

NIELSEN CONSTRUCTION GROUP (AND/OR)
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10445 WILSHIRE BLVD APT 2003
LOS ANGELES CA 90024

Bureau Number 4-15-95-51-R
Effective Date **11/01/2024**
Issue Date 07/02/2024
Experience Modification **86%**
Insurer STATE COMPENSATION INS FUND
Insurer Group STATE COMPENSATION INS FUND
Policy Number 93270882023
Issuing Office PLEASANTON #1
Experience Period 02/01/2020 to 02/01/2023

Summary of Payroll and Expected Losses

Class Code	Payroll	Expected Loss Rate per \$100 payroll	Expected Losses	D-Ratio	Expected Primary Losses	Expected Excess Losses
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Insurer: 905 Policy Period : 11/01/2022 to 11/01/2023

5473	106,458	3.86	4,109	0.152	625	3,484
Totals	106,458		4,109		625	3,484

Insurer: 905 Policy Period : 11/01/2021 to 11/01/2022

5473	169,827	3.86	6,555	0.152	996	5,559
Totals	169,827		6,555		996	5,559

Insurer: 905 Policy Period : 11/01/2020 to 11/01/2021

5473	193,939	3.86	7,486	0.152	1,138	6,348
Totals	193,939		7,486		1,138	6,348

Summary of Claims and Actual Losses

Primary Threshold: 8,000

Claim Number	Injury Type	Open / Closed	Actual Losses	Actual Primary Losses
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06877760	06	Closed	456	206
Totals	1		456	206

Totals	0		0	0
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Totals	0		0	0
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Experience Period Totals	Expected Losses	Expected Primary Losses	Expected Excess Losses	Number of Claims	Actual Losses	Actual Primary Losses
	C		B			A
	18,150	2,759	15,391	1	456	206

$$\left[\overset{A}{\boxed{206}} + \overset{B}{\boxed{15,391}} \right] / \overset{C}{\boxed{18,150}} = \boxed{86\%}$$
 Experience Modification

Loss-Free Rating: 85%

(S) Subrogation; (J) Joint Claim; (P) Partially Fraudulent, if any

Calculation of Your Experience Modification

This Experience Rating Form provides detailed information about the calculation of your experience modification. Experience rating is a state-mandated merit rating program established in the California Insurance Code. The specific rules and guidelines are contained in the *California Workers' Compensation Experience Rating Plan—1995* (Experience Rating Plan). The primary purpose of experience rating is to reduce workplace injuries by providing a direct financial incentive for workplace safety. To accomplish this goal, the experience rating system compares an employer's history of claims against others in its industry that are of similar size. This comparison based on an employer's own claim history is used in determining the premium the employer pays.

Experience rating uses past experience to forecast future losses. An increase in an experience modification is not intended to collect additional premium to recoup the cost of claims that were filed in past years. Rather, it uses an individual employer's loss history as a predictor of what might be expected in the future. An employer that is experience rated will have an experience modification, which is expressed as a percentage on the bottom of this Experience Rating Form. An experience modification below 100% reflects better than the industry average claim history while an experience modification over 100% reflects worse than the industry average claim history. Insurers must apply the issued experience modification in their premium computation, but can also apply other debits and credits to determine the final premium to be charged.

Data Used for Experience Rating and the Experience Period

With few exceptions, the payrolls and losses arising from all policies incepting within the experience period as reported by the insurer are used in the calculation of your experience modification.

The experience period is defined in the Experience Rating Plan as a 3-year time period that commences 4 years and 9 months prior and terminates 1 year and 9 months prior to the date for which an experience modification is to be established. The actual experience period used to calculate this experience modification is shown in the heading of the Experience Rating Form.

About the Experience Rating Form

This form shows the payrolls for each applicable classification and the claims reported by the insurer and used in the experience modification calculation. This data is reported to the WCIRB in accordance with the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* (Reporting Plan).

The Experience Rating Form is divided into four main sections: Heading, Summary of Payroll and Expected Losses, Summary of Claims and Actual Losses, and Rating Procedure.

Heading

Your company name, address and other business names that are included on your insurance policy are captured from the policy information page. This section also includes the date the experience modification is effective and the date the Experience Rating Form was issued to the insurer. If a previously published experience modification was revised, the rerate number and reason are included in this section.

Summary of Payroll and Expected Losses

This section reflects the payrolls reported by the insurer for each applicable classification. The payrolls shown reflect audited payrolls, which result from the final audits conducted by the insurer. The expected losses for each classification are derived from the reported payrolls for that classification and the corresponding expected loss rate approved by the California Insurance Commissioner. Your expected excess losses are the portion of the expected losses that is, on average, above the primary threshold (see Summary of Claims and Actual Losses) that applies to your business. Your expected losses and expected excess losses are used to calculate your experience modification.

Summary of Claims and Actual Losses

This section reflects the losses on claims reported by the insurer for each policy included in the experience period.

The actual loss shown for each reported claim represents the total incurred loss value of the claim. This includes the actual loss amount paid and, for claims that were open when the loss information was provided, a loss amount reserved by the insurer for future expected loss payments. (Loss adjustment expenses are not included.) The loss amounts generally reflect the insurer's most recently reported valuation of the incurred loss value as required pursuant to the Reporting Plan prior to the effective date of the experience modification.

The actual primary loss shown for each claim is the dollar amount of the actual loss of each claim that is used in the experience modification calculation. For most claims, it is the loss amount of each claim up to your primary threshold less \$250. (Your primary threshold is shown on the top line of this section and is based on the size of your business as measured by your total expected losses.) If the actual loss of the claim is \$250 or less, it is not used in the experience modification calculation. Your actual primary losses are used to calculate your experience modification.

Rating Procedure

This section reflects the calculation of the experience modification. The rating procedure and the information used in calculating the experience modification are detailed in the Experience Rating Plan. Your experience modification is determined as the ratio of the sum of your actual primary losses and expected excess losses compared to your expected losses. This section also shows the loss-free rating which is the experience modification that would have been calculated if no claims were incurred during the experience period or if the only claims incurred were for \$250 or less. When there is only a single claim in the experience period in excess of \$250, the experience modification is limited to be no higher than 25 percentage points above the loss-free rating.

Find Out More

The WCIRB website contains free information for employers regarding the California workers' compensation system—including the [Online Guide to Workers' Compensation, Frequently Asked Questions](#), and [Education on Demand](#) online learning modules. See the [Employer/Policyholder](#) section on www.wcirb.com.

About the WCIRB

The Workers' Compensation Insurance Rating Bureau of California is a licensed rating organization and is the California Insurance Commissioner's designated statistical agent. To accurately measure the cost of providing workers' compensation benefits, the WCIRB performs a number of functions, including collection of coverage and loss data on every workers' compensation insurance policy, inspections of insured businesses, and test audits of insurer policy audits.

The WCIRB also provides free educational information to employers, agents and brokers, and insurers regarding the California workers' compensation insurance market. The WCIRB is a private, nonprofit association of licensed workers' compensation insurers. No state money is used to fund WCIRB operations.

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