



Mod Analysis

ABC Company

Effective Date - 1/1/2013

Prepared by Fred Brown Property & Casualty, LLC

Chris Sailors

1776 Yorktown Dr. #450

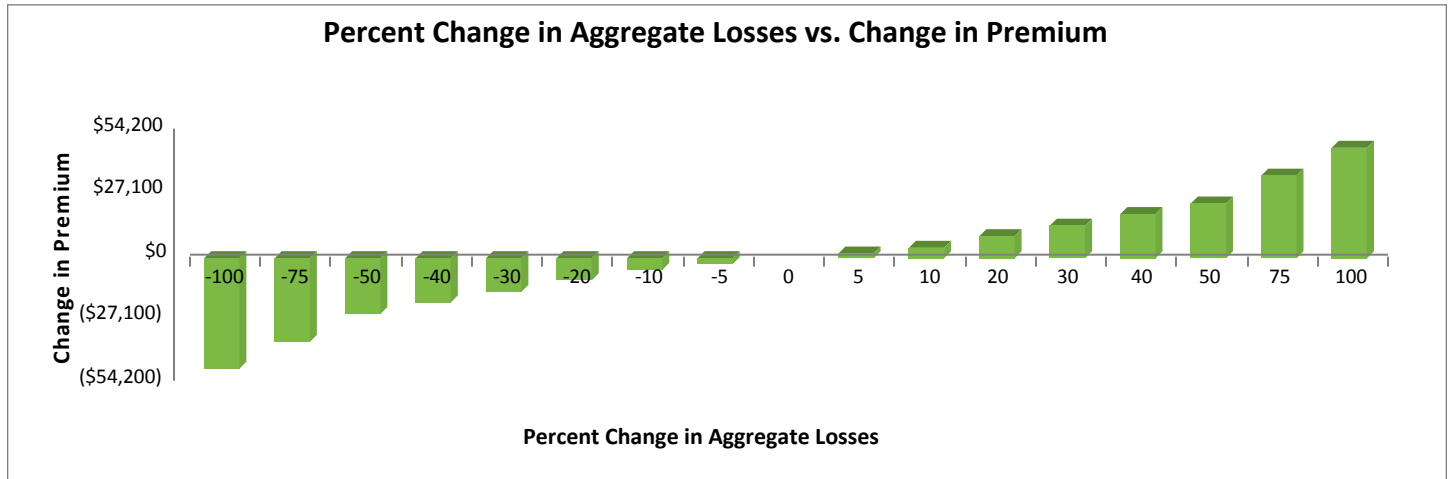
Houston, TX 77056

csailors@fredbrownins.com



Aggregate Loss Sensitivity

This what-if analysis shows how your mod would increase or decrease with aggregate changes in losses. It will allow you to set goals for loss reduction and estimate your savings if the goal is reached.



Percent Change in Aggregate Losses	Resulting Aggregate Losses	Resulting Mod	Mod Change	Resulting Premium	Premium Change
100% increase	\$143,852	2.71	0.95	\$135,500	\$47,500
75% increase	\$125,871	2.48	0.72	\$124,000	\$36,000
50% increase	\$107,889	2.24	0.48	\$112,000	\$24,000
40% increase	\$100,696	2.14	0.38	\$107,000	\$19,000
30% increase	\$93,504	2.05	0.29	\$102,500	\$14,500
20% increase	\$86,311	1.95	0.19	\$97,500	\$9,500
10% increase	\$79,119	1.86	0.10	\$93,000	\$5,000
5% increase	\$75,522	1.81	0.05	\$90,500	\$2,500
Current loss level	\$71,926	1.76	0.00	\$88,000	\$0
5% decrease	\$68,330	1.72	(0.04)	\$86,000	(\$2,000)
10% decrease	\$64,733	1.67	(0.09)	\$83,500	(\$4,500)
20% decrease	\$57,541	1.57	(0.19)	\$78,500	(\$9,500)
30% decrease	\$50,348	1.48	(0.28)	\$74,000	(\$14,000)
40% decrease	\$43,156	1.38	(0.38)	\$69,000	(\$19,000)
50% decrease	\$35,963	1.29	(0.47)	\$64,500	(\$23,500)
75% decrease	\$17,982	1.05	(0.71)	\$52,500	(\$35,500)
100% decrease	\$0	0.81	(0.95)	\$40,500	(\$47,500)

From this table we can estimate the cost benefits that could be incrementally achieved through gradual improvements in your losses over time. For example, a 20 percent decrease in losses would decrease the mod by 0.19 points and decrease the premium you owe by \$9,500.

