

DELAWARE COMPENSATION RATING BUREAU, INC.

Table I

Table I presents premium and loss data which forms the basis for calculating development factors and projecting ratios of actual losses to premiums by policy year. Losses are shown on paid and case incurred (paid plus outstanding, excluding bulk and IBNR) bases split between indemnity and medical.

The data represents a summary of accumulated policy year experience as reported by carriers in the annual Financial Calls for Experience. Individual losses have been limited by amounts varying by policy year and the limits apply on a combined indemnity and medical loss basis for both paid and incurred losses. The loss limitations by policy year are derived and shown in Exhibit 1a. The excess portions of those limited losses are shown in Exhibit 1b and have been excluded from Exhibit 1.

Four sets of development factors are shown, measuring the development from December 31, 2002 to December 31, 2003; December 31, 2003 to December 31, 2004; December 31, 2004 to December 31, 2005; and December 31, 2005 to December 31, 2006. So as to maximize the use of available data, the companies used in each stage of development are allowed to be independent of those used in other stages of development; therefore, the figures shown for a given valuation date may vary for purposes of comparison to the prior and subsequent points.

In recent Delaware filings, medical incurred loss development factors have been higher than medical paid loss development factors at many stages of maturity. Based on analyses of available data and responses to a survey of large carriers conducted in support of this filing, staff has concluded that the unusually high medical loss development factors observed for certain calendar periods (2002-2003 and 2003-2004) are a consequence of carrier case reserve strengthening during the experience period covered by our current filing.

As a result, Table I has been expanded for medical incurred losses to include two earlier periods (2000-2001 and 2001-2002) and allow for more flexibility in the choice of medical incurred loss development factors. The data underlying the medical incurred loss development factors for the period December 31, 2000 to December 31, 2001 and December 31, 2001 to December 31, 2002 are shown on page 7.

Experience for large deductible policies has been excluded from Table I.

TABLE I - LIMITED

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

ACCUMULATED STANDARD EARNED PREMIUM

| Policy Year Valued | As of 12/31/02 | As of 12/31/03 | Ratio to Prior Year | Policy Year Valued | As of 12/31/03 | As of 12/31/04 | Ratio to Prior Year |
|--------------------|----------------|----------------|---------------------|--------------------|----------------|----------------|---------------------|
| Prior to 1983 | 330,276,255 | 330,451,069 | 1.0005 | Prior to 1984 | 345,802,829 | 344,657,478 | 0.9967 |
| 1983 | 40,349,317 | 40,353,262 | 1.0001 | 1984 | 41,676,205 | 41,676,070 | 1.0000 |
| 1984 | 44,183,905 | 44,184,045 | 1.0000 | 1985 | 55,822,104 | 55,822,104 | 1.0000 |
| 1985 | 59,801,047 | 59,801,031 | 1.0000 | 1986 | 66,209,998 | 66,209,998 | 1.0000 |
| 1986 | 70,302,286 | 70,298,969 | 1.0000 | 1987 | 76,555,162 | 76,555,161 | 1.0000 |
| 1987 | 81,538,827 | 81,538,820 | 1.0000 | 1988 | 92,299,777 | 92,299,135 | 1.0000 |
| 1988 | 99,395,866 | 99,395,864 | 1.0000 | 1989 | 97,460,913 | 97,461,505 | 1.0000 |
| 1989 | 104,969,727 | 104,973,786 | 1.0000 | 1990 | 85,110,911 | 85,109,500 | 1.0000 |
| 1990 | 92,829,352 | 92,829,375 | 1.0000 | 1991 | 86,210,356 | 86,219,084 | 1.0001 |
| 1991 | 94,365,271 | 94,395,691 | 1.0003 | 1992 | 78,255,565 | 78,254,283 | 1.0000 |
| 1992 | 83,654,860 | 83,753,418 | 1.0012 | 1993 | 79,860,765 | 79,865,509 | 1.0001 |
| 1993 | 84,959,746 | 84,962,688 | 1.0000 | 1994 | 76,190,720 | 76,193,011 | 1.0000 |
| 1994 | 80,216,300 | 80,250,537 | 1.0004 | 1995 | 76,024,554 | 76,036,484 | 1.0002 |
| 1995 | 79,183,806 | 79,188,130 | 1.0001 | 1996 | 79,962,377 | 79,953,089 | 0.9999 |
| 1996 | 83,200,012 | 83,213,774 | 1.0002 | 1997 | 83,392,380 | 83,387,902 | 0.9999 |
| 1997 | 87,584,498 | 87,626,809 | 1.0005 | 1998 | 88,723,451 | 89,028,759 | 1.0034 |
| 1998 | 93,198,536 | 93,527,685 | 1.0035 | 1999 | 82,032,513 | 81,559,212 | 0.9942 |
| 1999 | 86,700,216 | 86,709,902 | 1.0001 | 2000 | 90,030,337 | 89,864,096 | 0.9982 |
| 2000 | 94,892,214 | 95,171,560 | 1.0029 | 2001 | 93,521,814 | 92,988,725 | 0.9943 |
| 2001 | 95,697,384 | 97,651,340 | 1.0204 | 2002 | 116,780,532 | 115,751,627 | 0.9912 |
| 2002 | 64,355,095 | 118,747,862 | 1.8452 | 2003 | 67,633,669 | 129,488,542 | 1.9146 |
| 2003 | | 68,123,859 | | 2004 | | 73,232,385 | |

