

SERFF Tracking Number: FFDC-125200758 State: District of Columbia  
Filing Company: The American Insurance Company State Tracking Number:  
Company Tracking Number: TANE DPL DC 10 07 RR  
TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0030 Dentist  
Made/Occurrence  
Product Name: Dental Professional Liability  
Project Name/Number: 2007 Dental RR Filings/TANE DPL 2007 RR

## Filing at a Glance

Company: The American Insurance Company  
Product Name: Dental Professional Liability SERFF Tr Num: FFDC-125200758 State: District of Columbia  
TOI: 11.0 Medical Malpractice - Claims SERFF Status: Closed-APPROVED State Tr Num:  
Made/Occurrence  
Sub-TOI: 11.0030 Dentist Co Tr Num: TANE DPL DC 10 07 State Status:  
RR  
Filing Type: Rate/Rule Reviewer(s): Robert Nkojo  
Author: Disposition Date: 02/14/2008  
Date Submitted: 06/14/2007 Disposition Status: APPROVED  
Effective Date Requested (New): 10/01/2007 Effective Date (New):  
Effective Date Requested (Renewal): 11/01/2007 Effective Date (Renewal):  
State Filing Description:

## General Information

Project Name: 2007 Dental RR Filings Status of Filing in Domicile:  
Project Number: TANE DPL 2007 RR Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 02/14/2008  
State Status Changed: Deemer Date:  
Created By: Diane Sowell Submitted By: Diane Sowell  
Corresponding Filing Tracking Number:  
Filing Description:  
The American Insurance Company submits for your review and approval revised rates and rules designed for use with our Dentist's Professional Liability program.

In conjunction with the rate filing, we have redesigned our State Exception Pages. These changes are detailed in our actuarial and rule memorandums. The overall rate effect of the changes is an increase of 14.4% for the Occurrence and Claims-Made businesses.

In support of this revision you will find our actuarial memorandum and exhibits, our countrywide rules and rate manual and memorandum, and our revised exception pages.

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## Company and Contact

### Filing Contact Information

Diane Sowell, dsowell@ffic.com  
33 W. Monroe Street 312-456-5146 [Phone]  
12th Floor  
Chicago, IL 60603

### Filing Company Information

The American Insurance Company CoCode: 21857 State of Domicile: Nebraska  
777 San Marin Drive Group Code: 761 Company Type:  
Novato, CA 94998 Group Name: State ID Number:  
(415) 899-2817 ext. [Phone] FEIN Number: 22-0731810

## Filing Fees

Fee Required? No  
Retaliatory? No  
Fee Explanation:  
Per Company: No

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
APPROVED	Robert Nkojo	02/14/2008	02/14/2008

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Status Update Request	Note To Reviewer	Diane Sowell	01/04/2008	01/04/2008
Filing Update	Note To Reviewer	Diane Sowell	11/13/2007	11/13/2007
Filing Status	Note To Reviewer	Diane Sowell	10/11/2007	10/11/2007
Filing Update	Note To Reviewer	Diane Sowell	08/10/2007	08/10/2007
Filing Status	Note To Reviewer	Diane Sowell	07/31/2007	07/31/2007
Filing Status	Note To Reviewer	Diane Sowell	07/19/2007	07/19/2007

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## Disposition

Disposition Date: 02/14/2008  
 Effective Date (New):  
 Effective Date (Renewal):  
 Status: APPROVED  
 Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
The American Insurance Company	0.000%	14.400%	\$32,945	202	\$228,780	0.000%	0.000%
	<b>Percent Change Approved:</b>						
	<b>Minimum:</b>	%	<b>Maximum:</b>	%	<b>Weighted Average:</b>		%

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Cover Letter (P&C)	No	No
Supporting Document	Consulting Authorization (P&C)	No	No
Supporting Document	Actuarial Certification (P&C)	No	No
Supporting Document	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)	No	No
Supporting Document	District of Columbia and Countrywide Loss Ratio Analysis (P&C)	No	No
Supporting Document	Schedule of Rates or Methodology (P&C)	No	No
Supporting Document	Rate & Rule Memorandum	No	No
Supporting Document	P&C Transmittal Document	No	No

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**Note To Reviewer**

**Created By:**

Diane Sowell on 01/04/2008 03:45 PM

**Last Edited By:**

Diane Sowell

**Submitted On:**

01/04/2008 03:45 PM

**Subject:**

Status Update Request

**Comments:**

Please advise if you need any additional information in order to complete your review and approval of this filing.

*SERFF Tracking Number:* FFDC-125200758      *State:* District of Columbia  
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**Note To Reviewer**

**Created By:**

Diane Sowell on 11/13/2007 10:51 AM

**Last Edited By:**

Diane Sowell

**Submitted On:**

11/13/2007 10:51 AM

**Subject:**

Filing Update

**Comments:**

Please advise if you need any additional information in order to complete your review and approval of this filing.

Thank you.

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*Product Name:* Dental Professional Liability  
*Project Name/Number:* 2007 Dental RR Filings/TANE DPL 2007 RR

**Note To Reviewer**

**Created By:**

Diane Sowell on 10/11/2007 03:27 PM

**Last Edited By:**

Diane Sowell

**Submitted On:**

10/11/2007 03:27 PM

**Subject:**

Filing Status

**Comments:**

Please advise if you need any additional information in order to complete your review and approval of this filing.

Thank you.

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**Note To Reviewer**

**Created By:**

Diane Sowell on 08/10/2007 02:57 PM

**Last Edited By:**

Diane Sowell

**Submitted On:**

08/10/2007 02:57 PM

**Subject:**

Filing Update

**Comments:**

Please advise if you need any additional information in order to complete your review and approval of this filing.

Thank you.

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**Note To Reviewer**

**Created By:**

Diane Sowell on 07/31/2007 12:11 PM

**Last Edited By:**

Diane Sowell

**Submitted On:**

07/31/2007 12:11 PM

**Subject:**

Filing Status

**Comments:**

Please advise if you need any additional data in order to complete your review and approval of this filing. Thank you.

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**Note To Reviewer**

**Created By:**

Diane Sowell on 07/19/2007 01:27 PM

**Last Edited By:**

Diane Sowell

**Submitted On:**

07/19/2007 01:27 PM

**Subject:**

Filing Status

**Comments:**

Please advise if you need any additional information in order to complete your review and approval of this filing.

Thank you.

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**Rate Information**

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** 14.400%  
**Effective Date of Last Rate Revision:** 08/30/2006  
**Filing Method of Last Filing:** Prior Approval

**Company Rate Information**

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
The American Insurance Company	N/A	0.000%	14.400%	\$32,945	202	\$228,780	0.000%	0.000%

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## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Cover Letter (P&C)		
<b>Comments:</b>		
<b>Attachment:</b> DC DPL Cover Letter.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Consulting Authorization (P&C)		
<b>Bypass Reason:</b> Not Applicable.		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Actuarial Certification (P&C)		
<b>Comments:</b>		
<b>Attachment:</b> Actuarial Memorandum.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> District of Columbia and Countrywide Experience for the Last 5 Years (P&C)		
<b>Comments:</b>		
<b>Attachment:</b> Actuarial Exhibits.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>

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**Satisfied - Item:** District of Columbia and  
Countrywide Loss Ratio Analysis  
(P&C)

**Comments:**

This data is included in our actuarial exhibits.

**Item Status:** **Status  
Date:**

**Satisfied - Item:** Schedule of Rates or Methodology  
(P&C)

**Comments:**

**Attachment:**

DC\_State Exception Pages 07.pdf

**Item Status:** **Status  
Date:**

**Satisfied - Item:** Rate & Rule Memorandum

**Comments:**

**Attachment:**

DC\_Rate & Rule Memo 07.pdf

**Item Status:** **Status  
Date:**

**Satisfied - Item:** P&C Transmittal Document

**Comments:**

**Attachment:**

DC PC Transmittal Doc.pdf



June 13, 2007

Honorable Thomas E. Hampton  
Commissioner  
Department of Insurance, Securities and Banking (DISB)  
810 First Street North East - Suite 701  
Washington, D.C. 20002-4227

Attn: Mr. Clark Simcock

RE: The American Insurance Company - NAIC #: 0761-21857 - FEIN #: 22-0731810  
Dentists Professional Liability – Rate/Rule Filing  
Company Filing Number: TANE DPL DC 10 07 RR  
Effective Date (New): October 1, 2007  
Effective Date (Renewal): November 1, 2007

Dear Mr. Simcock,

The American Insurance Company submits for your review and approval revised rates and rules designed for use with our Dentist's Professional Liability program.

In conjunction with the rate filing, we have redesigned our State Exception Pages. These changes are detailed in our actuarial and rule memorandums. The overall rate effect of the changes is an increase of 14.4% for the Occurrence and Claims-Made businesses.

In support of this revision you will find our actuarial memorandum and exhibits, our countrywide rules and rate manual and memorandum, and our revised exception pages.

We request this filing be approved with an October 1, 2007 effective date for new business and an effective date of November 1, 2007 for renewal business.

If there are any questions regarding this submission, please do not hesitate to contact me at 312-456-5146 or dsowell@ffic.com.

