

State: Rhode Island **Filing Company:** UnitedHealthcare Insurance Company
TOI/Sub-TOI: MS02G Group Medicare Supplement - Pre-Standardized/MS02G.000 Medicare Supplement - Pre-Standardized
Product Name: GROUP MEDICARE SUPPLEMENT PRE-STANDARDIZED PLANS
Project Name/Number: RATE/RERATE 2014 - PRE -STD

Filing at a Glance

Company: UnitedHealthcare Insurance Company
Product Name: GROUP MEDICARE SUPPLEMENT PRE-STANDARDIZED PLANS
State: Rhode Island
TOI: MS02G Group Medicare Supplement - Pre-Standardized
Sub-TOI: MS02G.000 Medicare Supplement - Pre-Standardized
Filing Type: Rate
Date Submitted: 07/19/2013
SERFF Tr Num: UHLC-129098500
SERFF Status: Assigned
State Tr Num:
State Status: Open-Pending Actuary Review
Co Tr Num: RERATE 2014 - PRE -STD

Implementation Date Requested: 01/01/2013
Author(s): Michelle Ambach, Wanda Augustus, Bobbie Walton, Sarah Michener, Celina Sagin, Lauren Mulhern, Robyn Yemm, Erin Eckhoff
Reviewer(s): Patrick Tigue (primary), Sandra West, Adrienne Evans, Charles DeWeese, Herbert Olson, Maria Casale

Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:

State: Rhode Island **Filing Company:** UnitedHealthcare Insurance Company
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General Information

Project Name: RATE Status of Filing in Domicile: Pending
 Project Number: RERATE 2014 - PRE -STD 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: Large
 Group Market Type: Association Overall Rate Impact:
 Filing Status Changed: 07/22/2013
 State Status Changed: 07/22/2013 Deemer Date:
 Created By: Bobbie Walton Submitted By: Bobbie Walton
 Corresponding Filing Tracking Number: RERATE 2014 - PRE - STD

Filing Description:
 Rate Revision Filing
 Rates for Pre-Standardized Medicare Supplement Plans
 UnitedHealthcare Insurance Company
 NAIC #0707-79413

Company and Contact

Filing Contact Information

Sarah Michener, Associate Director, sarah_l_michener@uhc.com
 Actuarial
 680 Blair Mill Rd 215-902-8419 [Phone]
 Horsham, PA 19044

Filing Company Information

UnitedHealthcare Insurance Company CoCode: 79413 State of Domicile: Connecticut
 185 Asylum Street Group Code: 707 Company Type: Life and Health
 Hartford, CT 06103 Group Name: State ID Number: 79413
 (860) 702-5000 ext. [Phone] FEIN Number: 36-2739571

Filing Fees

Fee Required? Yes
 Fee Amount: \$225.00
 Retaliatory? No
 Fee Explanation: \$25 X 9 = \$225
 Per Company: Yes

Company	Amount	Date Processed	Transaction #
UnitedHealthcare Insurance Company	\$225.00	07/19/2013	72121254

SERFF Tracking #:

UHLC-129098500

State Tracking #:

Company Tracking #:

RERATE 2014 - PRE -STD

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Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Neutral
Overall Percentage of Last Rate Revision: 3.800%
Effective Date of Last Rate Revision: 01/01/2013
Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	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):
UnitedHealthcare Insurance Company	0.000%	0.000%	\$0	195	\$484,643	0.000%	0.000%

SERFF Tracking #:

UHLC-129098500

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

RERATE 2014 - PRE -STD

State:

Rhode Island

Filing Company:

UnitedHealthcare Insurance Company

TOI/Sub-TOI:

MS02G Group Medicare Supplement - Pre-Standardized/MS02G.000 Medicare Supplement - Pre-Standardized

Product Name:

GROUP MEDICARE SUPPLEMENT PRE-STANDARDIZED PLANS

Project Name/Number:

RATE/RERATE 2014 - PRE -STD

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		RATE SCHEDULE	G-36000-4	New		RI - 2014 Rate Schedule (Pre).pdf,

UNITEDHEALTHCARE INSURANCE COMPANY
AARP MEDICARE SUPPLEMENT PORTFOLIO

RATE SCHEDULE

FOR

RHODE ISLAND

GROUP POLICY NUMBER G-36000-4

<u>Plan</u>	<u>Proposed 2014 Monthly Rate</u>	<u>2013 Monthly Rate</u>	<u>Diff. (%)</u>
M1/J1/P1	\$136.25	\$136.25	0.0%
M2/J2/P2/MC/MH/MM/MS/DA/DB	\$164.25	\$164.25	0.0%
M3/J3/P3 (with drugs)	\$282.50	\$282.50	0.0%
M3/J3/P3 (without drugs)	\$248.00	\$248.00	0.0%
M4 (with drugs)	\$309.50	\$309.50	0.0%
M4 (without drugs)	\$274.75	\$274.75	0.0%
M5/J5/P5	\$160.50	\$160.50	0.0%
M6/J6/P6/DC/DE/DF	\$199.25	\$199.25	0.0%
M7/P7 (with drugs)	\$294.25	\$294.25	0.0%
M7/P7 (without drugs)	\$260.25	\$260.25	0.0%
MA/PA	\$135.00	\$135.00	0.0%
AD/DP	\$4.00	\$4.00	0.0%

** Discounts available for Multi-Insured, Electronic Funds Transfer, and Annual Pay.*

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Supporting Document Schedules

Satisfied - Item:	A&H Experience
Comments:	THE EXPERIENCE IS ATTACHED TO THE RATE/RULE SCHEDULE TAB.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Certification - Life & A&H
Comments:	THE ACTUARIAL CERTIFICATION IS INCLUDED IN THE ACTUARIAL MEMORANDUM.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum - A&H Rate Revision Filing
Comments:	SEE ATTACHED ACTUARIAL MEMORANDUM.
Attachment(s):	RI - 2014 Memorandum (Pre).pdf
Item Status:	
Status Date:	

Bypassed - Item:	Exhibit - Group Medicare Supplement
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Premium Rate Sheets - Life & A&H
Comments:	THE RATES ARE ATTACHED TO THE RATE/RULE SCHEDULE TAB.
Attachment(s):	
Item Status:	
Status Date:	

State: Rhode Island **Filing Company:** UnitedHealthcare Insurance Company
TOI/Sub-TOI: MS02G Group Medicare Supplement - Pre-Standardized/MS02G.000 Medicare Supplement - Pre-Standardized
Product Name: GROUP MEDICARE SUPPLEMENT PRE-STANDARDIZED PLANS
Project Name/Number: RATE/RERATE 2014 - PRE -STD

