

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. 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)
1998	2,415		146,908,192		16.44	
1999	2,451	1.5%	150,963,210	2.8%	16.24	-1.2%
2000	2,301	-6.1%	156,275,770	3.5%	14.72	-9.4%
2001	1,973	-14.3%	153,663,230	-1.7%	12.84	-12.8%
2002	1,930	-2.2%	148,380,404	-3.4%	13.01	1.3%
2003	1,846	-4.4%	148,309,778	0.0%	12.45	-4.3%
2004	1,734	-6.1%	158,250,101	6.7%	10.96	-12.0%
2005	1,648	-5.0%	168,060,962	6.2%	9.81	-10.5%
2006	1,603	-2.7%	173,600,226	3.3%	9.23	-5.9%
2007	1,480	-7.7%	172,578,736	-0.6%	8.58	-7.0%
2008	1,287	-13.0%	168,964,920	-2.1%	7.62	-11.2%
2009	1,242	-3.5%	164,064,596	-2.9%	7.57	-0.7%
2010	1,330	7.1%	175,632,544	7.1%	7.57	0.0%
2011	1,281	-3.7%	179,964,540	2.5%	7.12	-5.9%
2012 *	980	* -23.5%	149,105,656	* -17.1%	6.57	* -7.7%
2012 **					6.49	-8.8%

Period	Annual % Change In Claim Frequency	Period	Annual % Change In Claim Frequency
PY98-PY12	-6.7%	PY98-PY11	-6.8%
PY99-PY12	-6.7%	PY99-PY11	-6.8%
PY00-PY12	-6.6%	PY00-PY11	-6.7%
PY01-PY12	-6.5%	PY01-PY11	-6.6%
PY02-PY12	-6.6%	PY02-PY11	-6.8%
PY03-PY12	-6.4%	PY03-PY11	-6.5%
PY04-PY12	-5.8%	PY04-PY11	-5.8%
PY05-PY12	-5.3%	PY05-PY11	-5.2%
PY06-PY12	-5.0%	PY06-PY11	-4.7%
PY07-PY12	-4.5%	PY07-PY11	-3.7%
PY08-PY12	-3.7%	PY08-PY11	-2.0%
PY09-PY12	-5.1%	PY09-PY11	-3.0%
PY10-PY12	-7.4%	PY10-PY11	-5.9%
PY11-PY12	-8.8%		

* Includes approximately 1st 9 months of PY2012.

