DCRB
DELAWARE
Compensation Rating Bureau, Inc.

August 4, 2025

VIA SERFF

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

Attention: Tanisha Merced, Deputy Insurance Commissioner

RE: DCRB Filing No. 2501
Workers Compensation Residual Market Rate and Voluntary Market Loss Cost Filing
Proposed Effective December 1, 2025 (Selected Portions Effective June 1, 2026) and Revisions to Designated Auditable Payrolls

Dear Commissioner Navarro:

On behalf of the members of the Delaware Compensation Rating Bureau, Inc. (DCRB), we respectfully submit this filing of proposed changes to Residual Market Rates and Voluntary Market Loss Costs in Delaware. This submission also includes related updates to rating values, supplementary rate and rule information, and revisions to the language and manual pages associated with Designated Auditable Payrolls in Section 1 of the Basic Manual. These changes are interrelated and share a common effective date.

The following summarizes the annualized overall impact of the proposed changes:

Indicated and Proposed Changes	
Residual Market Rates	Voluntary Market Loss Costs
-5.71%	-8.32%

This filing is made in compliance with the provisions of House Bill 241, workers compensation insurance legislation enacted in 1993. The majority of the proposed changes will apply on a new and renewal basis to workers compensation insurance policies with effective dates on or after 12:01 a.m., December 1, 2025. The updated table of qualifying wages and credits for the Delaware Construction Classification Premium Adjustment Program is proposed to become effective for new and renewal policies with effective dates on or after 12:01 a.m., June 1, 2026.

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As in recent years, the filing includes considerations related to the COVID-19 pandemic, including the treatment of COVID-19 claims and COVID-19 economic adjustments stemming from the pandemic. These considerations are detailed in the accompanying Actuarial Memorandum.

In preparing this filing, the DCRB has carefully analyzed recent Delaware experience and employed various actuarial and economic techniques to support the proposed change. One methodology change relates to the calculation of the excess loss load. The prior method was determined to be insufficiently responsive to rising excess losses. As a result, two alternative methods were evaluated, and the final selection reflects an average of the previous and new methods. Additional details are provided in the Actuarial Memorandum and Exhibit 18.

The impact of House Bill 373 of 2014 is fully incorporated in the calculations underlying the proposed change and no new legislative changes applied.

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

Respectfully submitted,

Amy Quinn
President