Estimated premiums are based on the estimated manual premium entered: \$50,000

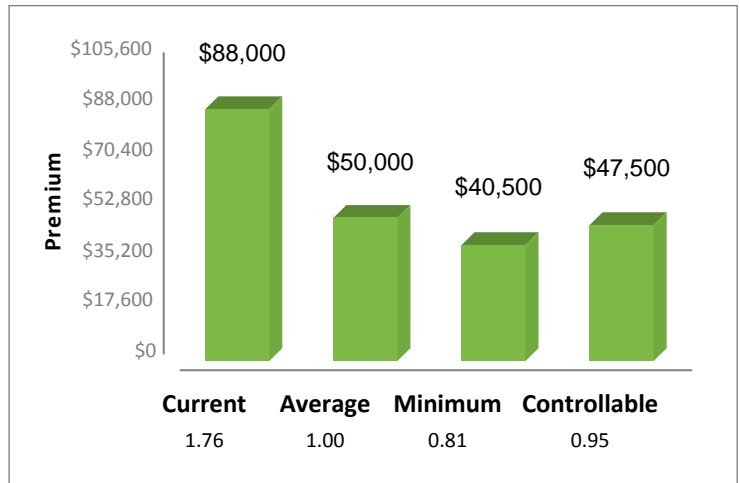
Mod Snapshot

Effective date: 1/1/2013

The Key Numbers

Total expected losses	\$24,581
Total expected primary losses	\$6,882
Total expected excess losses	\$17,699
Total unlimited losses	\$83,802
Total limited/adjusted losses	\$71,926
Total actual primary losses	\$40,085
Total actual excess losses	\$31,841
Computed ballast value	20,625
Computed weighting value	0.09
Modification factor	1.76
ARAP factor	1.38

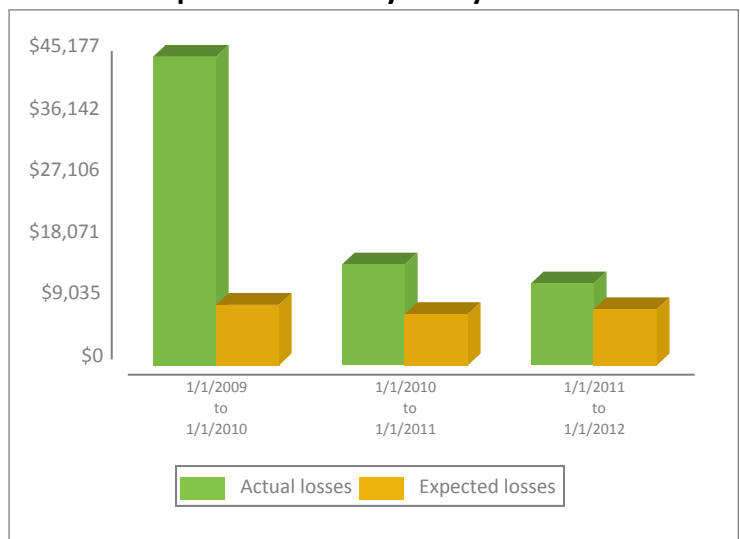
Mod Breakdown



Impact of Top Itemized Losses

State	Injury Date	Incurred Loss	Impact on Mod	Mod w/o Loss
KS	11/17/2009	\$39,687	0.2803	1.4823
KS	2/22/2010	\$11,546	0.2243	1.5383
KS	6/5/2009	\$10,505	0.0667	1.6959
KS	4/15/2011	\$10,456	0.2221	1.5405
KS	7/29/2011	\$4,324	0.0287	1.7339
KS	8/20/2010	\$3,221	0.0713	1.6913
KS	1/20/2009	\$1,925	0.0426	1.7200

