

May 9, 2012 - Actuarial Committee Update

Industry Information » NCCI Actuarial Committee

The Actuarial Committee met on Wednesday, May 9, 2012. The major topics covered at this meeting included:

- **Expense Constant (ACT-12-06)**
NCCI files expense provisions in manual rates for several NCCI states. Staff presented an analysis of expense constants and expense provisions by premium layer, separately for general expenses and commissions and other acquisition expenses.
- **Legislative Analysis (ACT-12-07)**
Staff presented the results of research on the impact from the 6th edition of the American Medical Association's *Guides to the Evaluation of Permanent Impairment*.
- **Aggregate Ratemaking Research (ACT-12-08)**
Aggregate Ratemaking Research was recently designated as a separate focus area within NCCI's Actuarial and Economic Services (AES) Division. Staff provided an overview of this new area.
- **NCCI Retrospective Rating Plan Methodology (ACT-12-09)**
Multilevel modeling and generalized linear models (GLMs) provide viable solutions to the challenge of estimating loss severity across states, hazard groups, and claim groups when calculating excess loss factors. Staff discussed the model currently under consideration for use in the methodology update for the calculation of excess loss factors and related factors.

Please refer to the minutes of the meeting for any pertinent discussion on each topic. The presentation for each of the listed topics is contained in either the agenda or the minutes for the meeting as indicated below.

Content Requires Authentication

[May 9, 2012 Agenda \(PDF\)](#)

- Legislative Analysis (ACT-12-07)
- Aggregate Ratemaking Research (ACT-12-08)

[May 9, 2012 Minutes \(PDF\)](#)

- Expense Constant (ACT-12-06)

- Legislative Analysis (ACT-12-07)
- NCCI Retrospective Rating Plan (ACT-12-09)