

DELAWARE COMPENSATION RATING BUREAU

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.

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) |
|-------------|--------------------------|---------------------|---------------------|-----------------------|---|------------------------|
| 1993 | 3,107 | | 104,001,108 | | 29.87 | |
| 1994 | 2,733 | -12.0% | 106,472,260 | 2.4% | 25.67 | -14.1% |
| 1995 | 2,738 | 0.2% | 105,976,993 | -0.5% | 25.84 | 0.7% |
| 1996 | 2,728 | -0.4% | 112,195,109 | 5.9% | 24.31 | -5.9% |
| 1997 | 2,545 | -6.7% | 115,137,362 | 2.6% | 22.10 | -9.1% |
| 1998 | 2,415 | -5.1% | 122,669,729 | 6.5% | 19.69 | -10.9% |
| 1999 | 2,451 | 1.5% | 126,085,894 | 2.8% | 19.44 | -1.3% |
| 2000 | 2,300 | -6.2% | 130,221,002 | 3.3% | 17.66 | -9.2% |
| 2001 | 1,974 | -14.2% | 128,093,886 | -1.6% | 15.41 | -12.7% |
| 2002 | 1,930 | -2.2% | 124,080,789 | -3.1% | 15.55 | 0.9% |
| 2003 | 1,844 | -4.5% | 124,056,785 | 0.0% | 14.86 | -4.4% |
| 2004 | 1,731 | -6.1% | 132,226,520 | 6.6% | 13.09 | -11.9% |
| 2005 | 1,649 | -4.7% | 140,303,199 | 6.1% | 11.75 | -10.2% |
| 2006 | 1,611 | -2.3% | 144,383,631 | 2.9% | 11.16 | -5.0% |
| 2007 * | 1,213 | -24.7% | 120,686,062 | -16.4% | 10.05 | |
| 2007 ** | | | | | 9.90 | -11.3% |

| Period | Annual % Change In Claim Frequency | Period | Annual % Change In Claim Frequency |
|-----------|------------------------------------|-----------|------------------------------------|
| PY93-PY07 | -7.2% | PY93-PY06 | -7.1% |
| PY94-PY07 | -7.2% | PY94-PY06 | -7.1% |
| PY95-PY07 | -7.4% | PY95-PY06 | -7.3% |
| PY96-PY07 | -7.4% | PY96-PY06 | -7.3% |
| PY97-PY07 | -7.4% | PY97-PY06 | -7.2% |
| PY98-PY07 | -7.4% | PY98-PY06 | -7.1% |
| PY99-PY07 | -7.7% | PY99-PY06 | -7.4% |
| PY00-PY07 | -7.6% | PY00-PY06 | -7.2% |
| PY01-PY07 | -7.6% | PY01-PY06 | -7.1% |
| PY02-PY07 | -8.8% | PY02-PY06 | -8.6% |
| PY03-PY07 | -9.3% | PY03-PY06 | -9.2% |
| PY04-PY07 | -8.5% | PY04-PY06 | -7.7% |
| PY05-PY07 | -8.2% | PY05-PY06 | -5.0% |
| PY06-PY07 | -11.3% | | |

* Includes approximately 1st 9 months of PY2007.

** Projected value for complete PY 2007 is 9.90 based on an annual change in claim frequency of -11.3%

| Policy Year | SAWW | % Change SAWW | SAWW Index | Adj Claim Freq. (1) (#Claims per \$1 million) | % Change Adj Claim Frequency |
|-------------|--------|---------------|------------|---|------------------------------|
| 1993 | 530.29 | | 1.0000 | 29.87 | |
| 1994 | 547.69 | 3.3% | 1.0328 | 26.51 | -11.2% |
| 1995 | 572.20 | 4.5% | 1.0790 | 27.88 | 5.2% |
| 1996 | 599.82 | 4.8% | 1.1311 | 27.50 | -1.4% |
| 1997 | 632.95 | 5.5% | 1.1936 | 26.38 | -4.1% |
| 1998 | 659.98 | 4.3% | 1.2446 | 24.51 | -7.1% |
| 1999 | 688.82 | 4.4% | 1.2989 | 25.25 | 3.0% |
| 2000 | 719.85 | 4.5% | 1.3575 | 23.97 | -5.1% |
| 2001 | 753.64 | 4.7% | 1.4212 | 21.90 | -8.6% |
| 2002 | 769.48 | 2.1% | 1.4511 | 22.56 | 3.0% |
| 2003 | 796.52 | 3.5% | 1.5020 | 22.32 | -1.1% |
| 2004 | 832.10 | 4.5% | 1.5691 | 20.54 | -8.0% |
| 2005 | 883.66 | 6.2% | 1.6664 | 19.58 | -4.7% |
| 2006 | 897.27 | 1.5% | 1.6920 | 18.88 | -3.6% |
| 2007 (2) | 908.15 | 1.2% | 1.7126 | 17.21 | |
| 2007 | 909.71 | | 1.7155 | 16.98 | -10.1% |

| Period | Annual % Change In Adjusted Claim Frequency |
|-----------|---|
| PY93-PY07 | -3.4% |
| PY94-PY07 | -3.4% |
| PY95-PY07 | -3.7% |
| PY96-PY07 | -3.8% |
| PY97-PY07 | -3.8% |
| PY98-PY07 | -3.9% |
| PY99-PY07 | -4.3% |
| PY00-PY07 | -4.3% |
| PY01-PY07 | -4.4% |
| PY02-PY07 | -5.5% |
| PY03-PY07 | -6.1% |
| PY04-PY07 | -5.9% |
| PY05-PY07 | -6.9% |
| PY06-PY07 | -10.1% |

(1) Adjusted claim frequency is claim frequency per \$1 million expected losses at constant (1993) wages;

(2) Includes approximately 1st 9 months of PY 2007. (Full Year=909.71)

**DE W.C- CLAIM FREQUENCIES
DCRB Unit Statistical Plan
(Excluding Deductible Business)**

