

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
Company Tracking Number: 2008-03  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers' Compensation Rate Filing  
Project Name/Number: /

## Filing at a Glance

Company: MEMIC Indemnity Company

Product Name: Workers' Compensation Rate SERFF Tr Num: MEMC-125643415 State: Arkansas

Filing

TOI: 16.0 Workers Compensation

SERFF Status: Closed

State Tr Num: EFT \$50

Sub-TOI: 16.0004 Standard WC

Co Tr Num: 2008-03

State Status: Fees verified and received

Filing Type: Rate

Co Status:

Reviewer(s): Betty Montesi, Carol Stiffler

Author: Sherry Ingalls

Disposition Date: 06/02/2008

Date Submitted: 05/30/2008

Disposition Status: Approved

Effective Date Requested (New): 07/01/2008

Effective Date (New): 07/01/2008

Effective Date Requested (Renewal): 07/01/2008

Effective Date (Renewal):

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile:

Project Number:

Domicile Status Comments:

Reference Organization: NCCI

Reference Number: Item # AR-2008-02

Reference Title:

Advisory Org. Circular: AR-2008-06

Filing Status Changed: 06/02/2008

State Status Changed: 06/02/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Please see the attached rate filing for your review and approval. We are submitting a rate filing to adopt NCCI's 7/1/08 loss costs with no change to our LCM. Please see the attached cover letter for a complete description.

## Company and Contact

### Filing Contact Information

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
Company Tracking Number: 2008-03  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers' Compensation Rate Filing  
Project Name/Number: /

Karen Schwartz, Product Manager kschwartz@memic.com  
261 Commercial Street (207) 791-3350 [Phone]  
Portland, ME 04104 (207) 482-4169[FAX]

**Filing Company Information**

MEMIC Indemnity Company CoCode: 11030 State of Domicile: New Hampshire  
261 Commercial Street Group Code: 1332 Company Type: Stock Company  
Portland, ME 04104 Group Name: ME Employers' Mut State ID Number:  
Ins Grp  
(207) 791-3350 ext. [Phone] FEIN Number: 02-0515329  
-----

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
Company Tracking Number: 2008-03  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers' Compensation Rate Filing  
Project Name/Number: /

## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation: "Filing to adopt an advisory organization's loss costs with no change to loss cost multiplier already on file, including companion rule filing = \$50."  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
MEMIC Indemnity Company	\$50.00	05/30/2008	20594833

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
Company Tracking Number: 2008-03  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers' Compensation Rate Filing  
Project Name/Number: /

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	06/02/2008	06/02/2008

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
 Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
 Company Tracking Number: 2008-03  
 TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
 Product Name: Workers' Compensation Rate Filing  
 Project Name/Number: /

## Disposition

Disposition Date: 06/02/2008  
 Effective Date (New): 07/01/2008  
 Effective Date (Renewal):  
 Status: Approved  
 Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
MEMIC Indemnity Company	-12.800%	\$0	0	\$0	0.000%	0.000%	-12.800%

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
 Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
 Company Tracking Number: 2008-03  
 TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
 Product Name: Workers' Compensation Rate Filing  
 Project Name/Number: /

<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Uniform Transmittal Document-Property & Casualty	Approved	Yes
<b>Supporting Document</b>	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
<b>Supporting Document</b>	NAIC loss cost data entry document	Approved	Yes
<b>Supporting Document</b>	Cover Letter	Approved	Yes
<b>Rate</b>	7-1-08 Rate Pages & Small Deductible Tables	Approved	Yes

SERFF Tracking Number: MEMC-125643415  
 Filing Company: MEMIC Indemnity Company  
 Company Tracking Number: 2008-03  
 TOI: 16.0 Workers Compensation  
 Product Name: Workers' Compensation Rate Filing  
 Project Name/Number: /

State: Arkansas  
 State Tracking Number: EFT \$50  
 Sub-TOI: 16.0004 Standard WC

## Rate Information

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Decrease  
**Overall Percentage of Last Rate Revision:** 2.700%  
**Effective Date of Last Rate Revision:** 01/01/2008  
**Filing Method of Last Filing:** Prior Approval

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
MEMIC Indemnity Company	-12.800%	-12.800%	\$0	0	\$0	0.000%	0.000%

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
Company Tracking Number: 2008-03  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers' Compensation Rate Filing  
Project Name/Number: /

## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	7-1-08 Rate Pages & Small Deductible Tables		Replacement	AR 2008-03 Rate Pages 7-1-08.pdf

