

SERFF Tracking #:

AFLA-128773583

State Tracking #:

Company Tracking #:

DC13A19400RATE

State: District of Columbia

Filing Company:

American Family Life Assurance Company of Columbus

TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.015 Multi-Plan

Product Name: 2013 Medicare Supplement Rate Filing - Individual Standardized Plans

Project Name/Number: /

## Supporting Document Schedules

|   |                         | Item Status: | Status Date: |
|---|-------------------------|--------------|--------------|
| Satisfied - Item:   | Actuarial Justification |              |              |
| Comments:   |                         |              |              |
| Attachment(s):  |                         |              |              |
| Washington D.C. 2013 MS Actuarial Memorandum - Indstd.pdf       |                         |              |              |
| Washington D.C. 2013 MS Actuarial Memorandum - Indstd Rates.pdf |                         |              |              |

|  |   | Item Status: | Status Date: |
|--|---|--------------|--------------|
| Satisfied - Item:  | Confidential / Trade Secret Information |              |              |
| Comments:  |   |              |              |
| Attachment(s):   |   |              |              |
| Washington D.C. 2013 MS Actuarial Memorandum - Indstd (TS).pdf |   |              |              |

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**Actuarial Memorandum**  
**Washington D.C.**

**Purpose of the Filing:**

This filing has been prepared to request approval for the proposed changes to the rates and to comply with annual filing requirements. The premiums are being revised as a result of changes in cost levels and changes in the Medicare program.

The policy forms subject to the proposed rate revisions and the amounts of the proposed rate revisions are listed in the **Form Summary/Proposed Rate Revision Exhibit**.

**General Description:**

|                                 |   |
|---------------------------------|---|
| <b>Issuer Name:</b>             | American Family Life Assurance Company of Columbus (Aflac)  |
| <b>Form Number:</b>             | The policy form numbers are listed in the exhibit labeled <b>Form Summary/Proposed Rate Revision</b> .  |
| <b>Type of Policy:</b>          | <b>Standardized</b> Medicare Supplement <b>Individual</b> coverage.   |
| <b>Benefit Description:</b>     | These policy forms provide <b>benefits which supplement Medicare</b> and are in compliance with the NAIC guidelines.                                  |
| <b>Renewal Provision:</b>       | The policy forms in this block are <b>guaranteed renewable</b> .  |
| <b>Marketing Approach:</b>      | These policy forms were marketed by Agents and by Brokers. They are no longer sold.   |
| <b>Issue Age Limits:</b>        | These policy forms were issued to all individuals age 65+ who were eligible for Medicare and if applicable, to disabled individuals age 64 and below. |
| <b>Premium Basis:</b>           | The premiums for these policies are <b>issue age</b> rated.   |
| <b>Actuarial Certification:</b> | Certification of a qualified actuary is attached.   |
| <b>Target Loss Ratio:</b>       | The originally filed and target lifetime loss ratio is 65%.   |
| <b>Open or Closed Block:</b>    | All policy forms have been withdrawn from sale.   |

## **Methodology and Assumptions used to Determine the Rates:**

### **Methodology:**

To increase statistical credibility, we used nationwide experience and combined all plans. Revised premiums were then calculated using a combination of rating models and actuarial judgement. The resulting premiums were then tested to assure that both lifetime and future anticipated loss ratios meet minimum standards.

### **Assumptions:**

**Claim Costs:** Claim costs were based on recent Company experience. In projecting future premiums and claims for calendar years 2014 and later, it was assumed that premiums and claims would both increase at the rate of 5.0% per year.

**Trend:** Trend factors to update claim costs from 2012 to 2013 were based on recent company experience, input from CMS, 2012 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds, input from consultants, and judgement.

**Persistency:** Persistency is based on recent Company experience.

**Interest:** The interest rate used for accumulating past experience and discounting future experience is 5%.

### **Rate Sheets:**

The **Premium Rates Exhibit** contains a set of proposed rates.

### **Rate History:**

A history of **rate revisions** applicable to policyholders for each form in this state is shown in the **Historical Rate Revisions Exhibit**.

### **Inforce Counts:**

Inforce counts for this state and the nation are shown in the **Inforce Exhibit**.

### **Data Requirements:**

Historical experience is provided on both a nationwide as well as a state-specific basis, if state experience is available. The **Experience Exhibit** contains historical experience.

### **Loss Ratio Demonstration:**

A Loss Ratio Demonstration is included in the **Loss Ratio Exhibit**. The demonstration includes both the Lifetime and Future Anticipated Loss Ratios. Projections of Earned Premiums and Incurred Claims have been provided with all plans combined in order to increase statistical credibility.

## Actuarial Certification

**Company:** American Family Life Assurance Company of Columbus (Aflac)

**Rate Submission:** 2013 Individual Standardized Medicare Supplement Annual Rate Filing and Premium Increase Filing

The anticipated loss ratios for these policies are at least 65% and to the best of my knowledge and belief, the benefits provided are reasonable to the premium charged, and in my opinion, the rates are not excessive, inadequate or unfairly discriminatory.



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Penny Way-Wells, FSA, MAAA  
Senior Manager, Rerating

11/5/2012

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Date

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**Forms Summary/Proposed Rate Revision**  
**Washington D.C.**

| Policy<br>Form | Plan | Approval<br>Date | Withdrawal Dates |                  | Proposed<br>Increase |
|----------------|------|------------------|------------------|------------------|----------------------|
|                |      |                  | Issue Age<br><65 | Issue Age<br>65+ |                      |
| A-1940A-22     | A    | 05/04/92         | 12/01/98         | 12/01/98         | 5.0                  |
| A-1940B-22     | B    | 05/04/92         | 12/01/98         | 12/01/98         | 5.0                  |
| A-1940C-22     | C    | 05/04/92         | 08/01/95         | 12/01/98         | 5.0                  |
| A-1940D-22     | D    | 05/04/92         | 12/31/93         | 12/31/93         | 5.0                  |
| A-1940E-22     | E    | 05/04/92         | 12/31/93         | 12/31/93         | 5.0                  |
| A-1940F-22     | F    | 05/04/92         | 08/01/95         | 12/01/98         | 5.0                  |
| A-1940G-22     | G    | 05/04/92         | 12/01/98         | 12/01/98         | 5.0                  |

**American Family Life Assurance Company of Columbus (Aflac)  
Individual Standardized Medicare Supplement Insurance  
Inforce Policy Count & Annualized Premium  
As of 06/30/2012**

