



NCCI Countrywide Frequency and Severity Analysis

Using Data Valued as of 12/31/2013

Table of Contents

- Introduction to Countrywide Frequency and Severity Analysis
- Countrywide Results
- Comparison to Ratemaking Trend Analysis
- Volatility
- Caveats
- Appendices

NCCI'S "COUNTRYWIDE FREQUENCY AND SEVERITY ANALYSIS" IS PROVIDED "AS IS." NCCI MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND RELATING TO THIS PRODUCT, INCLUDING ANY EXPRESS, STATUTORY OR IMPLIED WARRANTIES INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NCCI DOES NOT ASSUME ANY RESPONSIBILITY FOR YOUR USE OF, AND FOR ANY AND ALL RESULTS DERIVED OR OBTAINED THROUGH THE USE OF "COUNTRYWIDE FREQUENCY AND SEVERITY ANALYSIS." NO EMPLOYEE OR AGENT OF NCCI OR ITS AFFILIATES IS AUTHORIZED TO MAKE ANY WARRANTIES OF ANY KIND REGARDING "COUNTRYWIDE FREQUENCY AND SEVERITY ANALYSIS." ANY AND ALL RESULTS, CONCLUSIONS, ANALYSIS OR DECISIONS DEVELOPED OR DERIVED FROM, ON ACCOUNT OF, OR THROUGH YOUR USE OF "COUNTRYWIDE FREQUENCY AND SEVERITY ANALYSIS" ARE YOURS AND NCCI DOES NOT ENDORSE, APPROVE OR OTHERWISE ACQUIESCE IN YOUR ACTIONS, RESULTS, ANALYSIS, OR DECISIONS, NOR SHALL NCCI HAVE ANY LIABILITY THERETO.



Introduction

This is NCCI's annual update of countrywide frequency and severity based on data received under the Calendar-Accident Year Call for Compensation Experience. In addition to results for all NCCI states combined, detailed results by state are provided.

This update of the Countrywide Frequency and Severity Analysis includes results for 38 states as listed in Appendix E.

Countrywide Results

Countrywide severities are based on the filed loss development method for each state. This method ensures that the countrywide selections are in line with our filed loss development methods. Development methodologies by state are listed in Appendix E.

Note that the frequency changes for accident years 2009, 2010, and 2011 have been adjusted to account for recessionary factors. During the recent recession, it became apparent that estimated payrolls overstated final payroll, and, therefore, audits resulted in return premiums. Thus, the audits booked (and earned) in 2009 and 2010 were significantly lower than anticipated. Under more stable economic conditions, premium audits typically produce additions to premium. As a result, earned premiums in 2009 and 2010 were depressed, placing upward pressure on indicated frequency. Details are shown in Appendix A.

Frequency continues to decline.

- Accident year 2013 lost-time claim frequency decreased 2.9% over 2012.

Indemnity severity is increasing.

- Average indemnity cost per claim in 2013 increase by 1.9% over 2012.
- This is the highest increase since 2008.

Medical severity is increasing at a faster rate than indemnity severity.

- Average medical cost per claim increased for 2013 by 3.2%.
- This is the highest increase since 2009.

Results are attached as Appendix B.



Comparison to Ratemaking Trend Analysis

Similar frequency and severity analyses are done as part of the rate filing process for each state. Frequency and severity trends are reviewed as part of the determination of indemnity and medical trend factors.

For ratemaking, we are interested in the residual trend in claim costs and frequency after removing the impact of:

- Benefit changes
- Rate changes
- Wage inflation

The countrywide study serves a different purpose. We are showing the change in claim costs and frequency at historical benefit levels and at historical dollar values. Since we are interested in the absolute claim cost rather than the relative change in cost, we remove medical-only claim dollars from the medical severity figures. Also, the countrywide study presents results using both paid and paid plus case losses on an accident year basis. Ratemaking trend calculations use the development methodology and data type (policy or accident year) selected for the filing in that particular year.

Exhibit I shows a comparison of the methodologies used in the countrywide study and in the rate filing review process.

Exhibit I

Countrywide Analysis	Rate Filing Trend Exhibits
Calendar-Accident Year Data	Either Policy Year or Calendar-Accident Year Data, Depending on What Is Filed
No Loss Limitation Is Used	Individual Claim Amounts Are Limited
Claim Counts Are Developed to Ultimate	Claim Counts Are Developed to Ultimate
Losses Are Developed to Ultimate	Losses Are Developed to Ultimate
Paid, Paid Plus Case, and Filed Development Methods Are Used	Development Uses the Filed Methodology
Losses Are at the Historical Benefit Level	Losses Are on the Current Benefit Level
Losses Are Not Adjusted for Wage Inflation	Losses Are Adjusted for Wage Inflation



Medical-Only Losses Are Excluded	Medical-Only Losses Are Included
Exposure Base Is Pure Premium	Exposure Base Is Premium
Pure Premium Is on Current Loss Cost Level	Premium Is on Current Rate Level
Pure Premium Is Adjusted for Wage Inflation	Premium Is Adjusted for Wage Inflation

The two methods generate very different results. The magnitudes (positive or negative) of the trends resulting from the Countrywide Analysis are usually larger than those in connection with the Ratemaking Review. This, of course, is due to the additional sources of cost and frequency changes included in the Countrywide Analysis.

Volatility

From one accident year to another, results at a state level are subject to greater volatility than are the countrywide results. This is due to:

- Small volume in many states
- Development factor selection
- Changes in reserve adequacy
- Closure of blocks of claims without indemnity payment (reducing claim counts)

The volatility of state results may be handled in ratemaking by considering econometric trend measures, reviewing different trend lengths, credibility-weighting state trend with countrywide trend, and fitting both linear and exponential models to the data points.



Caveats

The exhibits attached as Appendix D detail frequency and severity results by state. These results should be viewed with an understanding of their limitations, which include:

- Results by state are subject to greater volatility than countrywide results.
- Carriers included will change from one valuation to the next—possibly resulting in different results.
- Results do not apply to rate adequacy analyses.
- Results are the product of a mechanical process and do not reflect the results of a state-specific actuarial review. A more complete analysis of trends by state may include other data sources such as:
 - Results of an econometric trend analysis
 - Reviewing different trend lengths
 - Credibility-weighting state trend with countrywide trend
 - Fitting both linear and exponential models to the data points
 - Other analyses



Appendix A

I. Method of Calculation

The following calculations are applied to Calendar-Accident Year Financial Call data by state.

Severity

- Paid and paid+case losses are developed to an ultimate basis
- Indemnity (lost-time) claim counts are developed to an ultimate basis
- Workers Compensation Statistical Plan (WCSP) data by state is used to estimate the percentage of ultimate medical losses resulting from medical-only claims
- The estimated WCSP medical-only percentage is then applied to the ultimate medical losses to remove the medical-only loss amounts
- Severity is the result of dividing each of the four ultimate loss totals (paid and paid+case losses separately for the indemnity and medical components) by the ultimate claim count

Frequency

- Indemnity (lost-time) claim counts are developed to an ultimate basis
- Calendar year premium is brought "on-level" to the current rate level
- Expense constant premium is excluded
- The on-level premium is multiplied by the percentage of premium at the current bureau level that is a provision for loss payments (this removes any expense provisions and leaves the pure premium)
- The pure premium is brought to the current wage level by multiplying by the ratio of current to historical average weekly wages
- Frequency is the result of dividing the ultimate claim counts by the wage adjusted pure premium in millions of dollars

Countrywide results are found by summing the individual state's data and applying actuarial judgment to select the final values.



Appendix A

II. Frequency Adjustments for Recessionary Factors

During the recent recession, payroll audits resulted in return premiums. This depressed calendar year earned premium, placing upward pressure on indicated frequency. Moving the audit adjustments to the period for which the exposure is earned reduces the indicated frequency change for accident years 2009 and 2010 while increasing it for 2011.

Changes in the average number of hours per work week and changes in the mix of exposures by industry impact our frequency measure. We adjusted the change in frequency for these effects. We based our adjustments for work week on data from the Bureau of Labor Statistics. Adjustments for industry mix are based on WCSP data. Details are available in the Frequency Study on NCCI.com.

Summary of Adjustments to the Change in Frequency

Adjustments	Calendar Year		
	2009	2010	2011
Audits	-1%	-6%	+4%
Work Week and Industry Mix	0%	-1%	-1%
Total Adjustment to Frequency Change	-1%	-7%	+3%



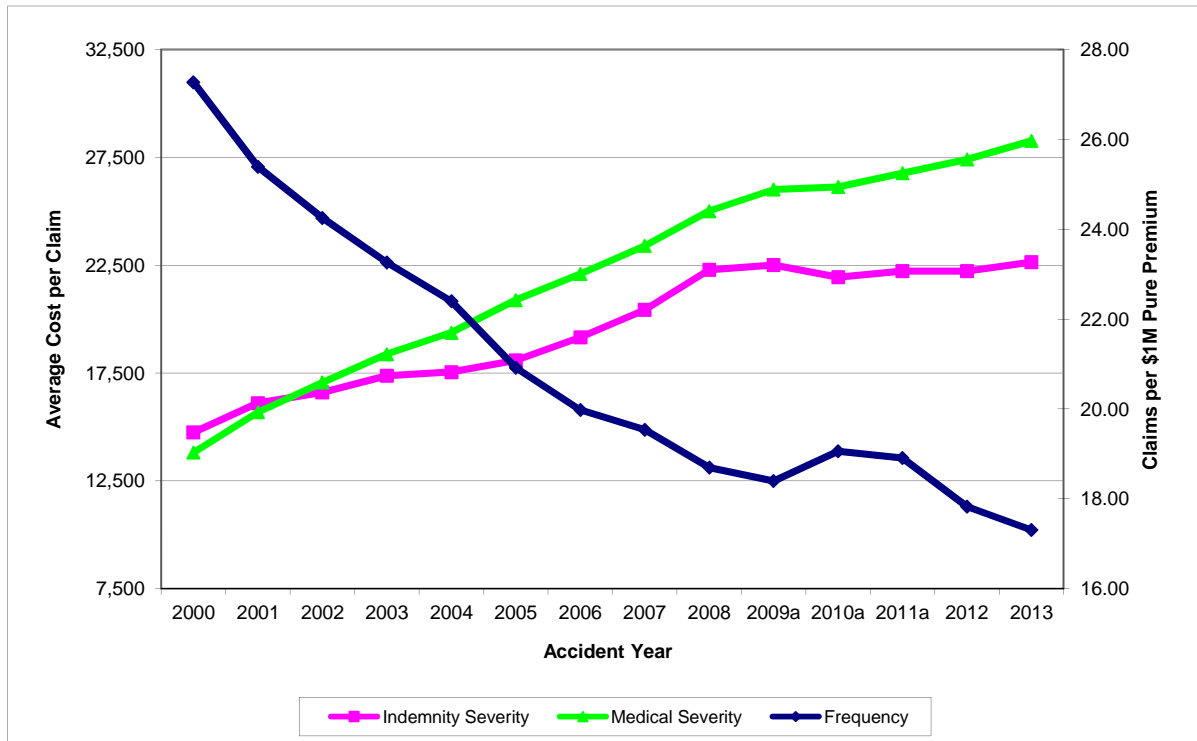
Appendix A

III. Adjustments Applied to Countrywide Frequency

Countrywide Frequency per \$1M Pure Premium				
CAY	Unadjusted		Adjusted	
	Value	Change	Value	Change
2009	17.78	-4.9%	18.40	-5.9%
2010	19.66	+10.6%	19.06	+3.6%
2011	18.91	-3.8%	18.91	-0.8%
2012	17.83	-5.7%	17.83	-5.7%
2013	17.31	-2.9%	17.31	-2.9%

Appendix B

**Accident Year Frequency and Severity
Lost-Time Claims for All NCCI States Excluding West Virginia**



Calendar-Accident Year	Frequency per \$1M Pure Premium		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change
2000	27.27	-4.5%	14,755	+10.1%	13,821	+7.3%
2001	25.39	-6.9%	16,112	+9.2%	15,687	+13.5%
2002	24.25	-4.5%	16,611	+3.1%	17,067	+8.8%
2003	23.26	-4.1%	17,375	+4.6%	18,381	+7.7%
2004	22.40	-3.7%	17,549	+1.0%	19,374	+5.4%
2005	20.92	-6.6%	18,093	+3.1%	20,885	+7.8%
2006	19.98	-4.5%	19,161	+5.9%	22,096	+5.8%
2007	19.54	-2.2%	20,431	+6.6%	23,396	+5.9%
2008	18.70	-4.3%	22,288	+9.1%	25,009	+6.9%
2009a	18.40	-5.9%	22,515	+1.0%	26,014	+4.0%
2010a	19.06	+3.6%	21,944	-2.5%	26,132	+0.5%
2011a	18.91	-0.8%	22,222	+1.3%	26,764	+2.4%
2012	17.83	-5.7%	22,224	+0.0%	27,397	+2.4%
2013	17.31	-2.9%	22,645	+1.9%	28,269	+3.2%

Based on Financial Call Data valued as of 12/31/2013 developed to ultimate.

Includes states for which NCCI provides ratemaking services.

Pure premium is derived from reported premium.

a. Frequency is adjusted for the impact of recessionary factors. See Appendix A for details.

State Results Table by Range: 2011 vs. 2010

Range	Indemnity Severity 2011 vs. 2010	Medical Severity 2011 vs. 2010	Frequency per \$1M Pure Premium 2011 vs. 2010 (a)
37-State Average (b)	+1.3%	+2.4%	-3.8%
Between a 0% and 5% Decrease	AK, DC, ID, KS, NE, NV, NH, NM, NC, OK, SC, TN, VA 13 States	AK, AR, CO, ID, IL, LA, ME, NM 8 States	AL, AZ, CT, DC, FL, GA, HI, MD, MO, NE, NH, NC, OK, RI, TX, VT 16 States
Between a 5% and 10% Decrease	None	DC, SC 2 States	AK, AR, IL, IN, IA, KS, KY, LA, MS, NM, OR, SC, VA 13 States
Between a 10% and 15% Decrease	None	TN 1 State	MT 1 State
At Least a 15% Decrease	None	None	None
Between a 0% and 5% Increase	AL, AZ, CO, CT, FL, GA, HI, IL, IN, IA, LA, MS, MT, TX, UT 15 States	FL, IA, KY, MS, MT, NV, NH, NC, OK, OR, RI, VA 12 States	CO, ID, SD, TN, UT 5 States
Between a 5% and 10% Increase	AR, KY, ME, MD, MO, OR, RI 7 States	AZ, CT, GA, IN, MD, NE, TX 7 States	ME, NV 2 States
Between a 10% and 15% Increase	SD, VT 2 States	HI, MO, UT 3 States	None
At Least a 15% Increase	None	AL, KS, SD, VT 4 States	None

a. No adjustment has been made for recessionary factors that may understate pure premium.

b. Does not include West Virginia.

State Results Table by Range: 2012 vs. 2011

Range	Indemnity Severity 2012 vs. 2011	Medical Severity 2012 vs. 2011	Frequency per \$1M Pure Premium 2012 vs. 2011 (a)
37-State Average (b)	+0.0%	+2.4%	-5.7%
Between a 0% and 5% Decrease	AK, CO, FL, MD, MO, OR, VT 7 States	CO, IL, MD, NE, OR, SC 6 States	AL, AZ, AR, GA, IL, MD, NC, UT, VA 9 States
Between a 5% and 10% Decrease	AZ, HI, IL 3 States	AL, GA, HI, KS, SD, VT 6 States	CT, FL, IA, KS, KY, LA, MS, MO, MT, NH, NM, SC, SD, VT 14 States
Between a 10% and 15% Decrease	AL, KS 2 States	MT 1 State	DC, IN, ME, RI, TN, TX 6 States
At Least a 15% Decrease	SD 1 State	None	OK 1 State
Between a 0% and 5% Increase	AR, CT, GA, ID, IN, IA, LA, MS, MT, NE, NV, NH, NC, RI, SC, TN, UT 17 States	AZ, CT, FL, ID, IA, KY, MO, NV, NH, NC, RI 11 States	AK, CO, HI, ID, NE, OR 6 States
Between a 5% and 10% Increase	NM, TX, VA 3 States	AR, IN, LA, ME, MS, OK, TX, UT 8 States	NV 1 State
Between a 10% and 15% Increase	KY, ME, OK 3 States	AK, TN, VA 3 States	None
At Least a 15% Increase	DC 1 State	DC, NM 2 States	None

a. No adjustment has been made for recessionary factors that may understate pure premium.

b. Does not include West Virginia.

State Results Table by Range: 2013 vs. 2012

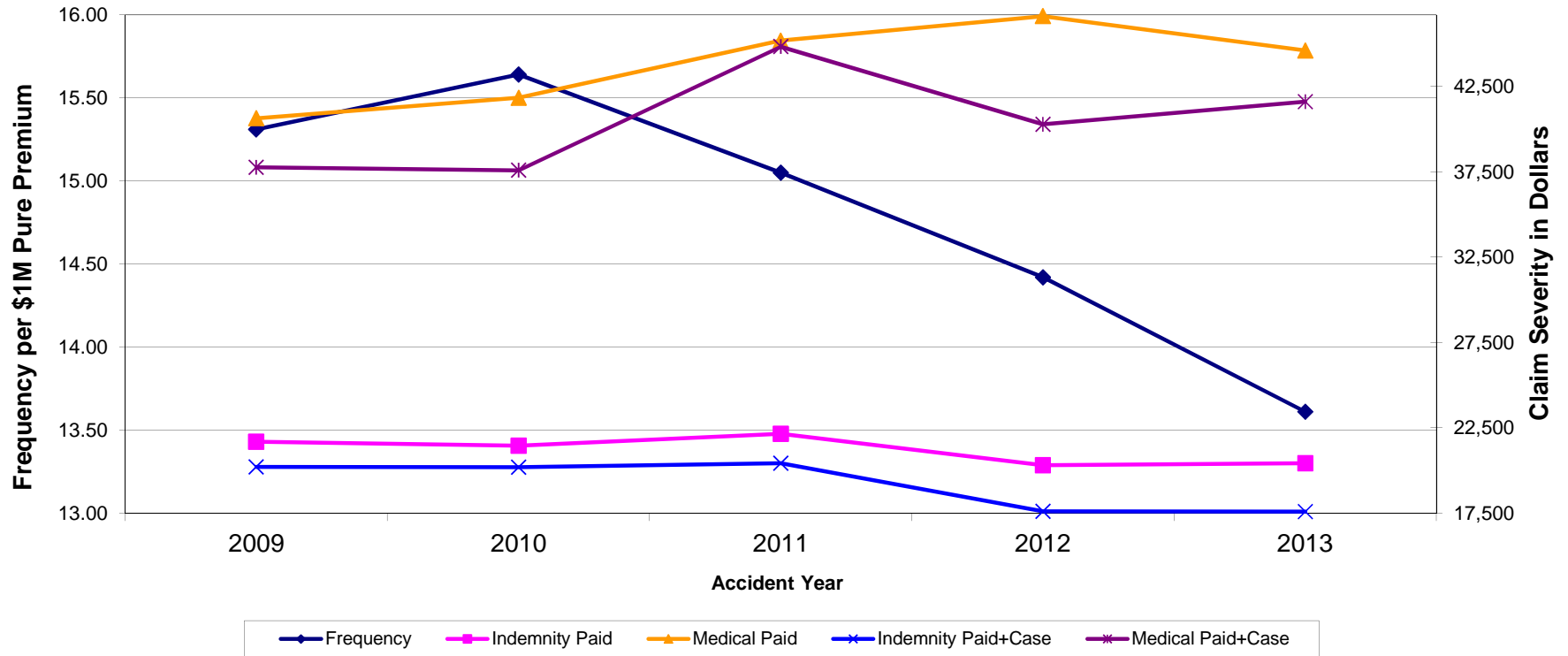
Range	Indemnity Severity 2013 vs. 2012	Medical Severity 2013 vs. 2012	Frequency per \$1M Pure Premium 2013 vs. 2012 (a)
37-State Average (b)	+1.9%	+3.2%	-2.9%
Between a 0% and 5% Decrease	CT, IN, KY, MS, NV, RI, TN, UT, VT 9 States	ID, OR, RI 3 States	AK, CT, DC, FL, IL, IN, KS, MD, MS, MO, NE, NV, NH, NC, TN, UT, VA 17 States
Between a 5% and 10% Decrease	AK, ME 2 States	None	AL, AZ, CO, HI, KY, MT, NM, TX 8 States
Between a 10% and 15% Decrease	None	DC, NM 2 States	AR, OK 2 States
At Least a 15% Decrease	None	None	None
Between a 0% and 5% Increase	AL, CO, DC, FL, GA, ID, IL, LA, MD, MO, NE, NM, NC, OK, OR, VA 16 States	AL, AK, CO, CT, FL, GA, IL, KY, LA, MS, MO, MT, NE, NV, NH, NC, OK, SC, TN, UT, VA 21 States	GA, IA, LA, OR, RI, SC, SD, VT 8 States
Between a 5% and 10% Increase	AZ, AR, HI, IA, NH, SC, TX 7 States	AZ, HI, IN, MD, TX, VT 6 States	ID, ME 2 States
Between a 10% and 15% Increase	MT 1 State	IA, KS, ME 3 States	None
At Least a 15% Increase	KS, SD 2 States	AR, SD 2 States	None

a. No adjustment has been made for recessionary factors that may understate pure premium.

b. Does not include West Virginia.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Alabama



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	15.31	xxx	21,695	xxx	40,639	xxx	20,208	xxx	37,762	xxx
2010a	15.64	+2.2%	21,452	-1.1%	41,841	+3.0%	20,195	-0.1%	37,590	-0.5%
2011a	15.05	-3.8%	22,154	+3.3%	45,186	+8.0%	20,436	+1.2%	44,832	+19.3%
2012	14.42	-4.2%	20,316	-8.3%	46,622	+3.2%	17,606	-13.8%	40,280	-10.2%
2013	13.61	-5.6%	20,429	+0.6%	44,612	-4.3%	17,593	-0.1%	41,606	+3.3%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

