



# Mississippi Residual Market State Activity Report

First Quarter 2022



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## Executive Summary

NCCI, as Plan Administrator of the Mississippi Workers Compensation Insurance Plan, is pleased to provide the First Quarter 2022 *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, 2022—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.

	2022	2021	2022 vs. 2021 #	2022 vs. 2021 %
<b>Policy Count</b>	1,803	1,893	-90	-4.8%
<b>Premium Volume</b>	\$10,271,628	\$11,738,022	-\$1,466,394	-12.5%



## Residual Market Demographics

### Voluntary Coverage Assistance Program

#### First Quarter Data through March 31, 2022

The volume of assigned risk applications redirected to the voluntary market through NCCI's **VCAP<sup>®</sup> Service**. The following shows the results **VCAP<sup>®</sup> Service** has provided during First Quarter 2022.

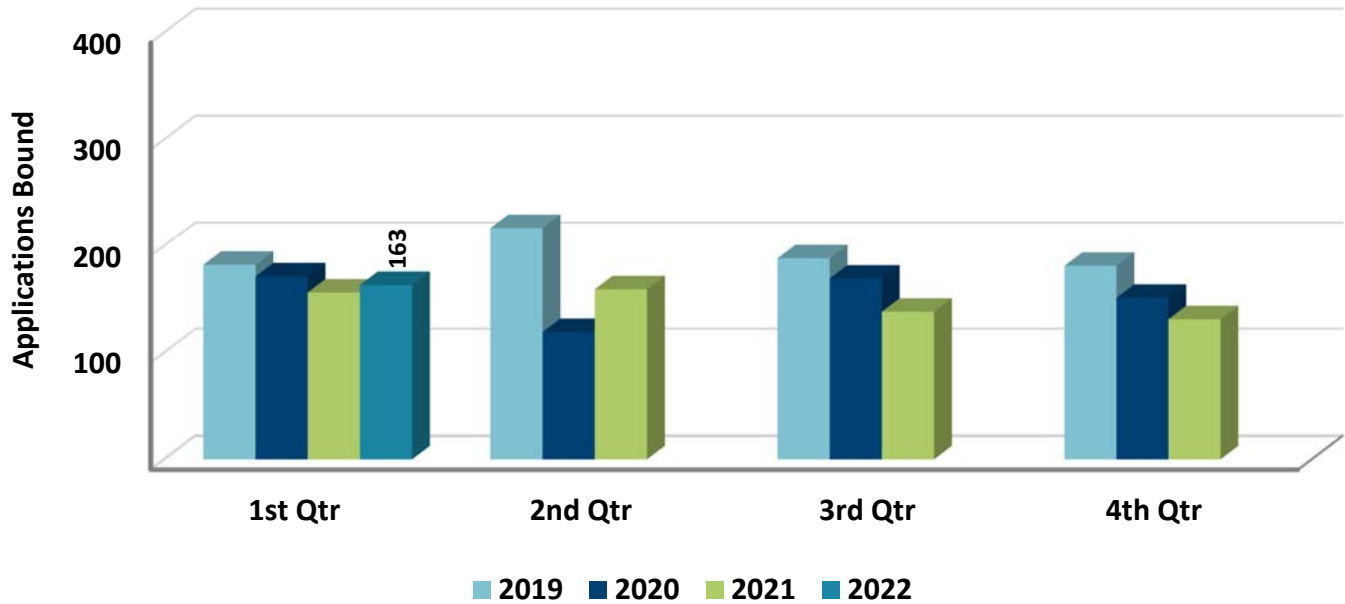
Number of Applications Reviewed by <b>VCAP<sup>®</sup> Service</b>	172
Number of <b>VCAP<sup>®</sup> Service</b> Matches	80
<b>VCAP<sup>®</sup> Service</b> Offers as a % of Matches	13.75%
Number of Confirmed <b>VCAP<sup>®</sup> Service</b> Policies	9
Confirmed <b>VCAP<sup>®</sup> Service</b> Policies as a % of Applications Reviewed	5.23%
Savings as a % of Redirected Assigned Risk Premium	3.32%



