



RESIDUAL MARKET MANAGEMENT SUMMARY 2025





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 2025
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 2025** 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**.

Through the collaborative efforts of all residual market stakeholders, including assigned carriers, insurance regulators, and NCCI staff, the residual market continued to remain stable and responsive to the needs of employers and injured workers in 2025. 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 highlights from this year's report:

- Aided by effective depopulation programs, residual market premium volume for Calendar Year 2025 continued to decline and is projected to be \$643 million for all pools serviced by NCCI.
- The aggregate 2025 residual market premium market share of total workers compensation premium for all pools is projected at 5.0%. This remains at the lowest level in 14 years.
- Operating results remain manageable, with Policy Year 2025 projected to produce an overall operating loss of \$44 million in the aggregate, which equates to a combined ratio of 107%. However, many states continue to produce operating gains.
- The newly established Oklahoma residual market mechanism with an effective date of June 1, 2024, saw significant increases in policies and premium throughout 2025. NCCI continues to provide education and assistance to agents and insureds regarding the requirements of the Workers Compensation Insurance Plan (WCIP) now in effect for the state of Oklahoma.

NCCI appreciates the confidence that state regulators and workers compensation carriers have placed in us to manage the various plans and reinsurance pools. We continue to receive high customer satisfaction scores and remain committed to providing residual market services in an efficient and effective manner. These results are driven by our dedicated staff, who continue to improve our system and processes and provide timely and informative residual market reports and resources on **ncci.com**.

In 2025, NCCI enhanced the **Servicing Carrier Selection** and **Carrier Audit Program** within the **Servicing Carrier Selection and Oversight System**. We also updated the **Policy Noncompliance Reporting** and **Pool Uncollectible Premium System** and the **Servicing Carrier Reference Guide** and **Pool Data Reporting Guidebook**.

In closing, I would like to extend a fond farewell to an esteemed colleague, Cliff Merritt, who retired in March 2026. As Senior Division Executive of Residual Markets, Cliff made significant contributions during his over 43 years of service to the industry. We wish him well in this next chapter.

Sincerely,



Brian Mourer, CPCU, WCP®
Executive Director—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 (NWCRP or National Pool), and the New Mexico Workers’ Compensation Assigned Risk Pool (NMCARP). 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	NWCRP	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		
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 2025:

- Number of applications received = 53,915
- Number of applications bound = 44,655
- Average processing time for applications = 2.8 days
- Other:
 - 114,621 calls were fielded; calls decreased by 0.3% 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.

2026 Residual Market Forum

NCCI's **Residual Market Forum 2026** was held February 25–26 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 2026** received an overall attendee satisfaction rating of 9.47 out of 10.

The general session included:

- An “Introduction” from Heidi Mangum, WCP®, Plan Administration Manager, NCCI, who provided a preview of the program.
- The “State of the Residual Market,” presented by Brian Mourer, CPCU, WCP®, Executive Director—Residual Markets, NCCI, who provided an overview of the 2025 residual market operating results and other highlights regarding the state of the residual market.
- “Workplace Safety,” presented by John Howard, MD, MPH, JD, LL.M, MBA, Director of the National Institute for Occupational Safety and Health (NIOSH) and Administrator of the World Trade Center Health Program in the US Department of Health and Human Services. Dr. Howard provided an overview of the mission of NIOSH to promote safe and healthy workplaces, with a particular focus on its research and initiatives in the construction industry.
- An “Actuarial Perspective of the Residual Market,” presented by NCCI's Samantha McLeod, FCAS, MAAA, Executive Director and Actuary, and Mari Villalta, Actuarial Consultant, who both provided an analysis of residual market data, including any recent shifts and potential implications for the residual market.
- “Fast- vs. Slow-Emerging Large Claims,” presented by Yuchen Su, FCAS, CSPA, MBA, Actuary II, NCCI. This session dove into large claim trends in the residual market, where claims are categorized into two groups—fast-emerging and slow-emerging. Su provided a comparison of these trends with patterns observed in the voluntary market.

- A presentation on “Trends in Motor Vehicle Accidents,” given by Brett Foster, FCAS, MAAA, Practice Leader and Senior Actuary, NCCI. Foster explained that traffic crashes often result in severe, complex injuries and are one of the leading causes of large losses in workers compensation (WC). He explored WC trends in motor vehicle accidents, with a deeper look at industries such as the trucking industry that may impact the residual market.
- The “State of the Economy,” presented by Stephen Cooper, Practice Leader and Senior Economist, NCCI, who 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.
- “Adverse Weather, WC Claims, and the Residual Market,” presented by Patrick Coate, PhD, Senior Economist, NCCI. In this session, Coate explored how weather patterns can impact injury frequency, both overall and in most impacted industries like construction.
- “Workplace Violence and Its Impact on Residual Market Sectors,” presented by Matt Schutz, ACAS, MAA, Actuary I, NCCI. Schutz explained that there has been a notable rise in workplace assaults even as overall aggravated assault rates remain steady. He identified which sectors experience the highest incidence rates and demographic patterns and touched on workplace homicides in sectors like law enforcement.

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 2026** Highlights Report is available on [ncci.com](https://www.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 24–25, 2027, 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 2025 include the following:

- **VCAP® Service** redirected \$27 million in premium from the residual market to the voluntary market
- An approximate savings of \$2.2 million on 9,313 confirmed policies—or \$240 per employer—was achieved, equaling an average 8% 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

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). While initial application volume in 2024 was minimal, the state's new assigned risk plan did see significant increases in policies and premium throughout 2025. As of December 31, 2025, there were approximately 1,100 policies and \$5 million in premium in force.

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 2025, NCCI completed several filings that will impact the residual market, including:

- Revisions to the Mississippi Cancellation, Nonrenewal, and Renewal Endorsement (WC 23 06 01) effective July 1, 2026
- Revisions to the West Virginia Optional Occupational Disease Coverage for First Responder Post-Traumatic Stress Disorder Endorsement (WC 47 03 07) effective January 1, 2026
- Establishment of the Georgia Residual Market Final Audit and Audit Noncompliance Charge Endorsement effective January 1, 2026
- Revisions to the Residual Market Manual for Alaska Related to the Alaska Assigned Risk Premium Surcharge effective January 1, 2026
- NCCI's Residual Market Manual for Workers Compensation and Employers Liability Insurance for Arizona effective September 26, 2025
- Establishment of the Vermont Logging Safety Training Company Premium Credit effective July 1, 2025
- Revisions to Residual Market Manual Rule Related to the Voluntary Coverage Assistance Program Provider Underwriting Criteria in Oregon effective July 1, 2025

- Revisions to the New Mexico Workers' Compensation Assigned Risk Pool Manual Related to the Voluntary Coverage Assistance Program Provider Underwriting Criteria in New Mexico effective July 1, 2025.
- Revisions to NCCI's Residual Market Manual Rules Related to Deposit Premium for Premium Financed Policies for Multiple States effective June 1, 2025

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 2025, 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 16,597 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.

Calendar Year Credits						
State	2023		2024		2025	
	Policies	Credit Amount (\$)	Policies	Credit Amount (\$)	Policies	Credit Amount (\$)
Alabama	133	1,145,512	148	1,814,231	179	913,931
Alaska	913	5,017,124	895	4,769,592	816	3,941,172
Arizona	1,797	10,367,603	1,579	7,998,199	1,460	9,012,873
Arkansas	1,085	5,719,436	1,016	5,073,486	1,125	4,201,471
Connecticut	1,122	4,388,574	998	5,157,778	800	3,658,251
District of Columbia	178	290,272	135	491,682	124	789,199
Georgia	1,385	12,498,579	1,419	13,568,523	1,356	14,192,857
Illinois	2,747	15,127,003	2,505	11,643,470	2,529	14,084,549
Iowa	625	4,657,188	1,499	4,303,123	750	4,593,287
Kansas	1,258	4,909,587	687	4,560,159	745	4,698,923
Mississippi	352	2,081,158	951	1,757,222	268	2,103,263
New Hampshire	573	2,354,527	300	1,869,544	442	1,945,057
New Mexico	606	2,236,072	480	1,288,100	216	1,406,104
Oklahoma	1,953	12,069,735	1	295,566	17	618,344
Oregon	920	3,292,673	1,513	11,866,722	1,246	8,828,230
South Carolina	227	896,609	869	2,967,203	954	3,248,474
South Dakota	1,687	9,011,850	209	2,049,095	195	2,848,707
Tennessee	291	2,231,446	1,691	7,877,370	1,702	7,650,738
Vermont	1,141	6,529,242	216	1,185,153	180	1,215,136
Virginia	143	947,907	1,007	5,321,289	1,326	6,476,647
West Virginia	19,136	105,772,097	159	1,808,069	167	1,149,573
Totals	38,272	211,544,194	18,277	97,665,576	16,597	97,576,786

Pool Administration

NCCI provides accounting, actuarial, management, and administrative services for various reinsurance pooling mechanisms. During 2025, 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 Donté Mickens at 561-893-3200 or donte_mickens@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 represents 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 2025 allocations based on Calendar Year 2025 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 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) 2025 ultimate written premium for all reinsurance pooling mechanisms serviced by NCCI is projected to be \$643 million, representing a 2% decrease in premium volume from the projected level of \$657 million for PY 2024. Premium volume gradually and consistently decreased, with the average year-over-year change decreasing from 6% in Policy Years 2015–2020 to 4% in 2021–2025.

