

State:	District of Columbia	Filing Company:	UnitedHealthcare Insurance Company
TOI/Sub-TOI:	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.001 Any Size Group		
Product Name:	COL-12A Student Association		
Project Name/Number:	COL-12A Rate Increase/		

Rate Information

Rate data applies to filing.

Filing Method:	Review and Approval
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	

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 req'd):	Minimum % Change (where req'd):
UnitedHealthcare Insurance Company	Increase	9.000%	9.000%	\$295,173	11	\$3,279,700	9.000%	9.000%

Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		2,232						
Policy Holders:		11						

State: District of Columbia **Filing Company:** UnitedHealthcare Insurance Company
TOI/Sub-TOI: H15G Group Health - Hospital/Surgical/Medical Expense/H15G.001 Any Size Group
Product Name: COL-12A Student Association
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Rate Review Detail

COMPANY:

Company Name: UnitedHealthcare Insurance Company
HHS Issuer Id: 00000
Product Names: COL-12A Student Association
Trend Factors: 10.5%

FORMS:

New Policy Forms: n/a
Affected Forms: n/a
Other Affected Forms: n/a

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
Member Months: 44,900
Benefit Change: Increase
Percent Change Requested: Min: 9.0 Max: 9.0 Avg: 9.0

PRIOR RATE:

Total Earned Premium: 3,279,700.00
Total Incurred Claims: 5,470,364.00
Annual \$: Min: 101.03 Max: 182.52 Avg: 122.45

REQUESTED RATE:

Projected Earned Premium: 3,574,860.00
Projected Incurred Claims: 6,044,613.00
Annual \$: Min: 110.12 Max: 198.95 Avg: 133.47

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Change Supporting Info		New		Pricing Guidelines.pdf,
2		Exhibit I		New		DC Exhibit 1 COL-12A-DC members by state.pdf,
3		Exhibit II		New		EXHIBIT 2 - COL-12A experience to SERFF.pdf,

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**UnitedHealthcare Insurance Company
StudentResources**

Pricing Guidelines

Policy Form COL-12A

**Aug 2012
Revised Mar 2013**

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UnitedHealthcare Insurance Company StudentResources

Pricing Guidelines

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- Expense Ratios

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- Benefit Differential Tool
- Unisex Age, Relationship and Premium Modalization Factors
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UnitedHealthcare Insurance Company StudentResources

Pricing Guidelines

Introduction

The policy supported by these Pricing Guidelines provides for custom designed programs for associations that make health coverage available to college students and their dependents. Generally, the plans have been designed to satisfy the association's requirements. Generally, students may elect to obtain coverage in quarterly, semester or annual increments.

This product uses rating concepts similar to large group insurance. There is no medical underwriting of individuals. Policies cover all eligible students and dependents who are members of the association.

The policy is marketed through company-employed licensed agents, brokers and independent agents.

Scope of Coverage

The policy is designed to provide a broad range of medical expense insurance options.

The policy provides for the following coverages:

- Hospital Inpatient Expenses
- Surgical Expenses
- Physician Visit Expenses
- Laboratory and X-ray Expenses
- Diagnostic Testing
- Chemotherapy and Radiation Therapy
- Prescription Drugs
- Ambulance
- Durable Medical Equipment
- Repatriation and Medical Evacuation
- AD&D

There are plans that provide a higher level of benefits when a preferred provider is utilized.

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UnitedHealthcare Insurance Company StudentResources

Pricing Guidelines

Rating Structure

Programs for the policyholders are highly customized. The flexibility of the policy is used to meet the policyholders' needs.

Premiums are paid annually, quarterly or monthly.

Premium rates are developed taking into account all relevant known factors: past experience, size, claims costs, relationships and any other factors relevant to the expected cost of insurance.

Recent past experience, if available, is a most important underwriting factor. The experience rating formula is given in a subsequent section.

Average claim costs are available from continuance tables developed from UnitedHealthcare **StudentResources** data. A "Benefit Differential Tool" is used to price variations of plan parameters. Area and unisex age factors are from employer data.

The anticipated overall target loss ratio is 76%. See the "Expense Factors" table in the Experience Rating Tables below.

$$\text{PSI} * (1.000 + \text{RCN})$$

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COL-12A Pricing Guidelines

Tabular Completion Factors given Policy Year and Duration

(Factors are updated periodically based on the entire block's loss development pattern)

Duration Since Start of Policy Year	Policy Year			
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
1	0.009	0.012	0.017	0.015
2	0.035	0.046	0.053	0.050
3	0.071	0.093	0.104	0.098
4	0.132	0.163	0.176	0.169
5	0.200	0.230	0.244	0.237
6	0.272	0.302	0.325	0.314
7	0.361	0.394	0.416	0.405
8	0.452	0.488	0.504	0.496
9	0.539	0.572	0.594	0.583
10	0.640	0.667	0.690	0.679
11	0.739	0.758	0.767	0.762
12	0.813	0.841	0.847	0.844
13	0.882	0.897	0.906	0.902
14	0.924	0.933	0.941	0.937
15	0.948	0.955	0.957	0.956
16	0.964	0.968	0.966	0.967
17	0.975	0.977	0.976	
18	0.981	0.984	0.982	
19	0.986	0.988	0.987	
20	0.989	0.991	0.990	
21	0.992	0.993	0.993	
22	0.994	0.995	0.994	
23	0.995	0.996	0.995	
24	0.996	0.996	0.996	
25	0.997	0.995	0.996	
26	0.997	0.996	0.996	
27	0.997	0.997	0.997	
28	0.998	0.997	0.997	
29	0.999	0.999	0.999	
30	1.000	0.999	0.999	

Source - Actual completion factors from in-house data sources.
Future months extrapolated.

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COL-12A Pricing Guidelines

Completion Factor Weights based on Membership

<u>Members</u>	<u>Weight</u>
0	-
500	0.20
1000	0.30
1500	0.40
2000	0.60
2500	0.70
5000	0.80
7500	0.90
10000	0.95
12500	1.00
15000+	1.00

For example, if membership is expected to be 1500, then the completion factor weight for that policy year is 0.4

The completion factor weight is used to blend the account completion factor with the tabular completion factor. The resulting completion factor is used to gross up paid claims to incurred claims.

