

PENNSYLVANIA COMPENSATION RATING BUREAU, INC.

Policy Year Loss Ratio Summary

Contains the calculation of loss ratios by policy year used in the filing.

POLICY YEAR LOSS RATIO 2022

(1) Standard Earned Premium Reported (Table I)			1,365,462,029
(2) Premium Development Factor to Ultimate Level (Exhibit 5)			1.0094
(3) Expense Constant Removal Factor			1.0000
(4) PCCPAP On-Level Factor			1.0049
(5) Factor to Remove Loss Based Assessments			0.9862
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)			1,365,877,005
(7) Loss Cost Change to 04/1/24 Level			0.8727
(8) Expected Loss at Current Level (6) * (7)			1,192,000,862
Losses - Paid-to-20th Method	Indemnity	Medical	Total
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	246,263,773	396,429,259	642,693,032
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	2.5225	1.5878	
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000	
(12) Ultimate Incurred Losses (9) * (10) * (11)	621,200,367	629,450,377	1,250,650,744
(13) Benefit Level Factor	1.0000	1.0000	
(14) Adjusted Losses (12) * (13)	621,200,367	629,450,377	1,250,650,744
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.5211	0.5281	1.0492
Losses - Incurred Method			
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	399,758,236	552,903,576	952,661,812
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.4776	1.1092	
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000	
(19) Ultimate Incurred Losses (16) * (17) * (18)	590,682,770	613,280,646	1,203,963,416
(20) Benefit Level Factor	1.0000	1.0000	
(21) Adjusted Losses (19) * (20)	590,682,770	613,280,646	1,203,963,416
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.4955	0.5145	1.0100
Losses - Average of Incurred and Paid-to-20th Method			
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	605,941,569	621,365,512	1,227,307,081
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.5083	0.5213	1.0296
(25) Normalized Claim Frequency (Exhibit 1)	0.5172	0.5172	
(26) Severity Ratio * (24) / (25)	0.9828	1.0080	1.9908

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2021

(1) Standard Earned Premium Reported (Table I)			1,368,401,541
(2) Premium Development Factor to Ultimate Level (Exhibit 5)			0.9981
(3) Expense Constant Removal Factor			1.0000
(4) PCCPAP On-Level Factor			1.0056
(5) Factor to Remove Loss Based Assessments			0.9862
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)			1,354,439,707
(7) Loss Cost Change to 04/1/24 Level			0.8272
(8) Expected Loss at Current Level (6) * (7)			1,120,392,526
Losses - Paid-to-20th Method	Indemnity	Medical	Total
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	407,019,469	472,842,080	879,861,549
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.4153	1.2784	
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000	
(12) Ultimate Incurred Losses (9) * (10) * (11)	576,054,654	604,481,315	1,180,535,969
(13) Benefit Level Factor	1.0000	1.0000	
(14) Adjusted Losses (12) * (13)	576,054,654	604,481,315	1,180,535,969
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.5142	0.5395	1.0537
Losses - Incurred Method			
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	505,102,126	541,951,269	1,047,053,395
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.1060	1.0648	
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000	
(19) Ultimate Incurred Losses (16) * (17) * (18)	558,642,951	577,069,711	1,135,712,662
(20) Benefit Level Factor	1.0000	1.0000	
(21) Adjusted Losses (19) * (20)	558,642,951	577,069,711	1,135,712,662
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.4986	0.5151	1.0137
Losses - Average of Incurred and Paid-to-20th Method			
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	567,348,803	590,775,513	1,158,124,316
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.5064	0.5273	1.0337
(25) Normalized Claim Frequency (Exhibit 1)	0.5844	0.5844	
(26) Severity Ratio * (24) / (25)	0.8666	0.9024	1.7690

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2020

(1) Standard Earned Premium Reported (Table I)			1,279,752,306
(2) Premium Development Factor to Ultimate Level (Exhibit 5)			0.9992
(3) Expense Constant Removal Factor			1.0000
(4) PCCPAP On-Level Factor			1.0062
(5) Factor to Remove Loss Based Assessments			0.9866
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)			1,269,415,422
(7) Loss Cost Change to 04/1/24 Level			0.7826
(8) Expected Loss at Current Level (6) * (7)			993,444,509
Losses - Paid-to-20th Method	Indemnity	Medical	Total
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	456,038,287	473,433,394	929,471,681
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.1833	1.2090	
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000	
(12) Ultimate Incurred Losses (9) * (10) * (11)	539,630,105	572,380,973	1,112,011,078
(13) Benefit Level Factor	1.0000	1.0000	
(14) Adjusted Losses (12) * (13)	539,630,105	572,380,973	1,112,011,078
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.5432	0.5762	1.1194
Losses - Incurred Method			
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	511,484,753	519,857,334	1,031,342,087
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0437	1.0628	
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000	
(19) Ultimate Incurred Losses (16) * (17) * (18)	533,836,637	552,504,375	1,086,341,012
(20) Benefit Level Factor	1.0000	1.0000	
(21) Adjusted Losses (19) * (20)	533,836,637	552,504,375	1,086,341,012
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.5374	0.5562	1.0936
Losses - Average of Incurred and Paid-to-20th Method			
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	536,733,371	562,442,674	1,099,176,045
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.5403	0.5662	1.1065
(25) Normalized Claim Frequency (Exhibit 1)	0.6153	0.6153	
(26) Severity Ratio * (24) / (25)	0.8782	0.9203	1.7985

