

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)
2002	1,925		136,662,870		14.09	
2003	1,844	-4.2%	136,829,183	0.1%	13.48	-4.3%
2004	1,731	-6.1%	145,229,460	6.1%	11.92	-11.6%
2005	1,649	-4.7%	154,702,717	6.5%	10.66	-10.6%
2006	1,598	-3.1%	159,700,047	3.2%	10.01	-6.1%
2007	1,478	-7.5%	158,949,354	-0.5%	9.30	-7.1%
2008	1,285	-13.1%	156,108,402	-1.8%	8.23	-11.5%
2009	1,242	-3.4%	151,750,658	-2.8%	8.18	-0.6%
2010	1,326	6.8%	162,180,342	6.9%	8.18	0.0%
2011	1,277	-3.7%	166,719,787	2.8%	7.66	-6.4%
2012	1,174	-8.1%	170,790,500	2.4%	6.87	-10.3%
2013	1,247	6.2%	173,253,203	1.4%	7.20	4.8%
2014	1,080	-13.4%	174,700,790	0.8%	6.18	-14.2%
2015	1,190	10.2%	183,282,139	4.9%	6.49	5.0%
2016 *	809 *	-32.0%	143,256,525 *	-21.8%	5.65 *	-12.9%
2016 **					5.50	-15.3%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY02-PY16	-6.0%	PY02-PY15	-6.0%
PY03-PY16	-5.8%	PY03-PY15	-5.7%
PY04-PY16	-5.5%	PY04-PY15	-5.3%
PY05-PY16	-5.2%	PY05-PY15	-5.0%
PY06-PY16	-5.1%	PY06-PY15	-4.7%
PY07-PY16	-4.9%	PY07-PY15	-4.4%
PY08-PY16	-4.8%	PY08-PY15	-4.1%
PY09-PY16	-5.3%	PY09-PY15	-4.6%
PY10-PY16	-5.6%	PY10-PY15	-4.9%
PY11-PY16	-5.5%	PY11-PY15	-4.3%
PY12-PY16	-5.3%	PY12-PY15	-3.2%
PY13-PY16	-7.3%	PY13-PY15	-5.1%
PY14-PY16	-5.7%	PY14-PY15	5.0%
PY15-PY16	-15.3%		

\* Includes approximately 1st 8 months of PY2016.

\*\* Projected value for complete PY 2016 is 5.50 based on an annual change in claim frequency of -15.3%.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adj Claim Freq. (1) (#Claims per \$1 million)	% Change Adj Claim Frequency
2002	772.98		1.0000	14.09	
2003	800.52	3.6%	1.0356	13.96	-0.9%
2004	836.38	4.5%	1.0820	12.90	-7.6%
2005	872.92	4.4%	1.1293	12.04	-6.7%
2006	898.06	2.9%	1.1618	11.63	-3.4%
2007	911.87	1.5%	1.1797	10.97	-5.7%
2008	915.37	0.4%	1.1842	9.75	-11.1%
2009	923.91	0.9%	1.1953	9.78	0.3%
2010	950.30	2.9%	1.2294	10.06	2.9%
2011	979.36	3.1%	1.2670	9.71	-3.5%
2012	994.77	1.6%	1.2869	8.84	-9.0%
2013	1,008.90	1.4%	1.3052	9.40	6.3%
2014	1,026.81	1.8%	1.3284	8.21	-12.7%
2015	1,032.34	0.5%	1.3355	8.67	5.6%
2016 (2)	1,047.44	1.5%	1.3551	7.66	
2016	1,050.49		1.3590	7.47	-13.8%

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY02-PY16	-4.1%	PY02-PY16	2.1%
PY03-PY16	-4.0%	PY03-PY16	2.0%
PY04-PY16	-3.8%	PY04-PY16	1.8%
PY05-PY16	-3.6%	PY05-PY16	1.7%
PY06-PY16	-3.5%	PY06-PY16	1.7%
PY07-PY16	-3.3%	PY07-PY16	1.7%
PY08-PY16	-3.1%	PY08-PY16	1.8%
PY09-PY16	-3.6%	PY09-PY16	1.8%
PY10-PY16	-4.2%	PY10-PY16	1.6%
PY11-PY16	-4.2%	PY11-PY16	1.4%
PY12-PY16	-4.1%	PY12-PY16	1.3%
PY13-PY16	-6.2%	PY13-PY16	1.3%
PY14-PY16	-4.6%	PY14-PY16	1.1%
PY15-PY16	-13.8%	PY15-PY16	1.8%

