Reading: Odomirok - Chapter 15 (Steady State) a-Question
Model: 2016.Fall #11
Problem Type: Schedule P

Given

Part 5, Section 1

Cumulative Number of Claims Closed with Payment					* Direct + Assumed
AY	**2016**	**2017**	**2018**	**2019**	**<== CYs**
2016	60	96	125	132	
2017		60	96	125	
2018			60	96	
2019				60	

Part 5, Section 2

Number of Outstanding Claims					* Direct + Assumed
AY	**2016**	**2017**	**2018**	**2019**	**<== CYs**
2016	25	30	8	3	
2017		25	30	8	
2018			25	30	
2019				25	

Part 5, Section 3

Cumulative Number of Claims Reported					* Direct + Assumed
AY	**2016**	**2017**	**2018**	**2019**	**<== CYs**
2016	100	150	165	168	
2017		100	150	165	
2018			100	150	
2019				100	

Find

(a) Triangle of the ratio of **closed claims** to **reported claims**.
(b) Triangle of the ratio of **closed WITH PAYMENT claims** to **reported claims**.

Formula

closed-to-reported ratio = [(part 3) - (part 2)] / (part 3)

Explanation

Part 1 is not needed because it shows only claims closed WITH payment. We must also include claims closed WITHOUT payment in the numerator.

all closed claims = (reported claims) - (outstanding claims) = part 3 - part 2

Schedule P format:

Triangle of closed to reported claims					
AY	**2016**	**2017**	**2018**	**2019**	**<== CYs**
2016	75.0%	80.0%	95.2%	98.2%	
2017		75.0%	80.0%	95.2%	
2018			75.0%	80.0%	
2019				75.0%	

non-Schedule P format:

Triangle of closed to reported claims				
AY	**12**	**24**	**36**	**48**
2016	75.0%	80.0%	95.2%	98.2%
2017	75.0%	80.0%	95.2%	
2018	75.0%	80.0%		
2019	75.0%			

non-Schedule P format:

Triangle of closed **WITH PAYMENT** to reported claims				
AY	**12**	**24**	**36**	**48**
2016	60.0%	64.0%	75.8%	78.6%
2017	60.0%	64.0%	75.8%	
2018	60.0%	64.0%		
2019	60.0%			