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2019

(1) Standard Earned Premium Reported (Table I)				1,417,403,927
(2) Premium Development Factor to Ultimate Level (Exhibit 5)				0.9998
(3) Expense Constant Removal Factor				1.0000
(4) PCCPAP On-Level Factor				1.0062
(5) Factor to Remove Loss Based Assessments				0.9866
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)				1,406,799,445
(7) Loss Cost Change to 04/1/24 Level				0.6931
(8) Expected Loss at Current Level (6) * (7)				975,052,695
Losses - Paid-to-20th Method				
	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>	
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	520,214,094	515,900,692		1,036,114,786
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.1116	1.1806		
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000		
(12) Ultimate Incurred Losses (9) * (10) * (11)	578,269,987	609,072,357		1,187,342,344
(13) Benefit Level Factor	1.0000	1.0000		
(14) Adjusted Losses (12) * (13)	578,269,987	609,072,357		1,187,342,344
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.5931	0.6247		1.2178
Losses - Incurred Method				
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	557,212,671	562,824,829		1,120,037,500
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0319	1.0653		
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0000	1.0000		
(19) Ultimate Incurred Losses (16) * (17) * (18)	574,987,755	599,577,290		1,174,565,045
(20) Benefit Level Factor	1.0000	1.0000		
(21) Adjusted Losses (19) * (20)	574,987,755	599,577,290		1,174,565,045
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.5897	0.6149		1.2046
Losses - Average of Incurred and Paid-to-20th Method				
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	576,628,871	604,324,824		1,180,953,695
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.5914	0.6198		1.2112
(25) Normalized Claim Frequency (Exhibit 1)	0.6393	0.6393		
(26) Severity Ratio * (24) / (25)	0.9251	0.9695		1.8946

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2018

(1) Standard Earned Premium Reported (Table I)				1,756,611,956
(2) Premium Development Factor to Ultimate Level (Exhibit 5)				0.9999
(3) Expense Constant Removal Factor				1.0000
(4) PCCPAP On-Level Factor				1.0063
(5) Factor to Remove Loss Based Assessments				0.9864
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)				1,743,463,818
(7) Loss Cost Change to 04/1/24 Level				0.5462
(8) Expected Loss at Current Level (6) * (7)				952,279,937
Losses - Paid-to-20th Method				
	Indemnity	Medical	Total	
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	576,858,138	583,936,330		1,160,794,468
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0873	1.1684		
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0010	1.0000		
(12) Ultimate Incurred Losses (9) * (10) * (11)	627,815,509	682,271,208		1,310,086,717
(13) Benefit Level Factor	1.0000	1.0000		
(14) Adjusted Losses (12) * (13)	627,815,509	682,271,208		1,310,086,717
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.6593	0.7165		1.3758
Losses - Incurred Method				
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	606,033,639	662,240,361		1,268,274,000
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0317	1.0643		
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0009	1.0000		
(19) Ultimate Incurred Losses (16) * (17) * (18)	625,812,000	704,822,416		1,330,634,416
(20) Benefit Level Factor	1.0000	1.0000		
(21) Adjusted Losses (19) * (20)	625,812,000	704,822,416		1,330,634,416
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.6572	0.7401		1.3973
Losses - Average of Incurred and Paid-to-20th Method				
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	626,813,755	693,546,812		1,320,360,567
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.6582	0.7283		1.3865
(25) Normalized Claim Frequency (Exhibit 1)	0.7042	0.7042		
(26) Severity Ratio * (24) / (25)	0.9347	1.0342		1.9689

