

**2009 Report on  
Workers' Compensation Insurance**



**October, 2009**

## Executive Summary

- The National Council on Compensation Insurance, Inc. (“NCCI”) filed for an increase of 3.2 percent in pure premium loss cost/rates in August 2009, with a proposed effective date of January 1, 2010. The Maryland Insurance Administration has referred the filing to its outside consulting actuary for a detailed review and analysis. This rate filing follows rate decreases for 2007, 2008 and 2009.
- Employers are required to purchase workers’ compensation insurance from an insurance company authorized to write workers’ compensation insurance in the State, from the Injured Workers’ Fund (“IWIF”), which is both a competitive insurer and the insurer of last resort for workers’ compensation, or, subject to regulatory approval, some employers may self-insure.
- Over 100 insurers offer workers’ compensation insurance to Maryland employers. Workers’ compensation insurance is the third largest line in property and casualty insurance following auto insurance and homeowners insurance.
- The top eight workers’ compensation insurance groups wrote a little over 70 percent of the market in 2007 and 2008 (72.5 percent and 72.32 percent, respectively). IWIF is the largest writer of workers’ compensation insurance. The largest market share for any other single insurance group, not an individual company, is approximately eleven percent (11%) and is written by The Hartford Fire and Casualty Group.
- (NCCI) files “pure premium loss cost” rates with the MIA on behalf of all insurers except IWIF. No insurer may use the NCCI’s “pure premium loss cost” until approved by the MIA.
- The insurer’s rate is derived by multiplying NCCI’s “pure premium loss cost” by the expense multiplier. The expense multiplier includes provisions for profit, administrative expenses and loss adjustment expenses. Insurers may begin to charge premiums based on the specific expense multiplier as soon as it has been filed with the MIA.
- Three years of overall decreases with only a modest increase this year in pure premium loss costs/rates is good news for Maryland’s employers.
- Maryland’s workers’ compensation insurance market remains competitive. Employers should find their cost for workers’ compensation relatively stable and affordable.

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## **Introduction**

Annually, the Maryland Insurance Administration (“MIA”) is required to provide information to the Workers’ Compensation Benefit and Insurance Oversight Committee regarding the condition of the workers’ compensation insurance market in Maryland. (See Chapter 590, Acts 1987; Chapter 119, Acts 1993; and Chapter 352, Acts 1995.) This report summarizes the workers’ compensation insurance market in Maryland through 2008; including an overview of this line of insurance, the insurers writing this business, market concentration, the process for determining rates, and the Terrorism Risk Insurance Program.

## **Overview**

Since the early 1900s, every state has required employers to provide some form of protection for its employees who are injured while working. Workers’ compensation laws are based on a no-fault system designed to compensate workers who sustain accidental injuries arising out of and in the course of their employment. The forms of compensation may include payment for medical services, rehabilitation services, lost or replacement income, and any permanent partial or permanent total disability the worker may sustain as a result of the work-related injury or occupational disease. When a worker is killed or dies as a result of a work-related injury or disease, the benefits may also include funeral expenses and survivor benefits.

Workers’ compensation insurance provides workers with the assurance that, in the event of an accident, injury or occupational disease, they will be compensated. Employers may purchase workers’ compensation insurance from an insurance company authorized to write workers’ compensation insurance in the State, from the Injured Workers’ Fund (“IWIF”), which is the insurer of last resort for workers’ compensation, or, with regulatory approval<sup>1</sup>, some employers may self-insure.

Workers’ compensation insurance has a “long-tail” as claims may be open for long

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<sup>1</sup> In order to be self-insured, approval must be obtained from either the Workers’ Compensation Commission or the Maryland Insurance Administration, depending on the nature of the employer seeking to self-insure.

periods of time, benefits may be awarded in stages and in various combinations of disability determinations and claims may be reopened at a later point in time resulting in the payment of additional benefits. All of this makes it difficult to accurately predict costs.

Maryland's Workers' Compensation Commission's Fee Guide is one tool Maryland has used to curtail medical cost increases and make it easier for workers' compensation insurers to predict losses. In an effort to further decrease medical cost trends, some workers' compensation insurers have entered into contracts with Preferred Provider Organizations (PPOs). Providers contracting with a PPO may agree to accept a lower fee than that established by the Workers' Compensation Commission's Fee Guide. If an injured worker receives services from this provider, the workers' compensation insurer pays the provider in accordance with the PPO contracted rate or the Workers' Compensation Commission's Fee Guide, whichever is less.

## **Workers' Compensation Insurers**

Over 100 insurers, including IWIF, offer workers' compensation insurance to Maryland employers. Together, these insurers had \$868,404,768 direct written premium in 2008. This represents 9.9 percent of the direct written premiums written by all property and casualty insurers, making workers' compensation insurance the third largest line in property and casualty insurance following auto insurance and homeowners insurance.

The top eight workers' compensation insurance groups wrote a little over 70 percent of the market in 2007 and 2008 (72.5 percent and 72.3 percent, respectively). Table 1 shows the market share for each of these insurance groups. (See Exhibit 2 for a complete list of the market share for all companies.)

As Table 1 illustrates, IWIF is the largest writer of workers' compensation insurance in the State with a market share of almost 25% in 2008; a slight decrease from 2007. The largest market share for any other single insurance group, not an individual company, is approximately eleven percent (11%) as represented by the Hartford Fire and Casualty Group.

<b>Table 1: Market Share Largest Writers, 2007 and 2008</b>		
<b>Insurance Group</b>	<b>Market Share, 2007 (in percent)</b>	<b>Market Share, 2008 (in percent)</b>
IWIF	27.8	24.9
Hartford Fire and Casualty Group	10.7	11.2
Liberty Mutual Group	8.0	9.5
American International Group	8.2	7.3
Travelers Group	5.3	6.4
Zurich Insurance Group	4.3	4.9
Erie Insurance Group	4.7	4.7
Selective Insurance Group	3.5	3.3

A common measure used in insurance to determine how much of the premium dollar is used to cover benefits is the loss ratio. A loss ratio of 70 percent, for example, means the insurer spent 70 cents of each dollar collected through direct written premium on benefits. As a group, workers' compensation insurers had a collective loss ratio of 84.36 percent in 2007 and 86.13 percent in 2008. The largest individual company, IWIF, had a loss ratio of 95.32 percent in 2007 and 86.13 percent in 2008.

## **Rates**

There are two types of regulation of insurer rates, prior approval and competitive rating (also known as "file and use"). Under prior approval, insurers must file their proposed rates with the MIA and may only begin to use these rates to determine the premium for a particular risk after the company receives approval for the rates. Under competitive rating, insurers file their proposed rates with the MIA and may begin to use these rates to determine the premium for a particular risk as soon as the filing has been received.

