

# Retro Advisory Committee Quarterly Meeting

**February 25, 2021**

Jessica Nau, Program Manager  
*for Retrospective Rating*



Washington State Department of  
**Labor & Industries**

## RAC 'virtual meeting' guidelines and expectations

- List your full name in participant details.
- To minimize bandwidth issues, we recommend using **audio only** by turning off your camera once Zoom has started.
- Keep your **microphone muted** unless speaking.
- Please *hold questions* until the Q&A period for each topic/speaker (questions can also be submitted through the chat feature).
- Use the '*raise hand*' feature when you have a question or comment, and *wait for a moderator* to recognize you before speaking.
- Unmute, lower your hand, **state your name**, and speak slowly. Using a headset produces the best audio quality.

*This is still a new process for everyone, and we ask for your patience and understanding as we work through any technical issues that might occur.  
Thank you!*

# Welcome and Introductions

Jessica Nau, Program Manager  
*for Retrospective Rating*



# RAC Committee members

- **Brian Bishop**, Association of Washington Cities
- **Lauren Gubbe**, Associated General Contractors
- **Teran Haase**, Washington Hospitality Association
- **Tim Lundin**, Archbright
- **Maria McClain**, Washington Retail Association
- **Luis Sanchez**, Grant County Public Utility District No. 2
- **Tom Walrath, Jr**, T. E. Walrath Trucking, Inc.
- **Jessica Nau**, Department of Labor & Industries (*Chair*)

# Agenda

Topics and presenters for the day:

<input type="checkbox"/> Welcome & Introductions	Jessica Nau
<input type="checkbox"/> Safety Topic	Maria McClain
<input type="checkbox"/> Insurance Services Updates	Vickie Kennedy, Mike Ratko
<input type="checkbox"/> Bill 6440 – IMEs	Workgroup Panel
<input type="checkbox"/> Risk Management	Sean Blystone, Erin Nutter, Jay Doughty
<input type="checkbox"/> RAC Workgroups	(Workgroup Leads)
<input type="checkbox"/> Operational Updates	Jessica Nau

# Safety Topic

Maria McClain,

*Director of Retro Member  
Services for Retail  
Association Services Inc.*

# What To Do In Case Of A Home Invasion

What can you do to deter your chances?



**It is estimated that there are approximately 3,000 homes invasions in America each day.**

A good security perimeter starts with – **The 4 D's – Deter, Detect, Deny, Defend.**

# What to Do In Case Of A Home Invasion

Prevention is key

A good security perimeter starts with *The 4 D's*:

- *Deter*
- *Detect*
- *Deny*
- *Defend*





# The 4 D's

## Deter

- Make it look like someone is home.
  - Light it up so neighbors can see.
  - Get a third party to help.
- Make your house seem unpredictable.
  - If you do not have dogs or kids, put up a “beware of dog” sign or kids toy in the yard.
  - Bad guys want nothing to do with a house they cannot figure out the pattern of life.
- Give the illusion of robust security.
  - “Surveillance camera in use” stickers in the windows
  - Security sign in the yard.



# The 4 D's

## Detect

- Get a security system
  - Be sure of the best place for cameras
  - Do not rely on installer
- Place cameras in good areas for the highest quality images
  - For ID quality, put in the place of best field of view that captures & Id's the person
- Talk to your neighbors
  - Watch out for each other
  - Get to know them, build trust, then look out for one another
  - Let them know when you are coming and going.
  - Text them if you see something is going on in their yard.



# The 4 D's

## Deny



- Always lock garage pedestrian door.
  - Many leave this unlocked which make quick access to the home.
- Zip-Tie emergency release garage door handle into bundle, so it cannot be hooked.
  - Intruders will use a wire hangar & feed it between garage door and frame and hook the emergency release and disengage your garage door opener. Now they can open the garage door and close it behind them.
  - Make sure it cannot be hooked.
- Front door should be a solid core or aluminum exterior door.

# The 4 D's

## Deny continued



- Replace all door screws with 3 ½” wood screws on doors.
  - Use 3 ½ inch wood screws to anchor down all 3 hinge points
  - Replace all screws on strike plate and the screws holding the lock in place.
  - This reinforces the integrity of the door locks
- Add 3 ½ inch wood screws on the locking side of the door frame itself.
  - Up & down about every foot from the strike plate.
  - Takes 5 to 10 times to kick in- puts time on your side.
- Install protective window film.
  - Used for hurricanes, but a brick will not go through it. Some have been known to stop bullets.
  - Low cost and installs like tint. Prevents your windows from being penetrated.

# The 4 D's

## Defend



### A good defense starts with a plan - 3 simple things:

- Have a meeting place inside and outside the home.
  - Rally points for everyone to consolidate and get a headcount to ensure everyone is safe.
- Plan your route to the meeting point
  - Have a primary and secondary route, which sometimes includes going through a window.
- Communication
  - Text everyone in the house or setting the alarm off are examples.

# The 4 D's

## Defend continued

- In case you must defend yourself: Prepare a tactical nightstand.
  - We are most vulnerable at night.

