

SERFF Tracking Number: PHYS-127646369 State: Tennessee
 Filing Company: Physicians Mutual Insurance Company State Tracking Number: H-111296
 Company Tracking Number:
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005A Individual - Preferred Provider (PPO)
 Product Name: 2012 P280 Rate Increase Filing
 Project Name/Number: /

Filing at a Glance

Company: Physicians Mutual Insurance Company

Product Name: 2012 P280 Rate Increase Filing SERFF Tr Num: PHYS-127646369 State: Tennessee
 TOI: H16I Individual Health - Major Medical SERFF Status: Assigned State Tr Num: H-111296
 Sub-TOI: H16I.005A Individual - Preferred Co Tr Num: State Status: Assigned - Pending Review
 Provider (PPO)
 Filing Type: Rate Reviewer(s): Vicky Stotzer, Brian Hoffmeister, Carole Templeton
 Authors: Richie Hinman, Debbie Thielen Disposition Date:
 Date Submitted: 09/27/2011 Disposition Status:
 Implementation Date Requested: 02/01/2012 Implementation Date:

State Filing Description:

GF MM rates

P281

19% increase in grandfathered maj med rates

General Information

Project Name: Status of Filing in Domicile: Not Filed
 Project Number: Date Approved in Domicile:
 Requested Filing Mode: Review & Approval Domicile Status Comments:
 Explanation for Combination/Other: Market Type: Individual
 Submission Type: New Submission Individual Market Type: Individual
 Overall Rate Impact: 19% Filing Status Changed: 09/28/2011
 State Status Changed: 09/28/2011
 Deemer Date: Created By: Debbie Thielen
 Submitted By: Debbie Thielen Corresponding Filing Tracking Number:
 PPACA: Grandfathered Immed Mkt Reforms
 PPACA Notes: null
 Filing Description:
 Rate Increase Filing for Policy P281TN, P282TN, P283TN, P284TN and Riders B082, B083, and B113

Enclosed are current and revised rate schedules and actuarial memorandum for the above listed policy and rider forms.

SERFF Tracking Number: *PHYS-127646369* State: *Tennessee*
 Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *H-111296*
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The revised rates reflect a proposed 19% increase to be effective February 1, 2012.

The data contained in this filing is total experience for all policies and riders, although no increase is proposed on Riders B111, B112 and B151.

As requested in the general instructions, below is the comparison of average monthly premium for your state and nationally.

TN \$788 National \$857

Rate increase history for your state is as follows.

Implementation Date	Rate Increase	Notes
1/1/2003	19% 1	9% is average; varied by deductible.
1/1/2004	12.5%	12.5% is average; varied by deductible.
1/1/2005	19%	
1/1/2006	19%	
1/1/2007	19%	
1/1/2008	19%	
2/1/2009	19%	
2/1/2010	19%	
2/1/2011	19%	

National rate history is as follows.

Increase Year	Average Rate Increase, varied by deductible
2003	19%
2004	24.3%
2005	19%
2006	22.5%
2007	22.6%
2008	22.3%
2009	19%
2010	19%
2011	19%

Please note inforce rates are changed on the next renewal date following the anniversary date, thus guaranteeing them for at least 12 months.

SERFF Tracking Number: *PHYS-127646369* State: *Tennessee*
 Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *H-111296*
 Company Tracking Number:
 TOI: *H16I Individual Health - Major Medical* Sub-TOI: *H16I.005A Individual - Preferred Provider (PPO)*
 Product Name: *2012 P280 Rate Increase Filing*
 Project Name/Number: */*

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 19.000%
Effective Date of Last Rate Revision: 02/01/2011
Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Physicians Mutual Insurance Company	Increase	19.000%	19.000%	\$21,660	8	\$11,400	19.000%	19.000%
Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:								8
Policy Holders:								8

SERFF Tracking Number: *PHYS-127646369* State: *Tennessee*
Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *H-111296*
Company Tracking Number:
TOI: *H16I Individual Health - Major Medical* Sub-TOI: *H16I.005A Individual - Preferred Provider (PPO)*
Product Name: *2012 P280 Rate Increase Filing*
Project Name/Number: */*

Rate Review Details

COMPANY:

Company Name: Physicians Mutual Insurance Company
HHS Issuer Id: 00000
Product Names: Individual Health Preferred Provider
Trend Factors: 19%

FORMS:

New Policy Forms:
Affected Forms: P281, P282, P283, P284
Other Affected Forms:

REQUESTED RATE CHANGE

INFORMATION:

Change Period: Annual
Member Months: 12
Benefit Change: Increase
Percent Change Requested: Min: 19.0 Max: 19.0 Avg: 19.0

PRIOR RATE:

Total Earned Premium: 109,438.00
Total Incurred Claims: 88,833.00
Annual \$: Min: 225.00 Max: 1,231.00 Avg: 704.00

REQUESTED RATE:

Projected Earned Premium: 91,162.00
Projected Incurred Claims: 57,614.00
Annual \$: Min: 268.00 Max: 1,464.00 Avg: 838.00

SERFF Tracking Number: *PHYS-127646369* State: *Tennessee*
 Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *H-111296*
 Company Tracking Number:
 TOI: *H16I Individual Health - Major Medical* Sub-TOI: *H16I.005A Individual - Preferred Provider (PPO)*
 Product Name: *2012 P280 Rate Increase Filing*
 Project Name/Number: */*

Supporting Document Schedules

	Item Status:	Status Date:
Bypassed - Item: Accident & Health - Individual New Rates		
Bypass Reason: No new rates are included. This is a rate increase filing.		
Comments:		

	Item Status:	Status Date:
Satisfied - Item: Accident & Health - Individual Rate Increase		

Comments:

Attachments:

TN_2012_ActMemo_P280.pdf
 TN_2012_ExhibitA.pdf
 TN_2012_ExhibitA_wolncr.pdf
 STD_2012_ExhibitA.pdf
 STD_2012_ExhibitA_wolncr.pdf
 STD_2012_ExhibitB.pdf
 TN_2012_ExhibitC.pdf
 TN_2012_Rates_P281.pdf
 TN_2012_Rates_P282.pdf
 TN_2012_Rates_P283.pdf
 TN_2012_Rates_P284.pdf

	Item Status:	Status Date:
Satisfied - Item: Actuarial Memorandum A & H Certification - Individual		

Comments:

Attachment:

TN_2012_ActCert.pdf

SERFF Tracking Number: *PHYS-127646369* State: *Tennessee*
 Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *H-111296*
 Company Tracking Number:
 TOI: *H161 Individual Health - Major Medical* Sub-TOI: *H161.005A Individual - Preferred Provider (PPO)*
 Product Name: *2012 P280 Rate Increase Filing*
 Project Name/Number: */*

Item Status: **Status Date:**

Bypassed - Item: Cover Letter Accident & Health
Bypass Reason: Please see information under the Filing Description.
Comments:

Item Status: **Status Date:**

Bypassed - Item: Filing Fees
Bypass Reason: No fees apply.
Comments:

Item Status: **Status Date:**

Bypassed - Item: Third Party Authorization
Bypass Reason: No third party involved.
Comments:

Item Status: **Status Date:**

Bypassed - Item: Rate Summary Worksheet
Bypass Reason: Does not apply. These are grandfathered plans.
Comments:

Item Status: **Status Date:**

Bypassed - Item: Consumer Disclosure Form
Bypass Reason: Does not apply. These are grandfathered plans.
Comments:

Physicians Mutual Insurance Company

2600 Dodge Street
Omaha, Nebraska 68131

ACTUARIAL MEMORANDUM

Forms P281TN, P282TN, P283TN, P284TN

TENNESSEE

Individual Comprehensive Major Medical Policy

Physicians Mutual Insurance Company
Actuarial Memorandum

This actuarial memorandum sets forth the justification for our proposed rate increase on policy forms P281TN, P282TN, P283TN and P284TN and rider forms B082, BO83 and B113.

I. Policy Description

Benefits

Policy Form P281TN provides comprehensive coverage for major medical expenses, with limited outpatient benefits, as defined and limited in the policy. Reimbursement is subject to applicable deductibles, copays, and coinsurance. The level of reimbursement depends upon whether network providers are utilized or if services are received outside the network.

Policy Form P282TN provides catastrophic coverage for major medical expenses after a high front-end deductible, as defined and limited in the policy. Reimbursement is subject to applicable deductibles, copays, and coinsurance. The level of reimbursement depends upon whether network providers are utilized or if services are received outside the network.

Policy Form P283TN provides comprehensive coverage for major medical expenses excluding outpatient prescription drugs, as defined and limited in the policy. Reimbursement is subject to applicable deductibles, copays, and coinsurance. The level of reimbursement depends upon whether network providers are utilized or if services are received outside the network.

Policy Form P284TN provides comprehensive coverage for major medical expenses including outpatient prescription drugs, as defined and limited in the policy. Reimbursement is subject to applicable deductibles, copays, and coinsurance. The level of reimbursement depends upon whether network providers are utilized or if services are received outside the network.

Optional Maternity Rider Form [B082](#) provides coverage for maternity costs. Reimbursement is subject to applicable policy deductibles, copays, and coinsurance apply thereafter. The BO82 attaches to the P281TN.

Optional Maternity Rider Form [B083](#) provides coverage for maternity costs. Reimbursement is subject to applicable policy deductibles, copays, and coinsurance apply thereafter. The BO83 attaches to the P283TN.

Optional Supplemental Accident Rider Form [B111](#) provides a supplemental first dollar benefit of up to \$500 per calendar year for expenses incurred as a result of an accident. Remaining calendar year deductible as well as copays and coinsurance apply thereafter. The B111 attaches to the P281TN, P282TN, P283TN and the P284TN.

Optional Accidental Death Rider Form [B112](#) provides a death benefit payment for all covered insureds in the event of an accidental death. The B112 attaches to the P281TN, P282TN, P283TN and the P284TN.

Optional Maternity Rider Form [B113](#) provides coverage for maternity costs. Reimbursement is subject to applicable policy deductibles, copays, and coinsurance. The B113 attaches to the P284TN.

Optional Supplemental Accident Expense Rider Form [B151](#) provides supplemental coverage for charges for the treatment of an accidental injury paid at 100% up to the amount of the accident benefit purchased for each covered person each calendar year (the underlying policy's deductibles, co-insurance and co-payments do not apply.) The B151 attaches to the P281TN, P282TN, P283TN and the P284TN.

Renewability and Marketing

The policy and riders were sold to individuals through Physicians Mutual's agency force. This block is closed and no longer issued.

Policy forms P281TN, P282TN, P283TN and P284TN are conditionally renewable to all ages as are riders BO82, BO83, B111, B112 and B113, and all are subject to medical underwriting.

The premiums for the base policy vary depending upon effective date, attained age, sex, number of persons covered, payment mode, area, underwriting status and smoker status.

The premiums for the optional riders vary by modal factor, area factor (BO82, BO83, and B113 only) and effective date (BO82, BO83, and B113 only). In addition, premiums for rider B111 vary by adult and child. Modal and area factors are attached.

The policy and riders were issued to individuals aged zero to sixty-four. All policies and riders were issued with at least one adult rate.

II. Anticipated Loss Ratio

The anticipated loss ratios for policy forms P281TN, P282TN, P283TN and P284TN are based upon the present value of future benefits divided by the present value of future premiums. The expected loss ratios for the first ten policy years are shown by kind below.

P281		P282		P283		P284	
Policy	Loss	Policy	Loss	Policy	Loss	Policy	Loss
<u>Year</u>	<u>Ratio</u>	<u>Year</u>	<u>Ratio</u>	<u>Year</u>	<u>Ratio</u>	<u>Year</u>	<u>Ratio</u>
1	42%	1	41%	1	44%	1	47%
2	62%	2	61%	2	65%	2	69%
3	67%	3	68%	3	71%	3	75%
4	70%	4	71%	4	74%	4	78%
5	73%	5	74%	5	77%	5	80%
6	74%	6	76%	6	78%	6	82%
7	76%	7	78%	7	80%	7	83%
8	76%	8	79%	8	80%	8	83%
9	76%	9	79%	9	80%	9	83%
10	77%	10	80%	10	81%	10	83%

The anticipated lifetime loss ratio for each policy is in excess of 65%.

III. Proposed Rate Action

Scope and Reason for Rate Increase

Individual rate increases vary depending on area, deductible, age and gender. The overall average rate increase for the P281TN, P282TN, P283TN and P284TN is 19.0%. The 19.0% increase will also apply to the BO82, BO83 and B113 riders. This increase is needed to adjust premiums to bring future loss ratios to the priced-for levels. The proposed effective date is from February 1, 2011. Please note no increase is proposed on riders B111 and B112.

