

**Maryland Insurance  
Administration's  
2002  
Report on Workers'  
Compensation**

**Maryland Insurance**



**Administration**

**November 2002**

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**Exhibit 1** Displays the major insurance groups by market share for 1997, 1998, 1999, 2000, and 2001.

**Exhibit 2** Displays a comparison of the major insurance groups respective loss cost multipliers for 1998, 1999, 2000, 2001, and 2002 (through 11/01).

**Exhibit 3** Displays a comparison of changes in NCCI's pure premium filings with the MIA for years 1995 through 2003.

**Exhibit 4** Displays a chronological history of changes by industry group for years 1995 through 2003.

**Exhibit 5** Displays a listing of the actual loss cost multipliers and the effective dates of those multipliers that insurers currently have on file with the MIA.

## **Preface**

The Maryland Insurance Administration (“MIA”) was created as an independent state agency by the Maryland General Assembly in 1993. Among other things, the MIA is charged with:

- \* Ensuring the solvency of every Maryland entity that engages in the business of insurance;
- \* Encouraging competition in the industry;
- \* Protecting customers from fraud, misrepresentation, and unfair trade practices;
- \* Ensuring that the customer is treated fairly and with respect; and
- \* Combating insurance fraud.

Pursuant to Chapter 590, Acts 1987; Chapter 119, Acts 1993 and Chapter 352, Acts 1995 the Insurance Commissioner is called upon to make an annual report to the Oversight Committee. The following report provides an overview of the condition of the workers’ compensation insurance market in Maryland.

## **Overview**

Workers’ compensation insurance differs from most other insurance lines because the benefits are set by law and most employers are required to have coverage. This insurance compensates eligible workers by funding replacement wages, and providing unlimited medical costs and rehabilitation costs. In addition, it includes provisions for funeral expenses and death benefits for survivors.

Costs are more difficult to project in workers’ compensation insurance because there is a “long tail” exposure and because benefits may be awarded in

various combinations of disability determinations - permanent or temporary and total or partial. In addition, cases may be reopened and indemnity and medical benefits may be increased.

With the establishment of competitive rating laws for workers' compensation, premiums have been driven in large part by competitive market forces. Under this system, the National Council on Compensation Insurance ("NCCI"), a licensed rating and advisory organization, files "pure premium loss cost" rates on behalf of its members.

A "pure premium loss cost" rate reflects actual loss costs and related loss adjustment expenses. The pure premium considers the cost of medical care, the frequency and severity of injuries, indemnity benefits (which are tied to wages and litigation as it affects claims resolution) and economic cycles.

NCCI applies a rating methodology to data supplied by its member insurance companies to calculate the proposed loss costs. The MIA reviews the NCCI submission and all other supporting data to determine if the filing complies with relevant statutes. After the MIA has determined that the NCCI filing complies with Maryland rating laws, the filing is approved for use in Maryland.

Insurers submit independent rate filings to the MIA using NCCI's pure premium, including loss costs, as a basis for their rates. These filings include the insurer's individual loss cost multipliers that are applied to the NCCI's pure premium. Loss cost multipliers include provisions for an insurer's profit, and administrative expense. An insurer's actual rate can be calculated by multiplying

the NCCI's loss cost times the insurer's loss cost multiplier. Loss cost multipliers are filed with the MIA and reviewed under Maryland's competitive rating laws.

**Exhibit 1** displays the major insurance groups by market share for, 1997, 1998, 1999, 2000 and 2001.

**Exhibit 2** displays a comparison of the major insurance groups respective loss cost multipliers for 1998, 1999, 2000, 2001, and 2002 (through 11/01).

## **Market Concentration**

If one insurer possesses an inordinately large market share, it may possess the power to charge a price higher than might otherwise exist in a competitive market. In Maryland, the Injured Workers' Insurance Fund ("IWIF") is the major insurer with approximately twenty five percent of the market share. The largest market share for any other single group of insurers is less than twelve percent (see **Exhibit 1**). The market share of companies is continually being monitored. Currently there are forty-eight insurance companies/insurance groups with direct written premiums in excess of \$1,000,000 for workers' compensation insurance in the State. There are additional sixty insurance companies/insurance groups with direct written premiums of less than \$1,000,000.

## **NCCI Rate Filings**

Between January 1989 and October 2002, NCCI submitted twelve pure premium filings to the MIA for approval.