Respectfully,

Diane Sowell  
Regulatory Affairs Lead

**The American Insurance Company**  
**(FEIN# 22-0731810, NAIC# 761-21857)**

Dentist's Professional Liability Program  
Occurrence and Claims-Made

Requested Effective Date – New Business: 10/01/2007, Renewal Business: 11/01/2007

Actuarial Memorandum

The following memorandum outlines the changes we are proposing for the Dentist's Professional Liability Program effective October 1, 2007 for new business and November 1, 2007 for renewals.

Historically speaking, the Dental Professional Liability rating methodology has not incorporated an equitable mechanism for rate distribution for our customers. The attached filing allows us to refine our approach to pricing the Dental Professional Liability Program. This approach focuses on rate fairness for our customers. It applies a more favorable rate for our customers which present a lower exposure and allows for redistribution of rate based upon risk. Utilization of this approach avoids requiring a substantial portion of our customers to subsidize the performance of a smaller sector with significantly higher exposures.

The proposed revised class plan for the Dental Professional Liability Program (both the Occurrence and Claims-Made policies) is outlined below. This revised rating plan will categorize dentists in more appropriate classes to determine a more accurate rate based on specialty.

**DENTAL CLASS I - NON-INVASIVE OR MINIMALLY INVASIVE PROCEDURES AND SELECT SPECIALTIES**

The proposed class 1 under the new plan includes dentists performing non-invasive or minimally invasive procedures and select specialties. The following dentists would be considered class 1:

<b>Specialists:</b>	Endodontist
	Orthodontist (simple extractions up to 25% of procedures)
	Public Health Dentist
	Periodontist (surgical placement of implants up to 25% of procedures)
	Prosthodontist (surgical placement of implants up to 25% of procedures)
	Pediatric Dentist
	Oral Pathologist

<b>General Dentists performing the following procedures:</b>	
	Diagnostic
	Preventative
	Restorative
	Non-surgical TMJ treatments – mouth guards and splints
	Cosmetic whitening, veneers
	Restorative Implants up to 15% of practice (based on number of procedures)
	Endodontia – up to 25% of practice (based on number of procedures)
	Prosthodontia – up to 25% of practice (based on number of procedures)
	Periodontia – up to 25% of practice (based on number of procedures)
	Oral surgery ( <i>up to 25% of total practice (based on number or procedures); simple extractions only, no full or partial bony impactions</i> )

This classification applies to all DDS's or DMD's who are Board Eligible or Certified Specialists in the above areas; or are General Practitioners and who use local, nitrous oxide or oral conscious sedation. This classification also applies to all dentists who provide services to patients who have been administered deep sedation or general anesthesia in their office, or in a hospital, or surgi-center by an MD / nurse anesthetist, dentist anesthetist, or oral surgeon not in their employ.

These dentists are currently classified as class 1 in our current class plan. They are currently at a relativity of 1.00 and we propose to keep them at a relativity of 1.00 under the proposed class plan.

**DENTAL PROCEDURES LEVEL II & SPECIALIZED AREAS OF PRACTICE/PROCEDURES:**

Our proposed class 2 under the new rating plan will include the following group of dentists:

General Practitioner:	With 25% or greater percentage of practice (in any one category) in the specialty areas of Prosthodontics and/or Endodontics, surgical Periodontal procedures, Orthodontics or oral surgery ( <i>simple extractions only, no extractions of full or partial bony impacted teeth</i> ).
-----------------------	--

For classification purposes all insureds that treat 25% or more of their patients in the above specialized areas of practice will be rated under this classification.

These dentists are currently classified as class 1 in our current class plan. They are currently at a relativity of 1.00 and we propose to increase their relativity to 1.25. Therefore, dentists in this group would receive a 25% increase based on the proposed class plan.

**DENTAL PROCEDURES LEVEL III & SPECIALIZED AREAS OF PRACTICE/PROCEDURES:**

Our proposed class 3 under the new rating plan will include the following group of dentists:

Specialist and General Dentist:	Extractions of full or partial bony impacted teeth
Procedures by a General Dentist:	Implant restorations that exceed 15% of the total practice

This classification applies to all DDS's or DMD's whose practice specializes in providing implants. For classification purposes all insureds that treat 15% or more of their patients for implants will be rated under this classification.

These dentists are currently classified as class 1 in our current class plan. They are currently at a relativity of 1.00 and we propose to increase their relativity to 1.50. Therefore, dentists in this group would receive a 50.0% increase based on the proposed class plan.

**CLASS 4: ANESTHESIA CLASS**

Our proposed class 4 under the new rating plan will include the dentists performing the following specialties:

Anesthesia	I.V. Conscious Sedation
	I.M. Conscious Sedation
	Sub-cutaneous conscious sedation

This classification contemplated the insured dentist administering the sedation and performing the dental procedure.

These dentists are currently classified as class 2 in our current class plan. They are currently at a relativity of 2.00 and we propose to keep them at a relativity of 2.00 under the proposed class plan.

**CLASS 5: ORAL & MAXILLOFACIAL SURGEONS AND DENTIST ANESTHESIOLOGISTS**

Our proposed class 5 under the new rating plan will include the dentists performing the following specialties:

Anesthesia	In-Office Includes General Anesthesia
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This classification applies to all Oral Surgeons and Dental Anesthesiologists. This classification would also apply to any DDS or DMD who administer and treat patients under I.V. or I.M. conscious sedation or deep sedation or general anesthesia in their office.

These dentists are currently classified as class 3 or 4 in our current class plan. They are currently at a relativity of 6.00 or 7.00 and we propose to increase them to a relativity of 8.00 under the

proposed class plan. Therefore, dentists in this group would receive a 33.3% or 14.3% increase respectively based on the proposed class plan.

The following table reviews the changes based on the revised class plan.

<b>Proposed Class</b>	<b>Proposed Relativity</b>	<b>Current Relativity</b>	<b>Change</b>
Class 1	1.00	1.00	0.0%
Class 2	1.25	1.00	25.0%
Class 3	1.50	1.00	50.0%
Class 4	2.00	2.00	0.0%
Class 5 (currently Class 3)	8.00	6.00	33.3%
Class 5 (currently Class 4)	8.00	7.00	14.3%

Support for these changes is shown in Exhibit 2, Sheet 3. Because the losses are not currently being tracked by their proposed classes, we examined the claims data from 2001 through 2005 and identified the causes of loss that would appear in each of our proposed classes. We then used the total incurred loss and ALAE for the claims that we were able to classify under the new class plan. For the premium, we began tracking data concerning the percentage of each dentist's business devoted to each specialty area in May 2006. Therefore, we looked at the current snapshot of our business with policies effective from May 2006 through September 2006 and grouped earned premium by the proposed classes under the new class plan. We then applied the percentages from the current snapshot of Dental business to the 2001 through 2005 earned premium to estimate the earned premium for each of the proposed classes.

The indicated relativities from this analysis are in column 9 of Exhibit 2, Sheet 5. Please note that a number of Underwriting actions have been taken for the proposed class 3 individuals, which include dentists performing partially impacted or bony impacted extractions and implant restorations. In the past, the underwriting process did not address risk attributes and qualifications for dentist's performing partially impacted or bony impacted extractions. Failure to adequately address and underwrite these exposures had a dramatic impact on the losses resulting from these types of procedures. Going forward, the underwriter will need to determine that the dentist has achieved proper education (over a five year period, the general dentist should have a minimum of 20 hours training) before they accept these risks. In addition to a focus in training and expertise, technique will be equally as important in the evaluation process. As an example, consistent usage of x-rays and/or CT scans in the preplanning process will ensure that the treating dentist is well aware of the placement and location of a lingual nerve, which is among the most common injury types of this type of procedure. Ensuring that the dentist knows when to call in the help of an expert (i.e. oral surgeon) will dramatically reduce complications that arise in extreme force to perform the extraction, therefore adequate referral procedures will also be assessed. For dentists performing implant restorations, the underwriting process will require evaluation and acceptance of informed consent forms to ensure that the patient is advised of the risk and complications that can arise from the implant. Also, continuing education geared specifically towards implantology will be vital in the selection process. Training programs must include hands on training. Generally, training programs given by manufacturers will not be considered adequate to meet this requirement. A team approach is often used for implant procedures and as such, a dentist referring a patient for surgical placement to an oral surgeon or

periodontist must have a protocol in place to follow the patient's care until such time that the patient returns for the implant restoration. Due to these significant Underwriting changes to reduce risk, we have proposed a lower relativity for this class under our revised class plan.

The overall rate effect of the changes under this revised class plan is an increase of 14.4% for the Occurrence and Claims-Made businesses. This was estimated based on the premium from the current snapshot of Dental business that we previously described. Our indicated rate changes from our analysis are +96.1% and +89.6% respectively for Occurrence and Claims-Made.

Our overall indication is developed on the attached exhibits. The exhibits provide the detailed backup for the various factors used to develop the overall indications. In general, our individual state experience lacks sufficient credibility to develop indications at the state level so our analysis is predicated on countrywide data. These changes are also outlined in the accompanying rate and rule filing memorandum.

