Filing at a Glance

Company:	Celtic Insurance Company
Product Name:	CeltiCare 1.0, et al
State:	Arkansas
TOI:	H16I Individual Health - Major Medical
Sub-TOI:	H16I.005A Individual - Preferred Provider (PPO)
Filing Type:	Rate
Date Submitted:	11/06/2012
SERFF Tr Num:	CELT-128759226
SERFF Status:	Closed-Approved-Closed
State Tr Num:	
State Status:	Approved-Closed
Co Tr Num:	I5-541-0048-AR, ET AL
Implementation Date Requested:	04/01/2013
Author(s):	Juan Guerra
Reviewer(s):	Rosalind Minor (primary)
Disposition Date:	12/06/2012
Disposition Status:	Approved-Closed
Implementation Date:	04/01/2013

State Filing Description:

State: *Arkansas* **Filing Company:** *Celtic Insurance Company*
TOI/Sub-TOI: *H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *CeltiCare 1.0, et al*
Project Name/Number: */*

General Information

Project Name:
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: Resubmission
Individual Market Type:
Filing Status Changed: 12/06/2012
State Status Changed: 12/06/2012
Created By: Juan Guerra
Corresponding Filing Tracking Number:

Status of Filing in Domicile: Not Filed
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Previous Filing Number: CELT-128699942
Overall Rate Impact: 9.5%

Deemer Date:
Submitted By: Juan Guerra

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Include Exchange Intentions: No

Filing Description:

November 6, 2012
NAIC #80799
FEIN #06-0641618
Jay Bradford, Commissioner
Department of Insurance
1200 W. Third Street
Little Rock, AR 72201-1904
Re: RATE FILING
18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)
Dear Mr. Bradford:
Attached for your approval is an actuarial memorandum and revised rates for the above referenced forms as required by Arkansa statute.
This is a rate revision filing. The purpose of this filing is to meet requirements outlined in the Arkansas statutes and demonstrate that benefits are reasonable in relation to the premium charged. We are including all our individual major medical blocks of business in this filing to improve the experience credibility of otherwise small blocks. The proposed rate increases are the same for all blocks.
Rates are guaranteed not to change for the first twelve months of the policy. But after 1/1/13 since this plan is not grandfathered under PPACA, rates are not guaranteed due to regulatory changes that will need to be made in 2014.
If you have any questions or require additional information regarding this submission, please contact me at the number listed below.
Sincerely,
Juan J. Guerra
Senior Contract Analyst
(312) 332-8331

(312) 441-0822 –Fax
jguerra@celtic-net.com

Company and Contact

Filing Contact Information

Juan Guerra, Senior Contract Analyst
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606

jguerra@celtic-net.com
312-332-8331 [Phone]
312-441-0822 [FAX]

Filing Company Information

Celtic Insurance Company
Sears Tower
233 South Wacker Drive, Suite 700
Chicago, IL 60606
(312) 332-5401 ext. [Phone]

CoCode: 80799
Group Code: 1295
Group Name:
FEIN Number: 06-0641618

State of Domicile: Illinois
Company Type: LAH
State ID Number:

Filing Fees

Fee Required? Yes
Fee Amount: $50.00
Retaliatory? No
Fee Explanation:
Per Company: No

Company	Amount	Date Processed	Transaction #
Celtic Insurance Company	$50.00	11/06/2012	64627450

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	12/06/2012	12/06/2012
Approved-Closed	Rosalind Minor	12/06/2012	12/06/2012

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	11/16/2012	11/16/2012	Juan Guerra	11/28/2012	11/28/2012
Pending Industry Response	Rosalind Minor	11/13/2012	11/13/2012	Juan Guerra	11/15/2012	11/15/2012
Pending Industry Response	Rosalind Minor	11/06/2012	11/06/2012	Juan Guerra	11/07/2012	11/07/2012

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Disposition

Disposition Date: 12/06/2012
Implementation Date: 04/01/2013
Status: Approved-Closed

HHS Status: HHS Approved
State Review: Reviewed by Actuary

Comment:

I re-opened this submission because I typed the wrong date in the approval letter. Please ignore the first approval.

We have approved a 9.5% level rate increase on your submission with the understanding that no policyholder will receive this increase prior to 4/1/2013. The approval is subject to the following conditions:

1. Rate increase 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 one in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical areas, must be submitted to our Department for approval.

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Celtic Insurance Company	Increase	9.500%	9.500%	$54,370	239	$572,312	9.500%	9.500%

Percent Change Approved:
Minimum: 9.500%
Maximum: 9.500%
Weighted Average: 9.500%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Health - Actuarial Justification	Approved-Closed	No

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Replaced	No
Supporting Document (revised)	Rate Summary Worksheet	Approved-Closed	No
Supporting Document	Rate Summary Worksheet	Replaced	No
Supporting Document	Consumer Disclosure Form	Approved-Closed	No
Supporting Document	Exhibits	Approved-Closed	No
Rate	I5-541-00048-AR, et al	Approved-Closed	Yes

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Disposition

Disposition Date: 12/06/2012
Implementation Date: 04/01/2013
Status: Approved-Closed

HHS Status: HHS Approved
State Review: Reviewed by Actuary

Comment:
We have approved a 9.5% level rate increase on your submission with the understanding that no policyholder will receive the increase prior to 4/1/12. The approval is subject to the following conditions:

1. Rate increase 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 one in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical areas, must be submitted to our Department for approval.

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Celtic Insurance Company	Increase	9.500%	9.500%	$54,370	239	$572,312	9.500%	9.500%

Percent Change Approved:
Minimum: 9.500%
Maximum: 9.500%
Weighted Average: 9.500%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Health - Actuarial Justification	Replaced	No
Supporting Document (revised)	Rate Summary Worksheet	Approved-Closed	No

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Rate Summary Worksheet	Replaced	No
Supporting Document	Consumer Disclosure Form	Approved-Closed	No
Supporting Document	Exhibits	Approved-Closed	No
Rate	I5-541-00048-AR, et al	Approved-Closed	Yes

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	11/16/2012
Submitted Date	11/16/2012
Respond By Date	12/16/2012

Dear Juan Guerra,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Rate Summary Worksheet (Supporting Document)
Comments: We appreciate your response of 11/15/2012.

Even though in theory the policyholder will only receive one increase, we will not allow a company to piggy back two approved increases into one.

What we will consider is the implementation date of this rate request to begin on 4/1/13 which would give the policyholders in the first quarter of 2013, last years' rate increase with them receiving this rate increase (if approved) in the first quarter of 2014.

If you wish to accept the suggestion of changing the effective date to 4/1/13, please change the necessary documents and data within this filing to reflect the change.

Conclusion:

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,
Rosalind Minor

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	11/13/2012
Submitted Date	11/13/2012
Respond By Date	

Dear Juan Guerra,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Rate Summary Worksheet (Supporting Document)
Comments:

Thank you for your response on 11/7/12 to my question concerning the rate range that was reported on the Rate Summary Worksheet.

You explained that those who were renewing during the first quarter of 2013 will get the 19.9% increase, of which 9.5% was already approved and implemented back in 4/1/2012. According to our approval of 11/10/11, it was our understanding that the implementation date of the 9.5% was to be 1/1/12. In our approval letter, we stated that after the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve month period.

Since your company decided not to implement the last rate increase until 4/1/12, the 12 month period would start with 4/1/12.

If we decide to appove your request of a 9.5% at this date, you could not implement the increase prior to 4/1/13. In this case, the percentages would need to be changed on the Work summary Worksheet.

We appreciate your understanding and cooperation.

Conclusion:

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,
Rosalind Minor

State: *Arkansas* **Filing Company:** *Celtic Insurance Company*
TOI/Sub-TOI: *H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *CeltiCare 1.0, et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	11/06/2012
Submitted Date	11/06/2012
Respond By Date	12/06/2012

Dear Juan Guerra,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Rate Summary Worksheet (Supporting Document)

Comments:

The Range of Rate Increase on the rate summary worksheet outlines a minimum $ of 9.5000% and a Maximum $ of 19.9025% while the data under the Rate/Rule tab outlines a level increase of 9.500%.

If you are requesting a 9.500%, please send a corrected work summary worksheet.

Conclusion:

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/28/2012
Submitted Date	11/28/2012

Dear Rosalind Minor,

Introduction:

This letter will acknowledge receipt of your correspondence referenced above.

Response 1

Comments:

We agree with the changes listed in your letter.

Related Objection 1

Applies To:

- Rate Summary Worksheet (Supporting Document)

Comments: We appreciate your response of 11/15/2012.

Even though in theory the policyholder will only receive one increase, we will not allow a company to piggy back two approved increases into one.

What we will consider is the implementation date of this rate request to begin on 4/1/13 which would give the policyholders in the first quarter of 2013, last years' rate increase with them receiving this rate increase (if approved) in the first quarter of 2014.

If you wish to accept the suggestion of changing the effective date to 4/1/13, please change the necessary documents and data within this filing to reflect the change.

Changed Items:

State: *Arkansas* **Filing Company:** *Celtic Insurance Company*
TOI/Sub-TOI: *H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *CeltiCare 1.0, et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes

Satisfied - Item:	Health - Actuarial Justification
Comments:	We have attached the revised Actuarial Memorandum.
Attachment(s):	
AR-Memorandum-Combined-new2.pdf	
Previous Version	
Satisfied - Item:	*Health - Actuarial Justification*
Comments:	*Actuarial Memorandum attached.*
Attachment(s):	
AR-Memorandum-Combined-new.pdf	
Satisfied - Item:	Rate Summary Worksheet
Comments:	Attached is the revised Rate suimmary worksheet.
Attachment(s):	
Copy of AR-RateSummary-new2.xls	
Previous Version	
Satisfied - Item:	*Rate Summary Worksheet*
Comments:	*Rate suimmary worksheet is attached.*
Attachment(s):	
AR-RateSummary-new.xls	

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Supporting Document Schedule Item Changes

Satisfied - Item:	Health - Actuarial Justification
Comments:	We have attached the revised Actuarial Memorandum.
Attachment(s):	
AR-Memorandum-Combined-new2.pdf	
Previous Version	
Satisfied - Item:	*Health - Actuarial Justification*
Comments:	*Actuarial Memorandum attached.*
Attachment(s):	
AR-Memorandum-Combined-new.pdf	
Satisfied - Item:	Rate Summary Worksheet
Comments:	Attached is the revised Rate suimmary worksheet.
Attachment(s):	
Copy of AR-RateSummary-new2.xls	
Previous Version	
Satisfied - Item:	*Rate Summary Worksheet*
Comments:	*Rate suimmary worksheet is attached.*
Attachment(s):	
AR-RateSummary-new.xls	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

If you have any questions or require additional information regarding this submission, please contact me.

Sincerely,

Juan Guerra

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/15/2012
Submitted Date	11/15/2012

Dear Rosalind Minor,

Introduction:

This letter will acknowledge receipt of your correspondence referenced above.

The comments raised will be addressed in the order presented in your letter.

Response 1

Comments:

The 9.5% rate increase was implemented back on 4/1/2012 because the rate filing initially submitted on 8/19/2011 and approved on 11/10/11 arrived too late to process for the 1/1/2012 implementation date. Celtic normally has to submit any rate changes to our system and our web vendor 90 days ahead of time to make any rate quoting available to the public and generate the 30-day advance notices to our policyholders. Celtic usually has implemented quarterly rate changes in the past.

Keep in mind that the policyholders are still getting a rate increase once a year. We hold rates for each policyholder constant for 12 months following their renewal date. The policyholders who are renewing during the 1st quarter of 2013 are still getting a once a year rate increase. This group have delayed their 4/1/2012 rate increase which will be reflected on their next renewal date in the first quarter of 2013, along with any increase implemented for 1/1/2013.

Please let us know if you need us to discuss and clarify this issue. As mentioned before, the Rate Summary workbook is a HIOS requirement and SERFF has a different definition of the maximum rate that we are requesting for this rate filing.

Related Objection 1

Applies To:

- Rate Summary Worksheet (Supporting Document)

Comments:

Thank you for your response on 11/7/12 to my question concerning the rate range that was reported on the Rate Summary Worksheet.

You explained that those who were renewing during the first quarter of 2013 will get the 19.9% increase, of which 9.5% was already approved and implemented back in 4/1/2012. According to our approval of 11/10/11, it was our understanding that the implementation date of the 9.5% was to be 1/1/12. In our approval letter, we stated that after the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve month period.

Since your company decided not to implement the last rate increase until 4/1/12, the 12 month period would start with 4/1/12.

If we decide to appove your request of a 9.5% at this date, you could not implement the increase prior to 4/1/13. In this case, the percentages would need to be changed on the Work summary Worksheet.

We appreciate your understanding and cooperation.

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

If you have any questions or require additional information regarding this submission, please contact me.

Sincerely,

Juan Guerra

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/07/2012
Submitted Date	11/07/2012

Dear Rosalind Minor,

Introduction:

This letter will acknowledge receipt of your correspondence referenced above.

Response 1

Comments:

Celtic is requesting for a flat 9.5% rate increase for effective 1/1/2013. So SERFF should reflect that in the min and max fields.

Regarding the Rate Summary worksheet required by HIOS/HHS, the maximum rate increase that we were instructed to do by HIOS for other states is to reflect the maximum rate increase within the 12-month period since the last rate implementation. In this case, those who were renewing during the first quarter of 2013 will get the 19.9% increase, of which 9.5% were already approved and implemented back in 4/1/2012. This does not necessarily mean that we are requesting a 19.9% for effective 1/1/2013 for this filing. The rest of renewals after the first quarter of 2013 will get just the 9.5% proposed rate increase.

Related Objection 1

Applies To:

- Rate Summary Worksheet (Supporting Document)

Comments:

The Range of Rate Increase on the rate summary worksheet outlines a minimum $ of 9.5000% and a Maximum $ of 19.9025% while the data under the Rate/Rule tab outlines a level increase of 9.500%.

If you are requesting a 9.500%, please send a corrected work summary worksheet.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

If you have any additional questions or require additional information regarding this submission, please do not hesitate to contact me.

Sincerely,

Juan Guerra

State: *Arkansas* **Filing Company:** *Celtic Insurance Company*
TOI/Sub-TOI: *H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *CeltiCare 1.0, et al*
Project Name/Number: */*

Post Submission Update Request Processed On 12/04/2012

Status:	Disallowed
Created By:	Juan Guerra
Processed By:	Rosalind Minor
Comments:	Your post submission update is being disallowed. The implementation date of this increase is requested for 1/1/2013 instead of the agreed upon date of 4/1/2013. Please resubmit another post submission update which reflects the agreed upon implementation date of 4/1/2013. Thank you.

Company Rate Information:

Company Name:Celtic Insurance Company

Field Name	Requested Change	Prior Value
PRIOR RATE:		
Total Incurred Claims:	818,348.000	797,293.000
REQUESTED RATE:		
Projected Incurred Claims:	914,969.000	822,422.000

State: *Arkansas* **Filing Company:** *Celtic Insurance Company*
TOI/Sub-TOI: *H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *CeltiCare 1.0, et al*
Project Name/Number: */*

Post Submission Update Request Processed On 12/04/2012

Status:	Allowed
Created By:	Juan Guerra
Processed By:	Rosalind Minor
Comments:	

General Information:

Field Name	Requested Change	Prior Value
Implementation Date Requested	04/01/2013	01/01/2013

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 9.500%
Effective Date of Last Rate Revision: 04/01/2012
Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Celtic Insurance Company	Increase	9.500%	9.500%	$54,370	239	$572,312	9.500%	9.500%

Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		242				86		2
Policy Holders:		171				67		1

State: *Arkansas* **Filing Company:** *Celtic Insurance Company*
TOI/Sub-TOI: *H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *CeltiCare 1.0, et al*
Project Name/Number: */*

Rate Review Detail

COMPANY:

Company Name:	Celtic Insurance Company
HHS Issuer Id:	62141
Product Names:	Adults 1.0, CeltiCare 1.0/2.0/2.1, CeltiCare 3.0/3.1, CeltiCare II, CeltiCare Preferred 5.0/5.1, Celtic Basic 1.0/2.1/2.2, HSA 2.0/2.1, HSA 3.0
Trend Factors:	Trend assumptions to be used in future adjustment of rates will be based on claims costs of this and similar Celtic policies as well as various indices and published journals concerning health care costs, including the Medical Cost component of the Consumer Price Index, Buck Consultants' Trend Survey, Oliver Wyman's Carrier Trend Report and Milliman's Health Cost Index.

FORMS:

New Policy Forms:	
Affected Forms:	
Other Affected Forms:	18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

REQUESTED RATE CHANGE INFORMATION:

Change Period:	Quarterly
Member Months:	2,506
Benefit Change:	None
Percent Change Requested:	Min: 9.5 Max: 9.5 Avg: 9.5

PRIOR RATE:

Total Earned Premium:	632,628.00
Total Incurred Claims:	797,293.00
Annual $:	Min: 171.00 Max: 1,070.00 Avg: 251.00

REQUESTED RATE:

Projected Earned Premium:	692,453.00
Projected Incurred Claims:	822,422.00
Annual $:	Min: 187.00 Max: 1,172.00 Avg: 275.00

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information		Attachments
1	Approved-Closed 12/06/2012	I5-541-00048-AR, et al	Actuarial Memorandum	Revised	Previous State Filing Number:	I5-544-00159-AR	AR-Memorandum-Combined-new.pdf
					Percent Rate Change Request:	25.000	

Celtic Insurance Company
Actuarial Rate Memorandum

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

ARKANSAS

Scope and Purpose

This is a rate revision filing. The purpose of this filing is to meet requirements outlined in the Arkansas statutes and demonstrate that benefits are reasonable in relation to the premium charged. In this filing we are requesting the following trend factor changes:

Effective Date	Requested Rate Increases
January 1, 2013	9.5%
April 1, 2013	0.0%
July 1, 2013	0.0%
October 1, 2013	0.0%

Description of Benefits

These products are Major Medical health policies issued by Celtic Insurance Company. Benefits are only paid for eligible expenses that are Incurred as a result of a Sickness, Bodily Injury, or Complication of Pregnancy.