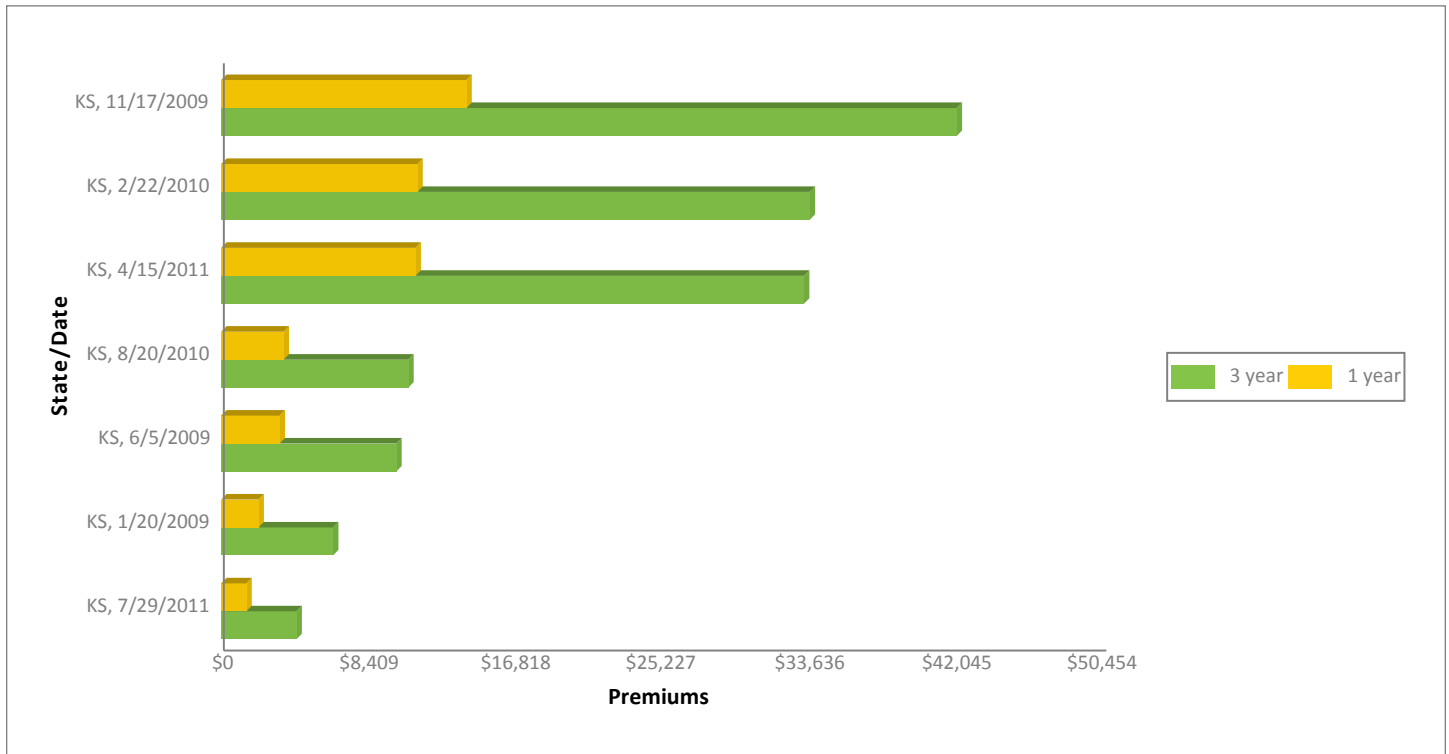
Actual vs. Expected Losses by Policy Period



The Mod Formula

Actual primary losses	+	Ballast value	+	Weighting value	x	Actual excess losses	+	(1 - Weighting value)	x	Expected excess losses	=	Current mod
Expected primary losses	+	Ballast value	+	Weighting value	x	Expected excess losses	+	(1 - Weighting value)	x	Expected excess losses	=	1.76
\$40,085	+	20,625	+	0.09	x	\$31,841	+	(1 - 0.09)	x	\$17,699	=	1.76
\$6,882	+	20,625	+	0.09	x	\$17,699	+	(1 - 0.09)	x	\$17,699	=	1.76

