

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Filing at a Glance

Company: Federated Mutual Insurance Company
Product Name: Group Health
State: Arkansas
TOI: H16G Group Health - Major Medical
Sub-TOI: H16G.003A Small Group Only - PPO
Filing Type: Rate
Date Submitted: 08/30/2012
SERFF Tr Num: FEMC-128666596
SERFF Status: Closed-Approved-Closed
State Tr Num:
State Status: Approved-Closed
Co Tr Num: GRPRTS2013

Implementation: 01/01/2013
Date Requested:
Author(s): Janice Kautz
Reviewer(s): Rosalind Minor (primary)
Disposition Date: 09/25/2012
Disposition Status: Approved-Closed
Implementation Date: 01/01/2013

State Filing Description:

State: Arkansas Filing Company: Federated Mutual Insurance Company
 TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
 Product Name: Group Health
 Project Name/Number: GRP RATES 2013/GRP RATES 2013

General Information

Project Name: GRP RATES 2013 Status of Filing in Domicile: Not Filed
 Project Number: GRP RATES 2013 Date Approved in Domicile:
 Requested Filing Mode: Review & Approval Domicile Status Comments:
 Explanation for Combination/Other: Market Type: Group
 Submission Type: New Submission Group Market Size: Small
 Group Market Type: Employer Overall Rate Impact:
 Filing Status Changed: 09/25/2012 Deemer Date:
 State Status Changed: 09/25/2012 Submitted By: Janice Kautz
 Created By: Janice Kautz
 Corresponding Filing Tracking Number:
 PPACA: Not PPACA-Related
 PPACA Notes: null
 Filing Description:
 Federated Mutual Insurance Company is submitting revised rates for our small group health product. We are requesting a 0.0% net rate increase effective January 1, 2013.

Company and Contact

Filing Contact Information

Janice Kautz, Rating Specialist jbkautz@fedins.com
 121 East Park Square 800-533-0472 [Phone] 455-5129 [Ext]
 Owatonna, MN 55060 507-455-5145 [FAX]

Filing Company Information

Federated Mutual Insurance Company CoCode: 13935 State of Domicile: Minnesota
 121 East Park Square Group Code: 7 Company Type:
 PO Box 328 Group Name: State ID Number:
 Owatonna, MN 55060 FEIN Number: 41-0417460
 (800) 533-0472 ext. [Phone]

Filing Fees

Fee Required? Yes
 Fee Amount: \$125.00
 Retaliatory? Yes
 Fee Explanation: Minnesota's filing fee is \$125.00
 Per Company: No

Company	Amount	Date Processed	Transaction #
Federated Mutual Insurance Company	\$125.00	08/30/2012	62163797

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	09/25/2012	09/25/2012

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	09/18/2012	09/18/2012
Pending Industry Response	Rosalind Minor	09/14/2012	09/14/2012
Pending Industry Response	Rosalind Minor	09/06/2012	09/06/2012

Response Letters

Responded By	Created On	Date Submitted
Janice Kautz	09/20/2012	09/20/2012
Janice Kautz	09/17/2012	09/17/2012
Janice Kautz	09/11/2012	09/11/2012

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Rate	Rates	Janice Kautz	08/31/2012	08/31/2012

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Disposition

Disposition Date: 09/25/2012
 Implementation Date: 01/01/2013
 Status: Approved-Closed
 HHS Status: HHS Approved
 State Review: Reviewed-No Actuary
 Comment:
 This submission is being approved with the understanding that Federated is willing to cap all rate increases in Arkansas at 0% in 2013.

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):
Federated Mutual Insurance Company	Neutral	0.000%	0.000%	\$936	41	\$2,204,912	0.000%	0.000%

Percent Change Approved:

Minimum: 0.0% **Maximum:** 0.0% **Weighted Average:** 0.0%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Rate Summary Worksheet	Approved-Closed	Yes
Supporting Document	Consumer Disclosure Form	Approved-Closed	Yes
Supporting Document	List of % Change by Policyholder	Approved-Closed	Yes
Rate	Rates	Approved-Closed	Yes
Rate	Rates	Approved-Closed	Yes

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/18/2012
Submitted Date	09/18/2012
Respond By Date	10/18/2012

Dear Janice Kautz,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comments: Thank you for your response of 9/17/12.

For further clarification, Arkansas is requesting that we cap all rate increases (Rate Change + Demographic Change + Health Status Change) at 0%?

Thank you for your cooperation in this matter.

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:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/20/2012
Submitted Date	09/20/2012

Dear Rosalind Minor,

Introduction:

Thank you for the clarification of Arkansas' request.

Response 1

Comments:

Federated is willing to cap all rate increases in Arkansas at 0% in 2013.

Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comments: Thank you for your response of 9/17/12.

For further clarification, Arkansas is requesting that we cap all rate increases (Rate Change + Demographic Change + Health Status Change) at 0%?

Thank you for your cooperation in this matter.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you for the further review of this filing.

Respectfully submitted,

Janice Kautz

Sincerely,

Janice Kautz

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/14/2012
Submitted Date	09/14/2012
Respond By Date	

Dear Janice Kautz,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comments:

Based on the low loss ratio for Arkansas, we do not think the policyholders should receive a rate increase on this submission. We are willing to accept the decreases on this submission, but we request that no policyholder receive an increase.

If you wish to accept this alternative, please send a post submission update reflecting the change.

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: Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Response Letter

Response Letter Status Submitted to State
Response Letter Date 09/17/2012
Submitted Date 09/17/2012

Dear Rosalind Minor,

Introduction:

Thank you for your review of this filing.

Response 1

Comments:

Federated's actuary would like clarification on your request that no policyholder receive an increase. I have copied his questions here:

I am a little unclear on what Arkansas is requesting, with regards to our rate increase filing? The rate increases by group are shown before changes in demographics, and with no change in the underwriting factor (which may be increased by 15% at renewal)? Is Arkansas requesting us to modify our rates so that no group receives a net rate increase before these changes, or is Arkansas requesting that we cap all rate increases (Rate Change + Demographic Change + Health Status Change) at 0%?

Federated will make appropriate adjustments after receiving your clarifications.

Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comments:

Based on the low loss ratio for Arkansas, we do not think the policyholders should receive a rate increase on this submission. We are willing to accept the decreases on this submission, but we request that no policyholder receive an increase.

If you wish to accept this alternative, please send a post submission update reflecting the change.

We appreciate your understanding and cooperation.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you for your assistance and for your further review of the filing.

