



# Mississippi Residual Market State Activity Report

First Quarter 2023



## Executive Summary

NCCI, as Plan Administrator of the Mississippi Workers Compensation Insurance Plan, is pleased to provide the First Quarter 2023 *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, 2023—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.

	2023	2022	2023 vs. 2022 #	2023 vs. 2022 %
<b>Policy Count</b>	1,727	1,814	-87	-4.8%
<b>Premium Volume</b>	\$9,506,163	\$10,419,447	-\$913,284	-8.8%



## Residual Market Demographics

### Voluntary Coverage Assistance Program

#### First Quarter Data through March 31, 2023

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 2023.

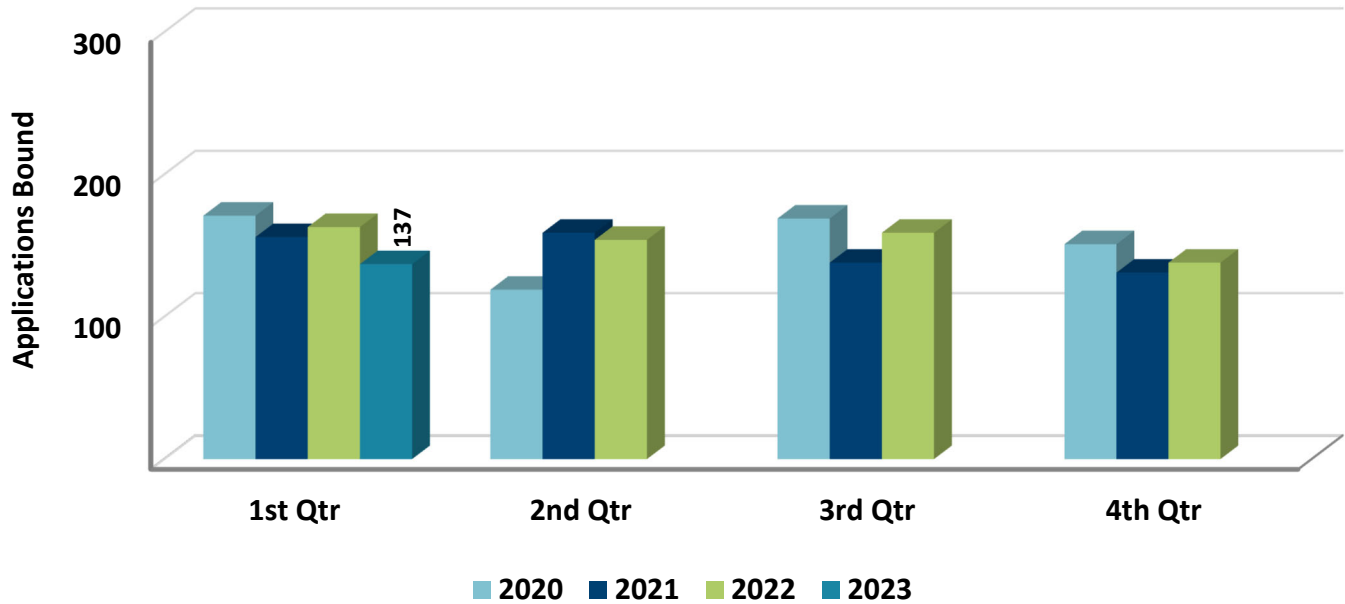
Number of Applications Reviewed by <b>VCAP<sup>®</sup> Service</b>	158
Number of <b>VCAP<sup>®</sup> Service</b> Matches	156
<b>VCAP<sup>®</sup> Service</b> Offers as a % of Matches	9.62%
Number of Confirmed <b>VCAP<sup>®</sup> Service</b> Policies	14
Confirmed <b>VCAP<sup>®</sup> Service</b> Policies as a % of Applications Reviewed	8.86%
Savings as a % of Redirected Assigned Risk Premium	17.65%