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation Rates**

Standard Rates – July 1, 2008

<i>Class Code</i>	<i>Rate Including Disease</i>	<i>Minimum Premium</i>	<i>Class Code</i>	<i>Rate Including Disease</i>	<i>Minimum Premium</i>	<i>Class Code</i>	<i>Rate Including Disease</i>	<i>Minimum Premium</i>	<i>Class Code</i>	<i>Rate Including Disease</i>	<i>Minimum Premium</i>
0005	5.63	750	2003	2.96	495	2702X	26.43	750	3224	2.15	398
0008	2.29	415	2014	5.57	750	2710	7.70	750	3227	1.60	332
0016	4.93	732	2016	1.74	349	2714	3.65	578	3240	2.65	458
0034	3.78	594	2021	2.91	489	2719X	9.70	750	3241	2.47	436
0035	2.26	411	2039	3.90	608	2731	3.25	530	3255	2.04	385
0036	3.60	572	2041	3.74	589	2735	2.28	414	3257	2.99	499
0037	4.06	627	2065	1.41	309	2759	7.41	750	3270	2.83	480
0042	5.60	750	2070	4.79	715	2790	1.36	303	3300	3.92	610
0050	4.55	686	2081	3.38	546	2802	4.61	693	3303	3.35	542
0059D	0.26	–	2089	2.22	406	2812	3.23	528	3307	2.94	493
0065D	0.04	–	2095	2.39	427	2835	1.41	309	3315	2.31	417
0066D	0.04	–	2105	2.13	396	2836	1.97	376	3334	1.87	364
0067D	0.04	–	2110	1.87	364	2841	3.26	531	3336	1.93	372
0079	3.71	585	2111	2.20	404	2881	2.20	404	3365	8.96	750
0083	8.56	750	2112	2.38	426	2883	3.58	570	3372	2.49	439
0106	10.01	750	2114	2.35	422	2913	3.58	570	3373	2.54	445
0113	5.02	742	2121	1.96	375	2915	3.73	588	3383	0.94	253
0170	2.16	399	2130	2.45	434	2916	2.04	385	3385	0.77	232
0251	4.42	670	2131	1.65	338	2923	2.10	392	3400	2.38	426
0400	7.08	750	2143	1.91	369	2942	2.06	387	3507	2.71	465
0401	9.66	750	2157	3.55	566	2960	2.83	480	3515	1.91	369
0771N	0.26	–	2172	1.38	306	3004	2.41	429	3548	1.19	283
0908P	125.00	245	2174	2.57	448	3018	2.25	410	3559	2.28	414
0913P	307.00	427	2211	4.80	716	3022	2.78	474	3574	0.99	259
0917	3.44	553	2220	1.71	345	3027	2.35	422	3581	1.26	291
1005*	9.67	750	2286	1.25	290	3028	2.03	384	3612	1.93	372
1016X*	36.09	750	2288	3.54	565	3030	3.52	562	3620	5.09	750
1164E	6.25	750	2300	1.87	364	3040	3.26	531	3629	1.71	345
1165E	4.12	634	2302	1.49	319	3041	2.91	489	3632	3.51	561
1320	2.57	448	2305	1.87	364	3042	2.78	474	3634	1.49	319
1322	13.78	750	2361	1.06	267	3064	4.03	624	3635	1.81	357
1430	3.80	596	2362	1.54	325	3069	6.92	750	3638	1.29	295
1438	2.13	396	2380	3.96	615	3076	2.60	452	3642	0.74	229
1452	1.48	318	2386	0.99	259	3081D	2.52	442	3643	2.60	452
1463	10.21	750	2388	1.68	342	3082D	3.41	549	3647	2.94	493
1472	3.55	566	2402	1.89	367	3085D	2.84	481	3648	1.89	367
1624E	6.66	750	2413	1.48	318	3110	2.49	439	3681	1.36	303
1642	3.58	570	2416	1.46	315	3111	2.61	453	3685	1.57	328
1654	5.50	750	2417	1.38	306	3113	2.06	387	3719	2.29	415
1655	4.34	661	2501	1.19	283	3114	2.29	415	3724	5.96	750
1699	1.75	350	2503	1.17	280	3118	1.06	267	3726	2.65	458
1701	2.71	465	2534	1.89	367	3119	0.96	255	3803	1.67	340
1710E	5.37	750	2570	4.34	661	3122	1.32	298	3807	1.84	361
1741E	1.62	334	2585	2.71	465	3126	1.51	321	3808	2.41	429
1745X	2.62	454	2586	1.16	279	3131	0.91	249	3821	3.63	576
1747	2.29	415	2587	2.54	445	3132	2.16	399	3822	3.18	522
1748	6.54	750	2589	1.26	291	3145	2.09	391	3824	4.25	650
1803D	4.70	704	2600	5.60	750	3146	2.41	429	3826	0.77	232
1852D	2.18	402	2623	2.47	436	3169	2.15	398	3827	1.38	306
1853	2.03	384	2651	2.31	417	3175D	2.49	439	3830	0.99	259
1860	1.71	345	2660	1.28	294	3179	2.10	392	3851	2.32	418
1924	3.71	585	2670	2.02	382	3180	1.57	328	3865	1.12	274
1925	2.57	448	2683	1.73	348	3188	1.33	300	3881	3.09	511
2001	2.09	391	2688	2.67	460	3220	1.65	338	4000	6.34	750
2002	2.62	454	2701	6.48	750	3223	2.62	454	4021	5.19	750

