

**State:** Pennsylvania **Filing Company:** Highmark Inc  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Long-Term Care  
**Project Name/Number:** Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05

## Filing at a Glance

Company: Highmark Inc  
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: 04/08/2016  
SERFF Tr Num: MILL-130443539  
SERFF Status: Submitted to State  
State Tr Num: MILL-130443539  
State Status:  
Co Tr Num: SIMPLICITY AFFINITY (HIGHMARK BS)  
Implementation: On Approval  
Date Requested:  
Author(s): Missy Gordon, Stephanie Moench, Travis Reisch, Shawn Stender, Bryan Rask, Brandon Johnson, Kelsey Schaefer, Jack Bridges  
Reviewer(s):  
Disposition Date:  
Disposition Status:  
Implementation Date:  
State Filing Description:  
Proposed aggregate 77% increase on 477 of the following Highmark LTC policies: SPL-336-HMBSPA & FSPL-336-HMBSPA.

**State:** Pennsylvania **Filing Company:** Highmark Inc  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Long-Term Care  
**Project Name/Number:** Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05

## General Information

Project Name: Simplicity Nationwide 2016 Rate Increase

Project Number: 145MAI01-60.05

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 77%

Deemer Date:

Submitted By: Travis Reisch

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: Pennsylvania is the state of domicile.

Market Type: Individual

Individual Market Type:

Filing Status Changed: 04/08/2016

State Status Changed:

Created By: Brandon Johnson

Corresponding Filing Tracking Number:

### Filing Description:

These are existing individual policy forms that provide comprehensive long-term care coverage on a cash basis. Riders that convert the coverage to either facility only or community care only may have been available at issue. Policies were issued in Pennsylvania from August 1, 2006 to May 1, 2010 and are no longer being marketed in any jurisdiction.

These products were designed and priced by MedAmerica Insurance Company (MedAmerica), which is an affinity partner of Highmark Blue Shield (Highmark BS). These forms were issued on Highmark BS paper, while MedAmerica administers and manages the block, including underwriting and claims handling. MedAmerica has 80% of the risk on these forms via a reinsurance arrangement with Highmark BS.

Highmark BS is requesting the approval of a premium rate increase on these forms, including all associated riders. The primary reason why these forms are in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing.

The company is requesting a premium rate increase that varies by issue age from 58.3% to 87.4% and averages 77% in Pennsylvania. The rate increase was determined by issue age to allow certification to rate stability in Pennsylvania, to better align the rate increase with the adverse experience, and to minimize the rate increase for older insureds.

As noted in the enclosed actuarial memorandum, three prior rate increases have been approved and implemented on these policy forms. The cumulative prior approved increase varied by issue age from 0% to 60%. The prior rate increases were approved by the Department in June 2013, September 2014, and July 2015. This current rate increase request is being sought to achieve the cumulative rate increase that the company believes is needed to alleviate the poor performance on this block of business.

Similar to the prior increases, Highmark BS 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. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, Highmark BS will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial. If the cumulative requested rate increase is approved, a majority of policyholders will be eligible for a contingent benefit upon lapse. To comply with rate stability regulation in this jurisdiction, enclosed with this filing is a plan, subject to the Department's approval, which demonstrates that appropriate administration and claims processing procedures are in effect.

**State:** Pennsylvania **Filing Company:** Highmark Inc  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Long-Term Care  
**Project Name/Number:** Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05

## 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)

|                             |                          |                    |
|-----------------------------|--------------------------|--------------------|
| Highmark Inc                | CoCode: 54771            | State of Domicile: |
| 120 Fifth Avenue            | Group Code: 812          | Pennsylvania       |
| Suite 924                   | Group Name: Highmark Grp | Company Type:      |
| Pittsburgh, PA 15222-3024   | FEIN Number: 23-1294723  | State ID Number:   |
| (412) 544-6902 ext. [Phone] |                          |                    |

## Filing Fees

Fee Required? No  
 Retaliatory? No  
 Fee Explanation:

**State:** Pennsylvania **Filing Company:** Highmark Inc  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Long-Term Care  
**Project Name/Number:** Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05

## Rate Information

Rate data applies to filing.

**Filing Method:** Review and Approval  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** 7.300%  
**Effective Date of Last Rate Revision:** 07/31/2015  
**Filing Method of Last Filing:** Review and 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): |
|---------------|-----------------------------|------------------------|--|---|-----------------------------------|---------------------------------|---------------------------------|
| Highmark Inc  | %                           | 77.000%                | \$808,959                                | 477   | \$902,002                         | 87.400%                         | 58.300%                         |

**SERFF Tracking #:**

MILL-130443539

**State Tracking #:**

MILL-130443539

**Company Tracking #:**

SIMPLICITY AFFINITY (HIGHMARK BS)

**State:**

Pennsylvania

**Filing Company:**

Highmark Inc

**TOI/Sub-TOI:**

LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:**

Long-Term Care

**Project Name/Number:**

Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05

## Rate/Rule Schedule

| Item No. | Schedule Item Status | Document Name             | Affected Form Numbers (Separated with commas) | Rate Action | Rate Action Information   | Attachments  |
|----------|----------------------|---------------------------|---|-------------|---|--|
| 1        |                      | Non-Franchise Rate Tables | SPL-336-HMBSPA                                | Revised     | Previous State Filing Number:<br>MILL-129975623<br>Percent Rate Change Request:<br>77 | PA_Highmark<br>BS_Current Simplicity<br>Premium<br>Rates_20160408.pdf,<br>PA_Highmark<br>BS_Proposed<br>Simplicity Premium<br>Rates_20160408.pdf,                        |
| 2        |                      | Franchise Rate Tables     | FSPL-336-HMBSPA                               | Revised     | Previous State Filing Number:<br>MILL-129975623<br>Percent Rate Change Request:<br>77 | PA_Highmark<br>BS_Current Franchise<br>Simplicity Premium<br>Rates_20160408.pdf,<br>PA_Highmark<br>BS_Proposed<br>Franchise Simplicity<br>Premium<br>Rates_20160408.pdf, |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP-HMBSPA**  
**Indexing: Compound - No Maximum**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 46.00                | 62.00                | 75.00                | 88.00                | 104.00               | 146.00                |
| 30               | 50.00                | 66.00                | 80.00                | 91.00                | 109.00               | 152.00                |
| 31               | 50.00                | 69.00                | 82.00                | 93.00                | 112.00               | 157.00                |
| 32               | 51.00                | 69.00                | 85.00                | 94.00                | 115.00               | 160.00                |
| 33               | 53.00                | 72.00                | 86.00                | 99.00                | 118.00               | 165.00                |
| 34               | 54.00                | 74.00                | 88.00                | 102.00               | 122.00               | 173.00                |
| 35               | 56.00                | 75.00                | 93.00                | 106.00               | 125.00               | 176.00                |
| 36               | 58.00                | 78.00                | 94.00                | 109.00               | 130.00               | 181.00                |
| 37               | 59.00                | 80.00                | 96.00                | 112.00               | 133.00               | 187.00                |
| 38               | 61.00                | 82.00                | 101.00               | 115.00               | 138.00               | 190.00                |
| 39               | 62.00                | 83.00                | 104.00               | 118.00               | 139.00               | 195.00                |
| 40               | 62.00                | 86.00                | 105.00               | 119.00               | 140.00               | 197.00                |
| 41               | 64.00                | 87.00                | 108.00               | 122.00               | 142.00               | 203.00                |
| 42               | 66.00                | 90.00                | 111.00               | 125.00               | 147.00               | 207.00                |
| 43               | 67.00                | 92.00                | 112.00               | 129.00               | 151.00               | 214.00                |
| 44               | 70.00                | 95.00                | 117.00               | 131.00               | 156.00               | 220.00                |
| 45               | 71.00                | 95.00                | 113.00               | 129.00               | 155.00               | 219.00                |
| 46               | 72.00                | 98.00                | 117.00               | 134.00               | 159.00               | 225.00                |
| 47               | 72.00                | 101.00               | 120.00               | 137.00               | 164.00               | 231.00                |
| 48               | 75.00                | 101.00               | 123.00               | 141.00               | 168.00               | 237.00                |
| 49               | 77.00                | 105.00               | 126.00               | 146.00               | 173.00               | 243.00                |
| 50               | 76.00                | 104.00               | 126.00               | 145.00               | 172.00               | 242.00                |
| 51               | 80.00                | 107.00               | 131.00               | 150.00               | 178.00               | 251.00                |
| 52               | 80.00                | 110.00               | 134.00               | 153.00               | 183.00               | 258.00                |
| 53               | 83.00                | 112.00               | 137.00               | 158.00               | 190.00               | 266.00                |
| 54               | 85.00                | 115.00               | 142.00               | 161.00               | 194.00               | 272.00                |
| 55               | 84.00                | 113.00               | 141.00               | 160.00               | 192.00               | 268.00                |
| 56               | 86.00                | 116.00               | 141.00               | 160.00               | 192.00               | 272.00                |
| 57               | 87.00                | 117.00               | 144.00               | 164.00               | 197.00               | 280.00                |
| 58               | 90.00                | 121.00               | 149.00               | 170.00               | 203.00               | 287.00                |
| 59               | 91.00                | 124.00               | 152.00               | 174.00               | 208.00               | 295.00                |
| 60               | 92.00                | 124.00               | 151.00               | 174.00               | 208.00               | 295.00                |
| 61               | 95.00                | 129.00               | 159.00               | 182.00               | 218.00               | 308.00                |
| 62               | 99.00                | 135.00               | 165.00               | 191.00               | 228.00               | 323.00                |
| 63               | 103.00               | 141.00               | 173.00               | 199.00               | 237.00               | 337.00                |
| 64               | 107.00               | 147.00               | 179.00               | 205.00               | 248.00               | 351.00                |
| 65               | 102.00               | 140.00               | 174.00               | 199.00               | 240.00               | 343.00                |
| 66               | 107.00               | 146.00               | 180.00               | 206.00               | 250.00               | 359.00                |
| 67               | 110.00               | 152.00               | 186.00               | 215.00               | 259.00               | 373.00                |
| 68               | 114.00               | 156.00               | 193.00               | 222.00               | 270.00               | 388.00                |
| 69               | 116.00               | 161.00               | 200.00               | 230.00               | 280.00               | 404.00                |
| 70               | 113.00               | 156.00               | 193.00               | 224.00               | 272.00               | 396.00                |
| 71               | 116.00               | 162.00               | 199.00               | 232.00               | 281.00               | 411.00                |
| 72               | 119.00               | 165.00               | 205.00               | 238.00               | 292.00               | 426.00                |
| 73               | 121.00               | 168.00               | 209.00               | 245.00               | 299.00               | 441.00                |
| 74               | 122.00               | 172.00               | 215.00               | 250.00               | 308.00               | 455.00                |
| 75               | 126.00               | 179.00               | 225.00               | 265.00               | 330.00               | 500.00                |
| 76               | 127.00               | 180.00               | 227.00               | 268.00               | 336.00               | 513.00                |
| 77               | 126.00               | 181.00               | 229.00               | 271.00               | 342.00               | 525.00                |
| 78               | 126.00               | 181.00               | 230.00               | 273.00               | 346.00               | 538.00                |
| 79               | 125.00               | 180.00               | 230.00               | 274.00               | 350.00               | 548.00                |
| 80               | 124.00               | 181.00               | 233.00               | 280.00               | N/A                  | N/A                   |
| 81               | 122.00               | 178.00               | 232.00               | 279.00               | N/A                  | N/A                   |
| 82               | 118.00               | 174.00               | 228.00               | 275.00               | N/A                  | N/A                   |
| 83               | 113.00               | 169.00               | 222.00               | 272.00               | N/A                  | N/A                   |
| 84               | 107.00               | 161.00               | 215.00               | 264.00               | N/A                  | N/A                   |
| 85               | 102.00               | 158.00               | 215.00               | 269.00               | N/A                  | N/A                   |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP2X-HMBSPA**  
**Indexing: Compound 2X**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 5.00          | 5.00          | 6.00          | 6.00          | 10.00         | 11.00          |
| 30        | 5.00          | 6.00          | 8.00          | 10.00         | 11.00         | 18.00          |
| 31        | 5.00          | 8.00          | 8.00          | 10.00         | 11.00         | 19.00          |
| 32        | 5.00          | 8.00          | 10.00         | 10.00         | 13.00         | 21.00          |
| 33        | 5.00          | 8.00          | 10.00         | 11.00         | 14.00         | 21.00          |
| 34        | 6.00          | 8.00          | 10.00         | 13.00         | 16.00         | 24.00          |
| 35        | 8.00          | 8.00          | 11.00         | 13.00         | 18.00         | 24.00          |
| 36        | 6.00          | 10.00         | 13.00         | 13.00         | 19.00         | 26.00          |
| 37        | 8.00          | 11.00         | 13.00         | 16.00         | 19.00         | 29.00          |
| 38        | 8.00          | 11.00         | 16.00         | 18.00         | 21.00         | 27.00          |
| 39        | 8.00          | 11.00         | 16.00         | 19.00         | 22.00         | 29.00          |
| 40        | 9.00          | 14.00         | 17.00         | 20.00         | 23.00         | 31.00          |
| 41        | 9.00          | 16.00         | 19.00         | 22.00         | 22.00         | 34.00          |
| 42        | 11.00         | 17.00         | 20.00         | 22.00         | 25.00         | 36.00          |
| 43        | 11.00         | 17.00         | 20.00         | 25.00         | 27.00         | 39.00          |
| 44        | 14.00         | 19.00         | 23.00         | 23.00         | 28.00         | 41.00          |
| 45        | 15.00         | 20.00         | 21.00         | 24.00         | 30.00         | 44.00          |
| 46        | 17.00         | 21.00         | 24.00         | 27.00         | 32.00         | 47.00          |
| 47        | 17.00         | 23.00         | 26.00         | 30.00         | 35.00         | 51.00          |
| 48        | 18.00         | 21.00         | 27.00         | 30.00         | 38.00         | 56.00          |
| 49        | 20.00         | 24.00         | 30.00         | 33.00         | 39.00         | 59.00          |
| 50        | 19.00         | 26.00         | 31.00         | 35.00         | 41.00         | 61.00          |
| 51        | 22.00         | 28.00         | 34.00         | 38.00         | 47.00         | 66.00          |
| 52        | 22.00         | 29.00         | 35.00         | 39.00         | 50.00         | 70.00          |
| 53        | 23.00         | 32.00         | 38.00         | 45.00         | 54.00         | 76.00          |
| 54        | 25.00         | 34.00         | 41.00         | 48.00         | 58.00         | 82.00          |
| 55        | 26.00         | 35.00         | 44.00         | 51.00         | 59.00         | 84.00          |
| 56        | 29.00         | 39.00         | 47.00         | 52.00         | 62.00         | 90.00          |
| 57        | 30.00         | 40.00         | 50.00         | 57.00         | 66.00         | 95.00          |
| 58        | 33.00         | 44.00         | 54.00         | 61.00         | 72.00         | 102.00         |
| 59        | 36.00         | 47.00         | 57.00         | 65.00         | 79.00         | 110.00         |
| 60        | 37.00         | 49.00         | 59.00         | 68.00         | 81.00         | 115.00         |
| 61        | 40.00         | 54.00         | 66.00         | 75.00         | 89.00         | 126.00         |
| 62        | 44.00         | 61.00         | 72.00         | 83.00         | 98.00         | 138.00         |
| 63        | 49.00         | 65.00         | 80.00         | 90.00         | 107.00        | 151.00         |
| 64        | 53.00         | 72.00         | 86.00         | 98.00         | 117.00        | 165.00         |
| 65        | 53.00         | 73.00         | 89.00         | 102.00        | 121.00        | 174.00         |
| 66        | 59.00         | 79.00         | 97.00         | 110.00        | 132.00        | 191.00         |
| 67        | 62.00         | 86.00         | 104.00        | 120.00        | 144.00        | 209.00         |
| 68        | 68.00         | 92.00         | 114.00        | 130.00        | 157.00        | 228.00         |
| 69        | 72.00         | 100.00        | 124.00        | 142.00        | 170.00        | 248.00         |
| 70        | 73.00         | 101.00        | 124.00        | 144.00        | 173.00        | 255.00         |
| 71        | 79.00         | 108.00        | 133.00        | 155.00        | 188.00        | 277.00         |
| 72        | 84.00         | 115.00        | 142.00        | 166.00        | 202.00        | 299.00         |
| 73        | 88.00         | 123.00        | 153.00        | 177.00        | 217.00        | 323.00         |
| 74        | 94.00         | 130.00        | 162.00        | 189.00        | 232.00        | 347.00         |
| 75        | 100.00        | 141.00        | 177.00        | 208.00        | 259.00        | 398.00         |
| 76        | 104.00        | 147.00        | 185.00        | 218.00        | 273.00        | 423.00         |
| 77        | 107.00        | 153.00        | 193.00        | 227.00        | 287.00        | 447.00         |
| 78        | 110.00        | 157.00        | 199.00        | 236.00        | 299.00        | 471.00         |
| 79        | 111.00        | 160.00        | 205.00        | 243.00        | 311.00        | 493.00         |
| 80        | 113.00        | 164.00        | 212.00        | 255.00        | N/A           | N/A            |
| 81        | 113.00        | 165.00        | 215.00        | 258.00        | N/A           | N/A            |
| 82        | 111.00        | 165.00        | 215.00        | 260.00        | N/A           | N/A            |
| 83        | 108.00        | 161.00        | 213.00        | 260.00        | N/A           | N/A            |
| 84        | 104.00        | 156.00        | 209.00        | 256.00        | N/A           | N/A            |
| 85        | 100.00        | 155.00        | 210.00        | 263.00        | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: SBIR-HMBSPA**  
**Indexing: Simple**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 10.00                | 14.00                | 18.00                | 22.00                | 29.00                | 43.00                 |
| 30               | 11.00                | 16.00                | 19.00                | 24.00                | 29.00                | 45.00                 |
| 31               | 11.00                | 18.00                | 21.00                | 26.00                | 30.00                | 46.00                 |
| 32               | 13.00                | 18.00                | 24.00                | 26.00                | 34.00                | 50.00                 |
| 33               | 13.00                | 19.00                | 24.00                | 29.00                | 34.00                | 53.00                 |
| 34               | 14.00                | 19.00                | 26.00                | 30.00                | 37.00                | 56.00                 |
| 35               | 16.00                | 19.00                | 27.00                | 30.00                | 38.00                | 58.00                 |
| 36               | 16.00                | 24.00                | 29.00                | 32.00                | 40.00                | 61.00                 |
| 37               | 18.00                | 24.00                | 30.00                | 34.00                | 42.00                | 64.00                 |
| 38               | 18.00                | 26.00                | 32.00                | 37.00                | 45.00                | 66.00                 |
| 39               | 18.00                | 27.00                | 34.00                | 38.00                | 46.00                | 69.00                 |
| 40               | 19.00                | 28.00                | 34.00                | 39.00                | 48.00                | 73.00                 |
| 41               | 22.00                | 30.00                | 36.00                | 42.00                | 48.00                | 76.00                 |
| 42               | 22.00                | 31.00                | 39.00                | 44.00                | 51.00                | 81.00                 |
| 43               | 23.00                | 31.00                | 39.00                | 47.00                | 55.00                | 86.00                 |
| 44               | 27.00                | 34.00                | 42.00                | 47.00                | 56.00                | 89.00                 |
| 45               | 26.00                | 35.00                | 41.00                | 47.00                | 57.00                | 92.00                 |
| 46               | 27.00                | 38.00                | 44.00                | 51.00                | 63.00                | 96.00                 |
| 47               | 27.00                | 39.00                | 47.00                | 54.00                | 66.00                | 101.00                |
| 48               | 30.00                | 38.00                | 48.00                | 56.00                | 69.00                | 105.00                |
| 49               | 32.00                | 42.00                | 51.00                | 60.00                | 72.00                | 111.00                |
| 50               | 31.00                | 42.00                | 51.00                | 61.00                | 74.00                | 114.00                |
| 51               | 34.00                | 45.00                | 54.00                | 66.00                | 79.00                | 120.00                |
| 52               | 34.00                | 47.00                | 58.00                | 67.00                | 83.00                | 126.00                |
| 53               | 35.00                | 50.00                | 61.00                | 72.00                | 88.00                | 131.00                |
| 54               | 37.00                | 51.00                | 66.00                | 74.00                | 92.00                | 137.00                |
| 55               | 37.00                | 52.00                | 66.00                | 76.00                | 94.00                | 141.00                |
| 56               | 40.00                | 54.00                | 68.00                | 77.00                | 95.00                | 145.00                |
| 57               | 41.00                | 57.00                | 70.00                | 81.00                | 99.00                | 152.00                |
| 58               | 43.00                | 59.00                | 75.00                | 86.00                | 105.00               | 159.00                |
| 59               | 46.00                | 62.00                | 77.00                | 90.00                | 110.00               | 167.00                |
| 60               | 46.00                | 63.00                | 79.00                | 92.00                | 112.00               | 169.00                |
| 61               | 49.00                | 68.00                | 84.00                | 98.00                | 120.00               | 181.00                |
| 62               | 52.00                | 74.00                | 89.00                | 104.00               | 128.00               | 194.00                |
| 63               | 55.00                | 76.00                | 95.00                | 111.00               | 135.00               | 205.00                |
| 64               | 59.00                | 83.00                | 101.00               | 117.00               | 144.00               | 217.00                |
| 65               | 58.00                | 80.00                | 101.00               | 118.00               | 144.00               | 218.00                |
| 66               | 61.00                | 85.00                | 107.00               | 124.00               | 152.00               | 232.00                |
| 67               | 65.00                | 90.00                | 113.00               | 131.00               | 162.00               | 246.00                |
| 68               | 68.00                | 95.00                | 119.00               | 138.00               | 172.00               | 260.00                |
| 69               | 71.00                | 100.00               | 125.00               | 146.00               | 180.00               | 276.00                |
| 70               | 70.00                | 98.00                | 123.00               | 145.00               | 179.00               | 276.00                |
| 71               | 73.00                | 103.00               | 129.00               | 153.00               | 189.00               | 292.00                |
| 72               | 76.00                | 107.00               | 134.00               | 159.00               | 199.00               | 306.00                |
| 73               | 78.00                | 111.00               | 140.00               | 166.00               | 208.00               | 322.00                |
| 74               | 80.00                | 115.00               | 146.00               | 173.00               | 217.00               | 338.00                |
| 75               | 85.00                | 122.00               | 156.00               | 187.00               | 238.00               | 380.00                |
| 76               | 86.00                | 125.00               | 160.00               | 192.00               | 246.00               | 396.00                |
| 77               | 87.00                | 127.00               | 164.00               | 196.00               | 254.00               | 412.00                |
| 78               | 88.00                | 129.00               | 167.00               | 201.00               | 260.00               | 427.00                |
| 79               | 88.00                | 130.00               | 169.00               | 204.00               | 268.00               | 442.00                |
| 80               | 89.00                | 132.00               | 173.00               | 212.00               | N/A                  | N/A                   |
| 81               | 87.00                | 131.00               | 174.00               | 213.00               | N/A                  | N/A                   |
| 82               | 85.00                | 130.00               | 173.00               | 213.00               | N/A                  | N/A                   |
| 83               | 82.00                | 126.00               | 171.00               | 212.00               | N/A                  | N/A                   |
| 84               | 79.00                | 121.00               | 167.00               | 208.00               | N/A                  | N/A                   |
| 85               | 74.00                | 119.00               | 167.00               | 214.00               | N/A                  | N/A                   |



