

WAC 296-17B-620 More about the performance adjustment factor.

There is no particular significance to the performance adjustment factor being less than, greater than, or equal to 1.0000. The performance adjustment factor is influenced by many things, including overall premium rates, large losses by either retro or nonretro employers, and what options retro participants select when enrolling.

A new performance adjustment factor is calculated for each annual retrospective rating adjustment so that loss ratios of retro and non-retro employers are equal after refunds and additional premium assessments have been paid.

[Statutory Authority: RCW 51.18.010(2), 51.04.020. WSR 17-12-020, § 296-17B-620, filed 5/30/17, effective 6/30/17. Statutory Authority: RCW 51.16.035, 51.16.100, 51.04.020(1), and 51.18.010. WSR 10-21-086, § 296-17B-620, filed 10/19/10, effective 11/19/10.]