**Nationwide**

| <u>Policy<br/>Form</u> | <u>Annualized<br/>Premium</u> | <u>Policy<br/>Count</u> | <u>Average<br/>Annual<br/>Premium</u> |
|------------------------|-------------------------------|-------------------------|---------------------------------------|
| A-1940A                | \$ 306,157                    | 137                     | \$ 2,235                              |
| A-1940B                | 887,972                       | 317                     | 2,801                                 |
| A-1940C                | 2,406,226                     | 780                     | 3,085                                 |
| A-1940D                | 81,633                        | 38                      | 2,148                                 |
| A-1940E                | 66,816                        | 30                      | 2,227                                 |
| A-1940F                | 15,166,817                    | 4,859                   | 3,121                                 |
| A-1940G                | 1,389,124                     | 517                     | 2,687                                 |

**Washington D.C.**

| <u>Policy<br/>Form</u> | <u>Annualized<br/>Premium</u> | <u>Policy<br/>Count</u> | <u>Average<br/>Annual<br/>Premium</u> |
|------------------------|-------------------------------|-------------------------|---------------------------------------|
| A-1940C-22             | \$ 2,939                      | 1                       | \$ 2,939                              |

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**Summary of Historical Rate Revisions**  
**Washington D.C.**

| Calendar<br><u>Year</u> | <u>Plan A</u> | <u>Plan B</u> | <u>Plan C</u> | <u>Plan D</u> | <u>Plan E</u> | <u>Plan F</u> | <u>Plan G</u> |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1994                    | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 1995                    | 6.0           | 6.0           | 6.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 1996                    | 8.0           | 8.0           | 8.0           | -4.0          | -4.0          | 4.0           | -4.0          |
| 1997                    | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 1998                    | 17.5          | 17.5          | 12.5          | 6.0           | 6.0           | 12.5          | 6.0           |
| 1999                    | 29.0          | 20.0          | 29.0          | 5.0           | 5.0           | 21.0          | 5.0           |
| 2000                    | 19.0          | 13.5          | 16.0          | 6.0           | 6.0           | 8.0           | 6.0           |
| 2001                    | 14.0          | 12.0          | 14.0          | 8.0           | 8.0           | 11.5          | 6.0           |
| 2002                    | 14.0          | 9.0           | 8.0           | 8.0           | 8.0           | 8.0           | 5.0           |
| 2003                    | 14.0          | 9.5           | 9.5           | 9.5           | 9.5           | 9.5           | 9.5           |
| 2004                    | 9.5           | 9.5           | 3.0           | 9.5           | 9.5           | 6.0           | 9.5           |
| 2005                    | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 2006                    | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 2007                    | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 2008                    | 7.5           | 7.5           | 7.5           | 7.5           | 7.5           | 7.5           | 7.5           |
| 2009                    | 6.0           | 6.0           | 6.0           | 6.0           | 6.0           | 6.0           | 6.0           |
| 2010                    | 6.5           | 6.5           | 6.5           | 6.5           | 6.5           | 6.5           | 6.5           |
| 2011                    | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| 2012                    | 5.0           | 5.0           | 5.0           | 5.0           | 5.0           | 5.0           | 5.0           |

**Aflac MEDICARE SUPPLEMENT AREA FACTORS BY 3-DIGIT ZIP CODE**  
**Individual Standardized Medicare Supplement Insurance**

|                            | <u>Area<br/>Factors</u> |                                | <u>Area<br/>Factors</u> |
|----------------------------|-------------------------|--------------------------------|-------------------------|
| Alabama                    |                         | Illinois                       |                         |
| 357, 362-364, 368, 369     | A                       | 600-601, 609-611, 613, 615-620 | A                       |
| 354-356, 358-361, 365-367  | B                       | 622-629                        | A                       |
| 350-352                    | C                       | 602-603, 612,614               | B                       |
|                            |                         | 605                            | C                       |
| Alaska                     |                         | 604, 606, 607,608              | D                       |
| 995-999                    | C                       |                                |                         |
| Arizona                    |                         | Indiana                        |                         |
| 855, 859, 860, 863-865     | B                       | 460-462, 465-479               | A                       |
| 856, 857                   | C                       | 463,464                        | B                       |
| 850, 852, 853              | D                       |                                |                         |
| Arkansas                   |                         | Iowa                           |                         |
| 716-719, 724-729           | A                       | 500-516, 520-528               | A                       |
| 720-723                    | B                       |                                |                         |
|                            |                         | Kansas                         |                         |
| California                 |                         | 660, 664-671, 673-679          | A                       |
| 932, 933, 936-938, 952-961 | C                       | 661, 662, 672                  | B                       |
| 900-931, 934, 935, 939-951 | D                       |                                |                         |
| Colorado                   |                         | Kentucky                       |                         |
| 800-816                    | A                       | 403-409, 411-418, 420-422      | A                       |
|                            |                         | 425-427                        | A                       |
| Connecticut                |                         | 400-402, 410, 423, 424         | B                       |
| 060-063, 067               | B                       |                                |                         |
| 064                        | B                       | Louisiana                      |                         |
| 065, 066, 068, 069         | B                       | 705, 706, 710-714              | B                       |
|                            |                         | 700, 701, 703, 704, 707, 708   | C                       |
| Delaware                   |                         | Maine                          |                         |
| 197-199                    | B                       | 039-049                        | A                       |
|                            |                         |                                |                         |
| Dist of Columbia           |                         | Massachusetts                  |                         |
| 200, 202-205               | B                       | 010-016, 025-027               | C                       |
|                            |                         | 017-019, 023, 024              | D                       |
| Florida                    |                         | 020                            | E                       |
| 323-326, 338, 344          | B                       | 021, 022                       | F                       |
| 320, 321, 327-329, 335-337 | C                       |                                |                         |
| 339, 340-342, 346, 347     | C                       | Michigan                       |                         |
| 322                        | D                       | 484, 486-499                   | A                       |
| 334, 349                   | E                       | 485                            | B                       |
| 330-333                    | G                       | 480-483                        | C                       |
|                            |                         |                                |                         |
| Georgia                    |                         | Minnesota                      |                         |
| 317, 398                   | A                       | 550, 551, 553, 554, 556-567    | A                       |
| 304-310, 312-316, 318, 319 | B                       |                                |                         |
| 300-303, 311               | C                       | Mississippi                    |                         |
|                            |                         | 386-397                        | A                       |
| Hawaii                     |                         |                                |                         |
| 967-968                    | B                       | Missouri                       |                         |
|                            |                         | 634, 635, 638, 639, 646        | A                       |
| Idaho                      |                         | 647, 653-657                   | A                       |
| 832-838                    | A                       | 633, 636, 637, 644, 645        | B                       |
|                            |                         | 648, 650-652, 658              | B                       |
|                            |                         | 630, 631, 640, 641             | C                       |