Satisfied - Item:	Cover Letter
Comments:	SEE ATTACHED COVER LETTER.
Attachment(s):	RI - 2014 Cover Letter (Pre).pdf
Item Status:	
Status Date:	
Satisfied - Item:	Uniform Transmittal Document
Comments:	SEE ATTACHED UNIFORM TRANSMITTAL DOCUMENT.
Attachment(s):	RI - 2014 Uniform Transmittal Form (Pre).pdf
Item Status:	
Status Date:	
Satisfied - Item:	2014 ATTACHMENTS (Pre) Proprietary and Confidential
Comments:	
Attachment(s):	RI - 2014 Attachments (Pre) - PROPRIETARY AND CONFIDENTIAL.pdf
Item Status:	
Status Date:	
Satisfied - Item:	2014 attachments (Pre)
Comments:	
Attachment(s):	RI - 2014 Attachments (Pre).pdf
Item Status:	
Status Date:	

UnitedHealthcare Insurance Company

**Annual Medicare Supplement Filing
Actuarial Memorandum**

**AARP Medicare Supplement Portfolio
Group Policy Number G-36000-4**

Pre-Standardized Plans

Rhode Island

A. Purpose of Filing

The purpose of this filing is to request approval of 2014 rates for Pre-Standardized Medicare Supplement plans offered to AARP members and to demonstrate compliance with loss ratio standards.

B. General Description

1. Issuer Name – The Prudential Insurance Company of America. UnitedHealthcare assumed this risk effective January 1, 1998, through an assumption reinsurance agreement with Prudential.
2. Form Number – Group Policy Number G-36000-4
Prescription Drug Elimination Rider: CRA 1664
3. Policy Type – Pre-Standardized Group Medicare Supplement.
4. Benefit Description – See Attachment 7 for plan specific benefit descriptions. These Medicare Supplement plans were sold prior to standardization and met Baucus requirements.

Prescription drug benefits will be discontinued for insureds covered by Plans M3, M4, and M7 who enroll in Medicare Part D. Prescription drug benefits will continue for insureds covered by Plans M3, M4, and M7 who do not enroll in Medicare Part D.

5. Renewal Provision – Guaranteed renewable. If the group policy is terminated by the group policyholder and not replaced by another group policy by the same policyholder, an individual policy will be offered.
6. Marketing Method – This is a closed block of business. Plans were marketed through the mail to members of AARP.
7. Underwriting Method – The Pre-Standardized Plans and Rider AD/DP were available on a guaranteed issue basis.

8. Pre-Existing Conditions Exclusion – This is a closed block of business; the maximum exclusion on any of these plans was 6 months/6 months.
9. Issue Age Limits – This is a closed block of business.
10. Premium Basis – Premium is earned on the first of the month for the entire month in which it is due. Premiums do not vary by age and contain no pre-funding components.

Discounts Available – The discounts currently available to AARP Medicare Supplement members will remain:

- a) Payment by Electronic Funds Transfer (\$2.00 per household per month).
- b) Annual Pay (\$24 per household for those that pay their entire calendar year premium in January).
- c) Multi-Insured - 5% when two or more insureds on one account have at least one plan of insurance issued under a group master policy between the Trustees of AARP and UnitedHealthcare Insurance Company.

11. Actuary’s Name: Timothy A. Koenig, ASA, MAAA
 Director, Actuarial Services
 UnitedHealthcare Insurance Company
 Post Office Box 130
 Montgomeryville, PA 18936
 (215) 902-8429

12. Domicile State Approval – UnitedHealthcare Insurance Company is domiciled in Connecticut. The Connecticut Department of Insurance does not require these rates to be filed for your state. We file Connecticut specific rates (i.e., rates charged to Connecticut residents) with the Connecticut Department of Insurance. Proposed 2014 Connecticut specific rates will be filed for approval with the Connecticut Department of Insurance in August 2013.

C. Rate Methodology/Assumptions

1. General Method – Projections used in developing the 2014 rates are shown in Attachment 1. Based on historical claim patterns, per member per month claim costs are developed by benefit and trended to the end of the 2014 rating period (also see Attachment 3).

The rate increase percentage for these certificates represents the average increase needed for the plans when grouped together. This approach should result in more moderate increases for all of the insureds.

The rates are based on state of residence. When notification of a change of residence is received, rates are adjusted accordingly.

2. Priced with Trend/Selection – Claim cost trends are projected for 2013 and 2014. The trend assumptions are based on the historical experience of the AARP Medicare Supplement Plans. These certificates have been in force since 1992 or prior; no explicit adjustment for selection is included in the pricing.
3. Priced with Rate Increases – We anticipate future annual rate increases similar to future medical trend levels.
4. Commission Rate – None.
5. Replacement Commissions – None.
6. Lapse Assumption – Lapse assumptions are based on actual experience in your state. For 2013 and 2014, the assumed annual lapse rates (including death) are 13.1% and 14.9%, respectively.
7. Morbidity Assumption – Morbidity assumptions are based on actual experience and are incorporated into the trend projections and base claim costs.
8. Interest Assumptions – 5.0%.
9. Pre-Funding – These plans are community-rated. The rates are projected to be effective until December 31, 2014 and reflect no pre-funding.

D. Scope/Reason for Request

1. Overall Increase – The overall increase is 0.0%.
2. Variations by Cell – The requested rate increases represent the average increase needed for the plans when grouped together (see enclosed Rate Schedule).
3. Effective Date – January 1, 2014.
4. Timing – These plans are rated on a calendar year basis.

E. Rates and Rating Factors

1. Current – See Rate Schedule.
2. Proposed – See Rate Schedule.
3. Period Rates Apply – Effective January 1, 2014.

F. Average Annualized Premium - \$2,491. See Attachment 4 for 2014 annualized premiums by plan.

G. Rate History – See Attachment 5.

H. Average Lives – See Attachment 1.

I. Historical Incurred Claims – See Attachment 1.

J. Historical Earned Premium – See Attachment 1.

K. Loss Ratio Projection

1. Definition – Loss ratios are calculated as incurred claims divided by premium.
2. Base Period – Claim cost projections are based on claim data incurred through 2012.
3. Lapse Assumption – Lapse assumptions are based on actual AARP Medicare Supplement experience in your state. For 2013 and 2014, the assumed annual lapse rates (including death) are 13.1% and 14.9%, respectively.
4. Claim Trend Assumption – Claim trend projections are based on actual AARP Medicare Supplement experience and reflect changes made to the Medicare program. See Attachment 3 for projected claim trends.
5. Attained Age/Selection Adjustments – These plans are community rated. Demographic and selection differences are built into the historical claim costs.
6. Future Rate Increases – We anticipate future annual rate increases similar to future medical trend levels.
7. Interest Assumption – 5.0%.
8. With and Without Rate Change
 - Without a change to the 2013 rates, the anticipated loss ratio is 85.6%.

