

DELAWARE COMPENSATION RATING BUREAU, INC. (DCRB)

ANALYSIS OF EXPERIENCE UNDER THE DELAWARE SCHEDULE RATING PLAN

Schedule rating is a means of providing pricing flexibility by adjusting the loss and / or expense components of an insured risk's premium to reflect characteristics of the risk which are deemed to be not adequately reflected in either prior experience or current rates of the insured risk.

The DCRB has compiled and reviewed aggregate statistical data for schedule rating programs covering Policy Years 1994 (Exhibit I) through 2008 (Exhibit XV) and the total of those years (Exhibit XVI).

Exhibits I through XVI each present 16 statistics (described in the Appendix below) separately for each of the following four groups of policies:

1. Experience for policies subject to schedule rating and receiving **schedule rating credits** during the indicated 12-month experience period (Column (1)).
2. Experience for policies subject to schedule rating and receiving **schedule rating debits** during the indicated 12-month experience period (Column (2)).
3. Experience for policies **not subject to schedule rating** during the indicated 12-month experience period (Column (3)).
4. Experience for all policies during the indicated 12-month experience period (Column (4)). This represents the sum of all risks identified in columns (1), (2) and (3).

The following summary observations are based on a review of the attached Exhibits I through XVI:

- Over the period 1994-2008 risks receiving **schedule rating credits** tended to receive larger credits than were indicated by an after-the-fact assessment of their experience. For those risks receiving schedule rating credits, the average credit applied was 24.31 percent while the average credit indicated for those same risks was only 5.74 percent.
- Risks receiving **schedule rating debits** tended to receive smaller debits than were indicated by an after-the-fact assessment of their experience. For those risks receiving schedule rating debits, the average debit was 17.28 percent while the average debit indicated for those same risks was 26.55 percent.
- The above-described results suggest that carriers have tended to correctly identify the risks that should receive either schedule rating credits or debits respectively, but that carriers then have generally overestimated the appropriate level of credits or underestimated the appropriate level of debits to be applied.

- Average schedule rating credits and debits were relatively more stable from year to year than were average indicated adjustments. Risks with schedule rating credits had average indicated credits in excess of average actual credits in only one year (1996) while the average indicated debit for risks with schedule rating debits exceeded the average actual debit in five years, most recently 2008.
- The number of risks subject to schedule rating increased through 2000, decreased from 2001 through 2004 and is again on the rise since 2004. Premiums for schedule rated risks have increased in each year except 2001 and 2008. On a percentage basis, use of schedule rating peaked in 1999 with 51 percent of risks and 59 percent of premium subject to schedule rating. For 2008 the comparable figures are 42 percent and 55 percent, respectively.
- The portion of risks subject to schedule rating that received debits increased starting in 1999, peaked at 20 percent in 2003, and dropped since then with 2008 at 7 percent. Premiums exhibit a similar pattern, peaking at 16 percent in 2002, and stands at 4 percent for 2008.
- Over the period 1994-2008 risks subject to schedule rating were roughly 64 percent larger than risks not subject to the schedule rating, and schedule rated risks with credits tended to be similar in size to those risks with debits.
- Over the period 1994-2008 all categories of risks (schedule rated with credit, schedule rated with debit, non-schedule rated) had very similar claim frequency measures.
- With respect to claim severity, results for non-schedule rated risks were slightly higher than that of risks with schedule rating credits while risks with schedule rating debits showed the highest claim severities.

APPENDIX

Described below are the 16 statistics used in the analysis shown in the attached Exhibits I through XVI:

- (1) Number of Policies: The number of policies issued to the groups of employers variously described in each column of Exhibits I through XVI. Note that some Delaware employers may not have a workers' compensation policy (i.e., self-insureds or those not subject to mandatory coverage), and some insured employers may change insurers and, thus, may have different policies in effect during a given year(s).
- (2) Standard Premium: The product of reported exposures for each group of employers variously described in each column of Exhibits I through XVI times approved Bureau loss costs times each employer's experience modification (if applicable).
- (3) Average Premium: Computed by dividing total standard premium by the number of policies reported.
- (4) Schedule Rating Adjustment: The total amount of premium credits or debits given under the schedule rating plan to employers included in each column of Exhibits I through XVI.
- (5) Net Premium: The standard premium less any applicable schedule rating credits or debits. For employers not subject to schedule rating, net premium and standard premium are equal because no schedule rating adjustments were applied.
- (6) Number of Indemnity Claims: The number of indemnity claims reported on the policies variously described in each column of Exhibits I through XVI. Indemnity claims are cases involving some wage loss or other form of benefit payable to the worker or their dependents in addition to any applicable treatment costs.
- (7) Number of Total Claims: The total number of claims reported on the policies variously described in each column of Exhibits I through XVI. These counts include both indemnity claims and medical-only claims, those cases involving only payment of medical treatment costs.
- (8) Indemnity Claim Frequency: The number of indemnity claims reported per \$1,000 of standard premiums in each group of policies presented in Exhibits I through XVI.
- (9) Total Claim Frequency: The number of total claims reported per \$1,000 of standard premium in each group of policies presented in Exhibits I through XVI. Total claim frequency is shown bold-faced and underlined, as this statistic is one of the key bases of comparison between employer groups used in the DCRB's review of the schedule rating plan.

