

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. The second page shows a graph of the frequencies appearing in column (5) of page 1.

The third page shows annual changes in average quarterly wages over the last eight available calendar quarters.

Delaware W.C. - Claim Frequencies

DCRB Unit Statistical Plan
Excluding Deductible Business

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Frequency (6)
2001	1,973		161,848,772		12.19	
2002	1,930	-2.2%	156,789,809	-3.1%	12.31	1.0%
2003	1,845	-4.4%	156,721,208	0.0%	11.77	-4.4%
2004	1,734	-6.0%	167,049,185	6.6%	10.38	-11.8%
2005	1,648	-5.0%	177,562,982	6.3%	9.28	-10.6%
2006	1,601	-2.9%	183,396,760	3.3%	8.73	-5.9%
2007	1,479	-7.6%	182,235,772	-0.6%	8.12	-7.0%
2008	1,286	-13.1%	178,817,295	-1.9%	7.19	-11.5%
2009	1,245	-3.2%	173,280,138	-3.1%	7.18	-0.1%
2010	1,332	7.0%	185,469,816	7.0%	7.18	0.0%
2011	1,281	-3.8%	190,285,359	2.6%	6.73	-6.3%
2012	1,177	-8.1%	195,217,965	2.6%	6.03	-10.4%
2013	1,250	6.2%	198,451,697	1.7%	6.30	4.5%
2014	1,092	-12.6%	200,530,610	1.0%	5.45	-13.5%
2015 *	889 *	-18.6%	154,936,651 *	-22.7%	5.74 *	5.3%
2015 **					5.80	6.4%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY01-PY15	-5.8%	PY01-PY14	-6.1%
PY02-PY15	-5.9%	PY02-PY14	-6.2%
PY03-PY15	-5.6%	PY03-PY14	-6.0%
PY04-PY15	-5.2%	PY04-PY14	-5.5%
PY05-PY15	-4.8%	PY05-PY14	-5.2%
PY06-PY15	-4.6%	PY06-PY14	-5.0%
PY07-PY15	-4.3%	PY07-PY14	-4.7%
PY08-PY15	-3.9%	PY08-PY14	-4.4%
PY09-PY15	-4.4%	PY09-PY14	-5.2%
PY10-PY15	-4.6%	PY10-PY14	-6.0%
PY11-PY15	-3.9%	PY11-PY14	-5.7%
PY12-PY15	-2.6%	PY12-PY14	-4.9%
PY13-PY15	-4.1%	PY13-PY14	-13.5%
PY14-PY15	6.4%		

* Includes approximately 1st 8 months of PY2015.

** Projected value for complete PY 2015 is 5.80 based on an annual change in claim frequency of 6.4%.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adj Claim Freq. (1) (#Claims per \$1 million)	% Change Adj Claim Frequency
2001	748.78		1.0000	12.19	
2002	772.98	3.2%	1.0323	12.71	4.3%
2003	800.52	3.6%	1.0691	12.58	-1.0%
2004	836.38	4.5%	1.1170	11.59	-7.9%
2005	872.92	4.4%	1.1658	10.82	-6.6%
2006	898.06	2.9%	1.1994	10.47	-3.2%
2007	911.87	1.5%	1.2178	9.89	-5.5%
2008	915.37	0.4%	1.2225	8.79	-11.1%
2009	923.91	0.9%	1.2339	8.86	0.8%
2010	950.30	2.9%	1.2691	9.11	2.8%
2011	979.36	3.1%	1.3079	8.80	-3.4%
2012	994.77	1.6%	1.3285	8.01	-9.0%
2013	1,008.90	1.4%	1.3474	8.49	6.0%
2014	1,026.82	1.8%	1.3713	7.47	-12.0%
2015 (2)	1,031.42	0.4%	1.3775	7.91	
2015	1,032.34		1.3787	8.00	7.1%

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY01-PY15	-3.7%	PY01-PY15	2.3%
PY02-PY15	-3.8%	PY02-PY15	2.1%
PY03-PY15	-3.7%	PY03-PY15	2.0%
PY04-PY15	-3.4%	PY04-PY15	1.9%
PY05-PY15	-3.1%	PY05-PY15	1.7%
PY06-PY15	-2.9%	PY06-PY15	1.7%
PY07-PY15	-2.6%	PY07-PY15	1.8%
PY08-PY15	-2.1%	PY08-PY15	1.9%
PY09-PY15	-2.6%	PY09-PY15	1.9%
PY10-PY15	-3.0%	PY10-PY15	1.6%
PY11-PY15	-2.6%	PY11-PY15	1.4%
PY12-PY15	-1.3%	PY12-PY15	1.3%
PY13-PY15	-2.9%	PY13-PY15	1.2%
PY14-PY15	7.1%	PY14-PY15	0.5%

