



STATE ACTIVITY REPORT

2020

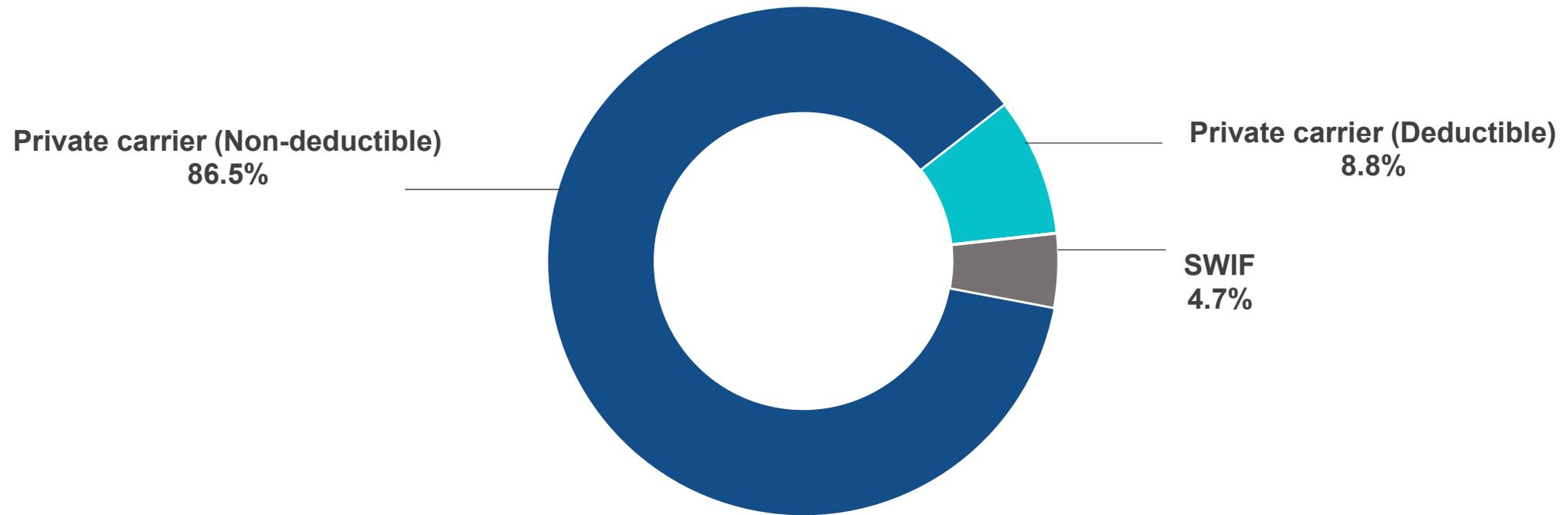
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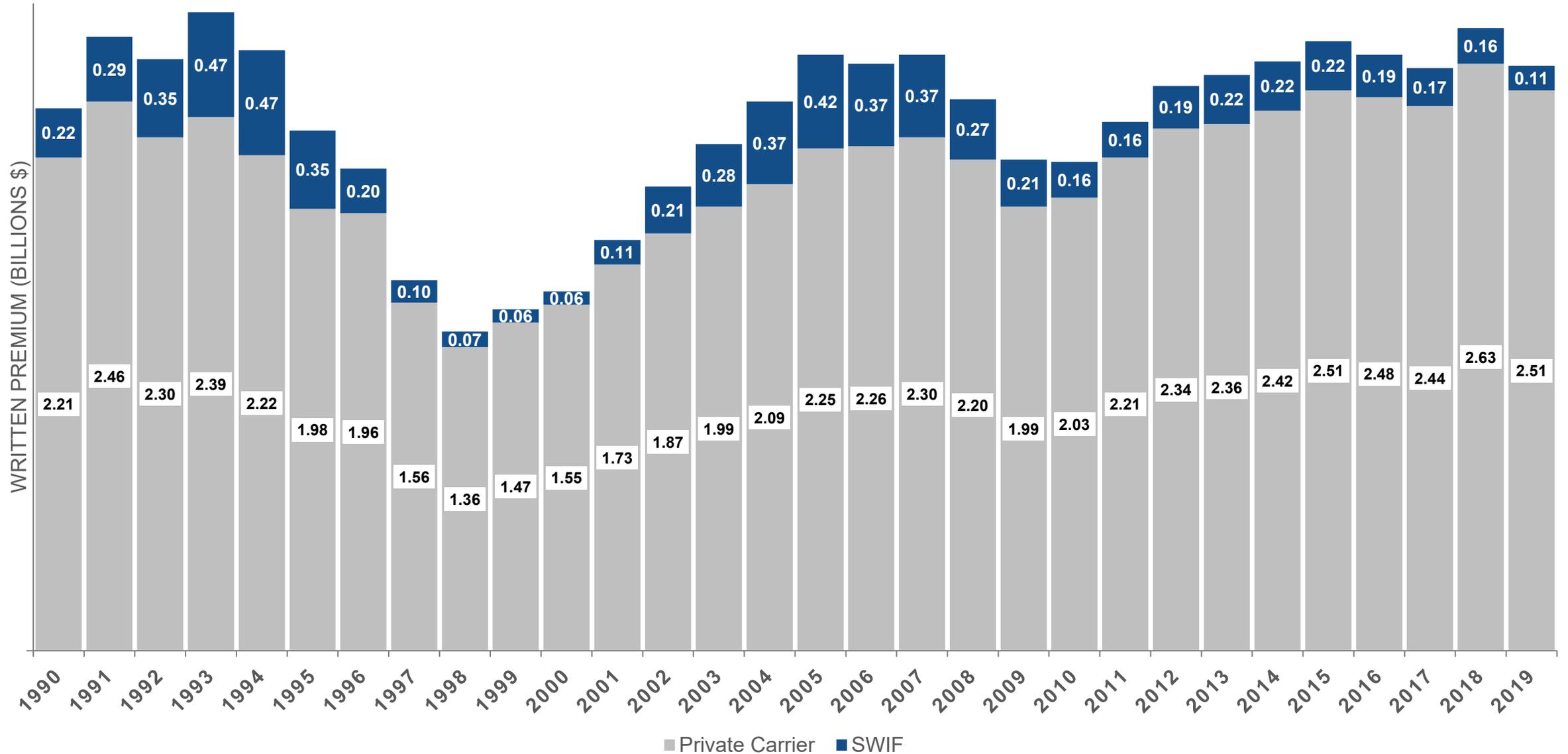
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Pennsylvania Market Share

Pennsylvania employers are required to secure their liability through private insurance, a state fund, self-insurance, or self-insured groups. The State Workers' Insurance Fund (SWIF) operates as an enterprise fund within the Department of Labor & Industry that guarantees workers insurance coverage to many Pennsylvania companies. The PCRB collects data from all private insurance carriers that write workers compensation business in Pennsylvania, including SWIF.



Workers Compensation Premium



Top 20 Carrier Groups

These twenty carrier groups wrote more than 75% of the insured market premium in PA in 2019.

 Carrier Group	 Direct Written Premium (\$Millions)	 Market Share (\$)	 % Change from 2018
TRAVELERS	178,171,674	6.8%	0.3%
ZURICH	170,230,601	6.5%	0.0%
ERIE	148,546,153	5.7%	-0.2%
EASTERN ALLIANCE	133,902,101	4.1%	-1.4%
ENCOVA	124,971,236	5.1%	0.0%
STATE WORKERS INS FUND	108,566,658	4.8%	1.0%
HARTFORD	105,489,729	3.9%	-0.4%
UPMC	102,592,559	3.5%	-0.4%
LACKAWANNA	102,551,367	4.0%	0.1%
LIBERTY MUTUAL	102,326,013	3.9%	0.3%
ACE USA/CHUBB	97,635,450	3.9%	0.0%
AMTRUST	92,220,541	3.5%	0.0%
BERKSHIRE HATHAWAY	90,416,081	3.7%	0.4%
OLD REPUBLIC	90,260,188	3.4%	0.2%
AIG	76,863,367	2.9%	0.0%
W R BERKLEY	69,206,009	2.6%	0.0%
SELECTIVE	52,075,166	2.0%	0.0%
PENN NATIONAL	49,217,004	1.9%	0.0%
CINCINNATI FINANCIAL	39,419,045	1.5%	0.0%
DONEGAL	36,585,835	1.4%	-0.2%

Premium Demographics

Number of Risks	Premium Range	\$ Standard Premium (000)
184,188	\$0 – 2,499	\$107,846
24,804	\$2,500-4,999	\$86,453
11,733	\$5,000-7,499	\$69,594
7,063	\$7,500-9,999	\$59,226
8,239	\$10,000-14,999	\$98,125
7,849	\$15,000-24,999	\$148,398
6,947	\$25,000-49,999	\$241,532
4,033	\$50,000-99,999	\$278,514
2,597	\$100,000-249,999	\$391,294
1,436	\$250,000 & above	\$958,411