**Exhibit 3** displays a comparison of changes in NCCI's pure premium filings with the MIA for years 1989 through 2002.

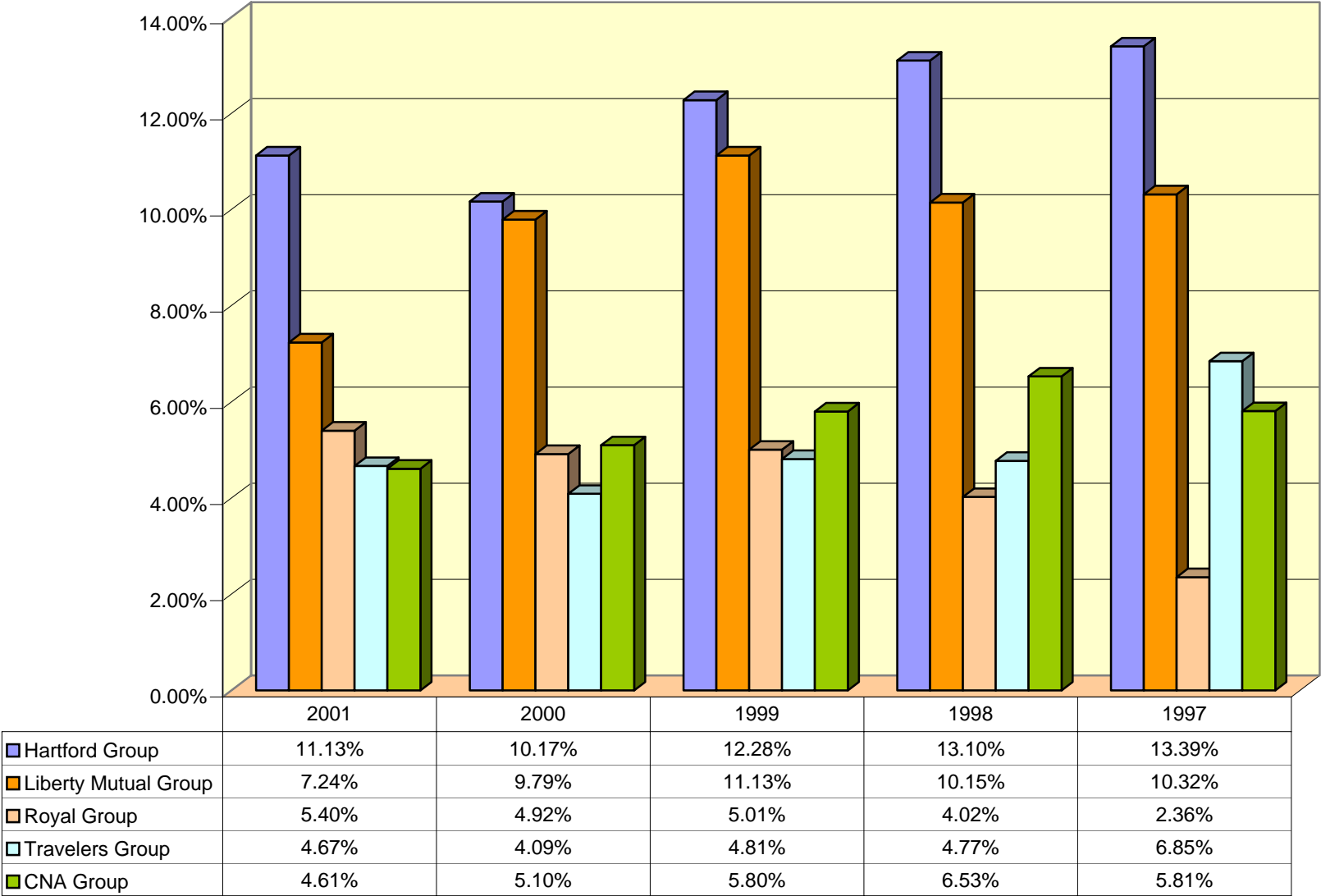
The NCCI's most recent loss cost filing, submitted August 28, 2002 was approved in October and will become effective January 1, 2003. The overall average change for this filing was an increase of 1.6 %. However, as is the case with most averages, some classifications will receive a greater percentage increase and some classifications will receive a smaller percentage. Additionally, it is unknown whether individual insurers will modify the loss cost multipliers that are currently being used. Consequently, Maryland consumers might experience premium increases if their workers compensation insurer increases the loss cost multiplier the insurer applies to NCCI's loss costs. **Exhibit 5** shows that some insurers increased their multipliers during 2001.

## **Summary**

Although Maryland's workers' compensation market is currently healthy and competitive, no one knows what long-term effects the events of September 11, 2001 will have on the nation's workers' compensation market. In December 2001, NCCI submitted a filing that would have imposed a four percent "terrorism load" on all workers' compensation premiums in Maryland and countrywide. Fortunately, that filing was subsequently withdrawn by NCCI and no further "terrorism load" filings have been submitted.

The Terrorism Risk Insurance Act of 2002, which has been approved by Congress and awaits the President's signature, is intended to ensure the availability and affordability of commercial property and casualty insurance coverage for losses resulting from acts of terrorism through 2005. The intent of this legislation is to allow for a transition period for the private markets to stabilize, resume pricing of such insurance, and build capacity to absorb any future losses, while preserving state insurance regulation and consumer protections. The act provides for a sharing of the obligation to pay for terrorism claims between the federal government and the property and casualty industry up to the program limit of \$100 billion.

