

## Retro Advisory Committee

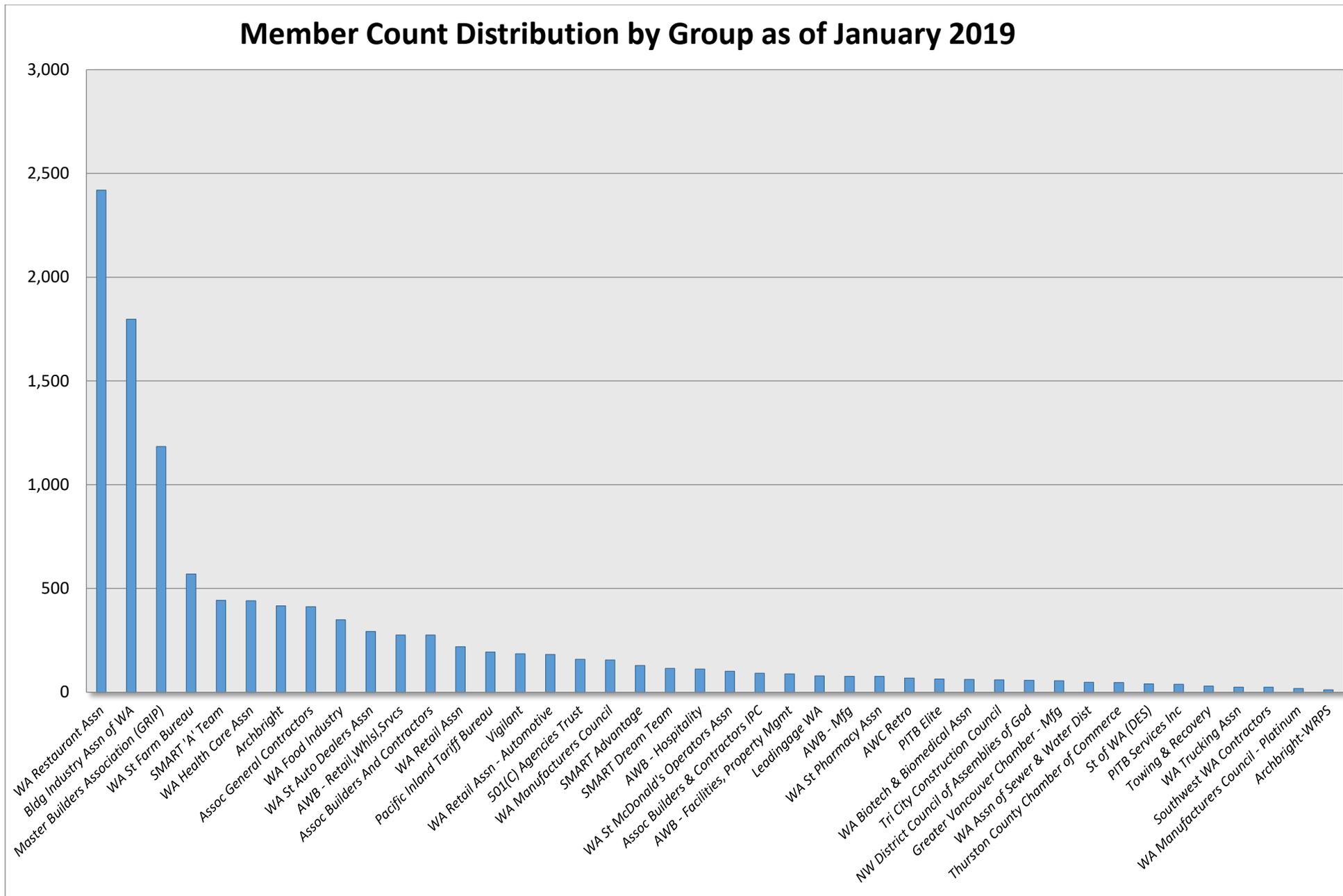
9:30 AM, Thursday, February 21, 2019  
L&I HQ Auditorium, Tumwater, WA

### AGENDA\*

- Welcome (*All*).
- General announcements (*Brian Frisina*).
- API/data sharing program (*Shannon Steketee*).
- *Short break: transition to business meeting.*
- Call to Order (*Tim*).
- Safety topic (*Scott Bradley, Archbright*).
- Introductions (*All*).
- Review/ approve agenda; previous minutes (*all*).
- Discuss quarterly reports review (*Tim*).
- Early case reserve project – update (*Tim*).
- Retro staff update (*Tim*).
- Retro operations update (*Retro staff*).
- Demographic data/ report folder presentation (*Tim*).
- Good of the Order (*All*).
- Adjourn (*All*).

**Next meeting:** Thursday, May 23, 2019

## Member Count Distribution by Group as of January 2019

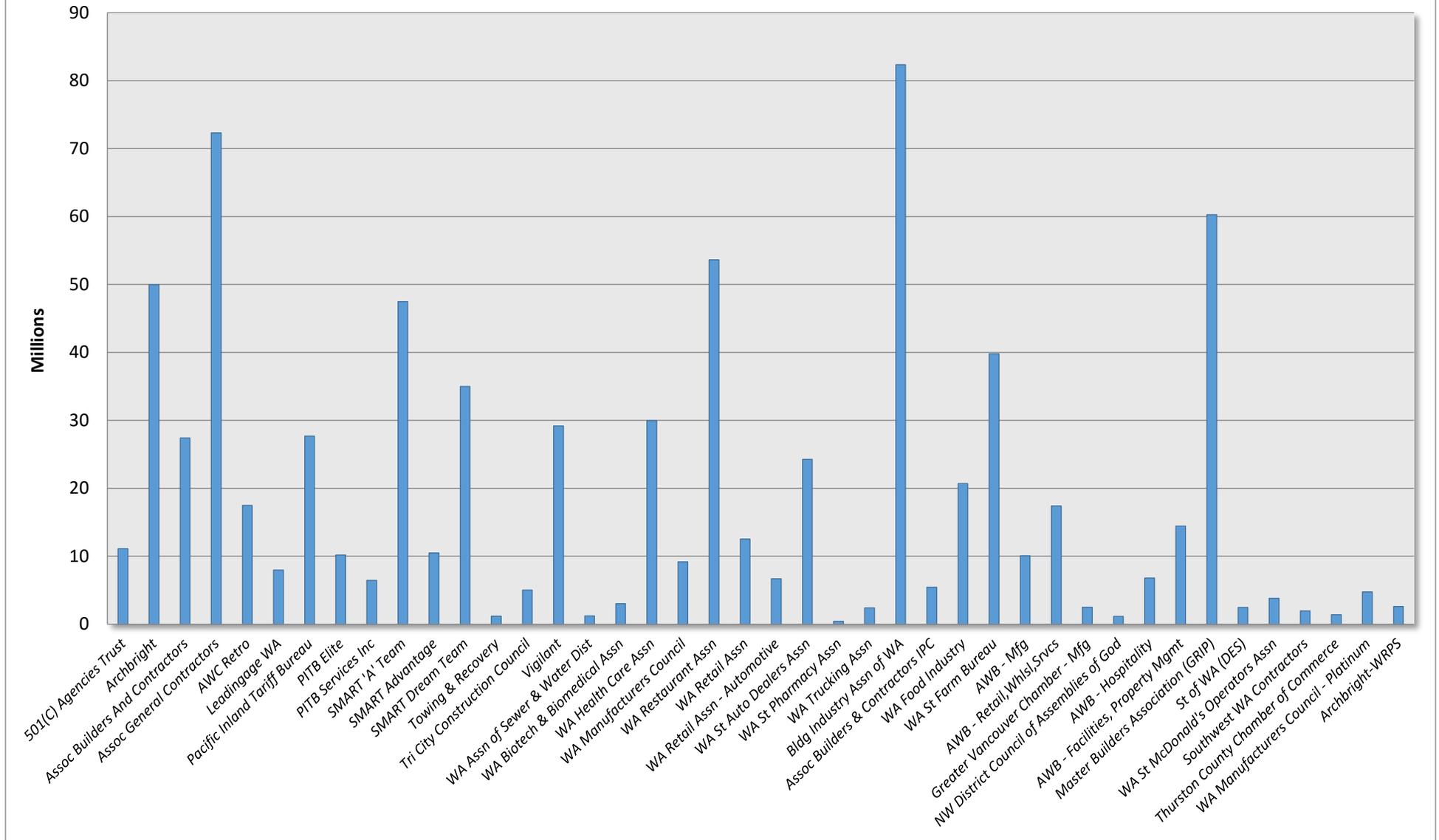


**Member Count: 11,477**

**The number of employer accounts enrolled in Retro group. There are 42 groups and 11,477 employees.**

<b>Member Count by Retro Group as of January 2019</b>		
WA Restaurant Assn	2,420	47.1%
Bldg Industry Assn of WA	1,797	
Master Builders Association (GRIP)	1,184	
<b>Subtotal (3)</b>	<b>5,401</b>	
WA St Farm Bureau	570	39.8%
SMART 'A' Team	443	
WA Health Care Assn	441	
Archbright	416	
Assoc General Contractors	412	
WA Food Industry	349	
WA St Auto Dealers Assn	293	
AWB - Retail,Whlsl,Srvcs	275	
Assoc Builders And Contractors	275	
WA Retail Assn	219	
PITB Transportation, Warehousing, Facilities	194	
Vigilant	185	
WA Retail Assn - Automotive	182	
501(C) Agencies Trust	158	
WA Manufacturers Council	155	
<b>Subtotal (15)</b>	<b>4,567</b>	
SMART Advantage	129	
SMART Dream Team	115	
AWB - Hospitality	112	
WA St McDonald's Operators Assn	101	
Assoc Builders & Contractors IPC	91	
AWB - Facilities, Property Mgmt	88	
Leadingage WA	79	
AWB - Mfg	76	
WA St Pharmacy Assn	76	
AWC Retro	68	
PITB Distillation, Chemicals, Food	64	
WA Biotech & Biomedical Assn	61	
Tri City Construction Council	59	
NW District Council of Assemblies of God	57	
Greater Vancouver Chamber - Mfg	55	
WA Assn of Sewer & Water Dist	48	
Thurston County Chamber of Commerce	46	
St of WA (DES)	40	
PITB Manufacturing, Processing	38	
Towing & Recovery	29	
WA Trucking Assn	24	
Southwest WA Contractors	24	
WA Manufacturers Council - Platinum	18	
Archbright-WRPS	11	
<b>Subtotal (24)</b>	<b>1,509</b>	
<b>Total</b>	<b>11,477</b>	

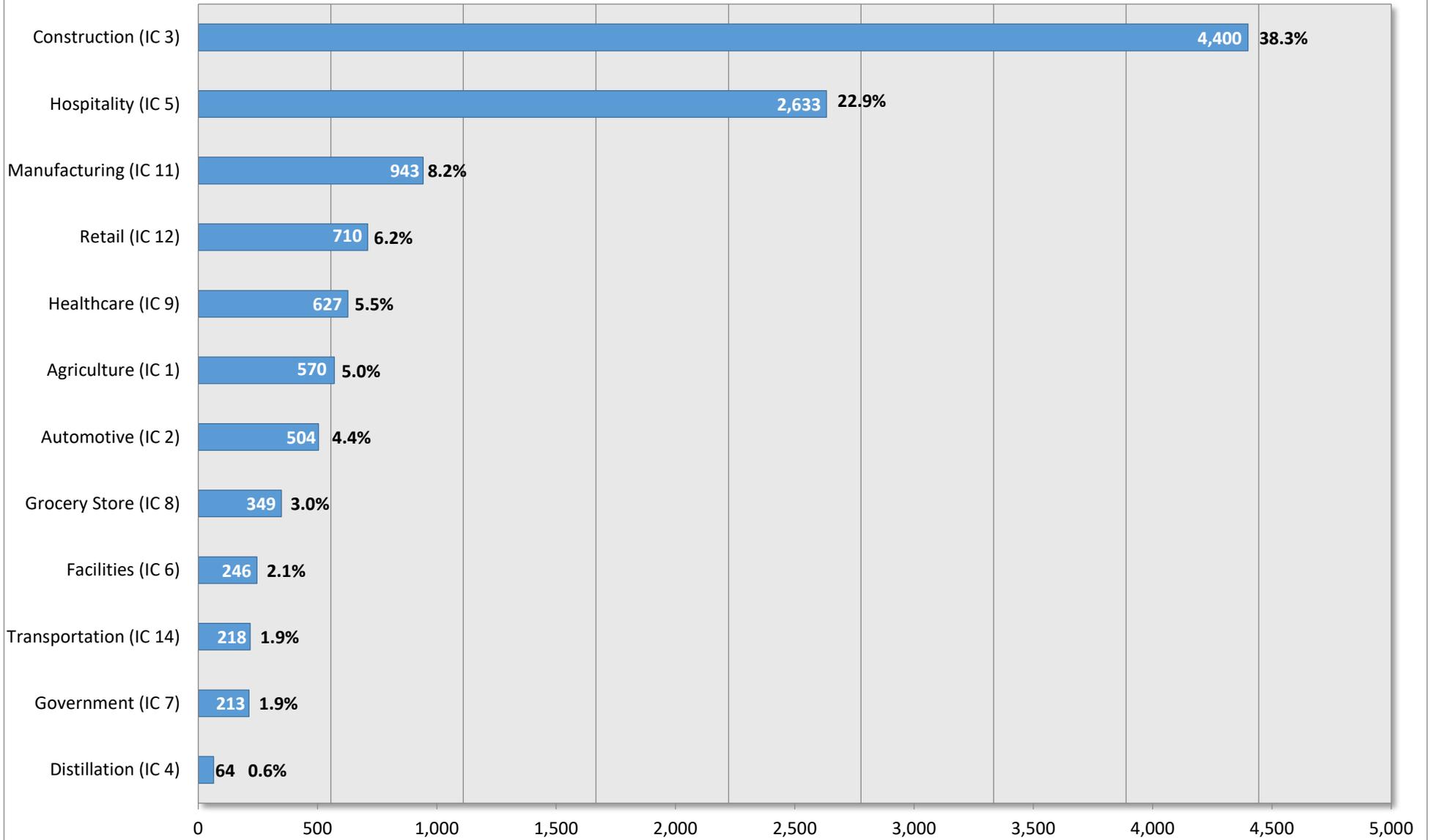
## Standard Premium Distribution by Group as of October 2018