Past Rate Increase History

See the Effective Date Factors page of the Rate Calculation Steps.

Method of Rate Increase Calculation

Exhibit A displays the total national and Tennessee experience by kind with projections both with and without the proposed rate increase for all policies and riders. Exhibit B displays the calculation of the indicated increase. Exhibit C displays the total number of policyholders covered by kind in your state and nationally as of August 31, 2010. The proposed increases are designed to keep future loss ratios at the target pricing level, i.e. in excess of 65% over the policy's lifetime.

IV. Rate Schedules

Revised rate schedules, which reflect the proposed increases for the P281TN, P282TN, P283TN, P284TN, BO82, BO83 and B113, are attached.

V. Company Contact

Please direct any written correspondence or telephone calls to Richie Hinman. The telephone number is (402) 633-5782, and the e-mail address is richie.hinman@physiciansmutual.com.



Brenton Pyle, FSA, MAAA
Individual Major Medical

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Physicians Mutual Insurance Company
2600 Dodge Street
Omaha, NE 68131

TENNESSEE INCEPTION TO DATE EXPERIENCE

With Increase

<u>KIND</u>	<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED CLAIMS</u>	<u>INCURRED LOSS RATIO</u>	<u>KIND</u>	<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED CLAIMS</u>	<u>INCURRED LOSS RATIO</u>
P281	2002	5,688	44	0.8%	P284	2002	14,553	18,735	128.7%
	2003	65,202	97,633	149.7%		2003	110,309	56,135	50.9%
	2004	119,998	165,186	137.7%		2004	131,675	32,515	24.7%
	2005	117,627	123,307	104.8%		2005	105,724	42,459	40.2%
	2006	102,456	32,747	32.0%		2006	91,945	25,760	28.0%
	2007	70,047	11,212	16.0%		2007	57,265	356,512	622.6%
	2008	53,895	32,755	60.8%		2008	55,139	149,536	271.2%
	2009	48,889	1,993	4.1%		2009	29,628	39,301	132.6%
	2010	30,453	19,628	64.5%		2010	20,661	8,303	40.2%
	Thru 8/31/2011	17,894	8,351	46.7%		Thru 8/31/2011	11,597	3,878	33.4%
	Total	632,150	492,856	78.0%		Total	628,495	733,135	116.6%
	2011	25,367	16,032	63.2%		2011	17,211	10,877	63.2%
	2012	21,131	13,689	64.8%		2012	14,336	9,287	64.8%
	2013	17,602	11,688	66.4%		2013	11,942	7,930	66.4%
	2014	14,663	9,979	68.1%		2014	9,948	6,770	68.1%
	2015	12,214	8,521	69.8%		2015	8,287	5,781	69.8%
	2016	10,174	7,275	71.5%		2016	6,903	4,936	71.5%
	2017	8,475	6,212	73.3%		2017	5,750	4,214	73.3%
	2018	7,060	5,304	75.1%		2018	4,790	3,598	75.1%
	2019	5,881	4,528	77.0%		2019	3,990	3,072	77.0%
	Total Projected	122,567	83,227	67.9%		Total Projected	83,156	56,466	67.9%
	<i>Cumulative</i>	<i>736,823</i>	<i>567,732</i>	<i>77.1%</i>		<i>Cumulative</i>	<i>700,054</i>	<i>785,723</i>	<i>112.2%</i>
P282	2002	6,275	0	0.0%	ALL KINDS	2002	46,135	20,531	44.5%
	2003	23,561	0	0.0%		2003	362,680	209,812	57.9%
	2004	24,409	0	0.0%		2004	482,553	320,633	66.4%
	2005	27,219	1,910	7.0%		2005	490,890	445,878	90.8%
	2006	17,700	227	1.3%		2006	396,183	385,154	97.2%
	2007	12,214	1,395	11.4%		2007	258,012	491,551	190.5%
	2008	5,785	2	0.0%		2008	223,782	249,593	111.5%
	2009	0	0	0.0%		2009	159,316	67,109	42.1%
	2010	0	0	0.0%		2010	109,438	88,833	81.2%
	Thru 8/31/2011	0	0	0.0%		Thru 8/31/2011	45,356	16,857	37.2%
	Total	117,164	3,534	3.0%		Total	2,574,345	2,295,950	89.2%
	2011	0	0	0.0%		2011	91,162	57,614	63.2%
	2012	0	0	0.0%		2012	75,938	49,193	64.8%
	2013	0	0	0.0%		2013	63,256	42,002	66.4%
	2014	0	0	0.0%		2014	52,692	35,862	68.1%
	2015	0	0	0.0%		2015	43,893	30,620	69.8%
	2016	0	0	0.0%		2016	36,563	26,144	71.5%
	2017	0	0	0.0%		2017	30,457	22,323	73.3%
	2018	0	0	0.0%		2018	25,370	19,060	75.1%
	2019	0	0	0.0%		2019	21,134	16,274	77.0%
	Total Projected	0	0	0.0%		Total Projected	440,465	299,091	67.9%
	<i>Cumulative</i>	<i>117,164</i>	<i>3,534</i>	<i>3.0%</i>		<i>Cumulative</i>	<i>2,969,453</i>	<i>2,578,184</i>	<i>86.8%</i>
P283	2002	19,619	1,752	8.9%					
	2003	163,608	56,043	34.3%					
	2004	206,470	122,932	59.5%					
	2005	240,320	278,202	115.8%					
	2006	184,082	326,420	177.3%					
	2007	118,485	122,431	103.3%					
	2008	108,963	67,300	61.8%					
	2009	80,800	25,815	31.9%					
	2010	58,324	60,902	104.4%					
	Thru 8/31/2011	15,865	4,628	29.2%					
	Total	1,196,536	1,066,426	89.1%					
	2011	48,584	30,705	63.2%					
	2012	40,470	26,217	64.8%					
	2013	33,712	22,384	66.4%					
	2014	28,082	19,112	68.1%					
	2015	23,392	16,319	69.8%					
	2016	19,486	13,933	71.5%					
	2017	16,232	11,897	73.3%					
	2018	13,521	10,158	75.1%					
	2019	11,263	8,673	77.0%					
	Total Projected	234,742	159,398	67.9%					
	<i>Cumulative</i>	<i>1,415,413</i>	<i>1,221,195</i>	<i>86.3%</i>					

*Claims run out through 08/31/2011

Physicians Mutual Insurance Company
2600 Dodge Street
Omaha, NE 68131

TENNESSEE INCEPTION TO DATE EXPERIENCE

Without Increase

<u>KIND</u>	<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED CLAIMS</u>	<u>INCURRED LOSS RATIO</u>	<u>KIND</u>	<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED CLAIMS</u>	<u>INCURRED LOSS RATIO</u>
P281	2002	5,688	44	0.8%	P284	2002	14,553	18,735	128.7%
	2003	65,202	97,633	149.7%		2003	110,309	56,135	50.9%
	2004	119,998	165,186	137.7%		2004	131,675	32,515	24.7%
	2005	117,627	123,307	104.8%		2005	105,724	42,459	40.2%
	2006	102,456	32,747	32.0%		2006	91,945	25,760	28.0%
	2007	70,047	11,212	16.0%		2007	57,265	356,512	622.6%
	2008	53,895	32,755	60.8%		2008	55,139	149,536	271.2%
	2009	48,889	1,993	4.1%		2009	29,628	39,301	132.6%
	2010	30,453	19,628	64.5%		2010	20,661	8,303	40.2%
	Thru 8/31/2011	17,894	8,351	46.7%		Thru 8/31/2011	11,597	3,878	33.4%
	Total	632,150	492,856	78.0%		Total	628,495	733,135	116.6%
	2011	25,367	16,032	63.2%		2011	17,211	10,877	63.2%
	2012	17,757	13,689	77.1%		2012	12,047	9,287	77.1%
	2013	14,792	11,688	79.0%		2013	10,036	7,930	79.0%
	2014	12,321	9,979	81.0%		2014	8,360	6,770	81.0%
	2015	10,264	8,521	83.0%		2015	6,964	5,781	83.0%
	2016	8,550	7,275	85.1%		2016	5,801	4,936	85.1%
	2017	7,122	6,212	87.2%		2017	4,832	4,214	87.2%
	2018	5,933	5,304	89.4%		2018	4,025	3,598	89.4%
	2019	4,942	4,528	91.6%		2019	3,353	3,072	91.6%
	Total Projected	107,048	83,227	77.7%		Total Projected	72,627	56,466	77.7%
	Cumulative	721,304	567,732	78.7%		Cumulative	689,525	785,723	114.0%
P282	2002	6,275	0	0.0%	ALL KINDS	2002	46,135	20,531	44.5%
	2003	23,561	0	0.0%		2003	362,680	209,812	57.9%
	2004	24,409	0	0.0%		2004	482,553	320,633	66.4%
	2005	27,219	1,910	7.0%		2005	490,890	445,878	90.8%
	2006	17,700	227	1.3%		2006	396,183	385,154	97.2%
	2007	12,214	1,395	11.4%		2007	258,012	491,551	190.5%
	2008	5,785	2	0.0%		2008	223,782	249,593	111.5%
	2009	0	0	0.0%		2009	159,316	67,109	42.1%
	2010	0	0	0.0%		2010	109,438	88,833	81.2%
	Thru 8/31/2011	0	0	0.0%		Thru 8/31/2011	45,356	16,857	37.2%
	Total	117,164	3,534	3.0%		Total	2,574,345	2,295,950	89.2%
	2011	0	0	0.0%		2011	91,162	57,614	63.2%
	2012	0	0	0.0%		2012	63,813	49,193	77.1%
	2013	0	0	0.0%		2013	53,156	42,002	79.0%
	2014	0	0	0.0%		2014	44,279	35,862	81.0%
	2015	0	0	0.0%		2015	36,885	30,620	83.0%
	2016	0	0	0.0%		2016	30,725	26,144	85.1%
	2017	0	0	0.0%		2017	25,594	22,323	87.2%
	2018	0	0	0.0%		2018	21,320	19,060	89.4%
	2019	0	0	0.0%		2019	17,759	16,274	91.6%
	Total Projected	0	0	0.0%		Total Projected	384,694	299,091	77.7%
	Cumulative	117,164	3,534	3.0%		Cumulative	2,913,682	2,578,184	88.5%
P283	2002	19,619	1,752	8.9%					
	2003	163,608	56,043	34.3%					
	2004	206,470	122,932	59.5%					
	2005	240,320	278,202	115.8%					
	2006	184,082	326,420	177.3%					
	2007	118,485	122,431	103.3%					
	2008	108,963	67,300	61.8%					
	2009	80,800	25,815	31.9%					
	2010	58,324	60,902	104.4%					
	Thru 8/31/2011	15,865	4,628	29.2%					
	Total	1,196,536	1,066,426	89.1%					
	2011	48,584	30,705	63.2%					
	2012	34,009	26,217	77.1%					
	2013	28,329	22,384	79.0%					
	2014	23,598	19,112	81.0%					
	2015	19,657	16,319	83.0%					
	2016	16,375	13,933	85.1%					
	2017	13,640	11,897	87.2%					
	2018	11,362	10,158	89.4%					
	2019	9,465	8,673	91.6%					
	Total Projected	205,019	159,398	77.7%					
	Cumulative	1,385,690	1,221,195	88.1%					

