

SERFF Tracking Number: MGCA-126287812 State: Maine
 Filing Company: The Mega Life and Health Insurance Company - State Tracking Number:
 ICA
 Company Tracking Number: ME SM GRP 2009
 TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
 Expense
 Product Name: ME Small Group Filings
 Project Name/Number: /

Filing at a Glance

Company: The Mega Life and Health Insurance Company - ICA

Product Name: ME Small Group Filings SERFF Tr Num: MGCA-126287812 State: Maine
 TOI: H15G Group Health - SERFF Status: Pending State State Tr Num:
 Hospital/Surgical/Medical Expense Action
 Sub-TOI: H15G.003 Small Group Only Co Tr Num: ME SM GRP 2009 State Status:
 Filing Type: Rate Reviewer(s): William Bremer (LH),
 Richard Diamond (LH)

Authors: EDS EDSSupport, Sergei Disposition Date:

Mordovine, Aliya Panjwani, Yan
 Yuan, Eliseo Rodriguez, Joanna
 Gulling, Liz Hart, Sean Casey,
 David Beimesch, Tony Huang,
 Kendall Daniels, Chanel Orallo,
 Sommay Khounlo, Ashley Toner

Date Submitted: 08/31/2009 Disposition Status:
 Implementation Date:

Implementation Date Requested:

State Filing Description:

General Information

Project Name:	Status of Filing in Domicile: Not Filed
Project Number:	Date Approved in Domicile:
Requested Filing Mode:	Domicile Status Comments:
Explanation for Combination/Other:	Market Type:
Submission Type: New Submission	Group Market Size:
Overall Rate Impact:	Group Market Type:
Filing Status Changed: 09/25/2009	Explanation for Other Group Market Type:
	State Status Changed:
Deemer Date:	Created By: David Beimesch
Submitted By: Eliseo Rodriguez	Corresponding Filing Tracking Number:

SERFF Tracking Number: MGCA-126287812 State: Maine
 Filing Company: The Mega Life and Health Insurance Company - State Tracking Number:
 ICA
 Company Tracking Number: ME SM GRP 2009
 TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
 Expense
 Product Name: ME Small Group Filings
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Filing Description:

This filing contains rate pages for all small group products with in force business. The purpose of this filing is to file rate adjustments according to the requirements of Maine as set forth in Title 24-A M.R.S.A., 2808-B.

Company and Contact

Filing Contact Information

Virgil Meier, virgil.meier@healthmarkets.com
 Healthmarkets 817-255-3398 [Phone]
 9151 Boulevard 26 817-255-8274 [FAX]
 Actuarial, Building B, 3rd Floor
 North Richland Hills, TX 76180

Filing Company Information

The Mega Life and Health Insurance Company CoCode: 97055 State of Domicile: Oklahoma
 - ICA
 9151 Boulevard 26 Group Code: 264 Company Type:
 North Richland Hills, TX 76180 Group Name: State ID Number:
 (817) 255-3100 ext. [Phone] FEIN Number: 59-2213662

Filing Fees

Fee Required? Yes
 Fee Amount: \$20.00
 Retaliatory? No
 Fee Explanation:
 Per Company: Yes

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Mega Life and Health Insurance Company - ICA	\$20.00	08/31/2009	30236358

SERFF Tracking Number: MGCA-126287812 State: Maine
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 Expense
 Product Name: ME Small Group Filings
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Correspondence Summary

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	William Bremer (LH)	09/17/2009	09/17/2009	Eliseo Rodriguez	09/25/2009	09/25/2009
Pending	William Bremer (LH)	09/11/2009	09/11/2009	Eliseo Rodriguez	09/25/2009	09/25/2009

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Small Group Rate Filing filed 8/31/09	Note To Reviewer	Eliseo Rodriguez	10/01/2009	10/01/2009
Small Group Rate Filing filed 8/31/09	Note To Filer	William Bremer (LH)	10/01/2009	10/01/2009

Objection Letter for MGCA-126287812

SERFF Tracking Number: MGCA-126287812 State: Maine
 Filing Company: The Mega Life and Health Insurance Company - ICA State Tracking Number:
 Company Tracking Number: ME SM GRP 2009
 TOI: H15G Group Health - Hospital/Surgical/Medical Expense Sub-TOI: H15G.003 Small Group Only
 Product Name: ME Small Group Filings
 Project Name:
 Objection Letter Status Pending Objection Letter Date 09/11/2009
 Respond By Date 9/25/2009
 Submitted Date 09/11/2009 9:39 PM

Dear Virgil Meier,

Introduction: Thank you for using SERFF to file your forms in Maine. Using SERFF expedites the review of filings. I am sorry to note that this filing is not approved for use in Maine at this time. Please review and respond to the issues noted below.

Please provide, as "xls" attachments to one or more direct emails(s) to me at William.A.Brener@Maine.gov, all of the Excel spreadsheets of the several "Group Projection Detail Pages included in the filing that are used to support the proposed rate action. Of particular interest are the development of 2009 and 2010 forecasted earned income and of projected incurred claims. I believe these pages (as numbered in the filing) include at a minimum: page 17, page 18, page 21, page 22, page 23, page 24 and page 25. Please also provide, as an attachment of a SERF "Filing Correspondence" reply to this objection letter, a discussion of the reason(s) for the forecasted deterioration of claims experience for each "projection detail" page (except the air ambulance rider) expected in late 2009 and 2010 relative to the experience generally observed from late 2004 up to mid/late 2008.

Spreadsheets of "Detail Exhibits"

A spreadsheet "Obj 1 & 2 Spread sheets.xls" has been included that contains all of the detail exhibits that were included in the initial rate filing. Also included in this file are exhibits "Exhibit Obj2.1" and "Exhibit Obj2.2" which are the response to item 2 of the second objection. These are the combined experience for all the Maine group business. The exhibit Obj2.1 is based on non pooling and Obj2.2 is based on the pooling levels of 50,000 for the scheduled plans and 100,000 for the catastrophic plans. These projections are the combinations of the individual projections, so the trend is the same for each of the individual components.

Narrative of the reason for deterioration of experience

Included here are several paragraphs indicating some of the results seen in the experience. Because of this sudden deterioration in experience, the rate calculations were based on two years of experience rather than just one. This tempers the increase that is being filed, but if the experience does not temper, significant increases in the future may be justified by the emerging experience.

Scheduled plans (numbers derived from exhibit 7)

There has been a significant increase in the experience in the early part of 2009. While there was anticipation that the claim costs would revert back to a "normal" pattern, the sudden increase in claims is somewhat alarming. The base plan scheduled plans were running at a pmpm in the low \$60 form April of 2006 to May of 2006, then they dropped do the low \$40s in early 2008. Since then, the pmpm numbers have rebounded, with 6 out of the last 9 months (200807 – 200903) having

pmpm claims costs over \$100. The paid loss ratio for April 2009 is 70% while the incurred loss ratio for April 2008 was 33.6%, this would indicate that with an additional month of experience, the loss ratio will continue to move up. The actual loss ratios have been further impacted by the reduction in rates that went into effect in 2008. Because of the low, or declining pmpm numbers, the large reduction in rates, compounded with the increase in claim costs has resulted in a spike in the loss ratio.

This block of schedule business is fairly small and we anticipate that there will be variations in the experience from year to year. The experience in early 2008 was better than average, the recent experience appears to be running at above average. The last two years of experience have been used in the determination in order to ascertain the true average.

Catastrophic (numbers from exhibit 8)

There is a similar result on the catastrophic plans. In early 2006, the pmpm was in the low to mid \$90, since then it has fallen to the mid \$70s, with the low around late 2008. Since then it has moved up rapidly and the 12 month rolling average is at \$128, with 7 of the last 12 months over \$120. The same situation also holds true for the paid claims in April 2009 with the paid loss ratio over 100%. On this form we are again seeing claim costs drop and then increase.

Ambulatory Care rider (exhibit 10)

The ambulatory care rider experience is showing an increase in the loss ratio, but this is due in part to the reduction of the rates. The pmpm claim costs have moved steadily upward for the most part, the quicker increase in the loss ratio appears to be due to the rate reduction. It is anticipated that this loss ratio will continue to move up in the next year.

Chemotherapy Rider (exhibit 11)

The Chemotherapy riders have actually seen improved, i.e. lower pmpm claim costs in the recent years. Prior to 2006, the pmpm were over \$30 this number has fallen into the \$10-\$15 pmpm range. This is certainly not expected as with time the incidence of cancer would be expected to increase. There are only 1,000 insureds on this form, and because it is a low frequency, there will be sizable swings in experience.

Doctors office visit rider (exhibit 12)

The doctor's office visit rider is perhaps the most consistent of all the base and rider forms due to the nature of what it covers. It is less prone to catastrophic events due nature of what it covers. Even this rider shows that the pmpm claim costs in early 2008 shows a leveling and even a slight decline in costs. The pmpm claim costs had been rising since 2006, but in January 2008, the claims costs seem to level out and stay relatively flat till July 2007 when they begin to increase again.

Objection Letter for MGCA-126287812

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TOI: H15G Group Health - Hospital/Surgical/Medical Expense Sub-TOI: H15G.003 Small Group Only
Product Name: ME Small Group Filings
Project Name:
Objection Letter Status Pending Objection Letter Date 09/17/2009
Respond By Date 10/01/2009
Submitted Date 09/17/2009 12:44 PM

Dear Virgil Meier,

Introduction: Thank you for using SERFF to file your forms in Maine. Using SERFF expedites the review of filings. I am sorry to note that this filing is not approved for use in Maine at this time. Please review and respond to the issues noted below.

- 1) The statement in the memorandum (item J, p. 9) that the rates are “conditionally renewable” must be changed to state that the rates are “guaranteed renewable”; MRSA Title 24-A, §2850-B identifies the circumstances in which a policy does not have to be renewed. D.16 of the checklist has the link to the statute.

[This has been corrected in the actuarial memo.](#)

- 2) Provide and Maine experience for the small group block of business in total (Scheduled base, Catastrophic base, and riders), as well as Scheduled base with riders and Catastrophic base with riders separately, for each of the past three calendar years as required by Rule 940 6.F.6. (Checklist D.13).

[The combined experience has been included under exhibit Obj 2.1 and exhibit Obj 2.2. Exhibit Obj 2.1 is unadjusted for large claims, while exhibit Obj 2.2 contains adjustments for large claims. Exhibit Obj 2 Cat B&R contains the experience for the Catastrophic base plan and riders associated with it. Exhibit Obj 2 Sch B&R contains the experience for the scheduled plans and the associated riders. These two exhibits are based on no adjustments for large claims. If these two projections are combined, the results will differ slightly from Exhibit Obj 2.1 due to the projection of the riders split apart by their appropriate base forms.](#)

- 3) Comply with Rule 940, §11 (checklist G.13) regarding expenses and investment income (see filing p. 10: total block of small group business is 2,572 insureds in-force)

[In the filing, Exhibit 1 \(page 10\) was reformatted to combined the base products by Schedule and Catastrophic, however, the data was not updated and is not reflective of the current situation. An updated exhibit with the correct numbers has been included. The current data shows that the exposure for the catastrophic and schedule plans is 1,822. This is below the required level of 2,000, no additional information on expenses and investment income is being provided.](#)

- 4) Provide a statement that no “automatic trend increases” are applied to any of the Scheduled base rates, the Catastrophic base rates, or any of the riders identified in this filing.

[This has been added to item C of the actuarial memorandum found on page 8.](#)

- 5) Provide a statement regarding method of implementation of rate changes as required by checklist C.5 (effective date was provided but not method of implementation).

This has been added to item C of the actuarial memorandum found on page 8.

6) Other

- A. Plan factors: specify plan rate relationships (single, two person, family, etc)—or sample relationships for various combinations and provide sample calculations of several commonly marketed plans (both Scheduled base and Catastrophic base plans, each with commonly marketed riders. Note: absent representative plan rates, there are no calculations showing how rates are constructed or the rate relationships thereof).

All forms are rated individually, this means that each person of a group is rated separately and then totaled to get the premium rate for the group.

The following forms are rated on some "type" of family tier rating.

GHP 2 883 Cert (individual, individual and one child, family);

The following riders are rated on an individual/single – family tier rating:

25216, 25326/TTR 1 292, 25330 /PTTR 290, 25902, ACR 1 1189, 25149, 25327/GCR 2 1284, 25331/PGCR 190 rider 25456 is based on individual, couple, single parent and family

- B. Area factors: provide documentation in support of the variety of area factors in base plans and riders
These forms were issued at various times in the past, each form was priced based on the appropriate area factors at the time policies were issued. In an attempt to minimize rate changes to the inforce certificates of closed forms, rates for area factors are not changed once the form become closed to new issues.

- C. Provide an explanation of “Discount Points” and how they are applied?

Discount points were a method to simplify the rate calculations. This was particularly important years ago when some of these forms were issued. The agent would provide a quote for smaller employers at the time of sale. The agent would total the points for each of the benefit options selected, these points were then used in the discount table to determine the "discount" applied to the base rate. For example, form 25147 on page 36, a non smoker (3 points) \$2,500 deductible (11 points), area (5 points) would equal 19 points. This would result in a factor of .38 that would be applied to the base rate.

- D. Describe the “ACE” rider.

Rider form 25890 provides benefits for 100% of covered expenses incurred during the remainder of a confinement period, up to the aggregate amount, once an Insured Person’s covered expense under the base plan total the accumulated covered expense amount. This rider is attached to the form 25875-C ME.

- E. Review filing to ensure identification and accurate descriptions and classifications (i.e., scheduled base, catastrophic base and/or riders) of forms identified in this rate filing. Ensure that the form identification and classification in the Transmittal Document (p.5), the “RE:” section of the Actuarial Memorandum (p.6), and the Scope and Purpose of Filing and Description of Benefits (p.7) are consistent among the three locations and are fully described and classified as to “Scheduled base” or “Catastrophic base” in the “Description of Benefits” section. [Example: Page 5, 6, and 7 mention “GHP 2 883 Cert”; but page 7 also mentions “GHP 2 883” in two locations; we require clarification of what small group policy forms and/or “certs” are included in this filing and the classification of each as to scheduled base or catastrophic base.

We have reviewed all references to the form names and they are all consistent.

Conclusion: Please review the issues noted above and submit your response and amended filing to my attention

within 14 days of the date of this objection letter. If the Bureau of Insurance does not hear from you within 14 days the filing will be disapproved. If the company needs an extension for good cause, in accordance with Title 24-A M.R.S.A. §2412(2) the Superintendent may grant an additional 30 days in which to submit an amended version. The request for an extension must be in writing, must contain justification for the extension request, received here in the Bureau by any means before the 14 day deadline has lapsed, and must contain a declaration that no form in the filing will be deemed approved by the company before the amended filing is acted on by the Bureau.

Sincerely, William Bremer (LH)

Life, Accident & Health, Annuity, Credit Transmittal Document

1.	Prepared for the State of	Maine																	
2.	Department Use Only																		
	State Tracking ID																		
3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #												
	The MEGA Life and Health Insurance Company 9151 Boulevard 26, N Richland Hills, TX 76182	Oklahoma		264	97055	59-2213662													
4.	Contact Name & Address	Telephone #	Fax #		E-mail Address														
	Virgil Meier 9151 Boulevard 26, N Richland Hills, TX 76182	(800) 729-2302 x3398	(817) 255-8274		NRHAct-Comp@HealthMarkets.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): _____																	
6.	Company Tracking Number	2010 SmlGrp																	
7.	<input checked="" type="checkbox"/> New Submission	<input type="checkbox"/> Resubmission	Previous File # _____																
8.	Market	<input type="checkbox"/> Individual <input type="checkbox"/> Franchise <input type="checkbox"/> Group <table style="width: 100%; margin-left: 20px;"> <tr> <td><input checked="" type="checkbox"/> Small</td> <td><input type="checkbox"/> Large</td> <td><input type="checkbox"/> Small and Large</td> </tr> <tr> <td><input type="checkbox"/> Employer</td> <td><input checked="" type="checkbox"/> Association</td> <td><input type="checkbox"/> Blanket</td> </tr> <tr> <td><input type="checkbox"/> Discretionary</td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td colspan="3"><input type="checkbox"/> Other: _____</td> </tr> </table>						<input checked="" type="checkbox"/> Small	<input 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: _____		
<input checked="" type="checkbox"/> Small	<input 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: _____																			
9.	Type of Insurance	H15G Group Health-Hospital/Surgical/Medical Expense																	
10.	Product Coding Matrix Filing Code																		
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: _____ <input checked="" type="checkbox"/> 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: _____																	

Effective March 1, 2007

12.	Filing Submission Date	8/29/2009	
13.	Filing Fee (If required)	Amount <u>20</u> Retaliatory <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Check Date _____ Check Number _____
14.	Date of Domiciliary Approval		

15.	Filing Description:

16.	Certification (If required)		
I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and complies with all applicable statutory and regulatory provisions for the state of Maine			
Print Name	<u>Virgil Meier FSA, MAAA</u>	Title	<u>Director Actuarial</u>
Signature	<u></u>	Date	<u>9/25/2009</u>

18.	Form Filing Attachment
This filing transmittal is part of company tracking number	2010 SmlGrp
This filing corresponds to rate filing company tracking number	

	Document Name Description	Form Number	Replaced Form Number Previous State Filing Number
01			<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

19.		Rate Filing Attachment		
This filing transmittal is part of company tracking number		2010 SmlGrp		
This filing corresponds to form filing company tracking number				
Overall percentage rate indication (when applicable)		%		
Overall percentage rate impact for this filing		21.0 %		
	Document Name	Affected Form Numbers		Previous State Filing Number
	Description			
01	Scheduled Plans	25147 (5/92)-P (Rev. 8/02), 25311/GHP 7 392 CERT, GHP 3 984 CERT, GHP 5 788 CERT, 25875-C-ME, 25433, 25890, 25930-ME when attached to 25875-C_ME	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u>0.0</u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
02	Catastrophic	25312/ GHP 8 991 CERT (Rev. 10-91), 25313/PMH 1 190, PMH 2 NSF CERT, GHP 2 883 CERT, GHP 4 188 CERT, GHP 6 788 CERT, 25876-C-ME, 25930-ME when attached to 25876-C-ME, CEB 1 788	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u>33</u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
03	Rider Air Ambulance	25902	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u>0</u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
04	Riders Ambulatory Care	25216, 25330/PTTR 290, 25326/TTR 1 292, 25885, ACR 1 1189	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
05	Riders Chemo	25149, 25887, 25327/GCR 2 1284, 25331/PGCR 190	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
06	Riders Dov	25456, 25886	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
07	Rider Emergency Room	25908	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
08	Rider Maternity	25323-ME/GMB 3 991	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
09			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	
10			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>	

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Base and all riders combined

Exhibits 7-15 and mental illness

Assumptions			
Claim Trend	Annual	Monthly	On level Adj *Large Claims
	based on the underlying combined exhibits		FALSE No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	3,919	7,224	1,501,155		1,193,654	165.22		1,036,859	1,036,859		143.52	
200412	3,720	6,843	1,436,001		1,141,946	166.88		665,271	665,271		97.22	
200501	3,465	6,382	1,330,212		1,057,278	165.67		442,646	442,646		69.36	
200502	3,285	6,009	1,247,772		991,617	165.01		428,075	428,075		71.23	
200503	3,104	5,642	1,187,500		943,406	167.23		735,485	735,485		130.37	
200504	2,983	5,424	1,137,350		903,373	166.54		448,759	448,759		82.73	
200505	2,865	5,190	1,100,549		874,290	168.44		615,701	615,701		118.62	
200506	2,775	5,013	1,063,754		845,067	168.58		484,657	484,657		96.68	
200507	2,688	4,843	1,031,149		819,060	169.12		687,242	687,242		141.91	
200508	2,611	4,686	1,000,791		794,812	169.61		1,069,839	1,069,839		228.30	
200509	2,524	4,537	964,733		765,866	168.80		502,012	502,012		110.65	
200510	2,458	4,406	937,021		743,638	168.80		661,556	661,556	70.2%	150.16	117.49
200511	2,398	4,280	914,631		725,937	169.63		561,438	561,438	68.9%	131.19	115.45
200512	2,323	4,141	887,156		703,987	170.01		503,308	503,308	70.2%	121.55	117.93
200601	2,236	3,975	851,246		675,398	169.92		497,593	497,593	73.5%	125.19	123.75
200602	2,195	3,877	826,736		655,815	169.16		268,239	268,239	74.4%	69.19	125.61
200603	2,133	3,768	809,368		641,964	170.38		451,715	451,715	73.8%	119.88	124.72
200604	2,093	3,687	788,509		636,337	172.58		279,758	279,758	74.1%	75.87	125.63
200605	2,043	3,604	776,437		637,251	176.82		293,554	293,554	72.4%	81.45	123.21
200606	1,992	3,497	756,521		631,004	180.42		447,003	447,003	73.8%	127.81	126.23
200607	1,956	3,434	734,322		622,893	181.40		303,387	303,387	70.9%	88.35	121.93
200608	1,905	3,342	722,382		622,723	186.33		225,826	225,826	62.0%	67.57	107.32
200609	1,868	3,282	708,251		620,317	189.01		299,184	299,184	60.5%	91.16	105.82
200610	1,831	3,209	690,156		604,272	188.31		453,551	453,551	58.9%	141.34	103.97
200611	1,792	3,134	670,515		586,905	187.26		244,227	244,227	55.9%	77.93	99.36
200612	1,750	3,073	652,958		571,400	185.92		421,546	421,546	55.8%	137.16	99.94
200701	1,718	3,032	633,349		554,522	182.87		293,808	293,808	53.9%	96.89	97.26
200702	1,688	2,915	614,404		538,165	184.59		111,226	111,226	52.6%	38.16	95.67
200703	1,657	2,844	599,952		525,608	184.82		294,728	294,855	51.3%	103.68	93.92
200704	1,633	2,813	587,359		514,661	182.97		332,246	332,396	52.9%	118.17	97.45
200705	1,617	2,794	580,565		508,619	182.05		294,466	294,597	53.9%	105.44	99.59
200706	1,597	2,753	566,160		496,046	180.18		203,273	203,344	51.4%	73.86	94.96
200707	1,576	2,708	555,659		486,979	179.84		177,111	177,166	50.6%	65.43	93.36
200708	1,544	2,665	544,514		477,190	179.07		261,759	261,853	52.2%	98.26	96.18
200709	1,520	2,615	529,998		464,770	177.72		223,136	223,215	52.3%	85.35	95.84
200710	1,495	2,542	516,721		453,404	178.35		413,152	413,297	53.0%	162.57	96.54
200711	1,480	2,518	510,727		447,771	177.86		225,961	226,184	53.9%	89.84	97.78
200712	1,448	2,464	502,299		440,580	178.79		274,512	274,690	52.6%	111.47	95.11
200801	1,424	2,422	487,559		427,590	176.57		238,092	238,289	52.8%	98.40	95.19
200802	1,404	2,393	474,762		426,250	178.12		118,294	118,385	53.9%	49.47	96.99
200803	1,378	2,338	458,667		421,298	180.18		238,461	238,641	53.9%	102.06	96.76
200804	1,350	2,283	438,586		411,840	180.42		275,478	276,464	53.9%	121.11	96.61
200805	1,330	2,250	420,860		403,867	179.47		292,971	294,332	55.0%	130.79	98.36
200806	1,306	2,217	406,596		398,436	179.74		246,678	247,728	56.8%	111.75	101.66
200807	1,290	2,183	400,889		400,889	183.65		280,233	281,744	59.8%	129.07	107.13
200808	1,278	2,159	395,571		395,571	183.19		384,081	388,061	63.3%	179.71	113.48
200809	1,262	2,128	390,284		390,284	183.44		312,406	316,323	66.0%	148.67	118.80
200810	1,241	2,093	379,605		379,605	181.37		390,272	399,749	66.8%	191.00	120.25
200811	1,225	2,054	378,683		378,683	184.34		346,795	358,743	70.4%	174.63	127.23
200812	1,211	2,035	373,160		373,160	183.34		203,860	211,042	70.1%	103.69	126.89
200901	1,184	1,998	364,278		364,278	182.31		226,093	240,631	71.1%	120.43	129.03
200902	1,161	1,955	357,004		357,004	182.65		294,364	327,080	76.6%	167.34	139.36
200903	1,146	1,916	350,541		350,541	182.95	150.58	395,639	463,416	82.6%	241.85	150.58
200904	1,139	1,903	344,939		344,939	181.23		349,893	309,824	84.6%	162.78	154.22
200905	1,121	1,868	341,293		341,293	182.67	157.17	154,467	307,931	86.1%	164.82	157.17
200906	1,099	1,842	336,272		336,272	182.58	162.08	2,477	307,097	88.6%	166.74	162.08
200907	1,066	1,786	326,479		326,479	182.75	165.63	0	301,737	90.6%	168.90	165.63
200908	1,034	1,733	316,972		316,972	182.92	164.73	0	296,477	90.2%	171.09	164.73
200909	1,003	1,681	307,741		307,741	183.08	166.85	0	291,313	91.3%	173.31	166.85
200910	973	1,630	298,779		298,779	183.25	165.23	0	286,243	90.4%	175.56	165.23
200911	944	1,582	290,078		290,078	183.41	165.26	0	281,267	90.4%	177.84	165.26
200912	915	1,534	281,630		281,630	183.58	172.17	0	276,382	94.2%	180.16	172.17
201001	888	1,488	273,428		273,428	183.74	177.85	0	271,587	97.3%	182.51	177.85
201002	861	1,443	265,465		265,465	183.91	179.35	0	266,879	98.0%	184.89	179.35
201003	835	1,400	257,734		257,734	184.08	173.89	0	262,257	95.0%	187.31	173.89
201004	810	1,358	250,229		250,229	184.24	176.10	0	257,720	96.1%	189.76	176.10
201005	786	1,317	242,942		242,942	184.41	178.35	0	253,265	97.2%	192.25	178.35
201006	763	1,278	235,867		235,867	184.58	180.68	0	248,891	98.4%	194.77	180.68
201007	740	1,240	228,998		228,998	184.74	183.03	0	244,597	99.6%	197.33	183.03
201008	717	1,202	222,329		222,329	184.91	185.43	0	240,381	100.8%	199.93	185.43
201009	696	1,166	215,854		215,854	185.08	187.85	0	236,242	102.0%	202.56	187.85
201010	675	1,131	209,568		209,568	185.25	190.31	0	232,177	103.3%	205.23	190.31
201011	655	1,097	203,465		203,465	185.41	192.81	0	228,186	104.5%	207.94	192.81
201012	635	1,064	197,539		197,539	185.58	195.34	0	224,268	105.8%	210.69	195.34

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0	0	0	0	0	0.0%
2004	0	14,067	2,937,156	2,335,601	166.11	1,702,131	1,702,131	58.0%	58.0%
2005	36,397	60,553	12,802,618	10,168,332	167.93	7,140,716	7,140,716	55.8%	55.8%
2006	24,367	41,882	8,987,400	7,506,279	179.22	4,185,583	4,185,583	46.6%	46.6%
2007	18,973	32,663	6,741,706	5,908,316	180.89	3,105,378	3,106,659	46.1%	46.1%
2008	15,459	26,555	5,005,221	4,807,472	181.04	3,327,619	3,369,501	67.3%	67.3%
2009	12,190	21,429	3,916,004	3,916,004	182.75	1,422,932	3,689,398	94.2%	94.2%
2010	6,477	15,186	2,803,417	2,803,417	184.60	0	2,966,450	105.8%	105.8%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09

Base and all riders combined

Exhibits 5, 6 9-15 and mental illness

Assumptions			
Claim Trend	Annual	Monthly	On level Adj
	based on the underlying combined exhibits		FALSE
	*Large Claims Redistribute Excess amounts Scheduled base plans >= 50,000 Catastrophic base plans >=\$100,000		

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	3,919	7,224	2,663,724		2,356,223	326.15		1,891,887	1,709,442		236.62	
200412	3,720	6,843	2,547,154		2,253,099	329.27		1,144,933	1,167,634		170.64	
200501	3,465	6,382	2,360,448		2,087,515	327.09		736,669	784,747		122.96	
200502	3,285	6,009	2,214,294		1,958,140	325.85		697,522	730,351		121.54	
200503	3,104	5,642	2,107,956		1,863,862	330.38		1,264,503	1,262,375		223.77	
200504	2,983	5,424	2,019,369		1,785,391	329.14		710,772	735,336		135.56	
200505	2,865	5,190	1,953,369		1,727,109	332.75		1,037,993	1,051,265		202.54	
200506	2,775	5,013	1,888,031		1,669,344	333.01		778,270	796,589		158.91	
200507	2,688	4,843	1,830,231		1,618,142	334.12		1,181,619	1,052,434		217.31	
200508	2,611	4,686	1,776,498		1,570,519	335.14		1,890,645	1,573,383		335.76	
200509	2,524	4,537	1,713,378		1,514,511	333.81		762,660	683,669		150.68	
200510	2,458	4,406	1,664,728		1,471,345	333.98		1,130,657	1,116,247	57.9%	253.37	191.29
200511	2,398	4,280	1,624,589		1,435,895	335.52		928,373	877,497	56.5%	205.04	187.05
200512	2,323	4,141	1,576,193		1,393,025	336.41		869,266	841,724	57.3%	203.28	190.01
200601	2,236	3,975	1,512,504		1,336,655	336.29		915,209	915,958	60.2%	230.45	200.13
200602	2,195	3,877	1,469,277		1,298,355	334.90		430,881	446,654	60.8%	115.21	202.69
200603	2,133	3,768	1,438,743		1,271,339	337.41		794,063	819,351	60.3%	217.45	201.52
200604	2,093	3,687	1,401,757		1,249,585	338.90		432,858	463,108	60.6%	125.60	203.01
200605	2,043	3,604	1,380,249		1,241,064	344.35		493,008	521,964	59.2%	144.83	198.93
200606	1,992	3,497	1,344,787		1,219,270	348.63		806,011	804,152	60.9%	229.93	205.20
200607	1,956	3,434	1,304,547		1,193,118	347.47		520,788	544,016	59.3%	158.43	200.62
200608	1,905	3,342	1,283,273		1,183,614	354.16		352,976	376,430	53.2%	112.64	180.69
200609	1,868	3,282	1,258,153		1,170,219	356.56		491,791	501,641	53.2%	152.85	181.68
200610	1,831	3,209	1,226,273		1,140,389	355.38		841,307	839,703	52.6%	261.68	180.34
200611	1,792	3,134	1,191,473		1,107,863	353.49		390,526	401,935	50.5%	128.25	174.08
200612	1,750	3,073	1,159,920		1,078,363	350.88		758,284	773,505	51.1%	251.68	176.89
200701	1,718	3,032	1,124,750		1,045,924	344.92		525,798	536,726	49.5%	177.00	171.70
200702	1,688	2,915	1,088,975		1,012,737	347.37		168,269	180,756	48.6%	62.00	169.17
200703	1,657	2,844	1,061,935		987,592	347.27		507,659	513,457	47.4%	180.55	165.34
200704	1,633	2,813	1,038,852		966,154	343.48		583,432	566,780	49.2%	201.50	171.85
200705	1,617	2,794	1,027,069		955,123	341.86		522,259	543,012	50.4%	194.36	176.13
200706	1,597	2,753	999,981		929,868	337.75		347,144	368,284	48.1%	133.77	167.81
200707	1,576	2,708	980,733		912,053	336.82		283,221	307,828	47.3%	113.68	164.63
200708	1,544	2,665	960,902		893,578	335.32		445,076	452,955	49.1%	169.97	169.96
200709	1,520	2,615	933,834		868,606	332.13		353,924	370,191	49.2%	141.55	169.44
200710	1,495	2,542	909,159		845,842	332.72		719,205	726,500	49.5%	285.78	169.43
200711	1,480	2,518	899,221		836,265	332.18		379,072	379,365	50.5%	150.69	171.89
200712	1,448	2,464	884,588		822,870	333.93		491,785	494,836	49.1%	200.81	166.57
200801	1,424	2,422	857,479		797,510	329.32		445,455	467,829	49.6%	193.18	167.59
200802	1,404	2,393	833,836		785,325	328.17		207,782	229,504	51.1%	95.91	171.92
200803	1,378	2,338	804,719		767,350	328.18		413,252	432,870	51.4%	185.13	172.12
200804	1,350	2,283	769,070		742,324	325.20		510,546	531,077	52.2%	232.65	173.94
200805	1,330	2,250	737,718		720,725	320.27		548,768	549,731	53.5%	244.29	177.32
200806	1,306	2,217	712,738		704,578	317.84		459,348	474,650	55.9%	214.12	184.17
200807	1,290	2,183	702,954		702,954	322.03		486,398	496,677	59.1%	227.53	194.06
200808	1,278	2,159	693,621		693,621	321.22		710,250	685,446	62.9%	317.43	205.70
200809	1,262	2,128	683,616		683,616	321.30		548,304	559,142	66.2%	262.80	216.07
200810	1,241	2,093	664,380		664,380	317.44		669,252	680,671	67.0%	325.22	217.94
200811	1,225	2,054	663,226		663,226	322.85		637,341	603,302	70.9%	293.68	229.98
200812	1,211	2,035	653,562		653,562	321.11		323,365	331,510	70.4%	162.88	227.54
200901	1,184	1,998	638,071		638,071	319.34		403,512	417,532	71.2%	208.96	229.31
200902	1,161	1,955	625,507		625,507	320.03		528,033	530,493	76.2%	271.42	244.93
200903	1,146	1,916	614,577		614,577	320.74	263.03	746,438	786,796	82.0%	410.62	263.03
200904	1,139	1,903	604,865		604,865	317.79	267.51	611,425	542,863	83.6%	285.21	267.51
200905	1,121	1,868	599,172		599,172	320.70	271.28	255,919	539,868	84.7%	288.96	271.28
200906	1,099	1,842	590,667		590,667	320.71	278.16	2,807	538,908	86.8%	292.61	278.16
200907	1,066	1,786	573,466		573,466	321.00	284.20	0	529,756	88.7%	296.54	284.20
200908	1,034	1,733	556,765		556,765	321.29	282.33	0	520,768	88.1%	300.52	282.33
200909	1,003	1,681	540,551		540,551	321.58	285.78	0	511,940	89.2%	304.56	285.78
200910	973	1,630	524,809		524,809	321.88	283.76	0	503,270	88.5%	308.67	283.76
200911	944	1,582	509,525		509,525	322.17	284.93	0	494,755	88.9%	312.83	284.93
200912	915	1,534	494,687		494,687	322.46	298.82	0	486,391	93.2%	317.05	298.82
201001	888	1,488	480,280		480,280	322.75	309.01	0	478,175	96.3%	321.34	309.01
201002	861	1,443	466,294		466,294	323.04	313.79	0	470,106	97.7%	325.68	313.79
201003	835	1,400	452,714		452,714	323.33	305.61	0	462,180	95.1%	330.09	305.61
201004	810	1,358	439,530		439,530	323.63	309.65	0	454,394	96.2%	334.57	309.65
201005	786	1,317	426,730		426,730	323.92	313.77	0	446,746	97.4%	339.11	313.77
201006	763	1,278	414,303		414,303	324.21	318.01	0	439,234	98.6%	343.72	318.01
201007	740	1,240	402,237		402,237	324.51	322.30	0	431,854	99.8%	348.40	322.30
201008	717	1,202	390,523		390,523	324.80	326.67	0	424,604	101.1%	353.15	326.67
201009	696	1,166	379,151		379,151	325.09	331.09	0	417,483	102.4%	357.96	331.09
201010	675	1,131	368,109		368,109	325.39	335.58	0	410,486	103.7%	362.85	335.58
201011	655	1,097	357,389		357,389	325.68	340.14	0	403,613	105.0%	367.81	340.14
201012	635	1,064	346,981		346,981	325.98	344.77	0	396,861	106.3%	372.84	344.77