**The total annual standard premium, in millions for each Retro group Total Standard Premium is \$780 Million.  
 Retro makes up 41% of total State Fund premium.**

<b>Standard Premium by Retro Group as of October 2018</b>		
Bldg Industry Assn of WA	\$82,340,980	<b>56.5%</b>
Assoc General Contractors	\$72,327,411	
Master Builders Association (GRIP)	\$60,287,165	
WA Restaurant Assn	\$53,635,881	
Archbright	\$49,951,259	
SMART 'A' Team	\$47,480,855	
WA St Farm Bureau	\$39,790,903	
SMART Dream Team	\$34,973,148	
<b>Sub-total (8)</b>	<b>\$440,787,601</b>	
WA Health Care Assn	\$29,950,708	<b>20.4%</b>
Vigilant	\$29,183,467	
Pacific Inland Tariff Bureau	\$27,692,197	
Assoc Builders And Contractors	\$27,410,793	
WA St Auto Dealers Assn	\$24,267,641	
WA Food Industry	\$20,698,817	
<b>Sub-total (6)</b>	<b>\$159,203,623</b>	
AWC Retro	\$17,480,854	<b>13.3%</b>
AWB - Retail,Whlsl,Srvcs	\$17,426,563	
AWB - Facilities, Property Mgmt	\$14,418,218	
WA Retail Assn	\$12,521,604	
501(C) Agencies Trust	\$11,108,923	
SMART Advantage	\$10,489,027	
PITB Elite	\$10,165,465	
AWB - Mfg	\$10,060,485	
<b>Sub-total (8)</b>	<b>\$103,671,138</b>	
WA Manufacturers Council	\$9,163,970	<b>9.8%</b>
Leadingage WA	\$7,977,253	
AWB - Hospitality	\$6,795,351	
WA Retail Assn - Automotive	\$6,689,918	
PITB Services Inc	\$6,430,359	
Assoc Builders & Contractors IPC	\$5,439,350	
Tri City Construction Council	\$5,039,700	
WA Manufacturers Council - Platinum	\$4,738,349	
WA St McDonald's Operators Assn	\$3,807,723	
WA Biotech & Biomedical Assn	\$3,033,333	
Archbright-WRPS	\$2,612,160	
Greater Vancouver Chamber - Mfg	\$2,516,756	
St of WA (DES)	\$2,481,520	
WA Trucking Assn	\$2,392,836	
Southwest WA Contractors	\$1,950,863	
Thurston County Chamber of Commerce	\$1,408,118	
WA Assn of Sewer & Water Dist	\$1,208,424	
Towing & Recovery	\$1,178,870	
NW District Council of Assemblies of God	\$1,144,325	
WA St Pharmacy Assn	\$426,237	
<b>Sub-total (20)</b>	<b>\$76,435,414</b>	
<b>Grand Total</b>	<b>\$780,097,776</b>	

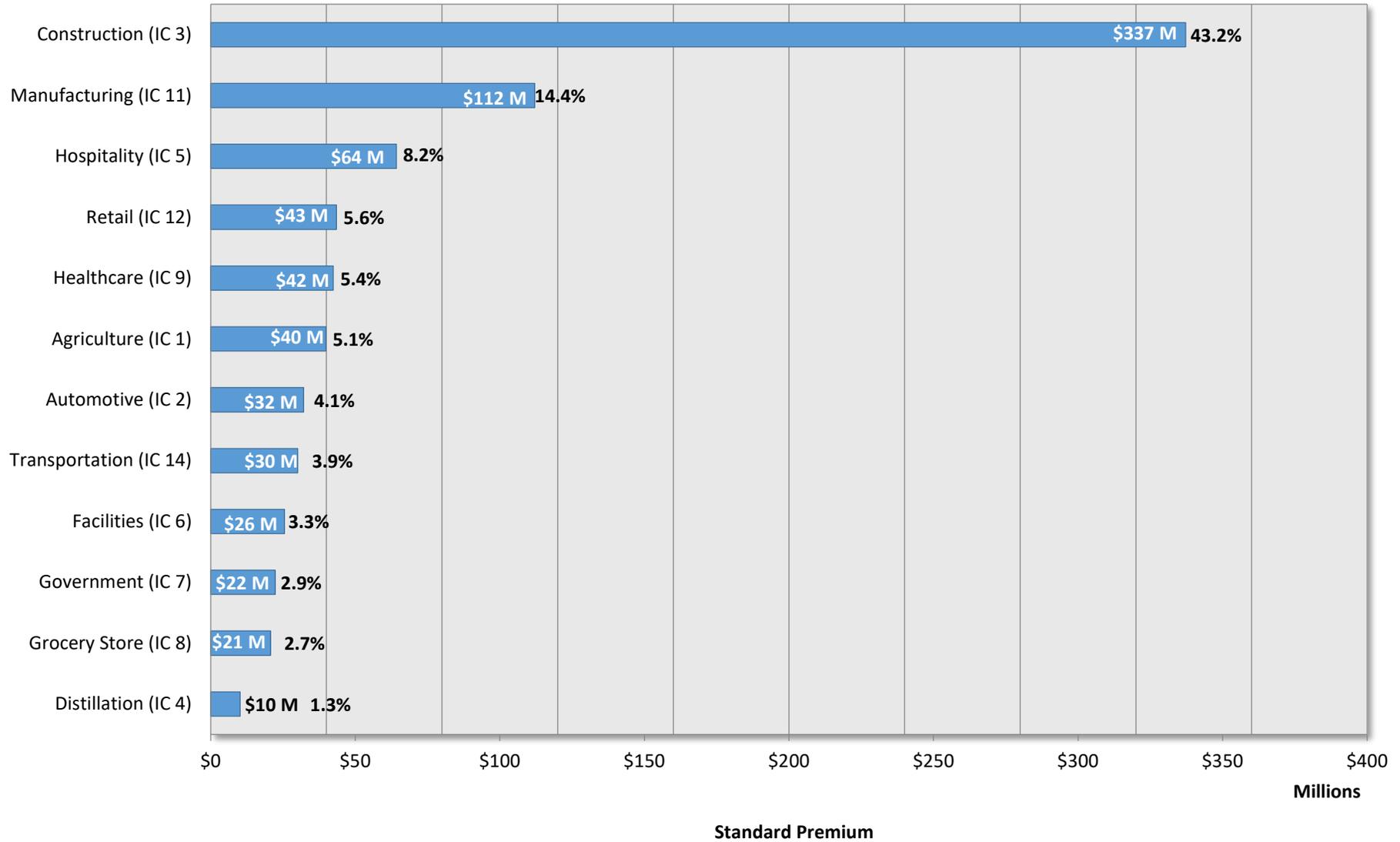
## Member Count by Industry 1st Quarter of 2019



**Member Count: 11,477**

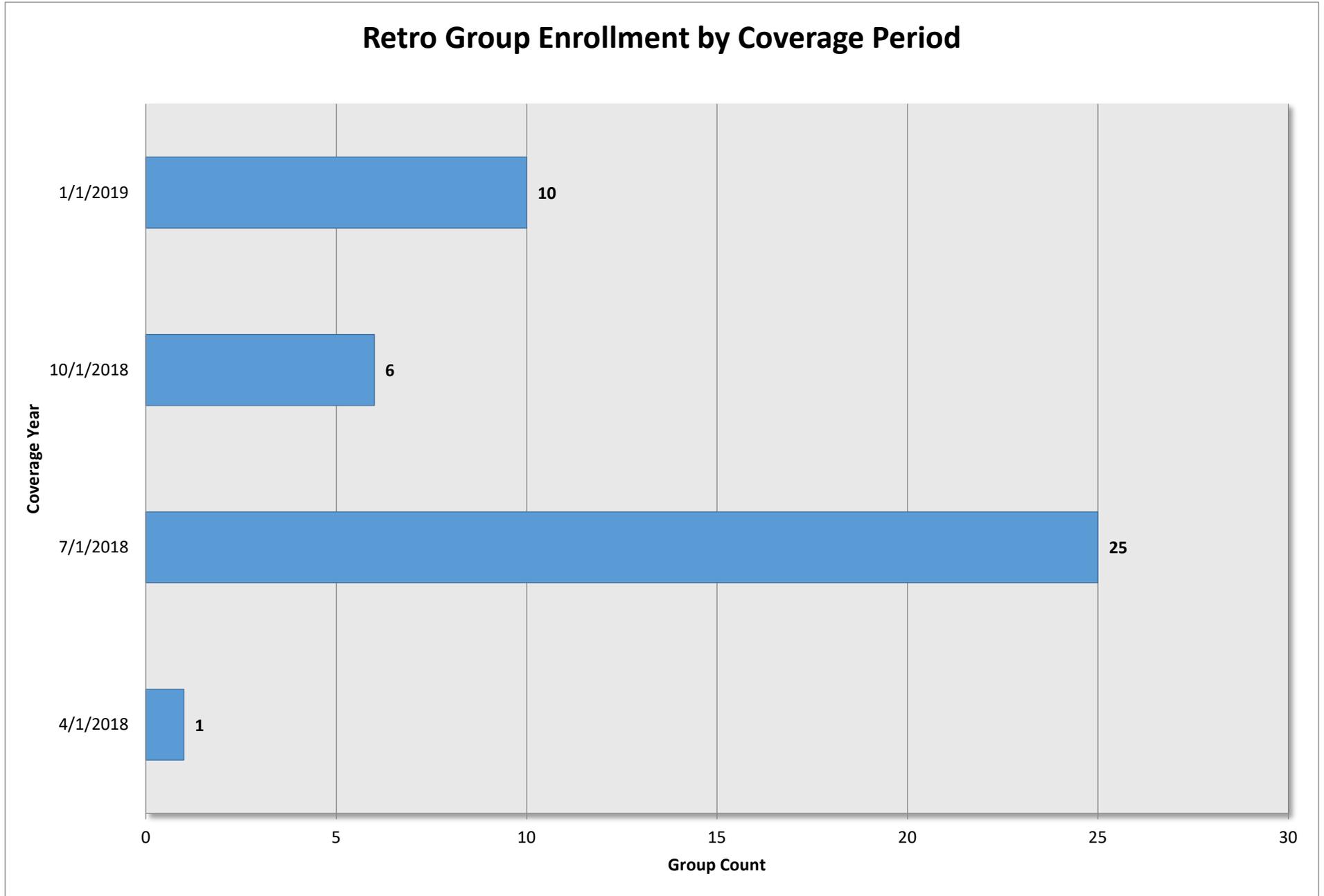
**Note: There are currently no groups for Industry Category 10 and 13.**

## Standard Premium by Industry 4th Quarter of 2018



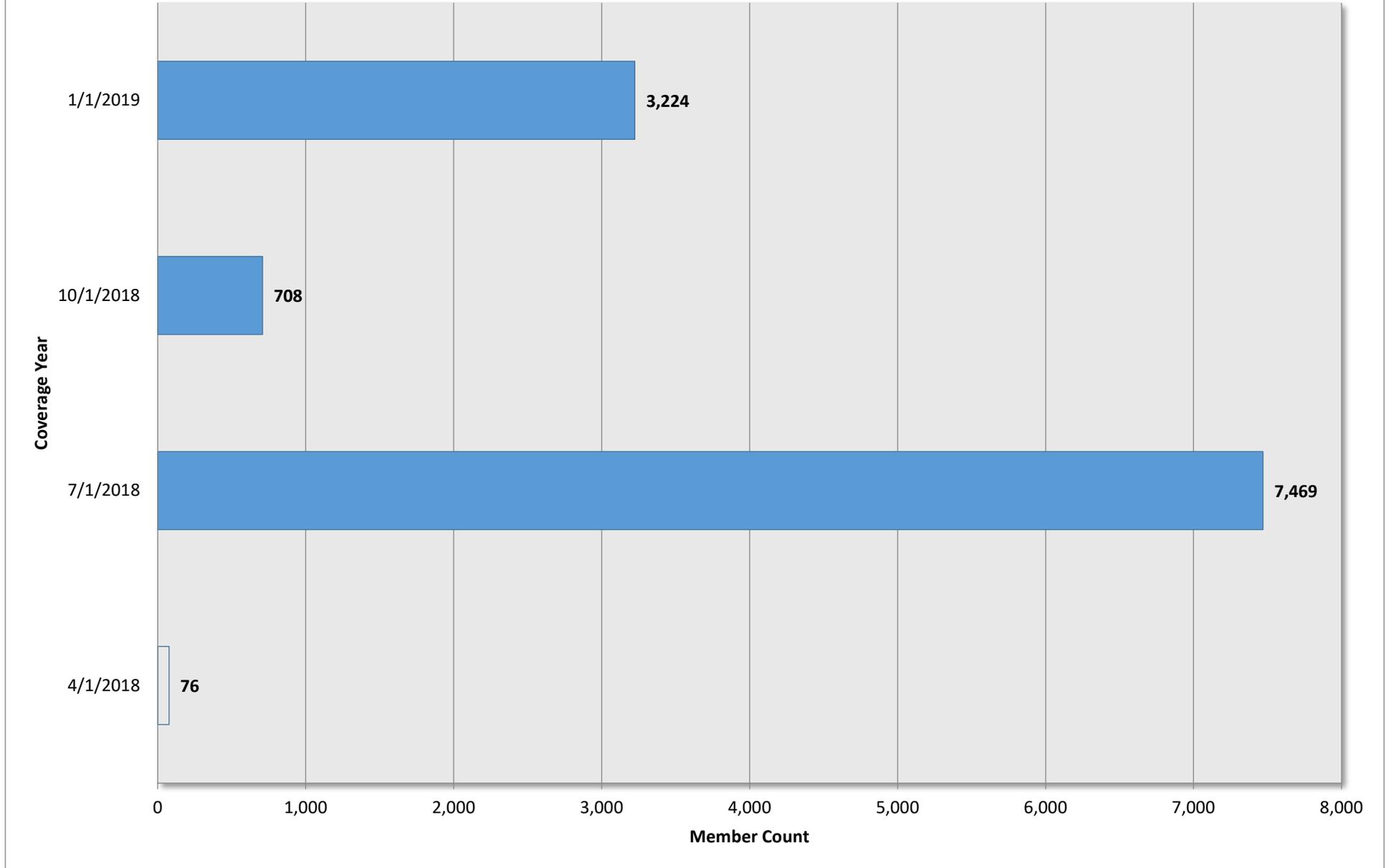
**Total Standard Premium: \$780 Million.**