*Claims run out through 08/31/2010

Physicians Mutual Insurance Company
2600 Dodge Street
Omaha, NE 68131

NATIONAL INCEPTION TO DATE EXPERIENCE

With Increase

KIND	INCURRED YEAR	EARNED PREMIUM	INCURRED CLAIMS	INCURRED CLAIMS BUT NOT PAID	INCURRED LOSS RATIO	KIND	INCURRED YEAR	EARNED PREMIUM	INCURRED CLAIMS	INCURRED CLAIMS BUT NOT PAID	INCURRED LOSS RATIO
P281	2002	238,236	158,304		66.4%	285	2002	6,685	0		0.0%
	2003	1,290,046	674,826		52.3%		2003	78,027	9,944		12.7%
	2004	1,831,926	827,477		45.2%		2004	117,211	22,483		19.2%
	2005	1,679,316	642,893		38.3%		2005	115,154	205,529		178.5%
	2006	1,292,512	956,130		74.0%		2006	80,454	74,147		92.2%
	2007	928,178	367,335	2,451	39.6%		2007	52,046	11,967	137	23.0%
	2008	680,317	350,616		51.5%		2008	38,511	2,884	(9)	7.5%
	2009	464,811	361,577	157	77.8%		2009	25,687	13,073	9	50.9%
	2010	288,711	334,058	753	115.7%		2010	15,690	5,275	25	160.4%
	Total	8,694,052	4,673,216	3,361	53.8%		Total	523,557	355,717	162	67.9%
	2011	240,496	149,829		62.3%		2011	8,148	5,076		62.3%
	2012	200,333	127,928		63.9%		2012	6,788	4,334		63.9%
	2013	166,878	109,228		65.5%		2013	5,654	3,701		65.5%
	2014	139,009	93,262		67.1%		2014	4,710	3,160		67.1%
	2015	115,795	79,629		68.8%		2015	3,923	2,698		68.8%
	2016	96,457	67,989		70.5%		2016	3,268	2,304		70.5%
	2017	80,349	58,051		72.2%		2017	2,722	1,967		72.2%
	2018	66,930	49,565		74.1%		2018	2,268	1,679		74.1%
	2019	55,753	42,320		75.9%		2019	1,889	1,434		75.9%
	Total Projected	1,162,000	777,802		66.9%		Total Projected	39,370	26,353		66.9%
	<i>Cumulative</i>	<i>9,856,052</i>	<i>5,451,018</i>		<i>55.3%</i>		<i>Cumulative</i>	<i>562,927</i>	<i>382,070</i>		<i>67.9%</i>
P282	2002	41,462	413		1.0%	286	2002	457	0		0.0%
	2003	178,303	183,009		102.6%		2003	7,447	0		0.0%
	2004	290,879	106,356		36.6%		2004	16,593	0		0.0%
	2005	336,673	302,996		90.0%		2005	11,615	0		0.0%
	2006	268,254	308,549		115.0%		2006	8,018	0		0.0%
	2007	209,776	11,215	554	5.3%		2007	6,629	4,545	18	68.6%
	2008	158,326	8,932		5.6%		2008	4,702	0	(1)	0.0%
	2009	93,820	2,232	32	2.4%		2009	1,796	0	1	0.0%
	2010	83,213	1,760	217	2.1%		2010	0	0		0.0%
	Total	1,660,704	925,462	803	55.7%		Total	57,257	4,545	18	7.9%
	2011	69,316	43,184		62.3%		2011	0	0		0.0%
	2012	57,741	36,872		63.9%		2012	0	0		0.0%
	2009	48,098	31,482		65.5%		2013	0	0		0.0%
	2010	40,066	26,880		67.1%		2014	0	0		0.0%
	2011	33,375	22,951		68.8%		2015	0	0		0.0%
	2012	27,801	19,596		70.5%		2016	0	0		0.0%
	2013	23,158	16,732		72.2%		2017	0	0		0.0%
	2014	19,291	14,286		74.1%		2018	0	0		0.0%
	2015	16,069	12,198		75.9%		2019	0	0		0.0%
	Total Projected	334,915	224,180		66.9%		Total Projected	0	0		0.0%
	<i>Cumulative</i>	<i>1,995,619</i>	<i>1,149,642</i>		<i>57.6%</i>		<i>Cumulative</i>	<i>57,257</i>	<i>4,545</i>		<i>7.9%</i>
P283	2002	560,422	251,911		45.0%	287	2002	8,285	1,001		12.1%
	2003	3,390,679	2,088,271		61.6%		2003	257,963	130,149		50.5%
	2004	4,945,227	3,149,428	6	63.7%		2004	386,254	209,759		54.3%
	2005	4,524,357	3,158,970		69.8%		2005	370,675	167,863		45.3%
	2006	3,302,793	2,588,684		78.4%		2006	267,923	85,788		32.0%
	2007	2,315,392	1,312,376	6,114	56.7%		2007	172,621	68,019	456	39.4%
	2008	1,685,956	1,427,494		84.7%		2008	105,630	32,896	(25)	31.1%
	2009	1,271,268	561,381	429	44.2%		2009	67,158	191,351	23	284.9%
	2010	914,197	333,930	2,383	36.5%		2010	58,129	129,062	152	222.0%
	Total	22,910,291	14,872,444	8,932	64.9%		Total	1,694,638	1,015,888	606	59.9%
	2011	761,526	474,431		62.3%		2011	48,421	30,167		62.3%
	2012	634,351	405,081		63.9%		2012	40,335	25,757		63.9%
	2013	528,415	345,868		65.5%		2013	33,599	21,992		65.5%
	2014	440,169	295,311		67.1%		2014	27,988	18,777		67.1%
	2015	366,661	252,144		68.8%		2015	23,314	16,033		68.8%
	2016	305,429	215,287		70.5%		2016	19,421	13,689		70.5%
	2017	254,422	183,817		72.2%		2017	16,177	11,688		72.2%
	2018	211,934	156,948		74.1%		2018	13,476	9,979		74.1%
	2019	176,541	134,006		75.9%		2019	11,225	8,521		75.9%
	Total Projected	3,679,447	2,462,892		66.9%		Total Projected	233,957	156,602		66.9%
	<i>Cumulative</i>	<i>26,589,738</i>	<i>17,335,336</i>		<i>65.2%</i>		<i>Cumulative</i>	<i>1,928,595</i>	<i>1,172,490</i>		<i>60.8%</i>
P284	2002	327,574	162,206	9,162	49.5%	288	2002	5,562	119	5	2.1%
	2003	1,286,420	799,268	73,867	62.1%		2003	92,599	24,120	2,021	26.0%
	2004	1,524,058	781,388	82,657	51.3%		2004	128,522	53,335	3,073	41.5%
	2005	1,201,610	804,506	64,861	67.0%		2005	81,629	61,001	4,198	74.7%
	2006	863,937	492,278	60,790	57.0%		2006	59,869	13,051	3,578	21.8%
	2007	589,808	824,684	56,189	139.8%		2007	37,748	19,930	6,415	52.8%
	2008	445,126	333,496	29,501	74.9%		2008	41,179	24,680	7,304	59.9%
	2009	307,810	202,464	28,481	65.8%		2009	38,247	14,811	10,771	38.7%
	2010	163,521	52,931	17,037	32.4%		2010	26,738	9,202	7,156	34.4%
	Total	6,709,865	4,453,221	422,545	66.4%		Total	512,093	220,249	44,521	43.0%
	2011	136,213	84,861		62.3%		2011	22,273	13,876		62.3%
	2012	113,465	72,456		63.9%		2012	18,553	11,848		63.9%
	2013	94,517	61,865		65.5%		2013	15,455	10,116		65.5%
	2014	78,732	52,822		67.1%		2014	12,874	8,637		67.1%
	2015	65,584	45,101		68.8%		2015	10,724	7,375		68.8%
	2016	54,632	38,508		70.5%		2016	8,933	6,297		70.5%
	2017	45,508	32,879		72.2%		2017	7,441	5,376		72.2%
	2018	37,908	28,073		74.1%		2018	6,199	4,590		74.1%
	2019	31,578	23,969		75.9%		2019	5,163	3,919		75.9%
	Total Projected	658,137	440,534		66.9%		Total Projected	107,615	72,033		66.9%
	<i>Cumulative</i>	<i>7,368,002</i>	<i>4,893,755</i>		<i>66.4%</i>		<i>Cumulative</i>	<i>619,708</i>	<i>292,282</i>		<i>47.2%</i>

*Claims run out through 08/31/2011

Physicians Mutual Insurance Company

2600 Dodge Street

Omaha, NE 68131

NATIONAL INCEPTION TO DATE EXPERIENCE

With Increase

	<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED CLAIMS</u>	<u>INCURRED CLAIMS BUT NOT PAID</u>	<u>INCURRED LOSS RATIO</u>
ALL KINDS	2002	1,188,683	573,955	9,167	48.3%
	2003	6,581,484	3,909,586	75,888	59.4%
	2004	9,240,669	5,150,226	85,736	55.7%
	2005	8,321,028	5,343,758	69,059	64.2%
	2006	6,143,761	4,518,627	64,368	73.5%
	2007	4,312,198	2,620,071	72,334	60.8%
	2008	3,159,747	2,180,998	36,770	69.0%
	2009	2,270,597	1,346,889	39,903	59.3%
	2010	1,544,291	876,633	27,723	56.8%
	Total	42,762,458	26,520,743	13,258	62.0%
	2011	1,286,394	801,424		62.3%
	2012	1,071,567	684,276		63.9%
	2013	892,615	584,252		65.5%
	2014	743,548	498,849		67.1%
	2015	619,376	425,929		68.8%
	2016	515,940	363,669		70.5%
	2017	429,778	310,510		72.2%
	2018	358,005	265,121		74.1%
	2019	298,218	226,367		75.9%
	Total Projected	6,215,441	4,160,396		66.9%
	<i>Cumulative</i>	<i>48,977,898</i>	<i>30,681,139</i>		<i>62.6%</i>

