

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)
1997	2,545		121,881,222		20.88	
1998	2,415	-5.1%	130,075,295	6.7%	18.57	-11.1%
1999	2,451	1.5%	133,834,735	2.9%	18.31	-1.4%
2000	2,301	-6.1%	138,641,728	3.6%	16.60	-9.3%
2001	1,973	-14.3%	136,374,080	-1.6%	14.47	-12.8%
2002	1,930	-2.2%	131,660,736	-3.5%	14.66	1.3%
2003	1,846	-4.4%	131,599,606	0.0%	14.03	-4.3%
2004	1,734	-6.1%	140,330,604	6.6%	12.36	-11.9%
2005	1,649	-4.9%	149,070,886	6.2%	11.06	-10.5%
2006	1,603	-2.8%	154,027,318	3.3%	10.41	-5.9%
2007	1,480	-7.7%	153,161,570	-0.6%	9.66	-7.2%
2008	1,289	-12.9%	150,074,371	-2.0%	8.59	-11.1%
2009	1,243	-3.6%	143,934,912	-4.1%	8.64	0.6%
2010	1,334	7.3%	154,579,345	7.4%	8.63	-0.1%
2011 *	1,076	-19.3%	133,594,499	-13.6%	8.05	-6.7%
2011 **					7.97	-7.6%

* Includes approximately 1st 9 months of PY2011.

** Projected value for complete PY 2011 is 7.97 based on an annual change in claim frequency of -7.6%.

Policy Year	SAWW	% Change SAWW	SAWW Index	Adj Claim Freq. (1) (#Claims per \$1 million)	% Change Adj Claim Frequency
1997	634.35		1.0000	20.88	
1998	663.21	4.5%	1.0455	19.41	-7.0%
1999	689.03	3.9%	1.0862	19.89	2.5%
2000	720.50	4.6%	1.1358	18.85	-5.2%
2001	748.78	3.9%	1.1804	17.08	-9.4%
2002	772.98	3.2%	1.2185	17.86	4.6%
2003	800.52	3.6%	1.2620	17.71	-0.8%
2004	836.38	4.5%	1.3185	16.30	-8.0%
2005	872.92	4.4%	1.3761	15.22	-6.6%
2006	898.06	2.9%	1.4157	14.74	-3.2%
2007	911.87	1.5%	1.4375	13.89	-5.8%
2008	915.37	0.4%	1.4430	12.40	-10.7%
2009	923.91	0.9%	1.4565	12.58	1.5%
2010	950.30	2.9%	1.4981	12.93	2.8%
2011 (2)	975.68	2.7%	1.5381	12.38	
2011	979.36		1.5439	12.31	-4.8%

