



Actuarial Review of the Self-Insured Workers' Compensation Program

Experience Modification Factors for Program Year 2024-25

Presented to
Santa Clara County Schools' Insurance Group

February 9, 2024

A decorative graphic at the bottom of the page consisting of several overlapping, curved shapes in shades of blue and green, creating a wave-like effect.

Friday, February 9, 2024

Mr. Tien Phan
Executive Director
Santa Clara County Schools' Insurance Group
645 Wool Creek Drive
San Jose, CA 95112

RE: Experience Modification Factors for the Workers' Compensation Program

Dear Mr. Phan:

As you requested, we have developed experience modification factors for the Santa Clara County Schools' Insurance Group's workers' compensation program. Attached are detailed calculations for each member for the 2024-25 program year. We understand that the Group has adopted a credibility weighted methodology based on losses from the previous five years which are individually capped at \$150,000.

The table on the following page summarizes the prior 2023-24 and current 2024-25 experience modification factors for the Group's members.

SCCSIG PROPOSED 2024-25 EXPERIENCE MODIFICATION FACTORS

FIVE-YEAR CREDIBILITY METHOD

BASED ON LOSSES LIMITED TO \$150,000 PER OCCURRENCE

	2023-24	2024-25	% Change
	Prior	Current¹	From 23-24
BERRYESSA	1.161	1.114	-4%
CAMBRIAN	0.904	0.873	-4%
CUPERTINO	1.049	1.119	7%
EAST SIDE	0.903	0.849	-6%
FRANKLIN-MCKINLEY	1.385	1.370	-1%
FREMONT UNION	0.965	0.893	-7%
GILROY	1.292	1.250	-3%
LAKESIDE JOINT	0.987	0.997	1%
LOMA PRIETA	0.947	0.989	4%
LOS ALTOS	0.833	0.915	10%
LOS GATOS – SARATOGA DCER	0.978	0.981	0%
LOS GATOS-SARATOGA	0.846	0.844	0%
LOS GATOS UNION	0.762	0.788	3%
LUTHER BURBANK	0.980	1.022	4%
METRO EDUCATION DISTRICT	1.017	0.973	-4%
MORELAND	0.843	0.850	1%
MORGAN HILL	1.324	1.291	-3%
MT PLEASANT	1.245	1.360	9%
MOUNTAIN VIEW WHISMAN	1.310	1.349	3%
MT VIEW - LOS ALTOS	0.618	0.679	10%
OAK GROVE	1.192	1.309	10%
ORCHARD	0.963	0.999	4%
SARATOGA UNION	0.941	0.919	-2%
SUNNYVALE	1.012	0.937	-7%
UNION	0.689	0.683	-1%
MILPITAS USD	1.097	1.082	-1%
SANTA CLARA USD	0.844	0.886	5%
AVERAGE	1.000	1.000	0%

¹Current factors slightly tempered to ensure percentage change limited to +/-10%.

***Santa Clara County Schools' Insurance Group
Workers' Compensation Experience Modification Factors***

The following table illustrates the correlation between the change in the calculated experience mod and the percentage change in experience period losses. The prior mods were based on losses from accident years 2017-18 to 2021-22. The current mods are based on losses from accident years 2018-19 to 2022-23.

