 0 | 300 | 3,610 | 3,910 | 66,594 |

Exhibit J

Combined Calendar Year Operating Results

All Pools Serviced by NCCI—Calendar Years 2015–2024 (\$000s)

| Calendar Year | Written Premium (\$) | Increase (Decrease) Previous Year (%) | Earned Premium (\$) | Incurred Losses (\$) | Loss Ratio (%) | Net Operating Gain/(Loss) (\$) |
|---------------|----------------------|---------------------------------------|---------------------|----------------------|----------------|--------------------------------|
| 2024 | 652,895 | (7.7) | 666,349 | 356,680 | 53.5 | 95,049 |
| 2023 | 707,236 | (11.3) | 723,324 | 476,725 | 65.9 | (1,134) |
| 2022 | 797,452 | 12.3 | 797,607 | 395,028 | 49.5 | 130,189 |
| 2021 | 710,227 | (10.8) | 725,154 | 214,628 | 29.6 | 240,112 |
| 2020 | 795,953 | (8.7) | 817,548 | 244,362 | 29.9 | 303,797 |
| 2019 | 871,986 | (16.7) | 909,083 | 470,639 | 51.8 | 142,505 |
| 2018 | 1,046,649 | (1.9) | 1,066,284 | 598,246 | 56.1 | 135,268 |
| 2017 | 1,066,968 | (2.8) | 1,051,430 | 556,583 | 52.9 | 151,369 |
| 2016 | 1,097,898 | (6.2) | 1,121,401 | 589,890 | 52.6 | 171,095 |
| 2015 | 1,170,721 | 2.0 | 1,161,220 | 480,926 | 41.4 | 292,985 |

Individual Pools Calendar Year Operating Results

Quarterly Comparison for Calendar Year 2024; Annual Comparison for Calendar Years 2024 and 2023 (\$000s)

Exhibit K

National Workers Compensation Reinsurance Pooling Mechanism

| | Earned Premium (\$) | Incurred Losses (\$) | Loss Ratio (%) | Net Operating Gain/(Loss) (\$) |
|--------------------|------------------------|-------------------------|-------------------|-----------------------------------|
| 1st Quarter 2024 | 134,884 | 30,033 | 22.3 | 63,891 |
| 2nd Quarter 2024 | 145,612 | 79,888 | 54.9 | 15,126 |
| 3rd Quarter 2024 | 108,123 | 28,779 | 26.6 | 41,708 |
| 4th Quarter 2024 | 132,377 | 114,417 | 86.4 | (21,509) |
| Calendar Year 2024 | 520,996 | 253,117 | 48.6 | 99,216 |
| Calendar Year 2023 | 571,121 | 393,951 | 69.0 | (22,007) |

Exhibit L

Massachusetts Workers' Compensation Assigned Risk Pool

| | Earned Premium (\$) | Incurred Losses (\$) | Loss Ratio (%) | Net Operating Gain/(Loss) (\$) |
|--------------------|------------------------|-------------------------|-------------------|-----------------------------------|
| 1st Quarter 2024 | 22,579 | 18,698 | 82.8 | (3,814) |
| 2nd Quarter 2024 | 20,665 | 21,722 | 105.1 | (8,660) |
| 3rd Quarter 2024 | 20,700 | 16,333 | 78.9 | (2,866) |
| 4th Quarter 2024 | 21,909 | 18,780 | 85.7 | (3,941) |
| Calendar Year 2024 | 85,853 | 75,533 | 88.0 | (19,281) |
| Calendar Year 2023 | 97,388 | 54,033 | 55.5 | 11,737 |

Exhibit M

Michigan Workers Compensation Placement Facility

| | Earned Premium (\$) | Incurred Losses (\$) | Loss Ratio (%) | Net Operating Gain/(Loss) (\$) |
|--------------------|------------------------|-------------------------|-------------------|-----------------------------------|
| 1st Quarter 2024 | 13,484 | 7,186 | 53.3 | 2,784 |
| 2nd Quarter 2024 | 14,637 | 6,679 | 45.6 | 4,202 |
| 3rd Quarter 2024 | 12,274 | 7,097 | 57.8 | 2,296 |
| 4th Quarter 2024 | 13,232 | 7,656 | 57.9 | 2,231 |
| Calendar Year 2024 | 53,627 | 28,618 | 53.4 | 11,513 |
| Calendar Year 2023 | 49,538 | 34,270 | 69.2 | 1,151 |

Exhibit N

New Mexico Workers' Compensation Assigned Risk Pool

| | Earned Premium (\$) | Incurred Losses (\$) | Loss Ratio (%) | Net Operating Gain/(Loss) (\$) |
|--------------------|------------------------|-------------------------|-------------------|-----------------------------------|
| 1st Quarter 2024 | 1,435 | (881) | (61.4) | 1,665 |
| 2nd Quarter 2024 | 1,698 | 771 | 45.4 | 129 |
| 3rd Quarter 2024 | 1,556 | (1,456) | (93.6) | 2,268 |
| 4th Quarter 2024 | 1,183 | 980 | 82.8 | (461) |
| Calendar Year 2024 | 5,872 | (586) | (10.0) | 3,601 |
| Calendar Year 2023 | 5,275 | (5,526) | (104.8) | 7,984 |

Premium Volume and True Growth

Pool premium volume changes are only part of the picture when measuring residual market growth from year to year. True residual market growth compares pool premium for the current and prior policy years at the same level of maturity (measured in quarters) and then adjusts for shifts in direct assignment volume, the impacts of premium level changes, and wage growth.

NCCI's latest projections of adjusted premium volume changes indicate a 2% decrease from Policy Year 2023 to Policy Year 2024. This amount differs from the pool premium volume decrease of 6% shown in Exhibit A due to the adjustments described above. This is a continuation of the decrease from Policy Year 2023; however, previously, premium volume had been fairly stable for Policy Years 2020–2022.

Reserving

NCCI reviews reserving methodologies and indications each quarter. In addition, Pool Reserving Committees, composed of six insurance company actuaries, perform a quarterly peer review of NCCI methodologies and reserve recommendations for each of the reinsurance pools administered by NCCI. These recommendations are then reviewed by the applicable Pool Board and/or Pool Administrator for final acceptance.

For carrier annual statement purposes, NCCI's chief actuary issues a Statement of Actuarial Opinion on pool reserves. This certification encompasses all states with active pools serviced by NCCI, as well as all states within the National Pool.

The Policy Year 2024 combined ratio estimate for "All Pools Serviced by NCCI" is 105%, which is slightly lower than the current estimate of Policy Year 2023 (see Exhibit C). However, estimates for "incomplete policy years" are likely to change as they mature.

NCCI uses generally accepted actuarial standards of practice to book the respective pools' loss reserves and believes that current reserve levels are adequate.

NCCI calculates reserves on both an undiscounted and a discounted basis for pool participants. The amount of discount reflects the tabular discount for the indemnity portion of pension claim reserves.

Comparison of Operating Expenses for Calendar Years 2024, 2023, and 2022

The operating expenses for Calendar Year (CY) 2024 were \$215 million compared with \$248 million in CY 2023 and \$272 million in CY 2022. As a percentage of premiums written, the expenses were 33%, 35%, and 34% for CYs 2024, 2023, and 2022, respectively. The largest component of the operating expenses is the Servicing Carrier allowance, which accounted for approximately 72% of these expenses in CY 2024.

The Servicing Carrier allowance in 2024 was \$154 million compared with \$173 million in 2023 and \$195 million in 2022. This decrease is primarily due to an 8% decrease in written premiums in 2024.

Producer fees for CYs 2024, 2023, and 2022 were \$26 million, \$28 million, and \$32 million, respectively.

Other expenses, which include Servicing Carrier indemnification expenses, collection costs, and other reimbursable expenses, decreased to \$22 million, compared to \$34 million in 2023 and \$32 million in 2022. The decrease in other expenses for CY 2024 is due to a decrease in taxes and assessments that were reimbursed directly to Servicing Carriers.

Administrative expenses were \$14 million in 2024 and \$13 million in each of the Calendar Years 2022 and 2023.