**Aflac MEDICARE SUPPLEMENT AREA FACTORS BY 3-DIGIT ZIP CODE**  
**Individual Standardized Medicare Supplement Insurance**

|  | <u>Area<br/>Factors</u> |  | <u>Area<br/>Factors</u> |
|--|-------------------------|--|-------------------------|
| Montana<br>590-599                         | A                       | Tennessee<br>370-374, 376-385              | A                       |
| Nebraska<br>680, 681, 683-693              | A                       | Texas<br>750-769, 778-799                  | B                       |
| Nevada<br>889-891, 893-895, 897, 898       | C                       | 773, 774, 776, 777                         | C                       |
|  |                         | 770-772, 775                               | D                       |
| New Hampshire<br>030-038                   | A                       | Utah<br>840-847                            | A                       |
| New Jersey<br>077-080, 082-089             | A                       | Vermont<br>050-054, 056-059                | A                       |
| 075, 081                                   | B                       |  |                         |
| 070-074, 076                               | C                       | Virginia<br>226-229, 238-245               | A                       |
| New Mexico<br>870-875, 877-884             | B                       | 224, 225, 230-237, 246                     | A                       |
|  |                         | 201, 220-223                               | B                       |
| North Carolina<br>270-289                  | A                       | Washington<br>985, 986, 988, 989, 993, 994 | A                       |
|  |                         | 980-984, 987, 990-992                      | B                       |
| North Dakota<br>580-588                    | A                       | Wisconsin<br>530-532, 534, 535, 537-549    | A                       |
| Ohio<br>430-440, 442-458                   | B                       | Wyoming<br>820-831                         | A                       |
| 441  | C                       |  |                         |
| Oklahoma<br>730, 731, 734-739, 740, 741    | B                       | Puerto Rico<br>All Zips                    | A                       |
| 743-749                                    | B                       |  |                         |
| Oregon<br>970-979                          | B                       | Virgin Islands<br>All Zips                 | A                       |
|  |                         |  |                         |
| Pennsylvania<br>158, 160, 167-169, 172-176 | A                       | Guam<br>All Zips                           | A                       |
| 178-179                                    | A                       |  |                         |
| 153-157, 159, 161-166, 170                 | B                       | New York<br>136, 140-149                   | A                       |
| 171, 177, 180-188, 195, 196                | B                       | 120-135, 137-139                           | B                       |
| 150-152, 189-191, 193,194                  | C                       | 090-098,100-119                            | G                       |
| Rhode Island<br>028-029                    | B                       |  |                         |
| South Carolina<br>290-299                  | A                       |  |                         |
| South Dakota<br>570-577                    | A                       |  |                         |

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**2013 Revised Monthly Premium Rates**  
**Washington D.C.**

| Form       | Area | Issue Age Band |           |           |           |           |           |
|------------|------|----------------|-----------|-----------|-----------|-----------|-----------|
|            |      | < 65           | 65        | 66-69     | 70-74     | 75-79     | 80+       |
| A-1940A-22 | A    | \$ 263.75      | \$ 185.50 | \$ 205.95 | \$ 231.85 | \$ 248.15 | \$ 263.75 |
| A-1940B-22 |      | 329.50         | 213.55    | 237.30    | 273.15    | 301.05    | 329.50    |
| A-1940C-22 |      | 395.50         | 249.40    | 277.20    | 318.60    | 354.10    | 395.50    |
| A-1940D-22 |      | 232.40         | 140.70    | 156.30    | 182.85    | 205.85    | 232.40    |
| A-1940E-22 |      | 232.40         | 146.60    | 163.05    | 187.30    | 208.05    | 232.40    |
| A-1940F-22 |      | 366.05         | 235.15    | 261.30    | 299.05    | 330.30    | 366.05    |
| A-1940G-22 |      | 249.85         | 154.45    | 171.50    | 199.80    | 223.00    | 249.85    |
| A-1940A-22 | B    | 285.50         | 200.55    | 222.95    | 250.70    | 268.50    | 285.50    |
| A-1940B-22 |      | 356.75         | 231.20    | 256.85    | 295.45    | 325.85    | 356.75    |
| A-1940C-22 |      | 428.05         | 270.00    | 299.90    | 344.70    | 383.35    | 428.05    |
| A-1940D-22 |      | 251.40         | 152.25    | 169.05    | 198.00    | 222.80    | 251.40    |
| A-1940E-22 |      | 251.40         | 158.80    | 176.50    | 202.65    | 225.25    | 251.40    |
| A-1940F-22 |      | 396.20         | 254.40    | 282.70    | 323.65    | 357.70    | 396.20    |
| A-1940G-22 |      | 270.45         | 167.15    | 185.85    | 216.05    | 241.55    | 270.45    |
| A-1940A-22 | C    | 310.70         | 218.20    | 242.60    | 272.60    | 291.75    | 310.70    |
| A-1940B-22 |      | 387.80         | 251.30    | 279.15    | 321.45    | 353.95    | 387.80    |
| A-1940C-22 |      | 465.40         | 293.25    | 325.70    | 374.85    | 416.65    | 465.40    |
| A-1940D-22 |      | 273.25         | 165.40    | 183.75    | 215.10    | 242.10    | 273.25    |
| A-1940E-22 |      | 273.25         | 172.60    | 191.80    | 220.45    | 244.75    | 273.25    |
| A-1940F-22 |      | 430.70         | 276.55    | 307.40    | 352.05    | 388.65    | 430.70    |
| A-1940G-22 |      | 293.95         | 181.70    | 201.95    | 234.85    | 262.70    | 293.95    |
| A-1940A-22 | D    | 335.65         | 235.65    | 261.50    | 294.40    | 314.95    | 335.65    |
| A-1940B-22 |      | 418.90         | 271.30    | 301.40    | 346.85    | 382.15    | 418.90    |
| A-1940C-22 |      | 502.80         | 316.70    | 351.70    | 404.90    | 450.05    | 502.80    |
| A-1940D-22 |      | 295.25         | 178.65    | 198.40    | 232.40    | 261.40    | 295.25    |
| A-1940E-22 |      | 295.25         | 186.45    | 207.15    | 238.15    | 264.40    | 295.25    |
| A-1940F-22 |      | 465.10         | 298.75    | 332.00    | 380.30    | 419.65    | 465.10    |
| A-1940G-22 |      | 317.40         | 196.25    | 218.00    | 253.65    | 283.60    | 317.40    |
| A-1940A-22 | E    | 363.20         | 254.95    | 283.30    | 318.70    | 341.60    | 363.20    |
| A-1940B-22 |      | 453.60         | 293.75    | 326.60    | 376.05    | 414.45    | 453.60    |
| A-1940C-22 |      | 544.60         | 342.95    | 381.10    | 438.65    | 487.55    | 544.60    |
| A-1940D-22 |      | 319.90         | 193.50    | 215.05    | 251.65    | 283.15    | 319.90    |
| A-1940E-22 |      | 319.90         | 202.05    | 224.45    | 257.80    | 286.50    | 319.90    |
| A-1940F-22 |      | 503.95         | 323.60    | 359.55    | 411.95    | 454.70    | 503.95    |
| A-1940G-22 |      | 343.95         | 212.65    | 236.30    | 274.75    | 307.35    | 343.95    |
| A-1940A-22 | F    | 394.50         | 276.60    | 307.35    | 346.05    | 370.60    | 394.50    |
| A-1940B-22 |      | 492.60         | 318.95    | 354.30    | 408.10    | 449.55    | 492.60    |
| A-1940C-22 |      | 591.10         | 372.50    | 413.90    | 476.05    | 529.20    | 591.10    |
| A-1940D-22 |      | 347.20         | 210.25    | 233.55    | 273.15    | 307.45    | 347.20    |
| A-1940E-22 |      | 347.20         | 219.20    | 243.55    | 279.85    | 310.90    | 347.20    |
| A-1940F-22 |      | 546.95         | 351.30    | 390.20    | 447.00    | 493.65    | 546.95    |
| A-1940G-22 |      | 373.45         | 230.85    | 256.50    | 298.25    | 333.40    | 373.45    |
| A-1940A-22 | G    | 428.70         | 300.65    | 334.20    | 376.20    | 402.55    | 428.70    |
| A-1940B-22 |      | 535.35         | 346.75    | 385.00    | 443.30    | 488.70    | 535.35    |
| A-1940C-22 |      | 642.45         | 404.70    | 449.65    | 517.20    | 575.20    | 642.45    |
| A-1940D-22 |      | 377.15         | 228.25    | 253.65    | 296.95    | 334.00    | 377.15    |
| A-1940E-22 |      | 377.15         | 238.20    | 264.60    | 304.15    | 337.85    | 377.15    |
| A-1940F-22 |      | 594.25         | 381.70    | 424.30    | 486.00    | 536.45    | 594.25    |
| A-1940G-22 |      | 405.70         | 250.85    | 278.55    | 324.10    | 362.25    | 405.70    |

