

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 (2012) 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)
2012	1,230	1.000	1,230		73,173,248		16.81	
2013	1,278	1.000	1,278	3.9%	74,868,952	2.3%	17.07	1.5%
2014	1,121	1.000	1,121	-12.3%	76,124,906	1.7%	14.73	-13.7%
2015	1,225	1.000	1,225	9.3%	80,019,822	5.1%	15.31	3.9%
2016	1,128	1.000	1,128	-7.9%	86,295,926	7.8%	13.07	-14.6%
2017	1,205	1.000	1,205	6.8%	90,429,142	4.8%	13.33	2.0%
2018	1,104	1.001	1,105	-8.3%	92,902,073	2.7%	11.90	-10.7%
2019	1,090	1.003	1,093	-1.1%	93,718,953	0.9%	11.66	-2.0%
2020	1,032	1.012	1,045	-4.4%	95,366,170	1.8%	10.96	-6.0%
2021	958	1.046	1,002	-4.1%	103,154,612	8.2%	9.71	-11.4%
2022 *	702	1.393	978	-2.3%	105,971,445	2.7%	9.23	-4.9%

Period	Annual % Change in Claim Frequency	Period	Annual % Change In Claim Frequency
PY12-PY22	-6.0%	PY12-PY21	-5.8%
PY13-PY22	-6.2%	PY13-PY21	-6.1%
PY14-PY22	-6.0%	PY14-PY21	-5.8%
PY15-PY22	-6.5%	PY15-PY21	-6.4%
PY16-PY22	-6.1%	PY16-PY21	-5.8%
PY17-PY22	-6.9%	PY17-PY21	-6.9%
PY18-PY22	-6.7%	PY18-PY21	-6.5%
PY19-PY22	-7.9%	PY19-PY21	-8.7%
PY20-PY22	-8.2%	PY20-PY21	-11.4%
PY21-PY22	-4.9%		

* Includes approximately first 8.25 months of Policy Year 2022, so the expected losses were adjusted to be a complete year.
Note: Expected Losses for PYs prior to 2021 were adjusted to reflect the increased wage inflation in recent years.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency # Claims per \$1 million	% Change Adj Claim Frequency
2012	994.9		1.0000		
2013	1,010.5	1.6%	1.0157	17.34	
2014	1,023.5	1.3%	1.0288	15.15	-12.6%
2015	1,024.9	0.1%	1.0302	15.77	4.1%
2016	1,063.0	3.7%	1.0685	13.97	-11.4%
2017	1,077.0	1.3%	1.0826	14.43	3.3%
2018	1,106.0	2.7%	1.1117	13.22	-8.4%
2019	1,146.5	3.7%	1.1525	13.44	1.7%
2020	1,208.8	5.4%	1.2151	13.31	-1.0%
2021	1,273.1	5.3%	1.2796	12.42	-6.7%
2022	1,322.0	3.8%	1.3288	12.27	-1.2%

Period	Annual % Change in Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY12-PY22		PY12-PY22	2.9%
PY13-PY22	-3.3%	PY13-PY22	3.1%
PY14-PY22	-2.8%	PY14-PY22	3.4%
PY15-PY22	-3.0%	PY15-PY22	3.7%
PY16-PY22	-2.4%	PY16-PY22	3.9%
PY17-PY22	-2.8%	PY17-PY22	4.4%
PY18-PY22	-2.3%	PY18-PY22	4.7%
PY19-PY22	-3.4%	PY19-PY22	4.9%
PY20-PY22	-4.0%	PY20-PY22	4.6%
PY21-PY22	-1.2%	PY21-PY22	3.8%

Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2012) wages

Projected Annual Change in Claim Frequency: -6.1% (see PY16-PY22)

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>
2009					1,333	1,339	1,340	1,338	1,338	1,339	1,339
2010				1,380	1,373	1,375	1,376	1,376	1,376	1,376	1,376
2011			1,297	1,311	1,316	1,317	1,317	1,318	1,318	1,319	1,319
2012	980	1,170	1,216	1,224	1,228	1,228	1,228	1,228	1,229	1,230	1,230
2013	1,061	1,229	1,265	1,275	1,278	1,279	1,276	1,276	1,277	1,278	
2014	743	1,072	1,104	1,121	1,122	1,121	1,120	1,121	1,121		
2015	889	1,165	1,209	1,215	1,219	1,221	1,225	1,225			
2016	809	1,091	1,108	1,123	1,128	1,128	1,128				
2017	928	1,163	1,193	1,205	1,204	1,205					
2018	844	1,063	1,086	1,099	1,104						
2019	839	1,051	1,085	1,090							
2020	768	999	1,032								
2021	702	958									
2022	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>	
2009					1.005	1.001	0.999	1.000	1.001	1.000	
2010				0.995	1.001	1.001	1.000	1.000	1.000	1.000	
2011			1.011	1.004	1.001	1.000	1.001	1.000	1.001	1.000	
2012	1.194	1.039	1.007	1.003	1.000	1.000	1.000	1.001	1.001	1.000	
2013	1.158	1.029	1.008	1.002	1.001	0.998	1.000	1.001	1.001		
2014	1.443	1.030	1.015	1.001	0.999	0.999	1.001	1.000			
2015	1.310	1.038	1.005	1.003	1.002	1.003	1.000				
2016	1.349	1.016	1.014	1.004	1.000	1.000					
2017	1.253	1.026	1.010	0.999	1.001						
2018	1.259	1.022	1.012	1.005							
2019	1.253	1.032	1.005								
2020	1.301	1.033									
2021	1.365										
All Yr Ave.	1.288	1.029	1.010	1.002	1.001	1.000	1.000	1.000	1.001	1.000	
7Yr Ave.	1.299	1.028	1.010	1.003	1.000	1.000	1.000	1.000	1.001	1.000	
5Yr Ave.	1.286	1.026	1.009	1.002	1.000	1.000	1.000	1.000	1.001	1.000	
3Yr Ave.	1.306	1.029	1.009	1.003	1.001	1.001	1.000	1.001	1.001	1.000	
2Yr Ave.	1.333	1.033	1.008	1.002	1.000	1.002	1.000	1.000	1.001	1.000	
Selected LDF	1.333	1.033	1.010	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
CDF	1.393	1.046	1.012	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)

