



# Mississippi Residual Market State Activity Report

Annual 2024



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## Annual 2024

## Executive Summary

NCCI, Plan Administrator of the Mississippi Workers Compensation Insurance Plan, is pleased to provide the Annual 2024 *Mississippi Residual Market State Activity Report*.

Residual Market demographics contained in this report include:

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## Residual Market Demographics

### Residual Market Total Policies and Premium In Force

#### As of December 31, 2024—compared to prior year

Total number of Assigned Risk Plan policies and prorated estimated premium volume in force reported as of the date listed above. This excludes policies that have been cancelled or expired prior to the date listed above.

The other exhibits in this report describe quarterly and year-to-date data, including policies that cancelled or expired during the timeframe.

	2024	2023	2024 vs. 2023 #	2024 vs. 2023 %
<b>Policy Count</b>	1,560	1,616	-56	-3.5%
<b>Premium Volume</b>	\$8,712,231	\$9,274,804	-\$562,573	-6.1%



## Residual Market Demographics

### Voluntary Coverage Assistance Program

#### Annual Data through December 31, 2024

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 2024.

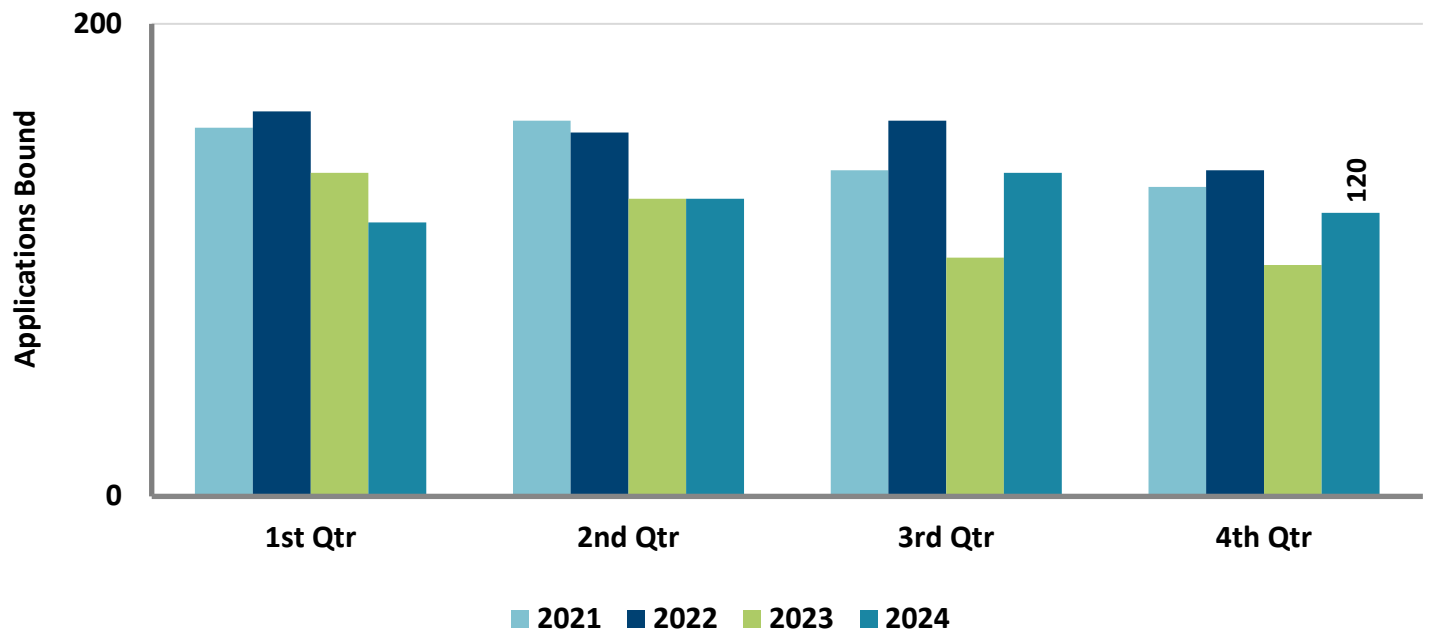
Number of Applications Reviewed by <b>VCAP® Service</b>	615
Associated Premium for Applications Reviewed	\$3,332,191.50
Number of <b>VCAP® Service</b> Matches	574
<b>VCAP® Service</b> Matches as a % of Applications Reviewed	93.33%
Number of <b>VCAP® Service</b> Offers	107
<b>VCAP® Service</b> Offers as a % of Matches	18.64%
Number of Confirmed <b>VCAP® Service</b> Policies	104
Confirmed <b>VCAP® Service</b> Policies as a % of Applications Reviewed	16.91%
Redirected Assigned Risk Premium	\$540,737.72
Associated Voluntary Market Premium	\$471,860.38
Savings	\$68,877.34
Average Savings per Application	\$662.28
Savings as a % of Redirected Assigned Risk Premium	12.74%
Redirected Premium as a % of Associated Premium for Applications Reviewed by <b>VCAP® Service</b>	16.23%



