

State: Pennsylvania **Filing Company:** MedAmerica Insurance Company
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.001 Qualified
Product Name: Long-Term Care
Project Name/Number: MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

Filing at a Glance

Company: MedAmerica Insurance Company
Product Name: Long-Term Care
State: Pennsylvania
TOI: LTC03G Group Long Term Care
Sub-TOI: LTC03G.001 Qualified
Filing Type: Rate - Other (Not M.U. or G.I. Product)
Date Submitted: 03/09/2017
SERFF Tr Num: MILL-130951675
SERFF Status: Assigned
State Tr Num: MILL-130951675
State Status: Received Review in Progress
Co Tr Num: SERIES 11 GROUP

Implementation: On Approval
Date Requested:
Author(s): Missy Gordon, Travis Reisch, Shawn Stender, Michael Emmert, Bryan Rask, Brandon Johnson, Jack Bridges, Jenna Roska
Reviewer(s): Jim Laverty (primary)
Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:

Proposed 69.1% increase on 68 PA policyholders of group LTC form GRP11-342-MA-PA-601.

State: Pennsylvania **Filing Company:** MedAmerica Insurance Company
TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.001 Qualified
Product Name: Long-Term Care
Project Name/Number: MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

General Information

Project Name: MedAmerica Nationwide 2017 Rate Increase Status of Filing in Domicile: Pending
Project Number: 145MAI01-30.05 Date Approved in Domicile:
Requested Filing Mode: Review & Approval Domicile Status Comments: Pennsylvania is the state of
 domicile.
Explanation for Combination/Other: Market Type: Group
Submission Type: New Submission Group Market Size: Small and Large
Group Market Type: Employer Overall Rate Impact: 69.1%
Filing Status Changed: 03/10/2017
State Status Changed: 03/10/2017 Deemer Date:
Created By: Brandon Johnson Submitted By: Shawn Stender
Corresponding Filing Tracking Number:
State TOI: LTC03G Group Long Term Care State Sub-TOI: LTC03G.001 Qualified

Filing Description:

On behalf of MedAmerica, we are submitting the referenced rate filing for your review. This is an existing policy form that provides long-term care coverage. The company issued certificates on this form in Pennsylvania between July 2004 and October 2007, and it is no longer being marketed in any jurisdiction. The company is making a similar request on the Series 11 and Prior Individual policy forms in a concurrent filing (SERFF Tracking # MILL-130925276).

The company is requesting the approval of a premium rate increase on this form, including all associated riders. This form is in need of a premium rate increase due to emerging and projected experience running more adverse than previously expected. The company is requesting a premium rate increase that varies by benefit period. The cumulative rate increase levels were determined to allow certification to rate stability, where applicable, and vary by benefit period to better align the rate increase with the adverse experience.

There has been one prior increase that the Department filed for use in May 2010. The company is seeking this current rate increase request to achieve what it believes is needed to alleviate the poor performance on this block of business.

Similar to the prior increase, the company 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. Policyholders who prefer to offset the impact of the requested rate increase may have the option to change one or more of the following plan features to lower their premiums (subject to the minimum benefit options available on the form): (i) reduce their daily benefit; (ii) shorten their benefit period; (iii) lengthen their elimination period; (iv) reduce their inflation protection (e.g., compound inflation to no inflation); or (v) drop rider coverage. Additionally, the company will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

As noted above, the requested increase varies by a policyholder's current benefit period. Therefore, in lieu of inflation-based landing spot options, the company is preparing a unique notification letter that provides pre-packaged benefit reduction options for policyholders. The notification letter will provide distinct pre-packaged benefit reduction options that allow policyholders to easily reduce their benefits to mitigate the increase without calling customer service. The company has indicated that its customer service team is always available to discuss with policyholders their options to reduce their benefit coverage and lower their premiums at any time. At this time the company is in the process of finalizing this letter and will submit the letter for the Department's review once complete in the following weeks.

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Please note that in the future slight variations in language may occur that do not materially change the information being provided to the policyholder. It is our understanding that such variations do not need to be filed with the Department.

Company and Contact

Filing Contact Information

Shawn Stender, Assistant Actuary shawn.stender@milliman.com
Milliman, Inc. 952-820-3104 [Phone]
8500 Normandale Lake Blvd.
Suite 1850
Minneapolis, MN 55437

Filing Company Information

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

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

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

SERFF Tracking #:

MILL-130951675

State Tracking #:

MILL-130951675

Company Tracking #:

SERIES 11 GROUP

State:

Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI:

LTC03G Group Long Term Care/LTC03G.001 Qualified

Product Name:

Long-Term Care

Project Name/Number:

MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

Rate Information

Rate data applies to filing.

Filing Method:

Review and Approval

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

39.000%

Effective Date of Last Rate Revision:

05/13/2010

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): |
|------------------------------|-----------------------------|------------------------|--|---|-----------------------------------|---------------------------------|---------------------------------|
| MedAmerica Insurance Company | % | 69.100% | \$63,942 | 68 | \$92,571 | 69.100% | 69.100% |

SERFF Tracking #:

MILL-130951675

State Tracking #:

MILL-130951675

Company Tracking #:

SERIES 11 GROUP

State: Pennsylvania**Filing Company:**

MedAmerica Insurance Company

TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.001 Qualified**Product Name:** Long-Term Care**Project Name/Number:** MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

Rate/Rule Schedule

| Item No. | Schedule Item Status | Document Name | Affected Form Numbers (Separated with commas) | Rate Action | Rate Action Information | Attachments |
|----------|----------------------|-----------------------------|---|-------------|---|---|
| 1 | | Series 11 Group Rate Tables | GRP11-342-MA-PA-601 | Revised | Previous State Filing Number: MILL-126494707 Percent Rate Change Request: 69.1 | PA_MedAmerica_Current Premium Rates_Series 11 Group_20170309.pdf, PA_MedAmerica_Proposed Premium Rates_Series 11 Group_20170309.pdf, |

MedAmerica Insurance Company
165 Court Street, Rochester, New York 14647

Comprehensive Tax Qualified Certificate

Group Rates for Lifetime Premium Payment Option
0 Day Elimination Period
Current Annual Premium Rates
Rates per \$10 Daily Benefit

Certificate: GRP11-342-MA-PA-601
 Base Certificate with No Inflation Protection

Rider: GRP11-SIP-PA-998
 Simple Inflation Protection Rider

Rider: GRP11-CIP-PA-998
 Compound Inflation Protection Rider

| Issue Age | Benefit Period | | | | | Benefit Period | | | | | Benefit Period | | | | |
|-----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|
| | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime |
| <22 | 6 | 7 | 8 | 8 | 11 | 3 | 4 | 4 | 6 | 7 | 21 | 26 | 32 | 38 | 47 |
| 22 | 7 | 7 | 8 | 10 | 13 | 3 | 4 | 4 | 6 | 7 | 19 | 28 | 33 | 38 | 49 |
| 23 | 7 | 7 | 8 | 10 | 13 | 3 | 4 | 6 | 6 | 8 | 21 | 29 | 35 | 40 | 50 |
| 24 | 7 | 8 | 10 | 10 | 14 | 3 | 4 | 4 | 7 | 8 | 22 | 29 | 35 | 42 | 51 |
| 25 | 7 | 8 | 10 | 11 | 14 | 4 | 4 | 6 | 6 | 10 | 24 | 31 | 36 | 42 | 54 |
| 26 | 7 | 8 | 10 | 11 | 15 | 4 | 6 | 6 | 7 | 10 | 25 | 32 | 39 | 44 | 56 |
| 27 | 8 | 10 | 11 | 13 | 15 | 3 | 4 | 6 | 7 | 11 | 24 | 32 | 39 | 46 | 58 |
| 28 | 8 | 10 | 11 | 13 | 17 | 4 | 6 | 7 | 8 | 11 | 25 | 33 | 40 | 47 | 60 |
| 29 | 8 | 10 | 11 | 14 | 18 | 4 | 6 | 8 | 8 | 11 | 26 | 35 | 43 | 49 | 61 |
| 30 | 8 | 11 | 13 | 14 | 18 | 6 | 6 | 8 | 10 | 13 | 28 | 36 | 44 | 51 | 65 |
| 31 | 10 | 11 | 13 | 15 | 19 | 4 | 7 | 8 | 10 | 14 | 28 | 38 | 46 | 53 | 67 |
| 32 | 10 | 13 | 14 | 15 | 21 | 6 | 7 | 8 | 11 | 14 | 29 | 38 | 47 | 56 | 70 |
| 33 | 10 | 13 | 15 | 17 | 22 | 7 | 8 | 10 | 11 | 15 | 32 | 40 | 49 | 57 | 71 |
| 34 | 11 | 14 | 15 | 18 | 24 | 6 | 8 | 11 | 11 | 17 | 32 | 40 | 51 | 58 | 74 |
| 35 | 11 | 14 | 17 | 19 | 25 | 7 | 10 | 11 | 13 | 18 | 33 | 43 | 53 | 60 | 76 |
| 36 | 13 | 15 | 18 | 19 | 26 | 7 | 10 | 11 | 14 | 19 | 33 | 44 | 54 | 64 | 79 |
| 37 | 13 | 15 | 18 | 21 | 28 | 8 | 11 | 14 | 15 | 21 | 36 | 46 | 57 | 65 | 82 |
| 38 | 14 | 17 | 19 | 22 | 31 | 8 | 11 | 14 | 17 | 21 | 36 | 47 | 58 | 68 | 83 |
| 39 | 14 | 18 | 21 | 25 | 32 | 10 | 11 | 15 | 17 | 24 | 39 | 49 | 61 | 70 | 88 |
| 40 | 15 | 19 | 22 | 26 | 35 | 10 | 13 | 17 | 18 | 24 | 39 | 50 | 63 | 72 | 89 |
| 41 | 17 | 21 | 24 | 28 | 36 | 10 | 14 | 18 | 19 | 26 | 40 | 53 | 65 | 75 | 93 |
| 42 | 18 | 22 | 26 | 29 | 39 | 11 | 14 | 18 | 22 | 28 | 42 | 54 | 67 | 78 | 96 |
| 43 | 18 | 24 | 28 | 32 | 42 | 13 | 15 | 19 | 22 | 31 | 44 | 56 | 70 | 81 | 99 |
| 44 | 19 | 25 | 29 | 35 | 44 | 14 | 17 | 22 | 24 | 32 | 46 | 58 | 72 | 82 | 103 |
| 45 | 21 | 26 | 32 | 36 | 47 | 14 | 18 | 22 | 26 | 35 | 47 | 61 | 74 | 86 | 106 |
| 46 | 22 | 28 | 33 | 39 | 51 | 15 | 21 | 25 | 29 | 36 | 49 | 63 | 78 | 89 | 108 |
| 47 | 24 | 31 | 36 | 42 | 54 | 17 | 21 | 26 | 31 | 40 | 50 | 64 | 79 | 92 | 113 |
| 48 | 26 | 32 | 39 | 44 | 58 | 17 | 24 | 29 | 33 | 43 | 51 | 68 | 82 | 96 | 117 |
| 49 | 28 | 35 | 42 | 49 | 63 | 19 | 25 | 31 | 36 | 46 | 53 | 70 | 85 | 97 | 121 |
| 50 | 29 | 38 | 46 | 53 | 68 | 21 | 26 | 32 | 38 | 49 | 56 | 72 | 88 | 101 | 124 |
| 51 | 32 | 40 | 49 | 57 | 72 | 22 | 29 | 36 | 40 | 53 | 57 | 74 | 90 | 104 | 128 |
| 52 | 35 | 43 | 53 | 61 | 78 | 24 | 32 | 39 | 44 | 57 | 58 | 76 | 93 | 108 | 132 |
| 53 | 38 | 47 | 57 | 65 | 85 | 25 | 33 | 42 | 49 | 60 | 60 | 79 | 97 | 113 | 135 |
| 54 | 40 | 51 | 61 | 71 | 90 | 28 | 36 | 44 | 51 | 65 | 63 | 81 | 100 | 115 | 140 |
| 55 | 43 | 56 | 67 | 78 | 99 | 31 | 39 | 49 | 56 | 68 | 65 | 83 | 103 | 118 | 145 |
| 56 | 47 | 60 | 72 | 83 | 106 | 32 | 42 | 51 | 60 | 75 | 67 | 88 | 107 | 124 | 149 |
| 57 | 51 | 65 | 79 | 90 | 114 | 33 | 44 | 54 | 65 | 81 | 68 | 89 | 110 | 128 | 154 |
| 58 | 56 | 71 | 86 | 99 | 124 | 36 | 47 | 58 | 70 | 85 | 71 | 92 | 113 | 131 | 158 |
| 59 | 60 | 76 | 93 | 107 | 135 | 40 | 51 | 64 | 74 | 90 | 72 | 96 | 117 | 135 | 163 |
| 60 | 65 | 83 | 101 | 117 | 146 | 43 | 56 | 68 | 81 | 97 | 75 | 99 | 121 | 140 | 168 |
| 61 | 71 | 90 | 110 | 128 | 158 | 46 | 60 | 74 | 85 | 104 | 78 | 101 | 125 | 143 | 172 |
| 62 | 76 | 99 | 120 | 139 | 172 | 49 | 64 | 78 | 90 | 110 | 81 | 104 | 128 | 147 | 177 |
| 63 | 83 | 107 | 131 | 152 | 186 | 51 | 68 | 83 | 96 | 117 | 82 | 107 | 132 | 152 | 182 |
| 64 | 90 | 117 | 142 | 164 | 202 | 56 | 72 | 89 | 103 | 124 | 85 | 110 | 135 | 157 | 188 |
| 65 | 99 | 128 | 156 | 179 | 220 | 58 | 76 | 93 | 110 | 132 | 88 | 114 | 139 | 161 | 193 |
| 66 | 107 | 139 | 168 | 195 | 239 | 63 | 81 | 100 | 117 | 139 | 89 | 117 | 143 | 167 | 197 |
| 67 | 117 | 150 | 183 | 213 | 259 | 65 | 86 | 106 | 122 | 147 | 90 | 120 | 146 | 170 | 202 |
| 68 | 126 | 164 | 200 | 231 | 281 | 68 | 90 | 110 | 129 | 154 | 93 | 122 | 149 | 174 | 206 |
| 69 | 136 | 178 | 217 | 252 | 304 | 72 | 95 | 117 | 135 | 161 | 96 | 124 | 153 | 177 | 210 |
| 70 | 149 | 193 | 236 | 274 | 329 | 75 | 99 | 122 | 142 | 170 | 97 | 128 | 156 | 181 | 215 |
| 71 | 161 | 210 | 256 | 297 | 357 | 79 | 103 | 128 | 147 | 178 | 99 | 129 | 160 | 183 | 218 |
| 72 | 174 | 227 | 278 | 322 | 388 | 82 | 108 | 133 | 154 | 183 | 100 | 132 | 161 | 186 | 220 |
| 73 | 188 | 246 | 302 | 349 | 420 | 85 | 111 | 138 | 160 | 189 | 101 | 132 | 163 | 189 | 221 |
| 74 | 203 | 265 | 325 | 378 | 452 | 88 | 115 | 142 | 164 | 196 | 101 | 133 | 164 | 189 | 224 |
| 75 | 222 | 291 | 356 | 413 | 493 | 90 | 120 | 147 | 171 | 202 | 103 | 135 | 165 | 192 | 224 |
| 76 | 242 | 317 | 388 | 450 | 537 | 93 | 122 | 152 | 175 | 207 | 103 | 135 | 167 | 192 | 225 |
| 77 | 263 | 343 | 423 | 491 | 582 | 95 | 126 | 154 | 179 | 213 | 103 | 135 | 165 | 192 | 225 |
| 78 | 285 | 374 | 459 | 534 | 632 | 97 | 128 | 158 | 183 | 217 | 101 | 133 | 165 | 190 | 222 |
| 79 | 309 | 406 | 499 | 580 | 687 | 82 | 108 | 135 | 157 | 185 | 101 | 132 | 163 | 189 | 220 |
| 80 | 336 | 442 | 546 | 635 | 751 | 83 | 111 | 138 | 160 | 188 | 101 | 133 | 163 | 189 | 220 |
| 81 | 364 | 480 | 592 | 689 | 813 | 85 | 111 | 136 | 160 | 186 | 100 | 131 | 160 | 185 | 214 |
| 82 | 393 | 520 | 641 | 748 | 880 | 85 | 110 | 138 | 158 | 186 | 97 | 126 | 157 | 181 | 209 |
| 83 | 425 | 560 | 694 | 808 | 949 | 83 | 110 | 135 | 158 | 185 | 95 | 125 | 152 | 177 | 203 |
| 84 | 459 | 605 | 749 | 873 | 1,024 | 82 | 110 | 133 | 156 | 182 | 92 | 121 | 146 | 170 | 196 |
| 85 | 495 | 652 | 808 | 942 | 1,104 | 81 | 107 | 132 | 153 | 179 | 89 | 117 | 140 | 163 | 186 |

MedAmerica Insurance Company
165 Court Street, Rochester, New York 14647

Comprehensive Tax Qualified Certificate

Group Rates for 10-Year Premium Payment Option
0 Day Elimination Period
Current Annual Premium Rates
Rates per \$10 Daily Benefit

Certificate: GRP11-342-MA-PA-601
 Base Certificate with No Inflation Protection

Rider: GRP11-SIP-PA-998
 Simple Inflation Protection Rider

Rider: GRP11-CIP-PA-998
 Compound Inflation Protection Rider

| Issue Age | Benefit Period | | | | | Benefit Period | | | | | Benefit Period | | | | |
|-----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|
| | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime |
| <22 | 14 | 17 | 19 | 22 | 29 | 10 | 13 | 15 | 17 | 24 | 92 | 118 | 145 | 168 | 209 |
| 22 | 15 | 18 | 21 | 24 | 32 | 8 | 13 | 15 | 18 | 24 | 92 | 121 | 147 | 171 | 211 |
| 23 | 15 | 18 | 22 | 25 | 33 | 10 | 14 | 15 | 18 | 25 | 95 | 124 | 150 | 174 | 215 |
| 24 | 17 | 19 | 24 | 26 | 35 | 10 | 14 | 17 | 19 | 26 | 96 | 125 | 153 | 177 | 220 |
| 25 | 17 | 21 | 24 | 28 | 36 | 11 | 14 | 18 | 21 | 28 | 97 | 126 | 157 | 181 | 224 |
| 26 | 18 | 21 | 25 | 29 | 39 | 11 | 17 | 19 | 22 | 29 | 99 | 131 | 158 | 183 | 227 |
| 27 | 18 | 22 | 26 | 31 | 40 | 13 | 17 | 21 | 24 | 32 | 101 | 132 | 161 | 188 | 231 |
| 28 | 19 | 24 | 28 | 32 | 43 | 14 | 18 | 22 | 25 | 33 | 103 | 135 | 165 | 190 | 235 |
| 29 | 21 | 25 | 29 | 35 | 44 | 14 | 18 | 24 | 26 | 36 | 104 | 136 | 168 | 193 | 239 |
| 30 | 21 | 26 | 32 | 36 | 47 | 15 | 19 | 24 | 28 | 38 | 107 | 139 | 170 | 196 | 243 |
| 31 | 22 | 28 | 33 | 38 | 50 | 17 | 21 | 25 | 31 | 39 | 108 | 142 | 172 | 200 | 246 |
| 32 | 24 | 29 | 35 | 40 | 53 | 17 | 22 | 28 | 32 | 42 | 110 | 143 | 177 | 203 | 250 |
| 33 | 25 | 31 | 36 | 42 | 56 | 18 | 24 | 29 | 35 | 44 | 111 | 146 | 179 | 207 | 254 |
| 34 | 26 | 32 | 39 | 44 | 58 | 18 | 25 | 31 | 36 | 47 | 114 | 149 | 181 | 210 | 259 |
| 35 | 28 | 35 | 40 | 47 | 61 | 19 | 25 | 33 | 38 | 50 | 115 | 150 | 185 | 213 | 263 |
| 36 | 29 | 36 | 43 | 50 | 65 | 21 | 28 | 35 | 40 | 51 | 117 | 153 | 188 | 217 | 265 |
| 37 | 31 | 38 | 46 | 53 | 70 | 22 | 31 | 38 | 42 | 54 | 120 | 156 | 190 | 220 | 270 |
| 38 | 32 | 40 | 49 | 56 | 72 | 24 | 31 | 36 | 44 | 58 | 121 | 157 | 192 | 224 | 274 |
| 39 | 33 | 42 | 51 | 59 | 76 | 26 | 33 | 40 | 49 | 63 | 122 | 160 | 195 | 227 | 278 |
| 40 | 35 | 44 | 54 | 63 | 81 | 28 | 36 | 43 | 50 | 65 | 125 | 163 | 199 | 229 | 282 |
| 41 | 38 | 47 | 57 | 65 | 86 | 29 | 38 | 46 | 54 | 68 | 126 | 164 | 202 | 234 | 285 |
| 42 | 39 | 50 | 60 | 70 | 90 | 31 | 39 | 49 | 57 | 74 | 128 | 167 | 204 | 236 | 289 |
| 43 | 42 | 53 | 64 | 74 | 96 | 32 | 42 | 51 | 60 | 76 | 129 | 168 | 207 | 239 | 292 |
| 44 | 44 | 56 | 68 | 78 | 101 | 33 | 44 | 54 | 64 | 81 | 131 | 171 | 209 | 243 | 296 |
| 45 | 46 | 58 | 72 | 83 | 107 | 36 | 47 | 57 | 67 | 86 | 133 | 174 | 211 | 245 | 299 |
| 46 | 49 | 63 | 76 | 88 | 113 | 39 | 50 | 61 | 71 | 90 | 135 | 175 | 214 | 249 | 303 |
| 47 | 51 | 67 | 81 | 93 | 120 | 40 | 53 | 64 | 75 | 96 | 136 | 177 | 217 | 250 | 306 |
| 48 | 54 | 70 | 85 | 99 | 126 | 43 | 57 | 68 | 79 | 100 | 138 | 179 | 220 | 253 | 309 |
| 49 | 58 | 74 | 90 | 104 | 133 | 44 | 60 | 72 | 85 | 107 | 139 | 182 | 221 | 257 | 311 |
| 50 | 61 | 79 | 96 | 111 | 142 | 49 | 63 | 76 | 89 | 111 | 140 | 182 | 224 | 259 | 314 |
| 51 | 65 | 83 | 101 | 117 | 150 | 50 | 67 | 81 | 95 | 118 | 140 | 185 | 227 | 263 | 317 |
| 52 | 70 | 89 | 107 | 125 | 158 | 53 | 70 | 86 | 99 | 125 | 142 | 186 | 228 | 264 | 320 |
| 53 | 74 | 95 | 114 | 132 | 168 | 56 | 74 | 90 | 106 | 131 | 143 | 188 | 231 | 267 | 322 |
| 54 | 78 | 100 | 121 | 140 | 178 | 60 | 78 | 96 | 111 | 138 | 145 | 189 | 232 | 268 | 324 |
| 55 | 82 | 106 | 129 | 150 | 189 | 63 | 82 | 100 | 117 | 145 | 146 | 190 | 234 | 270 | 325 |
| 56 | 88 | 113 | 138 | 158 | 200 | 65 | 86 | 106 | 124 | 152 | 146 | 192 | 234 | 272 | 328 |
| 57 | 93 | 120 | 146 | 170 | 213 | 68 | 90 | 111 | 129 | 158 | 147 | 192 | 236 | 272 | 328 |
| 58 | 99 | 126 | 156 | 179 | 225 | 72 | 96 | 115 | 136 | 165 | 147 | 193 | 236 | 275 | 329 |
| 59 | 104 | 135 | 165 | 192 | 239 | 76 | 99 | 121 | 140 | 172 | 149 | 193 | 236 | 274 | 329 |
| 60 | 111 | 145 | 177 | 204 | 254 | 79 | 103 | 128 | 149 | 181 | 149 | 195 | 238 | 277 | 332 |
| 61 | 118 | 153 | 186 | 217 | 268 | 82 | 108 | 133 | 154 | 189 | 149 | 195 | 239 | 277 | 332 |
| 62 | 125 | 163 | 199 | 231 | 285 | 86 | 113 | 139 | 161 | 196 | 149 | 195 | 239 | 277 | 331 |
| 63 | 133 | 172 | 211 | 245 | 302 | 89 | 117 | 143 | 167 | 203 | 147 | 195 | 238 | 277 | 331 |
| 64 | 140 | 182 | 224 | 259 | 318 | 93 | 122 | 149 | 174 | 210 | 149 | 195 | 238 | 277 | 331 |
| 65 | 149 | 195 | 238 | 275 | 338 | 96 | 125 | 154 | 181 | 217 | 149 | 193 | 238 | 277 | 329 |
| 66 | 158 | 206 | 252 | 292 | 357 | 99 | 129 | 160 | 186 | 224 | 147 | 193 | 238 | 275 | 328 |
| 67 | 167 | 218 | 267 | 310 | 378 | 101 | 132 | 164 | 190 | 228 | 146 | 192 | 235 | 272 | 324 |
| 68 | 177 | 231 | 282 | 328 | 399 | 104 | 136 | 168 | 195 | 234 | 145 | 190 | 234 | 271 | 321 |
| 69 | 188 | 245 | 299 | 348 | 421 | 106 | 139 | 172 | 199 | 239 | 143 | 188 | 232 | 268 | 318 |
| 70 | 197 | 259 | 317 | 368 | 446 | 108 | 142 | 175 | 203 | 242 | 142 | 186 | 229 | 265 | 314 |
| 71 | 209 | 274 | 336 | 391 | 471 | 110 | 143 | 177 | 206 | 246 | 140 | 183 | 225 | 261 | 310 |
| 72 | 221 | 289 | 356 | 414 | 498 | 110 | 146 | 179 | 209 | 250 | 138 | 181 | 222 | 257 | 306 |
| 73 | 234 | 306 | 377 | 438 | 527 | 111 | 147 | 181 | 211 | 250 | 135 | 178 | 216 | 253 | 299 |
| 74 | 246 | 322 | 398 | 463 | 555 | 113 | 149 | 182 | 213 | 252 | 132 | 175 | 214 | 249 | 293 |
| 75 | 263 | 345 | 424 | 493 | 589 | 114 | 149 | 185 | 214 | 253 | 131 | 172 | 211 | 245 | 288 |
| 76 | 281 | 368 | 453 | 527 | 628 | 113 | 149 | 185 | 215 | 254 | 126 | 167 | 206 | 239 | 281 |
| 77 | 299 | 392 | 484 | 562 | 669 | 114 | 150 | 185 | 217 | 256 | 125 | 164 | 202 | 235 | 274 |
| 78 | 318 | 418 | 516 | 600 | 713 | 114 | 150 | 186 | 217 | 256 | 121 | 160 | 197 | 228 | 267 |
| 79 | 339 | 446 | 552 | 642 | 762 | 96 | 128 | 157 | 182 | 215 | 120 | 156 | 190 | 222 | 259 |
| 80 | 364 | 480 | 592 | 691 | 817 | 95 | 126 | 157 | 182 | 213 | 115 | 152 | 188 | 217 | 252 |
| 81 | 389 | 513 | 635 | 739 | 874 | 95 | 125 | 153 | 179 | 210 | 113 | 147 | 181 | 210 | 243 |
| 82 | 416 | 549 | 680 | 794 | 935 | 93 | 124 | 152 | 177 | 207 | 110 | 143 | 175 | 202 | 234 |
| 83 | 445 | 588 | 728 | 849 | 999 | 92 | 121 | 149 | 174 | 203 | 106 | 138 | 168 | 195 | 225 |
| 84 | 477 | 630 | 780 | 910 | 1,069 | 89 | 118 | 146 | 171 | 199 | 101 | 132 | 161 | 186 | 214 |
| 85 | 510 | 674 | 835 | 976 | 1,144 | 88 | 115 | 142 | 165 | 193 | 97 | 126 | 153 | 177 | 203 |

MedAmerica Insurance Company
165 Court Street, Rochester, New York 14647

Comprehensive Tax Qualified Certificate

Group Rates for 20-Year Premium Payment Option
0 Day Elimination Period
Current Annual Premium Rates
Rates per \$10 Daily Benefit

