

State: Pennsylvania **Filing Company:** MedAmerica Insurance Company
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Long-Term Care
Project Name/Number: CICA LTC Follow-Up Rate Increase/145MAI01-40.02

Filing at a Glance

Company: MedAmerica Insurance Company
Product Name: Long-Term Care
State: Pennsylvania
TOI: LTC03I Individual Long Term Care
Sub-TOI: LTC03I.001 Qualified
Filing Type: Rate - Other (Not M.U. or G.I. Product)
Date Submitted: 04/27/2015
SERFF Tr Num: MILL-129976653
SERFF Status: Assigned
State Tr Num: MILL-129976653
State Status: Received Review in Progress
Co Tr Num: 515 SERIES

Implementation: On Approval
Date Requested:
Author(s): Missy Gordon, Stephanie Moench, Travis Reisch, Shawn Stender, Bryan Rask, Brandon Johnson
Reviewer(s): Jim Laverty (AH) (primary)
Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:
Proposed 20% increase on 292 policyholders of MedAmerica form 14515.

State: Pennsylvania **Filing Company:** MedAmerica Insurance Company
TOI/Sub-TOI: LTC031 Individual Long Term Care/LTC031.001 Qualified
Product Name: Long-Term Care
Project Name/Number: CICA LTC Follow-Up Rate Increase/145MAI01-40.02

General Information

Project Name: CICA LTC Follow-Up Rate Increase
Project Number: 145MAI01-40.02
Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Authorized
Date Approved in Domicile: 05/13/2014
Domicile Status Comments: Pennsylvania is the state of domicile. This filing is a follow-up to a prior increase that was approved in Pennsylvania on May 13, 2014.

Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact: 20%

Market Type: Individual
Individual Market Type:
Filing Status Changed: 04/27/2015
State Status Changed: 04/28/2015

Deemer Date:
Submitted By: Shawn Stender

Created By: Bryan Rask
Corresponding Filing Tracking Number:

Filing Description:

This is an existing individual policy form that provides comprehensive long-term care coverage on a reimbursement basis. This policy form was written by Combined Insurance Company of America (CICA) and issued in Pennsylvania from February 18, 1999 until December 30, 2003. The company is no longer marketing this series in any jurisdiction.

In 2008, MedAmerica Insurance Company (MedAmerica) acquired the long-term care block of business issued by CICA from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 18% of the policyholders in force nationwide as of December 31, 2013 objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper. MedAmerica has 100% of the risk on this series, including policies on CICA paper, and administers and manages the entire block.

MedAmerica is requesting the approval of a 20% premium rate increase on this policy form. The primary reason why this form is in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing.

As noted in the enclosed actuarial memorandum, one prior rate increase has been approved and implemented on this form. The original request was for a rate increase of 38%. In May 2014, the Department approved a reduced increase of 15%. The original request was determined in such a way that the company was shouldering the majority of the rate increase needed to restore this form to its original pricing expectation and was not attempting to recoup past losses or lost revenue. Therefore, this current increase request is being sought in order to achieve a cumulative rate increase equal to the original request. If approved, the current rate increase request will not be implemented until at least 12 months after the prior approved rate increase was implemented (i.e., no policyholder will receive more than one increase in a 12-month period).

Similar to the prior increase, MedAmerica will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the rate increase. Policyholders who prefer to offset the impact of the requested rate increase may have the option to change one or more of the following plan features in order to lower their premiums: (i) reduce their daily benefit subject to a minimum of \$50, (ii) shorten their benefit period subject to a minimum of 400 days, (iii) lengthen their elimination period subject to a maximum of 180 days, (iv) reduce their inflation protection (i.e., compound inflation down to no inflation), or (v) drop rider coverage.

The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, MedAmerica will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase

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is not considered substantial.

Company and Contact

Filing Contact Information

Missy Gordon, FSA, MAAA, Principal and Consulting Actuary
 missy.gordon@milliman.com
 8500 Normandale Lake Blvd. 952-820-2478 [Phone]
 Suite 1850 952-897-5301 [FAX]
 Minneapolis, MN 55437-3830

Filing Company Information

(This filing was made by a third party - millimaninc)

MedAmerica Insurance Company	CoCode: 69515	State of Domicile:
165 Court Street	Group Code: 1186	Pennsylvania
Rochester, NY 14647	Group Name: Lifetime HealthCare	Company Type:
(800) 544-0327 ext. [Phone]	Group	Life/Accident/Health
	FEIN Number: 34-0977231	State ID Number:

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

SERFF Tracking #:

MILL-129976653

State Tracking #:

MILL-129976653

Company Tracking #:

515 SERIES

State:

Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Long-Term Care

Project Name/Number:

CICA LTC Follow-Up Rate Increase/145MAI01-40.02

Rate Information

Rate data applies to filing.

Filing Method:

Review & Approval

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

15.000%

Effective Date of Last Rate Revision:

05/13/2014

Filing Method of Last Filing:

Review & Approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
MedAmerica Insurance Company	%	20.000%	\$58,889	292	\$256,039	20.000%	20.000%

SERFF Tracking #:

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State Tracking #:

MILL-129976653

Company Tracking #:

515 SERIES

State:

Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Long-Term Care

Project Name/Number:

CICA LTC Follow-Up Rate Increase/145MAI01-40.02

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Tables	14515-PA	Revised	Previous State Filing Number: MILL-129336521 Percent Rate Change Request: 20	PA_Current 515 Series Premium Rate Tables_20150427.pdf, PA_Proposed 515 Series Premium Rate Tables_20150427.pdf,

MEDAMERICA INSURANCE COMPANY

165 COURT STREET, ROCHESTER, NEW YORK 14647

RATE SHEET FOR POLICY FORM 14515

BASE PLAN ANNUAL PREMIUMS (Per \$10 of Benefit)

Issue Age	Lifetime Multiplier = 400			Lifetime Multiplier = 800			Lifetime Multiplier = 1200			Lifetime Multiplier = 1600			Lifetime Multiplier = Unlimited		
	Elimination Period			Elimination Period			Elimination Period			Elimination Period			Elimination Period		
	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days
18-44	\$14	\$13	\$12	\$18	\$16	\$15	\$21	\$18	\$17	\$22	\$20	\$18	\$30	\$26	\$24
45-49	\$20	\$17	\$16	\$26	\$23	\$22	\$30	\$26	\$24	\$33	\$29	\$26	\$48	\$41	\$38
50	\$22	\$20	\$18	\$30	\$26	\$24	\$36	\$31	\$29	\$40	\$35	\$32	\$58	\$49	\$46
51	\$23	\$21	\$18	\$31	\$28	\$25	\$38	\$33	\$30	\$43	\$37	\$33	\$61	\$53	\$48
52	\$24	\$21	\$20	\$33	\$29	\$26	\$40	\$35	\$31	\$45	\$39	\$36	\$64	\$56	\$51
53	\$25	\$22	\$21	\$36	\$30	\$28	\$43	\$37	\$33	\$48	\$41	\$38	\$68	\$60	\$54
54	\$26	\$23	\$21	\$37	\$32	\$29	\$45	\$39	\$36	\$51	\$44	\$40	\$72	\$62	\$58
55	\$28	\$24	\$22	\$39	\$35	\$31	\$48	\$41	\$37	\$54	\$46	\$43	\$76	\$67	\$60
56	\$29	\$25	\$23	\$43	\$36	\$32	\$52	\$44	\$40	\$58	\$49	\$45	\$82	\$70	\$64
57	\$30	\$26	\$24	\$46	\$39	\$35	\$55	\$47	\$43	\$62	\$53	\$48	\$87	\$76	\$69
58	\$33	\$29	\$25	\$49	\$43	\$38	\$60	\$52	\$47	\$68	\$58	\$53	\$94	\$82	\$75
59	\$36	\$30	\$28	\$54	\$46	\$41	\$66	\$56	\$51	\$74	\$63	\$58	\$102	\$89	\$81
60	\$39	\$33	\$30	\$59	\$51	\$45	\$71	\$61	\$55	\$81	\$69	\$62	\$112	\$97	\$87
61	\$41	\$36	\$32	\$63	\$54	\$49	\$77	\$67	\$60	\$87	\$75	\$68	\$121	\$105	\$95
62	\$45	\$38	\$35	\$69	\$59	\$53	\$84	\$72	\$64	\$93	\$81	\$74	\$130	\$113	\$102
63	\$48	\$41	\$37	\$74	\$62	\$56	\$89	\$77	\$69	\$100	\$86	\$78	\$138	\$120	\$108
64	\$52	\$44	\$40	\$77	\$66	\$59	\$93	\$81	\$72	\$105	\$91	\$82	\$145	\$125	\$114
65	\$55	\$47	\$43	\$81	\$69	\$62	\$99	\$85	\$77	\$110	\$95	\$86	\$152	\$132	\$120
66	\$59	\$51	\$46	\$86	\$75	\$67	\$106	\$91	\$82	\$118	\$102	\$93	\$162	\$140	\$128
67	\$64	\$56	\$51	\$94	\$81	\$72	\$115	\$99	\$90	\$130	\$112	\$101	\$177	\$153	\$139
68	\$71	\$61	\$56	\$105	\$90	\$81	\$128	\$110	\$99	\$144	\$124	\$112	\$196	\$169	\$153
69	\$78	\$68	\$61	\$116	\$100	\$90	\$143	\$123	\$110	\$160	\$138	\$124	\$216	\$187	\$170
70	\$86	\$75	\$68	\$130	\$112	\$100	\$159	\$137	\$123	\$178	\$154	\$139	\$242	\$208	\$189
71	\$95	\$83	\$75	\$145	\$124	\$112	\$177	\$153	\$138	\$199	\$171	\$155	\$269	\$232	\$210
72	\$107	\$92	\$83	\$162	\$139	\$125	\$199	\$171	\$154	\$223	\$192	\$174	\$300	\$260	\$235
73	\$120	\$104	\$93	\$182	\$155	\$139	\$222	\$192	\$173	\$250	\$215	\$194	\$335	\$290	\$262
74	\$133	\$115	\$105	\$202	\$174	\$155	\$247	\$214	\$192	\$278	\$240	\$217	\$374	\$323	\$292
75	\$150	\$129	\$116	\$224	\$192	\$173	\$276	\$238	\$214	\$311	\$267	\$242	\$415	\$359	\$324
76	\$167	\$144	\$130	\$250	\$214	\$192	\$306	\$265	\$238	\$344	\$297	\$268	\$460	\$398	\$360
77	\$185	\$160	\$145	\$276	\$237	\$214	\$339	\$293	\$263	\$382	\$329	\$298	\$509	\$440	\$398
78	\$206	\$177	\$160	\$307	\$263	\$238	\$376	\$325	\$292	\$423	\$366	\$330	\$564	\$488	\$440
79	\$229	\$197	\$178	\$340	\$293	\$265	\$417	\$360	\$323	\$470	\$406	\$367	\$626	\$541	\$488
80	\$253	\$217	\$197	\$375	\$324	\$293	\$460	\$397	\$357	\$519	\$447	\$404	\$689	\$596	\$537
81	\$277	\$238	\$215	\$411	\$355	\$322	\$503	\$435	\$390	\$567	\$489	\$442	\$751	\$649	\$585
82	\$300	\$258	\$232	\$445	\$385	\$348	\$544	\$469	\$421	\$612	\$528	\$476	\$807	\$697	\$629
83	\$323	\$277	\$250	\$478	\$415	\$375	\$583	\$503	\$452	\$654	\$565	\$509	\$860	\$743	\$668
84	\$346	\$297	\$267	\$513	\$444	\$400	\$621	\$537	\$483	\$696	\$600	\$542	\$911	\$785	\$707
85+	\$469	\$398	\$353	\$685	\$587	\$522	\$813	\$698	\$624	\$897	\$771	\$691	\$1,118	\$955	\$853

MEDAMERICA INSURANCE COMPANY

165 COURT STREET, ROCHESTER, NEW YORK 14647

RATE SHEET FOR POLICY FORM 14515

BASE PLAN ANNUAL PREMIUMS (Per \$10 of Benefit) WITH REQUESTED RATE INCREASE

Issue Age	Lifetime Multiplier = 400			Lifetime Multiplier = 800			Lifetime Multiplier = 1200			Lifetime Multiplier = 1600			Lifetime Multiplier = Unlimited		
	Elimination Period			Elimination Period			Elimination Period			Elimination Period			Elimination Period		
	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days	20 Days	90 Days	180 Days
18-44	\$17	\$15	\$14	\$22	\$19	\$18	\$25	\$22	\$21	\$26	\$23	\$22	\$36	\$32	\$29
45-49	\$23	\$21	\$19	\$32	\$28	\$26	\$36	\$32	\$29	\$40	\$35	\$32	\$58	\$50	\$46
50	\$26	\$23	\$22	\$36	\$32	\$29	\$43	\$37	\$35	\$48	\$41	\$39	\$69	\$59	\$55
51	\$28	\$25	\$22	\$37	\$33	\$30	\$46	\$40	\$36	\$51	\$44	\$40	\$73	\$63	\$58
52	\$29	\$25	\$23	\$40	\$35	\$32	\$48	\$41	\$37	\$54	\$47	\$43	\$77	\$68	\$61
53	\$30	\$26	\$25	\$43	\$36	\$33	\$51	\$44	\$40	\$58	\$50	\$46	\$81	\$72	\$65
54	\$32	\$28	\$25	\$44	\$39	\$35	\$54	\$47	\$43	\$61	\$52	\$48	\$87	\$75	\$69
55	\$33	\$29	\$26	\$47	\$41	\$37	\$58	\$50	\$44	\$65	\$55	\$51	\$91	\$80	\$72
56	\$35	\$30	\$28	\$51	\$43	\$39	\$62	\$52	\$48	\$69	\$59	\$54	\$98	\$84	\$77
57	\$36	\$32	\$29	\$55	\$47	\$41	\$66	\$57	\$51	\$75	\$63	\$58	\$105	\$91	\$83
58	\$40	\$35	\$30	\$59	\$51	\$46	\$72	\$62	\$57	\$81	\$69	\$63	\$113	\$98	\$90
59	\$43	\$36	\$33	\$65	\$55	\$50	\$79	\$68	\$61	\$88	\$76	\$69	\$123	\$106	\$97
60	\$47	\$40	\$36	\$70	\$61	\$54	\$86	\$73	\$66	\$97	\$83	\$75	\$134	\$116	\$105
61	\$50	\$43	\$39	\$76	\$65	\$59	\$92	\$80	\$72	\$105	\$90	\$81	\$145	\$126	\$115
62	\$54	\$46	\$41	\$83	\$70	\$63	\$101	\$87	\$77	\$112	\$97	\$88	\$156	\$135	\$123
63	\$58	\$50	\$44	\$88	\$75	\$68	\$106	\$92	\$83	\$120	\$104	\$94	\$166	\$144	\$130
64	\$62	\$52	\$48	\$92	\$79	\$70	\$112	\$97	\$87	\$126	\$109	\$98	\$174	\$150	\$137
65	\$66	\$57	\$51	\$97	\$83	\$75	\$119	\$102	\$92	\$132	\$115	\$104	\$182	\$159	\$144
66	\$70	\$61	\$55	\$104	\$90	\$80	\$127	\$109	\$98	\$142	\$123	\$112	\$195	\$168	\$153
67	\$77	\$68	\$61	\$113	\$97	\$87	\$138	\$119	\$108	\$156	\$134	\$121	\$213	\$184	\$167
68	\$86	\$73	\$68	\$126	\$108	\$97	\$153	\$132	\$119	\$173	\$149	\$134	\$235	\$203	\$184
69	\$94	\$81	\$73	\$139	\$120	\$108	\$171	\$148	\$132	\$192	\$166	\$149	\$259	\$225	\$204
70	\$104	\$90	\$81	\$156	\$134	\$120	\$190	\$164	\$148	\$214	\$185	\$167	\$290	\$250	\$226
71	\$115	\$99	\$90	\$174	\$149	\$134	\$213	\$184	\$166	\$239	\$206	\$186	\$323	\$279	\$253
72	\$128	\$110	\$99	\$195	\$167	\$150	\$239	\$206	\$185	\$268	\$230	\$208	\$360	\$312	\$282
73	\$144	\$124	\$112	\$218	\$186	\$167	\$266	\$230	\$207	\$299	\$258	\$233	\$402	\$348	\$315
74	\$160	\$138	\$126	\$243	\$208	\$186	\$297	\$257	\$230	\$334	\$288	\$261	\$449	\$388	\$351
75	\$179	\$155	\$139	\$269	\$230	\$207	\$331	\$286	\$257	\$373	\$320	\$290	\$498	\$431	\$389
76	\$200	\$173	\$156	\$299	\$257	\$230	\$367	\$317	\$286	\$413	\$356	\$322	\$552	\$477	\$432
77	\$222	\$192	\$174	\$331	\$284	\$257	\$407	\$352	\$316	\$458	\$395	\$357	\$611	\$529	\$477
78	\$247	\$213	\$192	\$368	\$316	\$286	\$451	\$391	\$351	\$508	\$439	\$396	\$676	\$585	\$529
79	\$275	\$236	\$214	\$408	\$352	\$317	\$501	\$432	\$388	\$564	\$487	\$440	\$751	\$649	\$585
80	\$304	\$261	\$236	\$450	\$389	\$352	\$552	\$476	\$428	\$622	\$537	\$484	\$827	\$715	\$644
81	\$333	\$286	\$258	\$493	\$426	\$386	\$603	\$522	\$468	\$680	\$587	\$530	\$901	\$778	\$702
82	\$360	\$309	\$279	\$534	\$462	\$418	\$653	\$563	\$505	\$734	\$633	\$571	\$969	\$836	\$755
83	\$388	\$333	\$299	\$574	\$498	\$450	\$700	\$603	\$542	\$785	\$678	\$611	\$1,032	\$891	\$802
84	\$415	\$356	\$320	\$615	\$533	\$480	\$745	\$644	\$580	\$835	\$720	\$650	\$1,093	\$943	\$849
85+	\$563	\$477	\$424	\$822	\$704	\$627	\$976	\$838	\$749	\$1,076	\$925	\$829	\$1,341	\$1,145	\$1,024

SERFF Tracking #:

MILL-129976653

State Tracking #:

MILL-129976653

Company Tracking #:

515 SERIES

State: Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: Long-Term Care

Project Name/Number: CICA LTC Follow-Up Rate Increase/145MAI01-40.02

Supporting Document Schedules

Satisfied - Item:	Transmittal Letter (A&H)
Comments:	
Attachment(s):	PA_CovLtr_515 Series_LR&RS_20150427.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Explanatory Information (A&H)
Comments:	
Attachment(s):	PA_ActMemo_515 Series_LR&RS_20150427.pdf PA_Supplement_515 Series_LR&RS_20150427.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Advertisements (A&H)
Bypass Reason:	Not applicable as this is not an advertisement filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Authorization to File (A&H)
Comments:	
Attachment(s):	Authorization to file MedAmerica 20150209.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Insert Page Explanation (A&H)
Bypass Reason:	Not applicable are there are no insert pages.
Attachment(s):	
Item Status:	

SERFF Tracking #:

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Company Tracking #:

515 SERIES

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TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified**Product Name:** Long-Term Care**Project Name/Number:** CICA LTC Follow-Up Rate Increase/145MAI01-40.02

Status Date:	
Satisfied - Item:	Rate Table (A&H)
Comments:	The rate tables are attached to the Rate/Rule Schedule tab.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Replacement Form with Highlighted Changes (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Reserve Calculation (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Variability Explanation (A&H)
Bypass Reason:	Not applicable as this is not a form filing.
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	Numerical Data in Excel
Comments:	
Attachment(s):	PA_Supplement Attachments_20150427.xls
Item Status:	
Status Date:	

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MILL-129976653

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Long-Term Care

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Attachment PA_Supplement Attachments_20150427.xls is not a PDF document and cannot be reproduced here.