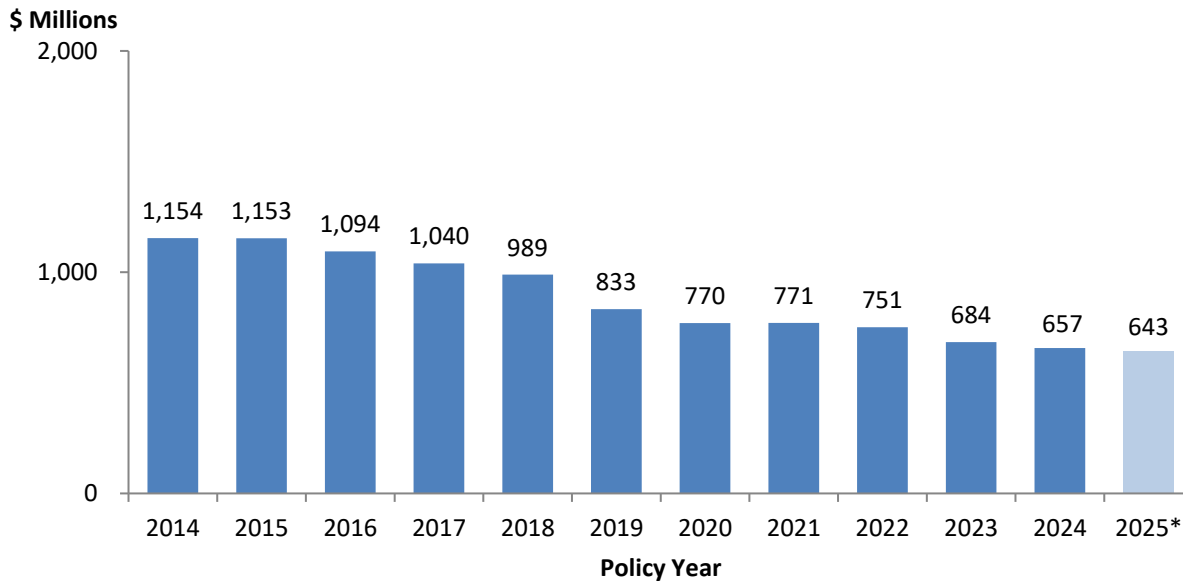
These premium volumes and year-over-year changes include the effect of new policies, renewals, cancellations, nonrenewals, and premium-level changes. Estimates of “true growth” in residual market premium volume, which consider various economic factors and market conditions, are discussed separately in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

NCCI is preliminarily projecting a residual market operating loss of \$44 million for PY 2025 (see Exhibit B) activity reinsured through these reinsurance pooling mechanisms. This is equivalent to a combined ratio of 107% (see Exhibit C). As reflected in Exhibit D, the residual market share of the total market direct written premium remained relatively flat at 4.3% in the preliminary Calendar Year (CY) 2025 results compared to 4.4% in CY 2024 for states in which NCCI is both Plan and Pool Administrator.

Exhibit A

Written Premium[#]

All Pools Serviced by NCCI, as of December 31, 2025



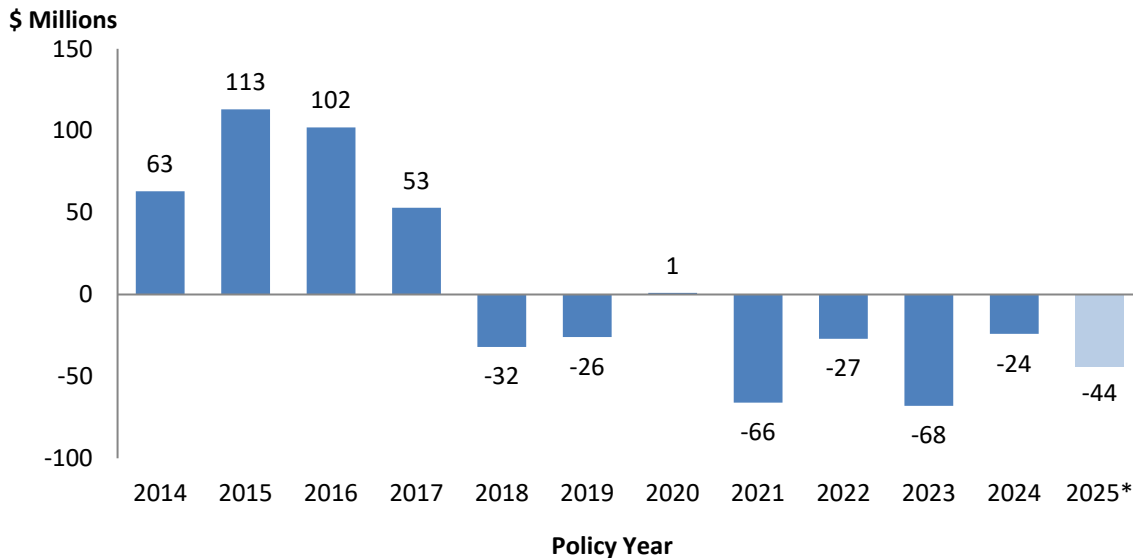
Projected to Ultimate; Tennessee Reinsurance Mechanism premium is not included in policy years prior to 2016.

* Incomplete Policy Year.

Exhibit B

Operating Gain/Loss[#]

All Pools Serviced by NCCI, as of December 31, 2025



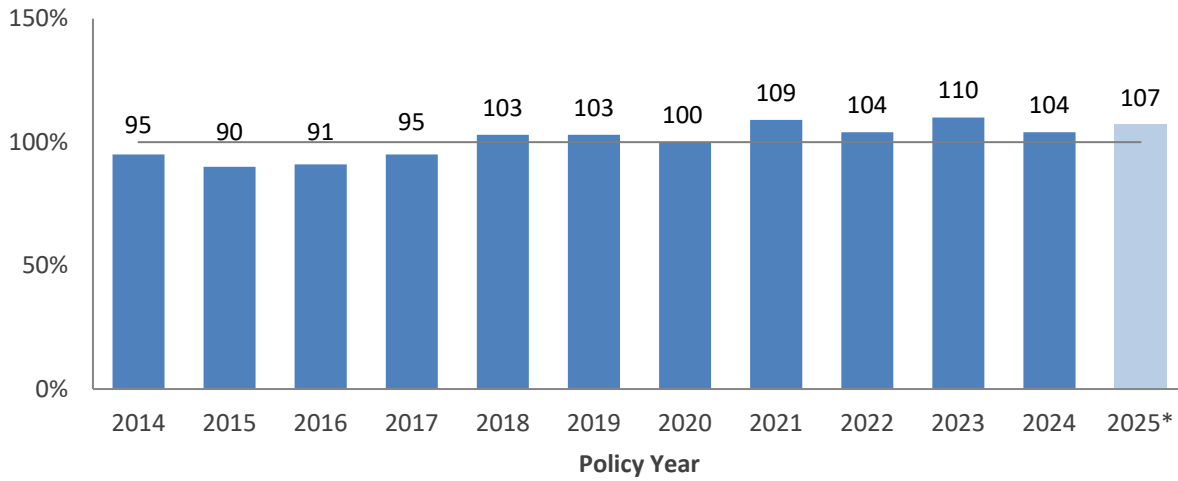
Projected to Ultimate; Tennessee Reinsurance Mechanism experience is not included in the operating results for policy years prior to 2016.

* Incomplete Policy Year.

Exhibit C

Combined Ratio[#]

All Pools Serviced by NCCI, as of December 31, 2025



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

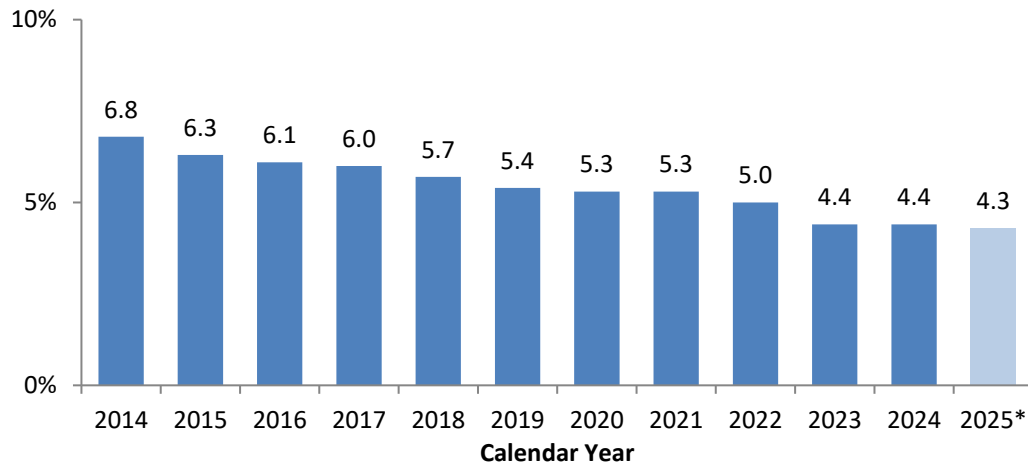
* Incomplete Policy Year.