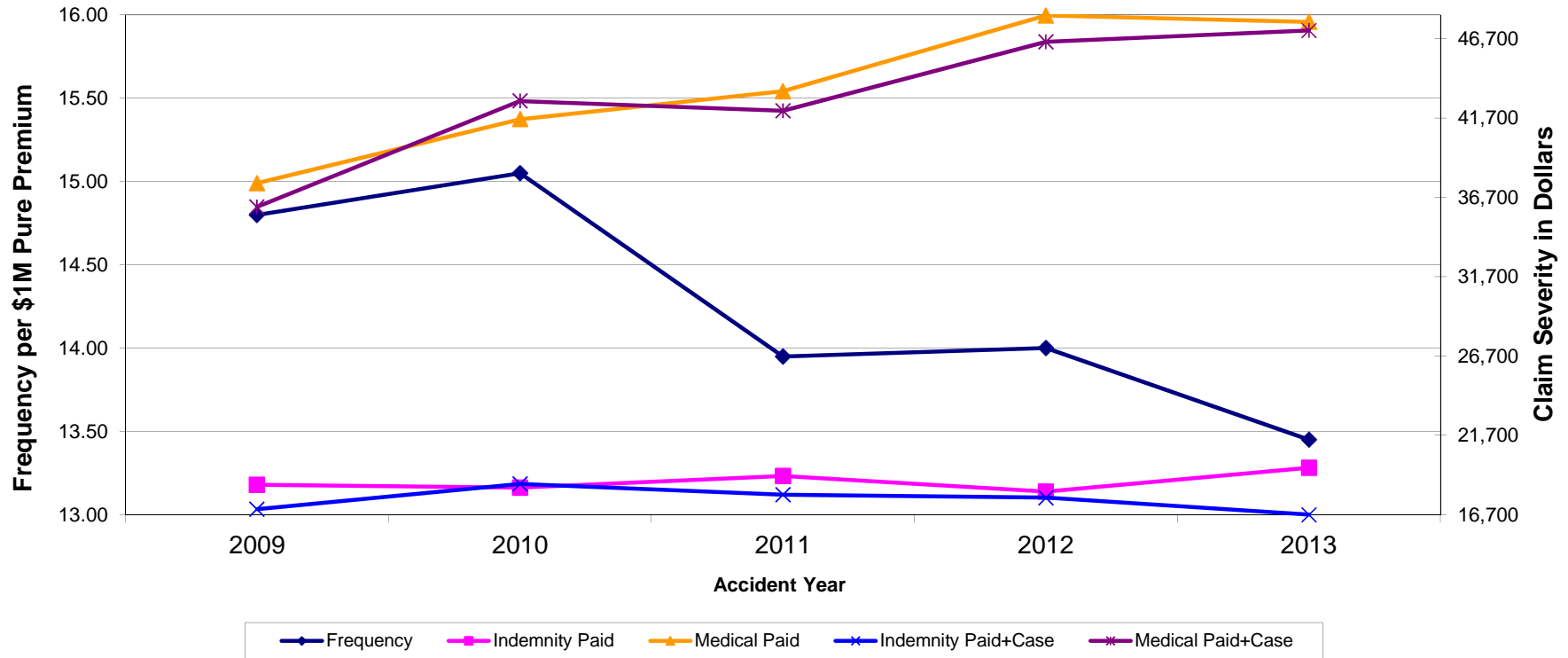
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Alaska



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	14.80	xxx	18,593	xxx	37,590	xxx	17,052	xxx	36,087	xxx
2010a	15.05	+1.7%	18,416	-1.0%	41,628	+10.7%	18,642	+9.3%	42,770	+18.5%
2011a	13.95	-7.3%	19,151	+4.0%	43,393	+4.2%	17,963	-3.6%	42,155	-1.4%
2012	14.00	+0.4%	18,164	-5.2%	48,157	+11.0%	17,777	-1.0%	46,500	+10.3%
2013	13.45	-3.9%	19,671	+8.3%	47,759	-0.8%	16,704	-6.0%	47,217	+1.5%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

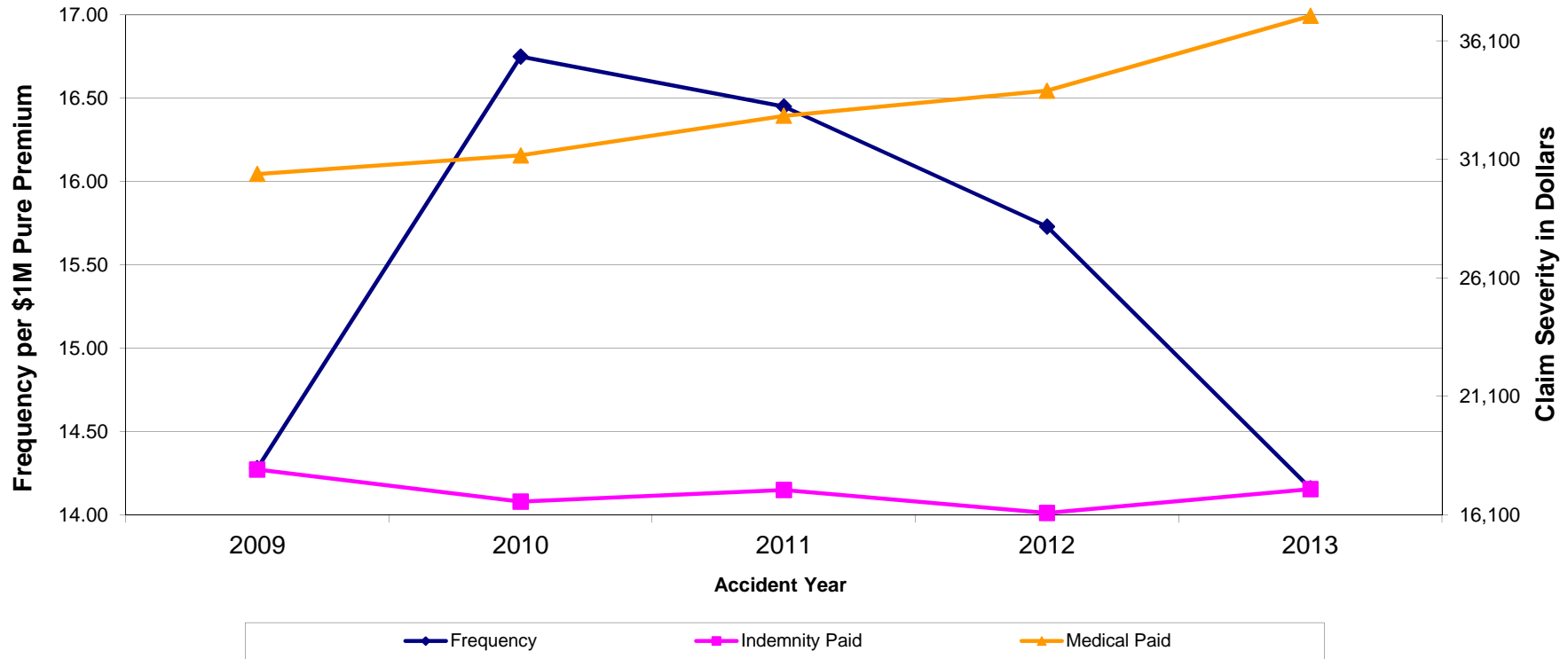
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Arizona



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	14.28	xxx	18,009	xxx	30,487	xxx	n/a	n/a	n/a	n/a
2010a	16.75	+17.3%	16,654	-7.5%	31,266	+2.6%	n/a	n/a	n/a	n/a
2011a	16.45	-1.8%	17,148	+3.0%	32,942	+5.4%	n/a	n/a	n/a	n/a
2012	15.73	-4.4%	16,177	-5.7%	33,997	+3.2%	n/a	n/a	n/a	n/a
2013	14.16	-10.0%	17,184	+6.2%	37,157	+9.3%	n/a	n/a	n/a	n/a

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

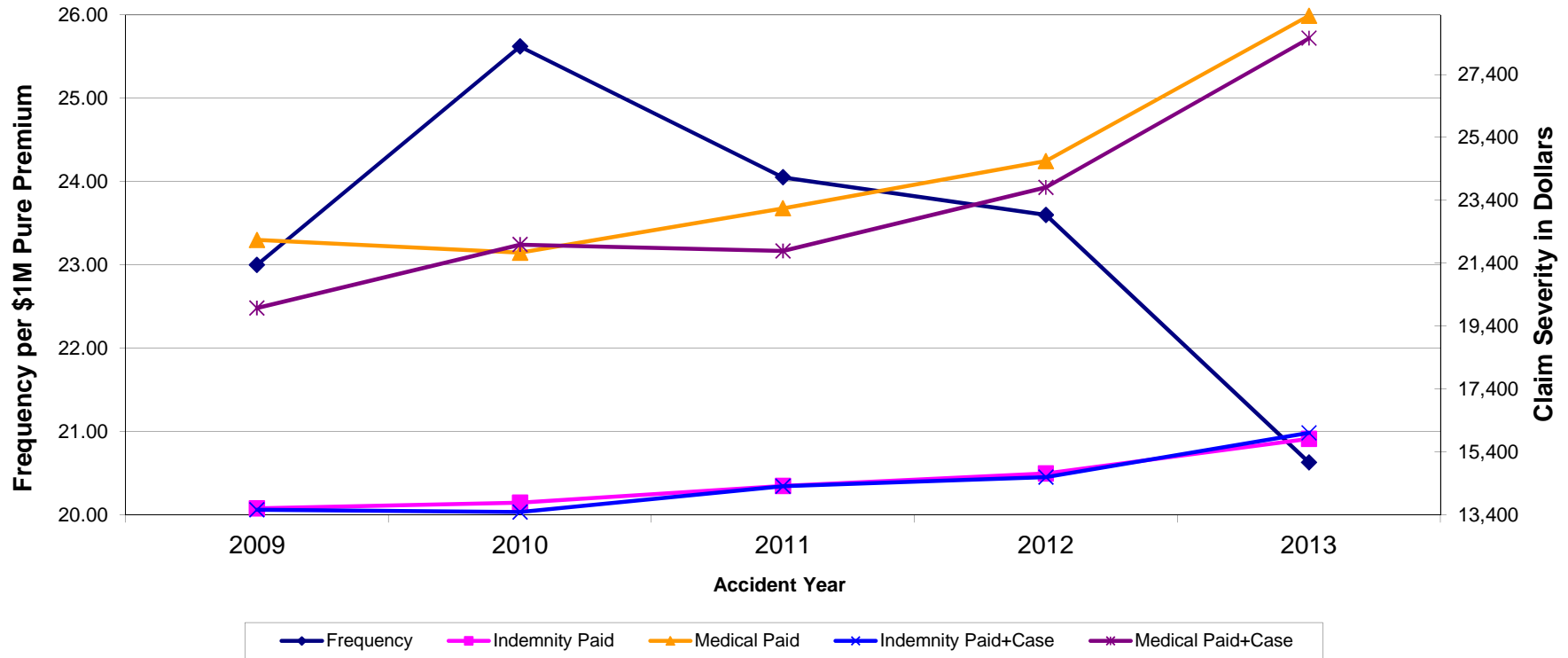
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Arkansas



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	23.00	xxx	13,601	xxx	22,143	xxx	13,564	xxx	19,973	xxx
2010a	25.62	+11.4%	13,785	+1.4%	21,734	-1.8%	13,486	-0.6%	21,993	+10.1%
2011a	24.05	-6.1%	14,317	+3.9%	23,148	+6.5%	14,313	+6.1%	21,788	-0.9%
2012	23.60	-1.9%	14,711	+2.8%	24,654	+6.5%	14,597	+2.0%	23,809	+9.3%
2013	20.63	-12.6%	15,812	+7.5%	29,269	+18.7%	16,009	+9.7%	28,554	+19.9%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

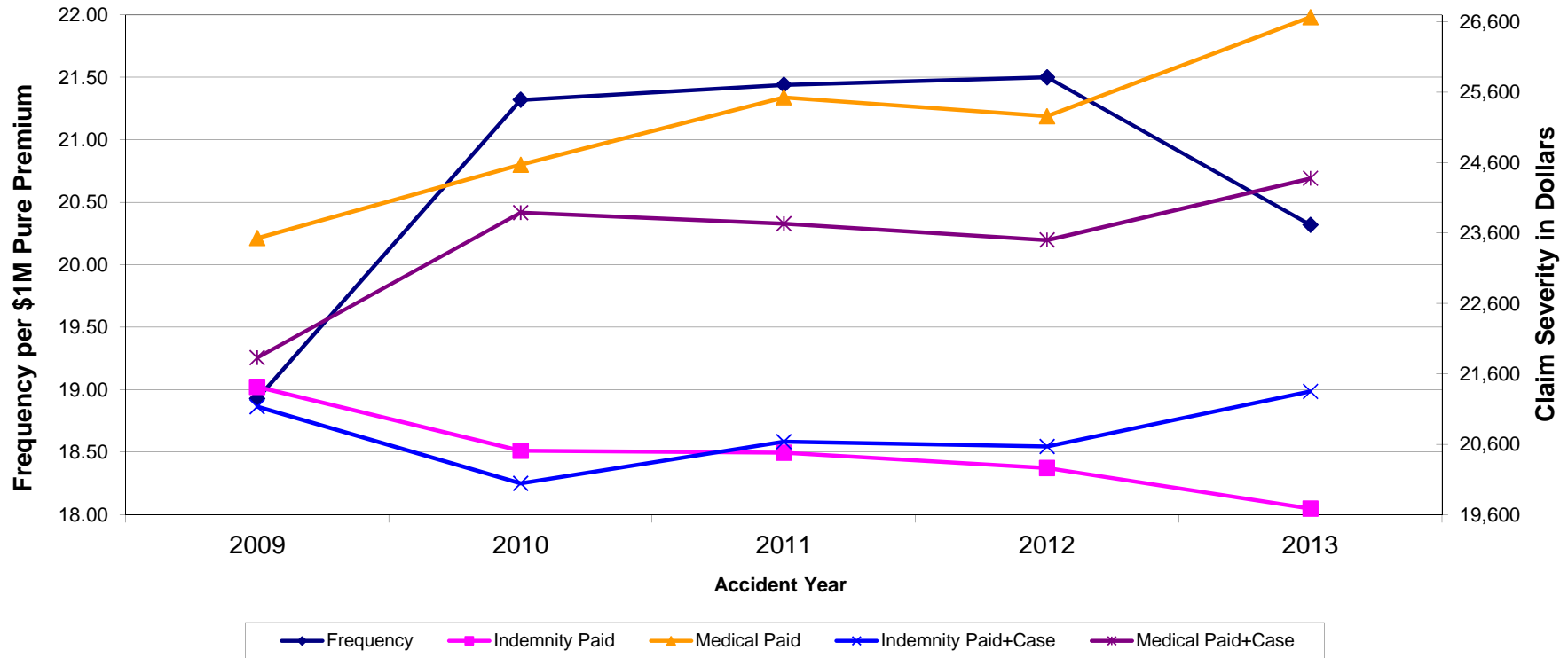
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Colorado



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	18.93	xxx	21,417	xxx	23,530	xxx	21,134	xxx	21,830	xxx
2010a	21.32	+12.6%	20,509	-4.2%	24,571	+4.4%	20,045	-5.2%	23,890	+9.4%
2011a	21.44	+0.6%	20,480	-0.1%	25,529	+3.9%	20,638	+3.0%	23,732	-0.7%
2012	21.50	+0.3%	20,264	-1.1%	25,262	-1.0%	20,572	-0.3%	23,502	-1.0%
2013	20.32	-5.5%	19,686	-2.9%	26,668	+5.6%	21,353	+3.8%	24,376	+3.7%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

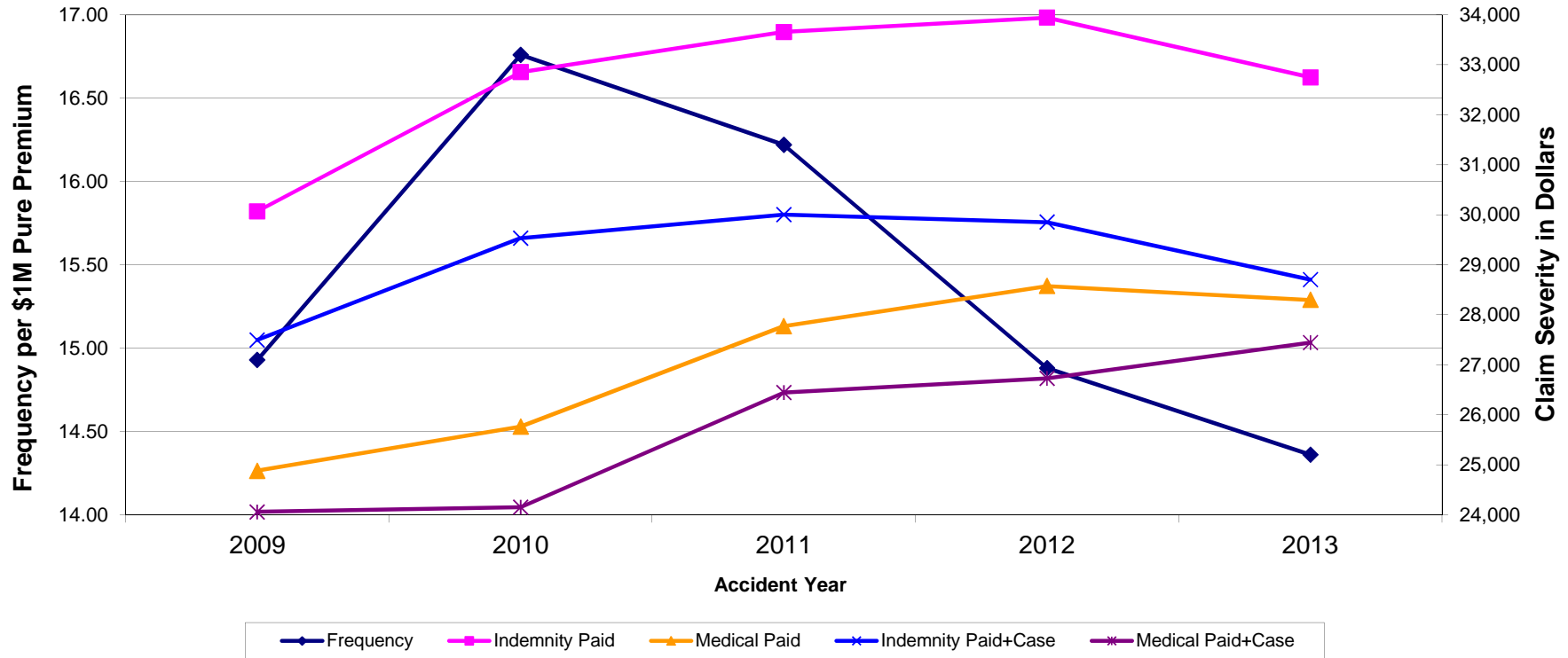
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Connecticut



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	14.93	xxx	30,071	xxx	24,881	xxx	27,494	xxx	24,058	xxx
2010a	16.76	+12.3%	32,855	+9.3%	25,764	+3.5%	29,531	+7.4%	24,153	+0.4%
2011a	16.22	-3.2%	33,658	+2.4%	27,772	+7.8%	30,005	+1.6%	26,447	+9.5%
2012	14.88	-8.3%	33,945	+0.9%	28,576	+2.9%	29,853	-0.5%	26,727	+1.1%
2013	14.36	-3.5%	32,752	-3.5%	28,298	-1.0%	28,703	-3.9%	27,445	+2.7%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

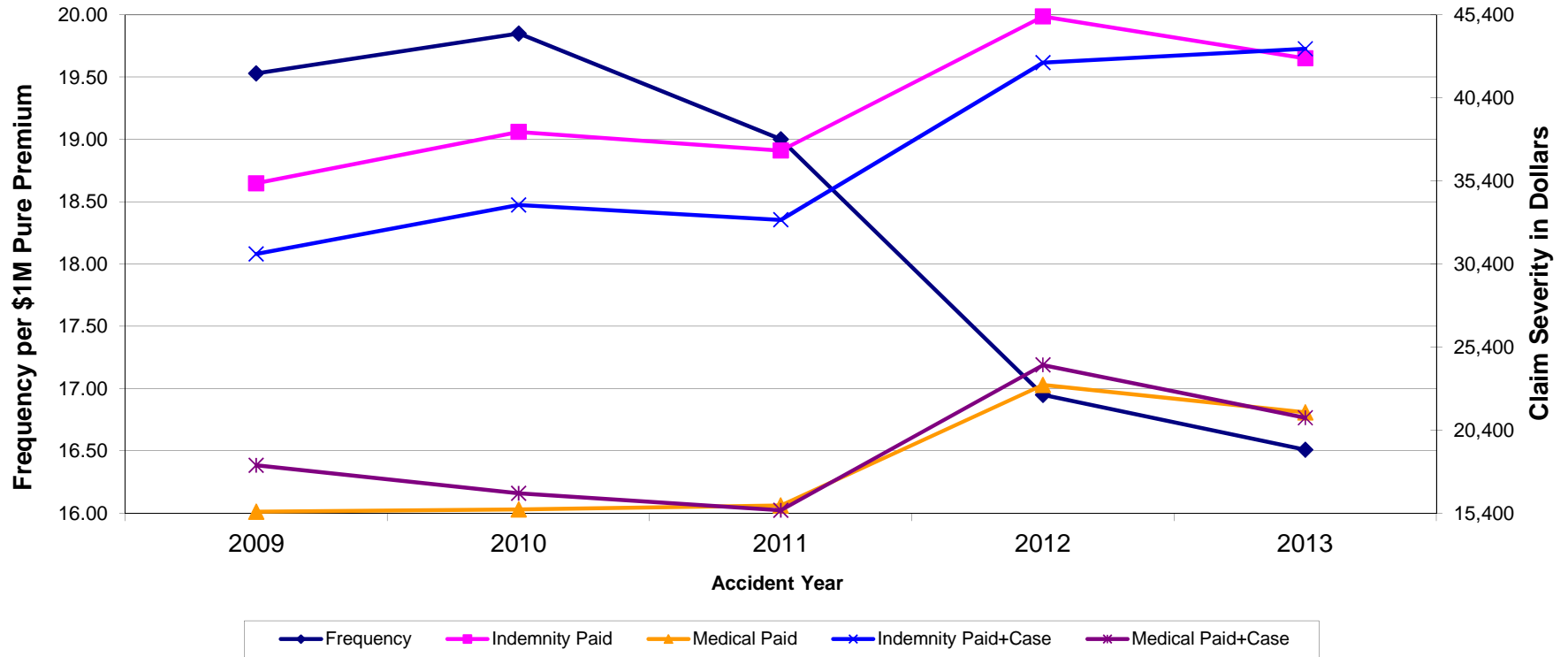
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