8500 Normandale Lake Blvd.
Suite 1850
Minneapolis, MN 55437
USA

Tel +1 952 897 5300
Fax +1 952 897 5301

milliman.com

April 27, 2015

Honorable Teresa D. Miller
Commissioner of Insurance
Pennsylvania Department of Insurance (Department)
1326 Strawberry Square
Harrisburg, Pennsylvania 17120

Via SERFF

RE: MedAmerica Insurance Company (MedAmerica)
Company NAIC # 69515
SERFF Tracking # MILL-129976653
Tax-Qualified Long-Term Care Policy Form 14515-PA

Dear Commissioner Miller:

This rate filing for the 515 Series is being submitted on behalf of MedAmerica for your review.

This is an existing individual policy form that provides comprehensive long-term care coverage on a reimbursement basis. This policy form was written by Combined Insurance Company of America (CICA) and issued in Pennsylvania from February 18, 1999 until December 30, 2003. The company is no longer marketing this series in any jurisdiction.

In 2008, MedAmerica acquired the long-term care block of business issued by CICA from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 18% of the policyholders in force nationwide as of December 31, 2013 objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper. MedAmerica has 100% of the risk on this series, including policies on CICA paper, and administers and manages the entire block.

MedAmerica is requesting the approval of a 20% premium rate increase on this policy form. The primary reason why this form is in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing.

As noted in the enclosed actuarial memorandum, one prior rate increase has been approved and implemented on this form. The original request was for a rate increase of 38%. In May 2014, the Department approved a reduced increase of 15%. The original request was determined in such a way that the company was shouldering the majority of the rate increase needed to restore this form to its original pricing expectation and was not attempting to recoup past losses or lost revenue. Therefore, this current increase request is being sought in order to achieve a cumulative rate increase equal to the original request. If approved, the current rate increase request will not be

Offices in Principal Cities Worldwide

This work product was prepared to provide assistance to MedAmerica. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends Recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

implemented until at least 12 months after the prior approved rate increase was implemented (i.e., no policyholder will receive more than one increase in a 12-month period).

Similar to the prior increase, MedAmerica will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the rate increase. Policyholders who prefer to offset the impact of the requested rate increase may have the option to change one or more of the following plan features in order to lower their premiums: (i) reduce their daily benefit subject to a minimum of \$50, (ii) shorten their benefit period subject to a minimum of 400 days, (iii) lengthen their elimination period subject to a maximum of 180 days, (iv) reduce their inflation protection (i.e., compound inflation down to no inflation), or (v) drop rider coverage.

The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, MedAmerica will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

The following electronic items are included with this submission:

- cover letter
- letter from MedAmerica authorizing us to submit this filing on their behalf
- actuarial memorandum
- supplement to the actuarial memorandum
- Microsoft Excel spreadsheet containing all numerical data
- current and proposed premium rate schedules

No filing fee is required for this submission.



Honorable Teresa D. Miller
April 27, 2015

The contact person for this filing is:

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Thank you for your assistance in reviewing this filing.

Respectfully,

A handwritten signature in blue ink that reads "Missy Gordon".

Missy Gordon, FSA, MAAA
Principal and Consulting Actuary

MAG/bar

Enclosures

MEDAMERICA INSURANCE COMPANY
165 Court Street, Rochester, New York 14647

515 Series Actuarial Memorandum

April 27, 2015

Product

Tax-Qualified Long-Term Care Policy Form

Number

14515-PA

Combined Insurance Company of America (CICA) wrote and issued this policy form in Pennsylvania from February 1999 to December 2003. The company is no longer marketing the 515 Series in any jurisdiction.

In 2008, MedAmerica Insurance Company (MedAmerica) acquired the long-term care block of business issued by CICA from Ace Ltd. and subsequently submitted a certificate of assumption filing. As a result, most of the nationwide policies are now on MedAmerica paper; however, approximately 18% of the policyholders in force nationwide as of December 31, 2013 objected to the assumption filing and remain on CICA paper. In Pennsylvania, all of the in-force policies are on MedAmerica paper.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of demonstrating that the requested rate increase meets the minimum requirements of your jurisdiction and demonstrating compliance with its loss ratio and rate stability regulations. It may not be suitable for other purposes.

2. Description of Benefits

This is an individually underwritten policy form that provides comprehensive coverage on a reimbursement basis. This form has benefit eligibility requirements that involve activities of daily living (ADL) deficiencies or cognitive impairment. Waiver of premium is provided after the policyholder has been receiving covered care for 90 days and as long as the person continues to receive covered benefits. A daily benefit, benefit period, and elimination period were selected at issue. All policies have a lifetime premium payment term.

At issue, the insured may have been offered the option to elect an inflation protection rider that provides for benefit levels that increase on each anniversary date by 5% compounded annually for the life of the insured. The increasing benefits apply even when the insured is in claim status.

The available choices for benefit period, elimination period, and inflation option are shown in Section 20 below.

At issue, the insured may have been offered the option of selecting riders that provide the following types of coverage: nonforfeiture benefit or additional community care benefit.

A contingent benefit upon lapse (CBUL) will be available to all insureds.

3. Renewability

These policies are guaranteed renewable for life.

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4. Applicability

As the 515 Series is no longer sold in any jurisdiction, this filing is applicable to in-force policies only. The premium changes will apply to the base form as well as all applicable options and riders.

5. Actuarial Assumptions

- a. Morbidity represents the pricing claim costs, which have embedded factors to convert them to an all-lives exposure base, along with any other necessary adjustments for waiver, riders, medical underwriting, etc. The pricing claim costs are adjusted using the attained age and durational adjustment factors shown in the following tables.

Morbidity Attained Age Adjustment Factors

Attained Age	Factor
<75	0.85
75-79	0.98
80+	1.25

Morbidity Durational Adjustment Factors

Duration	Factor
1	0.30
2	0.30
3	0.30
4	0.55
5	0.55
6	0.55
7	0.55
8	0.55
9	0.60
10	0.65
11	0.70
12+	0.75

- b. Lapse Rates vary by duration as shown in the following table.

Lifetime-Pay Lapse Rates

Duration	Lapse Rate
1	20.0%
2	10.5
3	6.5
4	4.5
5	4.0
6	3.0
7	3.0
8	2.5
9+	2.0

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- c. Mortality Rates reflect the 1994 Group Annuitant Mortality (94GAM) Static table. Levels of 86% and 93% of the 94GAM Static table are assumed for males and females, respectively. These levels are assumed to capture mortality improvement based on studies of individual annuitant and population data.
- d. Policyholder Behavior Due to the Rate Increase. At the time of a rate increase, policyholders have the option to elect a CBUL or reduced benefit options (RBO). Adverse selection is assumed relative to CBUL elections.

Based on the cumulative rate increase level, 8.0% of in-force policies are assumed to elect CBUL. Policyholders who elect a CBUL are modeled as a lapse (i.e., the CBUL benefit is not modeled), which results in a slightly lower lifetime loss ratio than if the CBUL benefit had been modeled. We assume an increase in morbidity for adverse selection due to the rate increase based on the percentage of policies that elect CBUL. This increase in morbidity is 2.0% for the cumulative rate increase level.

Based on the cumulative rate increase level, 5.0% of in-force policyholders are assumed to elect RBO. The reduction in premiums and benefits due to the impact of RBO election is assumed to be 1.5% for the cumulative rate increase level.

- e. Interest Rate of 5.25% is used for accumulating and discounting earned premiums and incurred claims in the calculation of cumulative loss ratios. This rate represents MedAmerica's best-estimate of its long-term investment earnings rate and is consistent with historical experience since 2004. The company's average investment income yield earned on reserves from 2004 to 2013 is approximately 5.3%.

The current assumption is also supported going forward based on the 2013 cash flow testing memorandum where MedAmerica's portfolio rate as of September 30, 2013 was 5.5%, the new money rate as of December 31, 2013 was 5.1%, and the average net investment earnings rate over a 40-year projection is approximately 5.2%.

- f. Expenses have not been explicitly projected. Originally filed expense assumptions are assumed to remain appropriate, except that reductions are made to the renewal commission rates so that the total commissions paid before and after any increase in premium are similar (i.e., commissions are not paid on the increased premium).

The above assumptions are based on the experience of policies issued by CICA and its sister company Combined Insurance Company of New York (CICNY) that issued the same products, industry experience, and judgment. These assumptions are based on the nationwide experience through 2012 of the 515 Series and other similar policy forms where appropriate. The above assumptions are deemed reasonable for the particular policy form in this filing. The assumptions used in this filing are considered best-estimate and do not reflect moderately adverse conditions.

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices were taken into consideration. Appendix A to this memorandum provides a description of the development of and justification for the assumptions used in this filing.

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MedAmerica is currently marketing one long-term care product, FlexCare, in Pennsylvania. FlexCare is a federally tax-qualified, individually underwritten policy form that provides comprehensive coverage on a reimbursement basis. A comparison of the projection assumptions used in this filing and those used for pricing the FlexCare product is included in Appendix B to this memorandum.

6. Marketing Method

The 515 Series was marketed in Pennsylvania by agents of CICA and by estate-planning consultants.

7. Underwriting Description

These policies were individually underwritten with the use of various underwriting tools in addition to the application, which may have included medical records, cognitive screening, telephone interview and/or face-to-face assessment.

8. Premiums

Premiums are unisex and payable for life. The premiums may vary by issue age, benefit period, initial daily benefit, elimination period, inflation option, marital discounts, and the selection of any riders.

9. Issue Age Range

Issue ages range from 18 to 84.

10. Area Factors

Area factors are not used for this product.

11. Premium Modalization Rules

The following modal factors and nationwide percent distributions (based on the nationwide in-force count as of December 31, 2013) are applied to the annual premium (AP):

Premium Mode	Modal Factors	Percent Distribution
Annual	1.0000*AP	20%
Semi-Annual	0.5200*AP	4
Quarterly	0.2650*AP	2
Monthly	0.0900*AP	74

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12. Reserves

Active life reserves and reserves for the election of a CBUL have not been used in this rate increase analysis, except as described in the supplement to the actuarial memorandum. Claim reserves as of December 31, 2013 have been discounted to the incurral date of each respective claim and included in historical incurred claims. A best estimate of the incurred but not reported (IBNR) reserve balance as of December 31, 2013 has been allocated to the 2013 calendar year of incurral and included in historical incurred claims.

13. Trend Assumptions

An explicit medical cost trend is not included in the projections.

14. Actual to Expected Experience

Exhibit I provides a comparison of (a) actual and projected experience using current assumptions and (b) expected experience using original pricing assumptions based on the nationwide experience of the 515 Series. Included are calendar year earned premiums, incurred claims, annual loss ratios, cumulative loss ratios, and the ratio of actual-to-expected (A:E) loss ratios. Values in Exhibit I are shown both before and after the proposed rate increase.

Actual experience is provided from inception through 2013 and then projected on a seriatim basis for 40 years using the current assumptions described above in Section 5. The projected experience reflects nationwide rate increases approved on the 515 Series between January 2014 and September 2014, which average 16% across all jurisdictions. The after increase projected experience reflects the additional increase needed to achieve the cumulative 38% increase on a seriatim basis.

Expected experience was projected on a seriatim basis from issue using the original pricing assumptions and the actual mix of policies sold.

Exhibit II provides a comparison of the current and original pricing assumptions for the 515 Series.

15. History of Previous Rate Revisions

In Pennsylvania, one prior rate increase has been approved and implemented on this form. The original request was for a rate increase of 38%. In May 2014, the Department approved a reduced rate increase of 15%.

As part of this rate increase process, an increase has been or is expected to be requested in most jurisdictions, except where it is not cost effective to file an increase due to the limited amount of in-force business or regulatory requirements. In certain jurisdictions, the requested rate increase may be limited due to regulatory restrictions.

Of the 34 jurisdictions in which a rate increase request has been submitted thus far, 28 have reached a decision regarding the request. Of these 28 jurisdictions, 11 have

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approved the full rate increase request, and 17 approved a portion of the original request. The average amount approved to date is 26% across these 28 jurisdictions. In any jurisdictions where the full rate increase request has not been approved, MedAmerica anticipates submitting additional rate increase filings until the full amount of the original request is achieved.

16. Analysis Performed to Consider a Rate Increase

This rate increase request is a follow-up to a 2014 rate increase request. At the time of the 2014 request, an analysis of the business was performed, as described below, which confirmed that a rate increase could be considered as experience had been more adverse than expected in original pricing.

Documentation of the original pricing definition for moderately adverse experience (MAE) is not available. However, at the time of acquisition, MedAmerica management believes that it would have defined MAE to be a 10% additive increase in the lifetime loss ratio due to any combination of deterioration of the experience from that expected in original pricing. This definition of MAE is consistent with that used by MedAmerica for similar products priced around the same time as the 515 Series. The analysis performed at the time of the 2014 rate increase request confirmed that the lifetime loss ratio using current assumptions deteriorated by more than 10% and so a rate increase could be considered.

Exhibit III provides a comparison of actual and projected nationwide experience to that expected in pricing with respect to morbidity, mortality, lapse, and interest for the 515 Series. These experience and projections are the same as those underlying the analysis performed for the 2014 rate increase request (i.e., based on experience through 2012).

17. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

The company originally requested a 38% rate increase. The original request was determined in such a way that the company is sharing in the cost of the rate increase with consumers and is not attempting to recoup past losses or lost revenue. The current request for a 20% increase is being sought in order to achieve a cumulative increase equal to the original request.

Company management has indicated that if the requested rate increase is approved, no future premium rate increases are anticipated unless experience deteriorates beyond an 85% lifetime loss ratio. MAE is then defined as a 16% multiplicative increase in the *future* (2014+) loss ratio due to any combination of deterioration in the experience from that expected using the current best-estimate assumptions described in Section 5.

Current and proposed rate tables are enclosed with this memorandum. The actual rates implemented may vary slightly due to rounding algorithms.

Projected experience assuming the requested increase is implemented is shown in Exhibit I. As shown in Exhibit I, the anticipated lifetime loss ratio without and with the requested rate increase exceeds the minimum loss ratio requirement of 60%.

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Exhibit IV provides a demonstration that the requested rate increase meets the 58%/85% test required by rate stability regulation. This exhibit shows that the sum of the accumulated value of incurred claims without the inclusion of active life reserves, and the present value of future projected incurred claims, without the inclusion of active life reserves, will not be less than the sum of the following:

1. Accumulated value of the initial earned premium times 58%,
2. 85% of the accumulated value of prior premium rate schedule increases,
3. Present value of future projected initial earned premium times 58%, and
4. 85% of the present value of future projected premium in excess of the projected initial earned premium.

The future projected incurred claims were increased by 16% from the best-estimate projections in Exhibit I to reflect assumptions that include moderately adverse conditions. This is one possible scenario that results in a 16% multiplicative increase in the future loss ratio (which is the definition of MAE as described above). It is among many possible alternative adverse experience scenarios, but considered one of the simplest since it involves only one assumption shift.

Present and accumulated values in Exhibit IV are determined at the maximum valuation interest rate for contract reserves applicable for the year of issue, which ranges from 4.0% to 4.5% depending on the year of issue and averages 4.5%.

18. Average Annual Premium in Pennsylvania (Annualized Premium Based on 2013 In-Force)

Before increase ^[1]	\$1,008
After cumulative 38% increase	\$1,210

[1] Before increase premium reflects the prior 15% rate increase approved in Pennsylvania in May 2014.

19. Proposed Effective Date

This rate increase will apply to policies on their next premium payment date following at least a 60-day policyholder notification period following approval, but no sooner than 12 months after the prior rate increase was implemented.

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20. Nationwide Distribution of Business as of December 31, 2013 (Based on In-Force Insured Count)

Issue Ages	Percent Distribution
<45	2%
45-49	3
50-54	9
55-59	14
60-64	31
65-69	28
70-74	11
75+	2

Elimination Period	Percent Distribution
20-Day	21%
60-Day	1
90-Day	74
180-Day	4

Benefit Period	Percent Distribution
400-Day	8%
800-Day	19
1200-Day	34
1600-Day	18
Lifetime	21

Inflation Option	Percent Distribution
None	47%
Compound for Life	53

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21. Number of Insureds and Annualized Premium

Based on the in-force count as of December 31, 2013, the number of insureds and annualized premium that will be affected by this increase are:

Jurisdiction	Number of Insureds	Annualized Premium^[1]
Pennsylvania	292	\$256,039
Nationwide	5,747	\$6,488,698

[1] Annualized premiums do not reflect any prior rate increases approved in Pennsylvania or nationwide as the company did not implement any approved rate increases prior to December 31, 2013.