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0	0	0	0	0	0.0%
2004	0	14,067	5,210,878	4,609,322	335.49	0	3,036,820	2,877,076	55.2%
2005	36,397	60,553	22,729,083	20,094,797	331.86	0	11,988,948	11,505,619	50.6%
2006	24,367	41,882	15,970,956	14,489,834	345.97	0	7,227,701	7,408,417	46.4%
2007	18,973	32,663	11,910,001	11,076,611	339.11	0	5,326,843	5,440,688	45.7%
2008	15,459	26,555	8,776,920	8,579,171	323.07	0	5,960,062	6,042,408	68.8%
2009	12,190	21,429	6,872,662	6,872,662	320.72	0	2,548,134	6,403,339	93.2%
2010	6,477	15,186	4,924,242	4,924,242	324.26	0	0	5,235,735	106.3%

The MEGA Life and Health Insurance Company
 Group Projection Detail as of 06/30/09
 Catastrophic Base and riders

Assumptions				
Claim Trend	Annual 7.00%	Monthly 0.57%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo Inc/ Insured
200411	3,163	5,885	1,284,755		1,284,755	218.33		966,401	966,401		164.23	
200412	2,993	5,551	1,225,354		1,225,354	220.75		594,326	594,326		107.07	
200501	2,778	5,161	1,127,011		1,127,011	218.35		320,083	320,083		62.01	
200502	2,629	4,833	1,053,670		1,053,670	218.02		366,770	366,770		75.89	
200503	2,472	4,504	998,594		998,594	221.73		642,320	642,320		142.62	
200504	2,376	4,326	953,746		953,746	220.47		333,023	333,023		76.98	
200505	2,280	4,138	922,003		922,003	222.81		528,630	528,630		127.75	
200506	2,211	3,999	891,117		891,117	222.82		444,690	444,690		111.19	
200507	2,140	3,857	861,701		861,701	223.43		622,499	622,499		161.40	
200508	2,069	3,717	833,931		833,931	224.37		939,252	939,252		252.70	
200509	1,994	3,592	801,880		801,880	223.22		425,118	425,118		118.34	
200510	1,936	3,482	776,926		776,926	223.15		554,316	554,316	57.4%	159.21	127.02
200511	1,886	3,379	757,540		757,540	224.21		458,526	458,526	55.6%	135.71	123.26
200512	1,824	3,264	733,705		733,705	224.81		417,262	417,262	56.5%	127.85	125.44
200601	1,750	3,128	702,367		702,367	224.58		432,541	432,541	59.9%	138.30	133.39
200602	1,711	3,041	680,703		680,703	223.87		236,775	236,775	60.9%	77.87	135.85
200603	1,665	2,958	666,640		666,640	225.40		374,857	374,857	60.2%	126.75	134.51
200604	1,639	2,898	653,089		653,089	225.33		246,306	246,306	61.2%	84.98	137.05
200605	1,593	2,827	643,268		643,268	227.54		262,578	262,578	60.1%	92.88	134.90
200606	1,559	2,760	624,078		624,078	226.14		318,659	318,659	60.5%	115.47	135.95
200607	1,533	2,709	607,519		607,519	224.28		247,731	247,731	57.9%	91.46	130.16
200608	1,490	2,638	598,216		598,216	226.78		186,583	186,583	50.5%	70.73	113.47
200609	1,461	2,591	587,077		587,077	226.61		220,679	220,679	49.3%	85.18	110.92
200610	1,432	2,531	570,944		570,944	225.58		404,925	404,925	48.7%	159.99	109.66
200611	1,398	2,471	553,561		553,561	224.06		223,996	223,996	46.9%	90.66	105.66
200612	1,361	2,418	537,760		537,760	222.38		349,609	349,609	47.2%	144.58	106.32
200701	1,336	2,386	523,472		523,472	219.37		221,229	221,229	45.5%	92.71	102.21
200702	1,314	2,302	507,071		507,071	220.27		88,246	88,246	44.5%	38.35	99.89
200703	1,294	2,252	494,203		494,203	219.43		265,321	265,447	44.0%	117.86	98.63
200704	1,280	2,232	483,677		483,677	216.67		299,026	299,175	45.9%	134.02	102.56
200705	1,269	2,219	477,659		477,659	215.25		255,121	255,252	46.9%	115.02	104.43
200706	1,254	2,189	464,360		464,360	212.18		158,494	158,565	45.6%	72.45	100.96
200707	1,239	2,159	456,023		456,023	211.18		143,035	143,090	45.0%	66.26	99.23
200708	1,219	2,127	446,643		446,643	209.98		207,879	207,973	46.5%	97.77	101.81
200709	1,202	2,091	435,225		435,225	208.13		198,331	198,410	47.3%	94.88	102.86
200710	1,183	2,034	424,599		424,599	206.76		381,954	382,095	48.1%	187.86	103.91
200711	1,169	2,014	417,716		417,716	207.44		182,251	182,474	48.5%	90.62	104.13
200712	1,147	1,980	412,725		412,725	208.48		224,919	225,097	47.4%	113.70	101.10
200801	1,126	1,942	398,776		398,776	205.38		224,424	224,621	48.5%	115.68	102.99
200802	1,110	1,917	388,689		388,689	202.74		105,769	105,860	50.0%	55.22	105.27
200803	1,092	1,880	375,734		375,734	199.91		220,972	221,152	50.2%	117.66	105.06
200804	1,070	1,836	359,417		359,417	195.72		253,790	254,776	50.6%	138.74	104.95
200805	1,053	1,811	346,648		346,648	191.42		281,168	282,527	52.5%	156.01	107.87
200806	1,038	1,785	336,710		336,710	188.68		237,535	238,583	55.6%	133.69	113.11
200807	1,026	1,761	331,314		331,314	188.16		211,336	212,845	58.5%	120.88	118.07
200808	1,016	1,742	327,108		327,108	187.79		344,863	348,842	63.2%	200.27	126.25
200809	1,002	1,717	322,465		322,465	187.85		248,131	251,824	66.0%	146.70	130.74
200810	982	1,684	312,389		312,389	185.50		326,849	332,350	66.6%	197.95	130.60
200811	969	1,652	312,412		312,412	189.08		288,799	297,342	70.9%	179.96	138.07
200812	958	1,636	307,364		307,364	187.84		191,082	197,893	72.1%	120.94	139.01
200901	939	1,613	301,499		301,499	186.95		217,063	231,113	74.0%	143.31	141.50
200902	918	1,573	293,993		293,993	186.96		230,058	254,846	79.6%	162.06	151.05
200903	906	1,538	288,573		288,573	187.65	159.49	290,506	341,238	84.5%	221.90	159.49
200904	898	1,528	285,142		285,142	186.57	162.49	311,346	265,600	86.5%	173.78	162.49
200905	885	1,499	282,875		282,875	188.67	164.12	133,098	264,171	87.5%	176.19	164.12
200906	867	1,477	278,470		278,470	188.56	168.01	727	263,519	89.5%	178.44	168.01
200907	841	1,432	270,360		270,360	188.73	173.32		259,218	92.4%	180.96	173.32
200908	816	1,390	262,486		262,486	188.90	171.58		254,990	91.4%	183.51	171.58
200909	791	1,348	254,842		254,842	189.08	174.97		250,834	93.2%	186.10	174.97
200910	768	1,307	247,421		247,421	189.25	173.81		246,748	92.4%	188.73	173.81
200911	745	1,268	240,215		240,215	189.42	174.51		242,731	92.7%	191.40	174.51
200912	722	1,230	233,220		233,220	189.59	181.00		238,782	96.1%	194.11	181.00
201001	701	1,193	226,428		226,428	189.76	185.75		234,899	98.5%	196.86	185.75
201002	680	1,157	219,834		219,834	189.93	189.01		231,083	100.1%	199.65	189.01
201003	659	1,123	213,432		213,432	190.10	186.79		227,330	98.8%	202.48	186.79
201004	639	1,089	207,216		207,216	190.28	189.37		223,641	100.0%	205.36	189.37
201005	620	1,056	201,182		201,182	190.45	192.01		220,014	101.4%	208.28	192.01
201006	602	1,025	195,323		195,323	190.62	194.73		216,447	102.7%	211.24	194.73
201007	584	994	189,635		189,635	190.79	197.49		212,941	104.1%	214.24	197.49
201008	566	964	184,112		184,112	190.97	200.29		209,494	105.4%	217.29	200.29
201009	549	935	178,750		178,750	191.14	203.13		206,104	106.8%	220.39	203.13
201010	533	907	173,545		173,545	191.31	206.01		202,771	108.3%	223.53	206.01
201011	517	880	168,491		168,491	191.48	208.84		199,495	109.7%	226.72	208.84
201012	501	854	163,584		163,584	191.66	211.91		196,273	111.2%	229.96	211.91

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	11,435	2,510,109	2,510,109			1,560,727	1,560,727	62.2%
2005	29,041	48,251	10,711,825	10,711,825	222.00		6,052,490	6,052,490	56.5%
2006	19,055	32,968	7,425,222	7,425,222	225.23		3,505,239	3,505,239	47.2%
2007	14,906	25,985	5,543,373	5,543,373	213.33		2,625,804	2,627,082	47.4%
2008	12,255	21,362	4,119,026	4,119,026	192.82		2,934,718	2,969,615	72.1%
2009	9,618	17,203	3,239,095	3,239,095	188.29		1,182,799	3,113,790	96.1%
2010	5,110	12,177	2,321,530	2,321,530	190.65		0	2,580,491	111.2%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Scheduled Base and Riders

Assumptions				
Claim Trend	Annual 7.00%	Monthly 0.57%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	756	1,340	216,401		216,401	161.50		70,459	70,459		52.59	
200412	727	1,292	210,647		210,647	163.04		70,945	70,945		54.91	
200501	687	1,221	203,201		203,201	166.49		122,563	122,563		100.42	
200502	656	1,176	194,102		194,102	165.00		61,304	61,304		52.11	
200503	632	1,138	188,907		188,907	166.03		93,165	93,165		81.88	
200504	607	1,098	183,603		183,603	167.15		115,735	115,735		105.36	
200505	585	1,052	178,546		178,546	169.68		87,071	87,071		82.75	
200506	564	1,014	172,637		172,637	170.32		39,966	39,966		39.43	
200507	548	986	169,449		169,449	171.82		64,743	64,743		65.65	
200508	542	969	166,860		166,860	172.15		130,588	130,588		134.73	
200509	530	945	162,853		162,853	172.37		76,894	76,894		81.39	
200510	522	924	160,094		160,094	173.27		107,240	107,240	47.1%	116.06	79.11
200511	512	901	157,091		157,091	174.38		102,911	102,911	50.0%	114.24	84.39
200512	499	877	153,450		153,450	174.93		86,045	86,045	52.0%	98.09	88.46
200601	486	847	148,879		148,879	175.73		65,052	65,052	50.6%	76.79	86.41
200602	484	836	146,033		146,033	174.63		31,464	31,464	50.3%	37.63	86.37
200603	468	810	142,727		142,727	176.13		76,858	76,858	50.7%	94.84	87.44
200604	454	789	135,420		135,420	171.69		33,452	33,452	47.6%	42.41	82.39
200605	450	777	133,169		133,169	171.40		30,976	30,976	45.8%	39.87	79.26
200606	433	738	132,443		132,443	179.56		128,344	128,344	51.7%	174.00	89.87
200607	423	725	126,804		126,804	174.90		55,656	55,656	52.4%	76.77	91.29
200608	415	704	124,166		124,166	176.33		39,242	39,242	48.4%	55.73	84.49
200609	407	691	121,174		121,174	175.29		78,506	78,506	49.7%	113.57	86.88
200610	399	678	119,211		119,211	175.84		48,626	48,626	47.4%	71.72	82.91
200611	394	664	116,954		116,954	176.27		20,231	20,231	43.4%	30.49	76.01
200612	389	655	115,198		115,198	175.83		71,936	71,936	43.6%	109.80	76.32
200701	382	646	109,876		109,876	170.03		72,580	72,580	45.2%	112.32	78.95
200702	374	613	107,333		107,333	175.00		22,980	22,980	45.8%	37.47	80.02
200703	363	592	105,749		105,749	178.74		29,407	29,407	43.7%	49.71	76.40
200704	353	581	103,682		103,682	178.60		33,220	33,220	44.6%	57.22	78.34
200705	348	575	102,906		102,906	179.05		39,345	39,345	46.2%	68.46	81.42
200706	343	565	101,799		101,799	180.30		44,779	44,779	41.1%	79.31	72.39
200707	337	548	99,636		99,636	181.68		34,076	34,076	40.3%	62.14	71.21
200708	325	538	97,871		97,871	182.00		53,880	53,880	42.2%	100.19	74.82
200709	318	524	94,773		94,773	180.82		24,805	24,805	38.9%	47.32	69.08
200710	312	508	92,122		92,122	181.24		31,199	31,202	38.3%	61.38	68.27
200711	311	504	93,011		93,011	184.61		43,710	43,710	41.0%	86.76	73.29
200712	301	485	89,574		89,574	184.85		49,593	49,593	40.0%	102.35	71.81
200801	298	480	88,783		88,783	184.96		13,668	13,668	35.7%	28.47	64.60
200802	294	476	86,073		86,073	180.86		12,525	12,525	35.5%	26.32	64.35
200803	286	459	82,934		82,934	180.80		17,489	17,489	35.1%	38.13	63.81
200804	280	446	79,169		79,169	177.38		21,688	21,688	34.9%	48.59	63.33
200805	277	439	74,211		74,211	168.89		11,803	11,805	33.3%	26.87	60.15
200806	268	432	69,886		69,886	161.70		9,143	9,145	30.9%	21.16	55.41
200807	264	422	69,575		69,575	164.83		68,897	68,899	35.2%	163.23	62.73
200808	262	417	68,464		68,464	164.01		39,218	39,219	34.8%	93.95	61.46
200809	260	411	67,819		67,819	165.01		64,274	64,499	39.9%	156.93	69.97
200810	259	409	67,215		67,215	164.37		63,422	66,400	44.7%	162.37	77.81
200811	256	402	66,271		66,271	164.85		57,996	61,401	47.9%	152.74	82.66
200812	253	399	65,795		65,795	164.90		12,778	13,149	45.1%	32.96	77.00
200901	245	385	62,779		62,779	162.89		9,030	9,518	46.0%	24.70	77.62
200902	243	382	63,011		63,011	164.94		64,305	72,234	54.4%	189.08	91.01
200903	240	378	61,969		61,969	163.81	113.75	105,133	122,178	68.6%	322.97	113.75
200904	241	375	59,797		59,797	159.46	120.06	38,546	44,190	73.1%	117.84	120.06
200905	236	369	58,418		58,418	158.31	128.50	21,369	43,713	78.7%	118.46	128.50
200906	232	365	57,809		57,809	158.41	137.62	1,750	43,485	84.4%	119.16	137.62
200907	225	354	56,125		56,125	158.55	133.94	0	42,429	82.4%	119.86	133.94
200908	218	343	54,491		54,491	158.70	136.58	0	41,398	84.2%	120.57	136.58
200909	212	333	52,904		52,904	158.84	133.59	0	40,393	82.6%	121.28	133.59
200910	205	323	51,363		51,363	158.98	130.07	0	39,411	80.7%	121.99	130.07
200911	199	313	49,867		49,867	159.13	127.43	0	38,454	79.3%	122.71	127.43
200912	193	304	48,415		48,415	159.27	136.06	0	37,520	84.9%	123.43	136.06
201001	187	295	47,005		47,005	159.42	145.59	0	36,609	91.1%	124.16	145.59
201002	182	286	45,636		45,636	159.56	140.01	0	35,720	87.8%	124.89	140.01
201003	176	277	44,307		44,307	159.70	121.42	0	34,852	76.4%	125.62	121.42
201004	171	269	43,017		43,017	159.85	122.12	0	34,006	76.8%	126.36	122.12
201005	166	261	41,764		41,764	159.99	122.83	0	33,180	77.2%	127.11	122.83
201006	161	253	40,548		40,548	160.14	123.56	0	32,374	77.6%	127.86	123.56
201007	156	246	39,367		39,367	160.28	124.28	0	31,588	78.0%	128.61	124.28
201008	151	238	38,221		38,221	160.43	125.01	0	30,820	78.3%	129.37	125.01
201009	147	231	37,108		37,108	160.57	125.75	0	30,072	78.7%	130.13	125.75
201010	143	224	36,027		36,027	160.72	126.49	0	29,342	79.1%	130.89	126.49
201011	138	217	34,978		34,978	160.86	127.24	0	28,629	79.5%	131.67	127.24
201012	134	211	33,959		33,959	161.01	127.99	0	27,934	79.9%	132.44	127.99

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,632	427,047	427,047			141,404	141,404	33.1%
2005	7,356	12,301	2,090,794	2,090,794	169.96		1,088,226	1,088,226	52.0%
2006	5,312	8,914	1,562,178	1,562,178	175.25		680,343	680,343	43.6%
2007	4,067	6,678	1,198,332	1,198,332	179.44		479,574	479,577	40.0%
2008	3,204	5,193	886,194	886,194	170.65		392,901	399,886	45.1%
2009	2,571	4,226	676,948	676,948	160.21		240,133	574,923	84.9%
2010	1,367	3,009	481,938	481,938	160.16		0	385,123	79.9%

Exhibit 1
In Force Business, Average Monthly Premiums in Maine
Small Group
Inforce as of 2009 06
Revised 9/23/2009

		Number of Policies	Number of Insureds	Annualized Premium	Percent of Premium	Average Monthly Premium per Insured		Average Percent Change
						Current 2009 06	Proposed	
Schedule	25147 (5/92)-P (Rev. 8/02)	19	31	38,270	0.9%	102.88	102.88	0.00%
	25311/GHP7392CERT	107	149	220,224	5.4%	123.17	123.17	0.00%
	GHP 3 984 CERT	7	12	11,280	0.3%	78.33	78.33	0.00%
	GHP 5 788 CERT	12	21	27,472	0.7%	109.01	109.01	0.00%
	25875-C-ME	84	151	156,768	3.9%	86.52	86.52	0.00%
		229	364	454,013	11.2%	103.94		0.00%
Catastrophic	25312/ GHP 8 991 CERT (Rev. 10-91)	18	28	69,372	1.7%	206.46	274.59	33.00%
	25313/PMH 1190 CERT	133	238	430,353	10.6%	150.68	200.4	33.00%
	PMH2NSFCERT	399	637	1,287,912	31.8%	168.49	224.09	33.00%
	GHP2883CERT	3	4	6,264	0.2%	130.5	173.57	33.00%
	GHP 4 188 CERT	1	1	2,508	0.1%	209	277.97	33.00%
	GHP6788CERT	11	15	47,373	1.2%	263.18	350.03	33.00%
	25876-C-ME	296	535	724,164	17.9%	112.8	150.02	33.00%
		861	1,458	2,567,946	63.5%	146.77		33.00%
Air	25902	204	354	4,320	0.1%	1.02	1.02	0.00%
Ambulatory Care	25216	365	608	311,544	7.7%	42.7	42.7	0.00%
	25330	68	110	62,774	1.6%	47.56	47.56	0.00%
	25326	110	155	124,008	3.1%	66.67	66.67	0.00%
	25885	328	578	182,100	4.5%	26.25	26.25	0.00%
	ACR1 1189	13	17	9,943	0.2%	48.74	48.74	0.00%
		884	1,468	690,369	17.1%	39.19		0.00%
Chemotherapy	25149	14	24	3,696	0.1%	12.83	12.83	0.00%
	25887	69	111	12,492	0.3%	9.38	9.38	0.00%
	25327	134	188	39,209	1.0%	17.38	17.38	0.00%
	25331	414	691	166,006	4.1%	20.02	20.02	0.00%
		631	1,014	221,404	5.5%	18.2		
Doctors office	25456	71	93	11,280	0.3%	10.11	10.11	0.00%
	25886	114	212	30,468	0.8%	11.98	11.98	0.00%
		185	305	41,748	1.0%	11.41	11.41	0.00%
ER	25908	153	259	25,536	0.6%	8.22	8.22	0.00%
Mental Health	25930-ME	1	3	528	0.0%	14.67	14.67	0.00%
Maternity	25323-ME	4	14	0	0.0%	0	0	0.00%
Large Claim Rider	CEB 1 788	5	6	24,084	0.6%	334.5	334.5	0.00%
Same day Surgery	25433	3	7	888	0.0%	10.57	10.57	0.00%
ACE	25890	44	66	15,780	0.4%	19.92	19.92	0.00%
ACE	25890	53	99	19,512	0.4%	16.42	16.42	0.00%

The following exhibits are hereby submitted in accordance with rate filing requirements on behalf of The MEGA Life and Health Insurance Company in North Richland Hills, Texas (NAIC # 97055). This memorandum has been prepared for the purpose of demonstrating compliance with regulatory authority and may not be appropriate for other purposes.

A. Scope and Purpose of Filing

This filing contains rate pages for all small group products with in force business. The purpose of this filing is to file rate adjustments according to the requirements of Maine as set forth in Title 24-A M.R.S.A., 2808-B.

An increase in rates on the catastrophic forms: 25312/GHP 8 991 CERT (Rev. 10-91), 25313/PMH 1 190, PMH 2 NSF CERT, GHP 2 883 CERT, GHP 4 188 CERT, GHP 6 788 CERT, and 25876-C-ME of 33% is requested.

B. Description of Benefits

Form 25147 (5/92)-P (Rev. 8/02) provides benefits for services rendered while confined in a hospital, same-day surgery facility, or on an outpatient basis.

Form 25875-C-ME provides benefits for Hospital Room and Board, Hospital Intensive Care, Miscellaneous In-Hospital Expenses, Surgery, Assistant Surgeon, Anesthesiologist, Outpatient Surgery Facility, Second Physician's Surgical Opinion, Physician Visits while Hospital Confined and Ambulance Transportation.

Forms 25876-C-ME and 25313/PMH 1 190 provide benefits for Hospital Room and Board, Hospital Intensive Care, Miscellaneous Hospital Expenses, Same-Day Surgical Facility Care, Doctor's Visits and Ambulance Services.

Form PMH 2 NSF CERT provides benefits for hospital inpatient expenses.

Form 25311/GHP 7 392 CERT provides hospital coverage on a daily room and board basis.

Form 25312/GHP 8 991 CERT Rev. (10-91) provides benefits for Hospital Room and Board, Hospital Intensive Care/Cardiac Care, Hospital Miscellaneous Charges, Inpatient Physician Visits, Surgeon benefits, Assistant Surgeon benefits, Anesthesiologist, Radiology and Pathology and Same Day Surgery Facility.

Form 25314 provides reimbursement for certain stated medical expenses due to accidental injury. Benefits are provided for services rendered while confined in a hospital or same-day surgery facility.

Forms GHP 2 883 CERT, GHP 4 188 CERT and GHP 6 788 CERT provide benefits, subject to the provisions of the Group Policy, if an Insured Person incurs covered expenses resulting from an injury or sickness.

Forms GHP 3 984 CERT and GHP 5 788 CERT provide benefits for basic hospital expenses, included inpatient expenses.

Forms GHP 2 883 CERT, GHP 3 984 CERT, GHP 4 188 CERT, GHP 5 788 CERT, GHP 6 788 CERT and 25311/GHP 7 392 CERT were originally issued by PFL Life Insurance Company and have since been assumed by MEGA.

Rider forms 25216, 25885 and ACR 1 1189 provide benefits for diagnostic X-Rays, laboratory and pathological exams, and physical, occupational or speech therapy, when incurred in a hospital emergency room or outpatient facility, same-day surgery facility or doctor's office or clinic.

Rider forms 25326/TTR 1 292 and 25330/PTTR 290 provide benefits for laboratory and pathological exams, and physical, occupational and speech therapy services provided in hospital emergency rooms, outpatient facilities doctor's offices or clinics, and same-day surgery facilities.

Rider forms 25149, 25327/GCR 2 1284, 25331/PGCR 190 and 25887 provide benefits for actual expenses incurred by an Insured Person during an outpatient hospital stay for the treatment of cancer by radiation therapy or chemotherapy.

Rider forms 25456 and 25886 provide benefits for medically necessary visits to the physician's office or clinic and for related care services provided by the Doctor to the Insured Person as a part of such visit.

Rider form 25908 provides benefits for emergency room treatment received for a medical emergency.

Rider form 25930-ME provides benefits for the treatment and diagnosis of psychotic disorders (including schizophrenia), dissociative disorders, mood disorders, anxiety disorders, personality disorders, paraphilias, Attention Deficit and disruptive behavior disorders, pervasive developmental disorders, tic disorders, eating disorders (including bulimia and anorexia) and substance abuse related disorders.

Rider form 25323-ME/GMB 3 991 provides benefits for medical expense incurred as a result of normal pregnancy, childbirth and routine newborn care.

Rider form CEB 1 788 provides benefits for 100% of the covered expenses in excess of the Catastrophic Deductible stated in the certificate schedule when the rider is attached to form GHP 5 788 CERT.

Rider form 25433 provides benefits for Same-Day Surgery Facility Care and surgery expenses.

Rider form 25890 provides benefits for 100% of covered expenses incurred during the remainder of a confinement period, up to the aggregate amount, once an Insured Person's covered expense under the base plan total the accumulated covered expense amount.

Rider form 25902 provides benefits for air ambulance transportation to the nearest available medical facility that can provide adequate care in the event of a medical emergency.

C. Proposed Effective Date

The proposed effective date of this rate change is January 1, 2010 or upon approval. Inforce certificates, after a 60-day notice of approved rate increase, the change becomes effective for each certificate on its semi-annual anniversary. There are not automatic increase in any of the forms referenced by this actuarial memorandum.

D. In Force Business, Average Monthly Premiums in Maine

See attachment In Force Business

E. Morbidity & Experience

The experience is based on the claim data paid through March 2009. The projection period relies on the data through June 2009. The experience is based on the date of service as defined when services are rendered by a medical professional or facility. The data is based on the forms listed above and is for policies issued in the state of Maine.

Large claim adjustments were made for the amounts over \$100,000 for catastrophic plans and \$50,000 for scheduled plans. The data was adjusted for large claims by removing large claims in the experience period and adding back a pooling charge. The pooling charge is determined by totaling all excess claims for all calendar years and dividing by premium over the same period. To determine if the claims reach this threshold, paid claims are accumulated per person over a 12 month time period. Because the small group blocks are becoming less credible and due to the shift in claim activity, the last two years have also been looked at for the purposes of the rate adjustment. The use of two years of experience helps to stabilize the claim costs. Without the use of the two years of experience, there would have been significant increases in premiums based on the calculations. If claims costs continue at the current higher levels, the rate increase for 2011 will likely be higher than those proposed for 2010, especially for the scheduled plans.

F. Medical Trend Assumptions

Medical trend has been based on the actual data of the products based on the base and riders. The schedule plan has been set at 7%. Catastrophic has been set at 20.5% and the riders vary from 0 to 10% and are shown on exhibit 2010 Small Group MEGA Rate Calculation 1 year.

G. Mortality

Not applicable.

H. Issue Age Range

All issue ages are allowed. The most prevalent issue ages are 19 – 64.

I. Rate History (since 1/1/2000)

See attachment Rate History

J. Renewability

All certificates are guaranteed renewable. Riders follow the renewability of the certificate to which they are attached.

K. Loss Ratio Requirements

The minimum required loss ratio for small group business is 75%.

L. Premium Classes

Premium varies by attained age, benefit level, and 3-digit zip code of residence. Area factors are located on the following rate pages.

M. Marketing Method

These products were sold to small employers by general agencies primarily on a one-to-one basis, but the company is not currently marketing small group products in Maine.

N. Actuarial Certification

I certify, to the best of my knowledge and judgment, that this rate filing is in compliance with the applicable laws and regulations of this state, and that the rates are not excessive, inadequate, or unfairly discriminatory.

9/25/2009
Date



Virgil Meier, FSA, MAAA
Director Actuarial

Maine 2010 Small Group Filing
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 Revised 9/23/2009

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SERFF Tracking Number: MGCA-126287812 State: Maine
Filing Company: The Mega Life and Health Insurance Company - State Tracking Number:
ICA
Company Tracking Number: ME SM GRP 2009
TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
Expense
Product Name: ME Small Group Filings
Project Name/Number: /

Objection Letter

Objection Letter Status Pending
Objection Letter Date 09/17/2009
Submitted Date 09/17/2009
Respond By Date 10/01/2009

Dear Virgil Meier,

Thank you for using SERFF to file your forms in Maine. Using SERFF expedites the review of filings. I am sorry to note that this filing is not approved for use in Maine at this time. Please review and respond to the issues noted below.

1) The statement in the memorandum (item J, p. 9) that the rates are “conditionally renewable” must be changed to state that the rates are “guaranteed renewable”; MRSA Title 24-A, §2850-B identifies the circumstances in which a policy does not have to be renewed. D.16 of the checklist has the link to the statute.

2) Provide and Maine experience for the small group block of business in total (Scheduled base, Catastrophic base, and riders), as well as Scheduled base with riders and Catastrophic base with riders separately, for each of the past three calendar years as required by Rule 940 6.F.6. (Checklist D.13).

3) Comply with Rule 940, §11 (checklist G.13) regarding expenses and investment income (see filing p. 10: total block of small group business is 2,572 insureds in-force)

4) Provide a statement that no “automatic trend increases” are applied to any of the Scheduled base rates, the Catastrophic base rates, or any of the riders identified in this filing.

5) Provide a statement regarding method of implementation of rate changes as required by checklist C.5 (effective date was provided but not method of implementation]).

6) A. Plan factors: specify plan rate relationships (single, two person, family, etc)—or sample relationships for various combinations and provide sample calculations of several commonly marketed plans (both Scheduled base and Catastrophic base plans, each with commonly marketed riders. Note: absent representative plan rates, there are no calculations showing how rates are constructed or the rate relationships thereof).

B. Area factors: provide documentation in support of the variety of area factors in base plans and riders

C. Provide an explanation of “Discount Points” and how they are applied?

D. Describe the “ACE” rider.

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Expense
Product Name: ME Small Group Filings
Project Name/Number: /

E. Review filing to ensure identification and accurate descriptions and classifications (i.e., scheduled base, catastrophic base and/or riders) of forms identified in this rate filing. Ensure that the form identification and classification in the Transmittal Document (p.5), the "RE:" section of the Actuarial Memorandum (p.6), and the Scope and Purpose of Filing and Description of Benefits (p.7) are consistent among the three locations and are fully described and classified as to "Scheduled base" or "Catastrophic base" in the "Description of Benefits" section. [Example: Page 5, 6, and 7 mention "GHP 2 883 Cert"; but page 7 also mentions "GHP 2 883" in two locations; we require clarification of what small group policy forms and/or "certs" are included in this filing and the classification of each as to scheduled base or catastrophic base.

