Delaware Compensation Rating Bureau, Inc.



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## **BUREAU CIRCULAR NO. 805**

To All Members of the Bureau:

## Re: DECEMBER 1, 2006 "F"-CLASSIFICATION FILING BUREAU FILING NO. 0605

Please be informed that the Bureau has submitted a rating value filing for Delaware "F"-Classifications with a proposed effective date of December 1, 2006. That filing, No.0605, proposes an overall increase in collectible rate level of 9.07 percent in assigned risk rates and an overall increase of 4.46 percent in voluntary market loss costs. Tables of current and proposed December 1, 2006 rating values are provided with this circular for reference.

The United States Longshore and Harborworkers' Compensation Coverage Percentage, currently 49.2 percent, is proposed to change to 47.1 percent effective December 1, 2006. The tax multiplier applicable to "F"-Classification business is proposed to change from 1.2574 to 1.2330.

Once Bureau Filing No. 0605 has been adjudicated by the Department of Insurance, each licensed Delaware carrier will be required to make a filing for a loss cost multiplier, rates and/or other related rating values with the Department of Insurance. This requirement will apply even if a carrier intends to retain its current pricing values and programs intact. Accordingly, in order to preserve the desired and possibly necessary flexibility in pricing Delaware workers compensation policies, it is strongly recommended that all policies issued with effective dates on and after December 1, 2006 be qualified as carrying tentative rates, using the Pending Rate Change Endorsement for this purpose. Any policies issued at current rates or an a "to-be-determined" basis for which approved rating values are changed as a result of Bureau Filing No. 0605 and/or any subsequent carrier filing(s) must be endorsed subsequently with the new carrier rates.

The filing will be found in the "Filings" section of the website (<u>www.dcrb.com</u>) and is expected to be available within ten days of the publication of this circular.

Timothy L. Wisecarver President

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Remember to visit our website at <u>www.dcrb.com</u> for more information about this and other topics

## DELAWARE UNITED STATES LONGSHORE AND HARBOR WORKERS RATES

Code	Manual Rate	Loss Cost	Min. Prem.	Experience Rating Plan Expected Loss Rate Tables *		
No.				A-1	A-2	A-3
<b>602 4</b> E	7.00	< 0 <b>0</b>	1.0.40	1.52	1.52	4.52
6824F	7.99	6.02	1,840	4.53	4.53	4.53
6826F	8.11	6.11	1,860	4.60	4.60	4.60
6843F	9.10	6.85	2,060	5.16	5.16	5.16
6872F	11.45	8.62	2,530	6.49	6.49	6.49
7309F	31.81	23.95	3,150	18.03	18.03	18.03
7313F	11.60	8.73	2,560	6.57	6.57	6.57
7317F	24.64	18.55	3,150	13.96	13.96	13.96
7327F	13.31	10.02	2,900	7.54	7.54	7.54
7366F	6.15	4.63	1,470	3.49	3.49	3.49
8709F	2.46	1.85	730	1.39	1.39	1.39
8726F	3.36	2.53	910	1.90	1.90	1.90

## CURRENT RATES AND LOSS COSTS EFFECTIVE DECEMBER 1, 2004 ON NEW AND RENEWAL

PROPOSED RATES AND LOSS COSTS PROPOSED EFFECTIVE DECEMBER 1, 2006 ON NEW AND RENEWAL

	Manual	Loss		Experience Rating Plan Expected Loss Rate Tables *		
Code			Min.			
No.	Rate	Cost	Prem.	A-1	A-2	A-3
6824F	8.58	6.19	2,150	3.61	3.61	3.61
6826F	8.71	6.28	2,175	3.66	3.66	3.66
6843F	9.77	7.05	2,410	4.11	4.11	4.11
6872F	12.29	8.86	2,965	5.17	5.17	5.17
7309F	34.19	24.66	3,450	14.38	14.38	14.38
7313F	12.45	8.98	3,000	5.24	5.24	5.24
7317F	26.45	19.08	3,450	11.12	11.12	11.12
7327F	14.12	10.18	3,365	5.94	5.94	5.94
7366F	6.61	4.77	1,715	2.78	2.78	2.78
8709F	2.66	1.92	845	1.12	1.12	1.12
8726F	3.61	2.60	1,055	1.52	1.52	1.52

\* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.