## Residual Market Demographics

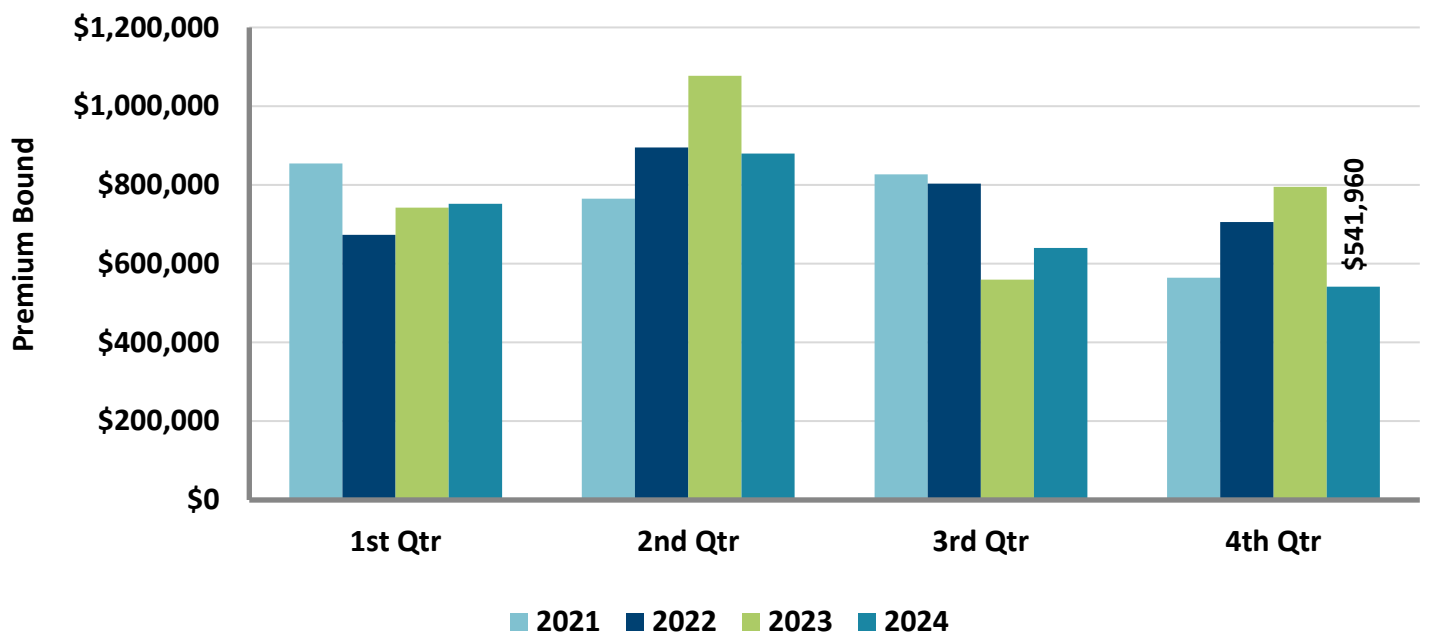
### Total Applications Bound — 2021 vs. 2022 vs. 2023 vs. 2024

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 — 2021 vs. 2022 vs. 2023 vs. 2024

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).