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2017

(1) Standard Earned Premium Reported (Table I)			1,621,064,151
(2) Premium Development Factor to Ultimate Level (Exhibit 5)			0.9998
(3) Expense Constant Removal Factor			1.0000
(4) PCCPAP On-Level Factor			1.0068
(5) Factor to Remove Loss Based Assessments			0.9863
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)			1,609,405,844
(7) Loss Cost Change to 04/1/24 Level			0.5653
(8) Expected Loss at Current Level (6) * (7)			909,797,124
Losses - Paid-to-20th Method	Indemnity	Medical	Total
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	558,806,941	553,788,911	1,112,595,852
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0710	1.1546	
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0055	1.0000	
(12) Ultimate Incurred Losses (9) * (10) * (11)	601,801,311	639,404,677	1,241,205,988
(13) Benefit Level Factor	1.0000	1.0000	
(14) Adjusted Losses (12) * (13)	601,801,311	639,404,677	1,241,205,988
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.6615	0.7028	1.3643
Losses - Incurred Method			
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	581,568,239	578,972,489	1,160,540,728
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0284	1.0615	
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0053	1.0000	
(19) Ultimate Incurred Losses (16) * (17) * (18)	601,271,835	614,579,297	1,215,851,132
(20) Benefit Level Factor	1.0000	1.0000	
(21) Adjusted Losses (19) * (20)	601,271,835	614,579,297	1,215,851,132
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.6609	0.6755	1.3364
Losses - Average of Incurred and Paid-to-20th Method			
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	601,536,573	626,991,987	1,228,528,560
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.6612	0.6892	1.3504
(25) Normalized Claim Frequency (Exhibit 1)	0.7321	0.7321	
(26) Severity Ratio * (24) / (25)	0.9032	0.9415	1.8447

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2016

(1) Standard Earned Premium Reported (Table I)				1,582,517,415
(2) Premium Development Factor to Ultimate Level (Exhibit 5)				0.9999
(3) Expense Constant Removal Factor				1.0000
(4) PCCPAP On-Level Factor				1.0078
(5) Factor to Remove Loss Based Assessments				0.9853
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)				1,571,259,452
(7) Loss Cost Change to 04/1/24 Level				0.5397
(8) Expected Loss at Current Level (6) * (7)				848,008,726
Losses - Paid-to-20th Method				
	<u>Indemnity</u>	<u>Medical</u>	<u>Total</u>	
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	537,213,846	525,368,169		1,062,582,015
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0602	1.1458		
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0106	1.0000		
(12) Ultimate Incurred Losses (9) * (10) * (11)	575,616,858	601,966,848		1,177,583,706
(13) Benefit Level Factor	1.0000	1.0000		
(14) Adjusted Losses (12) * (13)	575,616,858	601,966,848		1,177,583,706
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.6788	0.7099		1.3887
Losses - Incurred Method				
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	550,178,330	546,570,106		1,096,748,436
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0260	1.0604		
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0104	1.0000		
(19) Ultimate Incurred Losses (16) * (17) * (18)	570,350,133	579,582,940		1,149,933,073
(20) Benefit Level Factor	1.0000	1.0000		
(21) Adjusted Losses (19) * (20)	570,350,133	579,582,940		1,149,933,073
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.6726	0.6835		1.3561
Losses - Average of Incurred and Paid-to-20th Method				
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	572,983,496	590,774,894		1,163,758,390
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.6757	0.6967		1.3724
(25) Normalized Claim Frequency (Exhibit 1)	0.7733	0.7733		
(26) Severity Ratio * (24) / (25)	0.8738	0.9010		1.7748

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2015

(1) Standard Earned Premium Reported (Table I)				1,588,519,254
(2) Premium Development Factor to Ultimate Level (Exhibit 5)				1.0000
(3) Expense Constant Removal Factor				1.0000
(4) PCCPAP On-Level Factor				1.0076
(5) Factor to Remove Loss Based Assessments				0.9853
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)				1,577,063,298
(7) Loss Cost Change to 04/1/24 Level				0.5259
(8) Expected Loss at Current Level (6) * (7)				829,377,588
Losses - Paid-to-20th Method				
	Indemnity	Medical	Total	
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	579,257,128	533,177,010		1,112,434,138
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0539	1.1412		
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0134	1.0000		
(12) Ultimate Incurred Losses (9) * (10) * (11)	618,685,798	608,461,604		1,227,147,402
(13) Benefit Level Factor	1.0000	1.0000		
(14) Adjusted Losses (12) * (13)	618,685,798	608,461,604		1,227,147,402
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.7460	0.7336		1.4796
Losses - Incurred Method				
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	590,840,177	552,109,071		1,142,949,248
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0230	1.0659		
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0132	1.0000		
(19) Ultimate Incurred Losses (16) * (17) * (18)	612,395,594	588,493,059		1,200,888,653
(20) Benefit Level Factor	1.0000	1.0000		
(21) Adjusted Losses (19) * (20)	612,395,594	588,493,059		1,200,888,653
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.7384	0.7096		1.4480
Losses - Average of Incurred and Paid-to-20th Method				
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	615,540,696	598,477,332		1,214,018,028
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.7422	0.7216		1.4638
(25) Normalized Claim Frequency (Exhibit 1)	0.8271	0.8271		
(26) Severity Ratio * (24) / (25)	0.8974	0.8724		1.7698

