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Additional Staff Comments:

11-4-21 cgb The WG exposed for 30 day public comment period ending on Dec. 3, 2021.

12-16-21 cgb One comment letter received.

12-16-21 cgb The Working Group adopted the proposal.

01-28-22 cgb The Working Group re-exposed with alternative language for 15 days. Comments due by 02-14-22. The purpose of the alternative language is to add further clarity

02-14-22 cgb No comments received.

02-25-22 cgb The WG re-adopted the proposal as modified with the alternative language to be used in place of the originally proposed language.

03-28-22 cgb-

**UNDERWRITING RISK - L(1) THROUGH L(21)**  
XR013

Line (12) Underwriting Risk Claims Ratio. For Columns (1) through (5), Line (11) / Line (6). If either Line (6) or Line (11) is zero or negative, Line (12) is zero.

Line (13) Underwriting Risk Factor. A weighted average factor based on the amount reported in Line (6), Underwriting Risk Revenue. The factors for Column (1) through (3) have incorporated an investment income yield of 0.5%.

	\$0 – \$3	\$3 – \$25	Over \$25
	<u>Million</u>	<u>Million</u>	<u>Million</u>
Comprehensive Medical & Hospital	0.1493	0.1493	0.0893
Medicare Supplement	0.1043	0.0663	0.0663
Dental & Vision	0.1195	0.0755	0.0755
Stand-Alone Medicare Part D Coverage	0.251	0.251	0.151
Other Health	0.130	0.130	0.130
Other Non-Health	0.130	0.130	0.130

The investment income yield was incorporated into the Comprehensive Medical & Hospital, Medicare Supplement and Dental & Vision lines of business. The purpose was to incorporate an offset to reduce the underwriting risk factor for investment income earned by the insurer. The Working Group incorporated a 0.5%

(U.S. Department of the Treasury) on each Monday through the month of January and