L. Loss Ratio Demonstration

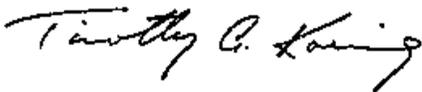
All Pre-Standardized plans have been in force at least three years. After proposed rate actions and considering the credibility of the business, anticipated lifetime loss ratios, projected future loss ratios and expected third year loss ratios are greater than or equal to the applicable ratio.

M. Actuarial Certification

I am a member of the Society of Actuaries and a member of the American Academy of Actuaries. I meet the Qualification Standards of Actuarial Opinion as adopted by the American Academy of Actuaries and am qualified to render this prescribed statement of actuarial opinion.

I hereby certify that to the best of my knowledge and judgment, the following items are true with respect to this Medicare Supplement rate filing:

- This entire filing is in compliance with the applicable laws, regulations and rules of the State of Rhode Island.
- This filing complies with all applicable Actuarial Standards of Practice as promulgated by the Actuarial Standards Board, including Actuarial Standard of Practice No. 8 “Regulatory Filings for Health Plan Entities” and Actuarial Standard of Practice No. 23 “Data Quality”.
- Data provided by others were reviewed and determined to be of high quality and reliable.
- The assumptions within this filing present my best judgment as to the expected value for each assumption and are consistent with UnitedHealthcare’s business plan at the time of the filing.
- The filed rates maintain the proper relationship between policies which were originally filed with differing rating methodologies.
- The rates determined in this filing are reasonable in relation to the benefits provided and are not excessive, inadequate or unfairly discriminatory.
- The anticipated lifetime loss ratio, future loss ratios, and third-year loss ratios all meet or exceed the applicable ratio.



Timothy A. Koenig, ASA, MAAA
Director, Actuarial Services
UnitedHealthcare Insurance Company

July 19, 2013

Date



UnitedHealth Group
P.O. Box 130
Montgomeryville PA 18936

July 19, 2013

Joseph Torti III
Superintendent
Rhode Island Department of Business Regulation
Division of Insurance
1511 Pontiac Avenue, Building 69-2
Cranston, Rhode Island 02920

RE: Rate Revision Filing
Rates for Pre-Standardized Medicare Supplement Plans
UnitedHealthcare Insurance Company
NAIC #0707-79413

Dear Superintendent:

The attached filing is made to obtain approval for rates effective January 1, 2014 for Pre-Standardized Medicare Supplement Plans, issued to members of AARP.

The rates included are a continuation of 2013 rates. We project an anticipated loss ratio of 85.6%.

The enclosed actuarial memorandum provides supporting information. Certification regarding compliance with loss ratio standards for your state is also provided.

Pursuant to Rhode Island General Laws Sec. 38.2-2 (4)(B) we respectfully request that the documents titled "RI 2014 Attachments (Pre) – Privileged and Confidential" is considered "Trade Secret" as defined under Sec. 38-2-2 (4)(B) of the General Laws of the State of Rhode Island and shall not be considered a "Public Record" as defined under Section 38-2-2(4). The protection afforded by Sec. 38.2-2 of the General Laws of the State of Rhode Island is necessary as this information would allow another insurance company to price Medicare Supplement insurance without actual experience data and could adversely impact our competitive position in the marketplace.

We would appreciate your acting expeditiously on this request so that we can provide AARP members with adequate notice of their 2014 rates.

If you need any further information regarding this matter, please contact me at (215) 902-8429. If you prefer to e-mail me, my address is Timothy_A_Koenig@uhc.com.

Sincerely,

A handwritten signature in black ink that reads 'Timothy A. Koenig'.

Timothy A. Koenig, ASA, MAAA
Director, Actuarial Services

Life, Accident & Health, Annuity, Credit Transmittal Document

1.	Prepared for the State of	Rhode Island
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2.	Department Use Only
	State Tracking ID

3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #
	UnitedHealthcare Insurance Company P.O. Box 130 Montgomeryville, Pa 18936	CT	HEALTH	0707	79413	36-2739571	

4.	Contact Name & Address	Telephone #	Fax #	E-mail Address
	TIMOTHY A. KOENIG P.O.BOX 130 MONTGOMERYVILLE, PA 18936	215-902-8429	215-902-8801	TIMOTHY_A_KOENIG@UHC.COM

5.	Requested Filing Mode	<input checked="" type="checkbox"/> Review & Approval <input type="checkbox"/> File & Use <input type="checkbox"/> Informational <input type="checkbox"/> Combination (please explain): _____ <input type="checkbox"/> Other (please explain): _____
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6.	Company Tracking Number	RERATE 2014 PRE-STD
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7.	<input checked="" type="checkbox"/> New Submission <input type="checkbox"/> Resubmission	Previous file # _____
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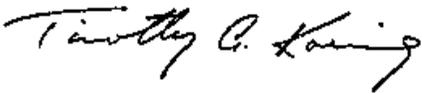
8.	Market	<input type="checkbox"/> Individual <input type="checkbox"/> Franchise <input type="checkbox"/> Small <input checked="" type="checkbox"/> Large <input type="checkbox"/> Small and Large <input type="checkbox"/> Employer <input checked="" type="checkbox"/> Association <input type="checkbox"/> Blanket <input type="checkbox"/> Discretionary <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____
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9.	Type of Insurance (TOI)	MS02G
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10.	Sub-Type of Insurance (Sub-TOI)	<u>MS02G.000</u>
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11.	Submitted Documents	<input type="checkbox"/> FORMS <input type="checkbox"/> Policy <input type="checkbox"/> Outline of Coverage <input type="checkbox"/> Certificate <input type="checkbox"/> Application/Enrollment <input type="checkbox"/> Rider/Endorsement <input type="checkbox"/> Advertising <input type="checkbox"/> Schedule of Benefits <input type="checkbox"/> Other Rates <input type="checkbox"/> New Rate <input checked="" type="checkbox"/> Revised Rate <input type="checkbox"/> FILING OTHER THAN FORM OR RATE: Please explain: _____ SUPPORTING DOCUMENTATION <input type="checkbox"/> Articles of Incorporation <input type="checkbox"/> Third Party Authorization <input type="checkbox"/> Association Bylaws <input type="checkbox"/> Trust Agreements <input type="checkbox"/> Statement of Variability <input type="checkbox"/> Certifications <input checked="" type="checkbox"/> Actuarial Memorandum <input type="checkbox"/> Other: _____
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12.	Filing Submission Date	July 19, 2013	
13	Filing Fee (If required)	Amount <u>\$40.00</u>	Check Date <u>EFT</u>
		Retaliatory <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Check Number <u>EFT</u>
14.	Date of Domiciliary Approval	To be filed August 2013	
15.	Filing Description:		
<p>RATES FOR PRE-STANDARDIZED MEDICARE SUPPLEMENT PLANS</p> <p>SEE ATTACHED COVER LETTER</p>			

