

**COAL MINE COMPENSATION RATING BUREAU
OF PENNSYLVANIA**

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

DALE W. BROADWATER
EXECUTIVE DIRECTOR

March 10, 2010

TELEPHONE/FAX
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Compensation Circular CM-429

TO: All Coal Mine Compensation Insurance Carriers

FROM: Dale W. Broadwater, Executive Director

RE: **Proposal CM-1-2009-Modified**
Loss Cost Revision
Approved Effective: April 1, 2010

The CMCRB has modified Proposal CM-1-2009 and the PA Insurance Department has approved the modified filing effective April 1, 2010.

The approved loss costs reflect an 11.9% overall decrease for Traumatic, a 10.9% overall decrease for State OD, and a 4.2% decrease in Federal OD. The overall average loss cost across all classes and across all coverages will decrease 10.9%.

Attached is an exhibit displaying the approved manual loss costs by class, by coverage.

As the result of the approval of this filing, the coal employer assessment factor shall be 0.0205 effective April 1, 2010.

Each policy with an Anniversary Rating Date (ARD) on or after April 1, 2010 shall contain the newly approved loss costs and the revised employer assessment factor. Such policies, if issued at the April 1, 2009 levels, shall be endorsed to include the newly approved values. No policy is permitted to be extended, or terminated and rewritten, to take advantage of, or avoid the application of, the newly approved loss costs and employer assessment factor.

All experience mods/merit factors currently issued for April/May policies and ARD's have been issued on a tentative basis. The CMCRB will reissue the corrected employer cards with the mods/merit factors calculated on the basis of the approved, modified CM-1-2009. Employer cards effective for June 2010 and after will be issued at the actual factors.

Reprinted manual pages will be distributed in the near future.

Any questions on the approval and implementation of CM-1-2009 should be directed to the CMCRB.

DWB:jb
Attachment

COAL MINE COMPENSATION RATING BUREAU

Current and Approved Loss Costs
Traumatic, Penna. O. D. and Federal O. D.
Effective: April 1, 2010

		(1)	(2)	
		Current	Approved	
	<u>Code</u>	<u>Loss Cost</u>	April 1, 2010	<u>Percent</u>
		<u>Level</u>	<u>Lost Cost</u>	<u>Change</u>
<u>Underground</u>				
<u>Anthracite</u>				
Traumatic	1010	\$35.52	\$30.28	-14.8%
Penna. O.D.	1011	5.35	5.30	- 0.9
Fed. O.D.	0160	<u>20.95</u>	<u>18.14</u>	<u>-13.4</u>
TOTAL		\$61.82	\$53.72	-13.1%
<u>Bituminous</u>				
Traumatic	1001	\$10.99	\$9.98	- 9.2%
Penna. O.D.	1002	0.98	0.88	-10.2
Fed. O.D.	0158	<u>0.98</u>	<u>0.92</u>	<u>- 6.1</u>
TOTAL		\$12.95	\$11.78	-9.0%
<u>Surf. & Culm</u>				
<u>Anthracite</u>				
Traumatic	1012	\$11.64	\$10.28	-11.7%
Penna. O.D.	1016	3.78	3.26	-13.8
Fed. O.D.	0153	<u>3.02</u>	<u>3.32</u>	<u>9.9</u>
TOTAL		\$18.44	\$16.86	-8.6%
<u>Bituminous</u>				
Traumatic	1014	\$ 4.68	\$ 3.70	-20.9%
Penna. O.D.	1013	0.32	0.30	- 6.3
Fed. O.D.	0156	<u>0.73</u>	<u>0.70</u>	<u>-4.1</u>
TOTAL		\$ 5.73	\$ 4.70	-18.0%
<u>Coke</u>				
Traumatic	1469	\$ 5.12	\$ 5.51	7.6%
Penna. O.D.	1017	0.13	0.13	0.0
Fed. O.D.	0154	<u>0.13</u>	<u>0.13</u>	<u>0.0</u>
TOTAL		\$ 5.38	\$ 5.77	7.2%

Auger Mining				
Traumatic	1015	\$35.06	\$26.37	-24.8%
Penna. O.D.	1019	0.26	0.28	7.7
Fed. O.D.	0157	<u>0.54</u>	<u>0.56</u>	<u>3.7</u>
TOTAL		\$35.86	\$27.21	-24.1%

Co-Gen Fuel Recovery

Anthracite				
Traumatic	1021	\$ 2.34	\$ 2.04	-12.8%
Penna. O.D.	1022	0.32	0.35	9.4
Fed. O.D.	0181	<u>1.22</u>	<u>1.14</u>	<u>-6.6</u>
TOTAL		\$ 3.88	\$ 3.53	-9.0%

Bituminous				
Traumatic	1023	\$ 1.87	\$ 1.72	-8.0%
Penna. O. D.	1024	0.26	0.30	15.4
Fed. O.D.	0182	<u>0.37</u>	<u>0.41</u>	<u>10.8</u>
TOTAL		\$ 2.50	\$ 2.43	-2.8%

Prep Plant

Anthracite				
Traumatic	1025	\$ 15.57	\$ 13.93	-10.5%
Penna. O.D.	1026	5.57	4.56	-18.1
Fed. O.D.	0183	<u>3.24</u>	<u>2.96</u>	<u>-8.6</u>
TOTAL		\$24.38	\$21.45	-12.0%

Bituminous				
Traumatic	1027	\$ 3.03	\$ 2.56	-15.5%
Penna. O.D.	1028	0.45	0.46	2.2
Fed. O.D.	0184	<u>0.65</u>	<u>0.65</u>	<u>0.0</u>
TOTAL		\$ 4.13	\$ 3.67	-11.1%

GRAND TOTAL

Traumatic		\$ 8.07	\$ 7.11	-11.9%
Penna. O.D.		1.01	0.90	-10.9
Fed. O.D.		<u>1.19</u>	<u>1.14</u>	<u>-4.2</u>
TOTAL		\$10.27	\$ 9.15	-10.9%

Employer Assessment Factor	0.0205
USL&H Rates–Anthracite Mining	\$42.78
Bituminous Mining	\$14.43