Respectfully,

Janice Kautz

Sincerely,

Janice Kautz

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/06/2012
Submitted Date	09/06/2012
Respond By Date	

Dear Janice Kautz,

Introduction:

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comments:

Of the 41 policyholders, please outline the percentage of increase/decrease/neutral increase that the Arkansas policyholder will receive.

We appreciate your cooperation in this matter.

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:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/11/2012
Submitted Date	09/11/2012

Dear Rosalind Minor,

Introduction:

Thank you for reviewing Federated's small employer group health rate filing.

Response 1

Comments:

I have attached a listing of policyholder numbers and the corresponding increase/decrease, due to the requested rate manual changes, that would affect the policyholder if the rate revision is approved.

Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comments:

Of the 41 policyholders, please outline the percentage of increase/decrease/neutral increase that the Arkansas policyholder will receive.

We appreciate your cooperation in this matter.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: List of % Change by Policyholder

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you for your further review of this filing.

Respectfully,
Janice Kautz

SERFF Tracking #:

FEMC-128666596

State Tracking #:

Company Tracking #:

GRPRTS2013

State:

Arkansas

Filing Company:

Federated Mutual Insurance Company

TOI/Sub-TOI:

H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

Product Name:

Group Health

Project Name/Number:

GRP RATES 2013/GRP RATES 2013

Sincerely,

Janice Kautz

SERFF Tracking #:

FEMC-128666596

State Tracking #:

Company Tracking #:

GRPRTS2013

State:

Arkansas

Filing Company:

Federated Mutual Insurance Company

TOI/Sub-TOI:

H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

Product Name:

Group Health

Project Name/Number:

GRP RATES 2013/GRP RATES 2013

Amendment Letter

Submitted Date: 08/31/2012

Comments:

Federated Mutual Insurance respectfully submits a revised Rate Manual, Attachment A, correcting plan benefits for one plan.

Changed Items:

Rate/Rule Schedule Item Changes:

Document	Affected Form	Rate	Rate Action Information:	Attach
Name:	Numbers: (Comma Separated list)	Action:		Document:
Rates	GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.)GH 03 11 (01-12 ed.)	Revised	Previous State Filing Number: FEMC-127740191	AR_Attachment A_201301_revised.pdf

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Post Submission Update Request Processed On 09/24/2012

Status: Allowed
Created By: Janice Kautz
Processed By: Rosalind Minor
Comments:

Company Rate Information:

Company Name:Federated Mutual Insurance Company

Field Name	Requested Change	Prior Value
Maximum %Change (where required)	0.000%	9.400%
Minimum %Change (where required)	0.000%	-7.600%

REQUESTED RATE CHANGE INFORMATION:

Min:	0.000	-7.600
Max:	0.000	9.4

State: Arkansas **Filing Company:** Federated Mutual Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Neutral
Overall Percentage of Last Rate Revision: 4.300%
Effective Date of Last Rate Revision: 01/01/2012
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):
Federated Mutual Insurance Company	Neutral	0.000%	0.000%	\$936	41	\$2,204,912	0.000%	0.000%

Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		293				35		
Policy Holders:		35				6		

State:	Arkansas	Filing Company:	Federated Mutual Insurance Company
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO		
Product Name:	Group Health		
Project Name/Number:	GRP RATES 2013/GRP RATES 2013		

Rate Review Detail

COMPANY:

Company Name:	Federated Mutual Insurance Company
HHS Issuer Id:	89365
Product Names:	Group Health
Trend Factors:	Federated assumes a 7.0% increase in medical costs, during the effective period of this filing. This is a nationwide estimate, based on Federated's internal claims data. The 7.0% trend estimate assumes a 6.0% increase due to a combination of increasing costs(severity) and an increase in the number of services used (utilization). By service type, Federated is assuming a 5.9% increase in medical costs, and a 6.7% increase in pharmacy costs.The remaining 1.0% increase is for deductible leveraging. No aggregate trend is assumed for underwriting wear-off or antiselection.

FORMS:

New Policy Forms:	
Affected Forms:	GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.)
Other Affected Forms:	GH 03 10 (01-12 ed.)

REQUESTED RATE CHANGE INFORMATION:

Change Period:	Annual
Member Months:	4,050
Benefit Change:	None
Percent Change Requested:	Min: 0.0 Max: 0.0 Avg: 0.0

PRIOR RATE:

Total Earned Premium:	2,028,091.00
Total Incurred Claims:	1,526,713.00
Annual \$:	Min: 124.61 Max: 1,283.86 Avg: 463.44

REQUESTED RATE:

Projected Earned Premium:	2,028,952.00
Projected Incurred Claims:	1,320,511.00
Annual \$:	Min: 127.10 Max: 1,187.94 Avg: 463.44

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TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO
Product Name: Group Health
Project Name/Number: GRP RATES 2013/GRP RATES 2013

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action*	Rate Action Information		Attachments
					Previous State Filing Number:	FEMC-	
1	Approved-Closed 09/25/2012	Rates	GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.), GH 03 11 (01-12 ed.)	Revised	Previous State Filing Number:	FEMC-127740191	AR_Attachment A_201301.pdf
					Percent Rate Change Request:		
2	Approved-Closed 09/25/2012	Rates	GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.)GH 03 11 (01-12 ed.)	Revised	Previous State Filing Number:	FEMC-127740191	AR_Attachment A_201301_revised.pdf
					Percent Rate Change Request:		

Actuarial Memorandum
Rate Filing for Federated Mutual Insurance Company
State of Arkansas
Policy Form #: GH 03 10 (01-12 ed.)
Certificate Form #: GH 03 11 (08-06 ed.)
Certificate Form #: GH 03 11 (01-02 ed.)

Attachment A – Rating Formula

Rates are calculated individually for each member of a group based on the formula shown below. Rating factors are listed on Pages A-2 through A-8.

Rating Formula

Rates are calculated according to the following formula:

Factor	Description
Index Rate *	Table A-1
Trend Factor *	Table A-2
Policy Factor *	Table A-3
Area Factor *	Table A-4
Age/Gender Factor *	Table A-5. Maximum of 3 children charged per family
Industry Factor *	Table A-6
PPO Factor *	Table A-7
Group Size Factor *	Table A-8 Discontinued as a rating factor
Case Adjustment Factor =	Based on Claim Experience. Does not vary by more than 25% of index rate for groups of 2-25 employees
Base Plan Premium	

- The age/gender factor varies by individual within a group. All other factors are applied on a group-by-group basis.