In Maryland, workers' compensation insurance is a blend of prior approval and competitive rating. In this line, all insurers -- with the exception of IWIF -- are required to subscribe to the National Council on Compensation Insurance, Inc. ("NCCI"). NCCI is a licensed rating and advisory organization. NCCI files "pure premium loss cost" rates with the MIA. A "pure premium loss cost" rate reflects the actual loss costs which include the cost of medical care, the frequency and severity of injuries, the indemnity benefits which are tied to wages and the economic cycles. Pure premium loss cost does not,

however, contemplate any other costs associated with writing workers' compensation insurance, such as profit, commissions, taxes or the expenses associated with providing the benefits to the injured worker (known as the loss adjustment expenses). No insurer may use NCCI's "pure premium loss cost" until it has been approved by the MIA. The rates are usually effective beginning January 1 of each year.

Once the MIA has approved the NCCI's "pure premium loss cost", insurers submit independent rate filings. These filings adopt the NCCI pure premium loss cost and then include the insurer's expense multipliers. The expense multipliers include provisions for the insurer's profit, administrative expenses and loss adjustment expenses. The insurer's rate is derived by multiplying NCCI's "pure premium loss cost" by the expense multiplier. These rate filings are made under competitive rating which means that insurers may begin to charge premiums based on the specific expense multiplier as soon as it has been filed with the MIA.

Unlike other workers' compensation insurers, IWIF is not a subscriber to NCCI. IWIF is not required to file its rates either under prior approval or competitive rating with the MIA.

Data from NCCI shows that the combined average bureau rate and loss cost changes of all states was a modest increase for the period 2000 through 2003. For the period 2004 through 2009, there were modest rate decreases as the claim frequency declines in combination with payroll growth offset loss severity increases.

Maryland deviated slightly from this pattern. As shown in Exhibit 5, NCCI loss costs/pure premium rates decreased in 2004, 2007, 2008 and 2009 but increased in 2001, 2003, 2005, 2006 and 2010.

The NCCI filed its pure premium loss cost rate for Maryland with the MIA in August 2009 proposing an effective date of January 1, 2010. The overall change for this filing is a modest increase of 3.2 percent. This reflects a change of positive 1.4 percent due to experience, a 0.0 percent change in trends and a positive 1.8 percent change due to an increase in the cost of benefits. Thus, more than half of the proposed increase of 3.2 percent is due to changes in benefits (1.8%).

An increase in pure premium loss cost rate does not mean all employers will see a premium

increase. The premium an employer is charged depends on the employer's classification and other factors. Some employers may receive premium decreases while others may see premium increases. Nonetheless, three past years of overall decreases in pure premium loss cost rates, with only a modest increase this year, is good news for Maryland's employers.

Although low investment income often foretells change, stable loss costs may help to moderate this underwriting cycle, keeping workers' compensation insurance premiums more predictable for Maryland's employers.

## **Terrorism Risk Insurance Program**

In 2002, the Congress enacted the Terrorism Risk Insurance Program ("TRIP") to create a federal reinsurance program for insurance companies to assist them in paying for claims relating to acts of terrorism. As workers' compensation insurers cannot exclude terrorism coverage from its policies, these insurers benefit from this federal back stop. The program was intended to be a temporary measure to allow time for insurers to develop solutions and products to insure against acts of terrorism. The Act was set to expire in 2005 but was extended until 2007. In December of 2007, it was extended for another seven years or until December 31, 2014.

The seven year extension is expected to give more certainty to the market than the previous two year extensions. NCCI continues to work with a catastrophe modeler to remodel terrorism exposure.

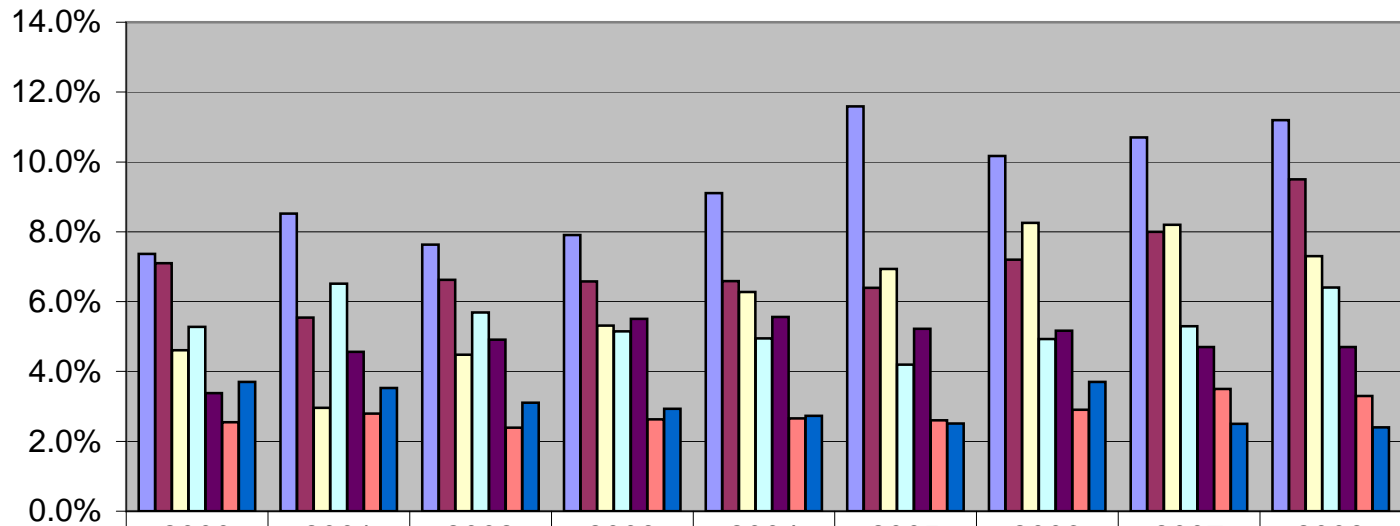
## **Conclusion**

With over 100 insurance groups reporting workers' compensation insurance premium earned in Maryland, this line of insurance remains competitive. Three years of decreases in NCCI pure premium loss cost rates with only a modest increase this year means many employers have had relatively stable costs for workers' compensation insurance.

The MIA will continue to monitor trends in this insurance line, closely watching the impact of lower investment income on this business.



## Comparison of Large Insurance Group Market Shares for 2000 to 2008



	2000	2001	2002	2003	2004	2005	2006	2007	2008
■ Hartford Group	7.4%	8.5%	7.6%	7.9%	9.1%	11.6%	10.2%	10.7%	11.2%
■ Liberty Mutual Group	7.1%	5.5%	6.6%	6.6%	6.6%	6.4%	7.2%	8.0%	9.5%
■ American International Group	4.6%	3.0%	4.5%	5.3%	6.3%	6.9%	8.3%	8.2%	7.3%
■ St. Paul Travelers Group	5.3%	6.5%	5.7%	5.2%	5.0%	4.2%	4.9%	5.3%	6.4%
■ Erie Insurance Group	3.4%	4.6%	4.9%	5.5%	5.6%	5.2%	5.2%	4.7%	4.7%
■ Selective Insurance Group	2.6%	2.8%	2.4%	2.6%	2.7%	2.6%	2.9%	3.5%	3.3%
■ CNA Group	3.7%	3.5%	3.1%	2.9%	2.7%	2.5%	3.7%	2.5%	2.4%