Premium Adjustment Programs Results

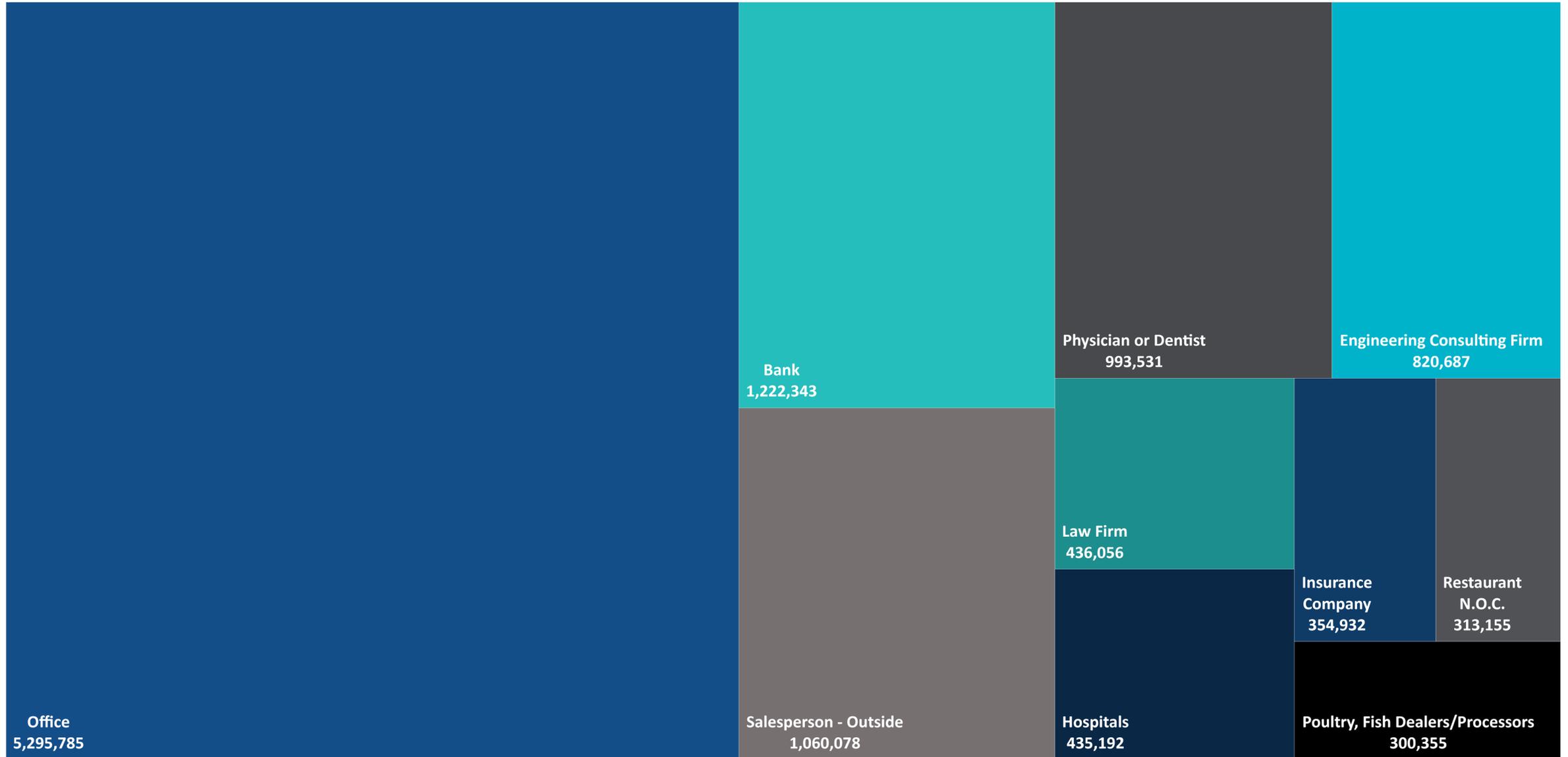
	Credits	No Premium Adjustment	Debits/Surcharges
Schedule Rating	22% receive average credit of 24.8%	68% do not receive a credit or debit	10% receive average debit of -20.9%
PA Certified Safety Credit Program	3% of eligible risks receive average credit of 5.0%	97% of eligible risks do not participate	Not Applicable
PCCPAP	7% of eligible risks receive average credit of 15.3%	93% of eligible risks do not participate	Not Applicable
Merit Rating Program	97.8% of qualified risks receive a 5.0% credit	2% of qualified risks do not receive a credit or debit	0.2% of qualified risks receive a 5% surcharge

Claim Counts and Losses by Classification

Class Code and Description	Indemnity Claim Count	\$ Total Incurred Loss	\$ Average Incurred Loss
Code 811: Trucking N.O.C.	1,197	61,953,154	51,757
Code 965: College or School, N.O.C.	1,146	47,824,375	41,732
Code 928: Retail Store, N.O.C.	940	36,587,477	38,923
Code 917: Grocery Store	907	33,588,736	37,033
Code 924: Wholesale Store, N.O.C.	796	29,444,581	36,991
Code 953: Office	689	42,498,980	61,682
Code 808: Parcel Delivery Company	622	28,199,381	45,337
Code 975: Restaurant, N.O.C.	597	21,218,835	35,542
Code 818: Automobile Dealer	580	25,382,515	43,763
Code 971: Commercial Buildings	550	27,035,797	49,156
All Other	22,546	1,137,657,458	50,459

These are the top 10 classes by number of lost time claims. These classes represent 26% of claims and 24% of losses.

Top 10 Classes by Payroll (\$000)

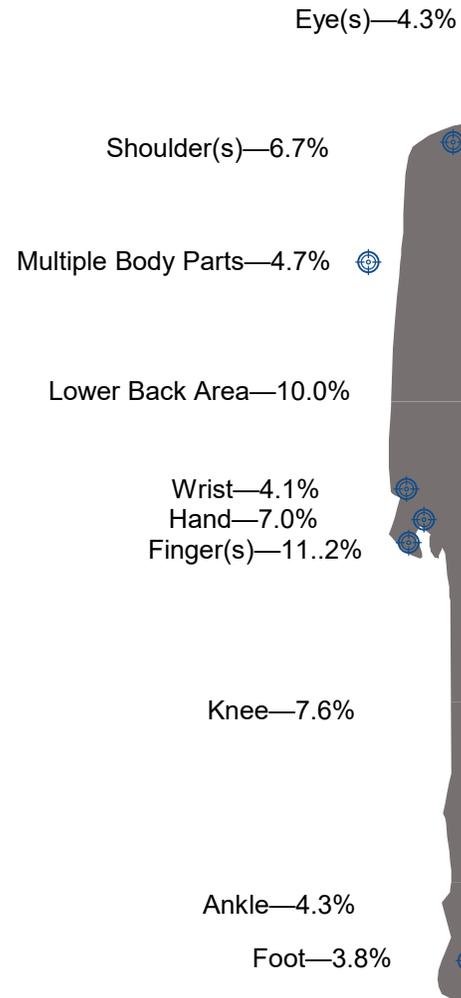


Top 10 Classes by Premium (\$)

