

Exhibit K

Exhibit A
Energy & Commerce Committee Exhibit
ACA Rating Impact on Males, Ages 21 & 60
28-Mar-13

| | Footnote | Male, Age 21 | | Male, Age 60 | |
|--|----------|--------------|-----------|--------------|-----------|
| | | % Impact | \$ Impact | % Impact | \$ Impact |
| Sample Plans Avg Monthly Premium (February 2013 Rate) | (1) | | \$182 | | \$569 |
| <u>Increases Due To:</u> | | | | | |
| Medical Cost Trend | | 8.5% | \$15 | 8.5% | \$48 |
| Guaranteed Issue Impact | (2) | 0.0% | \$0 | 0.0% | \$0 |
| Age Rating | (3) | 1.5% | \$3 | -12.0% | (\$68) |
| Taxes & Fees | (4) | 5.5% | \$10 | 5.5% | \$31 |
| Pre-existing Conditions | (5) | 5.0% | \$9 | 5.0% | \$28 |
| Miscellaneous Mandates | (6) | 1.5% | \$3 | 1.5% | \$9 |
| Single Risk Pool | (7) | 14.0% | \$25 | 14.0% | \$80 |
| Sub-total | | 36.0% | \$65 | 21.4% | \$128 |
| <u>Reduction Due To:</u> | | | | | |
| Benefit Change | (8) | -5.0% | (\$9) | -5.0% | (\$28) |
| Reinsurance | (9) | -11.5% | (\$21) | -11.5% | (\$65) |
| Sub-total | | -16.5% | (\$30) | -16.3% | (\$93) |
| Adjusted Premium | (10) | +19% | \$217 | +6% | \$604 |

Footnotes:

- (1) From our most popular plans: "Basic & Essential (B&E)" and "B&E Plus"
- (2) [REDACTED] is a guaranteed Issue state; no impact on rate
- (3) Change from 3.5:1 state age/sex scale to 3:1 ACA age only scale; [REDACTED] also allows gender rating factor
- (4) Insurer Tax and Reinsurance Assessment
- (5) Eliminate Pre-Ex Condition Limitation
- (6) Include 90-day grace period on Rx, free oral contraceptives on religious groups, Sickle Cell Anemia and other mandates
- (7) Reflects average morbidity of all products combined
- (8) Move to a Bronze plan with 60% Actuarial Value and include EHB requirements
- (9) Risk mitigation from transitional reinsurance
- (10) Reflects our best estimates on the above adjustment factors at this time. These factors will be refined as more experience data becomes available. In addition, further adjustments are also necessary to reflect different morbidity levels on expected Exchange population, including uninsured, high risk pool, Medicaid transfers and current insureds under an employers' plan.

