



# Oklahoma Residual Market State Activity Report

Third Quarter 2024



## Executive Summary

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

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:

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**Note:** NCCI’s Workers Compensation Insurance Plan (WCIP) is effective June 1, 2024. As a result, information regarding the Residual Market Share, Reinsurance Pool, Collections/Indemnification, and year over year comparisons are not available in this report.



## Residual Market Demographics

### Residual Market Total Policies and Premium In Force

#### As of September 30, 2024—compared to prior year

Total number of Assigned Risk Plan policies and 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>	47	N/A*	N/A*	N/A*
<b>Premium Volume</b>	\$251,988	N/A*	N/A*	N/A*

\* NCCI’s Workers Compensation Insurance Plan (WCIP) is effective June 1, 2024. As a result, data or comparison is not yet available for Oklahoma.



## Residual Market Demographics

### Voluntary Coverage Assistance Program

#### Third Quarter Data through September 30, 2024

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 Third Quarter 2024.

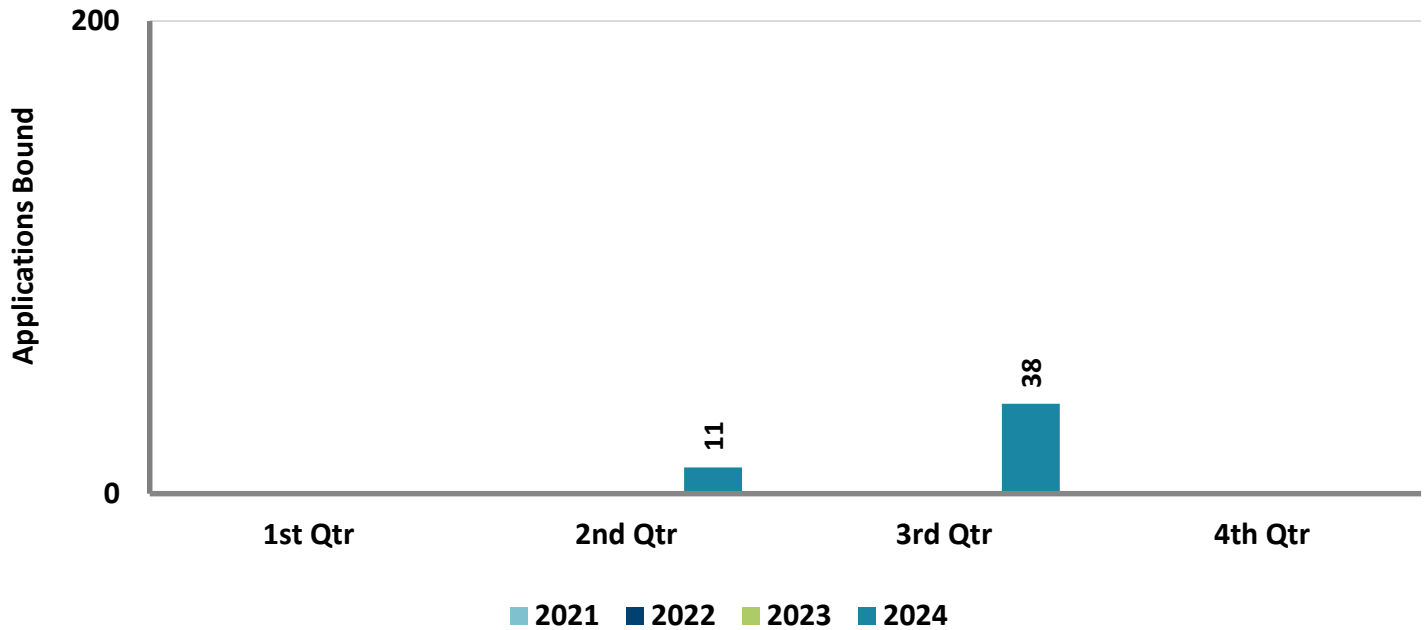
Number of Applications Reviewed by <i>VCAP<sup>®</sup> Service</i>	40
Associated Premium for Applications Reviewed	\$171,315.34
Number of <i>VCAP<sup>®</sup> Service</i> Matches	29
<i>VCAP<sup>®</sup> Service</i> Matches as a % of Applications Reviewed	72.50%
Number of <i>VCAP<sup>®</sup> Service</i> Offers	2
<i>VCAP<sup>®</sup> Service</i> Offers as a % of Matches	6.90%
Number of Confirmed <i>VCAP<sup>®</sup> Service</i> Policies	2
Confirmed <i>VCAP<sup>®</sup> Service</i> Policies as a % of Applications Reviewed	5.00%
Redirected Assigned Risk Premium	\$3,513.48
Associated Voluntary Market Premium	\$3,346.00
Savings	\$167.48
Average Savings per Application	\$83.74
Savings as a % of Redirected Assigned Risk Premium	4.77%
Redirected Premium as a % of Associated Premium for Applications Reviewed by <i>VCAP<sup>®</sup> Service</i>	2.05%



