

**AG EXHIBIT C**

**Attachment AGBN-1**

Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
Calculation of Required Loss Ratios on Full Experience Basis  
for April 1, 2011 Billing Cycle

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Projected Contract Months (A)	Projected Incurred Claims Expense PCPM (B)	State Assessments Impact (E)	Impact of Coverage for Dependents up to Age 26 (F)	Projected Incurred Claims Including Assessments and Coverage up to Age 26 (G)	Administrative Expense PCPM (H)	Projected Incurred Claims and Administrative Expense PCPM (I)	New System Expense (J)	Contribution to Reserve/ Tax Liability PCPM (K)	Required Income PCPM (L)	Required Loss Ratio (M)
Basic Rates (Pool I)	51,573	1.0162	1.0086	\$759.93	\$51.56	\$811.49	\$2.86	\$27.36	\$841.71	0.9028
Preferred Rates (Pool II)	68,838	1.0162	1.0086	\$260.61	\$51.56	\$312.17	\$1.10	\$10.52	\$323.79	0.8049
Composite	120,411			\$474.47	\$51.56	\$526.03	\$1.86	\$17.73	\$545.62	0.8696

Required Income	\$545.62
Per Original Blue Cross Filing	\$556.22
% reduction, AG calculations	2%

(A) Rate Year (4/1/2011-3/31/2012) projected contract months.

(B) Per Schedule 27, Composite of Column 2.

(C) Per Schedule 27, Composite of Column 4.

(D) Weighted by contract months in Column 1.

(E) Per Schedule 24, Line 8.

(F) Per Schedule 25, Line 6.

(G) Column 2 times Column 3 times Column 4.

(H) Per Schedule 37, Line 3.

(I) Column 5 plus Column 6.

(J) Rating component for new 'core payment system' which is 0.34% of the required income.

(K) A 1.00% reserve loading plus 0.25% for federal tax liability plus 2.00% for state premium tax assessment: (Column 7 plus Column 8)/0.9675 - (Column 7 plus Column 8).

(L) Sum of Columns 7 through 9.

(M) Column 5 divided by Column 10.

**Attachment AGBN-1**

Blue Cross and Blue Shield of Rhode Island  
 Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
 Calculation of Claims Impact of State Assessments  
 for April 1, 2011 Billing Cycle

(1)	(2)	(3)	(4)	(5)	(6)
Number of	Direct Pay	Child	Adult	CEDARR, CIS,	Assessment
Months	Premium	Immunization	Immunization	and Home Services	Dollars
		Assessment	Assessment	Assessment	(D)
		Percentage	Percentage	Percentage	
		(A)	(B)	(C)	
1. Assessment Based on CY 2009 Premium	3	\$56,478,000	0.825%	0.200%	\$857,336
2. <u>Assessment Based on CY 2010 Premium</u>	9	\$60,526,000	0.825%	0.493%	\$918,785
3. Rate Period Assessment (E)					\$903,423
4. Rate Period Projected Contract Months					120,411
5. Rate Period Per Contract Per Month (F)					\$7.50
6. Rate Period Projected Claims Expense (G)					\$462.93
7. Claims Impact of State Assessment (H)					1.62%
8. <b>State Assessment Claims Impact Factor (I)</b>					<b>1.0162</b>

- (A) Percentage of premium for child immunization assessment based on most recent RI Department of Health invoice.  
 (B) Percentage of premium for adult immunization assessment based on most recent RI Department of Health invoice.  
 (C) Percentage of premium for CEDARR assessment based on the most recent RI Department of Human Services invoice.  
 (D) Column 2 times the sum of Columns 3-5.  
 (E) Weighted average of Lines 1 and 2 weighted by Column 1 months.  
 (F) Line 3 divided by Line 4.  
 (G) Weighted average of the projected claims expense for the rating year from Schedule 22, Column 2.  
 (H) Line 5 divided by Line 6.  
 (I) Claims Impact Factor reflecting increase in claims expenses due to State Assessments, which is equal to 1 plus Line 7.

1/10/2011

**Attachment AGBN-1**

Blue Cross and Blue Shield of Rhode Island  
 Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
**Calculation of Composite Paid Claims Expense Per Contract Month  
 for April 1, 2011 Billing Cycle**

	(1)	(2)	(3)	(4)
	Pool I		Pool II	
	Projected		Projected	
	Base Year	Paid	Base Year	Paid
	Contract	Claims	Contract	Claims
	<u>Months</u>	<u>PCPM</u>	<u>Months</u>	<u>PCPM</u>
	(A)	(B)	(A)	(B)
HealthMate Direct 500	22,786	\$941.13	29,085	\$318.31
HealthMate Direct 2000	14,949	\$545.23	17,848	\$279.63
HealthMate for HSA 3000	8,756	\$788.58	10,355	\$155.14
<u>HealthMate for HSA 5000</u>	<u>5,278</u>	<u>\$356.91</u>	<u>8,511</u>	<u>\$102.83</u>
<b>TOTAL</b>	<b>51,769</b>	<b>\$741.44</b>	<b>65,799</b>	<b>\$254.27</b>

(A) Base Year (6/1/2009-5/31/2010) contract months.

(B) Per Schedules 28-35, Column 9.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 500

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$6,014,463	1.1323	\$298.87	0.8270	N/A	N/A	0.9838	\$243.16
Outpatient	\$5,144,371	1.0186	\$229.97	0.8270	N/A	N/A	0.9838	\$187.10
Surgical/Medical	\$7,850,169	1.0542	\$363.19	0.8270	N/A	N/A	0.9838	\$295.49
Pharmacy	\$5,895,284	1.2279	\$317.68	0.7557	0.9528	0.9322	1.0100	\$215.38
<b>Total</b>			<b>\$1,209.71</b>					<b>\$941.13</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HealthMate 500 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 22,786 Basic Rate (Pool I) HealthMate 500 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate 500 Pool I pharmacy and non-pharmacy claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 2000**

	(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$2,362,602	\$158.04	1.1323	\$178.95	0.7358	N/A	N/A	1.0098	\$132.96
Outpatient	\$1,737,027	\$116.20	1.0186	\$118.36	0.7358	N/A	N/A	1.0098	\$87.94
Surgical/Medical	\$3,322,599	\$222.26	1.0542	\$234.31	0.7358	N/A	N/A	1.0098	\$174.09
Pharmacy	\$2,679,160	\$179.22	1.2279	\$220.06	0.7610	0.9528	0.9322	1.0100	\$150.24
<b>Total</b>				<b>\$751.68</b>					<b>\$545.23</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HealthMate Direct 2000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 14,949 Basic Rate (Pool I) HealthMate Direct 2000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate Direct 2000 Pool I pharmacy and non-pharmacy claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 3000**

	(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,731,740	\$197.78	1.1323	\$223.95	0.7832	N/A	N/A	0.9797	\$171.84
Outpatient	\$1,906,371	\$217.72	1.0186	\$221.77	0.7832	N/A	N/A	0.9797	\$170.16
Surgical/Medical	\$2,345,756	\$267.90	1.0542	\$282.42	0.7832	N/A	N/A	0.9797	\$216.70
Pharmacy	\$2,386,197	\$272.52	1.2279	\$334.63	0.7832	0.9447	0.9477	0.9797	\$229.88
<b>Total</b>				<b>\$1,062.77</b>					<b>\$788.58</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HSA 3000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 8,756 Basic Rate (Pool I) HSA 3000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 3000 Pool I Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 5000**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Incurred Allowed Claims (A)	Incurred Allowed Claims PCPM (B)	Projection Factor (C)	Projected Allowed Claims PCPM (D)	Net-to- Allowed Factor (E)	Rx Formulary (F)	Rx Rebates (G)	Utilization Adjustment (H)	Projected Paid Claims PCPM (I)
Inpatient	\$1,008,121	1.1323	\$216.27	0.6639	N/A	N/A	0.9906	\$142.23
Outpatient	\$484,577	1.0186	\$93.52	0.6639	N/A	N/A	0.9906	\$61.50
Surgical/Medical	\$827,168	1.0542	\$165.21	0.6639	N/A	N/A	0.9906	\$108.65
Pharmacy	\$325,062	1.2279	\$75.63	0.6639	0.9447	0.9477	0.9906	\$44.53
<b>Total</b>			<b>\$550.63</b>					<b>\$356.91</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HSA 5000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 5,278 Basic Rate (Pool I) HSA 5000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 5000 Pool I Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.



**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 500**

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,976,597	1.0709	\$72.78	0.7704	N/A	N/A	0.9838	\$55.16
Outpatient	\$2,543,184	1.2886	\$112.68	0.7704	N/A	N/A	0.9838	\$85.40
Surgical/Medical	\$4,671,711	1.1017	\$176.96	0.7704	N/A	N/A	0.9838	\$134.12
Pharmacy	\$1,776,707	1.0742	\$65.62	0.7412	0.9528	0.9322	1.0100	\$43.63
<b>Total</b>			<b>\$428.04</b>					<b>\$318.31</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HealthMate 500 for Jun-2009 to May-2010 estimated to 100% complete.

(B) Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(C) Column 1 divided by 29,085 Preferred Rate (Pool II) HealthMate 500 contract months for Jun-2009 to May-2010.

(D) Per Schedule 40, Column 4.

(E) Column 2 times Column 3.

(F) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate 500 Pool II pharmacy and non-pharmacy claims.

(G) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(H) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(I) Expected change in utilization due to benefit changes.

(J) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 2000

	(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,615,638	\$90.52	1.0709	\$96.94	0.7426	N/A	N/A	1.0098	\$72.69
Outpatient	\$1,458,369	\$81.71	1.2886	\$105.29	0.7426	N/A	N/A	1.0098	\$78.95
Surgical/Medical	\$2,131,579	\$119.43	1.1017	\$131.58	0.7426	N/A	N/A	1.0098	\$98.67
Pharmacy	\$735,413	\$41.20	1.0742	\$44.26	0.7385	0.9528	0.9322	1.0100	\$29.32
<b>Total</b>				<b>\$378.07</b>					<b>\$279.63</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HealthMate Direct 2000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 17,848 Preferred Rate (Pool II) HealthMate Direct 2000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate Direct 2000 Pool II pharmacy and non-pharmacy claims. Factor represents expected reduction to Rx claims expenses due to formulary changes.

(F) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(G) Expected change in utilization due to benefit changes.

(H) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 3000**

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$448,352	1.0709	\$46.37	0.5924	N/A	N/A	0.9906	\$27.21
Outpatient	\$633,355	1.2886	\$78.81	0.5924	N/A	N/A	0.9906	\$46.25
Surgical/Medical	\$989,936	1.1017	\$105.32	0.5924	N/A	N/A	0.9906	\$61.81
<u>Pharmacy</u>	\$364,566	1.0742	\$37.82	0.5924	0.9447	0.9477	0.9906	\$19.87
<b>Total</b>			<b>\$268.32</b>					<b>\$155.14</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HSA 3000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 10,355 Preferred Rate (Pool II) HSA 3000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 3000 Pool II Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-1**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)

**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 5000**

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$368,853	1.0709	\$46.41	0.5198	N/A	N/A	0.9961	\$24.03
Outpatient	\$377,247	1.2886	\$57.11	0.5198	N/A	N/A	0.9961	\$29.57
Surgical/Medical	\$632,481	1.1017	\$81.87	0.5198	N/A	N/A	0.9961	\$42.39
Pharmacy	\$116,878	1.0742	\$14.75	0.5198	0.9447	0.9477	0.9961	\$6.84
<b>Total</b>			<b>\$200.14</b>					<b>\$102.83</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HSA 5000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 8,511 Preferred Rate (Pool II) HSA 5000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 5000 Pool II Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross and Blue Shield of Rhode Island  
 Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
**Calculation of Administrative Expense per  
 Contract Month for April 1, 2011 Billing Cycle**

	(1)	(2)	(3)	(4)
	Number of Months in <u>Rate Period</u>	Calendar Year Administrative <u>Expense Budget</u>	Projected Contract <u>Months</u>	Administrative Expense Budget <u>PCPM</u>
1. CY 2011	9	\$5,966,820 (A)	120,441	\$49.54 (C)
2. <u>CY 2012</u>	3	\$6,091,007 (B)	120,321	<u>\$50.62</u> (C)
3. Rate Year (4/1/2011-3/31/2012)				\$49.81 (D)

(A) Derived from the updated 2011 budget for Direct Pay reduced by \$100,000 for new building. Includes fees paid to vendors.