16.	Certification (If required)		
<p>I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and the filing complies with all applicable statutory and regulatory provisions for the state of <u>Rhode Island</u>.</p>			
Print Name <u>TIMOTHY A. KOENIG</u>		Title <u>DIRECTOR, ACTUARIAL SERVICES</u>	
 Signature _____		Date: <u>July 19, 2013</u>	

17.	Form Filing Attachment	
This filing transmittal is part of company tracking number		N/A
This filing corresponds to rate filing company tracking number		

	Document Name	Form Number		Replaced Form Number
	Description			Previous State Filing Number
01		N/A	<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
02			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
03			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	

LH FFA-1

18.		Rate Filing Attachment		
This filing transmittal is part of company tracking number		RERATE 2014 PRE-STD		
This filing corresponds to form filing company tracking number				
Overall percentage rate indication (when applicable)				
Overall percentage rate impact for this filing		0.0%		
	Document Name	Affected Form Numbers		Previous State Filing Number
	Description			
01	Actuarial Memorandum and Rate Schedule Pre-Standardized coverage; rates not based on age	G-36000-4	<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised Request + <u>0.0%</u> <input type="checkbox"/> Other _____	
02			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
03			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + ____% - ____% <input type="checkbox"/> Other _____	

LH RFA-1

UNITEDHEALTHCARE INSURANCE COMPANY

PRE-STANDARDIZED MEDICARE SUPPLEMENT RATE FILING

GROUP POLICY NUMBER G-36000-4

Rhode Island

EFFECTIVE 1/1/2014

CONTENTS

1. Attachment 3 – Per Member Per Month Claim Costs by Benefit (1 page)
2. Attachment 8 – Pre-Standardized Plans Trend Development (1 page)

**PRE-STANDARDIZED PLANS
RHODE ISLAND BENEFIT COSTS**

	Per Member Per Month Costs*					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Proj 2013</u>	<u>Proj 2014</u>
Part B Coinsurance	\$90.79	\$92.39	\$94.52	\$89.69	\$96.79	\$100.24
Part B Excess Charges	\$0.56	\$0.33	\$0.27	\$0.22	\$0.25	\$0.25
Part A Deductible	\$24.49	\$28.36	\$30.17	\$28.67	\$30.26	\$31.47
Long Hospital Stay	\$0.00	\$0.00	\$0.00	\$0.32	\$0.50	\$0.50
SNF Day 21-100	\$26.73	\$37.54	\$38.18	\$28.25	\$37.18	\$40.66
SNF Day 101-365	\$4.27	\$0.61	\$0.00	\$1.14	\$2.25	\$2.50
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.10	\$0.10
Prescription Drugs	\$27.97	\$30.18	\$25.37	\$26.05	\$24.99	\$24.96
Total PMPM Cost**	\$146.30	\$158.62	\$162.40	\$147.87	\$166.74	\$175.05
<i>Trend</i>		8.4%	2.4%	-8.9%	12.8%	5.0%

"Other" includes foreign care and/or private duty nursing benefits.

** The per member per month cost is equal to the incurred claims divided by the number of lives with that specific benefit.*

*** Beginning in 2006, some insureds enrolled in plans that offer prescription drug coverage will not have the drug benefit.*

Rhode Island Medicare Supplement Pre-Standardized Plans Trend Development

The components of the composite trend are shown below.

Part B Coinsurance

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Medicare Fee Update	0.3%	0.1%	-0.8%	0.0%
Utilization Trend	2.0%	-5.2%	8.7%	3.6%
Composite Trend	2.3%	-5.1%	7.9%	3.6%

The net increase in the cost for Part B services in 2013 was -0.8%. For 2014, we assume a net increase of 0.0%.

Utilization trend considers changes in the number of services used as well as the intensity of services. Our assumed utilization trends for 2013 and 2014 are 8.7% and 3.6%, respectively.

Part B Excess -- Projected claim costs for 2013 and 2014 are \$0.25 and \$0.25 respectively.

Part A Deductible

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Medicare Part A Deductible	\$1,132	\$1,156	\$1,184	\$1,216
% Change in Part A Deductible	2.9%	2.1%	2.4%	2.7%
Utilization Trend	3.4%	-6.9%	3.0%	1.3%
Composite Trend	6.4%	-5.0%	5.5%	4.0%

Hospital Co-Payments -- Hospital Co-payments are paid for days 61 and after for long hospital stays.

Projected claim costs for 2013 and 2014 are \$0.50 and \$0.50 respectively.

Skilled Nursing -- Medicare Supplement plans which have a skilled nursing facility stay benefit pay the Medicare cost sharing amount for days 21-100. These plans also cover an additional 265 days.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Medicare Daily Coinsurance	\$142	\$145	\$148	\$152
% Change in Daily Coinsurance	2.9%	2.1%	2.4%	2.7%
Utilization/Length of Stay, days 21-365	-2.8%	-24.6%	31.0%	6.6%
Composite Trend	0.1%	-23.0%	34.2%	9.5%

Foreign Care / Private Duty Nursing -- In aggregate, these benefits represent less than 0.1% of the total Rhode Island claim cost and have assumed costs based on recent experience.

Prescription Drugs -- Our assumed composite trends for plans M3, M4, and M7 are -4.1% for 2013, and -0.1% for 2014, based on recent experience.

UNITEDHEALTHCARE INSURANCE COMPANY

PRE-STANDARDIZED MEDICARE SUPPLEMENT RATE FILING

GROUP POLICY NUMBER G-36000-4

Rhode Island

EFFECTIVE 1/1/2014

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RHODE ISLAND - LOSS RATIO PROJECTIONS

Company: UnitedHealthcare Insurance Company
 Policy Form: G-36000-4 Pre-Standardized Plans*

TOTAL PRE-STANDARDIZED**HISTORICAL EXPERIENCE**

	<u>Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>	<u>Average Lives</u>
1994	\$2,308,925	\$2,107,905	91.3%	3,422
1995	\$2,054,340	\$2,106,267	102.5%	3,132
1996	\$2,446,505	\$2,252,767	92.1%	2,730
1997	\$2,370,295	\$2,121,440	89.5%	2,301
1998	\$2,278,499	\$1,890,680	83.0%	1,725
1999	\$2,102,867	\$1,592,176	75.7%	1,380
2000	\$2,008,482	\$1,518,250	75.6%	1,237
2001	\$1,826,897	\$1,436,259	78.6%	1,128
2002	\$1,669,249	\$1,299,063	77.8%	990
2003	\$1,540,747	\$1,242,577	80.6%	900
2004	\$1,376,857	\$1,193,056	86.7%	801
2005	\$1,241,378	\$1,021,521	82.3%	701
2006	\$1,158,491	\$1,036,774	89.5%	615
2007	\$1,075,500	\$857,201	79.7%	536
2008	\$970,840	\$837,954	86.3%	464
2009	\$868,092	\$702,157	80.9%	401
2010	\$759,786	\$640,479	84.3%	338
2011	\$698,369	\$584,507	83.7%	301
2012	\$623,317	\$466,557	74.9%	263
2013	\$561,874	\$456,619	81.3%	229
Total Historical	\$29,941,310	\$25,364,209	84.7%	n/a
With Interest**	\$56,455,332	\$48,348,985	85.6%	n/a