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, 2025, four Servicing Carriers reported detailed SCOR results throughout the year. 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 2025. 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 four National Pool Servicing Carriers’ on-site audits conducted in 2025 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 two National Pool Servicing Carriers who were assessed Tier One remediation penalties in 2025, 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		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
0	3	3	4	3	4	2	3	4	3	3	2	3
1	0	0	0	0	0	1	0	0	0	0	1	0
2	0	0	0	0	0	0	0	0	0	0	1	0
3 or more	0	0	0	0	0	0	0	0	0	0	0	0

Exhibit F

Servicing Carrier Aggregate Ratings—National Pool

2025 Self-Audit Aggregate Ratings	Commendable	Satisfactory	Marginal	Unsatisfactory
Underwriting, Premium Audit, and Loss Prevention Performance Standards	4	0	1	0
Claims Performance Standards	5	0	0	0
2025 On-Site Audit Aggregate Ratings				
Reporting Requirements and Procedures	N/A	4	0	0
Underwriting, Premium Audit, and Loss Prevention Performance Standards	2	2	0	0
Claims Performance Standards	4	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 2025 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 2025

Comparative financial analyses and operating results for all pools serviced by NCCI are shown in Exhibits G through J. The 2025 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 \$150.6 million in Calendar Year 2025, compared with the net operating gain of \$95 million in Calendar Year 2024.

- The National Pool results reflect an operating gain of \$165.1 million compared with an operating gain of \$99.2 million in the prior year (Exhibit K)
- The Massachusetts Pool results reflect an operating loss of \$19.7 million compared with a loss of \$19.3 million in the prior year (Exhibit L)
- The Michigan Pool results reflect an operating gain of \$4.7 million compared with a gain of \$11.5 million in the prior year (Exhibit M)
- The New Mexico Pool results reflect an operating gain of \$588,000 compared with a gain of \$3.6 million in the prior year (Exhibit N)

Comparative Calendar Year Financial Analysis

Exhibit G

All Pools Serviced by NCCI—Calendar Years 2025 and 2024 (\$000s)

	Calendar Year 2025 Quarterly Results				Calendar Year	
	First (\$)	Second (\$)	Third (\$)	Fourth (\$)	2025 (\$)	2024 (\$)
Premiums Written	192,343	165,328	151,048	137,328	646,047	652,895
Premiums Earned	190,069	163,755	148,455	153,110	655,389	666,349
Incurred Losses	(46,025)	105,369	103,213	119,436	281,993	356,680
Loss Ratio (%)	(24.2)	64.3	69.5	78.0	43.0	53.5
Paid Losses	136,898	132,402	137,301	139,429	546,030	594,105
ALAE for Black Lung	671	806	779	667	2,923	2,823
Servicing Carrier Allowance	44,269	36,663	39,239	32,150	152,321	153,648
Producer Fees	6,447	6,753	6,068	6,098	25,366	25,663
Administrative Expenses	3,214	3,555	3,220	3,399	13,388	13,577
Other Expenses	9,110	6,781	4,735	11,377	32,003	22,079
Net Underwriting Gain (Loss)	173,055	4,634	(8,021)	(19,349)	150,319	94,701
Investment Income	58	84	92	84	318	349
Net Operating Gain (Loss)	173,113	4,718	(7,928)	(19,266)	150,637	95,049
EBNR Premium Reserves	(68,348)	(78,869)	(48,203)	(46,885)	(46,885)	(39,159)
Loss Ratio With EBNR (%)	(28.6)	68.8	57.6	77.3	43.5	53.4
Unearned Premiums	221,730	223,304	225,897	210,115	210,115	219,455
Outstanding Losses	2,535,994	2,508,217	2,484,940	2,480,380	2,480,380	2,566,234
IBNR	1,065,075	1,065,819	1,055,008	1,039,575	1,039,575	1,217,758
Cash Flow	(7,536)	(20,741)	(39,423)	(55,041)	(122,741)	(155,828)
Uncollectible Premiums	31,810	40,862	39,224	32,814	144,710	159,790

Exhibit H

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 I

Comparative Policy Year Financial Analysis

All Pools Serviced by NCCI—Policy Years 2025 and 2024 (\$000s)

	Policy Year 2025 Quarterly Results				At December 31, 2025	
	First (\$)	Second (\$)	Third (\$)	Fourth (\$)	PY 2025 (\$)	PY 2024 (\$)
Premiums Written	119,394	158,574	164,317	150,436	592,721	698,328
Premiums Earned	26,046	82,156	121,160	153,244	382,606	698,328
Incurred Losses	19,997	63,870	93,165	116,998	294,030	483,110
Loss Ratio (%)	76.8	77.7	76.9	76.3	76.8	69.2
Paid Losses	588	4,852	14,111	24,366	43,917	168,636
Net Expenses	32,604	42,371	42,164	39,346	156,485	186,155
Net Operating Gain (Loss)	(26,555)	(24,084)	(14,169)	(3,101)	(67,909)	29,063
EBNR Premium Reserves	0	0	0	0	0	(41,112)
Loss Ratio With EBNR (%)	76.8	77.7	76.9	76.3	76.8	73.5
Unearned Premiums	93,348	169,766	212,923	210,115	210,115	0
Outstanding Losses	4,288	22,803	51,106	87,307	87,307	158,991
IBNR	15,122	55,625	106,377	162,808	162,808	155,483
Cash Flow	86,202	111,352	108,043	86,723	392,320	343,537
Uncollectible Premiums	0	1	783	5,742	6,526	61,027

Exhibit J

Combined Calendar Year Operating Results

All Pools Serviced by NCCI—Calendar Years 2016–2025 (\$000s)

Calendar Year	Written Premium (\$)	Increase (Decrease) Previous Year (%)	Earned Premium (\$)	Incurred Losses (\$)	Loss Ratio (%)	Net Operating Gain/(Loss) (\$)
2025	646,047	(1.0)	655,389	281,993	43.0	150,637
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

Individual Pools Calendar Year Operating Results

Quarterly Comparison for Calendar Year 2025; Annual Comparison for Calendar Years 2025 and 2024 (\$000s)

Exhibit K

National Workers' Compensation Reinsurance Pooling Mechanism*

	Earned Premium (\$)	Incurred Losses (\$)	Loss Ratio (%)	Net Operating Gain/(Loss) (\$)
1st Quarter 2025	158,266	(66,747)	(42.2)	172,320
2nd Quarter 2025	133,156	81,671	61.3	9,629
3rd Quarter 2025	114,656	79,392	69.2	(6,367)
4th Quarter 2025	119,930	90,796	75.7	(10,520)
Calendar Year 2025	526,008	185,112	35.2	165,062
Calendar Year 2024	520,996	253,117	48.6	99,216

*Includes Inactive Pools Merged With National Pool Effective 1/1/97

Exhibit L

Massachusetts Workers' Compensation Assigned Risk Pool

	Earned Premium (\$)	Incurred Losses (\$)	Loss Ratio (%)	Net Operating Gain/(Loss) (\$)
1st Quarter 2025	20,634	18,401	89.2	(4,130)
2nd Quarter 2025	19,251	13,963	72.5	(2,486)
3rd Quarter 2025	20,169	17,944	89.0	(5,314)
4th Quarter 2025	20,217	21,087	104.3	(7,798)
Calendar Year 2025	80,271	71,395	88.9	(19,728)
Calendar Year 2024	85,853	75,533	88.0	(19,281)

Exhibit M

Michigan Workers' Compensation Placement Facility

	Earned Premium (\$)	Incurred Losses (\$)	Loss Ratio (%)	Net Operating Gain/(Loss) (\$)
1st Quarter 2025	9,921	1,850	18.6	4,809
2nd Quarter 2025	10,245	9,195	89.8	(2,353)
3rd Quarter 2025	12,190	6,652	54.6	2,214
4th Quarter 2025	11,638	5,937	51.0	45
Calendar Year 2025	43,994	23,634	53.7	4,715
Calendar Year 2024	53,627	28,618	53.4	11,513

Exhibit N

New Mexico Workers' Compensation Assigned Risk Pool

	Earned Premium (\$)	Incurred Losses (\$)	Loss Ratio (%)	Net Operating Gain/(Loss) (\$)
1st Quarter 2025	1,248	471	37.7	114
2nd Quarter 2025	1,102	540	49.0	(72)
3rd Quarter 2025	1,441	(775)	(53.8)	1,538
4th Quarter 2025	1,325	1,615	121.9	(992)
Calendar Year 2025	5,116	1,851	36.2	588
Calendar Year 2024	5,872	(586)	(10.0)	3,601

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 1% decrease from Policy Year 2024 to Policy Year 2025. This amount differs from the pool premium volume decrease of 2% shown in Exhibit A due to the adjustments described above.

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 2025 combined ratio estimate for "All Pools Serviced by NCCI" is 107%, which is slightly higher than the current estimate of Policy Year 2024 (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 2025, 2024, and 2023

The operating expenses for Calendar Year (CY) 2025 were \$223 million compared with \$215 million in CY 2024 and \$248 million in CY 2023. As a percentage of premiums written, the expenses were 35%, 33%, and 35% for CYs 2025, 2024, and 2023, respectively. The largest component of the operating expenses is the Servicing Carrier allowance, which accounted for approximately 68% of these expenses in CY 2025.

The Servicing Carrier allowance in 2025 was \$152 million compared with \$154 million in 2024 and \$173 million in 2023. This decrease is primarily due to a 1% decrease in written premiums in 2025.

Producer fees for CYs 2025, 2024, and 2023 were \$25 million, \$26 million, and \$28 million, respectively.

Other expenses, which include Servicing Carrier indemnification expenses, collection costs, and other reimbursable expenses, increased to \$32 million, compared to \$22 million in 2024 and \$34 million in 2023. The increase in other expenses for CY 2025 is primarily due to an increase in taxes and assessments that were reimbursed directly to Servicing Carriers.