*Claims run out through 08/31/2011

Physicians Mutual Insurance Company
2600 Dodge Street
Omaha, NE 68131

NATIONAL INCEPTION TO DATE EXPERIENCE

Without Increase

KIND	INCURRED YEAR	EARNED PREMIUM	INCURRED CLAIMS	INCURRED CLAIMS BUT NOT PAID	INCURRED LOSS RATIO	KIND	INCURRED YEAR	EARNED PREMIUM	INCURRED CLAIMS	INCURRED CLAIMS BUT NOT PAID	INCURRED LOSS RATIO
P281	2002	238,236	158,304		66.4%	285	2002	6,685	0		0.0%
	2003	1,290,046	674,826		52.3%		2003	78,027	9,944		12.7%
	2004	1,831,926	827,477		45.2%		2004	117,211	22,483		19.2%
	2005	1,679,316	642,893		38.3%		2005	115,154	205,529		178.5%
	2006	1,292,512	956,130		74.0%		2006	80,454	74,147		92.2%
	2007	928,178	367,335	2,451	39.6%		2007	52,046	11,967	137	23.0%
	2008	680,317	350,616		51.5%		2008	38,511	2,884	(9)	7.5%
	2009	464,811	361,577	157	77.8%		2009	25,687	13,073	9	50.9%
	2010	288,711	334,058	753	115.7%		2010	9,782	15,690	25	160.4%
	Thru 8/31/2011	137,368	66,516		48.4%		Thru 8/31/2011	3,664	101,486		2769.8%
	Total	8,831,420	4,739,732	3,361	53.7%		Total	527,221	457,203	162	86.7%
	2011	202,098	151,994		75.2%		2011	6,847	5,150		75.2%
	2012	168,347	129,776		77.1%		2012	5,704	4,397		77.1%
	2013	140,233	110,806		79.0%		2013	4,751	3,754		79.0%
	2014	116,814	94,609		81.0%		2014	3,958	3,206		81.0%
	2015	97,306	80,779		83.0%		2015	3,297	2,737		83.0%
	2016	81,056	68,972		85.1%		2016	2,746	2,337		85.1%
	2017	67,520	58,890		87.2%		2017	2,288	1,995		87.2%
	2018	56,244	50,281		89.4%		2018	1,906	1,704		89.4%
	2019	46,851	42,932		91.6%		2019	1,587	1,455		91.6%
	Total Projected	976,471	789,038		80.8%		Total Projected	33,084	26,734		80.8%
Cumulative	9,670,523	5,462,254		56.5%	Cumulative	556,641	382,451		68.7%		
P282	2002	41,462	413		1.0%	286	2002	457	0		0.0%
	2003	178,303	183,009		102.6%		2003	7,447	0		0.0%
	2004	290,879	106,356		36.6%		2004	16,593	0		0.0%
	2005	336,673	302,996		90.0%		2005	11,615	0		0.0%
	2006	268,254	308,549		115.0%		2006	8,018	0		0.0%
	2007	209,776	11,215	554	5.3%		2007	6,629	4,545	18	68.6%
	2008	158,326	8,932		5.6%		2008	4,702	0	(1)	0.0%
	2009	93,820	2,232	32	2.4%		2009	1,796	0	1	0.0%
	2010	83,213	1,760	217	2.1%		2010	0	0		0.0%
	Thru 8/31/2011	45,934	12,773		27.8%		Thru 8/31/2011	0	0		0.0%
	Total	1,706,638	938,235	803	55.0%		Total	57,257	4,545	18	7.9%
	2011	58,249	43,808		75.2%		2011	0	0		0.0%
	2012	48,522	37,404		77.1%		2012	0	0		0.0%
	2009	40,418	31,937		79.0%		2013	0	0		0.0%
	2010	33,669	27,268		81.0%		2014	0	0		0.0%
	2011	28,046	23,282		83.0%		2015	0	0		0.0%
	2012	23,362	19,879		85.1%		2016	0	0		0.0%
	2013	19,461	16,973		87.2%		2017	0	0		0.0%
	2014	16,211	14,492		89.4%		2018	0	0		0.0%
	2015	13,504	12,374		91.6%		2019	0	0		0.0%
	Total Projected	281,441	227,418		80.8%		Total Projected	0	0		0.0%
Cumulative	1,942,145	1,152,880		59.4%	Cumulative	57,257	4,545		7.9%		
P283	2002	560,422	251,911		45.0%	287	2002	8,285	1,001		12.1%
	2003	3,390,679	2,088,271		61.6%		2003	257,963	130,149		50.5%
	2004	4,945,227	3,149,428	6	63.7%		2004	386,254	209,759		54.3%
	2005	4,524,357	3,158,970		69.8%		2005	370,675	167,863		45.3%
	2006	3,302,793	2,588,684		78.4%		2006	267,923	85,788		32.0%
	2007	2,315,392	1,312,376	6,114	56.7%		2007	172,621	68,019	456	39.4%
	2008	1,685,956	1,427,494		84.7%		2008	105,630	32,896	(25)	31.1%
	2009	1,271,268	561,381	429	44.2%		2009	67,158	191,351	23	284.9%
	2010	914,197	333,930	2,383	36.5%		2010	58,129	129,062	152	222.0%
	Thru 8/31/2011	457,961	168,679		36.8%		Thru 8/31/2011	31,438	10,608		33.7%
	Total	23,368,252	15,041,123	8,932	64.4%		Total	1,726,076	1,026,496	606	59.5%
	2011	639,938	481,284		75.2%		2011	40,690	30,602		75.2%
	2012	533,068	410,933		77.1%		2012	33,895	26,129		77.1%
	2013	444,046	350,865		79.0%		2013	28,235	22,310		79.0%
	2014	369,890	299,577		81.0%		2014	23,519	19,049		81.0%
	2015	308,119	255,786		83.0%		2015	19,592	16,264		83.0%
	2016	256,663	218,397		85.1%		2016	16,320	13,887		85.1%
	2017	213,800	186,473		87.2%		2017	13,594	11,857		87.2%
	2018	178,095	159,215		89.4%		2018	11,324	10,124		89.4%
	2019	148,354	135,942		91.6%		2019	9,433	8,644		91.6%
	Total Projected	3,091,973	2,498,471		80.8%		Total Projected	196,602	158,865		80.8%
Cumulative	26,002,264	17,370,916		66.8%	Cumulative	1,891,240	1,174,753		62.1%		
P284	2002	327,574	162,206	9,162	49.5%	288	2002	5,562	119	5	2.1%
	2003	1,286,420	799,268	73,867	62.1%		2003	92,599	24,120	2,021	26.0%
	2004	1,524,058	781,388	82,657	51.3%		2004	128,522	53,335	3,073	41.5%
	2005	1,201,610	804,506	64,861	67.0%		2005	81,629	61,001	4,198	74.7%
	2006	863,937	492,278	60,790	57.0%		2006	59,869	13,051	3,578	21.8%
	2007	589,808	824,684	56,189	139.8%		2007	37,748	19,930	6,415	52.8%
	2008	445,126	333,496	29,501	74.9%		2008	41,179	24,680	7,304	59.9%
	2009	307,810	202,464	28,481	65.8%		2009	38,247	14,811	10,771	38.7%
	2010	163,521	52,931	17,037	32.4%		2010	26,738	9,202	7,156	34.4%
	Thru 8/31/2011	87,395	68,777		78.7%		Thru 8/31/2011	14,682	4,723		32.2%
	Total	6,797,260	4,521,998	422,545	66.5%		Total	526,775	224,972	44,521	42.7%
	2011	114,465	86,087		75.2%		2011	18,717	14,076		75.2%
	2012	95,349	73,503		77.1%		2012	15,591	12,019		77.1%
	2013	79,426	62,759		79.0%		2013	12,987	10,262		79.0%
	2014	66,162	53,585		81.0%		2014	10,818	8,762		81.0%
	2015	55,113	45,752		83.0%		2015	9,012	7,481		83.0%
	2016	45,909	39,064		85.1%		2016	7,507	6,388		85.1%
	2017	38,242	33,354		87.2%		2017	6,253	5,454		87.2%
	2018	31,856	28,479		89.4%		2018	5,209	4,657		89.4%
	2019	26,536	24,316		91.6%		2019	4,339	3,976		91.6%
	Total Projected	553,056	446,898		80.8%		Total Projected	90,433	73,074		80.8%
Cumulative	7,262,921	4,900,119		67.5%	Cumulative	602,526	293,323		48.7%		

*Claims run out through 08/31/2011

Physicians Mutual Insurance Company

2600 Dodge Street

Omaha, NE 68131

NATIONAL INCEPTION TO DATE EXPERIENCE

Without Increase

	<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED CLAIMS</u>	<u>INCURRED CLAIMS BUT NOT PAID</u>	<u>INCURRED LOSS RATIO</u>
ALL KINDS	2002	1,188,683	573,955	9,167	48.3%
	2003	6,581,484	3,909,586	75,888	59.4%
	2004	9,240,669	5,150,226	85,736	55.7%
	2005	8,321,028	5,343,758	69,059	64.2%
	2006	6,143,761	4,518,627	64,368	73.5%
	2007	4,312,198	2,620,071	72,334	60.8%
	2008	3,159,747	2,180,998	36,770	69.0%
	2009	2,270,597	1,346,889	39,903	59.3%
	2010	1,544,291	876,633	27,723	56.8%
Thru 8/31/2011		778,442	433,562		55.7%
	Total	43,540,900	26,954,305	480,948	61.9%
	2011	1,081,004	813,001		75.2%
	2012	900,476	694,161		77.1%
	2013	750,097	592,692		79.0%
	2014	624,830	506,055		81.0%
	2015	520,484	432,083		83.0%
	2016	433,563	368,923		85.1%
	2017	361,158	314,996		87.2%
	2018	300,845	268,951		89.4%
	2019	250,604	229,637		91.6%
	Total Projected	5,223,060	4,220,498		80.8%
	<i>Cumulative</i>	<i>47,985,517</i>	<i>30,741,241</i>		<i>64.1%</i>

**Claims run out through 08/31/2011*

PHYSICIANS MUTUAL INSURANCE COMPANY**CALCULATION OF NECESSARY RATE INCREASE
INDIVIDUAL PPO**

Displayed below is the national P281, P282, P283 and P284 incurred experience with claim payments through August 31, 2011:

<u>INCURRED YEAR</u>	<u>EARNED PREMIUM</u>	<u>INCURRED LOSSES</u>	<u>LOSS RATIO</u>	<u>ANTICIPATED LOSS RATIO</u>
Jan 1, 2010 thru Aug 31, 2011	2,322,733	1,310,949	56.4%	65.0%

The annual trend factor is 19%. Trend reflects to some extent the wearing off of underwriting selection.

This is a closed, declining block of business that is no longer credible. Since this is an inflationary product, we propose an across-the-board increase equal to trend, or 19% which is designed to gradually lower our future loss ratios.

Exhibit C

Physicians Mutual Insurance Company**2600 Dodge Street
Omaha, NE 68131**STATE OF TENNESSEE
AS OF August 31, 2011

<u>KIND</u>	<u>STATE INFORCE</u>	<u>NATIONAL INFORCE</u>
P281	3	24
P282	0	8
P283	4	60
P284	1	9
TOTAL	8	101

CURRENT RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

RATE CALCULATION STEPS
[Policy Form P281](#)

The premium rate calculation procedure contains seven pages. ALL PAGES ARE NECESSARY TO CALCULATE A PREMIUM RATE CHARGED TO A POLICY OWNER.

Rate Calculation Steps:

1. Determine medical base rate based on attained age and gender
2. Multiply medical base rate by deductible, coinsurance, out-of-pocket adjustment factor
3. Round to the nearest cent
4. Multiply by outpatient maximum deductible, coinsurance, out-of-pocket adjustment factor
5. Round to the nearest cent
6. Multiply by the appropriate area factor
7. Round to the nearest cent
8. Multiply by the effective date factor
9. Round to the nearest cent
10. Multiply by the underwriting factor (for each adult or "child only")
11. Round to the nearest cent
12. Multiply by the tobacco factor
13. Round to the nearest cent
14. Complete steps 1-13 separately for each insured. Combine costs here.
15. Multiply by the modal factor
16. Round to the nearest cent
17. Add the administration fee
18. Add the application fee
19. Add any rider costs

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

MEDICAL BASE RATES
[Policy Form P281](#)

Attained Age		
	Male	Female
Dep. Child under 19	\$39.21	\$39.21
Dep. Child 19 to 26	\$48.43	\$48.43
Child only	\$70.65	\$70.65
Under 20	\$65.31	\$85.49
20	\$65.31	\$85.49
21	\$65.31	\$85.49
22	\$65.31	\$85.49
23	\$65.87	\$86.69
24	\$66.43	\$87.89
25	\$67.00	\$89.12
26	\$67.58	\$90.34
27	\$68.15	\$91.45
28	\$70.40	\$93.95
29	\$72.71	\$96.35
30	\$74.98	\$98.78
31	\$77.21	\$101.26
32	\$79.51	\$103.64
33	\$82.39	\$106.60
34	\$85.14	\$109.52
35	\$87.98	\$112.50
36	\$90.91	\$115.42
37	\$93.71	\$118.43
38	\$97.72	\$121.60
39	\$101.66	\$124.91
40	\$105.63	\$128.08
41	\$109.64	\$131.38
42	\$113.59	\$134.57
43	\$119.22	\$139.30
44	\$124.98	\$144.06
45	\$130.65	\$148.83
46	\$136.35	\$153.49
47	\$141.98	\$158.31
48	\$149.61	\$163.98
49	\$157.35	\$169.73
50	\$165.00	\$175.43
51	\$172.55	\$181.09
52	\$180.26	\$186.74
53	\$189.16	\$193.12
54	\$198.15	\$199.42
55	\$206.99	\$205.77
56	\$215.96	\$212.19
57	\$224.96	\$218.54
58	\$234.39	\$224.50
59	\$244.01	\$230.50
60	\$253.58	\$236.56
61	\$263.02	\$242.53
62	\$272.60	\$248.56
63	\$282.12	\$254.52
64	\$291.70	\$260.55
65+	\$301.24	\$266.58

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Base rate added for up to three children.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

DEDUCTIBLE, COINSURANCE, OUT-OF-POCKET ADJUSTMENT FACTORS
Policy Form P281

Deductible*	Coinsurance*	Out-of-Pocket*	Factor
500	80%	2000	1.294
500	70%	3000	1.201
1000	80%	2000	0.989
1000	70%	3000	0.927
1500	80%	2000	0.834
1500	70%	3000	0.781
2500	80%	2000	0.695
2500	70%	3000	0.654
5000	80%	2000	0.518
5000	70%	3000	0.491

* Only in-network levels are shown here.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

AREA FACTORS
Policy Form P281

Zip3	Factor
370	1.14
371	1.14
372	1.19
373	1.05
374	1.10
375	1.14
376	1.10
377	1.05
378	1.05
379	1.10
380	1.10
381	1.10
382	1.05
383	1.05
384	1.05
385	1.05

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

OUTPATIENT MAXIMUM DEDUCTIBLE, COINSURANCE OUT-OF-POCKET, ADJUSTMENT FACTORS
 Policy Form P281

Outpatient Maximum	Deductible*	Coinsurance*	Out-of-Pocket*	Factor
2500	500	80%	2000	0.850
2500	500	70%	3000	0.853
2500	1000	80%	2000	0.837
2500	1000	70%	3000	0.840
2500	1500	80%	2000	0.827
2500	1500	70%	3000	0.832
2500	2500	80%	2000	0.807
2500	2500	70%	3000	0.815
2500	5000	80%	2000	0.856
2500	5000	70%	3000	0.862
5000	500	80%	2000	1.000
5000	500	70%	3000	1.000
5000	1000	80%	2000	1.000
5000	1000	70%	3000	1.000
5000	1500	80%	2000	1.000
5000	1500	70%	3000	1.000
5000	2500	80%	2000	1.000
5000	2500	70%	3000	1.000
5000	5000	80%	2000	1.000
5000	5000	70%	3000	1.000