**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Indexing: None**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 11.00                | 14.00                | 16.00                | 16.00                | 19.00                | 24.00                 |
| 30               | 11.00                | 14.00                | 16.00                | 18.00                | 21.00                | 26.00                 |
| 31               | 13.00                | 14.00                | 18.00                | 19.00                | 22.00                | 27.00                 |
| 32               | 13.00                | 16.00                | 18.00                | 21.00                | 22.00                | 29.00                 |
| 33               | 14.00                | 16.00                | 19.00                | 21.00                | 24.00                | 30.00                 |
| 34               | 14.00                | 18.00                | 21.00                | 22.00                | 26.00                | 32.00                 |
| 35               | 14.00                | 19.00                | 21.00                | 24.00                | 27.00                | 35.00                 |
| 36               | 16.00                | 19.00                | 22.00                | 26.00                | 29.00                | 37.00                 |
| 37               | 16.00                | 21.00                | 24.00                | 27.00                | 30.00                | 38.00                 |
| 38               | 18.00                | 22.00                | 26.00                | 29.00                | 32.00                | 43.00                 |
| 39               | 19.00                | 24.00                | 27.00                | 30.00                | 35.00                | 46.00                 |
| 40               | 19.00                | 23.00                | 28.00                | 31.00                | 36.00                | 47.00                 |
| 41               | 20.00                | 25.00                | 30.00                | 33.00                | 41.00                | 50.00                 |
| 42               | 22.00                | 27.00                | 31.00                | 36.00                | 42.00                | 53.00                 |
| 43               | 23.00                | 30.00                | 34.00                | 37.00                | 45.00                | 56.00                 |
| 44               | 23.00                | 31.00                | 36.00                | 42.00                | 48.00                | 61.00                 |
| 45               | 24.00                | 32.00                | 39.00                | 44.00                | 50.00                | 62.00                 |
| 46               | 26.00                | 33.00                | 41.00                | 45.00                | 53.00                | 66.00                 |
| 47               | 29.00                | 36.00                | 44.00                | 48.00                | 56.00                | 71.00                 |
| 48               | 30.00                | 41.00                | 47.00                | 53.00                | 60.00                | 75.00                 |
| 49               | 32.00                | 42.00                | 50.00                | 56.00                | 65.00                | 81.00                 |
| 50               | 34.00                | 44.00                | 53.00                | 58.00                | 67.00                | 85.00                 |
| 51               | 35.00                | 47.00                | 55.00                | 61.00                | 72.00                | 91.00                 |
| 52               | 39.00                | 51.00                | 60.00                | 67.00                | 76.00                | 96.00                 |
| 53               | 42.00                | 54.00                | 64.00                | 72.00                | 82.00                | 104.00                |
| 54               | 45.00                | 58.00                | 69.00                | 77.00                | 88.00                | 112.00                |
| 55               | 47.00                | 61.00                | 70.00                | 79.00                | 91.00                | 116.00                |
| 56               | 48.00                | 63.00                | 75.00                | 84.00                | 97.00                | 121.00                |
| 57               | 52.00                | 69.00                | 81.00                | 91.00                | 105.00               | 131.00                |
| 58               | 57.00                | 75.00                | 87.00                | 98.00                | 113.00               | 142.00                |
| 59               | 61.00                | 80.00                | 95.00                | 106.00               | 121.00               | 153.00                |
| 60               | 63.00                | 84.00                | 99.00                | 111.00               | 128.00               | 160.00                |
| 61               | 70.00                | 92.00                | 108.00               | 121.00               | 139.00               | 174.00                |
| 62               | 76.00                | 99.00                | 119.00               | 132.00               | 152.00               | 190.00                |
| 63               | 83.00                | 110.00               | 129.00               | 144.00               | 166.00               | 208.00                |
| 64               | 90.00                | 119.00               | 142.00               | 159.00               | 182.00               | 227.00                |
| 65               | 95.00                | 125.00               | 148.00               | 166.00               | 191.00               | 238.00                |
| 66               | 103.00               | 137.00               | 162.00               | 182.00               | 210.00               | 260.00                |
| 67               | 114.00               | 150.00               | 179.00               | 200.00               | 230.00               | 287.00                |
| 68               | 125.00               | 166.00               | 197.00               | 221.00               | 253.00               | 316.00                |
| 69               | 138.00               | 182.00               | 216.00               | 242.00               | 280.00               | 347.00                |
| 70               | 142.00               | 189.00               | 225.00               | 252.00               | 290.00               | 359.00                |
| 71               | 156.00               | 207.00               | 247.00               | 277.00               | 320.00               | 396.00                |
| 72               | 172.00               | 228.00               | 272.00               | 305.00               | 351.00               | 436.00                |
| 73               | 189.00               | 251.00               | 299.00               | 336.00               | 388.00               | 480.00                |
| 74               | 207.00               | 275.00               | 329.00               | 370.00               | 426.00               | 528.00                |
| 75               | 241.00               | 322.00               | 386.00               | 435.00               | 504.00               | 627.00                |
| 76               | 263.00               | 352.00               | 423.00               | 477.00               | 553.00               | 688.00                |
| 77               | 287.00               | 384.00               | 462.00               | 522.00               | 605.00               | 753.00                |
| 78               | 312.00               | 419.00               | 505.00               | 570.00               | 662.00               | 822.00                |
| 79               | 340.00               | 457.00               | 551.00               | 623.00               | 723.00               | 898.00                |
| 80               | 380.00               | 513.00               | 619.00               | 700.00               | N/A                  | N/A                   |
| 81               | 414.00               | 560.00               | 676.00               | 766.00               | N/A                  | N/A                   |
| 82               | 451.00               | 610.00               | 738.00               | 837.00               | N/A                  | N/A                   |
| 83               | 490.00               | 664.00               | 804.00               | 911.00               | N/A                  | N/A                   |
| 84               | 530.00               | 721.00               | 873.00               | 991.00               | N/A                  | N/A                   |
| 85               | 632.00               | 864.00               | 1,053.00             | 1,199.00             | N/A                  | N/A                   |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP-HMBSPA**  
**Indexing: Compound - No Maximum**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 84.00         | 113.00        | 137.00        | 160.00        | 189.00        | 265.00         |
| 30        | 90.00         | 119.00        | 146.00        | 166.00        | 198.00        | 276.00         |
| 31        | 90.00         | 125.00        | 148.00        | 169.00        | 204.00        | 285.00         |
| 32        | 93.00         | 125.00        | 154.00        | 172.00        | 210.00        | 291.00         |
| 33        | 96.00         | 131.00        | 157.00        | 180.00        | 215.00        | 300.00         |
| 34        | 99.00         | 134.00        | 160.00        | 186.00        | 221.00        | 314.00         |
| 35        | 102.00        | 137.00        | 169.00        | 192.00        | 227.00        | 320.00         |
| 36        | 105.00        | 143.00        | 172.00        | 198.00        | 236.00        | 329.00         |
| 37        | 108.00        | 146.00        | 175.00        | 204.00        | 242.00        | 340.00         |
| 38        | 111.00        | 148.00        | 183.00        | 210.00        | 250.00        | 346.00         |
| 39        | 113.00        | 151.00        | 189.00        | 215.00        | 253.00        | 355.00         |
| 40        | 116.00        | 160.00        | 195.00        | 221.00        | 262.00        | 367.00         |
| 41        | 119.00        | 163.00        | 201.00        | 227.00        | 265.00        | 378.00         |
| 42        | 122.00        | 169.00        | 207.00        | 233.00        | 274.00        | 387.00         |
| 43        | 125.00        | 172.00        | 210.00        | 242.00        | 282.00        | 399.00         |
| 44        | 131.00        | 178.00        | 218.00        | 244.00        | 291.00        | 410.00         |
| 45        | 132.00        | 177.00        | 211.00        | 242.00        | 289.00        | 410.00         |
| 46        | 132.00        | 179.00        | 215.00        | 246.00        | 293.00        | 414.00         |
| 47        | 130.00        | 182.00        | 217.00        | 247.00        | 295.00        | 417.00         |
| 48        | 133.00        | 178.00        | 218.00        | 250.00        | 298.00        | 420.00         |
| 49        | 133.00        | 182.00        | 218.00        | 252.00        | 299.00        | 421.00         |
| 50        | 135.00        | 184.00        | 223.00        | 256.00        | 306.00        | 430.00         |
| 51        | 141.00        | 188.00        | 231.00        | 265.00        | 314.00        | 442.00         |
| 52        | 140.00        | 191.00        | 235.00        | 268.00        | 319.00        | 451.00         |
| 53        | 144.00        | 195.00        | 238.00        | 273.00        | 329.00        | 460.00         |
| 54        | 146.00        | 198.00        | 243.00        | 276.00        | 334.00        | 467.00         |
| 55        | 153.00        | 206.00        | 256.00        | 291.00        | 349.00        | 487.00         |
| 56        | 153.00        | 207.00        | 252.00        | 287.00        | 343.00        | 487.00         |
| 57        | 154.00        | 207.00        | 254.00        | 290.00        | 349.00        | 495.00         |
| 58        | 156.00        | 211.00        | 259.00        | 295.00        | 353.00        | 499.00         |
| 59        | 156.00        | 213.00        | 261.00        | 299.00        | 358.00        | 507.00         |
| 60        | 168.00        | 228.00        | 277.00        | 320.00        | 382.00        | 543.00         |
| 61        | 170.00        | 230.00        | 283.00        | 324.00        | 389.00        | 550.00         |
| 62        | 172.00        | 235.00        | 287.00        | 332.00        | 396.00        | 560.00         |
| 63        | 174.00        | 237.00        | 291.00        | 334.00        | 399.00        | 566.00         |
| 64        | 175.00        | 241.00        | 293.00        | 335.00        | 405.00        | 574.00         |
| 65        | 179.00        | 247.00        | 306.00        | 350.00        | 422.00        | 603.00         |
| 66        | 183.00        | 251.00        | 309.00        | 354.00        | 428.00        | 616.00         |
| 67        | 185.00        | 255.00        | 312.00        | 360.00        | 434.00        | 625.00         |
| 68        | 185.00        | 254.00        | 314.00        | 361.00        | 439.00        | 630.00         |
| 69        | 184.00        | 255.00        | 317.00        | 365.00        | 443.00        | 640.00         |
| 70        | 187.00        | 258.00        | 320.00        | 370.00        | 451.00        | 655.00         |
| 71        | 191.00        | 265.00        | 326.00        | 379.00        | 461.00        | 673.00         |
| 72        | 192.00        | 267.00        | 331.00        | 386.00        | 472.00        | 690.00         |
| 73        | 194.00        | 270.00        | 335.00        | 393.00        | 480.00        | 706.00         |
| 74        | 193.00        | 272.00        | 340.00        | 396.00        | 489.00        | 721.00         |
| 75        | 226.00        | 320.00        | 403.00        | 474.00        | 591.00        | 895.00         |
| 76        | 222.00        | 315.00        | 397.00        | 469.00        | 588.00        | 898.00         |
| 77        | 217.00        | 311.00        | 394.00        | 466.00        | 588.00        | 903.00         |
| 78        | 213.00        | 306.00        | 389.00        | 461.00        | 585.00        | 909.00         |
| 79        | 208.00        | 299.00        | 382.00        | 455.00        | 581.00        | 910.00         |
| 80        | 202.00        | 295.00        | 380.00        | 456.00        | N/A           | N/A            |
| 81        | 195.00        | 285.00        | 371.00        | 446.00        | N/A           | N/A            |
| 82        | 184.00        | 271.00        | 356.00        | 429.00        | N/A           | N/A            |
| 83        | 173.00        | 259.00        | 340.00        | 416.00        | N/A           | N/A            |
| 84        | 161.00        | 242.00        | 323.00        | 396.00        | N/A           | N/A            |
| 85        | 150.00        | 232.00        | 316.00        | 395.00        | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP2X-HMBSPA**  
**Indexing: Compound 2X**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 9.00          | 9.00          | 12.00         | 17.00         | 20.00         | 32.00          |
| 30        | 9.00          | 12.00         | 15.00         | 17.00         | 20.00         | 32.00          |
| 31        | 9.00          | 15.00         | 15.00         | 17.00         | 20.00         | 35.00          |
| 32        | 9.00          | 15.00         | 17.00         | 17.00         | 23.00         | 38.00          |
| 33        | 9.00          | 15.00         | 17.00         | 20.00         | 26.00         | 38.00          |
| 34        | 12.00         | 15.00         | 17.00         | 23.00         | 29.00         | 44.00          |
| 35        | 15.00         | 15.00         | 20.00         | 23.00         | 32.00         | 44.00          |
| 36        | 12.00         | 17.00         | 23.00         | 23.00         | 35.00         | 47.00          |
| 37        | 15.00         | 20.00         | 23.00         | 29.00         | 35.00         | 52.00          |
| 38        | 15.00         | 20.00         | 29.00         | 32.00         | 38.00         | 49.00          |
| 39        | 15.00         | 20.00         | 29.00         | 35.00         | 41.00         | 52.00          |
| 40        | 17.00         | 26.00         | 32.00         | 38.00         | 44.00         | 58.00          |
| 41        | 17.00         | 29.00         | 35.00         | 41.00         | 41.00         | 64.00          |
| 42        | 20.00         | 32.00         | 38.00         | 41.00         | 47.00         | 67.00          |
| 43        | 20.00         | 32.00         | 38.00         | 47.00         | 49.00         | 73.00          |
| 44        | 26.00         | 35.00         | 44.00         | 44.00         | 52.00         | 76.00          |
| 45        | 28.00         | 37.00         | 39.00         | 45.00         | 56.00         | 81.00          |
| 46        | 30.00         | 39.00         | 44.00         | 50.00         | 58.00         | 86.00          |
| 47        | 30.00         | 41.00         | 46.00         | 54.00         | 62.00         | 92.00          |
| 48        | 32.00         | 37.00         | 48.00         | 53.00         | 67.00         | 98.00          |
| 49        | 34.00         | 42.00         | 52.00         | 57.00         | 68.00         | 101.00         |
| 50        | 34.00         | 47.00         | 54.00         | 62.00         | 73.00         | 109.00         |
| 51        | 39.00         | 49.00         | 59.00         | 67.00         | 82.00         | 116.00         |
| 52        | 38.00         | 51.00         | 61.00         | 69.00         | 87.00         | 122.00         |
| 53        | 40.00         | 56.00         | 66.00         | 78.00         | 94.00         | 132.00         |
| 54        | 43.00         | 58.00         | 70.00         | 83.00         | 100.00        | 141.00         |
| 55        | 48.00         | 63.00         | 80.00         | 93.00         | 108.00        | 153.00         |
| 56        | 52.00         | 69.00         | 84.00         | 94.00         | 111.00        | 161.00         |
| 57        | 54.00         | 71.00         | 88.00         | 100.00        | 117.00        | 168.00         |
| 58        | 58.00         | 77.00         | 94.00         | 106.00        | 125.00        | 178.00         |
| 59        | 62.00         | 81.00         | 97.00         | 111.00        | 135.00        | 190.00         |
| 60        | 69.00         | 90.00         | 109.00        | 126.00        | 149.00        | 211.00         |
| 61        | 71.00         | 97.00         | 117.00        | 133.00        | 159.00        | 225.00         |
| 62        | 76.00         | 105.00        | 125.00        | 143.00        | 170.00        | 240.00         |
| 63        | 82.00         | 109.00        | 135.00        | 152.00        | 180.00        | 254.00         |
| 64        | 87.00         | 118.00        | 141.00        | 160.00        | 192.00        | 270.00         |
| 65        | 93.00         | 129.00        | 156.00        | 179.00        | 213.00        | 306.00         |
| 66        | 101.00        | 136.00        | 167.00        | 190.00        | 227.00        | 328.00         |
| 67        | 105.00        | 145.00        | 175.00        | 201.00        | 241.00        | 350.00         |
| 68        | 111.00        | 150.00        | 185.00        | 211.00        | 255.00        | 371.00         |
| 69        | 114.00        | 158.00        | 196.00        | 224.00        | 270.00        | 393.00         |
| 70        | 122.00        | 166.00        | 206.00        | 237.00        | 286.00        | 423.00         |
| 71        | 130.00        | 178.00        | 218.00        | 253.00        | 307.00        | 453.00         |
| 72        | 135.00        | 187.00        | 231.00        | 269.00        | 328.00        | 485.00         |
| 73        | 141.00        | 197.00        | 244.00        | 284.00        | 348.00        | 518.00         |
| 74        | 149.00        | 206.00        | 256.00        | 299.00        | 367.00        | 550.00         |
| 75        | 179.00        | 252.00        | 317.00        | 372.00        | 464.00        | 712.00         |
| 76        | 182.00        | 257.00        | 324.00        | 382.00        | 478.00        | 740.00         |
| 77        | 184.00        | 263.00        | 332.00        | 390.00        | 494.00        | 769.00         |
| 78        | 186.00        | 265.00        | 336.00        | 399.00        | 505.00        | 796.00         |
| 79        | 184.00        | 266.00        | 340.00        | 403.00        | 516.00        | 818.00         |
| 80        | 184.00        | 267.00        | 346.00        | 416.00        | N/A           | N/A            |
| 81        | 181.00        | 264.00        | 344.00        | 413.00        | N/A           | N/A            |
| 82        | 173.00        | 257.00        | 335.00        | 406.00        | N/A           | N/A            |
| 83        | 165.00        | 246.00        | 326.00        | 398.00        | N/A           | N/A            |
| 84        | 156.00        | 234.00        | 314.00        | 384.00        | N/A           | N/A            |
| 85        | 147.00        | 228.00        | 309.00        | 387.00        | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: SBIR-HMBSPA**  
**Indexing: Simple**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 17.00         | 26.00         | 32.00         | 41.00         | 52.00         | 79.00          |
| 30        | 20.00         | 29.00         | 35.00         | 44.00         | 52.00         | 81.00          |
| 31        | 20.00         | 32.00         | 38.00         | 47.00         | 55.00         | 84.00          |
| 32        | 23.00         | 32.00         | 44.00         | 47.00         | 61.00         | 90.00          |
| 33        | 23.00         | 35.00         | 44.00         | 52.00         | 61.00         | 96.00          |
| 34        | 26.00         | 35.00         | 47.00         | 55.00         | 67.00         | 102.00         |
| 35        | 29.00         | 35.00         | 49.00         | 55.00         | 70.00         | 105.00         |
| 36        | 29.00         | 44.00         | 52.00         | 58.00         | 73.00         | 111.00         |
| 37        | 32.00         | 44.00         | 55.00         | 61.00         | 76.00         | 116.00         |
| 38        | 32.00         | 47.00         | 58.00         | 67.00         | 81.00         | 119.00         |
| 39        | 32.00         | 49.00         | 61.00         | 70.00         | 84.00         | 125.00         |
| 40        | 35.00         | 52.00         | 64.00         | 73.00         | 90.00         | 137.00         |
| 41        | 41.00         | 55.00         | 67.00         | 79.00         | 90.00         | 143.00         |
| 42        | 41.00         | 58.00         | 73.00         | 81.00         | 96.00         | 151.00         |
| 43        | 44.00         | 58.00         | 73.00         | 87.00         | 102.00        | 160.00         |
| 44        | 49.00         | 64.00         | 79.00         | 87.00         | 105.00        | 166.00         |
| 45        | 48.00         | 65.00         | 76.00         | 87.00         | 107.00        | 171.00         |
| 46        | 50.00         | 69.00         | 80.00         | 94.00         | 116.00        | 177.00         |
| 47        | 49.00         | 70.00         | 84.00         | 98.00         | 119.00        | 182.00         |
| 48        | 53.00         | 67.00         | 85.00         | 98.00         | 122.00        | 186.00         |
| 49        | 55.00         | 73.00         | 88.00         | 104.00        | 125.00        | 192.00         |
| 50        | 54.00         | 75.00         | 91.00         | 109.00        | 132.00        | 202.00         |
| 51        | 59.00         | 80.00         | 95.00         | 116.00        | 139.00        | 211.00         |
| 52        | 59.00         | 82.00         | 102.00        | 117.00        | 145.00        | 219.00         |
| 53        | 61.00         | 86.00         | 106.00        | 124.00        | 152.00        | 228.00         |
| 54        | 63.00         | 88.00         | 113.00        | 128.00        | 158.00        | 236.00         |
| 55        | 68.00         | 95.00         | 120.00        | 138.00        | 171.00        | 256.00         |
| 56        | 72.00         | 96.00         | 121.00        | 138.00        | 170.00        | 259.00         |
| 57        | 73.00         | 100.00        | 124.00        | 144.00        | 176.00        | 268.00         |
| 58        | 74.00         | 103.00        | 130.00        | 149.00        | 182.00        | 276.00         |
| 59        | 78.00         | 107.00        | 133.00        | 154.00        | 190.00        | 287.00         |
| 60        | 85.00         | 116.00        | 145.00        | 168.00        | 206.00        | 310.00         |
| 61        | 87.00         | 122.00        | 150.00        | 175.00        | 214.00        | 322.00         |
| 62        | 90.00         | 128.00        | 155.00        | 181.00        | 222.00        | 336.00         |
| 63        | 93.00         | 128.00        | 161.00        | 187.00        | 228.00        | 345.00         |
| 64        | 97.00         | 135.00        | 165.00        | 192.00        | 236.00        | 354.00         |
| 65        | 101.00        | 141.00        | 177.00        | 207.00        | 253.00        | 384.00         |
| 66        | 105.00        | 146.00        | 183.00        | 212.00        | 262.00        | 398.00         |
| 67        | 109.00        | 151.00        | 189.00        | 219.00        | 271.00        | 412.00         |
| 68        | 111.00        | 154.00        | 193.00        | 224.00        | 279.00        | 423.00         |
| 69        | 112.00        | 158.00        | 198.00        | 232.00        | 285.00        | 437.00         |
| 70        | 116.00        | 163.00        | 204.00        | 239.00        | 295.00        | 456.00         |
| 71        | 120.00        | 168.00        | 211.00        | 250.00        | 309.00        | 477.00         |
| 72        | 123.00        | 174.00        | 218.00        | 258.00        | 322.00        | 496.00         |
| 73        | 125.00        | 177.00        | 224.00        | 266.00        | 333.00        | 516.00         |
| 74        | 127.00        | 183.00        | 231.00        | 274.00        | 344.00        | 535.00         |
| 75        | 152.00        | 218.00        | 279.00        | 335.00        | 426.00        | 680.00         |
| 76        | 151.00        | 219.00        | 280.00        | 336.00        | 431.00        | 693.00         |
| 77        | 150.00        | 218.00        | 282.00        | 337.00        | 437.00        | 709.00         |
| 78        | 149.00        | 218.00        | 282.00        | 340.00        | 439.00        | 722.00         |
| 79        | 146.00        | 216.00        | 281.00        | 339.00        | 445.00        | 734.00         |
| 80        | 145.00        | 215.00        | 282.00        | 346.00        | N/A           | N/A            |
| 81        | 139.00        | 210.00        | 278.00        | 341.00        | N/A           | N/A            |
| 82        | 133.00        | 203.00        | 270.00        | 332.00        | N/A           | N/A            |
| 83        | 125.00        | 193.00        | 262.00        | 324.00        | N/A           | N/A            |
| 84        | 119.00        | 182.00        | 251.00        | 312.00        | N/A           | N/A            |
| 85        | 109.00        | 175.00        | 245.00        | 315.00        | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: SPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Indexing: None**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 20.00         | 26.00         | 29.00         | 29.00         | 35.00         | 44.00          |
| 30        | 20.00         | 26.00         | 29.00         | 32.00         | 38.00         | 47.00          |
| 31        | 23.00         | 26.00         | 32.00         | 35.00         | 41.00         | 49.00          |
| 32        | 23.00         | 29.00         | 32.00         | 38.00         | 41.00         | 52.00          |
| 33        | 26.00         | 29.00         | 35.00         | 38.00         | 44.00         | 55.00          |
| 34        | 26.00         | 32.00         | 38.00         | 41.00         | 47.00         | 58.00          |
| 35        | 26.00         | 35.00         | 38.00         | 44.00         | 49.00         | 64.00          |
| 36        | 29.00         | 35.00         | 41.00         | 47.00         | 52.00         | 67.00          |
| 37        | 29.00         | 38.00         | 44.00         | 49.00         | 55.00         | 70.00          |
| 38        | 32.00         | 41.00         | 47.00         | 52.00         | 58.00         | 79.00          |
| 39        | 35.00         | 44.00         | 49.00         | 55.00         | 64.00         | 84.00          |
| 40        | 35.00         | 44.00         | 52.00         | 58.00         | 67.00         | 87.00          |
| 41        | 38.00         | 47.00         | 55.00         | 61.00         | 76.00         | 93.00          |
| 42        | 41.00         | 49.00         | 58.00         | 67.00         | 79.00         | 99.00          |
| 43        | 44.00         | 55.00         | 64.00         | 70.00         | 84.00         | 105.00         |
| 44        | 44.00         | 58.00         | 67.00         | 79.00         | 90.00         | 113.00         |
| 45        | 45.00         | 59.00         | 73.00         | 81.00         | 93.00         | 115.00         |
| 46        | 47.00         | 61.00         | 75.00         | 83.00         | 97.00         | 121.00         |
| 47        | 51.00         | 65.00         | 79.00         | 87.00         | 100.00        | 127.00         |
| 48        | 53.00         | 72.00         | 82.00         | 93.00         | 106.00        | 133.00         |
| 49        | 55.00         | 73.00         | 86.00         | 96.00         | 112.00        | 140.00         |
| 50        | 60.00         | 78.00         | 93.00         | 104.00        | 119.00        | 150.00         |
| 51        | 62.00         | 82.00         | 98.00         | 108.00        | 126.00        | 159.00         |
| 52        | 69.00         | 89.00         | 105.00        | 117.00        | 133.00        | 168.00         |
| 53        | 73.00         | 94.00         | 111.00        | 124.00        | 142.00        | 180.00         |
| 54        | 78.00         | 100.00        | 118.00        | 133.00        | 151.00        | 193.00         |
| 55        | 85.00         | 110.00        | 128.00        | 143.00        | 166.00        | 211.00         |
| 56        | 86.00         | 114.00        | 133.00        | 151.00        | 173.00        | 217.00         |
| 57        | 93.00         | 122.00        | 144.00        | 161.00        | 185.00        | 232.00         |
| 58        | 98.00         | 130.00        | 151.00        | 170.00        | 197.00        | 247.00         |
| 59        | 104.00        | 137.00        | 164.00        | 182.00        | 209.00        | 263.00         |
| 60        | 116.00        | 154.00        | 182.00        | 204.00        | 235.00        | 294.00         |
| 61        | 124.00        | 163.00        | 193.00        | 216.00        | 248.00        | 311.00         |
| 62        | 132.00        | 172.00        | 206.00        | 228.00        | 264.00        | 329.00         |
| 63        | 139.00        | 184.00        | 217.00        | 243.00        | 280.00        | 349.00         |
| 64        | 148.00        | 194.00        | 232.00        | 260.00        | 298.00        | 371.00         |
| 65        | 167.00        | 219.00        | 260.00        | 291.00        | 335.00        | 418.00         |
| 66        | 177.00        | 235.00        | 278.00        | 313.00        | 361.00        | 447.00         |
| 67        | 191.00        | 251.00        | 299.00        | 336.00        | 386.00        | 480.00         |
| 68        | 203.00        | 269.00        | 320.00        | 359.00        | 411.00        | 513.00         |
| 69        | 219.00        | 289.00        | 342.00        | 384.00        | 443.00        | 549.00         |
| 70        | 236.00        | 312.00        | 372.00        | 417.00        | 481.00        | 595.00         |
| 71        | 255.00        | 339.00        | 405.00        | 453.00        | 524.00        | 648.00         |
| 72        | 278.00        | 370.00        | 441.00        | 494.00        | 569.00        | 706.00         |
| 73        | 302.00        | 402.00        | 480.00        | 538.00        | 621.00        | 769.00         |
| 74        | 328.00        | 435.00        | 521.00        | 585.00        | 675.00        | 836.00         |
| 75        | 431.00        | 576.00        | 691.00        | 779.00        | 902.00        | 1,122.00       |
| 76        | 460.00        | 616.00        | 740.00        | 835.00        | 968.00        | 1,204.00       |
| 77        | 494.00        | 660.00        | 795.00        | 898.00        | 1,041.00      | 1,295.00       |
| 78        | 527.00        | 708.00        | 853.00        | 963.00        | 1,119.00      | 1,389.00       |
| 79        | 564.00        | 759.00        | 915.00        | 1,034.00      | 1,200.00      | 1,491.00       |
| 80        | 619.00        | 836.00        | 1,009.00      | 1,141.00      | N/A           | N/A            |
| 81        | 662.00        | 896.00        | 1,082.00      | 1,226.00      | N/A           | N/A            |
| 82        | 704.00        | 952.00        | 1,151.00      | 1,306.00      | N/A           | N/A            |
| 83        | 750.00        | 1,016.00      | 1,230.00      | 1,394.00      | N/A           | N/A            |
| 84        | 795.00        | 1,082.00      | 1,310.00      | 1,487.00      | N/A           | N/A            |
| 85        | 929.00        | 1,270.00      | 1,548.00      | 1,763.00      | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP-HMBSPA**  
**Indexing: Compound - No Maximum**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 41.80                | 56.20                | 67.70                | 79.20                | 93.60                | 131.00                |
| 30               | 44.60                | 59.00                | 72.00                | 82.10                | 97.90                | 136.80                |
| 31               | 44.60                | 61.90                | 73.40                | 83.50                | 100.80               | 141.10                |
| 32               | 46.10                | 61.90                | 76.30                | 85.00                | 103.70               | 144.00                |
| 33               | 47.50                | 64.80                | 77.80                | 89.30                | 106.60               | 148.30                |
| 34               | 49.00                | 66.20                | 79.20                | 92.20                | 109.40               | 155.50                |
| 35               | 50.40                | 67.70                | 83.50                | 95.00                | 112.30               | 158.40                |
| 36               | 51.80                | 70.60                | 85.00                | 97.90                | 116.60               | 162.70                |
| 37               | 53.30                | 72.00                | 86.40                | 100.80               | 119.50               | 168.50                |
| 38               | 54.70                | 73.40                | 90.70                | 103.70               | 123.80               | 171.40                |
| 39               | 56.20                | 74.90                | 93.60                | 106.60               | 125.30               | 175.70                |
| 40               | 56.20                | 77.20                | 94.10                | 106.70               | 126.40               | 176.90                |
| 41               | 57.60                | 78.60                | 96.90                | 109.50               | 127.80               | 182.50                |
| 42               | 59.00                | 81.40                | 99.70                | 112.30               | 132.00               | 186.70                |
| 43               | 60.40                | 82.80                | 101.10               | 116.50               | 136.20               | 192.30                |
| 44               | 63.20                | 85.60                | 105.30               | 117.90               | 140.40               | 198.00                |
| 45               | 63.50                | 85.10                | 101.30               | 116.10               | 139.10               | 197.10                |
| 46               | 64.80                | 87.80                | 105.30               | 120.20               | 143.10               | 202.50                |
| 47               | 64.80                | 90.50                | 108.00               | 122.90               | 147.20               | 207.90                |
| 48               | 67.50                | 90.50                | 110.70               | 126.90               | 151.20               | 213.30                |
| 49               | 68.90                | 94.50                | 113.40               | 131.00               | 155.30               | 218.70                |
| 50               | 68.30                | 93.30                | 113.00               | 130.10               | 155.10               | 218.10                |
| 51               | 72.30                | 95.90                | 118.30               | 135.30               | 160.30               | 226.00                |
| 52               | 72.30                | 98.60                | 120.90               | 138.00               | 164.30               | 232.60                |
| 53               | 74.90                | 101.20               | 123.50               | 141.90               | 170.80               | 239.10                |
| 54               | 76.20                | 103.80               | 127.50               | 144.50               | 174.80               | 244.40                |
| 55               | 75.80                | 101.80               | 126.70               | 144.10               | 172.60               | 240.90                |
| 56               | 77.00                | 104.30               | 126.70               | 144.10               | 172.60               | 244.70                |
| 57               | 78.20                | 105.60               | 129.20               | 147.80               | 177.60               | 252.10                |
| 58               | 80.70                | 109.30               | 134.10               | 152.80               | 182.60               | 258.30                |
| 59               | 82.00                | 111.80               | 136.60               | 156.50               | 187.50               | 265.80                |
| 60               | 82.40                | 111.50               | 135.80               | 156.70               | 186.90               | 265.90                |
| 61               | 85.90                | 116.10               | 142.80               | 163.70               | 196.20               | 277.50                |
| 62               | 89.40                | 121.90               | 148.60               | 171.80               | 205.50               | 290.30                |
| 63               | 92.90                | 126.50               | 155.60               | 178.80               | 213.60               | 303.00                |
| 64               | 96.40                | 132.40               | 161.40               | 184.60               | 222.90               | 315.80                |
| 65               | 91.80                | 126.40               | 156.60               | 179.30               | 216.00               | 308.90                |
| 66               | 96.10                | 131.80               | 162.00               | 185.80               | 224.60               | 322.90                |
| 67               | 99.40                | 137.20               | 167.40               | 193.30               | 233.30               | 335.90                |
| 68               | 102.60               | 140.40               | 173.90               | 199.80               | 243.00               | 348.80                |
| 69               | 104.80               | 144.70               | 180.40               | 207.40               | 251.60               | 364.00                |
| 70               | 101.70               | 140.30               | 173.90               | 201.40               | 245.10               | 356.00                |
| 71               | 104.80               | 145.40               | 179.00               | 208.50               | 253.20               | 370.20                |
| 72               | 106.80               | 148.50               | 184.10               | 214.60               | 262.40               | 383.40                |
| 73               | 108.80               | 151.50               | 188.10               | 220.70               | 269.50               | 396.60                |
| 74               | 109.80               | 154.60               | 193.20               | 224.80               | 277.60               | 409.90                |
| 75               | 113.40               | 161.10               | 202.50               | 238.50               | 297.00               | 450.00                |
| 76               | 114.30               | 162.00               | 204.30               | 241.20               | 302.40               | 461.70                |
| 77               | 113.40               | 162.90               | 206.10               | 243.90               | 307.80               | 472.50                |
| 78               | 113.40               | 162.90               | 207.00               | 245.70               | 311.40               | 484.20                |
| 79               | 112.50               | 162.00               | 207.00               | 246.60               | 315.00               | 493.20                |
| 80               | 111.60               | 162.90               | 209.70               | 252.00               | N/A                  | N/A                   |
| 81               | 109.80               | 160.20               | 208.80               | 251.10               | N/A                  | N/A                   |
| 82               | 106.20               | 156.60               | 205.20               | 247.50               | N/A                  | N/A                   |
| 83               | 101.70               | 152.10               | 199.80               | 244.80               | N/A                  | N/A                   |
| 84               | 96.30                | 144.90               | 193.50               | 237.60               | N/A                  | N/A                   |
| 85               | 91.80                | 142.20               | 193.50               | 242.10               | N/A                  | N/A                   |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP2X-HMBSPA**  
**Indexing: Compound 2X**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 4.30          | 4.30          | 5.80          | 8.60          | 10.10         | 15.80          |
| 30        | 4.30          | 5.80          | 7.20          | 8.60          | 10.10         | 15.80          |
| 31        | 4.30          | 7.20          | 7.20          | 8.60          | 10.10         | 17.30          |
| 32        | 4.30          | 7.20          | 8.60          | 8.60          | 11.50         | 18.70          |
| 33        | 4.30          | 7.20          | 8.60          | 10.10         | 13.00         | 18.70          |
| 34        | 5.80          | 7.20          | 8.60          | 11.50         | 14.40         | 21.60          |
| 35        | 7.20          | 7.20          | 10.10         | 11.50         | 15.80         | 21.60          |
| 36        | 5.80          | 8.60          | 11.50         | 11.50         | 17.30         | 23.00          |
| 37        | 7.20          | 10.10         | 11.50         | 14.40         | 17.30         | 25.90          |
| 38        | 7.20          | 10.10         | 14.40         | 15.80         | 18.70         | 24.50          |
| 39        | 7.20          | 10.10         | 14.40         | 17.30         | 20.20         | 25.90          |
| 40        | 8.40          | 12.60         | 15.40         | 18.30         | 21.10         | 28.10          |
| 41        | 8.40          | 14.00         | 16.80         | 19.70         | 19.70         | 30.90          |
| 42        | 9.80          | 15.40         | 18.30         | 19.70         | 22.50         | 32.30          |
| 43        | 9.80          | 15.40         | 18.30         | 22.50         | 23.90         | 35.10          |
| 44        | 12.60         | 16.80         | 21.10         | 21.10         | 25.30         | 36.50          |
| 45        | 13.50         | 17.60         | 18.90         | 21.60         | 27.00         | 39.20          |
| 46        | 14.90         | 18.90         | 21.60         | 24.30         | 28.40         | 41.90          |
| 47        | 14.90         | 20.30         | 23.00         | 27.00         | 31.10         | 45.90          |
| 48        | 16.20         | 18.90         | 24.30         | 27.00         | 33.80         | 50.00          |
| 49        | 17.60         | 21.60         | 27.00         | 29.70         | 35.10         | 52.70          |
| 50        | 17.10         | 23.70         | 27.60         | 31.50         | 36.80         | 55.20          |
| 51        | 19.70         | 25.00         | 30.20         | 34.20         | 42.00         | 59.10          |
| 52        | 19.70         | 26.30         | 31.50         | 35.50         | 44.70         | 63.10          |
| 53        | 21.00         | 28.90         | 34.20         | 40.70         | 48.60         | 68.30          |
| 54        | 22.30         | 30.20         | 36.80         | 43.40         | 52.60         | 73.60          |
| 55        | 23.60         | 31.10         | 39.70         | 46.00         | 53.40         | 75.80          |
| 56        | 26.10         | 34.80         | 42.20         | 47.20         | 55.90         | 80.70          |
| 57        | 27.30         | 36.00         | 44.70         | 50.90         | 59.60         | 85.70          |
| 58        | 29.80         | 39.70         | 48.40         | 54.60         | 64.60         | 91.90          |
| 59        | 32.30         | 42.20         | 50.90         | 58.40         | 70.80         | 99.40          |
| 60        | 33.70         | 44.10         | 53.40         | 61.50         | 73.10         | 103.30         |
| 61        | 36.00         | 48.80         | 59.20         | 67.30         | 80.10         | 113.80         |
| 62        | 39.50         | 54.60         | 65.00         | 74.30         | 88.20         | 124.20         |
| 63        | 44.10         | 58.10         | 72.00         | 81.30         | 96.40         | 135.80         |
| 64        | 47.60         | 65.00         | 77.80         | 88.20         | 105.70        | 148.60         |
| 65        | 47.50         | 65.90         | 79.90         | 91.80         | 109.10        | 156.60         |
| 66        | 52.90         | 71.30         | 87.50         | 99.40         | 118.80        | 171.70         |
| 67        | 56.20         | 77.80         | 94.00         | 108.00        | 129.60        | 187.90         |
| 68        | 61.60         | 83.20         | 102.60        | 116.60        | 141.50        | 205.20         |
| 69        | 64.80         | 89.60         | 111.20        | 127.40        | 153.40        | 223.60         |
| 70        | 66.10         | 90.50         | 111.90        | 129.20        | 155.60        | 229.80         |
| 71        | 71.20         | 97.60         | 120.00        | 139.30        | 168.80        | 249.20         |
| 72        | 75.30         | 103.70        | 128.10        | 149.50        | 182.00        | 269.50         |
| 73        | 79.30         | 110.90        | 137.30        | 159.70        | 195.30        | 290.90         |
| 74        | 84.40         | 117.00        | 145.40        | 169.80        | 208.50        | 312.20         |
| 75        | 90.00         | 126.90        | 159.30        | 187.20        | 233.10        | 358.20         |
| 76        | 93.60         | 132.30        | 166.50        | 196.20        | 245.70        | 380.70         |
| 77        | 96.30         | 137.70        | 173.70        | 204.30        | 258.30        | 402.30         |
| 78        | 99.00         | 141.30        | 179.10        | 212.40        | 269.10        | 423.90         |
| 79        | 99.90         | 144.00        | 184.50        | 218.70        | 279.90        | 443.70         |
| 80        | 101.70        | 147.60        | 190.80        | 229.50        | N/A           | N/A            |
| 81        | 101.70        | 148.50        | 193.50        | 232.20        | N/A           | N/A            |
| 82        | 99.90         | 148.50        | 193.50        | 234.00        | N/A           | N/A            |
| 83        | 97.20         | 144.90        | 191.70        | 234.00        | N/A           | N/A            |
| 84        | 93.60         | 140.40        | 188.10        | 230.40        | N/A           | N/A            |
| 85        | 90.00         | 139.50        | 189.00        | 236.70        | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: SBIR-HMBSPA**  
**Indexing: Simple**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 8.60                 | 13.00                | 15.80                | 20.20                | 25.90                | 38.90                 |
| 30               | 10.10                | 14.40                | 17.30                | 21.60                | 25.90                | 40.30                 |
| 31               | 10.10                | 15.80                | 18.70                | 23.00                | 27.40                | 41.80                 |
| 32               | 11.50                | 15.80                | 21.60                | 23.00                | 30.20                | 44.60                 |
| 33               | 11.50                | 17.30                | 21.60                | 25.90                | 30.20                | 47.50                 |
| 34               | 13.00                | 17.30                | 23.00                | 27.40                | 33.10                | 50.40                 |
| 35               | 14.40                | 17.30                | 24.50                | 27.40                | 34.60                | 51.80                 |
| 36               | 14.40                | 21.60                | 25.90                | 28.80                | 36.00                | 54.70                 |
| 37               | 15.80                | 21.60                | 27.40                | 30.20                | 37.40                | 57.60                 |
| 38               | 15.80                | 23.00                | 28.80                | 33.10                | 40.30                | 59.00                 |
| 39               | 15.80                | 24.50                | 30.20                | 34.60                | 41.80                | 61.90                 |
| 40               | 16.80                | 25.30                | 30.90                | 35.10                | 43.50                | 66.00                 |
| 41               | 19.70                | 26.70                | 32.30                | 37.90                | 43.50                | 68.80                 |
| 42               | 19.70                | 28.10                | 35.10                | 39.30                | 46.30                | 73.00                 |
| 43               | 21.10                | 28.10                | 35.10                | 42.10                | 49.10                | 77.20                 |
| 44               | 23.90                | 30.90                | 37.90                | 42.10                | 50.50                | 80.00                 |
| 45               | 23.00                | 31.10                | 36.50                | 41.90                | 51.30                | 82.40                 |
| 46               | 24.30                | 33.80                | 39.20                | 45.90                | 56.70                | 86.40                 |
| 47               | 24.30                | 35.10                | 41.90                | 48.60                | 59.40                | 90.50                 |
| 48               | 27.00                | 33.80                | 43.20                | 50.00                | 62.10                | 94.50                 |
| 49               | 28.40                | 37.80                | 45.90                | 54.00                | 64.80                | 99.90                 |
| 50               | 27.60                | 38.10                | 46.00                | 55.20                | 67.00                | 102.50                |
| 51               | 30.20                | 40.70                | 48.60                | 59.10                | 71.00                | 107.70                |
| 52               | 30.20                | 42.00                | 52.60                | 60.40                | 74.90                | 113.00                |
| 53               | 31.50                | 44.70                | 55.20                | 64.40                | 78.80                | 118.30                |
| 54               | 32.90                | 46.00                | 59.10                | 67.00                | 82.80                | 123.50                |
| 55               | 33.50                | 47.20                | 59.60                | 68.30                | 84.50                | 126.70                |
| 56               | 36.00                | 48.40                | 60.90                | 69.60                | 85.70                | 130.40                |
| 57               | 37.30                | 50.90                | 63.30                | 73.30                | 89.40                | 136.60                |
| 58               | 38.50                | 53.40                | 67.10                | 77.00                | 94.40                | 142.80                |
| 59               | 41.00                | 55.90                | 69.60                | 80.70                | 99.40                | 150.30                |
| 60               | 41.80                | 56.90                | 70.80                | 82.40                | 101.00               | 152.10                |
| 61               | 44.10                | 61.50                | 75.50                | 88.20                | 108.00               | 162.50                |
| 62               | 46.40                | 66.20                | 80.10                | 94.00                | 114.90               | 174.20                |
| 63               | 49.90                | 68.50                | 85.90                | 99.80                | 121.90               | 184.60                |
| 64               | 53.40                | 74.30                | 90.60                | 105.70               | 130.00               | 195.00                |
| 65               | 51.80                | 72.40                | 90.70                | 105.80               | 129.60               | 196.60                |
| 66               | 55.10                | 76.70                | 96.10                | 111.20               | 137.20               | 208.40                |
| 67               | 58.30                | 81.00                | 101.50               | 117.70               | 145.80               | 221.40                |
| 68               | 61.60                | 85.30                | 106.90               | 124.20               | 154.40               | 234.40                |
| 69               | 63.70                | 89.60                | 112.30               | 131.80               | 162.00               | 248.40                |
| 70               | 63.10                | 88.50                | 110.90               | 130.20               | 160.70               | 248.10                |
| 71               | 66.10                | 92.50                | 115.90               | 137.30               | 169.80               | 262.40                |
| 72               | 68.10                | 96.60                | 121.00               | 143.40               | 179.00               | 275.60                |
| 73               | 70.20                | 99.70                | 126.10               | 149.50               | 187.10               | 289.80                |
| 74               | 72.20                | 103.70               | 131.20               | 155.60               | 195.30               | 304.10                |
| 75               | 76.50                | 109.80               | 140.40               | 168.30               | 214.20               | 342.00                |
| 76               | 77.40                | 112.50               | 144.00               | 172.80               | 221.40               | 356.40                |
| 77               | 78.30                | 114.30               | 147.60               | 176.40               | 228.60               | 370.80                |
| 78               | 79.20                | 116.10               | 150.30               | 180.90               | 234.00               | 384.30                |
| 79               | 79.20                | 117.00               | 152.10               | 183.60               | 241.20               | 397.80                |
| 80               | 80.10                | 118.80               | 155.70               | 190.80               | N/A                  | N/A                   |
| 81               | 78.30                | 117.90               | 156.60               | 191.70               | N/A                  | N/A                   |
| 82               | 76.50                | 117.00               | 155.70               | 191.70               | N/A                  | N/A                   |
| 83               | 73.80                | 113.40               | 153.90               | 190.80               | N/A                  | N/A                   |
| 84               | 71.10                | 108.90               | 150.30               | 187.20               | N/A                  | N/A                   |
| 85               | 66.60                | 107.10               | 150.30               | 192.60               | N/A                  | N/A                   |



**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**CURRENT ANNUAL PREMIUM RATES**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Indexing: None**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 10.10                | 13.00                | 14.40                | 14.40                | 17.30                | 21.60                 |
| 30               | 10.10                | 13.00                | 14.40                | 15.80                | 18.70                | 23.00                 |
| 31               | 11.50                | 13.00                | 15.80                | 17.30                | 20.20                | 24.50                 |
| 32               | 11.50                | 14.40                | 15.80                | 18.70                | 20.20                | 25.90                 |
| 33               | 13.00                | 14.40                | 17.30                | 18.70                | 21.60                | 27.40                 |
| 34               | 13.00                | 15.80                | 18.70                | 20.20                | 23.00                | 28.80                 |
| 35               | 13.00                | 17.30                | 18.70                | 21.60                | 24.50                | 31.70                 |
| 36               | 14.40                | 17.30                | 20.20                | 23.00                | 25.90                | 33.10                 |
| 37               | 14.40                | 18.70                | 21.60                | 24.50                | 27.40                | 34.60                 |
| 38               | 15.80                | 20.20                | 23.00                | 25.90                | 28.80                | 38.90                 |
| 39               | 17.30                | 21.60                | 24.50                | 27.40                | 31.70                | 41.80                 |
| 40               | 16.80                | 21.10                | 25.30                | 28.10                | 32.30                | 42.10                 |
| 41               | 18.30                | 22.50                | 26.70                | 29.50                | 36.50                | 44.90                 |
| 42               | 19.70                | 23.90                | 28.10                | 32.30                | 37.90                | 47.70                 |
| 43               | 21.10                | 26.70                | 30.90                | 33.70                | 40.70                | 50.50                 |
| 44               | 21.10                | 28.10                | 32.30                | 37.90                | 43.50                | 54.80                 |
| 45               | 21.60                | 28.40                | 35.10                | 39.20                | 44.60                | 55.40                 |
| 46               | 23.00                | 29.70                | 36.50                | 40.50                | 47.30                | 59.40                 |
| 47               | 25.70                | 32.40                | 39.20                | 43.20                | 50.00                | 63.50                 |
| 48               | 27.00                | 36.50                | 41.90                | 47.30                | 54.00                | 67.50                 |
| 49               | 28.40                | 37.80                | 44.60                | 50.00                | 58.10                | 72.90                 |
| 50               | 30.20                | 39.40                | 47.30                | 52.60                | 60.40                | 76.20                 |
| 51               | 31.50                | 42.00                | 49.90                | 55.20                | 64.40                | 81.50                 |
| 52               | 35.50                | 46.00                | 53.90                | 60.40                | 68.30                | 86.70                 |
| 53               | 38.10                | 48.60                | 57.80                | 64.40                | 73.60                | 93.30                 |
| 54               | 40.70                | 52.60                | 61.80                | 69.60                | 78.80                | 101.20                |
| 55               | 42.20                | 54.60                | 63.30                | 70.80                | 82.00                | 104.30                |
| 56               | 43.50                | 57.10                | 67.10                | 75.80                | 86.90                | 109.30                |
| 57               | 47.20                | 62.10                | 73.30                | 82.00                | 94.40                | 118.00                |
| 58               | 50.90                | 67.10                | 78.20                | 88.20                | 101.80               | 127.90                |
| 59               | 54.60                | 72.00                | 85.70                | 95.60                | 109.30               | 137.90                |
| 60               | 56.90                | 75.50                | 89.40                | 99.80                | 114.90               | 144.00                |
| 61               | 62.70                | 82.40                | 97.50                | 109.10               | 125.40               | 156.70                |
| 62               | 68.50                | 89.40                | 106.80               | 118.40               | 137.00               | 170.70                |
| 63               | 74.30                | 98.70                | 116.10               | 130.00               | 149.80               | 186.90                |
| 64               | 81.30                | 106.80               | 127.70               | 142.80               | 163.70               | 204.30                |
| 65               | 85.30                | 112.30               | 132.80               | 149.00               | 171.70               | 213.80                |
| 66               | 92.90                | 123.10               | 145.80               | 164.20               | 189.00               | 234.40                |
| 67               | 102.60               | 135.00               | 160.90               | 180.40               | 207.40               | 258.10                |
| 68               | 112.30               | 149.00               | 177.10               | 198.70               | 227.90               | 284.00                |
| 69               | 124.20               | 164.20               | 194.40               | 218.20               | 251.60               | 312.10                |
| 70               | 128.10               | 169.80               | 202.40               | 226.80               | 261.40               | 323.40                |
| 71               | 140.30               | 186.10               | 222.70               | 249.20               | 287.80               | 356.00                |
| 72               | 154.60               | 205.40               | 245.10               | 274.60               | 316.30               | 392.60                |
| 73               | 169.80               | 225.80               | 269.50               | 302.00               | 348.80               | 432.20                |
| 74               | 186.10               | 247.10               | 295.90               | 332.60               | 383.40               | 474.90                |
| 75               | 216.90               | 289.80               | 347.40               | 391.50               | 453.60               | 564.30                |
| 76               | 236.70               | 316.80               | 380.70               | 429.30               | 497.70               | 619.20                |
| 77               | 258.30               | 345.60               | 415.80               | 469.80               | 544.50               | 677.70                |
| 78               | 280.80               | 377.10               | 454.50               | 513.00               | 595.80               | 739.80                |
| 79               | 306.00               | 411.30               | 495.90               | 560.70               | 650.70               | 808.20                |
| 80               | 342.00               | 461.70               | 557.10               | 630.00               | N/A                  | N/A                   |
| 81               | 372.60               | 504.00               | 608.40               | 689.40               | N/A                  | N/A                   |
| 82               | 405.90               | 549.00               | 664.20               | 753.30               | N/A                  | N/A                   |
| 83               | 441.00               | 597.60               | 723.60               | 819.90               | N/A                  | N/A                   |
| 84               | 477.00               | 648.90               | 785.70               | 891.90               | N/A                  | N/A                   |
| 85               | 568.80               | 777.60               | 947.70               | 1,079.10             | N/A                  | N/A                   |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP-HMBSPA**  
**Indexing: Compound - No Maximum**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 76.00                | 102.10               | 123.10               | 144.00               | 170.20               | 238.30                |
| 30               | 81.20                | 107.40               | 131.00               | 149.30               | 178.10               | 248.80                |
| 31               | 81.20                | 112.60               | 133.60               | 151.90               | 183.30               | 256.70                |
| 32               | 83.80                | 112.60               | 138.80               | 154.50               | 188.60               | 261.90                |
| 33               | 86.40                | 117.90               | 141.40               | 162.40               | 193.80               | 269.80                |
| 34               | 89.00                | 120.50               | 144.00               | 167.60               | 199.00               | 282.90                |
| 35               | 91.70                | 123.10               | 151.90               | 172.90               | 204.30               | 288.10                |
| 36               | 94.30                | 128.30               | 154.50               | 178.10               | 212.10               | 295.90                |
| 37               | 96.90                | 131.00               | 157.10               | 183.30               | 217.40               | 306.40                |
| 38               | 99.50                | 133.60               | 165.00               | 188.60               | 225.20               | 311.70                |
| 39               | 102.10               | 136.20               | 170.20               | 193.80               | 227.90               | 319.50                |
| 40               | 104.80               | 144.00               | 175.50               | 199.00               | 235.70               | 330.00                |
| 41               | 107.40               | 146.70               | 180.70               | 204.30               | 238.30               | 340.50                |
| 42               | 110.00               | 151.90               | 185.90               | 209.50               | 246.20               | 348.30                |
| 43               | 112.60               | 154.50               | 188.60               | 217.40               | 254.00               | 358.80                |
| 44               | 117.90               | 159.80               | 196.40               | 220.00               | 261.90               | 369.30                |
| 45               | 118.90               | 159.30               | 189.70               | 217.50               | 260.50               | 369.20                |
| 46               | 119.20               | 161.50               | 193.80               | 221.10               | 263.30               | 372.60                |
| 47               | 117.10               | 163.40               | 195.10               | 221.90               | 265.90               | 375.60                |
| 48               | 119.70               | 160.40               | 196.30               | 225.00               | 268.10               | 378.30                |
| 49               | 119.30               | 163.80               | 196.60               | 227.00               | 269.10               | 379.10                |
| 50               | 121.20               | 165.50               | 200.50               | 230.80               | 275.10               | 386.90                |
| 51               | 127.20               | 168.80               | 208.20               | 238.20               | 282.20               | 397.80                |
| 52               | 126.20               | 172.10               | 211.10               | 241.00               | 286.90               | 406.20                |
| 53               | 129.80               | 175.30               | 214.00               | 245.90               | 296.00               | 414.40                |
| 54               | 131.00               | 178.50               | 219.10               | 248.50               | 300.40               | 420.20                |
| 55               | 137.80               | 185.20               | 230.40               | 262.00               | 314.00               | 438.20                |
| 56               | 137.80               | 186.70               | 226.70               | 257.90               | 309.00               | 437.90                |
| 57               | 138.30               | 186.70               | 228.40               | 261.30               | 314.00               | 445.80                |
| 58               | 140.40               | 190.10               | 233.30               | 265.70               | 317.50               | 449.30                |
| 59               | 140.80               | 192.00               | 234.60               | 268.80               | 322.10               | 456.50                |
| 60               | 151.40               | 204.80               | 249.60               | 288.00               | 343.40               | 488.50                |
| 61               | 153.20               | 207.00               | 254.60               | 291.90               | 349.80               | 494.70                |
| 62               | 155.20               | 211.70               | 258.00               | 298.40               | 356.80               | 504.00                |
| 63               | 156.20               | 212.90               | 261.70               | 300.80               | 359.40               | 509.70                |
| 64               | 157.60               | 216.50               | 264.00               | 301.90               | 364.60               | 516.50                |
| 65               | 161.40               | 222.20               | 275.40               | 315.20               | 379.80               | 543.10                |
| 66               | 165.00               | 226.20               | 278.10               | 318.90               | 385.60               | 554.30                |
| 67               | 166.40               | 229.70               | 280.40               | 323.80               | 390.70               | 562.60                |
| 68               | 166.70               | 228.20               | 282.60               | 324.70               | 394.90               | 566.90                |
| 69               | 165.90               | 229.10               | 285.60               | 328.30               | 398.40               | 576.30                |
| 70               | 168.30               | 232.30               | 287.80               | 333.20               | 405.60               | 589.10                |
| 71               | 171.50               | 238.10               | 293.00               | 341.30               | 414.60               | 606.10                |
| 72               | 172.90               | 240.50               | 298.10               | 347.50               | 424.90               | 620.90                |
| 73               | 174.30               | 242.70               | 301.40               | 353.50               | 431.70               | 635.30                |
| 74               | 174.00               | 244.90               | 306.10               | 356.00               | 439.80               | 649.20                |
| 75               | 203.00               | 288.40               | 362.50               | 426.90               | 531.60               | 805.50                |
| 76               | 200.00               | 283.50               | 357.50               | 422.10               | 529.20               | 808.00                |
| 77               | 195.00               | 280.20               | 354.50               | 419.50               | 529.40               | 812.70                |
| 78               | 191.60               | 275.30               | 349.80               | 415.20               | 526.30               | 818.30                |
| 79               | 186.80               | 268.90               | 343.60               | 409.40               | 522.90               | 818.70                |
| 80               | 181.90               | 265.50               | 341.80               | 410.80               | N/A                  | N/A                   |
| 81               | 175.70               | 256.30               | 334.10               | 401.80               | N/A                  | N/A                   |
| 82               | 165.70               | 244.30               | 320.10               | 386.10               | N/A                  | N/A                   |
| 83               | 155.60               | 232.70               | 305.70               | 374.50               | N/A                  | N/A                   |
| 84               | 144.50               | 217.40               | 290.30               | 356.40               | N/A                  | N/A                   |
| 85               | 134.90               | 209.00               | 284.40               | 355.90               | N/A                  | N/A                   |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: CMP2X-HMBSPA**  
**Indexing: Compound 2X**  
**Individual Underwriting**  
**Rate Class II**