	Change X-mod	Prior X-mod Losses	Current X-mod Losses	Change X-mod Losses
BERRYESSA	-4%	\$2,049,420	\$1,958,562	-4%
CAMBRIAN	-4%	432,936	340,189	-21%
CUPERTINO	7%	3,998,144	4,455,982	11%
EAST SIDE	-6%	4,631,468	4,402,554	-5%
FRANKLIN-MCKINLEY	-1%	3,282,345	3,333,201	2%
FREMONT UNION	-7%	3,023,918	2,753,881	-9%
GILROY	-3%	3,394,981	3,498,245	3%
LAKESIDE JOINT	1%	712	712	0%
LOMA PRIETA	4%	14,953	76,130	409%
LOS ALTOS	10%	620,883	974,766	57%
LOS GATOS – SARATOGA DCER	0%	44,428	22,549	-49%
LOS GATOS-SARATOGA	0%	542,148	527,114	-3%
LOS GATOS UNION	3%	139,836	192,766	38%
LUTHER BURBANK	4%	77,317	151,233	96%
METRO EDUCATION DISTRICT	-4%	268,025	148,036	-45%
MORELAND	1%	607,307	607,959	0%
MORGAN HILL	-3%	2,821,426	2,912,014	3%
MT PLEASANT	9%	1,161,024	1,494,924	29%
MOUNTAIN VIEW WHISMAN	3%	2,482,529	2,773,722	12%
MT VIEW - LOS ALTOS	10%	453,980	836,308	84%
OAK GROVE	10%	2,903,780	3,684,588	27%
ORCHARD	4%	123,358	199,554	62%
SARATOGA UNION	-2%	432,803	361,229	-17%
SUNNYVALE	-7%	1,903,737	1,682,445	-12%
UNION	-1%	281,380	239,566	-15%
MILPITAS USD	-1%	2,817,310	2,931,204	4%
SANTA CLARA USD	5%	4,593,226	5,303,907	15%
TOTAL	0%	\$43,103,372	\$45,863,337	6%

***Santa Clara County Schools' Insurance Group
Workers' Compensation Experience Modification Factors***

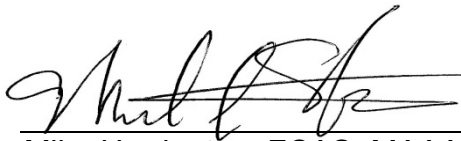
We appreciate the opportunity to be of service to the Santa Clara County Schools' Insurance Group in preparing this report. Please feel free to call Derek Burkhalter at (916) 244-1167 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial



Derek Burkhalter, ACAS, MAAA
Partner, Bickmore Actuarial
Associate, Casualty Actuarial Society
Member, American Academy of Actuaries



Mike Harrington, FCAS, MAAA
Managing Partner, Bickmore Actuarial
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

SCCSIG Credibility Plan Experience Modifiers
Fiscal Year 2024-25 Funding Allocation

Indicated Experience Modifiers With Credibility by Member

Member	5 Year Total Payroll (A)	5 Year Total Loss Rate (B)	Indicated Modifier (C)	Member Credibility (D)	Credibility Weighted Modifier (E)	Balanced Modifier (F)
BERRYESSA	\$251,943,272	\$0.78	1.237	43%	1.101	1.114
CAMBRIAN	116,541,056	0.29	0.465	26%	0.862	0.873
CUPERTINO	609,465,690	0.73	1.164	64%	1.105	1.119
EAST SIDE	899,625,572	0.49	0.779	73%	0.839	0.849
FRANKLIN-MCKINLEY	303,917,220	1.10	1.746	47%	1.353	1.370
FREMONT UNION	549,988,901	0.50	0.797	62%	0.883	0.893
GILROY	386,411,967	0.91	1.441	53%	1.235	1.250
LAKE SIDE JOINT	5,124,359	0.01	0.022	2%	0.985	0.997
LOMA PRIETA	20,495,081	0.37	0.591	6%	0.977	0.989
LOS ALTOS	190,599,614	0.51	0.814	36%	0.904	0.915
LOS GATOS – SARATOGA DCER	14,490,508	0.16	0.248	4%	0.969	0.981
LOS GATOS-SARATOGA	167,853,502	0.31	0.500	33%	0.834	0.844
LOS GATOS UNION	135,645,307	0.14	0.226	29%	0.778	0.788
LUTHER BURBANK	20,391,593	0.74	1.180	6%	1.010	1.022
METRO EDUCATION DISTRICT	38,275,496	0.39	0.616	10%	0.961	0.973
MORELAND	179,273,072	0.34	0.540	35%	0.840	0.850
MORGAN HILL	290,371,014	1.00	1.596	46%	1.275	1.291
MT PLEASANT	90,480,187	1.65	2.630	21%	1.344	1.360
MOUNTAIN VIEW WHISMAN	246,614,056	1.12	1.790	42%	1.333	1.349
MT VIEW - LOS ALTOS	329,768,913	0.25	0.404	49%	0.671	0.679
OAK GROVE	349,494,494	1.05	1.678	51%	1.293	1.309
ORCHARD	36,762,231	0.54	0.864	10%	0.987	0.999
SARATOGA UNION	97,320,691	0.37	0.591	22%	0.908	0.919
SUNNYVALE	322,024,996	0.52	0.832	49%	0.926	0.937
UNION	219,274,368	0.11	0.174	39%	0.675	0.683
MILPITAS USD	414,854,669	0.71	1.125	55%	1.069	1.082
SANTA CLARA USD	1,013,021,707	0.52	0.833	75%	0.875	0.886
Member	\$7,300,029,535	\$0.63			0.988	1.000

