

Annual actuarial audit

September 5, 2008

Actuarial Audit of the Workers' Compensation
State Insurance Fund and Related Funds
Administered by the Ohio Bureau of Workers'
Compensation as of June 30, 2008
Ohio Bureau of Workers' Compensation

OLIVER WYMAN



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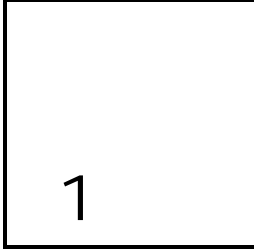
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Introduction

The enclosed report provides an independent actuarial audit by the firm of Oliver Wyman Actuarial Consulting, Inc. of the unpaid loss and LAE of the State Insurance Fund (SIF) and related funds administered by the Ohio Bureau of Workers' Compensation (BWC). The unpaid loss and LAE is an estimate of the future payments for Ohio workers covered by the Funds for injuries sustained on or before June 30, 2008. These future payments have been discounted to their present value as of June 30, 2008 at an assumed annual interest rate of 5.00%.

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Caveats

Unpaid loss and LAE estimates are projections of many future contingent events, and the present value of the actual payments may vary significantly from our projections due to factors such as the following:

- unanticipated changes in wage and benefit levels;
- legislative changes;
- changes in claims consciousness;
- changes in claims settlement practices, cost containment programs and fraud investigation efforts;
- unexpected judicial interpretations of statutes;
- changes in medical inflation rates;
- changes in utilization of medical services.

We have relied on the accuracy of the data provided to us. Although we have performed a number of tests to verify the reasonableness of the data, if the data are not complete or are not accurate, revisions to our estimates may be required.

The estimates in this report were developed in accordance with the principles of the Casualty Actuarial Society and the applicable standards of the Actuarial Standards Board. Jeffery J. Scott, Principal, and Jeffery W. Scholl, Principal, are Fellows of the Casualty Actuarial Society and members of the American Academy of Actuaries and meet the Academy's qualification standards to issue this report.

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Organization of Report

In addition to the Introduction and Caveats, our report is provided in two sections: (1) an Executive Summary which discusses our primary assumptions, conclusions, and interpretations of the results of our analysis; and (2) an Appendix which gives the detail for our calculations and an explanation of our methodology. The Appendix contains various sections by type of employer and by type of benefit, and separate sections are also included for the related Funds.

The Executive Summary is divided into the following sections:

- A discussion of our conclusions
- A section describing the methodology used in our calculations
- A section describing the significant changes in our assumptions and methodology
- A cost trend analysis which provides summaries of trends in costs by benefit type and historical relationships of loss costs to payrolls and covered employees
- A discussion of inflation assumptions for future medical payments
- A discussion of Permanent Total Disability claim frequency

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Executive Summary

Conclusions

The unpaid liability for compensation and compensation adjustment expenses as of June 30, 2008 indicated by our analysis is \$403 million lower than the unpaid liability for all Funds included in the BWC's preliminary Financial Statements as of June 30, 2008. The indicated June 30, 2008 SIF Fund Balance as a result of our adjustments to the unpaid liability estimate is a surplus of \$2.63 billion. The indicated total surplus including the related Funds after adjustments for unbilled and retrospective premiums receivable is \$2.89 billion. The total adjustments and Fund Balances resulting from our analysis are summarized by Fund in Exhibit 1.

Indicated SIF unpaid loss and LAE as of June 30, 2008 is higher than the June 30, 2007 unpaid loss and LAE by approximately \$0.26 billion, or 1.7%. The change for all Funds from 2007 to 2008 is an increase of \$0.16 billion, or 0.9%. These changes are shown by Fund in Exhibit 2, Page 1.

The changes in SIF unpaid loss and LAE between June 30, 2007 and June 30, 2008 can be separated into three components:

- An "expected" addition to unpaid loss and LAE which is the result of the addition of unpaid loss and LAE for another year of accidents (July 1, 2007 through June 30, 2008.) This amount is estimated to be \$1.46 billion.
- A decrease in unpaid loss and LAE for accidents occurring prior to July 1, 2007. The expected change in unpaid loss and LAE for these prior accident years is a decrease of \$881 million.

- An unexpected decrease in unpaid loss and LAE due to changes in the base of payments and factors used to establish the unpaid loss and LAE for prior accident years in this year's report compared to last year's report. These changes, which result in a decrease of unpaid loss and LAE of approximately \$264 million, amount to a 1.8% decrease in unpaid loss and LAE.

The three components of SIF unpaid loss and LAE changes are summarized in Exhibit 2, Page 2. The "expected" change in unpaid loss and LAE amounts to an increase of 3.9%. This is offset by the "unexpected" decrease in the amount of -1.8%. This reduces the total change in unpaid loss and LAE to an increase of 2.1%. We discuss these changes further below.

One major "ingredient" in the expected change in unpaid loss and LAE is the accumulation of interest, which results because we are now a year closer to all future payments on prior years' claims. Due to the accumulation of interest on prior years' unpaid loss and LAE, the Fund's fiscal/calendar year incurred losses (fiscal/calendar year payments plus change in unpaid loss and LAE) are expected to be approximately \$695 million (Exhibit 2, Page 2 Column (A) Line 2 + Column (A) Line 5) higher than the expected discounted fiscal/accident year 2007/08 losses. The difference between the 2007/08 fiscal/calendar year and fiscal/accident year incurred losses is offset by the investment income accumulated on the unpaid from prior accident years.

Factors affecting unpaid loss and LAE and incurred losses for the most recent accident year are payroll increases and a negative "excess" trend in medical costs. Payroll changes result in increases in compensation benefits of approximately the same percentage as the increase in payrolls; this component of costs had been increasing approximately 3.4% per year in recent years for private employers and 1.6% for public employers – taxing districts. In addition, there is a negative "excess" trend in medical costs, resulting in medical losses recently growing at an annual rate approximately 5.6% lower than payrolls for PA. As a result of a decrease in the frequency of lost time claims, PA compensation losses have also experienced reductions averaging approximately -6.1% per year (as a percentage of payroll) in recent years; PEC has experienced annual decreases in compensation losses of approximately -1.7% (as a percentage of payroll). We expect total incurred losses will increase at a rate slightly higher than the payroll trend in the near future as a result of the future excess trend in medical costs and a leveling of the favorable decline in the frequency of claims.

The "unexpected" decrease in total unpaid loss and LAE is primarily attributable to continuing favorable improvements in medical payments and loss development during the last 12 months. The effects of these changes are summarized by type of benefit in Exhibit 3, Page 1. The "retrospective" calculations in column (3) provide the unpaid loss and LAE that we now estimate should have been carried as of June 30, 2007. The retrospective unpaid loss and LAE use the developments during the latest fiscal year on claims occurring prior to July 1, 2007 and our current estimates of indicated unpaid loss

and LAE for these prior claims to re-state the required unpaid loss and LAE as of June 30, 2007.

The major dollar changes in the retrospective unpaid loss and LAE compared to the June 30, 2007 actuarial audit occur in the unpaid loss for medical and lump sum settlement (LSS). The decrease in medical benefits accounts for \$701 million. LSS accounted for an increase of \$513 million.

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Summary of Analysis

Overview of Methodology

Our methodology for projecting unpaid loss relies on trends and patterns in historical loss payments to predict future payments. For the major benefit types we have relied primarily on the historical relationships (persistence) of payments by age of development since these relationships have proven to be statistically consistent indicators of future payments. “Persistence” refers to the ratio of payments for a particular age of development to payments for the prior age of development. For instance, if temporary total (TT) payments for accident year 2005 were \$100 million in 2007 and \$90 million in 2008, we would calculate a persistence factor of 0.90 for the 2007 accident year for calendar year 2008. Another measurement of persistence could be determined by comparing payments per claim during 2007. For example, if medical payments per claim averaged \$100 per claim in the calendar year for claims that were four years old and \$90 per claim during the same calendar year for claims that were five years old, we could calculate a persistence factor of 0.90 for the fourth vs. fifth year of development based on these relationships within this calendar year. In order to use the second measurement of persistence to project unpaid medical loss, it is necessary to include explicit consideration of the expected future trend in the average cost per claim.

We have used persistence factors to project the future payments (unpaid loss) for temporary total disability (TT), living maintenance (LM), and death benefits since this methodology has produced the most statistically consistent historical relationships of payments for most years of development for these benefits. The weekly compensation benefits for TT, LM, and death benefits are “fixed” for each claimant at the date of injury or death, and the payments have tended to continue for relatively long periods of time. It is logical to expect the payments for these benefits and the related medical payments to exhibit particular patterns by benefit type which reflect the reporting pattern and the rate at which these claims are eventually closed due to beneficiaries returning to work,

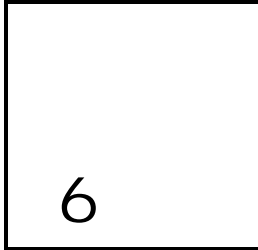
transferring to other compensation types, or in the case of death benefits, remarriage or death of the beneficiary.

For medical payments, we have computed persistency factors by type of provider for lost time claims as well as for medical only claims for all provider types combined. Explicit considerations of the effects of inflation on medical costs (as measured by the annual increase in average payment per lost time claim) have also been included in our projections. The measurement of the increase in average payment per claim includes both the inflationary increase in costs as well as the increase in "utilization" of medical services. Based on the long term trend in the medical costs per claim, we have selected an annual trend of 9% for our projections of future medical payments after June 30, 2008 for all provider types. Our trend assumption is based on long term national workers' compensation trends. These trends are higher than the most recent trends observed in the Ohio BWC data.

In the persistency method, we use a smoothing technique for the middle (for example 6 - 29) development years. The smoothing develops a constant persistency during this time period. It is equal to the overall decay using each of the period's average persistency. This allows for incorporation of the overall average of all persistency factors during these periods as well as to provide a stable decline from period to period.

For permanent total disability (PTD) and "Other Compensation" (Percent Permanent Partial (%PP), Permanent Partial (PP), Temporary Partial (TP), Wage Loss (WL), Living Maintenance/Wage Loss (LM/WL), Lump Sum Settlements (LSS), Lump Sum Advancements (LSA) and Additional Awards (AA)), our projections use historical relationships of "weeks of benefits" by development year. These are calculated using payments, numbers of ultimate lost time claims (ultimate number of PTD claims for PTD and LSA), and the average benefit level for each accident year. For the benefit types in which changes were observed, more weight was placed on the calendar years deemed to be most representative of expected future experience. We have also investigated the use of persistency factors for these benefits; however, due to the limited duration for the other compensation types and the long period of emergence for PTD benefits, the "weeks of benefits" method is the more appropriate method for projecting these unpaid losses.

An additional clarification is required regarding the terminology used for persistency factors calculated using the fiscal year data. In the Appendix, we have continued the use of the terminology "calendar year" persistencies to describe the persistencies calculated using the relationships between development years within a fiscal year to distinguish these calculations from the traditional calculations of year-to-year development by accident year.



Significant Changes in Assumptions/Methodology- Interest Rate and Medical Inflation Utilization Assumptions

There were no significant changes in the assumptions/methodology effective with this audit that warrant specific mention. However, we continue to use this section to document our assumption regarding the interest rate used to calculate discounted unpaid loss and LAE and to document our assumptions for medical inflation and utilization trends.

Interest Rate Assumption

The unpaid loss and LAE have been calculated using an interest rate assumption of 5.00%.

Audit June 30, XXXX	Interest Rate
Prior to 1997	7.00%
1997	6.75%
1998	6.50%
1999	6.25%
2000 and 2001	6.00%
2002	5.80%
2003 and 2004	5.50%
2005 and 2006	5.25%
2007 and 2008	5.00%

We have based our interest rate assumption on the BWC's updated selection, which is based on considerations including its position paper "Reserve for Compensation Discount Rate - Selection of Rate" updated in July, 2008. The methodology was developed by BWC during 1992 with input from Oliver Wyman Actuarial Consulting, Inc.

The Investment Income section (Appendix T) contains background information and calculations of the financial impact of differing interest rate assumptions.