## Residual Market Demographics

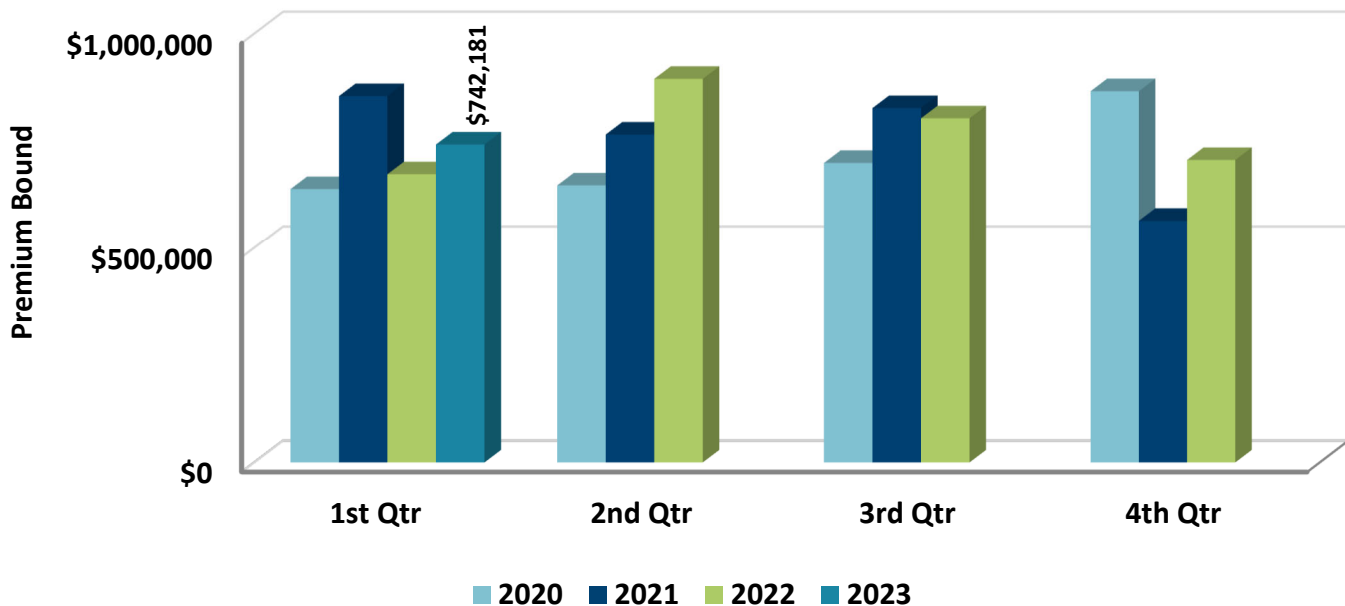
### Total Applications Bound — 2020 vs. 2021 vs. 2022 vs. 2023