Please review the issues noted above and submit your response and amended filing to my attention within 14 days of the date of this objection letter. If the Bureau of Insurance does not hear from you within 14 days the filing will be disapproved. If the company needs an extension for good cause, in accordance with Title 24-A M.R.S.A. §2412(2) the Superintendent may grant an additional 30 days in which to submit an amended version. The request for an extension must be in writing, must contain justification for the extension request, received here in the Bureau by any means before the 14 day deadline has lapsed, and must contain a declaration that no form in the filing will be deemed approved by the company before the amended filing is acted on by the Bureau.

Sincerely,
William Bremer (LH)

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/25/2009
Submitted Date	09/25/2009

Dear William Bremer (LH),

Comments:

Please see responses to prior inquiries.

Response 1

Comments: 1. This has been corrected in the actuarial memo.

2. The combined experience has been included under exhibit Obj 2.1 and exhibit Obj 2.2. Exhibit Obj 2.1 is unadjusted for large claims, while exhibit Obj 2.2 contains adjustments for large claims. Exhibit Obj 2 Cat B&R contains the experience for the Catastrophic base plan and riders associated with it. Exhibit Obj 2 Sch B&R contains the experience for the scheduled plans and the associated riders. These two exhibits are based on no adjustments for large claims. If

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Product Name: ME Small Group Filings
Project Name/Number: /

these two projections are combined, the results will differ slightly from Exhibit Obj 2.1 due to the projection of the riders split apart by their appropriate base forms.

3. In the filing, Exhibit 1 (page 10) was reformatted to combined the base products by Schedule and Catastrophic, however, the data was not updated and is not reflective of the current situation. An updated exhibit with the correct numbers has been included. The current data shows that the exposure for the catastrophic and schedule plans is 1,822. This is below the required level of 2,000, no additional information on expenses and investment income is being provided.

4. This has been added to item C of the actuarial memorandum found on page 8.

5. This has been added to item C of the actuarial memorandum found on page 8.

6. A. All forms are rated individually, this means that each person of a group is rated separately and then totaled to get the premium rate for the group.

The following forms are rated on some "type" of family tier rating.

GHP 2 883 Cert (individual, individual and one child, family);

The following riders are rated on an individual/single – family tier rating:

25216, 25326/TTR 1 292, 25330 /PTTR 290, 25902, ACR 1 1189, 25149, 25327/GCR 2 1284, 25331/PGCR 190 rider 25456 is based on individual, couple, single parent and family

B. These forms were issued at various times in the past, each form was priced based on the appropriate area factors at the time policies were issued. In an attempt to minimize rate changes to the inforce certificates of closed forms, rates for area factors are not changed once the form become closed to new issues.

C. Discount points were a method to simplify the rate calculations. This was particularly important years ago when some of these forms were issued. The agent would provide a quote for smaller employers at the time of sale. The agent would total the points for each of the benefit options selected, these points were then used in the discount table to determine the "discount" applied to the base rate. For example, form 25147 on page 36, a non smoker (3 points) \$2,500 deductible (11 points), area (5 points) would equal 19 points. This would result in a factor of .38 that would be applied to the base rate.

D. Rider form 25890 provides benefits for 100% of covered expenses incurred during the remainder of a confinement period, up to the aggregate amount, once an Insured Person's covered expense under the base plan total the accumulated covered expense amount. This rider is attached to the form 25875-C ME.

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Expense
Product Name: ME Small Group Filings
Project Name/Number: /

Objection Letter

Objection Letter Status Pending
Objection Letter Date 09/11/2009
Submitted Date 09/11/2009
Respond By Date 09/25/2009

Dear Virgil Meier,

Thank you for using SERFF to file your forms in Maine. Using SERFF expedites the review of filings. I am sorry to note that this filing is not approved for use in Maine at this time. Please review and respond to the issues noted below.

Please provide, as "xls" attachments to one or more direct email(s) to me at <William.A.Bremer@Maine.gov>, all of the Excel spreadsheets of the several "Group Projection Detail" pages included in the filing that are used to support the proposed rate action. Of particular interest are the developments of 2009 and 2010 forecasted earned income and of projected incurred claims. I believe these pages (as numbered in the filing) include at a minimum: page 17, page 18, page 21, page 22, page 23, page 24 and page 25. Please also provide, as an attachment to a SERFF "Filing Correspondence" reply to this objection letter, a discussion of the reason(s) for the forecasted deterioration of claims experience for each "projection detail" page (except the air ambulance rider) expected in late 2009 and 2010 relative to the experience generally observed from late 2004 up to mid/late 2008.

Please review the issues noted above and submit your response and amended filing to my attention within 14 days of the date of this objection letter. If the Bureau of Insurance does not hear from you within 14 days the filing will be disapproved. If the company needs an extension for good cause, in accordance with Title 24-A M.R.S.A. §2412(2) the Superintendent may grant an additional 30 days in which to submit an amended version. The request for an extension must be in writing, must contain justification for the extension request, received here in the Bureau by any means before the 14 day deadline has lapsed, and must contain a declaration that no form in the filing will be deemed approved by the company before the amended filing is acted on by the Bureau.

Sincerely,

William Bremer (LH)

Response Letter

Response Letter Status Submitted to State
Response Letter Date 09/25/2009
Submitted Date 09/25/2009

SERFF Tracking Number: MGCA-126287812 State: Maine
Filing Company: The Mega Life and Health Insurance Company - State Tracking Number:
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TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
Expense
Product Name: ME Small Group Filings
Project Name/Number: /
Dear William Bremer (LH),

Comments:

Response 1

Comments: The response to this objection will be emailed to you along with the objections dated 9/17/09.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Aliya Panjwani, Ashley Toner, Chanel Orallo, David Beimesch, EDS EDSSupport, Eliseo Rodriguez, Joanna Gulling, Kendall Daniels, Liz Hart, Sean Casey, Sergei Mordovine, Sommay Khounlo, Tony Huang, Yan Yuan

SERFF Tracking Number: MGCA-126287812 State: Maine
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Expense
Product Name: ME Small Group Filings
Project Name/Number: /

Note To Reviewer

Created By:

Eliseo Rodriguez on 10/01/2009 01:18 PM

Last Edited By:

Eliseo Rodriguez

Submitted On:

10/01/2009 01:19 PM

Subject:

Small Group Rate Filing filed 8/31/09

Comments:

Mr. Bremer,

All of the necessary documents, including the excel spreadsheet, are attached in this SERFF filing. Please let us know if you still need for us to send you the excel spreadsheet separately to your email address.

Regards,

Eliseo Rodriguez

SERFF Tracking Number: MGCA-126287812 State: Maine
 Filing Company: The Mega Life and Health Insurance Company - State Tracking Number:
 ICA
 Company Tracking Number: ME SM GRP 2009
 TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
 Expense
 Product Name: ME Small Group Filings
 Project Name/Number: /

Note To Filer

Created By:

William Bremer (LH) on 10/01/2009 11:16 AM

Last Edited By:

William Bremer (LH)

Submitted On:

10/01/2009 12:01 PM

Subject:

Small Group Rate Filing filed 8/31/09

Comments:

Dear Mr. Rodriquez:

I received your responses to my two SERFF "objection letters." To date I have not received the experience Excel spreadsheet or the corrections noted in your response to my 9/11 or 9/17 requests. In your response to my 9/11 objection letter, you state that "The response to this objection will be emailed to you along with the objections dated 9/17/09." Please submit the responses to the 9/17/09 objection letter on SERFF. Sending these responses directly to me will only slow the review process. In the case of the response to the 9/11 objection letter, you may attach the experience report to a direct email to me <William.A.Bremer@maine.gov> because SERFF does not accept Excel document submissions.

Thank you,
 W. Bremer

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
	ME Small Group 2010 rate sheets		New		ME Small Group 2010 rate file doc 7 rate sheets.pdf

The MEGA Life and Health Insurance Company
Group Basic Hospital Medical Expense Policy 25147 (5/92)-P (Rev. 8/02)
 Small Group

Monthly Premium: Round((Base Rate * Age Factor *DRB Factor * Misc Factor + Surgical)*Discount Point Factor,2)

Age Factors	
Dependent Child	0.295
0-19	0.803
20	0.803
21	0.803
22	0.804
23	0.804
24	0.804
25	0.804
26	0.807
27	0.816
28	0.823
29	0.831
30	0.839
31	0.843
32	0.852
33	0.857
34	0.864
35	0.873
36	0.879
37	0.891
38	0.900
39	0.908
40	0.918
41	0.924
42	0.933
43	0.942
44	0.950
45	0.960
46	0.970
47	0.978
48	0.985
49	0.992
50	0.998
51	1.005
52	1.012
53	1.027
54	1.041
55	1.056
56	1.070
57	1.082
58	1.101
59	1.116
60	1.135
61	1.149
62	1.166
63	1.187
64	1.200

Base Rate \$201.94

Tobacco Use*	
Smoker	3
Non-Smoker	3

* Adult only

Deductible	
\$1,000	7
\$1,500	9
\$2,500	11

Marital Status	
Married	0
Unmarried	0

Area Factors - Maine	
039-049	5

Discount Points	Factor
0	1.00
1	0.95
2	0.90
3	0.86
4	0.81
5	0.77
6	0.74
7	0.70
8	0.66
9	0.63
10	0.60
11	0.57
12	0.54
13	0.51
14	0.49
15	0.46
16	0.44
17	0.42
18	0.40

Discount Points	Factor
19	0.38
20	0.36
21	0.34
22	0.32
23	0.31
24	0.29
25	0.28
26	0.26
27	0.25
28	0.24
29	0.23
30	0.21
31	0.20
32	0.19
33	0.18
34	0.17
35	0.17
36	0.16

Community Rate:	\$77	
Lowest rate	\$62	80.2%
Highest Rate	\$92	119.8%

The MEGA Life and Health Insurance Company
Group Basic Hospital Medical Expense Policy 25147 (5/92)-P (Rev. 8/02)
 Small Group

DRB	Adult	Child
\$200	0.6990	0.6744
\$300	0.8526	0.8140
\$400	1.0000	1.0000
\$500	1.1474	1.1628
\$600	1.2820	1.3256

Miscellaneous Benefit (Double and Triple the DRB)

Option	Factor
Double	1.05
Triple	1.10

Surgical Benefit (Double and Triple the DRB)

DOUBLE

Age	DRB				
	\$200	\$300	\$400	\$500	\$600
Dependent Child	\$3.00	\$5.00	\$5.00	\$8.00	\$10.00
Age 0-45	\$17.00	\$22.00	\$25.00	\$28.00	\$31.00
Age 46-64	\$26.00	\$32.00	\$37.00	\$43.00	\$48.00

TRIPLE

Age	DRB				
	\$200	\$300	\$400	\$500	\$600
Dependent Child	\$6.00	\$10.00	\$11.00	\$12.00	\$13.00
Age 0-45	\$26.00	\$31.00	\$38.00	\$43.00	\$50.00
Age 46-64	\$38.00	\$47.00	\$56.00	\$65.00	\$74.00

The MEGA Life and Health Insurance Company
Same Day Surgery Rider 25433

when attached to Basic Hospital Expense 25147 (5/92)-P (Rev. 8/02)

Deductible	Base Maximum	Individual	Family
\$500	Single	\$8	\$18
	Double	\$14	\$31
	Triple	\$17	\$38
\$1,000	Single	\$5	\$11
	Double	\$8	\$18
	Triple	\$10	\$22

The MEGA Life and Health Insurance Company
Basic Hospital Expense Policy GHP 3 984
 Small Group

Monthly Premium = Round({ [Base Rate * Age/Sex Factor * Benefit Factor] - [Deductible Rate * Age/Sex Factor * Deductible Factor] } * Area Factor * Outpatient Factor, 0)

Base Rate: \$97.09

Deductible Rate: \$9.16

Age	Factor
Child	0.277
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890
45	0.896
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Age	Factor
Child	0.453
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890
45	0.896
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Daily Room and Board	
\$100	0.540
\$150	0.770
\$200	1.000
\$250	1.250
\$300	1.500
\$350	1.750
\$400	2.000
\$500	2.500

Deductible	
\$200	0.450
\$400	1.000
\$600	1.600
\$1,000	2.500
\$2,000	4.600

Outpatient Factor	
\$200	1.150
\$400	1.100
\$600	1.050
\$1,000	1.050
\$2,000	1.050

Area Factors	
039	1.000
040 - 041	1.000
042	1.000
043	1.000
All Others	1.000

Community Rate:	\$92	
Lowest rate	\$74	80.0%
Highest Rate	\$111	120.0%

The MEGA Life and Health Insurance Company
Basic Hospital Expense Policy GHP 5 788 CERT
 Small Group

Monthly Premium = Round({ [Base Rate * Age/Sex Factor * Benefit Factor] - [Deductible Rate * Age/Sex Factor * Deductible Factor] } * Area Factor * Outpatient Factor, 0)

Base Rate: \$136.72

Deductible Rate: \$12.12

Age	Factor
Child	0.277
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890
45	0.896
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Age	Factor
Child	0.453
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890
45	0.896
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Daily Room and Board	
\$100	0.540
\$150	0.770
\$200	1.000
\$250	1.250
\$300	1.500
\$350	1.750
\$400	2.000
\$500	2.500

Deductible	
\$200	0.450
\$400	1.000
\$600	1.600
\$1,000	2.500
\$2,000	4.600

Outpatient Factor	
\$200	1.150
\$400	1.100
\$600	1.050

Area Factors	
039	1.000
040 - 041	1.000
042	1.000
043	1.000
All Others	1.000

Community Rate:	\$144	
Lowest rate	\$116	80.0%
Highest Rate	\$173	120.0%

The MEGA Life and Health Insurance Company
Basic Hospital Expense Plan 25311 / GHP 7 392 CERT
 Issues On or After 6/15/1998

Final Calculated Premium	
Round(Base Rate * Age Factor * Deductible Factor * DRB Factor * Area Factor ,0)+ Add'l Misc Premium + Add'l Surg Premium	
Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates	
For monthly direct bill rates, add \$9 to the final calculated premium	

Age / Sex Factors			
Attained Age	Unisex	Attained Age	Unisex
Dependent Child	0.398	41	0.867
19	0.800	42	0.875
20	0.800	43	0.883
21	0.801	44	0.890
22	0.802	45	0.896
23	0.803	46	0.904
24	0.804	47	0.912
25	0.805	48	0.920
26	0.808	49	0.931
27	0.808	50	0.942
28	0.809	51	0.956
29	0.809	52	0.971
30	0.810	53	0.987
31	0.812	54	1.004
32	0.815	55	1.023
33	0.819	56	1.043
34	0.822	57	1.065
35	0.827	58	1.087
36	0.832	59	1.107
37	0.838	60	1.127
38	0.845	61	1.145
39	0.852	62	1.164
40	0.860	63	1.182
		64+	1.200

Base Rate: \$111.87

Deductible	Factor
\$1,000	1.000
\$1,200	0.980
\$1,800	0.900
\$2,400	0.850
\$3,600	0.750
\$4,800	0.650
\$7,200	0.500
\$9,600	0.400

Daily Room and Board	Factor
\$200	0.6747
\$300	0.8449
\$400	1.0000
\$500	1.1492
\$600	1.2937
\$700	1.4305
\$800	1.5576

Area Factors	
All zips	1.000

Community Rate:	\$95	
Lowest rate	\$76	80.0%
Highest Rate	\$114	120.0%

The MEGA Life and Health Insurance Company
Basic Hospital Expense Plan 25311 / GHP 7 392 CERT
 Issues On or After 6/15/1998

Additional Monthly Premium for the Optional 40, 60, and 80 times DRB Miscellaneous Benefit
Additional Misc Premium = Round(Base Rate * Benefit Factor * Age Factor * Area Factor,0)

Base Rate	\$ 14.43
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Benefit	Factor
40 Times DRB	1.0000
60 Times DRB	1.7143
80 Times DRB	2.0787

Additional Monthly Premium for the Optional 40, 60, and 80 times DRB Surgical Benefit
Additional Surg Premium = Round(Base Rate * Benefit Factor * Age Factor * Area Factor,0)

Base Rate	\$ 3.48
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Benefit	Factor
40 Times DRB	1.0000
60 Times DRB	1.9437
80 Times DRB	3.0794

The MEGA Life and Health Insurance Company
Basic Hospital Expense Plan 25311 / GHP 7 392 CERT
 Issues Prior to 6/15/1998

Final Calculated Premium	
Round(Base Rate * Age Factor * Ded/DRB Factor * Area Factor,0)	
Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates	
For monthly direct bill rates, add \$9 to the final calculated premium	

Age Factors			
Attained Age	Factor	Attained Age	Factor
Child	1.000	41	0.867
19	0.800	42	0.875
20	0.800	43	0.883
21	0.801	44	0.890
22	0.802	45	0.896
23	0.803	46	0.904
24	0.804	47	0.912
25	0.805	48	0.920
26	0.808	49	0.931
27	0.808	50	0.942
28	0.809	51	0.956
29	0.809	52	0.971
30	0.810	53	0.987
31	0.812	54	1.004
32	0.815	55	1.023
33	0.819	56	1.043
34	0.822	57	1.065
35	0.827	58	1.087
36	0.832	59	1.107
37	0.838	60	1.127
38	0.845	61	1.145
39	0.852	62	1.164
40	0.860	63	1.182
		64+	1.200

Proposed Monthly EFT Rate	
Base Rate:	\$243.59

Community Rate:	\$149	
Lowest rate	\$119	80.0%
Highest Rate	\$179	120.0%

The MEGA Life and Health Insurance Company
Basic Hospital Expense Plan 25311 / GHP 7 392 CERT
 Issues Prior to 6/15/1998

Deductible / Daily Room & Board Factors - Adult									
Room and Board									
Deductible	\$200	\$250	\$300	\$350	\$400	\$500	\$600	\$700	\$800
\$200	0.8074	0.8807	0.9514	1.0188	1.0828	1.2091	1.3315	1.4487	1.5563
\$400	0.7318	0.8048	0.8758	0.9432	1.0072	1.1335	1.2559	1.3731	1.4807
\$600	0.6649	0.7382	0.8089	0.8763	0.9403	1.0667	1.1891	1.3061	1.4137
\$800	0.6113	0.6846	0.7553	0.8226	0.8867	1.0130	1.1354	1.2523	1.3601
\$1,000	0.4868	0.5493	0.6095	0.6668	0.7214	0.8291	0.9333	1.0329	1.1247
\$1,200	0.4591	0.5215	0.5818	0.6391	0.6937	0.8014	0.9056	1.0052	1.0969
\$1,800	0.4381	0.4944	0.5486	0.6002	0.6493	0.7461	0.8400	0.9296	1.0122
\$2,400	0.4137	0.4669	0.5181	0.5668	0.6132	0.7047	0.7933	0.8780	0.9560
\$4,800	0.3164	0.3570	0.3962	0.4335	0.4689	0.5389	0.6066	0.6714	0.7310
\$7,200	0.2434	0.2746	0.3048	0.3334	0.3607	0.4145	0.4666	0.5165	0.5623
\$9,600	0.1947	0.2197	0.2438	0.2668	0.2886	0.3316	0.3733	0.4131	0.4499

Deductible / Daily Room & Board Factors - Child									
Room and Board									
Deductible	\$200	\$250	\$300	\$350	\$400	\$500	\$600	\$700	\$800
\$200	0.2922	0.3157	0.3386	0.3606	0.3822	0.4223	0.4621	0.5002	0.5354
\$400	0.2544	0.2779	0.3008	0.3229	0.3439	0.3846	0.4244	0.4624	0.4976
\$600	0.2265	0.2501	0.2730	0.2950	0.3161	0.3567	0.3966	0.4345	0.4697
\$800	0.2047	0.2283	0.2509	0.2731	0.2942	0.3349	0.3747	0.4126	0.4479
\$1,000	0.1596	0.1796	0.1992	0.2180	0.2358	0.2705	0.3044	0.3368	0.3668
\$1,200	0.1468	0.1669	0.1864	0.2051	0.2230	0.2577	0.2916	0.3239	0.3540
\$1,800	0.1432	0.1616	0.1794	0.1962	0.2123	0.2440	0.2746	0.3030	0.3310
\$2,400	0.1353	0.1527	0.1694	0.1853	0.2005	0.2304	0.2594	0.2870	0.3126
\$4,800	0.1034	0.1167	0.1295	0.1417	0.1533	0.1762	0.1984	0.2232	0.2390
\$7,200	0.0796	0.0898	0.0996	0.1090	0.1179	0.1355	0.1526	0.1794	0.1839
\$9,600	0.0637	0.0718	0.0797	0.0872	0.0943	0.1084	0.1221	0.1385	0.1471

The MEGA Life and Health Insurance Company
Basic Hospital Expense Benefit Plan 25875-C-ME
 Small Employer Group

Monthly Rate: Round(Base Rate*Age*Marital*Smoker*AE*Amount*DRB*Deductible*Misc*Area,0) + (DRB Enhancement (if selected))

*A \$9 fee is added to the policies on a monthly direct bill mode.

Age Factors	
Age	Factor
Dependent Child	0.3500
0-18	1.2720
19	1.2720
20	1.2720
21	1.2720
22	1.2720
23	1.2720
24	1.2720
25	1.2720
26	1.2720
27	1.2720
28	1.2720
29	1.2720
30	1.2720
31	1.2720
32	1.2720
33	1.2771
34	1.2822
35	1.2873
36	1.2924
37	1.2974
38	1.3115
39	1.3256
40	1.3397
41	1.3538
42	1.3679
43	1.3927
44	1.4175
45	1.4423
46	1.4671
47	1.4920
48	1.5292
49	1.5664
50	1.6036
51	1.6408
52	1.6781
53	1.7200
54	1.7454
55	1.7700
56	1.7900
57	1.8050
58	1.8064
59	1.8078
60	1.8092
61	1.8106
62	1.8121
63	1.8121
64+	1.8121

Base Rate: \$55.56

Marital Status	
Married	1.000
Single	1.000

AE % Amount Factors	
Child	1.030
Male	1.030
Female	1.030

DRB Factors		
DRB	Adult	Child
\$200	0.6990	0.6744
\$300	0.8526	0.8140
\$400	1.0000	1.0000
\$500	1.1474	1.1628
\$600	1.2820	1.3256

Smoker Factor	
Smoker	1.000
Non-Smoker	1.000

Deductible Factors	
\$1,000	1.061
\$2,000	0.845
\$3,000	0.735
\$4,000	0.690
\$5,000	0.660

Miscellaneous Benefit Factors			
DRB	Single	Double	Triple
\$200	1.000	1.200	1.303
\$300	1.000	1.180	1.282
\$400	1.000	1.160	1.261
\$500	1.000	1.140	1.240
\$600	1.000	1.110	1.219

Community Rate:	\$74	
Lowest rate	\$61	82.5%
Highest Rate	\$87	117.5%

The MEGA Life and Health Insurance Company
 Basic Hospital Expense Benefit Plan 25875-C-ME
 Small Employer Group

DRB Enhancement
 (additional DRB Benefit, not subject to Miscellaneous Benefit amounts)

Gender / Age	Additional DRB Amount			
	\$100	\$200	\$300	\$400
Dependent Child	\$1.00	\$1.00	\$1.00	\$1.00
0-39	\$3.00	\$6.00	\$9.00	\$12.00
40 - 49	\$3.50	\$7.00	\$10.50	\$14.00
50 - 63	\$4.40	\$8.80	\$13.20	\$17.60

Optional Additional Surgical Benefit
 (Base plan design contains a surgical benefit equal to 20 times the selected DRB)

Monthly Rate: Round(Base Rate*Smoker*Deductible*Surgical Benefit*Area,0)

Age	Base Rate
Dependent Child	\$2.65
0-39	\$10.44
40-49	\$12.34
50-63	\$15.18

Smoker Factor	
Smoker	1.000
Non-Smoker	1.000

Deductible Factor	
\$1,000	1.0000
\$2,000	0.9300
\$3,000	0.8715
\$4,000	0.7500
\$5,000	0.6800

Surgical Benefit	
40 times DRB	1.000
60 times DRB	1.500

The MEGA Life and Health Insurance Company
 Basic Hospital Expense Benefit Plan 25875-C-ME
 Small Employer Group

Same-Day Surgery Facility Benefit
 (Base Plan design contains a surgical benefit equal to 5 times the selected DRB)

Monthly Rate: Round(Base Rate*Age/Sex*Area,0)

Base Rates		
10x	15x	20x
\$2.80	\$4.29	\$5.94

Age/Sex Factor	
Age	Factor
Dependent Child	0.480
0-34	1.328
35-39	1.328
40-44	1.328
45-49	1.360
50-54	1.456
55-59	1.992
60+	1.992

Maine Area Factors (Table H)		
Zip	Area	Factor
039-040	E	0.746
041	F	0.784
042	E	0.746
043	E	0.746
044-046	E	0.746
047	E	0.746
048-049	E	0.746
All Others	F	0.784

The MEGA Life and Health Insurance Company
Accumulated Covered Expense Rider 25890
 Small Group

Final Calculated Premium
Formula: Round(Base Rate * Area Factor, 0) Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

\$75,000 Option Base Rate	
Attained Age	Rates
Dependent Child	\$11.14
0-39	\$33.42
40-49	\$37.88
50-64	\$46.79

\$100,000 Option Base Rate	
Attained Age	Rates
Dependent Child	\$6.90
0-39	\$20.70
40-49	\$23.46
50-64	\$28.97

Area Factors		
3-Digit ZIP	Area	Factor
039	E	0.746
040	E	0.746
041	F	0.784
042	E	0.746
043	F	0.784
044	E	0.746
045-046	E	0.746
047	F	0.784
048	E	0.746
049	E	0.746
All Others	F	0.784

The MEGA Life and Health Insurance Company
Group Catastrophic Policy GHP 2 883 CERT
 Small Group

Formula: Round(Monthly Base Rate * Proposed Inflation * Deductible Factor * Aggregate Factor * Area Factor)
 Multiply the monthly rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Monthly Base Rates for Issues After 1/1/85			
Attained Age	Factor	Attained Age	Factor
Under 19	24.48	42	83.33
19	76.19	43	84.09
20	76.19	44	84.76
21	76.29	45	85.33
22	76.38	46	86.09
23	76.48	47	86.86
24	76.57	48	87.62
25	76.67	49	88.67
26	76.95	50	89.71
27	76.95	51	91.05
28	77.05	52	92.48
29	77.05	53	94.00
30	77.14	54	95.62
31	77.33	55	97.43
32	77.62	56	99.33
33	78.00	57	101.43
34	78.29	58	103.52
35	78.76	59	105.43
36	79.24	60	107.33
37	79.81	61	109.05
38	80.48	62	110.86
39	81.14	63	112.57
40	81.90	64	114.29
41	82.57		

Proposed Inflation: 14.9718465

Deductible	Factor
\$0	2.00
\$600	1.00
\$900	0.92
\$1,200	0.83
\$1,800	0.74
\$2,400	0.66
\$6,000	0.38
\$12,000	0.24
\$24,000	0.14

Aggregate	Factor
\$500,000	1.000

Area	Factor
039	0.760
040 - 041	0.760
042	0.760
043 - 044	0.760
045 - 049	0.760
All Others	0.760

Community Rate:	\$715	
Lowest rate	\$572	80%
Highest Rate	\$858	120%

The MEGA Life and Health Insurance Company
Group Catastrophic Policy GHP 2 883 CERT
 Small Group

Formula: Round(Monthly Base Rate * Proposed Inflation * Deductible Factor * Aggregate Factor * Area Factor)
 Multiply the monthly rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Proposed Inflation: 19.29799

Monthly Base Rates for Issues Prior to 1/1/85			
Attained Age	Individual	Individual & 1 Child	Family
Under 30	43.230	66.658	87.052
30-34	43.230	66.658	87.052
35-39	43.230	66.658	87.052
40-44	43.230	70.658	98.369
45-49	51.768	82.240	112.188
50-54	59.063	92.489	124.375
55-59	64.845	99.988	130.578
60-64	64.845	99.988	130.578

Deductible	Factor
\$0	2.469
\$400	1.360
\$600	1.000
\$900	0.900
\$1,200	0.800
\$3,000	0.610
\$6,000	0.400
\$12,000	0.340
\$24,000	0.230

Aggregate	Factor
\$120,000	0.920
\$300,000	0.955
\$600,000	1.000

Area	Factor
039	0.760
040 - 041	0.760
042	0.760
043 - 044	0.760
045 - 049	0.760
All Others	0.760

	Individual	Ind + 1	Family
Community Rate:	\$793	\$1,222	\$1,596
Lowest rate	\$634	\$978	\$1,277
Highest Rate	\$951	\$1,466	\$1,915
	79.9%	80.0%	80.0%
	119.9%	120.0%	120.0%

The MEGA Life and Health Insurance Company
Catastrophic Hospital Expense Policy GHP 4 187
 Small Group

Formula: Round(Monthly Base Rate * Age Factor * Deductible Factor * Area Factor, 0)

Age	Factor
Child	0.236
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867

Age	Factor
42	0.875
43	0.883
44	0.890
45	0.896
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Base Rate: \$915.07

Deductible	
\$300	1.080
\$600	1.000
\$900	0.960
\$1,200	0.910
\$2,400	0.730
\$3,600	0.640
\$4,800	0.560
\$6,000	0.380
\$12,000	0.280

Area Factors	
039	0.760
040 - 041	0.760
042	0.760
043	0.760
All Others	0.760

Community Rate:	\$695	
Lowest rate	\$556	80.0%
Highest Rate	\$835	120.1%

The MEGA Life and Health Insurance Company
Catastrophic Expense Benefit Rider CEB 1 789
 Small Group

Formula: Round(Monthly Base Rate * Age Factor * Deductible Factor * Area Factor, 0)

Age	Factor
Child	0.236
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890

Age	Factor
45	0.896
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Base Rate: \$828.82

Deductible	
\$6,000	0.530
\$12,000	0.350

Area Factors	
039	0.760
040 - 041	0.760
042	0.760
043	0.760
All Others	0.760

Community Rate:	\$334	
Lowest rate	\$267	80.0%
Highest Rate	\$401	120.0%

The MEGA Life and Health Insurance Company
Group Catastrophic Policy GHP 6 788 CERT
 Small Group

Formula: Round(Monthly Base Rate * Age Factor * Deductible Factor * Area Factor,0)
 Multiply the monthly rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Age Factors			
Attained Age	Factor	Attained Age	Factor
Child	0.236	42	0.875
19	0.800	43	0.883
20	0.800	44	0.890
21	0.801	45	0.896
22	0.802	46	0.904
23	0.803	47	0.912
24	0.804	48	0.920
25	0.805	49	0.931
26	0.808	50	0.942
27	0.808	51	0.956
28	0.809	52	0.971
29	0.809	53	0.987
30	0.810	54	1.004
31	0.812	55	1.023
32	0.815	56	1.043
33	0.819	57	1.065
34	0.822	58	1.087
35	0.827	59	1.107
36	0.832	60	1.127
37	0.838	61	1.145
38	0.845	62	1.164
39	0.852	63	1.182
40	0.860	64+	1.200
41	0.867		

Base Rate	
100%	\$ 864.61
60%-40%	\$ 642.41
60%-40% Van. Copay	\$ 705.52

Deductible	100%	60%-40%
	Factor	Factor
\$300	1.090	1.060
\$600	1.030	1.000
\$900	0.990	0.960
\$1,200	0.950	0.920
\$2,400	0.780	0.780
\$3,600	0.670	0.670
\$4,800	0.580	0.580
\$6,000	0.530	0.530
\$12,000	0.350	0.350

Area Factors	
039	0.760
040 - 041	0.760
042	0.760
043	0.760
All Others	0.760

Community Rate:	\$657	
Lowest rate	\$526	80.0%
Highest Rate	\$789	120.0%

The MEGA Life and Health Insurance Company
Catastrophic Hospital Expense Policy 25312 / GHP 8 991 CERT Rev. 9-91
 Small Group

Formula: Round(Monthly Base Rate * Age Factor * Ded/Coins Factor * Area Factor,0) + Optional \$4,000,000 Max

Age	Factor
Child	0.312
19	1.058
20	1.058
21	1.059
22	1.061
23	1.062
24	1.063
25	1.065
26	1.068
27	1.068
28	1.070
29	1.070
30	1.071
31	1.074
32	1.078
33	1.083
34	1.087
35	1.094
36	1.100
37	1.108
38	1.117
39	1.127
40	1.137
41	1.146
42	1.157
43	1.168
44	1.177
45	1.185
46	1.195
47	1.206
48	1.217
49	1.231
50	1.246
51	1.264
52	1.284
53	1.305
54	1.328
55	1.353
56	1.379
57	1.408
58	1.437
59	1.464
60	1.490
61	1.514
62	1.539
63	1.563
64	1.587

Base Rate: \$425.74

Deductible	Coinsurance		
	100%	80%	50%
\$600	1.308	1.100	0.884
\$1,000	1.100	0.879	0.701
\$1,200	1.028	0.845	0.636
\$1,800	0.912	0.750	0.564
\$2,400	0.844	0.680	0.489
\$3,600	0.688	0.603	0.475
\$4,800	0.551	0.480	0.374
\$7,200	0.505	0.439	0.339
\$9,600	0.460	0.388	0.279

Area Factors	
039	0.900
040 - 041	0.900
042	0.900
043	0.900
All Others	0.900

Additional Monthly Premium for the Optional \$4,000,000 Overall			
Maximum Limit and Increase per Cause to \$1,000,000			
Adult	\$6.00	Child	\$2.00

Community Rate:	\$445	
Lowest rate	\$356	80.0%
Highest Rate	\$534	120.0%

The MEGA Life and Health Insurance Company
Catastrophic Hospital Expense Benefit Plan 25876-C-ME
 Small Group

Final Calculated Premium	
Formula: Round(Base Rate * Age Factor * Deductible Factor * Smoker Factor * Marital Status Factor * AE % Amount Factor * Area Factor,0)	
Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates	
For monthly direct bill rates, add \$9 to the final calculated premium	

Age Factors			
Attained Age	Factor	Attained Age	Factor
Child	0.350	41	1.354
18	1.272	42	1.368
19	1.272	43	1.393
20	1.272	44	1.418
21	1.272	45	1.442
22	1.272	46	1.467
23	1.272	47	1.492
24	1.272	48	1.529
25	1.272	49	1.566
26	1.272	50	1.604
27	1.272	51	1.641
28	1.272	52	1.678
29	1.272	53	1.720
30	1.272	54	1.745
31	1.272	55	1.770
32	1.272	56	1.790
33	1.277	57	1.805
34	1.282	58	1.806
35	1.287	59	1.808
36	1.292	60	1.809
37	1.297	61	1.811
38	1.312	62	1.812
39	1.326	63	1.812
40	1.340		

Base Rate: \$255.32

Deductible	Coinsurance		
	100%	80%	50%
\$1,500	N/A	1.030	0.870
\$2,500	0.850	0.740	0.670
\$3,500	0.710	0.670	0.570
\$5,000	0.620	0.580	0.500
\$7,500	0.510	0.460	0.400
\$10,000	0.430	0.400	0.360

Smoker Factor	
Smoker	1.000
Non-Smoker	1.000

Marital Status Factors*	
Smoker	1.000
Non-Smoker	1.000

* Marital discount only applies when both primary and spouse are insured.

