



September 5, 2008

BUREAU CIRCULAR NO. 840

To All Members of the Bureau:

Re: **OCTOBER 1, 2008 RESIDUAL MARKET RATE AND VOLUNTARY MARKET
LOSS COST FILING – BUREAU FILING NO. 0806
APPLICABLE TO NEW, RENEWAL AND ALL OUTSTANDING POLICIES**

As previously announced in Bureau Circular No. 836, the Bureau submitted a filing of revisions to Delaware's Residual Market Plan rates and voluntary market loss costs with a proposed effective date of October 1, 2008. This filing, No. 0806, was made in response to and in compliance with Senate Bill 1 of 2007 (SB1).

The filing proposed overall reductions in both residual market rates and voluntary market loss costs of 11.57 percent, applied uniformly across all classifications. (Code 9108, Aircraft Seat Surcharge, used a national rating value that was not revised in this filing. Rating values for Code 9740, Terrorism, and Code 9741, Catastrophes Other than Certified Acts of Terrorism, were also not changed in the October 1 filing.) These revisions were proposed to be **effective on a new, renewal and outstanding** basis for workers compensation insurance policies as of 12:01 a.m., **October 1, 2008**.

On August 15, 2008 the Department of Insurance issued a Decision and Order with respect to Bureau Filing No. 0806. A complete copy of that Decision and Order is attached to this circular for informational purposes. Also on August 15, 2008 the Bureau corresponded with the Department of Insurance, seeking clarification of various portions of the Decision and Order and/or considerations bearing upon the Bureau's and carriers' potential responses to that Decision and Order. A copy of the Bureau's letter is also provided with this circular.

The Bureau is in the process of preparing its submission under the Outstanding Legal Issues portion of the Decision and Order. The Bureau continues to seek additional information about the Decision and Order from the Department of Insurance consistent with our August 15, 2008 correspondence. Recent developments pertinent to that endeavor and advice given to the Bureau in recent discussions with the Department are noted as follows:

- Since our August 15, 2008 letter was sent, Bureau Filing No. 0805 (terrorism, endorsement forms and related subjects) has been approved and information pertaining to that approval was provided in Bureau Circular No. 839.

- Carrier filings made in response to action taken on Bureau Filing No. 0806 and which adopt approved Bureau rating values for use with existing carrier loss cost multipliers will be considered to be file-and-use submissions, thereby expediting the implementation process for such filings. Carrier filings that would revise any approved Bureau rating value(s), change any existing loss cost multiplier(s) or otherwise change pricing procedures to anything other than the application of carrier rating values in effect prior to the approval of Bureau Filing No. 0806 to the Bureau rating values approved as a result of Bureau filing No. 0806 will be considered to be subject to prior approval by the Department of Insurance.
- Although the Department of Insurance has ordered the Bureau's filed October 1, 2008 rating values to be "implemented," the Department has also advised the Bureau that it (the Department) considers those October 1, 2008 rating values to remain subject to further change based on information that will be submitted to the Department with respect to what the Decision and Order terms "Outstanding Actuarial Issues" and/or "Outstanding Legal Issues." Consequently, the October 1, 2008 rating values filed by the Bureau and ordered to be implemented by the Department are not yet, in the Department's view, final rating values.

In light of the last point above, carriers may wish to be mindful of the requirement for carrier filings as stated in Section 2 of Senate Bill 1, which first requires the Bureau to file "a rating plan" with the Department of Insurance and then addresses carrier requirements with the following language:

Within sixty (60) days of each such rating plan becoming effective pursuant to this chapter, each authorized insurer shall make a filing pursuant to §2609 of this title.

As the effective date of Bureau Filing No. 0806 is October 1, 2008, the above language would appear to allow carrier filings to be made as late as November 30, 2008. While the Department's ongoing consideration of the actuarial and legal issues presented in the Decision and Order may or may not be fully resolved by that date, carriers submitting their filings later in the allowed timeframe will likely have the benefit of further information about the possible or likely resolution of those issues, if not the benefit of a final determination on some or all of those points.

To date, the Bureau has not been given any answer to its stated position that rating value changes attributable to what the Decision and Order calls Outstanding Actuarial Issues should be applied only on a new and renewal basis and specifically not on an outstanding basis.

If and as additional information pertaining to the Decision and Order regarding Bureau Filing No. 0806 becomes available, it will be communicated with members via additional circulars. In the meantime and for informational purposes, a copy of the Department of Insurance's "FORMS AND RATES BULLETIN 14 INCORPORATED," which includes forms applicable to carrier filings, is attached for member reference and use.

Also attached for reference are the October 1, 2008 residual market rates and voluntary market loss costs filed in Bureau Filing No. 0806 by classification.

Questions regarding this circular may be directed to Bruce Decker, Senior Vice President, at (302) 654-1435, Extension 4411 or bdecker@dcrb.com.

Complete Manual pages consistent with the Insurance Commissioner's approval of Bureau Filing No. 0806 will be published on the Bureau website (www.dcrb.com) as soon as the final rating values effective October 1, 2008 have been established.

Timothy L. Wisecarver
President

kg
D Circ
Attachments

Remember to visit our web site at www.dcrb.com for more information about this and other topics.

INSURANCE DEPARTMENT OF THE STATE OF DELAWARE

In re: :
: :
DELAWARE COMPENSATION :
RATING BUREAU :
: :
Bureau Filing No. 0806 :

DECISION AND ORDER

On July 15, 2008, the Delaware Compensation Rating Bureau submitted the above-captioned Residual Market Rate and Voluntary Market Loss Cost Filing, with a proposed effective date of October 1, 2008. This filing, submitted to comply with the cost control provisions of Senate Bill 1 of the 144th General Assembly, proposes an overall average reduction in both residual market rate and voluntary market loss costs of 11.57%. I am ordering that the Rating Bureau's proposed overall reductions be implemented in the manner described in the Rating Bureau's filing, i.e. effective on a new and renewal and outstanding basis for policies as of 12:01 a.m. on October 1, 2008.