(B) Derived from the updated 2012 budget for Direct Pay reduced by \$100,000 for new building. Includes fees paid to vendors.

(C) Column 2 divided by Column 3.

(D) Weighted by months in Column 1.

Schedule 39

**Attachment AGBN-1**

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
Projection Factors for Allowed Claims  
for April 1, 2011 Billing Cycle**

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	(1)	(2)	(3)	(4)
	<u>Price</u>	<u>Utilization/Mix</u>	<u>Claim</u>	<u>Projection</u>
	<u>Trend Factor</u>	<u>Trend Factor</u>	<u>Adjustment</u>	<u>Factor</u>
	(A)	(B)	(G)	(H)
Hospital Inpatient	1.1302	1.0000 (C)	1.0019	1.1323
Hospital Outpatient	1.1191	0.9102 (D)	1.0000	1.0186
Surgical/Medical	1.0412	1.0123 (E)	1.0002	1.0542
Pharmacy		1.2593 (F)	0.9751	1.2279

- (A) Obtained from Blue Cross' Contracting Administration Division for the 22-month projection period.  
 (B) Based on annual trend assumption, compounded over the 22-month projection period.  
 (C) Based on annual trend increase of 0.00%. See graph in Schedule 41.  
 (D) Based on annual trend increase of -5.00%. See graph in Schedule 42.  
 (E) Based on annual trend increase of 0.67%. See graph in Schedule 43.  
 (F) Based on annual trend increase of 13.40%. See graph in Schedule 44. This factor includes price.  
 (G) Factor to adjust claims expenses for anticipated policy changes, contract changes, and one time claims impacts that are not reflected in utilization or pure price trends.  
 (H) Column 1 times Column 2 times Column 3 for non-pharmacy. Column 2 times Column 3 for pharmacy.

**Schedule 40**

**Attachment AGBN-1**

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
Projection Factors for Allowed Claims  
for April 1, 2011 Billing Cycle**

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	(1)	(2)	(3)	(4)
	<b>Price</b>	<b>Utilization/Mix</b>	<b>Claim</b>	<b>Projection</b>
	<b><u>Trend Factor</u></b>	<b><u>Trend Factor</u></b>	<b><u>Adjustment</u></b>	<b><u>Factor</u></b>
	(A)	(B)	(G)	(H)
Hospital Inpatient	1.1302	<b>0.9457</b> (C)	1.0019	<b>1.0709</b>
Hospital Outpatient	1.1191	1.1515 (D)	1.0000	1.2886
Surgical/Medical	1.0412	1.0579 (E)	1.0002	1.1017
Pharmacy		1.1016 (F)	0.9751	1.0742

(A) Obtained from Blue Cross' Contracting Administration Division for the 22-month projection period.

(B) Based on annual trend assumption, compounded over the 22-month projection period.

(C) Based on annual trend increase of -3.00%. See graph in Schedule 45.

(D) Based on annual trend increase of 8.00%. See graph in Schedule 46.

(E) Based on annual trend increase of 3.12%. See graph in Schedule 47.

(F) Based on annual trend increase of 5.42%. See graph in Schedule 48. This factor includes price.

(G) Factor to adjust claims expenses for anticipated policy changes, contract changes, and one time claims impacts that are not reflected in utilization or pure price trends.

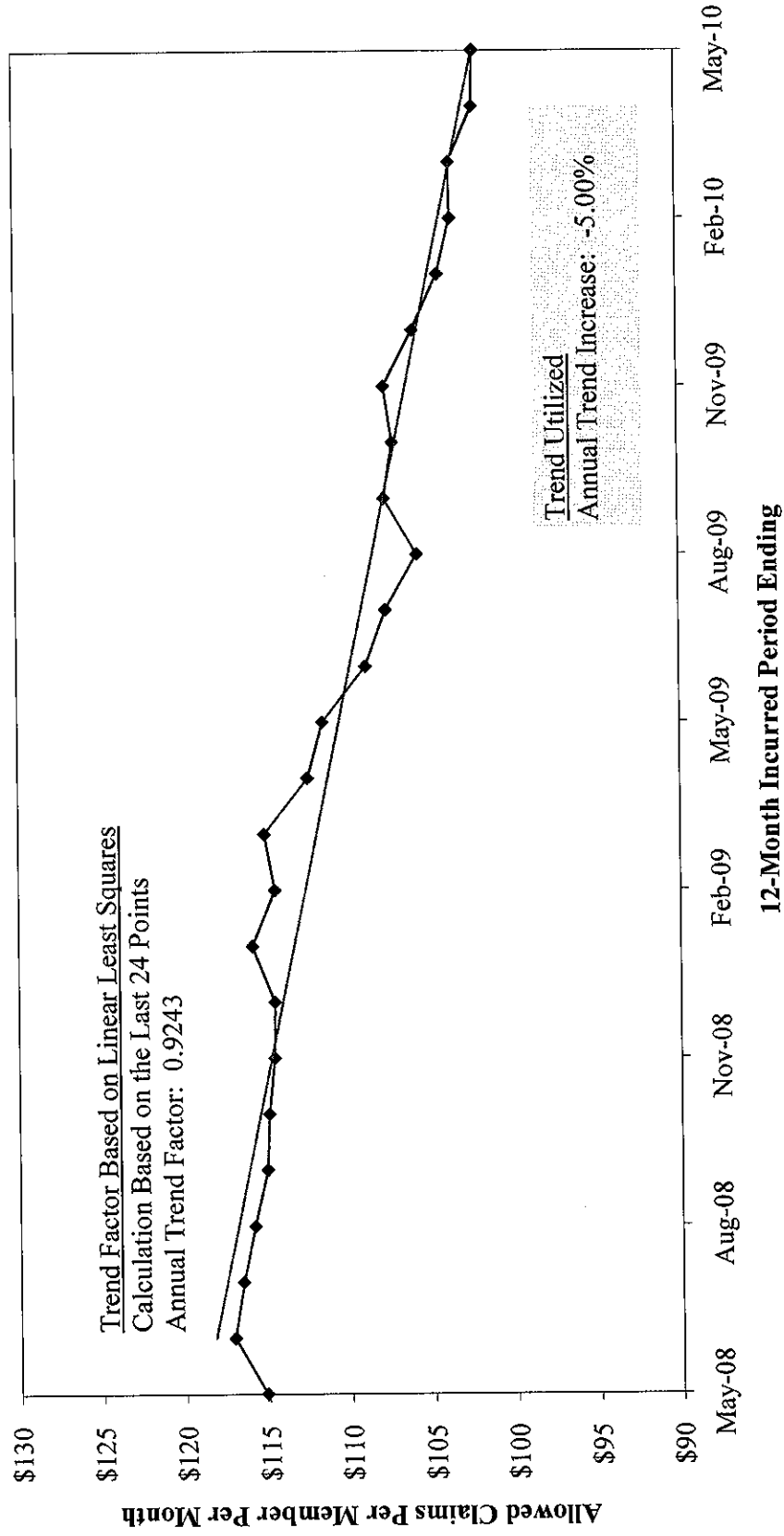
(H) Column 1 times Column 2 times Column 3 for non-pharmacy. Column 2 times Column 3 for pharmacy.