| Issue Age | Premium Rates |               |               |               |               |                |
|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
|           | 24 Month Plan | 36 Month Plan | 48 Month Plan | 60 Month Plan | 84 Month Plan | Unlimited Plan |
| 18-29     | 7.90          | 7.90          | 10.50         | 15.70         | 18.30         | 28.80          |
| 30        | 7.90          | 10.50         | 13.10         | 15.70         | 18.30         | 28.80          |
| 31        | 7.90          | 13.10         | 13.10         | 15.70         | 18.30         | 31.40          |
| 32        | 7.90          | 13.10         | 15.70         | 15.70         | 21.00         | 34.00          |
| 33        | 7.90          | 13.10         | 15.70         | 18.30         | 23.60         | 34.00          |
| 34        | 10.50         | 13.10         | 15.70         | 21.00         | 26.20         | 39.30          |
| 35        | 13.10         | 13.10         | 18.30         | 21.00         | 28.80         | 39.30          |
| 36        | 10.50         | 15.70         | 21.00         | 21.00         | 31.40         | 41.90          |
| 37        | 13.10         | 18.30         | 21.00         | 26.20         | 31.40         | 47.10          |
| 38        | 13.10         | 18.30         | 26.20         | 28.80         | 34.00         | 44.50          |
| 39        | 13.10         | 18.30         | 26.20         | 31.40         | 36.70         | 47.10          |
| 40        | 15.70         | 23.60         | 28.80         | 34.00         | 39.30         | 52.40          |
| 41        | 15.70         | 26.20         | 31.40         | 36.70         | 36.70         | 57.60          |
| 42        | 18.30         | 28.80         | 34.00         | 36.70         | 41.90         | 60.20          |
| 43        | 18.30         | 28.80         | 34.00         | 41.90         | 44.50         | 65.50          |
| 44        | 23.60         | 31.40         | 39.30         | 39.30         | 47.10         | 68.10          |
| 45        | 25.30         | 32.90         | 35.40         | 40.50         | 50.60         | 73.30          |
| 46        | 27.30         | 34.80         | 39.70         | 44.70         | 52.20         | 77.00          |
| 47        | 26.80         | 36.60         | 41.50         | 48.80         | 56.10         | 82.90          |
| 48        | 28.70         | 33.50         | 43.10         | 47.90         | 59.90         | 88.60          |
| 49        | 30.40         | 37.40         | 46.80         | 51.50         | 60.80         | 91.30          |
| 50        | 30.30         | 42.00         | 49.00         | 55.90         | 65.30         | 97.90          |
| 51        | 34.70         | 43.90         | 53.20         | 60.10         | 74.00         | 104.10         |
| 52        | 34.40         | 45.90         | 55.10         | 62.00         | 78.00         | 110.20         |
| 53        | 36.40         | 50.10         | 59.20         | 70.60         | 84.20         | 118.40         |
| 54        | 38.40         | 52.00         | 63.30         | 74.50         | 90.40         | 126.50         |
| 55        | 42.90         | 56.50         | 72.30         | 83.60         | 97.10         | 137.80         |
| 56        | 46.70         | 62.20         | 75.60         | 84.50         | 100.00        | 144.50         |
| 57        | 48.30         | 63.70         | 79.10         | 90.00         | 105.40        | 151.50         |
| 58        | 51.80         | 69.10         | 84.20         | 95.00         | 112.30        | 159.80         |
| 59        | 55.50         | 72.50         | 87.50         | 100.30        | 121.60        | 170.60         |
| 60        | 61.90         | 81.10         | 98.10         | 113.00        | 134.40        | 189.80         |
| 61        | 64.20         | 86.90         | 105.60        | 120.10        | 142.80        | 202.90         |
| 62        | 68.50         | 94.80         | 112.90        | 129.00        | 153.20        | 215.70         |
| 63        | 74.20         | 97.70         | 121.10        | 136.70        | 162.10        | 228.50         |
| 64        | 77.90         | 106.30        | 127.20        | 144.30        | 172.80        | 243.10         |
| 65        | 83.60         | 115.80        | 140.50        | 161.40        | 191.80        | 275.40         |
| 66        | 90.80         | 122.40        | 150.20        | 170.60        | 203.90        | 294.80         |
| 67        | 94.10         | 130.20        | 157.40        | 180.90        | 217.10        | 314.80         |
| 68        | 100.00        | 135.10        | 166.70        | 189.50        | 229.90        | 333.50         |
| 69        | 102.60        | 141.90        | 176.10        | 201.80        | 242.80        | 354.00         |
| 70        | 109.40        | 149.80        | 185.10        | 213.70        | 257.50        | 380.40         |
| 71        | 116.60        | 159.80        | 196.50        | 228.10        | 276.40        | 407.90         |
| 72        | 121.90        | 168.00        | 207.50        | 242.10        | 294.80        | 436.50         |
| 73        | 127.10        | 177.60        | 219.90        | 255.80        | 312.80        | 465.90         |
| 74        | 133.70        | 185.30        | 230.40        | 269.00        | 330.30        | 494.60         |
| 75        | 161.10        | 227.20        | 285.10        | 335.10        | 417.20        | 641.20         |
| 76        | 163.80        | 231.50        | 291.40        | 343.40        | 430.00        | 666.20         |
| 77        | 165.60        | 236.80        | 298.80        | 351.40        | 444.30        | 692.00         |
| 78        | 167.30        | 238.80        | 302.70        | 359.00        | 454.80        | 716.40         |
| 79        | 165.80        | 239.00        | 306.30        | 363.00        | 464.60        | 736.50         |
| 80        | 165.80        | 240.60        | 311.00        | 374.10        | N/A           | N/A            |
| 81        | 162.70        | 237.60        | 309.60        | 371.50        | N/A           | N/A            |
| 82        | 155.80        | 231.70        | 301.90        | 365.00        | N/A           | N/A            |
| 83        | 148.70        | 221.70        | 293.30        | 358.00        | N/A           | N/A            |
| 84        | 140.40        | 210.60        | 282.20        | 345.60        | N/A           | N/A            |
| 85        | 132.30        | 205.10        | 277.80        | 347.90        | N/A           | N/A            |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Form Number: SBIR-HMBSPA**  
**Indexing: Simple**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 15.70                | 23.60                | 28.80                | 36.70                | 47.10                | 70.70                 |
| 30               | 18.30                | 26.20                | 31.40                | 39.30                | 47.10                | 73.30                 |
| 31               | 18.30                | 28.80                | 34.00                | 41.90                | 49.80                | 76.00                 |
| 32               | 21.00                | 28.80                | 39.30                | 41.90                | 55.00                | 81.20                 |
| 33               | 21.00                | 31.40                | 39.30                | 47.10                | 55.00                | 86.40                 |
| 34               | 23.60                | 31.40                | 41.90                | 49.80                | 60.20                | 91.70                 |
| 35               | 26.20                | 31.40                | 44.50                | 49.80                | 62.90                | 94.30                 |
| 36               | 26.20                | 39.30                | 47.10                | 52.40                | 65.50                | 99.50                 |
| 37               | 28.80                | 39.30                | 49.80                | 55.00                | 68.10                | 104.80                |
| 38               | 28.80                | 41.90                | 52.40                | 60.20                | 73.30                | 107.40                |
| 39               | 28.80                | 44.50                | 55.00                | 62.90                | 76.00                | 112.60                |
| 40               | 31.40                | 47.10                | 57.60                | 65.50                | 81.20                | 123.10                |
| 41               | 36.70                | 49.80                | 60.20                | 70.70                | 81.20                | 128.30                |
| 42               | 36.70                | 52.40                | 65.50                | 73.30                | 86.40                | 136.20                |
| 43               | 39.30                | 52.40                | 65.50                | 78.60                | 91.70                | 144.00                |
| 44               | 44.50                | 57.60                | 70.70                | 78.60                | 94.30                | 149.30                |
| 45               | 43.00                | 58.20                | 68.30                | 78.40                | 96.10                | 154.30                |
| 46               | 44.70                | 62.10                | 72.00                | 84.50                | 104.30               | 159.00                |
| 47               | 43.90                | 63.40                | 75.60                | 87.80                | 107.30               | 163.40                |
| 48               | 47.90                | 59.90                | 76.60                | 88.60                | 110.10               | 167.60                |
| 49               | 49.10                | 65.50                | 79.60                | 93.60                | 112.30               | 173.20                |
| 50               | 49.00                | 67.60                | 81.60                | 97.90                | 118.90               | 181.80                |
| 51               | 53.20                | 71.70                | 85.60                | 104.10               | 124.90               | 189.70                |
| 52               | 52.80                | 73.40                | 91.80                | 105.60               | 130.80               | 197.40                |
| 53               | 54.60                | 77.40                | 95.60                | 111.60               | 136.60               | 204.90                |
| 54               | 56.50                | 79.10                | 101.70               | 115.20               | 142.30               | 212.30                |
| 55               | 61.00                | 85.80                | 108.40               | 124.20               | 153.60               | 230.40                |
| 56               | 64.50                | 86.70                | 108.90               | 124.50               | 153.40               | 233.40                |
| 57               | 65.90                | 90.00                | 112.00               | 129.60               | 158.10               | 241.60                |
| 58               | 67.00                | 92.90                | 116.60               | 133.90               | 164.20               | 248.40                |
| 59               | 70.40                | 96.00                | 119.40               | 138.60               | 170.60               | 258.10                |
| 60               | 76.80                | 104.50               | 130.10               | 151.40               | 185.60               | 279.40                |
| 61               | 78.70                | 109.70               | 134.60               | 157.30               | 192.50               | 289.80                |
| 62               | 80.60                | 114.90               | 139.10               | 163.30               | 199.60               | 302.40                |
| 63               | 84.00                | 115.20               | 144.50               | 168.00               | 205.10               | 310.50                |
| 64               | 87.40                | 121.50               | 148.10               | 172.80               | 212.70               | 319.00                |
| 65               | 91.20                | 127.20               | 159.50               | 186.10               | 227.90               | 345.60                |
| 66               | 94.60                | 131.60               | 165.00               | 191.00               | 235.50               | 357.80                |
| 67               | 97.70                | 135.70               | 170.00               | 197.20               | 244.20               | 370.80                |
| 68               | 100.00               | 138.60               | 173.70               | 201.80               | 251.00               | 380.80                |
| 69               | 100.90               | 141.90               | 177.80               | 208.60               | 256.50               | 393.30                |
| 70               | 104.30               | 146.40               | 183.40               | 215.40               | 265.90               | 410.70                |
| 71               | 108.20               | 151.50               | 189.80               | 224.80               | 278.10               | 429.60                |
| 72               | 110.30               | 156.50               | 196.00               | 232.20               | 289.90               | 446.30                |
| 73               | 112.40               | 159.60               | 202.00               | 239.50               | 299.70               | 464.30                |
| 74               | 114.40               | 164.30               | 207.80               | 246.50               | 309.30               | 481.70                |
| 75               | 136.90               | 196.50               | 251.30               | 301.30               | 383.40               | 612.20                |
| 76               | 135.50               | 196.90               | 252.00               | 302.40               | 387.50               | 623.70                |
| 77               | 134.70               | 196.60               | 253.90               | 303.40               | 393.20               | 637.80                |
| 78               | 133.80               | 196.20               | 254.00               | 305.70               | 395.50               | 649.50                |
| 79               | 131.50               | 194.20               | 252.50               | 304.80               | 400.40               | 660.30                |
| 80               | 130.60               | 193.60               | 253.80               | 311.00               | N/A                  | N/A                   |
| 81               | 125.30               | 188.60               | 250.60               | 306.70               | N/A                  | N/A                   |
| 82               | 119.30               | 182.50               | 242.90               | 299.10               | N/A                  | N/A                   |
| 83               | 112.90               | 173.50               | 235.50               | 291.90               | N/A                  | N/A                   |
| 84               | 106.70               | 163.40               | 225.50               | 280.80               | N/A                  | N/A                   |
| 85               | 97.90                | 157.40               | 220.90               | 283.10               | N/A                  | N/A                   |

**HIGHMARK BLUE SHIELD**  
**120 FIFTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222**  
**Form Number: FSPL-336-HMBSPA**  
**ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE**  
**PREMIUMS PER \$300 FACILITY MONTHLY BENEFIT**  
**LONG TERM CARE POLICIES**

**Integrated Plan HHC at 80%**  
**Lifetime Payment Plan**  
**90 day Elimination Period**  
**Married one insured rates**

**Indexing: None**  
**Individual Underwriting**  
**Rate Class II**

| <b>Issue Age</b> | <b>Premium Rates</b> |                      |                      |                      |                      |                       |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                  | <b>24 Month Plan</b> | <b>36 Month Plan</b> | <b>48 Month Plan</b> | <b>60 Month Plan</b> | <b>84 Month Plan</b> | <b>Unlimited Plan</b> |
| 18-29            | 18.30                | 23.60                | 26.20                | 26.20                | 31.40                | 39.30                 |
| 30               | 18.30                | 23.60                | 26.20                | 28.80                | 34.00                | 41.90                 |
| 31               | 21.00                | 23.60                | 28.80                | 31.40                | 36.70                | 44.50                 |
| 32               | 21.00                | 26.20                | 28.80                | 34.00                | 36.70                | 47.10                 |
| 33               | 23.60                | 26.20                | 31.40                | 34.00                | 39.30                | 49.80                 |
| 34               | 23.60                | 28.80                | 34.00                | 36.70                | 41.90                | 52.40                 |
| 35               | 23.60                | 31.40                | 34.00                | 39.30                | 44.50                | 57.60                 |
| 36               | 26.20                | 31.40                | 36.70                | 41.90                | 47.10                | 60.20                 |
| 37               | 26.20                | 34.00                | 39.30                | 44.50                | 49.80                | 62.90                 |
| 38               | 28.80                | 36.70                | 41.90                | 47.10                | 52.40                | 70.70                 |
| 39               | 31.40                | 39.30                | 44.50                | 49.80                | 57.60                | 76.00                 |
| 40               | 31.40                | 39.30                | 47.10                | 52.40                | 60.20                | 78.60                 |
| 41               | 34.00                | 41.90                | 49.80                | 55.00                | 68.10                | 83.80                 |
| 42               | 36.70                | 44.50                | 52.40                | 60.20                | 70.70                | 89.00                 |
| 43               | 39.30                | 49.80                | 57.60                | 62.90                | 76.00                | 94.30                 |
| 44               | 39.30                | 52.40                | 60.20                | 70.70                | 81.20                | 102.10                |
| 45               | 40.50                | 53.10                | 65.80                | 73.30                | 83.50                | 103.70                |
| 46               | 42.20                | 54.60                | 67.10                | 74.50                | 86.90                | 109.30                |
| 47               | 46.30                | 58.50                | 70.70                | 78.00                | 90.20                | 114.60                |
| 48               | 47.90                | 64.60                | 74.20                | 83.80                | 95.80                | 119.70                |
| 49               | 49.10                | 65.50                | 77.20                | 86.60                | 100.60               | 126.40                |
| 50               | 53.60                | 69.90                | 83.90                | 93.20                | 107.20               | 135.20                |
| 51               | 55.50                | 74.00                | 87.90                | 97.10                | 113.30               | 143.40                |
| 52               | 62.00                | 80.30                | 94.10                | 105.60               | 119.30               | 151.50                |
| 53               | 66.00                | 84.20                | 100.20               | 111.60               | 127.50               | 161.70                |
| 54               | 70.00                | 90.40                | 106.20               | 119.70               | 135.50               | 173.90                |
| 55               | 76.80                | 99.40                | 115.20               | 128.80               | 149.10               | 189.80                |
| 56               | 77.80                | 102.30               | 120.00               | 135.60               | 155.60               | 195.60                |
| 57               | 83.40                | 109.80               | 129.60               | 144.90               | 166.90               | 208.60                |
| 58               | 88.60                | 116.60               | 136.10               | 153.40               | 177.10               | 222.50                |
| 59               | 93.90                | 123.70               | 147.20               | 164.20               | 187.70               | 236.80                |
| 60               | 104.50               | 138.60               | 164.20               | 183.40               | 211.20               | 264.50                |
| 61               | 111.80               | 147.00               | 173.90               | 194.60               | 223.60               | 279.50                |
| 62               | 118.90               | 155.20               | 185.50               | 205.60               | 237.90               | 296.40                |
| 63               | 125.00               | 166.00               | 195.30               | 218.70               | 251.90               | 314.40                |
| 64               | 132.90               | 174.70               | 208.90               | 233.60               | 267.80               | 334.20                |
| 65               | 150.00               | 197.50               | 233.60               | 262.10               | 301.90               | 376.00                |
| 66               | 159.40               | 211.40               | 250.30               | 281.80               | 324.50               | 402.30                |
| 67               | 171.90               | 226.10               | 269.50               | 302.10               | 347.30               | 432.40                |
| 68               | 182.50               | 242.20               | 287.80               | 322.90               | 370.30               | 461.60                |
| 69               | 196.70               | 259.90               | 307.80               | 345.40               | 398.40               | 494.20                |
| 70               | 212.10               | 281.10               | 334.90               | 375.30               | 432.50               | 535.20                |
| 71               | 229.80               | 304.70               | 364.60               | 407.90               | 471.20               | 582.80                |
| 72               | 250.30               | 332.70               | 396.90               | 444.70               | 512.20               | 635.70                |
| 73               | 272.00               | 361.60               | 431.70               | 483.80               | 558.70               | 692.30                |
| 74               | 294.80               | 391.50               | 468.80               | 526.80               | 607.30               | 752.30                |
| 75               | 388.30               | 518.70               | 621.80               | 700.80               | 811.90               | 1,010.10              |
| 76               | 414.20               | 554.40               | 666.20               | 751.30               | 871.00               | 1,083.60              |
| 77               | 444.30               | 594.40               | 715.20               | 808.10               | 936.50               | 1,165.60              |
| 78               | 474.60               | 637.30               | 768.10               | 867.00               | 1,006.90             | 1,250.30              |
| 79               | 508.00               | 682.80               | 823.20               | 930.80               | 1,080.20             | 1,341.60              |
| 80               | 557.50               | 752.60               | 908.10               | 1,026.90             | N/A                  | N/A                   |
| 81               | 596.20               | 806.40               | 973.40               | 1,103.00             | N/A                  | N/A                   |
| 82               | 633.20               | 856.40               | 1,036.20             | 1,175.10             | N/A                  | N/A                   |
| 83               | 674.70               | 914.30               | 1,107.10             | 1,254.40             | N/A                  | N/A                   |
| 84               | 715.50               | 973.40               | 1,178.60             | 1,337.90             | N/A                  | N/A                   |
| 85               | 836.10               | 1,143.10             | 1,393.10             | 1,586.30             | N/A                  | N/A                   |

SERFF Tracking #:

MILL-130443539

State Tracking #:

MILL-130443539

Company Tracking #:

SIMPLICITY AFFINITY (HIGHMARK BS)

**State:** Pennsylvania  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Long-Term Care  
**Project Name/Number:** Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05  
**Filing Company:** Highmark Inc

## Supporting Document Schedules

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Transmittal Letter (A&H)                         |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | PA_Highmark BS_CovLtr_Simplicity_RS_20160408.pdf |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

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

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Actuarial Memorandum and Explanatory Information (A&H)  |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | PA_Highmark BS_ActMemo_Simplicity_RS_20160408.pdf<br>PA_Highmark BS_Supplement_Simplicity_RS_20160408.pdf |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

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

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Authorization to File (A&H)                        |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | 2016 Highmark Letter of Authorization_20160407.pdf |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

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

State: Pennsylvania Filing Company: Highmark Inc  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Long-Term Care  
 Project Name/Number: Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05

|                          |   |
|--------------------------|---|
| <b>Status Date:</b>      |   |
| <b>Satisfied - Item:</b> | Rate Table (A&H)  |
| <b>Comments:</b>         | Rate tables are attached to the Rate/Rule Schedule tab. |
| <b>Attachment(s):</b>    |   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |
| <b>Bypassed - Item:</b>  | Replacement Form with Highlighted Changes (A&H)         |
| <b>Bypass Reason:</b>    | Not applicable as this is not a form filing.            |
| <b>Attachment(s):</b>    |   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |
| <b>Bypassed - Item:</b>  | Reserve Calculation (A&H)                               |
| <b>Bypass Reason:</b>    | Not applicable as this is not a form filing.            |
| <b>Attachment(s):</b>    |   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |
| <b>Bypassed - Item:</b>  | Variability Explanation (A&H)                           |
| <b>Bypass Reason:</b>    | Not applicable as this is not a form filing.            |
| <b>Attachment(s):</b>    |   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |
| <b>Satisfied - Item:</b> | Claims and Administration Processing Plan               |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | MedAmerica Claims Procedures_20160128.pdf               |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |
| <b>Satisfied - Item:</b> | Numerical Data in Excel                                 |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | PA_Highmark BS_Supplement Attachments_20160408.xlsx     |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

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|                          |                |                          |                |                            |                                   |
|--------------------------|----------------|--------------------------|----------------|----------------------------|-----------------------------------|
| <b>SERFF Tracking #:</b> | MILL-130443539 | <b>State Tracking #:</b> | MILL-130443539 | <b>Company Tracking #:</b> | SIMPLICITY AFFINITY (HIGHMARK BS) |
|--------------------------|----------------|--------------------------|----------------|----------------------------|-----------------------------------|

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|                             |   |                        |              |
|-----------------------------|---|------------------------|--------------|
| <b>State:</b>               | Pennsylvania  | <b>Filing Company:</b> | Highmark Inc |
| <b>TOI/Sub-TOI:</b>         | LTC03I Individual Long Term Care/LTC03I.001 Qualified   |                        |              |
| <b>Product Name:</b>        | Long-Term Care  |                        |              |
| <b>Project Name/Number:</b> | Simplicity Nationwide 2016 Rate Increase/145MAI01-60.05 |                        |              |

***Attachment PA\_Highmark BS\_Supplement Attachments\_20160408.xlsb is not a PDF document and cannot be reproduced here.***





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April 8, 2016

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

*Via SERFF*

RE: Highmark Blue Shield (Highmark BS)  
Company NAIC # 54771  
SERFF Tracking # MILL-130443539  
Tax-Qualified Long-Term Care Policy Form SPL-336-HMBSPA  
Tax-Qualified Franchise Long-Term Care Policy Form FSPL-336-HMBSPA

Dear Commissioner Miller:

The referenced rate filing is being submitted on behalf of Highmark BS for your review.

These are existing individual policy forms that provide comprehensive long-term care coverage on a cash basis. Riders that convert the coverage to either facility only or community care only may have been available at issue. Policies were issued in Pennsylvania from August 1, 2006 to May 1, 2010 and are no longer being marketed in any jurisdiction.

These products were designed and priced by MedAmerica Insurance Company (MedAmerica), which is an affinity partner of Highmark BS. These forms were issued on Highmark BS paper, while MedAmerica administers and manages the block, including underwriting and claims handling. MedAmerica has 80% of the risk on these forms via a reinsurance arrangement with Highmark BS.

Highmark BS is requesting the approval of a premium rate increase on the above-listed forms, including all associated riders. The primary reason why these forms are in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing.

The company is requesting a premium rate increase that varies by issue age as shown in Exhibit I of the enclosed actuarial memorandum. The cumulative rate increase shown in Exhibit I was determined by issue age to allow certification to rate stability in Pennsylvania, to better align the rate increase with the adverse experience, and to minimize the rate increase for older insureds. The table below provides the prior approved increase for each issue age band, as well as the requested increase and resulting cumulative premium rate increase for each central age.

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.

| <b>Issue Age Band</b> | <b>Prior Approved Increase</b> | <b>Requested Increase for Central Age</b> | <b>Cumulative Increase for Central Age</b> |
|-----------------------|--------------------------------|---|--|
| <40                   | 60%                            | 81.9%                                     | 191%                                       |
| 40-44                 | 56                             | 86.5                                      | 191  |
| 45-49                 | 50                             | 80.7                                      | 171  |
| 50-54                 | 46                             | 74.7                                      | 155  |
| 55-59                 | 38                             | 76.9                                      | 144  |
| 60-64                 | 29                             | 73.6                                      | 124  |
| 65-69                 | 20                             | 67.5                                      | 101  |
| 70-74                 | 13                             | 61.9                                      | 83   |
| 75+ <sup>[1]</sup>    | 0                              | 63.0                                      | 63   |

*[1] The central issue age is 80 based on an issue age range of 75 to 85 for the business in force nationwide as of December 31, 2014.*

As noted in the enclosed actuarial memorandum, three prior rate increases have been approved and implemented on the above-referenced policy forms. The cumulative prior approved increase varied by issue age from 0% to 60%. The prior rate increases were approved by the Department in June 2013, September 2014, and July 2015. This current rate increase request is being sought to achieve the cumulative rate increase that the company believes is needed to alleviate the poor performance on this block of business.

Similar to the prior increases, Highmark BS 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. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, Highmark BS will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial. If the cumulative requested rate increase is approved, a majority of policyholders will be eligible for a contingent benefit upon lapse. To comply with rate stability regulation in this jurisdiction, enclosed with this filing is a plan, subject to the Department's approval, which demonstrates that appropriate administration and claims processing procedures are in effect.

The following electronic items are included with this submission:

- cover letter
- letter from HM Insurance Group authorizing us to submit this filing on Highmark BS's behalf
- claims and administration processing plan, as provided by MedAmerica
- actuarial memorandum
- a 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 8, 2016

The contact person for this filing is:

Missy Gordon, FSA, MAAA  
Principal and Consulting Actuary  
8500 Normandale Lake Blvd., Suite 1850  
Minneapolis, MN 55437  
(952) 820-2478  
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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/btj

Enclosures

# HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Simplicity Actuarial Memorandum

**April 8, 2016**

| <u>Product</u>                                     | <u>Number</u>   |
|--|-----------------|
| Tax-Qualified Long-Term Care Policy Form           | SPL-336-HMBSPA  |
| Tax-Qualified Franchise Long-Term Care Policy Form | FSPL-336-HMBSPA |

These policy forms were issued in Pennsylvania by Highmark Blue Shield (Highmark BS), which is an affinity partner of MedAmerica Insurance Company (MedAmerica), from August 2006 through May 2010 and are no longer being marketed in any jurisdiction.

### 1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of demonstrating that the cumulative requested rate increase, as shown in Exhibit I, meets the minimum requirements of your jurisdiction and demonstrating compliance with its rate stability regulation. It may not be suitable for other purposes.

### 2. Description of Benefits

These are federally tax-qualified, individually underwritten policy forms that provide comprehensive coverage on a cash basis. Riders that convert the coverage to either facility only or community care only may have been available at issue. They have benefit eligibility requirements that involve activities of daily living (ADL) deficiencies or cognitive impairment. Waiver of premium is provided when certain benefits are being paid. A monthly benefit, benefit period, and elimination period were selected at issue.

At issue, the insured may have had the option to choose one of three riders providing inflation protection: simple inflation, compound inflation with no maximum, or compound inflation with a maximum of two times the original benefit amount. The simple inflation option provides for benefit levels that increase on each anniversary date by 5% of the daily benefit amount chosen at issue for as long as the policy is in force. The compound inflation option with no maximum provides for benefit levels that increase on each anniversary date by 5% compounded annually for as long as the policy is in force. The compound inflation option with a maximum of two times the original benefit amount provides for benefit levels that increase on each anniversary date by 5% compounded annually while the policy is in force, but limits the increase to two times the original benefit amount. 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.

At issue, the insured may have had the option of selecting additional riders that provide the following types of coverage: restoration of benefits, return of premium, shortened benefit period, shared care, shared waiver, or survivorship benefit.

The insured may have had the option to select one of the following premium payment options: lifetime, 10-year, paid up at age 65, reduced premiums at attained age 65, or reduced premiums at attained age 70.

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

# HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Simplicity Actuarial Memorandum

April 8, 2016

### 3. Renewability

These policies are guaranteed renewable for life.

### 4. Applicability

As these policy forms are no longer being sold in any jurisdiction, this filing is applicable to in-force policies only. The premium changes will apply to the base forms as well as all applicable options and riders.

### 5. Actuarial Assumptions

- a. Morbidity reflects claim costs developed using the 2014 Milliman *Long-Term Care Guidelines* with adjustments for an all-lives exposure basis. The claim costs are further adjusted based on historical claim experience by attained age, duration, and coverage-type, to the extent credible.
- b. Lapse Rates vary by duration, issue age, and premium payment option. The lifetime-pay lapse rates are shown in the table below.

Lifetime-Pay Lapse Rates

| Duration | Issue Age Band |       |       |      |
|----------|----------------|-------|-------|------|
|          | <40            | 40-49 | 50-59 | 60+  |
| 1        | 17.5%          | 9.5%  | 5.5%  | 5.5% |
| 2        | 16.5           | 9.0   | 5.0   | 4.5  |
| 3        | 12.0           | 6.0   | 4.0   | 3.5  |
| 4        | 8.0            | 4.5   | 3.0   | 3.0  |
| 5        | 7.0            | 4.0   | 3.0   | 2.5  |
| 6        | 5.0            | 3.0   | 2.5   | 2.0  |
| 7        | 3.5            | 3.0   | 2.0   | 1.5  |
| 8        | 2.0            | 1.5   | 1.5   | 1.5  |
| 9+       | 1.0            | 1.0   | 1.0   | 1.0  |

The lapse rates in the above table were adjusted based on the following criteria for the limited-pay options:

- For the ten-pay option, a reduction of 65% of the above lapse rates is assumed for durations one through four, a reduction of 70% of the above lapse rates is assumed for durations five through eight, and 0% lapse thereafter.
- For the paid up at age 65 option, a reduction of 50% of the above lapse rates is assumed until age 55, a reduction of 75% of the above lapse rates is assumed for ages 55 to 59, and 0% lapse thereafter.

# HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Simplicity Actuarial Memorandum

**April 8, 2016**

- For the reduced after age 65 and reduced after age 70 payment options, a reduction of 50% of the above lapse rates is assumed until age 60 or 65, respectively, and a reduction of 75% of the above lapse rates thereafter.
- c. Mortality Rates reflect the 1994 Group Annuitant Mortality (GAM) Static Table with unisex durational factors. The assumed durational factors are shown in the following table.

**Durational Mortality Adjustment Factors**

| Duration | Factor | Duration | Factor |
|----------|--------|----------|--------|
| 1        | 0.25   | 13       | 0.63   |
| 2        | 0.35   | 14       | 0.64   |
| 3        | 0.42   | 15       | 0.66   |
| 4        | 0.44   | 16       | 0.67   |
| 5        | 0.45   | 17       | 0.69   |
| 6        | 0.47   | 18       | 0.70   |
| 7        | 0.48   | 19       | 0.73   |
| 8        | 0.50   | 20       | 0.75   |
| 9        | 0.53   | 21       | 0.78   |
| 10       | 0.55   | 22       | 0.80   |
| 11       | 0.58   | 23       | 0.83   |
| 12       | 0.60   | 24+      | 0.85   |

- 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 requested rate increase level, 8% of in-force lifetime-pay policies are assumed to elect CBUL, regardless of the size of the rate increase. No CBUL elections are assumed for limited-pay policies. 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. For lifetime-pay policies, this increase in morbidity is approximately 2%.

Based on the cumulative requested rate increase level, 20% of in-force policyholders (regardless of payment option) are assumed to elect RBO. The reduction in premiums and benefits due to the impact of RBO election varies from approximately 7% to 14% based on the level of the rate increase.

- e. Interest Rate of 5.00% is used for accumulating and discounting earned premiums and incurred claims in the calculation of cumulative loss ratios. This rate represents MedAmerica's expectation of its long-term investment earnings rate, which is supported by the average net investment earnings rate projected for MedAmerica's cash flow testing. The maximum valuation interest rate is used to demonstrate

## HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

**April 8, 2016**

compliance with the 58%/85% test required by rate stability regulation, as described in Section 17 below.

- f. Improvement for the mortality and morbidity assumptions was assumed for 15 years. For mortality improvement, levels of 0.5% and 1.0% are assumed beginning in calendar year 2015 for females and males, respectively. For morbidity improvement, levels of 1.0% and 1.5% are assumed beginning in calendar year 2015 for females and males, respectively.
- g. 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 Highmark BS, MedAmerica, and MedAmerica's other affinity partners that issued the same products, industry experience, and judgment. These assumptions are based on the nationwide experience of the particular policy forms in this filing and other similar policy forms where appropriate. In developing the persistency assumptions, policy termination experience through March 31, 2015 was used, whereas for the morbidity assumption, claim experience through December 31, 2014 was used. The above assumptions are deemed reasonable for the particular policy forms in this filing and are considered "most likely" (without explicit margin).

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy forms 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.

Highmark BS is not currently marketing long-term care products. As a result, the requirement to reflect on any assumptions that deviate from those used for pricing other forms currently available for sale is not applicable.

#### **6. Marketing Method**

These policy forms were marketed in Pennsylvania by agents and brokers of Highmark BS.

#### **7. Underwriting Description**

These policies were fully underwritten with the use of various underwriting tools in addition to the application, which may have included medical records, an attending physician's statement, prescription screen, telephone interview, and/or face-to-face assessment. Employer sponsored groups were eligible for reduced underwriting for actively at work employees age 65 and less.

# HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Simplicity Actuarial Memorandum

April 8, 2016

### 8. Premiums

Premiums are unisex and payable for life unless the insured selected a limited premium payment option. The premiums may vary by issue age, benefit period, initial monthly benefit, community care level, elimination period, inflation option, premium payment option, underwriting rate category, marital discounts, employer sponsored/multi-life discounts, and the selection of any riders.

### 9. Issue Age Range

Issue ages are from 18 to 85.

### 10. Area Factors

Area factors are not used for these products.

### 11. Premium Modalization Rules

The following modal factors and nationwide percent distributions (based on the in-force count as of December 31, 2014 of Highmark BS, MedAmerica, and MedAmerica's other affinity partners) are applied to the annual premium (AP):

| Premium Mode | Modal Factors | Percent Distribution |
|--------------|---------------|----------------------|
| Annual       | 1.0000*AP     | 44%                  |
| Semi-Annual  | 0.5150*AP     | 6                    |
| Quarterly    | 0.2600*AP     | 22                   |
| Monthly      | 0.0900*AP     | 28                   |

### 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, 2014 have been discounted to the incurral date of each respective claim and included in historical incurred claims. An incurred but not reported (IBNR) reserve balance as of December 31, 2014 has been allocated to the 2014 calendar year 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 II provides a comparison of actual and projected nationwide experience using current assumptions to expected experience using original pricing assumptions. Values in Exhibit II are shown (a) before and (b) after the requested rate increase. Included are



## HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

**April 8, 2016**

calendar year earned premiums, incurred claims, annual loss ratios, cumulative loss ratios, and the ratio of actual-to-expected (A:E) loss ratios.

Exhibit III provides A:E lifetime loss ratios by issue age band derived from the same actual and expected nationwide experience underlying Exhibit II. The issue age bands shown in Exhibit III are the same as those underlying the analysis performed for the rate increase request.

Actual experience is provided from inception through 2014 and then projected on a seriatim basis for 60 years using the current assumptions described above in Section 5. The projected experience reflects the prior nationwide rate increases approved on the Simplicity forms between December 2012 and September 2015, which average 19% across all issue ages and jurisdictions. The after increase projected experience reflects the additional increase needed to achieve the cumulative 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.

The experience in Exhibits II and III reflects pooled nationwide experience of Highmark BS, MedAmerica, and MedAmerica's other affinity partners, across the above-referenced forms and similar nationwide forms. Pooling Highmark BS's experience with MedAmerica's, as well as MedAmerica's other affinity partners', is considered appropriate because the products issued by MedAmerica and the other affinity partners are identical to those included in this filing, the marketing and distribution employed by MedAmerica and the other affinity partners is similar to that of Highmark BS, and because the same company (MedAmerica) administers and manages the entire block (including underwriting and claims handling). MedAmerica has 50% to 100% of the risk of the affinity partner forms via reinsurance arrangements with each affinity partner.

Exhibit IV provides a comparison of the current and original pricing assumptions, which underlie the actual and expected experience described above.

#### **15. History of Previous Rate Revisions**

In Pennsylvania, three prior rate increases have been approved and implemented on these policy forms. The cumulative prior approved increase varied by issue age from 0% to 60%. The prior rate increases were approved by the Department in June 2013, September 2014, and July 2015.

Nationwide, there has been one prior rate increase request on this block of business. Beginning in December 2012, MedAmerica requested a rate increase that varied by issue age ranging from 0% to 60%, and averaged 37% across all jurisdictions nationwide.

Currently, the prior rate increase has been submitted in 47 of the 49 jurisdictions with Simplicity business in force, 37 of which have reached a decision regarding the request. Of these 37 jurisdictions, 28 have approved the full rate increase request and nine

## HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

**April 8, 2016**

approved a portion of the original request. The average amount approved to date is 34% across these 37 jurisdictions.

As a part of this rate increase process, a follow-up increase has been or is expected to be requested in most jurisdictions. Regardless of prior approvals, the same cumulative rate increase level as shown in Exhibit I will be requested in all jurisdictions except where it is not cost effective to file an increase due to the limited amount of in-force business or regulatory requirements.

#### **16. Analysis Performed to Consider a Rate Increase**

This rate increase request is a follow-up to the 2012 nationwide rate increase request. It is intended to achieve a rate increase level which the company believes is needed to alleviate the poor performance on this block of business. As a part of the prior nationwide request, the company certified that rates would remain stable under moderately adverse experience (MAE) if the rate increase was approved as requested. The certification required that experience deteriorate past the company's threshold for MAE, which was defined as a lifetime loss ratio of 85%.

Exhibit II-a demonstrates that the lifetime loss ratio of 107% before the requested rate increase using current assumptions has deteriorated beyond the 85% lifetime loss ratio threshold, and as a result additional rate increases could be considered.

A comparison of the current assumptions used in this filing and the assumptions used in the 2012 nationwide request is provided in Exhibit V.

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

The company is requesting a rate increase that varies by issue age as shown in Exhibit I. This request is being sought to achieve the cumulative rate increase that the company believes is needed to alleviate the poor performance on this block of business. While a significantly larger rate increase is needed to restore the performance to the original pricing expectation, the company is willing to shoulder the majority of the needed rate increase from consumers.

The rate increase was determined by issue age to better align the rate increase with adverse experience and to minimize the rate increase for older insureds. MedAmerica's goal is equity across all jurisdictions, to the extent practical. The rate increase was determined in such a way that minimizes subsidization across jurisdictions due to differences in the previously approved rate increases.

Appendix B to this memorandum provides additional details on the development of and justification for the above requested rate increase.

The average requested increase across all issue ages is 77% in Pennsylvania. The table below provides the prior approved increase for each issue age band, as well as the requested increase and resulting cumulative premium rate increase for each central age.

## HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

April 8, 2016

| Issue Age Band     | Prior Approved Increase | Requested Increase for Central Age | Cumulative Increase for Central Age |
|--------------------|-------------------------|------------------------------------|-------------------------------------|
| <40                | 60%                     | 81.9%                              | 191%                                |
| 40-44              | 56                      | 86.5                               | 191                                 |
| 45-49              | 50                      | 80.7                               | 171                                 |
| 50-54              | 46                      | 74.7                               | 155                                 |
| 55-59              | 38                      | 76.9                               | 144                                 |
| 60-64              | 29                      | 73.6                               | 124                                 |
| 65-69              | 20                      | 67.5                               | 101                                 |
| 70-74              | 13                      | 61.9                               | 83                                  |
| 75+ <sup>[1]</sup> | 0                       | 63.0                               | 63                                  |

*[1] The central issue age is 80 based on an issue age range of 75 to 85 for the business in force nationwide as of December 31, 2014.*

Company management has indicated that if the requested rate increase shown above is approved, no future premium rate increases are anticipated unless experience deteriorates beyond an 85% lifetime loss ratio. MAE is then defined as a 15% multiplicative increase in the future (2015+) loss ratio. This is equivalent to approximately a 10% additive increase in the lifetime loss ratio, due to any combination of deterioration in the experience from that expected using the current assumptions described in Section 5.

Corresponding rate tables reflecting the current and proposed rate schedules are enclosed with this filing. Please note that the actual rates implemented may vary from those in the enclosed rate tables slightly due to implementation rounding algorithms.

As Highmark BS is not currently marketing new business, the required statement that the renewal premium rate schedules are not greater than the new business premium rate schedules is not applicable.

Exhibit VI 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.

While the majority of policies subject to this rate increase are eligible for a CBUL, an alternative version of the 58%/85% test is not provided per rate stability regulation, as the original pricing lifetime loss ratio of 57% is not greater than 58%.

## HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

**April 8, 2016**

The future projected incurred claims in Exhibit VI were increased by 15% from the current assumptions described in Section 5 to reflect assumptions that include moderately adverse conditions. A 15% increase in future incurred claims was determined as one scenario that results in a lifetime loss ratio of 85% (which is the threshold for 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 VI 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 4.1%.

#### **18. Average Annual Premium in Pennsylvania (Annualized Premium Based on December 31, 2014 In-Force)**

| <b>Issue Ages</b> | <b>In-Force Insured Count<sup>[1]</sup></b> | <b>With Prior Increase Premium</b> | <b>After Requested Increase Premium</b> |
|-------------------|---|------------------------------------|---|
| <40               | 54  | \$648                              | \$1,179                                 |
| 40-44             | 43  | 1,256                              | 2,342                                   |
| 45-49             | 67  | 1,908                              | 3,428                                   |
| 50-54             | 118   | 2,501                              | 4,370                                   |
| 55-59             | 123   | 2,780                              | 4,894                                   |
| 60-64             | 60  | 2,614                              | 4,648                                   |
| 65-69             | 10  | 3,796                              | 6,307                                   |
| 70-74             | 1   | 1,720                              | 2,815                                   |
| 75+               | 1   | 3,920                              | 6,861                                   |
| All Ages          | 477   | 2,210                              | 3,906                                   |

*[1] Excludes policies that are assumed to be paid up at the time of the rate increase.*

#### **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.

## HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

April 8, 2016

**20. Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners' Nationwide Distribution of Business as of December 31, 2014 (Based on In-Force Insured Count)**

| <b>Issue Ages</b> | <b>Percent Distribution</b> |
|-------------------|-----------------------------|
| <40               | 9%                          |
| 40-44             | 8                           |
| 45-49             | 13                          |
| 50-54             | 20                          |
| 55-59             | 23                          |
| 60-64             | 16                          |
| 65-69             | 7                           |
| 70-74             | 3                           |
| 75+               | 1                           |

| <b>Elimination Period</b> | <b>Percent Distribution</b> |
|---------------------------|-----------------------------|
| 30-Day                    | 22%                         |
| 60-Day                    | 13                          |
| 90-Day                    | 64                          |
| 180-Day                   | 1                           |

| <b>Benefit Period</b> | <b>Percent Distribution</b> |
|-----------------------|-----------------------------|
| 2-Year                | 10%                         |
| 3-Year                | 31                          |
| 4-Year                | 18                          |
| 5-Year                | 21                          |
| 7-Year                | 11                          |
| Lifetime              | 9                           |

| <b>Inflation Option</b>     | <b>Percent Distribution</b> |
|-----------------------------|-----------------------------|
| None                        | 24%                         |
| Simple for Life             | 26                          |
| Compound for Life           | 18                          |
| Compound with<br>2X Maximum | 32                          |

## HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

April 8, 2016

| Premium Payment Option | Percent Distribution |
|------------------------|----------------------|
| Ten-Pay                | 12%                  |
| Pay to Age 65          | 3                    |
| Reduced at Age 70      | <1                   |
| Reduced at Age 65      | <1                   |
| Lifetime-Pay           | 85                   |

| Coverage Type    | Percent Distribution |
|------------------|----------------------|
| Facility Only    | 3%                   |
| Comprehensive    | 95                   |
| Home Health Only | 2                    |

#### 21. Number of Insureds and Annualized Premium

Based on the in-force count as of December 31, 2014 of Highmark BS in this jurisdiction and Highmark BS, MedAmerica, and MedAmerica's other affinity partners nationwide, the number of insureds and annualized premium that will be affected by this increase are:

| Jurisdiction | Number of Insureds | Annualized Premium <sup>[1]</sup> |
|--------------|--------------------|-----------------------------------|
| Pennsylvania | 477                | \$902,002                         |
| Nationwide   | 18,959             | \$36,921,184                      |

*[1] Annualized premiums reflect all rate increases implemented in Pennsylvania and nationwide as of December 31, 2014.*

## HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

### Simplicity Actuarial Memorandum

April 8, 2016

#### 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 Benefits, Accident and Health Insurance, and Entities Providing Health Benefits" 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.

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. Moderately adverse conditions are defined as any combination of deterioration in the experience or assumptions that results in a lifetime loss ratio in excess of 85%.

