



STATE ACTIVITY REPORT

2022

Table of Contents

03 Delaware Market Share

04 Workers Compensation
Premium

05 Top 20 Carrier Groups

06 Premium Demographics

07 Premium Adjustment
Program Results

08 Risks With Schedule Rating
Credits

09 Claim Counts and Losses
by Classifications

10 Top 10 Classes by Payroll

11 Top 10 Classes by Premium

12 Injury Description Distribution

13 Characteristics of Injured
Workers

14 Characteristics of Accidents

15 Indemnity and Medical Splits

16 Medical Cost Breakdown

17-18 Medical Services Breakdown

19 Medical Visits Per Claim

20 Prescription Drugs Dispensing

21 Prescription Drugs

22 Prescription Drugs
Therapeutic Classifications

23 Prescribing Patterns

24 Top 30 Drugs

25 Components of 2022 Indication

26 History of Rate Changes

27 Trends in Average Cost

28 Frequency Trend

29 Claim Closure Rates

30 Insurance Carrier Pricing

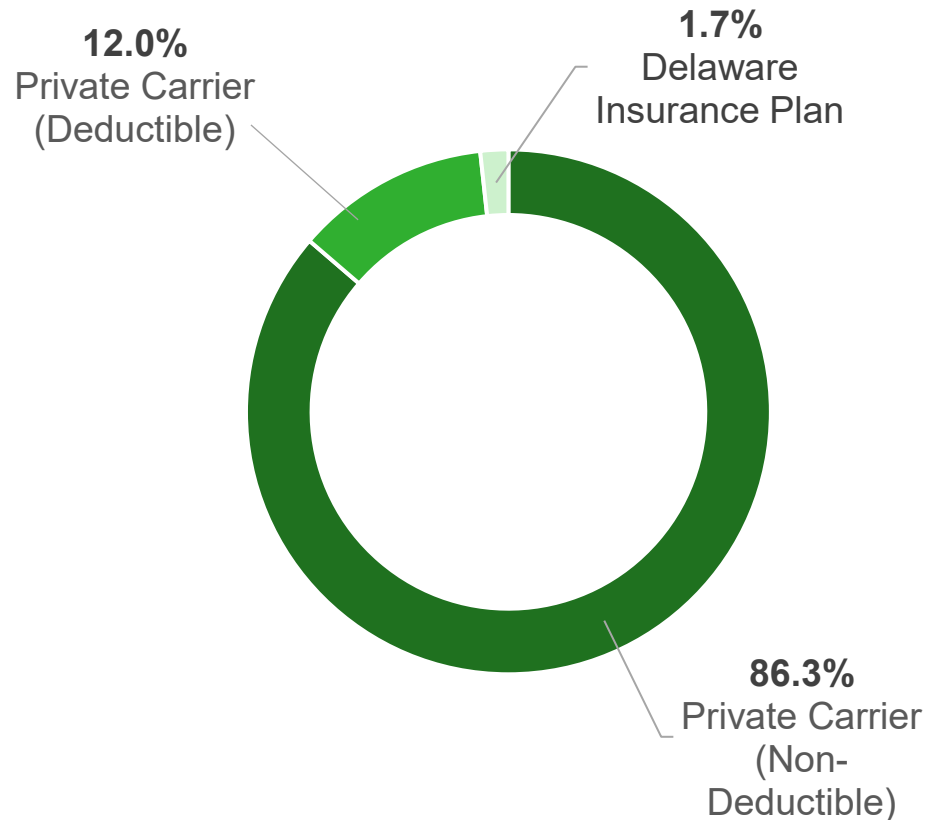
Delaware Market Share

3

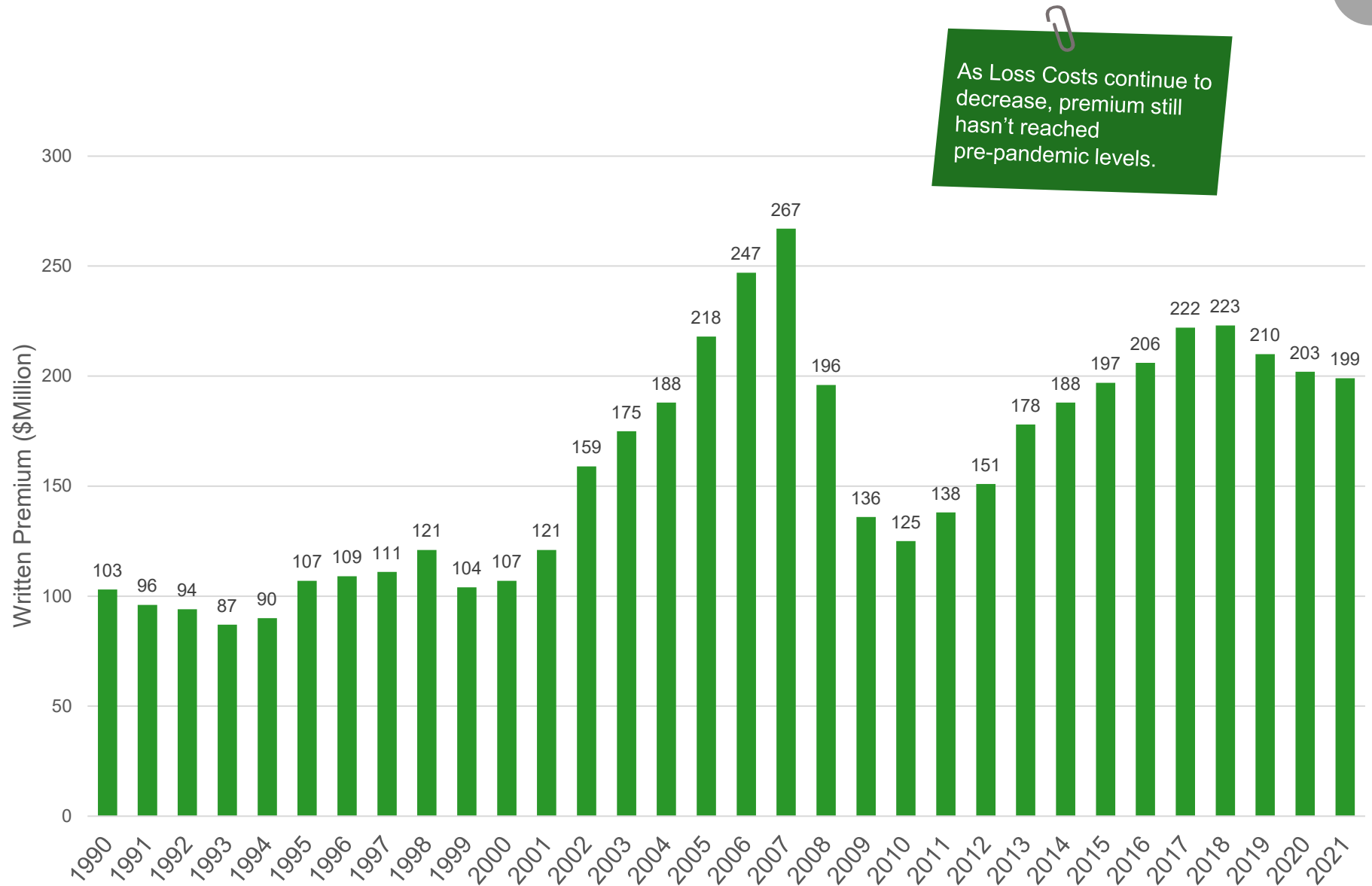
Delaware employers are required to secure their liability through private insurance, the Delaware Workers Compensation Insurance Plan (DIP), self-insurance, or self-insured groups.

The Delaware Insurance Plan (“assigned risk” or “residual market”) ensures that all employers have a means of meeting their statutory obligation under the workers compensation law.

The DCRB collects data from all private insurance carriers that write workers compensation business in Delaware. Employers that choose to apply for self-insured status or join a certified group self-insurance fund are not required to report any data to the DCRB. Therefore, that data is not included in this exhibit







Workers Compensation Premium



Top 20 Carrier Groups

5

These twenty carrier groups wrote 82% of the insured market premium in DE in 2021.

 Carrier Group	 Direct Written Premium	 Market Share	 % Change from 2020
HARTFORD INS GROUP	19,849,000	10.0%	1.0%
ZURICH U S	17,164,000	8.6%	0.3%
DONEGAL INSURANCE GROUP	14,087,000	7.1%	0.1%
AMTRUST	13,222,000	6.6%	-0.4%
THE TRAVELERS COMPANIES INC	12,307,000	6.2%	0.3%
PMA + OLD REPUBLIC	10,177,000	5.1%	1.1%
LIBERTY MUTUAL	9,674,000	4.9%	-0.9%
CHUBB	8,227,000	4.1%	0.8%
AIG	7,858,000	3.9%	0.1%
EASTERN ALLIANCE	7,765,000	3.9%	0.4%
HARTFORD MUTUAL INSURANCE	6,539,000	3.3%	0.0%
BERKSHIRE HATHAWAY	5,800,000	2.9%	-1.9%
ARCH CAPITAL GROUP	5,539,000	2.8%	0.2%
SELECTIVE	4,638,000	2.3%	0.1%
UPMC HEALTH INSURANCE GROUP	4,250,000	2.1%	-0.5%
W R BERKLEY CORPORATION	4,174,000	2.1%	0.0%
CNA	3,789,000	1.9%	0.3%
EMPLOYERS	3,609,000	1.8%	0.3%
AMERISAFE	3,584,000	1.8%	-0.2%
NATIONWIDE	2,486,000	1.3%	0.0%

Source: DE Loss Cost Filing – Annual Statements

Premium Demographics

6

68% of risks are in the lowest premium range while 43% of standard premium is in the highest premium range.

Number of Risks	Premium Range	\$ Standard Premium (000)
16,587	\$0 – 2,499	\$10,172
2,530	\$2,500-4,999	\$9,099
1,276	\$5,000-7,499	\$7,845
761	\$7,500-9,999	\$6,647
870	\$10,000-14,999	\$10,738
778	\$15,000-24,999	\$15,445
738	\$25,000-49,999	\$26,633
425	\$50,000-99,999	\$30,900
330	\$100,000-249,999	\$55,238
180	\$250,000 & above	\$129,935

Premium Adjustment Programs Results

7

	Credits	No Premium Adjustment	Debits/Surcharges
Schedule Rating	21.9% receive average credit of 28.4%	73.5% do not receive a credit or debit	4.6% receive average debit of -15.5%
DE Workplace Safety Program	19% of eligible risks receive average credit of 11.7%	81% of eligible risks do not participate	Not Applicable
DCCPAP	12% of eligible risks receive average credit of 17.7%	88% of eligible risks do not participate	Not Applicable
Merit Rating Program	97.7% of qualified risks receive a 5.0% credit	2.0% of qualified risks do not receive a credit or debit	0.2% of qualified risks receive a 5% surcharge