Quarterly = 3 X Monthly  
Semi-Annual = 6 X Monthly

Annual = 11 X Monthly



**Penny Way-Wells, FSA, MAAA**  
Senior Manager, Rerating

Direct Dial: 706/660-7738  
FAX: 706/660-7171

To: District of Columbia Department of Insurance

Subject: American Family Life Assurance Company of Columbus - Aflac  
Individual-Standardized Medicare Supplement Coverage  
Forms Issued with a 65% Lifetime Loss Ratio Requirement  
Trade Secret Certification

Date: November 5, 2012

The loss ratio demonstrations and experience exhibits are being submitted as trade secret. The purpose of the documents included in this filing is to meet state filing requirements. These documents are not intended for any other purposes. American Family Life Assurance Company of Columbus, Aflac, certifies the following:

1. Aflac considers this information a trade secret that has value and provides an advantage, or an opportunity to obtain an advantage, over those who do not know or use it.
2. Aflac has taken measures to prevent the disclosure of the information to anyone other than those who have been selected to have access for limited purposes, and Aflac intends to continue such measures.
3. The information is not, and has not been, reasonably obtainable without the company's consent by other persons by use of legitimate means.
4. The information is not publicly available elsewhere.

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Penny T. Way-Wells, FSA, MAAA  
Senior Manager, Rerating

11/5/2012

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Date

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**Loss Ratio Demonstration**  
**With Proposed Rate Increase**  
**Nationwide**

| <b>Calendar<br/>Year</b>         | <b>Earned<br/>Premium(000's)</b> | <b>Incurred<br/>Claims(000's)</b> | <b>Loss<br/>Ratio</b> |
|----------------------------------|----------------------------------|-----------------------------------|-----------------------|
| 1992                             | 7,287                            | 2,961                             | 41%                   |
| 1993                             | 31,279                           | 15,556                            | 50%                   |
| 1994                             | 54,896                           | 31,448                            | 57%                   |
| 1995                             | 63,398                           | 40,911                            | 65%                   |
| 1996                             | 64,824                           | 45,633                            | 70%                   |
| 1997                             | 66,995                           | 47,743                            | 71%                   |
| 1998                             | 66,559                           | 45,860                            | 69%                   |
| 1999                             | 62,643                           | 42,789                            | 68%                   |
| 2000                             | 56,787                           | 37,701                            | 66%                   |
| 2001                             | 51,723                           | 32,555                            | 63%                   |
| 2002                             | 47,550                           | 29,340                            | 62%                   |
| 2003                             | 43,653                           | 27,299                            | 63%                   |
| 2004                             | 38,221                           | 26,524                            | 69%                   |
| 2005                             | 35,362                           | 26,934                            | 76%                   |
| 2006                             | 32,886                           | 24,052                            | 73%                   |
| 2007                             | 30,468                           | 21,311                            | 70%                   |
| 2008                             | 28,385                           | 20,117                            | 71%                   |
| 2009                             | 25,965                           | 18,732                            | 72%                   |
| 2010                             | 23,784                           | 17,240                            | 72%                   |
| 2011                             | 21,590                           | 15,924                            | 74%                   |
| 2012                             | 19,522                           | 15,059                            | 77%                   |
| 2013                             | 17,409                           | 13,890                            | 80%                   |
| 2014                             | 15,553                           | 12,620                            | 81%                   |
| 2015                             | 13,829                           | 11,360                            | 82%                   |
| 2016                             | 12,189                           | 10,126                            | 83%                   |
| 2017                             | 10,638                           | 8,932                             | 84%                   |
| 2018                             | 9,186                            | 7,783                             | 85%                   |
| 2019                             | 7,848                            | 6,700                             | 85%                   |
| 2020                             | 6,623                            | 5,688                             | 86%                   |
| 2021                             | 5,513                            | 4,759                             | 86%                   |
| 2022                             | 4,530                            | 3,925                             | 87%                   |
| 2023                             | 3,669                            | 3,184                             | 87%                   |
| 2024                             | 2,911                            | 2,526                             | 87%                   |
| 2025                             | 2,272                            | 1,969                             | 87%                   |
| 2026                             | 1,745                            | 1,509                             | 86%                   |
| 2027                             | 1,250                            | 1,073                             | 86%                   |
| 2028                             | 864                              | 730                               | 84%                   |
| 2029                             | 591                              | 489                               | 83%                   |
| 2030                             | 398                              | 321                               | 81%                   |
|                                  |                                  |                                   |                       |
| Accumulated Past Loss Ratio:     |                                  | <u>994,319</u><br>1,507,508       | = 66 %                |
| Anticipated Future Loss Ratio:   |                                  | <u>89,113</u><br>108,736          | = 82 %                |
| Anticipated Lifetime Loss Ratio: |                                  | <u>1,083,432</u><br>1,616,244     | = 67 %                |

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**Experience through 06/30/2012**  
**Incurred Claims are based on actual claim runoffs through 09/30/2012**