**Attachment AGBN-1**

*Schedule 42*

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)**

**Hospital Outpatient: Historical Allowed Claims PMPM and  
Utilization/Mix Trends**



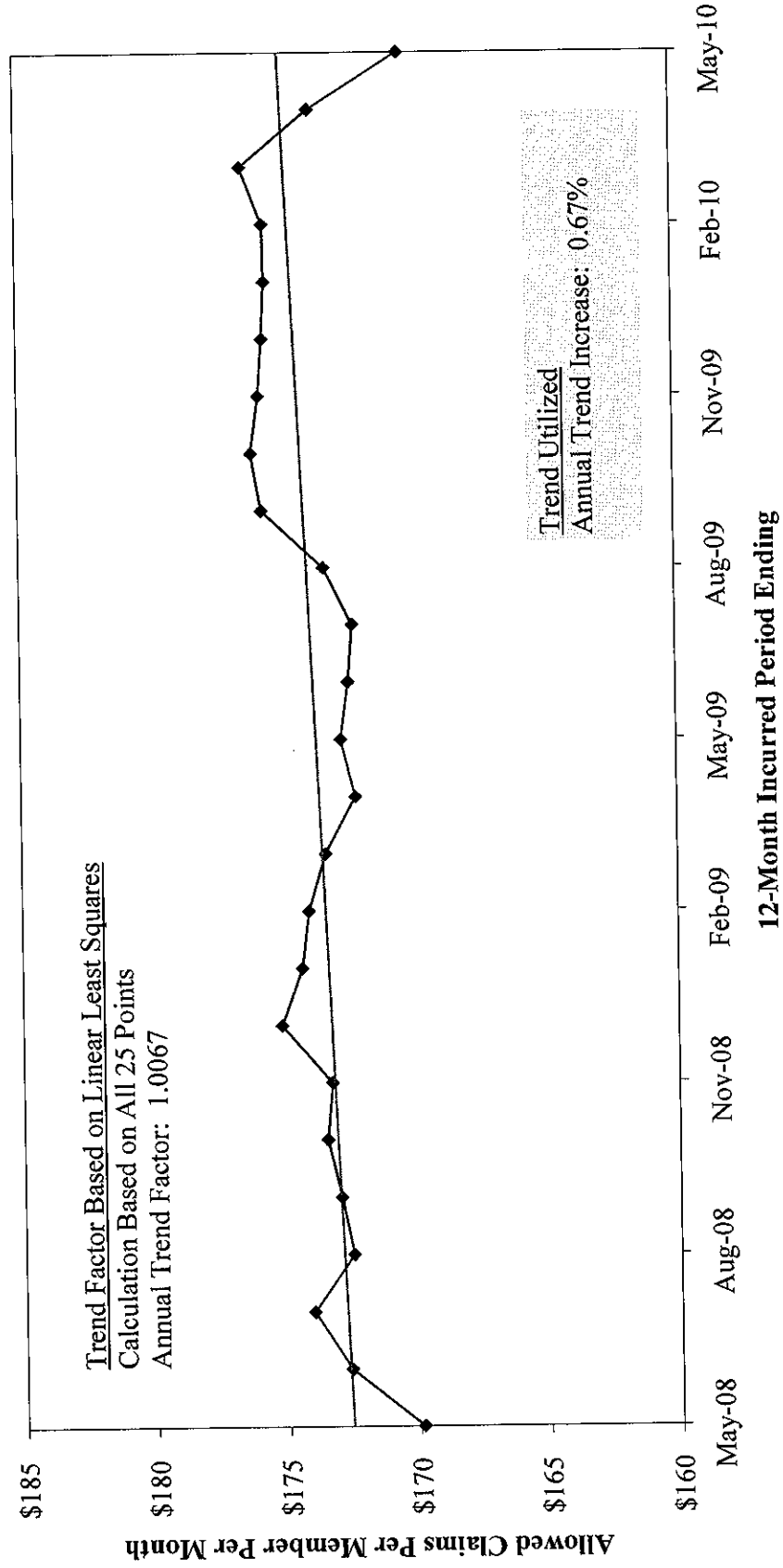
1/11/2011



**Attachment AGBN-1**  
*Schedule 43*

**Blue Cross and Blue Shield of Rhode Island**  
**Class DIR Basic Rate (Pool I)**

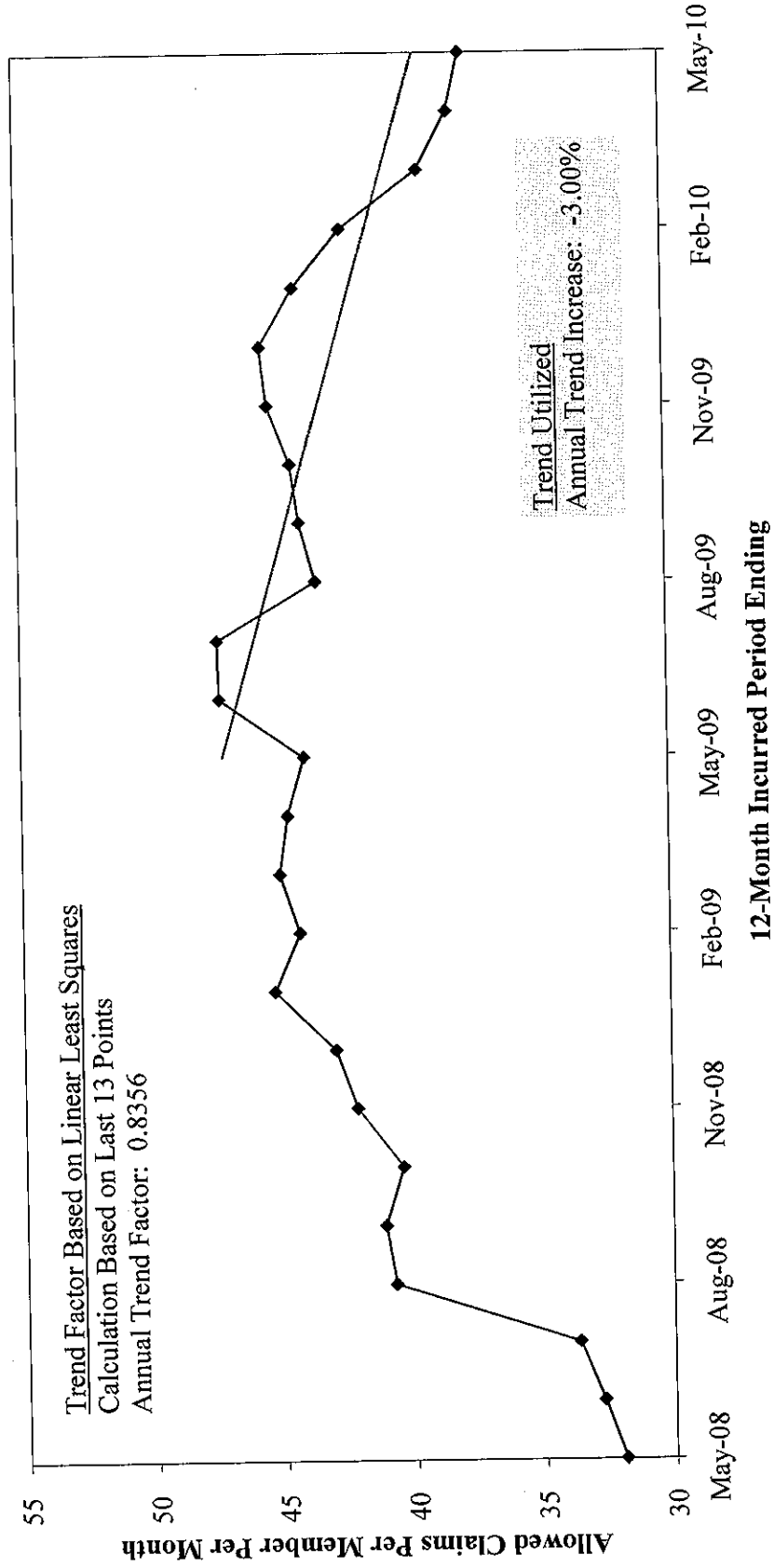
**Surgical/Medical: Historical Allowed Claims PMPM and**  
**Utilization/Mix Trends**



**Attachment AGBN-1**  
*Schedule 45*

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)**

**Hospital Inpatient: Historical Allowed Claims PMPM and  
Utilization/Mix Trends**



## Attachment AGBN-2

### Analysis of Facilities & Occupancy Costs

#### Facilities & Occupancy Costs

Year		Amount	Source
2006	Projected	151,734	Exh 8 2006 Filing ("Rent")
2007	Projected	152,906	Exh 6 2007 Filing
2008	Projected	158,990	Exh 5 2008 Filing
2008	Actual	179,233	Response to 2009 AG1-07 (Rev)
2009	Budget	168,579	Exh 7 2007 Filing
2009	Budget	172,217	Exh 5 2008 Filing
2009	Projected	254,196	Exh 6 2009 Filing
2009	Actual	293,942	Response to AG1-08
2010	Budget	180,827	Exh 6 2008 Filing
2010	Budget	296,081	Exh 6 2009 Filing
2010	Projected	303,680	Exh 5 2010 Filing
2011	Budget	313,552	Exh 7 2009 Filing
2011	Budget	316,004	Supplement to Data Request AG1-56
2012	Budget	323,324	Supplement to Data Request AG1-56
Estimated "extra cost" =		\$100,000	

## Attachment AGBN-3

### Blue Cross Reserves

Source:

Annual Statement for the year 2009 of the Blue Cross and Blue Shield of Rhode Island  
[http://www.dbr.state.ri.us/documents/divisions/insurance/financial\\_info/2009/Blue\\_Cross\\_Blue\\_Shield\\_of\\_Rhode\\_Island\\_-\\_YE\\_2009.pdf](http://www.dbr.state.ri.us/documents/divisions/insurance/financial_info/2009/Blue_Cross_Blue_Shield_of_Rhode_Island_-_YE_2009.pdf)  
 Page 13 - Footnote (a) regarding Premium Deficiency Reserves  
 page 28 - Five-Year Historical Data

At 12/31/09

Total Adjusted Capital	298,721,361
Authorized Control Level risk-based capital (ACL)	56,298,644
Premium Deficiency Reserves (PDR)	101,600,000

Ratio of Capital to ACL	531%
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Capital, before PDR	400,321,361
Ratio of Capital (before PDR) to ACL	711%

## Attachment

## AGBN-4

## Basic (Pool I)

## HealthMate 500

		BC Requested			AG Proposed		
		Rate Eff	Rate Eff	Rate	Rate Eff	Rate	
		4/1/2010	Change	4/1/2011	Change	Rate	
Under 25	Individual	\$639.76	\$640.11	0.1%	\$594.65	-7.1%	
	Family	\$1,204.30	\$1,205.12	0.1%	\$1,119.54	-7.0%	
25-29	Individual	\$639.76	\$647.05	1.1%	\$601.09	-6.0%	
	Family	\$1,204.30	\$1,217.83	1.1%	\$1,131.34	-6.1%	
30-34	Individual	\$639.76	\$658.60	2.9%	\$611.83	-4.4%	
	Family	\$1,204.30	\$1,239.79	2.9%	\$1,151.74	-4.4%	
35-39	Individual	\$639.76	\$671.31	4.9%	\$623.63	-2.5%	
	Family	\$1,204.30	\$1,264.05	5.0%	\$1,174.28	-2.5%	
40-44	Individual	\$675.10	\$678.24	0.5%	\$630.07	-6.7%	
	Family	\$1,271.36	\$1,276.76	0.4%	\$1,186.08	-6.7%	
45-49	Individual	\$675.10	\$700.20	3.7%	\$650.47	-3.6%	
	Family	\$1,271.36	\$1,318.36	3.7%	\$1,224.73	-3.7%	
50-54	Individual	\$710.44	\$734.86	3.4%	\$682.67	-3.9%	
	Family	\$1,338.41	\$1,383.06	3.3%	\$1,284.84	-4.0%	
55-59	Individual	\$710.44	\$781.08	9.9%	\$725.60	2.1%	
	Family	\$1,338.41	\$1,470.88	9.9%	\$1,366.41	2.1%	
60-64	Individual	\$710.44	\$796.10	12.1%	\$739.56	4.1%	
	Family	\$1,338.41	\$1,498.61	12.0%	\$1,392.17	4.0%	
65+	Individual	\$1,117.31	\$1,252.50	12.1%	\$1,163.54	4.1%	
	Family	\$2,108.66	\$2,338.25	11.8%	\$2,190.77	3.9%	

## HealthMate 500

Preferred (Pool II)		BC Requested			AG Proposed		
		Rate Eff	Rate Eff	Rate	Rate Eff	Rate	
		4/1/2010	4/1/2011	Change	4/1/2011	Change	
Under 25	Male	\$195.33	\$211.12	8.1%	\$196.12	0.4%	
	Female	\$273.13	\$295.20	8.1%	\$274.23	0.4%	
	Family	\$654.49	\$707.37	8.1%	\$657.13	0.4%	
25-29	Male	\$216.05	\$233.51	8.1%	\$216.92	0.4%	
	Female	\$309.49	\$334.49	8.1%	\$310.73	0.4%	
	Family	\$733.14	\$792.37	8.1%	\$736.08	0.4%	
30-34	Male	\$246.07	\$265.95	8.1%	\$247.06	0.4%	
	Female	\$367.84	\$397.56	8.1%	\$369.32	0.4%	
	Family	\$777.53	\$840.35	8.1%	\$780.66	0.4%	
35-39	Male	\$281.58	\$304.34	8.1%	\$282.72	0.4%	
	Female	\$364.88	\$394.36	8.1%	\$366.34	0.4%	
	Family	\$820.65	\$886.96	8.1%	\$823.95	0.4%	
40-44	Male	\$301.03	\$325.36	8.1%	\$302.24	0.4%	
	Female	\$399.12	\$431.37	8.1%	\$400.73	0.4%	
	Family	\$838.84	\$906.61	8.1%	\$842.21	0.4%	
45-49	Male	\$364.03	\$393.44	8.1%	\$365.49	0.4%	
	Female	\$442.25	\$477.98	8.1%	\$444.03	0.4%	
	Family	\$884.07	\$955.50	8.1%	\$887.63	0.4%	
50-54	Male	\$461.27	\$498.54	8.1%	\$463.13	0.4%	
	Female	\$516.66	\$558.41	8.1%	\$518.74	0.4%	
	Family	\$984.70	\$1,064.26	8.1%	\$988.66	0.4%	
55-59	Male	\$591.07	\$638.83	8.1%	\$593.45	0.4%	
	Female	\$889.81	\$957.46	8.1%	\$892.18	0.4%	
	Family	\$1,102.24	\$1,191.29	8.1%	\$1,106.67	0.4%	
60-64	Male	\$632.09	\$683.16	8.1%	\$634.63	0.4%	
	Female	\$632.09	\$683.16	8.1%	\$634.63	0.4%	
	Family	\$1,197.79	\$1,294.57	8.1%	\$1,202.61	0.4%	

## Preferred (Pool II)

## HealthMate 1000

		BC Requested		AG Proposed	
Rate Eff	Rate Eff	Rate	Rate Eff	Rate	Rate Eff
7/1/2010	4/1/2011	Change	4/1/2011	Change	Change
\$173.84	\$187.96	8.1%	\$174.61	0.4%	0.4%
\$243.09	\$262.83	8.1%	\$244.16	0.4%	0.4%
\$582.50	\$629.80	8.1%	\$585.07	0.4%	0.4%
\$192.28	\$207.90	8.1%	\$193.13	0.4%	0.4%
\$275.45	\$297.81	8.1%	\$276.66	0.4%	0.4%
\$652.49	\$705.48	8.1%	\$655.37	0.4%	0.4%
\$219.00	\$236.79	8.1%	\$219.97	0.4%	0.4%
\$327.38	\$353.96	8.1%	\$328.82	0.4%	0.4%
\$692.00	\$748.20	8.1%	\$695.05	0.4%	0.4%
\$250.61	\$270.96	8.1%	\$251.71	0.4%	0.4%
\$324.74	\$351.11	8.1%	\$326.17	0.4%	0.4%
\$730.38	\$789.70	8.1%	\$733.60	0.4%	0.4%
\$267.92	\$289.68	8.1%	\$269.10	0.4%	0.4%
\$355.22	\$384.07	8.1%	\$356.78	0.4%	0.4%
\$746.57	\$807.19	8.1%	\$749.85	0.4%	0.4%
\$323.99	\$350.30	8.1%	\$325.41	0.4%	0.4%
\$393.60	\$425.57	8.1%	\$395.34	0.4%	0.4%
\$786.82	\$850.72	8.1%	\$790.29	0.4%	0.4%
\$410.53	\$443.87	8.1%	\$412.34	0.4%	0.4%
\$459.83	\$497.17	8.1%	\$461.85	0.4%	0.4%
\$876.38	\$947.55	8.1%	\$880.25	0.4%	0.4%
\$526.05	\$568.78	8.1%	\$528.37	0.4%	0.4%
\$524.93	\$567.56	8.1%	\$527.24	0.4%	0.4%
\$980.99	\$1,060.66	8.1%	\$985.32	0.4%	0.4%
\$562.56	\$608.24	8.1%	\$565.04	0.4%	0.4%
\$562.56	\$608.24	8.1%	\$565.04	0.4%	0.4%
\$1,066.03	\$1,152.61	8.1%	\$1,070.73	0.4%	0.4%

