

DELAWARE COMPENSATION RATING BUREAU, INC.
F-CLASS FILING

Indicated Change in Rate Level

This exhibit shows the indicated change in overall rate level for Delaware Federal Classes. It includes the estimated effect of the 10/1/24 benefit change and a section to reflect the adjustment of the indicated change in overall rate level to the indicated change in manual rate level.

INDICATED CHANGE IN RATE LEVEL

	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>
(1) Trended Policy Year Loss Ratio for Policy Period 12/1/24 - 12/1/25	0.3381	0.1666	0.5047
(2) Credibility	0.0500	0.0500	
(3) Loss Ratio Underlying Current Rates	0.3651	0.2105	0.5756
(4) Credibility Weighted Trended Loss Ratio (1)*(2) + (3)*[1.0-(2)]	0.3638	0.2083	0.5721
(5) Ratio of Loss Adjustment Expense (LAE) to Loss	0.2696	0.2696	0.2696
(6) Trended Policy Year Loss and Loss Adjustment Ratio (4)*(1.0+(5))	0.4619	0.2645	0.7264
(7) Permissible Loss and Loss Adjustment Ratio			0.7651
(8) Indicated Change in Rates (6) / (7)			0.9494
(9) Estimated Effect of the 10/1/25 Benefit Change			1.0009
(10) Indicated Change in Overall Rate Level (8) * (9)			0.9503 -4.97%
(11) Indicated Change in Voluntary Market Loss Costs (10) / Change in Average LCMs [1.2352 / 1.2935] <small>LCM = (1 / Loss, LAE and Federal Assessment Ratio)</small>			0.9952 -0.48%

INDICATED CHANGE IN MANUAL LEVEL

	Total
(12) Current Collectible Premium Ratio	0.9340
(13) Proposed Collectible Premium Ratio	0.9587
(14) Indicated Change in Manual Rate Level [(10) * (13)] / (12)	0.9754
(15) Indicated Change in Voluntary Market Manual Loss Cost Level (11) * [(13) / (12)]	1.0215