Commonwealth of Massachusetts

Actuarial Estimate of Outstanding Liabilities

Workers Compensation

As of June 30, 2008

One Federal Street
Boston, MA 02110

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

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Introduction

Purpose

Aon Global Risk Consulting has conducted an actuarial review of the GAAP outstanding loss reserves of the Commonwealth of Massachusetts' self-insured Workers Compensation program. We have provided a range of reserves that can be used to test the reasonableness of the carried reserves established by the Commonwealth. Estimates have been prepared on both a discounted and undiscounted basis

Scope

The specific objective of this study is to prepare independent estimates of the required reserves as of June 30, 2008, separately for seven clusters of agencies:

- The Department of Mental Retardation
- The Department of Mental Health
- The Department of Corrections
- UMASS – Amherst
- UMASS – Medical School
- All Other Colleges and Universities
- All Other Departments

For the All Other Colleges and Universities cluster, we have provided estimates of each educational institution's obligations.

We have provided a range of estimated reserves that can be used to test the reasonableness of the carried reserves established by the Commonwealth.

Estimates have been prepared on both a discounted and undiscounted basis

* * * * * *

Vahan Mahdasian and Mujtaba Datoo are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial report contained herein.

We performed this analysis using generally accepted actuarial principles and in accordance with all relevant Actuarial Standards of Practice.

Please contact us if you have any questions regarding this report.

Respectfully submitted,

Aon Global

Vahan A. Mahdasian, ACAS, MAAA
Assistant Director & Actuary
+1.617.457.7648

Mujtaba Datoo, ACAS, MAAA
Actuarial Practice Leader
+1.949.470.4342

Neil J. Fenton
Senior Actuarial Analyst
+1.617.457.7680

Conditions and Limitations

Inherent Uncertainty

Actuarial calculations produce estimates of inherently uncertain future contingent events. We believe that the estimates provided represent reasonable provisions based on the appropriate application of actuarial techniques to the available data. However, there is no guarantee that actual future payments will not differ from estimates included herein.

Extraordinary Future Emergence

Our projections make no provision for the extraordinary future emergence of losses or types of losses not sufficiently represented in the historical data or which are not yet quantifiable.

Data Reliance

In conducting this analysis, we relied upon the provided data without audit or independent verification; however, we reviewed it for reasonableness and consistency. Any inaccuracies in quantitative data or qualitative representations could have a significant effect on the results of our review and analysis.

Use and Distribution

Use of this report is limited to the Commonwealth of Massachusetts for the specific purpose described in the Introduction section. Other uses are prohibited without an executed release with Aon.

Distribution by the Commonwealth of Massachusetts is unrestricted. We recognize that this report may be distributed to others and we request that Aon be notified of any such distribution. The report should only be distributed in its entirety including all supporting exhibits.

Executive Summary

Total Reserves

Based on our review, we estimate that the range of reasonable undiscounted loss reserves as of June 30, 2008 for the Commonwealth's aggregate workers compensation liabilities is from $332.9M to $416.9M. We also calculated reasonable ranges on a present value basis, using interest rates of 4% and 6% and the Commonwealth's historical payment patterns. We estimate the range of reasonable reserves discounted at 4% to be from $252.8M to $319.7M. At a 6% discount rate, our range is from $225.7M to $286.6M.

The following shows the reserves for each cluster identified in the Scope of the Introduction section.

Cluster	Cluster	Report Section	Undiscounted	Discounted at 4%	Discounted at 6%
DMR	1	2	$29.6 - 36.5M	$24.4 - 30.4M	$22.6 - 28.2M
DMH	2	3	$31.1 - 39.2M	$24.2 - 30.7M	$21.8 - 27.7M
DOC	3	4	$82.3 - 105.0M	$62.2 - 79.9M	$55.5 - 71.4M
UMass - Amherst	4	5	$7.8 - 11.3M	$6.1 - 9.0M	$5.5 - 8.2M
UMass - Medical	4	6	$3.9 - 5.6M	$3.3 - 4.8M	$3.1 - 4.5M
Other C & Univ's	4	7	$12.2 - 15.9M	$10.1 - 13.3M	$9.4 - 12.4M
All Other	5	8	$165.9 - 203.3M	$122.5 - 151.6M	$108 - 134.3M
Total			$332.9 - 416.9M	$252.8 - 319.7M	$225.7 - 286.6M

Fiscal Year 2008 Loss Rates

The cost of the workers compensation program as measured by the estimated fiscal year 2008 loss rates (losses per $100 payroll) varied significantly by cluster. However, as shown in the table below, overall rates were consistent with those of last year.

Cluster	Payroll (000)	Average Ult Loss	Average FY 08 Loss Rate	Prior Loss Rate	% Change
DMR	306,702	4,695,000	1.531	1.513	1.2%
DMH	206,443	5,213,000	2.525	2.492	1.3%
DOC	345,859	17,383,500	5.026	5.537	-9.2%
UMass - Amherst	342,627	1,668,000	0.487	0.439	10.8%
UMass - Medical	295,477	1,760,000	0.596	0.547	8.9%
Other C & Univ's	816,343	3,016,500	0.370	0.395	-6.4%
All Other	2,669,773	24,217,500	0.907	0.928	-2.2%
Total	4,983,224	57,953,500	1.163	1.161	0.1%

UMass Reserves

To facilitate the use of this report by the University of Massachusetts ("UMass"), we present an aggregate estimate of the liabilities for each UMass segment. These include UMass Amherst and UMass Medical School (shown separately in table above) as well as UMass Lowell, Boston, and Dartmouth (included as part of the "Other Colleges and & Universities" cluster above).

We estimate that the reasonable range of reserves as of June 30, 2008 for the aggregate UMass is from $16.0M to $22.4M. Discounted at a 4% rate, this range is from $12.9M to $18.5M. Discounted at 6%, the range of reserves is from $11.8M to $17.0M.

The following shows the range of reasonable reserves at various discount rates for each UMass segment.

Cluster	Undiscounted	Discounted at 4%	Discounted at 6%
UMass - Amherst	$7.8 - 11.3M	$6.1 - 9.0M	$5.5 - 8.2M
UMass - Medical	$3.9 - 5.6M	$3.3 - 4.8M	$3.1 - 4.5M
UMass - Dartmouth	$1.7 - 2.2M	$1.4 - 1.8M	$1.3 - 1.7M
University of Lowell	$1.5 - 1.9M	$1.2 - 1.6M	$1.1 - 1.5M
UMass - Boston	$1.1 - 1.4M	$0.9 - 1.2M	$0.8 - 1.1M
Total UMass	$16.0 - 22.4M	$12.9 - 18.5M	$11.8 - 17.0M

Other Colleges and Universities Reserves

We have allocated the aggregate reserve estimate for Other Colleges and Universities to the individual institutions within the cluster. Estimates for each college are shown on Summary Exhibit 7.

Short Term Reserve Percentages

We have determined the percentage of the reserve estimates that can be considered short-term, meaning the percentage of projected payments of the total reserves expected to be made over the next calendar period. The calculation of these percentages is shown on Exhibit 1 Page 16 of Sections 1-8 in the report.

Program Description

The Commonwealth has provided workers compensation coverage to its employees on a self-insured basis since the early 1920's ("the Program"). The Program covers all workers, except those employed by the Commonwealth's various public authorities and the State Police.

The Commonwealth retains responsibility for all claims and does not purchase per claim or aggregate reinsurance. Pursuant to legislation effective July 1, 1997, the Program is administered by the Commonwealth's Human Resources Division ("HRD"); prior to that date, certain workers compensation administration responsibilities had been under the supervision of the Public Employee Retirement Administration Commission ("PERAC"). HRD is responsible for making fair and timely payments of indemnity and medical benefits to injured employees, maintaining the claim and financial records of the Program and for negotiating appropriate settlements for all Program claims.

Data

In determining outstanding liabilities, we relied on the following data:

Loss Data

Claim payments for the 12 month period ending June 30, 2008 were provided by the Commonwealth. Payments were provided by department and agency and were split into four categories: compensation, medical, lump sum, and rehabilitation/investigations. For our review, we analyzed compensation (Indemnity) and lump sum payments separately. Medical and rehabilitation/ investigation payments were combined and analyzed as "Medical" losses.

Our estimates do not include any provision for allocated loss adjustment expenses (ALAE) that may be incurred in the processing and settlement of claims, other than rehabilitation/investigation payments included with medical losses noted above. Also, the estimates do not consider unallocated loss adjustment expenses (ULAE), such as fees of adjusters and settling agents, etc.

The 12 month incremental payments provided by the Commonwealth were added to the cumulative claim payments from the prior analysis (at June 30, 2007) to derive cumulative paid figures as of June 30, 2008 found in this report.

Exposure Data

Exposure information in the form of annual payroll was provided by the Commonwealth. Payroll figures were provided by department for FY 2008. Payroll figures for prior periods are from the prior study.

We relied on loss and exposure data provided by responsible officers or employees of the Commonwealth. We also relied on data found in the prior analysis and thereby also those sources described in it; utilizing last year's triangles and updating them with data provided by the HRD. We also relied on payroll data provided by the Office of the Comptroller. As mentioned previously, any inaccuracies in quantitative data or qualitative representations could have a significant effect on the results of our analysis.

Industry Data

Loss development factors were derived from the Commonwealth's own triangles and industry data provided by (1) the NCCI (National Council on Compensation Insurance) and (2) the WCRIB (Workers Compensation Rating and Inspection Bureau) of Massachusetts. Trend factors used to adjust for changes in historical wage and benefit levels are based on data from these sources as well.

Actuarial Analysis

Performing an actuarial analysis involves developing a qualitative understanding of the risk and applying actuarial techniques and methods to available data. These methods attempt to project unpaid losses to ultimate settlement value. Each method requires certain underlying assumptions and varies in its responsiveness to loss data. As a result, not all methods are appropriate for use in all circumstances. For each unique situation, actuaries assess the strengths and weaknesses inherent in the results of each method in producing reasonable estimates of ultimate loss.

The following methods were employed in developing the recommendations contained in this report.

Paid Loss Development Method

This method is based on the assumption that losses from a group of claims are paid in a sufficiently consistent pattern such that past experience can be used to predict future development. The term loss development is used to describe changes that take place in the value of a group of claims over time. In order to reflect loss development arithmetically, incremental loss development factors are calculated by dividing losses at a given evaluation date by the immediately preceding evaluation date. A multiplicative process is then used to calculate a cumulative loss development factor that represents the development to ultimate for a given age of maturity.

This method can be applied using either cumulative paid losses or incurred losses (cumulative paid losses plus case reserves). For a given group of claims, cumulative losses are multiplied by the appropriate cumulative loss development factor to estimate ultimate losses. For the Commonwealth, we relied on the Paid Loss Development Method only, as the Commonwealth does not currently establish case reserves.

This method relies heavily on data as of the most recent evaluation date and assumes past patterns are predictive of future development. If the program has inadequate history to develop predictive loss development patterns, other sources of loss development information may be considered.

In addition to the cumulative loss development factors, we apply additional factors to bring losses from their current paid status to a projected ultimate basis. These factors are an “Escalation of Benefits” factor (for Policy Years 1987 and prior) and an “Additional Tail Consideration” factor.

The “Escalation of Benefits” factor is applied for Policy Years 1987 and prior based on information provided by the WCRIB of Massachusetts in their September 1, 2008 rate filing. The WCRIB makes adjustments to account for the introduction of cost of living adjustments (COLA) to indemnity benefits enacted in 1986. These adjustments for differences in development pattern are necessary because some of the loss data predates the law change introducing the escalation of the indemnity benefits. For the Commonwealth, we

based our adjustments on factors prescribed by the WCRIB, but tempered them due to the shorter history available for the Commonwealth.