Administrative expenses were \$13 million in 2025, \$14 million in CY 2024, and \$13 million in CY 2023.

Exhibit O

Comparison of Residual Market Written Premium to Total Direct Written Premium

**Reinsurance Pools Serviced by NCCI
Calendar Years 2025 and 2024**

State	Preliminary 2025					Final 2024				
	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	419,082,155	5,846,804	1,719,286	7,566,090	1.8	440,915,949	10,503,190	2,549,176	13,052,366	3.0
AK	192,747,826	21,340,831	—	21,340,831	11.1	186,914,002	25,146,502	—	25,146,502	13.5
AZ	842,407,278	29,469,298	—	29,469,298	3.5	868,308,583	32,695,591	—	32,695,591	3.8
AR	273,921,562	19,316,403	—	19,316,403	7.1	277,085,108	17,306,399	—	17,306,399	6.2
CT	731,138,005	21,930,328	8,262,547	30,192,875	4.1	762,961,847	21,408,679	8,186,365	29,595,044	3.9
DC	148,418,859	2,649,700	—	2,649,700	1.8	158,281,070	3,767,970	—	3,767,970	2.4
GA	1,843,867,345	139,714,047	22,892,957	162,607,004	8.8	1,833,136,121	130,580,089	19,830,611	150,410,700	8.2
ID	480,727,284	9,448,699	—	9,448,699	2.0	484,436,284	7,958,690	—	7,958,690	1.6
IL	2,441,992,760	58,023,746	—	58,023,746	2.4	2,538,590,387	77,128,551	—	77,128,551	3.0
IA	635,719,628	13,823,837	3,248,552	17,072,389	2.7	665,506,180	15,957,208	4,407,490	20,364,698	3.1
KS	430,046,321	17,766,135	—	17,766,135	4.1	443,070,149	18,069,356	—	18,069,356	4.1
NV	505,175,855	17,669,572	—	17,669,572	3.5	471,901,710	15,199,632	—	15,199,632	3.2
NH	223,108,422	11,548,356	2,710,651	14,259,007	6.4	225,583,074	12,588,066	2,364,160	14,952,226	6.6
NM	287,198,231	6,522,391	—	6,522,391	2.3	297,379,052	6,420,903	—	6,420,903	2.2
OR	801,489,238	17,036,002	—	17,036,002	2.1	791,763,334	18,820,903	—	18,820,903	2.4
SC	894,051,808	42,189,222	7,678,268	49,867,490	5.6	861,278,267	32,918,194	7,968,887	40,887,081	4.7
SD	195,176,233	5,518,964	—	5,518,964	2.8	193,947,870	7,227,658	—	7,227,658	3.7
TN	796,206,932	21,111,254	7,720,726	28,831,980	3.6	824,690,615	22,773,623	10,538,640	33,312,263	4.0
VT	187,387,793	14,700,495	2,277,060	16,977,555	9.1	195,381,573	14,651,377	2,197,081	16,848,458	8.6
VA	972,046,558	29,219,424	10,098,147	39,317,571	4.0	996,533,473	30,642,341	16,388,116	47,030,457	4.7
WV	234,338,765	7,710,693	—	7,710,693	3.3	251,931,031	13,132,075	—	13,132,075	5.2
Sub Totals¹	13,536,248,858	512,556,201	66,608,194	579,164,395	4.3	13,769,595,679	534,896,998	74,430,526	609,327,524	4.4
DE	172,543,765	5,375,375	727,489	6,102,864	3.5	176,326,886	6,650,073	1,072,943	7,723,016	4.4
MA	1,247,045,771	81,113,005	94,015,787	175,128,792	14.0	1,338,415,746	85,387,857	106,402,637	191,790,494	14.3
MI	1,038,501,966	45,630,287	—	45,630,287	4.4	1,063,059,440	53,563,094	—	53,563,094	5.0
NJ	2,592,502,947	78,147,091	44,530,531	122,677,622	4.7	2,636,970,360	78,608,928	43,555,144	122,164,072	4.6
NC	1,505,422,780	59,421,477	21,620,542	81,042,019	5.4	1,541,291,955	51,359,572	21,197,318	72,556,890	4.7
Grand Totals	20,092,266,087	782,243,435	227,502,543	1,009,745,978	5.0	20,525,660,066	810,466,522	246,658,568	1,057,125,090	5.2

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 2021–2025

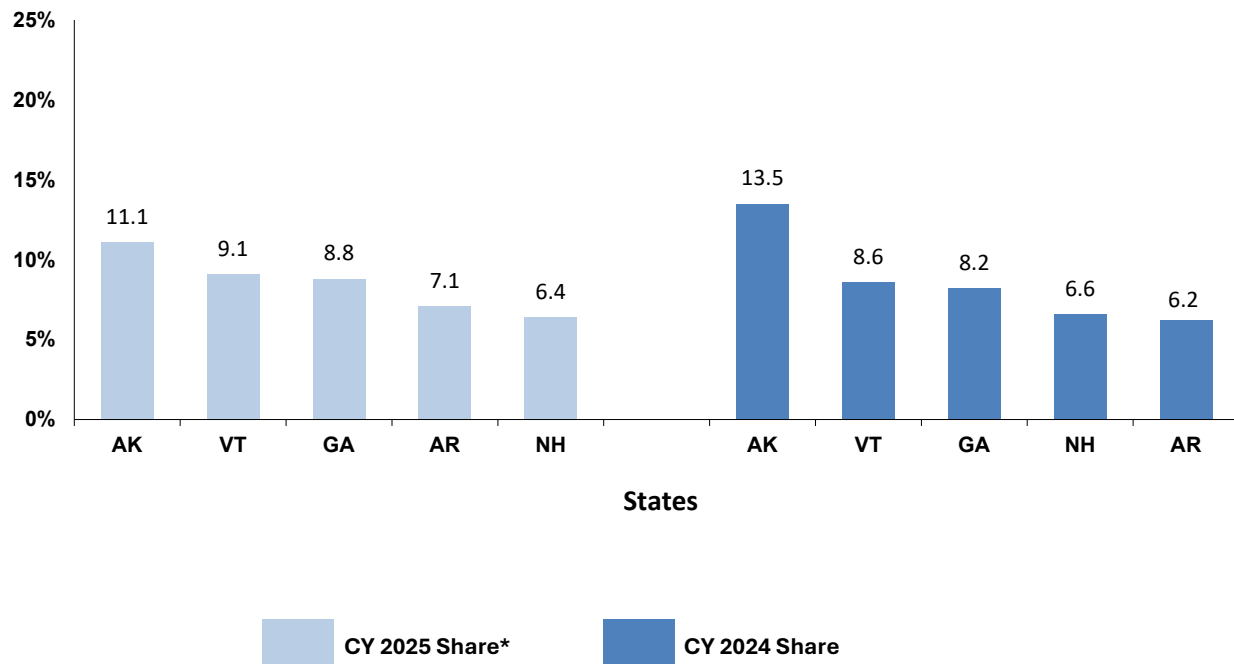
State	2025 ¹ (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)
Alabama	1.8	3.0	3.2	3.8	2.6
Alaska	11.1	13.5	13.9	14.1	13.7
Arizona	3.5	3.8	3.8	3.9	4.5
Arkansas	7.1	6.2	7.7	9.2	8.6
Connecticut	4.1	3.9	4.0	4.1	4.7
District of Columbia	1.8	2.4	2.1	2.2	2.4
Georgia	8.8	8.2	6.5	7.6	8.8
Idaho	2.0	1.6	1.7	1.7	1.6
Illinois	2.4	3.0	3.1	3.1	3.5
Iowa	2.7	3.1	3.1	3.7	3.8
Kansas	4.1	4.1	4.6	5.6	5.5
Nevada	3.5	3.2	3.9	4.3	5.2
New Hampshire	6.4	6.6	6.2	7.0	6.6
New Mexico	2.3	2.2	2.3	2.1	2.0
Oregon	2.1	2.4	2.4	3.4	3.8
South Carolina	5.6	4.7	7.2	8.1	5.9
South Dakota	2.8	3.7	3.1	3.7	3.3
Tennessee	3.6	4.0	4.9	6.3	7.1
Vermont	9.1	8.6	7.8	8.6	8.5
Virginia	4.0	4.7	4.4	5.5	5.4
West Virginia	3.3	5.2	4.0	3.4	5.9
Subtotals²	4.3	4.4	4.4	5.0	5.3
Delaware	3.5	4.4	4.7	5.6	5.8
Massachusetts	14.0	14.3	15.2	17.2	17.5
Michigan	4.4	5.0	4.6	5.9	5.5
New Jersey	4.7	4.6	5.2	6.0	5.7
North Carolina	5.4	4.7	5.2	6.0	5.7
Grand Totals	5.0	5.2	5.3	6.1	6.2