Exhibit O

Comparison of Residual Market Written Premium to Total Direct Written Premium

Reinsurance Pools Serviced by NCCI
Calendar Years 2024 and 2023

| Preliminary 2024 | | | | | | Final 2023 | | | | |
|-------------------------|-----------------------------|---------------------------------------|--|--|------|-----------------------------|---------------------------------------|--|--|------|
| State | Direct Written Premium (\$) | Reinsurance Pool Written Premium (\$) | Direct Assignment Written Premium (\$) | Total Residual Market Written Premium (\$) | (%) | Direct Written Premium (\$) | Reinsurance Pool Written Premium (\$) | Direct Assignment Written Premium (\$) | Total Residual Market Written Premium (\$) | (%) |
| AL | 440,376,972 | 10,503,190 | 2,549,176 | 13,052,366 | 3.0 | 438,656,269 | 10,708,284 | 3,260,066 | 13,968,350 | 3.2 |
| AK | 186,914,002 | 25,146,502 | — | 25,146,502 | 13.5 | 187,271,198 | 25,772,952 | 166,676 | 25,939,628 | 13.9 |
| AZ | 867,542,775 | 32,695,591 | — | 32,695,591 | 3.8 | 893,314,406 | 33,531,883 | — | 33,531,883 | 3.8 |
| AR | 276,781,353 | 17,306,399 | — | 17,306,399 | 6.3 | 274,356,669 | 21,132,578 | — | 21,132,578 | 7.7 |
| CT | 762,961,847 | 21,408,679 | 8,186,365 | 29,595,044 | 3.9 | 746,590,654 | 20,881,164 | 8,622,904 | 29,504,068 | 4.0 |
| DC | 158,281,070 | 3,767,970 | — | 3,767,970 | 2.4 | 162,796,806 | 3,388,128 | — | 3,388,128 | 2.1 |
| GA | 1,833,136,121 | 130,580,089 | 19,830,611 | 150,410,700 | 8.2 | 1,835,843,306 | 96,583,258 | 22,012,184 | 118,595,442 | 6.5 |
| ID | 484,436,284 | 7,958,690 | — | 7,958,690 | 1.6 | 526,362,114 | 8,981,489 | — | 8,981,489 | 1.7 |
| IL | 2,535,898,137 | 77,128,551 | — | 77,128,551 | 3.0 | 2,526,953,750 | 79,177,244 | — | 79,177,244 | 3.1 |
| IA | 665,506,180 | 15,957,208 | 4,407,490 | 20,364,698 | 3.1 | 696,185,574 | 17,358,703 | 4,004,916 | 21,363,619 | 3.1 |
| KS | 443,070,149 | 18,069,356 | — | 18,069,356 | 4.1 | 436,080,323 | 19,843,495 | — | 19,843,495 | 4.6 |
| NV | 471,629,711 | 15,199,632 | — | 15,199,632 | 3.2 | 482,930,096 | 18,931,052 | — | 18,931,052 | 3.9 |
| NH | 225,583,074 | 12,588,066 | 2,364,160 | 14,952,226 | 6.6 | 232,728,126 | 12,063,417 | 2,479,524 | 14,542,941 | 6.2 |
| NM | 296,993,828 | 6,420,903 | — | 6,420,903 | 2.2 | 303,499,253 | 6,909,433 | — | 6,909,433 | 2.3 |
| OR | 791,763,334 | 18,820,903 | — | 18,820,903 | 2.4 | 804,368,083 | 19,411,423 | — | 19,411,423 | 2.4 |
| SC | 860,268,894 | 32,918,194 | 7,968,887 | 40,887,081 | 4.8 | 879,416,007 | 54,534,855 | 8,439,094 | 62,973,949 | 7.2 |
| SD | 193,947,870 | 7,227,658 | — | 7,227,658 | 3.7 | 194,708,822 | 6,116,803 | — | 6,116,803 | 3.1 |
| TN | 824,690,615 | 22,773,623 | 10,538,640 | 33,312,263 | 4.0 | 837,513,658 | 28,769,996 | 11,957,792 | 40,727,788 | 4.9 |
| VT | 195,381,573 | 14,651,377 | 2,197,081 | 16,848,458 | 8.6 | 185,837,737 | 12,699,141 | 1,723,134 | 14,422,275 | 7.8 |
| VA | 996,533,473 | 30,642,341 | 16,388,116 | 47,030,457 | 4.7 | 1,000,235,071 | 29,892,834 | 13,755,433 | 43,648,267 | 4.4 |
| WV | 251,931,031 | 13,132,075 | — | 13,132,075 | 5.2 | 260,478,015 | 10,522,361 | — | 10,522,361 | 4.0 |
| Sub Totals ¹ | 13,763,628,293 | 534,896,998 | 74,430,526 | 609,327,524 | 4.4 | 13,906,125,937 | 537,210,494 | 76,421,723 | 613,632,217 | 4.4 |
| DE | 176,326,886 | 6,650,073 | 1,072,943 | 7,723,016 | 4.4 | 181,548,716 | 7,263,779 | 1,233,270 | 8,497,049 | 4.7 |
| MA | 1,338,415,746 | 85,387,857 | 106,402,637 | 191,790,494 | 14.3 | 1,399,937,687 | 94,703,397 | 117,677,306 | 212,380,703 | 15.2 |
| MI | 1,063,059,440 | 53,563,094 | — | 53,563,094 | 5.0 | 1,083,434,148 | 50,260,085 | — | 50,260,085 | 4.6 |
| NJ | 2,636,970,360 | 78,608,928 | 43,555,144 | 122,164,072 | 4.6 | 2,644,094,741 | 98,708,698 | 39,752,084 | 138,460,782 | 5.2 |
| NC | 1,542,421,996 | 51,359,572 | 21,197,318 | 72,556,890 | 4.7 | 1,521,493,779 | 53,319,821 | 25,422,937 | 78,742,758 | 5.2 |
| Grand Totals | 20,520,822,721 | 810,466,522 | 246,658,568 | 1,057,125,090 | 5.2 | 20,736,635,008 | 841,466,274 | 260,507,320 | 1,101,973,594 | 5.3 |

¹ Subtotals in this chart represent the results for NCCI Plan-administered states.

Exhibit P

Residual Market Share

Reinsurance Pools Serviced by NCCI

Residual Market Written Premium as a Percentage of Total Direct Written Premium Calendar Years 2020–2024

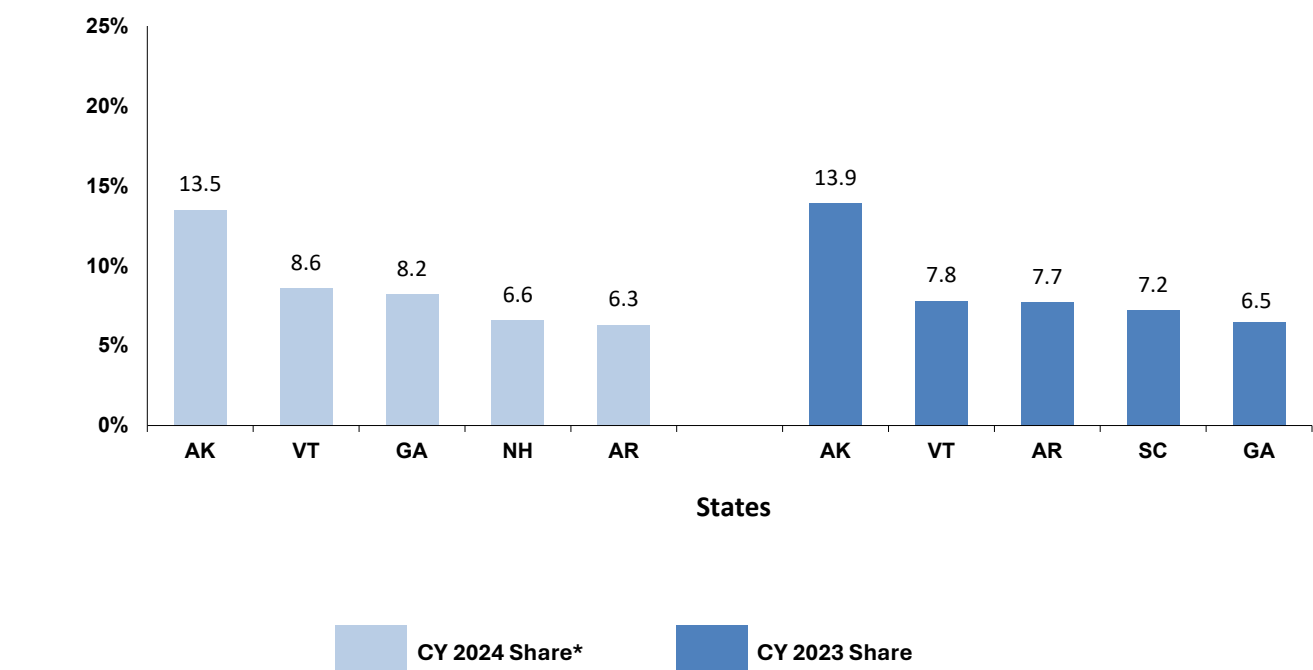
| State | 2024 ¹ (%) | 2023 (%) | 2022 (%) | 2021 (%) | 2020 (%) |
|------------------------------|--------------------------|-------------|-------------|-------------|-------------|
| Alabama | 3.0 | 3.2 | 3.8 | 2.6 | 3.2 |
| Alaska | 13.5 | 13.9 | 14.1 | 13.7 | 12.7 |
| Arizona | 3.8 | 3.8 | 3.9 | 4.5 | 4.6 |
| Arkansas | 6.3 | 7.7 | 9.2 | 8.6 | 9.0 |
| Connecticut | 3.9 | 4.0 | 4.1 | 4.7 | 4.5 |
| District of Columbia | 2.4 | 2.1 | 2.2 | 2.4 | 2.8 |
| Georgia | 8.2 | 6.5 | 7.6 | 8.8 | 8.2 |
| Idaho | 1.6 | 1.7 | 1.7 | 1.6 | 1.5 |
| Illinois | 3.0 | 3.1 | 3.1 | 3.5 | 3.6 |
| Iowa | 3.1 | 3.1 | 3.7 | 3.8 | 4.1 |
| Kansas | 4.1 | 4.6 | 5.6 | 5.5 | 5.7 |
| Nevada | 3.2 | 3.9 | 4.3 | 5.2 | 5.7 |
| New Hampshire | 6.6 | 6.2 | 7.0 | 6.6 | 7.0 |
| New Mexico | 2.2 | 2.3 | 2.1 | 2.0 | 3.3 |
| Oregon | 2.4 | 2.4 | 3.4 | 3.8 | 3.6 |
| South Carolina | 4.8 | 7.2 | 8.1 | 5.9 | 6.9 |
| South Dakota | 3.7 | 3.1 | 3.7 | 3.3 | 3.5 |
| Tennessee | 4.0 | 4.9 | 6.3 | 7.1 | 6.9 |
| Vermont | 8.6 | 7.8 | 8.6 | 8.5 | 8.5 |
| Virginia | 4.7 | 4.4 | 5.5 | 5.4 | 5.3 |
| West Virginia | 5.2 | 4.0 | 3.4 | 5.9 | 4.5 |
| Subtotals² | 4.4 | 4.4 | 5.0 | 5.3 | 5.3 |
| Delaware | 4.4 | 4.7 | 5.6 | 5.8 | 7.4 |
| Massachusetts | 14.3 | 15.2 | 17.2 | 17.5 | 17.9 |
| Michigan | 5.0 | 4.6 | 5.9 | 5.5 | 5.8 |
| New Jersey | 4.6 | 5.2 | 6.0 | 5.7 | 7.7 |
| North Carolina | 4.7 | 5.2 | 6.0 | 5.7 | 5.6 |
| Grand Totals | 5.2 | 5.3 | 6.1 | 6.2 | 6.5 |

¹ 2024 Preliminary.

² Subtotals in this chart represent the market shares for NCCI Plan-administered states.

NCCI Plan-Administered States With Highest Residual Market Share
Calendar Years 2024 and 2023

Residual Market Written Premium as a Percentage of Total Direct Written Premium



NCCI Plan-Administered States With Lowest Residual Market Share
Calendar Years 2024 and 2023

