

DELAWARE COMPENSATION RATING BUREAU, INC.

Delaware Workplace Safety Program and Merit Rating Plan

All experience rated risks are eligible to participate in the Workplace Safety Program. The credit is equal to 20% of the complement of their experience rating plan credibility. Page 29.1 shows Workplace Safety Program data for eligible and participating risks under the program.

Also, a Merit Rating Plan is available for risks not eligible for Experience Rating. In order to qualify for a Merit Rating discount, a risk must have no indemnity claims during the last three completed policy periods. The program is revenue neutral with one indemnity claim and the risk receives a surcharge for two or more indemnity claims.

Page 29.2 shows the surcharge to manual residual market rates and voluntary market loss costs for the Merit Rating Plan and Workplace Safety Program.

DELAWARE COMPENSATION RATING BUREAU, INC.

**DELAWARE WORKPLACE SAFETY PROGRAM
RATING YEAR 2016**

Policy Size		Participating				Eligible		% Participating	
From	To	# Risks	Std Premium	Credit	% Credit	# Risks	Std Premium	# Risks	SEP
3,161	5,000	89	360,541	68,509	19.0%	1,433	5,753,052	6.2%	6.3%
5,001	7,500	154	960,104	182,116	19.0%	1,182	7,267,667	13.0%	13.2%
7,501	10,000	136	1,210,245	225,827	18.7%	778	6,748,303	17.5%	17.9%
10,001	12,500	118	1,324,254	242,910	18.3%	526	5,883,731	22.4%	22.5%
12,501	15,000	87	1,192,592	214,747	18.0%	358	4,879,340	24.3%	24.4%
15,001	17,500	66	1,059,967	187,717	17.7%	276	4,451,192	23.9%	23.8%
17,501	20,000	68	1,269,705	221,163	17.4%	233	4,343,525	29.2%	29.2%
20,001	25,000	119	2,641,985	449,007	17.0%	356	7,881,931	33.4%	33.5%
25,001	30,000	88	2,421,073	396,745	16.4%	244	6,704,490	36.1%	36.1%
30,001	35,000	72	2,332,783	370,625	15.9%	198	6,396,721	36.4%	36.5%
35,001	40,000	46	1,737,553	267,175	15.4%	134	5,027,767	34.3%	34.6%
40,001	45,000	44	1,864,641	278,068	14.9%	111	4,716,509	39.6%	39.5%
45,001	50,000	36	1,716,922	242,485	14.1%	107	5,084,109	33.6%	33.8%
50,001	55,000	36	1,898,849	271,693	14.3%	86	4,509,832	41.9%	42.1%
55,001	60,000	29	1,670,375	228,705	13.7%	79	4,547,450	36.7%	36.7%
60,001	70,000	49	3,193,803	427,586	13.4%	110	7,154,403	44.5%	44.6%
70,001	80,000	34	2,527,863	323,821	12.8%	80	5,983,320	42.5%	42.2%
80,001	90,000	34	2,881,667	357,495	12.4%	78	6,611,853	43.6%	43.6%
90,001	100,000	25	2,357,098	272,505	11.6%	66	6,289,053	37.9%	37.5%
100,001	200,000	127	17,653,950	1,722,352	9.8%	293	41,389,233	43.3%	42.7%
200,001	300,000	43	10,575,759	773,803	7.3%	116	28,160,415	37.1%	37.6%
300,001	400,000	15	5,257,413	292,742	5.6%	57	19,614,179	26.3%	26.8%
400,001	500,000	8	3,627,068	222,175	6.1%	27	12,056,699	29.6%	30.1%
500,001	1,000,000	11	8,166,922	286,866	3.5%	49	33,780,671	22.4%	24.2%
1,000,001	& higher	3	5,406,147	105,598	2.0%	39	80,763,115	7.7%	6.7%
Grand Total		1,537	85,309,279	8,632,435	10.1%	7,016	325,998,560	21.9%	26.2%

Average Credit - All Eligible Risks

2.65%

Delaware Compensation Rating Bureau, Inc.

Offset for Merit Rating Plan and Workplace Safety Program - December 1, 2017

Risk Type	Manual Premium	Merit Rating Adjustment	%	Workplace Safety Adjustment	%	Combined Adjustment	%
Non-Rated Risks							
1. Not Qualified for MRP	7,564,132	-	0.00%			-	0.00%
2. Qualified for MRP Discount	10,041,394	(502,197)	-5.00%			(502,197)	-5.00%
3. Qualified for MRP No Adjustment	738,184	-	0.00%			-	0.00%
4. Qualified for MRP Surcharge	187,462	9,374	5.00%			9,374	5.00%
Total Non-Rated Risks	18,531,172	(492,823)	-2.66%			(492,823)	-2.66%
Experience Rated Risks	218,425,573			(5,783,905)	-2.65%	(5,783,905)	-2.65%
All Risks	236,956,745	(492,823)	-0.21%	(5,783,905)	-2.44%	(6,276,728)	-2.65%
Adjustment to Manual Premium *							2.72% *

* .0272 = 236,956,745 / (236,956,745-6,276,278) - 1.0