



October 5, 2020

**VIA SERFF**

The Honorable Trinidad Navarro  
Insurance Commissioner  
Insurance Department  
State of Delaware  
1351 West North Street, Suite 101  
Dover, DE 19904

Attention: W. Harding (Hardy) Drane, Deputy Insurance Commissioner

RE: DCRB Filing No. 2008  
Workers Compensation F-Classification and USLHW Rating Value Filing  
**Proposed Effective December 1, 2020**

Dear Commissioner Navarro:

On behalf of the members of the Delaware Compensation Rating Bureau, Inc. (DCRB), enclosed is a filing of proposed Delaware workers compensation rating values pertaining to F-Classifications and United States Longshore and Harbor Workers (USL&HW) Compensation Act coverages. These revisions are proposed to be effective 12:01 a.m., December 1, 2020 with respect to new and renewal policies. The following summarizes the annualized overall impact of the proposed changes on a collectible basis:

Indicated and Proposed Changes	
Residual Market Rates	Voluntary Market Loss Costs
+6.53%	+1.49%

Those changes produce an increase of 6.49% in overall manual rate level and an increase of 1.45% in overall manual loss cost level. In addition, this filing proposes to revise the USL&HW Compensation Coverage Percentage, the Expense Constant and the Tax Multiplier. Full details are contained in the Actuarial Memorandum and supporting exhibits.

Total direct written premium for workers compensation in Delaware, including State Act classes and USL&HW Act classes, was \$210,437,000 in Calendar Year 2019. USL&HW earned premium that was reported for Calendar Year 2019 in our 2019 Financial Data Calls was approximately \$1.2 million. This shows that the volume of USL&HW business is relatively small in comparison to the total Delaware workers compensation market.

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Please direct any questions to me, Brent Otto, Vice President of Actuarial Services and Chief Actuary, or Ken Creighton, Director of Actuarial Services. DCRB staff will be pleased to cooperate with and assist the Insurance Department in its prompt consideration of these proposals.

Sincerely,

William V. Taylor  
President

WVT/dn  
Enclosures