Residual Market Written Premium as a Percentage of Total Direct Written Premium

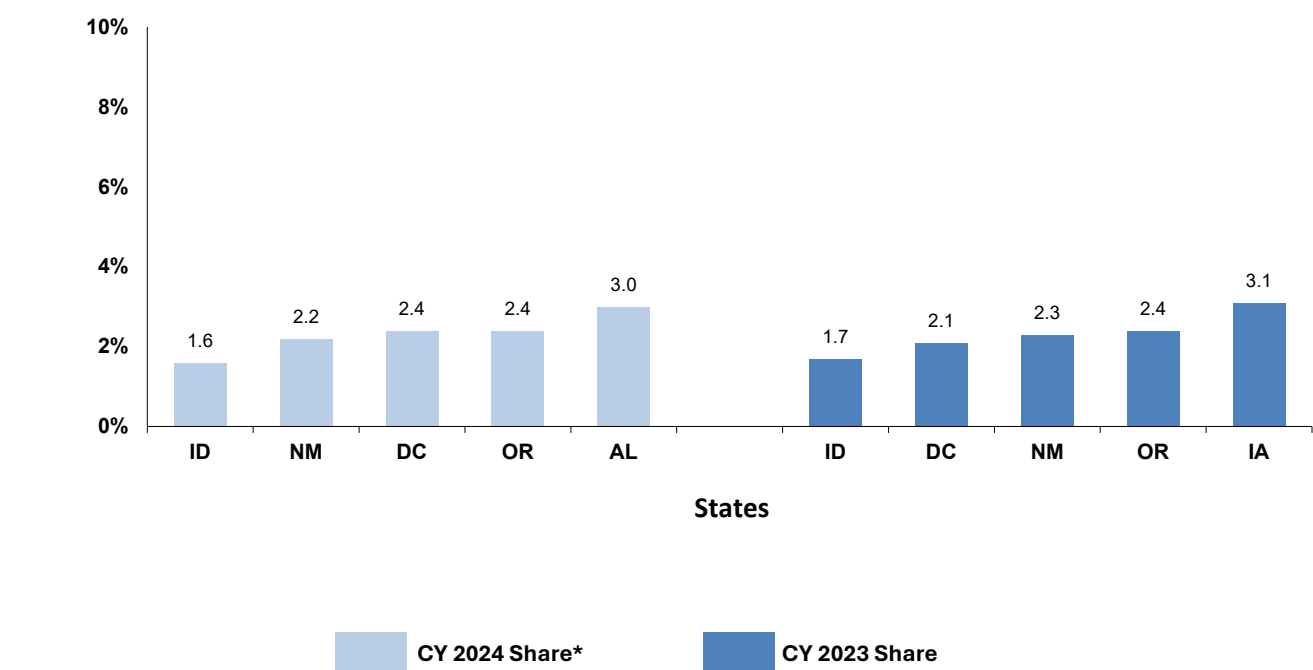


Exhibit Q

Net Underwriting Results—All Pools Serviced by NCCI

Calendar Years 2022–2024 (excluding results for states in which only federal or extraordinary coverage is reinsured)

| | Net Underwriting Gain/(Loss) by Calendar Year | | |
|-----------------------------|---|--------------------|--------------------|
| State | 2024 (\$) | 2023 (\$) | 2022 (\$) |
| Alabama | 13,951,231 | 18,414,116 | 4,037,123 |
| Alaska | 12,153,888 | 12,404,727 | 6,772,962 |
| Arizona | 7,846,402 | 527,478 | 5,545,972 |
| Arkansas | 9,135,126 | (21,018,794) | 5,456,173 |
| Connecticut | (1,956,449) | 7,592,980 | 6,090,664 |
| Delaware | 5,576,904 | 3,981,703 | 5,992,622 |
| District of Columbia | 1,131,858 | 930,525 | (239,426) |
| Georgia | (25,441,645) | (27,718,730) | (18,071,000) |
| Idaho | 2,406,701 | 7,064,920 | 683,486 |
| Illinois | 1,221,774 | (6,250,469) | 26,505,542 |
| Iowa | 12,563,991 | (7,501,752) | 1,331,100 |
| Kansas | 1,019,789 | (6,784,224) | 51,355 |
| Massachusetts | (17,659,464) | 3,632,673 | 16,493,885 |
| Michigan | 11,779,797 | 962,661 | 16,536,559 |
| Nevada | (107,306) | (825,095) | 2,103,333 |
| New Hampshire | 1,654,975 | 2,061,253 | 5,628,067 |
| New Jersey | 13,665,831 | (3,425,332) | 7,039,350 |
| New Mexico | 3,579,854 | 7,953,644 | 2,932,575 |
| North Carolina | 37,704,722 | (8,131,504) | 18,545,557 |
| Oklahoma ¹ | (121,739) | 0 | 0 |
| Oregon | 12,542,299 | 10,209,502 | (7,980,571) |
| South Carolina ² | (21,087,819) | (12,634,829) | (8,223,307) |
| South Dakota | 4,517,519 | (79,856) | 1,212,967 |
| Tennessee ³ | 7,775,487 | 6,993,356 | 25,046,450 |
| Vermont | 2,792,613 | (991,315) | 1,257,279 |
| Virginia | 14,374,977 | 19,735,137 | 6,894,091 |
| West Virginia | 2,199,576 | (1,619,471) | (664,019) |
| Subtotals | 113,219,075 | 5,483,304 | 130,978,789 |
| Runoff States: | | | |
| Florida ⁴ | (5,673,369) | (1,979,386) | (771,156) |
| Hawaii ⁵ | 1,043,784 | 365,987 | 453,222 |
| Indiana ⁶ | 861,976 | (1,110,293) | 32,089 |
| Kentucky ⁷ | (7,640,635) | (1,163,627) | 9,168,654 |
| Louisiana ⁸ | (728,734) | 1,756,454 | (4,499,092) |
| Maine ⁹ | (630,532) | (250,610) | (550,695) |
| Mississippi ⁹ | 8,340,673 | (330,969) | (523,752) |
| Missouri ¹⁰ | (6,023,719) | (2,481,067) | (3,463,731) |
| Nebraska ¹¹ | (1,861,200) | 135,187 | (189,705) |
| Rhode Island ⁹ | (6,552,191) | (2,029,958) | (123,543) |
| Totals | (94,355,128) | (1,604,976) | 130,511,081 |

¹ Oklahoma underwriting results represent policies with effective dates of June 1, 2024, and subsequent.

² South Carolina underwriting results represent policies with effective dates prior to May 1, 2000, and subsequent to April 30, 2003.

³ Tennessee: The TRM Mechanism was merged with the National Pool effective January 1, 2021.

⁴ Florida underwriting results represent policies with effective dates prior to January 1, 1994.

⁵ Hawaii underwriting results represent policies with effective dates prior to July 20, 1997.

⁶ Indiana underwriting results represent policies with effective dates prior to January 1, 2005.

⁷ Kentucky underwriting results represent policies with effective dates prior to September 1, 1995.

⁸ Louisiana underwriting results represent policies with effective dates prior to October 1, 1992.

⁹ Maine, Mississippi, and Rhode Island underwriting results represent policies with effective dates prior to January 1, 1993.

¹⁰ Missouri underwriting results represent policies with effective dates prior to July 1, 1995.

¹¹ Nebraska underwriting results represent policies with effective dates prior to July 1, 1997.

Exhibit R

Comparative Number of Residual Market Policies

Policy Years 2024 and 2023*

| State | 2024 Policies | 2023 Policies | Number Change | Percent Change (%) |
|--------------------------|----------------|----------------|-----------------|--------------------|
| Alabama | 1,558 | 1,643 | (85) | (5.2) |
| Alaska | 5,533 | 5,743 | (210) | (3.7) |
| Arizona | 4,369 | 4,423 | (54) | (1.2) |
| Arkansas | 5,106 | 5,314 | (208) | (3.9) |
| Connecticut | 11,784 | 12,063 | (279) | (2.3) |
| District of Columbia | 574 | 673 | (99) | (14.7) |
| Georgia | 19,126 | 20,354 | (1,228) | (6.0) |
| Idaho | 3,086 | 3,244 | (158) | (4.9) |
| Illinois | 24,412 | 26,305 | (1,893) | (7.2) |
| Iowa | 3,286 | 3,572 | (286) | (8.0) |
| Kansas | 4,438 | 4,918 | (480) | (9.8) |
| Mississippi | 1,784 | 1,858 | (74) | (4.0) |
| Nevada | 2,365 | 3,605 | (1,240) | (34.4) |
| New Hampshire | 3,710 | 3,722 | (12) | (0.3) |
| New Mexico | 808 | 792 | 16 | 2.0 |
| Oklahoma** | 87 | 0 | N/A | N/A |
| Oregon | 4,755 | 5,111 | (356) | (7.0) |
| South Carolina | 11,571 | 11,941 | (370) | (3.1) |
| South Dakota | 928 | 896 | 32 | 3.6 |
| Tennessee | 6,535 | 7,875 | (1,340) | (17.0) |
| Vermont | 2,757 | 2,765 | (8) | (0.3) |
| Virginia | 12,676 | 13,210 | (534) | (4.0) |
| West Virginia | 1,984 | 2,044 | (60) | (2.9) |
| Subtotal | 133,232 | 142,071 | (8,839) | (6.2) |
| Other Pool States | | | | |
| Delaware | 1,426 | 1,580 | (154) | (9.7) |
| Indiana | 8,274 | 8,618 | (344) | (4.0) |
| New Jersey | 26,891 | 62,487 | (35,596) | (57.0) |
| North Carolina | 22,210 | 23,863 | (1,653) | (6.9) |
| Subtotal | 58,801 | 96,548 | (37,747) | (39.1) |
| Grand Totals | 192,033 | 238,619 | (46,586) | (19.5) |

*2023 figures have been restated to account for additional data available since the publication of Residual Market Management Summary 2023.

**NCCI's Workers Compensation Plan is effective in Oklahoma beginning June 1, 2024.

Exhibit S

Residual Market Premium Size Profile

Policy Year 2024*

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|----------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 144,328 | 75.2 | 158,841,719 | 22.5 | 1,101 |
| 2,500–4,999 | 20,769 | 10.8 | 73,826,330 | 10.5 | 3,555 |
| 5,000–9,999 | 14,256 | 7.4 | 100,320,669 | 14.2 | 7,037 |
| 10,000–19,999 | 7,439 | 3.9 | 102,783,163 | 14.6 | 13,817 |
| 20,000–49,999 | 3,818 | 2.0 | 114,883,901 | 16.3 | 30,090 |
| 50,000–99,999 | 970 | 0.5 | 66,342,155 | 9.4 | 68,394 |
| 100,000–199,999 | 325 | 0.2 | 43,513,503 | 6.2 | 133,888 |
| 200,000+ | 128 | 0.1 | 44,634,497 | 6.3 | 348,707 |
| Totals | 192,033 | 100.0 | 705,145,936 | 100.0 | 3,672 |

*Total policy and estimated annual plan premium totals include Servicing and Direct Assignment Carriers for those states where NCCI provides Plan Administration, Pool Administration, or other services including policies cancelled short-term and the associated prorated premium. All premium totals in the state exhibits are estimated annual premiums because direct written premium is not available on an individual policy basis until 18 months after policy inception, according to NCCI's **Statistical Plan for Workers Compensation and Employers Liability Insurance**.

Premium Size Profiles by State

Policy Year 2024

Total Plan policy and estimated annual premium totals include Servicing Carriers and Direct Assignment Carriers for those states where NCCI provides Plan Administration, Pool Administration, or other services, including policies cancelled short term and the associated prorated premium. The following state profile policy and premium totals were calculated using the dominant state theory for multistate policies.