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation Rates**

Standard Rates – July 1, 2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
4024E	1.94	373	4635	4.34	661	5506	3.48	558	7038M	5.39	750
4034	6.09	750	4653	1.13	276	5507	5.23	750	7046M	23.72	750
4036	2.20	404	4665	5.87	750	5508D	8.83	750	7047M	7.66	750
4038	1.90	368	4670	3.36	543	5535	6.92	750	7050M	9.64	750
4053	3.02	502	4683	4.29	655	5537	4.57	688	7090M	5.99	750
4061	3.71	585	4686	1.12	274	5551	13.28	750	7098M	26.36	750
4062	2.02	382	4692	0.42	190	5606	1.58	330	7099M	42.47	750
4101	1.75	350	4693	0.81	237	5610	5.18	750	7133	3.26	531
4111	2.68	462	4703	2.12	394	5645	10.57	750	7151M	3.96	615
4112	0.83	240	4717	1.57	328	5651	7.84	750	7152M	7.09	750
4113	1.16	279	4720	4.58	690	5703	85.49	750	7153M	4.41	669
4114	1.94	373	4740	1.35	302	5705	5.00	740	7222	9.14	750
4130	3.99	619	4741	1.54	325	5951	0.38	186	7228X	6.48	750
4131	2.13	396	4751	1.31	297	6003	9.37	750	7229X	6.80	750
4133	2.10	392	4771N	1.49	319	6005	7.12	750	7230	3.83	600
4150	1.46	315	4777	1.52	322	6017	3.65	578	7231	5.08	750
4206	3.22	526	4825	0.78	234	6018	1.99	379	7232	11.98	750
4207	0.88	246	4828	1.46	315	6045	2.31	417	7309F	21.37	750
4239	1.12	274	4829	1.06	267	6204	9.32	750	7313F	6.06	750
4240	2.16	399	4902	1.17	280	6206	5.92	750	7317F	9.58	750
4243	1.46	315	4923	0.97	256	6213	7.79	750	7327F	28.29	750
4244	2.60	452	5020	6.45	750	6214	2.62	454	7333M	5.13	750
4250	1.31	297	5022	4.64	697	6216	6.06	750	7335M	5.70	750
4251	1.55	326	5037	18.20	750	6217	4.74	709	7337M	9.18	750
4263	1.93	372	5040	24.40	750	6229	4.70	704	7350F	18.44	750
4273	1.68	342	5057	17.46	750	6233	5.12	750	7360	6.61	750
4279	1.58	330	5059	20.74	750	6235	13.62	750	7370	4.67	700
4282	1.86	363	5069	26.19	750	6236	11.21	750	7380X	3.22	526
4283	1.73	348	5102	3.84	601	6237	2.87	484	7382	2.65	458
4299	1.54	325	5146	4.70	704	6251D	7.47	750	7390	3.44	553
4304	2.42	430	5160	3.32	538	6252D	5.58	750	7394M	10.41	750
4307	1.93	372	5183	3.29	535	6260D	4.93	732	7395M	11.57	750
4351	1.00	260	5188	4.21	645	6306	5.31	750	7398M	18.65	750
4352	0.88	246	5190	3.02	502	6319	5.18	750	7403	2.76	471
4360	0.80	236	5191X	1.74	349	6325	4.32	658	7405N	1.09	271
4361	1.16	279	5192	3.76	591	6400	6.48	750	7420X*	23.87	750
4362	1.02	262	5213	6.63	750	6504	2.23	408	7421	2.52	442
4410	2.81	477	5215	3.96	615	6702M*	7.19	750	7422	2.13	396
4420	3.39	547	5221	4.87	724	6703M*	12.86	750	7425	3.94	613
4431	1.31	297	5222	11.25	750	6704M*	7.99	750	7431N	1.61	333
4432	1.41	309	5223	4.96	735	6801F	10.96	750	7445N	0.58	-
4439	1.48	318	5348	3.84	601	6811	4.81	717	7453N	0.87	-
4452	2.86	483	5402	4.26	651	6824F	31.57	750	7502	2.36	423
4459	1.64	337	5403	8.82	750	6826F	12.11	750	7515	1.02	262
4470	2.09	391	5437	4.18	642	6834	3.41	549	7520	2.15	398
4484	1.83	360	5443	3.78	594	6836	5.55	750	7538	9.61	750
4493	2.22	406	5445	4.74	709	6843F	14.09	750	7539	4.12	634
4511	0.65	218	5462	5.00	740	6845F	21.39	750	7540	2.70	464
4557	1.49	319	5472	4.55	686	6854	4.81	717	7580	1.78	354
4558	1.45	314	5473	6.24	750	6872F	18.37	750	7590	4.93	732
4561	1.74	349	5474	6.84	750	6874F	37.58	750	7600	2.48	438
4568	2.28	414	5478	4.16	639	6882	4.81	717	7601	11.18	750
4581	1.52	322	5479	7.37	750	6884	10.88	750	7605	3.12	514
4583	4.65	698	5480	7.45	750	7016M	4.28	654	7610	0.51	201
4611	0.84	241	5491	1.93	372	7024M	4.76	711	7611	5.00	740

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation Rates**

Standard Rates – July 1, 2008

Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium	Class Code	Rate Including Disease	Minimum Premium
7612	11.15	750	8385	2.29	415	9083	1.54	325			
7613	4.45	674	8392	2.86	483	9084	1.78	354			
7705	2.45	434	8393	1.62	334	9089	1.09	271			
7710	5.50	750	8500	6.03	750	9093	1.33	300			
7711	5.50	750	8601	0.78	234	9101	2.87	484			
7720X	2.45	434	8606	2.65	458	9102	2.77	472			
7855	5.92	750	8709F	7.60	750	9154	1.84	361			
8001	2.12	394	8719	1.78	354	9156	1.25	290			
8002	3.09	511	8720	1.29	295	9170	2.64	457			
8006	1.84	361	8721	0.38	186	9178	24.91	750			
8008	1.16	279	8726F	8.71	750	9179	34.18	750			
8010	1.80	356	8734M	0.61	213	9180	3.52	562			
8013	0.46	195	8737M	0.55	206	9182	2.57	448			
8015	0.61	213	8738M	0.97	256	9186	50.62	750			
8017	1.12	274	8742X	0.45	194	9220	3.23	528			
8018X*	2.39	427	8745	4.35	662	9402	4.09	631			
8021	1.77	352	8748	0.39	187	9403	5.44	750			
8031	3.68	582	8755	0.25	170	9410	1.67	340			
8032	1.51	321	8799	0.91	249	9501	4.18	642			
8033	1.80	356	8800	0.91	249	9505	3.63	576			
8039	1.31	297	8803	0.07	148	9516	3.09	511			
8044	2.62	454	8805M	0.32	178	9519	1.74	349			
8045	0.39	187	8810	0.23	168	9521	5.03	744			
8046	2.54	445	8814M	0.28	174	9522	1.49	319			
8047	1.02	262	8815M	0.51	201	9534	6.64	750			
8058	2.61	453	8820	0.20	164	9554	7.05	750			
8072	0.77	232	8824	2.35	422	9586	0.62	214			
8102	2.41	429	8825	2.00	380	9600	1.55	326			
8103	3.55	566	8826	2.12	394	9620	1.26	291			
8105	4.60	692	8829	2.55	446						
8106	3.64	577	8831	2.49	439						
8107	3.10	512	8832	0.26	171						
8111	3.58	570	8833X*	0.86	243						
8116	3.99	619	8835	1.87	364						
8203	5.23	750	8842	1.39	307						
8204	4.54	685	8864	1.39	307						
8209	2.84	481	8868	0.36	183						
8215	5.45	750	8869	0.70	224						
8227	2.97	496	8871	0.22	166						
8232	5.99	750	8901	0.25	170						
8233	4.87	724	9012	1.84	361						
8235	3.93	612	9014	2.64	457						
8263	8.87	750	9015X	2.29	415						
8264	3.20	524	9016	5.92	750						
8265	8.83	750	9019	2.81	477						
8279	8.48	750	9033	1.87	364						
8288	5.71	750	9040*	3.35	542						
8291	1.99	379	9052	1.48	318						
8292	2.83	480	9058	1.70	344						
8293	6.51	750	9059	2.62	454						
8295X	7.12	750	9060	1.73	348						
8304	6.55	750	9061	1.32	298						
8350	5.39	750	9063	0.94	253						
8380	3.38	546	9077F	4.03	624						
8381	1.42	310	9082	1.52	322						