However, I also find that the Rating Bureau has not made sufficient efforts to determine the potential cost savings to carriers of all of the provisions of Senate Bill 1. In addition, questions have been raised regarding the proper application of Senate Bill 1 to savings that insurance carriers receive on medical payments made subsequent to the implementation of medical cost savings but prior to the adjustment of policyholder premiums. For this reason, I am ordering that additional information be provided to me on an expedited basis in order to allow me to resolve these outstanding issues. I intend to ensure to the maximum degree permitted by law that any likely cost savings resulting from Senate Bill 1 are reflected in lower premiums rather than being retained as windfall gains by insurance carriers, and I am not willing to assume that such savings do not exist simply because the Rating Bureau has not submitted data or estimates.

Reductions in Residual Market Rate and Voluntary Market Loss Costs

An independent expert retained by the Department of Insurance has reviewed the Rating Bureau's filing. He has found that with respect to the limited issue of savings realized by the implementation of the medical fee schedule portion of the health care payment system required by 19 Del.C. § 2322B, the Rating Bureau's calculation (of a 17.4% medical cost savings resulting solely from the medical fee schedules, resulting in an overall 11.57% savings when combined with other factors) is reasonable and appropriate. For that reason, I am ordering the implementation of an overall average reduction in both residual market rate and voluntary market loss costs of 11.57%. I am ordering that, except as provided below, the Rating Bureau's proposed overall reductions be implemented in the manner described in the Rating Bureau's filing, i.e. effective on a new and renewal and outstanding basis for policies as of 12:01 a.m. on October 1, 2008.

I am entering this interim order even though I believe that the Rating Bureau's filing may not reflect all savings realized by Senate Bill 1, because I wish to ensure that policyholders see all of the savings that can be actuarially justified on this date as soon as possible, rather than waiting for the final resolution of the issues outlined later in this order.

I reject the request made in the Rating Bureau filing that it retain the unilateral authority to refrain from compliance with this order if it determines that the health care payment system has not been effectively implemented. The Department of Insurance is the only entity with the authority to excuse compliance with its orders. If the Rating Bureau believes at a later time that difficulties with implementation of the health care payment system necessitate a delay in the effective date of its filing, it may request such a delay from the Department and the request will be heard on an expedited basis.

Outstanding Actuarial Issues

In its filing, the Rating Bureau claims that it does not have sufficient data to request adjustments in residual market rate or voluntary market loss costs based upon any of the changes ordered by Senate Bill 1 other than the maximum allowable payments established by the bill and its subsequent implementation. For example, the Rating Bureau has proposed no changes based upon the implementation of health care practice guidelines promulgated under 19 Del.C. § 2322C, or upon the form provisions of 19 Del.C. § 2322E (which are designed to expedite injured employees' return to the workplace).

Although the state has not had significant experience operating under the practice guidelines or form provisions required by Senate Bill 1, I am not satisfied that the Rating Bureau has made sufficient efforts to draw upon data from other sources to provide some basis for accurately predicting cost savings resulting from those provisions. Therefore, I am directing the Department's staff and consultants to provide by September 15, 2008 information relating to potential cost savings arising from the implementation of health care practice guidelines promulgated under 19 Del.C. § 2322C, or from the form provisions of 19 Del.C. § 2322E (which are designed to expedite injured employees' return to the workplace). If the Department's staff and consultants believe that any provisions of Senate Bill 1 other than those I have enumerated are likely to result in predictable cost savings, they may also provide that information by September 15, 2008. The Rating Bureau will have until October 1, 2008 to respond to the information provided by the Department's staff and consultants.

Outstanding Legal Issues

The Department's independent expert has noted that workers' compensation insurance carriers will enjoy some savings based upon the implementation of a medical fee schedule which will not be reflected in the implementation of today's order, even on the new, renewal, and outstanding basis on which it is implemented. Those savings will come with respect to injuries that have already occurred, where the medical costs

associated with treating those injuries are reduced due to the implementation of the medical fee schedule, but the premium adjustment associated with that medical fee schedule does not take effect until October 1, 2008. With respect to medical payments made during that window of time, carriers will be paying less in medical costs than they had assumed they would pay when they assessed premiums for that time period.

Citing In the Matter of Surcharge Classification 0133 by Delaware Compensation Rating Bureau, 655 A.2d 295 (Del. Super. 1994), the Rating Bureau argues that the Department is without legal authority to take any action to ensure that the savings described above be returned in some way to policyholders. The Rating Bureau has also stated that such action would be, as a practical matter, unprecedented and inconsistent with the manner in which other states have implemented medical fee schedules.

I am not prepared to accept the Rating Bureau's legal or practical arguments at face value, particularly because 18 Del.C. § 2609(d)—created by Senate Bill 1—appears at first blush to be an effort by the General Assembly to address the legal issue created by the case law the Rating Bureau cites. However, I do recognize that the Rating Bureau has raised legal and practical issues, and will therefore give the Rating Bureau and the Department's staff and consultants time to brief these issues. Therefore, the Rating Bureau (and any other interested parties) have until September 15, 2008 to submit arguments on this issue to the Department. Subsequent to that time, I will permit the Department's staff, consultants, and counsel to submit responsive materials, and I will make a decision regarding this matter.

It is so ORDERED.

Date: August 15, 2008



Matthew P. Denn
Insurance Commissioner



BY EMAIL AND FIRST CLASS MAIL

August 15, 2008

The Honorable Matthew Denn
Insurance Commissioner
State of Delaware
841 Silver Lake Boulevard
Dover, Delaware 19904

Re: Delaware Compensation Rating Bureau Inc. (DCRB) Filing No. 0806

Dear Commissioner Denn:

DCRB is in receipt of your Decision and Order issued today in the captioned matter. I write to ask clarification of a few points either presented or not addressed therein that are of critical importance to DCRB and to its member insurers.