** Projected value for complete PY 2012 is 6.49 based on an annual change in claim frequency of -8.8%.

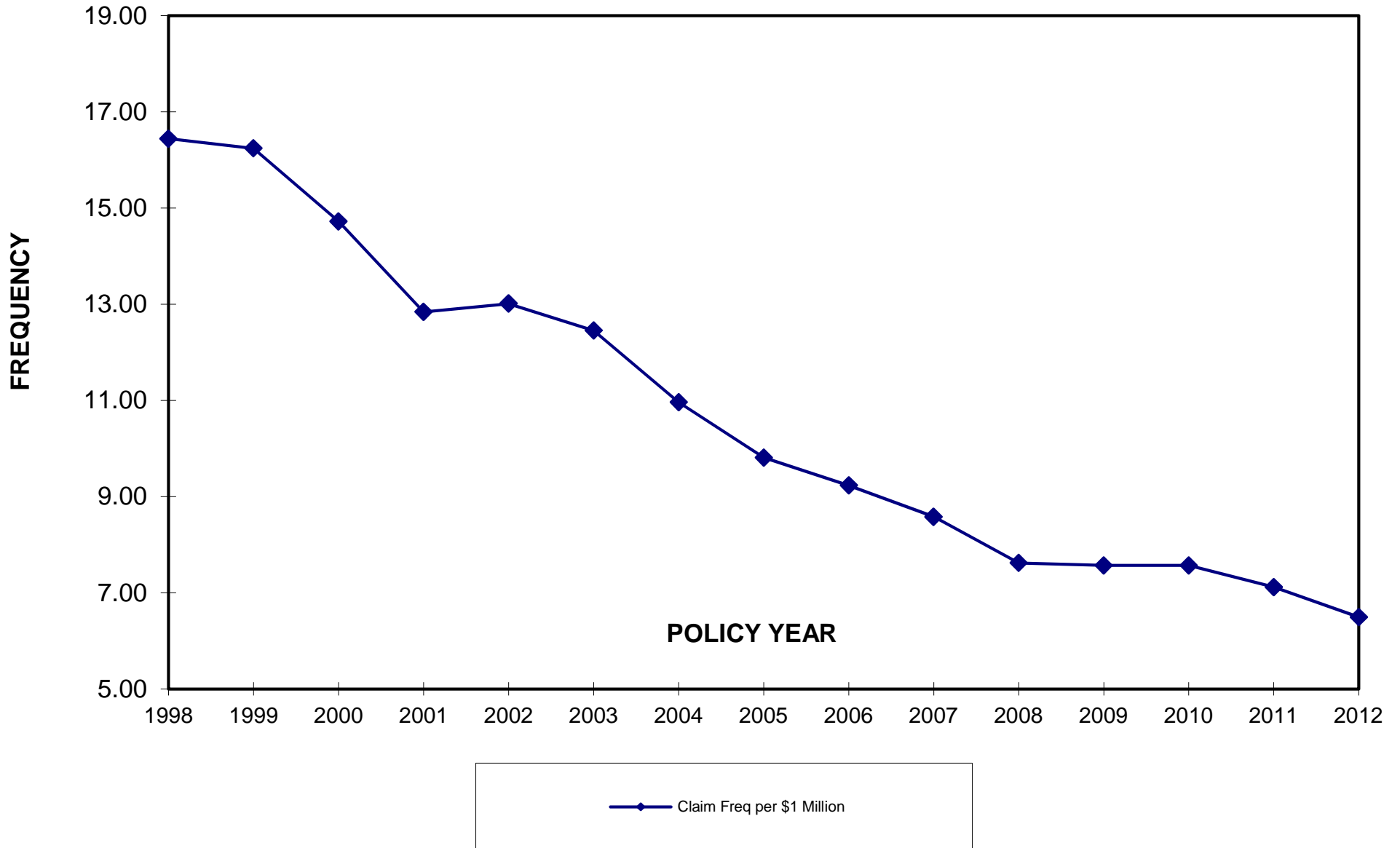
Policy Year	SAWW	% Change SAWW	SAWW Index	Adj Claim Freq. (1) (#Claims per \$1 million)	% Change Adj Claim Frequency
1998	663.21		1.0000	16.44	
1999	689.03	3.9%	1.0389	16.87	2.6%
2000	720.50	4.6%	1.0864	15.99	-5.2%
2001	748.78	3.9%	1.1290	14.50	-9.3%
2002	772.98	3.2%	1.1655	15.16	4.6%
2003	800.52	3.6%	1.2070	15.03	-0.9%
2004	836.38	4.5%	1.2611	13.82	-8.1%
2005	872.92	4.4%	1.3162	12.91	-6.6%
2006	898.06	2.9%	1.3541	12.50	-3.2%
2007	911.87	1.5%	1.3749	11.80	-5.6%
2008	915.37	0.4%	1.3802	10.52	-10.8%
2009	923.91	0.9%	1.3931	10.55	0.3%
2010	950.30	2.9%	1.4329	10.85	2.8%
2011	979.36	3.1%	1.4767	10.51	-3.1%
2012 ⁽²⁾	992.83	1.4%	1.4970	9.84	
2012	994.77		1.4999	9.74	-7.3%

Period	Annual % Change In Adjusted Claim Frequency	Period	Annual % Change in SAWW
PY98-PY12	-4.0%	PY98-PY12	2.9%
PY99-PY12	-4.1%	PY99-PY12	2.8%
PY00-PY12	-4.1%	PY00-PY12	2.6%
PY01-PY12	-4.1%	PY01-PY12	2.5%
PY02-PY12	-4.4%	PY02-PY12	2.4%
PY03-PY12	-4.3%	PY03-PY12	2.2%
PY04-PY12	-3.9%	PY04-PY12	2.0%
PY05-PY12	-3.6%	PY05-PY12	1.8%
PY06-PY12	-3.3%	PY06-PY12	1.8%
PY07-PY12	-2.6%	PY07-PY12	1.9%
PY08-PY12	-1.6%	PY08-PY12	2.3%
PY09-PY12	-2.7%	PY09-PY12	2.6%
PY10-PY12	-5.3%	PY10-PY12	2.3%
PY11-PY12	-7.3%	PY11-PY12	1.6%

(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (1998) wages

(2) Includes approximately 1st 9 months of PY 2012. (Full Year=994.77-Average of CY 2012 and 2013)

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
2011	1	ACTUAL	13,339	
	2	ACTUAL	11,979	
	3	ACTUAL	12,270	
	4	ACTUAL	12,749	
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
2013	1	ACTUAL	13,858	0.9975
	2	ACTUAL	12,509	1.0216
	3	ACTUAL	12,147	1.0186
	4	ACTUAL	13,429	0.9941

Latest Eight Quarter Average = 1.0159

Selected Annual Wage Trend = 1.0159

** Delaware Department of Labor