

IDAHO

STATE ADVISORY RESOURCES

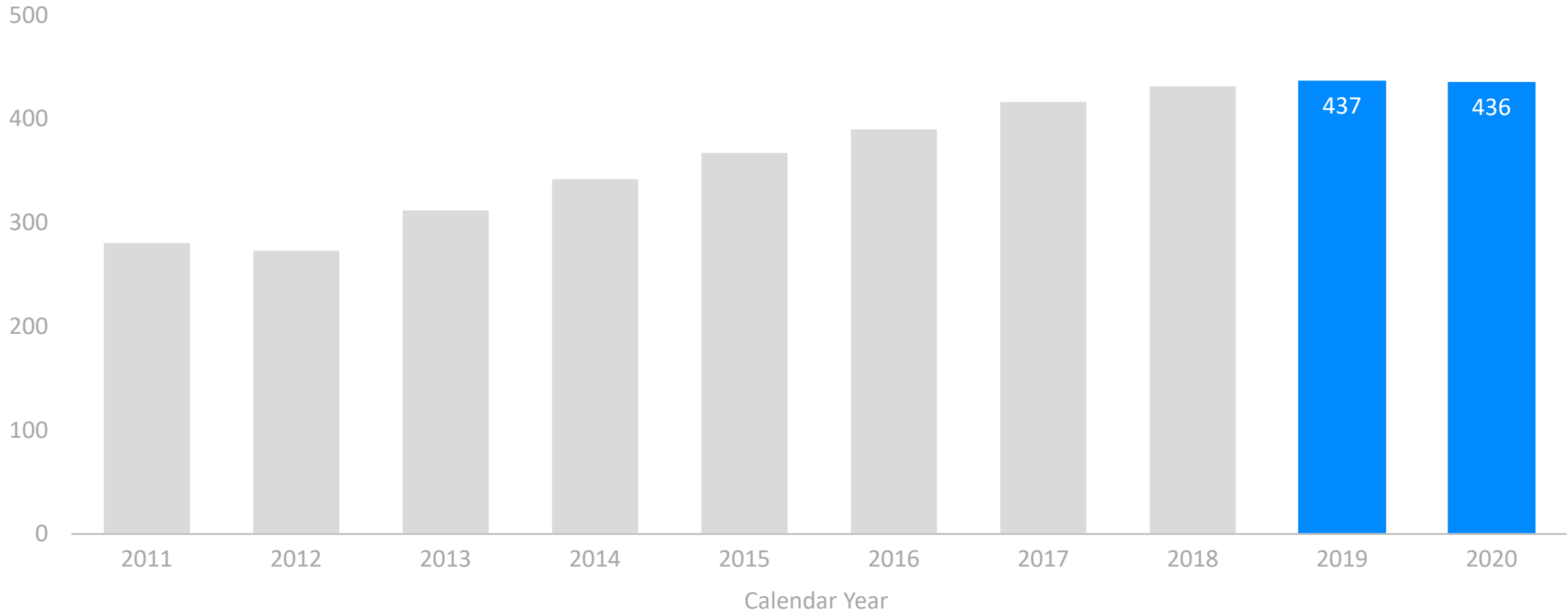
Idaho Workers Compensation System Overview
November 2021

Idaho Workers Compensation System—An Overview

- Written premium volume is consistent with last year
- Accident year combined ratios continue to be favorable
- Lost-time claim frequency experienced a significant decrease
- Indemnity and medical severities have remained stable in the recent past

