

November 2, 2022—Actuarial Committee Update

The Actuarial Committee met both in Boca Raton, FL and Web teleconference on Wednesday, November 2, 2022. The major topics covered at this meeting included:

ACT-22-04 Occupational Disease Provisions

The handling of Occupational Disease (OD) provisions has been unchanged for many years. Staff discussed research plans to reaffirm or modify the previous recommendation to eventually eliminate OD provisions except for coal classes (1005/1016).

ACT-22-05 COVID-19 Handling in Ratemaking

COVID-19 claims are currently treated as catastrophic and excluded from ratemaking. As this treatment is expected to eventually end, staff discussed the scope of work for adjusting historical ratemaking data to better align with future loss potential.

ACT-22-06 Rate Change Granularity

An inability to change class loss costs or rates by a more granular amount can result in inequities or an inability to achieve the indicated change on an industry group or statewide basis. Staff discussed potential remedies to this ratemaking concern.

ACT-22-07 Inflation and Workers Compensation Medical Costs: A Regional Perspective

In August, the BLS published a CPI for All Urban Consumers that increased 8.3 percent over the previous 12 months. This number is down from the June result (9.1%). Staff explored how the current inflationary environment is affecting WC medical costs.

ACT-22-08 Medical Data Dashboard

Staff shared the recently released Medical Data Dashboard and demonstrated the medical data benchmarking capabilities. The Medical Data Resources landing page was also highlighted to facilitate navigation to the tool.

ACT-22-09 Net Experience Rating: A Look Back

Staff discussed historical NCCI analyses related to net experience rating (the practice of calculating experience rating modifications using historical losses that are net of deductible reimbursements) and solicit input from the Committee.

ACT-22-10 The Great Reshuffle and Workers Compensation Frequency

This presentation examined the impacts of the Great Reshuffle in the US labor market on workers compensation frequency. Staff focused on three particular channels: short-tenured workers, remote workers, and sector mix.

ACT-22-11 2022 Carrier Survey Summary

Staff updated the annual frequency survey to include questions on ex-COVID and COVID frequency, inflation, and occupational disease. 16 carriers provided observations, and staff shared aggregated results.

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