

February 23, 2017 - Actuarial Committee Update

The Actuarial Committee met on Thursday, February 23, 2017. The major topics covered at this meeting included:

- **Industry Results—Frequency and Severity Update (ACT-17-04)**
At the meeting, staff presented the most recently available frequency and severity information based on data valued as of 12/31/2015 for NCCI states.
- **National Policy Development Update (ACT-17-05)**
The Committee was updated on legislative and regulatory developments regarding the implementation of the Terrorism Risk Insurance Program Reauthorization Act of 2015, attorney fees, large deductibles, and issues surrounding the changing workforce. National Association of Insurance Commissioners activity was also presented.
- **Class Ratemaking—Research: Status and Results (ACT-17-06)**
An overview and status of the alternative class ratemaking methodologies multiyear project was shown to the committee. This presentation included NCCI's final decisions and the associated performance results. Remaining work and an approximate timeline was also provided.
- **Underwriting Committee—Committee Updates (ACT-17-07)**
The Underwriting Committee meets three times per year to consider topics and issues of national relevance. At the meeting, staff provided an update on the topics currently being presented to the Underwriting Committee.
- **Table of Insurance Charges (Table M) Impact Analysis: Part 2 (ACT-17-08)**
NCCI is performing a comprehensive review of its Table of Insurance Charges methodology. At the meeting, staff provided an overview of key components underlying the proposed Tabular and Live Calculation insurance charge methodologies. Also, staff presented results of its analysis of changes in net insurance charges between the current and proposed methodologies for a variety of claim limits and retro minimums/maximums.
- **Legislative Analysis—Updates on Legislative Activity (ACT-17-09)**
Staff reported on current and expected legislative activity for 2017. In addition, staff discussed the results of a recent study on the average injured worker's weekly wage.
- **Excess Loss Development (ACT-17-10)**
The results of a periodic review of excess loss development patterns that added five calendar years of large loss experience to the most recent study (2011) was presented to the committee. In addition, development patterns by size of loss across a broad array of experience and development periods were also presented.

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

[February 23, 2017 Agenda \(PDF\)](#)

- Industry Results—Frequency and Severity Update (ACT-17-04)
- National Policy Development Update (ACT-17-05)
- Class Ratemaking—Research: Status and Results (ACT-17-06)
- Underwriting Committee—Committee Updates (ACT-17-07)
- Table of Insurance Charges (Table M) Impact Analysis: Part 2 (ACT-17-08; Exhibit 8-1a)
- Legislative Analysis Update (ACT-17-09)
- Excess Loss Development (ACT-17-10)

[February 23, 2017 Minutes \(PDF\)](#)

- Table of Insurance Charges (Table M) Impact Analysis: Part 2 (ACT-17-08; Exhibit 8-1b)