Assumptions for Medical Inflation and Utilization Trends

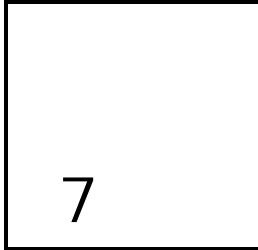
The trend assumption varies by provider type is as follows:

Provided Type	Annual Trends
Hospital	9.0%
Physicians	9.0%
Pharmacies	9.0%
Chiropractors	9.0%
Rehabilitation	9.0%
Health Other	9.0%
Medical Only	9.0%

This is similar to the long term selections made in the June 30, 2006 and June 30, 2007 actuarial audits. However, in the last two evaluations, we used a slightly higher trend in the first year of development.

Prior actuarial audits as of June 30, 2002, June 30, 2003, June 30, 2004 and June 30, 2005 used an assumption of 8% that increased to 9% after the first year for all provider types.

Prior actuarial audits as of June 30, 1999, June 30, 2000 and June 30, 2001 used an assumption of 5% that increased to 9% by 1% annual increments.



Cost Trend Analysis

Introduction

Exhibit 4 presents historical data and our estimates of historical (discounted) losses and pure premium rates (i.e. discounted losses per \$100 of payroll) for Private Employers (PA) and Public Employer Taxing Districts (PEC). These charts and graphs represent the premium rate (per \$100 of payroll) that should have been collected for each accident period to provide for all claims occurring in each accident year. These figures do not include a provision for safety and hygiene, or administrative assessments.

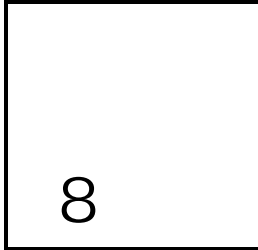
Conclusions

The discounted values of medical costs for injuries occurring during 2008 are projected to be \$0.79 and \$0.96 per \$100 of payroll for PA and PEC respectively. These medical costs now account for approximately 54.4% of the total benefits for PA and 64.9% for PEC compared to approximately 46.8% for PA and 50.7% for PEC for injuries occurring during 1996. As these figures demonstrate, the trend in medical costs over the thirteen-year period has been higher than the trend in compensation benefits over the same period. From 2004 to 2007, medical costs decreased approximately 5.6% for PA and increased 2.5% for PEC faster than payrolls on an annual basis compared to a decrease in compensation benefits of approximately 6.1% for PA and a decrease of 1.7% for PEC. Total benefits (per \$100 of payroll) have decreased at an annual rate of 5.8% for PA and increased at 0.9% for PEC over the period 2004-2007.

The average discounted medical claim costs per lost time claim for injuries occurring in 2008 are projected to be \$31,891 for PA and \$38,587 for PEC. From 2004 to 2007, PA medical costs per lost time claim have increased approximately 4.6% per year while compensation average claim costs have increased by approximately 3.9% annually. Total

average claim costs have increased at a rate of approximately 4.3% for PA. Average PEC medical costs have increased annually by approximately 6.4% and compensation claim costs have increased by 2.0%. Total PEC average claim costs have increased annually at a rate of approximately 4.7%.

Whereas the PA frequency has exhibited an annual decrease of approximately 4.8% over the past 10 years, the PEC frequency has decreased only 0.9% a year over the past 10 years.



Discussion of Medical Inflation Assumptions

Historical trends and patterns in the SIF's medical and compensation costs have been documented in the cost trend section of our report. For medical payments, our methodology for projecting unpaid loss uses projections of future medical inflation applied to the latest fiscal year of medical payments as a base. Shown below is the historical annual countrywide NCCI average medical cost per lost-time claim inflation rates since 1981. As can be seen, workers' compensation medical costs experienced high rates of inflation, with an average inflation rate of approximately 9% for the entire 27 year period since 1981. The annual changes include both changes in medical prices (cost of a particular service) as well as the effects of utilization (use of different or additional medical services -- e.g. MRI's replacing X-rays).

Annual Changes in Medical Severity

Year	NCCI Accident Year	Medical CPI Calendar Year	BWC PA Medical
1981	17%	10.8%	
1982	18%	11.6%	
1983	12%	8.7%	
1984	8%	6.2%	
1985	13%	6.2%	
1986	7%	7.5%	

Year	NCCI Accident Year	Medical CPI Calendar Year	BWC PA Medical
1987	10%	6.6%	
1988	12%	6.5%	
1989	11%	7.7%	
1990	7%	9.0%	
1991	7%	8.7%	
1992	1%	7.4%	
1993	-2%	5.9%	
1994	5%	4.8%	
1995	5%	4.5%	
1996	7%	3.5%	
1997	10%	2.8%	17%
1998	8%	3.2%	17%
1999	11%	3.5%	5%
2000	7%	4.1%	12%
2001	14%	4.6%	13%
2002	8%	4.7%	11%
2003	7%	4.0%	6%
2004	6%	4.4%	10%
2005	9%	4.2%	8%
2006	9%	4.0%	6%
2007p*	6%	4.4%	-1%
Average (1981-2006)	9%	6.0%	10%

sources: NCCI's "State of the Line" from the 2008 Annual Issues Symposium and Bureau of Labor and Statistics
 *2007 changes are preliminary.

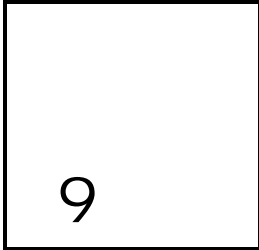
During the 1980's, Ohio workers' compensation medical costs experienced increases similar to those in the table above. Comparing the increases in workers' compensation costs to changes in the medical costs as measured by the CPI component for medical inflation indicates the "utilization" component of the trend had added approximately 4% per year to workers' compensation costs during the 1980's. Although compensation costs experienced lower increases than the CPI in the early 90's, since 1996, workers' compensation costs have shown significantly higher increases than the CPI change.

Another measurement of trends in cost per claim is provided in Exhibit 4 of the Executive Summary. Discounted average medical claim costs have increased 9.6% per year for PA for accident years 1996 through 2007; the indicated trend for the most recent period of 2004 through 2007 is 4.6%.

Medical costs per claim over the latest several years indicate inflation rates of 5% to 11%, as measured by the NCCI statistics. Workers' compensation medical payments are paid out over an extremely long period of time and a 9.0% long-term inflation assumption, while somewhat higher than recent history, is not unrealistic when looking at a longer time horizon. Although last year's medical payments were lower than expected, we will use inflation plus utilization rates as follow by provider type:

Provided Type	Annual Trends
Hospital	9.0%
Physicians	9.0%
Pharmacies	9.0%
Chiropractors	9.0%
Rehabilitation	9.0%
Health Other	9.0%
Medical Only	9.0%

The estimated unpaid medical liability is sensitive to the selection of the inflation assumption. For example, a one percentage point reduction (i.e. 8%) in the medical inflation rate would reduce the liability by \$0.72 billion, or 3.7%.



Discussion of Permanent Total Disability (PTD) Claim Frequency

There has been a noticeable decline in the number of newly awarded PTD claims since the June, 1997 actuarial audit.

Although the projected ultimate frequency of PTD claims represents a significant decrease from the projections in prior audits, the projected SIF frequency of PTD claims is still higher than the frequency of PTD claims experienced in other surrounding states. We have shown the statistics for Ohio on an ultimate basis as well as at a 5th report for comparison to NCCI.

Claim Frequencies per 100,000 Workers

State	2007 NCCI Annual Statistical Bulletin (Developed to 5th Report)			2007 NCCI Annual Statistical Bulletin (Developed to 5th Report)		
	Policy Year	PTD	Lost Time Claim (LTC)	Policy Year	PTD	Lost Time Claim (LTC)
Illinois	4/03-3/04	5	1,255	4/02-3/03	7	1,282
Indiana	7/03-6/04	1	945	7/02-6/03	1	979
Kentucky	5/03-4/04	12	1,071	5/02-4/03	11	1,123
Michigan	4/03-3/04	5	1,049	4/02-3/03	6	1,065
CW		7	1,161		7	1,196

Private Employers (PA)	Ultimate PTD	Ultimate LTC	5th Report PTD	5th Report LTC
Ohio 99	38	1,549	6	1,409
Ohio 00	42	1,544	9	1,390
Ohio 01	39	1,375	8	1,204
Ohio 02	40	1,372	8	1,201
Ohio 03	39	1,305	7	1,144
Ohio 04	40	1,228	8	1,076
Ohio 05	39	1,117	5	975
Ohio 06	40	1,005	8	861

PEC	Ultimate PTD	Ultimate LTC	5th Report PTD	5th Report LTC
Ohio 99	33	1,237	6	1,087
Ohio 00	33	1,241	6	1,087
Ohio 01	22	1,080	4	922
Ohio 02	28	1,104	3	955
Ohio 03	30	1,055	4	903
Ohio 04	30	1,035	3	892
Ohio 05	32	1,022	4	889
Ohio 06	31	1,017	0	828

Note: For NCCI, some frequencies are based on small numbers of claims and may not be comparable to other states. (e.g. Michigan NCCI statistics represent total incapacity frequency. Also based on fewer than 25 cases.)
NCCI frequencies may not be fully developed and may not be comparable to Ohio projections.

Ohio Bureau Of Workers' Compensation

**Comparison of Indicated Discounted Unpaid Loss and LAE and Fund Balances at 06/30/08
To Preliminary Discounted Unpaid Loss and LAE and Fund Balances at 06/30/08
By Fund
(Dollars in Millions)**

	(1)	(2)	(3)	(4)	(5)
	Indicated 06/30/08 Unpaid <u>Total</u>	Preliminary 06/30/08 Unpaid <u>Total</u>	Difference <u>(1) - (2)</u>	Preliminary 06/30/08 Fund <u>Balance</u>	Indicated 06/30/08 Fund <u>Balance</u> <u>(4)-(3)</u>
State Insurance Fund (SIF)	\$15,656	\$15,912	(\$256)	\$1,939	\$2,195
Disabled Workers' Relief Fund (DWRF)	1,895	2,026	(131)	843	974
Coal-Workers Pneumoconiosis Fund (CWPF)	63	62	1	180	179
Public Work-Relief Employees' Compensation Fund (PWREF)	4	4	(1)	19	19
Marine Industry Fund (MIF)	3	2	1	15	13
Intentional Tort Fund (IT)	0	0	0	0	0
Occupational Safety Loan Fund (OSLF)	0	0	0	0	0
Self-Insuring Employers Guaranty Fund (SIEGF)	719	723	(4)	9	13
Administrative Cost Fund (ACF)--	<u>1,096</u>	<u>1,109</u>	<u>(13)</u>	<u>(781)</u>	<u>(768)</u>
Loss Adjustment Expense Reserve (LAE)					
<u>Total all Funds</u>	<u>19,435</u>	<u>19,838</u>	<u>(403)</u>	<u>2,223</u>	<u>2,626</u>
Adjustment for Unbilled Premiums Receivable (SI+PES)-- Loss + LAE	(3,622)	(3,356)	(266)		2,892
Adjustment to Asset for Retrospective Premiums Receivable (PA + PEC)	284	282	2		<u>2,894</u>

Notes:

- All figures are shown rounded to nearest million and may not add to totals for this reason.
- Total unpaid includes estimates for compensation and compensation adjustment expense.
- SIF includes unpaid HPP expense.
- Col (2) is from the June 30, 2008 BWC Preliminary Financial Statement.
- 06/30/08 unpaid loss and LAE are discounted at 5.00% annual inte
- Unapid DWRF amounts are offset by premium receivable.
- Intentional Tort Fund has been declared unconstitutional.

Ohio Bureau of Workers' Compensation

**Summary of Indicated Discounted and Undiscounted Unpaid Loss and LAE at 06/30/08
By Fund
(Dollars in Millions)**

<u>Category</u>	(1) 06/30/08 Undiscounted Unpaid <u>Total</u>	(2) 06/30/08 Discounted Unpaid <u>Total</u>	(3) Discount 06/30/08 <u>(1)-(2)</u>
State Insurance Fund (SIF)	28,848	15,656	13,192
Disabled Workers' Relief Fund (DWRF)	3,828	1,895	1,933
Coal-Workers Pneumoconiosis Fund (CWPF)	98	63	36
Public Work-Relief Employees' Compensation Fund (PWREF)	7	4	3
Marine Industry Fund (MIF)	6	3	2
Intentional Tort Fund (IT)	0	0	0
Self-Insuring Employers Guaranty Fund (SIEGF)	1,625	719	907
Administrative Cost Fund (ACF) -- Loss Adjustment Expense Reserve (LAE)	<u>2,019</u>	<u>1,096</u>	<u>923</u>
<u>Total All Funds</u>	<u>36,431</u>	<u>19,435</u>	<u>16,996</u>

Notes:

- All figures are shown rounded to nearest million and may not add to totals for this reason.
- Total unpaid includes estimates for compensation and compensation adjustment expense.
- Col (2): From Exhibit 1, Page 1, Col (1).
- Unpaid DWRF amounts are offset by premium receivable.
- Intentional Tort Fund has been declared unconstitutional.