The major provisions of these forms are as follows:

Lifetime Maximum: No Maximum

Celtic Basic 2.0/2.1/2.2
Deductibles: $1,500; $2,500; $3,500; $5,000; $7,500; $10,000
Coinsurance: 70/30 or 80/20 on first $10,000 after deductible

HSA 2.0/2.1/3.0

	Deductible	Co-Insurance
Individual:	$1,500	80/20 on first $18,000 after deductible or 100/0
	$2,600	80/20 on first $12,500 after deductible or 100/0
	$5,000	100/0 after deductible
Family:	$3,000	80/20 on first $36,000 after deductible or 100/0
	$5,150	80/20 on first $25,000 after deductible or 100/0
	$10,000	100/0 after deductible

CeltiCare Preferred 5.0/5.1
80/20 $500; $1,000; $1,500; $2,500; $5,000; $10,000
100/0 $1,000; $1,500, $2,500; $5,000; $10,000

80/20 coinsurance applies on first $10,000 after deductible

Adults 1.0
Deductibles: $250; $500; $1,000; $2,000; $2,500;
Co-Insurance: 50/50, 80/20 on first $5,000, or 100% (after deductible)

CeltiCare 1.0/2.0/2.1
Deductibles: $250; $500; $1,000; $2,500; $5,000
Co-Insurance: 80/20 or 100/0 on first $5,000 after Deductible

CeltiCare 3.0/3.1
Deductibles: $250; $500; $1,000; $1,500; $2,000; $2,500; $3,000; $3,500; $5,000; $6,000; $10,000
Co-Insurance: 70/30, 80/20 or 100/0 on first $5,000 or $10,000 after deductible

CeltiCare II

Coinsurance	Deductible
80/20	$500; $1,000; $1,500; $2,500; $5,000; $10,000
100/0	$1,000; $1,500, $2,500; $5,000; $10,000

Coverage Options

Celtic Basic 2.0/2.1/2.2

This product offers a choice of two Coverage Options differing in coinsurance levels: 70/30 and 80/20.

The following option is also available with each Coverage Option:

1) Prescription Drug Card Option

HSA 2.0/2.1/3.0

The following option is also available with each Coverage Option:

1) Fully steered PPO Option

CeltiCare Preferred 5.0/5.1

1) Plus Option 1 (Rx)
2) Plus Option 2 (Supplemental Accident)

Adults 1.0

This product offers a choice of three Coverage Options differing in their coinsurance levels: Basic 50/50, Standard 80/20, and Premier 100%.

Two additional options are available with each Coverage Option: the PPO option and the Plus option.

CeltiCare 1.0/2.0/2.1

1 & 2) PPO Option: Two PPO options available; the Any Doc and Fully Steered PPO
3 & 4) Plus Option 1 or Plus Option 2 (only one can be chosen)

CeltiCare 3.0/3.1

This product offers a choice of 3 Coverage Options differing in their coinsurance levels: 70/30, 80/20 and 100/0.

The following options are also available with each Coverage Option:

1) PPO Option: Two PPO options available; the Any Doc and Fully Steered PPO
2) Plus Option

CeltiCare II

This product offers a choice of 2 Coverage Options differing in their coinsurance levels: 80/20 and 100/0.

The following options are also available with each Coverage Option:

1) PPO Option: Two PPO options available; the Any Doc and Fully Steered PPO
2) Plus Option 1 and Plus Option 2 (only one of the Plus Options can be chosen)

Limitations and Exclusions

Limitations and Exclusions are detailed in the policy form.

Rate Guarantees

Rates are guaranteed not to change for the first twelve months of the policy.

Renewability

The policy is renewable by paying the applicable renewal premiums unless the policy holder no longer meets the eligibility requirements of the policy or the company refuses to renew all the policies in the state.

General Marketing Method

This product will be sold through agents, direct mailings, and the internet. Agents are recruited to work with Celtic through a marketing program that uses trade journal advertising, direct mail, trade show participation, direct sales, and endorsed contracts.

Issue Age Limits

In order for an applicant to be considered for coverage, he or she must be under the age of 64 years and 6 months.

Applicability

The rates will apply to new business and subsequent renewal business.

Morbidity

Morbidity was based upon an analysis of completed experience from our other major medical products, which have been sold since 1993, and the Milliman Health Cost Guidelines.

Substandard Rate-Ups

These products utilize the following types of substandard rate-ups:

For Celtic Basic 1.0/2/1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1, CeltiCare II, CeltiCare 3.0/3.1, CeltiCare 1.0/2.1/2.2

Smoker:	7% rate up
Non-Smoker:	7% rate-down

For Celtic Basic 1.0/2.1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1,

Medical:	rate-ups vary by condition and range from -10% to 250%

For CeltiCare II, CeltiCare 3.0/3.1

Medical:	rate-ups vary by condition and range from -10% to 100%

For Celtic Basic 1.0/2.1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1, CeltiCare 3.0/3.1, CeltiCare II

Occupation/Avocation:	rate-ups vary by occupation/avocation and range from 0% to 100%

For Celtic Basic 1.0/2/1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1, CeltiCare II,

Two-Adult Discount:	7% rate-down

Premium Modalization

Premiums may be paid in one of two ways: Monthly Electronic Funds Transfer (monthly modal factor = 1.000) or Quarterly Billing (quarterly modal factor = 3.000). A billing fee of $8 per bill will be assessed for Quarterly Billing. In addition, a one-time application fee of $25 will be required at the time the application is submitted for underwriting.

Claim Reserves

The Claim Reserve will be calculated using a standard Completion Factor method where a Completion Factor is applied to an Incurred and Paid amount to determine the Anticipated Incurred Claim amount. The amount that has already been Incurred and Paid will then be subtracted from the Anticipated Incurred Claim amount to determine the Claim Reserve.

Claim Liability Reserve

The IBNR reserve is derived by taking the Claim Reserve and subtracting the Pending Claim Reserve. The pending claim reserve is based upon inventory and historical payment patterns.

Trend Assumption

Trend assumptions to be used in future adjustment of rates will be based on claims costs of this and similar Celtic policies as well as various indices and published journals concerning health care costs, including the Medical Cost component of the Consumer Price Index, Buck Consultants' Trend Survey, Oliver Wyman's Carrier Trend Report and Milliman's Health Cost Index.

Experience History and Projections

The actual and projected experience tables are included in the attached Exhibits One through Three. The information provided in Exhibit One is the nationwide actual experience for all business in open and inforce in closed blocks. The experience for the statewide in Exhibit Two is the actual experience for all business in open and inforce in closed blocks. The open blocks of business are Celtic Basic, CeltiCare Preferred, and HSA 3.0 and all our closed blocks of business are Adults, Kids, CeltiCare, ValueOne, CelticSaver, HSA 1.0/2.0/2.1, CeltiCare II, and Elite experience. The experience are being combined to rate all forms due to the small size of each block.

Table One of Exhibit Three provides the actual past statewide experience. Tables Two and Three of Exhibit Three project the statewide experience with and without the proposed rate increases. Tables Four and Five apply credibility theory to determine credible projections by blending the statewide experience with the nationwide experience based on the credibility factor developed in Table One. An explanation of the credibility adjustment is shown at the bottom of Exhibit Three. The assumptions used in the projections are shown on the bottom of Exhibit One and Two. The premium amount for each date shown in Tables Two to Five is the 12-month earned premium shown on Exhibit Two brought up to the current rate manual level with or without the proposed rate increases. The projected claims are obtained by trending the actual incurred claims during the 12-month period forward to the mid-point of the rate guarantee period for the proposed rate increase with additional adjustment being made for the policy renewal lag.

Proposed Rate Increase

Future proposed rate increases will be applied to new business effective on or after the respective effective dates. For in-force business, the rate revisions will be applied to the renewal premium at the next renewal date of each policyholder on or after the respective effective dates. Notification of each rate change will be given at least thirty days prior to the first due date of the revised premium.

Based on the projected experience of our Celtic Basic, CeltiCare Preferred, and HSA blocks of business shown in Exhibits One, Two, and Three, an increase of 9.5% will be taken on January 1, 2013.

Subsequent rate increases beginning with effective dates of January 1, 2014 will be filed in the future. However, no increase will be applied until it is first reviewed and approved by the Department of Insurance.

Record of Rate Changes

A record of all nationwide and statewide Trend Factors for this Policy Form can be found on the attached Trend Factor page.

Asset Share Assumptions

Monthly Lapse Rate:

Policy Year	Factor
1	4.3%
2	4.1%
3	3.8%
4	3.5%
5+	3.0%

Discount Rate: 1/1.045

Gender Distribution: 50% Male, 50% Female

Asset Share Assumptions (Continued)

Duration Increases:

Policy Duration in months	Increase over New Business
25 - 30	2%
31 - 36	9%
37 - 42	17%
43+	25%

Estimated Average Annual Premium Per Policy

The following is a comparison of estimated average annual premium per policy:

	Celtic Basic 1.0/2.1/2.2		HSA 3.0		CeltiCare Pref 5.0/5.1	
Date	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**
Prior to 1/1/13	2,360	1,605	2,531	1,501	3,316	2,369
1/1/13 - 3/31/13	2,615	1,757	2,803	1,643	3,666	2,594
4/1/13 - 6/30/13	2,700	1,757	2,891	1,643	3,775	2,594
7/1/13 - 9/30/13	2,791	1,757	2,983	1,643	3,891	2,594
10/1/13 - 12/31/13	2,879	1,757	3,074	1,643	4,004	2,594

	Adults 1.0		Celti Care 3.0/3.1		CeltiCare 1.0/2.0/2.1	
Date	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**
Prior to 1/1/13	16,126	7,973	6,996	5,866	13,406	6,516
1/1/13 - 3/31/13	17,681	8,731	7,727	6,423	14,864	7,135
4/1/13 - 6/30/13	17,996	8,731	7,955	6,423	15,323	7,135
7/1/13 - 9/30/13	18,324	8,731	8,194	6,423	15,797	7,135
10/1/13 - 12/31/13	18,643	8,731	8,431	6,423	16,286	7,135

	HSA 1.0/2.0/2.1		CeltiCare II	
Date	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**
Prior to 1/1/13	2,845	1,653	6,060	3,648
1/1/13 - 3/31/13	3,151	1,810	6,706	3,994
4/1/13 - 6/30/13	3,248	1,810	6,911	3,994
7/1/13 - 9/30/13	3,351	1,810	7,127	3,994
10/1/13 - 12/31/13	3,453	1,810	7,340	3,994

Future Anticipated Loss Ratio

All relevant factors were projected over a 10-year period using a theoretical initial block size of 1,000. The anticipated loss ratio due to Health Care Reform is now at 75%, which is equivalent to the 80% MLR standard, after taxes, quality improvement expenses and adjustments for credibility.

Distribution of Business

The expected age distribution for this product is as follows:

Age	Nation & Arkansas
0 - 4	3%
5 - 9	3%
10 - 14	3%
15 - 19	3%
20 - 24	12%
25 - 29	14%
30 - 34	14%
35 - 39	15%
40 - 44	15%
45 - 49	13%
50 - 54	3%
55 - 59	1%
60 - 64	1%

Contingency and Profit Margin

The anticipated a pretax profit margin is 5%. In order to properly serve the best interests of our customers, Celtic has always maintained a reasonable Contingency Reserve, which is audited annually by consulting Actuaries.

Actuarial Certification

I certify that to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the State of Arkansas and the rules of the Department of Insurance and the proposed premiums are reasonable in relationship to the benefits provided. I further certify that the premium rates for this policy form are reasonably similar to rates for similar benefits found in other similar policy forms statewide for Celtic Insurance Company.

Randall S. Jones, F.S.A., M.A.A.A.
Vice President, Actuary

11/6/2012
Date

Exhibit One

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Nationwide Experience Analysis

Current Nationwide all Blocks Combined Inforce (6/2012): 33,489

Premium and Claims Experience for All Open and Closed Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	10,060	1,914	1,914	19.0%	72.8%
1996	Actual	57,165	34,708	34,708	60.7%	70.1%
1997	Actual	111,596	98,027	98,027	87.8%	70.1%
1998	Actual	232,537	164,181	164,181	70.6%	67.9%
1999	Actual	493,292	374,010	374,010	75.8%	62.8%
2000	Actual	815,260	594,902	594,902	73.0%	65.0%
2001	Actual	1,259,352	1,717,210	1,717,210	136.4%	66.8%
2002	Actual	1,833,446	2,128,079	2,128,079	116.1%	67.9%
2003	Actual	2,564,346	3,070,809	3,070,809	119.8%	69.7%
2004	Actual	3,594,308	4,474,942	4,474,942	124.5%	71.2%
2005	Actual	5,454,232	6,552,196	6,552,196	120.1%	69.7%
2006	Actual	10,675,759	8,636,970	8,636,970	80.9%	68.3%
2007	Actual	16,196,952	11,475,425	11,475,425	70.8%	70.7%
2008	Actual	22,610,910	14,309,863	14,309,863	63.3%	71.0%
2009	Actual	37,247,422	24,952,088	24,952,088	67.0%	70.1%
2010	Actual	52,928,078	36,566,387	36,576,432	69.1%	70.9%
2011	Actual	74,758,148	63,338,707	65,350,787	87.4%	72.4%
2012	Actual	32,785,665	24,264,589	31,426,702	95.9%	75.2%
Total	Actual	263,628,528	202,755,008	211,939,246	80.4%	71.5%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	89,919,754	85,793,376	95.4%	73.9%
201212 - 201312	Projected	103,257,498	101,875,276	98.7%	73.8%

Assumptions:

Annual Claim Cost Trend:	11.5%
Annual Discount Rate:	3.0%
Valuation Date:	6/30/2012

Proposed Nationwide Rate Increase:

January 1, 2013:	10.0%
April 1, 2013:	2.5%
July 1, 2013:	2.5%
October 1, 2013:	2.5%

NOTES:

a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.

b) 2012 Actual entries include 3 months of actual experience.

Exhibit Two

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Experience Analysis

Current Arkansas All Open and Closed Blocks Combined Inforce (6/2012): 239

Premium and Claims Experience for All Open and Closed Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	-	-	-	-	-
1996	Actual	-	-	-	-	-
1997	Actual	-	-	-	-	-
1998	Actual	5,708	1,273	1,273	22.3%	73.8%
1999	Actual	11,436	32,666	32,666	285.6%	63.7%
2000	Actual	18,104	12,364	12,364	68.3%	66.1%
2001	Actual	27,638	20,918	20,918	75.7%	70.0%
2002	Actual	46,332	11,993	11,993	25.9%	63.6%
2003	Actual	56,338	43,484	43,484	77.2%	66.3%
2004	Actual	75,500	38,771	38,771	51.4%	68.2%
2005	Actual	106,929	66,400	66,400	62.1%	69.2%
2006	Actual	140,833	95,700	95,700	68.0%	68.0%
2007	Actual	187,907	48,316	48,316	25.7%	69.4%
2008	Actual	239,517	110,768	110,768	46.2%	70.5%
2009	Actual	301,568	134,791	134,791	44.7%	71.7%
2010	Actual	349,071	202,325	202,345	58.0%	72.2%
2011	Actual	444,052	317,391	326,868	73.6%	70.9%
2012	Actual	231,568	106,895	138,874	60.0%	73.1%
Total	Actual	2,242,501	1,244,055	1,285,530	57.3%	70.6%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	575,208	640,756	111.4%	72.0%
201212 - 201312	Projected	632,628	775,889	122.6%	71.7%

Assumptions:

Annual Claim Cost Trend:	11.5%
Annual Discount Rate:	3.0%
Valuation Date:	6/30/2012

Proposed Arkansas Rate Increase:

	Requested
January 1, 2013:	9.5%
April 1, 2013:	0.0%
July 1, 2013:	0.0%
October 1, 2013:	0.0%

NOTES:
a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.
b) 2012 Actual entries include 3 months of actual experience.
c) For 12-Month Experience Incurred Claims, claims above $50,000 are pooled Nationwide

Exhibit Three

Celtic Insurance Company
18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Projected Experience Analysis

Table One: Statewide and Nationwide Inforce Policyholders and Credibility Factor

	(A)	(B)	(C)	min[1,(B)/(C)]
	All Blocks of Business Inforce (6/2012)	All Blocks of Business EP (201104-201203)	Credibility Threshold	Credibility Factor*
Arkansas	239	575,208	3,500,000	16%
Nationwide	33,489	89,919,754		

* *adjustment calculation for credibility factor is explained below.*

Table Two: Future Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	632,628	632,628	632,628	632,628	632,628
Projected Claims:	797,293	818,348	839,984	862,217	829,461
Actual LR:	126.0%	129.4%	132.8%	136.3%	131.1%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.751	1.797	1.844	1.893	1.821

Table Three: Future Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	692,453	692,453	692,453	692,453	692,453
Projected Claims:	797,293	818,348	839,984	862,217	829,461
Actual LR:	115.1%	118.2%	121.3%	124.5%	119.8%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.599	1.642	1.685	1.729	1.664

Table Four: Future Credible Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	632,628	632,628	632,628	632,628	632,628
Projected Claims:	822,422	844,140	866,458	889,392	855,603
Actual LR:	130.0%	133.4%	137.0%	140.6%	135.2%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.806	1.853	1.902	1.953	1.879

* *adjustment calculation for credibility factor is explained below.*

Table Five: Future Credible Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	692,453	692,453	692,453	692,453	692,453
Projected Claims:	822,422	844,140	866,458	889,392	855,603
Actual LR:	118.8%	121.9%	125.1%	128.4%	123.6%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.650	1.693	1.738	1.784	1.716

* *adjustment calculation for credibility factor is explained below.*

Assumptions:
See assumptions in Exhibit Two.

Credibility Adjusted Benefit Calculation
The projected benefits shown in Tables Four and Five above are calculated based on the following method:

Z = credibility factor calculated in Table One
Ca = Statewide Projected Claims from Table Two
Na = Nationwide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Ne = Nationwide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Sa = Statewide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
Se = Statewide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
RI = Nationwide Rate Increase Over Statewide Rate Increase at 10/1/2012.