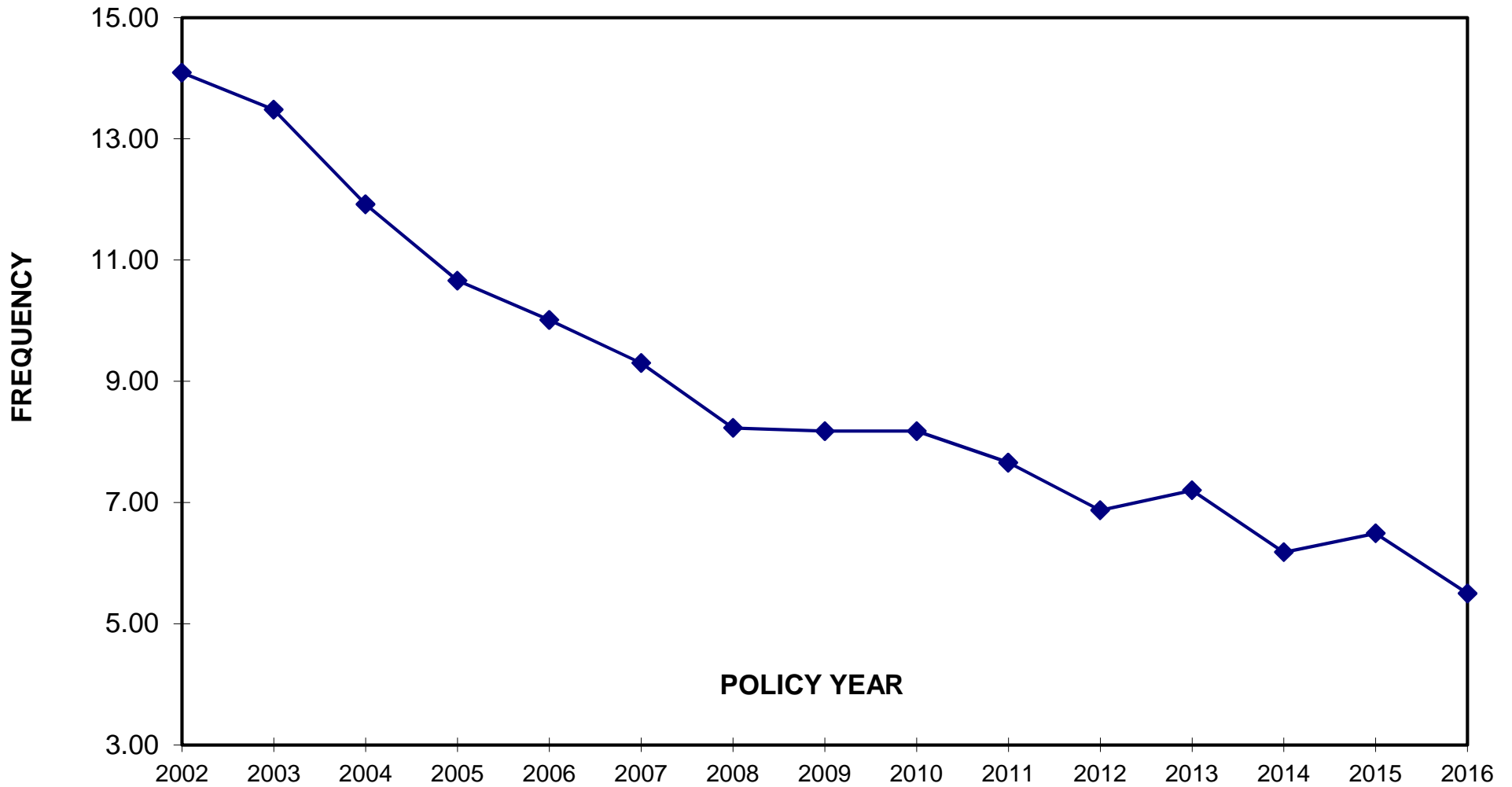
(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2002) wages

(2) Includes approximately 1st 8 months of PY 2016. ( Full Year=1050.49 - Average of CY 2016 and 2017 )

# 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**

<b>YEAR</b>	<b>QUARTER</b>	<b>SOURCE*</b>	<b>STATEWIDE AVERAGE QUARTERLY WAGE</b>	<b>ESTIMATE FOR YEARLY RATE OF WAGE INFLATION</b>
2015	1	ACTUAL	14,307	
	2	ACTUAL	12,910	
	3	ACTUAL	12,508	
	4	ACTUAL	14,082	
2016	1	ACTUAL	13,881	0.9702
	2	ACTUAL	12,839	0.9945
	3	ACTUAL	13,221	1.0570
	4	ACTUAL	13,647	0.9691
2017	1	ACTUAL	15,376	1.1077
	2	ACTUAL	13,069	1.0179
	3	ACTUAL	13,233	1.0009
	4	ACTUAL	14,026	1.0278

Latest Eight Quarter Average = 1.0181  
 Selected Annual Wage Trend = 1.0181

\* Delaware Department of Labor