- The Decision and Order orders the implementation of DCRB's filed rating values on a new and renewal and outstanding basis effective October 1, 2008.

DCRB had submitted a previous filing, No. 0805, with an effective date of September 1, 2008. That filing proposed changes to a small number of specific classification or statistical codes' rating values. We do not yet have a decision on the earlier filing, but in effect your ordered implementation presumes approval of that submission. DCRB would very much like to have a favorable disposition of the previous filing concurrent with your Decision and Order on Filing No. 0806.

In order for DCRB and its members to comply with your Decision and Order as respects rating values effective October 1, 2008, DCRB needs to have confirmation that the October 1, 2008 rating values as proposed in our Filing No. 0806 and as ordered to be implemented by your Decision and Order are not, and will not be, subject to subsequent modification by virtue of actions that may be taken in regard to any Outstanding Issues as set forth in the Decision and Order or for any other reason(s). "Implementation" of a set of rating values that remain subject to further adjustment and change would be counterproductive for insurers and employers alike.

- The Decision and Order provides a process for consideration of "Outstanding Actuarial Issues".

The "Outstanding Actuarial Issues" involve aspects of Senate Bill 1 for which DCRB has been unable to quantify potential effects on system costs. At the August 11 meeting, there was discussion about possible amendment to DCRB's December 1, 2008 rating value filing reflecting recent experience to include additional savings from Senate Bill 1, if means of quantifying such

additional savings became available. However, based on our participation in the meeting of August 11, 2008 and also consistent with our reading of the Decision and Order, we would not expect in any event that these issues would be considered to have any (or at least any meaningful) effect on outstanding claims. In addition to the lack of a theoretical basis for any subsequent change(s) in rating values on an outstanding basis, DCRB members already face significant systems and processing challenges in implementing one outstanding rating value change effective October 1, 2008. To require multiple outstanding changes within the same annual period would cause havoc on many levels for insurers. Accordingly, we would anticipate that any subsequent adjustment to rating values made in response to these "Outstanding Actuarial Issues" would be implemented on a new and renewal basis only, and not on an outstanding basis.

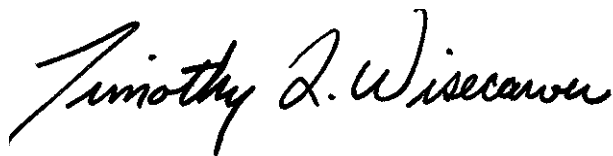
- Carrier filings will be required subsequent to implementation of revised DCRB rating values, and we had discussed procedures for the review and handing of those submissions that are not addressed in the Decision and Order.

During the meeting of August 11, 2008, we asked that you consider allowing carrier filings, or at least those carrier filings that would be submitted to adopt revised DCRB rating values without concurrent change to other carrier values such as Loss Cost Multipliers, to be handled on a "File and Use" basis with your Department. In previous filing cycles carriers have experienced waiting periods from a couple of weeks to a matter of months while their filings were under review. Such delays would be particularly problematic if they were to arise in conjunction with the outstanding change in rating values effective October 1, 2008, but are unfortunate even in more routine circumstances. We recall that you expressed a willingness to advise our members that a "File and Use" process was appropriate and acceptable to the Department for their filings made after approval of DCRB filings. While we would not need to see this advice within the Decision and Order itself, we would very much like to have it from you separately so that we could pass it along to our members when we announce the approval of Bureau Filing No. 0806 and urge carriers to begin their own filing processes as expeditiously as possible.

Your earliest possible response to the above points would be greatly appreciated. Of course, if the DCRB can provide any clarification of the above items we will endeavor to do so at your request.

Please note that the foregoing is offered without any waiver of DCRB's rights to challenge or appeal any part(s) of today's Decision and Order.

Sincerely,



Timothy L. Wisecarver
President

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
005	19.63	25.96	3,550	5.47	6.83	7.46	III
0006	5.57	7.36	1,115	1.55	1.94	2.12	II
007	6.60	8.73	2,280	1.84	2.30	2.51	III
0008	2.53	3.36	1,045	0.71	0.88	0.97	II
009	31.18	41.24	3,550	8.69	10.86	11.86	III
0011	4.01	5.31	1,490	1.12	1.40	1.53	II
0012	5.56	7.35	1,960	1.55	1.93	2.11	II
0013	4.67	6.18	1,690	1.30	1.63	1.78	II
015	22.34	29.54	3,550	6.22	7.78	8.49	III
0016	3.98	5.27	875	1.11	1.39	1.52	I
028	4.90	6.47	1,760	1.28	1.51	1.57	III
0034	5.69	7.52	1,135	1.59	1.98	2.16	II
0036	5.43	7.19	1,095	1.51	1.89	2.07	II
055	5.87	7.76	2,055	1.53	1.81	1.88	III
059	4.90	6.48	1,760	1.28	1.51	1.57	III
0083	6.59	8.71	1,270	1.83	2.29	2.50	III
101	4.53	5.99	1,650	1.19	1.42	1.51	III
104	3.68	4.87	1,390	0.97	1.15	1.23	II
105	5.00	6.62	1,795	1.31	1.56	1.67	III
106	6.52	8.62	2,255	1.71	2.04	2.18	II
107	3.82	5.05	1,430	1.00	1.19	1.28	II
108	5.03	6.66	1,800	1.32	1.58	1.68	II
109	6.29	8.32	2,185	1.65	1.97	2.10	III
110	4.40	5.82	1,610	1.15	1.38	1.47	II
111	5.32	7.04	1,890	1.40	1.67	1.78	II
112	10.57	13.99	3,490	2.77	3.31	3.53	II
113	4.19	5.54	1,545	1.10	1.31	1.40	II
114	10.81	14.30	3,550	2.83	3.38	3.61	III
115	2.38	3.14	990	0.62	0.74	0.79	II
119	7.09	9.38	2,425	1.86	2.22	2.37	II
130	6.33	8.37	2,195	1.66	1.98	2.11	III
132	2.68	3.54	1,085	0.70	0.84	0.89	II
134	2.76	3.65	1,110	0.73	0.87	0.92	II
135	3.63	4.81	1,375	0.95	1.14	1.21	II
136	3.10	4.10	1,215	0.81	0.97	1.03	II
139	5.96	7.88	2,080	1.56	1.86	1.99	II
141	5.94	7.85	2,075	1.56	1.86	1.98	II
142	3.02	3.98	1,185	0.79	0.94	1.01	II
161	3.33	4.42	1,285	0.87	1.04	1.12	II
163	3.85	5.10	1,445	1.01	1.21	1.29	II
165	5.75	7.61	2,020	1.51	1.80	1.92	II
166	3.47	4.59	1,325	0.91	1.08	1.16	II
185	3.68	4.87	1,390	0.97	1.15	1.23	II
187	3.82	5.05	1,430	1.00	1.19	1.28	II
191	3.33	4.42	1,285	0.87	1.04	1.12	II