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation**  
**Footnotes**

Effective July 1, 2008

D Advisory loss cost for classification already includes the specific disease loading shown in the table below. See Basic Manual Rule 3-A-7.

E Advisory loss cost for classification already includes the specific disease loading shown in the table below.

Code Number	Disease Loading	Symbol	Code Number	Disease Loading	Symbol	Code Number	Disease Loading	Symbol
0059D	0.18	S	1710E	0.03	S	3175D	0.02	S
0065D	0.03	S	1741E	0.15	S	4024E	0.01	S
0066D	0.03	S	1803D	0.15	S	5508D	0.02	S
0067D	0.03	S	1852D	0.03	Asb	6251D	0.04	S
1164E	0.05	S	3081D	0.03	S	6252D	0.02	S
1165E	0.02	S	3082D	0.03	S	6260D	0.02	S
1624E	0.03	S	3085D	0.03	S			

Asb=Asbestos, S=Silica

F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate contains a provision for federal assessment.

M Rate provides for coverage under Admiralty Law and Federal Employers' Liability Act (FELA). A provision for the USL & HW assessment is included for those classifications under Program II USL Act.

N This code is part of a ratable / non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.

Class Code	Non-Ratable Element Code
4771	0771
7405	7445
7431	7453

P Classification is computed on a per capita basis.

X Refer to special classification phraseology in these pages which is applicable in this state.

**\* Class Codes with Specific Footnotes**

- 1005 Underlying advisory loss cost includes a non-ratable disease element of \$3.26. (For coverage written separately for federal benefits only, \$2.15. For coverage written separately for state benefits only, \$1.11.)
- 1016 Underlying advisory loss cost includes a non-ratable disease element of \$13.02. (For coverage written separately for federal benefits only, \$8.58. For coverage written separately for state benefits only, \$4.44.) It also includes a catastrophe loading of \$0.08. Refer to the Manual of Underground Coal Mine Rules, Classifications, and Rates for rules applicable to the use of this classification code.
- 6702 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and elr each x 1.215.
- 6703 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate x 2.175 and elr x 2.032.
- 6704 Rate and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate and elr each x 1.35.
- 7409 Payroll is subject to a maximum of \$600 per week per employee effective January 1, 2005.
- 7420 Payroll is subject to a maximum of \$750 per week per employee effective July 1, 2006.
- 8018 See Arkansas Special Classification for Warehousing-groceries exclusively.
- 8833 The ex-medical loss cost for this classification is \$0.30. A charge of \$0.10 is to be added to this loss cost whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.
- 9040 The ex-medical loss cost for this classification is \$1.11. A charge of \$0.10 is to be added to this loss cost whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation**  
**Miscellaneous Values**  
**Effective July 1, 2008**

**Basis of premium applicable** in accordance with **Basic Manual** footnote instructions for Code:

7370 -- "Taxicab Co."	
Employee operated vehicle	\$48,893.00
Leased or rented vehicle	\$32,595.00
7420 -- "Aviation - Aerial Application, Seeding, Herding, or Scintillometer Surveying - Flying Crew"	
Maximum payroll per week per employee	\$750.00

**Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents** \$0.015

**Foreign Terrorism** (Terrorism Risk Insurance Act-Certified Losses) \$0.029

**Maximum Payroll** applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers" and the **Basic Manual** footnote instructions for Code 9178 -- "Athletic Sports or Park: Non-Contact Sports," Code 9179 -- "Athletic Sports or Park: Contact Sports," and Code 9186 -- "Carnival--Traveling" \$2,500.00

**Minimum Payroll** applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers" \$300.00

**Per Passenger Seat Surcharge** - In accordance with **Basic Manual** footnote instructions for Code 7421, the surcharge is

Maximum surcharge per aircraft	\$1,000.00
Per passenger seat	\$100.00

**Premium Determination for Partners and Sole Proprietors and Members of Limited Liability Companies** in accordance with **Basic Manual** Rule 2-E-3 \$31,900.00

Expense Constant applicable in accordance with **Basic Manual** Rule 3-A-11 \$140.00

**United States Longshore and Harbor Workers' Compensation Coverage Percentage** applicable only in connection with **Basic Manual** Rule 3-A-4 86%

(Multiply a Non-"F" classification rate by a factor of 1.86 to adjust for the difference in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.67) and the adjustment for differences in loss based expenses (1.116).)

**Experience Rating Eligibility**

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the **Experience Rating Plan Manual** should be referenced for the latest approved eligibility amounts by state.

