

FLASH REPORT!

State Fund Takes Major Rate Increase Some employer up to 17.5%

The State Compensation Insurance Fund is boosting its workers' comp rates effective April 1st but the reality is that the increases are much higher than the 17.5% being shown on the trade journals and publications. Southern California will have much higher increases. (full list of increases by code available)

Here is a sample of our rates for Riverside & Imperial County to State Fund:

Class code	State Fund 2014 Tier "B" with territory Adjustment Riverside and Imperial County	2015 State Fund tier B incl. territory multiplier for Riverside/Imperial County	State Fund increases 2014 to 2015 for tier "B" Riverside / Imperial County	Maverick Program Base rates Riverside / Imperial County	Maverick rates with mods <1.00	Maverick rates with mods >1.00	Maverick rates high hazard all mods
42	17.48	20.64	18%	16.95	14.41	15.26	19.5
171	18.88	23.5	24%	19.29	16.39	17.36	22.18
2003	16.87	20.83	24%	17.11	14.54	15.4	19.68
5183	19.29	21.42	11%	17.56	14.93	15.81	20.2
8017	8.84	9.59	9%	7.88	6.7	7.09	9.06
9050	19.2	22.72	18%	18.66	15.86	16.79	21.46
9066	10.89	11.95	10%	9.8	8.33	8.82	11.27
9079	9.48	11.25	19%	9.25	7.86	8.32	10.63

(pricing includes territorial multiplier)

Rates are before Premium discount, TRIA and Ca Assessments.

Our "program" MADE SIMPLE is much more competitive than the State Fund, who's rate filing for 4-1 has gone way up. It does not mean that we are not competitive with other markets or territories. I expect State Fund to be more conservative, since they are still projecting a huge loss in 2015 with the rates they filed.

Besides the rates, we pay more commission than State Fund. We can quote with just the name insured, address, contact name, phone number, payrolls and 3 year # of claims and losses. if loss runs are unavailable we can quote subject to receiving the loss runs., Fed id # need it for accounts with no mod's. You can email us with this info or email a WC accord app and we will clear and give a quote in 24 hours. Another great thing **NO WC QUESTIONNAIRE** required at all. We are making it simple for 2015

The key is write State Fund business, we are real competitive in Riverside & Imperial County. We have 18% territorial credit and additional 15% for credit mods and 10% for debit mods, while the State Fund takes the territorial factor from 1.05 to 1.10 and changes tier "B" credit from .951 to 1.00 which now makes us extremely competitive with tier "B" instead of 28% we have better rates ranging from 43% for credit mods to 35% for debit mods. (AIG .82 State Fund 1.10) The program is very competitive with most other carriers.

L.A. TERRITORY WE ARE BASICALLY A LITTLE LOWER THAN STATE FUND FOR CREDIT MODS AND ABOUT 4% HIGHER ON DEBIT MODS. STATE FUND HAS HIGHER DEPOSIT AND IF THEY DO MONTHLY REPORTING THEY ARE AT 25% PLUS 4%+ ASSESSMENTS AND WE ARE AT 10% OF EVERYTHING. JUST A THOUGHT.

Here is a summary of the rate differential by territory. For more details refer to our zip code worksheets.

	Mod<100 %	Mod>100 %	Unity	High hazard	
	0.85	0.9	1	1.15	
Red	-17.00%	-10.00%	1.00%	14.00%	San Diego & Palmdale
			-		
			21.00%		
Yellow	-43.00%	-35.00%	%	-6.00%	Riverside & parts of So. Orange
Blue	-23.00%	-16.00%	-	9.00%	Orange County coast

			5.00%		
Green	-11.00%	-5.00%	5.00%	18.00%	Big Bear/ Barstow areas upper desert/Bakersfield/Fresno/Stockton/Inland north area and parts of Sacramento
Purple	-9.00%	-3.00%	7.00%	20.00%	Salina/Monterey /Santa Clara/Santa Cruz
Clear	-2.00%	4.00%	13.00%	25.00%	LA/SF/San Jose/Gilroy / Los Gatos
Orange	-2.00%	4.00%	13.00%	25.00%	Inland Orange County/ Ventura
Dark Blue	All other territories not competitive				Sacramento/Santa Barbara/Pismo/North Coast/Eureka/Tahoe

State Compensation Insurance Fund's California Workers' Compensation rate filing to be effective April 1, 2015.

Here is the main changes

- **Change tier A modifier from .62 to .65 and tier B modifier from .951 to 1.00 • Change Los Angeles County territory modifier from 1.08 to 1.15**
- **Rename territory "Remainder of LA Basin" to "Southern California Area" and change territory modifier from 1.05 to 1.10**
- **Revise Lost Cost Multiplier from 1.8435 to 1.9089**

As you can see our best rates are in Riverside and parts of Orange. We are still very competitive and Other territories.

Another thing to consider is that we can write accounts that the x- mod has dropped as we only use 3 years of loss history, 4th and 5th year can be poor and we can still quote.

List of all eligible codes and qualification for each can be provided by your Maverick Broker.

Get your submissions early so you don't get left out