



**Pennsylvania Compensation Rating Bureau**

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November 22, 2017

**VIA SERFF**

The Honorable Jessica K. Altman  
Acting Insurance Commissioner  
Commonwealth of Pennsylvania - Insurance Department  
1311 Strawberry Square  
Harrisburg, PA 17120

Attention: Mark Lersch, Director, Bureau of Property & Casualty Insurance  
Michael McKenney, Actuarial Supervisor, Bureau of Property & Casualty Insurance

**RE: PCRB Filing C-370, April 1, 2018 Loss Cost Filing**

Dear Acting Commissioner Altman:

On behalf of the members of the Pennsylvania Compensation Rating Bureau (PCRB), we hereby submit Filing C-370 (the Filing) which contains workers compensation loss costs and rating values proposed to be **effective 12:01 a.m., April 1, 2018** with respect to new and renewal policies having effective dates on or after that date.

This filing proposes an overall average change of +0.70% to the loss costs contained in Filing C-369, prior to application of the assessment for the Office of the Small Business Advocate and loadings for the Pennsylvania Construction Classification Premium Adjustment Program, Merit Rating Plan off-balance and Certified Safety Committee credits. As of this writing, Filing C-369 is pending with a proposed increase of 6.06% due to the Pennsylvania Supreme Court's decision in *Protz v. WCAB (Derry Area School District)*. That filing is intended to apply to policies written from its effective date through March 31, 2018. This filing presupposes approval of Filing C-369 and proposes loss cost changes to be effective immediately after that time period.

In preparing for this submission, the PCRB has carefully considered current Pennsylvania experience and has applied a variety of actuarial analytical techniques. The Filing reflects all initial and continuing effects of both Act 44 of 1993 and Act 57 of 1996, the anticipated savings from the enactment of House Bill 1846 of 2014, and the additional costs due to the Protz decision. A detailed discussion of the considerations, methods, and exhibits is provided in the accompanying Actuarial Memorandum.

The PCRB respectfully requests a timely review of this filing, allowing implementation on a new and renewal basis **effective April 1, 2018**. A timely review will allow adequate advance notice of final loss costs and related rating values to all participants in the Pennsylvania marketplace. Toward that objective, the PCRB will be pleased to answer any questions or provide any available supplementary information which you or your staff may require.

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Please direct all questions to John Pedrick, Vice President – Actuarial Services, or to Kenneth Creighton, Chief Actuary.

Sincerely,

A handwritten signature in black ink that reads "William V. Taylor". The signature is written in a cursive style with a large, prominent initial "W".

William V. Taylor  
President  
WVT/jf