Credibility Adjusted Benefits = Z*Ca+(1-Z)*((Na/Ne)/(Sa/Se))*RI*Ca

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	84.75	68.96	86.53
34	69.58	90.77	70.62	88.05	72.10	89.90
35	72.24	92.71	73.68	91.78	75.23	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	91.48	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	120.65	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	153.99	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	246.75	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 250%

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
70/30	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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	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	1.58	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	3.83	3.71	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	6.45	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	10.58	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=
(Rx Card 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:	10/1/2012
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:	2.4504
Area Factor:	1.222
Product Type Factor:	1.000
Plan Factor:	0.6203
Primary Smoker Rate-Up:	7.0%
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
Rx Type Factor:	1.3316

Primary Medical Premium = 68.96 x (1 + (0.07)) x 0.6203 x (1 + 0.0) x
(1 + 0.0) x 1 x 2.4504 x 1.222 x 0.93 = $ 127.00

Spouse Medical Premium = 86.53 x (1 + (-0.07)) x 0.6203 x (1 + 0.0) x
(1 + 0.0) x 1 x 2.4504 x 1.222 x 0.93 = $ 139.00

Children Medical Premium = (39.19 x 2) x 0.6203 x (1 + 0.0) x
(1 + 0.0) x 1 x 2.4504 x 1.222 x 1 = $ 146.00

Primary Rx Premium= 3.0942 x (1 + 0) x (1 +0) x1.3316 x 2.4504 x 1.222 x 0.93
$ 11.47

Spouse Rx Premium= 3.1706 x (1 + 0) x (1 +0) x1.3316 x 2.4504 x 1.222 x 0.93
$ 11.76

Child(ren) Rx Premium= 2.7451 x 2 x (1 + 0) x (1 +0) x1.3316 x 2.4504 x 1.222
$ 56.70

Total Premium = (127.00 + 139.00 + 146.00) + (11.47 + 11.76 + 11.76 + 56.70)
$ 491.93

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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

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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
6/1/11	-	1.9502	6.0%	2.8948
7/1/11	-	1.9502	-	2.8948
10/1/11	-	1.9502	-	2.8948
11/1/11	-	1.9502	-	2.8948
1/1/12	-	1.9502	-	2.8948
4/1/12	9.5%	2.1354	3.5%	2.9962
6/1/12	-	2.1354	-	2.9962
7/1/12	-	2.1354	3.0%	3.0860
10/1/12	-	2.1354	3.0%	3.1786
1/1/13	9.5%	2.3383	10.0%	3.4965
4/1/13	-	2.3383	2.5%	3.5839
7/1/13	-	2.3383	2.5%	3.6735
10/1/13	-	2.3383	2.5%	3.7653

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
6/1/11	-	2.0115	6.0%	2.6122
7/1/11	-	2.0115	-	2.6122
10/1/11	-	2.0115	-	2.6122
11/1/11	-	2.0115	-	2.6122
1/1/12	-	2.0115	-	2.6122
4/1/12	9.5%	2.2025	3.5%	2.7036
6/1/12	-	2.2025	-	2.7036
7/1/12	-	2.2025	3.0%	2.7847
10/1/12	-	2.2025	3.0%	2.8682
1/1/13	9.5%	2.4118	10.0%	3.1551
4/1/13	-	2.4118	2.5%	3.2339
7/1/13	-	2.4118	2.5%	3.3148
10/1/13	-	2.4118	2.5%	3.3977

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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	9.0%	2.3927
4/1/11	-	2.2378	3.0%	2.4645
6/1/11	-	2.2378	6.0%	2.6124
7/1/11	-	2.2378	-	2.6124
10/1/11	-	2.2378	-	2.6124
11/1/11	-	2.2378	-	2.6124
1/1/12	-	2.2378	-	2.6124
4/1/12	9.5%	2.4504	3.5%	2.7038
6/1/12	-	2.4504	-	2.7038
7/1/12	-	2.4504	3.0%	2.7849
10/1/12	-	2.4504	3.0%	2.8685
1/1/13	9.5%	2.6832	10.0%	3.1553
4/1/13	-	2.6832	2.5%	3.2342
7/1/13	-	2.6832	2.5%	3.3151
10/1/13	-	2.6832	2.5%	3.3980

Celtic Insurance Company
CeltiCare Preferred 5.0/5.1 Health Plan
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Medical Base Rates		
	CeltiCare Pref 5.0/5.1	
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	63.64	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	118.38
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	238.82	237.39
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 +	664.82	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 250%

Plan Factors

Coinsurance	Deductible	Stop Loss	CC 5.0/5.1 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	CC 5.0/5.1 Factor
Fully Steered PPO	1.0000
Indemnity	1.4000
Any Doc PPO	1.14
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

Celtic Insurance Company
CeltiCare Preferred 5.0/5.1 Health Plan
Form I5-555-00229-AR
Arkansas

Plus Option Base Rates

	Full Plus Option (5.0/5.1)		Rx Card Only (5.0)		Rx Card Only (5.1)	
Age	Male	Female	Male	Female	Male	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	1.65	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	1.56	2.31
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	1.86	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	1.67	1.54	6.21	5.71	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	1.99	1.80	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+ Term Life 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:	10/1/2012
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:	2.3883
Area Factor:	1.21
Product Type Factor:	1.000
Plus Option Factor:	1.3316
Plan Factor:	0.6136
Primary Smoker Rate-Up:	7.0%
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

Primary Medical Premium = 88.38 x (1 + (0.07)) x 0.6136 x (1 + 0.0) 1 x 2.3883 x 1.21 x 0.93 x 1.00 = $156.00

Spouse Medical Premium = 109.54 x (1 + (-0.07)) x 0.6136 x (1 + 0.0) x (1 + 0.0) x 1 x 2.3883 x 1.21 x 0.93 = $168.00

Children Medical Premium = (51.07 x 2) x 0.6136 x (1 + 0.0) x (1 + 0.0) x 1 x 2.3883 x 1.21 x 1 = $181.00

Primary Plus Option Premium = 2.17 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.3883 x 1.21 x 0.93 x 1.00 = $8.00

Spouse Plus Option Premium = 2.29 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.3883 x 1.21 x 0.93 = $8.00

Children Plus Option Premium = (51.07 x 2) x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.3883 x 1.21 x 1 = $393.00

Total Premium = (156.00 + 168.00 + 181.00) + 8.00 + 8.00) + 393.00)
= $914.00

Celtic Insurance Company
CeltiCare Preferred 5.0/5.1 Health Plan
Form I5-555-00229-AR

Arkansas Area Factors

	CeltiCare Preferred 5.0 Area Factors				CeltiCare Preferred 5.1 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	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 5.0/5.1 Health Plan
Form I5-555-00229-AR

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	-	1.9580
4/1/10	-	1.7056	2.0%	1.9971
7/1/10	-	1.7056	4.0%	2.0770
10/1/10	-	1.7056	3.0%	2.1393
1/1/11	5.0%	1.7909	9.0%	2.3318
4/1/11	-	1.7909	3.0%	2.4018
6/1/11	-	1.7909	6.0%	2.5459
7/1/11	-	1.7909	-	2.5459
10/1/11	-	1.7909	-	2.5459
11/1/11	-	1.7909	-	2.5459
1/1/12	-	1.7909	-	2.5459
4/1/12	9.5%	1.9610	3.5%	2.6350
6/1/12	-	1.9610	-	2.6350
7/1/12	-	1.9610	3.0%	2.7141
10/1/12	-	1.9610	3.0%	2.7955
1/1/13	9.5%	2.1473	10.0%	3.0750
4/1/13	-	2.1473	2.5%	3.1519
7/1/13	-	2.1473	2.5%	3.2307
10/1/13	-	2.1473	2.5%	3.3115

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
7/1/10	-	2.0772	-	2.0772
10/1/10	-	2.0772	3.0%	2.1395
1/1/11	5.0%	2.1811	9.0%	2.3321
4/1/11	-	2.1811	3.0%	2.4020
6/1/11	-	2.1811	6.0%	2.5462
7/1/11	-	2.1811	-	2.5462
10/1/11	-	2.1811	-	2.5462
11/1/11	-	2.1811	-	2.5462
1/1/12	-	2.1811	-	2.5462
4/1/12	9.5%	2.3883	3.5%	2.6353
6/1/12	-	2.3883	-	2.6353
7/1/12	-	2.3883	3.0%	2.7143
10/1/12	-	2.3883	3.0%	2.7958
1/1/13	9.5%	2.6151	10.0%	3.0753
4/1/13	-	2.6151	2.5%	3.1522
7/1/13	-	2.6151	2.5%	3.2310
10/1/13	-	2.6151	2.5%	3.3118

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

	HSA 2.0		HSA 2.1		HSA 3.0	
Age	*Male*	*Female*	*Male*	*Female*	*Male*	*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	56.45	57.92	56.45	57.92
16	79.14	78.21	56.49	58.06	56.49	58.06
17	79.14	78.21	56.53	58.21	56.53	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	81.61	60.26	64.39	60.26	64.39
22	82.56	82.22	60.30	64.58	60.30	64.58
23	82.56	82.83	60.40	64.72	60.40	64.72
24	82.56	83.45	60.51	64.86	60.51	64.86
25	82.56	85.54	61.04	66.36	61.04	66.36
26	82.56	87.68	61.85	68.11	61.85	68.11
27	82.56	89.88	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	89.67	115.08	71.65	87.54	71.65	87.54
32	91.96	117.72	75.23	93.11	75.23	93.11
33	93.85	120.08	78.98	98.09	78.98	98.09
34	96.25	122.17	82.88	101.92	82.88	101.92
35	99.87	124.79	86.58	106.42	86.58	106.42
36	103.49	127.29	90.76	110.94	90.76	110.94
37	107.56	131.81	94.95	115.58	94.95	115.58
38	111.16	136.30	99.27	120.25	99.27	120.25
39	115.54	139.49	103.86	125.70	103.86	125.70
40	120.72	142.28	108.79	130.73	108.79	130.73
41	126.12	145.12	113.97	135.28	113.97	135.28
42	131.77	149.18	119.40	139.68	119.40	139.68
43	137.68	154.17	126.31	144.26	126.31	144.26
44	144.19	158.66	133.73	149.38	133.73	149.38
45	150.57	163.37	141.19	155.47	141.19	155.47
46	157.24	168.97	147.69	161.01	147.69	161.01
47	164.21	173.20	154.50	165.35	154.50	165.35
48	172.64	180.48	161.13	170.88	161.13	170.88
49	180.29	186.59	167.77	176.11	167.77	176.11
50	192.81	195.45	173.29	181.58	173.29	181.58
51	207.10	207.27	179.54	187.49	179.54	187.49
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	268.61	265.09	220.16	218.59	220.16	218.59
56	281.91	276.21	231.30	228.00	231.30	228.00
57	295.86	287.26	243.00	237.40	243.00	237.40
58	310.63	300.20	255.40	248.31	255.40	248.31
59	326.49	314.03	268.69	259.96	268.69	259.96
60	341.25	326.98	281.20	270.99	281.20	270.99
61	357.09	341.58	294.61	283.35	294.61	283.35
62	372.91	355.73	308.09	295.43	308.09	295.43
63	387.71	369.96	320.86	307.64	320.86	307.64
64	403.53	384.76	334.47	320.37	334.47	320.37
65 +	746.53	711.79	618.78	592.67	618.78	592.67
Dependent Child Rate						
Per Child, up to 3	46.66	46.66	43.20	43.20	43.20	43.20

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 250%

Product Type Factors

Type	HSA 2.0	HSA 2.1	HSA 3.0
Indemnity		1.4000	1.4000
Fully Steered PPO	1.0000	1.0000	1.0000

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 Fee	$8.00
HSA Maintenance Fee	None
One-time Application Fee	$25.00

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

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

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

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
716	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
717	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
718	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
719	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
720	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500
721	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500
722	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500
723	1.26900	1.26900	1.16800	1.16800	1.16800	1.16800
724	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
725	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
726	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
727	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
728	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
729	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1)
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
6/1/11	-	1.3655	6.0%	2.0699
7/1/11	-	1.3655	-	2.0699
10/1/11	-	1.3655	-	2.0699
1/1/12	-	1.3655	-	2.0699
4/1/12	9.5%	1.4952	3.5%	2.1423
6/1/12	-	1.4952	-	2.1423
7/1/12	-	1.4952	3.0%	2.2066
10/1/12	-	1.4952	3.0%	2.2728
1/1/13	9.5%	1.6372	10.0%	2.5000
4/1/13	-	1.6372	2.5%	2.5626
7/1/13	-	1.6372	2.5%	2.6266
10/1/13	-	1.6372	2.5%	2.6923

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1)
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
6/1/11	-	1.6061	6.0%	2.3532
7/1/11	-	1.6061	-	2.3532
10/1/11	-	1.6061	-	2.3532
1/1/12	-	1.6061	-	2.3532
4/1/12	9.5%	1.7587	3.5%	2.4356
6/1/12	-	1.7587	-	2.4356
7/1/12	-	1.7587	3.0%	2.5087
10/1/12	-	1.7587	3.0%	2.5839
1/1/13	9.5%	1.9258	10.0%	2.8423
4/1/13	-	1.9258	2.5%	2.9134
7/1/13	-	1.9258	2.5%	2.9862
10/1/13	-	1.9258	2.5%	3.0609

Celtic Insurance Company
High Deductible Health Plans
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
6/1/11	-	1.6061	6.0%	2.0938
7/1/11	-	1.6061	-	2.0938
10/1/11	-	1.6061	-	2.0938
1/1/12	-	1.6061	-	2.0938
4/1/12	9.5%	1.7587	3.5%	2.1671
6/1/12	-	1.7587	-	2.1671
7/1/12	-	1.7587	3.0%	2.2321
10/1/12	-	1.7587	3.0%	2.2990
1/1/13	9.5%	1.9258	10.0%	2.5289
4/1/13	-	1.9258	2.5%	2.5922
7/1/13	-	1.9258	2.5%	2.6570
10/1/13	-	1.9258	2.5%	2.7234

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]
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	Adults 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	-	1.0000	10.00%	1.3236
Aug-97	-	1.0000	-	1.3236
Oct-97	9.18%	1.0918	-	1.3236
Nov-97	-	1.0918	-	1.3236
Dec-97	-	1.0918	-	1.3236
Jan-98	-	1.0918	-	1.3236
Feb-98	-	1.0918	-	1.3236
Mar-98	-	1.0918	-	1.3236
Apr-98	-	1.0918	-	1.3236
Oct-98	-	1.0918	3.00%	1.3633
Jan-99	6.00%	1.1573	6.00%	1.4451
Mar-99	3.00%	1.1920	3.00%	1.4885
Apr-99	3.00%	1.2278	-	1.4885
Jul-99	3.00%	1.2646	2.00%	1.5182
Oct-99	-	1.2646	6.00%	1.6093
Jan-00	-	1.2646	-	1.6093
Mar-00	-	1.2646	6.00%	1.7059
Apr-00	25.00%	1.5808	3.00%	1.7571
Jul-00	-	1.5808	3.00%	1.8098
Oct-00	-	1.5808	4.00%	1.8822
Jan-01	-	1.5808	3.00%	1.9386
Apr-01	-	1.5808	3.00%	1.9968
Jul-01	-	1.5808	4.00%	2.0767
Oct-01	-	1.5808	5.00%	2.1805
Jan-02	-	1.5808	8.00%	2.3549
Apr-02	-	1.5808	6.00%	2.4962
Jul-02	-	1.5808	8.00%	2.6959
Oct-02	-	1.5808	9.00%	2.9386
Jan-03	-	1.5808	8.00%	3.1736
Apr-03	35.00%	2.1340	8.00%	3.4275
Jul-03	-	2.1340	12.00%	3.8388
Oct-03	-	2.1340	12.00%	4.2995
Jan-04	-	2.1340	8.00%	4.6435
Apr-04	-	2.1340	8.00%	5.0149
Jul-04	50.00%	3.2011	8.00%	5.4161
Oct-04	-	3.2011	8.00%	5.8494
Jan-05	-	3.2011	8.00%	6.3174
Apr-05	-	3.2011	8.00%	6.8228
Jul-05	-	3.2011	-	6.8228
Oct-05	-	3.2011	8.00%	7.3686
Jan-06	-	3.2011	3.00%	7.5896
Apr-06	-	3.2011	3.00%	7.8173
Jul-06	-	3.2011	5.00%	8.2082
Oct-06	-	3.2011	8.00%	8.8648
Jan-07	12.00%	3.5852	8.00%	9.5740
Apr-07	-	3.5852	8.00%	10.3400
Jul-07	-	3.5852	8.00%	11.1672
Oct-07	-	3.5852	8.00%	12.0605
Jan-08	10.00%	3.9437	5.00%	12.6635
Apr-08	-	3.9437	5.00%	13.2967
Jul-08	-	3.9437	3.00%	13.6956
Oct-08	-	3.9437	3.00%	14.1065
Jan-09	8.00%	4.2592	3.00%	14.5297
Apr-09	-	4.2592	3.00%	14.9656
Jul-09	-	4.2592	3.00%	15.4145
Oct-09	-	4.2592	3.00%	15.8770
Jan-10	10.00%	4.6851	5.00%	16.6708
Apr-10	-	4.6851	6.00%	17.6711
Jul-10	-	4.6851	8.00%	19.0848
Oct-10	-	4.6851	5.00%	20.0390
Jan-11	10.00%	5.1537	8.00%	21.6421
Apr-11	-	5.1537	4.00%	22.5078
Jun-11	-	5.1537	10.00%	24.7586
Jul-11	-	5.1537	-	24.7586
Oct-11	-	5.1537	-	24.7586
Nov-11	-	5.1537	-	24.7586
Jan-12	-	5.1537	-	24.7586
Apr-12	9.50%	5.6433	3.50%	25.6251
Jun-12	-	5.6433	-	25.6251
Jul-12	-	5.6433	3.00%	26.3939
Oct-12	-	5.6433	3.00%	27.1857
Jan-13	9.50%	6.1794	10.00%	29.9043
Apr-13	-	6.1794	2.50%	30.6519
Jul-13	-	6.1794	2.50%	31.4182
Oct-13	-	6.1794	2.50%	32.2037