Alabama Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 1,092 | 70.1 | 1,379,587 | 16.5 | 1,263 |
| 2,500–4,999 | 211 | 13.5 | 752,147 | 9.0 | 3,565 |
| 5,000–9,999 | 111 | 7.1 | 795,597 | 9.5 | 7,168 |
| 10,000–19,999 | 81 | 5.2 | 1,122,944 | 13.4 | 13,864 |
| 20,000–49,999 | 45 | 2.9 | 1,405,347 | 16.8 | 31,230 |
| 50,000–99,999 | 10 | 0.6 | 662,801 | 7.9 | 66,280 |
| 100,000–199,999 | 5 | 0.3 | 627,962 | 7.5 | 125,592 |
| 200,000+ | 3 | 0.2 | 1,607,048 | 19.2 | 535,683 |
| Totals | 1,558 | 100.0 | 8,353,433 | 100.0 | 5,362 |

Alaska Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 3,935 | 71.1 | 3,035,190 | 13.1 | 771 |
| 2,500–4,999 | 626 | 11.3 | 2,244,154 | 9.7 | 3,585 |
| 5,000–9,999 | 483 | 8.7 | 3,439,218 | 14.8 | 7,121 |
| 10,000–19,999 | 274 | 5.0 | 3,896,790 | 16.8 | 14,222 |
| 20,000–49,999 | 150 | 2.7 | 4,517,800 | 19.5 | 30,119 |
| 50,000–99,999 | 46 | 0.8 | 3,120,123 | 13.5 | 67,829 |
| 100,000–199,999 | 17 | 0.3 | 2,242,502 | 9.7 | 131,912 |
| 200,000+ | 2 | 0.0 | 686,758 | 3.0 | 343,379 |
| Totals | 5,533 | 100.0 | 23,182,535 | 100.0 | 4,190 |

Arizona Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 2,595 | 59.4 | 2,676,976 | 10.4 | 1,032 |
| 2,500–4,999 | 642 | 14.7 | 2,302,387 | 8.9 | 3,586 |
| 5,000–9,999 | 530 | 12.1 | 3,744,709 | 14.5 | 7,065 |
| 10,000–19,999 | 325 | 7.4 | 4,458,529 | 17.3 | 13,719 |
| 20,000–49,999 | 208 | 4.8 | 6,184,811 | 24.0 | 29,735 |
| 50,000–99,999 | 54 | 1.2 | 3,488,131 | 13.5 | 64,595 |
| 100,000–199,999 | 12 | 0.3 | 1,799,090 | 7.0 | 149,924 |
| 200,000+ | 3 | 0.1 | 1,098,138 | 4.3 | 366,046 |
| Totals | 4,369 | 100.0 | 25,752,771 | 100.0 | 5,894 |

Premium Size Profiles by State (Cont'd)

Arkansas Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 3,549 | 69.5 | 3,825,487 | 23.6 | 1,078 |
| 2,500–4,999 | 815 | 16.0 | 2,863,542 | 17.7 | 3,514 |
| 5,000–9,999 | 469 | 9.2 | 3,200,614 | 19.8 | 6,824 |
| 10,000–19,999 | 189 | 3.7 | 2,530,784 | 15.6 | 13,390 |
| 20,000–49,999 | 63 | 1.2 | 1,826,517 | 11.3 | 28,992 |
| 50,000–99,999 | 15 | 0.3 | 1,057,879 | 6.5 | 70,525 |
| 100,000–199,999 | 6 | 0.1 | 877,847 | 5.4 | 146,308 |
| 200,000+ | 0 | 0.0 | 0 | 0.0 | 0 |
| Totals | 5,106 | 100.0 | 16,182,670 | 100.0 | 3,169 |

Connecticut Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 9,943 | 84.4 | 12,236,424 | 38.1 | 1,231 |
| 2,500–4,999 | 837 | 7.1 | 3,000,853 | 9.3 | 3,585 |
| 5,000–9,999 | 541 | 4.6 | 3,760,665 | 11.7 | 6,951 |
| 10,000–19,999 | 274 | 2.3 | 3,835,446 | 11.9 | 13,998 |
| 20,000–49,999 | 143 | 1.2 | 4,187,209 | 13.0 | 29,281 |
| 50,000–99,999 | 32 | 0.3 | 2,202,261 | 6.9 | 68,821 |
| 100,000–199,999 | 10 | 0.1 | 1,187,006 | 3.7 | 118,701 |
| 200,000+ | 4 | 0.0 | 1,733,889 | 5.4 | 433,472 |
| Totals | 11,784 | 100.0 | 32,143,753 | 100.0 | 2,728 |

Delaware Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 764 | 53.6 | 838,262 | 11.4 | 1,097 |
| 2,500–4,999 | 277 | 19.4 | 972,666 | 13.2 | 3,511 |
| 5,000–9,999 | 221 | 15.5 | 1,585,679 | 21.6 | 7,175 |
| 10,000–19,999 | 111 | 7.8 | 1,512,807 | 20.6 | 13,629 |
| 20,000–49,999 | 40 | 2.8 | 1,198,045 | 16.3 | 29,951 |
| 50,000–99,999 | 11 | 0.8 | 725,825 | 9.9 | 65,984 |
| 100,000–199,999 | 0 | 0.0 | 0 | 0.0 | 0 |
| 200,000+ | 2 | 0.1 | 519,121 | 7.1 | 259,561 |
| Totals | 1,426 | 100.0% | 7,352,405 | 100.0 | 5,156 |

District of Columbia Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 420 | 73.2 | 359,580 | 13.5 | 856 |
| 2,500–4,999 | 48 | 8.4 | 174,003 | 6.5 | 3,625 |
| 5,000–9,999 | 43 | 7.5 | 315,315 | 11.9 | 7,333 |
| 10,000–19,999 | 36 | 6.3 | 524,357 | 19.7 | 14,565 |
| 20,000–49,999 | 17 | 3.0 | 500,068 | 18.8 | 29,416 |
| 50,000–99,999 | 7 | 1.2 | 428,366 | 16.1 | 61,195 |
| 100,000–199,999 | 3 | 0.5 | 354,850 | 13.4 | 118,283 |
| 200,000+ | 0 | 0.0 | 0 | 0.0 | 0 |
| Totals | 574 | 100.0 | 2,656,539 | 100.0 | 4,628 |

Premium Size Profiles by State (Cont'd)

Georgia Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 16,192 | 84.7 | 21,584,150 | 32.8 | 1,333 |
| 2,500–4,999 | 1,332 | 7.0 | 4,664,600 | 7.1 | 3,502 |
| 5,000–9,999 | 787 | 4.1 | 5,587,650 | 8.5 | 7,100 |
| 10,000–19,999 | 449 | 2.3 | 6,179,324 | 9.4 | 13,762 |
| 20,000–49,999 | 228 | 1.2 | 6,911,666 | 10.5 | 30,314 |
| 50,000–99,999 | 69 | 0.4 | 4,645,503 | 7.1 | 67,326 |
| 100,000–199,999 | 42 | 0.2 | 5,534,808 | 8.4 | 131,781 |
| 200,000+ | 27 | 0.1 | 10,736,313 | 16.3 | 397,641 |
| Totals | 19,126 | 100.0 | 65,844,014 | 100.0 | 3,443 |

Idaho Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 2,740 | 88.8 | 1,230,811 | 17.8 | 449 |
| 2,500–4,999 | 92 | 3.0 | 341,142 | 4.9 | 3,708 |
| 5,000–9,999 | 115 | 3.7 | 800,540 | 11.6 | 6,961 |
| 10,000–19,999 | 74 | 2.4 | 1,032,811 | 15.0 | 13,957 |
| 20,000–49,999 | 39 | 1.3 | 1,324,520 | 19.2 | 33,962 |
| 50,000–99,999 | 21 | 0.7 | 1,494,766 | 21.7 | 71,179 |
| 100,000–199,999 | 5 | 0.2 | 670,864 | 9.7 | 134,173 |
| 200,000+ | 0 | 0.0 | 0 | 0.0 | 0 |
| Totals | 3,086 | 100.0 | 6,895,454 | 100.0 | 2,234 |

Illinois Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 21,276 | 87.2 | 28,294,804 | 41.7 | 1,330 |
| 2,500–4,999 | 1,338 | 5.5 | 4,713,267 | 6.9 | 3,523 |
| 5,000–9,999 | 911 | 3.7 | 6,373,052 | 9.4 | 6,996 |
| 10,000–19,999 | 503 | 2.1 | 6,953,325 | 10.2 | 13,824 |
| 20,000–49,999 | 254 | 1.0 | 7,551,103 | 11.1 | 29,729 |
| 50,000–99,999 | 93 | 0.4 | 6,661,498 | 9.8 | 71,629 |
| 100,000–199,999 | 22 | 0.1 | 2,985,275 | 4.4 | 135,694 |
| 200,000+ | 15 | 0.1 | 4,318,801 | 6.4 | 287,920 |
| Totals | 24,412 | 100.0 | 67,851,125 | 100.0 | 2,779 |

Indiana Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 5,411 | 65.4 | 5,982,689 | 16.8 | 1,106 |
| 2,500–4,999 | 1,285 | 15.5 | 4,551,185 | 12.8 | 3,542 |
| 5,000–9,999 | 827 | 10.0 | 5,890,133 | 16.5 | 7,122 |
| 10,000–19,999 | 452 | 5.5 | 6,237,920 | 17.5 | 13,801 |
| 20,000–49,999 | 233 | 2.8 | 6,952,441 | 19.5 | 29,839 |
| 50,000–99,999 | 47 | 0.6 | 3,223,615 | 9.1 | 68,588 |
| 100,000–199,999 | 18 | 0.2 | 2,432,038 | 6.8 | 135,113 |
| 200,000+ | 1 | 0.0 | 336,755 | 0.9 | 336,755 |
| Totals | 8,274 | 100.0 | 35,606,775 | 100.0 | 4,303 |

Premium Size Profiles by State (Cont'd)

Iowa Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 1,855 | 56.5 | 1,850,443 | 9.3 | 998 |
| 2,500–4,999 | 643 | 19.6 | 2,308,094 | 11.6 | 3,590 |
| 5,000–9,999 | 394 | 12.0 | 2,764,725 | 13.9 | 7,017 |
| 10,000–19,999 | 211 | 6.4 | 2,901,020 | 14.6 | 13,749 |
| 20,000–49,999 | 124 | 3.8 | 3,714,614 | 18.6 | 29,957 |
| 50,000–99,999 | 41 | 1.2 | 2,922,733 | 14.7 | 71,286 |
| 100,000–199,999 | 12 | 0.4 | 1,951,952 | 9.8 | 162,663 |
| 200,000+ | 6 | 0.2 | 1,508,544 | 7.6 | 251,424 |
| Totals | 3,286 | 100.0 | 19,922,125 | 100.0 | 6,063 |

Kansas Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 3,017 | 68.0 | 2,887,026 | 17.7 | 957 |
| 2,500–4,999 | 704 | 15.9 | 2,483,616 | 15.2 | 3,528 |
| 5,000–9,999 | 424 | 9.6 | 2,888,643 | 17.7 | 6,813 |
| 10,000–19,999 | 175 | 3.9 | 2,418,245 | 14.8 | 13,819 |
| 20,000–49,999 | 88 | 2.0 | 2,629,157 | 16.1 | 29,877 |
| 50,000–99,999 | 21 | 0.5 | 1,454,062 | 8.9 | 69,241 |
| 100,000–199,999 | 7 | 0.2 | 911,474 | 5.6 | 130,211 |
| 200,000+ | 2 | 0.0 | 639,652 | 3.9 | 319,826 |
| Totals | 4,438 | 100.0 | 16,311,875 | 100.0 | 3,676 |