* Only in-network levels are shown here.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
Policy Form P281

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	16.8%	17.6%	18.1%	19.0%	20.3%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective <u>Date</u>	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0396	1.0414	1.0425	1.0444	1.0473
7/1/2002	1.0807	1.0844	1.0867	1.0909	1.0968
10/1/2002	1.1235	1.1293	1.1329	1.1394	1.1487
1/1/2003	1.1680	1.1760	1.1810	1.1900	1.2030
4/1/2003	1.2142	1.2246	1.2312	1.2429	1.2599
7/1/2003	1.2623	1.2753	1.2834	1.2981	1.3195
10/1/2003	1.3123	1.3280	1.3379	1.3558	1.3819
1/1/2004	1.3706	1.3870	1.3974	1.4161	1.4433
4/1/2004	1.4315	1.4486	1.4595	1.4790	1.5075
7/1/2004	1.4951	1.5130	1.5244	1.5447	1.5745
10/1/2004	1.5616	1.5802	1.5922	1.6134	1.6445
1/1/2005	1.6311	1.6505	1.6631	1.6852	1.7177
4/1/2005	1.7037	1.7240	1.7371	1.7602	1.7941
7/1/2005	1.7795	1.8007	1.8144	1.8385	1.8740
10/1/2005	1.8587	1.8808	1.8951	1.9203	1.9573
1/1/2006	1.9414	1.9645	1.9794	2.0058	2.0444
4/1/2006	2.0278	2.0519	2.0675	2.0950	2.1354
7/1/2006	2.1180	2.1432	2.1595	2.1883	2.2305
10/1/2006	2.2123	2.2386	2.2556	2.2856	2.3297
1/1/2007	2.3107	2.3382	2.3560	2.3874	2.4334
4/1/2007	2.4135	2.4423	2.4608	2.4936	2.5417
7/1/2007	2.5209	2.5510	2.5703	2.6046	2.6548
10/1/2007	2.6331	2.6645	2.6847	2.7205	2.7729
1/1/2008	2.7502	2.7826	2.8041	2.8414	2.8961
4/1/2008	2.8726	2.9064	2.9288	2.9678	3.0249
7/1/2008	3.0004	3.0358	3.0592	3.0999	3.1596
10/1/2008	3.1339	3.1709	3.1953	3.2378	3.3002
1/1/2009	3.2734	3.3120	3.3375	3.3819	3.4470
4/1/2009	3.4190	3.4593	3.4860	3.5324	3.6004
7/1/2009	3.5712	3.6133	3.6411	3.6896	3.7606
10/1/2009	3.7301	3.7741	3.8032	3.8538	3.9280
1/1/2010	3.8961	3.9420	3.9724	4.0253	4.1028
4/1/2010	4.0695	4.1174	4.1492	4.2044	4.2853
7/1/2010	4.2506	4.3007	4.3338	4.3915	4.4760
10/1/2010	4.4397	4.4920	4.5267	4.5869	4.6752
1/1/2011	4.6373	4.6919	4.7281	4.7911	4.8833
4/1/2011	4.8436	4.9007	4.9385	5.0043	5.1006
7/1/2011	5.0592	5.1188	5.1583	5.2270	5.3275
10/1/2011	5.2843	5.3466	5.3878	5.4596	5.5646

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ADDITIONAL FACTORS & FEES

Policy Form P281

Additional Factors:

Underwriting Factors

Preferred	0.90
Standard	1.00
Substand 1	1.25
Substand 2	1.50

Tobacco Factors

Non-Tobacco	1.00
Tobacco	1.25

Modal Factors

Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank	
Withdrawal	0.95

Fees:

A \$25 fee will be charged per application.

An Administration Fee of \$7.50 per policy is added per modal premium collected.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

MATERNITY RIDER
Rider Form B082

\$500 Deductible	\$1,000 Deductible	\$1,500 Deductible	\$2,500 Deductible	\$5,000 Deductible
\$117.11	\$92.39	\$80.57	\$69.13	\$54.72

Rider not available on child only policies or policies with no adult female

- Note: Rider Rate Calculation Steps:
1. Pull maternity base rate for the appropriate deductible
 2. Multiply by the appropriate area factor from policy kind P281
 3. Round to the nearest cent
 4. Multiply by the effective date factor from policy kind P281
 5. Round to the nearest cent
 6. Multiply by the modal factor from policy kind P281
 7. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Monthly New Business Premiums per Insured

All Plans

Per Adult	\$4.50
Per Child Only	\$4.50
Per Dependent Child	\$3.20

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

* Not available for new sales.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

* Not available for new sales.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Monthly New Business Premiums per Insured

All Plans

Plan	Principal Sum Coverage Units	Monthly Premium per Unit
Individual	\$1,000	0.10
Family	\$1,000 Primary Insured \$500 Spouse \$200 Children	0.20

- Note: Rider Rate Calculation Steps:
1. Pull the appropriate premium per unit
 2. Multiply by the number of units
 3. Multiply by the modal factor
 4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Monthly Premiums per Insured

All Plans

	<u>Maximum Rider Benefit</u>				
	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,500</u>	<u>\$5,000</u>
Per Adult	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Child Only	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Dependent Child	\$3.20	\$5.90	\$7.25	\$9.43	\$12.58

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) dependent children.

- Note: Rider Rate Calculation Steps:
1. Pull the appropriate premium per insured
 2. Combine each insureds premium from step 1
 3. Multiply by the modal factor
 4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PROPOSED RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
Policy Form P281

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	16.8%	17.6%	18.1%	19.0%	20.3%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective Date	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0396	1.0414	1.0425	1.0444	1.0473
7/1/2002	1.0807	1.0844	1.0867	1.0909	1.0968
10/1/2002	1.1235	1.1293	1.1329	1.1394	1.1487
1/1/2003	1.1680	1.1760	1.1810	1.1900	1.2030
4/1/2003	1.2142	1.2246	1.2312	1.2429	1.2599
7/1/2003	1.2623	1.2753	1.2834	1.2981	1.3195
10/1/2003	1.3123	1.3280	1.3379	1.3558	1.3819
1/1/2004	1.3706	1.3870	1.3974	1.4161	1.4433
4/1/2004	1.4315	1.4486	1.4595	1.4790	1.5075
7/1/2004	1.4951	1.5130	1.5244	1.5447	1.5745
10/1/2004	1.5616	1.5802	1.5922	1.6134	1.6445
1/1/2005	1.6311	1.6505	1.6631	1.6852	1.7177
4/1/2005	1.7037	1.7240	1.7371	1.7602	1.7941
7/1/2005	1.7795	1.8007	1.8144	1.8385	1.8740
10/1/2005	1.8587	1.8808	1.8951	1.9203	1.9573
1/1/2006	1.9414	1.9645	1.9794	2.0058	2.0444
4/1/2006	2.0278	2.0519	2.0675	2.0950	2.1354
7/1/2006	2.1180	2.1432	2.1595	2.1883	2.2305
10/1/2006	2.2123	2.2386	2.2556	2.2856	2.3297
1/1/2007	2.3107	2.3382	2.3560	2.3874	2.4334
4/1/2007	2.4135	2.4423	2.4608	2.4936	2.5417
7/1/2007	2.5209	2.5510	2.5703	2.6046	2.6548
10/1/2007	2.6331	2.6645	2.6847	2.7205	2.7729
1/1/2008	2.7502	2.7826	2.8041	2.8414	2.8961
4/1/2008	2.8726	2.9064	2.9288	2.9678	3.0249
7/1/2008	3.0004	3.0358	3.0592	3.0999	3.1596
10/1/2008	3.1339	3.1709	3.1953	3.2378	3.3002
1/1/2009	3.2734	3.3120	3.3375	3.3819	3.4470
4/1/2009	3.4190	3.4593	3.4860	3.5324	3.6004
7/1/2009	3.5712	3.6133	3.6411	3.6896	3.7606
10/1/2009	3.7301	3.7741	3.8032	3.8538	3.9280
1/1/2010	3.8961	3.9420	3.9724	4.0253	4.1028
4/1/2010	4.0695	4.1174	4.1492	4.2044	4.2853
7/1/2010	4.2506	4.3007	4.3338	4.3915	4.4760
10/1/2010	4.4397	4.4920	4.5267	4.5869	4.6752
1/1/2011	4.6373	4.6919	4.7281	4.7911	4.8833
4/1/2011	4.8436	4.9007	4.9385	5.0043	5.1006
7/1/2011	5.0592	5.1188	5.1583	5.2270	5.3275
10/1/2011	5.2843	5.3466	5.3878	5.4596	5.5646
1/1/2012	5.5195	5.5845	5.6276	5.7025	5.8123
4/1/2012	5.7651	5.8330	5.8780	5.9563	6.0709
7/1/2012	6.0216	6.0926	6.1396	6.2213	6.3411
10/1/2012	6.2896	6.3637	6.4128	6.4982	6.6232

CURRENT RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

RATE CALCULATION STEPS
[Policy Form P282](#)

The premium rate calculation procedure contains six pages. ALL PAGES ARE NECESSARY TO CALCULATE A PREMIUM RATE CHARGED TO A POLICY OWNER.

Rate Calculation Steps:

1. Determine medical base rate based on attained age and gender
2. Multiply medical base rate by deductible, coinsurance, out-of-pocket adjustment factor
3. Round to the nearest cent
4. Multiply by the appropriate area factor
5. Round to the nearest cent
6. Multiply by the effective date factor
7. Round to the nearest cent
8. Multiply by the underwriting factor (for each adult or "child only")
9. Round to the nearest cent
10. Multiply by the tobacco factor
11. Round to the nearest cent
12. Complete steps 1-11 separately for each insured. Combine costs here.
13. Multiply by the modal factor
14. Round to the nearest cent
15. Add the administration fee
16. Add the application fee
17. Add any rider costs

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

MEDICAL BASE RATES
[Policy Form P282](#)

Attained Age		
	Male	Female
Dep. Child under 19	\$25.61	\$25.61
Dep. Child 19 to 26	\$31.63	\$31.63
Child only	\$46.83	\$46.83
Under 20	\$44.86	\$59.31
20	\$44.86	\$59.31
21	\$44.86	\$59.31
22	\$44.86	\$59.31
23	\$45.14	\$60.28
24	\$45.42	\$61.17
25	\$45.69	\$62.15
26	\$45.97	\$63.14
27	\$46.24	\$64.03
28	\$47.39	\$65.32
29	\$48.47	\$66.58
30	\$49.58	\$67.83
31	\$50.68	\$69.05
32	\$51.80	\$70.34
33	\$53.31	\$72.77
34	\$54.84	\$75.27
35	\$56.31	\$77.72
36	\$57.87	\$80.15
37	\$59.36	\$82.64
38	\$61.42	\$85.44
39	\$63.55	\$88.27
40	\$65.59	\$91.11
41	\$67.63	\$93.99
42	\$69.73	\$96.79
43	\$73.75	\$100.00
44	\$77.74	\$103.24
45	\$81.74	\$106.50
46	\$85.73	\$109.68
47	\$89.73	\$112.91
48	\$94.83	\$116.51
49	\$99.87	\$120.04
50	\$104.99	\$123.52
51	\$110.00	\$127.14
52	\$115.07	\$130.61
53	\$120.53	\$133.72
54	\$125.92	\$136.84
55	\$131.39	\$139.97
56	\$136.78	\$143.03
57	\$142.24	\$146.13
58	\$148.01	\$149.56
59	\$153.85	\$152.96
60	\$159.61	\$156.41
61	\$165.41	\$159.77
62	\$171.22	\$163.21
63	\$176.99	\$166.64
64	\$182.81	\$170.01
65+	\$188.64	\$173.42

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Base rate added for up to three children.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

DEDUCTIBLE, COINSURANCE, OUT-OF-POCKET ADJUSTMENT FACTORS
Policy Form P282

Deductible*	Coinsurance*	Out-of-Pocket*	Factor
7500	100%	0	0.977
10000	100%	0	0.860
25000	100%	0	0.572
50000	100%	0	0.418

* Only in-network levels are shown here.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

AREA FACTORS
Policy Form P282

Area Factor Table, P282 Only

Zip3	Factor
370	1.08
371	1.08
372	1.13
373	0.96
374	1.00
375	1.08
376	1.00
377	0.96
378	0.96
379	1.08
380	1.04
381	1.04
382	0.96
383	0.96
384	0.96
385	0.96