The “Additional Tail Factor” consideration is based on our observation that for certain clusters, some of the older policy periods showed more open claims and higher development than other periods. We also evaluated the average age of the paid claimants for each cluster and year, and noticed that in certain years payments were being made to relatively young claimants. We judgmentally added a tail factor selection to account for these observations.

Paid Bornhuetter-Ferguson Method

This method offers a blend of stability and responsiveness by estimating ultimate losses using a percentage of the expected loss results and current loss data. It calculates future loss development based on expected loss estimates and the cumulative loss development factors described in the Loss Development Method.

The B-F Method can be applied using either cumulative paid or incurred losses. Again, for the Commonwealth, we relied on the Paid B-F Method only as the Commonwealth does not currently establish case reserves.

In determining future loss development, the percent of expected losses remaining to be paid is based on the appropriate loss development factor. This percentage is multiplied by expected losses to determine expected future development. This estimate of future loss development is then added to losses as of the current evaluation date to project ultimate losses.

To determine the expected losses, we determine an initial expected pure premium (or an “a priori” loss rate) based upon (1) a review of the Commonwealth’s historic pure premiums (losses divided by payroll) as well as (2) consideration of the prior selected rate. By considering both metrics, we attempt to balance stability and responsiveness in the selection of the initial expected pure premium.

Lump Sum Methodology

In our analysis, lump sum indemnity payments have been analyzed separately from all other indemnity payments. We relied on two methods to develop lump sum payments to ultimate levels. The first is a standard paid loss development method, where current lump sum payments are multiplied by a cumulative lump sum development factor to arrive at the estimate of ultimate lump sum losses.

The second method uses ultimate indemnity losses excluding lump sums as a base for estimating remaining outstanding lump sum payments. Outstanding lump sums payments are estimated by multiplying base ultimates by cumulative incremental lump sums as a percent of ultimate losses excluding lump sums ratio. The outstanding lump sum payments are added to payments to date to arrive at the estimate of ultimate lump sum losses. An estimate of ultimate lump sums is selected based on a review of both methods.

7/1/81-82 and Prior Periods Methodology

In order to estimate liabilities relating to periods 7/1/81-82 and prior, we again relied on two methods. The first uses an average payment trend to estimate the reserves needed for prior periods. This estimate is added to payments to date to arrive at the estimate of ultimate loss. The average payment trend is derived from the Commonwealth's history of incremental payments and is credibility weighted with the total Commonwealth payment trend (derived from all Commonwealth data combined).

The second method multiplies average incremental payments over the last three fiscal years by a selected number of survival years in order to estimate the needed reserve. The needed reserve is added to payments to date to arrive at an estimate of the ultimate loss. An estimate of ultimate loss is selected based on a review of both methods.

Selection of Ultimate Losses and Reasonable Reserve Estimates

Our estimates of ultimate losses by year were judgmentally selected based on the methods described above. Generally, we selected the lower and higher of the Paid Loss Development and Paid Bornhuetter-Ferguson methods as the "Low End" and "High End" selections by year.

Similar to the prior analysis, we have assumed that any payment made during fiscal year 2008 implies an "open" claim and will remain open during fiscal year 2008. As a rule, if no payments were made for two years in a row, we projected minimal reserves for that year, assuming the claims in that year are closed.

Allocation Methodology for Massachusetts Colleges and Universities

The allocation of reserves to each college and university is based on a credibility weighting of expected loss experience based on exposure (payroll) and actual loss experience. The credibility weight is based on the formula P/ (P+K) where P is average payroll for the entity over the past five years and K is 20,000,000 for entities with a low coefficient of variation (CV) and 50,000,000 for entities with a high coefficient of variation (> 1.00).

The expected loss experience is the 5 year average payroll for each entity multiplied by the overall indemnity and medical loss rates for the entire Other Colleges and Universities group. The actual loss experience used in the allocation is a 5-year average ultimate loss for each entity. The ultimate loss for each entity is calculated by applying the paid loss development method to each entity's loss experience.

The outstanding losses estimated for Other Colleges and Universities is then allocated to each entity based on its percentage share of the ultimate credibility weighted losses.

Actuarial Assumptions

Losses

Property and casualty claim liabilities pass through several stages from initial reserve to final settlement. The amount of the total liability may change over time as additional information is received about a claim. The term "loss" is therefore a complex one which may include several paid and unpaid portions.

Paid losses are, as the name indicates, that part of the aggregate claim liability which has been paid. This is an accounting number easily retrievable from company records and contains no uncertainty.

Total ultimate losses include amounts for claims which have not yet been reported, for additional development on reported claims, and for reopened claims. These amounts are typically referred to as the incurred-but-not-reported (IBNR) reserve or supplementary reserve.

Loss Trend

Loss trend is the change in claim frequency and cost levels from one time period to the next. Factors that affect the frequency and severity of claims are constantly changing over time. Examples of causes of these changes include inflation, societal attitudes toward legal action, and changes in laws. Actuaries use trend factors to adjust historical loss experience to comparable cost levels. Using workers compensation as an example, three elements of cost are combined within this single factor:

Increases in defined benefits for Workers Compensation: Benefits are established by legislative authority and typically reviewed annually by state legislatures. Many times, benefits are expanded by legislatures through changes such as broadening the definition of injury, decreasing waiting periods, increasing benefit duration, or increasing maximum benefit limits.

Increases in medical costs: This causes inflationary trend in the medical component of workers compensation losses.

Increase in wage costs: Wage inflation, although relatively small in some economic sectors, has occurred over the past several years as well.

Exposure

Actuaries select an exposure base that would be expected to vary directly with the incidence and/or severity of claims. The actuary must consider both the historical loss level and the corresponding exposures in evaluating claim liabilities and expected future costs.

Time Value of Money

Due to the time lag between when claims are incurred, reported, and finally paid, a sound funding recommendation may consider the time value of money. Income will be earned on self-insurance fund assets until those assets are liquidated to pay losses. If this income is retained in the self-insurance fund, such investment income may be considered.

At the Commonwealth's direction, we used 4% and 6% rates to discount the estimated reserves. We have not formed any opinion regarding the reasonability of these rates. It is noted that discounting reserves introduces additional risk to the analysis since the timing of actual loss payments may differ from the estimated payment pattern, and since the realized investment yield may differ from that assumed. It is therefore advisable to select a conservative interest rate in calculating the discounted reserves.

Provision for Uncertainty

An actuarial projection may consider the degree of uncertainty inherent in its projection. An estimate stated at its ultimate value on a nominal basis may include an implicit provision for uncertainty due to the time value of money. If an estimate is stated at present value, it may be appropriate to include an explicit provision for uncertainty. Further, an explicit provision for uncertainty may be warranted when the indicated ultimate is subject to a high degree of variability.

For the Commonwealth, we have not explicitly used any provision for risk in our calculations. Instead, we have determined a "low" and "high" end range of reasonable reserves. It should be understood that the range does not represent all possible outcomes, but rather a range of reasonable possibilities.

Exhibits

Description of Exhibits

This report contains eight sections preceded by a set of summary exhibits.

The summary exhibits include the following:

Summary Exhibit	Description
1	Summary of Reserve Estimates - Undiscounted
2	Summary of Reserve Estimates - Discounted at 4%
3	Summary of Reserve Estimates - Discounted at 6%
4	Summary of Change in Ultimate Loss
5	Summary of Estimates for Current Fiscal Year
6	Summary of Reserve Estimates by Cluster
7	Summary of Reserve Estimates by College
8	Summary of Ultimate Losses by Cluster
9	Calculation of Implied Development Factors
10	MA Colleges and Universities Allocation

The eight sections and their exhibits are organized as follows:

Section	Exhibit	Cluster
1	1	All Clusters Combined - Indemnity
1	2	All Clusters Combined - Medical
2	1	DMR - Indemnity
2	2	DMR - Medical
3	1	DMH - Indemnity
3	2	DMH - Medical
4	1	DOC - Indemnity
4	2	DOC - Medical
5	1	Umass Amherst - Indemnity
5	2	Umass Amherst - Medical
6	1	Umass Medical School - Indemnity
6	2	Umass Medical School - Medical
7	1	Other College and Universities - Indemnity
7	2	Other College and Universities - Medical
8	1	All Other - Indemnity
8	2	All Other - Medical

Within Sections 1 through 8, the worksheets are organized as follows:

Page	Description
1	Summary of Ultimate Losses
2	Paid Loss Development Method
3	Paid Bornhuetter-Ferguson Method
4	Calculation of Initial Expected Loss Rates
5	Calculation of 1982 and Prior Reserves Page 1
6	Calculation of 1982 and Prior Reserves Page 2
7	Paid Loss Triangle
8	Comparison of Ultimate Losses
9-12	Calculation of Ultimate Lump Sum Payments
13-15	Discounting Exhibits
16	Calculation of FY 2008 Payments

Description of Summary Exhibits

Summary Exhibit 1 shows the undiscounted low and high reserve estimates by cluster for indemnity and medical separately.

Summary Exhibit 2 shows the low and high reserve estimates by cluster for indemnity and medical separately, discounted at 4%.

Summary Exhibit 3 shows the low and high reserve estimates by cluster for indemnity and medical separately, discounted at 6%.

Summary Exhibit 4 shows the change in ultimate loss from the prior report by cluster and for indemnity and medical separately. Changes in the ultimate loss for the current fiscal year are excluded.

Summary Exhibit 5 shows the low and high ultimate loss estimate for the current fiscal year. The estimates are shown by cluster and for indemnity and medical separately. The midpoint of the range of estimates is used to calculate the loss rate for each cluster.

Summary Exhibit 6 contains an additional summary of reserve estimates by cluster, showing both the discounted and undiscounted ranges of reserves.

Summary Exhibit 7 contains a summary of reserve estimates by college. High and low reserve estimates are shown undiscounted as well as at 4% and 6% discount rates.

Summary Exhibit 8 shows the selection of ultimate losses by accident year for all clusters. A calculation of the outstanding losses and loss rates is also shown by accident year. Page 1 shows results for all clusters combined, whereas 2-8 show results for each of the seven groups specified in the Scope section.

Summary Exhibit 9 shows the calculation of the implied loss development factors underlying the results of our analysis by accident year. The selected ultimate loss for all clusters is divided by the paid losses to date for all clusters to derive the indicated LDF by accident year.

Summary Exhibit 10 Page 1 shows the results of the methodology used to allocate ultimate losses to each of the college and universities contained in the Other Colleges and Universities group. This methodology is discussed in the Overview section of this report.

Summary Exhibit 10 Page 2 shows the estimated loss costs for indemnity and medical combined for each college and university. The loss costs are calculated by dividing the sum of the estimated ultimate indemnity and medical losses on Page 4 by the payroll figures on Page 3.

Summary Exhibit 10 Page 3 shows the historical payrolls for each college and university.

Summary Exhibit 10 Page 4 shows the estimated ultimate indemnity and medical losses for each college and university. The estimated ultimate losses are calculated by multiplying the cumulative paid indemnity and medical losses on Page 5 by the Age-to-Ultimate LDF's shown on Page 4.

Summary Exhibit 10 Page 5 shows the historical cumulative indemnity and medical payments for each college and university.

Summary Exhibit 10 Page 6 shows the current fiscal year indemnity and medical payments for each college and university.

Description of Pages in Exhibits 1 and 2 of Sections 1 through 8

Page 1 shows the selected ultimate losses by accident year. A high and low selection is made for each accident year based on a review of the actuarial methods presented. Outstanding losses based on the low and high estimates are also calculated. The outstanding loss estimate equals the selected ultimate loss minus paid losses to date.