Actuarial Memorandum
Rate Filing for Federated Mutual Insurance Company
State of Arkansas
Policy Form #: GH 03 10 (01-12 ed.)
Certificate Form #: GH 03 11 (08-06 ed.)
Certificate Form #: GH 03 11 (01-02 ed.)

Attachment A - Rating Formula

Table A-1: Index Rate: \$396.15

Table A-2: Trend Factor:

<u>Effective Date of Rate Increase:</u>	<u>Factor</u>
Jan-2013	1.0000
Feb-2013	1.0057
Mar-2013	1.0113
Apr-2013	1.0171
May-2013	1.0228
Jun-2013	1.0286
Jul-2013	1.0344
Aug-2013	1.0403
Sep-2013	1.0461
Oct-2013	1.0521
Nov-2013	1.0580
Dec-2013	1.0640

Actuarial Memorandum
Rate Filing for Federated Mutual Insurance Company
State of Arkansas
Policy Form #: GH 03 10 (01-12 ed.)
Certificate Form #: GH 03 11 (08-06 ed.)
Certificate Form #: GH 03 11 (01-02 ed.)

Table A-3: Policy Factor:

Policy	<u>In-Network</u> Office Visit	Deductible	<u>In-Network</u> Coinsurance	<u>Out-Network</u> Coinsurance	<u>In-Network</u> Individual Out Of Pocket Max	<u>Out-Network</u> Individual Out Of Pocket Max	<u>In-Network</u> Family Out Of Pocket Max	<u>Out-Network</u> Family Out Of Pocket Max	<u>Emergency</u> Room	<u>Generic</u> Drugs ^	<u>Preferred</u> Drugs ^	<u>Non-Preferred</u> Drugs ^	<u>Specialty</u> Drugs^	<u>Annual</u> Maximum	Policy Factor
Copay Plans															
9300	\$30	\$300	80%	55%	\$2,300	\$4,800	\$4,600	\$9,600	\$200	\$10 \$35		\$50	\$100	3 M	0.8919
9301	\$30	\$500	80%	55%	\$2,500	\$5,000	\$5,000	\$10,000	\$200	\$10 \$35		\$50	\$100	3 M	0.8800
9302	\$30	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	\$200	\$10 \$35		\$50	\$100	3 M	0.8539
9303	\$30	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	\$200	\$10 \$35		\$50	\$100	3 M	0.8314
9304	\$30	\$2,000	80%	55%	\$4,000	\$6,500	\$8,000	\$13,000	\$200	\$10 \$35		\$50	\$100	3 M	0.8113
Deductible and Coinsurance Plans															
9305	N/A	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	N/A	\$10 \$35		\$50	\$100	3 M	0.8252
9306	N/A	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	N/A	\$10 \$35		\$50	\$100	3 M	0.7898
9307	N/A	\$3,000	80%	55%	\$5,000	\$7,500	\$10,000	\$15,000	N/A	\$10 \$35		\$50	\$100	3 M	0.7100
9308	N/A	\$5,000	80%	55%	\$7,000	\$9,500	\$14,000	\$19,000	N/A	\$10 \$35		\$50	\$100	3 M	0.6366
9309	N/A	\$3,000	100%	75%	\$3,000	\$5,500	\$6,000	\$11,000	N/A	\$10 \$35		\$50	\$100	3 M	0.7655
9310	N/A	\$5,000	100%	75%	\$5,000	\$7,500	\$10,000	\$15,000	N/A	\$10 \$35		\$50	\$100	3 M	0.6796
9311	N/A	\$10,000	100%	75%	\$10,000	\$12,500	\$20,000	\$25,000	N/A	\$10 \$35		\$50	\$100	3 M	0.5484
9312	N/A	\$3,000	100%	75%	\$3,000	\$5,500	\$6,000	\$11,000	N/A		Deductible, then copay			3 M	0.7204
9313	N/A	\$5,000	100%	75%	\$5,000	\$7,500	\$10,000	\$15,000	N/A		Deductible, then copay			3 M	0.6111
9314	N/A	\$10,000	100%	75%	\$10,000	\$12,500	\$20,000	\$25,000	N/A		Deductible, then copay			3 M	0.4561
Coinsurance for Office Visit Plans															
9315	20%**	\$300	80%	55%	\$2,300	\$4,800	\$4,600	\$9,600	N/A	\$10 \$35		\$50	\$100	3 M	0.8890
9316	20%**	\$500	80%	55%	\$2,500	\$5,000	\$5,000	\$10,000	N/A	\$10 \$35		\$50	\$100	3 M	0.8791
9317	20%**	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	N/A	\$10 \$35		\$50	\$100	3 M	0.8573
9318	20%**	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	N/A	\$10 \$35		\$50	\$100	3 M	0.8380
9319	20%**	\$2,000	80%	55%	\$4,000	\$6,500	\$8,000	\$13,000	N/A	\$10 \$35		\$50	\$100	3 M	0.8202
9320	20%**	\$3,000	80%	55%	\$5,000	\$7,500	\$10,000	\$15,000	N/A	\$10 \$35		\$50	\$100	3 M	0.7883
9321	20%**	\$5,000	80%	55%	\$7,000	\$9,500	\$14,000	\$19,000	N/A	\$10 \$35		\$50	\$100	3 M	0.7362
Qualified High Deductible Health Plans															
9324	none *	\$2,500	80%	55%	\$6,000	\$7,000	\$12,000	\$14,000	N/A		Deductible, then copay			3 M	0.6460
9330	none *	\$2,500	80%	55%	\$4,500	\$5,500	\$9,000	\$11,000	N/A		Deductible, then copay			3 M	0.6883
9325	none *	\$2,500	100%	75%	\$3,500	\$5,000	\$7,000	\$10,000	N/A		Deductible, then copay			3 M	0.7404
9327	none *	\$5,000	100%	75%	\$6,000	\$7,500	\$12,000	\$15,000	N/A		Deductible, then copay			3 M	0.5958
9329	none *	\$1,250^	80%	55%	\$3,250	\$6,500	\$5,750	\$11,500	N/A		Deductible, then copay			3 M	0.7712
9326	none *	\$3,000	100%	75%	\$3,000	\$5,500	\$6,000	\$11,000	N/A		Deductible only			3 M	0.7233
9328	none *	\$6,000	100%	75%	\$6,000	\$8,500	\$12,000	\$17,000	N/A		Deductible only			3 M	0.5675

^ Mail order drugs \$20/\$70/\$110/\$100

* Benefits covered under deductible and coinsurance

** The deductible is waived for in-network services performed in a physician's office or emergency room.

*** The deductible is waived for in-network services performed in a physician's office or emergency room, and for manipulative therapy.

