# DELAWARE COMPENSATION RATING BUREAU, INC.

## Paid and Incurred Loss Development and Trend – Limited Losses

Page 1 of the attachment shows the calculation of Standard Earned Premiums. Standard Earned Premiums are developed to ultimate, adjusted to current residual market rate level and adjusted to remove the impact of expense constants, the DCCPAP program and the residual market surcharge program.

Pages 2 through 13 present indemnity losses and loss adjustment expense.

Page 2 shows incurred and paid loss development factors and ratios of incurred to paid losses, based on the current Table I. An average of the latest four factors is shown. Selected factors are generally based upon a fitting of the four-year averages to a curve.

Page 3 arranges the factors according to the loss development approach shown. There are three methods: case incurred, paid to twenty-fifth and the average of the incurred and paid to twenty-fifth methods. The last section of page 3 shows the loss on-level and loss adjustment expense factors applicable.

Page 4 shows the loss base (paid or incurred losses depending on the method) to which the development factors apply, the projected ultimate level of losses, and ultimate losses adjusted to current benefit levels and including loss adjustment expense.

The top portion of page 5 presents ultimate on-level loss and loss adjustment expense ratios by policy year for each methodology. The middle portion of page 5 presents information on claim frequencies, which are further discussed in Exhibit 23. The first column shows frequencies by policy year. The second column shows normalized values for claim frequency with policy year 2001 set equal to unity. Staff selected a frequency trend factor of -5.3%. This trend factor is the arithmetic average of the seven point frequency trend factor (Policy Years 2007 through 2013) and the seven point frequency trend factor (Policy Years 2005 through 2013 excluding Policy Years 2009 and 2010). The lower portion of page 5 shows severity ratios which are defined herein as loss ratios adjusted to a common underlying claim frequency level. The severity ratios are calculated by dividing the loss ratios in the top section of page 5 by the normalized claim frequencies in the middle portion of page 5 for each policy year and loss development approach.

Page 6 shows fitted values for severity ratios fitted to a straight line for each loss development approach and using from 4 to 10 points. The top portion of page 7 shows those same straight lines trended to the midpoint of the prospective rating period (12/1/16). The second section of page 7 shows severity trend factors by policy year calculated by dividing the trended points on page 7 by the fitted values on page 6.

Pages 8 and 9 present the analogous exponential severity trend factor calculation. Pages 10 and 11 show the loss ratio trend factors by policy year which are a product of the severity (pages 7 and 9) and frequency (page 5) trend factors that were previously calculated.

Pages 12 and 13 show averages of the four latest policy years trended to the midpoint of the prospective rating period (12/1/16) on a linear and exponential basis respectively.

Pages 14 through 25 show experience for medical loss and loss adjustment expense laid out the same way as pages 2 through 13 while pages 26 and 27 show a summary of annualized severity and loss ratio trend factors.

| PREMIUMS | PDF 10-11 | PDF 11-12 | PDF 12-13 | PDF 13-14 | 4 Year Average | Selected PDF |
|---|---|---|---|---|---|---|
| Beyond | 1.0002 | 1.0000 | 1.0000 | 1.0000 | 1.0001 | 1.0000 |
| 24-25 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 23-24 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 22-23 | 1.0000 | 1.0000 | 1.0000 | 1.0006 | 1.0002 | 1.0000 |
| 21-22 | 1.0001 | 1.0000 | 1.0003 | 1.0000 | 1.0001 | 1.0000 |
| 20-21 | 1.0002 | 1.0003 | 1.0000 | 1.0000 | 1.0001 | 1.0000 |
| 19-20 | 1.0003 | 1.0000 | 1.0000 | 1.0000 | 1.0001 | 1.0000 |
| 18-19 | 1.0001 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 17-18 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 16-17 | 1.0000 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 15-16 | 1.0000 | 0.9999 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 14-15 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 13-14 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 12-13 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| 11-12 | 1.0000 | 0.9999 | 0.9994 | 1.0002 | 0.9999 | 1.0000 |
| 10-11 | 1.0003 | 1.0020 | 0.9998 | 1.0000 | 1.0005 | 1.0000 |
| 9-10 | 0.9990 | 1.0023 | 1.0000 | 1.0000 | 1.0003 | 1.0000 |
| 8-9 | 1.0012 | 0.9990 | 1.0000 | 1.0000 | 1.0001 | 1.0001 |
| 7-8 | 1.0001 | 1.0003 | 1.0000 | 1.0000 | 1.0001 | 1.0001 |
| 6-7 | 1.0005 | 1.0002 | 1.0000 | 1.0000 | 1.0002 | 1.0002 |
| 5-6 | 0.9999 | 0.9994 | 0.9999 | 1.0000 | 0.9998 | 0.9998 |
| 4-5 | 1.0005 | 0.9993 | 1.0001 | 0.9999 | 1.0000 | 1.0000 |
| 3-4 | 1.0000 | 0.9983 | 0.9993 | 1.0012 | 0.9997 | 0.9997 |
| 2-3 | 1.0030 | 1.0023 | 0.9998 | 0.9996 | 1.0012 | 1.0012 |
| 1-2 | 1.0071 | 0.9979 | 1.0016 | 1.0015 | 1.0020 | 1.0020 |

| PREMIUMS | Policy Year | Reported SEP | Cum PDF | Ultimate SEP | On-Level Factor | ECRF | DCCPAP Factor |
|---|---|---|---|---|---|---|---|
| Beyond | 1989 | 104330508 | 1.0000 | 104330508 | 1.2275 | 0.9919 | 1.0000 |
| 24-25 | 1990 | 93201292 | 1.0000 | 93201292 | 1.2275 | 0.9915 | 1.0037 |
| 23-24 | 1991 | 88970063 | 1.0000 | 88970063 | 1.2275 | 0.9913 | 1.0083 |
| 22-23 | 1992 | 81255348 | 1.0000 | 81255348 | 1.2275 | 0.9914 | 1.0137 |
| 21-22 | 1993 | 84219715 | 1.0000 | 84219715 | 1.2275 | 0.9914 | 1.0144 |
| 20-21 | 1994 | 76946238 | 1.0000 | 76946238 | 1.2756 | 0.9942 | 1.0129 |
| 19-20 | 1995 | 68608363 | 1.0000 | 68608363 | 1.3685 | 0.9971 | 1.0112 |
| 18-19 | 1996 | 77084265 | 1.0000 | 77084265 | 1.3723 | 0.9973 | 1.0131 |
| 17-18 | 1997 | 80658082 | 1.0000 | 80658082 | 1.3058 | 0.9979 | 1.0081 |
| 16-17 | 1998 | 83914117 | 1.0000 | 83914117 | 1.2052 | 0.9986 | 1.0001 |
| 15-16 | 1999 | 80436255 | 1.0000 | 80436255 | 1.3885 | 0.9989 | 0.9959 |
| 14-15 | 2000 | 85444582 | 1.0000 | 85444582 | 1.3705 | 0.9988 | 0.9929 |
| 13-14 | 2001 | 88355745 | 1.0000 | 88355745 | 1.4413 | 0.9982 | 0.9956 |
| 12-13 | 2002 | 113542658 | 1.0000 | 113542658 | 1.2079 | 0.9976 | 0.9982 |
| 11-12 | 2003 | 129000422 | 1.0000 | 129000422 | 1.1330 | 0.9966 | 1.0010 |
| 10-11 | 2004 | 147889225 | 1.0000 | 147889225 | 1.1786 | 0.9963 | 0.9999 |
| 9-10 | 2005 | 182291066 | 1.0000 | 182291066 | 1.0364 | 0.9968 | 0.9985 |
| 8-9 | 2006 | 201632653 | 1.0001 | 201652816 | 0.9900 | 0.9975 | 0.9960 |
| 7-8 | 2007 | 194904596 | 1.0002 | 194943577 | 1.0163 | 0.9977 | 0.9974 |
| 6-7 | 2008 | 147836067 | 1.0004 | 147895201 | 1.3714 | 0.9974 | 0.9989 |
| 5-6 | 2009 | 115777284 | 1.0002 | 115800439 | 1.7075 | 0.9971 | 1.0147 |
| 4-5 | 2010 | 104277261 | 1.0002 | 104298116 | 1.8583 | 0.9970 | 1.0141 |
| 3-4 | 2011 | 105049594 | 0.9999 | 105039089 | 1.8716 | 0.9968 | 1.0145 |
| 2-3 | 2012 | 113384419 | 1.0011 | 113509142 | 1.6093 | 0.9967 | 1.0142 |
| 1-2 | 2013 | 131205844 | 1.0031 | 131612582 | 1.2989 | 0.9973 | 1.0142 |

| PREMIUMS | Policy Year | Other Adjustments | On-Level SEP |
|---|---|---|---|
| | 1989 | 1.0000 | 127028366 |
| | 1990 | 1.0000 | 113851846 |
| | 1991 | 1.0000 | 109159182 |
| | 1992 | 1.0000 | 100237867 |
| | 1993 | 1.0000 | 103966500 |
| | 1994 | 1.0000 | 98842161 |
| | 1995 | 1.0000 | 94666787 |
| | 1996 | 1.0000 | 106879136 |
| | 1997 | 1.0000 | 105953472 |
| | 1998 | 1.0000 | 101001806 |
| | 1999 | 1.0000 | 111105478 |
| | 2000 | 1.0000 | 116130852 |
| | 2001 | 1.0000 | 126558592 |
| | 2002 | 1.0000 | 136572747 |
| | 2003 | 1.0000 | 145806203 |
| | 2004 | 1.0000 | 173639957 |
| | 2005 | 1.0000 | 188039413 |
| | 2006 | 1.0000 | 198340648 |
| | 2007 | 1.0000 | 197151548 |
| | 2008 | 1.0000 | 202073612 |
| | 2009 | 1.0000 | 200054026 |
| | 2010 | 1.0000 | 195960361 |
| | 2011 | 1.0000 | 198803517 |
| | 2012 | 1.0000 | 184652808 |
| | 2013 | 1.0000 | 172910972 |

| INDEMNITY | Incurred LDF 06-07 | Incurred LDF 07-08 | Incurred LDF 08-09 | Incurred LDF 09-10 | Incurred LDF 10-11 | Incurred LDF 11-12 | Incurred LDF 12-13 | Incurred LDF 13-14 | 4 Year Average LDF | Selected Incurred LDF |
|---|---|---|---|---|---|---|---|---|---|---|
| Beyond | 0.9971 | 1.0450 | 0.9760 | 0.9835 | 1.0012 | 0.9959 | 0.9791 | 0.9886 | 0.9912 | 0.9912 |
| 24-25 | | | | | 0.9983 | 1.0010 | 1.0047 | 0.9978 | 1.0005 | 0.9999 |
| 23-24 | | | | 1.0221 | 1.0011 | 1.0010 | 1.0019 | 0.9988 | 1.0007 | 1.0000 |
| 22-23 | | | 1.0033 | 1.0005 | 0.9978 | 0.9984 | 0.9985 | 1.0102 | 1.0012 | 1.0001 |
| 21-22 | | 0.9899 | 1.0042 | 1.0024 | 1.0022 | 0.9994 | 0.9930 | 0.9980 | 0.9982 | 1.0003 |
| 20-21 | 1.0091 | 1.0026 | 1.0036 | 0.9932 | 1.0010 | 0.9981 | 0.9966 | 0.9991 | 0.9987 | 1.0005 |
| 19-20 | 1.0038 | 0.9956 | 1.0128 | 0.9977 | 1.0015 | 0.9971 | 0.9918 | 0.9887 | 0.9948 | 1.0007 |
| 18-19 | 1.0005 | 0.9944 | 1.0440 | 1.0158 | 1.0018 | 1.0141 | 1.0371 | 1.0003 | 1.0133 | 1.0009 |
| 17-18 | 0.9986 | 0.9814 | 1.0028 | 0.9982 | 1.0019 | 0.9777 | 0.9990 | 0.9964 | 0.9938 | 1.0012 |
| 16-17 | 0.9990 | 1.0037 | 1.0050 | 1.0039 | 1.0252 | 0.9996 | 1.0039 | 0.9980 | 1.0067 | 1.0015 |
| 15-16 | 1.0010 | 1.0000 | 1.0044 | 0.9985 | 1.0032 | 1.0027 | 1.0013 | 0.9994 | 1.0017 | 1.0018 |
| 14-15 | 0.9964 | 1.0094 | 1.0166 | 0.9932 | 1.0041 | 1.0039 | 0.9964 | 0.9979 | 1.0006 | 1.0023 |
| 13-14 | 1.0414 | 1.0041 | 1.0057 | 1.0146 | 0.9997 | 1.0050 | 0.9962 | 1.0027 | 1.0009 | 1.0028 |
| 12-13 | 0.9938 | 1.0063 | 1.0091 | 1.0001 | 1.0076 | 1.0217 | 1.0187 | 1.0018 | 1.0125 | 1.0034 |
| 11-12 | 0.9999 | 1.0015 | 0.9948 | 1.0071 | 0.9923 | 0.9957 | 1.0026 | 0.9965 | 0.9968 | 1.0042 |
| 10-11 | 0.9961 | 1.0099 | 1.0022 | 0.9933 | 0.9948 | 1.0002 | 1.0017 | 1.0247 | 1.0054 | 1.0052 |
| 9-10 | 1.0123 | 1.0066 | 1.0122 | 0.9904 | 1.0160 | 1.0065 | 1.0082 | 1.0082 | 1.0097 | 1.0065 |
| 8-9 | 1.0131 | 0.9938 | 1.0387 | 1.0171 | 1.0013 | 1.0123 | 1.0090 | 1.0012 | 1.0060 | 1.0083 |
| 7-8 | 1.0163 | 1.0182 | 1.0219 | 1.0083 | 1.0161 | 1.0202 | 1.0059 | 1.0103 | 1.0131 | 1.0110 |
| 6-7 | 1.0071 | 0.9990 | 1.0132 | 1.0315 | 1.0046 | 1.0307 | 1.0322 | 1.0372 | 1.0262 | 1.0153 |
| 5-6 | 1.0160 | 1.0065 | 1.0106 | 1.0139 | 1.0075 | 1.0148 | 1.0293 | 1.0355 | 1.0218 | 1.0234 |
| 4-5 | 1.0113 | 1.0414 | 1.0361 | 1.0407 | 1.0702 | 1.0180 | 1.0488 | 1.0628 | 1.0500 | 1.0402 |
| 3-4 | 1.0381 | 1.0281 | 1.0870 | 1.0736 | 0.9969 | 1.0317 | 1.0590 | 1.0570 | 1.0362 | 1.0781 |
| 2-3 | 1.1294 | 1.1735 | 1.1782 | 1.1848 | 1.1931 | 1.2150 | 1.2498 | 1.0995 | 1.1894 | 1.1678 |
| 1-2 | 1.2337 | 1.3367 | 1.4037 | 1.4633 | 1.3383 | 1.3123 | 1.2864 | 1.3224 | 1.3149 | 1.3177 |

