

DELAWARE COMPENSATION RATING BUREAU, INC.

Claim Frequencies

The attached exhibits examine historical Workers Compensation claim frequencies in Delaware.

Claim frequencies per \$1 million of expected losses are shown on Page 1 based on statistics gathered by the DCRB. For informational purposes, claim frequencies are also shown at constant (2011) wage levels. The data excludes the experience of deductible business.

The second page shows Unit Statistical Data reported claim counts and the associated claim development factors for experience excluding deductible business.

The third page shows a graph of the frequencies appearing in column (7) of Page 1.

Delaware W.C - Claim Frequencies
DCRB Unit Statistical Plan
(Excluding Deductible Business)

Policy Year	Reported Claim Counts (1)	Indemnity Claim Dev Factors (2)	Ultimate Claim Counts (3)	% Change Counts (4)	Expected Losses (5)	% Change Expected Loss (6)	Claim Frequency (# Claims per \$1 million) (7)	% Change Claim Freq (8)
2011	1,315	1.000	1,315		76,273,988		17.24	
2012	1,226	1.000	1,226	-6.8%	78,564,166	3.0%	15.61	-9.5%
2013	1,277	1.000	1,277	4.2%	80,121,919	2.0%	15.94	2.1%
2014	1,121	1.000	1,121	-12.2%	81,383,215	1.6%	13.77	-13.6%
2015	1,225	1.000	1,225	9.3%	85,521,211	5.1%	14.32	4.0%
2016	1,127	1.000	1,127	-8.0%	91,584,499	7.1%	12.31	-14.0%
2017	1,205	1.001	1,206	7.0%	96,533,575	5.4%	12.49	1.5%
2018	1,101	1.003	1,104	-8.5%	99,213,217	2.8%	11.13	-10.9%
2019	1,088	1.013	1,102	-0.1%	99,411,347	0.2%	11.09	-0.4%
2020	1,007	1.039	1,047	-5.1%	100,048,163	0.6%	10.46	-5.7%
2021 *	702	1.368	960	-8.3%	102,277,689	2.2%	9.39	-10.2%

Period	Annual % Change in Claim Frequency	Period	Annual % Change In Claim Frequency
PY11-PY21	-5.6%	PY11-PY20	-5.4%
PY12-PY21	-5.5%	PY12-PY20	-5.3%
PY13-PY21	-5.8%	PY13-PY20	-5.5%
PY14-PY21	-5.4%	PY14-PY20	-5.0%
PY15-PY21	-5.9%	PY15-PY20	-5.6%
PY16-PY21	-5.3%	PY16-PY20	-4.3%
PY17-PY21	-6.1%	PY17-PY20	-5.2%
PY18-PY21	-5.5%	PY18-PY20	-3.1%
PY19-PY21	-8.0%	PY19-PY20	-5.7%
PY20-PY21	-10.2%		

* Includes approximately first 8.25 months of Policy Year 2021, so the expected losses were adjusted to be a complete year.
Note: Expected Losses for PYs 2019 to 2021 were adjusted for 3% excess wage trend compared to historical averages due to the effects of the pandemic.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency # Claims per \$1 million	% Change Adj Claim Frequency
2011	979.6		1.0000		
2012	995.0	1.6%	1.0157	15.85	
2013	1,011.1	1.6%	1.0321	16.45	3.8%
2014	1,024.0	1.3%	1.0453	14.40	-12.5%
2015	1,030.8	0.7%	1.0523	15.07	4.7%
2016	1,059.4	2.8%	1.0815	13.31	-11.7%
2017	1,079.1	1.9%	1.1015	13.76	3.4%
2018	1,106.1	2.5%	1.1291	12.56	-8.7%
2019	1,149.3	3.9%	1.1732	13.01	3.6%
2020	1,212.2	5.5%	1.2374	12.94	-0.5%
2021	1,274.7	5.2%	1.3013	12.21	-5.6%

Period	Annual % Change in Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY11-PY21		PY11-PY21	2.5%
PY12-PY21	-3.0%	PY12-PY21	2.6%
PY13-PY21	-3.1%	PY13-PY21	2.9%
PY14-PY21	-2.4%	PY14-PY21	3.2%
PY15-PY21	-2.6%	PY15-PY21	3.5%
PY16-PY21	-1.6%	PY16-PY21	3.8%
PY17-PY21	-2.1%	PY17-PY21	4.3%
PY18-PY21	-0.9%	PY18-PY21	4.9%
PY19-PY21	-3.1%	PY19-PY21	5.3%
PY20-PY21	-5.6%	PY20-PY21	5.2%

Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2011) wages

Projected Annual Change in Claim Frequency: -5.9% (see PY15-PY21)

Delaware W.C - Claim Frequencies

DCRB Unit Statistical Plan
(Excluding Deductible Business)

Reported Claim Count Development

Policy Year	Reported Claim Counts										
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
2008					1,349	1,350	1,351	1,354	1,355	1,355	1,355
2009				1,323	1,332	1,338	1,339	1,337	1,337	1,338	1,338
2010			1,359	1,380	1,373	1,375	1,376	1,376	1,376	1,376	1,376
2011	1,076	1,272	1,294	1,308	1,313	1,314	1,314	1,315	1,315	1,315	1,315
2012	980	1,166	1,212	1,221	1,224	1,224	1,224	1,224	1,225	1,226	
2013	1,061	1,232	1,265	1,275	1,278	1,279	1,276	1,276	1,277		
2014	743	1,074	1,106	1,121	1,122	1,121	1,120	1,121			
2015	889	1,168	1,209	1,215	1,219	1,221	1,225				
2016	809	1,098	1,108	1,124	1,128	1,127					
2017	928	1,168	1,195	1,207	1,205						
2018	844	1,069	1,090	1,101							
2019	839	1,055	1,088								
2020	768	1,007									
2021	702										

Policy Year	Claim Development Factors										Tail
	<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>3-4</u>	<u>4-5</u>	<u>5-6</u>	<u>6-7</u>	<u>7-8</u>	<u>8-9</u>	<u>9-10</u>	
2008					1.001	1.001	1.002	1.001	1.000	1.000	
2009				1.007	1.005	1.001	0.999	1.000	1.001	1.000	
2010			1.015	0.995	1.001	1.001	1.000	1.000	1.000	1.000	
2011	1.182	1.017	1.011	1.004	1.001	1.000	1.001	1.000	1.000	1.000	
2012	1.190	1.039	1.007	1.002	1.000	1.000	1.000	1.001	1.001		
2013	1.161	1.027	1.008	1.002	1.001	0.998	1.000	1.001			
2014	1.445	1.030	1.014	1.001	0.999	0.999	1.001				
2015	1.314	1.035	1.005	1.003	1.002	1.003					
2016	1.357	1.009	1.014	1.004	0.999						
2017	1.259	1.023	1.010	0.998							
2018	1.267	1.020	1.010								
2019	1.257	1.031									
2020	1.311										
All Yr Ave.	1.274	1.026	1.011	1.002	1.001	1.000	1.000	1.000	1.000	1.000	
7Yr Ave.	1.316	1.025	1.010	1.002	1.000	1.000	1.000	1.000	1.000	1.000	
5Yr Ave.	1.290	1.024	1.011	1.002	1.000	1.000	1.000	1.000	1.000	1.000	
3Yr Ave.	1.278	1.025	1.012	1.002	1.000	1.000	1.000	1.001	1.000	1.000	
Selected LDF	1.316	1.026	1.011	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
CDF	1.368	1.039	1.013	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000

DE W.C. - CLAIM FREQUENCIES
DCRB Unit Statistical Plan (Excl. Deductible Business)

