

DELAWARE COMPENSATION RATING BUREAU, INC. (DCRB)

ANALYSIS OF EXPERIENCE UNDER THE DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP)

The DCCPAP program responds to wage differentials within the construction industry, providing a program of premium credits to higher-wage employers. These credits are offset by loadings applied to construction classifications reflecting the portion of employers participating in the program and the average premium credit obtained by those participating businesses, thus maintaining the required premium level in each classification. The table of qualifying wages applicable to the DCCPAP is regularly amended based on actual changes to statewide average wage levels. Such filings are subject to review and approval by the Department of Insurance. The most recent update was effective June 1, 2020.

The DCRB has compiled and reviewed aggregate statistical data for the above-referenced program. This data covers Policy Years 1994 (Exhibit I) through 2016 (Exhibit XXIII). Also shown is the total of those years (Exhibit XXIV).

Exhibits I through XXIV each present 16 statistics (described in the Appendix below) separately for each of the following three groups of policies:

1. Construction classification experience for policies eligible for participation in the DCCPAP during the indicated 12-month experience period (Column (1)). Policies including construction classifications may also include other classifications outside the construction (or 600) series. Experience for such non-construction classifications is excluded from Exhibits I through XXIV.
2. Construction classification experience for policies eligible for, and participating in, the DCCPAP during the indicated 12-month experience period (Column (2)).
3. Construction classification experience for policies eligible for, but not participating in, the DCCPAP during the indicated 12-month experience period (Column (3)).

The following summary observations are based on a review of the attached Exhibits I through XXIV:

- Indicated DCCPAP credits vary considerably from year to year, ranging from an indicated credit of 60.2 percent for 2002 to an indicated debit of 223.2 percent in 2015. For nine of the 23 years shown (1995, 1998, 2002, 2003, 2009, 2010, 2011, 2013 and 2016), the indicated credit exceeded the actual credit given. For 13 of the 23 years shown, reported experience indicates a debit or surcharge adjustment for DCCPAP participating risks. For the period 1994 through 2016, in total, a debit of 1.8 percent was indicated for DCCPAP participating risks.
- Results in Delaware are highly volatile and sensitive to the incidence of large claims. For example, while non-participants had a favorable loss ratio of 37.6 percent in Policy Year 2015 at first report, participants had an atypical 146.2 percent loss ratio, which included two large losses totaling \$14 million. Excluding those two losses, the loss ratio for participants would have been 31.5 percent, slightly lower than that of the non-participants. Similarly, participants for Policy Years 2005, 2008 and 2014 and non-

participants for Policy Year 2002 had unfavorable loss ratios due to large losses. For each of those four policy years, eliminating the large losses would have reduced the unfavorable loss ratio by at least one-third.

- For Policy Year 2016, 14.7 percent of eligible risks participated in the DCCPAP program, down from Policy Year 2015. The portion of eligible risks participating was relatively stable from 1998 through 2004, declined from 2005 through 2008, increased from 2009 through 2011 and has decreased since then, with 2016 representing the lowest level of participation. The premium for participating risks represented 33.3 percent of total premium on eligible risks in 2016, down from the 36.6 percent shown in 2015. The percentage of premium for participating risks tends to fluctuate from year to year within the range of approximately 33 to 49 percent.
- Average DCCPAP credits given to participating risks have been in the 13 to 18 percent range during the period 1994 through 2016 and have averaged 15.3 percent, 17 percentage points higher than the indicated credit for the same period. Policy Year 2016 shows an average credit of 17.5 percent, an increase of 0.6 percentage points from the Policy Year 2015 average credit.
- Claim frequency had been consistently lower for participating DCCPAP risks than for non-participating risks for Policy Years 1994 through 2003, and for Policy Years 2011 through 2014. However, for Policy Years 2004 through 2010, 2015 and 2016, just the opposite was true.
- Claim severity has varied over the years. It has been higher for participating DCCPAP risks than for non-participating risks in 14 of the 23 years shown, with the extent of those observed differences varying significantly from year to year.
- The fact that the indicated DCCPAP credits for participating employers may be smaller in a given year than those actually granted does not necessarily mean that the employers in question should have paid higher workers compensation premium than they, in fact, did. The comparisons done in Exhibits I through XXIV are based on DCRB loss costs only. Actual workers compensation premium paid by both participating and non-participating employers in those years were affected by many pricing parameters, programs and considerations not reflected in those loss costs. Such additional pricing factors would include, but not be limited to, individual insurers' respective loss cost multipliers, schedule rating credits or debits, dividend plans, retrospective rating plans and sub-classifications.

