

PENNSYLVANIA COMPENSATION RATING BUREAU

APRIL 1, 2011 F CLASS RATE FILING

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Pennsylvania F Class Rate Revision
Proposed Effective April 1, 2010

Calculation of Composite Pure Premium Multiplier

Item	Total
(1) Pure Premium Test Correction Factor	1.0049
(2) Off-Balance Factor (Collectible Prem Ratio)	1.0352
(3) Expense Provision (1 / 0.6967)	1.4353
(4) Rate Test Correction Factor	0.9902
(5) Composite Pure Premium Multiplier (1)*(2)*(3)*(4)	1.4785

CALCULATION OF PER CLAIM AND CATASTROPHE LIMITATIONS

All Death, Permanent Total and Major Disability claims in the Pennsylvania experience for Manual Years 2003 through 2007 were translated using composite multipliers, yielding an average claim value of \$9,791. A value of \$469,355 was selected based on a review of Pennsylvania State Act coverage experience as reported in the approved 4/1/10 Loss Cost Filing. Using twice the value as unity and using the indicated Hazard Group Relativities produced the following results:

Hazard Group (1)	Hazard Group Relativities @ (2)	Per Claim Limit [2 * 469,355] * (2) (3)	Per Accident Limit (3) * 2 (4)
A	0.842	790,394	1,580,788
B	0.918	861,736	1,723,472
C	0.925	868,307	1,736,614
D	1.005	943,404	1,886,808
E	1.014	951,852	1,903,704
F	1.146	1,075,762	2,151,524
G	1.192	1,118,942	2,237,884

@ From Pennsylvania 4/1/10 Loss Cost Filing - Excess Loss Factor Study

CREDIBILITY

The classification relativity criteria for 100 percent credibility for the various categories of loss are as follows:

Serious: 175 * Average Cost of Serious Case (including Medical)
 Non-Serious: 500 * Average Cost of Non-Serious Case (including Medical)
 Medical: 10 Percent of the Non-Serious

The following calculations are based on the figures in Table V, Section B.

	No. Cases	INDEMNITY AMOUNT (in hundreds)	MEDICAL AMOUNT (in hundreds)	TOTAL AMOUNT (in hundreds)	AVERAGE COST (4) / (1)
	(1)	(2)	(3)	(4)	(5)
Death	1	3,864	0	3,864	3,864
Permanent Total	1	34,718	5,264	39,982	39,982
Major	38	247,917	99,859	347,776	9,152
Total Serious	40	286,499	105,123	391,622	9,791
Minor	50	46,335	38,328	84,663	1,693
Temporary	121	27,692	28,960	56,652	468
Total Non-Serious	171	74,027	67,288	141,315	826

Accordingly, the criteria for 100 percent credibility will be:

Selected @

Serious: 175 *	9,791 =	1,713,425	82,137,125
Non-Serious: 500 *	826 =	413,000	12,715,000
Medical: .10 *	413,000 =	41,300	1,271,500

@ From PA State Act Coverage Loss Cost filing approval of 4/1/10.

EXPECTED LOSS CREDIBILITY TABLE

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
1.00	81,521,898	12,619,762	1,261,976
0.99	80,296,079	12,430,003	1,243,000
0.98	79,076,465	12,241,204	1,224,120
0.97	77,863,089	12,053,371	1,205,337
0.96	76,655,983	11,866,508	1,186,651
0.95	75,455,179	11,680,621	1,168,062
0.94	74,260,711	11,495,715	1,149,572
0.93	73,072,613	11,311,795	1,131,180
0.92	71,890,919	11,128,866	1,112,887
0.91	70,715,663	10,946,934	1,094,693
0.90	69,546,882	10,766,004	1,076,600
0.89	68,384,612	10,586,082	1,058,608
0.88	67,228,888	10,407,174	1,040,717
0.87	66,079,749	10,229,285	1,022,929
0.86	64,937,232	10,052,421	1,005,242
0.85	63,801,377	9,876,588	987,659
0.84	62,672,221	9,701,792	970,179
0.83	61,549,806	9,528,040	952,804
0.82	60,434,172	9,355,338	935,534
0.81	59,325,361	9,183,691	918,369
0.80	58,223,414	9,013,108	901,311
0.79	57,128,375	8,843,593	884,359
0.78	56,040,288	8,675,155	867,516
0.77	54,959,197	8,507,800	850,780
0.76	53,885,148	8,341,535	834,154
0.75	52,818,188	8,176,367	817,637
0.74	51,758,364	8,012,304	801,230
0.73	50,705,724	7,849,353	784,935
0.72	49,660,317	7,687,522	768,752
0.71	48,622,195	7,526,819	752,682
0.70	47,591,409	7,367,251	736,725
0.69	46,568,010	7,208,827	720,883
0.68	45,552,054	7,051,554	705,155
0.67	44,543,594	6,895,443	689,544
0.66	43,542,688	6,740,500	674,050
0.65	42,549,392	6,586,736	658,674
0.64	41,563,765	6,434,159	643,416
0.63	40,585,868	6,282,778	628,278
0.62	39,615,762	6,132,604	613,260
0.61	38,653,510	5,983,645	598,365
0.60	37,699,176	5,835,912	583,591
0.59	36,752,828	5,689,416	568,942
0.58	35,814,533	5,544,166	554,417
0.57	34,884,361	5,400,173	540,017
0.56	33,962,383	5,257,449	525,745
0.55	33,048,673	5,116,005	511,601
0.54	32,143,307	4,975,852	497,585
0.53	31,246,361	4,837,003	483,700
0.52	30,357,916	4,699,470	469,947
0.51	29,478,055	4,563,265	456,327
0.50	28,606,861	4,428,403	442,840
0.49	27,744,422	4,294,895	429,490
0.48	26,890,827	4,162,757	416,276
0.47	26,046,170	4,032,002	403,200
0.46	25,210,546	3,902,646	390,265
0.45	24,384,053	3,774,703	377,470