In forming my opinion, I have used actuarial assumptions and actuarial methods (which gave consideration to policy design, underwriting, and claim adjudication) 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, policy design, 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 8, 2016

**Exhibit I**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Cumulative Requested Rate Increases by Issue Age**  
**Individual Simplicity Policy Forms**

| Issue Age | Requested Rate Increase | Issue Age | Requested Rate Increase |
|-----------|-------------------------|-----------|-------------------------|
| < 45      | 191%                    | 65        | 111%                    |
| 45        | 181%                    | 66        | 106%                    |
| 46        | 176%                    | 67        | 101%                    |
| 47        | 171%                    | 68        | 95%                     |
| 48        | 166%                    | 69        | 90%                     |
| 49        | 160%                    | 70        | 87%                     |
| 50        | 159%                    | 71        | 85%                     |
| 51        | 157%                    | 72        | 83%                     |
| 52        | 155%                    | 73        | 81%                     |
| 53        | 153%                    | 74        | 79%                     |
| 54        | 151%                    | 75        | 79%                     |
| 55        | 151%                    | 76        | 75%                     |
| 56        | 147%                    | 77        | 72%                     |
| 57        | 144%                    | 78        | 69%                     |
| 58        | 140%                    | 79        | 66%                     |
| 59        | 137%                    | 80        | 63%                     |
| 60        | 137%                    | 81        | 60%                     |
| 61        | 130%                    | 82        | 56%                     |
| 62        | 124%                    | 83        | 53%                     |
| 63        | 117%                    | 84        | 50%                     |
| 64        | 111%                    | 85        | 47%                     |



**Exhibit II-a**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Experience by Calendar Year**  
**Combined Nationwide Experience Before Requested Rate Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

|                       | 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 5.00% Interest | Expected (Column G) with Average 6.32% Interest | Actual-to-Expected Ratio |
| Historical Experience | 2004                                   | 1,942,565  | 299,291         | 15%                 | 3,079             | 1,903,802                                     | 36,408          | 2%                  | 3,052             | 15%                                   | 2%  | 8.49                     |
|                       | 2005                                   | 11,098,140   | 704,251         | 6%                  | 8,666             | 10,873,993                                    | 219,506         | 2%                  | 8,484             | 8%                                    | 2%  | 4.05                     |
|                       | 2006                                   | 21,633,477   | 127,091         | 1%                  | 16,067            | 20,831,726                                    | 506,204         | 2%                  | 15,530            | 3%                                    | 2%  | 1.55                     |
|                       | 2007                                   | 32,580,387   | 1,314,720       | 4%                  | 20,865            | 30,883,849                                    | 913,113         | 3%                  | 20,075            | 4%                                    | 2%  | 1.48                     |
|                       | 2008                                   | 37,102,427   | 2,873,196       | 8%                  | 21,440            | 34,545,463                                    | 1,363,706       | 4%                  | 20,431            | 5%                                    | 3%  | 1.72                     |
|                       | 2009                                   | 36,651,035   | 1,804,026       | 5%                  | 20,626            | 33,869,760                                    | 1,890,966       | 6%                  | 19,852            | 5%                                    | 4%  | 1.43                     |
|                       | 2010                                   | 35,893,738   | 3,127,792       | 9%                  | 20,168            | 33,097,690                                    | 2,525,074       | 8%                  | 19,383            | 6%                                    | 4%  | 1.35                     |
|                       | 2011                                   | 35,558,393   | 4,131,089       | 12%                 | 19,805            | 32,494,026                                    | 3,256,293       | 10%                 | 19,061            | 7%                                    | 5%  | 1.31                     |
|                       | 2012                                   | 35,555,401   | 4,870,535       | 14%                 | 19,770            | 32,208,480                                    | 4,021,665       | 12%                 | 18,946            | 7%                                    | 6%  | 1.27                     |
|                       | 2013                                   | 36,438,885   | 5,688,002       | 16%                 | 19,565            | 32,739,705                                    | 4,791,079       | 15%                 | 19,055            | 8%                                    | 7%  | 1.24                     |
|                       | 2014                                   | 37,265,289   | 7,662,242       | 21%                 | 18,959            | 31,784,584                                    | 5,550,446       | 17%                 | 18,461            | 9%                                    | 8%  | 1.24                     |
|                       | Projected Future Experience (60 Years) | 2015   | 36,615,851      | 7,537,511           | 21%               | 18,591  | 29,245,684      | 6,327,537           | 22%               | 17,906                                | 10%   | 9%                       |
| 2016                  |  | 34,778,198   | 8,606,493       | 25%                 | 18,254            | 26,490,721                                    | 7,155,521       | 27%                 | 17,370            | 11%                                   | 10%   | 1.19                     |
| 2017                  |  | 31,685,417   | 9,779,856       | 31%                 | 17,919            | 23,566,576                                    | 8,051,478       | 34%                 | 16,841            | 12%                                   | 11%   | 1.17                     |
| 2018                  |  | 29,584,509   | 11,196,971      | 38%                 | 17,581            | 21,571,532                                    | 9,036,666       | 42%                 | 16,314            | 14%                                   | 12%   | 1.16                     |
| 2019                  |  | 28,562,066   | 12,928,579      | 45%                 | 17,238            | 20,444,438                                    | 10,095,932      | 49%                 | 15,787            | 15%                                   | 13%   | 1.16                     |
| 2020                  |  | 27,558,620   | 14,961,645      | 54%                 | 16,886            | 19,387,722                                    | 11,126,933      | 57%                 | 15,258            | 16%                                   | 14%   | 1.16                     |
| 2021                  |  | 26,710,022   | 17,248,487      | 65%                 | 16,525            | 18,440,291                                    | 12,164,144      | 66%                 | 14,727            | 18%                                   | 15%   | 1.17                     |
| 2022                  |  | 25,807,399   | 19,745,164      | 77%                 | 16,151            | 17,450,962                                    | 13,238,836      | 76%                 | 14,193            | 20%                                   | 17%   | 1.18                     |
| 2023                  |  | 24,751,431   | 22,405,030      | 91%                 | 15,761            | 16,335,689                                    | 14,443,633      | 88%                 | 13,658            | 22%                                   | 18%   | 1.20                     |
| 2024                  |  | 23,833,079   | 25,248,241      | 106%                | 15,353            | 15,397,913                                    | 15,805,853      | 103%                | 13,121            | 24%                                   | 19%   | 1.22                     |
| 2025                  |  | 22,945,898   | 28,283,326      | 123%                | 14,927            | 14,525,388                                    | 17,273,401      | 119%                | 12,583            | 26%                                   | 21%   | 1.24                     |
| 2026                  |  | 22,041,082   | 31,540,307      | 143%                | 14,482            | 13,673,949                                    | 18,860,017      | 138%                | 12,045            | 28%                                   | 22%   | 1.26                     |
| 2027                  |  | 21,122,511   | 35,080,669      | 166%                | 14,017            | 12,844,487                                    | 20,566,216      | 160%                | 11,508            | 30%                                   | 24%   | 1.29                     |
| 2028                  |  | 20,159,806   | 38,838,276      | 193%                | 13,534            | 12,023,795                                    | 22,383,869      | 186%                | 10,973            | 33%                                   | 25%   | 1.31                     |
| 2029                  |  | 19,182,203   | 42,736,968      | 223%                | 13,036            | 11,219,300                                    | 24,309,389      | 217%                | 10,440            | 35%                                   | 27%   | 1.33                     |
| 2030                  |  | 18,214,854   | 47,002,621      | 258%                | 12,525            | 10,444,353                                    | 26,300,654      | 252%                | 9,910             | 38%                                   | 28%   | 1.35                     |
| 2031                  |  | 17,230,917   | 51,744,668      | 300%                | 12,004            | 9,689,122                                     | 28,324,844      | 292%                | 9,386             | 41%                                   | 30%   | 1.38                     |
| 2032                  |  | 16,254,863   | 56,728,672      | 349%                | 11,475            | 8,966,082                                     | 30,349,514      | 338%                | 8,869             | 44%                                   | 31%   | 1.40                     |
| 2033                  |  | 15,289,206   | 61,927,874      | 405%                | 10,940            | 8,274,611                                     | 32,337,121      | 391%                | 8,359             | 47%                                   | 33%   | 1.43                     |
| 2034                  |  | 14,317,911   | 67,018,723      | 468%                | 10,400            | 7,601,966                                     | 34,274,544      | 451%                | 7,858             | 50%                                   | 34%   | 1.45                     |
| 2035                  |  | 13,364,704   | 71,912,488      | 538%                | 9,859             | 6,961,833                                     | 36,102,564      | 519%                | 7,368             | 53%                                   | 36%   | 1.48                     |
| 2036                  |  | 12,428,482   | 76,530,429      | 616%                | 9,317             | 6,350,537                                     | 37,771,977      | 595%                | 6,890             | 57%                                   | 38%   | 1.51                     |
| 2037                  |  | 11,507,684   | 80,798,905      | 702%                | 8,777             | 5,769,113                                     | 39,270,432      | 681%                | 6,426             | 60%                                   | 39%   | 1.53                     |
| 2038                  |  | 10,607,015   | 84,697,409      | 799%                | 8,242             | 5,217,871                                     | 40,565,525      | 777%                | 5,976             | 63%                                   | 41%   | 1.56                     |
| 2039                  |  | 9,743,340  | 88,039,942      | 904%                | 7,714             | 4,704,364                                     | 41,621,391      | 885%                | 5,541             | 67%                                   | 42%   | 1.58                     |
| 2040                  |  | 8,910,171  | 90,678,584      | 1,018%              | 7,195             | 4,222,592                                     | 42,409,682      | 1,004%              | 5,123             | 70%                                   | 43%   | 1.61                     |
| 2041                  |  | 8,112,771  | 92,444,812      | 1,139%              | 6,688             | 3,776,762                                     | 42,894,643      | 1,136%              | 4,723             | 73%                                   | 45%   | 1.63                     |
| 2042                  |  | 7,351,941  | 93,415,066      | 1,271%              | 6,194             | 3,361,405                                     | 43,075,656      | 1,281%              | 4,341             | 76%                                   | 46%   | 1.66                     |
| 2043                  |  | 6,631,669  | 93,558,294      | 1,411%              | 5,716             | 2,980,949                                     | 42,951,684      | 1,441%              | 3,979             | 79%                                   | 47%   | 1.68                     |
| 2044                  |  | 5,954,208  | 93,004,839      | 1,562%              | 5,256             | 2,632,915                                     | 42,534,224      | 1,615%              | 3,635             | 82%                                   | 48%   | 1.70                     |
| 2045                  |  | 5,320,857  | 91,764,960      | 1,725%              | 4,816             | 2,316,278                                     | 41,845,189      | 1,807%              | 3,312             | 84%                                   | 49%   | 1.71                     |
| 2046                  |  | 4,732,794  | 89,901,609      | 1,900%              | 4,396             | 2,029,076                                     | 40,898,055      | 2,016%              | 3,008             | 87%                                   | 50%   | 1.73                     |
| 2047                  |  | 4,189,099  | 87,442,256      | 2,087%              | 3,998             | 1,770,332                                     | 39,724,185      | 2,244%              | 2,725             | 89%                                   | 51%   | 1.75                     |
| 2048                  |  | 3,691,199  | 84,539,209      | 2,290%              | 3,624             | 1,538,387                                     | 38,353,711      | 2,493%              | 2,461             | 91%                                   | 52%   | 1.76                     |
| 2049                  |  | 3,236,720  | 81,313,090      | 2,512%              | 3,273             | 1,331,424                                     | 36,822,755      | 2,766%              | 2,216             | 93%                                   | 52%   | 1.77                     |
| 2050                  |  | 2,826,335  | 77,695,592      | 2,749%              | 2,946             | 1,148,434                                     | 35,174,684      | 3,063%              | 1,991             | 95%                                   | 53%   | 1.79                     |
| 2051                  | 2,456,414                              | 73,789,866   | 3,004%          | 2,643               | 987,216           | 33,442,973                                    | 3,388%          | 1,783               | 96%               | 54%                                   | 1.80  |                          |
| 2052                  | 2,125,906                              | 69,690,028   | 3,278%          | 2,363               | 845,879           | 31,639,235                                    | 3,740%          | 1,593               | 98%               | 54%                                   | 1.81  |                          |
| 2053                  | 1,831,849                              | 65,553,395   | 3,579%          | 2,106               | 722,597           | 29,802,366                                    | 4,124%          | 1,419               | 99%               | 55%                                   | 1.82  |                          |
| 2054                  | 1,572,250                              | 61,424,304   | 3,907%          | 1,871               | 615,651           | 27,959,218                                    | 4,541%          | 1,261               | 100%              | 55%                                   | 1.82  |                          |
| 2055-2059             | 4,979,392                              | 244,527,751  | 4,911%          | 6,527               | 1,925,974         | 113,096,402                                   | 5,872%          | 4,412               | 104%              | 56%                                   | 1.85  |                          |
| 2060-2064             | 2,106,304                              | 151,245,374  | 7,181%          | 3,316               | 812,784           | 73,366,771                                    | 9,027%          | 2,253               | 106%              | 57%                                   | 1.86  |                          |
| 2065-2069             | 830,509                                | 80,946,946   | 9,747%          | 1,563               | 323,872           | 43,179,944                                    | 13,332%         | 1,052               | 107%              | 57%                                   | 1.87  |                          |
| 2070-2074             | 307,411                                | 36,940,552   | 12,017%         | 675                 | 118,831           | 22,648,227                                    | 19,059%         | 434                 | 107%              | 57%                                   | 1.87  |                          |

**Exhibit II-b**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Experience by Calendar Year**  
**Combined Nationwide Experience After Requested Rate Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

|                       | Calendar Year                          | Actual or Projected Experience using Current Assumptions |                      |                                  |                        | Expected Experience using Pricing Assumptions |                      |                                  |                        | Cumulative Loss Ratios with Interest       |  |                                       |
|-----------------------|--|--|----------------------|----------------------------------|------------------------|---|----------------------|----------------------------------|------------------------|--|--|---------------------------------------|
|                       |  | A<br>Earned Premium                                      | B<br>Incurred Claims | C = B / A<br>Incurred Loss Ratio | D<br>End of Year Lives | E<br>Earned Premium                           | F<br>Incurred Claims | G = F / E<br>Incurred Loss Ratio | H<br>End of Year Lives | I<br>Actual (Column C) with 5.00% Interest | J<br>Expected (Column G) with Average 6.32% Interest | K = I / J<br>Actual-to-Expected Ratio |
| Historical Experience | 2004                                   | 1,942,565  | 299,291              | 15%                              | 3,079                  | 1,903,802                                     | 36,408               | 2%                               | 3,052                  | 15%  | 2%   | 8.49                                  |
|                       | 2005                                   | 11,098,140   | 704,251              | 6%                               | 8,666                  | 10,873,993                                    | 219,506              | 2%                               | 8,484                  | 8%   | 2%   | 4.05                                  |
|                       | 2006                                   | 21,633,477   | 127,091              | 1%                               | 16,067                 | 20,831,726                                    | 506,204              | 2%                               | 15,530                 | 3%   | 2%   | 1.55                                  |
|                       | 2007                                   | 32,580,387   | 1,314,720            | 4%                               | 20,865                 | 30,883,849                                    | 913,113              | 3%                               | 20,075                 | 4%   | 2%   | 1.48                                  |
|                       | 2008                                   | 37,102,427   | 2,873,196            | 8%                               | 21,440                 | 34,545,463                                    | 1,363,706            | 4%                               | 20,431                 | 5%   | 3%   | 1.72                                  |
|                       | 2009                                   | 36,651,035   | 1,804,026            | 5%                               | 20,626                 | 33,869,760                                    | 1,890,966            | 6%                               | 19,852                 | 5%   | 4%   | 1.43                                  |
|                       | 2010                                   | 35,893,738   | 3,127,792            | 9%                               | 20,168                 | 33,097,690                                    | 2,525,074            | 8%                               | 19,383                 | 6%   | 4%   | 1.35                                  |
|                       | 2011                                   | 35,558,393   | 4,131,089            | 12%                              | 19,805                 | 32,494,026                                    | 3,256,293            | 10%                              | 19,061                 | 7%   | 5%   | 1.31                                  |
|                       | 2012                                   | 35,555,401   | 4,870,535            | 14%                              | 19,770                 | 32,208,480                                    | 4,021,665            | 12%                              | 18,946                 | 7%   | 6%   | 1.27                                  |
|                       | 2013                                   | 36,438,885   | 5,688,002            | 16%                              | 19,565                 | 32,739,705                                    | 4,791,079            | 15%                              | 19,055                 | 8%   | 7%   | 1.24                                  |
|                       | 2014                                   | 37,265,289   | 7,662,242            | 21%                              | 18,959                 | 31,784,584                                    | 5,550,446            | 17%                              | 18,461                 | 9%   | 8%   | 1.24                                  |
|                       | Projected Future Experience (60 Years) | 2015   | 36,615,851           | 7,537,511                        | 21%                    | 18,591  | 29,245,684           | 6,327,537                        | 22%                    | 17,906                                     | 10%  | 9%                                    |
| 2016                  |  | 37,006,551   | 8,476,572            | 23%                              | 17,733                 | 26,490,721                                    | 7,155,521            | 27%                              | 17,370                 | 11%  | 10%  | 1.18                                  |
| 2017                  |  | 47,720,400   | 8,730,695            | 18%                              | 16,715                 | 23,566,576                                    | 8,051,478            | 34%                              | 16,841                 | 12%  | 11%  | 1.11                                  |
| 2018                  |  | 48,087,525   | 9,725,442            | 20%                              | 16,398                 | 21,571,532                                    | 9,036,666            | 42%                              | 16,314                 | 12%  | 12%  | 1.06                                  |
| 2019                  |  | 46,455,521   | 11,212,822           | 24%                              | 16,077                 | 20,444,438                                    | 10,095,932           | 49%                              | 15,787                 | 13%  | 13%  | 1.02                                  |
| 2020                  |  | 44,833,864   | 12,959,357           | 29%                              | 15,752                 | 19,387,722                                    | 11,126,933           | 57%                              | 15,258                 | 14%  | 14%  | 0.99                                  |
| 2021                  |  | 43,465,621   | 14,923,580           | 34%                              | 15,418                 | 18,440,291                                    | 12,164,144           | 66%                              | 14,727                 | 15%  | 15%  | 0.97                                  |
| 2022                  |  | 41,991,556   | 17,065,590           | 41%                              | 15,072                 | 17,450,962                                    | 13,238,836           | 76%                              | 14,193                 | 16%  | 17%  | 0.97                                  |
| 2023                  |  | 40,179,399   | 19,344,026           | 48%                              | 14,711                 | 16,335,689                                    | 14,443,633           | 88%                              | 13,658                 | 17%  | 18%  | 0.96                                  |
| 2024                  |  | 38,701,348   | 21,778,947           | 56%                              | 14,333                 | 15,397,913                                    | 15,805,853           | 103%                             | 13,121                 | 19%  | 19%  | 0.96                                  |
| 2025                  |  | 37,297,341   | 24,376,776           | 65%                              | 13,938                 | 14,525,388                                    | 17,273,401           | 119%                             | 12,583                 | 20%  | 21%  | 0.96                                  |
| 2026                  |  | 35,859,137   | 27,162,684           | 76%                              | 13,526                 | 13,673,949                                    | 18,860,017           | 138%                             | 12,045                 | 21%  | 22%  | 0.97                                  |
| 2027                  |  | 34,407,095   | 30,190,076           | 88%                              | 13,095                 | 12,844,487                                    | 20,566,216           | 160%                             | 11,508                 | 23%  | 24%  | 0.97                                  |
| 2028                  |  | 32,880,915   | 33,400,548           | 102%                             | 12,647                 | 12,023,795                                    | 22,383,869           | 186%                             | 10,973                 | 25%  | 25%  | 0.98                                  |
| 2029                  |  | 31,325,156   | 36,729,409           | 117%                             | 12,184                 | 11,219,300                                    | 24,309,389           | 217%                             | 10,440                 | 26%  | 27%  | 0.99                                  |
| 2030                  |  | 29,793,043   | 40,371,364           | 136%                             | 11,710                 | 10,444,353                                    | 26,300,654           | 252%                             | 9,910                  | 28%  | 28%  | 1.00                                  |
| 2031                  |  | 28,232,299   | 44,421,557           | 157%                             | 11,226                 | 9,689,122                                     | 28,324,844           | 292%                             | 9,386                  | 30%  | 30%  | 1.01                                  |
| 2032                  |  | 26,682,891   | 48,678,535           | 182%                             | 10,734                 | 8,966,082                                     | 30,349,514           | 338%                             | 8,869                  | 32%  | 31%  | 1.02                                  |
| 2033                  |  | 25,148,563   | 53,118,380           | 211%                             | 10,237                 | 8,274,611                                     | 32,337,121           | 391%                             | 8,359                  | 34%  | 33%  | 1.04                                  |
| 2034                  |  | 23,596,756   | 57,466,367           | 244%                             | 9,735                  | 7,601,966                                     | 34,274,544           | 451%                             | 7,858                  | 36%  | 34%  | 1.05                                  |
| 2035                  |  | 22,071,841   | 61,645,725           | 279%                             | 9,231                  | 6,961,833                                     | 36,102,564           | 519%                             | 7,368                  | 38%  | 36%  | 1.06                                  |
| 2036                  |  | 20,571,660   | 65,590,515           | 319%                             | 8,726                  | 6,350,537                                     | 37,771,977           | 595%                             | 6,890                  | 41%  | 38%  | 1.08                                  |
| 2037                  |  | 19,089,497   | 69,232,055           | 363%                             | 8,224                  | 5,769,113                                     | 39,270,432           | 681%                             | 6,426                  | 43%  | 39%  | 1.09                                  |
| 2038                  |  | 17,634,509   | 72,554,148           | 411%                             | 7,725                  | 5,217,871                                     | 40,565,525           | 777%                             | 5,976                  | 45%  | 41%  | 1.11                                  |
| 2039                  |  | 16,237,976   | 75,399,877           | 464%                             | 7,233                  | 4,704,364                                     | 41,621,391           | 885%                             | 5,541                  | 47%  | 42%  | 1.13                                  |
| 2040                  |  | 14,886,006   | 77,640,861           | 522%                             | 6,749                  | 4,222,592                                     | 42,409,682           | 1,004%                           | 5,123                  | 50%  | 43%  | 1.14                                  |
| 2041                  |  | 13,589,626   | 79,134,267           | 582%                             | 6,275                  | 3,776,762                                     | 42,894,643           | 1,136%                           | 4,723                  | 52%  | 45%  | 1.16                                  |
| 2042                  |  | 12,347,156   | 79,943,637           | 647%                             | 5,814                  | 3,361,405                                     | 43,075,656           | 1,281%                           | 4,341                  | 54%  | 46%  | 1.17                                  |
| 2043                  |  | 11,167,338   | 80,046,308           | 717%                             | 5,368                  | 2,980,949                                     | 42,951,684           | 1,441%                           | 3,979                  | 56%  | 47%  | 1.18                                  |
| 2044                  |  | 10,054,357   | 79,558,175           | 791%                             | 4,937                  | 2,632,915                                     | 42,534,224           | 1,615%                           | 3,635                  | 58%  | 48%  | 1.19                                  |
| 2045                  |  | 9,010,737  | 78,486,533           | 871%                             | 4,525                  | 2,316,278                                     | 41,845,189           | 1,807%                           | 3,312                  | 59%  | 49%  | 1.21                                  |
| 2046                  |  | 8,038,486  | 76,888,435           | 957%                             | 4,132                  | 2,029,076                                     | 40,898,055           | 2,016%                           | 3,008                  | 61%  | 50%  | 1.22                                  |
| 2047                  |  | 7,136,697  | 74,783,088           | 1,048%                           | 3,760                  | 1,770,332                                     | 39,724,185           | 2,244%                           | 2,725                  | 62%  | 51%  | 1.23                                  |
| 2048                  |  | 6,307,802  | 72,299,413           | 1,146%                           | 3,409                  | 1,538,387                                     | 38,353,711           | 2,493%                           | 2,461                  | 64%  | 52%  | 1.24                                  |
| 2049                  | 5,548,325                              | 69,543,246   | 1,253%               | 3,080                            | 1,331,424              | 36,822,755                                    | 2,766%               | 2,216                            | 65%                    | 52%  | 1.24   |                                       |
| 2050                  | 4,860,146                              | 66,454,540   | 1,367%               | 2,773                            | 1,148,434              | 35,174,684                                    | 3,063%               | 1,991                            | 66%                    | 53%  | 1.25   |                                       |
| 2051                  | 4,237,576                              | 63,121,615   | 1,490%               | 2,488                            | 987,216                | 33,442,973                                    | 3,388%               | 1,783                            | 67%                    | 54%  | 1.26   |                                       |
| 2052                  | 3,679,216                              | 59,622,401   | 1,621%               | 2,225                            | 845,879                | 31,639,235                                    | 3,740%               | 1,593                            | 68%                    | 54%  | 1.26   |                                       |
| 2053                  | 3,180,521                              | 56,093,241   | 1,764%               | 1,984                            | 722,597                | 29,802,366                                    | 4,124%               | 1,419                            | 69%                    | 55%  | 1.27   |                                       |
| 2054                  | 2,738,406                              | 52,566,466   | 1,920%               | 1,763                            | 615,651                | 27,959,218                                    | 4,541%               | 1,261                            | 70%                    | 55%  | 1.28   |                                       |
| 2055-2059             | 8,739,935                              | 209,263,716  | 2,394%               | 6,154                            | 1,925,974              | 113,096,402                                   | 5,872%               | 4,412                            | 73%                    | 56%  | 1.29   |                                       |
| 2060-2064             | 3,737,034                              | 129,416,545  | 3,463%               | 3,128                            | 812,784                | 73,366,771                                    | 9,027%               | 2,253                            | 74%                    | 57%  | 1.30   |                                       |
| 2065-2069             | 1,478,947                              | 69,162,720   | 4,676%               | 1,474                            | 323,872                | 43,179,944                                    | 13,332%              | 1,052                            | 75%                    | 57%  | 1.31   |                                       |
| 2070-2074             | 546,075                                | 31,442,804   | 5,758%               | 637                              | 118,831                | 22,648,227                                    | 19,059%              | 434                              | 75%                    | 57%  | 1.31   |                                       |

**Exhibit III**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Experience by Issue Age Band**  
**Combined Nationwide Experience**  
**Individual Simplicity Policy Forms**

| <b>Before Requested Rate Increase</b> |   |                 |                           |
|---------------------------------------|---|-----------------|---------------------------|
| <b>Issue Age Band</b>                 | <b>Lifetime Loss Ratio with Interest as of 12/31/2014</b> |                 |                           |
|                                       | <b>Actual</b>   | <b>Expected</b> | <b>Actual-to-Expected</b> |
| <45                                   | 133%  | 60%             | 2.22                      |
| 45-49                                 | 125%  | 61%             | 2.04                      |
| 50-54                                 | 115%  | 60%             | 1.92                      |
| 55-59                                 | 106%  | 57%             | 1.86                      |
| 60-64                                 | 93%   | 53%             | 1.75                      |
| 65-69                                 | 89%   | 55%             | 1.61                      |
| 70-74                                 | 89%   | 55%             | 1.62                      |
| 75+                                   | 81%   | 49%             | 1.66                      |

| <b>After Requested Rate Increase</b> |   |                 |                           |
|--------------------------------------|---|-----------------|---------------------------|
| <b>Issue Age Band</b>                | <b>Lifetime Loss Ratio with Interest as of 12/31/2014</b> |                 |                           |
|                                      | <b>Actual</b>   | <b>Expected</b> | <b>Actual-to-Expected</b> |
| <45                                  | 87%   | 60%             | 1.45                      |
| 45-49                                | 83%   | 61%             | 1.35                      |
| 50-54                                | 78%   | 60%             | 1.31                      |
| 55-59                                | 73%   | 57%             | 1.29                      |
| 60-64                                | 66%   | 53%             | 1.24                      |
| 65-69                                | 67%   | 55%             | 1.21                      |
| 70-74                                | 73%   | 55%             | 1.32                      |
| 75+                                  | 72%   | 49%             | 1.47                      |

**Exhibit IV**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Comparison of Current and Original Pricing Assumptions**  
**Individual Simplicity Policy Forms**

**Current Assumptions**

**Original Pricing Assumptions**

**Mortality**

1994 Group Annuitant Mortality (GAM) Table adjusted using the durational factors shown in the following table. The durational adjustment factors were developed for MedAmerica Insurance Company (MAPA); MAPA's two sister companies, MedAmerica Insurance Company of Florida (MAFL) and MedAmerica Insurance Company of New York (MANY) (MAPA, MAFL, and MANY collectively referred to as MedAmerica); and MedAmerica's affinity partners based on historical experience from inception through March 31, 2015 on all policy forms priced beginning in 1998.

1983 GAM Table without selection was assumed in all jurisdictions except for in California where the 1994 GAM Table was used.

| <b>Duration</b> | <b>Durational Factor</b> |
|-----------------|--------------------------|
| 1               | 25%                      |
| 2               | 35%                      |
| 3               | 42%                      |
| 4               | 44%                      |
| 5               | 45%                      |
| 6               | 47%                      |
| 7               | 48%                      |
| 8               | 50%                      |
| 9               | 53%                      |
| 10              | 55%                      |
| 11              | 58%                      |
| 12              | 60%                      |

| <b>Duration</b> | <b>Durational Factor</b> |
|-----------------|--------------------------|
| 13              | 63%                      |
| 14              | 64%                      |
| 15              | 66%                      |
| 16              | 67%                      |
| 17              | 69%                      |
| 18              | 70%                      |
| 19              | 73%                      |
| 20              | 75%                      |
| 21              | 78%                      |
| 22              | 80%                      |
| 23              | 83%                      |
| 24+             | 85%                      |

**Exhibit IV**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Comparison of Current and Original Pricing Assumptions**  
**Individual Simplicity Policy Forms**

**Current Assumptions**

**Original Pricing Assumptions**

**Lapse Rates**

Lapse rates vary by duration, premium payment option, and issue age, and were developed based on historical experience for Simplicity and Simplicity ii individual policies issued by MedAmerica and its affinity partners from inception through March 31, 2015.

Lapse rates vary by duration, premium payment option, and issue age.

| <b>Lifetime-Pay Lapse Rates</b> |                       |              |              |            |
|---------------------------------|-----------------------|--------------|--------------|------------|
| <b>Duration</b>                 | <b>Issue Age Band</b> |              |              |            |
|                                 | <b>&lt;40</b>         | <b>40-49</b> | <b>50-59</b> | <b>60+</b> |
| <b>1</b>                        | 17.5%                 | 9.5%         | 5.5%         | 5.5%       |
| <b>2</b>                        | 16.5%                 | 9.0%         | 5.0%         | 4.5%       |
| <b>3</b>                        | 12.0%                 | 6.0%         | 4.0%         | 3.5%       |
| <b>4</b>                        | 8.0%                  | 4.5%         | 3.0%         | 3.0%       |
| <b>5</b>                        | 7.0%                  | 4.0%         | 3.0%         | 2.5%       |
| <b>6</b>                        | 5.0%                  | 3.0%         | 2.5%         | 2.0%       |
| <b>7</b>                        | 3.5%                  | 3.0%         | 2.0%         | 1.5%       |
| <b>8</b>                        | 2.0%                  | 1.5%         | 1.5%         | 1.5%       |
| <b>9+</b>                       | 1.0%                  | 1.0%         | 1.0%         | 1.0%       |

| <b>Lifetime-Pay Lapse Rates</b> |                       |              |              |              |              |            |
|---------------------------------|-----------------------|--------------|--------------|--------------|--------------|------------|
| <b>Duration</b>                 | <b>Issue Age Band</b> |              |              |              |              |            |
|                                 | <b>&lt;60</b>         | <b>60-64</b> | <b>65-69</b> | <b>70-74</b> | <b>75-79</b> | <b>80+</b> |
| <b>1</b>                        | 10.0%                 | 11.0%        | 12.0%        | 12.0%        | 12.0%        | 12.0%      |
| <b>2</b>                        | 7.0%                  | 7.0%         | 7.0%         | 6.0%         | 4.0%         | 2.0%       |
| <b>3</b>                        | 5.0%                  | 4.0%         | 3.0%         | 3.0%         | 3.0%         | 2.0%       |
| <b>4</b>                        | 3.0%                  | 3.0%         | 2.0%         | 2.0%         | 2.0%         | 2.0%       |
| <b>5</b>                        | 3.0%                  | 2.0%         | 2.0%         | 2.0%         | 2.0%         | 2.0%       |
| <b>6+</b>                       | 2.0%                  | 2.0%         | 2.0%         | 2.0%         | 2.0%         | 2.0%       |

For the 10-pay option, a reduction of 65% of these lapse rates was assumed for durations 1 to 4, a reduction of 70% of these lapse rates was assumed for durations 5 to 8, and 0% lapse thereafter. For the paid up at 65 option, a reduction of 50% of these lapse rates was assumed until age 55, a reduction of 75% of these lapse rates for ages 55 to 59, and 0% lapse thereafter. For the reduced after 65 and reduced after 70 pay options, a reduction of 50% of these lapse rates was assumed until age 60 or 65, respectively, and a reduction of 75% of these lapse rates after the reduction of premiums.

For the 10-year payment option, a reduction of 50% of these lapse rates was assumed for durations 1 to 5, and 0% lapse thereafter. For the paid up at age 65 option, a reduction of 50% of these lapse rates was assumed until age 60, and 0% lapse thereafter. For the reduced after age 65 and reduced after 70 payment options, a reduction of 50% of these lapse rates was assumed until age 60 or 65, respectively, and a reduction of 75% of these lapse rates was assumed after the reduction of premiums.

**Exhibit IV**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Comparison of Current and Original Pricing Assumptions**  
**Individual Simplicity Policy Forms**

| Current Assumptions  | Original Pricing Assumptions   |
|--|--|
| <b>Morbidity</b>   |  |
| Expected claim costs are developed using the 2014 Milliman <i>Long-Term Care Guidelines (LTCGs)</i> with adjustments for an all-lives exposure basis. The claim costs are further adjusted based on historical claim experience by attained age, duration, and coverage-type, to the extent credible.                      | Original expected claim costs were developed using the 2002 <i>LTCGs</i> with best-estimate (with no explicit margin) adjustments for an all-lives exposure basis. The claim costs were further adjusted based on MedAmerica's available experience at the time.   |
| <b>Interest Rate</b>   |  |
| 5.00%  | In all jurisdictions except California, 6.5% was assumed for issue ages less than 60, decreasing by 12.5 basis points for each age over 59 and less than 75. For example, at issue age 65 the assumed rate was 5.75%. For issue ages 75 and over, 4.5% was assumed. In California, 5.25% was assumed for all issue ages. |
| <b>Improvement</b>   |  |
| Mortality and morbidity improvement is assumed for 15 years. Mortality improvement levels of 0.5% and 1.0% are assumed beginning in calendar year 2015 for females and males, respectively. Morbidity improvement levels of 1.0% and 1.5% are assumed beginning in calendar year 2015 for females and males, respectively. | No mortality improvement was assumed. Morbidity improvement of 1.0% was assumed for 20 years for both females and males.   |

**Exhibit V**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Comparison of Current and Prior Nationwide Rate Increase Assumptions**  
**Individual Simplicity Policy Forms**

**Current Assumptions**

**Prior Nationwide Rate Increase Assumptions**

**Mortality**

1994 Group Annuitant Mortality (GAM) Table adjusted using the durational factors shown in the following table. The durational adjustment factors were developed for MedAmerica Insurance Company (MAPA); MAPA's two sister companies, MedAmerica Insurance Company of Florida (MAFL) and MedAmerica Insurance Company of New York (MANY) (MAPA, MAFL, and MANY collectively referred to as MedAmerica); and MedAmerica's affinity partners based on historical experience from inception through March 31, 2015 on all policy forms priced beginning in 1998.

1994 GAM Table adjusted by gender using durational factors which reflect the impact of both mortality selection and improvement. The durational adjustment factors were developed for MAPA; MAPA's two sister companies, MAFL and MANY (MAPA, MAFL, and MANY collectively referred to as MedAmerica); and MedAmerica's affinity partners based on historical experience from inception through December 31, 2011 on all policy forms priced beginning in 1998, except the recently priced FlexCare policy form.

| Duration | Durational Factor |
|----------|-------------------|
| 1        | 25%               |
| 2        | 35%               |
| 3        | 42%               |
| 4        | 44%               |
| 5        | 45%               |
| 6        | 47%               |
| 7        | 48%               |
| 8        | 50%               |
| 9        | 53%               |
| 10       | 55%               |
| 11       | 58%               |
| 12       | 60%               |

| Duration | Durational Factor |
|----------|-------------------|
| 13       | 63%               |
| 14       | 64%               |
| 15       | 66%               |
| 16       | 67%               |
| 17       | 69%               |
| 18       | 70%               |
| 19       | 73%               |
| 20       | 75%               |
| 21       | 78%               |
| 22       | 80%               |
| 23       | 83%               |
| 24+      | 85%               |

| Duration | Durational Factor |        |
|----------|-------------------|--------|
|          | Male              | Female |
| 1        | 25%               | 25%    |
| 2        | 40%               | 40%    |
| 3        | 45%               | 45%    |
| 4        | 47%               | 48%    |
| 5        | 50%               | 51%    |
| 6        | 52%               | 54%    |
| 7        | 55%               | 57%    |
| 8        | 57%               | 60%    |
| 9        | 61%               | 63%    |
| 10       | 64%               | 66%    |
| 11       | 68%               | 69%    |

| Duration | Durational Factor |        |
|----------|-------------------|--------|
|          | Male              | Female |
| 12       | 71%               | 72%    |
| 13       | 75%               | 75%    |
| 14       | 76%               | 77%    |
| 15       | 78%               | 80%    |
| 16       | 79%               | 82%    |
| 17       | 81%               | 84%    |
| 18       | 82%               | 86%    |
| 19       | 83%               | 89%    |
| 20       | 85%               | 91%    |
| 21+      | 86%               | 93%    |

**Exhibit V**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Comparison of Current and Prior Nationwide Rate Increase Assumptions**  
**Individual Simplicity Policy Forms**

**Current Assumptions**

**Prior Nationwide Rate Increase Assumptions**

**Lapse Rates**

Lapse rates vary by duration, premium payment option, and issue age, and were developed based on historical experience for Simplicity and Simplicity ii individual policies issued by MedAmerica and its affinity partners from inception through March 31, 2015.

Lapse rates vary by duration, premium payment option, and issue age, and were developed based on historical experience for Simplicity and Simplicity ii individual policies issued by MedAmerica and its affinity partners from inception through December 31, 2011.

| <b>Lifetime-Pay Lapse Rates</b> |                       |              |              |            |
|---------------------------------|-----------------------|--------------|--------------|------------|
| <b>Duration</b>                 | <b>Issue Age Band</b> |              |              |            |
|                                 | <b>&lt;40</b>         | <b>40-49</b> | <b>50-59</b> | <b>60+</b> |
| <b>1</b>                        | 17.5%                 | 9.5%         | 5.5%         | 5.5%       |
| <b>2</b>                        | 16.5%                 | 9.0%         | 5.0%         | 4.5%       |
| <b>3</b>                        | 12.0%                 | 6.0%         | 4.0%         | 3.5%       |
| <b>4</b>                        | 8.0%                  | 4.5%         | 3.0%         | 3.0%       |
| <b>5</b>                        | 7.0%                  | 4.0%         | 3.0%         | 2.5%       |
| <b>6</b>                        | 5.0%                  | 3.0%         | 2.5%         | 2.0%       |
| <b>7</b>                        | 3.5%                  | 3.0%         | 2.0%         | 1.5%       |
| <b>8</b>                        | 2.0%                  | 1.5%         | 1.5%         | 1.5%       |
| <b>9+</b>                       | 1.0%                  | 1.0%         | 1.0%         | 1.0%       |

| <b>Lifetime-Pay Lapse Rates</b> |                       |              |              |            |
|---------------------------------|-----------------------|--------------|--------------|------------|
| <b>Duration</b>                 | <b>Issue Age Band</b> |              |              |            |
|                                 | <b>&lt;40</b>         | <b>40-49</b> | <b>50-59</b> | <b>60+</b> |
| <b>1</b>                        | 16.00%                | 9.00%        | 5.50%        | 5.75%      |
| <b>2</b>                        | 16.00%                | 9.00%        | 4.75%        | 4.75%      |
| <b>3</b>                        | 11.00%                | 5.50%        | 4.00%        | 3.50%      |
| <b>4</b>                        | 7.00%                 | 4.50%        | 3.00%        | 3.00%      |
| <b>5</b>                        | 5.00%                 | 3.50%        | 2.75%        | 2.25%      |
| <b>6</b>                        | 3.00%                 | 2.00%        | 2.00%        | 1.75%      |
| <b>7+</b>                       | 1.50%                 | 1.50%        | 1.50%        | 1.50%      |

For the 10-pay option, a reduction of 65% of these lapse rates was assumed for durations 1 to 4, a reduction of 70% of these lapse rates was assumed for durations 5 to 8, and 0% lapse thereafter. For the paid up at 65 option, a reduction of 50% of these lapse rates was assumed until age 55, a reduction of 75% of these lapse rates for ages 55 to 59, and 0% lapse thereafter. For the reduced after 65 and reduced after 70 pay options, a reduction of 50% of these lapse rates was assumed until age 60 or 65, respectively, and a reduction of 75% of these lapse rates after the reduction of premiums.

For the 10-pay option, a reduction of 50% of these lapse rates is assumed for durations 1 to 5, and 0% lapse thereafter. For the paid up at 65 option, a reduction of 50% of these lapse rates is assumed until age 60, and 0% lapse thereafter. For the reduced after 65 and reduced after 70 pay options, a reduction of 50% of these lapse rates is assumed until age 60 or 65, respectively, and a reduction of 75% of these lapse rates is assumed after the reduction of premiums.



**Exhibit V**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Comparison of Current and Prior Nationwide Rate Increase Assumptions**  
**Individual Simplicity Policy Forms**

| Current Assumptions  | Prior Nationwide Rate Increase Assumptions   |
|--|--|
| <b>Morbidity</b>   |  |
| Expected claim costs are developed using the 2014 Milliman <i>Long-Term Care Guidelines (LTCGs)</i> with adjustments for an all-lives exposure basis. The claim costs are further adjusted based on historical claim experience by attained age, duration, and coverage-type, to the extent credible.                      | Expected claim costs are the original pricing claim costs, adjusted to an all-lives exposure base. The claim costs are further adjusted based on historical claim experience on a durational basis, to the extent credible.  |
| <b>Interest Rate</b>   |  |
| 5.00%  | 5.25%  |
| <b>Improvement</b>   |  |
| Mortality and morbidity improvement is assumed for 15 years. Mortality improvement levels of 0.5% and 1.0% are assumed beginning in calendar year 2015 for females and males, respectively. Morbidity improvement levels of 1.0% and 1.5% are assumed beginning in calendar year 2015 for females and males, respectively. | No mortality improvement was assumed; however, the ultimate mortality level was determined by assuming mortality improvement of 1.0% for males and 0.5% for females for 15 years. Embedded in the original pricing claim costs is a morbidity improvement assumption of 1.0% per year for 20 years for both females and males. |

**Exhibit VI**  
**Demonstration that the Requested Cumulative Rate Increase Passes the 58%/85% Loss Ratio Minimum**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners' Combined Nationwide Experience with Prior Approved Increases**  
**Individual Simplicity Policy Forms**

|   |   |             |   |     |   |                    |
|---|---|-------------|---|-----|---|--------------------|
| 1   | Accumulated value of initial earned premium   | 387,248,202 | x | 58% | = | 224,603,957        |
| 2a  | Accumulated value of earned premium   | 390,303,108 |   |     |   |                    |
| 2b  | Accumulated value of prior premium rate schedule increases (2a - 1)                                   | 3,054,907   | x | 85% | = | 2,596,671          |
| 3   | Present value of future projected initial earned premium  | 277,362,667 | x | 58% | = | 160,870,347        |
| 4a  | Present value of future projected premium   | 595,753,236 |   |     |   |                    |
| 4b  | Present value of future projected premium in excess of the projected initial earned premiums (4a - 3) | 318,390,569 | x | 85% | = | 270,631,983        |
| <b>5</b>  | <b>Lifetime Earned Premium Times Prescribed Factor: Sum of 1, 2b, 3, and 4b</b>                       |             |   |     |   | <b>658,702,958</b> |
| 6a  | Accumulated value of incurred claims without the inclusion of active life reserves                    |             |   |     |   | 37,448,745         |
| 6b  | Present value of future projected incurred claims without the inclusion of active life reserves       |             |   |     |   | 933,638,402        |
| <b>7</b>  | <b>Lifetime Incurred Claims with Rate Increase: Sum 6a and 6b</b>                                     |             |   |     |   | <b>971,087,147</b> |
| 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>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 15% to reflect assumptions with moderately adverse experience.</i></p> |   |             |   |     |   |                    |

## **Appendix A**

### **Development and Justification of Current Assumptions**

The assumptions for mortality, voluntary lapse, and morbidity were developed by Milliman based on historical experience. Where actual experience had low credibility or did not exist, industry experience was also used. The experience used to develop these assumptions includes historical experience of Highmark Blue Shield (Highmark BS), MedAmerica Insurance Company (MAPA); MAPA's two sister companies, MedAmerica Insurance Company of Florida (MAFL) and MedAmerica Insurance Company of New York (MANY) (MAPA, MAFL, and MANY collectively referred to as MedAmerica); and MedAmerica's other affinity partners that issued the same products. For persistency, policy termination experience through March 31, 2015 was used, whereas for morbidity, claim experience through December 31, 2014 was used. The methodology used to develop these assumptions is provided below.