Actuarial Memorandum
Rate Filing for Federated Mutual Insurance Company
State of Arkansas
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Certificate Form #: GH 03 11 (01-02 ed.)

Table A-3: Policy Factor:

Plans not sold after January 1, 2012:

Policy	<u>In-Network</u>		<u>In-Network</u> Coinsurance	<u>Out-Network</u> Coinsurance	<u>In-Network</u> Individual Out Of Pocket Max	<u>Out-Network</u> Individual Out Of Pocket Max	<u>In-Network</u> Family Out Of Pocket Max	<u>Out-Network</u> Family Out Of Pocket Max	<u>Emergency</u> Room	<u>Generic</u> Drugs ^	<u>Preferred</u> Drugs ^	<u>Non-Preferred</u> Drugs ^	<u>Annual</u> Maximum	Policy Factor
	<u>Office</u> Visit	<u>Deductible</u>												
Copay Plans														
9202	\$30	\$500 90%		70%	\$1,500	\$3,500	\$3,000	\$7,000	\$100	\$10	\$30	\$45	3 M	0.9310
9203	\$30	\$750 90%		70%	\$1,750	\$3,750	\$3,500	\$7,500	\$100	\$10	\$30	\$45	3 M	0.9154
9205	\$30 \$1,250		90%	70%	\$2,250	\$4,250	\$4,500	\$8,500	\$100	\$10	\$30	\$45	3 M	0.8880
9215	\$30 \$1,000		80%	60%	\$3,000	\$5,000	\$6,000	\$10,000	\$100	\$10	\$30	\$45	3 M	0.8708
9217	\$30 \$1,500		80%	60%	\$3,500	\$5,500	\$7,000	\$11,000	\$100	\$10	\$30	\$45	3 M	0.8478
920H	\$30 \$2,000		80%	55%	\$4,000	\$6,500	\$8,000	\$13,000	\$100	\$10	\$30	\$45	3 M	0.8237
No Copay Plans														
9228	N/A	\$5,000	100%	80%	\$5,000	\$7,000	\$10,000	\$14,000	N/A	\$10 \$30		\$45	3 M	0.6935
9238	N/A	\$1,000 80%		60%	\$3,000	\$5,000	\$6,000	\$10,000	N/A	\$10	\$30	\$45	3 M	0.8407
9242	N/A	\$3,000	80%	60%	\$5,000 \$7,000 \$10,000			\$14,000	N/A	\$10	\$30	\$45	3 M	0.7241
9244	N/A	\$10,000	80%	60%	\$12,000	\$14,000	\$24,000	\$28,000	N/A	\$10 \$30		\$45	3 M	0.5335
Gold 70 Plans														
9268	20%**	\$1,000	70%	50%	\$4,000	\$6,000	\$8,000	\$12,000	30%**	\$10 \$30 \$45			3 M	0.8376
9269	20%**	\$1,250	70%	50%	\$4,250	\$6,250	\$8,500	\$12,500	30%**	\$10 \$30 \$45			3 M	0.8285
9271	20%**	\$2,000	70%	50%	\$5,000	\$7,000	\$10,000	\$14,000	30%**	\$10 \$30 \$45			3 M	0.8033
Gold 80 Plans														
9248	20%**	\$1,000	80%	60%	\$3,000	\$5,000	\$6,000	\$10,000	20%**	\$10 \$30 \$45			3 M	0.8722
920W	20%**	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	20%**	\$10 \$30 \$45			3 M	0.8683
920Y	20%**	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	20%**	\$10 \$30 \$45			3 M	0.8488
921A	20%**	\$2,500	80%	55%	\$4,500	\$7,000	\$9,000	\$14,000	20%**	\$10 \$30 \$45			3 M	0.8142
HSA - Eligible Plans														
9258	none *	\$2,750	100%	80%	\$2,750	\$5,500	\$5,500	\$11,000	none *	none *	none *	none *	3 M	0.7542
921H	none *	\$2,500 ^{^^}	100%	75%	\$2,500	\$5,200	\$5,000	\$10,400	none *	none *	none *	none *	3 M	0.7697

* Benefits covered under deductible and coinsurance

** The deductible is waived for in-network services performed in a physician's office or emergency room.

^ Mail order drugs \$20/\$60/\$100

^^ Federated intends to increase the deductible on Plans 9276, 9277, 921E, and 921H to keep pace with the minimum family deductible as defined by the Internal Revenue Code.

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Table A-3: Policy Factor, continued:

Plans not sold after January 1, 2007:

<u>Policy</u>	<u>Deductible</u>	<u>In-Network Coinsurance</u>	<u>Policy Factor</u>
5664	\$250	90%	1.0000
5665	\$500	90%	0.9704
5671	\$300	90%	0.9739
5674	\$1,000	90%	0.9151
5684	\$1,000	80%	0.8815
5685	\$1,500	80%	0.8558
5707	\$750	80%	0.8222
5752	\$300	80%	0.9291
5753	\$500	80%	0.9173
5756	\$1,500	80%	0.8669

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Table A-4: Area Factor

All Areas 1.00

A	B	C	D	E	F	G
Benton	Baxter	Crittenden	Crawford	Arkansas	Ashley	Columbia
Boone	Clay	Cross	Franklin	Cleburne	Bradley	Hempstead
Carroll	Craighead		Johnson	Conway	Calhoun	Howard
Madison	Fulton		Logan	Faulkner	Chicot	Lafayette
Marion	Greene		Polk	Jefferson	Clark	Little River
Newton	Independence		Pope	Lonoke	Cleveland	Miller
Searcy	Izard		Scott	Perry	Dallas	Nevada
Washington	Jackson		Sebastian	Prairie	Desha	Sevier
	Lawrence		Yell	Pulaski	Drew	
	Lee			Saline	Garland	
	Mississippi			Van Buren	Grant	
	Monroe			White	Hot Spring	
	Phillips				Lincoln	
	Poinsett				Montgomery	
	Randolph				Ouachita	
	Sharp				Pike	
	St Francis				Union	
	Stone					
	Woodruff					

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Table A-5: Age/Gender Factor