- (10) Incurred Losses: The reported dollar value of losses incurred on the various groups of policies presented on Exhibits I through XVI for indemnity and medical-only claims.
- (11) Average Claim: Total incurred losses divided by the total number of claims. Average claim amounts are shown bold-faced and underlined, as this statistic is another of the key bases of comparison between employer groups used in the DCRB's review of the schedule rating plan.
- (12) Loss Ratio: The total incurred losses divided by the net premium for each group of policies presented on Exhibits I through XVI. Loss ratios are shown bold-faced and underlined, as this statistic is the third key basis of comparison between employer groups used in the DCRB's review of the schedule rating plan.

The last four experience statistics are computed only for Columns (1) and (2) in each exhibit, as those columns represent risks subject to schedule rating. These statistics are described below:

- (13) Net Premium to Balance Schedule Rated Employers with Schedule Rating Credits (Column (1)) or Schedule Rated Employers with Schedule Rating Debits (Column (2)) with Non-Schedule Rated Loss Ratios: This is the amount of net premium which would produce the same loss ratio for the schedule rated employers studied in each exhibit's Columns (1) and (2) as was reported for all non-schedule rated employers (Column (3)).
- (14) Indicated Schedule Rating Credits or Debits to Balance: This is the difference between standard premium for the schedule rated employers studied in each exhibit's Columns (1) and (2) and the balancing net premium computed in Item (13).
- (15) Average Schedule Rating Credit or Debit Factor: This is the average ratio of schedule rating credits or debits actually granted to standard premium for the schedule rated employers studied in each exhibit's Columns (1) and (2). This average schedule rating credit is shown bold-faced and underlined, as this statistic is a key measure of the operation of the schedule rating plan.
- (16) Indicated Schedule Rating Credit or Debit Factor: This is the average schedule rating credit or debit ratio that would have resulted in the balancing schedule rating credits or debits computed in Item (14). This indicated schedule rating credit or debit is a key measure of the operation of the schedule rating plan, especially for purposes of comparison to the actual average schedule rating plan credit or debit shown in Item (15).

**Delaware Schedule Rating Plan Analysis
Policy Year 1994**

Exhibit I

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	738	12	2,506	3,256
(2) Standard Premium	13,962,698	109,410	32,803,243	46,875,351
(3) Average Premium (2)/(1)	18,920	9,118	13,090	14,397
(4) Schedule Rating Credit(Debit)	2,589,956	(17,136)	-	2,572,820
(5) Net Premium (2)-(4)	11,372,742	126,546	32,803,243	44,302,531
(6) # of Indemnity Claims	416	8	1,058	1,482
(7) # of Total Claims	1,497	17	3,707	5,221
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0298	0.0731	0.0323	0.0316
(9) Total Claim Frequency (7)/{(2)/1,000}	0.1072	0.1554	0.1130	0.1114
(10) Incurred Losses	5,184,621	278,280	14,687,613	20,150,514
(11) Average Claim (10)/(7)	3,463	16,369	3,962	3,860
(12) Loss Ratio-Net (10)/(5)	0.4559	2.1990	0.4477	0.4548
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	11,581,043	621,565	32,803,243	
(14) Indicated SR Adjustment to Balance (2)-(13)	2,381,655	(512,155)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.1855	(0.1566)	-	0.0549
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.1706	(4.6811)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 1995**