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation**  
**Miscellaneous Values**  
**Effective July 1, 2008**

**Deductible Credits** – The following percentages are applicable by deductible amount and hazard group on a per claim basis.

<b>Total Losses</b>							
Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$1,000	13.0%	10.4%	8.9%	7.4%	6.2%	4.3%	3.2%
\$1,500	15.9%	12.8%	10.9%	9.2%	7.8%	5.4%	4.1%
\$2,000	18.1%	14.7%	12.6%	10.7%	9.1%	6.5%	4.9%
\$2,500	20.1%	16.3%	14.1%	12.1%	10.2%	7.4%	5.6%
\$3,000	21.8%	17.8%	15.4%	13.2%	11.3%	8.2%	6.2%
\$3,500	23.4%	19.1%	16.6%	14.3%	12.2%	9.0%	6.8%
\$4,000	24.8%	20.3%	17.8%	15.4%	13.1%	9.7%	7.4%
\$4,500	26.2%	21.5%	18.8%	16.3%	14.0%	10.4%	7.9%
\$5,000	27.4%	22.6%	19.8%	17.3%	14.8%	11.1%	8.4%

<b>Medical Losses</b>							
Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$1,000	12.6%	10.1%	8.6%	7.1%	6.0%	4.1%	3.0%
\$1,500	15.2%	12.2%	10.4%	8.8%	7.4%	5.1%	3.8%
\$2,000	17.1%	13.8%	11.9%	10.0%	8.5%	5.9%	4.5%
\$2,500	18.7%	15.2%	13.1%	11.1%	9.4%	6.7%	5.0%
\$3,000	20.1%	16.4%	14.2%	12.1%	10.2%	7.3%	5.5%
\$3,500	21.3%	17.5%	15.1%	12.9%	11.0%	7.9%	6.0%
\$4,000	22.5%	18.4%	16.0%	13.7%	11.7%	8.5%	6.4%
\$4,500	23.5%	19.3%	16.8%	14.5%	12.3%	9.0%	6.8%
\$5,000	24.4%	20.1%	17.5%	15.1%	12.9%	9.5%	7.2%

<b>Indemnity Losses</b>							
Deductible Amount	HAZARD GROUP						
	A	B	C	D	E	F	G
\$1,000	2.7%	2.1%	1.9%	1.8%	1.6%	1.3%	1.0%
\$1,500	3.7%	2.9%	2.7%	2.5%	2.2%	1.9%	1.4%
\$2,000	4.6%	3.7%	3.4%	3.2%	2.8%	2.3%	1.8%
\$2,500	5.4%	4.4%	4.0%	3.8%	3.3%	2.8%	2.1%
\$3,000	6.2%	5.0%	4.6%	4.3%	3.8%	3.2%	2.4%
\$3,500	6.9%	5.6%	5.2%	4.8%	4.3%	3.6%	2.7%
\$4,000	7.5%	6.2%	5.7%	5.3%	4.7%	4.0%	3.0%
\$4,500	8.1%	6.7%	6.2%	5.7%	5.1%	4.3%	3.3%
\$5,000	8.7%	7.2%	6.6%	6.2%	5.5%	4.6%	3.6%

SERFF Tracking Number: MEMC-125643415 State: Arkansas  
Filing Company: MEMIC Indemnity Company State Tracking Number: EFT \$50  
Company Tracking Number: 2008-03  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers' Compensation Rate Filing  
Project Name/Number: /

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 06/02/2008

**Comments:**

**Attachments:**

AR 2008-03 Transmittal Document.pdf  
AR 2008-03 Rate Filing Schedule.pdf

**Satisfied -Name:** NAIC Loss Cost Filing Document for Workers' Compensation **Review Status:** Approved 06/02/2008

**Comments:**

**Attachments:**

AR 2008-03 NAIC Loss Cost Docs.pdf  
AR 2008-03 Actuarial Support.pdf

**Satisfied -Name:** NAIC loss cost data entry document **Review Status:** Approved 06/02/2008

**Comments:**

**Attachment:**

AR 2008-03 Loss Cost Data Entry.pdf

**Satisfied -Name:** Cover Letter **Review Status:** Approved 06/02/2008

**Comments:**

**Attachment:**

AR 2008-03 Rate Filing Coverletter.pdf



## Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	2008-03
--	---------

<b>21. Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
--

We are filing to adopt NCCI's 7/1/08 loss costs with no change to our loss cost multiplier effective as of 7/1/08.

<b>22. Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
---

**Check #:** Funds submitted via EFT

**Amount:** \$50.00

\$50 = Filing to adopt an advisory organization's loss costs with no change to loss cost multiplier already on file, including companion rule filing is \$50

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

## RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>2008-03</b>
-----------	--	----------------

<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	
-----------	---	--

Rate Increase     
  Rate Decrease     
  Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	<b>Prior Approval</b>
-----------	--	-----------------------

<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>
------------	---

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
MEMIC Indemnity	-12.8%	-12.8%	N/A	0	0	N/A	N/A

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>
------------	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE

<b>5a.</b>	Overall percentage rate indication (when applicable)	N/A	
<b>5b.</b>	Overall percentage rate impact for this filing	N/A	
<b>5c.</b>	Effect of Rate Filing – Written premium change for this program	N/A	
<b>5d.</b>	Effect of Rate Filing – Number of policyholders affected	N/A	

<b>6.</b>	Overall percentage of last rate revision	2.70%
-----------	--	-------

<b>7.</b>	Effective Date of last rate revision	1/1/08
-----------	--------------------------------------	--------

<b>8.</b>	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	Prior Approval
-----------	--	----------------

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Rate pages and small deductible table	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

Space Reserved for Insurance Department Use

Date: May 29, 2008

**ARKANSAS  
INSURER RATE FILING  
ADOPTION OF RATE SERVICE ORGANIZATION  
PROSPECTIVE LOSS COSTS  
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME MEMIC Indemnity Company  
 ADDRESS 261 Commercial St., PO Box 11409  
Portland, Maine 04104-7409

PERSON RESPONSIBLE FOR FILING Karen Schwartz  
 TITLE Compliance Manager TELEPHONE # (800)660-1306 X 350

2. INSURER NAIC # 11030

3. LINE OF INSURANCE Workers Compensation

4. ADVISORY ORGANIZATION National Council on Compensation Insurance

5. RATING ORGANIZATION REFERENCE FILING AR-2008-02

6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rate service organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.

