Filing at a Glance

Company: Celtic Insurance Company

Product Name: na
SERFF Tr Num: ARLH-126858279
State: Arkansas

TOI: H16I Individual Health - Major Medical
SERFF Status: Closed-Approved-Closed
State Tr Num: 46197

Sub-TOI: H16I.005A Individual - Preferred Provider (PPO)
Co Tr Num: 15-555-00229-AR
State Status: FEES PAID

Filing Type: Rate
Reviewer(s): Rosalind Minor

Author:
Disposition Date: 09/17/2010

Date Submitted: 10/13/2010
Disposition Status: Approved-Closed

Implementation Date Requested:
Implementation Date:

State Filing Description:

General Information

Project Name:
Status of Filing in Domicile:

Project Number:
Date Approved in Domicile:

Requested Filing Mode:
Domicile Status Comments:

Explanation for Combination/Other:
Market Type:

Submission Type:
Group Market Size:

Overall Rate Impact:
Group Market Type:

Filing Status Changed: 10/13/2010
Explanation for Other Group Market Type:

State Status Changed: 10/13/2010

Deemer Date:
Created By: Jennifer Newkirk

Submitted By: Jennifer Newkirk
Corresponding Filing Tracking Number:

PPACA: Pre-PPACA Submission

Filing Description:

Company and Contact

Filing Contact Information

NA NA,
NA@NA.COM

NA, NA
123-555-4567 [Phone]

LITTLE ROCK, AR 00000

Filing Company Information

Celtic Insurance Company	CoCode: 80799	State of Domicile: Illinois
Sears Tower	Group Code:	Company Type:
233 South Wacker Drive	Group Name:	State ID Number:
Suite 700	FEIN Number: 06-0641618	
Chicago, IL 60606-6393		
(312) 332-5401 ext. [Phone]		

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	10/13/2010	10/13/2010

Disposition

Disposition Date: 09/17/2010
Implementation Date:
Status: Approved-Closed
Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	*ARLH-126858279*	*State:*	*Arkansas*
Filing Company:	*Celtic Insurance Company*	*State Tracking Number:*	*46197*
Company Tracking Number:	*15-555-00229-AR*		
TOI:	*H16I Individual Health - Major Medical*	*Sub-TOI:*	*H16I.005A Individual - Preferred Provider (PPO)*
Product Name:	*na*		
Project Name/Number:	*/*		

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	ARLH-126858279		Yes

Supporting Document Schedules

Item Status: **Status Date:**

Satisfied - Item: ARLH-126858279

Comments:

Attachments:

ARLH-126858279.pdf

ARLH-126858279-1.pdf

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

September 17, 2010

S# ARLH-126858279
46197
Ck# 173043
$350.00
7-13-10

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Form I5-555-00229-AR
CelticCare Preferred Health Plans

Dear Mr. Martinez:

We have approved a 5% level rate increase on your submission. The approval is subject to the following conditions:

1. Rate increases will not be given prior to the first annual anniversary date of any policy.
2. After the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical area, must be submitted to our Department for approval.

Sincerely,

Rosalind D. Minor
Compliance Officer
Life and Health Division

RDM

1

CELTIC

Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, Illinois 60606-6393
312-332-5401

July 9, 2010

#46197
Ck#173043
$350.00
7-13-10

NAIC #80799
FEIN #06-0641618

RECEIVED
JUL 13 2010
LIFE AND HEALTH
ARKANSAS INSURANCE DEPARTMENT

Mr. Jay Bradford
Commissioner of Insurance
Arkansas Department of Insurance
1200 West 3rd Street
Little Rock, AR 72201-1904

+ currently available

Re: RATE FILING	APPROVED
I5-555-00229-AR (CeltiCare Preferred 5.0)	12/20/2007
I5-555-00229-AR (CeltiCare Preferred 5.1)	12/01/2009
I5-592-00193 (HSA 2.0/2.1) I5-598-00231 (HSA 3.0)	08/31/2009
I5-544-00159-AR (Celtic Basic 1.0/2.1)	07/30/2009
I5-544-00159-AR (Celtic Basic 2.2)	11/20/2009
I5-543-00150-AR (CeltiCare 3.0/3.1)	06/20/2008
I5-592-00193 (CeltiCare II)	09/1/2009
I5-541-00048-AR (CeltiCare 1.0/2.0/2.1)	09/1/2009
18Plus-493I-AR (Adults 1.0)	09/1/2009

closed

Dear Mr. Bradford:

Enclosed for your review and approval are duplicate copies of the actuarial memorandum and revised rates for the above referenced form as required by Arkansas statute.

The rates will go into effect 01/01/2011.

Because Celtic Basic 1.0 and Celtic Basic 2.1/2.2 have similar benefits we have decided to combine the experience of these three plans for rate filing purposes.

Because CeltiCare Preferred 5.0/5.1have similar benefits we have decided to combine the experience of these two plans for rate filing purposes.

Please note, the experience of Celtic Basic, HSA and CeltiCare Preferred have been combined because of credibility issues due to the size of each block. These blocks contain plans that are currently available in the market. Celtic will continue to group the experience of these products for future rate filing purposes.

In addition, the experience of Adults, CeltiCare, and CeltiCare II have been combined because of credibility issues due to the size of each block. These products are closed blocks of business. Celtic will continue to group the experience of these products for future rate filing purposes.

A copy of this letter is enclosed for your return to us upon approval of this rate filing. A postage prepaid return envelope is provided for your convenience. If you have any questions or require additional information regarding this submission, please contact me at the number listed below.

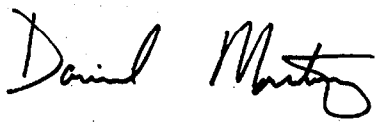
6

CELTIC

Celtic Insurance Company

Sears Tower
233 South Wacker Drive, Suite 700
Chicago, Illinois 60606-6393
312-332-5401

Sincerely,



Daniel Martinez
Contract Analyst
(312) 332-8387
(312) 441-0822 - Fax
dmartinez@celtic-net.com

Enclosures

Disclosure of Celtic Insurance Company's Rating Practices, Including the Use of Duration

Current and future premium rates are important considerations when choosing to buy individual health insurance. Celtic Insurance Company may use the following factors when premium rates are set: the prevailing cost of health care, age, gender, duration, health status, medical trend, geographic area, plan benefits (including optional benefits), and the number of family members covered. Using current actuarial assumptions, your policy is scheduled to receive the following durational increases at the following intervals:

MONTH / INTERVAL	DURATIONAL PERCENTAGE INCREASE OVER NEW BUSINESS
25th	2%
31st	9%
37th	17%
43rd	25%

The use of duration as a factor reflects the fact that the initial underwriting wears off over time. As a result, the above increases are designed to reflect this actuarial phenomenon. The use of duration allows for rates to track more closely to actual experience losses over time. If duration were not used, then initial rates would be less affordable and new business rates would be higher. Similarly, renewal rate increases over time likely would be less if durational factors were not used.

Rosalind Minor

From: DMartinez@celtic-net.com
Sent: Tuesday, August 03, 2010 2:03 PM
To: Rosalind Minor
Cc: DFoerster@celtic-net.com; RJones@celtic-net.com
Subject: Rate Filing - CeltiCare 3.0/3.1 - Celtic Insurance Company
Attachments: AR.pdf; AR-CC 3.0-3.1 Page 4.pdf

Rosalind,

Attached in this email is the replacement cover letter advising of the separate effective date of the CeltiCare 3.0/3.1 filing. In addition, page 4 of the actuarial memorandum is attached. Please use this page as a replacement in the memorandum.

Let me know if you have any additional questions.

Daniel Martinez
Contract Analyst, Compliance
Celtic Insurance Company
233 S. Wacker Dr Suite 700
Chicago, IL 60606
Phone: (312) 332-8387 Fax: (312) 441-0822

CELTIC

Celtic Insurance Company

Sears Tower
233 South Wacker Drive, Suite 700
Chicago, Illinois 60606-6393
312-332-5401

August 3, 2010

NAIC #80799
FEIN #06-0641618

Mr. Jay Bradford
Commissioner of Insurance
Arkansas Department of Insurance
1200 West 3rd Street
Little Rock, AR 72201-1904

Re: RATE FILING	APPROVED
I5-555-00229-AR (CeltiCare Preferred 5.0)	**12/20/2007**
I5-555-00229-AR (CeltiCare Preferred 5.1)	**12/01/2009**
I5-592-00193 (HSA 2.0/2.1) I5-598-00231 (HSA 3.0)	**08/31/2009**
I5-544-00159-AR (Celtic Basic 1.0/2.1)	**07/30/2009**
I5-544-00159-AR (Celtic Basic 2.2)	**11/20/2009**
I5-543-00150-AR (CeltiCare 3.0/3.1)	**06/20/2008**
I5-592-00193 (CeltiCare II)	**09/1/2009**
I5-541-00048-AR (CeltiCare 1.0/2.0/2.1)	**09/1/2009**
18Plus-493I-AR (Adults 1.0)	**09/1/2009**

Dear Mr. Bradford:

Enclosed for your review and approval are duplicate copies of the actuarial memorandum and revised rates for the above referenced form as required by Arkansas statute.

The rates will go into effect 01/01/2011, except for I5-543-00150-AR (CeltiCare 3.0/3.1) which will go into effect 7/1/2011.

Because Celtic Basic 1.0 and Celtic Basic 2.1/2.2 have similar benefits we have decided to combine the experience of these three plans for rate filing purposes.

Because CeltiCare Preferred 5.0/5.1have similar benefits we have decided to combine the experience of these two plans for rate filing purposes.

Please note, the experience of Celtic Basic, HSA and CeltiCare Preferred have been combined because of credibility issues due to the size of each block. These blocks contain plans that are currently available in the market. Celtic will continue to group the experience of these products for future rate filing purposes.

In addition, the experience of Adults, CeltiCare, and CeltiCare II have been combined because of credibility issues due to the size of each block. These products are closed blocks of business. Celtic will continue to group the experience of these products for future rate filing purposes.

A copy of this letter is enclosed for your return to us upon approval of this rate filing. A postage prepaid return envelope is provided for your convenience. If you have any questions or require additional information regarding this submission, please contact me at the number listed below.

Sincerely,

Daniel Martinez
Contract Analyst
(312) 332-8387
(312) 441-0822 - Fax
dmartinez@celtic-net.com

Enclosures

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Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

August 4, 2010

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Rate Increase – Open Blocks of Business
Forms: I5-555-0029-AR, I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0) and I5-544-00159-AR (Celtic Basis 1.0/2.1/2.2)

Dear Mr. Martinez:

Our Department has thoroughly reviewed your request for an 18% rate increase on the above referenced forms which are open blocks of business.

Based on the actual experience and the impact that an increase would have on the insureds during this difficult economic time, our Department will approve no more than a 5% increase on the above forms.

If you wish to accept this amount, please provide us with an updated actuarial memorandum along with the adjusted rates.

We appreciate your understanding and cooperation in this matter.

Sincerely,

Rosalind D. Minor

Rosalind D. Minor
Life & Health Compliance Officer
Life and Health Division
Rosalind.minor@arkansas.gov
(501)371-2767

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

September 7, 2010

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Rate Increase – Open Blocks of Business
My letter of August 4, 2010

Dear Mr. Martinez:

As of this date, we have not received a response to my letter of August 4, 2010.

If a response is not received by October 4, 2010, the submission will be disapproved. If you need additional time to respond, please e-mail me at rosalind.minor@arkansas.gov or call me at (501)-371-2767.

Thank you for your cooperation.

Sincerely,

Rosalind D. Minor
Compliance Officer
Life and Health Division

RDM

1200 W. 3rd Street, Little Rock, AR 72201-1904 • (501) 371-2600 • Fax (501) 371-2618 • www.arkansas.gov/insurance
Information (800) 282-9134 • Consumer Services (800) 852-5494 • Seniors (800) 224-6330 • Fraud (866) 660-0888

Celtic Insurance Company
CeltiCare Preferred Health Plans
Form I5-555-00229-AR
Arkansas

Medical Base Rates		
Age	Male	Female
0	74.54	74.54
1	73.86	73.86
2	73.94	73.94
3	73.52	73.52
4	73.68	73.68
5	67.73	67.73
6	64.38	64.38
7	64.24	64.24
8	64.09	64.09
9	63.77	63.77
10	63.77	64.19
11	63.79	64.21
12	63.98	64.44
13	64.05	64.52
14	64.38	64.91
15	63.61	66.01
16	63.82	66.27
17	63.84	66.01
18	67.67	72.20
19	67.52	71.93
20	67.57	73.03
21	67.80	73.33
22	67.87	73.36
23	67.96	73.46
24	67.97	73.42
25	68.56	75.19
26	69.45	77.10
27	70.34	79.05
28	71.37	82.34
29	72.28	86.70
30	76.09	91.99
31	80.28	97.94
32	84.23	104.00
33	88.38	109.54
34	92.67	113.78
35	96.64	118.39
36	101.15	123.28
37	105.65	128.27
38	110.29	133.28
39	115.20	139.16
40	120.49	144.53
41	126.04	149.36
42	131.84	154.00
43	139.24	159.09
44	147.18	164.29
45	155.13	170.78
46	162.02	176.66
47	169.21	181.20
48	176.20	187.04
49	183.17	192.51
50	188.98	198.23
51	195.59	204.42
52	203.51	210.35
53	214.99	218.57
54	228.14	227.44
55	239.82	237.89
56	250.63	247.34
57	263.03	257.25
58	276.16	268.79
59	290.24	281.12
60	303.43	292.75
61	317.57	305.79
62	331.74	318.49
63	345.20	331.30
64	359.35	344.65
65 +	664.62	637.60
Dependent Child Rate		
Per Child; up to 3	51.07	51.07