Mississippi Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 1,034 | 58.0 | 1,094,456 | 11.5 | 1,058 |
| 2,500–4,999 | 321 | 18.0 | 1,141,541 | 12.0 | 3,556 |
| 5,000–9,999 | 229 | 12.8 | 1,585,794 | 16.7 | 6,925 |
| 10,000–19,999 | 130 | 7.3 | 1,808,780 | 19.0 | 13,914 |
| 20,000–49,999 | 52 | 2.9 | 1,614,864 | 17.0 | 31,055 |
| 50,000–99,999 | 11 | 0.6 | 837,619 | 8.8 | 76,147 |
| 100,000–199,999 | 3 | 0.2 | 472,654 | 5.0 | 157,551 |
| 200,000+ | 4 | 0.2 | 957,805 | 10.1 | 239,451 |
| Totals | 1,784 | 100.0 | 9,513,513 | 100.0 | 5,333 |

Nevada Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 1,507 | 63.7 | 1,460,942 | 11.1 | 969 |
| 2,500–4,999 | 340 | 14.4 | 1,202,157 | 9.1 | 3,536 |
| 5,000–9,999 | 255 | 10.8 | 1,824,719 | 13.9 | 7,156 |
| 10,000–19,999 | 159 | 6.7 | 2,242,509 | 17.1 | 14,104 |
| 20,000–49,999 | 67 | 2.8 | 2,178,322 | 16.6 | 32,512 |
| 50,000–99,999 | 25 | 1.1 | 1,805,015 | 13.7 | 72,201 |
| 100,000–199,999 | 8 | 0.3 | 1,206,667 | 9.2 | 150,833 |
| 200,000+ | 4 | 0.2 | 1,219,881 | 9.3 | 304,970 |
| Totals | 2,365 | 100.0 | 13,140,212 | 100.0 | 5,556 |

Premium Size Profiles by State (Cont'd)

New Hampshire Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 2,579 | 69.5 | 2,742,340 | 19.9 | 1,063 |
| 2,500–4,999 | 473 | 12.7 | 1,686,572 | 12.3 | 3,566 |
| 5,000–9,999 | 360 | 9.7 | 2,550,490 | 18.5 | 7,085 |
| 10,000–19,999 | 194 | 5.2 | 2,671,251 | 19.4 | 13,769 |
| 20,000–49,999 | 84 | 2.3 | 2,531,785 | 18.4 | 30,140 |
| 50,000–99,999 | 15 | 0.4 | 986,078 | 7.2 | 65,739 |
| 100,000–199,999 | 5 | 0.1 | 582,941 | 4.2 | 116,588 |
| 200,000+ | 0 | 0.0 | 0 | 0.0 | 0 |
| Totals | 3,710 | 100.0 | 13,751,457 | 100.0 | 3,707 |

New Jersey Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 18,591 | 69.1 | 14,855,196 | 11.9 | 799 |
| 2,500–4,999 | 3,065 | 11.4 | 11,065,058 | 8.9 | 3,610 |
| 5,000–9,999 | 2,631 | 9.8 | 18,822,436 | 15.1 | 7,154 |
| 10,000–19,999 | 1,463 | 5.4 | 20,307,266 | 16.2 | 13,881 |
| 20,000–49,999 | 843 | 3.1 | 25,618,085 | 20.5 | 30,389 |
| 50,000–99,999 | 195 | 0.7 | 13,433,240 | 10.7 | 68,888 |
| 100,000–199,999 | 70 | 0.3 | 9,299,086 | 7.4 | 132,844 |
| 200,000+ | 33 | 0.1 | 11,582,177 | 9.3 | 350,975 |
| Totals | 26,891 | 100.0 | 124,982,544 | 100.0 | 4,648 |

New Mexico Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 571 | 70.7 | 637,291 | 16.8 | 1,116 |
| 2,500–4,999 | 86 | 10.6 | 302,350 | 8.0 | 3,516 |
| 5,000–9,999 | 58 | 7.2 | 411,333 | 10.8 | 7,092 |
| 10,000–19,999 | 46 | 5.7 | 636,120 | 16.7 | 13,829 |
| 20,000–49,999 | 40 | 5.0 | 1,245,673 | 32.8 | 31,142 |
| 50,000–99,999 | 5 | 0.6 | 320,416 | 8.4 | 64,083 |
| 100,000–199,999 | 2 | 0.2 | 248,208 | 6.5 | 124,104 |
| 200,000+ | 0 | 0.0 | 0 | 0.0 | 0 |
| Totals | 808 | 100.0 | 3,801,391 | 100.0 | 4,705 |

North Carolina Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 17,316 | 78.0 | 22,655,036 | 37.6 | 1,308 |
| 2,500–4,999 | 2,614 | 11.8 | 9,285,450 | 15.4 | 3,552 |
| 5,000–9,999 | 1,436 | 6.5 | 9,908,875 | 16.4 | 6,900 |
| 10,000–19,999 | 593 | 2.7 | 8,067,264 | 13.4 | 13,604 |
| 20,000–49,999 | 200 | 0.9 | 5,879,515 | 9.8 | 29,398 |
| 50,000–99,999 | 43 | 0.2 | 2,748,232 | 4.6 | 63,912 |
| 100,000–199,999 | 5 | 0.0 | 708,905 | 1.2 | 141,781 |
| 200,000+ | 3 | 0.0 | 1,009,445 | 1.7 | 336,482 |
| Totals | 22,210 | 100.0 | 60,262,722 | 100.0 | 2,713 |

Premium Size Profiles by State (Cont'd)

Oklahoma Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 52 | 59.8 | 55,827 | 8.1 | 1,074 |
| 2,500–4,999 | 10 | 11.5 | 33,134 | 4.8 | 3,313 |
| 5,000–9,999 | 9 | 10.3 | 68,795 | 10.0 | 7,644 |
| 10,000–19,999 | 10 | 11.5 | 132,308 | 19.2 | 13,231 |
| 20,000–49,999 | 4 | 4.6 | 100,721 | 14.6 | 25,180 |
| 50,000–99,999 | 1 | 1.1 | 61,840 | 9.0 | 61,840 |
| 100,000–199,999 | 0 | 0.0 | 0 | 0.0 | 0 |
| 200,000+ | 1 | 1.1 | 235,493 | 34.2 | 235,493 |
| Totals | 87 | 100.0 | 688,118 | 100.0 | 7,909 |

Oregon Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 3,567 | 75.0 | 2,504,351 | 14.8 | 702 |
| 2,500–4,999 | 468 | 9.8 | 1,638,460 | 9.7 | 3,501 |
| 5,000–9,999 | 338 | 7.1 | 2,404,989 | 14.2 | 7,115 |
| 10,000–19,999 | 213 | 4.5 | 2,951,356 | 17.4 | 13,856 |
| 20,000–49,999 | 128 | 2.7 | 3,830,089 | 22.6 | 29,923 |
| 50,000–99,999 | 32 | 0.7 | 2,125,588 | 12.5 | 66,425 |
| 100,000–199,999 | 8 | 0.2 | 1,145,138 | 6.8 | 143,142 |
| 200,000+ | 1 | 0.0 | 360,924 | 2.1 | 360,924 |
| Totals | 4,755 | 100.0 | 16,960,895 | 100.0 | 3,567 |

South Carolina Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 9,957 | 86.1 | 9,805,235 | 32.1 | 985 |
| 2,500–4,999 | 708 | 6.1 | 2,502,096 | 8.2 | 3,534 |
| 5,000–9,999 | 470 | 4.1 | 3,293,952 | 10.8 | 7,008 |
| 10,000–19,999 | 222 | 1.9 | 3,071,140 | 10.0 | 13,834 |
| 20,000–49,999 | 150 | 1.3 | 4,537,363 | 14.8 | 30,249 |
| 50,000–99,999 | 35 | 0.3 | 2,395,045 | 7.8 | 68,430 |
| 100,000–199,999 | 23 | 0.2 | 2,859,229 | 9.3 | 124,314 |
| 200,000+ | 6 | 0.1 | 2,128,245 | 7.0 | 354,708 |
| Totals | 11,571 | 100.0 | 30,592,305 | 100.0 | 2,644 |

South Dakota Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 475 | 51.2 | 626,954 | 9.2 | 1,320 |
| 2,500–4,999 | 171 | 18.4 | 604,391 | 8.9 | 3,534 |
| 5,000–9,999 | 126 | 13.6 | 879,806 | 12.9 | 6,983 |
| 10,000–19,999 | 85 | 9.2 | 1,162,689 | 17.1 | 13,679 |
| 20,000–49,999 | 51 | 5.5 | 1,577,577 | 23.2 | 30,933 |
| 50,000–99,999 | 12 | 1.3 | 753,042 | 11.1 | 62,754 |
| 100,000–199,999 | 6 | 0.6 | 776,153 | 11.4 | 129,359 |
| 200,000+ | 2 | 0.2 | 433,591 | 6.4 | 216,796 |
| Totals | 928 | 100.0 | 6,814,203 | 100.0 | 7,343 |

Premium Size Profiles by State (Cont'd)

Tennessee Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 4,213 | 64.5 | 4,222,468 | 14.7 | 1,002 |
| 2,500–4,999 | 1,023 | 15.7 | 3,648,229 | 12.7 | 3,566 |
| 5,000–9,999 | 710 | 10.9 | 5,071,495 | 17.6 | 7,143 |
| 10,000–19,999 | 355 | 5.4 | 4,897,441 | 17.0 | 13,796 |
| 20,000–49,999 | 170 | 2.6 | 5,147,525 | 17.9 | 30,280 |
| 50,000–99,999 | 45 | 0.7 | 3,012,595 | 10.5 | 66,947 |
| 100,000–199,999 | 17 | 0.3 | 2,231,934 | 7.8 | 131,290 |
| 200,000+ | 2 | 0.0 | 522,552 | 1.8 | 261,276 |
| Totals | 6,535 | 100.0 | 28,754,239 | 100.0 | 4,400 |

Vermont Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 1,693 | 61.4 | 1,928,568 | 12.0 | 1,139 |
| 2,500–4,999 | 398 | 14.4 | 1,409,466 | 8.8 | 3,541 |
| 5,000–9,999 | 289 | 10.5 | 2,041,765 | 12.7 | 7,065 |
| 10,000–19,999 | 213 | 7.7 | 2,966,087 | 18.4 | 13,925 |
| 20,000–49,999 | 123 | 4.5 | 3,718,078 | 23.1 | 30,228 |
| 50,000–99,999 | 29 | 1.1 | 1,990,781 | 12.4 | 68,648 |
| 100,000–199,999 | 9 | 0.3 | 1,215,481 | 7.6 | 135,053 |
| 200,000+ | 3 | 0.1 | 820,987 | 5.1 | 273,662 |
| Totals | 2,757 | 100.0 | 16,091,213 | 100.0 | 5,836 |