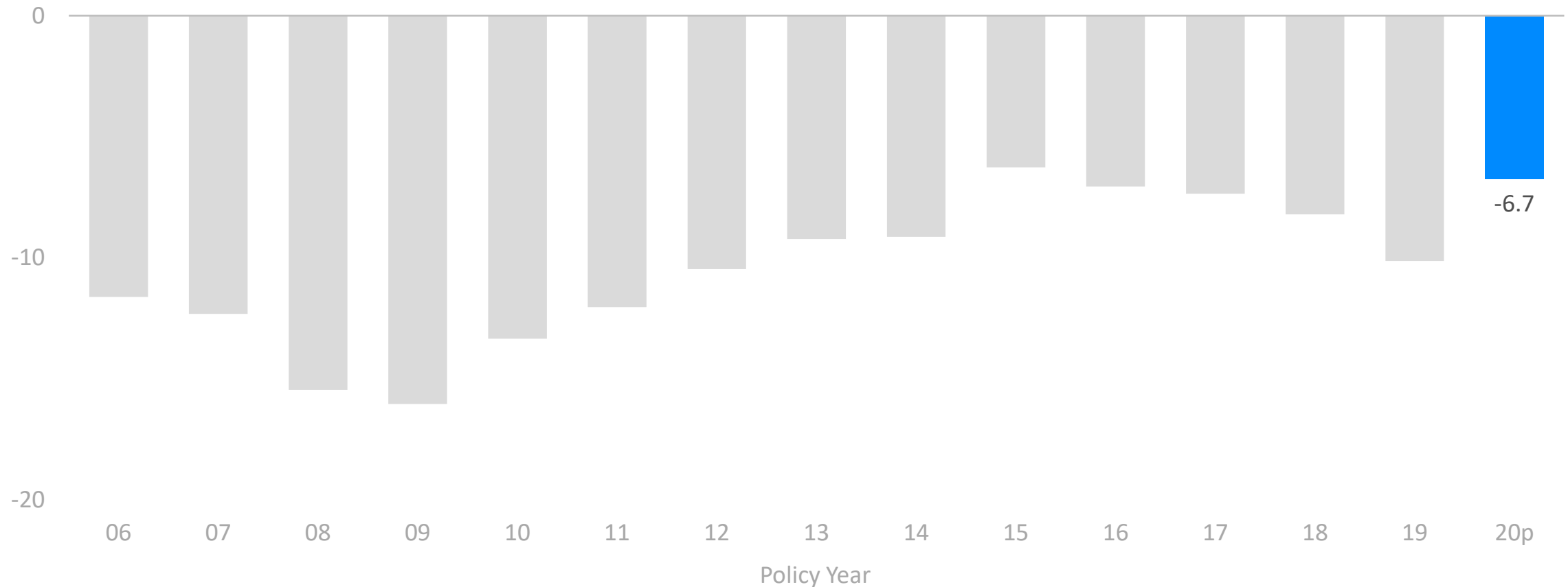
Idaho Premium Volume

Direct Written Premium in \$ Millions



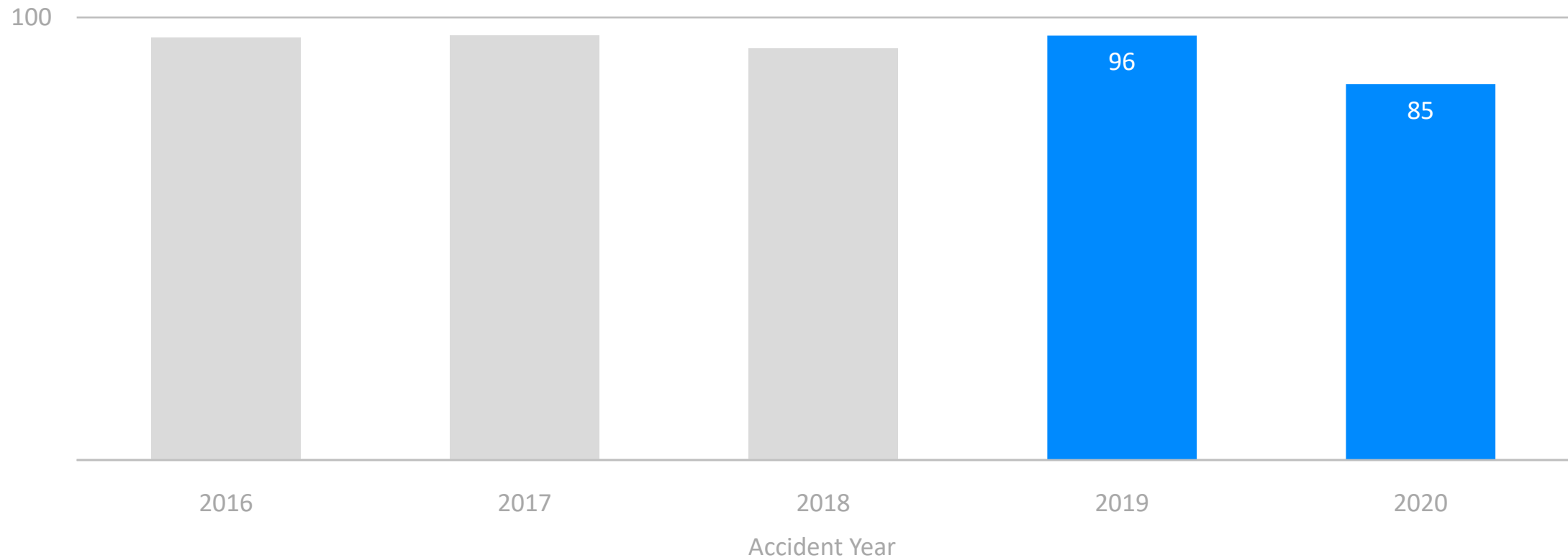
Source: NAIC's Annual Statement data.