| Policy Year Valued | As of 12/31/04 | As of 12/31/05 | Ratio to Prior Year | Policy Year Valued | As of 12/31/05 | As of 12/31/06 | Ratio to Prior Year |
|--------------------|----------------|----------------|---------------------|--------------------|----------------|----------------|---------------------|
| Prior to 1985 | 386,584,985 | 386,584,985 | 1.0000 | Prior to 1986 | 424,616,164 | 424,667,648 | 1.0001 |
| 1985 | 55,807,919 | 55,807,919 | 1.0000 | 1986 | 63,043,365 | 63,023,266 | 0.9997 |
| 1986 | 66,222,041 | 66,222,041 | 1.0000 | 1987 | 72,849,658 | 72,850,618 | 1.0000 |
| 1987 | 76,656,888 | 76,656,888 | 1.0000 | 1988 | 82,834,799 | 82,763,862 | 0.9991 |
| 1988 | 92,367,974 | 92,367,974 | 1.0000 | 1989 | 86,244,219 | 86,613,192 | 1.0043 |
| 1989 | 97,576,635 | 97,577,146 | 1.0000 | 1990 | 80,785,047 | 81,364,979 | 1.0072 |
| 1990 | 85,243,382 | 85,420,105 | 1.0021 | 1991 | 81,640,947 | 81,541,085 | 0.9988 |
| 1991 | 86,399,545 | 86,419,774 | 1.0002 | 1992 | 74,756,947 | 74,291,455 | 0.9938 |
| 1992 | 78,394,713 | 78,392,991 | 1.0000 | 1993 | 76,272,328 | 76,233,153 | 0.9995 |
| 1993 | 80,192,133 | 80,187,236 | 0.9999 | 1994 | 72,891,978 | 72,896,285 | 1.0001 |
| 1994 | 76,389,572 | 76,390,309 | 1.0000 | 1995 | 71,316,117 | 71,313,956 | 1.0000 |
| 1995 | 76,053,723 | 76,050,917 | 1.0000 | 1996 | 77,317,991 | 77,311,008 | 0.9999 |
| 1996 | 80,071,959 | 80,073,548 | 1.0000 | 1997 | 81,017,671 | 80,991,242 | 0.9997 |
| 1997 | 83,457,815 | 83,459,470 | 1.0000 | 1998 | 87,627,541 | 87,645,842 | 1.0002 |
| 1998 | 89,074,530 | 89,050,783 | 0.9997 | 1999 | 80,474,716 | 80,533,721 | 1.0007 |
| 1999 | 81,687,481 | 81,527,186 | 0.9980 | 2000 | 87,335,759 | 87,450,749 | 1.0013 |
| 2000 | 89,927,552 | 89,664,838 | 0.9971 | 2001 | 91,547,743 | 91,552,530 | 1.0001 |
| 2001 | 93,342,916 | 93,098,124 | 0.9974 | 2002 | 112,730,287 | 112,642,442 | 0.9992 |
| 2002 | 115,801,563 | 115,305,526 | 0.9957 | 2003 | 125,376,048 | 125,356,859 | 0.9998 |
| 2003 | 129,509,510 | 129,353,946 | 0.9988 | 2004 | 139,999,401 | 140,748,403 | 1.0054 |
| 2004 | 73,369,152 | 144,419,589 | 1.9684 | 2005 | 86,592,308 | 165,830,173 | 1.9151 |
| 2005 | | 90,663,961 | | 2006 | | 98,407,752 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

TABLE I - A - Individual Losses Limited to \$1,900,000 *

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

INCURRED LOSSES EXCLUDING BULK AND IBNR RESERVES

| Policy Year Valued | As of 12/31/02 | As of 12/31/03 | Ratio to Prior Year | Policy Year Valued | As of 12/31/03 | As of 12/31/04 | Ratio to Prior Year |
|--------------------|----------------|----------------|---------------------|--------------------|----------------|----------------|---------------------|
| Prior to 1983 | 192,263,526 | 192,183,966 | 0.9996 | Prior to 1984 | 202,581,160 | 202,939,084 | 1.0018 |
| 1983 | 26,809,467 | 26,821,131 | 1.0004 | 1984 | 25,228,987 | 25,473,619 | 1.0097 |
| 1984 | 26,349,627 | 26,519,660 | 1.0065 | 1985 | 34,122,810 | 34,286,585 | 1.0048 |
| 1985 | 36,415,586 | 36,587,006 | 1.0047 | 1986 | 37,095,388 | 37,141,712 | 1.0012 |
| 1986 | 39,111,078 | 39,326,104 | 1.0055 | 1987 | 45,238,858 | 45,552,787 | 1.0069 |
| 1987 | 47,602,453 | 47,903,576 | 1.0063 | 1988 | 45,279,563 | 45,294,358 | 1.0003 |
| 1988 | 46,772,049 | 48,093,791 | 1.0283 | 1989 | 46,068,497 | 46,535,120 | 1.0101 |
| 1989 | 51,783,004 | 51,820,097 | 1.0007 | 1990 | 48,308,941 | 49,445,486 | 1.0235 |
| 1990 | 53,018,915 | 54,322,353 | 1.0246 | 1991 | 50,021,660 | 51,142,114 | 1.0224 |
| 1991 | 54,860,716 | 55,824,698 | 1.0176 | 1992 | 45,654,104 | 46,460,837 | 1.0177 |
| 1992 | 49,126,284 | 49,383,878 | 1.0052 | 1993 | 50,171,429 | 50,550,979 | 1.0076 |
| 1993 | 50,372,611 | 52,187,563 | 1.0360 | 1994 | 40,481,570 | 41,853,462 | 1.0339 |
| 1994 | 43,987,807 | 43,937,302 | 0.9989 | 1995 | 48,893,865 | 49,987,135 | 1.0224 |
| 1995 | 48,552,703 | 50,528,044 | 1.0407 | 1996 | 56,186,974 | 56,798,231 | 1.0109 |
| 1996 | 56,506,736 | 57,765,221 | 1.0223 | 1997 | 53,000,224 | 55,701,647 | 1.0510 |
| 1997 | 49,703,493 | 54,557,464 | 1.0977 | 1998 | 49,428,339 | 52,074,298 | 1.0535 |
| 1998 | 50,498,942 | 53,247,252 | 1.0544 | 1999 | 56,114,266 | 60,700,250 | 1.0817 |
| 1999 | 55,152,749 | 59,198,075 | 1.0733 | 2000 | 64,751,083 | 73,894,400 | 1.1412 |
| 2000 | 59,214,561 | 67,829,558 | 1.1455 | 2001 | 52,591,542 | 62,934,706 | 1.1967 |
| 2001 | 42,577,891 | 54,327,685 | 1.2760 | 2002 | 51,924,059 | 62,305,765 | 1.1999 |
| 2002 | 21,104,962 | 52,227,461 | 2.4747 | 2003 | 21,012,813 | 53,799,093 | 2.5603 |
| 2003 | | 21,041,355 | | 2004 | | 23,140,791 | |