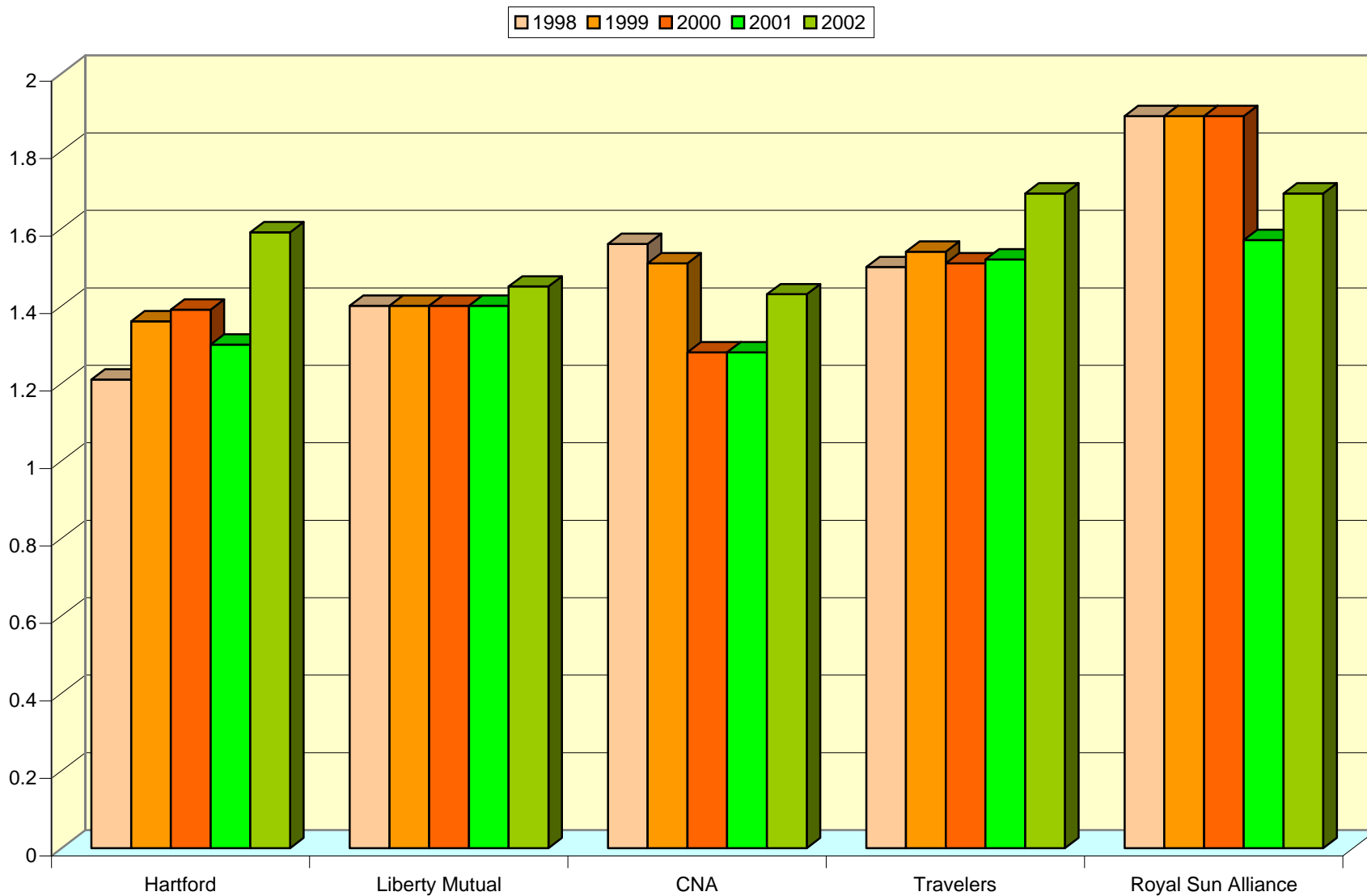
### Comparison of the Major Insurance Groups by Market Share for the Years 1997 Through 2001



The noted marketshare percentages do not include IWIF which had a marketshare of 25.3% of the market in 2001



## Comparison of the Major Insurer Groups Loss Cost Multipliers



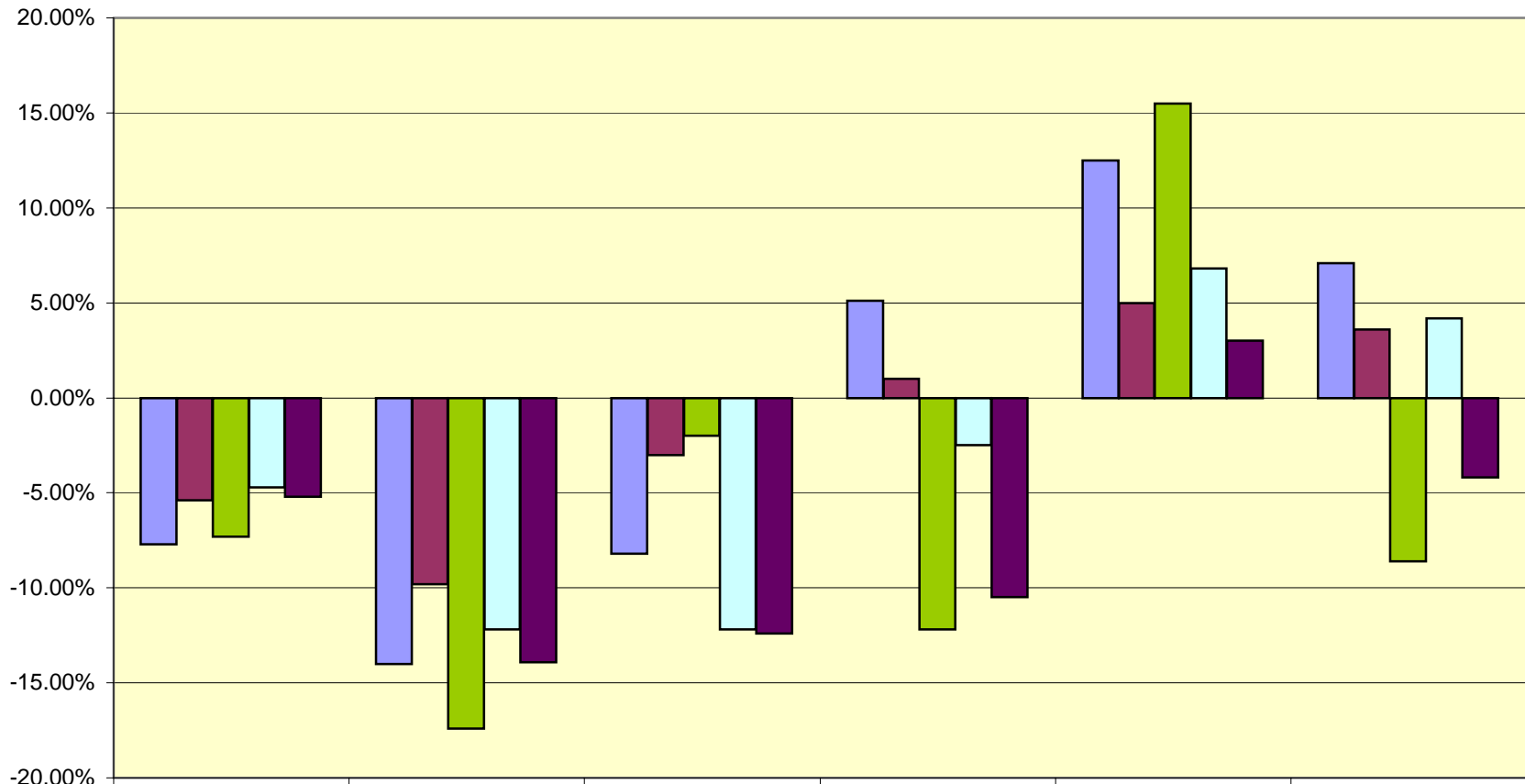
## Comparison of Changes in NCCI's Pure Premium Filings with MIA for Years 1995 through 2003