**Exhibit 1, Sheet 1**  
**The American Insurance Company**  
**Dental Occurrence Professional Liability**  
**Development of Rate Indication**

(1) DC Experience Loss & ALAE Ratio	528.8%
(2) Number of Projected Ultimate Claims	4
(3) Credibility of DC Experience	7.7%
(4) Complement of Credibility	92.3%
(5) Permissible Loss & ALAE Ratio	53.0%
(6) Countrywide Loss & ALAE Ratio	68.3%
(7) Credibility Weighted Loss & ALAE Ratio	103.8%
(8) Credibility Weighted Rate Indication	96.1%
<b>(9) Selected Rate Change (From Proposed Class Plan):</b>	<b>14.4%</b>

Notes:

- (1) From Exhibit 2 Sheet 3, Row 15
- (2) Total from Column (7) of Exhibit 2 Sheet 1.
- (3) Minimum of 1.00 or  $\{ (2) / 683 \} ^{0.5}$ .
- (4)  $= 1 - (3)$
- (5) From Exhibit 6, Row 11
- (6) From Exhibit 2 Sheet 1, Row 15
- (7)  $= \{ (1) \times (3) \} + \{ (4) \times (6) \}$
- (8)  $= [ (7) / (5) ] - 1$

**Exhibit 1, Sheet 2**  
**The American Insurance Company**  
**Dental Claims-Made Professional Liability**  
**Development of Rate Indication**

(1) DC Experience Loss & ALAE Ratio	116.1%
(2) Number of Projected Ultimate Claims	34
(3) Credibility of DC Experience	22.3%
(4) Complement of Credibility	77.7%
(5) Permissible Loss & ALAE Ratio	53.0%
(6) Countrywide Loss & ALAE Ratio	95.9%
(7) Credibility Weighted Loss & ALAE Ratio	100.4%
(8) Credibility Weighted Rate Indication	89.6%
(9) <b>Selected Rate Change (From Proposed Class Plan):</b>	<b>14.4%</b>

Notes:

- (1) From Exhibit 2 Sheet 4, Row 15
- (2) Total from Column (7) of Exhibit 2 Sheet 2.
- (3) Minimum of 1.00 or  $\{ (2) / 683 \} ^{0.5}$ .
- (4) =  $1 - (3)$
- (5) From Exhibit 6, Row 11
- (6) From Exhibit 2 Sheet 2, Row 15
- (7) =  $\{ (1) \times (3) \} + \{ (4) \times (6) \}$
- (8) =  $[ (7) / (5) ] - 1$

**Exhibit 2, Sheet 1**  
**The American Insurance Company**  
**Dental Occurrence Professional Liability**

Ratemaking Calculations - Countrywide

Accident Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Earned Premium	On-Level Factors	On-Level Earned Premium	Paid Loss and ALAE	Case Reserves	Reported Loss and ALAE	Ultimate Claim Counts
2001	2,267,819	1.496	3,392,486	1,373,350	95,101	1,468,451	58
2002	3,567,746	1.423	5,078,465	726,637	224,603	951,240	109
2003	4,877,123	1.259	6,138,052	1,458,321	365,204	1,823,525	129
2004	5,722,073	1.140	6,523,078	674,400	642,953	1,317,353	108
2005	6,246,251	1.096	6,848,604	440,159	888,494	1,328,653	147
Total	22,681,012		27,980,685	4,672,867	2,216,355	6,889,222	551

  

Accident Year	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Paid Link Ratio	Reported Link Ratio	Rptd Bornhuetter-Ferguson	Selected Ultimate Losses	Trend Factors	Trended Selected Ultimate Losses	Ultimate Loss Ratio
2001	1,643,436	1,563,900		1,603,668	1.830	2,934,286	86.5%
2002	998,036	1,122,914		1,060,475	1.684	1,786,177	35.2%
2003	2,592,882	2,668,204		2,630,543	1.550	4,078,550	66.4%
2004	1,992,015	2,716,335	3,165,251	3,165,251	1.427	4,516,543	69.2%
2005	4,677,217	6,168,177	4,401,642	4,401,642	1.314	5,781,612	84.4%
Total	11,903,585	14,239,530	7,566,893	12,861,579		19,097,168	68.3%

  

(15) Experience Loss and ALAE Ratio 68.3%

Notes

- (1) Data as of 12/31/2006.
- (2) Based on historical rate changes; see Exhibit 3 Sheet 1.
- (3) = (1) x (2)
- (4)-(7) Data as of 12/31/2006.
- (8)-(9) Based on loss development factors in Exhibit 4.
- (10) A priori loss ratio equals average of AYs 2001-2003.
- (11) Selected judgmentally based on (8) - (10).
- (12) Data as of 12/31/2006.
- (13) = (11) x (12)
- (14) = (13) / (3)

**Exhibit 2, Sheet 2**  
**The American Insurance Company**  
**Dental Claims-Made Professional Liability**

Ratemaking Calculations - Countrywide

Report Year	(1) Earned Premium	(2) On-Level Factors	(3) On-Level Earned Premium	(4) Paid Loss and ALAE	(5) Case Reserves	(6) Reported Loss and ALAE	(7) Ultimate Claim Counts
2001	13,455,321	1.633	21,969,972	12,416,721	-	12,416,721	720
2002	22,498,626	1.554	34,955,891	20,058,642	765,525	20,824,167	1,048
2003	32,438,796	1.374	44,561,256	27,578,816	3,754,294	31,333,110	1,256
2004	36,077,973	1.244	44,891,813	13,498,514	3,543,092	17,041,606	960
2005	37,943,512	1.197	45,409,424	10,369,409	8,867,735	19,237,144	1,126
Total	142,414,228		191,788,355	83,922,102	16,930,646	100,852,747	5,110

  

Report Year	(8) Paid Link Ratio	(9) Reported Link Ratio	(10) Rptd Bornhuetter-Ferguson	(11) Selected Ultimate Losses	(12) Trend Factors	(13) Trended Selected Ultimate Losses	(14) Ultimate Loss Ratio
2001	12,666,519	12,570,648		12,416,721	1.830	22,719,297	103.4%
2002	21,041,923	21,081,590		21,061,757	1.684	35,474,702	101.5%
2003	31,824,292	33,986,244		32,905,268	1.550	51,018,278	114.5%
2004	19,448,360	21,456,018	24,944,010	21,949,462	1.427	31,320,012	69.8%
2005	27,732,614	34,470,372	37,088,733	33,097,240	1.314	43,473,639	95.7%
Total	112,713,709	123,564,872	62,032,742	121,430,448		184,005,928	95.9%

(15) Experience Loss and ALAE Ratio 95.9%

Notes

- (1) Data as of 12/31/2006.
- (2) Based on historical rate changes; see Exhibit 3 Sheet 2.
- (3) = (1) x (2)
- (4)-(7) Data as of 12/31/2006.
- (8)-(9) Based on loss development factors in Exhibit 4.
- (10) A priori loss ratio equals average of AYs 2001-2003.
- (11) Selected judgmentally based on (8) - (10).
- (12) Data as of 12/31/2006.
- (13) = (11) x (12)
- (14) = (13) / (3)

**Exhibit 2, Sheet 3**  
**The American Insurance Company**  
**Dental Occurrence Professional Liability**

Ratemaking Calculations - DC

Accident Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Earned Premium	On-Level Factors	On-Level Earned Premium	Paid Loss and ALAE	Case Reserves	Reported Loss and ALAE	Ultimate Claim Counts
2001	15,551	1.496	23,263	284,910	100	285,010	1
2002	24,728	1.423	35,199	-	-	-	-
2003	21,825	1.259	27,468	141,890	-	141,890	1
2004	25,034	1.140	28,538	-	-	-	-
2005	30,264	1.096	33,182	-	-	-	2
<b>Total</b>	<b>117,402</b>		<b>147,650</b>	<b>426,800</b>	<b>100</b>	<b>426,900</b>	<b>4</b>

  

Accident Year	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Paid Link Ratio	Reported Link Ratio	Rptd Bornhuetter-Ferguson	Selected Ultimate Losses	Trend Factors	Trended Selected Ultimate Losses	Ultimate Loss Ratio
2001	340,941	303,535	285,556	285,556	1.830	522,491	2246.0%
2002	-	-	2,175	2,175	1.684	3,664	10.4%
2003	252,279	207,615	145,865	145,865	1.550	226,158	823.4%
2004	-	-	7,418	7,418	1.427	10,585	37.1%
2005	-	-	13,662	13,662	1.314	17,945	54.1%
<b>Total</b>	<b>593,220</b>	<b>511,151</b>	<b>454,676</b>	<b>454,676</b>		<b>780,843</b>	<b>528.8%</b>

(15) Experience Loss and ALAE Ratio 528.8%

Notes

- (1) Data as of 12/31/2006.
- (2) Based on historical rate changes; see Exhibit 3 Sheet 1.
- (3) = (1) x (2)
- (4)-(7) Data as of 12/31/2006.
- (8)-(9) Based on loss development factors in Exhibit 4.
- (10) A priori loss ratio equals trended permissible loss ratio.
- (11) Selected judgmentally based on (8) - (10).
- (12) Data as of 12/31/2006.
- (13) = (11) x (12)
- (14) = (13) / (3)

