

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 (2014) wage levels. The data excludes the experience of deductible business. Page 1 also includes the calculation for the excess wage caused by the pandemic.

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.

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)
2014	1,119	1.000	1,119		64,261,639		17.41	
2015	1,226	1.000	1,226	9.6%	67,912,799	5.7%	18.05	3.7%
2016	1,132	1.000	1,132	-7.7%	72,852,885	7.3%	15.54	-13.9%
2017	1,204	1.000	1,204	6.4%	76,567,493	5.1%	15.72	1.2%
2018	1,105	1.000	1,105	-8.2%	78,504,639	2.5%	14.08	-10.4%
2019	1,100	1.000	1,100	-0.5%	79,057,849	0.7%	13.91	-1.2%
2020	1,047	1.001	1,048	-4.7%	80,973,242	2.4%	12.95	-6.9%
2021	998	1.005	1,003	-4.3%	87,615,027	8.2%	11.45	-11.6%
2022	1,044	1.015	1,059	5.6%	95,024,047	8.5%	11.15	-2.6%
2023	979	1.048	1,026	-3.2%	101,111,967	6.4%	10.15	-9.0%
2024 *	758	1.434	1,087	5.9%	105,996,965	4.8%	10.25	1.0%

Period	Annual % Change in Claim Frequency	Period	Annual % Change In Claim Frequency
PY14-PY24	-5.9%	PY14-PY23	-6.1%
PY15-PY24	-6.2%	PY15-PY23	-6.5%
PY16-PY24	-5.9%	PY16-PY23	-6.2%
PY17-PY24	-6.2%	PY17-PY23	-6.8%
PY18-PY24	-6.0%	PY18-PY23	-6.7%
PY19-PY24	-6.3%	PY19-PY23	-7.5%
PY20-PY24	-5.7%	PY20-PY23	-7.3%
PY21-PY24	-4.2%	PY21-PY23	-5.8%
PY22-PY24	-4.1%	PY22-PY23	-9.0%
PY23-PY24	1.0%		

* Includes approximately first 8.25 months of Policy Year 2024, so the expected losses were adjusted to be a complete year.
Note: Expected Losses for PYs prior to 2021 were adjusted to "on-level" for the excess change of 2.68% in wage inflation in recent years due to the pandemic.

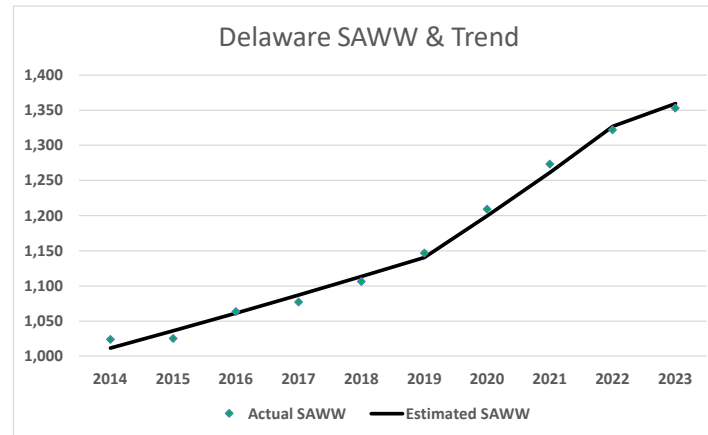
Policy Year	SAWW	% Change SAWW	SAWW Index	Adjusted Claim Frequency # Claims per \$1 million	% Change Adj Claim Frequency
2014	1,023.5		1.0000		
2015	1,024.9	0.1%	1.0014	18.08	
2016	1,063.0	3.7%	1.0386	16.14	-10.7%
2017	1,077.0	1.3%	1.0523	16.55	2.5%
2018	1,106.0	2.7%	1.0806	15.21	-8.1%
2019	1,146.5	3.7%	1.1202	15.59	2.5%
2020	1,208.8	5.4%	1.1810	15.29	-1.9%
2021	1,273.1	5.3%	1.2438	14.24	-6.9%
2022	1,322.0	3.8%	1.2916	14.40	1.1%
2023	1,352.6	2.3%	1.3215	13.41	-6.9%
2024	1,411.2	4.3%	1.3787	14.14	5.4%