Impact of Discounting on Workers Compensation Premium in Idaho



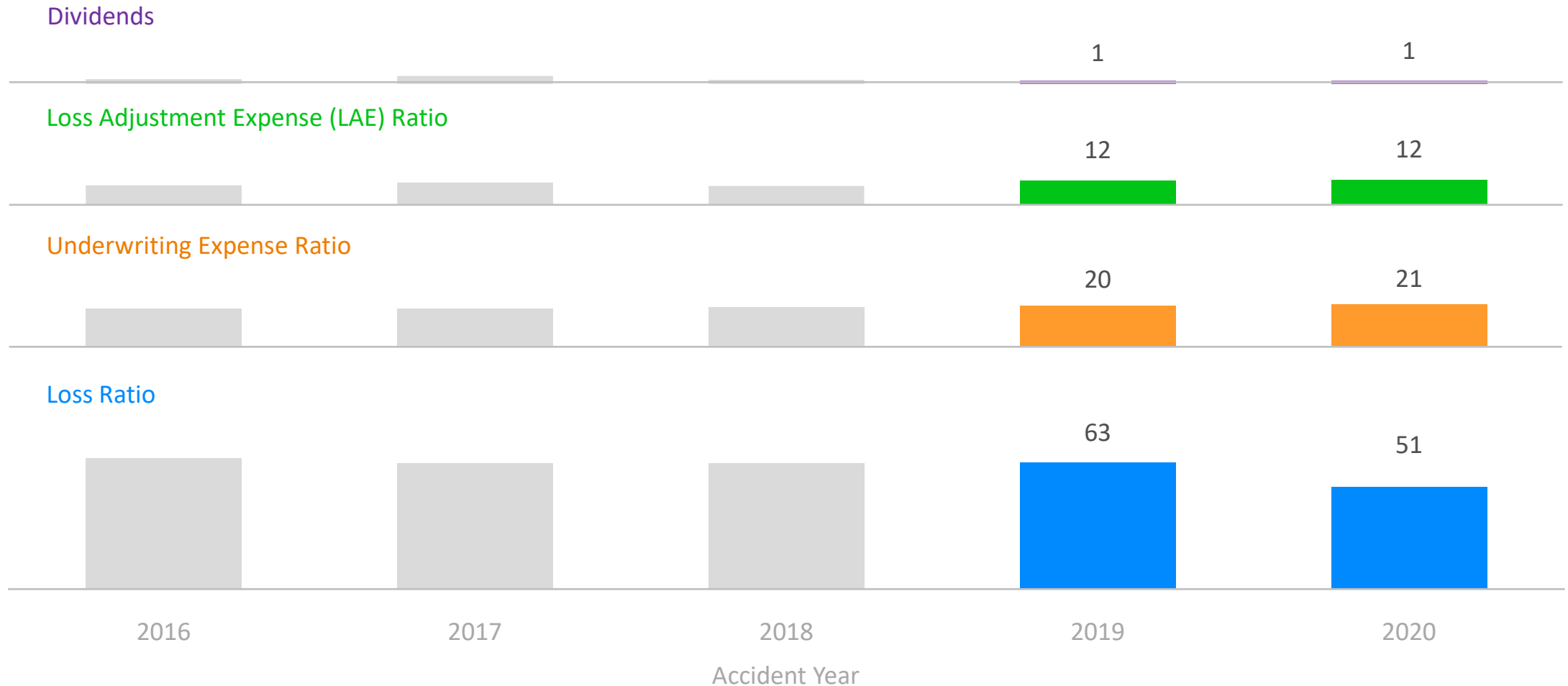
p Preliminary.
Based on data through 12/31/2020.

Idaho Combined Ratios



Sources: NCCI's financial data through 12/31/2020 and NAIC's Annual Statement data.

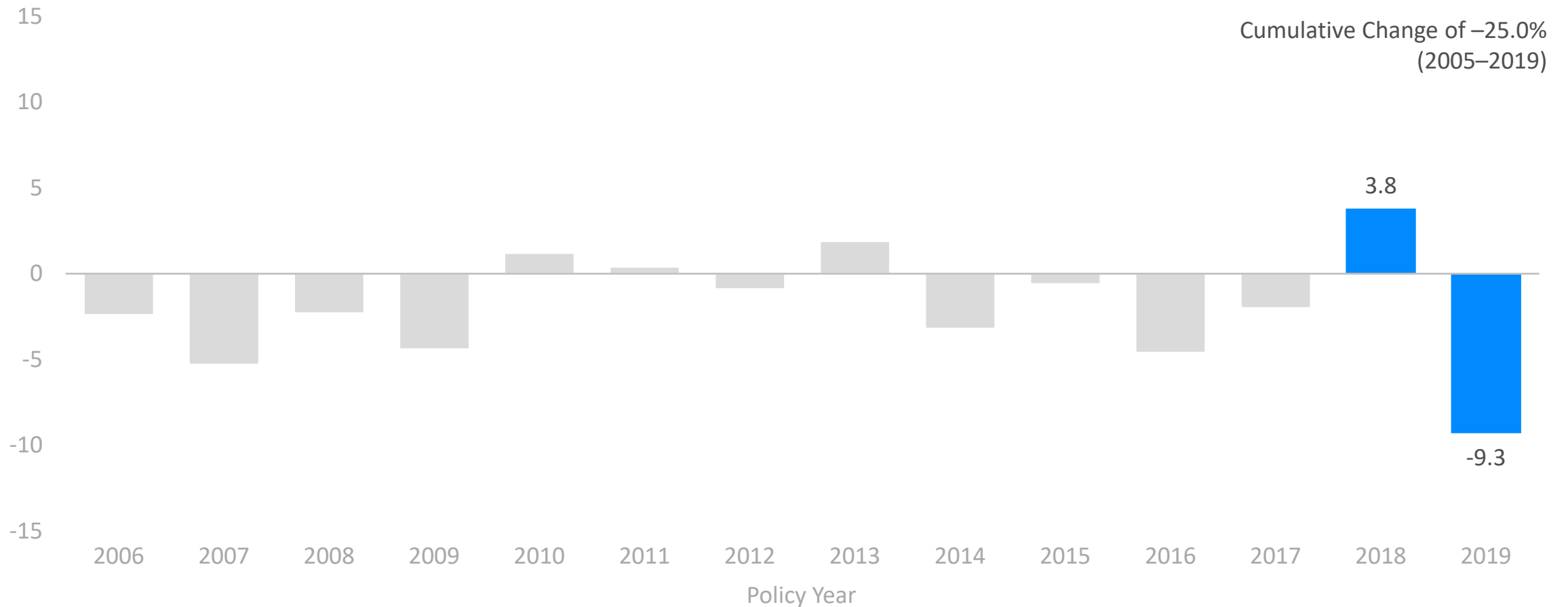
Idaho Combined Ratios by Component



Sources: NCCI's financial data through 12/31/2020 and NAIC's Annual Statement data.