## Residual Market Demographics

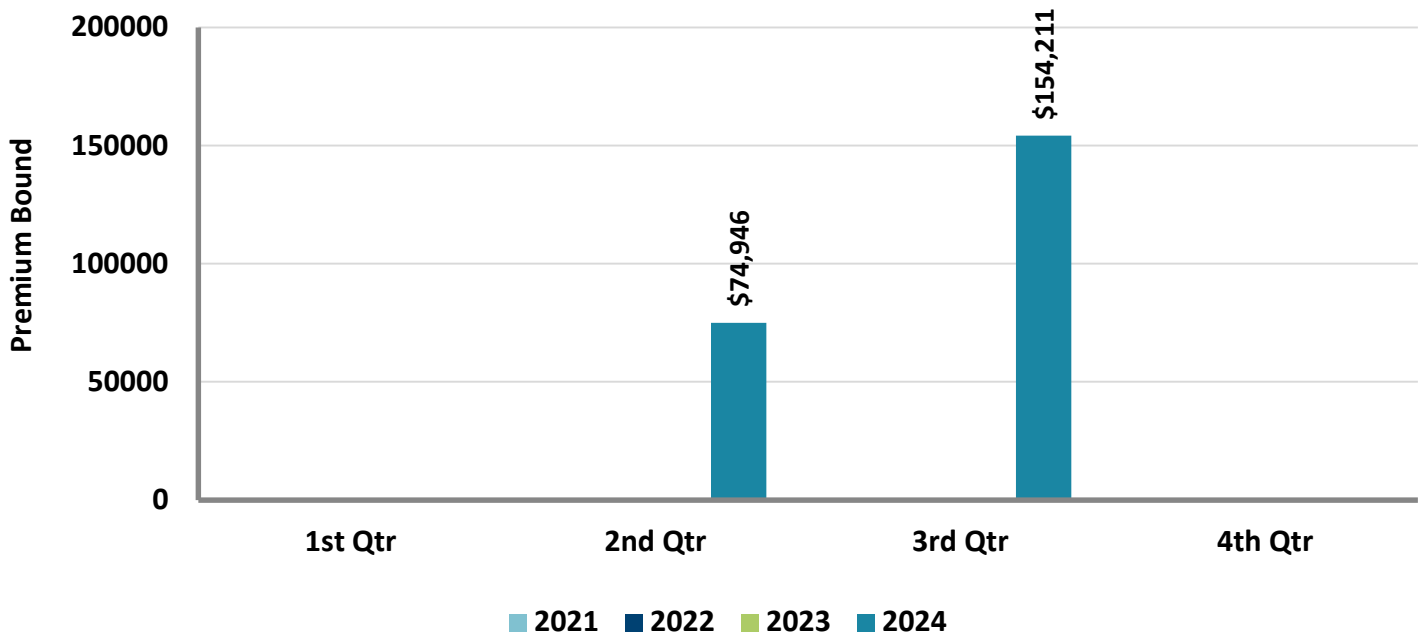
### Total Applications Bound — 2021 vs. 2022 vs. 2023 vs. 2024

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).