**Washington D.C.**

| <u>Plan</u> | <u>Calendar Year</u> | <u>Earned Premium</u> | <u>Incurred Claims</u> | <u>Loss Ratio</u> |
|-------------|----------------------|-----------------------|------------------------|-------------------|
| A           | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 0                     | 0                      | 0.0%              |
|             | 1996                 | 0                     | 0                      | 0.0%              |
|             | 1997                 | 0                     | 0                      | 0.0%              |
|             | 1998                 | 0                     | 0                      | 0.0%              |
|             | 1999                 | 0                     | 0                      | 0.0%              |
|             | 2000                 | 0                     | 0                      | 0.0%              |
|             | 2001                 | 0                     | 0                      | 0.0%              |
|             | 2002                 | 0                     | 0                      | 0.0%              |
|             | 2003                 | 0                     | 0                      | 0.0%              |
|             | 2004                 | 0                     | 0                      | 0.0%              |
|             | 2005                 | 0                     | 0                      | 0.0%              |
|             | 2006                 | 0                     | 0                      | 0.0%              |
|             | 2007                 | 0                     | 0                      | 0.0%              |
|             | 2008                 | 0                     | 0                      | 0.0%              |
|             | 2009                 | 0                     | 0                      | 0.0%              |
|             | 2010                 | 0                     | 0                      | 0.0%              |
|             | 2011                 | 0                     | 0                      | 0.0%              |
| 2012        | 0                    | 0                     | 0.0%                   |                   |
|             | Total                | 0                     | 0                      | 0.0%              |
| B           | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 0                     | 0                      | 0.0%              |
|             | 1996                 | 0                     | 0                      | 0.0%              |
|             | 1997                 | 0                     | 0                      | 0.0%              |
|             | 1998                 | 0                     | 0                      | 0.0%              |
|             | 1999                 | 0                     | 0                      | 0.0%              |
|             | 2000                 | 0                     | 0                      | 0.0%              |
|             | 2001                 | 0                     | 0                      | 0.0%              |
|             | 2002                 | 0                     | 0                      | 0.0%              |
|             | 2003                 | 0                     | 0                      | 0.0%              |
|             | 2004                 | 0                     | 0                      | 0.0%              |
|             | 2005                 | 0                     | 0                      | 0.0%              |
|             | 2006                 | 0                     | 0                      | 0.0%              |
|             | 2007                 | 0                     | 0                      | 0.0%              |
|             | 2008                 | 0                     | 0                      | 0.0%              |
|             | 2009                 | 0                     | 0                      | 0.0%              |
|             | 2010                 | 0                     | 0                      | 0.0%              |
|             | 2011                 | 0                     | 0                      | 0.0%              |
| 2012        | 0                    | 0                     | 0.0%                   |                   |
|             | Total                | 0                     | 0                      | 0.0%              |
| C           | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 1,345                 | 218                    | 16.2%             |
|             | 1996                 | 1,709                 | 1,161                  | 67.9%             |
|             | 1997                 | 2,091                 | 345                    | 16.5%             |
|             | 1998                 | 2,380                 | 1,004                  | 42.2%             |
|             | 1999                 | 1,237                 | 1,398                  | 113.1%            |
|             | 2000                 | 1,615                 | 1,870                  | 115.8%            |

| <u>Plan</u> | <u>Calendar Year</u> | <u>Earned Premium</u> | <u>Incurred Claims</u> | <u>Loss Ratio</u> |
|-------------|----------------------|-----------------------|------------------------|-------------------|
|             | 2001                 | 1,798                 | 0                      | 0.0%              |
|             | 2002                 | 1,998                 | 282                    | 14.1%             |
|             | 2003                 | 2,157                 | 186                    | 8.6%              |
|             | 2004                 | 2,353                 | 226                    | 9.6%              |
|             | 2005                 | 2,368                 | 483                    | 20.4%             |
|             | 2006                 | 2,421                 | 1,214                  | 50.2%             |
|             | 2007                 | 2,423                 | 3,408                  | 140.6%            |
|             | 2008                 | 2,503                 | 1,522                  | 60.8%             |
|             | 2009                 | 2,625                 | 1,630                  | 62.1%             |
|             | 2010                 | 2,760                 | 2,197                  | 79.6%             |
|             | 2011                 | 2,903                 | 1,041                  | 35.8%             |
|             | 2012                 | 1,871                 | 5,130                  | 274.2%            |
|             | Total                | 38,556                | 23,316                 | 60.5%             |
| D           | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 0                     | 0                      | 0.0%              |
|             | 1996                 | 0                     | 0                      | 0.0%              |
|             | 1997                 | 0                     | 0                      | 0.0%              |
|             | 1998                 | 0                     | 0                      | 0.0%              |
|             | 1999                 | 0                     | 0                      | 0.0%              |
|             | 2000                 | 0                     | 0                      | 0.0%              |
|             | 2001                 | 0                     | 0                      | 0.0%              |
|             | 2002                 | 0                     | 0                      | 0.0%              |
|             | 2003                 | 0                     | 0                      | 0.0%              |
|             | 2004                 | 0                     | 0                      | 0.0%              |
|             | 2005                 | 0                     | 0                      | 0.0%              |
|             | 2006                 | 0                     | 0                      | 0.0%              |
|             | 2007                 | 0                     | 0                      | 0.0%              |
|             | 2008                 | 0                     | 0                      | 0.0%              |
|             | 2009                 | 0                     | 0                      | 0.0%              |
|             | 2010                 | 0                     | 0                      | 0.0%              |
|             | 2011                 | 0                     | 0                      | 0.0%              |
|             | 2012                 | 0                     | 0                      | 0.0%              |
|             | Total                | 0                     | 0                      | 0.0%              |
| E           | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 0                     | 0                      | 0.0%              |
|             | 1996                 | 0                     | 0                      | 0.0%              |
|             | 1997                 | 0                     | 0                      | 0.0%              |
|             | 1998                 | 0                     | 0                      | 0.0%              |
|             | 1999                 | 0                     | 0                      | 0.0%              |
|             | 2000                 | 0                     | 0                      | 0.0%              |
|             | 2001                 | 0                     | 0                      | 0.0%              |
|             | 2002                 | 0                     | 0                      | 0.0%              |
|             | 2003                 | 0                     | 0                      | 0.0%              |
|             | 2004                 | 0                     | 0                      | 0.0%              |
|             | 2005                 | 0                     | 0                      | 0.0%              |
|             | 2006                 | 0                     | 0                      | 0.0%              |
|             | 2007                 | 0                     | 0                      | 0.0%              |
|             | 2008                 | 0                     | 0                      | 0.0%              |
|             | 2009                 | 0                     | 0                      | 0.0%              |
|             | 2010                 | 0                     | 0                      | 0.0%              |
|             | 2011                 | 0                     | 0                      | 0.0%              |
|             | 2012                 | 0                     | 0                      | 0.0%              |
|             | Total                | 0                     | 0                      | 0.0%              |
| F           | 1992                 | 0                     | 0                      | 0.0%              |

