Exhibit 12
Amended

DELAWARE COMPENSATION RATING BUREAU, INC.

Indicated Residual Market Rate Change

Page 1 presents the overall indicated changes in rates and loss costs. Please note that staff has corrected an error on line 4a resulting in a small change to the overall indication.

Derivation of the indemnity and medical trend factors and trended loss ratios shown on page 1 is presented on pages 2 and 3.

Page 4 shows the derivation of overall frequency trend factors for each of the latest four policy years.

For the 2010 Filing, the Bureau has made an adjustment to the frequency trend to recognize the slowing of wage growth subsequent to 1/1/2009. Thus, frequency trend prior to 1/1/2009 is based on an average annual reduction of 8.8 percent. Frequency trend after 1/1/2009 is projected to decline at an annual rate of 6.37 percent.

Because indemnity benefits are defined in part by wage levels, a similar adjustment has been made to indemnity severity trend. An observed annual trend of +0.9 percent applies prior to 1/1/2009. An annual indemnity severity trend rate of -1.65 percent is applicable to periods subsequent to 1/1/2009 to reflect slower wage growth anticipated during that period.

Medical severities are not directly affected by wage growth and so no comparable wage adjustment has been made to the medical severity trend. However, due to the impact of Senate Bill 1 and consistent with an adjustment to medical severity trend that was a part of the compromise reached with the Insurance Department for the 2009 Filing, medical severity trend is separated between pre-Senate Bill 1 and Post Senate Bill 1 trends. The difference between the two trend rates is a reduction of 1.8 points in medical trend attributed in the resolution of last year's filing to effects of the implementation of a medical fee schedule which was substantially operational beginning 9/1/2008.

INDICATED CHANGE IN RATE LEVEL

		Indemnity	Medical	Total
(1a)	Policy Year 2005 Loss and Loss Adjustment Expense Ratio	0.3632	0.5781	0.9413
(1b)	Policy Year 2006 Loss and Loss Adjustment Expense Ratio	0.3387	0.5425	0.8812
(1c)	Policy Year 2007 Loss and Loss Adjustment Expense Ratio	0.3581	0.6170	0.9751
(1d)	Policy Year 2008 Loss and Loss Adjustment Expense Ratio	0.2834	0.5643	0.8477
(1e)	Average (Midpoint = 7/1/2007)	0.3359	0.5755	0.9114
(2a)	Policy Year 2005 Loss and LAE Ratio Trended to 12/1/2011	0.2225	0.5169	
(2b)	Policy Year 2006 Loss and LAE Ratio Trended to 12/1/2011	0.2255	0.4961	
(2c)	Policy Year 2007 Loss and LAE Ratio Trended to 12/1/2011	0.2591	0.5771	
(2d)	Policy Year 2008 Loss and LAE Ratio Trended to 12/1/2011	0.2228	0.5399	
(2e)	Average at 12/1/2011	0.2325	0.5325	0.7650
(3a)	Senate Bill 1 Adjustment	1.0000	0.8260	
(3b)	Average Trended Loss and LAE Ratio Post-SB1 (2e)*(3a)	0.2325	0.4398	0.6723
(4a)	Excess Loss Factor at $2,139,891 (Post-SB1 Basis) *			0.0709
(4b)	Provision for Excess Loss (5a)-(3b)			0.0513
(5a)	Total Trended Loss and LAE Ratio (3b)/(1.0-(4a))	0.2357	0.4879	0.7236
(5b)	Percentage of Total	32.6%	67.4%	
(6)	Permissible Loss and Loss Adjustment Ratio			0.7440
(7)	Indicated Change in Rates (5a) / (6)			0.9726
(8)	Estimated Effect of the 7/1/11 Benefit Change			0.9983
(9)	Indicated Change in Residual Market Rate Level (7) * (8)			0.9709
(9a)	Factor to Adjust for Compromise With Insurance Department			0.99135
(9b)	Change in Residual Market Rate Level to Reflect Compromise (9) * (9a)			0.9625
(10)	Indicated Change in Voluntary Market Loss Costs (9) * [0.7688 / 0.7574]			0.9855
(10a)	Factor to Adjust for Compromise With Insurance Department			0.99135
(10b)	Change in Voluntary Market Loss Cost Level to Reflect Compromise (10) * (10a)			0.9770

CHANGES IN MANUAL PREMIUM LEVEL BY INDUSTRY GROUP

		Mfg.	Cont.	Other	Total
(11)	Current Collectible Premium Ratio	1.0835	1.0278	0.9394	
(12)	Proposed Collectible Premium Ratio	1.0354	1.0186	0.9301	
(13)	Change in Collectible Premium Ratio (12) / (11)	0.9556	0.9910	0.9901	0.9848
(14)	Change in Residual Market Manual Rate Level (9b) * (13)	0.9198	0.9538	0.9530	0.9479
(15)	Change in Voluntary Market Manual Loss Cost Level (10b) * (13)	0.9336	0.9682	0.9673	0.9621
(16)	Current Offset for Residual Market Surcharge				0.9947
(17)	Proposed Offset for Residual Market Surcharge				0.9954
(18)	Adjusted Change in Voluntary Market Manual Loss Cost Level (15) * (17)/(16)	0.9343	0.9689	0.9680	0.9628

* $2,610,000 on a pre-Senate Bill 1 basis.