District of Columbia



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	19.53	xxx	35,266	xxx	15,497	xxx	31,008	xxx	18,287	xxx
2010a	19.85	+1.6%	38,356	+8.8%	15,632	+0.9%	33,953	+9.5%	16,599	-9.2%
2011a	19.00	-4.3%	37,232	-2.9%	15,875	+1.6%	33,061	-2.6%	15,589	-6.1%
2012	16.95	-10.8%	45,304	+21.7%	23,127	+45.7%	42,516	+28.6%	24,326	+56.0%
2013	16.51	-2.6%	42,786	-5.6%	21,476	-7.1%	43,351	+2.0%	21,147	-13.1%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

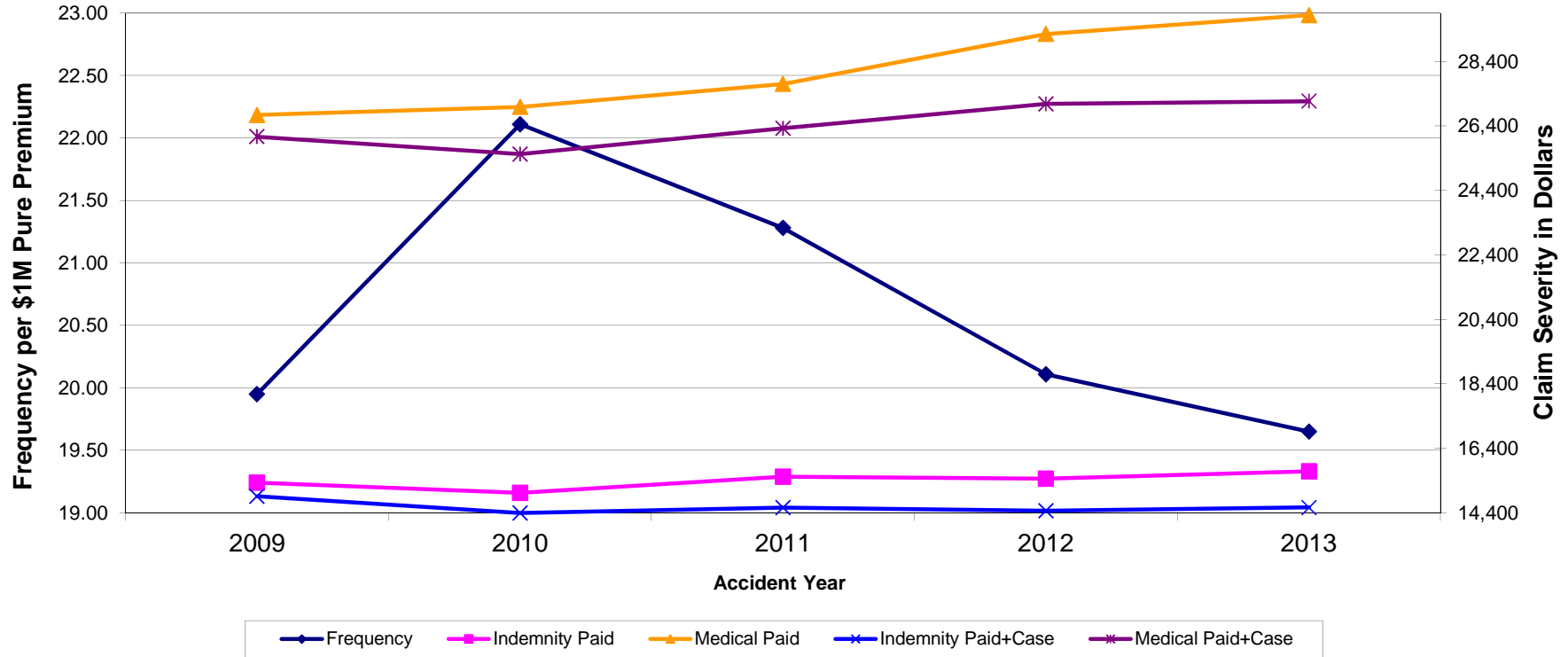
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Florida



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	19.95	xxx	15,339	xxx	26,744	xxx	14,916	xxx	26,068	xxx
2010a	22.11	+10.8%	15,021	-2.1%	26,992	+0.9%	14,400	-3.5%	25,530	-2.1%
2011a	21.28	-3.8%	15,526	+3.4%	27,705	+2.6%	14,564	+1.1%	26,324	+3.1%
2012	20.11	-5.5%	15,459	-0.4%	29,252	+5.6%	14,466	-0.7%	27,086	+2.9%
2013	19.65	-2.3%	15,693	+1.5%	29,838	+2.0%	14,569	+0.7%	27,167	+0.3%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

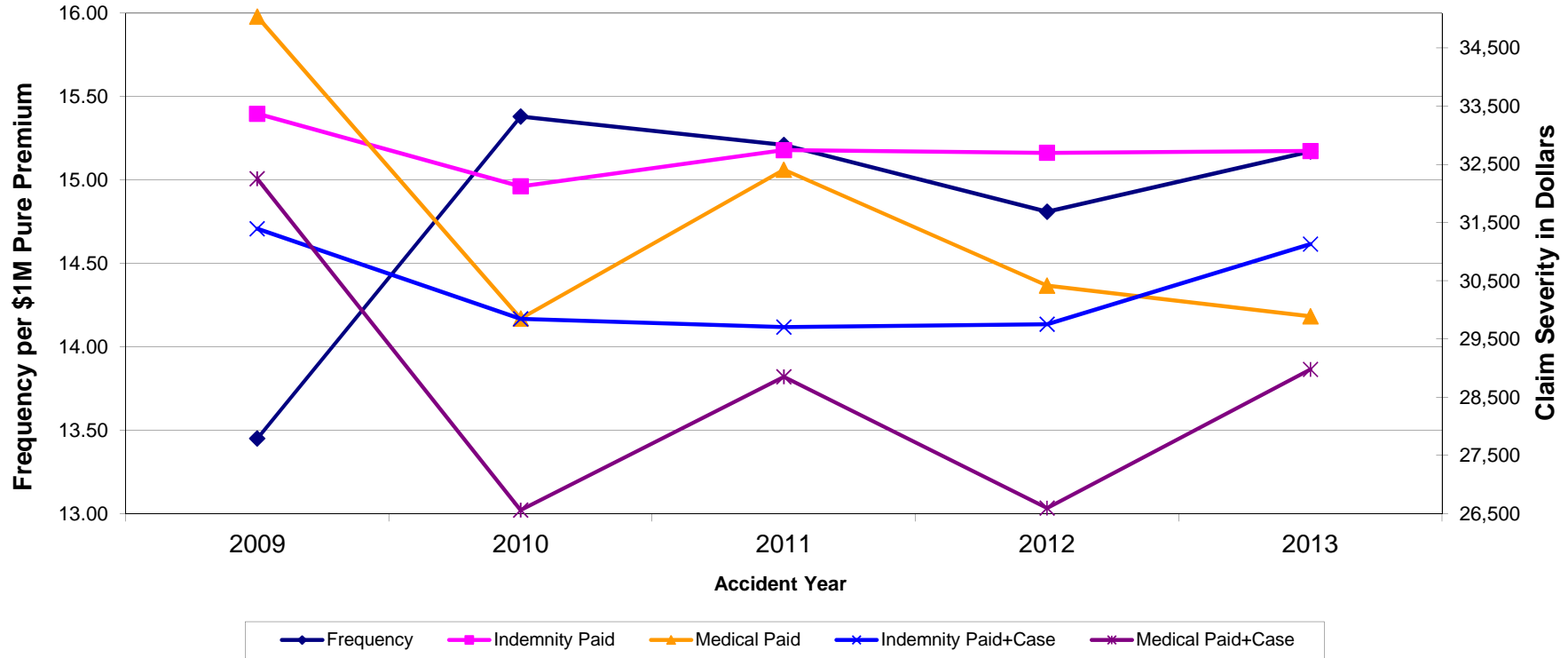
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Georgia



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	13.45	xxx	33,370	xxx	35,038	xxx	31,396	xxx	32,254	xxx
2010a	15.38	+14.3%	32,124	-3.7%	29,851	-14.8%	29,846	-4.9%	26,562	-17.6%
2011a	15.21	-1.1%	32,746	+1.9%	32,408	+8.6%	29,704	-0.5%	28,850	+8.6%
2012	14.81	-2.6%	32,700	-0.1%	30,419	-6.1%	29,755	+0.2%	26,597	-7.8%
2013	15.17	+2.4%	32,733	+0.1%	29,892	-1.7%	31,132	+4.6%	28,980	+9.0%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

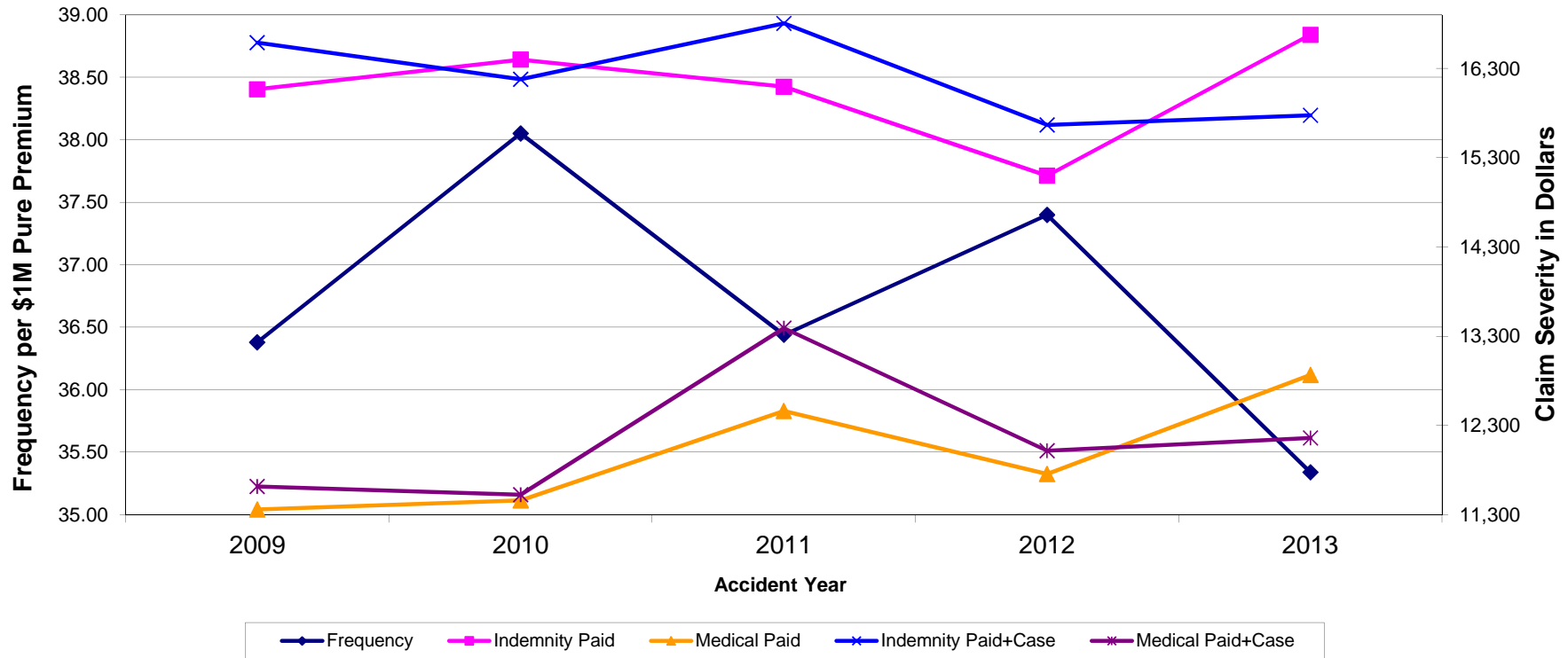
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Hawaii



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	36.38	xxx	16,067	xxx	11,360	xxx	16,589	xxx	11,617	xxx
2010a	38.05	+4.6%	16,399	+2.1%	11,461	+0.9%	16,179	-2.5%	11,524	-0.8%
2011a	36.44	-4.2%	16,096	-1.8%	12,461	+8.7%	16,805	+3.9%	13,390	+16.2%
2012	37.40	+2.6%	15,099	-6.2%	11,756	-5.7%	15,666	-6.8%	12,019	-10.2%
2013	35.34	-5.5%	16,678	+10.5%	12,865	+9.4%	15,774	+0.7%	12,161	+1.2%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

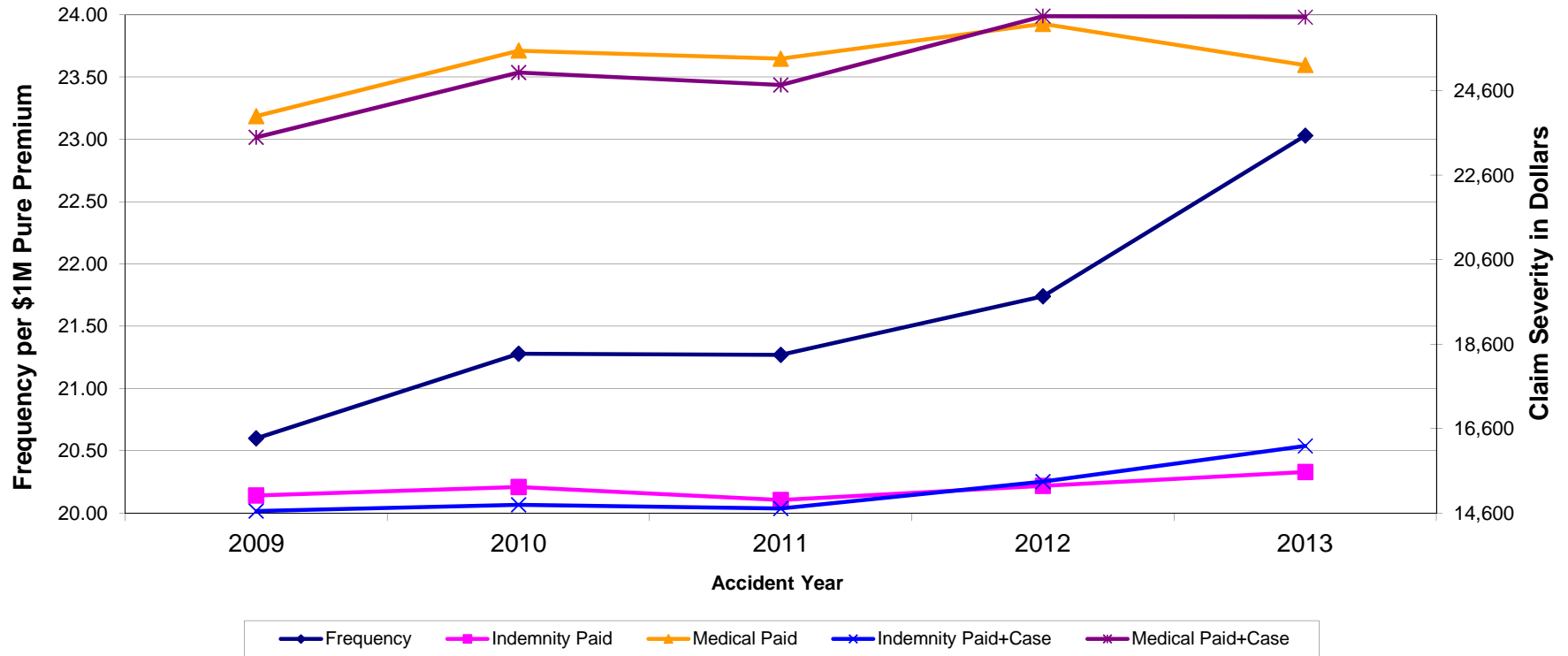
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Idaho



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	20.60	xxx	15,023	xxx	24,002	xxx	14,653	xxx	23,498	xxx
2010a	21.28	+3.3%	15,224	+1.3%	25,553	+6.5%	14,801	+1.0%	25,035	+6.5%
2011a	21.27	+0.0%	14,912	-2.0%	25,363	-0.7%	14,714	-0.6%	24,736	-1.2%
2012	21.74	+2.2%	15,247	+2.2%	26,185	+3.2%	15,345	+4.3%	26,370	+6.6%
2013	23.03	+5.9%	15,576	+2.2%	25,211	-3.7%	16,192	+5.5%	26,345	-0.1%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

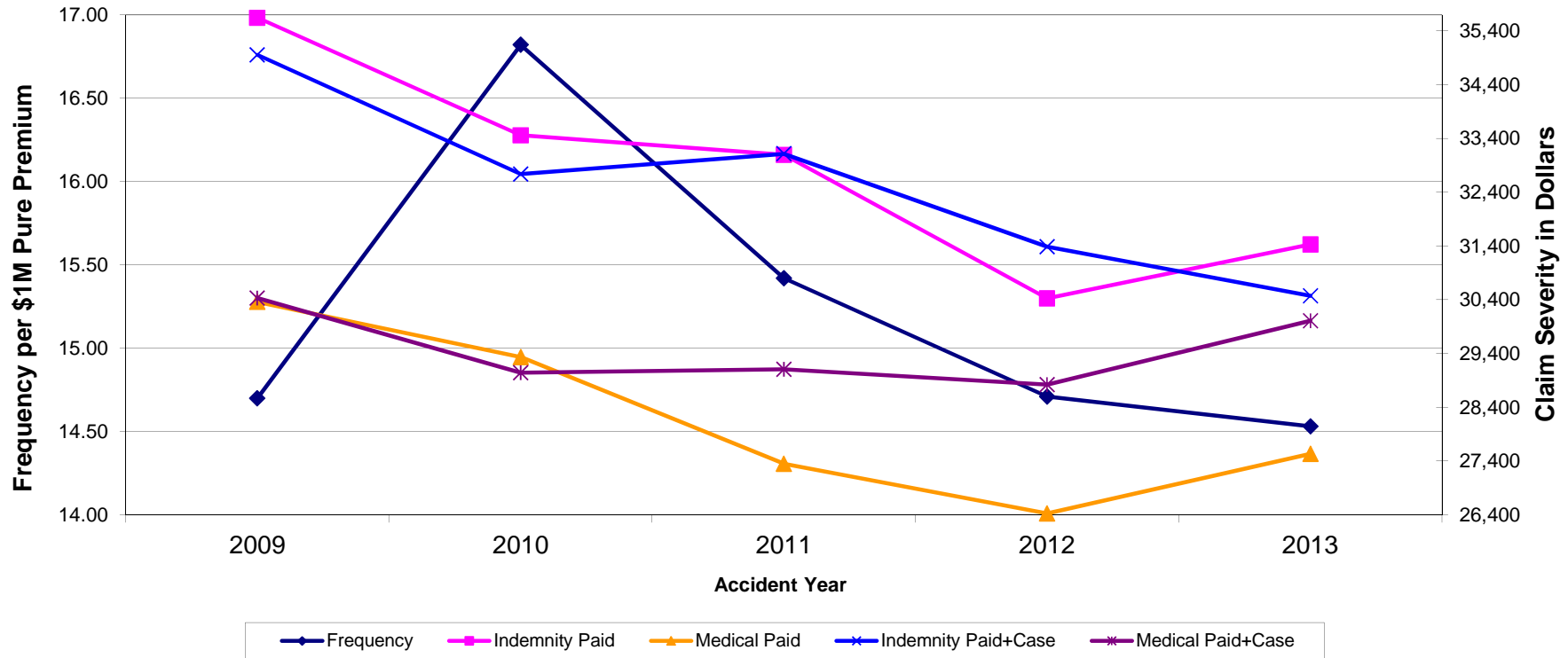
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Illinois



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	14.70	xxx	35,645	xxx	30,360	xxx	34,955	xxx	30,430	xxx
2010a	16.82	+14.4%	33,463	-6.1%	29,335	-3.4%	32,739	-6.3%	29,042	-4.6%
2011a	15.42	-8.3%	33,099	-1.1%	27,351	-6.8%	33,116	+1.2%	29,104	+0.2%
2012	14.71	-4.6%	30,424	-8.1%	26,426	-3.4%	31,389	-5.2%	28,821	-1.0%
2013	14.53	-1.2%	31,430	+3.3%	27,532	+4.2%	30,474	-2.9%	30,008	+4.1%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

