COAL MINE COMPENSATION RATING BUREAU OF PENNSYLVANIA

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

DALE W. BROADWATER EXECUTIVE DIRECTOR

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December 6, 2010

Compensation Circular CM-432

From: Dale W. Broadwater DWS

To:

Executive Director

RE: Proposal CM-1-2010 Proposed Loss Costs

To Be Effective: April 1, 2011

All Coal Mine Compensation Insurance Carriers

On December 3, 2010, the Coal Mine Compensation Rating Bureau submitted the captioned filing for approval to the PA Insurance Commissioner. The proposal requests the approval of an overall 15.3% decrease in manual loss costs. The attached Exhibit I-A/M provides the currently approved manual loss costs and the proposed manual 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, 2011 shall be issued on a tentative basis and should include the Pending Rate Change Endorsement (WC 00 04 04).

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

DWB Attachment

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

	2009 Developed Payroll (\$ millions)	(1) Approved Loss Cost Manual	(2) Proposed Loss Cost Manual	(3) Percent Change
Underground Anthracite:				
Traumatic (1010)		\$30.28	\$26.70	-11.8%
State O.D. (1011)	1.34	5.30	4.46	-15.8%
*Federal Basic/Ex (0160)	1.34	18.14	16.85	-7.1%
Total	XX	53.72	48.01	-10.6%
rotar	AA	33.72	40.01	10.0%
Underground Bituminous:				
Traumatic (1001)	\$101.03	\$9.98	\$7.89	-20.9%
State O.D. (1002)	99.69	0.88	0.85	-3.4%
*Federal Basic/Ex (0158)	99.69	0.92	0.82	-10.9%
Total	XX	11.78	9.56	-18.8%
Surface Anthracite:				
Traumatic (1012)	\$16.48	\$10.28	\$9.75	-5.2%
State O.D. (1016)	16.48	3.26	3.05	-6.4%
*Federal Basic/Ex (0153)	15.86	3.32	3.22	-3.0%
Total	xx	16.86	16.02	-5.0%
Surface Bituminous:				
Traumatic (1014)	\$62.70	\$3.70	\$3.18	-14.1%
State O.D. (1013)	62.70	0.30	0.24	-20.0%
*Federal Basic/Ex (0156)	64.04	0.70	0.67	-4.3%
Total	XX	4.70	4.09	-13.0%
Four Standard Classifications:				
Traumatic	\$180.205	\$7.82	\$6.42	-17.9%
State O.D.	180.205	0.93	0.87	-17. 9 % -6.5%
*Federal Basic/Ex	180.931	1.18	1.10	-6.8%
Total	XX	9.93	8.39	-15.5%

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

Sources: Payroll from Exhibit X-A

Column (1) Loss Costs (Approved 4/1/2010) - 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

		2009 Developed Payroll (\$ millions)	(1) Approved Loss Cost Manual	(2) Proposed Loss Cost Manual	(3) Percent Change
Coke:					
Coke.	Traumatic (1469) State O.D. (1017) *Federal Basic/Ex (0154)	\$5.17 5.17 5.17	\$5.51 0.13 0.13	\$6.86 0.13 0.12	24.5% 0.0% -7.7%
	Total	XX	5.77	7.11	23.2%
Auger:					
7.12 5 0.1	Traumatic (1015) State O.D. (1019) *Federal Basic/Ex (0157)	\$0.94 0.94 0.96	\$26.37 0.28 0.56	\$21.57 0.27 0.52	-18.2% -3.6% -7.1%
	Total	XX	27.21	22.36	-17.8%
Co-Gen Anthracite:					
	Traumatic (1021) State O.D. (1022) *Federal Basic/Ex (0181)	\$8.08 8.08 7.61	\$2.04 0.35 1.14	\$1.81 0.35 0.96	-11.3% 0.0% -15.8%
	Total	XX	3.53	3.12	-11.6%
Co-Gen Bituminous:					
	Traumatic (1023) State O.D. (1024) *Federal Basic/Ex (0182)	\$7.94 7.94 7.94	\$1.72 0.30 <u>0.41</u>	\$1.58 0.31 <u>0.38</u>	-8.1% 3.3% -7.3%
	Total	XX	2.43	2.27	-6.6%
Prep Plant Anthracit	e:				
·	Traumatic (1025) State O.D. (1026) *Federal Basic/Ex (0183)	\$6.80 6.80 6.32	\$13.93 4.56 2.96	\$11.12 3.52 2.42	-20.2% -22.8% -18.2%
	Total	XX	21.45	17.06	-20.5%
Prep Plant Bitumino	us:				
	Traumatic (1027) State O.D. (1028) *Federal Basic/Ex (0184)	\$19.92 19.92 19.92 _	\$2.56 0.46 0.65	\$1.94 0.46 0.52	-24.2% 0.0% -20.0%
	Total	XX	3.67	2.92	-20.4%
Other Classification	s:				
	Traumatic	\$48.857	\$4.69	\$4.03	-14.1%
	State O.D. *Federal Basic/Ex	48.857 47.923	0.95 0.93	0.81 0.77	-14.7% -17.2%
	Total	XX	6.57	5.61	-14.6%
Grand Total:					
	Traumatic State O.D.	\$229.06 229.06	\$7.15 0.93	\$5.91 0.86	-17.3% -7.5%
	*Federal Basic/Ex	228.85	1.13	1.03	-8.8%
	Total	XX	9.21	7.80	-15.3%

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

Sources: Payroll from Exhibit X-A

Column (1) Loss Costs (Approved 4/1/2010) - 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

MBA Actuaries - OMG/PAB Filing Date - December 03, 2010