**Note: There are currently no groups for Industry Category 10 and 13.**

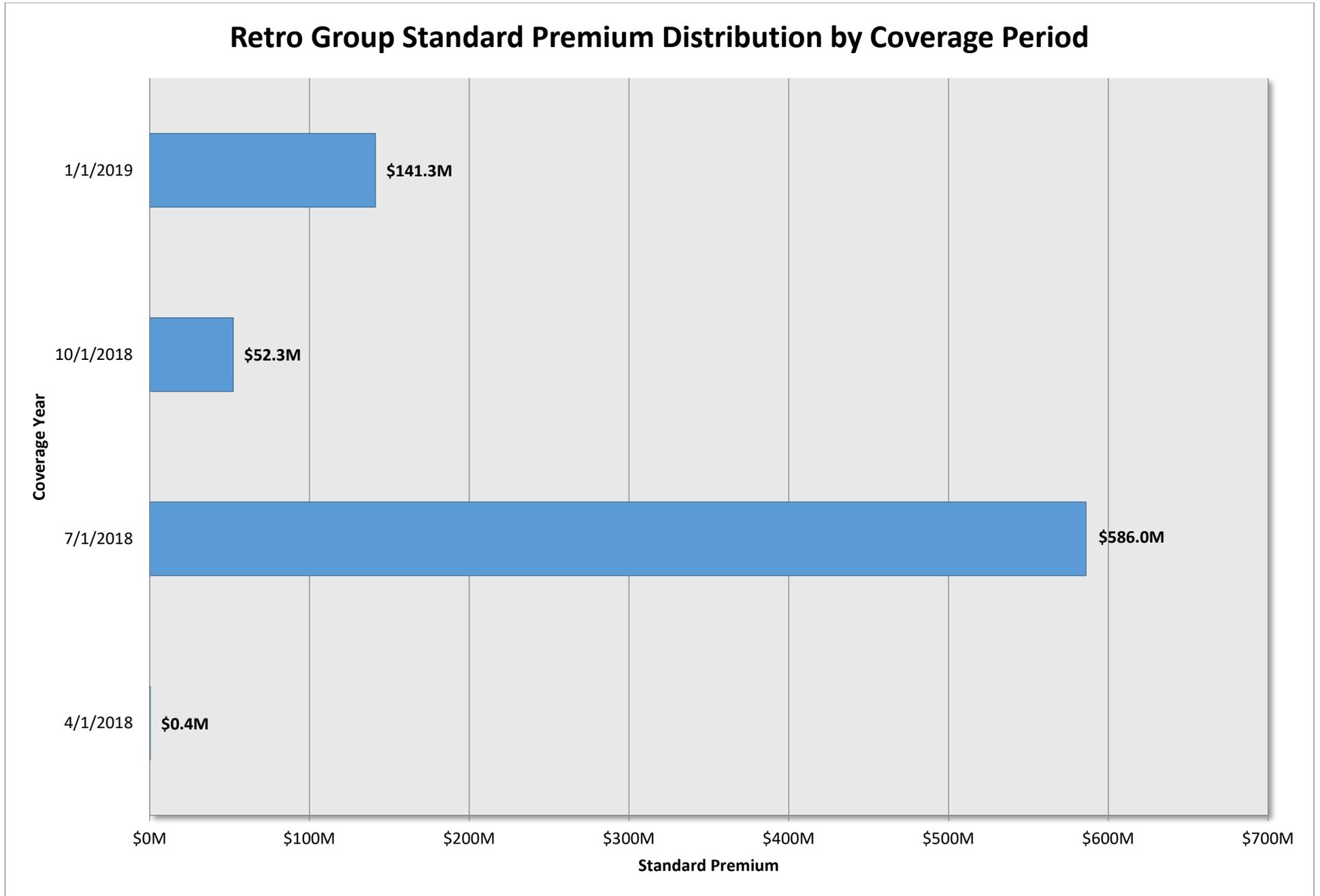


The number of Retro groups enrolled by coverage period start date. There are a total of 42 groups enrolled in Retro.

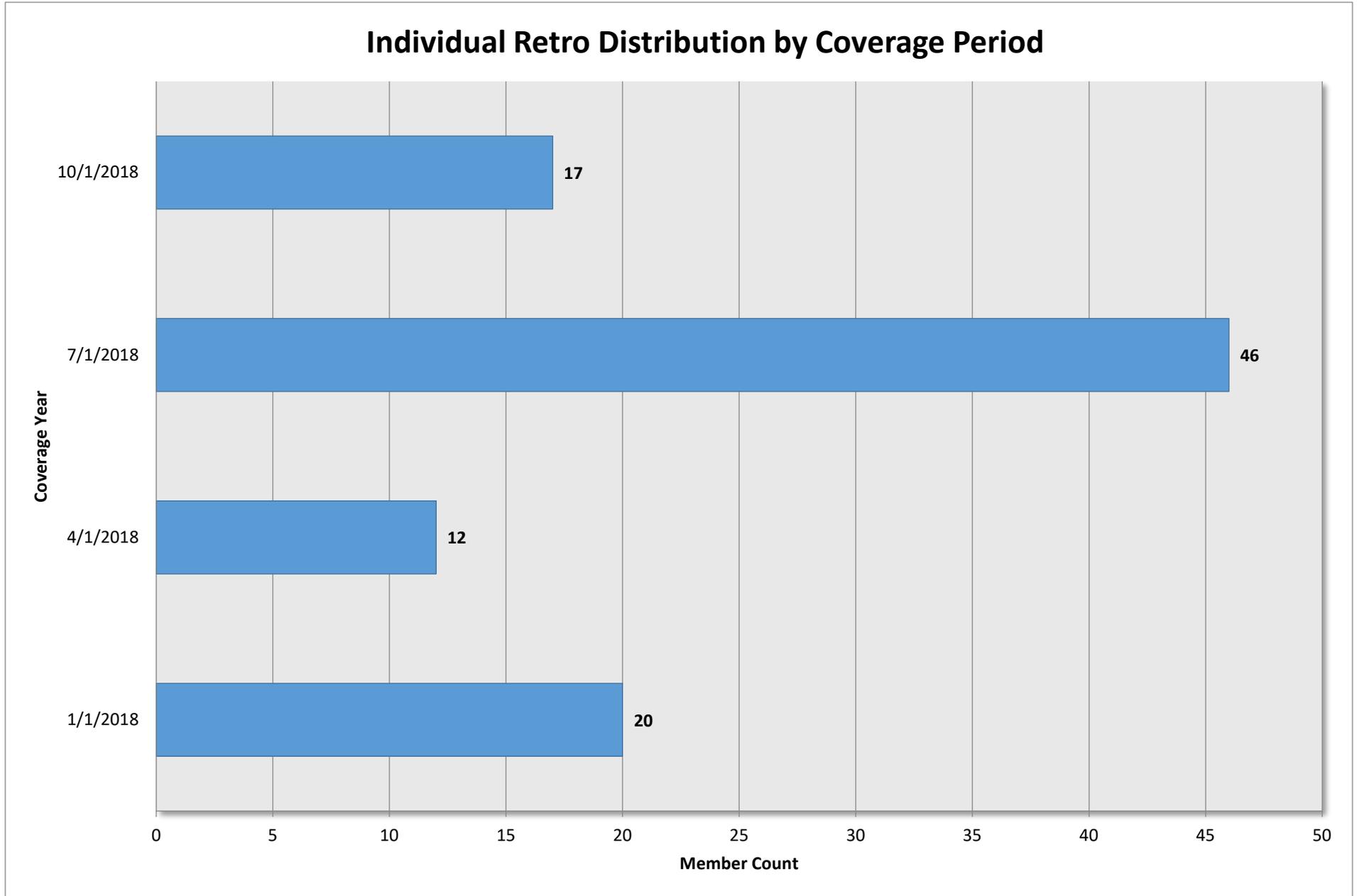
## Retro Group Member Count Distribution by Coverage Period



The number of members enrolled in groups by coverage year start date. There are a total of 11,477 members enrolled in Retro.

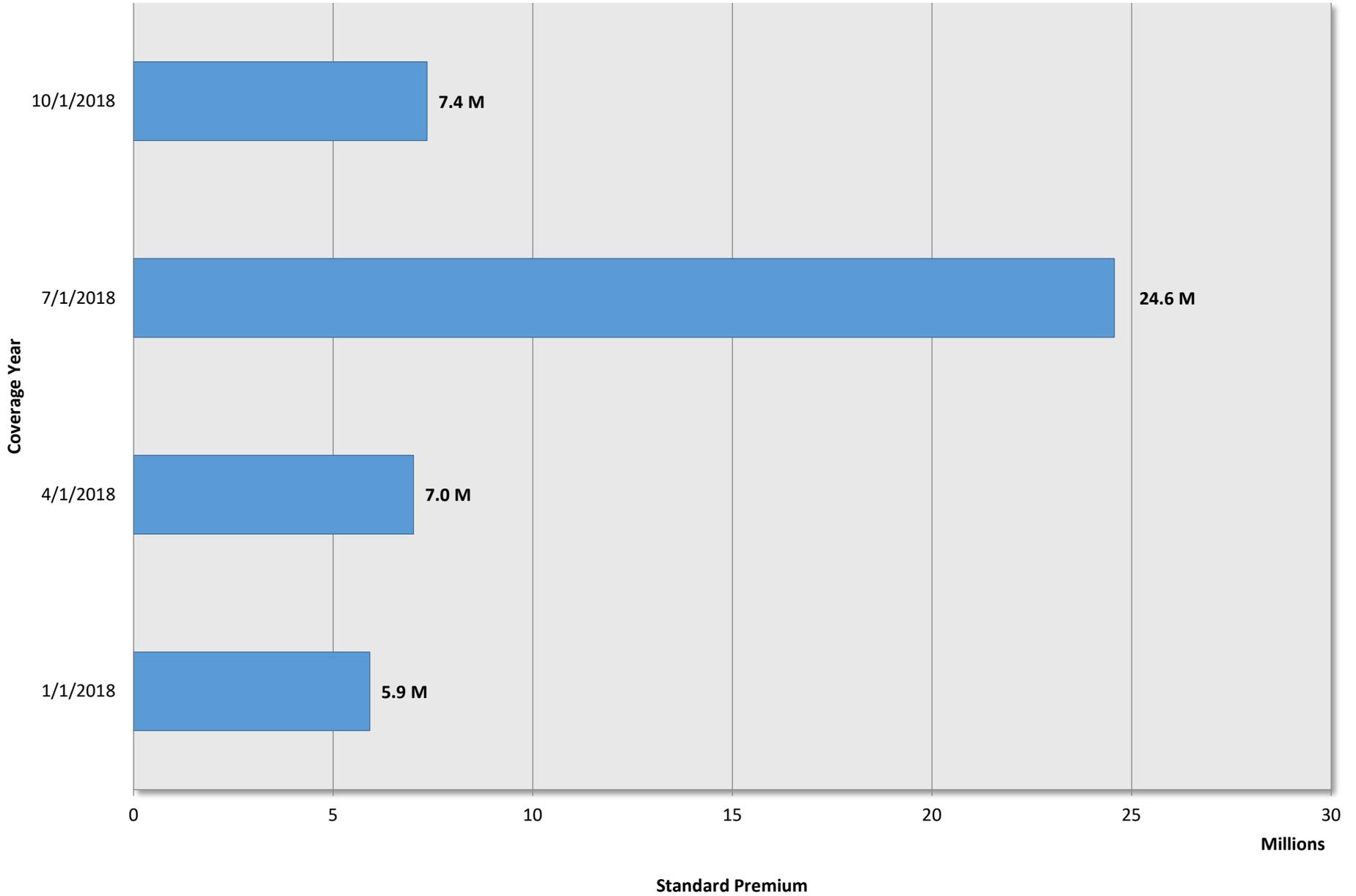


The total standard premium for groups by coverage year start date. The total standard premium for all Retro is \$780 Million.



The number of individually-enrolled participants by coverage year start date. There are a total of 95 individually-enrolled participants in Retro.