#### ***Persistency***

##### *Mortality Durational Factors*

The experience used to develop the mortality assumption includes detailed historical experience of Highmark BS, MedAmerica, and MedAmerica's other affinity partners from inception through March 31, 2015 for all policy forms priced beginning in 1998 (Premier and later policy forms).

Exhibit A-1 provides exposure, actual and expected mortality rates, actual-to-expected (A:E) ratios, credibility percent, and smoothed mortality durational factors on a unisex basis.

Actual deaths were assigned to the duration in which they occurred, or the preceding duration if the death was on the policy anniversary date. The number of expected deaths by duration was calculated by multiplying a mortality rate by the exposure. The exposure base reflects a full year of exposure for each death and the length of time a covered life is exposed to the risk of death during the year for each life that does not die. The mortality table for determining the expected number of deaths is 1994 Group Annuitant Mortality (94GAM) Static. (The 94GAM Static table has mortality rates that are 93% of the 94GAM Basic table.) The ratio of actual deaths to expected deaths was then calculated.

Considering the level of credibility, the A:E ratios were pegged for quinquennial durational bands and then interpolated to develop smoothed factors for the first 25 durations. The smoothed factors were determined such that the bands of quinquennial durations reproduced the actual experience, to the extent credible. An ultimate level of 85% of the gender-distinct 94GAM Static table was assumed based on actual experience, to the extent credible, and ultimate experience for other fully credible cohorts. While the durational factors do not reflect an explicit assumption for future mortality improvement, some historical improvement is captured in the experience of Highmark BS, MedAmerica, and MedAmerica's other affinity partners.

A description of the assumed credibility measure is described at the end of this appendix.

##### *Voluntary Lapse Rates*

The experience used to develop the lapse assumption is the combined historical experience on Simplicity and Simplicity ii individual policies issued by Highmark BS, MedAmerica, and MedAmerica's other affinity partners from inception through March 31, 2015.

Exhibit A-2a provides exposure, actual total termination rates, expected mortality rates, derived lapse rates, derived lapse credibility percent, all ages lapse rates (from Exhibit A-2b), credibility-weighted lapse rates, and smoothed lapse rates for individual lifetime-pay policies by issue age band.

## Appendix A Development and Justification of Current Assumptions

Exhibit A-2b provides exposure, actual total termination rates, expected mortality rates, derived lapse rates, derived lapse credibility percent, and smoothed lapse rates for individual lifetime-pay policies for all issue ages combined. These smoothed lapse rates are used in Exhibit A-2a for credibility weighting in the development of the individual lapse assumption by issue age band.

The credibility-weighted lapse rates in Exhibit A-2a were developed as the weighted average of the derived lapse rates and the all issue ages lapse rates from Exhibit A-2b. The credibility percentage and its complement are used as weights. In general, the smoothed lapse rates were selected in such a way that the combined duration smoothed lapse rates were close to the credibility-weighted lapse rates (see the rows at the bottom of each exhibit).

The algorithm for the limited-pay options is similar to that used in original pricing. The smoothed lapse rates are a scalar of the lifetime-pay lapse rates. While only 15% of the Simplicity individual policies in-force have a limited-pay option and thus the impact of these assumptions on the projections is assumed to be immaterial, the following describes how the scalars were developed.

- For the 10-pay option, the scalars were developed from a comparison of the lifetime-pay derived lapse rates to the 10-pay derived lapse rates based on Highmark BS, MedAmerica, and MedAmerica's other affinity partners' experience on all products combined. Exhibit A-2c provides similar information as Exhibit A-2b for the 10-pay option, but also shows the derived lifetime-pay lapse rates, ratio of the derived 10-pay lapse rates to the derived lifetime-pay lapse rates, and the smoothed ratios.
- For the paid up at attained age 65, reduced premiums at attained age 65, and reduced premiums at attained age 70 payment options, the scalars by attained age were selected based on those developed for the 20-pay option. The average issue age for the paid up at age 65 payment option is approximately 45, which results in an average payment term of approximately 20 durations. For the two reduced-pay options, only 12 policies were issued across all companies and so the experience is not credible. The scalars for the 20-pay option were developed from a comparison of the lifetime-pay derived lapse rates to the 20-pay derived lapse rates based on Highmark BS, MedAmerica, and MedAmerica's other affinity partners' experience on all products combined. Exhibit A-2d provides the same information as Exhibit A-2c for the 20-pay option.
- The smoothed ratios were chosen primarily based on the banded durational credibility-weighted ratios at the bottom of Exhibits A-2c and A-2d.

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 long-term care (LTC) Insurance Persistency Experience reports sponsored by LIMRA International and the Society of Actuaries LTC Experience Committee.

## Appendix A Development and Justification of Current Assumptions

The expected mortality rate assumes the gender-distinct 94GAM Static table with the durational factors shown in Exhibit A-1 applied by duration. The derived lapse rate is then calculated according to the following formula:

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

The derived lapse rate implicitly includes any decrements due to benefit expiry.

A description of the assumed credibility measure is described at the end of this appendix.

### ***Morbidity***

The claims costs were developed using the 2014 Milliman Long-Term Care Guidelines (*LTCGs*). A:E experience analyses were performed to develop most likely (with no explicit margin) morbidity experience adjustments to be applied to the 2014 *LTCGs* claim costs. The experience used includes historical experience for all products of Highmark BS, MedAmerica, and MedAmerica's other affinity partners as well as any acquired business from 2004 through 2014, with runout through June 2015. The claim costs were then further adjusted based on historical claim experience by policy duration, attained age, and coverage-type, to the extent credible.

A:E adjustment factors were developed using a complex and proprietary Excel-based model. Adjustments were developed by the following parameters: policy duration, attained age, coverage type, group/individual, benefit payment type, company, and product. The adjustment factors were calculated using an algorithm that simultaneously and iteratively updates the adjustment factors until the adjusted expected incurred claims match actual incurred claims, to the extent credible. The adjusted expected incurred claims equal the 2014 *LTCGs* (with adjustments for historical improvement) multiplied by the A:E adjustment factors. The iterative process normalizes the adjustments for each parameter because the adjusted expected incurred claims capture the adjustments made for the other characteristics and thus normalizes the underlying mix differences.

Exhibit A-3a provides the A:E adjustment factors that are applicable to the Simplicity block after multiplying the appropriate combination of factors for policy duration, attained age, and coverage type.

Exhibit A-3b provides an indication of the goodness of fit. Exhibit A-3b provides the credibility and ratio of actual to adjusted expected incurred claims by policy duration band and attained age band. The credibility and ratio's numerator (actual incurred claims) reflects the Simplicity and Simplicity ii individual blocks combined experience. The ratio's denominator (adjusted expected incurred claims) is equal the unadjusted expected incurred claims (2014 *LTCGs*) multiplied by the A:E adjustment factors. The actual-to-adjusted expected ratio provides an indication of the goodness of fit of the assumption relative to actual experience, where a ratio close to 1.00 is a good fit. The actual-to-adjusted expected ratio is close to 1.00 where the experience is fully credible. As can be seen from the Total row (shaded grey), the actual to adjusted expected ratio is close to 1.00. Note that the goodness of fit test by attained age band includes only experience for durations seven and later to reduce the impact of the selection period in the goodness of fit test.

### ***Improvement***

For mortality improvement, levels of 0.5% and 1.0% are assumed for 15 years beginning in calendar year 2015 for females and males, respectively. The Society of Actuaries (SOA) June 2011 study, *Global Mortality Improvement Experience and Projection Techniques*, provides best-estimate mortality improvement assumptions for the period 2011 to 2025 by gender and attained age, for

## **Appendix A**

### **Development and Justification of Current Assumptions**

individual annuitants and the general population. For individual annuitants, the average annual improvement rates for males and females are approximately 1.5% and 1.0%, respectively. These rates were about 25 basis points higher than that for the general population. Based on this study, a reasonable range for mortality improvement is 0.0% to 1.5% for males and 0.0% to 1.0% for females for 10 to 20 years.

For morbidity, levels of 1.0% and 1.5% are assumed for 15 years, consistent with mortality improvement, beginning in calendar year 2015 for females and males, respectively. This assumption is reasonable based on Eric Stallard's improvement studies that were presented at the 2004 SOA Spring Meeting (*Morbidity Improvement and Its Impact on LTC Pricing and Valuation, Record, Vol. 30, No. 1*) and the 2014 Intercompany Long-Term Care Insurance (ILTCI) Conference (these results provided an additional progress update from the previous update during 2011 ILTCI conference, and are expected to be published).

Stallard's 2004 presentation reported that population morbidity improved 1.6% per year over the period 1984 to 1999. Stallard's 2011 presentation reported population annual morbidity improvement of 1.9% for unisex, 2.3% for males, and 1.6% for females over the period 1984 to 2004. Stallard's 2014 presentation included additional refinements since the 2011 presentation, which reported population annual morbidity improvement of 2.3% for unisex, 2.5% for males, and 2.1% for females. Stallard's studies use population data, so it is uncertain how well his findings will translate to an insured population. The SOA June 2011 study suggests that an annuitant cohort has more mortality improvement over the general population, so it is possible that this could be true for morbidity as well. Based on these studies, a reasonable range for morbidity improvement is between 0.0% to 2.5% for males and 0.0% to 2.1% for females for 10 to 20 years.

#### ***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. In determining the justified rate increase amounts, assumptions for these rate increase dependent assumptions were also developed. Very little industry data exists to help determine these assumptions, especially for the magnitude of rate increases that are requested. These policyholder behavior assumptions are provided below, and are based on assumptions used for rate increase work across the LTC industry and actuarial judgment.

#### ***Contingent Benefit Upon Lapse Election***

We assume a CBUL election rate of 8% for the Simplicity nationwide rate increase across all issue ages. While a higher CBUL election rate could be considered reasonable for a rate increase of the requested magnitude, we assume the election rate for Simplicity may be lower than that experienced by other blocks. This assumption was made because Simplicity is a cash, rather than reimbursement, product and the policyholders may be less sensitive to the rate increase as they originally opted to purchase a policy with richer coverage.

No CBUL elections are assumed for limited-pay policies.

#### ***Reduced Benefit Options***

The assumed 7% to 14% reduction to premium and benefits due to RBO elections was derived from actual RBO election rates based on the combined experience of MedAmerica and its affinity partners following a prior rate increase on this and similar blocks of business along with actuarial judgment. We assume that those electing RBO will reduce their benefits so that premiums after the increase are closer to those before the increase. We assume that the percent reduction in premium

## Appendix A Development and Justification of Current Assumptions

corresponds to an equivalent percent reduction in claims. Based on the nationwide average rate increase requested on the Simplicity policy forms, we assume 20% of policyholders will elect RBO. The reduction to premium and claims can then be determined as follows:

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% 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:

Adverse Selection =  $1 / (1 - 25\% \times \text{CBUL})$   
 $1.02 \sim 1 / (1 - 25\% \times 8\%)$

### ***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 deaths, derived voluntary lapses, or claims. A credibility standard of a 90% confidence interval for the number of events with an error of plus or minus 7.5% was chosen. Based on these parameters, 481 events is the criterion for full credibility.

**Exhibit A-1**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected (A:E) Mortality Experience from Inception through March 31, 2015**  
**Premier and Later Policy Forms**

| <b>Unisex</b> |                    |                       |                         |               |                     |                    |
|---------------|--------------------|-----------------------|-------------------------|---------------|---------------------|--------------------|
| Duration      | Mortality Exposure | Actual Mortality Rate | Expected Mortality Rate | Mortality A:E | Credibility Percent | Smoothed Selection |
| 1             | 97,184             | 0.1%                  | 0.6%                    | 23%           | 52%                 | 25%                |
| 2             | 85,414             | 0.2%                  | 0.6%                    | 38%           | 65%                 | 35%                |
| 3             | 73,678             | 0.3%                  | 0.7%                    | 43%           | 69%                 | 42%                |
| 4             | 65,922             | 0.3%                  | 0.8%                    | 43%           | 69%                 | 44%                |
| 5             | 60,204             | 0.4%                  | 0.9%                    | 43%           | 70%                 | 45%                |
| 6             | 55,062             | 0.5%                  | 1.0%                    | 44%           | 73%                 | 47%                |
| 7             | 49,036             | 0.6%                  | 1.2%                    | 49%           | 78%                 | 48%                |
| 8             | 43,261             | 0.7%                  | 1.4%                    | 49%           | 78%                 | 50%                |
| 9             | 36,177             | 0.9%                  | 1.6%                    | 57%           | 83%                 | 53%                |
| 10            | 28,674             | 1.0%                  | 1.8%                    | 53%           | 77%                 | 55%                |
| 11            | 22,076             | 1.3%                  | 2.1%                    | 61%           | 77%                 | 58%                |
| 12            | 16,182             | 1.4%                  | 2.4%                    | 59%           | 69%                 | 60%                |
| 13            | 9,860              | 1.8%                  | 2.9%                    | 63%           | 61%                 | 63%                |
| 14            | 4,865              | 2.1%                  | 3.6%                    | 59%           | 46%                 | 64%                |
| 15            | 2,748              | 2.7%                  | 4.1%                    | 65%           | 39%                 | 66%                |
| 16            | 1,868              | 2.9%                  | 4.3%                    | 67%           | 34%                 | 67%                |
| 17            | 493                | 3.2%                  | 4.5%                    | 72%           | 18%                 | 69%                |
| 18            | 20                 | 5.0%                  | 9.0%                    | 56%           | 5%                  | 70%                |
| 19            | 14                 | 13.9%                 | 10.3%                   | 134%          | 6%                  | 73%                |
| 20            | 5                  | 0.0%                  | 10.4%                   | 0%            | 0%                  | 75%                |
| 21            | 3                  | 0.0%                  | 11.3%                   | 0%            | 0%                  | 78%                |
| 22            | 2                  | 0.0%                  | 13.0%                   | 0%            | 0%                  | 80%                |
| 23            | 1                  | 0.0%                  | 16.7%                   | 0%            | 0%                  | 83%                |
| 24            | 0                  | N/A                   | N/A                     | N/A           | N/A                 | 85%                |
| 25+           | 0                  | N/A                   | N/A                     | N/A           | N/A                 | 85%                |
| 1-5           | 382,403            | 0.3%                  | 0.7%                    | 38%           | 100%                | 38%                |
| 6-10          | 212,211            | 0.7%                  | 1.4%                    | 51%           | 100%                | 51%                |
| 11-15         | 55,731             | 1.6%                  | 2.5%                    | 61%           | 100%                | 61%                |
| 16-20         | 2,400              | 3.0%                  | 4.4%                    | 68%           | 39%                 | 68%                |
| 21+           | 6                  | 0.0%                  | 12.7%                   | 0%            | 0%                  | 80%                |
| All           | 652,750            | 0.5%                  | 1.1%                    | 48%           | 100%                | 48%                |



**Exhibit A-2a**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Derived Lifetime-Pay Lapse Experience from Inception through March 31, 2015**  
**Simplicity and Simplicity ii Policy Forms Combined**  
**Lifetime-Pay Policies**

| <b>Issue Ages &lt; 40</b> |                |                         |                          |                     |                                   |   |                                  |                      |
|---------------------------|----------------|-------------------------|--------------------------|---------------------|-----------------------------------|---|----------------------------------|----------------------|
| Duration                  | Total Exposure | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | All Ages Assumption for Credibility Weighting | Credibility Weighted Lapse Rates | Smoothed Lapse Rates |
| 1                         | 7,705          | 17.5%                   | 0.0%                     | 17.4%               | 100%                              | 8.5%  | 17.4%                            | 17.5%                |
| 2                         | 6,084          | 16.8%                   | 0.0%                     | 16.8%               | 100%                              | 7.5%  | 16.8%                            | 16.5%                |
| 3                         | 4,425          | 11.8%                   | 0.0%                     | 11.8%               | 100%                              | 5.0%  | 11.8%                            | 12.0%                |
| 4                         | 3,395          | 9.1%                    | 0.0%                     | 9.1%                | 80%                               | 4.0%  | 8.1%                             | 8.0%                 |
| 5                         | 2,599          | 8.7%                    | 0.0%                     | 8.7%                | 69%                               | 3.5%  | 7.1%                             | 7.0%                 |
| 6                         | 1,941          | 6.8%                    | 0.0%                     | 6.8%                | 52%                               | 2.5%  | 4.7%                             | 5.0%                 |
| 7                         | 1,494          | 5.5%                    | 0.0%                     | 5.4%                | 41%                               | 2.0%  | 3.4%                             | 3.5%                 |
| 8                         | 1,013          | 4.2%                    | 0.0%                     | 4.2%                | 30%                               | 1.5%  | 2.3%                             | 2.0%                 |
| 9                         | 594            | 1.5%                    | 0.1%                     | 1.5%                | 13%                               | 1.0%  | 1.1%                             | 1.0%                 |
| 10                        | 231            | 1.3%                    | 0.1%                     | 1.2%                | 8%                                | 1.0%  | 1.0%                             | 1.0%                 |
| 11                        | 52             | 0.0%                    | 0.1%                     | -0.1%               | 0%                                | 1.0%  | 1.0%                             | 1.0%                 |
| 1-3                       | 18,214         | 15.9%                   | 0.0%                     | 15.8%               | 100%                              | 7.2%  | 15.8%                            | 15.8%                |
| 4-6                       | 7,935          | 8.4%                    | 0.0%                     | 8.4%                | 100%                              | 3.4%  | 6.9%                             | 6.9%                 |
| 7-9                       | 3,100          | 4.3%                    | 0.0%                     | 4.3%                | 53%                               | 1.6%  | 2.6%                             | 2.5%                 |
| 5+                        | 7,923          | 6.3%                    | 0.0%                     | 6.2%                | 100%                              | 2.3%  | 4.5%                             | 4.5%                 |
| 6+                        | 5,324          | 5.1%                    | 0.0%                     | 5.0%                | 74%                               | 1.8%  | 3.3%                             | 3.3%                 |
| 7+                        | 3,383          | 4.0%                    | 0.0%                     | 4.0%                | 53%                               | 1.5%  | 2.5%                             | 2.4%                 |
| 8+                        | 1,889          | 2.9%                    | 0.1%                     | 2.9%                | 34%                               | 1.2%  | 1.7%                             | 1.5%                 |
| 9+                        | 877            | 1.4%                    | 0.1%                     | 1.3%                | 15%                               | 1.0%  | 1.0%                             | 1.0%                 |
| All                       | 29,532         | 12.5%                   | 0.0%                     | 12.5%               | 100%                              | 5.0%  | 11.9%                            | 11.9%                |

| <b>Issue Ages 40 - 49</b> |                |                         |                          |                     |                                   |   |                                  |                      |
|---------------------------|----------------|-------------------------|--------------------------|---------------------|-----------------------------------|---|----------------------------------|----------------------|
| Duration                  | Total Exposure | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | All Ages Assumption for Credibility Weighting | Credibility Weighted Lapse Rates | Smoothed Lapse Rates |
| 1                         | 9,319          | 9.6%                    | 0.0%                     | 9.6%                | 100%                              | 8.5%  | 9.6%                             | 9.5%                 |
| 2                         | 7,984          | 9.2%                    | 0.0%                     | 9.2%                | 100%                              | 7.5%  | 9.2%                             | 9.0%                 |
| 3                         | 6,335          | 5.9%                    | 0.1%                     | 5.8%                | 87%                               | 5.0%  | 5.7%                             | 6.0%                 |
| 4                         | 5,324          | 4.8%                    | 0.1%                     | 4.8%                | 73%                               | 4.0%  | 4.6%                             | 4.5%                 |
| 5                         | 4,512          | 4.6%                    | 0.1%                     | 4.5%                | 65%                               | 3.5%  | 4.2%                             | 4.0%                 |
| 6                         | 3,800          | 2.9%                    | 0.1%                     | 2.8%                | 47%                               | 2.5%  | 2.6%                             | 3.0%                 |
| 7                         | 3,228          | 3.8%                    | 0.1%                     | 3.7%                | 50%                               | 2.0%  | 2.8%                             | 3.0%                 |
| 8                         | 2,447          | 2.4%                    | 0.1%                     | 2.2%                | 34%                               | 1.5%  | 1.8%                             | 1.5%                 |
| 9                         | 1,520          | 1.2%                    | 0.1%                     | 1.1%                | 19%                               | 1.0%  | 1.0%                             | 1.0%                 |
| 10                        | 707            | 0.7%                    | 0.2%                     | 0.5%                | 9%                                | 1.0%  | 1.0%                             | 1.0%                 |
| 11                        | 178            | 0.0%                    | 0.2%                     | -0.2%               | 0%                                | 1.0%  | 1.0%                             | 1.0%                 |
| 1-3                       | 23,637         | 8.5%                    | 0.0%                     | 8.4%                | 100%                              | 7.2%  | 8.4%                             | 8.4%                 |
| 4-6                       | 13,635         | 4.2%                    | 0.1%                     | 4.1%                | 100%                              | 3.4%  | 3.9%                             | 3.9%                 |
| 7-9                       | 7,195          | 2.8%                    | 0.1%                     | 2.6%                | 63%                               | 1.6%  | 2.1%                             | 2.1%                 |
| 5+                        | 16,392         | 3.2%                    | 0.1%                     | 3.1%                | 100%                              | 2.3%  | 2.7%                             | 2.8%                 |
| 6+                        | 11,881         | 2.6%                    | 0.1%                     | 2.5%                | 79%                               | 1.8%  | 2.2%                             | 2.3%                 |
| 7+                        | 8,081          | 2.5%                    | 0.1%                     | 2.4%                | 63%                               | 1.5%  | 2.0%                             | 2.0%                 |
| 8+                        | 4,853          | 1.7%                    | 0.1%                     | 1.5%                | 40%                               | 1.2%  | 1.4%                             | 1.3%                 |
| 9+                        | 2,406          | 1.0%                    | 0.2%                     | 0.8%                | 20%                               | 1.0%  | 1.0%                             | 1.0%                 |
| All                       | 45,354         | 6.1%                    | 0.1%                     | 6.1%                | 100%                              | 5.0%  | 5.9%                             | 5.9%                 |

**Exhibit A-2a**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Derived Lifetime-Pay Lapse Experience from Inception through March 31, 2015**  
**Simplicity and Simplicity ii Policy Forms Combined**  
**Lifetime-Pay Policies**

| <b>Issue Ages 50 - 59</b> |                |                         |                          |                     |                                   |   |                                  |                      |
|---------------------------|----------------|-------------------------|--------------------------|---------------------|-----------------------------------|---|----------------------------------|----------------------|
| Duration                  | Total Exposure | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | All Ages Assumption for Credibility Weighting | Credibility Weighted Lapse Rates | Smoothed Lapse Rates |
| 1                         | 17,079         | 5.8%                    | 0.1%                     | 5.7%                | 100%                              | 8.5%  | 5.7%                             | 5.5%                 |
| 2                         | 15,256         | 5.0%                    | 0.1%                     | 4.9%                | 100%                              | 7.5%  | 4.9%                             | 5.0%                 |
| 3                         | 12,634         | 4.0%                    | 0.2%                     | 3.8%                | 100%                              | 5.0%  | 3.8%                             | 4.0%                 |
| 4                         | 10,955         | 3.2%                    | 0.2%                     | 3.0%                | 83%                               | 4.0%  | 3.2%                             | 3.0%                 |
| 5                         | 9,667          | 3.1%                    | 0.2%                     | 2.8%                | 76%                               | 3.5%  | 3.0%                             | 3.0%                 |
| 6                         | 8,483          | 2.6%                    | 0.3%                     | 2.4%                | 64%                               | 2.5%  | 2.4%                             | 2.5%                 |
| 7                         | 7,409          | 2.0%                    | 0.3%                     | 1.7%                | 50%                               | 2.0%  | 1.8%                             | 2.0%                 |
| 8                         | 5,882          | 1.7%                    | 0.4%                     | 1.3%                | 40%                               | 1.5%  | 1.4%                             | 1.5%                 |
| 9                         | 3,874          | 1.0%                    | 0.5%                     | 0.5%                | 21%                               | 1.0%  | 0.9%                             | 1.0%                 |
| 10                        | 1,918          | 1.4%                    | 0.6%                     | 0.8%                | 18%                               | 1.0%  | 1.0%                             | 1.0%                 |
| 11                        | 498            | 0.4%                    | 0.7%                     | -0.3%               | 0%                                | 1.0%  | 1.0%                             | 1.0%                 |
| 1-3                       | 44,969         | 5.0%                    | 0.1%                     | 4.9%                | 100%                              | 7.2%  | 4.9%                             | 4.9%                 |
| 4-6                       | 29,104         | 3.0%                    | 0.2%                     | 2.8%                | 100%                              | 3.4%  | 2.9%                             | 2.9%                 |
| 7-9                       | 17,166         | 1.7%                    | 0.4%                     | 1.3%                | 68%                               | 1.6%  | 1.5%                             | 1.6%                 |
| 5+                        | 37,740         | 2.2%                    | 0.3%                     | 1.9%                | 100%                              | 2.3%  | 2.0%                             | 2.1%                 |
| 6+                        | 28,074         | 1.9%                    | 0.4%                     | 1.6%                | 95%                               | 1.8%  | 1.7%                             | 1.8%                 |
| 7+                        | 19,591         | 1.6%                    | 0.4%                     | 1.2%                | 70%                               | 1.5%  | 1.4%                             | 1.5%                 |
| 8+                        | 12,181         | 1.4%                    | 0.5%                     | 0.9%                | 48%                               | 1.2%  | 1.2%                             | 1.2%                 |
| 9+                        | 6,299          | 1.1%                    | 0.5%                     | 0.6%                | 27%                               | 1.0%  | 0.9%                             | 1.0%                 |
| All                       | 93,664         | 3.7%                    | 0.2%                     | 3.5%                | 100%                              | 5.0%  | 3.5%                             | 3.6%                 |

| <b>Issue Ages 60 +</b> |                |                         |                          |                     |                                   |   |                                  |                      |
|------------------------|----------------|-------------------------|--------------------------|---------------------|-----------------------------------|---|----------------------------------|----------------------|
| Duration               | Total Exposure | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | All Ages Assumption for Credibility Weighting | Credibility Weighted Lapse Rates | Smoothed Lapse Rates |
| 1                      | 11,139         | 5.8%                    | 0.3%                     | 5.5%                | 100%                              | 8.5%  | 5.5%                             | 5.5%                 |
| 2                      | 10,004         | 4.5%                    | 0.5%                     | 4.0%                | 91%                               | 7.5%  | 4.3%                             | 4.5%                 |
| 3                      | 8,224          | 3.6%                    | 0.6%                     | 3.0%                | 71%                               | 5.0%  | 3.6%                             | 3.5%                 |
| 4                      | 7,052          | 3.1%                    | 0.7%                     | 2.4%                | 59%                               | 4.0%  | 3.1%                             | 3.0%                 |
| 5                      | 6,185          | 2.3%                    | 0.8%                     | 1.5%                | 43%                               | 3.5%  | 2.6%                             | 2.5%                 |
| 6                      | 5,564          | 2.1%                    | 0.9%                     | 1.2%                | 37%                               | 2.5%  | 2.0%                             | 2.0%                 |
| 7                      | 4,959          | 2.3%                    | 1.1%                     | 1.2%                | 35%                               | 2.0%  | 1.7%                             | 1.5%                 |
| 8                      | 4,031          | 2.1%                    | 1.2%                     | 0.9%                | 27%                               | 1.5%  | 1.3%                             | 1.5%                 |
| 9                      | 2,923          | 2.2%                    | 1.4%                     | 0.8%                | 21%                               | 1.0%  | 0.9%                             | 1.0%                 |
| 10                     | 1,756          | 2.0%                    | 1.7%                     | 0.4%                | 12%                               | 1.0%  | 0.9%                             | 1.0%                 |
| 11                     | 477            | 2.3%                    | 2.0%                     | 0.4%                | 6%                                | 1.0%  | 1.0%                             | 1.0%                 |
| 1-3                    | 29,367         | 4.7%                    | 0.4%                     | 4.3%                | 100%                              | 7.2%  | 4.6%                             | 4.6%                 |
| 4-6                    | 18,802         | 2.5%                    | 0.8%                     | 1.7%                | 82%                               | 3.4%  | 2.6%                             | 2.5%                 |
| 7-9                    | 11,913         | 2.2%                    | 1.2%                     | 1.0%                | 49%                               | 1.6%  | 1.4%                             | 1.4%                 |
| 5+                     | 25,900         | 2.2%                    | 1.1%                     | 1.1%                | 76%                               | 2.3%  | 1.8%                             | 1.7%                 |
| 6+                     | 19,715         | 2.2%                    | 1.2%                     | 1.0%                | 63%                               | 1.8%  | 1.5%                             | 1.5%                 |
| 7+                     | 14,151         | 2.2%                    | 1.3%                     | 0.9%                | 51%                               | 1.5%  | 1.3%                             | 1.3%                 |
| 8+                     | 9,192          | 2.1%                    | 1.4%                     | 0.7%                | 37%                               | 1.2%  | 1.1%                             | 1.2%                 |
| 9+                     | 5,161          | 2.2%                    | 1.6%                     | 0.6%                | 25%                               | 1.0%  | 0.9%                             | 1.0%                 |
| All                    | 62,320         | 3.5%                    | 0.8%                     | 2.7%                | 100%                              | 5.0%  | 3.2%                             | 3.2%                 |

**Exhibit A-2b**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Derived Lifetime-Pay Lapse Experience from Inception through March 31, 2015**  
**Simplicity and Simplicity ii Policy Forms Combined**  
**Lifetime-Pay Policies**

| All Issue Ages |                |                         |                          |                     |                                   |                      |
|----------------|----------------|-------------------------|--------------------------|---------------------|-----------------------------------|----------------------|
| Duration       | Total Exposure | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | Smoothed Lapse Rates |
| 1              | 45,242         | 8.6%                    | 0.1%                     | 8.5%                | 100%                              | 8.5%                 |
| 2              | 39,327         | 7.5%                    | 0.2%                     | 7.4%                | 100%                              | 7.5%                 |
| 3              | 31,618         | 5.4%                    | 0.3%                     | 5.1%                | 100%                              | 5.0%                 |
| 4              | 26,726         | 4.3%                    | 0.3%                     | 4.0%                | 100%                              | 4.0%                 |
| 5              | 22,963         | 3.8%                    | 0.3%                     | 3.5%                | 100%                              | 3.5%                 |
| 6              | 19,787         | 2.9%                    | 0.4%                     | 2.5%                | 100%                              | 2.5%                 |
| 7              | 17,091         | 2.7%                    | 0.5%                     | 2.2%                | 89%                               | 2.0%                 |
| 8              | 13,372         | 2.1%                    | 0.6%                     | 1.6%                | 66%                               | 1.5%                 |
| 9              | 8,912          | 1.5%                    | 0.7%                     | 0.8%                | 38%                               | 1.0%                 |
| 10             | 4,612          | 1.5%                    | 0.9%                     | 0.6%                | 25%                               | 1.0%                 |
| 11             | 1,204          | 1.1%                    | 1.1%                     | 0.0%                | 1%                                | 1.0%                 |
| 1-3            | 116,187        | 7.3%                    | 0.2%                     | 7.2%                | 100%                              | 7.2%                 |
| 4-6            | 69,476         | 3.7%                    | 0.3%                     | 3.4%                | 100%                              | 3.4%                 |
| 7-9            | 39,374         | 2.2%                    | 0.6%                     | 1.7%                | 100%                              | 1.6%                 |
| 5+             | 87,956         | 2.8%                    | 0.5%                     | 2.3%                | 100%                              | 2.3%                 |
| 6+             | 64,993         | 2.4%                    | 0.6%                     | 1.8%                | 100%                              | 1.8%                 |
| 7+             | 45,206         | 2.1%                    | 0.6%                     | 1.5%                | 100%                              | 1.5%                 |
| 8+             | 28,115         | 1.8%                    | 0.7%                     | 1.1%                | 80%                               | 1.2%                 |
| 9+             | 14,743         | 1.5%                    | 0.8%                     | 0.7%                | 45%                               | 1.0%                 |
| All            | 230,869        | 5.2%                    | 0.3%                     | 4.9%                | 100%                              | 5.0%                 |

**Exhibit A-2c**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Derived 10-Pay Lapse Experience from Inception through March 31, 2015**  
**All Products**

| Duration | Total Exposures | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | Derived Lifetime-Pay Lapse Rates | Ratio to Lifetime-Pay Lapse Rate | Smoothed Ratio to Lifetime-Pay Lapse |
|----------|-----------------|-------------------------|--------------------------|---------------------|-----------------------------------|----------------------------------|----------------------------------|--------------------------------------|
| 1        | 10,890          | 3.4%                    | 0.1%                     | 3.3%                | 86%                               | 9.1%                             | 36%                              | 35%                                  |
| 2        | 10,005          | 2.7%                    | 0.2%                     | 2.5%                | 72%                               | 6.4%                             | 39%                              | 35%                                  |
| 3        | 9,222           | 2.0%                    | 0.2%                     | 1.7%                | 57%                               | 4.4%                             | 39%                              | 35%                                  |
| 4        | 8,795           | 1.3%                    | 0.3%                     | 1.0%                | 42%                               | 3.3%                             | 30%                              | 35%                                  |
| 5        | 8,458           | 1.2%                    | 0.3%                     | 0.8%                | 38%                               | 2.7%                             | 31%                              | 30%                                  |
| 6        | 8,182           | 1.1%                    | 0.4%                     | 0.8%                | 36%                               | 2.1%                             | 36%                              | 30%                                  |
| 7        | 7,904           | 1.2%                    | 0.5%                     | 0.7%                | 34%                               | 2.0%                             | 35%                              | 30%                                  |
| 8        | 7,263           | 0.9%                    | 0.5%                     | 0.4%                | 24%                               | 1.6%                             | 24%                              | 30%                                  |
| 9        | 6,330           | 0.8%                    | 0.7%                     | 0.1%                | 14%                               | 1.3%                             | 12%                              | 0%                                   |
| 10       | 5,595           | 0.8%                    | 0.8%                     | 0.1%                | 9%                                | 1.2%                             | 5%                               | 0%                                   |
| 11       | 4,832           | 0.8%                    | 0.9%                     | -0.2%               | 0%                                | 1.4%                             | -11%                             | 0%                                   |
| 12       | 4,044           | 0.8%                    | 1.1%                     | -0.3%               | 0%                                | 1.2%                             | -24%                             | 0%                                   |
| 13       | 3,082           | 0.8%                    | 1.4%                     | -0.6%               | 0%                                | 1.4%                             | -45%                             | 0%                                   |
| 14       | 2,094           | 1.0%                    | 1.8%                     | -0.8%               | 0%                                | 1.2%                             | -68%                             | 0%                                   |
| 15       | 1,670           | 2.1%                    | 2.1%                     | 0.0%                | 0%                                | 1.5%                             | -1%                              | 0%                                   |
| 1-4      | 38,911          | 2.4%                    | 0.2%                     | 2.2%                | 100%                              | 6.1%                             | 36%                              | 35%                                  |
| 5-8      | 31,807          | 1.1%                    | 0.4%                     | 0.7%                | 67%                               | 2.1%                             | 32%                              | 30%                                  |
| 1-8      | 70,718          | 1.8%                    | 0.3%                     | 1.5%                | 100%                              | 4.6%                             | 33%                              | 33%                                  |
| 9-15     | 27,646          | 0.9%                    | 1.1%                     | -0.2%               | 0%                                | 1.3%                             | -12%                             | 0%                                   |
| 1-15     | 98,364          | 1.6%                    | 0.5%                     | 1.0%                | 100%                              | 3.8%                             | 27%                              | 24%                                  |

**Exhibit A-2d**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Derived 20-Pay Lapse Experience from Inception through March 31, 2015**  
**All Products**

| Duration | Total Exposures | Total Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Derived Lapse Credibility Percent | Derived Lifetime-Pay Lapse Rates | Ratio to Lifetime-Pay Lapse Rate | Smoothed Ratio to Lifetime-Pay Lapse |
|----------|-----------------|-------------------------|--------------------------|---------------------|-----------------------------------|----------------------------------|----------------------------------|--------------------------------------|
| 1        | 2,449           | 2.9%                    | 0.1%                     | 2.8%                | 38%                               | 9.1%                             | 31%                              | 50%                                  |
| 2        | 2,308           | 4.0%                    | 0.1%                     | 3.9%                | 43%                               | 6.4%                             | 61%                              | 50%                                  |
| 3        | 2,189           | 3.2%                    | 0.1%                     | 3.0%                | 37%                               | 4.4%                             | 70%                              | 50%                                  |
| 4        | 2,109           | 3.0%                    | 0.1%                     | 2.9%                | 36%                               | 3.3%                             | 89%                              | 50%                                  |
| 5        | 2,040           | 1.7%                    | 0.1%                     | 1.6%                | 26%                               | 2.7%                             | 58%                              | 50%                                  |
| 6        | 2,004           | 1.8%                    | 0.2%                     | 1.7%                | 26%                               | 2.1%                             | 79%                              | 50%                                  |
| 7        | 1,950           | 0.8%                    | 0.2%                     | 0.6%                | 15%                               | 2.0%                             | 29%                              | 50%                                  |
| 8        | 1,737           | 1.4%                    | 0.2%                     | 1.2%                | 21%                               | 1.6%                             | 76%                              | 50%                                  |
| 9        | 1,542           | 0.4%                    | 0.3%                     | 0.1%                | 6%                                | 1.3%                             | 10%                              | 25%                                  |
| 10       | 1,460           | 0.7%                    | 0.3%                     | 0.4%                | 11%                               | 1.2%                             | 31%                              | 25%                                  |
| 11       | 1,326           | 0.3%                    | 0.4%                     | -0.1%               | 0%                                | 1.4%                             | -5%                              | 25%                                  |
| 12       | 1,007           | 1.0%                    | 0.4%                     | 0.6%                | 11%                               | 1.2%                             | 46%                              | 25%                                  |
| 13       | 356             | 1.4%                    | 0.8%                     | 0.6%                | 6%                                | 1.4%                             | 41%                              | 25%                                  |
| 14       | 261             | 3.1%                    | 1.0%                     | 2.1%                | 11%                               | 1.2%                             | 177%                             | 25%                                  |
| 15       | 191             | 1.6%                    | 1.2%                     | 0.3%                | 4%                                | 1.5%                             | 22%                              | 25%                                  |
| 16       | 163             | 4.3%                    | 1.4%                     | 2.9%                | 10%                               | 1.4%                             | 203%                             | 0%                                   |
| 17       | 145             | 0.0%                    | 1.5%                     | -1.5%               | 0%                                | 1.9%                             | -82%                             | 0%                                   |
| 18       | 139             | 2.9%                    | 1.7%                     | 1.2%                | 6%                                | 2.0%                             | 60%                              | 0%                                   |
| 19       | 127             | 1.6%                    | 1.9%                     | -0.3%               | 0%                                | 2.2%                             | -13%                             | 0%                                   |
| 20       | 118             | 1.7%                    | 2.1%                     | -0.4%               | 0%                                | 1.6%                             | -24%                             | 0%                                   |
| 1-4      | 9,055           | 3.3%                    | 0.1%                     | 3.2%                | 77%                               | 6.1%                             | 52%                              | 50%                                  |
| 5-8      | 7,731           | 1.4%                    | 0.2%                     | 1.3%                | 45%                               | 2.1%                             | 59%                              | 50%                                  |
| 1-8      | 16,787          | 2.4%                    | 0.1%                     | 2.3%                | 90%                               | 4.6%                             | 50%                              | 50%                                  |
| 9-15     | 6,142           | 0.7%                    | 0.4%                     | 0.3%                | 20%                               | 1.3%                             | 25%                              | 25%                                  |
| 1-15     | 22,929          | 2.0%                    | 0.2%                     | 1.8%                | 92%                               | 3.8%                             | 46%                              | 43%                                  |
| 16+      | 1,127           | 1.9%                    | 2.1%                     | -0.2%               | 0%                                | 1.9%                             | -11%                             | 0%                                   |

**Exhibit A-3a**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Morbidity Adjustment Factors**  
**Applicable to the Simplicity Product**

| Duration | Non-MANY Adjustment Factor | MANY Adjustment Factor |
|----------|----------------------------|------------------------|
| 1        | 1.28                       | 0.97                   |
| 2        | 1.23                       | 0.98                   |
| 3        | 1.19                       | 0.99                   |
| 4        | 1.15                       | 1.01                   |
| 5        | 1.11                       | 1.02                   |
| 6        | 1.07                       | 1.03                   |
| 7        | 1.03                       | 1.05                   |
| 8        | 0.99                       | 1.06                   |
| 9        | 0.97                       | 1.04                   |
| 10       | 0.94                       | 1.02                   |
| 11       | 0.92                       | 1.01                   |
| 12       | 0.89                       | 0.99                   |
| 13       | 0.87                       | 0.97                   |
| 14       | 0.89                       | 0.97                   |
| 15       | 0.91                       | 0.96                   |
| 16       | 0.93                       | 0.95                   |
| 17       | 0.95                       | 0.95                   |
| 18       | 0.97                       | 0.94                   |
| 19       | 0.97                       | 0.95                   |
| 20       | 0.98                       | 0.96                   |
| 21       | 0.98                       | 0.97                   |
| 22       | 0.98                       | 0.98                   |
| 23       | 0.98                       | 0.98                   |
| 24       | 0.98                       | 0.98                   |
| 25       | 0.98                       | 0.98                   |
| 26       | 0.98                       | 0.98                   |
| 27       | 0.99                       | 0.98                   |
| 28       | 0.99                       | 0.98                   |
| 29       | 0.99                       | 0.98                   |
| 30+      | 0.99                       | 0.98                   |

| Attained Age | Adjustment Factor |
|--------------|-------------------|
| <65          | 0.84              |
| 65-69        | 0.97              |
| 70-74        | 1.00              |
| 75-79        | 1.03              |
| 80-84        | 1.05              |
| 85-89        | 1.21              |
| 90+          | 1.23              |

| Coverage Type     | Adjustment Factor |
|-------------------|-------------------|
| Comprehensive     | 0.90              |
| Nursing Home Only | 1.09              |
| Home Care Only    | 1.23              |

**Exhibit A-3b**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual to Adjusted Expected Incurred Claims**  
**Simplicity and Simplicity ii Policy Forms Combined**

| <b>Experience By Policy Duration</b> |                    |                                    |
|--------------------------------------|--------------------|------------------------------------|
| <b>All Durations</b>                 |                    |                                    |
| <b>Duration</b>                      | <b>Credibility</b> | <b>Actual to Adjusted Expected</b> |
| 1                                    | 21%                | 1.36                               |
| 2                                    | 26%                | 0.44                               |
| 3                                    | 31%                | 1.40                               |
| 4                                    | 30%                | 0.99                               |
| 5                                    | 35%                | 1.03                               |
| 6                                    | 32%                | 1.04                               |
| 7                                    | 34%                | 1.00                               |
| 8                                    | 35%                | 1.01                               |
| 9                                    | 30%                | 1.15                               |
| 10                                   | 16%                | 0.52                               |
| 1-5                                  | 65%                | 1.02                               |
| 6-10                                 | 68%                | 0.98                               |
| 3-13                                 | 88%                | 1.02                               |
| <b>Total</b>                         | <b>94%</b>         | <b>0.99</b>                        |

| <b>Experience By Attained Age</b> |                    |                                    |
|-----------------------------------|--------------------|------------------------------------|
| <b>Durations 7 and Later</b>      |                    |                                    |
| <b>Attained Age</b>               | <b>Credibility</b> | <b>Actual to Adjusted Expected</b> |
| <65                               | 25%                | 0.88                               |
| 65-69                             | 26%                | 1.02                               |
| 70-74                             | 26%                | 0.87                               |
| 75-79                             | 27%                | 0.90                               |
| 80-84                             | 23%                | 0.85                               |
| 85-89                             | 14%                | 1.21                               |
| 90+                               | 11%                | 2.91                               |
| <70                               | 36%                | 0.94                               |
| <75                               | 44%                | 0.92                               |
| <80                               | 52%                | 0.92                               |
| <85                               | 57%                | 0.91                               |
| 65-79                             | 46%                | 0.93                               |
| 70-84                             | 44%                | 0.88                               |
| 75-89                             | 38%                | 0.92                               |
| 70+                               | 48%                | 0.96                               |
| 75+                               | 40%                | 1.01                               |
| 80+                               | 29%                | 1.13                               |
| 85+                               | 18%                | 1.68                               |

**Appendix B**  
**Justification for and Development of the Requested Rate Increase**

The requested rate increase for the Simplicity individual policy forms is actuarially justified and was determined in such a way that the company is sharing in the cost of the rate increase with consumers. Support for varying the requested rate increase by issue age as well as for the magnitude of the request is provided below.

