



Mississippi Residual Market State Activity Report

Annual 2023



Executive Summary

NCCI, as Plan Administrator of the Mississippi Workers Compensation Insurance Plan, is pleased to provide the Annual 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 December 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 %
Policy Count	1,617	1,753	-136	-7.8%
Premium Volume	\$9,905,101	\$10,251,695	-\$346,594	-3.4%



Residual Market Demographics

Voluntary Coverage Assistance Program Annual Data through December 31, 2023

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 Annual 2023.

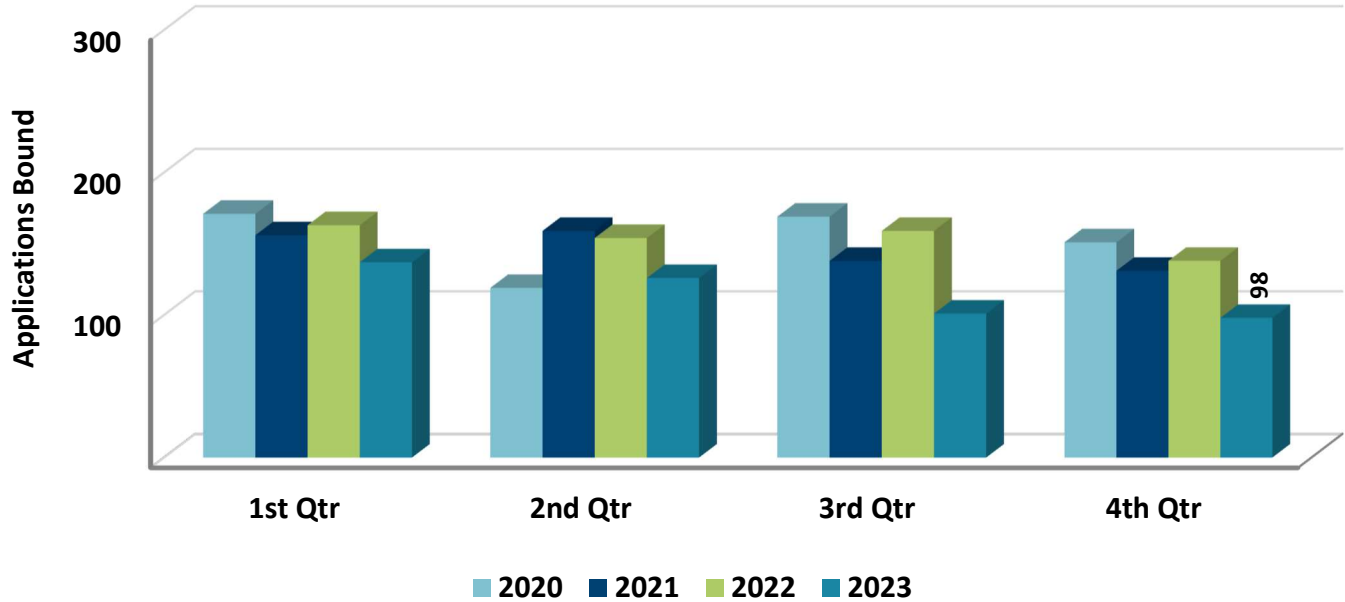
Number of Applications Reviewed by VCAP[®] Service	569
Number of VCAP[®] Service Matches	560
VCAP[®] Service Offers as a % of Matches	17.86%
Number of Confirmed VCAP[®] Service Policies	97
Confirmed VCAP[®] Service Policies as a % of Applications Reviewed	17.05%
Savings as a % of Redirected Assigned Risk Premium	12.89%