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COL-12A Pricing Guidelines

Trend Factors

Medical Trend is 10.5% per year
subject to these adjustments:

Medical Trend Adjustment Factors

		Policy Year beginning:			
		2012	2011	2010	2009
<u>Plan</u>	PPO	1.045	1.045	1.045	1.045
	U&C	1.060	1.060	1.060	1.060
<u>Network</u>	UHC	1.000	1.000	1.000	1.000
	Leased	1.015	1.015	1.015	1.015
	None	1.040	1.040	1.040	1.040

For example, for a 2012-13 Policy Year, with
PPO
Leased network

1.0450
1.0150

the medical trend is 10.5% x 1.045 x 1.015=

11.14%

Rx Trend is per the following table:

Rx Plan	Rx Card - No Max	7.50%	7.50%	7.50%	7.50%
	Yes, No PBM	11.00%	11.00%	11.00%	11.00%
	None	0.00%	0.00%	0.00%	0.00%

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COL-12A Pricing Guidelines

Policy Year Weighting Factor

# of months experience available	<u>Experience Period by Policy Year</u>		
	<u>Current Year</u> <u>(y0)</u>	<u>First Prior</u> <u>Year (y1)</u>	<u>Second Prior</u> <u>Year (y2)</u>
0	0.00	0.70	0.30
1	0.00	0.70	0.30
2	0.00	0.70	0.30
3	0.00	0.75	0.25
4	0.00	0.85	0.15
5	0.15	0.85	0.00
6	0.20	0.80	0.00
7	0.25	0.75	0.00
8	0.30	0.70	0.00
9	0.40	0.60	0.00
10	0.50	0.50	0.00
11	0.65	0.35	0.00
12	0.80	0.20	0.00

Current Year = Most recent year of experience

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COL-12A Pricing Guidelines

Expense Factors

<u>Expense Description</u>	<u>Average Expenses</u>
Policy, Claim Administration, Marketing, Sales Expense	11.25%
Premium Taxes, Other Taxes, Licenses & Fees	6.25%
Risk margin and Profit	6.50%
Total Expenses	24.00%

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COL-12A Pricing Guidelines

Block of Business - Benefit Differential Tool - Plan A

Example

All Amounts are annual per person

Last calculated on:
May 24, 2012

Plan A

MEDICAL																												
Combined Ded? (Y/N)	<input type="text" value="n"/>		1,126.53 <Ctrl>P to Print																									
Combined OOP? (Y/N)	<input type="text" value="n"/>																											
Unlimited OOP? (Y/N)	<input type="text" value="n"/>																											
Ded part of OOP? (Y/N)	<input type="text" value="n"/>																											
Ded per Incident? (Y/N) (N = per person)	<input type="text" value="n"/>	Ded Coins OOP	<table border="1"> <thead> <tr> <th>In-Network Preferred</th> <th>Out-of-Network Non-Preferred</th> <th>SHC</th> </tr> </thead> <tbody> <tr> <td>250</td> <td>100</td> <td>-</td> </tr> <tr> <td>80%</td> <td>60%</td> <td>100%</td> </tr> <tr> <td>2,500</td> <td>2,500</td> <td>1,000</td> </tr> </tbody> </table>	In-Network Preferred	Out-of-Network Non-Preferred	SHC	250	100	-	80%	60%	100%	2,500	2,500	1,000													
In-Network Preferred	Out-of-Network Non-Preferred	SHC																										
250	100	-																										
80%	60%	100%																										
2,500	2,500	1,000																										
Medco Rx Card?	<input type="text" value="y"/>																											
SHC?	<input type="text" value="n"/>																											
		Overall Policy Maximum*	<input type="text" value="50,000"/>																									
Subtotal		<table border="1"> <thead> <tr> <th>In-Network Preferred</th> <th>Out-of-Network Non-Preferred</th> <th>SHC</th> </tr> </thead> <tbody> <tr> <td>845.07</td> <td>138.70</td> <td>-</td> </tr> </tbody> </table>	In-Network Preferred	Out-of-Network Non-Preferred	SHC	845.07	138.70	-																				
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845.07	138.70	-																										
Medical Copays per Unit		<table border="1"> <thead> <tr> <th>Preferred</th> <th>Non-Pref</th> <th>SHC</th> </tr> </thead> <tbody> <tr> <td>CT-Scan/MRI</td> <td>100.00</td> <td>0.00</td> </tr> <tr> <td>Injections</td> <td>10.00</td> <td>0.00</td> </tr> <tr> <td>Laboratory</td> <td>20.00</td> <td>0.00</td> </tr> <tr> <td>Medical Emer.</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Physician Visit</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>X-Ray</td> <td>25.00</td> <td>0.00</td> </tr> <tr> <td>Copay Savings</td> <td>\$ (26.34)</td> <td>\$ (7.44)</td> <td>\$ -</td> </tr> </tbody> </table>	Preferred	Non-Pref	SHC	CT-Scan/MRI	100.00	0.00	Injections	10.00	0.00	Laboratory	20.00	0.00	Medical Emer.	0.00	0.00	Physician Visit	0.00	0.00	X-Ray	25.00	0.00	Copay Savings	\$ (26.34)	\$ (7.44)	\$ -	
Preferred	Non-Pref	SHC																										
CT-Scan/MRI	100.00	0.00																										
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Physician Visit	0.00	0.00																										
X-Ray	25.00	0.00																										
Copay Savings	\$ (26.34)	\$ (7.44)	\$ -																									
Pooling Charge	\$ -	\$ 818.73	\$ 131.27																									
Medical Cost	\$ 950.00		\$ -																									

CONTRACEPTION	0 - Not Covered 1 - Covered with Copay	2 - 100% covered**	<input type="text" value="1"/>
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MEDCO Rx Copay Structure				
		SHC	Retail	Mail Order
	Tier 1	15.00	15.00	15.00
	Tier 2	30.00	30.00	30.00
	Tier 3	50.00	50.00	50.00
Max Rx Benefit	<input type="text" value="100000"/>			
Medco Rx Cost	<input type="text" value="\$ 202.29"/>			