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22. Actuarial Certification

I am a Principal and Consulting Actuary for Milliman, Inc. and retained by MedAmerica to render an opinion with regard to long-term care insurance rates. I am a member of the American Academy of Actuaries. I meet the Academy's qualification standards to render this actuarial opinion and am familiar with the requirements for filing long-term care insurance premiums and rate increases.

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" and 18, "Long-Term Care Insurance".

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance. On average, the proposed premium rate schedules are not greater than the FlexCare new business premium rate schedules.

In my opinion, the rates are not excessive or unfairly discriminatory, and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction. If the requested premium rate schedule increase is implemented and the underlying assumptions, with moderately adverse conditions reflected, are realized, no further premium rate schedule increases are anticipated.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions, or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by MedAmerica to develop this memorandum, including but not limited to management's view of when a rate change may be considered, underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided, but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.



Missy Gordon, FSA, MAAA
Principal and Consulting Actuary

Date: April 27, 2015

Exhibit I
MedAmerica, CICA, and CICNY
Actual-to-Expected Experience by Calendar Year
Nationwide Experience with Prior Approved Increases
515 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
Historical Experience	1997	1,404	0	0%	23	1,305	225	17%	23	0%	17%	0.00
	1998	365,019	0	0%	789	356,861	76,398	21%	785	0%	21%	0.00
	1999	1,713,968	43,198	3%	2,809	1,709,530	368,425	22%	2,825	2%	22%	0.10
	2000	3,837,581	172,606	4%	4,178	3,896,024	850,025	22%	4,205	4%	22%	0.17
	2001	5,769,329	263,180	5%	6,144	5,809,455	1,306,760	22%	6,156	4%	22%	0.18
	2002	8,061,447	587,804	7%	7,817	8,056,196	1,864,008	23%	7,751	5%	22%	0.24
	2003	8,935,727	266,048	3%	8,063	8,761,391	2,170,688	25%	7,750	5%	23%	0.20
	2004	8,879,585	1,040,033	12%	7,799	8,236,022	2,296,824	28%	7,084	6%	24%	0.26
	2005	8,704,028	2,426,497	28%	7,873	7,550,696	2,402,066	32%	6,764	10%	25%	0.39
	2006	9,020,457	2,247,018	25%	8,007	7,415,244	2,615,488	35%	6,573	12%	26%	0.45
	2007	9,014,480	1,571,634	17%	7,794	7,048,367	2,780,314	39%	6,031	13%	28%	0.45
	2008	8,667,854	2,174,151	25%	7,381	6,345,401	2,877,797	45%	5,370	14%	29%	0.47
	2009	8,173,105	3,325,771	41%	6,890	5,640,404	2,969,956	53%	4,797	16%	30%	0.52
2010	7,700,251	2,673,105	35%	6,560	5,027,298	3,069,710	61%	4,295	17%	32%	0.54	
2011	7,293,490	4,372,265	60%	6,249	4,485,167	3,174,093	71%	3,847	20%	33%	0.59	
2012	6,943,365	2,736,987	39%	5,971	4,001,070	3,280,589	82%	3,446	21%	35%	0.59	
2013	6,592,921	4,220,597	64%	5,747	3,566,720	3,385,634	95%	3,085	22%	37%	0.61	
Projected Future Experience (40 Years)	2014	6,339,230	5,650,742	89%	5,404	3,175,576	3,484,141	110%	2,759	25%	38%	0.65
	2015	6,371,885	6,113,134	96%	4,969	2,822,160	3,573,459	127%	2,465	27%	40%	0.69
	2016	6,194,369	6,655,398	107%	4,685	2,503,159	3,650,584	146%	2,200	30%	41%	0.72
	2017	5,812,985	7,269,802	125%	4,406	2,215,710	3,712,956	168%	1,961	32%	43%	0.76
	2018	5,421,525	7,878,404	145%	4,128	1,957,373	3,762,161	192%	1,746	35%	44%	0.79
	2019	5,036,517	8,459,723	168%	3,854	1,725,489	3,797,010	220%	1,552	38%	46%	0.82
	2020	4,659,413	8,992,747	193%	3,585	1,517,148	3,813,330	251%	1,377	40%	47%	0.86
	2021	4,291,714	9,478,437	221%	3,321	1,330,106	3,809,499	286%	1,219	43%	48%	0.89
	2022	3,934,937	9,916,367	252%	3,063	1,162,705	3,784,630	326%	1,077	46%	50%	0.92
	2023	3,590,563	10,300,695	287%	2,813	1,012,743	3,737,548	369%	948	48%	51%	0.95
	2024	3,259,981	10,602,586	325%	2,571	878,374	3,665,224	417%	831	51%	52%	0.98
	2025	2,944,465	10,810,375	367%	2,339	758,427	3,568,246	470%	727	53%	53%	1.01
	2026	2,645,157	10,918,524	413%	2,118	651,914	3,447,655	529%	632	56%	54%	1.04
	2027	2,363,052	10,940,014	463%	1,908	557,717	3,306,258	593%	548	58%	55%	1.06
	2028	2,098,964	10,882,494	518%	1,710	474,783	3,149,597	663%	473	60%	56%	1.09
	2029	1,853,508	10,750,799	580%	1,524	402,163	2,980,415	741%	407	62%	56%	1.11
	2030	1,627,124	10,545,796	648%	1,351	338,985	2,802,452	827%	349	64%	57%	1.13
	2031	1,419,890	10,257,864	722%	1,192	284,368	2,619,093	921%	297	66%	57%	1.15
	2032	1,231,689	9,914,697	805%	1,046	237,462	2,434,219	1,025%	253	68%	58%	1.17
	2033	1,062,132	9,519,307	896%	913	197,435	2,251,217	1,140%	214	69%	58%	1.19
	2034	910,622	9,091,305	998%	794	163,495	2,072,300	1,267%	181	71%	59%	1.21
	2035	776,317	8,633,320	1,112%	686	134,892	1,899,459	1,408%	153	72%	59%	1.22
	2036	658,193	8,145,599	1,238%	590	110,928	1,733,668	1,563%	128	73%	59%	1.23
	2037	555,092	7,640,141	1,376%	506	90,961	1,575,808	1,732%	108	74%	60%	1.25
	2038	465,798	7,127,586	1,530%	431	74,407	1,426,885	1,918%	90	75%	60%	1.26
	2039	388,985	6,614,738	1,701%	366	60,739	1,287,193	2,119%	75	76%	60%	1.27
	2040	323,349	6,096,035	1,885%	310	49,506	1,157,000	2,337%	63	77%	60%	1.28
	2041	267,642	5,590,334	2,089%	261	40,307	1,037,259	2,573%	53	77%	60%	1.28
	2042	220,618	5,097,203	2,310%	219	32,793	927,489	2,828%	44	78%	60%	1.29
	2043	181,166	4,617,683	2,549%	184	26,674	827,434	3,102%	37	78%	60%	1.30
	2044	148,236	4,166,448	2,811%	153	21,701	736,841	3,395%	31	79%	60%	1.30
	2045	120,910	3,743,416	3,096%	128	17,669	655,327	3,709%	26	79%	61%	1.30
	2046	98,300	3,345,995	3,404%	106	14,400	582,226	4,043%	21	79%	61%	1.31
	2047	79,712	2,973,610	3,730%	88	11,754	517,021	4,399%	18	80%	61%	1.31
	2048	64,494	2,631,684	4,081%	72	9,614	459,341	4,778%	15	80%	61%	1.31
	2049	52,098	2,318,198	4,450%	60	7,883	408,328	5,180%	13	80%	61%	1.32
	2050	42,050	2,034,648	4,839%	49	6,485	363,480	5,605%	11	80%	61%	1.32
2051	33,925	1,791,264	5,280%	41	5,350	324,121	6,058%	9	80%	61%	1.32	
2052	27,365	1,572,475	5,746%	33	4,427	289,417	6,538%	7	80%	61%	1.32	
2053	22,080	1,372,950	6,218%	28	3,673	258,863	7,047%	6	80%	61%	1.32	

Exhibit I
MedAmerica, CICA, and CICNY
Actual-to-Expected Experience by Calendar Year
Nationwide Experience with Requested Cumulative 38% Increase
515 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
Historical Experience	1997	1,404	0	0%	23	1,305	225	17%	23	0%	17%	0.00
	1998	365,019	0	0%	789	356,861	76,398	21%	785	0%	21%	0.00
	1999	1,713,968	43,198	3%	2,809	1,709,530	368,425	22%	2,825	2%	22%	0.10
	2000	3,837,581	172,606	4%	4,178	3,896,024	850,025	22%	4,205	4%	22%	0.17
	2001	5,769,329	263,180	5%	6,144	5,809,455	1,306,760	22%	6,156	4%	22%	0.18
	2002	8,061,447	587,804	7%	7,817	8,056,196	1,864,008	23%	7,751	5%	22%	0.24
	2003	8,935,727	266,048	3%	8,063	8,761,391	2,170,688	25%	7,750	5%	23%	0.20
	2004	8,879,585	1,040,033	12%	7,799	8,236,022	2,296,824	28%	7,084	6%	24%	0.26
	2005	8,704,028	2,426,497	28%	7,873	7,550,696	2,402,066	32%	6,764	10%	25%	0.39
	2006	9,020,457	2,247,018	25%	8,007	7,415,244	2,615,488	35%	6,573	12%	26%	0.45
	2007	9,014,480	1,571,634	17%	7,794	7,048,367	2,780,314	39%	6,031	13%	28%	0.45
	2008	8,667,854	2,174,151	25%	7,381	6,345,401	2,877,797	45%	5,370	14%	29%	0.47
	2009	8,173,105	3,325,771	41%	6,890	5,640,404	2,969,956	53%	4,797	16%	30%	0.52
2010	7,700,251	2,673,105	35%	6,560	5,027,298	3,069,710	61%	4,295	17%	32%	0.54	
2011	7,293,490	4,372,265	60%	6,249	4,485,167	3,174,093	71%	3,847	20%	33%	0.59	
2012	6,943,365	2,736,987	39%	5,971	4,001,070	3,280,589	82%	3,446	21%	35%	0.59	
2013	6,592,921	4,220,597	64%	5,747	3,566,720	3,385,634	95%	3,085	22%	37%	0.61	
Projected Future Experience (40 Years)	2014	6,339,230	5,650,742	89%	5,404	3,175,576	3,484,141	110%	2,759	25%	38%	0.65
	2015	6,445,594	6,086,146	94%	4,892	2,822,160	3,573,459	127%	2,465	27%	40%	0.69
	2016	6,790,770	6,425,091	95%	4,482	2,503,159	3,650,584	146%	2,200	30%	41%	0.72
	2017	6,532,979	6,953,284	106%	4,212	2,215,710	3,712,956	168%	1,961	32%	43%	0.75
	2018	6,092,310	7,535,453	124%	3,947	1,957,373	3,762,161	192%	1,746	34%	44%	0.77
	2019	5,658,223	8,091,702	143%	3,686	1,725,489	3,797,010	220%	1,552	37%	46%	0.80
	2020	5,233,135	8,602,477	164%	3,428	1,517,148	3,813,330	251%	1,377	39%	47%	0.83
	2021	4,818,751	9,067,793	188%	3,176	1,330,106	3,809,499	286%	1,219	42%	48%	0.86
	2022	4,416,788	9,487,197	215%	2,930	1,162,705	3,784,630	326%	1,077	44%	50%	0.89
	2023	4,028,921	9,855,734	245%	2,691	1,012,743	3,737,548	369%	948	46%	51%	0.91
	2024	3,656,716	10,145,227	277%	2,460	878,374	3,665,224	417%	831	49%	52%	0.94
	2025	3,301,605	10,345,280	313%	2,238	758,427	3,568,246	470%	727	51%	53%	0.97
	2026	2,964,870	10,449,774	352%	2,026	651,914	3,447,655	529%	632	53%	54%	0.99
	2027	2,647,626	10,471,129	395%	1,825	557,717	3,306,258	593%	548	55%	55%	1.01
	2028	2,350,777	10,416,866	443%	1,636	474,783	3,149,597	663%	473	58%	56%	1.04
	2029	2,075,009	10,291,624	496%	1,458	402,163	2,980,415	741%	407	59%	56%	1.06
	2030	1,820,793	10,096,241	554%	1,293	338,985	2,802,452	827%	349	61%	57%	1.08
	2031	1,588,207	9,821,299	618%	1,141	284,368	2,619,093	921%	297	63%	57%	1.10
	2032	1,377,099	9,493,211	689%	1,001	237,462	2,434,219	1,025%	253	64%	58%	1.11
	2033	1,187,010	9,115,040	768%	874	197,435	2,251,217	1,140%	214	66%	58%	1.13
	2034	1,017,251	8,705,587	856%	760	163,495	2,072,300	1,267%	181	67%	59%	1.14
	2035	866,855	8,267,334	954%	657	134,892	1,899,459	1,408%	153	68%	59%	1.16
	2036	734,652	7,800,360	1,062%	565	110,928	1,733,668	1,563%	128	69%	59%	1.17
	2037	619,323	7,316,615	1,181%	484	90,961	1,575,808	1,732%	108	70%	60%	1.18
	2038	519,492	6,826,026	1,314%	413	74,407	1,426,885	1,918%	90	71%	60%	1.19
	2039	433,655	6,334,952	1,461%	351	60,739	1,287,193	2,119%	75	72%	60%	1.20
	2040	360,341	5,838,573	1,620%	297	49,506	1,157,000	2,337%	63	73%	60%	1.21
	2041	298,141	5,354,668	1,798%	250	40,307	1,037,259	2,573%	53	73%	60%	1.22
	2042	245,655	4,882,833	1,988%	210	32,793	927,489	2,828%	44	74%	60%	1.22
	2043	201,635	4,423,952	2,194%	176	26,674	827,434	3,102%	37	74%	60%	1.23
	2044	164,903	3,992,315	2,421%	147	21,701	736,841	3,395%	31	75%	60%	1.23
	2045	134,432	3,587,688	2,669%	122	17,669	655,327	3,709%	26	75%	61%	1.24
	2046	109,226	3,207,551	2,937%	101	14,400	582,226	4,043%	21	75%	61%	1.24
	2047	88,509	2,851,481	3,222%	84	11,754	517,021	4,399%	18	75%	61%	1.24
	2048	71,552	2,524,528	3,528%	69	9,614	459,341	4,778%	15	76%	61%	1.24
	2049	57,745	2,224,746	3,853%	57	7,883	408,328	5,180%	13	76%	61%	1.25
	2050	46,560	1,953,474	4,196%	47	6,485	363,480	5,605%	11	76%	61%	1.25
2051	37,517	1,720,728	4,586%	39	5,350	324,121	6,058%	9	76%	61%	1.25	
2052	30,221	1,511,505	5,002%	32	4,427	289,417	6,538%	7	76%	61%	1.25	
2053	24,347	1,320,547	5,424%	26	3,673	258,863	7,047%	6	76%	61%	1.25	

Exhibit II
MedAmerica, CICA, and CICNY
Comparison of Current and Original Pricing Assumptions
515 Series

Current Assumptions

Original Pricing Assumptions

Levels of 86% and 93% of the 1994 Group Annuitant Mortality (GAM) Static table are assumed for males and females, respectively, in all durations. These levels capture the impact of mortality improvement.

Mortality

Ultimate mortality level of 95% of U.S. Life Mortality (79-81). While the original pricing selection factors were not available, selection factors grading from 50% to 95% over the first 10 durations were assumed.

Lapse Rates

Lapse rates were developed using the mortality assumption described above and actual policy termination experience for 515 Series policies issued by Combined Insurance Company of America (CICA) and Combined Insurance Company of New York (CICNY) from inception through December 31, 2012. Lapse rates vary by duration and are provided in the table below.

Lapse rates vary by policy form, duration, and issue age. Policy form 14515 was marketed nationwide, while policy form 44515 was only marketed in New York.

Duration	Lapse Rate
1	20.0%
2	10.5%
3	6.5%
4	4.5%
5	4.0%
6	3.0%
7	3.0%
8	2.5%
9+	2.0%

Policy form 14515							
Duration	Issue Age						
	<55	55-59	60-64	65-69	70-74	75-79	80+
1	20.0%	18.0%	18.0%	18.0%	14.0%	12.0%	10.0%
2	16.0%	15.0%	15.0%	15.0%	12.0%	10.0%	8.0%
3	13.0%	12.0%	12.0%	12.0%	10.0%	9.0%	7.0%
4	11.0%	10.0%	10.0%	10.0%	9.0%	8.0%	7.0%
5	10.0%	9.0%	9.0%	9.0%	8.0%	7.0%	6.0%
6	10.0%	9.0%	8.0%	8.0%	7.0%	7.0%	6.0%
7	10.0%	9.0%	8.0%	7.0%	6.0%	6.0%	5.0%
8	9.0%	8.0%	8.0%	7.0%	6.0%	6.0%	5.0%
9	9.0%	8.0%	7.0%	7.0%	5.0%	5.0%	4.0%
10	9.0%	8.0%	7.0%	6.0%	5.0%	5.0%	4.0%
11	8.0%	8.0%	7.0%	6.0%	4.0%	4.0%	4.0%
12	8.0%	7.0%	6.0%	6.0%	4.0%	4.0%	4.0%
13	8.0%	7.0%	6.0%	5.0%	4.0%	4.0%	4.0%
14	7.0%	7.0%	6.0%	5.0%	4.0%	4.0%	4.0%
15	7.0%	6.0%	6.0%	5.0%	4.0%	4.0%	4.0%
16	6.0%	6.0%	6.0%	4.0%	4.0%	4.0%	4.0%
17	6.0%	6.0%	5.0%	4.0%	4.0%	4.0%	4.0%
18	5.0%	5.0%	5.0%	4.0%	4.0%	4.0%	4.0%
19	5.0%	5.0%	5.0%	4.0%	4.0%	4.0%	4.0%
20+	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

Policy form 44515							
Duration	Issue Age						
	<55	55-59	60-64	65-69	70-74	75-79	80+
1	20.0%	18.0%	16.0%	14.0%	12.0%	10.0%	10.0%
2	15.0%	14.0%	12.0%	10.0%	8.0%	6.0%	6.0%
3	10.0%	10.0%	9.0%	6.0%	6.0%	4.0%	4.0%
4	8.0%	8.0%	6.0%	5.0%	4.0%	3.0%	3.0%
5	6.0%	6.0%	4.0%	4.0%	3.0%	3.0%	3.0%
6+	5.0%	5.0%	4.0%	4.0%	3.0%	3.0%	3.0%

Exhibit II
MedAmerica, CICA, and CICNY
Comparison of Current and Original Pricing Assumptions
515 Series

Current Assumptions

Original Pricing Assumptions

Expected claim costs are the pricing claim costs adjusted with attained age and durational adjustment factors. These factors were developed based on a comparison of actual and expected historical incurred claims for 515 Series policies issued by CICA and CICNY from inception through December 31, 2012. To develop the attained age adjustment factors, the experience for the 515 Series policies was combined with experience for other similar policies issued by CICA and CICNY.