AE Factor	
Adult	1.030
Child	1.030

Maine Area Factors		
Zip	Area	Factor
039-041	F	0.784
042	G	0.823
043-046	F	0.784
047-048	G	0.823
049	F	0.784
All Others	G	0.823

Community Rate:	\$337	
Lowest rate	\$270	80.1%
Highest Rate	\$404	119.9%

The MEGA Life and Health Insurance Company
Expandable Major Hospital Expense Policy 25313 / PMH 1 190 CERT
 Small Group

Formula: Round(Monthly Base Rate * Age Factor * Deductible Factor * Coins Factor * Area Factor,0)

Attained Age	Factor
Child	0.257
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890
45	0.896

Attained Age	Factor
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Base Rate: \$899.96

Deductible	Deductible	Coinsurance Option	
	Factor	80%	100%
\$250	1.000	1.00	--
\$500	0.929	1.00	--
\$750	0.879	1.00	--
\$1,000	0.839	1.00	--
\$1,250	0.806	1.00	--
\$1,500	0.773	1.00	--
\$1,750	0.744	1.00	--
\$2,000	0.717	1.00	--
\$2,500	0.654	0.90	1.00
\$3,500	0.580	0.90	1.00
\$5,000	0.508	0.90	1.00
\$7,500	0.422	0.90	1.00
\$10,000	0.373	0.90	1.00

Area Factors - Maine	
All Zip Codes	0.76

Community Rate:	\$684	
Lowest rate	\$547	80.0%
Highest Rate	\$821	120.0%

The MEGA Life and Health Insurance Company
Expandable Major Hospital Expense Policy PMH 2 NSF CERT
 Small Group

Formula: Round(Monthly Base Rate * Age Factor * Deductible Factor * Coins Factor * Area Factor,0)

Attained Age	Factor
Child	0.257
19	0.800
20	0.800
21	0.801
22	0.802
23	0.803
24	0.804
25	0.805
26	0.808
27	0.808
28	0.809
29	0.809
30	0.810
31	0.812
32	0.815
33	0.819
34	0.822
35	0.827
36	0.832
37	0.838
38	0.845
39	0.852
40	0.860
41	0.867
42	0.875
43	0.883
44	0.890
45	0.896

Attained Age	Factor
46	0.904
47	0.912
48	0.920
49	0.931
50	0.942
51	0.956
52	0.971
53	0.987
54	1.004
55	1.023
56	1.043
57	1.065
58	1.087
59	1.107
60	1.127
61	1.145
62	1.164
63	1.182
64	1.200

Base Rate: \$617.67

Deductible	Deductible Factor	Coinsurance Factor	
		80%	100%
\$250	1.000	0.90	1.00
\$500	0.929	0.90	1.00
\$750	0.879	0.90	1.00
\$1,000	0.839	0.90	1.00
\$1,250	0.806	0.90	1.00
\$1,500	0.773	0.90	1.00
\$1,750	0.744	0.90	1.00
\$2,000	0.717	0.90	1.00
\$2,500	0.654	0.90	1.00
\$3,500	0.580	0.90	1.00
\$5,000	0.508	0.90	1.00
\$7,500	0.422	0.90	1.00
\$10,000	0.373	0.90	1.00

Area Factors - Maine	
All Zip Codes	0.76

Community Rate:	\$422	
Lowest rate	\$338	80.0%
Highest Rate	\$507	120.0%

The MEGA Life and Health Insurance Company
Mental Health Parity Benefit Rider Form 25930 ME
 When attached to Form 25875-C-ME

Final Calculated Premium	
Formula: Round(Base Rate * Age Factor * Area Factor,0)	
Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates	

Proposed Monthly EFT Base Rate: \$14.73

Attained Age	Factor
Dependent Child	0.3500
0-18	1.2720
19	1.2720
20	1.2720
21	1.2720
22	1.2720
23	1.2720
24	1.2720
25	1.2720
26	1.2720
27	1.2720
28	1.2720
29	1.2720
30	1.2720
31	1.2720
32	1.2720
33	1.2771
34	1.2822
35	1.2873
36	1.2924
37	1.2974
38	1.3115
39	1.3256
40	1.3397

Attained Age	Factor
41	1.35380
42	1.36790
43	1.39270
44	1.41750
45	1.44230
46	1.46710
47	1.49200
48	1.52920
49	1.56640
50	1.60360
51	1.64080
52	1.67810
53	1.72000
54	1.74540
55	1.77000
56	1.79000
57	1.80500
58	1.80640
59	1.80780
60	1.80920
61	1.81060
62	1.81210
63	1.81210
64+	1.81210

Maine Area Factors		
Zip	Area	Factor
039-040	E	0.746
041	F	0.784
042	E	0.746
043	E	0.746
044-046	E	0.746
047	E	0.746
048-049	E	0.746
All Others	F	0.784

The MEGA Life and Health Insurance Company
Mental Health Parity Benefit Rider Form 25930 ME
 when attached to Form 25876-C-ME

Final Calculated Premium
Formula: Round(Base Rate * Age Factor * Area Factor,0)
Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Proposed Monthly EFT Base Rate: \$36.47

Attained Age	Factor
Dependent Child	0.3500
0-18	1.2720
19	1.2720
20	1.2720
21	1.2720
22	1.2720
23	1.2720
24	1.2720
25	1.2720
26	1.2720
27	1.2720
28	1.2720
29	1.2720
30	1.2720
31	1.2720
32	1.2720
33	1.2771
34	1.2822
35	1.2873
36	1.2924
37	1.2974
38	1.3115
39	1.3256
40	1.3397

Attained Age	Factor
41	1.35380
42	1.36790
43	1.39270
44	1.41750
45	1.44230
46	1.46710
47	1.49200
48	1.52920
49	1.56640
50	1.60360
51	1.64080
52	1.67810
53	1.72000
54	1.74540
55	1.77000
56	1.79000
57	1.80500
58	1.80640
59	1.80780
60	1.80920
61	1.81060
62	1.81210
63	1.81210
64+	1.81210

Maine Area Factors		
Zip	Area	Factor
039-041	F	0.784
042	G	0.823
043-046	F	0.784
047-048	G	0.823
049	F	0.784
All Others	G	0.823

The MEGA Life and Health Insurance Company
 Ambulatory Care Rider Form 25216
 Small Group

Monthly Premium: Round(Base Rates * Discount Point Factor, 0)

Area	Single	Family
A	\$71	\$150
B	\$76	\$165
C	\$79	\$177
D	\$89	\$192
E	\$98	\$202
F	\$101	\$219
G	\$113	\$241
H	\$116	\$263
I	\$126	\$278
J	\$128	\$300
K	\$145	\$325
L	\$150	\$347

Deductible	Discount Points
500	2
1,000	16

24-Hour Limit	Discount Points
500	18
1,000	7
2,000	0

Coinsurance	Discount Points
0/100	0
20/80	4

Discount Points	Factor
0	1.00
1	0.95
2	0.90
3	0.86
4	0.81
5	0.77
6	0.74
7	0.70
8	0.66
9	0.63
10	0.60
11	0.57
12	0.54
13	0.51
14	0.49
15	0.46
16	0.44
17	0.42
18	0.40
19	0.38
20	0.36

Discount Points	Factor
21	0.34
22	0.32
23	0.31
24	0.29
25	0.28
26	0.26
27	0.25
28	0.24
29	0.23
30	0.21
31	0.20
32	0.19
33	0.18
34	0.17
35	0.17
36	0.16
37	0.16
38	0.15
39	0.15
40+	0.14

The MEGA Life and Health Insurance Company
 Outpatient Testing and Therapy Benefit Riders 25326/TTR 1 292
 Small Group

Cost Area	\$250 Ded		\$500 Ded	
	Individual	Family	Individual	Family
A	\$58.00	\$137.00	\$43.00	\$103.00
B	\$65.00	\$159.00	\$49.00	\$119.00
C	\$72.00	\$180.00	\$54.00	\$135.00
D	\$87.00	\$202.00	\$65.00	\$151.00
E	\$94.00	\$224.00	\$70.00	\$167.00
F	\$101.00	\$245.00	\$76.00	\$184.00
G	\$108.00	\$267.00	\$81.00	\$200.00
H	\$123.00	\$289.00	\$92.00	\$216.00
I	\$130.00	\$310.00	\$97.00	\$232.00
J	\$137.00	\$332.00	\$103.00	\$248.00

The MEGA Life and Health Insurance Company
Outpatient Testing and Therapy Benefit Rider 25330 / PTTR 290
Small Group

Deductible	Single	Family
\$250	\$86.00	\$207.00
\$500	\$66.00	\$152.00
\$750	\$49.00	\$120.00
\$1,000	\$44.00	\$107.00
\$1,250	\$40.00	\$98.00
\$1,500	\$40.00	\$93.00
\$1,750	\$36.00	\$84.00
\$2,000	\$36.00	\$80.00
\$2,500	\$31.00	\$76.00
\$5,000	\$22.00	\$49.00
\$10,000	\$6.00	\$13.00

The MEGA Life and Health Insurance Company
Ambulatory Care Rider 25885
 when attached to Policy Forms 25875-C-ME and 25876-C-ME

Formula: Round((Base Rate *Age/Sex* Smoker* Coins/Deductible Factor* Area), 0)
 Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Base Rate	\$19.32
Smoker	1.000
Non-Smoker	1.000

AGE/SEX FACTORS	
Age	Age Factors
Dependent Child	0.375
0-24	1.404
25-29	1.404
30-34	1.404
35-39	1.404
40-44	1.404
45-49	1.500
50-54	2.000
55-59	2.000
60-64	2.000

COINSURANCE / DEDUCTIBLE FACTOR			
Deductible	\$500		
24-hour Limit	\$500	\$1,000	\$2,000
50% Coins	0.47	0.710	1.02
80% Coins	0.82	1.330	2.03
Deductible	\$1,000		
24-hour Limit	\$500	\$1,000	\$2,000
50% Coins	0.22	0.350	0.52
80% Coins	0.4	0.65	1.06

Maine Area Factors		
(Table H)		
Zip	Area	Factor
039-040	E	0.746
041	F	0.784
042	E	0.746
043	E	0.746
044-046	E	0.746
047	E	0.746
048-049	E	0.746
All Others	F	0.784

The MEGA Life and Health Insurance Company
Air Ambulance Rider 25902
Small Group Rates

Formula: Round(Base Rate, 0)

Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Base	Per Mile	Max Benefit	Individual	Family
\$1,500	\$20	\$1,500	\$1	\$2
\$1,500	\$20	\$3,500	\$1	\$3
\$1,500	\$20	\$5,000	\$2	\$5
\$2,500	\$50	\$5,000	\$2	\$5

The MEGA Life and Health Insurance Company
Emergency Room Rider 25908
 Small Group Rates

Formula: Round(Base Rate, 0)

Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

80% Coinsurance Monthly Base Rate			
Attained Age	\$500 Maximum	\$1000 Maximum	\$1500 Maximum
Dependent Child	\$5.00	\$6.00	\$7.00
0-44	\$5.00	\$7.00	\$8.00
45-64	\$8.00	\$10.00	\$12.00

100% Coinsurance Monthly Base Rate			
Attained Age	\$500 Maximum	\$1000 Maximum	\$1500 Maximum
Dependent Child	\$7.00	\$9.00	\$10.00
0-44	\$8.00	\$9.00	\$12.00
45-64	\$12.00	\$14.00	\$18.00

Community Rate:	\$7	\$9	\$10
Lowest rate	\$5	\$7	\$8
Highest Rate	\$8	\$10	\$12
	76.9%	82.4%	80.0%
	123.1%	117.6%	120.0%
Community Rate:	\$10	\$12	\$15
Lowest rate	\$8	\$9	\$12
Highest Rate	\$12	\$14	\$18
	80.0%	78.3%	80.0%
	120.0%	121.7%	120.0%

The MEGA Life and Health Insurance Company
 Ambulatory Care Rider ACR 1 1189
 Small Group

Cost Area	\$250 Deductible		\$500 Deductible	
	Individual	Family	Individual	Family
A	\$31.45	\$74.69	\$26.73	\$63.49
B	\$35.38	\$86.48	\$30.07	\$73.51
C	\$39.31	\$98.28	\$33.41	\$83.54
D	\$47.17	\$110.07	\$40.10	\$93.56
E	\$51.10	\$121.86	\$43.44	\$103.58
F	\$55.03	\$133.66	\$46.78	\$113.61
G	\$58.97	\$145.45	\$50.12	\$123.63
H	\$66.83	\$157.24	\$56.80	\$133.66
I	\$70.76	\$169.04	\$60.15	\$143.68
J	\$74.69	\$180.83	\$63.49	\$153.70

Maine Cost Area
C

The MEGA Life and Health Insurance Company
Outpatient Radiation Therapy and Chemotherapy Rider 25149
Small Group

Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Base Rate		
Individual	\$	18.00
Family	\$	26.00

The MEGA Life and Health Insurance Company
Outpatient Radiation and Chemotherapy Rider 25327 / GCR 2 1284
Small Group

When attached to PPO 2 895 or GMMA series

Base Rate		
Individual	\$	24.00
Family	\$	39.00

When attached to all other products

Base Rate		
Individual	\$	21.00
Family	\$	34.00

The MEGA Life and Health Insurance Company
Radiation Therapy and Chemotherapy Rider 25331 / PGCR 190
Small Group

Base Rate		
Individual	\$	28.00
Family	\$	44.00

The MEGA Life and Health Insurance Company
Chemotherapy and Radiation Therapy Rider 25887 and 25887 ME
Small Group

Multiply the Base Rate by 3 for quarterly rates, 6 for semi-annual, and 11 for annual premium rates

Age	Premium
Dependent Child	\$2.00
0-39	\$9.00
40-49	\$10.00
50-64	\$13.00

The MEGA Life and Health Insurance Company

Doctor's Office Visit Rider 25456
Small Group and HIPAA Eligible Individuals

Formula: Round(Monthly Base Rate, 2)

Family Structure	Monthly Rate
Individual	\$10.56
Individual & Spouse	\$21.12
Individual & Children	\$31.68
Family	\$42.24

The MEGA Life and Health Insurance Company
 Physician's Office Visit Rider 25886
 Small Group

\$15 Copay and \$50 Benefit Maximum

Age	Issues Prior to 3/3/2003		Issues On or After 3/3/2003*	
	1 Visit per Quarter	2 Visits per Quarter	1 Visit per Quarter	2 Visits per Quarter
Dependent Child	\$6.62	\$11.23	\$9.92	\$13.97
0-34	\$10.29	\$15.80	\$10.29	\$15.80
35-44	\$10.29	\$15.80	\$10.29	\$15.80
45-54	\$11.03	\$17.46	\$11.03	\$17.46
55-64	\$15.44	\$23.70	\$15.44	\$23.70

* Children receive double the number of visits per quarter indicated.

Community Rate:	\$12.86	\$19.75	\$12.86	\$19.75
Lowest rate	\$10.29	\$15.80	\$10.29	\$15.80
Highest Rate	\$15.44	\$23.70	\$15.44	\$23.70
	80.0%	80.0%	80.0%	80.0%
	120.0%	120.0%	120.0%	120.0%

\$20 Copay and \$75 Benefit Maximum

Age	1 Visit per Quarter	2 Visits per Quarter
Dependent Child*	\$11.03	\$15.22
0-34	\$11.39	\$17.05
35-44	\$11.39	\$17.05
45-54	\$12.13	\$18.71
55-64	\$16.54	\$24.95

* Children receive double the number of visits per quarter indicated.

Community Rate:	\$13.96	\$21.00
Lowest rate	\$11.39	\$17.05
Highest Rate	\$16.54	\$24.95
	81.6%	81.2%
	118.4%	118.8%

The MEGA Life and Health Insurance Company
Pregnancy/Childbirth Benefit Rider 25323-ME
Small Group

Benefit	Monthly Rate
\$1,000	\$27.00
\$2,000	\$53.00
\$3,000	\$80.00
\$4,000	\$106.00
\$6,000	\$160.00

SERFF Tracking Number: MGCA-126287812 State: Maine
 Filing Company: The Mega Life and Health Insurance Company - State Tracking Number:
 ICA
 Company Tracking Number: ME SM GRP 2009
 TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
 Expense
 Product Name: ME Small Group Filings
 Project Name/Number: /

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Explanatory Memorandum LH		
Comments:		
Attachment: ME small group 2010 rate file doc 3 Cover act memo.pdf		

	Item Status:	Status Date:
Satisfied - Item: Supporting Documents		
Comments:		
Attachments: ME small group 2010 rate file doc 1.pdf ME Small Group 2010 rate file doc 2 transmittal.pdf ME small group 2010 rate file doc 4 exhibits.pdf ME Small Group 2010 rate file doc 5 Calc Experience.pdf ME small group 2010 rate file doc 6 CheckList.pdf ME Small Group 2010 rate file doc 8 rerate letter.pdf		

The MEGA Life and Health Insurance Company

9151 Grapevine Highway, North Richland Hills, TX 76182-8010

Actuarial Memorandum for Maine Small Group Health Plans Rate Filing

August 28, 2009

Mr. William A. Bremer, FCA, MAAA
Assistant Actuary
Maine Bureau of Insurance
34 State House Station
August, Maine, 04333

RE: The MEGA Life and Health Insurance Company

Rate Filing for Small Group Plans

Company NAIC # 264-97055; Company FEIN # 59-2213662

Basic Plans: 25147 (5/92)-P (Rev. 8/02), 25311/GHP 7 392 CERT, GHP 3 984 CERT, GHP 5 788 CERT, and 25875-C-ME

Catastrophic Plans: 25312/ GHP 8 991 CERT (Rev. 10-91), 25313/PMH 1 190, PMH 2 NSF CERT, GHP 2 883 CERT,
GHP 4 188 CERT, GHP 6 788 CERT, and 25876-C-ME

Riders: 25902, 25216, 25330, 25326, 25885, ACR 1 1189, 25149, 25887, 25327, 25331, 25456, 25886, 25908, 25930-ME,
25323-ME, CEB 1 788, 25433, 25890

Dear Mr. Bremer:

Enclosed, please find an actuarial memorandum, experience exhibit for all small group products with in force business in the state of Maine for rates effective January 1, 2010 or upon approval. The rate adjustments contained in this filing will support the loss ratio requirements outlined in Title 24-A M.R.S.A. 2808-B.

This rate filing covers all health plans and riders. It does not, however, include dental, vision, drug, accident, return of premium, specified disease or life insurance rates.

There has been a significant increase in claims for these plans over the course of the last twelve months. If we were to base our rate request solely on this most recent twelve months, we would need a much higher increase, including 34% on the scheduled plans. In order to smooth out this recent poor experience and thereby moderate the proposed increase to the extent possible, the rate increase being proposed is based on two years of experience. By using two years of experience we are at this time not requesting an increase on the scheduled plans and are not requesting any adjustments to the riders.

Similarly, if we based rates solely on the last twelve months, the catastrophic plans would require a 48% increase, while using 24 months yields a 37% increase. We are proposing a 33% increase as a result of using the 24 months and also as a result of not lowering certain riders. With an increase of 33% on the catastrophic plans and no changes on riders or scheduled, the block is priced at a 75% loss ratio. The average increase for all small group policies is anticipated to be 21% with the maximum increase at 33% if the policy holder has no riders (this is before attained age).

Sincerely,



Virgil Meier, FSA MAAA
Director Actuarial
Telephone: 1-800-729-2302, ext. 3398
Facsimile: (817) 255-8274
Email: nrhAct-Comp@HealthMarkets.com

Enclosures

The following exhibits are hereby submitted in accordance with rate filing requirements on behalf of The MEGA Life and Health Insurance Company in North Richland Hills, Texas (NAIC # 97055). This memorandum has been prepared for the purpose of demonstrating compliance with regulatory authority and may not be appropriate for other purposes.

A. Scope and Purpose of Filing

This filing contains rate pages for all small group products with in force business. The purpose of this filing is to file rate adjustments according to the requirements of Maine as set forth in Title 24-A M.R.S.A., 2808-B.

An increase in rates on the catastrophic forms: 25312/ GHP 8 991 CERT (Rev. 10-91), 25313/PMH 1 190, PMH 2 NSF CERT, GHP 2 883 CERT, GHP 4 188 CERT, GHP 6 788 CERT, and 25876-C-ME of 33% is requested.

B. Description of Benefits

Form 25147 (5/92)-P (Rev. 8/02) provides benefits for services rendered while confined in a hospital, same-day surgery facility, or on an outpatient basis.

Form 25875-C-ME provides benefits for Hospital Room and Board, Hospital Intensive Care, Miscellaneous In-Hospital Expenses, Surgery, Assistant Surgeon, Anesthesiologist, Outpatient Surgery Facility, Second Physician's Surgical Opinion, Physician Visits while Hospital Confined and Ambulance Transportation.

Forms 25876-C and 25313/PMH 1 190 provide benefits for Hospital Room and Board, Hospital Intensive Care, Miscellaneous Hospital Expenses, Same-Day Surgical Facility Care, Doctor's Visits and Ambulance Services.

Form PMH 2 NSF CERT provides benefits for hospital inpatient expenses.

Form 25311/GHP 7 392 CERT provides hospital coverage on a daily room and board basis.

Form 25312/GHP 8 991 CERT Rev. 10-91 provides benefits for Hospital Room and Board, Hospital Intensive Care/Cardiac Care, Hospital Miscellaneous Charges, Inpatient Physician Visits, Surgeon benefits, Assistant Surgeon benefits, Anesthesiologist, Radiology and Pathology and Same Day Surgery Facility.

Form 25314 provides reimbursement for certain stated medical expenses due to accidental injury. Benefits are provided for services rendered while confined in a hospital or same-day surgery facility.

Forms GHP 2 883, GHP 4 187 and GHP 6 788 provide benefits, subject to the provisions of the Group Policy, if an Insured Person incurs covered expenses resulting from and injury or sickness.

Forms GHP 3 984 and GHP 5 788 CERT provide benefits for basic hospital expenses, included inpatient expenses.

Forms GHP 2 883, GHP 3 984 CERT, GHP 4 188 CERT GHP 5 788 CERT, GHP 6 788 CERT and GHP 7 392 CERT were originally issued by PFL Life Insurance Company and have since been assumed by MEGA.

Rider forms 25216, 25885 and ACR 1 1189 provide benefits for diagnostic X-Rays, laboratory and pathological exams, and physical, occupational or speech therapy, when incurred in a hospital emergency room or outpatient facility, same-day surgery facility or doctor's office or clinic.

Rider forms 25326/TTR 1 292 and 25330/PTTR 290 provide benefits for laboratory and pathological exams, and physical, occupational and speech therapy services provided in hospital emergency rooms, outpatient facilities doctor's offices or clinics, and same-day surgery facilities.

Rider forms 25149, 25327/GCR 2 1284, 25331/PGCR 190 and 25887 provide benefits for actual expenses incurred by an Insured Person during an outpatient hospital stay for the treatment of cancer by radiation therapy or chemotherapy.

Rider forms 25456 and 25886 provide benefits for medically necessary visits to the physician's office or clinic and for related care serviced provided by the Doctor to the Insured Person as a part of such visit.

Rider form 25908 provides benefits for emergency room treatment received for a medical emergency.

Rider form 25930-ME provides benefits for the treatment and diagnosis of psychotic disorders (including schizophrenia), dissociative disorders, mood disorders, anxiety disorders, personality disorders, paraphilias, Attention Deficit and disruptive behavior disorders, pervasive developmental disorders, tic disorders, eating disorders (including bulimia and anorexia) and substance abuse related disorders.

Rider form 25323-ME/GMB 3 991 provides benefits for medical expense incurred as a result of normal pregnancy, childbirth and routine newborn care.

Rider form CEB 1 788 provides benefits for 100% of the covered expenses in excess of the Catastrophic Deductible stated in the certificate schedule when the rider is attached to form GHP 5 788 CERT.

Rider form 25433 provides benefits for Same-Day Surgery Facility Care and surgery expenses.

Rider form 25890 provides benefits for 100% of covered expenses incurred during the remainder of a confinement period, up to the aggregate amount, once an Insured Person's covered expense under the base plan total the accumulated covered expense amount.

C. Proposed Effective Date

The proposed effective date of this rate change is January 1, 2010 or upon approval.

D. In Force Business, Average Monthly Premiums in Maine

See attachment In Force Business

E. Morbidity & Experience

The experience is based on the claim data paid through March 2009. The projection period relies on the data through June 2009. The experience is based on the date of service as defined when services are rendered by a medical professional or facility. The data is based on the forms listed above and is for policies issued in the state of Maine.

Large claim adjustments were made for the amounts over \$100,000 for catastrophic plans and \$50,000 for scheduled plans. The data was adjusted for large claims by removing large claims in the experience period and adding back a pooling charge. The pooling charge is determined by totaling all excess claims for all calendar years and dividing by premium over the same period. To determine if the claims reach this threshold, paid claims are accumulated per person over a 12 month time period. Because the small group blocks are becoming less credible and due to the shift in claim activity, the last two years have also been looked at for the purposes of the rate adjustment. The use of two years of experience helps to stabilize the claim costs. Without the use of the two years of experience, there would have been significant increases in premiums based on the calculations. If claims costs continue at the current higher levels, the rate increase for 2011 will likely be higher than those proposed for 2010, especially for the scheduled plans.

F. Medical Trend Assumptions

Medical trend has been based on the actual data of the products based on the base and riders. The schedule plan has been set at 7%. Catastrophic has been set at 20.5% and the riders vary from 0 to 10% and are shown on exhibit 2010 Small Group MEGA Rate Calculation 1 year.

G. Mortality

Not applicable.

H. Issue Age Range

All issue ages are allowed. The most prevalent issue ages are 19 – 64.

I. Rate History (since 1/1/2000)

See attachment Rate History

J. Renewability

All certificates are conditionally renewable. Riders follow the renewability of the certificate to which they are attached.

K. Loss Ratio Requirements

The minimum required loss ratio for small group business is 75%.

L. Premium Classes

Premium varies by attained age, benefit level, and 3-digit zip code of residence. Area factors are located on the following rate pages.

M. Marketing Method

These products were sold to small employers by general agencies primarily on a one-to-one basis, but the company is not currently marketing small group products in Maine.

N. Actuarial Certification

I certify, to the best of my knowledge and judgment, that this rate filing is in compliance with the applicable laws and regulations of this state, and that the rates are not excessive, inadequate, or unfairly discriminatory.