Preventive - We pay	<input type="text" value="50%"/>	up to a maximum of of the remaining cost. in addition to what is built into the model. (Note - does not include contraception)	<input type="text" value="1,000.00"/>	after deductible of:
and	<input type="text" value="0%"/>			<input type="text" value="100.00"/>
Which is worth	<input type="text" value="\$ (10.76)"/>			
Non-Service Charges for AD&D and Other/Other charge codes				<input type="text" value="(15.00)"/>

Example

All Amounts are annual per person

Last calculated on:
May 24, 2012

Plan B

MEDICAL			
Combined Ded? (Y/N)	n		1,285.49
Combined OOP? (Y/N)	n		
Unlimited OOP? (Y/N)	n		
Ded part of OOP? (Y/N)	n		114.1%
		In-Network Preferred	As a % of Plan A Out-of-Network Non-Preferred
Ded per Incident? (Y/N)	n	Ded 250	100
(N = per person)		Coins 80%	60%
		OOP 2,500	2,500
Medco Rx Card?	y		
SHC?	n		
			SHC
			-
			100%
			1,000
			Overall Policy Maximum*
			100,000
Subtotal		905.61	143.78
			-
Medical Copays per Unit		Preferred	Non-Pref
			SHC
CT-Scan/MRI		0.00	0.00
Injections		0.00	0.00
Laboratory		0.00	0.00
Medical Emer.		0.00	0.00
Physician Visit		0.00	0.00
X-Ray		0.00	0.00
Copay Savings		\$ -	\$ -
			\$ -
Pooling Charge	\$ 3.04	\$ 905.61	\$ 143.78
Medical Cost	\$ 1,052.42		\$ -
As a % of Plan A	110.8%	110.6%	109.5%
			N/A

CONTRACEPTION	0 - Not Covered	2 - 100% covered**	2
	1 - Covered with Copay		

MEDCO Rx Copay Structure				
		SHC	Retail	Mail Order
	Tier 1	15.00	15.00	15.00
	Tier 2	30.00	30.00	30.00
	Tier 3	50.00	50.00	50.00
Max Rx Benefit	100000			
Medco Rx Cost	220.81			As a % of Plan A
				109.2%

Preventive - We pay	100%	up to a maximum of	1,000.00	after deductible of:
and	100%	of the remaining cost.		100.00
Which is worth	\$ 27.26	in addition to what is built into the model.		
(Note - does not include contraception)				

Non-Service Charges for ADI for AD&D and Other/Other charge codes	(15.00)
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COL-12A Pricing Guidelines

Unisex Age Factors

<u>Age Range</u>	<u>Factor</u>
<25	0.540
25-29	0.696
30-34	0.832
35-39	0.904
40-44	0.999
45-49	1.219
50-54	1.559
55-59	1.928
60-64	2.447
65+	3.118
Medicare Primary	1.251
Child	0.524

Relationship Factors

Student	1.000
Spouse	2.750
Child	1.750

Premium Modalization Factor

Annual	1.000
Other	1.020

Non-annual Premiums may be rounded to the nearest dollar.

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COL-12A Pricing Guidelines

Area Factors

State	MSA	Description	Factor
AK	0380	Anchorage, AK	1.114
	9999-AK	Alaska - No MSA	1.124
AL	0450	Anniston, AL	0.921
	0580	Auburn-Opelika, AL	0.961
	1000	Birmingham, AL	0.990
	1800	Columbus, GA-AL	0.938
	2030	Decatur, AL	0.975
	2180	Dothan, AL	0.938
	2650	Florence, AL	0.927
	2880	Gadsden, AL	0.907
	3440	Huntsville, AL	0.936
	5160	Mobile, AL	0.965
	5240	Montgomery, AL	0.958
	8600	Tuscaloosa, AL	0.973
	9999-AL	Alabama - No MSA	0.991
AR	2580	Fayetteville-Springdale-Rogers, AR	0.932
	2720	Fort Smith, AR-OK	0.935
	3700	Jonesboro, AR	0.968
	4400	Little Rock-North Little Rock, AR	0.946
	4920	Memphis, TN-AR-MS	0.970
	6240	Pine Bluff, AR	0.916
	8360	Texarkana, TX-Texarkana, AR	0.946
	9999-AR	Arkansas - No MSA	0.964
AZ	2620	Flagstaff, AZ-UT	1.014
	4120	Las Vegas, NV-AZ	0.946
	6200	Phoenix-Mesa, AZ	0.994
	8520	Tucson, AZ	0.985
	9360	Yuma, AZ	0.978
	9999-AZ	Arizona - No MSA	1.024
CA	0680	Bakersfield, CA	0.971
	1620	Chico-Paradise, CA	1.009
	2840	Fresno, CA	1.003
	4480	Los Angeles-Long Beach, CA	1.013
	4940	Merced, CA	0.987
	5170	Modesto, CA	0.988
	5775	Oakland, CA	1.090
	5945	Orange County, CA	1.029
	6690	Redding, CA	1.029
	6780	Riverside-San Bernardino, CA	1.025
	6920	Sacramento, CA	1.068
	7120	Salinas, CA	1.083
	7320	San Diego, CA	1.012
	7360	San Francisco, CA	1.093
	7400	San Jose, CA	1.125
	7460	San Luis Obispo-Atascadero-Paso Robles, CA	1.011
	7480	Santa Barbara-Santa Maria-Lompoc, CA	1.059
	7485	Santa Cruz-Watsonville, CA	1.087
	7500	Santa Rosa, CA	1.073
	8120	Stockton-Lodi, CA	1.021
	8720	Vallejo-Fairfield-Napa, CA	1.088
	8735	Ventura, CA	1.000
	8780	Visalia-Tulare-Porterville, CA	0.967
	9270	Yolo, CA	1.154
	9340	Yuba City, CA	1.014
	9999-CA	California - No MSA	1.066
CO	1125	Boulder-Longmont, CO	0.975
	1720	Colorado Springs, CO	0.936
	2080	Denver, CO	0.997
	2670	Fort Collins-Loveland, CO	1.080
	2995	Grand Junction, CO	0.984
	3060	Greeley, CO	1.011
	6560	Pueblo, CO	0.949
	9999-CO	Colorado - No MSA	1.058
CT	1160	Bridgeport, CT	1.054
	1930	Danbury, CT	1.045
	3280	Hartford, CT	1.029
	5480	New Haven-Meriden, CT	1.053
	5520	New London-Norwich, CT-RI	0.981
	8040	Stamford-Norwalk, CT	1.045
	8880	Waterbury, CT	1.045
	9240	Worcester, MA-CT	1.058

