

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 2015**

Policy Size		Participating				Eligible		% Participating	
From	To	# Risks	Std Premium	Credit	% Credit	# Risks	Std Premium	# Risks	SEP
3,161	5,000	78	324,147	61,587	19.0%	1,475	5,892,855	5.3%	5.5%
5,001	7,500	142	892,883	168,880	18.9%	1,176	7,233,174	12.1%	12.3%
7,501	10,000	139	1,227,540	227,820	18.6%	758	6,585,907	18.3%	18.6%
10,001	12,500	116	1,292,363	235,097	18.2%	526	5,856,852	22.1%	22.1%
12,501	15,000	91	1,250,427	223,199	17.8%	391	5,367,008	23.3%	23.3%
15,001	17,500	83	1,339,988	234,719	17.5%	294	4,753,066	28.2%	28.2%
17,501	20,000	64	1,190,405	204,645	17.2%	209	3,915,952	30.6%	30.4%
20,001	25,000	128	2,877,713	481,425	16.7%	360	8,089,061	35.6%	35.6%
25,001	30,000	72	1,973,926	317,496	16.1%	216	5,926,637	33.3%	33.3%
30,001	35,000	70	2,244,415	351,281	15.7%	185	5,971,956	37.8%	37.6%
35,001	40,000	55	2,073,588	313,974	15.1%	141	5,305,231	39.0%	39.1%
40,001	45,000	57	2,421,809	351,891	14.5%	133	5,648,698	42.9%	42.9%
45,001	50,000	30	1,408,196	199,656	14.2%	82	3,884,493	36.6%	36.3%
50,001	55,000	52	2,725,684	373,362	13.7%	95	4,973,995	54.7%	54.8%
55,001	60,000	23	1,325,943	174,607	13.2%	71	4,083,458	32.4%	32.5%
60,001	70,000	52	3,344,680	439,263	13.1%	107	6,915,376	48.6%	48.4%
70,001	80,000	31	2,311,900	279,434	12.1%	86	6,472,288	36.0%	35.7%
80,001	90,000	36	3,051,344	357,865	11.7%	79	6,699,342	45.6%	45.5%
90,001	100,000	27	2,585,577	287,895	11.1%	66	6,285,111	40.9%	41.1%
100,001	200,000	120	16,794,856	1,580,410	9.4%	300	42,817,448	40.0%	39.2%
200,001	300,000	38	9,339,476	662,999	7.1%	108	26,125,063	35.2%	35.7%
300,001	400,000	21	7,562,196	403,560	5.3%	56	19,469,322	37.5%	38.8%
400,001	500,000	7	3,226,416	142,066	4.4%	22	10,010,977	31.8%	32.2%
500,001	1,000,000	8	5,614,268	184,396	3.3%	39	26,455,711	20.5%	21.2%
1,000,001	& higher	3	5,968,305	108,789	1.8%	35	81,521,701	8.6%	7.3%
Grand Total		1,543	84,368,045	8,366,316	9.9%	7,010	316,260,682	22.0%	26.7%

Average Credit - All Eligible Risks

2.65%

Delaware Compensation Rating Bureau, Inc.

Offset for Merit Rating Plan and Workplace Safety Program - December 1, 2016

Risk Type	Manual Premium	Merit Rating Adjustment	%	Workplace Safety Adjustment	%	Combined Adjustment	%
Non-Rated Risks							
1. Not Qualified for MRP	7,009,646	-	0.00%			-	0.00%
2. Qualified for MRP Discount	9,726,063	(486,267)	-5.00%			(486,267)	-5.00%
3. Qualified for MRP No Adjustment	744,941	-	0.00%			-	0.00%
4. Qualified for MRP Surcharge	135,238	6,763	5.00%			6,763	5.00%
Total Non-Rated Risks	17,615,888	(479,504)	-2.72%			(479,504)	-2.72%
Experience Rated Risks	187,691,694			(4,965,170)	-2.65%	(4,965,170)	-2.65%
All Risks	205,307,582	(479,504)	-0.23%	(4,965,170)	-2.42%	(5,444,674)	-2.65%
Adjustment to Manual Premium *							2.72% *

* $.0272 = 205,307,582 / (205,307,582 - 5,444,674) - 1.0$