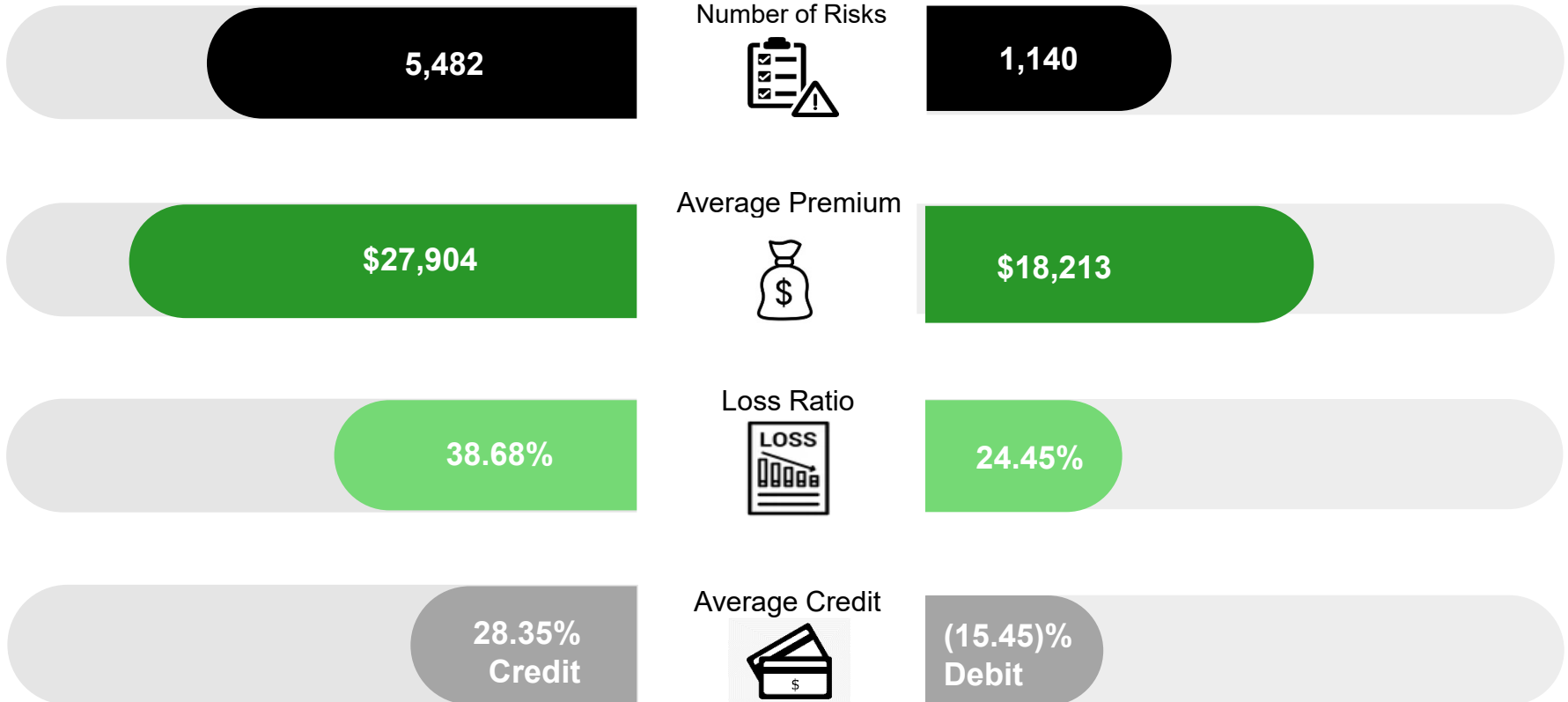
Risks with Schedule Rating Credits

8

The loss and/or expense components of an insured risk's premium may, at the option of the underwriting carrier, be adjusted in accordance with provisions of this plan to reflect defined characteristics of the risk which, in the sole judgment of the underwriting carrier, are not adequately reflected in prior experience of the insured risk.

Schedule Rating Credit

Schedule Rating Debit



Claim Counts and Losses by Classification

9

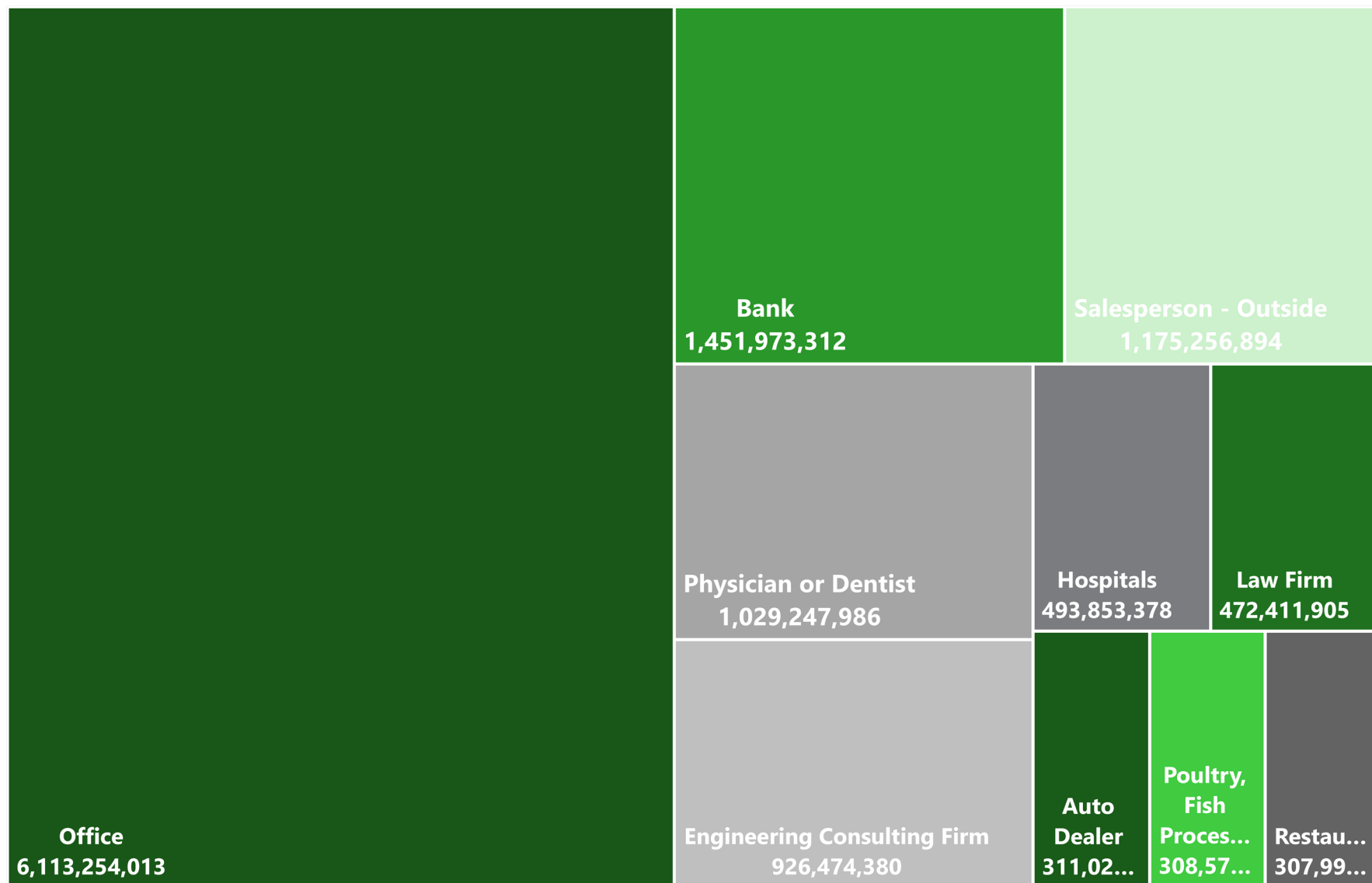
Class Code and Description	Indemnity Claim Count	\$ Total Incurred Loss	\$ Average Incurred Loss
924: Wholesale Store, N.O.C.	117	2,222,789	18,998
917: Grocery Store	85	2,498,432	29,393
928: Retail Store, N.O.C.	83	1,479,414	17,824
975: Restaurant, N.O.C.	72	1,827,757	25,386
808: Parcel Delivery Company	64	2,045,320	31,958
818: Automobile Dealer	61	1,633,820	26,784
960: Nursing and Convalescent Home	61	1,957,594	32,092
897: Fast Food Restaurant	52	797,322	15,333
941: Social Rehabilitation Facility	52	1,637,087	31,482
953: Office	50	1,480,154	29,603
All Other	1,378	65,428,690	47,481

These are the top 10 classes by number of lost time claims. These classes represent 34% of claims and 21% of losses.

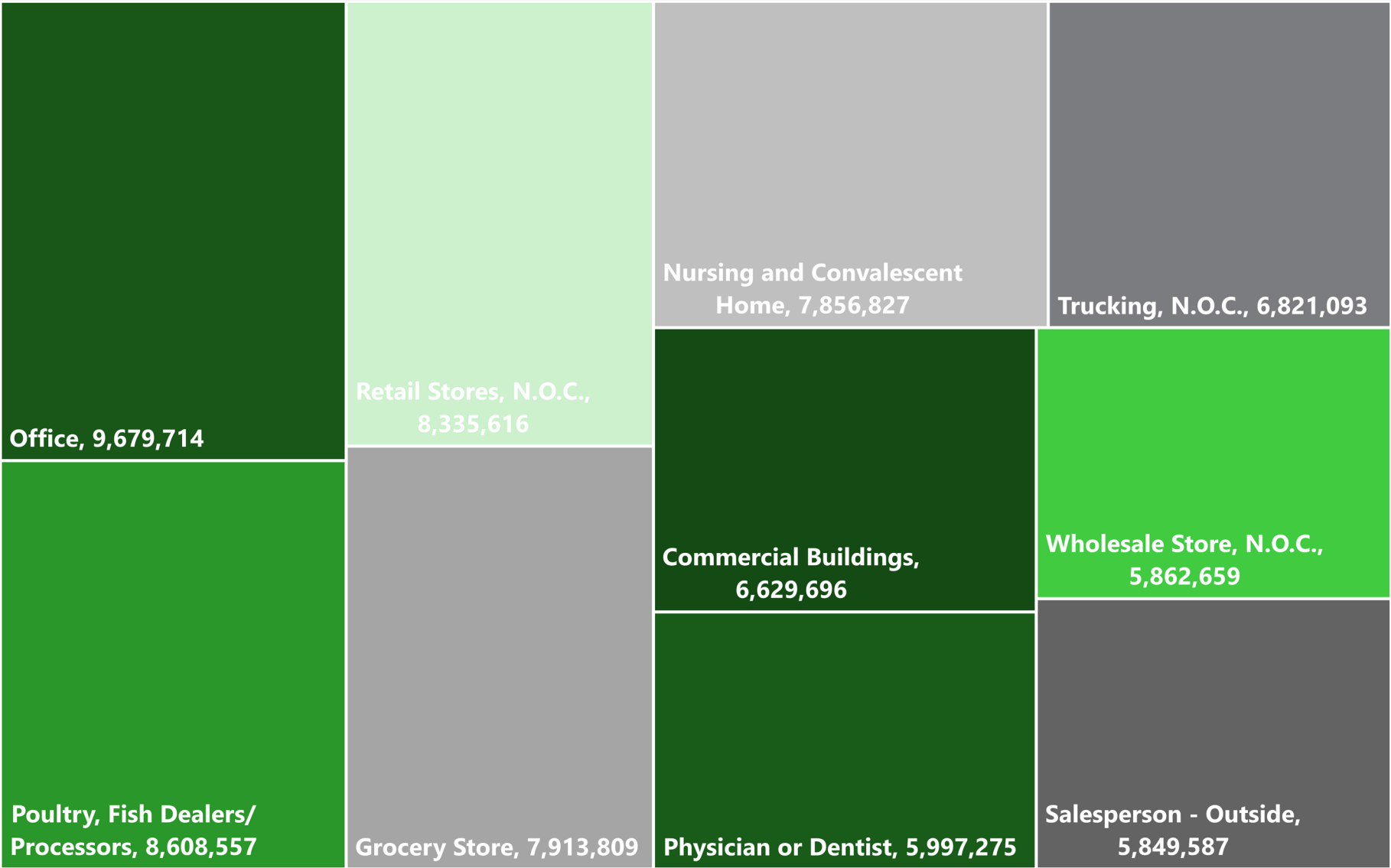
Top 10 Classes by Payroll

11

Office remains the class with the highest payroll.