Sub-Standard Rate Ups	
Non-Smoker / Smoker	-7% / +7%
Occupational	0% to 100%
Medical	-10% to 100%

Plan Factors			
Coinsurance	Deductible	Stop Loss	Factor
80/20	500	10,000	0.9820
80/20	1,000	10,000	0.8788
80/20	1,500	10,000	0.7630
80/20	2,500	10,000	0.6136
80/20	5,000	10,000	0.4908
80/20	10,000	10,000	0.4148
100/0	1,000	N/A	1.0968
100/0	1,500	N/A	0.9881
100/0	2,500	N/A	0.8128
100/0	5,000	N/A	0.5844
100/0	10,000	N/A	0.4625

Product Type Factors	
Type	Factor
Indemnity	1.4000
Any Doc PPO	1.1400
Fully Steered PPO	1.0000
Plus Option	1.3316

Individual Discount Factor		
Coverage Option	Adult Factor	Child Factor
Primary	1.00	1.00
Primary+Spouse	0.93	1.00
Primary+Child(ren)	1.00	1.00
Family	0.93	1.00

Modal Factors	
Billing Mode	Factor
Monthly	1.0
Quarterly	3.0

Duration Factors	
Policy Months	Factor
0 - 24	1.00
25 - 30	1.02
31 - 36	1.09
37 - 42	1.17
43 +	1.25

Other Fees	
Billing Fee	$10.00 per bill
One-Time Application Fee	$25.00

Celtic Insurance Company
CeltiCare Preferred Health Plans
Form I5-555-00229-AR
Arkansas

Plus Option Base Rates

Age	Full Plus Option Male	Full Plus Option Female	Rx Card Only (5.0) Male	Rx Card Only (5.0) Female	Rx Card Only (5.1) Male	Rx Card Only (5.1) Female
0	2.35	2.35	0.65	0.65	1.30	1.30
1	3.03	3.03	0.65	0.65	1.30	1.30
2	2.90	2.90	0.65	0.65	1.30	1.30
3	3.30	3.30	0.65	0.65	1.30	1.30
4	3.07	3.07	0.65	0.65	1.30	1.30
5	3.45	3.45	0.65	0.65	1.30	1.30
6	3.67	3.67	0.65	0.65	1.30	1.30
7	3.77	3.77	0.65	0.65	1.30	1.30
8	3.87	3.87	0.65	0.65	1.30	1.30
9	4.14	4.14	0.65	0.65	1.30	1.30
10	4.54	5.29	0.65	0.65	1.30	1.30
11	4.44	5.19	0.65	0.65	1.30	1.30
12	4.17	4.87	0.65	0.65	1.30	1.30
13	4.00	4.70	0.98	0.98	1.47	1.47
14	3.58	4.20	0.98	0.98	1.47	1.47
15	2.72	3.63	0.98	1.00	1.47	1.50
16	2.47	3.23	0.98	1.06	1.47	1.59
17	2.63	3.35	0.98	1.13	1.47	1.70
18	2.78	3.53	0.98	1.23	1.47	1.85
19	2.88	3.51	0.98	1.24	1.47	1.86
20	2.56	4.12	0.98	1.26	1.47	1.89
21	2.27	3.55	0.98	1.28	1.47	1.92
22	2.15	3.25	0.98	1.33	1.47	2.00
23	1.96	2.92	0.98	1.35	1.47	2.03
24	1.86	2.74	0.98	1.37	1.47	2.06
25	1.68	2.50	0.98	1.39	1.47	2.09
26	1.69	2.54	0.98	1.47	1.47	2.21
27	1.68	2.50	1.05	1.56	1.58	2.34
28	1.70	2.31	1.16	1.57	1.70	2.30
29	1.67	2.18	1.23	1.61	1.79	2.34
30	1.91	2.22	1.38	1.61	1.98	2.31
31	2.06	2.31	1.54	1.74	2.19	2.47
32	2.25	2.43	1.72	1.88	2.41	2.61
33	2.17	2.29	1.92	1.97	2.66	2.73
34	2.12	2.17	2.14	2.05	2.93	2.81
35	2.11	2.05	2.28	2.21	3.09	2.99
36	2.02	1.98	2.44	2.39	3.27	3.20
37	2.03	1.99	2.59	2.54	3.43	3.36
38	1.92	1.88	2.77	2.70	3.62	3.53
39	1.90	1.88	2.95	2.92	3.81	3.77
40	1.84	1.76	3.19	3.06	4.06	3.90
41	2.03	1.87	3.46	3.19	4.35	4.01
42	2.03	1.76	3.75	3.28	4.66	4.07
43	1.96	1.68	4.11	3.35	5.04	4.11
44	1.80	1.46	4.39	3.56	5.31	4.31
45	1.90	1.54	4.69	3.81	5.60	4.55
46	1.97	1.60	4.97	4.03	5.85	4.75
47	2.02	1.63	5.26	4.27	6.11	4.96
48	1.77	1.42	5.52	4.48	6.32	5.13
49	1.82	1.47	5.82	4.72	6.57	5.33
50	1.97	1.72	5.81	5.08	6.47	5.65
51	1.94	1.80	5.80	5.41	6.36	5.93
52	1.90	1.76	5.96	5.56	6.44	6.01
53	1.87	1.54	6.21	5.74	6.61	6.08
54	1.81	1.63	6.51	5.89	6.83	6.18
55	1.79	1.61	6.89	6.20	7.11	6.40
56	1.75	1.58	7.30	6.57	7.42	6.68
57	1.69	1.51	7.72	6.95	7.72	6.95
58	1.54	1.38	8.18	7.36	8.18	7.36
59	1.80	1.62	8.66	7.79	8.66	7.79
60	1.77	1.59	9.16	8.25	9.16	8.25
61	1.69	1.60	9.70	8.73	9.70	8.73
62	1.78	1.60	10.27	9.25	10.27	9.25
63	1.75	1.57	10.88	9.79	10.88	9.79
64	1.63	1.46	11.52	10.37	11.52	10.37
65+	2.98	2.69	21.31	19.18	21.31	19.18
Dependent Child Rate						
Per Child; up to 3	1.93	1.93	1.42	1.42	2.84	2.84

For Each Covered Person:

Medical Premium=
(Medical Base Rate) x (1 + Smoker Factor)
x (Plan Factor) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Individual Discount Factor) x (Duration Factor)

Plus Option Premium=
(Plus Option Base Rate) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Individual Discount Factor) x (Duration Factor)

Total Rate per Person =
[Medical Premium + Plus Option Premium]

Total Billed Rate = Σ (Total Rate per Covered Person) * Modal Factor + Billing Fee

* see attached Trend Factor page
** see attached Area Factor page

Sample Premium Calculation:

Sample Case

Effective Date:	1/1/2011
Primary:	Male, 33 years old, Smoker
Spouse:	Female, 33 years old, Non-Smoker
Number of Children:	2
Plan:	Fully Steered PPO, $2,500 Deductible 80/20 Coinsurance, with Plus Option
Zip Code:	71601

Premium Calculation

Trend Factor:	2.4511
Area Factor:	1.281
Product Type Factor:	1.000
Rx Card Type Factor:	1.3316
Plan Factor:	0.6136
Primary Smoker Rate-Up:	7%
Spouse Smoker Rate-Up:	-7%
Med/Occupation Rate-Ups:	0 for the primary, spouse and children
Primary Discount Factor:	0.93
Spouse Discount Factor:	0.93
Children Discount Factor:	1.00
Medical Primary Insurance Factor:	1.00
Plus Primary Insurance Factor:	1.00
Primary Medical Premium = 1 x 2.4511 x 1.281 x 0.93 x 1.00 =	88.38 x (1 + (0.07)) x 0.6136 x (1 + 0.0) x $169.00
Spouse Medical Premium = (1 + 0.0) x 1 x 2.4511 x 1.281 x 0.93 =	109.54 x (1 + (-0.07)) x 0.6136 x (1 + 0.0) x $183.00
Children Medical Premium = (1 + 0.0) x 1 x 2.4511 x 1.281 x 1 =	(51.07 x 2) x 0.6136 x (1 + 0.0) x $197.00
Primary Plus Option Premium = 1.281 x 0.93 x 1.00 =	2.17 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.4511 x $8.00
Spouse Plus Option Premium = 1.281 x 0.93 =	2.29 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.4511 x $9.00
Children Plus Option Premium = 2.4511 x 1.281 x 1 =	(1.93 x 2) x (1 + 0.0) x (1 + 0.0) x 1.3316 x $16.00

Total Premium = (169.00 + 183.00 + 197.00) + (8.00 + 9.00 + 16.00) + 0.00)
= $582.00

Celtic Insurance Company
CeltiCare Preferred Health Plans
Form I5-555-00229-AR

Arkansas Area Factors

3-Digit ZIP Code	CeltiCare Preferred 5.0 Area Factors				CeltiCare Preferred 5.1 Area Factors			
	Indemnity	Any Doc PPO	Fully Steered PPO	Plus Option	Indemnity	Any Doc PPO	Fully Steered PPO	Plus Option
716	1.28100	1.28100	1.28100	1.28100	1.21000	1.21000	1.21000	1.21000
717	1.28100	1.28100	1.28100	1.28100	1.21000	1.21000	1.21000	1.21000
718	1.28100	1.28100	1.28100	1.28100	1.21000	1.21000	1.21000	1.21000
719	1.28100	1.28100	1.28100	1.28100	1.21000	1.21000	1.21000	1.21000
720	1.34600	1.34600	1.34600	1.34600	1.27200	1.27200	1.27200	1.27200
721	1.34600	1.34600	1.34600	1.34600	1.27200	1.27200	1.27200	1.27200
722	1.34600	1.34600	1.34600	1.34600	1.27200	1.27200	1.27200	1.27200
723	1.30500	1.30500	1.30500	1.30500	1.23300	1.23300	1.23300	1.23300
724	1.19700	1.19700	1.19700	1.19700	1.13100	1.13100	1.13100	1.13100
725	1.19700	1.19700	1.19700	1.19700	1.13100	1.13100	1.13100	1.13100
726	1.19700	1.19700	1.19700	1.19700	1.13100	1.13100	1.13100	1.13100
727	1.19700	1.19700	1.19700	1.19700	1.13100	1.13100	1.13100	1.13100
728	1.19700	1.19700	1.19700	1.19700	1.13100	1.13100	1.13100	1.13100
729	1.19700	1.19700	1.19700	1.19700	1.13100	1.13100	1.13100	1.13100

Celtic Insurance Company
CeltiCare Preferred Health Planss
Form I5-555-00229-AR
Arkansas

CeltiCare Preferred 5.0 Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/08	**Initial**	1.7056	**Initial**	1.7056
7/1/08	-	1.7056	2.5%	1.7483
10/1/08	-	1.7056	2.5%	1.7920
1/1/09	-	1.7056	2.0%	1.8278
4/1/09	-	1.7056	3.0%	1.8826
7/1/09	-	1.7056	4.0%	1.9580
10/1/09	-	1.7056	-	1.9580
1/1/10	-	1.7056	6.0%	2.0754
4/1/10	-	1.7056	6.0%	2.2000
7/1/10	-	1.7056	6.0%	2.3320
10/1/10	-	1.7056	3.0%	2.4019
1/1/11	18.0%	2.0126	9.0%	2.6181
4/1/11	-	2.0126	3.0%	2.6966
7/1/11	-	2.0126	3.0%	2.7775
10/1/11	-	2.0126	3.0%	2.8609

CeltiCare Preferred 5.1 Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
6/1/10	**Initial**	2.0772	**Initial**	2.0772
10/1/10	-	2.0772	3.0%	2.1395
1/1/11	18.0%	2.4511	9.0%	2.3321
4/1/11	-	2.4511	3.0%	2.4020
7/1/11	-	2.4511	3.0%	2.4741
10/1/11	-	2.4511	3.0%	2.5483

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

September 17, 2010

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Forms I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)
High Deductible Plans

Dear Mr. Martinez:

We have approved a 5% level rate increase on your submission. The approval is subject to the following conditions:

1. Rate increases will not be given prior to the first annual anniversary date of any policy.
2. After the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical area, must be submitted to our Department for approval.

