WCAC PRESENTATION· OCTOBER 2026

2026 Update

Ratemaking Overview & Industry Metrics

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UP NEXT

2027 Ratemaking Report

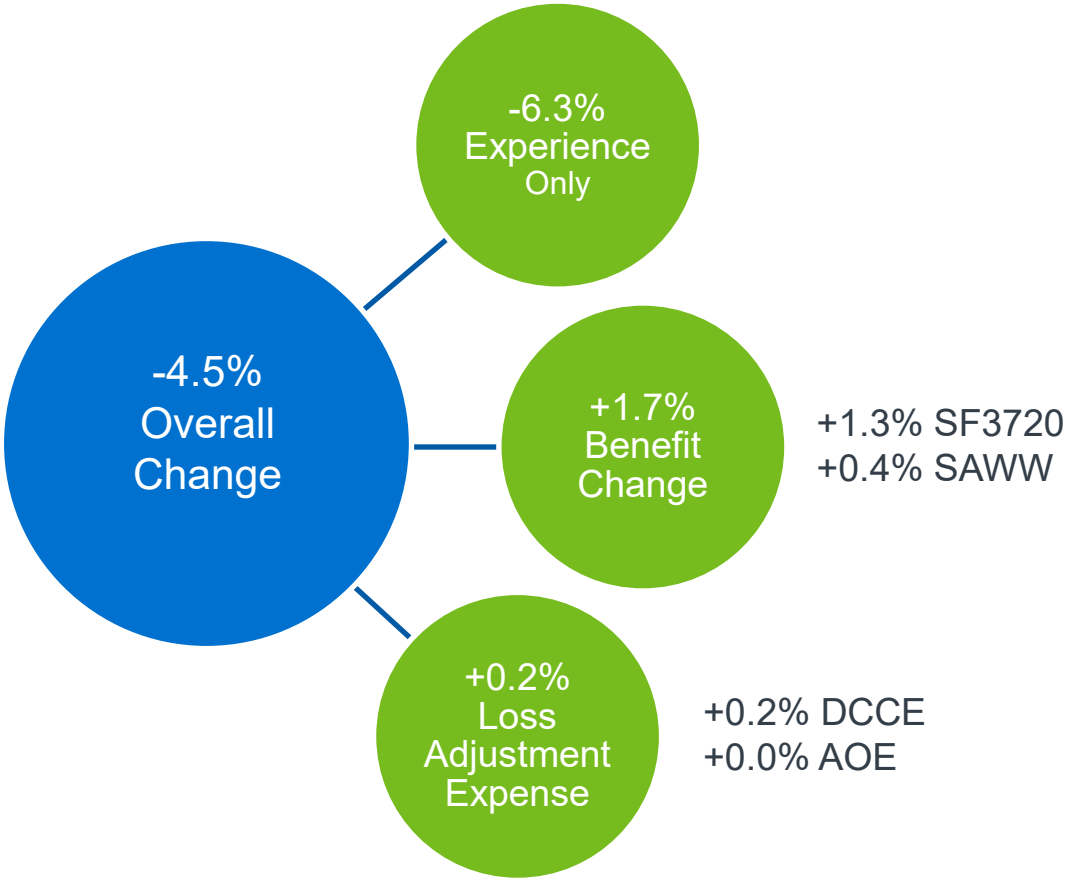
Ratemaking Summary
Pure Premium Base Rate History

