

DirigoChoice Loss Ratio Report

Claims Incurred 200801 Through 201009, Paid Through 201009

Individuals								
Incurred Month	Subscriber Months	Member Months	Premium Billed	Uncompleted Medical Claims	Completed Medical Claims	Pharmacy Claims	Total Completed Claims	Loss Ratio
01/01/08 - 09/30/10	105,066	146,651	\$ 85,002,986	\$ 57,348,556	\$ 60,330,826	\$ 14,109,603	\$ 74,440,429	87.6%

Sole Proprietors								
Incurred Months	Subscriber Months	Member Months	Premium Billed	Uncompleted Medical Claims	Completed Medical Claims	Pharmacy Claims	Total Completed Claims	Loss Ratio
01/01/08 - 09/30/10	46,502	89,932	\$ 45,933,963	\$ 27,509,169	\$ 28,944,253	\$ 7,028,938	\$ 35,973,190	78.3%

Small Groups								
Incurred Months	Subscriber Months	Member Months	Premium Billed	Uncompleted Medical Claims	Completed Medical Claims	Pharmacy Claims	Total Completed Claims	Loss Ratio
01/01/08 - 09/30/10	50,402	87,002	\$ 32,333,016	\$ 20,816,601	\$ 21,904,298	\$ 5,419,308	\$ 27,323,605	84.5%

Total								
Incurred Months	Subscriber Months	Member Months	Premium Billed	Uncompleted Medical Claims	Completed Medical Claims	Pharmacy Claims	Total Completed Claims	Loss Ratio
01/01/08 - 09/30/10	201,970	323,585	\$ 163,269,966	\$ 105,674,326	\$ 111,179,377	\$ 26,557,848	\$ 137,737,225	84.4%

Notes:

- Subscriber Months refers to the sum over the thirty-three months January 08 through September 10. The same holds for Member Months.
- The Premium Billed represents the total of billed premium for the months January 08 through September 10. The reported number excludes membership fees.
- Uncompleted Medical Claims refers to the dollar value of all claims paid as of 09/30/10 for the incurral period January 1, 2008 through September 30, 2010.
- Completed Medical Claims represents HPHC's best estimate of the eventual total cost of services incurred during this time period, after a sufficient time for the "run-out" of claims.
- The completion factor is based on HPHC's experience with its fully insured PPO planwide book of business. Lag factors based on the DirigoChoice experience will be estimated when additional months of Dirigo experience emerge.
- The Pharmacy Claims are complete as reported as there is no lag between prescription fill date and date of submission.
- Total Completed Claims is the sum of Completed Medical Claims plus Pharmacy Claims.