

Industry: **70000 TEST INDUSTRY**

Premiums

Premium rates are set based on the claims experience of the industry, using historical data and trends. The rate is the cost of coverage per \$100 of insurable earnings. Premiums are collected to cover all current and future costs of claims for 2010 from employers operating in 2010, securing benefits for injured workers.

Below is a summary of the premiums paid by your industry within the past four years.

Rate Year	Insurable Earnings	Number of Employers	Industry Rate	Industry Rated Premiums
2008	\$2,107,978,389	30	\$1.14	\$24,030,954
2009	\$2,309,773,244	28	\$1.26	\$29,103,143
2010	\$2,396,927,125	29	\$1.31	\$31,399,745
2011	\$2,396,927,125	29	\$1.31	\$31,399,745

Experience Rating Plan for Small Employers

Employers who pay less than \$15,000 in industry rated premium over a three-year period are included in the Experience Rating Plan for Small Employers. Depending on the number of lost time claims they have experienced, small employers may earn either a 5% discount or 5% surcharge on their industry rate.

The table below outlines the insurable earnings and premium distribution for employers participating in this program.

Rate Year	Number of Small Employers	Insurable Earnings	Industry Rate	Industry Rated Premium
2008	5	\$1,083,971	\$1.14	\$12,357
2009	3	\$283,643	\$1.26	\$3,574
2010	4	\$346,021	\$1.31	\$4,533
2011	4	\$346,021	\$1.31	\$4,533

Rate Year	Number of Employers with Discounts	Discount Premium	Number of Employers with Surcharges	Surcharge Premium	Number of Employers with No Adjustment	Net Premium
2008	3	\$166	0	\$0	2	\$12,191
2009	3	\$179	0	\$0	0	\$3,395
2010	3	\$215	0	\$0	1	\$4,318
2011	3	\$215	0	\$0	1	\$4,318

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Experience Rating Plan for Large Employers

Employers with \$15,000 or more in industry rated premiums over a three-year period are included in the Experience Rating Plan for Large Employers. Large employers may earn up to a 40% discount on their industry rate for lower than average claim costs experience or up to a 40% surcharge for higher than average claim costs experience.

Employers in industries that participate in Industry Custom Pricing may experience up to a 60% discount or surcharge. Your industry participates in the **Cost Relief Pricing Option** for 2010.

The table below outlines the insurable earnings and premium distribution for employers participating in this program.

Rate Year	Insurable Earnings	Industry Rate	Industry Rated Premium	Discount Premium	Surcharge Premium	Net Premium
2008	\$2,106,894,418	\$1.14	\$24,018,596	\$1,296,918	\$773,197	\$23,494,875
2009	\$2,309,489,601	\$1.26	\$29,099,569	\$1,689,864	\$1,236,796	\$28,646,500
2010	\$2,396,581,104	\$1.31	\$31,395,212	\$1,740,983	\$1,623,320	\$31,277,550
2011	\$2,396,581,104	\$1.31	\$31,395,212	\$1,740,983	\$1,623,320	\$31,277,550

Rate Year	Number of Experience Rated Employers	Number of Employers with Discounts	Number of Employers with Surcharges	Number of Employers with No Adjustment	Number of Non-Experience Rated Employers*
2008	24	17	7	0	1
2009	23	15	8	0	2
2010	23	16	7	0	2
2011	23	16	7	0	2

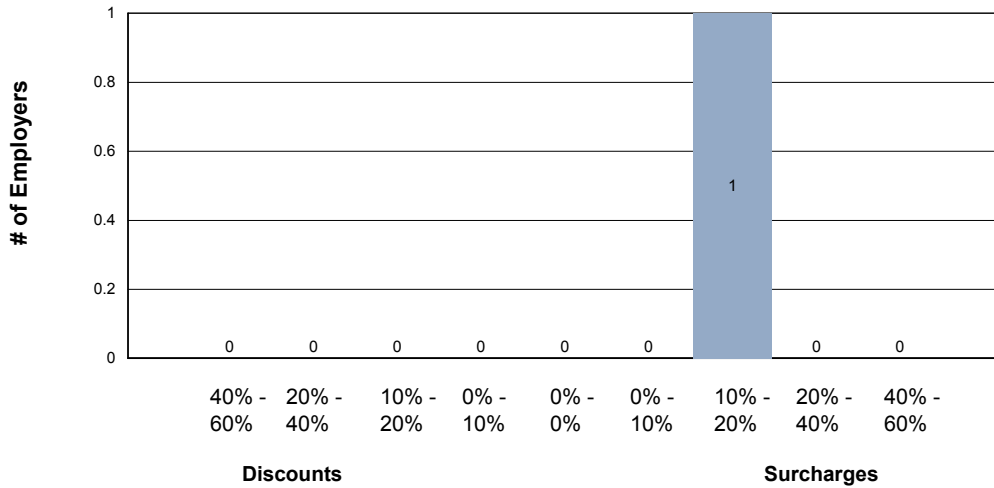
*Non experience-rated employers are those in business for two years or less and are not eligible for an adjustment.

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Distribution of Experience Rating Discounts and Surcharges

Experience rating is a method of adjusting premium rates based on the individual employer's claims experience compared to the industry average. Employers performing well will get discounts, while those doing poorly will have surcharges.

The chart below illustrates the discount and surcharge distribution in your industry for 2010. The distribution is generally consistent from year to year.



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Poor Performance Surcharge (PPS)

Employers with consistently poor claims experience may receive a Poor Performance Surcharge of up to 200% in addition to the surcharges associated with the Experience Rating Plan for Large Employers.

The table below outlines the number of Poor Performance Surcharges in your industry along with the associated premium.

Rate Year	Number of Employers with PPS	PPS Premium
2008	2	\$97,248
2009	1	\$205,966
2010	2	\$216,896
2011	2	\$216,896

Partnerships in Injury Reduction (PIR)

PIR is a voluntary program that can help reduce employer premiums while creating a safer workplace. PIR offers industry rate discounts that range from 5% for Certificate of Recognition (COR) holders up to a maximum of 20% for improving performance or maintaining industry leadership.

The table below shows the number of COR holders and their associated premiums for your industry in addition to the amount of PIR refunds that have been issued.

Rate Year	Number of COR Holders	COR Holders- Insurable Earnings	COR Holders Premiums	PIR Refund Amounts
2008	20	\$2,086,479,625	\$23,338,538	(\$1,686,007)
2009	20	\$2,287,661,409	\$28,396,663	(\$2,526,231)
2010	20	\$2,374,698,680	\$31,068,313	(\$2,352,624)
2011	20	\$2,474,698,680	\$33,068,313	\$0