Morbidity

The pricing claim costs were developed from the 1997 Milliman *Long-Term Care Guidelines (LTCGs)*. All values were adjusted to reflect the effects of the nature of the benefits, the elimination periods, policy maximums, and the eligibility standards. The claim costs include factors to adjust them to an all-lives exposure base. These claim costs do not necessarily represent the original pricing claim costs because MedAmerica did not receive the original pricing claim costs at the time of acquisition. These claim costs are a reasonable proxy of the original pricing claim costs based on a reproduction of the original pricing lifetime loss ratio.

Attained Age	Factor
<75	0.85
75-79	0.98
80+	1.25

Duration	Factor
1	0.30
2	0.30
3	0.30
4	0.55
5	0.55
6	0.55
7	0.55
8	0.55
9	0.60
10	0.65
11	0.70
12+	0.75

Interest Rate

5.25%

6.00%

Exhibit III
MedAmerica, CICA, and CICNY
Nationwide Experience
Impact on the Lifetime Loss Ratio of Changing from Original Pricing to Current Assumptions
515 Series

The following table provides the isolated impact of each changed assumption (current versus original pricing) on the projected lifetime loss ratio when actual historical experience is reflected and only the projection assumptions vary. All the lifetime loss ratios in the table below reflect actual historical experience, except for the loss ratio calculated using the original pricing assumptions from inception.

Please note that the lifetime loss ratio for each changed assumption does not reflect any synergy of the assumptions. As a result, the total impact of all current assumptions on the lifetime loss ratio (i.e., 38%) is not equal to the composite of each changed assumptions' impact on the lifetime loss ratio (i.e., $31\% = 0.98 \times 0.90 \times 1.14 \times 1.21 \times 1.08 - 1$).

Scenario	Lifetime Loss Ratio	Impact of Each Assumption on the Lifetime Loss Ratio
Original Pricing Assumptions	61%	N/A
Historical Experience & Projections with Original Pricing Assumptions	60%	-2%
Historical Experience & Projections with Original Pricing Assumptions except for Current:		
Morbidity	54%	-10%
Mortality	68%	14%
Lapse	72%	21%
Interest	64%	8%
Historical Experience & Projections with All Current Assumptions	84%	38%

Exhibit IV
Demonstration that the Cumulative 38% Request Passes the 58%/85% Loss Ratio Minimum
MedAmerica, CICA, and CICNY Combined Nationwide Experience with Prior Approved Increases
515 Series

1 Accumulated value of initial earned premium	151,331,676	x	58%	=	87,772,372
2a Accumulated value of earned premium	151,331,676				
2b Accumulated value of prior premium rate schedule increases (2a - 1)	0	x	85%	=	0
3 Present value of future projected initial earned premium	47,080,433	x	58%	=	27,306,651
4a Present value of future projected premium	61,245,338				
4b Present value of future projected premium in excess of the projected initial earned premiums (4a - 3)	14,164,905	x	85%	=	12,040,169
5 Lifetime Earned Premium Times Prescribed Factor: Sum of 1, 2b, 3, and 4b					127,119,193
6a Accumulated value of incurred claims without the inclusion of active life reserves					34,616,042
6b Present value of future projected incurred claims without the inclusion of active life reserves					166,042,264
7 Lifetime Incurred Claims with Rate Increase: Sum 6a and 6b					200,658,306
8 Test: 7 is not less than 5					Pass
<p><i>All values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue, which ranges from 4.0% to 4.5%.</i></p> <p><i>The accumulated value of initial earned premium is equal to the accumulated value of earned premium as the company did not implement any approved rate increases prior to December 31, 2013.</i></p> <p><i>Future projected initial earned premium schedule (i.e., without the requested rate increase) reflects the assumed impact of CBUL and RBO.</i></p> <p><i>The future projected incurred claims (item 6b) were increased by 16% to reflect assumptions with moderately adverse experience.</i></p>					

Appendix A Development and Justification of Current Assumptions for the 515 Series

The 515 Series assumptions for terminations and morbidity were developed based on historical experience. The experience used to develop these assumptions includes historical experience through December 31, 2012 on the policies originally issued by Combined Insurance Company of America and Combined Insurance Company of New York (collectively, CICA), which MedAmerica Insurance Company (MedAmerica) acquired from Ace Ltd. in 2008. Where actual experience had low credibility or did not exist, we considered experience on other series originally issued by CICA or MedAmerica or industry experience. The methodology used to develop these assumptions is provided below.

Persistence

We were unable to analyze the policy termination experience separately between mortality and lapse because the data does not identify the reason for termination. Therefore, we developed the policy termination assumptions using actual experience for total policy termination rates, choosing a mortality rate assumption, and then deriving the lapse rates from these two components.

Exhibit A-1 provides exposure, actual total termination rates, total termination credibility percent, expected mortality rates, derived lapse rates, and smoothed lapse rates based on experience for the 515 Series. This experience includes only lifetime-pay policies as CICA did not issue any limited-pay policies.

In general, the smoothed lapse rates were set in such a way that the combined duration smoothed rates were close to the derived lapse rates (see the rows at the bottom of Exhibit A-1). The smoothed lapse rates in the early durations were set to reproduce actual experience, to the extent possible, so that the transition from historical to projected policy persistency is smooth. In developing the ultimate lapse rate, the level of credibility of the actual experience was considered. A description of the assumed credibility measure is described at the end of this appendix.

The actual total termination rates were calculated by duration as follows:

$$\text{Annualized Total Termination Rate} = \frac{\text{Number of Lives Terminated during the Year}}{\text{Number of Lives Exposed during the Year}} .$$

A termination was assigned to the duration in which it occurred, or the preceding duration, if the termination was on the anniversary date. Each termination contributes 1.0 to the numerator and a full year to the denominator. For lives that do not terminate, the number of lives exposed to termination is based on the length of time a covered life is exposed to the risk of termination during the year. This calculation logic is identical to that used in the LTC Insurance Persistency Experience reports sponsored by LIMRA International and the Society of Actuaries (SOA) LTC Experience Committee.

The expected mortality rate assumes 86% and 93% of the 1994 Group Annuitant Mortality (94GAM) Static table for males and females, respectively. This assumption captures mortality improvement and is equivalent to the ultimate level produced if mortality improvement of 1.0% for males and 0.5% for females for 15 years were reflected from issue (e.g., $86\% = (1 - 1.0\%)^{15}$). This level of improvement is based on the SOA June 2011 study, *Global Mortality Improvement Experience and Projection Techniques*.

The derived lapse rate is then calculated according to the following formula:

$$\text{Derived Lapse Rate} = 1 - \frac{1 - \text{Total Termination Rate}}{1 - \text{Expected Mortality Rate}} .$$

Appendix A

Development and Justification of Current Assumptions for the 515 Series

The derived lapse rate implicitly includes any decrements due to benefit expiry and any impact of mortality selection. Mortality selection factors were not developed due to the data limitations described above; therefore, the impact of any mortality selection is captured in the lapse rate assumption because it was developed so that the total termination assumption reproduces actual experience. As a result, the derived lapse rates may be slightly understated, but we considered that (1) the impact is immaterial in the early durations because mortality is relatively small compared to lapse, (2) assuming the full level of mortality improvement (86% for males and 93% for females) from issue is a partial offset, (3) the average policy duration is 12 for the in-force business of the 515 Series, and (4) the ultimate lapse rate is reasonable based on experience from business originally issued by MedAmerica.

Morbidity

Expected Claim Costs

MedAmerica provided the seriatim claim costs that are the basis for the morbidity assumption. We understand that these claim costs were developed from the Milliman 1997 *Long-Term Care Guidelines (LTCGs)* and are the basis for valuation and cash flow testing. While MedAmerica did not receive original pricing claim costs at the time of acquisition, these seriatim claim costs are a reasonable proxy for the original pricing claim costs based on a reproduction of the original pricing lifetime loss ratio.

We understand that the seriatim claim costs have embedded in them an adjustment for exposure such that they are applicable for application to an all-lives exposure base (i.e., we did not make any additional exposure adjustments), along with any other necessary adjustments for waiver, riders, medical underwriting, etc. Therefore, we applied the seriatim claim costs directly to an all-lives exposure base to develop the actual-to-expected (A:E) adjustment factors.

Attained Age Adjustment Factors

The attained age adjustment factors were developed based on a comparison of actual and expected historical incurred claims, to the extent credible. The comparison of actual and expected claims reflects the 515 Series along with other similar series originally issued by CICA.

Exhibit A-2 provides actual and expected incurred claims, raw A:E ratios, credibility percent, factors for credibility weighting, credibility-weighted A:E ratios, and normalized smoothed A:E factors.

The attained age adjustment factors in Exhibit A-2 were determined using the following steps:

1. *Reduce the Impact of Selection* – To reduce the impact of selection from the attained age analysis, we multiplied the expected claims costs by durational adjustments, where the durational adjustments equal the raw durational A:E ratios without any smoothing. The result was then considered only for durations for which the impact of selection is assumed to be largely worn off.

Based on the 2011 *LTCGs*, individual selection factors vary by issue age and duration. Differences in the selection factors by issue age produce an attained age relationship that is steeper during the select period (when there are issue ages over 65) than the ultimate period. For issue ages below 65, the selection factors have little to no difference by issue age and thus have minimal impact on the attained age relationship. By duration 7, the impact of the select period on the attained age relationship is not material based on the 2011 *LTCGs* individual, single selection factors. Therefore, the experience was limited to durations 7+ in the development of the attained age adjustment factors.

Appendix A

Development and Justification of Current Assumptions for the 515 Series

2. *Developed Raw A:E Factors* – A raw A:E attained age factor was developed based on the ratio of actual to expected incurred claims based on three attained age bands.
3. *Developed Credibility-Weighted Factors* – As none of the attained age bands were fully credible, we weighted the A:E factors with 1.00 and then normalized to 1.00. These smoothed factors correspond to those shown in Exhibit A-2.

Durational Adjustment Factors

The durational adjustment factors were developed based on a comparison of actual and expected historical incurred claims, to the extent credible, based on experience for the 515 Series. The attained age A:E factors described above were applied to the expected claim costs prior to developing the smoothed durational adjustments.

Exhibit A-3 provides actual and expected incurred claims, raw A:E ratios, credibility percent, credibility-weighted with 1.00 A:E ratios, and the smoothed A:E factors for the 515 Series.

In general, the smoothed durational adjustment factors were selected such that the combined duration smoothed factors at the bottom of the exhibit reproduce actual experience (i.e., smoothed and raw A:E factors are the same or close). In developing the ultimate A:E factors, the level of credibility of the actual experience was considered. A description of the credibility measure is provided below.

For the 515 Series, an ultimate level of 0.75 was chosen based on the credibility-weighted with 1.00 A:E ratios in the combined ultimate (8 and later) durations, which range from approximately 0.65 to 0.85 in Exhibit A-3. We assume that the majority of any morbidity improvement has already been experienced historically and is thus captured in the assumed ultimate A:E factor.

Rate Increase Dependent Assumptions

At the time of a rate increase, policyholders have options to elect a contingent benefit upon lapse (CBUL) or reduced benefit options (RBO). Adverse selection is assumed relative to CBUL elections. The development of these rate increase dependent assumptions is described in this section.

Contingent Benefit Upon Lapse Election

The 8% CBUL election assumption for the 38% request on the 515 Series was developed from actual CBUL elections of approximately 8% following a 39% rate increase on policy forms originally issued by MedAmerica and its affinity partners.

Reduced Benefit Options

The 1.5% percentage reduction to premium and benefits due to RBO elections on the 38% request for the 515 Series was developed from the actual experience on policy forms originally issued by MedAmerica and its affinity partners. Following a 39% rate increase, approximately 5% to 6% of actual policyholders elected RBO. We assume that those electing RBO will reduce their benefits so that premiums after the increase are equivalent to those before the increase. We assume that the percent reduction in premium corresponds to an equivalent percent reduction in claims. Based on the 38% rate increase request on the 515 Series, we assume 5% of policyholders will elect RBO, resulting in an impact on premiums and claims due to RBO elections of approximately 1.5%. The reduction to premium and claims was determined as follows:

Appendix A
Development and Justification of Current Assumptions for the 515 Series

Reduction to premium and claims due to the election of RBO
 = $1 - (\text{Average premium level after the rate increase with RBO election} / \text{Premium level after the full rate increase without any RBO election})$, where

Average premium level after the rate increase with RBO election
 = weighted average premium level of those assumed to elect RBO with those assumed to accept the full rate increase

Adverse Selection

The 2.0% increase to morbidity due to adverse selection was developed from the following formula and actuarial judgment. We assume that at the time of the rate increase, policyholders that elect a CBUL will be selective in that their relative morbidity is 25% lower than that of the remaining pool.

$\text{PoolMorb} = \text{AdvSelMorb} \times (1 - \text{CBUL}) + [(1 - 25\%) \times \text{AdvSelMorb}] \times \text{CBUL}$, where

PoolMorb = morbidity of the pool before the rate increase = 1.0
 AdvSelMorb = adverse morbidity of the remaining pool after the rate increase due to selective lapses
 CBUL = percentage of policies that elect CBUL

Solving the above for the adverse selection component results in the following formula:

$\text{Adverse Selection} = 1 / (1 - 25\% \times \text{CBUL})$
 $1.020 \sim 1 / (1 - 25\% \times 8\%)$

Credibility

The methodology employed to develop the assumptions considers actual historical experience and its associated credibility. The credibility percentage for each assumption was determined as $(\text{Number of Events} / \text{Credibility Threshold})^{1/2}$, with events defined as policy terminations or claims. The table below shows the credibility threshold, assumed margin for error, and the associated confidence interval for each assumption.

Credibility Measure for Each Assumption

Assumption	Credibility Threshold	Margin for Error (+/-)	Confidence Interval
Policy Terminations	1,082	5.0%	90%
Morbidity	271	10.0%	90%

The credibility threshold for each assumption varies based on the level of frequency associated with each event and the potential range around the true underlying assumption. A lower threshold was chosen for morbidity due to the low frequency of long-term care claims, while a higher threshold was chosen for the policy termination assumption due to the higher frequency of this event. For morbidity, a wider margin for error was assumed as there may be a greater potential range around the true underlying assumption.

Exhibit A-1
MedAmerica, CICA, and CICNY
Derived Lifetime-Pay Lapse Experience from Inception through 2012
515 Series

Duration	Exposure	Actual Total Termination Rates	Total Termination Credibility Percent	Expected Mortality Rates	Derived Lapse Rates	Smoothed Lapse Rates
1	13,806	20.8%	100%	1.0%	20.0%	20.0%
2	10,940	11.5%	100%	1.1%	10.5%	10.5%
3	9,681	7.7%	83%	1.2%	6.5%	6.5%
4	8,936	6.0%	70%	1.4%	4.7%	4.5%
5	8,401	5.4%	65%	1.5%	4.0%	4.0%
6	7,901	4.2%	56%	1.7%	2.6%	3.0%
7	7,345	4.6%	56%	1.8%	2.8%	3.0%
8	6,650	4.6%	53%	2.0%	2.6%	2.5%
9	6,148	4.5%	51%	2.3%	2.3%	2.0%
10	5,513	4.7%	49%	2.5%	2.3%	2.0%
11	4,357	4.1%	41%	2.8%	1.4%	2.0%
12	2,876	4.8%	36%	3.1%	1.8%	2.0%
13	1,769	3.6%	24%	3.4%	0.3%	2.0%
14	734	4.0%	16%	3.7%	0.3%	2.0%
15	128	3.9%	7%	3.6%	0.3%	2.0%
16	0	0.0%	0%	1.0%	-1.1%	2.0%
1-3	34,427	14.1%	100%	1.1%	13.2%	13.2%
4-6	25,237	5.3%	100%	1.5%	3.8%	3.9%
7-9	20,143	4.6%	92%	2.0%	2.6%	2.5%
10-12	12,746	4.5%	73%	2.7%	1.9%	2.0%
8+	28,174	4.5%	100%	2.5%	2.0%	2.1%
9+	21,524	4.4%	94%	2.7%	1.8%	2.0%
10+	15,376	4.4%	79%	2.8%	1.6%	2.0%
All	95,183	8.2%	100%	1.7%	6.6%	6.7%

Exhibit A-2
MedAmerica, CICA, and CICNY
Attained Age Actual-to-Expected (A:E) Adjustments
Incurred Claim Experience from Inception through 2012
515 Series

Attained Age	Actual Incurred Claims	Expected Incurred Claims	Raw A:E	Credibility Percent	Factors for Credibility Weighting	Credibility Weighted A:E	Normalized Smoothed A:E
<75	5,372,998	7,089,692	0.76	59%	1.00	0.86	0.85
75-79	5,854,470	5,937,993	0.99	59%	1.00	0.99	0.98
80+	6,472,949	4,672,732	1.39	69%	1.00	1.27	1.25
All	17,700,417	17,700,417	1.00	100%	1.00	1.01	1.00

Exhibit A-3
MedAmerica, CICA, and CICNY
Durational Actual-to-Expected (A:E) Adjustments
Incurred Claim Experience from Inception through 2012
515 Series

Duration	Actual Incurred Claims	Expected Incurred Claims	Raw A:E	Credibility Percent	Credibility Weighted With 1.00 A:E	Smoothed Adjustment
1	363,845	2,316,849	0.16	24%	0.80	0.30
2	506,636	2,316,845	0.22	24%	0.81	0.30
3	1,169,363	2,467,159	0.47	24%	0.88	0.30
4	1,741,221	2,712,121	0.64	35%	0.87	0.55
5	1,099,806	3,009,869	0.37	37%	0.77	0.55
6	2,220,985	3,337,461	0.67	41%	0.86	0.55
7	1,412,102	3,634,856	0.39	34%	0.79	0.55
8	2,964,016	3,846,359	0.77	46%	0.89	0.55
9	2,276,610	4,176,077	0.55	40%	0.82	0.60
10	3,209,481	4,425,949	0.73	47%	0.87	0.65
11	2,371,108	4,220,529	0.56	40%	0.83	0.70
12	2,661,658	3,237,864	0.82	39%	0.93	0.75
13	1,549,989	2,277,495	0.68	28%	0.91	0.75
14	379,394	1,036,340	0.37	14%	0.91	0.75
15	39,862	189,916	0.21	0%	1.00	0.75
16	8	32	0.25	0%	1.00	0.75
1-3	2,039,844	7,100,854	0.29	42%	0.70	0.30
4-6	5,062,011	9,059,451	0.56	65%	0.71	0.55
7-9	6,652,728	11,657,291	0.57	70%	0.70	0.57
10-12	8,242,248	11,884,342	0.69	73%	0.78	0.70
8+	15,452,125	23,410,561	0.66	100%	0.66	0.66
9+	12,488,110	19,564,202	0.64	89%	0.68	0.68
10+	10,211,500	15,388,125	0.66	79%	0.73	0.71
11+	7,002,019	10,962,176	0.64	64%	0.77	0.73
12+	4,630,911	6,741,647	0.69	50%	0.84	0.75
13+	1,969,252	3,503,783	0.56	31%	0.86	0.75
All	23,966,083	43,205,721	0.55	100%	0.55	0.57

Appendix B
MedAmerica, CICA, and CICNY
Comparison of Current Assumptions for 515 Series Policy Forms and Original Pricing Assumptions for FlexCare Policy Forms

515 Series Current Assumptions

FlexCare Original Pricing Assumptions

Mortality

Levels of 86% and 93% of the 1994 Group Annuitant Mortality (GAM) Static table are assumed for males and females, respectively, in all durations. These levels capture the impact of mortality improvement.