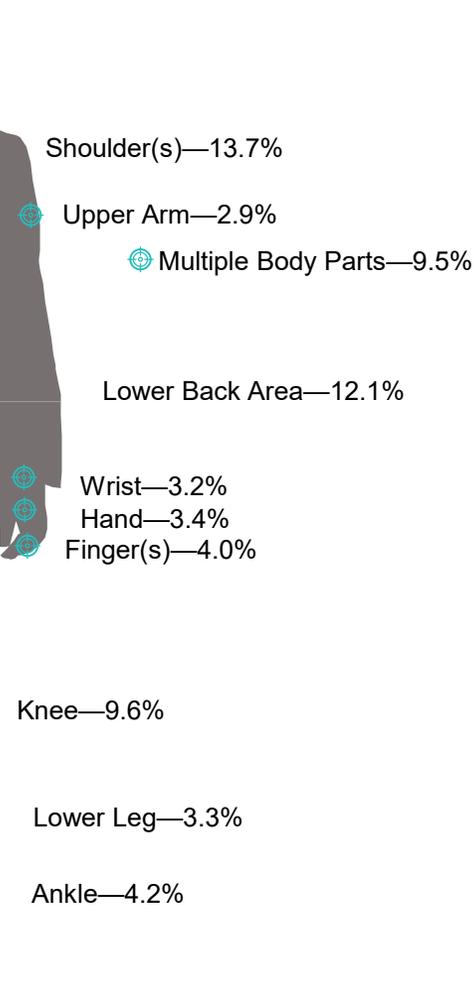


Injury Description Distribution

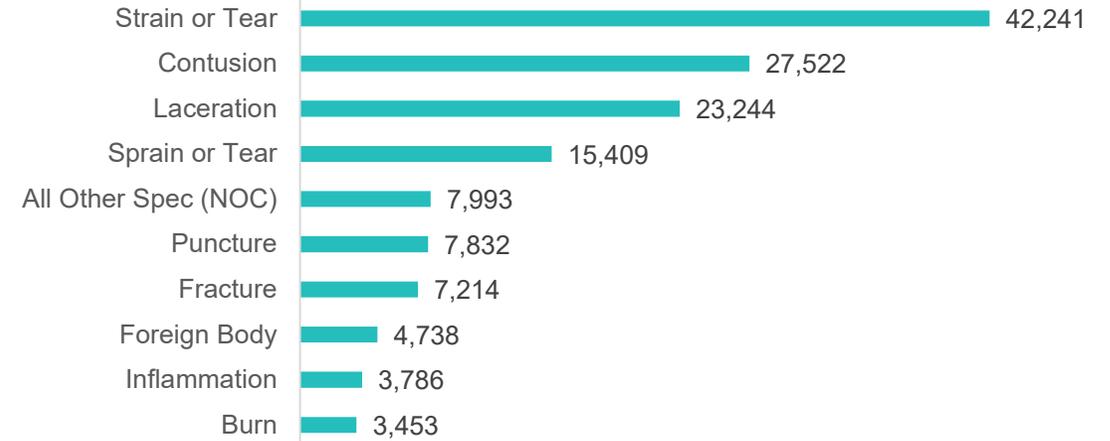
Top 10 Injuries by Total Claim Count



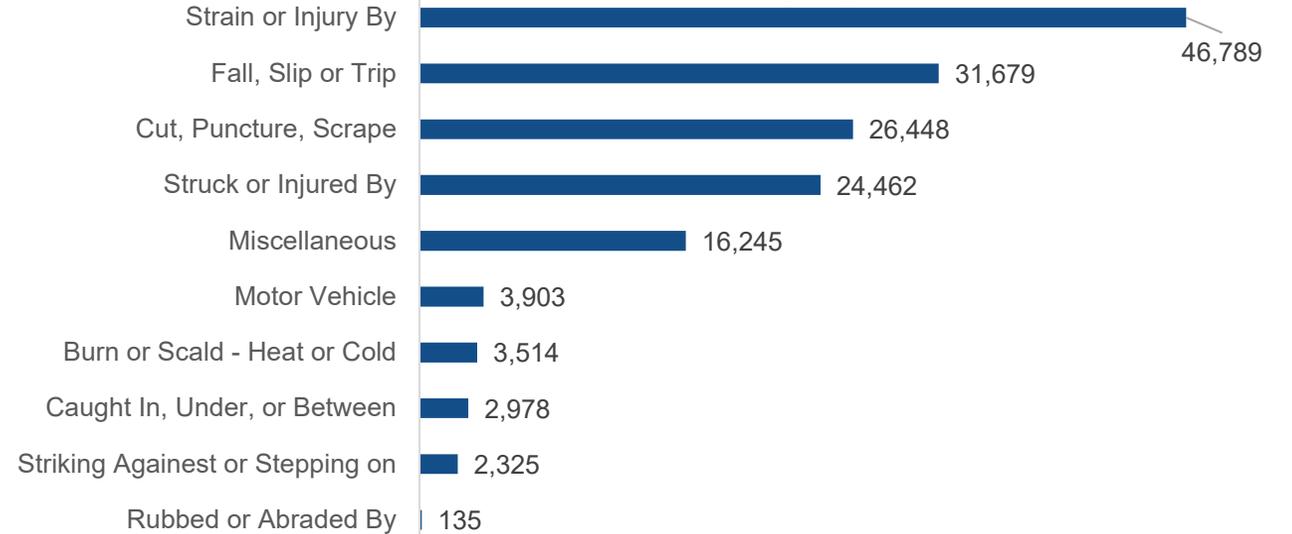
Top 10 Injuries by Total Losses



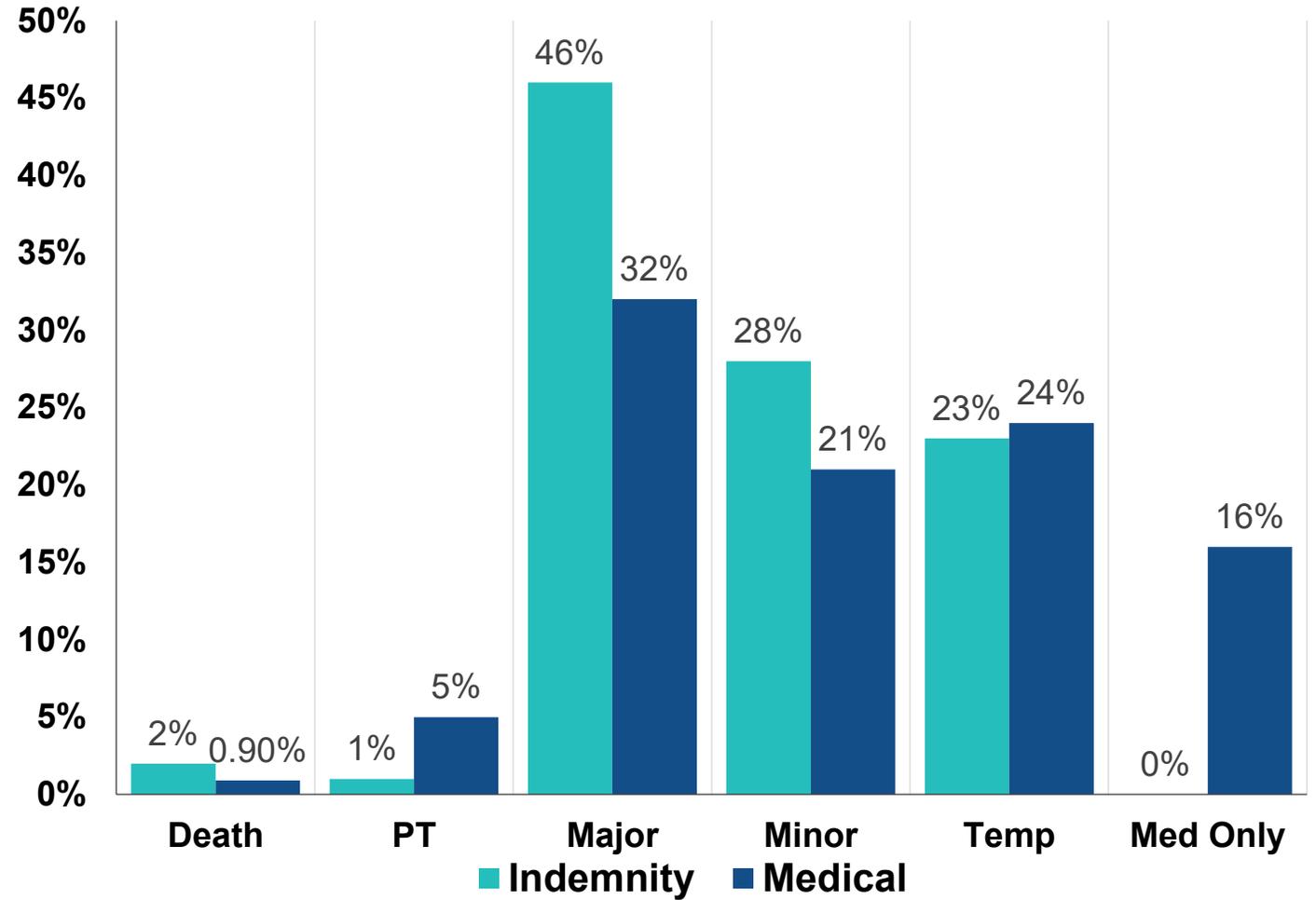
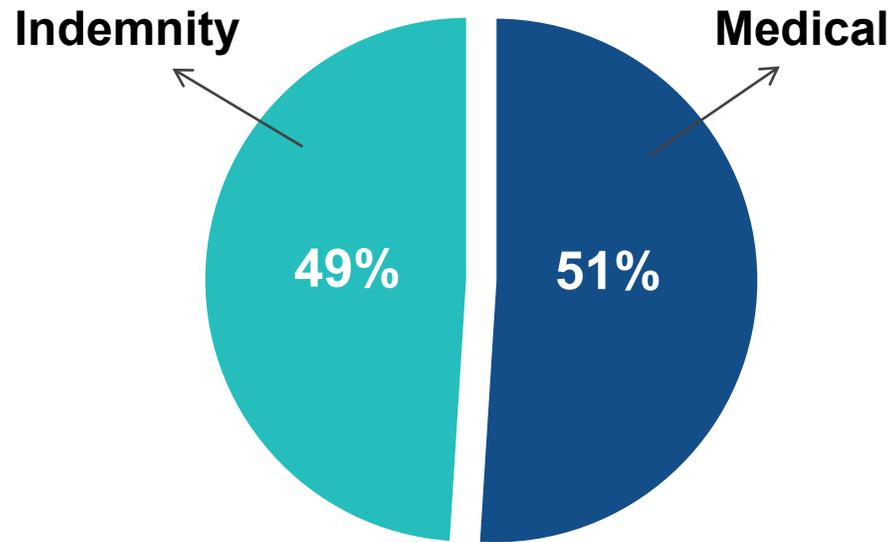
Nature of Injury