### Items include:

- Flashlight
- Keys to set off car alarm
- Fully charged cell phone to call 911
- Weapon(s) - Some following examples:
  - Taser
  - Roll of quarters
  - Bear or hornet spray
  - Baseball bat

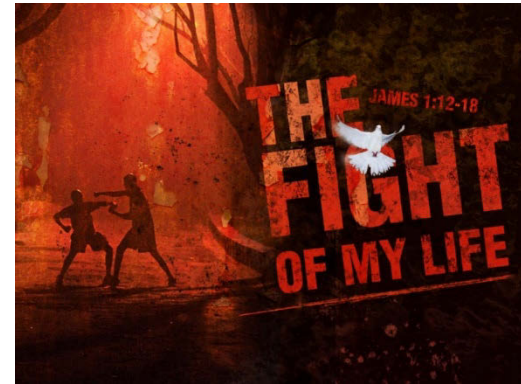


\*Use a weapon you are comfortable with, so it is less likely to be taken away and used against you.

# The 4 D's

## Defend continued

- If you are in a fight, fight for your life
    - Your violence must be equal or greater than your adversary's.
    - Give it everything you have got.
    - The goal is to inflict pain, incapacitate, knock them out, whatever it takes to get distance between you and the bad guy.
  - Increased distance, increases survivability
- Remember there are two types of predators:
- The ones that want your **stuff**
    - Typically come during the day.
  - The ones that want **you**
    - Typically come at night.



# The 4 D's

A Navy SEAL Reveals Home Invasion Survival Tips:  
Clint Emerson – Crisis Management Professional

Here's the video on YouTube:  
[https://youtu.be/L84WvNsdU\\_M](https://youtu.be/L84WvNsdU_M)



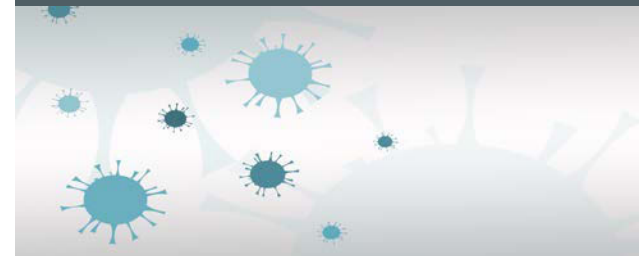
# Insurance Services Updates

Vickie Kennedy,

*Assistant Director  
for Insurance Services*

Mike Ratko,

*Deputy Assistant Director  
for Insurance Services*



# State Fund COVID-19 Claims Data

Data as of 02/22/2021

- COVID-19 claims
  - 4,852 State Fund claims
- Status:
  - 286 claims allowed and still open
  - 3,686 allowed and closed
  - 534 claims rejected
  - 346 claims pending.

# COVID-19 Claims Data Trends

Data as of 02/23/2021

- Approximately 68% of COVID-19 claims are lost-time.\*
- Covid claims spiked in the 2<sup>nd</sup> quarter when 22% of claims with time-loss were COVID-19 claims. This dropped to 14% in the 3<sup>rd</sup> quarter. For the 4<sup>th</sup> quarter the share was 25%. Claims for the 1<sup>st</sup> quarter of 2021 thus far are showing a higher share of COVID claims as a percent of TL claims at 29% but this may be due in part to differences in speed of filing and processing COVID claims.\*
- Claims filed by industry: 57% Healthcare; 11% First Responders; 32% All other.

\* Accepted state fund claims, data will continue to mature.

Claims filed by industry is state fund and self-insured and includes both accepted, denied and undetermined.

# Engrossed Substitute Senate Bill 6440: Independent Medical Examinations (IMEs)

## IME Panel:

Leslie Qunell,  
*L&I Retro Program*

Nancy Adams,  
Kristen Baldwin-Boe,  
*L&I Insurance Services*

Richard Clyne,  
*WA State Farm Bureau*

# Engrossed Substitute Senate Bill 6440 – Independent Medical Examinations (IMEs)

ESSB 6440 was passed during the 2019-20 legislative session and will impact employers.

Starting Jan. 1, Engrossed Substitute Senate Bill (ESSB) 6440 will take effect, amending requirements for Independent Medical Examinations (IMEs). The new law also created a work group to develop strategies to improve the IME process.

# What has changed?

The bill makes changes that affect the Revised Code of Washington (RCW) 51.32.110, as well as RCW 51.36.070. The amended and new laws change the following:

- When the department can issue a no show fee.
- When an IME can be scheduled.
- Requires all IME reports to be sent to the attending physician and injured worker.
- Defines a new medical issue.
- Creates a section requiring the department adopt rules and policies for telemedicine for independent medical examinations.
- Requires the department define accommodation when no approved medical examiner is available in the worker's community.

# New Medical Issue

“New medical issue” means a medical issue not covered by a previous medical examination.

- We cannot have two IME’s for the same condition for the same reason as a prior exam.
- If the diagnosis changes or the condition changes a secondary exam *can be considered*.

# Reasons/ Purposes an IME can be requested

Reasons for requesting an IME include decisions regarding:

- Claim allowance
- Reopening
- New medical issue
- Appeal
- Case progress
- Permanent partial disability
- Work restrictions.

*Interim Policy 13.05 was updated to reflect these changes.*



# Reasonably Convenient Location

The IME must be scheduled at a time and place reasonably convenient to the worker.

- Reasonably convenient means a location where residents within the workers' community (county) would normally travel for similar care.

## Exception:

- If the attending provider or other treating providers declined to refer for a consultation and there is no available approved examiner in the reasonably convenient location, arrangements including but not limited to:
  - Scheduling with the next available examiner at a location as close as possible to the worker minimizing travel for multiple examination appointments.
  - Use of telemedicine when appropriate.

# Rendition of report

This addition states we *must* send a copy of the IME to the following:

- Attending Physician
- Injured Worker
- Injured Worker's representative

*\*We still must follow confidentiality rules prior to releasing information.*

# Limitations of No Show Fees

A no show fee may be assessed only when the worker or worker's representative fails to give five business days' notice of intent not to attend or cancelling the exam.