## Individual Retro Standard Premium Distribution by Coverage Period



The total standard premium by coverage year start date for individually-enrolled participants.  
The total standard premium for all of the Individuals in Retro is \$44.8 M

# Industries by Membership

Total = 11,435

- Construction
- Hospitality
- Manufacturing
- Retail
- Agriculture
- Healthcare
- Automotive
- Grocery
- Facilities
- Government
- Transportation
- Distillation

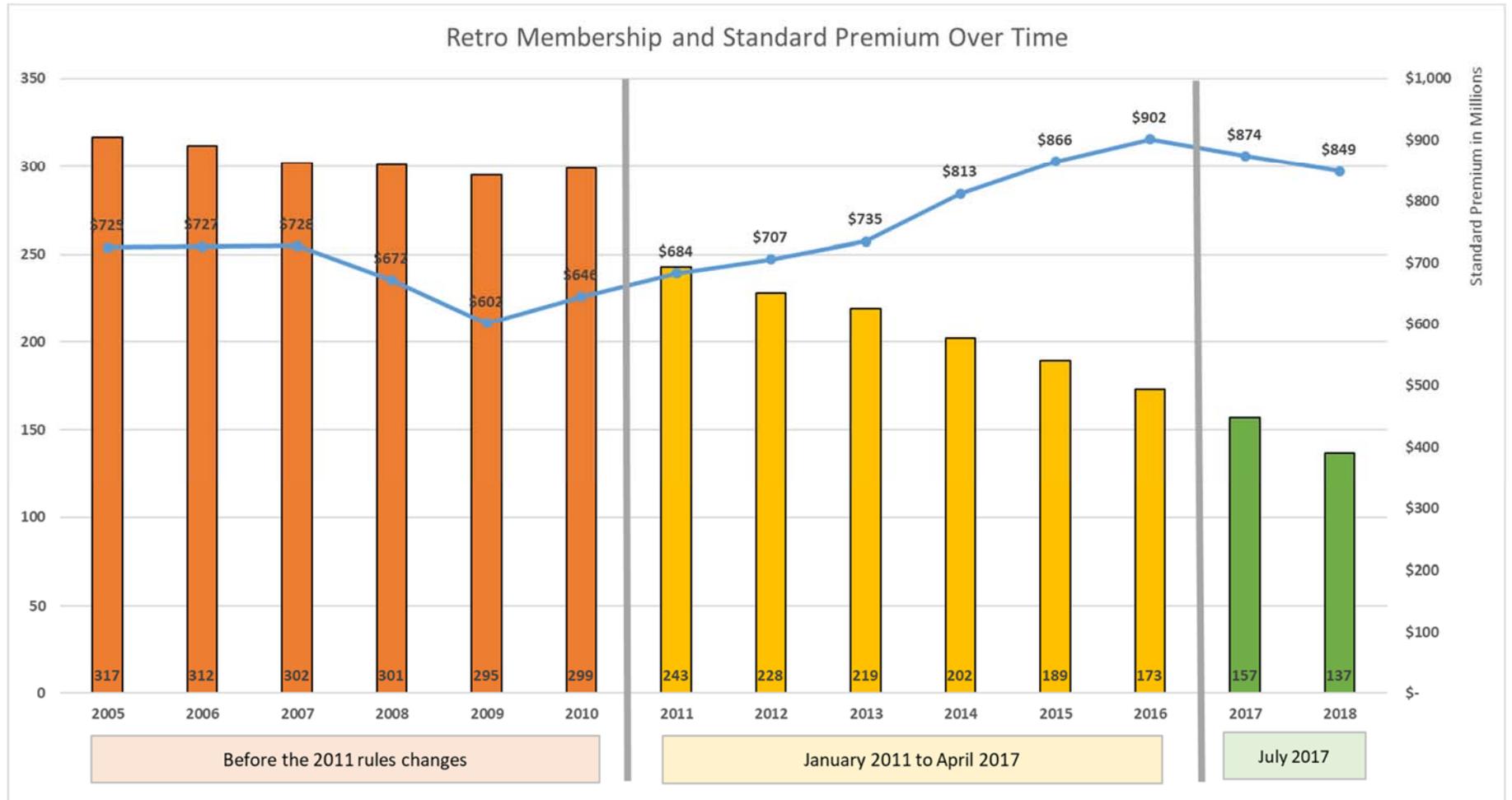


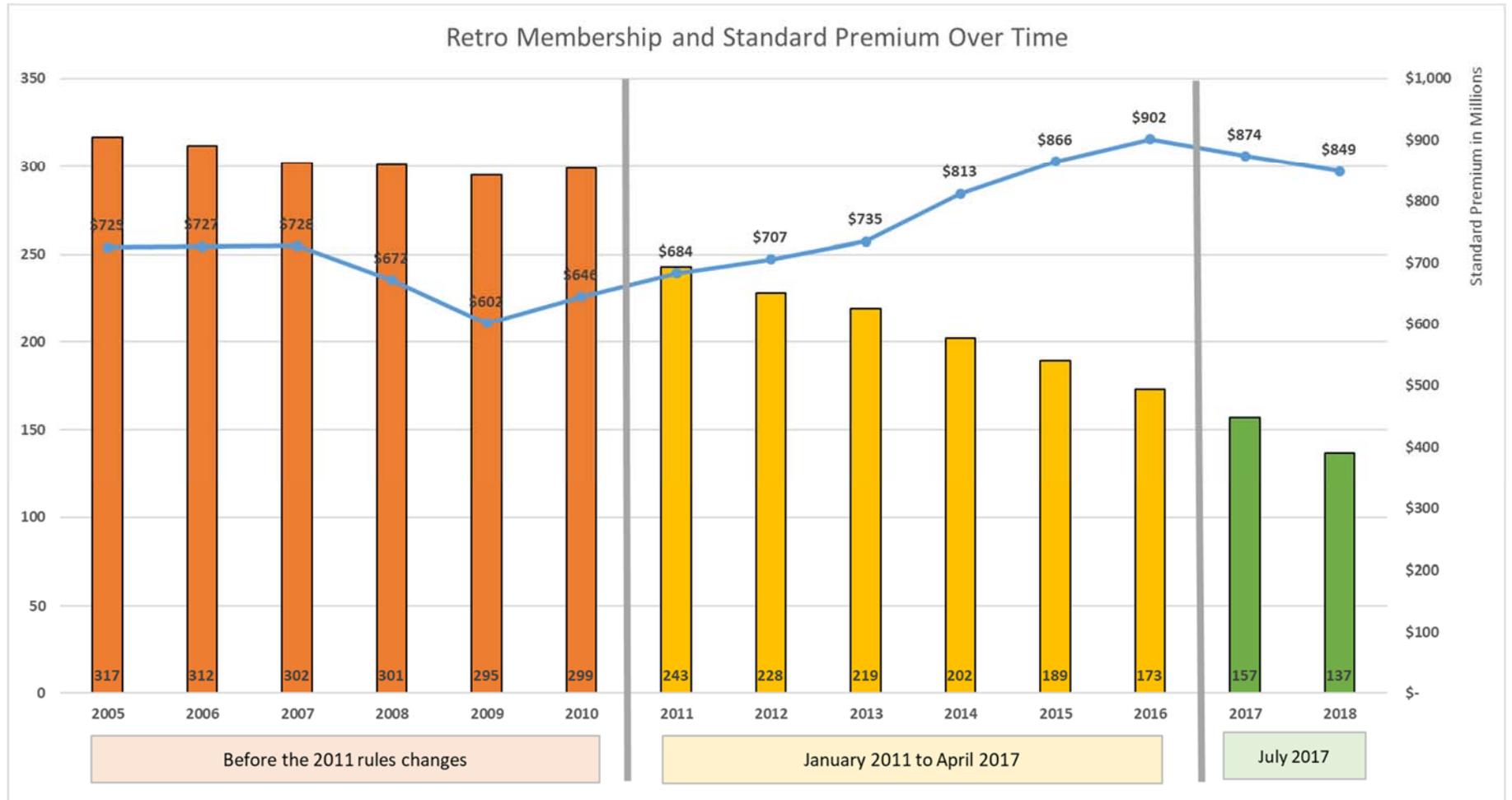
# Industries by Premium

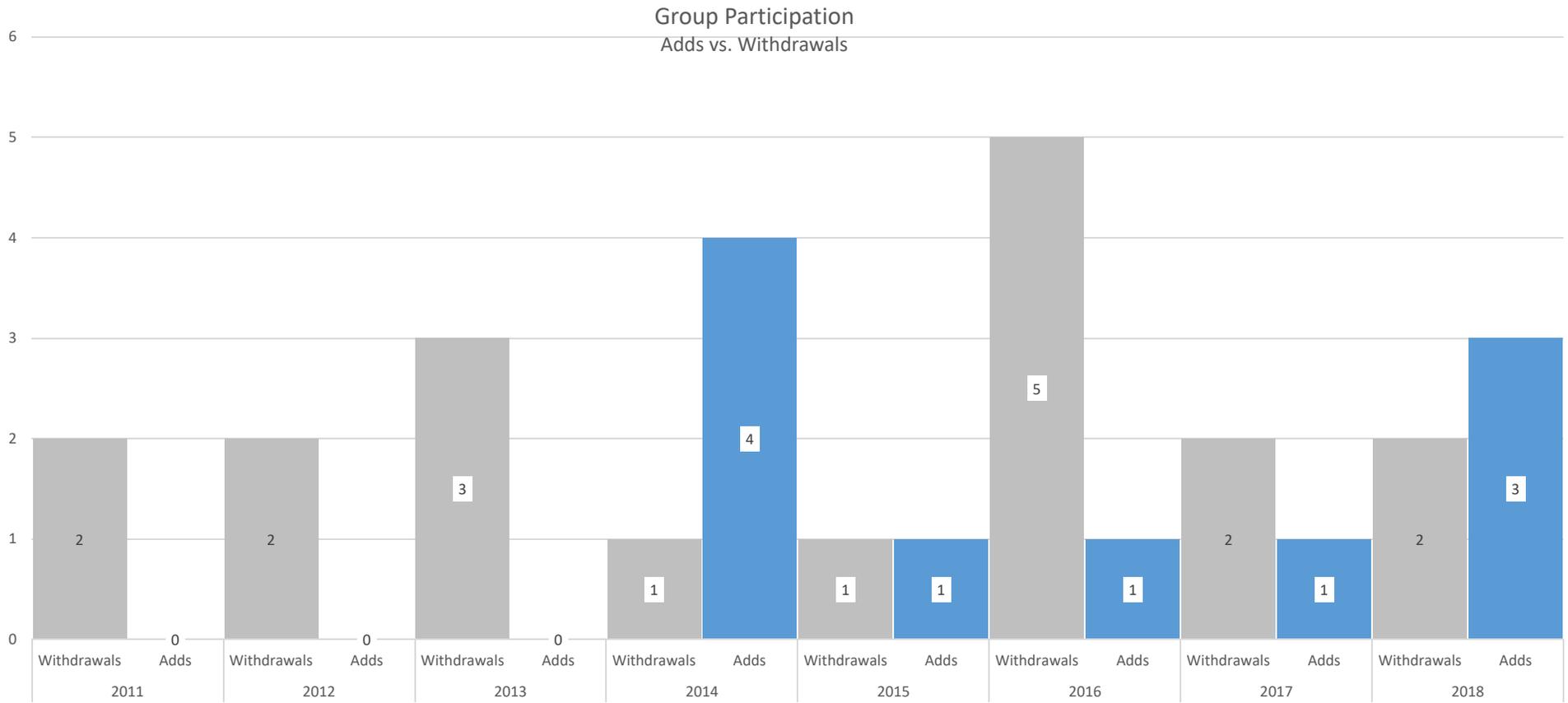
Total = \$777.5 Million

- Construction
- Manufacturing
- Hospitality
- Healthcare
- Retail
- Agriculture
- Automotive
- Transportation
- Facilities
- Government
- Grocery
- Distillation