Residual Market Demographics

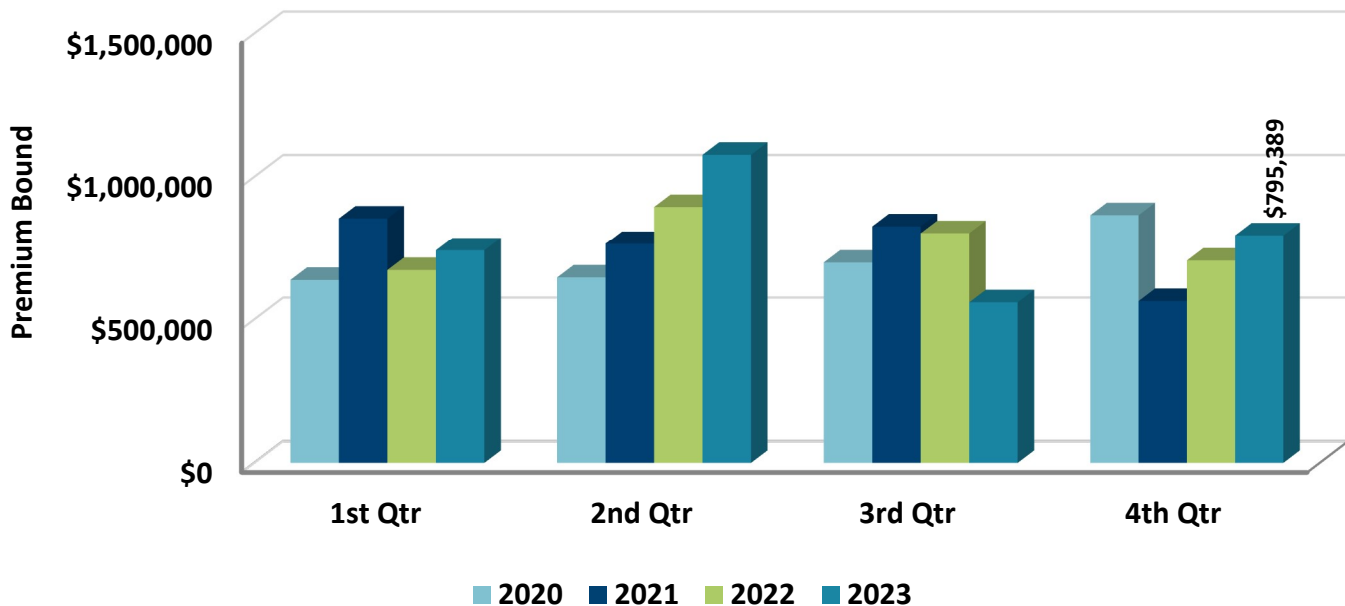
Total Applications Bound — 2020 vs. 2021 vs. 2022 vs. 2023

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).