| INDEMNITY | Paid LDF 06-07 | Paid LDF 07-08 | Paid LDF 08-09 | Paid LDF 09-10 | Paid LDF 10-11 | Paid LDF 11-12 | Paid LDF 12-13 | Paid LDF 13-14 | 4 Year Average LDF | Selected Paid LDF |
|---|---|---|---|---|---|---|---|---|---|---|
| 24-25 | | | | | 1.0004 | 0.9999 | 1.0077 | 0.9999 | 1.0020 | 1.0047 |
| 23-24 | | | | 1.0165 | 1.0034 | 1.0017 | 1.0036 | 1.0022 | 1.0027 | 1.0046 |
| 22-23 | | | 1.0089 | 1.0030 | 1.0027 | 1.0000 | 1.0006 | 1.0210 | 1.0061 | 1.0046 |
| 21-22 | | 1.0045 | 1.0058 | 1.0050 | 1.0100 | 1.0022 | 1.0029 | 0.9982 | 1.0033 | 1.0046 |
| 20-21 | 1.0050 | 0.9996 | 1.0021 | 1.0038 | 1.0024 | 1.0057 | 0.9978 | 1.0011 | 1.0018 | 1.0047 |
| 19-20 | 1.0066 | 1.0023 | 1.0011 | 1.0007 | 1.0012 | 1.0063 | 1.0023 | 1.0442 | 1.0135 | 1.0048 |
| 18-19 | 1.0206 | 1.0014 | 1.0510 | 1.0049 | 0.9963 | 1.0064 | 1.0022 | 1.0006 | 1.0014 | 1.0050 |
| 17-18 | 1.0026 | 1.0154 | 1.0125 | 1.0035 | 1.0062 | 1.0040 | 1.0022 | 1.0035 | 1.0040 | 1.0054 |
| 16-17 | 1.0052 | 1.0064 | 1.0090 | 1.0048 | 1.0063 | 1.0020 | 1.0061 | 1.0085 | 1.0057 | 1.0059 |
| 15-16 | 1.0049 | 1.0015 | 1.0125 | 1.0032 | 1.0061 | 1.0053 | 1.0130 | 1.0101 | 1.0086 | 1.0066 |
| 14-15 | 1.0000 | 1.0164 | 1.0055 | 1.0109 | 1.0162 | 1.0134 | 1.0028 | 1.0031 | 1.0089 | 1.0075 |
| 13-14 | 1.0508 | 1.0141 | 1.0043 | 1.0232 | 1.0093 | 1.0102 | 1.0235 | 1.0087 | 1.0129 | 1.0089 |
| 12-13 | 1.0028 | 1.0021 | 1.0107 | 1.0086 | 1.0158 | 1.0109 | 1.0106 | 1.0112 | 1.0121 | 1.0107 |
| 11-12 | 1.0137 | 1.0066 | 1.0213 | 1.0195 | 1.0032 | 1.0106 | 1.0126 | 1.0127 | 1.0098 | 1.0131 |
| 10-11 | 1.0118 | 1.0135 | 1.0144 | 1.0024 | 1.0125 | 1.0114 | 1.0155 | 1.0345 | 1.0185 | 1.0165 |
| 9-10 | 1.0272 | 1.0197 | 1.0204 | 1.0263 | 1.0285 | 1.0126 | 1.0196 | 1.0163 | 1.0193 | 1.0213 |
| 8-9 | 1.0262 | 1.0301 | 1.0221 | 1.0525 | 1.0319 | 1.0205 | 1.0346 | 1.0284 | 1.0289 | 1.0279 |
| 7-8 | 1.0220 | 1.0437 | 1.0273 | 1.0257 | 1.0381 | 1.0253 | 1.0353 | 1.0549 | 1.0384 | 1.0376 |
| 6-7 | 1.0487 | 1.0281 | 1.0569 | 1.0517 | 1.0426 | 1.0469 | 1.0530 | 1.0310 | 1.0434 | 1.0520 |
| 5-6 | 1.0634 | 1.0538 | 1.0515 | 1.0693 | 1.0921 | 1.0767 | 1.0797 | 1.0556 | 1.0760 | 1.0746 |
| 4-5 | 1.0912 | 1.0891 | 1.1048 | 1.0950 | 1.1223 | 1.1237 | 1.1091 | 1.1214 | 1.1191 | 1.1131 |
| 3-4 | 1.1664 | 1.1592 | 1.1975 | 1.1983 | 1.1749 | 1.2049 | 1.1860 | 1.2007 | 1.1916 | 1.1942 |
| 2-3 | 1.4072 | 1.4355 | 1.4826 | 1.4295 | 1.4492 | 1.5122 | 1.5791 | 1.3942 | 1.4837 | 1.4835 |
| 1-2 | 1.9577 | 1.8847 | 2.0617 | 2.1464 | 2.1014 | 1.9133 | 2.0195 | 2.0394 | 2.0184 | 2.0184 |

| INDEMNITY | Pd-Incur LDF 06-07 | Pd-Incur LDF 07-08 | Pd-Incur LDF 08-09 | Pd-Incur LDF 09-10 | Pd-Incur LDF 10-11 | Pd-Incur LDF 11-12 | Pd-Incur LDF 12-13 | Pd-Incur LDF 13-14 | 4 Year Average LDF | Selected Pd-Incur LDF |
|---|---|---|---|---|---|---|---|---|---|---|
| 24-25 | | | | | 1.0277 | 1.0139 | 1.0196 | 1.0109 | 1.0180 | 1.0180 |
| 23-24 | | | | 1.0465 | 1.0163 | 1.0164 | 1.0163 | 1.0213 | 1.0176 | 1.0176 |
| 22-23 | | | 1.0325 | 1.0182 | 1.0181 | 1.0144 | 1.0217 | 1.0368 | 1.0228 | 1.0228 |
| 21-22 | | 1.0338 | 1.0237 | 1.0254 | 1.0261 | 1.0255 | 1.0273 | 0.9994 | 1.0196 | 1.0196 |
| 20-21 | 1.0496 | 1.0190 | 1.0264 | 1.0278 | 1.0286 | 1.0404 | 0.9990 | 1.0291 | 1.0243 | 1.0243 |
| 19-20 | 1.0231 | 1.0251 | 1.0358 | 1.0283 | 1.0436 | 1.0088 | 1.0307 | 1.0813 | 1.0411 | 1.0411 |
| 18-19 | 1.0452 | 1.0241 | 1.0826 | 1.0472 | 1.0080 | 1.0459 | 1.0861 | 1.0153 | 1.0388 | 1.0388 |
| 17-18 | 1.0280 | 1.0529 | 1.0438 | 1.0098 | 1.0377 | 1.0512 | 1.0257 | 1.0256 | 1.0351 | 1.0351 |
| 16-17 | 1.0785 | 1.0475 | 1.0201 | 1.0407 | 1.0820 | 1.0282 | 1.0383 | 1.0467 | 1.0488 | 1.0488 |
| 15-16 | 1.0488 | 1.0166 | 1.0522 | 1.0587 | 1.0348 | 1.0397 | 1.0602 | 1.0363 | 1.0428 | 1.0428 |
| 14-15 | 1.0136 | 1.0647 | 1.0658 | 1.0428 | 1.0536 | 1.0725 | 1.0365 | 1.0141 | 1.0442 | 1.0442 |
| 13-14 | 1.1029 | 1.0632 | 1.0542 | 1.0737 | 1.0782 | 1.0503 | 1.0430 | 1.0698 | 1.0603 | 1.0603 |
| 12-13 | 1.0618 | 1.0504 | 1.0708 | 1.0877 | 1.0616 | 1.0577 | 1.0824 | 1.0482 | 1.0625 | 1.0625 |
| 11-12 | 1.0581 | 1.0682 | 1.1107 | 1.0740 | 1.0385 | 1.0729 | 1.0658 | 1.0445 | 1.0554 | 1.0554 |
| 10-11 | 1.0791 | 1.1316 | 1.0798 | 1.0491 | 1.0910 | 1.0739 | 1.0618 | 1.1042 | 1.0827 | 1.0827 |
| 9-10 | 1.1511 | 1.0987 | 1.0775 | 1.1256 | 1.1043 | 1.0710 | 1.0979 | 1.0473 | 1.0801 | 1.0801 |
| 8-9 | 1.1200 | 1.0964 | 1.1602 | 1.1440 | 1.0981 | 1.1110 | 1.0731 | 1.0993 | 1.0954 | 1.0954 |
| 7-8 | 1.1276 | 1.1658 | 1.1533 | 1.1248 | 1.1394 | 1.0905 | 1.1398 | 1.1621 | 1.1330 | 1.1330 |
| 6-7 | 1.2007 | 1.1603 | 1.1776 | 1.1793 | 1.1144 | 1.1862 | 1.2066 | 1.1719 | 1.1698 | 1.1698 |
| 5-6 | 1.2351 | 1.2249 | 1.2038 | 1.1862 | 1.2568 | 1.2578 | 1.2215 | 1.1801 | 1.2291 | 1.2291 |
| 4-5 | 1.3278 | 1.2973 | 1.2918 | 1.3660 | 1.3876 | 1.3336 | 1.2733 | 1.4210 | 1.3539 | 1.3539 |
| 3-4 | 1.4528 | 1.4452 | 1.5715 | 1.5536 | 1.5392 | 1.4628 | 1.5929 | 1.4951 | 1.5225 | 1.5225 |
| 2-3 | 1.9779 | 2.0754 | 2.1554 | 2.2070 | 2.0549 | 2.2747 | 2.2960 | 1.7926 | 2.1046 | 2.1046 |
| 1-2 | 3.4622 | 3.4479 | 3.8386 | 3.6972 | 3.9341 | 3.5148 | 3.3068 | 3.6794 | 3.6088 | 3.6088 |

| INDEMNITY | Policy Year | Incurred LDF | Paid to 25th LDF |
|---|---|---|---|
| Beyond | 1989 | 0.9912 | 0.9912 |
| 24-25 | 1990 | 0.9999 | 1.0180 |
| 23-24 | 1991 | 1.0000 | 1.0046 |
| 22-23 | 1992 | 1.0001 | 1.0046 |
| 21-22 | 1993 | 1.0003 | 1.0046 |
| 20-21 | 1994 | 1.0005 | 1.0047 |
| 19-20 | 1995 | 1.0007 | 1.0048 |
| 18-19 | 1996 | 1.0009 | 1.0050 |
| 17-18 | 1997 | 1.0012 | 1.0054 |
| 16-17 | 1998 | 1.0015 | 1.0059 |
| 15-16 | 1999 | 1.0018 | 1.0066 |
| 14-15 | 2000 | 1.0023 | 1.0075 |
| 13-14 | 2001 | 1.0028 | 1.0089 |
| 12-13 | 2002 | 1.0034 | 1.0107 |
| 11-12 | 2003 | 1.0042 | 1.0131 |
| 10-11 | 2004 | 1.0052 | 1.0165 |
| 9-10 | 2005 | 1.0065 | 1.0213 |
| 8-9 | 2006 | 1.0083 | 1.0279 |
| 7-8 | 2007 | 1.0110 | 1.0376 |
| 6-7 | 2008 | 1.0153 | 1.0520 |
| 5-6 | 2009 | 1.0234 | 1.0746 |
| 4-5 | 2010 | 1.0402 | 1.1131 |
| 3-4 | 2011 | 1.0781 | 1.1942 |
| 2-3 | 2012 | 1.1678 | 1.4835 |
| 1-2 | 2013 | 1.3177 | 2.0184 |

| INDEMNITY | Policy Year | Incurred Cum LDF | Paid to 25th Cum LDF |
|---|---|---|---|
| Beyond | 1989 | 0.9912 | 0.9912 |
| 24-25 | 1990 | 0.9911 | 1.0090 |
| 23-24 | 1991 | 0.9911 | 1.0137 |
| 22-23 | 1992 | 0.9912 | 1.0183 |
| 21-22 | 1993 | 0.9915 | 1.0230 |
| 20-21 | 1994 | 0.9920 | 1.0278 |
| 19-20 | 1995 | 0.9927 | 1.0328 |
| 18-19 | 1996 | 0.9936 | 1.0379 |
| 17-18 | 1997 | 0.9948 | 1.0435 |
| 16-17 | 1998 | 0.9963 | 1.0497 |
| 15-16 | 1999 | 0.9981 | 1.0566 |
| 14-15 | 2000 | 1.0004 | 1.0646 |
| 13-14 | 2001 | 1.0032 | 1.0740 |
| 12-13 | 2002 | 1.0066 | 1.0855 |
| 11-12 | 2003 | 1.0108 | 1.0997 |
| 10-11 | 2004 | 1.0160 | 1.1179 |
| 9-10 | 2005 | 1.0227 | 1.1417 |
| 8-9 | 2006 | 1.0311 | 1.1735 |
| 7-8 | 2007 | 1.0425 | 1.2177 |
| 6-7 | 2008 | 1.0584 | 1.2810 |
| 5-6 | 2009 | 1.0832 | 1.3766 |
| 4-5 | 2010 | 1.1267 | 1.5322 |
| 3-4 | 2011 | 1.2147 | 1.8298 |
| 2-3 | 2012 | 1.4186 | 2.7145 |
| 1-2 | 2013 | 1.8693 | 5.4790 |

| INDEMNITY | Policy Year | Benefit Level Factor | LAE |
|---|---|---|---|
| Beyond | 1989 | 1.4956 | 1.1998 |
| 24-25 | 1990 | 1.4680 | 1.1998 |
| 23-24 | 1991 | 1.4503 | 1.1998 |
| 22-23 | 1992 | 1.4324 | 1.1998 |
| 21-22 | 1993 | 1.4108 | 1.1998 |
| 20-21 | 1994 | 1.3931 | 1.1998 |
| 19-20 | 1995 | 1.3703 | 1.1998 |
| 18-19 | 1996 | 1.3433 | 1.1998 |
| 17-18 | 1997 | 1.3174 | 1.1998 |
| 16-17 | 1998 | 1.2889 | 1.1998 |
| 15-16 | 1999 | 1.2589 | 1.1998 |
| 14-15 | 2000 | 1.2278 | 1.1998 |
| 13-14 | 2001 | 1.1993 | 1.1998 |
| 12-13 | 2002 | 1.1725 | 1.1998 |
| 11-12 | 2003 | 1.1439 | 1.1998 |
| 10-11 | 2004 | 1.1306 | 1.1998 |
| 9-10 | 2005 | 1.1149 | 1.1998 |
| 8-9 | 2006 | 1.0919 | 1.1998 |
| 7-8 | 2007 | 1.0632 | 1.1998 |
| 6-7 | 2008 | 1.0452 | 1.1998 |
| 5-6 | 2009 | 1.0414 | 1.1998 |
| 4-5 | 2010 | 1.0442 | 1.1998 |
| 3-4 | 2011 | 1.0474 | 1.1998 |
| 2-3 | 2012 | 1.0324 | 1.1998 |
| 1-2 | 2013 | 1.0105 | 1.1998 |