Cause of Injury



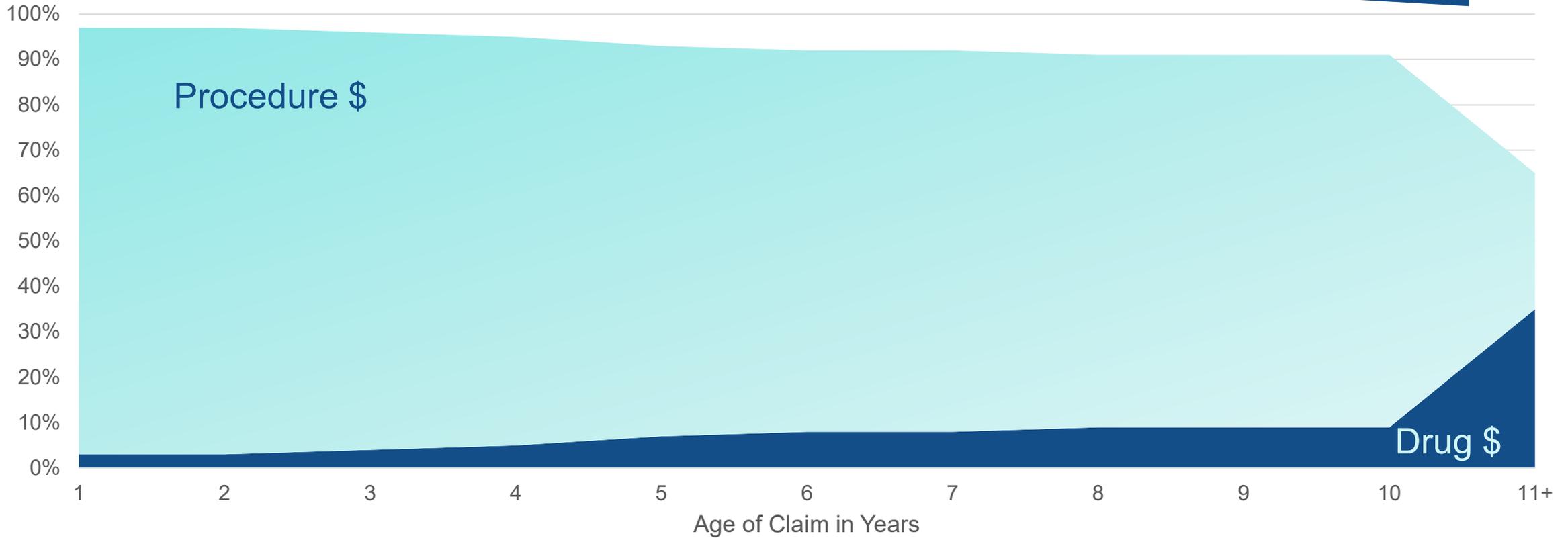
Indemnity and Medical Splits



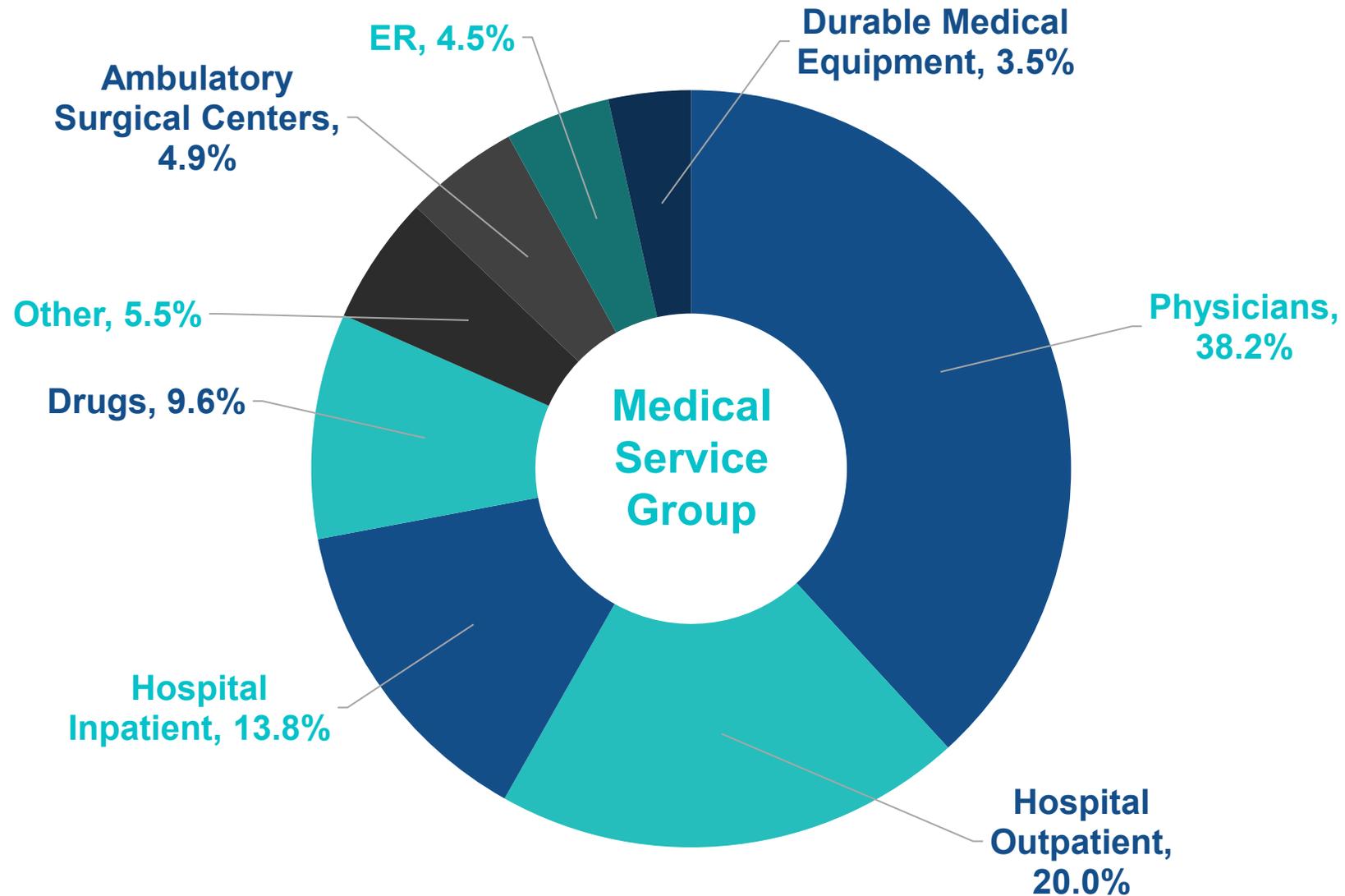
Medical Cost Breakdown

Medical treatment is a primary driver of rising medical costs. Using our Medical Data Call (MDC) data, we observe that, overall, the bulk of medical dollars are attributable to medical procedures. As the claim ages, prescription drug costs increase more rapidly as a share of medical costs. Medical expenses are not included in the MDC.

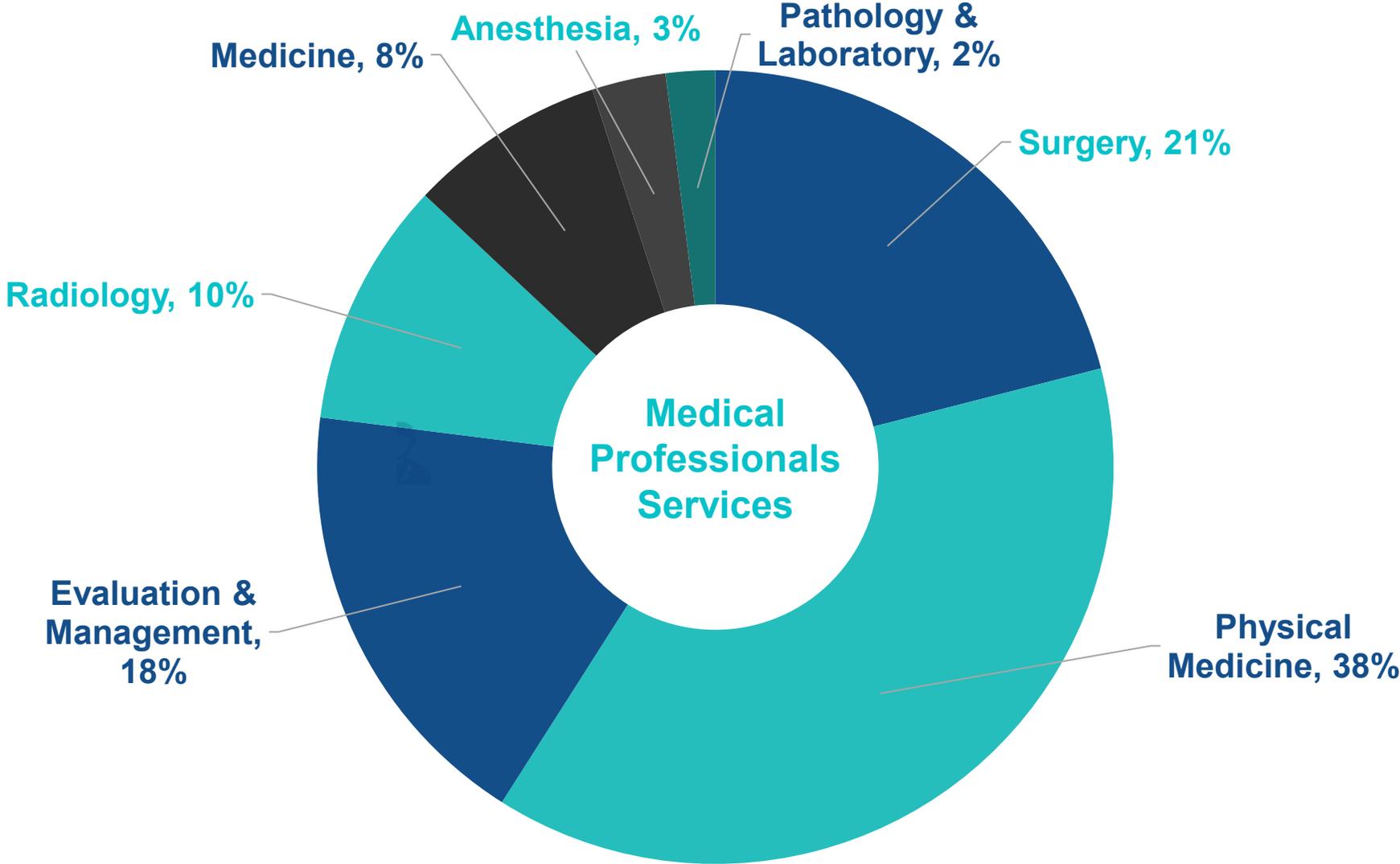
90% of medical dollars are attributed to medical procedures while 10% are due to drug costs



Medical Services Breakdown



Medical Services Breakdown (Continued)



Medical Visits Per Claim

Physical Medicine & Rehabilitation		5 out of 10 claimants
Office Visits & Consultations		3 out of 10 claimants
Radiology		1 out of 10 claimants
Major & Minor Surgery		<1 out of 10 claimants
Chiropractic Treatment		<1 out of 10 claimants

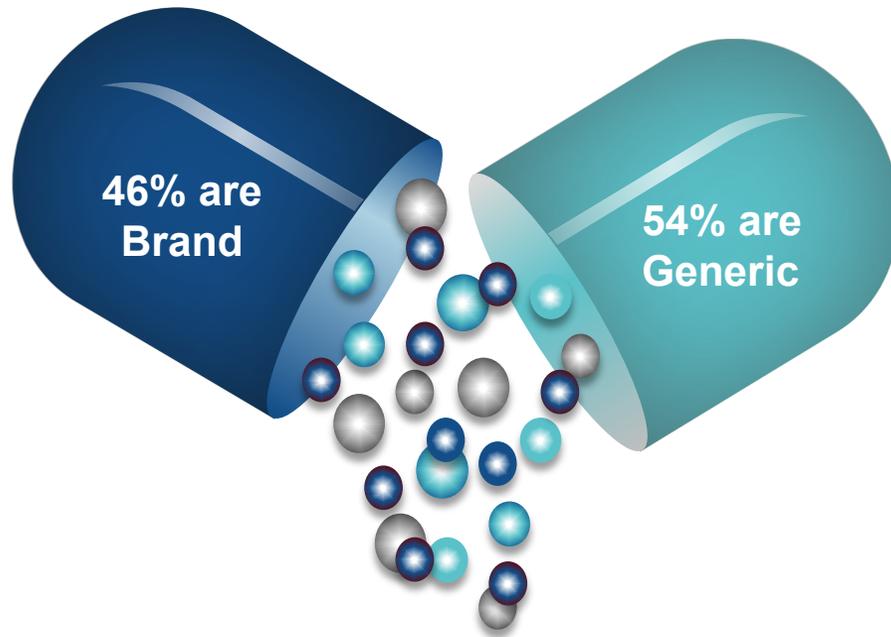
Based on 1.37 million professional visits and 141,581 claims

*When examining the number of actual visits to a health care provider, workers compensation claimants appear to visit physical medicine and rehabilitation providers more frequently than any other health care provider

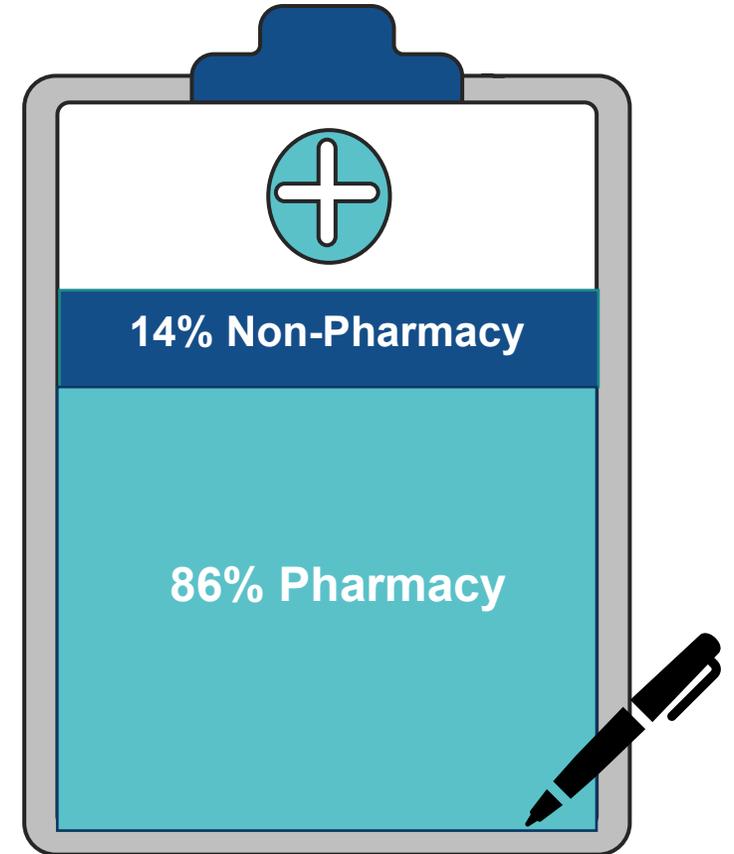
Prescription Drugs Dispensing

Based on total amount paid, along with their ranks for earlier service years.