OVERVIEW

2027 Pure Premium Base Rate Change

Overall & Components

−4.5% 2027 Overall Indication



MWCIA

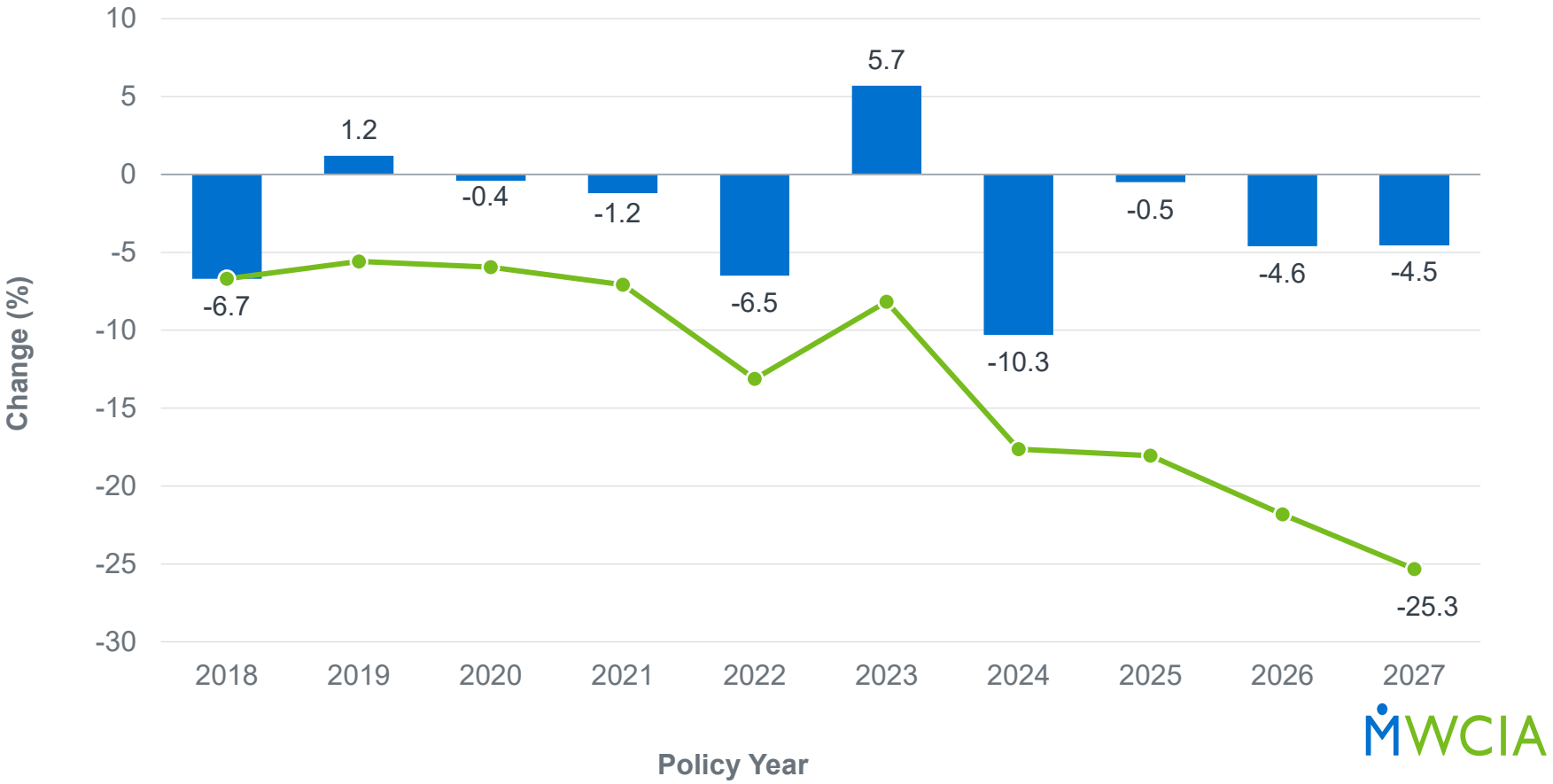
Source: MWCIA 2027 Ratemaking Report

COST

Pure Premium Base Rate Changes

Individual & Cumulative

–25.3% Cumulative pure premium base rate change, 2018–2027. The 2023 increase reflects a definition change, not a rate increase.