EXPECTED LOSS CREDIBILITY TABLE

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
0.44	23,566,794	3,648,190	364,819
0.43	22,758,874	3,523,122	352,312
0.42	21,960,403	3,399,517	339,952
0.41	21,171,493	3,277,392	327,739
0.40	20,392,262	3,156,766	315,677
0.39	19,622,832	3,037,656	303,766
0.38	18,863,330	2,920,084	292,008
0.37	18,113,886	2,804,068	280,407
0.36	17,374,638	2,689,631	268,963
0.35	16,645,729	2,576,794	257,679
0.34	15,927,307	2,465,581	246,558
0.33	15,219,527	2,356,015	235,602
0.32	14,522,553	2,248,122	224,812
0.31	13,836,554	2,141,928	214,193
0.30	13,161,709	2,037,461	203,746
0.29	12,498,206	1,934,749	193,475
0.28	11,846,242	1,833,824	183,382
0.27	11,206,025	1,734,717	173,472
0.26	10,577,774	1,637,462	163,746
0.25	9,961,723	1,542,096	154,210
0.24	9,358,117	1,448,657	144,866
0.23	8,767,220	1,357,184	135,718
0.22	8,189,309	1,267,723	126,772
0.21	7,624,685	1,180,318	118,032
0.20	7,073,668	1,095,019	109,502
0.19	6,536,603	1,011,880	101,188
0.18	6,013,861	930,959	93,096
0.17	5,505,847	852,317	85,232
0.16	5,013,001	776,024	77,602
0.15	4,535,806	702,153	70,215
0.14	4,074,792	630,787	63,079
0.13	3,630,549	562,017	56,202
0.12	3,203,736	495,946	49,595
0.11	2,795,097	432,687	43,269
0.10	2,405,480	372,374	37,237
0.09	2,035,862	315,156	31,516
0.08	1,687,392	261,212	26,121
0.07	1,361,441	210,754	21,075
0.06	1,059,688	164,042	16,404
0.05	784,259	121,405	12,141
0.04	537,961	83,278	8,328
0.03	324,766	50,275	5,028
0.02	150,944	23,367	2,337
0.01	29,052	4,498	450
0.00	0	0	0

Classification Credibility Table

Payroll Conversion Factors

Convert the Expected Loss Credibility Table to a Payroll Basis

A)

Five Year Payroll (00's)		
7,539,256,450		

B)

Five Year Expected Losses *		
Serious	Non-Serious	Medical Only
6,455,159,133	3,587,246,123	643,659,978

C) =A/B

Ratio Payroll to Expected Loss		
Serious	Non-Serious	Medical Only
1.1679	2.1017	11.7131

