



Dora
Department of Regulatory Agencies

Division of Insurance
Marcy Morrison
Commissioner

COLORADO DIVISION OF INSURANCE
Testimony to the Interim Committee
August 14, 2009

A comparison of Pinnacol's RBC ratios and average RBC ratios for other workers compensation state funds, other workers compensation monoline insurers, Colorado's top ten workers compensation insurers, and Colorado's top ten property / casualty insurers. Pinnacol's RBC ratios have been excluded from the averages listed below, and do not consider dividends declared during 2009.

	2008	2007	2006	2005	2004
State Funds	929.20%	898.70%	863.00%	725.00%	592.10%
WC Monoline	1400.30%	1124.40%	976.40%	730.70%	744.90%
Top 10 WC	673.90%	639.50%	570.30%	465.90%	423.00%
Top 10 P/C	871.20%	873.20%	885.90%	818.20%	813.50%
Pinnacol	1227.00%	903.00%	811.60%	667.40%	535.80%



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The combined ratios from 2004 through 2008 for Pinnacol Assurance, and the profit level before and after dividends.

	2008	2007	2006	2005	2004
Commissions	11.0%	10.5%	9.2%	9.1%	9.5%
TLF	3.2%	3.7%	3.6%	3.5%	4.0%
Other Acquisition	4.7%	3.6%	3.5%	3.4%	3.1%
General Expenses	4.7%	3.6%	3.5%	3.2%	2.9%
Expenses Total	23.6%	21.3%	19.7%	19.2%	19.6%
L+LAE	62.9%	66.4%	67.8%	71.4%	95.3%
Combined Ratio	86.5%	87.7%	87.5%	90.6%	114.9%
Profit (Before Dividend)	13.5%	12.3%	12.5%	9.4%	-14.9%
Dividend Ratio	15.9%	12.5%	11.2%	11.0%	0.0%
Profit (After Dividend)	-2.9%	-0.2%	1.4%	-1.8%	-14.9%