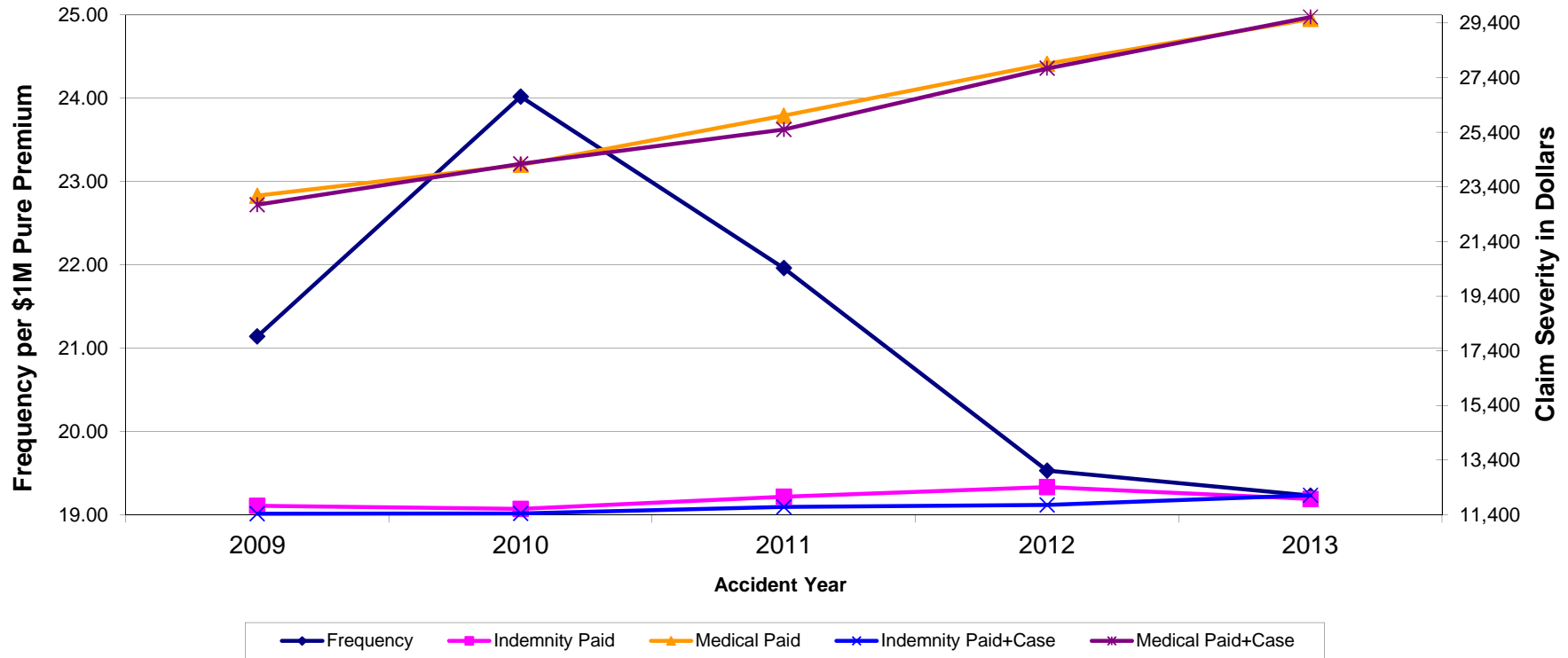
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Indiana



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	21.14	xxx	11,727	xxx	23,079	xxx	11,439	xxx	22,752	xxx
2010a	24.02	+13.6%	11,613	-1.0%	24,210	+4.9%	11,448	+0.1%	24,246	+6.6%
2011a	21.96	-8.6%	12,061	+3.9%	26,010	+7.4%	11,692	+2.1%	25,506	+5.2%
2012	19.53	-11.1%	12,410	+2.9%	27,912	+7.3%	11,760	+0.6%	27,742	+8.8%
2013	19.23	-1.5%	11,982	-3.4%	29,550	+5.9%	12,112	+3.0%	29,621	+6.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

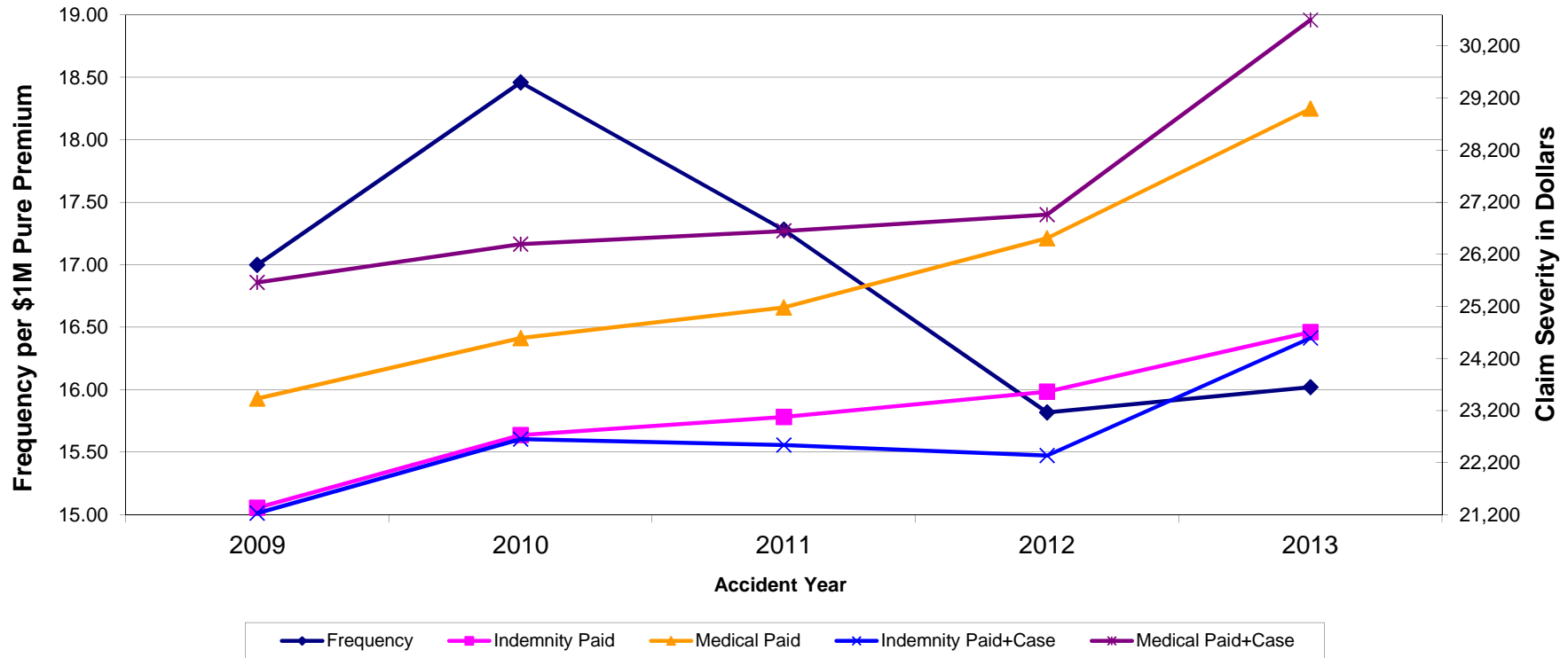
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Iowa



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	17.00	xxx	21,333	xxx	23,433	xxx	21,232	xxx	25,660	xxx
2010a	18.46	+8.6%	22,727	+6.5%	24,593	+5.0%	22,651	+6.7%	26,397	+2.9%
2011a	17.28	-6.4%	23,078	+1.5%	25,182	+2.4%	22,539	-0.5%	26,650	+1.0%
2012	15.82	-8.4%	23,565	+2.1%	26,509	+5.3%	22,335	-0.9%	26,962	+1.2%
2013	16.02	+1.3%	24,708	+4.9%	28,999	+9.4%	24,592	+10.1%	30,701	+13.9%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

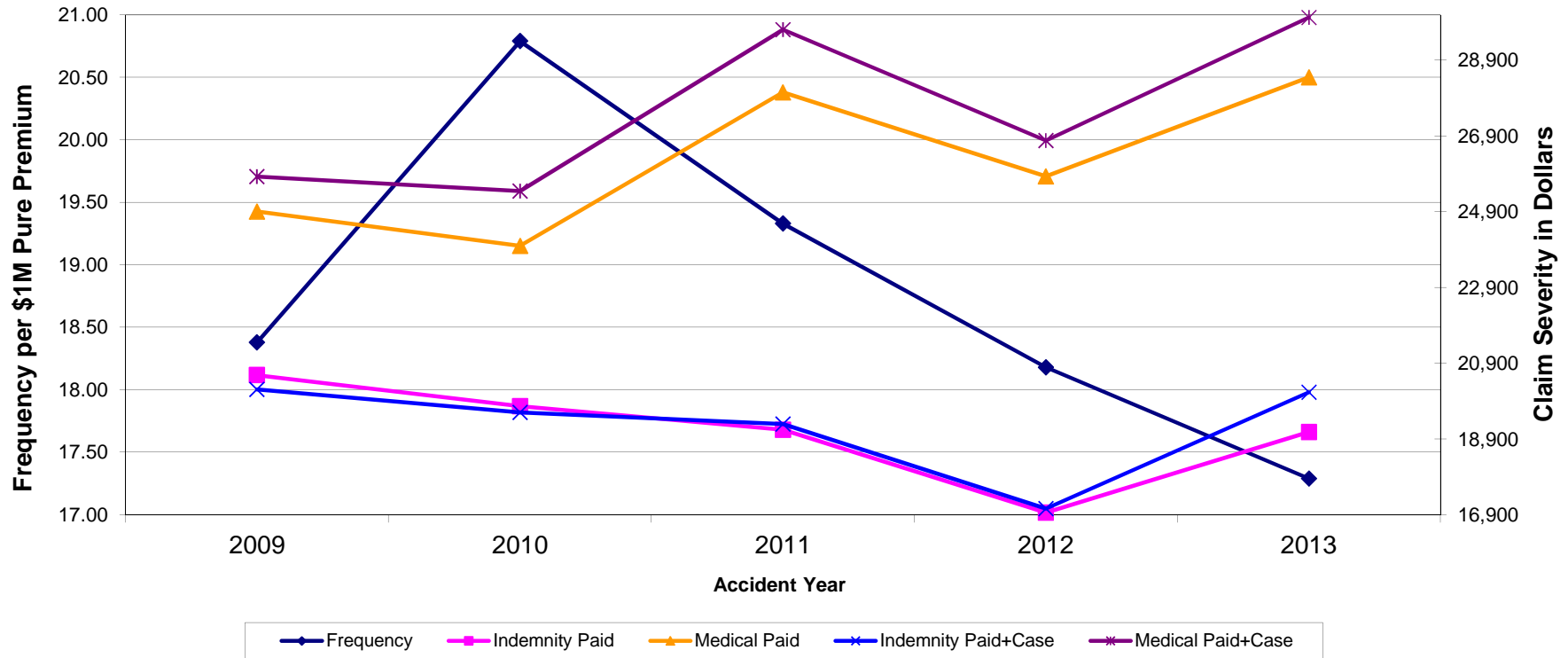
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Kansas



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	18.38	xxx	20,588	xxx	24,905	xxx	20,210	xxx	25,830	xxx
2010a	20.79	+13.1%	19,771	-4.0%	24,003	-3.6%	19,604	-3.0%	25,445	-1.5%
2011a	19.33	-7.0%	19,149	-3.1%	28,054	+16.9%	19,299	-1.6%	29,712	+16.8%
2012	18.18	-5.9%	16,960	-11.4%	25,835	-7.9%	17,060	-11.6%	26,782	-9.9%
2013	17.29	-4.9%	19,088	+12.5%	28,453	+10.1%	20,131	+18.0%	30,030	+12.1%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

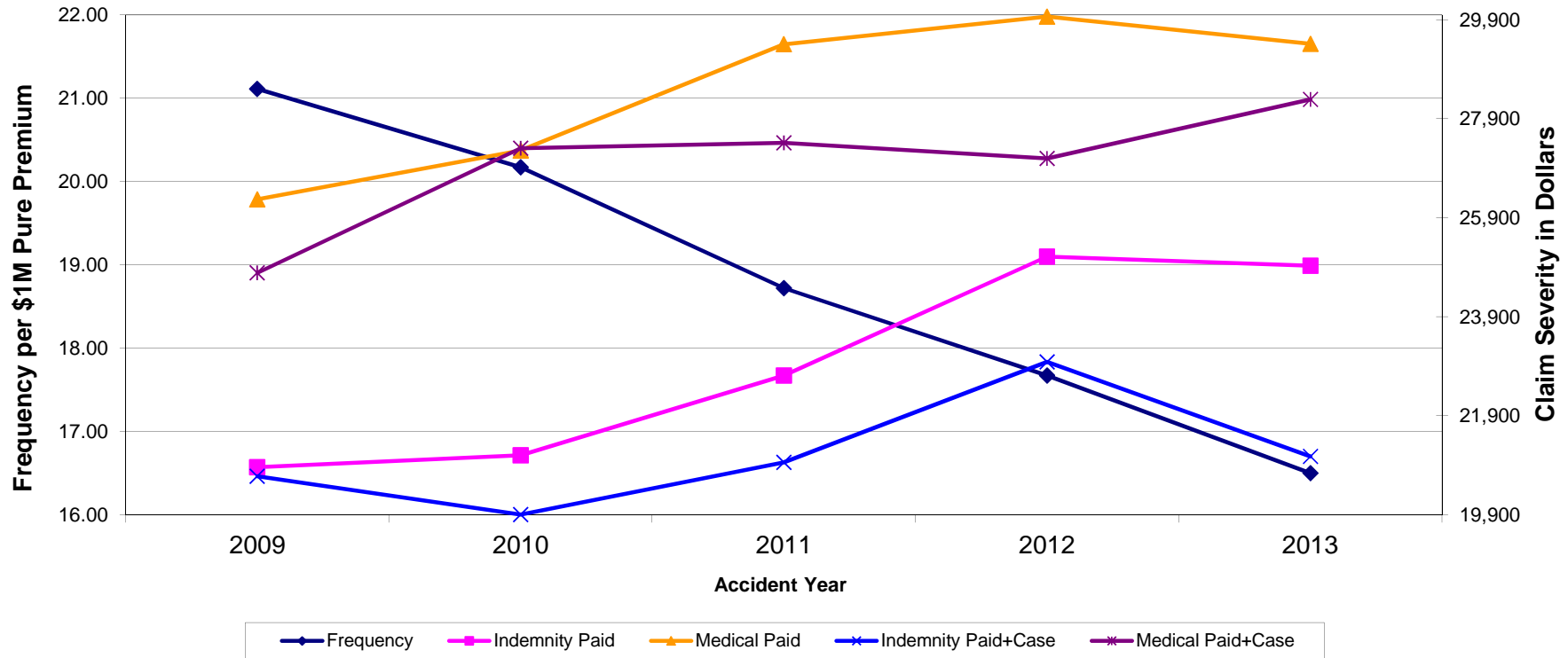
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Kentucky



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	21.11	xxx	20,859	xxx	26,271	xxx	20,676	xxx	24,790	xxx
2010a	20.17	-4.5%	21,100	+1.2%	27,258	+3.8%	19,903	-3.7%	27,306	+10.1%
2011a	18.72	-7.2%	22,715	+7.7%	29,406	+7.9%	20,959	+5.3%	27,415	+0.4%
2012	17.67	-5.6%	25,115	+10.6%	29,964	+1.9%	22,990	+9.7%	27,097	-1.2%
2013	16.50	-6.6%	24,931	-0.7%	29,416	-1.8%	21,078	-8.3%	28,290	+4.4%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

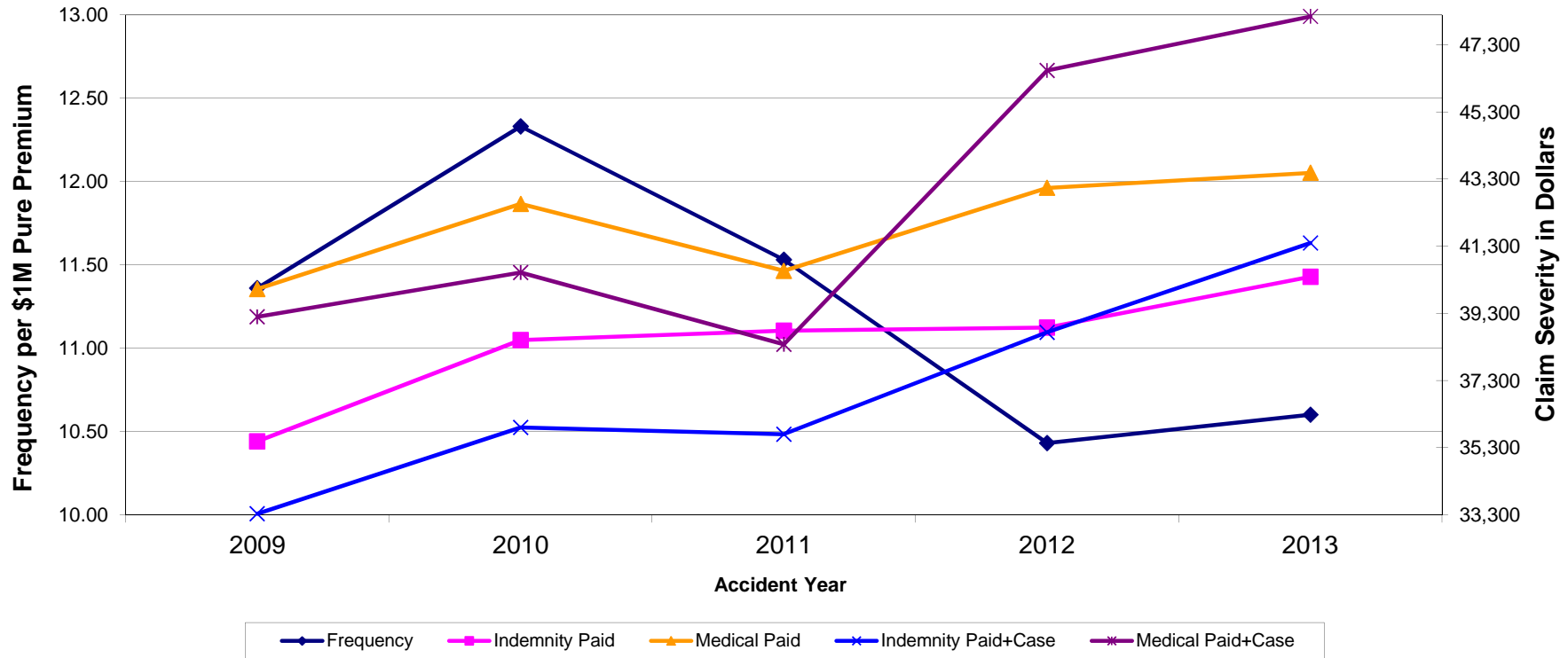
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Louisiana



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	11.36	xxx	35,485	xxx	40,033	xxx	33,330	xxx	39,199	xxx
2010a	12.33	+8.5%	38,506	+8.5%	42,568	+6.3%	35,899	+7.7%	40,517	+3.4%
2011a	11.53	-6.5%	38,787	+0.7%	40,574	-4.7%	35,703	-0.5%	38,380	-5.3%
2012	10.43	-9.5%	38,880	+0.2%	43,045	+6.1%	38,735	+8.5%	46,544	+21.3%
2013	10.60	+1.6%	40,392	+3.9%	43,493	+1.0%	41,398	+6.9%	48,153	+3.5%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

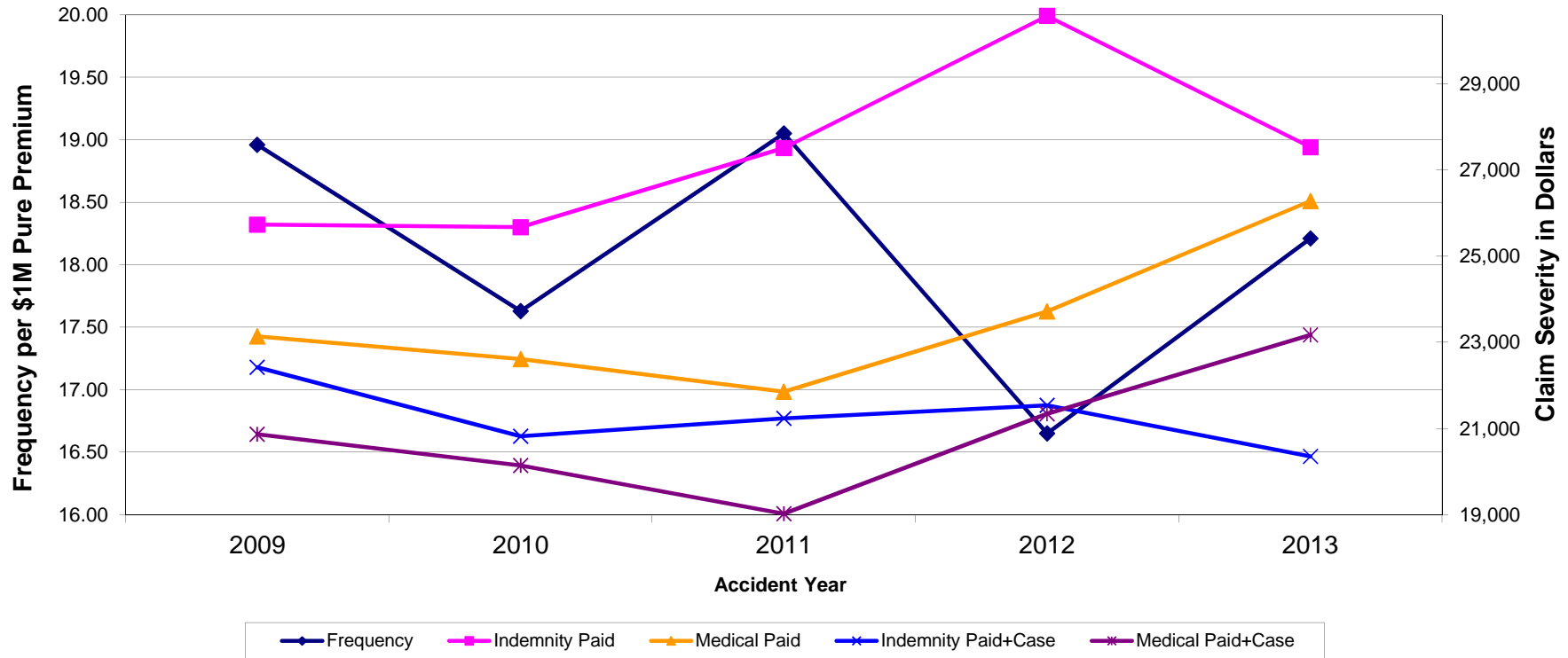
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Maine