Ohio Bureau Of Workers' Compensation

**Comparison of Indicated Discounted Unpaid Loss and LAE at 06/30/08
To Indicated Discounted Unpaid Loss and LAE at 06/30/07
By Fund
(Dollars in Millions)**

<u>Category</u>	(1)	(2)	(3)	(4)
	06/30/08 Unpaid <u>Total</u>	06/30/07 Unpaid <u>Total</u>	Difference 06/30/08 vs 06/30/07 <u>(1) - (2)</u>	% Change 06/30/08 vs 06/30/07 <u>(3)/(2)*100</u>
State Insurance Fund (SIF)	\$15,656	\$15,393	\$263	1.7%
Disabled Workers' Relief Fund (DWRF)	1,895	1,999	(104)	-5.2%
Coal-Workers Pneumoconiosis Fund (CWPF)	63	62	1	1.1%
Public Work-Relief Employees' Compensation Fund (PWREF)	4	4	(0)	-6.9%
Marine Industry Fund (MIF)	3	2	1	61.9%
Intentional Tort Fund (IT)	0	0	0	N/A
Self-Insuring Employers Guaranty Fund (SIEGF)	719	735	(16)	-2.2%
Administrative Cost Fund (ACF)-- Loss Adjustment Expense Reserve (LAE)	<u>1,096</u>	<u>1,075</u>	<u>20</u>	<u>1.9%</u>
<u>Total all Funds</u>	<u>19,435</u>	<u>19,271</u>	<u>165</u>	<u>0.9%</u>

Notes:

- All figures are shown rounded to nearest million and may not add to totals for this reason.
- SIF includes HPP.
- Total unpaid includes estimates for compensation and compensation adjustment expense.
- 06/30/08 unpaid loss and LAE are discounted at 5.00% annual interest rate. 06/30/07 unpaid loss and LAE are discounted at 5.00%.
- Unapid DWRF amounts are offset by premium receivable.
- Intentional Tort Fund has been declared unconstitutional.

Ohio Bureau Of Workers' Compensation

Summary of 2008 SIF Discounted Unpaid Loss and LAE Changes -- Excluding HPP Expense
(Dollars in Millions)

<u>Item</u>	(A) Fiscal Years <u>Prior to 7/07</u>	(B) Fiscal Year <u>07/08</u>	(C) <u>Totals</u>	(D) <u>Percent Change</u>
1. Unpaid Loss and LAE @ 06/30/07	\$14,672			
2. Expected Payments in Fiscal Year 07/08	1,575			
3. Expected Payments discounted to 06/30/07	1,537			
4. Expected unpaid loss and LAE @ 06/30/08	13,792	\$1,458	\$15,250	
5. Expected change in unpaid loss and LAE	(881)	1,458	577	3.9%
6. Unexpected change in unpaid loss and LAE	(264)		(264)	-1.8%
7. Actual unpaid loss and LAE @ 06/30/08	13,528	1,458	14,986	2.1%

Notes by line:

- All Unpaid loss and LAE @ 06/30/08 are discounted at 5.00% annual interest rate.
All figures are shown rounded to nearest million and may not add to totals for this reason.
- 1,2 From Appendix R.1.
- 3. $((2)/(1.0500^{0.5}))$
- 4(A) $\{(1)-(3)\}*(1.0500)$
- 4(B) 5(B)
- 4(C) 4(A)+4(B)
- 5(A) (4)-(1)
- 5(B) 7(C)-7(A)
- 6(A) 7(A)-4(A), also equals App. R.1, Col(7)*1.0500
- 7(A) From App. R.1, Col(1)

Ohio Bureau Of Workers' Compensation State Insurance Fund

Comparison of Indicated Discounted Unpaid Loss at 06/30/08 To Indicated Discounted Reserves at 06/30/07 By Benefit Type and Employer Type (Dollars in Millions)

<u>Category</u>	(1) 06/30/08 Indicated Unpaid Loss <u>Total</u>	(2) 06/30/07 Indicated Unpaid Loss <u>Total</u>	(3) 06/30/07 Retrospective Unpaid Loss <u>Total</u>	(4) Difference 06/30/08 vs 06/30/07 <u>(1) - (2)</u>	(5) Difference Retrospective vs Unpaid Loss <u>(3) - (2)</u>	(6) % Change 06/30/08 vs 06/30/07 <u>(4)/(2)*100</u>	(7) % Change Retrospective vs Unpaid Loss <u>(5)/(2)*100</u>
<u>I. SIF by Benefit Type</u>							
Medical	\$6,742	\$7,017	\$6,315	(\$274)	(\$701)	-3.9%	-10.0%
Temporary Total	767	762	782	5	20	0.7%	2.6%
Permanent Total Disability	3,311	3,218	3,224	94	6	2.9%	0.2%
Death	1,160	1,113	1,130	47	16	4.2%	1.5%
% Permanent Partial	305	309	303	(4)	(5)	-1.2%	-1.7%
Permanent Partial	81	85	81	(4)	(4)	-4.3%	-4.3%
WL+TP+LMWL+CO	147	153	146	(6)	(6)	-3.7%	-4.2%
Lump Sum Settlements	2,052	1,566	2,078	486	513	31.1%	32.7%
Living Maintenance	101	96	101	4	5	4.4%	5.2%
Lump Sum Advancements	144	141	142	4	2	2.7%	1.2%
Additional Awards	27	28	27	(1)	(1)	-4.8%	-4.1%
<u>Self Insured</u>	<u>148</u>	<u>186</u>	<u>202</u>	<u>(38)</u>	<u>16</u>	<u>-20.6%</u>	<u>8.8%</u>
<u>Subtotal SIF unpaid Loss excl. HPP</u>	<u>14,986</u>	<u>14,672</u>	<u>14,533</u>	<u>313</u>	<u>(140)</u>	<u>2.1%</u>	<u>-1.0%</u>
HPP	670	721	721	(50)	0	-7.0%	0.0%
<u>Total SIF Unpaid Loss</u>	<u>15,656</u>	<u>15,393</u>	<u>15,253</u>	<u>263</u>	<u>(140)</u>	<u>1.7%</u>	<u>-0.9%</u>
<u>II. SIF by Employer Type</u>							
A. Private (PA)	11,918	11,321	11,617	598	296	5.3%	2.6%
B. i. Taxing Districts (PEC)	2,205	2,412	2,059	(207)	(353)	-8.6%	-14.6%
B. ii. State Agencies (PES)	715	754	655	(39)	(99)	-5.1%	-13.1%
C. Self Insured	148	186	202	(38)	16	-20.6%	8.8%
<u>D. HPP</u>	<u>670</u>	<u>721</u>	<u>721</u>	<u>(50)</u>	<u>0</u>	<u>-7.0%</u>	<u>0.0%</u>
<u>Total SIF Unpaid Loss</u>	<u>15,656</u>	<u>15,393</u>	<u>15,253</u>	<u>263</u>	<u>(140)</u>	<u>1.7%</u>	<u>-0.9%</u>

Notes:

- All figures are shown rounded to nearest million and may not add to totals for this reason.
- 'Indicated Unpaid Loss' are those indicated by actuarial audits as of 06/30/08 and 06/30/07.
- 'Retrospective Unpaid Loss' as of 06/30/07 represent the re-stated unpaid loss required as of 06/30/07, using developments as of 06/30/08.
- 06/30/08 unpaid loss and LAE are discounted at 5.00% annual interest rate. 06/30/07 unpaid loss and LAE are discounted at 5.00%.

Audit as of June 30, 2008

Ohio Bureau of Workers' Compensation

Ohio Bureau Of Workers' Compensation

**Summary Of Indicated Discounted Unpaid Loss
Unpaid Loss and LAE Evaluation As Of June 30, 2008
SIF By Employer Type by Benefit Type
(Dollars in Millions)**

Category	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	06/30/08	06/30/08	06/30/08	06/30/08	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07	06/30/07
	Unpaid	Unpaid	Unpaid	Unpaid	Unpaid	Unpaid	Unpaid	Retro	Retro	Retro
	PA	PEC	PES	Total	PA	PE	Total	PA	PE	Total
Medical	\$5,126	\$1,174	\$442	\$6,742	\$5,088	1,928	\$7,017	\$4,868	\$1,447	\$6,315
Temporary Total	598	123	46	767	587	175	762	618	164	782
Permanent Total Disability	2,772	425	113	3,311	2,696	521	3,218	2,699	525	3,224
Death	968	165	26	1,160	938	175	1,113	945	184	1,130
% Permanent Partial	229	58	18	305	235	74	309	230	74	303
Permanent Partial	71	9	2	81	74	11	85	72	10	81
WL+TP+LMWL+CO	109	28	10	147	119	34	153	109	37	146
Lump Sum Settlements	1,812	193	47	2,052	1,359	206	1,566	1,842	237	2,078
Living Maintenance	83	13	4	101	78	19	96	86	15	101
Lump Sum Advancements	124	14	6	144	122	19	141	123	19	142
Additional Awards	25	2	0	27	26	3	28	25	2	27
Self Insured				148			186			202
HPP				<u>670</u>			<u>721</u>			<u>721</u>
Total SIF Unpaid	<u>11,918</u>	<u>2,205</u>	<u>715</u>	<u>15,656</u>	<u>11,321</u>	<u>3,166</u>	<u>15,393</u>	<u>11,617</u>	<u>2,714</u>	<u>15,253</u>
Disabled Workers' Relief Fund (DWRP)				1,895			1,999			
Coal-Workers Pneumoconiosis Fund (CWPF)				63			62			
Public Work-Relief Employees' Comp. Fund (PWREF)				4			4			
Marine Industry Fund (MIF)				3			2			
Intentional Tort Fund (IT)				0			0			
Self-Insuring Employers Guaranty Fund (SIEGF)				719			735			
Administrative Cost Fund (ACF)--				<u>1,096</u>			<u>1,075</u>			
Loss Adjustment Expense Reserve (LAE)										
Total Unpaid Loss and LAE				<u>19,435</u>			<u>19,271</u>			

Notes:

- All figures are shown rounded to nearest million and may not add to totals for this reason.
- 06/30/08 unpaid loss and LAE are discounted at 5.00% annual interest rate. 06/30/07 unpaid loss and LAE are discounted at 5.00%.
- (4) = (1) + (2) + (3)

**Ohio Bureau of Workers' Compensation
Private Employers (PA)
Premiums, Payroll, and Rate Level Statistics**

<u>Accident Year</u>	<u>(1)</u> Actual Premium (\$MILL)	<u>(2)</u> Premium Rate Level (\$MILL)	<u>(3)</u> Payroll (\$MILL)	<u>(4)</u> Average Weekly Wage (\$)	<u>(5)</u> No. of Lost-Time Claims	<u>(6)</u> Rate Level Index @7/1	<u>(7)</u> Average Rate @7/1/08 (\$100)	<u>(8)</u> Estimated No. of Employees (Yrs)	<u>(9)</u> Average Published Rate @7/1	<u>(10)</u> Actual Average Collected Rate
1996	1,539	1,217	63,664	526.87	39,715	124.79	1.91	2,323,738	2.63	2.42
1997	1,503	1,302	68,077	551.30	37,076	106.07	1.91	2,374,702	2.17	2.21
1998	1,441	1,401	71,447	577.29	36,486	99.70	1.96	2,380,053	2.11	2.02
1999	1,502	1,529	75,245	596.41	37,591	96.71	2.03	2,426,205	2.03	2.00
2000	1,445	1,532	79,122	618.35	37,990	91.88	1.94	2,460,717	1.93	1.83
2001	1,361	1,519	80,397	631.45	33,662	87.28	1.89	2,448,472	1.81	1.69
2002	1,350	1,547	81,621	652.48	33,010	87.28	1.90	2,405,633	1.80	1.65
2003	1,352	1,482	82,433	670.77	30,846	95.14	1.80	2,363,334	1.94	1.64
2004	1,431	1,489	84,633	694.68	28,775	97.04	1.76	2,342,895	1.98	1.69
2005	1,442	1,454	86,912	710.72	26,278	101.31	1.67	2,351,687	1.76	1.66
2006	1,487	1,440	90,693	735.05	23,835	105.26	1.59	2,372,742	1.85	1.64
2007	1,586	1,507	93,245	761.22	23,664	105.26	1.62	2,355,676	1.85	1.70
2008	796	757	48,021	784.05	11,832	100.00	1.58	1,177,838	1.76	1.66
	Annual % Chg 96-07:	-0.1%	3.2%	3.2%	-4.8%	-0.6%	-1.9%	-0.1%	-2.3%	-3.1%
	Annual % Chg 04-07:	3.4%	3.4%	3.1%	-6.6%	2.9%	-3.0%	0.3%	-1.5%	0.1%