State	MSA	Description	Factor
DC	9999-CT	Connecticut - No MSA	1.045
	8840	Washington, DC-MD-VA-WV	1.032
DE	2190	Dover, DE	0.954
	9160	Wilmington-Newark, DE-MD	1.017
	9999-DE	Delaware - No MSA	1.011
FL	2020	Daytona Beach, FL	1.009
	2680	Fort Lauderdale, FL	1.017
	2700	Fort Myers-Cape Coral, FL	1.007
	2710	Fort Pierce-Port St. Lucie, FL	0.997
	2750	Fort Walton Beach, FL	0.945
	2900	Gainesville, FL	1.040
	3600	Jacksonville, FL	1.020
	3980	Lakeland-Winter Haven, FL	0.993
	4900	Melbourne-Titusville-Palm Bay, FL	0.982
	5000	Miami, FL	1.006
	5345	Naples, FL	1.023
	5790	Ocala, FL	0.949
	5960	Orlando, FL	0.993
	6015	Panama City, FL	0.995
GA	6080	Pensacola, FL	0.976
	6580	Punta Gorda, FL	0.935
	7510	Sarasota-Bradenton, FL	0.992
	8240	Tallahassee, FL	0.949
	8280	Tampa-St. Petersburg-Clearwater, FL	0.991
	8960	West Palm Beach-Boca Raton, FL	1.005
	9999-FL	Florida - No MSA	0.964
	0120	Albany, GA	0.965
	0500	Athens, GA	1.012
	0520	Atlanta, GA	1.010
	0600	Augusta-Aiken, GA-SC	0.986
	1560	Chattanooga, TN-GA	1.001
	1800	Columbus, GA-AL	0.938
	4680	Macon, GA	1.014
	7520	Savannah, GA	0.966
HI	9999-GA	Georgia - No MSA	1.001
	3320	Honolulu, HI	0.986
IA	9999-HI	Hawaii - No MSA	1.012
	1360	Cedar Rapids, IA	0.958
	1960	Davenport-Moline-Rock Island, IA-IL	0.941
	2120	Des Moines, IA	0.932
	2200	Dubuque, IA	0.924
	3500	Iowa City, IA	0.904
	5920	Omaha, NE-IA	0.951
	7720	Sioux City, IA-NE	0.962
	8920	Waterloo-Cedar Falls, IA	0.956
	9999-IA	Iowa - No MSA	0.963
	1080	Boise City, ID	0.940
	6340	Pocatello, ID	0.976
	9999-ID	Idaho - No MSA	0.976
IL	1040	Bloomington-Normal, IL	0.938
	1400	Champaign-Urbana, IL	0.976
	1600	Chicago, IL	1.035
	1960	Davenport-Moline-Rock Island, IA-IL	0.941
	2040	Decatur, IL	0.943
	3740	Kankakee, IL	0.975
	6120	Peoria-Pekin, IL	0.963
	6880	Rockford, IL	0.975
	7040	St. Louis, MO-IL	0.998
	7880	Springfield, IL	0.968
	9999-IL	Illinois - No MSA	0.967

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COL-12A Pricing Guidelines

Area Factors

State	MSA	Description	Factor
IN	1020	Bloomington, IN	0.918
	1640	Cincinnati, OH-KY-IN	0.989
	2330	Elkhart-Goshen, IN	0.926
	2440	Evansville-Henderson, IN-KY	0.934
	2760	Fort Wayne, IN	0.939
	2960	Gary, IN	0.951
	3480	Indianapolis, IN	0.981
	3850	Kokomo, IN	0.936
	3920	Lafayette, IN	0.971
	4520	Louisville, KY-IN	0.978
	5280	Muncie, IN	0.932
	7800	South Bend, IN	0.944
	8320	Terre Haute, IN	0.938
	9999-IN	Indiana - No MSA	0.969
KS	3760	Kansas City, MO-KS	0.974
	4150	Lawrence, KS	0.981
	8440	Topeka, KS	0.943
	9040	Wichita, KS	0.944
	9999-KS	Kansas, KS - No MSA	0.971
KY	1640	Cincinnati, OH-KY-IN	0.989
	1660	Clarksville-Hopkinsville, TN-KY	0.971
	2440	Evansville-Henderson, IN-KY	0.934
	3400	Huntington-Ashland, WV-KY-OH	0.973
	4280	Lexington, KY	0.988
	4520	Louisville, KY-IN	0.978
	5990	Owensboro, KY	1.048
LA	9999-KY	Kentucky - No MSA	1.015
	0220	Alexandria, LA	0.925
	0760	Baton Rouge, LA	0.958
	3350	Houma, LA	0.934
	3880	Lafayette, LA	0.955
	3960	Lake Charles, LA	0.928
	5200	Monroe, LA	0.947
	5560	New Orleans, LA	1.020
	7680	Shreveport-Bossier City, LA	0.989
	9999-LA	Louisiana - No MSA	0.964
MA	0740	Barnstable-Yarmouth, MA	1.010
	1120	Boston, MA-NH	1.037
	1200	Brockton, MA	0.982
	2600	Fitchburg-Leominster, MA	1.080
	4160	Lawrence, MA-NH	0.986
	4560	Lowell, MA-NH	1.027
	5400	New Bedford, MA	1.080
	6320	Pittsfield, MA	1.023
	6480	Providence-Fall River-Warwick, RI-MA	0.990
	8000	Springfield, MA	0.999
	9240	Worcester, MA-CT	1.058
	9999-MA	Massachusetts, MA - No MSA	1.048
MD	0720	Baltimore, MD	1.167
	1900	Cumberland, MD-WV	1.036
	3180	Hagerstown, MD	1.070
	8840	Washington, DC-MD-VA-WV	1.032
	9160	Wilmington-Newark, DE-MD	1.017
	9999-MD	Maryland, MD - No MSA	1.104
ME	0730	Bangor, ME	0.977
	4240	Lewiston-Auburn, ME	0.999
	6400	Portland, ME	0.967
	6450	Portsmouth-Rochester, NH-ME	1.032
	9999-ME	Maine - No MSA	0.999
MI	0440	Ann Arbor, MI	1.057
	0870	Benton Harbor, MI	0.969
	2160	Detroit, MI	1.007
	2640	Flint, MI	1.011
	3000	Grand Rapids-Muskegon-Holland, MI	1.007
	3520	Jackson, MI	0.962
	3720	Kalamazoo-Battle Creek, MI	1.020
	4040	Lansing-East Lansing, MI	1.011
	6960	Saginaw-Bay City-Midland, MI	0.956
9999-MI		Michigan - No MSA	1.016