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	18.96	xxx	25,732	xxx	23,137	xxx	22,421	xxx	20,867	xxx
2010a	17.63	-7.0%	25,675	-0.2%	22,613	-2.3%	20,820	-7.1%	20,144	-3.5%
2011a	19.05	+8.1%	27,512	+7.2%	21,856	-3.3%	21,236	+2.0%	19,025	-5.6%
2012	16.65	-12.6%	30,577	+11.1%	23,720	+8.5%	21,539	+1.4%	21,342	+12.2%
2013	18.21	+9.4%	27,531	-10.0%	26,280	+10.8%	20,353	-5.5%	23,173	+8.6%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

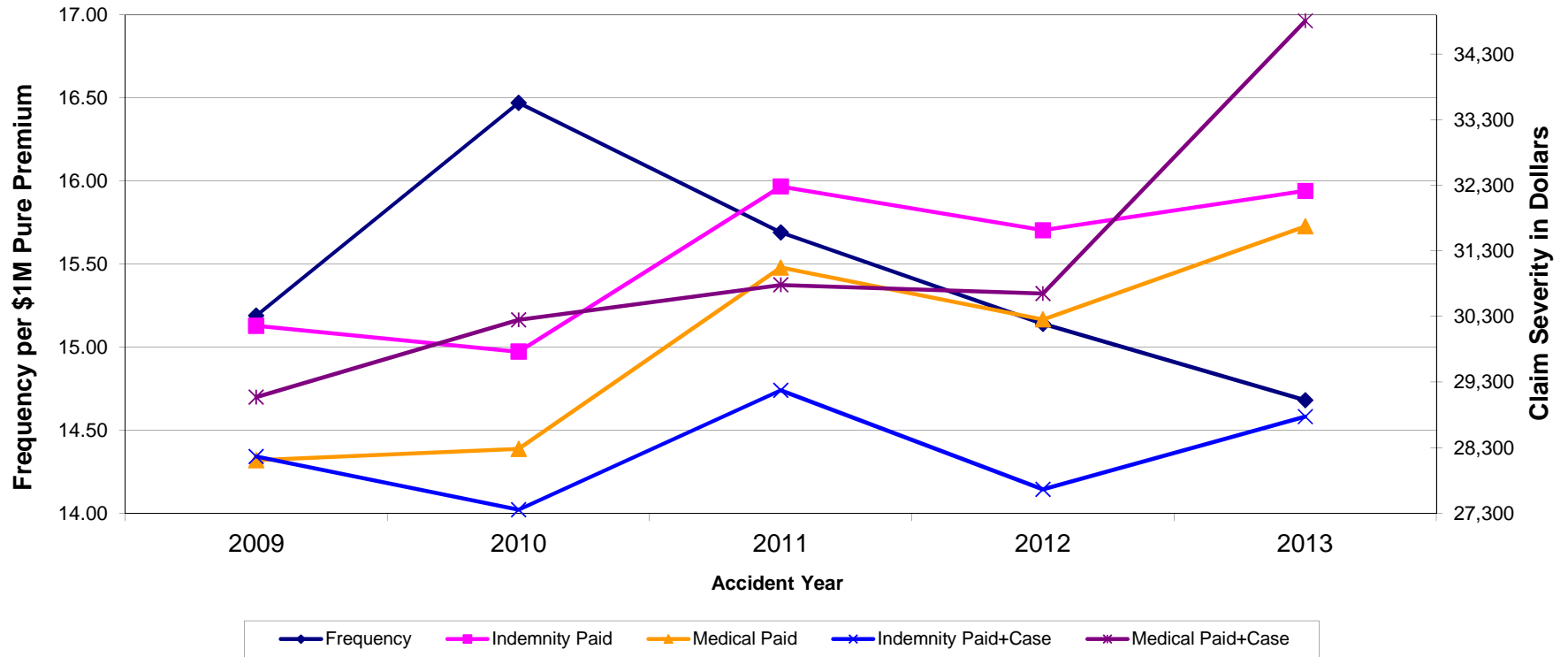
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Maryland



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	15.19	xxx	30,159	xxx	28,108	xxx	28,166	xxx	29,071	xxx
2010a	16.47	+8.4%	29,764	-1.3%	28,281	+0.6%	27,353	-2.9%	30,249	+4.1%
2011a	15.69	-4.7%	32,283	+8.5%	31,047	+9.8%	29,175	+6.7%	30,782	+1.8%
2012	15.14	-3.5%	31,618	-2.1%	30,256	-2.5%	27,667	-5.2%	30,650	-0.4%
2013	14.68	-3.0%	32,217	+1.9%	31,675	+4.7%	28,773	+4.0%	34,807	+13.6%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

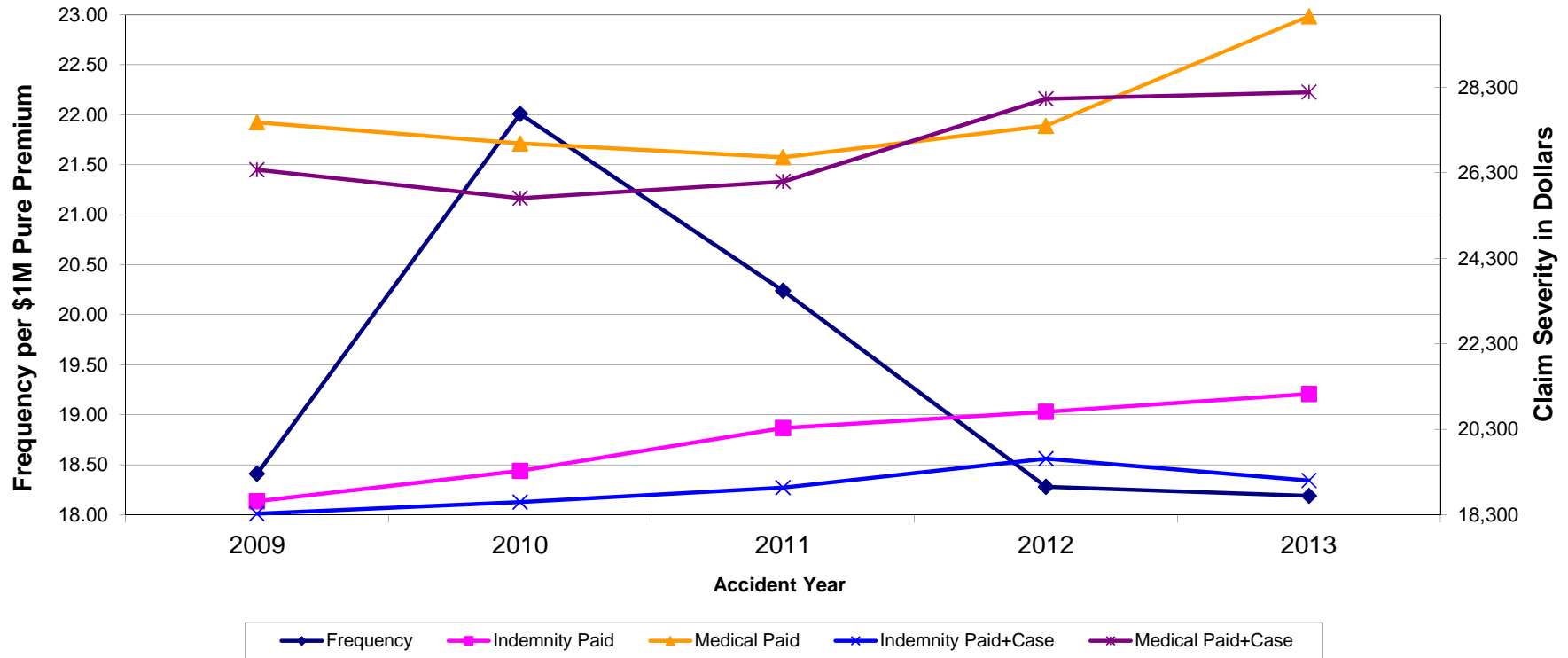
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Mississippi



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	18.41	xxx	18,618	xxx	27,486	xxx	18,324	xxx	26,372	xxx
2010a	22.01	+19.6%	19,325	+3.8%	26,991	-1.8%	18,594	+1.5%	25,711	-2.5%
2011a	20.24	-8.0%	20,327	+5.2%	26,669	-1.2%	18,937	+1.8%	26,098	+1.5%
2012	18.28	-9.7%	20,712	+1.9%	27,402	+2.7%	19,613	+3.6%	28,033	+7.4%
2013	18.19	-0.5%	21,130	+2.0%	29,967	+9.4%	19,104	-2.6%	28,190	+0.6%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

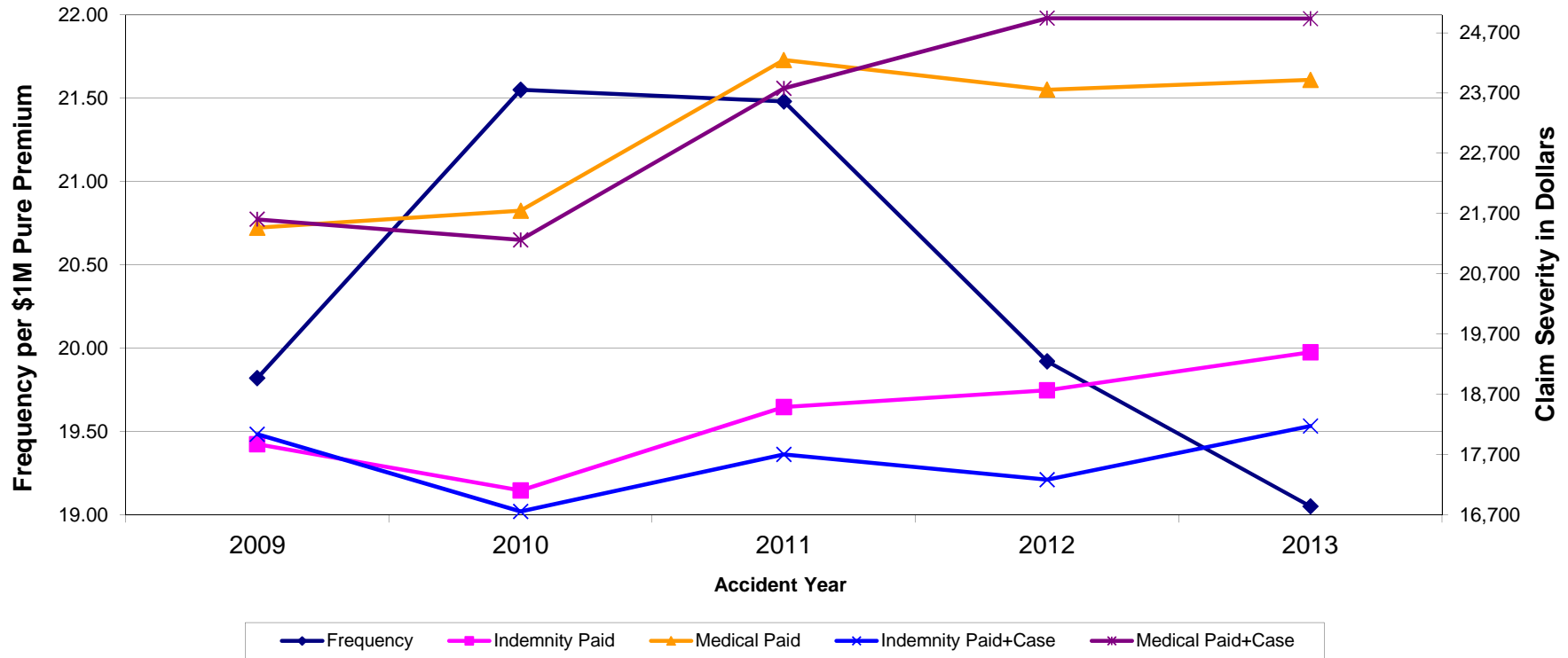
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Missouri



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	19.82	xxx	17,871	xxx	21,465	xxx	18,037	xxx	21,605	xxx
2010a	21.55	+8.7%	17,102	-4.3%	21,750	+1.3%	16,756	-7.1%	21,265	-1.6%
2011a	21.48	-0.3%	18,491	+8.1%	24,252	+11.5%	17,700	+5.6%	23,779	+11.8%
2012	19.92	-7.3%	18,766	+1.5%	23,758	-2.0%	17,284	-2.4%	24,946	+4.9%
2013	19.05	-4.4%	19,398	+3.4%	23,922	+0.7%	18,172	+5.1%	24,939	+0.0%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

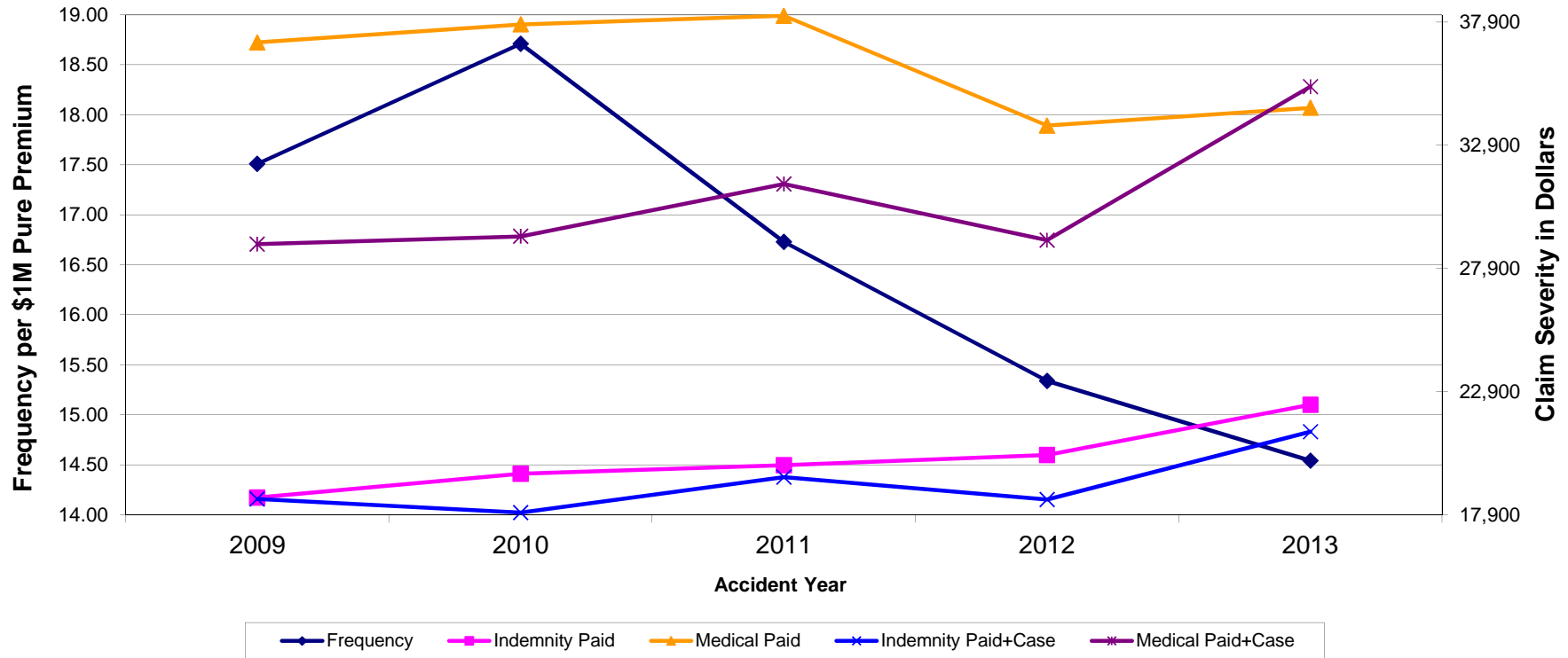
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Montana



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	17.51	xxx	18,598	xxx	37,080	xxx	18,546	xxx	28,893	xxx
2010a	18.71	+6.9%	19,564	+5.2%	37,813	+2.0%	17,985	-3.0%	29,206	+1.1%
2011a	16.73	-10.6%	19,914	+1.8%	38,162	+0.9%	19,426	+8.0%	31,329	+7.3%
2012	15.34	-8.3%	20,325	+2.1%	33,702	-11.7%	18,524	-4.6%	29,050	-7.3%
2013	14.54	-5.2%	22,369	+10.1%	34,425	+2.1%	21,272	+14.8%	35,287	+21.5%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

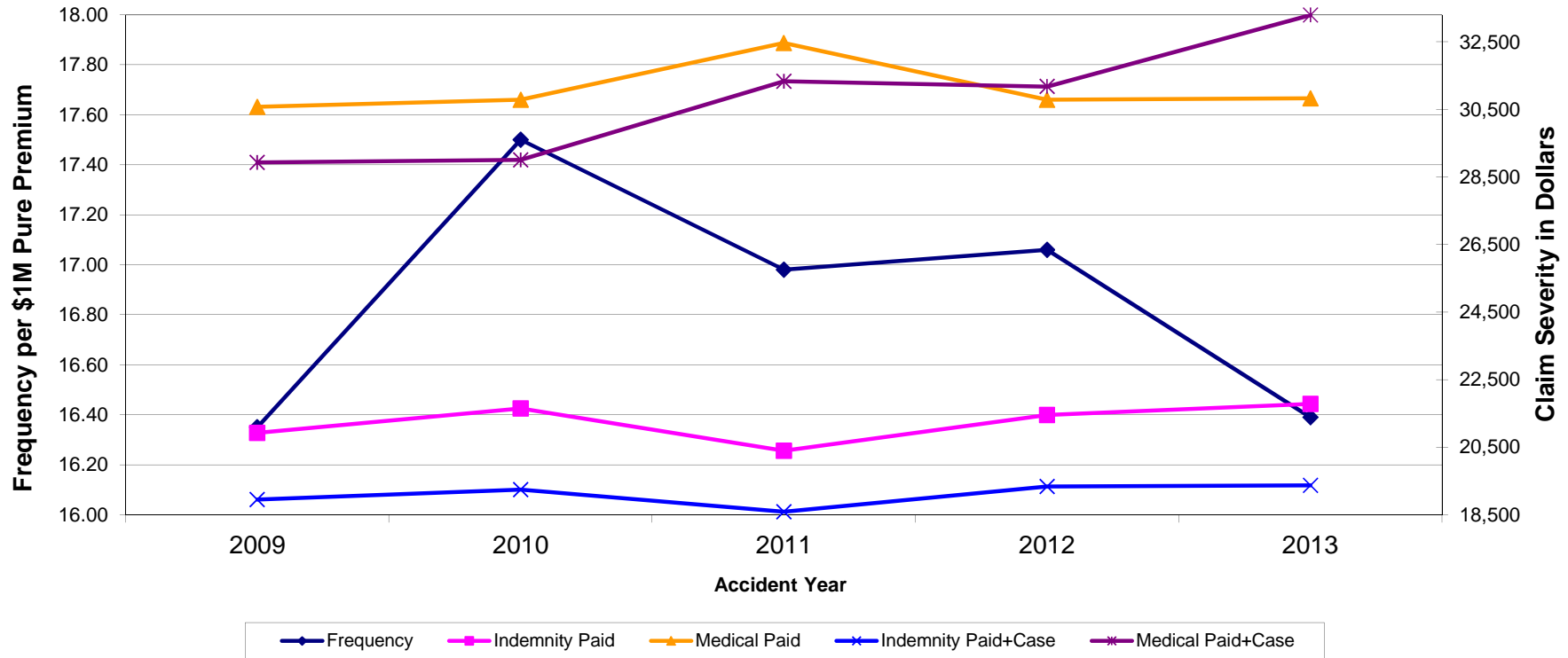
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Nebraska



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	16.35	xxx	20,926	xxx	30,580	xxx	18,949	xxx	28,933	xxx
2010a	17.50	+7.0%	21,648	+3.5%	30,789	+0.7%	19,245	+1.6%	29,006	+0.3%
2011a	16.98	-3.0%	20,396	-5.8%	32,468	+5.5%	18,589	-3.4%	31,333	+8.0%
2012	17.06	+0.5%	21,455	+5.2%	30,789	-5.2%	19,338	+4.0%	31,177	-0.5%
2013	16.39	-3.9%	21,786	+1.5%	30,828	+0.1%	19,370	+0.2%	33,295	+6.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