Gender	Age	Employee	Spouse	Child 1	Child 2	Child 3+
M	0-24	0.550	1.400	0.650	1.300	1.950
M	25-29	0.550	1.400	0.650	1.300	1.950
M	30-34	0.700	1.400	0.650	1.300	1.950
M	35-39	0.800	1.400	0.650	1.300	1.950
M	40-44	1.000	1.450	0.650	1.300	1.950
M	45-49	1.300	1.650	0.650	1.300	1.950
M	50-54	1.700	1.900	0.650	1.300	1.950
M	55-59	2.250	2.300	0.650	1.300	1.950
M	60-64	3.000	2.600	0.650	1.300	1.950
M	65-69 (Med Prim)	1.400	1.300	0.650	1.300	1.950
M	70-74 (Med Prim)	1.800	1.600	0.650	1.300	1.950
M	75+ (Med Prim)	2.340	1.920	0.650	1.300	1.950
M	65-69 (Med Sec)	3.500	3.250	0.650	1.300	1.950
M	70-74 (Med Sec)	4.500	4.000	0.650	1.300	1.950
M	75+ (Med Sec)	5.850	4.800	0.650	1.300	1.950
F	0-24	1.400	0.550	0.650	1.300	1.950
F	25-29	1.400	0.550	0.650	1.300	1.950
F	30-34	1.400	0.700	0.650	1.300	1.950
F	35-39	1.400	0.800	0.650	1.300	1.950
F	40-44	1.450	1.000	0.650	1.300	1.950
F	45-49	1.650	1.300	0.650	1.300	1.950
F	50-54	1.900	1.700	0.650	1.300	1.950
F	55-59	2.300	2.250	0.650	1.300	1.950
F	60-64	2.600	3.000	0.650	1.300	1.950
F	65-69 (Med Prim)	1.300	1.400	0.650	1.300	1.950
F	70-74 (Med Prim)	1.600	1.800	0.650	1.300	1.950
F	75+ (Med Prim)	1.920	2.340	0.650	1.300	1.950
F	65-69 (Med Sec)	3.250	3.500	0.650	1.300	1.950
F	70-74 (Med Sec)	4.000	4.500	0.650	1.300	1.950
F	75+ (Med Sec)	4.800	5.850	0.650	1.300	1.950

* Child(ren) rates subject to a maximum of 3 per family

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Table A-6: Industry Factor:

Industry	Factor	Industry	Factor
Apparel And Accessory Stores	1.00	Major Franchised Farm Equip Dlr	0.96
Auto Parts Dealers	1.00	Manufacturing Not Otherwise Classified	1.00
Auto Service & Repair Shops	1.00	Metal Fabricated Products	1.00
Auto Service Stations	1.04	Miscellaneous Business Service	1.10
Beverage Distributors	1.00	Mobile Industrial Equip Dealer	0.96
Building Construction	1.04	Motel/Hotel Risks	1.10
Building Material Dealers	1.00	Non-Franchised Auto Dealer	1.02
Buildings & Related Equipment	1.00	Motorcycle Dealers	1.02
Carpentering	1.04	Not Classified	1.10
City & Cnty Governmental Units	1.10	Other Contractors Noc	1.04
Concrete Products	1.00	Other Fuel Distributors	1.04
Dairy Equipment Dealers	1.04	Other Non-Dealer Risks	1.00
Dentists, Doctors and Lawyers	1.10	Painting & Decorating	1.04
Electrical	0.99	Personal Lines	1.10
Excavating Contractors	1.04	Plastic Products	1.00
Feed And Grain Risks	1.00	Plumbing	1.04
Fert, Herbicide &Pesticide Dlr	1.00	Printers	0.96
Financial Risks	1.10	Private Passenger Auto Dealer	1.02
Food And Kindred Products	1.00	Restaurants & Eating Establish	1.10
Food Stores (Incl Supermarket)	1.10	Retail Trade - Not Otherwise Classified	1.00
Funeral Services	1.00	Roofing And Sheet Metal	1.04
Furniture And Home Furnishings	1.00	School Districts	1.10
Gas & Oil Distr (With Bulk)	1.04	Shortline Used/Farm Auto Eq DI	0.96
Gas & Oil Distr (Without Bulk)	1.04	Smb,Atv,Boat & Other Rec Dlr	1.00
Governmental Risks Not Otherwise Classified	1.10	Specialized Contractors	1.04
Hardware Stores	1.00	Specialized Wholesalers	1.00
Heating & Air Conditioning	0.99	Textile And Finished Apparel	1.00
Highway & Street Construction	1.04	Tire Dealers	0.96
Irrigation Systems	1.00	Transportation Risks	1.10
Jewelry Dealers	1.00	Truck & Implt Combination Dlr	1.02
L-P Gas Distributors	1.04	Truck & Truck-Tractor Dealer	1.02
Lawn & Garden Equipment Dealer	0.96	Water Well Drilling	1.04
Lumber And Wood Products	1.00	Wholesale Trade - Not Otherwise Classified	1.00
Machinery Manufacturing	1.00	Wtr,Sewer Line,Pwr Line Constr	1.04

Table A-7: PPO Factor:

PPO	Factor
Cigna in All Areas	0.850
Savility in Area C	0.975
All PPO's in all other Areas	1.000

Table A-8: Group Size Factor:

Number of Employees	Factor
1	1.00
2 to 4	1.00
5 to 9	1.00
10 and above	1.00

Group Size is no longer used as a rating variable.

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Attachment A – Rating Formula

Rates are calculated individually for each member of a group based on the formula shown below. Rating factors are listed on Pages A-2 through A-8.

Rating Formula

Rates are calculated according to the following formula:

Factor	Description
Index Rate *	Table A-1
Trend Factor *	Table A-2
Policy Factor *	Table A-3
Area Factor *	Table A-4
Age/Gender Factor *	Table A-5. Maximum of 3 children charged per family
Industry Factor *	Table A-6
PPO Factor *	Table A-7
Group Size Factor *	Table A-8 Discontinued as a rating factor
Case Adjustment Factor =	Based on Claim Experience. Does not vary by more than 25% of index rate for groups of 2-25 employees
Base Plan Premium	

- The age/gender factor varies by individual within a group. All other factors are applied on a group-by-group basis.