St. Paul and Travelers merged at the end of 2003

**Exhibit 1**

## Workers Compensation Market Share by Insurer Group

2008 Rank	2008 Group Code	Company Name	2008 Written Premium	2008 Group Market Share
1	0	INJURED WORKERS INS FUND	216,458,519	24.93%
2	91	HARTFORD FIRE & CAS GRP	97,540,291	11.23%
3	111	LIBERTY MUT GRP	82,649,405	9.52%
4	12	AMERICAN INTL GRP	63,020,223	7.26%
5	3548	TRAVELERS GRP	55,814,774	6.43%
6	212	ZURICH INS GRP	42,767,898	4.92%
7	213	ERIE INS GRP	41,161,625	4.74%
8	242	SELECTIVE INS GRP	28,532,854	3.29%
9	767	PENNSYLVANIA MANUFACTURERS GRP	25,750,045	2.97%
10	218	CNA INS GRP	20,548,799	2.37%
11	140	NATIONWIDE CORP GRP	14,946,984	1.72%
12	98	WR BERKLEY CORP GRP	12,608,633	1.45%
13	626	ACE LTD GRP	12,499,798	1.44%
14	244	CINCINNATI FIN GRP	12,265,881	1.41%
15	38	CHUBB & SON INC GRP	11,744,485	1.35%
16	447	HARFORD GRP	10,844,769	1.25%
17	176	STATE FARM GRP	10,439,902	1.20%
18	661	BCBS OF SC GRP	6,757,166	0.78%
19	680	AMERISAFE GRP	6,434,646	0.74%
20	457	ARGONAUT GRP	6,209,415	0.72%
21	201	UTICA GRP	5,107,339	0.59%
22	150	OLD REPUBLIC GRP	4,894,627	0.56%
23	253	HARLEYSVILLE GRP	4,458,573	0.51%
24	828	GUARD INS CO GRP	4,421,944	0.51%
25	175	STATE AUTO MUT GRP	4,114,718	0.47%
26	0	BRETHREN MUT INS CO	3,881,441	0.45%
27	250	DONEGAL GRP	3,881,036	0.45%
28	271	PENNSYLVANIA NATL INS GRP	3,816,477	0.44%
29	4381	LIGHTYEAR DELOS GRP	3,793,999	0.44%
30	640	MUTUAL BENEFIT GRP	3,348,400	0.39%
31	1279	ARCH INS GRP	3,148,017	0.36%
32	2538	AMTRUST GRP	2,859,128	0.33%
33	761	ALLIANZ INS GRP	2,775,357	0.32%

## Workers Compensation Market Share by Insurer Group

2008 Rank	2008 Group Code	Company Name	2008 Written Premium	2008 Group Market Share
34	408	AMERICAN NATL FIN GRP	2,707,308	0.31%
35	169	SENTRY INS GRP	2,273,524	0.26%
36	88	THE HANOVER INS GRP	2,206,997	0.25%
37	3158	EASTERN HOLDING CO GRP	2,093,839	0.24%
38	1129	WHITE MOUNTAINS GRP	1,872,128	0.22%
39	158	FAIRFAX FIN GRP	1,731,759	0.20%
40	0	SEABRIGHT INS CO	1,604,331	0.18%
41	7	FEDERATED MUT GRP	1,543,147	0.18%
42	311	MAIN STREET AMER GRP	1,513,233	0.17%
43	1120	EVEREST REINS HOLDINGS GRP	1,390,926	0.16%
44	0	BROTHERHOOD MUT INS CO	1,315,463	0.15%
45	2978	MITSUI SUMITOMO INS GRP	1,275,515	0.15%
46	57	ELECTRIC INS GRP	1,264,216	0.15%
47	748	MEADOWBROOK INS GRP	1,259,288	0.15%
48	572	BCBS OF MI GRP	1,101,108	0.13%
49	31	BERKSHIRE HATHAWAY GRP	1,093,259	0.13%
50	0	VANLINER INS CO	1,055,936	0.12%
51	1285	XL AMER GRP	1,034,545	0.12%
52	84	AMERICAN FINANCIAL GRP	956,538	0.11%
53	867	BALDWIN & LYONS GRP	760,541	0.09%
54	0	CHURCH MUT INS CO	667,507	0.08%
55	228	WESTFIELD GRP	559,800	0.06%
56	74	DELPHI FIN GRP	554,567	0.06%
57	3098	TOKIO MARINE HOLDINGS INC GRP	531,612	0.06%
58	3363	EMPLOYERS GRP	527,135	0.06%
59	594	AMERICAN CONTRACTORS INS GRP	518,187	0.06%
60	349	FLORISTS MUT GRP	493,772	0.06%
61	125	PENN MILLER GRP	458,051	0.05%
62	0	SOUTHERN STATES INS EXCH	426,554	0.05%
63	303	GUIDEONE INS GRP	396,880	0.05%
64	796	QBE INS GRP	334,252	0.04%
65	3703	TOWER GRP	319,215	0.04%
66	775	PHARMACISTS MUT GRP	269,356	0.03%