Certificate: GRP11-342-MA-PA-601
 Base Certificate with No Inflation Protection

Rider: GRP11-SIP-PA-998
 Simple Inflation Protection Rider

Rider: GRP11-CIP-PA-998
 Compound Inflation Protection Rider

| Issue Age | Benefit Period | | | | | Benefit Period | | | | | Benefit Period | | | | |
|-----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|
| | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime |
| <22 | 10 | 11 | 14 | 15 | 19 | 6 | 7 | 8 | 11 | 15 | 58 | 76 | 93 | 108 | 133 |
| 22 | 10 | 11 | 14 | 15 | 21 | 6 | 8 | 10 | 13 | 15 | 60 | 78 | 95 | 111 | 136 |
| 23 | 10 | 13 | 14 | 17 | 22 | 7 | 8 | 11 | 13 | 15 | 61 | 79 | 97 | 113 | 138 |
| 24 | 11 | 13 | 15 | 17 | 22 | 7 | 10 | 11 | 14 | 18 | 61 | 81 | 99 | 115 | 142 |
| 25 | 11 | 14 | 17 | 18 | 24 | 7 | 10 | 11 | 14 | 18 | 63 | 82 | 100 | 117 | 145 |
| 26 | 11 | 14 | 17 | 19 | 25 | 8 | 10 | 13 | 14 | 19 | 65 | 83 | 103 | 118 | 146 |
| 27 | 13 | 15 | 18 | 21 | 26 | 8 | 10 | 13 | 14 | 21 | 65 | 85 | 104 | 120 | 149 |
| 28 | 13 | 15 | 18 | 21 | 28 | 8 | 11 | 14 | 17 | 22 | 67 | 88 | 107 | 124 | 152 |
| 29 | 14 | 17 | 19 | 22 | 29 | 8 | 11 | 15 | 17 | 24 | 67 | 88 | 108 | 125 | 154 |
| 30 | 14 | 17 | 21 | 24 | 31 | 10 | 14 | 15 | 18 | 25 | 70 | 90 | 110 | 126 | 157 |
| 31 | 15 | 18 | 22 | 25 | 32 | 10 | 14 | 17 | 19 | 26 | 70 | 92 | 111 | 129 | 160 |
| 32 | 15 | 19 | 22 | 26 | 35 | 11 | 14 | 18 | 21 | 26 | 72 | 93 | 114 | 132 | 161 |
| 33 | 17 | 21 | 24 | 28 | 36 | 11 | 14 | 19 | 22 | 29 | 72 | 95 | 117 | 133 | 165 |
| 34 | 17 | 21 | 25 | 29 | 39 | 13 | 17 | 21 | 24 | 29 | 74 | 97 | 118 | 136 | 167 |
| 35 | 18 | 22 | 26 | 31 | 40 | 13 | 17 | 22 | 25 | 32 | 75 | 99 | 120 | 139 | 170 |
| 36 | 19 | 24 | 29 | 33 | 43 | 14 | 18 | 22 | 25 | 33 | 76 | 100 | 121 | 140 | 172 |
| 37 | 19 | 25 | 31 | 35 | 46 | 15 | 19 | 24 | 28 | 35 | 78 | 101 | 124 | 143 | 175 |
| 38 | 21 | 26 | 32 | 36 | 47 | 17 | 21 | 25 | 29 | 39 | 79 | 103 | 125 | 146 | 179 |
| 39 | 22 | 28 | 33 | 39 | 50 | 17 | 22 | 26 | 31 | 40 | 81 | 104 | 128 | 147 | 181 |
| 40 | 24 | 29 | 36 | 42 | 54 | 18 | 24 | 28 | 32 | 42 | 81 | 107 | 129 | 149 | 182 |
| 41 | 25 | 32 | 38 | 43 | 57 | 18 | 24 | 31 | 36 | 44 | 82 | 107 | 132 | 153 | 186 |
| 42 | 26 | 33 | 40 | 46 | 60 | 19 | 26 | 32 | 38 | 47 | 83 | 108 | 133 | 154 | 189 |
| 43 | 28 | 35 | 43 | 49 | 64 | 21 | 28 | 33 | 40 | 50 | 85 | 111 | 135 | 157 | 190 |
| 44 | 29 | 38 | 44 | 51 | 67 | 22 | 29 | 36 | 43 | 54 | 86 | 113 | 138 | 160 | 195 |
| 45 | 31 | 39 | 47 | 56 | 71 | 25 | 32 | 39 | 44 | 57 | 88 | 114 | 140 | 161 | 197 |
| 46 | 33 | 42 | 50 | 58 | 75 | 25 | 33 | 42 | 47 | 60 | 89 | 115 | 142 | 164 | 199 |
| 47 | 35 | 44 | 54 | 63 | 79 | 26 | 35 | 43 | 50 | 64 | 90 | 117 | 143 | 165 | 202 |
| 48 | 38 | 47 | 57 | 65 | 85 | 28 | 38 | 46 | 54 | 67 | 90 | 118 | 146 | 168 | 204 |
| 49 | 39 | 50 | 61 | 70 | 90 | 31 | 39 | 47 | 57 | 70 | 93 | 121 | 147 | 171 | 206 |
| 50 | 42 | 53 | 64 | 75 | 96 | 32 | 42 | 51 | 60 | 74 | 93 | 122 | 150 | 172 | 209 |
| 51 | 44 | 57 | 68 | 79 | 101 | 33 | 44 | 56 | 64 | 79 | 95 | 124 | 152 | 175 | 211 |
| 52 | 47 | 60 | 74 | 85 | 107 | 36 | 47 | 57 | 67 | 85 | 96 | 126 | 153 | 178 | 215 |
| 53 | 50 | 64 | 78 | 90 | 114 | 39 | 50 | 61 | 71 | 89 | 97 | 128 | 156 | 179 | 217 |
| 54 | 53 | 68 | 83 | 96 | 122 | 42 | 53 | 65 | 76 | 93 | 99 | 129 | 157 | 182 | 218 |
| 55 | 57 | 74 | 89 | 103 | 131 | 43 | 56 | 70 | 81 | 97 | 100 | 129 | 160 | 185 | 221 |
| 56 | 61 | 78 | 96 | 110 | 139 | 46 | 60 | 72 | 85 | 103 | 100 | 132 | 160 | 186 | 224 |
| 57 | 65 | 83 | 101 | 118 | 147 | 47 | 63 | 78 | 89 | 110 | 101 | 133 | 163 | 188 | 227 |
| 58 | 70 | 90 | 110 | 126 | 158 | 51 | 65 | 81 | 95 | 115 | 103 | 133 | 164 | 190 | 228 |
| 59 | 75 | 96 | 117 | 136 | 168 | 53 | 70 | 86 | 99 | 122 | 103 | 136 | 167 | 192 | 231 |
| 60 | 81 | 103 | 126 | 146 | 181 | 56 | 74 | 90 | 104 | 128 | 104 | 138 | 168 | 195 | 234 |
| 61 | 86 | 111 | 135 | 156 | 193 | 58 | 76 | 96 | 111 | 135 | 106 | 139 | 171 | 197 | 236 |
| 62 | 92 | 118 | 145 | 168 | 207 | 63 | 82 | 100 | 115 | 140 | 107 | 140 | 172 | 199 | 238 |
| 63 | 99 | 128 | 156 | 179 | 221 | 65 | 85 | 104 | 122 | 147 | 108 | 142 | 174 | 202 | 240 |
| 64 | 106 | 136 | 167 | 193 | 238 | 68 | 90 | 110 | 128 | 154 | 110 | 143 | 175 | 203 | 240 |
| 65 | 114 | 147 | 179 | 209 | 254 | 71 | 95 | 115 | 133 | 161 | 110 | 145 | 178 | 204 | 245 |
| 66 | 122 | 158 | 193 | 224 | 272 | 75 | 97 | 121 | 140 | 170 | 111 | 146 | 179 | 207 | 246 |
| 67 | 131 | 170 | 209 | 240 | 293 | 78 | 103 | 125 | 146 | 175 | 113 | 147 | 179 | 209 | 247 |
| 68 | 140 | 183 | 224 | 260 | 314 | 82 | 106 | 131 | 152 | 182 | 114 | 147 | 182 | 210 | 250 |
| 69 | 152 | 197 | 240 | 279 | 338 | 83 | 110 | 136 | 158 | 189 | 114 | 149 | 183 | 211 | 252 |
| 70 | 163 | 213 | 260 | 302 | 364 | 88 | 114 | 140 | 164 | 195 | 115 | 150 | 183 | 213 | 252 |
| 71 | 175 | 228 | 281 | 325 | 392 | 90 | 120 | 145 | 170 | 200 | 115 | 152 | 185 | 214 | 252 |
| 72 | 188 | 246 | 302 | 350 | 421 | 93 | 122 | 150 | 174 | 207 | 115 | 152 | 186 | 214 | 253 |
| 73 | 202 | 264 | 325 | 377 | 452 | 96 | 125 | 154 | 179 | 214 | 115 | 152 | 185 | 215 | 253 |
| 74 | 217 | 284 | 349 | 406 | 485 | 97 | 129 | 158 | 183 | 218 | 115 | 152 | 185 | 214 | 252 |
| 75 | 236 | 309 | 378 | 439 | 524 | 99 | 131 | 163 | 189 | 222 | 114 | 150 | 185 | 214 | 252 |
| 76 | 254 | 334 | 410 | 477 | 567 | 103 | 135 | 165 | 192 | 228 | 114 | 150 | 185 | 213 | 250 |
| 77 | 275 | 361 | 445 | 517 | 614 | 104 | 136 | 168 | 196 | 231 | 114 | 149 | 182 | 211 | 247 |
| 78 | 297 | 391 | 481 | 560 | 664 | 106 | 139 | 172 | 199 | 235 | 113 | 147 | 181 | 209 | 243 |
| 79 | 321 | 423 | 521 | 606 | 717 | 90 | 118 | 146 | 171 | 200 | 111 | 145 | 178 | 206 | 240 |
| 80 | 348 | 459 | 566 | 659 | 778 | 90 | 118 | 147 | 171 | 202 | 110 | 143 | 175 | 203 | 236 |
| 81 | 375 | 495 | 612 | 712 | 841 | 90 | 120 | 146 | 172 | 200 | 107 | 140 | 171 | 200 | 231 |
| 82 | 404 | 534 | 660 | 770 | 906 | 89 | 117 | 146 | 170 | 199 | 104 | 136 | 167 | 193 | 224 |
| 83 | 435 | 575 | 712 | 830 | 976 | 89 | 115 | 143 | 168 | 196 | 101 | 132 | 163 | 188 | 217 |
| 84 | 468 | 619 | 766 | 895 | 1,049 | 86 | 115 | 143 | 164 | 193 | 99 | 129 | 157 | 181 | 209 |
| 85 | 503 | 666 | 824 | 962 | 1,127 | 86 | 113 | 139 | 163 | 190 | 96 | 124 | 150 | 174 | 200 |

MedAmerica Insurance Company
165 Court Street, Rochester, New York 14647

Comprehensive Tax Qualified Certificate

Group Rates for Lifetime Premium Payment Option
0 Day Elimination Period
Annual Premium Rates with the Requested Rate Increase
Rates per \$10 Daily Benefit

Certificate: GRP11-342-MA-PA-601
 Base Certificate with No Inflation Protection

Rider: GRP11-SIP-PA-998
 Simple Inflation Protection Rider

Rider: GRP11-CIP-PA-998
 Compound Inflation Protection Rider

| Issue Age | Benefit Period | | | | | Benefit Period | | | | | Benefit Period | | | | |
|-----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|
| | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime |
| <22 | 9 | 12 | 14 | 14 | 32 | 5 | 7 | 7 | 9 | 20 | 35 | 45 | 54 | 63 | 136 |
| 22 | 12 | 12 | 14 | 16 | 36 | 5 | 7 | 7 | 9 | 20 | 33 | 47 | 56 | 63 | 140 |
| 23 | 12 | 12 | 14 | 16 | 36 | 5 | 7 | 9 | 9 | 24 | 35 | 49 | 59 | 68 | 144 |
| 24 | 12 | 14 | 16 | 16 | 40 | 5 | 7 | 7 | 12 | 24 | 38 | 49 | 59 | 71 | 148 |
| 25 | 12 | 14 | 16 | 19 | 40 | 7 | 7 | 9 | 9 | 28 | 40 | 52 | 61 | 71 | 156 |
| 26 | 12 | 14 | 16 | 19 | 44 | 7 | 9 | 9 | 12 | 28 | 42 | 54 | 66 | 75 | 160 |
| 27 | 14 | 16 | 19 | 21 | 44 | 5 | 7 | 9 | 12 | 32 | 40 | 54 | 66 | 78 | 168 |
| 28 | 14 | 16 | 19 | 21 | 48 | 7 | 9 | 12 | 14 | 32 | 42 | 56 | 68 | 80 | 172 |
| 29 | 14 | 16 | 19 | 24 | 52 | 7 | 9 | 14 | 14 | 32 | 45 | 59 | 73 | 82 | 176 |
| 30 | 14 | 19 | 21 | 24 | 52 | 9 | 9 | 14 | 16 | 36 | 47 | 61 | 75 | 87 | 188 |
| 31 | 16 | 19 | 21 | 26 | 56 | 7 | 12 | 14 | 16 | 40 | 47 | 63 | 78 | 89 | 192 |
| 32 | 16 | 21 | 24 | 26 | 60 | 9 | 12 | 14 | 19 | 40 | 49 | 63 | 80 | 94 | 200 |
| 33 | 16 | 21 | 26 | 28 | 64 | 12 | 14 | 16 | 19 | 44 | 54 | 68 | 82 | 96 | 203 |
| 34 | 19 | 24 | 26 | 31 | 68 | 9 | 14 | 19 | 19 | 48 | 54 | 68 | 87 | 99 | 211 |
| 35 | 19 | 24 | 28 | 33 | 72 | 12 | 16 | 19 | 21 | 52 | 56 | 73 | 89 | 101 | 219 |
| 36 | 21 | 26 | 31 | 33 | 76 | 12 | 16 | 19 | 24 | 56 | 56 | 75 | 92 | 108 | 227 |
| 37 | 21 | 26 | 31 | 35 | 80 | 14 | 19 | 24 | 26 | 60 | 61 | 78 | 96 | 110 | 235 |
| 38 | 24 | 28 | 33 | 38 | 88 | 14 | 19 | 24 | 28 | 60 | 61 | 80 | 99 | 115 | 239 |
| 39 | 24 | 31 | 35 | 42 | 92 | 16 | 19 | 26 | 28 | 68 | 62 | 82 | 103 | 118 | 251 |
| 40 | 26 | 33 | 38 | 45 | 100 | 16 | 21 | 28 | 31 | 68 | 66 | 85 | 106 | 122 | 255 |
| 41 | 28 | 35 | 40 | 47 | 104 | 16 | 24 | 31 | 33 | 76 | 68 | 89 | 110 | 127 | 267 |
| 42 | 31 | 38 | 45 | 49 | 112 | 19 | 24 | 31 | 38 | 80 | 71 | 92 | 113 | 132 | 275 |
| 43 | 31 | 40 | 47 | 54 | 120 | 21 | 26 | 33 | 38 | 88 | 75 | 94 | 118 | 136 | 283 |
| 44 | 33 | 42 | 49 | 59 | 128 | 24 | 28 | 38 | 40 | 92 | 78 | 99 | 122 | 139 | 295 |
| 45 | 35 | 45 | 54 | 61 | 136 | 24 | 31 | 38 | 45 | 100 | 80 | 103 | 125 | 146 | 303 |
| 46 | 38 | 47 | 56 | 66 | 148 | 26 | 35 | 42 | 49 | 104 | 82 | 106 | 132 | 150 | 311 |
| 47 | 40 | 52 | 61 | 71 | 156 | 28 | 35 | 45 | 52 | 116 | 85 | 108 | 134 | 155 | 323 |
| 48 | 45 | 54 | 66 | 75 | 168 | 28 | 40 | 49 | 56 | 124 | 87 | 115 | 139 | 162 | 335 |
| 49 | 47 | 59 | 71 | 82 | 180 | 33 | 42 | 52 | 61 | 132 | 89 | 118 | 143 | 165 | 347 |
| 50 | 49 | 63 | 78 | 89 | 196 | 35 | 45 | 54 | 63 | 140 | 94 | 122 | 148 | 172 | 355 |
| 51 | 54 | 68 | 82 | 96 | 207 | 38 | 49 | 61 | 68 | 152 | 96 | 125 | 153 | 176 | 367 |
| 52 | 59 | 73 | 89 | 103 | 223 | 40 | 54 | 66 | 75 | 164 | 99 | 129 | 157 | 183 | 379 |
| 53 | 63 | 80 | 96 | 110 | 243 | 42 | 56 | 71 | 82 | 172 | 101 | 134 | 165 | 190 | 387 |
| 54 | 68 | 87 | 103 | 120 | 259 | 47 | 61 | 75 | 87 | 188 | 106 | 136 | 169 | 195 | 403 |
| 55 | 73 | 94 | 113 | 132 | 283 | 52 | 66 | 82 | 94 | 196 | 110 | 141 | 174 | 200 | 415 |
| 56 | 80 | 101 | 122 | 141 | 303 | 54 | 71 | 87 | 101 | 215 | 113 | 148 | 181 | 209 | 427 |
| 57 | 87 | 110 | 134 | 153 | 327 | 56 | 75 | 92 | 110 | 231 | 115 | 150 | 186 | 216 | 443 |
| 58 | 94 | 120 | 146 | 167 | 355 | 61 | 80 | 99 | 118 | 243 | 120 | 155 | 190 | 221 | 455 |
| 59 | 101 | 129 | 157 | 181 | 387 | 68 | 87 | 108 | 125 | 259 | 122 | 162 | 197 | 228 | 467 |
| 60 | 110 | 141 | 172 | 197 | 419 | 73 | 94 | 115 | 136 | 279 | 127 | 167 | 204 | 237 | 483 |
| 61 | 120 | 153 | 186 | 216 | 455 | 78 | 101 | 125 | 143 | 299 | 132 | 172 | 212 | 242 | 495 |
| 62 | 129 | 167 | 202 | 235 | 495 | 82 | 108 | 132 | 153 | 315 | 136 | 176 | 216 | 249 | 507 |
| 63 | 141 | 181 | 221 | 256 | 535 | 87 | 115 | 141 | 162 | 335 | 139 | 181 | 223 | 256 | 523 |
| 64 | 153 | 197 | 240 | 277 | 579 | 94 | 122 | 150 | 174 | 355 | 143 | 186 | 228 | 266 | 539 |
| 65 | 167 | 216 | 263 | 303 | 630 | 99 | 129 | 157 | 186 | 379 | 148 | 193 | 235 | 273 | 555 |
| 66 | 181 | 235 | 284 | 329 | 686 | 106 | 136 | 169 | 197 | 399 | 150 | 197 | 242 | 282 | 567 |
| 67 | 197 | 254 | 310 | 360 | 742 | 110 | 146 | 179 | 207 | 423 | 153 | 202 | 247 | 287 | 579 |
| 68 | 214 | 277 | 338 | 390 | 806 | 115 | 153 | 186 | 219 | 443 | 157 | 207 | 251 | 294 | 591 |
| 69 | 230 | 301 | 367 | 425 | 874 | 122 | 160 | 197 | 228 | 463 | 162 | 209 | 259 | 298 | 602 |
| 70 | 251 | 327 | 400 | 463 | 946 | 127 | 167 | 207 | 240 | 487 | 165 | 216 | 263 | 306 | 618 |
| 71 | 273 | 355 | 432 | 503 | 1,025 | 134 | 174 | 216 | 249 | 511 | 167 | 219 | 270 | 310 | 626 |
| 72 | 294 | 383 | 470 | 545 | 1,113 | 139 | 183 | 226 | 261 | 527 | 169 | 223 | 273 | 315 | 630 |
| 73 | 317 | 416 | 510 | 590 | 1,205 | 143 | 188 | 233 | 270 | 543 | 172 | 223 | 275 | 320 | 634 |
| 74 | 343 | 449 | 550 | 639 | 1,297 | 148 | 195 | 240 | 277 | 563 | 172 | 226 | 277 | 320 | 642 |
| 75 | 376 | 491 | 602 | 698 | 1,416 | 153 | 202 | 249 | 288 | 579 | 174 | 228 | 280 | 324 | 646 |
| 76 | 409 | 536 | 656 | 761 | 1,540 | 157 | 207 | 256 | 296 | 595 | 174 | 228 | 282 | 324 | 646 |
| 77 | 444 | 580 | 714 | 830 | 1,672 | 160 | 214 | 261 | 303 | 610 | 174 | 228 | 280 | 324 | 646 |
| 78 | 482 | 632 | 776 | 902 | 1,815 | 165 | 216 | 268 | 310 | 622 | 172 | 226 | 280 | 322 | 638 |
| 79 | 522 | 686 | 844 | 980 | 1,971 | 139 | 183 | 228 | 266 | 531 | 172 | 223 | 275 | 320 | 630 |
| 80 | 569 | 747 | 924 | 1,074 | 2,155 | 141 | 188 | 233 | 270 | 539 | 172 | 226 | 275 | 320 | 630 |
| 81 | 616 | 811 | 1,001 | 1,166 | 2,334 | 143 | 188 | 230 | 270 | 535 | 169 | 221 | 270 | 313 | 614 |
| 82 | 665 | 879 | 1,083 | 1,264 | 2,526 | 143 | 186 | 233 | 268 | 535 | 165 | 214 | 266 | 306 | 599 |
| 83 | 719 | 947 | 1,173 | 1,365 | 2,725 | 141 | 186 | 228 | 268 | 531 | 160 | 212 | 256 | 298 | 583 |
| 84 | 776 | 1,022 | 1,267 | 1,476 | 2,941 | 139 | 186 | 226 | 263 | 523 | 155 | 204 | 247 | 287 | 563 |
| 85 | 837 | 1,102 | 1,365 | 1,593 | 3,168 | 136 | 181 | 223 | 259 | 515 | 150 | 197 | 237 | 275 | 535 |

MedAmerica Insurance Company
165 Court Street, Rochester, New York 14647

Comprehensive Tax Qualified Certificate

Group Rates for 10-Year Premium Payment Option
0 Day Elimination Period
Annual Premium Rates with the Requested Rate Increase
Rates per \$10 Daily Benefit

| Issue Age | Certificate: GRP11-342-MA-PA-601 Base Certificate with No Inflation Protection | | | | | Rider: GRP11-SIP-PA-998 Simple Inflation Protection Rider | | | | | Rider: GRP11-CIP-PA-998 Compound Inflation Protection Rider | | | | |
|-----------|---|---------|---------|---------|----------|--|---------|---------|---------|----------|--|---------|---------|---------|----------|
| | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime |
| <22 | 24 | 28 | 33 | 38 | 84 | 16 | 21 | 26 | 28 | 68 | 155 | 200 | 244 | 284 | 599 |
| 22 | 26 | 31 | 35 | 40 | 92 | 14 | 21 | 26 | 31 | 68 | 155 | 204 | 249 | 289 | 606 |
| 23 | 26 | 31 | 38 | 42 | 96 | 16 | 24 | 26 | 31 | 72 | 160 | 209 | 254 | 294 | 618 |
| 24 | 28 | 33 | 40 | 45 | 100 | 16 | 24 | 28 | 33 | 76 | 162 | 212 | 259 | 298 | 630 |
| 25 | 28 | 35 | 40 | 47 | 104 | 19 | 24 | 31 | 35 | 80 | 165 | 214 | 266 | 306 | 642 |
| 26 | 31 | 35 | 42 | 49 | 112 | 19 | 28 | 33 | 38 | 84 | 167 | 221 | 268 | 310 | 650 |
| 27 | 31 | 38 | 45 | 52 | 116 | 21 | 28 | 35 | 40 | 92 | 172 | 223 | 273 | 317 | 662 |
| 28 | 33 | 40 | 47 | 54 | 124 | 24 | 31 | 38 | 42 | 96 | 174 | 228 | 280 | 322 | 674 |
| 29 | 35 | 42 | 49 | 59 | 128 | 24 | 31 | 40 | 45 | 104 | 176 | 230 | 284 | 327 | 686 |
| 30 | 35 | 45 | 54 | 61 | 136 | 26 | 33 | 40 | 47 | 108 | 181 | 235 | 287 | 331 | 698 |
| 31 | 38 | 47 | 56 | 63 | 144 | 28 | 35 | 42 | 52 | 112 | 183 | 240 | 291 | 338 | 706 |
| 32 | 40 | 49 | 59 | 68 | 152 | 28 | 38 | 47 | 54 | 120 | 186 | 242 | 298 | 343 | 718 |
| 33 | 42 | 52 | 61 | 71 | 160 | 31 | 40 | 49 | 59 | 128 | 188 | 247 | 303 | 350 | 730 |
| 34 | 45 | 54 | 66 | 75 | 168 | 31 | 42 | 52 | 61 | 136 | 193 | 251 | 306 | 355 | 742 |
| 35 | 47 | 59 | 68 | 80 | 176 | 33 | 42 | 56 | 63 | 144 | 195 | 254 | 313 | 360 | 754 |
| 36 | 49 | 61 | 73 | 85 | 188 | 35 | 47 | 59 | 68 | 148 | 197 | 259 | 317 | 367 | 762 |
| 37 | 52 | 63 | 78 | 89 | 200 | 38 | 52 | 61 | 71 | 156 | 202 | 263 | 322 | 371 | 774 |
| 38 | 54 | 68 | 82 | 94 | 207 | 40 | 52 | 63 | 75 | 168 | 204 | 266 | 324 | 378 | 786 |
| 39 | 56 | 71 | 87 | 99 | 219 | 45 | 56 | 68 | 82 | 180 | 207 | 270 | 329 | 383 | 798 |
| 40 | 59 | 75 | 92 | 106 | 231 | 47 | 61 | 73 | 85 | 188 | 212 | 275 | 336 | 388 | 810 |
| 41 | 63 | 80 | 96 | 110 | 247 | 49 | 63 | 78 | 92 | 196 | 214 | 277 | 341 | 395 | 818 |
| 42 | 66 | 85 | 101 | 118 | 259 | 52 | 66 | 82 | 96 | 211 | 216 | 282 | 345 | 400 | 830 |
| 43 | 71 | 89 | 108 | 125 | 275 | 54 | 71 | 87 | 101 | 219 | 219 | 284 | 350 | 404 | 838 |
| 44 | 75 | 94 | 115 | 132 | 291 | 56 | 75 | 92 | 108 | 231 | 221 | 289 | 353 | 411 | 850 |
| 45 | 78 | 99 | 122 | 141 | 307 | 61 | 80 | 96 | 113 | 247 | 226 | 294 | 357 | 414 | 858 |
| 46 | 82 | 106 | 129 | 148 | 323 | 66 | 85 | 103 | 120 | 259 | 228 | 296 | 362 | 421 | 870 |
| 47 | 87 | 113 | 136 | 157 | 343 | 68 | 89 | 108 | 127 | 275 | 230 | 298 | 367 | 423 | 878 |
| 48 | 92 | 118 | 143 | 167 | 363 | 73 | 96 | 115 | 134 | 287 | 233 | 303 | 371 | 428 | 886 |
| 49 | 99 | 125 | 153 | 176 | 383 | 75 | 101 | 122 | 143 | 307 | 235 | 308 | 374 | 435 | 894 |
| 50 | 103 | 134 | 162 | 188 | 407 | 82 | 106 | 129 | 150 | 319 | 237 | 308 | 378 | 437 | 902 |
| 51 | 110 | 141 | 172 | 197 | 431 | 85 | 113 | 136 | 160 | 339 | 237 | 313 | 383 | 444 | 910 |
| 52 | 118 | 150 | 181 | 212 | 455 | 89 | 118 | 146 | 167 | 359 | 240 | 315 | 385 | 447 | 918 |
| 53 | 125 | 160 | 193 | 223 | 483 | 94 | 125 | 153 | 179 | 375 | 242 | 317 | 390 | 451 | 926 |
| 54 | 132 | 169 | 204 | 237 | 511 | 101 | 132 | 162 | 188 | 395 | 244 | 320 | 392 | 454 | 930 |
| 55 | 139 | 179 | 219 | 254 | 543 | 106 | 139 | 169 | 197 | 415 | 247 | 322 | 395 | 456 | 934 |
| 56 | 148 | 190 | 233 | 268 | 575 | 110 | 146 | 179 | 209 | 435 | 247 | 324 | 395 | 461 | 942 |
| 57 | 157 | 202 | 247 | 287 | 610 | 115 | 153 | 188 | 219 | 455 | 249 | 324 | 400 | 461 | 942 |
| 58 | 167 | 214 | 263 | 303 | 646 | 122 | 162 | 195 | 230 | 475 | 249 | 327 | 400 | 465 | 946 |
| 59 | 176 | 228 | 280 | 324 | 686 | 129 | 167 | 204 | 237 | 495 | 251 | 327 | 400 | 463 | 946 |
| 60 | 188 | 244 | 298 | 345 | 730 | 134 | 174 | 216 | 251 | 519 | 251 | 329 | 402 | 468 | 954 |
| 61 | 200 | 259 | 315 | 367 | 770 | 139 | 183 | 226 | 261 | 543 | 251 | 329 | 404 | 468 | 954 |
| 62 | 212 | 275 | 336 | 390 | 818 | 146 | 190 | 235 | 273 | 563 | 251 | 329 | 404 | 468 | 950 |
| 63 | 226 | 291 | 357 | 414 | 866 | 150 | 197 | 242 | 282 | 583 | 249 | 329 | 402 | 468 | 950 |
| 64 | 237 | 308 | 378 | 437 | 914 | 157 | 207 | 251 | 294 | 602 | 251 | 329 | 402 | 468 | 950 |
| 65 | 251 | 329 | 402 | 465 | 970 | 162 | 212 | 261 | 306 | 622 | 251 | 327 | 402 | 468 | 946 |
| 66 | 268 | 348 | 425 | 494 | 1,025 | 167 | 219 | 270 | 315 | 642 | 249 | 327 | 402 | 465 | 942 |
| 67 | 282 | 369 | 451 | 524 | 1,085 | 172 | 223 | 277 | 322 | 654 | 247 | 324 | 397 | 461 | 930 |
| 68 | 298 | 390 | 477 | 555 | 1,145 | 176 | 230 | 284 | 329 | 670 | 244 | 322 | 395 | 458 | 922 |
| 69 | 317 | 414 | 505 | 588 | 1,209 | 179 | 235 | 291 | 336 | 686 | 242 | 317 | 392 | 454 | 914 |
| 70 | 334 | 437 | 536 | 623 | 1,281 | 183 | 240 | 296 | 343 | 694 | 240 | 315 | 388 | 449 | 902 |
| 71 | 353 | 463 | 569 | 660 | 1,353 | 186 | 242 | 298 | 348 | 706 | 237 | 310 | 381 | 442 | 890 |
| 72 | 374 | 489 | 602 | 700 | 1,428 | 186 | 247 | 303 | 353 | 718 | 233 | 306 | 376 | 435 | 878 |
| 73 | 395 | 517 | 637 | 740 | 1,512 | 188 | 249 | 306 | 357 | 718 | 228 | 301 | 369 | 428 | 858 |
| 74 | 416 | 545 | 672 | 783 | 1,592 | 190 | 251 | 308 | 360 | 722 | 223 | 296 | 362 | 421 | 842 |
| 75 | 444 | 583 | 717 | 834 | 1,692 | 193 | 251 | 313 | 362 | 726 | 221 | 291 | 357 | 414 | 826 |
| 76 | 475 | 623 | 766 | 891 | 1,803 | 190 | 251 | 313 | 364 | 730 | 214 | 282 | 348 | 404 | 806 |
| 77 | 505 | 663 | 818 | 949 | 1,919 | 193 | 254 | 313 | 367 | 734 | 212 | 277 | 341 | 397 | 786 |
| 78 | 538 | 707 | 872 | 1,015 | 2,047 | 193 | 254 | 315 | 367 | 734 | 204 | 270 | 334 | 385 | 766 |
| 79 | 573 | 754 | 933 | 1,086 | 2,187 | 162 | 216 | 266 | 308 | 618 | 202 | 263 | 322 | 376 | 742 |
| 80 | 616 | 811 | 1,001 | 1,168 | 2,346 | 160 | 214 | 266 | 308 | 610 | 195 | 256 | 317 | 367 | 722 |
| 81 | 658 | 867 | 1,074 | 1,250 | 2,510 | 160 | 212 | 259 | 303 | 602 | 190 | 249 | 306 | 355 | 698 |
| 82 | 703 | 928 | 1,149 | 1,342 | 2,685 | 157 | 209 | 256 | 298 | 595 | 186 | 242 | 296 | 341 | 670 |
| 83 | 752 | 994 | 1,231 | 1,436 | 2,869 | 155 | 204 | 251 | 294 | 583 | 179 | 233 | 284 | 329 | 646 |
| 84 | 806 | 1,065 | 1,318 | 1,539 | 3,068 | 150 | 200 | 247 | 289 | 571 | 172 | 223 | 273 | 315 | 614 |
| 85 | 862 | 1,140 | 1,412 | 1,650 | 3,284 | 148 | 195 | 240 | 280 | 555 | 165 | 214 | 259 | 298 | 583 |

MedAmerica Insurance Company
165 Court Street, Rochester, New York 14647

Comprehensive Tax Qualified Certificate

Group Rates for 20-Year Premium Payment Option
0 Day Elimination Period
Annual Premium Rates with the Requested Rate Increase
Rates per \$10 Daily Benefit

