Exhibit 16
As Filed

DELAWARE COMPENSATION RATING BUREAU, INC.

Small Deductible Program

The attached exhibits review the impact of deductibles on loss costs and residual market manual rates. Staff has proposed small decreases to the loss elimination ratios and premium credit factors currently in effect.

2016 DELAWARE DEDUCTIBLE STUDY

Proposed Effective Date 12/1/16

Deduct. Level	Effect of Deductible on Losses	Selected	Loss Elimination Ratio	Current Loss Elimination Ratio
		(12)	(13)	(14)
500	0.9869	0.984	0.016	0.017
1,000	0.9761	0.971	0.029	0.030
1,500	0.9675	0.961	0.039	0.040
2,000	0.9602	0.953	0.047	0.049
2,500	0.9538	0.946	0.054	0.057
3,000	0.9481	0.940	0.060	0.063
3,500	0.9430	0.934	0.066	0.069
4,000	0.9382	0.929	0.071	0.075
4,500	0.9338	0.924	0.076	0.080
5,000	0.9296	0.919	0.081	0.085

Deduct. Level	Effect of Deductible on Man.Rate	Selected	Premium Credit	Current Premium Credit
		(15)	(16)	(17)
500	0.9899	0.988	0.012	0.013
1,000	0.9817	0.978	0.022	0.023
1,500	0.9751	0.970	0.030	0.031
2,000	0.9695	0.964	0.036	0.038
2,500	0.9645	0.959	0.041	0.044
3,000	0.9602	0.954	0.046	0.049
3,500	0.9563	0.949	0.051	0.053
4,000	0.9526	0.946	0.054	0.058
4,500	0.9492	0.942	0.058	0.062
5,000	0.9460	0.938	0.062	0.066

2016 DELAWARE DEDUCTIBLE STUDY

Loss Range			Total Incurred Losses (1)	Adj Factor (2) a	Adj Factor (3) b	Adjusted Losses (1)*(2)*(3) (4)
0	-	499	2,046,593	1.000	0.9996	2,045,774
500	-	999	5,048,988	0.995	0.9996	5,021,734
1,000	-	1,499	5,227,832	0.990	0.9996	5,173,483
1,500	-	1,999	4,882,740	0.985	0.9996	4,807,575
2,000	-	2,499	4,615,199	0.980	0.9996	4,521,086
2,500	-	2,999	4,045,230	0.975	0.9996	3,942,522
3,000	-	3,499	3,540,212	0.970	0.9996	3,432,632
3,500	-	3,999	3,372,141	0.965	0.9996	3,252,814
4,000	-	4,499	3,320,596	0.960	0.9996	3,186,497
4,500	-	4,999	3,022,146	0.955	0.9996	2,884,995
5,000	-	& UP	727,303,080	0.950	0.9996	690,661,551

Deduct. Level (5)	# Claims >= Deduct Level (6)	Adj Losses < Deduct. Level (7) c	[(2)*(3)* (5)*(6)] (8)	Adj Tot Ded Collected (7)+(8) (9)
500	32,619	2,045,774	16,221,461	18,267,235
1,000	25,721	7,067,508	25,453,604	32,521,112
1,500	21,470	12,240,991	31,709,236	43,950,227
2,000	18,663	17,048,566	36,564,848	53,613,414
2,500	16,600	21,569,652	40,446,315	62,015,967
3,000	15,126	25,512,174	43,999,053	69,511,227
3,500	14,035	28,944,806	47,384,251	76,329,057
4,000	13,135	32,197,620	50,418,225	82,615,845
4,500	12,353	35,384,117	53,065,783	88,449,900
5,000	11,717	38,269,112	55,633,488	93,902,600

Deduct. Level (5)	Effect of Deductible on Losses (10) d	Effect of Deductible on Manual Rate (11) e
500	0.9869	0.9899
1,000	0.9761	0.9817
1,500	0.9675	0.9751
2,000	0.9602	0.9695
2,500	0.9538	0.9645
3,000	0.9481	0.9602
3,500	0.9430	0.9563
4,000	0.9382	0.9526
4,500	0.9338	0.9492
5,000	0.9296	0.9460

2016 DELAWARE DEDUCTIBLE STUDY

a   Adjustment factor for the amount of the deductible which will
   actually be reimbursed to the insurer by the insured.

b   Adjustment factor to put deductibles on a per occurrence basis
   instead of a per claim basis =   0.9996

c   Downward accumulation of Column (4).

d   Effect of deductible on Losses
    = [A/B - Col(9) + P*C*Col(3)] /(A/B)

                A = Total incurred indemnity on death claims plus
                  total incurred medical on all claims =
                  sum of Column (4) =   728,930,663

                B = Death indemnity losses plus all medical losses
                  as a % of all losses =   0.552
                    Per Table II 2015 , Sect C
                  1.All Losses   1,052,199,850
                  2.Death Indem (00)   81,664
                  3.All Medical (00)   5,724,836
                  4.[((2)+(3))/(1)] * 100   0.552

                C = # of death indemnity claims plus # of claims with
                  some medical portion =   39,772

                P = Processing expense per claim =   25.00

e   Effect of deductible on Manual Rate
    = [(Column (10) * permissible loss ratio) + fixed expenses] /
              (1 - variable expenses)

                Fixed expenses = LAE + General + Admin
                    =   0.1712

                Variable expenses = Acquisition + P&C + Prem Tax
                + Workers' Comp. Fund + Misc. Tax + Prem Discount
                + Uncollectible Premium   =   0.2638

                Permissible Loss Ratio =   0.5650