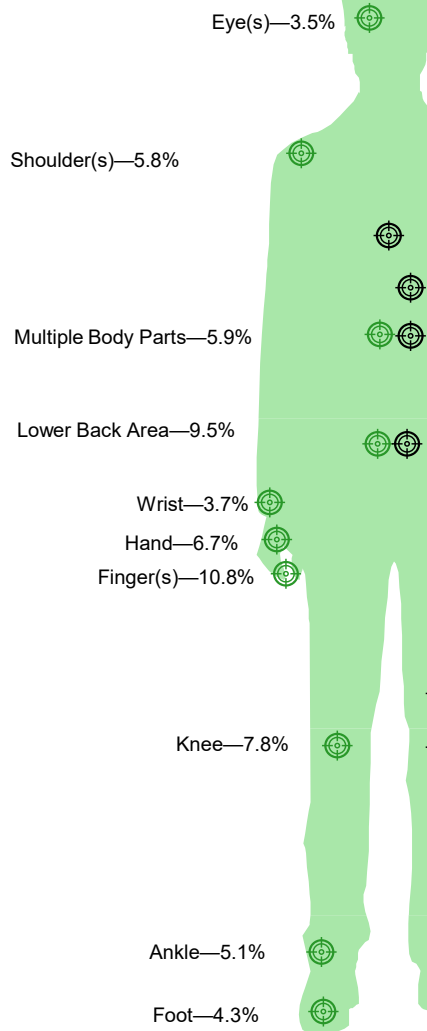
Office remains the class with the highest premium.



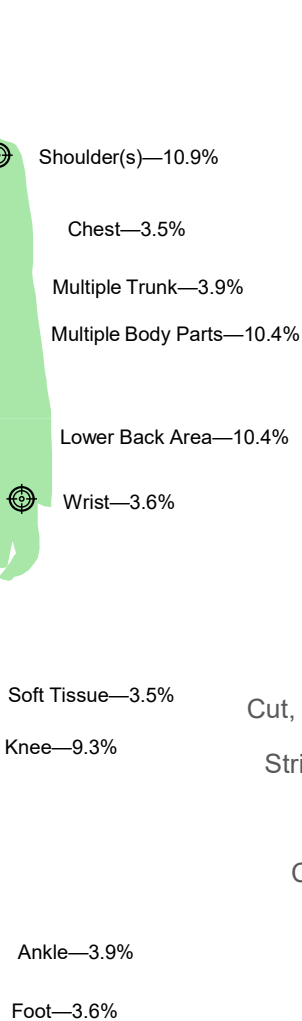
Injury Description Distribution

12

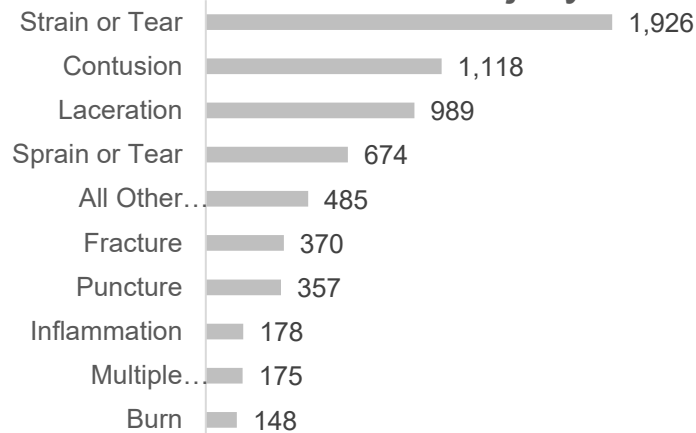
Top 10 Injuries by
Total Claim Count



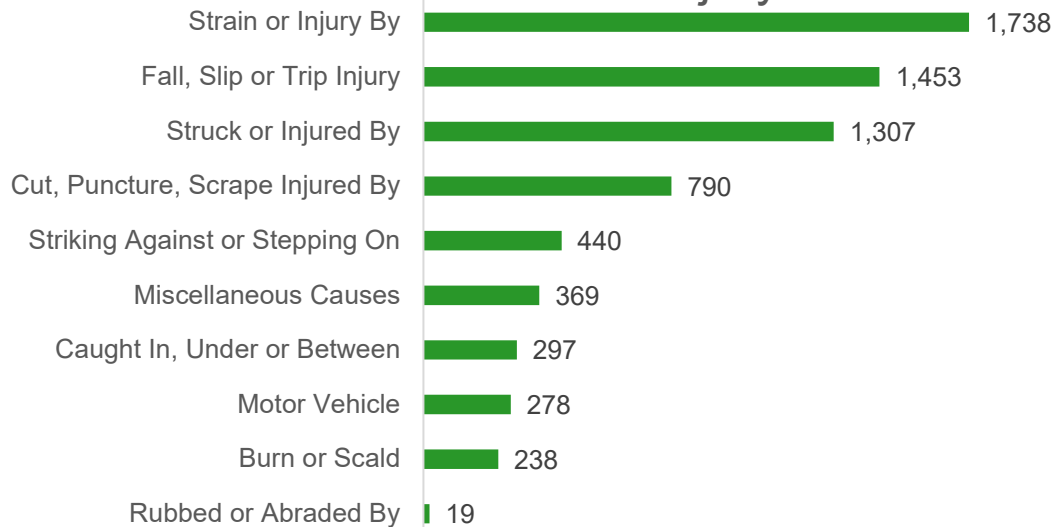
Top 10 Injuries
by Total Losses



Nature of Injury



Cause of Injury

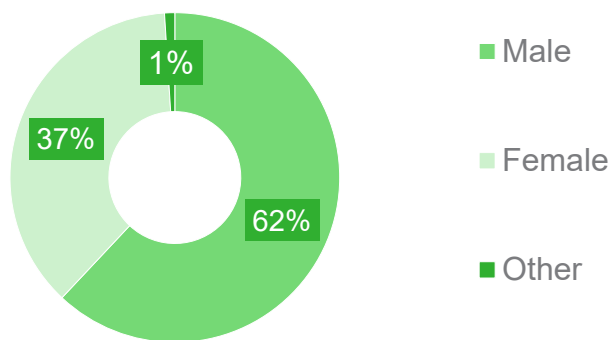


Characteristics of Injured Workers

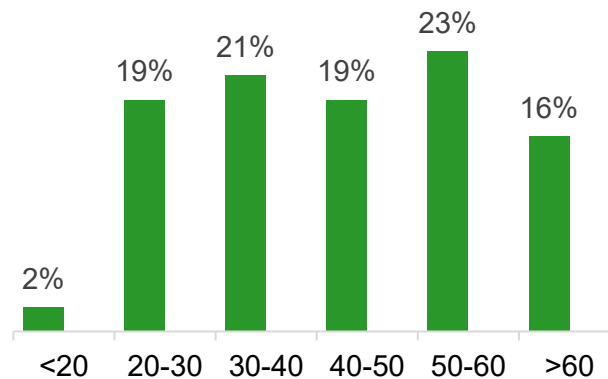
13

Accidents occurring in 2021 under DE jurisdiction.

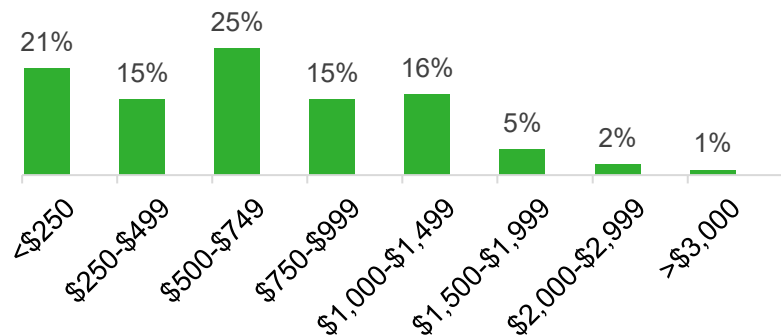
Gender



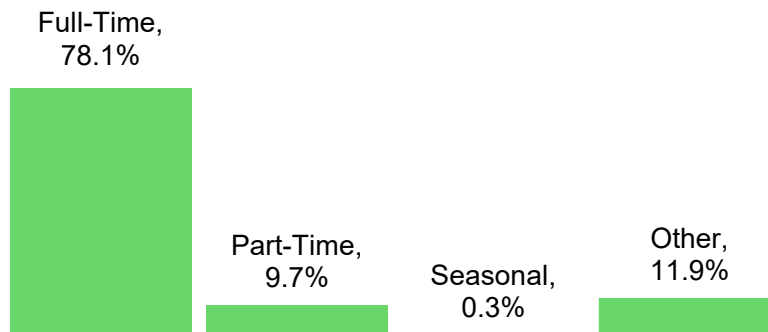
Age



Average Weekly Wage



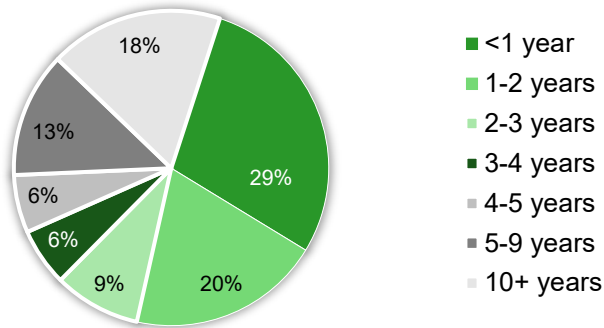
Employment Status



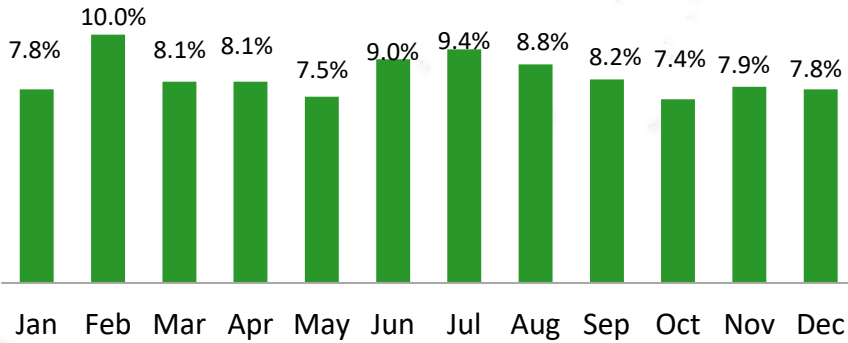
Characteristics of Accidents

Accidents occurring in 2021 under DE jurisdiction.

