DELAWARE COMPENSATION RATING BUREAU, INC. F CLASS FILING

Indicated Change in Rate Level

This exhibit shows the indicated change in overall rate level for Delaware Federal Classes. It includes the estimated effect of the 10/1/11 benefit change and a section to reflect the adjustment of the indicated change in overall rate level to the indicated change in manual rate level.

INDICATED CHANGE IN RATE LEVEL

	Indemnity	<u>Medical</u>	<u>Total</u>
Trended Policy Year Loss Ratio for Policy Period 12/1/10 - 12/01/11	0.3950	0.4461	0.8411
Credibility	0.0500	0.0500	0.0500
Loss Ratio Underlying Current Rates Trended at 0.0% to 12/1/11	0.3475	0.1978	0.5453
Credibility Weighted Trended Loss Ratio (1)*(2) + (3)*[1.0-(2)]	0.3499	0.2102	0.5601
Ratio of Loss Adjustment Expense to Loss	0.1538	0.1538	0.1538
Trended Policy Year Loss and Loss Adjustment Ratio (4)*(1.0+(5))	0.4037	0.2425	0.6462
Permissible Loss and Loss Adjustment Ratio			0.6577
Indicated Change in Rates (6) / (7)			0.9825
Estimated Effect of the 10/1/11 Benefit Change			0.9996
Indicated Change in Overall Rate Level (8)*(9)			0.9821
Change in Voluntary Market Loss Costs (10) * [0.7731 / 0.7373]			1.0298
INDICATED CHANGE IN MANUAL LEVEL			
			Total
Current Collectible Premium Ratio			1.0115
Proposed Collectible Premium Ratio			0.9633
Indicated Change in Manual Rate Level [(10) * (13)] / (12)			0.9353
Indicated Change in Voluntary Market Manual Loss Cost Level (11) * [(13) / (12)]			0.9807
	Credibility Loss Ratio Underlying Current Rates Trended at 0.0% to 12/1/11 Credibility Weighted Trended Loss Ratio (1)*(2) + (3)*[1.0-(2)] Ratio of Loss Adjustment Expense to Loss Trended Policy Year Loss and Loss Adjustment Ratio (4)*(1.0+(5)) Permissible Loss and Loss Adjustment Ratio Indicated Change in Rates (6) / (7) Estimated Effect of the 10/1/11 Benefit Change Indicated Change in Overall Rate Level (8)*(9) Change in Voluntary Market Loss Costs (10) * [0.7731 / 0.7373] INDICATED CHANGE IN MANUAL LEVEL Current Collectible Premium Ratio Proposed Collectible Premium Ratio Indicated Change in Manual Rate Level [(10) * (13)] / (12) Indicated Change in Voluntary Market Manual Loss Cost Level	Trended Policy Year Loss Ratio for Policy Period 12/1/10 - 12/01/11 0.3950 Credibility 0.0500 Loss Ratio Underlying Current Rates Trended at 0.0% to 12/1/11 0.3475 Credibility Weighted Trended Loss Ratio (1)*(2) + (3)*[1.0-(2)] 0.3499 Ratio of Loss Adjustment Expense to Loss 0.1538 Trended Policy Year Loss and Loss Adjustment Ratio (4)*(1.0+(5)) 0.4037 Permissible Loss and Loss Adjustment Ratio Indicated Change in Rates (6) / (7) Estimated Effect of the 10/1/11 Benefit Change Indicated Change in Overall Rate Level (8)*(9) Change in Voluntary Market Loss Costs (10) * [0.7731 / 0.7373] INDICATED CHANGE IN MANUAL LEVEL Current Collectible Premium Ratio Proposed Collectible Premium Ratio Indicated Change in Manual Rate Level [(10) * (13)] / (12) Indicated Change in Voluntary Market Manual Loss Cost Level	Trended Policy Year Loss Ratio for Policy Period 12/1/10 - 12/01/11 0.3950 0.4461 Credibility 0.0500 0.0500 Loss Ratio Underlying Current Rates Trended at 0.0% to 12/1/11 0.3475 0.1978 Credibility Weighted Trended Loss Ratio (1)*(2) + (3)*[1.0-(2)] 0.3499 0.2102 Ratio of Loss Adjustment Expense to Loss 0.1538 0.1538 Trended Policy Year Loss and Loss Adjustment Ratio (4)*(1.0+(5)) 0.4037 0.2425 Permissible Loss and Loss Adjustment Ratio Indicated Change in Rates (6) / (7) Estimated Effect of the 10/1/11 Benefit Change Indicated Change in Overall Rate Level (8)*(9) Change in Voluntary Market Loss Costs (10) * [0.7731 / 0.7373] INDICATED CHANGE IN MANUAL LEVEL Current Collectible Premium Ratio Proposed Collectible Premium Ratio Indicated Change in Manual Rate Level [(10) * (13)] / (12) Indicated Change in Voluntary Market Manual Loss Cost Level