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WC Industry Financial and Underwriting Trends

- Underwriting results
- Loss reserve development
 - Recent activity
 - Diagnostics and Industry adequacy levels
- Potential impact of medical inflation

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Underwriting Results

- Calendar Year combined ratios for the industry have showed a steady decrease through 2018, with a slight upward trend over the last three years.
- Since 2013, AY combined ratios has been relatively flat, with larger gap between CY and AY ratios coming from significant favorable development on prior AY reserves.

Combined Ratios - WC Industry

Year	Calendar Year Combined	Initial AY Combined Ratio
2012	110%	110%
2013	102%	105%
2014	100%	102%
2015	95%	100%
2016	95%	100%
2017	92%	100%
2018	88%	100%
2019	90%	100%
2020	92%	100%
2021	95%	100%

Source: NAIC Schedule P data - P&C Industry

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