APPENDIX

Described below are the 16 statistics used in the DCCPAP analysis shown in the attached Exhibits I through XXIV:

- (1) Number of Policies: The number of policies issued to the groups of employers described in each column of Exhibits I through XXIV. Note that some Delaware employers may not have a workers compensation policy (i.e., self-insureds or those not subject to mandatory coverage), and some insured employers may change insurers and, thus, may have different policies in effect during a given year(s).
- (2) Standard Premium: This is premium at DCRB loss cost level, absent both the tabular DCCPAP credit and the adjustment to experience modifications made where applicable for those policies. The current DCCPAP load on manual rates is omitted from this calculation.
- (3) Average Premium: Computed by dividing total standard premium by the number of policies reported.
- (4) DCCPAP Net Credits: These are the total premium credits given under DCCPAP to participating employers included in each column of Exhibits I through XXIV.
- (5) Net Premium: The standard premium less any applicable DCCPAP credits. For non-participating employers, net premium and standard premium are equal because no DCCPAP credits were applied.
- (6) Number of Indemnity Claims: The number of indemnity claims reported on the policies described in each column of Exhibits I through XXIV. Indemnity claims are cases involving some wage loss or other form of benefit payable to the worker or their dependents in addition to any applicable treatment costs.
- (7) Number of Total Claims: The total number of claims reported on the policies described in each column of Exhibits I through XXIV. These counts include indemnity claims as well as medical only claims, those cases involving only payment of medical treatment costs.
- (8) Indemnity Claim Frequency: The number of indemnity claims reported per \$1,000 of standard premium in each group of policies presented in Exhibits I through XXIV.
- (9) Total Claim Frequency: The number of total claims reported per \$1,000 of standard premium in each group of policies presented in Exhibits I through XXIV. Total claim frequency is shown bold-faced and underlined, as this statistic is one of the key bases of comparison between employer groups used in the DCRB's review of the DCCPAP.

- (10) Incurred Losses: The reported dollar value of losses incurred on the various groups of policies presented on Exhibits I through XXIV for indemnity and medical only claims.
- (11) Average Claim: Total incurred losses divided by the total number of claims. Average claim amounts are shown bold-faced and underlined, as this statistic is another of the key bases of comparison between employer groups used in the DCRB's review of the DCCPAP.
- (12) Loss Ratio: The total incurred losses divided by the net premium for each group of policies presented on Exhibits I through XXIV. Loss ratios are shown bold-faced and underlined, as this statistic is the third key basis of comparison between employer groups used in the DCRB's review of the DCCPAP.

The last four experience statistics are computed only for Column (2) in each exhibit, which is the only column exclusively comprised of participants in the DCCPAP. These statistics are described below:

- (13) Net Premium to Balance DCCPAP and Non-DCCPAP Loss Ratios: This is the amount of net premium which would produce the same loss ratio for the DCCPAP participants studied in each exhibit's Column (2) as was reported for all non-participating employers.
- (14) Indicated DCCPAP Credits to Balance: This is the difference between standard premium for the DCCPAP participants studied in each exhibit's Column (2) and the balancing net premium computed in Item (13).
- (15) Average DCCPAP Credit Factor: This is the average ratio of DCCPAP credits actually granted to standard premium for the DCCPAP participants studied in each exhibit's Column (2). This average DCCPAP credit is shown bold-faced and underlined, as this statistic is a key measure of the operation of the DCCPAP.
- (16) Indicated DCCPAP Credit Factor: This is the average DCCPAP credit or debit ratio that would have resulted in the balancing DCCPAP credits computed in Item (14). This indicated DPCCPAP credit is shown bold-faced and underlined, as this statistic is a key measure of the operation of the DCCPAP, especially for purposes of comparison to the actual average DCCPAP credit shown in Item (15).