8/28/2009
Date



Virgil Meier, FSA, MAAA
Director Actuarial

Maine 2010 Small Group Filing
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Life, Accident & Health, Annuity, Credit Transmittal Document

1.	Prepared for the State of	Maine																	
2.	Department Use Only																		
	State Tracking ID																		
3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #												
	The MEGA Life and Health Insurance Company 9151 Boulevard 26, N Richland Hills, TX 76182	Oklahoma		264	97055	59-2213662													
4.	Contact Name & Address	Telephone #	Fax #		E-mail Address														
	Virgil Meier 9151 Boulevard 26, N Richland Hills, TX 76182	(800) 729-2302 x3398	(817) 255-8274		NRHAct-Comp@HealthMarkets.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): _____																	
6.	Company Tracking Number	2010 SmlGrp																	
7.	<input checked="" type="checkbox"/> New Submission	<input type="checkbox"/> Resubmission	Previous File # _____																
8.	Market	<input type="checkbox"/> Individual <input type="checkbox"/> Franchise <input type="checkbox"/> Group <table style="width: 100%; margin-left: 20px;"> <tr> <td><input checked="" type="checkbox"/> Small</td> <td><input type="checkbox"/> Large</td> <td><input type="checkbox"/> Small and Large</td> </tr> <tr> <td><input type="checkbox"/> Employer</td> <td><input checked="" type="checkbox"/> Association</td> <td><input type="checkbox"/> Blanket</td> </tr> <tr> <td><input type="checkbox"/> Discretionary</td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td colspan="3"><input type="checkbox"/> Other: _____</td> </tr> </table>						<input checked="" type="checkbox"/> Small	<input 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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<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: _____																			
9.	Type of Insurance	H15G Group Health-Hospital/Surgical/Medical Expense																	
10.	Product Coding Matrix Filing Code																		
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: _____ <input checked="" type="checkbox"/> 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: _____																	

Effective March 1, 2007

12.	Filing Submission Date	8/29/2009	
13.	Filing Fee (If required)	Amount <u>20</u> Retaliatory <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Check Date _____ Check Number _____
14.	Date of Domiciliary Approval		

15.	Filing Description:

16.	Certification (If required)		
I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and complies with all applicable statutory and regulatory provisions for the state of Maine			
Print Name	<u>Virgil Meier FSA, MAAA</u>	Title	<u>Director Actuarial</u>
Signature	<u></u>	Date	<u>8/28/2009</u>

18.	Form Filing Attachment
This filing transmittal is part of company tracking number	2010 SmlGrp
This filing corresponds to rate filing company tracking number	

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

LH FFA-1

19.		Rate Filing Attachment	
This filing transmittal is part of company tracking number		2010 SmlGrp	
This filing corresponds to form filing company tracking number			
Overall percentage rate indication (when applicable)		%	
Overall percentage rate impact for this filing		21.0 %	
	Document Name	Affected Form Numbers	Previous State Filing Number
	Description		
01	Scheduled Plans	25147 (5/92)-P (Rev. 8/02), 25311/GHP 7 392 CERT, GHP 3 984 CERT, GHP 5 788 CERT, 25875-C-ME, 25433, 25890, 25930-ME when attached to 25875-C_ME	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u>0.0</u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
02	Catastrophic	25312/ GHP 8 991 CERT (Rev. 10-91), 25313/PMH 1 190, PMH 2 NSF CERT, GHP 2 883 CERT, GHP 4 188 CERT, GHP 6 788 CERT, 25876-C-ME, 25930-ME when attached to 25876-C-ME, CEB 1 788	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u>33</u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
03	Rider Air Ambulance	25902	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u>0</u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
04	Riders Ambulatory Care	25216, 25330, 25326, 25885, ACR 1 1189	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
05	Riders Chemo	25149, 25887, 25327, 25331	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
06	Riders Dov	25456, 25886	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
07	Rider Emergency Room	25908	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
08	Rider Maternity	25323-ME	<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
09			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>
10			<input type="checkbox"/> New <input type="checkbox"/> Revised Request + <u> </u> % - <u> </u> % <input type="checkbox"/> Other <u> </u>

LH RFA-1

Exhibit 1

In Force Business, Average Monthly Premiums in Maine

		Number of Policies	Number of Insureds	Annualized Premium	Percent of Premium	Average Monthly Premium per Insured		Average Percent Change
						Current 2007 09	Proposed	
Schedule	25147 (5/92)-P (Rev. 8/02)	23	51	42,786	0.9%	69.91	69.91	0.00%
	25311/GHP 7 392 CERT	115	225	254,208	5.6%	94.15	94.15	0.00%
	GHP 3 984 CERT	7	17	9,048	0.2%	44.35	44.35	0.00%
	GHP 5 788 CERT	14	43	33,340	0.7%	64.61	64.61	0.00%
	25875-C-ME	97	208	179,931	4.0%	72.09	72.09	0.00%
		256	544	519,313	11.5%	79.55		0.00%
Catastrophic	25312/ GHP 8 991 CERT (Rev. 10-91)	21	54	72,408	1.6%	111.74	158.67	33.00%
	25313/PMH 1190 CERT	148	312	456,987	10.1%	122.06	173.33	33.00%
	PMH 2 NSF CERT	444	918	1,431,696	31.7%	129.97	184.56	33.00%
	GHP 2 883 CERT	3	4	4,776	0.1%	99.5	141.29	33.00%
	GHP 4 188 CERT	1	1	2,460	0.1%	205	291.1	33.00%
	GHP6788CERT	12	25	50,275	1.1%	167.58	237.96	33.00%
	25876-C-ME	346	714	810,324	17.9%	94.58	134.3	33.00%
		975	2,028	2,828,926	62.6%	116.24		33.00%
Riders								
Air	25902	238	479	4,947	0.1%	0.86	0.86	0.00%
Ambulatory Care	25216	412	869	356,820	7.9%	34.22	34.22	0.00%
	25330	73	156	71,681	1.6%	38.29	38.29	0.00%
	25326	121	244	148,836	3.3%	50.83	50.83	0.00%
	25885	379	780	203,025	4.5%	21.69	21.69	0.00%
	ACR1 1189	16	39	13,584	0.3%	29.03	29.03	0.00%
		1,001	2,088	793,947	17.6%	31.69		0.00%
Chemotherapy	25149	16	32	3,912	0.1%	10.19	10.19	0.00%
	25887	81	165	14,271	0.3%	7.21	7.21	0.00%
	25327	147	313	41,683	0.9%	11.1	11.1	0.00%
	25331	462	978	181,858	4.0%	15.5	15.5	0.00%
		706	1,488	241,724	5.4%	13.54		
Doctors office	25456	80	137	12,444	0.3%	7.57	7.57	0.00%
	25886	129	269	33,060	0.7%	10.24	10.24	0.00%
		209	406	45,504	1.0%	9.34	9.34	0.00%
ER	25908	177	339	28,344	0.6%	6.97	6.97	0.00%
Mental Health	25930-ME	1	4	516	0.0%	10.75	10.75	0.00%
Maternity	25323-ME	6	20	0	0.0%	0	0	0.00%
Large Claim Rider	CEB 1 788	6	16	32,700	0.7%	170.31	170.31	0.00%
Same day Surgery	25433	3	12	888	0.0%	6.17	6.17	0.00%
ACE	25890	53	99	19,512	0.4%	16.42	16.42	0.00%

Exhibit 2

Rate History (since 1/1/2000)

Form	Date	Maine
25147 (5/92)-P (Rev. 8/02)	1/1/2008	-34.00%
	10/1/2003	7.00%
	5/1/2003	12.00%
	11/1/2002	8.00%
	4/1/2002	15.00%
	9/1/2001	5.00%
	5/1/2001	5.00%
25311/GHP 7 392 CERT	1/1/2008	-34.00%
	4/1/2004	5.00%
	5/1/2003	8.00%
	5/1/2002	7.50%
	9/1/2000	5.00%
GHP 3 984 CERT	1/1/2008	-34%
	8/1/2003	15.00%
	2/1/2003	10.00%
	8/1/2002	25.00%
	1/1/2002	10.00%
	7/1/0 1	7.00%
	1/1/2001	5.00%
	2/1/2000	5.00%
GHP 5 788 CERT	8/1/2003	15.00%
	2/1/2003	12.00%
	8/1/2002	10.00%
	2/1/2002	5.00%
	7/1/2001	5.00%
	4/1/2000	5.00%
25875-C-ME 25930-ME (when attached to 25875-C-ME)	1/1/2008	-34%
		Area factor changes +3% on \$1,000 Ded; +2% on Triple Misc Benefit Factor
	2/9/2005	+5.0%
	5/1/03	Initial
	5/1/01	

Exhibit 2

Rate History (since 1/1/2000)

Form	Date	Maine
25312/ GHP 8 991 CERT (Rev. 10-91)	6/1/2003	12.00%
	10/1/2002	6.00%
	6/1/2002	10.00%
	10/1/2001	13.42%
	5/1/2001	8.00%
	11/1/2000	6.00%
25313/PMH 1 190	1/1/2008	-14%
	3/1/2006	-13.00%
	4/1/2004	10.00%
	10/1/2003	10.00%
	5/1/2003	18.00%
	11/1/2002	20.00%
	5/1/2002	12.00%
	9/1/0 1	12.00%
	9/1/2000	10.00%
PMH 2 NSF CERT	1/1/2008	-14%
	4/1/2004	10.00%
	10/1/2003	18.00%
	5/1/2003	14.00%
	9/1/2002	20.00%
	9/1/0 1	6.00%
	4/1/0 1	9.00%
GHP 2 883 CERT	8/1/2003	18.00%
	3/1/2003	58.70%
	8/1/2001	5.00%
	2/1/2001	5.00%
	2/1/2000	5.00%
GHP 4 188 CERT	2/1/2004	20.00%
	8/1/2003	18.00%
	7/1/2001	24.00%
GHP 6 788 CERT	2/1/2004	15.00%
	8/1/2003	18.00%
	3/1/2003	33.10%
	8/1/0 1	9.00%
	2/1/2001	13.50%
25876-C-ME 25930-ME (when attached to 25876-C-ME)	1/1/2008	-14%
	3/1/06	-20.0%
	5/1/2004	8.00%
	5/1/2003	20.00%
	5/1/2001	Initial

Exhibit 2

Rate History (since 1/1/2000)

Form	Date	Maine
25902	N/A	N/A
25216	1/1/2008 4/1/2004 5/1/2003 9/1/2002 5/1/2002 10/1/2001 6/1/2001	-17% 30.68% 10% / 25% 10.00% 15.00% 8.00% 8.00%
25330	1/1/2008 3/1/2005 9/1/2004 4/1/2004 10/1/03 5/1/03 4/1/00	-17% -- -- +10% /+25% on \$250 Ded +15.0% +10% /+25% on \$250 Ded +10.0%
25326	1/1/2008 4/1/2004 10/1/2003 5/1/2003 11/1/02 4/1/02 4/1/01 4/1/00	-17% 10.00% 15.00% +10% /+25% on \$250 Ded +15.0% +15.0% +8.0% +10.0%
25885	1/1/2008 5/1/2004 11/1/2003 5/1/2003 11/1/2002	-17% 15.00% 12.00% 5.00% Initial
ACR 11189	1/1/2008 7/1/2003 4/1/2002 10/1/2001 4/1/2001 4/1/2000	-17% 35.00% 40.00% 35.00% 35.00% 10.00%

Exhibit 2

Rate History (since 1/1/2000)

Form	Date	Maine
25149	4/1/2004	25.00%
	5/1/2003	20.00%
	10/1/2002	25.00%
	5/1/2002	10.00%
25887	N/A	N/A
25327	7/1/2003	10.00%
	4/1/2003	10.00%
	10/1/2002	9.10%
	5/1/2002	10.00%
25331	4/1/2004	25.00%
	5/1/2003	10.00%
	9/1/2002	25.00%
	5/1/2002	10.00%
25456	4/1/2004	10.00%
	5/1/2003	20.00%
25886	5/1/2004	5.00%
25908	N/A	N/A
25930-ME	Follows Base to which it is attached	
25323-ME	N/A	N/A
CEB 1 788	2/1/2004	20.00%
	8/1/2003	18.00%
	2/1/2003	12.00%
	8/1/2002	10.00%
	2/1/2002	5.00%
	7/1/2001	5.00%
25433	N/A	N/A
25890 (\$75,000 option)	5/1/2004	30.00%
	11/1/2003	20.00%
	5/1/2003	100.00%
	11/1/2002	Initial
25890 (\$100,000 Option)	5/1/2004	20.00%
	11/1/2003	15.00%
	5/1/2003	40.00%

2010 Small Group MEGA Rate Calculation 1 year

Expereince period: 04/01/2008-03/31/2009

Projection Period: 01/01/2010-12/31/2010

Scheduled Total	Catastrophic Total	AIR AMBULANCE Total	AMBULATOR Y CARE Total	CHEMO Total	DOV Total	EMERGEN CY ROOM Total	MENTAL HEALTH Total
(All)	(All)	25902	25216; 25885; ACR 1 1189; TTR 1 292 / 25326; PTTR 290 / 25330; TTR 1 292 / PTTR 1093 / 25236	25149; 25887; GCR 2 1284 / 25327; PGCR 190 / 25331	25456; 25886	25908	25930

1. Incurred Claims with Completion in Experience Period	483,678	2,394,695	0	482,245	221,880	22,593	14,164	0
2. Annual trend rate	7.0%	20.5%	0.0%	9.0%	10.0%	5.0%	0.0%	0.0%
3. Months of trend	21	21	21	21	21	21	21	21
4. Claims Trend	112.57%	138.59%	100.00%	116.28%	118.15%	108.91%	100.00%	100.00%
5. Claims Trended to Projection Period (=1*4)	544,475	3,318,773	0	560,744	262,153	24,607	14,164	0
6. Member Months in Experience Period	4,924	20,347	4,949	20,306	13,992	4,155	3,654	36
7. Member Months in Projection Period	3,009	12,177	2,919	12,105	8,361	2,515	2,136	25
8. Projected Claims Prior to Adjustments(=(5/6)*7)	332,726	1,986,231	0	334,266	156,653	14,894	8,278	0
9. Claim Adjustment for Benefit Changes (Adjust Experience to Current Benefit Level)	1	1	1	1	1	1	1	1
10. Claim Adjustment for Age Band Shift (Adjust Experience to Current Age Mix)	1	1	1	1	1	1	1	1
11. Projected Claims Prior to Pharmacy Rebate Credit(=8*9*10)	332,726	1,986,231	0	334,266	156,653	14,894	8,278	0
12. Projected Required Premium(=11/19)	443,635	2,648,309	0	445,688	208,871	19,859	11,037	0
13. Earned Premium in Experience Period including Application Fees	559,233	2,943,752	5,032	823,346	248,897	46,013	29,267	516
14. Premium Adjustment to Reflect Changes in Rates During Base Period	97.23%	101.52%	98.25%	98.05%	102.14%	102.69%	102.64%	103.55%
15. Premium in Experience Period Adjusted to Current Rate Level(=13*14)	543,760	2,988,445	4,944	807,285	254,233	47,251	30,039	534
16. Projected Premium(=15/6*7)	332,290	1,788,535	2,916	481,232	151,920	28,600	17,557	367
17. Annulized Premium in Force	483,194	2,611,353	4,276	705,264	223,649	41,804	25,444	528
18. Required Premium Increase (=(12/16)-1.00)	33.5%	48.1%	-100.0%	-7.4%	37.5%	-30.6%	-37.1%	-100.0%
19. Loss Ratio (1. includes 1.29% of claims for SOP)	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%

Exhibit 4

2010 Small Group MEGA Rate Calculation 2 Years

Experience period: 04/01/2007-03/31/2009

Projection Period: 01/01/2010-12/31/2010

Scheduled Total	Catastrophic Total	AIR AMBULANCE Total	AMBULATOR Y CARE Total	CHEMO Total	DOV Total	EMERGEN CY ROOM Total	MENTAL HEALTH Total
(All)	(All)	25902	25216; 25885; ACR 1 1189; TTR 1 292 / 25326; PTTR 290 / 25330; TTR 1 292 / PTTR 1093 / 25236	25149; 25887; GCR 2 1284 / 25327; PGCR 190 / 25331	25456; 25886	25908	25930

1. Incurred Claims with Completion in Experience Period	769,951	4,476,476	0	1,015,521	465,116	49,980	30,038	0
2. Annual trend rate	7.0%	20.5%	0.0%	9.0%	10.0%	5.0%	0.0%	0.0%
3. Months of trend	27	27	27	27	27	27	27	27
4. Claims Trend	116.44%	152.13%	100.00%	121.40%	123.92%	111.60%	100.00%	100.00%
5. Claims Trended to Projection Period (=1*4)	896,555	6,810,157	0	1,232,817	576,362	55,779	30,038	0
6. Member Months in Experience Period	11,166	45,130	10,851	45,198	31,331	9,404	8,329	72
7. Member Months in Projection Period	3,009	12,177	2,919	12,105	8,361	2,515	2,136	25
8. Projected Claims Prior to Adjustments(=(5/6)*7)	241,621	1,837,553	0	330,165	153,810	14,917	7,702	0
9. Claim Adjustment for Benefit Changes (Adjust Experience to Current Benefit Level)	1	1	1	1	1	1	1	1
10. Claim Adjustment for Age Band Shift (Adjust Experience to Current Age Mix)	1	1	1	1	1	1	1	1
11. Projected Claims Prior to Pharmacy Rebate Credit(=8*9*10)	241,621	1,837,553	0	330,165	153,810	14,917	7,702	0
12. Projected Required Premium(=11/19)	322,161	2,450,070	0	440,220	205,080	19,890	10,269	0
13. Earned Premium in Experience Period including Application Fees	1,352,880	6,965,490	11,137	1,920,469	549,378	103,928	66,575	1,188
14. Premium Adjustment to Reflect Changes in Rates During Base Period	91.14%	95.16%	97.34%	93.57%	103.62%	102.90%	102.85%	89.95%
15. Premium in Experience Period Adjusted to Current Rate Level(=13*14)	1,232,990	6,628,493	10,840	1,796,891	569,280	106,943	68,472	1,069
16. Projected Premium(=15/6*7)	332,290	1,788,535	2,916	481,232	151,920	28,600	17,557	367
17. Annulized Premium in Force	483,194	2,611,353	4,276	705,264	223,649	41,804	25,444	528
18. Required Premium Increase (=(12/16)-1.00)	-3.0%	37.0%	-100.0%	-8.5%	35.0%	-30.5%	-41.5%	-100.0%
19. Loss Ratio	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
20. Recommended change (1. includes 1.29% of claims for SOP)	0.0%	33.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Scheduled Base Only

Assumptions				
Claim Trend	Annual 7.00%	Monthly 0.57%	On level Adj FALSE	*Large Claims Redistribute Excess amounts >= 50,000

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	756	1,340	154,399	0.0%	154,399	115.23		44,740	45,573		34.01	
200412	727	1,292	150,486	0.0%	150,486	116.47		38,303	39,762		30.78	
200501	687	1,221	145,085	0.0%	145,085	118.87		103,594	104,015		85.22	
200502	656	1,176	138,022	0.0%	138,022	117.33		46,906	49,393		41.99	
200503	632	1,138	134,263	0.0%	134,263	118.00		74,036	76,455		67.20	
200504	607	1,098	130,097	0.0%	130,097	118.44		76,369	77,045		70.14	
200505	585	1,052	126,324	0.0%	126,324	120.05		61,158	62,136		59.05	
200506	564	1,014	122,107	0.0%	122,107	120.46		8,857	9,975		9.84	
200507	548	986	120,008	0.0%	120,008	121.69		36,287	37,208		37.73	
200508	542	969	118,290	0.0%	118,290	122.04		86,783	85,383		88.09	
200509	530	945	115,566	0.0%	115,566	122.32		17,212	9,606		10.17	
200510	522	924	113,797	0.0%	113,797	123.16		55,756	50,912	41.3%	55.10	49.22
200511	512	901	111,554	0.0%	111,554	123.83		71,482	71,342	44.1%	79.19	52.94
200512	499	877	108,933	0.0%	108,933	124.18		62,311	47,700	45.9%	54.38	55.37
200601	486	847	105,772	0.0%	105,772	124.85		55,174	55,223	43.8%	65.18	53.02
200602	484	836	103,734	0.0%	103,734	124.05		18,823	18,979	42.7%	22.70	51.95
200603	468	810	101,312	0.0%	101,312	125.02		62,939	61,717	42.6%	76.16	52.15
200604	454	789	95,931	0.0%	95,931	121.62		16,010	14,560	39.1%	18.46	47.92
200605	450	777	94,293	0.0%	94,293	121.36		14,624	14,702	36.4%	18.92	44.71
200606	433	738	94,246	0.0%	94,246	127.77		112,281	92,467	43.6%	125.36	53.83
200607	423	725	89,557	0.0%	89,557	123.53		45,050	39,227	44.8%	54.11	55.42
200608	415	704	87,584	0.0%	87,584	124.38		21,471	19,017	40.5%	27.01	50.18
200609	407	691	85,370	0.0%	85,370	123.50		66,046	55,817	45.4%	80.75	56.31
200610	399	678	84,093	0.0%	84,093	124.04		38,045	39,560	45.6%	58.35	56.57
200611	394	664	82,585	0.0%	82,585	124.47		9,971	11,459	41.5%	17.27	51.49
200612	389	655	81,459	0.0%	81,459	124.33		64,674	66,142	44.2%	100.95	54.84
200701	382	646	77,677	0.0%	77,677	120.21		65,353	66,753	46.4%	103.30	57.43
200702	374	613	75,644	0.0%	75,644	123.33		12,727	14,090	47.2%	22.97	58.36
200703	363	592	74,354	0.0%	74,354	125.68		16,318	17,658	44.1%	29.85	54.58
200704	353	581	72,903	0.0%	72,903	125.58		22,857	24,171	46.1%	41.64	57.18
200705	348	575	72,390	0.0%	72,390	125.95		28,252	29,557	48.7%	51.43	60.54
200706	343	565	71,518	0.0%	71,518	126.67		34,221	35,510	43.9%	62.89	54.49
200707	337	548	69,965	0.0%	69,965	127.58		22,373	23,634	43.1%	43.10	53.70
200708	325	538	68,806	0.0%	68,806	127.95		39,608	40,848	46.4%	75.96	57.89
200709	318	524	66,353	0.0%	66,353	126.60		9,472	10,668	42.3%	20.35	52.95
200710	312	508	64,088	0.0%	64,088	126.08		19,634	20,789	41.2%	40.90	51.55
200711	311	504	64,994	0.0%	64,994	129.00		28,201	29,372	44.1%	58.30	55.37
200712	301	485	62,648	0.0%	62,648	129.29		39,061	40,190	42.0%	82.94	52.90
200801	298	480	62,015	-31.0%	62,015	129.20		9,601	10,719	36.0%	22.33	45.64
200802	294	476	60,213	0.0%	60,213	126.52		6,329	7,415	35.9%	15.58	45.58
200803	286	459	57,754	0.0%	57,754	125.91		8,714	9,755	35.6%	21.27	45.28
200804	280	446	54,933	0.0%	54,933	123.08		15,516	16,506	35.4%	36.98	45.02
200805	277	439	50,928	0.0%	50,928	115.90		4,537	5,455	33.3%	12.41	42.01
200806	268	432	47,558	0.0%	47,558	110.04		3,184	4,041	30.0%	9.35	37.57
200807	264	422	47,742	0.0%	47,742	113.11		61,764	62,624	36.5%	148.36	45.23
200808	262	417	46,921	0.0%	46,921	112.40		33,554	34,400	36.7%	82.41	45.05
200809	260	411	46,420	0.0%	46,420	112.94		57,967	59,026	45.1%	143.62	54.80
200810	259	409	46,044	0.0%	46,044	112.59		50,221	53,998	51.5%	132.05	61.98
200811	256	402	45,325	0.0%	45,325	112.75		52,275	56,465	57.4%	140.46	68.31
200812	253	399	44,949	0.0%	44,949	112.65		4,215	5,311	53.3%	13.31	62.72
200901	245	385	42,828	0.0%	42,828	111.13		4,160	5,341	54.1%	13.86	62.83
200902	243	382	43,129	0.0%	43,129	112.89		52,707	61,409	65.1%	159.80	74.73
200903	240	378	42,457	0.0%	42,457	112.23	96.97	96,035	113,300	85.4%	299.50	96.97
200904	241	375	40,804	0.0%	40,804	108.81	100.39	28,841	37,647	91.5%	100.39	102.76
200905	236	369	40,266	0.0%	40,266	109.12	100.96	11,919	37,254	99.3%	100.96	110.92
200906	232	365	39,858	0.0%	39,858	109.22	101.53	30	37,051	107.0%	101.53	119.50
200907	225	354	38,698	0.0%	38,698	109.32	102.10		36,143	103.7%	102.10	115.55
200908	218	343	37,571	0.0%	37,571	109.42	102.68		35,257	105.8%	102.68	117.61
200909	212	333	36,477	0.0%	36,477	109.52	103.26		34,393	103.0%	103.26	114.17
200910	205	323	35,414	0.0%	35,414	109.62	103.85		33,550	101.0%	103.85	111.76
200911	199	313	34,383	0.0%	34,383	109.72	104.43		32,727	98.4%	104.43	108.56
200912	193	304	33,382	0.0%	33,382	109.82	105.02		31,925	106.5%	105.02	117.30
201001	187	295	32,409	0.0%	32,409	109.92	105.62		31,142	114.6%	105.62	126.10
201002	182	286	31,466	0.0%	31,466	110.01	106.21		30,379	110.7%	106.21	121.51
201003	176	277	30,549	0.0%	30,549	110.11	106.81		29,634	94.4%	106.81	103.38
201004	171	269	29,660	0.0%	29,660	110.21	107.42		28,907	94.8%	107.42	103.95
201005	166	261	28,796	0.0%	28,796	110.31	108.03		28,199	95.3%	108.03	104.53
201006	161	253	27,957	0.0%	27,957	110.41	108.64		27,507	95.7%	108.64	105.12
201007	156	246	27,143	0.0%	27,143	110.51	109.25		26,833	96.2%	109.25	105.72
201008	151	238	26,353	0.0%	26,353	110.61	109.87		26,175	96.6%	109.87	106.32
201009	147	231	25,585	0.0%	25,585	110.71	110.49		25,533	97.1%	110.49	106.92
201010	143	224	24,840	0.0%	24,840	110.81	111.11		24,908	97.5%	111.11	107.52
201011	138	217	24,117	0.0%	24,117	110.91	111.74		24,297	98.0%	111.74	108.13
201012	134	211	23,414	0.0%	23,414	111.01	112.37		23,701	98.5%	112.37	108.74

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,632	304,885	304,885			83,042	85,335	28.0%
2005	7,356	12,301	1,484,046	1,484,046	120.64		700,750	681,171	45.9%
2006	5,312	8,914	1,105,938	1,105,938	124.06		525,108	488,869	44.2%
2007	4,067	6,678	841,341	841,341	125.99		338,077	353,240	42.0%
2008	3,204	5,193	610,801	610,801	117.62		307,878	325,716	53.3%
2009	2,571	4,226	465,266	465,266	110.11		193,693	495,636	106.5%
2010	1,746	3,009	332,290	332,290	110.43		0	327,215	98.5%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Catastrophic Base Only

Assumptions				
	Annual	Monthly	On level Adj	*Large Claims
Claim Trend	20.50%	1.57%	FALSE	Redistribute Excess amounts >= 100,000

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	3,163	5,885	1,008,169	0.0%	1,008,169	171.33		810,288	627,010		106.55	
200412	2,993	5,551	960,667	0.0%	960,667	173.07		441,359	462,600		83.34	
200501	2,778	5,161	885,152	0.0%	885,152	171.49		190,429	238,086		46.13	
200502	2,629	4,833	828,500	0.0%	828,500	171.43		222,541	252,883		52.32	
200503	2,472	4,504	786,193	0.0%	786,193	174.57		454,983	450,435		100.01	
200504	2,376	4,326	751,922	0.0%	751,922	173.81		185,644	209,532		48.44	
200505	2,280	4,138	726,496	0.0%	726,496	175.56		361,135	373,428		90.24	
200506	2,211	3,999	702,170	0.0%	702,170	175.58		284,756	301,958		75.50	
200507	2,140	3,857	679,073	0.0%	679,073	176.07		458,091	327,984		85.04	
200508	2,069	3,717	657,416	0.0%	657,416	176.88		734,022	418,161		112.50	
200509	1,994	3,592	633,078	0.0%	633,078	176.23		243,436	172,051		47.89	
200510	1,936	3,482	613,910	0.0%	613,910	176.33		413,344	403,779	45.9%	115.98	79.89
200511	1,886	3,379	598,404	0.0%	598,404	177.11		295,453	244,718	43.7%	72.43	76.29
200512	1,824	3,264	580,104	0.0%	580,104	177.75		303,648	290,717	43.6%	89.08	76.34
200601	1,750	3,128	555,486	0.0%	555,486	177.61		362,441	363,141	46.9%	116.11	82.41
200602	1,711	3,041	538,806	0.0%	538,806	177.20		143,819	159,436	47.5%	52.44	83.63
200603	1,665	2,958	528,063	-14.4%	528,063	178.55		279,408	305,919	47.2%	103.44	83.28
200604	1,639	2,898	517,316	0.0%	517,316	178.48		137,090	168,791	48.2%	58.24	85.16
200605	1,593	2,827	509,520	0.0%	509,520	180.23		184,830	213,709	47.4%	75.59	83.96
200606	1,559	2,760	494,019	0.0%	494,019	179.01		246,728	264,682	48.3%	95.91	85.68
200607	1,533	2,709	480,668	0.0%	480,668	177.45		172,351	201,403	47.8%	74.35	84.93
200608	1,490	2,638	473,307	0.0%	473,307	179.43		105,679	131,588	44.8%	49.88	79.62
200609	1,461	2,591	464,531	0.0%	464,531	179.30		126,561	146,640	45.6%	56.60	81.14
200610	1,432	2,531	452,024	0.0%	452,024	178.60		349,711	346,591	45.8%	136.94	81.72
200611	1,398	2,471	438,374	0.0%	438,374	177.44		136,328	146,249	45.4%	59.20	81.00
200612	1,361	2,418	425,503	0.0%	425,503	175.96		272,065	285,817	46.5%	118.20	82.93
200701	1,336	2,366	413,724	0.0%	413,724	173.38		166,636	176,164	44.4%	73.83	79.03
200702	1,314	2,302	398,928	0.0%	398,928	173.29		44,316	55,411	43.7%	24.07	77.58
200703	1,294	2,252	387,629	0.0%	387,629	172.11		196,614	200,945	42.9%	89.22	75.95
200704	1,280	2,232	378,589	0.0%	378,589	169.59		228,329	210,214	44.8%	94.17	79.01
200705	1,269	2,219	374,115	0.0%	374,115	168.59		199,541	218,859	46.0%	98.62	80.81
200706	1,254	2,189	362,303	0.0%	362,303	165.55		109,650	129,429	44.5%	59.14	77.73
200707	1,239	2,159	355,109	0.0%	355,109	164.45		83,736	107,028	43.8%	49.56	75.91
200708	1,219	2,127	347,582	0.0%	347,582	163.41		143,709	150,254	45.3%	70.64	77.97
200709	1,202	2,091	337,483	0.0%	337,483	161.39		121,316	136,308	46.3%	65.18	79.02
200710	1,183	2,034	328,350	0.0%	328,350	161.44		286,419	292,414	46.4%	143.77	78.46
200711	1,169	2,014	323,501	0.0%	323,501	160.65		124,910	123,808	47.1%	61.48	78.97
200712	1,147	1,980	319,641	0.0%	319,641	161.46		178,212	179,956	45.8%	90.90	76.23
200801	1,126	1,942	307,905	-13.2%	307,905	158.58		197,762	218,822	47.9%	112.70	79.22
200802	1,110	1,917	298,862	0.0%	298,862	155.89		83,159	103,704	50.3%	54.09	82.36
200803	1,092	1,880	288,298	0.0%	288,298	153.39		166,077	184,473	51.1%	98.15	82.93
200804	1,070	1,836	275,551	0.0%	275,551	150.05		219,552	238,107	53.2%	129.66	85.42
200805	1,053	1,811	265,930	0.0%	265,930	146.85		251,261	249,945	55.5%	138.02	88.17
200806	1,038	1,785	258,584	0.0%	258,584	144.90		209,486	222,882	59.6%	124.89	93.65
200807	1,026	1,761	254,323	0.0%	254,323	144.44		144,401	152,308	62.5%	86.50	97.21
200808	1,016	1,742	251,129	0.0%	251,129	144.17		292,616	262,985	67.4%	150.98	103.80
200809	1,002	1,717	246,913	0.0%	246,913	143.84		177,931	183,792	70.6%	107.07	107.65
200810	982	1,684	238,732	0.0%	238,732	141.76		228,759	226,923	70.5%	134.75	106.39
200811	969	1,652	239,218	0.0%	239,218	144.78		238,272	188,094	74.3%	113.84	111.12
200812	958	1,636	235,454	0.0%	235,454	143.89		115,290	115,156	74.3%	70.38	109.88
200901	939	1,613	230,966	0.0%	230,966	143.22		173,259	171,561	74.6%	106.38	109.35
200902	918	1,573	225,375	0.0%	225,375	143.32		180,962	142,364	77.7%	90.53	113.04
200903	906	1,538	221,579	0.0%	221,579	144.09	116.20	254,764	210,080	80.3%	136.61	116.20
200904	898	1,528	219,122	0.0%	219,122	143.37	127.84	232,691	195,392	80.4%	127.84	115.85
200905	885	1,499	217,613	0.0%	217,613	145.14	129.85	89,533	194,683	79.8%	129.85	114.88
200906	867	1,477	214,536	0.0%	214,536	145.27	131.88	300	194,760	80.1%	131.88	115.25
200907	841	1,432	208,289	0.0%	208,289	145.40	133.95		191,876	82.9%	133.95	119.30
200908	816	1,390	202,223	0.0%	202,223	145.53	136.04		189,034	81.6%	136.04	117.60
200909	791	1,348	196,334	0.0%	196,334	145.67	138.17		186,235	83.3%	138.17	120.10
200910	768	1,307	190,616	0.0%	190,616	145.80	140.34		183,477	83.1%	140.34	120.20
200911	745	1,268	185,065	0.0%	185,065	145.93	142.54		180,760	84.6%	142.54	122.40
200912	722	1,230	179,675	0.0%	179,675	146.06	144.77		178,083	89.0%	144.77	128.95
201001	701	1,193	174,443	0.0%	174,443	146.19	147.03		175,446	91.3%	147.03	132.40
201002	680	1,157	169,363	0.0%	169,363	146.33	149.34		172,848	94.7%	149.34	137.62
201003	659	1,123	164,430	0.0%	164,430	146.46	151.68		170,289	95.3%	151.68	138.71
201004	639	1,089	159,642	0.0%	159,642	146.59	154.05		167,767	96.6%	154.05	140.86
201005	620	1,056	154,993	0.0%	154,993	146.72	156.46		165,282	98.0%	156.46	143.05
201006	602	1,025	150,479	0.0%	150,479	146.86	158.92		162,835	99.5%	158.92	145.29
201007	584	994	146,097	0.0%	146,097	146.99	161.40		160,424	100.9%	161.40	147.56
201008	566	964	141,842	0.0%	141,842	147.12	163.93		158,048	102.4%	163.93	149.87
201009	549	935	137,711	0.0%	137,711	147.26	166.50		155,707	103.9%	166.50	152.22
201010	533	907	133,701	0.0%	133,701	147.39	169.11		153,402	105.5%	169.11	154.60
201011	517	880	129,807	0.0%	129,807	147.52	171.76		151,130	107.0%	171.76	157.02
201012	501	854	126,027	0.0%	126,027	147.66	174.44		148,892	108.6%	174.44	159.48

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	11,435	1,968,837	1,968,837			1,251,647	1,089,610	55.3%
2005	29,041	48,251	8,442,419	8,442,419	174.97		4,147,482	3,683,732	43.6%
2006	19,055	32,968	5,877,618	5,877,618	178.28		2,517,011	2,733,965	46.5%
2007	14,906	25,985	4,326,954	4,326,954	166.52		1,883,388	1,980,788	45.8%
2008	12,255	21,362	3,160,897	3,160,897	147.97		2,324,565	2,347,191	74.3%
2009	9,618	17,203	2,491,392	2,491,392	144.82		931,509	2,218,306	89.0%
2010	6,525	12,177	1,788,535	1,788,535	146.88		0	1,942,070	108.6%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Scheduled Base Only