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

Medical Base Rates

	CeltiCare 1.0		CeltiCare 2.1	
Age	Male	Female	Male	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	141.66	96.56	125.53
30	98.68	144.41	98.68	128.28
31	101.83	144.69	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	138.53
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 2.1
Non-Smoker / Smoker	-	-7% / +7%

Plan Factors

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

Product Type Factors

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

Modal Factors

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

Other Fees

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

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

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 2.1	CeltiCare 1.0	CeltiCare 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**)

Plus Option Premium =
(Plus Option Base Rate) x (Product Type Factor)
x (Trend Factor*) x (Area 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 I5-541-00048-AR
CeltiCare 1.0/2.0/2.1 Health Plan

Arkansas Area Factors

	CeltiCare 1.0 Area Factors				CeltiCare 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
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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	4.0%	9.7898
6/1/11	-	5.0867	10.0%	10.7688
7/1/11	-	5.0867	-	10.7688
10/1/11	-	5.0867	-	10.7688
11/1/11	-	5.0867	-	10.7688
1/1/12	-	5.0867	-	10.7688
4/1/12	9.5%	5.5699	3.5%	11.1457
6/1/12	-	5.5699	-	11.1457
7/1/12	-	5.5699	3.0%	11.4801
10/1/12	-	5.5699	3.0%	11.8245
1/1/13	9.5%	6.0990	10.0%	13.0070
4/1/13	-	6.0990	2.5%	13.3321
7/1/13	-	6.0990	2.5%	13.6654
10/1/13	-	6.0990	2.5%	14.0071

CeltiCare 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	4.0%	9.1242
6/1/11	-	5.0298	10.0%	10.0366
7/1/11	-	5.0298	-	10.0366
10/1/11	-	5.0298	-	10.0366
11/1/11	-	5.0298	-	10.0366
1/1/12	-	5.0298	-	10.0366
4/1/12	9.5%	5.5076	3.5%	10.3879
6/1/12	-	5.5076	-	10.3879
7/1/12	-	5.5076	3.0%	10.6996
10/1/12	-	5.5076	3.0%	11.0205
1/1/13	9.5%	6.0309	10.0%	12.1226
4/1/13	-	6.0309	2.5%	12.4257
7/1/13	-	6.0309	2.5%	12.7363
10/1/13	-	6.0309	2.5%	13.0547

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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Medical Base Rates				
	CeltiCare 3.0		CeltiCare 3.1	
Age			Male	Female
0	75.48	75.48	75.48	75.48
1	75.48	75.48	75.48	75.48
2	75.48	75.48	75.48	75.48
3	75.48	75.48	75.48	75.48
4	75.48	75.48	75.48	75.48
5	69.14	69.14	69.14	69.14
6	69.14	69.14	69.14	69.14
7	69.14	69.14	69.14	69.14
8	69.14	69.14	69.14	69.14
9	69.14	69.14	69.14	69.14
10	69.14	69.14	69.14	69.14
11	69.14	69.14	69.14	69.14
12	69.14	69.14	69.14	69.14
13	69.14	69.14	69.14	69.14
14	69.14	69.14	69.14	69.14
15	87.65	87.65	87.65	87.65
16	87.65	87.65	87.65	87.65
17	87.65	87.65	87.65	87.65
18	87.65	89.40	87.65	89.40
19	87.65	91.19	87.65	91.19
20	91.54	91.87	91.54	91.87
21	91.54	92.56	91.54	92.56
22	91.54	93.25	91.54	93.25
23	91.54	93.95	91.54	93.95
24	91.54	94.65	91.54	94.65
25	91.54	97.02	91.54	97.02
26	91.54	99.45	91.54	99.45
27	91.54	101.94	91.54	101.94
28	91.54	109.08	91.54	109.08
29	94.63	116.72	94.63	116.72
30	96.71	128.28	96.71	128.28
31	99.13	130.52	99.13	130.52
32	101.61	133.52	101.61	133.52
33	103.63	136.19	103.63	136.19
34	106.22	138.57	106.22	138.57
35	110.29	141.54	110.29	141.54
36	114.35	144.37	114.35	144.37
37	118.92	149.50	118.92	149.50
38	122.97	154.59	122.97	154.59
39	127.89	158.21	127.89	158.21
40	133.65	161.37	133.65	161.37
41	139.66	164.60	139.66	164.60
42	145.94	169.20	145.94	169.20
43	152.51	174.86	152.51	174.86
44	159.85	179.95	159.85	179.95
45	167.04	185.29	167.04	185.29
46	174.56	191.65	174.56	191.65
47	182.42	196.44	182.42	196.44
48	191.93	204.70	191.93	204.70
49	200.57	211.63	200.57	211.63
50	210.60	217.33	214.81	221.68
51	222.18	226.05	231.07	235.09
52	234.40	235.35	248.46	249.47
53	247.40	247.89	267.19	267.72
54	261.01	260.36	287.11	286.40
55	273.33	273.33	300.66	300.66
56	287.00	284.80	315.70	313.28
57	301.35	296.19	331.49	325.81
58	316.54	309.53	348.19	340.48
59	332.85	323.79	366.14	356.17
60	348.03	337.15	382.83	370.87
61	364.32	352.20	400.75	387.42
62	380.60	366.79	418.66	403.47
63	395.82	381.46	435.40	419.61
64	412.09	396.72	453.30	436.39
65 +	762.37	733.93	838.60	807.32
Dependent Child Rate				
Per Child; up to 3	62.29	62.29	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 3.1
Billing Fee	$8.00 per bill
One-Time Application Fee	$25.00

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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Plus Option Base Rates				
	CeltiCare 3.0		CeltiCare 3.1	
Age	Male	Female	Male	Female
0	15.86	15.86	12.91	12.91
1	15.86	15.86	13.04	13.04
2	15.86	15.86	13.18	13.18
3	15.86	15.86	13.33	13.33
4	15.86	15.86	13.48	13.48
5	10.80	10.80	7.07	7.07
6	10.80	10.80	7.32	7.32
7	10.80	10.80	7.58	7.58
8	10.80	10.80	7.85	7.85
9	10.80	10.80	8.13	8.13
10	10.80	10.80	8.42	8.42
11	10.80	10.80	8.72	8.72
12	10.80	10.80	9.03	9.03
13	10.80	10.80	9.35	9.35
14	10.80	10.80	9.68	9.68
15	11.34	12.42	10.02	10.02
16	11.34	12.42	10.06	10.77
17	11.34	12.42	10.11	11.53
18	11.34	12.42	10.17	12.31
19	11.34	12.42	10.24	13.11
20	12.84	17.17	10.32	13.94
21	12.84	17.17	10.41	14.79
22	12.84	17.17	10.47	15.71
23	12.84	17.17	10.86	16.28
24	12.84	17.17	11.25	16.88
25	14.27	20.20	11.67	17.50
26	14.27	20.20	12.10	18.15
27	14.27	20.20	12.55	18.82
28	14.27	20.20	13.41	19.04
29	14.27	20.20	14.29	19.29
30	15.91	24.00	15.24	19.51
31	15.91	24.00	16.27	19.69
32	15.91	24.00	17.39	19.83
33	15.91	24.00	18.61	19.91
34	15.91	24.00	19.93	19.93
35	19.07	27.19	20.71	20.71
36	19.07	27.19	21.51	21.51
37	19.07	27.19	22.35	22.35
38	19.07	27.19	23.23	23.23
39	19.07	27.19	24.15	24.15
40	23.02	28.68	25.69	24.40
41	23.02	28.68	27.34	24.61
42	23.02	28.68	29.12	24.76
43	23.02	28.68	31.05	24.84
44	23.02	28.68	32.31	25.85
45	26.69	30.70	33.63	26.90
46	26.69	30.70	35.01	28.01
47	26.69	30.70	36.45	29.16
48	26.69	30.70	37.96	30.37
49	26.69	30.70	39.54	31.63
50	31.80	34.41	40.20	34.17
51	31.80	34.41	40.91	36.82
52	31.80	34.41	42.64	38.37
53	31.80	34.41	44.45	40.00
54	31.80	34.41	46.34	41.71
55	38.90	41.40	48.33	43.50
56	38.90	41.40	50.41	45.37
57	38.90	41.40	52.59	47.33
58	38.90	41.40	54.87	49.39
59	38.90	41.40	57.26	51.54
60	53.87	49.77	59.77	53.79
61	53.87	49.77	62.40	56.16
62	53.87	49.77	65.15	58.64
63	53.87	49.77	68.04	61.23
64	53.87	49.77	71.06	63.96
65 +	99.66	92.07	131.47	118.32
Dependent Child Rate				
Per Child; up to 3	14.69	14.69	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
+ Term Life Premium] x (Modal Factor) + (Billing Fee)

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

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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Arkansas Area Factors

	CeltiCare 3.0 / 3.1 Area Factors			
3-Digit ZIP Code	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

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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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	10.0%	2.6166	8.0%	3.3460
4/1/11	-	2.6166	4.0%	3.4799
6/1/11	-	2.6166	10.0%	3.8279
7/1/11	-	2.6166	-	3.8279
10/1/11	-	2.6166	-	3.8279
11/1/11	-	2.6166	-	3.8279
1/1/12	-	2.6166	-	3.8279
4/1/12	9.5%	2.8652	3.5%	3.9618
6/1/12	-	2.8652	-	3.9618
7/1/12	-	2.8652	3.0%	4.0807
10/1/12	-	2.8652	3.0%	4.2031
1/1/13	9.5%	3.1374	10.0%	4.6234
4/1/13	-	3.1374	2.5%	4.7390
7/1/13	-	3.1374	2.5%	4.8575
10/1/13	-	3.1374	2.5%	4.9789

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	10.0%	2.6166	8.0%	3.3460
4/1/11	-	2.6166	4.0%	3.4799
6/1/11	-	2.6166	10.0%	3.8279
7/1/11	-	2.6166	-	3.8279
10/1/11	-	2.6166	-	3.8279
11/1/11	-	2.6166	-	3.8279
1/1/12	-	2.6166	-	3.8279
4/1/12	9.5%	2.8652	3.5%	3.9618
6/1/12	-	2.8652	-	3.9618
7/1/12	-	2.8652	3.0%	4.0807
10/1/12	-	2.8652	3.0%	4.2031
1/1/13	9.5%	3.1374	10.0%	4.6234
4/1/13	-	3.1374	2.5%	4.7390
7/1/13	-	3.1374	2.5%	4.8575
10/1/13	-	3.1374	2.5%	4.9789

Celtic Insurance Company
CeltiCare II Health Plan
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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	86.68
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	150.38
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	253.96	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	413.85	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

Celtic Insurance Company
CeltiCare II Health Plan
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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	24.55	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	27.36	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 +	94.54	85.09	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:	1/1/2012
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

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

Arkansas Area Factors

	CeltiCare II Area Factors			
3-Digit ZIP Code	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

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

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	5.0%	1.8676	8.0%	2.9130
4/1/11	-	1.8676	4.0%	3.0295
6/1/11	4.8%	1.9566	10.0%	3.3324
7/1/11	-	1.9566	-	3.3324
10/1/11	-	1.9566	-	3.3324
11/1/11	-	1.9566	-	3.3324
1/1/12	-	1.9566	-	3.3324
4/1/12	9.5%	2.1424	3.5%	3.4491
6/1/12	-	2.1424	-	3.4491
7/1/12	-	2.1424	3.0%	3.5525
10/1/12	-	2.1424	3.0%	3.6591
1/1/13	9.5%	2.3460	10.0%	4.0250
4/1/13	-	2.3460	2.5%	4.1257
7/1/13	-	2.3460	2.5%	4.2288
10/1/13	-	2.3460	2.5%	4.3345

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Health - Actuarial Justification	Approved-Closed	12/06/2012
Comments:	We have attached the revised Actuarial Memorandum.		
Attachment(s):			
AR-Memorandum-Combined-new2.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Consumer Disclosure Form	Approved-Closed	12/06/2012
Comments:	This rate increase, which will be effective 1/1/2013 on a block of 330 Arkansas covered lives, is being implemented to adjust for the continually increasing cost and utilization of medical care and the associated administrative expenses. Our rates reflect the underlying healthcare costs and care consumption of our members as well as projections of future trends in the cost of care and its delivery. This rate action is necessary in order for Celtic to achieve and maintain operational and financial stability and ensure that our members have access to the care they need. The requested annualized rate increase for our Arkansas individual major medical business is 9.5% for effecive 1/1/2013. Note that all blocks of business renewals in the first quarter of 2013 will have a total annual increase of 19.90%, of which 9.5% had been implemented effective 4/1/2012. This yields on a weighted avg rate increase of 15.54% for 2013 renewals. Below is the 12-month experience for this product, ending March 31, 2012. Premium Revenue Claims Expense General & Admin Expense Gain/Loss 575,208 640,756 138,050 (203,597) 111.4% 24.0% -35.4% There are no benefit changes at this time. We use a target loss ratio approach to determine the needed rate change. The loss ratio is the ratio of incurred claims to earned premium. The target loss ratio is 75%, which we believe equates to the 80% Medical Loss Ratio under the Patient Protection and Affordable Care Act. For this 12-month period we were in an underwriting loss position in Arkansas. Even with the 15.54% weighted average rate increase in Arkansas we expect an underwriting loss in 2013 in the state of Arkansas. The main drivers of our administrative expenses are employee salaries and benefits, agent commissions, and premium taxes, licenses and fees. We are working to lower our administrative expenses as well as underlying cost of care to improve our ability to keep rates as low as possible.		

		Item Status:	Status Date:

State: Arkansas **Filing Company:** Celtic Insurance Company
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005A Individual - Preferred Provider (PPO)
Product Name: CeltiCare 1.0, et al
Project Name/Number: /

Satisfied - Item:	Exhibits	Approved-Closed	12/06/2012
Comments:			
Attachment(s):			
AR objections.pdf			

Celtic Insurance Company
Actuarial Rate Memorandum

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

ARKANSAS

Scope and Purpose

This is a rate revision filing. The purpose of this filing is to meet requirements outlined in the Arkansas statutes and demonstrate that benefits are reasonable in relation to the premium charged. In this filing we are requesting the following trend factor changes:

Effective Date	Requested Rate Increases
April 1, 2013	9.5%
July 1, 2013	0.0%
October 1, 2013	0.0%

Description of Benefits

These products are Major Medical health policies issued by Celtic Insurance Company. Benefits are only paid for eligible expenses that are Incurred as a result of a Sickness, Bodily Injury, or Complication of Pregnancy.

The major provisions of these forms are as follows:

Lifetime Maximum: No Maximum

Celtic Basic 2.0/2.1/2.2
Deductibles: $1,500; $2,500; $3,500; $5,000; $7,500; $10,000
Coinsurance: 70/30 or 80/20 on first $10,000 after deductible

HSA 2.0/2.1/3.0

	Deductible	Co-Insurance
Individual:	$1,500	80/20 on first $18,000 after deductible or 100/0
	$2,600	80/20 on first $12,500 after deductible or 100/0
	$5,000	100/0 after deductible
Family:	$3,000	80/20 on first $36,000 after deductible or 100/0
	$5,150	80/20 on first $25,000 after deductible or 100/0
	$10,000	100/0 after deductible

CeltiCare Preferred 5.0/5.1
80/20 $500; $1,000; $1,500; $2,500; $5,000; $10,000
100/0 $1,000; $1,500, $2,500; $5,000; $10,000

80/20 coinsurance applies on first $10,000 after deductible

Adults 1.0
Deductibles: $250; $500; $1,000; $2,000; $2,500;
Co-Insurance: 50/50, 80/20 on first $5,000, or 100% (after deductible)

CeltiCare 1.0/2.0/2.1
Deductibles: $250; $500; $1,000; $2,500; $5,000
Co-Insurance: 80/20 or 100/0 on first $5,000 after Deductible

CeltiCare 3.0/3.1
Deductibles: $250; $500; $1,000; $1,500; $2,000; $2,500;
$3,000; $3,500; $5,000; $6,000; $10,000
Co-Insurance: 70/30, 80/20 or 100/0 on first $5,000 or $10,000
after deductible

CeltiCare II

Coinsurance	Deductible
80/20	$500; $1,000; $1,500; $2,500; $5,000; $10,000
100/0	$1,000; $1,500, $2,500; $5,000; $10,000

Coverage Options

Celtic Basic 2.0/2.1/2.2

This product offers a choice of two Coverage Options differing in coinsurance levels: 70/30 and 80/20.

The following option is also available with each Coverage Option:

1) Prescription Drug Card Option

HSA 2.0/2.1/3.0

The following option is also available with each Coverage Option:

1) Fully steered PPO Option

CeltiCare Preferred 5.0/5.1

1) Plus Option 1 (Rx)
2) Plus Option 2 (Supplemental Accident)

Adults 1.0

This product offers a choice of three Coverage Options differing in their coinsurance levels: Basic 50/50, Standard 80/20, and Premier 100%.

Two additional options are available with each Coverage Option: the PPO option and the Plus option.

CeltiCare 1.0/2.0/2.1

1 & 2) PPO Option: Two PPO options available; the Any Doc and Fully Steered PPO
3 & 4) Plus Option 1 or Plus Option 2 (only one can be chosen)

CeltiCare 3.0/3.1

This product offers a choice of 3 Coverage Options differing in their coinsurance levels: 70/30, 80/20 and 100/0.

The following options are also available with each Coverage Option:

1) PPO Option: Two PPO options available; the Any Doc and Fully Steered PPO
2) Plus Option

CeltiCare II

This product offers a choice of 2 Coverage Options differing in their coinsurance levels: 80/20 and 100/0.

The following options are also available with each Coverage Option:

1) PPO Option: Two PPO options available; the Any Doc and Fully Steered PPO
2) Plus Option 1 and Plus Option 2 (only one of the Plus Options can be chosen)

Limitations and Exclusions

Limitations and Exclusions are detailed in the policy form.

Rate Guarantees

Rates are guaranteed not to change for the first twelve months of the policy.