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 1994)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,075	750	2,325
(2) Standard Premium	\$28,705,088	\$12,906,750	\$15,798,338
(3) Average Premium (2)/(1)	\$9,335	\$17,209	\$6,795
(4) DCCPAP Net Credits	\$1,923,427	\$1,923,427	\$0
(5) Net Premium (2) - (4)	\$26,781,661	\$10,983,323	\$15,798,338
(6) # of Indemnity Claims	562	254	308
(7) # of Total Claims	1,876	831	1,045
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0196	0.0197	0.0195
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0654</u>	<u>0.0644</u>	<u>0.0661</u>
(10) Incurred Losses	\$10,226,787	\$5,113,529	\$5,113,258
(11) Average Claim (10)/(7)	<u>\$5,451</u>	<u>\$6,153</u>	<u>\$4,893</u>
(12) Loss Ratio (10)/(5)	<u>38.2%</u>	<u>46.6%</u>	<u>32.4%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$15,797,002	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$2,890,252	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1490</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.2239</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 1995)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,228	845	2,383
(2) Standard Premium	\$26,828,270	\$12,288,513	\$14,539,757
(3) Average Premium (2)/(1)	\$8,311	\$14,543	\$6,101
(4) DCCPAP Net Credits	\$1,805,209	\$1,805,209	\$0
(5) Net Premium (2) - (4)	\$25,023,061	\$10,483,304	\$14,539,757
(6) # of Indemnity Claims	636	281	355
(7) # of Total Claims	1,896	823	1,073
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0237	0.0229	0.0244
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0707</u>	<u>0.0670</u>	<u>0.0738</u>
(10) Incurred Losses	\$13,359,967	\$4,940,626	\$8,419,341
(11) Average Claim (10)/(7)	<u>\$7,046</u>	<u>\$6,003</u>	<u>\$7,847</u>
(12) Loss Ratio (10)/(5)	<u>53.4%</u>	<u>47.1%</u>	<u>57.9%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$8,527,869	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$3,760,644	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1469</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.3060</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 1996)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,265	891	2,374
(2) Standard Premium	\$30,845,511	\$14,713,140	\$16,132,371
(3) Average Premium (2)/(1)	\$9,447	\$16,513	\$6,795
(4) DCCPAP Net Credits	\$2,435,317	\$2,435,317	\$0
(5) Net Premium (2) - (4)	\$28,410,194	\$12,277,823	\$16,132,371
(6) # of Indemnity Claims	706	337	369
(7) # of Total Claims	2,058	949	1,109
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0229	0.0229	0.0229
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0667</u>	<u>0.0645</u>	<u>0.0687</u>
(10) Incurred Losses	\$13,731,244	\$7,330,483	\$6,400,761
(11) Average Claim (10)/(7)	<u>\$6,672</u>	<u>\$7,724</u>	<u>\$5,772</u>
(12) Loss Ratio (10)/(5)	<u>48.3%</u>	<u>59.7%</u>	<u>39.7%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$18,463,124	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$3,749,984	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1655</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.2549</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 1997)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,286	868	2,418
(2) Standard Premium	\$30,012,638	\$14,529,798	\$15,482,840
(3) Average Premium (2)/(1)	\$9,133	\$16,739	\$6,403
(4) DCCPAP Net Credits	\$2,418,195	\$2,418,195	\$0
(5) Net Premium (2) - (4)	\$27,594,443	\$12,111,603	\$15,482,840
(6) # of Indemnity Claims	551	247	304
(7) # of Total Claims	1,750	793	957
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0184	0.0170	0.0196
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0583</u>	<u>0.0546</u>	<u>0.0618</u>
(10) Incurred Losses	\$12,856,011	\$6,409,019	\$6,446,992
(11) Average Claim (10)/(7)	<u>\$7,346</u>	<u>\$8,082</u>	<u>\$6,737</u>
(12) Loss Ratio (10)/(5)	<u>46.6%</u>	<u>52.9%</u>	<u>41.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$15,401,534	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$871,736	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1664</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.0600</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 1998)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,324	760	2,564