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
201	4.80	6.35	1,730	1.26	1.50	1.60	II
204	3.54	4.68	1,345	0.93	1.11	1.18	II
205	3.86	5.11	1,445	1.01	1.21	1.29	II
221	4.62	6.11	1,675	1.21	1.45	1.54	II
222	5.47	7.23	1,935	1.43	1.71	1.83	II
225	4.57	6.04	1,660	1.20	1.43	1.53	II
227	4.55	6.01	1,650	1.19	1.42	1.52	II
255	3.95	5.23	1,475	1.04	1.24	1.32	II
257	4.95	6.55	1,775	1.30	1.55	1.65	II
259	3.54	4.68	1,345	0.93	1.11	1.18	II
261	6.35	8.40	2,200	1.67	1.99	2.12	II
263	4.23	5.59	1,555	1.11	1.32	1.41	II
265	4.15	5.49	1,535	1.09	1.30	1.39	II
275	4.62	6.11	1,675	1.21	1.45	1.54	II
276	5.47	7.23	1,935	1.43	1.71	1.83	II
281	3.17	4.19	1,235	0.83	0.99	1.06	II
282	6.03	7.98	2,105	1.58	1.89	2.01	III
285	3.42	4.52	1,310	0.90	1.07	1.14	II
287	4.52	5.98	1,645	1.19	1.41	1.51	II
297	3.17	4.19	1,235	0.83	0.99	1.06	II
301	7.94	10.50	2,685	2.08	2.48	2.65	III
305	8.75	11.57	2,930	2.29	2.74	2.92	II
306	5.22	6.91	1,860	1.37	1.63	1.74	II
309	4.25	5.62	1,565	1.11	1.33	1.42	II
311	4.64	6.14	1,680	1.22	1.45	1.55	II
319	6.38	8.44	2,210	1.67	1.99	2.13	II
323	3.36	4.44	1,290	0.88	1.05	1.12	I
327	4.26	5.64	1,565	1.12	1.33	1.43	II
402	7.13	9.44	2,440	1.87	2.23	2.38	III
403	3.72	4.91	1,400	0.97	1.16	1.24	II
404	5.62	7.43	1,980	1.47	1.76	1.88	III
406	6.19	8.18	2,150	1.62	1.93	2.07	III
407	5.06	6.70	1,810	1.33	1.58	1.69	II
411	11.27	14.90	3,550	2.95	3.52	3.77	III
413	8.74	11.56	2,930	2.29	2.73	2.92	III
415	4.96	6.57	1,780	1.30	1.55	1.66	III
416	9.79	12.95	3,250	2.57	3.06	3.27	II
421	8.00	10.58	2,705	2.10	2.50	2.67	III
425	9.90	13.10	3,285	2.60	3.10	3.31	III
427	5.03	6.66	1,800	1.32	1.58	1.68	III
429	6.48	8.57	2,240	1.70	2.03	2.17	III
431	8.31	10.98	2,795	2.18	2.60	2.77	II
433	4.83	6.39	1,740	1.27	1.51	1.61	II
435	6.22	8.22	2,160	1.63	1.95	2.08	II
441	1.87	2.48	840	0.49	0.59	0.63	II

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
442	2.57	3.41	1,055	0.67	0.80	0.86	II
443	2.57	3.41	1,055	0.67	0.80	0.86	II
445	7.64	10.11	2,595	2.00	2.39	2.55	II
446	2.24	2.96	950	0.59	0.70	0.75	II
447	6.04	7.99	2,110	1.58	1.89	2.02	III
449	4.31	5.70	1,580	1.13	1.35	1.44	II
451	5.25	6.95	1,870	1.38	1.64	1.75	II
454	7.48	9.90	2,545	1.96	2.34	2.50	II
456	4.56	6.03	1,655	1.20	1.43	1.52	II
457	8.87	11.73	2,970	2.33	2.77	2.96	II
458	3.05	4.03	1,195	0.80	0.95	1.02	II
459	1.85	2.45	835	0.49	0.58	0.62	II
461	4.62	6.11	1,675	1.21	1.45	1.54	II
463	2.69	3.55	1,085	0.70	0.84	0.90	II
464	4.27	5.65	1,570	1.12	1.34	1.43	II
465	3.88	5.14	1,450	1.02	1.21	1.30	III
467	4.28	5.66	1,570	1.12	1.34	1.43	II
471	2.21	2.92	940	0.58	0.69	0.74	II
472	2.42	3.20	1,005	0.64	0.76	0.81	II
473	2.56	3.39	1,050	0.67	0.80	0.86	II
474	1.01	1.34	580	0.27	0.32	0.34	II
475	4.16	5.51	1,535	1.09	1.30	1.39	III
476	1.82	2.41	825	0.48	0.57	0.61	II
477	3.37	4.45	1,295	0.88	1.05	1.12	II
483	1.51	2.01	730	0.40	0.48	0.51	II
485	2.17	2.87	930	0.57	0.68	0.73	II
486	2.72	3.59	1,095	0.71	0.85	0.91	II
487	1.78	2.36	815	0.47	0.56	0.60	II
488	1.10	1.45	605	0.29	0.34	0.37	II
489	1.73	2.29	795	0.45	0.54	0.58	II
491	3.72	4.91	1,400	0.97	1.16	1.24	II
495	5.25	6.95	1,870	1.38	1.64	1.75	II
497	2.42	3.20	1,005	0.64	0.76	0.81	II
499	4.16	5.51	1,535	1.09	1.30	1.39	III
501	4.00	5.29	1,485	1.05	1.25	1.34	III
502	4.64	6.14	1,680	1.22	1.45	1.55	II
506	2.66	3.51	1,075	0.70	0.83	0.89	II
507	4.61	6.10	1,675	1.21	1.44	1.54	III
509	7.76	10.26	2,630	2.03	2.43	2.59	III
511	9.17	12.14	3,060	2.40	2.87	3.06	III
512	6.02	a 7.97	b 2,105	1.58	1.88	2.01	III
513	4.34	c 5.74	d 1,590	1.14	1.36	1.45	I
535	3.80	5.02	1,425	1.00	1.19	1.27	II