Source: MWCIA Ratemaking Reports 2018-2027

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Industry Metrics

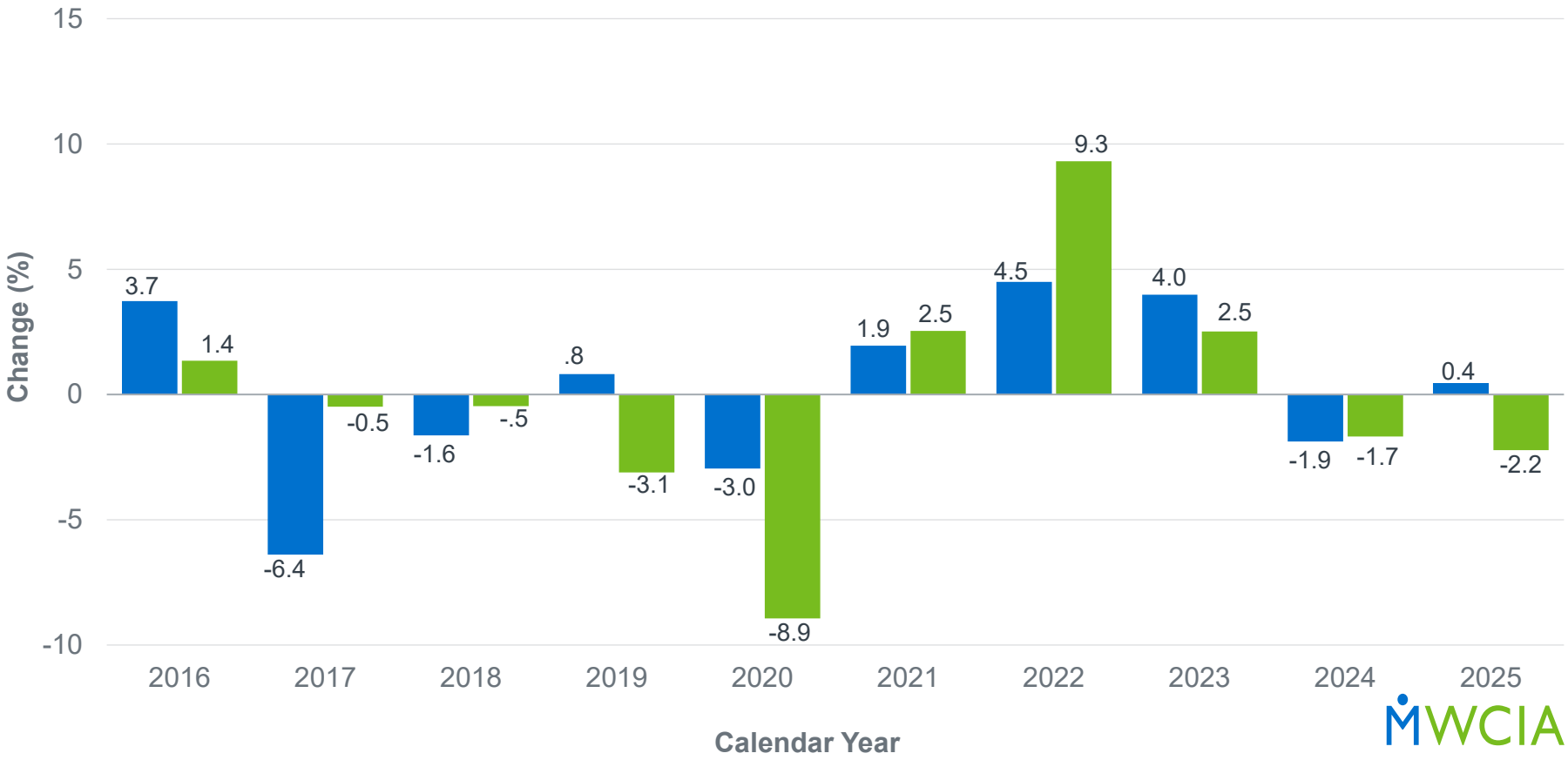
Premium
Assigned Risk
Trends

PREMIUM

Direct Written Premium Change

Minnesota & Countrywide

+0.4% Minnesota DWP edged up in 2025 while countrywide fell 2.2%. Typically, MN moves in the same direction as countrywide, but by a different magnitude.