PROJECTED EXPERIENCE - WITH 2014 RATE CHANGE

	<u>Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>	<u>Average Lives</u>
2014	\$483,596	\$408,057	84.4%	195
2015	\$445,972	\$376,310	84.4%	169
2016	\$411,275	\$347,033	84.4%	147
2017	\$379,278	\$320,034	84.4%	128
2018	\$349,770	\$295,135	84.4%	111
2019	\$322,558	\$272,174	84.4%	97
2020	\$297,463	\$250,999	84.4%	84
2021	\$274,321	\$231,471	84.4%	73
2022	\$252,978	\$213,463	84.4%	64
2023	\$233,297	\$196,855	84.4%	56
Total Projected	\$3,450,509	\$2,911,530	84.4%	n/a
Discounted with Interest**	\$2,818,430	\$2,378,184	84.4%	n/a

LIFETIME EXPERIENCE - WITHOUT 2014 RATE CHANGE**

	<u>Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>	<u>Average Lives</u>
Total Historical	\$56,455,332	\$48,348,985	85.6%	n/a
Total Projected	\$2,818,430	\$2,378,184	84.4%	n/a
Total Lifetime	\$59,273,762	\$50,727,168	85.6%	n/a

LIFETIME EXPERIENCE - WITH 2014 RATE CHANGE**

	<u>Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>	<u>Average Lives</u>
Total Historical	\$56,455,332	\$48,348,985	85.6%	n/a
Total Projected	\$2,818,430	\$2,378,184	84.4%	n/a
Total Lifetime	\$59,273,762	\$50,727,168	85.6%	n/a

*Excludes AD/DP Experience.

**Accumulated at 5% interest rate

**Rhode Island
Pre-Standardized Medicare Supplement Exhibit**

Total

Calendar Year	Incurred Claims	Earned Premiums	Loss Ratio	Average Lives
1994	2,117,030	2,334,215	90.7%	3,422
1995	2,115,779	2,069,368	102.2%	3,132
1996	2,261,499	2,459,473	92.0%	2,730
1997	2,131,670	2,381,661	89.5%	2,301
1998	1,905,170	2,288,154	83.3%	1,725
1999	1,601,086	2,111,097	75.8%	1,380
2000	1,526,950	2,015,683	75.8%	1,237
2001	1,445,679	1,833,246	78.9%	1,128
2002	1,302,903	1,674,866	77.8%	990
2003	1,244,719	1,545,846	80.5%	900
2004	1,194,616	1,381,223	86.5%	801
2005	1,023,921	1,245,144	82.2%	701
2006	1,039,624	1,161,845	89.5%	615
2007	859,451	1,078,304	79.7%	536
2008	841,434	973,203	86.5%	464
2009	704,557	870,122	81.0%	401
2010	642,879	761,502	84.4%	338
2011	586,909	699,843	83.9%	301
2012	466,670	624,603	74.7%	263

**Pre-Standardized Plans in force on the SSAA-94 effective date are grouped together by type and treated as if they were issued on the SSAA-94 effective date.*

***Includes AD/DP experience.*

Rhode Island Average Annualized Premiums*

<u>Plan</u>	Proposed <u>2014</u>	<u>2013</u>
M1/J1/P1	\$1,601	\$1,601
M2/J2/P2/MC/MH/MM/MS/DA/DB	\$1,933	\$1,937
M3/J3/P3	\$3,013	\$3,011
M4	-	-
M5/J5/P5	\$1,888	\$1,891
M6/J6/P6/DC/DE/DF	\$2,348	\$2,348
M7/P7	\$3,106	\$3,107
MA/PA	\$1,586	\$1,588
AD/DP	\$47	\$47
 Total	 \$2,491	 \$2,488

**Average premiums are net of discounts.*

**Rhode Island
Pre-Standardized Plans Rate History**

	<u>1/2009</u>	<u>1/2010</u>	<u>1/2011</u>	<u>1/2012*</u>	<u>1/2013*</u>	Proposed <u>1/2014</u>	<u>2010/2009</u>	<u>2011/2010</u>	<u>2012/2011*</u>	<u>2013/2012*</u>	Proposed <u>2014/2013</u>
M1/J1/P1	\$120.00	\$124.75	\$128.00	\$131.25	\$136.25	\$136.25	4.0%	2.6%	2.5%	3.8%	0.0%
M2/J2/P2/MC/MH/MM/MS/DA/DB	\$144.50	\$150.25	\$154.25	\$158.25	\$164.25	\$164.25	4.0%	2.7%	2.6%	3.8%	0.0%
M3/J3/P3 (with drugs)	\$248.75	\$258.75	\$265.50	\$272.25	\$282.50	\$282.50	4.0%	2.6%	2.5%	3.8%	0.0%
M3/J3/P3 (without drugs)	\$218.50	\$227.25	\$233.00	\$239.00	\$248.00	\$248.00	4.0%	2.5%	2.6%	3.8%	0.0%
M4 (with drugs)	\$272.25	\$283.25	\$290.75	\$298.25	\$309.50	\$309.50	4.0%	2.6%	2.6%	3.8%	0.0%
M4 (without drugs)	\$241.75	\$251.50	\$258.25	\$264.75	\$274.75	\$274.75	4.0%	2.7%	2.5%	3.8%	0.0%
M5/J5/P5	\$140.75	\$146.50	\$150.50	\$154.50	\$160.50	\$160.50	4.1%	2.7%	2.7%	3.9%	0.0%
M6/J6/P6/DC/DE/DF	\$175.50	\$182.50	\$187.25	\$192.00	\$199.25	\$199.25	4.0%	2.6%	2.5%	3.8%	0.0%
M7/P7 (with drugs)	\$259.25	\$269.50	\$276.50	\$283.50	\$294.25	\$294.25	4.0%	2.6%	2.5%	3.8%	0.0%
M7/P7 (without drugs)	\$228.75	\$238.00	\$244.25	\$250.50	\$260.25	\$260.25	4.0%	2.6%	2.6%	3.9%	0.0%
MA/PA	\$118.75	\$123.50	\$126.75	\$130.00	\$135.00	\$135.00	4.0%	2.6%	2.6%	3.8%	0.0%
AD/DP (Recuperation Care Rider)	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	0.0%	0.0%	0.0%	0.0%	0.0%

* The 2012 and 2013 rates were deferred until April 1st.