Page 2 shows the application of the Paid Loss Development Method to the applicable data. The number of paid counts in the last 12 months, average outstanding claim amounts, and the average age for claimants that had an indemnity payment within the last calendar year are also shown.

Page 3 shows the application of the Paid Bornhuetter-Ferguson Method to the applicable data. The ultimate loss cost resulting from the method is also shown.

Page 4 calculates the initial expected loss rate, which is used as the a priori loss rate in the B-F method. Expected ultimate losses from the Paid Loss Development Method are divided by payroll for each accident year. The resulting loss rates are trended to the current cost and wage level and adjusted for historical changes in benefit levels. A current loss cost is then selected.

Page 5 shows the application of the methodology used to estimate ultimate losses for periods 7/1/1981-82 and prior. This methodology is described in the Actuarial Analysis section of this report.

Page 6 shows the derivation of the selected trend using the applicable data for each section. The selected trend is used in the methodology for estimating the 7/1/1981-82 and prior reserves.

Page 7 shows the paid loss development triangle and selected LDF's underlying the paid loss development and paid B-F methods.

Page 8 shows the comparison of the selected ultimate losses to the selection from the prior actuarial reserve review. The changes in ultimates are shown on an absolute and percentage change basis.

Page 9 calculates the estimated ultimate lump sum payments. Two methodologies are reviewed and an estimate of the ultimate lump sum payments by accident year is made. The two methods are described in the Actuarial Analysis section of this report. A comparison to the prior ultimate lump sum selection is also shown.

Pages 10 through 12 show various lump sum development triangles underlying the lump sum methodology on Page 9. Incremental lump sum payments (in 12 month intervals) are accumulated to derive a cumulative lump sum payment triangle (Page 10). Page 11 shows the incremental lump sum payments as a percent of ultimate indemnity loss excluding lump sum payments. Page 12 shows the selection of the LDF's for the cumulative lump sum payment triangle.

Page 13 calculates the discount factors based on the selected payout patterns from Page 7. Discount factors are calculated assuming 4% and 6% interest rates.

Pages 14 and 15 show the application of the discount factors from Page 13 to the outstanding losses from Page 1. Page 14 shows the discounted outstanding losses at 4%; Page 15 shows them at 6%.

Page 16 estimates the percentage of reserve estimates which can be considered short-term; i.e., projected payments associated with the reserves which will be made over the next calendar period.

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Summary of Reserve Estimates - Undiscounted

Cluster	Cluster #	Report Section	Loss Reserve Estimate Low End	Loss Reserve Estimate High End
Department of Mental Retardation	1	Section 2		
Indemnity			26,270,200	32,390,222
Medical			3,307,952	4,126,987
Total			29,578,152	36,517,210
Department of Mental Health	2	Section 3		
Indemnity			26,899,269	34,291,759
Medical			4,185,174	4,906,893
Total			31,084,444	39,198,652
Department of Corrections	3	Section 4		
Indemnity			67,827,574	88,481,580
Medical			14,509,591	16,547,473
Total			82,337,164	105,029,053
UMass - Amherst	4	Section 5		
Indemnity			6,602,979	9,690,662
Medical			1,206,301	1,578,123
Total			7,809,280	11,268,785
UMass - Medical School	4	Section 6		
Indemnity			3,202,585	4,456,846
Medical			738,555	1,181,859
Total			3,941,140	5,638,706
Other Colleges & Universities	4	Section 7		
Indemnity			9,994,427	13,309,712
Medical			2,183,987	2,614,509
Total			12,178,413	15,924,221
All Others	5-17 & 95	Section 8		
Indemnity			148,241,083	181,546,541
Medical			17,699,795	21,780,334
Total			165,940,878	203,326,876
Grand Total		Section 1		
Indemnity			289,038,117	364,167,324
Medical			43,831,355	52,736,178
Total			332,869,472	416,903,503

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Summary of Reserve Estimates - Discounted at 4%

Cluster	Cluster #	Report Section	Loss Reserve Estimate Low End	Loss Reserve Estimate High End
Department of Mental Retardation	1	Section 2		
Indemnity			21,657,887	26,943,045
Medical			2,769,208	3,474,979
Total			24,427,095	30,418,023
Department of Mental Health	2	Section 3		
Indemnity			20,841,637	26,737,598
Medical			3,349,129	3,933,448
Total			24,190,766	30,671,046
Department of Corrections	3	Section 4		
Indemnity			50,963,551	67,057,285
Medical			11,222,352	12,806,288
Total			62,185,903	79,863,572
UMass - Amherst	4	Section 5		
Indemnity			5,062,441	7,700,180
Medical			1,009,508	1,330,923
Total			6,071,949	9,031,103
UMass - Medical School	4	Section 6		
Indemnity			2,645,584	3,739,100
Medical			659,630	1,055,389
Total			3,305,214	4,794,490
Other Colleges & Universities	4	Section 7		
Indemnity			8,245,959	11,088,648
Medical			1,888,862	2,252,968
Total			10,134,821	13,341,616
All Others	5-17 & 95	Section 8		
Indemnity			108,521,144	134,449,572
Medical			13,946,969	17,146,364
Total			122,468,114	151,595,936
Grand Total		Section 1		
Indemnity			217,938,204	277,715,428
Medical			34,845,659	42,000,359
Total			252,783,862	319,715,787

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Summary of Reserve Estimates - Discounted at 6%

Cluster	Cluster #	Report Section	Loss Reserve Estimate Low End	Loss Reserve Estimate High End
Department of Mental Retardation	1	Section 2		
Indemnity			19,980,264	24,941,360
Medical			2,574,117	3,238,772
Total			22,554,381	28,180,132
Department of Mental Health	2	Section 3		
Indemnity			18,734,431	24,099,223
Medical			3,057,016	3,593,723
Total			21,791,447	27,692,946
Department of Corrections	3	Section 4		
Indemnity			45,346,000	59,857,634
Medical			10,106,426	11,536,729
Total			55,452,426	71,394,363
UMass - Amherst	4	Section 5		
Indemnity			4,528,887	6,994,944
Medical			937,574	1,240,285
Total			5,466,461	8,235,228
UMass - Medical School	4	Section 6		
Indemnity			2,448,569	3,479,405
Medical			627,262	1,003,344
Total			3,075,831	4,482,749
Other Colleges & Universities	4	Section 7		
Indemnity			7,584,757	10,239,952
Medical			1,774,353	2,113,064
Total			9,359,109	12,353,016
All Others	5-17 & 95	Section 8		
Indemnity			95,324,895	118,706,204
Medical			12,651,791	15,553,219
Total			107,976,686	134,259,423
Grand Total		Section 1		
Indemnity			193,947,801	248,318,721
Medical			31,728,539	38,279,136
Total			225,676,341	286,597,857

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Summary of Change in Ultimate Loss (excluding current Fiscal Year)

Cluster	Cluster #	Report Section	Current Ult Loss Estimate less Previous Ult Loss Estimate Low End	High End
Department of Mental Retardation	1	Section 2		
Indemnity			1,237,615	408,177
Medical			274,642	300,583
Total			1,512,258	708,760
Department of Mental Health	2	Section 3		
Indemnity			(445,825)	(149,226)
Medical			245,983	144,002
Total			(199,842)	(5,224)
Department of Corrections	3	Section 4		
Indemnity			(4,777,200)	(6,813,392)
Medical			(1,451,698)	(1,536,227)
Total			(6,228,898)	(8,349,619)
UMass - Amherst	4	Section 5		
Indemnity			(694,404)	(1,133,132)
Medical			(70,980)	(78,042)
Total			(765,384)	(1,211,174)
UMass - Medical School	4	Section 6		
Indemnity			(188,000)	(439,258)
Medical			(255,000)	(378,400)
Total			(443,000)	(817,658)
Other Colleges & Universities	4	Section 7		
Indemnity			397,962	157,983
Medical			(543,495)	(541,043)
Total			(145,533)	(383,060)
All Others	5-17 & 95	Section 8		
Indemnity			(5,109,339)	(9,699,684)
Medical			(126,363)	325,071
Total			(5,235,703)	(9,374,613)
Grand Total		Section 1		
Indemnity			(9,579,191)	(17,668,533)
Medical			(1,926,910)	(1,764,056)
Total			(11,506,101)	(19,432,589)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Summary of Estimates for 2007-08 Fiscal Year

Cluster	Cluster #	Report Section	Ultimate Loss Estimate Low End	Ultimate Loss Estimate High End	Average	Payroll (000)	Loss Rate
Department of Mental Retardation	1	Section 2					
Indemnity			2,746,000	3,531,000			
Medical			1,451,000	1,662,000			
Total			4,197,000	5,193,000	4,695,000	306,702	1.531
Department of Mental Health	2	Section 3					
Indemnity			3,509,000	4,189,000			
Medical			1,243,000	1,485,000			
Total			4,752,000	5,674,000	5,213,000	206,443	2.525
Department of Corrections	3	Section 4					
Indemnity			11,997,000	14,708,000			
Medical			3,897,000	4,165,000			
Total			15,894,000	18,873,000	17,383,500	345,859	5.026
UMass - Amherst	4	Section 5					
Indemnity			968,000	1,034,000			
Medical			548,000	786,000			
Total			1,516,000	1,820,000	1,668,000	342,627	0.487
UMass - Medical School	4	Section 6					
Indemnity			1,171,000	1,279,000			
Medical			461,000	609,000			
Total			1,632,000	1,888,000	1,760,000	295,477	0.596
Other Colleges & Universities	4	Section 7					
Indemnity			1,779,000	2,143,000			
Medical			1,052,000	1,059,000			
Total			2,831,000	3,202,000	3,016,500	816,343	0.370
All Others	5-17 & 95	Section 8					
Indemnity			16,747,000	19,688,000			
Medical			5,700,000	6,300,000			
Total			22,447,000	25,988,000	24,217,500	2,669,773	0.907
Grand Total		Section 1					
Indemnity			38,917,000	46,572,000			
Medical			14,352,000	16,066,000			
Total			53,269,000	62,638,000	57,953,500	4,983,224	1.163

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Summary of Reserve Estimates by Cluster

Cluster	Cluster / Report Section	Undiscounted		Discounted at 4%		Discounted at 6%	
		Low End	High End	Low End	High End	Low End	High End
DMR	1 / 2	29,578,152	36,517,210	24,427,095	30,418,023	22,554,381	28,180,132
DMH	2 / 3	31,084,444	39,198,652	24,190,766	30,671,046	21,791,447	27,692,946
DOC	3 / 4	82,337,164	105,029,053	62,185,903	79,863,572	55,452,426	71,394,363
UM-Amherst	4 / 5	7,809,280	11,268,785	6,071,949	9,031,103	5,466,461	8,235,228
UM-Medical	4 / 6	3,941,140	5,638,706	3,305,214	4,794,490	3,075,831	4,482,749
Other C & U's	4 / 7	12,178,413	15,924,221	10,134,821	13,341,616	9,359,109	12,353,016
All Other	5 / 8	165,940,878	203,326,876	122,468,114	151,595,936	107,976,686	134,259,423
Total		332,869,472	416,903,503	252,783,862	319,715,787	225,676,341	286,597,857

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Summary of Reserve Estimates by College