## HealthMate 2000

		BC Requested		AG Proposed	
Rate Eff	Rate Eff	Rate Eff	Rate	Rate Eff	Rate
4/1/2010	4/1/2011	4/1/2011	Change	4/1/2011	Change
\$487.37	\$487.63	\$487.63	0.1%	\$453.01	-7.1%
\$917.44	\$918.05	\$918.05	0.1%	\$852.86	-7.0%
\$487.37	\$492.91	\$492.91	1.1%	\$457.91	-6.0%
\$917.44	\$927.73	\$927.73	1.1%	\$861.86	-6.1%
\$487.37	\$501.71	\$501.71	2.9%	\$466.09	-4.4%
\$917.44	\$944.45	\$944.45	2.9%	\$877.39	-4.4%
\$487.37	\$511.40	\$511.40	4.9%	\$475.08	-2.5%
\$917.44	\$962.94	\$962.94	5.0%	\$894.56	-2.5%
\$514.29	\$516.68	\$516.68	0.3%	\$479.99	-6.7%
\$968.52	\$972.62	\$972.62	0.4%	\$903.56	-6.7%
\$514.29	\$533.40	\$533.40	3.7%	\$495.53	-3.6%
\$968.52	\$1,004.31	\$1,004.31	3.7%	\$933.00	-3.7%
\$541.21	\$559.81	\$559.81	3.4%	\$520.06	-3.9%
\$1,019.60	\$1,053.60	\$1,053.60	3.3%	\$978.79	-4.0%
\$541.21	\$595.02	\$595.02	9.9%	\$552.77	2.1%
\$1,019.60	\$1,120.49	\$1,120.49	9.9%	\$1,040.93	2.1%
\$541.21	\$606.46	\$606.46	12.1%	\$563.40	4.1%
\$1,019.60	\$1,141.62	\$1,141.62	12.0%	\$1,060.56	4.0%
\$851.16	\$954.14	\$954.14	12.1%	\$886.39	4.1%
\$1,606.37	\$1,796.49	\$1,796.49	11.8%	\$1,668.93	3.9%

## HealthMate 2000

		BC Requested		AG Proposed	
Rate Eff	Rate Eff	Rate	Rate Eff	Rate	Rate
4/1/2010	4/1/2011	Change	4/1/2011	Change	Change
\$148.81	\$160.83	8.1%	\$149.40	0.4%	
\$208.07	\$224.88	8.1%	\$208.90	0.4%	
\$498.60	\$538.87	8.1%	\$500.59	0.4%	
\$164.59	\$177.88	8.1%	\$165.25	0.4%	
\$235.77	\$254.82	8.1%	\$236.71	0.4%	
\$558.50	\$603.62	8.1%	\$560.74	0.4%	
\$187.46	\$202.60	8.1%	\$188.21	0.4%	
\$280.22	\$302.86	8.1%	\$281.34	0.4%	
\$592.32	\$640.17	8.1%	\$594.70	0.4%	
\$214.51	\$231.84	8.1%	\$215.37	0.4%	
\$277.96	\$300.42	8.1%	\$279.08	0.4%	
\$625.18	\$675.68	8.1%	\$627.68	0.4%	
\$229.33	\$247.85	8.1%	\$230.25	0.4%	
\$304.05	\$328.62	8.1%	\$305.27	0.4%	
\$639.03	\$690.65	8.1%	\$641.59	0.4%	
\$277.32	\$299.72	8.1%	\$278.43	0.4%	
\$336.91	\$364.12	8.1%	\$338.26	0.4%	
\$673.49	\$727.90	8.1%	\$676.19	0.4%	
\$351.40	\$379.79	8.1%	\$352.81	0.4%	
\$393.59	\$425.39	8.1%	\$395.17	0.4%	
\$750.15	\$810.75	8.1%	\$753.15	0.4%	
\$450.28	\$486.66	8.1%	\$452.09	0.4%	
\$449.32	\$485.61	8.1%	\$451.12	0.4%	
\$839.69	\$907.52	8.1%	\$843.05	0.4%	
\$481.52	\$520.42	8.1%	\$483.45	0.4%	
\$481.52	\$520.42	8.1%	\$483.45	0.4%	
\$912.48	\$986.20	8.1%	\$916.14	0.4%	

**Attachment**  
**AGBN-4**  
Basic (Pool I)

Under 25	Individual
	Family
25-29	Individual
	Family
30-34	Individual
	Family
35-39	Individual
	Family
40-44	Individual
	Family
45-49	Individual
	Family
50-54	Individual
	Family
55-59	Individual
	Family
60-64	Individual
	Family
65+	Individual
	Family

HealthMate for HSA 3000

		BC Requested		AG Proposed	
		Rate Eff	Rate	Rate Eff	Rate
4/1/2010	4/1/2011	Change	4/1/2011	Change	4/1/2011
\$417.20	\$417.43	0.1%	\$387.79	-7.0%	
\$785.36	\$785.89	0.1%	\$730.08	-7.0%	
\$417.20	\$421.95	1.1%	\$391.99	-6.0%	
\$785.36	\$794.18	1.1%	\$737.78	-6.1%	
\$417.20	\$429.49	2.9%	\$398.99	-4.4%	
\$785.36	\$808.49	2.9%	\$751.08	-4.4%	
\$417.20	\$437.78	4.9%	\$406.69	-2.5%	
\$785.36	\$824.32	5.0%	\$765.78	-2.5%	
\$440.25	\$442.30	0.5%	\$410.89	-6.7%	
\$829.09	\$832.61	0.4%	\$773.48	-6.7%	
\$440.25	\$456.61	3.7%	\$424.19	-3.6%	
\$829.09	\$859.73	3.7%	\$798.68	-3.7%	
\$463.30	\$479.22	3.4%	\$445.19	-3.9%	
\$872.82	\$901.93	3.3%	\$837.88	-4.0%	
\$463.30	\$509.36	9.9%	\$473.19	2.1%	
\$872.82	\$959.19	9.9%	\$891.07	2.1%	
\$463.30	\$519.15	12.1%	\$482.29	4.1%	
\$872.82	\$977.28	12.0%	\$907.87	4.0%	
\$728.63	\$816.78	12.1%	\$758.78	4.1%	
\$1,375.12	\$1,537.87	11.8%	\$1,428.66	3.9%	

HealthMate for HSA 5000

		BC Requested		AG Proposed	
		Rate Eff	Rate	Rate Eff	Rate
4/1/2010	4/1/2011	Change	4/1/2011	Change	4/1/2011
\$328.93	\$329.11	0.1%	\$305.74	-7.1%	
\$619.19	\$619.62	0.1%	\$575.61	-7.0%	
\$328.93	\$332.68	1.1%	\$309.05	-6.0%	
\$619.19	\$626.15	1.1%	\$581.68	-6.1%	
\$328.93	\$338.62	2.9%	\$314.57	-4.4%	
\$619.19	\$637.44	2.9%	\$592.17	-4.4%	
\$328.93	\$345.15	4.9%	\$320.64	-2.5%	
\$619.19	\$649.91	5.0%	\$603.76	-2.5%	
\$653.67	\$656.45	0.4%	\$609.83	-6.7%	
\$347.10	\$360.01	3.7%	\$334.44	-3.6%	
\$653.67	\$677.83	3.7%	\$629.70	-3.7%	
\$365.27	\$377.83	3.4%	\$351.00	-3.9%	
\$688.15	\$711.10	3.3%	\$660.60	-4.0%	
\$365.27	\$401.59	9.9%	\$373.07	2.1%	
\$688.15	\$756.25	9.9%	\$702.54	2.1%	
\$365.27	\$409.31	12.1%	\$380.25	4.1%	
\$688.15	\$770.51	12.0%	\$715.79	4.0%	
\$574.47	\$643.97	12.1%	\$598.24	4.1%	
\$1,084.17	\$1,212.50	11.8%	\$1,126.39	3.9%	

**Preferred (Pool II)**

Under 25	Male
	Female
	Family
25-29	Male
	Female
	Family
30-34	Male
	Female
	Family
35-39	Male
	Female
	Family
40-44	Male
	Female
	Family
45-49	Male
	Female
	Family
50-54	Male
	Female
	Family
55-59	Male
	Female
	Family
60-64	Male
	Female
	Family

HealthMate for HSA 3000

		BC Requested		AG Proposed	
		Rate Eff	Rate	Rate Eff	Rate
4/1/2010	4/1/2011	Change	4/1/2011	Change	4/1/2011
\$127.38	\$137.67	8.1%	\$127.90	0.4%	
\$178.12	\$192.50	8.1%	\$178.83	0.4%	
\$426.81	\$461.29	8.1%	\$428.53	0.4%	
\$140.89	\$152.27	8.1%	\$141.46	0.4%	
\$201.83	\$218.13	8.1%	\$202.64	0.4%	
\$478.10	\$516.71	8.1%	\$480.02	0.4%	
\$160.47	\$173.43	8.1%	\$161.12	0.4%	
\$239.88	\$259.25	8.1%	\$240.84	0.4%	
\$507.05	\$548.00	8.1%	\$509.09	0.4%	
\$183.63	\$198.46	8.1%	\$184.37	0.4%	
\$237.95	\$257.17	8.1%	\$238.90	0.4%	
\$535.17	\$578.40	8.1%	\$537.33	0.4%	
\$196.31	\$212.17	8.1%	\$197.10	0.4%	
\$260.28	\$281.30	8.1%	\$261.33	0.4%	
\$547.03	\$591.21	8.1%	\$549.23	0.4%	
\$237.39	\$256.57	8.1%	\$238.35	0.4%	
\$288.40	\$311.70	8.1%	\$289.56	0.4%	
\$376.53	\$623.10	8.1%	\$378.85	0.4%	
\$300.81	\$325.11	8.1%	\$302.02	0.4%	
\$336.93	\$364.14	8.1%	\$338.29	0.4%	
\$642.15	\$694.02	8.1%	\$644.74	0.4%	
\$385.46	\$416.59	8.1%	\$387.01	0.4%	
\$384.63	\$415.70	8.1%	\$386.18	0.4%	
\$718.80	\$776.86	8.1%	\$721.70	0.4%	
\$412.20	\$445.50	8.1%	\$413.86	0.4%	
\$412.20	\$445.50	8.1%	\$413.86	0.4%	
\$781.11	\$844.21	8.1%	\$784.26	0.4%	

HealthMate for HSA 5000

		BC Requested		AG Proposed	
		Rate Eff	Rate	Rate Eff	Rate
4/1/2010	4/1/2011	Change	4/1/2011	Change	4/1/2011
\$100.43	\$108.55	8.1%	\$100.84	0.4%	
\$140.43	\$151.78	8.1%	\$141.00	0.4%	
\$336.50	\$363.70	8.1%	\$337.87	0.4%	
\$111.08	\$120.06	8.1%	\$111.53	0.4%	
\$159.12	\$171.98	8.1%	\$159.77	0.4%	
\$376.94	\$407.40	8.1%	\$378.46	0.4%	
\$126.52	\$136.74	8.1%	\$127.03	0.4%	
\$189.12	\$204.41	8.1%	\$189.89	0.4%	
\$399.76	\$432.07	8.1%	\$401.38	0.4%	
\$144.78	\$156.48	8.1%	\$145.36	0.4%	
\$187.60	\$202.76	8.1%	\$188.36	0.4%	
\$421.93	\$456.04	8.1%	\$423.64	0.4%	
\$154.77	\$167.28	8.1%	\$155.40	0.4%	
\$205.21	\$221.79	8.1%	\$206.04	0.4%	
\$431.28	\$466.14	8.1%	\$433.03	0.4%	
\$187.16	\$202.29	8.1%	\$187.92	0.4%	
\$227.38	\$245.76	8.1%	\$228.30	0.4%	
\$454.54	\$491.28	8.1%	\$456.38	0.4%	
\$237.16	\$256.33	8.1%	\$238.12	0.4%	
\$265.64	\$287.11	8.1%	\$266.71	0.4%	
\$506.28	\$547.20	8.1%	\$508.33	0.4%	
\$303.90	\$328.46	8.1%	\$305.13	0.4%	
\$303.25	\$327.76	8.1%	\$304.47	0.4%	
\$566.71	\$612.51	8.1%	\$569.00	0.4%	
\$324.98	\$351.25	8.1%	\$326.30	0.4%	
\$324.98	\$351.25	8.1%	\$326.30	0.4%	
\$615.84	\$665.61	8.1%	\$618.33	0.4%	