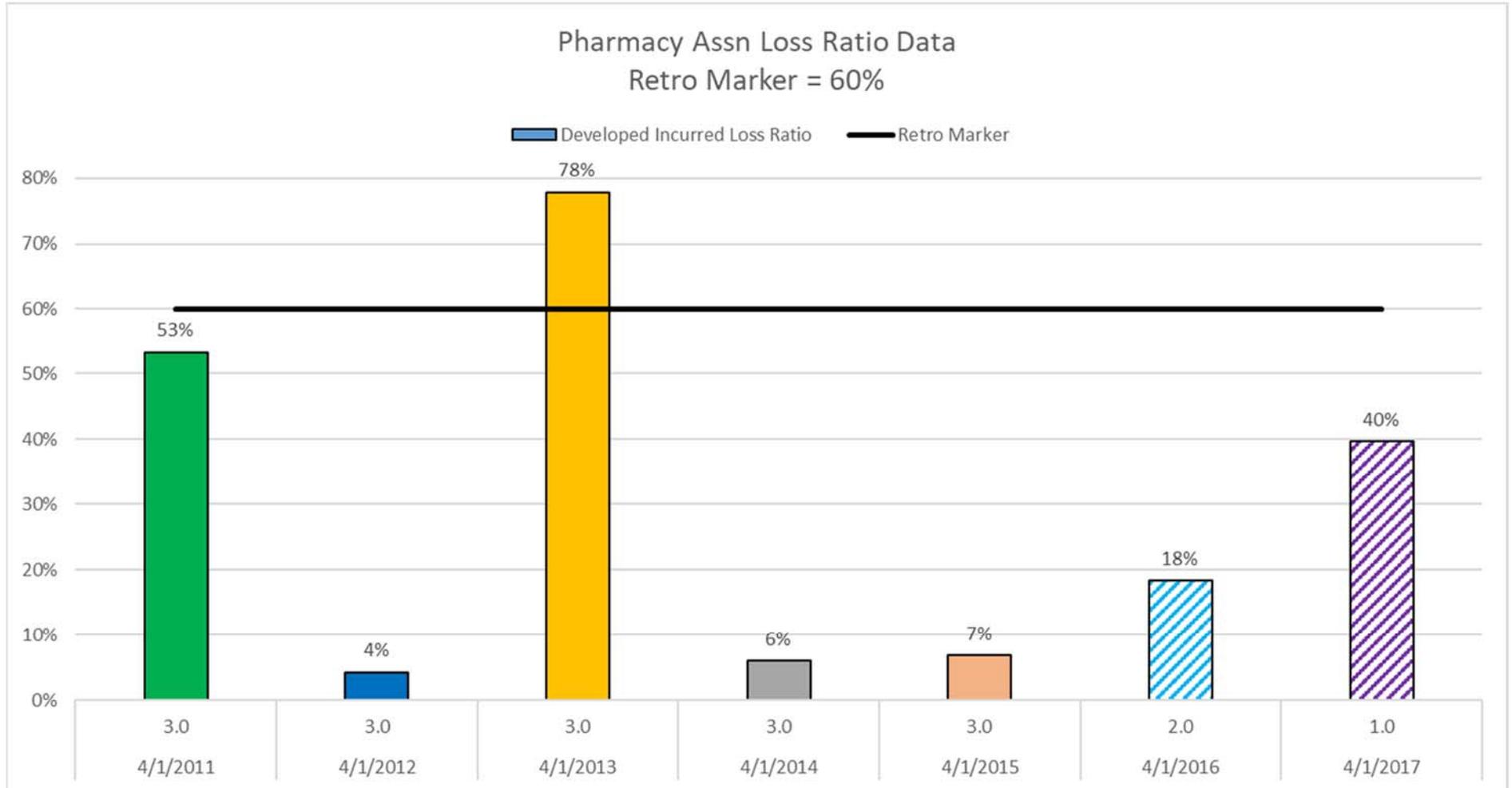


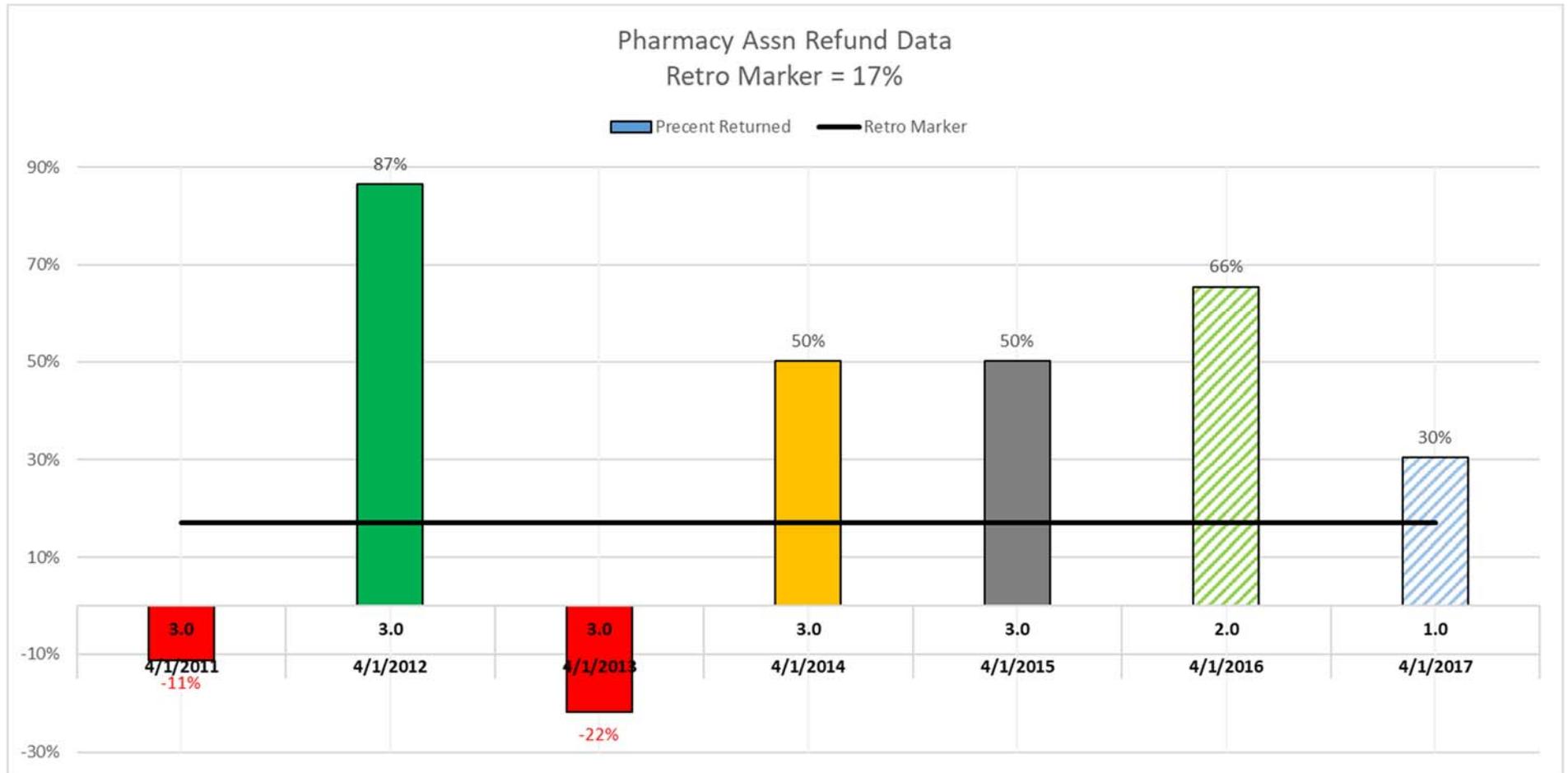






Data represents how many Retro IDs did not re-enroll for the coverage year.

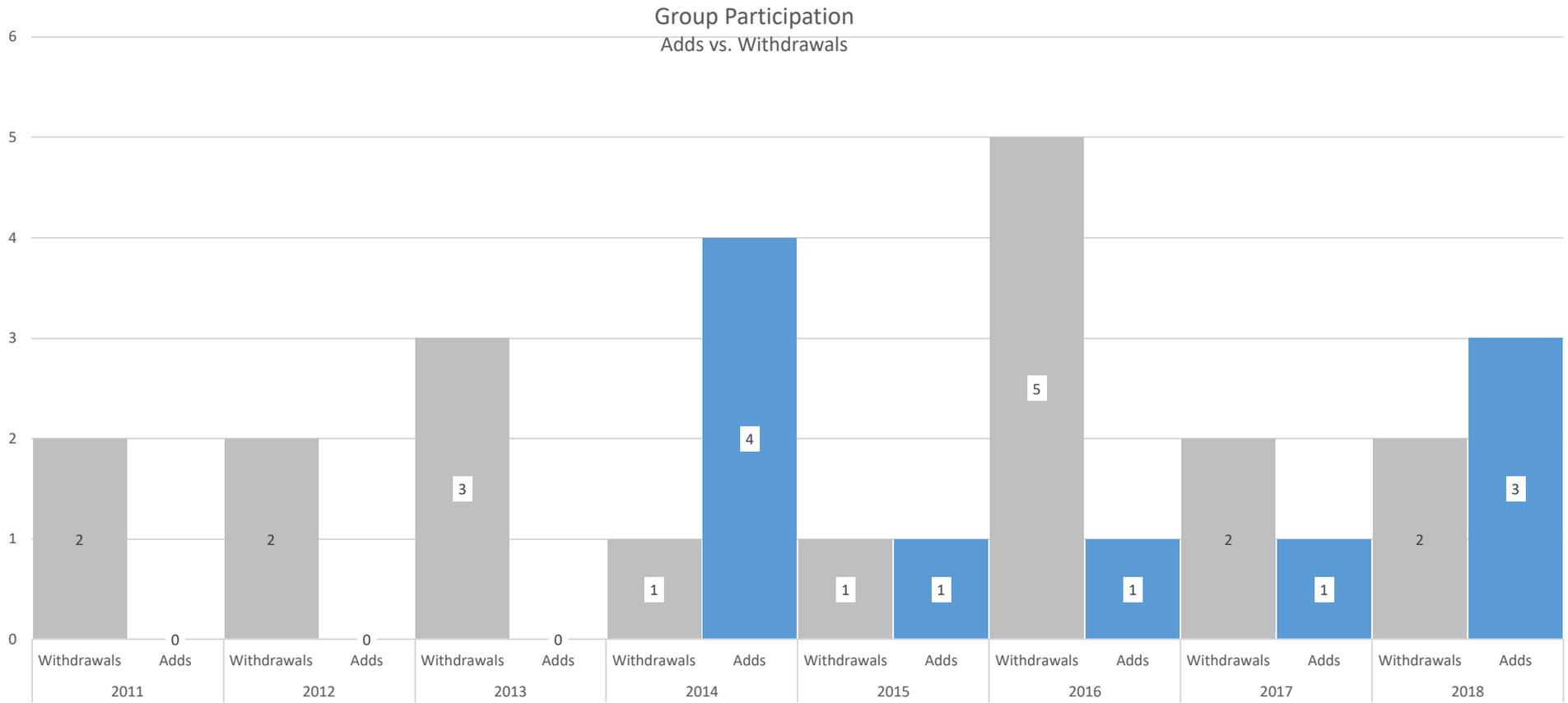




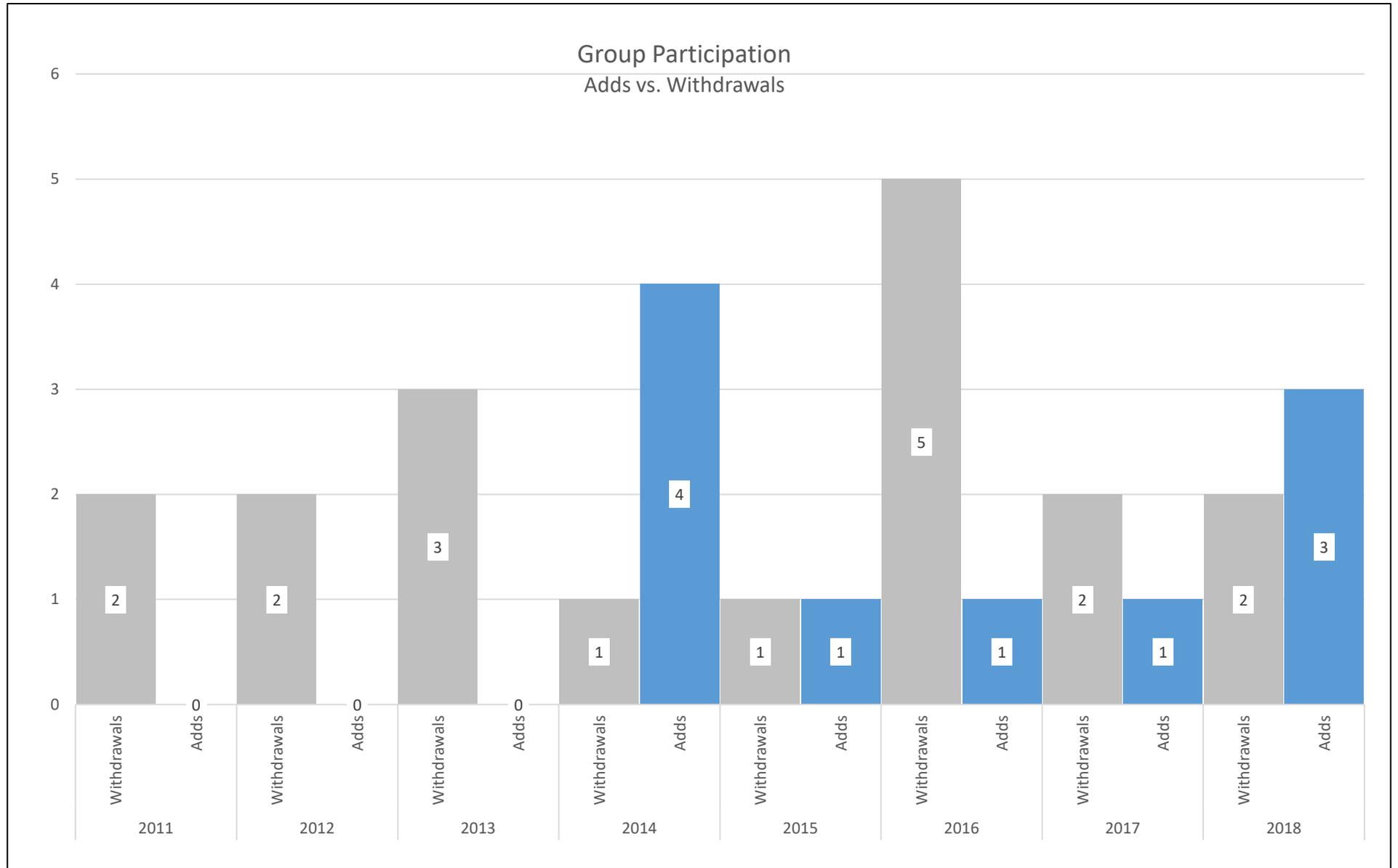
Retro Group Membership - 2011 to Current (sorted by 2018 largest to smallest)											
Retro Group Name	Industry Category	Coverage Year Beginning	2011	2012	2013	2014	2015	2016	2017	2018	% Change Since 2011
WASHINGTON RESTAURANT ASSN	Hospitality	January	1,754	1,737	1,846	1,905	2,103	2,452	2,562	2,577	47%
BUILDING INDUSTRY ASSN OF WA	Construction	July	1,684	1,509	1,626	1,705	1,965	1,967	1,853	1,777	6%
MASTER BUILDERS ASSOCIATION GRIP	Construction	July	1,082	1,135	1,086	1,018	1,092	1,160	1,194	1,144	6%
WASHINGTON STATE FARM BUREAU	Agriculture	July	1,761	1,513	1,488	1,537	1,543	1,498	704	548	(69%)
SMART 'A' TEAM	Construction	July	478	456	422	428	420	441	440	434	(9%)
ARCHBRIGHT GROUP RETRO	Manufacturing	July	388	392	408	420	413	435	448	411	6%
ASSOCIATED GENERAL CONTRACTORS	Construction	July	321	329	332	338	359	386	395	405	26%
WA HEALTH CARE ASSN - WHCA	Healthcare	July	249	245	253	271	322	352	385	350	41%
WASHINGTON FOOD INDUSTRY PREMIER	Grocery	July	231	254	262	266	285	310	339	337	46%
WA ST AUTO DEALERS ASSN	Automotive	January	301	296	297	301	295	299	293	295	(2%)
ASSN OF WA BUSINESS RETAIL WHLSL SRVCS	Retail	October	365	396	437	438	421	356	290	276	(24%)
ASSOC BUILDERS & CONTRACTORS OF WESTERN WA	Construction	July	334	311	318	256	259	276	284	263	(21%)
WA RETAIL ASSN	Retail	July	200	194	217	225	233	234	232	213	7%
PITB	Transportation	July	193	182	185	195	197	200	204	186	(4%)
VIGILANT	Manufacturing	July	208	201	194	197	196	208	191	179	(14%)
501(C) AGENCIES TRUST	Facilities	October	199	194	196	198	206	205	166	158	(21%)
WA RETAIL ASSN - AUTOMOTIVE	Automotive	July	62	97	125	125	136	143	162	156	152%
WA MANUFACTURERS COUNCIL	Manufacturing	July	173	163	155	158	159	171	165	146	(16%)
SMART ADVANTAGE	Retail	January	155	144	140	151	162	180	157	134	(14%)
ASSN OF WA BUSINESS HOSPITALITY	Hospitality	October	115	116	167	170	147	137	122	113	(2%)
WA ST MCDONALDS OPERATORS ASSN	Hospitality	January	110	110	110	113	112	116	116	116	5%
SMART DREAM TEAM	Construction	July	100	97	99	99	102	113	115	113	13%
PITB SERVICES INC	Manufacturing	January	168	153	157	129	127	122	99	90	(46%)
ASSOC BUILDERS & CONTRACTORS INLAND PACIFIC CHAPTER	Construction	July	-	-	-	80	80	88	93	90	-
ASSN OF WA BUSINESS FACILITIES PROPERTY MANAGEMENT	Facilities	October	57	71	92	113	112	98	89	88	54%
ASSN OF WA BUSINESS --MFG	Manufacturing	January	303	312	320	349	283	133	91	81	(73%)
LEADINGAGE WASHINGTON	Healthcare	July	92	105	109	100	96	93	91	79	(14%)
PITB ELITE	Distillation	January	-	-	-	54	65	87	86	77	-
AWC RETRO	Government	January	93	92	99	103	116	117	71	72	(23%)
WASHINGTON STATE PHARMACY ASSOCIATION	Retail	April	131	117	99	101	104	98	90	71	(46%)
GREATER VANCOUVER CHAMBER OF COMMERCE	Retail	October	71	73	71	71	68	66	60	-	-
NW DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD INC	Government	July	64	64	65	64	63	62	59	57	(11%)
LIFE SCIENCE WASHINGTON	Healthcare	July	62	61	59	58	56	57	62	56	(10%)
TRI CITY CONSTRUCTION COUNCIL	Construction	July	71	68	67	67	64	64	60	55	(23%)
THURSTON COUNTY CHAMBER OF COM	Healthcare	October	-	-	-	-	62	67	52	46	-
GREATER VANCOUVER CHAMBER - MANUFACTURING	Manufacturing	July	57	62	64	59	57	55	56	51	(11%)
WA ASSN OF SEWER & WATER DIST	Government	July	37	36	37	39	42	43	44	48	30%
STATE OF WASHINGTON	Government	July	45	41	41	39	38	38	40	40	(11%)
TOWING & RECOVERY ASSOCIATION OF WASHINGTON	Automotive	October	35	35	37	37	37	36	31	29	(17%)
WASHINGTON TRUCKING ASSOCIATIONS	Transportation	January	129	114	110	100	92	65	-	26	(80%)
SOUTHWEST WASHINGTON CONTRACTORS ASSOCIATION	Construction	July	20	19	17	21	21	25	26	24	20%
WMC PLATINUM WA MANUFACTURERS COUNCIL	Manufacturing	July	-	-	-	-	-	-	15	15	-
ARCHBRIGHT - RETAIL	Retail	January	-	-	-	-	-	-	-	9	-
			11,898	11,494	11,807	12,098	12,710	13,053	12,032	11,435	(4%)

