## COAL MINE COMPENSATION RATING BUREAU OF PENNSYLVANIA

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

CHARLES A. ROMBERGER EXECUTIVE DIRECTOR **TELEPHONE/FAX** 717-238-5020

November 26, 2019

## **COMPENSATION CIRCULAR CM-480**

To: All Coal Mine Compensation Insurance Carriers

From: Charles A. Romberger, Executive Director Challe A Romberger

RE: Proposal CM-3-2019

Proposed Loss Costs for Traumatic, State Occupational Disease and Federal

Occupational Disease Coverages To Be Effective: April 1, 2020

On November 25, 2019, 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 1.3% decrease in manual loss costs. The attached exhibit displays the currently approved manual loss costs and the proposed manual loss costs by classification and coverage.

The Bureau's filing also includes a revision to the Employer Assessment Factor applicable to classifications under the Bureau's jurisdiction from 0.0183 to 0.0203.

Any policy with a Rating Effective Date on or after April 1, 2020, shall be issued on a tentative basis and should include the Pending Rate Change Endorsement (WC 00 04 04). The Bureau notes that Anniversary Rating Date provisions were eliminated effective May 1, 2017 and that information concerning this change is available on our website in Compensation Circular CM-468.

A complete copy of Proposal CM-3-2019 is published on the Bureau's website under the "Filings" tab. You may access the Bureau's website via <a href="www.cmcrbpa.com">www.cmcrbpa.com</a>.

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

CAR:car

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

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

		2018 Developed Payroll	(1) Approved Loss Cost Manual	(2) Proposed Loss Cost Manual	(3) Percent Change
Underground Anthra					
	Traumatic (1010)	\$183,346	\$21.59	\$20.67	-4.3%
	State O.D. (1011)	183,346	10.30	12.88	25.0%
	*Federal Basic/Ex (0160)	183,346	10.02	9.06	-9.6%
	Total	XX	41.91	42.61	1.7%
Underground Bitumi	nous:				
_	Traumatic (1001)	\$179,699,685	\$6.87	\$6.96	1.3%
	State O.D. (1002)	179,699,685	0.50	0.58	16.0%
	*Federal Basic/Ex (0158)	179,746,573	0.58	0.59	1.7%
	Total	xx	7.95	8.13	2.3%
Surface Anthracite:					
	Traumatic (1012)	\$19,677,526	\$10.28	\$8.01	-22.1%
	State O.D. (1016)	19,677,526	1.36	1.06	-22.1%
	*Federal Basic/Ex (0153)	18,332,737	2.13	1.72	-19.2%
	Total	×x	13.77	10.79	-21.6%
Surface Bituminous:					
	Traumatic (1014)	\$35,266,431	\$2.09	\$1.85	-11.5%
	State O.D. (1013)	35,266,431	0.20	0.25	25.0%
	*Federal Basic/Ex (0156)	36,110,426	0.89	0.82	-7.9%
	Total	xx	3.18	2.92	-8.2%
Four Standard Classi	fications:				
	Traumatic	\$234,826,988	\$6.45	\$6.29	-2.5%
	State O.D.	234,826,988	0.53	0.58	9.4%
	*Federal Basic/Ex	234,373,082	0.76	0.72	-5.3%
	Total	xx	7.74	7.59	-1.9%

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

**Sources:** Payroll from Exhibit X-A

Column (1) Loss Costs (Approved 4/1/2019) - 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

File: c:\2019 Rate Filing\XL\[2019-01.xlsm]I-A-1-M Run Date: November 05, 2019 - 09:37:45 AM

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

		2018 Developed Payroll	(1) Approved Loss Cost Manual	(2) Proposed Loss Cost Manual	(3) Percent Change
Coke:					
COINC!	Traumatic (1469) State O.D. (1017) *Federal Basic/Ex (0154)	\$4,456,795 4,456,795 4,456,795	\$3.57 0.08 0.10	\$3.83 0.09 0.10	7.3% 12.5% 0.0%
	Total	xx	3.75	4.02	7.2%
Auger:					
	Traumatic (1015) State O.D. (1019) *Federal Basic/Ex (0157)	\$560,126 560,126 560,126	\$11.21 0.18 0.43	\$9.00 0.18 0.44	-19.7% 0.0% 2.3%
	Total	xx	11.82	9.62	-18.6%
Co-Gen Anthracite:					
	Traumatic (1021) State O.D. (1022) *Federal Basic/Ex (0181)	\$11,591,488 11,591,488 10,018,416	\$4.86 0.27 0.38	\$6.09 0.24 0.37	25.3% -11.1% <i>-</i> 2.6%
	Total	XX	5.51	6.70	21.6%
Co-Gen Bituminous					
	Traumatic (1023) State O.D. (1024) *Federal Basic/Ex (0182)	\$11,996,610 11,996,610 11,996,610	\$1.37 0.25 <u>0.31</u>	\$1.37 0.24 0.29	0.0% -4.0% -6.5%
	Total	xx	1.93	1.90	-1.6%
Prep Plant Anthracit	e:				
	Traumatic (1025) State O.D. (1026) *Federal Basic/Ex (0183)	\$9,643,085 9,643,085 6,888,320	\$4.53 2.47 0.90	\$4.24 2.57 0.88	-6.4% 4.0% -2.2%
	Total	xx	7.90	7.69	-2.7%
Prep Plant Bitumino	JS:				
	Traumatic (1027) State O.D. (1028) *Federal Basic/Ex (0184)	\$32,053,553 32,053,553 32,053,553	\$2.81 0.13 0.33	\$2.74 0.16 0.31	-2.5% 23.1% -6.1%
	Total	xx	3.27	3.21	-1.8%
Other Classification	s:				
	Traumatic State O.D.  *Federal Basic/Ex	\$70,301,657 70,301,657 65,973,820	\$3.25 0.49 0.38	\$3.38 0.51 0.36	4.0% 4.1% -5.3%
	Total	xx	4.12	4.25	3.2%
Grand Total:					
	Traumatic State O.D.	\$305,128,645 305,128,645	\$5.71 0.52	\$5.62 0.56	-1.6% 7.7%
	*Federal Basic/Ex	300,346,902	0.68	0.64	-5.9%
	Total	xx	6.91	6.82	-1.3%

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

Sources: Payroll from Exhibit X-A

Column (1) Loss Costs (Approved 4/1/2019) - 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

File: c:\2019 Rate Filing\XL\[2019-01.xlsm]I-A-2-M Run Date: November 05, 2019 - 09:37:45 AM