Virginia Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|---------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 8,699 | 68.6 | 8,572,716 | 20.1 | 985 |
| 2,500–4,999 | 1,877 | 14.8 | 6,668,268 | 15.6 | 3,553 |
| 5,000–9,999 | 1,286 | 10.1 | 8,895,543 | 20.8 | 6,917 |
| 10,000–19,999 | 518 | 4.1 | 7,116,286 | 16.7 | 13,738 |
| 20,000–49,999 | 243 | 1.9 | 7,072,756 | 16.6 | 29,106 |
| 50,000–99,999 | 43 | 0.3 | 2,909,289 | 6.8 | 67,658 |
| 100,000–199,999 | 8 | 0.1 | 989,359 | 2.3 | 123,670 |
| 200,000+ | 2 | 0.0 | 441,987 | 1.0 | 220,994 |
| Totals | 12,676 | 100.0 | 42,666,204 | 100.0 | 3,366 |

West Virginia Premium Size Profile—Policy Year 2024

| Premium Size (\$) | Policy Count | % of Total Policies (%) | Estimated Annual Premium (\$) | % of Total Premium (%) | Average Premium (\$) |
|-------------------|--------------|-------------------------|-------------------------------|------------------------|----------------------|
| 0–2,499 | 1,285 | 64.8 | 1,498,910 | 16.5 | 1,166 |
| 2,500–4,999 | 365 | 18.4 | 1,267,502 | 14.0 | 3,473 |
| 5,000–9,999 | 203 | 10.2 | 1,414,137 | 15.6 | 6,966 |
| 10,000–19,999 | 84 | 4.2 | 1,148,364 | 12.7 | 13,671 |
| 20,000–49,999 | 31 | 1.6 | 928,250 | 10.2 | 29,944 |
| 50,000–99,999 | 12 | 0.6 | 875,812 | 9.7 | 72,984 |
| 100,000–199,999 | 2 | 0.1 | 202,080 | 2.2 | 101,040 |
| 200,000+ | 2 | 0.1 | 1,736,391 | 19.1 | 868,196 |
| Totals | 1,984 | 100.0 | 9,071,446 | 100.0 | 4,572 |

Exhibit T

Classifications With Largest Premium Volume

Policy Year 2024*

| Classification Code | Classification Description | Premium Amount (\$) |
|---------------------|--|---------------------|
| 5645 | Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height | 57,002,313 |
| 5551 | Roofing—All Kinds & Drivers | 43,759,201 |
| 5474 | Painting NOC & Shop Operations, Drivers | 15,590,452 |
| 7219 | Trucking NOC—All Employees & Drivers | 15,404,621 |
| 5437 | Carpentry—Installation of Cabinet Work or Interior Trim | 13,844,779 |
| 0106 | Tree Pruning, Spraying, Repairing—All Operations & Drivers | 10,903,378 |
| 5445 | Wallboard, Sheetrock, Drywall, Plasterboard, or Cement Board Installation—Within Buildings—& Drivers | 8,917,970 |
| 9014 | Janitorial Services by Contractors—No Window Cleaning Above Ground Level & Drivers | 8,906,189 |
| 5022 | Masonry NOC | 8,037,800 |
| 7720 | Police Officers & Drivers | 7,744,310 |

NOC = Not Otherwise Classified

*Estimated Annual Premium totals include Servicing and Direct Assignment Carriers for those states where NCCI provides Plan Administration services.

Exhibit U

Classifications With Largest Policy Count

Policy Year 2024*

| Classification Code | Classification Description | Policy Count |
|---------------------|--|--------------|
| 5645 | Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height | 17,831 |
| 5551 | Roofing—All Kinds & Drivers | 10,116 |
| 5437 | Carpentry—Installation of Cabinet Work or Interior Trim | 8,051 |
| 5474 | Painting NOC & Shop Operations, Drivers | 7,455 |
| 7219 | Trucking NOC—All Employees & Drivers | 6,594 |
| 5445 | Wallboard, Sheetrock, Drywall, Plasterboard, or Cement Board Installation—Within Buildings—& Drivers | 3,558 |
| 5022 | Masonry NOC | 2,973 |
| 9014 | Janitorial Services by Contractors—No Window Cleaning Above Ground Level & Drivers | 2,822 |
| 0106 | Tree Pruning, Spraying, Repairing—All Operations & Drivers | 2,337 |
| 5190 | Electrical Wiring—Within Buildings & Drivers | 2,210 |

NOC = Not Otherwise Classified

*Policy count totals include Servicing and Direct Assignment carriers for those states where NCCI provides Plan Administration services.

Exhibit V

Hazard Group Distribution

Policy Year 2024

Exhibit V shows that the residual markets have a higher percentage of high hazard group (increased operational exposure) accounts than the voluntary market. Assigned Risk Plan total policy counts and estimated annual premium totals include Servicing Carrier and Direct Assignment Carrier experience for those states where NCCI provides Plan Administration services, including policies cancelled short term and the associated prorated premium.

| | Voluntary Market 2024 | | | | Assigned Risk Plan 2024 | | | |
|----------------|-----------------------|--------------|---------------------------------|--------------|-------------------------|--------------|---------------------------------|--------------|
| Hazard Group | Policy Count | % of Total | Estimated Standard Premium (\$) | % of Total | Policy Count | % of Total | Estimated Standard Premium (\$) | % of Total |
| A | 122,353 | 8.5 | 1,115,471,356 | 7.0 | 2,378 | 1.7 | 16,943,340 | 2.9 |
| B | 217,660 | 15.2 | 1,614,961,019 | 10.2 | 6,561 | 4.6 | 31,737,794 | 5.4 |
| C | 336,082 | 23.4 | 3,379,270,395 | 21.4 | 12,331 | 8.7 | 61,451,877 | 10.4 |
| D | 204,923 | 14.3 | 2,436,708,115 | 15.4 | 11,490 | 8.1 | 54,609,708 | 9.3 |
| E | 210,579 | 14.7 | 2,140,167,514 | 13.5 | 14,011 | 9.9 | 57,784,623 | 9.8 |
| F | 194,008 | 13.5 | 2,990,568,456 | 18.9 | 41,214 | 29.1 | 142,198,692 | 24.2 |
| G | 147,428 | 10.3 | 2,125,973,914 | 13.4 | 53,560 | 37.8 | 223,527,903 | 38.0 |
| Not Classified | 839 | 0.1 | 21,629,419 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| Total | 1,433,872 | 100.0 | 15,824,750,188 | 100.0 | 141,545 | 100.0 | 588,253,937 | 100.0 |

Note: Variances in the number of policies occur due to timing of reports and availability of data in some states.

Projected Ultimate Policy Year Results by State

Policy Years 2020–2024 (based on data reported to NCCI through December 31, 2024)

This exhibit shows premium, losses, and expenses in the following states reinsured through NCCI-serviced pools (excluding direct assignment experience):

| | | |
|----------------------|---------------|----------------|
| Alabama | Illinois | North Carolina |
| Alaska | Iowa | Oklahoma |
| Arizona | Kansas | Oregon |
| Arkansas | Massachusetts | South Carolina |
| Connecticut | Michigan | South Dakota |
| Delaware | Nevada | Tennessee |
| District of Columbia | New Hampshire | Vermont |
| Georgia | New Jersey | Virginia |
| Idaho | New Mexico | West Virginia |

All results shown in this section are projected to an ultimate basis. Estimates of ultimate losses may change as losses emerge, impacting the overall operating results. These results can change on a statewide basis, particularly for the recent policy years. In fact, due to the immaturity of Policy Year 2024 data, significant changes may occur.

The incurred losses and booked loss ratios shown do not include any Loss Adjustment Expense (LAE). The incurred losses equal written premium times booked loss ratio. LAE is included in the expenses used in the projection of net operating results for each state. The operating gain or loss does not include income earned on investments by participating companies. However, it does include the short-term interest income earned on investments by the Pool Administrator for the benefit of the Pool participating companies while in possession of the cash flow, pending settlement of the Servicing Carrier and participating company balances. The operating gain or loss also reflects an estimate of the full ultimate cost of taxes and assessments that are reimbursed to Servicing Carriers on a pass-through basis.

Amounts Projected to Ultimate

Policy Year Financial Results Through Fourth Quarter 2024 (Projected to Ultimate) (\$000s)

Alabama

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 8,900 | 116.3 | 10,351 | (3,945) |
| 2023 | 8,094 | 97.2 | 7,868 | (2,380) |
| 2022 | 11,186 | 96.9 | 10,839 | (2,920) |
| 2021 | 6,372 | 50.5 | 3,218 | 828 |
| 2020 | 6,970 | 93.8 | 6,538 | (1,748) |

Alaska

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 22,322 | 55.6 | 12,411 | 1,623 |
| 2023 | 23,423 | 50.5 | 11,828 | 2,740 |
| 2022 | 21,061 | 58.1 | 12,237 | 259 |
| 2021 | 22,308 | 42.1 | 9,392 | 3,739 |
| 2020 | 22,193 | 46.9 | 10,409 | 2,512 |

Projected Ultimate Policy Year Results by State (Cont'd)

Arizona

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 29,630 | 74.8 | 22,163 | (489) |
| 2023 | 27,592 | 55.4 | 15,286 | 4,754 |
| 2022 | 29,402 | 44.8 | 13,172 | 8,188 |
| 2021 | 35,808 | 81.1 | 29,040 | (3,638) |
| 2020 | 36,048 | 78.8 | 28,406 | (3,118) |

Arkansas

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 17,093 | 96.1 | 16,426 | (4,740) |
| 2023 | 18,365 | 59.3 | 10,891 | 1,824 |
| 2022 | 21,980 | 74.5 | 16,375 | (1,534) |
| 2021 | 20,415 | 196.1 | 40,035 | (26,295) |
| 2020 | 20,853 | 82.8 | 17,266 | (3,420) |

Connecticut

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 19,601 | 60.7 | 11,898 | 2,003 |
| 2023 | 19,770 | 70.9 | 14,017 | (6) |
| 2022 | 20,754 | 59.1 | 12,266 | 2,293 |
| 2021 | 18,719 | 49.1 | 9,191 | 3,306 |
| 2020 | 17,888 | 58.8 | 10,518 | 1,338 |

Delaware

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 5,754 | 72.8 | 4,189 | (507) |
| 2023 | 6,827 | 72.9 | 4,977 | (600) |
| 2022 | 8,631 | 57.1 | 4,928 | 756 |
| 2021 | 8,596 | 49.1 | 4,221 | 1,422 |
| 2020 | 9,865 | 23.9 | 2,358 | 4,106 |

District of Columbia

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 3,410 | 43.5 | 1,483 | 661 |
| 2023 | 3,708 | 43.7 | 1,621 | 731 |
| 2022 | 3,727 | 36.7 | 1,368 | 902 |
| 2021 | 3,705 | 46.1 | 1,708 | 537 |
| 2020 | 3,767 | 37.9 | 1,428 | 832 |