Distribution of Drugs

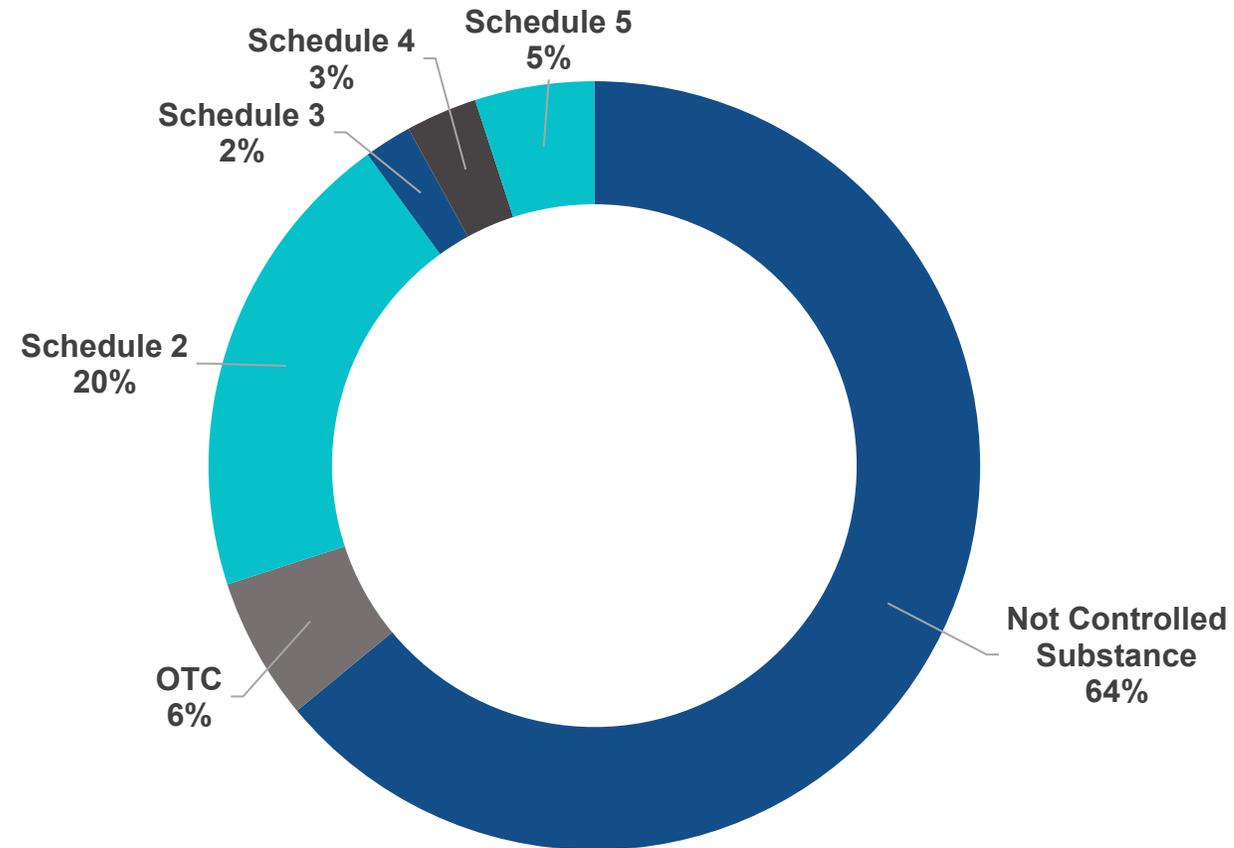


Dispensing of Drugs



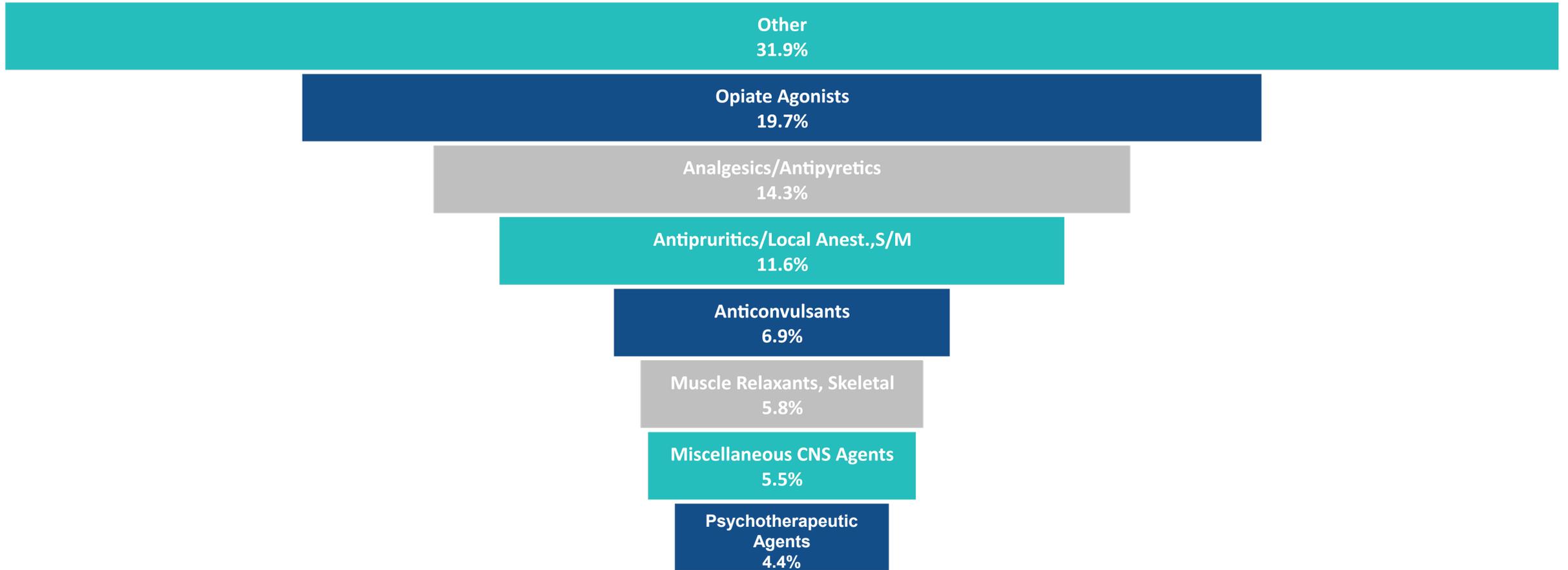
Prescription Drugs

The volume of drugs prescribed to workers compensation claimants continues to grow. This is a distribution of these prescription drugs organized by the **Controlled Substance Act Schedule**, which is based on potential of abuse.



Prescription Drugs

Therapeutic Classifications

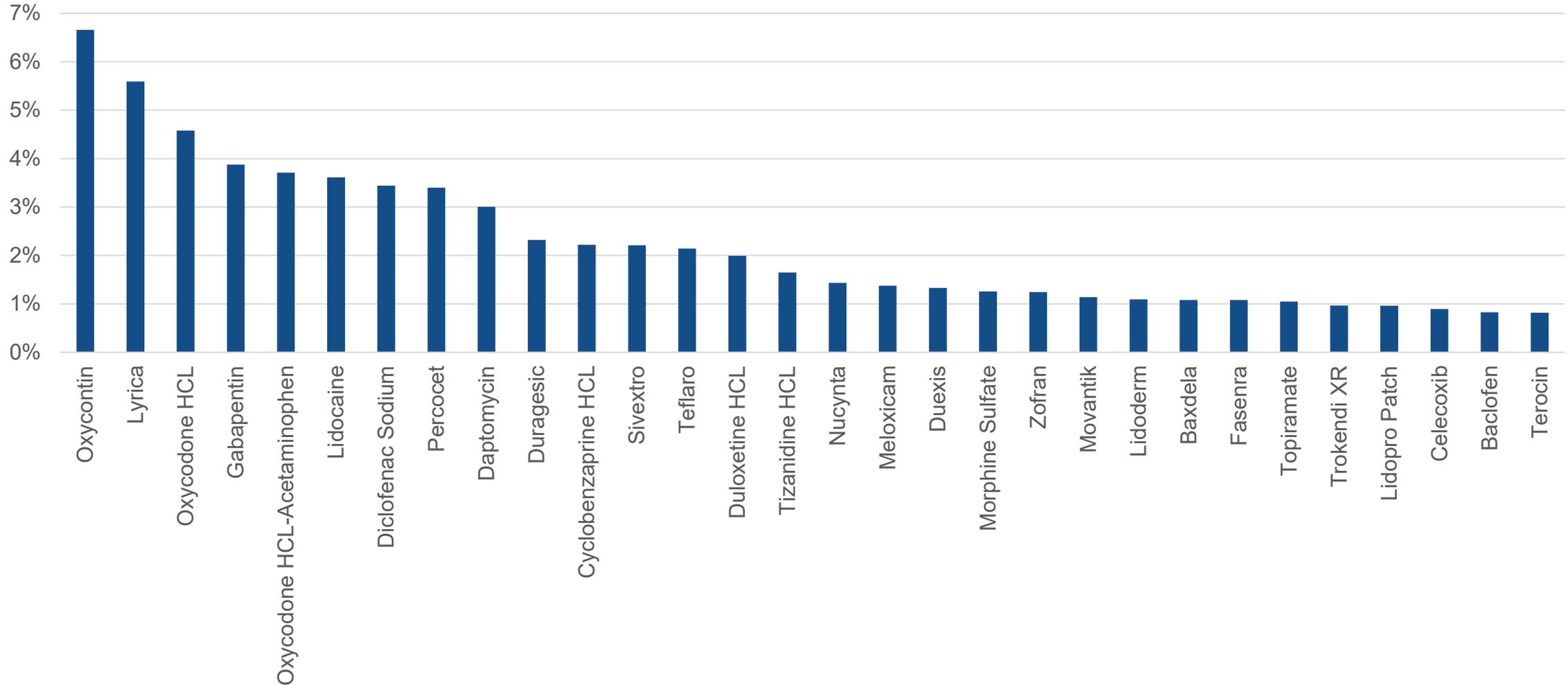


*Opioids are the most prevalently prescribed drug to workers compensation claimants.