## Workers Compensation Market Share by Insurer Group

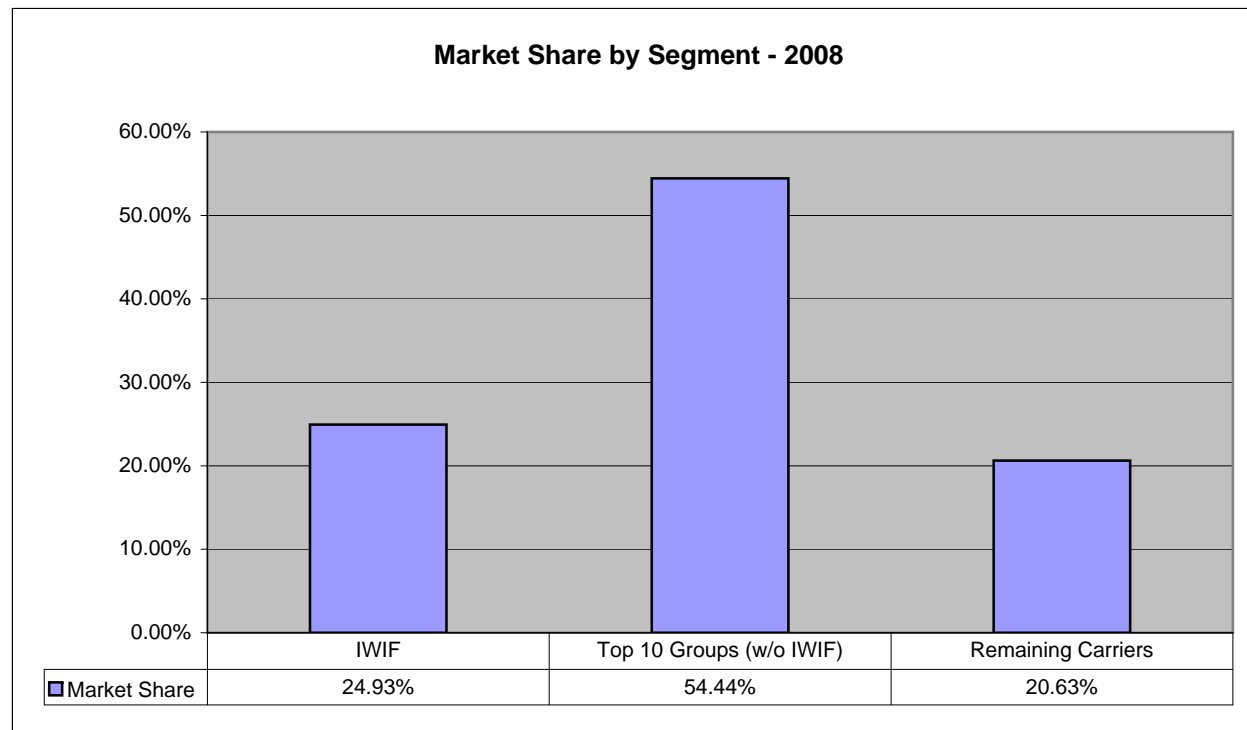
2008 Rank	2008 Group Code	Company Name	2008 Written Premium	2008 Group Market Share
67	124	AMERISURE CO GRP	222,607	0.03%
68	306	CUNA MUT GRP	212,673	0.02%
69	0	FEDERATED RURAL ELECTRIC INS EXCH	206,411	0.02%
70	222	GREATER NY GRP	199,673	0.02%
71	812	HIGHMARK GRP	196,503	0.02%
72	0	FIRST NONPROFIT INS CO	190,452	0.02%
73	181	SWISS RE GRP	183,099	0.02%
74	336	ZENITH NATL INS GRP	160,967	0.02%
75	62	EMC INS CO GRP	139,924	0.02%
76	3499	PROVIDENCE HOLDINGS INC GRP	139,575	0.02%
77	3219	SOMPO JAPAN INS GRP	129,621	0.01%
78	853	PUBLIC SERV GRP	121,351	0.01%
79	0	SPARTA INS CO	120,885	0.01%
80	225	IAT REINS CO GRP	88,201	0.01%
81	4254	THE WARRANTY GRP	69,557	0.01%
82	781	UNION LABOR GRP	67,749	0.01%
83	0	CHEROKEE INS CO	66,183	0.01%
84	0	WORK FIRST CAS CO	63,688	0.01%
85	1631	DALLAS GEN GRP	61,837	0.01%
86	361	MUNICH RE GRP	55,966	0.01%
87	0	T.H.E. INS CO	53,093	0.01%
88	0	NATIONAL AMER INS CO	47,097	0.01%
89	4463	ROCKHILL HOLDING GRP	37,832	0.0044%
90	108	LUMBERMENS MUT CAS GRP	30,917	0.0036%
91	0	GATEWAY INS CO	22,994	0.0026%
92	291	MOTORISTS MUT	20,564	0.0024%
93	1332	MAINE EMPLOYERS MUT INS GRP	18,396	0.0021%
94	0	NIPPONKOA INS CO LTD US BR	13,709	0.0016%
95	0	PETROLEUM CAS CO	6,315	0.0007%
96	0	LUMBERMENS UNDERWRITING ALLIANCE	5,937	0.0007%
97	0	PEGASUS INS CO	5,543	0.0006%
98	24	ATLANTIC CO GRP	1,308	0.0002%
99	1302	BUILDERS INS GRP	47	0.0000%

## Workers Compensation Market Share by Insurer Group

2008 Rank	2008 Group Code	Company Name	2008 Written Premium	2008 Group Market Share
100	256	NEW YORK MARINE & GEN GRP	0	0.0000%
101	0	BANCINSURE INC	-712	n/a
102	0	DAIMLERCHRYSLER INS CO	-4,810	n/a
103	0	PENNSYLVANIA LUMBERMENS MUT INS	-7,393	n/a
104	553	ARROWPOINT CAPITAL GRP	-18,471	n/a
105	1326	KINGSWAY GRP	-21,498	n/a
106	517	HANNOVER GRP	-110,679	n/a

INDUSTRY TOTALS

868,404,768



2008 Rank	Group Code	2008 Group Name	2008 Group Written Premium	2008 Company Name	2008 Company Written Premium
1	0	INJURED WORKERS INS FUND	216,458,519	INJURED WORKERS INS FUND	216,458,519
2	91	HARTFORD FIRE & CAS GRP	97,540,291	TWIN CITY FIRE INS CO CO	35,453,300
				HARTFORD INS CO OF THE MIDWEST	20,848,605
				SENTINEL INS CO LTD	12,627,008
				HARTFORD UNDERWRITERS INS CO	10,652,664
				HARTFORD FIRE IN CO	9,510,244
				HARTFORD CAS INS CO	6,694,578
				HARTFORD ACCIDENT & IND CO	1,753,892
3	111	LIBERTY MUT GRP	82,649,405	LIBERTY INS CORP	27,566,613
				NETHERLANDS INS CO THE	8,394,909
				WAUSAU UNDERWRITERS INS CO	6,544,358
				LIBERTY MUT FIRE INS CO	6,345,082
				EMPLOYERS INS OF WAUSAU	5,258,703
				PEERLESS INS CO	4,223,370
				AMERICAN FIRE & CAS CO	3,826,418
				EXCELSIOR INS CO	3,737,727
				WAUSAU BUSINESS INS CO	3,026,908
				MONTGOMERY MUT INS CO	2,954,204
				FIRST LIBERTY INS CORP	2,858,325
				OHIO SECURITY INS CO	1,794,924
				WEST AMERICAN INS CO	1,694,612
				LM INS CORP	1,111,003
				OHIO CAS INS CO	1,042,720
				AMERICAN STATES INS CO	695,990
				AMERICAN ECONOMY INS CO	635,627
				LIBERTY MUT INS CO	545,072
				GENERAL INS CO OF AMER	167,872
				FIRST NATL INS CO OF AMER	161,341
				PEERLESS IND INS CO	63,627