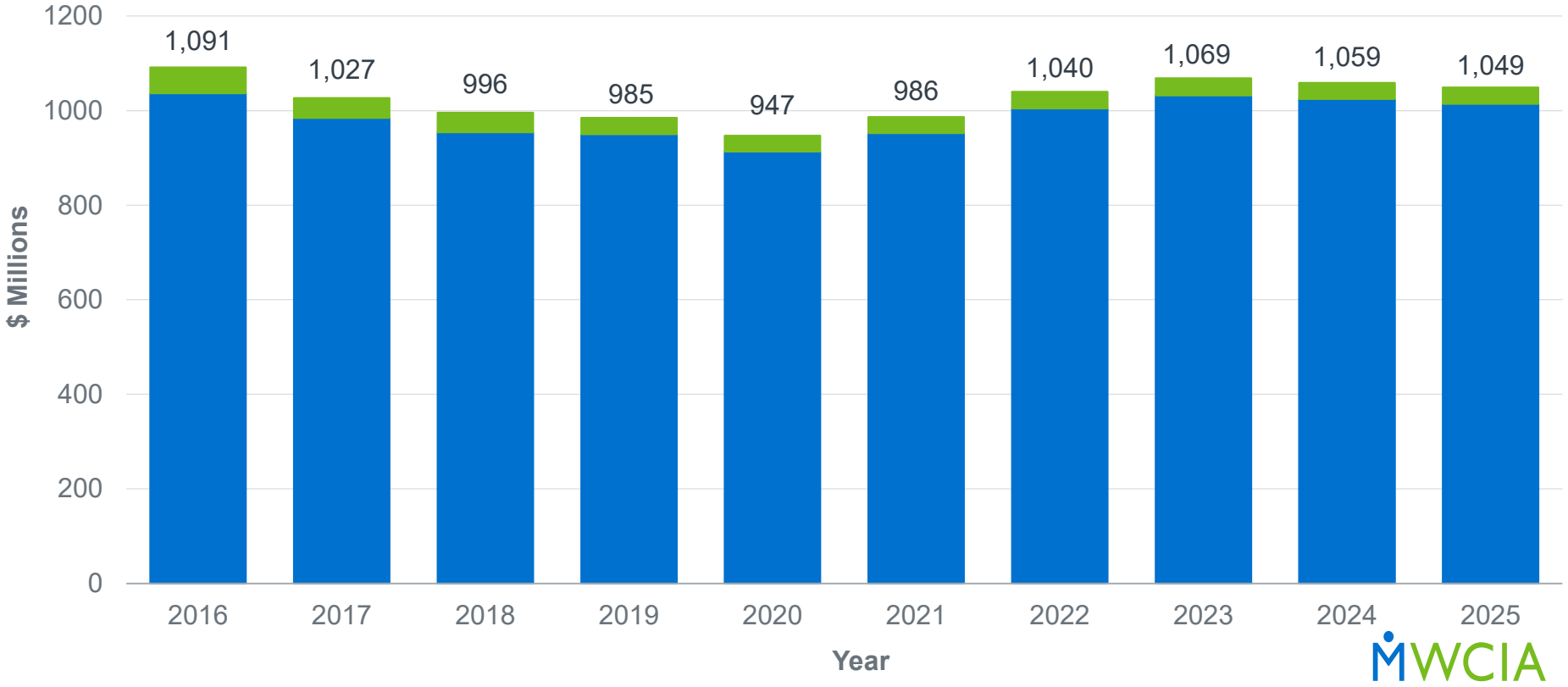
Source: A.M. Best's Market Share Reports/One-Year Premiums and Loss Study, based on DWP

ASSIGNED RISK PLAN

Earned Premium Volume

Assigned Risk Plan & Voluntary Market

–1.0% Voluntary market earned premium dipped about 1% in 2025, while Assigned Risk Plan premium grew nearly 4%.