1. No Loss Cost Filings were submitted for the years 1997, 1999, 2002

2. NCCI filed a Law Only Revision Effective 1/01/02 Overall Impact of 1.3%

## Chronological History of Changes by Industry Group for the Years 1995 through 2003



	1995	1996	1998	2000	2001	2003
Manufacturing	-7.70%	-14.00%	-8.20%	5.10%	12.50%	7.10%
Contracting	-5.40%	-9.80%	-3.00%	1.00%	5.00%	3.60%
Office/Clerical	-7.30%	-17.40%	-2.00%	-12.20%	15.50%	-8.60%
Goods/Services	-4.70%	-12.20%	-12.20%	-2.50%	6.80%	4.20%
Miscellaneous	-5.20%	-13.90%	-12.40%	-10.50%	3.00%	-4.20%

NCCI did not submit loss cost filings for the years 1997, 1999, and 2002.



<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
<b>AMERICAN MINING INS CO</b>	15911	01/01/98	1.140				
<b>AMERICAN STATES</b>		04/01/98					
American Economy Ins Co	19690		1.190				
American States Ins Co	19704		1.400				
<b>AMGUARD INS CO</b>	42390					09/01/02	1.32
<b>ARGONAUT INS</b>		01/01/98		07/01/01			
Argonaut Ins	19801		1.118		0.950		
Argonaut-Midwest Ins Co	19828		0.950		1.754		
<b>ATLANTIC MUTUAL INS COS</b>		01/01/98					
Atlantic Mutual Ins Cos	19895		1.024				
Centennial Ins Co	19909	04/01/99	1.110				
<b>BLUE RIDGE GROUP</b>		01/01/00					
Blue Ridge Indemnity Co	40754		0.975				
Blue Ridge Ins Co	24503		1.148				
<b>BRETHERN MUTUAL INS CO</b>	13501					05/01/02	1.733
<b>BROTHERHOOD MUTUAL INS CO</b>	13528	01/01/99	1.120	03/01/01	1.41		
<b>CAPITAL CITY INS CO, INC</b>	30589	02/01/00	0.968				
<b>CHUBB GROUP OF INS COS</b>		01/01/00		03/01/01			
Chubb Indemnity Ins Co	12777		1.220		1.220		
Federal Ins Co	20281		1.742		1.742		
Great Northern Ins Co	20303		1.568		1.568		
Pacific Indemnity Co	20346		1.394		1.394		
Vigilant Ins Co	20397		1.742		1.742		

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
<b>CHURCH MUTUAL INS CO</b>	18767	01/01/98	1.389				
<b>THE CINCINNATI INS COS</b>		01/01/00		01/01/01		03/01/02	
The Cincinnati Casualty Co	28665		1.061		1.087		1.397
The Cincinnati Indemnity Co	23280		1.254		1.285		1.397
The Cincinnati Ins Co	10677		1.061		1.087		1.397
<b>CLARENDON NATIONAL INS CO</b>	20532	01/10/00	1.48				
<b>CNA INS COS</b>		04/01/00		04/01/01		02/01/02	
American Casualty Co of Reading, PA.	20427		1.055		1.181		1.265
Boston Old Colony Ins Co	20761		1.500				
Buckeye Union Ins Co	20788		1.285				
CNA Cas of California	20435		1.500				
Continental Casualty Co	20443		1.575		1.575		1.687
Commercial Ins Co of Newark, NJ.	20818		1.142				
Continental Ins Co	35289		1.500				
Fidelity & Casualty Co of NY	35270		1.500				
Firemen's Ins Co of Newark, NJ.	20850		1.285				
Glens Falls Ins Co	34622		1.285				
Kansas City Fire & Marine Ins Co	20885		1.500				
Mayflower Ins Co, LTD	22152		1.500				
National Fire Ins Co of Hartford	20478		1.200		1.339		1.434
Niagara Fire Ins Co	35106		1.285				
Transcontinental Ins Co	20486		1.055		1.181		1.265
Transportation Ins Co	20494		1.575		1.575		1.687
Valley Forge Ins Co	20508		1.200		1.339		1.434
<b>COMMERCE AND INDUSTRY INS CO</b>	19410			01/01/01	1.822		
<b>COMMERCIAL UNION INS COS</b>				08/15/01			