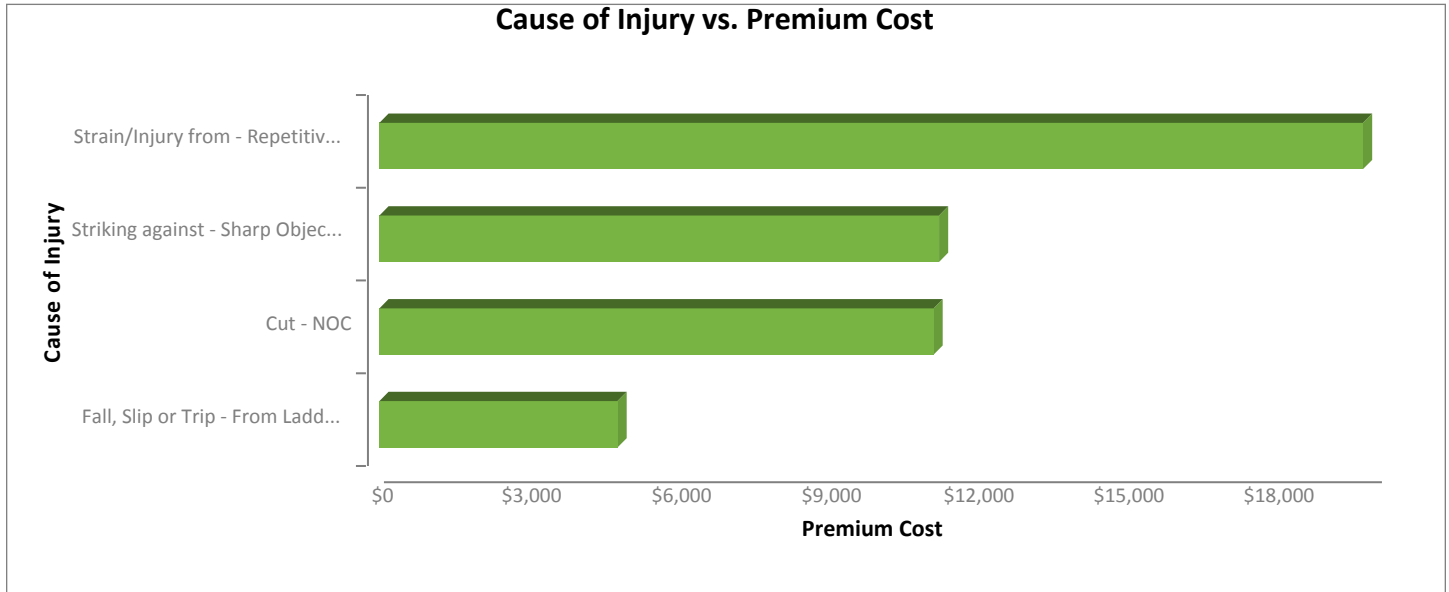
Top Losses



State	Date	Incurred Loss	Limited/Adjusted Loss	Impact on Mod	Premium Cost		
					1 yr	3 yr	
KS	11/17/2009	\$39,687	\$39,687	0.2803	\$14,015	\$42,045	
KS	2/22/2010	\$11,546	\$11,546	0.2243	\$11,215	\$33,645	
KS	4/15/2011	\$10,456	\$10,456	0.2221	\$11,105	\$33,315	
KS	8/20/2010	\$3,221	\$3,221	0.0713	\$3,565	\$10,695	
KS	6/5/2009	\$10,505	\$3,152	0.0667	\$3,335	\$10,005	
KS	1/20/2009	\$1,925	\$1,925	0.0426	\$2,130	\$6,390	
KS	7/29/2011	\$4,324	\$1,297	0.0287	\$1,435	\$4,305	
Grand totals:		\$81,664	\$71,284	0.9360	\$46,800	\$140,400	
						<i>Premium cost estimates based on manual premium of</i>	\$50,000