¹ 2025 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 2025 and 2024

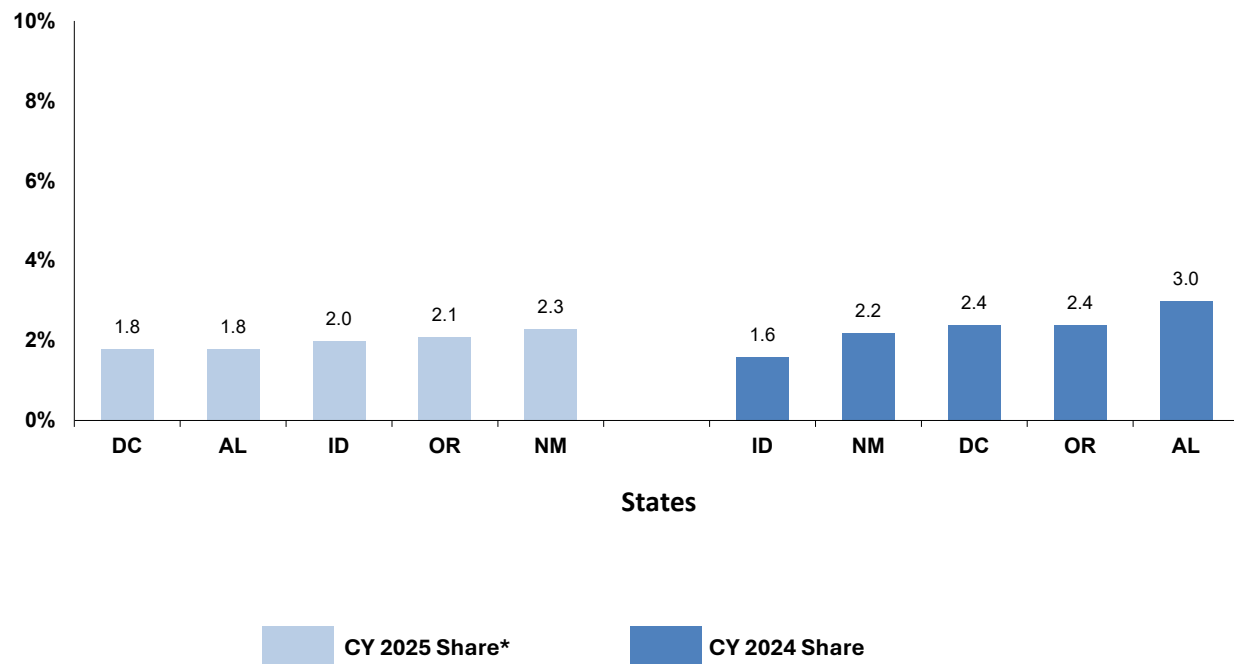
Residual Market Written Premium as a Percentage of Total Direct Written Premium



*Preliminary.

NCCI Plan-Administered States With Lowest Residual Market Share Calendar Years 2025 and 2024

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



*Preliminary.

Exhibit Q

Net Underwriting Results—All Pools Serviced by NCCI

Calendar Years 2023–2025 (excluding results for states in which only federal or extraordinary coverage is reinsured)

State	Net Underwriting Gain/(Loss) by Calendar Year		
	2025 (\$)	2024 (\$)	2023 (\$)
Alabama	5,940,903	13,951,231	18,414,116
Alaska	3,768,465	12,153,888	12,404,727
Arizona	7,432,259	7,846,402	527,478
Arkansas	12,334,674	9,135,126	(21,018,794)
Connecticut	8,643,700	(1,956,449)	7,592,980
Delaware	(409,343)	5,576,904	3,981,703
District of Columbia	2,656,967	1,131,858	930,525
Georgia	(2,305,336)	(25,441,645)	(27,718,730)
Idaho	3,032,032	2,406,701	7,064,920
Illinois	(7,666,107)	1,221,774	(6,250,469)
Iowa	9,077,534	12,563,991	(7,501,752)
Kansas	15,056,385	1,019,789	(6,784,224)
Massachusetts	(10,406,153)	(17,659,464)	3,632,673
Michigan	5,605,793	11,779,797	962,661
Nevada	(1,219,535)	(107,306)	(825,095)
New Hampshire	(970,462)	1,654,975	2,061,253
New Jersey	4,480,474	13,665,831	(3,425,332)
New Mexico	576,548	3,579,854	7,953,644
North Carolina	37,740,990	37,704,722	(8,131,504)
Oklahoma ¹	(430,810)	(121,739)	0
Oregon	14,702,177	12,542,299	10,209,502
South Carolina ²	(1,128,575)	(21,087,819)	(12,634,829)
South Dakota	7,922,188	4,517,519	(79,856)
Tennessee ³	7,746,358	7,775,487	6,993,356
Vermont	6,837,728	2,792,613	(991,315)
Virginia	1,150,276	14,374,977	19,735,137
West Virginia	(2,779,078)	2,199,576	(1,619,471)
Subtotals	127,390,049	113,220,893	5,483,304
Runoff States:			
Florida ⁴	20,900,207	(5,673,369)	(1,979,386)
Hawaii ⁵	2,764,679	1,043,784	365,987
Indiana ⁶	2,527,984	861,976	(1,110,293)
Kentucky ⁷	(30,471,503)	(7,640,635)	(1,163,627)
Louisiana ⁸	13,435,089	(728,734)	1,756,454
Maine ⁹	8,345,789	(630,532)	(250,610)
Mississippi ⁹	2,988,270	8,340,673	(330,969)
Missouri ¹⁰	5,045,366	(6,023,719)	(2,481,067)
Nebraska ¹¹	762,306	(1,861,200)	135,187
Rhode Island ⁹	(2,265,644)	(6,552,191)	(2,029,958)
Totals	151,422,592	(94,356,946)	(1,604,976)

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 2025 and 2024*

State	2025 Policies	2024 Policies	Number Change	Percent Change (%)
Alabama	1,469	1,555	(86)	(5.5)
Alaska	5,531	5,538	(7)	(0.1)
Arizona	4,210	4,368	(158)	(3.6)
Arkansas	5,083	5,097	(14)	(0.3)
Connecticut	10,686	11,776	(1,090)	(9.3)
District of Columbia	495	578	(83)	(14.4)
Georgia	17,951	19,115	(1,164)	(6.1)
Idaho	3,137	3,088	49	1.6
Illinois	20,414	24,408	(3,994)	(16.4)
Iowa	3,185	3,292	(107)	(3.3)
Kansas	4,242	4,439	(197)	(4.4)
Mississippi	1,904	1,785	119	6.7
Nevada	2,394	2,363	31	1.3
New Hampshire	3,693	3,719	(26)	(0.7)
New Mexico	826	811	15	1.8
Oklahoma**	1,298	89	1,209	1,358.4
Oregon	4,401	4,757	(356)	(7.5)
South Carolina	11,494	11,578	(84)	(0.7)
South Dakota	908	926	(18)	(1.9)
Tennessee	6,150	6,539	(389)	(5.9)
Vermont	2,676	2,750	(74)	(2.7)
Virginia	11,621	12,676	(1,055)	(8.3)
West Virginia	2,001	1,984	17	0.9
Subtotal	125,769	133,231	(7,462)	(5.6)
Other Pool States				
Delaware	1,309	1,423	(114)	(8.0)
Indiana	8,057	8,188	(131)	(1.6)
New Jersey	21,579	26,910	(5,331)	(19.8)
North Carolina	23,244	23,409	(165)	(0.7)
Subtotal	54,893	59,930	(5,741)	(9.6)
Grand Totals	179,958	193,161	(13,203)	(6.8)

*2024 figures have been restated to account for additional data available since the publication of Residual Market Management Summary 2024.

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

Exhibit S

Residual Market Premium Size Profile

Policy Year 2025*

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	131,935	73.3	152,185,009	21.8	1,153
2,500–4,999	20,514	11.4	72,884,047	10.4	3,553
5,000–9,999	14,518	8.1	101,858,179	14.6	7,016
10,000–19,999	7,665	4.3	105,822,991	15.2	13,806
20,000–49,999	3,907	2.2	116,779,019	16.7	29,890
50,000–99,999	1,016	0.6	68,381,375	9.8	67,305
100,000–199,999	300	0.2	40,673,157	5.8	135,577
200,000+	103	0.1	38,960,867	5.6	378,261
Totals	179,958	100.0	697,544,643	100.0	3,876

*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 2025

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 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	992	67.5	1,339,148	18.7	1,350
2,500–4,999	197	13.4	701,892	9.8	3,563
5,000–9,999	122	8.3	867,167	12.1	7,108
10,000–19,999	100	6.8	1,368,108	19.1	13,681
20,000–49,999	42	2.9	1,311,463	18.3	31,225
50,000–99,999	13	0.9	892,927	12.5	68,687
100,000–199,999	2	0.1	310,838	4.3	155,419
200,000+	1	0.1	355,762	5.0	355,762
Totals	1,469	100.0	7,147,305	100.0	4,865

Alaska Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	4,015	72.6	3,038,073	14.3	757
2,500–4,999	619	11.2	2,181,927	10.3	3,525
5,000–9,999	454	8.2	3,150,217	14.9	6,939
10,000–19,999	248	4.5	3,433,892	16.2	13,846
20,000–49,999	133	2.4	4,067,180	19.2	30,580
50,000–99,999	47	0.8	3,143,616	14.8	66,885
100,000–199,999	13	0.2	1,751,602	8.3	134,739
200,000+	2	0.0	442,149	2.1	221,075
Totals	5,531	100.0	21,208,656	100.0	3,835

Arizona Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	2,408	57.2	2,568,172	9.9	1,067
2,500–4,999	631	15.0	2,265,885	8.7	3,591
5,000–9,999	558	13.3	3,907,073	15.0	7,002
10,000–19,999	353	8.4	4,898,064	18.8	13,876
20,000–49,999	190	4.5	5,633,448	21.6	29,650
50,000–99,999	48	1.1	3,335,933	12.8	69,499
100,000–199,999	20	0.5	2,688,697	10.3	134,435
200,000+	2	0.0	756,373	2.9	378,187
Totals	4,210	100.0	26,053,645	100.0	6,189