Prescribing Patterns

Based on total amount paid, along with their ranks for earlier service years.

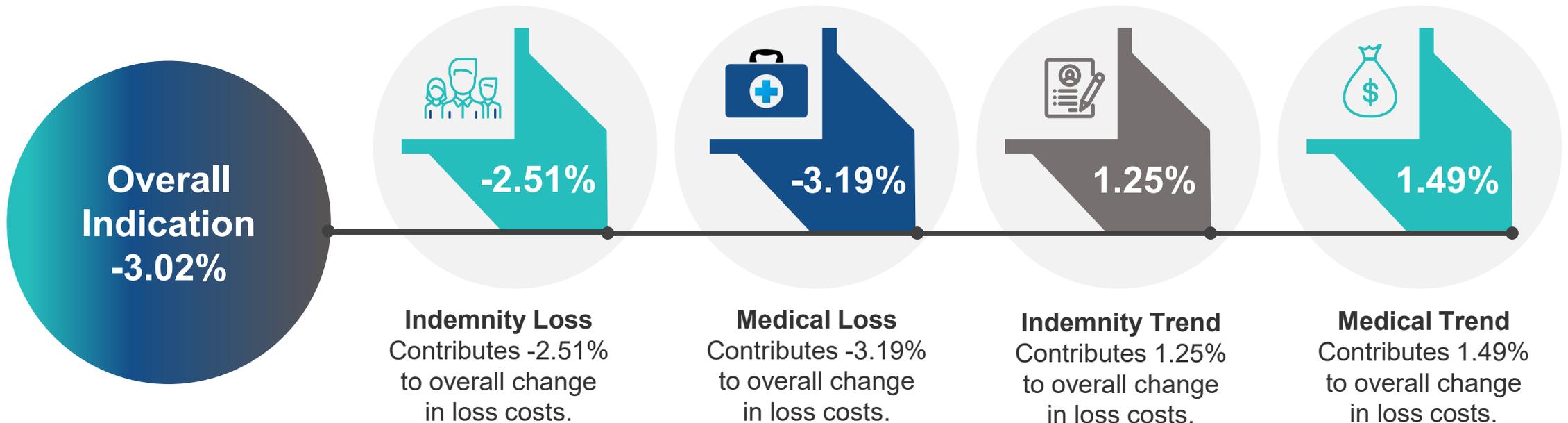
Paid Shares for Service Year 2019



Top 30 Drugs

Drug Name	Rank By Service Year				
	2019	2018	2017	2016	2015
Oxycontin	1	2	3	2	2
Diclofenac Sodium	2	5	2	15	40
Lidocaine	3	3	5	7	9
Lyrica	4	1	4	3	4
Gabapentin	5	4	1	1	1
Meloxicam	6	8	10	11	11
Terocin	7	10	8	12	12
Percocet	8	9	9	10	10
Oxycodone HCL-Acetaminophen	9	7	7	6	7
Duloxetine HCL	10	11	11	14	13
Oxycodone HCL	11	6	6	4	6
Celecoxib	12	12	12	13	14
Cyclobenzaprine HCL	13	13	14	9	8
Lidopro Patch	14	14	13	87	189
Baclofen	15	16	19	18	20
Ondansetron HCL	16	n/a	n/a	n/a	n/a
Tramadol HCL	17	18	18	17	17
Metaxalone	18	20	24	25	21
Hydrocodone Bitartrate-Acetaminophen	19	19	20	19	16
Tizanidine HCL	20	21	23	26	29
Morphine Sulfate	21	15	16	16	15
Duexis	22	30	34	41	25
Lidoderm	23	27	45	49	48
Botox	24	n/a	n/a	n/a	n/a
Topiramate	25	25	31	37	35
Ibuprofen	26	n/a	n/a	n/a	n/a
Nullido	27	n/a	n/a	n/a	n/a
Flector	28	17	27	27	30
Relistor	29	n/a	n/a	n/a	n/a
Nucynta ER	30	n/a	n/a	n/a	n/a

Components of 2021 Indication



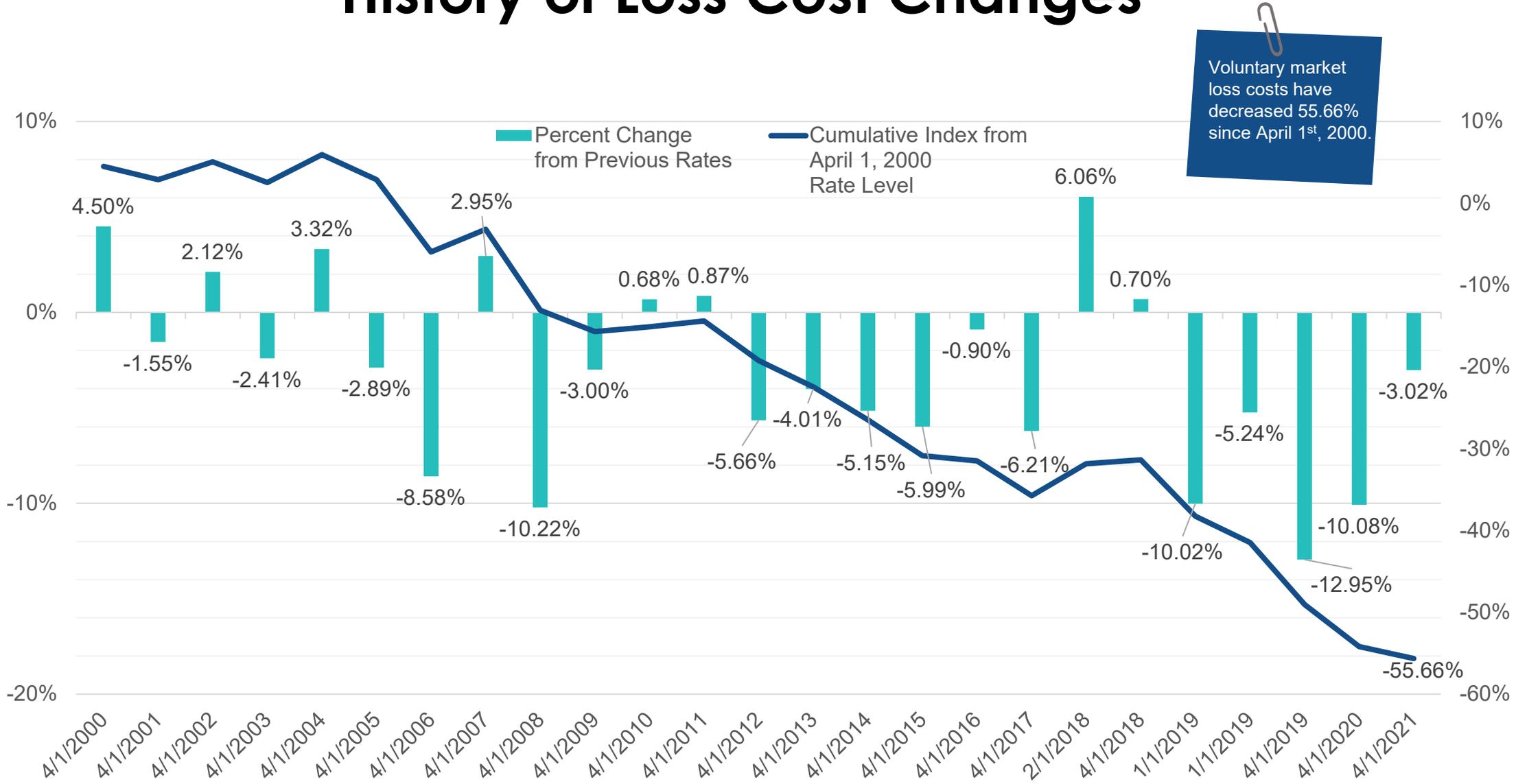
Indemnity Loss
Contributes -2.51%
to overall change
in loss costs.

Medical Loss
Contributes -3.19%
to overall change
in loss costs.

Indemnity Trend
Contributes 1.25%
to overall change
in loss costs.

Medical Trend
Contributes 1.49%
to overall change
in loss costs.