**Schedule 5**

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island**

**Class DIR Basic Rate (Pool I)**

**Calculation of HealthMate Direct 500 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

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(i)	Required Monthly Base Rate	<b>\$874.59 (A)</b>
(ii)	Rate Tier Normalization Factor	<b>0.8148 (B)</b>
(iii)	<b>Normalized Required Monthly Base Rate</b>	<b>\$1,073.38 (C)</b>

	(1)	(2)	(3)	(4)
	<u>Individual</u>		<u>Family</u>	
		Required Monthly		Required Monthly
<u>Age Category</u>	<u>Rate Factor</u>	<u>Subscription Rate</u>	<u>Rate Factor</u>	<u>Subscription Rate</u>
	(D)	(E)	(D)	(F)
Under 25	0.554	<b>\$594.65</b>	1.043	<b>\$1,119.54</b>
25-29	0.560	<b>\$601.09</b>	1.054	<b>\$1,131.34</b>
30-34	0.570	<b>\$611.83</b>	1.073	<b>\$1,151.74</b>
35-39	0.581	<b>\$623.63</b>	1.094	<b>\$1,174.28</b>
40-44	0.587	<b>\$630.07</b>	1.105	<b>\$1,186.08</b>
45-49	0.606	<b>\$650.47</b>	1.141	<b>\$1,224.73</b>
50-54	0.636	<b>\$682.67</b>	1.197	<b>\$1,284.84</b>
55-59	0.676	<b>\$725.60</b>	1.273	<b>\$1,366.41</b>
60-64	0.689	<b>\$739.56</b>	1.297	<b>\$1,392.17</b>
65+	1.084	<b>\$1,163.54</b>	2.041	<b>\$2,190.77</b>

(A) Per Schedule 19, Column 4 for HealthMate Direct 500.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, contract type and product.  
Factor is developed in Schedule 10, Line 25.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age and individual/family rating category.

(E) Item (iii) times Column 1.

(F) Item (iii) times Column 3.

Schedule 6

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island**

**Class DIR Basic Rate (Pool I)**

**Calculation of HealthMate Direct 1000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

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(i)	Required Monthly Base Rate	\$778.67 (A)
(ii)	Rate Tier Normalization Factor	0.8148 (B)
(iii)	Normalized Required Monthly Base Rate	\$955.66 (C)

	(1)	(2)	(3)	(4)
	<u>Individual</u>		<u>Family</u>	
		Required Monthly Subscription		Required Monthly Subscription
<u>Age Category</u>	<u>Rate Factor</u>	<u>Rate</u>	<u>Rate Factor</u>	<u>Rate</u>
	(D)	(E)	(D)	(F)
Under 25	0.554	\$529.44	1.043	\$996.75
25-29	0.560	\$535.17	1.054	\$1,007.27
30-34	0.570	\$544.73	1.073	\$1,025.42
35-39	0.581	\$555.24	1.094	\$1,045.49
40-44	0.587	\$560.97	1.105	\$1,056.00
45-49	0.606	\$579.13	1.141	\$1,090.41
50-54	0.636	\$607.80	1.197	\$1,143.93
55-59	0.676	\$646.03	1.273	\$1,216.56
60-64	0.689	\$658.45	1.297	\$1,239.49
65+	1.084	\$1,035.94	2.041	\$1,950.50

(A) Per Schedule 19, Column 4 for HealthMate Direct 1000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, contract type and product.  
Factor is developed in Schedule 10, Line 25.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age and individual/family rating category.

(E) Item (iii) times Column 1.

(F) Item (iii) times Column 3.



**Schedule 7**

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island  
Class DIR Basic Rate (Pool I)**

**Calculation of HealthMate Direct 2000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

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(i)	Required Monthly Base Rate	<b>\$666.26 (A)</b>
(ii)	Rate Tier Normalization Factor	<b>0.8148 (B)</b>
(iii)	<b>Normalized Required Monthly Base Rate</b>	<b>\$817.70 (C)</b>

	(1)	(2)	(3)	(4)
	<u>Individual</u>		<u>Family</u>	
<u>Age Category</u>	<u>Rate Factor</u>	<u>Required Monthly Subscription Rate</u>	<u>Rate Factor</u>	<u>Required Monthly Subscription Rate</u>
	(D)	(E)	(D)	(F)
Under 25	0.554	<b>\$453.01</b>	1.043	<b>\$852.86</b>
25-29	0.560	<b>\$457.91</b>	1.054	<b>\$861.86</b>
30-34	0.570	<b>\$466.09</b>	1.073	<b>\$877.39</b>
35-39	0.581	<b>\$475.08</b>	1.094	<b>\$894.56</b>
40-44	0.587	<b>\$479.99</b>	1.105	<b>\$903.56</b>
45-49	0.606	<b>\$495.53</b>	1.141	<b>\$933.00</b>
50-54	0.636	<b>\$520.06</b>	1.197	<b>\$978.79</b>
55-59	0.676	<b>\$552.77</b>	1.273	<b>\$1,040.93</b>
60-64	0.689	<b>\$563.40</b>	1.297	<b>\$1,060.56</b>
65+	1.084	<b>\$886.39</b>	2.041	<b>\$1,668.93</b>

(A) Per Schedule 19, Column 4 for HealthMate Direct 2000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, contract type and product. Factor is developed in Schedule 10, Line 25.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age and individual/family rating category.

(E) Item (iii) times Column 1.

(F) Item (iii) times Column 3.

**Schedule 8**

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island**

**Class DIR Basic Rate (Pool I)**

**Calculation of HealthMate for HSA 3000 Required Monthly Subscription Rates**

**for April 1, 2011 Billing Cycle**

(i)	Required Monthly Base Rate	<b>\$570.34</b> (A)
(ii)	Rate Tier Normalization Factor	0.8148 (B)
(iii)	<b>Normalized Required Monthly Base Rate</b>	<b>\$699.98</b> (C)

<u>Age Category</u>	(1)	(2)	(3)	(4)
	<u>Individual</u>		<u>Family</u>	
	<u>Rate Factor</u> (D)	<u>Required Monthly Subscription Rate</u> (E)	<u>Rate Factor</u> (D)	<u>Required Monthly Subscription Rate</u> (F)
Under 25	0.554	<b>\$387.79</b>	1.043	<b>\$730.08</b>
25-29	0.560	<b>\$391.99</b>	1.054	<b>\$737.78</b>
30-34	0.570	<b>\$398.99</b>	1.073	<b>\$751.08</b>
35-39	0.581	<b>\$406.69</b>	1.094	<b>\$765.78</b>
40-44	0.587	<b>\$410.89</b>	1.105	<b>\$773.48</b>
45-49	0.606	<b>\$424.19</b>	1.141	<b>\$798.68</b>
50-54	0.636	<b>\$445.19</b>	1.197	<b>\$837.88</b>
55-59	0.676	<b>\$473.19</b>	1.273	<b>\$891.07</b>
60-64	0.689	<b>\$482.29</b>	1.297	<b>\$907.87</b>
65+	1.084	<b>\$758.78</b>	2.041	<b>\$1,428.66</b>

(A) Per Schedule 19, Column 4 for HealthMate for HSA 3000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, contract type and product.  
Factor is developed in Schedule 10, Line 25.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age and individual/family rating category.

(E) Item (iii) times Column 1.

(F) Item (iii) times Column 3.

**Schedule 9**

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island  
Class DIR Basic Rate (Pool I)**

**Calculation of HealthMate for HSA 5000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

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(i)	Required Monthly Base Rate	\$449.67 (A)
(ii)	Rate Tier Normalization Factor	0.8148 (B)
(iii)	<b>Normalized Required Monthly Base Rate</b>	<b>\$551.88 (C)</b>

	(1)	(2)	(3)	(4)
	<u>Individual</u>		<u>Family</u>	
<u>Age Category</u>	<u>Rate Factor</u>	<u>Required Monthly Subscription Rate</u>	<u>Rate Factor</u>	<u>Required Monthly Subscription Rate</u>
	(D)	(E)	(D)	(F)
Under 25	0.554	\$305.74	1.043	\$575.61
25-29	0.560	\$309.05	1.054	\$581.68
30-34	0.570	\$314.57	1.073	\$592.17
35-39	0.581	\$320.64	1.094	\$603.76
40-44	0.587	\$323.95	1.105	\$609.83
45-49	0.606	\$334.44	1.141	\$629.70
50-54	0.636	\$351.00	1.197	\$660.60
55-59	0.676	\$373.07	1.273	\$702.54
60-64	0.689	\$380.25	1.297	\$715.79
65+	1.084	\$598.24	2.041	\$1,126.39

(A) Per Schedule 19, Column 4 for HealthMate for HSA 5000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, contract type and product.  
Factor is developed in Schedule 10, Line 25.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age and individual/family rating category.

(E) Item (iii) times Column 1.

(F) Item (iii) times Column 3.

Schedule 12

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island  
Class DIR Preferred Rate (Pool II)**

**Calculation of HealthMate Direct 500 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

(i)	Required Monthly Base Rate	\$445.90 (A)
(ii)	Rate Tier Normalization Factor	1.0504 (B)
(iii)	Normalized Required Monthly Base Rate	\$424.50 (C)

	(1)	(2)	(3)	(4)	(5)	(6)
	<b>Individual</b>				<b>Family</b>	
	<b>Male</b>		<b>Female</b>		<b>Male/Female</b>	
<b>Age Category</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>
	(D)	(E)	(D)	(F)	(D)	(G)
Under 25	0.462	\$196.12	0.646	\$274.23	1.548	\$657.13
25-29	0.511	\$216.92	0.732	\$310.73	1.734	\$736.08
30-34	0.582	\$247.06	0.870	\$369.32	1.839	\$780.66
35-39	0.666	\$282.72	0.863	\$366.34	1.941	\$823.95
40-44	0.712	\$302.24	0.944	\$400.73	1.984	\$842.21
45-49	0.861	\$365.49	1.046	\$444.03	2.091	\$887.63
50-54	1.091	\$463.13	1.222	\$518.74	2.329	\$988.66
55-59	1.398	\$593.45	1.395	\$592.18	2.607	\$1,106.67
60-64	1.495	\$634.63	1.495	\$634.63	2.833	\$1,202.61

(A) Per Schedule 20, Column 4 for HealthMate Direct 500.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, gender, contract type, and product. Factor is developed in Schedule 17, Line 32.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age/gender and individual/family rating category. Factors are unchanged from the previous Direct Pay rate filing.

(E) Item (iii) times Column 1

(F) Item (iii) times Column 3

(G) Item (iii) times Column 5

## Schedule 13

**Attachment AGBN-5**

Blue Cross &amp; Blue Shield Of Rhode Island

Class DIR Preferred Rate (Pool II)

**Calculation of HealthMate Direct 1000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

(i)	Required Monthly Base Rate	\$397.00 (A)
(ii)	Rate Tier Normalization Factor	1.0504 (B)
(iii)	Normalized Required Monthly Base Rate	\$377.95 (C)

	(1)	(2)	(3)	(4)	(5)	(6)
	Individual				Family	
	Male		Female		Male/Female	
Age Category	Rate Factor (D)	Required Monthly Subscription Rate (E)	Rate Factor (D)	Required Monthly Subscription Rate (F)	Rate Factor (D)	Required Monthly Subscription Rate (G)
Under 25	0.462	\$174.61	0.646	\$244.16	1.548	\$585.07
25-29	0.511	\$193.13	0.732	\$276.66	1.734	\$655.37
30-34	0.582	\$219.97	0.870	\$328.82	1.839	\$695.05
35-39	0.666	\$251.71	0.863	\$326.17	1.941	\$733.60
40-44	0.712	\$269.10	0.944	\$356.78	1.984	\$749.85
45-49	0.861	\$325.41	1.046	\$395.34	2.091	\$790.29
50-54	1.091	\$412.34	1.222	\$461.85	2.329	\$880.25
55-59	1.398	\$528.37	1.395	\$527.24	2.607	\$985.32
60-64	1.495	\$565.04	1.495	\$565.04	2.833	\$1,070.73

(A) Per Schedule 20, Column 4 for HealthMate Direct 1000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, gender, contract type, and product. Factor is developed in Schedule 17, Line 32.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age/gender and individual/family rating category. Factors are unchanged from the previous Direct Pay rate filing.