Source: Direct Earned Premium, Voluntary Market from AM Best State of the Line Report and Assigned Risk Plan from and Actuarial Advisors, Inc

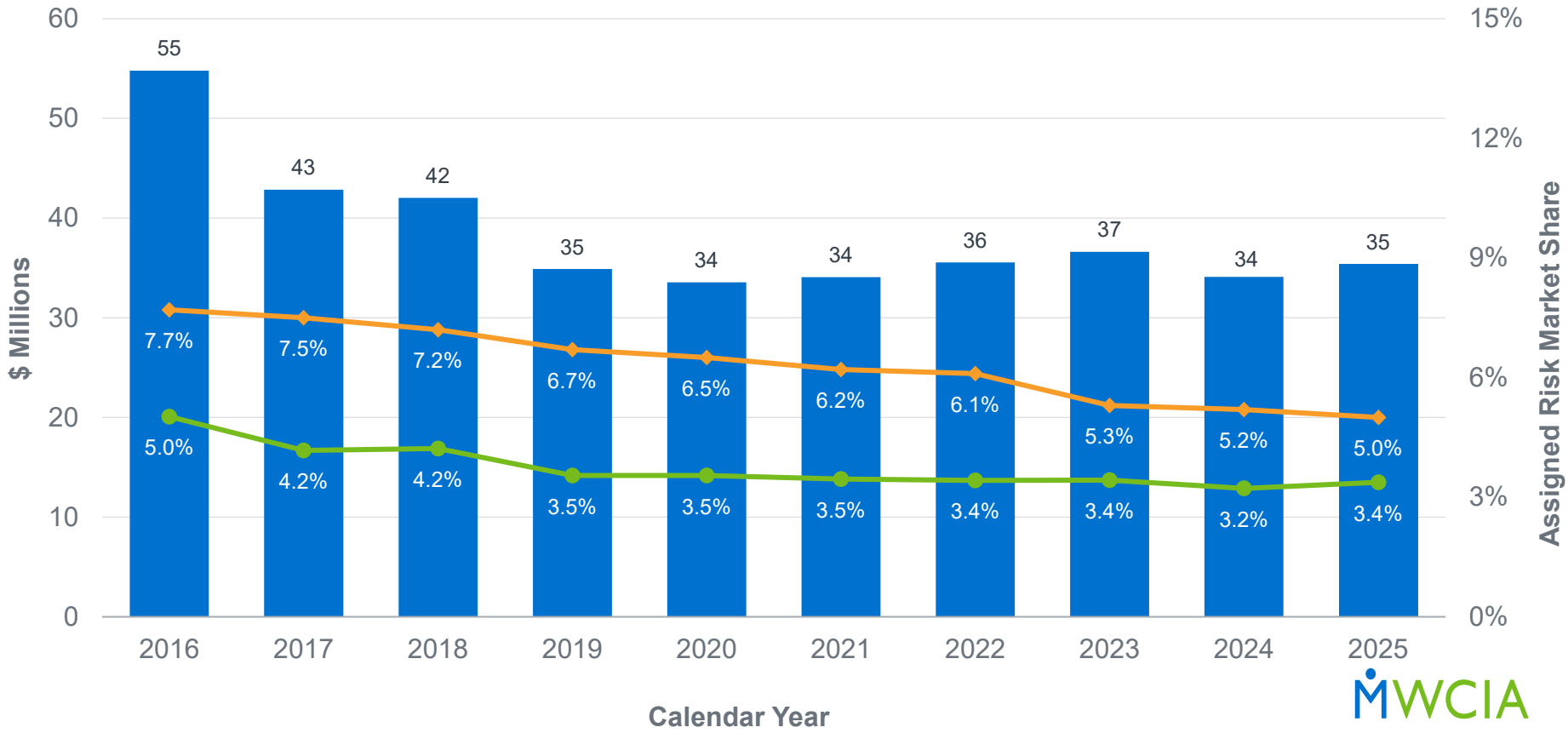
ASSIGNED RISK PLAN

Assigned Risk Plan Premium and Market Share

Minnesota and NCCI Residual Market Pool

3.4%

MN ARP 2025 market share ticked up from 3.2% in 2024 and has been stable since 2019. NCCI residual market pool share has declined steadily over the last decade.