1994 GAM table with gender-specific selection factors.

Durational Factor		
Duration	Male	Female
0	25%	30%
1	45%	40%
2	50%	45%
3	50%	55%
4	55%	55%
5	55%	55%
6	60%	60%
7	70%	65%
8	70%	65%
9	80%	65%
10	90%	100%
11+	100%	100%

Lapse Rates

Lapse rates were developed using the mortality assumption described above and actual policy termination experience for 515 Series policies issued by Combined Insurance Company of America (CICA) and Combined Insurance Company of New York (CICNY) from inception through December 31, 2012. Lapse rates vary by duration and are provided in the table below.

Lapse rates vary by duration, premium payment option, and issue age. Lapse rates for the lifetime payment option are provided in the table below.

Duration	Lapse Rate
1	20.0%
2	10.5%
3	6.5%
4	4.5%
5	4.0%
6	3.0%
7	3.0%
8	2.5%
9+	2.0%

Duration	Lapse Rate by Issue Age		
	<50	50-69	70+
1	10.00%	5.00%	7.50%
2	8.50%	4.00%	5.00%
3	6.00%	3.00%	3.50%
4	4.00%	2.00%	2.50%
5	2.00%	1.50%	2.00%
6+	1.00%	1.00%	1.00%

For the 10-year payment option, a reduction of 30% of these lapse rates is assumed for durations 1 to 5, and 0% thereafter. For the 20-year payment option, a reduction of 30% of these lapse rates is assumed for durations 1 to 13, and 0% thereafter.

Appendix B
MedAmerica, CICA, and CICNY
Comparison of Current Assumptions for 515 Series Policy Forms and Original Pricing Assumptions for FlexCare Policy Forms

515 Series Current Assumptions

FlexCare Original Pricing Assumptions

Morbidity

Expected claim costs are the pricing claim costs adjusted with attained age and durational adjustment factors. These factors were developed based on a comparison of actual and expected historical incurred claims for 515 Series policies issued by CICA and CICNY from inception through December 31, 2012. To develop the attained age adjustment factors, the experience for the 515 Series policies was combined with experience for other similar policies issued by CICA and CICNY.

The nursing home and home health care incidence rates and continuance tables were taken from the 2009 *Milliman Long-Term Care Guidelines (LTCGs)*. All values were adjusted to reflect the effects of the nature of the benefits, the elimination periods, policy maximums, and the eligibility standards.

Attained Age	Factor
<75	0.85
75-79	0.98
80+	1.25

Duration	Factor
1	0.30
2	0.30
3	0.30
4	0.55
5	0.55
6	0.55
7	0.55
8	0.55
9	0.60
10	0.65
11	0.70
12+	0.75

Interest Rate

5.25%

5.60%

MEDAMERICA INSURANCE COMPANY
165 Court Street, Rochester, New York 14647

Supplement to the 515 Series Actuarial Memorandum

April 27, 2015

Product
Tax-Qualified Long-Term Care Policy Form

Number
14515-PA

1. Purpose of Filing

This supplement has been prepared for the purpose of demonstrating that the requested rate increase complies with Chapter 18 Section 3803(c) and Reg. 89.83 of the Insurance Regulations for the state of Pennsylvania. It may not be appropriate for other purposes.

2. Demonstration of Compliance with Chapter 18 Section 3803

(c): We believe that we comply with this subsection of the regulation by submitting these rates before they are being used.

3. Demonstration of Compliance with Reg. 89.83

89.83 (a): This subsection requires no action.

89.83 (b): This subsection is not applicable since this filing is not for rates for a new policy form.

89.83 (c): *Revision of Current Rates*

(1): For policies issued prior to September 16, 2002, the effective date of rate stability in Pennsylvania, the minimum loss ratio requirement is 60%, as specified in Reg. 89a.117.(b). For policies issued on or after September 16, 2002, the loss ratio requirements are specified in Reg. 89a.118.(c)(2), (i.e., the 58%/85% test). As of December 31, 2013, 46 of the 292 policies in force in Pennsylvania were issued on or after September 16, 2002 (approximately 16%). However, as the company manages this block of business as a whole, this rate increase filing complies with both sets of requirements for all of the policies, regardless of issue date.

(2): Section 2 of the attached actuarial memorandum provides a description of benefits. A copy of the affected policy form may be provided upon request.

(2)(i): The primary reason why this form is in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing. At this time, the company is currently requesting a premium rate increase of 20% for the 515 Series in Pennsylvania.

The current rate increase request is a follow-up to a prior rate increase request on this policy form. The original request was for a rate increase of 38%. The original request was determined in such a way that the company was shouldering the majority of the rate increase needed to restore this form to its original pricing expectation and was not attempting to recoup past losses or lost revenue. Therefore, this current increase request is being sought in order to achieve a cumulative rate increase equal to the original request.

The current rate schedules along with the proposed rate schedules are enclosed with this filing. Please note that the actual rates implemented may vary slightly from those shown due to rounding algorithms.

Supplement to the 515 Series Actuarial Memorandum

April 27, 2015

Attachment 1 to this supplement provides a comparison of (a) actual and projected experience using current assumptions and (b) expected experience using original pricing assumptions based on the nationwide experience of the 515 Series. Included are calendar year earned premiums, incurred claims, annual loss ratios, cumulative loss ratios, and the ratio of actual-to-expected (A:E) loss ratios. This attachment is identical to Exhibit I of the enclosed actuarial memorandum. Attachment 2 to this supplement provides nationwide experience showing written premium, paid claims, and cumulative loss ratios. Values in Attachments 1 and 2 are shown both before and after the follow-up request to achieve the cumulative 38% rate increase.

Attachments 3 and 4 to this supplement provide similar information as Attachments 1 and 2, respectively, for Pennsylvania-specific experience. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required.

(2)(ii)(A): There has been one rate increase approved on this policy form in Pennsylvania. In May 2014, the Department approved a rate increase of 15%.

(2)(ii)(B): Commission scales varied by duration to produce an average cost of 13.6% of premium over the policy's lifetime. Commissions were assumed to be paid on original premium at issue and not on waived premiums.

The company adjusts renewal commission rates so that total commissions paid before and after any increase in premium are similar (i.e., commissions are not paid on the increased premium).

(2)(ii)(C)(I): Premiums earned and written since inception for nationwide experience on the 515 Series can be found in Attachments 1 and 2 to this supplement, respectively. Premiums earned and written since inception for Pennsylvania-specific experience can be found in Attachments 3 and 4 to this supplement, respectively. Attachment 5 to this supplement provides reserve balances and the calculation basis for both nationwide and Pennsylvania-specific experience. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required.

(2)(ii)(C)(II): Attachment 5 to this supplement provides a breakdown of historical incurred claims and active life reserve balance, including a description of the calculation basis, for both nationwide and Pennsylvania-specific experience. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required.

Attachment 6 to this supplement provides a comparison of (a) actual and projected experience on a durational basis using current assumptions and (b) expected experience using original pricing assumptions. Included are policy year earned premiums, incurred claims, durational loss ratios, cumulative loss ratios, and the ratio of A:E loss ratios. Values in Attachment 6 are shown both before and after the follow-up request to achieve the cumulative 38% rate increase. The number of durations shown was chosen to capture the number of durations underlying Attachment 1.

Attachment 7 to this supplement provides similar information to Attachment 6 for Pennsylvania-specific experience. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required.

MEDAMERICA INSURANCE COMPANY
165 Court Street, Rochester, New York 14647

Supplement to the 515 Series Actuarial Memorandum

April 27, 2015

(2)(ii)(D): We believe that we have provided information sufficient to support the rate increase requested in this filing.

(2)(iii): We understand that data used in this rate increase filing is in agreement with that used in the annual statement filed with the Department.

89.83 (d): We believe the proposed rate tables provided with this filing comply with this subsection.

Attachment 1
MedAmerica, CICA, and CICNY
Actual-to-Expected Experience by Calendar Year
Nationwide Experience with Prior Approved Increases
515 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
Historical Experience	1997	1,404	0	0%	23	1,305	225	17%	23	0%	17%	0.00
	1998	365,019	0	0%	789	356,861	76,398	21%	785	0%	21%	0.00
	1999	1,713,968	43,198	3%	2,809	1,709,530	368,425	22%	2,825	2%	22%	0.10
	2000	3,837,581	172,606	4%	4,178	3,896,024	850,025	22%	4,205	4%	22%	0.17
	2001	5,769,329	263,180	5%	6,144	5,809,455	1,306,760	22%	6,156	4%	22%	0.18
	2002	8,061,447	587,804	7%	7,817	8,056,196	1,864,008	23%	7,751	5%	22%	0.24
	2003	8,935,727	266,048	3%	8,063	8,761,391	2,170,688	25%	7,750	5%	23%	0.20
	2004	8,879,585	1,040,033	12%	7,799	8,236,022	2,296,824	28%	7,084	6%	24%	0.26
	2005	8,704,028	2,426,497	28%	7,873	7,550,696	2,402,066	32%	6,764	10%	25%	0.39
	2006	9,020,457	2,247,018	25%	8,007	7,415,244	2,615,488	35%	6,573	12%	26%	0.45
	2007	9,014,480	1,571,634	17%	7,794	7,048,367	2,780,314	39%	6,031	13%	28%	0.45
	2008	8,667,854	2,174,151	25%	7,381	6,345,401	2,877,797	45%	5,370	14%	29%	0.47
	2009	8,173,105	3,325,771	41%	6,890	5,640,404	2,969,956	53%	4,797	16%	30%	0.52
2010	7,700,251	2,673,105	35%	6,560	5,027,298	3,069,710	61%	4,295	17%	32%	0.54	
2011	7,293,490	4,372,265	60%	6,249	4,485,167	3,174,093	71%	3,847	20%	33%	0.59	
2012	6,943,365	2,736,987	39%	5,971	4,001,070	3,280,589	82%	3,446	21%	35%	0.59	
2013	6,592,921	4,220,597	64%	5,747	3,566,726	3,385,634	95%	3,085	22%	37%	0.61	
2014	6,339,230	5,650,742	89%	5,404	3,175,576	3,484,141	110%	2,759	25%	37%	0.65	
2015	6,371,885	6,113,134	96%	4,969	2,822,160	3,573,459	127%	2,465	27%	40%	0.69	
2016	6,194,369	6,655,398	107%	4,685	2,503,159	3,650,584	146%	2,200	30%	41%	0.72	
2017	5,812,985	7,269,802	125%	4,406	2,215,710	3,712,956	168%	1,961	32%	43%	0.76	
2018	5,421,525	7,878,404	145%	4,128	1,957,373	3,762,161	192%	1,746	35%	44%	0.79	
2019	5,036,517	8,459,723	168%	3,854	1,725,489	3,797,010	220%	1,552	38%	46%	0.82	
2020	4,659,413	8,992,747	193%	3,585	1,517,148	3,813,330	251%	1,377	40%	47%	0.86	
2021	4,291,714	9,478,437	221%	3,321	1,330,106	3,809,499	286%	1,219	43%	48%	0.89	
2022	3,934,937	9,916,367	252%	3,063	1,162,705	3,784,630	326%	1,077	46%	50%	0.92	
2023	3,590,563	10,300,695	287%	2,813	1,012,743	3,737,548	369%	948	48%	51%	0.95	
2024	3,259,981	10,602,586	325%	2,571	878,374	3,665,224	417%	831	51%	52%	0.98	
2025	2,944,465	10,810,375	367%	2,339	758,427	3,568,246	470%	727	53%	53%	1.01	
2026	2,645,157	10,918,524	413%	2,118	651,914	3,447,655	529%	632	56%	54%	1.04	
2027	2,363,052	10,940,014	463%	1,908	557,717	3,306,258	593%	548	58%	55%	1.06	
2028	2,098,964	10,882,494	518%	1,710	474,783	3,149,597	663%	473	60%	56%	1.09	
2029	1,853,508	10,750,799	580%	1,524	402,163	2,980,415	741%	407	62%	56%	1.11	
2030	1,627,124	10,545,796	648%	1,351	338,985	2,802,452	827%	349	64%	57%	1.13	
2031	1,419,890	10,257,864	722%	1,192	284,368	2,619,093	921%	297	66%	57%	1.15	
2032	1,231,689	9,914,697	805%	1,046	237,462	2,434,219	1,025%	253	68%	58%	1.17	
2033	1,062,132	9,519,307	896%	913	197,435	2,251,217	1,140%	214	69%	58%	1.19	
2034	910,622	9,091,305	988%	794	163,495	2,072,300	1,267%	181	71%	59%	1.21	
2035	776,317	8,633,320	1,112%	686	134,892	1,899,459	1,408%	153	72%	59%	1.22	
2036	658,193	8,145,599	1,238%	590	110,928	1,733,668	1,563%	128	73%	59%	1.23	
2037	555,092	7,640,141	1,376%	506	90,961	1,575,808	1,732%	108	74%	60%	1.25	
2038	465,798	7,127,586	1,530%	431	74,407	1,426,885	1,918%	90	75%	60%	1.26	
2039	388,985	6,614,738	1,701%	366	60,739	1,287,193	2,119%	75	76%	60%	1.27	
2040	323,349	6,096,035	1,885%	310	49,506	1,157,000	2,337%	63	77%	60%	1.28	
2041	267,642	5,590,334	2,089%	261	40,307	1,037,259	2,573%	53	77%	60%	1.28	
2042	220,618	5,097,203	2,310%	219	32,793	927,489	2,828%	44	78%	60%	1.29	
2043	181,166	4,617,683	2,549%	184	26,674	827,434	3,102%	37	78%	60%	1.30	
2044	148,236	4,166,448	2,811%	153	21,701	736,841	3,395%	31	79%	60%	1.30	
2045	120,910	3,743,416	3,096%	128	17,669	655,327	3,709%	26	79%	61%	1.30	
2046	98,300	3,345,995	3,404%	106	14,400	582,226	4,043%	21	79%	61%	1.31	
2047	79,712	2,973,610	3,730%	88	11,754	517,021	4,399%	18	80%	61%	1.31	
2048	64,494	2,631,684	4,081%	72	9,614	459,341	4,778%	15	80%	61%	1.31	
2049	52,098	2,318,198	4,450%	60	7,883	408,328	5,180%	13	80%	61%	1.32	
2050	42,050	2,034,648	4,839%	49	6,485	363,480	5,605%	11	80%	61%	1.32	
2051	33,925	1,791,264	5,280%	41	5,350	324,121	6,058%	9	80%	61%	1.32	
2052	27,365	1,572,475	5,746%	33	4,427	289,417	6,538%	7	80%	61%	1.32	
2053	22,080	1,372,950	6,218%	28	3,673	258,863	7,047%	6	80%	61%	1.32	

Attachment 1
MedAmerica, CICA, and CIGNY
Actual-to-Expected Experience by Calendar Year
Nationwide Experience with Requested Cumulative 38% Increase
515 Series