(E) Item (iii) times Column 1

(F) Item (iii) times Column 3

(G) Item (iii) times Column 5

**Schedule 14**

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island  
Class DIR Preferred Rate (Pool II)**

**Calculation of HealthMate Direct 2000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

(i)	Required Monthly Base Rate	\$339.68 (A)
(ii)	Rate Tier Normalization Factor	1.0504 (B)
(iii)	Normalized Required Monthly Base Rate	\$323.38 (C)

	(1)	(2)	(3)	(4)	(5)	(6)
	<b>Individual</b>				<b>Family</b>	
	<b>Male</b>		<b>Female</b>		<b>Male/Female</b>	
<b>Age Category</b>	<b>Rate Factor (D)</b>	<b>Required Monthly Subscription Rate (E)</b>	<b>Rate Factor (D)</b>	<b>Required Monthly Subscription Rate (F)</b>	<b>Rate Factor (D)</b>	<b>Required Monthly Subscription Rate (G)</b>
Under 25	0.462	\$149.40	0.646	\$208.90	1.548	\$500.59
25-29	0.511	\$165.25	0.732	\$236.71	1.734	\$560.74
30-34	0.582	\$188.21	0.870	\$281.34	1.839	\$594.70
35-39	0.666	\$215.37	0.863	\$279.08	1.941	\$627.68
40-44	0.712	\$230.25	0.944	\$305.27	1.984	\$641.59
45-49	0.861	\$278.43	1.046	\$338.26	2.091	\$676.19
50-54	1.091	\$352.81	1.222	\$395.17	2.329	\$753.15
55-59	1.398	\$452.09	1.395	\$451.12	2.607	\$843.05
60-64	1.495	\$483.45	1.495	\$483.45	2.833	\$916.14

(A) Per Schedule 20, Column 4 for HealthMate Direct 2000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, gender, contract type, and product. Factor is developed in Schedule 17, Line 32.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age/gender and individual/family rating category. Factors are unchanged from the previous Direct Pay rate filing.

(E) Item (iii) times Column 1

(F) Item (iii) times Column 3

(G) Item (iii) times Column 5

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island  
Class DIR Preferred Rate (Pool II)**

**Calculation of HealthMate for HSA 3000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

(i)	Required Monthly Base Rate	\$290.78 (A)
(ii)	Rate Tier Normalization Factor	1.0504 (B)
(iii)	Normalized Required Monthly Base Rate	\$276.83 (C)

	(1)	(2)	(3)	(4)	(5)	(6)
	<b>Individual</b>				<b>Family</b>	
	<b>Male</b>		<b>Female</b>		<b>Male/Female</b>	
<b>Age Category</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>
	(D)	(E)	(D)	(F)	(D)	(G)
Under 25	0.462	\$127.90	0.646	\$178.83	1.548	\$428.53
25-29	0.511	\$141.46	0.732	\$202.64	1.734	\$480.02
30-34	0.582	\$161.12	0.870	\$240.84	1.839	\$509.09
35-39	0.666	\$184.37	0.863	\$238.90	1.941	\$537.33
40-44	0.712	\$197.10	0.944	\$261.33	1.984	\$549.23
45-49	0.861	\$238.35	1.046	\$289.56	2.091	\$578.85
50-54	1.091	\$302.02	1.222	\$338.29	2.329	\$644.74
55-59	1.398	\$387.01	1.395	\$386.18	2.607	\$721.70
60-64	1.495	\$413.86	1.495	\$413.86	2.833	\$784.26

(A) Per Schedule 20, Column 4 for HealthMate for HSA 3000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, gender, contract type, and product. Factor is developed in Schedule 17, Line 32.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age/gender and individual/family rating category. Factors are unchanged from the previous Direct Pay rate filing.

(E) Item (iii) times Column 1

(F) Item (iii) times Column 3

(G) Item (iii) times Column 5

Schedule 16

**Attachment AGBN-5**

**Blue Cross & Blue Shield Of Rhode Island  
Class DIR Preferred Rate (Pool II)**

**Calculation of HealthMate for HSA 5000 Required Monthly Subscription Rates  
for April 1, 2011 Billing Cycle**

(i)	Required Monthly Base Rate	\$229.26 (A)
(ii)	Rate Tier Normalization Factor	1.0504 (B)
(iii)	<b>Normalized Required Monthly Base Rate</b>	<b>\$218.26 (C)</b>

	(1)	(2)	(3)	(4)	(5)	(6)
	<b>Individual</b>				<b>Family</b>	
	<b>Male</b>		<b>Female</b>		<b>Male/Female</b>	
<b>Age Category</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>	<b>Rate Factor</b>	<b>Required Monthly Subscription Rate</b>
	(D)	(E)	(D)	(F)	(D)	(G)
Under 25	0.462	\$100.84	0.646	\$141.00	1.548	\$337.87
25-29	0.511	\$111.53	0.732	\$159.77	1.734	\$378.46
30-34	0.582	\$127.03	0.870	\$189.89	1.839	\$401.38
35-39	0.666	\$145.36	0.863	\$188.36	1.941	\$423.64
40-44	0.712	\$155.40	0.944	\$206.04	1.984	\$433.03
45-49	0.861	\$187.92	1.046	\$228.30	2.091	\$456.38
50-54	1.091	\$238.12	1.222	\$266.71	2.329	\$508.33
55-59	1.398	\$305.13	1.395	\$304.47	2.607	\$569.00
60-64	1.495	\$326.30	1.495	\$326.30	2.833	\$618.33

(A) Per Schedule 20, Column 4 for HealthMate for HSA 5000.

(B) Factor to adjust monthly base rates to reflect enrollment distribution by age, gender, contract type, and product. Factor is developed in Schedule 17, Line 32.

(C) Item (i) divided by Item (ii).

(D) Factor to convert normalized required monthly base rate to required monthly subscription rates for each age/gender and individual/family rating category. Factors are unchanged from the previous Direct Pay rate filing.

(E) Item (iii) times Column 1

(F) Item (iii) times Column 3

(G) Item (iii) times Column 5



Schedule 19

**Attachment AGBN-5**

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
Calculation of Required Monthly Base Rates  
for April 1, 2011 Billing Cycle**

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	(1)	(2)	(3)	(4)
	<b>Base Period Contract <u>Months</u> (A)</b>	<b>Composite Required Monthly <u>Base Rate</u> (B)</b>	<b>Proposed Plan Relativity <u>Factor</u> (C)</b>	<b>Proposed Monthly <u>Base Rate</u> (E)</b>
HealthMate Direct 500	22,786	\$719.68	0.848	\$874.59
HealthMate Direct 1000	0	\$719.68	0.755	\$778.67
HealthMate Direct 2000	14,949	\$719.68	0.646	\$666.26
HealthMate for HSA 3000	8,756	\$719.68	0.553	\$570.34
<u>HealthMate for HSA 5000</u>	<u>5,278</u>	<u>\$719.68</u>	<u>0.436</u>	<u>\$449.67</u>
Composite	51,769	\$719.68	0.6978 (D)	\$719.68

- (A) Base Year (6/1/2009-5/31/2010) contract months.  
 (B) Per Schedule 21, Column 5, for Basic Rates (Pool I).  
 (C) No change from the current plan relativity factors.  
 (D) Column 3 weighted by contract months in Column 1.  
 (E) Column 2 times Column 3 divided by the composite of Column 3.

## Schedule 20

**Attachment AGBN-5**

Blue Cross and Blue Shield of Rhode Island  
 Class DIR Preferred Rate (Pool II)  
**Calculation of Required Monthly Base Rates**  
**for April 1, 2011 Billing Cycle**

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	(1)	(2)	(3)	(4)
	Base Period Contract <u>Months</u>	Composite Required Monthly <u>Base Rate</u>	Proposed Rate Relativity <u>Factor</u>	Proposed Monthly <u>Base Rate</u>
	(A)	(B)	(C)	(E)
HealthMate Direct 500	29,085	<b>\$364.66</b>	0.848	<b>\$445.90</b>
HealthMate Direct 1000	0	<b>\$364.66</b>	0.755	<b>\$397.00</b>
HealthMate Direct 2000	17,848	<b>\$364.66</b>	0.646	<b>\$339.68</b>
HealthMate for HSA 3000	10,355	<b>\$364.66</b>	0.553	<b>\$290.78</b>
<u>HealthMate for HSA 5000</u>	<u>8,511</u>	<u><b>\$364.66</b></u>	<u>0.436</u>	<u><b>\$229.26</b></u>
Composite	65,799	<b>\$364.66</b>	0.6935 (D)	<b>\$364.66</b>

(A) Base Year (6/1/2009-5/31/2010) contract months.

(B) Per Schedule 21, Column 5, for Preferred Rates (Pool II).

(C) No change from the current plan relativity factors.

(D) Column 3 weighted by contract months in Column 1.

(E) Column 2 times Column 3 divided by the composite of Column 3.

**Attachment AGBN-5**

Schedule 21

**Blue Cross and Blue Shield of Rhode Island**  
**Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)**  
**Calculation of Required Loss Ratios on Current Pool Rate Alignment Basis**  
**for April 1, 2011 Billing Cycle**

(1)	(2)	(3)	(4)	(5)	(6)
			<u>Current Pool Rate Alignment Basis</u>		
<u>Projected Contract Months</u> (A)	<u>Projected Incurred Claims Including Assessments</u> (B)	<u>Proposed Income PCPM</u> (C)	<u>Present Rate Income PCPM</u>	<u>Proposed Income PCPM</u> (G)	<u>Required Loss Ratio</u> (H)
Basic Rates (Pool I)	51,573	\$747.82	\$716.77 (D)	\$719.68	1.0391
<u>Preferred Rates (Pool II)</u>	<u>68,838</u>	<u>\$256.46</u>	<u>\$363.19 (E)</u>	<u>\$364.66</u>	<u>0.7033</u>
Composite	120,411	\$466.91	\$514.63 (F)	\$516.72	0.9036

(A) Rate Year (4/1/2011-3/31/2012) projected contract months.

(B) Per Schedule 22, Column 5.

(C) Per Schedule 22, Column 10.

(D) Weighted average present rate of income for Basic Rates effective April 1, 2010.

(E) Weighted average present rate of income for Preferred Rates effective April 1, 2010.

(F) Weighted by contract months in Column 1.

(G) Required Income PCPM, adjusted to reflect current rate alignment between Pools I and II. Calculated as: (Column 3 composite) times (Column 4 divided by Column 4 composite).

(H) Column 2 divided by Column 5.

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**Attachment AGBN-5**

**Blue Cross and Blue Shield of Rhode Island**  
**Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)**  
**Calculation of Required Loss Ratios on Full Experience Basis**  
**for April 1, 2011 Billing Cycle**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Projected Contract Months (A)	Projected Incurred Claims Expense PCPM (B)	State Assessments Impact (E)	Impact of Coverage for Dependents up to Age 26 (F)	Projected Incurred Claims Including Assessments and Coverage up to Age 26 (G)	Administrative Expense PCPM (H)	Projected Incurred Claims and Administrative Expense PCPM (I)	New System Expense (J)	Contribution to Reserve/Tax Liability PCPM (K)	Required Income PCPM (L)	Required Loss Ratio (M)
Basic Rates (Pool I)	51,573	1.0000	1.0086	\$747.82	\$49.81	\$797.63	\$0.00	\$0.00	\$797.63	0.9376
Preferred Rates (Pool II)	68,838	1.0000	1.0086	\$256.46	\$49.81	\$306.27	\$0.00	\$0.00	\$306.27	0.8374
Composite	120,411			\$466.91	\$49.81	\$516.72	\$0.00	\$0.00	\$516.72	0.9036

(A) Rate Year (4/1/2011-3/31/2012) projected contract months.