Adjudicators can only assess a no show fee:

- If the worker gives less than five days' notice and,
- Doesn't have good cause or,
- No shows the IME

*\*Interim Policy 13.07 has been updated to include these changes.*

# External Workgroup assignment

IME WORK GROUP MEMBERS	
Member	Representation
Representative Larry Hoff	Representative (R)
Representative My-Linh Thai	Representative (D)
Senator Derek Stanford	Senator (D)
Senator Curtis King	Senator (R)
Rick Clyne	State fund employers
Ryan Miller	Self-insured employers
Brenda Wiest	Labor representative
John Adams	Labor representative
Kristin McCoy	IME physicians & panel companies
Doug Palmer	Attorney for injured workers

# The Work Group was tasked with:

- Developing strategies to reduce the number of IMEs while still considering claim duration and medical complexity
- Developing strategies for improving access to medical records
- Consider whether LNI should do all IME scheduling (SI/SF)
- Consider how IME examiners are randomly selected or specified
- Consider workers rights in the IME process including attendance, specialist consultations, Audio/Video recording, distance of examinations
- Recommend changes to improve the efficiency of the IME process
- Identify barriers to increasing the supply of in-state physicians willing to perform IMEs.

# More to come...

*So far, we have completed the following:*

- Updated IME checklist provided to staff
- Updated all related Lesson Plans for training new staff
- ASK LNI articles have been updated
- Any pertinent Letter(S) in the Mail system/Scheduling System updated
- Interim Policy 13.05 & 13.07 completed
- CBLS under Medical Management 2 (IME'S) updated
- IME Pre-call talking points updated
- 1Z assignment letter updated to reflect new purpose codes
- Pamphlet “Your Independent Medical Exam” updated and ordered
- External facing website updates in process
- CRQEX updated and created as a form link on our website.

# Resources

- Legislative Work Group on IMEs – Report to the Legislature (Dec. 2020)  
[https://www.Lni.wa.gov/agency/\\_docs/2020essb6440imelegreport.pdf](https://www.Lni.wa.gov/agency/_docs/2020essb6440imelegreport.pdf)
- L&I Frequently Asked Questions (FAQ)  
[https://www.Lni.wa.gov/claims/\\_docs/ESSB6440FrequentlyAskedQuestionsFINAL2.pdf](https://www.Lni.wa.gov/claims/_docs/ESSB6440FrequentlyAskedQuestionsFINAL2.pdf)
- L&I Interim Policy 13.05  
[https://www.Lni.wa.gov/insurance/\\_docs/Interim\\_Policy\\_13.05\\_1-1-2021.pdf](https://www.Lni.wa.gov/insurance/_docs/Interim_Policy_13.05_1-1-2021.pdf)
- L&I Interim Policy 13.07  
[https://www.Lni.wa.gov/insurance/\\_docs/Interim\\_Policy\\_13.07\\_1-1-2021.pdf](https://www.Lni.wa.gov/insurance/_docs/Interim_Policy_13.07_1-1-2021.pdf)
- CRQEX  
<https://www.Lni.wa.gov/forms-publications/F242-439-000.pdf>
- Continue to email your questions to: [Retro@Lni.wa.gov](mailto:Retro@Lni.wa.gov)

Q & A



BREAK ...

# Risk Management Consultation

A DOSH service for all employers

## Risk Management Consultants

**Jay Doughty**

(360) 896-2393

Jay.Doughty@Lni.wa.gov

**Sean Blystone**

(360) 896-2380

Sean.Blystone@Lni.wa.gov



# Risk Management

- What are your goals as a retro group?
- What makes your retro group successful?
- What challenges do your members face?



# Risk Management's role at L&I

- DOSH consultation services
- Evaluate safety system effectiveness
- Proactive injury prevention
- Effective claim management
- Reduce costs
  - Direct costs
  - Indirect costs
- Assess business needs



- Onsite visit, Zoom, email, or phone call
- Confidential / free / no obligation
- Assist with immediate needs
- Address long term challenges
- Help employers connect the dots
- Make recommendations
- Additional DOSH consultation services.



# Retro & Risk Management Collaboration

- Partnership opportunity
- Risk management is another resource
- Send referrals to DOSH consultation
- Available on request
- Call today!



# Request a Risk Management Consultation

To request a consultation, please contact:

[DOSHConsultation@Lni.wa.gov](mailto:DOSHConsultation@Lni.wa.gov)

## **Jay Doughty**

(360) 896-2393

[Jay.Doughty@Lni.wa.gov](mailto:Jay.Doughty@Lni.wa.gov)

## **Sean Blystone**

(360) 896-2380

[Sean.Blystone@Lni.wa.gov](mailto:Sean.Blystone@Lni.wa.gov)



# RAC Workgroups

Teran Haase

*WA Hospitality Association*

Brian Bishop

*Association of WA Cities*

Tim Lundin

*Archbright*



# Account Balance Workgroup

<b>Teran Haase</b> – WA Hospitality Association, RAC Lead	<b>Alicia Milani</b> – L&I Retro Program, Lead
<b>Julie Osterberg</b> – Employer Resources NW	<b>Rose Gundersen</b> – WA Retail Association
<b>Greg Kabacy</b> – Aspire Consulting	<b>Mary DenBoer</b> – Refresh LLC
<b>Cindy Kropp</b> – PITB	<b>Ida Haynes</b> – L&I Employer Services
<b>Sheri Call</b> – WA Trucking Associations	<b>Susan Rusch-Barnett</b> – L&I Collections
<b>Jason Anderson</b> – PABCO Roofing	

