

DELAWARE COMPENSATION RATING BUREAU, INC.
F CLASS FILING

Delaware F-Class Rates Comparison

As discussed in the Actuarial Memorandum, the attached exhibit contains a comparison of Delaware F-Class rates to F-Class rates in other states.

F-Class rates shown in the line labeled “Delaware Preliminary F-Class Rates at Full Indication” were based on the rate level indication shown in Exhibit 1. The line labeled “Delaware Preliminary F-Class Rates” was calculated by giving 80% weight to the Preliminary F-Class Rates at Full Indication and 20% weight to the average of the other states’ rates.

Those rates were then adjusted such that the resulting overall Delaware F-Class rates balanced to the overall indicated change in manual rates. These are the proposed F-Class rates shown in the line labeled “Delaware Proposed F-Class Rates effective December 1, 2020 Balanced to Overall Indicated Change in Manual Rates”.

"F" Class Codes

	<u>6824</u>	<u>6826</u>	<u>6843</u>	<u>6872</u>	<u>7309</u>	<u>7313</u>	<u>7317</u>	<u>7327</u>	<u>7366</u>	<u>8709</u>	<u>8726</u>	
Delaware Approved F-Class Rates effective June 1, 2018	6.93	7.01	7.88	9.92	27.62	10.04	21.34	11.39	5.34	2.14	2.90	
Latest Approved F-Class Assigned Risk Rates by State and Effective Date												
<u>State</u>	<u>Effective Date</u>											
Alabama	3/1/2020	14.69	8.11	21.00	17.56	20.11	8.51	17.73	32.00	22.33	10.61	6.13
Alaska	1/1/2020	16.45	8.09	10.54	18.25	18.84		11.28	17.18	17.85	5.04	3.51
Arizona	1/1/2020	14.15	7.43							20.06	7.75	
Arkansas	7/1/2020	12.24	7.55	12.35	15.22	14.26	6.26	11.96	33.85	15.81	8.53	2.75
Connecticut	1/1/2020	18.54	7.68	12.85	14.24	17.70	6.78	10.91	30.84	17.70	16.80	3.52
District Of Columbia	11/1/2019	18.12	7.02		19.72	21.83	8.83	18.17	37.18		9.60	4.42
Illinois	1/1/2020	22.68	10.10	19.89	20.35	20.64	12.01	15.20	49.03	24.20	8.84	4.69
Indiana	1/1/2020	9.82	6.49	9.34	10.78	10.67	4.14	10.43	27.74	13.11	5.28	2.81
Iowa	1/1/2020	12.95	12.03	21.52	19.80	20.85	7.27	15.39	38.78	17.75	9.91	4.29
Kansas	1/1/2020	11.55	6.72	11.20	13.58	13.00	5.68	12.06	26.00	16.68	6.95	3.10
Michigan	1/1/2020	18.80	5.23	8.30	11.68	12.25	3.29	11.54		29.04	13.18	4.40
Mississippi	3/1/2020	12.76	9.30	16.80	16.38	19.50	7.48	16.27	43.04	23.29	13.97	3.46
Nevada	3/1/2020	18.50	11.23	19.27	19.87	23.37	9.44	19.44	38.79	29.43	10.94	4.83
New Hampshire	1/1/2020	9.54	5.64	10.49	11.94	14.51	4.57	11.77	27.56	13.13	6.12	2.89
New Mexico	1/1/2020	21.78	12.66	20.58	29.20	27.68	10.52	22.48	50.30	29.58	13.45	5.79
North Carolina	4/1/2020	19.15	8.91	19.89	22.92	23.25	9.40	20.90	40.46	9.36	10.65	5.14
Oregon	1/1/2020	13.81	8.74	16.26	15.75	15.80	6.75	15.04	21.64	32.54	6.98	3.46
Pennsylvania	4/1/2018	10.78	11.28	14.30	32.60	55.51	11.67	29.54	23.79	11.80	6.09	3.45
South Carolina	4/1/2020	18.89	10.68	22.78	25.30	28.52	8.24	24.85	52.34	22.42	10.06	6.05
South Dakota	7/1/2020	14.47	9.02	13.85	16.33	18.32	7.48	14.88	41.85	20.94	9.00	4.42
Tennessee	3/1/2020	12.59	5.78	6.38	11.53	10.85	4.47	11.66	26.98	12.85	6.26	2.98
Vermont	4/1/2020	12.01	6.41	12.76	14.28	15.82	6.41	13.00	25.98	18.49	7.53	3.25
Virginia	4/1/2020	9.03	5.29	10.34	11.63	11.49	6.62	9.84	19.94	13.50	6.27	2.03
West Virginia	11/1/2019	11.33	9.77	11.31	13.22	11.04	5.87	10.38	22.25	16.29	5.91	3.08
Minimum		9.03	5.23	6.38	10.78	10.67	3.29	9.84	17.18	9.36	5.04	2.03
Maximum		22.68	12.66	22.78	32.60	55.51	12.01	29.54	52.34	32.54	16.80	6.13
Average		14.78	8.38	14.64	17.48	19.38	7.35	15.42	33.07	19.48	8.99	3.93
Delaware Preliminary F-Class Rates at Full Indication		7.38	7.47	8.39	10.56	29.42	10.69	22.66	12.13	5.73	2.28	3.08
Delaware Preliminary F-Class Rates = (80% * DE Preliminary Rate) + (20% * Average Rate)		8.86	7.65	9.64	11.94	27.41	10.02	21.21	16.32	8.48	3.62	3.25
Delaware Proposed F-Class Rates effective December 1, 2020 Balanced to Overall Indicated Change in Manual Rates		9.08	7.93	9.99	12.37	28.41	10.38	21.98	14.92	7.00	2.80	3.37
Proposed Change in Delaware F-Class Rates		31.0%	13.1%	26.8%	24.7%	2.9%	3.4%	3.0%	31.0%	31.1%	30.8%	16.2%

NOTE: 1.) With the exception of Pennsylvania, all rates in the 7366 column were based on the analogous national classification code 7350.

2.) Pennsylvania F-Class rates were estimated by multiplying Pennsylvania Voluntary F-Class rates times the Delaware Insurance Plan Surcharge Factor from Exhibit 19 of DCRB Filing No. 2007 proposed effective 12/1/2020.