(2) Standard Premium	\$32,895,515	\$16,077,983	\$16,817,532
(3) Average Premium (2)/(1)	\$9,896	\$21,155	\$6,559
(4) DCCPAP Net Credits	\$2,377,197	\$2,377,197	\$0
(5) Net Premium (2) - (4)	\$30,518,318	\$13,700,786	\$16,817,532
(6) # of Indemnity Claims	569	245	324
(7) # of Total Claims	1,726	792	934
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0173	0.0152	0.0193
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0525</u>	<u>0.0493</u>	<u>0.0555</u>
(10) Incurred Losses	\$12,505,824	\$4,834,482	\$7,671,342
(11) Average Claim (10)/(7)	<u>\$7,246</u>	<u>\$6,104</u>	<u>\$8,213</u>
(12) Loss Ratio (10)/(5)	<u>41.0%</u>	<u>35.3%</u>	<u>45.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$10,606,091	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$5,471,892	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1479</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.3403</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 1999)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,396	764	2,632
(2) Standard Premium	\$31,097,475	\$12,927,621	\$18,169,854
(3) Average Premium (2)/(1)	\$9,157	\$16,921	\$6,903
(4) DCCPAP Net Credits	\$1,799,906	\$1,799,906	\$0
(5) Net Premium (2) - (4)	\$29,297,569	\$11,127,715	\$18,169,854
(6) # of Indemnity Claims	576	230	346
(7) # of Total Claims	1,720	692	1,028
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0185	0.0178	0.0190
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0553</u>	<u>0.0535</u>	<u>0.0566</u>
(10) Incurred Losses	\$14,543,525	\$6,479,070	\$8,064,455
(11) Average Claim (10)/(7)	<u>\$8,456</u>	<u>\$9,363</u>	<u>\$7,845</u>
(12) Loss Ratio (10)/(5)	<u>49.6%</u>	<u>58.2%</u>	<u>44.4%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$14,586,329	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$1,658,708	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1392</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.1283</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2000)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,474	800	2,674
(2) Standard Premium	\$31,597,190	\$14,182,945	\$17,414,245
(3) Average Premium (2)/(1)	\$9,095	\$17,729	\$6,512
(4) DCCPAP Net Credits	\$2,011,566	\$2,011,566	\$0
(5) Net Premium (2) - (4)	\$29,585,624	\$12,171,379	\$17,414,245
(6) # of Indemnity Claims	557	226	331
(7) # of Total Claims	1,704	657	1,047
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0176	0.0159	0.0190
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0539</u>	<u>0.0463</u>	<u>0.0601</u>
(10) Incurred Losses	\$15,200,030	\$6,906,998	\$8,293,032
(11) Average Claim (10)/(7)	<u>\$8,920</u>	<u>\$10,513</u>	<u>\$7,921</u>
(12) Loss Ratio (10)/(5)	<u>51.4%</u>	<u>56.7%</u>	<u>47.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$14,498,260	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$315,315	
(15) Average DCCPAP Credit Factor (4)/(2)		<u>0.1418</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.0222</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2001)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,360	721	2,639
(2) Standard Premium	\$32,133,580	\$13,931,427	\$18,202,153
(3) Average Premium (2)/(1)	\$9,564	\$19,322	\$6,897
(4) DCCPAP Net Credits	\$2,016,839	\$2,016,839	\$0
(5) Net Premium (2) - (4)	\$30,116,741	\$11,914,588	\$18,202,153
(6) # of Indemnity Claims	553	227	326
(7) # of Total Claims	1,602	655	947
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0172	0.0163	0.0179
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0499</u>	<u>0.0470</u>	<u>0.0520</u>
(10) Incurred Losses	\$16,368,381	\$7,043,223	\$9,325,158
(11) Average Claim (10)/(7)	<u>\$10,217</u>	<u>\$10,753</u>	<u>\$9,847</u>
(12) Loss Ratio (10)/(5)	<u>54.3%</u>	<u>59.1%</u>	<u>51.2%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$13,752,972	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$178,455	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1448</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.0128</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2002)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,331	747	2,584
