

Delaware Compensation Rating Bureau, Inc.



United Plaza Building • Suite 1500  
30 South 17th Street  
Philadelphia, PA 19103-4007  
(302) 654-1435 (215) 568-2371  
FAX (215) 564-4328  
www.dcrb.com

February 19, 2014

**VIA OVERNIGHT DELIVERY**

The Honorable Karen Weldin-Stewart, CIR-ML  
Insurance Commissioner  
Department of Insurance  
State of Delaware  
841 Silver Lake Boulevard  
Dover, DE 19904-2465

Attention: Gene Reed

RE: Amendment to Bureau Filing No. 1305  
Workers Compensation Residual Market Rate and Voluntary Market Loss Cost Filing  
**Proposed Effective December 1, 2013 (Selected Portions Effective June 1, 2014)**

Dear Commissioner Weldin-Stewart:

Consistent with discussions held between representatives of the Insurance Department, the Ratepayer Advocate and the Delaware Compensation Rating Bureau, Inc. (DCRB), I am filing herewith revisions to residual market rates and voluntary market loss costs on behalf of the members of the DCRB. This filing amends and supersedes our original submission of DCRB Filing No. 1305.

The schedules of rating values presented herewith reflect overall average increases of 11.40 percent in residual market rates and 14.0 percent in voluntary market loss costs. These changes, which differ from DCRB Filing No. 1305's original proposals (overall average increases of 38.52 percent in residual market rates and 41.75 percent in voluntary market loss costs), are based upon discussions between the Insurance Department, the Ratepayer Advocate and the DCRB.

With the exception of the values presented herewith as being additions to or revisions from the original form of DCRB Filing No. 1305, all other components of DCRB Filing No. 1305, as originally filed, are incorporated herein by reference.

The exhibits submitted with this amendment to DCRB Filing No. 1305 reflect adjustments to rating values arising from a compromise between the DCRB, the Insurance Department and the Ratepayer Advocate concerning the rating value changes indicated by the DCRB's analysis of the most current available experience.

The following exhibits, reflecting revisions to originally filed documents, are included in support of the December 1, 2013 rate and loss cost levels arrived at in negotiations between the DCRB and the Insurance Department.

The Honorable Karen Weldin-Stewart, CIR-ML  
State of Delaware  
February 19, 2014  
Page 2 of 2

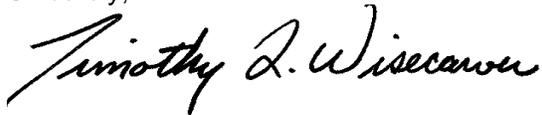
- Summary of Material for Modification of Experience (Brown Book)
- Class Book
- Exhibit 12 - Indicated Change in Residual Market Rates and Voluntary Market Loss Costs
- Exhibit 20 - Review of Experience Rating Plan Parameters
- Exhibit 27 - Manual Rates, Loss Costs and Expected Loss Rates
- Exhibit 28 - Index and Supporting Classification Exhibits
- Exhibit 30 - Distribution of Residual Market Rate Changes
- Exhibit 31a - Summary of Indicated and Proposed Residual Market Rates by Class Code
- Exhibit 31b - Summary of Indicated and Proposed Residual Market Rates by Percentage Change

Other materials provided in support of this filing are enclosed as described below:

- The following completed Property & Casualty Filing Forms:
  - Filing Fee Form
  - State Specific Requirements
  - Property & Casualty Transmittal Document
  - Property & Casualty Rate / Rule Filing Schedule

The DCRB looks forward to a prompt approval of this amendment to DCRB Filing No. 1305 and will be happy to answer any questions that you or your staff may have about this matter.

Sincerely,



Timothy L. Wisecarver  
President

Jf/TLW

Enclosures

C: Ann Lyon, Delaware Insurance Department  
John Pedrick, INS Consultants, Inc.  
Bob Gardner, INS Consultants, Inc.  
Allan I. Schwartz, AIS Risk Consultants, Inc.  
W. Harding Drane, DAG, c/o Delaware Insurance Department (*electronic copy only*)  
Seth Cooley, Duane Morris LLP (*electronic copy only*)