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Attachment A - Rating Formula

Table A-1: Index Rate: \$396.15

Table A-2: Trend Factor:

<u>Effective Date of Rate Increase:</u>	<u>Factor</u>
Jan-2013	1.0000
Feb-2013	1.0057
Mar-2013	1.0113
Apr-2013	1.0171
May-2013	1.0228
Jun-2013	1.0286
Jul-2013	1.0344
Aug-2013	1.0403
Sep-2013	1.0461
Oct-2013	1.0521
Nov-2013	1.0580
Dec-2013	1.0640

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Table A-3: Policy Factor:

Policy	<u>In-Network</u> Office Visit	Deductible	<u>In-Network</u> Coinsurance	<u>Out-Network</u> Coinsurance	<u>In-Network</u> Individual Out Of Pocket Max	<u>Out-Network</u> Individual Out Of Pocket Max	<u>In-Network</u> Family Out Of Pocket Max	<u>Out-Network</u> Family Out Of Pocket Max	<u>Emergency</u> Room	<u>Generic</u> Drugs ^	<u>Preferred</u> Drugs ^	<u>Non-Preferred</u> Drugs ^	<u>Specialty</u> Drugs^	<u>Annual</u> Maximum	Policy Factor
Copay Plans															
9300	\$30	\$300	80%	55%	\$2,300	\$4,800	\$4,600	\$9,600	\$200	\$10	\$35	\$50	\$100	3 M	0.8919
9301	\$30	\$500	80%	55%	\$2,500	\$5,000	\$5,000	\$10,000	\$200	\$10	\$35	\$50	\$100	3 M	0.8800
9302	\$30	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	\$200	\$10	\$35	\$50	\$100	3 M	0.8539
9303	\$30	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	\$200	\$10	\$35	\$50	\$100	3 M	0.8314
9304	\$30	\$2,000	80%	55%	\$4,000	\$6,500	\$8,000	\$13,000	\$200	\$10	\$35	\$50	\$100	3 M	0.8113
Deductible and Coinsurance Plans															
9305	N/A	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	N/A	\$10	\$35	\$50	\$100	3 M	0.8252
9306	N/A	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	N/A	\$10	\$35	\$50	\$100	3 M	0.7898
9307	N/A	\$3,000	80%	55%	\$5,000	\$7,500	\$10,000	\$15,000	N/A	\$10	\$35	\$50	\$100	3 M	0.7100
9308	N/A	\$5,000	80%	55%	\$7,000	\$9,500	\$14,000	\$19,000	N/A	\$10	\$35	\$50	\$100	3 M	0.6366
9309	N/A	\$3,000	100%	75%	\$3,000	\$5,500	\$6,000	\$11,000	N/A	\$10	\$35	\$50	\$100	3 M	0.7655
9310	N/A	\$5,000	100%	75%	\$5,000	\$7,500	\$10,000	\$15,000	N/A	\$10	\$35	\$50	\$100	3 M	0.6796
9311	N/A	\$10,000	100%	75%	\$10,000	\$12,500	\$20,000	\$25,000	N/A	\$10	\$35	\$50	\$100	3 M	0.5484
9312	N/A	\$3,000	100%	75%	\$3,000	\$5,500	\$6,000	\$11,000	N/A		Deductible, then copay			3 M	0.7204
9313	N/A	\$5,000	100%	75%	\$5,000	\$7,500	\$10,000	\$15,000	N/A		Deductible, then copay			3 M	0.6111
9314	N/A	\$10,000	100%	75%	\$10,000	\$12,500	\$20,000	\$25,000	N/A		Deductible, then copay			3 M	0.4561
Coinsurance for Office Visit Plans															
9315	20%**	\$300	80%	55%	\$2,300	\$4,800	\$4,600	\$9,600	N/A	\$10	\$35	\$50	\$100	3 M	0.8890
9316	20%**	\$500	80%	55%	\$2,500	\$5,000	\$5,000	\$10,000	N/A	\$10	\$35	\$50	\$100	3 M	0.8791
9317	20%**	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	N/A	\$10	\$35	\$50	\$100	3 M	0.8573
9318	20%**	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	N/A	\$10	\$35	\$50	\$100	3 M	0.8380
9319	20%**	\$2,000	80%	55%	\$4,000	\$6,500	\$8,000	\$13,000	N/A	\$10	\$35	\$50	\$100	3 M	0.8202
9320	20%**	\$3,000	80%	55%	\$5,000	\$7,500	\$10,000	\$15,000	N/A	\$10	\$35	\$50	\$100	3 M	0.7883
9321	20%**	\$5,000	80%	55%	\$7,000	\$9,500	\$14,000	\$19,000	N/A	\$10	\$35	\$50	\$100	3 M	0.7362
Qualified High Deductible Health Plans															
9324	none *	\$2,500	80%	55%	\$6,000	\$7,000	\$12,000	\$14,000	N/A		Deductible, then copay			3 M	0.6460
9330	none *	\$2,500	80%	55%	\$4,500	\$5,500	\$9,000	\$11,000	N/A		Deductible, then copay			3 M	0.6883
9325	none *	\$2,500	100%	75%	\$3,500	\$5,000	\$7,000	\$10,000	N/A		Deductible, then copay			3 M	0.7404
9327	none *	\$5,000	100%	75%	\$6,000	\$7,500	\$12,000	\$15,000	N/A		Deductible, then copay			3 M	0.5958
9329	none *	\$1,250^^	80%	55%	\$3,250	\$5,750	\$6,500	\$11,500	N/A		Deductible, then copay			3 M	0.7712
9326	none *	\$3,000	100%	75%	\$3,000	\$5,500	\$6,000	\$11,000	N/A		Deductible only			3 M	0.7233
9328	none *	\$6,000	100%	75%	\$6,000	\$8,500	\$12,000	\$17,000	N/A		Deductible only			3 M	0.5675

^ Mail order drugs \$20/\$70/\$110/\$100

* Benefits covered under deductible and coinsurance

** The deductible is waived for in-network services performed in a physician's office or emergency room.

*** The deductible is waived for in-network services performed in a physician's office or emergency room, and for manipulative therapy.