| INDEMNITY | Policy Year | Incurred Base | Paid to 25th Base |
|---|---|---|---|
| Beyond | 1989 | 30641912 | 30641912 |
| 24-25 | 1990 | 30984679 | 30405010 |
| 23-24 | 1991 | 28545765 | 28110892 |
| 22-23 | 1992 | 24564268 | 24534947 |
| 21-22 | 1993 | 30403388 | 29577402 |
| 20-21 | 1994 | 22112170 | 21352696 |
| 19-20 | 1995 | 21121605 | 20815138 |
| 18-19 | 1996 | 28867673 | 28245037 |
| 17-18 | 1997 | 29242375 | 28175232 |
| 16-17 | 1998 | 25036652 | 24404376 |
| 15-16 | 1999 | 28258447 | 27952795 |
| 14-15 | 2000 | 38632232 | 36425378 |
| 13-14 | 2001 | 30662324 | 29581654 |
| 12-13 | 2002 | 33722424 | 32696295 |
| 11-12 | 2003 | 38541271 | 36110803 |
| 10-11 | 2004 | 37707416 | 36589736 |
| 9-10 | 2005 | 40252964 | 37658124 |
| 8-9 | 2006 | 42161584 | 38272180 |
| 7-8 | 2007 | 40835546 | 35925539 |
| 6-7 | 2008 | 35561757 | 31809978 |
| 5-6 | 2009 | 40708680 | 32123839 |
| 4-5 | 2010 | 36127907 | 29013181 |
| 3-4 | 2011 | 33881558 | 26352308 |
| 2-3 | 2012 | 28718571 | 15917593 |
| 1-2 | 2013 | 23913365 | 9992465 |

| INDEMNITY | Policy Year | Proj Ult Incurred (Avg Pd & Inc) | Proj Ult Incurred (Incur) | Proj Ult Incurred (Pd-25) |
|---|---|---|---|---|
| Beyond | 1989 | 30372263 | 30372263 | 30372263 |
| 24-25 | 1990 | 30693785 | 30708915 | 30678655 |
| 23-24 | 1991 | 28393860 | 28291708 | 28496011 |
| 22-23 | 1992 | 24666020 | 24348102 | 24983937 |
| 21-22 | 1993 | 30201321 | 30144959 | 30257682 |
| 20-21 | 1994 | 21940787 | 21935273 | 21946301 |
| 19-20 | 1995 | 21232646 | 20967417 | 21497875 |
| 18-19 | 1996 | 28999222 | 28682920 | 29315524 |
| 17-18 | 1997 | 29245585 | 29090315 | 29400855 |
| 16-17 | 1998 | 25280645 | 24944016 | 25617273 |
| 15-16 | 1999 | 28869840 | 28204756 | 29534923 |
| 14-15 | 2000 | 38713071 | 38647685 | 38778457 |
| 13-14 | 2001 | 31265570 | 30760443 | 31770696 |
| 12-13 | 2002 | 34718410 | 33944992 | 35491828 |
| 11-12 | 2003 | 39334284 | 38957517 | 39711050 |
| 10-11 | 2004 | 39607201 | 38310735 | 40903666 |
| 9-10 | 2005 | 42080493 | 41166706 | 42994280 |
| 8-9 | 2006 | 44192606 | 43472809 | 44912403 |
| 7-8 | 2007 | 43158793 | 42571057 | 43746529 |
| 6-7 | 2008 | 39193573 | 37638564 | 40748582 |
| 5-6 | 2009 | 44158660 | 44095642 | 44221677 |
| 4-5 | 2010 | 42579655 | 40705313 | 44453996 |
| 3-4 | 2011 | 44687691 | 41155929 | 48219453 |
| 2-3 | 2012 | 41974236 | 40740165 | 43208306 |
| 1-2 | 2013 | 49724985 | 44701253 | 54748716 |

| INDEMNITY | Policy Year | Adjusted Ult Limited Loss (Avg Pd & Inc) | Adjusted Ult Limited Loss (Incur) | Adjusted Ult Limited Loss (Pd-25) |
|---|---|---|---|---|
| Beyond | 1989 | 54500623 | 54500623 | 54500623 |
| 24-25 | 1990 | 54061160 | 54087809 | 54034511 |
| 23-24 | 1991 | 49407302 | 49229551 | 49585052 |
| 22-23 | 1992 | 42390862 | 41844490 | 42937232 |
| 21-22 | 1993 | 51121107 | 51025704 | 51216508 |
| 20-21 | 1994 | 36672739 | 36663523 | 36681956 |
| 19-20 | 1995 | 34908295 | 34472235 | 35344354 |
| 18-19 | 1996 | 46737795 | 46228014 | 47247576 |
| 17-18 | 1997 | 46226055 | 45980632 | 46471477 |
| 16-17 | 1998 | 39094551 | 38573981 | 39615120 |
| 15-16 | 1999 | 43605821 | 42601259 | 44610381 |
| 14-15 | 2000 | 57028784 | 56932463 | 57125105 |
| 13-14 | 2001 | 44988658 | 44261821 | 45715494 |
| 12-13 | 2002 | 48840661 | 47752644 | 49928679 |
| 11-12 | 2003 | 53984386 | 53467292 | 54501479 |
| 10-11 | 2004 | 53726926 | 51968278 | 55485573 |
| 9-10 | 2005 | 56289267 | 55066933 | 57511600 |
| 8-9 | 2006 | 57895037 | 56952059 | 58838015 |
| 7-8 | 2007 | 55054537 | 54304805 | 55804269 |
| 6-7 | 2008 | 49149954 | 47199925 | 51099983 |
| 5-6 | 2009 | 55174997 | 55096258 | 55253735 |
| 4-5 | 2010 | 53345119 | 50996885 | 55693351 |
| 3-4 | 2011 | 56157704 | 51719443 | 60595965 |
| 2-3 | 2012 | 51992375 | 50463764 | 53520984 |
| 1-2 | 2013 | 60286467 | 54195705 | 66377228 |

INDEMNITY

| Policy Year | Ult Limited Loss Ratio (Avg Pd & Inc) | Ult Limited Loss Ratio (Incur) | Ult Limited Loss Ratio (Pd-25) |
|---|---|---|---|
| 1989 | 0.4290 | 0.4290 | 0.4290 |
| 1990 | 0.4748 | 0.4751 | 0.4746 |
| 1991 | 0.4526 | 0.4510 | 0.4542 |
| 1992 | 0.4229 | 0.4175 | 0.4284 |
| 1993 | 0.4917 | 0.4908 | 0.4926 |
| 1994 | 0.3710 | 0.3709 | 0.3711 |
| 1995 | 0.3687 | 0.3641 | 0.3734 |
| 1996 | 0.4373 | 0.4325 | 0.4421 |
| 1997 | 0.4363 | 0.4340 | 0.4386 |
| 1998 | 0.3871 | 0.3819 | 0.3922 |
| 1999 | 0.3925 | 0.3834 | 0.4015 |
| 2000 | 0.4911 | 0.4902 | 0.4919 |
| 2001 | 0.3555 | 0.3497 | 0.3612 |
| 2002 | 0.3576 | 0.3496 | 0.3656 |
| 2003 | 0.3702 | 0.3667 | 0.3738 |
| 2004 | 0.3094 | 0.2993 | 0.3195 |
| 2005 | 0.2993 | 0.2928 | 0.3058 |
| 2006 | 0.2919 | 0.2871 | 0.2967 |
| 2007 | 0.2792 | 0.2754 | 0.2831 |
| 2008 | 0.2432 | 0.2336 | 0.2529 |
| 2009 | 0.2758 | 0.2754 | 0.2762 |
| 2010 | 0.2722 | 0.2602 | 0.2842 |
| 2011 | 0.2825 | 0.2602 | 0.3048 |
| 2012 | 0.2816 | 0.2733 | 0.2898 |
| 2013 | 0.3487 | 0.3134 | 0.3839 |

INDEMNITY
FREQUENCY

| Policy Year | Claim Frequency | Normalized Frequency | Trend Factor to 1/1/14 | Selected Ann Trend Factor | Trend Period # Years | Trend 1/1/14-12/1/16 | Combined Trend Factor |
|---|---|---|---|---|---|---|---|
| | | | | -5.3% | 1 | | |
| | | | | -5.3% | 1 | | |
| | | | | -5.3% | 1 | | |
| | | | | -5.3% | 0.9167 | | |
| 2001 | 13.74 | 1.0000 | | | | | |
| 2002 | 13.92 | 1.0131 | | | | | |
| 2003 | 13.32 | 0.9694 | | | | | |
| 2004 | 11.73 | 0.8537 | | | | | |
| 2005 | 10.49 | 0.7635 | | | | | |
| 2006 | 9.88 | 0.7191 | | | | | |
| 2007 | 9.18 | 0.6682 | | | | | |
| 2008 | 8.16 | 0.5940 | | | | | |
| 2009 | 8.13 | 0.5918 | | | | | |
| 2010 | 8.14 | 0.5925 | 0.8493 | | | 0.8531 | 0.7245 |
| 2011 | 7.67 | 0.5583 | 0.8968 | | | 0.8531 | 0.7651 |
| 2012 | 6.90 | 0.5023 | 0.9470 | | | 0.8531 | 0.8079 |
| 2013* | 7.30 | 0.5314 | 1.0000 | | | 0.8531 | 0.8531 |

* Adjusted to a full Policy Year

INDEMNITY
SEVERITY
RATIOS

| Policy Year | Ult Limited Severity Ratio (Average) | Ult Limited Severity Ratio (Incur) | Ult Limited Severity Ratio (Pd-24) |
|---|---|---|---|
| 2001 | 0.3555 | 0.3497 | 0.3612 |
| 2002 | 0.3530 | 0.3451 | 0.3609 |
| 2003 | 0.3819 | 0.3783 | 0.3856 |
| 2004 | 0.3624 | 0.3506 | 0.3743 |
| 2005 | 0.3920 | 0.3835 | 0.4005 |
| 2006 | 0.4059 | 0.3992 | 0.4126 |
| 2007 | 0.4178 | 0.4122 | 0.4237 |
| 2008 | 0.4094 | 0.3933 | 0.4258 |
| 2009 | 0.4660 | 0.4654 | 0.4667 |
| 2010 | 0.4594 | 0.4392 | 0.4797 |
| 2011 | 0.5060 | 0.4661 | 0.5459 |
| 2012 | 0.5606 | 0.5441 | 0.5769 |
| 2013 | 0.6562 | 0.5898 | 0.7224 |

| INDEMNITY Linear **FITTED** | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.4488 | 0.4303 | 0.4674 |
| | 2011 | 0.5133 | 0.4833 | 0.5433 |
| | 2012 | 0.5778 | 0.5363 | 0.6192 |
| | 2013 | 0.6423 | 0.5893 | 0.6951 |
| 5 Point | 2009 | 0.4333 | 0.4302 | 0.4366 |
| | 2010 | 0.4815 | 0.4656 | 0.4975 |
| | 2011 | 0.5296 | 0.5009 | 0.5583 |
| | 2012 | 0.5778 | 0.5363 | 0.6192 |
| | 2013 | 0.6260 | 0.5717 | 0.6800 |
| 6 Point | 2008 | 0.3979 | 0.3940 | 0.4020 |
| | 2009 | 0.4426 | 0.4296 | 0.4557 |
| | 2010 | 0.4873 | 0.4652 | 0.5094 |
| | 2011 | 0.5319 | 0.5008 | 0.5631 |
| | 2012 | 0.5766 | 0.5364 | 0.6168 |
| | 2013 | 0.6213 | 0.5719 | 0.6705 |
| 7 Point | 2007 | 0.3832 | 0.3834 | 0.3833 |
| | 2008 | 0.4209 | 0.4132 | 0.4289 |
| | 2009 | 0.4587 | 0.4430 | 0.4745 |
| | 2010 | 0.4965 | 0.4729 | 0.5202 |
| | 2011 | 0.5343 | 0.5027 | 0.5658 |
| | 2012 | 0.5720 | 0.5325 | 0.6114 |
| | 2013 | 0.6098 | 0.5623 | 0.6570 |
| 8 Point | 2006 | 0.3706 | 0.3726 | 0.3689 |
| | 2007 | 0.4033 | 0.3986 | 0.4083 |
| | 2008 | 0.4361 | 0.4246 | 0.4476 |
| | 2009 | 0.4688 | 0.4507 | 0.4870 |
| | 2010 | 0.5015 | 0.4767 | 0.5264 |
| | 2011 | 0.5343 | 0.5027 | 0.5658 |
| | 2012 | 0.5670 | 0.5287 | 0.6052 |
| | 2013 | 0.5997 | 0.5547 | 0.6445 |
| 9 Point | 2005 | 0.3583 | 0.3605 | 0.3563 |
| | 2006 | 0.3874 | 0.3841 | 0.3910 |
| | 2007 | 0.4166 | 0.4076 | 0.4256 |
| | 2008 | 0.4457 | 0.4312 | 0.4603 |
| | 2009 | 0.4748 | 0.4548 | 0.4949 |
| | 2010 | 0.5039 | 0.4783 | 0.5296 |
| | 2011 | 0.5331 | 0.5019 | 0.5642 |
| | 2012 | 0.5622 | 0.5254 | 0.5989 |
| | 2013 | 0.5913 | 0.5490 | 0.6335 |
| 10 Point | 2004 | 0.3407 | 0.3417 | 0.3399 |
| | 2005 | 0.3680 | 0.3645 | 0.3716 |
| | 2006 | 0.3953 | 0.3873 | 0.4034 |
| | 2007 | 0.4226 | 0.4101 | 0.4352 |
| | 2008 | 0.4499 | 0.4329 | 0.4670 |
| | 2009 | 0.4772 | 0.4557 | 0.4987 |
| | 2010 | 0.5045 | 0.4786 | 0.5305 |
| | 2011 | 0.5318 | 0.5014 | 0.5623 |
| | 2012 | 0.5592 | 0.5242 | 0.5941 |
| | 2013 | 0.5865 | 0.5470 | 0.6258 |

| INDEMNITY<br>Linear<br>**TRENDED** | | Severity<br>Ratio<br>(Average) | Severity<br>Ratio<br>(Incur) | Severity<br>Ratio<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | Fitted | 0.8304 | 0.7438 | 0.9165 |
| 5 Point | Fitted | 0.7664 | 0.6748 | 0.8576 |
| 6 Point | Fitted | 0.7517 | 0.6757 | 0.8272 |
| 7 Point | Fitted | 0.7200 | 0.6493 | 0.7901 |
| 8 Point | Fitted | 0.6952 | 0.6306 | 0.7594 |
| 9 Point | Fitted | 0.6762 | 0.6177 | 0.7346 |
| 10 Point | Fitted | 0.6661 | 0.6136 | 0.7185 |