## Residual Market Demographics

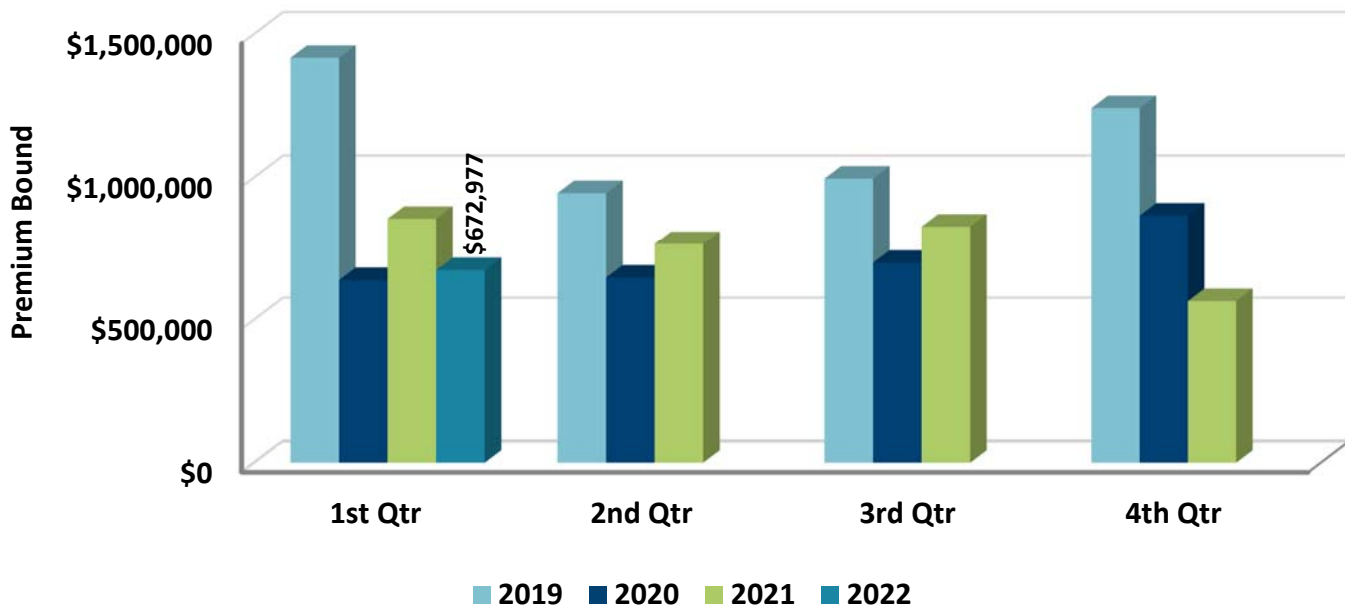
### Total Applications Bound — 2019 vs. 2020 vs. 2021 vs. 2022

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 — 2019 vs. 2020 vs. 2021 vs. 2022

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).