| Policy Year Valued | As of 12/31/04 | As of 12/31/05 | Ratio to Prior Year | Policy Year Valued | As of 12/31/05 | As of 12/31/06 | Ratio to Prior Year |
|--------------------|----------------|----------------|---------------------|--------------------|----------------|----------------|---------------------|
| Prior to 1985 | 228,629,892 | 229,127,488 | 1.0022 | Prior to 1986 | 250,345,688 | 250,995,820 | 1.0026 |
| 1985 | 34,087,281 | 34,127,892 | 1.0012 | 1986 | 34,153,529 | 34,196,104 | 1.0012 |
| 1986 | 36,975,414 | 37,042,850 | 1.0018 | 1987 | 40,758,865 | 40,747,762 | 0.9997 |
| 1987 | 45,553,995 | 45,601,583 | 1.0010 | 1988 | 38,588,871 | 38,952,787 | 1.0094 |
| 1988 | 45,339,275 | 45,426,583 | 1.0019 | 1989 | 41,434,757 | 41,567,710 | 1.0032 |
| 1989 | 46,862,869 | 47,379,802 | 1.0110 | 1990 | 45,279,093 | 45,855,527 | 1.0127 |
| 1990 | 49,734,605 | 49,616,286 | 0.9976 | 1991 | 47,519,034 | 47,986,518 | 1.0098 |
| 1991 | 51,293,476 | 51,298,732 | 1.0001 | 1992 | 44,378,805 | 44,571,736 | 1.0043 |
| 1992 | 46,560,604 | 46,505,610 | 0.9988 | 1993 | 50,226,533 | 50,848,139 | 1.0124 |
| 1993 | 50,766,481 | 52,250,262 | 1.0292 | 1994 | 40,559,835 | 40,611,042 | 1.0013 |
| 1994 | 42,266,796 | 43,023,768 | 1.0179 | 1995 | 47,160,230 | 47,320,289 | 1.0034 |
| 1995 | 49,989,020 | 50,199,590 | 1.0042 | 1996 | 55,610,156 | 56,967,496 | 1.0244 |
| 1996 | 57,058,504 | 59,285,729 | 1.0390 | 1997 | 54,966,730 | 54,541,107 | 0.9923 |
| 1997 | 55,715,337 | 58,572,903 | 1.0513 | 1998 | 51,434,971 | 53,358,502 | 1.0374 |
| 1998 | 52,261,970 | 54,290,303 | 1.0388 | 1999 | 61,830,910 | 64,123,451 | 1.0371 |
| 1999 | 60,749,520 | 62,509,528 | 1.0290 | 2000 | 79,639,752 | 83,195,545 | 1.0446 |
| 2000 | 73,908,751 | 80,463,848 | 1.0887 | 2001 | 65,809,336 | 69,085,583 | 1.0498 |
| 2001 | 63,303,695 | 66,488,812 | 1.0503 | 2002 | 69,286,149 | 75,013,404 | 1.0827 |
| 2002 | 62,284,056 | 70,834,785 | 1.1373 | 2003 | 64,236,141 | 73,038,759 | 1.1370 |
| 2003 | 53,808,576 | 66,612,289 | 1.2379 | 2004 | 57,535,060 | 68,550,958 | 1.1915 |
| 2004 | 23,211,709 | 58,891,270 | 2.5371 | 2005 | 18,783,671 | 54,835,604 | 2.9193 |
| 2005 | | 19,925,677 | | 2006 | | 20,682,002 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

* Losses limited on a per-claim basis, with the actual limitation varying by policy year as described in Exhibit 1a.

TABLE I - B - Individual Losses Limited to \$1,900,000 *

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

INDEMNITY INCURRED LOSSES EXCLUDING BULK AND IBNR RESERVES

| Policy Year Valued | As of 12/31/02 | As of 12/31/03 | Ratio to Prior Year | Policy Year Valued | As of 12/31/03 | As of 12/31/04 | Ratio to Prior Year |
|---------------------------|-----------------------|-----------------------|----------------------------|---------------------------|-----------------------|-----------------------|----------------------------|
| Prior to 1983 | 126,478,187 | 125,692,675 | 0.9938 | Prior to 1984 | 131,936,671 | 131,461,903 | 0.9964 |
| 1983 | 16,998,728 | 16,965,105 | 0.9980 | 1984 | 14,896,507 | 14,955,782 | 1.0040 |
| 1984 | 15,701,660 | 15,699,714 | 0.9999 | 1985 | 19,533,116 | 19,511,149 | 0.9989 |
| 1985 | 20,876,887 | 20,948,379 | 1.0034 | 1986 | 21,866,217 | 21,870,188 | 1.0002 |
| 1986 | 23,184,401 | 23,223,941 | 1.0017 | 1987 | 25,623,713 | 25,703,451 | 1.0031 |
| 1987 | 27,220,858 | 27,184,981 | 0.9987 | 1988 | 24,891,730 | 24,846,364 | 0.9982 |
| 1988 | 25,673,291 | 26,449,784 | 1.0302 | 1989 | 24,878,086 | 24,888,473 | 1.0004 |
| 1989 | 28,379,590 | 28,133,211 | 0.9913 | 1990 | 25,955,028 | 26,285,970 | 1.0128 |
| 1990 | 28,849,926 | 29,319,206 | 1.0163 | 1991 | 25,660,031 | 25,867,964 | 1.0081 |
| 1991 | 28,361,066 | 28,853,553 | 1.0174 | 1992 | 21,878,198 | 22,140,862 | 1.0120 |
| 1992 | 23,869,130 | 23,637,582 | 0.9903 | 1993 | 25,250,286 | 25,577,114 | 1.0129 |
| 1993 | 25,701,845 | 26,220,260 | 1.0202 | 1994 | 19,596,398 | 19,591,992 | 0.9998 |
| 1994 | 21,891,047 | 21,480,035 | 0.9812 | 1995 | 23,625,679 | 23,716,432 | 1.0038 |
| 1995 | 23,778,782 | 24,387,929 | 1.0256 | 1996 | 27,290,173 | 27,471,668 | 1.0067 |
| 1996 | 27,645,031 | 27,978,399 | 1.0121 | 1997 | 24,809,139 | 26,264,035 | 1.0586 |
| 1997 | 23,390,562 | 25,491,885 | 1.0898 | 1998 | 22,623,032 | 23,529,912 | 1.0401 |
| 1998 | 22,755,566 | 24,447,356 | 1.0743 | 1999 | 25,961,356 | 27,985,803 | 1.0780 |
| 1999 | 25,549,882 | 27,467,280 | 1.0750 | 2000 | 30,994,509 | 34,667,821 | 1.1185 |
| 2000 | 28,529,337 | 32,538,990 | 1.1405 | 2001 | 24,861,991 | 29,502,104 | 1.1866 |
| 2001 | 17,776,390 | 25,556,554 | 1.4377 | 2002 | 21,673,332 | 28,128,226 | 1.2978 |
| 2002 | 7,785,776 | 21,749,493 | 2.7935 | 2003 | 7,650,070 | 22,467,143 | 2.9369 |
| 2003 | | 7,658,570 | | 2004 | | 8,709,753 | |