PAYROLL CREDIBILITY TABLE

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
1.00	95,209,425	26,522,954	14,781,651
0.99	93,777,791	26,124,137	14,559,383
0.98	92,353,403	25,727,338	14,338,240
0.97	90,936,302	25,332,570	14,118,233
0.96	89,526,523	24,939,840	13,899,362
0.95	88,124,104	24,549,161	13,681,627
0.94	86,729,084	24,160,544	13,465,052
0.93	85,341,505	23,774,000	13,249,624
0.92	83,961,404	23,389,538	13,035,357
0.91	82,588,823	23,007,171	12,822,249
0.90	81,223,803	22,626,911	12,610,323
0.89	79,866,388	22,248,769	12,399,581
0.88	78,516,618	21,872,758	12,190,022
0.87	77,174,539	21,498,888	11,981,670
0.86	75,840,193	21,127,173	11,774,500
0.85	74,513,628	20,757,625	11,568,549
0.84	73,194,887	20,390,256	11,363,804
0.83	71,884,018	20,025,082	11,160,289
0.82	70,581,069	19,662,114	10,958,003
0.81	69,286,089	19,301,363	10,756,948
0.80	67,999,125	18,942,849	10,557,146
0.79	66,720,229	18,586,579	10,358,585
0.78	65,449,452	18,232,573	10,161,302
0.77	64,186,846	17,880,843	9,965,271
0.76	62,932,464	17,531,404	9,770,529
0.75	61,686,362	17,184,271	9,577,064
0.74	60,448,593	16,839,459	9,384,887
0.73	59,219,215	16,496,985	9,194,022
0.72	57,998,284	16,156,865	9,004,469
0.71	56,785,862	15,819,115	8,816,240
0.70	55,582,007	15,483,751	8,629,334
0.69	54,386,779	15,150,792	8,443,775
0.68	53,200,244	14,820,251	8,259,551
0.67	52,022,463	14,492,153	8,076,698
0.66	50,853,505	14,166,509	7,895,215
0.65	49,693,435	13,843,343	7,715,114
0.64	48,542,321	13,522,672	7,536,396
0.63	47,400,235	13,204,515	7,359,083
0.62	46,267,248	12,888,894	7,183,176
0.61	45,143,434	12,575,827	7,008,709
0.60	44,028,868	12,265,336	6,835,660
0.59	42,923,628	11,957,446	6,664,075
0.58	41,827,793	11,652,174	6,493,942
0.57	40,741,445	11,349,544	6,325,273
0.56	39,664,667	11,049,581	6,158,104
0.55	38,597,545	10,752,308	5,992,434
0.54	37,540,168	10,457,748	5,828,263
0.53	36,492,625	10,165,929	5,665,626
0.52	35,455,010	9,876,876	5,504,536
0.51	34,427,420	9,590,614	5,345,004
0.50	33,409,953	9,307,175	5,187,029
0.49	32,402,710	9,026,581	5,030,659
0.48	31,405,797	8,748,866	4,875,882
0.47	30,419,322	8,474,059	4,722,722
0.46	29,443,397	8,202,191	4,571,213
0.45	28,478,135	7,933,293	4,421,344

PAYROLL CREDIBILITY TABLE

Serious, Non-Serious and Medical

Credi- bility (1)	Serious (2)	Non-Serious (3)	Medical (4)
0.44	27,523,659	7,667,401	4,273,161
0.43	26,580,089	7,404,546	4,126,666
0.42	25,647,555	7,144,765	3,981,892
0.41	24,726,187	6,888,095	3,838,840
0.40	23,816,123	6,634,575	3,697,556
0.39	22,917,505	6,384,242	3,558,042
0.38	22,030,483	6,137,141	3,420,319
0.37	21,155,207	5,893,310	3,284,435
0.36	20,291,840	5,652,797	3,150,391
0.35	19,440,547	5,415,648	3,018,220
0.34	18,601,502	5,181,912	2,887,959
0.33	17,774,886	4,951,637	2,759,630
0.32	16,960,890	4,724,878	2,633,245
0.31	16,159,711	4,501,690	2,508,864
0.30	15,371,560	4,282,132	2,386,497
0.29	14,596,655	4,066,262	2,266,192
0.28	13,835,226	3,854,148	2,147,972
0.27	13,087,517	3,645,855	2,031,895
0.26	12,353,782	3,441,454	1,917,973
0.25	11,634,296	3,241,023	1,806,277
0.24	10,929,345	3,044,642	1,696,830
0.23	10,239,236	2,852,394	1,589,679
0.22	9,564,294	2,664,373	1,484,893
0.21	8,904,870	2,480,674	1,382,521
0.20	8,261,337	2,301,401	1,282,608
0.19	7,634,099	2,126,668	1,185,225
0.18	7,023,588	1,956,597	1,090,443
0.17	6,430,279	1,791,315	998,331
0.16	5,854,684	1,630,970	908,960
0.15	5,297,368	1,475,715	822,435
0.14	4,758,950	1,325,725	738,851
0.13	4,240,118	1,181,191	658,300
0.12	3,741,643	1,042,330	580,911
0.11	3,264,394	909,378	506,814
0.10	2,809,360	782,618	436,161
0.09	2,377,683	662,363	369,150
0.08	1,970,705	548,989	305,958
0.07	1,590,027	442,942	246,854
0.06	1,237,610	344,767	192,142
0.05	915,936	255,157	142,209
0.04	628,285	175,025	97,547
0.03	379,294	105,663	58,893
0.02	176,287	49,110	27,374
0.01	33,930	9,453	5,271
0.00	0	0	0