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
American Central Ins Co	37915		1.196				
American Employers' Ins Co	20613		1.196		1.357		
Commercial Union Ins Co	20621		1.495		1.696		
Employers' Fire Ins Co	20648		1.196		1.357		
Northern Assurance Co of America	38369		1.196		1.221		
<b>COMPANION P &amp; C GROUP</b>	12157					06/01/02	1.232
<b>CONSTITUTION INS CO</b>	32190			02/15/01	1.590		
<b>COREGIS</b>	21318		1.210				
<b>CRUM &amp; FORSTER INS</b>		12/01/97		01/01/01			
Crum & Forster Indemnity Co	31348		1.459		1.611		
North River Ins Co	21105		1.080		1.192		
United States Fire Ins Co	21113		1.350		1.490		
<b>CUG GROUP</b>		01/01/98					
General Accident Ins Co	21962		1.239				
Potomac Ins Co of Illinois	40134		1.084				
<b>CUMIS INS SOCIETY, INC.</b>	10847	03/01/98	1.900	03/01/01	1.68		
<b>DISCOVER PROPERTY &amp; CASUALTY INS</b>	36463	01/01/00	1.415				
<b>DODSON GROUP</b>		01/01/00					
Casualty Reciprocal Exchange	21237		1.38				
Equity Mutual Ins Co	21245		1.38				
<b>DONEGAL COS</b>		01/01/98		03/01/01		10/01/02	
Atlantic States Ins Co	22586		1.200		1.200		1.380
Delaware Atlantic Ins Co	13870		1.000		1.050		

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
Donegal Mutual Ins Co	13692				1.270		1.450
EASTGUARD INS CO	14702					09/01/02	1.20
<b>EMC REINS CO</b>	40509	<b>04/01/97</b>	<b>1.510</b>				
<b>ERIE INS CO</b>	26271	<b>04/01/00</b>	<b>0.600</b>	<b>01/01/01</b>	<b>1.086</b>	<b>05/01/02</b>	<b>1.222</b>
Flagship City Ins Co	35585		<b>0.800</b>				
<b>FAIRFIELD INS CO</b>	44784	<b>12/01/97</b>	<b>1.585</b>				
<b>FAIRMONT INS CO</b>	18864	<b>04/01/97</b>	<b>1.288</b>			<b>01/02/02</b>	<b>1.549</b>
<b>FARMLAND INS</b>		<b>11/01/97</b>					
Farmland Mutual Ins Co	13838		<b>1.286</b>				
Nationwide Agribusiness Ins Co	28223		<b>1.286</b>				
<b>FEDERATED MUTUAL INS CO</b>	13935	<b>05/15/99</b>	<b>1.144</b>			<b>09/01/02</b>	<b>1.544</b>
<b>FEDERATED SERVICE INS CO</b>	28304					<b>07/16/02</b>	<b>1.39</b>
<b>FEDERATED RURAL ELECTRIC INS CORP</b>	11118	<b>01/01/98</b>	<b>1.144</b>				
<b>FIDELITY AND DEPOSIT COS</b>							
Colonial American Casualty & Surety Co	34347		<b>1.530</b>				
<b>FIREMAN'S FUND</b>		<b>01/15/98</b>		<b>02/01/01</b>			
American Automobile Ins Co	21849		<b>1.166</b>		<b>1.469</b>		
American Ins Co	21857		<b>1.500</b>		<b>1.632</b>		
Associated Indemnity Corp	21865		<b>1.641</b>		<b>1.714</b>		
Fireman's Fund Ins Co	21873		<b>0.950</b>		<b>1.224</b>		
Fireman's Fund Ins Co of Wisconsin	37273		<b>1.083</b>		<b>1.224</b>		



<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
National Surety Corp	21881		1.333		1.387		
<b>FIREMEN'S INS CO OF WASHINGTON, DC</b>	21784	03/01/97	1.125				
<b>FIRST AMERICAN INS CO</b>	11150	08/01/00	1.196				
<b>FMI</b>							
Florists' Ins Co	33278			01/01/01	1.119		
Florists' Mutual Ins Co	13978	01/01/00	1.076	01/01/01	1.492	01/01/02	1.617
<b>FREMONT COMPENSATION INS CO</b>		01/01/98					
Fremont Industrial Indemnity Co	21040		1.430				
<b>FRONT ROYAL INS CO</b>	36927			09/01/01	1.295	08/15/02	1.340
<b>FRONTIER INS CO</b>	34266	01/01/00	1.24	01/01/01	1.292		
<b>GENERAL CASUALTY</b>		01/01/00					
General Casualty Co of WI	24414		1.05				
Regent Ins Co	24449		1.05				
<b>GENERAL SECURTY INS CO</b>	16063	04/13/00	1.284				
<b>GREAT AMERICAN</b>		01/01/00					
Agricultural Ins Co	26344		1.22				
American Alliance Ins Co	26832		1.35				
American National Fire Ins Co	22136		1.60				
Great American Ins Co	16691		1.11				
<b>GREAT WEST CASUALTY CO</b>	11371	02/01/00	1.480				
<b>GUARD INS GROUP</b>							