Idaho Change in Claim Frequency

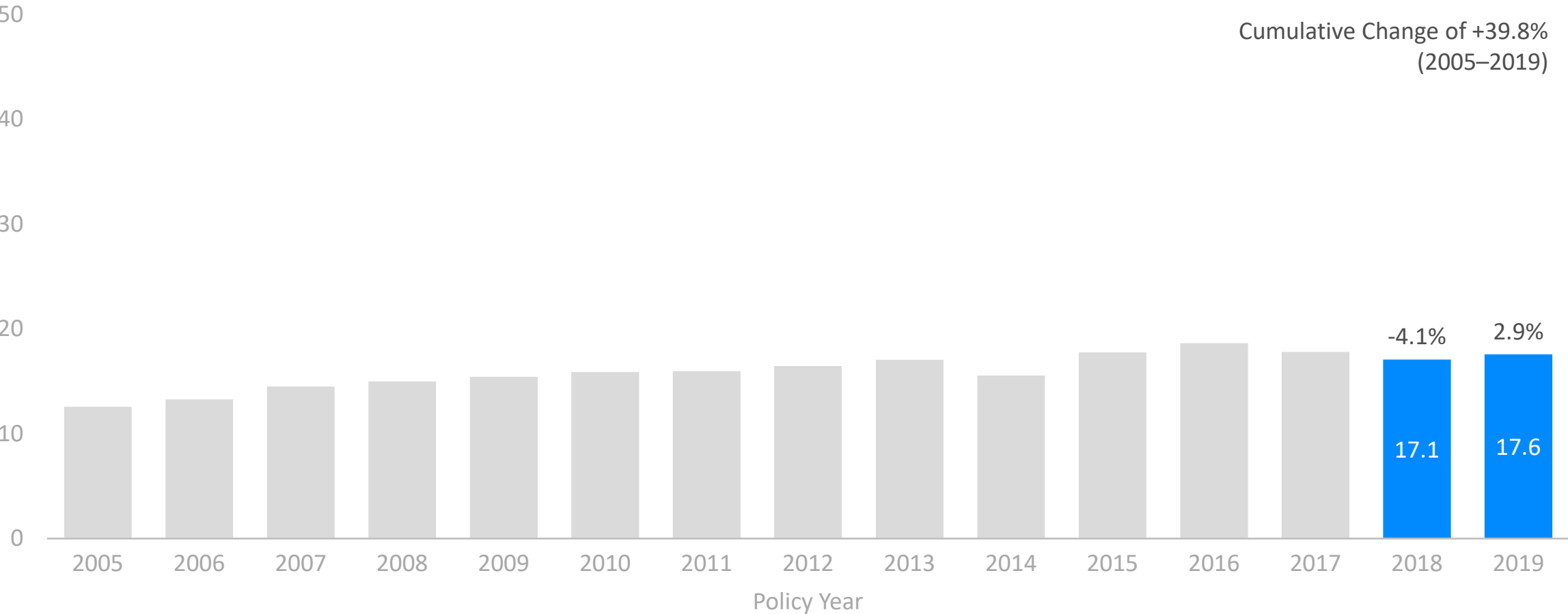
Percent Change in Lost-Time Claims, per \$ Million of On-Leveled Premium



Based on NCCI's financial data through 12/31/2020, on-leveled, and developed to ultimate, with premium adjusted to common wage level.

