

**COAL MINE COMPENSATION RATING BUREAU
OF PENNSYLVANIA**

COMMERCE BUILDING — SUITE 403
300 NORTH SECOND STREET
HARRISBURG, PENNSYLVANIA 17101

DALE W. BROADWATER
EXECUTIVE DIRECTOR

December 7, 2009

TELEPHONE/FAX
717-238-5020

Compensation Circular CM-428

TO: All Coal Mine Compensation Insurance Carriers
FROM: Dale W. Broadwater, Executive Director *DWB*
RE: Proposal CM-1-2009
Proposed Loss Costs
To Be Effective: April 1, 2010

On December 4, 2009, the CMCRB submitted the captioned filing for approval to the PA Insurance Commissioner. The proposal requests the approval of an overall 9.5% decrease in manual loss costs. The attached Exhibit I-A-M provides the currently approved manual loss costs and the proposed loss costs by classification, by coverage.

A complete copy of the proposal is published on our web site at:

cmcrbpa.com

Open the filings tab to review the proposal.

Any policy with an ARD on or after April 1, 2010 shall be issued on a tentative basis and should include the Pending Rate Change Endorsement (WC 00 04 04).

Any question regarding this proposal should be directed to the Bureau.

DWB:jb
Attachment

Coal Mine Compensation Rating Bureau
Current and Proposed Loss Costs
Manual Including Loadings

| | 2008 Developed Payroll (\$ millions) | (1) Approved Loss Cost Manual | (2) Proposed Loss Cost Manual | (3) Percent Change |
|---------------------------------------|--|--|--|--------------------------|
| Underground Anthracite: | | | | |
| Traumatic (1010) | - | \$35.52 | \$30.28 | -14.8% |
| State O.D. (1011) | 2.15 | 5.35 | 5.46 | 2.1% |
| *Federal Basic/Ex (0160) | 2.15 | 20.95 | 19.10 | -8.8% |
| Total | xx | 61.82 | 54.84 | -11.3% |
| Underground Bituminous: | | | | |
| Traumatic (1001) | \$103.70 | \$10.99 | \$9.98 | -9.2% |
| State O.D. (1002) | 101.56 | 0.98 | 1.02 | 4.1% |
| *Federal Basic/Ex (0158) | 101.56 | 0.98 | 0.97 | -1.0% |
| Total | xx | 12.95 | 11.97 | -7.6% |
| Surface Anthracite: | | | | |
| Traumatic (1012) | \$17.12 | \$11.64 | \$10.28 | -11.7% |
| State O.D. (1016) | 17.12 | 3.78 | 3.52 | -6.9% |
| *Federal Basic/Ex (0153) | 16.24 | 3.02 | 3.56 | 17.9% |
| Total | xx | 18.44 | 17.36 | -5.9% |
| Surface Bituminous: | | | | |
| Traumatic (1014) | \$72.91 | \$4.68 | \$3.70 | -20.9% |
| State O.D. (1013) | 72.91 | 0.32 | 0.31 | -3.1% |
| *Federal Basic/Ex (0156) | 74.31 | 0.73 | 0.74 | 1.4% |
| Total | xx | 5.73 | 4.75 | -17.1% |
| Four Standard Classifications: | | | | |
| Traumatic | \$193.733 | \$8.67 | \$7.64 | -11.9% |
| State O.D. | 193.733 | 1.03 | 1.02 | -1.0% |
| *Federal Basic/Ex | 194.248 | 1.28 | 1.30 | 1.5% |
| Total | xx | 10.98 | 9.96 | -9.3% |

*Federal Basic and Excess are after the Federal Administrative / Law Change

Sources: Payroll from Exhibit X-A
Column (1) Loss Costs (Approved 4/1/09) - Exhibit X-B-2
Column (2) Proposed - Exhibit I-B, pages 1 and 2
Column (3) Traumatic Column (2) / Column (1)
OD Exhibit III and IV-A

Coal Mine Compensation Rating Bureau
Current and Proposed Loss Costs
Manual Including Loadings

| | 2008 Developed Payroll (\$ millions) | (1) Approved Loss Cost Manual | (2) Proposed Loss Cost Manual | (3) Percent Change |
|-------------------------------|--|--|--|--------------------------|
| Coke: | | | | |
| Traumatic (1469) | \$9.77 | \$5.12 | \$5.51 | 7.6% |
| State O.D. (1017) | 9.77 | 0.13 | 0.13 | 0.0% |
| *Federal Basic/Ex (0154) | 9.77 | 0.13 | 0.13 | 0.0% |
| Total | xx | 5.38 | 5.77 | 7.2% |
| Auger: | | | | |
| Traumatic (1015) | \$2.49 | \$35.06 | \$26.37 | -24.8% |
| State O.D. (1019) | 2.49 | 0.26 | 0.28 | 7.7% |
| *Federal Basic/Ex (0157) | 2.51 | 0.54 | 0.56 | 3.7% |
| Total | xx | 35.86 | 27.21 | -24.1% |
| Co-Gen Anthracite: | | | | |
| Traumatic (1021) | \$7.97 | \$2.34 | \$2.04 | -12.8% |
| State O.D. (1022) | 7.97 | 0.32 | 0.36 | 12.5% |
| *Federal Basic/Ex (0181) | 7.54 | 1.22 | 1.15 | -5.7% |
| Total | xx | 3.88 | 3.55 | -8.5% |
| Co-Gen Bituminous: | | | | |
| Traumatic (1023) | \$8.47 | \$1.87 | \$1.72 | -8.0% |
| State O.D. (1024) | 8.47 | 0.26 | 0.31 | 19.2% |
| *Federal Basic/Ex (0182) | 8.48 | 0.37 | 0.41 | 10.8% |
| Total | xx | 2.50 | 2.44 | -2.4% |
| Prep Plant Anthracite: | | | | |
| Traumatic (1025) | \$6.33 | \$15.57 | \$13.93 | -10.5% |
| State O.D. (1026) | 6.33 | 5.57 | 4.63 | -16.9% |
| *Federal Basic/Ex (0183) | 5.66 | 3.24 | 3.02 | -6.8% |
| Total | xx | 24.38 | 21.58 | -11.5% |
| Prep Plant Bituminous: | | | | |
| Traumatic (1027) | \$20.38 | \$3.03 | \$2.56 | -15.5% |
| State O.D. (1028) | 20.38 | 0.45 | 0.48 | 6.7% |
| *Federal Basic/Ex (0184) | 20.38 | 0.65 | 0.66 | 1.5% |
| Total | xx | 4.13 | 3.70 | -10.4% |
| Other Classifications: | | | | |
| Traumatic | \$55.415 | \$5.99 | \$5.25 | -12.4% |
| State O.D. | 55.415 | 0.92 | 0.84 | -8.7% |
| *Federal Basic/Ex | 54.337 | 0.86 | 0.84 | -2.3% |
| Total | xx | 7.77 | 6.93 | -10.8% |
| Grand Total: | | | | |
| Traumatic | \$249.15 | \$8.07 | \$7.11 | -11.9% |
| State O.D. | 249.15 | 1.01 | 0.98 | -3.0% |
| *Federal Basic/Ex | 248.58 | 1.19 | 1.20 | 0.8% |
| Total | xx | 10.27 | 9.29 | -9.5% |

*Federal Basic and Excess are after the Federal Administrative / Law Change

Sources: Payroll from Exhibit X-A
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Column (3) Traumatic Column (2) / Column (1)
OD Exhibit III and IV-A