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

a OD: \$1.20 Supplementary is not subject to experience or retrospective rating. Code as 0175.

b OD: \$1.60 Supplementary is not subject to experience or retrospective rating. Code as 0175.

c OD: \$0.43 Supplementary is not subject to experience or retrospective rating. Code as 0176.

d OD: \$0.58 Supplementary is not subject to experience or retrospective rating. Code as 0176.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
536	6.77	8.97	2,335	1.78	2.12	2.26	II
544	8.27	10.93	2,785	2.17	2.58	2.76	III
551	2.14	2.83	920	0.56	0.67	0.71	III
553	5.12	6.77	1,825	1.34	1.60	1.71	III
555	0.98	1.30	570	0.26	0.31	0.33	II
563	2.47	3.26	1,020	0.65	0.77	0.83	II
571	3.55	4.69	1,350	0.93	1.11	1.19	II
573	4.61	6.10	1,675	1.21	1.44	1.54	III
581	3.35	4.43	1,290	0.88	1.05	1.12	III
587	2.47	3.26	1,020	0.65	0.77	0.83	II
601	11.53	15.25	3,530	2.80	3.31	3.44	III
602	7.84	10.37	2,525	1.93	2.29	2.38	IV
603	12.85	16.99	3,550	3.17	3.76	3.90	IV
605	9.15	12.10	2,895	2.25	2.67	2.77	III
607	10.42	13.79	3,305	2.60	3.08	3.20	III
608	6.34	8.39	2,055	1.53	1.81	1.88	IV
609	6.23	8.24	2,040	1.52	1.80	1.86	IV
611	12.54	16.58	3,550	3.10	3.67	3.80	IV
615	15.41	20.39	3,550	3.79	4.49	4.66	IV
617	7.87	10.41	2,525	1.93	2.29	2.37	IV
625	7.25	9.58	2,350	1.78	2.11	2.19	III
643	13.39	17.71	3,550	2.17	2.57	2.67	III
645	7.43	9.84	2,295	1.74	2.06	2.13	IV
646	5.59	7.38	1,885	1.38	1.64	1.70	III
647	8.77	11.59	2,805	2.17	2.57	2.67	II
648	5.62	7.43	1,920	1.42	1.68	1.74	III
649	4.28	5.66	1,485	1.04	1.23	1.28	III
651	7.66	10.14	2,495	1.91	2.26	2.34	IV
652	10.14	13.42	3,315	2.61	3.09	3.21	III
653	8.54	11.29	2,715	2.10	2.48	2.58	III
654	7.69	10.17	2,420	1.84	2.18	2.27	IV
655	17.90	23.67	3,550	4.49	5.32	5.52	IV
656	9.43	12.47	2,990	2.33	2.76	2.86	IV
657	11.91	15.75	3,550	2.93	3.47	3.60	IV
658	8.21	10.86	2,635	2.03	2.40	2.49	III
659	17.85	23.62	3,550	4.49	5.32	5.52	IV
660	2.85	3.77	1,135	0.74	0.88	0.91	III
661	3.94	5.20	1,330	0.91	1.08	1.12	III
662	3.52	4.66	1,340	0.92	1.09	1.13	II
663	5.26	6.96	1,750	1.27	1.51	1.56	III
664	4.72	6.24	1,580	1.12	1.33	1.38	III
665	10.14	13.41	3,290	2.59	3.07	3.18	IV
666	7.23	9.56	2,365	1.80	2.13	2.21	III
667	2.41	3.20	965	0.60	0.71	0.73	III
668	6.22	8.22	2,080	1.55	1.84	1.91	II