| <u>Plan</u> | <u>Calendar Year</u> | <u>Earned Premium</u> | <u>Incurred Claims</u> | <u>Loss Ratio</u> |
|-------------|----------------------|-----------------------|------------------------|-------------------|
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 0                     | 0                      | 0.0%              |
|             | 1996                 | 0                     | 0                      | 0.0%              |
|             | 1997                 | 0                     | 0                      | 0.0%              |
|             | 1998                 | 0                     | 0                      | 0.0%              |
|             | 1999                 | 0                     | 0                      | 0.0%              |
|             | 2000                 | 0                     | 0                      | 0.0%              |
|             | 2001                 | 0                     | 0                      | 0.0%              |
|             | 2002                 | 0                     | 0                      | 0.0%              |
|             | 2003                 | 0                     | 0                      | 0.0%              |
|             | 2004                 | 0                     | 0                      | 0.0%              |
|             | 2005                 | 0                     | 0                      | 0.0%              |
|             | 2006                 | 0                     | 0                      | 0.0%              |
|             | 2007                 | 0                     | 0                      | 0.0%              |
|             | 2008                 | 0                     | 0                      | 0.0%              |
|             | 2009                 | 0                     | 0                      | 0.0%              |
|             | 2010                 | 0                     | 0                      | 0.0%              |
|             | 2011                 | 0                     | 0                      | 0.0%              |
|             | 2012                 | 0                     | 0                      | 0.0%              |
|             | Total                | 0                     | 0                      | 0.0%              |
| G           | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 0                     | 0                      | 0.0%              |
|             | 1996                 | 0                     | 0                      | 0.0%              |
|             | 1997                 | 0                     | 0                      | 0.0%              |
|             | 1998                 | 540                   | 0                      | 0.0%              |
|             | 1999                 | 1,638                 | 0                      | 0.0%              |
|             | 2000                 | 1,748                 | 0                      | 0.0%              |
|             | 2001                 | 1,825                 | 0                      | 0.0%              |
|             | 2002                 | 1,662                 | 0                      | 0.0%              |
|             | 2003                 | 0                     | 0                      | 0.0%              |
|             | 2004                 | 0                     | 0                      | 0.0%              |
|             | 2005                 | 0                     | 0                      | 0.0%              |
|             | 2006                 | 0                     | 0                      | 0.0%              |
|             | 2007                 | 0                     | 0                      | 0.0%              |
|             | 2008                 | 0                     | 0                      | 0.0%              |
|             | 2009                 | 0                     | 0                      | 0.0%              |
|             | 2010                 | 0                     | 0                      | 0.0%              |
|             | 2011                 | 0                     | 0                      | 0.0%              |
|             | 2012                 | 0                     | 0                      | 0.0%              |
|             | Total                | 7,413                 | 0                      | 0.0%              |
| All Plans   | 1992                 | 0                     | 0                      | 0.0%              |
|             | 1993                 | 0                     | 0                      | 0.0%              |
|             | 1994                 | 0                     | 0                      | 0.0%              |
|             | 1995                 | 1,345                 | 218                    | 16.2%             |
|             | 1996                 | 1,709                 | 1,161                  | 67.9%             |
|             | 1997                 | 2,091                 | 345                    | 16.5%             |
|             | 1998                 | 2,920                 | 1,004                  | 34.4%             |
|             | 1999                 | 2,875                 | 1,398                  | 48.6%             |
|             | 2000                 | 3,363                 | 1,870                  | 55.6%             |
|             | 2001                 | 3,623                 | 0                      | 0.0%              |
|             | 2002                 | 3,660                 | 282                    | 7.7%              |
|             | 2003                 | 2,157                 | 186                    | 8.6%              |
|             | 2004                 | 2,353                 | 226                    | 9.6%              |
|             | 2005                 | 2,368                 | 483                    | 20.4%             |
|             | 2006                 | 2,421                 | 1,214                  | 50.2%             |
|             | 2007                 | 2,423                 | 3,408                  | 140.6%            |

| <u>Plan</u> | <u>Calendar<br/>Year</u> | <u>Earned<br/>Premium</u> | <u>Incurred<br/>Claims</u> | <u>Loss<br/>Ratio</u> |
|-------------|--------------------------|---------------------------|----------------------------|-----------------------|
|             | 2008                     | 2,503                     | 1,522                      | 60.8%                 |
|             | 2009                     | 2,625                     | 1,630                      | 62.1%                 |
|             | 2010                     | 2,760                     | 2,197                      | 79.6%                 |
|             | 2011                     | 2,903                     | 1,041                      | 35.8%                 |
|             | 2012                     | 1,871                     | 5,130                      | 274.2%                |
|             | Total                    | 45,970                    | 23,316                     | 50.7%                 |

**American Family Life Assurance Company of Columbus (Aflac)**  
**Individual Standardized Medicare Supplement Insurance**  
**Nationwide Experience through 06/30/2012**  
**Incurred Claims are based on actual claim runoffs through 09/30/2012**