(B) Per Schedule 27, Composite of Column 2.

(C) Per Schedule 27, Composite of Column 4.

(D) Weighted by contract months in Column 1.

(E) Per Schedule 24, Line 8.

(F) Per Schedule 25, Line 6.

(G) Column 2 times Column 3 times Column 4.

(H) Per Schedule 37, Line 3.

(I) Column 5 plus Column 6.

(J) Rating component for new 'core payment system' which is 0.00% of the required income.

(K) A 0.00% reserve loading plus 0.00% for federal tax liability plus 0.00% for state premium tax assessment: (Column 7 plus Column 8)/(1.0000 - (Column 7 plus Column 8)).

(L) Sum of Columns 7 through 9.

(M) Column 5 divided by Column 10.

**Attachment AGBN-5**

Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
Calculation of Claims Impact of State Assessments  
for April 1, 2011 Billing Cycle

(1)	(2)	(3)		(4)		(5)		(6)
		Number of Months	Direct Pay Premium	Child Immunization Assessment Percentage	Adult Immunization Assessment Percentage	CEDARR, CIS, and Home Services Assessment Percentage	Assessment Dollars (D)	
1. Assessment Based on CY 2009 Premium		3	\$56,478,000	0.825%	0.200%	0.493%	\$857,336	
2. <u>Assessment Based on CY 2010 Premium</u>		9	\$60,526,000	0.825%	0.200%	0.493%	\$918,785	
3. Rate Period Assessment (E)							\$903,423	
4. Rate Period Projected Contract Months							120,411	
5. Rate Period Per Contract Per Month (F)							\$7.50	
6. Rate Period Projected Claims Expense (G)							\$462.93	
7. Claims Impact of State Assessment (H)							1.62%	
8. <b>State Assessment Claims Impact Factor (I)</b>							<b>1.0000</b>	

- (A) Percentage of premium for child immunization assessment based on most recent RI Department of Health invoice.  
 (B) Percentage of premium for adult immunization assessment based on most recent RI Department of Health invoice.  
 (C) Percentage of premium for CEDARR assessment based on the most recent RI Department of Human Services invoice.  
 (D) Column 2 times the sum of Columns 3-5.  
 (E) Weighted average of Lines 1 and 2 weighted by Column 1 months.  
 (F) Line 3 divided by Line 4.  
 (G) Weighted average of the projected claims expense for the rating year from Schedule 22, Column 2.  
 (H) Line 5 divided by Line 6.  
 (I) SET TO 1.0000

1/11/2011

**Attachment AGBN-5**

Blue Cross and Blue Shield of Rhode Island  
 Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
**Calculation of Composite Paid Claims Expense Per Contract Month  
 for April 1, 2011 Billing Cycle**

	(1)	(2)	(3)	(4)
	Pool I		Pool II	
	Projected		Projected	
	Base Year	Paid	Base Year	Paid
	Contract	Claims	Contract	Claims
	<u>Months</u>	<u>PCPM</u>	<u>Months</u>	<u>PCPM</u>
	(A)	(B)	(A)	(B)
HealthMate Direct 500	22,786	\$941.13	29,085	\$318.31
HealthMate Direct 2000	14,949	\$545.23	17,848	\$279.63
HealthMate for HSA 3000	8,756	\$788.58	10,355	\$155.14
<u>HealthMate for HSA 5000</u>	<u>5,278</u>	<u>\$356.91</u>	<u>8,511</u>	<u>\$102.83</u>
<b>TOTAL</b>	<b>51,769</b>	<b>\$741.44</b>	<b>65,799</b>	<b>\$254.27</b>

(A) Base Year (6/1/2009-5/31/2010) contract months.

(B) Per Schedules 28-35, Column 9.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)

**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 500**

	(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$6,014,463	\$263.95	1.1323	\$298.87	0.8270	N/A	N/A	0.9838	\$243.16
Outpatient	\$5,144,371	\$225.77	1.0186	\$229.97	0.8270	N/A	N/A	0.9838	\$187.10
Surgical/Medical	\$7,850,169	\$344.52	1.0542	\$363.19	0.8270	N/A	N/A	0.9838	\$295.49
Pharmacy	\$5,895,284	\$258.72	1.2279	\$317.68	0.7557	0.9528	0.9322	1.0100	\$215.38
<b>Total</b>				<b>\$1,209.71</b>					<b>\$941.13</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HealthMate 500 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 22,786 Basic Rate (Pool I) HealthMate 500 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate 500 Pool I pharmacy and non-pharmacy claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)

**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 2000**

	(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$2,362,602	\$158.04	1.1323	\$178.95	0.7358	N/A	N/A	1.0098	\$132.96
Outpatient	\$1,737,027	\$116.20	1.0186	\$118.36	0.7358	N/A	N/A	1.0098	\$87.94
Surgical/Medical	\$3,322,599	\$222.26	1.0542	\$234.31	0.7358	N/A	N/A	1.0098	\$174.09
<u>Pharmacy</u>	\$2,679,160	\$179.22	1.2279	\$220.06	0.7610	0.9528	0.9322	1.0100	\$150.24
<b>Total</b>				<b>\$751.68</b>					<b>\$545.23</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HealthMate Direct 2000 for Jun-2009 to May-2010 estimated to 100% complete. Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 14,949 Basic Rate (Pool I) HealthMate Direct 2000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate Direct 2000 Pool I pharmacy and non-pharmacy claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.



**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 3000

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,731,740	1.1323	\$223.95	0.7832	N/A	N/A	0.9797	\$171.84
Outpatient	\$1,906,371	1.0186	\$221.77	0.7832	N/A	N/A	0.9797	\$170.16
Surgical/Medical	\$2,345,756	1.0542	\$282.42	0.7832	N/A	N/A	0.9797	\$216.70
Pharmacy	\$2,386,197	1.2279	\$334.63	0.7832	0.9447	0.9477	0.9797	\$229.88
<b>Total</b>			<b>\$1,062.77</b>					<b>\$788.58</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HSA 3000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 8,756 Basic Rate (Pool I) HSA 3000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 3000 Pool I Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)

**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 5000**

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,008,121							
Outpatient	\$484,577	1.1323	\$216.27	0.6639	N/A	N/A	0.9906	\$142.23
Surgical/Medical	\$827,168	1.0186	\$93.52	0.6639	N/A	N/A	0.9906	\$61.50
Pharmacy	\$325,062	1.0542	\$165.21	0.6639	N/A	N/A	0.9906	\$108.65
		1.2279	\$75.63	0.6639	0.9447	0.9477	0.9906	\$44.53
<b>Total</b>			<b>\$550.63</b>					<b>\$356.91</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Basic Rate (Pool I) HSA 5000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 5,278 Basic Rate (Pool I) HSA 5000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 39, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 5000 Pool I Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 500

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,976,597	1.0709	\$72.78	0.7704	N/A	N/A	0.9838	\$55.16
Outpatient	\$2,543,184	1.2886	\$112.68	0.7704	N/A	N/A	0.9838	\$85.40
Surgical/Medical	\$4,671,711	1.1017	\$176.96	0.7704	N/A	N/A	0.9838	\$134.12
Pharmacy	\$1,776,707	1.0742	\$65.62	0.7412	0.9528	0.9322	1.0100	\$43.63
<b>Total</b>			<b>\$428.04</b>					<b>\$318.31</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HealthMate 500 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 29,085 Preferred Rate (Pool II) HealthMate 500 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate 500 Pool II pharmacy and non-pharmacy claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)

Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate Direct 2000

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$1,615,638	1.0709	\$96.94	0.7426	N/A	N/A	1.0098	\$72.69
Outpatient	\$1,458,369	1.2886	\$105.29	0.7426	N/A	N/A	1.0098	\$78.95
Surgical/Medical	\$2,131,579	1.1017	\$131.58	0.7426	N/A	N/A	1.0098	\$98.67
Pharmacy	\$735,413	1.0742	\$44.26	0.7385	0.9528	0.9322	1.0100	\$29.32
<b>Total</b>			<b>\$378.07</b>					<b>\$279.63</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HealthMate Direct 2000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 17,848 Preferred Rate (Pool II) HealthMate Direct 2000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate Direct 2000 Pool II pharmacy and non-pharmacy claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 3000**

(1) Incurred Allowed Claims (A)	(2) Incurred Allowed Claims PCPM (B)	(3) Projection Factor (C)	(4) Projected Allowed Claims PCPM (D)	(5) Net-to- Allowed Factor (E)	(6) Rx Formulary (F)	(7) Rx Rebates (G)	(8) Utilization Adjustment (H)	(9) Projected Paid Claims PCPM (I)
Inpatient	\$448,352	1.0709	\$46.37	0.5924	N/A	N/A	0.9906	\$27.21
Outpatient	\$633,355	1.2886	\$78.81	0.5924	N/A	N/A	0.9906	\$46.25
Surgical/Medical	\$989,936	1.1017	\$105.32	0.5924	N/A	N/A	0.9906	\$61.81
Pharmacy	\$364,566	1.0742	\$37.82	0.5924	0.9447	0.9477	0.9906	\$19.87
<b>Total</b>			<b>\$268.32</b>					<b>\$155.14</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HSA 3000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 10,355 Preferred Rate (Pool II) HSA 3000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 3000 Pool II Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross & Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)

**Calculation of Projected Paid Claims Per Contract Month  
for April 1, 2011 Billing Cycle for HealthMate for HSA 5000**

	(1) <u>Incurred Allowed Claims</u> (A)	(2) <u>Incurred Allowed Claims PCPM</u> (B)	(3) <u>Projection Factor</u> (C)	(4) <u>Projected Allowed Claims PCPM</u> (D)	(5) <u>Net-to- Allowed Factor</u> (E)	(6) <u>Rx Formulary</u> (F)	(7) <u>Rx Rebates</u> (G)	(8) <u>Utilization Adjustment</u> (H)	(9) <u>Projected Paid Claims PCPM</u> (I)
Inpatient	\$368,853	\$43.34	1.0709	\$46.41	0.5198	N/A	N/A	0.9961	\$24.03
Outpatient	\$377,247	\$44.32	1.2886	\$57.11	0.5198	N/A	N/A	0.9961	\$29.57
Surgical/Medical	\$632,481	\$74.31	1.1017	\$81.87	0.5198	N/A	N/A	0.9961	\$42.39
Pharmacy	\$116,878	\$13.73	1.0742	\$14.75	0.5198	0.9447	0.9477	0.9961	\$6.84
<b>Total</b>				<b>\$200.14</b>					<b>\$102.83</b>

(A) Incurred allowed claims (prior to subscriber cost sharing) for Preferred Rate (Pool II) HSA 5000 for Jun-2009 to May-2010 estimated to 100% complete.

Unlike previous filings, Pharmacy claims do not include rebates here (rebates are shown in column (7)).

(B) Column 1 divided by 8,511 Preferred Rate (Pool II) HSA 5000 contract months for Jun-2009 to May-2010.

(C) Per Schedule 40, Column 4.

(D) Column 2 times Column 3.

(E) Ratio of Projected Incurred Allowed Claims, minus Member Liability, to Projected Incurred Allowed Claims for HealthMate for HSA 5000 Pool II Claims.

(F) Factor represents expected reduction to Rx claims expenses due to formulary changes.

(G) Factor represents expected reduction to Rx claims expenses due to anticipated rebates.

(H) Expected change in utilization due to benefit changes.

(I) Column 4 times Column 5 times Column 8 for non-pharmacy claims. Product of Columns 4 through 8 for pharmacy claims.