| Policy Year Valued | As of 12/31/04 | As of 12/31/05 | Ratio to Prior Year | Policy Year Valued | As of 12/31/05 | As of 12/31/06 | Ratio to Prior Year |
|---------------------------|-----------------------|-----------------------|----------------------------|---------------------------|-----------------------|-----------------------|----------------------------|
| Prior to 1985 | 146,353,674 | 146,191,232 | 0.9989 | Prior to 1986 | 157,988,272 | 158,261,747 | 1.0017 |
| 1985 | 19,443,765 | 19,463,989 | 1.0010 | 1986 | 20,097,757 | 20,097,953 | 1.0000 |
| 1986 | 21,871,076 | 21,786,178 | 0.9961 | 1987 | 22,530,313 | 22,549,279 | 1.0008 |
| 1987 | 25,703,451 | 25,679,630 | 0.9991 | 1988 | 21,324,190 | 21,455,690 | 1.0062 |
| 1988 | 24,871,517 | 24,947,124 | 1.0030 | 1989 | 21,660,676 | 21,465,623 | 0.9910 |
| 1989 | 25,122,530 | 25,420,130 | 1.0118 | 1990 | 23,197,753 | 23,318,939 | 1.0052 |
| 1990 | 26,351,846 | 26,278,938 | 0.9972 | 1991 | 23,544,562 | 23,600,730 | 1.0024 |
| 1991 | 25,896,457 | 25,767,439 | 0.9950 | 1992 | 21,150,121 | 21,045,785 | 0.9951 |
| 1992 | 22,173,618 | 22,283,553 | 1.0050 | 1993 | 25,140,213 | 25,362,427 | 1.0088 |
| 1993 | 25,777,175 | 26,249,993 | 1.0183 | 1994 | 18,736,108 | 18,687,268 | 0.9974 |
| 1994 | 19,902,575 | 19,960,411 | 1.0029 | 1995 | 21,713,072 | 21,611,077 | 0.9953 |
| 1995 | 23,716,616 | 23,489,275 | 0.9904 | 1996 | 25,976,734 | 26,299,099 | 1.0124 |
| 1996 | 27,558,854 | 28,249,800 | 1.0251 | 1997 | 26,329,313 | 26,151,101 | 0.9932 |
| 1997 | 26,276,162 | 28,527,105 | 1.0857 | 1998 | 22,644,890 | 23,474,353 | 1.0366 |
| 1998 | 23,635,267 | 24,050,465 | 1.0176 | 1999 | 27,908,818 | 28,503,417 | 1.0213 |
| 1999 | 28,023,961 | 28,179,084 | 1.0055 | 2000 | 36,256,958 | 37,191,275 | 1.0258 |
| 2000 | 34,676,685 | 36,551,093 | 1.0541 | 2001 | 30,468,054 | 31,285,046 | 1.0268 |
| 2001 | 29,755,171 | 30,764,986 | 1.0339 | 2002 | 31,374,811 | 33,584,647 | 1.0704 |
| 2002 | 28,104,799 | 32,074,398 | 1.1412 | 2003 | 28,004,985 | 32,237,797 | 1.1511 |
| 2003 | 22,476,386 | 29,230,380 | 1.3005 | 2004 | 21,550,692 | 28,699,104 | 1.3317 |
| 2004 | 8,735,553 | 22,115,913 | 2.5317 | 2005 | 6,544,874 | 21,302,023 | 3.2548 |
| 2005 | | 7,016,962 | | 2006 | | 8,030,162 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

* Losses limited on a per-claim basis, with the actual limitation varying by policy year as described in Exhibit 1a.