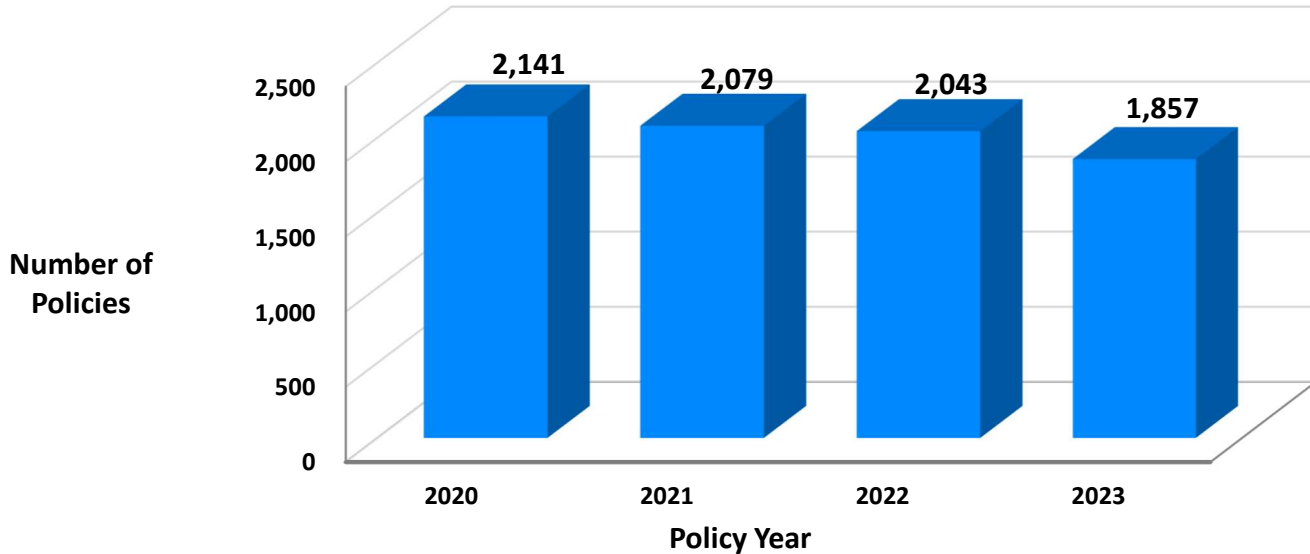


Residual Market Demographics

Residual Market Total Policy Counts

Annual Data for Policies Reported through December 31, 2023

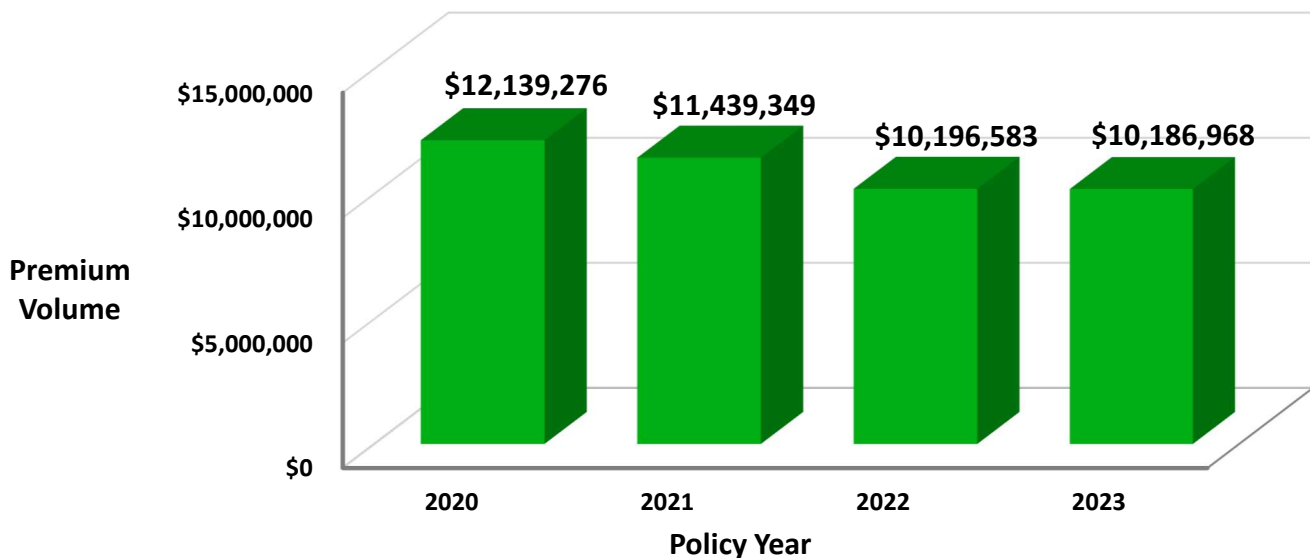
Total number of all Assigned Risk Plan policies with effective dates during the calendar period listed above.



Residual Market Total Premium Volume

Annual Data Reported through December 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 Annual Data Reported through December 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	1,056	56.9	1,257,124	12.3	1,190
\$2500- \$4999	334	18.0	1,187,460	11.7	3,555
\$5000- \$9999	251	13.5	1,744,404	17.1	6,950
\$10000- \$19999	134	7.2	1,834,429	18.0	13,690
\$20000- \$49999	60	3.2	1,729,491	17.0	28,825
\$50000- \$99999	13	0.7	876,477	8.6	67,421
\$100000- \$199999	6	0.3	810,482	8.0	135,080
\$2000000+	3	0.2	747,101	7.3	249,034
Total	1,857	100.0	10,186,968	100.0	5,486

Annual 2022 Data for Comparison

Premium Interval	Policy Count	% of Total Policies	Total State Premium \$	% of Total Premium	Average Premium \$
\$0- \$2499	1,221	59.8	1,382,176	13.6	1,132
\$2500- \$4999	344	16.8	1,232,920	12.1	3,584
\$5000- \$9999	272	13.3	1,897,250	18.6	6,975
\$10000- \$19999	127	6.2	1,808,044	17.7	14,237
\$20000- \$49999	54	2.6	1,588,589	15.6	29,418
\$50000- \$99999	17	0.8	1,059,697	10.4	62,335
\$100000- \$199999	7	0.3	1,026,554	10.1	146,651
\$2000000+	1	0.0	201,353	2.0	201,353
Total	2,043	100.0	10,196,583	100.0	4,991



Residual Market Demographics

Residual Market Top 10 Classification Codes by Policy Count Annual Data Reported through December 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	112	6.0
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	105	5.7
3	5551 - Roofing-All Kinds & Drivers	100	5.4
4	7219 - Trucking - NOC-All Employees & Drivers	59	3.2
5	9014 - Janitorial Services by Contractors-No Window Cleaning Above Ground Level & Drivers	54	2.9
6	6217 - Excavation & Drivers	51	2.7
7	5474 - Painting NOC & Shop Operations, Drivers	49	2.6
8	2701 - Logging or Tree Removal - Log Hauling & Drivers	45	2.4
9	0106 - Tree Pruning, Spraying, Repairing - All Operations & Drivers	44	2.4
10	7600 - Telecommunications Co. - Cable TV, or Satellite - All Other Employees & Drivers	44	2.4

Residual Market Top 10 Classification Codes by Premium Volume Annual Data Reported through December 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	5551 - Roofing-All Kinds & Drivers	752,076	7.4
2	0037 - Farm: Field Crops & Drivers	604,078	5.9
3	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	508,987	5.0
4	9403 - Garbage, Ashes or Refuse Collection & Drivers	406,184	4.0
5	7219 - Trucking - NOC-All Employees & Drivers	307,565	3.0
6	8824 - Retirement Living Centers - Health Care Employees	300,029	2.9
7	2710 – Sawmill	270,088	2.7
8	7720 - Police Officers & Drivers	265,098	2.6
9	5474 - Painting NOC & Shop Operations, Drivers	248,350	2.4
10	0106 - Tree Pruning, Spraying, Repairing - All Operations & Drivers	225,728	2.2



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.