Sincerely,

Rosalind D. Minor
Compliance Officer
Life and Health Division

RDM

40

1200 W. 3rd Street, Little Rock, AR 72201-1904 • (501) 371-2600 • Fax (501) 371-2618 • www.insurance.arkansas.gov
Information (800) 282-9134 • Consumer Services (800) 852-5494 • Seniors (800) 224-6330 • Fraud (866) 660-0888

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1) and Form I5-598-00231 (HSA 3.0)
Arkansas

Medical Base Rates

Age	HSA 2.0 Male	HSA 2.0 Female	HSA 2.1 Male	HSA 2.1 Female	HSA 3.0 Male	HSA 3.0 Female
0	70.63	66.55	60.85	60.85	60.85	60.85
1	70.63	66.55	60.88	60.88	60.88	60.88
2	70.63	66.55	60.94	60.94	60.94	60.94
3	70.63	66.55	60.98	60.98	60.98	60.98
4	70.63	66.55	61.04	61.04	61.04	61.04
5	62.92	60.96	56.05	56.05	56.05	56.05
6	62.92	60.96	56.11	56.11	56.11	56.11
7	62.92	60.96	56.17	56.17	56.17	56.17
8	62.92	60.96	56.24	56.24	56.24	56.24
9	62.92	60.96	56.30	56.30	56.30	56.30
10	62.92	60.96	56.38	56.38	56.38	56.38
11	62.92	60.96	56.46	56.46	56.46	56.46
12	62.92	60.96	56.55	56.55	56.55	56.55
13	62.92	60.96	56.63	56.63	56.63	56.63
14	62.92	60.96	56.72	56.72	56.72	56.72
15	79.14	78.21	56.81	57.97	56.81	57.97
16	79.14	78.21	56.49	58.06	56.49	58.06
17	79.14	78.21	56.57	58.21	56.57	58.21
18	79.14	78.82	60.18	63.90	60.18	63.90
19	79.14	80.40	60.23	64.05	60.23	64.05
20	82.56	81.00	60.20	64.20	60.20	64.20
21	82.56	81.74	60.26	64.39	60.26	64.39
22	82.56	82.22	60.30	64.58	60.30	64.58
23	82.56	82.87	60.40	64.72	60.40	64.72
24	82.56	83.45	60.51	64.86	60.51	64.86
25	82.56	84.24	61.04	66.36	61.04	66.36
26	82.56	87.68	61.85	68.11	61.85	68.11
27	82.56	88.88	62.68	69.93	62.68	69.93
28	82.56	96.17	63.58	73.04	63.58	73.04
29	85.52	102.91	64.43	77.14	64.43	77.14
30	87.44	113.10	67.87	82.10	67.87	82.10
31	89.62	116.08	71.03	87.54	71.03	87.54
32	91.96	117.72	75.23	93.11	75.23	93.11
33	93.82	120.03	78.08	98.09	78.08	98.09
34	96.25	122.17	82.88	101.92	82.88	101.92
35	99.32	124.29	86.38	106.42	86.38	106.42
36	103.49	127.29	90.76	110.94	90.76	110.94
37	107.56	131.82	95.95	115.58	95.95	115.58
38	111.16	136.30	99.27	120.25	99.27	120.25
39	115.32	139.42	102.86	125.70	102.86	125.70
40	120.72	142.28	108.79	130.73	108.79	130.73
41	126.12	145.32	113.97	135.28	113.97	135.28
42	131.77	149.18	119.40	139.68	119.40	139.68
43	137.68	153.17	120.31	144.26	120.31	144.26
44	144.19	158.66	133.73	149.38	133.73	149.38
45	150.97	163.97	141.19	155.47	141.19	155.47
46	157.24	168.97	147.69	161.01	147.69	161.01
47	164.27	173.90	154.90	165.75	154.90	165.75
48	172.64	180.48	161.13	170.88	161.13	170.88
49	180.29	186.50	167.72	175.11	167.72	175.11
50	192.81	195.45	173.29	181.58	173.29	181.58
51	207.10	209.27	179.37	187.79	179.37	187.79
52	222.47	219.95	187.02	193.14	187.02	193.14
53	239.02	236.04	197.77	200.88	197.77	200.88
54	256.62	252.51	210.07	209.22	210.07	209.22
55	268.60	265.09	220.16	218.99	220.16	218.99
56	281.91	276.21	231.30	228.00	231.30	228.00
57	295.86	287.20	243.00	237.40	243.00	237.40
58	310.63	300.20	255.40	248.31	255.40	248.31
59	326.45	313.03	268.59	259.96	268.59	259.96
60	341.25	326.98	281.20	270.99	281.20	270.99
61	356.06	341.74	293.84	283.34	293.84	283.34
62	372.91	355.73	308.09	295.43	308.09	295.43
63	387.77	369.76	320.86	307.64	320.86	307.64
64	403.53	384.76	334.47	320.37	334.47	320.37
65+	746.55	711.79	618.74	592.67	618.74	592.67

Dependent Child Rate

Per Child; up to 3	46.66	46.66	43.20	43.20	43.20	43.20

High Deductible Health Plan 2.0/2.1/3.0 Factors

Indiv./Family	Deductible	Coinsurance	Stop Loss	HSA 2.0	HSA 2.1	HSA 3.0
Individual	1,500	80/20	18,000	0.6721	0.6721	0.6721
		100/0	N/A	0.8938	0.9385	0.9385
	2,600	80/20	12,500	0.5441	0.5441	0.5441
		100/0	N/A	0.7228	0.7589	0.7589
	5,000	100/0	N/A	0.4994	0.5244	0.5244
Family	3,000	80/20	36,000	0.6721	0.6721	0.6721
		100/0	N/A	0.8938	0.9385	0.9385
	5,150	80/20	25,000	0.5441	0.5441	0.5441
		100/0	N/A	0.7228	0.7589	0.7589
	10,000	100/0	N/A	0.4994	0.5244	0.5244

Sub-Standard Rate-Ups

Non-Smoker / Smoker	-7% / 7%
Occupational	0% to 100%
Medical	-10% to 100%

Product Type Factors

Type	HSA 2.0	HSA 2.1	HSA 3.0
Indemnity	1.3898	1.4000	1.4000
Fully Steered PPO	1.0000	1.0000	1.0000
Preventive Option			1.3316

Modal Factors

Billing Mode	Factor
Monthly	1.0
Quarterly	3.0

Duration Factors

Policy Month	Factor
0 - 24	1.00
25 - 30	1.02
31 - 36	1.09
37 - 42	1.17
43 +	1.25

Family Discount Factor

Ind./Family	Discount Factor
Individual Policy	1.0000
Family Policy	0.9300

Other Fees

Fee Type	Fee
Billing Fees (HSA 2.0/2.1; HSA 3.0)	$8.00; $10 per bill
One-time Application Fee	$25.00

Medical Premium = (Medical Base Rate) x (Plan Factor)
x (1 + Smoker Factor) x (1 + Occup. Rate-Up)
x (1 + Med. Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Family Discount Factor) x (Duration Factor)

Preventive Opt Premium = (Preventive Option Base Rate)
x (1 + Occup. Rate-Up) x (1 + Med. Rate-Up)
x (Product Type Factor) x (Trend Factor*) x (Area Factor**)
x (Family Discount Factor) x (Duration Factor)

**see attached Trend Factor sheet*
***see attached Area Factor sheet*

Total Premium = [Medical Premium + Preventive Opt Premium + HSA Maintenance Fee]
x Modal Factor + Billing Fee

HSA 3.0 Only
Preventive Option Base Rates

Age	Male	Female
0	6.43	6.43
1	5.87	5.87
2	5.91	5.91
3	5.55	5.55
4	5.66	5.66
5	5.31	5.31
6	2.64	2.64
7	2.49	2.49
8	2.34	2.34
9	2.06	2.06
10	2.03	2.03
11	2.01	2.01
12	2.12	2.12
13	2.14	2.14
14	2.36	2.36
15	2.87	2.87
16	2.02	2.02
17	1.85	1.85
18	1.93	1.93
19	1.79	1.79
20	1.85	1.85
21	2.00	2.00
22	2.04	2.04
23	2.06	2.06
24	2.02	2.02
25	2.08	2.08
26	2.14	2.14
27	2.20	2.20
28	2.32	2.32
29	2.37	2.37
30	2.54	2.54
31	2.73	2.73
32	2.91	2.91
33	3.12	3.12
34	3.33	3.33
35	3.39	3.39
36	3.47	3.47
37	3.54	3.54
38	3.62	3.62
39	3.69	3.69
40	3.82	3.82
41	3.96	3.96
42	4.11	4.11
43	4.20	4.20
44	4.40	4.40
45	4.49	4.49
46	4.55	4.55
47	4.60	4.60
48	4.61	4.61
49	4.63	4.63
50	4.44	4.44
51	4.43	4.43
52	4.15	4.15
53	4.15	4.15
54	4.13	4.13
55	4.18	4.18
56	4.23	4.23
57	4.27	4.27
58	4.32	4.32
59	4.36	4.36
60	4.41	4.41
61	4.45	4.45
62	4.50	4.50
63	4.54	4.54
64	4.59	4.59
65+ (Term)	4.50	4.50

Dependent Child Rate

Per Child; up to 3	4.34	4.34

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1) and Form I5-598-00231 (HSA 3.0)

Arkansas Area Factors

3-Digit ZIP Code	HSA 2.0		HSA 2.1		HSA 3.0		
	Indemnity	Fully Steered PPO	Indemnity	Fully Steered PPO	Indemnity	Fully Steered PPO	Preventive
716	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600	1.14600
717	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600	1.14600
718	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600	1.14600
719	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600	1.14600
720	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500	1.20500
721	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500	1.20500
722	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500	1.20500
723	1.26900	1.26900	1.16800	1.16800	1.16800	1.16800	1.16800
724	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100	1.07100
725	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100	1.07100
726	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100	1.07100
727	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100	1.07100
728	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100	1.07100
729	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100	1.07100

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1) and Form I5-598-00231 (HSA 3.0)
Arkansas

High Deductible 2.0

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
10/1/05	-	1.0000	**Initial**	1.2041
11/1/05		1.0000		1.2041
1/1/06	Initial	1.2041	-	1.2041
2/1/06		1.2041	-	1.2041
3/1/06	-	1.2041	-	1.2041
4/1/06		1.2041	3.5%	1.2463
7/1/06	-	1.2041	3.5%	1.2899
10/1/06		1.2041	3.5%	1.3350
1/1/07	-	1.2041	-	1.3350
4/1/07		1.2041	3.0%	1.3751
7/1/07	-	1.2041	-	1.3751
10/1/07		1.2041		1.3751
1/1/08	-	1.2041	-	1.3751
4/1/08		1.2041		1.3751
7/1/08	-	1.2041	-	1.3751
10/1/08		1.2041		1.3751
1/1/09	-	1.2041	-	1.3751
4/1/09		1.2041		1.3751
7/1/09	-	1.2041	3.0%	1.4163
10/1/09		1.2041	3.0%	1.4588
1/1/10	8.0%	1.3005	3.0%	1.5026
4/1/10		1.3005	4.0%	1.5627
7/1/10	-	1.3005	6.0%	1.6565
10/1/10		1.3005	5.0%	1.7393
1/1/11	5.0%	1.3655	9.0%	1.8958
4/1/11		1.3655	3.0%	1.9527
7/1/11	-	1.3655	3.0%	2.0113
10/1/11		1.3655	3.0%	2.0716

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1) and Form I5-598-00231 (HSA 3.0)
Arkansas

High Deductible 2.1

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/08	**Initial**	1.4163	**Initial**	1.4163
7/1/08		1.4163	2.5%	1.4518
10/1/08	-	1.4163	2.5%	1.4880
1/1/09	-	1.4163	2.0%	1.5178
4/1/09	-	1.4163	3.0%	1.5633
7/1/09	-	1.4163	3.0%	1.6102
10/1/09	-	1.4163	3.0%	1.6585
1/1/10	8.0%	1.5297	3.0%	1.7083
4/1/10	-	1.5297	4.0%	1.7766
7/1/10	-	1.5297	6.0%	1.8832
10/1/10	-	1.5297	5.0%	1.9774
1/1/11	5.0%	1.6061	9.0%	2.1554
4/1/11	-	1.6061	3.0%	2.2200
7/1/11	-	1.6061	3.0%	2.2866
10/1/11	-	1.6061	3.0%	2.3552

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1) and Form I5-598-00231 (HSA 3.0)
Arkansas

High Deductible 3.0

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/08	**Initial**	1.4163	**Initial**	1.4163
7/1/08		1.4163	2.5%	1.4518
10/1/08	-	1.4163	2.5%	1.4880
1/1/09		1.4163	2.0%	1.5178
4/1/09	-	1.4163	3.0%	1.5633
7/1/09	-	1.4163	4.0%	1.6259
10/1/09	-	1.4163	-	1.6259
1/1/10	8.0%	1.5297	-	1.6259
4/1/10	-	1.5297	2.0%	1.6584
7/1/10		1.5297	3.0%	1.7081
10/1/10	-	1.5297	3.0%	1.7594
1/1/11	5.0%	1.6061	9.0%	1.9177
4/1/11	-	1.6061	3.0%	1.9753
7/1/11		1.6061	3.0%	2.0345
10/1/11	-	1.6061	3.0%	2.0956

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

September 17, 2010

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Forms I5-544-00159-AR (Celtic Basic 1.0/2.1 & 2.2)

Dear Mr. Martinez:

We have approved a 5% level rate increase on your submission. The approval is subject to the following conditions:

1. Rate increases will not be given prior to the first annual anniversary date of any policy.
2. After the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical area, must be submitted to our Department for approval.