Top Losses by Cause of Injury

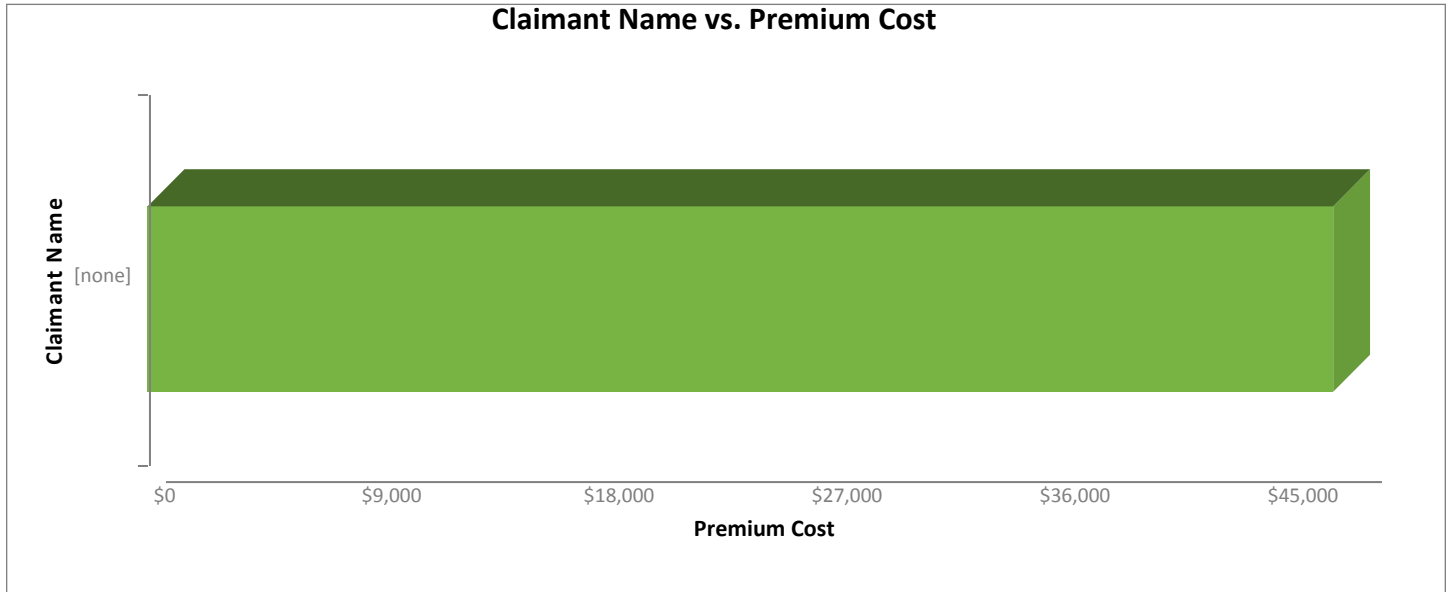
This analysis enables you to identify, at aggregate levels, how the indicated causes of injury are impacting your mod. Notable trends in this data, if any, may point to specific safety training, education on policies and procedures, or improvements to safety equipment that you can make to reduce losses. For more detail, see the *Loss Detail by Cause of Injury* report.



Cause of Injury	Count	Incurred Losses	Limited/Adjusted Losses	Impact on Mod	Premium Cost (1 yr)
Strain/Injury from - Repetitive Motion	3	\$44,833	\$44,833	0.3942	\$19,710
Striking against - Sharp Object	1	\$11,546	\$11,546	0.2243	\$11,215
Cut - NOC	1	\$10,456	\$10,456	0.2221	\$11,105
Fall, Slip or Trip - From Ladder/Scaffolding	2	\$14,829	\$4,449	0.0954	\$4,770

Top Losses by Claimant Name

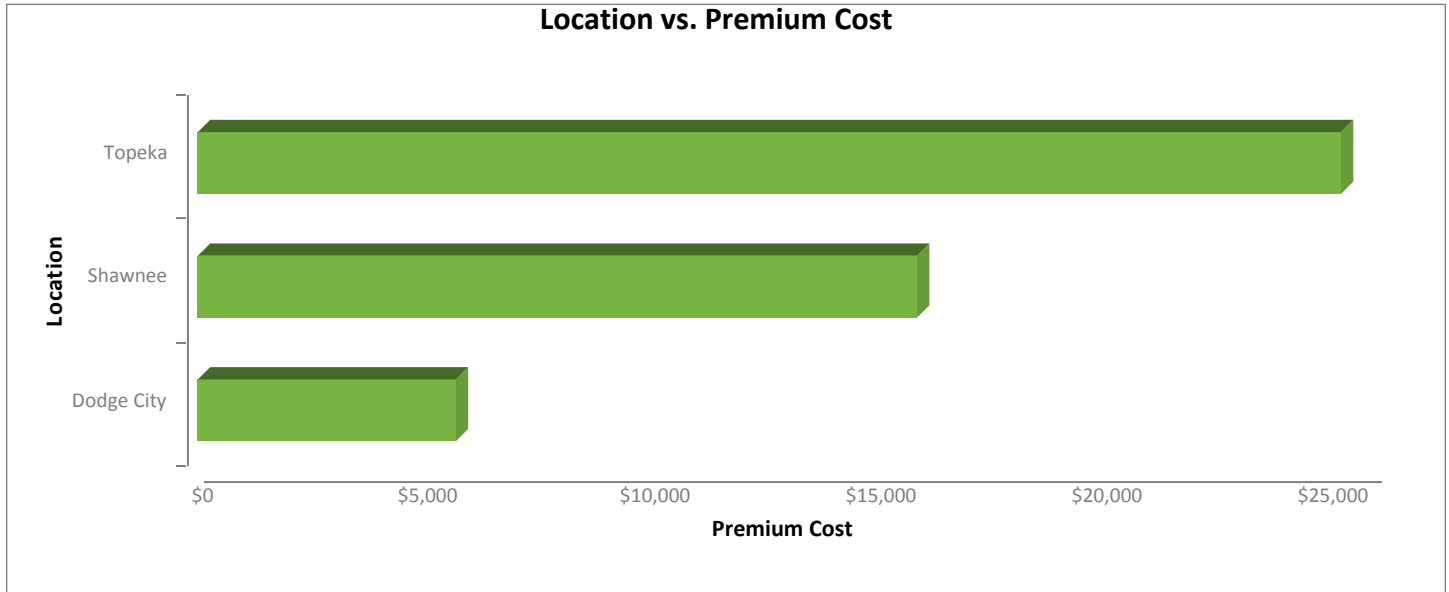
This analysis enables you to identify, at aggregate levels, how the indicated claimants are impacting your mod. Notable trends in this data, if any, may indicate a need to improve practices in hiring, injury management, supervisor communications, or other areas. Less frequently, trends in this data may indicate a need to more closely monitor for fraud and abuse. For more detail, see the *Loss Detail by Claimant Name* report.