2008 Rank	Group Code	2008 Group Name	2008 Group Written Premium	2008 Company Name	2008 Company Written Premium
4	12	AMERICAN INTL GRP	63,020,223	NEW HAMPSHIRE INS CO	16,756,781
				NATIONAL UNION FIRE INS CO OF PITTS	12,296,288
				INSURANCE CO OF THE STATE OF PA	12,031,930
				COMMERCE & INDUSTRY INS CO	10,563,764
				AMERICAN HOME ASSUR CO	4,494,014
				AMERICAN INTL S INS CO	3,909,494
				ILLINOIS NATL INS CO	1,606,058
				AIG CAS CO	1,308,082
				GRANITE STATE INS CO	229,883
				AMERICAN INTL SPECIALTY LINES INS CO	13,217
				AIU INS CO	-189,288
5	3548	TRAVELERS GRP	55,814,774	CHARTER OAK FIRE INS CO	17,813,509
				TRAVELERS IND CO	7,936,707
				FARMINGTON CAS CO	5,165,407
				STANDARD FIRE INS CO	5,097,020
				TRAVELERS CAS & SURETY CO	3,883,699
				TRAVELERS PROPERTY CAS CO OF AMER	3,609,903
				TRAVELERS CAS INS CO OF AMER	3,166,639
				PHOENIX INS CO	3,157,757
				TRAVELERS IND CO OF CT	2,100,902
				TRAVELERS IND CO OF AMER	1,564,787
				US FIDELITY & GUARANTY CO	1,525,417
				DISCOVER PROP & CAS INS CO	744,330
				FIDELITY & GUAR INS CO	62,987
				ST PAUL MERCURY INS CO	16,850
				FIDELITY & GUAR INS UNDERWRITERS INC	11,465
				ST PAUL GUARDIAN INS CO	3,911
				ATHENA ASSUR CO	-75
				ST PAUL FIRE & MARINE INS CO	-46,441
6	212	ZURICH INS GRP	42,767,898	ZURICH AMERICAN INS CO	22,172,776
				AMERICAN ZURICH INS CO	15,320,552
				NORTHERN INS CO OF NY	1,295,803
				AMERICAN GUAR & LIAB INS	1,270,167
				MARYLAND CAS CO	1,248,015
				ZURICH AMERICAN INS CO OF IL	351,092
				ASSURANCE CO OF AMER	339,361
				FIDELITY & DEPOSIT CO OF MD	333,733
				UNIVERSAL UNDERWRITERS INS CO	214,782
				TRUCK INS EXCH	156,680
				COLONIAL AMER CAS & SURETY CO	64,937

2008 Rank	Group Code	2008 Group Name	2008 Group Written Premium	2008 Company Name	2008 Company Written Premium
7	213	<b>ERIE INS GRP</b>	<b>41,161,625</b>	ERIE INS EXCH	30,375,119
				FLAGSHIP CITY INS CO	5,849,602
				ERIE INS CO OF NY	2,103,267
				ERIE INS CO	1,695,613
				ERIE INS PROP & CAS CO	1,138,024
8	242	<b>SELECTIVE INS GRP</b>	<b>28,532,854</b>	SELECTIVE INS CO OF AMER	13,901,844
				SELECTIVE WAY INS CO	10,295,761
				SELECTIVE INS CO OF SC	4,335,249
9	767	<b>PENNSYLVANIA MANUFACTURERS GRP</b>	<b>25,750,045</b>	PENNSYLVANIA MANUFACTURERS ASSOC IN:	14,628,897
				MANUFACTURERS ALLIANCE INS CO	6,855,234
				PENNSYLVANIA MANUFACTURERS IND CO	4,265,914
10	218	<b>CNA INS GRP</b>	<b>20,548,799</b>	VALLEY FORGE INS CO	6,510,936
				CONTINENTAL CAS CO	5,105,640
				TRANSPORTATION INS CO	3,972,331
				NATIONAL FIRE INS CO OF HARTFORD	2,637,887
				AMERICAN CAS CO OF READING PA	2,334,771
				CONTINENTAL INS CO	-12,766
11	140	<b>NATIONWIDE CORP GRP</b>	<b>14,946,984</b>	NATIONWIDE MUT INS CO	5,529,076
				NATIONWIDE MUT FIRE INS CO	5,421,729
				AMCO INS CO	1,560,963
				NATIONWIDE PROP & CAS INS CO	904,500
				NATIONWIDE AGRIBUSINESS INS CO	643,290
				DEPOSITORS INS CO	561,014
				ALLIED PROP & CAS INS CO	282,079
				FARMLAND MUT INS CO	44,333
12	98	<b>WR BERKLEY CORP GRP</b>	<b>12,608,633</b>	FIREMENS INS CO OF WASHINGTON DC	5,965,983
				UNION INS CO	2,832,729
				AMERICAN MINING INS CO INC	1,936,777
				ACADIA INS CO	638,254
				KEY RISK INS CO	497,234
				MIDWEST EMPLOYERS CAS CO	484,262
				GREAT DIVIDE INS CO	155,381
				CAROLINA CAS INS CO	92,352
				STARNET INS CO	5,661



<b>2008 Rank</b>	<b>Group Code</b>	<b>2008 Group Name</b>	<b>2008 Group Written Premium</b>	<b>2008 Company Name</b>	<b>2008 Company Written Premium</b>
13	626	<b>ACE LTD GRP</b>	<b>12,499,798</b>	INDEMNITY INS CO OF NORTH AMER ACE AMER INS CO ACE PROP & CAS INS CO PACIFIC EMPLOYERS INS CO ACE FIRE UNDERWRITERS INS CO BANKERS STANDARD INS CO INSURANCE CO OF N AMER	5,437,119 4,709,875 1,189,816 793,831 243,671 132,993 -7,507
14	244	<b>CINCINNATI FIN GRP</b>	<b>12,265,881</b>	CINCINNATI INS CO CINCINNATI CAS CO THE CINCINNATI INDEMNITY CO	4,459,926 4,411,092 3,394,863
15	38	<b>CHUBB &amp; SON INC GRP</b>	<b>11,744,485</b>	FEDERAL INS CO PACIFIC IND CO CHUBB IND INS CO GREAT NORTHERN INS CO VIGILANT INS CO	7,537,460 1,633,256 1,590,542 643,442 339,785
16	447	<b>HARFORD GRP</b>	<b>10,844,769</b>	HARFORD MUT INS CO FIRSTLINE NATL INS CO	10,762,409 82,360
17	176	<b>STATE FARM GRP</b>	<b>10,439,902</b>	STATE FARM FIRE AND CAS CO	10,439,902
18	661	<b>BCBS OF SC GRP</b>	<b>6,757,166</b>	COMPANION COMMERCIAL INS CO COMPANION PROP & CAS INS CO	3,668,718 3,088,448
19	680	<b>AMERISAFE GRP</b>	<b>6,434,646</b>	AMERICAN INTERSTATE INS CO	6,434,646
20	457	<b>ARGONAUT GRP</b>	<b>6,209,415</b>	ROCKWOOD CAS INS CO COLONY SPECIALTY INS CO ARGONAUT INS CO ARGONAUT MIDWEST INS CO	5,162,498 500,310 396,100 150,507
21	201	<b>UTICA GRP</b>	<b>5,107,339</b>	GRAPHIC ARTS MUT INS CO REPUBLIC-FRANKLIN INS CO UTICA MUT INS CO	1,919,569 1,668,002 1,519,768
22	150	<b>OLD REPUBLIC GRP</b>	<b>4,894,627</b>	OLD REPUBLIC INS CO OLD REPUBLIC GEN INS CORP BITUMINOUS CAS CORP BITUMINOUS FIRE & MARINE INS CO GREAT WEST CAS CO	2,272,897 1,439,650 840,544 341,540 -4