TABLE V

TOTAL EXPERIENCE ALL INDUSTRIES - MANUAL YEARS 2003 - 2007

MAN YEAR	PAYROLL IN THOUS	ALL LOSSES	DEATH NO.	COMP. IN HUNDREDS	PERM. NO.	TOTAL COMP. IN HUNDREDS	MAJOR NO.	PERM. COMP. IN HUNDREDS	MINOR NO.	PERM. COMP. IN HUNDREDS	TEMPORARY NO.	COMP. IN HUNDREDS	MEDICAL IN HUNDREDS	PURE PREM.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. EXPERIENCE AS REPORTED														
03	26,574	6,163,694		0	1	10,301	11	28,032	19	6,637	22	1,966	14,702	23.194
04	19,557	3,354,164		0		0	8	15,340	11	4,100	26	2,840	11,262	17.151
05	18,581	2,234,893		0		0	4	12,603	5	1,171	18	3,047	5,528	12.028
06	22,859	4,578,335	1	1,692		0	9	13,926	8	3,171	37	10,552	16,442	20.029
07	22,339	1,243,974		0		0	1	1,492	1	1,031	31	4,663	5,253	5.569
ALL	109,910	17,575,060	1	1,692	1	10,301	33	71,393	44	16,110	134	23,068	53,187	15.990
B. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (EXCLUDING IBNR AND FREQUENCY TREND)														
03	26,574	17,394,987		0	1	25,854	11	71,761	19	17,608	22	5,033	53,694	65.459
04	19,557	10,431,814		0		0	8	52,191	11	10,192	26	5,950	35,985	53.341
05	18,581	5,583,640		0		2,393	4	26,096	5	4,633	17	3,891	18,824	30.050
06	22,859	14,081,671	1	3,864		4,774	11	71,771	9	8,341	33	7,554	44,513	61.602
07	22,339	5,969,142		0		1,697	4	26,098	6	5,561	23	5,264	21,072	26.721
ALL	109,910	53,461,254	1	3,864	1	34,718	38	247,917	50	46,335	121	27,692	174,088	48.641
PURE PREMIUM		48.641		.352		3.159		22.556		4.216		2.520	15.839	
C. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (INCLUDING IBNR AND FREQUENCY TREND)														
03	26,574	23,085,024		0	2	51,709	13	84,824	15	13,898	54	12,354	68,066	86.871
04	19,557	11,911,509		0		0	9	58,714	11	10,192	38	8,723	41,485	60.907
05	18,581	10,940,999		0		2,393	8	52,192	10	9,288	35	8,044	37,494	58.883
06	22,859	14,102,007	1	3,864		4,774	10	65,483	12	11,414	41	9,450	46,036	61.691
07	22,339	12,373,697		0		1,921	9	61,413	10	9,692	39	9,008	41,703	55.391
ALL	109,910	72,413,236	1	3,864	2	60,797	49	322,626	58	54,484	207	47,579	234,784	65.884
PURE PREMIUM		65.884		.352		5.532		29.354		4.957		4.329	21.361	

TABLE V

TOTAL MEDICAL EXPERIENCE ALL INDUSTRIES - MANUAL YEARS 2003 - 2007

MAN YEAR	PAYROLL IN THOUS	ALL LOSSES	DEATH NO. COMP. IN HUNDREDS	PERM. NO. COMP. IN HUNDREDS	TOTAL NO. COMP. IN HUNDREDS	MAJOR NO. COMP. IN HUNDREDS	PERM. NO. COMP. IN HUNDREDS	MINOR NO. COMP. IN HUNDREDS	TEMPORARY NO. COMP. IN HUNDREDS	MEDICAL ONLY IN HUNDREDS	PURE PREM.			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. EXPERIENCE AS REPORTED														
03	26,574	1,470,197		0	1	674	11	7,731	19	4,007	22	1,756	534	5.532
04	19,557	1,126,241		0		0	8	7,015	11	1,674	26	2,201	373	5.759
05	18,581	552,839		0		0	4	2,484	5	417	18	2,348	280	2.975
06	22,859	1,644,156	1	0		0	9	9,988	8	1,517	37	4,658	278	7.193
07	22,339	525,340		0		0	1	697	1	2,059	31	2,248	250	2.352
ALL	109,910	5,318,773	1	0	1	674	33	27,915	44	9,674	134	13,211	1,715	4.839
B. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (EXCLUDING IBNR AND FREQUENCY TREND)														
03	26,574	5,369,413		0	1	4,521	11	28,907	19	14,565	22	5,265	435	20.206
04	19,557	3,598,488		0		0	8	21,019	11	8,432	26	6,225	308	18.400
05	18,581	1,882,379		0		132	4	10,510	5	3,833	17	4,068	280	10.131
06	22,859	4,451,250	1	0		473	11	28,909	9	6,899	33	7,898	332	19.473
07	22,339	2,107,172		0		138	4	10,514	6	4,599	23	5,504	318	9.433
ALL	109,910	17,408,702	1	0	1	5,264	38	99,859	50	38,328	121	28,960	1,673	15.839
PURE PREMIUM		15.839		.000		.479		9.086		3.487		2.635	.152	
C. REPORTED PAYROLLS, TRANSLATED LOSSES & PURE PREMIUMS (INCLUDING IBNR AND FREQUENCY TREND)														
03	26,574	6,806,618		0	2	9,042	13	34,165	15	11,499	54	12,925	435	25.614
04	19,557	4,148,549		0		0	9	23,648	11	8,432	38	9,097	308	21.213
05	18,581	3,749,534		0		132	8	21,024	10	7,682	35	8,377	280	20.179
06	22,859	4,603,077		0		473	10	26,290	12	9,398	40	9,537	332	20.137
07	22,339	4,152,414		0		147	9	24,197	10	7,914	37	8,941	325	18.588
ALL	109,910	23,460,192		0	2	9,794	49	129,324	58	44,925	204	48,877	1,680	21.345
PURE PREMIUM		21.345		.000		.891		11.766		4.087		4.447	.153	