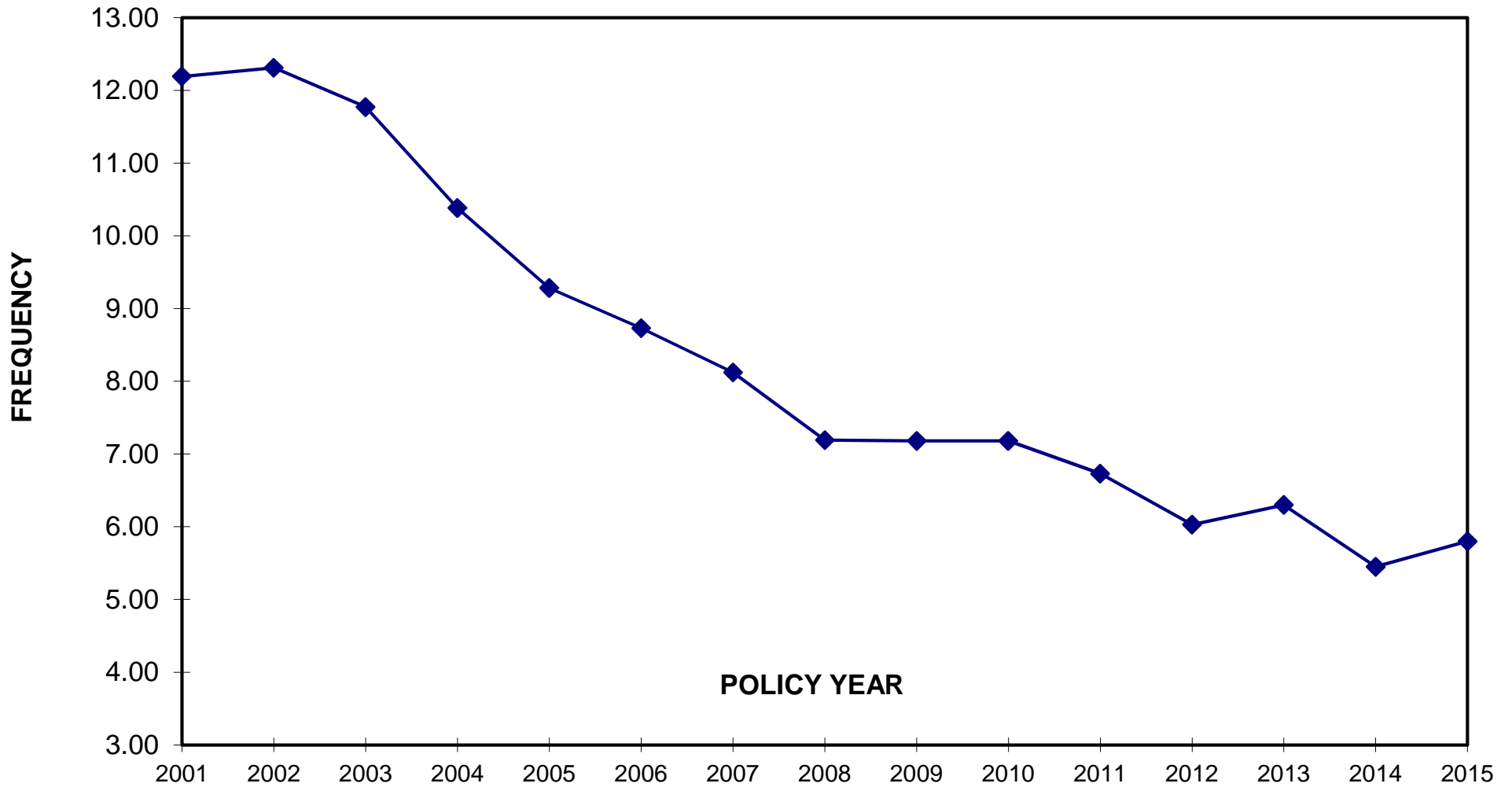
(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2001) wages

(2) Includes approximately 1st 8 months of PY 2015. (Full Year=1032.34 - Average of CY 2015 and 2016)

DE W.C. - CLAIM FREQUENCIES

DCRB Unit Statistical Plan

(Excluding Deductible Business)



—◆— Claim Freq per \$1 Million

**DELAWARE COMPENSATION RATING BUREAU, INC.
DERIVATION OF WAGE TREND**

YEAR	QUARTER	SOURCE*	STATEWIDE AVERAGE QUARTERLY WAGE	ESTIMATE FOR YEARLY RATE OF WAGE INFLATION
2014	1	ACTUAL	14,382	
	2	ACTUAL	12,645	
	3	ACTUAL	12,410	
	4	ACTUAL	13,616	
2015	1	ACTUAL	14,307	0.9948
	2	ACTUAL	12,910	1.0210
	3	ACTUAL	12,508	1.0079
	4	ACTUAL	14,082	1.0342
2016	1	ACTUAL	13,881	0.9702
	2	ACTUAL	12,839	0.9945
	3	ACTUAL	13,221	1.0570
	4	ACTUAL	13,659	0.9700

Latest Eight Quarter Average = 1.0062
 Selected Annual Wage Trend = 1.0062

* Delaware Department of Labor