# RAC Data Workgroup

<b>Tim Lundin</b> – Archbright, RAC Lead	<b>Mike Williams</b> – L&I Retro Program, Lead
<b>Lauren Gubbe</b> – Associated General Contractors, RAC Co-Lead	<b>Kevin Neubauer</b> – Approach Management Services
<b>Rick Gastelum</b> – WA State Farm Bureau	<b>Tyler Greathouse</b> – L&I Research and Data Services
<b>John Meier</b> – Employer Resources NW	<b>Brian Willner</b> – L&I I.T. Services

# Business & Industry Category Guide Workgroup

<b>Brian Bishop</b> – Association of WA Cities, RAC Lead	<b>Rachelle Bohler</b> – L&I Retro Program, Lead
<b>Maria McClain</b> – WA Retail Association	<b>Shannon Elliott</b> – Archbright
<b>Kris Johnson</b> – Building Industry Association	<b>Curran Bower</b> – Employer Resources NW
<b>Dan Beaty</b> – Vigilant	

# RAC Workgroups

Do you want to get involved? Please reach out to the workgroup you are most interested in.

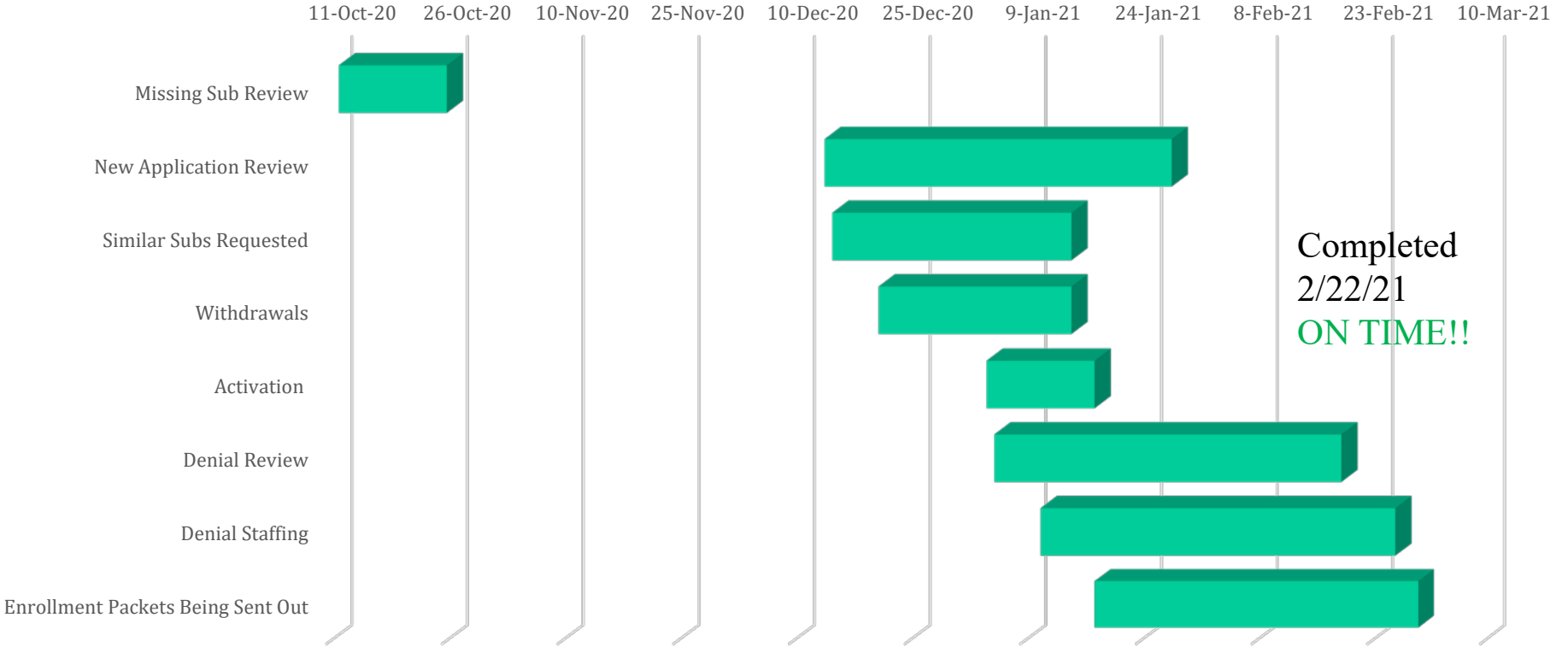
Workgroup	Lead
Account Balance Workgroup	Teran Haase, <a href="mailto:teranh@wahospitality.org">teranh@wahospitality.org</a>
RAC Data Workgroup	Tim Lundin, <a href="mailto:tlundin@archbright.com">tlundin@archbright.com</a>
Business & Industry Category Guide Index Workgroup	Brian Bishop, <a href="mailto:brianb@awcnet.org">brianb@awcnet.org</a>
Or send your interest to the Retro Inbox: <a href="mailto:Retro@Lni.wa.gov">Retro@Lni.wa.gov</a>	

# Operational Updates

Jessica Nau, Program Manager  
*for Retrospective Rating*

# January Enrollment

## Forecast



# April Enrollment

## Updates

- We are already receiving applications.
  - Started initial processing.
- Our target completion date is May 31<sup>st</sup> .
- Application deadline extended to March 15<sup>th</sup> for:
  - Group applications
- Application deadline extended to March 31<sup>st</sup> for:
  - Individual applications
  - Group membership applications
  - Group membership withdrawals

# Enrollment Protests

As of January 31<sup>st</sup> 2021

- July 2020 coverage year
  - Received a total of 27 protests.
  - 17 are completed.
  - Remaining protests expected to be complete by end of February.
  