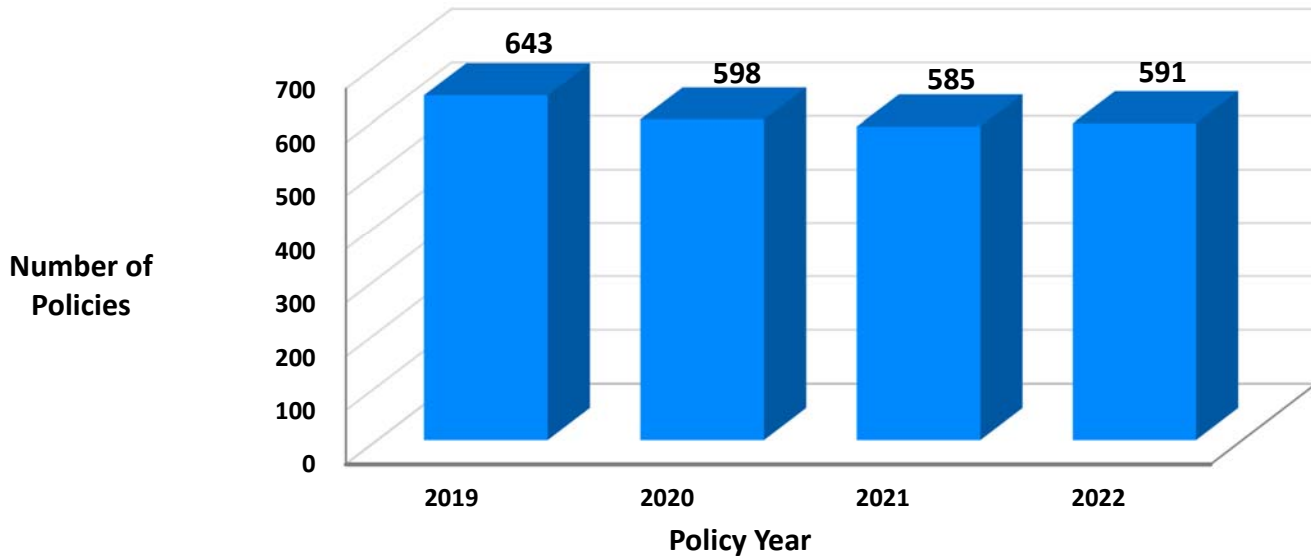


## Residual Market Demographics

### Residual Market Total Policy Counts

#### First Quarter Data for Policies Reported through March 31, 2022

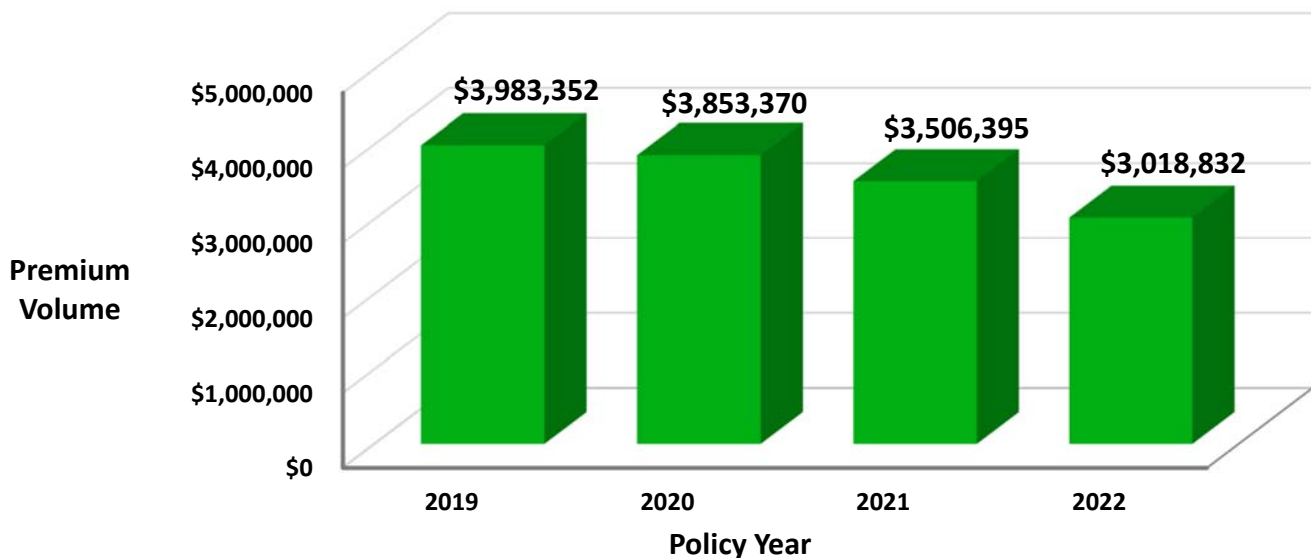
Total number of all Assigned Risk Plan policies with effective dates during the calendar period listed above.



### Residual Market Total Premium Volume

#### First Quarter Data Reported through March 31, 2022

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, 2022

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	325	55.0	462,916	15.3	1,424
\$2500- \$4999	114	19.3	405,235	13.4	3,555
\$5000- \$9999	91	15.4	632,935	21.0	6,955
\$10000- \$19999	37	6.3	493,413	16.3	13,335
\$20000- \$49999	17	2.9	465,862	15.4	27,404
\$50000- \$99999	5	0.8	277,424	9.2	55,485
\$100000- \$199999	2	0.3	281,047	9.3	140,524
\$2000000+	0	0.0	0	0.0	0
Total	591	100.0	3,018,832	100.0	5,108

### First Quarter 2021 Data for Comparison

Premium Interval	Policy Count	% of Total Policies	Total State Premium \$	% of Total Premium	Average Premium \$
\$0- \$2499	340	58.1	425,998	12.1	1,253
\$2500- \$4999	100	17.1	342,623	9.8	3,426
\$5000- \$9999	81	13.8	561,594	16.0	6,933
\$10000- \$19999	37	6.3	502,279	14.3	13,575
\$20000- \$49999	17	2.9	484,743	13.8	28,514
\$50000- \$99999	6	1.0	400,941	11.4	66,824
\$100000- \$199999	3	0.5	391,061	11.2	130,354
\$2000000+	1	0.2	397,156	11.3	397,156
Total	585	100.0	3,506,395	100.0	5,994



## Residual Market Demographics

### Residual Market Top 10 Classification Codes by Policy Count First Quarter Data Reported through March 31, 2022

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	57	9.6
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	39	6.6
3	5551 - Roofing-All Kinds & Drivers	24	4.1
4	2701 - Logging or Tree Removal - Log Hauling & Drivers	20	3.4
5	7219 - Trucking - NOC-All Employees & Drivers	18	3.0
6	8810 - Clerical Office Employees NOC	18	3.0
7	6217 - Excavation & Drivers	17	2.9
8	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	15	2.5
9	2709 - Logging or Tree Removal - Mechanized Equipment Operators	14	2.4
10	7600 - Telecommunications Co. - Cable Tv, Or Satellite - All Other Employees & Drivers	14	2.4

### Residual Market Top 10 Classification Codes by Premium Volume First Quarter Data Reported through March 31, 2022

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	0037 - Farm: Field Crops & Drivers	299,971	9.9
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	191,099	6.3
3	7539 - Electric Light or Power Co. NOC-All Employees & Drivers	173,573	5.7
4	5551 - Roofing-All Kinds & Drivers	135,085	4.5
5	2709 - Logging or Tree Removal - Mechanized Equipment Operators	115,166	3.8
6	9101 - College - All Other Employees	107,474	3.6
7	7710 - Firefighters & Drivers	89,747	3.0
8	6217 - Excavation & Drivers	77,715	2.6
9	7720 - Police Officers & Drivers	71,080	2.4
10	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	69,798	2.3





## 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 (loss + loss adjustment expense)/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<sup>®</sup> 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<sup>®</sup> Service** redirects coverage opportunities for employers to voluntary market insurers, which generally provide coverage at a lower cost. **VCAP<sup>®</sup> Service** provides an additional source for producers and employers to secure voluntary workers compensation coverage prior to entering the residual market for coverage.