Rhode Island Average Lives

<u>Plan</u>	<u>2014</u>	<u>2013</u>
M1/J1/P1	4	5
M2/J2/P2/MC/MH/MM/MS/DA/DB	3	4
M3/J3/P3	36	42
M4	-	-
M5/J5/P5	1	1
M6/J6/P6/DC/DE/DF	119	142
M7/P7	20	23
MA/PA	10	12
AD/DP	22	25
Total	195	229

National Average Lives

<u>Plan</u>	<u>2014</u>	<u>2013</u>
M1/J1/P1	2,368	2,793
M2/J2/P2/MC/MH/MM/MS/DA/DB	5,114	6,476
M3/J3/P3	11,840	14,326
M4	102	118
M5/J5/P5	2,224	2,605
M6/J6/P6/DC/DE/DF	69,224	84,320
M7/P7	11,322	13,497
MA/PA	5,436	6,325
AD/DP	9,165	11,090
 Total	 107,631	 130,461

Service	Benefit	AARP's Medicare Supplement (M1, P1, J1)	AARP's Medicare Supplement Plus (M2,P2,,J2)
<p>HOSPITAL EXPENSES (for covered expenses each benefit period*) semi-private room and board, general nursing and miscellaneous hospital services and supplies. Includes lab tests, diagnostic x-rays, meals, special care units, drugs, medical supplies, operating and recovery room, anesthesia and rehabilitation services.</p>	Days 1 through 60	Actual charges up to \$304	Actual charges up to \$1216
	Days 61 through 90	to \$304/day	to \$304/day
	Days 91 and after when using a Lifetime Reserve Day	\$608/day	\$608/day
	Days 91 and after when LTR's are available but not used	\$608/day for up to 60 days	\$608/day for up to 60 days
	Days 91 and after when all 60 LTR's have been used	100% of Medicare eligible expenses (unlimited # of days)	100% of Medicare eligible expenses (unlimited # of days)
<p>SKILLED NURSING FACILITY STAYS (for covered services each benefit period*) in a facility approved by Medicare. Insured must have been in a hospital for at least 3 days and enter SNF within 30 days after hospital discharge- same condition.</p>	Days 1 through 20	No benefit	No benefit
	Days 21 through 100	\$152.00/day	\$152.00/day
	Days 101 through 365	\$304/day	\$304/day
<p>MEDICAL CARE (for covered expenses each calendar year) Physician services, medical services and supplies, physical and speech therapy, ambulance, etc.</p>	In-Hospital and Out of Hospital	20% of Medicare eligible expenses not paid in full by Medicare after a \$200 medical deductible**	20% of Medicare eligible expenses not paid in full by Medicare after a \$200 medical deductible**
<p>IN-HOSPITAL PRIVATE DUTY NURSING CARE</p>	In-Hospital Care by an RN or LPN	RN-actual charges up to \$30 per 8hr shift. LPN-actual charges up to \$25 per 8hr shift. MAX.- 3 shifts/day; 60 shifts/benefit pd.	RN-actual charges up to \$30 per 8hr shift. LPN-actual charges up to \$25 per 8hr shift. MAX.- 3 shifts/day; 60 shifts/benefit pd.
<p>BLOOD - 1st 3 pints of blood or equivalent quantity of packed red blood cells.</p>		The reasonable cost under Parts A and B	The reasonable cost under Parts A and B
<p>PRESCRIPTION DRUGS</p>	Purchased Out-of-Hospital and outside of a SNF	No benefit	No benefit
<p>FOREIGN HOSPITAL & MEDICAL CARE Hospital, physician and medical services received in a foreign country which are of a type considered eligible when provided in the U.S.</p>	Days 1 through 60 of each trip period (1)	80% of reasonable charges after first \$50 up to \$25,000 per trip period	80% of reasonable charges after first \$50 up to \$25,000 per trip period

* A benefit period begins the first day of confinement in a hospital and ends when 60 consecutive days have passed without confinement.

** Medical deductible- first \$200 (Plans M1 & M2) or first \$156 (Plans M3 to MA) each calendar year of Medicare eligible expenses not paid by Medicare.

(1) A trip period begins on the day you leave the U.S. and ends on the day you return to the U.S.

Service	Benefit	AARP's Extended Medicare Supplement (M3,P3,I3)	AARP'S Comprehensive Medicare Supplement (M4)
<p>HOSPITAL EXPENSES (for covered expenses each benefit period*) semi-private room and board, general nursing and miscellaneous hospital services and supplies. Includes lab tests, diagnostic x-rays, meals, special care units, drugs, medical supplies, operating and recovery room, anesthesia and rehabilitation services.</p>	Days 1 through 60	Actual charges up to \$1216	Actual charges up to \$1216
	Days 61 through 90	to \$304/day	to \$304/day
	Days 91 and after when using a Lifetime Reserve Day	\$608/day	\$608/day
	Days 91 and after when LTR's are available but not used	\$608/day for up to 60 days	\$608/day for up to 60 days
	Days 91 and after when all 60 LTR's have been used	100% of Medicare eligible expenses (unlimited # of days)	100% of Medicare eligible expenses (unlimited # of days)
<p>SKILLED NURSING FACILITY STAYS (for covered services each benefit period*) in a facility approved by Medicare. Insured must have been in a hospital for at least 3 days and enter SNF within 30 days after hospital discharge- same condition.</p>	Days 1 through 20	No benefit	No benefit
	Days 21 through 100	\$152.00/day	\$152.00/day
	Days 101 through 365	\$304/day	\$304/day
<p>MEDICAL CARE (for covered expenses each calendar year) Physician services, medical services and supplies, physical and speech therapy, ambulance, etc.</p>	In-Hospital and Out of Hospital	20% of Medicare eligible expenses not paid in full by Medicare after a \$156 medical deductible**	100% of Medicare eligible expenses not paid in full by Medicare, up to the limiting charge set by Medicare, after a \$156 medical deductible**
<p>IN-HOSPITAL PRIVATE DUTY NURSING CARE</p>	In-Hospital Care by an RN or LPN	80% of usual and prevailing charges	80% of usual and prevailing charges
<p>BLOOD - 1st 3 pints of blood or equivalent quantity of packed red blood cells.</p>		The reasonable cost under Parts A and B	The reasonable cost under Parts A and B
<p>PRESCRIPTION DRUGS</p>	Purchased Out-of-Hospital and outside of a SNF	50% of usual and prevailing charges after \$50 deductible; Max benefit of \$500/yr.	50% of usual and prevailing after \$50 deductible; Max benefit of \$500/yr.
<p>FOREIGN HOSPITAL & MEDICAL CARE Hospital, physician and medical services received in a foreign country which are of a type considered eligible when provided in the U.S.</p>	Days 1 through 60 of each trip period (1)	80% of reasonable charges after first \$50 up to \$25,000 per trip period	80% of reasonable charges after first \$50 up to \$25,000 per trip period

* A benefit period begins the first day of confinement in a hospital and ends when 60 consecutive days have passed without confinement.