The requested rate increase was determined by issue age to:

- better align the rate increase with the adverse experience,
- minimize the rate increase for older insureds, and
- produce a more uniform annual dollar change in the rates since premiums increase by issue age.

The cumulative requested rate increases are shown in Exhibit I of the attached actuarial memorandum and were developed from a comparison of actual-to-expected (A:E) lifetime loss ratios and then adjusted to minimize the increase for older insureds, produce monotonically non-decreasing rates by issue age, and allow for certification to rate stability.

The A:E lifetime loss ratios by issue age band underlying the cumulative requested rate increases are shown in Table B-1. Values shown in Table B-1 were derived based on a comparison of (a) actual and projected experience using current assumptions including a 15% increase in future incurred claims for margin and (b) expected experience using original pricing assumptions.

Actual and projected nationwide experience underlying the values in Table B-1 is the same as that described in Section 14 of the actuarial memorandum, except actual experience was restated to reflect no prior rate increases to minimize subsidization across jurisdictions, due to differences in the previously approved rate increases. MedAmerica's goal is equity across all jurisdictions, to the extent practical. As such, the rate increase approved by one group does not affect another because MedAmerica anticipates filing for subsequent rate increases to reach the cumulative rate level shown in Exhibit I.

**Table B-1**  
**A:E Experience Underlying Rate Increase Development**  
**Combined Nationwide Experience Including Margin**  
**Restated to Reflect No Prior Increases**

| Issue Age Band | Lifetime Loss Ratio with Interest |          |      |
|----------------|-----------------------------------|----------|------|
|                | Actual                            | Expected | A:E  |
| <45            | 170%                              | 60%      | 2.85 |
| 45-49          | 159                               | 61       | 2.58 |
| 50-54          | 145                               | 60       | 2.43 |
| 55-59          | 132                               | 57       | 2.32 |
| 60-64          | 114                               | 53       | 2.13 |
| 65-69          | 105                               | 55       | 1.91 |
| 70-74          | 103                               | 55       | 1.86 |
| 75+            | 88                                | 49       | 1.79 |

Rate increases were developed using the A:E lifetime ratios minus 1.00 from Table B-1. To minimize the increase for older insureds, reductions were then made to the rate increases for older issue ages, to the extent possible. Adjustments (generally reductions) were then made to the rate increases for each central issue age, along with adjustments by age within an issue age band, to ensure that the base rate schedules with the proposed rate increases are monotonically non-decreasing by issue age. The monotonically non-decreasing premium rate levels were then



**Appendix B**  
**Justification for and Development of the Requested Rate Increase**

uniformly increased to allow certification that the rates are expected to remain stable under moderately adverse experience on a nationwide basis.

The cumulative requested rate increases were determined by including margin to certify to rate stability regulation based on nationwide experience because the majority of Simplicity policies were issued under rate stability regulation. The same cumulative requested rate increase has been or is expected to be filed in all jurisdictions with the goal of achieving equity across the block of business. For policies issued under loss ratio regulation, the requested rate increase complies with the minimum loss ratio requirements as demonstrated in Exhibit II-b of the actuarial memorandum, which uses assumptions excluding margin.

Furthermore, the requested cumulative rate increase was determined in such a way that the company is shouldering the majority of the rate increase needed to restore the Simplicity policy forms to their original pricing expectation. Table B-2 provides the rate increase needed to restore this form to its original pricing expectation, the requested rate increase, and the portion of the rate increase that is being borne by the consumers. This table demonstrates that higher rate increases are justified for the youngest issue age cohorts, which is consistent with the rate increases requested. Additionally, the consumers are shouldering only approximately 20% to 40% of the needed rate increase, which can be seen by comparing the requested increase (i.e., consumers' share) to the rate increase needed to restore this form to its original pricing expectation.

**Table B-2**  
**Comparison of Needed Increase and Requested Increase**

| <b>Issue Age Band</b> | <b>Needed Rate Increase<sup>[1]</sup></b> | <b>Requested Increase<sup>[2]</sup></b> | <b>Consumer Burden<sup>[3]</sup></b> |
|-----------------------|---|---|--------------------------------------|
| <45                   | 515%                                      | 191%                                    | 37%                                  |
| 45-49                 | 422                                       | 169                                     | 40                                   |
| 50-54                 | 383                                       | 155                                     | 40                                   |
| 55-59                 | 347                                       | 143                                     | 41                                   |
| 60-64                 | 298                                       | 125                                     | 42                                   |
| 65-69                 | 250                                       | 102                                     | 41                                   |
| 70-74                 | 277                                       | 84                                      | 30                                   |
| 75+                   | 338                                       | 68                                      | 20                                   |
| All Ages              | 357                                       | 139                                     | 39                                   |

*[1] Rate increase needed to restore the lifetime loss ratio to that expected in original pricing. Calculated without regard to shock lapse, reduced benefit option election, adverse selection, and higher waiver claims, if any, due to the rate increase.*

*[2] Average increase based on the nationwide distribution of business in force as of December 31, 2014. Excludes policies that are assumed to be paid up at the time of the rate increase.*

*[3] The portion of the rate increase needed to restore this form to its original pricing expectation that the consumer is bearing equals (Requested Increase) / (Needed Rate Increase).*

The adverse experience driving this rate increase request is due to a combination of higher morbidity, higher persistency, and lower interest than expected in original pricing. This adverse experience is demonstrated in Exhibit B-1, which provides a comparison of actual and projected nationwide experience to that expected in pricing with respect to morbidity, mortality, lapse, and interest. The experience and projections underlying Exhibit B-1 are the same as those underlying the analysis performed for the rate increase request (i.e., current assumptions including margin).

**Exhibit B-1**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Combined Nationwide Experience Restated to No Prior Rate Increases**  
**Impact on the Lifetime Loss Ratio of Changing from Original Pricing Assumptions**  
**to Current Assumptions Including Margin**  
**Individual Simplicity Policy Forms**

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.

This table also shows the rate increase needed to produce a lifetime loss ratio of 57%. This lifetime loss ratio represents the lifetime loss ratio based on a projection of 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., 132%) is not equal to the sum of each changed assumptions' impact on the lifetime loss ratio (i.e., 108% = 31% + 30% + 16% + 31%).

| Scenario  | Lifetime Loss Ratio | Impact of Each Assumption on the Lifetime Loss Ratio | Increase Needed to Produce a Lifetime Loss Ratio of 57%* |
|---|---------------------|--|--|
| Original Pricing Assumptions  | 57%                 | N/A  | N/A  |
| Historical Experience & Projections with Original Pricing Assumptions                     | 60%                 | N/A  | 15%  |
| Historical Experience & Projections with Original Pricing Assumptions except for Current: |                     |  |  |
| Morbidity with Improvement  | 75%                 | 31%  | 104%   |
| Mortality with Improvement  | 74%                 | 30%  | 96%  |
| Lapse   | 67%                 | 16%  | 52%  |
| Interest  | 75%                 | 31%  | 94%  |
| Historical Experience & Projections with All Current Assumptions                          | 133%                | 132%   | 357%   |

\* Calculated without regard to shock lapse, reduced benefit option and contingent benefit upon lapse election, and adverse selection assumptions due to the needed rate increase. Assumes the needed rate increase is fully implemented on July 1, 2016.

# HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Supplement to the Simplicity Actuarial Memorandum

April 8, 2016

Product

Tax-Qualified Long-Term Care Policy Form  
Tax-Qualified Franchise Long-Term Care Policy Form

Number

SPL-336-HMBSPA  
FSPL-336-HMBSPA

### 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 (e), 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) and (e):* We believe that we comply with these subsections 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):* This rate increase filing complies with loss ratio requirements (i.e., the 58%/85% test), as specified in Reg. 89a.118.(c)(2).

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

*(2)(i):* The primary reason why these forms are in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing. A rate increase is considered an effective way to reduce projected losses.

The company is requesting a premium rate increase that varies by issue age as shown in Exhibit I of the actuarial memorandum. The cumulative rate increase shown in Exhibit I was determined by issue age to allow certification to rate stability in Pennsylvania, to better align the rate increase with the adverse experience, and to minimize the rate increase for older insureds. Table 1 below provides the prior approved increase for each issue age band, as well as the requested increase and resulting cumulative premium rate increase for each central age.

# HIGHMARK BLUE SHIELD

Address: 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Supplement to the Simplicity Actuarial Memorandum

April 8, 2016

**Table 1**  
**Rate Increases by Issue Age Band**

| Issue Age Band     | Prior Approved Increase | Requested Increase for Central Age | Cumulative Increase for Central Age |
|--------------------|-------------------------|------------------------------------|-------------------------------------|
| <40                | 60%                     | 81.9%                              | 191%                                |
| 40-44              | 56                      | 86.5                               | 191                                 |
| 45-49              | 50                      | 80.7                               | 171                                 |
| 50-54              | 46                      | 74.7                               | 155                                 |
| 55-59              | 38                      | 76.9                               | 144                                 |
| 60-64              | 29                      | 73.6                               | 124                                 |
| 65-69              | 20                      | 67.5                               | 101                                 |
| 70-74              | 13                      | 61.9                               | 83                                  |
| 75+ <sup>[1]</sup> | 0                       | 63.0                               | 63                                  |

*[1] The central issue age is 80 based on an issue age range of 75 to 85 for the business in force nationwide as of December 31, 2014.*

This rate increase request is being sought to achieve the cumulative rate increase that the company believes is needed to alleviate the poor performance on this block of business.

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.

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. Included are calendar year earned premiums, incurred claims, annual loss ratios, end of year lives, cumulative loss ratios, and the ratio of actual-to-expected (A:E) loss ratios. This attachment is identical to Exhibit II of the 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 requested 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 less credible than nationwide experience, but is being provided as required.

(2)(ii)(A): There have been three rate increases approved on these policy forms in Pennsylvania. On July 31, 2015 the Department approved the third and final rate increase needed to achieve the prior cumulative request that varied by issue age band from 0% to 60%, as shown in Table 1 above.

(2)(ii)(B): Table 2 shows the original pricing commission scales by issue age and duration for lifetime-pay policies. The actual commission scales will differ slightly from those that appear in Table 2 as the company adjusts renewal commission rates so that

# HIGHMARK BLUE SHIELD

**Address:** 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222

## Supplement to the Simplicity Actuarial Memorandum

**April 8, 2016**

the total commissions paid before and after any increase in premium are similar (i.e., commissions are not paid on the increased premium).

**Table 2**  
**Commission Scales by Issue Age and Duration**  
**Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA**

| <b>Issue Age</b> | <b>Duration 1</b> | <b>Durations 2-10</b> | <b>Durations 11+</b> |
|------------------|-------------------|-----------------------|----------------------|
| < 65             | 40-90%            | 5-15%                 | 0-15%                |
| 65 +             | 30-80%            | 5-15%                 | 0-15%                |

Commissions for limited-pay policies are reduced to levels that are approximately equivalent to the above commissions for lifetime-pay policies, on a present value basis, based on original pricing assumptions.

(2)(ii)(C)(I): Premiums earned and written since inception for nationwide experience 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 less credible than nationwide experience, 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 less credible than nationwide experience, 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 requested rate increase. The number of durations shown was chosen to capture the majority of the 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 less credible than nationwide experience, but is being provided as required.

(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 those 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**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Experience by Calendar Year**  
**Combined Nationwide Experience Before Requested Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

|  | 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 5.00% Interest | Expected (Column G) with Average 6.32% Interest | Actual-to-Expected Ratio |
| Historical Experience                  | 2004          | 1,942,565  | 299,291         | 15%                 | 3,079             | 1,903,802                                     | 36,408          | 2%                  | 3,052             | 15%                                   | 2%  | 8.49                     |
|  | 2005          | 11,098,140   | 704,251         | 6%                  | 8,666             | 10,873,993                                    | 219,506         | 2%                  | 8,484             | 8%                                    | 2%  | 4.05                     |
|  | 2006          | 21,633,477   | 127,091         | 1%                  | 16,067            | 20,831,726                                    | 506,204         | 2%                  | 15,530            | 3%                                    | 2%  | 1.55                     |
|  | 2007          | 32,580,387   | 1,314,720       | 4%                  | 20,865            | 30,883,849                                    | 913,113         | 3%                  | 20,075            | 4%                                    | 2%  | 1.48                     |
|  | 2008          | 37,102,427   | 2,873,196       | 8%                  | 21,440            | 34,545,463                                    | 1,363,706       | 4%                  | 20,431            | 5%                                    | 3%  | 1.72                     |
|  | 2009          | 36,651,035   | 1,804,026       | 5%                  | 20,626            | 33,869,760                                    | 1,890,966       | 6%                  | 19,852            | 5%                                    | 4%  | 1.43                     |
|  | 2010          | 35,893,738   | 3,127,792       | 9%                  | 20,168            | 33,097,690                                    | 2,525,074       | 8%                  | 19,383            | 6%                                    | 4%  | 1.35                     |
|  | 2011          | 35,558,393   | 4,131,089       | 12%                 | 19,805            | 32,494,026                                    | 3,256,293       | 10%                 | 19,061            | 7%                                    | 5%  | 1.31                     |
|  | 2012          | 35,555,401   | 4,870,535       | 14%                 | 19,770            | 32,208,480                                    | 4,021,665       | 12%                 | 18,946            | 7%                                    | 6%  | 1.27                     |
|  | 2013          | 36,438,885   | 5,688,002       | 16%                 | 19,565            | 32,739,705                                    | 4,791,079       | 15%                 | 19,055            | 8%                                    | 7%  | 1.24                     |
|  | 2014          | 37,265,289   | 7,662,242       | 21%                 | 18,959            | 31,784,584                                    | 5,550,446       | 17%                 | 18,461            | 9%                                    | 8%  | 1.24                     |
| Projected Future Experience (60 Years) | 2015          | 36,615,851   | 7,537,511       | 21%                 | 18,591            | 29,245,684                                    | 6,327,537       | 22%                 | 17,906            | 10%                                   | 9%  | 1.21                     |
|  | 2016          | 34,778,198   | 8,606,493       | 25%                 | 18,254            | 26,490,721                                    | 7,155,521       | 27%                 | 17,370            | 11%                                   | 10%   | 1.19                     |
|  | 2017          | 31,685,417   | 9,779,856       | 31%                 | 17,919            | 23,566,576                                    | 8,051,478       | 34%                 | 16,841            | 12%                                   | 11%   | 1.17                     |
|  | 2018          | 29,584,509   | 11,196,971      | 38%                 | 17,581            | 21,571,532                                    | 9,036,666       | 42%                 | 16,314            | 14%                                   | 12%   | 1.16                     |
|  | 2019          | 28,562,066   | 12,928,579      | 45%                 | 17,238            | 20,444,438                                    | 10,095,932      | 49%                 | 15,787            | 15%                                   | 13%   | 1.16                     |
|  | 2020          | 27,558,620   | 14,961,645      | 54%                 | 16,886            | 19,387,722                                    | 11,126,933      | 57%                 | 15,258            | 16%                                   | 14%   | 1.16                     |
|  | 2021          | 26,710,022   | 17,248,487      | 65%                 | 16,525            | 18,440,291                                    | 12,164,144      | 66%                 | 14,727            | 18%                                   | 15%   | 1.17                     |
|  | 2022          | 25,807,399   | 19,745,164      | 77%                 | 16,151            | 17,450,962                                    | 13,238,836      | 76%                 | 14,193            | 20%                                   | 17%   | 1.18                     |
|  | 2023          | 24,751,431   | 22,405,030      | 91%                 | 15,761            | 16,335,689                                    | 14,443,633      | 88%                 | 13,658            | 22%                                   | 18%   | 1.20                     |
|  | 2024          | 23,833,079   | 25,248,241      | 106%                | 15,353            | 15,397,913                                    | 15,805,853      | 103%                | 13,121            | 24%                                   | 19%   | 1.22                     |
|  | 2025          | 22,945,898   | 28,283,326      | 123%                | 14,927            | 14,525,368                                    | 17,273,401      | 119%                | 12,583            | 26%                                   | 21%   | 1.24                     |
|  | 2026          | 22,041,082   | 31,540,307      | 143%                | 14,482            | 13,673,949                                    | 18,860,017      | 138%                | 12,045            | 28%                                   | 22%   | 1.26                     |
|  | 2027          | 21,122,511   | 35,080,669      | 166%                | 14,017            | 12,844,487                                    | 20,566,216      | 160%                | 11,508            | 30%                                   | 24%   | 1.29                     |
|  | 2028          | 20,159,806   | 38,838,276      | 193%                | 13,534            | 12,023,795                                    | 22,383,869      | 186%                | 10,973            | 33%                                   | 25%   | 1.31                     |
|  | 2029          | 19,182,203   | 42,736,968      | 223%                | 13,036            | 11,219,300                                    | 24,309,389      | 217%                | 10,440            | 35%                                   | 27%   | 1.33                     |
|  | 2030          | 18,214,854   | 47,002,621      | 258%                | 12,525            | 10,444,353                                    | 26,300,654      | 252%                | 9,910             | 38%                                   | 28%   | 1.35                     |
|  | 2031          | 17,230,917   | 51,744,668      | 300%                | 12,004            | 9,689,122                                     | 28,324,844      | 292%                | 9,386             | 41%                                   | 30%   | 1.38                     |
|  | 2032          | 16,254,863   | 56,728,672      | 349%                | 11,475            | 8,966,082                                     | 30,349,514      | 338%                | 8,869             | 44%                                   | 31%   | 1.40                     |
|  | 2033          | 15,289,206   | 61,927,874      | 405%                | 10,940            | 8,274,611                                     | 32,337,121      | 391%                | 8,359             | 47%                                   | 33%   | 1.43                     |
|  | 2034          | 14,317,911   | 67,018,723      | 468%                | 10,400            | 7,601,966                                     | 34,274,544      | 451%                | 7,858             | 50%                                   | 34%   | 1.45                     |
|  | 2035          | 13,364,704   | 71,912,488      | 538%                | 9,859             | 6,961,833                                     | 36,102,564      | 519%                | 7,368             | 53%                                   | 36%   | 1.48                     |
|  | 2036          | 12,428,482   | 76,530,429      | 616%                | 9,317             | 6,350,537                                     | 37,771,977      | 595%                | 6,890             | 57%                                   | 38%   | 1.51                     |
|  | 2037          | 11,507,684   | 80,798,905      | 702%                | 8,777             | 5,769,113                                     | 39,270,432      | 681%                | 6,426             | 60%                                   | 39%   | 1.53                     |
|  | 2038          | 10,607,015   | 84,697,409      | 799%                | 8,242             | 5,217,871                                     | 40,565,525      | 777%                | 5,976             | 63%                                   | 41%   | 1.56                     |
|  | 2039          | 9,743,340  | 88,039,942      | 904%                | 7,714             | 4,704,364                                     | 41,621,391      | 885%                | 5,541             | 67%                                   | 42%   | 1.58                     |
|  | 2040          | 8,910,171  | 90,678,584      | 1,018%              | 7,195             | 4,222,592                                     | 42,409,682      | 1,004%              | 5,123             | 70%                                   | 43%   | 1.61                     |
|  | 2041          | 8,112,771  | 92,444,812      | 1,139%              | 6,688             | 3,776,762                                     | 42,894,643      | 1,136%              | 4,723             | 73%                                   | 45%   | 1.63                     |
|  | 2042          | 7,351,941  | 93,415,066      | 1,271%              | 6,194             | 3,361,405                                     | 43,075,656      | 1,281%              | 4,341             | 76%                                   | 46%   | 1.66                     |
|  | 2043          | 6,631,669  | 93,558,294      | 1,411%              | 5,716             | 2,980,949                                     | 42,951,684      | 1,441%              | 3,979             | 79%                                   | 47%   | 1.68                     |
|  | 2044          | 5,954,208  | 93,004,839      | 1,562%              | 5,256             | 2,632,915                                     | 42,534,224      | 1,615%              | 3,635             | 82%                                   | 48%   | 1.70                     |
| 2045                                   | 5,320,857     | 91,764,960   | 1,725%          | 4,816               | 2,316,278         | 41,845,189                                    | 1,807%          | 3,312               | 84%               | 49%                                   | 1.71  |                          |
| 2046                                   | 4,732,794     | 89,901,609   | 1,900%          | 4,396               | 2,029,076         | 40,898,055                                    | 2,016%          | 3,008               | 87%               | 50%                                   | 1.73  |                          |
| 2047                                   | 4,189,099     | 87,442,256   | 2,087%          | 3,998               | 1,770,332         | 39,724,185                                    | 2,244%          | 2,725               | 89%               | 51%                                   | 1.75  |                          |
| 2048                                   | 3,691,199     | 84,539,209   | 2,290%          | 3,624               | 1,538,387         | 38,353,711                                    | 2,493%          | 2,461               | 91%               | 52%                                   | 1.76  |                          |
| 2049                                   | 3,236,720     | 81,313,090   | 2,512%          | 3,273               | 1,331,424         | 36,822,755                                    | 2,766%          | 2,216               | 93%               | 52%                                   | 1.77  |                          |
| 2050                                   | 2,826,335     | 77,695,592   | 2,749%          | 2,946               | 1,148,434         | 35,174,684                                    | 3,063%          | 1,991               | 95%               | 53%                                   | 1.79  |                          |
| 2051                                   | 2,456,414     | 73,789,866   | 3,004%          | 2,643               | 987,216           | 33,442,973                                    | 3,388%          | 1,783               | 96%               | 54%                                   | 1.80  |                          |
| 2052                                   | 2,125,906     | 69,690,028   | 3,278%          | 2,363               | 845,879           | 31,639,235                                    | 3,740%          | 1,593               | 98%               | 54%                                   | 1.81  |                          |
| 2053                                   | 1,831,849     | 65,553,395   | 3,579%          | 2,106               | 722,597           | 29,802,366                                    | 4,124%          | 1,419               | 99%               | 55%                                   | 1.82  |                          |
| 2054                                   | 1,572,250     | 61,424,304   | 3,907%          | 1,871               | 615,651           | 27,959,218                                    | 4,541%          | 1,261               | 100%              | 55%                                   | 1.82  |                          |
| 2055-2059                              | 4,979,392     | 244,527,751  | 4,911%          | 6,527               | 1,925,974         | 113,096,402                                   | 5,872%          | 4,412               | 104%              | 56%                                   | 1.85  |                          |
| 2060-2064                              | 2,106,304     | 151,245,374  | 7,181%          | 3,316               | 812,784           | 73,366,771                                    | 9,027%          | 2,253               | 106%              | 57%                                   | 1.86  |                          |
| 2065-2069                              | 830,509       | 80,946,946   | 9,747%          | 1,563               | 323,872           | 43,179,944                                    | 13,332%         | 1,052               | 107%              | 57%                                   | 1.87  |                          |
| 2070-2074                              | 307,411       | 36,940,552   | 12,017%         | 675                 | 118,831           | 22,648,227                                    | 19,059%         | 434                 | 107%              | 57%                                   | 1.87  |                          |

Attachment 1  
Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners  
Actual-to-Expected Experience by Calendar Year  
Combined Nationwide Experience After Requested Rate Increase  
Individual Simplicity Policy Forms  
All Issue Ages Combined

|  | 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 5.00% Interest | Expected (Column G) with Average 6.32% Interest | Actual-to-Expected Ratio |
| Historical Experience                  | 2004          | 1,942,565  | 299,291         | 15%                 | 3,079             | 1,903,802                                     | 36,408          | 2%                  | 3,052             | 15%                                   | 2%  | 8.49                     |
|  | 2005          | 11,098,140   | 704,251         | 6%                  | 8,666             | 10,873,993                                    | 219,506         | 2%                  | 8,484             | 8%                                    | 2%  | 4.05                     |
|  | 2006          | 21,633,477   | 127,091         | 1%                  | 16,067            | 20,831,726                                    | 506,204         | 2%                  | 15,530            | 3%                                    | 2%  | 1.55                     |
|  | 2007          | 32,580,387   | 1,314,720       | 4%                  | 20,865            | 30,883,849                                    | 913,113         | 3%                  | 20,075            | 4%                                    | 2%  | 1.48                     |
|  | 2008          | 37,102,427   | 2,873,196       | 8%                  | 21,440            | 34,545,463                                    | 1,363,706       | 4%                  | 20,431            | 5%                                    | 3%  | 1.72                     |
|  | 2009          | 36,651,035   | 1,804,026       | 5%                  | 20,626            | 33,869,760                                    | 1,890,966       | 6%                  | 19,852            | 5%                                    | 4%  | 1.43                     |
|  | 2010          | 35,893,738   | 3,127,792       | 9%                  | 20,168            | 33,097,690                                    | 2,525,074       | 8%                  | 19,383            | 6%                                    | 4%  | 1.35                     |
|  | 2011          | 35,558,393   | 4,131,089       | 12%                 | 19,805            | 32,494,026                                    | 3,256,293       | 10%                 | 19,061            | 7%                                    | 5%  | 1.31                     |
|  | 2012          | 35,555,401   | 4,870,535       | 14%                 | 19,770            | 32,208,480                                    | 4,021,665       | 12%                 | 18,946            | 7%                                    | 6%  | 1.27                     |
|  | 2013          | 36,438,885   | 5,688,002       | 16%                 | 19,565            | 32,739,705                                    | 4,791,079       | 15%                 | 19,055            | 8%                                    | 7%  | 1.24                     |
|  | 2014          | 37,265,289   | 7,662,242       | 21%                 | 18,959            | 31,784,584                                    | 5,550,446       | 17%                 | 18,461            | 9%                                    | 8%  | 1.24                     |
| Projected Future Experience (60 Years) | 2015          | 36,615,851   | 7,537,511       | 21%                 | 18,591            | 29,245,684                                    | 6,327,537       | 22%                 | 17,906            | 10%                                   | 9%  | 1.21                     |
|  | 2016          | 37,006,551   | 8,476,572       | 23%                 | 17,733            | 26,490,721                                    | 7,155,521       | 27%                 | 17,370            | 11%                                   | 10%   | 1.18                     |
|  | 2017          | 47,720,400   | 8,730,695       | 18%                 | 16,715            | 23,566,576                                    | 8,051,478       | 34%                 | 16,841            | 12%                                   | 11%   | 1.11                     |
|  | 2018          | 48,087,525   | 9,725,442       | 20%                 | 16,398            | 21,571,532                                    | 9,036,666       | 42%                 | 16,314            | 12%                                   | 12%   | 1.06                     |
|  | 2019          | 46,455,521   | 11,212,822      | 24%                 | 16,077            | 20,444,438                                    | 10,095,932      | 49%                 | 15,787            | 13%                                   | 13%   | 1.02                     |
|  | 2020          | 44,833,864   | 12,959,357      | 29%                 | 15,752            | 19,387,722                                    | 11,126,933      | 57%                 | 15,258            | 14%                                   | 14%   | 0.99                     |
|  | 2021          | 43,465,621   | 14,923,580      | 34%                 | 15,418            | 18,440,291                                    | 12,164,144      | 66%                 | 14,727            | 15%                                   | 15%   | 0.97                     |
|  | 2022          | 41,991,556   | 17,065,590      | 41%                 | 15,072            | 17,450,962                                    | 13,238,836      | 76%                 | 14,193            | 16%                                   | 17%   | 0.97                     |
|  | 2023          | 40,179,399   | 19,344,026      | 48%                 | 14,711            | 16,335,689                                    | 14,443,633      | 88%                 | 13,658            | 17%                                   | 18%   | 0.96                     |
|  | 2024          | 38,701,348   | 21,778,947      | 56%                 | 14,333            | 15,397,913                                    | 15,805,853      | 103%                | 13,121            | 19%                                   | 19%   | 0.96                     |
|  | 2025          | 37,297,341   | 24,376,776      | 65%                 | 13,938            | 14,525,388                                    | 17,273,401      | 119%                | 12,583            | 20%                                   | 21%   | 0.96                     |
|  | 2026          | 35,859,137   | 27,162,684      | 76%                 | 13,526            | 13,673,949                                    | 18,860,017      | 138%                | 12,045            | 21%                                   | 22%   | 0.97                     |
|  | 2027          | 34,407,095   | 30,190,076      | 88%                 | 13,095            | 12,844,487                                    | 20,566,216      | 160%                | 11,508            | 23%                                   | 24%   | 0.97                     |
|  | 2028          | 32,880,915   | 33,400,548      | 102%                | 12,647            | 12,023,795                                    | 22,383,869      | 186%                | 10,973            | 25%                                   | 25%   | 0.98                     |
|  | 2029          | 31,325,156   | 36,729,409      | 117%                | 12,184            | 11,219,300                                    | 24,309,389      | 217%                | 10,440            | 26%                                   | 27%   | 0.99                     |
|  | 2030          | 29,793,043   | 40,371,364      | 136%                | 11,710            | 10,444,353                                    | 26,300,654      | 252%                | 9,910             | 28%                                   | 28%   | 1.00                     |
|  | 2031          | 28,232,299   | 44,421,557      | 157%                | 11,226            | 9,689,122                                     | 28,324,844      | 292%                | 9,386             | 30%                                   | 30%   | 1.01                     |
|  | 2032          | 26,682,891   | 48,678,535      | 182%                | 10,734            | 8,966,082                                     | 30,349,514      | 338%                | 8,869             | 32%                                   | 31%   | 1.02                     |
|  | 2033          | 25,148,563   | 53,118,380      | 211%                | 10,237            | 8,274,611                                     | 32,337,121      | 391%                | 8,359             | 34%                                   | 33%   | 1.04                     |
|  | 2034          | 23,596,756   | 57,466,367      | 244%                | 9,735             | 7,601,966                                     | 34,274,544      | 451%                | 7,858             | 36%                                   | 34%   | 1.05                     |
|  | 2035          | 22,071,841   | 61,645,725      | 279%                | 9,231             | 6,961,833                                     | 36,102,564      | 519%                | 7,368             | 38%                                   | 36%   | 1.06                     |
|  | 2036          | 20,571,660   | 65,590,515      | 319%                | 8,726             | 6,350,537                                     | 37,771,977      | 595%                | 6,890             | 41%                                   | 38%   | 1.08                     |
|  | 2037          | 19,089,497   | 69,232,055      | 363%                | 8,224             | 5,769,113                                     | 39,270,432      | 681%                | 6,426             | 43%                                   | 39%   | 1.09                     |
|  | 2038          | 17,634,509   | 72,554,148      | 411%                | 7,725             | 5,217,871                                     | 40,565,525      | 777%                | 5,976             | 45%                                   | 41%   | 1.11                     |
|  | 2039          | 16,237,976   | 75,399,877      | 464%                | 7,233             | 4,704,364                                     | 41,621,391      | 885%                | 5,541             | 47%                                   | 42%   | 1.13                     |
|  | 2040          | 14,886,006   | 77,640,861      | 522%                | 6,749             | 4,222,592                                     | 42,409,682      | 1,004%              | 5,123             | 50%                                   | 43%   | 1.14                     |
|  | 2041          | 13,589,626   | 79,134,267      | 582%                | 6,275             | 3,776,762                                     | 42,894,643      | 1,136%              | 4,723             | 52%                                   | 45%   | 1.16                     |
|  | 2042          | 12,347,156   | 79,943,637      | 647%                | 5,814             | 3,361,405                                     | 43,075,656      | 1,281%              | 4,341             | 54%                                   | 46%   | 1.17                     |
|  | 2043          | 11,167,338   | 80,046,308      | 717%                | 5,368             | 2,980,949                                     | 42,951,684      | 1,441%              | 3,979             | 56%                                   | 47%   | 1.18                     |
|  | 2044          | 10,054,357   | 79,558,175      | 791%                | 4,937             | 2,632,915                                     | 42,534,224      | 1,615%              | 3,635             | 58%                                   | 48%   | 1.19                     |
| 2045                                   | 9,010,737     | 78,486,533   | 871%            | 4,525               | 2,316,278         | 41,845,189                                    | 1,807%          | 3,312               | 59%               | 49%                                   | 1.21  |                          |
| 2046                                   | 8,038,486     | 76,888,435   | 957%            | 4,132               | 2,029,076         | 40,898,055                                    | 2,016%          | 3,008               | 61%               | 50%                                   | 1.22  |                          |
| 2047                                   | 7,136,697     | 74,783,088   | 1,048%          | 3,760               | 1,770,332         | 39,724,185                                    | 2,244%          | 2,725               | 62%               | 51%                                   | 1.23  |                          |
| 2048                                   | 6,307,802     | 72,299,413   | 1,146%          | 3,409               | 1,538,387         | 38,353,711                                    | 2,493%          | 2,461               | 64%               | 52%                                   | 1.24  |                          |
| 2049                                   | 5,548,325     | 69,543,246   | 1,253%          | 3,080               | 1,331,424         | 36,822,755                                    | 2,766%          | 2,216               | 65%               | 52%                                   | 1.24  |                          |
| 2050                                   | 4,860,146     | 66,454,540   | 1,367%          | 2,773               | 1,148,434         | 35,174,684                                    | 3,063%          | 1,991               | 66%               | 53%                                   | 1.25  |                          |
| 2051                                   | 4,237,576     | 63,121,615   | 1,490%          | 2,488               | 987,216           | 33,442,973                                    | 3,388%          | 1,783               | 67%               | 54%                                   | 1.26  |                          |
| 2052                                   | 3,679,216     | 59,622,401   | 1,621%          | 2,225               | 845,879           | 31,639,235                                    | 3,740%          | 1,593               | 68%               | 54%                                   | 1.26  |                          |
| 2053                                   | 3,180,521     | 56,093,241   | 1,764%          | 1,984               | 722,597           | 29,802,366                                    | 4,124%          | 1,419               | 69%               | 55%                                   | 1.27  |                          |
| 2054                                   | 2,738,406     | 52,566,466   | 1,920%          | 1,763               | 615,651           | 27,959,218                                    | 4,541%          | 1,261               | 70%               | 55%                                   | 1.28  |                          |
| 2055-2059                              | 8,739,935     | 209,263,716  | 2,394%          | 6,154               | 1,925,974         | 113,096,402                                   | 5,872%          | 4,412               | 73%               | 56%                                   | 1.29  |                          |
| 2060-2064                              | 3,737,034     | 129,416,545  | 3,463%          | 3,128               | 812,784           | 73,366,771                                    | 9,027%          | 2,253               | 74%               | 57%                                   | 1.30  |                          |
| 2065-2069                              | 1,478,947     | 69,162,720   | 4,676%          | 1,474               | 323,872           | 43,179,944                                    | 13,332%         | 1,052               | 75%               | 57%                                   | 1.31  |                          |
| 2070-2074                              | 546,075       | 31,442,804   | 5,758%          | 637                 | 118,831           | 22,648,227                                    | 19,059%         | 434                 | 75%               | 57%                                   | 1.31  |                          |

**Attachment 2**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Combined Nationwide Written Premium and Paid Claim Experience and Projections**  
**Before Requested Rate Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

|  | Calendar Year | Loss Ratio Demonstration |             |            |     | Cumulative Loss Ratio w/ Interest |
|--|---------------|--------------------------|-------------|------------|-----|-----------------------------------|
|  |               | Without Interest         |             |            |     |                                   |
|  |               | Written Premium          | Paid Claims | Loss Ratio |     |                                   |
| Historical Experience                  | 2004          | 4,472,127                | 41,559      | 1%         | 1%  |                                   |
|  | 2005          | 13,879,669               | 142,647     | 1%         | 1%  |                                   |
|  | 2006          | 24,588,147               | 295,873     | 1%         | 1%  |                                   |
|  | 2007          | 34,718,217               | 423,473     | 1%         | 1%  |                                   |
|  | 2008          | 37,209,947               | 752,446     | 2%         | 1%  |                                   |
|  | 2009          | 36,478,775               | 1,360,620   | 4%         | 2%  |                                   |
|  | 2010          | 35,806,282               | 1,701,866   | 5%         | 2%  |                                   |
|  | 2011          | 35,520,461               | 2,852,688   | 8%         | 3%  |                                   |
|  | 2012          | 35,817,937               | 3,490,040   | 10%        | 4%  |                                   |
|  | 2013          | 36,788,932               | 4,922,362   | 13%        | 5%  |                                   |
|  | 2014          | 36,959,606               | 5,802,460   | 16%        | 6%  |                                   |
| Projected Future Experience (60 Years) | 2015          | 36,183,621               | 5,103,895   | 14%        | 7%  |                                   |
|  | 2016          | 33,908,313               | 6,276,586   | 19%        | 7%  |                                   |
|  | 2017          | 30,712,068               | 7,376,805   | 24%        | 8%  |                                   |
|  | 2018          | 29,266,273               | 8,565,533   | 29%        | 9%  |                                   |
|  | 2019          | 28,231,992               | 9,916,185   | 35%        | 10% |                                   |
|  | 2020          | 27,316,855               | 11,448,133  | 42%        | 11% |                                   |
|  | 2021          | 26,451,278               | 13,186,947  | 50%        | 13% |                                   |
|  | 2022          | 25,499,358               | 15,159,845  | 59%        | 14% |                                   |
|  | 2023          | 24,461,206               | 17,364,228  | 71%        | 15% |                                   |
|  | 2024          | 23,589,252               | 19,792,849  | 84%        | 17% |                                   |
|  | 2025          | 22,692,198               | 22,435,274  | 99%        | 19% |                                   |
|  | 2026          | 21,786,147               | 25,295,094  | 116%       | 20% |                                   |
|  | 2027          | 20,860,184               | 28,389,537  | 136%       | 22% |                                   |
|  | 2028          | 19,885,798               | 31,723,392  | 160%       | 24% |                                   |
|  | 2029          | 18,912,381               | 35,280,357  | 187%       | 26% |                                   |
|  | 2030          | 17,940,161               | 39,092,278  | 218%       | 29% |                                   |
|  | 2031          | 16,958,698               | 43,218,403  | 255%       | 31% |                                   |
|  | 2032          | 15,985,445               | 47,661,585  | 298%       | 34% |                                   |
|  | 2033          | 15,021,445               | 52,403,431  | 349%       | 36% |                                   |
|  | 2034          | 14,053,739               | 57,362,855  | 408%       | 39% |                                   |
|  | 2035          | 13,105,469               | 62,438,932  | 476%       | 42% |                                   |
|  | 2036          | 12,174,463               | 67,534,366  | 555%       | 45% |                                   |
|  | 2037          | 11,261,083               | 72,553,003  | 644%       | 48% |                                   |
|  | 2038          | 10,369,695               | 77,411,424  | 747%       | 51% |                                   |
|  | 2039          | 9,515,226                | 82,008,133  | 862%       | 54% |                                   |
|  | 2040          | 8,691,567                | 86,227,890  | 992%       | 57% |                                   |
|  | 2041          | 7,905,519                | 89,940,184  | 1,138%     | 60% |                                   |
|  | 2042          | 7,156,132                | 93,046,250  | 1,300%     | 63% |                                   |
|  | 2043          | 6,447,833                | 95,471,613  | 1,481%     | 66% |                                   |
|  | 2044          | 5,782,688                | 97,181,167  | 1,681%     | 69% |                                   |
|  | 2045          | 5,161,857                | 98,161,277  | 1,902%     | 72% |                                   |
|  | 2046          | 4,586,454                | 98,414,758  | 2,146%     | 74% |                                   |
|  | 2047          | 4,055,399                | 97,954,206  | 2,415%     | 77% |                                   |
| 2048                                   | 3,569,642     | 96,822,221               | 2,712%      | 79%        |     |                                   |
| 2049                                   | 3,127,316     | 95,085,783               | 3,040%      | 81%        |     |                                   |
| 2050                                   | 2,728,373     | 92,796,712               | 3,401%      | 83%        |     |                                   |
| 2051                                   | 2,369,252     | 90,010,516               | 3,799%      | 85%        |     |                                   |
| 2052                                   | 2,048,794     | 86,792,502               | 4,236%      | 87%        |     |                                   |
| 2053                                   | 1,764,183     | 83,227,992               | 4,718%      | 89%        |     |                                   |
| 2054                                   | 1,513,272     | 79,399,787               | 5,247%      | 90%        |     |                                   |
| 2055-2059                              | 4,786,200     | 334,016,048              | 6,979%      | 95%        |     |                                   |
| 2060-2064                              | 2,022,003     | 227,954,142              | 11,274%     | 98%        |     |                                   |
| 2065-2069                              | 797,431       | 137,339,128              | 17,223%     | 100%       |     |                                   |
| 2070-2074                              | 295,391       | 72,161,068               | 24,429%     | 100%       |     |                                   |