| INDEMNITY<br>Linear<br>**Severity Trend Factor** | | Sev Trend<br>Factor<br>(Average) | Sev Trend<br>Factor<br>(Incur) | Sev Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.8503 | 1.7284 | 1.9610 |
| | 2011 | 1.6178 | 1.5390 | 1.6870 |
| | 2012 | 1.4372 | 1.3869 | 1.4802 |
| | 2013 | 1.2929 | 1.2622 | 1.3185 |
| 5 Point | 2010 | 1.5918 | 1.4495 | 1.7239 |
| | 2011 | 1.4471 | 1.3472 | 1.5359 |
| | 2012 | 1.3265 | 1.2583 | 1.3850 |
| | 2013 | 1.2244 | 1.1805 | 1.2610 |
| 6 Point | 2010 | 1.5428 | 1.4526 | 1.6239 |
| | 2011 | 1.4131 | 1.3494 | 1.4690 |
| | 2012 | 1.3036 | 1.2599 | 1.3411 |
| | 2013 | 1.2098 | 1.1815 | 1.2336 |
| 7 Point | 2010 | 1.4501 | 1.3732 | 1.5190 |
| | 2011 | 1.3476 | 1.2917 | 1.3965 |
| | 2012 | 1.2586 | 1.2194 | 1.2923 |
| | 2013 | 1.1807 | 1.1547 | 1.2025 |
| 8 Point | 2010 | 1.3861 | 1.3230 | 1.4426 |
| | 2011 | 1.3012 | 1.2545 | 1.3422 |
| | 2012 | 1.2261 | 1.1928 | 1.2549 |
| | 2013 | 1.1592 | 1.1368 | 1.1782 |
| 9 Point | 2010 | 1.3419 | 1.2914 | 1.3871 |
| | 2011 | 1.2686 | 1.2308 | 1.3019 |
| | 2012 | 1.2029 | 1.1756 | 1.2266 |
| | 2013 | 1.1436 | 1.1252 | 1.1595 |
| 10 Point | 2010 | 1.3203 | 1.2821 | 1.3544 |
| | 2011 | 1.2525 | 1.2237 | 1.2779 |
| | 2012 | 1.1913 | 1.1705 | 1.2095 |
| | 2013 | 1.1358 | 1.1217 | 1.1481 |

| INDEMNITY Expon'l **FITTED** | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.4536 | 0.4332 | 0.4741 |
| | 2011 | 0.5100 | 0.4806 | 0.5390 |
| | 2012 | 0.5734 | 0.5333 | 0.6129 |
| | 2013 | 0.6447 | 0.5917 | 0.6968 |
| 5 Point | 2009 | 0.4399 | 0.4338 | 0.4461 |
| | 2010 | 0.4805 | 0.4647 | 0.4960 |
| | 2011 | 0.5249 | 0.4978 | 0.5513 |
| | 2012 | 0.5734 | 0.5333 | 0.6129 |
| | 2013 | 0.6264 | 0.5712 | 0.6813 |
| 6 Point | 2008 | 0.4062 | 0.3988 | 0.4140 |
| | 2009 | 0.4427 | 0.4290 | 0.4563 |
| | 2010 | 0.4824 | 0.4615 | 0.5030 |
| | 2011 | 0.5257 | 0.4964 | 0.5544 |
| | 2012 | 0.5730 | 0.5340 | 0.6111 |
| | 2013 | 0.6244 | 0.5744 | 0.6736 |
| 7 Point | 2007 | 0.3930 | 0.3895 | 0.3972 |
| | 2008 | 0.4231 | 0.4142 | 0.4322 |
| | 2009 | 0.4555 | 0.4405 | 0.4703 |
| | 2010 | 0.4903 | 0.4685 | 0.5117 |
| | 2011 | 0.5279 | 0.4983 | 0.5568 |
| | 2012 | 0.5683 | 0.5300 | 0.6059 |
| | 2013 | 0.6118 | 0.5637 | 0.6593 |
| 8 Point | 2006 | 0.3816 | 0.3796 | 0.3841 |
| | 2007 | 0.4071 | 0.4008 | 0.4137 |
| | 2008 | 0.4345 | 0.4232 | 0.4456 |
| | 2009 | 0.4636 | 0.4469 | 0.4800 |
| | 2010 | 0.4947 | 0.4719 | 0.5170 |
| | 2011 | 0.5279 | 0.4983 | 0.5568 |
| | 2012 | 0.5633 | 0.5262 | 0.5997 |
| | 2013 | 0.6011 | 0.5556 | 0.6460 |
| 9 Point | 2005 | 0.3702 | 0.3684 | 0.3726 |
| | 2006 | 0.3926 | 0.3873 | 0.3983 |
| | 2007 | 0.4164 | 0.4072 | 0.4256 |
| | 2008 | 0.4416 | 0.4281 | 0.4549 |
| | 2009 | 0.4684 | 0.4501 | 0.4862 |
| | 2010 | 0.4967 | 0.4733 | 0.5196 |
| | 2011 | 0.5268 | 0.4976 | 0.5554 |
| | 2012 | 0.5587 | 0.5232 | 0.5936 |
| | 2013 | 0.5925 | 0.5501 | 0.6344 |
| 10 Point | 2004 | 0.3536 | 0.3504 | 0.3573 |
| | 2005 | 0.3743 | 0.3684 | 0.3804 |
| | 2006 | 0.3961 | 0.3874 | 0.4050 |
| | 2007 | 0.4192 | 0.4073 | 0.4312 |
| | 2008 | 0.4437 | 0.4282 | 0.4590 |
| | 2009 | 0.4696 | 0.4502 | 0.4887 |
| | 2010 | 0.4971 | 0.4733 | 0.5203 |
| | 2011 | 0.5261 | 0.4976 | 0.5540 |
| | 2012 | 0.5568 | 0.5231 | 0.5898 |
| | 2013 | 0.5893 | 0.5500 | 0.6279 |

| INDEMNITY<br>Expon'l<br>**TRENDED** | | Severity<br>Ratio<br>(Average) | Severity<br>Ratio<br>(Incur) | Severity<br>Ratio<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | Fitted | 0.9075 | 0.8012 | 1.0132 |
| 5 Point | Fitted | 0.8105 | 0.6982 | 0.9276 |
| 6 Point | Fitted | 0.8024 | 0.7107 | 0.8949 |
| 7 Point | Fitted | 0.7587 | 0.6747 | 0.8434 |
| 8 Point | Fitted | 0.7264 | 0.6512 | 0.8022 |
| 9 Point | Fitted | 0.7034 | 0.6366 | 0.7703 |
| 10 Point | Fitted | 0.6954 | 0.6365 | 0.7538 |

| INDEMNITY<br>Expon'l<br>**Severity Trend Factor** | | Sev Trend<br>Factor<br>(Average) | Sev Trend<br>Factor<br>(Incur) | Sev Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 2.0007 | 1.8494 | 2.1370 |
| | 2011 | 1.7794 | 1.6669 | 1.8796 |
| | 2012 | 1.5826 | 1.5024 | 1.6532 |
| | 2013 | 1.4076 | 1.3541 | 1.4541 |
| 5 Point | 2010 | 1.6868 | 1.5024 | 1.8704 |
| | 2011 | 1.5441 | 1.4025 | 1.6826 |
| | 2012 | 1.4135 | 1.3092 | 1.5136 |
| | 2013 | 1.2940 | 1.2222 | 1.3616 |
| 6 Point | 2010 | 1.6633 | 1.5400 | 1.7792 |
| | 2011 | 1.5263 | 1.4316 | 1.6141 |
| | 2012 | 1.4005 | 1.3309 | 1.4643 |
| | 2013 | 1.2851 | 1.2372 | 1.3285 |
| 7 Point | 2010 | 1.5472 | 1.4399 | 1.6482 |
| | 2011 | 1.4372 | 1.3539 | 1.5148 |
| | 2012 | 1.3350 | 1.2730 | 1.3921 |
| | 2013 | 1.2400 | 1.1969 | 1.2793 |
| 8 Point | 2010 | 1.4684 | 1.3799 | 1.5516 |
| | 2011 | 1.3761 | 1.3068 | 1.4406 |
| | 2012 | 1.2896 | 1.2376 | 1.3375 |
| | 2013 | 1.2085 | 1.1720 | 1.2418 |
| 9 Point | 2010 | 1.4161 | 1.3452 | 1.4823 |
| | 2011 | 1.3352 | 1.2794 | 1.3869 |
| | 2012 | 1.2590 | 1.2169 | 1.2976 |
| | 2013 | 1.1871 | 1.1574 | 1.2141 |
| 10 Point | 2010 | 1.3990 | 1.3449 | 1.4487 |
| | 2011 | 1.3219 | 1.2792 | 1.3607 |
| | 2012 | 1.2489 | 1.2167 | 1.2781 |
| | 2013 | 1.1800 | 1.1573 | 1.2005 |

| INDEMNITY<br>Linear<br>**LR Trend Factor** | | LR Trend<br>Factor<br>(Average) | LR Trend<br>Factor<br>(Incur) | LR Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.3405 | 1.2522 | 1.4207 |
| | 2011 | 1.2378 | 1.1775 | 1.2907 |
| | 2012 | 1.1611 | 1.1205 | 1.1959 |
| | 2013 | 1.1030 | 1.0768 | 1.1248 |
| 5 Point | 2010 | 1.1533 | 1.0502 | 1.2490 |
| | 2011 | 1.1072 | 1.0307 | 1.1751 |
| | 2012 | 1.0717 | 1.0166 | 1.1189 |
| | 2013 | 1.0445 | 1.0071 | 1.0758 |
| 6 Point | 2010 | 1.1178 | 1.0524 | 1.1765 |
| | 2011 | 1.0812 | 1.0324 | 1.1239 |
| | 2012 | 1.0532 | 1.0179 | 1.0835 |
| | 2013 | 1.0321 | 1.0079 | 1.0524 |
| 7 Point | 2010 | 1.0506 | 0.9949 | 1.1005 |
| | 2011 | 1.0310 | 0.9883 | 1.0685 |
| | 2012 | 1.0168 | 0.9852 | 1.0440 |
| | 2013 | 1.0073 | 0.9851 | 1.0259 |
| 8 Point | 2010 | 1.0042 | 0.9585 | 1.0452 |
| | 2011 | 0.9955 | 0.9598 | 1.0269 |
| | 2012 | 0.9906 | 0.9637 | 1.0138 |
| | 2013 | 0.9889 | 0.9698 | 1.0051 |
| 9 Point | 2010 | 0.9722 | 0.9356 | 1.0050 |
| | 2011 | 0.9706 | 0.9417 | 0.9961 |
| | 2012 | 0.9718 | 0.9498 | 0.9910 |
| | 2013 | 0.9756 | 0.9599 | 0.9892 |
| 10 Point | 2010 | 0.9566 | 0.9289 | 0.9813 |
| | 2011 | 0.9583 | 0.9363 | 0.9777 |
| | 2012 | 0.9625 | 0.9456 | 0.9772 |
| | 2013 | 0.9690 | 0.9569 | 0.9794 |

| INDEMNITY Expon'l **LR Trend Factor** | | LR Trend Factor (Average) | LR Trend Factor (Incur) | LR Trend Factor (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.4495 | 1.3399 | 1.5483 |
| | 2011 | 1.3614 | 1.2753 | 1.4381 |
| | 2012 | 1.2786 | 1.2138 | 1.3356 |
| | 2013 | 1.2008 | 1.1552 | 1.2405 |
| 5 Point | 2010 | 1.2221 | 1.0885 | 1.3551 |
| | 2011 | 1.1814 | 1.0731 | 1.2874 |
| | 2012 | 1.1420 | 1.0577 | 1.2228 |
| | 2013 | 1.1039 | 1.0427 | 1.1616 |
| 6 Point | 2010 | 1.2051 | 1.1157 | 1.2890 |
| | 2011 | 1.1678 | 1.0953 | 1.2349 |
| | 2012 | 1.1315 | 1.0752 | 1.1830 |
| | 2013 | 1.0963 | 1.0555 | 1.1333 |
| 7 Point | 2010 | 1.1209 | 1.0432 | 1.1941 |
| | 2011 | 1.0996 | 1.0359 | 1.1590 |
| | 2012 | 1.0785 | 1.0285 | 1.1247 |
| | 2013 | 1.0578 | 1.0211 | 1.0914 |
| 8 Point | 2010 | 1.0639 | 0.9997 | 1.1241 |
| | 2011 | 1.0529 | 0.9998 | 1.1022 |
| | 2012 | 1.0419 | 0.9999 | 1.0806 |
| | 2013 | 1.0310 | 0.9998 | 1.0594 |
| 9 Point | 2010 | 1.0260 | 0.9746 | 1.0739 |
| | 2011 | 1.0216 | 0.9789 | 1.0611 |
| | 2012 | 1.0171 | 0.9831 | 1.0483 |
| | 2013 | 1.0127 | 0.9874 | 1.0357 |
| 10 Point | 2010 | 1.0136 | 0.9744 | 1.0496 |
| | 2011 | 1.0114 | 0.9787 | 1.0411 |
| | 2012 | 1.0090 | 0.9830 | 1.0326 |
| | 2013 | 1.0067 | 0.9873 | 1.0241 |

| INDEMNITY Linear **TRENDED LR** | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.3649 | 0.3258 | 0.4038 |
| | 2011 | 0.3497 | 0.3064 | 0.3934 |
| | 2012 | 0.3270 | 0.3062 | 0.3466 |
| | 2013 | 0.3846 | 0.3375 | 0.4318 |
| | 4 Yr Ave | 0.3566 | 0.3190 | 0.3939 |
| 5 Point | 2010 | 0.3139 | 0.2733 | 0.3550 |
| | 2011 | 0.3128 | 0.2682 | 0.3582 |
| | 2012 | 0.3018 | 0.2778 | 0.3243 |
| | 2013 | 0.3642 | 0.3156 | 0.4130 |
| | 4 Yr Ave | 0.3232 | 0.2837 | 0.3626 |
| 6 Point | 2010 | 0.3043 | 0.2738 | 0.3344 |
| | 2011 | 0.3054 | 0.2686 | 0.3426 |
| | 2012 | 0.2966 | 0.2782 | 0.3140 |
| | 2013 | 0.3599 | 0.3159 | 0.4040 |
| | 4 Yr Ave | 0.3166 | 0.2841 | 0.3488 |
| 7 Point | 2010 | 0.2860 | 0.2589 | 0.3128 |
| | 2011 | 0.2913 | 0.2572 | 0.3257 |
| | 2012 | 0.2863 | 0.2693 | 0.3026 |
| | 2013 | 0.3512 | 0.3087 | 0.3938 |
| | 4 Yr Ave | 0.3037 | 0.2735 | 0.3337 |
| 8 Point | 2010 | 0.2733 | 0.2494 | 0.2970 |
| | 2011 | 0.2812 | 0.2497 | 0.3130 |
| | 2012 | 0.2790 | 0.2634 | 0.2938 |
| | 2013 | 0.3448 | 0.3039 | 0.3859 |
| | 4 Yr Ave | 0.2946 | 0.2666 | 0.3224 |
| 9 Point | 2010 | 0.2646 | 0.2434 | 0.2856 |
| | 2011 | 0.2742 | 0.2450 | 0.3036 |
| | 2012 | 0.2737 | 0.2596 | 0.2872 |
| | 2013 | 0.3402 | 0.3008 | 0.3798 |
| | 4 Yr Ave | 0.2882 | 0.2622 | 0.3141 |
| 10 Point | 2010 | 0.2604 | 0.2417 | 0.2789 |
| | 2011 | 0.2707 | 0.2436 | 0.2980 |
| | 2012 | 0.2710 | 0.2584 | 0.2832 |
| | 2013 | 0.3379 | 0.2999 | 0.3760 |
| | 4 Yr Ave | 0.2850 | 0.2609 | 0.3090 |