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
669	8.76	11.59	2,780	2.16	2.55	2.65	IV
670	5.43	7.18	1,920	1.42	1.68	1.74	III
673	6.20	8.19	2,155	1.62	1.91	1.99	III
674	6.13	8.10	2,040	1.52	1.80	1.86	III
675	4.56	6.03	1,620	1.16	1.37	1.42	IV
676	6.53	8.64	2,160	1.62	1.92	1.99	IV
677	5.29	7.00	1,790	1.30	1.54	1.60	III
679	11.49	15.19	3,550	3.00	3.55	3.68	III
681	5.43	7.18	1,920	1.42	1.68	1.74	III
682	17.53	23.18	3,550	4.57	5.41	5.62	III
691	6.23	8.24	2,040	1.52	1.80	1.86	IV
693	7.66	10.14	2,495	1.91	2.26	2.34	IV
695	3.94	5.20	1,330	0.91	1.08	1.12	III
709	2.59	3.43	1,060	0.68	0.80	0.83	III
716	3.78	5.00	1,420	0.99	1.17	1.21	III
718	3.87	5.12	1,450	1.01	1.19	1.24	III
721	13.29	17.58	3,550	3.49	4.16	4.44	IV
744	2.10	2.78	910	0.55	0.66	0.70	II
751	2.12	2.81	915	0.56	0.66	0.71	III
752	1.09	1.44	600	0.29	0.34	0.36	III
753	5.14	6.79	1,830	1.35	1.61	1.72	III
755	3.00	3.96	1,180	0.78	0.94	1.00	III
757	1.68	2.22	780	0.44	0.53	0.56	III
759	4.52	5.98	1,645	1.19	1.41	1.51	III
801	7.67	10.15	2,605	2.14	2.67	2.92	II
803	20.34	26.91	3,550	5.67	7.08	7.74	III
804	3.37	4.46	1,295	0.94	1.17	1.28	III
805	5.66	7.48	1,990	1.58	1.97	2.15	III
806	9.20	12.18	3,070	2.56	3.21	3.50	III
807	6.63	8.77	2,285	1.85	2.31	2.52	III
808	9.73	12.87	3,230	2.71	3.39	3.70	III
809	5.04	6.67	1,805	1.41	1.76	1.92	III
811	9.04	11.95	3,020	2.52	3.15	3.44	III
812	7.26	9.60	2,480	2.02	2.53	2.76	III
813	5.26	6.96	1,870	1.47	1.83	2.00	II
814	4.94	6.54	1,775	1.38	1.72	1.88	II
815	4.52	5.98	1,645	1.26	1.57	1.72	III
816	2.53	3.36	1,045	0.71	0.88	0.97	II
817	8.15	10.79	2,750	2.27	2.84	3.10	III
818	1.77	2.35	810	0.49	0.62	0.68	III
819	0.94	1.24	555	0.26	0.33	0.36	III
820	3.16	4.18	1,230	0.88	1.10	1.20	III
821	6.84	9.05	2,350	1.91	2.38	2.60	III
825	4.22	5.58	1,555	1.18	1.47	1.60	II
855	6.58	8.70	2,270	1.83	2.29	2.50	III
857	9.22	12.20	3,075	2.57	3.21	3.51	III

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
858	8.89	11.76	2,975	2.48	3.10	3.38	III
859	10.24	13.55	3,385	2.85	3.57	3.89	III
860	8.46	11.19	2,845	2.36	2.94	3.22	III
862	9.30	12.31	3,100	2.59	3.24	3.54	II
865	2.48	3.28	1,025	0.69	0.86	0.94	II
867	5.26	6.96	1,870	1.47	1.83	2.00	II
877	3.10	4.10	1,215	0.86	1.08	1.18	I
879	3.84	5.07	1,435	1.07	1.33	1.46	II
880	5.05	6.69	1,810	1.41	1.76	1.92	II
881	3.24	4.28	1,255	0.90	1.13	1.23	II
882	7.84	10.38	2,655	2.19	2.73	2.98	II
883	2.42	3.20	1,005	0.67	0.84	0.92	II
884	1.03	1.36	585	0.29	0.36	0.39	II
885	3.61	4.78	1,370	1.01	1.26	1.37	II
886	2.94	3.89	1,165	0.82	1.03	1.12	II
887	1.45	1.92	710	0.40	0.51	0.55	II
889	0.40	0.52	390	0.11	0.14	0.15	II
890	0.58	0.76	445	0.16	0.20	0.22	II
891	1.33	1.76	675	0.37	0.46	0.51	II
895	0.57	0.75	445	0.16	0.20	0.22	II
896	2.88	3.82	1,150	0.80	1.00	1.10	II
897	2.67	3.52	1,080	0.74	0.93	1.01	I
898	3.85	5.10	1,445	1.07	1.34	1.47	II
899	2.04	2.70	890	0.57	0.71	0.77	II
903	0.55	0.72	435	0.15	0.19	0.21	III
904	2.47	3.26	1,020	0.69	0.86	0.94	III
907	6.39	8.46	2,215	1.78	2.23	2.43	II
910	10.77	14.25	3,550	3.00	3.75	4.10	II
911	5.57	7.37	1,965	1.55	1.94	2.12	II
914	3.10	4.10	1,215	0.86	1.08	1.18	I
915	4.32	5.72	1,585	1.21	1.51	1.65	II
916	1.69	2.23	785	0.47	0.59	0.64	II
917	3.85	5.10	1,445	1.07	1.34	1.47	I
918	3.18	4.21	1,240	0.89	1.11	1.21	II
919	2.88	3.81	1,145	0.80	1.00	1.09	II
920	0.57	0.75	445	0.16	0.20	0.22	II
921	5.52	7.30	1,950	1.54	1.92	2.10	II
922	3.59	4.76	1,365	1.00	1.25	1.37	II
923	3.84	5.07	1,435	1.07	1.33	1.46	II
924	3.46	4.57	1,320	0.96	1.20	1.31	II
925	2.08	2.75	905	0.58	0.72	0.79	II
926	3.24	4.28	1,255	0.90	1.13	1.23	II
927	1.19	1.59	635	0.33	0.42	0.46	II
928	2.42	3.20	1,005	0.67	0.84	0.92	II