Renewability

The policy is renewable by paying the applicable renewal premiums unless the policy holder no longer meets the eligibility requirements of the policy or the company refuses to renew all the policies in the state.

General Marketing Method

This product will be sold through agents, direct mailings, and the internet. Agents are recruited to work with Celtic through a marketing program that uses trade journal advertising, direct mail, trade show participation, direct sales, and endorsed contracts.

Issue Age Limits

In order for an applicant to be considered for coverage, he or she must be under the age of 64 years and 6 months.

Applicability

The rates will apply to new business and subsequent renewal business.

Morbidity

Morbidity was based upon an analysis of completed experience from our other major medical products, which have been sold since 1993, and the Milliman Health Cost Guidelines.

Substandard Rate-Ups

These products utilize the following types of substandard rate-ups:

For Celtic Basic 1.0/2/1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1, CeltiCare II, CeltiCare 3.0/3.1, CeltiCare 1.0/2.1/2.2

Smoker:	7% rate up
Non-Smoker:	7% rate-down

For Celtic Basic 1.0/2.1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1,

Medical:	rate-ups vary by condition and range from -10% to 250%

For CeltiCare II, CeltiCare 3.0/3.1

Medical:	rate-ups vary by condition and range from -10% to 100%

For Celtic Basic 1.0/2.1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1, CeltiCare 3.0/3.1, CeltiCare II

Occupation/Avocation:	rate-ups vary by occupation/avocation and range from 0% to 100%

For Celtic Basic 1.0/2/1/2.2, HSA 2.0./2.1/3.0, CeltiCare 5.0/5.1, CeltiCare II,

Two-Adult Discount:	7% rate-down

Premium Modalization

Premiums may be paid in one of two ways: Monthly Electronic Funds Transfer (monthly modal factor = 1.000) or Quarterly Billing (quarterly modal factor = 3.000). A billing fee of $8 per bill will be assessed for Quarterly Billing. In addition, a one-time application fee of $25 will be required at the time the application is submitted for underwriting.

Claim Reserves

The Claim Reserve will be calculated using a standard Completion Factor method where a Completion Factor is applied to an Incurred and Paid amount to determine the Anticipated Incurred Claim amount. The amount that has already been Incurred and Paid will then be subtracted from the Anticipated Incurred Claim amount to determine the Claim Reserve.

Claim Liability Reserve

The IBNR reserve is derived by taking the Claim Reserve and subtracting the Pending Claim Reserve. The pending claim reserve is based upon inventory and historical payment patterns.

Trend Assumption

Trend assumptions to be used in future adjustment of rates will be based on claims costs of this and similar Celtic policies as well as various indices and published journals concerning health care costs, including the Medical Cost component of the Consumer Price Index, Buck Consultants' Trend Survey, Oliver Wyman's Carrier Trend Report and Milliman's Health Cost Index.

Experience History and Projections

The actual and projected experience tables are included in the attached Exhibits One through Three. The information provided in Exhibit One is the nationwide actual experience for all business in open and inforce in closed blocks. The experience for the statewide in Exhibit Two is the actual experience for all business in open and inforce in closed blocks. The open blocks of business are Celtic Basic, CeltiCare Preferred, and HSA 3.0 and all our closed blocks of business are Adults, Kids, CeltiCare, ValueOne, CelticSaver, HSA 1.0/2.0/2.1, CeltiCare II, and Elite experience. The experience are being combined to rate all forms due to the small size of each block.

Table One of Exhibit Three provides the actual past statewide experience. Tables Two and Three of Exhibit Three project the statewide experience with and without the proposed rate increases. Tables Four and Five apply credibility theory to determine credible projections by blending the statewide experience with the nationwide experience based on the credibility factor developed in Table One. An explanation of the credibility adjustment is shown at the bottom of Exhibit Three. The assumptions used in the projections are shown on the bottom of Exhibit One and Two. The premium amount for each date shown in Tables Two to Five is the 12-month earned premium shown on Exhibit Two brought up to the current rate manual level with or without the proposed rate increases. The projected claims are obtained by trending the actual incurred claims during the 12-month period forward to the mid-point of the rate guarantee period for the proposed rate increase with additional adjustment being made for the policy renewal lag.

Proposed Rate Increase

Future proposed rate increases will be applied to new business effective on or after the respective effective dates. For in-force business, the rate revisions will be applied to the renewal premium at the next renewal date of each policyholder on or after the respective effective dates. Notification of each rate change will be given at least thirty days prior to the first due date of the revised premium.

Based on the projected experience of our Celtic Basic, CeltiCare Preferred, and HSA blocks of business shown in Exhibits One, Two, and Three, an increase of 9.5% will be taken on April 1, 2013.

Subsequent rate increases beginning with effective dates of April 1, 2014 will be filed in the future. However, no increase will be applied until it is first reviewed and approved by the Department of Insurance.

Record of Rate Changes

A record of all nationwide and statewide Trend Factors for this Policy Form can be found on the attached Trend Factor page.

Asset Share Assumptions

Monthly Lapse Rate:

Policy Year	Factor
1	4.3%
2	4.1%
3	3.8%
4	3.5%
5+	3.0%

Discount Rate: 1/1.045

Gender Distribution: 50% Male, 50% Female

Asset Share Assumptions (Continued)

Duration Increases:

Policy Duration in months	Increase over New Business
25 - 30	2%
31 - 36	9%
37 - 42	17%
43+	25%

Estimated Average Annual Premium Per Policy

The following is a comparison of estimated average annual premium per policy:

	Celtic Basic 1.0/2.1/2.2		HSA 3.0		CeltiCare Pref 5.0/5.1	
Date	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**
Prior to 1/1/13	2,360	1,605	2,531	1,501	3,316	2,369
1/1/13 - 3/31/13	2,615	1,605	2,803	1,501	3,666	2,369
4/1/13 - 6/30/13	2,700	1,757	2,891	1,643	3,775	2,594
7/1/13 - 9/30/13	2,791	1,757	2,983	1,643	3,891	2,594
10/1/13 - 12/31/13	2,879	1,757	3,074	1,643	4,004	2,594

	Adults 1.0		Celti Care 3.0/3.1		CeltiCare 1.0/2.0/2.1	
Date	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**
Prior to 1/1/13	16,126	7,973	6,996	5,866	13,406	6,516
1/1/13 - 3/31/13	17,681	7,973	7,727	5,866	14,864	6,516
4/1/13 - 6/30/13	17,996	8,731	7,955	6,423	15,323	7,135
7/1/13 - 9/30/13	18,324	8,731	8,194	6,423	15,797	7,135
10/1/13 - 12/31/13	18,643	8,731	8,431	6,423	16,286	7,135

	HSA 1.0/2.0/2.1		CeltiCare II	
Date	**Nationwide**	**Arkansas**	**Nationwide**	**Arkansas**
Prior to 1/1/13	2,845	1,653	6,060	3,648
1/1/13 - 3/31/13	3,151	1,653	6,706	3,648
4/1/13 - 6/30/13	3,248	1,810	6,911	3,994
7/1/13 - 9/30/13	3,351	1,810	7,127	3,994
10/1/13 - 12/31/13	3,453	1,810	7,340	3,994

Future Anticipated Loss Ratio

All relevant factors were projected over a 10-year period using a theoretical initial block size of 1,000. The anticipated loss ratio due to Health Care Reform is now at 75%, which is equivalent to the 80% MLR standard, after taxes, quality improvement expenses and adjustments for credibility.

Distribution of Business

The expected age distribution for this product is as follows:

Age	Nation & Arkansas
0 - 4	3%
5 - 9	3%
10 - 14	3%
15 - 19	3%
20 - 24	12%
25 - 29	14%
30 - 34	14%
35 - 39	15%
40 - 44	15%
45 - 49	13%
50 - 54	3%
55 - 59	1%
60 - 64	1%

Contingency and Profit Margin

The anticipated a pretax profit margin is 5%. In order to properly serve the best interests of our customers, Celtic has always maintained a reasonable Contingency Reserve, which is audited annually by consulting Actuaries.

Actuarial Certification

I certify that to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the State of Arkansas and the rules of the Department of Insurance and the proposed premiums are reasonable in relationship to the benefits provided. I further certify that the premium rates for this policy form are reasonably similar to rates for similar benefits found in other similar policy forms statewide for Celtic Insurance Company.

Randall S. Jones, F.S.A., M.A.A.A.
Vice President, Actuary

11/26/2012
Date

Exhibit One

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Nationwide Experience Analysis

Current Nationwide all Blocks Combined Inforce (6/2012): 33,489

Premium and Claims Experience for All Open and Closed Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	10,060	1,914	1,914	19.0%	72.8%
1996	Actual	57,165	34,708	34,708	60.7%	70.1%
1997	Actual	111,596	98,027	98,027	87.8%	70.1%
1998	Actual	232,537	164,181	164,181	70.6%	67.9%
1999	Actual	493,292	374,010	374,010	75.8%	62.8%
2000	Actual	815,260	594,902	594,902	73.0%	65.0%
2001	Actual	1,259,352	1,717,210	1,717,210	136.4%	66.8%
2002	Actual	1,833,446	2,128,079	2,128,079	116.1%	67.9%
2003	Actual	2,564,346	3,070,809	3,070,809	119.8%	69.7%
2004	Actual	3,594,308	4,474,942	4,474,942	124.5%	71.2%
2005	Actual	5,454,232	6,552,196	6,552,196	120.1%	69.7%
2006	Actual	10,675,759	8,636,970	8,636,970	80.9%	68.3%
2007	Actual	16,196,952	11,475,425	11,475,425	70.8%	70.7%
2008	Actual	22,610,910	14,309,863	14,309,863	63.3%	71.0%
2009	Actual	37,247,422	24,952,088	24,952,088	67.0%	70.1%
2010	Actual	52,928,078	36,566,387	36,576,432	69.1%	70.9%
2011	Actual	74,758,148	63,338,707	65,350,787	87.4%	72.4%
2012	Actual	32,785,665	24,264,589	31,426,702	95.9%	75.2%
Total	Actual	263,628,528	202,755,008	211,939,246	80.4%	71.5%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	89,919,754	85,793,376	95.4%	73.9%
201212 - 201312	Projected	103,257,498	104,544,467	101.2%	73.8%

Assumptions:

Annual Claim Cost Trend:	11.5%
Annual Discount Rate:	3.0%
Valuation Date:	6/30/2012

Proposed Nationwide Rate Increase:

January 1, 2013:	10.0%
April 1, 2013:	2.5%
July 1, 2013:	2.5%
October 1, 2013:	2.5%

NOTES:

a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.

b) 2012 Actual entries include 3 months of actual experience.

Exhibit Two

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Experience Analysis

Current Arkansas All Open and Closed Blocks Combined Inforce (6/2012): 239

Premium and Claims Experience for All Open and Closed Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	-	-	-	-	-
1996	Actual	-	-	-	-	-
1997	Actual	-	-	-	-	-
1998	Actual	5,708	1,273	1,273	22.3%	73.8%
1999	Actual	11,436	32,666	32,666	285.6%	63.7%
2000	Actual	18,104	12,364	12,364	68.3%	66.1%
2001	Actual	27,638	20,918	20,918	75.7%	70.0%
2002	Actual	46,332	11,993	11,993	25.9%	63.6%
2003	Actual	56,338	43,484	43,484	77.2%	66.3%
2004	Actual	75,500	38,771	38,771	51.4%	68.2%
2005	Actual	106,929	66,400	66,400	62.1%	69.2%
2006	Actual	140,833	95,700	95,700	68.0%	68.0%
2007	Actual	187,907	48,316	48,316	25.7%	69.4%
2008	Actual	239,517	110,768	110,768	46.2%	70.5%
2009	Actual	301,568	134,791	134,791	44.7%	71.7%
2010	Actual	349,071	202,325	202,345	58.0%	72.2%
2011	Actual	444,052	317,391	326,868	73.6%	70.9%
2012	Actual	231,568	106,895	138,874	60.0%	73.1%
Total	Actual	2,242,501	1,244,055	1,285,530	57.3%	70.6%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	575,208	640,756	111.4%	72.0%
201212 - 201312	Projected	632,628	796,379	125.9%	71.7%

Assumptions:

Annual Claim Cost Trend:	11.5%
Annual Discount Rate:	3.0%
Valuation Date:	6/30/2012

Proposed Arkansas Rate Increase:

	Requested
January 1, 2013:	0.0%
April 1, 2013:	9.5%
July 1, 2013:	0.0%
October 1, 2013:	0.0%

NOTES:
a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.
b) 2012 Actual entries include 3 months of actual experience.
c) For 12-Month Experience Incurred Claims, claims above $50,000 are pooled Nationwide

Exhibit Three

Celtic Insurance Company
18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Projected Experience Analysis

Table One: Statewide and Nationwide Inforce Policyholders and Credibility Factor

	(A)	(B)	(C)	min[1,(B)/(C)]
	All Blocks of Business Inforce (6/2012)	All Blocks of Business EP (201104-201203)	Credibility Threshold	Credibility Factor*
Arkansas	239	575,208	3,500,000	16%
Nationwide	33,489	89,919,754		

* *adjustment calculation for credibility factor is explained below.*

Table Two: Future Projections at Current Statewide Volumes and Current Rates

YRMO	*4/1/2013*	*7/1/2013*	*10/1/2013*	*1/1/2014*	*Average*
Current Premiums:	632,628	632,628	632,628	632,628	632,628
Projected Claims:	818,348	839,984	862,217	885,063	851,403
Actual LR:	129.4%	132.8%	136.3%	139.9%	134.6%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.797	1.844	1.893	1.943	1.869

Table Three: Future Projections at Current Statewide Volumes and Proposed Rates

YRMO	*4/1/2013*	*7/1/2013*	*10/1/2013*	*1/1/2014*	*Average*
Current Premiums:	692,453	692,453	692,453	692,453	692,453
Projected Claims:	818,348	839,984	862,217	885,063	851,403
Actual LR:	118.2%	121.3%	124.5%	127.8%	123.0%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.642	1.685	1.729	1.775	1.708

Table Four: Future Credible Projections at Current Statewide Volumes and Current Rates

YRMO	*4/1/2013*	*7/1/2013*	*10/1/2013*	*1/1/2014*	*Average*
Current Premiums:	632,628	632,628	632,628	632,628	632,628
Projected Claims:	914,969	939,159	964,017	989,560	951,926
Actual LR:	144.6%	148.5%	152.4%	156.4%	150.5%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	2.009	2.062	2.117	2.173	2.090

* *adjustment calculation for credibility factor is explained below.*

Table Five: Future Credible Projections at Current Statewide Volumes and Proposed Rates

YRMO	*4/1/2013*	*7/1/2013*	*10/1/2013*	*1/1/2014*	*Average*
Current Premiums:	692,453	692,453	692,453	692,453	692,453
Projected Claims:	914,969	939,159	964,017	989,560	951,926
Actual LR:	132.1%	135.6%	139.2%	142.9%	137.5%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.835	1.884	1.934	1.985	1.909

* *adjustment calculation for credibility factor is explained below.*

Assumptions:
See assumptions in Exhibit Two.

Credibility Adjusted Benefit Calculation
The projected benefits shown in Tables Four and Five above are calculated based on the following method:

Z = credibility factor calculated in Table One
Ca = Statewide Projected Claims from Table Two
Na = Nationwide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Ne = Nationwide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Sa = Statewide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
Se = Statewide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
RI = Nationwide Rate Increase Over Statewide Rate Increase at 1/1/2013.