State	MSA	Description	Factor
MN	2240	Duluth-Superior, MN-WI	0.999
	2520	Fargo-Moorhead, ND-MN	0.928
	2985	Grand Forks, ND-MN	0.978
	3870	La Crosse, WI-MN	1.042
	5120	Minneapolis-St. Paul, MN-WI	1.040
	6820	Rochester, MN	1.093
	6980	St. Cloud, MN	1.003
	9999-MN	Minnesota - No MSA	1.046
MO	1740	Columbia, MO	0.979
	3710	Joplin, MO	0.983
	3760	Kansas City, MO-KS	0.974
	7000	St. Joseph, MO	1.023
	7040	St. Louis, MO-IL	0.998
	7920	Springfield, MO	0.946
	9999-MO	Missouri - No MSA	0.983
MS	0920	Biloxi-Gulfport-Pascagoula, MS	0.995
	3285	Hattiesburg, MS	0.984
	3560	Jackson, MS	0.989
	4920	Memphis, TN-AR-MS	0.970
	9999-MS	Mississippi - No MSA	1.001
MT	0880	Billings, MT	0.968
	3040	Great Falls, MT	0.959
	5140	Missoula, MT	0.979
	9999-MT	Montana, MT - No MSA	1.020
NC	0480	Asheville, NC	0.992
	1520	Charlotte-Gastonia-Rock Hill, NC-SC	0.964
	2560	Fayetteville, NC	0.978
	2980	Goldsboro, NC	0.943
	3120	Greensboro-Winston-Salem-High Point, NC	0.989
	3150	Greenville, NC	1.039
	3290	Hickory-Morganton-Lenoir, NC	0.969
	3605	Jacksonville, NC	0.969
	5720	Norfolk-Virginia Beach-Newport News, VA-NC	0.964
	6640	Raleigh-Durham-Chapel Hill, NC	1.035
	6895	Rocky Mount, NC	0.984
ND	9200	Wilmington, NC	0.997
	9999-NC	North Carolina - No MSA	0.986
	1010	Bismarck, ND	0.931
	2520	Fargo-Moorhead, ND-MN	0.928
	2985	Grand Forks, ND-MN	0.978
	9999-ND	North Dakota - No MSA	0.973
NE	4360	Lincoln, NE	0.981
	5920	Omaha, NE-IA	0.951
	7720	Sioux City, IA-NE	0.962
	9999-NE	Nebraska - No MSA	0.986
NH	1120	Boston, MA-NH	1.037
	4160	Lawrence, MA-NH	0.986
	4560	Lowell, MA-NH	1.027
	4760	Manchester, NH	1.058
	5350	Nashua, NH	1.005
	6450	Portsmouth-Rochester, NH-ME	1.032
	9999-NH	New Hampshire - No MSA	1.026
NJ	0560	Atlantic-Cape May, NJ	0.987
	0875	Bergen-Passaic, NJ	1.054
	3640	Jersey City, NJ	1.023
	5015	Middlesex-Somerset-Hunterdon, NJ	1.029
	5190	Monmouth-Ocean, NJ	0.999
	5640	Newark, NJ	1.050
	6160	Philadelphia, PA-NJ	1.065
	8480	Trenton, NJ	1.030
NM	8760	Vineland-Millville-Bridgeton, NJ	1.004
	0200	Albuquerque, NM	0.981
	4100	Las Cruces, NM	0.936
	7490	Santa Fe, NM	1.023
9999-NM		New Mexico - No MSA	0.998
NV	4120	Las Vegas, NV-AZ	0.946
	6720	Reno, NV	0.964
9999-NV		Nevada - No MSA	1.012