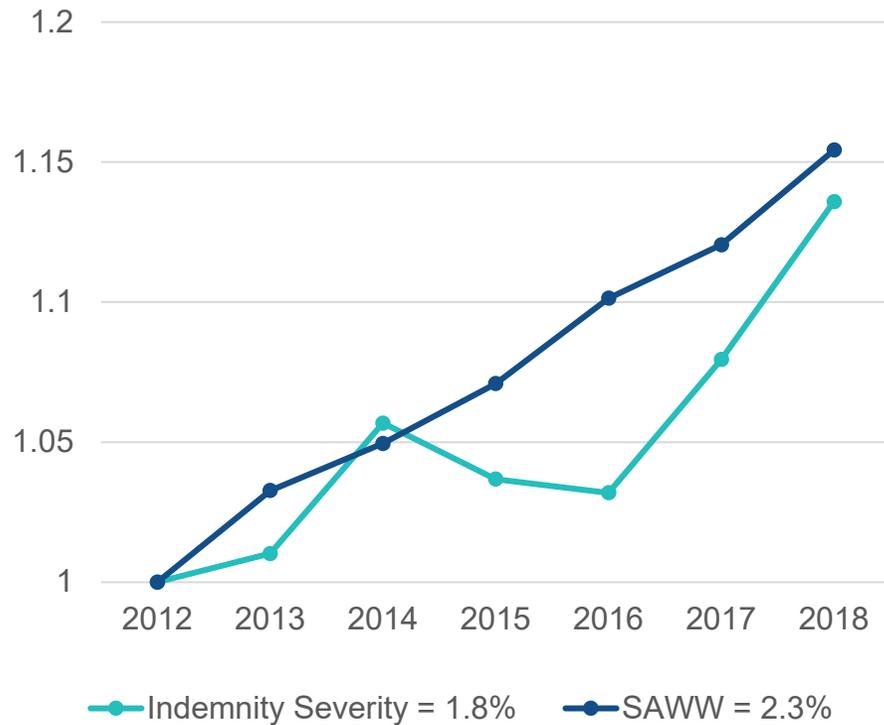
History of Loss Cost Changes



Trends in Average Cost

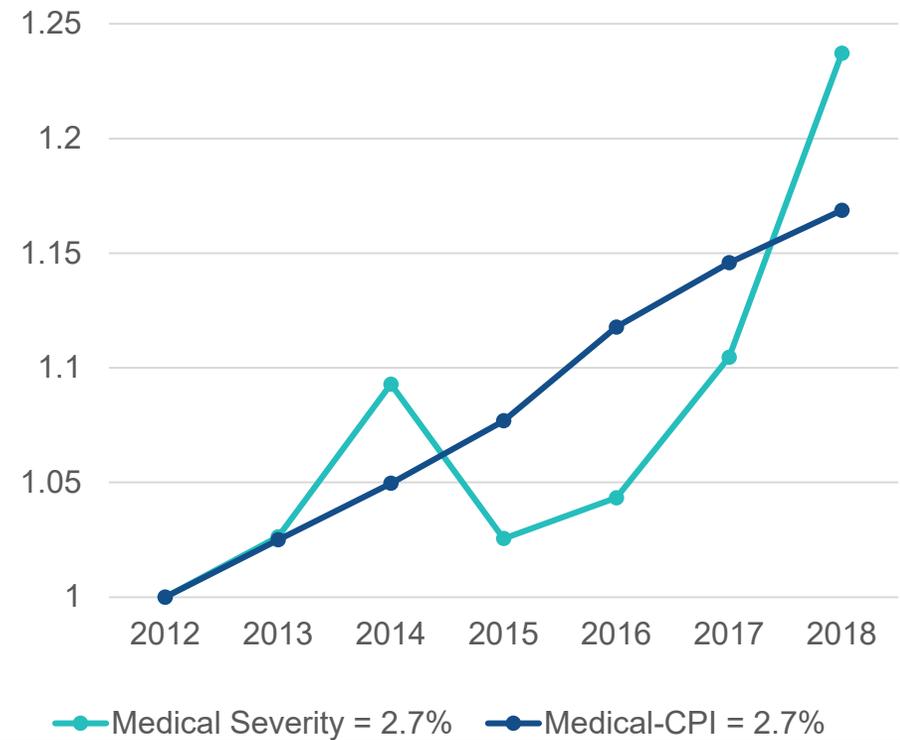
Indemnity

Indemnity Severity vs. SAWW

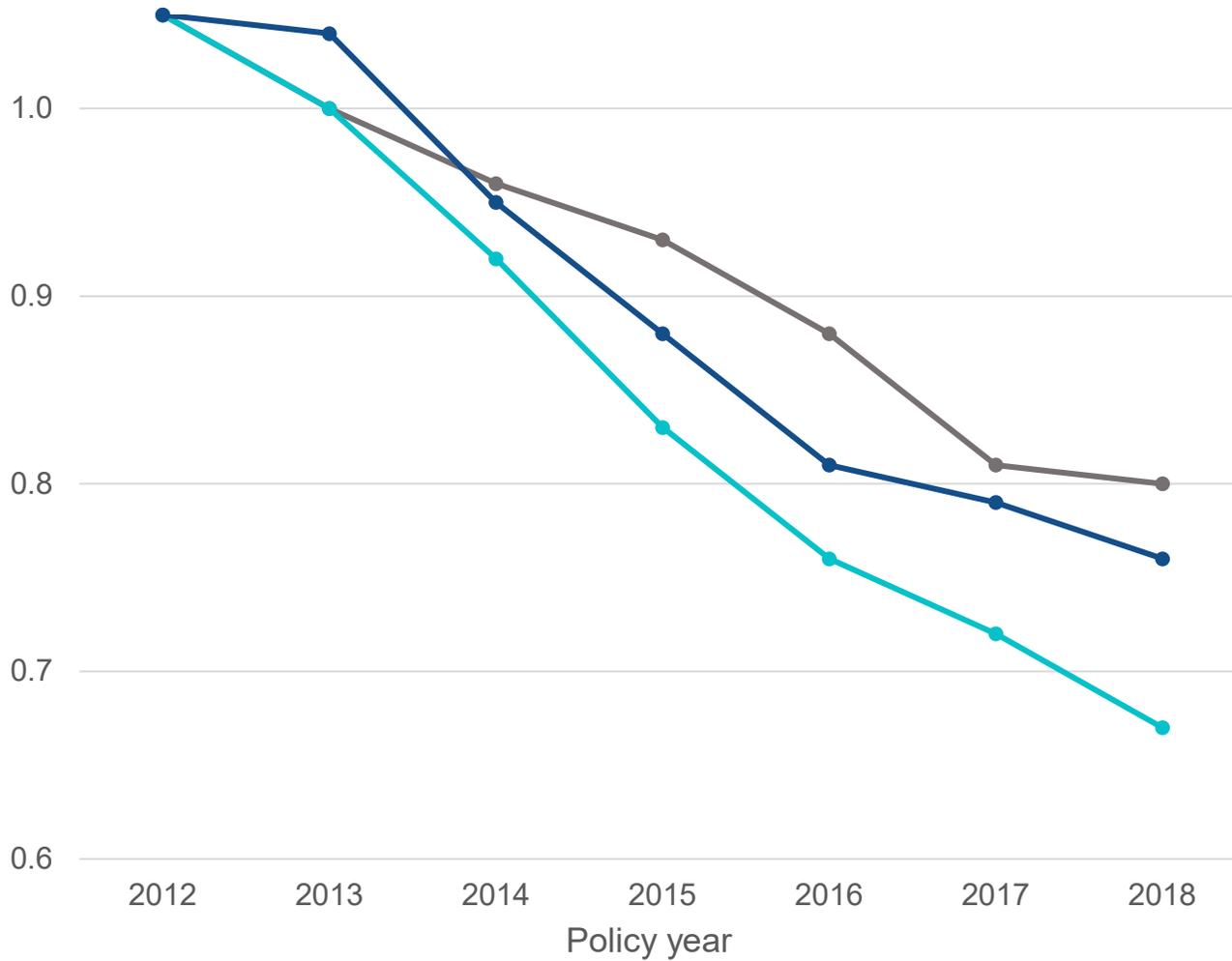


Medical

Medical Severity vs. Medical-CPI



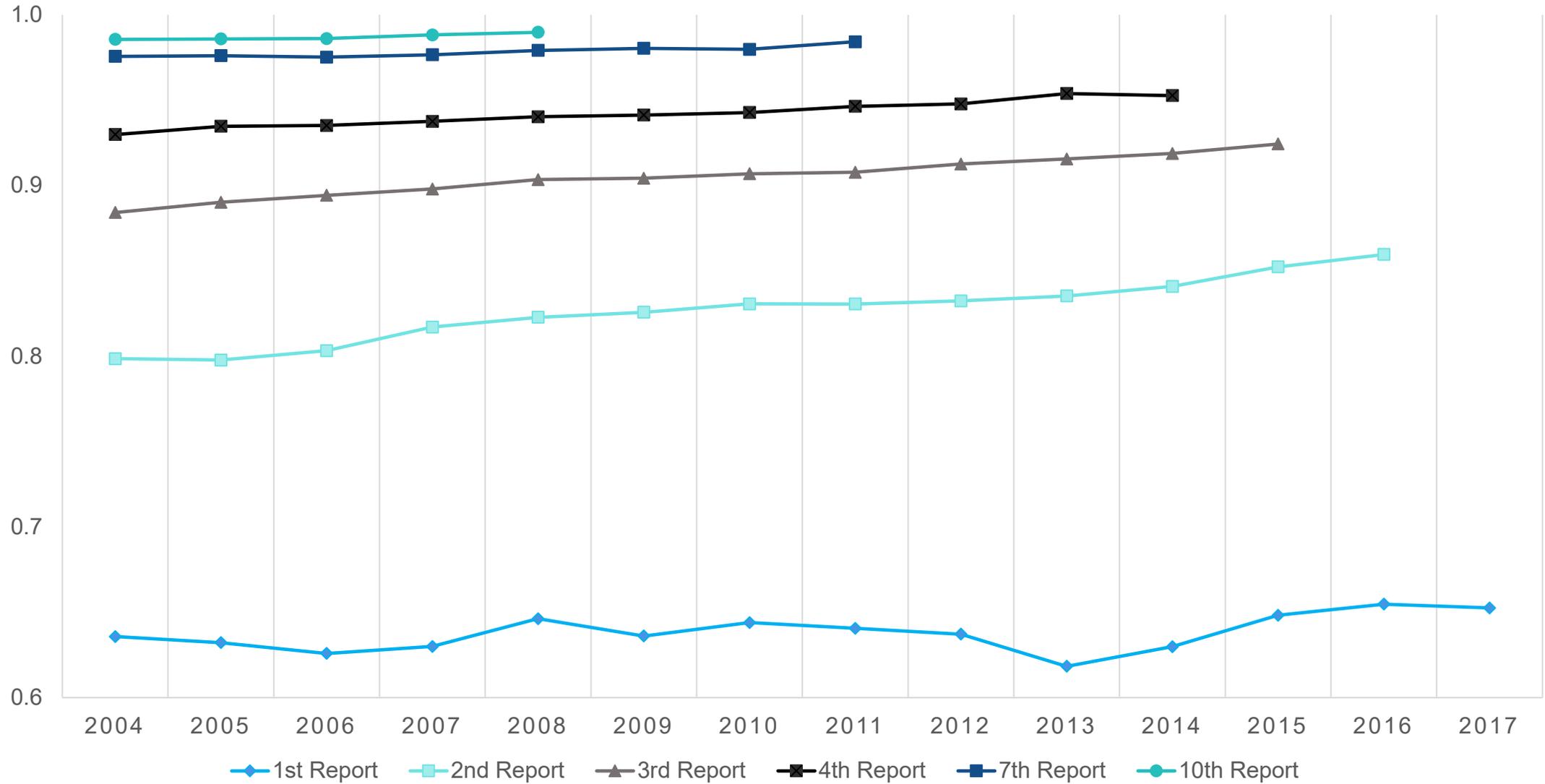
Frequency Trend



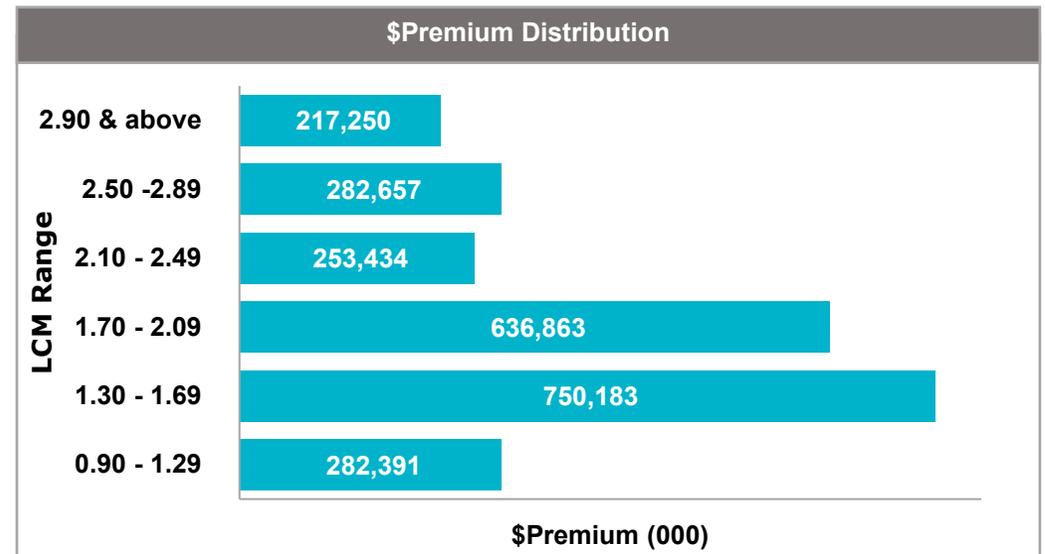
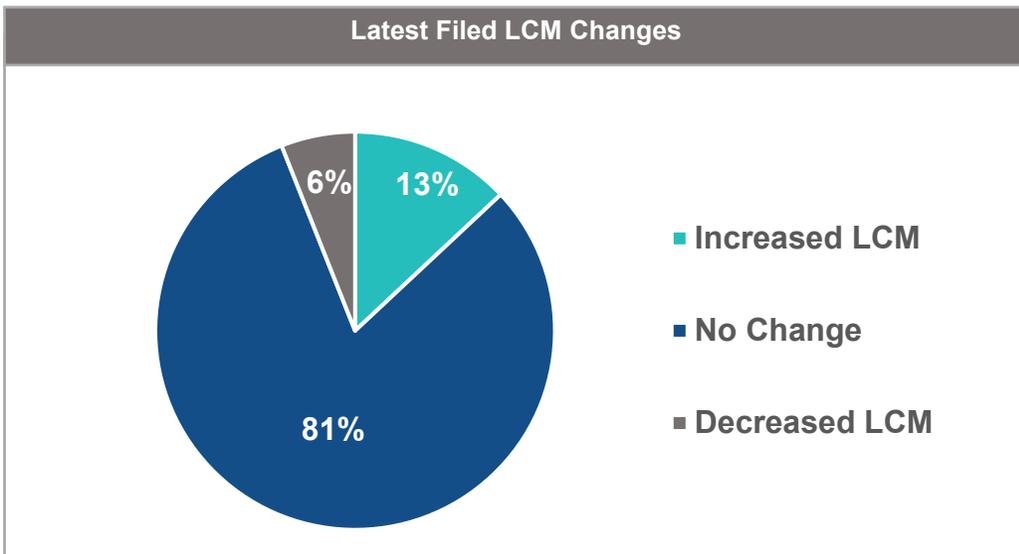
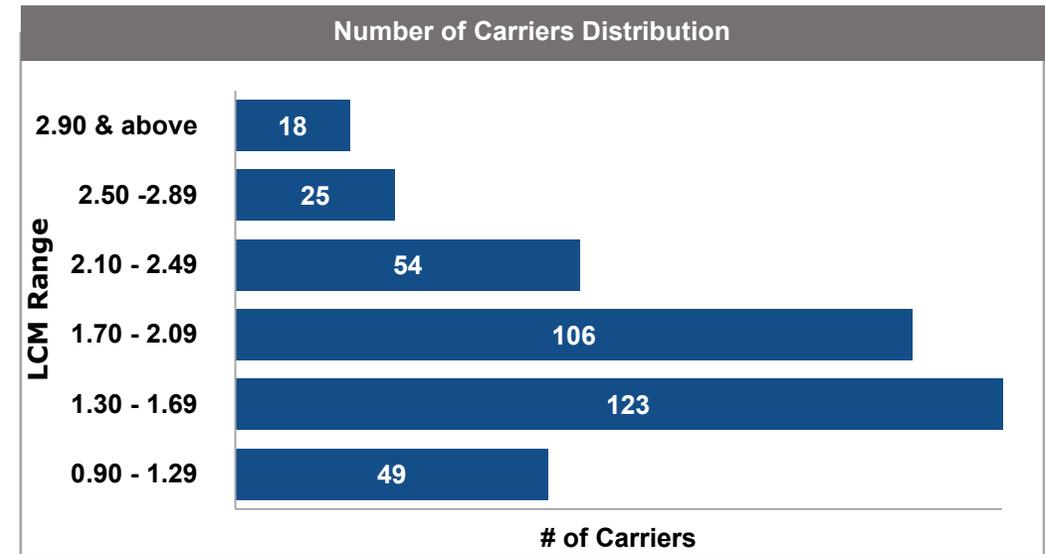
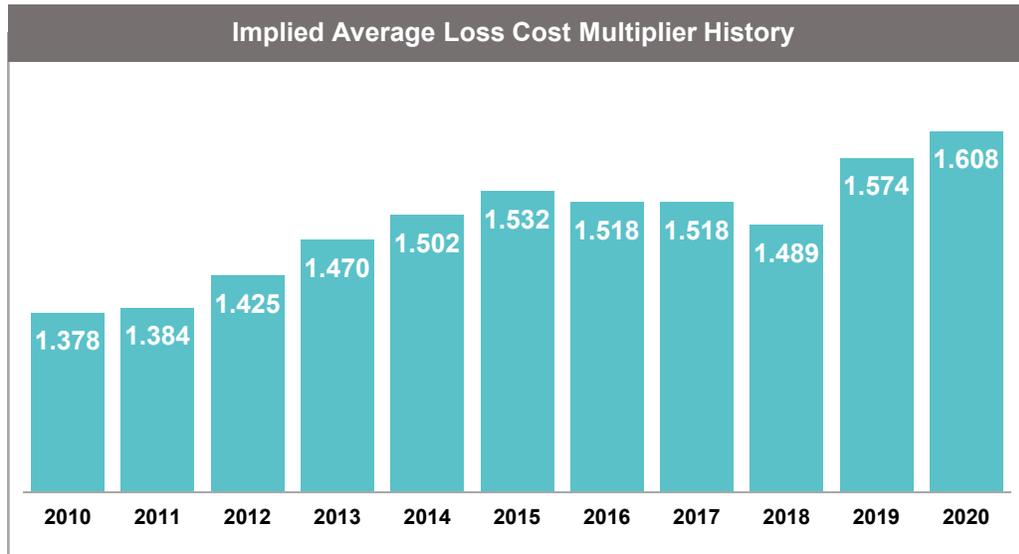
Frequency trend for all industries is **-6.3%**.
This continues the long-term frequency trend that has been observed for more than 20 years.

	Manufacturing	-4.9%
	Contracting	-8.0%
	Other Industries	-6.2%

Claim Closure Rates



Insurance Carrier Pricing



Mega Claims Overview

Mega Claims have been defined as claims with Total Incurred Losses exceeding \$3 million on an inflation adjusted basis.

83	\$516M	14%	86%
Claims from PY 2009-2018	Incurred Losses for All Claims	Indemnity Incurred Losses	Medical Incurred Losses

Claims Per Year



Part, Nature and Cause of Injury

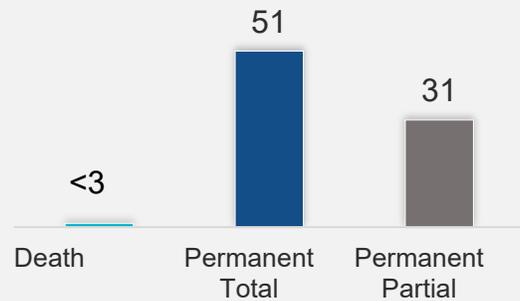