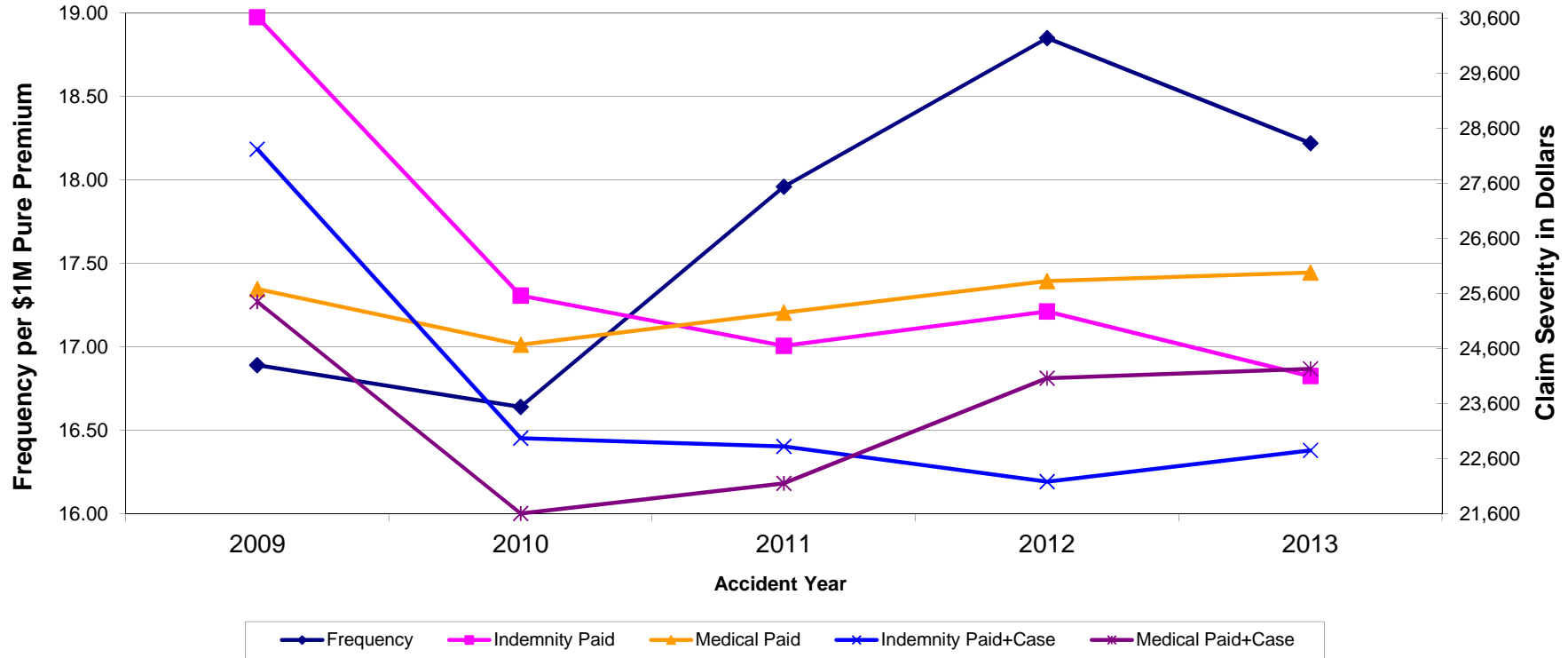
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Nevada



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	16.89	xxx	30,627	xxx	25,684	xxx	28,225	xxx	25,452	xxx
2010a	16.64	-1.5%	25,567	-16.5%	24,670	-3.9%	22,972	-18.6%	21,606	-15.1%
2011a	17.96	+7.9%	24,651	-3.6%	25,254	+2.4%	22,821	-0.7%	22,150	+2.5%
2012	18.85	+5.0%	25,274	+2.5%	25,831	+2.3%	22,181	-2.8%	24,064	+8.6%
2013	18.22	-3.3%	24,101	-4.6%	25,982	+0.6%	22,752	+2.6%	24,234	+0.7%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

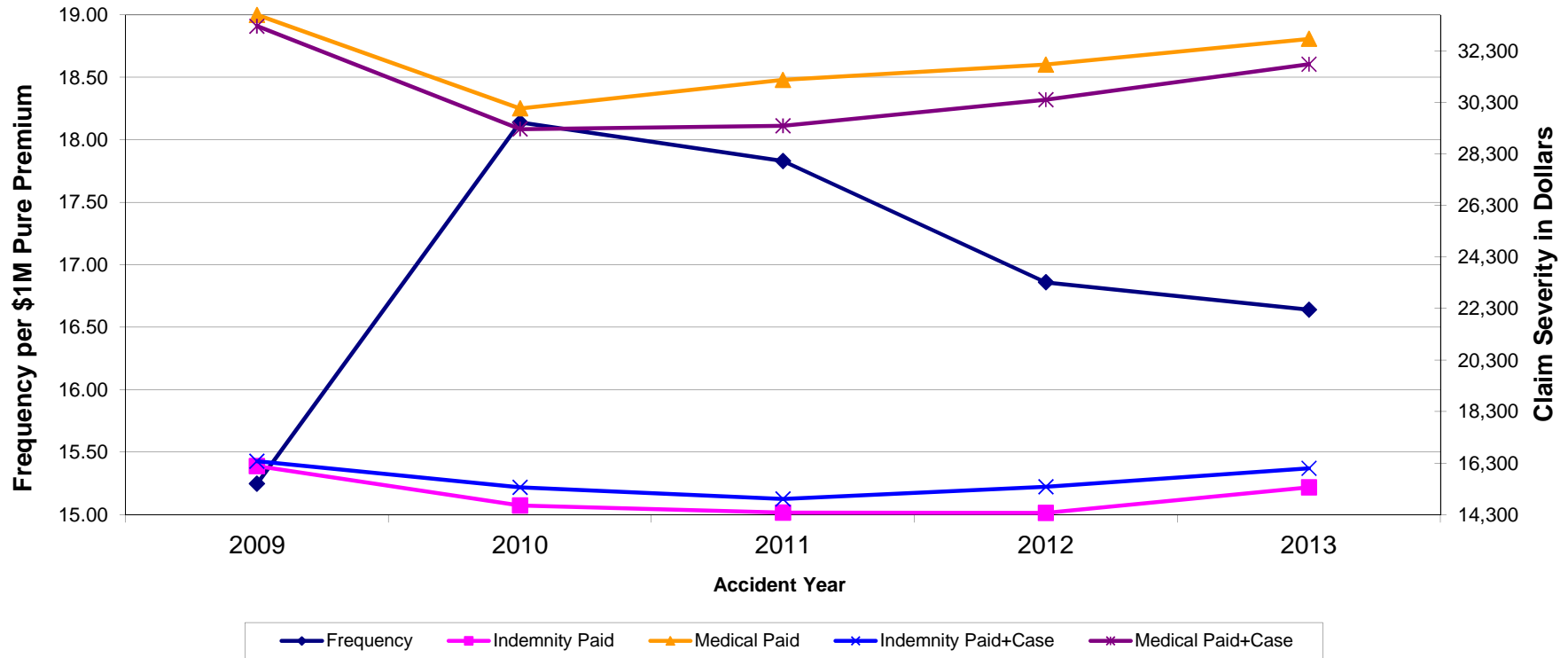
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

New Hampshire



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	15.25	xxx	16,187	xxx	33,697	xxx	16,383	xxx	33,262	xxx
2010a	18.14	+19.0%	14,664	-9.4%	30,071	-10.8%	15,364	-6.2%	29,267	-12.0%
2011a	17.83	-1.7%	14,388	-1.9%	31,177	+3.7%	14,918	-2.9%	29,395	+0.4%
2012	16.86	-5.4%	14,379	-0.1%	31,768	+1.9%	15,385	+3.1%	30,408	+3.4%
2013	16.64	-1.3%	15,369	+6.9%	32,770	+3.2%	16,104	+4.7%	31,786	+4.5%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

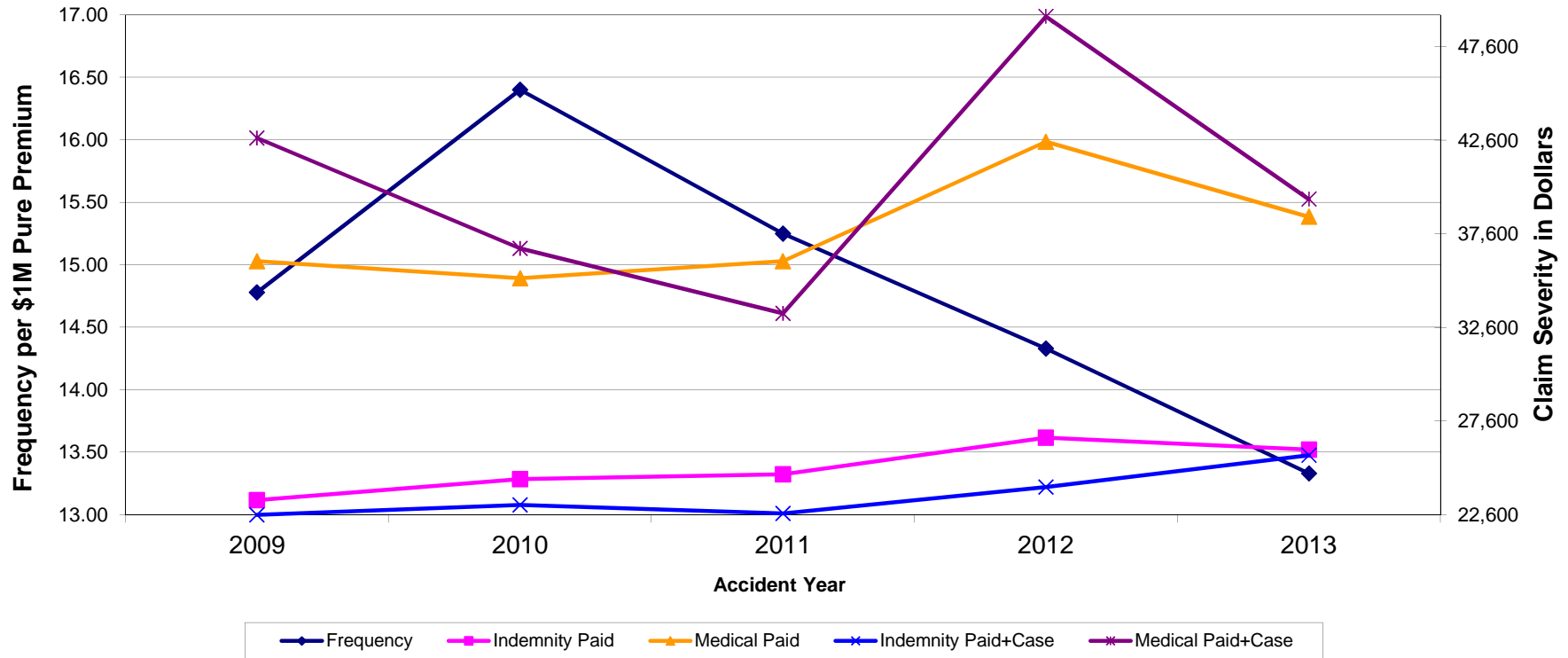
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

New Mexico



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	14.78	xxx	23,387	xxx	36,149	xxx	22,600	xxx	42,717	xxx
2010a	16.40	+11.0%	24,505	+4.8%	35,231	-2.5%	23,130	+2.3%	36,827	-13.8%
2011a	15.25	-7.0%	24,763	+1.1%	36,146	+2.6%	22,666	-2.0%	33,357	-9.4%
2012	14.33	-6.0%	26,713	+7.9%	42,523	+17.6%	24,088	+6.3%	49,214	+47.5%
2013	13.33	-7.0%	26,082	-2.4%	38,517	-9.4%	25,781	+7.0%	39,455	-19.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

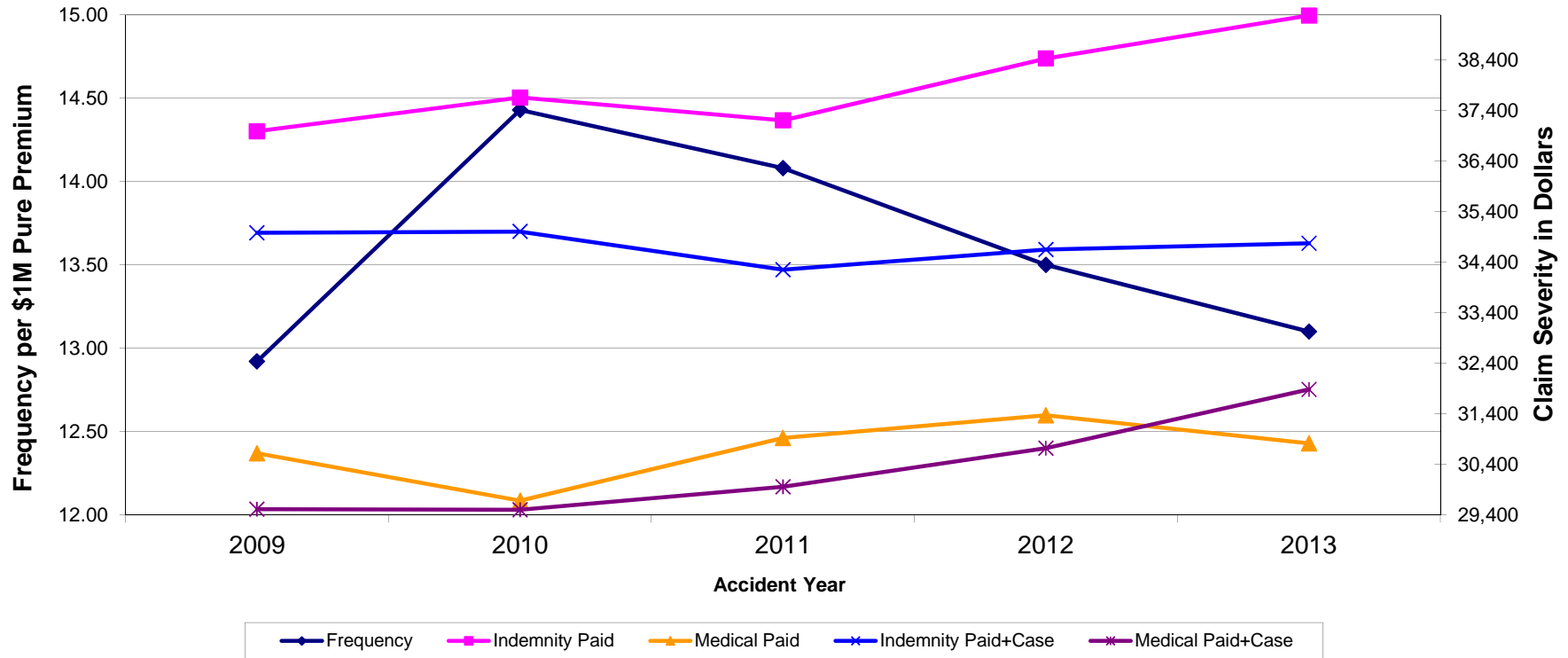
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

North Carolina



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	12.92	xxx	36,996	xxx	30,620	xxx	34,983	xxx	29,509	xxx
2010a	14.43	+11.7%	37,666	+1.8%	29,680	-3.1%	35,009	+0.1%	29,498	+0.0%
2011a	14.08	-2.4%	37,212	-1.2%	30,924	+4.2%	34,251	-2.2%	29,954	+1.5%
2012	13.50	-4.1%	38,437	+3.3%	31,373	+1.5%	34,650	+1.2%	30,717	+2.5%
2013	13.10	-3.0%	39,289	+2.2%	30,812	-1.8%	34,775	+0.4%	31,882	+3.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

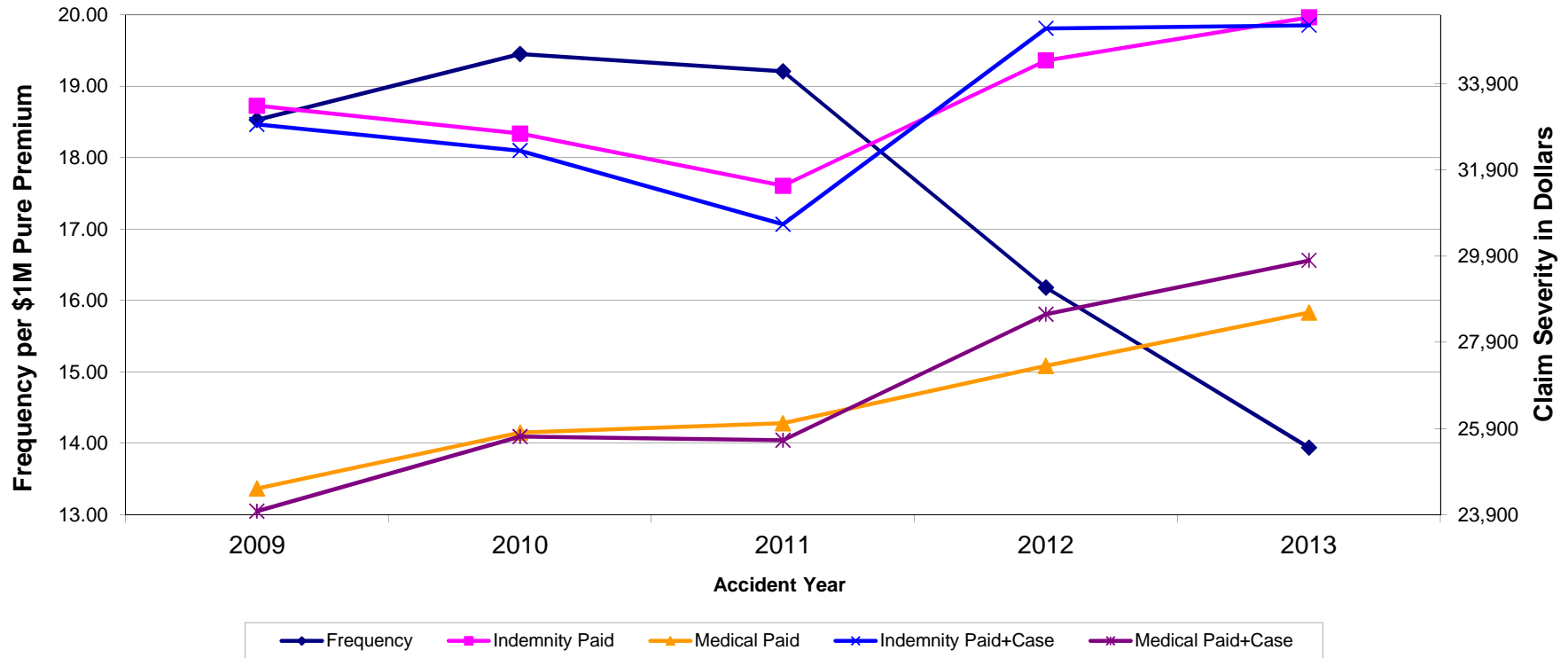
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Oklahoma



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	18.53	xxx	33,392	xxx	24,508	xxx	32,959	xxx	23,984	xxx
2010a	19.45	+5.0%	32,749	-1.9%	25,810	+5.3%	32,349	-1.9%	25,715	+7.2%
2011a	19.21	-1.2%	31,538	-3.7%	26,023	+0.8%	30,638	-5.3%	25,632	-0.3%
2012	16.18	-15.8%	34,442	+9.2%	27,352	+5.1%	35,186	+14.8%	28,556	+11.4%
2013	13.94	-13.8%	35,444	+2.9%	28,595	+4.5%	35,260	+0.2%	29,801	+4.4%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

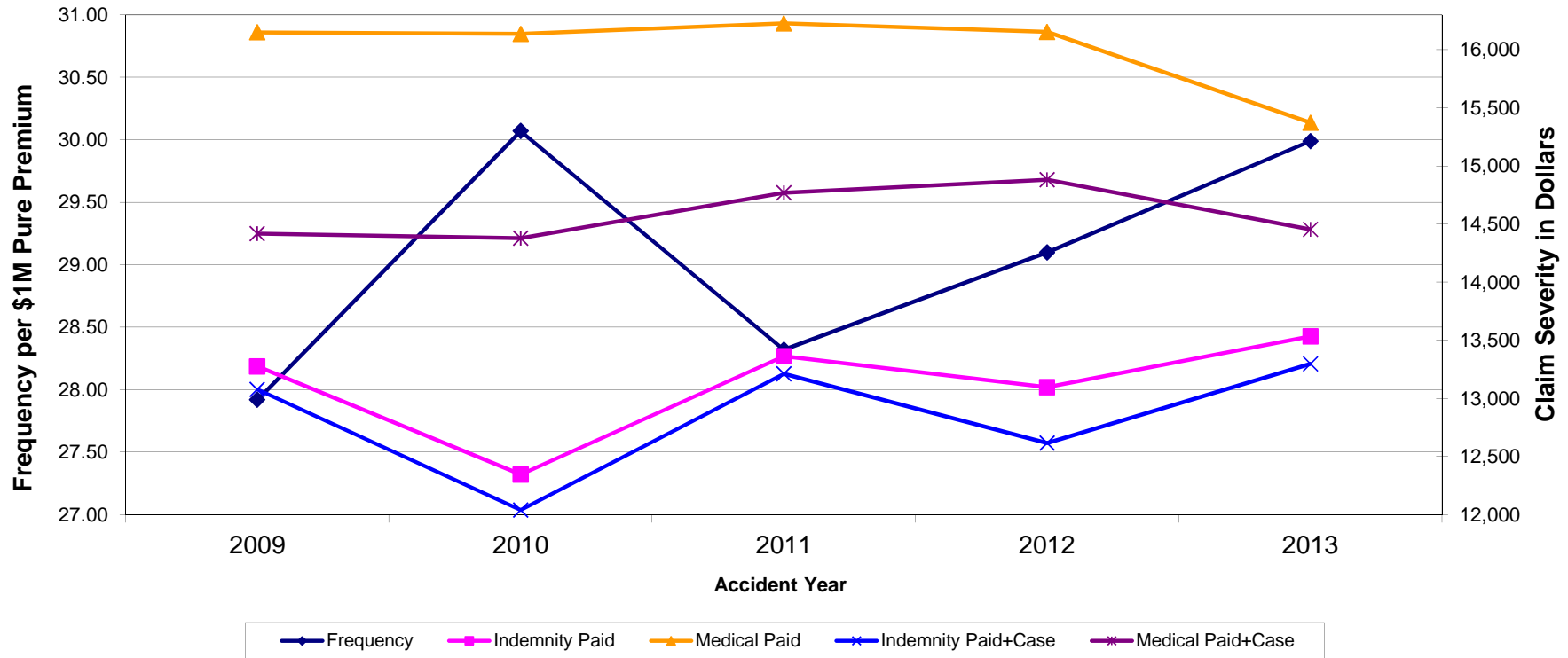
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Oregon



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	27.92	xxx	13,275	xxx	16,150	xxx	13,077	xxx	14,417	xxx
2010a	30.07	+7.7%	12,347	-7.0%	16,137	-0.1%	12,041	-7.9%	14,379	-0.3%
2011a	28.32	-5.8%	13,363	+8.2%	16,226	+0.6%	13,212	+9.7%	14,770	+2.7%
2012	29.10	+2.8%	13,098	-2.0%	16,154	-0.4%	12,618	-4.5%	14,881	+0.8%
2013	29.99	+3.1%	13,534	+3.3%	15,372	-4.8%	13,297	+5.4%	14,454	-2.9%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