Projected Ultimate Policy Year Results by State (Cont'd)

Georgia

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 46,043 | 80.9 | 37,249 | (7,685) |
| 2023 | 55,077 | 81.6 | 44,942 | (8,515) |
| 2022 | 50,956 | 126.4 | 64,409 | (36,215) |
| 2021 | 51,208 | 75.1 | 38,457 | (13,427) |
| 2020 | 52,065 | 89.7 | 46,703 | (23,002) |

Idaho

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 7,086 | 60.7 | 4,301 | 415 |
| 2023 | 8,377 | 47.6 | 3,987 | 1,572 |
| 2022 | 8,962 | 45.9 | 4,114 | 1,950 |
| 2021 | 8,099 | 58.1 | 4,706 | 660 |
| 2020 | 5,470 | 43.9 | 2,401 | 706 |

Illinois

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 59,852 | 75.8 | 45,368 | (1,742) |
| 2023 | 63,403 | 89.4 | 56,682 | (10,106) |
| 2022 | 67,329 | 73.5 | 49,487 | (2,141) |
| 2021 | 71,909 | 67.1 | 48,251 | 1,755 |
| 2020 | 70,794 | 70.8 | 50,122 | (2,888) |

Iowa

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 16,037 | 65.7 | 10,536 | 1,471 |
| 2023 | 16,772 | 108.8 | 18,248 | (5,899) |
| 2022 | 18,826 | 66.2 | 12,463 | 1,440 |
| 2021 | 21,809 | 56.1 | 12,235 | 3,958 |
| 2020 | 20,693 | 43.9 | 9,084 | 5,868 |

Kansas

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 17,056 | 111.2 | 18,966 | (7,235) |
| 2023 | 19,356 | 81.6 | 15,794 | (2,460) |
| 2022 | 20,986 | 86.6 | 18,174 | (3,889) |
| 2021 | 20,617 | 55.1 | 11,360 | 2,505 |
| 2020 | 20,250 | 56.8 | 11,502 | 1,869 |

Projected Ultimate Policy Year Results by State (Cont'd)

Massachusetts

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 83,722 | 75.0 | 62,792 | (9,821) |
| 2023 | 90,659 | 75.0 | 67,994 | (9,836) |
| 2022 | 99,109 | 73.0 | 72,350 | (7,522) |
| 2021 | 95,512 | 90.0 | 85,961 | (24,145) |
| 2020 | 100,778 | 68.0 | 68,529 | (1,401) |

Michigan

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 51,193 | 71.0 | 36,347 | 840 |
| 2023 | 53,846 | 74.0 | 39,846 | (1,271) |
| 2022 | 56,523 | 62.0 | 35,045 | 5,788 |
| 2021 | 58,004 | 44.0 | 25,522 | 14,066 |
| 2020 | 53,654 | 64.0 | 34,339 | 2,490 |

Nevada

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 14,609 | 60.7 | 8,867 | 1,630 |
| 2023 | 17,813 | 67.0 | 11,935 | 789 |
| 2022 | 19,028 | 78.5 | 14,937 | (1,353) |
| 2021 | 22,176 | 64.1 | 14,215 | 1,743 |
| 2020 | 21,571 | 41.9 | 9,038 | 5,805 |

New Hampshire

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 11,686 | 70.8 | 8,274 | (754) |
| 2023 | 11,898 | 53.4 | 6,353 | 1,504 |
| 2022 | 11,650 | 52.0 | 6,058 | 1,432 |
| 2021 | 12,328 | 53.1 | 6,546 | 1,126 |
| 2020 | 11,298 | 152.5 | 17,229 | (10,359) |

New Jersey

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 68,987 | 86.0 | 59,329 | (12,701) |
| 2023 | 76,763 | 90.4 | 69,394 | (16,381) |
| 2022 | 90,504 | 76.4 | 69,145 | (8,417) |
| 2021 | 94,588 | 85.1 | 80,495 | (22,039) |
| 2020 | 91,660 | 71.8 | 65,812 | (7,919) |

Projected Ultimate Policy Year Results by State (Cont'd)

New Mexico

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 5,699 | 85.0 | 4,844 | (2,006) |
| 2023 | 5,910 | 28.0 | 1,655 | 1,323 |
| 2022 | 6,469 | 27.0 | 1,747 | 1,326 |
| 2021 | 4,907 | 36.0 | 1,766 | 249 |
| 2020 | 6,834 | 14.0 | 957 | 2,306 |

North Carolina

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 40,904 | 55.6 | 22,743 | 7,175 |
| 2023 | 43,134 | 51.5 | 22,214 | 8,674 |
| 2022 | 43,614 | 96.8 | 42,219 | (12,378) |
| 2021 | 47,091 | 50.1 | 23,593 | 8,401 |
| 2020 | 48,087 | 40.9 | 19,667 | 12,705 |

Oklahoma*

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 915 | 65.7 | 601 | (363) |
| 2023 | N/A | N/A | N/A | N/A |
| 2022 | N/A | N/A | N/A | N/A |
| 2021 | N/A | N/A | N/A | N/A |
| 2020 | N/A | N/A | N/A | N/A |

*Policies effective June 1, 2024, and subsequent.

Oregon

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 18,471 | 65.7 | 12,136 | 148 |
| 2023 | 19,428 | 61.2 | 11,890 | 1,131 |
| 2022 | 22,981 | 40.8 | 9,376 | 5,653 |
| 2021 | 24,892 | 164.2 | 40,872 | (24,675) |
| 2020 | 24,432 | 50.8 | 12,411 | 3,372 |

South Carolina

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 21,227 | 70.8 | 15,029 | (2) |
| 2023 | 19,391 | 136.0 | 26,372 | (12,606) |
| 2022 | 21,260 | 85.6 | 18,199 | (3,721) |
| 2021 | 22,212 | 118.1 | 26,232 | (13,967) |
| 2020 | 21,703 | 69.8 | 15,149 | (3,288) |

Projected Ultimate Policy Year Results by State (Cont'd)

South Dakota

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 7,162 | 86.0 | 6,159 | (804) |
| 2023 | 6,588 | 77.7 | 5,119 | (277) |
| 2022 | 6,176 | 54.0 | 3,335 | 1,176 |
| 2021 | 5,577 | 85.1 | 4,746 | (763) |
| 2020 | 5,726 | 17.9 | 1,025 | 3,031 |

Tennessee

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 21,629 | 65.7 | 14,210 | 543 |
| 2023 | 25,432 | 89.4 | 22,736 | (5,353) |
| 2022 | 34,249 | 59.1 | 20,241 | 2,908 |
| 2021 | 37,353 | 46.1 | 17,220 | 7,964 |
| 2020 | 38,239 | 54.8 | 20,955 | 4,573 |

Vermont

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 14,153 | 65.7 | 9,298 | 1,237 |
| 2023 | 13,223 | 69.0 | 9,124 | 838 |
| 2022 | 12,941 | 65.2 | 8,438 | 1,196 |
| 2021 | 12,739 | 54.1 | 6,892 | 2,353 |
| 2020 | 12,257 | 41.9 | 5,136 | 3,747 |

Virginia

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 30,006 | 55.8 | 16,743 | 6,490 |
| 2023 | 28,279 | 63.3 | 17,901 | 3,931 |
| 2022 | 32,213 | 54.3 | 17,492 | 6,768 |
| 2021 | 35,625 | 46.8 | 16,672 | 9,045 |
| 2020 | 36,085 | 56.2 | 20,280 | 5,828 |

West Virginia

| Policy Year | Written Premium (\$) | Booked Loss Ratio (%) | Incurred Losses (\$) | Net Operating Gain/(Loss) (\$) |
|-------------|----------------------|-----------------------|----------------------|--------------------------------|
| 2024 | 11,671 | 109.8 | 12,814 | (4,345) |
| 2023 | 11,468 | 96.9 | 11,113 | (2,818) |
| 2022 | 10,173 | 69.7 | 7,091 | 159 |
| 2021 | 8,984 | 60.6 | 5,444 | 441 |
| 2020 | 10,146 | 68.9 | 6,991 | (568) |

Available Residual Market Programs

As of June 1, 2025

| State | ARAP | LSRP | Merit Rating | Small Deductible Insurance | Premium Discount | Take-Out Credit | VCAP | Other Programs |
|-------|------|------|--------------|----------------------------|------------------|-----------------|------|---|
| AK | | | | | | x | x | <ul style="list-style-type: none"> Alaska Residual Market Safe Workplace Incentive Program Alaska Contracting Classification Premium Adjustment Program |
| AL | x | x | x | x | | x | x | <ul style="list-style-type: none"> Alabama Drug-Free Workplace Premium Credit Program |
| AR | | | x | x | | x | x | <ul style="list-style-type: none"> Arkansas Tabular Adjustment Program Arkansas Assigned Risk Alternate Preferred Plan Arkansas Alcohol- and Drug- Free Workplace Premium Credit |
| AZ | x | x | | | | x | x | <ul style="list-style-type: none"> Arizona Alcohol- and Drug-Free Workplace Premium Credit Arizona Membership Organization Premium Credit |
| CT | x | x | | x | x ¹ | x | x | <ul style="list-style-type: none"> Connecticut Contracting Classification Premium Adjustment Program |
| DC | x | x | | | | x | x | <ul style="list-style-type: none"> District of Columbia Safe Workplace Program |
| GA | | x | x | x | | x | x | <ul style="list-style-type: none"> Georgia Workers Compensation Assigned Risk Insurance Plan—Three Tier Rating Program Georgia Put-In Debit Program Georgia Drug-Free Workplace Premium Credit Program Georgia Managed Care Arrangement Premium Credit Data Reporting Program Georgia Work-Based Learning Program Premium Credit |
| IA | x | | | x | | x | | |
| ID | x | x | | | | | x | <ul style="list-style-type: none"> Idaho Alcohol- and Drug-Free Workplace Premium Credit |
| IL | x | x | | x | | x | x | <ul style="list-style-type: none"> Illinois Contracting Classification Premium Adjustment Program |
| IN | | x | | x | | x | | |
| KS | x | x | | x | | x | x | <ul style="list-style-type: none"> Kansas Assigned Risk Retrospective Rating Plan Kansas Assigned Risk Small Employer Loss-Free Policy Premium Credit Program |
| MS | | x | | | | x | x | <ul style="list-style-type: none"> Mississippi Small Employer Loss-Free Credit Program |
| NH | | x | | x | x ² | x | x | <ul style="list-style-type: none"> New Hampshire Residual Market Safety Incentive Program |
| NM | x | | | x | | x | x | <ul style="list-style-type: none"> New Mexico Workers Compensation Premium Adjustment Program for Qualifying Classifications |
| NV | x | x | | x | | | x | |
| OK | x | x | x | x | | x | x | <ul style="list-style-type: none"> Oklahoma Contracting Classification Premium Adjustment Program Oklahoma Workers Compensation Premium Reduction Program |
| OR | x | x | x | | | x | x | <ul style="list-style-type: none"> Oregon Non-Experience Rated Premium Credit Oregon WCIP New Small Employer Credit Oregon Contracting Classification Premium Adjustment Program |
| SC | x | x | | x | | x | x | <ul style="list-style-type: none"> South Carolina Drug- and Alcohol-Free Workplace Premium Credit Program |
| SD | x | x | x | x | | x | x | |
| TN | x | x | | | | x | x | <ul style="list-style-type: none"> Tennessee Drug-Free Workplace Premium Credit Program Tennessee Small Employer Plan Tennessee Special Risk Plan |
| VA | | | | | | x | | <ul style="list-style-type: none"> Virginia Residual Market Drug-Free Workplace Premium Credit Virginia Contracting Classification Premium Adjustment Program |
| VT | | x | x | x | | x | x | |
| WV | x | x | | | | x | x | |

¹ Connecticut—Premium discounts are only available for risks with standard premium > \$10,000.