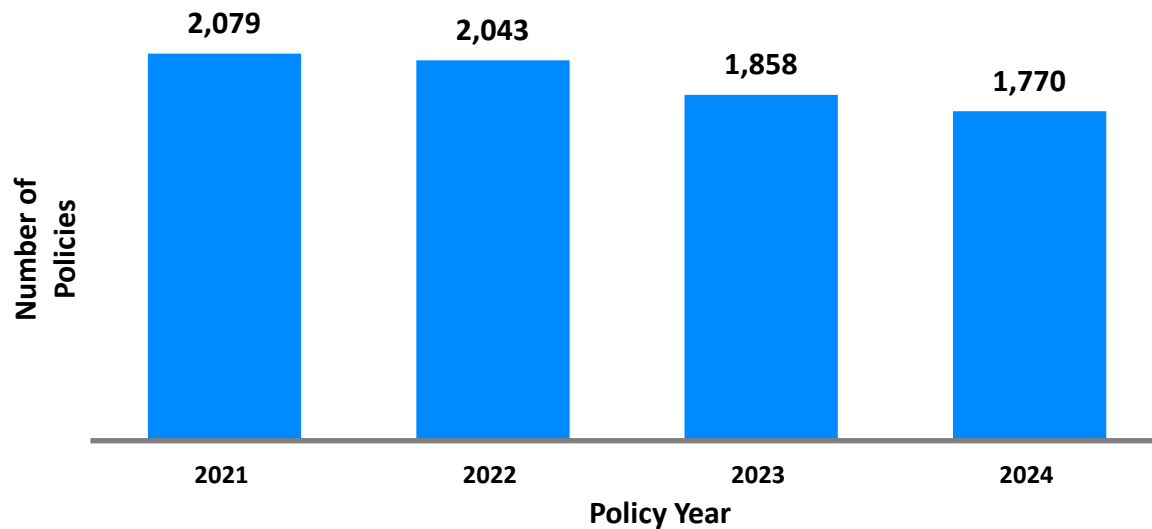


## Residual Market Demographics

### Residual Market Total Policy Counts

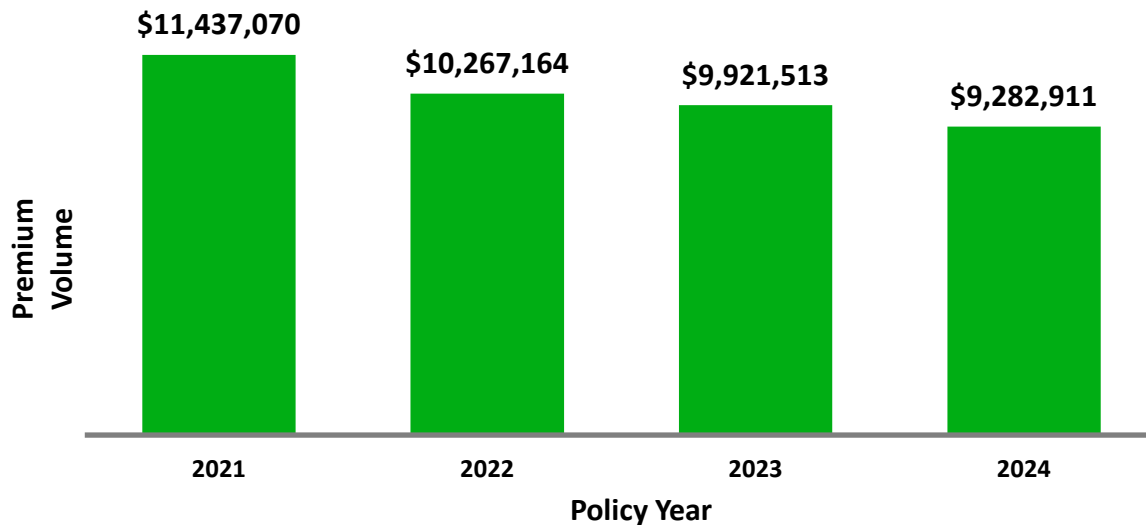
#### Annual Data for Policies Reported through December 31, 2024

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



#### Annual Data for Premium Reported through December 31, 2024

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





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## Residual Market Demographics

### Premium Size Profiles

The total number of Assigned Risk Plan policies and prorated estimated annual premium totals, with effective dates during the respective timeframe (Annual), and reported to NCCI by December 31, 2024, by both Direct Assignment and Servicing Carriers.