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	141									
2004	134	41,101	30.672						1	1
2005	68									
2006	85	125,297	147.408			1				1
2007	54									
TOTAL	482	166,398	34.522			1			1	2

REPORTED LOSSES

MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2004					13,493					27,608	
2006			125,297								
TOTAL			125,297		13,493					27,608	

TRANSLATED LOSSES

MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2004			4,665		27,906			1,733		77,457	
2006		28,352	369,547	4,380	27						
TOTAL		28,352	374,212	4,380	27,933			1,733		77,457	

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	404,297	109,770		
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	10,473	2,333	1	
TOTAL LOSSES	414,770	112,103	1	
EXPECTED LOSSES	51,102	10,204	579	
CREDIBILITY	.00	.00	.00	
PURE PREMIUMS				
INDICATED (PRE-TEST)	86.052	23.258	.000	109.310
INDICATED (POST-TEST)	43.887	6.326	.000	50.213
PRES. ON RATE LEVEL	11.610	2.318	.132	14.060
DERIVED BY FORMULA	11.610	2.318	.132	14.060
UNDERLYING PRES. RATE	10.602	2.117	.120	12.839
PROPOSED	11.610	2.318	.132	14.060

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	20.787
IND. RATES				20.79	MINIMUM PREMIUM	
MAN. RATES	21.85	19.02	20.07	+ 20.79	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	34									
2004	37									
2005	22									
2006	6									
2007	28									
TOTAL	127									

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
TOTAL											

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
TOTAL											

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B				
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	4,012	747	1	
TOTAL LOSSES	4,012	747	1	
EXPECTED LOSSES	14,011	2,892	157	
CREDIBILITY	.00	.00	.00	
PURE PREMIUMS				
INDICATED (PRE-TEST)	3.159	.588	.001	3.748
INDICATED (POST-TEST)	1.611	.160	.001	1.772
PRES. ON RATE LEVEL	12.082	2.494	.136	14.712
DERIVED BY FORMULA	12.082	2.494	.136	14.712
UNDERLYING PRES. RATE	11.033	2.277	.124	13.434
PROPOSED	12.082	2.494	.136	14.712

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	21.751
IND. RATES				21.75	MINIMUM PREMIUM	
MAN. RATES	22.90	19.93	21.00	+ 21.75	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	78	838	1.074							
2004	111									
2005	1,567	5,220	.333							
2006	3,647	702,908	19.273			3		3		6
2007	4,470	594,972	13.310			1	1	5		7
TOTAL	9,873	1,303,938	13.207			4	1	8		13

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003											838
2005											5,220
2006			378,424		4,421			292,799		8,870	18,394
2007			149,201	103,101	18,440			69,705	205,890	40,042	8,593
TOTAL			527,625	103,101	22,861			362,504	205,890	48,912	33,045

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003											684
2005											5,230
2006		82,391	1,077,409	14,508	3,157		11,109	617,520	120,531	20,370	21,999
2007		55,682	785,201	129,227	41,230		8,170	599,083	281,516	180,603	10,930
TOTAL		138,073	1,862,610	143,735	44,387		19,279	1,216,603	402,047	200,973	38,843

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	3,236,565	791,142	38,843	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	393,169	105,913	175	
TOTAL LOSSES	3,629,734	897,055	39,018	
EXPECTED LOSSES	1,333,546	308,828	18,068	
CREDIBILITY	.01	.02	.04	
PURE PREMIUMS				
INDICATED (PRE-TEST)	36.764	9.086	.395	46.245
INDICATED (POST-TEST)	18.750	2.471	.479	21.700
PRES. ON RATE LEVEL	14.792	3.425	.200	18.417
DERIVED BY FORMULA	14.832	3.406	.211	18.449
UNDERLYING PRES. RATE	13.507	3.128	.183	16.818
PROPOSED	14.832	3.406	.211	18.449

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	27.276
IND. RATES				27.28	MINIMUM PREMIUM	
MAN. RATES	28.64	25.05	26.29	+ 27.28	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	3,584	11,392	.317							
2004	2,157	12,240	.567							
2005	123									
2006	74									
2007	81									
TOTAL	6,019	23,632	.393							