Retro Group Standard Premium in Millions - 2011 to 2018* (sorted by 2018* largest to smallest)											
Retro Group Name	Industry Category	Coverage Year Beginning	2011	2012	2013	2014	2015	2016	2017	2018*	% Change Since 2011
BUILDING INDUSTRY ASSN OF WA	Construction	July	\$50.3	\$47.9	\$56.4	\$65.1	\$79.5	\$85.6	\$84.1	\$82.3	64%
ASSOCIATED GENERAL CONTRACTORS	Construction	July	\$35.6	\$38.2	\$46.8	\$54.1	\$59.6	\$68.3	\$72.6	\$72.3	103%
MASTER BUILDERS ASSOCIATION GRIP	Construction	July	\$28.9	\$38.2	\$43.2	\$43.3	\$50.5	\$56.4	\$60.3	\$60.3	108%
WASHINGTON RESTAURANT ASSN	Hospitality	January	\$37.7	\$37.3	\$38.0	\$41.3	\$45.4	\$55.1	\$56.7	\$53.6	42%
ARCHBRIGHT GROUP RETRO	Manufacturing	July	\$34.4	\$36.2	\$41.4	\$44.8	\$45.9	\$48.9	\$54.9	\$50.0	45%
SMART 'A' TEAM	Construction	July	\$41.7	\$43.7	\$40.5	\$45.1	\$44.9	\$48.1	\$49.8	\$47.5	14%
WASHINGTON STATE FARM BUREAU	Agriculture	July	\$43.8	\$38.6	\$41.0	\$50.9	\$55.0	\$53.8	\$46.4	\$39.8	(9%)
SMART DREAM TEAM	Construction	July	\$21.4	\$22.6	\$22.5	\$27.8	\$32.6	\$36.7	\$36.8	\$35.0	63%
WA HEALTH CARE ASSN - WHCA	Healthcare	July	\$23.3	\$22.8	\$23.3	\$23.4	\$28.7	\$31.3	\$30.1	\$30.0	29%
VIGILANT	Manufacturing	July	\$24.6	\$24.7	\$24.4	\$25.8	\$26.3	\$29.7	\$29.4	\$29.2	19%
PITB	Transportation	July	\$25.0	\$22.9	\$22.1	\$25.7	\$27.8	\$29.8	\$28.0	\$27.7	11%
ASSOC BUILDERS & CONTRACTORS OF WESTERN WA	Construction	July	\$16.2	\$17.2	\$19.9	\$19.9	\$23.5	\$25.2	\$26.3	\$27.4	69%
WA ST AUTO DEALERS ASSN	Automotive	January	\$18.9	\$19.5	\$20.8	\$21.3	\$21.9	\$22.7	\$24.2	\$24.3	29%
WASHINGTON FOOD INDUSTRY PREMIER	Grocery	July	\$12.0	\$13.5	\$14.6	\$14.5	\$16.3	\$18.7	\$20.0	\$20.7	72%
AWC RETRO	Government	January	\$10.5	\$11.1	\$11.9	\$14.0	\$16.6	\$18.7	\$18.5	\$17.5	66%
ASSN OF WA BUSINESS RETAIL WHSL SRVCS	Retail	October	\$16.3	\$18.4	\$20.9	\$23.4	\$23.4	\$20.1	\$16.3	\$17.4	7%
ASSN OF WA BUSINESS FACILITIES PROPERTY MANAGEMENT	Facilities	October	\$5.6	\$7.8	\$11.0	\$12.6	\$12.8	\$13.8	\$11.4	\$14.4	156%
WA RETAIL ASSN	Retail	July	\$8.5	\$8.7	\$8.9	\$10.9	\$12.1	\$12.7	\$13.5	\$12.5	47%
501(C) AGENCIES TRUST	Facilities	October	\$9.4	\$9.4	\$10.2	\$10.9	\$13.2	\$15.7	\$11.0	\$11.1	18%
SMART ADVANTAGE	Retail	January	\$12.1	\$11.0	\$10.8	\$13.0	\$14.4	\$19.3	\$14.0	\$10.5	(14%)
PITB ELITE	Distillation	January	-	-	-	\$5.7	\$7.5	\$9.5	\$11.4	\$10.2	-
ASSN OF WA BUSINESS --MFG	Manufacturing	January	\$20.8	\$22.6	\$24.4	\$26.5	\$22.8	\$15.1	\$14.1	\$10.1	(52%)
WA MANUFACTURERS COUNCIL	Manufacturing	July	\$10.7	\$10.5	\$10.3	\$10.8	\$12.0	\$12.0	\$9.6	\$9.2	(14%)
LEADINGAGE WASHINGTON	Healthcare	July	\$10.3	\$10.7	\$10.9	\$9.8	\$9.7	\$9.4	\$9.8	\$8.0	(23%)
ASSN OF WA BUSINESS HOSPITALITY	Hospitality	October	\$5.2	\$6.3	\$8.0	\$8.3	\$7.7	\$8.0	\$6.7	\$6.8	31%
WA RETAIL ASSN - AUTOMOTIVE	Automotive	July	\$1.4	\$1.8	\$2.9	\$3.4	\$3.7	\$4.6	\$5.3	\$6.7	393%
PITB SERVICES INC	Manufacturing	January	\$22.2	\$23.2	\$23.4	\$20.2	\$21.7	\$22.0	\$18.8	\$6.4	(71%)
ASSOC BUILDERS & CONTRACTORS INLAND PACIFIC CHAPTER	Construction	July	-	-	-	\$4.5	\$4.7	\$5.5	\$5.7	\$5.4	-
TRI CITY CONSTRUCTION COUNCIL	Construction	July	\$4.4	\$4.5	\$5.1	\$5.8	\$6.8	\$6.2	\$5.7	\$5.0	14%
WMC PLATINUM WA MANUFACTURERS COUNCIL	Manufacturing	July	-	-	-	-	-	-	\$3.5	\$4.7	-
WA ST MCDONALDS OPERATORS ASSN	Hospitality	January	\$3.6	\$3.5	\$3.6	\$3.7	\$3.7	\$3.7	\$3.8	\$3.8	5%
LIFE SCIENCE WASHINGTON	Healthcare	July	\$1.6	\$1.9	\$2.4	\$2.3	\$2.4	\$2.6	\$3.3	\$3.0	85%
GREATER VANCOUVER CHAMBER - MANUFACTURING	Manufacturing	July	\$2.0	\$2.4	\$2.9	\$2.8	\$2.6	\$2.4	\$2.3	\$2.5	26%
STATE OF WASHINGTON	Government	July	\$3.3	\$3.5	\$3.5	\$3.6	\$2.6	\$2.6	\$2.9	\$2.5	(25%)
WA TRUCKING ASSOCIATIONS	Transportation	January	\$10.1	\$9.7	\$9.7	\$8.9	\$8.3	\$5.9	-	\$2.4	(76%)
SOUTHWEST WASHINGTON CONTRACTORS ASSOCIATION	Construction	July	\$1.7	\$1.5	\$1.6	\$1.9	\$1.8	\$2.4	\$2.0	\$2.0	12%
THURSTON COUNTY CHAMBER OF COM	Healthcare	October	-	-	-	-	\$1.3	\$1.4	\$1.2	\$1.4	-
WA ASSN OF SEWER & WATER DIST	Government	July	\$ .8	\$ .7	\$ .8	\$ .8	\$ .9	\$1.1	\$1.4	\$1.2	54%
TOWING & RECOVERY ASSOCIATION OF WASHINGTON	Automotive	October	\$1.2	\$1.2	\$1.4	\$1.6	\$1.6	\$1.4	\$1.1	\$1.2	(3%)
NW DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD INC	Government	July	\$ .9	\$ .9	\$ .9	\$1.0	\$1.1	\$1.2	\$1.3	\$1.1	30%
WASHINGTON STATE PHARMACY ASSOCIATION	Retail	April	\$ .7	\$ .6	\$ .6	\$ .6	\$ .6	\$ .5	\$ .5	\$ .4	(38%)
GREATER VANCOUVER CHAMBER OF COMMERCE	Retail	October	\$ .9	\$ .9	\$ .9	\$1.1	\$1.0	\$1.0	\$1.0	-	-
			\$578.1	\$596.3	\$641.8	\$711.0	\$775.2	\$829.2	\$815.5	\$777.5	34%

\*Standard Premium is calculated by using 4th quarter 2017 premium through 3rd quarter 2018 to represent a full year of standard premium.



Data represents how many Retro IDs did not re-enroll for the coverage year.



Data represents how many Retro IDs did not enroll for the coverage year.

TPA Representation										
	TPA	Groups	Members	Premium	Individuals	Members	Premium	Total Retro IDs	Total Members	Total Premium
TPA	AMP SERVICES LLC				1	2	\$ 39,632	1	2	\$ 39,632
	APPROACH MANAGEMENT SERVICES	7	2,270	\$ 216,132,415	1	5	\$ 1,500,194	8	2,275	\$ 217,632,609
	ARCHBRIGHT	1	58	\$ 5,552,908	2	5	\$ 1,034,299	3	63	\$ 6,587,207
	ASPIRE CONSULTING LLC	1	281	\$ 26,053,074				1	281	\$ 26,053,074
	CCRS	1	44	\$ 1,156,052				1	44	\$ 1,156,052
	COMPREHENSIVE RISK MANAGEMENT	1	90	\$ 8,859,236				1	90	\$ 8,859,236
	CORVEL CORPORATION				2	3	\$ 892,318	2	3	\$ 892,318
	CORVEL ENTERPRISE COMP INC				1	1	\$ 190,893	1	1	\$ 190,893
	CROUCHER CONSULTING SERVICES	2	108	\$ 4,121,050				2	108	\$ 4,121,050
	EMPLOYER RESOURCES NORTHWEST	6	3,436	\$ 108,509,479	9	49	\$ 10,869,100	15	3,485	\$ 119,378,579
	GALLAGHER BASSETT				1	1	\$ 327,304	1	1	\$ 327,304
	HEFFERNAN INSURANCE BORKERS				1	3	\$ 579,987	1	3	\$ 579,987
	INTEGRATED CLAIMS MANAGEMENT	5	566	\$ 40,070,527	4	4	\$ 1,374,122	9	570	\$ 41,444,649
	PCI SERVICES				1	1	\$ 667,791	1	1	\$ 667,791
	RISK FINANCE AND INVESTMENT CO	2	175	\$ 13,069,293	2	4	\$ 1,595,048	4	179	\$ 14,664,341
	RISK OPTIONS & SOLUTIONS LLC				1	1	\$ 107,414	1	1	\$ 107,414
	SEDGWICK CLAIMS MANAGEMENT SER	1	90	\$ 13,902,673	4	7	\$ 1,065,750	5	97	\$ 14,968,423
	VIGILANT				1	3	\$ 573,385	1	3	\$ 573,385
	WEST COAST INSURANCE SERVICES				1	1	\$ 34,670	1	1	\$ 34,670
	YORK RISK SERVICES GROUP	3	503	\$ 41,904,260				3	503	\$ 41,904,260
<b>SUB-TOTAL</b>		<b>30</b>	<b>7,621</b>	<b>\$ 479,330,967</b>	<b>32</b>	<b>90</b>	<b>\$ 20,851,907</b>	<b>61</b>	<b>7,709</b>	<b>\$ 500,143,242</b>
<b>PERCENTAGE</b>		<b>75%</b>	<b>65%</b>	<b>60%</b>	<b>28%</b>	<b>41%</b>	<b>43%</b>	<b>39%</b>	<b>64%</b>	<b>59%</b>
NO TPA	<b>SUB-TOTAL</b>	<b>10</b>	<b>4,166</b>	<b>\$ 321,347,854</b>	<b>84</b>	<b>132</b>	<b>\$ 27,280,885</b>	<b>94</b>	<b>4,298</b>	<b>\$ 348,628,739</b>
	<b>PERCENTAGE</b>	<b>25%</b>	<b>35%</b>	<b>40%</b>	<b>72%</b>	<b>59%</b>	<b>57%</b>	<b>61%</b>	<b>36%</b>	<b>41%</b>
ALL	<b>TOTAL</b>	<b>40</b>	<b>11,787</b>	<b>\$ 800,678,821</b>	<b>116</b>	<b>222</b>	<b>\$ 48,132,792</b>	<b>155</b>	<b>12,007</b>	<b>\$ 848,771,981</b>
	<b>PERCENTAGE</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# **Retrospective Rating: Performance Adjusted Refunds for April Enrollments as of January 2019**