TABLE I - C - Individual Losses Limited to \$1,900,000 *

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

MEDICAL INCURRED LOSSES EXCLUDING BULK AND IBNR RESERVES

| Policy Year | As of | As of | Ratio to | Policy Year | As of | As of | Ratio to |
|--------------------|-----------------|-----------------|-------------------|--------------------|-----------------|-----------------|-------------------|
| Valued | 12/31/02 | 12/31/03 | Prior Year | Valued | 12/31/03 | 12/31/04 | Prior Year |
| Prior to 1983 | 65,785,339 | 66,491,291 | 1.0107 | Prior to 1984 | 70,644,489 | 71,477,181 | 1.0118 |
| 1983 | 9,810,739 | 9,856,026 | 1.0046 | 1984 | 10,332,480 | 10,517,837 | 1.0179 |
| 1984 | 10,647,967 | 10,819,946 | 1.0162 | 1985 | 14,589,694 | 14,775,436 | 1.0127 |
| 1985 | 15,538,699 | 15,638,627 | 1.0064 | 1986 | 15,229,171 | 15,271,524 | 1.0028 |
| 1986 | 15,926,677 | 16,102,163 | 1.0110 | 1987 | 19,615,145 | 19,849,336 | 1.0119 |
| 1987 | 20,381,595 | 20,718,595 | 1.0165 | 1988 | 20,387,833 | 20,447,994 | 1.0030 |
| 1988 | 21,098,758 | 21,644,007 | 1.0258 | 1989 | 21,190,411 | 21,646,647 | 1.0215 |
| 1989 | 23,403,414 | 23,686,886 | 1.0121 | 1990 | 22,353,913 | 23,159,516 | 1.0360 |
| 1990 | 24,168,989 | 25,003,147 | 1.0345 | 1991 | 24,361,629 | 25,274,150 | 1.0375 |
| 1991 | 26,499,650 | 26,971,145 | 1.0178 | 1992 | 23,775,906 | 24,319,975 | 1.0229 |
| 1992 | 25,257,154 | 25,746,296 | 1.0194 | 1993 | 24,921,143 | 24,973,865 | 1.0021 |
| 1993 | 24,670,766 | 25,967,303 | 1.0526 | 1994 | 20,885,172 | 22,261,470 | 1.0659 |
| 1994 | 22,096,760 | 22,457,267 | 1.0163 | 1995 | 25,268,186 | 26,270,703 | 1.0397 |
| 1995 | 24,773,921 | 26,140,115 | 1.0551 | 1996 | 28,896,801 | 29,326,563 | 1.0149 |
| 1996 | 28,861,705 | 29,786,822 | 1.0321 | 1997 | 28,191,085 | 29,437,612 | 1.0442 |
| 1997 | 26,312,931 | 29,065,579 | 1.1046 | 1998 | 26,805,307 | 28,544,386 | 1.0649 |
| 1998 | 27,743,376 | 28,799,896 | 1.0381 | 1999 | 30,152,910 | 32,714,447 | 1.0850 |
| 1999 | 29,602,867 | 31,730,795 | 1.0719 | 2000 | 33,756,574 | 39,226,579 | 1.1620 |
| 2000 | 30,685,224 | 35,290,568 | 1.1501 | 2001 | 27,729,551 | 33,432,602 | 1.2057 |
| 2001 | 24,801,501 | 28,771,131 | 1.1601 | 2002 | 30,250,727 | 34,177,539 | 1.1298 |
| 2002 | 13,319,186 | 30,477,968 | 2.2883 | 2003 | 13,362,743 | 31,331,950 | 2.3447 |
| 2003 | | 13,382,785 | | 2004 | | 14,431,038 | |

| Policy Year | As of | As of | Ratio to | Policy Year | As of | As of | Ratio to |
|--------------------|-----------------|-----------------|-------------------|--------------------|-----------------|-----------------|-------------------|
| Valued | 12/31/04 | 12/31/05 | Prior Year | Valued | 12/31/05 | 12/31/06 | Prior Year |
| Prior to 1985 | 82,276,218 | 82,936,256 | 1.0080 | Prior to 1986 | 92,357,416 | 92,734,073 | 1.0041 |
| 1985 | 14,643,516 | 14,663,903 | 1.0014 | 1986 | 14,055,772 | 14,098,151 | 1.0030 |
| 1986 | 15,104,338 | 15,256,672 | 1.0101 | 1987 | 18,228,552 | 18,198,483 | 0.9984 |
| 1987 | 19,850,544 | 19,921,953 | 1.0036 | 1988 | 17,264,681 | 17,497,097 | 1.0135 |
| 1988 | 20,467,758 | 20,479,459 | 1.0006 | 1989 | 19,774,081 | 20,102,087 | 1.0166 |
| 1989 | 21,740,339 | 21,959,672 | 1.0101 | 1990 | 22,081,340 | 22,536,588 | 1.0206 |
| 1990 | 23,382,759 | 23,337,348 | 0.9981 | 1991 | 23,974,472 | 24,385,788 | 1.0172 |
| 1991 | 25,397,019 | 25,531,293 | 1.0053 | 1992 | 23,228,684 | 23,525,951 | 1.0128 |
| 1992 | 24,386,986 | 24,222,057 | 0.9932 | 1993 | 25,086,320 | 25,485,712 | 1.0159 |
| 1993 | 24,989,306 | 26,000,269 | 1.0405 | 1994 | 21,823,727 | 21,923,774 | 1.0046 |
| 1994 | 22,364,221 | 23,063,357 | 1.0313 | 1995 | 25,447,158 | 25,709,212 | 1.0103 |
| 1995 | 26,272,404 | 26,710,315 | 1.0167 | 1996 | 29,633,422 | 30,668,397 | 1.0349 |
| 1996 | 29,499,650 | 31,035,929 | 1.0521 | 1997 | 28,637,417 | 28,390,006 | 0.9914 |
| 1997 | 29,439,175 | 30,045,798 | 1.0206 | 1998 | 28,790,081 | 29,884,149 | 1.0380 |
| 1998 | 28,626,703 | 30,239,838 | 1.0564 | 1999 | 33,922,092 | 35,620,034 | 1.0501 |
| 1999 | 32,725,559 | 34,330,444 | 1.0490 | 2000 | 43,382,794 | 46,004,270 | 1.0604 |
| 2000 | 39,232,066 | 43,912,755 | 1.1193 | 2001 | 35,341,282 | 37,800,537 | 1.0696 |
| 2001 | 33,548,524 | 35,723,826 | 1.0648 | 2002 | 37,911,338 | 41,428,757 | 1.0928 |
| 2002 | 34,179,257 | 38,760,387 | 1.1340 | 2003 | 36,231,156 | 40,800,962 | 1.1261 |
| 2003 | 31,332,190 | 37,381,909 | 1.1931 | 2004 | 35,984,368 | 39,851,854 | 1.1075 |
| 2004 | 14,476,156 | 36,775,357 | 2.5404 | 2005 | 12,238,797 | 33,533,581 | 2.7399 |
| 2005 | | 12,908,715 | | 2006 | | 12,651,840 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

* Losses limited on a per-claim basis, with the actual limitation varying by policy year as described in Exhibit 1a.