Notes:

- (A) Exhibit II, Page 1, Col (F)
- (B) Exhibit II, Page 3, Col (F)
- (C) (C) / Total (C)
- (D) (A) / ((A) + \$337,673,902)
- (E) (D) * (C) + (1 - (D)); Tempered to limit changes from prior to maximum of +/-10%.
- (F) (E) balanced to 1.000

SCCSIG Credibility Plan Experience Modifiers
Fiscal Year 2024-25 Funding Allocation

Payroll

Member	2018-19 (A)	2019-20 (B)	2020-21 (C)	2021-22 (D)	2022-23 (E)	5 Year Total (F)	Projected 2024-25 (G)
BERRYESSA	\$46,522,933	\$48,826,131	\$50,589,595	\$51,855,434	\$54,149,180	\$251,943,272	\$54,499,000
CAMBRIAN	21,636,184	22,236,104	22,990,265	22,406,292	27,272,211	116,541,056	28,783,000
CUPERTINO	122,576,903	121,259,984	117,871,494	121,129,396	126,627,913	609,465,690	132,335,000
EAST SIDE	173,491,372	172,514,173	169,851,070	189,306,594	194,462,364	899,625,572	216,445,000
FRANKLIN-MCKINLEY	58,176,914	56,856,996	60,315,541	62,821,958	65,745,810	303,917,220	69,410,000
FREMONT UNION	99,058,153	102,718,802	107,236,725	115,568,414	125,406,807	549,988,901	125,847,000
GILROY	75,360,246	73,368,479	75,100,016	80,355,545	82,227,681	386,411,967	86,520,000
LAKESIDE JOINT	889,332	1,081,215	990,324	1,047,395	1,116,093	5,124,359	1,169,000
LOMA PRIETA	4,045,942	4,124,226	4,128,308	4,154,671	4,041,934	20,495,081	4,332,000
LOS ALTOS	36,488,409	35,767,886	37,128,390	39,353,557	41,861,374	190,599,614	45,290,000
LOS GATOS – SARATOGA DCER	3,690,943	3,222,280	2,200,212	2,594,436	2,782,637	14,490,508	3,309,000
LOS GATOS-SARATOGA	32,269,733	31,844,574	32,209,224	34,829,685	36,700,285	167,853,502	39,836,000
LOS GATOS UNION	24,502,478	24,677,468	27,264,313	27,682,405	31,518,643	135,645,307	30,900,000
LUTHER BURBANK	4,092,033	3,531,954	3,971,568	4,265,711	4,530,328	20,391,593	4,982,000
METRO EDUCATION DISTRICT	7,370,983	7,249,166	8,005,576	7,410,622	8,239,150	38,275,496	9,064,000
MORELAND	35,101,985	35,422,014	34,452,316	36,493,084	37,803,673	179,273,072	42,030,000
MORGAN HILL	52,104,634	53,093,945	53,374,612	60,144,308	71,653,516	290,371,014	76,452,000
MT PLEASANT	18,310,753	18,334,853	17,482,103	17,697,925	18,654,552	90,480,187	19,501,000
MOUNTAIN VIEW WHISMAN	45,156,034	46,872,949	48,634,589	51,290,554	54,659,931	246,614,056	58,773,000
MT VIEW - LOS ALTOS	59,163,173	59,643,272	64,830,992	70,557,394	75,574,083	329,768,913	79,057,000
OAK GROVE	69,288,319	68,981,937	67,924,452	69,911,606	73,388,179	349,494,494	77,097,000
ORCHARD	6,108,554	6,814,010	6,996,607	8,194,840	8,648,221	36,762,231	8,652,000
SARATOGA UNION	18,815,001	19,009,647	18,666,529	19,985,973	20,843,541	97,320,691	22,763,000
SUNNYVALE	57,578,749	61,256,378	61,876,279	67,510,947	73,802,643	322,024,996	83,185,000
UNION	39,584,923	43,463,091	43,373,846	44,597,261	48,255,247	219,274,368	55,944,000
MILPITAS USD	73,640,150	76,752,665	80,784,360	88,023,792	95,653,702	414,854,669	96,053,000
SANTA CLARA USD	181,084,623	185,885,441	194,487,447	212,942,779	238,621,416	1,013,021,707	241,499,000
All Members	\$1,366,109,454	\$1,384,809,638	\$1,412,736,750	\$1,512,132,578	\$1,624,241,115	\$7,300,029,535	\$1,713,727,000