Certificate: GRP11-342-MA-PA-601
 Base Certificate with No Inflation Protection

Rider: GRP11-SIP-PA-998
 Simple Inflation Protection Rider

Rider: GRP11-CIP-PA-998
 Compound Inflation Protection Rider

| Issue Age | Benefit Period | | | | | Benefit Period | | | | | Benefit Period | | | | |
|-----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|----------------|---------|---------|---------|----------|
| | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime | 2 Years | 3 Years | 4 Years | 5 Years | Lifetime |
| <22 | 16 | 19 | 24 | 26 | 56 | 9 | 12 | 14 | 19 | 44 | 99 | 129 | 157 | 183 | 383 |
| 16 | 19 | 24 | 26 | 60 | 9 | 14 | 16 | 21 | 44 | 101 | 132 | 160 | 188 | 391 | |
| 22 | 16 | 21 | 24 | 28 | 64 | 12 | 14 | 19 | 44 | 103 | 134 | 165 | 190 | 395 | |
| 24 | 19 | 21 | 26 | 28 | 64 | 12 | 16 | 19 | 24 | 52 | 103 | 136 | 167 | 195 | 407 |
| 25 | 19 | 24 | 28 | 31 | 68 | 12 | 16 | 19 | 24 | 52 | 106 | 139 | 169 | 197 | 415 |
| 26 | 19 | 24 | 28 | 33 | 72 | 14 | 16 | 21 | 24 | 56 | 110 | 141 | 174 | 200 | 419 |
| 27 | 21 | 26 | 31 | 35 | 76 | 14 | 16 | 21 | 24 | 60 | 110 | 143 | 176 | 202 | 427 |
| 28 | 21 | 26 | 31 | 35 | 80 | 14 | 19 | 24 | 28 | 64 | 113 | 148 | 181 | 209 | 435 |
| 29 | 24 | 28 | 33 | 38 | 84 | 14 | 19 | 26 | 28 | 68 | 113 | 148 | 183 | 212 | 443 |
| 30 | 24 | 28 | 35 | 40 | 88 | 16 | 24 | 26 | 31 | 72 | 118 | 153 | 186 | 214 | 451 |
| 31 | 26 | 31 | 38 | 42 | 92 | 16 | 24 | 28 | 33 | 76 | 118 | 155 | 188 | 219 | 459 |
| 32 | 26 | 33 | 38 | 45 | 100 | 19 | 24 | 31 | 35 | 76 | 122 | 157 | 193 | 223 | 463 |
| 33 | 28 | 35 | 40 | 47 | 104 | 19 | 24 | 33 | 38 | 84 | 122 | 160 | 197 | 226 | 475 |
| 34 | 28 | 35 | 42 | 49 | 112 | 21 | 28 | 35 | 40 | 84 | 125 | 165 | 200 | 230 | 479 |
| 35 | 31 | 38 | 45 | 52 | 116 | 21 | 28 | 38 | 42 | 92 | 127 | 167 | 202 | 235 | 487 |
| 36 | 33 | 40 | 49 | 56 | 124 | 24 | 31 | 38 | 42 | 96 | 129 | 169 | 204 | 237 | 495 |
| 37 | 33 | 42 | 52 | 59 | 132 | 26 | 33 | 40 | 47 | 100 | 132 | 172 | 209 | 242 | 503 |
| 38 | 35 | 45 | 54 | 61 | 136 | 28 | 35 | 42 | 49 | 112 | 134 | 174 | 212 | 247 | 515 |
| 39 | 38 | 47 | 56 | 65 | 144 | 28 | 38 | 45 | 52 | 116 | 136 | 176 | 215 | 249 | 519 |
| 40 | 40 | 49 | 61 | 71 | 156 | 31 | 40 | 47 | 54 | 120 | 136 | 181 | 219 | 251 | 523 |
| 41 | 42 | 54 | 63 | 73 | 164 | 31 | 40 | 52 | 61 | 128 | 139 | 181 | 223 | 259 | 535 |
| 42 | 45 | 56 | 68 | 78 | 172 | 33 | 45 | 54 | 63 | 136 | 141 | 183 | 226 | 261 | 543 |
| 43 | 47 | 59 | 73 | 82 | 184 | 35 | 47 | 56 | 68 | 144 | 143 | 188 | 228 | 266 | 547 |
| 44 | 49 | 63 | 75 | 87 | 192 | 38 | 49 | 61 | 73 | 156 | 146 | 190 | 233 | 270 | 559 |
| 45 | 52 | 66 | 80 | 94 | 203 | 42 | 54 | 66 | 75 | 164 | 148 | 193 | 237 | 273 | 567 |
| 46 | 56 | 71 | 85 | 99 | 215 | 42 | 56 | 71 | 80 | 172 | 150 | 195 | 240 | 277 | 571 |
| 47 | 59 | 75 | 92 | 106 | 227 | 45 | 59 | 73 | 85 | 184 | 153 | 197 | 242 | 280 | 579 |
| 48 | 63 | 80 | 96 | 110 | 243 | 47 | 63 | 78 | 92 | 192 | 153 | 200 | 247 | 284 | 587 |
| 49 | 66 | 85 | 103 | 118 | 259 | 52 | 66 | 80 | 96 | 200 | 157 | 204 | 249 | 289 | 591 |
| 50 | 71 | 89 | 108 | 127 | 275 | 54 | 71 | 87 | 101 | 211 | 157 | 207 | 254 | 291 | 599 |
| 51 | 75 | 96 | 115 | 134 | 291 | 56 | 75 | 94 | 108 | 227 | 160 | 209 | 256 | 296 | 606 |
| 52 | 80 | 101 | 125 | 143 | 307 | 61 | 80 | 96 | 113 | 243 | 162 | 214 | 259 | 301 | 618 |
| 53 | 85 | 108 | 132 | 153 | 327 | 66 | 85 | 103 | 120 | 255 | 165 | 216 | 263 | 303 | 622 |
| 54 | 89 | 115 | 141 | 162 | 351 | 71 | 89 | 110 | 129 | 267 | 167 | 219 | 266 | 308 | 626 |
| 55 | 96 | 125 | 150 | 174 | 375 | 73 | 94 | 118 | 136 | 279 | 169 | 219 | 270 | 313 | 634 |
| 56 | 103 | 132 | 162 | 186 | 399 | 78 | 101 | 122 | 143 | 295 | 169 | 223 | 270 | 315 | 642 |
| 57 | 110 | 141 | 172 | 200 | 423 | 80 | 106 | 132 | 150 | 315 | 172 | 226 | 275 | 317 | 650 |
| 58 | 118 | 153 | 186 | 214 | 455 | 87 | 110 | 136 | 160 | 331 | 174 | 226 | 277 | 322 | 654 |
| 59 | 127 | 162 | 197 | 230 | 483 | 89 | 118 | 146 | 167 | 351 | 174 | 230 | 282 | 324 | 662 |
| 60 | 136 | 174 | 214 | 247 | 519 | 94 | 125 | 153 | 176 | 367 | 176 | 233 | 284 | 329 | 670 |
| 61 | 146 | 188 | 228 | 263 | 555 | 99 | 129 | 162 | 188 | 387 | 179 | 235 | 289 | 334 | 678 |
| 62 | 155 | 200 | 244 | 284 | 595 | 106 | 139 | 169 | 195 | 403 | 181 | 237 | 291 | 336 | 682 |
| 63 | 167 | 216 | 263 | 303 | 634 | 110 | 143 | 176 | 207 | 423 | 183 | 240 | 294 | 341 | 690 |
| 64 | 179 | 230 | 282 | 327 | 682 | 115 | 153 | 186 | 216 | 443 | 186 | 242 | 296 | 343 | 690 |
| 65 | 193 | 249 | 303 | 353 | 730 | 120 | 160 | 195 | 226 | 463 | 186 | 244 | 301 | 345 | 702 |
| 66 | 207 | 268 | 327 | 378 | 782 | 127 | 165 | 204 | 237 | 487 | 188 | 247 | 303 | 350 | 706 |
| 67 | 221 | 287 | 353 | 407 | 842 | 132 | 174 | 212 | 247 | 503 | 190 | 249 | 303 | 353 | 710 |
| 68 | 237 | 310 | 378 | 439 | 902 | 139 | 179 | 221 | 256 | 523 | 193 | 249 | 308 | 355 | 718 |
| 69 | 256 | 334 | 407 | 472 | 970 | 141 | 186 | 230 | 268 | 543 | 193 | 251 | 310 | 357 | 722 |
| 70 | 275 | 360 | 439 | 510 | 1,045 | 148 | 193 | 237 | 277 | 559 | 195 | 254 | 310 | 360 | 722 |
| 71 | 296 | 385 | 475 | 550 | 1,125 | 153 | 202 | 244 | 287 | 575 | 195 | 256 | 313 | 362 | 722 |
| 72 | 317 | 416 | 510 | 592 | 1,209 | 157 | 207 | 254 | 294 | 595 | 195 | 256 | 315 | 362 | 726 |
| 73 | 341 | 447 | 550 | 637 | 1,297 | 162 | 212 | 261 | 303 | 614 | 195 | 256 | 313 | 364 | 726 |
| 74 | 367 | 479 | 590 | 686 | 1,393 | 165 | 219 | 268 | 310 | 626 | 195 | 256 | 313 | 362 | 722 |
| 75 | 400 | 522 | 639 | 743 | 1,504 | 167 | 221 | 275 | 320 | 638 | 193 | 254 | 313 | 362 | 722 |
| 76 | 430 | 564 | 693 | 806 | 1,628 | 174 | 228 | 280 | 324 | 654 | 193 | 254 | 313 | 360 | 718 |
| 77 | 465 | 611 | 752 | 874 | 1,764 | 176 | 230 | 284 | 331 | 662 | 193 | 251 | 308 | 357 | 710 |
| 78 | 503 | 660 | 813 | 947 | 1,907 | 179 | 235 | 291 | 336 | 674 | 190 | 249 | 306 | 353 | 698 |
| 79 | 543 | 714 | 881 | 1,025 | 2,059 | 181 | 240 | 297 | 343 | 687 | 188 | 244 | 301 | 348 | 690 |
| 80 | 588 | 776 | 956 | 1,114 | 2,234 | 183 | 244 | 303 | 351 | 699 | 186 | 242 | 296 | 343 | 678 |
| 81 | 635 | 837 | 1,034 | 1,203 | 2,414 | 186 | 247 | 307 | 359 | 711 | 181 | 237 | 289 | 338 | 662 |
| 82 | 684 | 902 | 1,116 | 1,302 | 2,601 | 190 | 251 | 311 | 367 | 723 | 176 | 230 | 282 | 327 | 642 |
| 83 | 736 | 973 | 1,203 | 1,403 | 2,801 | 195 | 254 | 316 | 374 | 735 | 172 | 223 | 275 | 317 | 622 |
| 84 | 792 | 1,046 | 1,295 | 1,513 | 3,012 | 199 | 257 | 321 | 381 | 747 | 167 | 219 | 266 | 306 | 599 |
| 85 | 851 | 1,126 | 1,394 | 1,626 | 3,236 | 204 | 260 | 326 | 388 | 759 | 162 | 209 | 254 | 294 | 575 |

State: Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.001 Qualified

Product Name: Long-Term Care

Project Name/Number: MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

Supporting Document Schedules

| | |
|--------------------------|--|
| Satisfied - Item: | Transmittal Letter (A&H) |
| Comments: | |
| Attachment(s): | PA_MedAmerica_Cover Letter_Group_LRRS_20170309.pdf |
| Item Status: | |
| Status Date: | |

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

| | |
|--------------------------|---|
| Satisfied - Item: | Actuarial Memorandum and Explanatory Information (A&H) |
| Comments: | |
| Attachment(s): | PA_MedAmerica_ActMemo_Group_LRRS_20170307.pdf PA_MedAmerica_Supplement_Group_LRRS_20170307.pdf |
| Item Status: | |
| Status Date: | |

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

| | |
|--------------------------|---|
| Satisfied - Item: | Authorization to File (A&H) |
| Comments: | |
| Attachment(s): | Authorization to file MedAmerica 20170113.pdf |
| Item Status: | |
| Status Date: | |

| | |
|-------------------------|--|
| Bypassed - Item: | Insert Page Explanation (A&H) |
| Bypass Reason: | Not applicable as this is not a form filing. |
| Attachment(s): | |
| Item Status: | |

SERFF Tracking #:

MILL-130951675

State Tracking #:

MILL-130951675

Company Tracking #:

SERIES 11 GROUP

State: Pennsylvania**Filing Company:**

MedAmerica Insurance Company

TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.001 Qualified**Product Name:** Long-Term Care**Project Name/Number:** MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

| | |
|--------------------------|---|
| Status Date: | |
| Satisfied - Item: | Rate Table (A&H) |
| Comments: | Rate tables are attached on the Rate/Rule Schedule tab. |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Bypassed - Item: | Replacement Form with Highlighted Changes (A&H) |
| Bypass Reason: | Not applicable as this is not a form filing. |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Bypassed - Item: | Reserve Calculation (A&H) |
| Bypass Reason: | Not applicable as this is not a form filing. |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Bypassed - Item: | Variability Explanation (A&H) |
| Bypass Reason: | Not applicable as this is not a form filing. |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Satisfied - Item: | Numerical Data in Excel |
| Comments: | |
| Attachment(s): | PA_Supplement Attachments_20170307.xlsb |
| Item Status: | |
| Status Date: | |

SERFF Tracking #:

MILL-130951675

State Tracking #:

MILL-130951675

Company Tracking #:

SERIES 11 GROUP

State:

Pennsylvania

Filing Company:

MedAmerica Insurance Company

TOI/Sub-TOI:

LTC03G Group Long Term Care/LTC03G.001 Qualified

Product Name:

Long-Term Care

Project Name/Number:

MedAmerica Nationwide 2017 Rate Increase/145MAI01-30.05

Attachment PA_Supplement Attachments_20170307.xlsb is not a PDF document and cannot be reproduced here.



8500 Normandale Lake Blvd.
Suite 1850
Minneapolis, MN 55437-3830
USA

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

milliman.com

March 9, 2017

Honorable Teresa Miller
Commissioner of Insurance
Pennsylvania Department of Insurance (Department)

1326 Strawberry Square
Harrisburg, Pennsylvania 17120

Via SERFF

**Re: MedAmerica Insurance Company (MedAmerica)
Company NAIC # 69515
SERFF Tracking # MILL-130951675
Comprehensive Form
Comprehensive Certificate**

**GRP11-341-MA-PA-601
GRP11-342-MA-PA-601**

Dear Commissioner Miller:

On behalf of MedAmerica, we are submitting the referenced rate filing for your review. This is an existing policy form that provides long-term care coverage. The company issued certificates on this form in Pennsylvania between July 2004 and October 2007, and it is no longer being marketed in any jurisdiction. The company is making a similar request on the Series 11 and Prior Individual policy forms in a concurrent filing (SERFF Tracking # MILL-130925276).

The company is requesting the approval of a premium rate increase on the above-listed form, including all associated riders. This form is in need of a premium rate increase due to emerging and projected experience running more adverse than previously expected. The company is requesting a premium rate increase that varies by benefit period as shown in the following table. The cumulative rate increase levels were determined to allow certification to rate stability, where applicable, and vary by benefit period to better align the rate increase with the adverse experience.

| Benefit Period | Cumulative Requested Increase | Cumulative Prior Increase | Current Requested Increase |
|-----------------------|--------------------------------------|----------------------------------|-----------------------------------|
| Non-Lifetime | 135% | 39% | 69.1% |
| Lifetime | 299 | 39 | 187.1 |

The cumulative prior increase reflects the prior increase that the Department filed for use in May 2010. The company is seeking this current rate increase request to achieve what it believes is needed to alleviate the poor performance on this block of business.

Similar to the prior increase, the company 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. Policyholders who prefer to offset the impact of the requested rate increase may have the option to change one or more of the following plan features to lower their premiums (subject to the minimum benefit options available on the form): (i) reduce their daily benefit; (ii) shorten their benefit period; (iii)

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.

lengthen their elimination period; (iv) reduce their inflation protection (e.g., compound inflation to no inflation); or (v) drop rider coverage. Additionally, the company will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

As noted above, the requested increase varies by a policyholder's current benefit period. Therefore, in lieu of inflation-based landing spot options, the company is preparing a unique notification letter that provides pre-packaged benefit reduction options for policyholders. The notification letter will provide distinct pre-packaged benefit reduction options that allow policyholders to easily reduce their benefits to mitigate the increase without calling customer service. The company has indicated that its customer service team is always available to discuss with policyholders their options to reduce their benefit coverage and lower their premiums at any time. At this time the company is in the process of finalizing this letter and will submit the letter for the Department's review once complete in the following weeks.

Please note that in the future slight variations in language may occur that do not materially change the information being provided to the policyholder. It is our understanding that such variations do not need to be filed with the Department.

The following electronic items are included with this submission:

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

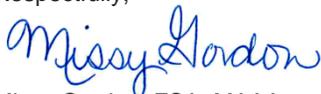
No filing fee is required for this submission.

The contact person for this filing is:

Shawn Stender
Assistant Actuary
Milliman, Inc.
8500 Normandale Lake Blvd., Suite 1850
Minneapolis, MN 55437
(952) 820-3104
shawn.stender@milliman.com

Thank you for your assistance in reviewing this filing.

Respectfully,



Missy Gordon, FSA, MAAA
Principal and Consulting Actuary

MAG/btj

Enclosures

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

Product
Comprehensive Form
Comprehensive Certificate

Number
GRP11-341-MA-PA-601
GRP11-342-MA-PA-601

This is a group policy form that provides tax-qualified long-term care coverage. MedAmerica Insurance Company (MedAmerica) issued certificates on this form in Pennsylvania from July 2004 through October 2007, and it is no longer being marketed in any jurisdiction.

The experience provided in this actuarial memorandum reflects the combined experience of the policy form listed above as well as similar nationwide individual and group policy forms of the same product series. The company is making a similar request on the Series 11 and Prior Individual policy forms in a concurrent filing (SERFF tracking # MILL-130925276). Additionally, the company's affinity partner Blue Cross of Northeastern Pennsylvania (BCNEPA) is making a similar request on its individual and group business in the concurrent filings (SERFF tracking # MILL-130951717 and MILL-130951718). Section 14 provides a description as to the appropriateness of pooling the experience of these policy forms.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of demonstrating that the requested rate increase meets the minimum requirements of your jurisdiction and demonstrating compliance with its pre- and post-rate stability regulation, where applicable. It may not be suitable for other purposes.

2. Description of Benefits

These policy forms provide long-term care coverage. Each form has 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 daily benefit, benefit period, and elimination period were selected at issue.

At issue, the insured may have had the option to choose one of the following inflation options, the availability of which varied by policy form: simple inflation for life, simple inflation for 20 years, or compound inflation. The two simple inflation options provide for benefit levels that increase on each anniversary date by 5% of the daily benefit amount chosen at issue for either the life of the insured or 20 years depending on the option chosen. The compound inflation option provides for benefit levels that increase on each anniversary date by 5% compounded annually for the life of the insured. These automatic increasing benefits apply even when the insured is in claim status. For Series 11 Group forms, the insured may have also had the option of a guaranteed purchase option. Under this option, the insured can purchase additional coverage amounts of 5% per year without additional underwriting.

The available choices for benefit period, elimination period, and inflation option are shown in Section 21.

At issue the insured may have had the option of selecting riders that provide the following types of coverage: nonforfeiture, restoration of benefits, return of premium, shortened benefit period, spousal benefit transfer, survivorship benefit, or monthly home health care benefit. The insured may have had the option to select a lifetime, ten-year, or twenty-year premium payment option.

A contingent benefit upon lapse (CBUL) will be available to all insureds at the time of the rate increase.

3. Renewability

These policies are guaranteed renewable for life.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

4. Applicability

This rate increase applies to all policies issued on these forms in this state. The rate changes will apply to the premium of the base form and all applicable options and riders associated with the base form.

5. Actuarial Assumptions

The following assumptions are used to project the experience shown in this filing.

- a. Morbidity reflects claim costs developed using the 2014 Milliman *Long-Term Care Guidelines (Guidelines)* with adjustments for the level of individual vs. group underwriting selection and an all-lives exposure basis. The claim costs were further adjusted based on historical claim experience by policy form cohort, attained age, duration, and coverage type, to the extent credible. One year of retrospective improvement was applied to bring these assumptions forward to 2015 using scalars of 0.990 for females and 0.985 for males.
- b. Mortality Rates reflect the 1994 Group Annuitant Mortality (GAM) Static gender-distinct table with 21 years of retrospective improvement applied to bring this table forward to 2015 using scalars of 0.900 for females and 0.810 for males. These mortality rates are further adjusted based on historical mortality experience by individual/group, issue age band, and duration as shown in the following tables.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

| Mortality Durational Adjustment Factors for Individual Business | | | | | | | | | | | | |
|--|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| Duration* | Issue Age | | | | | | | | | | | |
| | <25 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65-69 | 70-74 | 75+ |
| 1 | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 20% |
| 2 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 30 |
| 3 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 45 |
| 4 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 44 | 45 | 45 | 50 |
| 5 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 48 | 50 | 50 | 55 |
| 6 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 52 | 55 | 55 | 60 |
| 7 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 56 | 60 | 60 | 65 |
| 8 | 55 | 55 | 55 | 55 | 55 | 55 | 55 | 55 | 60 | 65 | 65 | 70 |
| 9 | 56 | 56 | 56 | 56 | 56 | 56 | 56 | 56 | 61 | 68 | 69 | 76 |
| 10 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 62 | 71 | 73 | 82 |
| 11 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 63 | 74 | 77 | 88 |
| 12 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 64 | 77 | 81 | 94 |
| 13 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 65 | 80 | 85 | 100 |
| 14 | 62 | 62 | 62 | 62 | 62 | 62 | 62 | 62 | 69 | 82 | 88 | 101 |
| 15 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 73 | 84 | 91 | 102 |
| 16 | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 77 | 86 | 94 | 103 |
| 17 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 81 | 88 | 97 | 104 |
| 18 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 |
| 23 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 |
| 28 | 70 | 70 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 |
| 33 | 70 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 |
| 38 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 |
| 43 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 |
| 48 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 53 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 58 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 63 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 68 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 73+ | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |

* The assumption varies by duration for 18+, but is shown every five years for display purposes.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

| Mortality Durational Adjustment Factors for Group Business | | | | | | | | | | | | |
|--|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|
| Duration* | Issue Age | | | | | | | | | | | |
| | <25 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65-69 | 70-74 | 75+ |
| 1 | 50% | 50% | 50% | 50% | 50% | 50% | 50% | 50% | 50% | 50% | 50% | 40% |
| 2 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 60 |
| 3 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 90 |
| 4 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 88 | 90 | 90 | 100 |
| 5 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 96 | 100 | 100 | 105 |
| 6 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 88 | 94 | 94 | 102 |
| 7 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 90 | 96 | 96 | 104 |
| 8 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 90 | 98 | 98 | 105 |
| 9 | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 88 | 98 | 99 | 105 |
| 10 | 79 | 79 | 79 | 79 | 79 | 79 | 79 | 79 | 86 | 98 | 101 | 105 |
| 11 | 77 | 77 | 77 | 77 | 77 | 77 | 77 | 77 | 83 | 98 | 102 | 105 |
| 12 | 74 | 74 | 74 | 74 | 74 | 74 | 74 | 74 | 81 | 97 | 102 | 105 |
| 13 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 78 | 96 | 102 | 105 |
| 14 | 74 | 74 | 74 | 74 | 74 | 74 | 74 | 74 | 82 | 98 | 105 | 105 |
| 15 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 86 | 99 | 105 | 105 |
| 16 | 77 | 77 | 77 | 77 | 77 | 77 | 77 | 77 | 90 | 101 | 105 | 105 |
| 17 | 79 | 79 | 79 | 79 | 79 | 79 | 79 | 79 | 94 | 102 | 105 | 105 |
| 18 | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 98 | 104 | 105 | 105 |
| 23 | 77 | 77 | 77 | 77 | 77 | 77 | 77 | 94 | 99 | 105 | 105 | 105 |
| 28 | 74 | 74 | 74 | 74 | 74 | 74 | 89 | 95 | 105 | 105 | 105 | 105 |
| 33 | 70 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 |
| 38 | 70 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 |
| 43 | 70 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 |
| 48 | 70 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 53 | 70 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 58 | 85 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 63 | 90 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 68 | 100 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |
| 73+ | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 105 |

* The assumption varies by duration for 18+, but is shown every five years for display purposes.

c. Voluntary Lapse Rates vary by policy duration and policy form group.

| Duration | Prior to Series 11 | Series 11 Individual | Series 11 Group |
|----------|--------------------|----------------------|-----------------|
| 1 | 16.50% | 8.50% | 6.50% |
| 2 | 8.50 | 4.00 | 6.00 |
| 3 | 5.00 | 2.75 | 4.00 |
| 4 | 3.50 | 2.00 | 3.50 |
| 5 | 2.00 | 1.50 | 3.00 |
| 6 | 1.50 | 1.25 | 2.50 |
| 7 | 1.50 | 1.25 | 2.00 |
| 8 | 1.50 | 1.00 | 1.50 |
| 9 | 1.50 | 0.75 | 1.30 |
| 10+ | 1.00 | 0.60 | 1.30 |

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.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

- For the twenty-pay option, a reduction of 50% of the above lapse rates is assumed for durations one through eight, a reduction of 75% of the above lapse rates is assumed for durations nine through fifteen, and 0% lapse thereafter.
- d. Benefit Expiry Rates reflect assumed policy termination due to exhaustion of benefits on limited benefit period policies. The rates are based on the *Guidelines* with adjustments for historical benefit expiry experience and vary by gender, benefit period, and attained age as shown in the following table.

| Gender | Benefit Period in Years | Attained Age* | | | | | | | | | | |
|--------|-------------------------|---------------|------|------|------|------|------|------|-------|-------|-------|-------|
| | | <65 | 65 | 70 | 75 | 80 | 85 | 90 | 95 | 100 | 105 | 110+ |
| Female | 1 | 0.0% | 0.1% | 0.1% | 0.3% | 0.7% | 2.5% | 6.1% | 10.7% | 13.4% | 16.7% | 33.0% |
| | 2 | 0.0 | 0.0 | 0.1 | 0.2 | 0.5 | 1.6 | 4.5 | 8.7 | 11.7 | 16.3 | 33.0 |
| | 3 | 0.0 | 0.0 | 0.1 | 0.1 | 0.4 | 1.2 | 3.4 | 6.9 | 9.7 | 15.0 | 33.0 |
| | 4 | 0.0 | 0.0 | 0.0 | 0.1 | 0.3 | 1.0 | 2.5 | 5.0 | 7.8 | 13.2 | 33.0 |
| | 5 | 0.0 | 0.0 | 0.0 | 0.1 | 0.2 | 0.7 | 1.7 | 3.8 | 6.3 | 11.2 | 33.0 |
| | Unlimited | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Male | 1 | 0.0 | 0.0 | 0.1 | 0.2 | 0.5 | 1.5 | 3.9 | 6.3 | 7.8 | 9.4 | 33.0 |
| | 2 | 0.0 | 0.0 | 0.1 | 0.1 | 0.3 | 1.0 | 2.5 | 4.3 | 5.4 | 7.3 | 33.0 |
| | 3 | 0.0 | 0.0 | 0.1 | 0.1 | 0.2 | 0.7 | 1.7 | 3.0 | 4.0 | 5.8 | 33.0 |
| | 4 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.4 | 1.1 | 2.0 | 2.8 | 4.6 | 33.0 |
| | 5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.3 | 0.8 | 1.5 | 2.3 | 3.6 | 33.0 |
| | Unlimited | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

* The assumption varies by attained age, but is shown every five years for display purposes.

- e. Policyholder Behavior Due to the Rate Increase. At the time of a rate increase, insureds have the option to elect a CBUL or reduced benefit options (RBO). An increase in morbidity for adverse selection due to the rate increase based on the percentage of policies that elect CBUL and RBO is assumed.

Insureds 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. The following table provides the CBUL and RBO election rates, reduction to premiums and benefits due to the impact of RBO elections, and increase in morbidity. These assumptions are shown for each of the requested rate increase cohorts.

| Benefit Period | CBUL Election Rate | RBO Election Rate | Approximate Reduction for RBO ^[1] | Morbidity Increase for Adverse Selection |
|----------------|--------------------|-------------------|--|--|
| Non-Lifetime | 8% | 15% | 7.5% | 2% |
| Lifetime | 12 | 25 | 19.0 | 3 |

[1] The reduction in premiums and benefits due to the impact of RBO election varies based on the level of the rate increase.

- f. 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 compliance with the 58%/85% test required by rate stability regulation, as described in Section 18 below.
- g. Annual Improvement in the mortality and morbidity assumptions is assumed for 15 years starting in 2016. Annual mortality improvement is assumed to be 0.5% and 1.0% for females and males,

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

respectively. Annual morbidity improvement is assumed to be 1.0% and 1.5% for females and males, respectively.

- h. 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 MedAmerica and its affinity partners that issued the same products, industry experience, and judgment. These assumptions are based on the 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 December 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.

The company 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 by agents and brokers of the company.

7. Underwriting Description

Policies on the individual forms were fully underwritten.

On the group forms, actively at work employees were subject to short form underwriting. All others were subject to full underwriting.

Groups of at least 500 employees were eligible to elect modified guaranteed issue underwriting for those actively at work. If the employer agreed to contribute 100% of premium for a base plan for a minimum of three years, no underwriting was required for those actively at work.

For both individual and group business, the company used various underwriting tools in addition to the application, which may have included medical records, an attending physician's statement, telephone interview, and/or face-to-face assessment.

8. Premiums

Premiums are unisex and payable for life unless the insured selected a ten-year or twenty-year premium payment option. The premiums may vary by policy form, issue age, elimination period, benefit period, initial daily benefit, inflation option, premium payment option, underwriting class, joint/group discounts, home care percentage, copayment option, marital status at issue, and the selection of any riders.

9. Issue Age Range

Issue ages are from 18 to 85.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

10. Area Factors

Area factors are not used for these products.

11. Premium Modalization Rules

The following modal factors and percent distributions (based on the nationwide combined individual and group forms in-force count as of December 31, 2015) are applied to the annual premium (AP):

| Premium Mode | Modal Factors | Percent Distribution |
|---------------------|----------------------|-----------------------------|
| Annual | 1.00*AP | 45% |
| Semi-Annual | 0.52*AP | 4 |
| Quarterly | 0.26*AP | 22 |
| Monthly | 0.09*AP | 29 |

12. Reserves

Active life reserves and reserves for the election of a CBUL have not been used in this rate increase analysis. Claim reserves as of December 31, 2015 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, 2015 has been allocated to the 2015 calendar year and included in historical incurred claims.

13. Trend Assumptions

As this is not medical insurance, an explicit medical cost trend is not included in the projections.

14. Actual to Expected Experience

This filing uses nationwide experience of MedAmerica and its affinity partners that issued the above-listed forms and similar individual and group nationwide policy forms. Pooling this experience is appropriate to increase credibility and allow for a uniform rate increase request across similar business. Applying a uniform rate increase to the pool of forms maintains the original pricing relationships of the product design and differences between individual and group business.

Further, pooling MedAmerica’s experience with its affinity partners’ is considered appropriate because the products issued by each affinity partner are identical to those included in this filing, the marketing and distribution employed by each affinity partner is similar to that of MedAmerica, 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 I provides a comparison of actual and projected experience using current assumptions to that expected using original pricing assumptions. Values in Exhibit I are shown (a) before and (b) after the requested rate increase. Included are calendar year earned premiums, incurred claims, end of year lives, annual loss ratios, cumulative loss ratios, and the ratio of actual-to-expected (A:E) loss ratios.

Exhibit II provides A:E lifetime loss ratios by policy form cohort and benefit period (non-lifetime versus lifetime), which are subsets of the actual and expected nationwide experience underlying Exhibit I.

Actual experience is provided from inception through 2015 and then projected on a seriatim basis for 60 years using the current assumptions described above in Section 5. The actual and projected experience is based on nationwide premiums that reflect prior rate increases filed for use between 2010 and 2015, which average 30% across all jurisdictions. The after increase projected experience reflects the additional increase needed to achieve the cumulative increase on a seriatim basis.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

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

Exhibit III 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 this jurisdiction, a cumulative increase of 39% has been filed for use on the individual and group policy forms. The department of insurance filed these increases for use in May 2010.

Nationwide, there has been one prior rate increase request on this block of business, which began in December 2009. On average, a cumulative increase of 30% has been filed for use on the above-listed forms and similar individual and group nationwide forms. Departments of insurance filed these increases for use between 2010 and 2015.

Regardless of the prior increase implemented in a particular jurisdiction, the company anticipates requesting an actuarially equivalent cumulative rate increase level 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

Exhibit I demonstrates that experience has been more adverse from that expected in original pricing as the A:E loss ratio exceeds 1.0. The adverse experience is due to a combination of higher persistency and lower interest.

Exhibit IV provides a comparison of actual and projected nationwide experience to that expected in pricing with respect to morbidity, mortality, lapse, interest, and improvement. Please note that to isolate the impact of each changed assumption from pricing, the experience in Exhibit IV has been restated to reflect no prior rate increases.

For the business subject to rate stability regulation, an analysis of the projected loss ratio compared to that assumed at the time of original pricing revealed that experience has unfolded more than moderately adverse and crossed the original pricing threshold for which the company could consider a rate increase. At the time the product was priced, MedAmerica management determined the threshold for future increases would be defined as experience exhibiting deterioration of more than 10% of premium compared to that assumed in pricing. The lifetime loss ratio based on the current assumptions described above in Section 5 is over 100% and well in excess of this original pricing threshold.

17. Requested Rate Increase

The company is requesting a rate increase that varies by benefit period as shown in the following table. The company is seeking this current rate increase request to achieve what it 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 a portion of the needed rate increase for consumers.