² New Hampshire—Premium discounts are only available for risks with standard premium > \$10,000 and experience modification < 1.50.

2025 Assigned Carriers

As of January 1, 2025

S = Servicing Carrier in state; D = Direct Assignment Carrier in state

| Carrier Name | A K | A L | A R | A Z | C T | D C | D E | G A | I A | I D | I L | K S | M S | N C | N H | N J | N M | N V | O K | O R | S C | S D | T N | V A | V T | W V |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Accident Fund Insurance Co. of America | | | | | D | | | D | D | | | | | D | | | | | | | S | | D | S | | |
| Ace American Insurance Co. | | D | | | D | | D | D | D | | | | | D | D | | | | | | D | | D | D | D | |
| Alaska National Insurance Co. | S | | | | | | | | | | | | | | | | | | | | | | | | | |
| American Zurich Insurance Co. | | D | | | D | | D | D | D | | | | | D | D | | | | | | D | | D | D | D | |
| AmFed National Insurance Co. | | | | | | | | | | | | | S | | | | | | | | | | | | | |
| AmGUARD Insurance Co. | S | | S | S | S | | | | | | S | S | | S | | S | | S | | | | | S | | | |
| Auto Owners Insurance Co. | | D | | | | | | D | D | | | | | D | | | | | | | D | | D | D | | |
| Builders Mutual Insurance Co. | | | | | | | | D | | | | | | D | | | | | | | D | | D | D | | |
| Concord General Mutual Insurance Co. | | | | | | | | | | | | | | | D | | | | | | | | | | D | |
| Continental Casualty Co. | | D | | | | | D | D | D | | | | | D | D | | | | | | D | | D | D | D | |
| Continental Indemnity Co. | | | S | | | | | | | | | | | | | | | | S | | | | | | | |
| Continental Insurance Co. of NJ | | | | | | | | | | | | | | | | D | | | | | | | | | | |
| Hartford Underwriters Insurance Co. | | D | | | D | | D | D | D | | | | | D | D | D | | | | | D | | D | D | D | |
| LM Insurance Corporation | S | S | S | | S | S | S | S | S | S | S | S | S | S | S | S | | | S | S | S | | S | | S | S |
| National Fire Insurance Co. of Hartford | | | | | D | | | | | | | | | | | | | | | | | | | | | |
| New Jersey Casualty Insurance Co. | | | | | | | | | | | | | | | | D | | | | | | | | | | |
| New Mexico Mutual Casualty Co. | | | | | | | | | | | | | | | | | S | | | | | | | | | |
| Pennsylvania Manufacturers' Association Insurance Co. | S | | | S | | | S | S | S | | S | | | | | S | | | | | | | | | | S |
| SAIF Corporation | | | | | | | | | | | | | | | | | | | S | | | | | | | |
| St. Paul Protective Insurance Co. | | | | | | | | | | | | | | | | S | | | | | | | | | | |
| Technology Insurance Co. | | | S | | | S | | S | | | | | | | S | S | | | | | S | S | | | S | |
| Travelers Property Casualty Co. of America | S | S | | S | S | S | S | S | S | S | S | S | | S | S | | | S | S | S | S | | S | S | S | S |
| | A K | A L | A R | A Z | C T | D C | D E | G A | I A | I D | I L | K S | M S | N C | N H | N J | N M | N V | O K | O R | S C | S D | T N | V A | V T | W V |

Glossary of Residual Market Terms

Any-Exposure Theory—Applicable to multistate policies, this theory attributes the policy and related state premium to each state on the policy. For example, a policy providing coverage in AL, GA, and SC with state premiums of \$11,000, \$52,000, and \$25,000, respectively, would be counted as an AL policy with \$11,000 in premium, as a GA policy with \$52,000 in premium, and as a SC policy with \$25,000 in premium.

Assigned Carrier—The insurer assigned to provide coverage to an eligible employer that has applied for workers compensation insurance under a state’s assigned risk plan. An assigned carrier can be either a Servicing Carrier or a Direct Assignment Carrier.

Assigned Risk Adjustment Program (ARAP)—An assigned risk pricing program that surcharges employers with a record of losses greater than expected under NCCI’s current Experience Rating Plan.

Assigned Risk Differential—A factor to reflect the difference in aggregate loss experience between the voluntary and assigned risk markets.

Calendar Year—The 12-month period, beginning January 1, in which a transaction either occurred or was included in the financial statements.

Combined Ratio—The sum of the loss ratio and the expense ratio for a given period. The formula for combined ratio is $[\text{Losses} / \text{Earned Premium}] + [(\text{Expenses and Allowances}) / \text{Written Premium}]$.

Deductible Insurance/Programs—There are two types of deductible programs, small and large. Small deductibles are less than \$100,000, while large deductibles are \$100,000 and greater. Only NCCI-filed small-deductible programs are applicable in the residual market.

Direct Assignment Carrier—An insurance company authorized by the insurance department to write and service assigned risk business directly without reinsurance through the National Workers Compensation Reinsurance Pooling Mechanism or other reinsurance pool.

Dominant State Theory—Applicable to multistate policies, this theory attributes the policy and *entire* premium to the state on the policy with the highest payroll to eliminate duplicate counting of policies. For example, a policy providing coverage in AL, GA, and SC with state payrolls of \$11,000, \$52,000, and \$25,000, respectively, would be counted as a GA policy.

Earned but Not Reported (EBNR) Premium Reserve—A projection of additional premium expected to be uncovered after auditing at the end of the policy (also commonly referred to as Earned but Unbilled [EBUB] Premium).

Estimated Annual Premium—Premium charged by an insurance company, at the time the policy is issued, for coverage provided by an insurance contract for a period of time. Estimated premium is reported before endorsements or audits.

Incurred but Not Reported (IBNR)—Pertaining to losses where the events that will result in a loss, and eventually a claim, have occurred, but have not yet been reported to the insurance company. The term may also include “bulk” reserves for estimated future development of case reserves.

Incurred Losses—Calendar year incurred losses equal paid losses plus the *change* in case and IBNR reserves during the 12-month period in question. Policy year incurred losses reflect paid losses, case reserves, and IBNR reserves for policies written in a particular policy year. They provide a matching of accidents that have occurred on premiums that have already been earned.

Loss Adjustment Expense (LAE)—Expenses of an insurance company, such as the costs of investigating cases, representing an employer before bodies that adjudicate claims, and defending lawsuits that are directly chargeable to settlement of losses. Also, operating expenses that can be allocated specifically to the settlement of losses.

Loss Ratio—The ratio of total incurred losses to total earned premiums in a given period, expressed as a percentage.

Loss Sensitive Rating Plan (LSRP)—A mandatory assigned risk retrospective rating plan for employers that have an assigned risk standard premium of \$250,000 and greater.

Merit Rating—An assigned risk pricing program that applies to manual premium for employers that do not generate adequate premium to be eligible for experience rating but that have had coverage during a specified time period.

National Workers Compensation Reinsurance Pooling Mechanism (NWCRP or National Pool)—A contractual quota share reinsurance pooling mechanism. It affords participating workers compensation insurers an option for complying with state insurance plan requirements by sharing in the operating results of certain policies written under such insurance plans. Insurance companies participate in this reinsurance pooling mechanism as members of the National Workers Compensation Reinsurance Association NFP (NWCRA).

Operating Gain/(Loss)—The financial statement presentation that reflects the excess of earned premium over incurred losses and net operating expenses.

Policy Year—The year of the effective date of the policy. Policy year financial results summarize experience for all policies with effective dates in a given calendar year period.

Premiums Earned—That portion of written premiums applicable to the expired portion of the time the insurance was in effect.

Premiums Written—The premium charged by an insurance company for coverage provided by an insurance contract for a period of time after the application of endorsements, audits, etc.

Projected to Ultimate—Estimates of the total losses, premium collected, and net operating gain or loss for a policy year after all claims have been paid, premiums collected after all audits and other premium adjustments are finalized, and all pool operating and administrative expenses are paid.

Reinsurance Pool—A financial agreement among participating insurers to share in the experience of certain assigned risks. This reduces both administrative costs and annual fluctuations in the liability of participating insurers resulting from the operation of state insurance plans.

Residual Market—State insurance plans that provide eligible employers unable to secure coverage in the voluntary market with a means for insuring their operations through a designated insurance carrier. Also known as the “involuntary market,” “assigned risk market,” or “market of last resort.”

Residual Market Share—The ratio of assigned risk premium (pool plus direct assignment) to the total net direct written premium.

Servicing Carrier—An insurer, other than a direct assignment carrier, authorized to receive plan assignments and provide coverage to eligible employers on behalf of insurance company members of the NWCRA—or participants in other reinsurance pooling mechanisms—incorporated as a part of the Plan in a state.

Servicing Carrier Allowance—The ceding commission, often expressed as a percentage of premium, retained by a Servicing Carrier as compensation for the expenses of servicing an employer under a Workers Compensation Insurance Plan or similar program. In states with a Servicing Carrier selection process, it is a component of the carrier's proposal that is awarded in the selection process.

Surcharges—Additional charges included when calculating premium for assigned risk policies.

Take-Out Credit Program—A depopulation program that provides financial incentives for carriers when they remove employers from the residual market by writing those policies voluntarily. Credits reduce the amount of premium used in calculating a carrier's reinsurance pool participation base or direct assignment carrier quota in a given state.

Underwriting Gain/(Loss)—The financial statement presentation of the excess of earned premium over incurred losses.

Voluntary Coverage Assistance Program (VCAP® Service)—A free Internet-based depopulation program that is supplemental to NCCI's Workers Compensation Insurance Plan and is designed to provide an additional source for producers and employers to secure workers compensation insurance in the voluntary market.

Workers Compensation Insurance Plan (WCIP or Plan)—A program established and maintained by NCCI and approved by state insurance regulatory authorities whereby workers compensation insurance may be secured by eligible employers unable to secure such coverage in the voluntary market.

Notes:

Notes:

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