### Annual Data Reported through December 31, 2024

Premium Size \$	Policy Count	% of Total Policies	Premium \$	% of Total Premium	Average Premium \$
0- 2,499	1,018	57.5	1,098,805	11.8	1,079
2,500- 4,999	325	18.4	1,164,193	12.5	3,582
5,000- 9,999	224	12.7	1,547,392	16.7	6,908
10,000- 19,999	132	7.5	1,830,443	19.7	13,867
20,000- 49,999	54	3.1	1,631,204	17.6	30,207
50,000- 99,999	12	0.7	909,968	9.8	75,831
100,000- 199,999	2	0.1	256,720	2.8	128,360
200,000+	3	0.2	844,186	9.1	281,395
Total	1,770	100.0	9,282,911	100.0	5,245

### Annual 2023 Data for Comparison

Premium Size \$	Policy Count	% of Total Policies	Premium \$	% of Total Premium	Average Premium \$
0- 2,499	1,094	58.9	1,171,916	11.8	1,071
2,500- 4,999	307	16.5	1,094,117	11.0	3,564
5,000- 9,999	237	12.8	1,640,556	16.5	6,922
10,000- 19,999	130	7.0	1,792,200	18.1	13,786
20,000- 49,999	67	3.6	1,939,256	19.5	28,944
50,000- 99,999	17	0.9	1,259,150	12.7	74,068
100,000- 199,999	4	0.2	528,661	5.3	132,165
200,000+	2	0.1	495,657	5.0	247,829
Total	1,858	100.0	9,921,513	100.0	5,340