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COL-12A Pricing Guidelines

Area Factors

State	MSA	Description	Factor
NY	0160	Albany-Schenectady-Troy, NY	0.977
	0960	Binghamton, NY	0.968
	1280	Buffalo-Niagara Falls, NY	0.985
	2281	Dutchess County, NY	1.034
	2335	Elmira, NY	0.944
	2975	Glens Falls, NY	0.933
	3610	Jamestown, NY	0.984
	5380	Nassau-Suffolk, NY	1.084
	5600	New York, NY	1.154
	5660	Newburgh, NY-PA	1.014
	6840	Rochester, NY	1.008
	8160	Syracuse, NY	1.007
	8680	Utica-Rome, NY	0.938
	9999-NY	New York - No MSA	0.981
OH	0080	Akron, OH	0.972
	1320	Canton-Massillon, OH	0.938
	1640	Cincinnati, OH-KY-IN	0.989
	1680	Cleveland-Lorain-Elyria, OH	1.002
	1840	Columbus, OH	0.984
	2000	Dayton-Springfield, OH	0.957
	3200	Hamilton-Middletown, OH	0.940
	3400	Huntington-Ashland, WV-KY-OH	0.973
	4320	Lima, OH	0.952
	4800	Mansfield, OH	0.963
	6020	Parkersburg-Marietta, WV-OH	0.912
	8080	Steubenville-Weirton, OH-WV	0.936
	8400	Toledo, OH	0.992
	9000	Wheeling, WV-OH	0.984
	9320	Youngstown-Warren, OH	0.939
	9999-OH	Ohio - No MSA	0.992
OK	2340	Enid, OK	0.943
	2720	Fort Smith, AR-OK	0.935
	4200	Lawton, OK	0.959
	5880	Oklahoma City, OK	0.954
	8560	Tulsa, OK	0.961
	9999-OK	Oklahoma - No MSA	0.975
OR	1890	Corvallis, OR	1.044
	2400	Eugene-Springfield, OR	1.042
	4890	Medford-Ashland, OR	0.977
	6440	Portland-Vancouver, OR-WA	1.027
	7080	Salem, OR	0.994
	9999-OR	Oregon - No MSA	1.063
PA	0240	Allentown-Bethlehem-Easton, PA	0.994
	0280	Altoona, PA	0.928
	2360	Erie, PA	0.946
	3240	Harrisburg-Lebanon-Carlisle, PA	0.955
	3680	Johnstown, PA	0.936
	4000	Lancaster, PA	0.949
	5660	Newburgh, NY-PA	1.014
	6160	Philadelphia, PA-NJ	1.065
	6280	Pittsburgh, PA	0.996
	6680	Reading, PA	0.949
	7560	Scranton--Wilkes-Barre--Hazleton, PA	0.972
	7610	Sharon, PA	0.967
	8050	State College, PA	0.928
	9140	Williamsport, PA	0.979
	9280	York, PA	0.990
	9999-PA	Pennsylvania - No MSA	0.975
PR	9999-PR	Puerto Rico	0.799
RI	5520	New London-Norwich, CT-RI	0.981
	6480	Providence-Fall River-Warwick, RI-MA	0.990
	9999-RI	Rhode Island - No MSA	1.031
SC	0600	Augusta-Aiken, GA-SC	0.986
	1440	Charleston-North Charleston, SC	0.986
	1520	Charlotte-Gastonia-Rock Hill, NC-SC	0.964
	1760	Columbia, SC	0.930
	2655	Florence, SC	0.922
	3160	Greenville-Spartanburg-Anderson, SC	0.928
	5330	Myrtle Beach, SC	0.964
	8140	Sumter, SC	0.926
	9999-SC	South Carolina - No MSA	0.966

State	MSA	Description	Factor
SD	6660	Rapid City, SD	0.919
	7760	Sioux Falls, SD	0.946
	9999-SD	South Dakota - No MSA	1.020
TN	1560	Chattanooga, TN-GA	1.001
	1660	Clarksville-Hopkinsville, TN-KY	0.971
	3580	Jackson, TN	0.988
	3660	Johnson City-Kingsport-Bristol, TN-VA	0.973
	3840	Knoxville, TN	0.972
	4920	Memphis, TN-AR-MS	0.970
	5360	Nashville, TN	1.031
	9999-TN	Tennessee, TN - No MSA	1.024
TX	0040	Abilene, TX	0.888
	0320	Amarillo, TX	0.931
	0640	Austin-San Marcos, TX	0.956
	0840	Beaumont-Port Arthur, TX	0.950
	1145	Brazoria, TX	1.063
	1240	Brownsville-Harlingen-San Benito, TX	0.978
	1260	Bryan-College Station, TX	0.965
	1880	Corpus Christi, TX	0.949
	1920	Dallas, TX	0.993
	2320	El Paso, TX	0.942
	2800	Fort Worth-Arlington, TX	0.955
	2920	Galveston-Texas City, TX	1.094
	3360	Houston, TX	0.995
	3810	Killeen-Temple, TX	0.994
	4080	Laredo, TX	0.979
	4420	Longview-Marshall, TX	0.956
	4600	Lubbock, TX	0.942
	4880	McAllen-Edinburg-Mission, TX	0.969
	5800	Odessa-Midland, TX	0.967
	7200	San Angelo, TX	0.958
	7240	San Antonio, TX	0.939
	7640	Sherman-Denison, TX	0.966
	8360	Texarkana, TX-Texarkana	0.946
	8640	Tyler, TX	0.954
	8750	Victoria, TX	0.948
	8800	Waco, TX	0.971
	9080	Wichita Falls, TX	0.925
	9999-TX	Texas - No MSA	0.975
UT	2620	Flagstaff, AZ-UT	1.014
	6520	Provo-Orem, UT	0.973
	7160	Salt Lake City-Ogden, UT	0.979
	9999-UT	Utah - No MSA	1.023
VA	1540	Charlottesville, VA	1.063
	1950	Danville, VA	0.942
	3660	Johnson City-Kingsport-Bristol, TN-VA	0.973
	4640	Lynchburg, VA	0.980
	5720	Norfolk-Virginia Beach-Newport News, VA-NC	0.964
	6760	Richmond-Petersburg, VA	0.983
	6800	Roanoke, VA	0.981
	8840	Washington, DC-MD-VA-WV	1.032
9999-VA		Virginia - No MSA	0.978
VT	1305	Burlington, VT	0.997
	9999-VT	Vermont - No MSA	1.014
WA	0860	Bellingham, WA	1.091
	1150	Bremerton, WA	1.028
	5910	Olympia, WA	1.016
	6440	Portland-Vancouver, OR-WA	1.027
	6740	Richland-Kennewick-Pasco, WA	1.047
	7600	Seattle-Bellevue-Everett, WA	1.080
	7840	Spokane, WA	0.980
	8200	Tacoma, WA	1.025
9999-WA	9260	Yakima, WA	1.028
		Washington - No MSA	1.079

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COL-12A Pricing Guidelines

Area Factors

State	MSA	Description	Factor
WI	0460	Appleton-Oshkosh-Neenah, WI	0.979
	2240	Duluth-Superior, MN-WI	0.999
	2290	Eau Claire, WI	1.002
	3080	Green Bay, WI	0.973
	3620	Janesville-Beloit, WI	0.951
	3800	Kenosha, WI	0.957
	3870	La Crosse, WI-MN	1.042
	4720	Madison, WI	1.019
	5080	Milwaukee-Waukesha, WI	1.000
	5120	Minneapolis-St. Paul, MN-WI	1.040
	6600	Racine, WI	0.978
	7620	Sheboygan, WI	0.974
	8940	Wausau, WI	0.961
	9999-WI	Wisconsin - No MSA	1.006
WV	1480	Charleston, WV	0.932
	1900	Cumberland, MD-WV	1.036
	3400	Huntington-Ashland, WV-KY-OH	0.973
	6020	Parkersburg-Marietta, WV-OH	0.912
	8080	Steubenville-Weirton, OH-WV	0.936
	8840	Washington, DC-MD-VA-WV	1.032
	9000	Wheeling, WV-OH	0.984
	9999-WV	West Virginia - No MSA	0.991
WY	1350	Casper, WY	1.002
	1580	Cheyenne, WY	0.908
	9999-WY	Wyoming - No MSA	1.107