Exhibit II

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	940	28	2,658	3,626
(2) Standard Premium	15,278,316	321,736	27,466,488	43,066,540
(3) Average Premium (2)/(1)	16,254	11,491	10,334	11,877
(4) Schedule Rating Credit(Debit)	3,716,346	(29,213)	-	3,687,133
(5) Net Premium (2)-(4)	11,561,970	350,949	27,466,488	39,379,407
(6) # of Indemnity Claims	420	19	870	1,309
(7) # of Total Claims	1,443	53	3,087	4,583
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0275	0.0591	0.0317	0.0304
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0944	0.1647	0.1124	0.1064
(10) Incurred Losses	7,295,770	195,923	11,883,015	19,374,708
(11) Average Claim (10)/(7)	5,056	3,697	3,849	4,228
(12) Loss Ratio-Net (10)/(5)	0.6310	0.5583	0.4326	0.4920
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	16,864,547	452,924	27,466,488	
(14) Indicated SR Adjustment to Balance (2)-(13)	(1,586,231)	(131,188)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2432	(0.0908)	-	0.0856
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	(0.1038)	(0.4077)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 1996**

Exhibit III

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,061	18	2,690	3,769
(2) Standard Premium	16,789,143	269,125	26,929,375	43,987,643
(3) Average Premium (2)/(1)	15,824	14,951	10,011	11,671
(4) Schedule Rating Credit(Debit)	3,979,127	(51,395)	-	3,927,732
(5) Net Premium (2)-(4)	12,810,016	320,520	26,929,375	40,059,911
(6) # of Indemnity Claims	419	8	774	1,201
(7) # of Total Claims	1,436	33	2,593	4,062
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0250	0.0297	0.0287	0.0273
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0855	0.1226	0.0963	0.0923
(10) Incurred Losses	5,983,959	46,832	13,723,199	19,753,990
(11) Average Claim (10)/(7)	4,167	1,419	5,292	4,863
(12) Loss Ratio-Net (10)/(5)	0.4671	0.1461	0.5096	0.4931
(13) Net Premium to Balance SR LR to Non-SR LRs:	11,741,677	91,892	26,929,375	
(14) Indicated SR Adjustment to Balance (2)-(13) Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	5,047,466	177,233	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2370	(0.1910)	-	0.0893
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.3006	0.6586	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 1997**

Exhibit IV

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,400	18	2,446	3,864
(2) Standard Premium	22,825,583	226,365	26,228,376	49,280,324
(3) Average Premium (2)/(1)	16,304	12,576	10,723	12,754
(4) Schedule Rating Credit(Debit)	5,340,404	(44,542)	-	5,295,862
(5) Net Premium (2)-(4)	17,485,179	270,907	26,228,376	43,984,462
(6) # of Indemnity Claims	555	6	613	1,174
(7) # of Total Claims	1,882	36	2,130	4,048
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0243	0.0265	0.0234	0.0238
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0825	0.1590	0.0812	0.0821
(10) Incurred Losses	9,941,875	72,049	8,953,866	18,967,790
(11) Average Claim (10)/(7)	5,283	2,001	4,204	4,686
(12) Loss Ratio-Net (10)/(5)	0.5686	0.2660	0.3414	0.4312
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	29,121,479	211,076	26,228,376	
(14) Indicated SR Adjustment to Balance (2)-(13)	(6,295,896)	15,289	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2340	(0.1968)	-	0.1075
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	(0.2758)	0.0675	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 1998**

Exhibit V

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,897	15	2,063	3,975
(2) Standard Premium	30,334,800	314,123	21,339,270	51,988,193
(3) Average Premium (2)/(1)	15,991	20,942	10,344	13,079
(4) Schedule Rating Credit(Debit)	7,726,096	(60,427)	-	7,665,669
(5) Net Premium (2)-(4)	22,608,704	374,550	21,339,270	44,322,524
(6) # of Indemnity Claims	650	7	424	1,081
(7) # of Total Claims	2,302	20	1,501	3,823
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0214	0.0223	0.0199	0.0208
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0759	0.0637	0.0703	0.0735
(10) Incurred Losses	10,935,239	128,639	8,184,622	19,248,500
(11) Average Claim (10)/(7)	4,750	6,432	5,453	5,035
(12) Loss Ratio-Net (10)/(5)	0.4837	0.3434	0.3835	0.4343
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	28,515,854	335,386	21,339,270	
(14) Indicated SR Adjustment to Balance (2)-(13)	1,818,946	(21,263)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2547	(0.1924)	-	0.1475
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.0600	(0.0677)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 1999**