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
AmGuard Ins Co	42390	09/01/00	1.250				
EastGuard Ins Co	14702	02/01/00	1.100				
NorGuard In sCo	31470	09/01/00	1.390				
<b>GUIDEONE MUTUAL INS CO</b>	15032	03/08/00	1.192	02/01/01			
GuideOne Specialty Mutual Ins Co	42803				1.054		
<b>GULF INS GROUP</b>				01/01/01			
Atlantic Ins Co	22209				1.537		
Gulf Ins Co	22217				1.537		
Select Ins Co	22233				1.537		
<b>HANOVER INS</b>		03/15/98					
Hanover American Ins Co	36064		1.125				
Hanover Ins Co	22292		1.560				
Massachusetts Bay Ins Co	22306		1.250				
<b>HARCO NATIONAL INS CO</b>	26433	07/01/98	1.420				
<b>HARFORD MUTUAL INS CO</b>	14141	02/01/97	1.260				
<b>HARLEYSVILLE INS COS</b>		12/22/99		04/01/01		04/01/02	
Harleysville Mutual Ins Co	14168		1.574		1.282		1.895
Harleysville Preferred Ins Co	35696		1.574		1.282		1.611
Harleysville Ins Co	23582				1.282		1.895
<b>HARTFORD INS GROUP</b>		01/01/00		05/30/01		04/01/02	
Hartford Accident and Indemnity Co	22357		1.111		1.185		1.360
Hartford Casualty Ins Co	29424		1.407		1.407		1.520
Hartford Fire Ins Co	19682		1.333		1.333		1.440
Hartford Ins Co of the Midwest	37478		1.185		1.185		1.360
Hartford Underwriters Ins Co	30104		1.703		1.777		1.919

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
Twin City Fire Ins Co	29459		1.481		1.481		1.599
<b>HIGHLANDS INS GROUP</b>		<b>03/01/99</b>		<b>01/01/01</b>		<b>01/01/02</b>	
Highlands Ins Co	22489		1.250				
NN Ins Co	29785		1.063				1.222
Northwestern National Casualty Co	23906		1.250				1.438
State Capital Ins Co	12661		1.250		1.063		1.222
<b>HIGHMARK CASUALTY INS CO</b>	35599			<b>03/16/01</b>	<b>1.400</b>		
<b>INT'L BUSINESS &amp; MERCHANTILE</b>	24139		<b>1.100</b>				
<b>KEMPER NATIONAL INS COS</b>		<b>05/01/00</b>		<b>01/01/01</b>		<b>03/01/02</b>	
American Manufacturers Mutual Ins Co	30562		1.150		1.340		1.51
American Motorists Ins Co	22918		1.402		1.500		1.68
American Protection Ins Co	18910		1.04		1.150		1.34
Lumberman's Mutual Casualty Co	22977		1.402		1.670		1.85
Kemper Employers Ins Co	15563				1.455		1.68
<b>LANCE INS CO</b>	26077					<b>08/15/02</b>	<b>1.51</b>
<b>LEGION INS CO</b>	24422	<b>01/01/98</b>	<b>1.145</b>	<b>01/01/01</b>	<b>1.22</b>	<b>05/01/02</b>	<b>1.522</b>
<b>LIBERTY MUTUAL GROUP</b>		<b>01/01/98</b>					
First Liberty Ins Corp	33588		1.734				
Liberty Ins Corp	42404		1.156				
Liberty Mutual Fire Ins Co	23035		1.445				
Liberty Mutual Ins Co	23043		1.734				
LM Ins Corp	33600		1.050				
<b>LINCOLN NATIONAL CORP</b>							
American Economy Ins Co	19690		1.350				

Insurer	NAIC	Eff. Date	2000 LOSS COST Multiplier	Eff. Date	2001 LOSS COST Multiplier	Eff. Date	2002 LOSS COST Multiplier
<b>LUMBER INS COS</b>							
Lumber Mutual Ins Co	14435	12/01/00	1.360				
North American Lumber Ins Co	43702	06/01/98	0.950				
<b>LUMBERMEN'S UNDERWRITING ALLIAN</b>	23108		1.520			06/01/02	1.882
<b>MERCHANTS INS GROUP</b>		01/01/98					
Merchants Ins Co of New Hampshire Inc	23337		1.270				
Merchants Mutual Ins Co	23329		1.270				
<b>MERIDIAN INS</b>		01/01/00					
Meridian Mutual Ins Co	23345		1.180				
Meridian Security Ins Co	23353		1.000				
<b>MITSUI MARINE &amp; FIRE INS CO OF AMER</b>	22551						
<b>MONTGOMERY INS COS</b>		04/01/98		04/01/01		04/01/02	
Montgomery Indemnity Co	16900		Various				
Montgomery Mutual Ins Co	14613		Various		1.233		1.332
<b>MUTUAL BENEFIT INS CO</b>	14664	04/01/98	1.329				
<b>NATIONAL INS CO</b>	12076	02/02/97	1.200				
<b>NATIONAL GRANGE MUTUAL INS CO</b>	14788	05/01/98	1.540			01/01/02	1.260
<b>NATIONWIDE GROUP</b>		09/01/99		04/01/01		04/01/02	
Nationwide Mutual Fire Ins Co	23779		Various		1.655		1.721
Nationwide Mutual Ins Co	23787				1.655		1.721
Nationwide Property & Casualty Ins Co	37877				1.655		1.721

