

**2006 EMPIRE PLAN EXPERIENCE****In (000's)**

|                              | BLUE CROSS<br>HOSPITAL | UNITED HEALTHCARE MEDICAL |                   |                   |                | GHI MHSA      |                   |                   |               | BLUE CROSS<br>DRUG | TOTAL          |
|------------------------------|------------------------|---------------------------|-------------------|-------------------|----------------|---------------|-------------------|-------------------|---------------|--------------------|----------------|
|                              |                        | Core                      | NY<br>Enhancement | PA<br>Enhancement | Combined       | Core          | NY<br>Enhancement | PA<br>Enhancement | Combined      |                    |                |
| A Premium (1)                | 1,503,384              | 1,412,398                 | 187,448           | 174,553           | 1,774,399      | 77,905        | 10,699            | 7,696             | 96,300        | 1,416,135          | 4,790,218      |
| B Incurred Claims (2)        | 1,228,814              | 1,282,780                 | 160,925           | 144,275           | 1,587,980      | 57,946        | 8,597             | 6,266             | 72,809        | 1,170,859          | 4,060,462      |
| C Administrative Expense (3) | <u>98,597</u>          | <u>123,287</u>            | <u>11,949</u>     | <u>10,696</u>     | <u>145,932</u> | <u>12,497</u> | <u>1,733</u>      | <u>1,248</u>      | <u>15,478</u> | <u>67,788</u>      | <u>327,795</u> |
| D Gain/(Loss) (A-B-C)        | <u>175,973</u>         | <u>6,331</u>              | <u>14,574</u>     | <u>19,582</u>     | <u>40,487</u>  | <u>7,462</u>  | <u>369</u>        | <u>182</u>        | <u>8,013</u>  | <u>177,488</u>     | <u>401,961</u> |

(1) Earned Premium - Premium which pays for coverage for the period reported (accrual basis).

(2) Incurred Claims - Represents the cost of covered services provided during the period reported by the insurance company (accrual basis).

(3) Administrative Expenses - All charges by the insurance carrier other than for the payment of claims. Includes carrier's cost to administer the program, interest charges, and other retention.

Source: Carrier 2006 Annual Statements