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
Historical Experience	1997	1,404	0	0%	23	1,305	225	17%	23	0%	17%	0.00
	1998	365,019	0	0%	789	356,861	76,398	21%	785	0%	21%	0.00
	1999	1,713,968	43,198	3%	2,809	1,709,530	368,425	22%	2,825	2%	22%	0.10
	2000	3,837,581	172,606	4%	4,178	3,896,024	850,025	22%	4,205	4%	22%	0.17
	2001	5,769,329	263,180	5%	6,144	5,809,455	1,306,760	22%	6,156	4%	22%	0.18
	2002	8,061,447	587,804	7%	7,817	8,056,196	1,864,008	23%	7,751	5%	22%	0.24
	2003	8,935,727	266,048	3%	8,063	8,761,391	2,170,688	25%	7,750	5%	23%	0.20
	2004	8,879,585	1,040,033	12%	7,799	8,236,022	2,296,824	28%	7,084	6%	24%	0.26
	2005	8,704,028	2,426,497	28%	7,873	7,550,696	2,402,066	32%	6,764	10%	25%	0.39
	2006	9,020,457	2,247,018	25%	8,007	7,415,244	2,615,488	35%	6,573	12%	26%	0.45
	2007	9,014,480	1,571,634	17%	7,794	7,048,367	2,780,314	39%	6,031	13%	28%	0.45
	2008	8,667,854	2,174,151	25%	7,381	6,345,401	2,877,797	45%	5,370	14%	29%	0.47
	2009	8,173,105	3,325,771	41%	6,890	5,640,404	2,969,956	53%	4,797	16%	30%	0.52
2010	7,700,251	2,673,105	35%	6,560	5,027,298	3,069,710	61%	4,295	17%	32%	0.54	
2011	7,293,490	4,372,265	60%	6,249	4,485,167	3,174,093	71%	3,847	20%	33%	0.59	
2012	6,943,365	2,736,987	39%	5,971	4,001,070	3,280,589	82%	3,446	21%	35%	0.59	
2013	6,592,921	4,220,597	64%	5,747	3,566,720	3,385,634	95%	3,085	22%	37%	0.61	
2014	6,339,230	5,650,742	89%	5,404	3,175,576	3,484,141	110%	2,759	25%	37%	0.65	
2015	6,445,594	6,086,146	94%	4,892	2,822,160	3,573,459	127%	2,465	27%	40%	0.69	
2016	6,790,770	6,425,091	95%	4,482	2,503,159	3,650,584	146%	2,200	30%	41%	0.72	
2017	6,532,979	6,953,284	106%	4,212	2,215,710	3,712,956	168%	1,961	32%	43%	0.75	
2018	6,092,310	7,535,453	124%	3,947	1,957,373	3,762,161	192%	1,746	34%	44%	0.77	
2019	5,658,223	8,091,702	143%	3,686	1,725,489	3,797,010	220%	1,552	37%	46%	0.80	
2020	5,233,135	8,602,477	164%	3,428	1,517,148	3,813,330	251%	1,377	39%	47%	0.83	
2021	4,818,751	9,067,793	188%	3,176	1,330,106	3,809,499	286%	1,219	42%	48%	0.86	
2022	4,416,788	9,487,197	215%	2,930	1,162,705	3,784,630	326%	1,077	44%	50%	0.89	
2023	4,028,921	9,855,734	245%	2,691	1,012,743	3,737,548	369%	948	46%	51%	0.91	
2024	3,656,716	10,145,227	277%	2,460	878,374	3,665,224	417%	831	49%	52%	0.94	
2025	3,301,605	10,345,280	313%	2,238	758,427	3,568,246	470%	727	51%	53%	0.97	
2026	2,964,870	10,449,774	352%	2,026	651,914	3,447,655	529%	632	53%	54%	0.99	
2027	2,647,626	10,471,129	395%	1,825	557,717	3,306,258	593%	548	55%	55%	1.01	
2028	2,350,777	10,416,866	443%	1,636	474,783	3,149,597	663%	473	58%	56%	1.04	
2029	2,075,009	10,291,624	496%	1,458	402,163	2,980,415	741%	407	59%	56%	1.06	
2030	1,820,793	10,096,241	554%	1,293	338,985	2,802,452	827%	349	61%	57%	1.08	
2031	1,588,207	9,821,299	618%	1,141	284,368	2,619,093	921%	297	63%	57%	1.10	
2032	1,377,099	9,493,211	689%	1,001	237,462	2,434,219	1,025%	253	64%	58%	1.11	
2033	1,187,010	9,115,040	768%	874	197,435	2,251,217	1,140%	214	66%	58%	1.13	
2034	1,017,251	8,705,587	856%	760	163,495	2,072,300	1,267%	181	67%	59%	1.14	
2035	866,855	8,267,334	954%	657	134,892	1,899,459	1,408%	153	68%	59%	1.16	
2036	734,652	7,800,360	1,062%	565	110,928	1,733,668	1,563%	128	69%	59%	1.17	
2037	619,323	7,316,615	1,181%	484	90,961	1,575,808	1,732%	108	70%	60%	1.18	
2038	519,492	6,826,026	1,314%	413	74,407	1,426,885	1,918%	90	71%	60%	1.19	
2039	433,655	6,334,952	1,461%	351	60,739	1,287,193	2,119%	75	72%	60%	1.20	
2040	360,341	5,838,573	1,620%	297	49,506	1,157,000	2,337%	63	73%	60%	1.21	
2041	298,141	5,354,668	1,798%	250	40,307	1,037,259	2,573%	53	73%	60%	1.22	
2042	245,655	4,882,833	1,988%	210	32,793	927,489	2,828%	44	74%	60%	1.22	
2043	201,635	4,423,952	2,194%	176	26,674	827,434	3,102%	37	74%	60%	1.23	
2044	164,903	3,992,315	2,421%	147	21,701	736,841	3,395%	31	75%	60%	1.23	
2045	134,432	3,587,688	2,669%	122	17,669	655,327	3,709%	26	75%	61%	1.24	
2046	109,226	3,207,551	2,937%	101	14,400	582,226	4,043%	21	75%	61%	1.24	
2047	88,509	2,851,481	3,222%	84	11,754	517,021	4,399%	18	75%	61%	1.24	
2048	71,552	2,524,528	3,528%	69	9,614	459,341	4,778%	15	76%	61%	1.24	
2049	57,745	2,224,746	3,853%	57	7,883	408,328	5,180%	13	76%	61%	1.25	
2050	46,560	1,953,474	4,196%	47	6,485	363,480	5,605%	11	76%	61%	1.25	
2051	37,517	1,720,728	4,586%	39	5,350	324,121	6,058%	9	76%	61%	1.25	
2052	30,221	1,511,505	5,002%	32	4,427	289,417	6,538%	7	76%	61%	1.25	
2053	24,347	1,320,547	5,424%	26	3,673	258,863	7,047%	6	76%	61%	1.25	

Attachment 2
MedAmerica, CICA, and CICNY
Nationwide Written Premium and Paid Claim Experience and Projections
with Prior Approved Increases
515 Series

	Calendar Year	Loss Ratio Demonstration				Cumulative Loss Ratio w/ Interest
		Without Interest				
		Written Premium	Paid Claims	Loss Ratio		
Historical Experience	1997	8,976	0	0%	0%	
	1998	546,203	0	0%	0%	
	1999	2,171,551	0	0%	0%	
	2000	4,110,611	30,470	1%	0%	
	2001	6,214,591	59,391	1%	1%	
	2002	8,226,277	62,957	1%	1%	
	2003	8,916,207	271,339	3%	1%	
	2004	8,787,253	275,365	3%	2%	
	2005	8,691,658	721,834	8%	3%	
	2006	8,990,721	1,077,814	12%	4%	
	2007	8,952,926	1,706,828	19%	6%	
	2008	8,569,588	2,000,233	23%	7%	
	2009	8,063,778	2,147,188	27%	9%	
	2010	7,644,285	2,393,503	31%	10%	
2011	7,228,947	3,080,260	43%	12%		
2012	6,891,779	3,825,918	56%	14%		
2013	6,558,941	4,278,063	65%	16%		
Projected Future Experience (40 Years)	2014	6,314,827	4,434,977	70%	18%	
	2015	6,370,246	5,483,532	86%	21%	
	2016	6,141,604	6,038,791	98%	23%	
	2017	5,756,176	6,550,874	114%	25%	
	2018	5,365,785	7,144,519	133%	28%	
	2019	4,982,069	7,771,869	156%	30%	
	2020	4,606,482	8,390,606	182%	33%	
	2021	4,240,523	8,976,177	212%	35%	
	2022	3,885,702	9,521,247	245%	38%	
	2023	3,543,483	10,020,698	283%	41%	
	2024	3,215,233	10,462,541	325%	43%	
	2025	2,902,197	10,831,146	373%	46%	
	2026	2,605,491	11,113,959	427%	48%	
	2027	2,326,082	11,306,063	486%	51%	
	2028	2,064,748	11,409,643	553%	53%	
	2029	1,822,072	11,428,521	627%	55%	
	2030	1,598,452	11,365,759	711%	57%	
	2031	1,393,937	11,220,642	805%	59%	
	2032	1,208,367	10,997,434	910%	61%	
	2033	1,041,333	10,705,474	1,028%	63%	
	2034	892,212	10,355,241	1,161%	65%	
	2035	760,134	9,957,482	1,310%	66%	
	2036	644,064	9,518,581	1,478%	68%	
	2037	542,841	9,045,045	1,666%	69%	
	2038	455,237	8,545,882	1,877%	70%	
	2039	379,933	8,030,158	2,114%	71%	
	2040	315,631	7,502,985	2,377%	72%	
	2041	261,102	6,970,639	2,670%	72%	
	2042	215,100	6,440,860	2,994%	73%	
	2043	176,536	5,918,032	3,352%	74%	
	2044	144,373	5,408,535	3,746%	74%	
	2045	117,695	4,919,263	4,180%	75%	
	2046	95,645	4,453,308	4,656%	75%	
	2047	77,525	4,011,707	5,175%	75%	
	2048	62,702	3,596,377	5,736%	76%	
	2049	50,647	3,209,221	6,337%	76%	
	2050	40,875	2,851,253	6,975%	76%	
	2051	32,981	2,526,000	7,659%	76%	
	2052	26,606	2,233,857	8,396%	76%	
	2053	21,474	1,970,137	9,174%	77%	

Attachment 2
MedAmerica, CICA, and CICNY
Nationwide Written Premium and Paid Claim Experience and Projections
with Requested Cumulative 38% Increase
515 Series

	Calendar Year	Loss Ratio Demonstration				Cumulative Loss Ratio w/ Interest
		Without Interest				
		Written Premium	Paid Claims	Loss Ratio		
Historical Experience	1997	8,976	0	0%	0%	
	1998	546,203	0	0%	0%	
	1999	2,171,551	0	0%	0%	
	2000	4,110,611	30,470	1%	0%	
	2001	6,214,591	59,391	1%	1%	
	2002	8,226,277	62,957	1%	1%	
	2003	8,916,207	271,339	3%	1%	
	2004	8,787,253	275,365	3%	2%	
	2005	8,691,658	721,834	8%	3%	
	2006	8,990,721	1,077,814	12%	4%	
	2007	8,952,926	1,706,828	19%	6%	
	2008	8,569,588	2,000,233	23%	7%	
	2009	8,063,778	2,147,188	27%	9%	
	2010	7,644,285	2,393,503	31%	10%	
2011	7,228,947	3,080,260	43%	12%		
2012	6,891,779	3,825,918	56%	14%		
2013	6,558,941	4,278,063	65%	16%		
Projected Future Experience (40 Years)	2014	6,314,886	4,434,977	70%	18%	
	2015	6,503,922	5,476,789	84%	21%	
	2016	6,783,566	5,971,458	88%	23%	
	2017	6,468,965	6,383,088	99%	25%	
	2018	6,029,219	6,897,591	114%	27%	
	2019	5,596,599	7,470,822	133%	30%	
	2020	5,173,234	8,049,021	156%	32%	
	2021	4,760,827	8,601,799	181%	34%	
	2022	4,361,088	9,118,832	209%	37%	
	2023	3,975,672	9,593,985	241%	39%	
	2024	3,606,119	10,015,211	278%	42%	
	2025	3,253,829	10,367,236	319%	44%	
	2026	2,920,053	10,637,801	364%	46%	
	2027	2,605,874	10,821,862	415%	48%	
	2028	2,312,156	10,921,357	472%	51%	
	2029	2,039,544	10,939,903	536%	53%	
	2030	1,788,466	10,880,407	608%	55%	
	2031	1,558,965	10,742,117	689%	57%	
	2032	1,350,840	10,529,005	779%	58%	
	2033	1,163,607	10,249,970	881%	60%	
	2034	996,552	9,915,066	995%	61%	
	2035	848,675	9,534,589	1,123%	63%	
	2036	718,789	9,114,607	1,268%	64%	
	2037	605,579	8,661,406	1,430%	65%	
	2038	507,651	8,183,676	1,612%	66%	
	2039	423,513	7,690,031	1,816%	67%	
	2040	351,697	7,185,421	2,043%	68%	
	2041	290,818	6,675,931	2,296%	69%	
	2042	239,478	6,168,952	2,576%	69%	
	2043	196,451	5,668,643	2,886%	70%	
	2044	160,580	5,181,128	3,227%	70%	
	2045	130,832	4,713,032	3,602%	71%	
	2046	106,253	4,267,284	4,016%	71%	
	2047	86,059	3,844,882	4,468%	71%	
	2048	69,544	3,447,661	4,958%	72%	
	2049	56,119	3,077,404	5,484%	72%	
2050	45,243	2,735,038	6,045%	72%		
2051	36,458	2,423,946	6,649%	72%		
2052	29,369	2,144,541	7,302%	72%		
2053	23,668	1,892,292	7,995%	73%		

Attachment 3
MedAmerica
Actual-to-Expected Experience by Calendar Year
Pennsylvania-Specific Experience With Prior Approved Increase
Policy Form: 14515-PA

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
Historical Experience	1999	48,447	0	0%	126	46,538	10,312	22%	124	0%	22%	0.00
	2000	254,666	73,799	29%	326	255,013	51,070	20%	329	24%	20%	1.19
	2001	364,003	0	0%	386	376,128	78,201	21%	390	11%	21%	0.55
	2002	388,780	0	0%	440	394,560	90,738	23%	427	7%	21%	0.34
	2003	398,485	58,576	15%	449	389,541	99,206	25%	419	9%	22%	0.41
	2004	389,020	0	0%	420	354,698	103,414	29%	365	7%	24%	0.32
	2005	369,480	0	0%	394	312,455	105,698	34%	324	6%	25%	0.26
	2006	350,934	181,178	52%	375	277,928	109,239	39%	289	12%	26%	0.44
	2007	332,669	216,951	65%	363	248,299	113,421	46%	259	17%	28%	0.61
	2008	324,027	207,367	64%	353	222,048	118,017	53%	232	21%	29%	0.71
	2009	305,495	187,747	61%	334	198,540	122,838	62%	208	23%	31%	0.76
	2010	292,761	279,966	96%	323	177,357	127,677	72%	186	28%	32%	0.85
	2011	279,165	233,362	84%	308	158,292	132,444	84%	167	30%	34%	0.89
2012	269,653	57,421	21%	301	141,194	137,244	97%	149	30%	36%	0.84	
2013	259,115	168,312	65%	292	125,800	142,089	113%	133	31%	37%	0.84	
Projected Future Experience (40 Years)	2014	249,261	243,592	98%	275	111,855	146,273	131%	119	34%	39%	0.86
	2015	249,697	261,179	105%	252	99,241	149,693	151%	106	36%	40%	0.88
	2016	242,004	285,101	118%	238	87,874	152,546	174%	95	38%	42%	0.91
	2017	226,735	313,212	138%	225	77,640	154,847	199%	84	41%	44%	0.93
	2018	211,593	340,699	161%	211	68,408	156,707	229%	75	43%	45%	0.95
	2019	196,639	367,212	187%	197	60,110	157,701	262%	66	46%	47%	0.98
	2020	181,934	390,978	215%	184	52,691	157,833	300%	59	48%	48%	1.01
	2021	167,549	415,270	248%	170	46,031	157,088	341%	52	51%	49%	1.04
	2022	153,552	435,907	284%	157	40,039	155,597	389%	46	54%	51%	1.07
	2023	140,012	456,400	326%	145	34,656	153,333	442%	40	57%	52%	1.10
	2024	126,993	471,809	372%	132	29,834	149,570	501%	35	59%	53%	1.12
	2025	114,553	481,616	420%	121	25,536	144,671	567%	30	62%	54%	1.15
	2026	102,743	487,178	474%	109	21,733	138,977	639%	26	65%	55%	1.18
	2027	91,611	488,930	534%	98	18,390	132,590	721%	22	67%	56%	1.21
	2028	81,195	491,831	606%	88	15,472	125,780	813%	19	69%	56%	1.23
	2029	71,525	488,791	683%	79	12,942	118,403	915%	16	72%	57%	1.26
	2030	62,624	480,554	767%	70	10,765	110,894	1,030%	14	74%	58%	1.28
	2031	54,499	468,436	860%	62	8,905	103,390	1,161%	11	76%	58%	1.30
	2032	47,147	455,299	966%	54	7,326	95,879	1,309%	10	78%	59%	1.32
	2033	40,553	438,422	1,081%	47	5,996	88,483	1,476%	8	79%	59%	1.34
	2034	34,690	420,960	1,213%	41	4,884	81,122	1,661%	7	81%	59%	1.36
	2035	29,519	403,363	1,366%	35	3,960	74,083	1,871%	5	82%	60%	1.38
	2036	24,992	384,237	1,537%	30	3,196	67,333	2,106%	4	83%	60%	1.39
	2037	21,059	363,186	1,725%	26	2,570	60,823	2,367%	4	85%	60%	1.41
	2038	17,670	340,558	1,927%	22	2,058	54,685	2,657%	3	86%	60%	1.42
	2039	14,764	318,777	2,159%	19	1,641	48,903	2,980%	2	87%	60%	1.43
	2040	12,292	296,999	2,416%	16	1,305	43,511	3,335%	2	87%	61%	1.44
	2041	10,194	277,776	2,725%	13	1,033	38,621	3,739%	2	88%	61%	1.45
	2042	8,427	258,851	3,072%	11	815	34,101	4,185%	1	89%	61%	1.46
	2043	6,945	239,133	3,443%	9	640	29,954	4,678%	1	89%	61%	1.47
	2044	5,709	220,121	3,855%	8	502	26,162	5,211%	1	90%	61%	1.47
	2045	4,682	202,396	4,323%	7	392	22,710	5,790%	1	90%	61%	1.48
	2046	3,828	185,989	4,859%	6	305	19,646	6,449%	1	91%	61%	1.49
	2047	3,122	170,395	5,458%	5	236	16,954	7,185%	0	91%	61%	1.49
	2048	2,543	155,636	6,120%	4	182	14,559	7,989%	0	91%	61%	1.49
	2049	2,066	140,907	6,821%	3	140	12,370	8,841%	0	92%	61%	1.50
	2050	1,676	126,365	7,540%	3	107	10,402	9,705%	0	92%	61%	1.50
	2051	1,354	112,701	8,322%	2	82	8,683	10,627%	0	92%	61%	1.50
	2052	1,092	100,045	9,164%	2	62	7,202	11,606%	0	92%	61%	1.51
	2053	876	87,985	10,046%	1	47	5,911	12,624%	0	92%	61%	1.51

Attachment 3
MedAmerica
Actual-to-Expected Experience by Calendar Year
Pennsylvania-Specific Experience with Requested Cumulative 38% Increase
Policy Form: 14515-PA