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
<b>NETHERLANDS INS COS THE</b>		<b>01/01/00</b>		<b>05/24/01</b>		<b>04/01/02</b>	
Excelsior Ins Co	11045		1.155		1.124		
Netherlands Ins Co, The	24171		1.050		1.040		1.123
Peerless Ins Co	24198		1.285		1.448		1.564
<b>NORGUARD INS CO</b>	31470					<b>09/01/02</b>	<b>1.42</b>
<b>NORTH AMERICAN SPECIALTY INS CO</b>	29700	<b>01/01/00</b>	<b>1.40</b>	<b>03/01/01</b>	<b>0.84</b>		
<b>THE OHIO CASUALTY GROUP</b>		<b>01/01/00</b>					
American Fire & Casualty Co	24066		1.11				
The Ohio Casualty Ins Co	24074		1.60				
Ohio Security Ins Co	24082		1.35				
West American Ins Co	24090		1.22				
<b>OLD GUARD INS GROUP</b>		<b>03/01/98</b>					
Old Guard Fire Ins Co	16853		1.200				
Old Guard Mutual Ins Co	17558		1.250				
All Others			1.500				
<b>OLD REPUBLIC GENERAL INS GROUP</b>							
Bituminous Casualty Corp	20095	<b>01/01/98</b>	1.522				
Bituminous Fire & Marine Ins Co	20109	<b>01/01/00</b>	0.988				
<b>PENINSULA INS CO</b>	14958	<b>01/01/98</b>	1.362			<b>03/01/02</b>	<b>1.771</b>
<b>PENN MUTUAL INS CO</b>	14966		1.250				
<b>PENN MILLERS INS CO</b>	14982					<b>05/01/02</b>	<b>1.688</b>
<b>PMA GROUP</b>		<b>03/01/98</b>		<b>05/01/01</b>		<b>06/01/02</b>	
Manufacturers' Alliance Ins Co	36897		1.425		1.553		1.790

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
Pennsylvania Manufacturers' Assoc. Inc Co	12262		1.187		1.275		1.343
Pennsylvania Manufacturers' Indemnity Co	41424		1.020		1.084		
<b>PENNSYLVANIA LUMBERMENS MTL INS</b>	14974			12/15/01	1.44		
<b>PENNSYLVANIA NATIONAL INS</b>							
Pennsylvania Nat'l Mutual Casualty Ins Co	14990	01/01/00	1.380	01/01/01	1.400	01/01/02	1.638
Penn National Security Ins Co	32441		1.100				1.334
<b>PHARMACISTS MUTUAL COS</b>	13714					01/01/02	1.162
<b>PHICO INS CO</b>	35718	01/01/98	1.382				
<b>PRINCETON INS CO</b>	42226	05/01/97	1.250				
<b>PUBLIC SERVICE MUTUAL</b>	15059		1.631				
<b>REDLAND INS CO</b>	37303	02/16/98	1.480	01/01/01	1.300		
<b>RELIANCE INS GROUP</b>		01/01/98					
Reliance Ins Co	24457		1.514				
Reliance National Indemnity Co	24430		1.135				
Reliance National Ins Co	40592		1.106				
United Pacific Ins Co	24473		1.287				
<b>ROCKWOOD CASUALTY INS CO</b>	35505	01/01/98	1.299	09/01/01	1.275	08/15/02	1.406
<b>ROYAL INS</b>		01/01/98		03/01/01		01/01/02	
American and Foreign Ins Co	24589		1.403				1.05
Connecticut Indemnity Co (The)	24872				1.698		0.70
Employee Benefits Ins Co	32794				1.698		1.05
Fire & Casualty Ins Co of Connecticut (The)	24880				1.698		0.90

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
Globe Indemnity Co	24600		1.193		1.698		0.85
Royal Ins Co of America	26980		1.403				
Royal Indemnity Co	24678		0.982		1.698		0.75
Safeguard Ins Co	24694		1.193		1.698		0.90
Security Ins Co of Hartford	24902				1.698		1.20
Phoenix Assurance Co of NY	35262						0.75
<b>SAFECO INS COS</b>		<b>01/01/00</b>					
First National Ins Co of America	24724		1.560				
General Ins Co of America	24732		1.490				
Safeco Ins Co of America	24740		1.000				
Safeco Ins Co of Illinois	39012		1.220				
<b>SAFETY NATIONAL CASUALTY CORP</b>	15105	<b>01/01/00</b>	1.250	<b>01/01/01</b>	1.310		
<b>SELECT RISK INSU CO</b>	17752					<b>05/15/02</b>	1.25
<b>SELECTIVE INS GROUP</b>		<b>06/01/00</b>				<b>04/01/02</b>	
Selective Ins Co of America	12572		1.564				1.755
Selective Ins Co of South Carolina	19259		1.632				1.641
Selective Way Ins Co	26301		1.596				1.544
<b>SENECA INS CO</b>	10936			<b>06/01/01</b>	1.500		
<b>SENTRY SELECT INS CO (John Deere)</b>	21180	<b>01/01/98</b>	0.894				
<b>SOUTHERN PILOT INS CO</b>	22861	<b>02/01/97</b>	1.113				
<b>SOUTHERN STATES INS EXCHANGE</b>	15709			<b>01/01/01</b>	1.264		
<b>STATE AUTO</b>		<b>09/25/00</b>		<b>10/03/01</b>			
State Automobile Mutual Ins Co	25135		1.143		1.143		