Idaho Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands

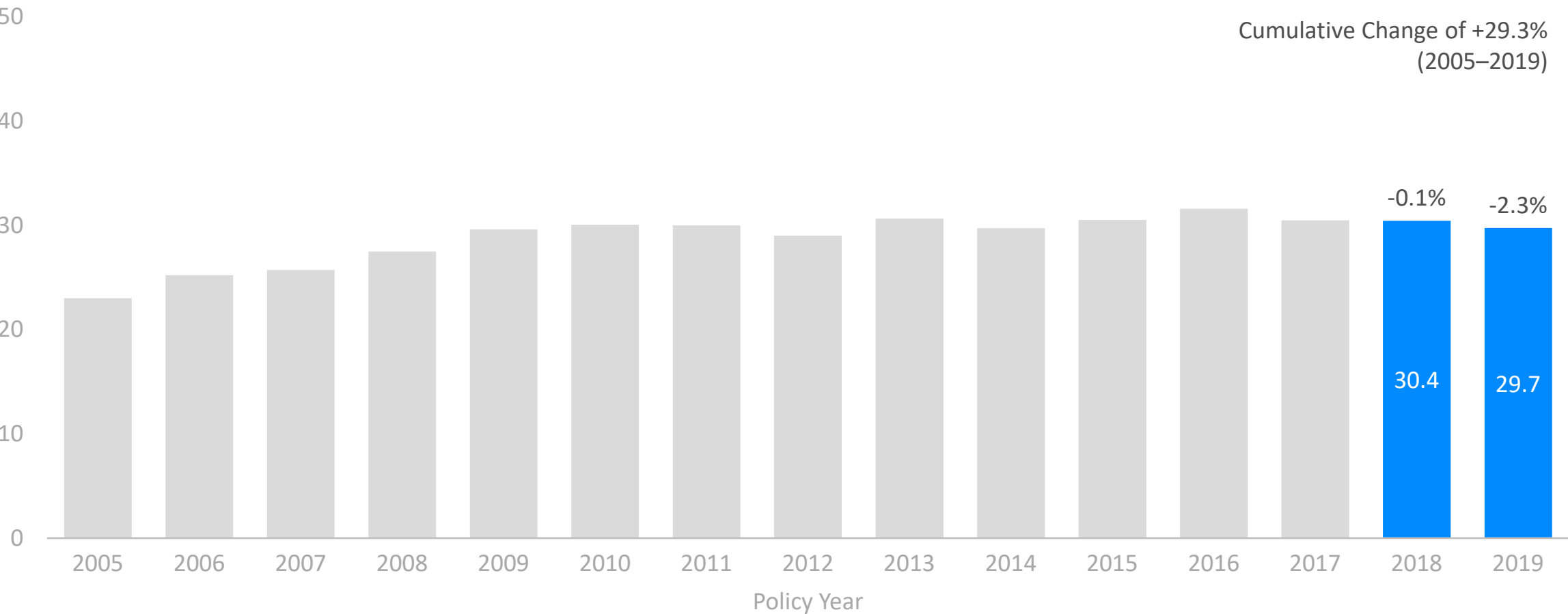


Based on NCCI’s financial data through 12/31/2020, on-leveled, and developed to ultimate.



Idaho Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

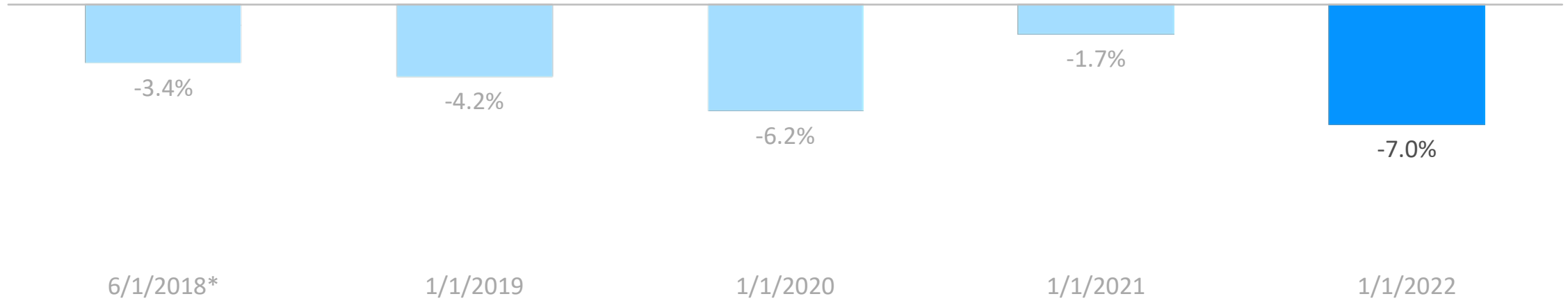


Based on NCCI’s financial data through 12/31/2020, on-leveled, and developed to ultimate.
Note that medical-only losses are included in the numerator.



Idaho Filing Activity

Voluntary Rate Changes



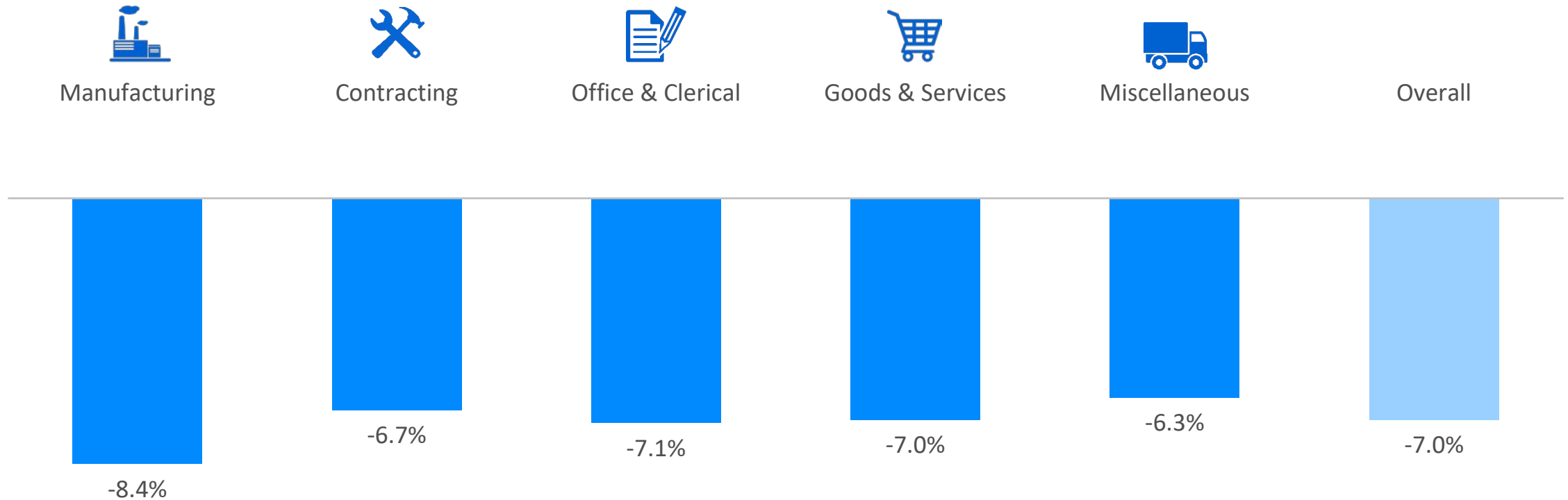
*Law-only.