TABLE I - D - Individual Losses Limited to \$1,900,000 *

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

INDEMNITY PAID LOSSES

| Policy Year Valued | As of 12/31/02 | As of 12/31/03 | Ratio to Prior Year | Policy Year Valued | As of 12/31/03 | As of 12/31/04 | Ratio to Prior Year |
|---------------------------|-----------------------|-----------------------|----------------------------|---------------------------|-----------------------|-----------------------|----------------------------|
| Prior to 1983 | 120,872,601 | 121,483,803 | 1.0051 | Prior to 1984 | 127,468,048 | 128,052,516 | 1.0046 |
| 1983 | 16,497,700 | 16,538,070 | 1.0024 | 1984 | 14,595,696 | 14,576,744 | 0.9987 |
| 1984 | 15,187,753 | 15,398,903 | 1.0139 | 1985 | 19,112,967 | 19,039,428 | 0.9962 |
| 1985 | 20,351,427 | 20,506,679 | 1.0076 | 1986 | 20,870,995 | 20,990,762 | 1.0057 |
| 1986 | 22,127,663 | 22,185,390 | 1.0026 | 1987 | 25,349,359 | 25,500,790 | 1.0060 |
| 1987 | 26,685,944 | 26,910,520 | 1.0084 | 1988 | 22,865,059 | 23,052,753 | 1.0082 |
| 1988 | 24,296,183 | 24,423,113 | 1.0052 | 1989 | 24,495,707 | 24,686,938 | 1.0078 |
| 1989 | 27,631,292 | 27,742,761 | 1.0040 | 1990 | 23,798,908 | 23,982,475 | 1.0077 |
| 1990 | 26,693,882 | 27,150,102 | 1.0171 | 1991 | 24,487,580 | 24,636,135 | 1.0061 |
| 1991 | 27,075,539 | 27,631,100 | 1.0205 | 1992 | 21,187,627 | 21,509,481 | 1.0152 |
| 1992 | 22,785,296 | 22,896,922 | 1.0049 | 1993 | 23,276,715 | 23,852,234 | 1.0247 |
| 1993 | 23,672,861 | 24,246,689 | 1.0242 | 1994 | 18,447,167 | 18,499,449 | 1.0028 |
| 1994 | 19,593,572 | 20,320,291 | 1.0371 | 1995 | 21,214,131 | 21,545,505 | 1.0156 |
| 1995 | 21,509,283 | 21,954,265 | 1.0207 | 1996 | 24,447,168 | 25,081,032 | 1.0259 |
| 1996 | 24,373,569 | 25,123,534 | 1.0308 | 1997 | 21,621,235 | 22,700,177 | 1.0499 |
| 1997 | 20,244,884 | 22,302,927 | 1.1017 | 1998 | 19,637,970 | 20,836,227 | 1.0610 |
| 1998 | 19,438,273 | 21,279,596 | 1.0947 | 1999 | 21,626,210 | 23,481,968 | 1.0858 |
| 1999 | 19,363,359 | 22,793,101 | 1.1771 | 2000 | 21,127,554 | 26,474,576 | 1.2531 |
| 2000 | 16,063,121 | 22,032,135 | 1.3716 | 2001 | 14,249,243 | 19,962,747 | 1.4010 |
| 2001 | 7,130,185 | 14,671,664 | 2.0577 | 2002 | 8,858,675 | 17,037,946 | 1.9233 |
| 2002 | 1,850,964 | 8,914,374 | 4.8161 | 2003 | 2,030,799 | 9,002,487 | 4.4330 |
| 2003 | | 2,038,312 | | 2004 | | 1,938,227 | |

| Policy Year Valued | As of 12/31/04 | As of 12/31/05 | Ratio to Prior Year | Policy Year Valued | As of 12/31/05 | As of 12/31/06 | Ratio to Prior Year |
|---------------------------|-----------------------|-----------------------|----------------------------|---------------------------|-----------------------|-----------------------|----------------------------|
| Prior to 1985 | 142,545,749 | 142,874,813 | 1.0023 | Prior to 1986 | 154,352,306 | 154,971,336 | 1.0040 |
| 1985 | 18,958,968 | 19,014,868 | 1.0029 | 1986 | 19,469,657 | 19,550,500 | 1.0042 |
| 1986 | 20,959,326 | 21,158,078 | 1.0095 | 1987 | 22,421,835 | 22,418,253 | 0.9998 |
| 1987 | 25,500,790 | 25,569,875 | 1.0027 | 1988 | 20,576,832 | 20,700,475 | 1.0060 |
| 1988 | 23,066,910 | 23,328,150 | 1.0113 | 1989 | 21,413,997 | 21,450,465 | 1.0017 |
| 1989 | 24,907,216 | 24,991,979 | 1.0034 | 1990 | 22,485,600 | 22,761,394 | 1.0123 |
| 1990 | 24,043,706 | 24,287,557 | 1.0101 | 1991 | 22,788,984 | 22,895,340 | 1.0047 |
| 1991 | 24,652,689 | 24,878,083 | 1.0091 | 1992 | 20,597,790 | 20,653,660 | 1.0027 |
| 1992 | 21,540,050 | 21,731,195 | 1.0089 | 1993 | 23,429,295 | 23,820,277 | 1.0167 |
| 1993 | 24,037,447 | 24,498,304 | 1.0192 | 1994 | 18,093,504 | 18,118,831 | 1.0014 |
| 1994 | 18,810,032 | 19,118,198 | 1.0164 | 1995 | 20,845,964 | 21,142,290 | 1.0142 |
| 1995 | 21,545,689 | 21,888,615 | 1.0159 | 1996 | 23,786,458 | 24,078,724 | 1.0123 |
| 1996 | 25,137,234 | 25,549,270 | 1.0164 | 1997 | 22,172,780 | 23,259,059 | 1.0490 |
| 1997 | 22,700,984 | 24,117,390 | 1.0624 | 1998 | 20,365,436 | 21,015,840 | 1.0319 |
| 1998 | 20,845,581 | 21,759,575 | 1.0438 | 1999 | 24,704,885 | 25,770,985 | 1.0432 |
| 1999 | 23,497,007 | 24,975,151 | 1.0629 | 2000 | 29,002,425 | 31,693,922 | 1.0928 |
| 2000 | 26,482,650 | 29,291,050 | 1.1060 | 2001 | 23,154,821 | 25,862,606 | 1.1169 |
| 2001 | 20,110,675 | 23,440,201 | 1.1656 | 2002 | 22,470,740 | 25,375,350 | 1.1293 |
| 2002 | 17,037,946 | 22,940,785 | 1.3465 | 2003 | 15,686,308 | 22,674,458 | 1.4455 |
| 2003 | 9,002,487 | 16,593,908 | 1.8433 | 2004 | 7,555,009 | 16,442,278 | 2.1763 |
| 2004 | 1,939,948 | 7,808,865 | 4.0253 | 2005 | 1,801,577 | 7,787,558 | 4.3226 |
| 2005 | | 1,916,351 | | 2006 | | 1,835,690 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

