

DELAWARE COMPENSATION RATING BUREAU, INC.
F-CLASS FILING

Derivation of F-Class Rates and Loss Costs

In the following exhibits, Page 1 derives the proposed F-Class manual rates and loss costs as described in Exhibit 9 as well as the associated impacts by class code. Page 2 calculates the average Assigned Risk rates by class based on rates from selected states that are used in the Page 1 calculations.

PROPOSED F-CLASS MANUAL RATES AND LOSS COSTS

CLASS CODE	EXPOSURE THREE YEAR (00's)	INDICATED PURE PREMIUM	CLASS BOOK INDICATED RATE *	AVERAGE RATE **	INDICATED RATE PRE-CAP ***	MINIMUM RATE	MAXIMUM RATE	PROPOSED RATE POST-CAP	CURRENT RATE	% CHANGE - RATE	PROPOSED LOSS COST	CURRENT LOSS COST	% CHANGE - LOSS COST
6824F	0	6.63	8.51	11.03	9.01	6.27	10.81	9.45	9.08	4.1	7.31	6.70	9.1
6826F	0	5.79	7.43	6.19	7.18	5.47	9.44	7.53	7.93	-5.0	5.82	5.85	-0.5
6843F	10	7.30	9.36	12.61	10.01	6.89	11.89	10.50	9.99	5.1	8.12	7.37	10.2
6872F	40	9.04	11.59	13.19	11.91	8.54	14.72	12.49	12.37	1.0	9.66	9.13	5.8
7309F	3,225	20.70	26.55	14.23	24.09	19.60	33.81	25.26	28.41	-11.1	19.53	20.96	-6.8
7313F	209	7.58	9.72	5.66	8.91	7.16	12.35	9.34	10.38	-10.0	7.22	7.66	-5.7
7317F	2,393	16.06	20.59	11.41	18.75	15.17	26.16	19.66	21.98	-10.6	15.20	16.21	-6.2
7327F	153	10.90	13.98	26.01	16.39	10.29	17.75	17.19	14.92	15.2	13.29	11.01	20.7
7366F	2,981	5.09	6.53	14.10	8.04	4.83	8.33	8.33	7.00	19.0	6.44	5.16	24.8
8709F	485	2.05	2.62	6.75	3.45	1.93	3.33	3.33	2.80	18.9	2.57	2.07	24.2
8726F	1,433	2.45	3.14	3.14	3.14	2.33	4.01	3.29	3.37	-2.4	2.54	2.49	2.0
TOTAL	10,929												
										-6.5			-2.0

* Indicated Pure Premium x CPPM (1.2822)

** See page 2

*** 80% weight to the Class Book Indicated Rate and 20% weight to the Average Rate

F-CLASS ASSIGNED RISK RATES FROM SELECTED STATES

		F-Class Codes										
		6824F	6826F	6843F	6872F	7309F	7313F	7317F	7327F	7366F	8709F	8726F
Delaware Approved F-Class Rates effective December 1, 2020		9.08	7.93	9.99	12.37	28.41	10.38	21.98	14.92	7.00	2.80	3.37
State	Effective Date (Latest Approved)											
Alabama	3/1/2022	11.08	6.31	18.56	13.35	16.66	7.11	13.15	25.68	16.74	8.28	4.99
Alaska	1/1/2022	12.12	6.30	9.01	13.06	14.19		8.07	16.87	12.76	3.85	2.79
Arizona	1/1/2022	9.67	5.28							14.31	5.58	
Arkansas	7/1/2022	8.06	5.14	9.58	9.84	8.88	4.42	8.22	23.69	10.11	5.79	2.06
Connecticut	1/1/2022	14.33	6.20	11.25	10.50	13.65	5.50	8.56	25.45	13.76	13.23	2.99
District Of Columbia	11/1/2021	13.83	5.44		14.55	16.73	7.21	14.03	30.82		7.67	3.83
Illinois	1/1/2022	15.39	7.92	16.72	16.05	14.96	9.00	11.00	37.29	15.18	6.75	3.73
Indiana	1/1/2022	6.63	4.50	7.29	7.08	6.94	2.87	7.59	20.19	8.60	3.63	2.08
Iowa	1/1/2022	9.29	8.20	15.48	13.25	13.54	5.29	10.25	28.13	11.85	6.99	3.23
Kansas	1/1/2022	7.78	4.67	8.77	8.92	8.80	4.07	8.28	18.92	11.24	4.90	2.31
Michigan	1/1/2022	17.06	4.14	7.40	7.75	8.15	3.18	11.49		16.00	12.75	3.41
Mississippi	3/1/2022	9.91	6.30	13.22	11.40	12.52	5.12	10.64	30.29	17.54	9.04	2.58
Nevada	3/1/2022	12.74	8.06	15.29	13.62	16.30	6.99	13.71	29.02	23.66	7.99	3.78
New Hampshire	1/1/2022	7.32	4.30	9.34	8.91	10.77	3.70	9.00	22.20	9.78	4.76	2.45
New Mexico	1/1/2022	13.76	8.23	15.58	25.86	17.60	7.13	14.51	34.07	19.09	8.87	4.09
North Carolina	4/1/2022	15.39	7.85	19.62	18.95	19.13	8.51	17.08	36.76	22.91	9.24	4.86
Oregon	1/1/2022	10.12	6.23	14.14	11.63	10.58	4.98	10.08	23.35	22.73	4.98	2.69
Pennsylvania	4/1/2021	11.73	11.09	14.57	30.74	50.00	10.98	27.90	25.70	13.01	6.86	3.66
South Carolina	2/1/2022	16.57	9.25	21.44	20.37	21.06	7.35	18.99	46.53	18.12	8.56	5.49
South Dakota	7/1/2022	8.65	4.89	10.36	9.94	9.04	3.69	6.80	19.94	6.86	3.34	2.18
Tennessee	3/1/2022	8.51	4.48	9.39	9.06	8.25	3.37	8.31	20.13	8.75	4.49	2.27
Vermont	4/1/2022	9.28	5.08	11.16	10.62	12.18	5.24	10.10	21.55	14.28	6.07	2.82
Virginia	4/1/2022	8.06	4.57	10.37	9.31	9.57	5.74	8.94	18.59	11.13	5.45	2.11
West Virginia	11/1/2021	7.40	4.20	8.86	8.51	7.75	3.17	5.84	17.09	5.87	2.86	1.88
Minimum		6.63	4.14	7.29	7.08	6.94	2.87	5.84	16.87	5.87	2.86	1.88
Maximum		17.06	11.09	21.44	30.74	50.00	10.98	27.90	46.53	23.66	13.23	5.49
Average		11.03	6.19	12.61	13.19	14.23	5.66	11.41	26.01	14.10	6.75	3.14

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. 2202 proposed effective 12/1/2022.

Source: National Council on Compensation Insurance, Inc.
Pennsylvania Compensation Rating Bureau
Compensation Advisory Organization of Michigan