	Undiscounted		Discounted at 4%		Discounted at 6%	
Cluster	Low End	High End	Low End	High End	Low End	High End
Mass College of Art	273,832	358,056	227,881	299,986	210,440	277,758
Berkshire Community College	166,604	217,848	138,647	182,517	128,035	168,993
Bunker Hill Community College	293,125	383,284	243,937	321,122	225,267	297,328
Bristol Community College	184,819	241,666	153,806	202,472	142,034	187,469
Bridgewater State College	673,362	880,473	560,369	737,677	517,479	683,016
Cape Cod Community College	241,307	315,527	200,814	264,355	185,444	244,766
Framingham State College	450,895	589,580	375,232	493,961	346,512	457,359
Fitchburg State College	449,996	588,404	374,485	492,976	345,822	456,447
Greenfield Community College	166,032	217,100	138,171	181,891	127,596	168,413
Holyoke Community College	277,820	363,272	231,201	304,356	213,505	281,803
Mass Bay Community College	147,383	192,714	122,651	161,460	113,264	149,496
Massasoit Community College	405,977	530,847	337,853	444,754	311,994	411,798
Middlesex Community College	408,956	534,741	340,331	448,016	314,282	414,819
Mass Maritime Academy	194,200	253,931	161,612	212,748	149,242	196,984
Massachusetts College of Liberal Arts	196,806	257,339	163,781	215,604	151,246	199,628
Mt Wachusett Community College	228,796	299,169	190,403	250,649	175,830	232,076
North Essex Community College	289,886	379,049	241,242	317,574	222,777	294,042
North Shore Community College	209,645	274,127	174,465	229,669	161,112	212,650
Quinsigamond Community College	338,537	442,664	281,729	370,872	260,166	343,391
Roxbury Community College	145,247	189,922	120,874	159,121	111,623	147,330
Springfield Tech Community College	358,039	468,164	297,959	392,237	275,153	363,173
UMass (Dartmouth)	1,677,766	2,193,809	1,396,229	1,838,015	1,289,363	1,701,820
Salem State College	825,021	1,078,779	686,578	903,821	634,028	836,849
University of Lowell	1,490,414	1,948,832	1,240,316	1,632,769	1,145,383	1,511,782
UMass (Boston)	1,059,616	1,385,530	881,808	1,160,824	814,315	1,074,808
Worcester State College	350,685	458,549	291,839	384,181	269,502	355,713
Westfield State College	673,646	880,845	560,606	737,989	517,697	683,305
Total	12,178,413	15,924,221	10,134,821	13,341,616	9,359,109	12,353,016

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		90,352,747			110,846,210	122,052,748	20,493,463	31,700,001		
6/30/82-83		16,836,791	19,596,072		19,122,042	20,302,449	2,285,251	3,465,658		
6/30/83-84		24,778,555	28,726,707		28,087,068	29,601,200	3,308,513	4,822,646		
6/30/84-85	1,632,355	36,788,745	43,380,963	39,389,591	39,619,960	42,580,904	2,831,215	5,792,159	2.427	2.609
6/30/85-86	1,755,421	49,347,240	58,748,127	53,297,743	54,105,356	56,785,418	4,758,116	7,438,178	3.082	3.235
6/30/86-87	2,017,293	54,860,726	62,958,045	59,859,384	58,699,397	61,692,862	3,838,671	6,832,136	2.910	3.058
6/30/87-88	2,675,340	78,414,485	90,955,782	86,981,258	88,121,228	92,020,330	9,706,743	13,605,844	3.294	3.440
6/30/88-89	2,880,999	77,866,750	88,738,869	86,464,060	86,728,465	88,866,024	8,861,715	10,999,275	3.010	3.085
6/30/89-90	2,855,415	75,867,485	86,675,054	85,753,777	85,556,077	86,830,886	9,688,591	10,963,400	2.996	3.041
6/30/90-91	2,682,613	62,270,988	77,119,130	71,956,841	71,264,065	76,720,696	8,993,077	14,449,708	2.657	2.860
6/30/91-92	2,641,036	41,246,285	48,643,036	48,192,639	47,484,914	48,993,989	6,238,629	7,747,704	1.798	1.855
6/30/92-93	2,639,939	28,675,743	34,843,541	35,124,023	34,425,428	35,249,313	5,749,685	6,573,570	1.304	1.335
6/30/93-94	2,801,390	30,758,518	37,837,183	38,241,092	37,243,000	38,836,000	6,484,482	8,077,482	1.329	1.386
6/30/94-95	2,894,918	28,468,602	35,268,306	36,115,604	34,944,294	35,943,613	6,475,692	7,475,011	1.207	1.242
6/30/95-96	3,029,192	26,893,490	33,877,001	34,837,453	33,225,852	34,829,991	6,332,362	7,936,501	1.097	1.150
6/30/96-97	3,621,274	27,407,203	35,382,204	36,657,029	35,372,838	36,657,086	7,965,635	9,249,883	0.977	1.012
6/30/97-98	3,485,251	28,686,142	37,342,917	38,698,653	37,297,642	38,676,906	8,611,499	9,990,764	1.070	1.110
6/30/98-99	3,717,044	27,548,530	36,993,032	38,587,694	36,992,000	38,656,000	9,443,470	11,107,470	0.995	1.040
6/30/99-00	3,911,384	31,432,934	43,690,825	45,287,921	43,690,000	45,287,000	12,257,066	13,854,066	1.117	1.158
6/30/00-01	3,990,080	35,968,264	50,761,537	51,981,120	50,760,000	52,732,000	14,791,737	16,763,737	1.272	1.322
6/30/01-02	4,107,529	31,310,361	46,751,304	48,132,897	46,752,000	48,134,000	15,441,639	16,823,639	1.138	1.172
6/30/02-03	4,081,731	30,913,042	48,323,774	50,130,593	48,177,000	50,653,000	17,263,958	19,739,958	1.180	1.241
6/30/03-04	4,128,759	29,456,087	48,417,543	51,256,475	47,937,000	51,699,900	18,480,913	22,243,813	1.161	1.252
6/30/04-05	4,274,405	28,620,827	51,391,088	53,742,156	50,531,000	55,182,200	21,910,173	26,561,373	1.182	1.291
6/30/05-06	4,561,005	21,378,181	45,784,800	51,227,449	46,781,000	51,375,350	25,402,819	29,997,169	1.026	1.126
6/30/06-07	4,793,519	16,207,205	45,993,599	53,184,726	46,413,000	54,482,000	30,205,795	38,274,795	0.968	1.137
6/30/07-08	4,983,224	8,220,436	53,828,045	60,540,205	53,269,000	62,638,000	45,048,564	54,417,564	1.069	1.257
Total	80,161,118	1,040,576,363	1,292,028,484	1,255,640,383	1,373,445,835	1,457,479,866	332,869,472	416,903,503		
Tot 6/30/84-08	80,161,118	908,608,270	1,243,705,705	1,255,640,383	1,215,390,515	1,285,523,467	306,782,245	376,915,197	1.516	1.604

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) - (9) = Sum of Summary Exhibit 8, Pages 2-8
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		19,560,825			24,794,431	27,111,331	5,233,605	7,550,505		
6/30/82-83		4,642,786	5,218,479		5,089,732	5,347,611	446,946	704,825		
6/30/83-84		8,826,315	10,653,226		10,439,458	10,880,159	1,613,143	2,053,843		
6/30/84-85	181,529	7,511,271	7,880,234	7,765,489	7,586,530	7,661,842	75,259	150,571	4.179	4.221
6/30/85-86	195,215	11,761,860	12,503,803	12,293,258	12,106,000	12,209,000	344,140	447,140	6.201	6.254
6/30/86-87	224,337	15,311,262	16,210,643	16,155,626	15,765,000	15,903,000	453,738	591,738	7.027	7.089
6/30/87-88	262,830	20,862,116	23,840,078	22,145,281	22,990,000	23,845,000	2,127,884	2,982,884	8.747	9.072
6/30/88-89	283,848	23,160,050	24,712,582	24,743,189	24,727,000	24,743,000	1,566,950	1,582,950	8.711	8.717
6/30/89-90	285,041	18,640,237	19,934,761	20,071,454	19,999,000	20,072,000	1,358,763	1,431,763	7.016	7.042
6/30/90-91	267,694	13,708,269	14,723,192	14,716,032	14,130,000	14,253,000	421,731	544,731	5.278	5.324
6/30/91-92	261,403	9,657,085	10,397,875	10,424,672	10,398,000	10,425,000	740,915	767,915	3.978	3.988
6/30/92-93	259,951	5,924,609	6,412,857	6,486,676	6,413,000	6,486,000	488,391	561,391	2.467	2.495
6/30/93-94	257,021	4,718,677	5,130,003	5,176,354	5,130,000	5,176,000	411,323	457,323	1.996	2.014
6/30/94-95	255,811	3,008,134	3,289,732	3,332,253	3,258,871	3,305,137	250,737	297,003	1.274	1.292
6/30/95-96	255,494	3,931,903	4,350,478	4,403,150	4,350,000	4,403,000	418,097	471,097	1.703	1.723
6/30/96-97	270,025	3,347,712	3,722,334	3,774,353	3,722,000	3,774,000	374,288	426,288	1.378	1.398
6/30/97-98	245,319	3,179,031	3,579,612	3,616,850	3,580,000	3,617,000	400,969	437,969	1.459	1.474
6/30/98-99	251,404	2,884,598	3,272,537	3,318,563	3,272,000	3,319,000	387,402	434,402	1.301	1.320
6/30/99-00	255,590	2,788,379	3,193,962	3,236,532	3,194,000	3,236,000	405,621	447,621	1.250	1.266
6/30/00-01	263,866	3,944,142	4,657,730	4,668,541	4,657,000	4,669,000	712,858	724,858	1.765	1.769
6/30/01-02	267,544	2,934,243	3,572,876	3,622,112	3,573,000	3,622,000	638,757	687,757	1.335	1.354
6/30/02-03	274,409	3,523,423	4,485,088	4,506,017	4,485,000	4,506,000	961,577	982,577	1.634	1.642
6/30/03-04	272,327	3,226,285	4,318,424	4,335,606	4,316,000	4,337,000	1,089,715	1,110,715	1.585	1.593
6/30/04-05	273,587	3,148,310	4,597,414	4,605,665	4,476,000	4,606,000	1,327,690	1,457,690	1.636	1.684
6/30/05-06	285,078	2,472,521	4,314,547	4,503,705	4,192,000	4,503,000	1,719,479	2,030,479	1.470	1.580
6/30/06-07	298,452	1,809,945	4,271,377	4,685,057	4,132,000	4,709,000	2,322,055	2,899,055	1.384	1.578
6/30/07-08	306,702	910,879	4,407,334	4,981,893	4,197,000	5,193,000	3,286,121	4,282,121	1.368	1.693
Total	6,254,479	205,394,870	213,651,177	197,568,329	234,973,022	241,912,080	29,578,152	36,517,210		
Tot 6/30/84-08	6,254,479	172,364,943	197,779,472	197,568,329	194,649,401	198,572,979	22,284,458	26,208,036	3.112	3.175