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Table A-3: Policy Factor:

Plans not sold after January 1, 2012:

Policy	<u>In-Network Office Visit</u>	<u>Deductible</u>	<u>In-Network Coinsurance</u>	<u>Out-Network Coinsurance</u>	<u>In-Network Individual Out Of Pocket Max</u>	<u>Out-Network Individual Out Of Pocket Max</u>	<u>In-Network Family Out Of Pocket Max</u>	<u>Out-Network Family Out Of Pocket Max</u>	<u>Emergency Room</u>	<u>Generic Drugs ^</u>	<u>Preferred Drugs ^</u>	<u>Non- Preferred Drugs ^</u>	<u>Annual Maximum</u>	<u>Policy Factor</u>
Copay Plans														
9202	\$30	\$500 90%		70%	\$1,500	\$3,500	\$3,000	\$7,000	\$100	\$10	\$30	\$45	3 M	0.9310
9203	\$30	\$750 90%		70%	\$1,750	\$3,750	\$3,500	\$7,500	\$100	\$10	\$30	\$45	3 M	0.9154
9205	\$30 \$1,250		90%	70%	\$2,250	\$4,250	\$4,500	\$8,500	\$100	\$10	\$30	\$45	3 M	0.8880
9215	\$30 \$1,000		80%	60%	\$3,000	\$5,000	\$6,000	\$10,000	\$100	\$10	\$30	\$45	3 M	0.8708
9217	\$30 \$1,500		80%	60%	\$3,500	\$5,500	\$7,000	\$11,000	\$100	\$10	\$30	\$45	3 M	0.8478
920H	\$30 \$2,000		80%	55%	\$4,000	\$6,500	\$8,000	\$13,000	\$100	\$10	\$30	\$45	3 M	0.8237
No Copay Plans														
9228	N/A	\$5,000	100%	80%	\$5,000	\$7,000	\$10,000	\$14,000	N/A	\$10 \$30		\$45	3 M	0.6935
9238	N/A	\$1,000 80%		60%	\$3,000	\$5,000	\$6,000	\$10,000	N/A	\$10	\$30	\$45	3 M	0.8407
9242	N/A	\$3,000	80%	60%	\$5,000 \$7,000 \$10,000			\$14,000	N/A	\$10	\$30	\$45	3 M	0.7241
9244	N/A	\$10,000	80%	60%	\$12,000	\$14,000	\$24,000	\$28,000	N/A	\$10 \$30		\$45	3 M	0.5335
Gold 70 Plans														
9268	20%**	\$1,000	70%	50%	\$4,000	\$6,000	\$8,000	\$12,000	30%**	\$10 \$30 \$45			3 M	0.8376
9269	20%**	\$1,250	70%	50%	\$4,250	\$6,250	\$8,500	\$12,500	30%**	\$10 \$30 \$45			3 M	0.8285
9271	20%**	\$2,000	70%	50%	\$5,000	\$7,000	\$10,000	\$14,000	30%**	\$10 \$30 \$45			3 M	0.8033
Gold 80 Plans														
9248	20%**	\$1,000	80%	60%	\$3,000	\$5,000	\$6,000	\$10,000	20%**	\$10 \$30 \$45			3 M	0.8722
920W	20%**	\$1,000	80%	55%	\$3,000	\$5,500	\$6,000	\$11,000	20%**	\$10 \$30 \$45			3 M	0.8683
920Y	20%**	\$1,500	80%	55%	\$3,500	\$6,000	\$7,000	\$12,000	20%**	\$10 \$30 \$45			3 M	0.8488
921A	20%**	\$2,500	80%	55%	\$4,500	\$7,000	\$9,000	\$14,000	20%**	\$10 \$30 \$45			3 M	0.8142
HSA - Eligible Plans														
9258	none *	\$2,750	100%	80%	\$2,750	\$5,500	\$5,500	\$11,000	none *	none *	none *	none *	3 M	0.7542
921H	none *	\$2,500 ^{^^}	100%	75%	\$2,500	\$5,200	\$5,000	\$10,400	none *	none *	none *	none *	3 M	0.7697

* Benefits covered under deductible and coinsurance

** The deductible is waived for in-network services performed in a physician's office or emergency room.

^ Mail order drugs \$20/\$60/\$100

^^ Federated intends to increase the deductible on Plans 9276, 9277, 921E, and 921H to keep pace with the minimum family deductible as defined by the Internal Revenue Code.

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Table A-3: Policy Factor, continued:

Plans not sold after January 1, 2007:

<u>Policy</u>	<u>Deductible</u>	<u>In-Network Coinsurance</u>	<u>Policy Factor</u>
5664	\$250	90%	1.0000
5665	\$500	90%	0.9704
5671	\$300	90%	0.9739
5674	\$1,000	90%	0.9151
5684	\$1,000	80%	0.8815
5685	\$1,500	80%	0.8558
5707	\$750	80%	0.8222
5752	\$300	80%	0.9291
5753	\$500	80%	0.9173
5756	\$1,500	80%	0.8669

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Table A-4: Area Factor

All Areas 1.00

A	B	C	D	E	F	G
Benton	Baxter	Crittenden	Crawford	Arkansas	Ashley	Columbia
Boone	Clay	Cross	Franklin	Cleburne	Bradley	Hempstead
Carroll	Craighead		Johnson	Conway	Calhoun	Howard
Madison	Fulton		Logan	Faulkner	Chicot	Lafayette
Marion	Greene		Polk	Jefferson	Clark	Little River
Newton	Independence		Pope	Lonoke	Cleveland	Miller
Searcy	Izard		Scott	Perry	Dallas	Nevada
Washington	Jackson		Sebastian	Prairie	Desha	Sevier
	Lawrence		Yell	Pulaski	Drew	
	Lee			Saline	Garland	
	Mississippi			Van Buren	Grant	
	Monroe			White	Hot Spring	
	Phillips				Lincoln	
	Poinsett				Montgomery	
	Randolph				Ouachita	
	Sharp				Pike	
	St Francis				Union	
	Stone					
	Woodruff					

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Table A-5: Age/Gender Factor