MWCIA

Source: Actuarial Advisors, Inc

UP NEXT

Trends

Claim Frequency
Loss Severity

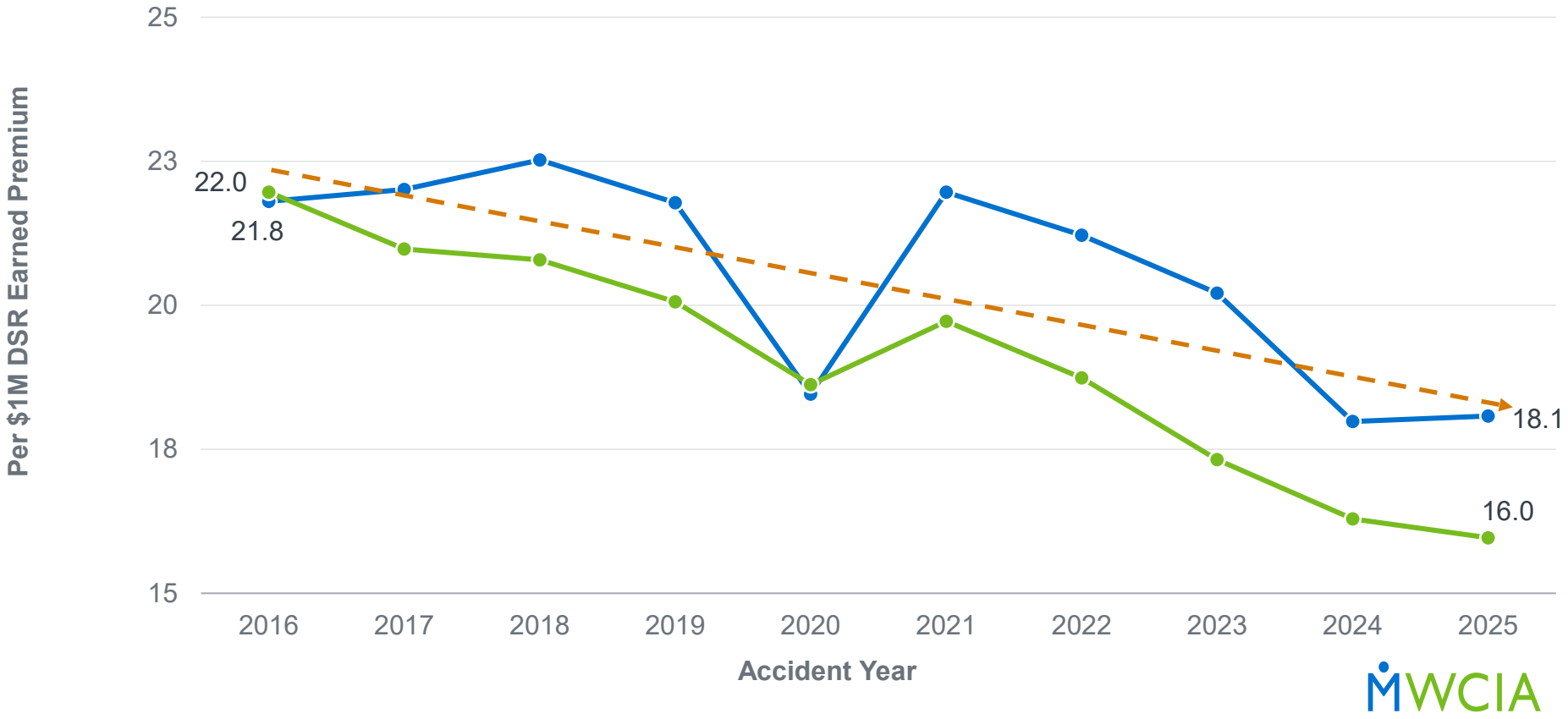
MWCIA

FREQUENCY

Lost-Time Frequency

MN & NCCI, MN Selected Frequency Trend

–3.5% MN selected frequency trend for 2027 Ratemaking. Lost-time frequency is decreasing in Minnesota and NCCI states.