Sincerely,

Rosalind D. Minor
Compliance Officer
Life and Health Division

RDM

Celtic Insurance Company
Form I5-544-00159-AR
Arkansas

Medical Base Rates						
	Celtic Basic 1.0		Celtic Basic 2.1		Celtic Basic 2.2	
Age	Male	Female	Male	Female	Male	Female
0	49.44	49.44	54.38	54.38	55.52	55.52
1	49.44	49.44	54.38	54.38	55.52	55.52
2	49.44	49.44	54.38	54.38	55.52	55.52
3	49.44	49.44	54.38	54.38	55.52	55.52
4	49.44	49.44	54.38	54.38	55.52	55.52
5	45.29	45.29	49.82	49.82	50.87	50.87
6	45.29	45.29	49.82	49.82	50.87	50.87
7	45.29	45.29	49.82	49.82	50.87	50.87
8	45.29	45.29	49.82	49.82	50.87	50.87
9	45.29	45.29	49.82	49.82	50.87	50.87
10	45.29	45.29	49.82	49.82	50.87	50.87
11	45.29	45.29	49.82	49.82	50.87	50.87
12	45.29	45.29	49.82	49.82	50.87	50.87
13	45.29	45.29	49.82	49.82	50.87	50.87
14	45.29	45.29	49.82	49.82	50.87	50.87
15	57.41	57.41	49.82	50.52	50.87	51.58
16	57.41	57.41	49.82	50.52	50.87	51.58
17	57.41	57.41	49.82	50.52	50.87	51.58
18	57.41	58.56	53.00	56.00	54.11	57.18
19	57.41	59.73	53.00	56.00	54.11	57.18
20	59.96	60.18	53.00	56.00	54.11	57.18
21	59.96	60.63	53.00	56.00	54.11	57.18
22	59.96	61.08	53.00	56.00	54.11	57.18
23	59.96	61.54	53.00	56.00	54.11	57.18
24	59.96	62.00	53.00	56.00	54.11	57.18
25	59.96	63.55	53.36	57.20	54.48	58.40
26	59.96	65.14	53.96	58.63	55.09	59.86
27	59.96	66.77	54.56	60.09	55.71	61.35
28	59.96	71.45	55.16	62.88	56.32	64.20
29	61.99	76.45	55.79	66.51	56.96	67.91
30	63.35	84.03	58.60	71.01	59.83	72.50
31	64.93	85.49	61.68	75.66	62.98	77.25
32	66.56	87.46	64.56	80.46	65.92	82.15
33	67.88	89.21	67.54	84.79	68.98	86.53
34	69.58	90.77	70.62	88.05	72.10	89.90
35	72.24	92.71	73.68	91.78	76.23	93.71
36	74.90	94.57	77.15	95.52	78.77	97.53
37	77.90	97.93	80.63	99.40	82.32	101.49
38	80.55	101.26	84.17	103.29	85.94	105.46
39	83.77	103.63	87.96	107.78	89.81	110.04
40	87.54	105.70	91.92	112.04	93.85	114.39
41	91.49	107.82	96.05	115.91	98.07	118.34
42	95.59	110.83	100.37	119.70	102.48	122.21
43	99.90	114.54	105.89	123.70	108.11	126.30
44	104.71	117.87	112.04	127.89	114.39	130.58
45	109.42	121.37	118.17	132.90	120.66	135.69
46	114.34	125.54	123.49	137.47	126.08	140.36
47	119.49	128.67	129.05	140.89	131.76	143.85
48	125.72	134.08	134.52	145.48	137.34	148.54
49	131.38	138.62	139.92	149.71	142.86	152.85
50	140.71	145.20	144.93	153.91	147.97	157.14
51	151.36	153.98	150.60	158.61	153.76	161.94
52	162.75	163.41	157.05	163.41	160.35	166.84
53	175.02	175.36	166.27	170.10	169.76	173.67
54	188.07	187.60	176.79	177.28	180.50	181.00
55	196.94	196.94	185.12	185.12	189.01	189.01
56	206.79	205.21	194.38	192.90	198.46	196.95
57	217.13	213.41	204.10	200.61	208.39	204.82
58	228.08	223.03	214.40	209.65	218.90	214.05
59	239.83	233.30	225.44	219.30	230.17	223.91
60	250.77	242.93	235.72	228.35	240.67	233.15
61	262.50	253.77	246.76	238.54	251.93	243.55
62	274.23	264.28	257.78	248.42	263.19	253.64
63	285.20	274.85	268.09	258.36	273.72	263.79
64	296.92	285.85	279.10	268.70	284.96	274.34
65 +	549.31	528.82	516.35	497.09	527.19	507.53
Dependent Child Rate						
Per Child; up to 3	34.89	34.89	38.38	38.38	39.19	39.19

Sub-Standard Rate Ups	
Non-Smoker / Smoker	-7% / +7%
Occupational	0% to 100%
Medical	-10% to 100%

Plan Factors				
Coinsurance	Deductible	Stop Loss	CB 1.0/2.1	CB 2.2
70/30	1,500	10,000	0.6700	0.6922
70/30	2,500	10,000	0.5416	0.5897
70/30	3,500	10,000	0.4894	0.5293
70/30	5,000	10,000	0.4337	0.4604
70/30	7,500	10,000	0.3706	0.3852
70/30	10,000	10,000	0.3160	0.3157
80/20	1,500	10,000	0.7320	0.7320
80/20	2,500	10,000	0.6203	0.6203
80/20	3,500	10,000	0.5546	0.5546
80/20	5,000	10,000	0.4800	0.4800
80/20	7,500	10,000	0.3995	0.3995
80/20	10,000	10,000	0.3265	0.3265

Product Type Factors	
Type	Factor
Fully Steered PPO	1.0000
Rx Drug Card Option	1.3316

Individual Discount Factor		
Coverage Option	Adult Factor	Child Factor
Primary	1.00	1.00
Primary+Spouse	0.93	1.00
Primary+Child(ren)	1.00	1.00
Family	0.93	1.00

Modal Factors	
Billing Mode	Factor
Monthly EFT	1.0
Quarterly Billing	3.0

Duration Factors	
Policy Months	Factor
0 - 24	1.00
25 - 30	1.02
31 - 36	1.09
37 - 42	1.17
43 +	1.25

Other Fees	
Billing Fee	$8.00 per bill
One-Time Application Fee	$25.00

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Celtic Insurance Company
Form I5-544-00159-AR
Arkansas

Rx Drug Card Option Base Rates						
	Celtic Basic 1.0		Celtic Basic 2.1		Celtic Basic 2.2	
Age	Male	Female	Male	Female	Male	Female
0	0.55	0.55	0.61	0.61	0.59	0.59
1	0.58	0.58	0.64	0.64	0.62	0.62
2	0.61	0.61	0.67	0.67	0.65	0.65
3	0.65	0.65	0.72	0.72	0.70	0.70
4	0.68	0.68	0.75	0.75	0.73	0.73
5	0.72	0.72	0.79	0.79	0.77	0.77
6	0.76	0.76	0.84	0.84	0.81	0.81
7	0.80	0.80	0.88	0.88	0.85	0.85
8	0.85	0.85	0.94	0.94	0.91	0.91
9	0.90	0.90	0.99	0.99	0.96	0.96
10	0.95	0.95	1.05	1.05	1.01	1.01
11	1.00	1.00	1.10	1.10	1.06	1.06
12	1.06	1.06	1.17	1.17	1.13	1.13
13	1.12	1.12	1.23	1.23	1.19	1.19
14	1.18	1.18	1.30	1.30	1.25	1.25
15	1.25	1.25	1.08	1.10	1.04	1.06
16	1.28	1.37	1.11	1.21	1.07	1.17
17	1.31	1.50	1.14	1.32	1.10	1.27
18	1.35	1.63	1.25	1.56	1.21	1.51
19	1.38	1.77	1.27	1.66	1.23	1.60
20	1.42	1.92	1.26	1.79	1.21	1.72
21	1.46	2.08	1.29	1.92	1.24	1.84
22	1.50	2.25	1.33	2.06	1.28	1.98
23	1.58	2.38	1.40	2.17	1.34	2.08
24	1.67	2.51	1.48	2.27	1.42	2.18
25	1.77	2.65	1.56	2.39	1.52	2.29
26	1.87	2.80	1.68	2.52	1.61	2.42
27	1.97	2.96	1.79	2.66	1.72	2.55
28	2.15	3.05	1.98	2.68	1.90	2.57
29	2.33	3.15	2.10	2.74	2.02	2.63
30	2.53	3.24	2.34	2.74	2.23	2.62
31	2.75	3.33	2.61	2.95	2.49	2.82
32	2.99	3.41	2.90	3.14	2.77	3.00
33	3.26	3.49	3.24	3.32	3.09	3.17
34	3.55	3.55	3.60	3.44	3.44	3.29
35	3.75	3.75	3.85	3.77	3.66	3.54
36	3.97	3.97	4.09	4.01	3.91	3.83
37	4.19	4.19	4.34	4.25	4.14	4.06
38	4.43	4.43	4.63	4.52	4.42	4.32
39	4.68	4.68	4.91	4.87	4.69	4.65
40	5.06	4.80	5.31	5.09	5.04	4.84
41	5.47	4.92	5.74	5.29	5.45	5.03
42	5.92	5.03	6.22	5.43	5.91	5.16
43	6.41	5.13	6.79	5.54	6.46	5.26
44	6.77	5.41	7.24	5.87	6.88	5.58
45	7.15	5.72	7.72	6.26	7.33	5.95
46	7.56	6.04	8.16	6.61	7.71	6.25
47	7.98	6.39	8.62	7.00	8.10	6.58
48	8.43	6.75	9.02	7.32	8.43	6.84
49	8.91	7.13	9.49	7.70	8.83	7.16
50	9.19	7.81	9.47	8.28	8.76	7.66
51	9.48	8.53	9.43	8.79	8.68	8.09
52	10.01	9.01	9.66	9.01	8.84	8.24
53	10.56	9.52	10.05	9.23	9.15	8.40
54	11.18	10.06	10.51	9.51	9.51	8.61
55	11.81	10.63	11.10	9.99	9.99	8.99
56	12.48	11.23	11.73	10.56	10.22	9.20
57	13.18	11.87	12.39	11.16	10.44	9.41
58	13.93	12.54	13.09	11.79	10.66	9.60
59	14.72	13.25	13.84	12.46	10.87	9.79
60	15.55	13.99	14.62	13.15	11.07	9.96
61	16.43	14.79	15.44	13.90	11.25	10.13
62	17.36	15.62	16.32	14.68	11.42	10.28
63	18.34	16.50	17.24	15.51	11.64	10.47
64	19.38	17.44	18.22	16.39	11.84	10.65
65 +	35.85	32.26	33.70	30.32	21.91	19.71
Dependent Child Rate						
Per Child; up to 3	2.57	2.57	2.83	2.83	2.75	2.75

For Each Covered Person:

Medical Premium=
(Medical Base Rate) x (1 + Smoker Factor)
x (Plan Factor) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Individual Discount Factor) x (Duration Factor)

Rx Card Option Premium=
(Plus Option Base Rate) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Individual Discount Factor) x (Duration Factor)

Total Rate per Person =
[Medical Premium + Rx Drug Card Option Premium]

Total Billed Rate = Σ (Total Rate per Covered Person) * Modal Factor + Biling Fee

* see attached Trend Factor page
** see attached Area Factor page

Sample Premium Calculation for:

Sample Case

Effective Date:	1/1/2011
Primary:	Male, 33 years old, Smoker
Spouse:	Female, 33 years old, Non-Smoker
Number of Children:	2
Plan:	$2,500 Deductible 80/20 Coinsurance with Rx Card Option
Zip Code:	71601

Premium Calculation

Trend Factor:	1.9502
Area Factor:	1.403
Product Type Factor:	1.000
Rx Card Type Factor:	1.3316
Plan Factor:	0.6203
Primary Smoker Rate-Up:	7%
Spouse Smoker Rate-Up:	-7%
Med/Occpation Rate-Ups:	0 for the primary, spouse and children
Primary Discount Factor:	0.93
Spouse Discount Factor:	0.93
Children Discount Factor:	1.00

Primary Medical Premium = 67.54 x (1 + (0.07)) x 0.6203 x (1 + 0.0) x (1 + 0.0) x 1 x 1.9502 x 1.403 x 0.93 = $ 114.00

Spouse Medical Premium = 84.75 x (1 + (-0.07)) x 0.6203 x (1 + 0.0) x (1 + 0.0) x 1 x 1.9502 x 1.403 x 0.93 = $ 124.00

Children Medical Premium = (38.38 x 2) x 0.6203 x (1 + 0.0) x (1 + 0.0) x 1 x 1.9502 x 1.403 x 1 = $ 130.00

Primary Rx Premium = 3.24 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 1.9502 x 1.403 x 0.93 = $ 11.00

Spouse Rx Premium = 3.32 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 1.9502 x 1.403 x 0.93 = $ 11.00

Children Rx Premium = (2.83 x 2) x (1 + 0.0) x (1 + 0.0) x 1.3316 x 1.9502 x 1.403 x 1 = $ 21.00

Total Premium = (114.00 + 124.00 + 130.00) + (11.00 + 11.00 + 21.00)
= $411.00

Celtic Insurance Company
Form I5-544-00159-AR

Arkansas Area Factors

3-Digit ZIP Code	Celtic Basic 1.0 Fully Steered PPO	Celtic Basic 1.0 Plus Option	Celtic Basic 2.1 Fully Steered PPO	Celtic Basic 2.1 Plus Option	Celtic Basic 2.2 Fully Steered PPO	Celtic Basic 2.2 Plus Option
716	1.40300	1.40300	1.24400	1.24400	1.22200	1.22200
717	1.40300	1.40300	1.24400	1.24400	1.22200	1.22200
718	1.40300	1.40300	1.24400	1.24400	1.22200	1.22200
719	1.40300	1.40300	1.24400	1.24400	1.22200	1.22200
720	1.55200	1.55200	1.30700	1.30700	1.28300	1.28300
721	1.55200	1.55200	1.30700	1.30700	1.28300	1.28300
722	1.55200	1.55200	1.30700	1.30700	1.28300	1.28300
723	1.36100	1.36100	1.26600	1.26600	1.24300	1.24300
724	1.38000	1.38000	1.16200	1.16200	1.14100	1.14100
725	1.38000	1.38000	1.16200	1.16200	1.14100	1.14100
726	1.38000	1.38000	1.16200	1.16200	1.14100	1.14100
727	1.38000	1.38000	1.16200	1.16200	1.14100	1.14100
728	1.38000	1.38000	1.16200	1.16200	1.14100	1.14100
729	1.38000	1.38000	1.16200	1.16200	1.14100	1.14100