Idaho January 1, 2022 Rate Filing

Change in Experience:	−7.9%
Change in Trend:	−2.5%
Change in Benefits:	+1.2%
Change in All Other:	+3.0%
Compliance Filing Factor:	−0.7%
<hr/>	
Overall Rate Level Change:	−7.0%

Idaho January 1, 2022 Rate Filing

Average Changes by Industry Group



Idaho Economic Drivers



Agriculture



Technology

Source: Moody's Analytics, Précis® U.S. Idaho, July 2021.

Idaho Economic Assets and Challenges

■ Assets

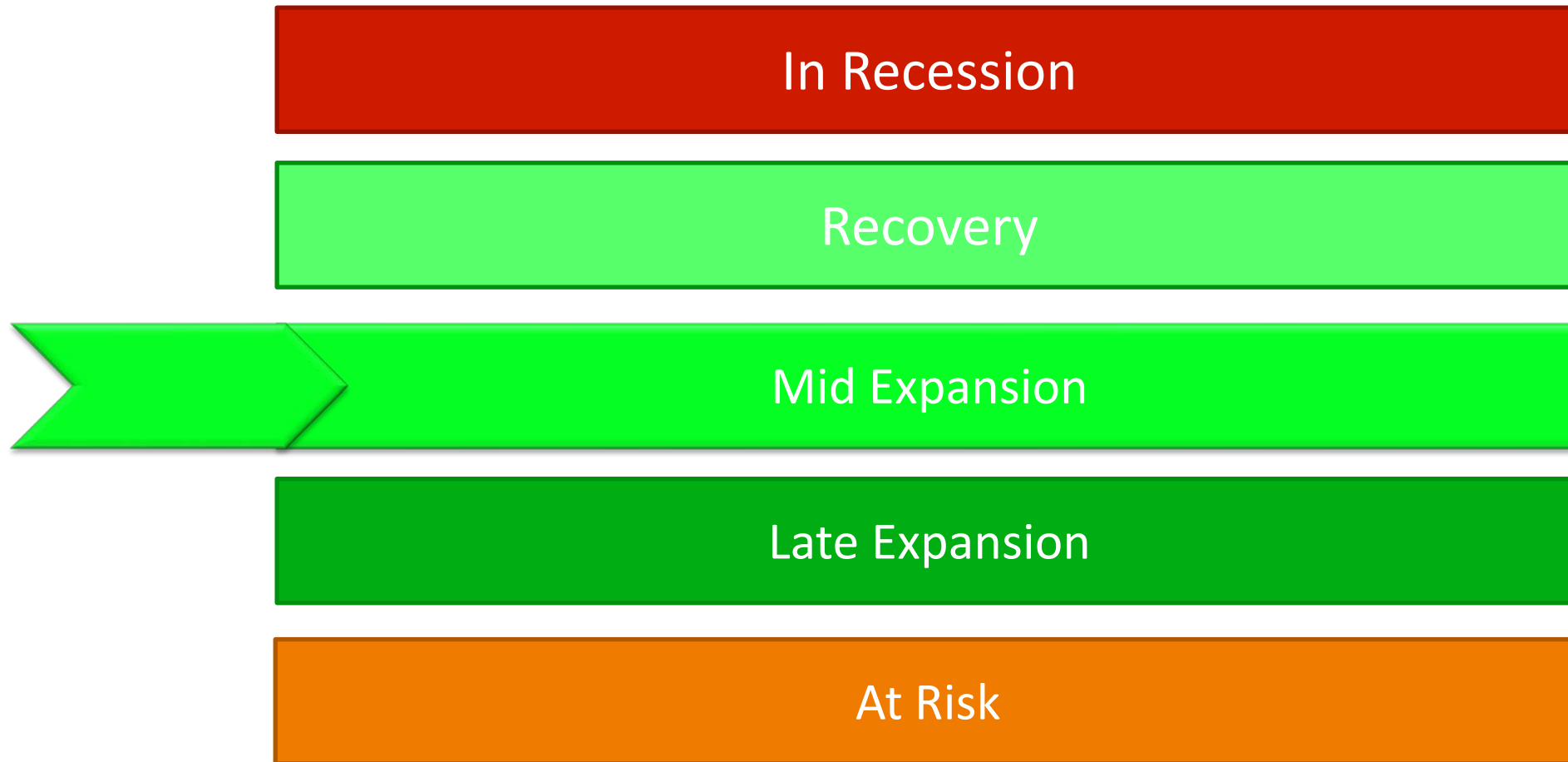
- Full recovery from economic impact of the pandemic
- Lower unemployment than the national average
- Strong payroll expansion in construction, transportation/utilities, and government
- Farming sector offers additional growth opportunity