Claimant Name	Count	Incurred Losses	Limited/Adjusted Losses	Impact on Mod	Premium Cost (1 yr)
[none]	7	\$81,664	\$71,284	0.9360	\$46,800

Top Losses by Location

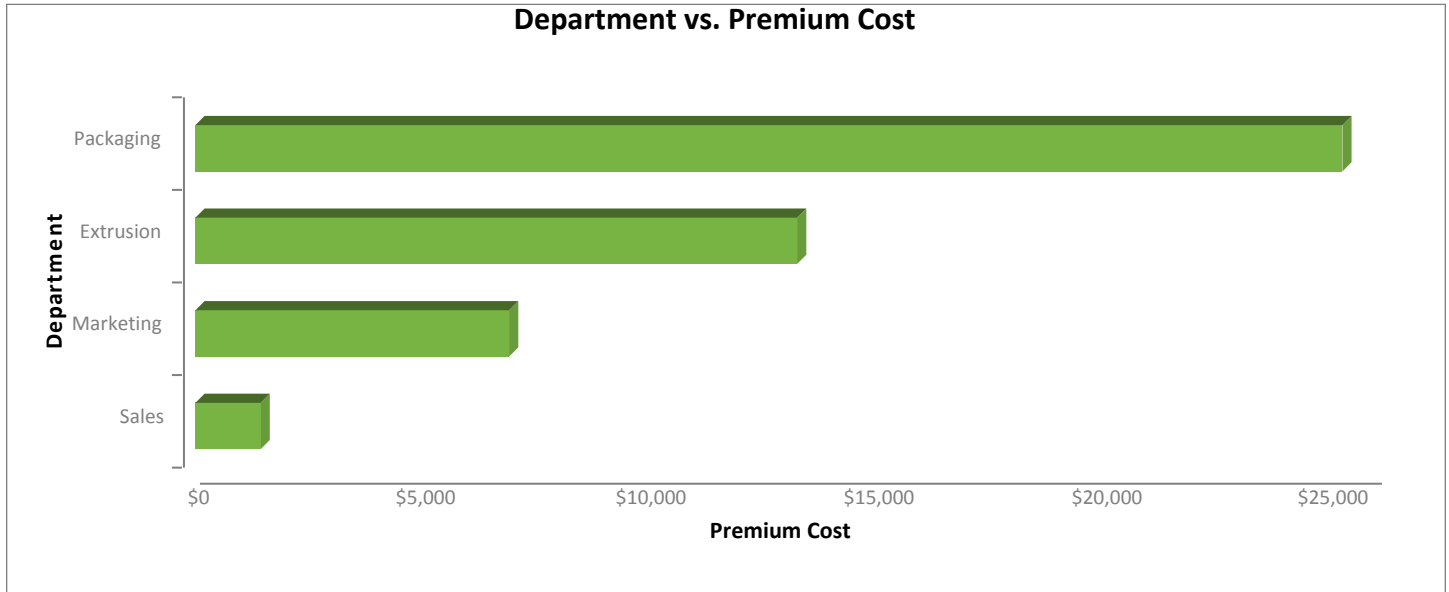
This analysis enables you to identify, at aggregate levels, how injuries involving the indicated locations are impacting your mod. Notable trends in this data, if any, may indicate a need to improve practices in hiring, injury management, supervisor communications, safety, or other procedures at the indicated locations. For more detail, see the *Loss Detail by Location* report.