Premium Size Profiles by State (Cont'd)

Arkansas Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	3,418	67.2	3,747,530	21.8	1,096
2,500–4,999	839	16.5	2,946,549	17.1	3,512
5,000–9,999	514	10.1	3,557,983	20.7	6,922
10,000–19,999	219	4.3	2,959,097	17.2	13,512
20,000–49,999	67	1.3	1,914,584	11.1	28,576
50,000–99,999	23	0.5	1,558,463	9.1	67,759
100,000–199,999	2	0.0	272,319	1.6	136,160
200,000+	1	0.0	228,964	1.3	228,964
Totals	5,083	100.0	17,185,489	100.0	3,381

Connecticut Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	8,674	81.2	11,134,960	33.7	1,284
2,500–4,999	887	8.3	3,186,428	9.6	3,592
5,000–9,999	584	5.5	4,064,519	12.3	6,960
10,000–19,999	306	2.9	4,311,190	13.0	14,089
20,000–49,999	173	1.6	5,307,814	16.1	30,681
50,000–99,999	51	0.5	3,426,251	10.4	67,181
100,000–199,999	10	0.1	1,267,559	3.8	126,756
200,000+	1	0.0	343,914	1.0	343,914
Totals	10,686	100.0	33,042,635	100.0	3,092

Delaware Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	690	52.7	762,637	10.8	1,105
2,500–4,999	256	19.6	918,532	13.0	3,588
5,000–9,999	197	15.0	1,428,978	20.3	7,254
10,000–19,999	115	8.8	1,590,782	22.6	13,833
20,000–49,999	36	2.8	1,034,878	14.7	28,747
50,000–99,999	12	0.9	776,558	11.0	64,713
100,000–199,999	2	0.2	294,281	4.2	147,141
200,000+	1	0.1	246,772	3.5	246,772
Totals	1,309	100.0	7,053,418	100.0	5,388

District of Columbia Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	344	69.5	301,006	11.9	875
2,500–4,999	56	11.3	191,084	7.5	3,412
5,000–9,999	40	8.1	298,012	11.8	7,450
10,000–19,999	27	5.5	384,632	15.2	14,246
20,000–49,999	23	4.6	697,841	27.6	30,341
50,000–99,999	3	0.6	221,657	8.8	73,886
100,000–199,999	1	0.2	115,499	4.6	115,499
200,000+	1	0.2	321,941	12.7	321,941
Totals	495	100.0	2,531,672	100.0	5,114

Premium Size Profiles by State (Cont'd)

Georgia Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	14,822	82.6	20,515,462	31.1	1,384
2,500–4,999	1,334	7.4	4,614,570	7.0	3,459
5,000–9,999	832	4.6	5,771,995	8.7	6,937
10,000–19,999	522	2.9	7,209,802	10.9	13,812
20,000–49,999	283	1.6	8,609,143	13.0	30,421
50,000–99,999	101	0.6	6,911,505	10.5	68,431
100,000–199,999	36	0.2	5,153,673	7.8	143,158
200,000+	21	0.1	7,282,916	11.0	346,806
Totals	17,951	100.0	66,069,066	100.0	3,681

Idaho Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	2,696	85.9	1,280,504	14.6	475
2,500–4,999	144	4.6	533,574	6.1	3,705
5,000–9,999	134	4.3	901,092	10.2	6,725
10,000–19,999	82	2.6	1,142,280	13.0	13,930
20,000–49,999	53	1.7	1,708,495	19.4	32,236
50,000–99,999	20	0.6	1,458,701	16.6	72,935
100,000–199,999	7	0.2	976,355	11.1	139,479
200,000+	1	0.0	798,757	9.1	798,757
Totals	3,137	100.0	8,799,758	100.0	2,805

Illinois Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	17,693	86.7	23,808,316	42.5	1,346
2,500–4,999	1,173	5.7	4,131,232	7.4	3,522
5,000–9,999	761	3.7	5,324,744	9.5	6,997
10,000–19,999	464	2.3	6,436,704	11.5	13,872
20,000–49,999	232	1.1	6,995,741	12.5	30,154
50,000–99,999	65	0.3	4,448,979	7.9	68,446
100,000–199,999	16	0.1	2,102,912	3.8	131,432
200,000+	10	0.0	2,754,264	4.9	275,426
Totals	20,414	100.0	56,002,892	100.0	2,743

Indiana Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	5,339	66.3	\$5,789,036	17.9	1,084
2,500–4,999	1,226	15.2	\$4,335,660	13.4	3,536
5,000–9,999	798	9.9	\$5,650,297	17.5	7,081
10,000–19,999	437	5.4	\$5,899,229	18.3	13,499
20,000–49,999	205	2.5	\$6,051,544	18.8	29,520
50,000–99,999	39	0.5	\$2,529,970	7.8	64,871
100,000–199,999	10	0.1	\$1,344,643	4.2	134,464
200,000+	3	0.0	655,324	2.0	218,441
Totals	8,057	100.0	32,255,702	100.0	4,003

Premium Size Profiles by State (Cont'd)

Iowa Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	1,803	56.6	1,766,330	10.1	980
2,500–4,999	613	19.2	2,211,313	12.6	3,607
5,000–9,999	394	12.4	2,771,701	15.8	7,035
10,000–19,999	188	5.9	2,534,859	14.5	13,483
20,000–49,999	144	4.5	4,210,323	24.0	29,238
50,000–99,999	26	0.8	1,630,346	9.3	62,706
100,000–199,999	15	0.5	1,971,917	11.2	131,461
200,000+	2	0.1	438,811	2.5	219,406
Totals	3,185	100.0	17,535,600	100.0	5,506

Kansas Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	2,758	65.0	2,811,575	16.3	1,019
2,500–4,999	715	16.9	2,524,415	14.7	3,531
5,000–9,999	468	11.0	3,279,984	19.1	7,009
10,000–19,999	170	4.0	2,259,879	13.1	13,293
20,000–49,999	99	2.3	2,966,271	17.2	29,962
50,000–99,999	22	0.5	1,528,565	8.9	69,480
100,000–199,999	8	0.2	1,151,187	6.7	143,898
200,000+	2	0.0	681,471	4.0	340,736
Totals	4,242	100.0	17,203,347	100.0	4,055

Mississippi Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	1,145	60.1	1,379,122	14.9	1,204
2,500–4,999	334	17.5	1,188,155	12.8	3,557
5,000–9,999	223	11.7	1,570,544	17.0	7,043
10,000–19,999	124	6.5	1,677,919	18.1	13,532
20,000–49,999	60	3.2	1,738,631	18.8	28,977
50,000–99,999	15	0.8	956,468	10.3	63,765
100,000–199,999	1	0.1	134,641	1.5	134,641
200,000+	2	0.1	606,048	6.6	303,024
Totals	1,904	100.0	9,251,528	100.0	4,859

Nevada Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	1,345	56.2	1,381,168	8.2	1,027
2,500–4,999	388	16.2	1,372,757	8.1	3,538
5,000–9,999	299	12.5	2,122,796	12.6	7,100
10,000–19,999	191	8.0	2,738,513	16.2	14,338
20,000–49,999	121	5.1	3,761,325	22.3	31,085
50,000–99,999	33	1.4	2,166,956	12.8	65,665
100,000–199,999	11	0.5	1,424,463	8.4	129,497
200,000+	6	0.3	1,921,865	11.4	320,311
Totals	2,394	100.0	16,889,843	100.0	7,055

Premium Size Profiles by State (Cont'd)

New Hampshire Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	2,523	68.3	2,668,613	19.9	1,058
2,500–4,999	489	13.2	1,758,420	13.1	3,596
5,000–9,999	384	10.4	2,668,592	19.9	6,949
10,000–19,999	199	5.4	2,799,669	20.8	14,069
20,000–49,999	84	2.3	2,460,244	18.3	29,289
50,000–99,999	10	0.3	574,527	4.3	57,453
100,000–199,999	4	0.1	508,920	3.8	127,230
200,000+	0	0.0	0	0.0	0
Totals	3,693	100.0	13,438,985	100.0	3,639

New Jersey Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	13,368	61.9	15,590,425	12.4	1,166
2,500–4,999	2,898	13.4	10,458,423	8.3	3,609
5,000–9,999	2,743	12.7	19,459,394	15.5	7,094
10,000–19,999	1,482	6.9	20,536,688	16.4	13,857
20,000–49,999	775	3.6	23,117,516	18.4	29,829
50,000–99,999	224	1.0	15,262,062	12.2	68,134
100,000–199,999	60	0.3	7,773,648	6.2	129,561
200,000+	29	0.1	13,112,208	10.5	452,145
Totals	21,579	100.0	125,310,364	100.0	5,807

New Mexico Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	569	68.9	641,298	13.9	1,127
2,500–4,999	76	9.2	272,109	5.9	3,580
5,000–9,999	70	8.5	497,246	10.8	7,104
10,000–19,999	59	7.1	818,548	17.7	13,874
20,000–49,999	37	4.5	1,066,793	23.1	28,832
50,000–99,999	9	1.1	580,330	12.6	64,481
100,000–199,999	6	0.7	745,390	16.1	124,232
200,000+	0	0.0	0	0.0	0
Totals	826	100.0	4,621,714	100.0	5,595

