

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 2014**

Policy Size		Participating				Eligible		% Participating	
From	To	# Risks	Std Premium	Credit	% Credit	# Risks	Std Premium	# Risks	SEP
3,161	5,000	90	380,365	72,268	19.0%	1,392	5,568,532	6.5%	6.8%
5,001	7,500	156	976,743	184,758	18.9%	1,122	6,885,579	13.9%	14.2%
7,501	10,000	132	1,160,255	215,502	18.6%	689	6,001,401	19.2%	19.3%
10,001	12,500	116	1,308,679	238,246	18.2%	494	5,545,225	23.5%	23.6%
12,501	15,000	86	1,182,753	211,434	17.9%	327	4,465,024	26.3%	26.5%
15,001	17,500	76	1,224,535	215,174	17.6%	292	4,726,403	26.0%	25.9%
17,501	20,000	81	1,510,492	259,821	17.2%	257	4,799,738	31.5%	31.5%
20,001	25,000	96	2,135,703	356,880	16.7%	297	6,601,530	32.3%	32.4%
25,001	30,000	86	2,392,156	386,005	16.1%	216	5,949,536	39.8%	40.2%
30,001	35,000	75	2,416,494	377,327	15.6%	169	5,480,231	44.4%	44.1%
35,001	40,000	56	2,103,884	320,229	15.2%	136	5,104,856	41.2%	41.2%
40,001	45,000	53	2,251,559	330,160	14.7%	111	4,708,789	47.7%	47.8%
45,001	50,000	52	2,456,854	347,254	14.1%	107	5,077,131	48.6%	48.4%
50,001	55,000	26	1,372,777	188,584	13.7%	66	3,474,994	39.4%	39.5%
55,001	60,000	25	1,435,320	198,835	13.9%	58	3,334,284	43.1%	43.0%
60,001	70,000	51	3,331,782	430,324	12.9%	111	7,238,088	45.9%	46.0%
70,001	80,000	35	2,599,968	323,700	12.5%	88	6,556,386	39.8%	39.7%
80,001	90,000	24	2,036,298	245,052	12.0%	59	5,030,323	40.7%	40.5%
90,001	100,000	13	1,238,344	141,849	11.5%	44	4,181,397	29.5%	29.6%
100,001	200,000	116	15,898,813	1,512,723	9.5%	281	39,362,269	41.3%	40.4%
200,001	300,000	39	9,633,655	668,631	6.9%	90	21,782,037	43.3%	44.2%
300,001	400,000	13	4,656,605	263,244	5.7%	43	14,944,567	30.2%	31.2%
400,001	500,000	12	5,291,715	289,096	5.5%	28	12,320,206	42.9%	43.0%
500,001	1,000,000	9	6,196,965	227,231	3.7%	36	23,621,690	25.0%	26.2%
1,000,001	& higher	5	8,565,170	215,500	2.5%	34	71,728,862	14.7%	11.9%
Grand Total		1,523	83,757,884	8,219,827	9.8%	6,547	284,489,078	23.3%	29.4%

Average Credit - All Eligible Risks

2.89%

Delaware Compensation Rating Bureau, Inc.

Offset for Merit Rating Plan and Workplace Safety Program - December 1, 2015

Risk Type	Manual Premium	Merit Rating Adjustment	%	Workplace Safety Adjustment	%	Combined Adjustment	%
Non-Rated Risks							
1. Not Qualified for MRP	6,228,288	-	0.00%			-	0.00%
2. Qualified for MRP Discount	9,350,544	(467,492)	-5.00%			(467,492)	-5.00%
3. Qualified for MRP No Adjustment	851,588	-	0.00%			-	0.00%
4. Qualified for MRP Surcharge	304,962	15,249	5.00%			15,249	5.00%
Total Non-Rated Risks	16,735,382	(452,243)	-2.70%			(452,243)	-2.70%
Experience Rated Risks	157,678,172			(4,556,899)	-2.89%	(4,556,899)	-2.89%
All Risks	174,413,554	(452,243)	-0.26%	(4,556,899)	-2.61%	(5,009,142)	-2.87%
Adjustment to Manual Premium *							2.96% *

* .0296 = 174,413,554 / (174,413,554-5,009,142) - 1.0