Celtic Insurance Company
Form I5-544-00159-AR
Arkansas

Trend Factors for Celtic Basic

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/05	-	0.0000	**Initial**	1.3156
7/1/05	**Initial**	1.4942	4.5%	1.3748
10/1/05	-	1.4942	-	1.3748
11/1/05	-	1.4942	-	1.3748
1/1/06	-	1.4942	-	1.3748
2/1/06	-	1.4942	-	1.3748
4/1/06	-	1.4942	3.0%	1.4160
7/1/06	-	1.4942	3.0%	1.4585
10/1/06	-	1.4942	3.0%	1.5023
1/1/07	-	1.4942	3.0%	1.5474
4/1/07	-	1.4942	3.0%	1.5938
7/1/07	-	1.4942	3.0%	1.6416
10/1/07	-	1.4942	3.0%	1.6908
1/1/08	-	1.4942	-	1.6908
4/1/08	-	1.4942	3.0%	1.7416
7/1/08	-	1.4942	3.0%	1.7938
10/1/08	-	1.4942	5.0%	1.8835
1/1/09	13.0%	1.6884	3.0%	1.9400
4/1/09	-	1.6884	3.0%	1.9982
7/1/09	-	1.6884	3.0%	2.0581
10/1/09	-	1.6884	3.0%	2.1199
1/1/10	10.0%	1.8573	3.0%	2.1835
4/1/10	-	1.8573	4.0%	2.2708
7/1/10	-	1.8573	4.0%	2.3617
10/1/10	-	1.8573	3.0%	2.4325
1/1/11	5.0%	1.9502	9.0%	2.6514
4/1/11	-	1.9502	3.0%	2.7310
7/1/11	-	1.9502	3.0%	2.8129
10/1/11	-	1.9502	3.0%	2.8973

Trend Factors for Celtic Basic 2.1

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/08	**Initial**	1.7415	**Initial**	1.7415
7/1/08	-	1.7415	3.0%	1.7938
10/1/08	-	1.7415	2.5%	1.8386
1/1/09	-	1.7415	2.0%	1.8754
4/1/09	-	1.7415	3.0%	1.9316
7/1/09	-	1.7415	4.0%	2.0089
10/1/09	-	1.7415	-	2.0089
1/1/10	10.0%	1.9157	-	2.0089
4/1/10	-	1.9157	2.0%	2.0491
7/1/10	-	1.9157	4.0%	2.1311
10/1/10	-	1.9157	3.0%	2.1950
1/1/11	5.0%	2.0115	9.0%	2.3925
4/1/11	-	2.0115	3.0%	2.4643
7/1/11	-	2.0115	3.0%	2.5382
10/1/11	-	2.0115	3.0%	2.6144

Celtic Insurance Company
Form I5-544-00159-AR
Arkansas

Trend Factors for Celtic Basic 2.2

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
6/1/10	**Initial**	2.1312	**Initial**	2.1312
7/1/10	-	2.1312	-	2.1312
10/1/10	-	2.1312	3.0%	2.1952
1/1/11	5.0%	2.2378	3.0%	2.3927
4/1/11	-	2.2378	3.0%	2.4645
7/1/11	-	2.2378	3.0%	2.5385
10/1/11	-	2.2378	3.0%	2.6146

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

September 17, 2010

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Forms: I5-543-00150-AR (CeltiCare 3.0/3.1)
I5-541-00048-AR (CeltiCare 1.0/2.0/2.1
I5-592-00193 (CeltiCare II)
18Plus-493I-AR (Adults 1.0)

Dear Mr. Martinez:

We have approved a 10% level rate increase on your submission. The approval is subject to the following conditions:

1. Rate increases will not be given prior to the first annual anniversary date of any policy.
2. After the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical area, must be submitted to our Department for approval.

Sincerely,

Rosalind D. Minor
Compliance Officer
Life and Health Division

RDM

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1200 W. 3rd Street, Little Rock, AR 72201-1904 • (501) 371-2600 • Fax (501) 371-2618 • www.insurance.arkansas.gov
Information (800) 282-9134 • Consumer Services (800) 852-5494 • Seniors (800) 224-6330 • Fraud (866) 660-0888

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

August 4, 2010

Mr. Daniel Martinez
Contract Analyst
Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606-6393

RE: Rate Increase – Closed Block of Business
Forms: I-5-543-00150-AR (CeltiCare 3.0/3.1); I5-592-00193 (CeltiCare II); I5-541-00048-AR(CeltiCare 1.0/2.0/2.1) and 18 Plus-493I-AR (Adults 1.0)

Dear Mr. Martinez:

Our Department has thoroughly reviewed your request for a 25% rate increase on the above referenced forms which are closed blocks of business.

The majority of the companies that have been filing rate increases for major medical policies has been requesting increases in excess of 10%. Based upon the impact that a 25% increase would have on the insureds during this difficult economic time, our Department will approve no more than a 10% increase on the above forms.

If you wish to accept this amount, please provide us with an updated actuarial memorandum along with the adjusted rates.

We appreciate your understanding and cooperation in this matter.

Sincerely,

Rosalind D. Minor

Rosalind D. Minor
Life & Health Compliance Officer
Life and Health Division

Rosalind.minor@arkansas.gov
(501)371-2767

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Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
Form I5-543-00150-AR
Arkansas

Medical Base Rates		
	CeltiCare 3.1	
Age	Male	Female
0	75.48	75.48
1	75.48	75.48
2	75.48	75.48
3	75.48	75.48
4	75.48	75.48
5	69.14	69.14
6	69.14	69.14
7	69.14	69.14
8	69.14	69.14
9	69.14	69.14
10	69.14	69.14
11	69.14	69.14
12	69.14	69.14
13	69.14	69.14
14	69.14	69.14
15	87.65	87.65
16	87.65	87.65
17	87.65	87.65
18	87.65	89.40
19	87.65	91.19
20	91.54	91.87
21	91.54	92.56
22	91.54	93.25
23	91.54	93.95
24	91.54	94.65
25	91.54	97.02
26	91.54	99.45
27	91.54	101.94
28	91.54	109.08
29	94.63	116.72
30	96.71	128.28
31	98.13	130.52
32	101.61	133.52
33	103.63	136.19
34	106.22	138.57
35	110.29	141.54
36	114.35	144.37
37	118.92	149.50
38	122.97	154.59
39	127.89	158.21
40	133.65	161.37
41	139.66	164.60
42	145.94	169.20
43	152.51	174.86
44	159.85	179.95
45	167.04	185.29
46	174.56	191.65
47	182.42	196.44
48	191.93	204.70
49	200.57	211.63
50	214.81	221.68
51	231.07	235.09
52	248.46	249.47
53	267.10	267.72
54	287.11	286.40
55	300.66	300.66
56	315.70	313.28
57	331.49	325.81
58	348.19	340.48
59	366.14	356.17
60	382.83	370.87
61	400.75	387.42
62	418.66	403.47
63	435.40	419.61
64	453.30	436.39
65 +	838.60	807.92
Dependent Child Rate		
Per Child; up to 3	62.29	62.29

Sub-Standard Rate Ups	
Non-Smoker / Smoker	-7% / +7%
Occupational	0% to 100%
Medical	-10% to 100%

Plan Factors			
Coinsurance	Deductible	Stop Loss	Factor
80/20	250	5,000	1.3194
80/20	500	5,000	1.0500
80/20	1,000	5,000	0.9149
80/20	1,500	5,000	0.7835
80/20	2,000	5,000	0.6752
80/20	2,500	5,000	0.6138
80/20	3,000	5,000	0.5708
80/20	3,500	5,000	0.5316
80/20	5,000	5,000	0.4743
80/20	6,000	5,000	0.4260
80/20	10,000	5,000	0.3846
70/30	1,000	10,000	0.8257
70/30	1,500	10,000	0.7071
70/30	2,000	10,000	0.6094
70/30	2,500	10,000	0.5540
70/30	3,000	10,000	0.5151
70/30	3,500	10,000	0.4836
70/30	5,000	10,000	0.4281
70/30	6,000	10,000	0.3986
70/30	10,000	10,000	0.3502
80/20	1,000	10,000	0.8692
80/20	1,500	10,000	0.7443
80/20	2,000	10,000	0.6414
80/20	2,500	10,000	0.5831
80/20	3,000	10,000	0.5423
80/20	3,500	10,000	0.5091
80/20	5,000	10,000	0.4506
80/20	6,000	10,000	0.4196
80/20	10,000	10,000	0.3686
100/0	1,000	N/A	1.0519
100/0	1,500	N/A	0.9402
100/0	2,000	N/A	0.8102
100/0	2,500	N/A	0.7600
100/0	3,000	N/A	0.6549
100/0	3,500	N/A	0.5954
100/0	5,000	N/A	0.5253
100/0	6,000	N/A	0.4601
100/0	10,000	N/A	0.4000

Product Type Factors	
Type	Factor
Indemnity	1.3316
Any Doc PPO	1.0870
Fully Steered PPO	1.0000
Plus Option	1.3316

Modal Factors	
Billing Mode	Factor
Monthly	1.0
Quarterly	3.0

Duration Factors	
Policy Months	Factor
0 - 24	1.00
25 - 30	1.02
31 - 36	1.09
37 - 42	1.17
43 +	1.25

Other Fees		
	CC 3.0	*CC 3.1*
Billing Fee	$8.00 per bill	$8.00 per bill
One-Time Application Fee	$15.00	$25.00

Celtic Insurance Company
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Plus Option Base Rates		
	CeltiCare 3.1	
Age	Male	Female
0	12.91	12.91
1	13.04	13.04
2	13.18	13.18
3	13.33	13.33
4	13.48	13.48
5	7.07	7.07
6	7.32	7.32
7	7.58	7.58
8	7.85	7.85
9	8.13	8.13
10	8.42	8.42
11	8.72	8.72
12	9.03	9.03
13	9.35	9.35
14	9.68	9.68
15	10.02	10.02
16	10.06	10.77
17	10.11	11.53
18	10.17	12.31
19	10.24	13.11
20	10.32	13.94
21	10.41	14.79
22	10.47	15.71
23	10.86	16.28
24	11.25	16.88
25	11.67	17.50
26	12.10	18.15
27	12.55	18.82
28	13.41	19.04
29	14.29	19.29
30	15.24	19.51
31	16.27	19.69
32	17.39	19.83
33	18.61	19.91
34	19.93	19.93
35	20.71	20.71
36	21.51	21.51
37	22.35	22.35
38	23.23	23.23
39	24.15	24.15
40	25.69	24.40
41	27.34	24.61
42	29.12	24.76
43	31.05	24.84
44	32.31	25.85
45	33.63	26.90
46	35.01	28.01
47	36.45	29.16
48	37.96	30.37
49	39.54	31.63
50	40.20	34.17
51	40.91	36.82
52	42.64	38.37
53	44.45	40.00
54	46.34	41.71
55	48.33	43.50
56	50.41	45.37
57	52.59	47.33
58	54.87	49.39
59	57.26	51.54
60	59.77	53.79
61	62.40	56.16
62	65.15	58.64
63	68.04	61.23
64	71.06	63.96
65+	131.47	118.32
Dependent Child Rate		
Per Child; up to 3	14.69	14.69

Medical Premium =
(Medical Base Rate) x (1 + Smoker Factor)
x (Plan Factor) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Duration Factor)

Plus Option Premium =
(Plus Option Base Rate) x (1 +Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Duration Factor)

Total Rate =
[Medical Premium + Plus Option Premium]
x (Modal Factor) + (Billing Fee)

* see attached Trend Factor page
** see attached Area Factor page

Celtic Insurance Company
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Arkansas Area Factors

3-Digit ZIP Code	CeltiCare 3.0 / 3.1 Area Factors			
	Indemnity	Any Doc PPO	Fully Steered PPO	Plus Option
716	1.37400	1.37400	1.37400	1.37400
717	1.37400	1.37400	1.37400	1.37400
718	1.37400	1.37400	1.37400	1.37400
719	1.37400	1.37400	1.37400	1.37400
720	1.52000	1.52000	1.52000	1.52000
721	1.52000	1.52000	1.52000	1.52000
722	1.52000	1.52000	1.52000	1.52000
723	1.33300	1.33300	1.33300	1.33300
724	1.35200	1.35200	1.35200	1.35200
725	1.35200	1.35200	1.35200	1.35200
726	1.35200	1.35200	1.35200	1.35200
727	1.35200	1.35200	1.35200	1.35200
728	1.35200	1.35200	1.35200	1.35200
729	1.35200	1.35200	1.35200	1.35200

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CeltiCare 3.0 Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
7/1/03	-	1.0000	Initial	1.0000
10/1/03	Initial	1.0000	4.0%	1.0400
1/1/04	-	1.0000	4.0%	1.0816
4/1/04	-	1.0000	4.0%	1.1249
7/1/04	-	1.0000	-	1.1249
10/1/04	-	1.0000	3.0%	1.1586
1/1/05	-	1.0000	3.5%	1.1992
4/1/05	-	1.0000	3.5%	1.2411
7/1/05	43.4%	1.4335	10.0%	1.3652
10/1/05	-	1.4335	-	1.3652
1/1/06	-	1.4335	-	1.3652
4/1/06	-	1.4335	3.0%	1.4062
7/1/06	12.0%	1.6056	3.0%	1.4484
10/1/06	-	1.6056	3.0%	1.4918
1/1/07	-	1.6056	3.0%	1.5366
4/1/07	-	1.6056	3.0%	1.5827
7/1/07	14.0%	1.8303	8.0%	1.7093
10/1/07	-	1.8303	8.0%	1.8461
1/1/08	-	1.8303	5.0%	1.9384
4/1/08	-	1.8303	5.0%	2.0353
7/1/08	14.0%	2.0866	3.0%	2.0963
10/1/08	-	2.0866	5.0%	2.2011
1/1/09	-	2.0866	3.0%	2.2672
4/1/09	-	2.0866	3.0%	2.3352
7/1/09	14.0%	2.3787	3.0%	2.4053
10/1/09	-	2.3787	3.0%	2.4774
1/1/10	-	2.3787	6.0%	2.6261
4/1/10	-	2.3787	6.0%	2.7836
7/1/10	-	2.3787	6.0%	2.9506
10/1/10	-	2.3787	5.0%	3.0982
1/1/11	-	2.3787	8.0%	3.3460
4/1/11	-	2.3787	7.0%	3.5802
7/1/11	10.0%	2.6166	6.0%	3.7951
10/1/11	-	2.6166	6.0%	4.0228