Notes:

- (A) Provided by SCCSIG.
- (B) Provided by SCCSIG.
- (C) Provided by SCCSIG.
- (D) Provided by SCCSIG.
- (E) Provided by SCCSIG.
- (F) (A) + (B) + (C) + (D) + (E)
- (G) Assumed 3% increase from 2023-24 Estimates.

SCCSIG Credibility Plan Experience Modifiers

Fiscal Year 2024-25 Funding Allocation

Incurred Losses as of December 31, 2023, Capped at \$150,000 per Occurrence

Member	2018-19 (A)	2019-20 (B)	2020-21 (C)	2021-22 (D)	2022-23 (E)	5 Year Total (F)
BERRYESSA	\$502,690	\$361,989	\$200,782	\$495,981	\$397,120	\$1,958,562
CAMBRIAN	94,056	9,569	29,277	106,490	100,797	340,189
CUPERTINO	1,036,723	454,131	559,112	831,595	1,574,420	4,455,982
EAST SIDE	796,589	695,748	675,362	1,380,750	854,105	4,402,554
FRANKLIN-MCKINLEY	1,059,121	406,774	332,610	764,146	770,551	3,333,201
FREMONT UNION	408,324	907,647	294,866	664,781	478,263	2,753,881
GILROY	755,497	567,844	416,390	1,014,987	743,526	3,498,245
LAKESIDE JOINT	0	0	712	0	0	712
LOMA PRIETA	9,769	2,149	0	368	63,844	76,130
LOS ALTOS	214,858	18,752	193,180	51,490	496,486	974,766
LOS GATOS – SARATOGA DCER	4,196	13,325	0	5,027	0	22,549
LOS GATOS-SARATOGA	6,566	57,390	125,698	243,517	93,943	527,114
LOS GATOS UNION	98,027	13,449	3,485	19,814	57,991	192,766
LUTHER BURBANK	57,320	2,254	1,283	539	89,837	151,233
METRO EDUCATION DISTRICT	6,066	8,711	128,228	4,074	957	148,036
MORELAND	34,104	148,357	199,520	88,831	137,147	607,959
MORGAN HILL	628,153	424,333	588,526	648,372	622,629	2,912,014
MT PLEASANT	207,142	569,312	123,357	519,748	75,364	1,494,924
MOUNTAIN VIEW WHISMAN	634,344	505,151	538,663	485,198	610,366	2,773,722
MT VIEW - LOS ALTOS	14,157	29,490	11,448	349,453	431,759	836,308
OAK GROVE	592,172	825,421	367,060	1,045,708	854,226	3,684,588
ORCHARD	4,463	488	0	87,947	106,655	199,554
SARATOGA UNION	18,784	187,702	69,585	73,397	11,760	361,229
SUNNYVALE	79,196	583,221	183,705	635,033	201,290	1,682,445
UNION	70,785	27,866	21,912	63,180	55,823	239,566
MILPITAS USD	500,279	348,020	489,438	879,650	713,816	2,931,204
SANTA CLARA USD	1,359,638	637,657	313,064	1,381,153	1,612,394	5,303,907
All Members	\$9,193,019	\$7,806,751	\$5,867,267	\$11,841,229	\$11,155,071	\$45,863,337