Exhibit VI

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	2,069	26	2,044	4,139
(2) Standard Premium	45,336,448	511,574	31,750,221	77,598,243
(3) Average Premium (2)/(1)	21,912	19,676	15,533	18,748
(4) Schedule Rating Credit(Debit)	11,129,137	(119,663)	-	11,009,474
(5) Net Premium (2)-(4)	34,207,311	631,237	31,750,221	66,588,769
(6) # of Indemnity Claims	1,098	16	724	1,838
(7) # of Total Claims	3,831	45	2,526	6,402
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0242	0.0313	0.0228	0.0237
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0845	0.0880	0.0796	0.0825
(10) Incurred Losses	22,825,949	188,477	11,578,094	34,592,520
(11) Average Claim (10)/(7)	5,958	4,188	4,584	5,403
(12) Loss Ratio-Net (10)/(5)	0.6673	0.2986	0.3647	0.5195
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	62,589,906	516,829	31,750,221	
(14) Indicated SR Adjustment to Balance (2)-(13)	(17,253,458)	(5,255)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2455	(0.2339)	-	0.1419
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	(0.3806)	(0.0103)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2000**

Exhibit VII

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	2,161	46	2,315	4,522
(2) Standard Premium	66,000,508	1,359,132	55,964,757	123,324,397
(3) Average Premium (2)/(1)	30,542	29,546	24,175	27,272
(4) Schedule Rating Credit(Debit)	15,615,889	(281,403)	-	15,334,486
(5) Net Premium (2)-(4)	50,384,619	1,640,535	55,964,757	107,989,911
(6) # of Indemnity Claims	1,393	43	1,193	2,629
(7) # of Total Claims	5,039	143	4,993	10,175
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0211	0.0316	0.0213	0.0213
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0763	0.1052	0.0892	0.0825
(10) Incurred Losses	25,970,267	755,536	22,844,858	49,570,661
(11) Average Claim (10)/(7)	5,154	5,283	4,575	4,872
(12) Loss Ratio-Net (10)/(5)	0.5154	0.4605	0.4082	0.4590
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	63,616,444	1,850,726	55,964,757	
(14) Indicated SR Adjustment to Balance (2)-(13)	2,384,064	(491,594)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2366	(0.2070)	-	0.1243
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.0361	(0.3617)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2001**

Exhibit VIII

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,691	77	2,765	4,533
(2) Standard Premium	57,098,209	4,818,263	63,442,420	125,358,892
(3) Average Premium (2)/(1)	33,766	62,575	22,945	27,655
(4) Schedule Rating Credit(Debit)	14,487,680	(824,250)	-	13,663,430
(5) Net Premium (2)-(4)	42,610,529	5,642,513	63,442,420	111,695,462
(6) # of Indemnity Claims	1,114	123	1,234	2,471
(7) # of Total Claims	4,104	429	4,904	9,437
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0195	0.0255	0.0195	0.0197
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0719	0.0890	0.0773	0.0753
(10) Incurred Losses	25,375,656	2,462,206	31,245,924	59,083,786
(11) Average Claim (10)/(7)	6,183	5,739	6,372	6,261
(12) Loss Ratio-Net (10)/(5)	0.5955	0.4364	0.4925	0.5290
(13) Net Premium to Balance SR LR to Non-SR LRs:	51,521,970	4,999,782	63,442,420	
(14) Indicated SR Adjustment to Balance (2)-(13) Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	5,576,239	(181,519)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2537	(0.1711)	-	0.1090
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.0977	(0.0377)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2002**

Exhibit IX

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,187	250	3,283	4,720
(2) Standard Premium	53,661,691	10,239,474	85,496,893	149,398,058
(3) Average Premium (2)/(1)	45,208	40,958	26,042	31,652
(4) Schedule Rating Credit(Debit)	12,770,146	(1,908,195)	-	10,861,951
(5) Net Premium (2)-(4)	40,891,545	12,147,669	85,496,893	138,536,107
(6) # of Indemnity Claims	891	201	1,447	2,539
(7) # of Total Claims	3,217	832	5,201	9,250
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0166	0.0196	0.0169	0.0170
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0599	0.0813	0.0608	0.0619
(10) Incurred Losses	20,327,036	7,178,479	36,574,671	64,080,186
(11) Average Claim (10)/(7)	6,319	8,628	7,032	6,928
(12) Loss Ratio-Net (10)/(5)	0.4971	0.5909	0.4278	0.4626
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	47,515,631	16,779,003	85,496,893	
(14) Indicated SR Adjustment to Balance (2)-(13)	6,146,060	(6,539,529)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2380	(0.1864)	-	0.0727
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.1145	(0.6387)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2003**