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 2, Exhibit 1, Page 1 + Section 2, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		18,266,315			22,762,242	24,286,408	4,495,926	6,020,093		
6/30/82-83		2,409,424	2,603,288		2,536,736	2,666,282	127,312	256,858		
6/30/83-84		2,646,244	2,989,060		2,911,432	3,060,548	265,188	414,304		
6/30/84-85	142,302	4,212,894	4,936,577	4,473,568	4,474,000	4,937,000	261,106	724,106	3.144	3.469
6/30/85-86	153,030	4,698,867	5,200,136	5,080,310	5,080,000	5,200,000	381,133	501,133	3.320	3.398
6/30/86-87	175,859	6,909,642	7,570,065	7,531,768	7,069,000	7,193,000	159,358	283,358	4.020	4.090
6/30/87-88	206,034	12,535,178	14,297,088	13,678,777	14,044,018	14,297,000	1,508,840	1,761,822	6.816	6.939
6/30/88-89	222,510	13,504,283	15,425,573	14,841,847	15,190,602	15,426,000	1,686,319	1,921,717	6.827	6.933
6/30/89-90	223,446	12,886,876	14,840,516	14,293,714	14,294,000	14,840,000	1,407,124	1,953,124	6.397	6.641
6/30/90-91	209,847	9,363,520	10,841,422	10,482,452	10,472,000	10,852,000	1,108,480	1,488,480	4.990	5.171
6/30/91-92	204,915	5,445,129	6,124,804	6,152,292	5,660,000	5,755,000	214,871	309,871	2.762	2.808
6/30/92-93	176,368	4,346,369	4,942,662	5,030,082	4,942,000	5,030,000	595,631	683,631	2.802	2.852
6/30/93-94	172,727	2,860,687	3,314,785	3,360,188	3,314,000	3,361,000	453,313	500,313	1.919	1.946
6/30/94-95	177,958	3,546,071	4,300,903	4,233,726	4,228,000	4,307,000	681,929	760,929	2.376	2.420
6/30/95-96	175,626	2,704,475	3,154,521	3,226,574	2,820,000	2,866,000	115,525	161,525	1.606	1.632
6/30/96-97	189,700	2,073,681	2,445,567	2,541,989	2,445,000	2,542,000	371,319	468,319	1.289	1.340
6/30/97-98	176,882	3,149,257	3,859,443	3,940,263	3,859,000	3,940,000	709,743	790,743	2.182	2.227
6/30/98-99	188,672	2,253,793	2,806,230	2,937,467	2,806,000	2,937,000	552,207	683,207	1.487	1.557
6/30/99-00	194,073	2,898,667	3,687,658	3,801,821	3,687,000	3,802,000	788,333	903,333	1.900	1.959
6/30/00-01	201,133	3,825,079	5,031,413	5,074,639	5,032,000	5,075,000	1,206,921	1,249,921	2.502	2.523
6/30/01-02	202,655	2,974,460	4,135,093	4,203,073	4,136,000	4,203,000	1,161,540	1,228,540	2.041	2.074
6/30/02-03	202,050	2,366,284	3,365,218	3,914,138	3,365,000	3,914,000	998,716	1,547,716	1.665	1.937
6/30/03-04	189,108	3,839,808	5,968,249	5,684,256	5,684,000	5,968,000	1,844,192	2,128,192	3.006	3.156
6/30/04-05	186,494	2,981,141	4,977,744	5,039,205	4,950,000	5,068,000	1,968,859	2,086,859	2.654	2.718
6/30/05-06	192,742	2,176,339	4,062,427	4,612,578	3,953,000	4,613,000	1,776,661	2,436,661	2.051	2.393
6/30/06-07	202,830	1,624,119	4,031,904	4,800,118	4,032,000	4,800,000	2,407,881	3,175,881	1.988	2.367
6/30/07-08	206,443	915,983	4,993,531	5,431,828	4,752,000	5,674,000	3,836,017	4,758,017	2.302	2.748
Total	4,573,404	137,414,587	149,905,878	144,366,675	168,499,030	176,613,239	31,084,444	39,198,652		
Tot 6/30/84-07	4,573,404	114,092,603	144,313,530	144,366,675	140,288,620	146,600,000	26,196,017	32,507,397	3.067	3.205

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 3, Exhibit 1, Page 1 + Section 3, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		3,482,022			4,272,518	5,050,740	790,496	1,568,718		
6/30/82-83		2,912,565	3,914,496		3,812,898	4,105,037	900,333	1,192,472		
6/30/83-84		2,135,674	2,273,997		2,197,596	2,319,477	61,922	183,803		
6/30/84-85	115,008	3,984,839	5,402,822	4,163,537	4,543,000	4,786,000	558,161	801,161	3.950	4.161
6/30/85-86	123,679	6,630,917	9,816,975	7,038,524	8,032,354	8,431,000	1,401,437	1,800,083	6.495	6.817
6/30/86-87	142,129	4,524,263	4,932,052	4,911,830	4,607,000	4,647,000	82,737	122,737	3.241	3.270
6/30/87-88	166,516	7,221,384	8,229,263	7,946,881	7,943,000	8,233,000	721,616	1,011,616	4.770	4.944
6/30/88-89	179,833	7,826,311	9,378,661	8,603,758	8,604,000	9,379,000	777,689	1,552,689	4.784	5.215
6/30/89-90	180,589	10,696,225	12,011,354	11,943,071	11,943,000	12,012,000	1,246,775	1,315,775	6.613	6.652
6/30/90-91	169,598	11,030,251	17,151,382	12,833,016	12,814,000	17,171,000	1,783,749	6,140,749	7.555	10.125
6/30/91-92	165,612	5,569,929	6,387,403	6,533,923	6,387,000	6,534,000	817,071	964,071	3.857	3.945
6/30/92-93	173,874	4,476,712	5,151,795	5,446,863	5,152,000	5,447,000	675,288	970,288	2.963	3.133
6/30/93-94	185,611	6,127,240	7,206,505	7,504,748	7,207,000	7,504,000	1,079,760	1,376,760	3.883	4.043
6/30/94-95	193,706	7,447,923	9,010,495	9,289,502	9,010,000	9,290,000	1,562,077	1,842,077	4.651	4.796
6/30/95-96	204,905	6,326,365	7,778,965	8,118,821	7,779,000	8,118,000	1,452,635	1,791,635	3.796	3.962
6/30/96-97	233,704	7,605,396	9,442,615	9,830,177	9,443,000	9,830,000	1,837,604	2,224,604	4.041	4.206
6/30/97-98	221,484	9,165,502	11,726,401	12,140,822	11,727,000	12,140,000	2,561,498	2,974,498	5.295	5.481
6/30/98-99	255,677	8,921,775	11,728,480	12,268,802	11,729,000	12,269,000	2,807,225	3,347,225	4.587	4.799
6/30/99-00	268,079	9,877,394	13,260,117	13,799,108	13,260,000	13,799,000	3,382,606	3,921,606	4.946	5.147
6/30/00-01	278,762	12,984,729	18,032,177	18,351,840	18,032,000	19,100,000	5,047,271	6,115,271	6.469	6.852
6/30/01-02	282,635	10,363,312	14,944,918	15,450,934	14,945,000	15,451,000	4,581,688	5,087,688	5.288	5.467
6/30/02-03	289,398	10,499,182	15,892,483	16,416,461	15,747,000	16,417,000	5,247,818	5,917,818	5.441	5.673
6/30/03-04	293,308	9,162,949	14,737,802	15,870,978	14,596,000	15,871,000	5,433,051	6,708,051	4.976	5.411
6/30/04-05	290,903	9,200,389	16,140,159	16,808,851	16,006,000	17,615,000	6,805,611	8,414,611	5.502	6.055
6/30/05-06	294,215	5,845,131	12,155,645	15,091,179	13,551,000	15,092,000	7,705,869	9,246,869	4.606	5.130
6/30/06-07	289,092	3,851,323	10,886,933	14,614,919	12,750,000	15,192,000	8,898,677	11,340,677	4.410	5.255
6/30/07-08	345,859	1,777,498	11,827,140	18,674,454	15,894,000	18,873,000	14,116,502	17,095,502	4.596	5.457
Total	5,344,176	189,647,201	269,421,034	273,652,999	271,984,365	294,676,254	82,337,164	105,029,053		
Tot 6/30/84-08	5,344,176	181,116,940	263,232,541	273,652,999	261,701,354	283,201,000	80,584,414	102,084,060	4.897	5.299

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 4, Exhibit 1, Page 1 + Section 4, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		2,071,155			2,467,602	2,664,138	396,447	592,983		
6/30/82-83		225,530	232,202		229,124	233,127	3,594	7,597		
6/30/83-84		220,938	228,105		224,907	230,331	3,969	9,393		
6/30/84-85	139,178	1,647,753	2,042,418	1,680,484	1,679,757	2,042,488	32,004	394,735	1.207	1.468
6/30/85-86	149,671	1,367,195	1,973,838	1,401,186	1,400,571	1,687,756	33,376	320,561	0.936	1.128
6/30/86-87	171,999	2,137,630	3,072,215	2,234,072	2,234,000	3,072,000	96,370	934,370	1.299	1.786
6/30/87-88	201,511	2,106,096	2,306,403	2,266,844	2,267,000	2,306,000	160,904	199,904	1.125	1.144
6/30/88-89	206,011	1,970,633	2,204,074	2,159,525	2,160,000	2,204,000	189,367	233,367	1.048	1.070
6/30/89-90	206,006	679,355	765,050	769,275	761,890	767,463	82,535	88,108	0.370	0.373
6/30/90-91	189,307	2,497,806	2,898,252	2,862,654	2,861,000	2,900,000	363,194	402,194	1.511	1.532
6/30/91-92	188,230	2,673,340	3,399,652	3,168,610	3,166,000	3,403,000	492,660	729,660	1.682	1.808
6/30/92-93	192,221	712,440	802,663	817,746	729,000	749,000	16,560	36,560	0.379	0.390
6/30/93-94	203,766	1,015,263	1,569,179	1,293,090	1,293,000	1,571,000	277,737	555,737	0.635	0.771
6/30/94-95	204,442	1,067,175	1,297,260	1,330,107	1,078,423	1,111,476	11,248	44,301	0.527	0.544
6/30/95-96	211,792	835,707	1,035,497	1,065,077	859,000	885,000	23,293	49,293	0.406	0.418
6/30/96-97	240,609	700,394	909,254	937,114	909,000	937,000	208,606	236,606	0.378	0.389
6/30/97-98	239,416	648,346	801,696	837,147	802,000	837,000	153,654	188,654	0.335	0.350
6/30/98-99	240,064	860,168	1,096,307	1,120,709	1,096,000	1,121,000	235,832	260,832	0.457	0.467
6/30/99-00	262,199	1,514,470	2,029,847	2,062,703	2,030,000	2,063,000	515,530	548,530	0.774	0.787
6/30/00-01	274,893	1,471,887	1,998,265	2,028,798	1,997,000	2,030,000	525,113	558,113	0.726	0.738
6/30/01-02	264,006	1,032,697	1,397,648	1,417,315	1,398,000	1,418,000	365,303	385,303	0.530	0.537
6/30/02-03	261,467	899,863	1,244,927	1,307,365	1,244,000	1,308,000	344,137	408,137	0.476	0.500
6/30/03-04	274,600	402,536	610,055	748,904	610,000	749,000	207,464	346,464	0.222	0.273
6/30/04-05	253,275	663,714	1,171,427	1,169,142	1,169,000	1,171,000	505,286	507,286	0.462	0.462
6/30/05-06	329,111	618,279	1,224,832	1,368,515	1,225,000	1,368,000	606,721	749,721	0.372	0.416
6/30/06-07	343,116	380,425	1,133,401	1,352,978	1,134,000	1,352,000	753,575	971,575	0.331	0.394
6/30/07-08	342,627	311,199	1,820,373	1,566,981	1,516,000	1,820,000	1,204,801	1,508,801	0.442	0.531
Total	5,589,518	30,731,994	39,264,840	36,966,339	38,541,274	42,000,779	7,809,280	11,268,785		
Tot 6/30/84-08	5,589,518	28,214,371	38,804,533	36,966,339	35,619,641	38,873,183	7,405,270	10,658,812	0.637	0.695