CeltiCare 3.1 Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/04	Initial	1.0000	Initial	1.1249
7/1/04	-	1.0000	-	1.1249
10/1/04	-	1.0000	3.0%	1.1586
1/1/05	-	1.0000	3.5%	1.1992
4/1/05	-	1.0000	3.5%	1.2411
7/1/05	43.4%	1.4335	10.0%	1.3652
10/1/05	-	1.4335	-	1.3652
1/1/06	-	1.4335	-	1.3652
4/1/06	-	1.4335	3.0%	1.4062
7/1/06	12.0%	1.6056	3.0%	1.4484
10/1/06	-	1.6056	3.0%	1.4918
1/1/07	-	1.6056	3.0%	1.5366
4/1/07	-	1.6056	3.0%	1.5827
7/1/07	14.0%	1.8303	8.0%	1.7093
10/1/07	-	1.8303	8.0%	1.8461
1/1/08	-	1.8303	5.0%	1.9384
4/1/08	-	1.8303	5.0%	2.0353
7/1/08	14.0%	2.0866	3.0%	2.0963
10/1/08	-	2.0866	5.0%	2.2011
1/1/09	-	2.0866	3.0%	2.2672
4/1/09	-	2.0866	3.0%	2.3352
7/1/09	14.0%	2.3787	3.0%	2.4053
10/1/09	-	2.3787	3.0%	2.4774
1/1/10	-	2.3787	6.0%	2.6261
4/1/10	-	2.3787	6.0%	2.7836
7/1/10	-	2.3787	6.0%	2.9506
10/1/10	-	2.3787	5.0%	3.0982
1/1/11	-	2.3787	8.0%	3.3460
4/1/11	-	2.3787	7.0%	3.5802
7/1/11	10.0%	2.6166	6.0%	3.7951
10/1/11	-	2.6166	6.0%	4.0228

Celtic Insurance Company
CeltiCare 1.0/2.0/2.1 Health Plan
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Medical Base Rates

Age	CeltiCare 1.0 Male	CeltiCare 1.0 Female	CeltiCare 2.1 Male	CeltiCare 2.1 Female
0	74.00	74.00	74.00	74.00
1	74.00	74.00	74.00	74.00
2	74.00	74.00	74.00	74.00
3	74.00	74.00	74.00	74.00
4	74.00	74.00	74.00	74.00
5	74.00	74.00	74.00	74.00
6	67.78	67.78	67.78	67.78
7	67.78	67.78	67.78	67.78
8	67.78	67.78	67.78	67.78
9	67.78	67.78	67.78	67.78
10	67.78	67.78	67.78	67.78
11	67.78	67.78	67.78	67.78
12	67.78	67.78	67.78	67.78
13	67.78	67.78	67.78	67.78
14	67.78	67.78	67.78	67.78
15	90.68	107.83	90.68	100.66
16	90.68	107.83	90.68	100.66
17	90.68	107.83	90.68	100.66
18	91.30	135.63	91.30	114.12
19	91.30	135.63	91.30	114.12
20	91.30	135.63	91.30	114.12
21	91.30	135.63	91.30	114.12
22	91.30	135.63	91.30	114.12
23	91.30	135.63	91.30	114.12
24	91.30	135.63	91.30	114.12
25	91.30	132.04	91.30	114.12
26	91.30	132.04	91.30	114.12
27	91.30	132.04	91.30	114.12
28	93.41	137.57	93.41	121.44
29	96.56	141.65	96.56	125.53
30	98.68	144.41	98.68	128.28
31	101.83	144.89	101.83	130.35
32	105.00	147.69	105.00	133.35
33	107.09	148.20	107.09	133.86
34	110.26	148.17	110.26	135.62
35	114.48	151.08	114.48	136.53
36	118.69	153.79	118.69	141.24
37	123.95	157.01	123.95	146.26
38	128.17	161.99	128.17	151.24
39	133.43	163.74	133.43	154.78
40	137.64	165.87	137.64	156.91
41	141.86	166.05	141.86	158.88
42	147.14	170.49	147.14	163.32
43	153.44	175.95	153.44	168.78
44	160.82	180.86	160.82	173.69
45	167.14	182.42	167.14	178.84
46	174.51	188.56	174.51	184.98
47	181.90	192.75	181.90	189.17
48	191.38	198.91	191.38	197.12
49	199.79	205.58	199.79	203.79
50	209.28	209.28	209.28	209.28
51	218.78	217.68	218.78	217.68
52	228.23	226.64	228.23	226.64
53	240.89	238.72	240.89	238.72
54	253.52	250.73	253.52	250.73
55	267.23	263.22	267.23	263.22
56	279.87	274.27	279.87	274.27
57	292.50	285.19	292.50	285.19
58	307.24	298.03	307.24	298.03
59	323.07	311.76	323.07	311.76
60	337.80	324.62	337.80	324.62
61	353.61	339.11	353.61	339.11
62	369.41	353.16	369.41	353.16
63	384.16	366.11	384.16	366.11
64	399.95	379.95	399.95	379.95
65 +	739.91	621.52	739.91	621.52

Dependent Child Rate

Children	CeltiCare 1.0	CeltiCare 2.1
1	62.29	62.29
2	118.34	124.58
3 +	177.51	186.87

Sub-Standard Rate Ups

	CC 1.0	CC 2.0	CC 2.1
Non-Smoker / Smoker	-	-	-7% / +7%

Plan Factors

Coinsurance	Deductible	CC 1.0	CC 2.0	CC 2.1
50/50	250	0.9734	*Not offered*	*Not offered*
50/50	500	0.7694	*Not offered*	*Not offered*
50/50	1,000	0.6216	*Not offered*	*Not offered*
80/20	250	1.3194	1.3194	1.3194
80/20	500	1.0500	1.0500	1.0500
80/20	1,000	0.8949	0.8949	0.8949
80/20	2,500	0.6138	0.6138	0.6138
80/20	5,000	0.4743	0.4743	0.4743
100/0	1,000	1.0319	1.0319	1.0319
100/0	2,500	0.7382	0.7382	0.7382
100/0	5,000	0.5253	0.5253	0.5253

Product Type Factors

Type	CC 1.0	CC 2.0	CC 2.1
Indemnity	1.28	1.2832	1.2832
Any Doc PPO	1.11	1.1060	1.1060
Fully Steered PPO	1.00	1.0000	1.0000
Plus Option	*1.28*	*1.2832*	*1.2832*

Duration Factors

Policy Months	CC 1.0	CC 2.0	CC 2.1
0 - 24	1.00	1.00	1.00
25 - 30	1.02	1.02	1.02
31 - 36	1.09	1.09	1.09
37 - 42	1.17	1.17	1.17
43 +	1.25	1.25	1.25

Modal Factors

Billing Mode	CC 1.0	CC 2.0	CC 2.1
Monthly	1.0	1.0	1.0
Quarterly	3.0	3.0	3.0

Other Fees

	CC 1.0	CC 2.0	CC 2.1
Billing Fee	$6.00 per bill	$8.00 per bill	$8.00 per bill
One-Time Application Fee	$15.00	$15.00	$15.00

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Plus Option Base Rates

	Option 1: Preventive Care Healthy Lifestyle Rx Drug Card				Option 2: Preventive Care Healthy Lifestyle			
	CeltiCare 1.0		CeltiCare 2.0/2.1		CeltiCare 1.0		CeltiCare 2.0/2.1	
Age	Male	Female	Male	Female	Male	Female	Male	Female
0	25.24	25.24	25.68	25.68	16.17	16.17	15.52	15.52
1	25.24	25.24	25.68	25.68	16.17	16.17	15.52	15.52
2	25.24	25.24	25.68	25.68	16.17	16.17	15.52	15.52
3	25.24	25.24	25.68	25.68	16.17	16.17	15.52	15.52
4	25.24	25.24	25.68	25.68	16.17	16.17	15.52	15.52
5	25.24	25.24	25.68	25.68	16.17	16.17	15.52	15.52
6	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
7	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
8	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
9	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
10	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
11	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
12	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
13	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
14	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
15	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
16	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
17	19.54	19.54	19.54	19.54	16.17	16.17	15.52	15.52
18	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
19	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
20	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
21	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
22	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
23	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
24	20.57	26.67	20.65	27.23	16.17	16.17	15.52	15.52
25	22.85	31.76	23.11	32.71	16.17	16.17	15.52	15.52
26	22.85	31.76	23.11	32.71	16.17	16.17	15.52	15.52
27	22.85	31.76	23.11	32.71	16.17	16.17	15.52	15.52
28	22.85	31.76	23.11	32.71	16.17	16.17	15.52	15.52
29	22.85	31.76	23.11	32.71	16.17	16.17	15.52	15.52
30	24.13	34.04	24.48	35.17	16.17	16.17	15.52	15.52
31	24.13	34.04	24.48	35.17	16.17	16.17	15.52	15.52
32	24.13	34.04	24.48	35.17	16.17	16.17	15.52	15.52
33	24.13	34.04	24.48	35.17	16.17	16.17	15.52	15.52
34	24.13	34.04	24.48	35.17	16.17	16.17	15.52	15.52
35	26.16	38.37	26.67	39.84	16.17	16.17	15.52	15.52
36	26.16	38.37	26.67	39.84	16.17	16.17	15.52	15.52
37	26.16	38.37	26.67	39.84	16.17	16.17	15.52	15.52
38	26.16	38.37	26.67	39.84	16.17	16.17	15.52	15.52
39	26.16	38.37	26.67	39.84	16.17	16.17	15.52	15.52
40	29.98	40.40	30.79	42.02	16.17	16.17	15.52	15.52
41	29.98	40.40	30.79	42.02	16.17	16.17	15.52	15.52
42	29.98	40.40	30.79	42.02	16.17	16.17	15.52	15.52
43	29.98	40.40	30.79	42.02	16.17	16.17	15.52	15.52
44	29.98	40.40	30.79	42.02	16.17	16.17	15.52	15.52
45	34.54	45.23	35.71	47.23	16.17	16.17	15.52	15.52
46	34.54	45.23	35.71	47.23	16.17	16.17	15.52	15.52
47	34.54	45.23	35.71	47.23	16.17	16.17	15.52	15.52
48	34.54	45.23	35.71	47.23	16.17	16.17	15.52	15.52
49	34.54	45.23	35.71	47.23	16.17	16.17	15.52	15.52
50	42.68	49.56	44.48	51.90	16.17	16.17	15.52	15.52
51	42.68	49.56	44.48	51.90	16.17	16.17	15.52	15.52
52	42.68	49.56	44.48	51.90	16.17	16.17	15.52	15.52
53	42.68	49.56	44.48	51.90	16.17	16.17	15.52	15.52
54	42.68	49.56	44.48	51.90	16.17	16.17	15.52	15.52
55	56.93	60.50	59.84	63.69	16.17	16.17	15.52	15.52
56	56.93	60.50	59.84	63.69	16.17	16.17	15.52	15.52
57	56.93	60.50	59.84	63.69	16.17	16.17	15.52	15.52
58	56.93	60.50	59.84	63.69	16.17	16.17	15.52	15.52
59	56.93	60.50	59.84	63.69	16.17	16.17	15.52	15.52
60	78.30	72.45	82.88	76.57	16.17	16.17	15.52	15.52
61	78.30	72.45	82.88	76.57	16.17	16.17	15.52	15.52
62	78.30	72.45	82.88	76.57	16.17	16.17	15.52	15.52
63	78.30	72.45	82.88	76.57	16.17	16.17	15.52	15.52
64	78.30	72.45	82.88	76.57	16.17	16.17	15.52	15.52
65 +	134.23	122.69	143.15	130.71	16.17	16.17	15.52	15.52

Dependent Child Rate

Children	CeltiCare 1.0	CeltiCare 2.0/2.1	CeltiCare 1.0	CeltiCare 2.0/2.1
1	17.66	22.60	13.31	16.25
2	33.55	45.20	25.30	32.50
3 +	50.34	67.80	37.94	148.75

Medical Premium =
(Medical Base Rate) x (Plan Factor)
x (Product Type Factor) x (Trend Factor*)
x (1 + Smoker Factor) x (Area Factor**)
x (Duration Factor)

Plus Option Premium =
(Plus Option Base Rate) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Duration Factor)

Total Rate =
[Medical Premium + Plus Option Premium]
x (Modal Factor) + (Billing Fee)

* see attached Trend Factor page
** see attached Area Factor page

Celtic Insurance Company
Form I5-541-00048-AR
CeltiCare 1.0/2.0/2.1 Health Plan

Arkansas Area Factors

	CeltiCare 1.0 Area Factors				CeltiCare 2.0/2.1 Area Factors			
3-Digit ZIP Code	Indemnity	Any Doc PPO	Fully Steered PPO	Plus Option	Indemnity	Any Doc PPO	Fully Steered PPO	Plus Option
716	0.66748	0.62897	0.64062	0.66748	0.66748	0.62897	0.64062	0.66748
717	0.66748	0.62897	0.64062	0.66748	0.66748	0.62897	0.64062	0.66748
718	0.66748	0.62897	0.64062	0.66748	0.66748	0.62897	0.64062	0.66748
719	0.66748	0.62897	0.64062	0.66748	0.66748	0.62897	0.64062	0.66748
720	0.73827	0.69998	0.71294	0.73827	0.73827	0.69998	0.71294	0.73827
721	0.73827	0.69998	0.71294	0.73827	0.73827	0.69998	0.71294	0.73827
722	0.73827	0.69998	0.71294	0.73827	0.73827	0.69998	0.71294	0.73827
723	0.64725	0.63911	0.65095	0.64725	0.64725	0.63911	0.65095	0.64725
724	0.65737	0.62897	0.64062	0.65737	0.65737	0.62897	0.64062	0.65737
725	0.65737	0.62897	0.64062	0.65737	0.65737	0.62897	0.64062	0.65737
726	0.65737	0.62897	0.64062	0.65737	0.65737	0.62897	0.64062	0.65737
727	0.65737	0.62897	0.64062	0.65737	0.65737	0.62897	0.64062	0.65737
728	0.65737	0.62897	0.64062	0.65737	0.65737	0.62897	0.64062	0.65737
729	0.65737	0.62897	0.64062	0.65737	0.65737	0.62897	0.64062	0.65737