**Attachment 2**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Combined Nationwide Written Premium and Paid Claim Experience and Projections**  
**After Requested Rate Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

|  | Calendar Year | Loss Ratio Demonstration |             |            |     | Cumulative Loss Ratio w/ Interest |
|--|---------------|--------------------------|-------------|------------|-----|-----------------------------------|
|  |               | Without Interest         |             |            |     |                                   |
|  |               | Written Premium          | Paid Claims | Loss Ratio |     |                                   |
| Historical Experience                  | 2004          | 4,472,127                | 41,559      | 1%         | 1%  |                                   |
|  | 2005          | 13,879,669               | 142,647     | 1%         | 1%  |                                   |
|  | 2006          | 24,588,147               | 295,873     | 1%         | 1%  |                                   |
|  | 2007          | 34,718,217               | 423,473     | 1%         | 1%  |                                   |
|  | 2008          | 37,209,947               | 752,446     | 2%         | 1%  |                                   |
|  | 2009          | 36,478,775               | 1,360,620   | 4%         | 2%  |                                   |
|  | 2010          | 35,806,282               | 1,701,866   | 5%         | 2%  |                                   |
|  | 2011          | 35,520,461               | 2,852,688   | 8%         | 3%  |                                   |
|  | 2012          | 35,817,937               | 3,490,040   | 10%        | 4%  |                                   |
|  | 2013          | 36,788,932               | 4,922,362   | 13%        | 5%  |                                   |
|  | 2014          | 36,959,606               | 5,802,460   | 16%        | 6%  |                                   |
| Projected Future Experience (60 Years) | 2015          | 36,183,961               | 5,103,895   | 14%        | 7%  |                                   |
|  | 2016          | 39,433,756               | 6,249,599   | 16%        | 7%  |                                   |
|  | 2017          | 48,594,569               | 7,129,918   | 15%        | 8%  |                                   |
|  | 2018          | 47,562,403               | 8,002,955   | 17%        | 8%  |                                   |
|  | 2019          | 45,939,773               | 9,034,924   | 20%        | 9%  |                                   |
|  | 2020          | 44,445,461               | 10,249,620  | 23%        | 10% |                                   |
|  | 2021          | 43,045,599               | 11,662,985  | 27%        | 11% |                                   |
|  | 2022          | 41,461,749               | 13,295,034  | 32%        | 12% |                                   |
|  | 2023          | 39,698,616               | 15,141,036  | 38%        | 12% |                                   |
|  | 2024          | 38,319,255               | 17,192,292  | 45%        | 14% |                                   |
|  | 2025          | 36,897,549               | 19,435,105  | 53%        | 15% |                                   |
|  | 2026          | 35,461,694               | 21,869,125  | 62%        | 16% |                                   |
|  | 2027          | 33,995,728               | 24,506,875  | 72%        | 17% |                                   |
|  | 2028          | 32,447,380               | 27,351,049  | 84%        | 18% |                                   |
|  | 2029          | 30,900,394               | 30,386,661  | 98%        | 20% |                                   |
|  | 2030          | 29,361,070               | 33,640,512  | 115%       | 21% |                                   |
|  | 2031          | 27,802,709               | 37,163,324  | 134%       | 23% |                                   |
|  | 2032          | 26,256,156               | 40,957,422  | 156%       | 25% |                                   |
|  | 2033          | 24,723,711               | 45,006,847  | 182%       | 26% |                                   |
|  | 2034          | 23,175,895               | 49,242,347  | 212%       | 28% |                                   |
|  | 2035          | 21,658,088               | 53,577,654  | 247%       | 30% |                                   |
|  | 2036          | 20,163,845               | 57,929,758  | 287%       | 32% |                                   |
|  | 2037          | 18,692,597               | 62,215,673  | 333%       | 34% |                                   |
|  | 2038          | 17,251,112               | 66,363,209  | 385%       | 36% |                                   |
|  | 2039          | 15,868,438               | 70,285,524  | 443%       | 38% |                                   |
|  | 2040          | 14,530,466               | 73,883,802  | 508%       | 40% |                                   |
|  | 2041          | 13,251,114               | 77,046,242  | 581%       | 42% |                                   |
|  | 2042          | 12,026,295               | 79,687,896  | 663%       | 45% |                                   |
|  | 2043          | 10,864,724               | 81,745,436  | 752%       | 47% |                                   |
|  | 2044          | 9,770,949                | 83,190,185  | 851%       | 49% |                                   |
|  | 2045          | 8,746,881                | 84,011,592  | 960%       | 50% |                                   |
|  | 2046          | 7,794,639                | 84,213,474  | 1,080%     | 52% |                                   |
|  | 2047          | 6,912,922                | 83,806,858  | 1,212%     | 54% |                                   |
| 2048                                   | 6,103,441     | 82,828,238               | 1,357%      | 56%        |     |                                   |
| 2049                                   | 5,363,535     | 81,335,453               | 1,516%      | 57%        |     |                                   |
| 2050                                   | 4,693,900     | 79,372,989               | 1,691%      | 58%        |     |                                   |
| 2051                                   | 4,088,948     | 76,988,349               | 1,883%      | 60%        |     |                                   |
| 2052                                   | 3,547,074     | 74,236,683               | 2,093%      | 61%        |     |                                   |
| 2053                                   | 3,063,934     | 71,190,641               | 2,324%      | 62%        |     |                                   |
| 2054                                   | 2,636,225     | 67,919,856               | 2,576%      | 63%        |     |                                   |
| 2055-2059                              | 8,400,118     | 285,754,078              | 3,402%      | 67%        |     |                                   |
| 2060-2064                              | 3,584,660     | 195,035,901              | 5,441%      | 69%        |     |                                   |
| 2065-2069                              | 1,417,981     | 117,458,439              | 8,283%      | 70%        |     |                                   |
| 2070-2074                              | 523,750       | 61,613,317               | 11,764%     | 70%        |     |                                   |

**Attachment 3**  
**Highmark BS**  
**Actual-to-Expected Experience by Calendar Year**  
**Pennsylvania-Specific Experience Before Requested Rate Increase**  
**Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA**  
**All Issue Ages Combined**

|  | 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 5.00% Interest | Expected (Column G) with Average 6.45% Interest | Actual-to-Expected Ratio |
| Historical Experience                  | 2004          | 0  | 0               | 0%                  | 0                 | 0   | 0               | 0%                  | 0                 | 0%                                    | 0%  | 0.00                     |
|  | 2005          | 0  | 0               | 0%                  | 0                 | 0   | 0               | 0%                  | 0                 | 0%                                    | 0%  | 0.00                     |
|  | 2006          | 61,180   | 0               | 0%                  | 170               | 58,405  | 729             | 1%                  | 167               | 0%                                    | 1%  | 0.00                     |
|  | 2007          | 258,798  | 0               | 0%                  | 230               | 247,814                                       | 3,392           | 1%                  | 219               | 0%                                    | 1%  | 0.00                     |
|  | 2008          | 476,753  | 0               | 0%                  | 466               | 455,764                                       | 8,156           | 2%                  | 444               | 0%                                    | 2%  | 0.00                     |
|  | 2009          | 718,635  | 0               | 0%                  | 539               | 687,708                                       | 14,699          | 2%                  | 515               | 0%                                    | 2%  | 0.00                     |
|  | 2010          | 895,325  | 4,132           | 0%                  | 559               | 850,055                                       | 22,571          | 3%                  | 527               | 0%                                    | 2%  | 0.08                     |
|  | 2011          | 879,913  | 6,051           | 1%                  | 545               | 810,053                                       | 31,698          | 4%                  | 502               | 0%                                    | 3%  | 0.12                     |
|  | 2012          | 849,191  | 0               | 0%                  | 532               | 776,249                                       | 43,414          | 6%                  | 484               | 0%                                    | 3%  | 0.08                     |
|  | 2013          | 831,633  | 5,195           | 1%                  | 498               | 750,674                                       | 57,344          | 8%                  | 469               | 0%                                    | 4%  | 0.08                     |
|  | 2014          | 885,424  | 17,722          | 2%                  | 477               | 729,313                                       | 72,483          | 10%                 | 456               | 1%                                    | 4%  | 0.12                     |
| Projected Future Experience (60 Years) | 2015          | 933,235  | 74,951          | 8%                  | 466               | 709,936                                       | 87,419          | 12%                 | 445               | 1%                                    | 5%  | 0.27                     |
|  | 2016          | 989,993  | 89,797          | 9%                  | 458               | 691,744                                       | 102,462         | 15%                 | 433               | 2%                                    | 6%  | 0.37                     |
|  | 2017          | 993,817  | 104,876         | 11%                 | 451               | 666,300                                       | 117,894         | 18%                 | 422               | 3%                                    | 7%  | 0.44                     |
|  | 2018          | 968,612  | 120,747         | 12%                 | 444               | 641,080                                       | 134,769         | 21%                 | 410               | 4%                                    | 7%  | 0.49                     |
|  | 2019          | 859,174  | 138,280         | 16%                 | 438               | 560,938                                       | 152,617         | 27%                 | 398               | 4%                                    | 8%  | 0.53                     |
|  | 2020          | 721,078  | 159,567         | 22%                 | 431               | 469,115                                       | 171,708         | 37%                 | 386               | 5%                                    | 9%  | 0.57                     |
|  | 2021          | 702,452  | 187,960         | 27%                 | 423               | 449,447                                       | 193,954         | 43%                 | 375               | 6%                                    | 10%   | 0.60                     |
|  | 2022          | 686,563  | 224,056         | 33%                 | 416               | 431,715                                       | 218,412         | 51%                 | 363               | 7%                                    | 11%   | 0.63                     |
|  | 2023          | 670,113  | 267,255         | 40%                 | 408               | 413,304                                       | 245,038         | 59%                 | 351               | 8%                                    | 12%   | 0.66                     |
|  | 2024          | 653,694  | 317,861         | 49%                 | 400               | 394,024                                       | 273,253         | 69%                 | 338               | 9%                                    | 14%   | 0.70                     |
|  | 2025          | 638,028  | 373,611         | 59%                 | 392               | 377,051                                       | 305,673         | 81%                 | 326               | 11%                                   | 15%   | 0.73                     |
|  | 2026          | 620,182  | 434,646         | 70%                 | 383               | 359,190                                       | 342,402         | 95%                 | 314               | 12%                                   | 16%   | 0.76                     |
|  | 2027          | 602,033  | 503,228         | 84%                 | 373               | 341,516                                       | 383,179         | 112%                | 301               | 14%                                   | 17%   | 0.80                     |
|  | 2028          | 584,134  | 577,999         | 99%                 | 364               | 323,241                                       | 428,097         | 132%                | 289               | 16%                                   | 19%   | 0.83                     |
|  | 2029          | 565,379  | 661,672         | 117%                | 353               | 304,541                                       | 477,193         | 157%                | 276               | 17%                                   | 20%   | 0.86                     |
|  | 2030          | 545,738  | 759,278         | 139%                | 343               | 287,504                                       | 531,943         | 185%                | 263               | 19%                                   | 22%   | 0.89                     |
|  | 2031          | 525,233  | 872,219         | 166%                | 331               | 270,583                                       | 591,408         | 219%                | 250               | 22%                                   | 23%   | 0.92                     |
|  | 2032          | 503,981  | 998,164         | 198%                | 320               | 253,823                                       | 654,849         | 258%                | 238               | 24%                                   | 25%   | 0.96                     |
|  | 2033          | 482,145  | 1,139,775       | 236%                | 308               | 237,285                                       | 721,803         | 304%                | 225               | 27%                                   | 27%   | 0.99                     |
|  | 2034          | 459,863  | 1,296,646       | 282%                | 295               | 221,029                                       | 790,169         | 357%                | 212               | 29%                                   | 29%   | 1.03                     |
|  | 2035          | 435,561  | 1,463,801       | 336%                | 283               | 204,274                                       | 858,913         | 420%                | 200               | 32%                                   | 30%   | 1.06                     |
|  | 2036          | 412,487  | 1,635,396       | 396%                | 270               | 188,697                                       | 925,612         | 491%                | 187               | 36%                                   | 32%   | 1.10                     |
|  | 2037          | 389,364  | 1,804,357       | 463%                | 257               | 173,670                                       | 991,167         | 571%                | 175               | 39%                                   | 34%   | 1.14                     |
|  | 2038          | 366,121  | 1,974,295       | 539%                | 244               | 159,165                                       | 1,053,534       | 662%                | 163               | 42%                                   | 36%   | 1.17                     |
|  | 2039          | 342,864  | 2,138,473       | 624%                | 230               | 145,234                                       | 1,109,679       | 764%                | 151               | 46%                                   | 38%   | 1.21                     |
|  | 2040          | 319,712  | 2,287,546       | 716%                | 217               | 131,926                                       | 1,160,824       | 880%                | 140               | 49%                                   | 40%   | 1.25                     |
|  | 2041          | 296,792  | 2,424,513       | 817%                | 203               | 119,281                                       | 1,203,160       | 1,009%              | 129               | 53%                                   | 41%   | 1.28                     |
|  | 2042          | 274,253  | 2,552,203       | 931%                | 190               | 107,334                                       | 1,234,065       | 1,150%              | 119               | 57%                                   | 43%   | 1.32                     |
|  | 2043          | 252,216  | 2,650,766       | 1,051%              | 177               | 96,113  | 1,254,989       | 1,306%              | 109               | 60%                                   | 45%   | 1.35                     |
|  | 2044          | 230,812  | 2,714,590       | 1,176%              | 164               | 85,636  | 1,263,779       | 1,476%              | 99                | 64%                                   | 46%   | 1.38                     |
|  | 2045          | 210,162  | 2,750,138       | 1,309%              | 152               | 75,915  | 1,260,264       | 1,660%              | 90                | 67%                                   | 48%   | 1.41                     |
|  | 2046          | 190,377  | 2,753,690       | 1,446%              | 140               | 66,951  | 1,244,884       | 1,859%              | 82                | 71%                                   | 49%   | 1.44                     |
|  | 2047          | 171,550  | 2,729,192       | 1,591%              | 128               | 58,738  | 1,218,628       | 2,075%              | 74                | 74%                                   | 50%   | 1.46                     |
| 2048                                   | 153,764       | 2,684,165  | 1,746%          | 117                 | 51,264            | 1,182,445                                     | 2,307%          | 66                  | 76%               | 51%                                   | 1.49  |                          |
| 2049                                   | 137,071       | 2,624,205  | 1,914%          | 106                 | 44,507            | 1,136,441                                     | 2,553%          | 59                  | 79%               | 52%                                   | 1.51  |                          |
| 2050                                   | 121,543       | 2,546,154  | 2,095%          | 96                  | 38,440            | 1,081,462                                     | 2,813%          | 53                  | 82%               | 53%                                   | 1.53  |                          |
| 2051                                   | 107,193       | 2,444,115  | 2,280%          | 87                  | 33,026            | 1,020,057                                     | 3,089%          | 47                  | 84%               | 54%                                   | 1.55  |                          |
| 2052                                   | 94,008        | 2,317,253  | 2,465%          | 78                  | 28,229            | 953,185                                       | 3,377%          | 42                  | 86%               | 55%                                   | 1.57  |                          |
| 2053                                   | 82,001        | 2,173,902  | 2,651%          | 70                  | 24,007            | 882,457                                       | 3,676%          | 37                  | 88%               | 55%                                   | 1.58  |                          |
| 2054                                   | 71,143        | 2,019,578  | 2,839%          | 63                  | 20,313            | 808,990                                       | 3,983%          | 33                  | 89%               | 56%                                   | 1.60  |                          |
| 2055-2059                              | 229,461       | 7,823,017  | 3,409%          | 223                 | 61,536            | 2,994,958                                     | 4,867%          | 113                 | 95%               | 58%                                   | 1.65  |                          |
| 2060-2064                              | 97,677        | 4,508,819  | 4,616%          | 119                 | 23,627            | 1,585,445                                     | 6,712%          | 57                  | 97%               | 58%                                   | 1.67  |                          |
| 2065-2069                              | 38,306        | 2,351,270  | 6,138%          | 61                  | 8,505             | 772,618                                       | 9,085%          | 27                  | 98%               | 59%                                   | 1.68  |                          |
| 2070-2074                              | 14,769        | 1,078,211  | 7,300%          | 29                  | 3,002             | 361,478                                       | 12,041%         | 11                  | 99%               | 59%                                   | 1.69  |                          |

**Attachment 3**  
**Highmark BS**  
**Actual-to-Expected Experience by Calendar Year**  
**Pennsylvania-Specific Experience After Requested Rate Increase**  
**Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA**  
**All Issue Ages Combined**

|  | 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 5.00% Interest | Expected (Column G) with Average 6.45% Interest | Actual-to-Expected Ratio |
| Historical Experience                  | 2004          | 0  | 0               | 0%                  | 0                 | 0   | 0               | 0%                  | 0                 | 0%                                    | 0%  | 0.00                     |
|  | 2005          | 0  | 0               | 0%                  | 0                 | 0   | 0               | 0%                  | 0                 | 0%                                    | 0%  | 0.00                     |
|  | 2006          | 61,180   | 0               | 0%                  | 170               | 58,405  | 729             | 1%                  | 167               | 0%                                    | 1%  | 0.00                     |
|  | 2007          | 258,798  | 0               | 0%                  | 230               | 247,814                                       | 3,392           | 1%                  | 219               | 0%                                    | 1%  | 0.00                     |
|  | 2008          | 476,753  | 0               | 0%                  | 466               | 455,764                                       | 8,156           | 2%                  | 444               | 0%                                    | 2%  | 0.00                     |
|  | 2009          | 718,635  | 0               | 0%                  | 539               | 687,708                                       | 14,699          | 2%                  | 515               | 0%                                    | 2%  | 0.00                     |
|  | 2010          | 895,325  | 4,132           | 0%                  | 559               | 850,055                                       | 22,571          | 3%                  | 527               | 0%                                    | 2%  | 0.08                     |
|  | 2011          | 879,913  | 6,051           | 1%                  | 545               | 810,053                                       | 31,698          | 4%                  | 502               | 0%                                    | 3%  | 0.12                     |
|  | 2012          | 849,191  | 0               | 0%                  | 532               | 776,249                                       | 43,414          | 6%                  | 484               | 0%                                    | 3%  | 0.08                     |
|  | 2013          | 831,633  | 5,195           | 1%                  | 498               | 750,674                                       | 57,344          | 8%                  | 469               | 0%                                    | 4%  | 0.08                     |
|  | 2014          | 885,424  | 17,722          | 2%                  | 477               | 729,313                                       | 72,483          | 10%                 | 456               | 1%                                    | 4%  | 0.12                     |
| Projected Future Experience (60 Years) | 2015          | 933,235  | 74,951          | 8%                  | 466               | 709,936                                       | 87,419          | 12%                 | 445               | 1%                                    | 5%  | 0.27                     |
|  | 2016          | 1,006,506  | 88,794          | 9%                  | 455               | 691,744                                       | 102,462         | 15%                 | 433               | 2%                                    | 6%  | 0.37                     |
|  | 2017          | 1,258,959  | 94,390          | 7%                  | 419               | 666,300                                       | 117,894         | 18%                 | 422               | 3%                                    | 7%  | 0.42                     |
|  | 2018          | 1,404,349  | 102,926         | 7%                  | 412               | 641,080                                       | 134,769         | 21%                 | 410               | 3%                                    | 7%  | 0.44                     |
|  | 2019          | 1,236,420  | 117,487         | 10%                 | 406               | 560,938                                       | 152,617         | 27%                 | 398               | 4%                                    | 8%  | 0.45                     |
|  | 2020          | 1,024,465  | 135,047         | 13%                 | 400               | 469,115                                       | 171,708         | 37%                 | 386               | 4%                                    | 9%  | 0.47                     |
|  | 2021          | 997,477  | 158,913         | 16%                 | 393               | 449,447                                       | 193,954         | 43%                 | 375               | 5%                                    | 10%   | 0.48                     |
|  | 2022          | 974,751  | 189,272         | 19%                 | 386               | 431,715                                       | 218,412         | 51%                 | 363               | 6%                                    | 11%   | 0.50                     |
|  | 2023          | 951,227  | 225,610         | 24%                 | 379               | 413,304                                       | 245,038         | 59%                 | 351               | 6%                                    | 12%   | 0.51                     |
|  | 2024          | 927,830  | 268,187         | 29%                 | 371               | 394,024                                       | 273,253         | 69%                 | 338               | 7%                                    | 14%   | 0.53                     |
|  | 2025          | 905,688  | 315,033         | 35%                 | 364               | 377,051                                       | 305,673         | 81%                 | 326               | 8%                                    | 15%   | 0.55                     |
|  | 2026          | 880,214  | 366,283         | 42%                 | 355               | 359,190                                       | 342,402         | 95%                 | 314               | 9%                                    | 16%   | 0.57                     |
|  | 2027          | 854,389  | 423,823         | 50%                 | 347               | 341,516                                       | 383,179         | 112%                | 301               | 10%                                   | 17%   | 0.59                     |
|  | 2028          | 829,097  | 486,459         | 59%                 | 338               | 323,241                                       | 428,097         | 132%                | 289               | 11%                                   | 19%   | 0.61                     |
|  | 2029          | 802,594  | 556,485         | 69%                 | 328               | 304,541                                       | 477,193         | 157%                | 276               | 13%                                   | 20%   | 0.63                     |
|  | 2030          | 774,838  | 638,094         | 82%                 | 318               | 287,504                                       | 531,943         | 185%                | 263               | 14%                                   | 22%   | 0.65                     |
|  | 2031          | 745,860  | 732,496         | 98%                 | 308               | 270,583                                       | 591,408         | 219%                | 250               | 16%                                   | 23%   | 0.67                     |
|  | 2032          | 715,822  | 837,663         | 117%                | 297               | 253,823                                       | 654,849         | 258%                | 238               | 17%                                   | 25%   | 0.69                     |
|  | 2033          | 684,956  | 955,840         | 140%                | 286               | 237,285                                       | 721,803         | 304%                | 225               | 19%                                   | 27%   | 0.71                     |
|  | 2034          | 653,453  | 1,086,726       | 166%                | 274               | 221,029                                       | 790,169         | 357%                | 212               | 21%                                   | 29%   | 0.73                     |
|  | 2035          | 618,736  | 1,226,134       | 198%                | 263               | 204,274                                       | 858,913         | 420%                | 200               | 23%                                   | 30%   | 0.76                     |
|  | 2036          | 586,068  | 1,369,198       | 234%                | 251               | 188,697                                       | 925,612         | 491%                | 187               | 25%                                   | 32%   | 0.78                     |
|  | 2037          | 553,356  | 1,509,782       | 273%                | 239               | 173,670                                       | 991,167         | 571%                | 175               | 28%                                   | 34%   | 0.81                     |
|  | 2038          | 520,465  | 1,651,198       | 317%                | 226               | 159,165                                       | 1,053,534       | 662%                | 163               | 30%                                   | 36%   | 0.83                     |
|  | 2039          | 487,546  | 1,787,538       | 367%                | 214               | 145,234                                       | 1,109,679       | 764%                | 151               | 32%                                   | 38%   | 0.85                     |
|  | 2040          | 454,765  | 1,910,834       | 420%                | 202               | 131,926                                       | 1,160,824       | 880%                | 140               | 35%                                   | 40%   | 0.88                     |
|  | 2041          | 422,304  | 2,024,027       | 479%                | 189               | 119,281                                       | 1,203,160       | 1,009%              | 129               | 37%                                   | 41%   | 0.90                     |
|  | 2042          | 390,373  | 2,129,372       | 545%                | 177               | 107,334                                       | 1,234,065       | 1,150%              | 119               | 40%                                   | 43%   | 0.92                     |
|  | 2043          | 359,146  | 2,210,252       | 615%                | 165               | 96,113  | 1,254,989       | 1,306%              | 109               | 42%                                   | 45%   | 0.95                     |
|  | 2044          | 328,808  | 2,261,860       | 688%                | 153               | 85,636  | 1,263,779       | 1,476%              | 99                | 45%                                   | 46%   | 0.97                     |
|  | 2045          | 299,531  | 2,289,419       | 764%                | 141               | 75,915  | 1,260,264       | 1,660%              | 90                | 47%                                   | 48%   | 0.99                     |
| 2046                                   | 271,473       | 2,290,037  | 844%            | 130                 | 66,951            | 1,244,884                                     | 1,859%          | 82                  | 49%               | 49%                                   | 1.00  |                          |
| 2047                                   | 244,766       | 2,267,211  | 926%            | 119                 | 58,738            | 1,218,628                                     | 2,075%          | 74                  | 51%               | 50%                                   | 1.02  |                          |
| 2048                                   | 219,527       | 2,227,259  | 1,015%          | 108                 | 51,264            | 1,182,445                                     | 2,307%          | 66                  | 53%               | 51%                                   | 1.04  |                          |
| 2049                                   | 195,832       | 2,174,741  | 1,111%          | 99                  | 44,507            | 1,136,441                                     | 2,553%          | 59                  | 55%               | 52%                                   | 1.05  |                          |
| 2050                                   | 173,779       | 2,106,906  | 1,212%          | 89                  | 38,440            | 1,081,462                                     | 2,813%          | 53                  | 57%               | 53%                                   | 1.07  |                          |
| 2051                                   | 153,384       | 2,019,401  | 1,317%          | 81                  | 33,026            | 1,020,057                                     | 3,089%          | 47                  | 58%               | 54%                                   | 1.08  |                          |
| 2052                                   | 134,635       | 1,911,796  | 1,420%          | 72                  | 28,229            | 953,185                                       | 3,377%          | 42                  | 60%               | 55%                                   | 1.09  |                          |
| 2053                                   | 117,545       | 1,790,928  | 1,524%          | 65                  | 24,007            | 882,457                                       | 3,676%          | 37                  | 61%               | 55%                                   | 1.10  |                          |
| 2054                                   | 102,076       | 1,661,354  | 1,628%          | 58                  | 20,313            | 808,990                                       | 3,983%          | 33                  | 62%               | 56%                                   | 1.11  |                          |
| 2055-2059                              | 330,046       | 6,411,056  | 1,942%          | 206                 | 61,536            | 2,994,958                                     | 4,867%          | 113                 | 66%               | 58%                                   | 1.14  |                          |
| 2060-2064                              | 140,984       | 3,675,412  | 2,607%          | 110                 | 23,621            | 1,585,445                                     | 6,712%          | 57                  | 68%               | 58%                                   | 1.16  |                          |
| 2065-2069                              | 55,313        | 1,909,191  | 3,452%          | 57                  | 8,505             | 772,618                                       | 9,085%          | 27                  | 68%               | 59%                                   | 1.17  |                          |
| 2070-2074                              | 21,270        | 873,061  | 4,105%          | 27                  | 3,002             | 361,478                                       | 12,041%         | 11                  | 68%               | 59%                                   | 1.17  |                          |

**Attachment 4**  
**Highmark BS**  
**Pennsylvania-Specific Written Premium and Paid Claim Experience and Projections**  
**Before Requested Rate Increase**  
**Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA**  
**All Issue Ages Combined**

|                       | Calendar Year                          | Loss Ratio Demonstration |             |            |     | Cumulative Loss Ratio w/ Interest |
|-----------------------|--|--------------------------|-------------|------------|-----|-----------------------------------|
|                       |  | Without Interest         |             |            |     |                                   |
|                       |  | Written Premium          | Paid Claims | Loss Ratio |     |                                   |
| Historical Experience | 2004                                   | 0                        | 0           | 0%         | 0%  |                                   |
|                       | 2005                                   | 0                        | 0           | 0%         | 0%  |                                   |
|                       | 2006                                   | 96,106                   | 0           | 0%         | 0%  |                                   |
|                       | 2007                                   | 294,910                  | 0           | 0%         | 0%  |                                   |
|                       | 2008                                   | 577,634                  | 0           | 0%         | 0%  |                                   |
|                       | 2009                                   | 816,675                  | 0           | 0%         | 0%  |                                   |
|                       | 2010                                   | 895,900                  | 4,167       | 0%         | 0%  |                                   |
|                       | 2011                                   | 875,223                  | 6,078       | 1%         | 0%  |                                   |
|                       | 2012                                   | 845,469                  | 0           | 0%         | 0%  |                                   |
|                       | 2013                                   | 849,276                  | 5,713       | 1%         | 0%  |                                   |
|                       | 2014                                   | 900,990                  | 0           | 0%         | 0%  |                                   |
|                       | Projected Future Experience (60 Years) | 2015                     | 953,144     | 19,757     | 2%  | 0%                                |
|                       |  | 2016                     | 1,001,788   | 40,260     | 4%  | 1%                                |
| 2017                  |  | 986,332                  | 58,675      | 6%         | 1%  |                                   |
| 2018                  |  | 948,414                  | 76,840      | 8%         | 2%  |                                   |
| 2019                  |  | 772,110                  | 95,096      | 12%        | 2%  |                                   |
| 2020                  |  | 712,867                  | 114,462     | 16%        | 3%  |                                   |
| 2021                  |  | 696,390                  | 136,220     | 20%        | 4%  |                                   |
| 2022                  |  | 682,209                  | 161,782     | 24%        | 4%  |                                   |
| 2023                  |  | 664,256                  | 192,297     | 29%        | 5%  |                                   |
| 2024                  |  | 649,019                  | 228,587     | 35%        | 6%  |                                   |
| 2025                  |  | 633,161                  | 270,858     | 43%        | 7%  |                                   |
| 2026                  |  | 614,042                  | 319,033     | 52%        | 8%  |                                   |
| 2027                  |  | 596,728                  | 373,532     | 63%        | 9%  |                                   |
| 2028                  |  | 578,586                  | 434,596     | 75%        | 11% |                                   |
| 2029                  |  | 559,582                  | 502,909     | 90%        | 12% |                                   |
| 2030                  |  | 539,688                  | 580,161     | 107%       | 13% |                                   |
| 2031                  |  | 518,945                  | 668,191     | 129%       | 15% |                                   |
| 2032                  |  | 497,509                  | 768,092     | 154%       | 17% |                                   |
| 2033                  |  | 475,549                  | 881,118     | 185%       | 19% |                                   |
| 2034                  |  | 453,177                  | 1,008,003   | 222%       | 21% |                                   |
| 2035                  |  | 428,647                  | 1,148,354   | 268%       | 23% |                                   |
| 2036                  |  | 405,692                  | 1,300,327   | 321%       | 26% |                                   |
| 2037                  |  | 382,555                  | 1,460,923   | 382%       | 29% |                                   |
| 2038                  |  | 359,330                  | 1,627,890   | 453%       | 31% |                                   |
| 2039                  |  | 336,127                  | 1,798,322   | 535%       | 34% |                                   |
| 2040                  |  | 313,059                  | 1,967,811   | 629%       | 37% |                                   |
| 2041                  |  | 290,282                  | 2,133,097   | 735%       | 41% |                                   |
| 2042                  |  | 267,916                  | 2,292,072   | 856%       | 44% |                                   |
| 2043                  |  | 246,094                  | 2,440,034   | 992%       | 47% |                                   |
| 2044                  |  | 224,940                  | 2,570,860   | 1,143%     | 51% |                                   |
| 2045                  |  | 204,571                  | 2,680,505   | 1,310%     | 54% |                                   |
| 2046                  |  | 185,088                  | 2,765,600   | 1,494%     | 57% |                                   |
| 2047                  |  | 166,582                  | 2,824,367   | 1,695%     | 60% |                                   |
| 2048                  | 149,130                                | 2,857,066                | 1,916%      | 63%        |     |                                   |
| 2049                  | 132,784                                | 2,865,501                | 2,158%      | 66%        |     |                                   |
| 2050                  | 117,603                                | 2,850,916                | 2,424%      | 69%        |     |                                   |
| 2051                  | 103,585                                | 2,813,103                | 2,716%      | 72%        |     |                                   |
| 2052                  | 90,731                                 | 2,751,435                | 3,033%      | 74%        |     |                                   |
| 2053                  | 79,059                                 | 2,666,920                | 3,373%      | 76%        |     |                                   |
| 2054                  | 68,503                                 | 2,561,992                | 3,740%      | 78%        |     |                                   |
| 2055-2059             | 220,244                                | 10,804,559               | 4,906%      | 86%        |     |                                   |
| 2060-2064             | 93,289                                 | 7,137,356                | 7,651%      | 90%        |     |                                   |
| 2065-2069             | 36,479                                 | 4,119,010                | 11,291%     | 92%        |     |                                   |
| 2070-2074             | 14,061                                 | 2,112,716                | 15,025%     | 92%        |     |                                   |

**Attachment 4**  
**Highmark BS**  
**Pennsylvania-Specific Written Premium and Paid Claim Experience and Projections**  
**After Requested Rate Increase**  
**Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA**  
**All Issue Ages Combined**

|  | Calendar Year | Loss Ratio Demonstration |             |            |     | Cumulative Loss Ratio w/ Interest |
|--|---------------|--------------------------|-------------|------------|-----|-----------------------------------|
|  |               | Without Interest         |             |            |     |                                   |
|  |               | Written Premium          | Paid Claims | Loss Ratio |     |                                   |
| Historical Experience                  | 2004          | 0                        | 0           | 0%         | 0%  |                                   |
|  | 2005          | 0                        | 0           | 0%         | 0%  |                                   |
|  | 2006          | 96,106                   | 0           | 0%         | 0%  |                                   |
|  | 2007          | 294,910                  | 0           | 0%         | 0%  |                                   |
|  | 2008          | 577,634                  | 0           | 0%         | 0%  |                                   |
|  | 2009          | 816,675                  | 0           | 0%         | 0%  |                                   |
|  | 2010          | 895,900                  | 4,167       | 0%         | 0%  |                                   |
|  | 2011          | 875,223                  | 6,078       | 1%         | 0%  |                                   |
|  | 2012          | 845,469                  | 0           | 0%         | 0%  |                                   |
|  | 2013          | 849,276                  | 5,713       | 1%         | 0%  |                                   |
|  | 2014          | 900,990                  | 0           | 0%         | 0%  |                                   |
| Projected Future Experience (60 Years) | 2015          | 953,151                  | 19,757      | 2%         | 0%  |                                   |
|  | 2016          | 1,048,385                | 40,043      | 4%         | 1%  |                                   |
|  | 2017          | 1,369,064                | 56,232      | 4%         | 1%  |                                   |
|  | 2018          | 1,373,228                | 70,547      | 5%         | 2%  |                                   |
|  | 2019          | 1,102,180                | 84,779      | 8%         | 2%  |                                   |
|  | 2020          | 1,012,336                | 100,127     | 10%        | 2%  |                                   |
|  | 2021          | 988,647                  | 117,673     | 12%        | 3%  |                                   |
|  | 2022          | 968,595                  | 138,568     | 14%        | 3%  |                                   |
|  | 2023          | 942,760                  | 163,770     | 17%        | 4%  |                                   |
|  | 2024          | 921,224                  | 193,964     | 21%        | 5%  |                                   |
|  | 2025          | 898,812                  | 229,284     | 26%        | 5%  |                                   |
|  | 2026          | 871,360                  | 269,620     | 31%        | 6%  |                                   |
|  | 2027          | 846,896                  | 315,291     | 37%        | 7%  |                                   |
|  | 2028          | 821,260                  | 366,466     | 45%        | 8%  |                                   |
|  | 2029          | 794,406                  | 423,698     | 53%        | 9%  |                                   |
|  | 2030          | 766,293                  | 488,387     | 64%        | 10% |                                   |
|  | 2031          | 736,979                  | 562,063     | 76%        | 11% |                                   |
|  | 2032          | 706,682                  | 645,620     | 91%        | 12% |                                   |
|  | 2033          | 675,637                  | 740,093     | 110%       | 14% |                                   |
|  | 2034          | 644,006                  | 846,095     | 131%       | 15% |                                   |
|  | 2035          | 608,932                  | 963,294     | 158%       | 17% |                                   |
|  | 2036          | 576,463                  | 1,090,148   | 189%       | 18% |                                   |
|  | 2037          | 543,729                  | 1,224,095   | 225%       | 20% |                                   |
|  | 2038          | 510,860                  | 1,363,262   | 267%       | 22% |                                   |
|  | 2039          | 478,014                  | 1,505,197   | 315%       | 24% |                                   |
|  | 2040          | 445,349                  | 1,646,141   | 370%       | 26% |                                   |
|  | 2041          | 413,088                  | 1,783,387   | 432%       | 29% |                                   |
|  | 2042          | 381,401                  | 1,915,191   | 502%       | 31% |                                   |
|  | 2043          | 350,475                  | 2,037,648   | 581%       | 33% |                                   |
|  | 2044          | 320,489                  | 2,145,620   | 669%       | 35% |                                   |
| 2045                                   | 291,607       | 2,235,672                | 767%        | 38%        |     |                                   |
| 2046                                   | 263,976       | 2,304,964                | 873%        | 40%        |     |                                   |
| 2047                                   | 237,721       | 2,352,056                | 989%        | 42%        |     |                                   |
| 2048                                   | 212,955       | 2,377,213                | 1,116%      | 44%        |     |                                   |
| 2049                                   | 189,748       | 2,381,969                | 1,255%      | 46%        |     |                                   |
| 2050                                   | 168,184       | 2,367,357                | 1,408%      | 48%        |     |                                   |
| 2051                                   | 148,259       | 2,333,290                | 1,574%      | 50%        |     |                                   |
| 2052                                   | 129,977       | 2,279,405                | 1,754%      | 52%        |     |                                   |
| 2053                                   | 113,360       | 2,206,662                | 1,947%      | 53%        |     |                                   |
| 2054                                   | 98,318        | 2,117,170                | 2,153%      | 54%        |     |                                   |
| 2055-2059                              | 316,880       | 8,896,255                | 2,807%      | 60%        |     |                                   |
| 2060-2064                              | 134,678       | 5,843,464                | 4,339%      | 62%        |     |                                   |
| 2065-2069                              | 52,676        | 3,356,827                | 6,373%      | 63%        |     |                                   |
| 2070-2074                              | 20,247        | 1,715,791                | 8,474%      | 64%        |     |                                   |

**Attachment 5**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Breakdown of Historical Incurred Claims and Reserve Balances at December 31, 2014**  
**Individual Simplicity Policy Forms**

**Combined Nationwide Experience**

| Incurred Year | Discounted to the Year of Incurral |             |                       |              |                                    | Year-End Active Life Reserve <sup>[3]</sup> |
|---------------|------------------------------------|-------------|-----------------------|--------------|------------------------------------|---|
|               | Incurred Claims <sup>[1]</sup>     | Paid Claims | Disabled Life Reserve | IBNR Reserve | Total Claim Reserve <sup>[2]</sup> |   |
| 2004          | 299,291                            | 299,291     | 0                     |              | 0                                  |   |
| 2005          | 704,251                            | 704,251     | 0                     |              | 0                                  |   |
| 2006          | 127,091                            | 127,091     | 0                     |              | 0                                  |   |
| 2007          | 1,314,720                          | 1,015,648   | 299,072               |              | 299,072                            |   |
| 2008          | 2,873,196                          | 2,603,750   | 269,446               |              | 269,446                            |   |
| 2009          | 1,804,026                          | 1,569,032   | 234,995               |              | 234,995                            |   |
| 2010          | 3,127,792                          | 2,996,212   | 131,580               |              | 131,580                            |   |
| 2011          | 4,131,089                          | 3,559,863   | 571,226               |              | 571,226                            |   |
| 2012          | 4,870,535                          | 3,382,880   | 1,487,655             |              | 1,487,655                          |   |
| 2013          | 5,688,002                          | 2,892,422   | 2,795,580             |              | 2,795,580                          |   |
| 2014          | 7,662,242                          | 1,192,510   | 5,057,202             | 1,412,530    | 6,469,732                          | 295,357,103                                 |

**Highmark BS Pennsylvania-Specific Experience**

| Incurred Year | Discounted to the Year of Incurral |             |                       |              |                                    | Year-End Active Life Reserve <sup>[3]</sup> |
|---------------|------------------------------------|-------------|-----------------------|--------------|------------------------------------|---|
|               | Incurred Claims <sup>[1]</sup>     | Paid Claims | Disabled Life Reserve | IBNR Reserve | Total Claim Reserve <sup>[2]</sup> |   |
| 2004          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2005          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2006          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2007          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2008          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2009          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2010          | 4,132                              | 4,132       | 0                     |              | 0                                  |   |
| 2011          | 6,051                              | 6,051       | 0                     |              | 0                                  |   |
| 2012          | 0                                  | 0           | 0                     |              | 0                                  |   |
| 2013          | 5,195                              | 5,195       | 0                     |              | 0                                  |   |
| 2014          | 17,722                             | 0           | 0                     | 17,722       | 17,722                             | 5,534,023                                   |

