

Explanatory Memorandum

Employers Mutual Casualty Company (EMC)

Small Business Workers Compensation

With this filing, EMC is introducing a new Small Business Program product for Workers Compensation, modernizing our offerings to address the needs of small business customers. This submission includes rates, rules, loss costs, and forms to be filed in the Illinois EMCASCO company. This product provides coverage options for customers' current and future business needs, allowing EMC to better align rates with exposures.

This product will utilize various forms, rules, and rates that have been approved in other EMC subsidiaries. Utilizing materials across companies and products is both efficient and effective, enabling us to leverage previously approved filings through the regulatory review process.

The Small Business Program product for Workers Compensation will be available for eligible new business and subsequent renewals written in Illinois EMCASCO. Our current Workers Compensation offering will remain available for customers that do not meet the definition of small business, determined by sales, payroll, property values, and the number of automobiles owned.

Proposed implementation of the new program will be on or after 4/1/2026.