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN			HAZ GRP
				EXPECTED LOSS FACTORS TABLE**			
				A-1	A-2	A-3	
929	4.98	6.59	1,785	1.39	1.73	1.89	II
932	1.10	1.45	605	0.30	0.38	0.42	II
933	4.08	5.39	1,510	1.14	1.42	1.55	II
934	2.94	3.89	1,165	0.82	1.02	1.12	II
935	1.86	2.47	840	0.52	0.65	0.71	II
936	0.65	0.85	465	0.18	0.23	0.25	II
937	14.95	19.77	3,550	4.16	5.20	5.68	II
939	6.01	7.95	2,100	1.67	2.09	2.28	III
940	5.79	7.67	2,035	1.62	2.02	2.21	II
941	2.97	3.93	1,175	0.83	1.04	1.13	II
942	3.10	4.10	1,215	0.86	1.08	1.18	II
943	7.23	9.55	2,465	2.01	2.51	2.75	II
944	3.18	4.21	1,240	0.89	1.11	1.21	II
945	3.52	4.65	1,340	0.98	1.22	1.34	I
946	4.34	5.74	1,590	1.21	1.51	1.65	II
947	6.52	8.62	2,255	1.82	2.27	2.48	II
948	1.77	2.34	810	0.49	0.62	0.67	II
949	1.08	1.43	600	0.30	0.38	0.41	II
951	0.64	0.84	465	0.18	0.22	0.24	III
952	0.84	1.12	530	0.24	0.29	0.32	III
953	0.40	0.52	390	0.11	0.14	0.15	II
954	3.73	4.93	1,405	1.04	1.30	1.42	III
955	0.91	1.19	545	0.25	0.31	0.34	III
956	0.24	0.31	340	0.07	0.08	0.09	III
957	0.56	0.73	440	0.15	0.19	0.21	III
958	1.34	1.77	675	0.37	0.46	0.51	III
959	1.97	2.60	870	0.55	0.69	0.75	II
960	4.91	6.49	1,765	1.37	1.71	1.87	II
961	0.99	1.31	570	0.28	0.35	0.38	III
962	0.16	0.22	320	0.05	0.06	0.06	III
963	0.69	0.92	480	0.19	0.24	0.26	II
964	2.58	3.42	1,055	0.72	0.90	0.98	I
965	0.57	0.75	445	0.16	0.20	0.22	II
966	3.27	4.32	1,265	0.85	1.01	1.05	III
967	0.94	1.25	560	0.26	0.33	0.36	III
968	2.51	3.32	1,035	0.70	0.87	0.96	II
969	5.31	7.02	1,885	1.48	1.85	2.02	III
970	9.30	12.31	3,100	2.59	3.24	3.54	II
971	4.55	6.02	1,655	1.27	1.58	1.73	II
973	2.85	3.77	1,135	0.79	0.99	1.08	II
974	3.70	4.89	1,395	1.03	1.29	1.41	II
975	2.62	3.47	1,070	0.73	0.91	1.00	I
976	1.85	2.45	835	0.52	0.64	0.70	II
977	0.63	0.83	460	0.18	0.22	0.24	II
978	3.55	4.69	1,350	0.99	1.24	1.35	III

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

**MANUAL RATES, LOSS COSTS AND EXPECTED LOSS FACTORS
FOR DELAWARE COMPENSATION INSURANCE**

Filed Effective October 1, 2008 on New, Renewal and Outstanding Business

CODE NO	BUREAU* ADVISORY LOSS COSTS	ASSIGNED RISK MANUAL RATE	ASSIGNED RISK MIN PREM.	EXPERIENCE RATING PLAN EXPECTED LOSS FACTORS TABLE**			HAZ GRP
				A-1	A-2	A-3	
979	4.89	6.46	1,755	1.36	1.70	1.86	II
980	4.13	5.47	1,530	1.15	1.44	1.57	III
981	3.22	4.26	1,250	0.90	1.12	1.22	II
983	7.58	10.02	2,575	2.11	2.64	2.88	II
984	0.38	0.50	385	0.11	0.13	0.14	II
985	5.08	6.72	1,815	1.41	1.77	1.93	III
986	1.51	2.01	730	0.42	0.53	0.58	II
988	0.21	0.28	335	0.06	0.07	0.08	II
991	9.30	12.31	3,100	2.59	3.24	3.54	II
992	5.04	6.67	1,805	1.41	1.76	1.92	III
995	9.58	12.68	3,185	2.67	3.34	3.65	III
997	0.94	1.25	560	0.26	0.33	0.36	II
999	5.76	7.63	2,025	1.61	2.01	2.19	II
4771	5.43	7.18	2,335	1.42	1.70	1.81	IV
0771	1.36	1.80					IV
4777	9.04	11.95	3,020	2.52	3.15	3.44	III
7405	1.35	1.78	815	0.38	0.47	0.51	III
7445	0.44	0.59					IV
7413	1.70	2.24	895	0.47	0.59	0.65	IV
7453	0.36	0.47					IV
7421	2.06	2.72	895	0.57	0.72	0.78	III
7424	4.86	6.42	1,745	1.35	1.69	1.85	IV
7428	1.95	2.57	860	0.54	0.68	0.74	II
9108	77.82	102.93					I
9740	0.01	0.02					
9741	0.01	0.01					
Per capita							
0908	113.04	149.52	420	31.49	39.36	42.99	II
0909	76.74	101.51	372	21.38	26.72	29.18	II
0912	263.61	348.69	619	73.44	91.79	100.25	II
0913	320.49	423.93	694	89.28	111.59	121.89	II
A rated							
9985	A	A	A	A	A	A	

* Loss, loss adjustment expense and administrative fund assessment provision for use in conjunction with individual carrier expense provisions in writing non-assigned risk business.

** Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

Associated classes- both codes must be applied. The second code is not subject to experience rating and applies to the full payroll of the associated class.

**STATE OF DELAWARE
DEPARTMENT OF INSURANCE**

FORMS AND RATES BULLETIN 14 INCORPORATED

Submission Date: _____

DCRB Reference Filing No.: _____

Applicable to policies effective on and after: _____

INSURER NAME: _____

INSURER NAIC NO.: _____ INDICATED MULTIPLIER: _____

The above insurer hereby declares that it is a member or subscriber of the Delaware Compensation Rating Bureau ("DCRB"). The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned reference filing.