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 5, Exhibit 1, Page 1 + Section 5, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		1,455,812			1,455,812	1,462,132	0	6,320		
6/30/82-83		327,566	335,393		327,672	335,649	106	8,083		
6/30/83-84		1,494,800	1,530,486		1,523,932	1,553,573	29,132	58,773		
6/30/84-85	90,571	1,015,470	1,044,638	1,027,817	1,033,339	1,052,834	17,869	37,364	1.141	1.162
6/30/85-86	97,399	2,733,296	2,836,183	2,781,346	2,782,432	2,840,662	49,136	107,367	2.857	2.917
6/30/86-87	111,929	3,467,541	4,135,471	3,536,626	3,537,000	3,836,279	69,459	368,738	3.160	3.427
6/30/87-88	131,134	2,917,922	3,259,346	2,999,605	3,000,000	3,129,429	82,078	211,508	2.288	2.386
6/30/88-89	151,343	3,112,432	3,228,741	3,241,408	3,167,349	3,268,054	54,917	155,622	2.093	2.159
6/30/89-90	112,226	3,797,545	3,974,273	3,980,417	3,865,186	3,987,422	67,641	189,877	3.444	3.553
6/30/90-91	112,428	1,403,520	1,468,371	1,468,751	1,427,065	1,473,696	23,545	70,176	1.269	1.311
6/30/91-92	122,872	2,187,492	2,284,091	2,291,403	2,221,204	2,296,867	33,712	109,375	1.808	1.869
6/30/92-93	129,919	1,033,363	1,078,805	1,090,143	1,048,102	1,085,031	14,739	51,668	0.807	0.835
6/30/93-94	142,718	2,405,941	2,532,206	2,555,639	2,532,000	2,556,000	126,059	150,059	1.774	1.791
6/30/94-95	152,788	936,521	968,704	977,249	968,000	977,000	31,479	40,479	0.634	0.639
6/30/95-96	164,973	874,675	908,951	918,033	886,424	913,492	11,749	38,817	0.537	0.554
6/30/96-97	193,880	615,599	634,847	644,193	626,838	645,086	11,239	29,486	0.323	0.333
6/30/97-98	192,992	985,988	1,049,038	1,057,371	1,002,642	1,036,906	16,653	50,918	0.520	0.537
6/30/98-99	191,535	931,160	982,226	993,454	982,000	993,000	50,840	61,840	0.513	0.518
6/30/99-00	169,941	854,488	939,136	944,312	939,000	944,000	84,512	89,512	0.553	0.555
6/30/00-01	171,840	934,167	1,020,774	1,026,510	1,021,000	1,026,000	86,833	91,833	0.594	0.597
6/30/01-02	183,110	486,423	558,925	573,741	559,000	574,000	72,577	87,577	0.305	0.313
6/30/02-03	195,846	750,312	903,060	906,342	903,000	906,000	152,688	155,688	0.461	0.463
6/30/03-04	229,073	1,191,734	1,503,470	1,511,798	1,504,000	1,529,900	312,266	338,166	0.657	0.668
6/30/04-05	211,119	340,707	459,621	594,467	459,000	605,200	118,293	264,493	0.217	0.287
6/30/05-06	266,856	703,612	1,277,810	1,266,463	1,257,000	1,305,350	553,388	601,738	0.471	0.489
6/30/06-07	273,358	502,836	1,104,099	1,223,456	1,104,000	1,241,000	601,164	738,164	0.404	0.454
6/30/07-08	295,477	362,934	1,859,221	1,631,108	1,632,000	1,888,000	1,269,066	1,525,066	0.552	0.639
Total	4,095,326	37,823,856	41,877,884	39,241,652	41,764,996	43,462,562	3,941,140	5,638,706		
Tot 6/30/84-08	4,095,326	34,545,678	40,012,005	39,241,652	38,457,580	40,111,208	3,911,903	5,565,530	0.939	0.979

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 6, Exhibit 1, Page 1 + Section 6, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		3,004,650			4,419,640	5,061,646	1,414,991	2,056,997		
6/30/82-83		796,317	812,819		811,448	826,578	15,131	30,261		
6/30/83-84		945,504	965,143		963,997	982,491	18,493	36,987		
6/30/84-85	249,035	1,604,929	1,639,589	1,611,030	1,635,334	1,665,739	30,405	60,810	0.657	0.669
6/30/85-86	267,811	2,253,255	2,301,538	2,262,250	2,263,000	2,301,000	9,745	47,745	0.845	0.859
6/30/86-87	307,762	2,574,445	2,824,533	2,586,905	2,587,397	2,826,583	12,952	252,138	0.841	0.918
6/30/87-88	360,569	4,375,719	5,102,451	4,401,739	4,339,210	4,751,900	-36,509	376,181	1.203	1.318
6/30/88-89	371,471	1,940,364	1,962,698	1,966,304	1,972,514	2,017,971	32,150	77,607	0.531	0.543
6/30/89-90	374,816	3,593,598	3,664,846	3,651,907	3,652,000	3,665,000	58,402	71,402	0.974	0.978
6/30/90-91	350,048	1,866,079	1,922,419	1,922,439	1,922,000	1,923,000	55,921	56,921	0.549	0.549
6/30/91-92	356,084	2,074,126	2,631,404	2,175,026	2,235,710	2,404,122	161,583	329,996	0.628	0.675
6/30/92-93	383,583	1,653,844	1,745,822	1,763,375	1,679,326	1,716,282	25,482	62,438	0.438	0.447
6/30/93-94	439,244	1,501,758	1,949,938	1,633,821	1,633,000	1,951,000	131,242	449,242	0.372	0.444
6/30/94-95	437,287	1,845,231	1,982,276	1,996,302	1,982,000	1,997,000	136,769	151,769	0.453	0.457
6/30/95-96	459,490	1,850,889	2,019,673	2,042,428	1,902,428	1,942,499	51,539	91,610	0.414	0.423
6/30/96-97	540,181	1,565,157	1,736,463	1,766,178	1,736,000	1,766,000	170,843	200,843	0.321	0.327
6/30/97-98	518,613	1,970,527	2,259,362	2,272,431	2,259,000	2,272,000	288,473	301,473	0.436	0.438
6/30/98-99	536,523	1,448,362	1,710,151	1,746,478	1,710,000	1,815,000	261,638	366,638	0.319	0.338
6/30/99-00	583,551	1,663,189	2,000,845	2,057,558	2,001,000	2,057,000	337,811	393,811	0.343	0.352
6/30/00-01	628,836	1,956,323	2,455,974	2,495,178	2,456,000	2,496,000	499,677	539,677	0.391	0.397
6/30/01-02	646,243	2,477,910	3,229,621	3,236,498	3,229,000	3,237,000	751,090	759,090	0.500	0.501
6/30/02-03	630,315	1,551,168	2,142,977	2,162,475	2,143,000	2,162,000	591,832	610,832	0.340	0.343
6/30/03-04	647,755	1,757,791	2,576,411	2,551,155	2,524,000	2,692,000	766,209	934,209	0.390	0.416
6/30/04-05	784,398	1,441,168	2,343,240	2,593,428	2,344,000	2,593,000	902,832	1,151,832	0.299	0.331
6/30/05-06	747,901	1,510,410	3,024,675	3,104,580	3,025,000	3,213,000	1,514,590	1,702,590	0.404	0.430
6/30/06-07	810,859	1,030,580	2,696,194	3,160,312	2,696,000	3,161,000	1,665,420	2,130,420	0.332	0.390
6/30/07-08	816,343	521,300	2,830,990	3,202,250	2,831,000	3,202,000	2,309,700	2,680,700	0.347	0.392
Total	12,248,722	50,774,592	60,532,052	58,362,045	62,953,005	66,698,813	12,178,413	15,924,221		
Tot 6/30/84-08	12,248,722	46,028,121	58,754,090	58,362,045	56,757,919	59,828,097	10,729,798	13,799,976	0.463	0.488

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 7, Exhibit 1, Page 1 + Section 7, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Total Indemnity (Including Lump Sums) + Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		42,511,968			50,673,966	56,416,353	8,161,998	13,904,385		
6/30/82-83		5,522,602	6,479,396		6,314,431	6,788,165	791,829	1,265,562		
6/30/83-84		8,509,079	10,086,690		9,825,745	10,574,622	1,316,666	2,065,543		
6/30/84-85	714,731	16,811,589	20,434,685	18,667,666	18,668,000	20,435,000	1,856,411	3,623,411	2.612	2.859
6/30/85-86	768,615	19,901,851	24,115,656	22,440,868	22,441,000	24,116,000	2,539,149	4,214,149	2.920	3.138
6/30/86-87	883,277	19,935,944	24,213,066	22,902,557	22,900,000	24,215,000	2,964,056	4,279,056	2.593	2.741
6/30/87-88	1,346,746	28,396,070	33,921,152	33,542,132	33,538,000	35,458,000	5,141,930	7,061,930	2.490	2.633
6/30/88-89	1,465,984	26,352,676	31,826,540	30,908,029	30,907,000	31,828,000	4,554,324	5,475,324	2.108	2.171
6/30/89-90	1,473,293	25,573,650	31,484,253	31,043,939	31,041,000	31,487,000	5,467,350	5,913,350	2.107	2.137
6/30/90-91	1,383,691	22,401,542	28,114,092	27,671,498	27,638,000	28,148,000	5,236,458	5,746,458	1.997	2.034
6/30/91-92	1,341,919	13,639,183	17,417,807	17,446,713	17,417,000	18,176,000	3,777,817	4,536,817	1.298	1.354
6/30/92-93	1,324,022	10,528,406	14,708,937	14,489,139	14,462,000	14,736,000	3,933,594	4,207,594	1.092	1.113
6/30/93-94	1,400,303	12,128,953	16,134,567	16,717,252	16,134,000	16,717,000	4,005,047	4,588,047	1.152	1.194
6/30/94-95	1,472,926	10,617,548	14,418,935	14,956,464	14,419,000	14,956,000	3,801,452	4,338,452	0.979	1.015
6/30/95-96	1,556,911	10,369,475	14,628,917	15,063,372	14,629,000	15,702,000	4,259,525	5,332,525	0.940	1.009
6/30/96-97	1,953,175	11,499,264	16,491,125	17,163,025	16,491,000	17,163,000	4,991,736	5,663,736	0.844	0.879
6/30/97-98	1,890,544	9,587,490	14,067,367	14,833,769	14,068,000	14,834,000	4,480,510	5,246,510	0.744	0.785
6/30/98-99	2,053,169	10,248,674	15,397,102	16,202,220	15,397,000	16,202,000	5,148,326	5,953,326	0.750	0.789
6/30/99-00	2,177,952	11,836,347	18,579,261	19,385,888	18,579,000	19,386,000	6,742,653	7,549,653	0.853	0.890
6/30/00-01	2,170,750	10,851,936	17,565,203	18,335,613	17,565,000	18,336,000	6,713,064	7,484,064	0.809	0.845
6/30/01-02	2,261,335	11,041,316	18,912,222	19,629,224	18,912,000	19,629,000	7,870,684	8,587,684	0.836	0.868
6/30/02-03	2,228,246	11,322,811	20,290,021	20,917,795	20,290,000	21,440,000	8,967,189	10,117,189	0.911	0.962
6/30/03-04	2,222,588	9,874,983	18,703,131	20,553,778	18,703,000	20,553,000	8,828,017	10,678,017	0.841	0.925
6/30/04-05	2,274,629	10,845,398	21,701,482	22,931,397	21,127,000	23,524,000	10,281,602	12,678,602	0.929	1.034
6/30/05-06	2,445,102	8,051,889	19,724,863	21,280,429	19,578,000	21,281,000	11,526,111	13,229,111	0.801	0.870
6/30/06-07	2,575,811	7,007,978	21,869,692	23,347,887	20,565,000	24,027,000	13,557,022	17,019,022	0.798	0.933
6/30/07-08	2,669,773	3,420,644	26,089,456	25,051,691	22,447,000	25,988,000	19,026,356	22,567,356	0.841	0.973
Total	42,055,492	388,789,265	517,375,619	505,482,344	554,730,142	592,116,140	165,940,878	203,326,876		
Tot 6/30/84-08	42,055,492	332,245,615	500,809,533	505,482,344	487,916,000	518,337,000	155,670,385	186,091,385	1.160	1.233