Credibility Adjusted Benefits = Z*Ca+(1-Z)*((Na/Ne)/(Sa/Se))*RI*Ca

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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	84.75	68.96	86.53
34	69.58	90.77	70.62	88.05	72.10	89.90
35	72.24	92.71	73.68	91.78	75.23	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	91.48	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	120.65	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	153.99	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	246.75	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 250%

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
70/30	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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	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	1.58	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	3.83	3.71	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	6.45	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	10.58	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=
(Rx Card 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:	10/1/2012
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:	2.4504
Area Factor:	1.222
Product Type Factor:	1.000
Plan Factor:	0.6203
Primary Smoker Rate-Up:	7.0%
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
Rx Type Factor:	1.3316

Primary Medical Premium = 68.96 x (1 + (0.07)) x 0.6203 x (1 + 0.0) x
(1 + 0.0) x 1 x 2.4504 x 1.222 x 0.93 = $ 127.00

Spouse Medical Premium = 86.53 x (1 + (-0.07)) x 0.6203 x (1 + 0.0) x
(1 + 0.0) x 1 x 2.4504 x 1.222 x 0.93 = $ 139.00

Children Medical Premium = (39.19 x 2) x 0.6203 x (1 + 0.0) x
(1 + 0.0) x 1 x 2.4504 x 1.222 x 1 = $ 146.00

Primary Rx Premium= 3.0942 x (1 + 0) x (1 +0) x1.3316 x 2.4504 x 1.222 x 0.93
$ 11.47

Spouse Rx Premium= 3.1706 x (1 + 0) x (1 +0) x1.3316 x 2.4504 x 1.222 x 0.93
$ 11.76

Child(ren) Rx Premium= 2.7451 x 2 x (1 + 0) x (1 +0) x1.3316 x 2.4504 x 1.222
$ 56.70

Total Premium = (127.00 + 139.00 + 146.00) + (11.47 + 11.76 + 11.76 + 56.70)
$ 491.93

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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

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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
6/1/11	-	1.9502	6.0%	2.8948
7/1/11	-	1.9502	-	2.8948
10/1/11	-	1.9502	-	2.8948
11/1/11	-	1.9502	-	2.8948
1/1/12	-	1.9502	-	2.8948
4/1/12	9.5%	2.1354	3.5%	2.9962
6/1/12	-	2.1354	-	2.9962
7/1/12	-	2.1354	3.0%	3.0860
10/1/12	-	2.1354	3.0%	3.1786
1/1/13	-	2.1354	10.0%	3.4965
4/1/13	9.5%	2.3383	2.5%	3.5839
7/1/13	-	2.3383	2.5%	3.6735
10/1/13	-	2.3383	2.5%	3.7653

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
6/1/11	-	2.0115	6.0%	2.6122
7/1/11	-	2.0115	-	2.6122
10/1/11	-	2.0115	-	2.6122
11/1/11	-	2.0115	-	2.6122
1/1/12	-	2.0115	-	2.6122
4/1/12	9.5%	2.2025	3.5%	2.7036
6/1/12	-	2.2025	-	2.7036
7/1/12	-	2.2025	3.0%	2.7847
10/1/12	-	2.2025	3.0%	2.8682
1/1/13	-	2.2025	10.0%	3.1551
4/1/13	9.5%	2.4118	2.5%	3.2339
7/1/13	-	2.4118	2.5%	3.3148
10/1/13	-	2.4118	2.5%	3.3977

Celtic Insurance Company
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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	9.0%	2.3927
4/1/11	-	2.2378	3.0%	2.4645
6/1/11	-	2.2378	6.0%	2.6124
7/1/11	-	2.2378	-	2.6124
10/1/11	-	2.2378	-	2.6124
11/1/11	-	2.2378	-	2.6124
1/1/12	-	2.2378	-	2.6124
4/1/12	9.5%	2.4504	3.5%	2.7038
6/1/12	-	2.4504	-	2.7038
7/1/12	-	2.4504	3.0%	2.7849
10/1/12	-	2.4504	3.0%	2.8685
1/1/13	-	2.4504	10.0%	3.1553
4/1/13	9.5%	2.6832	2.5%	3.2342
7/1/13	-	2.6832	2.5%	3.3151
10/1/13	-	2.6832	2.5%	3.3980

Celtic Insurance Company
CeltiCare Preferred 5.0/5.1 Health Plan
Form I5-555-00229-AR
Arkansas

Medical Base Rates		
	CeltiCare Pref 5.0/5.1	
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	63.64	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	118.38
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	238.82	237.39
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 +	664.82	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 250%

Plan Factors

Coinsurance	Deductible	Stop Loss	CC 5.0/5.1 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	CC 5.0/5.1 Factor
Fully Steered PPO	1.0000
Indemnity	1.4000
Any Doc PPO	1.14
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

Celtic Insurance Company
CeltiCare Preferred 5.0/5.1 Health Plan
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Plus Option Base Rates

	Full Plus Option (5.0/5.1)		Rx Card Only (5.0)		Rx Card Only (5.1)	
Age	Male	Female	Male	Female	Male	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	1.65	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	1.56	2.31
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	1.86	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	1.67	1.54	6.21	5.71	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	1.99	1.80	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+ Term Life 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:	10/1/2012
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:	2.3883
Area Factor:	1.21
Product Type Factor:	1.000
Plus Option Factor:	1.3316
Plan Factor:	0.6136
Primary Smoker Rate-Up:	7.0%
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

Primary Medical Premium = 88.38 x (1 + (0.07)) x 0.6136 x (1 + 0.0) 1 x 2.3883 x 1.21 x 0.93 x 1.00 = $156.00

Spouse Medical Premium = 109.54 x (1 + (-0.07)) x 0.6136 x (1 + 0.0) x (1 + 0.0) x 1 x 2.3883 x 1.21 x 0.93 = $168.00

Children Medical Premium = (51.07 x 2) x 0.6136 x (1 + 0.0) x (1 + 0.0) x 1 x 2.3883 x 1.21 x 1 = $181.00

Primary Plus Option Premium = 2.17 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.3883 x 1.21 x 0.93 x 1.00 = $8.00

Spouse Plus Option Premium = 2.29 x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.3883 x 1.21 x 0.93 = $8.00

Children Plus Option Premium = (51.07 x 2) x (1 + 0.0) x (1 + 0.0) x 1.3316 x 2.3883 x 1.21 x 1 = $393.00

Total Premium = (156.00 + 168.00 + 181.00) + 8.00 + 8.00) + 393.00)
= $914.00

Celtic Insurance Company
CeltiCare Preferred 5.0/5.1 Health Plan
Form I5-555-00229-AR

Arkansas Area Factors

	CeltiCare Preferred 5.0 Area Factors				CeltiCare Preferred 5.1 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	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 5.0/5.1 Health Plan
Form I5-555-00229-AR

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	-	1.9580
4/1/10	-	1.7056	2.0%	1.9971
7/1/10	-	1.7056	4.0%	2.0770
10/1/10	-	1.7056	3.0%	2.1393
1/1/11	5.0%	1.7909	9.0%	2.3318
4/1/11	-	1.7909	3.0%	2.4018
6/1/11	-	1.7909	6.0%	2.5459
7/1/11	-	1.7909	-	2.5459
10/1/11	-	1.7909	-	2.5459
11/1/11	-	1.7909	-	2.5459
1/1/12	-	1.7909	-	2.5459
4/1/12	9.5%	1.9610	3.5%	2.6350
6/1/12	-	1.9610	-	2.6350
7/1/12	-	1.9610	3.0%	2.7141
10/1/12	-	1.9610	3.0%	2.7955
1/1/13	-	1.9610	10.0%	3.0750
4/1/13	9.5%	2.1473	2.5%	3.1519
7/1/13	-	2.1473	2.5%	3.2307
10/1/13	-	2.1473	2.5%	3.3115

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
7/1/10	-	2.0772	-	2.0772
10/1/10	-	2.0772	3.0%	2.1395
1/1/11	5.0%	2.1811	9.0%	2.3321
4/1/11	-	2.1811	3.0%	2.4020
6/1/11	-	2.1811	6.0%	2.5462
7/1/11	-	2.1811	-	2.5462
10/1/11	-	2.1811	-	2.5462
11/1/11	-	2.1811	-	2.5462
1/1/12	-	2.1811	-	2.5462
4/1/12	9.5%	2.3883	3.5%	2.6353
6/1/12	-	2.3883	-	2.6353
7/1/12	-	2.3883	3.0%	2.7143
10/1/12	-	2.3883	3.0%	2.7958
1/1/13	-	2.3883	10.0%	3.0753
4/1/13	9.5%	2.6151	2.5%	3.1522
7/1/13	-	2.6151	2.5%	3.2310
10/1/13	-	2.6151	2.5%	3.3118

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

	HSA 2.0		HSA 2.1		HSA 3.0	
Age	*Male*	*Female*	*Male*	*Female*	*Male*	*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	56.45	57.92	56.45	57.92
16	79.14	78.21	56.49	58.06	56.49	58.06
17	79.14	78.21	56.53	58.21	56.53	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	81.61	60.26	64.39	60.26	64.39
22	82.56	82.22	60.30	64.58	60.30	64.58
23	82.56	82.83	60.40	64.72	60.40	64.72
24	82.56	83.45	60.51	64.86	60.51	64.86
25	82.56	85.54	61.04	66.36	61.04	66.36
26	82.56	87.68	61.85	68.11	61.85	68.11
27	82.56	89.88	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	89.67	115.08	71.65	87.54	71.65	87.54
32	91.96	117.72	75.23	93.11	75.23	93.11
33	93.85	120.08	78.98	98.09	78.98	98.09
34	96.25	122.17	82.88	101.92	82.88	101.92
35	99.87	124.79	86.58	106.42	86.58	106.42
36	103.49	127.29	90.76	110.94	90.76	110.94
37	107.56	131.81	94.95	115.58	94.95	115.58
38	111.16	136.30	99.27	120.25	99.27	120.25
39	115.54	139.49	103.86	125.70	103.86	125.70
40	120.72	142.28	108.79	130.73	108.79	130.73
41	126.12	145.12	113.97	135.28	113.97	135.28
42	131.77	149.18	119.40	139.68	119.40	139.68
43	137.68	154.17	126.31	144.26	126.31	144.26
44	144.19	158.66	133.73	149.38	133.73	149.38
45	150.57	163.37	141.19	155.47	141.19	155.47
46	157.24	168.97	147.69	161.01	147.69	161.01
47	164.21	173.20	154.50	165.35	154.50	165.35
48	172.64	180.48	161.13	170.88	161.13	170.88
49	180.29	186.59	167.77	176.11	167.77	176.11
50	192.81	195.45	173.29	181.58	173.29	181.58
51	207.10	207.27	179.54	187.49	179.54	187.49
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	268.61	265.09	220.16	218.59	220.16	218.59
56	281.91	276.21	231.30	228.00	231.30	228.00
57	295.86	287.26	243.00	237.40	243.00	237.40
58	310.63	300.20	255.40	248.31	255.40	248.31
59	326.49	314.03	268.69	259.96	268.69	259.96
60	341.25	326.98	281.20	270.99	281.20	270.99
61	357.09	341.58	294.61	283.35	294.61	283.35
62	372.91	355.73	308.09	295.43	308.09	295.43
63	387.71	369.96	320.86	307.64	320.86	307.64
64	403.53	384.76	334.47	320.37	334.47	320.37
65 +	746.53	711.79	618.78	592.67	618.78	592.67
Dependent Child Rate						
Per Child, up to 3	46.66	46.66	43.20	43.20	43.20	43.20

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 250%

Product Type Factors

Type	HSA 2.0	HSA 2.1	HSA 3.0
Indemnity		1.4000	1.4000
Fully Steered PPO	1.0000	1.0000	1.0000

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 Fee	$8.00
HSA Maintenance Fee	None
One-time Application Fee	$25.00

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

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

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

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
716	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
717	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
718	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
719	1.30800	1.30800	1.14600	1.14600	1.14600	1.14600
720	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500
721	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500
722	1.44800	1.44800	1.20500	1.20500	1.20500	1.20500
723	1.26900	1.26900	1.16800	1.16800	1.16800	1.16800
724	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
725	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
726	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
727	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
728	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100
729	1.28700	1.28700	1.07100	1.07100	1.07100	1.07100

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1)
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
6/1/11	-	1.3655	6.0%	2.0699
7/1/11	-	1.3655	-	2.0699
10/1/11	-	1.3655	-	2.0699
1/1/12	-	1.3655	-	2.0699
4/1/12	9.5%	1.4952	3.5%	2.1423
6/1/12	-	1.4952	-	2.1423
7/1/12	-	1.4952	3.0%	2.2066
10/1/12	-	1.4952	3.0%	2.2728
1/1/13	-	1.4952	10.0%	2.5000
4/1/13	9.5%	1.6372	2.5%	2.5626
7/1/13	-	1.6372	2.5%	2.6266
10/1/13	-	1.6372	2.5%	2.6923

Celtic Insurance Company
High Deductible Health Plans
Form I5-592-00193 (HSA. 2.0/2.1)
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
6/1/11	-	1.6061	6.0%	2.3532
7/1/11	-	1.6061	-	2.3532
10/1/11	-	1.6061	-	2.3532
1/1/12	-	1.6061	-	2.3532
4/1/12	9.5%	1.7587	3.5%	2.4356
6/1/12	-	1.7587	-	2.4356
7/1/12	-	1.7587	3.0%	2.5087
10/1/12	-	1.7587	3.0%	2.5839
1/1/13	-	1.7587	10.0%	2.8423
4/1/13	9.5%	1.9258	2.5%	2.9134
7/1/13	-	1.9258	2.5%	2.9862
10/1/13	-	1.9258	2.5%	3.0609

Celtic Insurance Company
High Deductible Health Plans
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
6/1/11	-	1.6061	6.0%	2.0938
7/1/11	-	1.6061	-	2.0938
10/1/11	-	1.6061	-	2.0938
1/1/12	-	1.6061	-	2.0938
4/1/12	9.5%	1.7587	3.5%	2.1671
6/1/12	-	1.7587	-	2.1671
7/1/12	-	1.7587	3.0%	2.2321
10/1/12	-	1.7587	3.0%	2.2990
1/1/13	-	1.7587	10.0%	2.5289
4/1/13	9.5%	1.9258	2.5%	2.5922
7/1/13	-	1.9258	2.5%	2.6570
10/1/13	-	1.9258	2.5%	2.7234

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]
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	Adults 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	-	1.0000	10.00%	1.3236
Aug-97	-	1.0000	-	1.3236
Oct-97	9.18%	1.0918	-	1.3236
Nov-97	-	1.0918	-	1.3236
Dec-97	-	1.0918	-	1.3236
Jan-98	-	1.0918	-	1.3236
Feb-98	-	1.0918	-	1.3236
Mar-98	-	1.0918	-	1.3236
Apr-98	-	1.0918	-	1.3236
Oct-98	-	1.0918	3.00%	1.3633
Jan-99	6.00%	1.1573	6.00%	1.4451
Mar-99	3.00%	1.1920	3.00%	1.4885
Apr-99	3.00%	1.2278	-	1.4885
Jul-99	3.00%	1.2646	2.00%	1.5182
Oct-99	-	1.2646	6.00%	1.6093
Jan-00	-	1.2646	-	1.6093
Mar-00	-	1.2646	6.00%	1.7059
Apr-00	25.00%	1.5808	3.00%	1.7571
Jul-00	-	1.5808	3.00%	1.8098
Oct-00	-	1.5808	4.00%	1.8822
Jan-01	-	1.5808	3.00%	1.9386
Apr-01	-	1.5808	3.00%	1.9968
Jul-01	-	1.5808	4.00%	2.0767
Oct-01	-	1.5808	5.00%	2.1805
Jan-02	-	1.5808	8.00%	2.3549
Apr-02	-	1.5808	6.00%	2.4962
Jul-02	-	1.5808	8.00%	2.6959
Oct-02	-	1.5808	9.00%	2.9386
Jan-03	-	1.5808	8.00%	3.1736
Apr-03	35.00%	2.1340	8.00%	3.4275
Jul-03	-	2.1340	12.00%	3.8388
Oct-03	-	2.1340	12.00%	4.2995
Jan-04	-	2.1340	8.00%	4.6435
Apr-04	-	2.1340	8.00%	5.0149
Jul-04	50.00%	3.2011	8.00%	5.4161
Oct-04	-	3.2011	8.00%	5.8494
Jan-05	-	3.2011	8.00%	6.3174
Apr-05	-	3.2011	8.00%	6.8228
Jul-05	-	3.2011	-	6.8228
Oct-05	-	3.2011	8.00%	7.3686
Jan-06	-	3.2011	3.00%	7.5896
Apr-06	-	3.2011	3.00%	7.8173
Jul-06	-	3.2011	5.00%	8.2082
Oct-06	-	3.2011	8.00%	8.8648
Jan-07	12.00%	3.5852	8.00%	9.5740
Apr-07	-	3.5852	8.00%	10.3400
Jul-07	-	3.5852	8.00%	11.1672
Oct-07	-	3.5852	8.00%	12.0605
Jan-08	10.00%	3.9437	5.00%	12.6635
Apr-08	-	3.9437	5.00%	13.2967
Jul-08	-	3.9437	3.00%	13.6956
Oct-08	-	3.9437	3.00%	14.1065
Jan-09	8.00%	4.2592	3.00%	14.5297
Apr-09	-	4.2592	3.00%	14.9656
Jul-09	-	4.2592	3.00%	15.4145
Oct-09	-	4.2592	3.00%	15.8770
Jan-10	10.00%	4.6851	5.00%	16.6708
Apr-10	-	4.6851	6.00%	17.6711
Jul-10	-	4.6851	8.00%	19.0848
Oct-10	-	4.6851	5.00%	20.0390
Jan-11	10.00%	5.1537	8.00%	21.6421
Apr-11	-	5.1537	4.00%	22.5078
Jun-11	-	5.1537	10.00%	24.7586
Jul-11	-	5.1537	-	24.7586
Oct-11	-	5.1537	-	24.7586
Nov-11	-	5.1537	-	24.7586
Jan-12	-	5.1537	-	24.7586
Apr-12	9.50%	5.6433	3.50%	25.6251
Jun-12	-	5.6433	-	25.6251
Jul-12	-	5.6433	3.00%	26.3939
Oct-12	-	5.6433	3.00%	27.1857
Jan-13	-	5.6433	10.00%	29.9043
Apr-13	9.50%	6.1794	2.50%	30.6519
Jul-13	-	6.1794	2.50%	31.4182
Oct-13	-	6.1794	2.50%	32.2037

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Medical Base Rates

	CeltiCare 1.0		CeltiCare 2.1	
Age	Male	Female	Male	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	141.66	96.56	125.53
30	98.68	144.41	98.68	128.28
31	101.83	144.69	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	138.53
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 2.1
Non-Smoker / Smoker	-	-7% / +7%

Plan Factors

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

Product Type Factors

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

Modal Factors

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

Other Fees

	CC 1.0	CC 2.1
Billing Fee	$8.00 per bill	$8.00 per bill
One-Time Application Fee	$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 2.1	CeltiCare 1.0	CeltiCare 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**)

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

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Arkansas Area Factors

	CeltiCare 1.0 Area Factors				CeltiCare 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
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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	4.0%	9.7898
6/1/11	-	5.0867	10.0%	10.7688
7/1/11	-	5.0867	-	10.7688
10/1/11	-	5.0867	-	10.7688
11/1/11	-	5.0867	-	10.7688
1/1/12	-	5.0867	-	10.7688
4/1/12	9.5%	5.5699	3.5%	11.1457
6/1/12	-	5.5699	-	11.1457
7/1/12	-	5.5699	3.0%	11.4801
10/1/12	-	5.5699	3.0%	11.8245
1/1/13	-	5.5699	10.0%	13.0070
4/1/13	9.5%	6.0990	2.5%	13.3321
7/1/13	-	6.0990	2.5%	13.6654
10/1/13	-	6.0990	2.5%	14.0071

CeltiCare 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	4.0%	9.1242
6/1/11	-	5.0298	10.0%	10.0366
7/1/11	-	5.0298	-	10.0366
10/1/11	-	5.0298	-	10.0366
11/1/11	-	5.0298	-	10.0366
1/1/12	-	5.0298	-	10.0366
4/1/12	9.5%	5.5076	3.5%	10.3879
6/1/12	-	5.5076	-	10.3879
7/1/12	-	5.5076	3.0%	10.6996
10/1/12	-	5.5076	3.0%	11.0205
1/1/13	-	5.5076	10.0%	12.1226
4/1/13	9.5%	6.0309	2.5%	12.4257
7/1/13	-	6.0309	2.5%	12.7363
10/1/13	-	6.0309	2.5%	13.0547