Celtic Insurance Company
CeltiCare 1.0/2.0/2.1 Health Plan
Form I5-541-00048-AR
Arkansas

CeltiCare 1.0 Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/98	**Initial**	1.0000	**Initial**	1.0000
7/1/98	-	1.0000	-	1.0000
10/1/98	3.0%	1.0300	3.0%	1.0300
1/1/99	-	1.0300	6.0%	1.0918
4/1/99	-	1.0300	3.0%	1.1246
7/1/99	-	1.0300	-	1.1246
10/1/99	-	1.0300	2.0%	1.1470
1/1/00	-	1.0300	6.0%	1.2159
4/1/00	-	1.0300	3.0%	1.2523
7/1/00	-	1.0300	7.5%	1.3463
10/1/00	-	1.0300	10.0%	1.4809
1/1/01	-	1.0300	4.0%	1.5401
4/1/01	-	1.0300	-	1.5401
7/1/01	9.0%	1.1227	-	1.5401
10/1/01	-	1.1227	3.0%	1.5863
1/1/02	-	1.1227	3.0%	1.6339
4/1/02	-	1.1227	4.0%	1.6993
7/1/02	20.0%	1.3472	4.0%	1.7673
10/1/02	-	1.3472	-	1.7673
1/1/03	-	1.3472	7.0%	1.8910
4/1/03	-	1.3472	4.0%	1.9666
7/1/03	30.5%	1.7575	4.0%	2.0453
10/1/03	-	1.7575	4.0%	2.1271
1/1/04	-	1.7575	4.0%	2.2122
4/1/04	-	1.7575	4.0%	2.3006
7/1/04	45.0%	2.5483	4.0%	2.3927
10/1/04	-	2.5483	10.0%	2.6319
1/1/05	-	2.5483	14.0%	3.0004
4/1/05	-	2.5483	14.0%	3.4205
7/1/05	30.0%	3.3128	7.0%	3.6599
10/1/05	-	3.3128	-	3.6599
1/1/06	-	3.3128	3.0%	3.7697
4/1/06	-	3.3128	3.0%	3.8828
7/1/06	-	3.3128	3.0%	3.9993
10/1/06	-	3.3128	3.0%	4.1192
1/1/07	3.0%	3.4122	3.0%	4.2428
4/1/07	-	3.4122	3.0%	4.3701
7/1/07	-	3.4122	8.0%	4.7197
10/1/07	-	3.4122	8.0%	5.0973
1/1/08	12.0%	3.8217	5.0%	5.3522
4/1/08	-	3.8217	5.0%	5.6198
7/1/08	-	3.8217	3.0%	5.7884
10/1/08	-	3.8217	5.0%	6.0778
1/1/09	10.0%	4.2039	3.0%	6.2601
4/1/09	-	4.2039	3.0%	6.4479
7/1/09	-	4.2039	3.0%	6.6414
10/1/09	-	4.2039	3.0%	6.8406
1/1/10	10.0%	4.6242	6.0%	7.2510
4/1/10	-	4.6242	6.0%	7.6861
7/1/10	-	4.6242	8.0%	8.3010
10/1/10	-	4.6242	5.0%	8.7160
1/1/11	10.0%	5.0867	8.0%	9.4133
4/1/11	-	5.0867	7.0%	10.0722
7/1/11	-	5.0867	6.0%	10.6766
10/1/11	-	5.0867	6.0%	11.3172

CeltiCare 2.0/2.1 Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
4/1/00	**Initial**	1.2523	**Initial**	1.2523
7/1/00	3.0%	1.2899	3.0%	1.2899
10/1/00	3.0%	1.3286	3.0%	1.3286
1/1/01	-	1.3286	4.0%	1.3818
4/1/01	-	1.3286	-	1.3818
7/1/01	9.0%	1.4482	-	1.3818
10/1/01	-	1.4482	3.0%	1.4232
1/1/02	-	1.4482	7.0%	1.5228
4/1/02	-	1.4482	4.0%	1.5837
7/1/02	20.0%	1.7378	4.0%	1.6471
10/1/02	-	1.7378	-	1.6471
1/1/03	-	1.7378	7.0%	1.7624
4/1/03	-	1.7378	4.0%	1.8329
7/1/03	-	1.7378	4.0%	1.9062
10/1/03	-	1.7378	4.0%	1.9825
1/1/04	-	1.7378	4.0%	2.0618
4/1/04	-	1.7378	4.0%	2.1442
7/1/04	45.0%	2.5198	4.0%	2.2300
10/1/04	-	2.5198	10.0%	2.4530
1/1/05	-	2.5198	14.0%	2.7964
4/1/05	-	2.5198	14.0%	3.1879
7/1/05	30.0%	3.2758	7.0%	3.4111
10/1/05	-	3.2758	-	3.4111
1/1/06	-	3.2758	3.0%	3.5134
4/1/06	-	3.2758	3.0%	3.6188
7/1/06	-	3.2758	3.0%	3.7274
10/1/06	-	3.2758	3.0%	3.8392
1/1/07	3.0%	3.3741	3.0%	3.9544
4/1/07	-	3.3741	3.0%	4.0730
7/1/07	-	3.3741	8.0%	4.3988
10/1/07	-	3.3741	8.0%	4.7507
1/1/08	12.0%	3.7790	5.0%	4.9883
4/1/08	-	3.7790	5.0%	5.2377
7/1/08	-	3.7790	3.0%	5.3948
10/1/08	-	3.7790	5.0%	5.6645
1/1/09	10.0%	4.1569	3.0%	5.8345
4/1/09	-	4.1569	3.0%	6.0095
7/1/09	-	4.1569	3.0%	6.1898
10/1/09	-	4.1569	3.0%	6.3755
1/1/10	10.0%	4.5725	6.0%	6.7580
4/1/10	-	4.5725	6.0%	7.1635
7/1/10	-	4.5725	8.0%	7.7366
10/1/10	-	4.5725	5.0%	8.1234
1/1/11	10.0%	5.0298	8.0%	8.7733
4/1/11	-	5.0298	7.0%	9.3874
7/1/11	-	5.0298	6.0%	9.9507
10/1/11	-	5.0298	6.0%	10.5477

Celtic Insurance Company
Form 18Plus-493I-AR
Adults 1.0 Health Plan
Arkansas

Medical Base Rates		
Age	Male	Female
18	98.72	140.13
19	98.72	140.13
20	98.72	140.13
21	98.72	140.13
22	98.72	140.13
23	98.72	140.13
24	98.72	140.13
25	98.72	143.58
26	98.72	148.18
27	98.72	151.63
28	101.02	155.08
29	104.47	157.39
30	106.77	160.84
31	110.22	163.13
32	113.67	166.58
33	115.97	170.03
34	119.43	172.34
35	124.02	175.79
36	128.63	180.39
37	134.38	183.84
38	138.98	187.29
39	144.73	191.89
40	149.33	195.34
41	153.94	198.79
42	159.68	203.40
43	166.58	209.14
44	174.64	216.04
45	181.54	221.80
46	189.59	228.70
47	197.64	234.45
48	208.00	243.65
49	217.20	250.55
50	227.55	259.76
51	237.90	267.81
52	248.25	275.86
53	262.05	280.46
54	275.86	285.06
55	290.81	290.81
56	304.61	295.42
57	318.42	301.16
58	334.53	309.22
59	351.78	318.42
60	367.88	326.47
61	385.13	334.53
62	402.39	343.72
63	418.49	352.93
64	435.74	360.98
Dependent Child Rate		
1	74.62	74.62
2	142.21	142.21
3	201.90	201.90

Plan Factor		
Coinsurance	Deductible	Factor
80/20	250	1.0000
80/20	500	0.8200
80/20	1000	0.6700
80/20	2500	0.5400
80/20	5000	0.4200
50/50	250	0.8600
50/50	500	0.6800
50/50	1000	0.5800
100/0	1000	0.7500
100/0	2500	0.6100
100/0	5000	0.4700

PPO Discount Factors	
Type	Factor
Indemnity	1.0000
Any Doc PPO	0.9000

Modal Factors	
Billing Mode	Factor
Monthly	1.0
Quarterly	3.0

Duration Factors	
Policy Months	Factor
0 - 24	1.00
25 - 30	1.02
31 - 36	1.09
37 - 42	1.17
43 +	1.25

Celtic Insurance Company
Form 18Plus-493I-AR
Adults 1.0 Health Plan
Arkansas

Plus Option Base Rates		
Age	Male	Female
18	12.50	12.50
19	12.50	12.50
20	12.50	12.50
21	12.50	12.50
22	12.50	12.50
23	12.50	12.50
24	12.50	12.50
25	12.50	12.50
26	12.50	12.50
27	12.50	12.50
28	12.50	12.50
29	12.50	12.50
30	13.35	13.35
31	13.35	13.35
32	13.35	13.35
33	13.35	13.35
34	13.35	13.35
35	14.29	14.29
36	14.29	14.29
37	14.29	14.29
38	14.29	14.29
39	14.29	14.29
40	16.35	16.35
41	16.35	16.35
42	16.35	16.35
43	16.35	16.35
44	16.35	16.35
45	18.82	18.82
46	18.82	18.82
47	18.82	18.82
48	18.82	18.82
49	18.82	18.82
50	21.78	21.78
51	21.78	21.78
52	21.78	21.78
53	21.78	21.78
54	21.78	21.78
55	26.23	26.23
56	26.23	26.23
57	26.23	26.23
58	26.23	26.23
59	26.23	26.23
60	31.79	31.79
61	31.79	31.79
62	31.79	31.79
63	31.79	31.79
64	31.79	31.79
Dependent Child Rate		
1	10.00	10.00
2	20.00	20.00
3	30.00	30.00

Medical Premium =
(Medical Base Rate) x (Plan Factor)
x (Product Type Factor) x (Trend Factor*)
x (Area Factor**)
x (Duration Factor)

Plus Option Premium =
(Plus Option Base Rate) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Duration Factor)

Total Rate =
[Medical Premium + Plus Option Premium
+ Term Life Premium] x (Modal Factor) + (Billing Fee)

* see attached Trend Factor page
** see attached Area Factor page

Celtic Insurance Company
Form 18Plus-493I-AR
Adults 1.0 Health Plan

Arkansas Area Factors

3-Digit ZIP Code	Kids 1.0 Area Factors Indemnity	Any Doc PPO
716	0.71000	0.71000
717	0.71000	0.71000
718	0.71000	0.71000
719	0.71000	0.71000
720	0.78000	0.78000
721	0.78000	0.78000
722	0.78000	0.78000
723	0.71000	0.71000
724	0.71000	0.71000
725	0.71000	0.71000
726	0.71000	0.71000
727	0.71000	0.71000
728	0.71000	0.71000
729	0.71000	0.71000