The cumulative rate increase levels were determined to allow certification to rate stability, where applicable, and vary by benefit period to better align the rate increase with the adverse experience. 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 filed rate increases.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

The table below provides the cumulative requested increase for each benefit period cohort, as well as the average cumulative prior increase and resulting current requested premium rate increase based on the nationwide distribution of combined individual and group business as of December 31, 2015.

| Benefit Period | Cumulative Requested Increase | Cumulative Prior Increase | Current Requested Increase |
|-----------------------|--------------------------------------|----------------------------------|-----------------------------------|
| Non-Lifetime | 135% | 28.5% | 82.9% |
| Lifetime | 299 | 33.5 | 198.8 |

For policies with a non-lifetime benefit period, the cumulative rate increase was determined such that the business would break even going forward under moderately adverse conditions for the subset of policies with a lifetime-pay option (i.e., 0% profit margin going forward).

Using a similar approach for policies with a lifetime benefit period, a significantly higher increase is needed (400%+ cumulative increase). Therefore, to reduce the impact of the rate increase on policyholders to the extent possible, the company capped the cumulative rate increase at 299%.

For policies with a non-lifetime benefit period, company management has indicated that if the requested rate increase described above is filed for use, no future premium rate increases are anticipated on policies with a non-lifetime benefit period unless the non-lifetime benefit period experience deteriorates beyond an 85% lifetime loss ratio. Moderately adverse experience (MAE) for the purposes of certification to rate stability is then defined as an approximate 10% multiplicative increase in the lifetime loss ratio for experience of non-lifetime benefit period policies, as shown in Exhibit II (i.e., 85% ≈ 1.10 x 78% after increase lifetime loss ratio). This 10% multiplicative increase may be due to any combination of deterioration in the experience from that expected using the current assumptions described in Section 5.

Because policies with a lifetime benefit period have a voluntarily capped requested rate increase, it may not be sufficient to alleviate poor performance and the company may request future increases.

Corresponding rate tables reflecting the proposed rate increases for policy forms affected by this rate increase 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 the company 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.

18. Demonstration of Satisfaction of Loss Ratio Requirements

Projected experience assuming the requested increase is implemented is shown in Exhibit I. As shown in Exhibit I, the anticipated lifetime loss ratio without and with the requested rate increase exceeds that expected in original pricing. The projected lifetime loss ratio after the requested increase using the maximum valuation interest rate for contract reserves applicable for the year of issue (ranges from 3.5% to 5.5% and averages 4.3%) is 94%, which is well in excess of the minimum loss ratio required by loss ratio regulation.

Exhibit V 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 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 projected initial earned premium times 58%, and
4. 85% of the present value of projected premium in excess of the projected initial earned premium.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

The projected incurred claims in Exhibit V were increased by 14% from the current assumptions described in Section 5 to reflect assumptions that include moderately adverse conditions. A 14% increase in projected 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 V are determined at the maximum valuation interest rate for contract reserves applicable for the year of issue, which as described above, averages 4.3%.

19. Average Annual Premium in Pennsylvania (Based on December 31, 2015 In-Force^[1])

The number of insureds and the corresponding average annual premium that will be affected by this and the identical, concurrent rate increase filings are:

| Benefit Period & Cumulative Increase^[2] | Number of Insureds | Before Increase Premium | After Increase Premium |
|---|---------------------------|--------------------------------|-------------------------------|
| Pennsylvania - MedAmerica | | | |
| <u>Series 11 and Prior Individual</u> | <u>290</u> | <u>\$2,026</u> | <u>\$3,989</u> |
| Non-Lifetime Benefit Periods & 135% | 242 | 1,855 | 3,136 |
| Lifetime Benefit Period & 299% | 48 | 2,888 | 8,291 |
| <u>Series 11 Group</u> | <u>68</u> | <u>\$1,361</u> | <u>\$2,302</u> |
| Non-Lifetime Benefit Periods & 135% | 68 | 1,361 | 2,302 |
| Lifetime Benefit Period & 299% | 0 | 0 | 0 |
| Pennsylvania - BCNEPA | | | |
| <u>Series 11 Individual</u> | <u>108</u> | <u>\$1,709</u> | <u>\$2,957</u> |
| Non-Lifetime Benefit Periods & 135% | 105 | 1,700 | 2,874 |
| Lifetime Benefit Period & 299% | 3 | 2,036 | 5,845 |
| <u>Series 11 Group</u> | <u>11</u> | <u>\$683</u> | <u>\$1,154</u> |
| Non-Lifetime Benefit Periods & 135% | 11 | 683 | 1,154 |
| Lifetime Benefit Period & 299% | 0 | 0 | 0 |

[1] Excludes policies assumed to be paid up prior to implementation of the requested rate increase. Annualized premium reflects all rate increases filed for use as of December 31, 2016.

[2] Cumulative increase reflects any prior implemented increases and the requested increase.

20. 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 being filed for use by the department of insurance.

21. Distribution of Business as of December 31, 2015 (Based on Nationwide In-Force Insured Count of Combined Individual and Group Forms)

| Issue Ages | Percent Distribution |
|-------------------|-----------------------------|
| <40 | 8% |
| 40-44 | 6 |
| 45-49 | 11 |
| 50-54 | 16 |
| 55-59 | 20 |
| 60-64 | 18 |
| 65-69 | 12 |
| 70-74 | 7 |
| 75+ | 2 |

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

| Elimination Period | Percent Distribution |
|---------------------------|-----------------------------|
| 0-Day | 5% |
| 20-Day | 22 |
| 30-Day | <1 |
| 60-Day | 6 |
| 90-Day | 52 |
| 100-Day | 5 |
| 180-Day | 10 |
| 365-Day | <1 |

| Benefit Period | Percent Distribution |
|-----------------------|-----------------------------|
| 1-Year | <1% |
| 2-Year | 17 |
| 3-Year | 38 |
| 4-Year | 8 |
| 5-Year | 18 |
| Lifetime | 19 |

| Inflation Option | Percent Distribution |
|-------------------------|-----------------------------|
| None | 41% |
| Simple for Life | 3 |
| Compound for Life | 37 |
| Simple for 20 Years | 19 |
| GPO | <1 |

| Premium Payment Option | Percent Distribution |
|-------------------------------|-----------------------------|
| Ten-Pay | 14% |
| Twenty-Pay | 9 |
| Lifetime-Pay | 77 |

| Coverage Type | Percent Distribution |
|----------------------|-----------------------------|
| Facility Only | 12% |
| Comprehensive | 87 |
| Home Health Only | 1 |

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

22. Number of Insureds and Annualized Premium (Based on December 31, 2015 In-Force^[1])

The number of insureds and annualized premium that will be affected by this and the identical, concurrent rate increase filings are:

| Policy Forms | Number of Insureds | Annualized Premium |
|--|---------------------------|---------------------------|
| Pennsylvania - MedAmerica | | |
| Series 11 and Prior Individual | 290 | \$587,524 |
| Series 11 Group | 68 | 92,571 |
| Total | 358 | 680,095 |
| Pennsylvania - BCNEPA | | |
| Series 11 Individual | 108 | \$184,614 |
| Series 11 Group | 11 | 7,511 |
| Total | 119 | 192,125 |
| Nationwide - MedAmerica and Affinity Partners | | |
| Series 11 and Prior Individual | 9,001 | \$16,082,991 |
| Series 11 Group | 5,171 | 5,851,060 |
| Total | 14,172 | 21,934,051 |

[1] Excludes policies assumed to be paid up prior to implementation of the requested rate increase. Annualized premium reflects all rate increases filed for use nationwide as of December 31, 2016.

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Series 11 Group Actuarial Memorandum

March 7, 2017

23. 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.

For policies with a non-lifetime benefit period, 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 on such policies. Moderately adverse conditions are defined as any combination of deterioration in the experience or assumptions that results in a lifetime loss ratio for non-lifetime benefit period policies in excess of 85%.

For policies with a lifetime benefit period, this filing will enhance premium adequacy, but may not be sufficient to prevent future rate action. Therefore, rate stability under moderately adverse conditions cannot be certified to, as required by regulation, for the lifetime benefit period policies.

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: March 7, 2017

Exhibit I-a
MedAmerica and Affinity Partners
Actual-to-Expected Experience by Calendar Year
Nationwide Experience Before Requested Rate Increase
Series 11 and Prior Policy Forms

| | 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 7.24% Interest | Actual-to-Expected Ratio |
| Historical Experience | 1992 | 17,324 | 0 | 0% | 111 | 16,565 | 3,460 | 21% | 110 | 0% | 21% | 0.00 |
| | 1993 | 557,528 | 112,935 | 20% | 634 | 556,576 | 127,290 | 23% | 664 | 20% | 23% | 0.86 |
| | 1994 | 1,501,263 | 28,746 | 2% | 1,377 | 1,556,224 | 431,321 | 28% | 1,446 | 7% | 26% | 0.27 |
| | 1995 | 2,485,725 | 109,652 | 4% | 1,944 | 2,626,940 | 825,928 | 31% | 2,090 | 6% | 29% | 0.19 |
| | 1996 | 3,463,885 | 134,262 | 4% | 2,689 | 3,655,699 | 1,213,762 | 33% | 2,838 | 5% | 31% | 0.16 |
| | 1997 | 4,394,237 | 264,541 | 6% | 3,003 | 4,557,379 | 1,550,641 | 34% | 3,068 | 5% | 32% | 0.17 |
| | 1998 | 5,341,744 | 631,867 | 12% | 3,666 | 5,238,873 | 1,842,618 | 35% | 3,506 | 7% | 32% | 0.22 |
| | 1999 | 6,829,900 | 1,469,714 | 22% | 4,764 | 6,315,324 | 2,175,807 | 34% | 4,387 | 11% | 33% | 0.33 |
| | 2000 | 8,941,708 | 1,172,992 | 13% | 6,200 | 7,989,544 | 2,546,851 | 32% | 5,580 | 11% | 32% | 0.35 |
| | 2001 | 11,912,872 | 2,210,887 | 19% | 8,456 | 10,492,015 | 2,959,250 | 28% | 7,606 | 13% | 31% | 0.41 |
| | 2002 | 16,102,548 | 4,131,980 | 26% | 11,472 | 14,152,917 | 3,467,804 | 25% | 10,303 | 16% | 30% | 0.53 |
| | 2003 | 21,498,563 | 3,506,680 | 16% | 17,713 | 18,850,587 | 4,189,633 | 22% | 16,163 | 16% | 28% | 0.57 |
| | 2004 | 27,112,675 | 6,602,535 | 24% | 19,114 | 23,841,586 | 5,075,261 | 21% | 17,327 | 18% | 27% | 0.66 |
| | 2005 | 28,577,291 | 6,824,784 | 24% | 20,242 | 24,495,154 | 5,782,321 | 24% | 18,002 | 19% | 26% | 0.71 |
| | 2006 | 28,838,021 | 7,359,318 | 26% | 20,095 | 24,112,407 | 6,452,826 | 27% | 17,519 | 20% | 26% | 0.75 |
| 2007 | 28,383,240 | 10,552,392 | 37% | 20,146 | 23,121,105 | 7,118,474 | 31% | 17,282 | 22% | 27% | 0.81 | |
| 2008 | 27,837,724 | 8,394,073 | 30% | 19,941 | 22,245,491 | 7,783,650 | 35% | 16,837 | 23% | 28% | 0.82 | |
| 2009 | 26,881,835 | 11,313,758 | 42% | 19,482 | 21,096,208 | 8,413,116 | 40% | 16,173 | 24% | 28% | 0.86 | |
| 2010 | 25,544,191 | 15,723,015 | 62% | 18,494 | 19,836,480 | 9,005,281 | 45% | 15,500 | 27% | 29% | 0.92 | |
| 2011 | 24,603,117 | 13,541,344 | 55% | 17,664 | 18,515,528 | 9,540,277 | 52% | 14,878 | 29% | 30% | 0.95 | |
| 2012 | 25,248,567 | 17,141,023 | 68% | 17,596 | 17,260,679 | 10,108,733 | 59% | 14,699 | 31% | 32% | 0.98 | |
| 2013 | 24,384,255 | 14,626,127 | 60% | 17,264 | 15,689,414 | 10,688,938 | 68% | 14,145 | 32% | 33% | 0.99 | |
| 2014 | 22,506,450 | 22,967,435 | 102% | 16,809 | 14,048,401 | 11,280,560 | 80% | 13,595 | 35% | 34% | 1.04 | |
| 2015 | 21,584,067 | 20,806,755 | 96% | 16,292 | 12,930,951 | 11,880,612 | 92% | 13,054 | 38% | 35% | 1.07 | |
| Projected Future Experience (60 Years) | 2016 | 21,357,049 | 19,334,171 | 91% | 15,800 | 11,987,427 | 12,477,661 | 104% | 12,419 | 39% | 36% | 1.08 |
| | 2017 | 20,472,802 | 21,088,277 | 103% | 15,305 | 11,103,840 | 13,071,513 | 118% | 11,811 | 41% | 38% | 1.09 |
| | 2018 | 19,369,621 | 22,918,883 | 118% | 14,806 | 10,227,054 | 13,665,357 | 134% | 11,225 | 43% | 39% | 1.11 |
| | 2019 | 18,406,508 | 24,740,141 | 134% | 14,304 | 9,482,088 | 14,256,157 | 150% | 10,658 | 45% | 40% | 1.13 |
| | 2020 | 17,470,951 | 26,500,160 | 152% | 13,798 | 8,784,402 | 14,832,531 | 169% | 10,108 | 47% | 41% | 1.14 |
| | 2021 | 16,538,030 | 28,210,705 | 171% | 13,291 | 8,115,800 | 15,406,878 | 190% | 9,577 | 50% | 43% | 1.16 |
| | 2022 | 15,596,044 | 29,815,323 | 191% | 12,781 | 7,468,255 | 15,975,430 | 214% | 9,063 | 52% | 44% | 1.18 |
| | 2023 | 14,489,872 | 31,375,747 | 217% | 12,273 | 6,733,253 | 16,534,812 | 246% | 8,565 | 54% | 45% | 1.20 |
| | 2024 | 13,397,604 | 32,971,001 | 246% | 11,765 | 6,043,030 | 17,067,285 | 282% | 8,083 | 57% | 46% | 1.22 |
| | 2025 | 12,476,171 | 34,561,357 | 277% | 11,259 | 5,475,192 | 17,573,477 | 321% | 7,617 | 59% | 47% | 1.24 |
| | 2026 | 11,620,802 | 36,172,635 | 311% | 10,756 | 4,968,176 | 18,057,192 | 363% | 7,167 | 61% | 48% | 1.26 |
| | 2027 | 10,822,954 | 37,816,276 | 349% | 10,257 | 4,514,355 | 18,522,411 | 410% | 6,733 | 64% | 49% | 1.29 |
| | 2028 | 10,000,914 | 39,512,240 | 395% | 9,763 | 4,060,850 | 18,956,201 | 467% | 6,314 | 66% | 50% | 1.31 |
| | 2029 | 9,271,931 | 41,185,438 | 444% | 9,275 | 3,672,763 | 19,351,676 | 527% | 5,911 | 68% | 51% | 1.33 |
| | 2030 | 8,576,548 | 42,755,298 | 499% | 8,794 | 3,315,943 | 19,702,876 | 594% | 5,524 | 71% | 52% | 1.35 |
| | 2031 | 7,910,616 | 44,446,472 | 562% | 8,319 | 2,985,585 | 19,993,572 | 670% | 5,152 | 73% | 53% | 1.37 |
| | 2032 | 7,271,681 | 46,240,732 | 636% | 7,851 | 2,679,836 | 20,211,586 | 754% | 4,796 | 75% | 54% | 1.39 |
| | 2033 | 6,661,754 | 47,792,004 | 717% | 7,390 | 2,398,298 | 20,342,430 | 848% | 4,455 | 78% | 55% | 1.41 |
| | 2034 | 6,080,987 | 49,155,738 | 808% | 6,939 | 2,139,370 | 20,391,336 | 953% | 4,130 | 80% | 56% | 1.44 |
| | 2035 | 5,529,732 | 50,362,279 | 911% | 6,498 | 1,902,009 | 20,339,645 | 1,069% | 3,821 | 82% | 56% | 1.46 |
| | 2036 | 5,008,443 | 51,278,195 | 1,024% | 6,067 | 1,685,080 | 20,170,560 | 1,197% | 3,527 | 85% | 57% | 1.48 |
| | 2037 | 4,517,582 | 51,873,842 | 1,148% | 5,648 | 1,487,391 | 19,884,616 | 1,337% | 3,249 | 87% | 58% | 1.50 |
| | 2038 | 4,057,385 | 52,130,147 | 1,285% | 5,243 | 1,308,096 | 19,493,671 | 1,490% | 2,986 | 89% | 58% | 1.52 |
| | 2039 | 3,627,888 | 52,101,378 | 1,436% | 4,851 | 1,146,276 | 19,007,851 | 1,658% | 2,738 | 91% | 59% | 1.54 |
| | 2040 | 3,228,952 | 51,679,979 | 1,601% | 4,475 | 1,000,696 | 18,430,215 | 1,842% | 2,506 | 93% | 59% | 1.56 |
| | 2041 | 2,860,493 | 50,967,588 | 1,782% | 4,116 | 870,303 | 17,768,381 | 2,042% | 2,289 | 94% | 60% | 1.58 |
| | 2042 | 2,522,341 | 49,872,848 | 1,977% | 3,775 | 753,998 | 17,026,548 | 2,258% | 2,086 | 96% | 60% | 1.60 |
| | 2043 | 2,213,884 | 48,483,371 | 2,190% | 3,452 | 650,748 | 16,213,604 | 2,492% | 1,897 | 98% | 60% | 1.62 |
| | 2044 | 1,934,179 | 46,882,208 | 2,424% | 3,148 | 559,501 | 15,348,616 | 2,743% | 1,722 | 99% | 61% | 1.63 |
| | 2045 | 1,681,891 | 45,060,682 | 2,679% | 2,863 | 479,283 | 14,446,595 | 3,014% | 1,561 | 100% | 61% | 1.64 |
| 2046-2050 | 5,488,041 | 190,766,034 | 3,476% | 10,711 | 1,509,875 | 58,130,778 | 3,850% | 5,799 | 105% | 62% | 1.70 | |
| 2051-2055 | 2,424,067 | 128,724,395 | 5,310% | 6,298 | 634,353 | 36,722,123 | 5,789% | 3,381 | 108% | 62% | 1.73 | |
| 2056-2060 | 992,438 | 76,404,751 | 7,699% | 3,589 | 250,171 | 21,163,743 | 8,460% | 1,880 | 109% | 62% | 1.74 | |
| 2061-2065 | 383,592 | 41,684,985 | 10,867% | 1,948 | 93,253 | 11,560,061 | 12,396% | 966 | 109% | 62% | 1.75 | |
| 2066-2070 | 138,711 | 20,516,091 | 14,791% | 951 | 32,089 | 5,999,597 | 18,697% | 429 | 110% | 63% | 1.75 | |
| 2071-2075 | 45,729 | 8,673,354 | 18,967% | 386 | 9,810 | 2,666,351 | 27,181% | 150 | 110% | 63% | 1.75 | |

Exhibit I-b
MedAmerica and Affinity Partners
Actual-to-Expected Experience by Calendar Year
Nationwide Experience After Requested Rate Increase
Series 11 and Prior Policy Forms

| | 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 7.24% Interest | Actual-to-Expected Ratio |
| Historical Experience | 1992 | 17,324 | 0 | 0% | 111 | 16,565 | 3,460 | 21% | 110 | 0% | 21% | 0.00 |
| | 1993 | 557,528 | 112,935 | 20% | 634 | 556,576 | 127,290 | 23% | 664 | 20% | 23% | 0.86 |
| | 1994 | 1,501,263 | 28,746 | 2% | 1,377 | 1,556,224 | 431,321 | 28% | 1,446 | 7% | 26% | 0.27 |
| | 1995 | 2,485,725 | 109,652 | 4% | 1,944 | 2,626,940 | 825,928 | 31% | 2,090 | 6% | 29% | 0.19 |
| | 1996 | 3,463,885 | 134,262 | 4% | 2,689 | 3,655,699 | 1,213,762 | 33% | 2,838 | 5% | 31% | 0.16 |
| | 1997 | 4,394,237 | 264,541 | 6% | 3,003 | 4,557,379 | 1,550,641 | 34% | 3,068 | 5% | 32% | 0.17 |
| | 1998 | 5,341,744 | 631,867 | 12% | 3,666 | 5,238,873 | 1,842,618 | 35% | 3,506 | 7% | 32% | 0.22 |
| | 1999 | 6,829,900 | 1,469,714 | 22% | 4,764 | 6,315,324 | 2,175,807 | 34% | 4,387 | 11% | 33% | 0.33 |
| | 2000 | 8,941,708 | 1,172,992 | 13% | 6,200 | 7,989,544 | 2,546,851 | 32% | 5,580 | 11% | 32% | 0.35 |
| | 2001 | 11,912,872 | 2,210,887 | 19% | 8,456 | 10,492,015 | 2,959,250 | 28% | 7,606 | 13% | 31% | 0.41 |
| | 2002 | 16,102,548 | 4,131,980 | 26% | 11,472 | 14,152,917 | 3,467,804 | 25% | 10,303 | 16% | 30% | 0.53 |
| | 2003 | 21,498,563 | 3,506,680 | 16% | 17,713 | 18,850,587 | 4,189,633 | 22% | 16,163 | 16% | 28% | 0.57 |
| | 2004 | 27,112,675 | 6,602,535 | 24% | 19,114 | 23,841,586 | 5,075,261 | 21% | 17,327 | 18% | 27% | 0.66 |
| | 2005 | 28,577,291 | 6,824,784 | 24% | 20,242 | 24,495,154 | 5,782,321 | 24% | 18,002 | 19% | 26% | 0.71 |
| | 2006 | 28,838,021 | 7,359,318 | 26% | 20,095 | 24,112,407 | 6,452,826 | 27% | 17,519 | 20% | 26% | 0.75 |
| 2007 | 28,383,240 | 10,552,392 | 37% | 20,146 | 23,121,105 | 7,118,474 | 31% | 17,282 | 22% | 27% | 0.81 | |
| 2008 | 27,837,724 | 8,394,073 | 30% | 19,941 | 22,245,491 | 7,783,650 | 35% | 16,837 | 23% | 28% | 0.82 | |
| 2009 | 26,881,835 | 11,313,758 | 42% | 19,482 | 21,096,208 | 8,413,116 | 40% | 16,173 | 24% | 28% | 0.86 | |
| 2010 | 25,544,191 | 15,723,015 | 62% | 18,494 | 19,836,480 | 9,005,281 | 45% | 15,500 | 27% | 29% | 0.92 | |
| 2011 | 24,603,117 | 13,541,344 | 55% | 17,664 | 18,515,528 | 9,540,277 | 52% | 14,878 | 29% | 30% | 0.95 | |
| 2012 | 25,248,567 | 17,141,023 | 68% | 17,596 | 17,260,679 | 10,108,733 | 59% | 14,699 | 31% | 32% | 0.98 | |
| 2013 | 24,384,255 | 14,626,127 | 60% | 17,264 | 15,689,414 | 10,688,938 | 68% | 14,145 | 32% | 33% | 0.99 | |
| 2014 | 22,506,450 | 22,967,435 | 102% | 16,809 | 14,048,401 | 11,280,560 | 80% | 13,595 | 35% | 34% | 1.04 | |
| 2015 | 21,584,067 | 20,806,755 | 96% | 16,292 | 12,930,951 | 11,880,612 | 92% | 13,054 | 38% | 35% | 1.07 | |
| Projected Future Experience (60 Years) | 2016 | 21,357,049 | 19,334,171 | 91% | 15,800 | 11,987,427 | 12,477,661 | 104% | 12,419 | 39% | 36% | 1.08 |
| | 2017 | 22,583,348 | 20,688,725 | 92% | 14,753 | 11,103,840 | 13,071,513 | 118% | 11,811 | 41% | 38% | 1.09 |
| | 2018 | 31,032,913 | 20,353,300 | 66% | 13,841 | 10,227,054 | 13,665,357 | 134% | 11,225 | 42% | 39% | 1.08 |
| | 2019 | 30,913,659 | 21,517,495 | 70% | 13,368 | 9,482,088 | 14,256,157 | 150% | 10,658 | 43% | 40% | 1.07 |
| | 2020 | 29,403,820 | 22,963,832 | 78% | 12,902 | 8,784,402 | 14,832,531 | 169% | 10,108 | 44% | 41% | 1.07 |
| | 2021 | 27,844,194 | 24,394,151 | 88% | 12,434 | 8,115,800 | 15,406,878 | 190% | 9,577 | 45% | 43% | 1.06 |
| | 2022 | 26,258,749 | 25,736,673 | 98% | 11,964 | 7,468,255 | 15,975,430 | 214% | 9,063 | 47% | 44% | 1.07 |
| | 2023 | 24,378,350 | 27,045,226 | 111% | 11,495 | 6,733,253 | 16,534,812 | 246% | 8,565 | 48% | 45% | 1.07 |
| | 2024 | 22,514,244 | 28,386,826 | 126% | 11,026 | 6,043,030 | 17,067,285 | 282% | 8,083 | 50% | 46% | 1.07 |
| | 2025 | 20,961,536 | 29,732,623 | 142% | 10,558 | 5,475,192 | 17,573,477 | 321% | 7,617 | 51% | 47% | 1.08 |
| | 2026 | 19,521,016 | 31,110,143 | 159% | 10,093 | 4,968,176 | 18,057,192 | 363% | 7,167 | 53% | 48% | 1.09 |
| | 2027 | 18,184,397 | 32,524,059 | 179% | 9,631 | 4,514,355 | 18,522,411 | 410% | 6,733 | 54% | 49% | 1.10 |
| | 2028 | 16,805,411 | 33,989,625 | 202% | 9,174 | 4,060,850 | 18,956,201 | 467% | 6,314 | 56% | 50% | 1.11 |
| | 2029 | 15,582,294 | 35,449,678 | 227% | 8,722 | 3,672,763 | 19,351,676 | 527% | 5,911 | 57% | 51% | 1.12 |
| | 2030 | 14,414,799 | 36,828,290 | 255% | 8,275 | 3,315,943 | 19,702,876 | 594% | 5,524 | 59% | 52% | 1.13 |
| | 2031 | 13,296,068 | 38,320,299 | 288% | 7,835 | 2,985,585 | 19,993,572 | 670% | 5,152 | 61% | 53% | 1.14 |
| | 2032 | 12,222,121 | 39,906,539 | 327% | 7,400 | 2,679,836 | 20,211,586 | 754% | 4,796 | 62% | 54% | 1.15 |
| | 2033 | 11,196,397 | 41,294,287 | 369% | 6,971 | 2,398,298 | 20,342,430 | 848% | 4,455 | 64% | 55% | 1.17 |
| | 2034 | 10,219,348 | 42,528,304 | 416% | 6,551 | 2,139,370 | 20,391,336 | 953% | 4,130 | 66% | 56% | 1.18 |
| | 2035 | 9,291,779 | 43,632,182 | 470% | 6,139 | 1,902,009 | 20,339,645 | 1,069% | 3,821 | 67% | 56% | 1.20 |
| | 2036 | 8,414,582 | 44,489,420 | 529% | 5,737 | 1,685,080 | 20,170,560 | 1,197% | 3,527 | 69% | 57% | 1.21 |
| | 2037 | 7,588,607 | 45,072,217 | 594% | 5,346 | 1,487,391 | 19,884,616 | 1,337% | 3,249 | 71% | 58% | 1.22 |
| | 2038 | 6,814,260 | 45,359,929 | 666% | 4,967 | 1,308,096 | 19,493,671 | 1,490% | 2,986 | 72% | 58% | 1.24 |
| | 2039 | 6,091,626 | 45,399,463 | 745% | 4,600 | 1,146,276 | 19,007,851 | 1,658% | 2,738 | 74% | 59% | 1.25 |
| | 2040 | 5,420,469 | 45,089,432 | 832% | 4,248 | 1,000,696 | 18,430,215 | 1,842% | 2,506 | 75% | 59% | 1.27 |
| | 2041 | 4,800,652 | 44,530,891 | 928% | 3,910 | 870,303 | 17,768,381 | 2,042% | 2,289 | 76% | 60% | 1.28 |
| | 2042 | 4,231,786 | 43,632,878 | 1,031% | 3,590 | 753,998 | 17,026,548 | 2,258% | 2,086 | 78% | 60% | 1.29 |
| 2043 | 3,712,865 | 42,483,318 | 1,144% | 3,286 | 650,748 | 16,213,604 | 2,492% | 1,897 | 79% | 60% | 1.30 | |
| 2044 | 3,242,305 | 41,140,419 | 1,269% | 2,999 | 559,501 | 15,348,616 | 2,743% | 1,722 | 80% | 61% | 1.32 | |
| 2045 | 2,817,854 | 39,597,301 | 1,405% | 2,730 | 479,283 | 14,446,595 | 3,014% | 1,561 | 81% | 61% | 1.33 | |
| 2046-2050 | 9,173,643 | 168,070,583 | 1,832% | 10,243 | 1,509,875 | 58,130,778 | 3,850% | 5,799 | 85% | 62% | 1.37 | |
| 2051-2055 | 4,021,162 | 113,671,834 | 2,827% | 6,054 | 634,353 | 36,722,123 | 5,789% | 3,381 | 87% | 62% | 1.39 | |
| 2056-2060 | 1,624,306 | 67,465,499 | 4,153% | 3,467 | 250,171 | 21,163,743 | 8,460% | 1,880 | 87% | 62% | 1.40 | |
| 2061-2065 | 617,110 | 36,830,659 | 5,968% | 1,890 | 93,253 | 11,560,061 | 12,396% | 966 | 88% | 62% | 1.41 | |
| 2066-2070 | 219,541 | 18,132,511 | 8,259% | 925 | 32,089 | 5,999,597 | 18,697% | 429 | 88% | 63% | 1.41 | |
| 2071-2075 | 71,513 | 7,646,541 | 10,692% | 376 | 9,810 | 2,666,351 | 27,181% | 150 | 88% | 63% | 1.41 | |

Exhibit II
MedAmerica and Affinity Partners
Actual-to-Expected Experience by Policy Form Cohort and Benefit Period
Nationwide Experience

| Policy Form Cohort | Benefit Period | Lifetime Loss Ratio with Interest | | | Actual-to-Expected | |
|----------------------|----------------|-----------------------------------|----------------|----------|--------------------|----------------|
| | | Before Increase | After Increase | Expected | Before Increase | After Increase |
| Prior to Series 11 | All | 97% | 88% | 66% | 1.47 | 1.34 |
| Series 11 Individual | All | 117% | 90% | 58% | 2.02 | 1.56 |
| Series 11 Group | All | 108% | 82% | 70% | 1.56 | 1.18 |
| All | Non-Lifetime | 93% | 78% | 64% | 1.46 | 1.22 |
| All | Lifetime | 153% | 113% | 59% | 2.57 | 1.90 |
| All | All | 110% | 88% | 63% | 1.75 | 1.41 |