**Retro Advisory Committee Meeting  
February 21, 2019**

**Nichole Runnels, Actuarial Analyst**



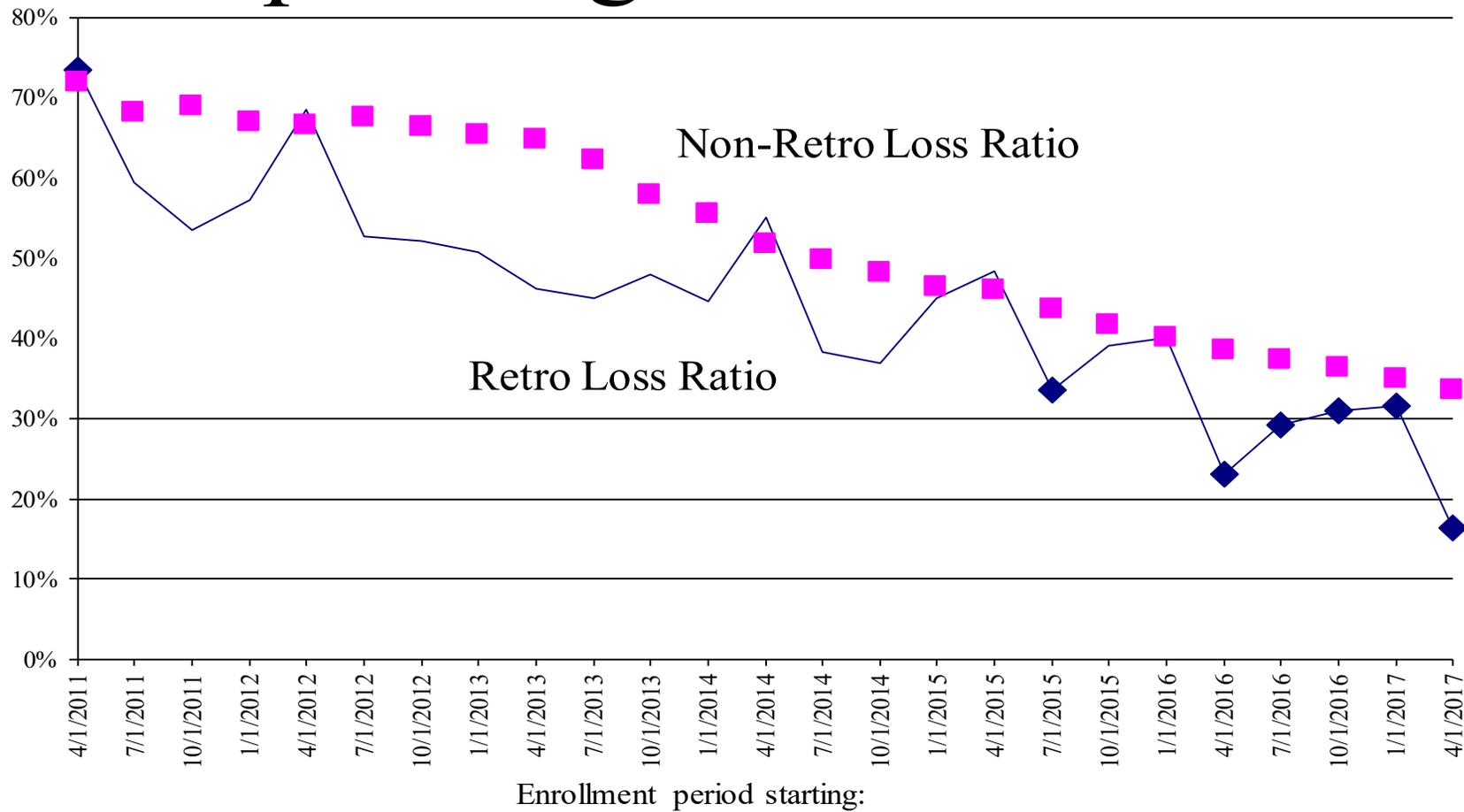


# Retrospective Rating Goal and Performance Adjusted Refund

- GOAL: Retro and Non-Retro firms pay proportional share of insurance costs**
  - Goal is met when Retro and Non-Retro firms have Equal overall ratio of Losses to Premiums (after refunds)
  - Performance Adjusted Refund (PAR) amounts are designed to meet this goal at the time of each annual adjustment



# Equalizing the Loss Ratios





# Equalizing the Loss Ratios

## Calculate the % Loss Ratio Difference

for each of 4 consecutive enrollment quarters leading up to and including April enrollment. Example:

<b>Quarter 4: Enrollment beginning 4/1/17:</b>		
	<b>Retro</b>	<b>Non-retro</b>
<b>Losses Case Incurred</b>	1,483,333	469,501,664
<b>Standard Premium</b>	9,048,616	1,401,307,110
<b>Loss Ratio</b>	16.39%	33.50%
<b>Percentage Difference</b>	<b>51.07%</b>	=100% - 16.39% ÷ 33.50



# Equalizing the Loss Ratios

## Calculate the 4 Quarter Weighted Average % Loss Ratio Difference

4 quarters leading up to and including April enrollment:

	<b>Retro Enrollment</b>	<b>Standard Premium</b>	<b>Loss Ratio Percentage Difference</b>
<b>Quarter 1</b>	<b>7/1/2016</b>	643,429,525	21.76%
<b>Quarter 2</b>	<b>10/1/2016</b>	75,068,696	14.44%
<b>Quarter 3</b>	<b>1/1/2017</b>	167,739,974	9.94%
<b>Quarter 4</b>	<b>4/1/2017</b>	9,048,616	51.07%
<b>Total</b>		895,286,811	19.23%



# Adding Interest to PAR

April 1, 2017 Enrollment  
First Annual Adjustment

	<b>Retro Enrollment</b>	<b>Standard Premium</b>	<b>Loss Ratio Percentage Difference</b>
<b>Quarter 1</b>	<b>7/1/2016</b>	643,429,525	21.76%
<b>Quarter 2</b>	<b>10/1/2016</b>	75,068,696	14.44%
<b>Quarter 3</b>	<b>1/1/2017</b>	167,739,974	9.94%
<b>Quarter 4</b>	<b>4/1/2017</b>	9,048,616	51.07%
<b>Total</b>		895,286,811	19.23%
<b>Interest factor</b>			X 1.0347
<b>Target Refund percentage</b>			= <b>19.89%</b>



# Performance Adjusted Refund

PAR target =

PAR% X 4 Quarter Standard Premiums

	<b>Retro Enrollment</b>	<b>Standard Premium</b>
<b>Quarter 1</b>	<b>7/1/2016</b>	642,463,340
<b>Quarter 2</b>	<b>10/1/2016</b>	75,068,196
<b>Quarter 3</b>	<b>1/1/2017</b>	167,635,140
<b>Quarter 4</b>	<b>4/1/2017</b>	9,048,613
<b>Total</b>		894,215,289
		X
<del><b>Target refund %</b></del>		19.89%
		=
<del><b>Target refund</b></del>		<b>\$177,899,156</b>



## Calculating the April 2017 PAF

Hit the PAR target for April 2017 enrollment

			Difference from Target
<b>Target Refund:</b>			177,899,156
If We Tried Q4 PAF =	1.0000	Then the Refund Would Have Been	\$217,443,780
<b>This refund would be too large. We need to use a larger PAF.</b>			-\$39,544,624
<b>Quarter 4 PAF=</b>	1.0660		
	<b>Retro Enrollment</b>	<b>Current PAF</b>	<b>Current Refund</b>
<b>Quarter 1</b>	7/1/2016	1.0660	155,666,677
<b>Quarter 2</b>	10/1/2016	1.0660	3,054,814
<b>Quarter 3</b>	1/1/2017	1.0660	16,417,455
<b>Quarter 4</b>	4/1/2017	1.0660	2,764,193
<b>Using this PAF we obtain</b>			177,903,139
If We Tried Q4 PAF =	1.0661	Then the Refund Would Have Been	\$177,843,196
			\$55,960
If We Tried Q4 PAF =	1.0659	Then the Refund Would Have Been	\$177,963,098
			-\$63,942

Refunds are calculated per enrollment period using the PAF shown above for estimation purposes only.



**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
4/1/2017  
First Evaluation**

Report Date: 1/28/2019

PAF: 1.0660

Association Name	Standard Premium	After ELRF & PAF Developed Losses	Standard Loss Ratio	Hazard Plan	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)
<b>Subtotal - 13 Firms with Refunds</b>	<b>5,245,808</b>	<b>1,002,021</b>	<b>19%</b>							<b>251,800</b>	<b>1,087,937</b>	<b>965,644</b>	<b>2,305,381</b>	<b>2,940,427</b>	<b>56%</b>
<b>Subtotal - 4 Firms with Assessments</b>	<b>3,334,647</b>	<b>2,587,350</b>	<b>78%</b>							<b>160,063</b>	<b>2,696,307</b>	<b>796,845</b>	<b>3,653,215</b>	<b>(318,568)</b>	<b>(10%)</b>
<b>Subtotal - 17 Individual Firms</b>	<b>8,580,455</b>	<b>3,589,371</b>	<b>42%</b>							<b>411,863</b>	<b>3,784,244</b>	<b>1,762,489</b>	<b>5,958,596</b>	<b>2,621,859</b>	<b>31%</b>
Average Firm Size	504,733														
Washington State Pharmacy Association	468,158	185,763	40% L		2	55 \$250K	0.752	0	0.5261	22,472	198,766	104,581	325,819	142,339	30%
<b>Subtotal - Associations</b>	<b>468,158</b>	<b>185,763</b>	<b>40%</b>							<b>22,472</b>	<b>198,766</b>	<b>104,581</b>	<b>325,819</b>	<b>142,339</b>	<b>30%</b>
<b>Total Enrollment</b>	<b>9,048,613</b>	<b>3,775,134</b>	<b>42%</b>							<b>434,335</b>	<b>3,983,010</b>	<b>1,867,070</b>	<b>6,284,415</b>	<b>2,764,198</b>	<b>31%</b>



**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
4/1/2016  
Second Evaluation**

Report Date: 1/28/2019 PAF: 0.9687

Association Name	Standard Premium	After ELRF & PAF Developed Losses	Standard Loss Ratio	Hazard Plan	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)	
<b>Subtotal - 15 Firms with Refunds</b>	<b>5,051,725</b>	<b>1,189,802</b>	<b>24%</b>							<b>242,481</b>	<b>1,388,335</b>	<b>1,275,717</b>	<b>2,906,533</b>	<b>2,145,192</b>	<b>42%</b>	
<b>Subtotal - 7 Firms with Assessments</b>	<b>3,556,182</b>	<b>3,418,313</b>	<b>96%</b>							<b>170,698</b>	<b>2,536,759</b>	<b>1,026,182</b>	<b>3,733,639</b>	<b>(177,457)</b>	<b>(5%)</b>	
<b>Subtotal - 22 Individual Firms</b>	<b>8,607,907</b>	<b>4,608,115</b>	<b>54%</b>							<b>413,179</b>	<b>3,925,094</b>	<b>2,301,899</b>	<b>6,640,172</b>	<b>1,967,735</b>	<b>23%</b>	
Average Firm Size	391,269															
Washington State Pharmacy Association	534,307	98,216	18% L		2	56	\$250K	0.752	0	0.5107	25,647	105,091	53,668	184,406	349,901	65%
<b>Subtotal - Associations</b>	<b>534,307</b>	<b>98,216</b>	<b>18%</b>							<b>25,647</b>	<b>105,091</b>	<b>53,668</b>	<b>184,406</b>	<b>349,901</b>	<b>65%</b>	
<b>Total Enrollment</b>	<b>9,142,214</b>	<b>4,706,331</b>	<b>51%</b>							<b>438,826</b>	<b>4,030,185</b>	<b>2,355,567</b>	<b>6,824,578</b>	<b>2,317,636</b>	<b>25%</b>	



**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
4/1/2015  
Third Evaluation**

Report Date: 1/28/2019

PAF: **0.9544**

Association Name	Standard Premium	After ELRF & PAF Developed Losses	Standard Loss Ratio	Hazard Plan	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)
<b>Subtotal - 13 Firms with Refunds</b>	<b>7,833,070</b>	<b>5,076,101</b>	<b>65%</b>							<b>375,988</b>	<b>5,206,417</b>	<b>1,778,799</b>	<b>7,361,204</b>	<b>471,866</b>	<b>6%</b>
<b>Subtotal - 10 Firms with Assessments</b>	<b>1,255,616</b>	<b>3,054,330</b>	<b>243%</b>							<b>60,269</b>	<b>901,990</b>	<b>582,196</b>	<b>1,544,455</b>	<b>(288,839)</b>	<b>(23%)</b>
<b>Subtotal - 23 Individual Firms</b>	<b>9,088,686</b>	<b>8,130,431</b>	<b>89%</b>							<b>436,257</b>	<b>6,108,407</b>	<b>2,360,995</b>	<b>8,905,659</b>	<b>183,027</b>	<b>2%</b>
Average Firm Size	395,160														
Washington State Pharmacy Association	564,322	39,048	7% L		2	57 \$250K	0.8	0.3	0.4067	27,087	181,147	73,667	281,901	282,421	50%
<b>Subtotal - Associations</b>	<b>564,322</b>	<b>39,048</b>	<b>7%</b>							<b>27,087</b>	<b>181,147</b>	<b>73,667</b>	<b>281,901</b>	<b>282,421</b>	<b>50%</b>
<b>Total Enrollment</b>	<b>9,653,008</b>	<b>8,169,479</b>	<b>85%</b>							<b>463,344</b>	<b>6,289,554</b>	<b>2,434,662</b>	<b>9,187,560</b>	<b>465,448</b>	<b>5%</b>



Washington State Department of  
**Labor & Industries**



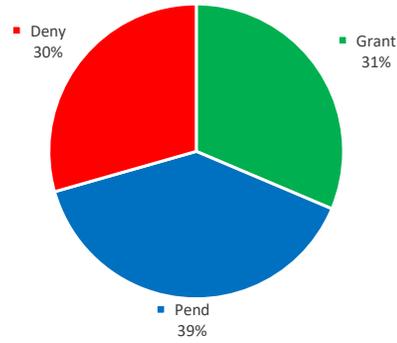
# Questions?