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) - (9) = Sum of Section 8, Exhibit 1, Page 1 + Section 8, Exhibit 2, Page 1

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Total Indemnity (Including Lump Sums) + Medical

Calculation of Implied Development Factors

(1)	(2)	(3)	(4)
Accident Year	Pd Loss Including Lump Sum	Implied Cumulative LDF	Selected Ult Loss Including Lump Sum
All Prior Yrs	90,352,747	1.289	116,449,479
6/30/82-83	16,836,791	1.171	19,712,246
6/30/83-84	24,778,555	1.164	28,844,134
6/30/84-85	36,788,745	1.117	41,100,432
6/30/85-86	49,347,240	1.124	55,445,387
6/30/86-87	54,860,726	1.097	60,196,130
6/30/87-88	78,414,485	1.149	90,070,779
6/30/88-89	77,866,750	1.128	87,797,245
6/30/89-90	75,867,485	1.136	86,193,481
6/30/90-91	62,270,988	1.188	73,992,380
6/30/91-92	41,246,285	1.170	48,239,451
6/30/92-93	28,675,743	1.215	34,837,371
6/30/93-94	30,758,518	1.237	38,039,500
6/30/94-95	28,468,602	1.245	35,443,954
6/30/95-96	26,893,490	1.265	34,027,922
6/30/96-97	27,407,203	1.314	36,014,962
6/30/97-98	28,686,142	1.324	37,987,274
6/30/98-99	27,548,530	1.373	37,824,000
6/30/99-00	31,432,934	1.415	44,488,500
6/30/00-01	35,968,264	1.439	51,746,000
6/30/01-02	31,310,361	1.515	47,443,000
6/30/02-03	30,913,042	1.599	49,415,000
6/30/03-04	29,456,087	1.691	49,818,450
6/30/04-05	28,620,827	1.847	52,856,600
6/30/05-06	21,378,181	2.296	49,078,175
6/30/06-07	16,207,205	3.113	50,447,500
6/30/07-08	8,220,436	7.050	57,953,500
Total	1,040,576,363		1,415,462,850

NOTES:
(2) From Summary Exhibit 8, Page 1, Column (3)
(3) = (4) / (2)
(4) From Summary Exhibit 8, Page 1, Av erage of Columns (6) and (7)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4

Allocation Methodology

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	5 Year	Initial Loss Costs		Expected Losses				5 Year	Credibility	Distribution	CURRENT		PRIOR	
	Average							Average	Weighted	of Total	Reserve Estimate		Reserve Estimate	
Cluster	Payroll	Indemnity	Medical	Indemnity	Medical	Total	Credibility	Ult Loss	Ult Loss	Losses	Low End	High End	Low End	High End
Mass College of Art	16,936,497	0.25	0.13	42,341	22,017	64,359	25.3%	51,650	61,143	2.2%	273,832	358,056	288,794	374,934
Berkshire Community College	8,727,780	0.25	0.13	21,819	11,346	33,166	14.9%	60,316	37,201	1.4%	166,604	217,848	159,276	206,783
Bunker Hill Community College	19,835,312	0.25	0.13	49,588	25,786	75,374	28.4%	40,437	65,451	2.4%	293,125	383,284	256,200	332,618
Bristol Community College	16,948,398	0.25	0.13	42,371	22,033	64,404	45.9%	13,966	41,268	1.5%	184,819	241,666	312,706	405,977
Bridgewater State College	45,765,069	0.25	0.13	114,413	59,495	173,907	69.6%	140,060	150,353	5.5%	673,362	880,473	589,437	765,250
Cape Cod Community College	11,011,291	0.25	0.13	27,528	14,315	41,843	35.5%	75,745	53,881	2.0%	241,307	315,527	240,325	312,008
Framingham State College	22,872,494	0.25	0.13	57,181	29,734	86,915	31.4%	130,767	100,679	3.7%	450,895	589,580	393,249	510,544
Fitchburg State College	26,081,808	0.25	0.13	65,205	33,906	99,111	34.3%	103,100	100,478	3.7%	449,996	588,404	510,598	662,895
Greenfield Community College	10,185,879	0.25	0.13	25,465	13,242	38,706	16.9%	29,055	37,073	1.4%	166,032	217,100	207,125	268,905
Holyoke Community College	18,938,812	0.25	0.13	47,347	24,620	71,967	27.5%	35,808	62,034	2.3%	277,820	363,272	192,820	250,333
Mass Bay Community College	12,672,427	0.25	0.13	31,681	16,474	48,155	38.8%	8,846	32,909	1.2%	147,383	192,714	216,080	280,531
Massasoit Community College	19,406,083	0.25	0.13	48,515	25,228	73,743	49.2%	108,073	90,650	3.3%	405,977	530,847	417,955	542,620
Middlesex Community College	28,072,196	0.25	0.13	70,180	36,494	106,674	36.0%	63,957	91,315	3.4%	408,956	534,741	479,770	622,872
Mass Maritime Academy	12,128,539	0.25	0.13	30,321	15,767	46,088	19.5%	32,124	43,362	1.6%	194,200	253,931	227,945	295,934
Massachusetts College of Liberal Arts	13,794,839	0.25	0.13	34,487	17,933	52,420	21.6%	13,222	43,944	1.6%	196,806	257,339	214,366	278,306
Mt Wachusett Community College	14,638,378	0.25	0.13	36,596	19,030	55,626	22.6%	35,585	51,087	1.9%	228,796	299,169	200,879	260,796
North Essex Community College	18,841,909	0.25	0.13	47,105	24,494	71,599	27.4%	46,494	64,728	2.4%	289,886	379,049	279,714	363,145
North Shore Community College	20,860,408	0.25	0.13	52,151	27,119	79,270	51.1%	15,691	46,811	1.7%	209,645	274,127	245,480	318,699
Quinsigamond Community College	16,180,716	0.25	0.13	40,452	21,035	61,487	44.7%	93,025	75,591	2.8%	338,537	442,664	311,400	404,282
Roxbury Community College	9,439,342	0.25	0.13	23,598	12,271	35,870	15.9%	14,223	32,432	1.2%	145,247	189,922	148,780	193,157
Springfield Tech Community College	22,036,378	0.25	0.13	55,091	28,647	83,738	30.6%	71,340	79,946	2.9%	358,039	468,164	354,216	459,869
UMass (Dartmouth)	68,060,396	0.25	0.13	170,151	88,479	258,630	77.3%	408,709	374,624	13.8%	1,677,766	2,193,809	1,600,047	2,077,298
Salem State College	44,173,890	0.25	0.13	110,435	57,426	167,861	68.8%	191,622	184,217	6.8%	825,021	1,078,779	886,929	1,151,476
University of Lowell	85,179,326	0.25	0.13	212,948	110,733	323,681	81.0%	334,929	332,790	12.2%	1,490,414	1,948,832	1,623,549	2,107,810
UMass (Boston)	99,984,177	0.25	0.13	249,960	129,979	379,940	83.3%	207,926	236,599	8.7%	1,059,616	1,385,530	1,074,661	1,395,204
Worcester State College	24,774,201	0.25	0.13	61,936	32,206	94,142	55.3%	65,517	78,304	2.9%	350,685	458,549	367,612	477,260
Westfield State College	26,243,107	0.25	0.13	65,608	34,116	99,724	56.8%	189,050	150,417	5.5%	673,646	880,845	523,672	679,869
Total	733,789,653			1,834,474	953,927			2,581,238	2,719,284		12,178,413	15,924,221	12,323,581	15,999,374

NOTES:

(1) Provided by Commonwealth of Massachusetts; From Summary Exhibit 10, Page 3

(2) From Section 7, Exhibit 1, Page 4

(3) From Section 7, Exhibit 2, Page 4

(4) = (1) * (2) / 100

(5) = (1) * (3) / 100

(6) = (4) + (5)

(7) = P / (P+K); where P = Column (1) and K = 20M (if CV < 1) and K = 50M (if CV > 1). CV is the Coefficient of Variation, as calculated on Summary Exhibit 10, Page 2.

(8) = The Average of Columns (2) - (6) plus The Average of Columns (8) - (12) on Summary Exhibit 10 Page 4.

(9) = (7) * (8) + [1.00 - (7)] * (6)

(10) = (9) / Total (9)

(11) = The Total from Summary Exhibit 8, Page7, Column (8), allocated according to Column (10) of this exhibit.

(12) = The Total from Summary Exhibit 8, Page7, Column (9), allocated according to Column (10) of this exhibit.

(13) & (14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4

Estimated Loss Costs (Indemnity and Medical Combined)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Cluster	2008	2007	2006	2005	2004	2003	Coefficient of Variation
Mass College of Art	0.174	0.131	0.209	0.100	1.056	0.212	1.215
Berkshire Community College	0.929	0.236	2.005	0.025	0.136	0.423	1.242
Bunker Hill Community College	0.493	0.029	0.127	0.026	0.325	0.110	1.021
Bristol Community College	0.042	0.092	0.107	0.048	0.126	3.004	0.444
Bridgewater State College	0.455	0.296	0.135	0.257	0.381	0.457	0.400
Cape Cod Community College	0.475	1.818	0.408	0.519	0.137	0.098	0.980
Framingham State College	1.521	0.908	0.058	0.053	0.111	0.752	1.248
Fitchburg State College	0.204	0.069	0.512	0.157	1.112	0.123	1.038
Greenfield Community College	0.132	0.056	0.569	0.659	0.028	0.520	1.042
Holyoke Community College	0.068	0.444	0.342	0.019	0.043	0.024	1.069
Mass Bay Community College	0.061	0.143	0.054	0.055	0.028	0.049	0.642
Massasoit Community College	0.394	0.212	0.698	0.487	1.062	1.658	0.571
Middlesex Community College	0.052	0.076	0.082	0.007	0.973	0.027	1.733
Mass Maritime Academy	0.023	0.662	0.428	0.027	0.177	1.782	1.053
Massachusetts College of Liberal Arts	0.133	0.008	0.008	0.000	0.362	0.028	1.519
Mt Wachusett Community College	0.038	0.049	0.184	0.995	0.004	0.085	1.653
North Essex Community College	0.567	0.007	0.042	0.434	0.179	0.072	1.002
North Shore Community College	0.050	0.074	0.072	0.051	0.137	0.225	0.461
Quinsigamond Community College	1.300	0.077	0.960	0.222	0.190	1.026	0.992
Roxbury Community College	0.216	0.000	0.002	0.088	0.474	0.100	1.273
Springfield Tech Community College	0.255	0.093	0.172	0.899	0.210	0.111	1.000
UMass (Dartmouth)	0.375	0.411	0.839	0.354	1.102	0.575	0.547
Salem State College	0.278	0.901	0.344	0.126	0.483	0.344	0.691
University of Lowell	0.108	0.313	0.585	0.985	0.054	0.249	0.938
UMass (Boston)	0.134	0.327	0.155	0.091	0.334	0.292	0.547
Worcester State College	0.239	0.165	0.172	0.637	0.128	0.098	0.784
Westfield State College	1.091	0.351	0.916	0.904	0.274	0.213	0.521

NOTES:

(1) - (5) - Sum of Indemnity + Medical Losses from Summary Exhibit 10, Page 4 divided by Payroll from Summary Exhibit 10, Page 3.

(6) = Std Deviation / Mean of Columns (1) - (5) Used to calculate "ballast factor" (K) on Summary Exhibit 10, Page 1, Column (7).