(2) Standard Premium	\$34,480,377	\$15,673,789	\$18,806,588
(3) Average Premium (2)/(1)	\$10,351	\$20,982	\$7,278
(4) DCCPAP Net Credits	\$2,106,815	\$2,106,815	\$0
(5) Net Premium (2) - (4)	\$32,373,562	\$13,566,974	\$18,806,588
(6) # of Indemnity Claims	520	209	311
(7) # of Total Claims	1,438	612	826
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0151	0.0133	0.0165
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0417</u>	<u>0.0390</u>	<u>0.0439</u>
(10) Incurred Losses	\$25,326,600	\$6,311,483	\$19,015,117
(11) Average Claim (10)/(7)	<u>\$17,612</u>	<u>\$10,313</u>	<u>\$23,021</u>
(12) Loss Ratio (10)/(5)	<u>78.2%</u>	<u>46.5%</u>	<u>101.1%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$6,240,003	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$9,433,786	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1344</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.6019</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2003)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,525	783	2,742
(2) Standard Premium	\$42,596,946	\$20,259,524	\$22,337,422
(3) Average Premium (2)/(1)	\$12,084	\$25,874	\$8,146
(4) DCCPAP Net Credits	\$2,674,801	\$2,674,801	\$0
(5) Net Premium (2) - (4)	\$39,922,145	\$17,584,723	\$22,337,422
(6) # of Indemnity Claims	524	204	320
(7) # of Total Claims	1,392	598	794
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0123	0.0101	0.0143
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0327</u>	<u>0.0295</u>	<u>0.0355</u>
(10) Incurred Losses	\$20,563,474	\$7,655,467	\$12,908,007
(11) Average Claim (10)/(7)	<u>\$14,773</u>	<u>\$12,802</u>	<u>\$16,257</u>
(12) Loss Ratio (10)/(5)	<u>51.5%</u>	<u>43.5%</u>	<u>57.8%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$13,234,177	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$7,025,347	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1320</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.3468</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2004)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,585	797	2,788
(2) Standard Premium	\$50,051,147	\$21,541,559	\$28,509,588
(3) Average Premium (2)/(1)	\$13,961	\$27,028	\$10,226
(4) DCCPAP Net Credits	\$2,919,050	\$2,919,050	\$0
(5) Net Premium (2) - (4)	\$47,132,097	\$18,622,509	\$28,509,588
(6) # of Indemnity Claims	517	220	297
(7) # of Total Claims	1,356	643	713
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0103	0.0102	0.0104
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0271</u>	<u>0.0298</u>	<u>0.0250</u>
(10) Incurred Losses	\$23,219,498	\$11,859,312	\$11,360,186
(11) Average Claim (10)/(7)	<u>\$17,124</u>	<u>\$18,444</u>	<u>\$15,933</u>
(12) Loss Ratio (10)/(5)	<u>49.3%</u>	<u>63.7%</u>	<u>39.8%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$29,805,372	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$8,263,813	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1355</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.3836</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2005)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,650	735	2,915
(2) Standard Premium	\$63,180,349	\$24,834,708	\$38,345,641
(3) Average Premium (2)/(1)	\$17,310	\$33,789	\$13,155
(4) DCCPAP Net Credits	\$3,487,131	\$3,487,131	\$0
(5) Net Premium (2) - (4)	\$59,693,218	\$21,347,577	\$38,345,641
(6) # of Indemnity Claims	484	220	264
(7) # of Total Claims	1,307	600	707
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0077	0.0089	0.0069
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0207</u>	<u>0.0242</u>	<u>0.0184</u>
(10) Incurred Losses	\$24,962,141	\$13,235,023	\$11,727,118
(11) Average Claim (10)/(7)	<u>\$19,099</u>	<u>\$22,058</u>	<u>\$16,587</u>
(12) Loss Ratio (10)/(5)	<u>41.8%</u>	<u>62.0%</u>	<u>30.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$43,253,261	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$18,418,553	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1404</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.7416</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2006)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,702	721	2,981