Exhibit 1 - Members by Resident State as of Dec 15, 2012

Resident State	Policy Form COL-12A-DC
AK	4
AL	14
AR	12
AS	1
AZ	16
CA	212
CO	51
CT	25
DC	4
DE	4
FL	374
GA	64
IA	13
ID	3
IL	205
IN	75
KS	28
KY	51
LA	42
MA	6
MD	46
ME	5
MI	27
MN	10

Resident State	Policy Form COL-12A-DC
MO	26
MS	8
MT	9
NC	5
NE	11
NJ	4
NM	4
NV	43
NY	8
OH	43
OK	11
OR	1
PA	128
RI	28
SC	95
TN	102
TX	185
UT	18
VA	69
WA	1
WI	29
WV	46
WY	45
Grand Total	2,211

Exhibit 2 - Experience

Student Association Business

Policy Year	Premium	Lives	Premium per Life	Incurred Claims	Loss Ratio
2009-10	6,522,090	5,547	1,176	5,193,238	79.6%
2010-11	5,649,324	4,518	1,250	5,472,336	96.9%
2011-12	5,101,254	3,742	1,363	4,828,039	94.6%

State:	District of Columbia	Filing Company:	UnitedHealthcare Insurance Company
TOI/Sub-TOI:	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.001 Any Size Group		
Product Name:	COL-12A Student Association		
Project Name/Number:	COL-12A Rate Increase/		

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	
Attachment(s):	Cover Letter DC.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	COL-12A-DC Actu Memo.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	Rate Summary Worksheets attached.
Attachment(s):	Part I of the Preliminary Rate Justification - Rate Summary Worksheet.xls Part II of the Preliminary Justification.pdf
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	N/A - this is hospital/surgical/medical related.
Attachment(s):	
Item Status:	
Status Date:	

State:	District of Columbia	Filing Company:	UnitedHealthcare Insurance Company
TOI/Sub-TOI:	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.001 Any Size Group		
Product Name:	COL-12A Student Association		
Project Name/Number:	COL-12A Rate Increase/		

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	N/A - this is hospital/surgical/medical related.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	N/A - does not meet threshold.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	N/A - It is our understanding that this is only a requirement for filings filed after 04/01/13.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	N/A - It is our understanding that this is only a requirement for filings filed after 04/01/13.
Attachment(s):	
Item Status:	
Status Date:	

SERFF Tracking #:	UHLC-128962214	State Tracking #:	Company Tracking #:
State:	District of Columbia	Filing Company:	UnitedHealthcare Insurance Company
TOI/Sub-TOI:	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.001 Any Size Group		
Product Name:	COL-12A Student Association		
Project Name/Number:	COL-12A Rate Increase/		

Attachment Part I of the Preliminary Rate Justification - Rate Summary Worksheet.xls is not a PDF document and cannot be reproduced here.



StudentResources
2301 West Plano Parkway
Suite 300
Plano, TX 75075
1-888-767-0700

March 28, 2013

Honorable William P. White
Commissioner of Insurance
District of Columbia Department of Insurance
810 First Street, NE, Suite #701
Washington, DC 20002

Re: UnitedHealthcare Insurance Company
NAIC# 79413

**Rate Increase Filing for Policy Forms COL-12A-DC
Group Student Association Injury and Sickness Insurance Coverage**

Dear Commissioner White:

The purpose of this document is to file a 9% rate increase to be effective August 1, 2013 and rate review documents for policy form COL-12A-DC, a student association plan situated in the District of Columbia. The plan covers insureds in several states including the District of Columbia. See Exhibit 1 for the count of members by state of residence.

The policy provides medical insurance in compliance with ACA requirements to college students who are members of an association, and their dependents. The students are responsible for paying the entire premium.

This form was submitted to and approved by the District of Columbia for use in school year 2012-13 and is a new form for that school year. The policy is serviced by the StudentResources Division of UnitedHealthcare Insurance Company.

Since this is a new policy form, and the amount of business is not large enough to be credible, we are requesting a rate increase of 9% for the upcoming school year 2013-14 even though past history with similar business indicates a higher increase. This rate increase is slightly less than our claims cost trend assumption of 10.5%.

Included in the rate increase filing are a table showing the number of resident insureds by state, the actuarial memoranda for the policy, Part 1 of the Preliminary Rate Justification - Rate Summary Worksheet and Part II of the Preliminary Rate Justification – Written Explanation of the Rate Increase.

Thank you for your attention to this matter.

Respectfully submitted,

William M. Glasgow, ASA, MAAA
UnitedHealthcare Insurance Company
805 Executive Center Dr. W., Suite 220
St. Petersburg, FL 33702-2407
wglasgow@uhcsr.com
Office Direct: (727) 563-3494

Mr. White
March 28, 2013
Page 2

Attachments:

- Exhibit 1 – Number of insureds by form by state of residence as of Dec 15, 2012
- Exhibit 2 - Experience
- Actuarial Memorandum for COL-12A-DC
- Pricing Guidelines
- Part I of the Preliminary Rate Justification - Rate Summary Worksheet
- Part II of the Preliminary Rate Justification – Written Explanation of the Rate Increase

UnitedHealthcare Insurance Company
450 Columbus Boulevard
Hartford, CT 06115
(877) 832-7734

Group Association A&H Policy Form COL-12A-DC et. al.

ACTUARIAL MEMORANDUM

1. Scope and Purpose

This memorandum and attached Pricing Guidelines are filed in support of a 9% rate increase for policy form COL-12A-DC for the upcoming 2013-14 school year starting Aug 1, 2013. Exhibit 1 shows the number of insureds in force under this by resident state.