North Carolina Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	18,226	78.4	23,026,877	36.2	1,263
2,500–4,999	2,620	11.3	9,281,449	14.6	3,543
5,000–9,999	1,475	6.3	10,186,544	16.0	6,906
10,000–19,999	630	2.7	8,704,876	13.7	13,817
20,000–49,999	234	1.0	7,014,887	11.0	29,978
50,000–99,999	44	0.2	2,831,656	4.5	64,356
100,000–199,999	12	0.1	1,635,276	2.6	136,273
200,000+	3	0.0	886,104	1.4	295,368
Totals	23,244	100.0	63,567,669	100.0	2,735

Premium Size Profiles by State (Cont'd)

Oklahoma Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	926	71.3	891,735	16.7	963
2,500–4,999	150	11.6	531,348	10.0	3,542
5,000–9,999	112	8.6	773,079	14.5	6,902
10,000–19,999	62	4.8	824,705	15.5	13,302
20,000–49,999	33	2.5	988,361	18.5	29,950
50,000–99,999	10	0.8	690,222	12.9	69,022
100,000–199,999	5	0.4	630,497	11.8	126,099
200,000+	0	0.0	0	0.0	0
Totals	1,298	100.0	5,329,947	100.0	4,106

Oregon Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	3,279	74.5	2,342,286	14.0	714
2,500–4,999	424	9.6	1,506,281	9.0	3,553
5,000–9,999	335	7.6	2,374,619	14.2	7,088
10,000–19,999	202	4.6	2,829,190	16.9	14,006
20,000–49,999	119	2.7	3,666,189	21.9	30,808
50,000–99,999	32	0.7	2,136,251	12.8	66,758
100,000–199,999	7	0.2	1,037,032	6.2	148,147
200,000+	3	0.1	825,950	4.9	275,317
Totals	4,401	100.0	16,717,798	100.0	3,799

South Carolina Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	9,815	85.4	9,830,871	31.4	1,002
2,500–4,999	736	6.4	2,621,948	8.4	3,562
5,000–9,999	509	4.4	3,561,209	11.4	6,996
10,000–19,999	227	2.0	3,096,314	9.9	13,640
20,000–49,999	156	1.4	4,630,006	14.8	29,680
50,000–99,999	30	0.3	2,035,507	6.5	67,850
100,000–199,999	16	0.1	2,332,847	7.4	145,803
200,000+	5	0.0	3,220,656	10.3	644,131
Totals	11,494	100.0	31,329,358	100.0	2,726

South Dakota Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	462	50.9	616,086	10.5	1,334
2,500–4,999	187	20.6	677,901	11.5	3,625
5,000–9,999	127	14.0	906,412	15.4	7,137
10,000–19,999	76	8.4	1,072,541	18.2	14,112
20,000–49,999	41	4.5	1,268,093	21.5	30,929
50,000–99,999	11	1.2	712,558	12.1	64,778
100,000–199,999	3	0.3	402,206	6.8	134,069
200,000+	1	0.1	239,055	4.1	239,055
Totals	908	100.0	5,894,852	100.0	6,492

Premium Size Profiles by State (Cont'd)

Tennessee Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	3,767	61.3	3,860,535	13.3	1,025
2,500–4,999	1,005	16.3	3,560,822	12.3	3,543
5,000–9,999	705	11.5	4,992,860	17.2	7,082
10,000–19,999	427	6.9	5,851,445	20.2	13,704
20,000–49,999	185	3.0	5,398,028	18.6	29,179
50,000–99,999	46	0.7	2,932,913	10.1	63,759
100,000–199,999	13	0.2	1,926,422	6.6	148,186
200,000+	2	0.0	446,723	1.5	223,362
Totals	6,150	100.0	28,969,748	100.0	4,711

Vermont Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	1,574	58.8	1,851,376	11.5	1,176
2,500–4,999	397	14.8	1,418,843	8.8	3,574
5,000–9,999	325	12.1	2,341,703	14.5	7,205
10,000–19,999	225	8.4	3,174,820	19.7	14,110
20,000–49,999	113	4.2	3,397,718	21.1	30,068
50,000–99,999	32	1.2	2,170,740	13.5	67,836
100,000–199,999	8	0.3	1,073,947	6.7	134,243
200,000+	2	0.1	689,493	4.3	344,747
Totals	2,676	100.0	16,118,640	100.0	6,023

Virginia Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	8,017	69.0	7,751,461	20.0	967
2,500–4,999	1,737	14.9	6,149,057	15.8	3,540
5,000–9,999	1,150	9.9	8,004,545	20.6	6,960
10,000–19,999	442	3.8	6,065,858	15.6	13,724
20,000–49,999	226	1.9	6,527,661	16.8	28,883
50,000–99,999	37	0.3	2,558,805	6.6	69,157
100,000–199,999	11	0.1	1,538,876	4.0	139,898
200,000+	1	0.0	208,662	0.5	208,662
Totals	11,621	100.0	38,804,925	100.0	3,339

West Virginia Premium Size Profile—Policy Year 2025

Premium Size (\$)	Policy Count	% of Total Policies (%)	Estimated Annual Premium (\$)	% of Total Premium (%)	Average Premium (\$)
0–2,499	1,267	63.3	1,490,407	16.2	1,176
2,500–4,999	383	19.1	1,343,473	14.6	3,508
5,000–9,999	205	10.2	1,424,874	15.5	6,951
10,000–19,999	88	4.4	1,203,387	13.1	13,675
20,000–49,999	43	2.1	1,234,842	13.4	28,717
50,000–99,999	13	0.6	908,909	9.9	69,916
100,000–199,999	1	0.0	107,510	1.2	107,510
200,000+	1	0.0	1,496,685	16.3	1,496,685
Totals	2,001	100.0	9,210,087	100.0	4,603

Exhibit T

Classifications With Largest Premium Volume

Policy Year 2025*

Classification Code	Classification Description	Premium Amount (\$)
5645	Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	55,696,179
5551	Roofing—All Kinds & Drivers	52,346,826
7219	Trucking NOC—All Employees & Drivers	15,419,416
5474	Painting NOC & Shop Operations, Drivers	15,209,619
5437	Carpentry—Installation of Cabinet Work or Interior Trim	11,869,828
0106	Tree Pruning, Spraying, Repairing—All Operations & Drivers	10,909,885
5445	Wallboard, Sheetrock, Drywall, Plasterboard, or Cement Board Installation—Within Buildings—& Drivers	9,002,541
9014	Janitorial Services by Contractors—No Window Cleaning Above Ground Level & Drivers	8,562,361
7720	Police Officers & Drivers	7,271,875
8720	Construction—Job Site Salespersons and Estimators	7,008,589

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 2025*

Classification Code	Classification Description	Policy Count
5645	Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	17,495
5551	Roofing—All Kinds & Drivers	10,870
5437	Carpentry—Installation of Cabinet Work or Interior Trim	6,804
5474	Painting NOC & Shop Operations, Drivers	6,510
7219	Trucking NOC—All Employees & Drivers	5,873
5445	Wallboard, Sheetrock, Drywall, Plasterboard, or Cement Board Installation—Within Buildings—& Drivers	3,461
5022	Masonry NOC	2,649
9014	Janitorial Services by Contractors—No Window Cleaning Above Ground Level & Drivers	2,568
0106	Tree Pruning, Spraying, Repairing—All Operations & Drivers	2,333
8720	Construction—Job Site Salespersons and Estimators	2,312

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 2025

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.

Hazard Group	Voluntary Market 2025				Assigned Risk Plan 2025			
	Policy Count	% of Total	Estimated Standard Premium (\$)	% of Total	Policy Count	% of Total	Estimated Standard Premium (\$)	% of Total
A	124,357	8.6	1,100,497,514	5.4	2,146	1.6	15,971,238	2.9
B	219,748	15.2	1,632,016,202	8.1	5,948	4.5	26,355,069	4.8
C	338,050	23.3	7,652,105,769	37.8	11,164	8.4	55,690,444	10.1
D	206,931	14.3	2,399,049,211	11.9	10,536	7.9	48,732,359	8.9
E	211,528	14.6	2,234,787,660	11.0	12,983	9.7	54,075,698	9.8
F	198,454	13.7	3,008,353,313	14.9	37,819	28.3	130,648,433	23.8
G	149,670	10.3	2,157,247,391	10.7	52,790	39.6	217,904,183	39.7
Not Classified	602	0.0	42,963,214	0.2	28	0.0	167,003	0.0
Totals	1,449,340	100.0	20,227,020,274	100.0	133,414	100.0	549,544,427	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 2021–2025 (based on data reported to NCCI through December 31, 2025)

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 2025 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 2025 (Projected to Ultimate) (\$000s)

Alabama

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	4,872	90.0	4,385	(1,076)
2024	6,004	84.2	5,056	(884)
2023	7,818	74.5	5,824	(410)
2022	10,362	87.4	9,056	(1,940)
2021	6,527	47.1	3,074	920

Alaska

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	20,372	80.0	16,298	(3,634)
2024	22,393	57.4	12,854	1,113
2023	23,241	43.7	10,156	3,612
2022	21,098	54.4	11,477	1,040
2021	22,295	38.7	8,628	4,493

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

Arizona

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	26,632	65.0	17,311	2,213
2024	27,970	67.7	18,935	1,524
2023	28,281	55.6	15,724	4,652
2022	29,865	41.5	12,394	8,768
2021	35,911	79.3	28,478	(3,063)

Arkansas

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	17,981	73.0	13,126	(789)
2024	17,905	80.0	14,324	(1,903)
2023	18,432	49.6	9,142	3,629
2022	22,057	69.3	15,285	(386)
2021	20,467	193.1	39,523	(25,846)