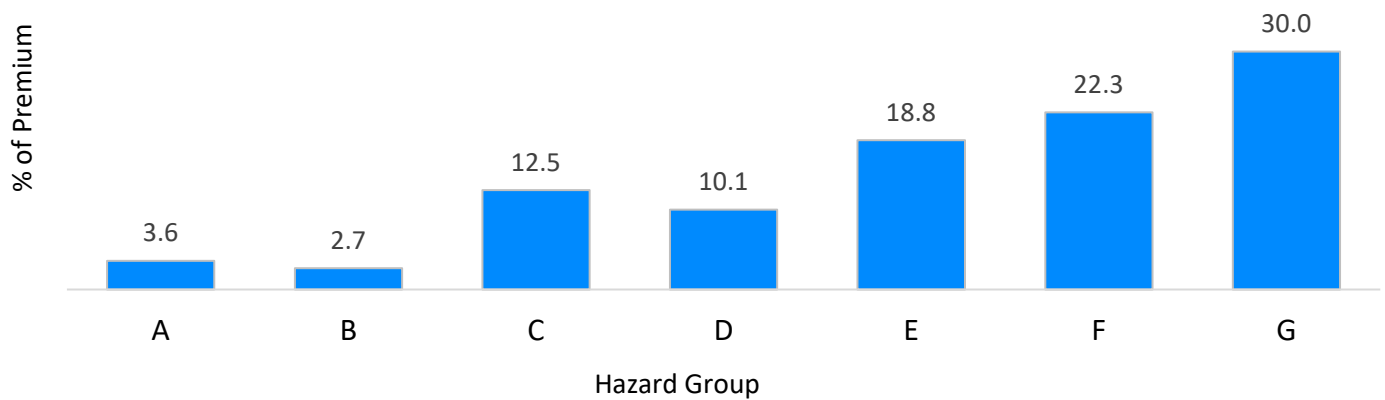


## Residual Market Demographics

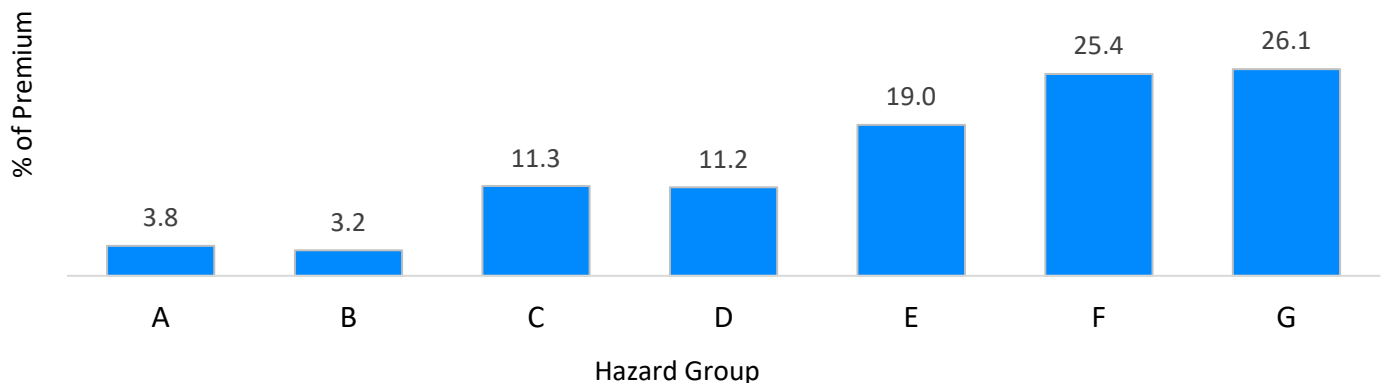
### Hazard Group Distribution

Annual Data Reported through **December 31, 2024**

The Hazard Groups for Assigned Risk Plan policies reported to NCCI by Direct Assignment and Servicing Carriers as of the date listed above.



### Annual **2023** Data for Comparison







# Mississippi Residual Market State Activity Report

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## Residual Market Demographics

### Residual Market Top 10 Classification Codes by Policy Count

Annual Data Reported through December 31, 2024

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	5551 - Roofing-All Kinds & Drivers	105	5.9
2	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	103	5.8
3	0037 - Farm: Field Crops & Drivers	100	5.6
4	2701 - Logging or Tree Removal - Log Hauling & Drivers	61	3.4
5	5474 - Painting NOC & Shop Operations, Drivers	46	2.6
6	7219 - Trucking - NOC-All Employees & Drivers	46	2.6
7	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	43	2.4
8	6217 - Excavation & Drivers	43	2.4
9	0106 - Tree Pruning, Spraying, Repairing - All Operations & Drivers	41	2.3
10	9014 - Janitorial Services by Contractors-No Window Cleaning Above Ground Level & Drivers	41	2.3

### Residual Market Top 10 Classification Codes by Premium Volume

Annual Data Reported through December 31, 2024

The top 10 governing class codes by prorated estimated annual premium 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	1,231,824	13.3
2	0037 - Farm: Field Crops & Drivers	553,326	6.0
3	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	411,665	4.4
4	7720 - Police Officers & Drivers	306,573	3.3
5	9403 - Garbage, Ashes or Refuse Collection & Drivers	286,238	3.1
6	8824 - Retirement Living Centers - Health Care Employees	269,442	2.9
7	0106 - Tree Pruning, Spraying, Repairing - All Operations & Drivers	193,511	2.1
8	0083 - Farm: Cattle or Livestock Raising NOC & Drivers	179,401	1.9
9	5403 - Carpentry NOC	179,152	1.9
10	2710 - Sawmill	173,039	1.9



## 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. This excludes policies that have been cancelled or expired prior to the 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.

**Prorated Estimated Annual Premium**—premium determined by multiplying a policy’s total estimated annual premium to a factor based on the number of days the policy was in effect. For example, if a policy was in effect for 100 days, the factor would be  $100/365$  or  $0.274$ . For a policy with a total estimated annual premium of \$1,000 the prorated estimated annual premium would be \$274. This calculation is applied to cancelled policies.

**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.