* Losses limited on a per-claim basis, with the actual limitation varying by policy year as described in Exhibit 1a.

TABLE I - E - Individual Losses Limited to \$1,900,000 *

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

MEDICAL PAID LOSSES

| Policy Year Valued | As of 12/31/02 | As of 12/31/03 | Ratio to Prior Year | Policy Year Valued | As of 12/31/03 | As of 12/31/04 | Ratio to Prior Year |
|--------------------|----------------|----------------|---------------------|--------------------|----------------|----------------|---------------------|
| Prior to 1983 | 62,783,633 | 63,248,969 | 1.0074 | Prior to 1984 | 67,274,792 | 67,751,242 | 1.0071 |
| 1983 | 9,526,746 | 9,593,052 | 1.0070 | 1984 | 10,073,138 | 10,120,951 | 1.0047 |
| 1984 | 10,390,451 | 10,560,604 | 1.0164 | 1985 | 14,232,573 | 14,250,023 | 1.0012 |
| 1985 | 15,035,025 | 15,229,728 | 1.0129 | 1986 | 14,851,080 | 14,916,328 | 1.0044 |
| 1986 | 15,615,642 | 15,724,071 | 1.0069 | 1987 | 18,548,382 | 18,679,373 | 1.0071 |
| 1987 | 19,318,707 | 19,610,155 | 1.0151 | 1988 | 19,995,792 | 20,121,265 | 1.0063 |
| 1988 | 20,842,213 | 21,251,966 | 1.0197 | 1989 | 20,772,955 | 20,992,355 | 1.0106 |
| 1989 | 22,839,895 | 23,097,966 | 1.0113 | 1990 | 21,034,881 | 21,349,246 | 1.0149 |
| 1990 | 23,353,878 | 23,524,481 | 1.0073 | 1991 | 22,874,009 | 23,197,442 | 1.0141 |
| 1991 | 25,101,530 | 25,385,411 | 1.0113 | 1992 | 22,829,138 | 23,179,347 | 1.0153 |
| 1992 | 24,312,058 | 24,758,271 | 1.0184 | 1993 | 22,783,673 | 23,229,801 | 1.0196 |
| 1993 | 23,486,357 | 23,829,833 | 1.0146 | 1994 | 19,615,105 | 19,772,506 | 1.0080 |
| 1994 | 20,802,623 | 21,111,080 | 1.0148 | 1995 | 23,077,718 | 23,455,762 | 1.0164 |
| 1995 | 23,008,025 | 23,817,627 | 1.0352 | 1996 | 25,229,069 | 25,642,155 | 1.0164 |
| 1996 | 25,425,574 | 26,100,170 | 1.0265 | 1997 | 24,330,468 | 25,316,801 | 1.0405 |
| 1997 | 23,915,499 | 25,203,525 | 1.0539 | 1998 | 24,285,275 | 25,483,968 | 1.0494 |
| 1998 | 24,937,346 | 26,177,675 | 1.0497 | 1999 | 27,082,670 | 28,356,185 | 1.0470 |
| 1999 | 26,480,656 | 28,522,936 | 1.0771 | 2000 | 28,132,548 | 30,753,081 | 1.0931 |
| 2000 | 25,203,554 | 29,477,867 | 1.1696 | 2001 | 22,971,720 | 26,260,424 | 1.1432 |
| 2001 | 17,274,711 | 23,876,020 | 1.3821 | 2002 | 20,652,121 | 27,015,541 | 1.3081 |
| 2002 | 4,895,142 | 20,837,864 | 4.2568 | 2003 | 6,290,935 | 22,586,113 | 3.5903 |
| 2003 | | 6,302,261 | | 2004 | | 5,708,993 | |