Gender	Age	Employee	Spouse	Child 1	Child 2	Child 3+
M	0-24	0.550	1.400	0.650	1.300	1.950
M	25-29	0.550	1.400	0.650	1.300	1.950
M	30-34	0.700	1.400	0.650	1.300	1.950
M	35-39	0.800	1.400	0.650	1.300	1.950
M	40-44	1.000	1.450	0.650	1.300	1.950
M	45-49	1.300	1.650	0.650	1.300	1.950
M	50-54	1.700	1.900	0.650	1.300	1.950
M	55-59	2.250	2.300	0.650	1.300	1.950
M	60-64	3.000	2.600	0.650	1.300	1.950
M	65-69 (Med Prim)	1.400	1.300	0.650	1.300	1.950
M	70-74 (Med Prim)	1.800	1.600	0.650	1.300	1.950
M	75+ (Med Prim)	2.340	1.920	0.650	1.300	1.950
M	65-69 (Med Sec)	3.500	3.250	0.650	1.300	1.950
M	70-74 (Med Sec)	4.500	4.000	0.650	1.300	1.950
M	75+ (Med Sec)	5.850	4.800	0.650	1.300	1.950
F	0-24	1.400	0.550	0.650	1.300	1.950
F	25-29	1.400	0.550	0.650	1.300	1.950
F	30-34	1.400	0.700	0.650	1.300	1.950
F	35-39	1.400	0.800	0.650	1.300	1.950
F	40-44	1.450	1.000	0.650	1.300	1.950
F	45-49	1.650	1.300	0.650	1.300	1.950
F	50-54	1.900	1.700	0.650	1.300	1.950
F	55-59	2.300	2.250	0.650	1.300	1.950
F	60-64	2.600	3.000	0.650	1.300	1.950
F	65-69 (Med Prim)	1.300	1.400	0.650	1.300	1.950
F	70-74 (Med Prim)	1.600	1.800	0.650	1.300	1.950
F	75+ (Med Prim)	1.920	2.340	0.650	1.300	1.950
F	65-69 (Med Sec)	3.250	3.500	0.650	1.300	1.950
F	70-74 (Med Sec)	4.000	4.500	0.650	1.300	1.950
F	75+ (Med Sec)	4.800	5.850	0.650	1.300	1.950

* Child(ren) rates subject to a maximum of 3 per family

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Table A-6: Industry Factor:

Industry	Factor	Industry	Factor
Apparel And Accessory Stores	1.00	Major Franchised Farm Equip Dlr	0.96
Auto Parts Dealers	1.00	Manufacturing Not Otherwise Classified	1.00
Auto Service & Repair Shops	1.00	Metal Fabricated Products	1.00
Auto Service Stations	1.04	Miscellaneous Business Service	1.10
Beverage Distributors	1.00	Mobile Industrial Equip Dealer	0.96
Building Construction	1.04	Motel/Hotel Risks	1.10
Building Material Dealers	1.00	Non-Franchised Auto Dealer	1.02
Buildings & Related Equipment	1.00	Motorcycle Dealers	1.02
Carpentering	1.04	Not Classified	1.10
City & Cnty Governmental Units	1.10	Other Contractors Noc	1.04
Concrete Products	1.00	Other Fuel Distributors	1.04
Dairy Equipment Dealers	1.04	Other Non-Dealer Risks	1.00
Dentists, Doctors and Lawyers	1.10	Painting & Decorating	1.04
Electrical	0.99	Personal Lines	1.10
Excavating Contractors	1.04	Plastic Products	1.00
Feed And Grain Risks	1.00	Plumbing	1.04
Fert, Herbicide &Pesticide Dlr	1.00	Printers	0.96
Financial Risks	1.10	Private Passenger Auto Dealer	1.02
Food And Kindred Products	1.00	Restaurants & Eating Establish	1.10
Food Stores (Incl Supermarket)	1.10	Retail Trade - Not Otherwise Classified	1.00
Funeral Services	1.00	Roofing And Sheet Metal	1.04
Furniture And Home Furnishings	1.00	School Districts	1.10
Gas & Oil Distr (With Bulk)	1.04	Shortline Used/Farm Auto Eq Dl	0.96
Gas & Oil Distr (Without Bulk)	1.04	Smb,Atv,Boat & Other Rec Dlr	1.00
Governmental Risks Not Otherwise Classified	1.10	Specialized Contractors	1.04
Hardware Stores	1.00	Specialized Wholesalers	1.00
Heating & Air Conditioning	0.99	Textile And Finished Apparel	1.00
Highway & Street Construction	1.04	Tire Dealers	0.96
Irrigation Systems	1.00	Transportation Risks	1.10
Jewelry Dealers	1.00	Truck & Implt Combination Dlr	1.02
L-P Gas Distributors	1.04	Truck & Truck-Tractor Dealer	1.02
Lawn & Garden Equipment Dealer	0.96	Water Well Drilling	1.04
Lumber And Wood Products	1.00	Wholesale Trade - Not Otherwise Classified	1.00
Machinery Manufacturing	1.00	Wtr,Sewer Line,Pwr Line Constr	1.04

Table A-7: PPO Factor:

PPO	Factor
Cigna in All Areas	0.850
Savility in Area C	0.975
All PPO's in all other Areas	1.000

Table A-8: Group Size Factor:

Number of Employees	Factor
1	1.00
2 to 4	1.00
5 to 9	1.00
10 and above	1.00

Group Size is no longer used as a rating variable.

SERFF Tracking #:

FEMC-128666596

State Tracking #:**Company Tracking #:**

GRPRTS2013

State:

Arkansas

Filing Company:

Federated Mutual Insurance Company

TOI/Sub-TOI:

H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

Product Name:

Group Health

Project Name/Number:

GRP RATES 2013/GRP RATES 2013

Supporting Document Schedules

		Item Status:	Status Date:
Bypassed - Item:	Flesch Certification	Approved-Closed	09/25/2012
Bypass Reason:	not applicable		
Comments:			

		Item Status:	Status Date:
Bypassed - Item:	Consumer Disclosure Form	Approved-Closed	09/25/2012
Bypass Reason:	not available		
Comments:			

		Item Status:	Status Date:
Satisfied - Item:	List of % Change by Policyholder	Approved-Closed	09/25/2012
Comments:			
Attachment(s):			
% Change by Policyholder.pdf			

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The following table outlines the firm-specific increase/decrease due to changes in index rate, plan factor, and group size factor between January 1, 2012 and January 1, 2013. Increases/decreases do not reflect changes due to a change in the demographic composition of the firm, nor do they reflect any potential changes to the Health Status factor.

Firm Number	% Change
00330	-7.5%
10256	-7.5%
34708	-7.5%
81470	-7.5%
02284	-7.4%
03069	-7.4%
58608	-5.2%
10290	-3.3%
06927	-3.2%
10314	-3.2%
40358	-3.2%
04552	-3.1%
04787	-3.1%
05160	-3.1%
29603	-3.1%
30909	-3.1%
52515	-3.1%
77701	-3.1%
07947	-3.0%
23806	-3.0%
24604	-2.8%
63817	-2.7%
74202	-2.7%
79227	-2.6%
01953	-0.6%
08178	-0.6%
09335	-0.6%
05326	-0.4%
03406	0.4%
55607	1.3%
06834	1.5%
36906	1.5%
47703	1.5%
66844	1.5%
50203	1.6%
66083	2.0%
52510	4.1%
66412	6.3%
06739	6.6%
29001	6.6%
62602	7.8%