



Mississippi Residual Market State Activity Report

First Quarter 2021



Executive Summary

NCCI, as Plan Administrator of the Mississippi Workers Compensation Insurance Plan, is pleased to provide the First Quarter 2021 *Mississippi Residual Market State Activity Report*.

Readers will notice that the order of our charts and tables has been reorganized, based on customer feedback. This will provide a more streamlined picture of the key measurement factors and issues relating to the operation of the Mississippi Plan. Residual Market demographics contained in this report include:

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If you have any questions or comments about this report, please feel free to contact any of the individuals listed below.

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Residual Market Demographics

Residual Market Total Policies and Premium in Force

As of March 31, 2021—compared to prior year

Total number of Assigned Risk Plan policies and estimated premium volume in force reported as of the date listed above. The other exhibits in this report describe quarterly and year-to-date data.

	2021	2020	2021 vs. 2020 #	2021 vs. 2020 %
Policy Count	1,868	1,991	-123	-6.2%
Premium Volume	\$10,618,651	\$11,993,666	-\$1,375,015	-11.5%



Residual Market Demographics

Voluntary Coverage Assistance Program

First Quarter Data through March 31, 2021

The volume of assigned risk applications redirected to the voluntary market through NCCI's **VCAP[®] Service**. The following shows the results **VCAP[®] Service** has provided during First Quarter 2021.

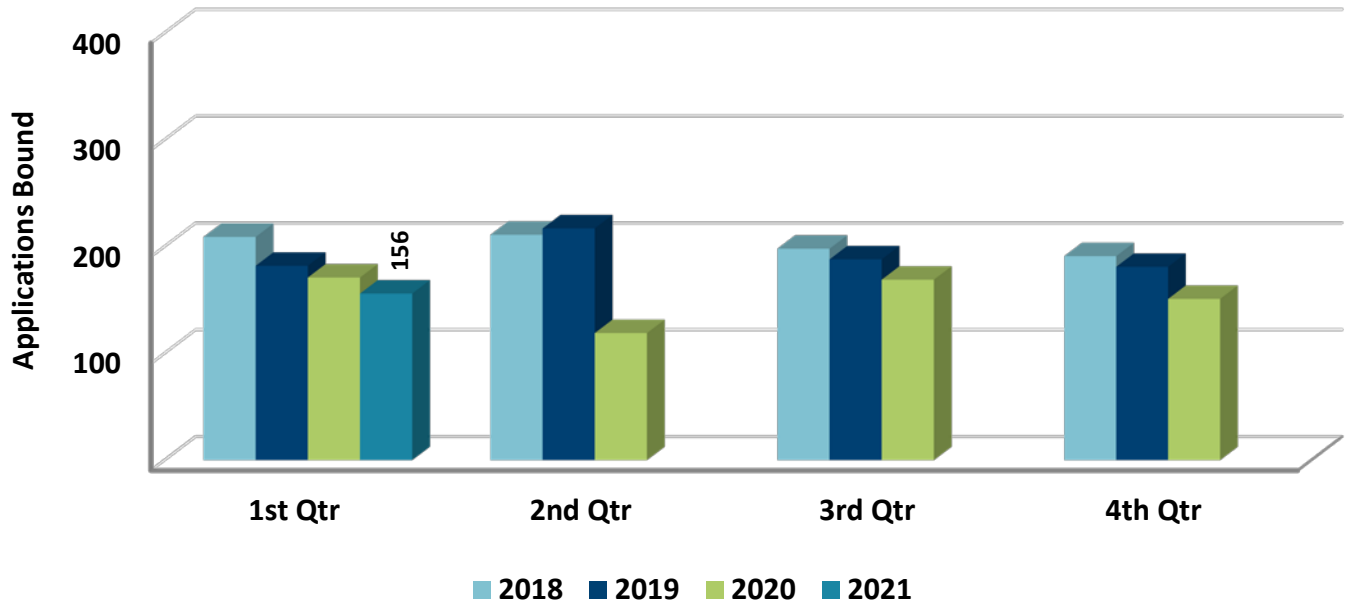
Number of Applications Reviewed by VCAP[®] Service	173
Number of VCAP[®] Service Matches	123
VCAP[®] Service Offers as a % of Matches	13.82%
Number of Confirmed VCAP[®] Service Policies	17
Confirmed VCAP[®] Service Policies as a % of Applications Reviewed	9.83%
Savings as a % of Redirected Assigned Risk Premium	23.05%