- Notes:**
- 1996 and subsequent are net of PDP and other premium discounts; accident year 2008 is for the first six months of the year.
 - Columns (1), (2) and (7) are adjusted for retrospective rating, using experience rated premium for all employers.
 - Columns (6) and (9) are from Exhibits prepared by OBWC Actuarial Dept.
 - $COL(2) = COL(1) / [COL(6)Year(n) + COL(6)Year(n-1)] / 2 * COL(6) Year 2008$.
 - $COL(7) = COL(2) / COL(3) * 100$
 - $COL(8) = \{COL(3) / [COL(4) * 52]\} * 1,000,000$.
 - $COL(10) = COL(1) / COL(3) * 100$.

Audit as of June 30, 2008

Ohio Bureau of Workers' Compensation

Ohio Bureau of Workers' Compensation
Discounted Ultimate Losses
Private Employers (PA)

(Dollars in thousands)

Accident Year	(1) Medical	(2) TT	(3) PTD	(4) Death	(5) % PP	(6) TP+WL & LM/WL + CO	(7) Perm. Partial	(8) Lump Sum Settlements	(9) Living Maintenance	(10) Lump Sum Advances	(11) Additional Awards	(12) Sub/Tot Other than Medical	(13) Total
1996	\$427,137	\$174,439	\$76,672	\$37,850	\$44,204	\$17,252	\$20,368	\$93,411	\$14,039	\$5,580	\$2,002	\$485,816	\$912,953
1997	466,086	166,263	84,326	31,925	42,111	16,920	18,806	98,191	18,579	6,095	1,028	484,244	950,331
1998	535,634	179,704	97,890	36,871	43,717	16,409	20,981	110,517	23,197	8,276	2,287	539,848	1,075,482
1999	579,232	204,053	100,646	40,794	48,782	20,280	20,091	129,084	25,945	8,813	2,403	600,890	1,180,123
2000	658,021	222,794	118,380	38,527	53,594	23,631	22,913	150,175	32,474	10,989	2,919	676,396	1,334,417
2001	659,199	219,370	112,370	40,660	52,216	24,286	19,445	152,973	31,751	10,184	2,442	665,696	1,324,895
2002	719,304	228,268	114,870	50,887	52,594	22,685	21,356	172,160	26,435	10,292	2,089	701,635	1,420,938
2003	713,682	215,174	113,406	50,230	52,141	20,640	18,894	170,920	23,518	10,845	2,083	677,851	1,391,534
2004	729,532	195,376	118,823	49,730	50,115	19,492	20,569	172,624	21,995	11,644	2,204	662,573	1,392,105
2005	722,483	184,228	118,270	52,929	47,804	18,740	20,188	163,818	22,090	11,853	1,877	641,798	1,364,281
2006	695,242	167,721	127,038	38,900	45,849	17,361	18,669	155,818	21,750	14,429	2,510	610,046	1,305,288
2007	682,502	162,973	132,099	35,589	48,761	18,082	18,100	159,577	19,355	13,567	2,155	610,258	1,292,759
2008	377,327	82,027	68,667	24,641	24,419	9,329	9,665	82,073	7,135	7,135	1,110	316,199	693,527
Total	7,965,382	2,402,390	1,383,456	529,533	606,305	245,106	250,044	1,811,344	288,262	129,703	27,107	7,673,251	15,638,633
Annual % Chg 96-07:	4.4%	-0.3%	4.2%	2.0%	0.9%	0.4%	-0.7%	5.3%	0.9%	7.8%	2.1%	2.2%	3.3%
Annual % Chg 04-07:	-2.4%	-6.2%	4.0%	-12.3%	-1.2%	-3.0%	-4.5%	-2.8%	-3.9%	6.8%	2.3%	-2.9%	-2.6%

Notes:

- COL (12) = Sum of Columns (2) through (11).
- COL(13) = COL(1)+COL(12).
- Annual Discount Rate is 5% .
- All figures are rounded to the nearest thousand and may not add to totals for this reason.

Ohio Bureau of Workers' Compensation
Discounted Pure Premium
Private Employers (PA)
(per \$100 of Payroll)

Accident Year	(1) <u>Medical</u>	(2) <u>TT</u>	(3) <u>PTD</u>	(4) <u>Death</u>	(5) % <u>PP</u>	(6) <u>TP+WL & LM/WL + CO</u>	(7) <u>Perm. Partial</u>	(8) <u>Lump Sum Settlements</u>	(9) <u>Living Maintenance</u>	(10) <u>Lump Sum Advances</u>	(11) <u>Additional Awards</u>	(12) <u>Sub/Tot Other than Medical</u>	(13) <u>Total</u>
1996	\$0.67	\$0.27	\$0.12	\$0.06	\$0.07	\$0.03	\$0.03	\$0.15	\$0.02	\$0.01	\$0.00	\$0.76	\$1.43
1997	0.68	0.24	0.12	0.05	0.06	0.02	0.03	0.14	0.03	0.01	0.00	0.71	1.40
1998	0.75	0.25	0.14	0.05	0.06	0.02	0.03	0.15	0.03	0.01	0.00	0.76	1.51
1999	0.77	0.27	0.13	0.05	0.06	0.03	0.03	0.17	0.03	0.01	0.00	0.80	1.57
2000	0.83	0.28	0.15	0.05	0.07	0.03	0.03	0.19	0.04	0.01	0.00	0.85	1.69
2001	0.82	0.27	0.14	0.05	0.06	0.03	0.02	0.19	0.04	0.01	0.00	0.83	1.65
2002	0.88	0.28	0.14	0.06	0.06	0.03	0.03	0.21	0.03	0.01	0.00	0.86	1.74
2003	0.87	0.26	0.14	0.06	0.06	0.03	0.02	0.21	0.03	0.01	0.00	0.82	1.69
2004	0.86	0.23	0.14	0.06	0.06	0.02	0.02	0.20	0.03	0.01	0.00	0.78	1.64
2005	0.83	0.21	0.14	0.06	0.06	0.02	0.02	0.19	0.03	0.01	0.00	0.74	1.57
2006	0.77	0.18	0.14	0.04	0.05	0.02	0.02	0.17	0.02	0.02	0.00	0.67	1.44
2007	0.73	0.17	0.14	0.04	0.05	0.02	0.02	0.17	0.02	0.01	0.00	0.65	1.39
2008	<u>0.79</u>	<u>0.17</u>	<u>0.14</u>	<u>0.05</u>	<u>0.05</u>	<u>0.02</u>	<u>0.02</u>	<u>0.17</u>	<u>0.01</u>	<u>0.01</u>	<u>0.00</u>	<u>0.66</u>	<u>1.44</u>
Annual % Chg 96-07:	1.2%	-3.3%	1.0%	-1.1%	-2.2%	-2.7%	-3.7%	2.1%	-2.2%	4.5%	-1.0%	-0.9%	0.2%
Annual % Chg 04-07:	-5.6%	-9.3%	0.6%	-15.2%	-4.5%	-6.2%	-7.6%	-6.0%	-7.1%	3.3%	-1.1%	-6.1%	-5.8%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Annual Discount Rate is 5% .
4. Payroll figures are from Exhibit 4, Page 1.

Ohio Bureau of Workers' Compensation
Discounted Average Claim Cost per Ultimate Lost Time Claim Count
Private Employers (PA)

Accident Year	(1) Medical	(2) LT	(3) PTD	(4) Death	(5) % PP	(6) TP+WL & LM/WL + CO	(7) Perm. Partial	(8) Lump Sum Settlements	(9) Living Maintenance	(10) Lump Sum Advances	(11) Additional Awards	(12) Sub/Tot Other than Medical	(13) Total
1996	\$10,755	\$4,392	\$1,931	\$953	\$1,113	\$434	\$513	\$2,352	\$353	\$141	\$50	\$12,233	\$22,988
1997	12,571	4,484	2,274	861	1,136	456	507	2,648	501	164	28	13,061	25,632
1998	14,681	4,925	2,683	1,011	1,198	450	575	3,029	636	227	63	14,796	29,477
1999	15,409	5,428	2,677	1,085	1,298	539	534	3,434	690	234	64	15,985	31,394
2000	17,321	5,865	3,116	1,014	1,411	622	603	3,953	855	289	77	17,805	35,126
2001	19,583	6,517	3,338	1,208	1,551	721	578	4,544	943	303	73	19,776	39,359
2002	21,790	6,915	3,480	1,542	1,593	687	647	5,215	801	312	63	21,255	43,046
2003	23,137	6,976	3,676	1,628	1,690	669	613	5,541	762	352	68	21,975	45,112
2004	25,353	6,790	4,129	1,728	1,742	677	715	5,999	764	405	77	23,026	48,379
2005	27,494	7,011	4,501	2,014	1,819	713	768	6,234	841	451	71	24,424	51,918
2006	29,169	7,037	5,330	1,632	1,924	728	783	6,537	913	605	105	25,594	54,763
2007	28,842	6,887	5,582	1,504	2,061	764	765	6,744	818	573	91	25,789	54,630
2008	31,891	6,933	5,804	2,083	2,064	788	817	6,937	603	603	94	26,724	58,615
Annual % Chg 96-07:	9.6%	4.7%	9.4%	7.1%	5.9%	5.4%	4.3%	10.6%	6.0%	13.2%	7.2%	7.4%	8.5%
Annual % Chg 04-07:	4.6%	0.5%	11.3%	-6.1%	5.8%	3.9%	2.2%	4.1%	2.9%	14.3%	9.5%	3.9%	4.3%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Annual Discount Rate is 5% .
4. Number of Ultimate Lost Time Claim Counts are from Exhibit 4, Page 1.

Ohio Bureau of Workers' Compensation
Undiscounted Average Claim Cost per Ultimate Lost Time Claim Count
Private Employers (PA)

Accident Year	(1) <u>Medical</u>	(2) <u>TT</u>	(3) <u>PTD</u>	(4) <u>Death</u>	(5) <u>PP</u>	(6) <u>TP+WL & LM/WL +CO</u>	(7) <u>Perm. Partial</u>	(8) <u>Lump Sum Settlements</u>	(9) <u>Living Maintenance</u>	(10) <u>Lump Sum Advances</u>	(11) <u>Additional Awards</u>	(12) <u>Sub/Tot Other than Medical</u>	(13) <u>Total</u>
1996	\$15,567	\$4,905	\$4,675	\$2,370	\$1,358	\$537	\$588	\$4,052	\$409	\$238	\$79	\$19,211	\$34,778
1997	19,038	5,039	5,476	2,151	1,388	573	589	4,525	575	277	53	20,646	39,683
1998	23,100	5,332	6,462	2,525	1,466	564	658	5,093	712	371	96	23,479	46,579
1999	23,670	6,158	6,518	2,708	1,583	681	617	5,689	776	381	100	25,211	48,881
2000	27,435	6,641	7,512	2,553	1,717	778	703	6,418	961	460	116	27,859	55,294
2001	30,299	7,371	8,071	3,019	1,880	890	677	7,180	1,061	481	110	30,740	61,038
2002	34,535	7,839	8,450	3,835	1,926	852	753	8,051	929	504	101	33,239	67,775
2003	36,990	7,859	8,892	4,114	2,037	833	714	8,464	915	553	106	34,487	71,477
2004	42,563	7,660	10,017	4,329	2,096	849	824	9,046	918	632	117	36,487	79,050
2005	46,208	7,944	10,932	5,110	2,183	890	879	9,355	1,006	700	112	39,112	85,320
2006	48,559	7,982	12,924	4,120	2,304	912	900	9,767	1,091	901	149	41,049	89,608
2007	49,717	7,810	13,530	3,792	2,455	954	885	10,088	975	881	136	41,504	91,221
2008	54,387	7,804	14,067	5,246	2,469	984	935	10,381	718	920	140	43,664	98,051
Annual % Chg. 04-07:	11.1%	4.8%	9.4%	7.2%	5.7%	5.4%	4.3%	8.9%	6.6%	12.1%	6.1%	7.5%	9.3%
Annual % Chg. 04-07:	5.3%	0.6%	11.3%	-5.9%	5.4%	3.8%	2.4%	3.8%	2.6%	13.3%	7.6%	4.4%	4.9%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Number of Ultimate Lost Time Claim Counts are from Exhibit 4, Page 1.