**Exhibit III
MedAmerica and Affinity Partners
Comparison of Current and Original Pricing Assumptions**

| | | Morbidity |
|-----------------------------|-----------------------------|--|
| Current Assumptions | Series 11 and Prior | Expected claim costs are developed using the 2014 Milliman <i>Long-Term Care Guidelines (Guidelines)</i> with adjustments for individual vs. group underwriting selection and an all-lives exposure basis. The claim costs are further adjusted based on historical claim experience by policy form group, attained age, duration, and coverage type, to the extent credible. One year of retrospective improvement was applied to bring these assumptions forward to 2015 using scalars of 0.990 for females and 0.985 for males. |
| Original Assumptions | Prior to Series 11 | For Series 5, the original pricing expected nursing home incidence rates and continuance tables were developed from a number of sources, but primarily using data published by the Connecticut Department of Health Services. The 1985 National Nursing Home Survey was also used. Selected frequencies were adjusted up for up to the first 12 years following issue to reflect the favorable morbidity expected as a result of the underwriting process. Frequency and length of treatment of the home care and adult day care benefit were based on the 1982 National Long-Term Care Survey. They are adjusted to reflect the effects of elimination periods, policy maximums, and eligibility standards. For Series 8 and 9, the Institutional Benefit rates were developed using source data from the 1977 and 1985 National Nursing Home Surveys. The Home and Community Benefits were developed using source data from the 1989 National Long-Term Care Survey. Adjustments were made to the source data to reflect the selection effect of underwriting and the non-duplication of benefits with other payment sources. |
| | Series 11 | The original pricing expected nursing home and home care incidence rates and continuance tables were taken from the 1997 <i>Guidelines</i> and adjusted for MedAmerica's experience available at the time this rate schedule was developed relative to the <i>Guidelines</i> . All values were adjusted to reflect the effects of product types, elimination periods, policy maximums, and the eligibility standards. |
| | | Mortality |
| Current Assumptions | Series 11 and Prior | 1994 Group Annuitant Mortality (GAM) Static gender-distinct table with 21 years of retrospective improvement applied to bring this table forward to 2015 using scalars of 0.900 for females and 0.810 for males. These mortality rates are further adjusted based on historical mortality experience by individual/group, issue age band, and duration. Tables providing these adjustment factors are provided in Section 5 of the actuarial memorandum. |
| Original Assumptions | Prior to Series 11 | Series 5 policy forms used the 1965-70 US Society of Actuaries Basic Mortality Table without selection. Series 8 and Series 9 policy forms used the 1980 Commissioners Standard Ordinary Basic Mortality Tables assuming a gender mix of 60% female and 40% male and without selection. |
| | Series 11 Individual | 1980 Commissioners Standard Ordinary Basic Mortality Table. |
| | Series 11 Group | Premier Group policy forms use the 1980 Commissioners Standard Ordinary Basic Mortality Table. TNSE policy forms use the 1983 GAM Static table. |

**Exhibit III
MedAmerica and Affinity Partners
Comparison of Current and Original Pricing Assumptions**

| | | Lapse Rates | | | |
|---|----------------------------|--|---------------------------|-----------------------------|------------------------|
| | | Voluntary lapse rates (excludes benefit expiry) vary by policy duration and policy form group. | | | |
| Current Assumptions | Series 11 and Prior | Lifetime-Pay Lapse Rates | | | |
| | | Duration | Prior to Series 11 | Series 11 Individual | Series 11 Group |
| | | 1 | 16.50% | 8.50% | 6.50% |
| | | 2 | 8.50% | 4.00% | 6.00% |
| | | 3 | 5.00% | 2.75% | 4.00% |
| | | 4 | 3.50% | 2.00% | 3.50% |
| | | 5 | 2.00% | 1.50% | 3.00% |
| | | 6 | 1.50% | 1.25% | 2.50% |
| | | 7 | 1.50% | 1.25% | 2.00% |
| | | 8 | 1.50% | 1.00% | 1.50% |
| | | 9 | 1.50% | 0.75% | 1.30% |
| 10+ | 1.00% | 0.60% | 1.30% | | |
| <p>For the 10-pay option, a reduction of 65% of these lapse rates is assumed for durations 1 to 4, a reduction of 70% of these lapse rates is assumed for durations 5 to 8, and 0% lapse thereafter. For the 20-pay option, a reduction of 50% of these lapse rates is assumed for durations 1 to 8, a reduction of 75% of these lapse rates is assumed for durations 9 to 15, and 0% lapse thereafter.</p> | | | | | |

**Exhibit III
MedAmerica and Affinity Partners
Comparison of Current and Original Pricing Assumptions**

Original Assumptions

Prior to Series 11

Lapse Rates

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

| Series 5 Lapse Rates | | | | | | | | | | | |
|----------------------|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Duration | Issue Age | | | | | | | | | | |
| | <61 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70+ |
| 1 | 20.00% | 19.00% | 18.00% | 17.00% | 16.00% | 15.00% | 14.00% | 13.00% | 12.00% | 11.00% | 10.00% |
| 2 | 15.00% | 14.00% | 13.00% | 12.00% | 11.00% | 10.00% | 9.00% | 8.00% | 7.00% | 6.00% | 5.00% |
| 3 | 10.00% | 9.40% | 8.80% | 8.20% | 7.60% | 7.00% | 6.40% | 5.80% | 5.20% | 4.60% | 4.00% |
| 4 | 8.00% | 7.60% | 7.20% | 6.80% | 6.40% | 6.00% | 5.60% | 5.20% | 4.80% | 4.40% | 4.00% |
| 5 | 6.00% | 5.70% | 5.40% | 5.10% | 4.80% | 4.50% | 4.20% | 3.90% | 3.60% | 3.30% | 3.00% |
| 6 | 5.00% | 4.80% | 4.60% | 4.40% | 4.20% | 4.00% | 3.80% | 3.60% | 3.40% | 3.20% | 3.00% |
| 7 | 5.00% | 4.80% | 4.60% | 4.40% | 4.20% | 4.00% | 3.80% | 3.60% | 3.40% | 3.20% | 3.00% |
| 8 | 5.00% | 4.80% | 4.60% | 4.40% | 4.20% | 4.00% | 3.80% | 3.60% | 3.40% | 3.20% | 3.00% |
| 9+ | 5.00% | 4.70% | 4.40% | 4.10% | 3.80% | 3.50% | 3.20% | 2.90% | 2.60% | 2.30% | 2.00% |

| Series 8 Lapse Rates | | |
|----------------------|-----------|--------|
| Duration | Issue Age | |
| | <85 | 85+ |
| 1 | 15.00% | 12.00% |
| 2 | 10.00% | 8.00% |
| 3 | 8.00% | 6.40% |
| 4 | 6.00% | 4.80% |
| 5+ | 5.00% | 4.00% |

| Series 9 Lapse Rates | | | | | | | | | | | |
|----------------------|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Duration | Issue Age | | | | | | | | | | |
| | <76 | 76 | 77 | 78 | 79 | 80 | 81 | 82 | 83 | 84 | 85+ |
| 1 | 15.00% | 14.70% | 14.40% | 14.10% | 13.80% | 13.50% | 13.20% | 12.90% | 12.60% | 12.30% | 12.00% |
| 2 | 10.00% | 9.80% | 9.60% | 9.40% | 9.20% | 9.00% | 8.80% | 8.60% | 8.40% | 8.20% | 8.00% |
| 3 | 8.00% | 7.84% | 7.68% | 7.52% | 7.36% | 7.20% | 7.04% | 6.88% | 6.72% | 6.56% | 6.40% |
| 4 | 6.00% | 5.88% | 5.76% | 5.64% | 5.52% | 5.40% | 5.28% | 5.16% | 5.04% | 4.92% | 4.80% |
| 5+ | 5.00% | 4.90% | 4.80% | 4.70% | 4.60% | 4.50% | 4.40% | 4.30% | 4.20% | 4.10% | 4.00% |

Policy Form Series 8 and 9 issued business under a group trust in a small number of jurisdictions. The original pricing assumptions for claim costs, mortality, and interest did not vary between individual and group trust business but the original pricing voluntary termination rates did. The Series 8 and 9 group trust original pricing voluntary termination rates are shown in the following table:

| Series 8 and 9 Group Trust | | | | | | | | | | |
|----------------------------|-----------|--------|--------|--------|--------|--------|-------|-------|-------|-------|
| Duration | Issue Age | | | | | | | | | |
| | <25 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65+ |
| 1 | 16.00% | 15.00% | 13.50% | 12.00% | 11.00% | 10.00% | 8.00% | 6.00% | 4.00% | 3.00% |
| 2 | 11.00% | 10.00% | 8.50% | 7.00% | 7.00% | 7.00% | 5.50% | 4.50% | 3.50% | 3.00% |
| 3 | 7.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 5.00% | 4.50% | 3.00% | 2.00% |
| 4 | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 4.50% | 3.00% | 2.00% |
| 5 | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 4.50% | 3.00% | 2.00% |
| 6 | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 4.50% | 3.00% | 2.00% |
| 7+ | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |

The original pricing voluntary lapse rates were expected to be 0.0% for durations 10 and later for policyholders who selected the 10-pay option.

**Exhibit III
MedAmerica and Affinity Partners
Comparison of Current and Original Pricing Assumptions**

| | | Lapse Rates | | | | | | |
|--|---------------------------------|---|---------------------------------|--------------|--------------|--------------|--------------|------------|
| | | Lapse rates vary by duration, premium payment option, and issue age. Lapse rates for the lifetime payment option are provided in the tables below for Series 11 Individual, Premier Group, and TNSE policy forms. | | | | | | |
| Original Assumptions | Series 11 | Series 11 Individual | | | | | | |
| | | | Lapse Rates by Issue Age | | | | | |
| | | Duration | <60 | 60-64 | 65-69 | 70-74 | 75-79 | 80+ |
| | | 1 | 10.00% | 11.00% | 12.00% | 12.00% | 12.00% | 12.00% |
| | | 2 | 7.00% | 7.00% | 7.00% | 6.00% | 4.00% | 2.00% |
| | | 3 | 5.00% | 4.00% | 3.00% | 3.00% | 3.00% | 2.00% |
| | | 4 | 3.00% | 3.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | | 5 | 3.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | | 6+ | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | | Premier Group | | | | | | |
| | | | Lapse Rates by Issue Age | | | | | |
| | | Duration | <60 | 60-64 | 65-69 | 70-74 | 75-79 | 80+ |
| | | 1 | 10.00% | 11.00% | 12.00% | 12.00% | 12.00% | 12.00% |
| | | 2 | 7.00% | 7.00% | 7.00% | 6.00% | 4.00% | 2.00% |
| | | 3 | 5.00% | 4.00% | 3.00% | 3.00% | 3.00% | 2.00% |
| | | 4 | 3.00% | 3.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | | 5 | 3.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | | 6+ | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | | TNSE | | | | | | |
| | Lapse Rates by Issue Age | | | | | | | |
| Duration | <60 | 60-64 | 65-69 | 70-79 | 80+ | | | |
| 1 | 5.00% | 5.00% | 5.00% | 4.00% | 3.00% | | | |
| 2 | 5.00% | 5.00% | 5.00% | 4.00% | 3.00% | | | |
| 3 | 5.00% | 4.00% | 3.00% | 3.00% | 3.00% | | | |
| 4 | 4.00% | 4.00% | 3.00% | 3.00% | 3.00% | | | |
| 5 | 4.00% | 3.00% | 3.00% | 3.00% | 3.00% | | | |
| 6+ | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | | | |
| For the 10-pay option, a reduction of 50% of these lapse rates is assumed for durations 1 to 6, and 0% lapse thereafter. For the 20-pay option, a reduction of 50% of these lapse rates is assumed for durations 1 to 13, and 0% lapse thereafter. | | | | | | | | |

**Exhibit III
MedAmerica and Affinity Partners
Comparison of Current and Original Pricing Assumptions**

| | | Benefit Expiry Rates |
|-----------------------------|-----------------------------|--|
| Current Assumptions | Series 11 and Prior | Benefit expiry rates reflect assumed policy termination due to exhaustion of benefits on limited benefit period policies. The rates are based on the <i>Guidelines</i> with adjustments for historical benefit expiry experience and vary by gender, benefit period, and attained age. A table containing the benefit expiry rates is provided in Section 5 of the actuarial memorandum. |
| Original Assumptions | Series 11 and Prior | Benefit expiry was not separated from the lapse assumption. |
| | | Interest Rate |
| Current Assumptions | Series 11 and Prior | 5.00% |
| Original Assumptions | Prior to Series 11 | Series 5 policy forms used 7.10% and Series 8 and 9 policy forms used 7.50%. |
| | Series 11 Individual | 7.50% |
| | Series 11 Group | Premier Group policy forms used 7.50% and TNSE policy forms used 6.00%. |
| | | Improvement |
| Current Assumptions | Series 11 and Prior | Annual improvement in the mortality and morbidity assumptions is assumed for 15 years starting in 2016. Annual mortality improvement is assumed to be 0.5% and 1.0% for females and males, respectively. Annual morbidity improvement is assumed to be 1.0% and 1.5% for females and males, respectively. |
| Original Assumptions | Series 11 and Prior | No mortality or morbidity improvement was assumed. |

Exhibit IV
MedAmerica and Affinity Partners
Nationwide Experience Restated to No Prior Rate Increases
Impact of Changing from Pricing to Current Assumptions
Series 11 and Prior Policy Forms

| Scenario | Lifetime Loss Ratio | Impact of Each Assumption on the Lifetime Loss Ratio ^[1] | Increase Needed to Produce Lifetime Loss Ratio Expected in Pricing ^{[1][2]} |
|--|---------------------|---|--|
| Original Pricing Assumptions | 63% | N/A | N/A |
| Historical Experience through 2015 & Projections with Original Pricing Assumptions | 69% | 10% | 103% |
| Historical Experience through 2015 & Projections with Prior Assumptions except for Current: | | | |
| Morbidity | 69% | 0% | 4% |
| Mortality | 83% | 21% | 192% |
| Voluntary Lapse and Benefit Expiry | 72% | 5% | 47% |
| Interest | 88% | 29% | 223% |
| Improvement ^[3] | 64% | -7% | -41% |
| Historical Experience through 2015 & Projections with All Current Most Likely Assumptions ^[4] | 118% | 89% | 528% |

[1] Isolates the impact on the lifetime loss ratio/needed increase due to changes in each projection assumption. To isolate these changes, these rows show the increase impact/needed increase relative to a lifetime loss ratio of 69% (i.e., actual historical experience with projections using pricing assumptions). However, the "Historical Experience through 2015 & Projections with Original Pricing Assumptions" row is calculated with regard to 63% to show the isolated impact of historical deviations from that expected based on original pricing from inception.

[2] Calculated without regard to CBUL, RBO, adverse selection, and higher waiver claims due to the needed rate increase.

[3] As a modeling simplification, the isolated impact of improvement on the lifetime loss ratio was approximated by removing the improvement assumption from a projection based on all current assumptions.

[4] The lifetime loss ratios for each change in the rows above do not reflect any synergy of the changes. As a result, compositing across rows will not equal the value in the last row, which is calculated relative to 63% and captures all changes in unison.

Exhibit V
Demonstration that the Requested Cumulative Rate Increase Passes the 58%/85% Loss Ratio Minimum
MedAmerica and Affinity Partners' Nationwide Experience with Prior Approved Increases
Series 11 and Prior Policy Forms

| | | | | | | |
|---|---|-------------|---|-----|---|--------------------|
| 1 | Accumulated value of initial earned premium | 561,186,775 | x | 58% | = | 325,488,330 |
| 2a | Accumulated value of earned premium | 579,746,867 | | | | |
| 2b | Accumulated value of prior premium rate schedule increases (2a - 1) | 18,560,092 | x | 85% | = | 15,776,078 |
| 3 | Present value of future projected initial earned premium | 130,305,350 | x | 58% | = | 75,577,103 |
| 4a | Present value of future projected premium | 309,359,645 | | | | |
| 4b | Present value of future projected premium in excess of the projected initial earned premiums (4a - 3) | 179,054,295 | x | 85% | = | 152,196,151 |
| 5 | Lifetime Earned Premium Times Prescribed Factor: Sum of 1, 2b, 3, and 4b | | | | | 569,037,662 |
| 6a | Accumulated value of incurred claims without the inclusion of active life reserves | | | | | 220,537,499 |
| 6b | Present value of future projected incurred claims without the inclusion of active life reserves | | | | | 706,064,111 |
| 7 | Lifetime Incurred Claims with Rate Increase: Sum 6a and 6b | | | | | 926,601,610 |
| 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 3.5% to 5.5%.</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 14% to reflect assumptions with moderately adverse experience.</i></p> | | | | | | |

Appendix A Development and Justification of Current Assumptions

The assumptions for mortality, voluntary lapse, benefit expiry, 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 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 that issued the same products. For persistency, policy termination experience through December 31, 2015 was used, except to develop the limited-pay voluntary lapse assumption, which used experience through March 31, 2015. For morbidity, claim experience through December 31, 2014 was used. The methodology used to develop these assumptions is provided below.

Persistency

The assumptions for mortality and lifetime-pay voluntary lapse were developed based on detailed historical experience through December 31, 2015 for MedAmerica's organic (including affinity partners) and acquired business. For the acquired business, experience prior to acquisition was excluded as it predates MedAmerica's administration of the block.

The benefit expiry assumption was developed using the 2014 Milliman *Long-Term Care Guidelines (Guidelines)* with adjustments based on MedAmerica's actual benefit expiry experience through December 31, 2015 on its organic business.

Mortality Durational Factors for Individual Policies

Exhibit A-1a supports the individual business mortality assumption and provides the following information for all companies and products (both individual and group) combined, but separately for issue age bands (i) 75 and older, (ii) 70 to 74, (iii) 65 to 69, and (iv) 60 to 64:

- Exposure that 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.
- Mortality rates for actual, expected, and an additional standard table for comparison. All of these rates were brought forward to 2015 for consistency with the basis of the expected table by applying mortality improvement factors that reflect annual improvement of 0.5% for females and 1.0% for males.

Actual mortality rates equal the number of deaths divided by exposure. The number of deaths includes a scalar to capture improvement between the year of death and 2015. For example, if 10 males died in 2010, then the number of deaths (10) would be multiplied by 5 years of improvement (0.951).

2015GAM mortality rates equal 94GAM with 21 years of improvement, which results in scalars of 0.900 for females and 0.810 for males. These are the expected mortality rates to which the factors in Section 5 of the actuarial memorandum are applied.

2015IAM is equal to 2012 Individual Annuity Mortality Period (2012IAM) standard table mortality rates with 3 years of improvement (scalars of 0.985 for females and 0.970 for males).

- Ratios of actual and standard table mortality rates to the 2015GAM expected (A:E) mortality rates.
- Credibility percentage based on the number of deaths (with improvement scalars described above) and the credibility measure described at the end of this appendix.
- A:E ratio that is credibility weighted with the two standard table options for a complement.
- Smoothed durational factors that correspond to that shown in Section 5 of the actuarial memorandum.

We developed the smoothed factors by issue age band and duration. We started with the older issue ages to develop an ultimate factor and then worked backward to younger issue age bands, making experience adjustments for the first 20 durations. In developing these experience adjustments, we considered the A:E ratios, level of credibility, whether in the select or ultimate period, and A:E credibility-weighted ratios.

An ultimate level of 105% of 2015GAM was assumed based on the combined experience of issue ages 70 and older for attained ages older than 95 to the extent credible. For the first 20 durations, the factors were pegged for the mid-point of a quinquennial durational band and then interpolated in between to develop smoothed factors. The smoothed factors were determined such that the bands of quinquennial durations reproduced the actual experience, to the extent credible.

Appendix A Development and Justification of Current Assumptions

Theoretical adjustments are made, following the diagonal, according to the adjustments made for older issue age bands to maintain mortality relationships across attained ages. For example, we assume an 85% factor for attained age 80, which appears in duration 18 for issue age 62 and duration 23 for issue age 57 as shown in Section 5 of the actuarial memorandum; following along this diagonal the assumption is consistent.

Exhibit A-1b provides similar information as Exhibit A-1a for individual business only with issue ages under 60. For issue ages under 60, the experience was split between individual and group because there is a material amount of group experience under 60. Mortality can differ between individual and group business because of adverse selection associated with group underwriting.

Mortality Durational Factors for Group Certificates

Exhibit A-1c supports the group business mortality assumption and provides exposure, actual and expected mortality rates, mortality A:E ratios, credibility percent, and smoothed scalars. The expected mortality rates include the individual durational mortality factors described above. The smoothed scalars were developed based on group products for issue ages under 60 only because it captures most of the group experience. We did not analyze group experience for other issue ages. These scalars are applied to the individual mortality durational factors, but capped at 105%, to produce the group mortality durational factors shown in Section 5 of the actuarial memorandum.

Lifetime-Pay Voluntary Lapse Rates

Exhibit A-2a provides total exposure, composite termination rates, expected mortality rates, derived voluntary lapse rates, credibility percent, and smoothed voluntary lapse rates for Prior to Series 11 policies by duration. Exhibit A-2b and Exhibit A-2c provide similar information for Series 11 Individual and Series 11 Group policies, respectively.

In general, the smoothed voluntary lapse rates were set in such a way that the combined duration smoothed rates were close to the derived voluntary lapse rates (see the rows at the bottom of the exhibits). The smoothed voluntary lapse rates in the early durations were chosen to reproduce actual history, to the extent possible, so that the transition from historical to projected policy persistency was smooth. In developing the ultimate voluntary lapse rate, the level of credibility of the actual voluntary lapse experience and the experience of other form groups were considered, as applicable. The degree of closeness of the smoothed voluntary lapse rate compared to actual experience depends on the level of credibility.

The actual composite (mortality and voluntary lapse) termination rates were calculated by duration as follows:

$$\text{Annualized Composite Termination Rate} = \frac{\text{Number of Deaths and Voluntary Lapses during the Year}}{\text{Number of Lives Exposed during the Year}}$$

A death or voluntary lapse (excluding benefit expiry) was assigned to the duration in which it occurred, or the preceding duration, if the termination was on the anniversary date. Each death or voluntary lapse contributes 1.0 to the numerator and a full year to the denominator. For lives whose benefits expire or 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 due to death or voluntary lapse during the year. This calculation logic is consistent with that used in the LTC Insurance Persistency Experience reports sponsored by LIMRA International and the SOA LTC Experience Committee.

The expected mortality rate assumes the gender-distinct 2015GAM table with the durational factors shown in Section 5 of the actuarial memorandum applied by duration.

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

$$\text{Derived Voluntary Lapse Rate} = 1 - \frac{1 - \text{Composite Termination Rate}}{1 - \text{Expected Mortality Rate}}$$

Limited-Pay Voluntary Lapse Rates

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. Only 23% of the in-force policies on these forms have a limited-pay option and thus the impact of these assumptions on the projections is assumed to be immaterial.

For the 10-pay and 20-pay options, the scalars were developed from a comparison of the lifetime-pay derived lapse rates to the limited-pay option's derived lapse rates based on MedAmerica and its affinity partners' experience on all

Appendix A

Development and Justification of Current Assumptions

products combined. The relationships derived from this analysis were used to develop the smoothed lapse assumptions for the 10- and 20-pay options shown in Section 5 of the actuarial memorandum.

Benefit Expiry

Benefit expiry rates reflect assumed policy lapses due to exhaustion of benefits based on the 2014 *Guidelines* with adjustments for historical benefit expiry experience and vary by attained age, gender, and benefit period. Policies with lifetime benefits do not have an expiry assumption (i.e., rate of 0%).

We compared MedAmerica's actual benefit expiry experience through December 31, 2015 to that expected by the 2014 *Guidelines*. We developed adjustment factors by attained age based on the experience of a subset of MedAmerica's organic business, which included the Series 11 and Prior business. Factors were developed by quinquennial attained age band and then interpolated to produce scalars for each attained age. These scalars were then applied to the benefit expiry rates developed by the 2014 *Guidelines* in order to produce the final benefit expiry assumptions shown in Section 5 of the actuarial memorandum.

Exhibit A-3 provides exposure, actual and expected benefit expiry rates, A:E ratios, credibility percent, credibility-weighted A:E ratios, and smoothed adjustment factors. The exposure used reflects a full year of exposure for each benefit expiry and the length of time a covered life is exposed to the risk of benefit expiry during the year for each life that does not expire benefits.

Morbidity

The claims costs were developed using the 2014 *Guidelines*. A:E experience analyses were performed to develop most likely (with no explicit margin) morbidity experience adjustments to be applied to the 2014 *Guidelines* claim costs. The experience used includes historical experience for all products of MedAmerica, its affinity partners, and 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 *Guidelines* (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-4a provides separate A:E adjustment factors for the Prior to Series 11, Series 11 Individual, and Series 11 Group blocks after multiplying the appropriate combination of factors for policy duration, attained age, and coverage type.

Exhibit A-4b provides an indication of the goodness of fit for each product. Exhibit A-4b 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) is shown for the Prior to Series 11, Series 11 Individual, and Series 11 Group blocks' separate experience. The ratio's denominator (adjusted expected incurred claims) is equal to the unadjusted expected incurred claims (2014 *Guidelines*) 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. 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.

Improvement

For projected mortality improvement, levels of 0.5% and 1.0% are assumed for 15 years beginning in calendar year 2016 for females and males, respectively. The Society of Actuaries (SOA) June 2011 study, *Global Mortality Improvement Experience and Projection Techniques*, provides most-likely mortality improvement assumptions for the period 2011 to 2025 by gender and attained age, for 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

Appendix A
Development and Justification of Current Assumptions

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 projected morbidity improvement, levels of 1.0% and 1.5% are assumed for 15 years beginning in calendar year 2016 for females and males, respectively. This assumption is reasonable based on the SOA July 2016 study, *Long Term Care Morbidity Improvement Study: Estimates for the Non-Insured U.S. Elderly Population Based on the National Long Term Care Survey 1984-2004*. This study reported population annual morbidity improvement of 2.3% for unisex, 2.5% for males, and 2.1% for females. The SOA July 2016 study uses population data, so it is uncertain how well these 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, insureds 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, 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 insured behavior assumptions are provided below, and are based on MedAmerica's actual CBUL/RBO election experience to the extent applicable, assumptions for rate increase filings of other carriers in the LTC industry, and actuarial judgment.

Contingent Benefit Upon Lapse Election

Based on the average rate increase requests nationwide, we assume a CBUL election rate of 8% for the rate increase for non-lifetime benefit periods and 12% for lifetime benefit periods. No CBUL elections are assumed for limited-pay policies.

Reduced Benefit Options

It is assumed that there will be an approximate 7.5% reduction to premium and benefits due to RBO elections for non-lifetime benefit period policies and an approximate 19% reduction to premium and benefits due to RBO elections for lifetime benefit period policies. These assumed reductions to premium and benefits due to RBO elections were 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 corresponds to an equivalent percent reduction in claims. Based on the nationwide average rate increase requested on these policy forms, we assume 15% of non-lifetime benefit period policies and 25% of lifetime benefit period policies 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% to 3% 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, insureds 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

Appendix A
Development and Justification of Current Assumptions

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

$$\begin{aligned} \text{Adverse Selection} &= 1 / (1 - 25\% \times \text{CBUL}) \\ 1.02 &\sim 1 / (1 - 25\% \times 8\%) \text{ for non-lifetime benefit period policies} \\ 1.03 &\sim 1 / (1 - 25\% \times 12\%) \text{ for lifetime benefit period policies} \end{aligned}$$

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, voluntary lapses, benefit expiries, 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-1a
Actual-to-Expected (A:E) Mortality Experience through December 31, 2015
All Products

| Duration | Exposure | Mortality Rate | | | Ratios to 2015GAM | | Credibility Percent | A:E Credibility-Weighted with: | | Smoothed Durational Factors |
|---------------------------|----------|----------------|-------------|-------------|-------------------|---------------|---------------------|--------------------------------|---------------|-----------------------------|
| | | Actual (A) | 2015GAM (E) | 2015IAM (X) | Actual (A:E) | 2015IAM (X:E) | | 2015GAM (E:E=1.00) | 2015IAM (X:E) | |
| Issue Age 75+ | | | | | | | | | | |
| 1-5 | 24,998 | 1.8% | 4.4% | 3.1% | 0.40 | 0.70 | 95% | 0.43 | 0.41 | 0.41 |
| 6-10 | 20,553 | 5.0% | 7.0% | 5.5% | 0.71 | 0.78 | 100% | 0.71 | 0.71 | 0.71 |
| 11-15 | 11,268 | 10.1% | 10.5% | 8.8% | 0.96 | 0.84 | 100% | 0.96 | 0.96 | 0.96 |
| 16-20 | 3,330 | 16.3% | 16.1% | 14.2% | 1.02 | 0.88 | 100% | 1.02 | 1.02 | 1.04 |
| 21-25 | 415 | 25.3% | 22.2% | 20.6% | 1.14 | 0.93 | 47% | 1.07 | 1.03 | 1.05 |
| 26+ | 25 | 7.8% | 32.1% | 30.8% | 0.24 | 0.96 | 6% | 0.95 | 0.91 | 1.05 |
| 21+ | 440 | 24.3% | 22.8% | 21.2% | 1.07 | 0.93 | 47% | 1.03 | 0.99 | 1.05 |
| All | 60,589 | 5.4% | 7.2% | 5.7% | 0.75 | 0.79 | 100% | 0.75 | 0.75 | 0.75 |
| Issue Ages 70 - 74 | | | | | | | | | | |
| 1-5 | 39,706 | 0.9% | 2.2% | 1.4% | 0.41 | 0.64 | 87% | 0.49 | 0.45 | 0.40 |
| 6-10 | 38,186 | 2.4% | 3.7% | 2.5% | 0.66 | 0.67 | 100% | 0.66 | 0.66 | 0.65 |
| 11-15 | 27,286 | 4.9% | 6.0% | 4.4% | 0.83 | 0.74 | 100% | 0.83 | 0.83 | 0.84 |
| 16-20 | 10,157 | 9.1% | 9.4% | 7.7% | 0.98 | 0.82 | 100% | 0.98 | 0.98 | 0.98 |
| 21-25 | 2,029 | 14.6% | 14.3% | 12.3% | 1.02 | 0.86 | 78% | 1.02 | 0.99 | 1.04 |
| 26+ | 138 | 25.8% | 20.4% | 18.6% | 1.27 | 0.91 | 27% | 1.07 | 1.01 | 1.05 |
| 21+ | 2,167 | 15.3% | 14.7% | 12.7% | 1.04 | 0.87 | 83% | 1.03 | 1.01 | 1.04 |
| All | 117,501 | 3.3% | 4.4% | 3.2% | 0.75 | 0.73 | 100% | 0.75 | 0.75 | 0.75 |
| Issue Ages 65 - 69 | | | | | | | | | | |
| 1-5 | 67,094 | 0.6% | 1.4% | 0.9% | 0.42 | 0.65 | 90% | 0.48 | 0.44 | 0.40 |
| 6-10 | 65,409 | 1.4% | 2.2% | 1.4% | 0.64 | 0.64 | 100% | 0.64 | 0.64 | 0.65 |
| 11-15 | 50,103 | 2.9% | 3.7% | 2.4% | 0.78 | 0.66 | 100% | 0.78 | 0.78 | 0.79 |
| 16-20 | 23,101 | 5.3% | 5.9% | 4.3% | 0.90 | 0.74 | 100% | 0.90 | 0.90 | 0.90 |
| 21-25 | 6,829 | 9.5% | 9.3% | 7.6% | 1.03 | 0.82 | 100% | 1.03 | 1.03 | 0.99 |
| 26+ | 533 | 13.8% | 13.6% | 11.6% | 1.01 | 0.86 | 39% | 1.01 | 0.92 | 1.04 |
| 21+ | 7,362 | 9.8% | 9.6% | 7.9% | 1.03 | 0.82 | 100% | 1.03 | 1.03 | 0.99 |
| All | 213,069 | 2.2% | 3.0% | 2.0% | 0.75 | 0.69 | 100% | 0.75 | 0.75 | 0.74 |
| Issue Ages 60 - 64 | | | | | | | | | | |
| 1-5 | 93,335 | 0.3% | 0.9% | 0.6% | 0.41 | 0.72 | 82% | 0.51 | 0.46 | 0.39 |
| 6-10 | 85,284 | 0.8% | 1.4% | 0.9% | 0.57 | 0.65 | 100% | 0.57 | 0.57 | 0.59 |
| 11-15 | 58,636 | 1.5% | 2.3% | 1.5% | 0.68 | 0.65 | 100% | 0.68 | 0.68 | 0.67 |
| 16-20 | 27,386 | 3.2% | 3.8% | 2.5% | 0.85 | 0.67 | 100% | 0.85 | 0.85 | 0.83 |
| 21-25 | 9,435 | 5.5% | 6.1% | 4.5% | 0.90 | 0.75 | 100% | 0.90 | 0.90 | 0.90 |
| 26+ | 782 | 9.5% | 9.1% | 7.5% | 1.05 | 0.82 | 39% | 1.02 | 0.91 | 0.97 |
| 21+ | 10,217 | 5.8% | 6.3% | 4.8% | 0.92 | 0.76 | 100% | 0.92 | 0.92 | 0.91 |
| All | 274,857 | 1.2% | 1.8% | 1.2% | 0.68 | 0.68 | 100% | 0.68 | 0.68 | 0.67 |

**Exhibit A-1b
Actual-to-Expected (A:E) Mortality Experience through December 31, 2015
Individual Products**

| Duration | Exposure | Mortality Rate | | | Ratios to 2015GAM | | Credibility Percent | A:E Credibility-Weighted with: | | Smoothed Durational Factors |
|-------------------------|----------|----------------|----------------|----------------|-------------------|------------------|------------------------|--------------------------------|------------------|-----------------------------------|
| | | Actual (A) | 2015GAM (E) | 2015IAM (X) | Actual (A:E) | 2015IAM (X:E) | | 2015GAM (E:E=1.00) | 2015IAM (X:E) | |
| Issue Age <60 | | | | | | | | | | |
| 1-5 | 213,822 | 0.1% | 0.3% | 0.2% | 0.39 | 0.86 | 66% | 0.59 | 0.55 | 0.38 |
| 6-10 | 134,800 | 0.3% | 0.5% | 0.4% | 0.54 | 0.77 | 88% | 0.59 | 0.56 | 0.54 |
| 11-15 | 57,646 | 0.6% | 0.9% | 0.7% | 0.61 | 0.69 | 83% | 0.67 | 0.62 | 0.60 |
| 16-20 | 24,577 | 1.1% | 1.5% | 1.0% | 0.70 | 0.67 | 74% | 0.78 | 0.69 | 0.70 |
| 21-25 | 9,193 | 1.7% | 2.4% | 1.6% | 0.70 | 0.67 | 57% | 0.83 | 0.68 | 0.79 |
| 26+ | 759 | 2.9% | 4.4% | 3.1% | 0.65 | 0.72 | 21% | 0.93 | 0.70 | 0.87 |
| 21+ | 9,952 | 1.8% | 2.6% | 1.7% | 0.69 | 0.68 | 61% | 0.81 | 0.68 | 0.80 |
| All | 440,797 | 0.3% | 0.6% | 0.4% | 0.56 | 0.75 | 100% | 0.56 | 0.56 | 0.57 |

Exhibit A-1c
Actual-to-Expected (A:E) Mortality Experience through December 31, 2015
Group Products

| Duration | Exposure | Actual Mortality Rate | Expected Mortality Rate ^[1] | Mortality A:E | Credibility Percent | Smoothed Scalars |
|-------------------------|----------|-----------------------|--|---------------|---------------------|------------------|
| Issue Age <60 | | | | | | |
| 1-5 | 120,598 | 0.2% | 0.1% | 2.00 | 65% | 2.00 |
| 6-10 | 109,681 | 0.3% | 0.2% | 1.48 | 85% | 1.50 |
| 11-15 | 71,689 | 0.5% | 0.4% | 1.20 | 83% | 1.20 |
| 16-20 | 25,556 | 0.7% | 0.6% | 1.15 | 59% | 1.15 |
| 21-25 | 11,926 | 0.8% | 0.9% | 0.93 | 45% | 1.10 |
| 26-30 | 305 | 1.3% | 1.2% | 1.06 | 9% | 1.05 |
| 31+ | 0 | N/A | N/A | N/A | 0% | 1.00 |

[1] Includes the durational adjustment factors developed for individual business.

