

DELAWARE COMPENSATION RATING BUREAU, INC.

Delaware Workplace Safety Program and Merit Rating Plan

Effective July 1, 1999, a revised Workplace Safety Program was introduced in the State of Delaware. All experience rated risks are eligible to participate, removing the previously imposed upper limit of \$60,000. The credit is equal to 20% of the complement of their experience rating plan credibility. Page 29.1 shows Workplace Safety Program data for eligible and participating risks under the new program.

Also effective July 1, 1999, a Merit Rating Plan was established in the State of Delaware. This Plan is for risks not eligible for Experience Rating. In order to qualify for a Merit Rating discount, a risk must have no indemnity claims during the last three completed policy periods. The program is revenue neutral with one indemnity claim and the risk receives a surcharge for two or more indemnity claims.

Page 29.2 shows the surcharge to manual residual market rates and voluntary market loss costs for the Merit Rating Plan and Workplace Safety Program.

DELAWARE COMPENSATION RATING BUREAU, INC.

**DELAWARE WORKPLACE SAFETY PROGRAM
RATING YEAR 2013**

Policy Size		Participating				Eligible		% Participating	
From	To	# Risks	Std Premium	Credit	% Credit	# Risks	Std Premium	# Risks	SEP
3,161	5,000	130	523,361	99,440	19.0%	1,348	5,381,140	9.6%	9.7%
5,001	7,500	185	1,148,201	217,666	19.0%	1,048	6,405,493	17.7%	17.9%
7,501	10,000	144	1,249,202	233,115	18.7%	650	5,624,565	22.2%	22.2%
10,001	12,500	114	1,271,756	233,284	18.3%	417	4,664,235	27.3%	27.3%
12,501	15,000	106	1,456,991	262,076	18.0%	339	4,634,074	31.3%	31.4%
15,001	17,500	78	1,267,530	223,831	17.7%	252	4,092,986	31.0%	31.0%
17,501	20,000	68	1,270,695	220,924	17.4%	187	3,486,899	36.4%	36.4%
20,001	25,000	112	2,533,881	427,896	16.9%	262	5,862,562	42.7%	43.2%
25,001	30,000	81	2,235,889	364,096	16.3%	189	5,190,506	42.9%	43.1%
30,001	35,000	76	2,472,010	392,130	15.9%	143	4,617,180	53.1%	53.5%
35,001	40,000	47	1,748,904	268,831	15.4%	120	4,458,309	39.2%	39.2%
40,001	45,000	46	1,946,950	290,899	14.9%	89	3,752,964	51.7%	51.9%
45,001	50,000	37	1,750,593	254,309	14.5%	90	4,250,910	41.1%	41.2%
50,001	55,000	28	1,470,654	209,564	14.2%	61	3,185,277	45.9%	46.2%
55,001	60,000	23	1,316,735	180,459	13.7%	51	2,937,772	45.1%	44.8%
60,001	70,000	38	2,423,128	323,521	13.4%	81	5,187,128	46.9%	46.7%
70,001	80,000	30	2,241,016	292,463	13.1%	60	4,494,917	50.0%	49.9%
80,001	90,000	34	2,901,498	356,203	12.3%	71	6,019,641	47.9%	48.2%
90,001	100,000	20	1,885,678	224,307	11.9%	46	4,376,967	43.5%	43.1%
100,001	200,000	87	11,500,185	1,171,882	10.2%	218	29,666,714	39.9%	38.8%
200,001	300,000	25	6,138,447	462,927	7.5%	67	16,505,186	37.3%	37.2%
300,001	400,000	17	5,820,883	364,892	6.3%	46	15,785,646	37.0%	36.9%
400,001	500,000	8	3,364,943	203,370	6.0%	25	10,871,691	32.0%	31.0%
500,001	1,000,000	8	5,677,672	227,832	4.0%	36	25,758,962	22.2%	22.0%
1,000,001	& higher	5	7,654,581	181,492	2.4%	29	51,388,271	17.2%	14.9%
Grand Total		1,547	73,271,383	7,687,409	10.5%	5,925	238,599,995	26.1%	30.7%

Average Credit - All Eligible Risks

3.22%

Delaware Compensation Rating Bureau, Inc.

Offset for Merit Rating Plan and Workplace Safety Program - December 1, 2014

Risk Type	Manual Premium	Merit Rating Adjustment	%	Workplace Safety Adjustment	%	Combined Adjustment	%
Non-Rated Risks							
1. Not Qualified for MRP	5,748,952	-	0.00%			-	0.00%
2. Qualified for MRP Discount	8,264,897	(413,129)	-5.00%			(413,129)	-5.00%
3. Qualified for MRP No Adjustment	937,588	-	0.00%			-	0.00%
4. Qualified for MRP Surcharge	218,565	10,931	5.00%			10,931	5.00%
Total Non-Rated Risks	15,170,002	(402,198)	-2.65%			(402,198)	-2.65%
Experience Rated Risks	148,651,924			(4,786,592)	-3.22%	(4,786,592)	-3.22%
All Risks	163,821,926	(402,198)	-0.25%	(4,786,592)	-2.92%	(5,188,790)	-3.17%
Adjustment to Manual Premium *							3.27% *

* .0327 = 163,821,926 / (163,821,926-5,188,790) - 1.0