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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Medical Base Rates				
	CeltiCare 3.0		CeltiCare 3.1	
Age			Male	Female
0	75.48	75.48	75.48	75.48
1	75.48	75.48	75.48	75.48
2	75.48	75.48	75.48	75.48
3	75.48	75.48	75.48	75.48
4	75.48	75.48	75.48	75.48
5	69.14	69.14	69.14	69.14
6	69.14	69.14	69.14	69.14
7	69.14	69.14	69.14	69.14
8	69.14	69.14	69.14	69.14
9	69.14	69.14	69.14	69.14
10	69.14	69.14	69.14	69.14
11	69.14	69.14	69.14	69.14
12	69.14	69.14	69.14	69.14
13	69.14	69.14	69.14	69.14
14	69.14	69.14	69.14	69.14
15	87.65	87.65	87.65	87.65
16	87.65	87.65	87.65	87.65
17	87.65	87.65	87.65	87.65
18	87.65	89.40	87.65	89.40
19	87.65	91.19	87.65	91.19
20	91.54	91.87	91.54	91.87
21	91.54	92.56	91.54	92.56
22	91.54	93.25	91.54	93.25
23	91.54	93.95	91.54	93.95
24	91.54	94.65	91.54	94.65
25	91.54	97.02	91.54	97.02
26	91.54	99.45	91.54	99.45
27	91.54	101.94	91.54	101.94
28	91.54	109.08	91.54	109.08
29	94.63	116.72	94.63	116.72
30	96.71	128.28	96.71	128.28
31	99.13	130.52	99.13	130.52
32	101.61	133.52	101.61	133.52
33	103.63	136.19	103.63	136.19
34	106.22	138.57	106.22	138.57
35	110.29	141.54	110.29	141.54
36	114.35	144.37	114.35	144.37
37	118.92	149.50	118.92	149.50
38	122.97	154.59	122.97	154.59
39	127.89	158.21	127.89	158.21
40	133.65	161.37	133.65	161.37
41	139.66	164.60	139.66	164.60
42	145.94	169.20	145.94	169.20
43	152.51	174.86	152.51	174.86
44	159.85	179.95	159.85	179.95
45	167.04	185.29	167.04	185.29
46	174.56	191.65	174.56	191.65
47	182.42	196.44	182.42	196.44
48	191.93	204.70	191.93	204.70
49	200.57	211.63	200.57	211.63
50	210.60	217.33	214.81	221.68
51	222.18	226.05	231.07	235.09
52	234.40	235.35	248.46	249.47
53	247.40	247.89	267.19	267.72
54	261.01	260.36	287.11	286.40
55	273.33	273.33	300.66	300.66
56	287.00	284.80	315.70	313.28
57	301.35	296.19	331.49	325.81
58	316.54	309.53	348.19	340.48
59	332.85	323.79	366.14	356.17
60	348.03	337.15	382.83	370.87
61	364.32	352.20	400.75	387.42
62	380.60	366.79	418.66	403.47
63	395.82	381.46	435.40	419.61
64	412.09	396.72	453.30	436.39
65 +	762.37	733.93	838.60	807.32
Dependent Child Rate				
Per Child; up to 3	62.29	62.29	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 3.1
Billing Fee	$8.00 per bill
One-Time Application Fee	$25.00

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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Plus Option Base Rates				
	CeltiCare 3.0		CeltiCare 3.1	
Age	Male	Female	Male	Female
0	15.86	15.86	12.91	12.91
1	15.86	15.86	13.04	13.04
2	15.86	15.86	13.18	13.18
3	15.86	15.86	13.33	13.33
4	15.86	15.86	13.48	13.48
5	10.80	10.80	7.07	7.07
6	10.80	10.80	7.32	7.32
7	10.80	10.80	7.58	7.58
8	10.80	10.80	7.85	7.85
9	10.80	10.80	8.13	8.13
10	10.80	10.80	8.42	8.42
11	10.80	10.80	8.72	8.72
12	10.80	10.80	9.03	9.03
13	10.80	10.80	9.35	9.35
14	10.80	10.80	9.68	9.68
15	11.34	12.42	10.02	10.02
16	11.34	12.42	10.06	10.77
17	11.34	12.42	10.11	11.53
18	11.34	12.42	10.17	12.31
19	11.34	12.42	10.24	13.11
20	12.84	17.17	10.32	13.94
21	12.84	17.17	10.41	14.79
22	12.84	17.17	10.47	15.71
23	12.84	17.17	10.86	16.28
24	12.84	17.17	11.25	16.88
25	14.27	20.20	11.67	17.50
26	14.27	20.20	12.10	18.15
27	14.27	20.20	12.55	18.82
28	14.27	20.20	13.41	19.04
29	14.27	20.20	14.29	19.29
30	15.91	24.00	15.24	19.51
31	15.91	24.00	16.27	19.69
32	15.91	24.00	17.39	19.83
33	15.91	24.00	18.61	19.91
34	15.91	24.00	19.93	19.93
35	19.07	27.19	20.71	20.71
36	19.07	27.19	21.51	21.51
37	19.07	27.19	22.35	22.35
38	19.07	27.19	23.23	23.23
39	19.07	27.19	24.15	24.15
40	23.02	28.68	25.69	24.40
41	23.02	28.68	27.34	24.61
42	23.02	28.68	29.12	24.76
43	23.02	28.68	31.05	24.84
44	23.02	28.68	32.31	25.85
45	26.69	30.70	33.63	26.90
46	26.69	30.70	35.01	28.01
47	26.69	30.70	36.45	29.16
48	26.69	30.70	37.96	30.37
49	26.69	30.70	39.54	31.63
50	31.80	34.41	40.20	34.17
51	31.80	34.41	40.91	36.82
52	31.80	34.41	42.64	38.37
53	31.80	34.41	44.45	40.00
54	31.80	34.41	46.34	41.71
55	38.90	41.40	48.33	43.50
56	38.90	41.40	50.41	45.37
57	38.90	41.40	52.59	47.33
58	38.90	41.40	54.87	49.39
59	38.90	41.40	57.26	51.54
60	53.87	49.77	59.77	53.79
61	53.87	49.77	62.40	56.16
62	53.87	49.77	65.15	58.64
63	53.87	49.77	68.04	61.23
64	53.87	49.77	71.06	63.96
65 +	99.66	92.07	131.47	118.32
Dependent Child Rate				
Per Child; up to 3	14.69	14.69	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
+ Term Life Premium] x (Modal Factor) + (Billing Fee)

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

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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Arkansas Area Factors

	CeltiCare 3.0 / 3.1 Area Factors			
3-Digit ZIP Code	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

Celtic Insurance Company
CeltiCare 3.0 / 3.1 Health Plan
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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	10.0%	2.6166	8.0%	3.3460
4/1/11	-	2.6166	4.0%	3.4799
6/1/11	-	2.6166	10.0%	3.8279
7/1/11	-	2.6166	-	3.8279
10/1/11	-	2.6166	-	3.8279
11/1/11	-	2.6166	-	3.8279
1/1/12	-	2.6166	-	3.8279
4/1/12	9.5%	2.8652	3.5%	3.9618
6/1/12	-	2.8652	-	3.9618
7/1/12	-	2.8652	3.0%	4.0807
10/1/12	-	2.8652	3.0%	4.2031
1/1/13	-	2.8652	10.0%	4.6234
4/1/13	9.5%	3.1374	2.5%	4.7390
7/1/13	-	3.1374	2.5%	4.8575
10/1/13	-	3.1374	2.5%	4.9789

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	10.0%	2.6166	8.0%	3.3460
4/1/11	-	2.6166	4.0%	3.4799
6/1/11	-	2.6166	10.0%	3.8279
7/1/11	-	2.6166	-	3.8279
10/1/11	-	2.6166	-	3.8279
11/1/11	-	2.6166	-	3.8279
1/1/12	-	2.6166	-	3.8279
4/1/12	9.5%	2.8652	3.5%	3.9618
6/1/12	-	2.8652	-	3.9618
7/1/12	-	2.8652	3.0%	4.0807
10/1/12	-	2.8652	3.0%	4.2031
1/1/13	-	2.8652	10.0%	4.6234
4/1/13	9.5%	3.1374	2.5%	4.7390
7/1/13	-	3.1374	2.5%	4.8575
10/1/13	-	3.1374	2.5%	4.9789

Celtic Insurance Company
CeltiCare II Health Plan
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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	86.68
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	150.38
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	253.96	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	413.85	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	24.55	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	27.36	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 +	94.54	85.09	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:	1/1/2012
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

Celtic Insurance Company
CeltiCare II Health Plan
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Arkansas Area Factors

	CeltiCare II Area Factors			
3-Digit ZIP Code	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	5.0%	1.8676	8.0%	2.9130
4/1/11	-	1.8676	4.0%	3.0295
6/1/11	4.8%	1.9566	10.0%	3.3324
7/1/11	-	1.9566	-	3.3324
10/1/11	-	1.9566	-	3.3324
11/1/11	-	1.9566	-	3.3324
1/1/12	-	1.9566	-	3.3324
4/1/12	9.5%	2.1424	3.5%	3.4491
6/1/12	-	2.1424	-	3.4491
7/1/12	-	2.1424	3.0%	3.5525
10/1/12	-	2.1424	3.0%	3.6591
1/1/13	-	2.1424	10.0%	4.0250
4/1/13	9.5%	2.3460	2.5%	4.1257
7/1/13	-	2.3460	2.5%	4.2288
10/1/13	-	2.3460	2.5%	4.3345

Exhibit Two

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Experience Analysis

Current Arkansas All Open and Closed Blocks Combined Inforce (6/2012): 239

Premium and Claims Experience for All Open and Closed Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	-	-	-	-	-
1996	Actual	-	-	-	-	-
1997	Actual	-	-	-	-	-
1998	Actual	5,708	1,273	1,273	22.3%	73.8%
1999	Actual	11,436	32,666	32,666	285.6%	63.7%
2000	Actual	18,104	12,364	12,364	68.3%	66.1%
2001	Actual	27,638	20,918	20,918	75.7%	70.0%
2002	Actual	46,332	11,993	11,993	25.9%	63.6%
2003	Actual	56,338	43,484	43,484	77.2%	66.3%
2004	Actual	75,500	38,771	38,771	51.4%	68.2%
2005	Actual	106,929	66,400	66,400	62.1%	69.2%
2006	Actual	140,833	95,700	95,700	68.0%	68.0%
2007	Actual	187,907	48,316	48,316	25.7%	69.4%
2008	Actual	239,517	110,768	110,768	46.2%	70.5%
2009	Actual	301,568	134,791	134,791	44.7%	71.7%
2010	Actual	349,071	202,325	202,345	58.0%	72.2%
2011	Actual	444,052	317,391	326,868	73.6%	70.9%
2012	Actual	231,568	106,895	138,874	60.0%	73.1%
Total	Actual	2,242,501	1,244,055	1,285,530	57.3%	70.6%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	575,208	640,756	111.4%	72.0%
201212 - 201312	Projected	632,628	775,889	122.6%	71.7%

Assumptions:

Annual Claim Cost Trend: 11.5%
Annual Discount Rate: 3.0%
Valuation Date: 6/30/2012

Proposed Arkansas Rate Increase:

	Requested
January 1, 2013:	25.0%
April 1, 2013:	0.0%
July 1, 2013:	0.0%
October 1, 2013:	0.0%

NOTES:

a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.

b) 2012 Actual entries include 3 months of actual experience.

c) For 12-Month Experience Incurred Claims, claims above $50,000 are pooled Nationwide

Exhibit Two

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Experience Analysis

Current Arkansas Closed Blocks Combined Inforce (6/2012): 48

Premium and Claims Experience for All Open and Closed Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	-		-	-	-
1996	Actual	-		-	-	-
1997	Actual	-		-	-	-
1998	Actual	5,708	1,273	1,273	22.3%	73.8%
1999	Actual	11,436	32,666	32,666	285.6%	63.7%
2000	Actual	18,104	12,364	12,364	68.3%	66.1%
2001	Actual	27,638	20,918	20,918	75.7%	70.0%
2002	Actual	46,332	11,993	11,993	25.9%	63.6%
2003	Actual	56,338	43,484	43,484	77.2%	66.3%
2004	Actual	75,500	38,771	38,771	51.4%	68.2%
2005	Actual	106,796	66,400	66,400	62.2%	69.2%
2006	Actual	130,886	95,607	95,607	73.0%	69.0%
2007	Actual	147,659	45,794	45,794	31.0%	71.0%
2008	Actual	173,757	102,419	102,419	58.9%	71.6%
2009	Actual	194,791	83,801	83,801	43.0%	72.7%
2010	Actual	212,427	110,217	110,228	51.9%	73.1%
2011	Actual	222,165	179,208	184,558	83.1%	72.9%
2012	Actual	54,201	32,327	41,998	77.5%	73.1%
Total		1,483,738	877,241	892,273	60.1%	71.0%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	223,896	267,667	119.5%	89.5%
201212 - 201312	Projected	246,444	329,242	133.6%	88.3%

Assumptions:

Annual Claim Cost Trend:	11.5%
Annual Discount Rate:	3.0%
Valuation Date:	6/30/2012
Proposed Arkansas Rate Increase:	Requested
January 1, 2013:	25.0%
April 1, 2013:	0.0%
July 1, 2013:	0.0%
October 1, 2013:	0.0%

NOTES:

a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.

b) 2012 Actual entries include 3 months of actual experience.

c) For 12-Month Experience Incurred Claims, claims above $50,000 are pooled Nationwide

Exhibit Two

Celtic Insurance Company

G5-541-00041-OH (CeltiCare 1.0/2.0/2.1), G5-543-00145-OH (CeltiCare 3.0/3.1), G5-544-00156-OH (ValueOne 1.0/1.1), G5-592-00192-OH (CeltiCare II), G5-555-00223-OH (CeltiCare Preferred 5.0/5.1), G5-544-00156-OH (Celtic Basic 1.0/2.1/2.2), G5-592-00192-OH (HSA 2.0/2.1), G5-598-00226 (HSA 3.0)

Current Ohio All Open Inforce (6/2012): 191

Premium and Claims Experience for Open Blocks :

Year	Status	Earned Premium	Paid Claims	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
1995	Actual	-		-		
1996	Actual	-		-		
1997	Actual	-		-		
1998	Actual	-	-	-		
1999	Actual	-	0	0		
2000	Actual	-	-	-		
2001	Actual	-	-	-		
2002	Actual	-	-	-		
2003	Actual	-	-	-		
2004	Actual	-	-	-		
2005	Actual	133	-	-	-	29.7%
2006	Actual	9,947	93	93	0.9%	55.3%
2007	Actual	40,248	2,522	2,522	6.3%	63.6%
2008	Actual	65,760	8,349	8,349	12.7%	67.5%
2009	Actual	106,777	50,990	50,990	47.8%	69.9%
2010	Actual	136,643	92,108	92,117	67.4%	70.7%
2011	Actual	221,887	138,183	142,309	64.1%	68.9%
2012	Actual	177,367	74,568	96,876	54.6%	73.1%
Total	Actual	758,762	366,814	393,256	51.8%	69.8%

12-Month Experience (201104 - 201203) for All Open and Closed Blocks Combined:

Year	Status	Earned Premium	Incurred Claims	Actual Loss Ratio	Expected Loss Ratio
201104 - 201203	Actual	351,312	373,089	106.2%	60.9%
201212 - 201312	Projected	386,184	446,647	115.7%	61.0%

Assumptions:

Annual Claim Cost Trend:	11.5%
Annual Discount Rate:	3.0%
Valuation Date:	6/30/2012

Proposed Arkansas Rate Increase:

	Requested
January 1, 2013:	25.0%
April 1, 2013:	0.0%
July 1, 2013:	0.0%
October 1, 2013:	0.0%

NOTES:

a) Study based on premium and claim data through 3/31/2012 as of 6/30/2012.

b) 2012 Actual entries include 3 months of actual experience.

c) For 12-Month Experience Incurred Claims, claims above $50,000 are pooled Nationwide

Exhibit Three

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Projected Experience Analysis

Table One: Statewide and Nationwide Inforce Policyholders and Credibility Factor

	(A)	(B)	(C)	min[1,(B)/(C)]
	All Blocks of Business Inforce (6/2012)	All Blocks of Business EP (201104-201203)	Credibility Threshold	Credibility Factor*
Arkansas	239	575,208	3,500,000	16%
Nationwide	33,489	89,919,754		

** adjustment calculation for credibility factor is explained below.*

Table Two: Future Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	632,628	632,628	632,628	632,628	632,628
Projected Claims:	797,293	818,348	839,984	862,217	829,461
Actual LR:	126.0%	129.4%	132.8%	136.3%	131.1%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.751	1.797	1.844	1.893	1.821

Table Three: Future Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	790,062	790,062	790,062	790,062	790,062
Projected Claims:	797,293	818,348	839,984	862,217	829,461
Actual LR:	100.9%	103.6%	106.3%	109.1%	105.0%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.402	1.439	1.477	1.516	1.458

Table Four: Future Credible Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	632,628	632,628	632,628	632,628	632,628
Projected Claims:	822,422	844,140	866,458	889,392	855,603
Actual LR:	130.0%	133.4%	137.0%	140.6%	135.2%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.806	1.853	1.902	1.953	1.879

** adjustment calculation for credibility factor is explained below.*

Table Five: Future Credible Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	790,062	790,062	790,062	790,062	790,062
Projected Claims:	822,422	844,140	866,458	889,392	855,603
Actual LR:	104.1%	106.8%	109.7%	112.6%	108.3%
Expected LR:	72.0%	72.0%	72.0%	72.0%	72.0%
Actual / Expected:	1.446	1.484	1.523	1.564	1.504

** adjustment calculation for credibility factor is explained below.*

Assumptions:

See assumptions in Exhibit Two.

Credibility Adjusted Benefit Calculation

The projected benefits shown in Tables Four and Five above are calculated based on the following method:

Z = credibility factor calculated in Table One
Ca = Statewide Projected Claims from Table Two
Na = Nationwide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Ne = Nationwide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Sa = Statewide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
Se = Statewide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
RI = Nationwide Rate Increase Over Statewide Rate Increase at 10/1/2012.

