

April 6, 2023

CIRCULAR LETTER NO. 2413

To All Members and Subscribers of the WCRIBMA:

GENERAL REVISION OF RATES

**EFFECTIVE JULY 1, 2023
APPLICABLE TO NEW AND RENEWAL BUSINESS**

The Commissioner of Insurance has approved a Stipulation for the general revision of workers' compensation rates, effective 12:01 A.M., July 1, 2023, applicable to new and renewal policies. This includes:

1. **RATE LEVEL DECREASE OF 10.2%**
The overall average decrease of 10.2% in the existing workers' compensation average rates will vary by class.
2. **EXPERIENCE RATING PLAN CHANGES**
The Experience Rating Plan Expected Loss Rates and D-Ratios will be revised.
3. **RETROSPECTIVE RATE PLAN CHANGES**
State Special Rating Values for retrospective rating will be changing, including excess loss factors and hazard group differentials. The various tables of retrospective expense ratios will be revised.
4. **F – CLASSES - OVERALL RATE LEVEL DECREASE OF 15.6%**
The overall average decrease of 15.6% in the existing workers' compensation F- Class average rates will vary by class.
5. **USL&HW ACT COVERAGE PERCENTAGE APPLICABLE TO NON-F CLASSIFICATIONS**
The percentage applicable in connection with Rule XII-D-3-b "U.S. Longshore and Harbor Workers' Compensation Act" will be revised.
6. **USL&HW ACT EXPECTED LOSS FACTOR APPLICABLE TO NON-F CLASSIFICATIONS**
The factor used to modify the expected loss rate for a state class whose rate was modified in accordance with Rule XII-D-3-b "U.S. Longshore and Harbor Workers' Compensation Act" will be revised.

7. SMALL DEDUCTIBLE CREDITS

The premium credits applicable to the election of small deductibles under either the Massachusetts Benefits Deductible Program or the Massachusetts Benefits Claim and Aggregate Deductible Program will be revised.

8. DISEASE ELEMENTS TABLE

The rates associated with Class 0059, 0065, 0066 and 0067 will change.

9. NO CHANGES IN THE FOLLOWING:

- A. Expense Constants
- B. Loss Constants
- C. Admiralty Law and Federal Employers' Liability Act classifications
- D. Merit Rating Program
- E. Massachusetts Construction Classification Premium Adjustment Program ("MCCPAP")
- F. Premium Discount Tables A and B

Experience ratings and ARAP factors (including replacement of preliminary experience ratings and ARAP factors) effective July 1, 2023 and subsequent will be issued in due course using the new rating values.

MCCPAP Factors effective July 1, 2023 and subsequent will be revised in due course using the revised experience rating offset.

When the new rates and experience ratings are received and incorporated into policy issuance, carriers should no longer attach Massachusetts Pending Premium Change Endorsement WC 20 04 01 to policies. Revised Massachusetts manual rate pages will be available on our website at www.wcribma.org. The new rates and rating values will also be available in electronic form (Microsoft Excel and text files) on our website. Attached is a copy of the Commissioner's Decision and Order and the Stipulation.

DANIEL JUDSON
President

Attachments