Ohio Bureau of Workers' Compensation
Private Employers (PA)
Other Statistics

Accident Year	(1)			(2)			(3)			(4)			(5)			(6)			(7)			(8)		
	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)
1996	53.2%	46.8%	\$1.43	55.2%	44.8%	\$2.17	55.2%	44.8%	\$2.17	55.2%	44.8%	\$2.17	55.2%	44.8%	\$2.17	55.2%	44.8%	\$2.17	55.2%	44.8%	\$2.17	55.2%	44.8%	\$2.17
1997	51.0%	49.0%	1.40	52.0%	48.0%	2.16	52.0%	48.0%	2.16	52.0%	48.0%	2.16	52.0%	48.0%	2.16	52.0%	48.0%	2.16	52.0%	48.0%	2.16	52.0%	48.0%	2.16
1998	50.2%	49.8%	1.51	50.4%	49.6%	2.38	50.4%	49.6%	2.38	50.4%	49.6%	2.38	50.4%	49.6%	2.38	50.4%	49.6%	2.38	50.4%	49.6%	2.38	50.4%	49.6%	2.38
1999	50.9%	49.1%	1.57	51.6%	48.4%	2.44	51.6%	48.4%	2.44	51.6%	48.4%	2.44	51.6%	48.4%	2.44	51.6%	48.4%	2.44	51.6%	48.4%	2.44	51.6%	48.4%	2.44
2000	50.7%	49.3%	1.69	50.4%	49.6%	2.65	50.4%	49.6%	2.65	50.4%	49.6%	2.65	50.4%	49.6%	2.65	50.4%	49.6%	2.65	50.4%	49.6%	2.65	50.4%	49.6%	2.65
2001	50.2%	49.8%	1.65	50.4%	49.6%	2.56	50.4%	49.6%	2.56	50.4%	49.6%	2.56	50.4%	49.6%	2.56	50.4%	49.6%	2.56	50.4%	49.6%	2.56	50.4%	49.6%	2.56
2002	49.4%	50.6%	1.74	49.0%	51.0%	2.74	49.0%	51.0%	2.74	49.0%	51.0%	2.74	49.0%	51.0%	2.74	49.0%	51.0%	2.74	49.0%	51.0%	2.74	49.0%	51.0%	2.74
2003	48.7%	51.3%	1.69	48.2%	51.8%	2.67	48.2%	51.8%	2.67	48.2%	51.8%	2.67	48.2%	51.8%	2.67	48.2%	51.8%	2.67	48.2%	51.8%	2.67	48.2%	51.8%	2.67
2004	47.6%	52.4%	1.64	46.2%	53.8%	2.69	46.2%	53.8%	2.69	46.2%	53.8%	2.69	46.2%	53.8%	2.69	46.2%	53.8%	2.69	46.2%	53.8%	2.69	46.2%	53.8%	2.69
2005	47.0%	53.0%	1.57	45.8%	54.2%	2.58	45.8%	54.2%	2.58	45.8%	54.2%	2.58	45.8%	54.2%	2.58	45.8%	54.2%	2.58	45.8%	54.2%	2.58	45.8%	54.2%	2.58
2006	46.7%	53.3%	1.44	45.8%	54.2%	2.36	45.8%	54.2%	2.36	45.8%	54.2%	2.36	45.8%	54.2%	2.36	45.8%	54.2%	2.36	45.8%	54.2%	2.36	45.8%	54.2%	2.36
2007	47.2%	52.8%	1.39	45.5%	54.5%	2.32	45.5%	54.5%	2.32	45.5%	54.5%	2.32	45.5%	54.5%	2.32	45.5%	54.5%	2.32	45.5%	54.5%	2.32	45.5%	54.5%	2.32
2008	45.6%	54.4%	1.44	44.5%	55.5%	2.42	44.5%	55.5%	2.42	44.5%	55.5%	2.42	44.5%	55.5%	2.42	44.5%	55.5%	2.42	44.5%	55.5%	2.42	44.5%	55.5%	2.42

**Ohio Bureau of Workers' Compensation
Discounted Ultimate Losses
Private Employers (PA)**
(Dollars in thousands)

Accident Year	Hospital	Physician	Pharmacy	Chiropractor	Rehabilitation	Health Other	Med Only	Total Medical	TT	PTD	Death	% PP	TP+WL & LM/WL + CO	Permi. Partial	Lump Settlements	Living Maintenance	Lump Sum Advances	Additional Awards	Sub/Tot Other than Medical	Total
1996	\$117,861	\$97,080	\$68,628	\$24,552	\$28,609	\$19,681	\$70,726	\$427,137	\$174,439	\$76,672	\$37,850	\$44,204	\$17,252	\$30,368	\$93,411	\$14,039	\$5,580	\$2,002	\$485,816	\$912,953
1997	124,065	97,950	79,461	20,152	34,521	32,864	75,348	466,086	166,263	84,326	31,925	42,111	16,920	18,806	98,191	18,579	6,095	1,028	484,244	950,331
1998	146,096	105,759	92,997	20,447	41,994	43,869	84,472	535,634	179,704	97,890	36,871	43,717	16,409	20,981	110,517	23,197	8,276	2,287	539,848	1,075,482
1999	158,633	118,383	110,705	24,446	47,109	27,144	92,813	579,232	204,053	100,646	40,794	48,782	20,280	20,091	129,084	25,945	8,813	2,403	600,890	1,180,123
2000	178,411	128,803	116,813	27,944	46,438	27,524	102,088	658,021	222,794	118,360	38,527	53,594	23,631	22,913	150,175	32,474	10,989	2,919	676,396	1,334,417
2001	180,614	126,478	121,033	29,119	60,484	33,710	107,762	659,199	219,370	112,370	40,660	52,216	24,286	19,445	152,973	31,751	10,184	2,442	665,696	1,324,895
2002	208,248	132,198	122,123	28,971	60,887	49,224	117,652	719,304	228,268	114,870	50,887	52,594	22,683	21,356	172,160	26,435	10,292	2,089	701,635	1,420,938
2003	206,730	128,289	116,730	30,407	59,839	52,757	118,930	713,682	215,174	113,400	50,230	52,141	20,640	18,894	170,920	23,518	10,845	2,083	717,851	1,391,534
2004	208,534	126,747	111,922	30,018	59,601	77,377	115,333	729,532	195,376	118,823	49,730	50,115	19,492	20,569	172,624	21,995	11,644	2,204	662,573	1,392,105
2005	214,426	122,588	108,127	29,095	56,991	74,458	116,798	722,483	184,228	118,270	52,929	47,804	18,740	20,188	163,818	22,090	11,853	1,877	641,798	1,364,281
2006	214,210	119,234	109,456	25,333	62,975	56,581	107,453	695,242	167,721	127,038	38,900	45,849	17,361	18,669	155,818	21,750	14,429	2,510	610,046	1,305,288
2007	91,584	61,124	57,390	12,955	28,900	37,989	51,309	341,251	81,486	66,049	17,795	24,381	9,041	9,050	79,789	9,677	6,783	1,078	305,129	646,380
Total	2,051,550	1,364,221	1,215,384	303,440	593,040	558,486	1,160,683	7,246,804	2,238,877	1,248,740	487,098	557,506	226,736	231,330	1,649,482	271,450	115,785	24,920	7,051,922	14,298,727

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Accident Year	Hospital	Physician	Pharmacy	Chiropractor	Rehabilitation	Health Other	Med Only	Total Medical	TT	PTD	Death	% PP	TP+WL & LM/WL + CO	Permi. Partial	Lump Settlements	Living Maintenance	Lump Sum Advances	Additional Awards	Sub/Tot Other than Medical	Total
1996	\$118,738	\$97,611	\$68,107	\$24,700	\$28,390	\$25,871	\$70,729	\$434,145	\$174,050	\$78,531	\$38,327	\$44,307	\$17,508	\$20,360	\$81,413	\$13,960	\$5,732	\$2,034	\$476,222	\$910,368
1997	124,065	97,950	77,298	20,121	33,949	44,012	75,361	472,735	166,390	86,219	32,356	42,265	17,190	18,723	83,349	18,495	6,021	1,091	472,099	944,834
1998	141,694	105,652	93,250	20,605	42,381	57,649	84,472	545,703	180,226	97,842	38,086	43,746	16,880	21,183	92,490	23,224	7,862	2,333	523,872	1,069,575
1999	157,268	118,310	108,279	24,175	48,367	42,440	92,977	591,815	202,359	101,582	41,317	48,883	20,691	20,468	105,169	26,513	8,448	2,446	577,867	1,169,682
2000	181,065	128,799	115,167	28,198	57,926	53,025	102,095	666,275	221,011	120,769	36,307	52,414	24,748	22,974	120,156	32,323	10,771	2,681	644,655	1,310,930
2001	183,040	128,386	117,015	29,390	61,484	50,315	107,833	677,463	219,076	114,665	41,706	52,275	24,759	19,743	122,362	31,509	9,989	2,569	638,444	1,315,908
2002	212,597	135,070	115,679	29,151	63,715	74,210	117,532	747,955	225,588	117,336	53,479	52,643	23,235	21,645	133,596	27,344	9,724	2,066	666,656	1,414,610
2003	201,413	127,551	109,544	31,742	57,588	99,490	119,083	747,612	212,057	114,618	48,499	50,204	21,060	19,069	134,797	22,563	10,258	2,188	637,106	1,384,719
2004	201,865	127,906	108,671	29,925	57,228	96,609	115,630	737,834	191,845	122,173	49,092	50,204	19,772	20,487	136,724	20,938	11,137	2,321	624,692	1,362,527
2005	195,949	124,130	102,948	29,545	55,571	78,709	116,164	703,017	175,811	124,053	47,031	47,804	18,862	20,248	127,922	19,910	11,141	2,025	594,807	1,297,824
2006	195,096	123,495	108,421	28,430	56,876	86,251	107,701	706,271	163,884	132,601	37,711	49,107	19,572	18,954	132,845	17,667	12,823	2,102	587,267	1,293,537
2007	109,837	65,933	63,804	15,303	31,583	63,031	57,118	406,609	84,730	70,140	26,890	25,319	10,163	10,256	67,906	8,352	6,368	1,083	311,208	717,817
Total	2,022,626	1,381,973	1,188,184	311,285	595,058	571,612	1,166,696	7,437,434	2,217,028	1,280,519	491,051	561,714	233,939	234,104	1,338,728	262,799	110,274	24,739	6,754,896	14,192,330