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003											11,392
2004											12,240
TOTAL											23,632

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003											9,296
2004											10,110
TOTAL											19,406

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B			19,406	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	372,957	52,770	7	
TOTAL LOSSES	372,957	52,770	19,413	
EXPECTED LOSSES	1,983,262	354,579	23,956	
CREDIBILITY	.01	.02	.03	
PURE PREMIUMS				
INDICATED (PRE-TEST)	6.196	.877	.323	7.396
INDICATED (POST-TEST)	3.160	.239	.392	3.791
PRES. ON RATE LEVEL	36.084	6.451	.436	42.971
DERIVED BY FORMULA	35.755	6.327	.435	42.517
UNDERLYING PRES. RATE	32.950	5.891	.398	39.239
PROPOSED	35.755	6.327	.435	42.517

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	62.861
IND. RATES				62.86	MINIMUM PREMIUM	
MAN. RATES	68.17	58.92	61.34	+ 62.86	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	3,731	1,513,498	40.565			4	4	6	14	
2004	505	151,822	30.063			1		1	2	
2005	272									
2006	240									
2007	298									
TOTAL	5,046	1,665,320	33.003			5	4	7	16	

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			1,023,835	169,699	43,002			184,446	22,741	60,070	9,705
2004			131,916		2,002			15,796		2,108	
TOTAL			1,155,751	169,699	45,004			200,242	22,741	62,178	9,705

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			2,184,890	450,211	110,085			617,508	82,663	180,090	7,919
2004			436,256		4,140			47,157		5,914	
TOTAL			2,621,146	450,211	114,225			664,665	82,663	186,004	7,919

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	3,285,811	833,103	7,919	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	655,054	99,539	35	
TOTAL LOSSES	3,940,865	932,642	7,954	
EXPECTED LOSSES	2,807,645	567,373	27,550	
CREDIBILITY	.01	.02	.02	
PURE PREMIUMS				
INDICATED (PRE-TEST)	78.099	18.483	.158	96.740
INDICATED (POST-TEST)	39.830	5.027	.192	45.049
PRES. ON RATE LEVEL	60.933	12.313	.598	73.844
DERIVED BY FORMULA	60.722	12.167	.590	73.479
UNDERLYING PRES. RATE	55.641	11.244	.546	67.431
PROPOSED	60.722	12.167	.590	73.479

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	108.638
IND. RATES				108.64	MINIMUM PREMIUM	
MAN. RATES	117.72	101.26	105.41	+108.64	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES					
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL
2003	1,559	1,108,896	71.128		1		1	2	4
2004	1,361	344,697	25.326			1	2	1	4
2005	1,742	48,874	2.805					1	1
2006	1,370	584,417	42.658			1	3	3	7
2007	1,510	841	.055						
TOTAL	7,542	2,087,725	27.681		1	2	6	7	16

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003		1,030,052		1,300	5,484		67,402			1,680	2,978
2004			136,732	104,151	3,750			52,020	45,342	1,816	886
2005					24,540					15,846	8,488
2006			125,931	193,848	37,475			74,864	129,341	21,341	1,617
2007											841
TOTAL		1,030,052	262,663	299,299	71,249		67,402	126,884	174,683	40,683	14,810

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003		860,083		3,449	14,039		150,409			5,037	2,430
2004			466,993	258,941	9,694			154,969	228,449	6,440	732
2005			16,821	10,984	30,844			12,510	7,523	27,279	8,505
2006		46,538	711,079	227,009	38,406		4,544	286,592	159,656	52,784	1,934
2007											1,070
TOTAL		906,621	1,194,893	500,383	92,983		154,953	454,071	395,628	91,540	14,671

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL		
TOTAL TRANS. LOSSES PG B	2,710,538	1,080,534	14,671			
TOTAL TRANS. LOSSES PG A						
IBNR + FREQUENCY ADJUST.	227,519	48,670	69			
TOTAL LOSSES	2,938,057	1,129,204	14,740			
EXPECTED LOSSES	860,995	172,184	16,140			
CREDIBILITY	.01	.02	.03			
PURE PREMIUMS						
INDICATED (PRE-TEST)	38.956	14.972	.195	54.123		
INDICATED (POST-TEST)	19.868	4.072	.237	24.177		
PRES. ON RATE LEVEL	12.502	2.500	.234	15.236		
DERIVED BY FORMULA	12.576	2.531	.234	15.341		
UNDERLYING PRES. RATE	11.416	2.283	.214	13.913		
PROPOSED	12.576	2.531	.234	15.341		
IND. RATES						
YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	22.681
IND. RATES				22.68	MINIMUM PREMIUM	
MAN. RATES	23.63	20.57	21.75	+ 22.68	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	289									
2004										
2005										
2006										
2007										
TOTAL	289									