| INDEMNITY Expon'l **TRENDED LR** | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.3946 | 0.3486 | 0.4400 |
| | 2011 | 0.3846 | 0.3318 | 0.4383 |
| | 2012 | 0.3601 | 0.3317 | 0.3871 |
| | 2013 | 0.4187 | 0.3620 | 0.4762 |
| | 4 Yr Ave | 0.3895 | 0.3435 | 0.4354 |
| 5 Point | 2010 | 0.3327 | 0.2832 | 0.3851 |
| | 2011 | 0.3337 | 0.2792 | 0.3924 |
| | 2012 | 0.3216 | 0.2891 | 0.3544 |
| | 2013 | 0.3849 | 0.3268 | 0.4459 |
| | 4 Yr Ave | 0.3432 | 0.2946 | 0.3945 |
| 6 Point | 2010 | 0.3280 | 0.2903 | 0.3663 |
| | 2011 | 0.3299 | 0.2850 | 0.3764 |
| | 2012 | 0.3186 | 0.2939 | 0.3428 |
| | 2013 | 0.3823 | 0.3308 | 0.4351 |
| | 4 Yr Ave | 0.3397 | 0.3000 | 0.3802 |
| 7 Point | 2010 | 0.3051 | 0.2714 | 0.3394 |
| | 2011 | 0.3106 | 0.2695 | 0.3533 |
| | 2012 | 0.3037 | 0.2811 | 0.3259 |
| | 2013 | 0.3689 | 0.3200 | 0.4190 |
| | 4 Yr Ave | 0.3221 | 0.2855 | 0.3594 |
| 8 Point | 2010 | 0.2896 | 0.2601 | 0.3195 |
| | 2011 | 0.2974 | 0.2601 | 0.3360 |
| | 2012 | 0.2934 | 0.2733 | 0.3132 |
| | 2013 | 0.3595 | 0.3133 | 0.4067 |
| | 4 Yr Ave | 0.3100 | 0.2767 | 0.3439 |
| 9 Point | 2010 | 0.2793 | 0.2536 | 0.3052 |
| | 2011 | 0.2886 | 0.2547 | 0.3234 |
| | 2012 | 0.2864 | 0.2687 | 0.3038 |
| | 2013 | 0.3531 | 0.3095 | 0.3976 |
| | 4 Yr Ave | 0.3019 | 0.2716 | 0.3325 |
| 10 Point | 2010 | 0.2759 | 0.2535 | 0.2983 |
| | 2011 | 0.2857 | 0.2547 | 0.3173 |
| | 2012 | 0.2841 | 0.2687 | 0.2992 |
| | 2013 | 0.3510 | 0.3094 | 0.3932 |
| | 4 Yr Ave | 0.2992 | 0.2716 | 0.3270 |

| MEDICAL | Incurred LDF 06-07 | Incurred LDF 07-08 | Incurred LDF 08-09 | Incurred LDF 09-10 | Incurred LDF 10-11 | Incurred LDF 11-12 | Incurred LDF 12-13 | Incurred LDF 13-14 | 4 Year Average LDF | Selected Incurred LDF |
|---|---|---|---|---|---|---|---|---|---|---|
| Beyond | 1.0628 | 1.0222 | 1.0333 | 0.9626 | 1.0498 | 1.0029 | 1.0377 | 1.0186 | 1.0273 | 1.0273 |
| 24-25 | | | | | 1.0205 | 1.0091 | 1.0000 | 1.0059 | 1.0089 | 1.0032 |
| 23-24 | | | | 1.0366 | 1.0077 | 1.0007 | 1.0027 | 1.0021 | 1.0033 | 1.0031 |
| 22-23 | | | 0.9976 | 1.0060 | 0.9952 | 0.9994 | 0.9925 | 0.9867 | 0.9935 | 1.0031 |
| 21-22 | | 1.0083 | 1.0265 | 1.0017 | 1.0242 | 1.0047 | 1.0004 | 1.0027 | 1.0080 | 1.0031 |
| 20-21 | 1.0050 | 1.0233 | 1.0056 | 1.0172 | 1.0044 | 0.9989 | 1.0003 | 1.0102 | 1.0035 | 1.0031 |
| 19-20 | 0.9948 | 0.9983 | 1.0074 | 1.0027 | 0.9986 | 1.0089 | 0.9830 | 0.9805 | 0.9928 | 1.0032 |
| 18-19 | 1.0105 | 1.0049 | 1.0164 | 1.0013 | 1.0015 | 0.9954 | 1.0103 | 0.9972 | 1.0011 | 1.0033 |
| 17-18 | 0.9994 | 1.0177 | 1.0086 | 1.0008 | 0.9984 | 1.0077 | 0.9972 | 0.9865 | 0.9975 | 1.0036 |
| 16-17 | 1.0107 | 1.0154 | 1.0040 | 1.0090 | 1.0213 | 1.0185 | 1.0188 | 1.0017 | 1.0151 | 1.0039 |
| 15-16 | 0.9986 | 1.0121 | 1.0292 | 1.0129 | 1.0251 | 1.0175 | 1.0095 | 0.9993 | 1.0129 | 1.0044 |
| 14-15 | 1.0039 | 1.0153 | 1.0008 | 1.0079 | 1.0459 | 1.0127 | 1.0133 | 0.9782 | 1.0125 | 1.0051 |
| 13-14 | 1.0143 | 1.0053 | 1.0067 | 1.0124 | 1.0167 | 0.9963 | 0.9933 | 0.9899 | 0.9991 | 1.0061 |
| 12-13 | 1.0006 | 1.0110 | 1.0371 | 1.0089 | 1.0125 | 0.9966 | 1.0208 | 0.9985 | 1.0071 | 1.0075 |
| 11-12 | 1.0171 | 1.0415 | 1.0244 | 1.0151 | 1.0118 | 1.0270 | 0.9939 | 1.0109 | 1.0109 | 1.0093 |
| 10-11 | 1.0223 | 1.0405 | 0.9928 | 1.0206 | 1.0269 | 1.0140 | 0.9787 | 1.0097 | 1.0073 | 1.0118 |
| 9-10 | 1.0090 | 0.9875 | 0.9789 | 1.0159 | 0.9982 | 1.0298 | 1.0219 | 1.0159 | 1.0165 | 1.0153 |
| 8-9 | 1.0093 | 1.0236 | 1.0216 | 1.0372 | 1.0181 | 1.0494 | 0.9939 | 1.0327 | 1.0235 | 1.0202 |
| 7-8 | 1.0604 | 1.0156 | 1.0190 | 1.0406 | 1.0233 | 1.0082 | 1.0116 | 1.0617 | 1.0262 | 1.0269 |
| 6-7 | 1.0471 | 1.0210 | 1.0316 | 1.0474 | 1.0157 | 1.0376 | 1.0384 | 1.0235 | 1.0288 | 1.0364 |
| 5-6 | 1.0229 | 1.0426 | 1.0217 | 1.0391 | 1.0404 | 1.0453 | 1.0360 | 1.0816 | 1.0508 | 1.0497 |
| 4-5 | 1.0327 | 1.0772 | 1.0771 | 1.0816 | 1.1007 | 1.0145 | 1.0549 | 1.1214 | 1.0729 | 1.0677 |
| 3-4 | 1.0654 | 1.0893 | 1.0912 | 1.1118 | 1.1301 | 1.0808 | 1.0689 | 1.0692 | 1.0873 | 1.0895 |
| 2-3 | 1.0901 | 1.1591 | 1.1124 | 1.1157 | 1.1334 | 1.1452 | 1.1314 | 1.0879 | 1.1245 | 1.1243 |
| 1-2 | 1.1244 | 1.1907 | 1.2986 | 1.2758 | 1.3373 | 1.1983 | 1.1848 | 1.2394 | 1.2400 | 1.2400 |

| MEDICAL | Paid LDF 06-07 | Paid LDF 07-08 | Paid LDF 08-09 | Paid LDF 09-10 | Paid LDF 10-11 | Paid LDF 11-12 | Paid LDF 12-13 | Paid LDF 13-14 | 4 Year Average LDF | Selected Paid LDF |
|---|---|---|---|---|---|---|---|---|---|---|
| 24-25 | | | | | 1.0023 | 1.0167 | 1.0051 | 1.0130 | 1.0093 | 1.0073 |
| 23-24 | | | | 1.0203 | 1.0161 | 1.0024 | 1.0089 | 1.0058 | 1.0083 | 1.0078 |
| 22-23 | | | 1.0024 | 1.0151 | 1.0021 | 1.0016 | 1.0094 | 1.0048 | 1.0045 | 1.0085 |
| 21-22 | | 1.0031 | 1.0074 | 1.0101 | 1.0178 | 1.0073 | 1.0058 | 1.0078 | 1.0097 | 1.0091 |
| 20-21 | 1.0077 | 1.0076 | 1.0051 | 1.0164 | 1.0156 | 1.0046 | 1.0061 | 1.0069 | 1.0083 | 1.0099 |
| 19-20 | 0.9935 | 1.0099 | 1.0232 | 1.0088 | 1.0092 | 1.0095 | 1.0125 | 1.0213 | 1.0131 | 1.0108 |
| 18-19 | 1.0057 | 1.0120 | 1.0125 | 1.0052 | 1.0080 | 1.0129 | 1.0099 | 1.0106 | 1.0104 | 1.0117 |
| 17-18 | 1.0132 | 1.0065 | 1.0149 | 1.0078 | 1.0084 | 1.0092 | 1.0234 | 1.0164 | 1.0144 | 1.0127 |
| 16-17 | 1.0110 | 1.0107 | 1.0078 | 1.0181 | 1.0148 | 1.0088 | 1.0203 | 1.0206 | 1.0161 | 1.0139 |
| 15-16 | 1.0100 | 1.0098 | 1.0120 | 1.0145 | 1.0145 | 1.0285 | 1.0156 | 1.0043 | 1.0157 | 1.0153 |
| 14-15 | 1.0108 | 1.0218 | 0.9976 | 1.0110 | 1.0280 | 1.0137 | 1.0096 | 1.0045 | 1.0140 | 1.0168 |
| 13-14 | 1.0174 | 1.0184 | 1.0187 | 1.0206 | 1.0177 | 1.0095 | 1.0113 | 1.0205 | 1.0148 | 1.0185 |
| 12-13 | 1.0309 | 1.0166 | 1.0402 | 1.0134 | 1.0158 | 1.0162 | 1.0243 | 1.0201 | 1.0191 | 1.0205 |
| 11-12 | 1.0336 | 1.0301 | 1.0235 | 1.0145 | 1.0162 | 1.0372 | 1.0221 | 1.0308 | 1.0266 | 1.0229 |
| 10-11 | 1.0476 | 1.0175 | 1.0114 | 1.0227 | 1.0342 | 1.0232 | 1.0332 | 1.0310 | 1.0304 | 1.0256 |
| 9-10 | 1.0341 | 1.0232 | 1.0249 | 1.0386 | 1.0273 | 1.0235 | 1.0385 | 1.0270 | 1.0291 | 1.0288 |
| 8-9 | 1.0271 | 1.0226 | 1.0573 | 1.0294 | 1.0319 | 1.0400 | 1.0248 | 1.0285 | 1.0313 | 1.0328 |
| 7-8 | 1.0269 | 1.0436 | 1.0450 | 1.0531 | 1.0368 | 1.0213 | 1.0382 | 1.0457 | 1.0355 | 1.0377 |
| 6-7 | 1.0497 | 1.0318 | 1.0330 | 1.0390 | 1.0392 | 1.0505 | 1.0465 | 1.0358 | 1.0430 | 1.0442 |
| 5-6 | 1.0436 | 1.0545 | 1.0422 | 1.0516 | 1.0413 | 1.0694 | 1.0469 | 1.0515 | 1.0523 | 1.0532 |
| 4-5 | 1.0544 | 1.0622 | 1.0529 | 1.0657 | 1.0727 | 1.0556 | 1.0914 | 1.0579 | 1.0694 | 1.0673 |
| 3-4 | 1.0451 | 1.0858 | 1.0891 | 1.0739 | 1.0793 | 1.0885 | 1.0998 | 1.1059 | 1.0934 | 1.0928 |
| 2-3 | 1.1381 | 1.1360 | 1.1592 | 1.1673 | 1.1551 | 1.1780 | 1.1630 | 1.1132 | 1.1523 | 1.1530 |
| 1-2 | 1.3225 | 1.3583 | 1.4535 | 1.4300 | 1.4390 | 1.4006 | 1.3495 | 1.3616 | 1.3877 | 1.3876 |

| MEDICAL | Pd-Incur LDF 06-07 | Pd-Incur LDF 07-08 | Pd-Incur LDF 08-09 | Pd-Incur LDF 09-10 | Pd-Incur LDF 10-11 | Pd-Incur LDF 11-12 | Pd-Incur LDF 12-13 | Pd-Incur LDF 13-14 | Average Pd-Incur LDF | Selected Pd-Incur LDF |
|---|---|---|---|---|---|---|---|---|---|---|
| 24-25 | | | | | 1.0700 | 1.0832 | 1.0134 | 1.0343 | 1.0502 | 1.0502 |
| 23-24 | | | | 1.0698 | 1.0907 | 1.0158 | 1.0365 | 1.0502 | 1.0483 | 1.0483 |
| 22-23 | | | 1.0396 | 1.0986 | 1.0173 | 1.0353 | 1.0745 | 1.0237 | 1.0377 | 1.0377 |
| 21-22 | | 1.0453 | 1.0952 | 1.0326 | 1.0544 | 1.0904 | 1.0415 | 1.0133 | 1.0499 | 1.0499 |
| 20-21 | 1.0447 | 1.0750 | 1.0359 | 1.0464 | 1.1023 | 1.0458 | 1.0160 | 1.0646 | 1.0572 | 1.0572 |
| 19-20 | 1.0437 | 1.0403 | 1.0521 | 1.1071 | 1.0567 | 1.0253 | 1.0670 | 1.0882 | 1.0593 | 1.0593 |
| 18-19 | 1.0404 | 1.0568 | 1.1160 | 1.0636 | 1.0243 | 1.0992 | 1.1097 | 1.0778 | 1.0778 | 1.0778 |
| 17-18 | 1.0654 | 1.1051 | 1.0825 | 1.0308 | 1.1135 | 1.1082 | 1.1039 | 1.1350 | 1.1152 | 1.1152 |
| 16-17 | 1.0979 | 1.0846 | 1.0377 | 1.1355 | 1.1160 | 1.1136 | 1.1825 | 1.1083 | 1.1301 | 1.1301 |
| 15-16 | 1.0789 | 1.0437 | 1.1328 | 1.1086 | 1.1092 | 1.1929 | 1.1383 | 1.0786 | 1.1298 | 1.1298 |
| 14-15 | 1.0407 | 1.1247 | 1.0905 | 1.0939 | 1.2050 | 1.1423 | 1.0884 | 1.0766 | 1.1281 | 1.1281 |
| 13-14 | 1.1235 | 1.1096 | 1.1021 | 1.1760 | 1.1478 | 1.0903 | 1.1057 | 1.1569 | 1.1252 | 1.1252 |
| 12-13 | 1.1378 | 1.1129 | 1.2021 | 1.1440 | 1.1117 | 1.1296 | 1.1978 | 1.1429 | 1.1455 | 1.1455 |
| 11-12 | 1.1379 | 1.1940 | 1.1586 | 1.1139 | 1.1518 | 1.2268 | 1.1901 | 1.1408 | 1.1774 | 1.1774 |
| 10-11 | 1.2009 | 1.1508 | 1.0997 | 1.1641 | 1.2354 | 1.2253 | 1.1613 | 1.2199 | 1.2105 | 1.2105 |
| 9-10 | 1.1437 | 1.1334 | 1.1672 | 1.2494 | 1.2413 | 1.2144 | 1.2577 | 1.1639 | 1.2193 | 1.2193 |
| 8-9 | 1.1790 | 1.2194 | 1.2982 | 1.2802 | 1.2169 | 1.2795 | 1.1684 | 1.2208 | 1.2214 | 1.2214 |
| 7-8 | 1.2233 | 1.3261 | 1.2878 | 1.2587 | 1.2641 | 1.2005 | 1.2537 | 1.3007 | 1.2548 | 1.2548 |
| 6-7 | 1.3706 | 1.3039 | 1.2470 | 1.2835 | 1.2374 | 1.3019 | 1.2852 | 1.2212 | 1.2614 | 1.2614 |
| 5-6 | 1.3328 | 1.2748 | 1.2721 | 1.2811 | 1.3067 | 1.3046 | 1.2613 | 1.2701 | 1.2857 | 1.2857 |
| 4-5 | 1.2892 | 1.3226 | 1.2932 | 1.3384 | 1.3464 | 1.2851 | 1.2809 | 1.3158 | 1.3071 | 1.3071 |
| 3-4 | 1.2831 | 1.3036 | 1.3422 | 1.3137 | 1.3671 | 1.3217 | 1.2956 | 1.3085 | 1.3232 | 1.3232 |
| 2-3 | 1.3620 | 1.3973 | 1.3663 | 1.4119 | 1.4125 | 1.4279 | 1.4501 | 1.3604 | 1.4127 | 1.4127 |
| 1-2 | 1.5943 | 1.6683 | 1.8378 | 1.7823 | 1.7944 | 1.7952 | 1.6952 | 1.6996 | 1.7461 | 1.7461 |