- October 2020 coverage year
  - Received a total of 13 protests.
  - Work will begin once July protests are completed.



# Enrollment Outside of Enrollment

## ■ January

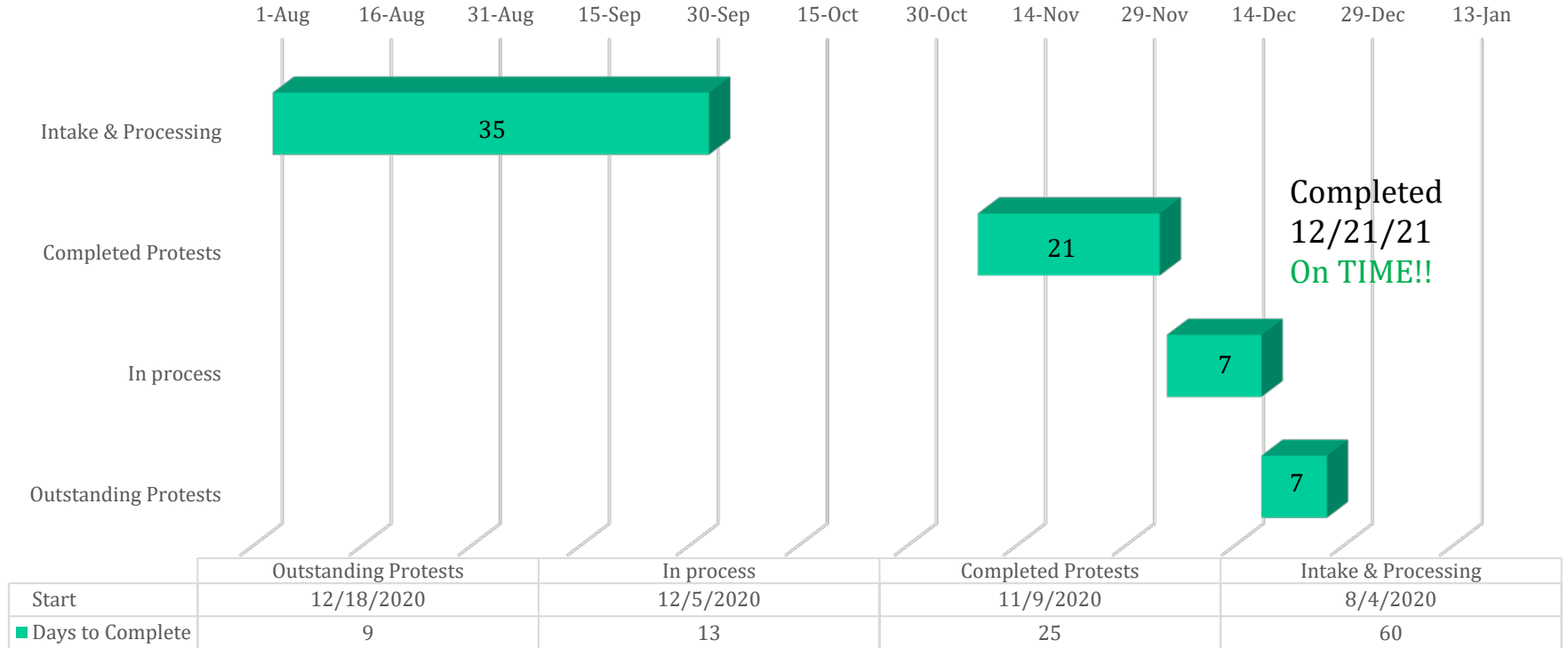
- Received and completed 14
- All were completed within 30 days

## ■ February

- Received and completed 21
- All were completed within 30 days

# October Adjustment Protest

## Forecast



# January Adjustment Protest

As of January 31st

- Received 58 claims protest.
  
- Estimated completion date 3/31/2021.
  - Completed 37 protests so far.
  - Expect that the remainder will be completed by the estimated completion date.

# April Adjustment Protests

## Forecast

- Last day to submit adjustment protests: April 5, 2021
- Target completion date: July 5, 2021
- Have not received any April protests to date.

Q & A

# Thank you!

Jessica Nau, Retro Program Manager

[Jessica.Nau@Lni.wa.gov](mailto:Jessica.Nau@Lni.wa.gov)

[Retro@Lni.wa.gov](mailto:Retro@Lni.wa.gov)

# Appendix

# RAC meetings 2021 schedule:

- May 21st 9:30 a.m. – Noon
- August 26th 9:30 a.m. – Noon
- December 17th 9:30 a.m. – Noon



# Loss Development Factors Before and After Early Case Reserving And One Year ago

**Bill Vasek**

*FCAS, Chief Actuary*

## Loss Development Factor (LDF): How we calculate it

Basically it's the ratio between  
total actuarial discounted cost of claims  
/ total case incurred cost of claims

Example:

\$300 Million = total actuarial discounted cost of claims

\$150 Million = total case incurred cost of claims

Then  $LDF = 2.000 = 300M/150M$

## Loss Development Factor (LDF)

### How would Early Case Reserving (ECR) affect LDFs

Example:

\$300 Million = total actuarial discounted cost of claims

\$150 Million = total case incurred cost of claims after ECR

\$100 Million = “ before ECR

Then LDF = 2.000 = 300M/150M after ECR  
 = 3.000 = 300M/100M before ECR

Keep in mind that early case reserving affects case reserves at the early ages, usually before 1<sup>st</sup> adjustment

# Loss Development Factor (LDF)

## How has Early Case Reserving (ECR) affected LDFs

BEFORE

Notice the  
capped LDFs

Pure discounted LDFs as of October 2017						
Enrollment		PPD		Timeloss		
Date	AGE (month)	AF	MAF	AF	MAF	
1/1/2016	21	3.36	1.76	4.09	1.63	First Adjustment
4/1/2016	18	4.12	1.99	4.50	1.85	
7/1/2016	15	4.50	2.31	4.50	2.15	
10/1/2016	12	4.50	2.62	4.50	2.43	
1/1/2017	9	4.50	3.16	4.50	2.94	
4/1/2017	6	4.50	3.40	4.50	3.16	

AFTER

Notice the  
Smaller LDFs

Pure discounted LDFs as of October 2020						
Enrollment		PPD		Timeloss		
Date	AGE (month)	AF	MAF	AF	MAF	
1/1/2019	21	3.23	1.60	3.66	1.55	First Adjustment
4/1/2019	18	3.12	1.72	3.53	1.66	
7/1/2019	15	3.26	1.87	3.69	1.81	
10/1/2019	12	3.25	2.03	3.67	1.96	
1/1/2020	9	3.11	2.24	3.52	2.17	
4/1/2020	6	4.12	2.73	4.50	2.64	

# Loss Development Factor (LDF)

## Latest one year change

Prior year adjustment

Pure discounted LDFs as of January 2019						
Enrollment		PPD		Timeloss		
Date	GE (month)	AF	MAF	AF	MAF	
4/1/2018	<b>21</b>	2.98	1.53	3.35	1.46	First Adjustment
7/1/2018	<b>18</b>	2.91	1.61	3.27	1.54	
10/1/2018	<b>15</b>	2.84	1.74	3.20	1.66	
1/1/2019	<b>12</b>	2.80	1.78	3.15	1.70	
4/1/2019	<b>9</b>	2.65	1.98	2.98	1.89	
7/1/2019	<b>6</b>	2.77	2.08	3.12	1.98	

Latest adjustment

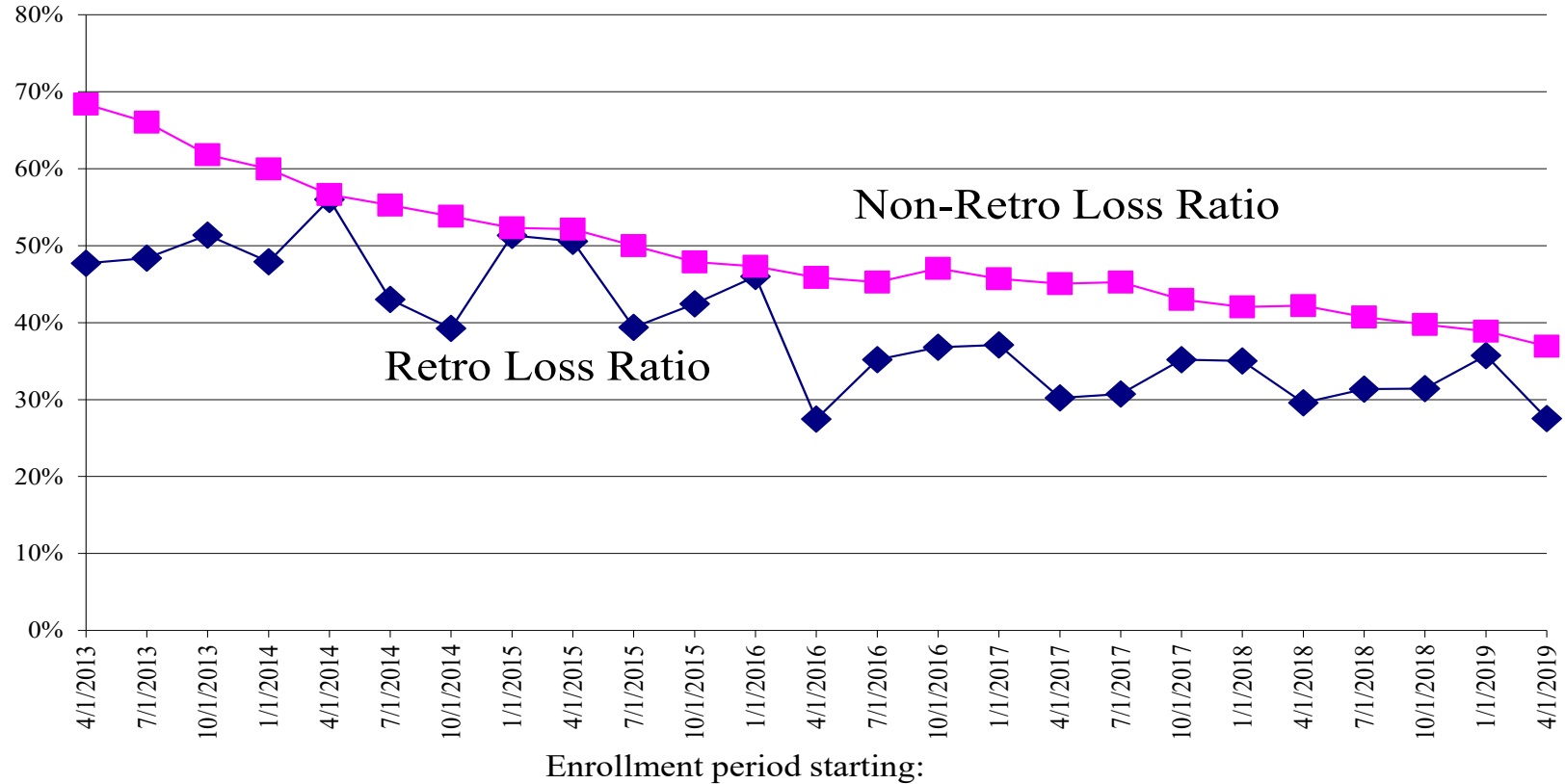
Pure discounted LDFs as of January 2020						
Enrollment		PPD		Timeloss		
Date	GE (month)	AF	MAF	AF	MAF	
4/1/2019	<b>21</b>	3.29	1.71	3.72	1.66	First Adjustment
7/1/2019	<b>18</b>	3.15	1.79	3.56	1.74	
10/1/2019	<b>15</b>	3.29	1.92	3.73	1.86	
1/1/2020	<b>12</b>	3.21	2.01	3.64	1.95	
4/1/2020	<b>9</b>	3.13	2.17	3.54	2.11	
7/1/2020	<b>6</b>	3.81	2.20	4.32	2.13	