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
Historical Experience	1999	48,447	0	0%	126	46,538	10,312	22%	124	0%	22%	0.00
	2000	254,666	73,799	29%	326	255,013	51,070	20%	329	24%	20%	1.19
	2001	364,003	0	0%	386	376,128	78,201	21%	390	11%	21%	0.55
	2002	388,780	0	0%	440	394,560	90,738	23%	427	7%	21%	0.34
	2003	398,485	58,576	15%	449	389,541	99,206	25%	419	9%	22%	0.41
	2004	389,020	0	0%	420	354,698	103,414	29%	365	7%	24%	0.32
	2005	369,480	0	0%	394	312,455	105,698	34%	324	6%	25%	0.26
	2006	350,934	181,178	52%	375	277,928	109,239	39%	289	12%	26%	0.44
	2007	332,669	216,951	65%	363	248,299	113,421	46%	259	17%	28%	0.61
	2008	324,027	207,367	64%	353	222,048	118,017	53%	232	21%	29%	0.71
	2009	305,495	187,747	61%	334	198,540	122,838	62%	208	23%	31%	0.76
	2010	292,761	279,966	96%	323	177,357	127,677	72%	186	28%	32%	0.85
	2011	279,165	233,362	84%	308	158,292	132,444	84%	167	30%	34%	0.89
2012	269,653	57,421	21%	301	141,194	137,244	97%	149	30%	36%	0.84	
2013	259,115	168,312	65%	292	125,800	142,089	113%	133	31%	37%	0.84	
Projected Future Experience (40 Years)	2014	249,261	243,592	98%	275	111,855	146,273	131%	119	34%	39%	0.86
	2015	250,270	261,009	104%	251	99,241	149,693	151%	106	36%	40%	0.88
	2016	264,890	277,715	105%	229	87,874	152,546	174%	95	38%	42%	0.90
	2017	259,240	301,383	116%	216	77,640	154,847	199%	84	40%	44%	0.92
	2018	241,927	327,832	136%	202	68,408	156,707	229%	75	42%	45%	0.94
	2019	224,829	353,344	157%	189	60,110	157,701	262%	66	45%	47%	0.96
	2020	208,016	376,212	181%	176	52,691	157,833	300%	59	47%	48%	0.98
	2021	191,569	399,587	209%	163	46,031	157,088	341%	52	50%	49%	1.01
	2022	175,565	419,445	239%	151	40,039	155,597	389%	46	52%	51%	1.03
	2023	160,084	439,163	274%	139	34,656	153,333	442%	40	55%	52%	1.06
	2024	145,198	453,991	313%	127	29,834	149,570	501%	35	57%	53%	1.08
	2025	130,975	463,427	354%	116	25,536	144,671	567%	30	60%	54%	1.11
	2026	117,473	468,779	399%	105	21,733	138,977	639%	26	62%	55%	1.13
	2027	104,744	470,465	449%	95	18,390	132,590	721%	22	64%	56%	1.16
	2028	92,835	473,256	510%	85	15,472	125,780	813%	19	66%	56%	1.18
	2029	81,779	470,331	575%	76	12,942	118,403	915%	16	69%	57%	1.20
	2030	71,602	462,405	646%	67	10,765	110,894	1,030%	14	70%	58%	1.22
	2031	62,311	450,744	723%	59	8,905	103,390	1,161%	11	72%	58%	1.25
	2032	53,906	438,104	813%	52	7,326	95,879	1,309%	10	74%	59%	1.26
	2033	46,367	421,865	910%	45	5,996	88,483	1,476%	8	76%	59%	1.28
	2034	39,663	405,062	1,021%	39	4,884	81,122	1,661%	7	77%	59%	1.30
	2035	33,751	388,130	1,150%	34	3,960	74,083	1,871%	5	78%	60%	1.31
	2036	28,575	369,726	1,294%	29	3,196	67,333	2,106%	4	80%	60%	1.33
	2037	24,078	349,470	1,451%	25	2,570	60,823	2,367%	4	81%	60%	1.34
	2038	20,203	327,696	1,622%	21	2,058	54,685	2,657%	3	82%	60%	1.35
	2039	16,881	306,738	1,817%	18	1,641	48,903	2,980%	2	82%	60%	1.36
	2040	14,054	285,782	2,034%	15	1,305	43,511	3,335%	2	83%	61%	1.37
	2041	11,655	267,286	2,293%	13	1,033	38,621	3,739%	2	84%	61%	1.38
	2042	9,635	249,075	2,585%	11	815	34,101	4,185%	1	85%	61%	1.39
	2043	7,941	230,102	2,898%	9	640	29,954	4,678%	1	85%	61%	1.40
	2044	6,528	211,808	3,245%	8	502	26,162	5,211%	1	86%	61%	1.40
	2045	5,354	194,753	3,638%	6	392	22,710	5,790%	1	86%	61%	1.41
	2046	4,377	178,965	4,089%	5	305	19,646	6,449%	1	86%	61%	1.41
	2047	3,570	163,960	4,593%	4	236	16,954	7,185%	0	87%	61%	1.42
	2048	2,908	149,758	5,151%	4	182	14,559	7,989%	0	87%	61%	1.42
	2049	2,362	135,585	5,740%	3	140	12,370	8,841%	0	87%	61%	1.43
	2050	1,916	121,593	6,345%	3	107	10,402	9,705%	0	87%	61%	1.43
	2051	1,548	108,445	7,004%	2	82	8,683	10,627%	0	88%	61%	1.43
	2052	1,248	96,267	7,712%	2	62	7,202	11,606%	0	88%	61%	1.43
	2053	1,001	84,663	8,454%	1	47	5,911	12,624%	0	88%	61%	1.43

Attachment 4
MedAmerica
Pennsylvania-Specific Written Premium and Paid Claim Experience and Projections
with Prior Approved Increase
Policy Form: 14515-PA

	Calendar Year	Loss Ratio Demonstration				Cumulative Loss Ratio w/ Interest
		Without Interest				
		Written Premium	Paid Claims	Loss Ratio		
Historical Experience	1999	76,792	0	0%	0%	
	2000	291,307	0	0%	0%	
	2001	370,885	644	0%	0%	
	2002	388,969	0	0%	0%	
	2003	395,632	24,761	6%	2%	
	2004	384,153	43,906	11%	3%	
	2005	364,149	13,879	4%	3%	
	2006	347,046	21,142	6%	4%	
	2007	331,092	106,549	32%	6%	
	2008	322,536	153,270	48%	10%	
	2009	303,583	110,176	36%	11%	
	2010	290,608	235,117	81%	15%	
	2011	277,551	287,307	104%	20%	
2012	268,651	284,773	106%	23%		
2013	257,419	241,872	94%	26%		
Projected Future Experience (40 Years)	2014	247,387	164,593	67%	27%	
	2015	250,177	221,903	89%	29%	
	2016	239,245	251,654	105%	31%	
	2017	224,004	277,176	124%	34%	
	2018	208,902	305,153	146%	36%	
	2019	193,999	334,083	172%	38%	
	2020	179,358	362,352	202%	41%	
	2021	165,050	389,534	236%	43%	
	2022	151,143	415,313	275%	46%	
	2023	137,707	439,470	319%	49%	
	2024	124,803	461,450	370%	51%	
	2025	112,487	479,685	426%	54%	
	2026	100,811	493,576	490%	57%	
	2027	89,816	503,219	560%	59%	
	2028	79,541	509,993	641%	62%	
	2029	70,014	513,980	734%	64%	
	2030	61,254	513,747	839%	66%	
	2031	53,267	509,046	956%	69%	
	2032	46,049	500,772	1,087%	71%	
	2033	39,582	489,379	1,236%	73%	
	2034	33,837	475,248	1,405%	74%	
	2035	28,774	459,425	1,597%	76%	
	2036	24,345	442,211	1,816%	77%	
	2037	20,502	423,352	2,065%	79%	
	2038	17,194	402,719	2,342%	80%	
	2039	14,358	380,943	2,653%	81%	
	2040	11,945	358,714	3,003%	82%	
	2041	9,903	336,839	3,401%	83%	
	2042	8,181	315,774	3,860%	84%	
	2043	6,738	294,964	4,378%	84%	
	2044	5,535	274,257	4,955%	85%	
	2045	4,536	254,077	5,602%	86%	
	2046	3,705	234,800	6,338%	86%	
	2047	3,019	216,503	7,172%	87%	
	2048	2,456	199,121	8,108%	87%	
2049	1,993	182,423	9,153%	87%		
2050	1,613	166,150	10,298%	88%		
2051	1,302	150,379	11,547%	88%		
2052	1,048	135,343	12,918%	88%		
2053	838	121,092	14,444%	88%		

Attachment 4
MedAmerica
Pennsylvania-Specific Written Premium and Paid Claim Experience and Projections
with Requested Cumulative 38% Increase
Policy Form: 14515-PA

	Calendar Year	Loss Ratio Demonstration				Cumulative Loss Ratio w/ Interest
		Without Interest				
		Written Premium	Paid Claims	Loss Ratio		
Historical Experience	1999	76,792	0	0%	0%	
	2000	291,307	0	0%	0%	
	2001	370,885	644	0%	0%	
	2002	388,969	0	0%	0%	
	2003	395,632	24,761	6%	2%	
	2004	384,153	43,906	11%	3%	
	2005	364,149	13,879	4%	3%	
	2006	347,046	21,142	6%	4%	
	2007	331,092	106,549	32%	6%	
	2008	322,536	153,270	48%	10%	
	2009	303,583	110,176	36%	11%	
	2010	290,608	235,117	81%	15%	
	2011	277,551	287,307	104%	20%	
2012	268,651	284,773	106%	23%		
2013	257,419	241,872	94%	26%		
Projected Future Experience (40 Years)	2014	247,389	164,593	67%	27%	
	2015	251,779	221,861	88%	29%	
	2016	266,757	249,747	94%	31%	
	2017	256,119	271,507	106%	33%	
	2018	238,851	296,227	124%	35%	
	2019	221,811	322,955	146%	38%	
	2020	205,072	349,586	170%	40%	
	2021	188,712	375,426	199%	42%	
	2022	172,812	400,037	231%	45%	
	2023	157,449	423,155	269%	47%	
	2024	142,695	444,220	311%	50%	
	2025	128,614	461,710	359%	52%	
	2026	115,263	475,037	412%	55%	
	2027	102,693	484,290	472%	57%	
	2028	90,944	490,788	540%	59%	
	2029	80,052	494,611	618%	61%	
	2030	70,036	494,376	706%	64%	
	2031	60,904	489,844	804%	66%	
	2032	52,650	481,877	915%	67%	
	2033	45,256	470,909	1,041%	69%	
	2034	38,688	457,309	1,182%	71%	
	2035	32,899	442,080	1,344%	72%	
	2036	27,836	425,515	1,529%	74%	
	2037	23,441	407,366	1,738%	75%	
	2038	19,658	387,511	1,971%	76%	
	2039	16,416	366,557	2,233%	77%	
	2040	13,658	345,167	2,527%	78%	
	2041	11,323	324,118	2,863%	79%	
	2042	9,354	303,848	3,248%	80%	
	2043	7,703	283,824	3,684%	80%	
	2044	6,329	263,899	4,170%	81%	
	2045	5,186	244,482	4,714%	81%	
	2046	4,236	225,932	5,334%	82%	
	2047	3,452	208,327	6,035%	82%	
	2048	2,808	191,600	6,823%	83%	
	2049	2,279	175,533	7,703%	83%	
2050	1,845	159,875	8,667%	83%		
2051	1,489	144,699	9,718%	83%		
2052	1,198	130,232	10,871%	84%		
2053	959	116,519	12,156%	84%		

Attachment 5
Breakdown of Historical Incurred Claims and Reserve Balances at December 31, 2013
515 Series

MedAmerica, CICA, and CICNY Nationwide Experience

Incurred Year	Discounted to the Year of Incurral					Year-End Active Life Reserve ^[3]
	Incurred Claims ^[1]	Paid Claims	Disabled Life Reserve	IBNR Reserve	Total Claim Reserve ^[2]	
1997	0	0	0		0	
1998	0	0	0		0	
1999	43,198	43,198	0		0	
2000	172,606	157,391	15,215		15,215	
2001	263,180	263,180	0		0	
2002	587,804	587,804	0		0	
2003	266,048	266,048	0		0	
2004	1,040,033	1,040,033	0		0	
2005	2,426,497	2,282,023	144,474		144,474	
2006	2,247,018	2,182,239	64,779		64,779	
2007	1,571,634	1,492,466	79,169		79,169	
2008	2,174,151	2,143,972	30,178		30,178	
2009	3,325,771	2,820,516	505,255		505,255	
2010	2,673,105	2,140,584	532,521		532,521	
2011	4,372,265	3,003,307	1,368,958		1,368,958	
2012	2,736,987	1,184,131	1,552,856		1,552,856	
2013	4,220,597	324,009	2,397,904	1,498,684	3,896,588	86,095,971

MedAmerica Pennsylvania-Specific Experience

Incurred Year	Discounted to the Year of Incurral					Year-End Active Life Reserve ^[3]
	Incurred Claims ^[1]	Paid Claims	Disabled Life Reserve	IBNR Reserve	Total Claim Reserve ^[2]	
1999	0	0	0		0	
2000	73,799	58,584	15,215		15,215	
2001	0	0	0		0	
2002	0	0	0		0	
2003	58,576	58,576	0		0	
2004	0	0	0		0	
2005	0	0	0		0	
2006	181,178	181,178	0		0	
2007	216,951	216,951	0		0	
2008	207,367	188,123	19,244		19,244	
2009	187,747	169,774	17,973		17,973	
2010	279,966	279,966	0		0	
2011	233,362	174,180	59,182		59,182	
2012	57,421	44,375	13,046		13,046	
2013	168,312	14,911	88,843	64,557	153,400	3,868,933

[1] Incurred claims are the sum of paid claims, disabled life reserve, and incurred but not reported (IBNR) reserve.

[2] Claim reserve is the sum of disabled life reserve and IBNR reserve.

[3] Active Life Reserve is defined as interpolated terminal reserves plus unearned premium reserves.

Attachment 6
MedAmerica, CICA, and CICNY
Actual-to-Expected Experience by Policy Year
Nationwide Experience with Prior Approved Increases
515 Series

Policy Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
	A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
1	13,758,719	370,259	3%	10,939	14,074,157	2,666,773	19%	11,272	3%	19%	0.14
2	11,588,869	506,636	4%	9,680	11,693,012	2,564,939	22%	9,525	3%	20%	0.17
3	10,500,938	1,286,037	12%	8,935	10,016,448	2,543,310	25%	8,294	6%	22%	0.27
4	9,854,953	1,804,878	18%	8,400	8,783,884	2,581,161	29%	7,354	8%	23%	0.36
5	9,360,192	1,098,412	12%	7,942	7,802,676	2,629,158	34%	6,575	9%	24%	0.36
6	8,920,915	2,334,285	26%	7,602	6,973,852	2,718,931	39%	5,902	11%	26%	0.42
7	8,543,515	1,534,057	18%	7,247	6,250,032	2,822,989	45%	5,304	12%	27%	0.43
8	8,135,001	3,086,610	38%	6,914	5,600,016	2,932,973	52%	4,761	14%	29%	0.48
9	7,788,144	2,541,467	33%	6,602	5,009,203	3,041,637	61%	4,276	15%	30%	0.50
10	7,466,980	3,640,420	49%	6,290	4,475,427	3,155,790	71%	3,831	17%	32%	0.53
11	7,124,609	3,657,709	51%	6,015	3,991,407	3,270,573	82%	3,432	19%	34%	0.56
12	6,820,041	5,051,638	74%	5,716	3,558,904	3,388,352	95%	3,079	21%	35%	0.60
13	6,561,905	4,927,896	75%	5,431	3,171,528	3,506,835	111%	2,759	23%	37%	0.64
14	6,332,413	5,236,601	83%	5,130	2,821,011	3,619,243	128%	2,466	25%	39%	0.66
15	6,080,327	6,467,304	106%	4,821	2,500,005	3,697,291	148%	2,199	28%	40%	0.70
16	5,790,740	7,108,604	123%	4,515	2,210,115	3,764,730	170%	1,962	31%	42%	0.73
17	5,465,568	7,903,892	145%	4,217	1,951,203	3,826,492	196%	1,747	33%	43%	0.77
18	5,105,116	8,522,285	167%	3,934	1,718,595	3,875,186	225%	1,554	36%	45%	0.80
19	4,725,235	9,099,950	193%	3,659	1,508,113	3,899,831	259%	1,376	39%	46%	0.84
20	4,348,334	9,634,865	222%	3,388	1,319,560	3,900,043	296%	1,221	42%	48%	0.87
21	3,981,869	10,123,098	254%	3,124	1,152,562	3,886,901	337%	1,079	44%	49%	0.90
22	3,627,486	10,552,117	291%	2,867	1,001,432	3,847,878	384%	949	47%	50%	0.94
23	3,286,716	10,909,732	332%	2,618	865,450	3,781,941	437%	830	50%	51%	0.97
24	2,960,984	11,160,872	377%	2,379	743,869	3,684,267	495%	723	52%	52%	1.00
25	2,651,627	11,277,234	425%	2,149	635,898	3,546,189	558%	627	55%	53%	1.03
26	2,359,883	11,291,631	478%	1,931	540,661	3,391,617	627%	541	57%	54%	1.06
27	2,086,853	11,226,894	538%	1,726	457,200	3,222,718	705%	465	60%	55%	1.08
28	1,833,427	11,080,269	604%	1,533	384,552	3,043,378	791%	398	62%	56%	1.11
29	1,600,202	10,846,379	678%	1,354	321,739	2,854,052	887%	339	64%	57%	1.13
30	1,387,461	10,519,207	758%	1,189	267,829	2,655,966	992%	288	66%	57%	1.15
31	1,195,150	10,126,817	847%	1,039	221,898	2,460,356	1,109%	243	68%	58%	1.17
32	1,022,904	9,699,015	948%	902	183,042	2,268,814	1,240%	205	69%	58%	1.19
33	870,030	9,233,547	1,061%	780	150,401	2,083,188	1,385%	172	71%	59%	1.21
34	735,578	8,729,290	1,187%	670	123,157	1,904,060	1,546%	144	72%	59%	1.22
35	618,373	8,196,759	1,326%	573	100,552	1,733,067	1,724%	121	73%	59%	1.24
36	517,033	7,657,513	1,481%	488	81,893	1,572,320	1,920%	101	74%	59%	1.25
37	430,118	7,121,692	1,656%	414	66,563	1,421,450	2,135%	84	75%	60%	1.26
38	356,134	6,583,954	1,849%	350	54,021	1,280,578	2,371%	70	76%	60%	1.27
39	293,611	6,052,493	2,061%	295	43,795	1,150,173	2,626%	58	77%	60%	1.28
40	241,097	5,530,848	2,294%	247	35,477	1,029,230	2,901%	48	77%	60%	1.29
41	197,239	5,033,463	2,552%	207	28,729	919,578	3,201%	40	78%	60%	1.29
42	160,828	4,559,902	2,835%	172	23,275	820,103	3,523%	34	78%	60%	1.30
43	130,756	4,111,894	3,145%	143	18,870	730,486	3,871%	28	79%	60%	1.30
44	106,042	3,693,219	3,483%	119	15,316	650,310	4,246%	23	79%	60%	1.31
45	85,811	3,302,241	3,848%	98	12,450	577,354	4,637%	19	79%	60%	1.31
46-50	235,462	11,723,284	4,979%	286	35,274	2,053,497	5,822%	58	80%	61%	1.32
51-55	79,990	6,147,606	7,686%	107	13,414	1,155,121	8,611%	24	81%	61%	1.33
56-60	27,227	3,009,350	11,053%	39	5,268	670,879	12,736%	9	81%	61%	1.33
Total	187,352,404	315,314,122	168%	155,179	113,013,738	122,801,702	109%	96,609	81%	61%	1.33