The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

7. PROPOSED RATE LEVEL CHANGE -12.80% EFFECTIVE DATE 7/1/2008

8. PRIOR RATE LEVEL CHANGE 2.70% EFFECTIVE DATE 1/1/2008

9. ATTACH "SUMMARY OF SUPPORTING INFORMATION FORM."  
 (Use a separate Summary for each insurer-selected loss costs multiplier.)

10. CHECK ONE OF THE FOLLOWING:

The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rate service organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the rate service organization's prospective loss costs and the insurer's loss cost multipliers and, if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the rate service organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or amended or withdrawn by the insurer.

The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rate Service Organization Reference Filing.

**FORM RF-WC NAIC LOSS COST FILING DOCUMENT — FOR WORKERS COMPENSATION**

CALCULATION OF COMPANY LOSS COST MULTIPLIER

<b>This filing transmittal is part of Company Tracking #</b>	2008-03
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

**Loss Cost Reference Filing**      AR-2008-02      ( ) **Independent Rate Filing**  
 (Advisory Org. & Reference filing #)

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

**1. Check one of the following:**

- ( ) The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. **Note: Some states have statutes that prohibit this option for some lines of business.**
- (X) The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

2. Does this filing apply to all class codes? Yes If no, complete a copy of this form for each affected class with appropriate justification.

**3. Loss cost modification:**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:  
 (Check One)

- ( ) Without Modification (factor = 1.000)  
 (X) With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.)

9.6%

B. Loss Cost Modification Expressed as a Factor: (See Examples Below)

1.096

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

**NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.**

4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio. (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)  
**PROJECTED EXPENSES: Compared to standard premium at company rates.**

		Selected Provisions
A.	Total Production Expense	%
B.	General Expense	%
C.	Taxes, Licenses & Fee	%
D.	Underwriting profit & contingencies*	%
E.	Other (explain)	%
F.	Total	%
* Explain how investment income is taken into account		
5. A.	Expected Loss Ratio: ELR = 100% - 4F =	
B.	ELR in Decimal Form =	

**FORM IRF-WC NAIC LOSS COST FILING DOCUMENT — FOR WORKERS COMPENSATION**

6.	<b>Overall Impact of Expense Constant and Minimum Premiums:</b> (a 2.3% impact would be expressed as 1.023)	
7.	<b>Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating:</b> (An 8.6% average discount would be expressed as 0.914)	
8.	<b>Company Formula Loss Cost Multiplier</b> [3B / ((7 - 4F) X 6)]	
9.	<b>Company Selected Loss Cost Multiplier =</b> (Attach explanation for any differences between 6 and 7)	

Yes    No

10. **Are you amending your minimum premium formula?** If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc.

(   ) (   )

11. **Are you changing your premium discount schedules?** If yes, attach schedules and support, detailing premium or rate level changes.

(   ) (   )

# NAIC EXPENSE CONSTANT SUPPLEMENT

## CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

(Effective July 1, 2008)

(This form must be provided ONLY when making a filing that includes an expense constant)

<b>This filing transmittal is part of Company Tracking #</b>	2008-03
<b>This filing corresponds to form filing number</b> <small>(Company tracking number of form filing, if applicable)</small>	

**Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)**

Selected Provisions

4.			Overall	Variable	Fixed	
	A.	Total Production Expense	18.0	13.4	4.6	%
	B.	General Expense	7.0	5.2	1.8	%
	C.	Taxes, License & Fees	6.5	6.5	0.0	%
	D.	Underwriting Profit & Contingencies*	-0.7	-0.7	0.0	%
	E.	Other (explain)	0.0	0.0	0.0	%
	F.	TOTAL	30.8	24.4	6.4	%
		* Includes a 3.2% offset for investment income.				

5.	A.	Expected Loss Ratio: ELR = 100% - Overall 4F	69.2	%
	B.	ELR in decimal form =	0.692	
	C.	Variable Expected Loss Ratio: VELR=100% - Variable 4F	75.6	%
	D.	VELR in Decimal Form = B. ELR in Decimal Form =	0.756	

6.	A.	Formula Expense Constant: [(1.00 divided by 5B) – (1.00 divided by 5D)]	0.122	
	B.	Formula Variable Loss Cost Multiplier (3B divided by 5D)	1.450	

7.	A.	Selected Expense Constant =	\$140.00	
	B.	Selected Variable Loss Cost Multiplier =	1.450	

**8. Explain any differences between 6 and 7:**

6A must be multiplied by the average underlying loss cost

9	Rate level change for the coverage(s) to which this page applies	-12.8	%
---	--	-------	---

**MEMIC Indemnity Company  
Arkansas Workers Compensation  
Calculation of Overall Rate Change  
Effective July 1, 2008**

**Exhibit 1  
Page 1**

	<b>Standard</b>
<b>(1) Current Loss Cost Multiplier</b>	1.450
<b>(2) Proposed Loss Cost Multiplier</b>	1.450
<b>(3) Indicated Change in Relativity</b>	0.0%
<b>(4) Change Due to Adopting NCCI Loss Costs</b>	-12.8%
<b>(5) Overall Rate Change</b> = $\{[100\% + (3)] \times [100\% + (4)]\} - 100\%$	-12.8%

**Notes:**

(1), (2): Provided by MEMIC Indemnity Company.