**Exhibit 2, Sheet 4**  
**The American Insurance Company**  
**Dental Claims-Made Professional Liability**

Ratemaking Calculations - DC

Report Year	(1) Earned Premium	(2) On-Level Factors	(3) On-Level Earned Premium	(4) Paid Loss and ALAE	(5) Case Reserves	(6) Reported Loss and ALAE	(7) Ultimate Claim Counts
2001	100,271	1.633	163,723	365,945	-	365,945	8
2002	145,472	1.554	226,019	22,050	-	22,050	7
2003	186,745	1.374	256,533	83,066	100	83,166	10
2004	241,169	1.244	300,087	19,417	-	19,417	2
2005	213,750	1.197	255,808	41,268	300,001	341,269	7
<b>Total</b>	<b>887,407</b>		<b>1,202,169</b>	<b>531,747</b>	<b>300,101</b>	<b>831,848</b>	<b>34</b>

  

Report Year	(8) Paid Link Ratio	(9) Reported Link Ratio	(10) Rptd Bornhuetter-Ferguson	(11) Selected Ultimate Losses	(12) Trend Factors	(13) Trended Selected Ultimate Losses	(14) Ultimate Loss Ratio
2001	373,308	370,482	366,652	370,147	1.830	677,271	413.7%
2002	23,131	22,322	23,072	22,842	1.684	38,473	17.0%
2003	95,853	90,208	91,554	92,538	1.550	143,477	55.9%
2004	27,976	24,447	47,966	33,463	1.427	47,748	15.9%
2005	110,370	611,508	395,618	372,499	1.314	489,282	191.3%
<b>Total</b>	<b>630,637</b>	<b>1,118,968</b>	<b>924,862</b>	<b>891,489</b>		<b>1,396,251</b>	<b>116.1%</b>

(15) Experience Loss and ALAE Ratio 116.1%

Notes

- (1) Data as of 12/31/2006.
- (2) Based on historical rate changes; see Exhibit 3 Sheet 2.
- (3) = (1) x (2)
- (4)-(7) Data as of 12/31/2006.
- (8)-(9) Based on loss development factors in Exhibit 4.
- (10) A priori loss ratio equals trended permissible loss ratio.
- (11) Selected judgmentally based on (8) - (10).
- (12) Data as of 12/31/2006.
- (13) = (11) x (12)
- (14) = (13) / (3)

**Exhibit 2, Sheet 5  
The American Insurance Company  
Dental Professional Liability**

**Rate Classification Relativities**

**Countrywide Data**

(1) Class Under Proposed Class Plan	(2a) 2001	(2b) 2002	(2c) Incurred Loss & ALAE				(2f) Total	(3a) 2001	(3b) 2002	(3c) Earned Premium			(3f) Total	(4) Actual Loss Ratio
			2003	2004	2005					2003	2004	2005		
Class 1	611,178	1,016,327	380,038	377,567	179,694	2,564,804	6,930,644	11,489,864	16,448,580	18,425,150	19,478,520		72,772,757	3.5%
Class 2	7,103,036	7,991,501	7,423,698	4,294,865	2,736,052	29,549,152	8,014,644	13,286,958	19,021,252	21,306,971	22,525,095		84,154,919	35.1%
Class 3	1,385,063	1,797,765	1,778,909	3,245,292	898,961	9,105,991	264,617	438,692	628,019	703,486	743,704		2,778,518	327.7%
Class 4	10,952	212,473	304,368	194,014	54,237	776,044	111,566	184,958	264,780	296,598	313,555		1,171,457	66.2%
Class 5*	293,549	492,386	320,463	292,851	1,450,638	2,849,888	401,670	665,902	953,287	1,067,840	1,128,889		4,217,588	67.6%
<b>Total</b>	<b>9,403,778</b>	<b>11,510,453</b>	<b>10,207,477</b>	<b>8,404,590</b>	<b>5,319,582</b>	<b>44,845,879</b>	<b>15,723,141</b>	<b>26,066,373</b>	<b>37,315,919</b>	<b>41,800,045</b>	<b>44,189,762</b>		<b>165,095,240</b>	<b>27.2%</b>

(5) Class Under Proposed Class Plan	(6) Indicated Change in Relativity	(7) Current Relativity	(8) Indicated Relativity	(9) Indicated Relativity with Class 1 as Base	(10) Proposed Relativity	(11) Class Plan Rate Effect
Class 1	0.13	1.00	0.13	1.00	1.00	0.0%
Class 2	1.29	1.00	1.29	9.96	1.25	25.0%
Class 3	12.06	1.00	12.06	92.99	1.50	50.0%
Class 4	2.44	2.00	4.88	37.59	2.00	0.0%
Class 5*	2.49	6.00	14.93	115.03	8.00	33.3%
Class 5*	2.49	7.00	17.41	134.21	8.00	14.3%
<b>Total Class Plan Effect</b>						<b>14.4%</b>

Notes:

- (1) Class under proposed class plan.
- (2) a-f Actual accident year losses as of 12/31/2006. Includes losses that can be classified into one of the new proposed classes.
- (3) a-f Actual earned premium.
- (4) = (2f) / (3f).
- (5) Class under proposed class plan.
- (6) Actual loss ratio for accident year divided by total loss ratio in column (4).
- (7) Class relativity under current class structure.
- (8) = (6) \* (7)
- (9) Indicated relativity for class divided by class 1 indicated relativity in column (8).
- (10) Proposed class relativity under new class structure.
- (11) = (10) / (7) - 1

\* Please note that proposed Class 5 includes: Class 3 individuals from current class structure going from a relativity of 6 to 8 and Class 4 individuals from current class structure going from a relativity of 7 to 8.

**Exhibit 3, Sheet 1**  
**The American Insurance Company**  
Dental Occurrence Professional Liability

Accident Year	Average Rate Level	Current Rate Level	Factor to Current Rate Level
1997	1.0000	1.4061	1.4061
1998	1.0000	1.4061	1.4061
1999	0.5584	1.4061	2.5181
2000	0.9417	1.4061	1.4931
2001	0.9399	1.4061	1.4959
2002	0.9878	1.4061	1.4234
2003	1.1172	1.4061	1.2585
2004	1.2334	1.4061	1.1400
2005	1.2824	1.4061	1.0964

Date	Rate Change	Overall Effective Rate Level	Rate Change	1997	1998	1999	2000	2001	2002	2003	2004	2005
		1.0000	1.0000	1.0000	1.0000	0.2813						
4/1/1999	-1.3%	0.9870	0.9870			0.1112	0.0556					
6/1/1999	-0.3%	0.9970	0.9840			0.1701	0.4132					
1/1/2000	-2.3%	0.9770	0.9614				0.4782	0.3134				
10/15/2000	-1.5%	0.9850	0.9470				0.0182	0.1067				
12/1/2000	-1.7%	0.9830	0.9309				0.0035	0.2327	0.0139			
3/1/2001	-0.5%	0.9950	0.9262					0.1250	0.0417			
5/1/2001	-0.3%	0.9970	0.9235					0.2222	0.5972	0.0139		
3/1/2002	20.0%	1.2000	1.1081						0.3472	0.9105	0.1867	
8/10/2003	13.9%	1.1390	1.2622							0.0756	0.8133	0.7188
4/1/2005	4.0%	1.0400	1.3127									0.1111
6/1/2005	2.7%	1.0270	1.3481									0.1701
9/1/2006	4.3%	1.0430	1.4061									
			Average Rate Level:	1.0000	1.0000	0.5584	0.9417	0.9399	0.9878	1.1172	1.2334	1.2824

**Exhibit 3, Sheet 2**  
**The American Insurance Company**  
Dental Claims-Made Professional Liability

Accident Year	Average Rate Level	Current Rate Level	Factor to Current Rate Level
1997	1.0000	1.5347	1.5347
1998	1.0000	1.5347	1.5347
1999	0.5584	1.5347	2.7485
2000	0.9417	1.5347	1.6297
2001	0.9399	1.5347	1.6328
2002	0.9878	1.5347	1.5537
2003	1.1172	1.5347	1.3737
2004	1.2334	1.5347	1.2443
2005	1.2824	1.5347	1.1968

Date	Rate Change	Rate Level	Overall Effective Rate Change	1997	1998	1999	2000	2001	2002	2003	2004	2005
				1.0000	1.0000	0.2813	0.0556	0.3134	0.0139	0.0139	0.1867	0.7188
4/1/1999	-1.3%	0.9870	0.9870			0.1112	0.0556					
6/1/1999	-0.3%	0.9970	0.9840			0.1701	0.4132					
1/1/2000	-2.3%	0.9770	0.9614				0.4782	0.3134				
10/15/2000	-1.5%	0.9850	0.9470				0.0182	0.1067				
12/1/2000	-1.7%	0.9830	0.9309				0.0035	0.2327	0.0139			
3/1/2001	-0.5%	0.9950	0.9262					0.1250	0.0417			
5/1/2001	-0.3%	0.9970	0.9235					0.2222	0.5972	0.0139		
3/1/2002	20.0%	1.2000	1.1081						0.3472	0.9105	0.1867	
8/10/2003	13.9%	1.1390	1.2622							0.0756	0.8133	0.7188
4/1/2005	4.0%	1.0400	1.3127									0.1111
6/1/2005	2.7%	1.0270	1.3481									0.1701
9/1/2006	7.4%	1.0740	1.4479									
1/15/2007	6.0%	1.0600	1.5347									
Average Rate Level:				1.0000	1.0000	0.5584	0.9417	0.9399	0.9878	1.1172	1.2334	1.2824

