



PENNSYLVANIA SPECIAL SCHEDULE "W" 2025 INSTRUCTIONS

These instructions pertain to Special Schedule "W" submissions made to the Pennsylvania Compensation Rating Bureau (PCRB) via the PCRB's Financial Data Manager (FDM). Refer to the PCRB's web site, www.pcrb.com, for further information on reporting Workers' Compensation (including Coal Mine) experience for Special Schedule "W" via the FDM.

The premium and loss experience reported on Schedule "W" is used to determine the assessments that fund the Subsequent Injury Fund, the Supersedeas Fund, the Workers' Compensation Administration Fund, the Uninsured Employers Guaranty Fund and the Office of Small Business Advocate. Specifically, the premium and loss information within the deductible layer that is reported on Schedule "W" is used in the assessment calculations, along with premium and loss information that is reported net of deductible business. Your company's share of the total assessment for each fund is based on the premium and loss information reported on Schedule "W". Please refer to 77 P.S. §§ 1000.2(b), 1041.3(a) and 2707, 71 P.S. § 578, and 34 Pa. Code §§ 121.22, 121.23 and 123.31 for further information about how these assessments are calculated using the information reported on Schedule "W".

The Schedule "W" exhibits are Pennsylvania state exhibits. All items refer to direct business in the Commonwealth of Pennsylvania. Direct business is to include all business exclusive of any reinsurance assumed and before any reinsurance ceded. Dollar amounts are to be reported in whole dollars only.

DEFINITIONS

Incurred Claims: Include closed claims for which a payment was made and claims that remain open, whether a payment has been made or not. Claims with both a medical and indemnity payment or reserve should be counted on both the medical and indemnity parts.

State and Federally Funded Projects: Experience on the "F" Classifications for policies effective January 1, 1974 and thereafter, experience on the National Defense Projects written under either the old Comprehensive Rating Plan or the National Defense Projects Rating Plan, and experience on excess policies.

Large Deductible: A deductible equal to or in excess of \$100,000 per occurrence.

Small Deductible: A deductible less than \$100,000 per occurrence.

First Dollar Basis: Data reported prior to the application of deductible credits.

As Written Basis: Data reported after the application of deductible credits.

SPECIFIC LINE INSTRUCTIONS

Part A

Part A contains five sections. **Sections 1 and 5 are the only sections that need to be completed for non-coal carriers. Sections 2, 3 and 4 are to be completed by coal carriers.** Each section collects information regarding Pennsylvania direct business as follows:

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|------------|---|
| Section 1: | All Workers' Compensation Business Except Coal Mine and State and Federally Funded Projects |
| Section 2: | All Coal Mining Except Black Lung and State and Federally Funded Projects |
| Section 3: | Black Lung: State Occupational Disease Only Except State and Federally Funded Projects |
| Section 4: | Black Lung: Federal Occupational Disease Only Except State and Federally Funded Projects |
| Section 5: | All Workers' Compensation Business Including Coal Mine and State and Federally Funded Projects |
| Line 1 | <u>Net Written Premiums on Direct Business.</u> This is the net written premium on direct business as specified in each section. |
| Line 2 | <u>Premiums Unearned December 31 Previous Year.</u> This number should balance to your 2024 Schedule "W" data call Part A Line 4 – Premiums Unearned December 31 Current Year. |
| Line 3 | <u>Total.</u> This is the sum of Line 1 and Line 2. |
| Line 4 | <u>Premiums Unearned December 31 Current Year.</u> |
| Line 5 | <u>Net Earned Premiums on Direct Business.</u> This is the net earned premium on direct business as specified in each section. |
| Line 6A | <u>Retrospective Rating Adjustment.</u> This represents the premium impact resulting from the use of retrospective rating plans. If this impact was to increase the otherwise premium applicable, this impact should be entered as a negative number, and vice-versa. |
| Line 6B | <u>Premium Discount Adjustment.</u> This amount should be the premium dollar adjustment resulting from the use of a premium discount table. Premium discounts serve to reduce an insurer's premium, and should therefore be entered as a positive amount. |
| Line 6C | <u>Premium Deviation and Loss Cost Multiplier Adjustments.</u> These represent the premium impact resulting from the use of deviations and loss cost multipliers. If this impact was to increase the otherwise premium applicable, this impact should be entered as a negative number, and vice-versa. This should yield the premium applicable if the deviation and loss cost multiplier were both 1.0000. |
| Line 6D | <u>Premium Credits for Pennsylvania Certified Safety Committee Credit Program.</u> This represents a 5% premium discount the insureds received for being certified for establishing a safety committee that operates within the workplace to detect hazards and prevent accidents. These credits serve to reduce an insurer's premium and should therefore be entered as a positive number. |

Line 6E Premium Adjustment for Schedule Rating Plan. This represents the premium impact resulting from the use of a schedule rating plan. If this impact was to increase the otherwise premium applicable, this impact should be entered as a negative number, and vice-versa.

Line 6F Premium Adjustment for Merit Rating Plan. This represents the premium impact resulting from the use of a merit rating plan. If this impact was to increase the otherwise premium applicable, this impact should be entered as a negative number, and vice-versa.

Line 6G Employer Assessments. This represents the assessments for the maintenance of the Subsequent Injury Fund, the Supersedeas Fund and the Administration Fund for policies effective July 1, 1998 through September 30, 1999, inclusive. Do not include employer assessments on policies effective October 1, 1999 and subsequent. This amount should be entered as a positive number.

Line 6H Total Adjustment. This is the sum of Line 6A, Line 6B, Line 6C, Line 6D, Line 6E, Line 6F, and Line 6G.

Line 7 Loss Costs. This is the sum of Line 5 and Line 6H.

Line 8A Small Deductible Premium Adjustment. This represents the reduction to premium as a result of writing small deductible policies and should be entered as a positive amount. The adjustment, when added to small deductible policy premiums, will yield the full coverage premium applicable if there had been no small deductible policies written. The adjustment should be on a standard earned premium basis at designated statistical reporting levels consistent with Line 7.

Line 8B Large Deductible Premium Adjustment. This represents the reduction to premium as a result of writing large deductible policies and should be entered as a positive amount. The adjustment, when added to large deductible policy premiums, will yield the full coverage premium applicable if there had been no large deductible policies written. The adjustment should be on a standard earned premium basis at designated statistical reporting levels consistent with Line 7.

Lines 9A-9G Unpaid losses should be valued as of December 31 and should include a provision for incurred but not reported (IBNR) losses including bulk reserves.

Lines 9A through 9C should show all deductibles on an 'as written' basis.

Lines 9D through 9G should show the adjustment of losses from the deductible policies to a 'first dollar' basis. That is, subtract the paid loss as a result of issuing deductible policies from the paid loss of the same policies as if there were no deductibles. Generally, this amount should be entered as a positive number.

Line 9H This is the sum of Line 9D, Line 9E, Line 9F, and Line 9G.

NOTE: Premium reporting for Statistical Codes 9740 and 9741 should be excluded from Parts A-1 through A-4 and included only on Part A-5 (even though the exclusive reporting for those codes on Parts A-9740 and A-9741 is no longer required).