| MEDICAL | Policy Year | Incurred LDF | Paid to 25th LDF |
|---|---|---|---|
| Beyond | 1989 | 1.0273 | 1.0273 |
| 24-25 | 1990 | 1.0032 | 1.0502 |
| 23-24 | 1991 | 1.0031 | 1.0078 |
| 22-23 | 1992 | 1.0031 | 1.0085 |
| 21-22 | 1993 | 1.0031 | 1.0091 |
| 20-21 | 1994 | 1.0031 | 1.0099 |
| 19-20 | 1995 | 1.0032 | 1.0108 |
| 18-19 | 1996 | 1.0033 | 1.0117 |
| 17-18 | 1997 | 1.0036 | 1.0127 |
| 16-17 | 1998 | 1.0039 | 1.0139 |
| 15-16 | 1999 | 1.0044 | 1.0153 |
| 14-15 | 2000 | 1.0051 | 1.0168 |
| 13-14 | 2001 | 1.0061 | 1.0185 |
| 12-13 | 2002 | 1.0075 | 1.0205 |
| 11-12 | 2003 | 1.0093 | 1.0229 |
| 10-11 | 2004 | 1.0118 | 1.0256 |
| 9-10 | 2005 | 1.0153 | 1.0288 |
| 8-9 | 2006 | 1.0202 | 1.0328 |
| 7-8 | 2007 | 1.0269 | 1.0377 |
| 6-7 | 2008 | 1.0364 | 1.0442 |
| 5-6 | 2009 | 1.0497 | 1.0532 |
| 4-5 | 2010 | 1.0677 | 1.0673 |
| 3-4 | 2011 | 1.0895 | 1.0928 |
| 2-3 | 2012 | 1.1243 | 1.1530 |
| 1-2 | 2013 | 1.2400 | 1.3876 |

| MEDICAL | Policy Year | Incurred Cum LDF | Paid to 25th Cum LDF |
|---|---|---|---|
| Beyond | 1989 | 1.0273 | 1.0273 |
| 24-25 | 1990 | 1.0306 | 1.0789 |
| 23-24 | 1991 | 1.0338 | 1.0873 |
| 22-23 | 1992 | 1.0370 | 1.0965 |
| 21-22 | 1993 | 1.0402 | 1.1065 |
| 20-21 | 1994 | 1.0434 | 1.1175 |
| 19-20 | 1995 | 1.0468 | 1.1295 |
| 18-19 | 1996 | 1.0502 | 1.1427 |
| 17-18 | 1997 | 1.0540 | 1.1573 |
| 16-17 | 1998 | 1.0581 | 1.1733 |
| 15-16 | 1999 | 1.0628 | 1.1913 |
| 14-15 | 2000 | 1.0682 | 1.2113 |
| 13-14 | 2001 | 1.0747 | 1.2337 |
| 12-13 | 2002 | 1.0828 | 1.2590 |
| 11-12 | 2003 | 1.0928 | 1.2878 |
| 10-11 | 2004 | 1.1057 | 1.3208 |
| 9-10 | 2005 | 1.1226 | 1.3588 |
| 8-9 | 2006 | 1.1453 | 1.4034 |
| 7-8 | 2007 | 1.1761 | 1.4563 |
| 6-7 | 2008 | 1.2189 | 1.5207 |
| 5-6 | 2009 | 1.2795 | 1.6016 |
| 4-5 | 2010 | 1.3661 | 1.7094 |
| 3-4 | 2011 | 1.4884 | 1.8680 |
| 2-3 | 2012 | 1.6734 | 2.1538 |
| 1-2 | 2013 | 2.0751 | 2.9886 |

| MEDICAL | Policy Year | Benefit Level Factor | LAE |
|---|---|---|---|
| Beyond | 1989 | 1.0000 | 1.1998 |
| 24-25 | 1990 | 1.0000 | 1.1998 |
| 23-24 | 1991 | 1.0000 | 1.1998 |
| 22-23 | 1992 | 1.0000 | 1.1998 |
| 21-22 | 1993 | 1.0000 | 1.1998 |
| 20-21 | 1994 | 1.0000 | 1.1998 |
| 19-20 | 1995 | 1.0000 | 1.1998 |
| 18-19 | 1996 | 1.0000 | 1.1998 |
| 17-18 | 1997 | 1.0000 | 1.1998 |
| 16-17 | 1998 | 1.0000 | 1.1998 |
| 15-16 | 1999 | 1.0000 | 1.1998 |
| 14-15 | 2000 | 1.0000 | 1.1998 |
| 13-14 | 2001 | 1.0000 | 1.1998 |
| 12-13 | 2002 | 1.0000 | 1.1998 |
| 11-12 | 2003 | 1.0000 | 1.1998 |
| 10-11 | 2004 | 1.0000 | 1.1998 |
| 9-10 | 2005 | 1.0000 | 1.1998 |
| 8-9 | 2006 | 1.0000 | 1.1998 |
| 7-8 | 2007 | 1.0000 | 1.1998 |
| 6-7 | 2008 | 1.0000 | 1.1998 |
| 5-6 | 2009 | 1.0000 | 1.1998 |
| 4-5 | 2010 | 1.0000 | 1.1998 |
| 3-4 | 2011 | 1.0000 | 1.1998 |
| 2-3 | 2012 | 1.0000 | 1.1998 |
| 1-2 | 2013 | 1.0000 | 1.1998 |

| MEDICAL | Policy Year | | Incurred Base | Paid to 25th Base |
|---|---|---|---|---|
| Beyond | 1989 | | 28557872 | 28557872 |
| 24-25 | 1990 | | 27696415 | 26525390 |
| 23-24 | 1991 | | 27663120 | 27150944 |
| 22-23 | 1992 | | 27949702 | 27797808 |
| 21-22 | 1993 | | 31444469 | 29740059 |
| 20-21 | 1994 | | 25776031 | 24192379 |
| 19-20 | 1995 | | 27544567 | 25827282 |
| 18-19 | 1996 | | 39175069 | 35080728 |
| 17-18 | 1997 | | 34381207 | 31661207 |
| 16-17 | 1998 | | 31613626 | 29434760 |
| 15-16 | 1999 | | 36212411 | 33786520 |
| 14-15 | 2000 | | 53008694 | 46757009 |
| 13-14 | 2001 | | 38842394 | 34668604 |
| 12-13 | 2002 | | 47696918 | 43099128 |
| 11-12 | 2003 | | 55744525 | 47112025 |
| 10-11 | 2004 | | 57053861 | 50344140 |
| 9-10 | 2005 | | 60398827 | 50883082 |
| 8-9 | 2006 | | 63680974 | 51194023 |
| 7-8 | 2007 | | 62367458 | 52898267 |
| 6-7 | 2008 | | 62174728 | 51471339 |
| 5-6 | 2009 | | 67428753 | 54212482 |
| 4-5 | 2010 | | 71041384 | 60045548 |
| 3-4 | 2011 | | 69399049 | 56784459 |
| 2-3 | 2012 | | 53831032 | 43124393 |
| 1-2 | 2013 | | 44451439 | 32294937 |

| MEDICAL | Policy Year | Proj Ult Incurred (Avg Pd & Inc) | Proj Ult Incurred (Incur) | Proj Ult Incurred (Pd-25) |
|---|---|---|---|---|
| Beyond | 1989 | 29337502 | 29337502 | 29337502 |
| 24-25 | 1990 | 28581084 | 28543925 | 28618243 |
| 23-24 | 1991 | 29059677 | 28598133 | 29521221 |
| 22-23 | 1992 | 29732069 | 28983841 | 30480296 |
| 21-22 | 1993 | 32807956 | 32708537 | 32907375 |
| 20-21 | 1994 | 26964848 | 26894711 | 27034984 |
| 19-20 | 1995 | 29002784 | 28833653 | 29171915 |
| 18-19 | 1996 | 40614203 | 41141657 | 40086748 |
| 17-18 | 1997 | 36439654 | 36237792 | 36641515 |
| 16-17 | 1998 | 33993091 | 33450378 | 34535804 |
| 15-16 | 1999 | 39368216 | 38486550 | 40249881 |
| 14-15 | 2000 | 56630326 | 56623887 | 56636765 |
| 13-14 | 2001 | 42257289 | 41743921 | 42770657 |
| 12-13 | 2002 | 52954013 | 51646223 | 54261802 |
| 11-12 | 2003 | 60794242 | 60917617 | 60670866 |
| 10-11 | 2004 | 64789497 | 63084454 | 66494540 |
| 9-10 | 2005 | 68471828 | 67803723 | 69139932 |
| 8-9 | 2006 | 72389756 | 72933820 | 71845692 |
| 7-8 | 2007 | 75193057 | 73350367 | 77035746 |
| 6-7 | 2008 | 77028621 | 75784776 | 78272465 |
| 5-6 | 2009 | 86550900 | 86275089 | 86826711 |
| 4-5 | 2010 | 99845748 | 97049635 | 102641860 |
| 3-4 | 2011 | 104683457 | 103293545 | 106073369 |
| 2-3 | 2012 | 91481084 | 90080849 | 92881318 |
| 1-2 | 2013 | 94378915 | 92241181 | 96516649 |

| MEDICAL | Policy Year | Adjusted Ult Limited Loss (Avg Pd & Inc) | Adjusted Ult Limited Loss (Incur) | Adjusted Ult Limited Loss (Pd-25) |
|---|---|---|---|---|
| Beyond | 1989 | 35199135 | 35199135 | 35199135 |
| 24-25 | 1990 | 34291585 | 34247001 | 34336168 |
| 23-24 | 1991 | 34865800 | 34312040 | 35419561 |
| 22-23 | 1992 | 35672536 | 34774812 | 36570259 |
| 21-22 | 1993 | 39362986 | 39243703 | 39482269 |
| 20-21 | 1994 | 32352425 | 32268274 | 32436574 |
| 19-20 | 1995 | 34797540 | 34594617 | 35000464 |
| 18-19 | 1996 | 48728921 | 49361760 | 48096080 |
| 17-18 | 1997 | 43720297 | 43478103 | 43962490 |
| 16-17 | 1998 | 40784911 | 40133764 | 41436058 |
| 15-16 | 1999 | 47233986 | 46176163 | 48291807 |
| 14-15 | 2000 | 67945065 | 67937340 | 67952791 |
| 13-14 | 2001 | 50700295 | 50084356 | 51316234 |
| 12-13 | 2002 | 63534225 | 61965138 | 65103310 |
| 11-12 | 2003 | 72940932 | 73088957 | 72792905 |
| 10-11 | 2004 | 77734439 | 75688728 | 79780149 |
| 9-10 | 2005 | 82152499 | 81350907 | 82954090 |
| 8-9 | 2006 | 86853229 | 87505997 | 86200461 |
| 7-8 | 2007 | 90216630 | 88005770 | 92427488 |
| 6-7 | 2008 | 92418939 | 90926574 | 93911304 |
| 5-6 | 2009 | 103843770 | 103512852 | 104174688 |
| 4-5 | 2010 | 119794928 | 116440152 | 123149704 |
| 3-4 | 2011 | 125599212 | 123931595 | 127266828 |
| 2-3 | 2012 | 109759005 | 108079003 | 111439005 |
| 1-2 | 2013 | 113235822 | 110670969 | 115800675 |

MEDICAL

| Policy Year | Ult Limited Loss Ratio (Avg Pd & Inc) | Ult Limited Loss Ratio (Incur) | Ult Limited Loss Ratio (Pd-25) |
|---|---|---|---|
| 1989 | 0.2771 | 0.2771 | 0.2771 |
| 1990 | 0.3012 | 0.3008 | 0.3016 |
| 1991 | 0.3194 | 0.3143 | 0.3245 |
| 1992 | 0.3559 | 0.3469 | 0.3648 |
| 1993 | 0.3786 | 0.3775 | 0.3798 |
| 1994 | 0.3273 | 0.3265 | 0.3282 |
| 1995 | 0.3676 | 0.3654 | 0.3697 |
| 1996 | 0.4559 | 0.4618 | 0.4500 |
| 1997 | 0.4126 | 0.4104 | 0.4149 |
| 1998 | 0.4038 | 0.3974 | 0.4103 |
| 1999 | 0.4251 | 0.4156 | 0.4346 |
| 2000 | 0.5851 | 0.5850 | 0.5851 |
| 2001 | 0.4006 | 0.3957 | 0.4055 |
| 2002 | 0.4652 | 0.4537 | 0.4767 |
| 2003 | 0.5003 | 0.5013 | 0.4992 |
| 2004 | 0.4477 | 0.4359 | 0.4595 |
| 2005 | 0.4369 | 0.4326 | 0.4412 |
| 2006 | 0.4379 | 0.4412 | 0.4346 |
| 2007 | 0.4576 | 0.4464 | 0.4688 |
| 2008 | 0.4574 | 0.4500 | 0.4647 |
| 2009 | 0.5191 | 0.5174 | 0.5207 |
| 2010 | 0.6113 | 0.5942 | 0.6284 |
| 2011 | 0.6318 | 0.6234 | 0.6402 |
| 2012 | 0.5944 | 0.5853 | 0.6035 |
| 2013 | 0.6549 | 0.6400 | 0.6697 |