Exhibit A-2a
Derived Lifetime-Pay Voluntary Lapse Experience through December 31, 2015
Prior to Series 11 Policy Forms

| Duration | Exposure | Composite Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Credibility Percent | Smoothed Lapse Rates |
|----------|----------|-----------------------------|--------------------------|---------------------|---------------------|----------------------|
| 1 | 5,409 | 16.9% | 0.6% | 16.4% | 100% | 16.50% |
| 2 | 4,493 | 9.3% | 0.9% | 8.4% | 89% | 8.50% |
| 3 | 4,076 | 6.5% | 1.3% | 5.2% | 68% | 5.00% |
| 4 | 3,810 | 5.3% | 1.5% | 3.6% | 55% | 3.50% |
| 5 | 3,607 | 4.0% | 1.9% | 2.0% | 41% | 2.00% |
| 6 | 3,457 | 3.1% | 2.0% | 0.9% | 34% | 1.50% |
| 7 | 3,345 | 3.7% | 2.3% | 1.2% | 29% | 1.50% |
| 8 | 3,209 | 4.6% | 2.5% | 1.8% | 33% | 1.50% |
| 9 | 3,047 | 4.0% | 2.8% | 1.0% | 30% | 1.50% |
| 10 | 2,913 | 4.5% | 3.1% | 1.2% | 31% | 1.00% |
| 11 | 2,765 | 5.4% | 3.4% | 1.8% | 27% | 1.00% |
| 12 | 2,604 | 5.2% | 3.7% | 1.3% | 25% | 1.00% |
| 13 | 2,447 | 5.5% | 3.9% | 1.4% | 22% | 1.00% |
| 14 | 2,289 | 5.6% | 4.2% | 1.2% | 20% | 1.00% |
| 15 | 2,087 | 4.9% | 4.6% | 0.2% | 16% | 1.00% |
| 16 | 1,858 | 5.7% | 5.0% | 0.6% | 18% | 1.00% |
| 17 | 1,504 | 6.8% | 5.5% | 1.3% | 18% | 1.00% |
| 18 | 1,104 | 6.6% | 6.0% | 0.5% | 9% | 1.00% |
| 19 | 710 | 7.2% | 6.6% | 0.5% | 8% | 1.00% |
| 20 | 422 | 8.8% | 7.1% | 1.7% | 6% | 1.00% |
| 21 | 224 | 8.9% | 7.5% | 1.4% | 6% | 1.00% |
| 22 | 99 | 12.1% | 8.9% | 3.5% | 6% | 1.00% |
| 23 | 28 | 7.2% | 10.6% | -3.8% | 5% | 1.00% |
| 24 | 1 | 0.0% | 12.6% | -14.4% | 0% | 1.00% |
| 1-3 | 13,978 | 11.4% | 0.9% | 10.5% | 100% | 10.6% |
| 4-6 | 10,875 | 4.1% | 1.8% | 2.2% | 77% | 2.4% |
| 7-9 | 9,601 | 4.1% | 2.5% | 1.4% | 53% | 1.5% |
| 5+ | 37,720 | 4.8% | 3.4% | 1.3% | 100% | 1.3% |
| 6+ | 34,113 | 4.9% | 3.6% | 1.2% | 92% | 1.2% |
| 7+ | 30,656 | 5.1% | 3.8% | 1.2% | 85% | 1.2% |
| 8+ | 27,311 | 5.3% | 4.0% | 1.2% | 80% | 1.1% |
| 9+ | 24,103 | 5.4% | 4.2% | 1.1% | 73% | 1.1% |
| 10+ | 21,056 | 5.6% | 4.3% | 1.1% | 66% | 1.0% |
| All | 55,509 | 6.5% | 2.7% | 3.8% | 100% | 3.8% |

Exhibit A-2b
Derived Lifetime-Pay Voluntary Lapse Experience through December 31, 2015
Series 11 Individual Policy Forms

| Duration | Exposure | Composite Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Credibility Percent | Smoothed Lapse Rates |
|----------|----------|-----------------------------|--------------------------|---------------------|---------------------|----------------------|
| 1 | 12,157 | 8.6% | 0.2% | 8.3% | 100% | 8.50% |
| 2 | 11,116 | 4.4% | 0.4% | 4.0% | 96% | 4.00% |
| 3 | 10,632 | 3.4% | 0.5% | 2.8% | 79% | 2.75% |
| 4 | 10,244 | 2.6% | 0.6% | 2.0% | 65% | 2.00% |
| 5 | 9,933 | 2.1% | 0.8% | 1.3% | 54% | 1.50% |
| 6 | 9,696 | 2.3% | 0.9% | 1.4% | 54% | 1.25% |
| 7 | 9,432 | 2.4% | 1.1% | 1.3% | 52% | 1.25% |
| 8 | 9,116 | 2.1% | 1.3% | 0.8% | 41% | 1.00% |
| 9 | 8,825 | 2.4% | 1.5% | 0.9% | 38% | 0.75% |
| 10 | 8,499 | 2.5% | 1.7% | 0.8% | 36% | 0.60% |
| 11 | 8,129 | 2.5% | 1.9% | 0.6% | 34% | 0.60% |
| 12 | 7,460 | 2.7% | 2.1% | 0.5% | 31% | 0.60% |
| 13 | 5,806 | 3.0% | 2.4% | 0.5% | 25% | 0.60% |
| 14 | 4,305 | 3.2% | 2.8% | 0.4% | 23% | 0.60% |
| 15 | 2,813 | 3.4% | 3.2% | 0.2% | 12% | 0.60% |
| 16 | 1,878 | 3.6% | 3.4% | 0.2% | 8% | 0.60% |
| 17 | 1,351 | 5.0% | 3.5% | 1.6% | 8% | 0.60% |
| 18 | 108 | 2.8% | 3.7% | -1.0% | 0% | 0.60% |
| 1-3 | 33,905 | 5.6% | 0.4% | 5.2% | 100% | 5.2% |
| 4-6 | 29,874 | 2.4% | 0.8% | 1.6% | 100% | 1.6% |
| 7-9 | 27,373 | 2.3% | 1.3% | 1.0% | 76% | 1.0% |
| 5+ | 87,352 | 2.6% | 1.6% | 0.9% | 100% | 0.9% |
| 6+ | 77,419 | 2.6% | 1.8% | 0.8% | 100% | 0.8% |
| 7+ | 67,722 | 2.7% | 1.9% | 0.8% | 100% | 0.8% |
| 8+ | 58,290 | 2.7% | 2.0% | 0.7% | 89% | 0.7% |
| 9+ | 49,175 | 2.8% | 2.1% | 0.6% | 80% | 0.6% |
| 10+ | 40,349 | 2.9% | 2.3% | 0.6% | 70% | 0.6% |
| All | 131,501 | 3.3% | 1.2% | 2.1% | 100% | 2.1% |

Exhibit A-2c
Derived Lifetime-Pay Voluntary Lapse Experience through December 31, 2015
Series 11 Group Policy Forms

| Duration | Exposure | Composite Termination Rates | Expected Mortality Rates | Derived Lapse Rates | Credibility Percent | Smoothed Lapse Rates |
|----------|----------|-----------------------------|--------------------------|---------------------|---------------------|----------------------|
| 1 | 7,058 | 6.4% | 0.1% | 6.3% | 95% | 6.50% |
| 2 | 6,497 | 6.4% | 0.2% | 6.2% | 91% | 6.00% |
| 3 | 5,951 | 4.4% | 0.2% | 4.2% | 71% | 4.00% |
| 4 | 5,489 | 4.0% | 0.3% | 3.7% | 63% | 3.50% |
| 5 | 5,008 | 3.3% | 0.3% | 3.0% | 56% | 3.00% |
| 6 | 4,811 | 2.7% | 0.4% | 2.3% | 46% | 2.50% |
| 7 | 4,644 | 2.2% | 0.4% | 1.8% | 40% | 2.00% |
| 8 | 4,498 | 2.3% | 0.5% | 1.8% | 40% | 1.50% |
| 9 | 4,297 | 1.7% | 0.6% | 1.1% | 32% | 1.30% |
| 10 | 4,093 | 2.0% | 0.6% | 1.4% | 36% | 1.30% |
| 11 | 3,468 | 2.4% | 0.7% | 1.7% | 32% | 1.30% |
| 12 | 2,846 | 1.8% | 0.8% | 1.0% | 26% | 1.30% |
| 13 | 1,498 | 1.3% | 0.8% | 0.5% | 12% | 1.30% |
| 14 | 346 | 3.2% | 0.7% | 2.5% | 10% | 1.30% |
| 15 | 74 | 1.4% | 0.9% | 0.5% | 5% | 1.30% |
| 16 | 31 | 3.2% | 1.0% | 2.2% | 5% | 1.30% |
| 17 | 3 | 0.0% | 1.5% | -1.5% | 0% | 1.30% |
| 1-3 | 19,506 | 5.8% | 0.2% | 5.6% | 100% | 5.6% |
| 4-6 | 15,308 | 3.4% | 0.3% | 3.0% | 96% | 3.0% |
| 7-9 | 13,439 | 2.1% | 0.5% | 1.6% | 65% | 1.6% |
| 5+ | 35,618 | 2.3% | 0.5% | 1.8% | 100% | 1.8% |
| 6+ | 30,609 | 2.2% | 0.6% | 1.6% | 98% | 1.6% |
| 7+ | 25,799 | 2.1% | 0.6% | 1.5% | 87% | 1.5% |
| 8+ | 21,154 | 2.0% | 0.6% | 1.4% | 77% | 1.3% |
| 9+ | 16,656 | 1.9% | 0.7% | 1.3% | 66% | 1.3% |
| 10+ | 12,359 | 2.0% | 0.7% | 1.3% | 57% | 1.3% |
| All | 60,612 | 3.6% | 0.4% | 3.2% | 100% | 3.2% |

Exhibit A-3
Actual-to-Expected (A:E) Benefit Expiration Experience through December 31, 2015
Subset of MedAmerica Organic Business

| Attained Age Band | Exposure | Actual Expiry Rate | Expected Expiry Rate | Expiry A:E | Credibility Percent | Credibility-Weighted A:E | Smoothed Adjustment Factors |
|-------------------|----------|--------------------|----------------------|------------|---------------------|--------------------------|-----------------------------|
| <80 | 528,089 | 0.03% | 0.04% | 0.70 | 56% | 0.83 | 0.85 |
| 80-84 | 50,683 | 0.52% | 0.41% | 1.27 | 74% | 1.20 | 1.25 |
| 85-89 | 22,568 | 1.52% | 1.04% | 1.46 | 85% | 1.39 | 1.45 |
| 90+ | 6,638 | 4.43% | 2.47% | 1.79 | 78% | 1.62 | 1.65 |
| All | 607,979 | 0.17% | 0.14% | 1.28 | 100% | 1.28 | 1.28 |

Exhibit A-4a
MedAmerica and Affinity Partners
Actual-to-Expected Morbidity Adjustment Factors
Series 11 and Prior Policy Forms

| Duration | Prior to Series 11 Adjustment Factor | Series 11 Individual Adjustment Factor | Series 11 Group Adjustment Factor |
|----------|--------------------------------------|--|-----------------------------------|
| 1 | 1.05 | 0.84 | 0.51 |
| 2 | 1.02 | 0.85 | 0.55 |
| 3 | 1.00 | 0.86 | 0.59 |
| 4 | 0.97 | 0.88 | 0.64 |
| 5 | 0.95 | 0.89 | 0.69 |
| 6 | 0.93 | 0.90 | 0.74 |
| 7 | 0.90 | 0.91 | 0.79 |
| 8 | 0.88 | 0.92 | 0.85 |
| 9 | 0.86 | 0.91 | 0.87 |
| 10 | 0.84 | 0.90 | 0.89 |
| 11 | 0.83 | 0.89 | 0.91 |
| 12 | 0.81 | 0.87 | 0.93 |
| 13 | 0.79 | 0.86 | 0.95 |
| 14 | 0.80 | 0.89 | 0.94 |
| 15 | 0.81 | 0.92 | 0.92 |
| 16 | 0.83 | 0.95 | 0.91 |
| 17 | 0.84 | 0.98 | 0.90 |
| 18 | 0.85 | 1.01 | 0.89 |
| 19 | 0.84 | 1.00 | 0.89 |
| 20 | 0.84 | 0.99 | 0.88 |
| 21 | 0.83 | 0.99 | 0.88 |
| 22 | 0.83 | 0.98 | 0.88 |
| 23 | 0.82 | 0.97 | 0.87 |
| 24 | 0.83 | 0.97 | 0.88 |
| 25 | 0.84 | 0.97 | 0.89 |
| 26 | 0.85 | 0.98 | 0.90 |
| 27 | 0.86 | 0.98 | 0.91 |
| 28 | 0.86 | 0.98 | 0.92 |
| 29 | 0.86 | 0.98 | 0.92 |
| 30+ | 0.86 | 0.98 | 0.92 |

| Attained Age | Prior to Series 11 Adjustment Factor | Series 11 Individual Adjustment Factor | Series 11 Group Adjustment Factor |
|--------------|--------------------------------------|--|-----------------------------------|
| <65 | 0.91 | 0.90 | 0.88 |
| 65-69 | 1.08 | 1.10 | 1.01 |
| 70-74 | 0.99 | 1.18 | 1.04 |
| 75-79 | 0.94 | 1.10 | 1.07 |
| 80-84 | 1.06 | 1.49 | 1.08 |
| 85-89 | 1.15 | 1.29 | 1.20 |
| 90+ | 1.09 | 1.24 | 1.22 |

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

Exhibit A-4b
MedAmerica and Affinity Partners
Actual to Adjusted Expected Incurred Claims
Series 11 and Prior Policy Forms

| Experience By Policy Duration | | | | | | |
|--------------------------------------|--------------------|-----------------------------|----------------------|-----------------------------|-----------------|-----------------------------|
| All Durations | | | | | | |
| Duration | Prior to Series 11 | | Series 11 Individual | | Series 11 Group | |
| | Credibility | Actual to Adjusted Expected | Credibility | Actual to Adjusted Expected | Credibility | Actual to Adjusted Expected |
| 1 | 0% | 1.00 | 8% | 0.62 | 9% | 0.95 |
| 2 | 0% | 1.00 | 18% | 1.31 | 6% | 0.09 |
| 3 | 5% | 1.00 | 21% | 0.46 | 18% | 1.23 |
| 4 | 10% | 3.50 | 31% | 1.56 | 16% | 1.02 |
| 5 | 11% | 0.50 | 31% | 0.80 | 13% | 1.11 |
| 6 | 15% | 0.93 | 38% | 0.87 | 16% | 1.14 |
| 7 | 23% | 0.80 | 40% | 1.04 | 14% | 0.62 |
| 8 | 28% | 1.58 | 46% | 1.20 | 17% | 0.63 |
| 9 | 34% | 1.32 | 53% | 0.97 | 16% | 0.84 |
| 10 | 37% | 0.74 | 50% | 0.89 | 18% | 1.37 |
| 11 | 40% | 0.80 | 54% | 0.95 | 18% | 1.56 |
| 12 | 39% | 0.92 | 49% | 0.93 | 5% | 0.44 |
| 13 | 41% | 1.03 | 49% | 1.24 | 9% | 3.42 |
| 14 | 46% | 1.20 | 37% | 0.95 | 0% | 0.32 |
| 15 | 39% | 0.92 | 37% | 0.97 | 0% | 0.16 |
| 16 | 37% | 0.87 | 28% | 1.06 | 0% | 0.98 |
| 17 | 34% | 1.10 | 0% | 1.10 | 0% | 1.00 |
| 18 | 32% | 0.99 | 0% | 1.00 | 0% | 1.00 |
| 19 | 27% | 1.03 | 0% | 0.08 | 0% | 1.00 |
| 20 | 20% | 1.01 | 0% | 1.00 | 0% | 1.00 |
| 21 | 16% | 0.99 | 0% | 1.00 | 0% | 1.00 |
| 22 | 6% | 0.31 | 0% | 1.00 | 0% | 1.00 |
| 23 | 0% | 1.00 | 0% | 1.00 | 0% | 1.00 |
| 1-5 | 16% | 1.28 | 53% | 1.00 | 29% | 0.89 |
| 6-10 | 64% | 1.09 | 100% | 0.99 | 36% | 0.93 |
| 11-15 | 92% | 0.98 | 100% | 1.00 | 21% | 1.28 |
| 16-20 | 69% | 0.99 | 28% | 1.05 | 0% | 0.98 |
| 21-25 | 17% | 0.85 | 0% | 1.00 | 0% | 1.00 |
| Total | 100% | 1.01 | 100% | 1.00 | 51% | 0.99 |

| Experience By Attained Age | | | | | | |
|-----------------------------------|--------------------|-----------------------------|----------------------|-----------------------------|-----------------|-----------------------------|
| Durations 7 and Later | | | | | | |
| Attained Age | Prior to Series 11 | | Series 11 Individual | | Series 11 Group | |
| | Credibility | Actual to Adjusted Expected | Credibility | Actual to Adjusted Expected | Credibility | Actual to Adjusted Expected |
| <65 | 14% | 1.32 | 19% | 0.86 | 21% | 1.26 |
| 65-69 | 22% | 1.97 | 33% | 1.15 | 16% | 0.94 |
| 70-74 | 33% | 0.85 | 50% | 1.12 | 18% | 0.91 |
| 75-79 | 51% | 0.92 | 65% | 0.93 | 16% | 0.87 |
| 80-84 | 68% | 1.01 | 83% | 1.04 | 11% | 0.70 |
| 85-89 | 72% | 0.99 | 61% | 0.95 | 10% | 1.85 |
| 90+ | 56% | 0.95 | 38% | 0.99 | - | 0.00 |
| <70 | 27% | 1.75 | 38% | 1.05 | 27% | 1.12 |
| <75 | 43% | 1.19 | 63% | 1.09 | 32% | 1.05 |
| <80 | 66% | 1.04 | 91% | 1.01 | 36% | 1.02 |
| <85 | 95% | 1.03 | 100% | 1.03 | 38% | 0.98 |
| 65-79 | 65% | 1.02 | 89% | 1.03 | 29% | 0.91 |
| 70-84 | 91% | 0.96 | 100% | 1.02 | 27% | 0.85 |
| 75-89 | 100% | 0.98 | 100% | 0.99 | 22% | 0.97 |
| 70+ | 100% | 0.97 | 100% | 1.01 | 28% | 0.94 |
| 75+ | 100% | 0.98 | 100% | 0.99 | 22% | 0.96 |
| 80+ | 100% | 1.00 | 100% | 1.01 | 15% | 1.04 |
| 85+ | 91% | 0.98 | 72% | 0.96 | 10% | 1.72 |

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Supplement to the Series 11 Group Actuarial Memorandum

March 7, 2017

| <u>Product</u> | <u>Number</u> |
|---------------------------|---------------------|
| Comprehensive Form | GRP11-341-MA-PA-601 |
| Comprehensive Certificate | GRP11-342-MA-PA-601 |

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.

The experience provided in this supplement reflects the combined experience of the policy form listed above as well as similar nationwide individual and group policy forms of the same product series. The company is making a similar request on the Series 11 and Prior Individual policy forms in a concurrent filing (SERFF tracking # MILL-130925276). Additionally, the company's affinity partner Blue Cross of Northeastern Pennsylvania (BCNEPA) is making a similar request on its individual and group business in the concurrent filings (SERFF tracking # MILL-130951717 and MILL-130951718).

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): For policies issued prior to September 16, 2002, the effective date of rate stability in Pennsylvania, the minimum loss ratio requirement is 60%, as specified in Reg. 89a.117.(b). For policies issued on or after September 16, 2002, the loss ratio requirements are specified in Reg. 89a.118.(c)(2), (i.e., the 58%/85% test). Demonstration of satisfaction of these requirements is discussed in Section 18 of the enclosed actuarial memorandum.

As of December 31, 2015, 161 of the 477 policies that are in force and subject to the requested rate increase in Pennsylvania were issued on or after September 16, 2002 (approximately 34%). However, because the company manages this block of business as a whole, this rate increase filing complies with both sets of requirements for all of the policies, regardless of issue date.

(2): Section 2 of the 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 benefit period as described in Section 17 of the enclosed actuarial memorandum. The cumulative rate increase shown in a table in Section 17 was determined to allow certification to rate stability, where applicable, and varies by benefit period to better align the rate increase with the adverse experience. The table provides the cumulative requested increase for each benefit period cohort, as well as the average cumulative prior increase and resulting current requested premium rate increase based on the nationwide distribution of combined individual and group business as of December 31, 2015. For policies with a non-lifetime benefit period, the cumulative rate increase was determined such that the business would break even going forward under moderately adverse conditions for the subset of policies with a lifetime-pay option (i.e., 0% profit margin going forward).

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Supplement to the Series 11 Group Actuarial Memorandum

March 7, 2017

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 actual and projected nationwide experience using current assumptions, as described in Section 5 of the actuarial memorandum. Included are calendar year earned premiums, incurred claims, annual loss ratios, end of year lives, and cumulative loss ratios with interest. The without interest experience underlying Attachment 1 is identical to Exhibit I 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. The interest rate used in Attachments 1 and 2 to accumulate and discount values is the maximum valuation interest rate for contract reserves applicable for the year of issue (which ranges from 3.5% to 5.5%).

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

Additionally, it is worth noting that calculating the lifetime loss ratio using written premium and paid claims for Pennsylvania-specific experience results in a loss ratio that falls below the 60% minimum required by loss ratio regulation in Pennsylvania. However, as Pennsylvania Code Section 89.a.117 requires the expected loss ratio to be calculated using "incurred claim experience and earned premiums", we understand that a revision to the requested rate increase is not necessary.

(2)(ii)(A): In Pennsylvania, a cumulative increase of 39% has been implemented on the individual and group policy forms. The department of insurance filed these increases for use on May 13, 2010.

(2)(ii)(B): Table 1a shows the original pricing commission scales by issue age and duration for lifetime-pay individual policies.

**Table 1a
Commission Percentages by Issue Age and Duration^[1]**

| Individual Policy Form | Issue Ages | Commissions by Duration | | |
|------------------------|------------|-------------------------|--------------|--------------|
| | | 1 | 2-10 | 11+ |
| LTC-LBP-2PA | <71 | 45-78 | 10-21 | 0-5 |
| LTC-LBP8-MA-PA | 71-79 | 40-68 | 8-18 | 0-5 |
| LTC-CD5-2PA | 80+ | 35-58 | 5-15 | 0-5 |
| LTC-CD8-MA-PA | | | | |
| LTC-CD9-MA-PA | All Ages | 30-50 | 5-10 | 5-10 |
| LTQ11-336-PA-998 | <75 75+ | 30-50 20-40 | 5-10 5-10 | 0-10 0-10 |
| NTQ11-337-PA-998 | | | | |
| HTQ11-338-PA-998 | | | | |
| LTQ11-336-MA-PA-998 | | | | |
| NTQ11-337-MA-PA-998 | | | | |
| HTQ11-338-MA-PA-998 | | | | |
| LTQ11-336-MA-PA-601 | | | | |
| HTQ11-338-MA-PA-601 | | | | |
| NTQ11-337-MA-PA-601 | | | | |
| FLQ11-336-PA-998 | <75 | 25-45 | 0-5 | 0-5 |
| FLQ11-336-MA-PA-601 | 75+ | 15-35 | 0-5 | 0-5 |

^[1] The maximum writing agent commissions are 50% in the first policy year and 10% for policy years two through ten.

Table 1b provides similar information for lifetime-pay group certificates by duration and whether the group was sold by a commissioned agent. The commission scale, without other sales and marketing

MEDAMERICA INSURANCE COMPANY

Address: 165 Court Street, Rochester, New York 14647

Supplement to the Series 11 Group Actuarial Memorandum

March 7, 2017

expenses, was not readily available.

Table 1b
Commission Percentages by Duration and Agent Type
Group Policy Forms: GRP11-341-MA-PA-601 and GRP11-341-PA-200

| Duration | Commissioned | Non-Commissioned |
|----------|--------------|------------------|
| 1 | 30% | 40% |
| 2+ | 7% | 0% |

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

The actual commission scales will differ slightly from those that appear in Table 1 as the company adjusts 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).

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

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

Attachment 6 to this supplement provides actual and projected experience on a durational basis using current assumptions. Included are policy year earned premiums, incurred claims, durational loss ratios, end of year lives, and cumulative loss ratios with interest. 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. Similar to Attachments 1 through 4, the values used to calculate the cumulative loss ratios are accumulated and discounted at the maximum valuation interest rate.