30% of accidents were multiple body parts

25% of injuries involved fracture, crushing and dislocations

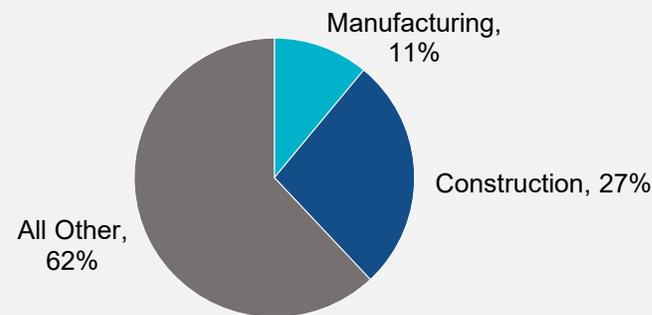
46% of accidents were the result of falls and slips in the workplace



Injury Type



Industry Groups



The PCRB is the licensed rating organization for workers compensation business other than Coal Mine Coverages, in the Commonwealth of Pennsylvania, and has served in that role since 1915. The PCRB is a non-profit, private corporation supported by members comprised of all insurers licensed to underwrite workers compensation insurance in Pennsylvania, including the State Workers' Insurance Fund (SWIF). The PCRB makes annual rating value filings with the Pennsylvania Insurance Department and, subject to review and approval by the Department of Insurance, the PCRB maintains uniform classification and experience rating plans as well as rules and parameters associated with various other mandatory and optional pricing programs. For more information about the PCRB contact us at:

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