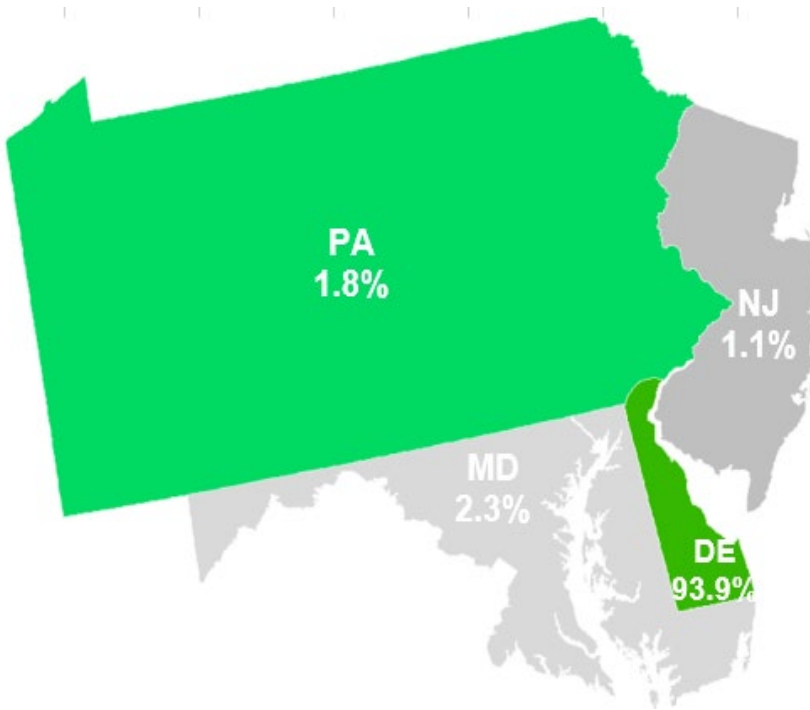
Length of Employment at Time of Accident



Month of Accident

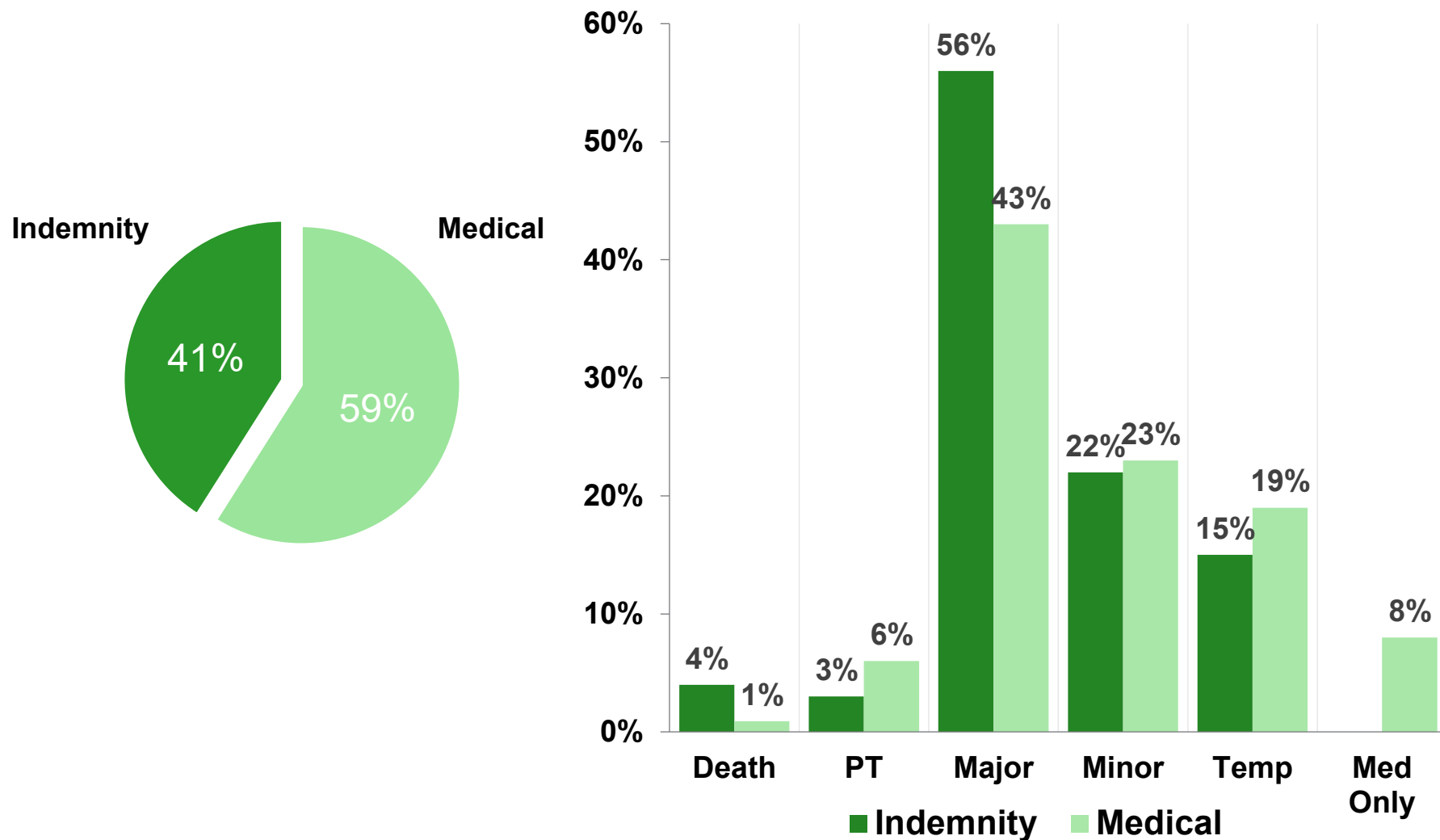


Accident State



Indemnity and Medical Splits

15

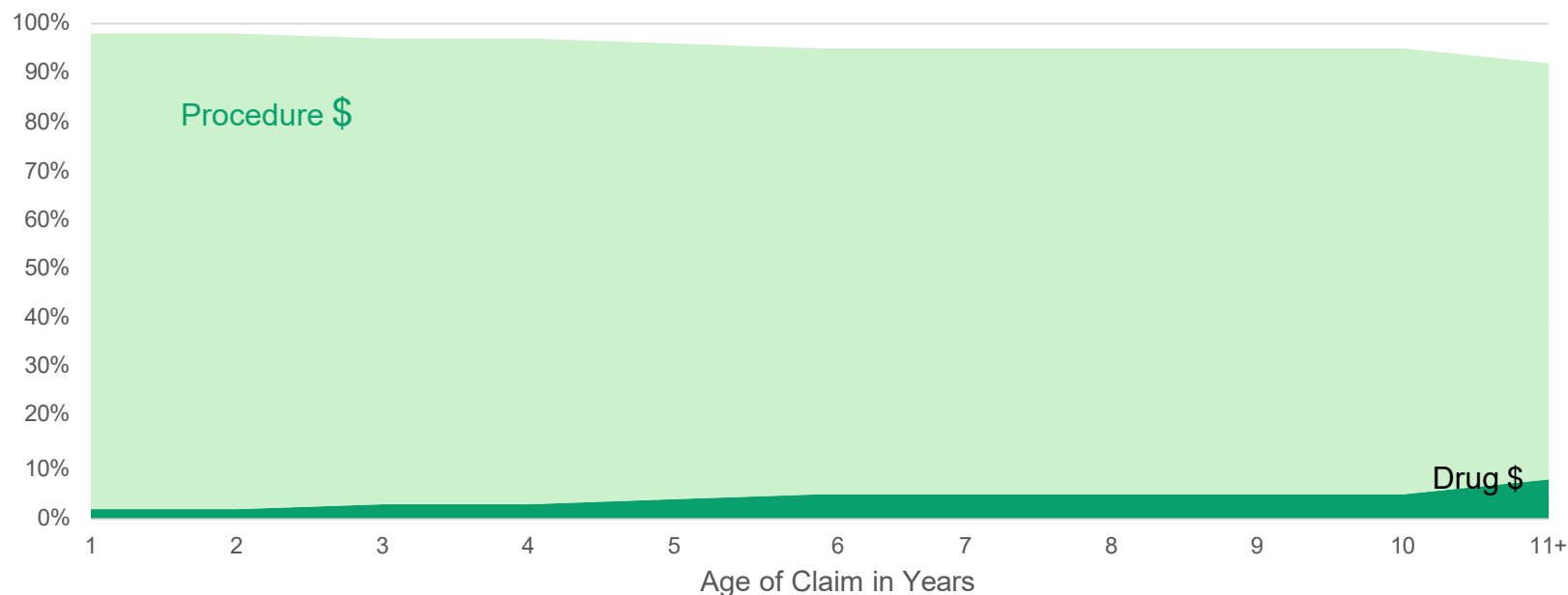


Medical Cost Breakdown

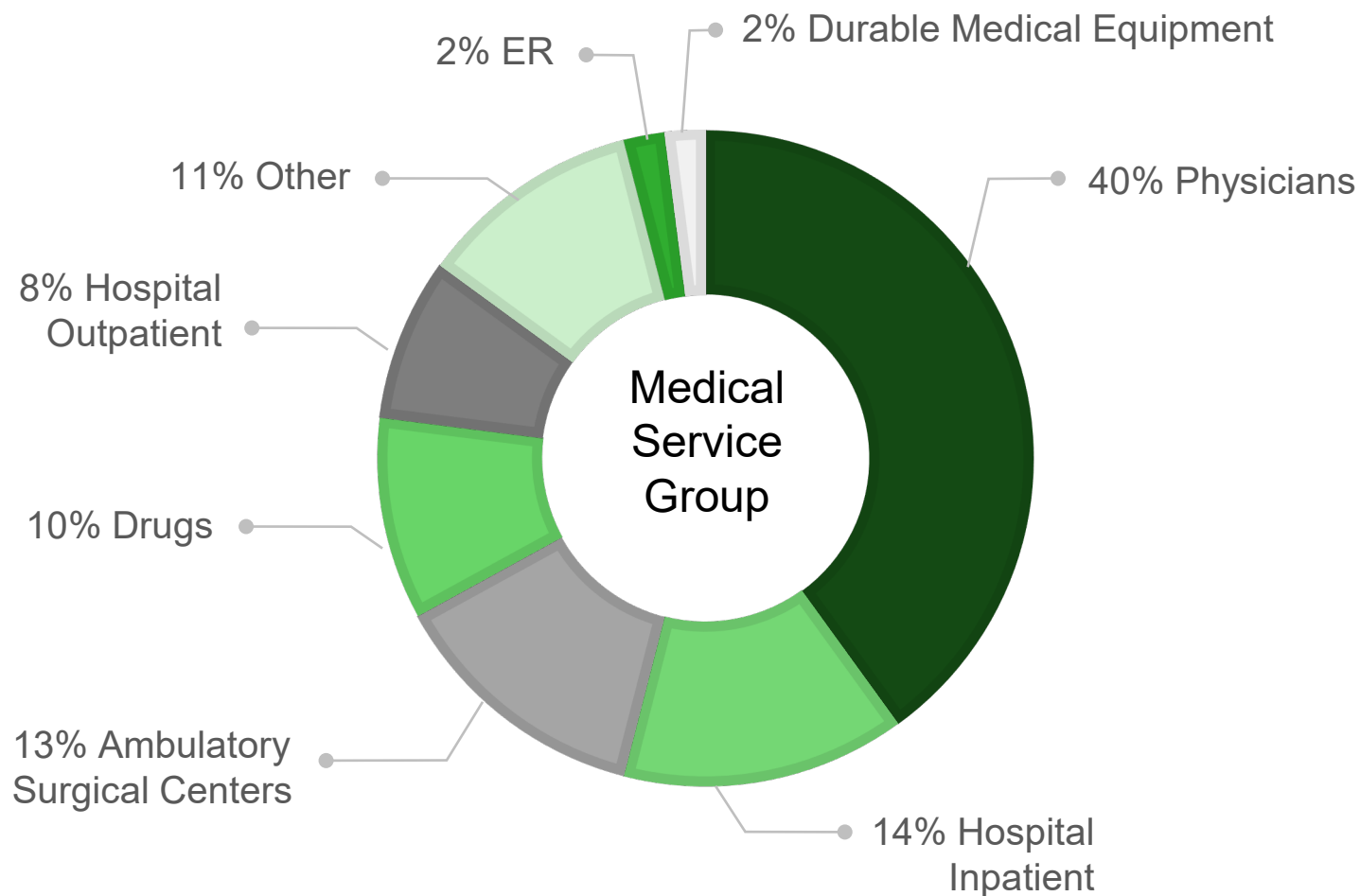
16

Medical treatment is a primary driver of rising medical costs. Using our Medical Data Call (MDC) data, we observe that, overall, the bulk of medical dollars are attributable to medical procedures. As the claim ages, prescription drug costs increase more rapidly as a share of medical costs. Medical expenses are not included in the MDC.

