

1 **Transcript Reference: Nov 18, 2014, Page 55, Lines 13-19**

2

3 Undertake to provide the P-values and T-statistics for the separate review that you've done on
4 frequency and severity for each of your regression analyses that you've produced.

5

6 **Response:**

7

8 See Attachment #1.

Undertaking #26, #22

Exclusions Based on Values

Commercial Vehicles-Bodily Injury

10 Years Ending June 2012				
Excluding HH/LL values		2005-1, 2007-2, 2010-1, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-2.9%	2.6%	-5.3%
T-Statistics	Constant	50.2694	106.3489	21.5584
	Time	(2.4076)	2.5437	(4.8924)
p-Values	Constant	0.0000	0.0000	0.0000
	Time	0.0304	0.0234	0.0002

10 Years Ending Dec 2012				
Excluding HH/LL values		2005-1, 2007-2, 2010-1, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-2.4%	2.5%	-4.8%
T-Statistics	Constant	44.7506	103.2469	19.4566
	Time	(1.8830)	2.5748	(4.2935)
p-Values	Constant	0.0000	0.0000	0.0000
	Time	0.0806	0.0220	0.0007

5 Years Ending June 2012				
Excluding H/L values		2010-1, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-7.6%	-0.3%	-7.3%
T-Statistics	Constant	15.0900	24.0454	13.5714
	Time	(2.1538)	(0.0823)	(4.6457)
p-Values	Constant	0.0000	0.0000	0.0000
	Time	0.0747	0.9371	0.0035

5 Years Ending Dec 2012				
Excluding H/L values		2010-1, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-0.8%	4.7%	-5.3%
T-Statistics	Constant	15.5397	33.1104	9.4465
	Time	(0.2849)	1.8760	(2.6824)
p-Values	Constant	0.0000	0.0000	0.0001
	Time	0.7853	0.1098	0.0364

Exclusions Based on Percentage Change

Commercial Vehicles-Bodily Injury

10 Years Ending June 2012				
Excluding HH/LL values		2002-2, 2005-1, 2007-2, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-3.6%	2.1%	-5.6%
T-Statistics	Constant	46.1623	100.4867	19.3026
	Time	(2.8309)	2.0550	(4.7425)
p-Values	Constant	0.0000	0.0000	0.0000
	Time	0.0133	0.0590	0.0003

10 Years Ending Dec 2012				
Excluding HH/LL values		2003-1, 2005-1, 2007-2, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-1.7%	1.9%	-3.6%
T-Statistics	Constant	42.2329	100.9066	25.6190
	Time	(1.3648)	1.9260	(4.6495)
p-Values	Constant	0.0000	0.0000	0.0000
	Time	0.1938	0.0747	0.0004

5 Years Ending June 2012				
Excluding H/L values		2007-2, 2008-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		1.9%	9.9%	-7.2%
T-Statistics	Constant	6.4386	15.0243	7.8013
	Time	0.2877	1.8608	(2.7908)
p-Values	Constant	0.0007	0.0000	0.0002
	Time	0.7832	0.1121	0.0315

5 Years Ending Dec 2012				
Excluding H/L values		2008-2, 2011-2		
Annual Trend Rates		Loss Cost	Severity	Frequency
		-0.4%	5.7%	-5.8%
T-Statistics	Constant	12.0859	31.9098	7.3215
	Time	(0.1198)	2.2563	(2.2754)
p-Values	Constant	0.0000	0.0000	0.0003
	Time	0.9086	0.0649	0.0632