Location	Count	Incurred Losses	Limited/Adjusted Losses	Impact on Mod	Premium Cost (1 yr)
Topeka	2	\$51,233	\$51,233	0.5046	\$25,230
Shawnee	3	\$25,285	\$14,905	0.3175	\$15,875
Dodge City	2	\$5,146	\$5,146	0.1139	\$5,695

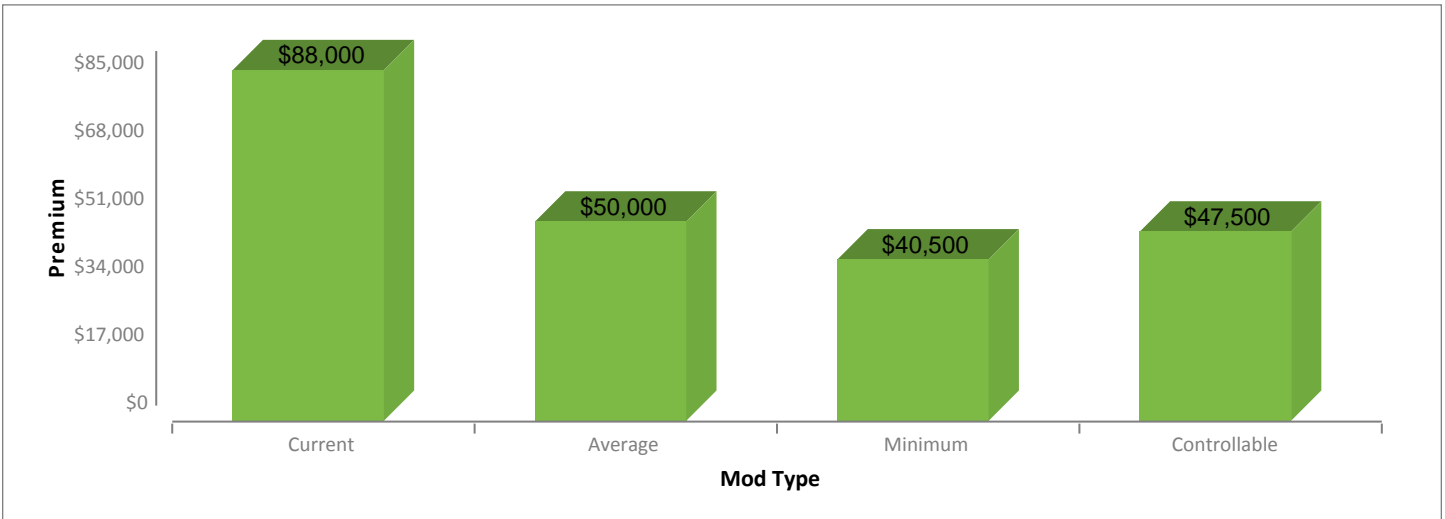
Top Losses by Department

This analysis enables you to identify, at aggregate levels, how injuries involving the indicated departments are impacting your mod. Notable trends in this data, if any, may indicate a need to improve supervisor communications, safety culture or procedures, or other practices in the indicated departments. For more detail, see the *Loss Detail by Department* report.



Department	Count	Incurred Losses	Limited/Adjusted Losses	Impact on Mod	Premium Cost (1 yr)
Packaging	2	\$51,233	\$51,233	0.5046	\$25,230
Extrusion	2	\$12,381	\$12,381	0.2647	\$13,235
Marketing	2	\$13,726	\$6,373	0.1380	\$6,900
Sales	1	\$4,324	\$1,297	0.0287	\$1,435

Mod Impact on Premium Analysis



Mod Type	Mod Value	Premium	Description
Current	1.76	\$88,000	Your actual mod and estimated premium.
Average	1.00	\$50,000	The average mod is always 1.00. This premium represents what the average competitor in your industry is paying.
Minimum	0.81	\$40,500	The lowest mod and premium you could achieve if you had zero losses in the experience rating period.
Controllable	0.95	\$47,500	The mod points and premium amount you could have saved if you had zero losses in the experience rating period.

