

DELAWARE COMPENSATION RATING BUREAU

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. The second page shows a graph of the frequencies appearing in column (5) of page 1.

The third page shows annual changes in average quarterly wages over the last eight available calendar quarters.

**Delaware W.C - Claim Frequencies**

DCRB Unit Statistical Plan  
Excluding Deductible Business

Policy Year	# of Claim Indemnity (1)	% Change Counts (2)	Expected Losses (3)	% Change Exp Loss (4)	Claim Frequency (#Claims per \$1 million) (5)	% Change Frequency (6)
1996	2,728		95,432,303		28.59	
1997	2,545	-6.7%	97,587,307	2.3%	26.08	-8.8%
1998	2,415	-5.1%	103,996,524	6.6%	23.22	-11.0%
1999	2,451	1.5%	107,103,466	3.0%	22.88	-1.5%
2000	2,301	-6.1%	111,064,061	3.7%	20.72	-9.4%
2001	1,973	-14.3%	109,279,527	-1.6%	18.05	-12.9%
2002	1,929	-2.2%	105,505,508	-3.5%	18.28	1.3%
2003	1,846	-4.3%	105,521,772	0.0%	17.49	-4.3%
2004	1,733	-6.1%	112,595,098	6.7%	15.39	-12.0%
2005	1,649	-4.9%	119,561,402	6.2%	13.79	-10.4%
2006	1,603	-2.8%	123,562,824	3.3%	12.97	-5.9%
2007	1,482	-7.6%	122,891,188	-0.5%	12.06	-7.0%
2008	1,290	-13.0%	120,526,393	-1.9%	10.70	-11.3%
2009	1,251	-3.0%	116,354,792	-3.5%	10.75	0.5%
2010 *	1,040	-16.9%	100,382,116	-13.7%	10.36	-3.6%
2010 **					10.31	-4.1%

\* Includes approximately 1st 9 months of PY2010.

\*\* Projected value for complete PY 2010 is 10.31 based on an annual change in claim frequency of -4.1%.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adj Claim Freq. (1) (#Claims per \$1 million)	% Change Adj Claim Frequency
1996	602.68		1.0000	28.59	
1997	634.35	5.3%	1.0525	27.45	-4.0%
1998	663.21	4.6%	1.1004	25.55	-6.9%
1999	689.03	3.9%	1.1433	26.16	2.4%
2000	720.50	4.6%	1.1955	24.77	-5.3%
2001	748.78	3.9%	1.2424	22.43	-9.4%
2002	772.98	3.2%	1.2826	23.45	4.5%
2003	800.52	3.6%	1.3283	23.23	-0.9%
2004	836.38	4.5%	1.3878	21.36	-8.0%
2005	872.92	4.4%	1.4484	19.97	-6.5%
2006	898.06	2.9%	1.4901	19.33	-3.2%
2007	911.83	1.5%	1.5130	18.25	-5.6%
2008	915.33	0.4%	1.5188	16.25	-11.0%
2009	923.91	0.9%	1.5330	16.48	1.4%
2010 (2)	946.96	2.5%	1.5712	16.28	
2010	950.30		1.5768	16.25	-1.4%