**Exhibit 4, Sheet 1**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on an Accident Year basis**

Paid Loss Development Factors by Accident Year  
Countrywide

<b>Paid Losses and ALAE</b>												
Accident	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	147,410	487,981	1,402,260	3,488,749	4,193,695	4,327,255	4,340,275	4,376,355	4,397,645	4,428,986	4,458,067	4,458,067
1996	58,514	298,962	2,123,165	2,888,400	3,811,118	4,283,815	4,322,396	4,552,469	4,627,024	4,648,824	4,648,824	-
1997	7,556	454,316	1,804,504	2,579,833	2,967,253	3,950,837	4,264,842	4,508,143	4,762,280	4,906,656	-	-
1998	52,338	717,428	2,570,514	3,759,893	4,362,301	4,788,332	5,232,628	5,412,041	5,607,147	-	-	-
1999	129,246	1,307,098	4,615,597	6,147,778	7,810,829	8,906,995	10,351,085	10,865,273	-	-	-	-
2000	129,246	920,929	2,833,123	4,813,332	8,914,567	10,877,189	12,219,623	-	-	-	-	-
2001	273,998	1,586,313	7,348,603	13,957,052	16,632,742	18,737,859	-	-	-	-	-	-
2002	195,393	2,683,370	9,679,866	16,624,294	21,571,605	-	-	-	-	-	-	-
2003	200,301	3,517,444	11,920,705	19,332,711	-	-	-	-	-	-	-	-
2004	290,159	3,160,370	10,142,768	-	-	-	-	-	-	-	-	-
2005	248,625	3,728,891	-	-	-	-	-	-	-	-	-	-
2006	525,941	-	-	-	-	-	-	-	-	-	-	-
<b>Age-to-Age Factors</b>												
Accident	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	3.310	2.874	2.488	1.202	1.032	1.003	1.008	1.005	1.007	1.007	1.000	
1996	5.109	7.102	1.360	1.319	1.124	1.009	1.053	1.016	1.005	1.000		
1997	60.125	3.972	1.430	1.150	1.331	1.079	1.057	1.056	1.030			
1998	13.707	3.583	1.463	1.160	1.098	1.093	1.034	1.036				
1999	10.113	3.531	1.332	1.271	1.140	1.162	1.050					
2000	7.125	3.076	1.699	1.852	1.220	1.123						
2001	5.790	4.633	1.899	1.192	1.127							
2002	13.733	3.607	1.717	1.298								
2003	17.561	3.389	1.622									
2004	10.892	3.209										
2005	14.998											
<b>Average Development</b>												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	14.769	3.898	1.668	1.305	1.153	1.078	1.041	1.028	1.014	1.003	1.000	
Latest 3	14.296	3.402	1.746	1.447	1.162	1.126	1.047	1.036	1.014	1.003	1.000	
Ex. Hi-Lo	11.003	3.625	1.599	1.240	1.142	1.076	1.046	1.026	1.007			
Wtd. Avg.	10.886	3.597	1.661	1.295	1.147	1.097	1.042	1.029	1.014	1.003	1.000	
Wtd. Last 3	14.081	3.391	1.724	1.331	1.155	1.131	1.047	1.036	1.014	1.003	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>10.886</b>	<b>3.597</b>	<b>1.661</b>	<b>1.295</b>	<b>1.147</b>	<b>1.097</b>	<b>1.042</b>	<b>1.029</b>	<b>1.014</b>	<b>1.003</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>115.675</b>	<b>10.626</b>	<b>2.954</b>	<b>1.778</b>	<b>1.373</b>	<b>1.197</b>	<b>1.091</b>	<b>1.047</b>	<b>1.018</b>	<b>1.003</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 2**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on an Accident Year basis**

Incurred Loss Development Factors by Accident Year  
Countrywide

Incurred Losses and ALAE												
Accident Year	Evaluation Age in Months											
	12	24	36	48	60	72	84	96	108	120	132	144
1995	438,949	1,600,477	2,295,761	4,392,382	4,379,698	4,350,257	4,355,777	4,383,356	4,430,246	4,466,010	4,459,992	4,459,992
1996	580,487	1,429,961	2,938,272	3,538,605	4,106,823	4,363,816	4,408,896	4,594,419	4,749,025	4,741,327	4,741,327	-
1997	183,756	1,289,584	2,502,362	2,877,439	3,680,258	3,985,842	4,388,413	4,731,145	4,855,282	4,986,957	-	-
1998	659,741	1,920,490	3,394,461	4,168,000	4,377,306	5,052,935	5,407,233	5,635,492	5,732,848	-	-	-
1999	904,737	3,420,614	5,932,721	6,192,784	8,872,962	10,000,671	10,751,281	10,849,150	-	-	-	-
2000	904,737	2,206,366	3,063,884	5,825,302	9,874,336	11,701,306	13,324,625	-	-	-	-	-
2001	1,265,964	1,641,310	9,660,525	16,542,872	18,935,864	20,652,025	-	-	-	-	-	-
2002	230,460	5,338,594	13,904,112	20,426,464	25,088,608	-	-	-	-	-	-	-
2003	1,108,672	7,982,548	18,095,545	23,120,198	-	-	-	-	-	-	-	-
2004	1,790,239	8,166,568	17,004,225	-	-	-	-	-	-	-	-	-
2005	3,942,862	10,701,661	-	-	-	-	-	-	-	-	-	-
2006	3,794,483	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Accident Year	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	3.646	1.434	1.913	0.997	0.993	1.001	1.006	1.011	1.008	0.999	1.000	
1996	2.463	2.055	1.204	1.161	1.063	1.010	1.042	1.034	0.998	1.000		
1997	7.018	1.940	1.150	1.279	1.083	1.101	1.078	1.026	1.027			
1998	2.911	1.767	1.228	1.050	1.154	1.070	1.042	1.017				
1999	3.781	1.734	1.044	1.433	1.127	1.075	1.009					
2000	2.439	1.389	1.901	1.695	1.185	1.139						
2001	1.296	5.886	1.712	1.145	1.091							
2002	23.165	2.604	1.469	1.228								
2003	7.200	2.267	1.278									
2004	4.562	2.082										
2005	2.714											
Average Development												
Average Type	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	5.563	2.316	1.433	1.248	1.099	1.066	1.036	1.022	1.011	0.999	1.000	
Latest 3	9.410	2.318	1.486	1.356	1.134	1.095	1.043	1.026	1.011	0.999	1.000	
Ex. Hi-Lo	4.082	1.986	1.420	1.216	1.104	1.064	1.031	1.022	1.008			
Wtd. Avg.	3.805	2.251	1.409	1.240	1.108	1.081	1.030	1.022	1.011	0.999	1.000	
Wtd. Last 3	3.925	2.281	1.442	1.259	1.124	1.102	1.033	1.025	1.011	0.999	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>3.805</b>	<b>2.251</b>	<b>1.409</b>	<b>1.240</b>	<b>1.108</b>	<b>1.000</b>	<b>1.030</b>	<b>1.022</b>	<b>1.011</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>17.662</b>	<b>4.642</b>	<b>2.062</b>	<b>1.463</b>	<b>1.180</b>	<b>1.065</b>	<b>1.065</b>	<b>1.033</b>	<b>1.011</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 3**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on an Accident Year basis**

Claim Count Development Factors by Accident Year  
Countrywide

<b>Reported Claim Counts</b>												
Accident	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	-	242	274	309	323	326	328	331	339	340	341	341
1996	133	236	296	311	326	329	333	341	347	351	351	-
1997	42	171	225	260	284	292	308	316	318	324	-	-
1998	68	230	336	383	399	437	454	463	468	-	-	-
1999	130	365	479	532	612	643	658	671	-	-	-	-
2000	130	427	504	667	718	749	776	-	-	-	-	-
2001	213	461	806	922	963	996	-	-	-	-	-	-
2002	135	766	1,032	1,146	1,184	-	-	-	-	-	-	-
2003	254	806	1,023	1,127	-	-	-	-	-	-	-	-
2004	313	759	990	-	-	-	-	-	-	-	-	-
2005	279	674	-	-	-	-	-	-	-	-	-	-
2006	296	-	-	-	-	-	-	-	-	-	-	-
<b>Age-to-Age Factors</b>												
Accident	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995		1.132	1.128	1.045	1.009	1.006	1.009	1.024	1.003	1.003	1.000	
1996	1.774	1.254	1.051	1.048	1.009	1.012	1.024	1.018	1.012	1.000		
1997	4.071	1.316	1.156	1.092	1.028	1.055	1.026	1.006	1.019			
1998	3.382	1.461	1.140	1.042	1.095	1.039	1.020	1.011				
1999	2.808	1.312	1.111	1.150	1.051	1.023	1.020					
2000	3.285	1.180	1.323	1.076	1.043	1.036						
2001	2.164	1.748	1.144	1.044	1.034							
2002	5.674	1.347	1.110	1.033								
2003	3.173	1.269	1.102									
2004	2.425	1.304										
2005	2.416											
<b>Average Development</b>												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	3.117	1.332	1.140	1.067	1.039	1.029	1.020	1.015	1.011	1.001	1.000	
Latest 3	2.671	1.307	1.119	1.051	1.043	1.033	1.022	1.012	1.011	1.001	1.000	
Ex. Hi-Lo	2.966	1.306	1.127	1.058	1.033	1.028	1.021	1.014	1.012			
Wtd. Avg.	3.027	1.337	1.137	1.062	1.041	1.029	1.020	1.014	1.011	1.001	1.000	
Wtd. Last 3	2.647	1.306	1.117	1.048	1.041	1.032	1.021	1.012	1.011	1.001	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>3.027</b>	<b>1.337</b>	<b>1.137</b>	<b>1.062</b>	<b>1.041</b>	<b>1.029</b>	<b>1.020</b>	<b>1.014</b>	<b>1.011</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>5.479</b>	<b>1.810</b>	<b>1.354</b>	<b>1.191</b>	<b>1.122</b>	<b>1.078</b>	<b>1.047</b>	<b>1.027</b>	<b>1.012</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 4**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**

