

PENNSYLVANIA COMPENSATION RATING BUREAU
F-CLASS FILING

Derivation of F-Class Rates

In the following exhibit, page 1 calculates the pure premium using F-Classifications in Pennsylvania. Page 2 uses Countrywide data gathered from NCCI to determine the final State Based Rate to be used in the filing. Page 3 uses class relativities and standard capping procedures to determine final rates for each class.

Pennsylvania Statewide Pure Premium Calculation

Payroll (000s)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
6824F	52	35	139	51	4	31	40	52	96	28
6826F	16	24	93	29	49	52	40	35	24	32
6843F	315	386	486	12,971	22,588	19,849	123	96	78	185
6872F	44	110	83	158	43	271	83	132	105	75
7309F	7,179	7,450	10,417	8,606	9,158	8,549	8,019	8,679	8,320	10,306
7313F	4,393	8,178	9,531	12,614	9,485	14,535	12,228	8,897	3,851	8,635
7317F	1,245	1,351	1,605	1,592	1,619	1,694	1,749	2,093	1,778	2,205
7327F	5,454	6,974	7,660	7,017	7,370	9,757	9,255	10,253	10,242	13,029
7366F	11,755	16,100	16,788	18,115	19,617	21,519	26,433	23,060	25,527	31,691
8709F	3,825	4,365	5,997	4,691	3,697	4,149	5,890	5,072	7,418	11,739
8726F	510	417	482	370	403	228	90	123	100	119
	34,788	45,390	53,281	66,214	74,033	80,634	63,950	58,492	57,539	78,044

Loss

Weighted

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	10 Yr
	2,120,083	2,703,585	10,063,383	5,119,454	3,500,023	5,053,840	1,405,114	1,989,282	4,949,113	3,315,542	6.568

Note: Payroll and Loss information found in Exhibit 5

Countrywide F-Class Relativities

Class Code	Payroll	Converted Expected Excess Losses	Pure Premium	F-Class Relativity
6824	449,841,215	12,526,718	2.785	1.235
6826	153,020,130	1,630,251	1.065	0.472
6843	815,745,650	24,051,953	2.948	1.307
6872	1,612,514,087	50,461,947	3.129	1.387
7309	999,486,673	30,539,621	3.056	1.355
7313	698,469,492	9,950,925	1.425	0.632
7317	1,480,030,515	28,640,599	1.935	0.858
7327*	35,469,557	2,142,187	6.04	1.000
7350**	727,261,536	17,459,823	2.401	1.064
8709	449,152,914	3,634,593	0.809	0.359
8726	767,487,405	3,656,676	0.476	0.211
Total	8,188,479,174	184,695,293	2.256	

*Relativities for class codes with a limited amount of data are set to 1.000.

**NCCI Class 7350 maps to PCRB Class 7366

Countrywide Pure Premium	2.256
PA Statewide Pure Premium	6.568
State Weight	50%
Selected State Base Pure Premium	4.412
Permissible Loss Ratio	0.6458
Final State Base Rate	6.831

Notes: Countrywide information from NCCI F-Class Filing for 2025 - 2026
Permissible Loss Ratio shown in Exhibit 2

PENNSYLVANIA COMPENSATION RATING BUREAU

DERIVATION OF F-CLASS RATES

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
CLASS CODE	COUNTRYWIDE RELATIVITY	INDICATED RATE PRE-CAP	BALANCED RATE PRE-CAP	MINIMUM RATE	MAXIMUM RATE	PROPOSED RATE POST-CAP	CURRENT RATE	% CHANGE RATE
6824F	1.235	8.435	8.497	7.973	13.288	8.497	10.63	-20.1%
6826F	0.472	3.226	3.249	6.683	11.138	6.683	8.91	-25.0%
6843F	1.307	8.929	8.994	9.825	16.375	9.825	13.10	-25.0%
6872F	1.387	9.477	9.547	17.580	29.300	17.580	23.44	-25.0%
7309F	1.355	9.256	9.324	27.218	45.363	27.218	36.29	-25.0%
7313F	0.632	4.316	4.348	6.353	10.588	6.353	8.47	-25.0%
7317F	0.858	5.861	5.904	15.945	26.575	15.945	21.26	-25.0%
7327F	1.000	6.831	6.882	17.115	28.525	17.115	22.82	-25.0%
7366F	1.064	7.272	7.325	8.933	14.888	8.933	11.91	-25.0%
8709F	0.359	2.450	2.468	4.845	8.075	4.845	6.46	-25.0%
8726F	0.211	1.442	1.452	2.393	3.988	2.393	3.19	-25.0%
TOTAL		6.781	6.831			13.136		
(10)	BALANCING FACTOR:		1.007					

(3) = Final State Base Rate (Page 2) x (2)

(4) = (3) * (10)

(5) = (8) * .75

(6) = (8) * 1.25

(7) = Median of (4), (5), and (6)

(9) = [(7) / (8)] - 1

(10) = Final State Base Rate (Page 2) / [Total (3)]