Residual Market Demographics

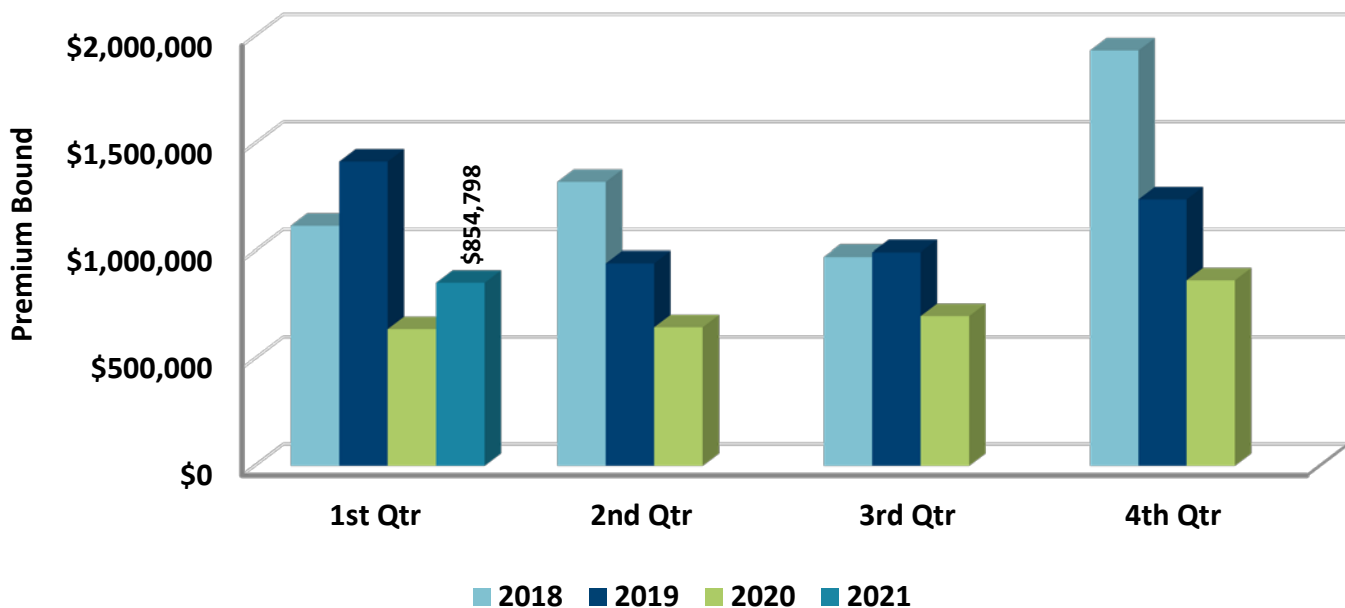
Total Applications Bound — 2018 vs. 2019 vs. 2020 vs. 2021

The number of applications—both new and churn—that are assigned to a Servicing Carrier or a Direct Assignment Carrier (if applicable).



Total Application Premium Bound — 2018 vs. 2019 vs. 2020 vs. 2021

The total estimated premium on bound applications—both new and churn—that are assigned to a Servicing Carrier or a Direct Assignment Carrier (if applicable).