MEDICAL
FREQUENCY

| Policy Year | Claim Frequency | Normalized Frequency | Trend Factor to 1/1/14 | Selected Ann Trend Factor | Trend Period # Years | Trend 1/1/14-12/1/16 | Combined Trend Factor |
|---|---|---|---|---|---|---|---|
| | | | | -5.3% | 1 | | |
| | | | | -5.3% | 1 | | |
| | | | | -5.3% | 1 | | |
| | | | | -5.3% | 0.9167 | | |
| 2001 | 13.74 | 1.0000 | | | | | |
| 2002 | 13.92 | 1.0131 | | | | | |
| 2003 | 13.32 | 0.9694 | | | | | |
| 2004 | 11.73 | 0.8537 | | | | | |
| 2005 | 10.49 | 0.7635 | | | | | |
| 2006 | 9.88 | 0.7191 | | | | | |
| 2007 | 9.18 | 0.6682 | | | | | |
| 2008 | 8.16 | 0.5940 | | | | | |
| 2009 | 8.13 | 0.5918 | | | | | |
| 2010 | 8.14 | 0.5925 | 0.8493 | | | 0.8531 | 0.7245 |
| 2011 | 7.67 | 0.5583 | 0.8968 | | | 0.8531 | 0.7651 |
| 2012 | 6.90 | 0.5023 | 0.9470 | | | 0.8531 | 0.8079 |
| 2013* | 7.30 | 0.5314 | 1.0000 | | | 0.8531 | 0.8531 |

* Adjusted to a full Policy Year

MEDICAL SEVERITY RATIOS

| Policy Year | Ult Limited Severity Ratio (Average) | Ult Limited Severity Ratio (Incur) | Ult Limited Severity Ratio (Pd-24) |
|---|---|---|---|
| 2001 | 0.4006 | 0.3957 | 0.4055 |
| 2002 | 0.4592 | 0.4478 | 0.4705 |
| 2003 | 0.5161 | 0.5171 | 0.5150 |
| 2004 | 0.5244 | 0.5106 | 0.5382 |
| 2005 | 0.5722 | 0.5666 | 0.5779 |
| 2006 | 0.6090 | 0.6135 | 0.6044 |
| 2007 | 0.6848 | 0.6681 | 0.7016 |
| 2008 | 0.7700 | 0.7576 | 0.7823 |
| 2009 | 0.8772 | 0.8743 | 0.8799 |
| 2010 | 1.0317 | 1.0029 | 1.0606 |
| 2011 | 1.1316 | 1.1166 | 1.1467 |
| 2012 | 1.1834 | 1.1652 | 1.2015 |
| 2013 | 1.2324 | 1.2044 | 1.2603 |

| MEDICAL Linear **FITTED** | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.0467 | 1.0243 | 1.0692 |
| | 2011 | 1.1121 | 1.0896 | 1.1346 |
| | 2012 | 1.1775 | 1.1549 | 1.2000 |
| | 2013 | 1.2429 | 1.2202 | 1.2654 |
| 5 Point | 2009 | 0.9188 | 0.9082 | 0.9295 |
| | 2010 | 1.0051 | 0.9904 | 1.0196 |
| | 2011 | 1.0913 | 1.0727 | 1.1098 |
| | 2012 | 1.1775 | 1.1549 | 1.2000 |
| | 2013 | 1.2637 | 1.2372 | 1.2901 |
| 6 Point | 2008 | 0.7998 | 0.7901 | 0.8094 |
| | 2009 | 0.8950 | 0.8821 | 0.9077 |
| | 2010 | 0.9901 | 0.9742 | 1.0061 |
| | 2011 | 1.0853 | 1.0662 | 1.1044 |
| | 2012 | 1.1805 | 1.1582 | 1.2027 |
| | 2013 | 1.2756 | 1.2502 | 1.3010 |
| 7 Point | 2007 | 0.6954 | 0.6842 | 0.7067 |
| | 2008 | 0.7927 | 0.7794 | 0.8060 |
| | 2009 | 0.8900 | 0.8746 | 0.9054 |
| | 2010 | 0.9873 | 0.9699 | 1.0047 |
| | 2011 | 1.0846 | 1.0651 | 1.1040 |
| | 2012 | 1.1819 | 1.1603 | 1.2034 |
| | 2013 | 1.2792 | 1.2556 | 1.3027 |
| 8 Point | 2006 | 0.6027 | 0.5992 | 0.6061 |
| | 2007 | 0.6991 | 0.6924 | 0.7057 |
| | 2008 | 0.7954 | 0.7856 | 0.8053 |
| | 2009 | 0.8918 | 0.8787 | 0.9049 |
| | 2010 | 0.9882 | 0.9719 | 1.0045 |
| | 2011 | 1.0846 | 1.0651 | 1.1040 |
| | 2012 | 1.1810 | 1.1583 | 1.2036 |
| | 2013 | 1.2774 | 1.2515 | 1.3032 |
| 9 Point | 2005 | 0.5312 | 0.5289 | 0.5335 |
| | 2006 | 0.6232 | 0.6180 | 0.6283 |
| | 2007 | 0.7152 | 0.7072 | 0.7232 |
| | 2008 | 0.8072 | 0.7963 | 0.8180 |
| | 2009 | 0.8991 | 0.8855 | 0.9128 |
| | 2010 | 0.9911 | 0.9746 | 1.0076 |
| | 2011 | 1.0831 | 1.0638 | 1.1024 |
| | 2012 | 1.1751 | 1.1529 | 1.1973 |
| | 2013 | 1.2671 | 1.2420 | 1.2921 |
| 10 Point | 2004 | 0.4686 | 0.4642 | 0.4731 |
| | 2005 | 0.5560 | 0.5495 | 0.5625 |
| | 2006 | 0.6433 | 0.6348 | 0.6519 |
| | 2007 | 0.7307 | 0.7201 | 0.7412 |
| | 2008 | 0.8180 | 0.8053 | 0.8306 |
| | 2009 | 0.9053 | 0.8906 | 0.9200 |
| | 2010 | 0.9927 | 0.9759 | 1.0094 |
| | 2011 | 1.0800 | 1.0612 | 1.0988 |
| | 2012 | 1.1674 | 1.1465 | 1.1882 |
| | 2013 | 1.2547 | 1.2317 | 1.2776 |

| MEDICAL<br>Linear<br>**TRENDED** | | Severity<br>Ratio<br>(Average) | Severity<br>Ratio<br>(Incur) | Severity<br>Ratio<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | Fitted | 1.4336 | 1.4107 | 1.4561 |
| 5 Point | Fitted | 1.5151 | 1.4771 | 1.5531 |
| 6 Point | Fitted | 1.5532 | 1.5186 | 1.5877 |
| 7 Point | Fitted | 1.5629 | 1.5333 | 1.5924 |
| 8 Point | Fitted | 1.5585 | 1.5233 | 1.5936 |
| 9 Point | Fitted | 1.5354 | 1.5020 | 1.5687 |
| 10 Point | Fitted | 1.5095 | 1.4805 | 1.5384 |

| MEDICAL<br>Linear<br>**Severity Trend Factor** | | Sev Trend<br>Factor<br>(Average) | Sev Trend<br>Factor<br>(Incur) | Sev Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.3696 | 1.3772 | 1.3619 |
| | 2011 | 1.2891 | 1.2947 | 1.2834 |
| | 2012 | 1.2175 | 1.2215 | 1.2134 |
| | 2013 | 1.1535 | 1.1561 | 1.1507 |
| 5 Point | 2010 | 1.5075 | 1.4914 | 1.5232 |
| | 2011 | 1.3884 | 1.3770 | 1.3995 |
| | 2012 | 1.2868 | 1.2789 | 1.2943 |
| | 2013 | 1.1990 | 1.1939 | 1.2039 |
| 6 Point | 2010 | 1.5686 | 1.5588 | 1.5782 |
| | 2011 | 1.4311 | 1.4243 | 1.4377 |
| | 2012 | 1.3157 | 1.3112 | 1.3202 |
| | 2013 | 1.2176 | 1.2147 | 1.2204 |
| 7 Point | 2010 | 1.5830 | 1.5809 | 1.5850 |
| | 2011 | 1.4410 | 1.4396 | 1.4424 |
| | 2012 | 1.3224 | 1.3214 | 1.3233 |
| | 2013 | 1.2218 | 1.2212 | 1.2224 |
| 8 Point | 2010 | 1.5771 | 1.5673 | 1.5866 |
| | 2011 | 1.4369 | 1.4302 | 1.4435 |
| | 2012 | 1.3197 | 1.3151 | 1.3240 |
| | 2013 | 1.2201 | 1.2172 | 1.2229 |
| 9 Point | 2010 | 1.5491 | 1.5412 | 1.5568 |
| | 2011 | 1.4176 | 1.4120 | 1.4229 |
| | 2012 | 1.3066 | 1.3028 | 1.3102 |
| | 2013 | 1.2117 | 1.2093 | 1.2140 |
| 10 Point | 2010 | 1.5206 | 1.5170 | 1.5240 |
| | 2011 | 1.3976 | 1.3951 | 1.4000 |
| | 2012 | 1.2930 | 1.2913 | 1.2947 |
| | 2013 | 1.2030 | 1.2019 | 1.2041 |

| MEDICAL Expon'l **FITTED** | Policy Year | Severity Ratio (Average) | Severity Ratio (Incur) | Severity Ratio (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.0474 | 1.0245 | 1.0704 |
| | 2011 | 1.1098 | 1.0870 | 1.1325 |
| | 2012 | 1.1758 | 1.1533 | 1.1983 |
| | 2013 | 1.2458 | 1.2236 | 1.2678 |
| 5 Point | 2009 | 0.9202 | 0.9098 | 0.9304 |
| | 2010 | 0.9985 | 0.9846 | 1.0123 |
| | 2011 | 1.0835 | 1.0656 | 1.1014 |
| | 2012 | 1.1758 | 1.1533 | 1.1983 |
| | 2013 | 1.2759 | 1.2482 | 1.3037 |
| 6 Point | 2008 | 0.8062 | 0.7960 | 0.8162 |
| | 2009 | 0.8870 | 0.8744 | 0.8994 |
| | 2010 | 0.9759 | 0.9605 | 0.9910 |
| | 2011 | 1.0736 | 1.0551 | 1.0921 |
| | 2012 | 1.1812 | 1.1590 | 1.2034 |
| | 2013 | 1.2996 | 1.2731 | 1.3260 |
| 7 Point | 2007 | 0.7101 | 0.6978 | 0.7223 |
| | 2008 | 0.7869 | 0.7733 | 0.8005 |
| | 2009 | 0.8721 | 0.8568 | 0.8873 |
| | 2010 | 0.9665 | 0.9494 | 0.9834 |
| | 2011 | 1.0710 | 1.0521 | 1.0899 |
| | 2012 | 1.1869 | 1.1658 | 1.2080 |
| | 2013 | 1.3154 | 1.2917 | 1.3389 |
| 8 Point | 2006 | 0.6273 | 0.6229 | 0.6315 |
| | 2007 | 0.6982 | 0.6918 | 0.7044 |
| | 2008 | 0.7770 | 0.7682 | 0.7856 |
| | 2009 | 0.8647 | 0.8531 | 0.8762 |
| | 2010 | 0.9624 | 0.9474 | 0.9772 |
| | 2011 | 1.0710 | 1.0521 | 1.0899 |
| | 2012 | 1.1920 | 1.1683 | 1.2156 |
| | 2013 | 1.3266 | 1.2974 | 1.3558 |
| 9 Point | 2005 | 0.5669 | 0.5631 | 0.5706 |
| | 2006 | 0.6303 | 0.6249 | 0.6356 |
| | 2007 | 0.7007 | 0.6935 | 0.7079 |
| | 2008 | 0.7791 | 0.7696 | 0.7885 |
| | 2009 | 0.8662 | 0.8541 | 0.8782 |
| | 2010 | 0.9630 | 0.9478 | 0.9781 |
| | 2011 | 1.0707 | 1.0518 | 1.0894 |
| | 2012 | 1.1904 | 1.1673 | 1.2134 |
| | 2013 | 1.3235 | 1.2954 | 1.3515 |
| 10 Point | 2004 | 0.5148 | 0.5085 | 0.5211 |
| | 2005 | 0.5715 | 0.5641 | 0.5789 |
| | 2006 | 0.6345 | 0.6258 | 0.6430 |
| | 2007 | 0.7043 | 0.6943 | 0.7143 |
| | 2008 | 0.7819 | 0.7702 | 0.7934 |
| | 2009 | 0.8679 | 0.8544 | 0.8813 |
| | 2010 | 0.9635 | 0.9479 | 0.9790 |
| | 2011 | 1.0696 | 1.0516 | 1.0875 |
| | 2012 | 1.1874 | 1.1666 | 1.2080 |
| | 2013 | 1.3181 | 1.2942 | 1.3419 |

| MEDICAL<br>Expon'l<br>**TRENDED** | | Severity<br>Ratio<br>(Incur) | Severity<br>Ratio<br>(Incur) | Severity<br>Ratio<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | Fitted | 1.4745 | 1.4542 | 1.4946 |
| 5 Point | Fitted | 1.6193 | 1.5719 | 1.6673 |
| 6 Point | Fitted | 1.7170 | 1.6743 | 1.7599 |
| 7 Point | Fitted | 1.7750 | 1.7425 | 1.8074 |
| 8 Point | Fitted | 1.8124 | 1.7613 | 1.8640 |
| 9 Point | Fitted | 1.8029 | 1.7551 | 1.8508 |
| 10 Point | Fitted | 1.7875 | 1.7518 | 1.8232 |

| MEDICAL<br>Expon'l<br>**Severity Trend Factor** | | Sev Trend<br>Factor<br>(Average) | Sev Trend<br>Factor<br>(Incur) | Sev Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.4078 | 1.4193 | 1.3963 |
| | 2011 | 1.3287 | 1.3378 | 1.3197 |
| | 2012 | 1.2541 | 1.2609 | 1.2473 |
| | 2013 | 1.1836 | 1.1884 | 1.1789 |
| 5 Point | 2010 | 1.6217 | 1.5965 | 1.6470 |
| | 2011 | 1.4945 | 1.4751 | 1.5138 |
| | 2012 | 1.3772 | 1.3630 | 1.3914 |
| | 2013 | 1.2691 | 1.2594 | 1.2789 |
| 6 Point | 2010 | 1.7595 | 1.7431 | 1.7758 |
| | 2011 | 1.5992 | 1.5868 | 1.6115 |
| | 2012 | 1.4536 | 1.4446 | 1.4625 |
| | 2013 | 1.3212 | 1.3151 | 1.3272 |
| 7 Point | 2010 | 1.8366 | 1.8353 | 1.8379 |
| | 2011 | 1.6573 | 1.6563 | 1.6582 |
| | 2012 | 1.4955 | 1.4947 | 1.4961 |
| | 2013 | 1.3494 | 1.3490 | 1.3499 |
| 8 Point | 2010 | 1.8832 | 1.8591 | 1.9074 |
| | 2011 | 1.6922 | 1.6742 | 1.7102 |
| | 2012 | 1.5205 | 1.5076 | 1.5334 |
| | 2013 | 1.3662 | 1.3576 | 1.3748 |
| 9 Point | 2010 | 1.8721 | 1.8518 | 1.8922 |
| | 2011 | 1.6839 | 1.6687 | 1.6988 |
| | 2012 | 1.5145 | 1.5036 | 1.5252 |
| | 2013 | 1.3622 | 1.3549 | 1.3694 |
| 10 Point | 2010 | 1.8552 | 1.8481 | 1.8623 |
| | 2011 | 1.6712 | 1.6659 | 1.6765 |
| | 2012 | 1.5055 | 1.5016 | 1.5093 |
| | 2013 | 1.3562 | 1.3536 | 1.3587 |