Assumptions				
Claim Trend	Annual 7.00%	Monthly 0.57%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	756	1,340	154,399	0.0%	154,399	115.23		44,740	44,740		33.39	
200412	727	1,292	150,486	0.0%	150,486	116.47		38,303	38,303		29.65	
200501	687	1,221	145,085	0.0%	145,085	118.87		103,594	103,594		84.88	
200502	656	1,176	138,022	0.0%	138,022	117.33		46,906	46,906		39.87	
200503	632	1,138	134,263	0.0%	134,263	118.00		74,036	74,036		65.07	
200504	607	1,098	130,097	0.0%	130,097	118.44		76,369	76,369		69.53	
200505	585	1,052	126,324	0.0%	126,324	120.05		61,158	61,158		58.12	
200506	564	1,014	122,107	0.0%	122,107	120.46		8,857	8,857		8.74	
200507	548	986	120,008	0.0%	120,008	121.69		36,287	36,287		36.79	
200508	542	969	118,290	0.0%	118,290	122.04		86,783	86,783		89.54	
200509	530	945	115,566	0.0%	115,566	122.32		17,212	17,212		18.22	
200510	522	924	113,797	0.0%	113,797	123.16		55,756	55,756	41.4%	60.34	49.41
200511	512	901	111,554	0.0%	111,554	123.83		71,482	71,482	44.4%	79.35	53.22
200512	499	877	108,933	0.0%	108,933	124.18		62,311	62,311	47.2%	71.03	56.97
200601	486	847	105,772	0.0%	105,772	124.85		55,174	55,174	45.2%	65.13	54.69
200602	484	836	103,734	0.0%	103,734	124.05		18,823	18,823	44.3%	22.51	53.87
200603	468	810	101,312	0.0%	101,312	125.02		62,939	62,939	44.5%	77.67	54.45
200604	454	789	95,931	0.0%	95,931	121.62		16,010	16,010	41.2%	20.30	50.48
200605	450	777	94,293	0.0%	94,293	121.36		14,624	14,624	38.6%	18.82	47.42
200606	433	738	94,246	0.0%	94,246	127.77		112,281	112,281	47.5%	152.22	58.63
200607	423	725	89,557	0.0%	89,557	123.53		45,050	45,050	49.4%	62.14	61.00
200608	415	704	87,584	0.0%	87,584	124.38		21,471	21,471	45.3%	30.49	56.02
200609	407	691	85,370	0.0%	85,370	123.50		66,046	66,046	50.5%	95.54	62.58
200610	399	678	84,093	0.0%	84,093	124.04		38,045	38,045	50.3%	56.12	62.33
200611	394	664	82,585	0.0%	82,585	124.47		9,971	9,971	46.1%	15.03	57.22
200612	389	655	81,459	0.0%	81,459	124.33		64,674	64,674	47.5%	98.71	58.91
200701	382	646	77,677	0.0%	77,677	120.21		65,353	65,353	49.7%	101.13	61.43
200702	374	613	75,644	0.0%	75,644	123.33		12,727	12,727	50.4%	20.75	62.33
200703	363	592	74,354	0.0%	74,354	125.68		16,318	16,318	47.2%	27.58	58.34
200704	353	581	72,903	0.0%	72,903	125.58		22,857	22,857	49.0%	39.37	60.70
200705	348	575	72,390	0.0%	72,390	125.95		28,252	28,252	51.4%	49.16	63.99
200706	343	565	71,518	0.0%	71,518	126.67		34,221	34,221	44.5%	60.61	55.28
200707	337	548	69,965	0.0%	69,965	127.58		22,373	22,373	43.0%	40.80	53.56
200708	325	538	68,806	0.0%	68,806	127.95		39,608	39,608	45.9%	73.65	57.24
200709	318	524	66,353	0.0%	66,353	126.60		9,472	9,472	40.5%	18.07	50.69
200710	312	508	64,088	0.0%	64,088	126.08		19,634	19,634	39.4%	38.63	49.29
200711	311	504	64,994	0.0%	64,994	129.00		28,201	28,201	42.3%	55.97	53.10
200712	301	485	62,648	0.0%	62,648	129.29		39,061	39,061	40.2%	80.61	50.63
200801	298	480	62,015	-31.0%	62,015	129.20		9,601	9,601	34.2%	20.00	43.36
200802	294	476	60,213	0.0%	60,213	126.52		6,329	6,329	34.1%	13.30	43.29
200803	286	459	57,754	0.0%	57,754	125.91		8,714	8,714	33.8%	19.00	42.99
200804	280	446	54,933	0.0%	54,933	123.08		15,516	15,516	33.6%	34.76	42.73
200805	277	439	50,928	0.0%	50,928	115.90		4,537	4,537	31.5%	10.33	39.73
200806	268	432	47,558	0.0%	47,558	110.04		3,184	3,184	28.2%	7.37	35.32
200807	264	422	47,742	0.0%	47,742	113.11		61,764	61,764	34.7%	146.33	42.99
200808	262	417	46,921	0.0%	46,921	112.40		33,554	33,554	34.9%	80.38	42.83
200809	260	411	46,420	0.0%	46,420	112.94		57,967	58,190	43.3%	141.58	52.61
200810	259	409	46,044	0.0%	46,044	112.59		50,221	53,168	49.7%	130.02	59.81
200811	256	402	45,325	0.0%	45,325	112.75		52,275	55,648	55.6%	138.43	66.17
200812	253	399	44,949	0.0%	44,949	112.65		4,215	4,501	51.5%	11.28	60.60
200901	245	385	42,828	0.0%	42,828	111.13		4,160	4,569	52.3%	11.85	60.74
200902	243	382	43,129	0.0%	43,129	112.89		52,707	60,272	63.3%	157.77	72.66
200903	240	378	42,457	0.0%	42,457	112.23	94.93	96,035	112,535	83.6%	297.47	94.93
200904	241	375	40,804	0.0%	40,804	108.81	98.27	28,841	36,852	89.7%	98.27	100.72
200905	236	369	40,266	0.0%	40,266	109.12	98.83	11,919	36,467	97.4%	98.83	108.88
200906	232	365	39,858	0.0%	39,858	109.22	99.39	30	36,269	105.1%	99.39	117.45
200907	225	354	38,698	0.0%	38,698	109.32	99.95		35,380	101.9%	99.95	113.49
200908	218	343	37,571	0.0%	37,571	109.42	100.51		34,513	103.9%	100.51	115.54
200909	212	333	36,477	0.0%	36,477	109.52	101.08		33,667	101.1%	101.08	112.09
200910	205	323	35,414	0.0%	35,414	109.62	101.65		32,841	99.1%	101.65	109.66
200911	199	313	34,383	0.0%	34,383	109.72	102.23		32,036	96.4%	102.23	106.45
200912	193	304	33,382	0.0%	33,382	109.82	102.81		31,251	104.6%	102.81	115.17
201001	187	295	32,409	0.0%	32,409	109.92	103.39		30,485	112.7%	103.39	123.96
201002	182	286	31,466	0.0%	31,466	110.01	103.97		29,737	108.8%	103.97	119.35
201003	176	277	30,549	0.0%	30,549	110.11	104.56		29,008	92.4%	104.56	101.19
201004	171	269	29,660	0.0%	29,660	110.21	105.15		28,297	92.8%	105.15	101.76
201005	166	261	28,796	0.0%	28,796	110.31	105.75		27,603	93.3%	105.75	102.33
201006	161	253	27,957	0.0%	27,957	110.41	106.34		26,927	93.7%	106.34	102.91
201007	156	246	27,143	0.0%	27,143	110.51	106.94		26,267	94.1%	106.94	103.49
201008	151	238	26,353	0.0%	26,353	110.61	107.55		25,623	94.6%	107.55	104.07
201009	147	231	25,585	0.0%	25,585	110.71	108.16		24,995	95.0%	108.16	104.66
201010	143	224	24,840	0.0%	24,840	110.81	108.77		24,382	95.5%	108.77	105.25
201011	138	217	24,117	0.0%	24,117	110.91	109.38		23,784	95.9%	109.38	105.85
201012	134	211	23,414	0.0%	23,414	111.01	110.00		23,201	96.4%	110.00	106.45

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,632	304,885	304,885			83,042	83,042	27.2%
2005	7,356	12,301	1,484,046	1,484,046	120.64		700,750	700,750	47.2%
2006	5,312	8,914	1,105,938	1,105,938	124.06		525,108	525,108	47.5%
2007	4,067	6,678	841,341	841,341	125.99		338,077	338,077	40.2%
2008	3,204	5,193	610,801	610,801	117.62		307,878	314,708	51.5%
2009	2,571	4,226	465,266	465,266	110.11		193,693	486,652	104.6%
2010	1,746	3,009	332,290	332,290	110.43		0	320,309	96.4%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Catastrophic Base Only

Assumptions				
Claim Trend	Annual 20.50%	Monthly 1.57%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	3,163	5,885	1,008,169	0.0%	1,008,169	171.33		810,288	810,288		137.70	
200412	2,993	5,551	960,667	0.0%	960,667	173.07		441,359	441,359		79.51	
200501	2,778	5,161	885,152	0.0%	885,152	171.49		190,429	190,429		36.89	
200502	2,629	4,833	828,500	0.0%	828,500	171.43		222,541	222,541		46.05	
200503	2,472	4,504	786,193	0.0%	786,193	174.57		454,983	454,983		101.02	
200504	2,376	4,326	751,922	0.0%	751,922	173.81		185,644	185,644		42.91	
200505	2,280	4,138	726,496	0.0%	726,496	175.56		361,135	361,135		87.27	
200506	2,211	3,999	702,170	0.0%	702,170	175.58		284,756	284,756		71.20	
200507	2,140	3,857	679,073	0.0%	679,073	176.07		458,091	458,091		118.78	
200508	2,069	3,717	657,416	0.0%	657,416	176.88		734,022	734,022		197.49	
200509	1,994	3,592	633,078	0.0%	633,078	176.23		243,436	243,436		67.77	
200510	1,936	3,482	613,910	0.0%	613,910	176.33		413,344	413,344	52.0%	118.72	90.49
200511	1,886	3,379	598,404	0.0%	598,404	177.11		295,453	295,453	48.6%	87.45	84.79
200512	1,824	3,264	580,104	0.0%	580,104	177.75		303,648	303,648	49.1%	93.04	85.96
200601	1,750	3,128	555,486	0.0%	555,486	177.61		362,441	362,441	53.2%	115.89	93.46
200602	1,711	3,041	538,806	0.0%	538,806	177.20		143,819	143,819	54.2%	47.30	95.46
200603	1,665	2,958	528,063	-14.4%	528,063	178.55		279,408	279,408	53.7%	94.47	94.81
200604	1,639	2,898	517,316	0.0%	517,316	178.48		137,090	137,090	54.8%	47.30	96.90
200605	1,593	2,827	509,520	0.0%	509,520	180.23		184,830	184,830	54.0%	65.38	95.67
200606	1,559	2,760	494,019	0.0%	494,019	179.01		246,728	246,728	55.1%	89.40	97.74
200607	1,533	2,709	480,668	0.0%	480,668	177.45		172,351	172,351	52.4%	63.63	93.15
200608	1,490	2,638	473,307	0.0%	473,307	179.43		105,679	105,679	44.3%	40.06	78.75
200609	1,461	2,591	464,531	0.0%	464,531	179.30		126,561	126,561	43.6%	48.85	77.69
200610	1,432	2,531	452,024	0.0%	452,024	178.60		349,711	349,711	43.7%	138.17	77.98
200611	1,398	2,471	438,374	0.0%	438,374	177.44		136,328	136,328	42.2%	55.18	75.37
200612	1,361	2,418	425,503	0.0%	425,503	175.96		272,065	272,065	42.8%	112.51	76.35
200701	1,336	2,386	413,724	0.0%	413,724	173.38		166,636	166,636	40.5%	69.83	72.03
200702	1,314	2,302	398,928	0.0%	398,928	173.29		44,316	44,316	39.7%	19.26	70.56
200703	1,294	2,252	387,629	0.0%	387,629	172.11		196,614	196,614	39.2%	87.35	69.49
200704	1,280	2,232	378,589	0.0%	378,589	169.59		228,329	228,479	42.0%	102.35	74.06
200705	1,269	2,219	374,115	0.0%	374,115	168.59		199,541	199,672	43.3%	89.98	76.09
200706	1,254	2,189	362,303	0.0%	362,303	165.55		109,650	109,722	41.8%	50.14	72.86
200707	1,239	2,159	355,109	0.0%	355,109	164.45		83,736	83,791	41.0%	38.80	71.15
200708	1,219	2,127	347,582	0.0%	347,582	163.41		143,709	143,804	42.9%	67.61	73.82
200709	1,202	2,091	337,483	0.0%	337,483	161.39		121,316	121,395	43.9%	58.05	74.98
200710	1,183	2,034	328,350	0.0%	328,350	161.44		286,419	286,549	43.7%	140.89	74.01
200711	1,169	2,014	323,501	0.0%	323,501	160.65		124,910	125,133	44.6%	62.14	74.87
200712	1,147	1,980	319,641	0.0%	319,641	161.46		178,212	178,390	43.6%	90.11	72.53
200801	1,126	1,942	307,905	-13.2%	307,905	158.58		197,762	197,960	45.4%	101.95	75.02
200802	1,110	1,917	298,862	0.0%	298,862	155.89		83,159	83,250	47.4%	43.42	77.71
200803	1,092	1,880	288,298	0.0%	288,298	153.39		166,077	166,257	47.8%	88.46	77.65
200804	1,070	1,836	275,551	0.0%	275,551	150.05		219,552	220,536	48.9%	120.09	78.58
200805	1,053	1,811	265,930	0.0%	265,930	146.85		251,261	252,618	51.7%	139.50	82.13
200806	1,038	1,785	258,584	0.0%	258,584	144.90		209,486	210,530	55.8%	117.97	87.81
200807	1,026	1,761	254,323	0.0%	254,323	144.44		144,401	145,901	59.1%	82.86	92.00
200808	1,016	1,742	251,129	0.0%	251,129	144.17		292,616	296,586	65.1%	170.27	100.26
200809	1,002	1,717	246,913	0.0%	246,913	143.84		177,931	181,613	68.6%	105.80	104.62
200810	982	1,684	238,732	0.0%	238,732	141.76		228,759	235,150	68.9%	139.64	103.95
200811	969	1,652	239,218	0.0%	239,218	144.78		238,272	246,582	74.4%	149.24	111.28
200812	958	1,636	235,454	0.0%	235,454	143.89		115,290	121,594	74.6%	74.31	110.41
200901	939	1,613	230,966	0.0%	230,966	143.22		173,259	186,770	76.1%	115.81	111.60
200902	918	1,573	225,375	0.0%	225,375	143.32		180,962	204,748	82.0%	130.21	119.34
200903	906	1,538	221,579	0.0%	221,579	144.09	128.10	254,764	303,801	88.5%	197.56	128.10
200904	898	1,528	219,122	0.0%	219,122	143.37	140.94	232,691	215,412	90.1%	140.94	129.81
200905	885	1,499	217,613	0.0%	217,613	145.14	143.15	89,533	214,629	90.3%	143.15	129.94
200906	867	1,477	214,536	0.0%	214,536	145.27	145.39	300	214,715	91.9%	145.39	132.21
200907	841	1,432	208,289	0.0%	208,289	145.40	147.67		211,535	95.8%	147.67	137.92
200908	816	1,390	202,223	0.0%	202,223	145.53	149.98		208,402	94.3%	149.98	135.81
200909	791	1,348	196,334	0.0%	196,334	145.67	152.33		205,316	97.0%	152.33	139.83
200910	768	1,307	190,616	0.0%	190,616	145.80	154.72		202,276	97.5%	154.72	140.93
200911	745	1,268	185,065	0.0%	185,065	145.93	157.14		199,281	97.7%	157.14	141.32
200912	722	1,230	179,675	0.0%	179,675	146.06	159.60		196,329	102.9%	159.60	149.00
201001	701	1,193	174,443	0.0%	174,443	146.19	162.10		193,422	105.5%	162.10	153.12
201002	680	1,157	169,363	0.0%	169,363	146.33	164.64		190,558	107.4%	164.64	156.13
201003	659	1,123	164,430	0.0%	164,430	146.46	167.22		187,736	105.1%	167.22	152.92
201004	639	1,089	159,642	0.0%	159,642	146.59	169.84		184,956	106.5%	169.84	155.29
201005	620	1,056	154,993	0.0%	154,993	146.72	172.50		182,217	108.1%	172.50	157.70
201006	602	1,025	150,479	0.0%	150,479	146.86	175.20		179,519	109.6%	175.20	160.17
201007	584	994	146,097	0.0%	146,097	146.99	177.94		176,860	111.3%	177.94	162.68
201008	566	964	141,842	0.0%	141,842	147.12	180.73		174,241	112.9%	180.73	165.23
201009	549	935	137,711	0.0%	137,711	147.26	183.56		171,661	114.6%	183.56	167.82
201010	533	907	133,701	0.0%	133,701	147.39	186.43		169,119	116.3%	186.43	170.44
201011	517	880	129,807	0.0%	129,807	147.52	189.35		166,614	118.0%	189.35	173.11
201012	501	854	126,027	0.0%	126,027	147.66	192.32		164,147	119.7%	192.32	175.82

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	11,435	1,968,837	1,968,837			1,251,647	1,251,647	63.6%
2005	29,041	48,251	8,442,419	8,442,419	174.97		4,147,482	4,147,482	49.1%
2006	19,055	32,968	5,877,618	5,877,618	178.28		2,517,011	2,517,011	42.8%
2007	14,906	25,985	4,326,954	4,326,954	166.52		1,883,388	1,884,655	43.6%
2008	12,255	21,362	3,160,897	3,160,897	147.97		2,324,565	2,358,574	74.6%
2009	9,618	17,203	2,491,392	2,491,392	144.82		931,509	2,563,215	102.9%
2010	6,525	12,177	1,788,535	1,788,535	146.88		0	2,141,050	119.7%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
AIR AMBULANCE Rider

Assumptions				
Claim Trend	Annual 0.00%	Monthly 0.00%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	803	1,511	1,513	0.0%	1,513	1.00		0	0		0.00	
200412	748	1,394	1,423	0.0%	1,423	1.02		0	0		0.00	
200501	697	1,299	1,323	0.0%	1,323	1.02		0	0		0.00	
200502	659	1,236	1,223	0.0%	1,223	0.99		0	0		0.00	
200503	623	1,165	1,175	0.0%	1,175	1.01		0	0		0.00	
200504	590	1,101	1,113	0.0%	1,113	1.01		0	0		0.00	
200505	561	1,052	1,073	0.0%	1,073	1.02		0	0		0.00	
200506	540	1,010	1,035	0.0%	1,035	1.02		0	0		0.00	
200507	529	988	999	0.0%	999	1.01		0	0		0.00	
200508	507	945	968	0.0%	968	1.02		0	0		0.00	
200509	493	916	943	0.0%	943	1.03		0	0		0.00	
200510	478	877	913	0.0%	913	1.04		0	0	0.0%	0.00	0.00
200511	465	850	887	0.0%	887	1.04		2,020	2,020	15.4%	2.38	0.16
200512	446	816	859	0.0%	859	1.05		0	0	16.1%	0.00	0.16
200601	425	776	812	0.0%	812	1.05		0	0	16.8%	0.00	0.17
200602	415	759	789	0.0%	789	1.04		0	0	17.5%	0.00	0.18
200603	400	724	773	0.0%	773	1.07		0	0	18.1%	0.00	0.19
200604	401	718	751	0.0%	751	1.05		0	0	18.7%	0.00	0.19
200605	397	706	742	0.0%	742	1.05		0	0	19.3%	0.00	0.20
200606	388	679	732	0.0%	732	1.08		0	0	19.9%	0.00	0.21
200607	383	672	709	0.0%	709	1.06		0	0	20.4%	0.00	0.21
200608	371	645	698	0.0%	698	1.08		0	0	21.0%	0.00	0.22
200609	364	631	681	0.0%	681	1.08		0	0	21.6%	0.00	0.23
200610	358	622	666	0.0%	666	1.07		0	0	22.2%	0.00	0.23
200611	346	603	644	0.0%	644	1.07		0	0	0.0%	0.00	0.00
200612	338	594	618	0.0%	618	1.04		0	0	0.0%	0.00	0.00
200701	330	577	605	0.0%	605	1.05		0	0	0.0%	0.00	0.00
200702	319	552	592	0.0%	592	1.07		0	0	0.0%	0.00	0.00
200703	309	537	561	0.0%	561	1.05		0	0	0.0%	0.00	0.00
200704	304	528	549	0.0%	549	1.04		0	0	0.0%	0.00	0.00
200705	303	527	555	0.0%	555	1.05		0	0	0.0%	0.00	0.00
200706	300	522	544	0.0%	544	1.04		0	0	0.0%	0.00	0.00
200707	295	508	527	0.0%	527	1.04		0	0	0.0%	0.00	0.00
200708	289	495	518	0.0%	518	1.05		0	0	0.0%	0.00	0.00
200709	282	487	510	0.0%	510	1.05		0	0	0.0%	0.00	0.00
200710	276	483	497	0.0%	497	1.03		0	0	0.0%	0.00	0.00
200711	277	486	495	0.0%	495	1.02		0	0	0.0%	0.00	0.00
200712	271	477	490	0.0%	490	1.03		0	0	0.0%	0.00	0.00
200801	267	471	480	0.0%	480	1.02		0	0	0.0%	0.00	0.00
200802	265	469	477	0.0%	477	1.02		0	0	0.0%	0.00	0.00
200803	258	449	464	0.0%	464	1.03		0	0	0.0%	0.00	0.00
200804	252	443	450	0.0%	450	1.02		0	0	0.0%	0.00	0.00
200805	246	434	439	0.0%	439	1.01		0	0	0.0%	0.00	0.00
200806	242	425	434	0.0%	434	1.02		0	0	0.0%	0.00	0.00
200807	241	423	424	0.0%	424	1.00		0	0	0.0%	0.00	0.00
200808	239	416	421	0.0%	421	1.01		0	0	0.0%	0.00	0.00
200809	238	415	453	0.0%	453	1.09		0	0	0.0%	0.00	0.00
200810	238	414	419	0.0%	419	1.01		0	0	0.0%	0.00	0.00
200811	233	409	414	0.0%	414	1.01		0	0	0.0%	0.00	0.00
200812	234	410	416	0.0%	416	1.02		0	0	0.0%	0.00	0.00
200901	228	394	399	0.0%	399	1.01		0	0	0.0%	0.00	0.00
200902	223	385	386	0.0%	386	1.00		0	0	0.0%	0.00	0.00
200903	220	381	376	0.0%	376	0.99	0.00	0	0	0.0%	0.00	0.00
200904	215	370	360	0.0%	360	0.97	0.00	0	0	0.0%	0.00	0.00
200905	210	361	356	0.0%	356	0.99	0.00	0	0	0.0%	0.00	0.00
200906	204	354	350	0.0%	350	0.99	0.00	0	0	0.0%	0.00	0.00
200907	198	343	340	0.0%	340	0.99	0.00	0	0	0.0%	0.00	0.00
200908	192	333	330	0.0%	330	0.99	0.00	0	0	0.0%	0.00	0.00
200909	186	323	320	0.0%	320	0.99	0.00	0	0	0.0%	0.00	0.00
200910	181	313	311	0.0%	311	0.99	0.00	0	0	0.0%	0.00	0.00
200911	175	304	302	0.0%	302	0.99	0.00	0	0	0.0%	0.00	0.00
200912	170	295	293	0.0%	293	0.99	0.00	0	0	0.0%	0.00	0.00
201001	165	286	284	0.0%	284	0.99	0.00	0	0	0.0%	0.00	0.00
201002	160	277	276	0.0%	276	1.00	0.00	0	0	0.0%	0.00	0.00
201003	155	269	268	0.0%	268	1.00	0.00	0	0	0.0%	0.00	0.00
201004	150	261	260	0.0%	260	1.00	0.00	0	0	0.0%	0.00	0.00
201005	146	253	253	0.0%	253	1.00	0.00	0	0	0.0%	0.00	0.00
201006	142	246	245	0.0%	245	1.00	0.00	0	0	0.0%	0.00	0.00
201007	137	238	238	0.0%	238	1.00	0.00	0	0	0.0%	0.00	0.00
201008	133	231	231	0.0%	231	1.00	0.00	0	0	0.0%	0.00	0.00
201009	129	224	225	0.0%	225	1.00	0.00	0	0	0.0%	0.00	0.00
201010	125	217	218	0.0%	218	1.00	0.00	0	0	0.0%	0.00	0.00
201011	122	211	212	0.0%	212	1.00	0.00	0	0	0.0%	0.00	0.00
201012	118	205	205	0.0%	205	1.00	0.00	0	0	0.0%	0.00	0.00

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,905	2,937	2,937			0	0	0.0%
2005	7,228	12,255	12,511	12,511	1.02		2,020	2,020	16.1%
2006	4,694	8,129	8,615	8,615	1.06		0	0	0.0%
2007	3,555	6,179	6,441	6,441	1.04		0	0	0.0%
2008	2,914	5,178	5,292	5,292	1.02		0	0	0.0%
2009	2,275	4,157	4,122	4,122	0.99		0	0	0.0%
2010	1,535	2,919	2,916	2,916	1.00		0	0	0.0%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
AMBULATORY CARE Rider

Assumptions				
Claim Trend	Annual 9.00%	Monthly 0.72%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	3,291	6,029	245,012	0.0%	245,012	40.64		133,923	133,923		22.21	
200412	3,118	5,692	235,592	0.0%	235,592	41.39		137,116	137,116		24.09	
200501	2,894	5,274	218,163	0.0%	218,163	41.37		87,157	87,157		16.53	
200502	2,788	4,973	204,758	0.0%	204,758	41.17		77,465	77,465		15.58	
200503	2,581	4,666	194,503	0.0%	194,503	41.69		96,496	96,496		20.68	
200504	2,484	4,482	186,096	4.1%	186,096	41.52		90,118	90,118		20.11	
200505	2,376	4,291	180,505	0.0%	180,505	42.07		93,201	93,201		21.72	
200506	2,303	4,146	174,579	0.0%	174,579	42.11		89,405	89,405		21.56	
200507	2,231	4,002	169,336	0.0%	169,336	42.31		94,939	94,939		23.72	
200508	2,168	3,874	164,303	0.0%	164,303	42.41		92,512	92,512		23.88	
200509	2,092	3,735	157,800	0.0%	157,800	42.25		109,548	109,548		29.33	
200510	2,029	3,613	152,918	0.0%	152,918	42.32		94,380	94,380	52.4%	26.12	21.84
200511	1,977	3,515	149,681	0.0%	149,681	42.58		87,705	87,705	52.6%	24.95	22.00
200512	1,906	3,382	144,848	0.0%	144,848	42.83		83,871	83,871	52.3%	24.80	21.96
200601	1,832	3,229	138,424	0.0%	138,424	42.87		43,340	43,340	52.2%	13.42	21.98
200602	1,797	3,164	134,311	0.0%	134,311	42.45		44,232	44,232	52.4%	13.98	22.12
200603	1,740	3,063	131,274	0.0%	131,274	42.86		61,985	61,985	52.3%	20.24	22.14
200604	1,712	3,002	127,891	0.0%	127,891	42.60		52,536	52,536	51.9%	17.50	22.03
200605	1,672	2,933	125,947	0.0%	125,947	42.94		58,970	58,970	51.6%	20.11	21.93
200606	1,632	2,853	122,748	0.0%	122,748	43.02		54,219	54,219	51.1%	19.00	21.76
200607	1,600	2,801	119,679	0.0%	119,679	42.73		53,808	53,808	50.1%	19.21	21.37
200608	1,556	2,717	117,892	0.0%	117,892	43.39		58,358	58,358	49.5%	21.48	21.13
200609	1,521	2,654	115,330	0.0%	115,330	43.46		72,015	72,015	48.4%	27.13	20.73
200610	1,490	2,594	112,529	0.0%	112,529	43.38		45,995	45,995	46.5%	17.73	19.97
200611	1,454	2,529	109,385	0.0%	109,385	43.25		63,204	63,204	46.2%	24.99	19.83
200612	1,422	2,483	106,610	0.0%	106,610	42.94		38,562	38,562	44.3%	15.53	19.02
200701	1,390	2,425	103,506	0.0%	103,506	42.68		25,894	25,894	44.1%	10.68	18.96
200702	1,363	2,325	102,077	0.0%	102,077	43.90		28,782	28,782	44.0%	12.38	18.97
200703	1,336	2,278	100,847	0.0%	100,847	44.27		52,178	52,178	44.3%	22.91	19.13
200704	1,318	2,257	99,275	0.0%	99,275	43.99		41,511	41,511	44.4%	18.39	19.24
200705	1,307	2,242	97,797	0.0%	97,797	43.62		43,366	43,366	44.2%	19.34	19.16
200706	1,293	2,216	96,538	0.0%	96,538	43.56		43,628	43,628	44.3%	19.69	19.22
200707	1,273	2,181	95,560	0.0%	95,560	43.81		55,970	55,970	45.3%	25.66	19.70
200708	1,247	2,137	93,772	0.0%	93,772	43.88		44,883	44,883	45.1%	21.00	19.63
200709	1,223	2,089	92,418	0.0%	92,418	44.24		43,575	43,575	43.6%	20.86	19.01
200710	1,203	2,042	90,953	0.0%	90,953	44.54		47,302	47,315	44.5%	23.17	19.44
200711	1,189	2,021	89,551	0.0%	89,551	44.31		56,623	56,623	44.7%	28.02	19.56
200712	1,161	1,973	87,989	0.0%	87,989	44.60		52,923	52,923	46.7%	26.82	20.49
200801	1,142	1,941	86,251	-17.0%	86,251	44.44		24,620	24,620	47.3%	12.68	20.83
200802	1,128	1,918	84,790	0.0%	84,790	44.21		23,374	23,374	47.5%	12.19	20.95
200803	1,106	1,875	82,227	0.0%	82,227	43.85		48,695	48,695	48.0%	25.97	21.15
200804	1,085	1,836	78,445	0.0%	78,445	42.73		36,949	36,949	48.5%	20.12	21.33
200805	1,066	1,806	74,949	0.0%	74,949	41.50		29,747	29,747	48.3%	16.47	21.15
200806	1,050	1,780	71,880	0.0%	71,880	40.38		25,471	25,471	47.6%	14.31	20.77
200807	1,038	1,758	70,575	0.0%	70,575	40.15		45,175	45,175	47.8%	25.70	20.68
200808	1,029	1,733	69,582	0.0%	69,582	40.15		47,352	47,352	49.2%	27.32	21.16
200809	1,018	1,710	68,941	0.0%	68,941	40.32		52,472	52,476	51.3%	30.69	21.91
200810	1,001	1,680	67,533	0.0%	67,533	40.20		52,384	52,493	53.2%	31.25	22.51
200811	987	1,652	67,075	0.0%	67,075	40.60		37,764	38,003	52.4%	23.00	22.03
200812	976	1,637	66,033	0.0%	66,033	40.34		51,792	52,357	53.7%	31.98	22.35
200901	954	1,599	64,269	0.0%	64,269	40.19		23,666	24,178	55.0%	15.12	22.70
200902	940	1,572	62,791	0.0%	62,791	39.94		37,911	39,215	58.3%	24.95	23.84
200903	927	1,543	61,273	0.0%	61,273	39.71	23.45	30,815	32,688	57.8%	21.18	23.45
200904	917	1,526	60,144	0.0%	60,144	39.41	24.50	38,348	37,934	59.2%	24.50	23.83
200905	902	1,496	58,772	0.0%	58,772	39.29	24.68	34,090	36,923	61.3%	24.68	24.57
200906	884	1,468	57,724	0.0%	57,724	39.32	24.86	1,955	36,493	63.9%	24.86	25.54
200907	857	1,424	56,043	0.0%	56,043	39.36	25.04		35,653	63.8%	25.04	25.48
200908	832	1,381	54,411	0.0%	54,411	39.39	25.22		34,833	63.4%	25.22	25.29
200909	807	1,340	52,826	0.0%	52,826	39.43	25.40		34,032	62.3%	25.40	24.80
200910	783	1,300	51,288	0.0%	51,288	39.46	25.58		33,248	61.0%	25.58	24.25
200911	759	1,261	49,794	0.0%	49,794	39.50	25.77		32,483	61.8%	25.77	24.48
200912	736	1,223	48,344	0.0%	48,344	39.54	25.95		31,736	60.3%	25.95	23.87
201001	714	1,186	46,936	0.0%	46,936	39.57	26.14		31,006	63.0%	26.14	24.86
201002	693	1,151	45,570	0.0%	45,570	39.61	26.33		30,292	63.3%	26.33	24.96
201003	672	1,116	44,242	0.0%	44,242	39.64	26.52		29,595	64.5%	26.52	25.44
201004	652	1,083	42,954	0.0%	42,954	39.68	26.71		28,914	64.9%	26.71	25.62
201005	632	1,050	41,703	0.0%	41,703	39.71	26.90		28,249	65.3%	26.90	25.80
201006	613	1,019	40,489	0.0%	40,489	39.75	27.10		27,599	65.7%	27.10	25.99
201007	595	988	39,310	0.0%	39,310	39.79	27.29		26,964	66.1%	27.29	26.17
201008	577	958	38,165	0.0%	38,165	39.82	27.49		26,344	66.6%	27.49	26.36
201009	560	930	37,053	0.0%	37,053	39.86	27.69		25,738	67.0%	27.69	26.55
201010	543	902	35,974	0.0%	35,974	39.89	27.89		25,145	67.4%	27.89	26.74
201011	527	875	34,927	0.0%	34,927	39.93	28.09		24,567	67.8%	28.09	26.94
201012	511	848	33,909	0.0%	33,909	39.97	28.29		24,002	68.2%	28.29	27.13

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	11,721	480,604	480,604			271,039	271,039	56.4%
2005	30,305	49,953	2,097,489	2,097,489	41.99		1,096,797	1,096,797	52.3%
2006	19,912	34,022	1,462,020	1,462,020	42.97		647,224	647,224	44.3%
2007	15,303	26,186	1,150,284	1,150,284	43.93		536,634	536,648	46.7%
2008	12,438	21,326	888,283	888,283	41.65		475,795	476,711	53.7%
2009	9,811	17,132	677,680	677,680	39.56		166,785	408,877	60.3%
2010	6,653	12,105	481,232	481,232	39.76		0	328,416	68.2%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
CHEMO Rider