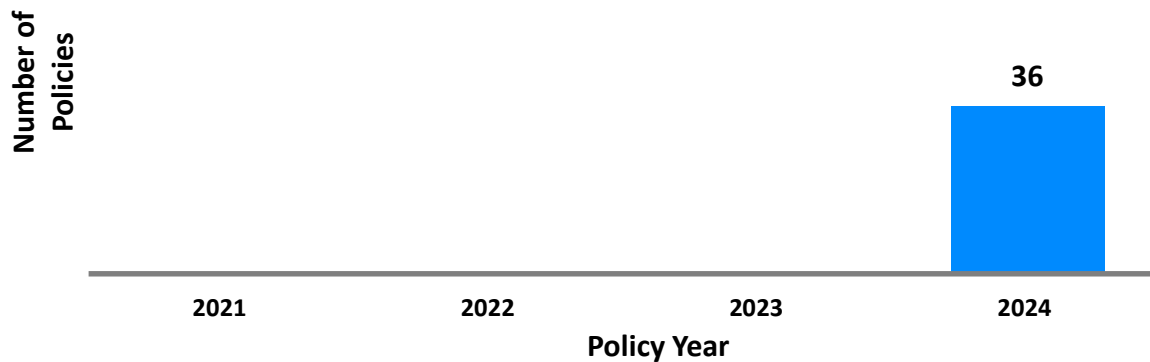


## Residual Market Demographics

### Residual Market Total Policy Counts

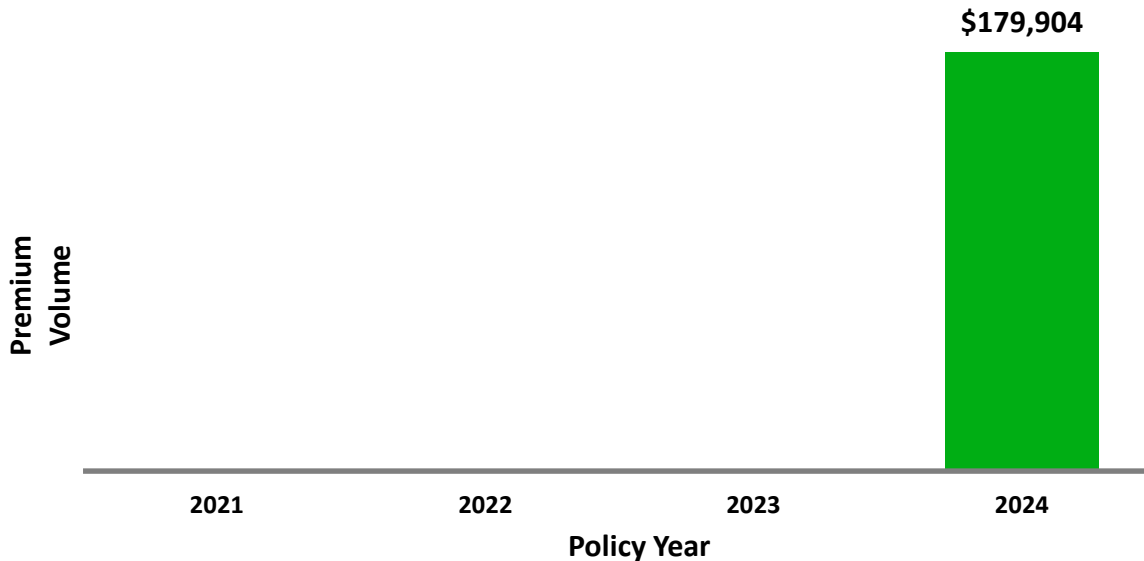
#### Third Quarter Data for Policies Reported through September 30, 2024

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



### Third Quarter Data for Premium Reported through September 30, 2024

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





## Residual Market Demographics

### Premium Size Profiles

The total number of Assigned Risk Plan policies and estimated annual premium totals, with effective dates during the respective timeframe (Third Quarter), and reported to NCCI by September 30, 2024, by both Direct Assignment and Servicing Carriers.