(2) Standard Premium	\$69,508,734	\$26,960,399	\$42,548,335
(3) Average Premium (2)/(1)	\$18,776	\$37,393	\$14,273
(4) DCCPAP Net Credits	\$3,804,548	\$3,804,548	\$0
(5) Net Premium (2) - (4)	\$65,704,186	\$23,155,851	\$42,548,335
(6) # of Indemnity Claims	428	182	246
(7) # of Total Claims	1,228	530	698
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0062	0.0068	0.0058
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0177</u>	<u>0.0197</u>	<u>0.0164</u>
(10) Incurred Losses	\$18,167,027	\$8,081,608	\$10,085,419
(11) Average Claim (10)/(7)	<u>\$14,794</u>	<u>\$15,248</u>	<u>\$14,449</u>
(12) Loss Ratio (10)/(5)	<u>27.6%</u>	<u>34.9%</u>	<u>23.7%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$34,098,700	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$7,138,301	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1411</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.2648</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2007)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,586	670	2,916
(2) Standard Premium	\$65,252,934	\$27,088,872	\$38,164,062
(3) Average Premium (2)/(1)	\$18,197	\$40,431	\$13,088
(4) DCCPAP Net Credits	\$3,954,097	\$3,954,097	\$0
(5) Net Premium (2) - (4)	\$61,298,837	\$23,134,775	\$38,164,062
(6) # of Indemnity Claims	370	167	203
(7) # of Total Claims	1,060	497	563
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0057	0.0062	0.0053
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0162</u>	<u>0.0183</u>	<u>0.0148</u>
(10) Incurred Losses	\$17,583,284	\$8,532,563	\$9,050,721
(11) Average Claim (10)/(7)	<u>\$16,588</u>	<u>\$17,168</u>	<u>\$16,076</u>
(12) Loss Ratio (10)/(5)	<u>28.7%</u>	<u>36.9%</u>	<u>23.7%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$36,019,966	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$8,931,094	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1460</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.3297</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2008)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,520	610	2,910
(2) Standard Premium	\$47,462,183	\$19,181,895	\$28,280,288
(3) Average Premium (2)/(1)	\$13,484	\$31,446	\$9,718
(4) DCCPAP Net Credits	\$3,444,923	\$3,444,923	\$0
(5) Net Premium (2) - (4)	\$44,017,260	\$15,736,972	\$28,280,288
(6) # of Indemnity Claims	294	100	194
(7) # of Total Claims	842	349	493
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0062	0.0052	0.0069
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0177</u>	<u>0.0182</u>	<u>0.0174</u>
(10) Incurred Losses	\$18,803,545	\$9,748,506	\$9,055,039
(11) Average Claim (10)/(7)	<u>\$22,332</u>	<u>\$27,933</u>	<u>\$18,367</u>
(12) Loss Ratio (10)/(5)	<u>42.7%</u>	<u>61.9%</u>	<u>32.0%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$30,441,205	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$11,259,310	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1796</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.5870</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2009)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,231	570	2,661
(2) Standard Premium	\$34,815,333	\$13,075,564	\$21,739,769
(3) Average Premium (2)/(1)	\$10,775	\$22,940	\$8,170
(4) DCCPAP Net Credits	\$2,362,267	\$2,362,267	\$0
(5) Net Premium (2) - (4)	\$32,453,066	\$10,713,297	\$21,739,769
(6) # of Indemnity Claims	243	78	165
(7) # of Total Claims	712	268	444
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0070	0.0060	0.0076
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0205</u>	<u>0.0205</u>	<u>0.0204</u>
(10) Incurred Losses	\$17,288,455	\$5,199,391	\$12,089,064
(11) Average Claim (10)/(7)	<u>\$24,282</u>	<u>\$19,401</u>	<u>\$27,228</u>
(12) Loss Ratio (10)/(5)	<u>53.3%</u>	<u>48.5%</u>	<u>55.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$9,345,232	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$3,730,332	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1807</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.2853</u>	

DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2010)
Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,277	596	2,681
(2) Standard Premium	\$32,302,638	\$11,631,461	\$20,671,177
(3) Average Premium (2)/(1)	\$9,857	\$19,516	\$7,710
(4) DCCPAP Net Credits	\$1,858,433	\$1,858,433	\$0
(5) Net Premium (2) - (4)	\$30,444,205	\$9,773,028	\$20,671,177
(6) # of Indemnity Claims	285	94	191
(7) # of Total Claims	706	270	436
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0088	0.0081	0.0092
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0219</u>	<u>0.0232</u>	<u>0.0211</u>
(10) Incurred Losses	\$18,411,024	\$4,224,588	\$14,186,436
(11) Average Claim (10)/(7)	<u>\$26,078</u>	<u>\$15,647</u>	<u>\$32,538</u>
(12) Loss Ratio (10)/(5)	<u>60.5%</u>	<u>43.2%</u>	<u>68.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$6,154,443	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$5,477,018	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1598</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.4709</u>	

DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2011)
Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,309	643	2,666
(2) Standard Premium	\$28,857,158	\$11,355,560	\$17,501,598
(3) Average Premium (2)/(1)	\$8,721	\$17,660	\$6,565
(4) DCCPAP Net Credits	\$1,895,753	\$1,895,753	\$0
(5) Net Premium (2) - (4)	\$26,961,405	\$9,459,807	\$17,501,598
(6) # of Indemnity Claims	233	83	150
(7) # of Total Claims	619	237	382
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0081	0.0073	0.0086
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0215</u>	<u>0.0209</u>	<u>0.0218</u>
(10) Incurred Losses	\$20,395,315	\$4,790,839	\$15,604,476
(11) Average Claim (10)/(7)	<u>\$32,949</u>	<u>\$20,215</u>	<u>\$40,849</u>
(12) Loss Ratio (10)/(5)	<u>75.6%</u>	<u>50.6%</u>	<u>89.2%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$5,366,213	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$5,989,347	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1669</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.5274</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2012)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,312	639	2,673
(2) Standard Premium	\$30,511,693	\$12,839,279	\$17,672,414
(3) Average Premium (2)/(1)	\$9,212	\$20,093	\$6,611
(4) DCCPAP Net Credits	\$2,195,624	\$2,195,624	\$0
(5) Net Premium (2) - (4)	\$28,316,069	\$10,643,655	\$17,672,414
(6) # of Indemnity Claims	229	98	131
(7) # of Total Claims	591	237	354
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0075	0.0076	0.0074
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0194</u>	<u>0.0185</u>	<u>0.0200</u>
(10) Incurred Losses	\$12,086,289	\$5,164,803	\$6,921,486
(11) Average Claim (10)/(7)	<u>\$20,451</u>	<u>\$21,792</u>	<u>\$19,552</u>
(12) Loss Ratio (10)/(5)	<u>42.7%</u>	<u>48.5%</u>	<u>39.2%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$13,168,808	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$329,529	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1710</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.0257</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2013)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,237	573	2,664
(2) Standard Premium	\$34,710,917	\$13,499,305	\$21,211,612
(3) Average Premium (2)/(1)	\$10,723	\$23,559	\$7,962
(4) DCCPAP Net Credits	\$2,258,096	\$2,258,096	\$0
(5) Net Premium (2) - (4)	\$32,452,821	\$11,241,209	\$21,211,612
(6) # of Indemnity Claims	208	72	136
(7) # of Total Claims	605	214	391
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0060	0.0053	0.0064
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0174</u>	<u>0.0159</u>	<u>0.0184</u>
(10) Incurred Losses	\$14,395,086	\$4,563,925	\$9,831,161
(11) Average Claim (10)/(7)	<u>\$23,794</u>	<u>\$21,327</u>	<u>\$25,144</u>
(12) Loss Ratio (10)/(5)	<u>44.4%</u>	<u>40.6%</u>	<u>46.3%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$9,857,302	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$3,642,003	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1673</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.2698</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2014)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,258	543	2,715
(2) Standard Premium	\$40,152,193	\$14,381,468	\$25,770,725
(3) Average Premium (2)/(1)	\$12,324	\$26,485	\$9,492
(4) DCCPAP Net Credits	\$2,412,893	\$2,412,893	\$0
(5) Net Premium (2) - (4)	\$37,739,300	\$11,968,575	\$25,770,725
(6) # of Indemnity Claims	198	69	129
(7) # of Total Claims	614	210	404
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0049	0.0048	0.0050
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0153</u>	<u>0.0146</u>	<u>0.0157</u>
(10) Incurred Losses	\$21,591,958	\$10,631,742	\$10,960,216
(11) Average Claim (10)/(7)	<u>\$35,166</u>	<u>\$50,627</u>	<u>\$27,129</u>
(12) Loss Ratio (10)/(5)	<u>57.2%</u>	<u>88.8%</u>	<u>42.5%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$25,007,281	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$10,625,813	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1678</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.7389</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2015)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,234	524	2,710
(2) Standard Premium	\$40,088,403	\$14,653,320	\$25,435,083
(3) Average Premium (2)/(1)	\$12,396	\$27,964	\$9,386
(4) DCCPAP Net Credits	\$2,473,896	\$2,473,896	\$0
(5) Net Premium (2) - (4)	\$37,614,507	\$12,179,424	\$25,435,083
(6) # of Indemnity Claims	229	73	156
(7) # of Total Claims	639	245	394
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0057	0.0050	0.0061
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0159</u>	<u>0.0167</u>	<u>0.0155</u>
(10) Incurred Losses	\$27,370,742	\$17,803,416	\$9,567,326
(11) Average Claim (10)/(7)	<u>\$42,834</u>	<u>\$72,667</u>	<u>\$24,283</u>
(12) Loss Ratio (10)/(5)	<u>72.8%</u>	<u>146.2%</u>	<u>37.6%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$47,357,228	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$32,703,908	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1688</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-2.2318</u>	

**DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (POLICY YEAR 2016)**

Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	3,251	478	2,773
(2) Standard Premium	\$47,434,368	\$15,792,955	\$31,641,413
(3) Average Premium (2)/(1)	\$14,591	\$33,040	\$11,411
(4) DCCPAP Net Credits	\$2,757,521	\$2,757,521	\$0
(5) Net Premium (2) - (4)	\$44,676,847	\$13,035,434	\$31,641,413
(6) # of Indemnity Claims	230	81	149
(7) # of Total Claims	630	220	410
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0048	0.0051	0.0047
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0133</u>	<u>0.0139</u>	<u>0.0130</u>
(10) Incurred Losses	\$22,431,306	\$4,771,237	\$17,660,069
(11) Average Claim (10)/(7)	<u>\$35,605</u>	<u>\$21,687</u>	<u>\$43,073</u>
(12) Loss Ratio (10)/(5)	<u>50.2%</u>	<u>36.6%</u>	<u>55.8%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LRs: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$8,550,123	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		\$7,242,832	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1746</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>0.4586</u>	

DELAWARE CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (DCCPAP) ANALYSIS
DCCPAP CREDIT (TOTAL OF POLICY YEARS 1994 THROUGH 2016)
Excludes Experience for Non-Construction Classifications on DCCPAP Policies

	(1) Total All Policies	(2) DCCPAP Participating Policies	(3) Non-DCCPAP Policies
(1) Number of Policies	77,416	16,028	61,388
(2) Standard Premium	\$905,520,640	\$374,327,835	\$531,192,805
(3) Average Premium (2)/(1)	\$11,697	\$23,355	\$8,653
(4) DCCPAP Net Credits	\$57,393,504	\$57,393,504	\$0
(5) Net Premium (2) - (4)	\$848,127,136	\$316,934,331	\$531,192,805
(6) # of Indemnity Claims	9,702	3,997	5,705
(7) # of Total Claims	28,071	11,922	16,149
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0107	0.0107	0.0107
(9) Total Claim Frequency (7)/{(2)/1,000}	<u>0.0310</u>	<u>0.0318</u>	<u>0.0304</u>
(10) Incurred Losses	\$411,387,513	\$171,631,333	\$239,756,180
(11) Average Claim (10)/(7)	<u>\$14,655</u>	<u>\$14,396</u>	<u>\$14,847</u>
(12) Loss Ratio (10)/(5)	<u>48.5%</u>	<u>54.2%</u>	<u>45.1%</u>
(13) Net Premium to Balance DCCPAP & Non-DCCPAP LR: Col(2)Line(5)*Col(2)Line(12)/Col(3)Line(12)		\$380,883,387	
(14) Indicated DCCPAP Credits to Balance (2)-(13)		-\$6,555,552	
(15) Average DPCCPAP Credit Factor (4)/(2)		<u>0.1533</u>	
(16) Indicated DCCPAP Credit Factor (14)/(2)		<u>-0.0175</u>	