(3):  $[(2) / (1)] - 100\%$

(4): From the NCCI's circular AR-2008-06, Approved Voluntary Advisory Loss Costs and Rating Values and Assigned Risk Rates and Rating Values to Be Effective July 1, 2008.

**MEMIC Indemnity Company  
Arkansas Workers Compensation  
Loss Cost Multiplier Calculation  
Effective July 1, 2008**

	Standard Rating Tier
<b>(1)</b> Loss Cost Modification	<b>1.096</b>
<b>(2)</b> Expense Provision	
A. Claim Expenses and Services	2.0%
B. Commissions and Brokerage	7.0%
C. Other Acq., Field Supervision, and Coll.	11.0%
D. General Expenses	5.0%
E. Premium Taxes	5.0%
F. Other Taxes, Fees and Assessments	1.5%
G. Profit, Cont. and Investment Income	(0.7%)
H. Other	0.0%
I. Total = (A)+(B)+(C)+(D)+(E)+(F)+(G)+(H)	<u>30.8%</u>
J. Variable Expenses	<u>24.4%</u>
<b>(3)</b> Expected Loss & LAE Ratio = 100% - (2I)	<b>69.2%</b>
<b>(4)</b> Loss Cost Multiplier = (1) / [100% - (2J)]	<b>1.450</b>
<b>(5)</b> Selected Expense Constant	<b>140.00</b>
<b>(6)</b> Minimum Premium Multiplier	<b>120.00</b>
<b>(7)</b> Minimum Premium Formula	
	<b>(5) + [(6) × Rate] ≤ 750.00</b>

**Notes:**

- (1), (5), (6), (7): Provided by MEMIC Indemnity Company.  
(2): See Exhibit 1, Page 3.

**MEMIC Indemnity Company  
Arkansas Workers Compensation  
Summary of Expense Provisions  
Effective July 1, 2008**

	(1)	(2)	(3)
<b>Expense Provision</b>	Variable	Fixed	Total
A. Claim Expenses and Services	1.5%	0.5%	2.0%
B. Commissions and Brokerage	5.2%	1.8%	7.0%
C. Other Acq., Field Supervision, and Coll.	8.2%	2.8%	11.0%
D. General Expenses	3.7%	1.3%	5.0%
E. Premium Taxes	5.0%	0.0%	5.0%
F. Other Taxes, Fees and Assessments	1.5%	0.0%	1.5%
G. Profit and Contingencies	2.5%	0.0%	2.5%
H. Investment Income	(3.2%)	0.0%	(3.2%)
I. Other	0.0%	0.0%	0.0%
J. Total	24.4%	6.4%	30.8%

(4) Expected Loss & LAE Ratio 69.2%

**Notes:**

- (1), (2), (3): Provided by MEMIC Indemnity Company.  
(4): 100% - 30.8%

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation**  
**Investment Income Calculation (in \$1000's)**  
**Effective July 1, 2008**

(1) Unearned Premium Reserve

(1a) Direct Earned Premium for Calendar Year 2007		36,017
(1b) Factor to Calculate Unearned Premium Reserve		0.512
(1c) Unearned Premium Reserve		18,441
(1d) Deduction for Prepaid Expenses		
Commission and Brokerage	0.070	
Taxes, Licenses & Fees	0.065	
<u>50% of Other Acquisition and General</u>	<u>0.080</u>	
Total	0.215	
(1e) Deduction for Federal Income Taxes Payable = 20% x 35.0%		0.070
(1f) Net Subject to Investment Income = (1c) x [1.0 - (1d) - (1e)]		13,185

(2) Delayed Remission of Premium (Agents' Balances)

(2a) Direct Earned Premium	36,017
(2b) Average Agents' Balance	0.341
(2c) Delayed Remission = (2a) x (2b)	12,282

(3) Loss Reserve

(3a) Direct Earned Premium	36,017
(3b) Expected Incurred Loss and Loss Adjustment Expense = (3a) x (100.0% - 34.0%)	23,771
(3c) Expected Mean Loss Reserves = (3b) x 2.220	52,772
(3d) Average Discount Factor	0.158
(3e) Adjusted Expected Mean Loss Reserve = (3c) x [1.000 - (0.350 x (3d))]	49,854

(4) Net Subject to Investment = (1f) - (2c) + (3e) 50,757

(5) Average Rate of Return 3.5%

(6) Investment Earnings on Net Subject to investment = (4) x (5) 1,776

(7) Average Rate of Return as a Percent of Earned Premium = (6) / (1a) 4.9%

(8) Average Rate of Return as a Percent of Earned Premium  
After Federal Income Taxes = (7) x [1.000 - 0.350] 3.2%

**Notes:** See Exhibit 1, Page 5.

**MEMIC Indemnity Company**  
**Arkansas Workers Compensation**  
**Notes for Investment Income Calculation (in \$1000's)**  
**Effective July 1, 2008**