89% of medical dollars
are attributed to
medical procedures while
11% are due to drug costs

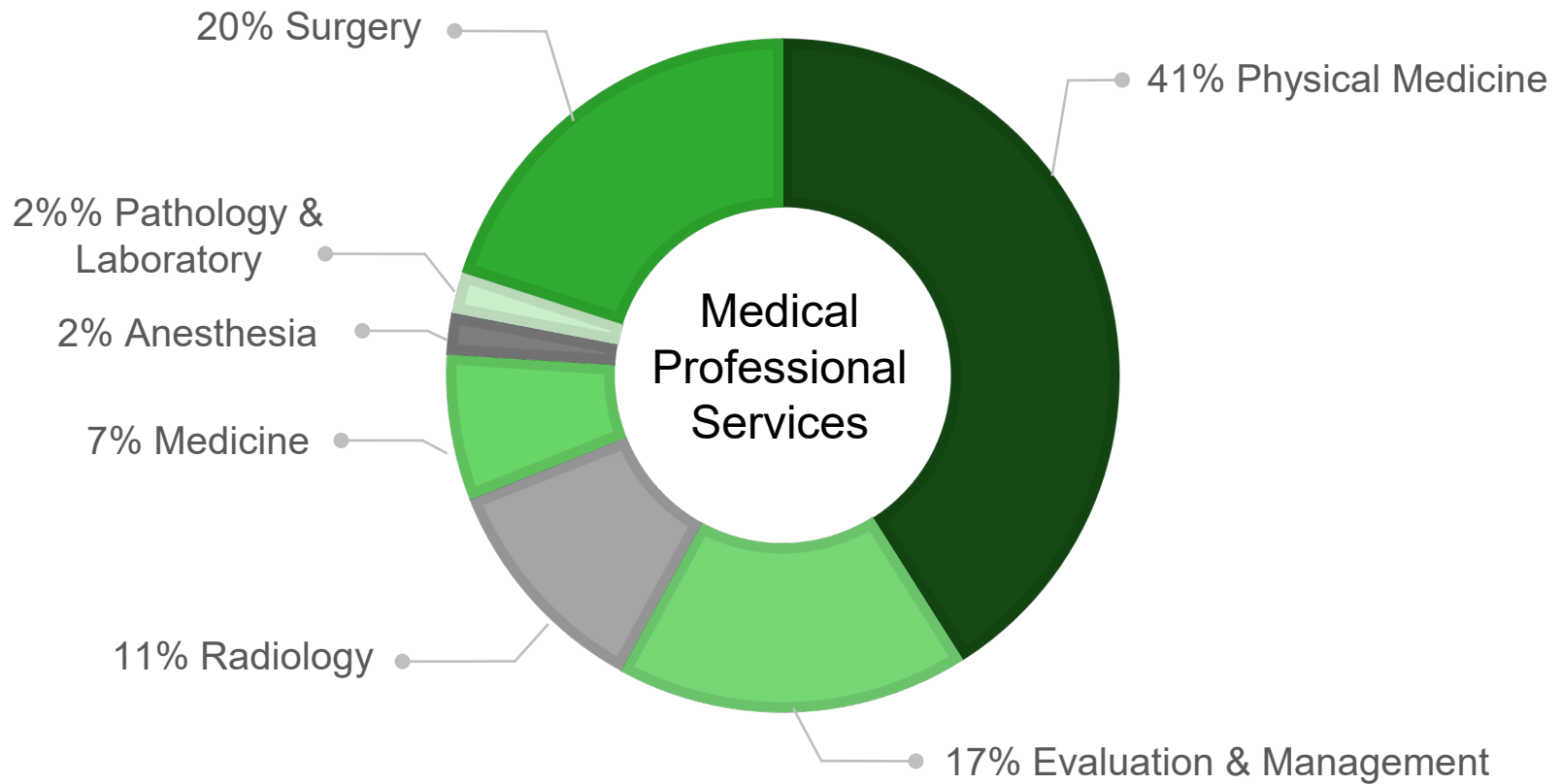


Medical Services Breakdown



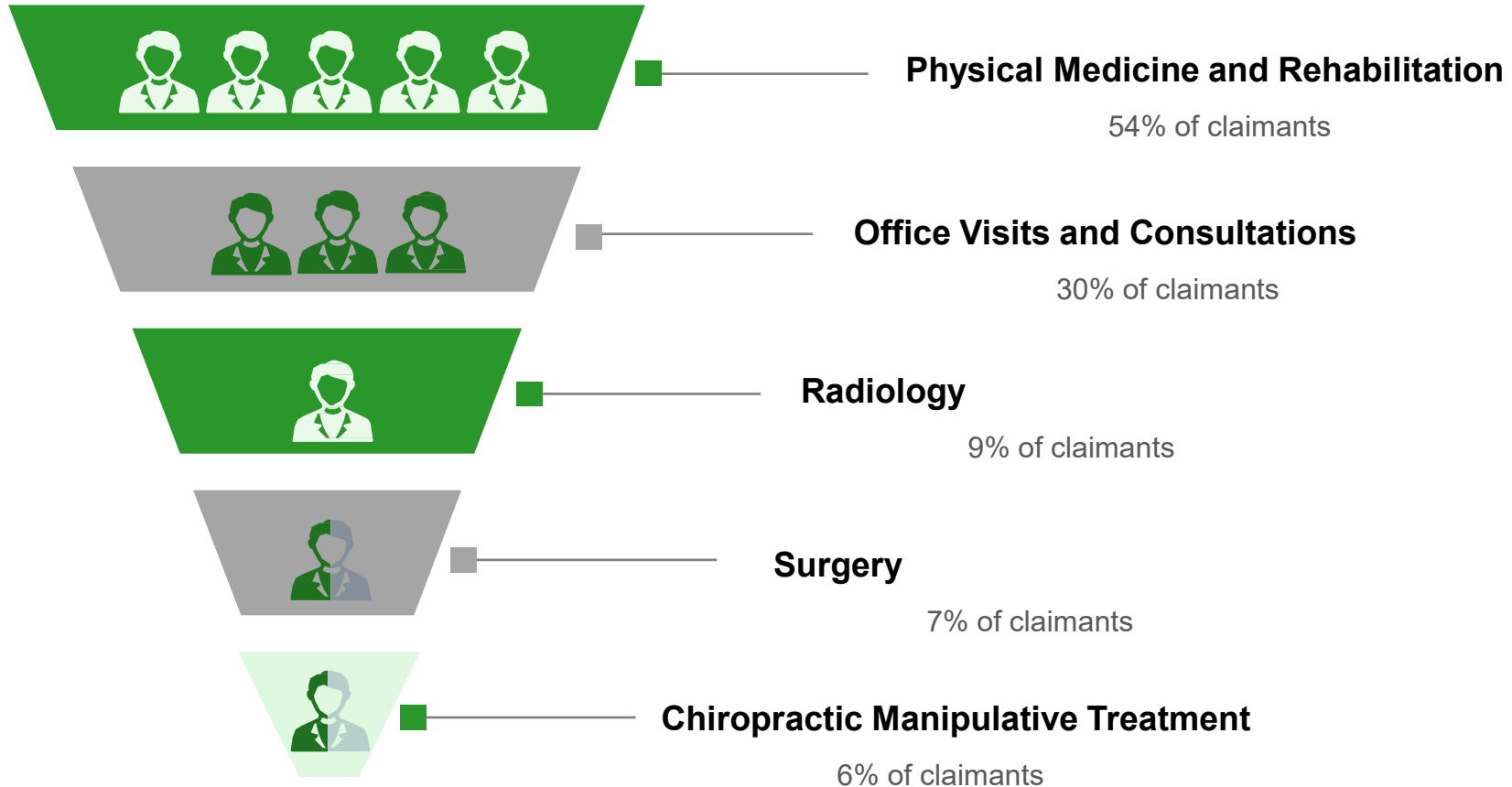
Medical Services Breakdown (Continued)

18



Medical Visits Per Claim

19



Based on 86,618 professional visits and 6,939 claims

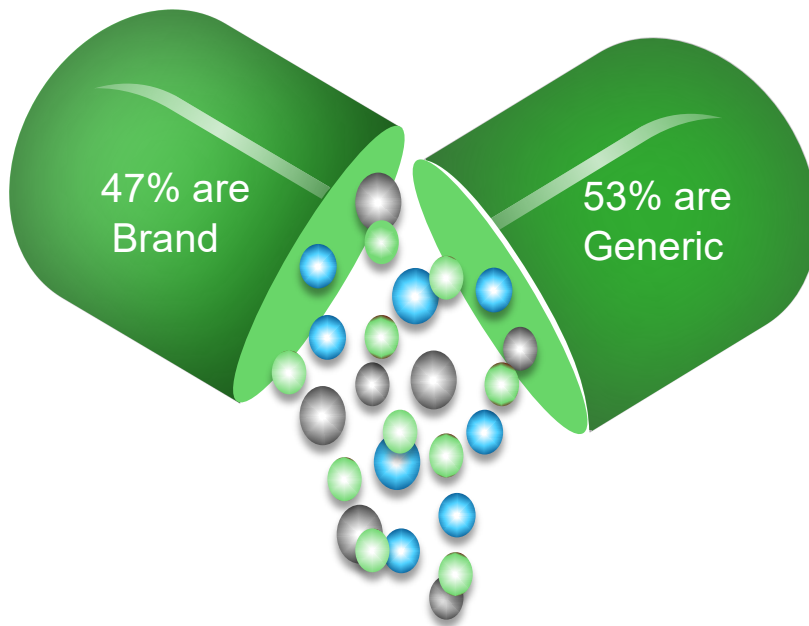
*When examining the number of actual visits to a health care provider, workers compensation claimants appear to visit physical medicine and rehabilitation providers more frequently than any other health care provider.

Prescription Drug Dispensing

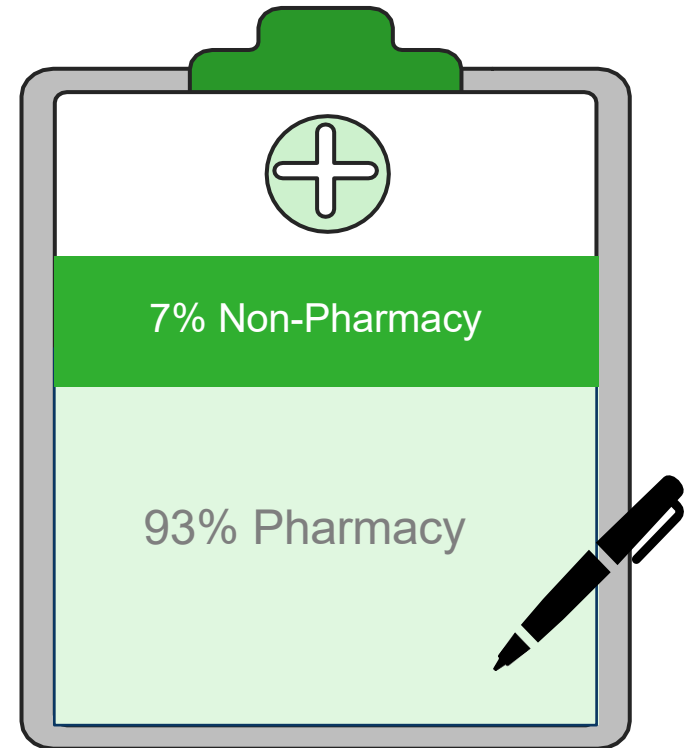
20

Based on total amount paid, along with their ranks for earlier service years.