Credibility Adjusted Benefits = Z*Ca+(1-Z)*((Na/Ne)/(Sa/Se))*RI*Ca

Exhibit Three

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Projected Experience Analysis - Closed Blocks Only

Table One: Statewide and Nationwide Inforce Policyholders and Credibility Factor

	(A)	(B)	(C)	min[1,(B)/(C)]
	All Blocks of Business Inforce (6/2012)	All Blocks of Business EP (201104-201203)	Credibility Threshold	Credibility Factor*
Arkansas	48	223,896	3,500,000	6%

* *adjustment calculation for credibility factor is explained below.*

Table Two: Future Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	246,444	246,444	246,444	246,444	246,444
Projected Claims:	338,325	347,452	356,830	366,467	352,269
Actual LR:	137.3%	141.0%	144.8%	148.7%	142.9%
Expected LR:	89.4%	89.4%	89.4%	89.4%	89.4%
Actual / Expected:	1.536	1.577	1.620	1.664	1.599

Table Three: Future Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	307,331	307,331	307,331	307,331	307,331
Projected Claims:	338,325	347,452	356,830	366,467	352,269
Actual LR:	110.1%	113.1%	116.1%	119.2%	114.6%
Expected LR:	89.4%	89.4%	89.4%	89.4%	89.4%
Actual / Expected:	1.232	1.265	1.299	1.334	1.282

Table Four: Future Credible Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	246,444	246,444	246,444	246,444	246,444
Projected Claims:	105,799	108,653	111,586	114,600	110,160
Actual LR:	42.9%	44.1%	45.3%	46.5%	44.7%
Expected LR:	89.4%	89.4%	89.4%	89.4%	89.4%
Actual / Expected:	0.480	0.493	0.507	0.520	0.500

* *adjustment calculation for credibility factor is explained below.*

Table Five: Future Credible Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	307,331	307,331	307,331	307,331	307,331
Projected Claims:	105,799	108,653	111,586	114,600	110,160
Actual LR:	34.4%	35.4%	36.3%	37.3%	35.8%
Expected LR:	89.4%	89.4%	89.4%	89.4%	89.4%
Actual / Expected:	0.385	0.395	0.406	0.417	0.401

* *adjustment calculation for credibility factor is explained below.*

Assumptions:

See assumptions in Exhibit Two.

Credibility Adjusted Benefit Calculation

The projected benefits shown in Tables Four and Five above are calculated based on the following method:

Z = credibility factor calculated in Table One
Ca = Statewide Projected Claims from Table Two
Na = Nationwide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Ne = Nationwide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Sa = Statewide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
Se = Statewide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
RI = Nationwide Rate Increase Over Statewide Rate Increase at 10/1/2012.

Credibility Adjusted Benefits = Z*Ca+(1-Z)*((Na/Ne)/(Sa/Se))*RI*Ca

Exhibit Three

Celtic Insurance Company

18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)

Arkansas Projected Experience Analysis - Open Blocks Only

Table One: Statewide and Nationwide Inforce Policyholders and Credibility Factor

	(A)	(B)	(C)	min[1,(B)/(C)]
	All Blocks of Business Inforce (6/2012)	All Blocks of Business (201104-2012(	Credibility Threshold	Credibility Factor*
Arkansas	191	351,312	3,500,000	10%

** adjustment calculation for credibility factor is explained below.*

Table Two: Future Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	386,184	386,184	386,184	386,184	386,184
Projected Claims:	458,968	470,897	483,154	495,750	477,192
Actual LR:	118.8%	121.9%	125.1%	128.4%	123.6%
Expected LR:	60.9%	60.9%	60.9%	60.9%	60.9%
Actual / Expected:	1.952	2.002	2.055	2.108	2.029

Table Three: Future Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	482,730	482,730	482,730	482,730	482,730
Projected Claims:	458,968	470,897	483,154	495,750	477,192
Actual LR:	95.1%	97.5%	100.1%	102.7%	98.9%
Expected LR:	60.9%	60.9%	60.9%	60.9%	60.9%
Actual / Expected:	1.561	1.601	1.643	1.686	1.623

Table Four: Future Credible Projections at Current Statewide Volumes and Current Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	386,184	386,184	386,184	386,184	386,184
Projected Claims:	716,622	735,487	754,872	774,792	745,443
Actual LR:	185.6%	190.4%	195.5%	200.6%	193.0%
Expected LR:	60.9%	60.9%	60.9%	60.9%	60.9%
Actual / Expected:	3.047	3.128	3.210	3.295	3.170

** adjustment calculation for credibility factor is explained below.*

Table Five: Future Credible Projections at Current Statewide Volumes and Proposed Rates

YRMO	*1/1/2013*	*4/1/2013*	*7/1/2013*	*10/1/2013*	*Average*
Current Premiums:	482,730	482,730	482,730	482,730	482,730
Projected Claims:	716,622	735,487	754,872	774,792	745,443
Actual LR:	148.5%	152.4%	156.4%	160.5%	154.4%
Expected LR:	60.9%	60.9%	60.9%	60.9%	60.9%
Actual / Expected:	2.437	2.501	2.567	2.635	2.535

** adjustment calculation for credibility factor is explained below.*

Assumptions:

See assumptions in Exhibit Two.

Credibility Adjusted Benefit Calculation

The projected benefits shown in Tables Four and Five above are calculated based on the following method:

Z = credibility factor calculated in Table One
Ca = Statewide Projected Claims from Table Two
Na = Nationwide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Ne = Nationwide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit One
Sa = Statewide Projected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
Se = Statewide Expected Loss Ratio for the 12-Month Period (201104 - 201203) from Exhibit Two
RI = Nationwide Rate Increase Over Statewide Rate Increase at 10/1/2012.

Credibility Adjusted Benefits = Z*Ca+(1-Z)*((Na/Ne)/(Sa/Se))*RI*Ca

Celtic Insurance Company
2013 Arkansas Rate Filing
Exhibit 3 Reporting Requirements

1. Description of the type of policy, benefits, renewability, general marketing method and issue age limits.
   a. Insurance Company Name: Celtic Insurance Company
   b. NAIC Company Code: 80799
   c. Contact Person and Title: Juan Guerra, Senior Contract Analyst
   d. Contact Telephone Number and Email: (312) 332-8542; jguerra@celtic-net.com
   e. Date of Submission: 9/25/2012
   f. Proposed Effective Date: 1/1/2013
   g. Insurance Company's Filing Number: I5-541-0048-AR, et all
   h. Form Numbers: 18Plus-493I-AR (Adults 1.0), I5-541-00048-AR (CeltiCare 1.0/2.0/2.1), I5-543-00150-AR (CeltiCare 3.0/3.1), I5-592-00193 (CeltiCare II), I5-555-00229-AR (CeltiCare Preferred 5.0/5.1), I5-544-00159-AR (Celtic Basic 1.0/2.1/2.2), I5-592-00193 (HSA 2.0/2.1), I5-598-00231 (HSA 3.0)
   i. Product Number: TOI: H16I Individual Health, Sub TOI: H16I.005A Individual Preferred Provider
   j. Market Type (Individual/Small group): Individual
   k. Status: Open/Closed Block: Both Open and Closed Blocks
   l. Brief Description:
      i. Type of Policy: Comprehensive Major Medical
      ii. Benefits: Please refer to the benefit provisions beginning on page 1 of the actuarial memorandum
      iii. Renewability: The policy is renewable by paying the applicable renewal premiums unless the policy holder no longer meets the eligibility requirements of the policy or the company refuses to renew all the policies in the state.
      iv. General Marketing Method: This product will be sold through agents, direct mailings, and the internet. Agents are recruited to work with Celtic through a marketing program that uses trade journal advertising, direct mail, trade show participation, direct sales, and endorsed contracts.
      v. Underwriting Method: These products are medically underwritten.
      vi. Premium Classifications: Please see the standard rate-ups on page 4 of the actuarial memorandum for rating details.
      vii. Age Basis and Issue Age: In order for an applicant to be considered for coverage, he or she must be under the age of 64 years and 6 months.

2. Scope and reason for the rate increases.

   This is a rate revision filing. The purpose of this filing is to meet requirements outlined in the Arkansas statutes and demonstrate that benefits are reasonable in relation to the premium charged.

3. Average annual premium per policy, before and after the rate increase.
   a. Outline of Past Rate Increases: Please see the trend exhibits in the actuarial memorandum for the historical and requested rate increases by product.

   b. Description of Proposed Increase in Dollar Amount: Please see page 6 of the actuarial memorandum for the average annual premium by product. For example, the current rates (per policy per year) for Celtic Basic is $1,605. Our proposed rate on 1/1/2013 is $2,006, or an increase of $401 (or 25%). This is the only increase we are proposing at this time, so the following time periods are all equal to the period beginning 1/1/2013.

4. Past experience, and any other alternative or additional data used.
   a. Number of Policyholders: 239 (as of June 2012)
   b. Number of Covered Lives: 330 (as of June 2012)
   c. Total Written Premium: $575,208 for the 12 month period ending March 31, 2012

   d. Evaluation Period, Experience Period, Projection Period: The experience period is the 12 month period ending March 31, 2012 (using 3 months of runout). The projection period is calendar year 2013.
   e. Past Experience, including:
      i. Cumulative Loss Ratio (Historical/Past): Please see exhibit 2 of the rate filing.
      ii. Any Alternative Experience Data Used: Please see exhibit 1 (Celtic Nationwide experience) of the rate filing.
      f. Credibility Analysis: Please see exhibit 3 of the rate filing
      g. Incurred But Not Reported (IBNR) Claims: please see exhibit 1 and 2 of the rate filing
      h. Contract Reserves: N/A

5. A description of how the rate increase was determined, including the general description and source of each assumption used.
   a. Expenses
      i. Profit and Contingency: -32.1% (-19.9% Loss in 2011 NAIC Supplemental Health Care Exhibit - Increase in Loss Ratio {104.1%-91.9%})
      ii. Commissions and Brokers Fees: 5.3% (NAIC Supplemental Health Care Exhibit - Part 1, 2011)
      iii. Taxes, License and Fees: 3.4% (NAIC Supplemental Health Care Exhibit - Part 1, 2011)
      iv. General Expenses: 13.7% (NAIC Supplemental Health Care Exhibit - Part 1, 2011)
      v. Other Administrative Costs: 6.0% (Claim adjustment expense)
      vi. Reinsurance: 0.4% (NAIC Supplemental Health Care Exhibit - Part 1, 2011)
   b. Impact of Statutory Changes, including Mandates: Celtic is not changing rates for any statutory or benefit mandate changes.
   c. Overall Premium Impact of Proposed Increase:
      i. Average Annual Premium Per Policy
      ii. Before and After Rate Increase: $2,647 before, $3,309 after the rate increase
   d. Descriptive Relationship of Proposed Rate Scale to Current Rate Scale: Celtic is requesting a uniform rate increase of 25% across the board.
   e. Premium Basis
      i. Brief Description of How Revised Rates were Determined, including:
         1. General Description: Rates were determined by comparing the projected loss ratio at current rates to a target loss ratio (see Exhibit 3, Table 5 of the rate filing). The ratio of the projected loss ratio to the target represents the required rate increase. Celtic has reduced the implied amount to a level that the market is more capable of handling.
         2. Source of Each Assumption Used
      ii. For expenses, including:
         1. Percent of Premium: 8.7% (commissions, taxes and licensing fees as listed above)
         2. Dollars Per Policy or Dollars Per Unit of Benefit or All: $665.34 PCPY (general admin, loss adjustment expense, reinsurance expense)
      iii. Trend Assumptions: Claims trend is expected to be 11.5% per year. This was based on both Celtic-specific data and industry experience.
      iv. Interest Rate Assumptions: N/A
      v. Other Assumptions, including Morbidity, Mortality and Persistency: please see the rate filing for lapse assumptions, base claims are limited to Celtic's claims experience.
   f. Company Financial Condition
      i. Risk Based Capital
      ii. Company Surplus

      Celtic aggregates its Surplus and Capital together. This amounted to $25,500,753 on a company-wide basis as of 12/31/2011. Using a total adjusted capital of $25,726,697 and an authorized control level RBC of $4,644,113, the Risk-Based Capital Percentage for Celtic was 552.6%

6. The cumulative loss ratio and a description of how it was calculated.
   a. Loss Ratio Exhibit: Please see the attached exhibit.

7. The projected future loss ratio and a description of how it was calculated.
   a. Loss Ratio Exhibit: Anticipated lifetime loss ratio that combines cumulative and future experience, and description of how it was calculated

   Please see the attached exhibit. Claims are pooled (using Celtic's nationwide experience) over a $50,000 attachment point. The projected claims are then trended from the pooled experience midpoint using an 11.5% annual trend. The premium is based on March actual premium and adjusted to reflect the previously approved increase effective in April as well as the proposed rate increases in this filing. It is worth noting that exhibit 2 in the rate filing has a similar projection. The volume in exhibit 2 is based on the experience period (12 months ending March 31, 2012). The volume in this projection is based on membership as of March 2012, which is significantly higher due to Celtic's assumption of another block of business that came from American Enterprise Group.

8. The projected lifetime loss ratio that combines cumulative and future experience, and a description of how it was calculated.
   a. Loss Ratio Exhibit
   Please see the attached exhibit.

9. The Federal medical loss ratio (MLR) standard in the applicable market to which the rate increase applies, accounting for any adjustments allowable under Federal law.
   a. Loss Ratio Exhibit:
      i. Anticipated loss ratio presumed reasonable according to the guidelines including adjustment for credibility if applicable
      ii. Quality Improvement Costs

	Projected - CY 2013
Traditional LR	104.1%
i. Credibility Adj	No Credibility
ii. Quality Improvement	$2.75 PCPM

   Because of Celtic's the low membership in Arkansas there is no credibility for MLR purposes. As a result, it is expected that Celtic will be exempt from the minimum loss ratio requirements through calendar year 2013.

10. If the result under (7.) is less than the standard under (9.), a justification for this outcome is required.

   Because Celtic is expected to have no credibility through 2013 it is exempt from minimum loss ratio requirements in Arkansas. It is worth noting that even if Celtic were fully credible in the state, its loss ratio significantly exceeds the 80% requirement. Notwithstanding the credibility issues, the projected loss ratio for Arkansas for 2013 is 104.1%, well above the 80% MLR standard.

Actual/ Projected	Period	Exposures (lives)	Earned Premium	Claims Paid to date	Claim Reserve	Est Incurred Claims
	1995	0	-	-	-	-
	1996	0	-	-	-	-
	1997	0	-	-	-	-
	1998	0	5,620	245	-	245
	1999	10	11,332	30,196	-	30,196
	2000	37	17,976	10,549	-	10,549
	2001	59	27,510	17,219	-	17,219
	2002	116	43,436	7,080	-	7,080
	2003	144	53,442	36,185	-	36,185
	2004	171	72,604	28,567	-	28,567
	2005	195	104,033	52,785	-	52,785
	2006	298	137,937	82,285	-	82,285
	2007	581	187,907	31,711	-	31,711
	2008	760	239,517	90,833	-	90,833
	January-09	74	22,892	1,838	-	1,838
	February-09	76	23,399	3,438	-	3,438
	March-09	82	24,679	34,066	-	34,066
	April-09	83	24,786	2,956	-	2,956
	May-09	83	24,686	1,283	-	1,283
	June-09	83	25,223	5,918	-	5,918
	July-09	84	25,605	9,608	-	9,608
	August-09	86	25,824	32,592	-	32,592
	September-09	82	25,456	1,284	-	1,284
	October-09	85	26,195	2,462	-	2,462
	November-09	84	26,434	5,671	-	5,671
	December-09	83	26,387	5,369	-	5,369
Actual	January-10	81	26,549	13,879	-	13,879
	February-10	82	27,000	31,629	-	31,629
	March-10	89	28,244	27,649	-	27,649
	April-10	88	28,506	12,907	-	12,907
	May-10	89	28,627	6,599	-	6,599
	June-10	90	28,597	5,131	-	5,131
	July-10	90	28,797	11,290	1	11,292
	August-10	91	28,784	31,161	3	31,164
	September-10	100	30,249	10,269	2	10,272
	October-10	100	31,147	9,312	4	9,316
	November-10	100	31,301	2,289	3	2,291
	December-10	101	31,269	10,165	6	10,171
	January-11	106	32,675	3,804	8	3,812
	February-11	110	34,771	33,268	230	33,498
	March-11	114	35,890	2,104	10	2,114
	April-11	122	38,426	24,624	181	24,806
	May-11	123	38,368	5,055	56	5,111
	June-11	122	37,534	9,574	143	9,716
	July-11	118	37,352	32,698	1,387	34,084
	August-11	115	36,623	37,315	1,062	38,377
	September-11	118	36,973	13,660	315	13,975
	October-11	127	37,938	61,385	1,593	62,977
	November-11	133	38,491	11,438	424	11,862
	December-11	128	39,013	20,288	3,803	24,091
	January-12	212	74,509	19,631	6,651	26,281
	February-12	224	76,736	8,326	1,744	10,071
	March-12	235	80,323	65,669	22,688	88,357
	April-12	235	87,954			100,291
	May-12	235	87,954			101,205
	June-12	235	87,954			102,127
	July-12	235	87,954			103,058
	August-12	235	87,954			103,997
	September-12	235	87,954			104,945
	October-12	235	87,954			105,901
	November-12	235	87,954			106,866
	December-12	235	87,954			107,840
Projected	January-13	235	109,943			108,823
	February-13	235	109,943			109,814
	March-13	235	109,943			110,815
	April-13	235	109,943			111,825
	May-13	235	109,943			112,844
	June-13	235	109,943			113,872
	July-13	235	109,943			114,910
	August-13	235	109,943			115,957
	September-13	235	109,943			117,013
	October-13	235	109,943			118,080
	November-13	235	109,943			119,156
	December-13	235	109,943			120,241

All existing products will cease to exist beyond 2013 and will be replaced with Health Care Reform compliant products. As a result, projections into 2014 are not meaningful.