Exhibit X

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,140	287	3,808	5,235
(2) Standard Premium	57,456,966	10,337,567	82,354,181	150,148,714
(3) Average Premium (2)/(1)	50,401	36,019	21,627	28,682
(4) Schedule Rating Credit(Debit)	14,266,551	(1,823,694)	-	12,442,857
(5) Net Premium (2)-(4)	43,190,415	12,161,261	82,354,181	137,705,857
(6) # of Indemnity Claims	819	181	1,316	2,316
(7) # of Total Claims	3,060	688	4,730	8,478
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0143	0.0175	0.0160	0.0154
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0533	0.0666	0.0574	0.0565
(10) Incurred Losses	19,468,586	4,044,003	30,236,629	53,749,218
(11) Average Claim (10)/(7)	6,362	5,878	6,393	6,340
(12) Loss Ratio-Net (10)/(5)	0.4508	0.3325	0.3672	0.3903
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	53,023,527	11,012,035	82,354,181	
(14) Indicated SR Adjustment to Balance (2)-(13)	4,433,439	(674,468)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2483	(0.1764)	-	0.0829
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.0772	(0.0652)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2004**

Exhibit XI

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,110	267	4,468	5,845
(2) Standard Premium	62,891,012	9,638,718	132,576,459	205,106,189
(3) Average Premium (2)/(1)	56,659	36,100	29,672	35,091
(4) Schedule Rating Credit(Debit)	16,241,400	(1,647,457)	-	14,593,943
(5) Net Premium (2)-(4)	46,649,612	11,286,175	132,576,459	190,512,246
(6) # of Indemnity Claims	716	113	1,606	2,435
(7) # of Total Claims	2,749	370	5,621	8,740
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0114	0.0117	0.0121	0.0119
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0437	0.0384	0.0424	0.0426
(10) Incurred Losses	21,432,772	3,564,163	51,197,964	76,194,899
(11) Average Claim (10)/(7)	7,797	9,633	9,108	8,718
(12) Loss Ratio-Net (10)/(5)	0.4594	0.3158	0.3862	0.3999
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	55,491,537	9,228,830	132,576,459	
(14) Indicated SR Adjustment to Balance (2)-(13)	7,399,475	409,888	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2582	(0.1709)	-	0.0712
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.1177	0.0425	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2005**

Exhibit XII

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	1,489	194	4,306	5,989
(2) Standard Premium	93,878,311	8,208,274	145,504,357	247,590,942
(3) Average Premium (2)/(1)	63,048	42,311	33,791	41,341
(4) Schedule Rating Credit(Debit)	23,027,550	(1,558,663)	-	21,468,887
(5) Net Premium (2)-(4)	70,850,761	9,766,937	145,504,357	226,122,055
(6) # of Indemnity Claims	854	87	1,430	2,371
(7) # of Total Claims	3,216	227	4,868	8,311
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0091	0.0106	0.0098	0.0096
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0343	0.0277	0.0335	0.0336
(10) Incurred Losses	28,359,330	2,898,011	43,604,388	74,861,729
(11) Average Claim (10)/(7)	8,818	12,767	8,957	9,008
(12) Loss Ratio-Net (10)/(5)	0.4003	0.2967	0.2997	0.3311
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	94,633,165	9,669,170	145,504,357	
(14) Indicated SR Adjustment to Balance (2)-(13)	(754,854)	(1,460,896)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2453	(0.1899)	-	0.0867
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	(0.0080)	(0.1780)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2006**

Exhibit XIII

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	2,017	178	4,314	6,509
(2) Standard Premium	131,273,650	7,376,217	154,401,703	293,051,570
(3) Average Premium (2)/(1)	65,084	41,439	35,791	45,023
(4) Schedule Rating Credit(Debit)	33,144,331	(1,154,458)	-	31,989,873
(5) Net Premium (2)-(4)	98,129,319	8,530,675	154,401,703	261,061,697
(6) # of Indemnity Claims	1,020	78	1,168	2,266
(7) # of Total Claims	3,831	237	4,090	8,158
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0078	0.0106	0.0076	0.0077
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0292	0.0321	0.0265	0.0278
(10) Incurred Losses	29,918,252	3,608,990	40,025,529	73,552,771
(11) Average Claim (10)/(7)	7,810	15,228	9,786	9,016
(12) Loss Ratio-Net (10)/(5)	0.3049	0.4231	0.2592	0.2817
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	115,430,669	13,924,879	154,401,703	
(14) Indicated SR Adjustment to Balance (2)-(13)	15,842,981	(6,548,662)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2525	(0.1565)	-	0.1092
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.1207	(0.8878)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2007**