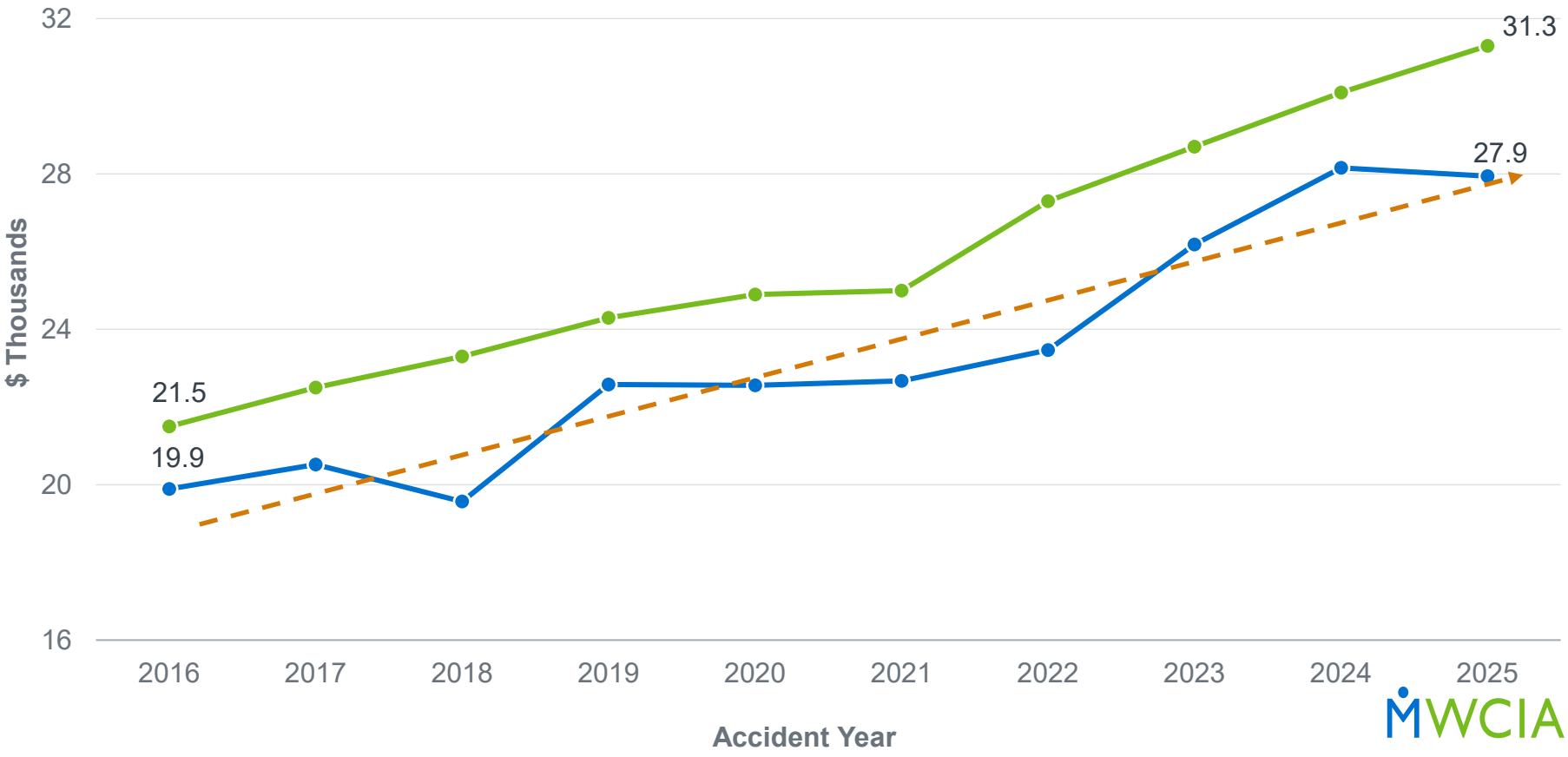
Source: Minnesota Financial Call Data valuated as of 12/31/2025, NCCI states from 2026 AIS State of the Market Report

SEVERITY

Indemnity Severity

MN & NCCI, MN Selected Severity Trend

+4.0% MN selected indemnity severity trend for 2027 ratemaking. At $27.9K per lost-time claim, MN stays below NCCI but on a similar trend.