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
 Policy Form P282

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible			
	<u>7500</u>	<u>10000</u>	<u>25000</u>	<u>50000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	18.4%	19.4%	21.4%	24.2%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective <u>Date</u>	Deductible			
	<u>7500</u>	<u>10000</u>	<u>25000</u>	<u>50000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0431	1.0453	1.0497	1.0557
7/1/2002	1.0881	1.0927	1.1018	1.1145
10/1/2002	1.1350	1.1422	1.1565	1.1765
1/1/2003	1.1840	1.1940	1.2140	1.2420
4/1/2003	1.2351	1.2481	1.2743	1.3111
7/1/2003	1.2883	1.3047	1.3376	1.3841
10/1/2003	1.3439	1.3638	1.4041	1.4612
1/1/2004	1.4036	1.4244	1.4665	1.5261
4/1/2004	1.4660	1.4877	1.5317	1.5939
7/1/2004	1.5312	1.5538	1.5998	1.6647
10/1/2004	1.5993	1.6229	1.6709	1.7387
1/1/2005	1.6705	1.6951	1.7453	1.8161
4/1/2005	1.7448	1.7706	1.8229	1.8969
7/1/2005	1.8224	1.8493	1.9040	1.9813
10/1/2005	1.9035	1.9316	1.9888	2.0695
1/1/2006	1.9883	2.0176	2.0773	2.1616
4/1/2006	2.0767	2.1074	2.1697	2.2577
7/1/2006	2.1691	2.2012	2.2663	2.3582
10/1/2006	2.2657	2.2991	2.3671	2.4632
1/1/2007	2.3665	2.4014	2.4724	2.5728
4/1/2007	2.4718	2.5083	2.5825	2.6873
7/1/2007	2.5818	2.6199	2.6974	2.8068
10/1/2007	2.6967	2.7365	2.8174	2.9317
1/1/2008	2.8166	2.8581	2.9425	3.0619
4/1/2008	2.9419	2.9853	3.0734	3.1982
7/1/2008	3.0728	3.1181	3.2102	3.3405
10/1/2008	3.2096	3.2569	3.3530	3.4892
1/1/2009	3.3524	3.4018	3.5022	3.6444
4/1/2009	3.5016	3.5532	3.6581	3.8066
7/1/2009	3.6574	3.7113	3.8209	3.9760
10/1/2009	3.8201	3.8765	3.9909	4.1529
1/1/2010	3.9901	4.0490	4.1685	4.3377
4/1/2010	4.1677	4.2292	4.3540	4.5308
7/1/2010	4.3531	4.4174	4.5478	4.7324
10/1/2010	4.5469	4.6139	4.7501	4.9430
1/1/2011	4.7492	4.8192	4.9615	5.1629
4/1/2011	4.9605	5.0337	5.1823	5.3927
7/1/2011	5.1813	5.2577	5.4129	5.6327
10/1/2011	5.4118	5.4917	5.6538	5.8833

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ADDITIONAL FACTORS & FEES
Policy Form P282

Additional Factors:

Underwriting Factors

Preferred	0.90
Standard	1.00
Substand 1	1.25
Substand 2	1.50

Tobacco Factors

Non-Tobacco	1.00
Tobacco	1.25

Modal Factors

Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

Fees:

A \$25 fee will be charged per application.

An Administration Fee of \$7.50 per policy is added per modal premium collected.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Monthly New Business Premiums per Insured

All Plans

Per Adult	\$4.50
Per Child Only	\$4.50
Per Dependent Child	\$3.20

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Monthly New Business Premiums per Insured

All Plans

Plan	Principal Sum Coverage Units	Monthly Premium per Unit
Individual	\$1,000	0.10
Family	\$1,000 Primary Insured \$500 Spouse \$200 Children	0.20

- Note: Rider Rate Calculation Steps:
1. Pull the appropriate premium per unit
 2. Multiply by the number of units
 3. Multiply by the modal factor
 4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Monthly Premiums per Insured

All Plans

	<u>Maximum Rider Benefit</u>				
	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,500</u>	<u>\$5,000</u>
Per Adult	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Child Only	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Dependent Child	\$3.20	\$5.90	\$7.25	\$9.43	\$12.58

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) dependent children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PROPOSED RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
 Policy Form P282

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible			
	<u>7500</u>	<u>10000</u>	<u>25000</u>	<u>50000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	18.4%	19.4%	21.4%	24.2%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective Date	Deductible			
	<u>7500</u>	<u>10000</u>	<u>25000</u>	<u>50000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0431	1.0453	1.0497	1.0557
7/1/2002	1.0881	1.0927	1.1018	1.1145
10/1/2002	1.1350	1.1422	1.1565	1.1765
1/1/2003	1.1840	1.1940	1.2140	1.2420
4/1/2003	1.2351	1.2481	1.2743	1.3111
7/1/2003	1.2883	1.3047	1.3376	1.3841
10/1/2003	1.3439	1.3638	1.4041	1.4612
1/1/2004	1.4036	1.4244	1.4665	1.5261
4/1/2004	1.4660	1.4877	1.5317	1.5939
7/1/2004	1.5312	1.5538	1.5998	1.6647
10/1/2004	1.5993	1.6229	1.6709	1.7387
1/1/2005	1.6705	1.6951	1.7453	1.8161
4/1/2005	1.7448	1.7706	1.8229	1.8969
7/1/2005	1.8224	1.8493	1.9040	1.9813
10/1/2005	1.9035	1.9316	1.9888	2.0695
1/1/2006	1.9883	2.0176	2.0773	2.1616
4/1/2006	2.0767	2.1074	2.1697	2.2577
7/1/2006	2.1691	2.2012	2.2663	2.3582
10/1/2006	2.2657	2.2991	2.3671	2.4632
1/1/2007	2.3665	2.4014	2.4724	2.5728
4/1/2007	2.4718	2.5083	2.5825	2.6873
7/1/2007	2.5818	2.6199	2.6974	2.8068
10/1/2007	2.6967	2.7365	2.8174	2.9317
1/1/2008	2.8166	2.8581	2.9425	3.0619
4/1/2008	2.9419	2.9853	3.0734	3.1982
7/1/2008	3.0728	3.1181	3.2102	3.3405
10/1/2008	3.2096	3.2569	3.3530	3.4892
1/1/2009	3.3524	3.4018	3.5022	3.6444
4/1/2009	3.5016	3.5532	3.6581	3.8066
7/1/2009	3.6574	3.7113	3.8209	3.9760
10/1/2009	3.8201	3.8765	3.9909	4.1529
1/1/2010	3.9901	4.0490	4.1685	4.3377
4/1/2010	4.1677	4.2292	4.3540	4.5308
7/1/2010	4.3531	4.4174	4.5478	4.7324
10/1/2010	4.5469	4.6139	4.7501	4.9430
1/1/2011	4.7492	4.8192	4.9615	5.1629
4/1/2011	4.9605	5.0337	5.1823	5.3927
7/1/2011	5.1813	5.2577	5.4129	5.6327
10/1/2011	5.4118	5.4917	5.6538	5.8833
1/1/2012	5.6527	5.7361	5.9054	6.1451
4/1/2012	5.9042	5.9913	6.1682	6.4186
7/1/2012	6.1670	6.2579	6.4427	6.7042
10/1/2012	6.4414	6.5364	6.7294	7.0025

CURRENT RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

RATE CALCULATION STEPS
[Policy Form P283](#)

The premium rate calculation procedure contains six pages. ALL PAGES ARE NECESSARY TO CALCULATE A PREMIUM RATE CHARGED TO A POLICY OWNER.

Rate Calculation Steps:

1. Determine medical base rate based on attained age and gender
2. Multiply medical base rate by deductible, coinsurance, out-of-pocket adjustment factor
3. Round to the nearest cent
4. Multiply by the appropriate area factor
5. Round to the nearest cent
6. Multiply by the effective date factor
7. Round to the nearest cent
8. Multiply by the underwriting factor (for each adult or "child only")
9. Round to the nearest cent
10. Multiply by the tobacco factor
11. Round to the nearest cent
12. Complete steps 1-11 separately for each insured. Combine costs here.
13. Multiply by the modal factor
14. Round to the nearest cent
15. Add the administration fee
16. Add the application fee
17. Add any rider costs

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

MEDICAL BASE RATES
[Policy Form P283](#)

Attained <u>Age</u>		
	Male	Female
Dep. Child under 19	\$55.31	\$55.31
Dep. Child 19 to 26	\$68.31	\$68.31
Child only	\$101.08	\$101.08
Under 20	\$100.75	\$123.25
20	\$100.75	\$123.25
21	\$100.75	\$123.25
22	\$100.75	\$123.25
23	\$101.38	\$125.21
24	\$102.02	\$127.18
25	\$102.66	\$129.16
26	\$103.31	\$131.16
27	\$103.96	\$133.17
28	\$106.49	\$135.75
29	\$108.95	\$138.26
30	\$111.35	\$140.90
31	\$113.85	\$143.47
32	\$116.30	\$146.16
33	\$119.71	\$151.34
34	\$123.09	\$156.48
35	\$126.60	\$161.58
36	\$129.93	\$166.65
37	\$133.40	\$171.69
38	\$138.13	\$177.66
39	\$142.67	\$183.57
40	\$147.36	\$189.41
41	\$152.02	\$195.21
42	\$156.67	\$201.15
43	\$165.66	\$207.87
44	\$174.74	\$214.59
45	\$183.61	\$221.35
46	\$192.64	\$227.95
47	\$201.65	\$234.58
48	\$213.06	\$242.05
49	\$224.41	\$249.37
50	\$235.75	\$256.74
51	\$247.26	\$264.17
52	\$258.52	\$271.46
53	\$270.77	\$278.03
54	\$283.02	\$284.39
55	\$295.14	\$290.75
56	\$307.32	\$297.29
57	\$319.59	\$303.64
58	\$332.62	\$310.79
59	\$345.54	\$317.94
60	\$358.65	\$324.91
61	\$371.70	\$332.09
62	\$384.70	\$339.10
63	\$397.66	\$346.33
64	\$410.77	\$353.40
65+	\$423.77	\$360.48

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Base rate added for up to three children.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

DEDUCTIBLE, COINSURANCE, OUT-OF-POCKET ADJUSTMENT FACTORS
Policy Form P283

Deductible*	Coinsurance*	Out-of-Pocket*	Factor
500	80%	1000	1.100
500	80%	2000	1.060
500	70%	1500	1.045
500	70%	3000	0.988
1000	80%	1000	0.859
1000	80%	2000	0.828
1000	70%	1500	0.823
1000	70%	3000	0.777
1500	80%	1000	0.740
1500	80%	2000	0.713
1500	70%	1500	0.706
1500	70%	3000	0.667
2500	100%	0	0.722
2500	80%	1000	0.632
2500	80%	2000	0.611
5000	100%	0	0.550
5000	80%	1000	0.483
5000	80%	2000	0.469

* Only in-network levels are shown here.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

AREA FACTORS
Policy Form P283

Zip3	Factor
370	1.10
371	1.10
372	1.14
373	1.00
374	1.05
375	1.10
376	1.05
377	1.00
378	1.00
379	1.05
380	1.05
381	1.05
382	1.00
383	1.00
384	1.00
385	1.00