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



### Total Application Premium Bound — 2020 vs. 2021 vs. 2022 vs. 2023

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



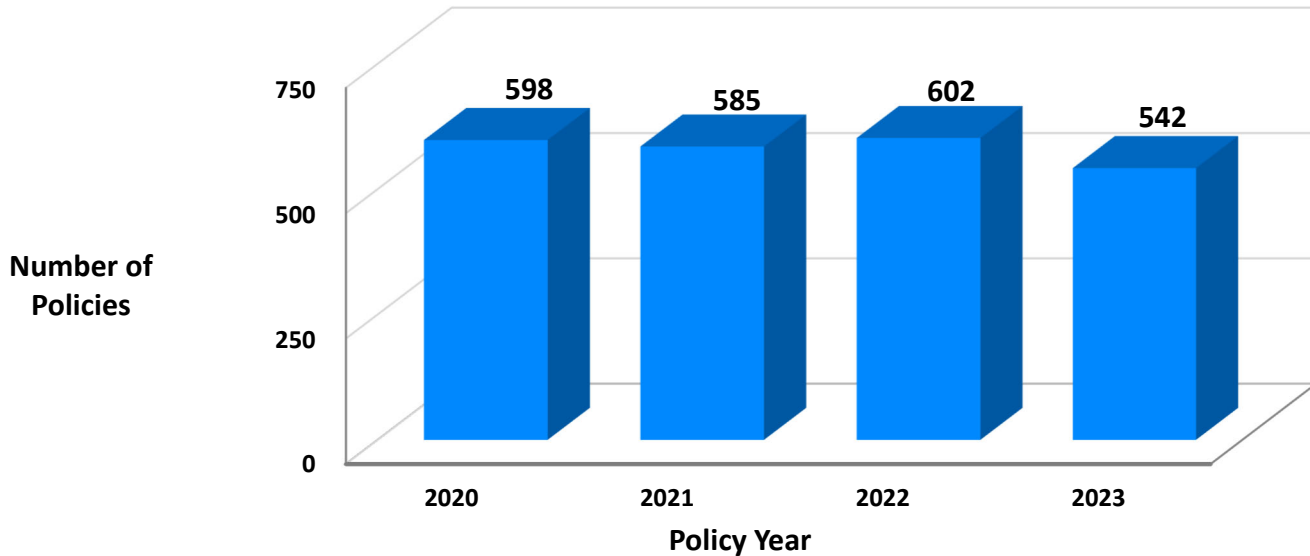


## Residual Market Demographics

### Residual Market Total Policy Counts

#### First Quarter Data for Policies Reported through March 31, 2023

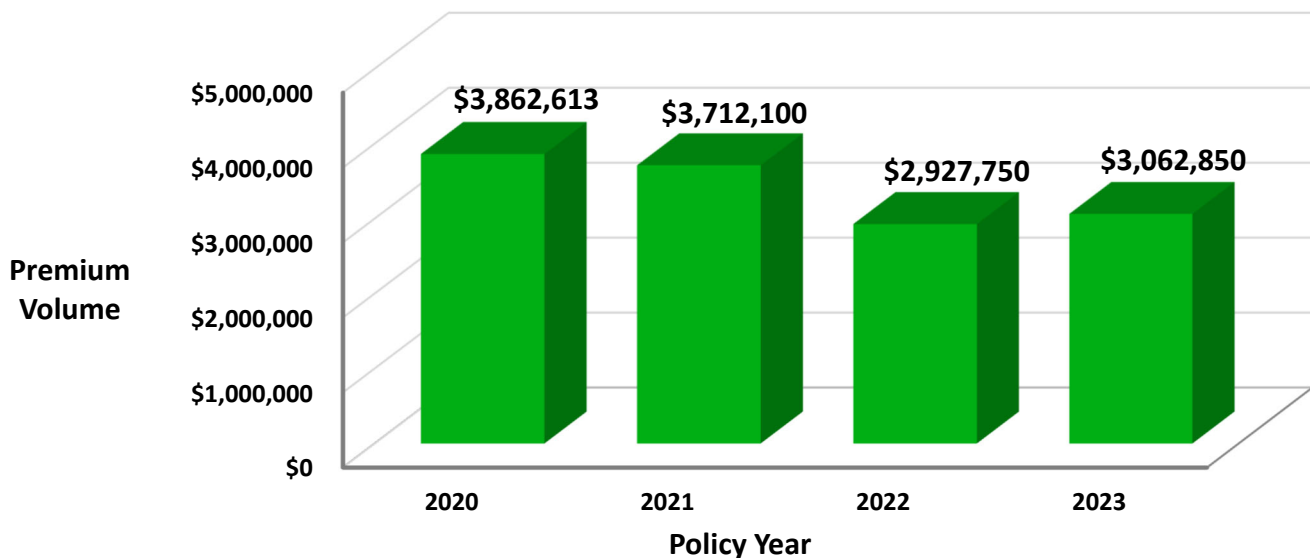
Total number of all Assigned Risk Plan policies with effective dates during the calendar period listed above.



### Residual Market Total Premium Volume

#### First Quarter Data Reported through March 31, 2023

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, 2023

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	295	54.4	414,946	13.5	1,407
\$2500- \$4999	94	17.3	329,891	10.8	3,509
\$5000- \$9999	90	16.6	632,185	20.6	7,024
\$10000- \$19999	41	7.6	584,894	19.1	14,266
\$20000- \$49999	14	2.6	375,390	12.3	26,814
\$50000- \$99999	6	1.1	413,972	13.5	68,995
\$100000- \$199999	2	0.4	311,572	10.2	155,786
\$2000000+	0	0.0	0	0.0	0
Total	542	100.0	3,062,850	100.0	5,651

### First Quarter 2022 Data for Comparison

Premium Interval	Policy Count	% of Total Policies	Total State Premium \$	% of Total Premium	Average Premium \$
\$0- \$2499	356	59.1	446,337	15.2	1,254
\$2500- \$4999	99	16.4	356,949	12.2	3,606
\$5000- \$9999	85	14.1	585,114	20.0	6,884
\$10000- \$19999	35	5.8	461,989	15.8	13,200
\$20000- \$49999	19	3.2	515,643	17.6	27,139
\$50000- \$99999	7	1.2	388,145	13.3	55,449
\$100000- \$199999	1	0.2	173,573	5.9	173,573
\$2000000+	0	0.0	0	0.0	0
Total	602	100.0	2,927,750	100.0	4,863



## Residual Market Demographics

### Residual Market Top 10 Classification Codes by Policy Count First Quarter Data Reported through March 31, 2023

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	53	9.8
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	34	6.3
3	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	20	3.7
4	5551 - Roofing-All Kinds & Drivers	19	3.5
5	8810 - Clerical Office Employees NOC	17	3.1
6	7219 - Trucking - NOC-All Employees & Drivers	15	2.8
7	0106 - Tree Pruning, Spraying, Repairing - All Operations & Drivers	14	2.6
8	6217 - Excavation & Drivers	14	2.6
9	7600 - Telecommunications Co. - Cable TV, or Satellite - All Other Employees & Drivers	14	2.6
10	5474 - Painting NOC & Shop Operations, Drivers	13	2.4

### Residual Market Top 10 Classification Codes by Premium Volume First Quarter Data Reported through March 31, 2023

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	300,397	9.8
2	6216 - Oil or Gas - Lease Work NOC - By Specialist Contractor & Drivers	170,317	5.6
3	5551 - Roofing-All Kinds & Drivers	168,215	5.5
4	7539 - Electric Light or Power Co. NOC-All Employees & Drivers	142,991	4.7
5	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	138,897	4.5
6	7600 - Telecommunications Co. - Cable TV, or Satellite - All Other Employees & Drivers	96,404	3.1
7	3030 - Iron or Steel: Fabrication: Iron or Steel Works-Shop-Structural-& Drivers	91,428	3.0
8	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	88,376	2.9
9	0106 - Tree Pruning, Spraying, Repairing - All Operations & Drivers	88,091	2.9
10	7710 - Firefighters & Drivers	87,017	2.8





## 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<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.