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2014

(1) Standard Earned Premium Reported (Table I)			1,603,683,366
(2) Premium Development Factor to Ultimate Level (Exhibit 5)			1.0000
(3) Expense Constant Removal Factor			1.0000
(4) PCCPAP On-Level Factor			1.0066
(5) Factor to Remove Loss Based Assessments			0.9857
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)			1,591,183,648
(7) Loss Cost Change to 04/1/24 Level			0.4959
(8) Expected Loss at Current Level (6) * (7)			789,067,971
Losses - Paid-to-20th Method	Indemnity	Medical	Total
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	606,706,545	584,969,572	1,191,676,117
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0493	1.1352	
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0145	0.9981	
(12) Ultimate Incurred Losses (9) * (10) * (11)	645,870,453	662,796,410	1,308,666,863
(13) Benefit Level Factor	1.0000	1.0000	
(14) Adjusted Losses (12) * (13)	645,870,453	662,796,410	1,308,666,863
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.8185	0.8400	1.6585
Losses - Incurred Method			
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	618,630,316	611,153,111	1,229,783,427
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0236	1.0624	
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0143	0.9982	
(19) Ultimate Incurred Losses (16) * (17) * (18)	642,256,631	648,108,888	1,290,365,519
(20) Benefit Level Factor	1.0000	1.0000	
(21) Adjusted Losses (19) * (20)	642,256,631	648,108,888	1,290,365,519
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.8139	0.8214	1.6353
Losses - Average of Incurred and Paid-to-20th Method			
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	644,063,542	655,452,649	1,299,516,191
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.8162	0.8307	1.6469
(25) Normalized Claim Frequency (Exhibit 1)	0.8966	0.8966	
(26) Severity Ratio * (24) / (25)	0.9104	0.9265	1.8369

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.

POLICY YEAR LOSS RATIO 2013

(1) Standard Earned Premium Reported (Table I)			1,595,881,925
(2) Premium Development Factor to Ultimate Level (Exhibit 5)			1.0000
(3) Expense Constant Removal Factor			1.0000
(4) PCCPAP On-Level Factor			1.0067
(5) Factor to Remove Loss Based Assessments			0.9853
(6) Standard Earned Premium on Level (1) * (2) * (3) * (4) * (5)			1,582,957,691
(7) Loss Cost Change to 04/1/24 Level			0.4722
(8) Expected Loss at Current Level (6) * (7)			747,472,622
Losses - Paid-to-20th Method	Indemnity	Medical	Total
(9) Paid Losses Reported (Table I-D-Reported & I-E-Reported)	607,759,731	580,059,159	1,187,818,890
(10) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0452	1.1282	
(11) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0152	0.9937	
(12) Ultimate Incurred Losses (9) * (10) * (11)	644,916,875	650,273,122	1,295,189,997
(13) Benefit Level Factor	1.0000	1.0000	
(14) Adjusted Losses (12) * (13)	644,916,875	650,273,122	1,295,189,997
(15) Policy Year Ratio of Losses to Expected Losses (14) / (8)	0.8628	0.8700	1.7328
Losses - Incurred Method			
(16) Incurred Losses Reported (Table I-B-Reported & I-C-Reported)	616,911,927	602,709,257	1,219,621,184
(17) Loss Development Factor to Ultimate Valuation (Exhibit 5)	1.0233	1.0677	
(18) Adjustment to Post-HB 1840 & HB 1846 Loss Levels	1.0150	0.9939	
(19) Ultimate Incurred Losses (16) * (17) * (18)	640,769,420	639,585,577	1,280,354,997
(20) Benefit Level Factor	1.0000	1.0000	
(21) Adjusted Losses (19) * (20)	640,769,420	639,585,577	1,280,354,997
(22) Policy Year Ratio of Losses to Expected Losses (21) / (8)	0.8572	0.8557	1.7129
Losses - Average of Incurred and Paid-to-20th Method			
(23) Adjusted Ultimate Incurred Losses ((14) + (21)) / 2	642,843,148	644,929,350	1,287,772,498
(24) Policy Year Ratio of Losses to Expected Losses (23) / (8)	0.8600	0.8628	1.7228
(25) Normalized Claim Frequency (Exhibit 1)	0.9802	0.9802	
(26) Severity Ratio * (24) / (25)	0.8774	0.8803	1.7577

* Severity Ratio represents loss ratio adjusted to a common level of claim frequency.