Assumptions				
Claim Trend	Annual 10.00%	Monthly 0.80%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	2,296	4,153	66,999	0.0%	66,999	16.13		38,519	38,519		9.27	
200412	2,177	3,929	64,311	0.0%	64,311	16.37		43,057	43,057		10.96	
200501	2,018	3,657	59,106	0.0%	59,106	16.16		52,065	52,065		14.24	
200502	1,895	3,414	55,364	0.0%	55,364	16.22		74,039	74,039		21.69	
200503	1,786	3,210	52,354	0.0%	52,354	16.31		102,333	102,333		31.88	
200504	1,724	3,095	49,993	0.0%	49,993	16.15		89,057	89,057		28.77	
200505	1,649	2,967	48,476	0.0%	48,476	16.34		91,533	91,533		30.85	
200506	1,596	2,866	46,886	0.0%	46,886	16.36		93,994	93,994		32.80	
200507	1,543	2,761	45,328	0.0%	45,328	16.42		89,764	89,764		32.51	
200508	1,505	2,679	43,983	0.0%	43,983	16.42		149,322	149,322		55.74	
200509	1,445	2,571	42,106	0.0%	42,106	16.38		126,609	126,609		49.24	
200510	1,409	2,508	40,902	0.0%	40,902	16.31		93,524	93,524	169.5%	37.29	27.61
200511	1,368	2,433	39,981	0.0%	39,981	16.43		99,960	99,960	187.7%	41.09	30.63
200512	1,333	2,371	38,729	0.0%	38,729	16.33		49,571	49,571	197.4%	20.91	32.20
200601	1,286	2,269	37,570	0.0%	37,570	16.56		31,440	31,440	201.4%	13.86	32.92
200602	1,265	2,229	36,329	0.0%	36,329	16.30		58,794	58,794	205.9%	26.38	33.67
200603	1,227	2,171	35,546	0.0%	35,546	16.37		42,332	42,332	200.8%	19.50	32.86
200604	1,192	2,108	34,610	0.0%	34,610	16.42		70,469	70,469	203.3%	33.43	33.32
200605	1,163	2,059	34,017	0.0%	34,017	16.52		31,210	31,210	196.9%	15.16	32.28
200606	1,129	1,996	33,046	0.0%	33,046	16.56		29,470	29,470	188.8%	14.76	30.99
200607	1,110	1,965	32,256	0.0%	32,256	16.42		25,998	25,998	180.1%	13.23	29.56
200608	1,081	1,909	31,830	0.0%	31,830	16.67		36,116	36,116	159.2%	18.92	26.16
200609	1,059	1,868	31,093	0.0%	31,093	16.65		31,543	31,543	141.0%	16.89	23.20
200610	1,042	1,836	30,345	0.0%	30,345	16.53		15,503	15,503	125.8%	8.44	20.72
200611	1,020	1,792	29,580	0.0%	29,580	16.51		28,076	28,076	111.3%	15.67	18.33
200612	998	1,757	29,085	0.0%	29,085	16.55		42,193	42,193	112.1%	24.01	18.50
200701	979	1,718	28,410	0.0%	28,410	16.54		30,394	30,394	114.5%	17.69	18.89
200702	966	1,647	27,967	0.0%	27,967	16.98		22,523	22,523	107.4%	13.68	17.78
200703	948	1,610	27,659	0.0%	27,659	17.18		23,561	23,561	104.6%	14.63	17.38
200704	933	1,590	27,238	0.0%	27,238	17.13		36,014	36,014	97.3%	22.65	16.21
200705	922	1,570	26,931	0.0%	26,931	17.15		18,976	18,976	95.8%	12.09	16.01
200706	911	1,550	26,508	0.0%	26,508	17.10		13,582	13,582	93.0%	8.76	15.59
200707	899	1,532	26,087	0.0%	26,087	17.03		10,985	10,985	90.3%	7.17	15.19
200708	880	1,499	25,620	0.0%	25,620	17.09		30,764	30,764	90.4%	20.52	15.23
200709	862	1,459	25,287	0.0%	25,287	17.33		44,945	44,945	96.0%	30.81	16.23
200710	849	1,420	24,862	0.0%	24,862	17.51		55,872	55,872	110.0%	39.35	18.69
200711	840	1,402	24,467	0.0%	24,467	17.45		13,186	13,186	107.1%	9.41	18.29
200712	820	1,365	24,017	0.0%	24,017	17.59		908	908	95.8%	0.67	16.43
200801	807	1,341	23,507	0.0%	23,507	17.53		2,081	2,081	88.1%	1.55	15.20
200802	795	1,317	23,144	0.0%	23,144	17.57		2,150	2,150	82.9%	1.63	14.33
200803	780	1,294	22,813	0.0%	22,813	17.63		10,676	10,676	79.9%	8.25	13.85
200804	767	1,266	22,415	0.0%	22,415	17.71		0	0	69.0%	0.00	12.00
200805	757	1,251	22,062	0.0%	22,062	17.64		3,476	3,476	64.9%	2.78	11.30
200806	744	1,229	21,639	0.0%	21,639	17.61		6,704	6,704	63.6%	5.46	11.10
200807	734	1,210	21,418	0.0%	21,418	17.70		23,924	23,924	69.2%	19.77	12.13
200808	726	1,194	21,172	0.0%	21,172	17.73		8,126	8,126	62.2%	6.81	10.93
200809	716	1,173	20,878	0.0%	20,878	17.80		22,509	22,509	54.9%	19.19	9.68
200810	706	1,154	20,568	0.0%	20,568	17.82		55,422	55,422	55.6%	48.03	9.82
200811	699	1,134	20,378	0.0%	20,378	17.97		16,136	16,136	57.6%	14.23	10.19
200812	691	1,123	20,133	0.0%	20,133	17.93		30,961	30,961	70.0%	27.57	12.40
200901	680	1,107	19,794	0.0%	19,794	17.88		17,727	17,727	77.1%	16.01	13.69
200902	667	1,085	19,411	0.0%	19,411	17.89		20,897	20,897	85.7%	19.26	15.23
200903	659	1,066	19,028	0.0%	19,028	17.85	15.66	12,861	13,172	88.0%	12.36	15.66
200904	655	1,061	18,830	0.0%	18,830	17.75	16.44	47,250	17,442	96.4%	16.44	17.15
200905	644	1,038	18,637	0.0%	18,637	17.96	16.57	17,282	17,200	103.4%	16.57	18.43
200906	631	1,014	18,223	0.0%	18,223	17.97	16.70	0	16,936	109.2%	16.70	19.50
200907	612	984	17,692	0.0%	17,692	17.99	16.84	0	16,559	107.8%	16.84	19.27
200908	594	954	17,177	0.0%	17,177	18.00	16.97	0	16,190	113.2%	16.97	20.26
200909	576	925	16,677	0.0%	16,677	18.02	17.10	0	15,830	112.3%	17.10	20.12
200910	559	898	16,191	0.0%	16,191	18.04	17.24	0	15,477	96.6%	17.24	17.32
200911	542	871	15,720	0.0%	15,720	18.05	17.38	0	15,133	98.2%	17.38	17.61
200912	526	845	15,262	0.0%	15,262	18.07	17.52	0	14,796	92.8%	17.52	16.66
201001	510	819	14,817	0.0%	14,817	18.09	17.66	0	14,466	93.5%	17.66	16.79
201002	495	795	14,386	0.0%	14,386	18.10	17.80	0	14,144	92.5%	17.80	16.62
201003	480	771	13,967	0.0%	13,967	18.12	17.94	0	13,829	95.2%	17.94	17.13
201004	465	748	13,560	0.0%	13,560	18.13	18.08	0	13,521	95.7%	18.08	17.27
201005	451	725	13,165	0.0%	13,165	18.15	18.23	0	13,220	96.4%	18.23	17.40
201006	438	704	12,782	0.0%	12,782	18.17	18.37	0	12,926	97.1%	18.37	17.54
201007	425	682	12,410	0.0%	12,410	18.18	18.52	0	12,638	97.8%	18.52	17.68
201008	412	662	12,048	0.0%	12,048	18.20	18.67	0	12,357	98.5%	18.67	17.82
201009	400	642	11,697	0.0%	11,697	18.22	18.82	0	12,082	99.1%	18.82	17.97
201010	388	623	11,357	0.0%	11,357	18.23	18.97	0	11,813	99.8%	18.97	18.11
201011	376	604	11,026	0.0%	11,026	18.25	19.12	0	11,550	100.6%	19.12	18.25
201012	365	586	10,705	0.0%	10,705	18.27	19.27	0	11,293	101.3%	19.27	18.40

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	8,082	131,310	131,310			81,575	81,575	62.1%
2005	21,043	34,532	563,207	563,207	16.31		1,111,772	1,111,772	197.4%
2006	13,907	23,959	395,306	395,306	16.50		443,144	443,144	112.1%
2007	10,809	18,362	315,053	315,053	17.16		301,710	301,710	95.8%
2008	8,795	14,686	260,127	260,127	17.71		182,164	182,164	70.0%
2009	7,001	11,847	212,642	212,642	17.95		116,017	197,358	92.8%
2010	4,749	8,361	151,920	151,920	18.17		0	153,839	101.3%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
DOV Rider

Assumptions				
Claim Trend	Annual 5.00%	Monthly 0.41%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	797	1,406	15,632	0.0%	15,632	11.12		7,074	7,074		5.03	
200412	741	1,292	14,697	0.0%	14,697	11.38		4,457	4,457		3.45	
200501	693	1,213	13,376	0.0%	13,376	11.03		7,637	7,637		6.30	
200502	652	1,138	12,514	0.0%	12,514	11.00		5,485	5,485		4.82	
200503	624	1,080	11,814	0.0%	11,814	10.94		5,490	5,490		5.08	
200504	593	1,025	11,164	22.1%	11,164	10.89		5,431	5,431		5.30	
200505	559	961	10,834	0.0%	10,834	11.27		4,806	4,806		5.00	
200506	536	920	10,350	0.0%	10,350	11.25		3,236	3,236		3.52	
200507	519	887	9,925	0.0%	9,925	11.19		4,377	4,377		4.93	
200508	502	853	9,530	0.0%	9,530	11.17		3,726	3,726		4.37	
200509	485	822	9,155	0.0%	9,155	11.14		2,954	2,954		3.59	
200510	471	789	8,774	0.0%	8,774	11.12		4,349	4,349	42.8%	5.51	4.77
200511	461	771	8,509	0.0%	8,509	11.04		2,992	2,992	42.1%	3.88	4.68
200512	440	737	8,281	0.0%	8,281	11.24		2,513	2,513	42.7%	3.41	4.73
200601	427	711	7,998	0.0%	7,998	11.25		4,398	4,398	41.9%	6.18	4.65
200602	419	697	7,742	0.0%	7,742	11.11		1,981	1,981	40.5%	2.84	4.51
200603	405	675	7,471	0.0%	7,471	11.07		2,822	2,822	39.7%	4.18	4.43
200604	394	660	7,268	0.0%	7,268	11.01		3,487	3,487	39.3%	5.28	4.39
200605	385	644	7,175	0.0%	7,175	11.14		3,362	3,362	39.3%	5.22	4.39
200606	378	627	7,020	0.0%	7,020	11.20		2,263	2,263	39.7%	3.61	4.42
200607	373	620	6,876	0.0%	6,876	11.09		3,894	3,894	40.4%	6.28	4.50
200608	365	600	6,600	0.0%	6,600	11.00		2,334	2,334	40.2%	3.89	4.47
200609	349	577	6,902	0.0%	6,902	11.96		1,991	1,991	40.2%	3.45	4.49
200610	339	556	6,288	0.0%	6,288	11.31		3,666	3,666	40.5%	6.59	4.53
200611	329	544	5,952	0.0%	5,952	10.94		3,129	3,129	41.9%	5.75	4.69
200612	322	534	5,794	0.0%	5,794	10.85		1,976	1,976	42.5%	3.70	4.74
200701	313	514	5,611	0.0%	5,611	10.92		3,869	3,869	43.1%	7.53	4.80
200702	307	500	5,445	0.0%	5,445	10.89		2,114	2,114	44.5%	4.23	4.95
200703	299	490	5,331	0.0%	5,331	10.88		2,803	2,803	45.7%	5.72	5.08
200704	298	488	5,310	0.0%	5,310	10.88		2,943	2,943	46.2%	6.03	5.13
200705	294	483	5,249	0.0%	5,249	10.87		3,031	3,031	47.0%	6.28	5.21
200706	289	475	5,380	0.0%	5,380	11.33		1,596	1,596	47.1%	3.36	5.23
200707	283	460	5,063	0.0%	5,063	11.01		2,809	2,809	46.8%	6.11	5.19
200708	273	445	4,935	0.0%	4,935	11.09		2,017	2,017	47.5%	4.53	5.27
200709	265	434	4,750	0.0%	4,750	10.95		1,417	1,417	48.2%	3.26	5.30
200710	261	429	4,863	0.0%	4,863	11.33		2,828	2,828	47.9%	6.59	5.27
200711	259	425	4,675	0.0%	4,675	11.00		2,320	2,320	47.6%	5.46	5.24
200712	252	418	4,527	0.0%	4,527	10.83		1,001	1,001	47.0%	2.39	5.17
200801	245	406	4,449	0.0%	4,449	10.96		3,189	3,189	46.8%	7.86	5.15
200802	242	402	4,380	0.0%	4,380	10.89		2,114	2,114	47.6%	5.26	5.24
200803	233	384	4,334	0.0%	4,334	11.29		1,773	1,774	46.7%	4.62	5.15
200804	226	377	4,125	0.0%	4,125	10.94		2,411	2,413	46.7%	6.40	5.16
200805	222	371	3,980	0.0%	3,980	10.73		1,787	1,791	45.6%	4.83	5.03
200806	218	362	3,967	0.0%	3,967	10.96		1,769	1,775	47.1%	4.90	5.18
200807	217	357	3,917	0.0%	3,917	10.97		2,526	2,537	47.6%	7.11	5.23
200808	215	351	3,862	0.0%	3,862	11.00		1,699	1,709	48.0%	4.87	5.27
200809	216	354	3,792	0.0%	3,792	10.71		1,263	1,272	48.6%	3.59	5.33
200810	209	346	3,842	0.0%	3,842	11.10		2,561	2,587	49.1%	7.48	5.38
200811	205	338	3,831	0.0%	3,831	11.33		1,485	1,504	48.3%	4.45	5.30
200812	203	335	3,770	0.0%	3,770	11.25		1,573	1,601	50.3%	4.78	5.54
200901	200	327	3,705	0.0%	3,705	11.33		2,588	2,650	49.9%	8.10	5.51
200902	196	322	3,627	0.0%	3,627	11.26		1,354	1,397	49.2%	4.34	5.45
200903	192	315	3,596	0.0%	3,596	11.42	5.37	1,020	1,069	48.5%	3.39	5.37
200904	189	310	3,493	0.0%	3,493	11.27	5.50	2,748	1,706	47.6%	5.50	5.28
200905	189	310	3,484	0.0%	3,484	11.24	5.53	1,644	1,713	47.9%	5.53	5.34
200906	185	305	3,431	0.0%	3,431	11.25	5.55	192	1,692	48.3%	5.55	5.40
200907	179	296	3,331	0.0%	3,331	11.26	5.57		1,648	47.0%	5.57	5.26
200908	174	287	3,234	0.0%	3,234	11.27	5.59		1,605	47.4%	5.59	5.32
200909	169	278	3,140	0.0%	3,140	11.28	5.62		1,564	48.8%	5.62	5.50
200910	164	270	3,048	0.0%	3,048	11.29	5.64		1,523	47.2%	5.64	5.33
200911	159	262	2,959	0.0%	2,959	11.30	5.66		1,483	48.1%	5.66	5.43
200912	154	254	2,873	0.0%	2,873	11.31	5.69		1,445	48.8%	5.69	5.51
201001	149	246	2,789	0.0%	2,789	11.32	5.71		1,407	46.8%	5.71	5.28
201002	145	239	2,708	0.0%	2,708	11.33	5.73		1,370	47.9%	5.73	5.40
201003	141	232	2,629	0.0%	2,629	11.34	5.76		1,335	49.8%	5.76	5.62
201004	136	225	2,553	0.0%	2,553	11.35	5.78		1,300	50.0%	5.78	5.64
201005	132	218	2,478	0.0%	2,478	11.36	5.80		1,266	50.1%	5.80	5.67
201006	128	212	2,406	0.0%	2,406	11.37	5.83		1,233	50.3%	5.83	5.69
201007	125	205	2,336	0.0%	2,336	11.38	5.85		1,201	50.5%	5.85	5.71
201008	121	199	2,268	0.0%	2,268	11.39	5.87		1,170	50.6%	5.87	5.74
201009	117	193	2,202	0.0%	2,202	11.40	5.90		1,139	50.8%	5.90	5.76
201010	114	187	2,138	0.0%	2,138	11.41	5.92		1,109	50.9%	5.92	5.78
201011	110	182	2,076	0.0%	2,076	11.42	5.95		1,081	51.1%	5.95	5.81
201012	107	176	2,015	0.0%	2,015	11.43	5.97		1,052	51.3%	5.97	5.83

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,698	30,329	30,329			11,530	11,530	38.0%
2005	7,172	11,196	124,226	124,226	11.10		52,996	52,996	42.7%
2006	4,603	7,445	83,084	83,084	11.16		35,301	35,301	42.5%
2007	3,393	5,561	61,141	61,141	10.99		28,747	28,747	47.0%
2008	2,606	4,383	48,248	48,248	11.01		24,152	24,266	50.3%
2009	2,049	3,536	39,919	39,919	11.29		9,546	19,496	48.8%
2010	1,392	2,515	28,600	28,600	11.37		0	14,663	51.3%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
EMERGENCY ROOM Rider

Assumptions				
Claim Trend	Annual 0.00%	Monthly 0.00%	On level Adj FALSE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	653	1,193	9,115	0.0%	9,115	7.64		2,316	2,316		1.94	
200412	616	1,115	8,511	0.0%	8,511	7.63		980	980		0.88	
200501	563	1,020	7,782	0.0%	7,782	7.63		1,764	1,764		1.73	
200502	527	960	7,166	0.0%	7,166	7.46		1,639	1,639		1.71	
200503	509	928	6,974	0.0%	6,974	7.51		2,147	2,147		2.31	
200504	483	892	6,739	0.0%	6,739	7.56		2,139	2,139		2.40	
200505	462	857	6,615	0.0%	6,615	7.72		3,870	3,870		4.52	
200506	443	826	6,402	0.0%	6,402	7.75		4,408	4,408		5.34	
200507	432	801	6,290	0.0%	6,290	7.85		3,783	3,783		4.72	
200508	418	775	6,137	0.0%	6,137	7.92		3,474	3,474		4.48	
200509	411	762	5,949	0.0%	5,949	7.81		2,253	2,253		2.96	
200510	398	724	5,714	0.0%	5,714	7.89		202	202	34.7%	0.28	2.67
200511	393	711	5,522	0.0%	5,522	7.77		1,826	1,826	35.7%	2.57	2.75
200512	368	663	5,309	0.0%	5,309	8.01		1,394	1,394	37.7%	2.10	2.91
200601	351	625	5,090	0.0%	5,090	8.14		801	801	37.8%	1.28	2.93
200602	344	615	4,931	0.0%	4,931	8.02		589	589	37.5%	0.96	2.93
200603	333	590	4,835	0.0%	4,835	8.19		2,228	2,228	38.8%	3.78	3.05
200604	336	588	4,651	0.0%	4,651	7.91		166	166	37.1%	0.28	2.93
200605	331	581	4,653	0.0%	4,653	8.01		558	558	33.1%	0.96	2.62
200606	328	564	4,619	0.0%	4,619	8.19		2,043	2,043	30.3%	3.62	2.41
200607	320	553	4,487	0.0%	4,487	8.11		2,287	2,287	28.8%	4.14	2.30
200608	310	528	4,381	0.0%	4,381	8.30		1,868	1,868	27.0%	3.54	2.16
200609	303	517	4,254	0.0%	4,254	8.23		1,028	1,028	25.6%	1.99	2.06
200610	293	498	4,121	0.0%	4,121	8.27		631	631	27.1%	1.27	2.19
200611	283	483	3,941	0.0%	3,941	8.16		3,520	3,520	31.0%	7.29	2.51
200612	278	478	3,834	0.0%	3,834	8.02		2,076	2,076	33.1%	4.34	2.69
200701	272	466	3,761	0.0%	3,761	8.07		1,662	1,662	35.6%	3.57	2.89
200702	264	450	3,696	0.0%	3,696	8.21		764	764	36.8%	1.70	2.99
200703	257	440	3,515	0.0%	3,515	7.99		3,256	3,256	39.8%	7.40	3.23
200704	251	429	3,438	0.0%	3,438	8.01		593	593	41.7%	1.38	3.39
200705	252	429	3,472	0.0%	3,472	8.09		1,299	1,299	44.3%	3.03	3.60
200706	249	425	3,312	0.0%	3,312	7.79		595	595	42.4%	1.40	3.44
200707	244	410	3,291	0.0%	3,291	8.03		1,238	1,238	41.2%	3.02	3.34
200708	236	395	3,225	0.0%	3,225	8.17		777	777	39.8%	1.97	3.22
200709	230	389	3,141	0.0%	3,141	8.07		2,411	2,411	44.0%	6.20	3.56
200710	227	383	3,052	0.0%	3,052	7.97		1,098	1,098	46.3%	2.87	3.73
200711	224	379	2,989	0.0%	2,989	7.89		721	721	40.5%	1.90	3.25
200712	216	369	2,930	0.0%	2,930	7.94		2,407	2,407	42.2%	6.52	3.39
200801	210	363	2,895	0.0%	2,895	7.98		837	838	41.1%	2.31	3.29
200802	204	356	2,841	0.0%	2,841	7.98		1,168	1,168	43.0%	3.28	3.44
200803	202	348	2,722	0.0%	2,722	7.82		2,526	2,526	42.0%	7.26	3.35
200804	195	337	2,623	0.0%	2,623	7.78		1,049	1,049	44.2%	3.11	3.52
200805	189	326	2,528	0.0%	2,528	7.75		2,163	2,163	47.8%	6.64	3.79
200806	185	320	2,491	0.0%	2,491	7.78		63	63	47.4%	0.20	3.76
200807	182	313	2,447	0.0%	2,447	7.82		2,444	2,444	52.1%	7.81	4.13
200808	181	311	2,442	0.0%	2,442	7.85		735	735	53.2%	2.36	4.20
200809	180	310	2,444	0.0%	2,444	9.17		263	263	47.2%	0.85	3.76
200810	177	303	2,424	0.0%	2,424	8.00		924	929	47.6%	3.07	3.79
200811	171	296	2,398	0.0%	2,398	8.10		864	870	48.9%	2.94	3.91
200812	170	294	2,363	0.0%	2,363	8.04		29	29	42.2%	0.10	3.37
200901	167	288	2,275	0.0%	2,275	7.90		4,692	4,736	55.8%	16.44	4.46
200902	164	280	2,243	0.0%	2,243	8.01		533	551	54.9%	1.97	4.39
200903	162	276	2,190	0.0%	2,190	7.93	3.83	141	151	47.8%	0.55	3.83
200904	158	266	2,142	0.0%	2,142	8.05	3.83	15	1,018	48.5%	3.83	3.89
200905	155	261	2,120	0.0%	2,120	8.12	3.83	0	999	45.1%	3.83	3.63
200906	153	259	2,106	0.0%	2,106	8.13	3.83	0	991	49.0%	3.83	3.97
200907	148	251	2,045	0.0%	2,045	8.14	3.83		961	44.3%	3.83	3.60
200908	144	244	1,985	0.0%	1,985	8.15	3.83		933	45.8%	3.83	3.74
200909	140	236	1,927	0.0%	1,927	8.15	3.83		905	49.9%	3.83	4.02
200910	135	229	1,871	0.0%	1,871	8.16	3.83		877	50.7%	3.83	4.09
200911	131	222	1,817	0.0%	1,817	8.17	3.83		851	51.8%	3.83	4.18
200912	127	216	1,764	0.0%	1,764	8.18	3.83		826	56.4%	3.83	4.56
201001	124	209	1,712	0.0%	1,712	8.18	3.83		801	41.2%	3.83	3.34
201002	120	203	1,663	0.0%	1,663	8.19	3.83		777	43.2%	3.83	3.51
201003	116	197	1,614	0.0%	1,614	8.20	3.83		754	47.0%	3.83	3.83
201004	113	191	1,567	0.0%	1,567	8.21	3.83		731	46.9%	3.83	3.83
201005	109	185	1,521	0.0%	1,521	8.21	3.83		709	46.8%	3.83	3.83
201006	106	180	1,477	0.0%	1,477	8.22	3.83		688	46.8%	3.83	3.83
201007	103	174	1,434	0.0%	1,434	8.23	3.83		667	46.8%	3.83	3.83
201008	100	169	1,392	0.0%	1,392	8.23	3.83		647	46.7%	3.83	3.83
201009	97	164	1,352	0.0%	1,352	8.24	3.83		628	46.7%	3.83	3.83
201010	94	159	1,312	0.0%	1,312	8.25	3.83		609	46.6%	3.83	3.83
201011	91	154	1,274	0.0%	1,274	8.26	3.83		591	46.6%	3.83	3.83
201012	88	150	1,237	0.0%	1,237	8.26	3.83		573	46.5%	3.83	3.83

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,308	17,626	17,626			3,296	3,296	18.7%
2005	5,915	9,919	76,599	76,599	7.72		28,899	28,899	37.7%
2006	3,900	6,620	53,797	53,797	8.13		17,795	17,795	33.1%
2007	2,922	4,964	39,823	39,823	8.02		16,822	16,822	42.2%
2008	2,203	3,877	31,017	31,017	8.00		13,066	13,077	42.2%
2009	1,698	3,029	24,484	24,484	8.08		5,381	13,799	56.4%
2010	1,151	2,136	17,557	17,557	8.22		0	8,173	46.5%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Scheduled Base Only

Assumptions				
Claim Trend	Annual 7.00%	Monthly 0.57%	On level Adj TRUE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium On Level	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	756	1,340	154,399	0.0%	106,511	79.49		44,740	44,740		33.39	
200412	727	1,292	150,486	0.0%	103,811	80.35		38,303	38,303		29.65	
200501	687	1,221	145,085	0.0%	100,085	82.00		103,594	103,594		84.88	
200502	656	1,176	138,022	0.0%	95,213	80.94		46,906	46,906		39.87	
200503	632	1,138	134,263	0.0%	92,620	81.40		74,036	74,036		65.07	
200504	607	1,098	130,097	0.0%	89,746	81.70		76,369	76,369		69.53	
200505	585	1,052	126,324	0.0%	87,143	82.81		61,158	61,158		58.12	
200506	564	1,014	122,107	0.0%	84,234	83.10		8,857	8,857		8.74	
200507	548	986	120,008	0.0%	82,787	83.95		36,287	36,287		36.79	
200508	542	969	118,290	0.0%	81,602	84.19		86,783	86,783		89.54	
200509	530	945	115,566	0.0%	79,722	84.38		17,212	17,212		18.22	
200510	522	924	113,797	0.0%	78,502	84.96		55,756	55,756	60.1%	60.34	49.41
200511	512	901	111,554	0.0%	76,954	85.42		71,482	71,482	64.3%	79.35	53.22
200512	499	877	108,933	0.0%	75,147	85.67		62,311	62,311	68.4%	71.03	56.97
200601	486	847	105,772	0.0%	72,966	86.13		55,174	55,174	65.5%	65.13	54.69
200602	484	836	103,734	0.0%	71,560	85.57		18,823	18,823	64.2%	22.51	53.87
200603	468	810	101,312	0.0%	69,889	86.24		62,939	62,939	64.5%	77.67	54.45
200604	454	789	95,931	0.0%	66,177	83.90		16,010	16,010	59.7%	20.30	50.48
200605	450	777	94,293	0.0%	65,047	83.72		14,624	14,624	56.0%	18.82	47.42
200606	433	738	94,246	0.0%	65,015	88.14		112,281	112,281	68.9%	152.22	58.63
200607	423	725	89,557	0.0%	61,780	85.21		45,050	45,050	71.5%	62.14	61.00
200608	415	704	87,584	0.0%	60,419	85.80		21,471	21,471	65.6%	30.49	56.02
200609	407	691	85,370	0.0%	58,892	85.19		66,046	66,046	73.2%	95.54	62.58
200610	399	678	84,093	0.0%	58,011	85.57		38,045	38,045	72.9%	56.12	62.33
200611	394	664	82,585	0.0%	56,970	85.86		9,971	9,971	66.9%	15.03	57.22
200612	389	655	81,459	0.0%	56,194	85.77		64,674	64,674	68.8%	98.71	58.91
200701	382	646	77,677	0.0%	53,585	82.92		65,353	65,353	72.0%	101.13	61.43
200702	374	613	75,644	0.0%	52,182	85.08		12,727	12,727	73.1%	20.75	62.33
200703	363	592	74,354	0.0%	51,293	86.70		16,318	16,318	68.4%	27.58	58.34
200704	353	581	72,903	0.0%	50,292	86.63		22,857	22,857	71.0%	39.37	60.70
200705	348	575	72,390	0.0%	49,938	86.89		28,252	28,252	74.6%	49.16	63.99
200706	343	565	71,518	0.0%	49,336	87.38		34,221	34,221	64.5%	60.61	55.28
200707	337	548	69,965	0.0%	48,265	88.01		22,373	22,373	62.3%	40.80	53.56
200708	325	538	68,806	0.0%	47,465	88.26		39,608	39,608	66.5%	73.65	57.24
200709	318	524	66,353	0.0%	45,773	87.33		9,472	9,472	58.8%	18.07	50.69
200710	312	508	64,088	0.0%	44,210	86.98		19,634	19,634	57.1%	38.63	49.29
200711	311	504	64,994	0.0%	44,836	88.99		28,201	28,201	61.3%	55.97	53.10
200712	301	485	62,648	0.0%	43,217	89.19		39,061	39,061	58.2%	80.61	50.63
200801	298	480	62,015	-31.0%	42,781	89.13		9,601	9,601	49.6%	20.00	43.36
200802	294	476	60,213	0.0%	44,650	93.82		6,329	6,329	49.1%	13.30	43.29
200803	286	459	57,754	0.0%	45,812	99.87		8,714	8,714	48.2%	19.00	42.99
200804	280	446	54,933	0.0%	46,414	103.99		15,516	15,516	47.2%	34.76	42.73
200805	277	439	50,928	0.0%	45,663	103.92		4,537	4,537	43.3%	10.33	39.73
200806	268	432	47,558	0.0%	45,100	104.35		3,184	3,184	37.9%	7.37	35.32
200807	264	422	47,742	0.0%	47,742	113.11		61,764	61,764	45.2%	146.33	42.99
200808	262	417	46,921	0.0%	46,921	112.40		33,554	33,554	44.1%	80.38	42.83
200809	260	411	46,420	0.0%	46,420	112.94		57,967	58,190	53.0%	141.58	52.61
200810	259	409	46,044	0.0%	46,044	112.59		50,221	53,168	59.0%	130.02	59.81
200811	256	402	45,325	0.0%	45,325	112.75		52,275	55,648	64.0%	138.43	66.17
200812	253	399	44,949	0.0%	44,949	112.65		4,215	4,501	57.4%	11.28	60.60
200901	245	385	42,828	0.0%	42,828	111.13		4,160	4,569	56.5%	11.85	60.74
200902	243	382	43,129	0.0%	43,129	112.89		52,707	60,272	66.6%	157.77	72.66
200903	240	378	42,457	0.0%	42,457	112.23	94.93	96,035	112,535	86.1%	297.47	94.93
200904	241	375	40,804	0.0%	40,804	108.81	98.27	28,841	36,852	91.0%	98.27	100.72
200905	236	369	40,266	0.0%	40,266	109.12	98.83	11,919	36,467	97.9%	98.83	108.88
200906	232	365	39,858	0.0%	39,858	109.22	99.39	30	36,269	105.1%	99.39	117.45
200907	225	354	38,698	0.0%	38,698	109.32	99.95		35,380	101.9%	99.95	113.49
200908	218	343	37,571	0.0%	37,571	109.42	100.51		34,513	103.9%	100.51	115.54
200909	212	333	36,477	0.0%	36,477	109.52	101.08		33,667	101.1%	101.08	112.09
200910	205	323	35,414	0.0%	35,414	109.62	101.65		32,841	99.1%	101.65	109.66
200911	199	313	34,383	0.0%	34,383	109.72	102.23		32,036	96.4%	102.23	106.45
200912	193	304	33,382	0.0%	33,382	109.82	102.81		31,251	104.6%	102.81	115.17
201001	187	295	32,409	0.0%	32,409	109.92	103.39		30,485	112.7%	103.39	123.96
201002	182	286	31,466	0.0%	31,466	110.01	103.97		29,737	108.8%	103.97	119.35
201003	176	277	30,549	0.0%	30,549	110.11	104.56		29,008	92.4%	104.56	101.19
201004	171	269	29,660	0.0%	29,660	110.21	105.15		28,297	92.8%	105.15	101.76
201005	166	261	28,796	0.0%	28,796	110.31	105.75		27,603	93.3%	105.75	102.33
201006	161	253	27,957	0.0%	27,957	110.41	106.34		26,927	93.7%	106.34	102.91
201007	156	246	27,143	0.0%	27,143	110.51	106.94		26,267	94.1%	106.94	103.49
201008	151	238	26,353	0.0%	26,353	110.61	107.55		25,623	94.6%	107.55	104.07
201009	147	231	25,585	0.0%	25,585	110.71	108.16		24,995	95.0%	108.16	104.66
201010	143	224	24,840	0.0%	24,840	110.81	108.77		24,382	95.5%	108.77	105.25
201011	138	217	24,117	0.0%	24,117	110.91	109.38		23,784	95.9%	109.38	105.85
201012	134	211	23,414	0.0%	23,414	111.01	110.00		23,201	96.4%	110.00	106.45

