

**COAL MINE COMPENSATION RATING BUREAU
OF PENNSYLVANIA**

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


CHARLES A. ROMBERGER
EXECUTIVE DIRECTOR

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November 26, 2014

COMPENSATION CIRCULAR CM-459

To: All Coal Mine Compensation Insurance Carriers

From: Charles A. Romberger, Executive Director 

RE: Proposal CM-3-2014
Proposed Loss Costs for Traumatic, State Occupational Disease and Federal
Occupational Disease Coverages
To Be Effective: April 1, 2015

On November 26, 2014, the Coal Mine Compensation Rating Bureau of Pennsylvania (“Bureau”) submitted the captioned filing for approval to the Pennsylvania Insurance Commissioner. The proposal requests the approval of an overall 7.1% increase 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.

The Bureau’s filing also includes a proposal to revise the Employer Assessment Factor applicable to classifications under the Bureau’s jurisdiction from 0.0196 to 0.0165.

Any policy with an Anniversary Rating Date on or after April 1, 2015, shall be issued on a tentative basis and should include the Pending Rate Change Endorsement (WC 00 04 04).

A complete copy of the proposal is published on the Bureau’s website under the “Filings” tab. You may access the Bureau’s website via www.cmcrbpa.com.

If you have any questions about this proposal, please contact the Bureau by calling 717-238-5020 or by emailing cromberger.cmcrb@verizon.net.

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Attachment (Exhibit I-A-M – Pages 1 & 2)

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

	2013 Developed Payroll	(1) Approved Loss Cost Manual	(2) Proposed Loss Cost Manual	(3) Percent Change
Underground Anthracite:				
Traumatic (1010)	\$175,900	\$20.04	\$20.37	1.6%
State O.D. (1011)	382,329	4.58	5.10	11.4%
<u>*Federal Basic/Ex (0160)</u>	<u>382,329</u>	<u>12.15</u>	<u>12.68</u>	<u>4.4%</u>
Total	xx	36.77	38.15	3.8%
Underground Bituminous:				
Traumatic (1001)	\$146,145,680	\$5.68	\$5.81	2.3%
State O.D. (1002)	145,939,251	0.54	0.68	25.0%
<u>*Federal Basic/Ex (0158)</u>	<u>141,449,556</u>	<u>0.66</u>	<u>0.81</u>	<u>22.7%</u>
Total	xx	6.88	7.30	6.1%
Surface Anthracite:				
Traumatic (1012)	\$22,127,846	\$7.38	\$9.21	24.8%
State O.D. (1016)	22,127,846	2.57	2.29	-10.9%
<u>*Federal Basic/Ex (0153)</u>	<u>20,261,498</u>	<u>3.70</u>	<u>3.31</u>	<u>-10.5%</u>
Total	xx	13.65	14.81	8.5%
Surface Bituminous:				
Traumatic (1014)	\$63,507,517	\$1.85	\$2.22	20.0%
State O.D. (1013)	63,507,517	0.16	0.15	-6.3%
<u>*Federal Basic/Ex (0156)</u>	<u>64,837,518</u>	<u>0.40</u>	<u>0.50</u>	<u>25.0%</u>
Total	xx	2.41	2.87	19.1%
Four Standard Classifications:				
Traumatic	\$231,956,943	\$4.80	\$5.16	7.5%
State O.D.	231,956,943	0.64	0.70	9.4%
<u>*Federal Basic/Ex</u>	<u>226,930,901</u>	<u>0.88</u>	<u>0.96</u>	<u>9.1%</u>
Total	xx	6.32	6.82	7.9%

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

Sources: Payroll from Exhibit X-A
Column (1) Loss Costs (Approved 4/1/2014) - 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**

	2013 Developed Payroll	(1) Approved Loss Cost Manual	(2) Proposed Loss Cost Manual	(3) Percent Change
Coke:				
Traumatic (1469)	\$4,791,910	\$6.40	\$5.84	-8.8%
State O.D. (1017)	4,791,910	0.12	0.12	0.0%
*Federal Basic/Ex (0154)	4,791,910	0.11	0.11	0.0%
Total	xx	6.63	6.07	-8.4%
Auger:				
Traumatic (1015)	\$1,093,790	\$14.75	\$15.98	8.3%
State O.D. (1019)	1,093,790	0.25	0.25	0.0%
*Federal Basic/Ex (0157)	1,093,790	0.39	0.40	2.6%
Total	xx	15.39	16.63	8.1%
Co-Gen Anthracite:				
Traumatic (1021)	\$8,678,376	\$1.98	\$2.46	24.2%
State O.D. (1022)	8,678,376	0.40	0.37	-7.5%
*Federal Basic/Ex (0181)	7,958,314	0.54	0.49	-9.3%
Total	xx	2.92	3.32	13.7%
Co-Gen Bituminous:				
Traumatic (1023)	\$13,133,423	\$1.07	\$1.10	2.8%
State O.D. (1024)	13,133,423	0.38	0.40	5.3%
*Federal Basic/Ex (0182)	13,133,423	0.33	0.35	6.1%
Total	xx	1.78	1.85	3.9%
Prep Plant Anthracite:				
Traumatic (1025)	\$8,266,396	\$5.49	\$4.91	-10.6%
State O.D. (1026)	8,266,396	2.67	2.69	0.7%
*Federal Basic/Ex (0183)	7,053,691	1.30	1.17	-10.0%
Total	xx	9.46	8.77	-7.3%
Prep Plant Bituminous:				
Traumatic (1027)	\$33,935,906	\$1.00	\$1.18	18.0%
State O.D. (1028)	33,935,906	0.29	0.29	0.0%
*Federal Basic/Ex (0184)	33,303,121	0.44	0.45	2.3%
Total	xx	1.73	1.92	11.0%
Other Classifications:				
Traumatic	\$69,899,801	\$2.25	\$2.31	2.7%
State O.D.	69,899,801	0.59	0.59	0.0%
*Federal Basic/Ex	67,334,249	0.50	0.49	-2.0%
Total	xx	3.34	3.39	1.5%
Grand Total:				
Traumatic	\$301,856,744	\$4.21	\$4.50	6.9%
State O.D.	301,856,744	0.63	0.67	6.3%
*Federal Basic/Ex	294,265,150	0.79	0.86	8.9%
Total	xx	5.63	6.03	7.1%

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

Sources: Payroll from Exhibit X-A
 Column (1) Loss Costs (Approved 4/1/2014) - 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