Paid Loss Development Factors by Report Year  
Countrywide

<b>Paid Losses and ALAE</b>												
Report Year	Evaluation Age in Months											
	12	24	36	48	60	72	84	96	108	120	132	144
1995	391,794	2,035,298	3,138,138	4,153,505	4,225,839	4,253,722	4,254,702	4,254,702	4,254,702	4,255,318	4,255,318	4,255,318
1996	241,647	1,289,538	3,545,608	3,869,640	3,894,431	3,920,661	3,937,904	3,966,795	4,026,245	4,033,993	4,033,993	-
1997	157,505	2,083,153	3,392,830	3,915,911	4,094,745	4,114,040	4,168,435	4,192,300	4,193,480	4,195,038	-	-
1998	422,274	2,313,522	3,213,047	3,793,197	3,815,212	3,845,678	3,854,660	3,880,459	3,880,714	-	-	-
1999	404,540	3,528,953	6,199,542	6,702,919	7,261,690	7,353,018	7,354,407	7,358,126	-	-	-	-
2000	404,540	3,108,562	5,171,938	6,319,059	7,065,185	7,770,027	8,062,802	-	-	-	-	-
2001	835,534	4,257,702	7,209,139	11,166,017	12,503,602	12,823,001	-	-	-	-	-	-
2002	823,635	7,206,761	14,309,699	17,950,547	20,799,361	-	-	-	-	-	-	-
2003	2,002,459	12,276,508	23,617,441	29,271,776	-	-	-	-	-	-	-	-
2004	1,203,539	7,394,985	14,640,307	-	-	-	-	-	-	-	-	-
2005	1,867,045	11,403,884	-	-	-	-	-	-	-	-	-	-
2006	1,919,530	-	-	-	-	-	-	-	-	-	-	-
<b>Age-to-Age Factors</b>												
Report Year	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	5.195	1.542	1.324	1.017	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	5.336	2.750	1.091	1.006	1.007	1.004	1.007	1.015	1.002	1.000	-	-
1997	13.226	1.629	1.154	1.046	1.005	1.013	1.006	1.000	1.000	-	-	-
1998	5.479	1.389	1.181	1.006	1.008	1.002	1.007	1.000	-	-	-	-
1999	8.723	1.757	1.081	1.083	1.013	1.000	1.001	-	-	-	-	-
2000	7.684	1.664	1.222	1.118	1.100	1.038	-	-	-	-	-	-
2001	5.096	1.693	1.549	1.120	1.026	-	-	-	-	-	-	-
2002	8.750	1.986	1.254	1.159	-	-	-	-	-	-	-	-
2003	6.131	1.924	1.239	-	-	-	-	-	-	-	-	-
2004	6.144	1.980	-	-	-	-	-	-	-	-	-	-
2005	6.108	-	-	-	-	-	-	-	-	-	-	-
<b>Average Development</b>												
Average Type	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	7.079	1.831	1.233	1.069	1.023	1.010	1.004	1.004	1.001	1.000	1.000	1.000
Latest 3	6.783	1.963	1.348	1.132	1.046	1.013	1.004	1.005	1.001	1.000	1.000	1.000
Ex. Hi-Lo	6.617	1.772	1.209	1.065	1.012	1.005	1.004	1.000	1.000	1.000	1.000	1.000
Wtd. Avg.	6.499	1.856	1.249	1.100	1.028	1.012	1.003	1.004	1.001	1.000	1.000	1.000
Wtd. Last 3	6.126	1.956	1.294	1.139	1.042	1.016	1.003	1.005	1.001	1.000	1.000	1.000
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>6.499</b>	<b>1.856</b>	<b>1.249</b>	<b>1.100</b>	<b>1.028</b>	<b>1.012</b>	<b>1.003</b>	<b>1.004</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>17.379</b>	<b>2.674</b>	<b>1.441</b>	<b>1.154</b>	<b>1.049</b>	<b>1.020</b>	<b>1.008</b>	<b>1.005</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 5**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**

Incurred Loss Development Factors by Report Year  
Countrywide

Incurred Losses and ALAE												
Report Year	Evaluation Age in Months											
	12	24	36	48	60	72	84	96	108	120	132	144
1995	1,314,308	3,325,793	3,950,635	4,469,134	4,284,839	4,265,760	4,254,702	4,254,702	4,254,702	4,255,318	4,255,318	4,255,318
1996	2,028,115	2,706,033	4,283,662	4,019,340	4,039,132	4,002,661	3,994,904	4,016,795	4,076,245	4,083,993	4,083,993	-
1997	1,179,509	3,606,091	3,909,840	4,064,919	4,135,249	4,124,042	4,193,437	4,252,302	4,243,482	4,245,041	-	-
1998	1,952,196	3,089,734	3,439,650	3,865,697	3,837,712	3,883,178	3,892,160	3,900,459	3,880,714	-	-	-
1999	2,682,237	5,422,297	6,603,554	6,802,928	7,322,547	7,356,350	7,354,407	7,359,026	-	-	-	-
2000	2,682,237	4,586,108	5,224,192	6,910,536	7,762,186	7,980,180	8,091,977	-	-	-	-	-
2001	3,794,215	4,503,711	8,622,853	12,034,287	12,945,137	12,730,477	-	-	-	-	-	-
2002	902,704	10,097,526	16,885,454	19,309,991	21,564,886	-	-	-	-	-	-	-
2003	5,438,589	18,689,780	28,599,682	33,118,671	-	-	-	-	-	-	-	-
2004	5,978,736	14,296,540	18,568,206	-	-	-	-	-	-	-	-	-
2005	10,743,360	20,781,723	-	-	-	-	-	-	-	-	-	-
2006	12,121,102	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Report Year	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	2.530	1.188	1.131	0.959	0.996	0.997	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.334	1.583	0.938	1.005	0.991	0.998	1.005	1.015	1.002	1.000	-	-
1997	3.057	1.084	1.040	1.017	0.997	1.017	1.014	0.998	1.000	-	-	-
1998	1.583	1.113	1.124	0.993	1.012	1.002	1.002	0.995	-	-	-	-
1999	2.022	1.218	1.030	1.076	1.005	1.000	1.001	-	-	-	-	-
2000	1.710	1.139	1.323	1.123	1.028	1.014	-	-	-	-	-	-
2001	1.187	1.915	1.396	1.076	0.983	-	-	-	-	-	-	-
2002	11.186	1.672	1.144	1.117	-	-	-	-	-	-	-	-
2003	3.437	1.530	1.158	-	-	-	-	-	-	-	-	-
2004	2.391	1.299	-	-	-	-	-	-	-	-	-	-
2005	1.934	-	-	-	-	-	-	-	-	-	-	-
Average Development												
Average Type	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	2.943	1.374	1.143	1.046	1.002	1.005	1.004	1.002	1.001	1.000	1.000	1.000
Latest 3	4.737	1.500	1.232	1.105	1.005	1.005	1.006	1.003	1.001	1.000	1.000	1.000
Ex. Hi-Lo	2.222	1.343	1.136	1.047	1.000	1.004	1.003	0.999	1.000	-	-	-
Wtd. Avg.	2.354	1.423	1.160	1.072	1.000	1.005	1.004	1.002	1.001	1.000	1.000	1.000
Wtd. Last 3	2.426	1.487	1.191	1.105	1.001	1.006	1.005	1.003	1.001	1.000	1.000	1.000
Selected Loss Development Factors												
Age-to-Age	<b>2.354</b>	<b>1.423</b>	<b>1.160</b>	<b>1.072</b>	<b>1.000</b>	<b>1.005</b>	<b>1.004</b>	<b>1.002</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>4.219</b>	<b>1.792</b>	<b>1.259</b>	<b>1.085</b>	<b>1.012</b>	<b>1.012</b>	<b>1.007</b>	<b>1.003</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 6**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**