■ Challenges

- Increasing service sector employment at lower wages
- Technology sector subject to industry volatility
- Labor productivity continues to be lower than the national rate

Source: Moody's Analytics, Précis® U.S. Idaho, July 2021.

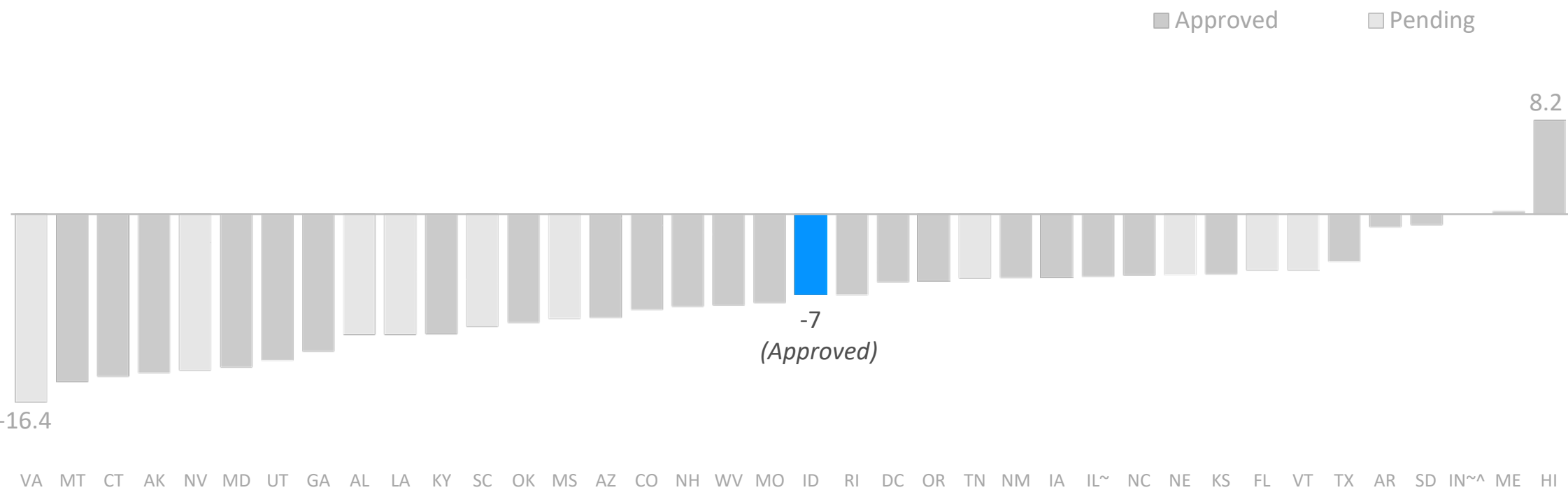
Idaho Business Cycle Status



Source: Moody's Analytics, Précis® U.S. Idaho, July 2021.