Period	Annual % Change in Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY14-PY24		PY14-PY24	3.5%
PY15-PY24	-2.6%	PY15-PY24	3.7%
PY16-PY24	-2.2%	PY16-PY24	3.9%
PY17-PY24	-2.4%	PY17-PY24	4.1%
PY18-PY24	-2.1%	PY18-PY24	4.2%
PY19-PY24	-2.5%	PY19-PY24	4.1%
PY20-PY24	-2.1%	PY20-PY24	3.8%
PY21-PY24	-0.9%	PY21-PY24	3.4%
PY22-PY24	-0.9%	PY22-PY24	3.3%
PY23-PY24	5.4%	PY23-PY24	4.3%

Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (2014) wages

Projected Annual Change in Claim Frequency: -6.0% (see PY18-PY24)

Year	Actual SAWW	YoY Change	Estimated SAWW
2014	1,023.53		1,011.55
2015	1,024.94	0.14%	1,036.12
2016	1,063.04	3.72%	1,061.28
2017	1,077.01	1.31%	1,087.06
2018	1,106.03	2.69%	1,113.47
2019	1,146.53	3.66%	1,140.51
2020	1,208.83	5.43%	1,199.55
2021	1,273.06	5.31%	1,261.64
2022	1,321.96	3.84%	1,326.94
2023	1,352.64	2.32%	1,359.17



Factor for 2014 - 2018	1.0826
Factor for 2019	1.0544
Factor for 2020	1.0268

	Log Estimate	Std. Error	t value	Pr(> t)	Fitted Wage Trends
<u>Historical Trend</u>	0.02400	0.0021	11.6513	7.75E-06	2.43%
<u>COVID-19</u>	0.02647	0.0048	5.4606	9.45E-04	2.68%

Delaware - Claim Frequencies

DCRB Unit Statistical Plan
(Excluding Deductible Business)

Reported Claim Count Development

	Reported Claim Counts										
Policy Year	<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>
2011					1,316	1,317	1,317	1,318	1,318	1,319	1,319
2012				1,223	1,227	1,227	1,227	1,227	1,228	1,229	1,229
2013			1,266	1,276	1,279	1,280	1,277	1,277	1,278	1,279	1,279
2014	743	1,069	1,101	1,118	1,118	1,117	1,118	1,119	1,119	1,119	1,119
2015	889	1,166	1,210	1,216	1,220	1,222	1,226	1,226	1,226	1,226	
2016	809	1,089	1,107	1,122	1,129	1,128	1,128	1,132	1,132		
2017	928	1,161	1,192	1,204	1,203	1,204	1,204	1,204			
2018	844	1,065	1,087	1,100	1,105	1,104	1,105				
2019	839	1,053	1,088	1,094	1,096	1,100					
2020	768	998	1,030	1,042	1,047						
2021	702	956	986	998							
2022	702	1,009	1,044								
2023	750	979									
2024	758										

Policy Year	Claim Development Factors									
	<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>
2011					1.001	1.000	1.001	1.000	1.001	1.000
2012				1.003	1.000	1.000	1.000	1.001	1.001	1.000
2013			1.008	1.002	1.001	0.998	1.000	1.001	1.001	1.000
2014	1.439	1.030	1.015	1.000	0.999	1.001	1.001	1.000	1.000	1.000
2015	1.312	1.038	1.005	1.003	1.002	1.003	1.000	1.000	1.000	
2016	1.346	1.017	1.014	1.006	0.999	1.000	1.004	1.000		
2017	1.251	1.027	1.010	0.999	1.001	1.000	1.000			
2018	1.262	1.021	1.012	1.005	0.999	1.001				
2019	1.255	1.033	1.006	1.002	1.004					
2020	1.299	1.032	1.012	1.005						
2021	1.362	1.031	1.012							
2022	1.437	1.035								
2023	1.305									
All Yr Ave.	1.327	1.029	1.010	1.003	1.001	1.000	1.001	1.000	1.000	1.000
7Yr Ave.	1.310	1.028	1.010	1.003	1.001	1.000	1.001	1.000	1.000	1.000
5Yr Ave.	1.332	1.030	1.010	1.003	1.001	1.001	1.001	1.000	1.000	1.000
3Yr Ave.	1.368	1.033	1.010	1.004	1.001	1.000	1.001	1.000	1.000	1.000
2Yr Ave.	1.371	1.033	1.012	1.003	1.001	1.000	1.002	1.000	1.000	1.000
Selected LDF	1.368	1.033	1.010	1.004	1.001	1.000	1.000	1.000	1.000	1.000
CDF	1.434	1.048	1.015	1.005	1.001	1.000	1.000	1.000	1.000	1.000
										Tail

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

