

**COAL MINE COMPENSATION RATING BUREAU
OF PENNSYLVANIA**

COMMERCE BUILDING – SUITE 403
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HARRISBURG, PENNSYLVANIA 17101

CHARLES A. ROMBERGER
EXECUTIVE DIRECTOR

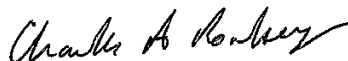
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January 23, 2017

COMPENSATION CIRCULAR CM-470

To: All Coal Mine Compensation Insurance Carriers

From: Charles A. Romberger, Executive Director



RE: **Proposal CM-3-2016**

Loss Cost Revisions

Approved Effective: April 1, 2017

The CMCRB submitted Proposal CM-3-2016 and the Pennsylvania Insurance Department approved this filing as submitted to be effective April 1, 2017.

The approved Loss Costs reflect a 2.1% overall decrease for Traumatic, a 16.9% overall decrease for State O.D. and a 2.4% overall decrease for Federal O.D. The approved Loss Costs reflect a 3.7% overall average decrease across all classes and all coverages.

Attached is a two-page exhibit displaying the approved Loss Costs by class and by coverage, Employer Assessment Factor and USL&HW Rates. The Coal Employer Assessment Factor shall be 0.0232 effective April 1, 2017.

Each policy with an Anniversary Rating Date (ARD) on or after April 1, 2017, shall contain the newly approved Loss Costs and the revised Employer Assessment Factor. Such policies, if issued at the April 1, 2016 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 being issued for April policies and ARDs are being issued on a final basis. Also, USL&HW Rates are being issued on a final basis effective April 1, 2017.

Also, note that the CMCRB previously announced the approval of filings to eliminate ARD provisions effective May 1, 2017. These changes were announced in and provided with Compensation Circular CM-468.

Updated manual pages will be available on our website in the near future at:

<http://www.cmcrbpa.com/Manual.html>

Any questions should be directed to the CMCRB.

CAR:car
Attachment

Coal Mine Compensation Rating Bureau

Current and Approved Loss Costs
Traumatic, State O.D., and Federal O.D.
Effective: April 1, 2017

	<u>Class Code</u>	<u>Current Loss Cost</u>	<u>Approved April 1, 2017 Loss Cost</u>	<u>Percent Change</u>
<u>Underground</u>				
Anthracite				
Traumatic	1010	\$22.06	\$20.44	-7.3%
State O.D.	1011	5.27	6.59	25.0%
Federal O.D.	0160	<u>12.87</u>	<u>11.90</u>	<u>-7.5%</u>
TOTAL		\$40.20	\$38.93	-3.2%
Bituminous				
Traumatic	1001	\$6.12	\$6.18	1.0%
State O.D.	1002	0.73	0.59	-19.2%
Federal O.D.	0158	<u>0.72</u>	<u>0.72</u>	<u>0.0%</u>
TOTAL		\$7.57	\$7.49	-1.1%
<u>Surface & Culm</u>				
Anthracite				
Traumatic	1012	\$11.00	\$8.27	-24.8%
State O.D.	1016	1.97	1.67	-15.2%
Federal O.D.	0153	<u>3.11</u>	<u>2.78</u>	<u>-10.6%</u>
TOTAL		\$16.08	\$12.72	-20.9%
Bituminous				
Traumatic	1014	\$2.31	\$2.45	6.1%
State O.D.	1013	0.15	0.14	-6.7%
Federal O.D.	0156	<u>0.50</u>	<u>0.63</u>	<u>25.0%</u>
TOTAL		\$2.96	\$3.22	8.8%
Coke				
Traumatic	1469	\$5.08	\$4.54	-10.6%
State O.D.	1017	0.13	0.12	-7.7%
Federal O.D.	0154	<u>0.09</u>	<u>0.09</u>	<u>0.0%</u>
TOTAL		\$5.30	\$4.75	-10.4%

	<u>Class Code</u>	<u>Current Loss Cost</u>	<u>Approved April 1, 2017 Loss Cost</u>	<u>Percent Change</u>
Auger Mining				
Traumatic	1015	\$15.31	\$16.44	7.4%
State O.D.	1019	0.26	0.24	-7.7%
Federal O.D.	0157	<u>0.34</u>	<u>0.33</u>	<u>-2.9%</u>
TOTAL		\$15.91	\$17.01	6.9%
<u>Co-Gen Fuel Recovery</u>				
Anthracite				
Traumatic	1021	\$2.78	\$3.12	12.2%
State O.D.	1022	0.33	0.30	-9.1%
Federal O.D.	0181	<u>0.46</u>	<u>0.42</u>	<u>-8.7%</u>
TOTAL		\$3.57	\$3.84	7.6%
Bituminous				
Traumatic	1023	\$1.18	\$1.14	-3.4%
State O.D.	1024	0.44	0.42	-4.5%
Federal O.D.	0182	<u>0.30</u>	<u>0.31</u>	<u>3.3%</u>
TOTAL		\$1.92	\$1.87	-2.6%
<u>Prep Plant</u>				
Anthracite				
Traumatic	1025	\$5.06	\$4.53	-10.5%
State O.D.	1026	2.37	2.19	-7.6%
Federal O.D.	0183	<u>1.06</u>	<u>0.97</u>	<u>-8.5%</u>
TOTAL		\$8.49	\$7.69	-9.4%
Bituminous				
Traumatic	1027	\$1.45	\$1.81	24.8%
State O.D.	1028	0.26	0.21	-19.2%
Federal O.D.	0184	<u>0.38</u>	<u>0.36</u>	<u>-5.3%</u>
TOTAL		\$2.09	\$2.38	13.9%
<u>GRAND TOTAL</u>				
Traumatic		\$5.28	\$5.17	-2.1%
State O.D.		0.71	0.59	-16.9%
Federal O.D.		<u>0.84</u>	<u>0.82</u>	<u>-2.4%</u>
TOTAL		\$6.83	\$6.58	-3.7%

Employer Assessment Factor 0.0232

USL&HW Rates: Anthracite Mining \$ 29.30
 Bituminous Mining \$ 8.81