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# MONTANA SUMMARY OF SUPPORTING INFORMATION FORM WORKERS COMPENSATION—INSURER RATE FILING ADOPTION OF ADVISORY/RATING ORGANIZATION LOSS COSTS

## CALCULATION OF COMPANY LOSS COST MULTIPLIER

INSURER NAME \_\_\_\_\_ DATE \_\_\_\_\_

NAIC NUMBER \_\_\_\_\_

1. Does this filing apply to all classes contained in Item 4 of the Reference Filing Adoption Form?  
 ♦ Yes ♦ No. If no, attach a list of affected classes or groups.

2. Loss Cost Modification:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing  
 (CHECK ONE):

- Without modification (factor = 1.000). ENTER IN 2B.
- With the following modification(s). (Cite the nature and percent modification to the advisory organization’s loss experience. Attach supporting data and/or rationale.) ENTER IN 2B.

B. Loss Cost Modification (expressed as a Factor): (A -25% modification would be expressed as .750) \_\_\_\_\_

3. Development of Expected Loss and Loss Adjustment Expense Ratio. (Attach exhibit detailing insurer expense data, impact of premium discount plans, and other supporting information.)

PROJECTED EXPENSES: Compared to standard premium at company rates.

A. Total Production Expense	_____	%
B. General Expense	_____	%
C. Taxes, Licenses and Fees	_____	%
D. Profit and Contingencies including offset for Investment Income	_____	%
E. Other (explain)	_____	%
F. Total	_____	%

4. Expected Loss and Loss Adjustment Expense Ratio: \_\_\_\_\_  
ELR = 1.000 – 3F (expressed in decimal form)
5. Overall impact of expense constant and minimum premiums: \_\_\_\_\_  
(A 2.3% impact would be expressed as 1.023)
6. Overall impact of size-of-risk discounts: \_\_\_\_\_  
(An 8.6% impact would be expressed as 0.914)
7. Company Formula Loss Cost Multiplier: \_\_\_\_\_  
Loss Cost Multiplier =  $2B / [(6 - 3F) \times 5] =$
8. Company Selected Loss Cost Multiplier: \_\_\_\_\_  
Attach exhibit explaining any differences between 7 and 8.
9. Company Selected Expense Constant: \_\_\_\_\_
10. Are you amending your minimum premium formula?  Yes  No. (If yes, attach documentation including rate level impact as well as changes in multipliers, expense constants, etc.)
11. Are you changing your premium discount schedules?  Yes  No. (If yes, attach schedules and support detailing premium or rate level change.)