

City of Racine - Cost of Workers Compensation

Comparison of the cost of 1st dollar insurance as compared to being self-insured

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
1st Dollar Cost Projections															
Payroll	39,851,628	40,532,801	39,815,334	41,157,479	41,245,524	42,913,450	44,581,376	45,733,898	43,780,855	46,931,003	48,286,107	49,251,665	50,482,957	51,745,031	626,309,108
Estimated Annual Premium	\$ 1,046,402	\$ 1,018,026	\$ 1,013,915	\$ 1,013,497	\$ 1,155,213	\$ 1,441,636	\$ 1,421,209	\$ 1,432,481	\$ 1,376,053	\$ 1,442,561	\$ 1,511,076	\$ 1,410,620	\$ 1,340,693	\$ 1,611,214	\$ 18,234,596
Experience Modifications	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995	0.995
Modified Premium	\$ 1,041,170	\$ 1,012,936	\$ 1,008,845	\$ 1,008,430	\$ 1,149,437	\$ 1,434,428	\$ 1,414,103	\$ 1,425,319	\$ 1,369,173	\$ 1,435,348	\$ 1,503,521	\$ 1,403,567	\$ 1,333,990	\$ 1,603,158	\$ 18,143,423
Premium Discount	\$ 112,342	\$ 109,152	\$ 108,690	\$ 108,643	\$ 124,576	\$ 156,780	\$ 154,484	\$ 155,751	\$ 149,407	\$ 156,884	\$ 164,588	\$ 153,293	\$ 145,431	\$ 175,847	\$ 1,975,867
Premium Discount Percentage	10.8%	10.8%	10.8%	10.8%	10.8%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	11.0%	10.9%
Projected Annual Premium	\$ 928,828	\$ 903,784	\$ 900,156	\$ 899,787	\$ 1,024,861	\$ 1,277,647	\$ 1,259,619	\$ 1,269,568	\$ 1,219,766	\$ 1,278,464	\$ 1,338,933	\$ 1,250,274	\$ 1,188,559	\$ 1,427,311	\$ 16,167,556
Loss Ratio	60.5%	17.7%	45.8%	39.5%	45.0%	41.7%	48.9%	68.1%	37.4%	56.3%	65.0%	78.1%	41.5%	54.5%	51.1%
Excess WC Cost Projections															
Loss History-Occurrence basis	\$ 562,067	\$ 160,296	\$ 412,551	\$ 355,123	\$ 461,093	\$ 532,425	\$ 615,524	\$ 864,679	\$ 455,855	\$ 720,349	\$ 869,901	\$ 976,931	\$ 493,235	\$ 777,543	\$ 8,257,572
Stop Loss Insurance	\$ 67,856	\$ 69,015	\$ 67,794	\$ 70,079	\$ 70,229	\$ 73,069	\$ 72,603	\$ 81,530	\$ 76,219	\$ 82,066	\$ 82,577	\$ 82,638	\$ 82,638	\$ 79,034	\$ 1,057,346
TPA Costs	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 21,700	\$ 21,700	\$ 21,700	\$ 22,800	\$ 22,800	\$ 22,800	\$ 24,600	\$ 24,600	\$ 24,600	\$ 307,300
Annual Cost	\$ 649,923	\$ 249,311	\$ 500,345	\$ 445,202	\$ 551,322	\$ 627,194	\$ 709,827	\$ 967,909	\$ 554,874	\$ 825,215	\$ 975,278	\$ 1,084,169	\$ 600,473	\$ 881,177	\$ 9,622,219
Projected Savings	\$ 278,905	\$ 654,473	\$ 399,811	\$ 454,585	\$ 473,539	\$ 650,454	\$ 549,792	\$ 301,659	\$ 664,892	\$ 453,249	\$ 363,655	\$ 166,105	\$ 588,086	\$ 546,134	\$ 6,545,338
	Estimated														