| <u>Plan</u> | <u>Calendar Year</u> | <u>Earned Premium</u> | <u>Incurred Claims</u> | <u>Loss Ratio</u> |
|-------------|----------------------|-----------------------|------------------------|-------------------|
| A           | 1992                 | 241,564               | 95,454                 | 39.5%             |
|             | 1993                 | 618,587               | 312,244                | 50.5%             |
|             | 1994                 | 839,478               | 582,115                | 69.3%             |
|             | 1995                 | 1,339,713             | 911,004                | 68.0%             |
|             | 1996                 | 1,373,838             | 1,048,699              | 76.3%             |
|             | 1997                 | 1,357,610             | 1,112,324              | 81.9%             |
|             | 1998                 | 1,346,344             | 1,281,475              | 95.2%             |
|             | 1999                 | 1,206,898             | 1,105,432              | 91.6%             |
|             | 2000                 | 1,059,129             | 886,093                | 83.7%             |
|             | 2001                 | 981,761               | 757,691                | 77.2%             |
|             | 2002                 | 896,356               | 657,781                | 73.4%             |
|             | 2003                 | 829,423               | 591,448                | 71.3%             |
|             | 2004                 | 743,032               | 446,326                | 60.1%             |
|             | 2005                 | 658,850               | 412,446                | 62.6%             |
|             | 2006                 | 597,873               | 344,250                | 57.6%             |
|             | 2007                 | 537,572               | 310,873                | 57.8%             |
|             | 2008                 | 474,590               | 289,107                | 60.9%             |
|             | 2009                 | 405,702               | 257,275                | 63.4%             |
|             | 2010                 | 365,605               | 238,818                | 65.3%             |
|             | 2011                 | 329,031               | 185,786                | 56.5%             |
| 2012        | 155,520              | 80,738                | 51.9%                  |                   |
|             | Total                | 16,358,476            | 11,907,379             | 72.8%             |
| B           | 1992                 | 522,300               | 228,108                | 43.7%             |
|             | 1993                 | 2,029,954             | 1,147,834              | 56.5%             |
|             | 1994                 | 4,136,224             | 2,610,421              | 63.1%             |
|             | 1995                 | 5,337,413             | 3,834,383              | 71.8%             |
|             | 1996                 | 5,542,788             | 4,019,951              | 72.5%             |
|             | 1997                 | 5,436,308             | 4,025,697              | 74.1%             |
|             | 1998                 | 4,946,765             | 3,462,941              | 70.0%             |
|             | 1999                 | 4,267,918             | 2,900,372              | 68.0%             |
|             | 2000                 | 3,738,930             | 2,468,712              | 66.0%             |
|             | 2001                 | 3,280,700             | 2,019,891              | 61.6%             |
|             | 2002                 | 2,901,175             | 1,785,932              | 61.6%             |
|             | 2003                 | 2,640,831             | 1,672,136              | 63.3%             |
|             | 2004                 | 2,365,616             | 1,597,714              | 67.5%             |
|             | 2005                 | 2,054,901             | 1,469,640              | 71.5%             |
|             | 2006                 | 1,846,574             | 1,221,592              | 66.2%             |
|             | 2007                 | 1,648,145             | 1,012,606              | 61.4%             |
|             | 2008                 | 1,433,297             | 916,877                | 64.0%             |
|             | 2009                 | 1,257,129             | 844,772                | 67.2%             |
|             | 2010                 | 1,103,711             | 699,254                | 63.4%             |
|             | 2011                 | 983,601               | 615,561                | 62.6%             |
| 2012        | 447,693              | 290,594               | 64.9%                  |                   |
|             | Total                | 57,921,975            | 38,844,989             | 67.1%             |
| C           | 1992                 | 565,856               | 200,634                | 35.5%             |
|             | 1993                 | 3,936,181             | 2,044,618              | 51.9%             |
|             | 1994                 | 9,819,164             | 6,145,055              | 62.6%             |
|             | 1995                 | 12,839,923            | 8,814,022              | 68.6%             |
|             | 1996                 | 13,190,171            | 9,929,741              | 75.3%             |
|             | 1997                 | 13,046,824            | 10,125,401             | 77.6%             |
|             | 1998                 | 12,193,027            | 8,869,689              | 72.7%             |
|             | 1999                 | 11,181,499            | 7,871,849              | 70.4%             |
|             | 2000                 | 10,025,698            | 6,493,584              | 64.8%             |

| <u>Plan</u> | <u>Calendar Year</u> | <u>Earned Premium</u> | <u>Incurred Claims</u> | <u>Loss Ratio</u> |
|-------------|----------------------|-----------------------|------------------------|-------------------|
|             | 2001                 | 8,925,782             | 5,315,999              | 59.6%             |
|             | 2002                 | 8,022,429             | 4,477,144              | 55.8%             |
|             | 2003                 | 7,295,963             | 4,164,945              | 57.1%             |
|             | 2004                 | 6,490,246             | 3,944,549              | 60.8%             |
|             | 2005                 | 5,641,833             | 4,605,784              | 81.6%             |
|             | 2006                 | 4,943,675             | 3,170,596              | 64.1%             |
|             | 2007                 | 4,440,271             | 2,822,417              | 63.6%             |
|             | 2008                 | 3,970,588             | 2,709,818              | 68.2%             |
|             | 2009                 | 3,436,091             | 2,485,664              | 72.3%             |
|             | 2010                 | 3,019,460             | 2,016,768              | 66.8%             |
|             | 2011                 | 2,651,256             | 1,912,579              | 72.1%             |
|             | 2012                 | 1,215,266             | 927,150                | 76.3%             |
|             | Total                | 146,851,201           | 99,048,006             | 67.4%             |
| D           | 1992                 | 86,201                | 36,196                 | 42.0%             |
|             | 1993                 | 306,014               | 146,510                | 47.9%             |
|             | 1994                 | 407,514               | 197,726                | 48.5%             |
|             | 1995                 | 341,782               | 235,998                | 69.0%             |
|             | 1996                 | 285,006               | 264,690                | 92.9%             |
|             | 1997                 | 241,058               | 197,008                | 81.7%             |
|             | 1998                 | 223,309               | 181,937                | 81.5%             |
|             | 1999                 | 221,008               | 148,211                | 67.1%             |
|             | 2000                 | 215,582               | 153,768                | 71.3%             |
|             | 2001                 | 210,030               | 198,286                | 94.4%             |
|             | 2002                 | 192,768               | 196,540                | 102.0%            |
|             | 2003                 | 173,781               | 150,468                | 86.6%             |
|             | 2004                 | 162,695               | 138,740                | 85.3%             |
|             | 2005                 | 152,203               | 148,123                | 97.3%             |
|             | 2006                 | 137,924               | 113,720                | 82.5%             |
|             | 2007                 | 136,594               | 126,989                | 93.0%             |
|             | 2008                 | 135,832               | 106,427                | 78.4%             |
|             | 2009                 | 127,455               | 122,425                | 96.1%             |
|             | 2010                 | 115,701               | 118,997                | 102.8%            |
|             | 2011                 | 101,162               | 89,103                 | 88.1%             |
|             | 2012                 | 41,173                | 50,498                 | 122.6%            |
|             | Total                | 4,014,792             | 3,122,359              | 77.8%             |
| E           | 1992                 | 40,493                | 7,484                  | 18.5%             |
|             | 1993                 | 160,921               | 56,030                 | 34.8%             |
|             | 1994                 | 184,688               | 81,802                 | 44.3%             |
|             | 1995                 | 134,931               | 69,260                 | 51.3%             |
|             | 1996                 | 114,410               | 90,682                 | 79.3%             |
|             | 1997                 | 83,859                | 98,779                 | 117.8%            |
|             | 1998                 | 103,824               | 76,340                 | 73.5%             |
|             | 1999                 | 102,144               | 92,538                 | 90.6%             |
|             | 2000                 | 94,917                | 78,630                 | 82.8%             |
|             | 2001                 | 98,786                | 114,993                | 116.4%            |
|             | 2002                 | 101,113               | 93,615                 | 92.6%             |
|             | 2003                 | 92,270                | 70,666                 | 76.6%             |
|             | 2004                 | 78,023                | 53,001                 | 67.9%             |
|             | 2005                 | 72,681                | 64,018                 | 88.1%             |
|             | 2006                 | 78,875                | 72,435                 | 91.8%             |
|             | 2007                 | 81,060                | 65,424                 | 80.7%             |
|             | 2008                 | 76,221                | 66,429                 | 87.2%             |
|             | 2009                 | 80,476                | 51,286                 | 63.7%             |
|             | 2010                 | 68,838                | 61,436                 | 89.2%             |
|             | 2011                 | 69,281                | 46,394                 | 67.0%             |
|             | 2012                 | 34,576                | 22,350                 | 64.6%             |
|             | Total                | 1,952,384             | 1,433,591              | 73.4%             |
| F           | 1992                 | 5,635,937             | 2,331,072              | 41.4%             |