[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**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Experience by Policy Year**  
**Combined Nationwide Experience Before Requested Rate Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

| 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 5.00% Interest | Expected (Column G) with Average 6.32% Interest | Actual-to-Expected Ratio |
| 1           | 45,117,693   | 1,608,021       | 4%                  | 25,220            | 44,510,624                                    | 700,550         | 2%                  | 24,201            | 4%                                    | 2%  | 2.26                     |
| 2           | 42,777,817   | 957,700         | 2%                  | 23,634            | 40,404,119                                    | 1,095,337       | 3%                  | 22,502            | 3%                                    | 2%  | 1.39                     |
| 3           | 40,998,701   | 3,087,464       | 8%                  | 22,505            | 37,871,712                                    | 1,578,675       | 4%                  | 21,393            | 4%                                    | 3%  | 1.59                     |
| 4           | 39,576,512   | 2,900,295       | 7%                  | 21,634            | 36,208,895                                    | 2,102,520       | 6%                  | 20,673            | 5%                                    | 3%  | 1.48                     |
| 5           | 38,397,611   | 3,383,846       | 9%                  | 20,875            | 34,977,780                                    | 2,917,868       | 8%                  | 19,992            | 6%                                    | 4%  | 1.35                     |
| 6           | 37,461,235   | 4,484,651       | 12%                 | 20,209            | 33,866,875                                    | 3,807,639       | 11%                 | 19,479            | 6%                                    | 5%  | 1.27                     |
| 7           | 36,912,690   | 5,589,115       | 15%                 | 19,486            | 32,954,251                                    | 4,662,726       | 14%                 | 18,966            | 7%                                    | 6%  | 1.23                     |
| 8           | 37,160,040   | 6,315,441       | 17%                 | 18,951            | 32,035,752                                    | 5,363,733       | 17%                 | 18,451            | 8%                                    | 7%  | 1.19                     |
| 9           | 37,699,203   | 8,417,623       | 22%                 | 18,563            | 31,111,050                                    | 6,160,495       | 20%                 | 17,936            | 10%                                   | 8%  | 1.20                     |
| 10          | 38,336,339   | 7,473,092       | 19%                 | 18,247            | 30,179,664                                    | 7,000,976       | 23%                 | 17,418            | 10%                                   | 9%  | 1.15                     |
| 11          | 29,265,611   | 8,851,930       | 30%                 | 17,975            | 22,020,609                                    | 7,773,585       | 35%                 | 16,899            | 11%                                   | 10%   | 1.13                     |
| 12          | 28,907,941   | 10,419,832      | 36%                 | 17,661            | 21,089,742                                    | 8,698,358       | 41%                 | 16,377            | 13%                                   | 11%   | 1.12                     |
| 13          | 28,219,376   | 11,860,514      | 42%                 | 17,332            | 20,134,847                                    | 9,744,812       | 48%                 | 15,853            | 14%                                   | 12%   | 1.11                     |
| 14          | 27,423,416   | 13,829,850      | 50%                 | 16,991            | 19,181,478                                    | 10,925,195      | 57%                 | 15,326            | 15%                                   | 14%   | 1.11                     |
| 15          | 26,635,260   | 16,130,961      | 61%                 | 16,635            | 18,263,424                                    | 12,146,518      | 67%                 | 14,797            | 17%                                   | 15%   | 1.11                     |
| 16          | 25,776,545   | 18,597,048      | 72%                 | 16,266            | 17,319,871                                    | 12,805,864      | 74%                 | 14,265            | 18%                                   | 16%   | 1.13                     |
| 17          | 24,917,124   | 21,273,896      | 85%                 | 15,881            | 16,391,515                                    | 14,041,040      | 86%                 | 13,730            | 20%                                   | 18%   | 1.15                     |
| 18          | 24,055,913   | 24,211,349      | 101%                | 15,481            | 15,491,375                                    | 15,389,640      | 99%                 | 13,194            | 22%                                   | 19%   | 1.17                     |
| 19          | 23,188,528   | 27,218,774      | 117%                | 15,061            | 14,624,260                                    | 16,831,222      | 115%                | 12,657            | 24%                                   | 20%   | 1.19                     |
| 20          | 22,295,472   | 30,430,953      | 136%                | 14,621            | 13,767,302                                    | 18,351,038      | 133%                | 12,118            | 26%                                   | 22%   | 1.21                     |
| 21          | 21,357,239   | 33,909,317      | 159%                | 14,160            | 12,913,627                                    | 19,948,563      | 154%                | 11,580            | 29%                                   | 23%   | 1.24                     |
| 22          | 20,396,628   | 37,670,415      | 185%                | 13,679            | 12,082,817                                    | 21,807,716      | 180%                | 11,043            | 31%                                   | 25%   | 1.26                     |
| 23          | 19,421,874   | 41,731,646      | 215%                | 13,177            | 11,278,054                                    | 23,762,732      | 211%                | 10,508            | 34%                                   | 26%   | 1.28                     |
| 24          | 18,407,508   | 45,988,885      | 250%                | 12,658            | 10,481,629                                    | 25,778,126      | 246%                | 9,976             | 36%                                   | 28%   | 1.31                     |
| 25          | 17,404,798   | 50,431,200      | 290%                | 12,130            | 9,714,754                                     | 27,823,123      | 286%                | 9,449             | 39%                                   | 29%   | 1.33                     |
| 26          | 16,410,336   | 55,264,402      | 337%                | 11,595            | 8,982,873                                     | 29,932,305      | 333%                | 8,928             | 42%                                   | 31%   | 1.36                     |
| 27          | 15,415,533   | 60,589,006      | 393%                | 11,055            | 8,273,150                                     | 31,972,009      | 386%                | 8,415             | 45%                                   | 33%   | 1.39                     |
| 28          | 14,431,440   | 65,842,005      | 456%                | 10,510            | 7,590,686                                     | 33,986,690      | 448%                | 7,910             | 48%                                   | 34%   | 1.41                     |
| 29          | 13,466,823   | 70,989,164      | 527%                | 9,963             | 6,943,263                                     | 35,898,592      | 517%                | 7,416             | 52%                                   | 36%   | 1.44                     |
| 30          | 12,520,646   | 75,844,245      | 606%                | 9,415             | 6,324,380                                     | 37,647,501      | 595%                | 6,934             | 55%                                   | 37%   | 1.47                     |
| 31          | 11,590,601   | 80,349,470      | 693%                | 8,870             | 5,740,117                                     | 39,243,913      | 684%                | 6,465             | 58%                                   | 39%   | 1.50                     |
| 32          | 10,680,469   | 84,581,308      | 792%                | 8,328             | 5,184,993                                     | 40,613,729      | 783%                | 6,010             | 62%                                   | 40%   | 1.53                     |
| 33          | 9,805,039  | 88,133,790      | 899%                | 7,793             | 4,668,780                                     | 41,772,866      | 895%                | 5,572             | 65%                                   | 42%   | 1.55                     |
| 34          | 8,958,357  | 91,080,498      | 1,017%              | 7,267             | 4,183,518                                     | 42,659,078      | 1,020%              | 5,150             | 68%                                   | 43%   | 1.58                     |
| 35          | 8,147,049  | 93,156,439      | 1,143%              | 6,752             | 3,733,294                                     | 43,218,624      | 1,158%              | 4,746             | 72%                                   | 45%   | 1.61                     |
| 36          | 7,376,763  | 94,433,302      | 1,280%              | 6,251             | 3,318,520                                     | 43,474,781      | 1,310%              | 4,360             | 75%                                   | 46%   | 1.63                     |
| 37          | 6,645,632  | 94,789,412      | 1,426%              | 5,766             | 2,934,732                                     | 43,415,246      | 1,479%              | 3,994             | 78%                                   | 47%   | 1.65                     |
| 38          | 5,957,602  | 94,318,075      | 1,583%              | 5,298             | 2,586,602                                     | 43,071,401      | 1,665%              | 3,648             | 80%                                   | 48%   | 1.67                     |
| 39          | 5,315,082  | 93,175,374      | 1,753%              | 4,851             | 2,270,008                                     | 42,415,420      | 1,869%              | 3,321             | 83%                                   | 49%   | 1.69                     |
| 40          | 4,718,577  | 91,378,563      | 1,937%              | 4,425             | 1,983,783                                     | 41,464,502      | 2,090%              | 3,015             | 86%                                   | 50%   | 1.71                     |
| 41          | 4,169,854  | 88,936,149      | 2,133%              | 4,021             | 1,726,812                                     | 40,296,792      | 2,334%              | 2,729             | 88%                                   | 51%   | 1.73                     |
| 42          | 3,666,034  | 86,033,131      | 2,347%              | 3,641             | 1,496,542                                     | 38,923,806      | 2,601%              | 2,463             | 90%                                   | 52%   | 1.75                     |
| 43          | 3,208,197  | 82,759,251      | 2,580%              | 3,285             | 1,292,603                                     | 37,382,502      | 2,892%              | 2,217             | 92%                                   | 52%   | 1.76                     |
| 44          | 2,794,127  | 79,117,642      | 2,832%              | 2,953             | 1,111,620                                     | 35,696,611      | 3,211%              | 1,989             | 94%                                   | 53%   | 1.77                     |
| 45          | 2,422,952  | 75,125,933      | 3,101%              | 2,646             | 952,673                                       | 33,901,331      | 3,559%              | 1,780             | 95%                                   | 54%   | 1.78                     |
| 46          | 2,091,605  | 70,908,544      | 3,390%              | 2,363             | 814,001                                       | 32,054,088      | 3,938%              | 1,589             | 97%                                   | 54%   | 1.79                     |
| 47          | 1,797,723  | 66,611,870      | 3,705%              | 2,103             | 693,721                                       | 30,174,323      | 4,350%              | 1,414             | 98%                                   | 54%   | 1.80                     |
| 48          | 1,539,420  | 62,408,274      | 4,054%              | 1,866             | 589,574                                       | 28,285,257      | 4,798%              | 1,256             | 99%                                   | 55%   | 1.81                     |
| 49          | 1,313,220  | 58,168,422      | 4,429%              | 1,651             | 500,037                                       | 26,417,084      | 5,283%              | 1,112             | 100%                                  | 55%   | 1.82                     |
| 50          | 1,116,247  | 53,895,875      | 4,828%              | 1,456             | 423,196                                       | 24,573,892      | 5,807%              | 982               | 101%                                  | 55%   | 1.83                     |
| 51-55       | 3,449,615  | 207,790,190     | 6,024%              | 4,978             | 1,304,712                                     | 97,228,111      | 7,452%              | 3,375             | 105%                                  | 56%   | 1.85                     |
| 56-60       | 1,405,996  | 122,321,040     | 8,700%              | 2,434             | 538,020                                       | 60,827,880      | 11,306%             | 1,658             | 106%                                  | 57%   | 1.86                     |
| 61-65       | 537,524  | 61,945,483      | 11,524%             | 1,092             | 207,911                                       | 34,966,573      | 16,818%             | 732               | 107%                                  | 57%   | 1.86                     |
| 66-70       | 190,695  | 26,422,114      | 13,856%             | 438               | 71,914  | 17,079,088      | 23,749%             | 277               | 107%                                  | 57%   | 1.87                     |
| Total       | 933,254,233  | 2,813,142,785   | 301%                | 592,097           | 675,318,062                                   | 1,409,812,050   | 209%                | 508,239           | 107%                                  | 57%   | 1.87                     |

**Attachment 6**  
**Highmark BS, MedAmerica, and MedAmerica's Other Affinity Partners**  
**Actual-to-Expected Experience by Policy Year**  
**Combined Nationwide Experience After Requested Rate Increase**  
**Individual Simplicity Policy Forms**  
**All Issue Ages Combined**

| 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 5.00% Interest | Expected (Column G) with Average 6.32% Interest | Actual-to-Expected Ratio |
| 1           | 45,117,693   | 1,608,021       | 4%                  | 25,220            | 44,510,624                                    | 700,550         | 2%                  | 24,201            | 4%                                    | 2%  | 2.26                     |
| 2           | 42,777,817   | 957,700         | 2%                  | 23,634            | 40,404,119                                    | 1,095,337       | 3%                  | 22,502            | 3%                                    | 2%  | 1.39                     |
| 3           | 41,025,228   | 3,087,335       | 8%                  | 22,503            | 37,871,712                                    | 1,578,675       | 4%                  | 21,393            | 4%                                    | 3%  | 1.59                     |
| 4           | 39,903,565   | 2,897,485       | 7%                  | 21,608            | 36,208,895                                    | 2,102,520       | 6%                  | 20,673            | 5%                                    | 3%  | 1.47                     |
| 5           | 39,772,496   | 3,369,604       | 8%                  | 20,810            | 34,977,780                                    | 2,917,868       | 8%                  | 19,992            | 6%                                    | 4%  | 1.33                     |
| 6           | 39,379,550   | 4,456,970       | 11%                 | 20,127            | 33,866,875                                    | 3,807,639       | 11%                 | 19,479            | 6%                                    | 5%  | 1.25                     |
| 7           | 39,144,092   | 5,546,963       | 14%                 | 19,391            | 32,954,251                                    | 4,662,726       | 14%                 | 18,966            | 7%                                    | 6%  | 1.20                     |
| 8           | 39,758,022   | 6,256,059       | 16%                 | 18,838            | 32,035,752                                    | 5,363,733       | 17%                 | 18,451            | 8%                                    | 7%  | 1.16                     |
| 9           | 41,227,985   | 8,317,122       | 20%                 | 18,361            | 31,111,050                                    | 6,160,495       | 20%                 | 17,936            | 9%                                    | 8%  | 1.16                     |
| 10          | 44,778,759   | 7,239,521       | 16%                 | 17,802            | 30,179,664                                    | 7,000,976       | 23%                 | 17,418            | 10%                                   | 9%  | 1.10                     |
| 11          | 38,353,738   | 8,314,296       | 22%                 | 17,217            | 22,020,609                                    | 7,773,585       | 35%                 | 16,899            | 11%                                   | 10%   | 1.05                     |
| 12          | 42,039,116   | 9,463,812       | 23%                 | 16,649            | 21,089,742                                    | 8,698,358       | 41%                 | 16,377            | 11%                                   | 11%   | 1.01                     |
| 13          | 44,345,597   | 10,417,499      | 23%                 | 16,195            | 20,134,847                                    | 9,744,812       | 48%                 | 15,853            | 12%                                   | 12%   | 0.97                     |
| 14          | 44,142,622   | 12,001,407      | 27%                 | 15,851            | 19,181,478                                    | 10,925,195      | 57%                 | 15,326            | 13%                                   | 14%   | 0.94                     |
| 15          | 43,083,192   | 13,956,034      | 32%                 | 15,520            | 18,263,424                                    | 12,146,518      | 67%                 | 14,797            | 14%                                   | 15%   | 0.92                     |
| 16          | 41,709,807   | 16,071,806      | 39%                 | 15,178            | 17,319,871                                    | 12,805,864      | 74%                 | 14,265            | 15%                                   | 16%   | 0.92                     |
| 17          | 40,338,627   | 18,367,337      | 46%                 | 14,822            | 16,391,515                                    | 14,041,040      | 86%                 | 13,730            | 16%                                   | 18%   | 0.91                     |
| 18          | 38,974,963   | 20,883,701      | 54%                 | 14,452            | 15,491,375                                    | 15,389,640      | 99%                 | 13,194            | 17%                                   | 19%   | 0.91                     |
| 19          | 37,605,702   | 23,456,460      | 62%                 | 14,062            | 14,624,260                                    | 16,831,222      | 115%                | 12,657            | 19%                                   | 20%   | 0.92                     |
| 20          | 36,196,604   | 26,201,922      | 72%                 | 13,655            | 13,767,302                                    | 18,351,038      | 133%                | 12,118            | 20%                                   | 22%   | 0.92                     |
| 21          | 34,705,594   | 29,172,293      | 84%                 | 13,227            | 12,913,627                                    | 19,948,563      | 154%                | 11,580            | 22%                                   | 23%   | 0.93                     |
| 22          | 33,172,726   | 32,382,217      | 98%                 | 12,781            | 12,082,817                                    | 21,807,716      | 180%                | 11,043            | 23%                                   | 25%   | 0.94                     |
| 23          | 31,626,806   | 35,845,446      | 113%                | 12,316            | 11,278,054                                    | 23,762,732      | 211%                | 10,508            | 25%                                   | 26%   | 0.95                     |
| 24          | 30,014,556   | 39,472,781      | 132%                | 11,834            | 10,481,629                                    | 25,778,126      | 246%                | 9,976             | 27%                                   | 28%   | 0.96                     |
| 25          | 28,425,063   | 43,256,129      | 152%                | 11,344            | 9,714,754                                     | 27,823,123      | 286%                | 9,449             | 29%                                   | 29%   | 0.97                     |
| 26          | 26,845,980   | 47,373,613      | 176%                | 10,847            | 8,982,873                                     | 29,932,305      | 333%                | 8,928             | 30%                                   | 31%   | 0.99                     |
| 27          | 25,261,630   | 51,911,735      | 205%                | 10,345            | 8,273,150                                     | 31,972,009      | 386%                | 8,415             | 33%                                   | 33%   | 1.00                     |
| 28          | 23,687,696   | 56,388,969      | 238%                | 9,838             | 7,590,686                                     | 33,986,690      | 448%                | 7,910             | 35%                                   | 34%   | 1.01                     |
| 29          | 22,147,873   | 60,776,863      | 274%                | 9,329             | 6,943,263                                     | 35,898,592      | 517%                | 7,416             | 37%                                   | 36%   | 1.03                     |
| 30          | 20,633,295   | 64,918,650      | 315%                | 8,820             | 6,324,380                                     | 37,647,501      | 595%                | 6,934             | 39%                                   | 37%   | 1.05                     |
| 31          | 19,139,352   | 68,758,603      | 359%                | 8,312             | 5,740,117                                     | 39,243,913      | 684%                | 6,465             | 41%                                   | 39%   | 1.06                     |
| 32          | 17,672,739   | 72,365,386      | 409%                | 7,807             | 5,184,993                                     | 40,613,729      | 783%                | 6,010             | 44%                                   | 40%   | 1.08                     |
| 33          | 16,259,524   | 75,391,232      | 464%                | 7,308             | 4,668,780                                     | 41,772,866      | 895%                | 5,572             | 46%                                   | 42%   | 1.10                     |
| 34          | 14,888,041   | 77,898,743      | 523%                | 6,818             | 4,183,518                                     | 42,659,078      | 1,020%              | 5,150             | 48%                                   | 43%   | 1.11                     |
| 35          | 13,572,136   | 79,666,940      | 587%                | 6,337             | 3,733,294                                     | 43,218,624      | 1,158%              | 4,746             | 50%                                   | 45%   | 1.13                     |
| 36          | 12,318,521   | 80,749,754      | 656%                | 5,869             | 3,318,520                                     | 43,474,781      | 1,310%              | 4,360             | 52%                                   | 46%   | 1.14                     |
| 37          | 11,124,062   | 81,044,757      | 729%                | 5,416             | 2,934,732                                     | 43,415,246      | 1,479%              | 3,994             | 54%                                   | 47%   | 1.16                     |
| 38          | 9,997,803  | 80,631,651      | 806%                | 4,979             | 2,586,602                                     | 43,071,401      | 1,665%              | 3,648             | 56%                                   | 48%   | 1.17                     |
| 39          | 8,941,856  | 79,649,926      | 891%                | 4,560             | 2,270,008                                     | 42,415,420      | 1,869%              | 3,321             | 58%                                   | 49%   | 1.18                     |
| 40          | 7,959,545  | 78,117,415      | 981%                | 4,161             | 1,983,783                                     | 41,464,502      | 2,090%              | 3,015             | 60%                                   | 50%   | 1.19                     |
| 41          | 7,053,023  | 76,031,838      | 1,078%              | 3,783             | 1,726,812                                     | 40,296,792      | 2,334%              | 2,729             | 61%                                   | 51%   | 1.21                     |
| 42          | 6,217,837  | 73,559,066      | 1,183%              | 3,427             | 1,496,542                                     | 38,923,806      | 2,601%              | 2,463             | 63%                                   | 52%   | 1.22                     |
| 43          | 5,456,638  | 70,767,546      | 1,297%              | 3,093             | 1,292,603                                     | 37,382,502      | 2,892%              | 2,217             | 64%                                   | 52%   | 1.22                     |
| 44          | 4,765,708  | 67,665,534      | 1,420%              | 2,782             | 1,111,620                                     | 35,696,611      | 3,211%              | 1,989             | 65%                                   | 53%   | 1.23                     |
| 45          | 4,144,464  | 64,264,779      | 1,551%              | 2,493             | 952,673                                       | 33,901,331      | 3,559%              | 1,780             | 66%                                   | 54%   | 1.24                     |
| 46          | 3,588,022  | 60,674,871      | 1,691%              | 2,227             | 814,001                                       | 32,054,088      | 3,938%              | 1,589             | 67%                                   | 54%   | 1.25                     |
| 47          | 3,092,842  | 57,017,918      | 1,844%              | 1,983             | 693,721                                       | 30,174,323      | 4,350%              | 1,414             | 68%                                   | 54%   | 1.25                     |
| 48          | 2,655,936  | 53,438,320      | 2,012%              | 1,760             | 589,574                                       | 28,285,257      | 4,798%              | 1,256             | 69%                                   | 55%   | 1.26                     |
| 49          | 2,271,826  | 49,824,748      | 2,193%              | 1,557             | 500,037                                       | 26,417,084      | 5,283%              | 1,112             | 70%                                   | 55%   | 1.26                     |
| 50          | 1,936,035  | 46,179,418      | 2,385%              | 1,373             | 423,196                                       | 24,573,892      | 5,807%              | 982               | 70%                                   | 55%   | 1.27                     |
| 51-55       | 6,018,357  | 178,212,088     | 2,961%              | 4,698             | 1,304,712                                     | 97,228,111      | 7,452%              | 3,375             | 72%                                   | 56%   | 1.28                     |
| 56-60       | 2,468,989  | 105,010,551     | 4,253%              | 2,298             | 538,020                                       | 60,827,880      | 11,306%             | 1,658             | 73%                                   | 57%   | 1.29                     |
| 61-65       | 943,707  | 53,116,088      | 5,628%              | 1,031             | 207,911                                       | 34,966,573      | 16,818%             | 732               | 74%                                   | 57%   | 1.29                     |
| 66-70       | 333,331  | 22,574,229      | 6,772%              | 414               | 71,914  | 17,079,088      | 23,749%             | 277               | 74%                                   | 57%   | 1.29                     |
| Total       | 1,279,016,689  | 2,416,981,150   | 189%                | 567,061           | 675,318,062                                   | 1,409,812,050   | 209%                | 508,239           | 74%                                   | 57%   | 1.29                     |



**Attachment 7**  
**Highmark BS**  
**Actual-to-Expected Experience by Policy Year**  
**Pennsylvania-Specific Experience Before Requested Rate Increase**  
**Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA**  
**All Issue Ages Combined**

| 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 5.00% Interest | Expected (Column G) with Average 6.45% Interest | Actual-to-Expected Ratio |
| 1           | 979,348  | 0               | 0%                  | 598               | 967,742                                       | 10,405          | 1%                  | 576               | 0%                                    | 1%  | 0.00                     |
| 2           | 928,902  | 0               | 0%                  | 572               | 880,366                                       | 16,546          | 2%                  | 535               | 0%                                    | 1%  | 0.00                     |
| 3           | 893,669  | 0               | 0%                  | 559               | 825,047                                       | 24,439          | 3%                  | 508               | 0%                                    | 2%  | 0.00                     |
| 4           | 877,303  | 10,238          | 1%                  | 542               | 788,622                                       | 32,617          | 4%                  | 492               | 0%                                    | 2%  | 0.11                     |
| 5           | 883,176  | 7,705           | 1%                  | 527               | 763,038                                       | 47,273          | 6%                  | 476               | 0%                                    | 3%  | 0.12                     |
| 6           | 891,898  | 13,937          | 2%                  | 501               | 740,016                                       | 63,703          | 9%                  | 464               | 1%                                    | 4%  | 0.15                     |
| 7           | 923,658  | 35,609          | 4%                  | 474               | 722,349                                       | 79,802          | 11%                 | 453               | 1%                                    | 4%  | 0.21                     |
| 8           | 958,016  | 63,602          | 7%                  | 464               | 704,534                                       | 93,055          | 13%                 | 441               | 2%                                    | 5%  | 0.30                     |
| 9           | 977,325  | 91,120          | 9%                  | 456               | 686,537                                       | 108,326         | 16%                 | 430               | 2%                                    | 6%  | 0.39                     |
| 10          | 986,728  | 110,366         | 11%                 | 450               | 668,320                                       | 125,146         | 19%                 | 418               | 3%                                    | 7%  | 0.45                     |
| 11          | 740,799  | 125,578         | 17%                 | 443               | 498,223                                       | 139,677         | 28%                 | 406               | 4%                                    | 8%  | 0.50                     |
| 12          | 730,893  | 143,057         | 20%                 | 437               | 481,659                                       | 157,419         | 33%                 | 395               | 5%                                    | 9%  | 0.54                     |
| 13          | 714,208  | 165,392         | 23%                 | 430               | 463,063                                       | 178,064         | 38%                 | 383               | 5%                                    | 10%   | 0.57                     |
| 14          | 700,510  | 197,817         | 28%                 | 422               | 446,340                                       | 202,257         | 45%                 | 371               | 6%                                    | 11%   | 0.60                     |
| 15          | 686,334  | 237,426         | 35%                 | 415               | 429,525                                       | 228,659         | 53%                 | 359               | 7%                                    | 12%   | 0.63                     |
| 16          | 665,602  | 282,793         | 42%                 | 407               | 409,439                                       | 251,200         | 61%                 | 347               | 9%                                    | 13%   | 0.67                     |
| 17          | 650,397  | 335,063         | 52%                 | 399               | 392,465                                       | 282,176         | 72%                 | 335               | 10%                                   | 14%   | 0.70                     |
| 18          | 634,596  | 394,766         | 62%                 | 390               | 373,221                                       | 317,588         | 85%                 | 323               | 11%                                   | 15%   | 0.73                     |
| 19          | 615,523  | 458,348         | 74%                 | 381               | 354,769                                       | 356,321         | 100%                | 310               | 13%                                   | 17%   | 0.77                     |
| 20          | 598,242  | 527,208         | 88%                 | 372               | 337,660                                       | 397,540         | 118%                | 298               | 14%                                   | 18%   | 0.80                     |
| 21          | 580,112  | 605,315         | 104%                | 362               | 320,535                                       | 443,220         | 138%                | 285               | 16%                                   | 19%   | 0.83                     |
| 22          | 561,100  | 694,123         | 124%                | 352               | 303,442                                       | 496,019         | 163%                | 272               | 18%                                   | 21%   | 0.87                     |
| 23          | 541,159  | 798,306         | 148%                | 341               | 283,670                                       | 553,300         | 195%                | 260               | 20%                                   | 22%   | 0.90                     |
| 24          | 520,319  | 916,237         | 176%                | 329               | 266,783                                       | 615,020         | 231%                | 247               | 22%                                   | 24%   | 0.93                     |
| 25          | 498,802  | 1,050,603       | 211%                | 317               | 250,073                                       | 679,405         | 272%                | 234               | 25%                                   | 26%   | 0.96                     |
| 26          | 474,980  | 1,198,515       | 252%                | 305               | 232,676                                       | 748,400         | 322%                | 221               | 28%                                   | 28%   | 1.00                     |
| 27          | 452,600  | 1,362,398       | 301%                | 293               | 216,514                                       | 816,969         | 377%                | 209               | 30%                                   | 29%   | 1.03                     |
| 28          | 429,883  | 1,532,878       | 357%                | 280               | 200,717                                       | 885,946         | 441%                | 196               | 33%                                   | 31%   | 1.07                     |
| 29          | 406,901  | 1,711,879       | 421%                | 267               | 185,347                                       | 952,929         | 514%                | 184               | 37%                                   | 33%   | 1.11                     |
| 30          | 383,733  | 1,884,964       | 491%                | 254               | 170,462                                       | 1,015,941       | 596%                | 172               | 40%                                   | 35%   | 1.15                     |
| 31          | 360,475  | 2,049,783       | 569%                | 241               | 156,119                                       | 1,077,108       | 690%                | 160               | 44%                                   | 37%   | 1.19                     |
| 32          | 337,232  | 2,205,192       | 654%                | 227               | 142,365                                       | 1,131,117       | 795%                | 149               | 47%                                   | 39%   | 1.22                     |
| 33          | 314,128  | 2,351,013       | 748%                | 214               | 129,247                                       | 1,177,159       | 911%                | 137               | 51%                                   | 40%   | 1.26                     |
| 34          | 291,291  | 2,488,786       | 854%                | 201               | 116,802                                       | 1,213,381       | 1,039%              | 127               | 55%                                   | 42%   | 1.29                     |
| 35          | 268,853  | 2,606,864       | 970%                | 187               | 105,061                                       | 1,239,449       | 1,180%              | 116               | 58%                                   | 44%   | 1.33                     |
| 36          | 246,957  | 2,688,319       | 1,089%              | 174               | 94,046  | 1,254,625       | 1,334%              | 107               | 62%                                   | 45%   | 1.36                     |
| 37          | 225,726  | 2,728,152       | 1,209%              | 161               | 83,776  | 1,255,802       | 1,499%              | 97                | 65%                                   | 47%   | 1.39                     |
| 38          | 205,277  | 2,738,489       | 1,334%              | 149               | 74,257  | 1,243,741       | 1,675%              | 88                | 69%                                   | 48%   | 1.42                     |
| 39          | 185,720  | 2,727,405       | 1,469%              | 137               | 65,489  | 1,220,604       | 1,864%              | 80                | 72%                                   | 50%   | 1.45                     |
| 40          | 167,149  | 2,699,102       | 1,615%              | 125               | 57,463  | 1,188,348       | 2,068%              | 72                | 75%                                   | 51%   | 1.47                     |
| 41          | 149,641  | 2,645,417       | 1,768%              | 114               | 50,165  | 1,146,966       | 2,286%              | 65                | 78%                                   | 52%   | 1.50                     |
| 42          | 133,253  | 2,561,664       | 1,922%              | 104               | 43,572  | 1,096,575       | 2,517%              | 58                | 80%                                   | 53%   | 1.52                     |
| 43          | 118,031  | 2,461,696       | 2,086%              | 94                | 37,655  | 1,037,765       | 2,756%              | 52                | 83%                                   | 54%   | 1.54                     |
| 44          | 103,991  | 2,344,669       | 2,255%              | 85                | 32,380  | 974,410         | 3,009%              | 46                | 85%                                   | 54%   | 1.56                     |
| 45          | 91,148   | 2,220,203       | 2,436%              | 76                | 27,708  | 908,666         | 3,279%              | 41                | 87%                                   | 55%   | 1.57                     |
| 46          | 79,472   | 2,082,976       | 2,621%              | 68                | 23,596  | 841,090         | 3,564%              | 36                | 88%                                   | 56%   | 1.59                     |
| 47          | 68,929   | 1,941,364       | 2,816%              | 61                | 20,001  | 773,694         | 3,868%              | 32                | 90%                                   | 56%   | 1.60                     |
| 48          | 59,477   | 1,798,280       | 3,023%              | 54                | 16,877  | 706,277         | 4,185%              | 28                | 91%                                   | 56%   | 1.61                     |
| 49          | 51,058   | 1,652,412       | 3,236%              | 48                | 14,179  | 640,888         | 4,520%              | 25                | 92%                                   | 57%   | 1.62                     |
| 50          | 43,594   | 1,510,339       | 3,465%              | 43                | 11,861  | 579,413         | 4,885%              | 22                | 93%                                   | 57%   | 1.63                     |
| 51-55       | 135,312  | 5,607,903       | 4,144%              | 149               | 35,021  | 2,077,050       | 5,931%              | 73                | 97%                                   | 58%   | 1.67                     |
| 56-60       | 54,550   | 3,062,274       | 5,614%              | 77                | 12,949  | 1,060,641       | 8,191%              | 35                | 98%                                   | 58%   | 1.68                     |
| 61-65       | 20,633   | 1,441,376       | 6,986%              | 37                | 4,471   | 493,487         | 11,037%             | 15                | 99%                                   | 59%   | 1.69                     |
| 66-70       | 7,694  | 610,949         | 7,941%              | 16                | 1,460   | 212,802         | 14,577%             | 5                 | 99%                                   | 59%   | 1.69                     |
| Total       | 24,606,309   | 72,179,869      | 293%                | 15,182            | 15,719,672                                    | 34,870,420      | 222%                | 12,267            | 99%                                   | 59%   | 1.69                     |

Attachment 7  
Highmark BS  
Actual-to-Expected Experience by Policy Year  
Pennsylvania-Specific Experience After Requested Rate Increase  
Policy Forms: SPL-336-HMBSPA, FSPL-336-HMBSPA  
All Issue Ages Combined

| Policy Year | Actual or Projected Experience using Current Assumptions |                      |                                  |                        | Expected Experience using Pricing Assumptions |                      |                                  |                        | Cumulative Loss Ratios with Interest       |  |                                       |
|-------------|--|----------------------|----------------------------------|------------------------|---|----------------------|----------------------------------|------------------------|--|--|---------------------------------------|
|             | A<br>Earned Premium                                      | B<br>Incurred Claims | C = B / A<br>Incurred Loss Ratio | D<br>End of Year Lives | E<br>Earned Premium                           | F<br>Incurred Claims | G = F / E<br>Incurred Loss Ratio | H<br>End of Year Lives | I<br>Actual (Column C) with 5.00% Interest | J<br>Expected (Column G) with Average 6.45% Interest | K = I / J<br>Actual-to-Expected Ratio |
| 1           | 979,348  | 0                    | 0%                               | 598                    | 967,742                                       | 10,405               | 1%                               | 576                    | 0%   | 1%   | 0.00                                  |
| 2           | 928,902  | 0                    | 0%                               | 572                    | 880,366                                       | 16,546               | 2%                               | 535                    | 0%   | 1%   | 0.00                                  |
| 3           | 893,669  | 0                    | 0%                               | 559                    | 825,047                                       | 24,439               | 3%                               | 508                    | 0%   | 2%   | 0.00                                  |
| 4           | 877,303  | 10,238               | 1%                               | 542                    | 788,622                                       | 32,617               | 4%                               | 492                    | 0%   | 2%   | 0.11                                  |
| 5           | 883,176  | 7,705                | 1%                               | 527                    | 763,038                                       | 47,273               | 6%                               | 476                    | 0%   | 3%   | 0.12                                  |
| 6           | 891,898  | 13,937               | 2%                               | 501                    | 740,016                                       | 63,703               | 9%                               | 464                    | 1%   | 4%   | 0.15                                  |
| 7           | 930,675  | 35,436               | 4%                               | 473                    | 722,349                                       | 79,802               | 11%                              | 453                    | 1%   | 4%   | 0.21                                  |
| 8           | 1,046,419  | 61,896               | 6%                               | 458                    | 704,534                                       | 93,055               | 13%                              | 441                    | 2%   | 5%   | 0.29                                  |
| 9           | 1,181,254  | 86,028               | 7%                               | 443                    | 686,537                                       | 108,326              | 16%                              | 430                    | 2%   | 6%   | 0.36                                  |
| 10          | 1,303,046  | 99,693               | 8%                               | 427                    | 668,320                                       | 125,146              | 19%                              | 418                    | 3%   | 7%   | 0.40                                  |
| 11          | 995,243  | 109,114              | 11%                              | 414                    | 498,223                                       | 139,677              | 28%                              | 406                    | 3%   | 8%   | 0.43                                  |
| 12          | 1,026,198  | 121,761              | 12%                              | 405                    | 481,659                                       | 157,419              | 33%                              | 395                    | 4%   | 9%   | 0.45                                  |
| 13          | 1,014,261  | 140,113              | 14%                              | 399                    | 463,063                                       | 178,064              | 38%                              | 383                    | 4%   | 10%  | 0.46                                  |
| 14          | 994,886  | 167,439              | 17%                              | 392                    | 446,340                                       | 202,257              | 45%                              | 371                    | 5%   | 11%  | 0.48                                  |
| 15          | 974,838  | 200,813              | 21%                              | 385                    | 429,525                                       | 228,659              | 53%                              | 359                    | 6%   | 12%  | 0.49                                  |
| 16          | 944,685  | 239,032              | 25%                              | 378                    | 409,439                                       | 251,200              | 61%                              | 347                    | 7%   | 13%  | 0.51                                  |
| 17          | 923,195  | 283,050              | 31%                              | 370                    | 392,465                                       | 282,176              | 72%                              | 335                    | 7%   | 14%  | 0.53                                  |
| 18          | 900,862  | 333,271              | 37%                              | 362                    | 373,221                                       | 317,588              | 85%                              | 323                    | 8%   | 15%  | 0.55                                  |
| 19          | 873,474  | 386,703              | 44%                              | 354                    | 354,769                                       | 356,321              | 100%                             | 310                    | 10%  | 17%  | 0.57                                  |
| 20          | 849,053  | 444,480              | 52%                              | 345                    | 337,660                                       | 397,540              | 118%                             | 298                    | 11%  | 18%  | 0.59                                  |
| 21          | 823,433  | 509,947              | 62%                              | 336                    | 320,535                                       | 443,220              | 138%                             | 285                    | 12%  | 19%  | 0.61                                  |
| 22          | 796,566  | 584,341              | 73%                              | 327                    | 303,442                                       | 496,019              | 163%                             | 272                    | 13%  | 21%  | 0.63                                  |
| 23          | 768,386  | 671,553              | 87%                              | 316                    | 283,670                                       | 553,300              | 195%                             | 260                    | 15%  | 22%  | 0.65                                  |
| 24          | 738,931  | 770,227              | 104%                             | 306                    | 266,783                                       | 615,020              | 231%                             | 247                    | 16%  | 24%  | 0.67                                  |
| 25          | 708,516  | 882,582              | 125%                             | 295                    | 250,073                                       | 679,405              | 272%                             | 234                    | 18%  | 26%  | 0.69                                  |
| 26          | 674,454  | 1,006,184            | 149%                             | 284                    | 232,676                                       | 748,400              | 322%                             | 221                    | 20%  | 28%  | 0.72                                  |
| 27          | 642,813  | 1,143,105            | 178%                             | 272                    | 216,514                                       | 816,969              | 377%                             | 209                    | 22%  | 29%  | 0.74                                  |
| 28          | 610,689  | 1,285,274            | 210%                             | 260                    | 200,717                                       | 885,946              | 441%                             | 196                    | 24%  | 31%  | 0.76                                  |
| 29          | 578,181  | 1,434,481            | 248%                             | 248                    | 185,347                                       | 952,929              | 514%                             | 184                    | 26%  | 33%  | 0.79                                  |
| 30          | 545,404  | 1,578,532            | 289%                             | 236                    | 170,462                                       | 1,015,941            | 596%                             | 172                    | 28%  | 35%  | 0.81                                  |
| 31          | 512,489  | 1,715,309            | 335%                             | 224                    | 156,119                                       | 1,077,108            | 690%                             | 160                    | 31%  | 37%  | 0.84                                  |
| 32          | 479,589  | 1,843,988            | 384%                             | 211                    | 142,365                                       | 1,131,117            | 795%                             | 149                    | 33%  | 39%  | 0.86                                  |
| 33          | 446,875  | 1,964,394            | 440%                             | 199                    | 129,247                                       | 1,177,159            | 911%                             | 137                    | 36%  | 40%  | 0.89                                  |
| 34          | 414,530  | 2,077,955            | 501%                             | 186                    | 116,802                                       | 1,213,381            | 1,039%                           | 127                    | 38%  | 42%  | 0.91                                  |
| 35          | 382,743  | 2,174,925            | 568%                             | 174                    | 105,061                                       | 1,239,449            | 1,180%                           | 116                    | 41%  | 44%  | 0.93                                  |
| 36          | 351,716  | 2,241,287            | 637%                             | 162                    | 94,046  | 1,254,625            | 1,334%                           | 107                    | 43%  | 45%  | 0.95                                  |
| 37          | 321,624  | 2,272,502            | 707%                             | 150                    | 83,776  | 1,255,802            | 1,499%                           | 97                     | 46%  | 47%  | 0.98                                  |
| 38          | 292,634  | 2,278,740            | 779%                             | 138                    | 74,257  | 1,243,741            | 1,675%                           | 88                     | 48%  | 48%  | 0.99                                  |
| 39          | 264,900  | 2,267,029            | 856%                             | 127                    | 65,489  | 1,220,604            | 1,864%                           | 80                     | 50%  | 50%  | 1.01                                  |
| 40          | 238,558  | 2,240,813            | 939%                             | 116                    | 57,463  | 1,188,348            | 2,068%                           | 72                     | 52%  | 51%  | 1.03                                  |
| 41          | 213,715  | 2,193,517            | 1,026%                           | 106                    | 50,165  | 1,146,966            | 2,286%                           | 65                     | 54%  | 52%  | 1.04                                  |
| 42          | 190,453  | 2,121,337            | 1,114%                           | 96                     | 43,572  | 1,096,575            | 2,517%                           | 58                     | 56%  | 53%  | 1.06                                  |
| 43          | 168,834  | 2,035,667            | 1,206%                           | 87                     | 37,655  | 1,037,765            | 2,756%                           | 52                     | 57%  | 54%  | 1.07                                  |
| 44          | 148,882  | 1,935,883            | 1,300%                           | 79                     | 32,380  | 974,410              | 3,009%                           | 46                     | 59%  | 54%  | 1.08                                  |
| 45          | 130,615  | 1,830,096            | 1,401%                           | 71                     | 27,708  | 908,666              | 3,279%                           | 41                     | 60%  | 55%  | 1.10                                  |
| 46          | 113,994  | 1,714,330            | 1,504%                           | 63                     | 23,596  | 841,090              | 3,564%                           | 36                     | 61%  | 56%  | 1.10                                  |
| 47          | 98,971   | 1,595,288            | 1,612%                           | 57                     | 20,001  | 773,694              | 3,868%                           | 32                     | 62%  | 56%  | 1.11                                  |
| 48          | 85,487   | 1,475,494            | 1,726%                           | 50                     | 16,877  | 706,277              | 4,185%                           | 28                     | 63%  | 56%  | 1.12                                  |
| 49          | 73,459   | 1,353,847            | 1,843%                           | 45                     | 14,179  | 640,888              | 4,520%                           | 25                     | 64%  | 57%  | 1.13                                  |
| 50          | 62,781   | 1,235,715            | 1,968%                           | 40                     | 11,861  | 579,413              | 4,885%                           | 22                     | 65%  | 57%  | 1.13                                  |
| 51-55       | 195,288  | 4,573,330            | 2,342%                           | 138                    | 35,021  | 2,077,050            | 5,931%                           | 73                     | 67%  | 58%  | 1.16                                  |
| 56-60       | 78,874   | 2,486,030            | 3,152%                           | 71                     | 12,949  | 1,060,641            | 8,191%                           | 35                     | 68%  | 58%  | 1.17                                  |
| 61-65       | 29,782   | 1,166,524            | 3,917%                           | 34                     | 4,471   | 493,487              | 11,037%                          | 15                     | 68%  | 59%  | 1.17                                  |
| 66-70       | 11,062   | 493,465              | 4,461%                           | 15                     | 1,460   | 212,802              | 14,577%                          | 5                      | 69%  | 59%  | 1.17                                  |
| Total       | 31,607,610   | 59,894,400           | 189%                             | 14,424                 | 15,719,672                                    | 34,870,420           | 222%                             | 12,267                 | 69%  | 59%  | 1.17                                  |

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. 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

HM Life Insurance  
Company

HM Life Insurance  
Company of New York

HM Casualty  
Insurance Company

Highmark Casualty  
Insurance Company

RBS Re

HM Benefits  
Administrators

412.544.1000  
800.328.5433

www.hmig.com

Mailing Address  
PO Box 535061  
Pittsburgh, PA 15253-5061

Overnight Deliveries  
Fifth Avenue Place  
120 Fifth Avenue  
Pittsburgh, PA 15222-3099

  
\_\_\_\_\_  
Title *SUP operations*

*4/7/2016*  
\_\_\_\_\_  
Date

## **MedAmerica Claim Administration and Processing Documentation**

As the majority of policies to which this rate increase is applicable are eligible for a contingent benefit upon lapse, the following provides a demonstration that MedAmerica Insurance Company (MedAmerica) has consistently applied appropriate policy administration and claim processing procedures. These procedures are in place to assure that policyholders' long-term care claims are paid according to the provisions of our contracts.

Personal Care Advisors (PCAs) in our Claims Intake area determine whether a claimant qualifies for initial benefit eligibility, and create a plan of care for each eligible claimant. Our Rehabilitation/Case Management team then assigns a PCA to handle all aspects of the insured's contact with the Company, including care planning, ongoing care management, and supervision of claim payment.

While the PCAs are knowledgeable about all of the long term care products administered by the Company, each one specializes in a handful of products to increase claim payment accuracy. For chronically stable patients for whom rehabilitation is unlikely and site of care changes occur infrequently, specialized PCAs are assigned whose primary task is timely adjudication of claims and annual reassessment of benefit eligibility.

All claimants are reassessed at least once per year; claimants in Assisted Living or Home Care status are reassessed more frequently. All claims are reviewed prior to payment. Monthly claims audit procedures are in place. Anti-fraud activities are carried out by the staff of the Special Investigations Unit within our parent company.

MedAmerica management believes that these claims management practices are designed to pay claims correctly and help eliminate the potential for further deterioration of the policy form requiring further premium rate schedule increases.