Attachment 6
MedAmerica, CICA, and CICNY
Actual-to-Expected Experience by Policy Year
Nationwide Experience with Cumulative Average 38% Requested Increase
515 Series

Policy Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
	A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
1	13,758,719	370,259	3%	10,939	14,074,157	2,666,773	19%	11,272	3%	19%	0.14
2	11,588,869	506,636	4%	9,680	11,693,012	2,564,939	22%	9,525	3%	20%	0.17
3	10,500,938	1,286,037	12%	8,935	10,016,448	2,543,310	25%	8,294	6%	22%	0.27
4	9,854,953	1,804,878	18%	8,400	8,783,884	2,581,161	29%	7,354	8%	23%	0.36
5	9,360,192	1,098,412	12%	7,942	7,802,676	2,629,158	34%	6,575	9%	24%	0.36
6	8,920,915	2,334,285	26%	7,602	6,973,852	2,718,931	39%	5,902	11%	26%	0.42
7	8,543,515	1,534,057	18%	7,247	6,250,032	2,822,989	45%	5,304	12%	27%	0.43
8	8,135,279	3,086,591	38%	6,914	5,600,016	2,932,973	52%	4,761	14%	29%	0.48
9	7,793,304	2,540,918	33%	6,599	5,009,203	3,041,637	61%	4,276	15%	30%	0.50
10	7,491,246	3,637,166	49%	6,279	4,475,427	3,155,790	71%	3,831	17%	32%	0.53
11	7,190,465	3,646,587	51%	5,995	3,991,407	3,270,573	82%	3,432	19%	34%	0.56
12	6,903,242	5,034,346	73%	5,690	3,558,904	3,388,352	95%	3,079	21%	35%	0.60
13	6,681,002	4,897,930	73%	5,387	3,171,528	3,506,835	111%	2,759	23%	37%	0.63
14	6,552,897	5,171,146	79%	5,050	2,821,011	3,619,243	128%	2,466	25%	39%	0.66
15	6,453,644	6,336,067	98%	4,702	2,500,005	3,697,291	148%	2,199	28%	40%	0.69
16	6,283,803	6,904,400	110%	4,367	2,210,115	3,764,730	170%	1,962	30%	42%	0.72
17	6,048,403	7,618,323	126%	4,049	1,951,203	3,826,492	196%	1,747	33%	43%	0.75
18	5,719,042	8,171,042	143%	3,762	1,718,595	3,875,186	225%	1,554	35%	45%	0.78
19	5,314,830	8,710,645	164%	3,497	1,508,113	3,899,831	259%	1,376	38%	46%	0.81
20	4,892,791	9,221,198	188%	3,239	1,319,560	3,900,043	296%	1,221	40%	48%	0.84
21	4,479,684	9,688,594	216%	2,986	1,152,562	3,886,901	337%	1,079	43%	49%	0.87
22	4,080,250	10,099,320	248%	2,741	1,001,432	3,847,878	384%	949	45%	50%	0.90
23	3,696,233	10,441,825	282%	2,503	865,450	3,781,941	437%	830	48%	51%	0.93
24	3,329,241	10,682,557	321%	2,274	743,869	3,684,267	495%	723	50%	52%	0.96
25	2,980,775	10,794,355	362%	2,055	635,898	3,546,189	558%	627	53%	53%	0.98
26	2,652,230	10,808,385	408%	1,846	540,661	3,391,617	627%	541	55%	54%	1.01
27	2,344,838	10,746,566	458%	1,650	457,200	3,222,718	705%	465	57%	55%	1.03
28	2,059,594	10,606,454	515%	1,466	384,552	3,043,378	791%	398	59%	56%	1.05
29	1,797,163	10,382,805	578%	1,295	321,739	2,854,052	887%	339	61%	57%	1.07
30	1,557,849	10,069,696	646%	1,137	267,829	2,655,966	992%	288	63%	57%	1.09
31	1,341,581	9,694,138	723%	993	221,898	2,460,356	1,109%	243	64%	58%	1.11
32	1,147,934	9,284,646	809%	863	183,042	2,268,814	1,240%	205	66%	58%	1.13
33	976,116	8,838,959	906%	745	150,401	2,083,188	1,385%	172	67%	59%	1.15
34	825,051	8,356,088	1,013%	641	123,157	1,904,060	1,546%	144	68%	59%	1.16
35	693,401	7,846,158	1,132%	548	100,552	1,733,067	1,724%	121	69%	59%	1.17
36	579,606	7,329,720	1,265%	467	81,893	1,572,320	1,920%	101	70%	59%	1.18
37	482,037	6,816,615	1,414%	396	66,563	1,421,450	2,135%	84	71%	60%	1.19
38	399,011	6,301,916	1,579%	335	54,021	1,280,578	2,371%	70	72%	60%	1.20
39	328,866	5,793,327	1,762%	282	43,795	1,150,173	2,626%	58	73%	60%	1.21
40	269,968	5,294,217	1,961%	236	35,477	1,029,230	2,901%	48	73%	60%	1.22
41	220,789	4,818,409	2,182%	198	28,729	919,578	3,201%	40	74%	60%	1.22
42	179,971	4,365,427	2,426%	165	23,275	820,103	3,523%	34	74%	60%	1.23
43	146,264	3,937,063	2,692%	137	18,870	730,486	3,871%	28	74%	60%	1.23
44	118,569	3,536,927	2,983%	114	15,316	650,310	4,246%	23	75%	60%	1.24
45	95,900	3,163,349	3,299%	94	12,450	577,354	4,637%	19	75%	60%	1.24
46-50	262,668	11,243,678	4,281%	274	35,274	2,053,497	5,822%	58	76%	61%	1.25
51-55	88,731	5,913,252	6,664%	103	13,414	1,155,121	8,611%	24	76%	61%	1.26
56-60	29,987	2,901,692	9,677%	37	5,268	670,879	12,736%	9	76%	61%	1.26
Total	195,152,356	303,667,061	156%	152,855	113,013,738	122,801,702	109%	96,609	76%	61%	1.26

**Attachment 7
MedAmerica
Actual-to-Expected Experience by Policy Year
Pennsylvania-Specific Experience with Prior Approved Increase
Policy Form: 14515-PA**

Policy Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
	A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
1	550,308	73,799	13%	529	570,858	106,602	19%	543	13%	19%	0.72
2	459,706	0	0%	476	472,152	101,864	22%	458	7%	20%	0.37
3	411,830	0	0%	436	402,968	100,593	25%	398	5%	21%	0.26
4	389,948	58,576	15%	411	352,556	101,859	29%	352	7%	23%	0.32
5	370,934	0	0%	393	312,686	103,747	33%	315	6%	24%	0.26
6	356,169	298,819	84%	376	279,175	107,570	39%	282	16%	25%	0.62
7	338,427	4,364	1%	358	250,047	111,981	45%	253	14%	27%	0.53
8	322,694	312,212	97%	346	223,901	116,663	52%	227	21%	28%	0.74
9	307,960	38,971	13%	334	200,224	121,460	61%	204	20%	30%	0.68
10	296,998	410,906	138%	323	178,928	126,333	71%	183	27%	32%	0.87
11	284,399	81,037	28%	313	159,596	131,221	82%	163	28%	33%	0.83
12	273,346	66,673	24%	297	142,341	136,039	96%	147	27%	35%	0.79
13	261,170	301,274	115%	285	126,966	141,143	111%	131	31%	37%	0.84
14	253,144	214,758	85%	272	112,997	146,035	129%	117	33%	38%	0.86
15	246,310	241,118	98%	256	100,218	149,518	149%	105	35%	40%	0.87
16	240,060	282,062	117%	239	88,668	152,474	172%	93	37%	41%	0.90
17	227,993	312,521	137%	224	78,337	155,032	198%	83	40%	43%	0.92
18	213,364	339,325	159%	210	69,067	157,207	228%	74	42%	45%	0.95
19	198,268	364,501	184%	196	60,665	158,589	261%	65	45%	46%	0.97
20	183,406	389,262	212%	183	53,123	158,624	299%	58	47%	47%	1.00
21	168,852	413,559	245%	169	46,453	158,349	341%	51	50%	49%	1.03
22	154,678	437,723	283%	156	40,394	157,041	389%	45	53%	50%	1.06
23	140,950	457,777	325%	143	34,923	155,039	444%	39	56%	51%	1.09
24	127,733	474,270	371%	131	30,017	151,850	506%	34	59%	52%	1.12
25	115,087	484,369	421%	119	25,650	146,544	571%	30	61%	53%	1.15
26	103,073	490,940	476%	108	21,792	140,670	646%	25	64%	54%	1.18
27	91,746	495,841	540%	97	18,407	134,352	730%	22	66%	55%	1.20
28	81,152	497,324	613%	87	15,456	127,686	826%	18	69%	56%	1.23
29	71,330	494,076	693%	77	12,901	120,457	934%	16	71%	57%	1.25
30	62,303	486,601	781%	68	10,708	112,545	1,051%	13	73%	57%	1.28
31	54,081	476,507	881%	60	8,837	104,809	1,186%	11	75%	58%	1.30
32	46,659	462,236	991%	52	7,256	97,268	1,341%	9	77%	58%	1.32
33	40,020	446,522	1,116%	45	5,927	89,958	1,518%	8	79%	59%	1.34
34	34,136	428,528	1,255%	39	4,819	82,423	1,710%	6	80%	59%	1.36
35	28,964	408,006	1,409%	34	3,902	75,052	1,923%	5	82%	59%	1.38
36	24,455	386,752	1,582%	29	3,147	68,113	2,164%	4	83%	60%	1.40
37	20,551	365,464	1,778%	25	2,528	61,619	2,438%	3	84%	60%	1.41
38	17,197	343,758	1,999%	21	2,023	55,418	2,740%	3	85%	60%	1.42
39	14,334	320,486	2,236%	18	1,612	49,466	3,068%	2	86%	60%	1.43
40	11,904	297,064	2,495%	15	1,281	43,906	3,427%	2	87%	60%	1.44
41	9,858	275,506	2,795%	13	1,015	38,902	3,833%	2	88%	60%	1.45
42	8,137	256,353	3,151%	11	801	34,397	4,296%	1	89%	61%	1.46
43	6,701	236,690	3,532%	9	630	30,258	4,800%	1	89%	61%	1.47
44	5,509	217,504	3,948%	8	495	26,488	5,354%	1	90%	61%	1.48
45	4,521	199,771	4,418%	6	387	23,061	5,952%	1	90%	61%	1.48
46-50	12,860	770,443	5,991%	19	963	75,494	7,836%	2	92%	61%	1.50
51-55	4,563	445,639	9,767%	7	255	31,621	12,378%	0	92%	61%	1.51
56-60	1,434	204,883	14,292%	2	58	10,233	17,782%	0	92%	61%	1.52
Total	7,649,221	15,064,767	197%	8,026	4,538,110	4,987,573	110%	4,606	92%	61%	1.52

Attachment 7
MedAmerica
Actual-to-Expected Experience by Policy Year
Pennsylvania-Specific Experience with Requested Cumulative 38% Increase
Policy Form: 14515-PA

Policy Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios with Interest		
	A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.25% Interest	Expected (Column G) with 6.00% Interest	Actual-to-Expected Ratio
1	550,308	73,799	13%	529	570,858	106,602	19%	543	13%	19%	0.72
2	459,706	0	0%	476	472,152	101,864	22%	458	7%	20%	0.37
3	411,830	0	0%	436	402,968	100,593	25%	398	5%	21%	0.26
4	389,948	58,576	15%	411	352,556	101,859	29%	352	7%	23%	0.32
5	370,934	0	0%	393	312,686	103,747	33%	315	6%	24%	0.26
6	356,169	298,819	84%	376	279,175	107,570	39%	282	16%	25%	0.62
7	338,427	4,364	1%	358	250,047	111,981	45%	253	14%	27%	0.53
8	322,694	312,212	97%	346	223,901	116,663	52%	227	21%	28%	0.74
9	307,960	38,971	13%	334	200,224	121,460	61%	204	20%	30%	0.68
10	296,998	410,906	138%	323	178,928	126,333	71%	183	27%	32%	0.87
11	284,399	81,037	28%	313	159,596	131,221	82%	163	28%	33%	0.83
12	273,355	66,671	24%	297	142,341	136,039	96%	147	27%	35%	0.79
13	262,348	301,004	115%	284	126,966	141,143	111%	131	31%	37%	0.84
14	257,518	213,845	83%	270	112,997	146,035	129%	117	33%	38%	0.86
15	254,796	239,187	94%	252	100,218	149,518	149%	105	35%	40%	0.87
16	255,761	277,599	109%	232	88,668	152,474	172%	93	37%	41%	0.89
17	254,741	302,958	119%	216	78,337	155,032	198%	83	39%	43%	0.91
18	242,989	326,935	135%	202	69,067	157,207	228%	74	41%	45%	0.93
19	226,692	350,735	155%	189	60,665	158,589	261%	65	44%	46%	0.95
20	209,700	374,561	179%	175	53,123	158,624	299%	58	46%	47%	0.98
21	193,059	397,940	206%	163	46,453	158,349	341%	51	49%	49%	1.00
22	176,852	421,192	238%	150	40,394	157,041	389%	45	51%	50%	1.03
23	161,157	440,489	273%	138	34,923	155,039	444%	39	54%	51%	1.05
24	146,044	456,359	312%	126	30,017	151,850	506%	34	56%	52%	1.08
25	131,586	466,076	354%	114	25,650	146,544	571%	30	59%	53%	1.10
26	117,850	472,399	401%	103	21,792	140,670	646%	25	61%	54%	1.13
27	104,898	477,115	455%	93	18,407	134,352	730%	22	64%	55%	1.15
28	92,786	478,542	516%	83	15,456	127,686	826%	18	66%	56%	1.18
29	81,556	475,417	583%	74	12,901	120,457	934%	16	68%	57%	1.20
30	71,235	468,224	657%	65	10,708	112,545	1,051%	13	70%	57%	1.22
31	61,834	458,511	742%	57	8,837	104,809	1,186%	11	72%	58%	1.24
32	53,348	444,779	834%	50	7,256	97,268	1,341%	9	74%	58%	1.26
33	45,758	429,659	939%	44	5,927	89,958	1,518%	8	75%	59%	1.28
34	39,030	412,344	1,056%	38	4,819	82,423	1,710%	6	77%	59%	1.30
35	33,117	392,598	1,186%	33	3,902	75,052	1,923%	5	78%	59%	1.31
36	27,960	372,145	1,331%	28	3,147	68,113	2,164%	4	79%	60%	1.33
37	23,497	351,662	1,497%	24	2,528	61,619	2,438%	3	80%	60%	1.34
38	19,662	330,775	1,682%	20	2,023	55,418	2,740%	3	81%	60%	1.35
39	16,388	308,383	1,882%	17	1,612	49,466	3,068%	2	82%	60%	1.37
40	13,611	285,845	2,100%	15	1,281	43,906	3,427%	2	83%	60%	1.37
41	11,271	265,101	2,352%	12	1,015	38,902	3,833%	2	84%	60%	1.38
42	9,303	246,672	2,652%	10	801	34,397	4,296%	1	84%	61%	1.39
43	7,662	227,751	2,972%	9	630	30,258	4,800%	1	85%	61%	1.40
44	6,299	209,290	3,323%	7	495	26,488	5,354%	1	85%	61%	1.40
45	5,170	192,226	3,718%	6	387	23,061	5,952%	1	86%	61%	1.41
46-50	14,704	741,346	5,042%	18	963	75,494	7,836%	2	87%	61%	1.43
51-55	5,217	428,809	8,220%	7	255	31,621	12,378%	0	88%	61%	1.44
56-60	1,639	197,145	12,028%	2	58	10,233	17,782%	0	88%	61%	1.44
Total	7,999,763	14,580,969	182%	7,918	4,538,110	4,987,573	110%	4,606	88%	61%	1.44



An  Excellus Company

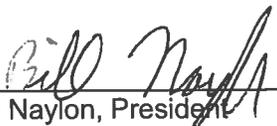
Letter of Authorization

To: Department of Insurance

MedAmerica Insurance Company ("MedAmerica") has entered into a service agreement with Milliman, Inc. ("Milliman") effective November 1, 2007, that includes long-term care rate filing services on our behalf. The agreement provides, in part, that Milliman is responsible for preparing and filing for approval with state insurance departments MedAmerica's long-term care rate increase filings as directed by MedAmerica. Milliman is also authorized to receive, on MedAmerica's behalf, written and oral communication from each state department of insurance for the purpose of completing the rate increase filing process.

Please accept this letter of authorization for the purpose stated above. Should you have any questions regarding the above, please forward your comments to:

MedAmerica Insurance Company
165 Court Street
Rochester, NY 14647



Bill Naylor, President
MedAmerica Insurance Company

2/9/2015
Date