The insurer's rates will be the combination of the DCRB loss costs approved by the Delaware Insurance Department and the company's indicated multiplier, as shown above, along with any expense contract, premium discount table, size-of-premium expense table for retrospective rating plans, and minimum premium formula specified in the company's attached manual exception pages.

The indicated multiplier, along with any expense constant, premium discount table and the minimum premium formula filed, represent a rate level increase _____ or decrease _____ of _____ % and a premium level increase _____ or decrease _____ of _____ %.

The indicated multiplier and the attached exception pages apply only to the DCRB reference filing indicated above. The insurer understands that this will necessitate the submission of a new adoption form and exception pages prior to the effective date of any future loss costs reference filing.

CHECK ALL THAT APPLY:

Manual exception pages attached for:

_____ **Minimum Premium Formula**

_____ **Expense Constant**

_____ **Discount Table**

_____ **Retro Expense Table**

**SUMMARY OF SUPPORTING INFORMATION
WORKERS' COMPENSATION LOSS COST MULTIPLIER**

Insurer: _____ NAIC No.: _____
 DCRB Reference Filing No.: _____
 Effective Date of Multiplier: _____

Development of Expected Loss Ratio (Expressed as a percent of standard premium at company rate):

		AVERAGE
A.	Commission	_____ %
B.	Other Acquisition	_____ %
C.	General Expense	_____ %
D.	Taxes, Licenses and Fees	_____ %
E.	Underwriting Profit & Contingencies	_____ %
F.	Residual Market Costs	_____ %
G.	Premium Discount	_____ %
H.	Insurance Fund Assessment (Second Injury Fund)	_____ %
I.	Dividend Provision (Participating Plan)	_____ %
J.	Other (Explain)	_____ %
K.	Total	_____ %
Expected Loss Ratio (100%-K)		_____ %

Actual Incurred Expense Ratios for three (3) most recent available years. (Commission and General Expense expressed as a percent of written premium at company rates. Other components expressed as percents of standard earned premium at company rates).

	CY _____	CY _____	CY _____	AVERAGE
A.	Commission	_____	_____	_____
B.	Other Acquisition	_____	_____	_____
C.	General Expense	_____	_____	_____
D.	Taxes, Licenses & Fees	_____	_____	_____
E.	Underwriting Profit & Contingencies	_____	_____	_____
F.	Residual Market Costs	_____	_____	_____
G.	Premium Discount	_____	_____	_____
H.	Insurance Fund Assessment	_____	_____	_____
I.	(Second Injury Fund)	_____	_____	_____
J.	Dividend Plan (Participating Plan)	_____	_____	_____
K.	Other (Explain)	_____	_____	_____
L.	Total	_____	_____	_____

Indicated Company Loss Cost Multiplier: _____

Example: Assume Loss and Loss Adjustment Ratio is 0.650.
 Loss Cost Multiplier with no deviation is $1.0/0.650 = 1.5385$.
 Loss Cost Multiplier with 15% downward deviation is $0.85/0.650 = 1.3077$.
 Loss Cost Multiplier with 15% upward deviation is $1.15/0.650 = 1.7692$.

COMPLETED BY: _____ TELEPHONE NO.: _____

NOTE: If an insurer wishes to make any modifications to the loss costs led by DCRB (other than the application of a multiplier to represent the insurer's expenses, profit and contingencies), the resulting rates will be considered to be independent rates, and shall be subject to the 30 day review provision of Title 18 Del. C., Section 2610.

**REVISED LOSS COST MULTIPLIER CALCULATION
SPREADSHEET TO BE INCORPORATED WITH
BULLETIN 14**

Workers' Compensation Insurance
Loss Cost Multiplier
General Instructions

Commissions, premium tax and other state tax provisions are to reflect the ratio of commissions paid, premium tax paid and other state tax paid to company manual premium.

Other acquisition and general expense are to reflect the ratio of other acquisition expense paid and general expense paid to company standard earned premium. Standard earned premium is to reflect adjustment for expense constant premium schedule rating premium.

Dividend Provision (Participating Plan)

Loss cost multipliers for use with participating policies shall contain a provision for policyholder dividends. Policyholder dividends shall reflect the ratio of policyholder dividends paid to company standard earned premium adjusted to reflect expense constant premium and schedule rating premium.

Standard earned premium shall be adjusted reflecting an assumed underlying expense constant equal to the most recently filed expense constant by Delaware Compensation Rating Bureau.

Deviations

Deviation from indicated manual rates shall reflect adjusted company losses compared to Delaware Compensation Rating Bureau to the extent credible. Losses shall be provided separately for indemnity and medical coverages. Losses may be either calendar year losses with all IBNR or policy year incurred losses developed to ultimate settlement. If the company elects to submit policy year loss data, it is required to provide underlying loss development triangles for indemnity and medical coverages separately.

Insurance Fund Assessment (Second Injury Fund)

Insurance Fund Assessment to be used with revised rates will be provided by Delaware Compensation Rating Bureau in its circular letter detailing changes to loss costs and other rating elements.

Administrative Assessment

Administration Assessment will continue to be built into voluntary market loss costs.

Expense Exhibits identified as (I) or (II) shall be completed and underlying supporting data shall accompany the company loss cost multiplier filing. Multipliers shall be filed reflecting most recent expense data, with each Delaware Compensation Rating Bureau loss cost revision. Failure to provide complete expense exhibits and provide underlying support shall result in disapproval of the proposed company filing and company(s) will be filed by reference for residual market rates and rating elements. All reference filings of this type shall remain in effect until the next subsequent Delaware Compensation Rating Bureau revision of loss costs.

NOTES: (1) Commissions, premium tax, license and fees are to be calculated as a percentage of company manual premium. Other acquisition and general administrative expense are to be calculated as a percentage of standard earned premium and standard earned premium is required to be adjusted to reflect schedule rating and expense constant.

(2) Insurers having previously filed and are currently using rating tiers within the same company or have company rate differentials in effect may continue to use them until further notice.