

August 5, 2020—Actuarial Committee Update

The Actuarial Committee met via Web teleconference on Wednesday, August 5, 2020. The major topics covered at this meeting included:

ACT-20-04 Opioid Usage and Loss Development

Recent policy periods have seen declines in paid medical loss development and opioid usage. Using regression analysis, we examined if the decline in opioid usage is contributing to the declining paid medical loss development.

ACT-20-05 2020 Countrywide Adjusting and Other Expense Review

Each year, NCCI updates the countrywide adjusting and other expense ratio included in the loss adjustment expense provision in applicable loss cost/rate filings. Staff presented an update to the methodology and the results of the most recent analysis.

ACT-20-06 Proposed F-Class Methodology and Results

NCCI has been researching alternatives to the current F-class ratemaking methodology. Staff presented the proposed methodology to the Committee, focusing on the theory underlying the proposed methodology and final results.

Please refer to the Minutes for any pertinent meeting discussion and presentations.