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
TOTAL											

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
TOTAL											

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B				
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	19,300	2,412		
TOTAL LOSSES	19,300	2,412		
EXPECTED LOSSES	83,622	17,476	824	
CREDIBILITY	.00	.00	.00	
PURE PREMIUMS				
INDICATED (PRE-TEST)	6.678	.835	.000	7.513
INDICATED (POST-TEST)	3.406	.227	.000	3.633
PRES. ON RATE LEVEL	31.687	6.622	.312	38.621
DERIVED BY FORMULA	31.687	6.622	.312	38.621
UNDERLYING PRES. RATE	28.935	6.047	.285	35.267
PROPOSED	31.687	6.622	.312	38.621

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	57.101
IND. RATES				57.10	MINIMUM PREMIUM	
MAN. RATES	60.11	52.31	55.13	+ 57.10	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES					
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL
2003	5,788	2,269,881	39.217			4	6	8	18
2004	4,496	1,381,644	30.730			2	3	10	15
2005	4,217	316,278	7.500				3	7	10
2006	6,533	1,030,767	15.777			1	1	11	13
2007	5,423	260,696	4.807					9	9
TOTAL	26,457	5,259,266	19.879			7	13	45	65

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			1,260,900	204,197	106,431			487,279	109,390	84,193	17,491
2004			741,950	103,167	86,901			306,791	63,476	73,601	5,758
2005				86,978	126,095				26,885	67,937	8,383
2006			365,000	32,000	374,507			70,000	3,175	180,001	6,084
2007					186,404					71,195	3,097
TOTAL			2,367,850	426,342	880,338			864,070	202,926	476,927	40,813

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			2,139,051	541,735	272,464			1,403,170	397,633	252,411	14,273
2004			1,514,689	256,493	181,649			555,056	319,815	208,383	4,756
2005			115,432	252,364	162,854			60,842	161,929	118,491	8,400
2006		113,044	1,781,237	202,266	262,943		3,682	301,036	63,050	290,167	7,276
2007		46,214	740,756	170,105	200,778		1,847	151,797	54,605	137,286	3,939
TOTAL		159,258	6,291,165	1,422,963	1,080,688		5,529	2,471,901	997,032	1,006,738	38,644

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL		
TOTAL TRANS. LOSSES PG B	8,927,853	4,507,421	38,644			
TOTAL TRANS. LOSSES PG A						
IBNR + FREQUENCY ADJUST.	1,325,780	388,155	270			
TOTAL LOSSES	10,253,633	4,895,576	38,914			
EXPECTED LOSSES	5,730,057	1,460,427	61,646			
CREDIBILITY	.02	.05	.07			
PURE PREMIUMS						
INDICATED (PRE-TEST)	38.756	18.504	.147	57.407		
INDICATED (POST-TEST)	19.766	5.033	.178	24.977		
PRES. ON RATE LEVEL	23.718	6.045	.255	30.018		
DERIVED BY FORMULA	23.639	5.994	.250	29.883		
UNDERLYING PRES. RATE	21.658	5.520	.233	27.411		
PROPOSED	23.639	5.994	.250	29.883		
IND. RATES						
YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	44.182
IND. RATES				44.18	MINIMUM PREMIUM	
MAN. RATES	44.90	40.12	42.85	+ 44.18	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	4,386	896,690	20.444			2	5		2	9
2004	5,495	1,346,781	24.509			4	5		11	20
2005	4,306	1,314,291	30.522			3	2		10	15
2006	6,188	2,058,673	33.268	1		3	4		17	25
2007	6,255	299,471	4.787						13	13
TOTAL	26,630	5,915,906	22.215			12	16		53	82

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			422,678	160,108	20,359			68,926	204,194	10,419	10,006
2004			523,359	180,638	144,877			326,852	51,444	102,182	17,429
2005			816,004	30,121	154,026			142,463	14,800	151,005	5,872
2006	169,207		397,986	91,300	576,701			561,184	19,206	241,389	1,700
2007					201,644					86,028	11,799
TOTAL	169,207		2,160,027	462,167	1,097,607			1,099,425	289,644	591,023	46,806

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			1,082,056	424,767	52,119			257,714	742,245	31,236	8,165
2004			1,802,812	449,105	303,000			979,397	259,192	288,213	14,396
2005		122,391	1,323,738	169,083	195,284		6,213	525,148	176,354	260,902	5,884
2006	386,407	156,187	2,526,053	353,095	407,551		16,735	1,056,794	223,903	397,560	2,033
2007		49,992	801,319	184,028	217,201		2,236	183,440	65,982	165,882	15,008
TOTAL	386,407	328,570	7,535,978	1,580,078	1,175,155		25,184	3,002,493	1,467,676	1,143,793	45,486