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
Policy Form P283

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	16.8%	17.6%	18.1%	19.0%	20.3%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective <u>Date</u>	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0396	1.0414	1.0425	1.0444	1.0473
7/1/2002	1.0807	1.0844	1.0867	1.0909	1.0968
10/1/2002	1.1235	1.1293	1.1329	1.1394	1.1487
1/1/2003	1.1680	1.1760	1.1810	1.1900	1.2030
4/1/2003	1.2142	1.2246	1.2312	1.2429	1.2599
7/1/2003	1.2623	1.2753	1.2834	1.2981	1.3195
10/1/2003	1.3123	1.3280	1.3379	1.3558	1.3819
1/1/2004	1.3706	1.3870	1.3974	1.4161	1.4433
4/1/2004	1.4315	1.4486	1.4595	1.4790	1.5075
7/1/2004	1.4951	1.5130	1.5244	1.5447	1.5745
10/1/2004	1.5616	1.5802	1.5922	1.6134	1.6445
1/1/2005	1.6311	1.6505	1.6631	1.6852	1.7177
4/1/2005	1.7037	1.7240	1.7371	1.7602	1.7941
7/1/2005	1.7795	1.8007	1.8144	1.8385	1.8740
10/1/2005	1.8587	1.8808	1.8951	1.9203	1.9573
1/1/2006	1.9414	1.9645	1.9794	2.0058	2.0444
4/1/2006	2.0278	2.0519	2.0675	2.0950	2.1354
7/1/2006	2.1180	2.1432	2.1595	2.1883	2.2305
10/1/2006	2.2123	2.2386	2.2556	2.2856	2.3297
1/1/2007	2.3107	2.3382	2.3560	2.3874	2.4334
4/1/2007	2.4135	2.4423	2.4608	2.4936	2.5417
7/1/2007	2.5209	2.5510	2.5703	2.6046	2.6548
10/1/2007	2.6331	2.6645	2.6847	2.7205	2.7729
1/1/2008	2.7502	2.7826	2.8041	2.8414	2.8961
4/1/2008	2.8726	2.9064	2.9288	2.9678	3.0249
7/1/2008	3.0004	3.0358	3.0592	3.0999	3.1596
10/1/2008	3.1339	3.1709	3.1953	3.2378	3.3002
1/1/2009	3.2734	3.3120	3.3375	3.3819	3.4470
4/1/2009	3.4190	3.4593	3.4860	3.5324	3.6004
7/1/2009	3.5712	3.6133	3.6411	3.6896	3.7606
10/1/2009	3.7301	3.7741	3.8032	3.8538	3.9280
1/1/2010	3.8961	3.9420	3.9724	4.0253	4.1028
4/1/2010	4.0695	4.1174	4.1492	4.2044	4.2853
7/1/2010	4.2506	4.3007	4.3338	4.3915	4.4760
10/1/2010	4.4397	4.4920	4.5267	4.5869	4.6752
1/1/2011	4.6373	4.6919	4.7281	4.7911	4.8833
4/1/2011	4.8436	4.9007	4.9385	5.0043	5.1006
7/1/2011	5.0592	5.1188	5.1583	5.2270	5.3275
10/1/2011	5.2843	5.3466	5.3878	5.4596	5.5646

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ADDITIONAL FACTORS & FEES
Policy Form P283

Additional Factors:

Underwriting Factors

Preferred	0.90
Standard	1.00
Substand 1	1.25
Substand 2	1.50

Tobacco Factors

Non-Tobacco	1.00
Tobacco	1.25

Modal Factors

Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

Fees:

A \$25 fee will be charged per application.

An Administration Fee of \$7.50 per policy is added per modal premium collected.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

MATERNITY RIDER
Rider Form B083

\$500 Deductible	\$1,000 Deductible	\$1,500 Deductible	\$2,500 Deductible	\$5,000 Deductible
\$143.81	\$116.53	\$102.27	\$91.30	\$76.91

Rider not available on child only policies or policies with no adult female

- Note: Rider Rate Calculation Steps:
1. Pull maternity base rate for the appropriate deductible
 2. Multiply by the appropriate area factor from policy kind P283
 3. Round to the nearest cent
 4. Multiply by the effective date factor from policy kind P283
 5. Round to the nearest cent
 6. Multiply by the modal factor from policy kind P283
 7. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Monthly New Business Premiums per Insured

All Plans

Per Adult	\$4.50
Per Child Only	\$4.50
Per Dependent Child	\$3.20

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Monthly New Business Premiums per Insured

All Plans

Plan	Principal Sum Coverage Units	Monthly Premium per Unit
Individual	\$1,000	0.10
Family	\$1,000 Primary Insured \$500 Spouse \$200 Children	0.20

- Note: Rider Rate Calculation Steps:
1. Pull the appropriate premium per unit
 2. Multiply by the number of units
 3. Multiply by the modal factor
 4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Monthly Premiums per Insured

All Plans

	<u>Maximum Rider Benefit</u>				
	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,500</u>	<u>\$5,000</u>
Per Adult	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Child Only	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Dependent Child	\$3.20	\$5.90	\$7.25	\$9.43	\$12.58

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) dependent children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PROPOSED RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
 Policy Form P283

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	16.8%	17.6%	18.1%	19.0%	20.3%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective Date	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0396	1.0414	1.0425	1.0444	1.0473
7/1/2002	1.0807	1.0844	1.0867	1.0909	1.0968
10/1/2002	1.1235	1.1293	1.1329	1.1394	1.1487
1/1/2003	1.1680	1.1760	1.1810	1.1900	1.2030
4/1/2003	1.2142	1.2246	1.2312	1.2429	1.2599
7/1/2003	1.2623	1.2753	1.2834	1.2981	1.3195
10/1/2003	1.3123	1.3280	1.3379	1.3558	1.3819
1/1/2004	1.3706	1.3870	1.3974	1.4161	1.4433
4/1/2004	1.4315	1.4486	1.4595	1.4790	1.5075
7/1/2004	1.4951	1.5130	1.5244	1.5447	1.5745
10/1/2004	1.5616	1.5802	1.5922	1.6134	1.6445
1/1/2005	1.6311	1.6505	1.6631	1.6852	1.7177
4/1/2005	1.7037	1.7240	1.7371	1.7602	1.7941
7/1/2005	1.7795	1.8007	1.8144	1.8385	1.8740
10/1/2005	1.8587	1.8808	1.8951	1.9203	1.9573
1/1/2006	1.9414	1.9645	1.9794	2.0058	2.0444
4/1/2006	2.0278	2.0519	2.0675	2.0950	2.1354
7/1/2006	2.1180	2.1432	2.1595	2.1883	2.2305
10/1/2006	2.2123	2.2386	2.2556	2.2856	2.3297
1/1/2007	2.3107	2.3382	2.3560	2.3874	2.4334
4/1/2007	2.4135	2.4423	2.4608	2.4936	2.5417
7/1/2007	2.5209	2.5510	2.5703	2.6046	2.6548
10/1/2007	2.6331	2.6645	2.6847	2.7205	2.7729
1/1/2008	2.7502	2.7826	2.8041	2.8414	2.8961
4/1/2008	2.8726	2.9064	2.9288	2.9678	3.0249
7/1/2008	3.0004	3.0358	3.0592	3.0999	3.1596
10/1/2008	3.1339	3.1709	3.1953	3.2378	3.3002
1/1/2009	3.2734	3.3120	3.3375	3.3819	3.4470
4/1/2009	3.4190	3.4593	3.4860	3.5324	3.6004
7/1/2009	3.5712	3.6133	3.6411	3.6896	3.7606
10/1/2009	3.7301	3.7741	3.8032	3.8538	3.9280
1/1/2010	3.8961	3.9420	3.9724	4.0253	4.1028
4/1/2010	4.0695	4.1174	4.1492	4.2044	4.2853
7/1/2010	4.2506	4.3007	4.3338	4.3915	4.4760
10/1/2010	4.4397	4.4920	4.5267	4.5869	4.6752
1/1/2011	4.6373	4.6919	4.7281	4.7911	4.8833
4/1/2011	4.8436	4.9007	4.9385	5.0043	5.1006
7/1/2011	5.0592	5.1188	5.1583	5.2270	5.3275
10/1/2011	5.2843	5.3466	5.3878	5.4596	5.5646
1/1/2012	5.5195	5.5845	5.6276	5.7025	5.8123
4/1/2012	5.7651	5.8330	5.8780	5.9563	6.0709
7/1/2012	6.0216	6.0926	6.1396	6.2213	6.3411
10/1/2012	6.2896	6.3637	6.4128	6.4982	6.6232

CURRENT RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

RATE CALCULATION STEPS
[Policy Form P284](#)

The premium rate calculation procedure contains eight pages. ALL PAGES ARE NECESSARY TO CALCULATE A PREMIUM RATE CHARGED TO A POLICY OWNER.

Rate Calculation Steps:

1. Determine medical base rate based on attained age and gender
2. Multiply medical base rate by deductible, coinsurance, out-of-pocket adjustment factor
3. Round to the nearest cent
4. Determine drug card base rate based on attained age and gender
5. Multiply drug card base rate by drug card benefit factor
6. Round to the nearest cent
7. Add Results of #3 and #6
8. Multiply by the appropriate area factor
9. Round to the nearest cent
10. Multiply by the effective date factor
11. Round to the nearest cent
12. Multiply by the underwriting factor (for each adult or "child only")
13. Round to the nearest cent
14. Multiply by the tobacco factor
15. Round to the nearest cent
16. Complete steps 1-15 separately for each insured. Combine costs here.
17. Multiply by the modal factor
18. Round to the nearest cent
19. Add the administration fee
20. Add the application fee
21. Add any rider costs

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

MEDICAL BASE RATES
 Policy Form P284

Attained Age		
	Male	Female
Dep. Child under 19	\$60.30	\$60.30
Dep. Child 19 to 26	\$74.47	\$74.47
Child only	\$108.72	\$108.72
Under 20	\$99.78	\$132.21
20	\$99.78	\$132.21
21	\$99.78	\$132.21
22	\$99.78	\$132.21
23	\$100.64	\$134.28
24	\$101.50	\$136.15
25	\$102.37	\$138.03
26	\$103.24	\$139.72
27	\$104.12	\$141.64
28	\$107.59	\$145.40
29	\$111.02	\$149.10
30	\$114.56	\$152.96
31	\$118.08	\$156.76
32	\$121.56	\$160.53
33	\$125.80	\$165.11
34	\$130.17	\$169.57
35	\$134.50	\$174.11
36	\$138.81	\$178.75
37	\$143.09	\$183.27
38	\$149.20	\$188.37
39	\$155.33	\$193.40
40	\$161.31	\$198.37
41	\$167.49	\$203.29
42	\$173.54	\$208.36
43	\$182.16	\$215.70
44	\$190.96	\$223.06
45	\$199.62	\$230.45
46	\$208.32	\$237.66
47	\$216.93	\$245.13
48	\$228.65	\$253.88
49	\$240.39	\$262.70
50	\$251.97	\$271.59
51	\$263.78	\$280.37
52	\$275.49	\$289.26
53	\$288.97	\$299.12
54	\$302.72	\$308.86
55	\$316.41	\$318.70
56	\$329.92	\$328.64
57	\$343.62	\$338.28
58	\$358.12	\$347.67
59	\$372.81	\$357.07
60	\$387.36	\$366.29
61	\$401.97	\$375.55
62	\$416.50	\$384.85
63	\$431.12	\$394.20
64	\$445.71	\$403.40
65+	\$460.28	\$412.79

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Base rate added for up to three children.

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

DEDUCTIBLE, COINSURANCE, OUT-OF-POCKET ADJUSTMENT FACTORS
 Policy Form P284

Deductible*	Coinsurance*	Out-of-Pocket*	Factor
500	80%	1000	1.100
500	80%	2000	1.056
500	70%	1500	1.045
500	70%	3000	0.983
1000	80%	1000	0.857
1000	80%	2000	0.824
1000	70%	1500	0.822
1000	70%	3000	0.775
1500	80%	1000	0.738
1500	80%	2000	0.712
1500	70%	1500	0.706
1500	70%	3000	0.667
2500	80%	1000	0.630
2500	80%	2000	0.609
2500	70%	1500	0.605
2500	70%	3000	0.575
5000	80%	1000	0.483
5000	80%	2000	0.470
5000	70%	1500	0.467
5000	70%	3000	0.446

* Only in-network levels are shown here.