# Retrospective Rating: Performance Adjusted Refunds for April Enrollments as of January 2021

Nichole Runnels

*Actuarial Analyst*

# Equalizing the Loss Ratios



# Retrospective Rating Goal and Performance Adjusted Refund

## **GOAL: Retro and Non-Retro firms pay proportional share of insurance costs**

- Goal is met when Retro and Non-Retro firms have Equal overall ratio of Losses to Premiums (after refunds)
- Performance Adjusted Refund (PAR) amounts are designed to meet this goal at the time of each annual adjustment
- PAR = **Targeted sum** of net retrospective refunds less additional assessments per enrollment period



# Calculate the % Loss Ratio Difference

for each of 4 consecutive enrollment quarters leading up to and including April enrollment. Example:

Quarter 4: Enrollment beginning 4/1/19:		
	Retro	Non-retro
Losses Case Incurred	1,706,078	508,779,005
Standard Premium	6,196,569	1,378,042,748
Loss Ratio	27.53%	36.92%
Percentage Difference	25.43%	

	Retro Enrollment	Standard Premium	Loss Ratio Percentage Difference
Quarter 1	7/1/2018	575,703,889	22.94%
Quarter 2	10/1/2018	55,894,470	20.89%
Quarter 3	1/1/2019	143,170,046	8.07%
Quarter 4	4/1/2019	6,196,569	25.43%
Total		780,964,974	20.09%

$$=100\% - 27.53\% \div 36.92\%$$

4 Quarter Weighted Average

# Performance Adjusted Refund

Target Refund% X 4 Quarter Standard Premiums

	<b>Retro Enrollment</b>	<b>Standard Premium</b>
<b>Quarter 1</b>	<b>7/1/2018</b>	574,742,688
<b>Quarter 2</b>	<b>10/1/2018</b>	55,847,866
<b>Quarter 3</b>	<b>1/1/2019</b>	142,982,810
<b>Quarter 4</b>	<b>4/1/2019</b>	6,196,570
<b>Total</b>		779,769,934
<b>X</b>		X
<b>Target refund %</b>		20.54%
<b>=</b>		=
<b>Target refund</b>		<b>\$160,126,724</b>

**Performance adjusted refund % = Interest factor 1.0222 X 20.09% weighted 4 quarter average**

# Calculating the April 2019 PAF

## Hit the PAR target for April 2019 enrollment

			Difference from Target
<b>Target Refund:</b>			160,126,724
If We Tried Q4 PAF =	1.0000	Then the Refund Would Have Been	\$233,633,400
<b>This refund would be too large. We need to use a larger PAF.</b>			-\$73,506,676
Quarter 4 PAF=	1.1565		
	<b>Retro Enrollment</b>	<b>Current PAF</b>	<b>Current Refund</b>
Quarter 1	7/1/2018	1.1565	134,108,506
Quarter 2	10/1/2018	1.1565	8,146,604
Quarter 3	1/1/2019	1.1565	17,751,911
Quarter 4	4/1/2019	1.1565	97,780
<b>Using this PAF we obtain</b>			160,104,801
If We Tried Q4 PAF =	1.1566	Then the Refund Would Have Been	\$160,058,407
			\$68,317
If We Tried Q4 PAF =	1.1564	Then the Refund Would Have Been	\$160,151,198
			-\$24,474

Refunds are calculated per enrollment period using the PAF shown above for estimation purposes only.

