



October 13, 2017

**DCRB CIRCULAR NO. 937**

To All Members of the DCRB:

Re: **F-CLASSIFICATION FILING**  
**PROPOSED EFFECTIVE DECEMBER 1, 2017**  
**DCRB FILING NO. 1704**

The DCRB submitted a rating value filing for Delaware F-Classifications with a proposed effective date of December 1, 2017. That filing, DCRB Filing No. 1704, proposes an overall decrease in collectible rate level of 0.43 percent in residual market rates and an overall decrease of 3.66 percent for the voluntary market loss costs.

The United States Harbor Workers' Compensation Coverage Percentage is proposed to increase to 105.34 percent effective December 1, 2017. The tax multiplier applicable to F-Classification business is proposed to change from 1.2409 to 1.1269.

Once DCRB Filing No.1704 has been adjudicated by the Department of Insurance, each licensed Delaware carrier will be required to make a filing for a loss cost multiplier, rates and/or other related rating values with the Department of Insurance. This requirement will apply even if a carrier intends to retain its current pricing values and programs intact. Accordingly, in order to preserve the desired and possibly necessary flexibility in pricing Delaware workers compensation policies, it is strongly recommended that all policies issued with effective dates on and after December 1, 2017 be qualified as carrying tentative rates, using the Pending Rate Change Endorsement, WC 00 04 04, for this purpose. Any policies issued at current rates or on a "to-be-determined" basis for which approved rating values are changed as a result of DCRB Filing No. 1704 and/or any subsequent carrier filing(s) must be endorsed subsequently with the new carrier rates.

The complete filing package for DCRB Filing No. 1704 is available at [www.dcrb.com](http://www.dcrb.com) in the "Filings" section of the website.

Members and other interested parties are encouraged to use the website to access any and all parts of the filing package for informational purposes.

Attached for immediate reference are tables of current and proposed December 1, 2017 F-Classification rating values.

Questions concerning this filing should be directed to John Pedrick, Vice President – Actuarial Services at [jpедrick@dcrb.com](mailto:jpедrick@dcrb.com), or to Ken Creighton, Chief Actuary at [kcreighton@dcrb.com](mailto:kcreighton@dcrb.com).

William V. Taylor  
President

jf  
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Attachment

**Remember to visit our web site at [www.dcrb.com](http://www.dcrb.com) for more information about this and other topics.**

**DELAWARE WORKERS COMPENSATION MANUAL**

**SECTION 2**

**EFFECTIVE DATE: DECEMBER 1, 2017**

**CLASSIFICATIONS & RATING VALUES**

**MISCELLANEOUS VALUES**

United States Longshore and Harbor Workers Compensation Premium Discount Percentages. The following premium discounts are applicable to Standard Premiums:

<b>Total Workers Compensation Standard Premium</b>		
First	\$ 10,000	None
Next	\$ 190,000	9.1%
Next	\$ 1,550,000	11.3%
Over	\$ 1,750,000	12.3%

**DELAWARE  
UNITED STATES LONGSHORE AND HARBOR WORKERS RATES  
MANUAL RATES, LOSS COSTS AND EXPECTED LOSS RATES**

Code No.	Assigned Risk Rates	Loss Costs	Min. Prem.	Experience Rating Plan Expected Loss Rate Table*			Hazard Group A-G
				A-1	A-2	A-3	
6824F	7.17	5.36	2,195	2.95	2.95	2.95	F
6826F	7.26	5.43	2,220	2.99	2.99	2.99	E
6843F	8.16	6.10	2,455	3.36	3.36	3.36	G
6872F	10.27	7.68	3,000	4.23	4.23	4.23	G
7309F	28.59	21.39	3,000	11.77	11.77	11.77	G
7313F	10.39	7.77	3,000	4.28	4.28	4.28	G
7317F	22.09	16.52	3,000	9.10	9.10	9.10	G
7327F	11.79	8.82	3,000	4.86	4.86	4.86	G
7366F	5.53	4.14	1,760	2.28	2.28	2.28	G
8709F	2.21	1.65	880	0.91	0.91	0.91	G
8726F	3.00	2.24	1,090	1.24	1.24	1.24	E

\* Table A-1 applies to the most current policy year, Table A-2 to the first prior policy year, and Table A-3 to the second prior policy year.

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with Rule XII..... **105.34%** (2.0534 X Carrier Rate)

USL&H Expense Constant..... **\$295**

The Residual Market Expense Constant is..... **\$295**

**DELAWARE WORKERS COMPENSATION MANUAL**

**SECTION 2**

**EFFECTIVE DATE: DECEMBER 1, 2017**

**CLASSIFICATIONS & RATING VALUES**

**UNITED STATES LONGSHORE AND HARBOR WORKERS' ACT**

Tax Multiplier for coverage developed on classifications providing U.S.L. benefits.....**1.1269**