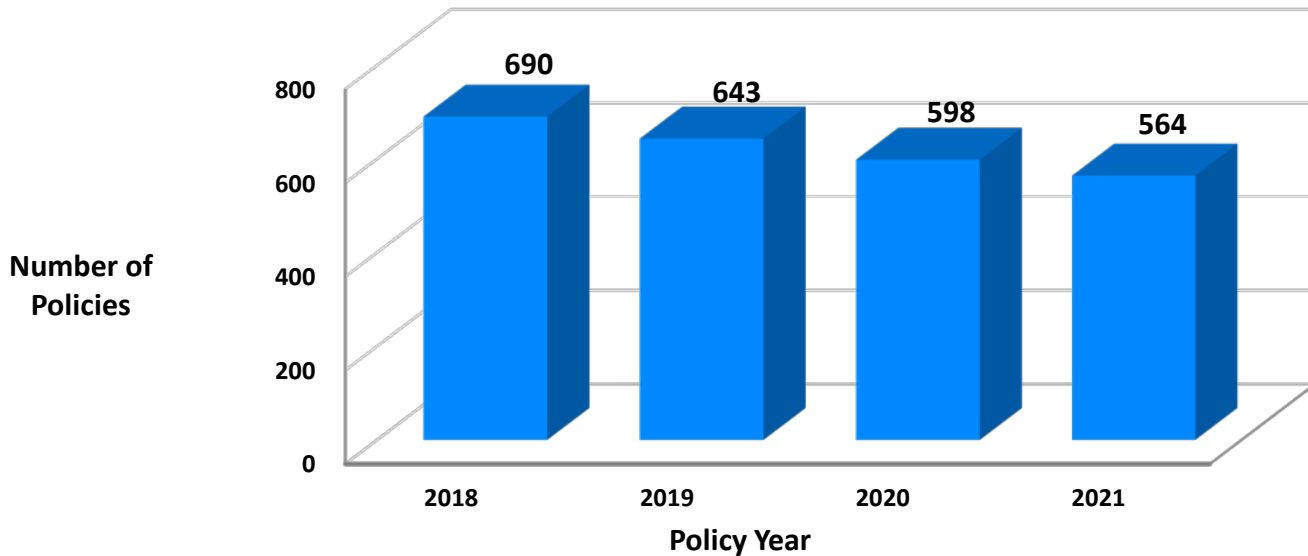


Residual Market Demographics

Residual Market Total Policy Counts

First Quarter Data for Policies Reported through March 31, 2021

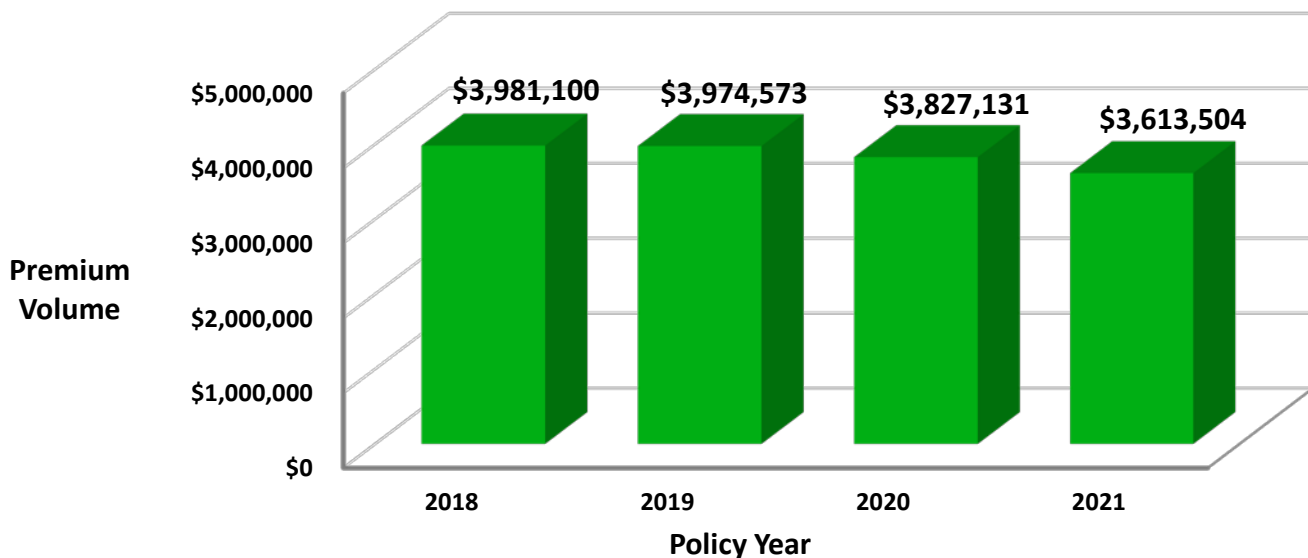
Total number of all Assigned Risk Plan policies with effective dates during the calendar period listed above.



Residual Market Total Premium Volume

First Quarter Data Reported through March 31, 2021

Total amount of all Assigned Risk Plan premium with effective dates during the calendar period listed above.





Residual Market Demographics

Total Premium Distribution by Size of Risk

First Quarter Data Reported through March 31, 2021

The total number of Assigned Risk Plan policies reported to NCCI by Direct Assignment and Servicing Carriers in a premium range as of the date listed above.