Current NCCI Voluntary Market Loss Cost/Rate Level Changes

Excludes Law-Only Filings

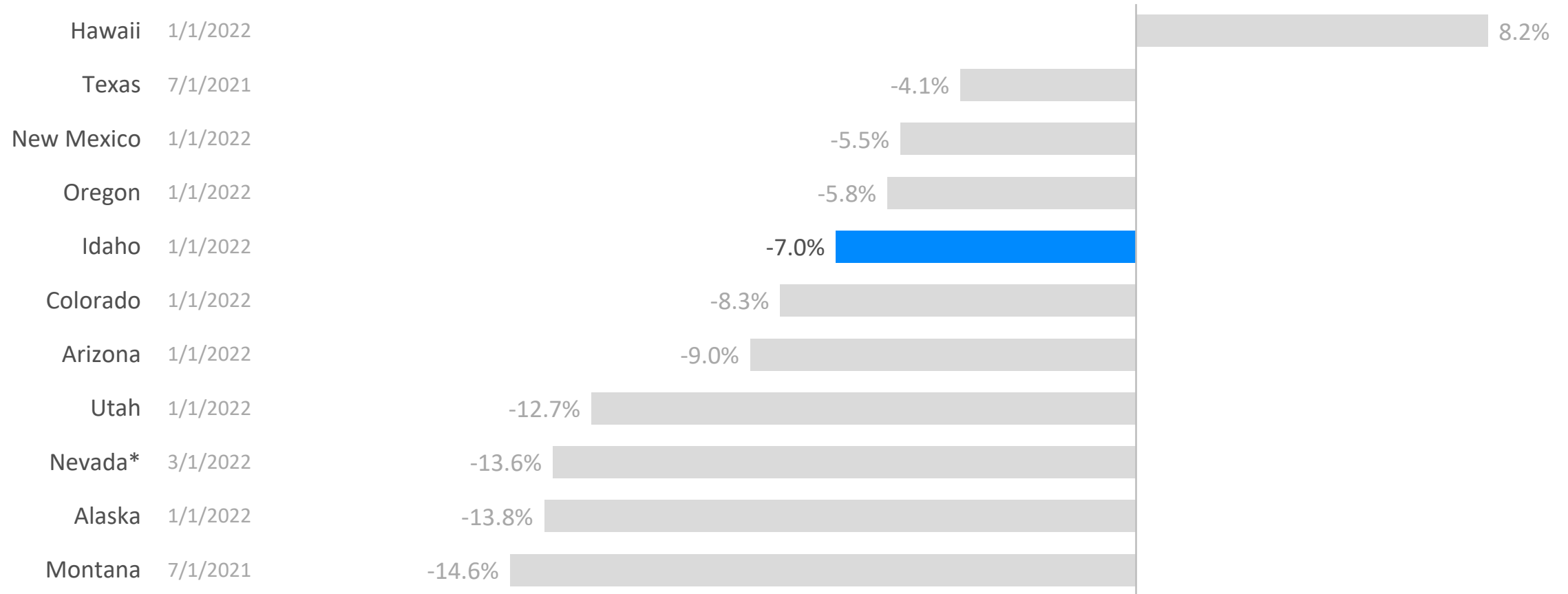


~Value shown is a rate level change; the IL and IN loss cost level changes are -7.4% and -2.7%, respectively.
^IN approved a flat (0.0%) rate level change.
Reflects the most recent experience filing in each jurisdiction as of 11/12/2021.
Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.



Current Voluntary Market Loss Cost/Rate Changes

Western States



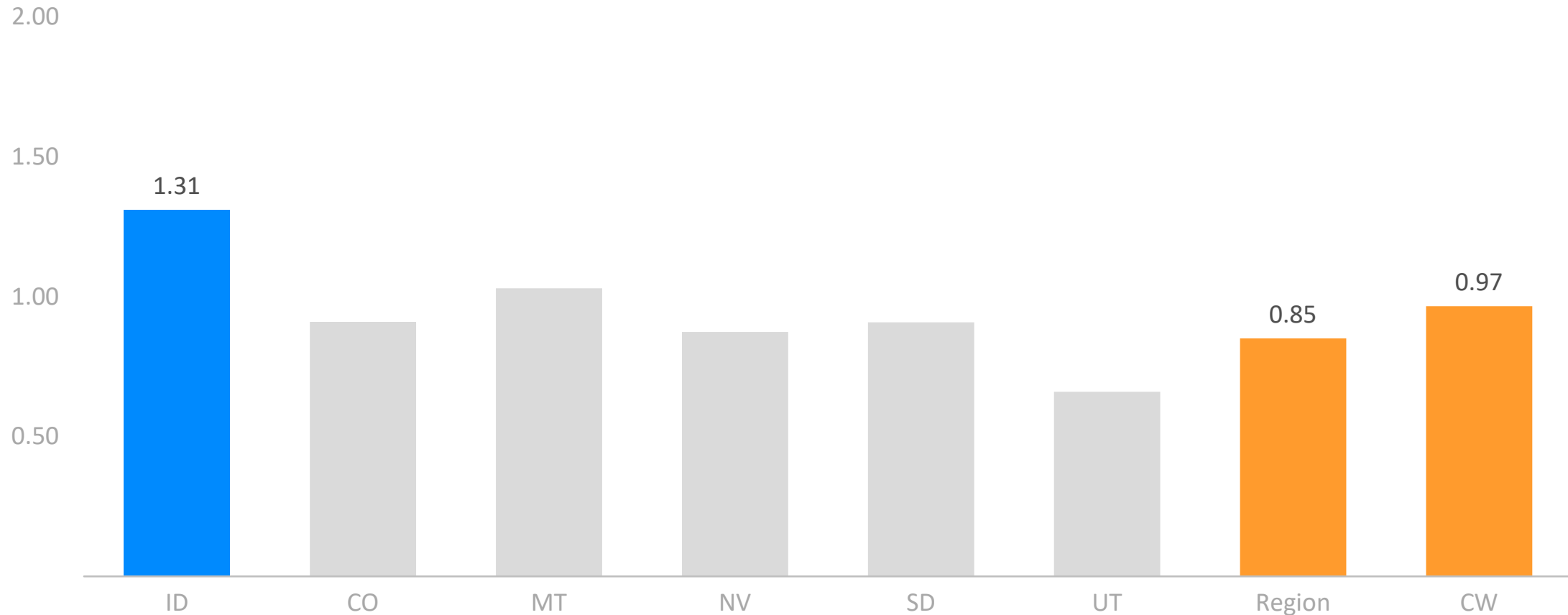
*Pending

Reflects the most recent experience filing in each jurisdiction as of 11/12/2021.

Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.

Average Voluntary Pure Loss Costs

Using Idaho Payroll Distribution



Based on approved rates and loss costs in various jurisdictions from filings using data valued as of 12/31/2019.

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