2008 Rank	Group Code	2008 Group Name	2008 Group Written Premium	2008 Company Name	2008 Company Written Premium
23	253	<b>HARLEYSVILLE GRP</b>	<b>4,458,573</b>	HARLEYSVILLE MUT INS CO	2,658,765
				HARLEYSVILLE PREFERRED INS CO	1,746,485
				HARLEYSVILLE INS CO	53,323
24	828	<b>GUARD INS CO GRP</b>	<b>4,421,944</b>	NORGUARD INS CO	2,547,772
				AMGUARD INS CO	1,307,926
				EASTGUARD INS CO	566,246
25	175	<b>STATE AUTO MUT GRP</b>	<b>4,114,718</b>	STATE AUTO PROP & CAS INS CO	2,729,956
				STATE AUTOMOBILE MUT INS CO	1,047,386
				MERIDIAN SECURITY INS CO	337,376
26	0	<b>BRETHREN MUT INS CO</b>	<b>3,881,441</b>	BRETHREN MUT INS CO	3,881,441
27	250	<b>DONEGAL GRP</b>	<b>3,881,036</b>	DONEGAL MUT INS CO	1,623,268
				ATLANTIC STATES INS CO	1,612,412
				PENINSULA INS CO	645,356
28	271	<b>PENNSYLVANIA NATL INS GRP</b>	<b>3,816,477</b>	PENNSYLVANIA NATL MUT CAS INS CO	2,264,294
				PENN NATL SECURITY INS CO	1,552,183
29	4381	<b>LIGHTYEAR DELOS GRP</b>	<b>3,793,999</b>	DELOS INS CO	3,793,999
30	640	<b>MUTUAL BENEFIT GRP</b>	<b>3,348,400</b>	MUTUAL BENEFIT INS CO	2,951,738
				SELECT RISK INS CO	396,662
31	1279	<b>ARCH INS GRP</b>	<b>3,148,017</b>	ARCH INS CO	3,148,017
32	2538	<b>AMTRUST GRP</b>	<b>2,859,128</b>	TECHNOLOGY INS CO INC	2,835,528
				WESCO INS CO	23,600
33	761	<b>ALLIANZ INS GRP</b>	<b>2,775,357</b>	AMERICAN INS CO	1,047,034
				ASSOCIATED IND CORP	983,596
				NATIONAL SURETY CORP	492,439
				FIREMANS FUND INS CO	227,940
				AMERICAN AUTOMOBILE INS CO	24,348
34	408	<b>AMERICAN NATL FIN GRP</b>	<b>2,707,308</b>	UNITED FARM FAMILY INS CO	2,707,308
35	169	<b>SENTRY INS GRP</b>	<b>2,273,524</b>	SENTRY INS A MUT CO	1,280,380
				SENTRY SELECT INS CO	989,660
				MIDDLESEX INS CO	3,484
36	88	<b>THE HANOVER INS GRP</b>	<b>2,206,997</b>	MASSACHUSETTS BAY INS CO	1,223,853
				HANOVER INS CO	445,535
				NOVA CAS CO	298,392
				HANOVER AMER INS CO	239,217
37	3158	<b>EASTERN HOLDING CO GRP</b>	<b>2,093,839</b>	EASTERN ALLIANCE INS CO	2,093,839
38	1129	<b>WHITE MOUNTAINS GRP</b>	<b>1,872,128</b>	ONEBEACON AMER INS CO	1,458,854
				EMPLOYERS FIRE INS CO	412,723
				ATLANTIC SPECIALTY INS CO	551

2008 Rank	Group Code	2008 Group Name	2008 Group Written Premium	2008 Company Name	2008 Company Written Premium
39	158	FAIRFAX FIN GRP	1,731,759	UNITED STATES FIRE INS CO	1,075,823
				NORTH RIVER INS CO	269,871
				CRUM & FORSTER IND CO	266,316
				SENECA INS CO INC	119,749
40	0	SEABRIGHT INS CO	1,604,331	SEABRIGHT INS CO	1,604,331
41	7	FEDERATED MUT GRP	1,543,147	FEDERATED MUT INS CO	1,524,052
				FEDERATED SERV INS CO	19,095
42	311	MAIN STREET AMER GRP	1,513,233	NGM INS CO	1,513,233
43	1120	EVEREST REINS HOLDINGS GRP	1,390,926	EVEREST NATL INS CO	1,390,926
44	0	BROTHERHOOD MUT INS CO	1,315,463	BROTHERHOOD MUT INS CO	1,315,463
45	2978	MITSUI SUMITOMO INS GRP	1,275,515	MITSUI SUMITOMO INS USA INC	1,185,349
				MITSUI SUMITOMO INS CO OF AMER	90,166
46	57	ELECTRIC INS GRP	1,264,216	ELECTRIC INS CO	1,264,216
47	748	MEADOWBROOK INS GRP	1,259,288	STAR INS CO	1,259,288
48	572	BCBS OF MI GRP	1,101,108	ACCIDENT FUND INS CO OF AMER	544,362
				ACCIDENT FUND NATL INS CO	527,472
				UNITED WI INS CO	29,274
49	31	BERKSHIRE HATHAWAY GRP	1,093,259	CONTINENTAL IND CO	1,093,259
50	0	VANLINER INS CO	1,055,936	VANLINER INS CO	1,055,936
51	1285	XL AMER GRP	1,034,545	XL SPECIALTY INS CO	1,030,885
				GREENWICH INS CO	3,660
52	84	AMERICAN FINANCIAL GRP	956,538	NATIONAL INTERSTATE INS CO	510,198
				GREAT AMER INS CO OF NY	262,527
				GREAT AMER ALLIANCE INS CO	142,083
				GREAT AMER INS CO	21,140
				GREAT AMER ASSUR CO	20,590
				REPUBLIC IND CO OF AMER	0
53	867	BALDWIN & LYONS GRP	760,541	PROTECTIVE INS CO	760,541
54	0	CHURCH MUT INS CO	667,507	CHURCH MUT INS CO	667,507
55	228	WESTFIELD GRP	559,800	WESTFIELD INS CO	559,800
56	74	DELPHI FIN GRP	554,567	SAFETY NATL CAS CORP	549,561
				SAFETY FIRST INS CO	5,006
57	3098	TOKIO MARINE HOLDINGS INC GRP	531,612	TOKIO MARINE & NICHIDO FIRE INS CO	530,926
				TRANS PACIFIC INS CO	686
58	3363	EMPLOYERS GRP	527,135	EMPLOYERS PREFERRED INS CO	526,362
				EMPLOYERS ASSUR CO	773
59	594	AMERICAN CONTRACTORS INS GRP	518,187	ACIG INS CO	518,187
60	349	FLORISTS MUT GRP	493,772	FLORISTS MUT INS CO	493,772
61	125	PENN MILLER GRP	458,051	PENN MILLERS INS CO	458,051
62	0	SOUTHERN STATES INS EXCH	426,554	SOUTHERN STATES INS EXCH	426,554