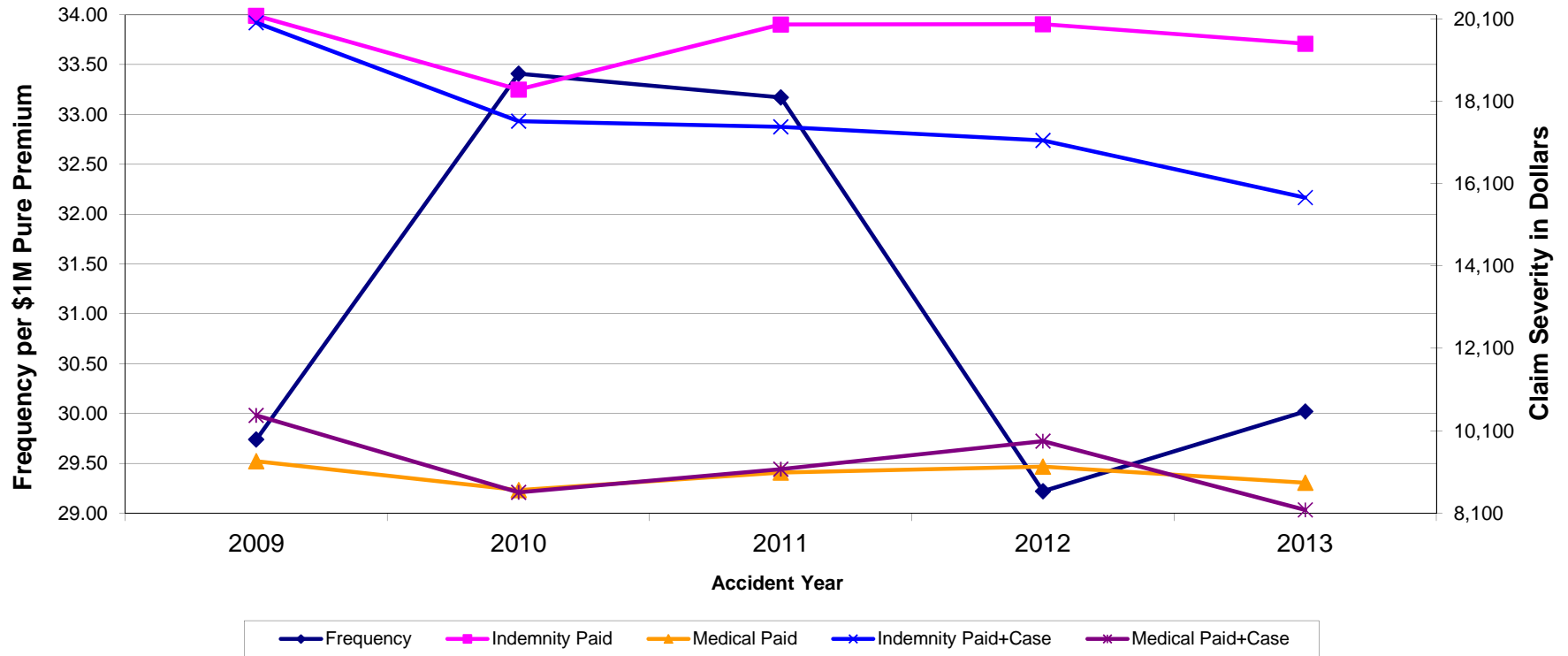
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Rhode Island



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	29.74	xxx	20,178	xxx	9,362	xxx	20,006	xxx	10,477	xxx
2010a	33.41	+12.3%	18,388	-8.9%	8,663	-7.5%	17,619	-11.9%	8,609	-17.8%
2011a	33.17	-0.7%	19,966	+8.6%	9,086	+4.9%	17,480	-0.8%	9,171	+6.5%
2012	29.22	-11.9%	19,973	+0.0%	9,232	+1.6%	17,149	-1.9%	9,846	+7.4%
2013	30.02	+2.7%	19,497	-2.4%	8,843	-4.2%	15,762	-8.1%	8,179	-16.9%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

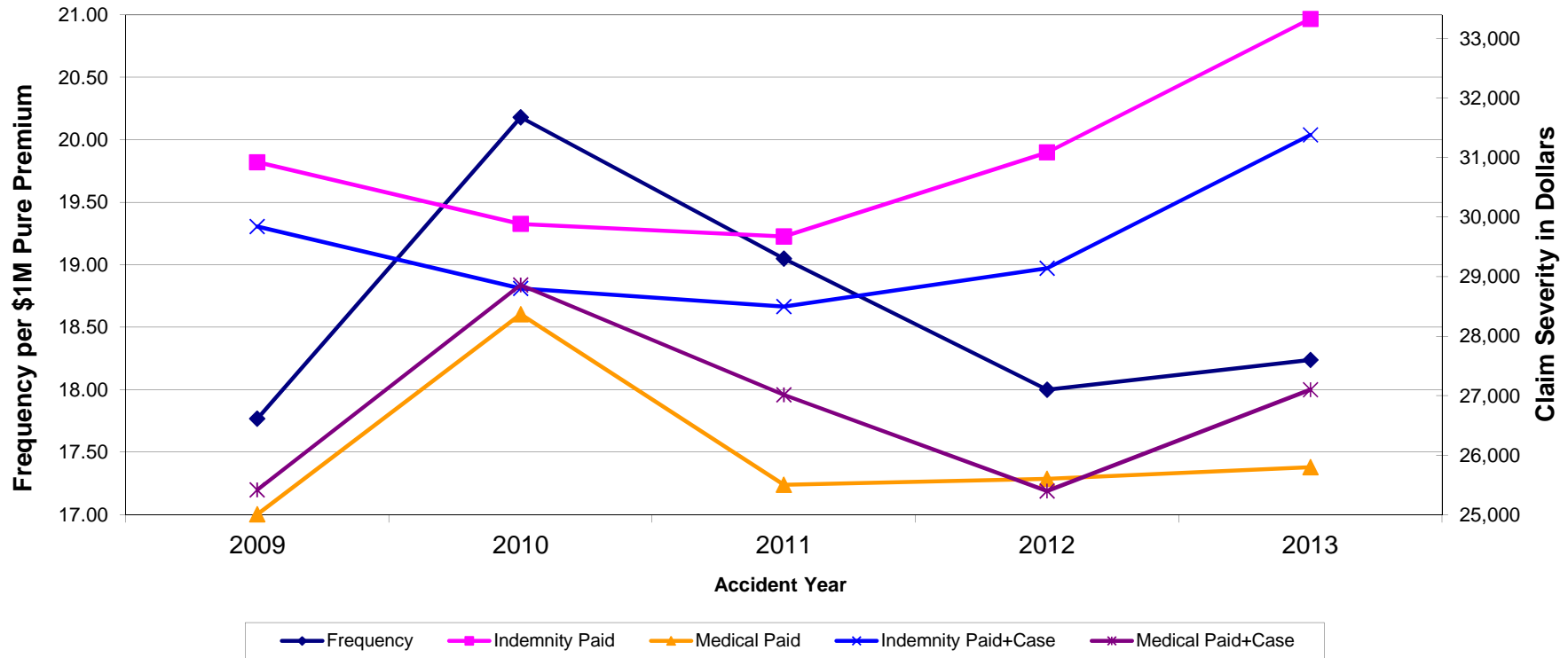
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

South Carolina



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	17.77	xxx	30,925	xxx	25,009	xxx	29,843	xxx	25,420	xxx
2010a	20.18	+13.6%	29,888	-3.4%	28,368	+13.4%	28,803	-3.5%	28,861	+13.5%
2011a	19.05	-5.6%	29,674	-0.7%	25,505	-10.1%	28,500	-1.1%	27,015	-6.4%
2012	18.00	-5.5%	31,090	+4.8%	25,605	+0.4%	29,142	+2.3%	25,400	-6.0%
2013	18.24	+1.3%	33,333	+7.2%	25,798	+0.8%	31,384	+7.7%	27,100	+6.7%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

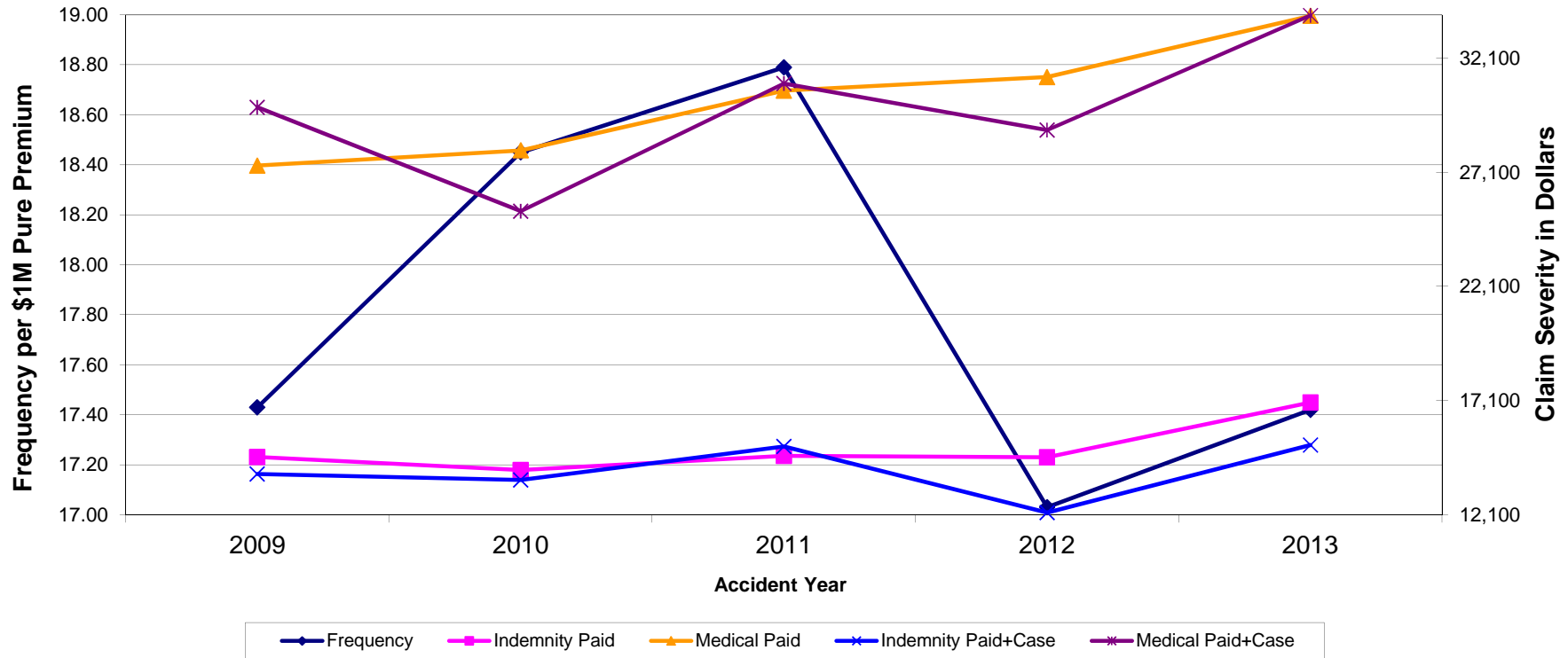
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

South Dakota



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	17.43	xxx	14,632	xxx	27,398	xxx	13,886	xxx	29,947	xxx
2010a	18.45	+5.9%	14,059	-3.9%	28,062	+2.4%	13,628	-1.9%	25,400	-15.2%
2011a	18.79	+1.8%	14,688	+4.5%	30,680	+9.3%	15,093	+10.7%	30,991	+22.0%
2012	17.03	-9.4%	14,619	-0.5%	31,273	+1.9%	12,193	-19.2%	28,948	-6.6%
2013	17.42	+2.3%	17,021	+16.4%	33,956	+8.6%	15,154	+24.3%	33,973	+17.4%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

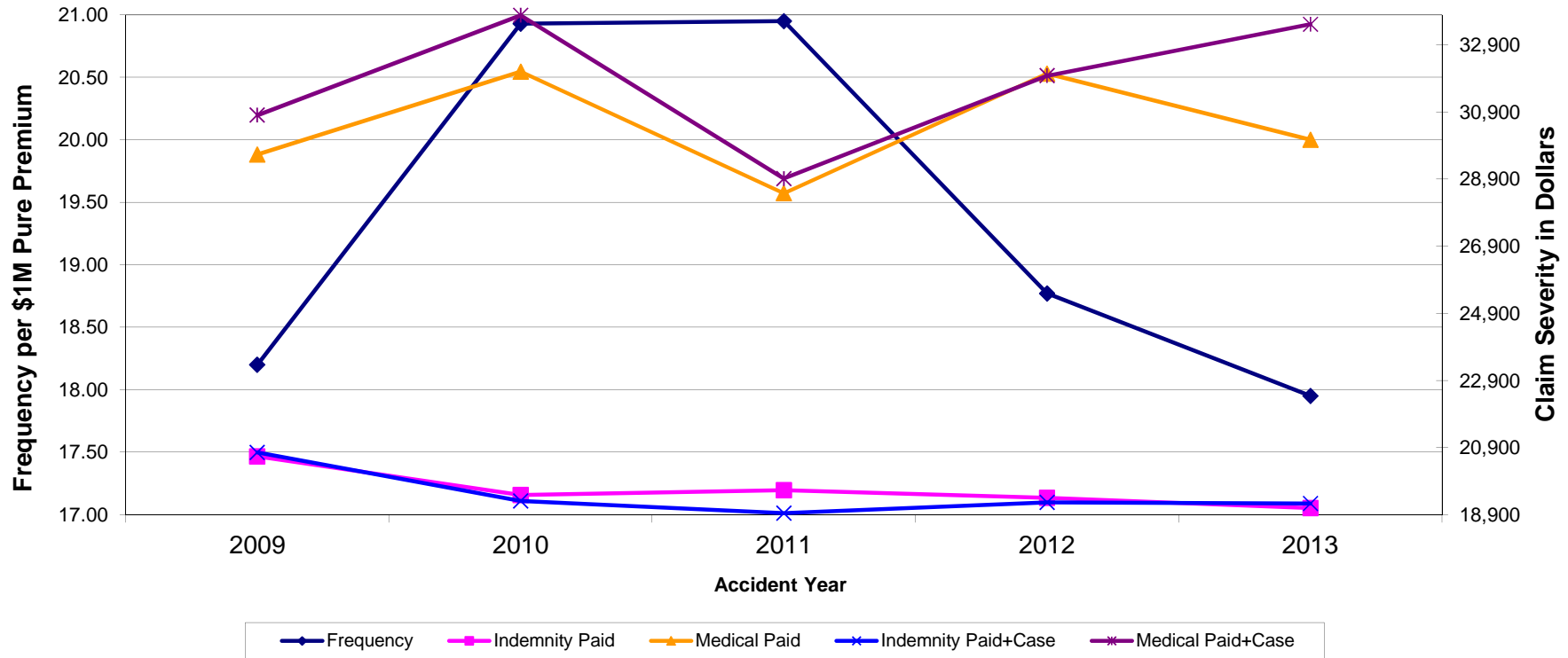
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Tennessee



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	18.20	xxx	20,640	xxx	29,637	xxx	20,758	xxx	30,810	xxx
2010a	20.93	+15.0%	19,488	-5.6%	32,108	+8.3%	19,312	-7.0%	33,786	+9.7%
2011a	20.95	+0.1%	19,630	+0.7%	28,484	-11.3%	18,951	-1.9%	28,919	-14.4%
2012	18.77	-10.4%	19,408	-1.1%	32,051	+12.5%	19,269	+1.7%	31,986	+10.6%
2013	17.95	-4.4%	19,097	-1.6%	30,078	-6.2%	19,236	-0.2%	33,523	+4.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

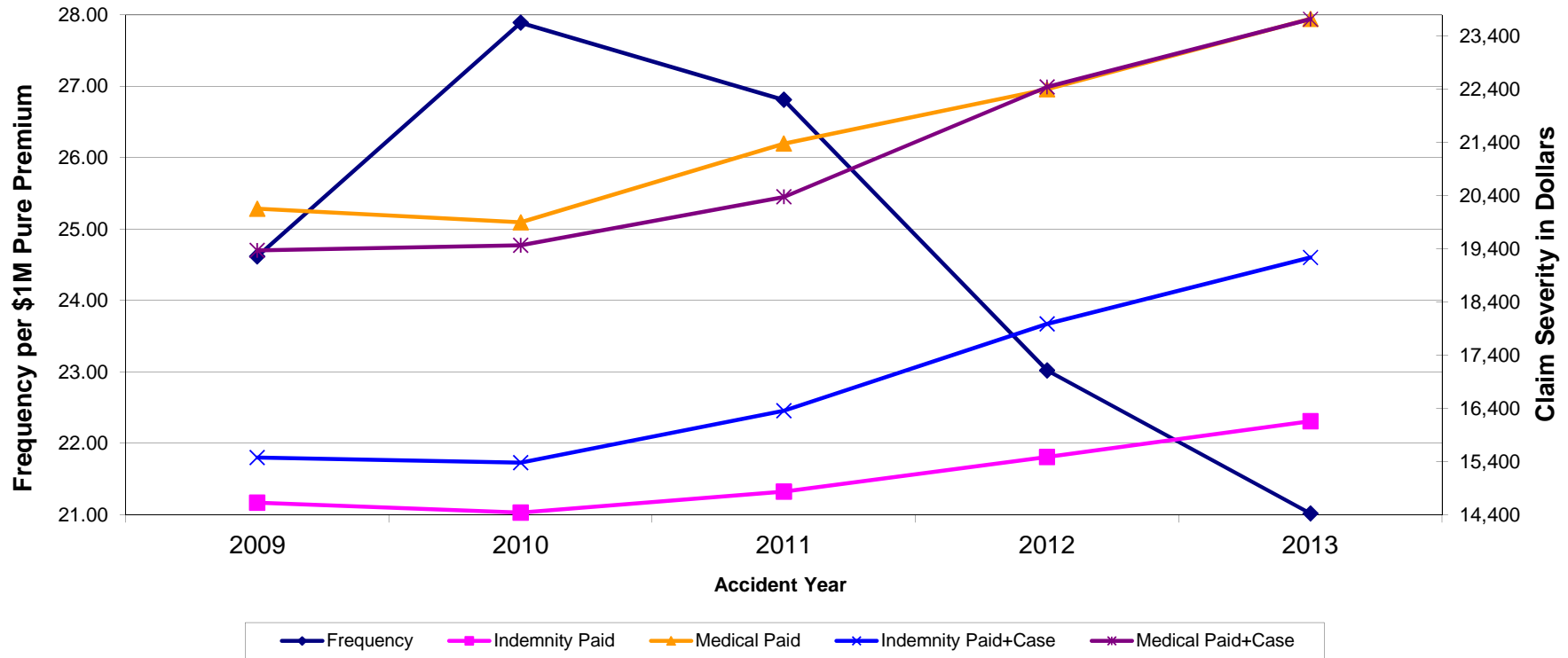
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Texas



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	24.62	xxx	14,628	xxx	20,155	xxx	15,478	xxx	19,372	xxx
2010a	27.89	+13.3%	14,442	-1.3%	19,901	-1.3%	15,379	-0.6%	19,466	+0.5%
2011a	26.81	-3.9%	14,838	+2.7%	21,380	+7.4%	16,357	+6.4%	20,377	+4.7%
2012	23.02	-14.1%	15,485	+4.4%	22,401	+4.8%	17,988	+10.0%	22,443	+10.1%
2013	21.02	-8.7%	16,159	+4.4%	23,723	+5.9%	19,240	+7.0%	23,721	+5.7%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

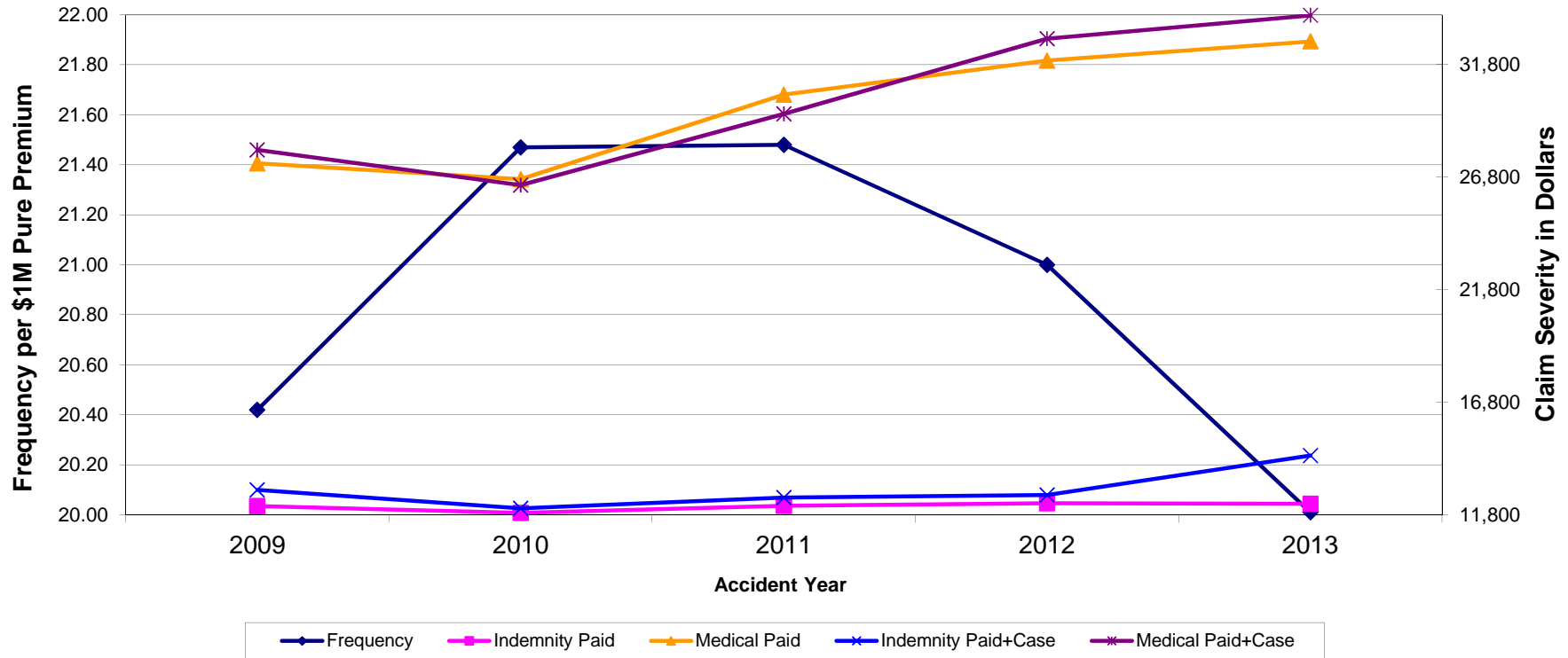
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Utah