Distribution of Drugs

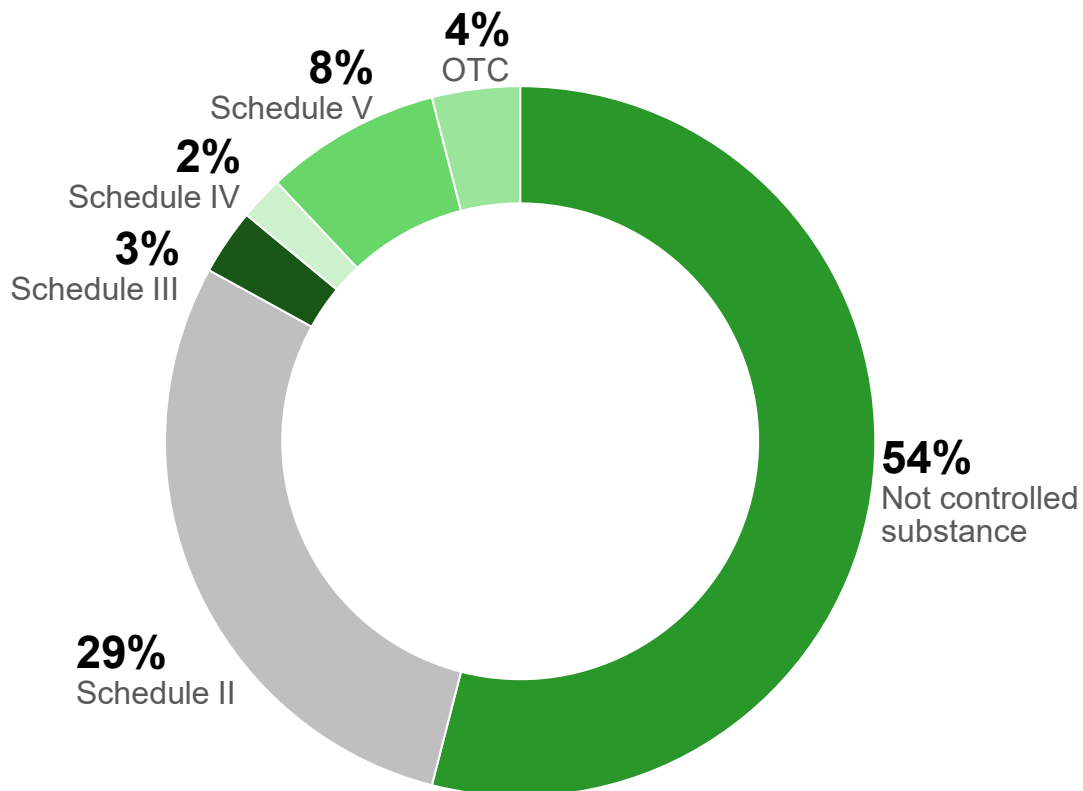


Dispensing of Drugs



Prescription Drugs

The volume of drugs prescribed to workers compensation claimants continues to grow. This is a distribution of these prescription drugs organized by the **Controlled Substance Act Schedule**, which is based on potential of abuse.

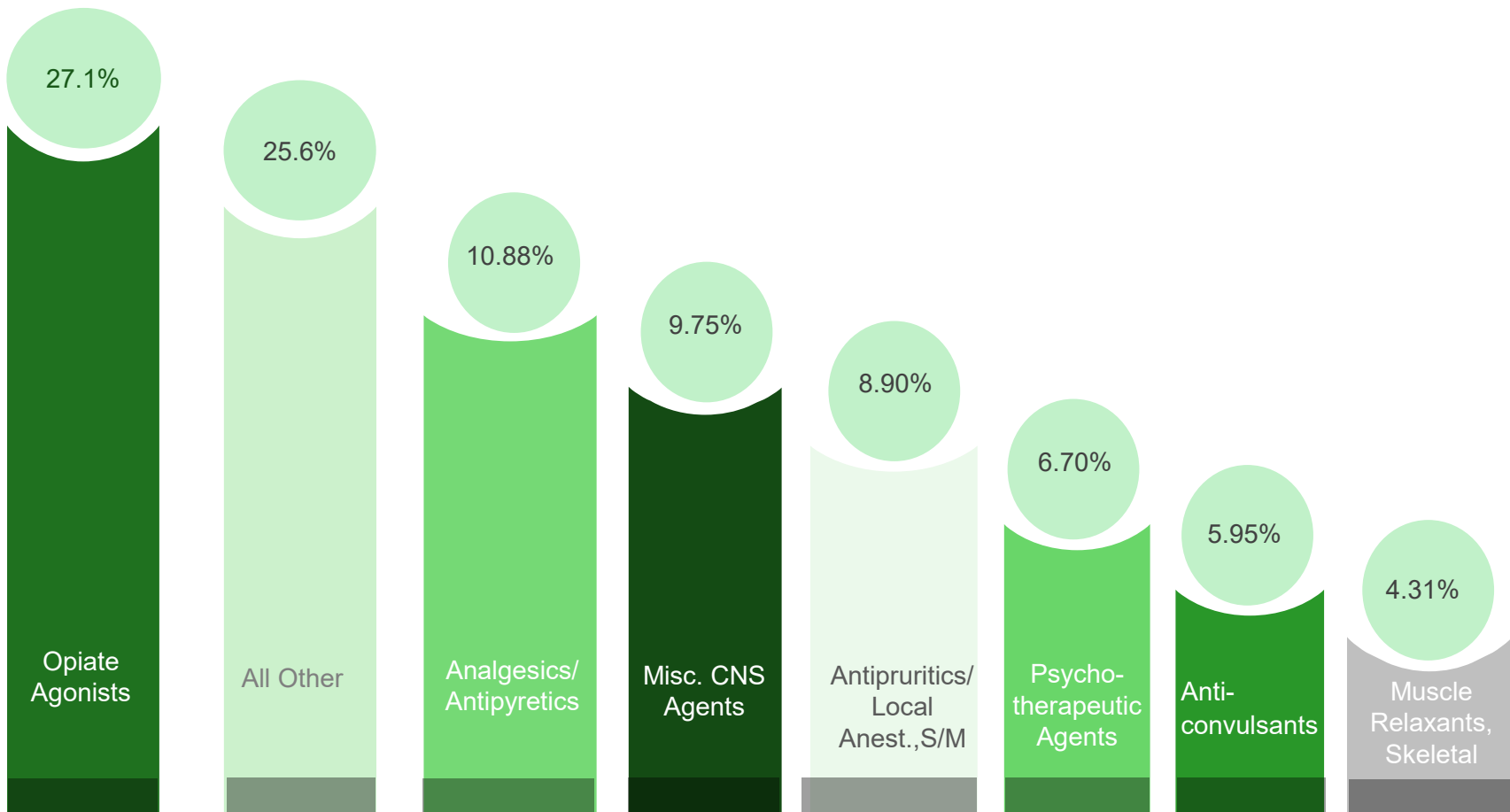


Schedule	Characteristics
I	High potential for use, with no currently accepted medical use in the U.S. Considered dangerous without medical supervision.
II	High potential for abuse, but with some accepted uses in the U.S. Abuse leads to physical and/or psychological dependence and is considered dangerous.
III	Potential for abuse, but lower than previous categories. There are accepted medical uses, and abuse can lead to mild physical dependence or great psychological dependence.
IV	Relatively low potential for abuse. Have accepted medical uses in the U.S. Abuse leads to limited dependence.
V	Low potential for abuse. Have accepted medical uses in the U.S. Abuse may lead to limited dependence.

Prescription Drugs

Therapeutic Classifications

22

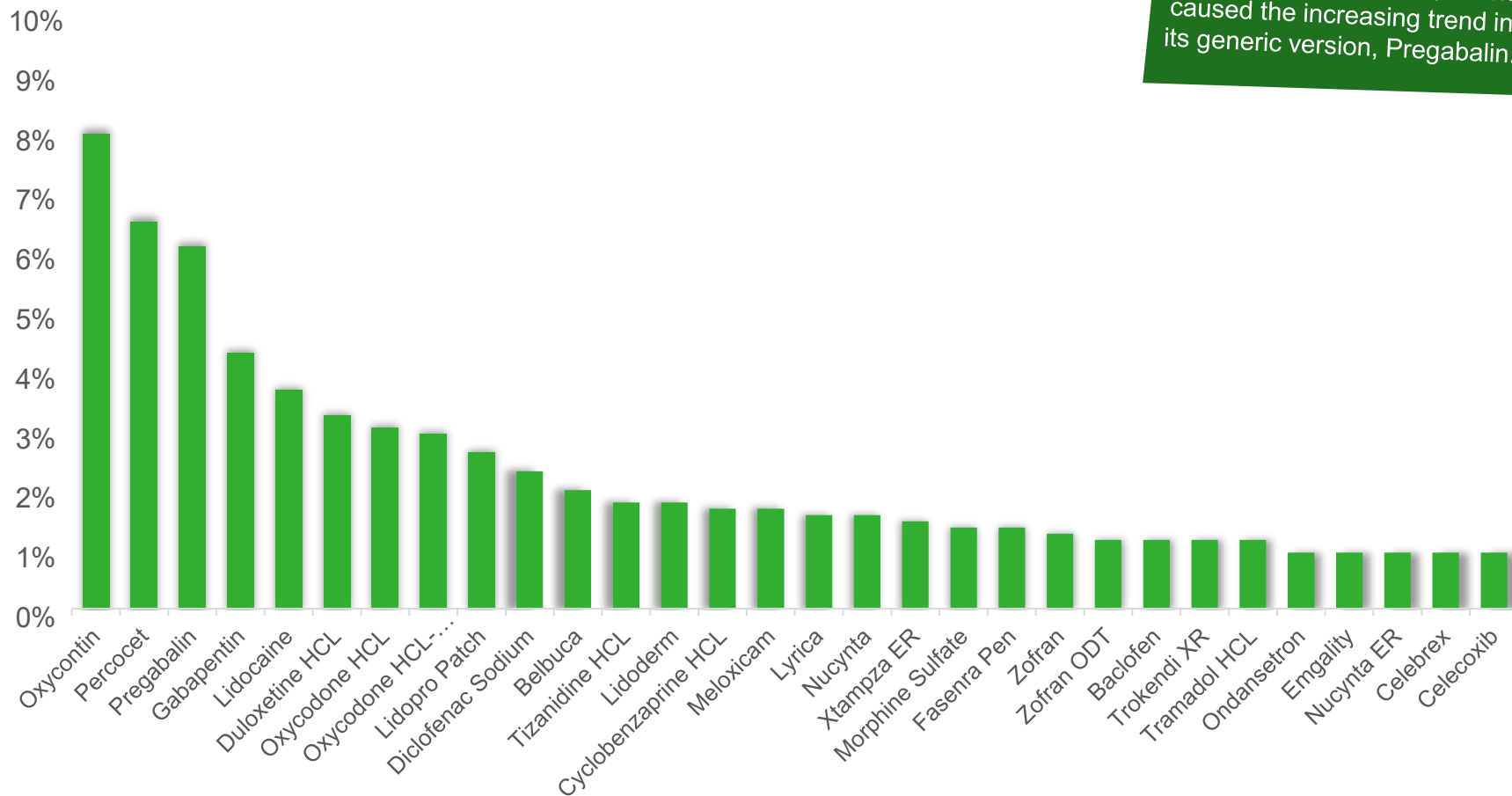


Prescribing Patterns

23

Paid Share Service Year 2021

Based on total amount paid, along with their ranks for earlier service years.