** Medical deductible- first \$200 (Plans M1 & M2) or first \$156 (Plans M3 to MA) each calendar year of Medicare eligible expenses not paid by Medicare.

(1) A trip period begins on the day you leave the U.S. and ends on the day you return to the U.S.

Service	Benefit	AARP's Medicare Supplement (M5,P5,J5)	AARP'S Medicare Supplement Plus (M6,P6,J6)
<p>HOSPITAL EXPENSES (for covered expenses each benefit period*) semi-private room and board, general nursing and miscellaneous hospital services and supplies. Includes lab tests, diagnostic x-rays, meals, special care units, drugs, medical supplies, operating and recovery room, anesthesia and rehabilitation services.</p>	Days 1 through 60	Actual charges up to \$304	Actual charges up to \$1216
	Days 61 through 90	to \$304/day	to \$304/day
	Days 91 and after when using a Lifetime Reserve Day	\$608/day	\$608/day
	Days 91 and after when LTR's are available but not used	\$608/day for up to 60 days	\$608/day for up to 60 days
	Days 91 and after when all 60 LTR's have been used	100% of Medicare eligible expenses (unlimited # of days)	100% of Medicare eligible expenses (unlimited # of days)
<p>SKILLED NURSING FACILITY STAYS (for covered services each benefit period*) in a facility approved by Medicare. Insured must have been in a hospital for at least 3 days and enter SNF within 30 days after hospital discharge- same condition.</p>	Days 1 through 20	No benefit	No benefit
	Days 21 through 100	\$152.00/day	\$152.00/day
	Days 101 through 365	\$304/day	\$304/day
<p>MEDICAL CARE (for covered expenses each calendar year) Physician services, medical services and supplies, physical and speech therapy, ambulance, etc.</p>	In-Hospital and Out of Hospital	20% of Medicare eligible expenses not paid in full by Medicare after a \$156 medical deductible**	20% of Medicare eligible expenses not paid in full by Medicare after a \$156 medical deductible**
<p>IN-HOSPITAL PRIVATE DUTY NURSING CARE</p>	In-Hospital Care by an RN or LPN	RN-actual charges up to \$30 per 8hr shift. LPN-actual charges up to \$25 per 8hr shift. MAX.- 3 shifts/day; 60 shifts/benefit pd.	RN-actual charges up to \$30 per 8hr shift. LPN-actual charges up to \$25 per 8hr shift. MAX.- 3 shifts/day; 60 shifts/benefit pd.
<p>BLOOD - 1st 3 pints of blood or equivalent quantity of packed red blood cells.</p>		The reasonable cost under Parts A and B	The reasonable cost under Parts A and B
<p>PRESCRIPTION DRUGS</p>	Purchased Out-of-Hospital and outside of a SNF	No benefit	No benefit
<p>FOREIGN HOSPITAL & MEDICAL CARE Hospital, physician and medical services received in a foreign country which are of a type considered eligible when provided in the U.S.</p>	Days 1 through 60 of each trip period (1)	80% of reasonable charges after first \$50 up to \$25,000 per trip period	80% of reasonable charges after first \$50 up to \$25,000 per trip period

* A benefit period begins the first day of confinement in a hospital and ends when 60 consecutive days have passed without confinement.

** Medical deductible- first \$200 (Plans M1 & M2) or first \$156 (Plans M3 to MA) each calendar year of Medicare eligible expenses not paid by Medicare.

(1) A trip period begins on the day you leave the U.S. and ends on the day you return to the U.S.

Service	Benefit	AARP'S Comprehensive Medicare Supplement (M7,P7)	AARP's Medicare Supplement (MA, PA)
<p>HOSPITAL EXPENSES (for covered expenses each benefit period*) semi-private room and board, general nursing and miscellaneous hospital services and supplies. Includes lab tests, diagnostic x-rays, meals, special care units, drugs, medical supplies, operating and recovery room, anesthesia and rehabilitation services.</p>	Days 1 through 60	Actual charges up to \$1216	No benefit
	Days 61 through 90	to \$304/day	to \$304/day
	Days 91 and after when using a Lifetime Reserve Day	\$608/day	\$608/day
	Days 91 and after when LTR's are available but not used	\$608/day for up to 60 days	\$608/day for up to 60 days
	Days 91 and after when all 60 LTR's have been used	100% of Medicare eligible expenses (unlimited # of days)	100% of Medicare eligible expenses (unlimited # of days)
<p>SKILLED NURSING FACILITY STAYS (for covered services each benefit period*) in a facility approved by Medicare. Insured must have been in a hospital for at least 3 days and enter SNF within 30 days after hospital discharge- same condition.</p>	Days 1 through 20	No benefit	No benefit
	Days 21 through 100	\$152.00/day	\$152.00/day
	Days 101 through 365	\$304/day	\$304/day
<p>MEDICAL CARE (for covered expenses each calendar year) Physician services, medical services and supplies, physical and speech therapy, ambulance, etc.</p>	In-Hospital and Out of Hospital	Medicare eligible expenses not paid in full by Medicare. Up to the usual & prevailing charge set by Medicare after a \$156 medical deductible**	20% of Medicare eligible expenses not paid in full by Medicare after a \$156 medical deductible**
<p>IN-HOSPITAL PRIVATE DUTY NURSING CARE</p>	In-Hospital Care by an RN or LPN	80% of the usual and prevailing charges	RN-actual charges up to \$30 per 8hr shift. LPN-actual charges up to \$25 per 8hr shift. MAX.- 3 shifts/day; 60 shifts/hospital stay
<p>BLOOD - 1st 3 pints of blood or equivalent quantity of packed red blood cells.</p>		The reasonable cost under Parts A and B	100% of the cost not paid by Medicare
<p>PRESCRIPTION DRUGS</p>	Purchased Out-of-Hospital and outside of a SNF	50% of usual and prevailing charges after \$50 deductible; Max benefit of \$500/yr.	No benefit
<p>FOREIGN HOSPITAL & MEDICAL CARE Hospital, physician and medical services received in a foreign country which are of a type considered eligible when provided in the U.S.</p>	Days 1 through 60 of each trip period (1)	80% of reasonable charges after first \$50 up to \$25,000 per trip period	80% of reasonable charges after first \$50 up to \$25,000 per trip period

* A benefit period begins the first day of confinement in a hospital and ends when 60 consecutive days have passed without confinement.