| MEDICAL<br>Linear<br>**LR Trend Factor** | | LR Trend<br>Factor<br>(Average) | LR Trend<br>Factor<br>(Incur) | LR Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.9923 | 0.9978 | 0.9867 |
| | 2011 | 0.9863 | 0.9906 | 0.9819 |
| | 2012 | 0.9836 | 0.9868 | 0.9803 |
| | 2013 | 0.9841 | 0.9863 | 0.9817 |
| 5 Point | 2010 | 1.0922 | 1.0805 | 1.1036 |
| | 2011 | 1.0623 | 1.0535 | 1.0708 |
| | 2012 | 1.0396 | 1.0332 | 1.0457 |
| | 2013 | 1.0229 | 1.0185 | 1.0270 |
| 6 Point | 2010 | 1.1365 | 1.1294 | 1.1434 |
| | 2011 | 1.0949 | 1.0897 | 1.1000 |
| | 2012 | 1.0630 | 1.0593 | 1.0666 |
| | 2013 | 1.0387 | 1.0363 | 1.0411 |
| 7 Point | 2010 | 1.1469 | 1.1454 | 1.1483 |
| | 2011 | 1.1025 | 1.1014 | 1.1036 |
| | 2012 | 1.0684 | 1.0676 | 1.0691 |
| | 2013 | 1.0423 | 1.0418 | 1.0428 |
| 8 Point | 2010 | 1.1426 | 1.1355 | 1.1495 |
| | 2011 | 1.0994 | 1.0942 | 1.1044 |
| | 2012 | 1.0662 | 1.0625 | 1.0697 |
| | 2013 | 1.0409 | 1.0384 | 1.0433 |
| 9 Point | 2010 | 1.1223 | 1.1166 | 1.1279 |
| | 2011 | 1.0846 | 1.0803 | 1.0887 |
| | 2012 | 1.0556 | 1.0525 | 1.0585 |
| | 2013 | 1.0337 | 1.0317 | 1.0357 |
| 10 Point | 2010 | 1.1017 | 1.0991 | 1.1041 |
| | 2011 | 1.0693 | 1.0674 | 1.0711 |
| | 2012 | 1.0446 | 1.0432 | 1.0460 |
| | 2013 | 1.0263 | 1.0253 | 1.0272 |

| MEDICAL<br>Expon'l<br>**LR Trend Factor** | | LR Trend<br>Factor<br>(Average) | LR Trend<br>Factor<br>(Incur) | LR Trend<br>Factor<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 1.0200 | 1.0283 | 1.0116 |
| | 2011 | 1.0166 | 1.0236 | 1.0097 |
| | 2012 | 1.0132 | 1.0187 | 1.0077 |
| | 2013 | 1.0097 | 1.0138 | 1.0057 |
| 5 Point | 2010 | 1.1749 | 1.1567 | 1.1933 |
| | 2011 | 1.1434 | 1.1286 | 1.1582 |
| | 2012 | 1.1126 | 1.1012 | 1.1241 |
| | 2013 | 1.0827 | 1.0744 | 1.0910 |
| 6 Point | 2010 | 1.2748 | 1.2629 | 1.2866 |
| | 2011 | 1.2235 | 1.2141 | 1.2330 |
| | 2012 | 1.1744 | 1.1671 | 1.1816 |
| | 2013 | 1.1271 | 1.1219 | 1.1322 |
| 7 Point | 2010 | 1.3306 | 1.3297 | 1.3316 |
| | 2011 | 1.2680 | 1.2672 | 1.2687 |
| | 2012 | 1.2082 | 1.2076 | 1.2087 |
| | 2013 | 1.1512 | 1.1508 | 1.1516 |
| 8 Point | 2010 | 1.3644 | 1.3469 | 1.3819 |
| | 2011 | 1.2947 | 1.2809 | 1.3085 |
| | 2012 | 1.2284 | 1.2180 | 1.2388 |
| | 2013 | 1.1655 | 1.1582 | 1.1728 |
| 9 Point | 2010 | 1.3563 | 1.3416 | 1.3709 |
| | 2011 | 1.2884 | 1.2767 | 1.2998 |
| | 2012 | 1.2236 | 1.2148 | 1.2322 |
| | 2013 | 1.1621 | 1.1559 | 1.1682 |
| 10 Point | 2010 | 1.3441 | 1.3389 | 1.3492 |
| | 2011 | 1.2786 | 1.2746 | 1.2827 |
| | 2012 | 1.2163 | 1.2131 | 1.2194 |
| | 2013 | 1.1570 | 1.1548 | 1.1591 |

| MEDICAL<br>Linear<br>**TRENDED LR** | Base<br>Policy<br>Year | Trended<br>LR<br>(Average) | Trended<br>LR<br>(Incur) | Trended<br>LR<br>(Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.6066 | 0.5929 | 0.6200 |
| | 2011 | 0.6231 | 0.6175 | 0.6286 |
| | 2012 | 0.5847 | 0.5776 | 0.5916 |
| | 2013 | 0.6445 | 0.6312 | 0.6574 |
| | 4 Yr Ave | 0.6147 | 0.6048 | 0.6244 |
| 5 Point | 2010 | 0.6677 | 0.6420 | 0.6935 |
| | 2011 | 0.6712 | 0.6568 | 0.6855 |
| | 2012 | 0.6179 | 0.6047 | 0.6311 |
| | 2013 | 0.6699 | 0.6518 | 0.6878 |
| | 4 Yr Ave | 0.6567 | 0.6388 | 0.6745 |
| 6 Point | 2010 | 0.6947 | 0.6711 | 0.7185 |
| | 2011 | 0.6918 | 0.6793 | 0.7042 |
| | 2012 | 0.6318 | 0.6200 | 0.6437 |
| | 2013 | 0.6802 | 0.6632 | 0.6972 |
| | 4 Yr Ave | 0.6746 | 0.6584 | 0.6909 |
| 7 Point | 2010 | 0.7011 | 0.6806 | 0.7216 |
| | 2011 | 0.6966 | 0.6866 | 0.7065 |
| | 2012 | 0.6351 | 0.6249 | 0.6452 |
| | 2013 | 0.6826 | 0.6668 | 0.6984 |
| | 4 Yr Ave | 0.6789 | 0.6647 | 0.6929 |
| 8 Point | 2010 | 0.6985 | 0.6747 | 0.7223 |
| | 2011 | 0.6946 | 0.6821 | 0.7070 |
| | 2012 | 0.6337 | 0.6219 | 0.6456 |
| | 2013 | 0.6817 | 0.6646 | 0.6987 |
| | 4 Yr Ave | 0.6771 | 0.6608 | 0.6934 |
| 9 Point | 2010 | 0.6861 | 0.6635 | 0.7088 |
| | 2011 | 0.6853 | 0.6735 | 0.6970 |
| | 2012 | 0.6274 | 0.6160 | 0.6388 |
| | 2013 | 0.6770 | 0.6603 | 0.6936 |
| | 4 Yr Ave | 0.6690 | 0.6533 | 0.6846 |
| 10 Point | 2010 | 0.6735 | 0.6531 | 0.6938 |
| | 2011 | 0.6756 | 0.6654 | 0.6857 |
| | 2012 | 0.6209 | 0.6106 | 0.6313 |
| | 2013 | 0.6721 | 0.6562 | 0.6879 |
| | 4 Yr Ave | 0.6605 | 0.6463 | 0.6747 |

| MEDICAL Expon'l **TRENDED LR** | Base Policy Year | Trended LR (Average) | Trended LR (Incur) | Trended LR (Pd-25) |
|---|---|---|---|---|
| 4 Point | 2010 | 0.6235 | 0.6110 | 0.6357 |
| | 2011 | 0.6423 | 0.6381 | 0.6464 |
| | 2012 | 0.6022 | 0.5962 | 0.6081 |
| | 2013 | 0.6613 | 0.6488 | 0.6735 |
| | 4 Yr Ave | 0.6323 | 0.6235 | 0.6409 |
| 5 Point | 2010 | 0.7182 | 0.6873 | 0.7499 |
| | 2011 | 0.7224 | 0.7036 | 0.7415 |
| | 2012 | 0.6613 | 0.6445 | 0.6784 |
| | 2013 | 0.7091 | 0.6876 | 0.7306 |
| | 4 Yr Ave | 0.7028 | 0.6808 | 0.7251 |
| 6 Point | 2010 | 0.7793 | 0.7504 | 0.8085 |
| | 2011 | 0.7730 | 0.7569 | 0.7894 |
| | 2012 | 0.6981 | 0.6831 | 0.7131 |
| | 2013 | 0.7381 | 0.7180 | 0.7582 |
| | 4 Yr Ave | 0.7471 | 0.7271 | 0.7673 |
| 7 Point | 2010 | 0.8134 | 0.7901 | 0.8368 |
| | 2011 | 0.8011 | 0.7900 | 0.8122 |
| | 2012 | 0.7182 | 0.7068 | 0.7295 |
| | 2013 | 0.7539 | 0.7365 | 0.7712 |
| | 4 Yr Ave | 0.7717 | 0.7559 | 0.7874 |
| 8 Point | 2010 | 0.8341 | 0.8003 | 0.8684 |
| | 2011 | 0.8180 | 0.7985 | 0.8377 |
| | 2012 | 0.7302 | 0.7129 | 0.7476 |
| | 2013 | 0.7633 | 0.7412 | 0.7854 |
| | 4 Yr Ave | 0.7864 | 0.7632 | 0.8098 |
| 9 Point | 2010 | 0.8291 | 0.7972 | 0.8615 |
| | 2011 | 0.8140 | 0.7959 | 0.8321 |
| | 2012 | 0.7273 | 0.7110 | 0.7436 |
| | 2013 | 0.7611 | 0.7398 | 0.7823 |
| | 4 Yr Ave | 0.7829 | 0.7610 | 0.8049 |
| 10 Point | 2010 | 0.8216 | 0.7956 | 0.8478 |
| | 2011 | 0.8078 | 0.7946 | 0.8212 |
| | 2012 | 0.7230 | 0.7100 | 0.7359 |
| | 2013 | 0.7577 | 0.7391 | 0.7762 |
| | 4 Yr Ave | 0.7775 | 0.7598 | 0.7953 |

| INDEMNITY | | (Average) | (Incur) | (Pd-25) |
|---|---|---|---|---|
| **Severity** | | | | |
| **Ann Trend** | | | | |
| 4 Point | Linear | 9.9% | 8.9% | 10.7% |
| 5 Point | Linear | 7.4% | 5.8% | 8.6% |
| 6 Point | Linear | 6.8% | 5.9% | 7.6% |
| 7 Point | Linear | 5.7% | 4.8% | 6.3% |
| 8 Point | Linear | 4.8% | 4.1% | 5.4% |
| 9 Point | Linear | 4.2% | 3.7% | 4.6% |
| 10 Point | Linear | 3.9% | 3.5% | 4.2% |
| 4 Point | Expon'l | 12.4% | 11.0% | 13.7% |
| 5 Point | Expon'l | 9.2% | 7.1% | 11.2% |
| 6 Point | Expon'l | 9.0% | 7.6% | 10.2% |
| 7 Point | Expon'l | 7.7% | 6.4% | 8.8% |
| 8 Point | Expon'l | 6.7% | 5.6% | 7.7% |
| 9 Point | Expon'l | 6.1% | 5.1% | 6.9% |
| 10 Point | Expon'l | 5.8% | 5.1% | 6.5% |

| MEDICAL | | (Average) | (Incur) | (Pd-25) |
|---|---|---|---|---|
| **Severity** | | | | |
| **Ann Trend** | | | | |
| 4 Point | Linear | 5.0% | 5.1% | 5.0% |
| 5 Point | Linear | 6.7% | 6.5% | 7.0% |
| 6 Point | Linear | 7.4% | 7.3% | 7.6% |
| 7 Point | Linear | 7.6% | 7.5% | 7.7% |
| 8 Point | Linear | 7.5% | 7.3% | 7.7% |
| 9 Point | Linear | 7.2% | 7.0% | 7.3% |
| 10 Point | Linear | 6.8% | 6.7% | 6.9% |
| 4 Point | Expon'l | 6.0% | 6.1% | 5.8% |
| 5 Point | Expon'l | 8.5% | 8.2% | 8.8% |
| 6 Point | Expon'l | 10.0% | 9.8% | 10.2% |
| 7 Point | Expon'l | 10.8% | 10.8% | 10.8% |
| 8 Point | Expon'l | 11.3% | 11.0% | 11.5% |
| 9 Point | Expon'l | 11.2% | 11.0% | 11.4% |
| 10 Point | Expon'l | 11.0% | 10.9% | 11.1% |

| INDEMNITY | | (Average) | (Incur) | (Pd-25) |
|---|---|---|---|---|
| **Loss Ratio** | | | | |
| **Ann. Trend** | | | | |
| 4 Point | Linear | 4.8% | 3.7% | 5.8% |
| 5 Point | Linear | 2.2% | 0.6% | 3.6% |
| 6 Point | Linear | 1.7% | 0.7% | 2.6% |
| 7 Point | Linear | 0.6% | -0.3% | 1.4% |
| 8 Point | Linear | -0.1% | -1.0% | 0.5% |
| 9 Point | Linear | -0.7% | -1.4% | -0.1% |
| 10 Point | Linear | -1.0% | -1.5% | -0.5% |
| 4 Point | Expon'l | 7.2% | 5.7% | 8.6% |
| 5 Point | Expon'l | 3.8% | 1.6% | 5.9% |
| 6 Point | Expon'l | 3.6% | 2.1% | 4.9% |
| 7 Point | Expon'l | 2.2% | 0.8% | 3.4% |
| 8 Point | Expon'l | 1.2% | 0.0% | 2.2% |
| 9 Point | Expon'l | 0.5% | -0.5% | 1.3% |
| 10 Point | Expon'l | 0.3% | -0.5% | 0.9% |

| MEDICAL | | (Average) | (Incur) | (Pd-25) |
|---|---|---|---|---|
| **Loss Ratio** | | | | |
| **Ann. Trend** | | | | |
| 4 Point | Linear | -0.3% | -0.2% | -0.4% |
| 5 Point | Linear | 1.3% | 1.2% | 1.5% |
| 6 Point | Linear | 2.0% | 1.9% | 2.2% |
| 7 Point | Linear | 2.2% | 2.2% | 2.2% |
| 8 Point | Linear | 2.1% | 2.0% | 2.3% |
| 9 Point | Linear | 1.8% | 1.7% | 1.9% |
| 10 Point | Linear | 1.5% | 1.5% | 1.5% |
| 4 Point | Expon'l | 0.4% | 0.5% | 0.2% |
| 5 Point | Expon'l | 3.1% | 2.8% | 3.4% |
| 6 Point | Expon'l | 4.7% | 4.6% | 4.9% |
| 7 Point | Expon'l | 5.6% | 5.6% | 5.6% |
| 8 Point | Expon'l | 6.1% | 5.9% | 6.4% |
| 9 Point | Expon'l | 6.0% | 5.8% | 6.2% |
| 10 Point | Expon'l | 5.8% | 5.7% | 5.9% |