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
State Auto Property & Casualty Ins Co	25127		1.450		1.450		
<b>STATE FARM FIRE AND CASUALTY CO</b>	25143	<b>04/01/99</b>	<b>1.180</b>	<b>04/01/01</b>	<b>1.083</b>	<b>11/01/02</b>	<b>1.222</b>
<b>ST. PAUL COS</b>		<b>03/01/98</b>	<b>1.250</b>			<b>06/23/02</b>	
Athena Assurance Co	41769						1.701
St. Paul Guardian Ins Co	24775						1.191
St Paul Mercury Ins Co	24791						1.446
St Paul Fire & Marine Ins Co	24767						1.701
Northbrook P & C Ins Co	19224						0.936
St Paul medical Liability Ins Co	41750						1.701
<b>SUMITOMO MARINE &amp; FIRE INS CO, LTD</b>	20362	<b>01/01/00</b>	<b>1.75</b>				
<b>TECHNOLOGY INS CO</b>	42376			<b>01/01/01</b>	<b>1.610</b>		
<b>TIG INS CO</b>	25534	<b>05/01/97</b>	<b>1.449</b>			<b>01/01/02</b>	<b>1.743</b>
<b>TIG PREMIER INS CO</b>	25518					<b>01/01/02</b>	<b>1.937</b>
<b>TRAVELERS GROUP</b>		<b>01/01/98</b>					
Chapter Oak Fire Ins Co	25615		<b>1.597</b>				
Farmington Casualty Co (Old Aetna)	41483		<b>1.508</b>				
Nippon Fire & Marine Ins Co	27073		<b>1.597</b>				
Phoenix Ins Co	25623		<b>1.597</b>				
Travelers Casualty & Surety Co ( Old Aetna)	19038		<b>1.676</b>				
Travelers Ins Co	39357		<b>1.744</b>				
Travelers Indemnity Co	25658		<b>1.597</b>				
Travelers Indemnity Co of America	25666		<b>1.597</b>				
Travelers Indemnity Co of Connecticut	25682		<b>0.958</b>				
Travelers Indemnity Co of Illinois	25674		<b>1.884</b>				



<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
<b>TOYOTA MOTOR INS CO</b>	37621	11/15/96	1.073				
<b>ULICO CASUALTY CO</b>	37893		1.050			06/15/02	1.300
<b>UNDERWRITERS INS CO</b>	18619	06/01/99	1.019				
<b>U. S. F. &amp; G.</b>		10/01/00					
Fidelity and Guaranty Ins Underwriters, Inc	25879		1.150				
Fidelity and Guaranty ins Co	35386		1.035				
U. S. F. & G. Specialty Ins Co	10182		1.120				
United States Fidelity and Guaranty Co	25887		1.500				
<b>UNION INS CO</b>	25844	01/01/98	1.080				
<b>UNITED FARM FAMILY INS CO</b>	29963	09/01/98	1.220	01/01/01	1.201	03/01/02	1.201
<b>UNIVERSAL UNDERWRITERS INS CO</b>	41181	02/01/00	1.139			04/01/02	1.338
<b>UTICA NATIONAL INS GROUP</b>		02/01/98				03/01/02	
Graphic Arts Mutual Ins Co	25984		1.100				1.265
Republic-Franklin Ins Co	12475		1.000				1.100
Utica Mutual Ins Co	25976		1.330				1.463
<b>VILLANOVA INS CO</b>	19577					05/01/02	1.522
<b>VANLINER INS CO</b>	21172	01/12/00	1.583	01/01/01	1.592	01/01/02	1.592
<b>VIRGINIA SURETY CO, INC</b>	40837	02/01/98	1.430				
<b>W. R. BERKLEY CORP</b>							
Midwest Employers Casualty Co	23612	01/01/98	1.534				
Signet Star Reinsurance Co	32603	03/15/98	1.070				

<b>Insurer</b>	<b>NAIC</b>	<b>Eff. Date</b>	<b>2000 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2001 LOSS COST Multiplier</b>	<b>Eff. Date</b>	<b>2002 LOSS COST Multiplier</b>
<b>WAUSAU</b>		<b>01/01/00</b>				<b>01/01/02</b>	
Employer Ins of Wausau A Mutual Co	21458		<b>1.600</b>				<b>1.850</b>
Wausau Underwriters Ins Co	26042		<b>1.450</b>				<b>1.650</b>
Wausau Business Ins Co	26069		<b>1.300</b>				<b>1.400</b>
<b>WESTMONT ASSOCIATES, INC</b>							
U. S. Specialty Ins Co	29599	<b>10/01/00</b>	<b>1.120</b>				
<b>YASUDA FIRE &amp; MARINE INS CO</b>	11126					<b>05/01/02</b>	<b>1.759</b>
<b>ZENITH INS CO</b>	13269	<b>02/01/98</b>	<b>1.523</b>			<b>01/01/02</b>	<b>1.825</b>
<b>ZURICH INS GROUP--US</b>		<b>01/01/98</b>		<b>03/01/01</b>		<b>03/01/02</b>	
American Guarantee & Liab Ins Co	26247				<b>1.245</b>		<b>1.603</b>
American Zurich Ins Co	40142				<b>1.079</b>		<b>1.425</b>
Assurance Co of America	19305		<b>1.322</b>		<b>1.411</b>		<b>1.781</b>
Maryland Casualty Co	19356		<b>1.555</b>		<b>1.660</b>		<b>1.959</b>
Northern Ins Co of New York	19372		<b>1.244</b>		<b>1.245</b>		<b>1.514</b>
Valiant Ins Co	26611		<b>1.089</b>		<b>1.079</b>		<b>1.514</b>
Zurich American Ins Co	16535				<b>1.660</b>		<b>1.781</b>
Zurich American Ins Co of Illinois	27855				<b>1.079</b>		<b>1.781</b>

**NOTES**

Name Change - John Deere to Sentry Select 10/1/99