| <u>Plan</u>      | <u>Calendar<br/>Year</u> | <u>Earned<br/>Premium</u> | <u>Incurred<br/>Claims</u> | <u>Loss<br/>Ratio</u> |
|------------------|--------------------------|---------------------------|----------------------------|-----------------------|
|                  | 1993                     | 23,695,021                | 11,676,915                 | 49.3%                 |
|                  | 1994                     | 38,836,005                | 21,485,285                 | 55.3%                 |
|                  | 1995                     | 42,691,567                | 26,641,354                 | 62.4%                 |
|                  | 1996                     | 43,195,013                | 29,671,516                 | 68.7%                 |
|                  | 1997                     | 44,829,318                | 31,039,780                 | 69.2%                 |
|                  | 1998                     | 44,515,143                | 29,931,079                 | 67.2%                 |
|                  | 1999                     | 42,076,965                | 28,510,667                 | 67.8%                 |
|                  | 2000                     | 38,489,825                | 25,475,015                 | 66.2%                 |
|                  | 2001                     | 35,359,263                | 22,184,564                 | 62.7%                 |
|                  | 2002                     | 32,803,634                | 20,325,155                 | 62.0%                 |
|                  | 2003                     | 30,146,563                | 18,552,189                 | 61.5%                 |
|                  | 2004                     | 26,014,637                | 18,579,501                 | 71.4%                 |
|                  | 2005                     | 24,598,530                | 18,455,306                 | 75.0%                 |
|                  | 2006                     | 23,235,888                | 17,588,457                 | 75.7%                 |
|                  | 2007                     | 21,685,798                | 15,578,432                 | 71.8%                 |
|                  | 2008                     | 20,422,879                | 14,647,991                 | 71.7%                 |
|                  | 2009                     | 18,909,743                | 13,570,304                 | 71.8%                 |
|                  | 2010                     | 17,544,657                | 12,923,521                 | 73.7%                 |
|                  | 2011                     | 16,003,057                | 12,031,164                 | 75.2%                 |
|                  | 2012                     | 7,588,119                 | 5,842,704                  | 77.0%                 |
|                  | Total                    | 598,277,560               | 397,041,972                | 66.4%                 |
| <b>G</b>         | 1992                     | 194,498                   | 61,616                     | 31.7%                 |
|                  | 1993                     | 531,977                   | 172,201                    | 32.4%                 |
|                  | 1994                     | 672,523                   | 345,380                    | 51.4%                 |
|                  | 1995                     | 713,079                   | 404,863                    | 56.8%                 |
|                  | 1996                     | 1,123,069                 | 607,223                    | 54.1%                 |
|                  | 1997                     | 1,999,989                 | 1,143,964                  | 57.2%                 |
|                  | 1998                     | 3,230,481                 | 2,056,366                  | 63.7%                 |
|                  | 1999                     | 3,586,976                 | 2,159,680                  | 60.2%                 |
|                  | 2000                     | 3,162,509                 | 2,145,171                  | 67.8%                 |
|                  | 2001                     | 2,866,415                 | 1,963,928                  | 68.5%                 |
|                  | 2002                     | 2,632,355                 | 1,803,372                  | 68.5%                 |
|                  | 2003                     | 2,474,041                 | 2,097,018                  | 84.8%                 |
|                  | 2004                     | 2,366,871                 | 1,764,121                  | 74.5%                 |
|                  | 2005                     | 2,182,503                 | 1,778,729                  | 81.5%                 |
|                  | 2006                     | 2,045,241                 | 1,540,546                  | 75.3%                 |
|                  | 2007                     | 1,938,626                 | 1,394,524                  | 71.9%                 |
|                  | 2008                     | 1,871,816                 | 1,380,848                  | 73.8%                 |
|                  | 2009                     | 1,748,325                 | 1,400,572                  | 80.1%                 |
|                  | 2010                     | 1,565,751                 | 1,181,333                  | 75.4%                 |
|                  | 2011                     | 1,452,720                 | 1,043,284                  | 71.8%                 |
|                  | 2012                     | 696,502                   | 546,818                    | 78.5%                 |
|                  | Total                    | 39,056,268                | 26,991,557                 | 69.1%                 |
| <b>All Plans</b> | 1992                     | 7,286,849                 | 2,960,563                  | 40.6%                 |
|                  | 1993                     | 31,278,655                | 15,556,353                 | 49.7%                 |
|                  | 1994                     | 54,895,596                | 31,447,783                 | 57.3%                 |
|                  | 1995                     | 63,398,407                | 40,910,884                 | 64.5%                 |
|                  | 1996                     | 64,824,295                | 45,632,501                 | 70.4%                 |
|                  | 1997                     | 66,994,966                | 47,742,953                 | 71.3%                 |
|                  | 1998                     | 66,558,892                | 45,859,827                 | 68.9%                 |
|                  | 1999                     | 62,643,407                | 42,788,749                 | 68.3%                 |
|                  | 2000                     | 56,786,590                | 37,700,973                 | 66.4%                 |
|                  | 2001                     | 51,722,736                | 32,555,353                 | 62.9%                 |
|                  | 2002                     | 47,549,830                | 29,339,538                 | 61.7%                 |
|                  | 2003                     | 43,652,871                | 27,298,869                 | 62.5%                 |
|                  | 2004                     | 38,221,121                | 26,523,953                 | 69.4%                 |
|                  | 2005                     | 35,361,500                | 26,934,048                 | 76.2%                 |
|                  | 2006                     | 32,886,050                | 24,051,596                 | 73.1%                 |
|                  | 2007                     | 30,468,066                | 21,311,265                 | 69.9%                 |

| <u>Plan</u> | <u>Calendar</u><br><u>Year</u> | <u>Earned</u><br><u>Premium</u> | <u>Incurred</u><br><u>Claims</u> | <u>Loss</u><br><u>Ratio</u> |
|-------------|--------------------------------|---------------------------------|----------------------------------|-----------------------------|
|             | 2008                           | 28,385,222                      | 20,117,496                       | 70.9%                       |
|             | 2009                           | 25,964,922                      | 18,732,298                       | 72.1%                       |
|             | 2010                           | 23,783,724                      | 17,240,128                       | 72.5%                       |
|             | 2011                           | 21,590,107                      | 15,923,872                       | 73.8%                       |
|             | 2012                           | 10,178,849                      | 7,760,852                        | 76.2%                       |
|             | Total                          | 864,432,657                     | 578,389,853                      | 66.9%                       |