Exhibit XIV

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	2,603	179	4,166	6,948
(2) Standard Premium	154,573,644	6,854,309	146,659,647	308,087,600
(3) Average Premium (2)/(1)	59,383	38,292	35,204	44,342
(4) Schedule Rating Credit(Debit)	37,578,461	(1,097,473)	-	36,480,988
(5) Net Premium (2)-(4)	116,995,183	7,951,782	146,659,647	271,606,612
(6) # of Indemnity Claims	1,137	54	997	2,188
(7) # of Total Claims	4,216	182	3,766	8,164
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0074	0.0079	0.0068	0.0071
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0273	0.0266	0.0257	0.0265
(10) Incurred Losses	36,549,524	1,394,183	38,427,124	76,370,831
(11) Average Claim (10)/(7)	8,669	7,660	10,204	9,355
(12) Loss Ratio-Net (10)/(5)	0.3124	0.1753	0.2620	0.2812
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	139,501,127	5,320,410	146,659,647	
(14) Indicated SR Adjustment to Balance (2)-(13)	15,072,517	1,533,899	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2431	(0.1601)	-	0.1184
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.0975	0.2238	-	

**Delaware Schedule Rating Plan Analysis
Policy Year 2008**

Exhibit XV

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	2,714	209	3,973	6,896
(2) Standard Premium	134,726,927	6,160,522	115,303,060	256,190,509
(3) Average Premium (2)/(1)	49,641	29,476	29,022	37,151
(4) Schedule Rating Credit(Debit)	30,799,453	(913,046)	-	29,886,407
(5) Net Premium (2)-(4)	103,927,474	7,073,568	115,303,060	226,304,102
(6) # of Indemnity Claims	959	59	909	1,927
(7) # of Total Claims	3,875	214	3,414	7,503
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0071	0.0096	0.0079	0.0075
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0288	0.0347	0.0296	0.0293
(10) Incurred Losses	38,317,516	2,036,320	29,065,511	69,419,347
(11) Average Claim (10)/(7)	9,888	9,516	8,514	9,252
(12) Loss Ratio-Net (10)/(5)	0.3687	0.2879	0.2521	0.3068
(13) Net Premium to Balance SR LR to Non-SR LRs: Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	151,995,477	8,078,065	115,303,060	
(14) Indicated SR Adjustment to Balance (2)-(13)	(17,268,550)	(1,917,543)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2286	(0.1482)	-	0.1167
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	(0.1282)	(0.3113)	-	

**Delaware Schedule Rating Plan Analysis
Policy Year (1994 - 2008)**

Exhibit XVI

Statistic	(1) Schedule Rated Risks With Credit Adjustment	(2) Schedule Rated Risks With Debit Adjustment	(3) Non - Schedule Rated Risks	(4) All Risks
(1) Number of Risks	24,217	1,804	47,805	73,826
(2) Standard Premium	956,087,906	66,744,809	1,148,220,450	2,171,053,165
(3) Average Premium (2)/(1)	39,480	36,998	24,019	29,408
(4) Schedule Rating Credit(Debit)	232,412,527	(11,531,015)	-	220,881,512
(5) Net Premium (2)-(4)	723,675,379	78,275,824	1,148,220,450	1,950,171,653
(6) # of Indemnity Claims	12,461	1,003	15,763	29,227
(7) # of Total Claims	45,698	3,526	57,131	106,355
(8) Indemnity Claim Frequency (6)/{(2)/1,000}	0.0130	0.0150	0.0137	0.0135
(9) Total Claim Frequency (7)/{(2)/1,000}	0.0478	0.0528	0.0498	0.0490
(10) Incurred Losses	307,886,352	28,852,091	392,233,007	728,971,450
(11) Average Claim (10)/(7)	6,737	8,183	6,866	6,854
(12) Loss Ratio-Net (10)/(5)	0.4254	0.3686	0.3416	0.3738
(13) Net Premium to Balance SR LR to Non-SR LRs:	901,204,644	84,462,730	1,148,220,450	
(14) Indicated SR Adjustment to Balance (2)-(13) Col(x)Line(5)*Col(x)Line(12)/Col(3)Line(12)	54,883,262	(17,717,921)	-	
(15) Average Schedule Rating Credit(Debit) (4)/(2)	0.2431	(0.1728)	-	0.1017
(16) Indicated SR Adjustment Credit(Debit) (14)/(2)	0.0574	(0.2655)	-	