Notes:

- (A) Provided by SCCSIG
- (B) Provided by SCCSIG
- (C) Provided by SCCSIG
- (D) Provided by SCCSIG
- (E) Provided by SCCSIG
- (F) (A) + (B) + (C) + (D) + (E)

SCCSIG Credibility Plan Experience Modifiers

Fiscal Year 2024-25 Funding Allocation

Reported Loss Rate Per \$100 of Payroll

Member	2018-19 (A)	2019-20 (B)	2020-21 (C)	2021-22 (D)	2022-23 (E)	5 Year Total (F)
BERRYESSA	\$1.08	\$0.74	\$0.40	\$0.96	\$0.73	\$0.78
CAMBRIAN	0.43	0.04	0.13	0.48	0.37	0.29
CUPERTINO	0.85	0.37	0.47	0.69	1.24	0.73
EAST SIDE	0.46	0.40	0.40	0.73	0.44	0.49
FRANKLIN-MCKINLEY	1.82	0.72	0.55	1.22	1.17	1.10
FREMONT UNION	0.41	0.88	0.27	0.58	0.38	0.50
GILROY	1.00	0.77	0.55	1.26	0.90	0.91
LAKESIDE JOINT	0.00	0.00	0.07	0.00	0.00	0.01
LOMA PRIETA	0.24	0.05	0.00	0.01	1.58	0.37
LOS ALTOS	0.59	0.05	0.52	0.13	1.19	0.51
LOS GATOS – SARATOGA DCER	0.11	0.41	0.00	0.19	0.00	0.16
LOS GATOS-SARATOGA	0.02	0.18	0.39	0.70	0.26	0.31
LOS GATOS UNION	0.40	0.05	0.01	0.07	0.18	0.14
LUTHER BURBANK	1.40	0.06	0.03	0.01	1.98	0.74
METRO EDUCATION DISTRICT	0.08	0.12	1.60	0.05	0.01	0.39
MORELAND	0.10	0.42	0.58	0.24	0.36	0.34
MORGAN HILL	1.21	0.80	1.10	1.08	0.87	1.00
MT PLEASANT	1.13	3.11	0.71	2.94	0.40	1.65
MOUNTAIN VIEW WHISMAN	1.40	1.08	1.11	0.95	1.12	1.12
MT VIEW - LOS ALTOS	0.02	0.05	0.02	0.50	0.57	0.25
OAK GROVE	0.85	1.20	0.54	1.50	1.16	1.05
ORCHARD	0.07	0.01	0.00	1.07	1.23	0.54
SARATOGA UNION	0.10	0.99	0.37	0.37	0.06	0.37
SUNNYVALE	0.14	0.95	0.30	0.94	0.27	0.52
UNION	0.18	0.06	0.05	0.14	0.12	0.11
MILPITAS USD	0.68	0.45	0.61	1.00	0.75	0.71
SANTA CLARA USD	0.75	0.34	0.16	0.65	0.68	0.52
All Members	\$0.67	\$0.56	\$0.42	\$0.78	\$0.69	\$0.63

Notes:

- (A) Exhibit II, Page 2, Col (A) / Exhibit II, Page 1, Col (A)
- (B) Exhibit II, Page 2, Col (B) / Exhibit II, Page 1, Col (B)
- (C) Exhibit II, Page 2, Col (C) / Exhibit II, Page 1, Col (C)
- (D) Exhibit II, Page 2, Col (D) / Exhibit II, Page 1, Col (D)
- (E) Exhibit II, Page 2, Col (E) / Exhibit II, Page 1, Col (E)
- (F) Exhibit II, Page 2, Col (F) / Exhibit II, Page 1, Col (F)