**Attachment AGBN-5**

Blue Cross and Blue Shield of Rhode Island  
 Class DIR Basic Rate (Pool I) and Preferred Rate (Pool II)  
**Calculation of Administrative Expense per  
 Contract Month for April 1, 2011 Billing Cycle**

	(1) Number of Months in <u>Rate Period</u>	(2) Calendar Year Administrative <u>Expense Budget</u>	(3) Projected Contract <u>Months</u>	(4) Administrative Expense Budget <u>PCPM</u>
1. CY 2011	9	\$5,966,820 (A)	120,441	\$49.54 (C)
2. <u>CY 2012</u>	3	\$6,091,007 (B)	120,321	\$50.62 (C)
3. Rate Year (4/1/2011-3/31/2012)				\$49.81 (D)

(A) Derived from the updated 2011 budget for Direct Pay reduced by \$100,000 for new building. Includes fees paid to vendors.

(B) Derived from the updated 2012 budget for Direct Pay reduced by \$100,000 for new building. Includes fees paid to vendors.

(C) Column 2 divided by Column 3.

(D) Weighted by months in Column 1.

Schedule 39

**Attachment AGBN-5**

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)  
Projection Factors for Allowed Claims  
for April 1, 2011 Billing Cycle**

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	(1)	(2)	(3)	(4)
	<u>Price</u>	<u>Utilization/Mix</u>	<u>Claim</u>	<u>Projection</u>
	<u>Trend Factor</u>	<u>Trend Factor</u>	<u>Adjustment</u>	<u>Factor</u>
	(A)	(B)	(G)	(H)
Hospital Inpatient	1.1302	1.0000 (C)	1.0019	1.1323
Hospital Outpatient	1.1191	<b>0.9102</b> (D)	1.0000	<b>1.0186</b>
Surgical/Medical	1.0412	<b>1.0123</b> (E)	1.0002	<b>1.0542</b>
Pharmacy		1.2593 (F)	0.9751	1.2279

- (A) Obtained from Blue Cross' Contracting Administration Division for the 22-month projection period.  
 (B) Based on annual trend assumption, compounded over the 22-month projection period.  
 (C) Based on annual trend increase of 0.00%. See graph in Schedule 41.  
 (D) Based on annual trend increase of -5.00%. See graph in Schedule 42.  
 (E) Based on annual trend increase of 0.67%. See graph in Schedule 43.  
 (F) Based on annual trend increase of 13.40%. See graph in Schedule 44. This factor includes price.  
 (G) Factor to adjust claims expenses for anticipated policy changes, contract changes, and one time claims impacts that are not reflected in utilization or pure price trends.  
 (H) Column 1 times Column 2 times Column 3 for non-pharmacy. Column 2 times Column 3 for pharmacy.



**Schedule 40**

**Attachment AGBN-5**

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)  
Projection Factors for Allowed Claims  
for April 1, 2011 Billing Cycle**

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	(1)	(2)	(3)	(4)
	<u>Price</u>	<u>Utilization/Mix</u>	<u>Claim</u>	<u>Projection</u>
	<u>Trend Factor</u>	<u>Trend Factor</u>	<u>Adjustment</u>	<u>Factor</u>
	(A)	(B)	(G)	(H)
Hospital Inpatient	1.1302	0.9457 (C)	1.0019	1.0709
Hospital Outpatient	1.1191	1.1515 (D)	1.0000	1.2886
Surgical/Medical	1.0412	1.0579 (E)	1.0002	1.1017
Pharmacy		1.1016 (F)	0.9751	1.0742

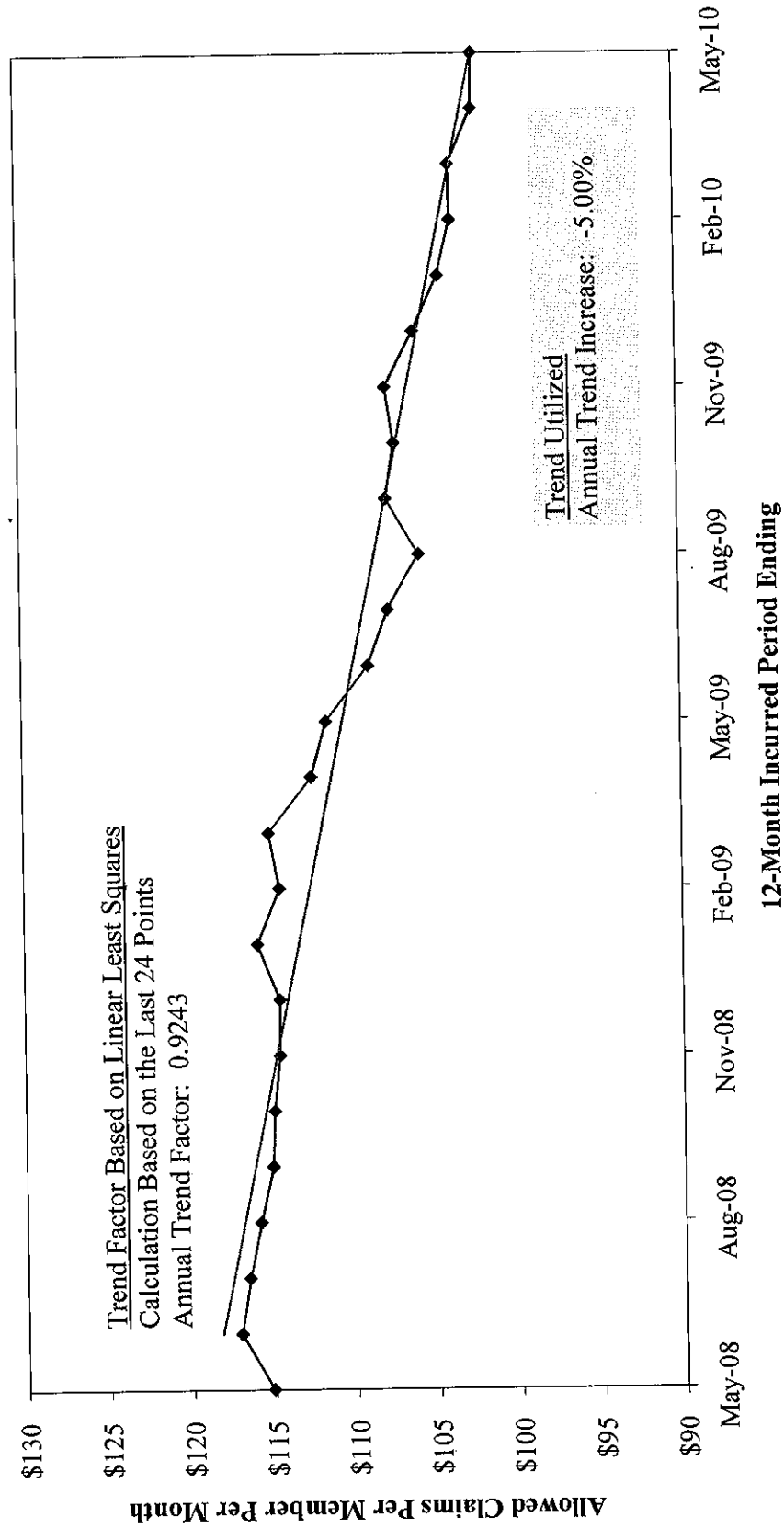
- (A) Obtained from Blue Cross' Contracting Administration Division for the 22-month projection period.  
 (B) Based on annual trend assumption, compounded over the 22-month projection period.  
 (C) Based on annual trend increase of -3.00%. See graph in Schedule 45.  
 (D) Based on annual trend increase of 8.00%. See graph in Schedule 46.  
 (E) Based on annual trend increase of 3.12%. See graph in Schedule 47.  
 (F) Based on annual trend increase of 5.42%. See graph in Schedule 48. This factor includes price.  
 (G) Factor to adjust claims expenses for anticipated policy changes, contract changes, and one time claims impacts that are not reflected in utilization or pure price trends.  
 (H) Column 1 times Column 2 times Column 3 for non-pharmacy. Column 2 times Column 3 for pharmacy.

**Attachment AGBN-5**

*Schedule 42*

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Basic Rate (Pool I)**

**Hospital Outpatient: Historical Allowed Claims PMPM and  
Utilization/Mix Trends**

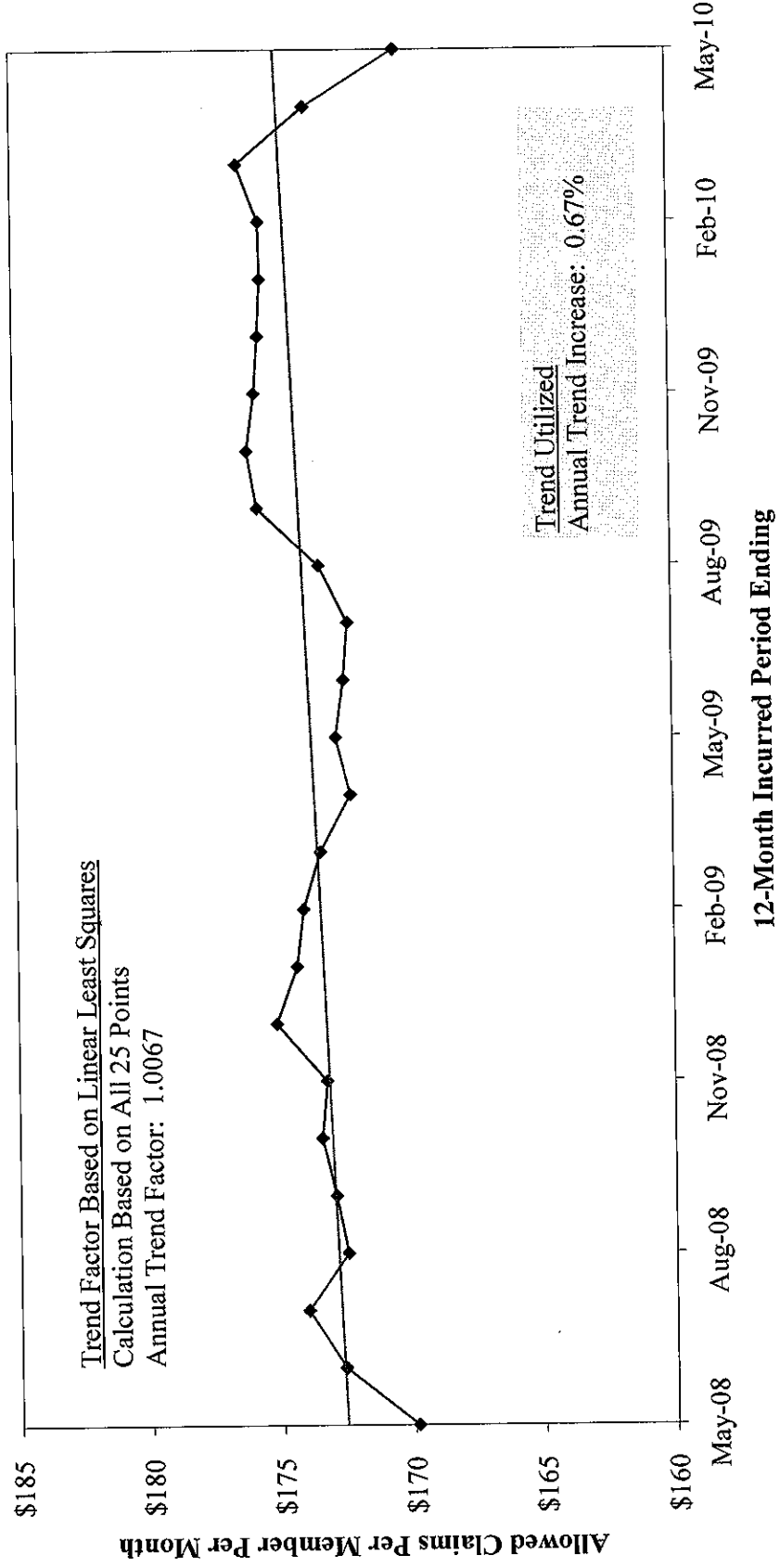


1/11/2011

**Attachment AGBN-5**  
*Schedule 43*

**Blue Cross and Blue Shield of Rhode Island**  
**Class DIR Basic Rate (Pool I)**

**Surgical/Medical: Historical Allowed Claims PMPM and  
Utilization/Mix Trends**



1/11/2011

**Attachment AGBN-5**  
*Schedule 45*

**Blue Cross and Blue Shield of Rhode Island  
Class DIR Preferred Rate (Pool II)**

**Hospital Inpatient: Historical Allowed Claims PMPM and  
Utilization/Mix Trends**