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

(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-a
MedAmerica and Affinity Partners
Earned Premium and Incurred Claim Experience and Projections by Calendar Year
Nationwide Experience Before Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | | |
|--|---------------|--|-----------------|---------------------|-------------------|--|
| | | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| Historical Experience | 1992 | 17,324 | 0 | 0% | 111 | 0% |
| | 1993 | 557,528 | 112,935 | 20% | 634 | 19% |
| | 1994 | 1,501,263 | 28,746 | 2% | 1,377 | 7% |
| | 1995 | 2,485,725 | 109,652 | 4% | 1,944 | 6% |
| | 1996 | 3,463,885 | 134,262 | 4% | 2,689 | 5% |
| | 1997 | 4,394,237 | 264,541 | 6% | 3,003 | 5% |
| | 1998 | 5,341,744 | 631,867 | 12% | 3,666 | 7% |
| | 1999 | 6,829,900 | 1,469,714 | 22% | 4,764 | 11% |
| | 2000 | 8,941,708 | 1,172,992 | 13% | 6,200 | 11% |
| | 2001 | 11,912,872 | 2,210,887 | 19% | 8,456 | 13% |
| | 2002 | 16,102,548 | 4,131,980 | 26% | 11,472 | 16% |
| | 2003 | 21,498,563 | 3,506,680 | 16% | 17,713 | 16% |
| | 2004 | 27,112,675 | 6,602,535 | 24% | 19,114 | 18% |
| | 2005 | 28,577,291 | 6,824,784 | 24% | 20,242 | 19% |
| | 2006 | 28,838,021 | 7,359,318 | 26% | 20,095 | 20% |
| | 2007 | 28,383,240 | 10,552,392 | 37% | 20,146 | 22% |
| | 2008 | 27,837,724 | 8,394,073 | 30% | 19,941 | 23% |
| | 2009 | 26,881,835 | 11,313,758 | 42% | 19,482 | 25% |
| | 2010 | 25,544,191 | 15,723,015 | 62% | 18,494 | 27% |
| | 2011 | 24,603,117 | 13,541,344 | 55% | 17,664 | 29% |
| 2012 | 25,248,567 | 17,141,023 | 68% | 17,596 | 31% | |
| 2013 | 24,384,255 | 14,626,127 | 60% | 17,264 | 33% | |
| 2014 | 22,506,450 | 22,967,435 | 102% | 16,809 | 36% | |
| 2015 | 21,584,067 | 20,806,755 | 96% | 16,292 | 38% | |
| Projected Future Experience (60 Years) | 2016 | 21,357,049 | 19,334,171 | 91% | 15,800 | 40% |
| | 2017 | 20,472,802 | 21,088,277 | 103% | 15,305 | 42% |
| | 2018 | 19,369,621 | 22,918,883 | 118% | 14,806 | 44% |
| | 2019 | 18,406,508 | 24,740,141 | 134% | 14,304 | 46% |
| | 2020 | 17,470,951 | 26,500,160 | 152% | 13,798 | 48% |
| | 2021 | 16,538,030 | 28,210,705 | 171% | 13,291 | 51% |
| | 2022 | 15,596,044 | 29,815,323 | 191% | 12,781 | 53% |
| | 2023 | 14,489,872 | 31,375,747 | 217% | 12,273 | 55% |
| | 2024 | 13,397,604 | 32,971,001 | 246% | 11,765 | 58% |
| | 2025 | 12,476,171 | 34,561,357 | 277% | 11,259 | 60% |
| | 2026 | 11,620,802 | 36,172,635 | 311% | 10,756 | 63% |
| | 2027 | 10,822,954 | 37,816,276 | 349% | 10,257 | 66% |
| | 2028 | 10,000,914 | 39,512,240 | 395% | 9,763 | 68% |
| | 2029 | 9,271,931 | 41,185,438 | 444% | 9,275 | 71% |
| | 2030 | 8,576,548 | 42,755,298 | 499% | 8,794 | 73% |
| | 2031 | 7,910,616 | 44,446,472 | 562% | 8,319 | 76% |
| | 2032 | 7,271,681 | 46,240,732 | 636% | 7,851 | 78% |
| | 2033 | 6,661,754 | 47,792,004 | 717% | 7,390 | 81% |
| | 2034 | 6,080,987 | 49,155,738 | 808% | 6,939 | 84% |
| | 2035 | 5,529,732 | 50,362,279 | 911% | 6,498 | 86% |
| | 2036 | 5,008,443 | 51,278,195 | 1,024% | 6,067 | 89% |
| | 2037 | 4,517,582 | 51,873,842 | 1,148% | 5,648 | 91% |
| | 2038 | 4,057,385 | 52,130,147 | 1,285% | 5,243 | 94% |
| | 2039 | 3,627,888 | 52,101,378 | 1,436% | 4,851 | 96% |
| | 2040 | 3,228,952 | 51,679,979 | 1,601% | 4,475 | 98% |
| | 2041 | 2,860,493 | 50,967,588 | 1,782% | 4,116 | 100% |
| | 2042 | 2,522,341 | 49,872,848 | 1,977% | 3,775 | 102% |
| | 2043 | 2,213,884 | 48,483,371 | 2,190% | 3,452 | 104% |
| | 2044 | 1,934,179 | 46,882,208 | 2,424% | 3,148 | 106% |
| | 2045 | 1,681,891 | 45,060,682 | 2,679% | 2,863 | 107% |
| 2046-2050 | 5,488,041 | 190,766,034 | 3,476% | 10,711 | 113% | |
| 2051-2055 | 2,424,067 | 128,724,395 | 5,310% | 6,298 | 116% | |
| 2056-2060 | 992,438 | 76,404,751 | 7,699% | 3,589 | 118% | |
| 2061-2065 | 383,592 | 41,684,985 | 10,867% | 1,948 | 119% | |
| 2066-2070 | 138,711 | 20,516,091 | 14,791% | 951 | 119% | |
| 2071-2075 | 45,729 | 8,673,354 | 18,967% | 386 | 119% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 1-b
MedAmerica and Affinity Partners
Earned Premium and Incurred Claim Experience and Projections by Calendar Year
Nationwide Experience After Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | | |
|--|---------------|--|-----------------|---------------------|-------------------|--|
| | | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| Historical Experience | 1992 | 17,324 | 0 | 0% | 111 | 0% |
| | 1993 | 557,528 | 112,935 | 20% | 634 | 19% |
| | 1994 | 1,501,263 | 28,746 | 2% | 1,377 | 7% |
| | 1995 | 2,485,725 | 109,652 | 4% | 1,944 | 6% |
| | 1996 | 3,463,885 | 134,262 | 4% | 2,689 | 5% |
| | 1997 | 4,394,237 | 264,541 | 6% | 3,003 | 5% |
| | 1998 | 5,341,744 | 631,867 | 12% | 3,666 | 7% |
| | 1999 | 6,829,900 | 1,469,714 | 22% | 4,764 | 11% |
| | 2000 | 8,941,708 | 1,172,992 | 13% | 6,200 | 11% |
| | 2001 | 11,912,872 | 2,210,887 | 19% | 8,456 | 13% |
| | 2002 | 16,102,548 | 4,131,980 | 26% | 11,472 | 16% |
| | 2003 | 21,498,563 | 3,506,680 | 16% | 17,713 | 16% |
| | 2004 | 27,112,675 | 6,602,535 | 24% | 19,114 | 18% |
| | 2005 | 28,577,291 | 6,824,784 | 24% | 20,242 | 19% |
| | 2006 | 28,838,021 | 7,359,318 | 26% | 20,095 | 20% |
| | 2007 | 28,383,240 | 10,552,392 | 37% | 20,146 | 22% |
| | 2008 | 27,837,724 | 8,394,073 | 30% | 19,941 | 23% |
| | 2009 | 26,881,835 | 11,313,758 | 42% | 19,482 | 25% |
| | 2010 | 25,544,191 | 15,723,015 | 62% | 18,494 | 27% |
| | 2011 | 24,603,117 | 13,541,344 | 55% | 17,664 | 29% |
| 2012 | 25,248,567 | 17,141,023 | 68% | 17,596 | 31% | |
| 2013 | 24,384,255 | 14,626,127 | 60% | 17,264 | 33% | |
| 2014 | 22,506,450 | 22,967,435 | 102% | 16,809 | 36% | |
| 2015 | 21,584,067 | 20,806,755 | 96% | 16,292 | 38% | |
| Projected Future Experience (60 Years) | 2016 | 21,357,049 | 19,334,171 | 91% | 15,800 | 40% |
| | 2017 | 22,583,348 | 20,688,725 | 92% | 14,753 | 42% |
| | 2018 | 31,032,913 | 20,353,300 | 66% | 13,841 | 43% |
| | 2019 | 30,913,659 | 21,517,495 | 70% | 13,368 | 44% |
| | 2020 | 29,403,820 | 22,963,832 | 78% | 12,902 | 45% |
| | 2021 | 27,844,194 | 24,394,151 | 88% | 12,434 | 46% |
| | 2022 | 26,258,749 | 25,736,673 | 98% | 11,964 | 48% |
| | 2023 | 24,378,350 | 27,045,226 | 111% | 11,495 | 49% |
| | 2024 | 22,514,244 | 28,386,826 | 126% | 11,026 | 51% |
| | 2025 | 20,961,536 | 29,732,623 | 142% | 10,558 | 52% |
| | 2026 | 19,521,016 | 31,110,143 | 159% | 10,093 | 54% |
| | 2027 | 18,184,397 | 32,524,059 | 179% | 9,631 | 55% |
| | 2028 | 16,805,411 | 33,989,625 | 202% | 9,174 | 57% |
| | 2029 | 15,582,294 | 35,449,678 | 227% | 8,722 | 59% |
| | 2030 | 14,414,799 | 36,828,290 | 255% | 8,275 | 61% |
| | 2031 | 13,296,068 | 38,320,299 | 288% | 7,835 | 63% |
| | 2032 | 12,222,121 | 39,906,539 | 327% | 7,400 | 64% |
| | 2033 | 11,196,397 | 41,294,287 | 369% | 6,971 | 66% |
| | 2034 | 10,219,348 | 42,528,304 | 416% | 6,551 | 68% |
| | 2035 | 9,291,779 | 43,632,182 | 470% | 6,139 | 70% |
| | 2036 | 8,414,582 | 44,489,420 | 529% | 5,737 | 72% |
| | 2037 | 7,588,607 | 45,072,217 | 594% | 5,346 | 74% |
| | 2038 | 6,814,260 | 45,359,929 | 666% | 4,967 | 75% |
| | 2039 | 6,091,626 | 45,399,463 | 745% | 4,600 | 77% |
| | 2040 | 5,420,469 | 45,089,432 | 832% | 4,248 | 79% |
| | 2041 | 4,800,652 | 44,530,891 | 928% | 3,910 | 80% |
| | 2042 | 4,231,786 | 43,632,878 | 1,031% | 3,590 | 82% |
| | 2043 | 3,712,865 | 42,483,318 | 1,144% | 3,286 | 83% |
| | 2044 | 3,242,305 | 41,140,419 | 1,269% | 2,999 | 84% |
| | 2045 | 2,817,854 | 39,597,301 | 1,405% | 2,730 | 85% |
| 2046-2050 | 9,173,643 | 168,070,583 | 1,832% | 10,243 | 90% | |
| 2051-2055 | 4,021,162 | 113,671,834 | 2,827% | 6,054 | 92% | |
| 2056-2060 | 1,624,306 | 67,465,499 | 4,153% | 3,467 | 94% | |
| 2061-2065 | 617,110 | 36,830,659 | 5,968% | 1,890 | 94% | |
| 2066-2070 | 219,541 | 18,132,511 | 8,259% | 925 | 94% | |
| 2071-2075 | 71,513 | 7,646,541 | 10,692% | 376 | 94% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 2-a
MedAmerica and Affinity Partners
Written Premium and Paid Claim Experience and Projections by Calendar year
Nationwide Experience Before Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | |
|--|---------------|--|-------------|------------|--|
| | | Without Interest | | | Cumulative Loss Ratio w/ Interest ^[1] |
| | | Written Premium | Paid Claims | Loss Ratio | |
| Historical Experience | 1992 | 127,778 | 0 | 0% | 0% |
| | 1993 | 820,223 | 435 | 0% | 0% |
| | 1994 | 1,860,836 | 45,498 | 2% | 2% |
| | 1995 | 2,807,659 | 63,694 | 2% | 2% |
| | 1996 | 3,906,748 | 75,596 | 2% | 2% |
| | 1997 | 4,554,590 | 67,538 | 1% | 2% |
| | 1998 | 5,682,429 | 125,276 | 2% | 2% |
| | 1999 | 7,358,841 | 465,964 | 6% | 3% |
| | 2000 | 9,566,086 | 970,921 | 10% | 5% |
| | 2001 | 12,773,231 | 1,121,497 | 9% | 6% |
| | 2002 | 17,229,046 | 1,445,750 | 8% | 6% |
| | 2003 | 23,330,280 | 2,546,158 | 11% | 7% |
| | 2004 | 27,584,148 | 3,105,399 | 11% | 8% |
| | 2005 | 28,676,089 | 4,315,104 | 15% | 9% |
| | 2006 | 28,690,868 | 5,258,176 | 18% | 11% |
| 2007 | 28,300,085 | 6,694,088 | 24% | 12% | |
| 2008 | 27,582,944 | 8,446,221 | 31% | 14% | |
| 2009 | 26,641,442 | 8,314,848 | 31% | 15% | |
| 2010 | 25,163,440 | 9,151,070 | 36% | 17% | |
| 2011 | 24,652,291 | 11,323,437 | 46% | 19% | |
| 2012 | 25,256,514 | 13,322,263 | 53% | 21% | |
| 2013 | 23,690,009 | 15,681,015 | 66% | 23% | |
| 2014 | 22,141,756 | 17,656,283 | 80% | 25% | |
| 2015 | 21,495,073 | 20,902,456 | 97% | 28% | |
| Projected Future Experience (60 Years) | 2016 | 21,155,201 | 20,292,780 | 96% | 30% |
| | 2017 | 20,147,875 | 19,708,269 | 98% | 32% |
| | 2018 | 19,098,209 | 21,910,247 | 115% | 34% |
| | 2019 | 18,154,047 | 21,547,060 | 119% | 36% |
| | 2020 | 17,220,976 | 23,470,838 | 136% | 38% |
| | 2021 | 16,293,480 | 25,278,372 | 155% | 41% |
| | 2022 | 15,340,594 | 27,005,339 | 176% | 43% |
| | 2023 | 14,148,829 | 28,731,403 | 203% | 45% |
| | 2024 | 13,158,370 | 30,480,671 | 232% | 47% |
| | 2025 | 12,248,632 | 32,253,769 | 263% | 50% |
| | 2026 | 11,420,361 | 34,015,481 | 298% | 52% |
| | 2027 | 10,587,452 | 35,779,326 | 338% | 55% |
| | 2028 | 9,816,134 | 37,556,642 | 383% | 57% |
| | 2029 | 9,097,277 | 39,344,164 | 432% | 60% |
| | 2030 | 8,411,694 | 41,120,033 | 489% | 62% |
| | 2031 | 7,754,022 | 42,907,016 | 553% | 65% |
| | 2032 | 7,123,450 | 44,730,701 | 628% | 67% |
| | 2033 | 6,521,907 | 46,542,563 | 714% | 70% |
| | 2034 | 5,949,504 | 48,291,258 | 812% | 72% |
| | 2035 | 5,406,552 | 49,947,090 | 924% | 75% |
| 2036 | 4,893,659 | 51,463,649 | 1,052% | 77% | |
| 2037 | 4,411,092 | 52,791,481 | 1,197% | 80% | |
| 2038 | 3,959,161 | 53,886,336 | 1,361% | 82% | |
| 2039 | 3,537,720 | 54,724,361 | 1,547% | 85% | |
| 2040 | 3,146,558 | 55,268,479 | 1,756% | 87% | |
| 2041 | 2,785,834 | 55,501,979 | 1,992% | 89% | |
| 2042 | 2,455,027 | 55,402,386 | 2,257% | 91% | |
| 2043 | 2,153,667 | 54,966,298 | 2,552% | 93% | |
| 2044 | 1,880,574 | 54,210,818 | 2,883% | 95% | |
| 2045 | 1,634,492 | 53,154,529 | 3,252% | 97% | |
| 2046-2050 | 5,327,580 | 240,332,585 | 4,511% | 105% | |
| 2051-2055 | 2,350,461 | 181,836,188 | 7,736% | 109% | |
| 2056-2060 | 962,321 | 120,035,154 | 12,474% | 112% | |
| 2061-2065 | 372,427 | 71,164,750 | 19,108% | 113% | |
| 2066-2070 | 135,019 | 38,470,201 | 28,492% | 113% | |
| 2071-2075 | 44,693 | 18,632,214 | 41,689% | 114% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 2-b
MedAmerica and Affinity Partners
Written Premium and Paid Claim Experience and Projections by Calendar year
Nationwide Experience After Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | |
|--|---------------|--|-------------|------------|--|
| | | Without Interest | | | Cumulative Loss Ratio w/ Interest ^[1] |
| | | Written Premium | Paid Claims | Loss Ratio | |
| Historical Experience | 1992 | 127,778 | 0 | 0% | 0% |
| | 1993 | 820,223 | 435 | 0% | 0% |
| | 1994 | 1,860,836 | 45,498 | 2% | 2% |
| | 1995 | 2,807,659 | 63,694 | 2% | 2% |
| | 1996 | 3,906,748 | 75,596 | 2% | 2% |
| | 1997 | 4,554,590 | 67,538 | 1% | 2% |
| | 1998 | 5,682,429 | 125,276 | 2% | 2% |
| | 1999 | 7,358,841 | 465,964 | 6% | 3% |
| | 2000 | 9,566,086 | 970,921 | 10% | 5% |
| | 2001 | 12,773,231 | 1,121,497 | 9% | 6% |
| | 2002 | 17,229,046 | 1,445,750 | 8% | 6% |
| | 2003 | 23,330,280 | 2,546,158 | 11% | 7% |
| | 2004 | 27,584,148 | 3,105,399 | 11% | 8% |
| | 2005 | 28,676,089 | 4,315,104 | 15% | 9% |
| | 2006 | 28,690,868 | 5,258,176 | 18% | 11% |
| 2007 | 28,300,085 | 6,694,088 | 24% | 12% | |
| 2008 | 27,582,944 | 8,446,221 | 31% | 14% | |
| 2009 | 26,641,442 | 8,314,848 | 31% | 15% | |
| 2010 | 25,163,440 | 9,151,070 | 36% | 17% | |
| 2011 | 24,652,291 | 11,323,437 | 46% | 19% | |
| 2012 | 25,256,514 | 13,322,263 | 53% | 21% | |
| 2013 | 23,690,009 | 15,681,015 | 66% | 23% | |
| 2014 | 22,141,756 | 17,656,283 | 80% | 25% | |
| 2015 | 21,495,073 | 20,902,456 | 97% | 28% | |
| Projected Future Experience (60 Years) | 2016 | 21,156,701 | 20,292,780 | 96% | 30% |
| | 2017 | 24,740,035 | 19,622,430 | 79% | 32% |
| | 2018 | 31,488,422 | 21,268,076 | 68% | 33% |
| | 2019 | 30,525,496 | 20,321,716 | 67% | 35% |
| | 2020 | 28,984,782 | 21,632,029 | 75% | 36% |
| | 2021 | 27,432,861 | 22,883,767 | 83% | 37% |
| | 2022 | 25,826,226 | 24,107,665 | 93% | 39% |
| | 2023 | 23,791,197 | 25,377,947 | 107% | 40% |
| | 2024 | 22,106,766 | 26,714,353 | 121% | 42% |
| | 2025 | 20,575,367 | 28,112,907 | 137% | 43% |
| | 2026 | 19,180,114 | 29,531,748 | 154% | 45% |
| | 2027 | 17,783,719 | 30,976,449 | 174% | 47% |
| | 2028 | 16,489,904 | 32,451,643 | 197% | 49% |
| | 2029 | 15,283,416 | 33,953,327 | 222% | 50% |
| | 2030 | 14,132,123 | 35,461,051 | 251% | 52% |
| | 2031 | 13,027,070 | 36,993,132 | 284% | 54% |
| | 2032 | 11,967,034 | 38,569,868 | 322% | 56% |
| | 2033 | 10,955,305 | 40,148,414 | 366% | 57% |
| | 2034 | 9,992,355 | 41,683,795 | 417% | 59% |
| | 2035 | 9,078,837 | 43,149,083 | 475% | 61% |
| 2036 | 8,215,928 | 44,502,720 | 542% | 63% | |
| 2037 | 7,404,071 | 45,700,606 | 617% | 65% | |
| 2038 | 6,643,857 | 46,702,672 | 703% | 67% | |
| 2039 | 5,935,037 | 47,486,356 | 800% | 68% | |
| 2040 | 5,277,180 | 48,016,648 | 910% | 70% | |
| 2041 | 4,670,640 | 48,278,774 | 1,034% | 72% | |
| 2042 | 4,114,379 | 48,251,567 | 1,173% | 73% | |
| 2043 | 3,607,682 | 47,932,217 | 1,329% | 75% | |
| 2044 | 3,148,498 | 47,334,046 | 1,503% | 76% | |
| 2045 | 2,734,764 | 46,471,442 | 1,699% | 78% | |
| 2046-2050 | 8,890,808 | 210,810,359 | 2,371% | 83% | |
| 2051-2055 | 3,890,192 | 160,125,390 | 4,116% | 87% | |
| 2056-2060 | 1,570,310 | 105,876,761 | 6,742% | 89% | |
| 2061-2065 | 597,008 | 62,813,531 | 10,521% | 90% | |
| 2066-2070 | 212,916 | 33,982,244 | 15,960% | 90% | |
| 2071-2075 | 69,681 | 16,457,690 | 23,619% | 90% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 3-a
MedAmerica and BCNEPA
Earned Premium and Incurred Claim Experience and Projections by Calendar Year
Pennsylvania-Specific Experience Before Requested Rate Increase
Series 11 and Prior Policy Forms

| | | Actual or Projected Experience using Current Assumptions | | | | |
|--|---------------|---|-----------------|---------------------|-------------------|--|
| | Calendar Year | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| Historical Experience | 1992 | 17,324 | 0 | 0% | 111 | 0% |
| | 1993 | 547,119 | 112,935 | 21% | 580 | 19% |
| | 1994 | 1,334,319 | 28,746 | 2% | 1,191 | 8% |
| | 1995 | 1,802,510 | 55,039 | 3% | 1,165 | 5% |
| | 1996 | 1,608,559 | 5,871 | 0% | 1,055 | 4% |
| | 1997 | 1,439,721 | 114,890 | 8% | 953 | 5% |
| | 1998 | 1,346,982 | 235,553 | 17% | 912 | 7% |
| | 1999 | 1,286,588 | 377,829 | 29% | 872 | 9% |
| | 2000 | 1,267,352 | 481,212 | 38% | 859 | 12% |
| | 2001 | 1,235,656 | 713,556 | 58% | 897 | 16% |
| | 2002 | 1,431,991 | 745,816 | 52% | 1,036 | 19% |
| | 2003 | 1,554,702 | 464,534 | 30% | 1,078 | 20% |
| | 2004 | 1,651,973 | 958,964 | 58% | 1,139 | 23% |
| | 2005 | 1,597,640 | 656,165 | 41% | 1,089 | 24% |
| | 2006 | 1,498,556 | 747,377 | 50% | 1,021 | 26% |
| | 2007 | 1,403,185 | 934,486 | 67% | 983 | 28% |
| | 2008 | 1,324,328 | 889,567 | 67% | 906 | 29% |
| | 2009 | 1,241,706 | 771,521 | 62% | 858 | 30% |
| | 2010 | 1,132,398 | 811,757 | 72% | 720 | 32% |
| | 2011 | 1,041,534 | 1,402,724 | 135% | 664 | 34% |
| 2012 | 1,071,361 | 1,323,126 | 123% | 605 | 36% | |
| 2013 | 1,063,818 | 996,135 | 94% | 553 | 38% | |
| 2014 | 996,939 | 1,300,809 | 130% | 516 | 40% | |
| 2015 | 912,184 | 1,856,480 | 204% | 477 | 42% | |
| Projected Future Experience (60 Years) | 2016 | 843,833 | 837,699 | 99% | 450 | 43% |
| | 2017 | 788,770 | 850,533 | 108% | 424 | 44% |
| | 2018 | 736,159 | 864,544 | 117% | 399 | 45% |
| | 2019 | 686,181 | 878,491 | 128% | 376 | 46% |
| | 2020 | 639,007 | 890,011 | 139% | 353 | 47% |
| | 2021 | 592,749 | 901,156 | 152% | 331 | 47% |
| | 2022 | 546,478 | 909,792 | 166% | 311 | 48% |
| | 2023 | 498,059 | 922,086 | 185% | 292 | 49% |
| | 2024 | 432,332 | 936,016 | 217% | 274 | 50% |
| | 2025 | 363,366 | 952,921 | 262% | 256 | 51% |
| | 2026 | 332,696 | 990,320 | 298% | 240 | 51% |
| | 2027 | 302,378 | 1,030,977 | 341% | 225 | 52% |
| | 2028 | 275,106 | 1,071,505 | 389% | 210 | 53% |
| | 2029 | 251,097 | 1,114,342 | 444% | 197 | 54% |
| | 2030 | 228,674 | 1,150,960 | 503% | 183 | 55% |
| | 2031 | 207,708 | 1,180,902 | 569% | 171 | 56% |
| | 2032 | 188,034 | 1,214,780 | 646% | 159 | 57% |
| | 2033 | 169,541 | 1,250,699 | 738% | 147 | 58% |
| | 2034 | 152,197 | 1,274,288 | 837% | 136 | 58% |
| | 2035 | 135,994 | 1,295,074 | 952% | 126 | 59% |
| | 2036 | 120,911 | 1,300,176 | 1,075% | 116 | 60% |
| | 2037 | 106,918 | 1,293,790 | 1,210% | 106 | 61% |
| | 2038 | 93,988 | 1,271,015 | 1,352% | 97 | 62% |
| | 2039 | 82,122 | 1,243,402 | 1,514% | 89 | 62% |
| | 2040 | 71,315 | 1,207,867 | 1,694% | 81 | 63% |
| | 2041 | 61,553 | 1,159,643 | 1,884% | 73 | 64% |
| | 2042 | 52,802 | 1,104,790 | 2,092% | 66 | 64% |
| | 2043 | 45,007 | 1,046,361 | 2,325% | 59 | 65% |
| 2044 | 38,123 | 997,272 | 2,616% | 53 | 65% | |
| 2045 | 32,084 | 942,188 | 2,937% | 47 | 65% | |
| 2046-2050 | 94,964 | 3,819,166 | 4,022% | 165 | 67% | |
| 2051-2055 | 33,298 | 2,308,154 | 6,932% | 79 | 68% | |
| 2056-2060 | 9,534 | 1,046,818 | 10,980% | 32 | 68% | |
| 2061-2065 | 2,057 | 333,843 | 16,230% | 10 | 68% | |
| 2066-2070 | 281 | 67,763 | 24,089% | 2 | 68% | |
| 2071-2075 | 17 | 8,017 | 47,975% | 0 | 68% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 3-b
MedAmerica and BCNEPA
Earned Premium and Incurred Claim Experience and Projections by Calendar Year
Pennsylvania-Specific Experience After Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | | |
|--|---------------|--|-----------------|---------------------|-------------------|--|
| | | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| Historical Experience | 1992 | 17,324 | 0 | 0% | 111 | 0% |
| | 1993 | 547,119 | 112,935 | 21% | 580 | 19% |
| | 1994 | 1,334,319 | 28,746 | 2% | 1,191 | 8% |
| | 1995 | 1,802,510 | 55,039 | 3% | 1,165 | 5% |
| | 1996 | 1,608,559 | 5,871 | 0% | 1,055 | 4% |
| | 1997 | 1,439,721 | 114,890 | 8% | 953 | 5% |
| | 1998 | 1,346,982 | 235,553 | 17% | 912 | 7% |
| | 1999 | 1,286,588 | 377,829 | 29% | 872 | 9% |
| | 2000 | 1,267,352 | 481,212 | 38% | 859 | 12% |
| | 2001 | 1,235,656 | 713,556 | 58% | 897 | 16% |
| | 2002 | 1,431,991 | 745,816 | 52% | 1,036 | 19% |
| | 2003 | 1,554,702 | 464,534 | 30% | 1,078 | 20% |
| | 2004 | 1,651,973 | 958,964 | 58% | 1,139 | 23% |
| | 2005 | 1,597,640 | 656,165 | 41% | 1,089 | 24% |
| | 2006 | 1,498,556 | 747,377 | 50% | 1,021 | 26% |
| | 2007 | 1,403,185 | 934,486 | 67% | 983 | 28% |
| | 2008 | 1,324,328 | 889,567 | 67% | 906 | 29% |
| | 2009 | 1,241,706 | 771,521 | 62% | 858 | 30% |
| | 2010 | 1,132,398 | 811,757 | 72% | 720 | 32% |
| | 2011 | 1,041,534 | 1,402,724 | 135% | 664 | 34% |
| 2012 | 1,071,361 | 1,323,126 | 123% | 605 | 36% | |
| 2013 | 1,063,818 | 996,135 | 94% | 553 | 38% | |
| 2014 | 996,939 | 1,300,809 | 130% | 516 | 40% | |
| 2015 | 912,184 | 1,856,480 | 204% | 477 | 42% | |
| Projected Future Experience (60 Years) | 2016 | 843,833 | 837,699 | 99% | 450 | 43% |
| | 2017 | 869,698 | 833,018 | 96% | 407 | 44% |
| | 2018 | 1,109,557 | 761,527 | 69% | 371 | 44% |
| | 2019 | 1,068,173 | 759,576 | 71% | 349 | 45% |
| | 2020 | 998,318 | 767,931 | 77% | 328 | 45% |
| | 2021 | 927,688 | 775,663 | 84% | 308 | 46% |
| | 2022 | 857,314 | 781,076 | 91% | 289 | 46% |
| | 2023 | 783,109 | 789,247 | 101% | 272 | 47% |
| | 2024 | 678,956 | 798,497 | 118% | 255 | 47% |
| | 2025 | 568,694 | 809,963 | 142% | 239 | 48% |
| | 2026 | 522,590 | 838,574 | 160% | 224 | 48% |
| | 2027 | 476,533 | 869,774 | 183% | 210 | 49% |
| | 2028 | 435,125 | 900,532 | 207% | 197 | 50% |
| | 2029 | 398,776 | 932,806 | 234% | 184 | 50% |
| | 2030 | 364,677 | 959,831 | 263% | 172 | 51% |
| | 2031 | 332,637 | 981,879 | 295% | 160 | 51% |
| | 2032 | 302,406 | 1,007,049 | 333% | 149 | 52% |
| | 2033 | 273,820 | 1,033,142 | 377% | 139 | 53% |
| | 2034 | 246,845 | 1,050,230 | 425% | 128 | 53% |
| | 2035 | 221,477 | 1,065,621 | 481% | 119 | 54% |
| | 2036 | 197,701 | 1,069,300 | 541% | 109 | 55% |
| | 2037 | 175,478 | 1,064,680 | 607% | 101 | 55% |
| | 2038 | 154,793 | 1,047,628 | 677% | 92 | 56% |
| | 2039 | 135,669 | 1,026,941 | 757% | 84 | 56% |
| | 2040 | 118,129 | 1,000,389 | 847% | 77 | 57% |
| | 2041 | 102,179 | 963,833 | 943% | 69 | 57% |
| | 2042 | 87,791 | 922,794 | 1,051% | 63 | 58% |
| 2043 | 74,899 | 879,251 | 1,174% | 57 | 58% | |
| 2044 | 63,458 | 843,263 | 1,329% | 51 | 58% | |
| 2045 | 53,379 | 802,005 | 1,502% | 45 | 59% | |
| 2046-2050 | 157,120 | 3,308,978 | 2,106% | 159 | 60% | |
| 2051-2055 | 53,980 | 2,035,401 | 3,771% | 77 | 61% | |
| 2056-2060 | 15,049 | 933,557 | 6,203% | 31 | 61% | |
| 2061-2065 | 3,178 | 302,393 | 9,516% | 10 | 61% | |
| 2066-2070 | 429 | 62,755 | 14,645% | 2 | 61% | |
| 2071-2075 | 24 | 7,800 | 33,109% | 0 | 61% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 4-a
MedAmerica and BCNEPA
Written Premium and Paid Claim Experience and Projections by Calendar year
Pennsylvania-Specific Experience Before Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | |
|--|---------------|--|-------------|------------|--|
| | | Without Interest | | | Cumulative Loss Ratio w/ Interest ^[1] |
| | | Written Premium | Paid Claims | Loss Ratio | |
| Historical Experience | 1992 | 127,778 | 0 | 0% | 0% |
| | 1993 | 771,602 | 435 | 0% | 0% |
| | 1994 | 1,647,609 | 45,498 | 3% | 2% |
| | 1995 | 1,721,848 | 63,694 | 4% | 3% |
| | 1996 | 1,554,555 | 57,268 | 4% | 3% |
| | 1997 | 1,395,031 | 34,233 | 2% | 3% |
| | 1998 | 1,334,225 | 1,801 | 0% | 2% |
| | 1999 | 1,284,381 | 169,733 | 13% | 4% |
| | 2000 | 1,267,453 | 413,900 | 33% | 6% |
| | 2001 | 1,241,128 | 488,498 | 39% | 9% |
| | 2002 | 1,491,230 | 609,346 | 41% | 12% |
| | 2003 | 1,584,510 | 748,375 | 47% | 15% |
| | 2004 | 1,622,474 | 647,095 | 40% | 17% |
| | 2005 | 1,563,379 | 660,435 | 42% | 18% |
| | 2006 | 1,461,251 | 842,743 | 58% | 20% |
| 2007 | 1,384,005 | 909,721 | 66% | 22% | |
| 2008 | 1,305,641 | 953,070 | 73% | 24% | |
| 2009 | 1,225,623 | 769,442 | 63% | 26% | |
| 2010 | 1,088,659 | 781,353 | 72% | 27% | |
| 2011 | 1,044,006 | 922,011 | 88% | 28% | |
| 2012 | 1,065,668 | 1,110,217 | 104% | 30% | |
| 2013 | 1,051,905 | 1,452,492 | 138% | 33% | |
| 2014 | 970,770 | 1,354,569 | 140% | 35% | |
| 2015 | 884,570 | 1,342,599 | 152% | 36% | |
| Projected Future Experience (60 Years) | 2016 | 823,673 | 953,861 | 116% | 38% |
| | 2017 | 769,615 | 897,485 | 117% | 39% |
| | 2018 | 718,093 | 958,472 | 133% | 40% |
| | 2019 | 669,243 | 899,585 | 134% | 41% |
| | 2020 | 623,220 | 930,825 | 149% | 41% |
| | 2021 | 576,596 | 950,145 | 165% | 42% |
| | 2022 | 526,381 | 961,898 | 183% | 43% |
| | 2023 | 484,398 | 972,646 | 201% | 44% |
| | 2024 | 413,849 | 984,943 | 238% | 45% |
| | 2025 | 352,191 | 999,547 | 284% | 46% |
| | 2026 | 323,193 | 1,017,856 | 315% | 47% |
| | 2027 | 292,762 | 1,041,224 | 356% | 48% |
| | 2028 | 266,991 | 1,068,974 | 400% | 49% |
| | 2029 | 243,557 | 1,100,597 | 452% | 49% |
| | 2030 | 221,674 | 1,134,530 | 512% | 50% |
| | 2031 | 201,166 | 1,169,002 | 581% | 51% |
| | 2032 | 181,888 | 1,204,108 | 662% | 52% |
| | 2033 | 163,785 | 1,240,034 | 757% | 53% |
| | 2034 | 146,810 | 1,274,484 | 868% | 54% |
| | 2035 | 130,980 | 1,306,592 | 998% | 55% |
| 2036 | 116,260 | 1,333,988 | 1,147% | 55% | |
| 2037 | 102,606 | 1,354,874 | 1,320% | 56% | |
| 2038 | 90,025 | 1,366,798 | 1,518% | 57% | |
| 2039 | 78,501 | 1,369,351 | 1,744% | 58% | |
| 2040 | 68,032 | 1,362,562 | 2,003% | 58% | |
| 2041 | 58,609 | 1,345,800 | 2,296% | 59% | |
| 2042 | 50,170 | 1,319,150 | 2,629% | 60% | |
| 2043 | 42,682 | 1,283,625 | 3,007% | 60% | |
| 2044 | 36,083 | 1,242,698 | 3,444% | 61% | |
| 2045 | 30,305 | 1,196,986 | 3,950% | 61% | |
| 2046-2050 | 89,211 | 5,159,449 | 5,783% | 63% | |
| 2051-2055 | 30,964 | 3,573,337 | 11,540% | 65% | |
| 2056-2060 | 8,806 | 2,027,424 | 23,024% | 65% | |
| 2061-2065 | 1,887 | 896,357 | 47,489% | 65% | |
| 2066-2070 | 255 | 300,033 | 117,822% | 65% | |
| 2071-2075 | 16 | 74,645 | 458,399% | 65% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 4-b
MedAmerica and BCNEPA
Written Premium and Paid Claim Experience and Projections by Calendar year
Pennsylvania-Specific Experience After Requested Rate Increase
Series 11 and Prior Policy Forms

