

# Loss Reserve Forecast

## For Self-Insured P&C Programs

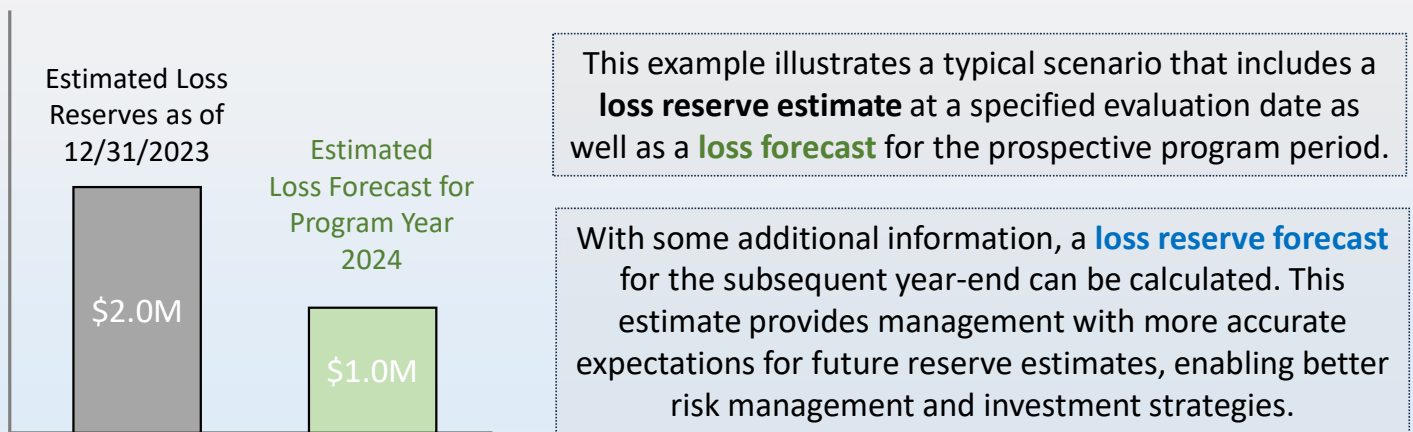


A **loss reserve estimate** is a generic term that describes an estimate of unpaid loss as of a specified evaluation date.

A **loss reserve forecast** is an estimate of unpaid loss at a future evaluation date.

A **loss reserve forecast** should not be confused with a **loss forecast**, which is often used to describe an estimate of ultimate loss for a future program period.

### Example: Loss Reserve Estimate and **Loss Forecast**



An estimate of **losses paid** during the prospective program period is the only additional information needed to estimate loss reserves at the end of that period (i.e., **loss reserve forecast**).

### Example: Loss Reserve Estimate, **Loss Forecast**, and **Loss Reserve Forecast**