Premium Interval	Policy Count	% of Total Policies	Total State Premium \$	% of Total Premium	Average Premium \$
\$0–2499	312	55.3	450,061	12.5	1,443
\$2500–4999	117	20.7	418,838	11.6	3,580
\$5000–9999	74	13.1	498,287	13.8	6,734
\$10000–19999	34	6.0	430,835	11.9	12,672
\$20000–49999	14	2.5	433,703	12.0	30,979
\$50000–99999	8	1.4	565,457	15.6	70,682
\$100000–199999	4	0.7	497,516	13.8	124,379
\$200000 +	1	0.2	318,807	8.8	318,807
Total	564	100.0	3,613,504	100.0	6,407

First Quarter 2020 Data for Comparison

Premium Interval	Policy Count	% of Total Policies	Total State Premium \$	% of Total Premium	Average Premium \$
\$0–2499	366	61.2	481,695	12.6	1,316
\$2500–4999	98	16.4	347,506	9.1	3,546
\$5000–9999	73	12.2	487,481	12.7	6,678
\$10000–19999	31	5.2	406,163	10.6	13,102
\$20000–49999	19	3.2	620,768	16.2	32,672
\$50000–99999	4	0.7	293,436	7.7	73,359
\$100000–199999	5	0.8	591,542	15.5	118,308
\$200000 +	2	0.3	598,540	15.6	299,270
Total	598	100.0	3,827,131	100.0	6,400



Residual Market Demographics

Residual Market Top 10 Classification Codes by Policy Count First Quarter Data Reported through March 31, 2021

The top 10 governing class codes by total policy count—policies issued by Servicing Carriers and Direct Assignment Carriers in this state as of the date listed above.

Rank	Code and Description	Policy Count	% of Policies
1	0037 - Farm: Field Crops & Drivers	45	8.0
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	38	6.7
3	6217 - Excavation & Drivers	21	3.7
4	5551 - Roofing-All Kinds & Drivers	20	3.5
5	7219 - Trucking - NOC-All Employees & Drivers	19	3.4
6	2701 - Logging or Tree Removal - Log Hauling & Drivers	18	3.2
7	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	16	2.8
8	8810 - Clerical Office Employees NOC	15	2.7
9	2709 - Logging or Tree Removal - Mechanized Equipment Operators	13	2.3
10	5221 - Concrete or Cement Work- Floors, Driveways, Yards or Sidewalks-& Drivers	12	2.1

Residual Market Top 10 Classification Codes by Premium Volume First Quarter Data Reported through March 31, 2021

The top 10 governing class codes by premium volume written on total policies issued by Servicing Carriers and Direct Assignment Carriers in this state as of the date listed above.

Rank	Code and Description	Premium \$	% of Premium
1	6045 - Levee Construction-All Operations to Completion & Drivers	318,807	8.8
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	284,167	7.9
3	0037 - Farm: Field Crops & Drivers	223,638	6.2
4	7539 - Electric Light or Power Co. NOC-All Employees & Drivers	140,493	3.9
5	8235 - Sash, Door or Assembled Millwork - Dealer & Drivers	129,304	3.6
6	2089 - Packing House-All Operations	116,616	3.2
7	5437 - Carpentry-Installation of Cabinet Work or Interior Trim	114,844	3.2
8	9101 - College - All Other Employees	111,103	3.1
9	8835 - Home, Public, And Traveling Healthcare - All Employees	108,832	3.0
10	5551 - Roofing-All Kinds & Drivers	104,611	2.9



Glossary of Terms

Applications Bound—The applications that are actually assigned to a Servicing Carrier or Direct Assignment Carrier (if applicable).

Earned Premium or Premiums Earned—That portion of written premiums applicable to the expired portion of the time for which the insurance was in effect. When used as an accounting term, “premiums earned” describes the premiums written during a period, plus the unearned premiums at the beginning of the period, less the unearned premiums at the end of the period.

In Force (Policies/Premium)—All policies and associated estimated premium that are current as of a given date.

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.

Loss Ratio—The ratio of total incurred losses to total earned premiums in a given period, expressed as a percentage. The formula for loss ratio is $(\text{loss} + \text{loss adjustment expense}) / \text{earned premium}$.

Premium Bound—The total estimated annual premium on bound applications.

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

VCAP[®] Service—Voluntary Coverage Assistance Program is a supplemental program to NCCI’s Workers Compensation Insurance Plan. As part of NCCI’s strategic vision of maintaining and depopulating the residual market, NCCI’s **VCAP[®] Service** redirects coverage opportunities for employers to voluntary market insurers, which generally provide coverage at a lower cost. **VCAP[®] Service** provides an additional source for producers and employers to secure voluntary workers compensation coverage prior to entering the residual market for coverage.