| | Calendar Year | Actual or Projected Experience using Current Assumptions | | | |
|-----------------------|--|--|-------------|------------|--|
| | | Without Interest | | | Cumulative Loss Ratio w/ Interest ^[1] |
| | | Written Premium | Paid Claims | Loss Ratio | |
| Historical Experience | 1992 | 127,778 | 0 | 0% | 0% |
| | 1993 | 771,602 | 435 | 0% | 0% |
| | 1994 | 1,647,609 | 45,498 | 3% | 2% |
| | 1995 | 1,721,848 | 63,694 | 4% | 3% |
| | 1996 | 1,554,555 | 57,268 | 4% | 3% |
| | 1997 | 1,395,031 | 34,233 | 2% | 3% |
| | 1998 | 1,334,225 | 1,801 | 0% | 2% |
| | 1999 | 1,284,381 | 169,733 | 13% | 4% |
| | 2000 | 1,267,453 | 413,900 | 33% | 6% |
| | 2001 | 1,241,128 | 488,498 | 39% | 9% |
| | 2002 | 1,491,230 | 609,346 | 41% | 12% |
| | 2003 | 1,584,510 | 748,375 | 47% | 15% |
| | 2004 | 1,622,474 | 647,095 | 40% | 17% |
| | 2005 | 1,563,379 | 660,435 | 42% | 18% |
| | Projected Future Experience (60 Years) | 2006 | 1,461,251 | 842,743 | 58% |
| 2007 | | 1,384,005 | 909,721 | 66% | 22% |
| 2008 | | 1,305,641 | 953,070 | 73% | 24% |
| 2009 | | 1,225,623 | 769,442 | 63% | 26% |
| 2010 | | 1,088,659 | 781,353 | 72% | 27% |
| 2011 | | 1,044,006 | 922,011 | 88% | 28% |
| 2012 | | 1,065,668 | 1,110,217 | 104% | 30% |
| 2013 | | 1,051,905 | 1,452,492 | 138% | 33% |
| 2014 | | 970,770 | 1,354,569 | 140% | 35% |
| 2015 | | 884,570 | 1,342,599 | 152% | 36% |
| 2016 | | 823,791 | 953,861 | 116% | 38% |
| 2017 | | 958,775 | 893,767 | 93% | 38% |
| 2018 | | 1,108,669 | 932,027 | 84% | 39% |
| 2019 | | 1,043,105 | 851,499 | 82% | 40% |
| 2020 | | 974,900 | 862,004 | 88% | 40% |
| 2021 | 903,335 | 864,314 | 96% | 41% | |
| 2022 | 826,010 | 862,095 | 104% | 42% | |
| 2023 | 762,416 | 861,126 | 113% | 42% | |
| 2024 | 649,864 | 863,432 | 133% | 43% | |
| 2025 | 551,731 | 869,311 | 158% | 44% | |
| 2026 | 508,243 | 879,225 | 173% | 44% | |
| 2027 | 461,803 | 894,006 | 194% | 45% | |
| 2028 | 422,758 | 912,812 | 216% | 46% | |
| 2029 | 387,221 | 935,055 | 241% | 46% | |
| 2030 | 353,881 | 959,334 | 271% | 47% | |
| 2031 | 322,477 | 984,244 | 305% | 47% | |
| 2032 | 292,785 | 1,009,836 | 345% | 48% | |
| 2033 | 264,747 | 1,036,080 | 391% | 49% | |
| 2034 | 238,278 | 1,061,242 | 445% | 49% | |
| 2035 | 213,439 | 1,084,739 | 508% | 50% | |
| 2036 | 190,174 | 1,104,810 | 581% | 51% | |
| 2037 | 168,435 | 1,120,172 | 665% | 51% | |
| 2038 | 148,262 | 1,128,934 | 761% | 52% | |
| 2039 | 129,648 | 1,130,686 | 872% | 52% | |
| 2040 | 112,620 | 1,125,469 | 999% | 53% | |
| 2041 | 97,193 | 1,112,737 | 1,145% | 54% | |
| 2042 | 83,295 | 1,092,583 | 1,312% | 54% | |
| 2043 | 70,895 | 1,065,806 | 1,503% | 54% | |
| 2044 | 59,914 | 1,035,156 | 1,728% | 55% | |
| 2045 | 50,267 | 1,000,936 | 1,991% | 55% | |
| 2046-2050 | 146,908 | 4,373,833 | 2,977% | 57% | |
| 2051-2055 | 49,779 | 3,094,328 | 6,216% | 58% | |
| 2056-2060 | 13,733 | 1,780,149 | 12,963% | 58% | |
| 2061-2065 | 2,869 | 795,450 | 27,726% | 58% | |
| 2066-2070 | 379 | 268,913 | 70,921% | 58% | |
| 2071-2075 | 23 | 67,617 | 294,541% | 58% | |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 5
MedAmerica and Affinity Partners
Breakdown of Historical Incurred Claims and Reserve Balances at December 31, 2015
Series 11 and Prior Policy Forms

Nationwide Experience

| Incurred Year | Discounted to the Year of Incurral | | | | | Year-End Active Life Reserve ^[3] |
|---------------|------------------------------------|-------------|-----------------------|--------------|------------------------------------|---|
| | Incurred Claims ^[1] | Paid Claims | Disabled Life Reserve | IBNR Reserve | Total Claim Reserve ^[2] | |
| 1992 | 0 | 0 | 0 | | 0 | |
| 1993 | 112,935 | 112,935 | 0 | | 0 | |
| 1994 | 28,746 | 28,746 | 0 | | 0 | |
| 1995 | 109,652 | 109,652 | 0 | | 0 | |
| 1996 | 134,262 | 134,262 | 0 | | 0 | |
| 1997 | 264,541 | 264,541 | 0 | | 0 | |
| 1998 | 631,867 | 631,867 | 0 | | 0 | |
| 1999 | 1,469,714 | 1,469,714 | 0 | | 0 | |
| 2000 | 1,172,992 | 1,172,992 | 0 | | 0 | |
| 2001 | 2,210,887 | 2,210,887 | 0 | | 0 | |
| 2002 | 4,131,980 | 3,969,608 | 162,373 | | 162,373 | |
| 2003 | 3,506,680 | 3,410,832 | 95,848 | | 95,848 | |
| 2004 | 6,602,535 | 6,338,845 | 263,690 | | 263,690 | |
| 2005 | 6,824,784 | 6,608,736 | 216,048 | | 216,048 | |
| 2006 | 7,359,318 | 7,123,498 | 235,820 | | 235,820 | |
| 2007 | 10,552,392 | 10,302,510 | 249,882 | | 249,882 | |
| 2008 | 8,394,073 | 7,853,745 | 540,328 | | 540,328 | |
| 2009 | 11,313,758 | 10,270,931 | 1,042,827 | | 1,042,827 | |
| 2010 | 15,723,015 | 13,340,663 | 2,382,352 | | 2,382,352 | |
| 2011 | 13,541,344 | 11,693,315 | 1,848,029 | | 1,848,029 | |
| 2012 | 17,141,023 | 11,983,432 | 5,157,592 | | 5,157,592 | |
| 2013 | 14,626,127 | 9,305,173 | 5,320,953 | | 5,320,953 | |
| 2014 | 22,967,435 | 8,862,880 | 14,104,555 | | 14,104,555 | |
| 2015 | 20,806,755 | 2,005,949 | 14,959,761 | 3,841,045 | 18,800,806 | 329,207,078 |

Pennsylvania-Specific Experience

| Incurred Year | Discounted to the Year of Incurral | | | | | Year-End Active Life Reserve ^[3] |
|---------------|------------------------------------|-------------|-----------------------|--------------|------------------------------------|---|
| | Incurred Claims ^[1] | Paid Claims | Disabled Life Reserve | IBNR Reserve | Total Claim Reserve ^[2] | |
| 1992 | 0 | 0 | 0 | | 0 | |
| 1993 | 112,935 | 112,935 | 0 | | 0 | |
| 1994 | 28,746 | 28,746 | 0 | | 0 | |
| 1995 | 55,039 | 55,039 | 0 | | 0 | |
| 1996 | 5,871 | 5,871 | 0 | | 0 | |
| 1997 | 114,890 | 114,890 | 0 | | 0 | |
| 1998 | 235,553 | 235,553 | 0 | | 0 | |
| 1999 | 377,829 | 377,829 | 0 | | 0 | |
| 2000 | 481,212 | 481,212 | 0 | | 0 | |
| 2001 | 713,556 | 713,556 | 0 | | 0 | |
| 2002 | 745,816 | 745,816 | 0 | | 0 | |
| 2003 | 464,534 | 464,534 | 0 | | 0 | |
| 2004 | 958,964 | 958,964 | 0 | | 0 | |
| 2005 | 656,165 | 656,165 | 0 | | 0 | |
| 2006 | 747,377 | 747,377 | 0 | | 0 | |
| 2007 | 934,486 | 934,486 | 0 | | 0 | |
| 2008 | 889,567 | 784,542 | 105,025 | | 105,025 | |
| 2009 | 771,521 | 771,521 | 0 | | 0 | |
| 2010 | 811,757 | 811,757 | 0 | | 0 | |
| 2011 | 1,402,724 | 1,331,010 | 71,715 | | 71,715 | |
| 2012 | 1,323,126 | 1,261,051 | 62,075 | | 62,075 | |
| 2013 | 996,135 | 936,730 | 59,406 | | 59,406 | |
| 2014 | 1,300,809 | 655,297 | 645,511 | | 645,511 | |
| 2015 | 1,856,480 | 240,980 | 1,445,243 | 170,257 | 1,615,500 | 7,525,018 |

[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-a
MedAmerica and Affinity Partners
Nationwide Experience and Projections by Policy Year - Before Requested Rate Increase
Series 11 and Prior Policy Forms

| Policy Year | Actual and Projected Experience using Current Assumptions | | | | |
|--------------|---|----------------------|---------------------|-------------------|--|
| | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| 1 | 39,714,300 | 1,873,040 | 5% | 26,100 | 5% |
| 2 | 36,465,689 | 1,674,359 | 5% | 24,605 | 5% |
| 3 | 34,723,527 | 3,372,217 | 10% | 23,556 | 6% |
| 4 | 33,359,938 | 7,843,770 | 24% | 22,604 | 10% |
| 5 | 32,386,798 | 6,097,120 | 19% | 21,977 | 11% |
| 6 | 31,503,775 | 9,122,213 | 29% | 21,378 | 14% |
| 7 | 30,769,063 | 9,449,497 | 31% | 20,774 | 16% |
| 8 | 30,167,988 | 14,389,062 | 48% | 20,095 | 19% |
| 9 | 29,723,101 | 15,220,149 | 51% | 19,437 | 21% |
| 10 | 29,979,620 | 14,218,055 | 47% | 18,866 | 23% |
| 11 | 23,047,474 | 15,433,463 | 67% | 18,273 | 26% |
| 12 | 22,606,311 | 17,595,144 | 78% | 17,732 | 28% |
| 13 | 22,107,261 | 19,781,631 | 89% | 17,179 | 31% |
| 14 | 21,584,367 | 20,138,316 | 93% | 16,583 | 33% |
| 15 | 20,912,331 | 21,475,369 | 103% | 16,023 | 35% |
| 16 | 20,130,535 | 22,729,779 | 113% | 15,445 | 38% |
| 17 | 19,220,178 | 25,824,388 | 134% | 14,882 | 40% |
| 18 | 18,306,177 | 28,794,038 | 157% | 14,317 | 43% |
| 19 | 17,363,971 | 29,700,038 | 171% | 13,741 | 46% |
| 20 | 16,431,983 | 31,878,537 | 194% | 13,208 | 49% |
| 21 | 14,682,745 | 33,511,685 | 228% | 12,649 | 51% |
| 22 | 13,724,956 | 35,061,524 | 255% | 12,091 | 54% |
| 23 | 12,794,911 | 37,049,001 | 290% | 11,534 | 57% |
| 24 | 11,888,585 | 39,248,931 | 330% | 10,979 | 60% |
| 25 | 11,007,873 | 41,514,685 | 377% | 10,426 | 63% |
| 26 | 10,155,885 | 43,723,582 | 431% | 9,876 | 66% |
| 27 | 9,335,676 | 45,923,757 | 492% | 9,333 | 69% |
| 28 | 8,549,020 | 48,038,657 | 562% | 8,796 | 73% |
| 29 | 7,797,993 | 49,925,122 | 640% | 8,268 | 76% |
| 30 | 7,084,480 | 51,545,113 | 728% | 7,751 | 79% |
| 31 | 6,409,719 | 52,962,096 | 826% | 7,246 | 82% |
| 32 | 5,773,638 | 54,136,549 | 938% | 6,754 | 85% |
| 33 | 5,175,768 | 55,024,261 | 1,063% | 6,275 | 88% |
| 34 | 4,617,361 | 55,661,679 | 1,205% | 5,812 | 91% |
| 35 | 4,099,209 | 55,854,923 | 1,363% | 5,367 | 94% |
| 36 | 3,621,082 | 55,603,493 | 1,536% | 4,939 | 97% |
| 37 | 3,182,209 | 54,956,704 | 1,727% | 4,531 | 99% |
| 38 | 2,781,809 | 53,960,002 | 1,940% | 4,144 | 102% |
| 39 | 2,419,447 | 52,654,011 | 2,176% | 3,778 | 104% |
| 40 | 2,093,945 | 51,047,843 | 2,438% | 3,435 | 106% |
| 41 | 1,803,259 | 49,107,016 | 2,723% | 3,114 | 108% |
| 42 | 1,545,289 | 46,935,557 | 3,037% | 2,815 | 110% |
| 43 | 1,317,766 | 44,606,890 | 3,385% | 2,538 | 112% |
| 44 | 1,118,575 | 42,086,232 | 3,762% | 2,283 | 113% |
| 45 | 945,434 | 39,427,780 | 4,170% | 2,050 | 114% |
| 46 | 795,765 | 36,668,409 | 4,608% | 1,836 | 116% |
| 47 | 667,097 | 33,902,782 | 5,082% | 1,642 | 117% |
| 48 | 557,217 | 31,206,626 | 5,600% | 1,465 | 118% |
| 49 | 463,914 | 28,601,955 | 6,165% | 1,305 | 119% |
| 50 | 385,063 | 26,096,744 | 6,777% | 1,161 | 119% |
| 51-55 | 1,120,518 | 95,817,456 | 8,551% | 4,102 | 122% |
| 56-60 | 406,922 | 51,617,565 | 12,685% | 2,162 | 123% |
| 61-65 | 135,121 | 24,302,728 | 17,986% | 1,034 | 123% |
| 66-70 | 39,677 | 9,625,261 | 24,259% | 409 | 123% |
| Total | 689,002,314 | 1,844,016,804 | 268% | 558,674 | 123% |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 6-b
MedAmerica and Affinity Partners
Nationwide Experience and Projections by Policy Year - After Requested Rate Increase
Series 11 and Prior Policy Forms

| Policy Year | Actual and Projected Experience using Current Assumptions | | | | |
|--------------|---|----------------------|---------------------|-------------------|--|
| | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| 1 | 39,714,300 | 1,873,040 | 5% | 26,100 | 5% |
| 2 | 36,470,673 | 1,674,279 | 5% | 24,603 | 5% |
| 3 | 34,757,162 | 3,371,725 | 10% | 23,550 | 6% |
| 4 | 33,465,352 | 7,842,011 | 23% | 22,589 | 10% |
| 5 | 32,597,337 | 6,093,094 | 19% | 21,950 | 11% |
| 6 | 31,878,403 | 9,114,060 | 29% | 21,337 | 14% |
| 7 | 31,331,755 | 9,435,122 | 30% | 20,716 | 16% |
| 8 | 30,847,431 | 14,368,421 | 47% | 20,033 | 19% |
| 9 | 30,529,442 | 15,191,748 | 50% | 19,370 | 21% |
| 10 | 30,976,543 | 14,177,633 | 46% | 18,790 | 23% |
| 11 | 24,289,123 | 15,373,636 | 63% | 18,183 | 25% |
| 12 | 24,190,936 | 17,501,980 | 72% | 17,606 | 28% |
| 13 | 24,359,889 | 19,618,550 | 81% | 16,994 | 30% |
| 14 | 25,092,036 | 19,794,062 | 79% | 16,212 | 32% |
| 15 | 26,868,023 | 20,694,703 | 77% | 15,468 | 34% |
| 16 | 28,040,458 | 21,429,413 | 76% | 14,777 | 36% |
| 17 | 28,567,289 | 23,880,379 | 84% | 14,124 | 37% |
| 18 | 28,414,382 | 26,181,891 | 92% | 13,528 | 39% |
| 19 | 27,645,661 | 26,519,377 | 96% | 12,949 | 41% |
| 20 | 26,619,543 | 28,171,144 | 106% | 12,424 | 43% |
| 21 | 23,992,098 | 29,265,056 | 122% | 11,880 | 45% |
| 22 | 22,640,893 | 30,375,671 | 134% | 11,352 | 47% |
| 23 | 21,207,093 | 31,994,453 | 151% | 10,828 | 49% |
| 24 | 19,817,038 | 33,793,660 | 171% | 10,305 | 51% |
| 25 | 18,425,618 | 35,678,374 | 194% | 9,788 | 53% |
| 26 | 17,034,109 | 37,554,281 | 220% | 9,278 | 55% |
| 27 | 15,669,320 | 39,451,165 | 252% | 8,774 | 57% |
| 28 | 14,356,637 | 41,285,229 | 288% | 8,277 | 59% |
| 29 | 13,101,970 | 42,932,829 | 328% | 7,787 | 61% |
| 30 | 11,908,669 | 44,366,953 | 373% | 7,306 | 64% |
| 31 | 10,778,907 | 45,639,678 | 423% | 6,837 | 66% |
| 32 | 9,712,892 | 46,714,483 | 481% | 6,379 | 68% |
| 33 | 8,710,117 | 47,548,592 | 546% | 5,932 | 70% |
| 34 | 7,772,923 | 48,170,839 | 620% | 5,501 | 72% |
| 35 | 6,902,722 | 48,408,027 | 701% | 5,084 | 74% |
| 36 | 6,099,279 | 48,268,157 | 791% | 4,684 | 76% |
| 37 | 5,361,365 | 47,785,313 | 891% | 4,302 | 78% |
| 38 | 4,687,672 | 47,002,885 | 1,003% | 3,938 | 80% |
| 39 | 4,077,571 | 45,949,670 | 1,127% | 3,595 | 82% |
| 40 | 3,529,190 | 44,633,478 | 1,265% | 3,272 | 83% |
| 41 | 3,039,088 | 43,019,463 | 1,416% | 2,969 | 85% |
| 42 | 2,603,882 | 41,194,485 | 1,582% | 2,688 | 86% |
| 43 | 2,219,792 | 39,223,043 | 1,767% | 2,426 | 87% |
| 44 | 1,883,295 | 37,074,523 | 1,969% | 2,185 | 88% |
| 45 | 1,590,661 | 34,789,740 | 2,187% | 1,964 | 89% |
| 46 | 1,337,586 | 32,408,692 | 2,423% | 1,761 | 90% |
| 47 | 1,119,989 | 30,008,983 | 2,679% | 1,576 | 91% |
| 48 | 934,205 | 27,657,474 | 2,961% | 1,408 | 92% |
| 49 | 776,527 | 25,373,562 | 3,268% | 1,256 | 93% |
| 50 | 643,343 | 23,169,907 | 3,601% | 1,118 | 93% |
| 51-55 | 1,860,872 | 85,178,753 | 4,577% | 3,963 | 95% |
| 56-60 | 667,032 | 45,867,231 | 6,876% | 2,100 | 96% |
| 61-65 | 218,766 | 21,599,460 | 9,873% | 1,009 | 96% |
| 66-70 | 63,635 | 8,548,660 | 13,434% | 400 | 96% |
| Total | 861,400,493 | 1,634,239,042 | 190% | 543,227 | 96% |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 7-a
MedAmerica and BCNEPA
Pennsylvania-Specific Experience and Projections by Policy Year - Before Requested Rate Increase
Series 11 and Prior Policy Forms

| Policy Year | Actual and Projected Experience using Current Assumptions | | | | |
|--------------|---|-------------------|---------------------|-------------------|--|
| | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| 1 | 3,432,705 | 141,681 | 4% | 1,862 | 4% |
| 2 | 2,690,018 | 35,491 | 1% | 1,638 | 3% |
| 3 | 2,388,162 | 71,375 | 3% | 1,512 | 3% |
| 4 | 2,220,471 | 148,292 | 7% | 1,423 | 4% |
| 5 | 2,098,827 | 295,852 | 14% | 1,347 | 5% |
| 6 | 2,002,461 | 849,104 | 42% | 1,293 | 10% |
| 7 | 1,895,506 | 1,003,609 | 53% | 1,228 | 14% |
| 8 | 1,785,397 | 1,024,653 | 57% | 1,159 | 17% |
| 9 | 1,694,438 | 814,667 | 48% | 1,084 | 19% |
| 10 | 1,602,874 | 895,913 | 56% | 1,015 | 22% |
| 11 | 1,491,744 | 778,479 | 52% | 947 | 23% |
| 12 | 1,406,779 | 1,700,582 | 121% | 878 | 27% |
| 13 | 1,315,969 | 1,142,603 | 87% | 832 | 29% |
| 14 | 1,249,918 | 991,183 | 79% | 782 | 31% |
| 15 | 1,179,099 | 1,540,711 | 131% | 734 | 34% |
| 16 | 1,092,508 | 1,202,064 | 110% | 672 | 36% |
| 17 | 1,003,139 | 1,016,090 | 101% | 604 | 37% |
| 18 | 926,994 | 1,894,934 | 204% | 539 | 40% |
| 19 | 871,598 | 1,507,254 | 173% | 498 | 42% |
| 20 | 820,540 | 1,557,366 | 190% | 461 | 44% |
| 21 | 667,908 | 1,419,467 | 213% | 420 | 46% |
| 22 | 595,462 | 1,111,861 | 187% | 385 | 47% |
| 23 | 535,737 | 1,178,621 | 220% | 355 | 49% |
| 24 | 482,464 | 1,206,347 | 250% | 328 | 50% |
| 25 | 434,046 | 1,235,527 | 285% | 303 | 51% |
| 26 | 389,171 | 1,260,609 | 324% | 278 | 53% |
| 27 | 347,932 | 1,284,785 | 369% | 256 | 54% |
| 28 | 310,249 | 1,299,604 | 419% | 234 | 55% |
| 29 | 275,993 | 1,317,005 | 477% | 214 | 57% |
| 30 | 244,963 | 1,332,990 | 544% | 196 | 58% |
| 31 | 216,869 | 1,340,935 | 618% | 178 | 59% |
| 32 | 191,454 | 1,345,868 | 703% | 162 | 60% |
| 33 | 168,520 | 1,364,575 | 810% | 147 | 62% |
| 34 | 147,874 | 1,374,668 | 930% | 133 | 63% |
| 35 | 129,334 | 1,369,786 | 1,059% | 121 | 64% |
| 36 | 112,694 | 1,359,853 | 1,207% | 109 | 65% |
| 37 | 97,767 | 1,342,547 | 1,373% | 98 | 66% |
| 38 | 84,401 | 1,308,465 | 1,550% | 88 | 67% |
| 39 | 72,484 | 1,273,639 | 1,757% | 78 | 67% |
| 40 | 61,900 | 1,227,113 | 1,982% | 70 | 68% |
| 41 | 52,552 | 1,181,189 | 2,248% | 62 | 69% |
| 42 | 44,325 | 1,125,080 | 2,538% | 55 | 70% |
| 43 | 37,121 | 1,057,611 | 2,849% | 48 | 70% |
| 44 | 30,850 | 983,537 | 3,188% | 42 | 71% |
| 45 | 25,447 | 916,493 | 3,602% | 36 | 71% |
| 46 | 20,823 | 834,348 | 4,007% | 31 | 72% |
| 47 | 16,893 | 756,303 | 4,477% | 27 | 72% |
| 48 | 13,584 | 678,587 | 4,996% | 23 | 72% |
| 49 | 10,826 | 599,523 | 5,538% | 19 | 73% |
| 50 | 8,548 | 527,344 | 6,169% | 16 | 73% |
| 51-55 | 20,995 | 1,673,969 | 7,973% | 48 | 73% |
| 56-60 | 4,690 | 591,077 | 12,604% | 16 | 74% |
| 61-65 | 702 | 140,460 | 19,997% | 4 | 74% |
| 66-70 | 52 | 19,774 | 37,876% | 1 | 74% |
| Total | 39,023,776 | 55,651,461 | 143% | 25,086 | 74% |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.

Attachment 7-b
MedAmerica and BCNEPA
Pennsylvania-Specific Experience and Projections by Policy Year - After Requested Rate Increase
Series 11 and Prior Policy Forms

| Policy Year | Actual and Projected Experience using Current Assumptions | | | | |
|--------------|---|-------------------|---------------------|-------------------|--|
| | Earned Premium | Incurred Claims | Incurred Loss Ratio | End of Year Lives | Cumulative Loss Ratio w/ Interest ^[1] |
| 1 | 3,432,705 | 141,681 | 4% | 1,862 | 4% |
| 2 | 2,690,018 | 35,491 | 1% | 1,638 | 3% |
| 3 | 2,388,162 | 71,375 | 3% | 1,512 | 3% |
| 4 | 2,220,471 | 148,292 | 7% | 1,423 | 4% |
| 5 | 2,098,827 | 295,852 | 14% | 1,347 | 5% |
| 6 | 2,002,461 | 849,104 | 42% | 1,293 | 10% |
| 7 | 1,895,506 | 1,003,609 | 53% | 1,228 | 14% |
| 8 | 1,785,397 | 1,024,653 | 57% | 1,159 | 17% |
| 9 | 1,694,438 | 814,667 | 48% | 1,084 | 19% |
| 10 | 1,603,000 | 895,913 | 56% | 1,015 | 22% |
| 11 | 1,492,715 | 778,481 | 52% | 947 | 23% |
| 12 | 1,410,128 | 1,700,553 | 121% | 878 | 27% |
| 13 | 1,333,985 | 1,142,503 | 86% | 831 | 29% |
| 14 | 1,305,424 | 989,491 | 76% | 779 | 31% |
| 15 | 1,299,004 | 1,530,122 | 118% | 726 | 34% |
| 16 | 1,275,793 | 1,176,975 | 92% | 658 | 35% |
| 17 | 1,272,141 | 965,814 | 76% | 585 | 36% |
| 18 | 1,215,509 | 1,830,064 | 151% | 521 | 39% |
| 19 | 1,164,146 | 1,427,498 | 123% | 480 | 41% |
| 20 | 1,108,822 | 1,464,814 | 132% | 443 | 42% |
| 21 | 882,985 | 1,316,675 | 149% | 403 | 44% |
| 22 | 801,363 | 1,000,139 | 125% | 368 | 45% |
| 23 | 738,360 | 1,053,590 | 143% | 337 | 46% |
| 24 | 693,385 | 1,059,758 | 153% | 309 | 47% |
| 25 | 652,211 | 1,065,159 | 163% | 282 | 48% |
| 26 | 602,335 | 1,072,074 | 178% | 259 | 49% |
| 27 | 543,231 | 1,086,815 | 200% | 238 | 50% |
| 28 | 487,007 | 1,095,534 | 225% | 218 | 51% |
| 29 | 435,646 | 1,105,821 | 254% | 200 | 52% |
| 30 | 388,866 | 1,115,067 | 287% | 183 | 53% |
| 31 | 346,253 | 1,118,433 | 323% | 167 | 53% |
| 32 | 307,441 | 1,119,628 | 364% | 152 | 54% |
| 33 | 272,161 | 1,131,925 | 416% | 138 | 55% |
| 34 | 240,147 | 1,138,189 | 474% | 125 | 56% |
| 35 | 211,158 | 1,133,535 | 537% | 113 | 57% |
| 36 | 184,921 | 1,125,395 | 609% | 102 | 58% |
| 37 | 161,186 | 1,111,526 | 690% | 92 | 58% |
| 38 | 139,751 | 1,084,718 | 776% | 83 | 59% |
| 39 | 120,482 | 1,058,148 | 878% | 74 | 60% |
| 40 | 103,230 | 1,022,291 | 990% | 66 | 60% |
| 41 | 87,887 | 987,741 | 1,124% | 59 | 61% |
| 42 | 74,292 | 945,108 | 1,272% | 52 | 61% |
| 43 | 62,319 | 893,114 | 1,433% | 46 | 62% |
| 44 | 51,848 | 834,226 | 1,609% | 40 | 62% |
| 45 | 42,786 | 780,437 | 1,824% | 35 | 63% |
| 46 | 35,002 | 713,822 | 2,039% | 30 | 63% |
| 47 | 28,369 | 650,089 | 2,292% | 26 | 63% |
| 48 | 22,778 | 585,750 | 2,572% | 22 | 63% |
| 49 | 18,116 | 519,257 | 2,866% | 19 | 64% |
| 50 | 14,268 | 457,968 | 3,210% | 16 | 64% |
| 51-55 | 34,731 | 1,466,184 | 4,222% | 46 | 64% |
| 56-60 | 7,577 | 526,748 | 6,952% | 16 | 64% |
| 61-65 | 1,103 | 128,120 | 11,612% | 4 | 64% |
| 66-70 | 78 | 18,773 | 24,108% | 1 | 64% |
| Total | 43,481,925 | 49,808,708 | 115% | 24,726 | 64% |

[1] With interest values are accumulated or discounted at the maximum valuation interest rate for contract reserves applicable for the year of issue.



An  Excellus Company

Letter of Authorization

To: Department of Insurance

MedAmerica Insurance Company ("MedAmerica") has entered into a service agreement with Milliman, Inc. ("Milliman") effective October 3, 2016, that includes long-term care rate filing services on our behalf. The agreement provides, in part, that Milliman is responsible for preparing and filing for approval with state insurance departments MedAmerica's long-term care rate increase filings as directed by MedAmerica. Milliman is also authorized to receive, on MedAmerica's behalf, written and oral communication from each state department of insurance for the purpose of completing the rate increase filing process.

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

MedAmerica Insurance Company
165 Court Street
Rochester, NY 14647

A handwritten signature in blue ink that reads "Bill Naylor".

Bill Naylor, President
MedAmerica Insurance Company

A handwritten date in blue ink that reads "11/13/17".

Date