

Reading: Odomirok - Chapter 15
Model: 2017.Fall #11
Problem Type: Schedule P

(Schedule P (Model - 2017.Fall Q11)) 01a-Question

Given

Sch. P, Part 2 - Incurred Net Loss & DCC Expense Reported at Year-End					
AY	2012	2013	2014	2015	2016
2012	1,300	1,100	1,900	2,300	1,500
2013		2,300	4,700	4,500	2,800
2014			5,200	3,600	3,700
2015				2,100	1,800
2016					2,700

Sch. P, Part 3 - Cumulative Paid Net Loss & DCC Reported at Year-End					
AY	2012	2013	2014	2015	2016
2012	200	900	1,300	1,300	1,800
2013		600	1,900	3,400	3,400
2014			2,000	2,000	3,500
2015				1,100	3,000
2016					1,800

Sch. P, Part 4 - Bulk & IBNR Reserves on Net Loss & DCC Reported at Year-End					
AY	2012	2013	2014	2015	2016
2012	600	500	400	100	0
2013		1,200	800	300	100
2014			2,500	400	100
2015				2,100	300
2016					2,000

Find

- (a) Calendar year 2016 **case incurred** net loss & DCC expense
- (b) Calendar year 2016 **paid** net loss & DCC expense

(a) CY 2016 case incurred = 400
 (b) CY 2016 paid = 5,700

(Schedule P (Model - 2017.Fall Q11)) 01b-Answer

case = (part 2) - (part 3) - (part 4)					
AY	2012	2013	2014	2015	2016
2012				900	-300
2013				800	-700
2014				1,200	100
2015				-1,100	-1,500
2016				0	-1,100

chg in
case
2016
-1,200
-1,500
-1,100
-400
-1,100
-5,300

paid in 2016 = (cum paid in 2016) - (cum paid in 2015)					
AY	2012	2013	2014	2015	2016
2012					500
2013					0
2014					1,500
2015					1,900
2016					1,800

case incurred 2016

= sum(chg in case 2016) + sum(paid in 2016)
 = -5,300 + 5,700
 = 400