<b><u>Line 1(a)</u></b>	<b>Direct Earned Premium</b>				
	Earned premiums are from the 2007 Annual Statement for all states.			36,017	
<b><u>Line 1(b)</u></b>	<b>Mean Unearned Premium Reserves</b>				
	1. Net unearned premium as of 12/31/07			18,783	
	2. Net unearned premium as of 12/31/06			17,802	
	3. Mean unearned premium = 50% x [(1) + (2)]			18,293	
	4. 2007 Net earned premium			35,717	
	5. Ratio of Unearned Premium to Earned Premium = (3) / (4)			0.512	
<b><u>Line 1(d)</u></b>	<b>Deduction of Prepaid Expenses</b>				
	Estimated and/or budgeted expense amounts for the line of business.				
<b><u>Line 1(e)</u></b>	<b>Deduction for Federal Income Taxes Payable</b>				
	The Tax Reform Act of 1986 taxes 20% of the unearned premium reserves.				
	At the calculated tax rate of 35.0%, the deduction for federal income taxes equals 0.070 (or 20% x 35.0%) of the unearned premium reserve.				
<b><u>Line 2(b)</u></b>	<b>Delayed Remission of Premium (Based on Combined Lines)</b>				
	This deduction is necessary because of the delay in collection and remission of premium to the company which amounts to approximately 50 to 75 days after the effective date of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.				
	1. Net earned premium for calendar year 2007			35,717	
	2. Net agents' balances as of 12/31/07			11,846	
	3. Net agents' balances as of 12/31/06			12,482	
	4. Mean agents' balances = 50% x [(2) + (3)]			12,164	
	5. (4) / (1)			0.341	
<b><u>Line 3(c)</u></b>	<b>Mean Loss Reserve (Based on Insurance Expense Exhibit, Part II)</b>				
	1. Incurred Loss & LAE for calendar year 2007			22,589	
	2. Incurred Loss & LAE for calendar year 2006			21,074	
	3. Loss & LAE Reserves as of 12/31/07			54,103	
	4. Loss & LAE Reserves as of 12/31/06			48,331	
	5. Loss & LAE Reserves as of 12/31/05			43,287	
	6. Mean loss & LAE reserves = 50% x [(3) + (4)]			51,217	
	7. Mean loss & LAE reserves = 50% x [(4) + (5)]			45,809	
	8. [(6)+(7)] / [(1)+(2)]			2.222	
	9. Selected Loss & LAE reserves to Incurred Loss & LAE ratio			2.220	
<b><u>Line 3(d)</u></b>	<b>Average Discount Factor</b>				
	Based on IRS discount factors and carried net loss and LAE reserves from the 2007 Schedule P.				
<b><u>Line 5</u></b>	<b>Average Rate of Return (Based on Combined Lines)</b>				
		Net Investment Income Earned	Cash and Invested Assets as of Year-end	Mean Cash and Invested Assets	Rate of Return
	Year				
	2004		83,834		
	2005	2,989	98,865	91,349	3.3%
	2006	3,591	107,768	103,317	3.5%
	2007	4,188	118,835	113,302	3.7%
	Total 05-07	10,768		307,968	3.5%

**NAIC LOSS COST DATA ENTRY DOCUMENT**

<b>1.</b>	This filing transmittal is part of Company Tracking #	2008-03
-----------	---	---------

<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	National Council on Compensation Insurance; AR-2008-02
-----------	---	--

Company Name		Company NAIC Number	
<b>3.</b>	<b>A.</b> MEMIC Indemnity Company	<b>B.</b>	11030

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
<b>4.</b>	<b>A.</b> Workers' Compensation	<b>B.</b>	Standard Workers' Compensation

<b>5.</b>			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers' Compensation	-12.80%	-12.80%	69.2%	1.096	1.45	\$140	1.45
<b>TOTAL OVERALL EFFECT</b>	-12.80%	-12.80%					

<b>6.</b>	5 Year History		Rate Change History				
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)*	Incurred Losses (000)*	State Loss Ratio	Countrywide Loss Ratio
2007	432	N/A	N/A	34,762	20,129	N/A	57.9%
2006	396	N/A	N/A	30,268	17,891	N/A	59.1%
2005	329	N/A	N/A	23,316	10,897	N/A	46.7%
2004	299	N/A	N/A	28,388	18,857	N/A	66.4%
2003	496	N/A	N/A	25,147	23,740	N/A	94.4%
2002	445	N/A	N/A	12,588	11,604	N/A	92.2%
*The 5 year history data all pertains to our countrywide experience since we do not have any written premium in Arkansas yet. Incurred losses include ALAE.							

<b>7.</b>	Expense Constants	Selected Provisions
A.	Total Production Expense	18.0%
B.	General Expense	7.0%
C.	Taxes, License & Fees	6.5%
D.	Underwriting Profit & Contingencies	-0.7%
E.	Other (explain)	0.0%
F.	<b>TOTAL</b>	30.8%

- 8.**   N   Apply Lost Cost Factors to Future filings? (Y or N)
- 9.**   N/A   Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):   N/A
- 10.**   N/A   Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):   N/A



Indemnity Company

May 30, 2008

Julie Benefield Bowman, Insurance Commissioner  
Arkansas Department of Insurance  
1200 West Third Street  
Little Rock, AR 72201

Attn: Carol Stiffler, Certified Rate and Forms Analyst, Property & Casualty Division

Re: MEMIC Indemnity Company Rate Filing  
NAIC Number: 11030  
Company FEIN: 02-0515329  
Company Tracking No. 2008-03  
SERFF Tracking No. MEMC-125643415  
Requested Effective Date: July 1, 2008

Dear Ms. Stiffler:

Please see the attached rate filing for your review and approval. We are adopting NCCI's 7/1/08 loss costs with no change to our loss cost multiplier. We are requesting an effective date of 7/1/08.

The filing fees have been submitted electronically with the filing via EFT.

Please see the attached transmittal document, rate filing schedule, loss cost data entry document, 7/1/08 rate pages, loss cost adoption forms and all supporting rate documents.

Please feel free to contact me at 800 660 1306 x 350 if you have any questions regarding this filing. I can also be reached via e-mail at: [kschwartz@memic.com](mailto:kschwartz@memic.com).

Thank you for your consideration.

Sincerely,

Karen Schwartz  
Product Manager