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	2,632	304,885	210,323			83,042	83,042	27.2%
2005	7,356	12,301	1,484,046	1,023,757	83.22		700,750	700,750	47.2%
2006	5,312	8,914	1,105,938	762,922	85.59		525,108	525,108	47.5%
2007	4,067	6,678	841,341	580,392	86.91		338,077	338,077	40.2%
2008	3,204	5,193	610,801	547,819	105.49		307,878	314,708	51.5%
2009	2,571	4,226	465,266	465,266	110.11		193,693	486,652	104.6%
2010	1,746	3,009	332,290	332,290	110.43		0	320,309	96.4%

The MEGA Life and Health Insurance Company

Group Projection Detail as of 06/30/09
Catastrophic Base Only

Assumptions				
Claim Trend	Annual 20.50%	Monthly 1.57%	On level Adj TRUE	*Large Claims No Adjustment

Incurred Month	Policy Counts	Exposure	Earned Premium	Rate Change	Adjusted Premium On Level	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio	Monthly Inc PMPM	12 mo inc/insured
200411	3,163	5,885	1,008,169	0.0%	748,557	127.21		810,288	810,288		137.70	
200412	2,993	5,551	960,667	0.0%	713,287	128.50		441,359	441,359		79.51	
200501	2,778	5,161	885,152	0.0%	657,218	127.33		190,429	190,429		36.89	
200502	2,629	4,833	828,500	0.0%	615,154	127.28		222,541	222,541		46.05	
200503	2,472	4,504	786,193	0.0%	583,741	129.61		454,983	454,983		101.02	
200504	2,376	4,326	751,922	0.0%	558,295	129.05		185,644	185,644		42.91	
200505	2,280	4,138	726,496	0.0%	539,417	130.35		361,135	361,135		87.27	
200506	2,211	3,999	702,170	0.0%	521,355	130.36		284,756	284,756		71.20	
200507	2,140	3,857	679,073	0.0%	504,206	130.73		458,091	458,091		118.78	
200508	2,069	3,717	657,416	0.0%	488,126	131.33		734,022	734,022		197.49	
200509	1,994	3,592	633,078	0.0%	470,055	130.85		243,436	243,436		67.77	
200510	1,936	3,482	613,910	0.0%	455,823	130.92		413,344	413,344	70.0%	118.72	90.49
200511	1,886	3,379	598,404	0.0%	444,310	131.50		295,453	295,453	65.4%	87.45	84.79
200512	1,824	3,264	580,104	0.0%	430,722	131.98		303,648	303,648	66.2%	93.04	85.96
200601	1,750	3,128	555,486	0.0%	412,443	131.87		362,441	362,441	71.7%	115.89	93.46
200602	1,711	3,041	538,806	0.0%	400,059	131.57		143,819	143,819	73.0%	47.30	95.46
200603	1,665	2,958	528,063	-14.4%	392,082	132.57		279,408	279,408	72.4%	94.47	94.81
200604	1,639	2,898	517,316	0.0%	394,899	136.25		137,090	137,090	73.7%	47.30	96.90
200605	1,593	2,827	509,520	0.0%	399,580	141.34		184,830	184,830	72.3%	65.38	95.67
200606	1,559	2,760	494,019	0.0%	397,734	144.12		246,728	246,728	73.3%	89.40	97.74
200607	1,533	2,709	480,668	0.0%	397,015	146.57		172,351	172,351	69.2%	63.63	93.15
200608	1,490	2,638	473,307	0.0%	400,813	151.95		105,679	105,679	57.8%	40.06	78.75
200609	1,461	2,591	464,531	0.0%	403,075	155.58		126,561	126,561	56.2%	48.85	77.69
200610	1,432	2,531	452,024	0.0%	392,222	154.97		349,711	349,711	55.7%	138.17	77.98
200611	1,398	2,471	438,374	0.0%	380,378	153.96		136,328	136,328	53.1%	55.18	75.37
200612	1,361	2,418	425,503	0.0%	369,210	152.68		272,065	272,065	53.1%	112.51	76.35
200701	1,336	2,386	413,724	0.0%	358,990	150.44		166,636	166,636	49.5%	69.83	72.03
200702	1,314	2,302	398,928	0.0%	346,151	150.37		44,316	44,345	48.0%	19.26	70.56
200703	1,294	2,252	387,629	0.0%	336,347	149.34		196,614	196,740	46.7%	87.35	69.49
200704	1,280	2,232	378,589	0.0%	328,503	147.16		228,329	228,479	49.5%	102.35	74.06
200705	1,269	2,219	374,115	0.0%	324,620	146.28		199,541	199,672	50.6%	89.98	76.09
200706	1,254	2,189	362,303	0.0%	314,372	143.65		109,650	109,722	48.4%	50.14	72.86
200707	1,239	2,159	355,109	0.0%	308,129	142.69		83,736	83,791	47.4%	38.80	71.15
200708	1,219	2,127	347,582	0.0%	301,598	141.79		143,709	143,804	49.4%	67.61	73.82
200709	1,202	2,091	337,483	0.0%	292,835	140.04		121,316	121,395	50.6%	58.05	74.98
200710	1,183	2,034	328,350	0.0%	284,911	140.08		286,419	286,549	50.4%	140.89	74.01
200711	1,169	2,014	323,501	0.0%	280,703	139.40		124,910	125,133	51.4%	62.14	74.87
200712	1,147	1,980	319,641	0.0%	277,354	140.10		178,212	178,390	50.2%	90.11	72.53
200801	1,126	1,942	307,905	-13.2%	267,170	137.60		197,762	197,960	52.3%	101.95	75.02
200802	1,110	1,917	298,862	0.0%	265,913	138.70		83,159	83,250	54.6%	43.42	77.71
200803	1,092	1,880	288,298	0.0%	262,871	139.86		166,077	166,257	54.8%	88.46	77.65
200804	1,070	1,836	275,551	0.0%	257,324	140.13		219,552	220,536	55.7%	120.09	78.58
200805	1,053	1,811	265,930	0.0%	254,202	140.37		251,261	252,618	58.5%	139.50	82.13
200806	1,038	1,785	258,584	0.0%	252,882	141.71		209,486	210,530	62.6%	117.97	87.81
200807	1,026	1,761	254,323	0.0%	254,323	144.44		144,401	145,901	65.6%	82.86	92.00
200808	1,016	1,742	251,129	0.0%	251,129	144.17		292,616	296,586	71.4%	170.27	100.26
200809	1,002	1,717	246,913	0.0%	246,913	143.84		177,931	181,613	74.3%	105.80	104.62
200810	982	1,684	238,732	0.0%	238,732	141.76		228,759	235,150	73.8%	139.64	103.95
200811	969	1,652	239,218	0.0%	239,218	144.78		238,272	246,582	78.7%	149.24	111.28
200812	958	1,636	235,454	0.0%	235,454	143.89		115,290	121,594	77.9%	74.31	110.41
200901	939	1,613	230,966	0.0%	230,966	143.22		173,259	186,770	78.5%	115.81	111.60
200902	918	1,573	225,375	0.0%	225,375	143.32		180,962	204,748	83.7%	130.21	119.34
200903	906	1,538	221,579	0.0%	221,579	144.09	128.10	254,764	303,801	89.6%	197.56	128.10
200904	898	1,528	219,122	0.0%	219,122	143.37	140.94	232,691	215,412	90.6%	140.94	129.81
200905	885	1,499	217,613	0.0%	217,613	145.14	143.15	89,533	214,629	90.5%	143.15	129.94
200906	867	1,477	214,536	0.0%	214,536	145.27	145.39	300	214,715	91.9%	145.39	132.21
200907	841	1,432	208,289	0.0%	208,289	145.40	147.67		211,535	95.8%	147.67	137.92
200908	816	1,390	202,223	0.0%	202,223	145.53	149.98		208,402	94.3%	149.98	135.81
200909	791	1,348	196,334	0.0%	196,334	145.67	152.33		205,316	97.0%	152.33	139.83
200910	768	1,307	190,616	0.0%	190,616	145.80	154.72		202,276	97.5%	154.72	140.93
200911	745	1,268	185,065	0.0%	185,065	145.93	157.14		199,281	97.7%	157.14	141.32
200912	722	1,230	179,675	0.0%	179,675	146.06	159.60		196,329	102.9%	159.60	149.00
201001	701	1,193	174,443	0.0%	174,443	146.19	162.10		193,422	105.5%	162.10	153.12
201002	680	1,157	169,363	0.0%	169,363	146.33	164.64		190,558	107.4%	164.64	156.13
201003	659	1,123	164,430	0.0%	164,430	146.46	167.22		187,736	105.1%	167.22	152.92
201004	639	1,089	159,642	0.0%	159,642	146.59	169.84		184,956	106.5%	169.84	155.29
201005	620	1,056	154,993	0.0%	154,993	146.72	172.50		182,217	108.1%	172.50	157.70
201006	602	1,025	150,479	0.0%	150,479	146.86	175.20		179,519	109.6%	175.20	160.17
201007	584	994	146,097	0.0%	146,097	146.99	177.94		176,860	111.3%	177.94	162.68
201008	566	964	141,842	0.0%	141,842	147.12	180.73		174,241	112.9%	180.73	165.23
201009	549	935	137,711	0.0%	137,711	147.26	183.56		171,661	114.6%	183.56	167.82
201010	533	907	133,701	0.0%	133,701	147.39	186.43		169,119	116.3%	186.43	170.44
201011	517	880	129,807	0.0%	129,807	147.52	189.35		166,614	118.0%	189.35	173.11
201012	501	854	126,027	0.0%	126,027	147.66	192.32		164,147	119.7%	192.32	175.82

	Policy Counts	Exposure	Earned Premium	Adjusted Premium	Adj. prem per insured	Projected Inc PMPM	Paid Claims	Incurred Claims*	12-Month Loss Ratio
2003	0	0	0	0			0	0	0.0%
2004	0	11,435	1,968,837	1,461,844			1,251,647	1,251,647	63.6%
2005	29,041	48,251	8,442,419	6,268,422	129.91		4,147,482	4,147,482	49.1%
2006	19,055	32,968	5,877,618	4,739,512	143.76		2,517,011	2,517,011	42.8%
2007	14,906	25,985	4,326,954	3,754,513	144.49		1,883,388	1,884,655	43.6%
2008	12,255	21,362	3,160,897	3,026,131	141.66		2,324,565	2,358,574	74.6%
2009	9,618	17,203	2,491,392	2,491,392	144.82		931,509	2,563,215	102.9%
2010	6,525	12,177	1,788,535	1,788,535	146.88		0	2,141,050	119.7%

**Maine Bureau of Insurance
Rate Filing Review Requirements Checklist
Small Group Medical Policies
Policies Subject to Title 24-A M.R.S.A. § 2808-B
H15G.003, H16G.003A, H16G.003D, H16G.003G, HOrg02G.004E**
(TO PRINT, MATCH PRINTER TO DOCUMENT'S "PAGE SETUP," AND SET PAPER FORMAT TO LANDSCAPE)

S E C T I O N	REVIEW REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENT	SPECIFIC LOCATION OF COMPLIANCE IN FILING
A.	<p>General Rate Filing Requirements:</p> <p>Segregation of Filings:</p>	<p>Rule 940, § 5. A.</p> <p>Rule 940, § 6. C.; Rule 940, § 9. A.</p>	<p>A rate filing must be submitted whenever a new policy, rider, or endorsement form that affects benefits is submitted for approval and whenever there is a change in the rates applicable to a previously approved form.</p> <p>Small group rates must be filed separately from individual or large group rates. The transmittal document must clearly identify the filing as a small group rate filing.</p>	
B.	<p>Electronic (SERFF) and Paper Filing Requirements:</p>	<p>Rule 940, § 5. B.</p>	<p>Group rates are submitted on a “file (for informational purposes) and use” basis, with the exception of small group rates subject to Title 24-A, § 2808-B where the carrier has not elected to use the guaranteed loss ratio option as provided in Rule 940, 9. E.</p> <p>Filings may be submitted electronically, using the NAIC “System for Electronic Rate and Form Filing” (SERFF), or on paper.</p> <p>If a SERFF filing is found to be in compliance with the applicable requirements, the SERFF record will show the rates as “Filed for Information” or “Acceptable,” depending upon the compliance requirements, and the SERFF file will be closed.</p> <p>Paper filings must include two (2) copies of the transmittal document available on the Bureau’s web site. If a paper filing is found to be in compliance with the applicable requirements, one (1) copy of the transmittal document (and any other materials sent in duplicate) will be returned to the carrier, stamped “Rates Filed for Information” or “Rates Acceptable,” depending on the compliance requirements.</p> <p>The Superintendent may request additional information as necessary.</p>	

C.	Additional Rate Filing Requirements:	Rule 940, § 5. C.	Every rate submission must contain the following:	
	1. Carrier Information:	Rule 940, § 5. C. 1.	The name and address of the carrier, and the name, title, email address, and direct phone number of the person responsible for the filing, must be provided.	<i>Page/location: 2/Transmittal box 3</i>
	2. Scope and Purpose of Filing:	Rule 940, § 5. C. 2.	Specify whether this is a new form and rate filing, a rate revision, or a justification of an existing rate.	<i>Page/location: 7/Act memo Item A</i>
	3. Description of Benefits:	Rule 940, § 5. C. 3.	Include a brief description of the benefits provided by each policy form and any attached riders or endorsements.	<i>Page/location: 7/Act memo item B</i>
	4. In-Force Business:	Rule 940, § 5. C. 4.	Provide the number of group policies, the number of covered employees, the number of covered insureds, and the annualized premium for the Maine policies which will be affected by the proposed rate revision.	<i>Page/location: 10/Exhibit 1</i>
	5. Proposed Effective Date(s):	Rule 940, § 5. C. 5.	State the proposed effective date and method of implementation of the proposed rate (e.g., next anniversary or next premium due date).	<i>Page/location: 8/Act memo item C</i>
	6. Confidentiality:	Rule 940, § 5. C. 6.	The filing may be prepared in a manner that protects the confidentiality of proprietary information by following the confidentiality protocol , available on the Bureau of Insurance website.	<i>Page/location: NA</i>
D.	Rate Filing Requirements--"Small Group Health Plans" subject to 75% Minimum Loss Ratio:	Rule 940, § 6	This section applies to hospital and medical "expense-incurred" small group health plan* rate filings intended to be in effect on or after July 1, 2004, unless the carrier has opted for the guaranteed loss ratio option pursuant to "G. 10" below. *See Title 24-A §2808-B, 1. G. for definition of "small group health plan."	
	1. Rate Filings Must Accompany Form Filings:	Rule 940, § 6. A.	Every policy, rider, or endorsement form affecting benefits which is submitted for approval must be accompanied by a rate filing or, if the form does not require a change in the premium, the submission must include a complete explanation of the effect on the anticipated loss ratio. The rate filing must include all rates, rating formulas and revisions. Rates must be filed with the form rather than separately.	<i>Page/location: this is not a from filing</i>
	2. Rate Revisions:	Rule 940, § 6. B.	If the filing is a rate revision, the reason for the revision must be stated.	<i>Page/location: 6, 7/ cover memo, act memo item A</i>
	3. Separate Filings:	Rule 940, § 6. C. Rule 940, § 9. A.	As noted in "A." above, small group rates must be filed separately from individual or large group rates. The transmittal document must clearly identify the filing as a small group rate filing.	
	4. 60-day Advance Filing Notice:	Rule 940, § 6. C.	The filing must be received by the Bureau at least 60 days before the implementation date unless the Superintendent waives this requirement pursuant to Title 24-A, §2808-B, 2-A., A.	

5. Non-compliant Filing:	Rule 940, § 6. C.	If the Bureau requests additional information or finds the rates not to be in compliance, rates approved previously must continue to be used.	
6. Completeness and Timeliness of Filing:	Rule 940, § 6. D.	The filing must include sufficient supporting information to demonstrate that the rates are not excessive, inadequate, or unfairly discriminatory. Carriers are required to review their experience <i>no less frequently than annually</i> and to file rate revisions, upward or downward, as appropriate. Upward revisions must be filed in a timely manner to avoid the necessity of large increases.	
7. Limitation on the application of approved trend factor(s):	Rule 940, § 6. E.	If any rates will be automatically adjusted subsequent to the effective date of the filing based on a trend factor or other factor, this must be clearly disclosed in the filing. Automatic trend increases must be limited to one year beyond the effective date. No further automatic trend increases may be implemented unless a new filing is submitted and approved.	
8. Morbidity:	Rule 940, § 6. F. 1.	Describe and explain the morbidity basis for the form. Any substantive adjustments from the source or earlier assumptions must be explained. The morbidity assumed must be adequately justified by supporting data.	<i>Page/location: 8/ act memo item E</i>
9. Mortality:	Rule 940, § 6. F. 2.	If applicable, the filing must state the mortality basis for the form, and any substantive adjustments from earlier assumptions must be explained.	<i>Page/location, if applicable: NA</i>
10. Issue Age Range:	Rule 940, § 6. F. 3.	Specify the issue age range of the form and whether premiums are on an issue age, attained age, or other basis.	<i>Page/location: 9/ act memo item H</i>
11. Average Premium and Pre- and Post-Rate Change Monthly Premiums:	Rule 940, § 6. F. 4.	Average Premium: Display the average annual premium per individual policy or group certificate for both Maine and all states in which the form is or was sold. If a rate adjustment is proposed, the filing must disclose the average percentage increase a policyholder will experience as well as the largest percentage increase that any in-force policy will receive. The average increase must be determined by comparing the aggregate premium before and after the increase (assuming no lapses) for all policies renewing during the period during which the rates are intended to be in effect. The maximum increase is the largest increase for an in-force policy, including changes due to trend, aging, and changes in demographic, area, industry rating factors, but excluding changes in the covered population under a group policy.	<i>Page/location: 10/ exhibit 1</i>
12. Medical Trend Assumptions:	Rule 940, § 6. F. 5.	Specify the medical trend used and the assumptions used to calculate the trend.	<i>Page/location: 8/ act memo item F</i>
13. Maine Experience on the Policy Form (past three years and future)	Rule 940, § 6. F. 6.	Carriers shall consider experience solely within the State of Maine in developing its rates. However, if there is insufficient experience within Maine upon which a rate can be based, the carrier may use nationwide experience. In considering experience outside the State of Maine, as much	<i>Page/location: 15-25/Exhibits 3 - 15</i>

	anticipated):		<p>weight as possible must be given to Maine experience. If nationwide experience is used, premiums must be adjusted to the Maine rate level and, where appropriate, claims must be adjusted to Maine utilization and price levels. If premiums incorporate area factors that adjust for variations in utilization and price levels such that adjusting experience to Maine levels would result in the same percentage adjustment to both premiums and claims, then neither adjustment need be made. The carrier in its rate filing shall expressly show what geographic experience it is using. Experience from the past three calendar years must be displayed, including the following information:</p> <ol style="list-style-type: none"> (1) Year (2) Collected premium (3) Earned premium (4) Paid claims (5) Paid loss ratio (6) Change in claim liability and reserve (7) Incurred claims (8) Incurred loss ratio (9) Expected incurred claims (10) Actual-to-expected claims (11) Active Life Reserves <p>For future years, columns (3), (7), and (8) must be displayed. For periods where the actual claim runoff is complete, that data must be displayed to replace (6).</p> <p>Past experience must be presented on both an actual basis and a constant premium rate basis.</p>	
	14. National Experience:	Rule 940, § 6. F. 7.	Same data as in D. 13 , above, for all states in which the form is or was sold.	<i>Page/location:</i> NA
	15. History of Rate Adjustments:	Rule 940, § 6. F. 8.	List the approval dates and average percentage rate adjustments for the form both nationwide and in Maine for the past three years.	<i>Page/location:</i> 11-14/Exhibit 2
	16. Renewability Clause:	Rule 940, § 6. F. 9.	Small group health plan rates must be guaranteed issue and guaranteed renewable in accordance with Title 24-A, §2808-B. 4. A. and §2850-B. 3.	<i>Page/location:</i> 9/ act memo item J
	17. Loss ratios:	Rule 940, § 6. F.10.	State the minimum loss ratio determined according to Title 24-A, §2808-B 2-B. A. and 2-C. C. , as applicable, and the anticipated future and lifetime loss ratios.	<i>Page/location:</i> 9/act memo item K
	18. Premium Classes	Rule 940, § 6. F.11.	State all the attributes upon which the premium rates vary. If the form is area-rated, a complete table of area factors for all states must be included.	<i>Page/location:</i> 36-73/Exhibit Rate Pages

	19. Marketing Method	Rule 940, § 6. F. 12.	Provide a brief description of the market and the marketing method. Specify whether the form is still being sold and whether the filing applies only to new business, only to in-force business, or both, and the reasons therefor.	<i>Page/location: 9/act memo item M</i>
E.	Prohibited Rating Attributes:	Title 24-A §2808-B, 2. B.	A carrier may not medically underwrite and/or vary the premium rate due to the gender, health status, claims experience, or policy duration of the eligible group or members of the group.	
F.	Permitted Rating Attributes:	Title 24-A §2808-B, 2. C. Title 24-A §2808-B, 2. D.	Subject to rules established by the Superintendent, a carrier may vary the premium rate due to family membership, smoking status, participation in wellness programs, and group size. A carrier may vary the premium rate due to age, occupation or industry, and geographic area, but the premium rate may not deviate above or below the community rate to an extent greater than allowed by "G. 1.," below.	<i>Page/location: 36-73/Exhibit Rate Pages</i>
G.	Additional Requirements:	Rule 940, § 9.	In addition to the requirements of Rule 940, §5 and, if applicable, §6, small group rate filings subject to Title 24-A M.R.S.A. §2808-B must meet the following requirements:	
	1. Community Rate, Formulas and Factors:	Rule 940, § 9. B. 1	The filing must include the community rate and any formulas or factors used to adjust that rate. Any variations based on age, geographic area, and/or industry or occupation must result in rates that are no less than 80% and no more than 120% of the community rate. Any factors that are identical to those filed within the prior 12 months may be omitted as long as a reference to the date of the prior filing is included.	<i>Page/location: 36-73/Exhibit Rate Pages</i>
	2. Group Size Factors:	Rule 940, § 9. B. 2	If rates vary by group size, the filing must disclose those factors and provide support based on expected differences by group size. Any factors that are identical to those filed within the prior 12 months may be omitted as long as a reference to the date of the prior filing is included.	<i>Page/location: NA</i>
	3. Pre- and Post-Rate Change Monthly Premiums:	Rule 940, § 9. B. 3. a.	If a rate adjustment is proposed, the filing must disclose the average percentage increase an employer will experience as well as the largest percentage increase that any employer will receive. The average increase must be determined by comparing the aggregate premium before and after the increase (assuming no lapses) for all policies renewing during the period during which the rates are intended to be in effect. The maximum increase is the largest increase for an employer under a currently in-force policy, including changes due to trend, aging, and changes in demographic, area, industry rating factors, but excluding changes in the covered population.	<i>Page/location: 10/exhibit 1</i>
	4. Representative Plan Rates:	Rule 940, § 9. B. 3. b.	Every small group rate filing must include rates for representative plans, which will be used to provide rate comparison information to the public. For each representative plan design in Table 1 of Appendix A of Rule 940, select one of your actively-marketed plans which most closely resembles	<i>Page/location: Product not actively marketed</i>

			the representative plan and note any material differences. Provide the community rate for a single employee, for an employee and adult dependent, for an employee with child(ren) dependent(s), and for an employee with an adult and child(ren) dependents. The premiums provided should be those which would be quoted by your marketing department to a ten-life group.	
	5. Small Group Association Plan Rates:	Rule 940, § 9. B. 4.	Rates applicable to small employers in association or trustee groups that differ from rates applicable to other small employers are subject to the following: <ul style="list-style-type: none"> a. The use of different community rates for the association or trustee group must have been authorized by the Superintendent pursuant to Title 24-A, §2808-B, 2. E.; b. The rate filing must state the percentage by which the rates for the association or trustee group differ from the rates for other small employers. If the difference is not a flat percentage, the filing must state the range of percentage differences and the average percentage. 	<i>Page/location, if applicable: Rates are the same</i>
	6. Actuarial Certification, non-HMO Rate Filings:	Rule 940, § 9. B. 5.	Include a certification by a qualified actuary that to the best of the actuary's knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the State of Maine and with the rules of the Bureau of Insurance. "Qualified actuary," as used herein, means a member in good standing of the American Academy of Actuaries.	<i>Page/location: 9/ act memo item N</i>
	7. Actuarial Certification, HMO Rate Filings:	Rule 940, § 10	HMO rate filings must include a certification by a qualified actuary that the rates are not excessive, inadequate, or unfairly discriminatory, along with adequate supporting information. "Qualified actuary," as used herein, means a member in good standing of the American Academy of Actuaries.	<i>Page/location: na</i>
	8. Notice to Policyholders (rate renewal form letter):	Rule 940, § 9. B. 6.	The filing must include a copy of the form letter to be used to notify policyholders of a rate increase, as required by Title 24-A, § 2839-A, 1. and the date on which the notices were sent. If they have not yet been sent, state the date they are intended to be sent and provide written confirmation to the Bureau when the notices have been sent. Note: A carrier must provide written notice by first class mail of a rate increase to all affected policyholders or others who are directly billed for group coverage at least 60 days before the effective date of any increase in premium rates. An increase in premium rates may not be implemented until 60 days after notice is provided.	<i>Page/location: 74-75</i>
	9. Projected Cost Savings and Savings Offset Payments" (Dirigo Health):	Rule 940, § 9. D.	Rate filings intended to be in effect on or after July 1, 2005 are subject to the following: <ul style="list-style-type: none"> 1. Projected claims must reasonably reflect, in accordance with accepted actuarial standards, anticipated changes in payments by the carrier to 	<i>Page/location: 15-16/Exhibit 3 & 4</i>

			<p>health care providers, including any reduction or avoidance of bad debt and charity care costs to health care providers as a result of the operation of Dirigo Health and any increased MaineCare enrollment due to an expansion in eligibility occurring after June 30, 2004. Projected cost savings must be consistent with cost savings reported by the carrier to the Board of Directors of Dirigo Health pursuant to Title 24-A, §6913, 8. C.</p> <p>2. For purposes of loss ratio calculations, any savings offset payments paid or anticipated to be paid pursuant to Title 24-A, §6913 must be treated as incurred claims.</p>	
	10. Guaranteed 78% Loss Ratio Filing Option:	Title 24-A §2808-B, 2-C. & Rule 940, §9. E. 3.	<p>Small group rates subject to Title 24-A § 2808-B, 2-C. for which the carrier is eligible <i>and</i> has elected to use the guaranteed 78% loss ratio option are filed for informational purposes and must be filed at least 60 days prior to implementation.</p> <p>Filings will be reviewed for compliance with Rule 940, §§ 9. A.-D., and the requirements of the small group law. Any deficiencies will be brought to the attention of the carrier. If the rates have already been implemented and do not meet statutory requirements, corrective action may be required.</p>	
	11. Minimum 75% Loss Ratio Filing Option:	Title 24-A §2808-B, 2-B. A.	<p>Small group rates subject to Title 24-A, § 2808-B. 2-B., for which the carrier is required to use the 75% loss ratio option (i.e., is not eligible for or has not elected to use the guaranteed 78% loss ratio option described in “G. 10.” above) are subject to disapproval.</p>	
	A. Rate Filing Disapproval:	Title 24-A §2808-B, 2-B. A	<p>The Superintendent shall disapprove any premium rates filed by any carrier, whether initial or revised, for a small group health plan unless it is anticipated that the aggregate benefits estimated to be paid under all the small group health plans maintained in force by the carrier for the period for which coverage is to be provided will return to policyholders at least 75% of the aggregate premiums collected for those policies, as determined in accordance with accepted actuarial principles and practices and on the basis of incurred claims experience and earned premiums.</p>	
	B. Loss Ratio	Rule 940, § 9. F. 1.	<p>The minimum anticipated loss ratio (based on earned income and incurred claims) for the period in which the rates will be in effect must meet the minimum requirements of Rule 940 §9. F. 1. & Title 24-A § 2808-B, 2-B. A.</p>	
	12. Small Group Association Rates:	Rule 940, § 9. F. 2	<p>Small association and trustee groups that are not subject to the guaranteed loss ratio requirements of “10.” above, and which therefore must comply with “11.” above, are subject to the following:</p> <p>Filed rates which are applicable to small employers in association or trustee groups that differ from rates applicable to other small employers must include justification for the difference in rates.</p>	<i>Page/location, if applicable: NA</i>

	13. Large Blocks of Small Group Business:	Rule 940, § 11.	<p>In addition to the requirements of Rule 940, §5 and, to the extent applicable, §6 & §9, a rate filing for small group health plan policies or contracts not subject to the guaranteed loss ratio provisions referenced in "G. 10" above, which covers or is expected to cover more than two thousand (2,000) Maine residents is subject to the following:</p> <p>A. Expenses: Include a description of any expense assumptions used, including, for example, per policy and percentage of premium expense for commissions, other administrative expenses, and profit margin.</p> <p>B. Investment income: Include an estimate of investment income attributable to the affected policies and how it is reflected in the rates.</p>	<i>Page/location, if applicable: NA</i>
	Completed by:		Date:	Rev. 03/17/09

Sample

Member Services
9151 Boulevard 26
P.O. Box 982010
North Richland Hills, TX 76182-8010

October 1, 2009

PREMIUM CHANGE NOTICE

I. M. Insured
8188 ST
WATERVILLE ME 04901

Insured: I. M. Insured
Policy/Certificate No.: 09888888888
Effective Date: 01/01/2007
Current Annual Premium Amount: \$2,000.00*
New Annual Premium Amount: \$2,400.00*

BCN: 98888888888

Dear Mr. Insured:

We appreciate the opportunity to provide you with health insurance designed to meet your unique needs. As healthcare costs continue to increase, we strive to offer flexible plans and products that are built around you and your budget. That way we can still offer you options that allow you to maintain your valuable coverage.

Based on your current plan design, your premium will change.

Your current annual premium is \$2,000.00.*

Your new annual premium is \$2,400.00.* Effective Date: 01/01/2010.

Here's what to do next.

If you want to continue with your current plan at the new rate, there is nothing you need to do.

Your premium will adjust on the effective date referenced above.

OR

If you would like to make a choice using your Customized Plan Options sheet, check one of the boxes. Then sign, date, and mail or fax the sheet back to us. (The mailing address and fax number are included on the Customized Plan Options sheet). To expedite handling, you can call our Customer Service Representatives at **1-800-457-9301**.

OR

If you prefer to review your options that could lower your costs, or for any questions, our Customer Service Representatives are here to help, Monday through Friday, 8 am to 5 pm.

Call 1-800-457-9301.

Now is really the time for a dependable health protection plan that can be adjusted to fit your life. We feel confident that we can continue to provide the coverage and service you expect and deserve.



John Hunter
Senior Vice President
Member Services

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* If applicable, includes base health, riders, and ancillary products (such as vision and dental). Premium does not reflect ancillary plans sold through a different underwriting company or association dues, if applicable. Amount may not include other coverage in another family member's name.

Your Customized Plan Options

Sample

Policy #: 098888888888
Insured: I. M. Insured

New Premium Effective Date: 01/01/2010
Letter Date: 09/01/2009

Premium* Information

In-Network Plan Benefit Summary*** Deductible: \$2,500 Coinsurance: 80%	Annual Premium	
	<i>Current Premium*</i>	\$2,000.00
	<i>New Premium^{§*}</i>	\$2,400.00

[§] Your New Premium payment after the rate change becomes effective January 1, 2010.

Change the benefits in your current plan by selecting from below:

	Revised Premium* If Change Selected	Savings from New Premium Above
<input type="checkbox"/> Change Deductible to \$5,000	\$1,950.00	\$450.00/year

Sign, date and return form to the following address >> HealthMarkets
 by September 23, 2009 using the reply envelope provided P.O. Box 982010
 Or fax the form to 1-800-343-3702 North Richland Hills, TX 76182-9962
 Or call us at 1-800-457-9301

Insured
Signature: _____ Date: _____

To expedite changes or for additional options, call 1-800-457-9301.

Your New Premium* becomes effective on the date noted above, unless you return this form or call us to make changes to your coverage.

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Premiums quoted are based on the information available at the time of this letter and are subject to change. Changes to your benefit options may affect your benefit payments.

* If applicable, includes base health, riders, and ancillary products (such as vision and dental). Premium does not reflect ancillary plans sold through a different underwriting company or association dues, if applicable. Amount may not include other coverage in another family member's name.

*** If applicable, Out-of-Network benefits will vary.