** Medical deductible- first \$200 (Plans M1 & M2) or first \$156 (Plans M3 to MA) each calendar year of Medicare eligible expenses not paid by Medicare.

(1) A trip period begins on the day you leave the U.S. and ends on the day you return to the U.S.

Service	Benefit	AD/DP
<i>Nursing Home Stays</i>	Days 1-20 per calendar year*	\$60/day
	Days 21 and after	No Benefit
<i>Home Health Care Visits</i>	Visits 1-40 per calendar year*	\$30/visit; 3 hr. minimum/visit
	Visits 41 and after	No Benefit

* Days and visits which are covered (wholly or partly) by Medicare are days and visits not eligible for benefits under this rider.

RHODE ISLAND HISTORICAL AND PROJECTED LOSS RATIOS

	<u>Premium</u>	<u>Premium Accumulated to 12/13</u>	<u>Incurred Claims</u>	<u>Incurred Claims Accumulated to 12/13</u>	<u>Incurred Loss Ratio d/b</u>
	a	b	c	d	
TOTAL PRE-STANDARDIZED*					
1990	\$1,694,000	\$5,331,654	\$1,644,749	\$5,176,642	97.1%
1991	\$2,061,167	\$6,178,349	\$1,741,043	\$5,218,778	84.5%
1992	\$2,277,300	\$6,501,150	\$2,257,282	\$6,444,003	99.1%
1993	\$2,367,460	\$6,436,700	\$2,195,875	\$5,970,191	92.8%
1994	\$2,308,925	\$5,978,623	\$2,107,905	\$5,458,112	91.3%
1995	\$2,054,340	\$5,066,107	\$2,106,267	\$5,194,162	102.5%
1996	\$2,446,505	\$5,745,911	\$2,252,767	\$5,290,894	92.1%
1997	\$2,370,295	\$5,301,829	\$2,121,440	\$4,745,197	89.5%
1998	\$2,278,499	\$4,853,812	\$1,890,680	\$4,027,654	83.0%
1999	\$2,102,867	\$4,266,352	\$1,592,176	\$3,230,248	75.7%
2000	\$2,008,482	\$3,880,819	\$1,518,250	\$2,933,586	75.6%
2001	\$1,826,897	\$3,361,866	\$1,436,259	\$2,643,012	78.6%
2002	\$1,669,249	\$2,925,486	\$1,299,063	\$2,276,707	77.8%
2003	\$1,540,747	\$2,571,692	\$1,242,577	\$2,074,010	80.6%
2004	\$1,376,857	\$2,188,705	\$1,193,056	\$1,896,527	86.7%
2005	\$1,241,378	\$1,879,373	\$1,021,521	\$1,546,522	82.3%
2006	\$1,158,491	\$1,670,369	\$1,036,774	\$1,494,871	89.5%
2007	\$1,075,500	\$1,476,865	\$857,201	\$1,177,099	79.7%
2008	\$970,840	\$1,269,665	\$837,954	\$1,095,875	86.3%
2009	\$868,092	\$1,081,229	\$702,157	\$874,553	80.9%
2010	\$759,786	\$901,268	\$640,479	\$759,744	84.3%
2011	\$698,369	\$788,966	\$584,507	\$660,333	83.7%
2012	\$623,317	\$670,645	\$466,557	\$501,983	74.9%
2013	\$561,874	\$575,750	\$456,619	\$467,895	81.3%
Sub-Total	\$38,341,237	\$80,903,184	\$33,203,158	\$71,158,600	88.0%
2014	\$483,596	\$471,941	\$408,057	\$398,223	84.4%
2015	\$445,972	\$414,499	\$376,310	\$349,753	84.4%
2016	\$411,275	\$364,049	\$347,033	\$307,183	84.4%
2017	\$379,278	\$319,739	\$320,034	\$269,795	84.4%
2018	\$349,770	\$280,822	\$295,135	\$236,957	84.4%
2019	\$322,558	\$246,642	\$272,174	\$208,116	84.4%
2020	\$297,463	\$216,622	\$250,999	\$182,785	84.4%
2021	\$274,321	\$190,256	\$231,471	\$160,538	84.4%
2022	\$252,978	\$167,099	\$213,463	\$140,998	84.4%
2023	\$233,297	\$146,761	\$196,855	\$123,836	84.4%
Aggregate (1990-2023)	\$41,791,746	\$83,721,614	\$36,114,688	\$73,536,783	87.8%
Expected Future (2014-2023)	\$3,450,509	\$2,818,430	\$2,911,530	\$2,378,184	84.4%

Assumption: Interest rate is 5%.

* Excludes AD/DP experience.

Rhode Island Pre-Standardized
Paid and Incurred Experience
(Most recent 5 years shown)

Pre-Standardized *	<u>Paid Premium</u>	<u>Earned Premium</u>	<u>Paid Claims</u>	<u>Incurred Claims</u>	<u>Incurred Expenses</u>	<u>Paid Loss Ratios</u>	<u>Incurred Loss Ratios</u>
2008	970,840	970,840	863,797	837,954	145,576	89.0%	86.3%
2009	868,092	868,092	767,540	702,157	135,069	88.4%	80.9%
2010	759,786	759,786	619,321	640,479	117,837	81.5%	84.3%
2011	698,369	698,369	620,501	584,507	112,220	88.8%	83.7%
2012	623,317	623,317	479,199	466,557	99,484	76.9%	74.9%

* Excludes AD/DP experience.

**2014 RATES FOR PLANS NOT ISSUED IN
RHODE ISLAND**

<u>Plan</u>	<u>Monthly Rate</u>
S1	\$136.25
S2	\$164.25
S3 (with drugs)	\$282.50
S3 (without drugs)	\$248.00
S4 (with drugs)	\$309.50
S4 (without drugs)	\$274.75
S6	\$199.25
S7 (with drugs)	\$294.25
S7 (without drugs)	\$260.25
SA	\$135.00
TA/XA/HA/YA	\$135.00
NA/QA	\$132.25
N6/Q6	\$192.00
N3/Q3 (with drugs)	\$90.50
N3/Q3 (without drugs)	\$56.00
N7/Q7 (with drugs)	\$102.25
N7/Q7 (without drugs)	\$68.25
M8/P8	\$157.50
M9/P9	\$197.00
D6/D7/D8/D9	\$14.75

2014 Rates for Pre-Baucus Coverages

AG	\$55.50
W (with drugs)	\$249.00
W (without drugs)	\$226.50
X	\$159.50
Y	\$104.50