Celtic Insurance Company
Form 18Plus-493I-AR
Adults 1.0 Health Plan

Trend Factors

	Arkansas		Nationwide	
Date	Trend Increase	Cumulative Trend Factor	Trend Increase	Cumulative Trend Factor
Jul-95	-	1.0000	7.00%	1.0700
Nov-95	-	1.0000	-	1.0700
Jan-96	-	1.0000	-	1.0700
Feb-96	-	1.0000	3.00%	1.1021
Jun-96	-	1.0000	-	1.1021
Jul-96	-	1.0000	3.00%	1.1352
Oct-96	-	1.0000	6.00%	1.2033
Apr-97	-	1.0000	-	1.2033
Jul-97	9.20%	1.0920	10.00%	1.3236
Aug-97	-	1.0920	-	1.3236
Oct-97	-	1.0920	-	1.3236
Nov-97	-	1.0920	-	1.3236
Dec-97	-	1.0920	-	1.3236
Jan-98	-	1.0920	-	1.3236
Feb-98	-	1.0920	-	1.3236
Mar-98	-	1.0920	-	1.3236
Apr-98	-	1.0920	-	1.3236
Oct-98	-	1.0920	3.00%	1.3633
Jan-99	6.00%	1.1575	6.00%	1.4451
Mar-99	-	1.1575	-	1.4451
Apr-99	3.00%	1.1922	3.00%	1.4885
Jul-99	3.00%	1.2280	-	1.4885
Oct-99	3.00%	1.2649	2.00%	1.5182
Jan-00	-	1.2649	6.00%	1.6093
Mar-00	-	1.2649	-	1.6093
Apr-00	-	1.2649	6.00%	1.7059
Jul-00	25.00%	1.5811	3.00%	1.7571
Oct-00	-	1.5811	3.00%	1.8098
Jan-01	-	1.5811	4.00%	1.8822
Apr-01	-	1.5811	3.00%	1.9386
Jul-01	-	1.5811	3.00%	1.9968
Oct-01	-	1.5811	4.00%	2.0767
Jan-02	-	1.5811	5.00%	2.1805
Apr-02	-	1.5811	8.00%	2.3549
Jul-02	-	1.5811	6.00%	2.4962
Oct-02	-	1.5811	8.00%	2.6959
Jan-03	-	1.5811	9.00%	2.9386
Apr-03	-	1.5811	8.00%	3.1736
Jul-03	35.00%	2.1344	8.00%	3.4275
Oct-03	-	2.1344	12.00%	3.8388
Jan-04	-	2.1344	12.00%	4.2995
Apr-04	-	2.1344	8.00%	4.6435
Jul-04	-	2.1344	8.00%	5.0149
Oct-04	50.00%	3.2017	8.00%	5.4161
Jan-05	-	3.2017	8.00%	5.8494
Apr-05	-	3.2017	8.00%	6.3174
Jul-05	-	3.2017	8.00%	6.8228
Oct-05	-	3.2017	8.00%	7.3686
Jan-06	-	3.2017	3.00%	7.5896
Apr-06	-	3.2017	3.00%	7.8173
Jul-06	-	3.2017	5.00%	8.2082
Oct-06	-	3.2017	8.00%	8.8648
Jan-07	12.00%	3.5859	8.00%	9.5740
Apr-07	-	3.5859	8.00%	10.3400
Jul-07	-	3.5859	8.00%	11.1672
Oct-07	-	3.5859	8.00%	12.0605
Jan-08	10.00%	3.9444	5.00%	12.6635
Apr-08	-	3.9444	5.00%	13.2967
Jul-08	-	3.9444	3.00%	13.6956
Oct-08	-	3.9444	3.00%	14.1065
Jan-09	8.00%	4.2600	3.00%	14.5297
Apr-09	-	4.2600	3.00%	14.9656
Jul-09	-	4.2600	3.00%	15.4145
Oct-09	-	4.2600	3.00%	15.8770
Jan-10	10.00%	4.6860	5.00%	16.6708
Apr-10	-	4.6860	6.00%	17.6711
Jul-10	-	4.6860	6.00%	18.7314
Oct-10	-	4.6860	5.00%	19.6679
Jan-11	10.00%	5.1546	8.00%	21.2414
Apr-11	-	5.1546	7.00%	22.7282
Jul-11	-	5.1546	6.00%	24.0919
Oct-11	-	5.1546	6.00%	25.5375

Celtic Insurance Company
CeltiCare II Health Plan
Form I5-592-00193
Arkansas

Medical Base Rates		
Age	Male	Female
0	71.74	71.74
1	71.74	71.74
2	71.74	71.74
3	71.74	71.74
4	71.74	71.74
5	65.72	65.72
6	65.72	65.72
7	65.72	65.72
8	65.72	65.72
9	65.72	65.72
10	65.72	65.72
11	65.72	65.72
12	65.72	65.72
13	65.72	65.72
14	65.72	65.72
15	83.31	84.32
16	83.31	84.32
17	83.31	84.32
18	83.31	84.97
19	83.31	86.65
20	87.01	87.32
21	87.01	87.98
22	87.01	88.63
23	87.01	89.30
24	87.01	89.96
25	87.01	92.22
26	87.01	94.53
27	87.01	96.89
28	87.01	103.68
29	89.95	110.94
30	91.92	121.93
31	94.22	124.06
32	96.58	126.91
33	98.50	129.45
34	100.96	131.71
35	104.83	134.53
36	108.69	137.22
37	113.03	142.10
38	116.88	146.94
39	121.56	150.36
40	127.03	153.38
41	132.75	156.45
42	138.72	160.82
43	144.96	166.20
44	151.94	171.04
45	158.77	176.12
46	165.92	182.16
47	173.39	186.72
48	182.43	194.57
49	190.64	201.15
50	204.18	210.70
51	219.63	223.45
52	236.16	237.12
53	253.98	254.47
54	272.90	272.22
55	285.78	285.78
56	300.07	297.77
57	315.07	309.68
58	330.96	323.63
59	348.01	338.54
60	363.88	352.51
61	380.91	368.24
62	397.93	383.49
63	415.85	398.83
64	430.86	414.79
65	797.09	767.35

Dependent Child Rate		
Per Child; up to 3	48.11	48.11

Sub-Standard Rate Ups	
Non-Smoker / Smoker	-7% / +7%
Occupational	0% to 100%
Medical	-10% to 100%

Plan Factors			
Coinsurance	Deductible	Stop Loss	Factor
80/20	500	10,000	0.9806
80/20	1,000	10,000	0.8692
80/20	1,500	10,000	0.7443
80/20	2,500	10,000	0.5831
80/20	5,000	10,000	0.4506
80/20	10,000	10,000	0.3686
100/0	1,000	N/A	1.0519
100/0	1,500	N/A	0.9402
100/0	2,500	N/A	0.7600
100/0	5,000	N/A	0.5253
100/0	10,000	N/A	0.4000

Product Type Factors	
Type	Factor
Indemnity	1.3316
Any Doc PPO	1.0870
Fully Steered PPO	1.0000
Plus Option	1.3316

Individual Discount Factor		
Coverage Option	Adult Factor	Child Factor
Primary	1.00	1.00
Primary+Spouse	0.93	1.00
Primary+Child(ren)	1.00	1.00
Family	0.93	1.00

Modal Factors	
Billing Mode	Factor
Monthly	1.0
Quarterly	3.0

Duration Factors	
Policy Months	Factor
0 - 24	1.00
25 - 30	1.02
31 - 36	1.09
37 - 42	1.17
43 +	1.25

Other Fees	
Billing Fee	$8.00 per bill
One-Time Application Fee	$25.00

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Plus Option Base Rates				
	Full Plus Option		Rx Card Only	
Age	Male	Female	Male	Female
0	10.89	10.89	1.06	1.06
1	10.89	10.89	1.12	1.12
2	10.89	10.89	1.19	1.19
3	10.89	10.89	1.26	1.26
4	10.89	10.89	1.33	1.33
5	10.89	10.89	1.41	1.41
6	7.97	7.97	1.49	1.49
7	7.97	7.97	1.58	1.58
8	7.97	7.97	1.68	1.68
9	7.97	7.97	1.77	1.77
10	8.40	9.47	1.88	1.88
11	8.40	9.47	1.99	1.99
12	8.40	9.47	2.11	2.11
13	8.40	9.47	2.23	2.23
14	8.40	9.47	2.36	2.36
15	8.45	10.33	2.50	2.50
16	8.45	10.33	2.57	2.74
17	8.45	10.33	2.64	3.00
18	8.45	10.33	2.71	3.28
19	8.45	10.33	2.79	3.57
20	8.50	12.48	2.87	3.88
21	8.50	12.48	2.96	4.20
22	8.50	12.48	3.04	4.56
23	8.50	12.48	3.22	4.83
24	8.50	12.48	3.41	5.12
25	8.54	12.81	3.61	5.42
26	8.82	13.23	3.82	5.73
27	9.07	13.61	4.05	6.07
28	9.58	13.64	4.42	6.27
29	10.12	13.67	4.80	6.48
30	10.90	13.95	5.23	6.69
31	11.62	14.07	5.69	6.89
32	12.46	14.21	6.21	7.08
33	13.07	14.23	6.77	7.25
34	13.79	14.25	7.40	7.40
35	14.27	14.27	7.83	7.83
36	14.69	14.69	8.29	8.29
37	15.24	15.24	8.78	8.78
38	15.69	15.69	9.29	9.29
39	16.27	16.27	9.84	9.84
40	17.19	16.33	10.66	10.12
41	18.44	16.60	11.55	10.39
42	19.60	16.66	12.52	10.64
43	20.78	16.94	13.59	10.87
44	21.47	17.18	14.38	11.51
45	22.48	17.98	15.23	12.18
46	23.49	18.79	16.12	12.90
47	24.65	19.64	17.07	13.66
48	25.40	20.32	18.08	14.46
49	26.59	21.27	19.14	15.31
50	27.35	23.25	19.77	16.81
51	27.99	25.19	20.44	18.40
52	29.27	26.34	21.64	19.48
53	30.40	27.06	22.91	20.62
54	31.98	28.78	24.26	21.84
55	33.44	30.10	25.69	23.12
56	34.98	31.48	27.20	24.48
57	36.57	32.91	28.79	25.92
58	38.17	34.35	30.49	27.44
59	40.30	36.27	32.28	29.05
60	42.23	38.01	34.17	30.76
61	44.54	40.08	36.18	32.56
62	46.50	41.85	38.31	34.48
63	48.78	43.90	40.56	36.50
64	51.10	45.99	42.94	38.65
65 +	54.34	65.09	79.45	71.50
Dependent Child Rate				
Per Child; up to 3	10.99	10.99	4.51	4.51

For Each Covered Person:

Medical Premium=
(Medical Base Rate) x (1 + Smoker Factor)
x (Plan Factor) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Individual Discount Factor) x (Duration Factor)

Plus Option Premium=
(Plus Option Base Rate) x (1 + Occupation Rate-Up)
x (1 + Medical Rate-Up) x (Product Type Factor)
x (Trend Factor*) x (Area Factor**)
x (Individual Discount Factor) x (Duration Factor)

Total Rate per Person =
[Medical Premium + Plus Option Premium]

Total Billed Rate = Σ (Total Rate per Covered Person) * Modal Factor
+ Biling Fee

* see attached Trend Factor page
** see attached Area Factor page

Sample Premium Calculation:

Sample Case

Effective Date:	1/1/2011
Primary:	Male, 33 years old, Smoker
Spouse:	Female, 33 years old, Non-Smoker
Number of Children:	2
Plan:	Fully Steered PPO $2,500 Deductible 80/20 Coinsurance with Plus Option
Zip Code:	71601

Premium Calculation

Trend Factor:	1.9566
Area Factor:	1.374
Product Type Factor:	1.000
Rx Card Type Factor:	1.3316
Plan Factor:	0.5831
Primary Smoker Rate-Up:	7%
Spouse Smoker Rate-Up:	-7%
Med/Occpation Rate-Ups:	0 for the primary, spouse and children
Primary Discount Factor:	0.93
Spouse Discount Factor:	0.93
Children Discount Factor:	1.00

Primary Medical Premium = 98.5 x (1 + (0.07)) x 0.5831 x (1 + 0.0) x (1 + 0.0) x 1 x 1.9566 x 1.374 x 0.93 = $154.00

Spouse Medical Premium = 129.45 x (1 + (-0.07)) x 0.5831 x (1 + 0.0) x (1 + 0.0) x 1 x 1.9566 x 1.374 x 0.93 = $176.00

Children Medical Premium = (48.11 x 2) x 0.5831 x (1 + 0.0) x (1 + 0.0) x 1 x 1.9566 x 1.374 x 1 = $151.00

Primary Plus Option Premium = 13.07 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 1.9566 x 1.374 x 0.93 = $44.00

Spouse Plus Option Premium = 14.23 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 1.9566 x 1.374 x 0.93 = $47.00

Children Plus Option Premium = (10.99 x 2) x (1 + 0.0) x (1 + 0.0) x 1.3316 x 1.9566 x 1.374 x 1 = $79.00

Total Premium = (154.00 + 176.00 + 151.00) + (44.00 + 47.00 + 79.00)
= $651.00

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Arkansas Area Factors

3-Digit ZIP Code	CeltiCare II Area Factors			
	Indemnity	Any Doc PPO	Fully Steered PPO	Plus Option
716	1.37400	1.37400	1.37400	1.37400
717	1.37400	1.37400	1.37400	1.37400
718	1.37400	1.37400	1.37400	1.37400
719	1.37400	1.37400	1.37400	1.37400
720	1.52000	1.52000	1.52000	1.52000
721	1.52000	1.52000	1.52000	1.52000
722	1.52000	1.52000	1.52000	1.52000
723	1.33300	1.33300	1.33300	1.33300
724	1.35200	1.35200	1.35200	1.35200
725	1.35200	1.35200	1.35200	1.35200
726	1.35200	1.35200	1.35200	1.35200
727	1.35200	1.35200	1.35200	1.35200
728	1.35200	1.35200	1.35200	1.35200
729	1.35200	1.35200	1.35200	1.35200

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CeltiCare II Trend Factors

Date of Increase	Statewide Rate Increase	Statewide Cum. Factor	Nationwide Rate Increase	Nationwide Cum. Factor
10/1/05	-	1.2402	**Initial**	1.2402
11/1/05	-	1.2402	-	1.2402
1/1/06	**Initial**	1.3750	-	1.2402
2/1/06	-	1.3750	-	1.2402
3/1/06	-	1.3750	-	1.2402
4/1/06	-	1.3750	3.5%	1.2836
7/1/06	-	1.3750	3.5%	1.3285
10/1/06	-	1.3750	3.5%	1.3750
1/1/07	-	1.3750	3.0%	1.4163
4/1/07	-	1.3750	3.0%	1.4588
7/1/07	-	1.3750	3.0%	1.5025
10/1/07	-	1.3750	7.0%	1.6077
1/1/08	12.0%	1.5400	7.0%	1.7203
4/1/08	-	1.5400	5.0%	1.8063
7/1/08	-	1.5400	3.0%	1.8605
10/1/08	-	1.5400	3.0%	1.9163
1/1/09	5.0%	1.6170	3.0%	1.9738
4/1/09	-	1.6170	3.0%	2.0330
7/1/09	-	1.6170	3.0%	2.0940
10/1/09	-	1.6170	3.0%	2.1568
1/1/10	10.0%	1.7787	6.0%	2.2862
4/1/10	-	1.7787	6.0%	2.4234
7/1/10	-	1.7787	6.0%	2.5688
10/1/10	-	1.7787	5.0%	2.6972
1/1/11	10.0%	1.9566	8.0%	2.9130
4/1/11	-	1.9566	7.0%	3.1169
7/1/11	-	1.9566	6.0%	3.3039
10/1/11	-	1.9566	6.0%	3.5021