2008 Rank	Group Code	2008 Group Name	2008 Group Written Premium	2008 Company Name	2008 Company Written Premium
63	303	GUIDEONE INS GRP	396,880	GUIDEONE MUT INS CO	363,381
				GUIDEONE SPECIALTY MUT INS CO	33,499
64	796	QBE INS GRP	334,252	GENERAL CAS CO OF WI	215,729
				CAPITAL CITY INS CO INC	104,996
				REGENT INS CO	29,446
				SOUTHERN PILOT INS CO	-7,322
				PRAETORIAN INS CO	-8,597
65	3703	TOWER GRP	319,215	TOWER INS CO OF NY	319,207
				TOWER NATIONAL INS CO	8
66	775	PHARMACISTS MUT GRP	269,356	PHARMACISTS MUT INS CO	269,356
67	124	AMERISURE CO GRP	222,607	AMERISURE MUT INS CO	139,104
				AMERISURE INS CO	83,503
68	306	CUNA MUT GRP	212,673	CUMIS INS SOCIETY INC	212,673
69	0	FEDERATED RURAL ELECTRIC INS EXCI	206,411	FEDERATED RURAL ELECTRIC INS EXCH	206,411
70	222	GREATER NY GRP	199,673	GREATER NY MUT INS CO	205,744
				INSURANCE CO OF GREATER NY	-6,071
71	812	HIGHMARK GRP	196,503	HIGHMARK CAS INS CO	196,503
72	0	FIRST NONPROFIT INS CO	190,452	FIRST NONPROFIT INS CO	190,452
73	181	SWISS RE GRP	183,099	NORTH AMER SPECIALTY INS CO	149,821
				WESTPORT INS CORP	33,278
74	336	ZENITH NATL INS GRP	160,967	ZENITH INS CO	160,967
75	62	EMC INS CO GRP	139,924	EMPLOYERS MUT CAS CO	100,912
				EMCASCO INS CO	39,012
76	3499	PROVIDENCE HOLDINGS INC GRP	139,575	IMPERIAL CAS & IND CO	76,688
				PROVIDENCE PROPERTY & CAS INS CO	62,887
77	3219	SOMPO JAPAN INS GRP	129,621	SOMPO JAPAN INS CO OF AMER	129,621
78	853	PUBLIC SERV GRP	121,351	PUBLIC SERVICE MUT INS CO	121,351
79	0	SPARTA INS CO	120,885	SPARTA INS CO	120,885
80	225	IAT REINS CO GRP	88,201	TRANSGUARD INS CO OF AMER INC	65,263
				HARCO NATL INS CO	22,938
81	4254	THE WARRANTY GRP	69,557	VIRGINIA SURETY CO INC	69,557
82	781	UNION LABOR GRP	67,749	ULLICO CAS CO	67,749
83	0	CHEROKEE INS CO	66,183	CHEROKEE INS CO	66,183
84	0	WORK FIRST CAS CO	63,688	WORK FIRST CAS CO	63,688
85	1631	DALLAS GEN GRP	61,837	DALLAS NATL INS CO	61,837
86	361	MUNICH RE GRP	55,966	AMERICAN ALT INS CORP	55,966
87	0	T.H.E. INS CO	53,093	T.H.E. INS CO	53,093
88	0	NATIONAL AMER INS CO	47,097	NATIONAL AMER INS CO	47,097
89	4463	ROCKHILL HOLDING GRP	37,832	AMERICAN COMPENSATION INS CO	37,832

<b>2008 Rank</b>	<b>Group Code</b>	<b>2008 Group Name</b>	<b>2008 Group Written Premium</b>	<b>2008 Company Name</b>	<b>2008 Company Written Premium</b>
90	108	LUMBERMENS MUT CAS GRP	30,917	AMERICAN MOTORISTS INS CO	42,508
				LUMBERMENS MUT CAS CO	5,894
				AMERICAN MANUFACTURERS MUT INS CO	-17,485
91	0	GATEWAY INS CO	22,994	GATEWAY INS CO	22,994
92	291	MOTORISTS MUT	20,564	AMERICAN HARDWARE MUT INS CO	20,564
93	1332	MAINE EMPLOYERS MUT INS GRP	18,396	MEMIC IND CO	18,396
94	0	NIPPONKOA INS CO LTD US BR	13,709	NIPPONKOA INS CO LTD US BR	13,709
95	0	PETROLEUM CAS CO	6,315	PETROLEUM CAS CO	6,315
96	0	LUMBERMENS UNDERWRITING ALLIANC	5,937	LUMBERMENS UNDERWRITING ALLIANCE	5,937
97	0	PEGASUS INS CO	5,543	PEGASUS INS CO	5,543
98	24	ATLANTIC CO GRP	1,308	ATLANTIC MUT INS CO	1,308
99	1302	BUILDERS INS GRP	47	VININGS INS CO	47
100	256	NEW YORK MARINE & GEN GRP	0	NEW YORK MARINE & GEN INS CO	0
101	0	BANCINSURE INC	-712	BANCINSURE INC	-712
102	0	DAIMLERCHRYSLER INS CO	-4,810	DAIMLERCHRYSLER INS CO	-4,810
103	0	PENNSYLVANIA LUMBERMENS MUT INS	-7,393	PENNSYLVANIA LUMBERMENS MUT INS	-7,393
104	553	ARROWPOINT CAPITAL GRP	-18,471	ARROWOOD IND CO	-18,471
105	1326	KINGSWAY GRP	-21,498	LINCOLN GEN INS CO	-21,498
106	517	HANNOVER GRP	-110,679	HARBOR SPECIALTY INS CO	-10,787
				CLARENDON NATL INS CO	-99,892
<b>Industry Totals</b>			<b>868,404,768</b>		<b>868,404,768</b>