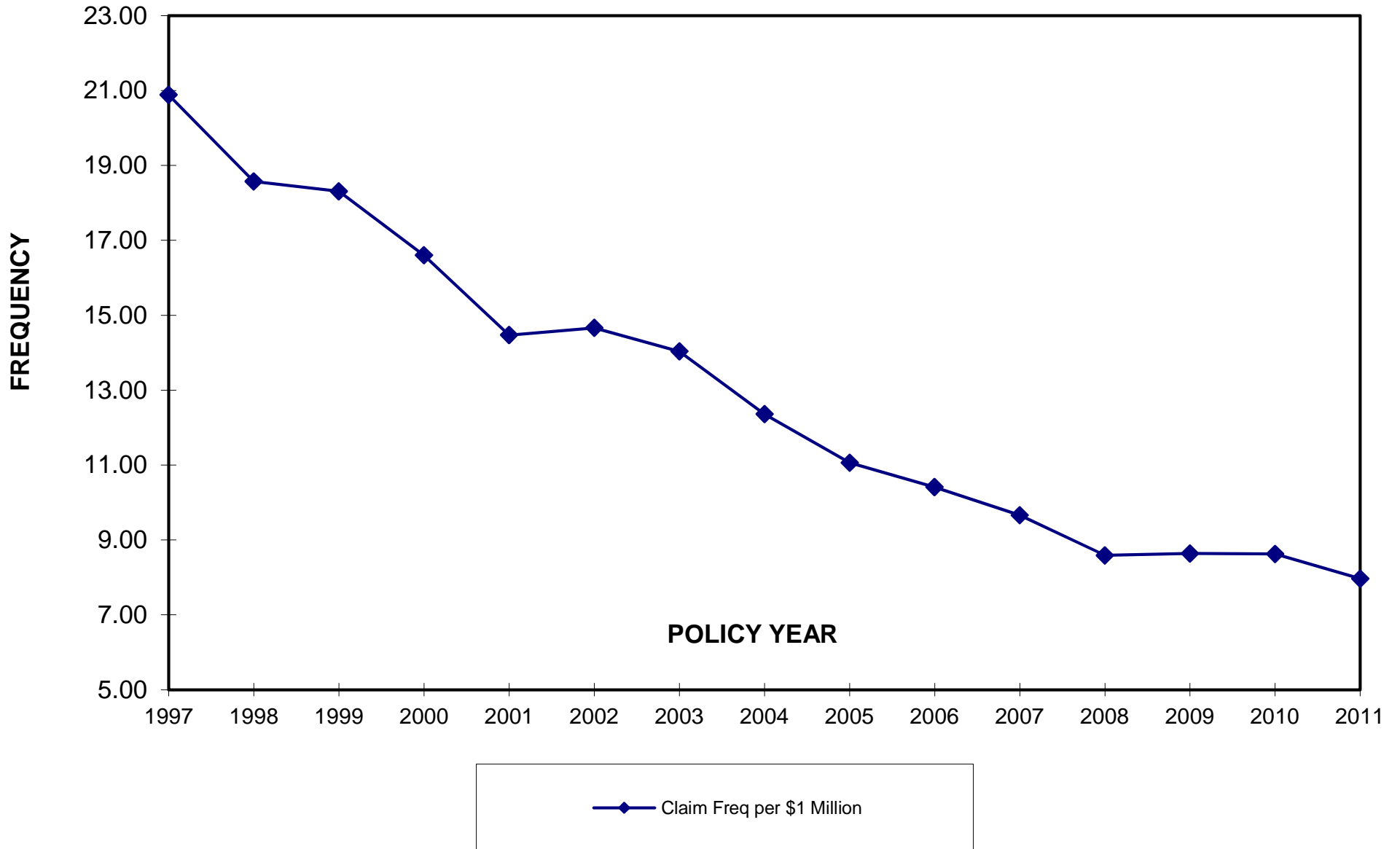
(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (1993) wages

(2) Includes approximately 1st 9 months of PY 2011. (Full Year=979.36-Average of CY 2011 and 2012)

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY97-PY11	-6.8%	PY97-PY10	-7.0%
PY98-PY11	-6.8%	PY98-PY10	-7.0%
PY99-PY11	-6.8%	PY99-PY10	-7.0%
PY00-PY11	-6.6%	PY00-PY10	-6.9%
PY01-PY11	-6.5%	PY01-PY10	-6.8%
PY02-PY11	-6.7%	PY02-PY10	-7.1%
PY03-PY11	-6.5%	PY03-PY10	-6.9%
PY04-PY11	-5.8%	PY04-PY10	-6.1%
PY05-PY11	-5.1%	PY05-PY10	-5.3%
PY06-PY11	-4.7%	PY06-PY10	-4.7%
PY07-PY11	-3.7%	PY07-PY10	-3.3%
PY08-PY11	-2.2%	PY08-PY10	0.2%
PY09-PY11	-4.0%	PY09-PY10	-0.1%
PY10-PY11	-7.6%		

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY97-PY11	-3.9%	PY97-PY11	3.1%
PY98-PY11	-4.0%	PY98-PY11	3.0%
PY99-PY11	-4.1%	PY99-PY11	2.9%
PY00-PY11	-4.1%	PY00-PY11	2.7%
PY01-PY11	-4.1%	PY01-PY11	2.6%
PY02-PY11	-4.5%	PY02-PY11	2.4%
PY03-PY11	-4.4%	PY03-PY11	2.2%
PY04-PY11	-3.9%	PY04-PY11	1.9%
PY05-PY11	-3.5%	PY05-PY11	1.7%
PY06-PY11	-3.1%	PY06-PY11	1.6%
PY07-PY11	-2.0%	PY07-PY11	1.8%
PY08-PY11	0.1%	PY08-PY11	2.3%
PY09-PY11	-1.1%	PY09-PY11	3.0%
PY10-PY11	-4.8%	PY10-PY11	3.1%

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
2010	1	ACTUAL	12,576	
	2	ACTUAL	11,305	
	3	ACTUAL	11,672	
	4	ACTUAL	12,982	
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
2012	1	ACTUAL	13,893	1.0415
	2	ACTUAL	12,245	1.0222
	3	ACTUAL	11,925	0.9719
	4	ACTUAL	13,509	1.0596

Latest Eight Quarter Average = 1.0311

Selected Annual Wage Trend = 1.0311

** Delaware Department of Labor