Accident Year	Hospital	Physician	Pharmacy	Chiropractor	Rehabilitation	Health Other	Med Only	Total Medical	TT	PTD	Death	% PP	TP+WL & LM/WL + CO	Permi. Partial	Lump Settlements	Living Maintenance	Lump Sum Advances	Additional Awards	Sub/Tot Other than Medical	Total
1996	(\$877)	(\$530)	\$520	(\$149)	\$220	(\$6,190)	(\$3)	(\$7,009)	\$388	(\$1,859)	(\$476)	(\$103)	(\$255)	\$7	\$11,998	\$78	(\$151)	(\$32)	\$9,594	\$2,586
1997	2,139	(394)	2,164	32	572	(11,148)	(13)	(6,649)	(127)	(1,893)	(431)	(154)	(270)	83	14,843	84	74	(63)	12,146	5,497
1998	4,402	107	(253)	(158)	(387)	(13,780)	(0)	(10,069)	(522)	48	(1,215)	(29)	(471)	(203)	18,027	(27)	414	(46)	15,976	5,907
1999	1,365	73	2,425	271	(1,257)	(15,296)	(165)	(12,583)	(1,695)	(936)	(523)	(101)	(411)	(369)	23,914	(568)	365	(44)	23,024	10,441
2000	(2,654)	5	1,646	(254)	(402)	(6,587)	(7)	(8,254)	1,782	(2,390)	2,219	(180)	(178)	(61)	30,020	150	218	238	31,740	20,441
2001	(2,426)	(1,908)	4,017	(271)	(1,000)	(16,605)	(71)	(18,264)	294	(2,285)	(1,047)	(60)	(473)	(298)	30,611	241	196	73	27,252	8,988
2002	(4,349)	(2,872)	6,444	(179)	(2,829)	(24,986)	(120)	(28,651)	2,680	(2,466)	(2,592)	(49)	(550)	(289)	38,565	(909)	568	23	34,979	6,328
2003	5,317	(462)	7,185	(1,335)	2,252	(46,733)	(154)	(33,930)	3,117	(1,212)	1,481	393	(420)	(175)	36,124	955	587	(105)	40,745	6,815
2004	6,669	(1,159)	3,251	94	2,373	(19,232)	(298)	(8,302)	3,531	(3,350)	638	(89)	(279)	82	35,900	508	508	(118)	37,881	29,578
2005	18,477	(1,542)	5,179	(450)	1,419	(4,251)	634	19,466	8,417	(5,783)	5,898	(1)	(122)	(60)	35,896	2,180	711	(148)	46,991	66,457
2006	19,115	(4,261)	1,035	(3,098)	(295)	(23,276)	(248)	(11,028)	3,837	(5,563)	1,189	(3,258)	(2,211)	(286)	22,973	4,083	1,606	408	22,779	11,751
2007	(18,253)	(4,809)	(6,414)	(2,347)	(2,683)	(25,042)	(5,809)	(65,358)	(3,244)	(4,091)	(9,095)	(938)	(1,122)	(1,206)	11,883	1,325	415	(5)	(16,079)	(4,457)
Total	28,924	(17,752)	27,199	(7,845)	(2,018)	(213,127)	(6,013)	(190,630)	21,848	(31,779)	(3,954)	(4,208)	(7,203)	(2,774)	310,753	8,651	5,511	181	297,027	430,397
Difference	1.4%	-1.3%	2.3%	-2.5%	-0.3%	-27.6%	-0.5%	-2.6%	1.0%	-2.5%	-0.8%	-0.7%	-3.1%	-1.2%	23.2%	3.3%	5.0%	0.7%	4.4%	10.7%

Ohio Bureau of Workers' Compensation
Undiscounted Ultimate Losses
Private Employers (PA)
(Dollars in thousands)

Table with 20 columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, PP, TP-AWL & LM/AWL + CO, Perm. Partial, Lump Sum Settlements, Living Maintenance, Lump Sum Advances, Additional Awards, Sub/Tot Other than Medical, Total. Rows include years 1996-2007 and Totals.

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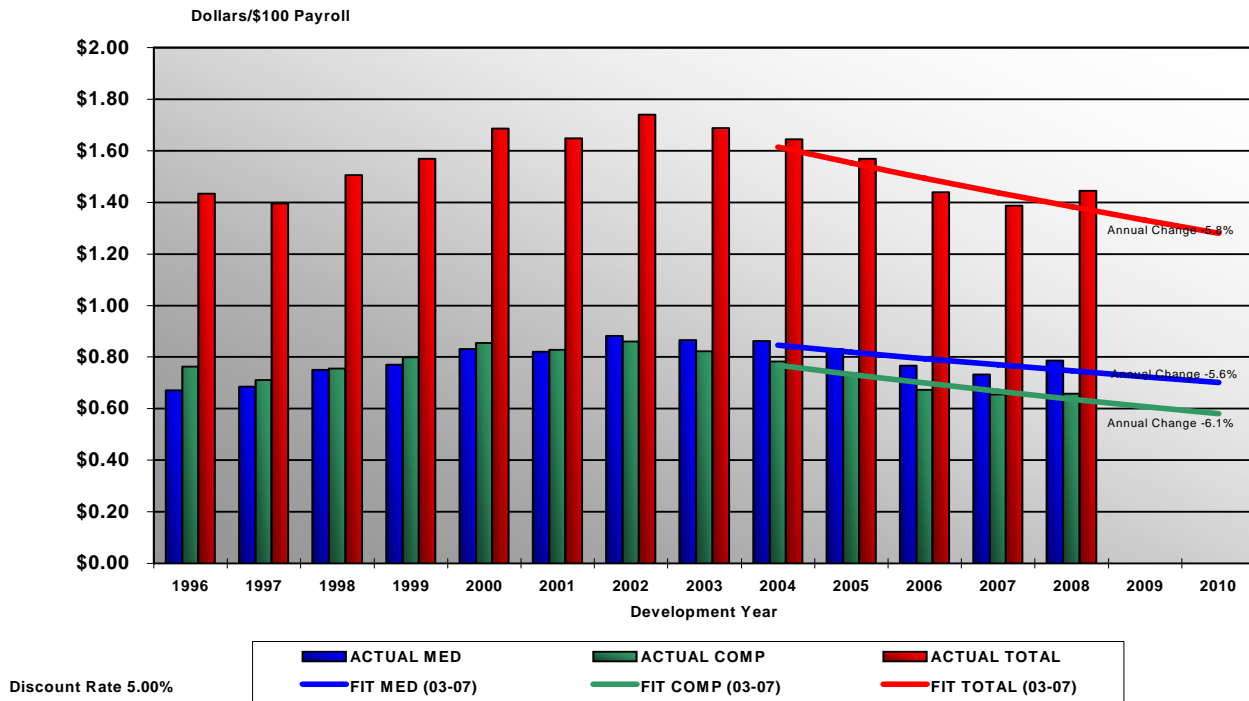
Table with 20 columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, PP, TP-AWL & LM/AWL + CO, Perm. Partial, Lump Sum Settlements, Living Maintenance, Lump Sum Advances, Additional Awards, Sub/Tot Other than Medical, Total. Rows include years 1996-2007 and Totals.

Table with 20 columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, PP, TP-AWL & LM/AWL + CO, Perm. Partial, Lump Sum Settlements, Living Maintenance, Lump Sum Advances, Additional Awards, Sub/Tot Other than Medical, Total. Rows include years 1996-2007 and Totals.

Difference

Table with 20 columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, PP, TP-AWL & LM/AWL + CO, Perm. Partial, Lump Sum Settlements, Living Maintenance, Lump Sum Advances, Additional Awards, Sub/Tot Other than Medical, Total. Rows include years 1996-2007 and Totals.

DISCOUNTED PURE PREMIUM BY TYPE OF BENEFIT (PA)



**Ohio Bureau of Workers' Compensation
Public Employers-Taxing Districts (PEC)
Premiums, Payroll, and Rate Level Statistics**

Accident Year	(1) Actual Premium (\$MILL)	(2) Premium @7/1/08 Rate Level (\$MILL)	(3) Payroll (\$MILL)	(4) Average Weekly Wage (\$)	(5) No. of Lost-Time Claims	(6) Rate Level Index @7/1	(7) Average Rate @7/1/08 (\$100)	(8) Estimated No. of Employees (Yrs)	(9) Average Published Rate @7/1	(10) Actual Average Collected Rate
1996	236	229	12,949	526.87	5,407	98.84	1.77	472,642	1.95	1.82
1997	232	240	13,597	551.30	5,299	93.90	1.77	474,290	1.80	1.70
1998	224	252	14,465	577.29	5,381	84.51	1.74	481,871	1.64	1.55
1999	212	264	15,089	596.41	6,019	76.06	1.75	486,529	1.47	1.40
2000	213	280	15,809	618.35	6,101	76.06	1.77	491,663	1.47	1.35
2001	235	303	16,717	631.45	5,499	78.87	1.81	509,113	1.53	1.40
2002	255	314	17,601	652.48	5,728	83.92	1.78	518,763	1.62	1.45
2003	296	333	18,004	670.77	5,447	94.08	1.85	516,179	1.81	1.65
2004	315	332	18,524	694.68	5,307	95.96	1.79	512,796	1.84	1.70
2005	327	338	18,569	710.72	5,136	97.88	1.82	502,435	1.89	1.76
2006	332	341	18,924	735.05	5,033	96.90	1.80	495,093	1.87	1.76
2007	367	372	19,418	761.22	4,987	100.00	1.92	490,563	1.84	1.89
2008	189	189	10,000	784.05	2,493	100.00	1.89	245,282	1.85	1.89
Annual % Chg 96-07:	4.9%	4.4%	3.8%	3.2%	-0.9%	1.2%	0.6%	0.5%	0.9%	1.1%
Annual % Chg 04-07:	4.8%	3.7%	1.6%	3.1%	-2.0%	1.1%	2.0%	-1.5%	-0.1%	3.2%

Notes: 1. 1996 and subsequent are net of PDP and other premium discounts; accident year 2008 is for the first six months of the year.

2. Columns (1), (2) and (7) are adjusted for retrospective rating, using experience rated premium for all employers.

3. Columns (6) and (9) are from Exhibits prepared by OBWC Actuarial Dept.

4. COL(2)=COL(1)/[COL(6)Year(n)+COL(6)Year(n-1)]/2*COL(6) Year 2008.

5. COL(7)=COL(2)/COL(3)*100

6. COL(8)= {COL(3)/[COL(4)*52]}*1,000,000.

7. COL(10)=COL(1)/COL(3)*100.

Ohio Bureau of Workers' Compensation
Discounted Ultimate Losses
Public Employers-Taxing Districts (PEC)

(Dollars in thousands)

(1) Accident Year	(2) TT	(3) PTD	(4) Death	(5) % PP	(6) TP+WL & LM/WL + CO	(7) Perm. Partial	(8) Lump Sum Settlements	(9) Living Maintenance	(10) Lump Sum Advance's	(11) Additional Awards	(12) Sub/Tot Other than Medical	(13) Total
1996	\$56,939	\$18,304	\$9,653	\$2,349	\$3,381	\$690	\$9,923	\$1,295	\$409	\$39	\$55,435	\$112,375
1997	67,618	18,235	12,208	5,248	2,650	908	9,445	1,852	534	40	60,078	127,696
1998	77,257	21,792	12,560	4,098	2,634	1,282	12,308	2,224	702	57	67,428	144,685
1999	102,330	23,031	18,402	6,032	3,017	1,831	13,159	2,573	1,000	50	80,486	182,816
2000	113,086	27,705	18,633	5,895	3,458	2,045	15,548	3,271	1,073	96	90,163	203,249
2001	105,248	23,318	13,117	5,598	4,235	1,371	15,593	2,804	793	49	79,082	184,329
2002	137,314	31,191	17,137	4,091	3,766	1,591	16,692	2,847	907	55	92,307	229,622
2003	140,677	33,454	18,722	3,135	3,853	1,334	16,634	2,770	1,550	55	95,001	235,678
2004	146,906	28,660	19,190	9,784	3,954	1,183	17,367	2,672	1,273	56	98,393	245,299
2005	155,277	27,269	20,827	5,548	3,797	1,525	17,028	2,726	1,560	55	94,562	249,839
2006	147,064	22,506	19,986	8,008	3,774	1,311	17,352	1,833	1,419	56	90,719	237,783
2007	171,444	25,437	20,556	10,770	3,925	1,553	17,778	2,253	1,561	57	99,442	270,886
2008	96,212	14,131	10,589	3,640	2,039	757	9,147	3,105	804	29	52,011	148,222
Total	1,517,373	315,033	74,197	157,958	44,483	17,381	187,973	32,225	13,584	694	1,055,107	2,572,480
Annual % Chg 96-07:	9.8%	3.2%	6.0%	8.3%	3.2%	3.6%	5.7%	2.5%	11.7%	2.0%	5.0%	7.7%
Annual % Chg 04-07:	4.2%	-5.3%	1.7%	6.8%	-0.3%	6.9%	0.9%	-8.7%	5.3%	1.0%	-0.1%	2.5%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Annual Discount Rate is 5% .
4. All figures are rounded to the nearest thousand and may not add to totals for this reason.