Connecticut

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	19,575	68.0	13,311	666
2024	18,835	66.7	12,563	512
2023	19,716	106.2	20,938	(7,403)
2022	20,618	53.4	11,010	3,330
2021	18,714	47.6	8,908	3,726

Delaware

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	5,392	199.9	10,778	(7,445)
2024	5,560	57.4	3,192	339
2023	6,918	74.4	5,147	(755)
2022	8,604	53.4	4,594	985
2021	8,652	44.6	3,859	1,792

District of Columbia

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	2,600	63.0	1,638	(245)
2024	3,268	32.8	1,072	999
2023	3,629	26.8	973	1,353
2022	3,694	29.7	1,097	1,170
2021	3,709	47.6	1,765	482

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

Georgia

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	65,468	75.0	49,101	(6,246)
2024	62,365	79.0	49,269	(7,977)
2023	47,151	88.3	41,635	(15,419)
2022	51,676	122.6	63,355	(37,073)
2021	50,343	76.3	38,412	(15,350)

Idaho

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	8,302	65.0	5,396	88
2024	7,367	61.5	4,531	410
2023	7,791	34.7	2,703	2,347
2022	8,908	39.6	3,528	2,455
2021	8,118	53.5	4,343	1,030

Illinois

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	48,035	80.0	38,428	(4,145)
2024	59,646	73.8	44,019	(245)
2023	62,690	95.3	59,743	(16,099)
2022	66,908	84.1	56,269	(10,016)
2021	71,741	69.4	49,788	(115)

Iowa

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	13,276	58.0	7,700	2,067
2024	15,806	56.4	8,915	2,919
2023	17,386	101.2	17,595	(4,825)
2022	18,977	53.4	10,134	3,792
2021	21,830	52.5	11,461	4,846

Kansas

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	17,007	80.0	13,605	(2,012)
2024	16,655	90.3	15,039	(3,584)
2023	19,233	86.3	16,598	(3,320)
2022	20,893	74.2	15,503	(1,304)
2021	20,640	54.5	11,249	2,497

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

Massachusetts

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	79,989	80.0	63,992	(13,334)
2024	82,939	85.0	70,498	(18,255)
2023	90,611	78.0	70,677	(11,770)
2022	99,201	75.0	74,400	(9,325)
2021	95,671	94.0	89,931	(28,319)

Michigan

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	45,575	82.0	37,372	(5,027)
2024	46,926	71.0	33,318	535
2023	52,488	74.0	38,841	(724)
2022	56,332	58.0	32,672	7,960
2021	58,145	43.0	25,003	14,827

Nevada

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	17,551	75.0	13,163	(311)
2024	14,629	59.5	8,704	1,881
2023	17,914	73.4	13,149	(444)
2022	19,118	84.1	16,078	(2,518)
2021	22,239	62.4	13,877	2,148

New Hampshire

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	11,157	80.0	8,926	(1,849)
2024	10,577	75.9	8,028	(1,169)
2023	11,120	46.6	5,182	1,870
2022	11,686	53.4	6,240	1,278
2021	12,302	48.6	5,979	1,676

New Jersey

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	68,553	80.0	54,842	(6,190)
2024	67,727	97.4	65,966	(20,189)
2023	76,138	94.3	71,798	(21,699)
2022	89,844	76.2	68,461	(8,778)
2021	94,864	81.3	77,125	(19,969)

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

New Mexico

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	6,262	60.0	3,757	(501)
2024	5,510	44.0	2,425	288
2023	5,808	23.0	1,336	1,536
2022	6,305	23.0	1,450	1,500
2021	4,872	31.0	1,510	488

North Carolina

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	43,855	60.0	26,313	5,798
2024	44,361	46.2	20,495	11,729
2023	45,094	39.7	17,902	14,588
2022	45,098	69.2	31,208	(555)
2021	47,425	47.6	22,574	9,442

Oklahoma*

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	5,100	65.0	3,315	(179)
2024	1,050	66.7	700	(396)
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

*Policies effective June 1, 2024, and subsequent.

Oregon

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	16,618	60.0	9,971	1,436
2024	17,324	62.6	10,845	676
2023	19,099	53.6	10,237	2,492
2022	23,012	35.6	8,192	6,740
2021	24,724	153.6	37,975	(21,833)

South Carolina

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	21,109	65.0	13,721	1,573
2024	21,841	78.0	17,036	(1,247)
2023	19,104	138.9	26,536	(14,126)
2022	21,911	86.1	18,866	(5,070)
2021	21,740	148.6	32,306	(21,088)

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

South Dakota

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	5,680	125.0	7,100	(2,865)
2024	6,293	60.5	3,807	929
2023	6,283	69.5	4,366	318
2022	5,655	42.5	2,403	1,648
2021	5,580	77.3	4,313	(342)

Tennessee

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	20,354	65.0	13,230	613
2024	20,569	61.6	12,670	1,462
2023	26,096	100.2	26,149	(8,048)
2022	34,025	66.3	22,558	419
2021	37,086	42.6	15,799	9,183

Vermont

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	14,441	73.0	10,542	244
2024	14,531	53.3	7,745	3,217
2023	13,344	63.5	8,473	1,488
2022	12,945	56.4	7,301	2,271
2021	12,734	52.5	6,685	2,534

Virginia

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	28,763	75.2	21,630	411
2024	29,087	51.5	14,980	7,106
2023	27,876	64.6	18,008	2,434
2022	32,169	54.9	17,661	5,913
2021	35,651	46.4	16,542	9,055

West Virginia

Policy Year	Written Premium (\$)	Booked Loss Ratio (%)	Incurred Losses (\$)	Net Operating Gain/(Loss) (\$)
2025	8,186	112.2	9,185	(3,320)
2024	9,881	105.5	10,424	(3,303)
2023	10,971	99.1	10,872	(3,142)
2022	10,172	66.0	6,714	536
2021	9,160	59.5	5,450	573

Available Residual Market Programs

As of June 1, 2026

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.

2026 Assigned Carriers

As of January 1, 2026

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					S								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	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, a GA policy with \$52,000 in premium, and 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 insureds 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 \$110,000, \$520,000, and \$250,000, 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)—An online 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.

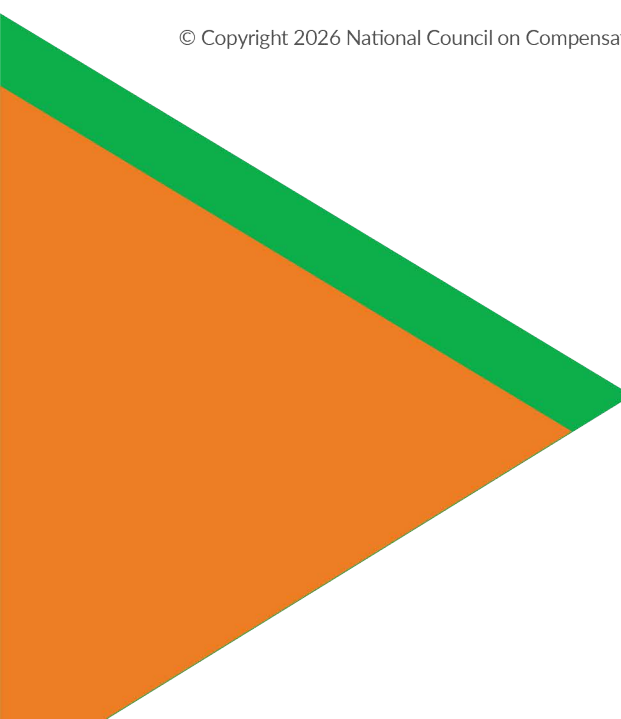
Workers Compensation Insurance Plan (WCIP or Plan)—A program established and maintained by NCCI and approved by state insurance regulatory authorities whereby workers compensation insurance may be secured by eligible employers unable to secure such coverage in the voluntary market.

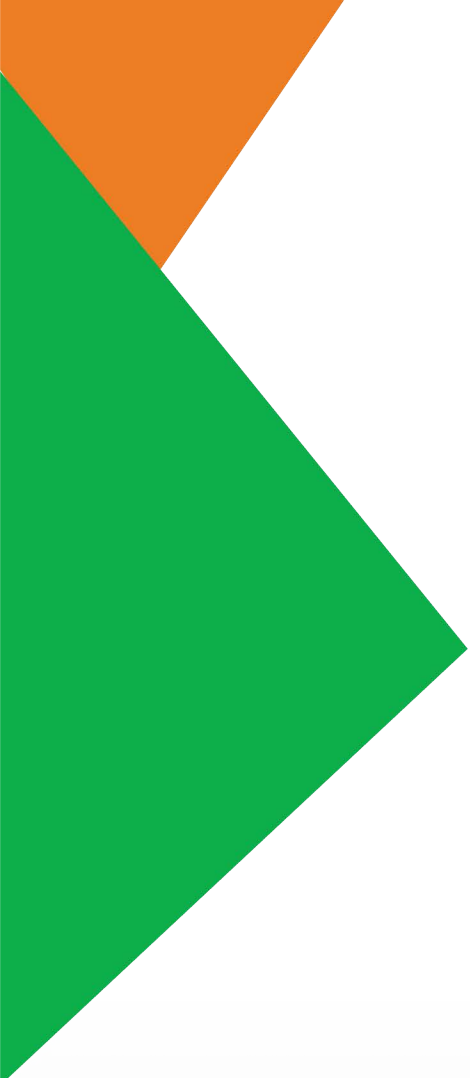


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