Claim Count Development Factors by Report Year  
Countrywide

<b>Reported Claim Counts</b>												
Report Year	Evaluation Age in Months											
	12	24	36	48	60	72	84	96	108	120	132	144
1995	-	273	274	279	279	279	279	279	279	279	279	279
1996	316	343	346	346	346	346	346	346	346	346	346	-
1997	186	287	289	291	291	291	291	291	291	291	-	-
1998	206	265	271	271	271	272	272	272	273	-	-	-
1999	315	434	440	441	460	462	462	462	-	-	-	-
2000	315	544	552	608	630	630	634	-	-	-	-	-
2001	552	640	720	741	743	746	-	-	-	-	-	-
2002	438	978	1,068	1,083	1,093	-	-	-	-	-	-	-
2003	850	1,279	1,305	1,324	-	-	-	-	-	-	-	-
2004	805	984	1,008	-	-	-	-	-	-	-	-	-
2005	943	1,142	-	-	-	-	-	-	-	-	-	-
2006	924	-	-	-	-	-	-	-	-	-	-	-

<b>Age-to-Age Factors</b>												
Report Year	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995		1.004	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.085	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1997	1.543	1.007	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1998	1.286	1.023	1.000	1.000	1.004	1.000	1.000	1.004				
1999	1.378	1.014	1.002	1.043	1.004	1.000	1.000					
2000	1.727	1.015	1.101	1.036	1.000	1.006						
2001	1.159	1.125	1.029	1.003	1.004							
2002	2.233	1.092	1.014	1.009								
2003	1.505	1.020	1.015									
2004	1.222	1.024										
2005	1.211											

<b>Average Development</b>												
Average Type	Evaluation Age in Months											
	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	1.435	1.033	1.021	1.011	1.002	1.001	1.000	1.001	1.000	1.000	1.000	1.000
Latest 3	1.313	1.046	1.019	1.016	1.003	1.002	1.000	1.001	1.000	1.000	1.000	1.000
Ex. Hi-Lo	1.379	1.025	1.012	1.008	1.002	1.000	1.000	1.000	1.000	1.000		
Wtd. Avg.	1.455	1.041	1.023	1.013	1.002	1.002	1.000	1.001	1.000	1.000	1.000	1.000
Wtd. Last 3	1.311	1.043	1.018	1.014	1.003	1.003	1.000	1.001	1.000	1.000	1.000	1.000

<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>1.455</b>	<b>1.041</b>	<b>1.023</b>	<b>1.013</b>	<b>1.002</b>	<b>1.002</b>	<b>1.000</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>1.576</b>	<b>1.083</b>	<b>1.041</b>	<b>1.018</b>	<b>1.005</b>	<b>1.003</b>	<b>1.001</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 5**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**  
Countrywide Experience

(1) Report Year	(2) Paid Loss & ALAE	(3) Incurred Loss & ALAE	(4) Paid Development Factor	(5) Incurred Development Factor	(6) Indicated Ultimate From Paid Development	(7) Indicated Ultimate From Incurred Development	(8) Selected Ultimate Loss & ALAE	(9) Reported Claim Count	(10) Claim Emergence Factor	(11) Ultimate Claim Count	(12) Ultimate Severity	(13) Earned Premium	(14) Premium Factor On Current Level	(15) On Level Earned Premium	(16) Exposure Adjusted Frequency
1995	4,255,318	4,255,318	1.000	1.000	4,255,318	4,255,318	4,255,318	279	1.000	279	15,252	8,567,298	1.513	12,963,963	21.52
1996	4,033,993	4,083,993	1.000	1.000	4,033,993	4,083,993	4,058,993	346	1.000	346	11,731	8,964,347	1.515	13,577,604	25.48
1997	4,195,038	4,245,041	1.000	1.000	4,195,038	4,245,041	4,220,039	291	1.000	291	14,502	9,324,258	1.530	14,268,928	20.39
1998	3,880,714	3,880,714	1.001	1.001	3,883,801	3,883,777	3,883,789	273	1.000	273	14,226	9,027,940	1.535	13,858,410	19.70
1999	7,358,126	7,359,026	1.005	1.003	7,391,496	7,378,683	7,385,089	462	1.001	462	15,985	11,983,048	2.718	32,564,871	14.19
2000	8,062,802	8,091,977	1.008	1.007	8,127,639	8,145,675	8,136,657	634	1.001	635	12,814	13,545,843	1.611	21,828,889	29.09
2001	12,823,001	12,730,477	1.020	1.012	13,080,972	12,888,293	12,984,633	746	1.003	748	17,359	15,723,141	1.613	25,362,458	29.49
2002	20,799,361	21,564,886	1.049	1.012	21,818,952	21,831,465	21,825,209	1,093	1.005	1,098	19,877	26,066,373	1.536	40,034,356	27.43
2003	29,271,776	33,118,671	1.154	1.085	33,777,866	35,922,998	34,850,432	1,324	1.018	1,348	25,853	37,315,919	1.359	50,699,308	26.59
2004	14,640,307	18,568,206	1.441	1.259	21,093,430	23,378,064	22,235,747	1,008	1.041	1,049	21,197	41,800,045	1.230	51,414,890	20.40
2005	11,403,884	20,781,723	2.674	1.792	30,499,282	37,238,050	33,868,666	1,142	1.083	1,237	27,380	44,189,762	1.183	52,258,027	23.67

1995 - 2003 Fitted Trend	6.8%	3.7%
1995 - 2004 Fitted Trend	6.5%	2.0%
1995 - 2005 Fitted Trend	7.3%	1.6%
<b>Selected</b>	<b>6.5%</b>	<b>2.0%</b>

Accident Year	Annual Trend	Midpoint of Experience	Average Accident Date of Effective Period	Trend Period	Trend Factor	<b>Total Trend</b>
2001	1.086	7/1/2001	10/15/2008	7.29	1.830	<b>8.6%</b>
2002	1.086	7/1/2002	10/15/2008	6.29	1.684	
2003	1.086	7/1/2003	10/15/2008	5.29	1.550	
2004	1.086	7/1/2004	10/15/2008	4.29	1.427	
2005	1.086	7/1/2005	10/15/2008	3.29	1.314	

**Exhibit 6**  
**The American Insurance Company**  
**Dental Professional Liability**

Projected Expenses

	2001	2002	2003	2004	2005	Selected
(1) Direct Written Premium	233,543	207,738	156,590	155,744	142,703	
(2) Direct Earned Premium	195,790	235,170	161,165	148,134	144,693	
Expense Category:						
(3) Commissions	48,063 20.6%	43,176 20.8%	33,303 21.3%	33,030 21.2%	32,051 22.5%	23.3%
(4) Other Acquisitions	5,977 3.1%	7,849 3.3%	4,825 3.0%	4,082 2.8%	4,376 3.0%	3.0%
(5) General	13,947 7.1%	18,315 7.8%	11,259 7.0%	9,525 6.4%	10,209 7.1%	7.1%
(6) Taxes, Licenses, and Fees	4,793 2.4%	5,859 2.5%	4,000 2.5%	3,304 2.2%	2,700 1.9%	2.3%
(7) Subtotal	72,780 33.2%	75,199 34.4%	53,387 33.7%	49,941 32.6%	49,336 34.4%	35.7%
(8) Unallocated Loss Adjustment Expenses	5,542 2.8%	-7,126 -3.0%	4,309 2.7%	3,488 2.4%	1,671 1.2%	2.1%
(9) Profit Load						9.2%
(10) Total Expenses						47.0%
(11) Permissible Loss and Allocated Loss Adjustment Expense Ratio						53.0%

**Notes:**

Based on IEE for Medical Malpractice using Fireman's Fund Insurance Companies consolidated data.

(3) Selected is planned 2007 Dental commission rate to be paid.

(11) = 1.00 - (10)

**Exhibit 7  
The American Insurance Company**

Fireman's Fund Consolidated  
Professional Liability  
Calculation of Underwriting Profit Provision

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Selected</u>
(1) Earned Premium (AS Page 4, Line 1, Col 1)	\$4,084,898,912	\$2,624,676,440	\$3,951,255,938	\$4,210,707,223	\$4,327,051,937	
(2) Investable Assets (AS Page 2, Line 10, Col 3)	\$10,562,407,685	\$10,561,863,002	\$10,808,273,330	\$9,725,795,497	\$9,516,052,182	
(3) Surplus (AS Page 3, Line 35, Col 1)	\$1,945,394,297	\$2,239,490,119	\$2,858,865,888	\$2,930,106,208	\$2,850,201,410	
(4) Net Investment Income Earned (AS Page 4, Line 9, Col 1)	\$446,350,525	\$472,473,418	\$511,123,917	\$483,732,059	\$476,477,702	
(5) Net Realized Capital Gains (AS Page 4, Line 10, Col 1)	(\$215,687,471)	(\$208,169,492)	(\$9,147,171)	\$10,758,814	\$41,408,600	
(6) Premium-to-Surplus ratio (1) / (3)	2.10	1.17	1.38	1.44	1.52	<b>1.30</b>
(7) Professional Liability Occurrence Premium-to-Capital ratio						<b>0.91</b>
(8) Premium-to-Assets ratio (1) / (2)	0.39	0.25	0.37	0.43	0.45	<b>0.34</b>
(9) Target After-Tax ROE						<b>15.0%</b>
(10) Tax Rate						<b>35.0%</b>
(11) Return on Assets [(4) + (5)] / (2)	2.2%	2.5%	4.6%	5.1%	5.4%	<b>5.5%</b>

<b>(UW Income + Investment Income) x (1 - Tax Rate) = (Allocated Capital) x (Target After-Tax ROE)</b>
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(12) UW Profit Provision [(9) / (7)] / [1 - (10)] - [(11) / (8)]						<b>9.2%</b>
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**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
DISTRICT OF COLUMBIA (08)**