| Policy Year Valued | As of 12/31/04 | As of 12/31/05 | Ratio to Prior Year | Policy Year Valued | As of 12/31/05 | As of 12/31/06 | Ratio to Prior Year |
|--------------------|----------------|----------------|---------------------|--------------------|----------------|----------------|---------------------|
| Prior to 1985 | 77,992,879 | 78,596,130 | 1.0077 | Prior to 1986 | 87,527,488 | 88,231,527 | 1.0080 |
| 1985 | 14,118,103 | 14,173,593 | 1.0039 | 1986 | 13,600,229 | 13,674,463 | 1.0055 |
| 1986 | 14,749,142 | 14,801,129 | 1.0035 | 1987 | 17,268,461 | 17,371,755 | 1.0060 |
| 1987 | 18,680,581 | 18,961,712 | 1.0150 | 1988 | 17,086,310 | 17,128,438 | 1.0025 |
| 1988 | 20,141,029 | 20,276,721 | 1.0067 | 1989 | 19,174,306 | 19,348,952 | 1.0091 |
| 1989 | 21,086,047 | 21,319,628 | 1.0111 | 1990 | 20,688,309 | 21,090,314 | 1.0194 |
| 1990 | 21,514,032 | 21,760,673 | 1.0115 | 1991 | 22,032,122 | 22,546,590 | 1.0234 |
| 1991 | 23,267,420 | 23,494,528 | 1.0098 | 1992 | 22,413,424 | 22,591,936 | 1.0080 |
| 1992 | 23,238,170 | 23,406,441 | 1.0072 | 1993 | 22,710,065 | 23,015,209 | 1.0134 |
| 1993 | 23,245,242 | 23,600,279 | 1.0153 | 1994 | 18,951,867 | 19,456,885 | 1.0266 |
| 1994 | 19,875,257 | 20,184,851 | 1.0156 | 1995 | 23,010,169 | 23,758,358 | 1.0325 |
| 1995 | 23,457,463 | 23,901,990 | 1.0190 | 1996 | 24,971,541 | 25,751,517 | 1.0312 |
| 1996 | 25,709,644 | 26,331,378 | 1.0242 | 1997 | 24,663,079 | 25,586,761 | 1.0375 |
| 1997 | 25,318,364 | 26,014,483 | 1.0275 | 1998 | 24,805,712 | 25,414,526 | 1.0245 |
| 1998 | 25,501,270 | 26,248,667 | 1.0293 | 1999 | 29,484,782 | 30,707,603 | 1.0415 |
| 1999 | 28,367,297 | 29,893,134 | 1.0538 | 2000 | 33,281,384 | 35,309,648 | 1.0609 |
| 2000 | 30,758,568 | 33,811,345 | 1.0992 | 2001 | 27,539,530 | 29,536,486 | 1.0725 |
| 2001 | 26,354,439 | 27,917,481 | 1.0593 | 2002 | 30,506,894 | 33,045,416 | 1.0832 |
| 2002 | 27,017,259 | 31,266,878 | 1.1573 | 2003 | 29,115,989 | 33,647,935 | 1.1557 |
| 2003 | 22,586,353 | 30,129,279 | 1.3340 | 2004 | 23,996,271 | 31,995,601 | 1.3334 |
| 2004 | 5,724,681 | 24,673,121 | 4.3100 | 2005 | 5,665,291 | 23,724,021 | 4.1876 |
| 2005 | | 6,094,109 | | 2006 | | 5,693,239 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

* Losses limited on a per-claim basis, with the actual limitation varying by policy year as described in Exhibit 1a.

TABLE I - C - Individual Losses Limited to \$1,900,000 *

POLICY YEAR DATA ACCUMULATED TO END OF CALENDAR YEAR

MEDICAL INCURRED LOSSES EXCLUDING BULK AND IBNR RESERVES

| Policy Year | As of | As of | Ratio to | Policy Year | As of | As of | Ratio to |
|--------------------|-----------------|-----------------|-------------------|--------------------|-----------------|-----------------|-------------------|
| Valued | 12/31/00 | 12/31/01 | Prior Year | Valued | 12/31/01 | 12/31/02 | Prior Year |
| Prior | | | | Prior | | | |
| to 1981 | 57,820,038 | 57,881,336 | 1.0011 | to 1982 | 59,740,083 | 61,221,890 | 1.0248 |
| 1981 | 10,735,129 | 10,624,288 | 0.9897 | 1982 | 7,824,529 | 7,846,411 | 1.0028 |
| 1982 | 7,968,316 | 8,008,543 | 1.0050 | 1983 | 9,733,649 | 9,837,531 | 1.0107 |
| 1983 | 9,744,257 | 9,710,071 | 0.9965 | 1984 | 10,612,090 | 10,648,409 | 1.0034 |
| 1984 | 11,356,526 | 11,436,713 | 1.0071 | 1985 | 15,448,685 | 15,518,720 | 1.0045 |
| 1985 | 15,719,673 | 15,780,765 | 1.0039 | 1986 | 15,849,908 | 15,908,966 | 1.0037 |
| 1986 | 16,347,292 | 16,386,244 | 1.0024 | 1987 | 20,170,226 | 20,344,765 | 1.0087 |
| 1987 | 20,456,059 | 20,709,150 | 1.0124 | 1988 | 20,972,112 | 21,096,463 | 1.0059 |
| 1988 | 20,399,660 | 20,547,023 | 1.0072 | 1989 | 23,087,451 | 23,360,780 | 1.0118 |
| 1989 | 24,349,599 | 24,571,747 | 1.0091 | 1990 | 23,764,551 | 24,138,893 | 1.0158 |
| 1990 | 27,209,362 | 27,305,972 | 1.0036 | 1991 | 25,619,000 | 26,269,178 | 1.0254 |
| 1991 | 27,497,956 | 27,788,791 | 1.0106 | 1992 | 24,744,724 | 25,172,533 | 1.0173 |
| 1992 | 27,049,940 | 27,742,836 | 1.0256 | 1993 | 23,762,881 | 24,643,849 | 1.0371 |
| 1993 | 27,394,339 | 27,659,894 | 1.0097 | 1994 | 21,531,320 | 22,096,760 | 1.0263 |
| 1994 | 23,373,854 | 24,230,314 | 1.0366 | 1995 | 24,071,549 | 24,734,091 | 1.0275 |
| 1995 | 25,252,822 | 25,943,812 | 1.0274 | 1996 | 27,121,226 | 28,861,705 | 1.0642 |
| 1996 | 28,052,985 | 29,198,098 | 1.0408 | 1997 | 24,326,618 | 25,620,051 | 1.0532 |
| 1997 | 24,666,194 | 26,023,034 | 1.0550 | 1998 | 26,717,606 | 27,750,602 | 1.0387 |
| 1998 | 27,358,049 | 28,685,359 | 1.0485 | 1999 | 26,943,302 | 29,191,831 | 1.0835 |
| 1999 | 25,327,690 | 29,249,307 | 1.1548 | 2000 | 24,465,693 | 30,004,431 | 1.2264 |
| 2000 | 9,609,495 | 25,910,933 | 2.6964 | 2001 | 10,100,941 | 23,888,085 | 2.3649 |
| 2001 | | 10,641,765 | | 2002 | | 13,044,412 | |

NOTE: So as to maximize the use of available data, the companies used in one stage of development were allowed to be independent of those used in the other stage of development; therefore, the figures shown at each valuation may vary.

* Losses limited on a per-claim basis, with the actual limitation varying by policy year as described in Exhibit 1a.