**Washington State Department of Labor And Industries**  
**Retrospective Rating**

**Enrollment Period Beginning:**  
**4/1/2019**  
**First Evaluation**

Report Date: 1/25/2021 PAF: 1.1565

Association Name	After ELRF & PAF Standard			Hazard Plan	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)	Net Loss Ratio
	Standard Premium	Developed Losses	Loss Ratio													
<b>Subtotal - 8 Firms with Refunds</b>	<b>3,151,316</b>	<b>1,510,650</b>	<b>48%</b>							<b>135,506</b>	<b>1,897,440</b>	<b>602,182</b>	<b>2,635,128</b>	<b>516,188</b>	<b>16%</b>	<b>57%</b>
<b>Subtotal - 4 Firms with Assessments</b>	<b>2,654,009</b>	<b>2,370,334</b>	<b>89%</b>							<b>114,123</b>	<b>2,439,559</b>	<b>775,038</b>	<b>3,328,720</b>	<b>(674,711)</b>	<b>(25%)</b>	<b>62%</b>
<b>Subtotal - 12 Individual Firms</b>	<b>5,805,325</b>	<b>3,880,984</b>	<b>67%</b>							<b>249,629</b>	<b>4,336,999</b>	<b>1,377,220</b>	<b>5,963,848</b>	<b>(158,523)</b>	<b>(3%)</b>	<b>60%</b>
Average Firm Size	483,777															
Washington State Pharmacy Association	391,245	64,330	16% L		2 54	\$160K	0.68	0	0.6846	16,824	70,120	48,003	134,947	256,298	66%	41%
<b>Subtotal - Associations</b>	<b>391,245</b>	<b>64,330</b>	<b>16%</b>							<b>16,824</b>	<b>70,120</b>	<b>48,003</b>	<b>134,947</b>	<b>256,298</b>	<b>66%</b>	<b>41%</b>
<b>Total Enrollment</b>	<b>6,196,570</b>	<b>3,945,314</b>	<b>64%</b>							<b>266,453</b>	<b>4,407,119</b>	<b>1,425,223</b>	<b>6,098,795</b>	<b>97,775</b>	<b>2%</b>	<b>59%</b>

**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
4/1/2018  
Second Evaluation**

Report Date: 1/25/2021

PAF: 0.9997

Association Name	Standard	After ELRF & PAF	Standard	Hazard	Size	Single	Max	Min	Net	Policy	Incurred	Insurance	Retrospective	Cumulative	Ratio	Net
	Premium	Developed	Loss													
<b>Subtotal - 10 Firms with Refunds</b>	<b>6,061,287</b>	<b>2,216,038</b>	<b>37%</b>							<b>260,634</b>	<b>2,448,626</b>	<b>920,430</b>	<b>3,629,690</b>	<b>2,431,597</b>	<b>40%</b>	<b>61%</b>
<b>Subtotal - 2 Firms with Assessments</b>	<b>404,733</b>	<b>981,536</b>	<b>243%</b>							<b>17,403</b>	<b>261,699</b>	<b>290,512</b>	<b>569,614</b>	<b>(164,881)</b>	<b>(41%)</b>	<b>172%</b>
<b>Subtotal - 12 Individual Firms</b>	<b>6,466,020</b>	<b>3,197,574</b>	<b>49%</b>							<b>278,037</b>	<b>2,710,325</b>	<b>1,210,942</b>	<b>4,199,304</b>	<b>2,266,716</b>	<b>35%</b>	<b>76%</b>
Average Firm Size	538,835															
Washington State Pharmacy Association	416,087	28,584	7% L	2	54	\$160K	0.68	0	0.6846	17,892	31,157	21,329	70,378	345,709	83%	41%
<b>Subtotal - Associations</b>	<b>416,087</b>	<b>28,584</b>	<b>7%</b>							<b>17,892</b>	<b>31,157</b>	<b>21,329</b>	<b>70,378</b>	<b>345,709</b>	<b>83%</b>	<b>41%</b>
<b>Total Enrollment</b>	<b>6,882,107</b>	<b>3,226,158</b>	<b>47%</b>							<b>295,929</b>	<b>2,741,482</b>	<b>1,232,271</b>	<b>4,269,682</b>	<b>2,612,425</b>	<b>38%</b>	<b>76%</b>

**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
4/1/2017  
Third Evaluation**

Report Date: 1/25/2021 PAF: 1.0531

Association Name	After ELRF & PAF Standard			Hazard Plan Group	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)	Net Loss Ratio
	Standard Premium	Developed Losses	Loss Ratio													
<b>Subtotal - 13 Firms with Refunds</b>	<b>5,266,227</b>	<b>790,135</b>	<b>15%</b>							<b>252,780</b>	<b>1,017,509</b>	<b>917,823</b>	<b>2,188,112</b>	<b>3,078,115</b>	<b>58%</b>	<b>34%</b>
<b>Subtotal - 4 Firms with Assessments</b>	<b>3,335,632</b>	<b>3,984,161</b>	<b>119%</b>							<b>160,111</b>	<b>2,898,802</b>	<b>790,613</b>	<b>3,849,526</b>	<b>(513,894)</b>	<b>(15%)</b>	<b>102%</b>
<b>Subtotal - 17 Individual Firms</b>	<b>8,601,859</b>	<b>4,774,296</b>	<b>56%</b>							<b>412,891</b>	<b>3,916,311</b>	<b>1,708,436</b>	<b>6,037,638</b>	<b>2,564,221</b>	<b>30%</b>	<b>78%</b>
Average Firm Size	505,992															
Washington State Pharmacy Association	468,158	250,004	53% L	2	55	\$250K	0.752	0	0.5261	22,472	267,504	140,747	430,723	37,435	8%	55%
<b>Subtotal - Associations</b>	<b>468,158</b>	<b>250,004</b>	<b>53%</b>							<b>22,472</b>	<b>267,504</b>	<b>140,747</b>	<b>430,723</b>	<b>37,435</b>	<b>8%</b>	<b>55%</b>
<b>Total Enrollment</b>	<b>9,070,017</b>	<b>5,024,300</b>	<b>55%</b>							<b>435,363</b>	<b>4,183,815</b>	<b>1,849,183</b>	<b>6,468,361</b>	<b>2,601,656</b>	<b>29%</b>	<b>76%</b>

# Questions?