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

DRUG CARD BASE RATES
 Policy Form P284

Prescription Drug Premiums Per Insured

Attained Age		
	Male	Female
Dep. Child under 19	\$4.00	\$4.00
Dep. Child 19 to 23	\$4.94	\$4.94
Child only	\$15.13	\$15.13
Under 20	\$13.99	\$18.21
20	\$13.99	\$18.21
21	\$13.99	\$18.21
22	\$13.99	\$18.21
23	\$14.11	\$18.41
24	\$14.23	\$18.61
25	\$14.35	\$18.82
26	\$14.47	\$19.03
27	\$14.59	\$19.24
28	\$15.10	\$19.88
29	\$15.63	\$20.55
30	\$16.18	\$21.23
31	\$16.74	\$21.94
32	\$17.33	\$22.68
33	\$17.90	\$23.20
34	\$18.49	\$23.74
35	\$19.10	\$24.29
36	\$19.72	\$24.85
37	\$20.37	\$25.42
38	\$21.11	\$26.14
39	\$21.87	\$26.87
40	\$22.66	\$27.63
41	\$23.48	\$28.40
42	\$24.32	\$29.20
43	\$25.43	\$30.17
44	\$26.59	\$31.16
45	\$27.81	\$32.19
46	\$29.08	\$33.26
47	\$30.40	\$34.36
48	\$31.89	\$35.51
49	\$33.45	\$36.71
50	\$35.09	\$37.94
51	\$36.81	\$39.22
52	\$38.61	\$40.54
53	\$40.44	\$41.83
54	\$42.35	\$43.16
55	\$44.35	\$44.53
56	\$46.45	\$45.95
57	\$48.65	\$47.41
58	\$50.56	\$48.65
59	\$52.54	\$49.92
60	\$54.61	\$51.23
61	\$56.75	\$52.57
62	\$58.98	\$53.94
63	\$61.30	\$55.35
64	\$63.71	\$56.80
65+	\$71.52	\$61.37

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

DRUG CARD BENEFIT FACTORS
[Policy Form P284](#)

Benefit Factors For Prescription Drug Card Premiums

Deductible*	Factor
0	1.596
500	1.178
1000	1.000
1500	0.894
2000	0.825

* Deductible for brand-name prescriptions only

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

AREA FACTORS
Policy Form P284

Area Factor Table, P284 Only

Zip3	Factor
370	1.10
371	1.10
372	1.14
373	1.00
374	1.05
375	1.10
376	1.05
377	1.00
378	1.00
379	1.05
380	1.05
381	1.05
382	1.00
383	1.00
384	1.00
385	1.00

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
Policy Form P284

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	17.4%	18.3%	18.8%	19.6%	21.0%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective <u>Date</u>	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0409	1.0429	1.0440	1.0458	1.0488
7/1/2002	1.0835	1.0877	1.0900	1.0936	1.1000
10/1/2002	1.1278	1.1343	1.1379	1.1437	1.1537
1/1/2003	1.1740	1.1830	1.1880	1.1960	1.2100
4/1/2003	1.2220	1.2338	1.2403	1.2507	1.2691
7/1/2003	1.2720	1.2867	1.2949	1.3080	1.3310
10/1/2003	1.3241	1.3419	1.3519	1.3678	1.3960
1/1/2004	1.3830	1.4015	1.4120	1.4286	1.4580
4/1/2004	1.4445	1.4638	1.4748	1.4921	1.5228
7/1/2004	1.5087	1.5289	1.5404	1.5584	1.5905
10/1/2004	1.5758	1.5969	1.6089	1.6277	1.6612
1/1/2005	1.6459	1.6680	1.6805	1.7001	1.7351
4/1/2005	1.7192	1.7422	1.7553	1.7758	1.8123
7/1/2005	1.7957	1.8197	1.8334	1.8548	1.8930
10/1/2005	1.8756	1.9007	1.9150	1.9374	1.9772
1/1/2006	1.9590	1.9853	2.0002	2.0236	2.0652
4/1/2006	2.0462	2.0736	2.0892	2.1136	2.1571
7/1/2006	2.1373	2.1659	2.1822	2.2077	2.2531
10/1/2006	2.2324	2.2623	2.2793	2.3059	2.3534
1/1/2007	2.3317	2.3629	2.3807	2.4085	2.4581
4/1/2007	2.4355	2.4681	2.4866	2.5157	2.5675
7/1/2007	2.5439	2.5779	2.5973	2.6276	2.6817
10/1/2007	2.6571	2.6926	2.7129	2.7446	2.8011
1/1/2008	2.7752	2.8123	2.8334	2.8665	2.9254
4/1/2008	2.8987	2.9374	2.9595	2.9941	3.0556
7/1/2008	3.0277	3.0682	3.0912	3.1273	3.1916
10/1/2008	3.1624	3.2047	3.2287	3.2665	3.3336
1/1/2009	3.3031	3.3473	3.3724	3.4118	3.4819
4/1/2009	3.4501	3.4963	3.5225	3.5636	3.6369
7/1/2009	3.6037	3.6518	3.6792	3.7222	3.7987
10/1/2009	3.7640	3.8144	3.8430	3.8879	3.9678
1/1/2010	3.9315	3.9841	4.0140	4.0609	4.1443
4/1/2010	4.1065	4.1614	4.1926	4.2416	4.3287
7/1/2010	4.2892	4.3466	4.3792	4.4303	4.5214
10/1/2010	4.4801	4.5400	4.5740	4.6275	4.7226
1/1/2011	4.6795	4.7420	4.7776	4.8334	4.9327
4/1/2011	4.8877	4.9530	4.9902	5.0485	5.1522
7/1/2011	5.1052	5.1734	5.2123	5.2732	5.3815
10/1/2011	5.3324	5.4037	5.4442	5.5078	5.6210

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ADDITIONAL FACTORS & FEES
Policy Form P284

Additional Factors:

Underwriting Factors

Preferred	0.90
Standard	1.00
Substand 1	1.25
Substand 2	1.50

Tobacco Factors

Non-Tobacco	1.00
Tobacco	1.25

Modal Factors

Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

Fees:

A \$25 fee will be charged per application.

An Administration Fee of \$7.50 per policy is added per modal premium collected.

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Monthly New Business Premiums per Insured

All Plans

Per Adult	\$4.50
Per Child Only	\$4.50
Per Dependent Child	\$3.20

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

SUPPLEMENTAL ACCIDENT RIDER
Rider Form B111

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Monthly New Business Premiums per Insured

All Plans

Plan	Principal Sum Coverage Units	Monthly Premium per Unit
Individual	\$1,000	0.10
Family	\$1,000 Primary Insured \$500 Spouse \$200 Children	0.20

- Note: Rider Rate Calculation Steps:
1. Pull the appropriate premium per unit
 2. Multiply by the number of units
 3. Multiply by the modal factor
 4. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, NE 68131

ACCIDENTAL DEATH BENEFIT RIDER
[Rider Form B112](#)

Modal Factors

Mode	Factor
Annual	11.22
Semi-Annual	5.70
Quarterly	2.88
Monthly	1.00
Automatic Bank Withdrawal	0.95

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

MATERNITY RIDER
Rider Form B113

\$500 Deductible	\$1,000 Deductible	\$1,500 Deductible	\$2,500 Deductible	\$5,000 Deductible
\$164.42	\$132.00	\$116.09	\$103.30	\$84.86

Rider not available on child only policies or policies with no adult female

- Note: Rider Rate Calculation Steps:
1. Pull maternity base rate for the appropriate deductible
 2. Multiply by the appropriate area factor from policy kind P284
 3. Round to the nearest cent
 4. Multiply by the effective date factor from policy kind P284
 5. Round to the nearest cent
 6. Multiply by the modal factor from policy kind P284
 7. Round to the nearest cent

PHYSICIANS MUTUAL INSURANCE COMPANY
2600 Dodge Street
Omaha, Nebraska 68131

SUPPLEMENTAL ACCIDENT EXPENSE RIDER
Rider Form B151

Monthly Premiums per Insured

All Plans

	<u>Maximum Rider Benefit</u>				
	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$2,500</u>	<u>\$5,000</u>
Per Adult	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Child Only	\$4.50	\$8.29	\$10.20	\$13.26	\$17.69
Per Dependent Child	\$3.20	\$5.90	\$7.25	\$9.43	\$12.58

For Child Only policy, 1st child is charged Child only rate, other children charged Dep. Child rate. Premiums charged for maximum of three (3) dependent children.

Note: Rider Rate Calculation Steps:

1. Pull the appropriate premium per insured
2. Combine each insureds premium from step 1
3. Multiply by the modal factor
4. Round to the nearest cent

PROPOSED RATE SCHEDULES

PHYSICIANS MUTUAL INSURANCE COMPANY
 2600 Dodge Street
 Omaha, Nebraska 68131

EFFECTIVE DATE FACTORS
 Policy Form P284

Effective Date Factor Table

Rates charged will increase at the following annual rates*:

	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
Annualized Trend: (Effective 01/01/2002 through 12/31/2003)	17.4%	18.3%	18.8%	19.6%	21.0%
Annualized Trend: (Effective 01/01/2004 and thereafter)	19.0%	19.0%	19.0%	19.0%	19.0%

For a given effective date, apply the trend factor of the start of the current quarter:

Effective Date	Deductible				
	<u>500</u>	<u>1000</u>	<u>1500</u>	<u>2500</u>	<u>5000</u>
1/1/2002	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2002	1.0409	1.0429	1.0440	1.0458	1.0488
7/1/2002	1.0835	1.0877	1.0900	1.0936	1.1000
10/1/2002	1.1278	1.1343	1.1379	1.1437	1.1537
1/1/2003	1.1740	1.1830	1.1880	1.1960	1.2100
4/1/2003	1.2220	1.2338	1.2403	1.2507	1.2691
7/1/2003	1.2720	1.2867	1.2949	1.3080	1.3310
10/1/2003	1.3241	1.3419	1.3519	1.3678	1.3960
1/1/2004	1.3830	1.4015	1.4120	1.4286	1.4580
4/1/2004	1.4445	1.4638	1.4748	1.4921	1.5228
7/1/2004	1.5087	1.5289	1.5404	1.5584	1.5905
10/1/2004	1.5758	1.5969	1.6089	1.6277	1.6612
1/1/2005	1.6459	1.6680	1.6805	1.7001	1.7351
4/1/2005	1.7192	1.7422	1.7553	1.7758	1.8123
7/1/2005	1.7957	1.8197	1.8334	1.8548	1.8930
10/1/2005	1.8756	1.9007	1.9150	1.9374	1.9772
1/1/2006	1.9590	1.9853	2.0002	2.0236	2.0652
4/1/2006	2.0462	2.0736	2.0892	2.1136	2.1571
7/1/2006	2.1373	2.1659	2.1822	2.2077	2.2531
10/1/2006	2.2324	2.2623	2.2793	2.3059	2.3534
1/1/2007	2.3317	2.3629	2.3807	2.4085	2.4581
4/1/2007	2.4355	2.4681	2.4866	2.5157	2.5675
7/1/2007	2.5439	2.5779	2.5973	2.6276	2.6817
10/1/2007	2.6571	2.6926	2.7129	2.7446	2.8011
1/1/2008	2.7752	2.8123	2.8334	2.8665	2.9254
4/1/2008	2.8987	2.9374	2.9595	2.9941	3.0556
7/1/2008	3.0277	3.0682	3.0912	3.1273	3.1916
10/1/2008	3.1624	3.2047	3.2287	3.2665	3.3336
1/1/2009	3.3031	3.3473	3.3724	3.4118	3.4819
4/1/2009	3.4501	3.4963	3.5225	3.5636	3.6369
7/1/2009	3.6037	3.6518	3.6792	3.7222	3.7987
10/1/2009	3.7640	3.8144	3.8430	3.8879	3.9678
1/1/2010	3.9315	3.9841	4.0140	4.0609	4.1443
4/1/2010	4.1065	4.1614	4.1926	4.2416	4.3287
7/1/2010	4.2892	4.3466	4.3792	4.4303	4.5214
10/1/2010	4.4801	4.5400	4.5740	4.6275	4.7226
1/1/2011	4.6795	4.7420	4.7776	4.8334	4.9327
4/1/2011	4.8877	4.9530	4.9902	5.0485	5.1522
7/1/2011	5.1052	5.1734	5.2123	5.2732	5.3815
10/1/2011	5.3324	5.4037	5.4442	5.5078	5.6210
1/1/2012	5.5697	5.6441	5.6865	5.7529	5.8711
4/1/2012	5.8175	5.8953	5.9395	6.0089	6.1324
7/1/2012	6.0764	6.1576	6.2038	6.2763	6.4053
10/1/2012	6.3468	6.4316	6.4799	6.5556	6.6903

0780-1-20-.02 ACTUARIAL MEMORANDUM.

Each rate submission shall include an actuarial memorandum describing the basis on which rates were determined and shall indicate and describe the calculation of the ratio, hereinafter called "anticipated loss ratio," of the present value of the expected benefits to the present value of the expected premiums over the entire period for which rates are computed to provide coverage. Each rate submission must also include a certification by a qualified actuary.

Please have the actuary preparing this document sign the certification below. This must be an actual signature, not computer generated or rubber stamped.

I certify that to the best of my knowledge and judgment the rate filing is in compliance with the applicable laws and regulations of this state and that the benefits are reasonable in relation to premiums.

Signature Brenton Pyle, FSA, MAAA Digitally signed by Brenton Pyle, FSA, MAAA
DN: cn=Brenton Pyle, FSA, MAAA, c=US
Date: 2010.10.05 14:30:48 -0500

Print name Brenton Pyle, FSA, MAAA

Title Actuary