**I. Rating Territories:**

Territory I: Entire State

**II. Dental Practitioner Rates:**

**1. Premium Rate Tables:**

**MATURE CLAIMS MADE RATES**  
(\$1,000,000/\$3,000,000 Limits)

Dental Classification	Territory I
I	\$3,168
II	\$3,960
III	\$4,752
IV	\$6,336
V	\$25,344

**OCCURRENCE RATES**  
(\$1,000,000/\$3,000,000 Limits)

Dental Classification	Territory I
I	\$3,520
II	\$4,400
III	\$5,280
IV	\$7,040
V	\$28,160

**2. Claims-Made Step Factors**

These factors apply to the mature claims-made rate:

Years of Claims-Made Coverage		Dentists	Oral Surgeons
Claims-Made Year	# of Days	Step Factors	Step Factors
Year 1	0 - 182	0.29	0.29
Year 2	183 - 547	0.54	0.54
Year 3	548 - 912	0.73	0.73
Year 4	913 - 1277	0.81	0.81
Year 5	1278 - 1642	0.90	0.90
Mature Claims-Made	1643 +	1.00	1.00

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
DISTRICT OF COLUMBIA (08)**

**3. Increase / Decrease Limits**

The following increase limit factors shall apply to occurrence and claims-made coverages as follows:

Option	Limit of Liability (Professional)	Increase / Decrease Factors Dentists	Increase / Decrease Factors Oral Surgeons
A	\$100,000 / \$300,000	0.782	0.500
B	\$200,000 / \$600,000	0.890	0.625
C	\$500,000 / \$1,500,000	0.946	0.813
D	\$1,000,000 / \$3,000,000	1.000	1.000
E	\$2,000,000 / \$6,000,000	1.150	1.206
F	\$3,000,000 / \$6,000,000	1.250	1.309
G	\$4,000,000 / \$6,000,000	1.300	1.377
H	\$5,000,000 / \$6,000,000	1.350	1.428

**III. Amended Rules**

1. Under section **B. DENTAL CLASSIFICATIONS**, the following revisions are made:

A. Subsection **b. Classification Plan** is deleted and replaced with the following:

<p><b>b. Classification Plan:</b></p> <p>Dental Practitioner classifications shall be determined based upon their level of practice exposure as reflected in the area of practice, administration and types of anesthetic agents used and environment in which they are administered. Use the following table of Dental Practitioner Classifications to determine the appropriate premium class.</p> <p>If more than one classification applies, the highest rated classification shall be used for premium rating.</p>
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**All percentages are based upon the *number* of procedures performed in the practice.**

<b>Class 1</b>	<b>DENTAL CLASS I NON-INVASIVE OR MINIMALLY INVASIVE PROCEDURES AND SELECT SPECIALTIES</b>
	<b>Specialists:</b>
	Endodontist
	Orthodontist (simple extractions up to 25% of procedures)
	Public Health Dentist
	Periodontist (surgical placement of implants up to 25% of procedures)
	Prosthodontist (surgical placement of implants up to 25% of procedures)
	Pediatric Dentist
	Oral Pathologist

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
DISTRICT OF COLUMBIA (08)**

	<b>General Dentists performing the following procedures:</b>	
	Diagnostic	
	Preventative	
	Restorative	
	Non-surgical TMJ treatments – mouth guards and splints	
	Cosmetic whitening, veneers	
	Restorative Implants up to 15% of practice (based on number of procedures)	
	Endodontia – up to 25% of practice (based on number of procedures)	
	Prosthodontia – up to 25% of practice (based on number of procedures)	
	Periodontia – up to 25% of practice (based on number of procedures)	
	Oral surgery (up to 25% of total practice, based on number or procedures; simple extractions only, no full bony or partial bony impactions)	
	This classification applies to all DDS's or DMD's who are Board Eligible or Certified Specialists in the above areas; or are General Practitioners and who use local, nitrous oxide or oral conscious sedation. This classification also applies to all dentists who provide services to patients who have been administered deep sedation or general anesthesia in their office, or in a hospital, or surgi-center by an MD / nurse anesthetist, dentist anesthetist, or oral surgeon not in their employ.	
<b>Class 2</b>	<b>DENTAL PROCEDURES LEVEL II &amp; SPECIALIZED AREAS OF PRACTICE/PROCEDURES:</b>	
	<b>Applies to all General Dentists:</b>	
	With 25% or greater percentage of practice (in any one category) in the specialty areas of Prosthodontics and/or Endodontics, surgical Periodontal procedures, Orthodontics or oral surgery ( <i>simple extractions only, no extractions of full or partial bony impacted teeth</i> ).	
	For classification purposes all dentists whose procedures exceed 25% or more in the above specialized areas of practice will be rated under this classification.	
<b>Class 3</b>	<b>DENTAL PROCEDURES LEVEL III &amp; SPECIALIZED AREAS OF PRACTICE/PROCEDURES:</b>	
	<b>Applies to all Specialists (except Oral Surgeons) and General Dentists:</b>	
	Extractions of full or partial bony impacted teeth	
	<b>Applies to all General Dentists:</b>	
	Implant restorations that exceed 15% of the total practice	
	This classification applies to all General Dentists DDS's or DMD's whose practice specializes in providing implants. For classification purposes all insureds that treat 15% or more of their patients for implants will be rated under this classification.	
<b>Class 4</b>	<b>ANESTHESIA CLASS (CURRENTLY CLASS II OR B)</b>	
	Anesthesia	I.V. Conscious Sedation I.M. Conscious Sedation Sub-cutaneous conscious sedation
	Anesthesia: This classification contemplated the insured dentist administering the sedation and performing the dental procedure.	
<b>Class 5</b>	<b>Oral &amp; Maxillofacial Surgeons and Dentist Anesthesiologists</b>	
	Anesthesia	In-Office Includes General Anesthesia
	This classification applies to all Oral Surgeons and Dental Anesthesiologists. This classification would also apply to any DDS or DMD who administer and treat patients under I.V. or I.M. conscious sedation or deep sedation or general anesthesia in their office. Proof of their education and training would need to be secured prior to proceeding (see comments under General Anesthesia).	

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
DISTRICT OF COLUMBIA (08)**

- B. Rule 3. **Limited Clinical Practice, 3. a. Part-Time Practitioner** is deleted and replaced by the following:

Dentists who practice 20 hours or less a week will be eligible for part-time status at 40% premium credit.

- C. Rule 4. **Additional Classifications**, the following rules are added:

- e. A 20% charge may be applied to Dentists other than oral surgeons who perform minor surgical procedures.
- f. 15% charge to any general dentist whose practice procedures include the following specialties combined more than 51%:

Endodontia	Extractions
Periodontia	Oral Pathology
Orthodontia	Gnathology
Pedodontia	Surgical implant placement
Prosthodontia	Oral Surgery
TMJ Treatment (not including mouth-guards/splints)	

2. Under section **C. ADDITIONAL COVERAGE / RATING RULES** the following revisions are made:

- A. Rule 2., **Experience Rating Plan** is deleted and replaced by the following:

2. Experience Modification - Professional Liability

Based upon the insured's claim experience and history over the proceeding 4 (four) - year periods, an Experience Modification Credit or Debit shall be applied. Criteria used to determine the application of such credits or debits shall include:

- Number of claims
- Total incurred losses
- Total paid losses
- The cause of losses
- Corrective actions taken for subsequent loss prevention
- Areas of specialization

**CLAIM-FREE DISCOUNT**

A claim-free discount of 10% shall be applied. To be eligible, the following criteria must be met:

No claim of \$500 or more incurred indemnity and ALAE in the last 4 years.

For purposes of this discount, a claim shall be defined as incurred indemnity (closed claim) and Allocated loss adjustment expense (claim expenses) less than \$500.

Note: a combination of a maximum of 2 claims is allowable for this discount.



**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
RATE and RULE MANUAL MEMORANDUM  
DISTRICT OF COLUMBIA**

In conjunction with the rate filing, we have redesigned our State Exception Pages as attached.

As you can see, we have made modifications to section **II. Dental Practitioner Rates**. These changes were made in accordance with our proposed rate filing as explained in the Actuarial Memorandum.

To the State Exception Pages, you will also note that we have added an explanation of our proposed filing. This can be found on page two of the State Exception Pages, under section **III. Amended Rules**.

You will find enclosed the State Exception Pages for the state of the District of Columbia for your review.

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
Fireman's Fund Insurance Companies	0761

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
The American Insurance Company	NE	21857	22-0731810	N/A

<b>5. Company Tracking Number</b>	<b>TANE DPL DC 10 07 RR</b>
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Diane Sowell 33 W. Monroe Street Chicago, IL 60603	Analyst	312-456-5146	866-613-6395	dsowell@ffic.com

7. Signature of authorized filer	<i>Diane Sowell</i>
8. Please print name of authorized filer	Diane Sowell

**Filing information** (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	Medical Malpractice – Claims Made and Occurrence
10. Sub-Type of Insurance (Sub-TOI)	Dentists
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Dentist's Professional Liability
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 10/01/2007    Renewal: 11/01/2007