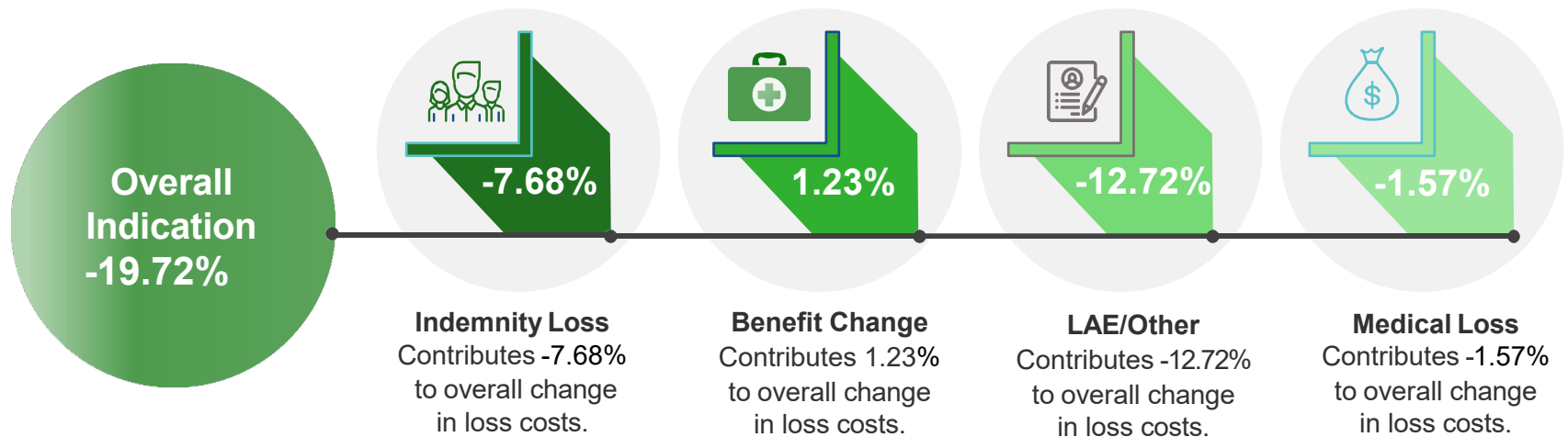
Opioids continue to be the top cost driver drugs. Lyrica went off patent in June 2019, which caused the increasing trend in its generic version, Pregabalin.

Top 30 Drugs

Drug Name	Rank By Service Year				
	2021	2020	2019	2018	2017
Oxycontin	1	1	1	1	1
Percocet	2	3	8	7	7
Pregabalin	3	2	n/a	n/a	n/a
Gabapentin	4	4	4	4	2
Lidocaine	5	5	6	6	6
Duloxetine HCL	6	9	14	10	9
Oxycodone HCL	7	6	3	3	4
Oxycodone HCL-Acetaminophen	8	7	5	5	5
Lidopro Patch	9	11	27	23	20
Diclofenac Sodium	10	8	7	8	8
Belbuca	11	18	46	73	230
Tizanidine HCL	12	13	15	12	13
Lidoderm	13	15	22	26	38
Cyclobenzaprine HCL	14	10	11	9	10
Meloxicam	15	17	17	16	21
Lyrica	16	19	2	2	3
Nucynta	17	16	16	15	16
Xtampza ER	18	35	48	58	124
Morphine Sulfate	19	21	19	13	12
Fasenra Pen	20	43	n/a	n/a	n/a
Zofran	21	20	20	18	22
Zofran ODT	22	66	n/a	n/a	n/a
Baclofen	23	24	29	28	25
Trokendi XR	24	28	26	n/a	n/a
Tramadol HCL	25	25	n/a	n/a	n/a
Ondansetron	26	76	74	25	24
Emgality	27	73	110	n/a	n/a
Nucynta ER	28	40	34	29	19
Celebrex	29	29	n/a	n/a	n/a
Celecoxib	30	30	28	21	23