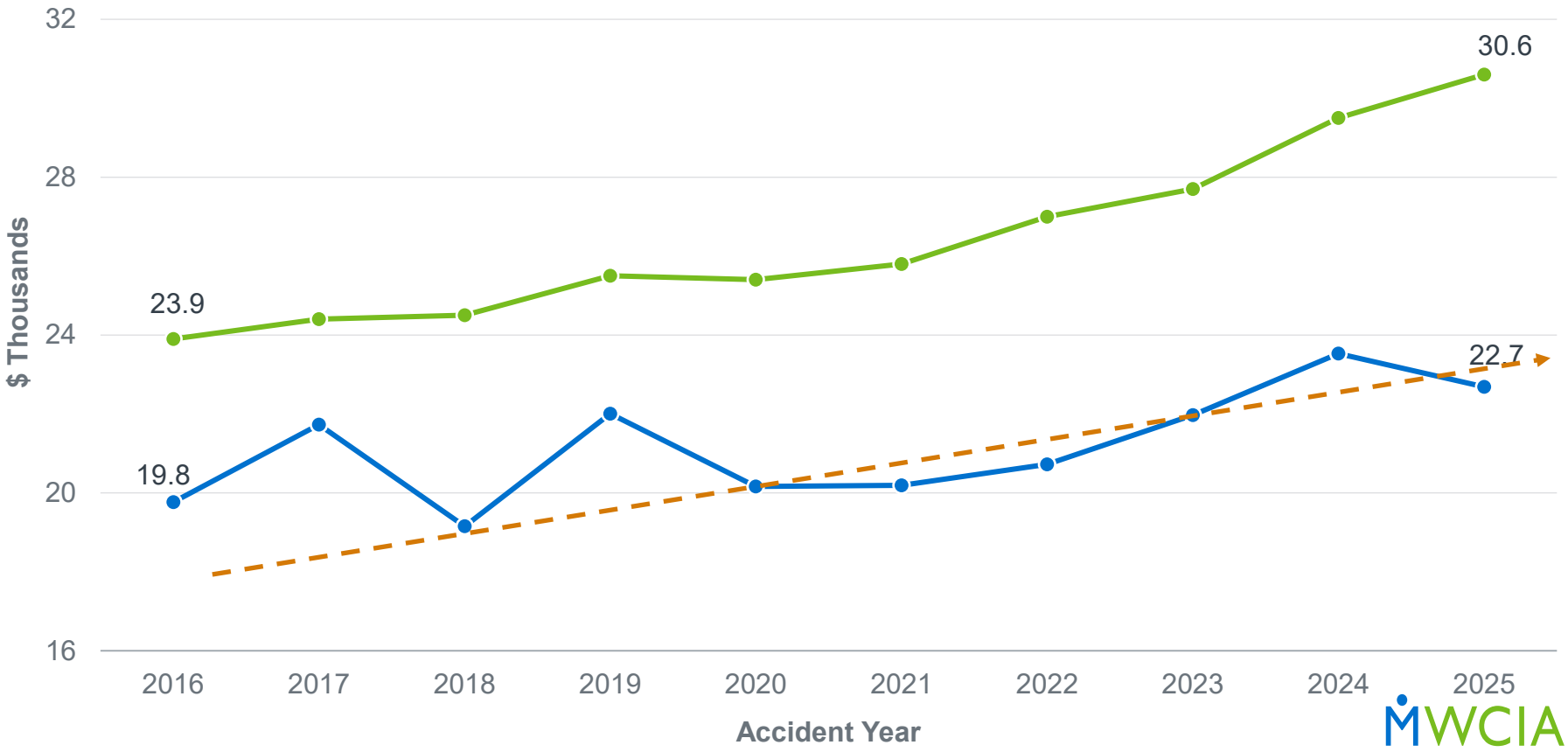
Source: Minnesota Financial Call Data valuated as of 12/31/2025, NCCI states from 2026 AIS State of the Market Report

SEVERITY

Lost-Time Medical Severity

MN & NCCI, MN Selected Severity Trend

+4.5% MN selected medical severity trend for 2027 Ratemaking.



Source: Minnesota Financial Call Data valuated as of 12/31/2025, NCCI states from 2026 AIS State of the Market Report

Thank You!

Any Questions?

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