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	20.42	xxx	12,192	xxx	27,404	xxx	12,907	xxx	27,996	xxx
2010a	21.47	+5.1%	11,879	-2.6%	26,702	-2.6%	12,082	-6.4%	26,439	-5.6%
2011a	21.48	+0.0%	12,202	+2.7%	30,457	+14.1%	12,560	+4.0%	29,600	+12.0%
2012	21.00	-2.2%	12,314	+0.9%	31,971	+5.0%	12,682	+1.0%	32,942	+11.3%
2013	20.01	-4.7%	12,282	-0.3%	32,821	+2.7%	14,434	+13.8%	33,979	+3.1%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

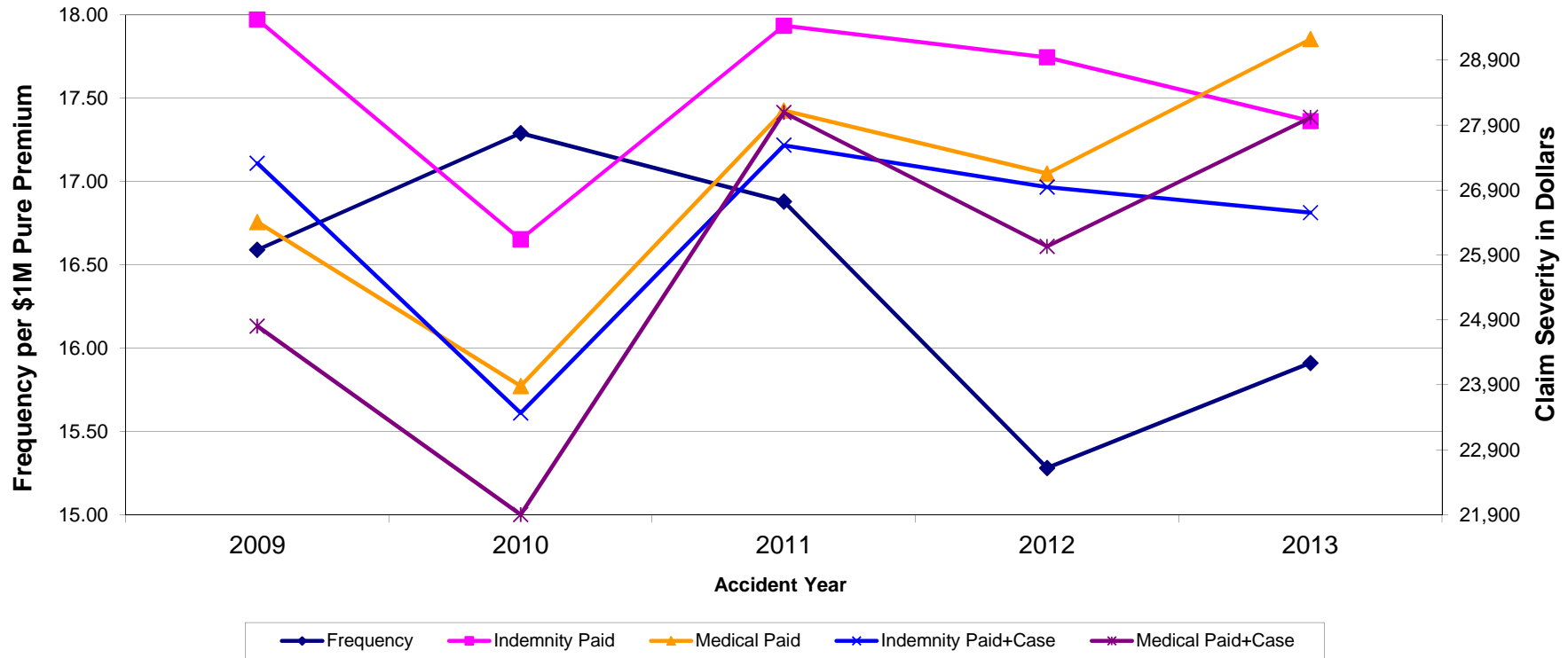
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Vermont



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
			Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
2009a	16.59	xxx	29,530	xxx	26,410	xxx	27,313	xxx	24,806	xxx
2010a	17.29	+4.2%	26,141	-11.5%	23,883	-9.6%	23,469	-14.1%	21,904	-11.7%
2011a	16.88	-2.4%	29,432	+12.6%	28,126	+17.8%	27,591	+17.6%	28,096	+28.3%
2012	15.28	-9.5%	28,946	-1.7%	27,158	-3.4%	26,948	-2.3%	26,035	-7.3%
2013	15.91	+4.1%	27,965	-3.4%	29,226	+7.6%	26,552	-1.5%	28,020	+7.6%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

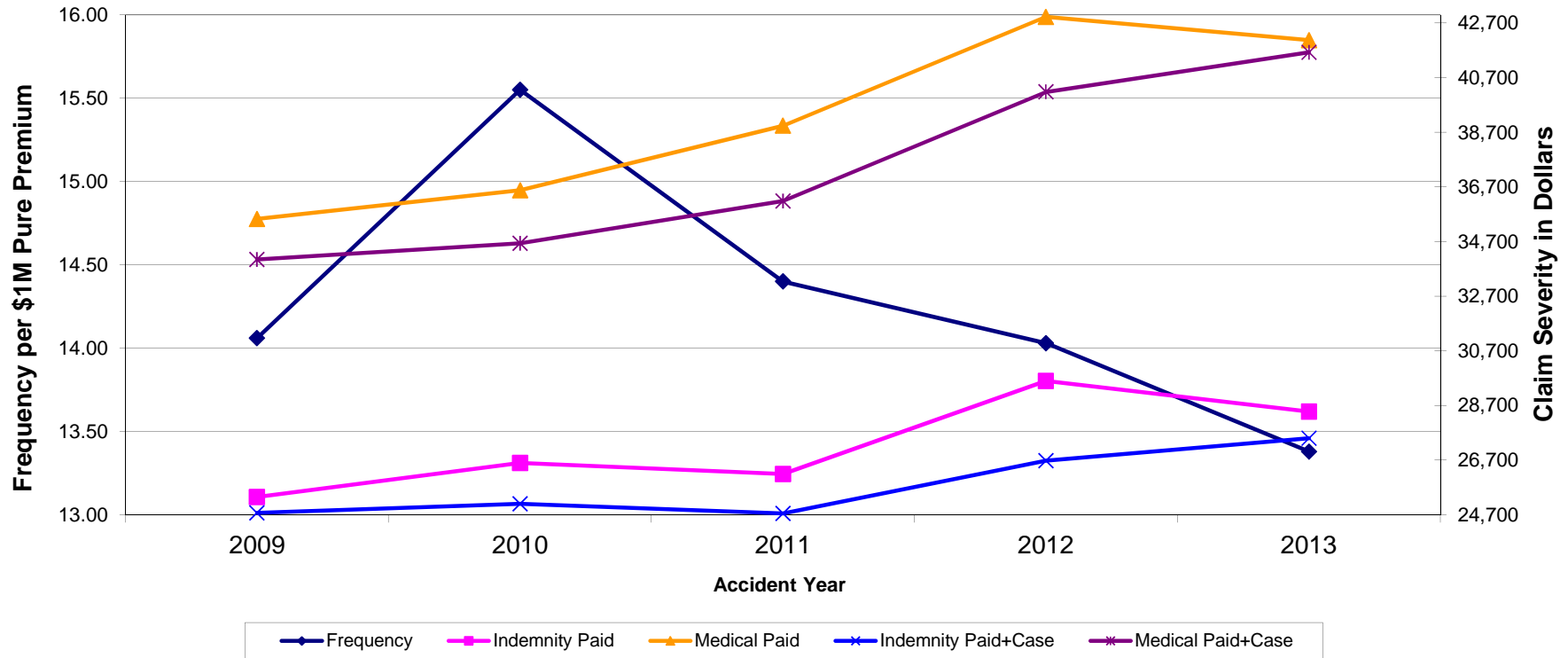
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

Virginia



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	14.06	xxx	25,351	xxx	35,528	xxx	24,768	xxx	34,045	xxx
2010a	15.55	+10.6%	26,600	+4.9%	36,580	+3.0%	25,099	+1.3%	34,635	+1.7%
2011a	14.40	-7.4%	26,195	-1.5%	38,944	+6.5%	24,747	-1.4%	36,185	+4.5%
2012	14.03	-2.6%	29,599	+13.0%	42,924	+10.2%	26,679	+7.8%	40,179	+11.0%
2013	13.38	-4.6%	28,483	-3.8%	42,073	-2.0%	27,500	+3.1%	41,631	+3.6%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

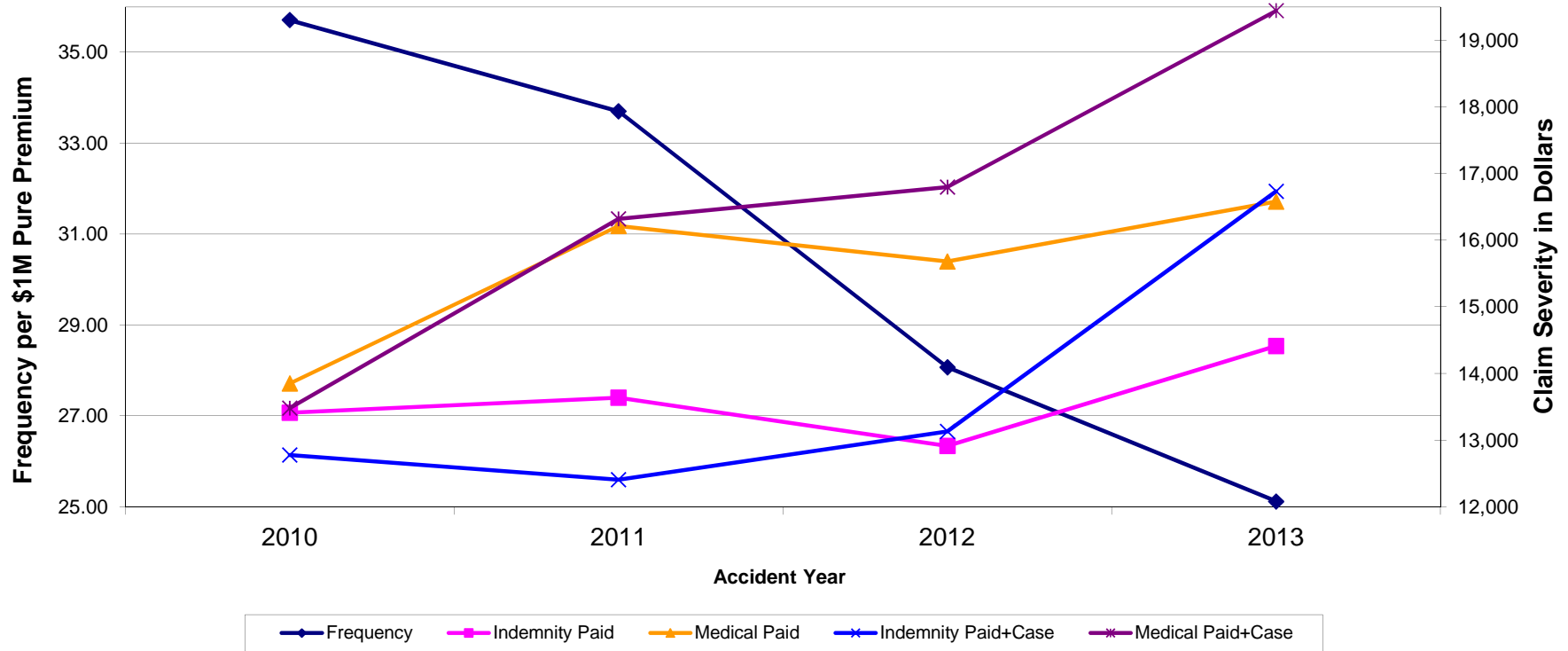
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

West Virginia



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	n/a	xxx	n/a	xxx	n/a	xxx	n/a	xxx	n/a	xxx
2010a	35.71	xxx	13,411	xxx	13,849	xxx	12,779	xxx	13,481	xxx
2011a	33.70	-5.6%	13,636	+1.7%	16,214	+17.1%	12,408	-2.9%	16,320	+21.1%
2012	28.07	-16.7%	12,915	-5.3%	15,682	-3.3%	13,133	+5.8%	16,796	+2.9%
2013	25.12	-10.5%	14,412	+11.6%	16,579	+5.7%	16,732	+27.4%	19,442	+15.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

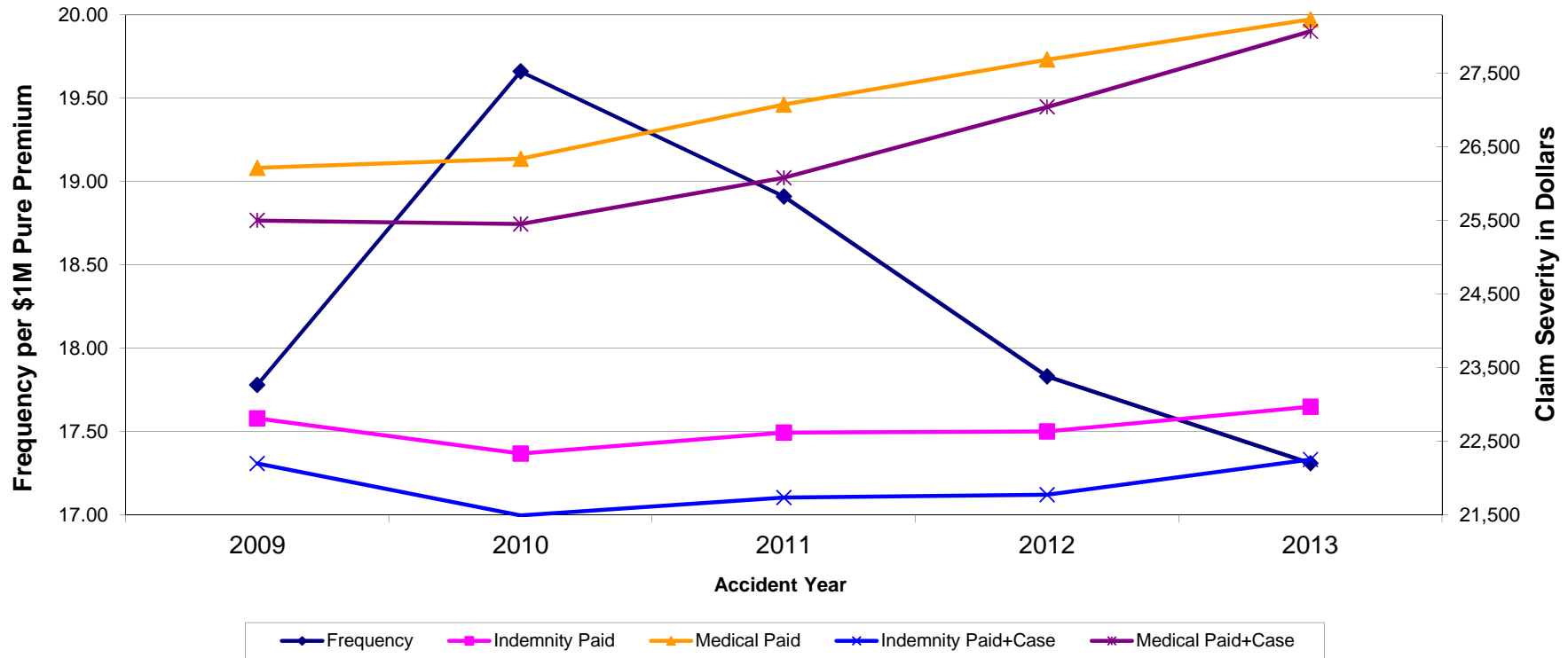
Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

a. No adjustment has been made for recessionary factors that may understate pure premium.

Accident Year Frequency and Severity by State Data Valued as of 12/31/2013

All NCCI States *



Calendar-Accident Year	Frequency per \$1M Pure Premium		Paid Development to Ultimate				Paid+Case Development to Ultimate			
	Value	Change	Indemnity Losses		Medical Losses		Indemnity Losses		Medical Losses	
			Value	Change	Value	Change	Value	Change	Value	Change
2009a	17.78	xxx	22,811	xxx	26,220	xxx	22,198	xxx	25,503	xxx
2010a	19.66	+10.6%	22,331	-2.1%	26,343	+0.5%	21,492	-3.2%	25,456	-0.2%
2011a	18.91	-3.8%	22,620	+1.3%	27,081	+2.8%	21,736	+1.1%	26,083	+2.5%
2012	17.83	-5.7%	22,635	+0.1%	27,692	+2.3%	21,772	+0.2%	27,047	+3.7%
2013	17.31	-2.9%	22,971	+1.5%	28,239	+2.0%	22,252	+2.2%	28,077	+3.8%

Source: NCCI Financial Data Valued as of 12/31/2013

Losses and claim counts are developed to ultimate. Losses are at historical benefit levels and historical inflation levels.

Premium is converted to pure premium for frequency.

Medical-only claim counts and losses are excluded.

* Includes: AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, NC, OK, OR, RI, SC, SD, TN, TX, UT, VT, and VA

a. No adjustment has been made for recessionary factors that may understate pure premium.



Appendix E

Development Methodology by State Underlying Countrywide Selections

Methodology Key

For the purposes of this document, the development methodology refers to the basis of losses that are then developed to ultimate.

Paid to an Nth— Paid losses are used as the experience base from 1st through Nth. The paid losses are then developed to an ultimate report.

Paid+Case to an Nth— The sum of paid losses and case reserves are used as the experience base from 1st through Nth report. The sum of paid losses and case reserves is then developed to ultimate.

Paid to an Mth and Paid+Case to Nth— Paid losses are used as the experience base from 1st through Mth report. The paid losses are then developed to an ultimate report. The sum of paid losses and case reserves are used as the experience base from (M+1)th through Nth. The sum of paid losses and case reserves is then developed to ultimate.



Appendix E (continued)

Development Methodology by State Underlying Countrywide Selections

STATE	METHOD
Alabama	Weighted Average: 25% Paid and 75% Paid+Case to a 19th
Alaska	Paid+Case to a 19th
Arizona	Paid to a 19th
Arkansas	Paid+Case to a 19th
Colorado	Paid+Case to a 19th
Connecticut	Average of Paid and Paid+Case to a 19th
District of Columbia	Paid+Case to a 19th
Florida	Average of Paid and Paid+Case to a 19th
Georgia	Average of Paid and Paid+Case to a 19th
Hawaii	Average of Paid and Paid+Case to a 19th
Idaho	Paid to a 19th
Illinois	Average of Paid and Paid+Case to a 19th
Indiana	Average of Paid and Paid+Case to a 19th
Iowa	Average of Paid and Paid+Case to a 19th
Kansas	Average of Paid and Paid+Case to a 19th
Kentucky	Average of Paid and Paid+Case to a 19th
Louisiana	Paid to a 19th
Maine	Paid to a 19th
Maryland	Average of Paid and Paid+Case to a 19th
Mississippi	Average of Paid and Paid+Case to a 19th
Missouri	Average of Paid and Paid+Case to a 19th
Montana	Paid to a 19th
Nebraska	Average of Paid and Paid+Case to a 19th
Nevada	Paid to a 12th
New Hampshire	Average of Paid and Paid+Case to a 19th
New Mexico	Average of Paid and Paid+Case to a 19th
North Carolina	Average of Paid and Paid+Case to a 19th
Oklahoma	Average of Paid and Paid+Case to a 19th for private carriers, Paid to a 19th for the state fund
Oregon	Paid to a 19th
Rhode Island	Paid to a 19th
South Carolina	Average of Paid and Paid+Case to a 19th
South Dakota	Paid+Case to a 19th
Tennessee	Paid+Case to a 19th
Texas	Average of Paid and Paid+Case to a 14th
Utah	Paid to a 19th
Vermont	Average of Paid and Paid+Case to a 19th
Virginia	Paid+Case to a 19 th
West Virginia	Average of Paid and Paid+Case to a 10th



Appendix F

Percentage of Medical Losses for Lost-Time Claims

The data source for this analysis is the Calendar-Accident Year Financial Call which includes the number of lost-time claims but not the number of medical only claims. The medical losses reported include medical only claims. There is a mismatch between the claim counts and losses used in the medical severity calculation unless an adjustment is made. We use the latest available statistical plan data to estimate the portion of medical losses that arise from lost-time claims. We apply this share to the total medical losses to calculate the medical losses used in the medical severity.

The average share of medical losses arising from lost-time claims used in this analysis is listed below.

Accident Year	Lost-Time Share of Total Medical Losses at Ultimate
2009	0.884
2010	0.877
2011	0.875
2012	0.874
2013	0.873