Ohio Bureau of Workers' Compensation
Discounted Pure Premium
Public Employers-Taxing Districts (PEC)
(per \$100 of Payroll)

(1) Accident Year	(2) TT	(3) PTD	(4) Death	(5) % PP	(6) TP+WL & LM/WL + CO	(7) Perm. Partial	(8) Lump Sum Settlements	(9) Living Maintenance	(10) Lump Sum Advances	(11) Additional Awards	(12) Sub/Tot Other than Medical	(13) Total
1996	\$0.44	\$0.14	\$0.07	\$0.07	\$0.03	\$0.01	\$0.08	\$0.01	\$0.00	\$0.00	\$0.43	\$0.87
1997	0.50	0.13	0.09	0.07	0.02	0.01	0.07	0.01	0.00	0.00	0.44	0.94
1998	0.53	0.15	0.09	0.07	0.02	0.01	0.09	0.02	0.00	0.00	0.47	1.00
1999	0.68	0.15	0.12	0.08	0.02	0.01	0.09	0.02	0.01	0.00	0.53	1.21
2000	0.72	0.18	0.12	0.08	0.02	0.01	0.10	0.02	0.01	0.00	0.57	1.29
2001	0.63	0.14	0.08	0.07	0.03	0.01	0.09	0.02	0.00	0.00	0.47	1.10
2002	0.78	0.18	0.10	0.08	0.02	0.01	0.09	0.02	0.01	0.00	0.52	1.30
2003	0.78	0.19	0.10	0.07	0.02	0.01	0.09	0.02	0.01	0.00	0.53	1.31
2004	0.79	0.15	0.10	0.08	0.02	0.01	0.09	0.01	0.01	0.00	0.53	1.32
2005	0.84	0.15	0.11	0.08	0.02	0.01	0.09	0.01	0.01	0.00	0.51	1.35
2006	0.78	0.12	0.11	0.08	0.02	0.01	0.09	0.01	0.01	0.00	0.48	1.26
2007	0.88	0.13	0.11	0.08	0.02	0.01	0.09	0.01	0.01	0.00	0.51	1.40
2008	0.96	0.14	0.11	0.08	0.02	0.01	0.09	0.03	0.01	0.00	0.52	1.48
Annual % Chg. 96-07:	5.8%	-0.6%	2.2%	1.2%	-0.6%	-0.2%	1.8%	-1.2%	7.6%	-1.7%	1.1%	3.8%
Annual % Chg. 04-07:	2.5%	-6.9%	0.0%	1.2%	-1.9%	5.2%	-0.7%	-10.1%	3.7%	-0.6%	-1.7%	0.9%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Annual Discount Rate is 5% .
4. Payroll figures are from Exhibit 4, Page 8.

Ohio Bureau of Workers' Compensation
Discounted Average Claim Cost per Ultimate Lost Time Claim Count
Public Employers-Taxing Districts (PEC)

(1) Accident Year	(2) TT Medical	(3) PTD	(4) Death	(5) % PP	(6) TP+WL & LM/WL + CO	(7) Perm. Partial	(8) Lump Sum Settlements	(9) Living Maintenance	(10) Lump Sum Advances	(11) Additional Awards	(12) Sub/Tot Other than Medical	(13) Total
1996	\$10,530	\$1,785	\$434	\$1,737	\$625	\$128	\$1,835	\$239	\$76	\$7	\$10,252	\$20,782
1997	12,761	2,304	990	1,690	500	171	1,783	350	101	8	11,338	24,100
1998	14,359	4,050	762	1,816	490	238	2,287	413	130	11	12,532	26,890
1999	17,000	3,057	1,002	1,893	501	304	2,186	427	166	8	13,371	30,372
2000	18,535	4,541	966	2,039	567	335	2,548	536	176	16	14,778	33,313
2001	19,140	4,240	1,018	2,219	770	249	2,836	510	144	9	14,381	33,521
2002	23,972	5,445	714	2,449	657	278	2,914	497	158	10	16,114	40,086
2003	25,824	6,141	576	2,477	707	245	3,054	508	284	10	17,440	43,264
2004	27,682	5,400	1,844	2,686	745	223	3,272	504	240	10	18,540	46,222
2005	30,233	5,309	1,080	2,770	739	297	3,315	531	304	11	18,412	48,644
2006	29,221	4,472	1,591	2,876	750	260	3,448	364	282	11	18,025	47,246
2007	34,380	5,101	2,160	3,119	787	311	3,565	452	313	11	19,941	54,321
2008	38,587	4,247	1,460	3,116	818	304	3,669	1,245	323	12	20,859	59,446
Annual % Chg. '06-'07:	10.8%	4.2%	9.3%	6.0%	4.1%	4.6%	6.7%	3.5%	12.7%	3.0%	5.9%	8.7%
Annual % Chg. '04-'07:	6.4%	-3.4%	9.0%	5.0%	1.8%	9.1%	3.0%	-6.8%	7.5%	3.1%	2.0%	4.7%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Annual Discount Rate is 5% .
4. Number of Ultimate Lost Time Claim Counts are from Exhibit 4, Page 8.

Ohio Bureau of Workers' Compensation
Undiscounted Average Claim Cost per Ultimate Lost Time Claim Count
Public Employers-Taxing Districts (PEC)

Accident Year	(1) <u>Medical</u>	(2) <u>TT</u>	(3) <u>PTD</u>	(4) <u>Death</u>	(5) <u>PP</u>	(6) <u>TP+W/L & LM/WL + CO</u>	(7) <u>Perm. Partial</u>	(8) <u>Lump Sum Settlements</u>	(9) <u>Living Maintenance</u>	(10) <u>Lump Sum Advances</u>	(11) <u>Additional Awards</u>	(12) <u>Sub/Tot Other than Medical</u>	(13) <u>Total</u>
1996	\$17,296	\$4,038	\$4,384	\$1,019	\$2,060	\$846	\$175	\$3,224	\$304	\$138	\$33	\$16,220	\$33,517
1997	22,042	4,115	5,491	2,512	2,020	676	226	3,192	420	180	34	18,866	40,908
1998	25,366	4,953	5,703	2,091	2,163	664	309	3,912	475	225	39	20,532	45,898
1999	34,759	4,610	7,125	2,770	2,261	686	374	3,798	490	273	37	22,424	57,183
2000	35,238	5,539	7,247	2,486	2,423	774	418	4,288	609	294	47	24,124	59,362
2001	34,055	5,153	5,710	2,623	2,640	1,024	319	4,670	575	239	39	22,993	57,048
2002	46,924	6,813	7,183	1,878	2,890	885	362	4,805	618	275	41	25,750	72,673
2003	50,091	7,605	8,238	1,543	2,920	949	323	5,000	646	426	43	27,692	77,783
2004	54,656	6,638	8,683	5,154	3,151	997	299	5,306	636	389	44	31,298	85,954
2005	60,752	6,486	9,658	2,891	3,246	993	382	5,388	667	471	45	30,227	90,979
2006	59,746	5,483	9,521	4,256	3,371	1,013	347	5,591	463	447	47	30,540	90,287
2007	70,336	6,272	9,873	5,797	3,632	1,061	401	5,785	577	485	48	33,932	104,268
2008	<u>78,590</u>	<u>6,912</u>	<u>10,167</u>	<u>3,901</u>	<u>3,645</u>	<u>1,099</u>	<u>396</u>	<u>5,955</u>	<u>1,591</u>	<u>500</u>	<u>50</u>	<u>34,215</u>	<u>112,804</u>
Annual % Chg %4-07:	12.7%	4.4%	6.9%	10.1%	5.8%	4.0%	4.5%	5.7%	4.2%	11.1%	3.2%	6.3%	10.1%
Annual % Chg %4-07:	7.7%	-3.3%	3.8%	7.7%	4.8%	2.1%	8.1%	3.0%	-6.4%	6.3%	3.1%	2.6%	5.9%

Notes:

1. COL (12) = Sum of Columns (2) through (11).
2. COL(13) = COL(1)+COL(12).
3. Number of Ultimate Lost Time Claim Counts are from Exhibit 4, Page 8.

**Ohio Bureau of Workers' Compensation
Public Employers-Taxing Districts (PEC)
Other Statistics**

Accident Year	(1)			(2)			(3)			(4)			(5)			(6)			(7)			(8)		
	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	No. of Claims/ Employee	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	No. of Claims/ Employee	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	No. of Claims/ Employee	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	No. of Claims/ Employee	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	No. of Claims/ Employee	Ratio of Compensat'n to Total Losses	Ratio of Medical to Total Losses	Loss Cost/ Payroll (\$100)	
1996	49.3%	50.7%	\$0.87	0.0114	48.4%	51.6%	0.0114	48.4%	51.6%	\$1.40	0.0114	48.4%	51.6%	\$1.40	0.0114	48.4%	51.6%	\$1.40	0.0114	48.4%	51.6%	\$1.40		
1997	47.0%	53.0%	0.94	0.0112	46.1%	53.9%	0.0112	46.1%	53.9%	1.59	0.0112	46.1%	53.9%	1.59	0.0112	46.1%	53.9%	1.59	0.0112	46.1%	53.9%	1.59		
1998	46.6%	53.4%	1.00	0.0112	44.7%	55.3%	0.0112	44.7%	55.3%	1.71	0.0112	44.7%	55.3%	1.71	0.0112	44.7%	55.3%	1.71	0.0112	44.7%	55.3%	1.71		
1999	44.0%	56.0%	1.21	0.0124	39.2%	60.8%	0.0124	39.2%	60.8%	2.28	0.0124	39.2%	60.8%	2.28	0.0124	39.2%	60.8%	2.28	0.0124	39.2%	60.8%	2.28		
2000	44.4%	55.6%	1.29	0.0124	40.6%	59.4%	0.0124	40.6%	59.4%	2.29	0.0124	40.6%	59.4%	2.29	0.0124	40.6%	59.4%	2.29	0.0124	40.6%	59.4%	2.29		
2001	42.9%	57.1%	1.10	0.0108	40.3%	59.7%	0.0108	40.3%	59.7%	1.88	0.0108	40.3%	59.7%	1.88	0.0108	40.3%	59.7%	1.88	0.0108	40.3%	59.7%	1.88		
2002	40.2%	59.8%	1.30	0.0110	35.4%	64.6%	0.0110	35.4%	64.6%	2.37	0.0110	35.4%	64.6%	2.37	0.0110	35.4%	64.6%	2.37	0.0110	35.4%	64.6%	2.37		
2003	40.3%	59.7%	1.31	0.0106	35.6%	64.4%	0.0106	35.6%	64.4%	2.35	0.0106	35.6%	64.4%	2.35	0.0106	35.6%	64.4%	2.35	0.0106	35.6%	64.4%	2.35		
2004	40.1%	59.9%	1.32	0.0103	36.4%	63.6%	0.0103	36.4%	63.6%	2.46	0.0103	36.4%	63.6%	2.46	0.0103	36.4%	63.6%	2.46	0.0103	36.4%	63.6%	2.46		
2005	37.8%	62.2%	1.35	0.0102	33.2%	66.8%	0.0102	33.2%	66.8%	2.52	0.0102	33.2%	66.8%	2.52	0.0102	33.2%	66.8%	2.52	0.0102	33.2%	66.8%	2.52		
2006	38.2%	61.8%	1.26	0.0102	33.8%	66.2%	0.0102	33.8%	66.2%	2.40	0.0102	33.8%	66.2%	2.40	0.0102	33.8%	66.2%	2.40	0.0102	33.8%	66.2%	2.40		
2007	36.7%	63.3%	1.40	0.0102	32.5%	67.5%	0.0102	32.5%	67.5%	2.68	0.0102	32.5%	67.5%	2.68	0.0102	32.5%	67.5%	2.68	0.0102	32.5%	67.5%	2.68		
2008	35.1%	64.9%	1.48	0.0102	30.3%	69.7%	0.0102	30.3%	69.7%	2.81	0.0102	30.3%	69.7%	2.81	0.0102	30.3%	69.7%	2.81	0.0102	30.3%	69.7%	2.81		

Ohio Bureau of Workers' Compensation
Discounted Ultimate Losses
Public Employers-Taxing Districts (PEC)

Table with columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, % PP, TP+WL & LM/WL + CO, Perm. Partial, Lump Settlements, Living Maintenance, Lump Sum, Additional Awards, Sub/Tot Other than Medical, Total. Includes sub-totals for 6/30/07.