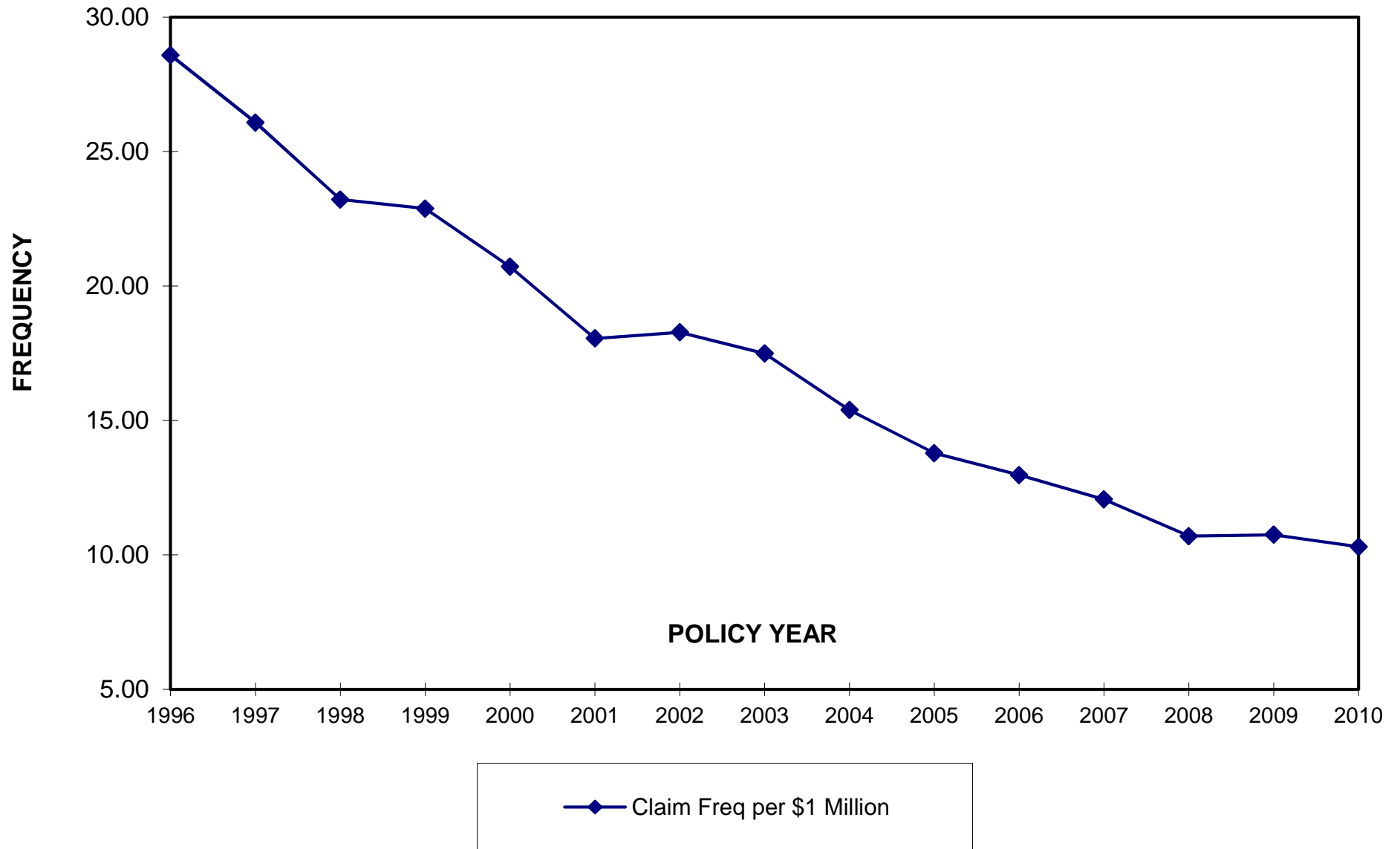
(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (1993) wages

(2) Includes approximately 1st 9 months of PY 2010. ( Full Year=950.30-Average of CY 2010 and 2011 )

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY96-PY10	-7.2%	PY96-PY09	-7.4%
PY97-PY10	-7.2%	PY97-PY09	-7.3%
PY98-PY10	-7.1%	PY98-PY09	-7.3%
PY99-PY10	-7.2%	PY99-PY09	-7.5%
PY00-PY10	-7.1%	PY00-PY09	-7.4%
PY01-PY10	-7.0%	PY01-PY09	-7.4%
PY02-PY10	-7.4%	PY02-PY09	-8.0%
PY03-PY10	-7.3%	PY03-PY09	-8.0%
PY04-PY10	-6.5%	PY04-PY09	-7.2%
PY05-PY10	-5.9%	PY05-PY09	-6.7%
PY06-PY10	-5.6%	PY06-PY09	-6.6%
PY07-PY10	-4.6%	PY07-PY09	-5.6%
PY08-PY10	-1.9%	PY08-PY09	0.5%
PY09-PY10	-4.1%		

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY96-PY10	-4.1%	PY96-PY10	3.3%
PY97-PY10	-4.2%	PY97-PY10	3.2%
PY98-PY10	-4.2%	PY98-PY10	3.1%
PY99-PY10	-4.5%	PY99-PY10	3.0%
PY00-PY10	-4.5%	PY00-PY10	2.8%
PY01-PY10	-4.5%	PY01-PY10	2.7%
PY02-PY10	-5.1%	PY02-PY10	2.5%
PY03-PY10	-5.2%	PY03-PY10	2.2%
PY04-PY10	-4.8%	PY04-PY10	1.9%
PY05-PY10	-4.5%	PY05-PY10	1.5%
PY06-PY10	-4.4%	PY06-PY10	1.3%
PY07-PY10	-3.3%	PY07-PY10	1.3%
PY08-PY10	0.0%	PY08-PY10	1.9%
PY09-PY10	-1.4%	PY09-PY10	2.9%

# DE W.C- CLAIM FREQUENCIES DCRB Unit Statistical Plan (Excluding Deductible Business)



**DELAWARE COMPENSATION RATING BUREAU, INC.  
DERIVATION OF WAGE TREND**

YEAR	QUARTER	SOURCE*	STATEWIDE AVERAGE QUARTERLY WAGE	ESTIMATE FOR YEARLY RATE OF WAGE INFLATION
2009	1	ACTUAL	12,653	
	2	ACTUAL	11,097	
	3	ACTUAL	11,400	
	4	ACTUAL	12,431	
2010	1	ACTUAL	12,576	0.9939
	2	ACTUAL	11,305	1.0187
	3	ACTUAL	11,672	1.0239
	4	ACTUAL	12,982	1.0443
2011	1	ACTUAL	13,339	1.0607
	2	ACTUAL	11,979	1.0596
	3	ACTUAL	12,270	1.0512
	4	ACTUAL	12,749	0.9821

Latest Eight Quarter Average = 1.0293

Selected Annual Wage Trend = 1.0293

\*\* Delaware Department of Labor