### Third Quarter Data Reported through **September 30, 2024**

Premium Size \$	Policy Count	% of Total Policies	Estimated Annual Premium \$	% of Total Premium	Average Premium \$
0- 2,499	22	61.1	27,303	15.2	1,241
2,500- 4,999	3	8.3	9,029	5.0	3,010
5,000- 9,999	5	13.9	40,847	22.7	8,169
10,000- 19,999	5	13.9	68,705	38.2	13,741
20,000- 49,999	1	2.8	34,020	18.9	34,020
50,000- 99,999	0	0.0	0	0.0	0
100,000- 199,999	0	0.0	0	0.0	0
200,000+	0	0.0	0	0.0	0
Total	36	100.0	179,904	100.0	4,997

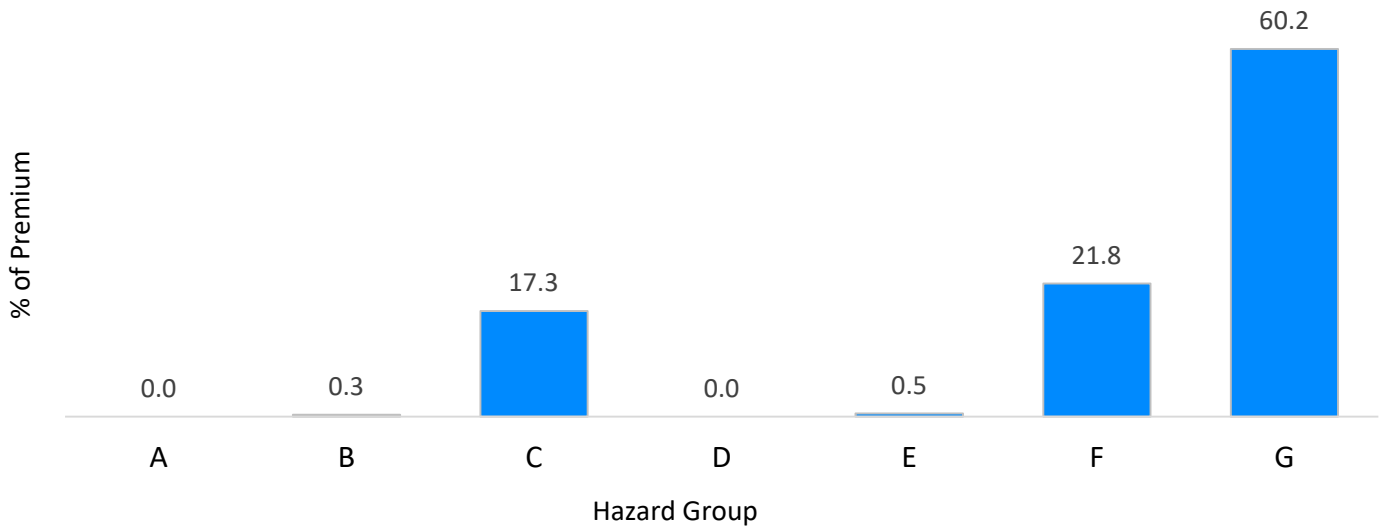


## Residual Market Demographics

### Hazard Group Distribution

Third Quarter Data Reported through **September 30, 2024**

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







## Residual Market Demographics

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

#### Third Quarter Data Reported through September 30, 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	12	33.3
2	5403 - Carpentry NOC	5	13.9
3	5437 - Carpentry-Installation of Cabinet Work or Interior Trim	2	5.6
4	5535 - Sheet Metal Work-Installation & Drivers	2	5.6
5	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	2	5.6
6	7219 - Trucking - NOC-All Employees & Drivers	2	5.6
7	9053 - Bath NOC & Clerical	2	5.6
8	5190 - Electrical Wiring-Within Buildings & Drivers	1	2.8
9	5462 - Glazier-Away from Shop & Drivers	1	2.8
10	7425 - Aviation - Helicopters - Flying Crew	1	2.8

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

#### Third Quarter Data Reported through September 30, 2024

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	97,530	54.2
2	9053 - Bath NOC & Clerical	17,798	9.9
3	5190 - Electrical Wiring-Within Buildings & Drivers	16,093	8.9
4	8810 - Clerical Office Employees NOC	11,608	6.5
5	7219 - Trucking - NOC-All Employees & Drivers	9,708	5.4
6	5403 - Carpentry NOC	7,928	4.4
7	5645 - Carpentry Construction of Residential Dwellings Not Exceeding Three Stories in Height	6,246	3.5
8	5535 - Sheet Metal Work-Installation & Drivers	4,472	2.5
9	5437 - Carpentry-Installation of Cabinet Work or Interior Trim	2,274	1.3
10	9014 - Janitorial Services by Contractors-No Window Cleaning Above Ground Level & Drivers	1,637	0.9



## 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.

**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.