6/30/08
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Table with columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, % PP, TP+WL & LM/WL + CO, Perm. Partial, Lump Settlements, Living Maintenance, Lump Sum, Additional Awards, Sub/Tot Other than Medical, Total. Includes sub-totals for 6/30/07.

Table with columns: Accident Year, Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, % PP, TP+WL & LM/WL + CO, Perm. Partial, Lump Settlements, Living Maintenance, Lump Sum, Additional Awards, Sub/Tot Other than Medical, Total. Includes sub-totals for 6/30/07.

6/30/08
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Ohio Bureau of Workers' Compensation
Undiscounted Ultimate Losses
Public Employers-Taxing Districts (PEC)

(Dollars in thousands)

Table with columns for Accident Year (1996-2007) and various categories: Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, PP, TP-AWL & LM/AWL + CO, Perm. Partial, Lump Sum Settlements, Living Maintenance, Lump Sum Advances, Additional Awards, Sub/Tot Other than Medical, Total.

Table with columns for Accident Year (1996-2007) and various categories: Hospital, Physician, Pharmacy, Chiropractor, Rehabilitation, Health Other, Med Only, Total Medical, TT, PTD, Death, PP, TP-AWL & LM/AWL + CO, Perm. Partial, Lump Sum Settlements, Living Maintenance, Lump Sum Advances, Additional Awards, Sub/Tot Other than Medical, Total.

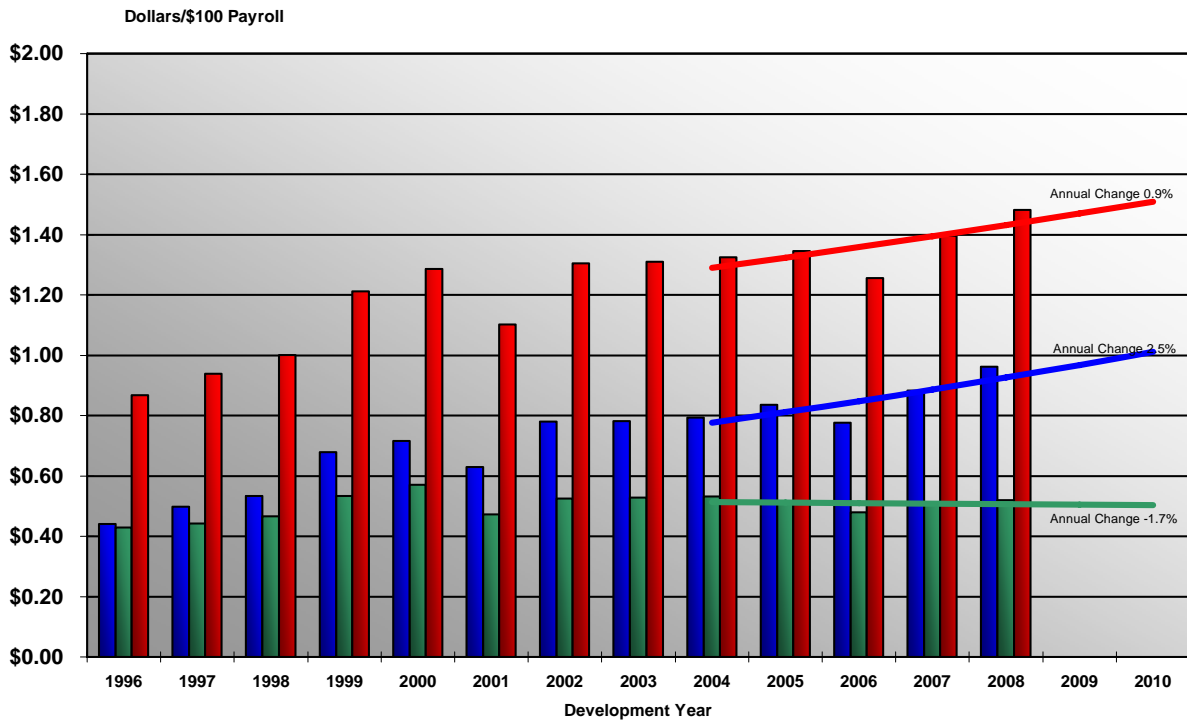
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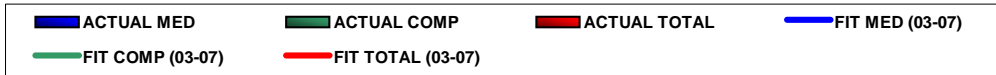
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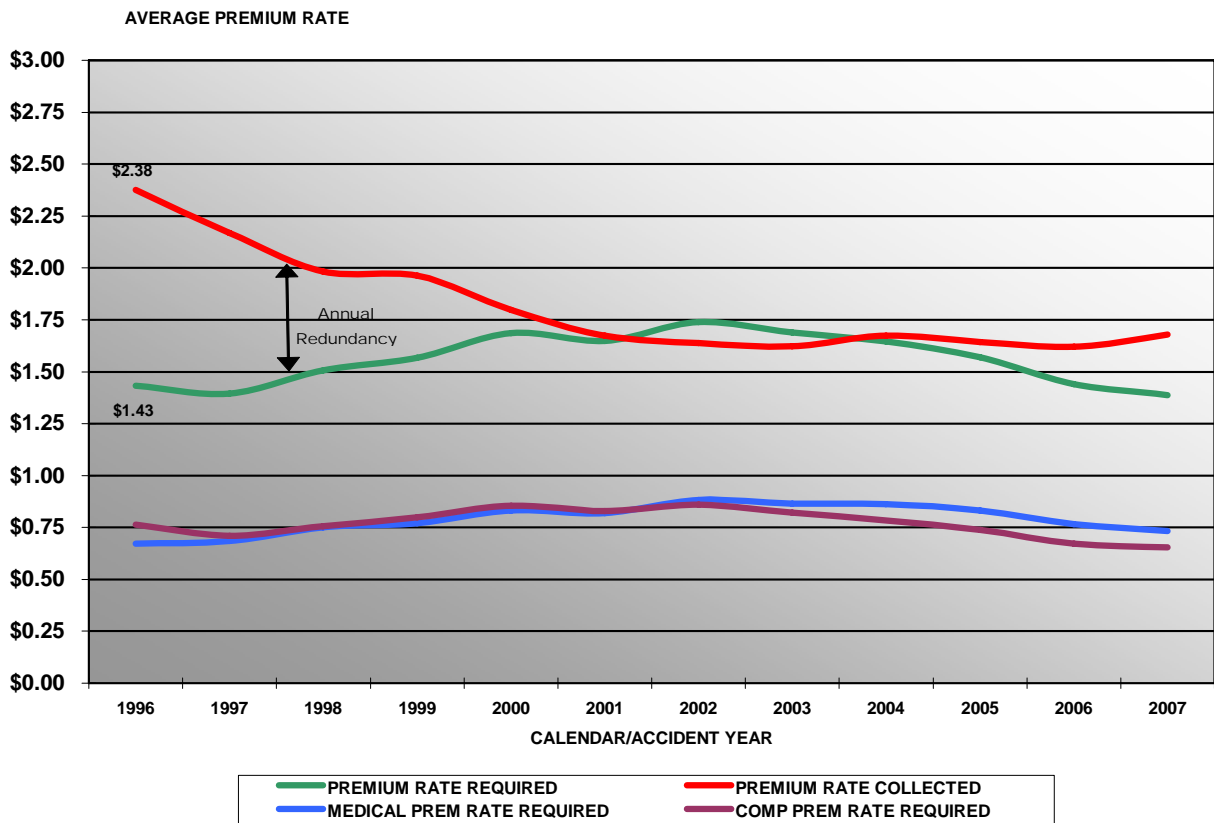
DISCOUNTED PURE PREMIUM BY TYPE OF BENEFIT (PEC)



Discount Rate 5.00%

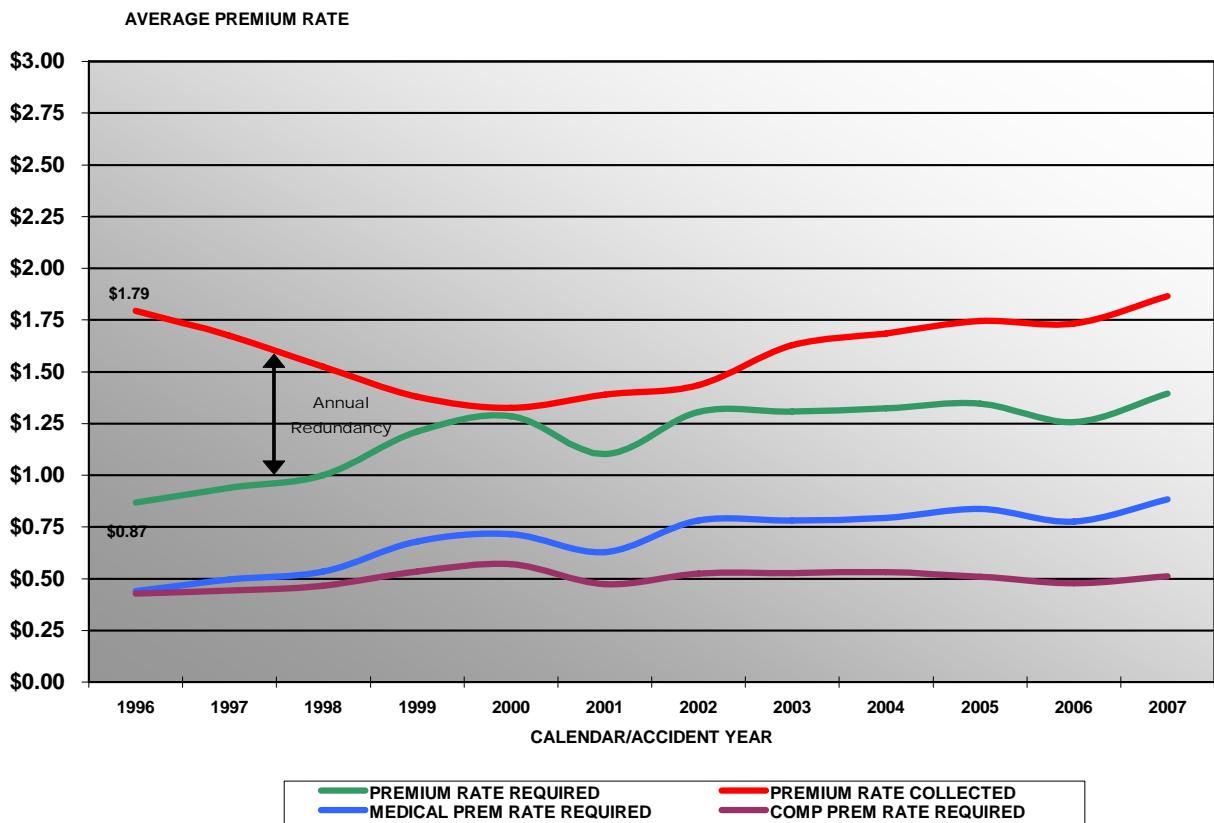


COLLECTED AND REQUIRED PREMIUM RATE PRIVATE EMPLOYERS



This graph compares the premium rate collected (after subtracting S+H and PPSF) during each of the last 13 Calendar Years to the projected premium rate required to pay benefits by the premium.

COLLECTED AND REQUIRED PREMIUM RATE PUBLIC EMPLOYERS – TAXING DISTRICTS



This graph compares the premium rate collected (after subtracting S+H and PPSF) during each of the last 13 Calendar Years to the projected premium rate required to pay benefits by the premium.