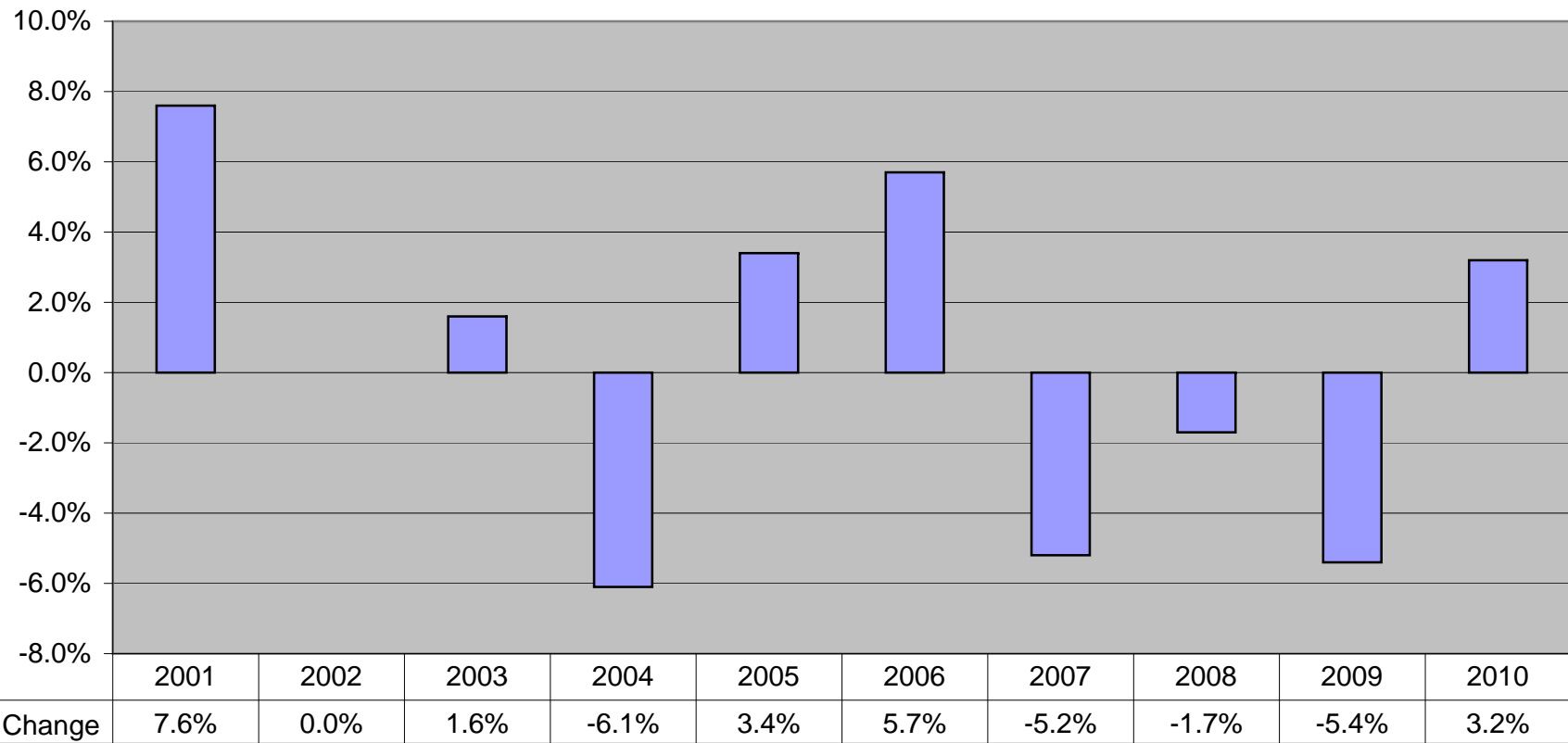
## RE-ENTRANTS

2008 Group Code	2008 Company Code	2008 Company Name	2008 Premium
12	23817	ILLINOIS NATL INS CO	1,606,058
3548	36463	DISCOVER PROP & CAS INS CO	744,330
0	23663	NATIONAL AMER INS CO	47,097

## NEW COMPANIES

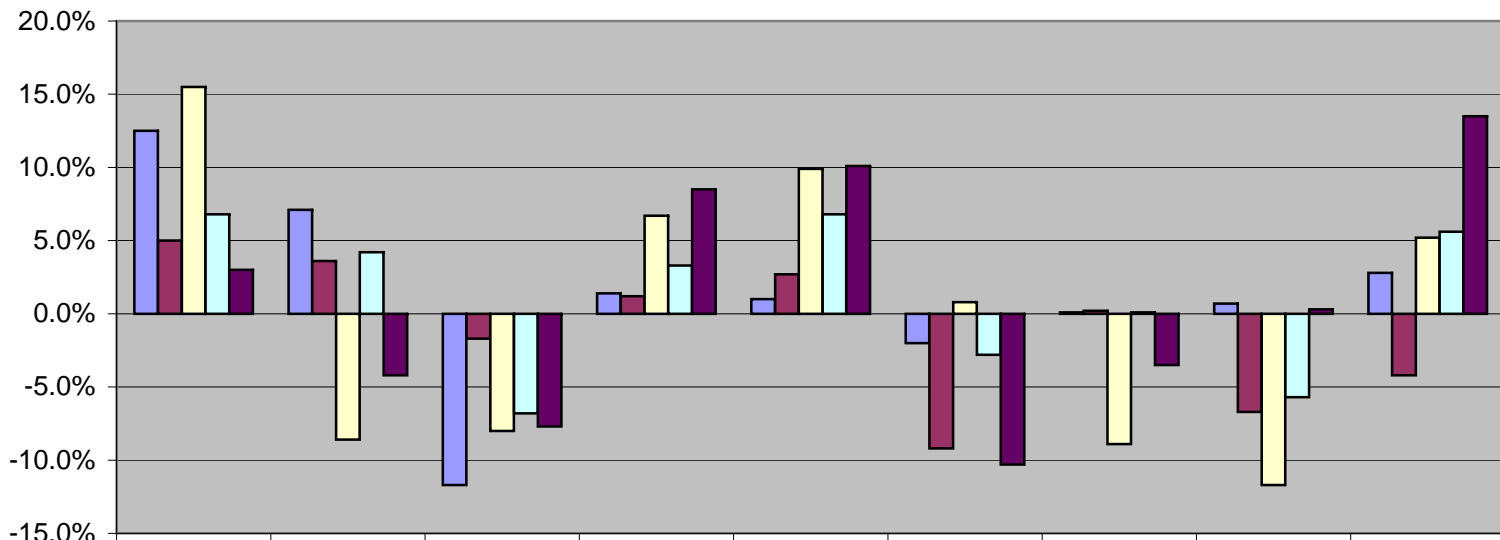
2008 Group Code	2008 Company Code	2008 Company Name	2008 Premium
572	12305	ACCIDENT FUND NATL INS CO	527,472
98	10885	KEY RISK INS CO	497,234
3703	44300	TOWER INS CO OF NY	319,207
626	18279	BANKERS STANDARD INS CO	132,993
0	20613	SPARTA INS CO	120,885
98	10510	CAROLINA CAS INS CO	92,352
3499	28711	PROVIDENCE PROPERTY & CAS INS CO	62,887
12	26883	AMERICAN INTL SPECIALTY LINES INS CO	13,217
3548	25879	FIDELITY & GUAR INS UNDERWRITERS INC	11,465
98	40045	STARNET INS CO	5,661
0	38474	PEGASUS INS CO	5,543
3363	25402	EMPLOYERS ASSUR CO	773
1302	16632	VININGS INS CO	47
3703	43702	TOWER NATIONAL INS CO	8

**Comparison of Changes in NCCI's Pure Premium Filings with the MIA  
For the Years 2001 to 2010**



1. No Pure Premium Filing was submitted for 2002
2. NCCI filed a Law Only revision effective 1/1/2002 with an impact of 1.3%

### History of Changes by Industry Type For the Years 2001 to 2010



	2001	2003	2004	2005	2006	2007	2008	2009	2010
■ Manufacturing	12.5%	7.1%	-11.7%	1.4%	1.0%	-2.0%	0.1%	0.7%	2.8%
■ Contracting	5.0%	3.6%	-1.7%	1.2%	2.7%	-9.2%	0.2%	-6.7%	-4.2%
■ Office/Clerical	15.5%	-8.6%	-8.0%	6.7%	9.9%	0.8%	-8.9%	-11.7%	5.2%
■ Goods/Services	6.8%	4.2%	-6.8%	3.3%	6.8%	-2.8%	0.1%	-5.7%	5.6%
■ Miscellaneous	3.0%	-4.2%	-7.7%	8.5%	10.1%	-10.3%	-3.5%	0.3%	13.5%

NCCI did not submit a pure premium filing for 2002