

November 20, 2019—Actuarial Committee Update

The Actuarial Committee met on Wednesday, November 20, 2019. The major topics covered at this meeting included:

ACT-19-04 Average Weekly Wage Forecasting

NCCI uses forecast average weekly wage growth from the Quarterly Census of Employment and Wages (QCEW) in a variety of applications. NCCI staff presented a revised methodology for forecasting annual average weekly wage growth.

ACT-19-05 Legislative Update

NCCI monitors and analyzes legislative activity at the request of various stakeholders. Presenters shared a summary of 2019 legislative activity, potential trends in 2020, and the wage table update.

ACT-19-06 Large Loss Analysis

Despite the long-term decline in claim frequency that has spanned several decades, large claims continue to occur. At the meeting, staff examined large claim frequency and severity for all NCCI states combined over the most recent 15 years available.

ACT-19-07 Countrywide Loss Development Patterns in Aggregate Ratemaking

In recent filing seasons, there has been a shift in countrywide loss development patterns and claim closure rates. At the meeting staff presented development patterns, closure rate, and other diagnostics on a countrywide and regional basis.

ACT-19-08 Wage-Adjusted Changes in WC Indemnity Benefits 2000—2018

To demonstrate that WC indemnity benefits have kept pace with wage inflation in the majority of states, NCCI staff has developed inflation-adjusted indices of indemnity benefits for NCCI states that measure benefits from the worker's perspective.

ACT-19-09 Virginia Post-Reform Study—1/1/2018 Fee Schedule Implementation

NCCI performed a study on the implementation of Virginia's Medical Fee Schedules in accordance with House Bill (HB) 378. This study includes the impact to the Physician, Hospital Inpatient/Outpatient, and Ambulatory Surgical Centers reimbursements.

ACT-19-10 Ratemaking Research Update – Loss Development

As introduced at the August Actuarial Committee teleconference, a project is underway to explore alternative ratemaking approaches. The current focus is the accuracy of the overall average annual loss cost and rate level changes.

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