This policy is a group policy under the regulations of the District of Columbia. The rating structure is that commonly used in large group insurance. This form is intended to be used for association plans. The plan provides health coverage for college students that are members of associations.

Please note that the attached Pricing Guidelines are considered proprietary and confidential for use by appropriate insurance regulators.

2. Benefit Description

The policy provides for a broad range of medical expense insurance for college students and their dependents. In addition to covering hospital, physician, prescription drug and therapy type expenses, there are options for AD&D and Repatriation and Medical Evacuation.

This form is designed to be compliant with PPACA and HHS regulations.

3. Renewability Clause

The policy is a non-renewable one-year contract.

4. Applicability

The company anticipates that associations that want to make health coverage available to their members who are college students will utilize this policy.

5. Morbidity

The company uses claim costs studies based on the UnitedHealthcare StudentResources block of business along with adjustments based on UnitedHealthcare employer market.

6. Mortality

Not applicable.

7. Persistency

Persistency was not used in pricing this policy.

8. Expenses

Policy, Claim Administration, Marketing and Sales Expense	11.25% of premium
Premium Taxes, Other Taxes, Licenses & Fees	6.25%
Risk Margin and Profit	6.50%
Total Expenses	24.00% of premium

9. Marketing Method

The product is sold through company-employed licensed agents and brokers.

10. Underwriting

There is no medical underwriting of individuals. Each association plan is underwritten to take into account all relevant known factors: past experience; size; average claims costs and relationships; type of program and any other factors relevant to the expected cost of insurance for the particular association of college students. Recent past experience, if available, is a most important underwriting factor. The experience rating formula is given in the Pricing Guidelines attached.

11. Premium Classes

Premium classes for a particular program are dependent on the benefits and factors outlined in the Pricing Guidelines and account experience. Generally, rates are provided for students, spouses and children.

12. Issue Age Range

There are no minimum or maximum issue ages.

13. Area Factors

The company uses area factors developed for employer business as needed. See the attached Pricing Guidelines.

14. Average Annual Premium

The average annual premium for this form is expected to be \$369,000 per policy. The average annual premium per person is expected to be \$1,595.

15. Premium Modalization

Rates can be annual, quarterly or monthly. The modal factor for non-annual premiums is 1.02. Non-annual premiums will be rounded to the nearest dollar.

16. Claim Liability and Reserves

The company uses a development method for reserves.

17. Active Life Reserves

Active life reserves are not required for this policy.

18. Trend Assumptions

The formula for annual trend is given in the Pricing Guidelines. The annual trend is 10.5% adjusted by factors that depend on the provider structure. For example, for policy year 2012-2013, for a PPO policy with a leased provider network, the annual medical cost trend would be $11.14\% = 10.5\% \times 1.045 \times 1.015$.

19. Minimum Required Loss Ratio

There is no minimum loss ratio required in the District of Columbia for this form. The target loss ratio is 76%.

Business under this form is subject to medical loss ratio (MLR) requirements as set forth in PPACA and HHS regulations.

20. Anticipated Loss Ratio

The anticipated loss ratio is 76.0%.

21. Distribution of Business

The company expects the distribution of business under this and similar forms in other states to be as follows:

<u>State</u>	<u>% of Premium</u>	<u>Relationship</u>	<u>% of members</u>
Dist. of Columbia	56.8%	Student	96.6%
Illinois	19.3%	Spouse	2.0%
New York	12.6%	<u>Child</u>	<u>1.4%</u>
Massachusetts	5.5%	Total	100.0%
Virginia	2.5%		
Missouri	2.4%		
<u>Alabama</u>	<u>0.9%</u>		
Total	100.0%		

22. Contingency and Risk Margins

The rating structure assumes a risk margin and profit of 6.5%.

23. Experience

See Exhibit 2.

24. Lifetime Loss Ratio

Not applicable.

25. History of Rate Adjustments

This is the first rate adjustment. We are raising the rates by 9% for the 2013-14 school year.

26. Number of Policyholders

There are nine policyholders for the current school year 2012-2013.

27. Proposed Effective Date

The proposed effective date is Aug 1, 2013.

I certify that, to the best of my knowledge and judgment, the entire rate filing is in compliance with applicable laws of the District of Columbia, rules of the Department of Insurance and all actuarial standards of practice including ASOP No. 8, and that the benefits provided are reasonable in relation to the proposed premiums. Furthermore, I am the actuary responsible for this memorandum and attachment, and am qualified to make this filing.



William M. Glasgow, ASA, MAAA

3-26-2013

Date

Part II of the Preliminary Justification

This rate increase filing requests a 9% rate increase for the Company's student association policies filed in Alabama and the District of Columbia. As of December 15, 2012, there were 2,232 members insured by these plans. The rate increase for these members would go into effect on August 1, 2013 corresponding to the new school year of 2013-2014.

The policy forms for these plans have been effective since the beginning of the current school year 2012-2013. The claims experience of these new plans is not credible due to the short amount of time in force and small number of insureds.

The Company has provided medical insurance to students belonging to student associations for many years under similar plans. The claims experience under those similar plans is shown below.

School Year	Premium	Lives	Incurred Claims	Claims Expense	Profit (Loss)
2009-2010	6,522,090	5,547	5,193,238	1,826,185	(497,333)
2010-2011	5,649,324	4,518	5,472,336	1,581,811	(1,404,823)
2011-2012	5,101,254	3,742	4,828,039	1,428,351	(1,155,136)

The Company is requesting the 9% rate increase to lessen losses and to counteract medical claims cost trend.

The main driver of the increase is expected utilization and medical claims costs increases, i.e. medical trend. The current trend assumption for the student block of business is 10.5%

The maximum benefit per member for the 2013-2014 school year will increase from \$1.25 million to \$2 million as required by the Affordable Care Act.

Administrative costs (including normal premium taxes) were 28% of premium for school years up to and including 2011-2012. For school year 2012-2013 administrative costs were reduced to 15.5%. The administrative costs will increase to 17.5% of premium for school year 2013-2014 due to normal premium taxes and new fees required under the Affordable Care Act.