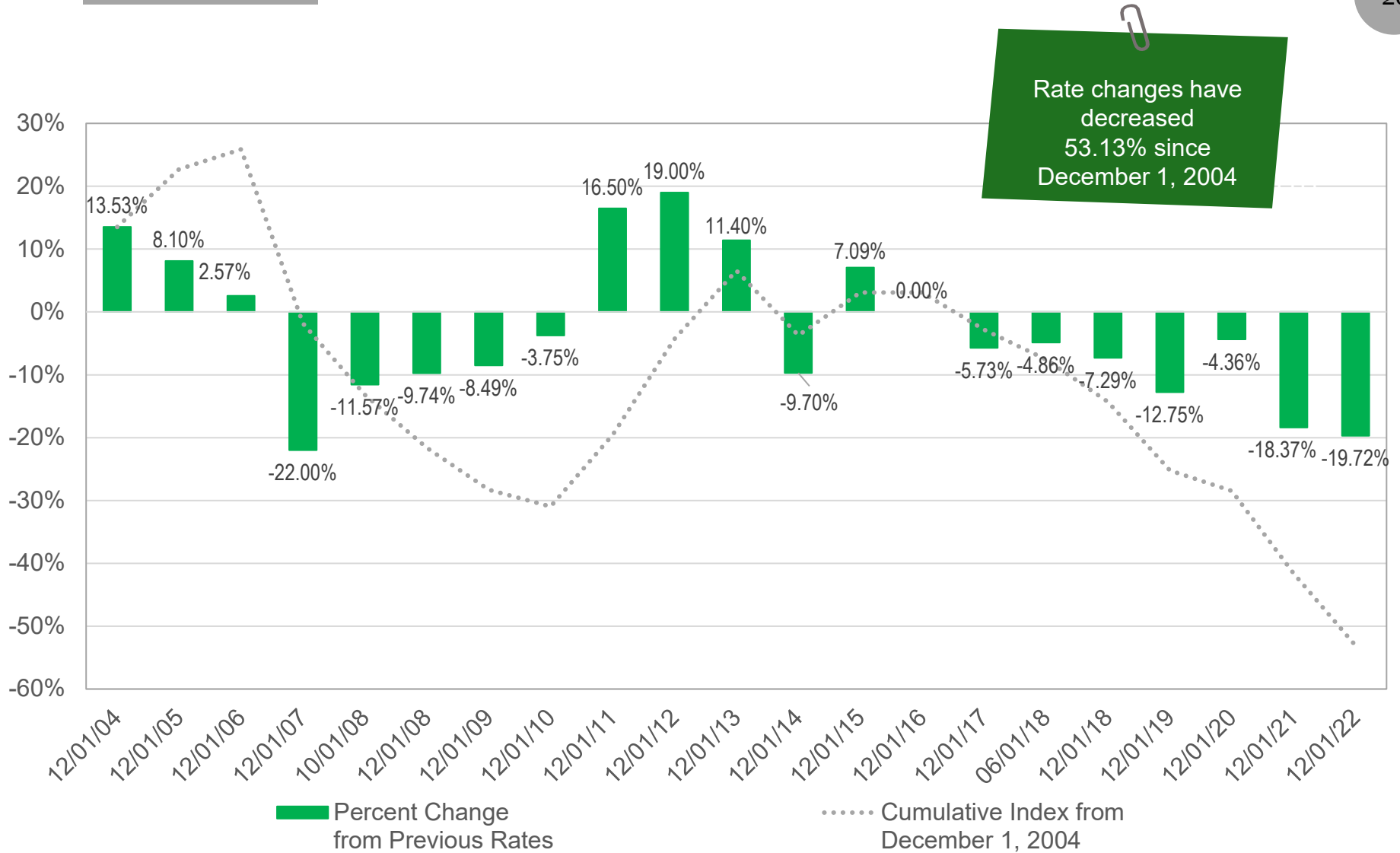
Components of 2022 Indication

25



History of Rate Changes

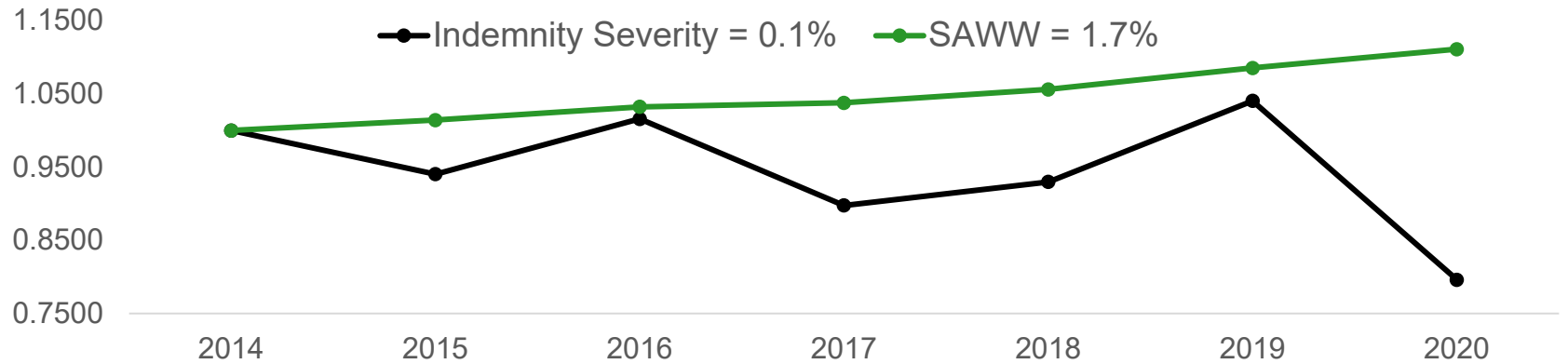
26



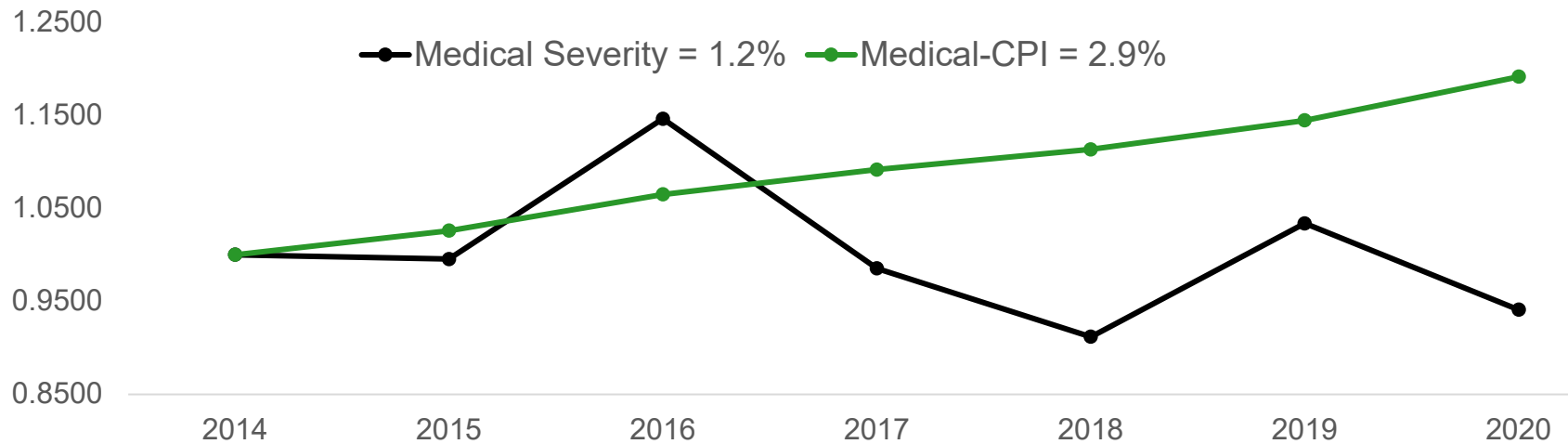
Trends in Average Cost

27

Indemnity

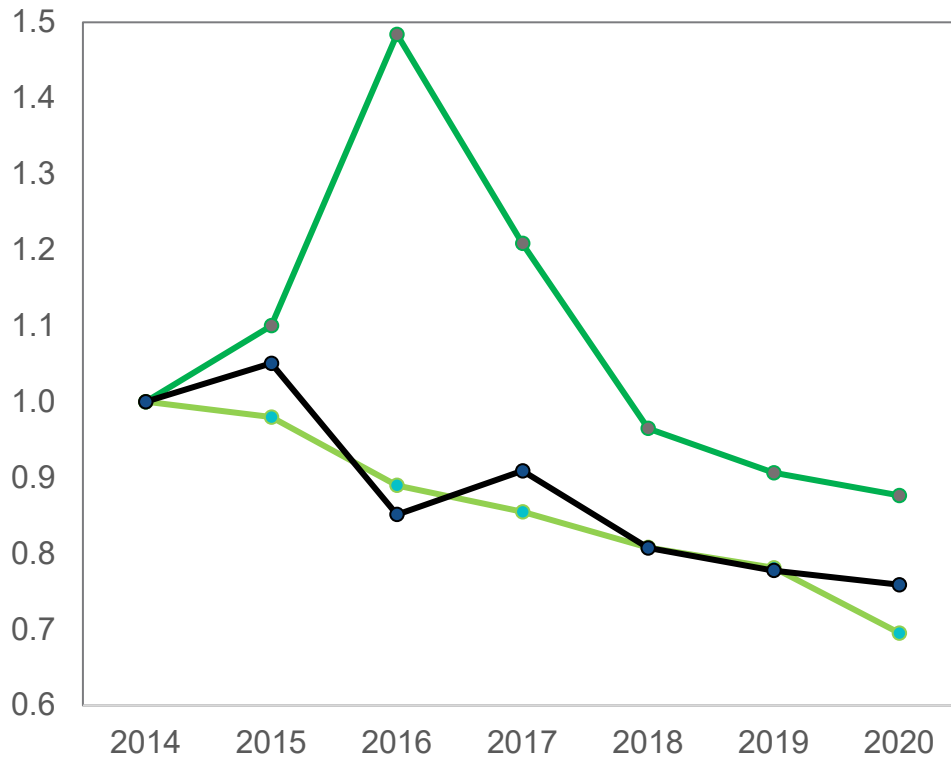


Medical



Frequency Trend

28



Frequency trend for all industries is -5.2%. This continues the long-term frequency trend that has been observed for more than 20 years.



Manufacturing -4.2%



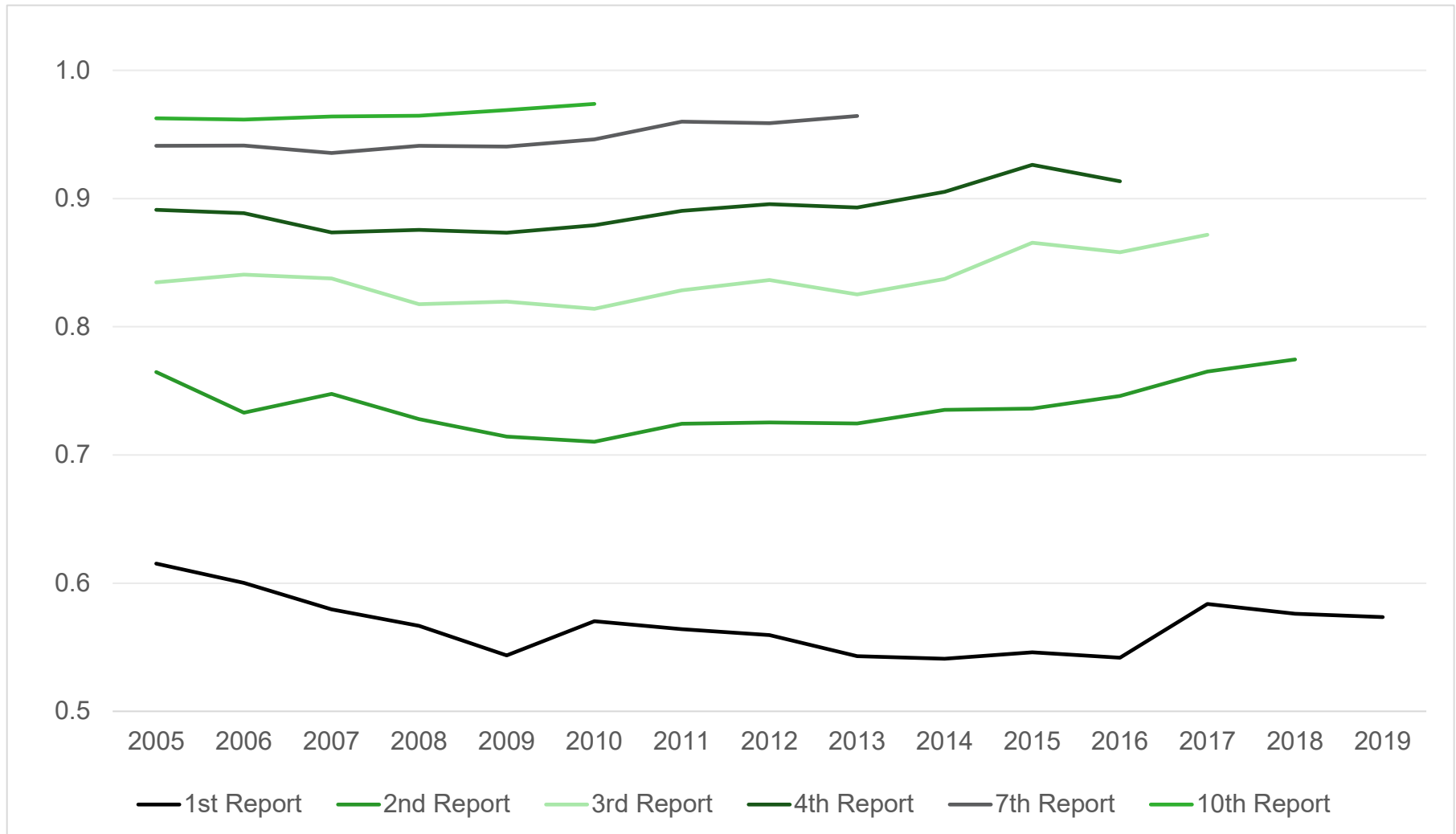
Contracting -5.7%



Other Industries -5.2%

Claim Closure Rates

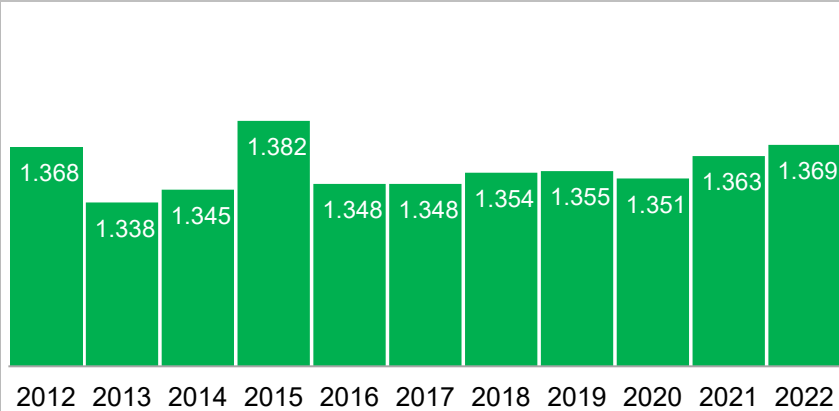
29



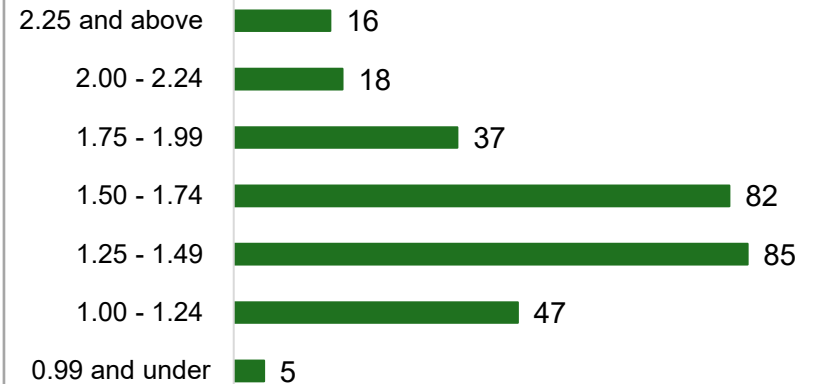
Insurance Carrier Pricing

30

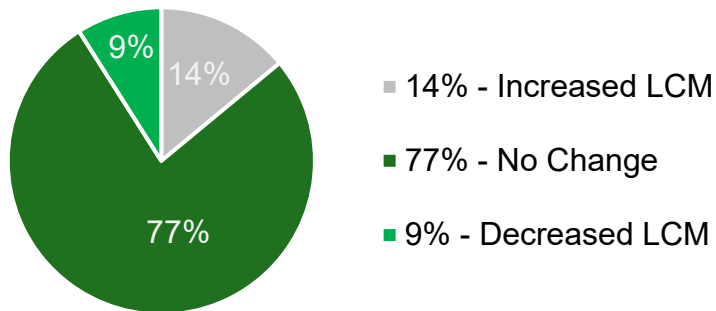
Implied Average Loss Cost Multiplier History



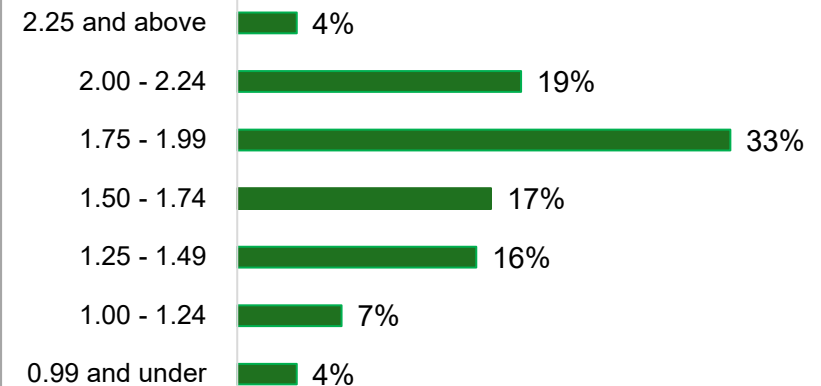
Number of Carriers



Latest Filed LCM Changes



\$ Premium Distribution





Trusted • Essential • Objective

The DCRB is the licensed rating organization for workers compensation business in the state of Delaware and has served in that role since 1917. The DCRB is a non-profit, private corporation supported by members comprised of all insurers licensed to underwrite workers compensation insurance in Delaware. The DCRB makes annual rating value filings with the Delaware Department of Insurance and, subject to review and approval by the Department of Insurance, the DCRB maintains uniform classification and experience rating plans as well as rules and parameters associated with various other mandatory and optional pricing programs. For more information about the DCRB, contact us at:

Delaware Compensation Rating Bureau, Inc.

30 S. 17th Street, Suite 1500

Philadelphia, PA 19103

(302) 654-1435

www.dcrb.com