### January Adjustment Protests for CY2015, 2016, 2017

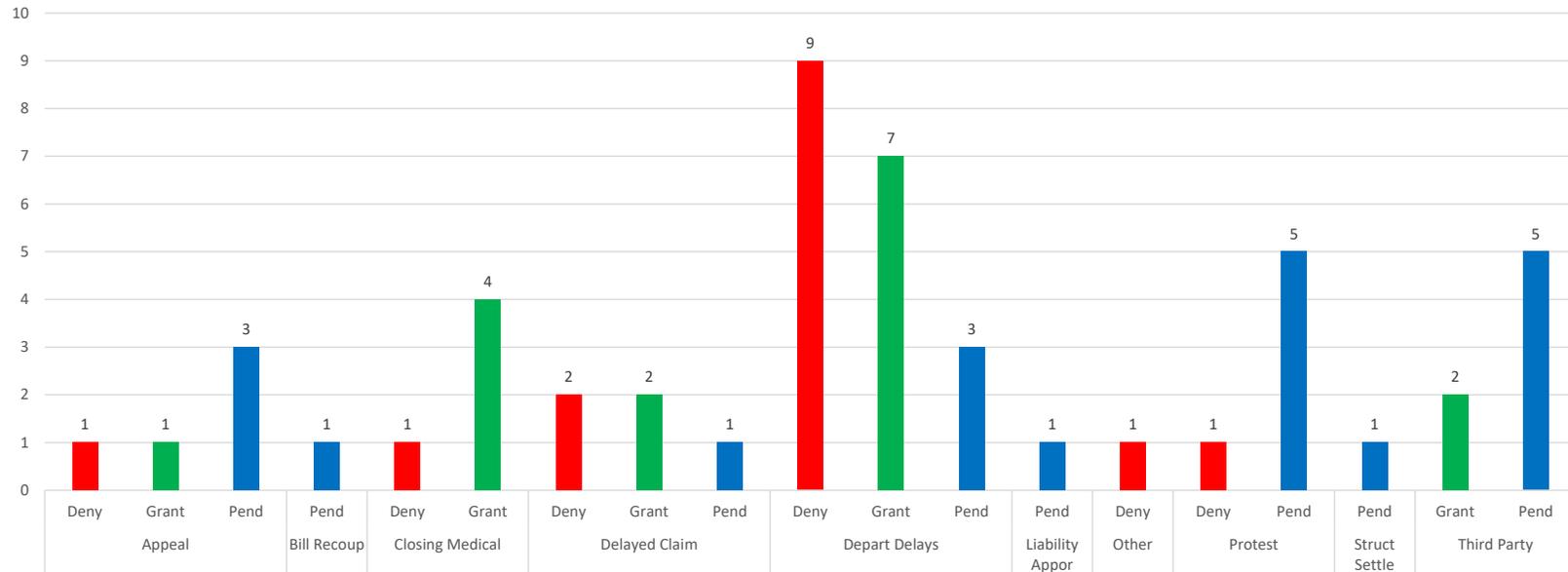
Claims Protested By		
CY2017 1st Adj.	28	55%
CY2016 2nd Adj.	11	22%
CY2015 3rd Adj.	12	24%
<b>Total Claims Protested</b>	<b>51</b>	

**Total Manual Adjustments**  
**\$924,228**

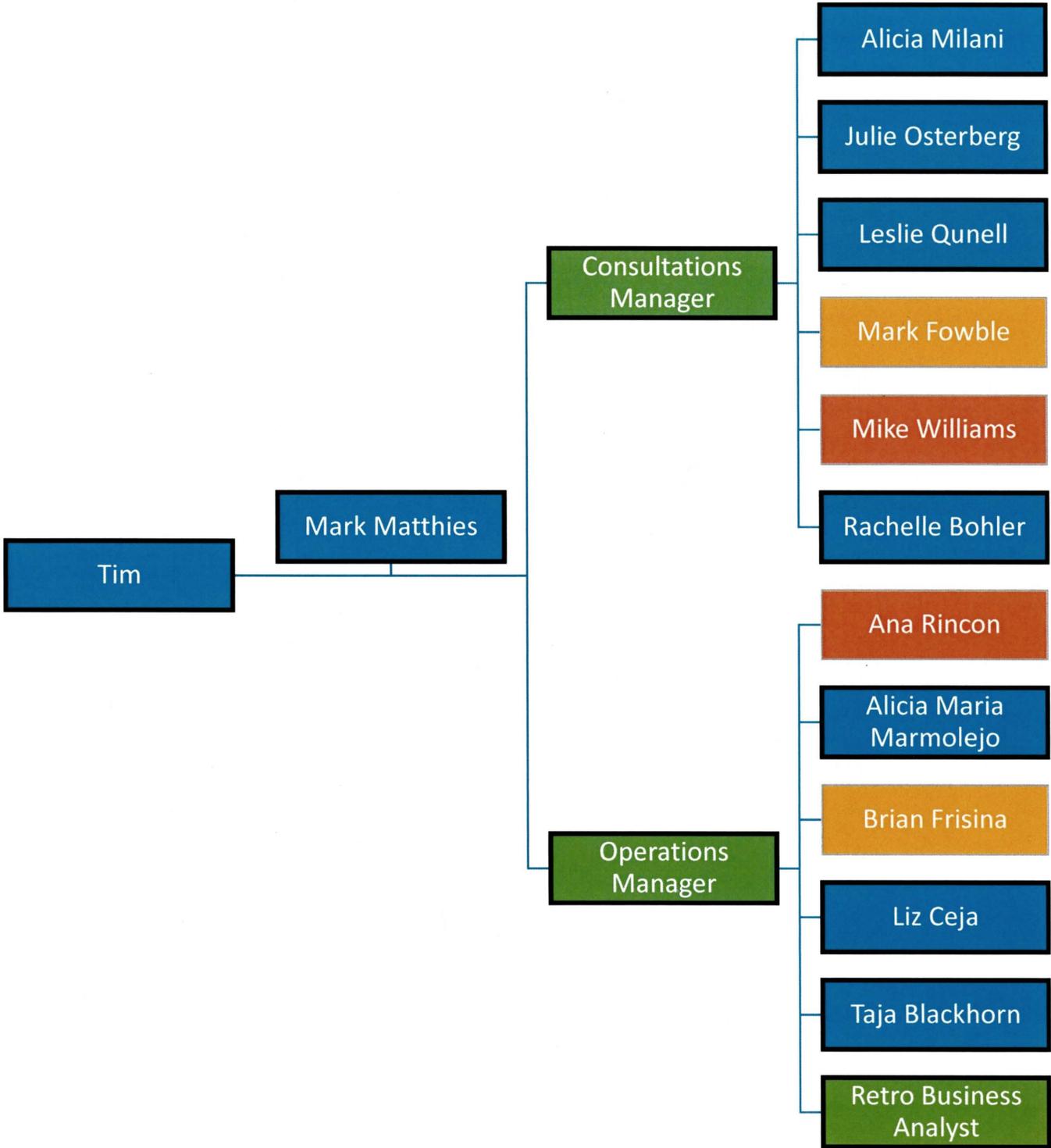
Protest Outcomes

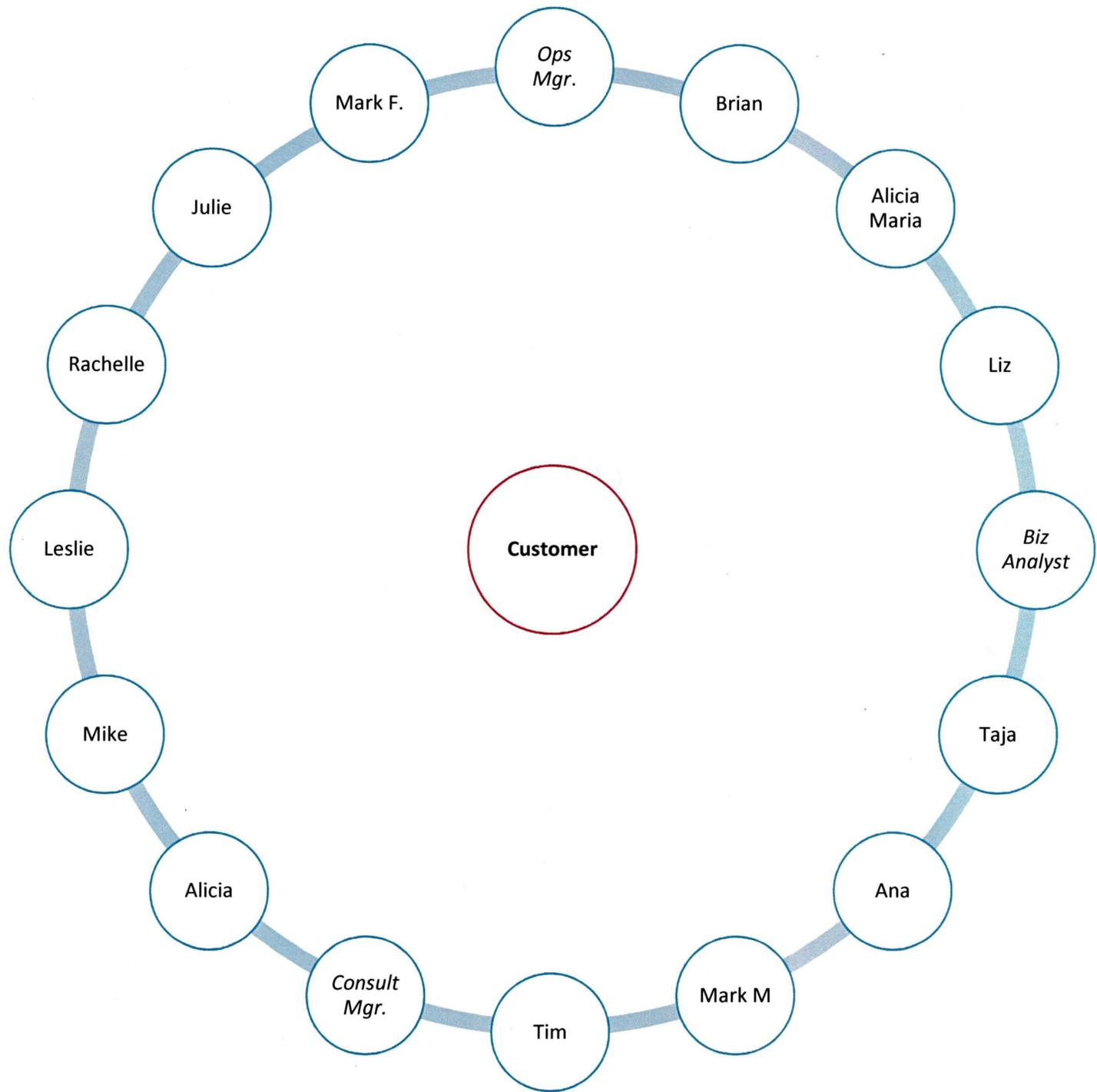


Protest Reasons



Retro Org Chart  
March 2019





# Retro Advisory Committee API Demonstration

February 21, 2019



## Agenda

- Team Introductions
- Background
- API development phases
- Technical Demonstration
- Technical Q&A
- Next Steps
- Additional Q&A

## Team Introductions

- Crystal Henson – IT Development Team Manager
- Shane Frost – Chief Application Solutions Architect
- Brian Criss – E-Government Manager, Business Transformation Technical Team
- Shannon Steketee – Product Manager

## Project Background

- Started releasing customer facing functionality in 1999
- Moved toward SOA (Service Oriented Architecture) with reusable components in 2011
- Some limited system-to-system interaction with external users over the years (e.g. electronic data exchange)
- Currently moving toward RESTful API exposing microservices
- End goal – ability to more quickly build and deploy smaller components internally, while supporting broader system-to-system interactions for customers

## API Development phases

- Proof of concept started last fall
- API phase one – use current web application and security methods
- API phase two – certificate authentication as an access mechanism
- API phase three – full API management, including security, throttling, analytics, etc.

# Technical Demonstration / Q&A

## Next Steps

- Review and update our data sharing agreement
- Additional POC work to prove out image retrieval
- Stand up new infrastructure
- Engage external users
- Additional API development
- Beta release

## Thank you! Questions?

Shannon Steketee  
360-902-6623  
Shannon.Steketee@lni.wa.gov