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL		
TOTAL TRANS. LOSSES PG B	11,278,632	5,366,702	45,486			
TOTAL TRANS. LOSSES PG A						
IBNR + FREQUENCY ADJUST.	634,658	145,252	137			
TOTAL LOSSES	11,913,290	5,511,954	45,623			
EXPECTED LOSSES	2,628,913	531,269	27,163			
CREDIBILITY	.02	.05	.07			
PURE PREMIUMS						
INDICATED (PRE-TEST)	44.736	20.698	.171	65.605		
INDICATED (POST-TEST)	22.815	5.630	.207	28.652		
PRES. ON RATE LEVEL	10.811	2.185	.111	13.107		
DERIVED BY FORMULA	11.051	2.357	.118	13.526		
UNDERLYING PRES. RATE	9.872	1.995	.102	11.969		
PROPOSED	11.051	2.357	.118	13.526		
IND. RATES						
YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	19.998
IND. RATES				20.00	MINIMUM PREMIUM	
MAN. RATES	19.33	16.90	18.71	+ 20.00	PRESENT	3250

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES					
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL
2003	5,718	362,499	6.339			1	3	4	8
2004	4,921	75,879	1.541				1	2	3
2005	6,087	550,230	9.039			1			1
2006	4,416	76,273	1.727					3	3
2007	4,069	87,994	2.162					4	4
TOTAL	25,211	1,152,875	4.573			2	4	13	19

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			95,745	128,384	21,323			32,479	64,353	19,270	945
2004				22,000	32,987				7,103	12,779	1,010
2005			444,290					105,931			9
2006					62,082					14,191	
2007					59,844					27,500	650
TOTAL			540,035	150,384	176,236			138,410	71,456	73,740	2,614

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
2003			245,107	340,603	54,586			121,439	233,923	57,771	771
2004			14,411	54,697	68,633			801	35,786	36,067	834
2005		58,988	582,261	15,566	81		3,938	254,853	21,126	70	9
2006		8,291	157,037	26,313	43,242		118	14,104	2,892	22,749	
2007		14,835	237,816	54,615	64,460		713	58,624	21,084	53,025	827
TOTAL		82,114	1,236,632	491,794	231,002		4,769	449,821	314,811	169,682	2,441

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B	1,773,336	1,207,289	2,441	
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	247,167	64,067	32	
TOTAL LOSSES	2,020,503	1,271,356	2,473	
EXPECTED LOSSES	973,649	232,950	9,329	
CREDIBILITY	.02	.04	.07	
PURE PREMIUMS				
INDICATED (PRE-TEST)	8.014	5.043	.010	13.067
INDICATED (POST-TEST)	4.087	1.372	.012	5.471
PRES. ON RATE LEVEL	4.229	1.012	.041	5.282
DERIVED BY FORMULA	4.226	1.026	.039	5.291
UNDERLYING PRES. RATE	3.862	.924	.037	4.823
PROPOSED	4.226	1.026	.039	5.291

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	7.822
IND. RATES				7.82	MINIMUM PREMIUM	
MAN. RATES	7.86	7.11	7.54	+ 7.82	PRESENT	1815

+PROPOSED

MANUAL YEAR	PAYROLL IN THOUS	TOTAL REPT. LOSSES	PURE PREM. REPORTED	NUMBER OF CASES						
				DEATH	P . T .	MAJOR	MINOR	TEMP	ALL	
2003	1,266									
2004	340									
2005	177									
2006	300									
2007	151									
TOTAL	2,234									

REPORTED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
TOTAL											

TRANSLATED LOSSES											
MANUAL YEAR	INDEMNITY					MEDICAL					
	DEATH	P . T .	MAJOR	MINOR	TEMP	DEATH	P . T .	MAJOR	MINOR	TEMP	MED. ONLY
TOTAL											

	SERIOUS	NON-SERIOUS	MED. ONLY	TOTAL
TOTAL TRANS. LOSSES PG B				
TOTAL TRANS. LOSSES PG A				
IBNR + FREQUENCY ADJUST.	15,831	2,910	1	
TOTAL LOSSES	15,831	2,910	1	
EXPECTED LOSSES	76,402	15,080	826	
CREDIBILITY	.00	.01	.01	
PURE PREMIUMS				
INDICATED (PRE-TEST)	.709	.130	.000	.839
INDICATED (POST-TEST)	.362	.035	.000	.397
PRES. ON RATE LEVEL	3.745	.739	.041	4.525
DERIVED BY FORMULA	3.745	.732	.041	4.518
UNDERLYING PRES. RATE	3.420	.675	.037	4.132
PROPOSED	3.745	.732	.041	4.518

YEAR	2-1-05	4-1-07	4-1-09	4-1-11	IND. RATE	6.679
IND. RATES				6.68	MINIMUM PREMIUM	
MAN. RATES	6.96	6.20	6.46	+ 6.68	PRESENT	1595

+PROPOSED