12.1 Amended

DETERMINATION OF TREND

INDEMNITY

Policy Year		2002	2003	2004	2005	2006	2007	2008
Actual Loss Ratio		0.4933	0.4542	0.4120	0.3632	0.3387	0.3581	0.2834
Normalized Frequency		0.6400	0.6125	0.5395	0.4834	0.4569	0.4233	0.3655
Severity Loss Ratio		0.7708	0.7416	0.7637	0.7513	0.7413	0.8460	0.7754
	x	1	2	3	4	5	6	7
	y	0.7708	0.7416	0.7637	0.7513	0.7413	0.8460	0.7754

7 Point Exponential Regression: y = 0.742167 * 1.009023 ^ x

Selected Annual Trend Factor to 1/1/09 = $\boxed{0.9\%}$

Annual Wage Trend   **3.00%**
    Based on Policy Years 2002 through 2008

Annual Severity Trend Excluding Wage Trend =   **-2.04%**
    (1.009/1.030)-1.000 = -.0204 = -2.04%

Annual Wage Trend 1/1/2009 - 12/1/2011 =   **0.4%**
    Selected based on average annual change over latest eight quarters

Selected Annual Trend Factor 1/1/09 to 12/1/11 = $\boxed{-1.65\%}$
    ((1.000-.0204) * 1.004) -1.000 =-.0165 = -1.65%

Policy Year	Trend Factor to 1/1/09 (1)	Trend Factor 1/1/09-12/1/11 (2)	Severity Trend Factor (3) = (1)*(2)	Frequency Trend Factor (4) #
2005	1.0272	0.9526	0.9785	0.6261
2006	1.0181	0.9526	0.9698	0.6864
2007	1.0090	0.9526	0.9612	0.7527
2008	1.0000	0.9526	0.9526	0.8253

Trended Loss Ratio

Policy Year	Actual Loss Ratio (5)	Combined Trend Factor (6) = (3)*(4)	Trended Loss Ratio (7) = (5)*(6)
2005	0.3632	0.6126	0.2225
2006	0.3387	0.6657	0.2255
2007	0.3581	0.7235	0.2591
2008	0.2834	0.7862	0.2228

See Page 12.4

DETERMINATION OF TREND

MEDICAL

Policy Year	2002	2003	2004	2005	2006	2007	2008
Actual Loss Ratio	0.6459	0.6366	0.6479	0.5781	0.5425	0.6170	0.5643
Normalized Frequency	0.6400	0.6125	0.5395	0.4834	0.4569	0.4233	0.3655
Severity Loss Ratio	1.0092	1.0393	1.2009	1.1959	1.1873	1.4576	1.5439
x	1	2	3	4	5	6	7
y	1.0092	1.0393	1.2009	1.1959	1.1873	1.4576	1.5439

7 Point Exponential Regression: y = 0.924687 * 1.071763792 ^ x

Selected Annual Trend Factor to 9/1/08 =   **7.2%**

Annual Senate Bill I Adjustment to Severity Trend =   **-1.8%**
Based on Compromise from 2009 Filing

Selected Annual Trend Factor 9/1/08 to 12/1/11 =   **5.4%**
7.2% - 1.8% = 5.4%

Policy Year	Trend Factor to 9/1/08 (1)	Trend Factor 9/1/08-12/1/11 (2)	Severity Trend Factor (3) = (1)*(2)	Frequency Trend Factor (4) #
2005	1.2037	1.1864	1.4281	0.6261
2006	1.1229	1.1864	1.3322	0.6864
2007	1.0474	1.1864	1.2426	0.7527
2008	0.9771	1.1864	1.1592	0.8253

Trended Loss Ratio

Policy Year	Actual Loss Ratio (5)	Combined Trend Factor (6) = (3)*(4)	Trended Loss Ratio (7) = (5)*(6)
2005	0.5781	0.8941	0.5169
2006	0.5425	0.9144	0.4961
2007	0.6170	0.9353	0.5771
2008	0.5643	0.9567	0.5399

\# See Page 12.4

DETERMINATION OF TREND

Claim Frequency
Policy Year Frequency per $1 million of Expected Losses
{1 = PY 1996, 13 = PY 2008}

Policy Year	Claim Frequency	Normalized Frequency
1996	29.44	1.0000
1997	26.74	0.9083
1998	23.82	0.8091
1999	23.54	0.7996
2000	21.40	0.7269
2001	18.65	0.6335
2002	18.84	0.6400
2003	18.03	0.6125
2004	15.88	0.5395
2005	14.23	0.4834
2006	13.45	0.4569
2007	12.46	0.4233
2008	10.76	0.3655

Policy Year	2002	2003	2004	2005	2006	2007	2008
x	1	2	3	4	5	6	7
y	0.6400	0.6125	0.5395	0.4834	0.4569	0.4233	0.3655

7 Point Exponential Regression: $y = 0.715415 * 0.91178859 \char94 x$

Selected Frequency Trend Factor to 1/1/09 =   **-8.8%**

Annual Frequency Trend at Constant Wage Level =   **-6.00%**
  Based on Policy Years 2002 through 2008

 # Years in Trend Period 1/1/2009 - 12/1/2011 =   **2.9167**

Frequency Trend Factor at Constant Wage Level = .9400^2.9167 =   **0.8349**

Overall Wage Trend Factor 1/1/09 - 12/1/11 = 1.004^2.9167 =   **1.0117**

Claim Frequency Trend Factor = .8349 / 1.0117 =   **0.8252**

Annual Frequency Trend Factor 1/1/09 to 12/1/11 = .8252^(1/2.9167)-1.000 =   **-6.37%**

Policy Year	Frequency Trend to 1/1/09 (1)	Frequency Trend 1/1/09 to 12/1/11 (2)	Total Frequency Trend to 12/1/11 (3) = (1)*(2)
2005	0.7586	0.8253	0.6261
2006	0.8317	0.8253	0.6864
2007	0.9120	0.8253	0.7527
2008	1.0000	0.8253	0.8253