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4

Payroll

Cluster	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Mass College of Art	19,322,272	18,583,602	17,180,736	15,486,705	14,109,170	13,657,513	13,820,033	13,110,102	12,397,696	11,426,156	11,170,843	11,103,577
Berkshire Community College	9,512,446	9,155,431	8,915,545	8,114,116	7,941,363	8,777,590	9,149,582	9,304,137	8,031,065	7,596,027	7,199,052	7,516,297
Bunker Hill Community College	22,329,506	21,428,548	20,183,373	18,125,292	17,109,843	16,751,827	16,551,942	16,487,356	14,276,709	14,053,219	17,388,360	16,563,180
Bristol Community College	18,185,939	17,360,951	16,845,691	16,270,773	16,078,636	15,662,029	15,503,927	16,291,022	13,963,273	13,031,546	11,788,805	11,454,628
Bridgewater State College	51,157,685	49,576,401	46,831,705	42,287,112	38,972,441	37,526,138	36,422,921	33,938,426	32,156,945	30,004,595	29,521,390	30,488,710
Cape Cod Community College	12,002,292	11,471,904	10,891,309	10,573,943	10,117,005	10,560,228	10,207,653	10,660,754	9,445,737	9,090,645	8,685,711	9,153,214
Framingham State College	25,613,814	23,896,137	22,946,519	21,497,429	20,408,571	20,722,668	20,775,006	19,206,201	18,773,220	17,740,424	17,964,393	19,163,317
Fitchburg State College	27,847,205	27,466,412	26,381,947	24,797,477	23,915,999	24,689,787	24,871,073	24,130,040	23,718,893	22,253,499	21,911,855	22,761,715
Greenfield Community College	10,612,909	10,701,787	9,728,864	10,187,252	9,698,584	9,082,435	9,027,647	8,545,358	7,267,509	7,255,597	6,868,493	7,231,994
Holyoke Community College	21,538,780	20,022,607	19,032,683	17,182,554	16,917,435	16,790,936	17,194,206	17,108,969	14,197,924	13,089,917	12,746,217	13,502,590
Mass Bay Community College	13,571,992	13,481,993	12,454,119	11,983,957	11,870,075	11,805,793	12,177,120	11,795,413	10,238,131	10,132,893	10,124,922	11,155,020
Massasoit Community College	21,445,859	20,065,965	19,294,440	18,445,552	17,778,599	17,876,885	18,316,626	18,346,493	16,690,111	15,004,651	14,387,704	15,514,013
Middlesex Community College	28,538,788	28,570,683	28,493,841	28,231,147	26,526,523	23,560,947	22,965,209	22,118,297	20,674,170	18,548,764	16,966,056	16,734,320
Mass Maritime Academy	13,799,401	12,822,306	12,065,007	11,907,025	10,048,956	10,121,295	10,304,495	9,962,379	9,581,059	8,880,463	9,318,847	9,675,036
Massachusetts College of Liberal Arts	14,720,213	15,354,823	13,949,312	12,736,055	12,213,793	12,518,354	12,714,911	12,043,542	11,982,225	11,182,241	11,202,547	11,631,637
Mt Wachusett Community College	16,174,642	15,630,743	14,603,372	13,746,073	13,037,061	12,722,276	12,102,734	12,140,405	10,857,070	9,802,488	9,096,387	9,516,957
North Essex Community College	20,315,165	20,045,158	18,831,994	17,916,679	17,100,550	16,465,374	17,170,746	18,016,274	16,345,751	15,339,880	13,434,677	13,164,011
North Shore Community College	22,764,923	22,171,163	20,967,179	19,673,349	18,725,424	18,558,856	18,938,133	19,639,070	16,824,658	14,463,762	13,805,920	15,097,744
Quinsigamond Community College	18,106,840	17,013,353	16,176,692	15,089,211	14,517,485	14,157,008	14,000,863	13,841,106	11,859,673	11,167,302	10,401,690	10,908,293
Roxbury Community College	10,123,244	9,757,163	9,514,789	9,141,873	8,659,643	9,312,879	9,418,576	9,470,371	9,086,429	8,996,054	9,067,106	8,884,372
Springfield Tech Community College	22,885,437	22,168,600	22,134,864	21,666,745	21,326,245	21,445,470	21,485,964	21,534,118	18,349,286	18,152,180	17,113,163	17,828,241
UMass (Dartmouth)	77,222,754	76,534,603	71,780,269	57,251,665	57,512,689	53,356,405	52,985,925	51,966,847	47,865,218	43,182,835	40,098,771	41,101,901
Salem State College	50,440,651	48,157,643	45,200,558	40,285,048	36,785,550	37,280,783	63,880,501	36,811,463	39,369,695	32,442,454	29,558,364	33,443,950
University of Lowell	96,398,678	95,743,394	89,020,188	72,202,781	72,531,587	68,018,583	75,795,699	69,936,484	63,517,235	59,085,332	57,365,786	63,571,590
UMass (Boston)	111,393,634	108,841,196	103,333,983	88,176,037	88,176,037	85,330,476	88,900,558	90,541,396	84,902,092	75,764,890	73,723,782	74,256,873
Worcester State College	31,471,492	25,305,730	24,338,146	22,423,822	20,331,813	19,878,337	20,118,530	18,317,039	17,420,661	16,475,117	16,055,367	16,656,998
Westfield State College	28,846,755	28,079,620	26,804,229	24,781,575	22,703,355	21,350,027	22,079,337	20,910,100	21,424,715	20,211,829	19,641,800	19,538,861
UMass (Amherst)	342,627,043	343,116,093	329,110,631	253,274,792	274,600,044	261,467,034	264,006,172	274,893,301	262,198,603	240,064,320	239,416,217	240,608,859
UMass (Medical Center)	295,477,486	273,357,641	266,855,889	211,119,178	229,072,802	195,846,123	183,109,874	171,839,506	169,940,522	191,534,815	192,992,251	193,880,177
Total	1,454,447,845	1,405,881,649	1,343,867,874	1,134,575,217	1,148,787,278	1,085,294,056	1,113,995,963	1,072,905,969	1,013,356,275	965,973,895	949,016,476	972,108,075

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4

Estimated Ultimate Losses

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Indemnity						Medical					
Cluster	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008
Mass College of Art	13,102	114,891	4,531	3,427	16,643	11,663	15,830	34,056	10,978	32,429	7,722	21,910
Berkshire Community College	28,662	4,289	0	152,541	7,934	64,270	8,437	6,529	1,991	26,200	13,687	24,139
Bunker Hill Community College	8,336	26,805	1,042	10,044	0	50,600	10,069	28,813	3,613	15,633	6,121	59,517
Bristol Community College	359,179	8,620	212	1,419	0	0	111,236	11,716	7,603	16,661	15,946	7,652
Bridgewater State College	127,558	66,037	43,565	32,787	98,771	110,323	43,981	82,620	65,305	30,494	47,796	122,602
Cape Cod Community College	0	1,469	8,486	13,803	129,343	24,887	10,315	12,358	46,425	30,610	79,207	32,137
Framingham State College	95,262	6,891	5,785	3,113	153,315	286,885	60,490	15,709	5,637	10,276	63,548	102,674
Fitchburg State College	22,517	229,186	10,359	106,521	0	43,317	7,856	36,709	28,555	28,602	18,867	13,381
Greenfield Community College	31,032	0	40,550	26,845	0	95	16,180	2,759	26,592	28,546	5,991	13,897
Holyoke Community College	752	4,815	2,058	41,412	59,208	0	3,212	2,447	1,137	23,676	29,678	14,608
Mass Bay Community College	541	0	3,141	481	11,535	0	5,253	3,298	3,500	6,243	7,783	8,250
Massasoit Community College	248,911	159,011	48,067	55,288	29,192	39,165	47,561	29,873	41,685	79,397	13,320	45,368
Middlesex Community College	0	164,718	0	5,374	7,067	6,302	6,255	93,495	1,841	17,910	14,612	8,466
Mass Maritime Academy	171,533	12,954	19	23,066	34,296	0	8,836	4,870	3,168	28,523	50,608	3,114
Massachusetts College of Liberal Arts	1,318	41,057	0	0	0	0	2,160	3,104	0	1,166	1,230	19,557
Mt Wachusett Community College	5,691	0	127,662	11,803	0	0	5,117	497	9,078	15,118	7,621	6,145
North Essex Community College	4,302	25,959	75,545	3,523	0	50,679	7,569	4,586	2,139	4,293	1,306	64,437
North Shore Community College	36,791	14,690	1,105	7,063	8,101	0	5,005	10,871	8,943	8,121	8,291	11,271
Quinsigamond Community College	121,497	24,264	21,110	120,915	8,709	176,745	23,712	3,320	12,422	34,458	4,465	58,714
Roxbury Community College	8,398	34,050	6,673	0	0	17,708	940	6,992	1,327	179	0	4,186
Springfield Tech Community College	10,929	25,421	135,993	11,622	12,821	7,806	12,860	19,365	58,837	26,392	7,856	50,588
UMass (Dartmouth)	188,025	385,051	137,508	509,391	212,572	193,618	118,533	248,980	65,113	92,819	102,367	96,127
Salem State College	78,659	149,098	20,805	92,896	299,325	67,085	49,537	28,689	29,914	62,731	134,488	73,077
University of Lowell	129,077	16,349	513,942	391,981	234,547	86,393	39,975	22,495	196,951	128,682	65,504	17,802
UMass (Boston)	207,942	239,029	52,972	136,790	298,761	100,534	41,191	55,259	27,415	23,796	56,771	48,304
Worcester State College	9,936	22,015	92,874	27,507	24,365	28,690	9,614	4,015	50,035	14,239	17,301	46,545
Westfield State College	29,213	39,162	180,724	186,943	64,487	237,357	16,353	23,095	43,302	58,581	34,201	77,397
Total	1,939,165	1,815,833	1,534,728	1,976,556	1,710,993	1,604,123	688,080	796,519	753,507	845,777	816,285	1,051,867
Age to Ultimate LDF's	1.507	1.614	1.861	2.183	3.067	6.017	1.153	1.178	1.222	1.398	1.727	4.130

NOTES:

(1) - (12) - Cumualtive Paid Losses from Summary Exhibit 10, Page 5 multiplied by Age to Ultimate LDF's at the bottom of this exhibit.

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4

Cumulative Paid Losses as of 6/30/08

	Indemnity						Medical					
Cluster	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008
Mass College of Art	8,695	71,172	2,435	1,570	5,427	1,938	13,726	28,912	8,981	23,191	4,472	5,305
Berkshire Community College	19,021	2,657	0	69,887	2,587	10,681	7,316	5,543	1,629	18,737	7,925	5,845
Bunker Hill Community College	5,532	16,605	560	4,602	0	8,409	8,731	24,461	2,956	11,179	3,544	14,412
Bristol Community College	238,364	5,340	114	650	0	0	96,451	9,946	6,220	11,915	9,234	1,853
Bridgewater State College	84,652	40,908	23,411	15,021	32,207	18,335	38,136	70,141	53,424	21,807	27,676	29,687
Cape Cod Community College	0	910	4,560	6,324	42,176	4,136	8,944	10,492	37,979	21,890	45,865	7,782
Framingham State College	63,219	4,269	3,109	1,426	49,992	47,679	52,450	13,336	4,612	7,349	36,798	24,862
Fitchburg State College	14,943	141,975	5,567	48,803	0	7,199	6,812	31,165	23,360	20,455	10,925	3,240
Greenfield Community College	20,594	0	21,791	12,299	0	16	14,029	2,342	21,754	20,414	3,469	3,365
Holyoke Community College	499	2,983	1,106	18,973	19,306	0	2,785	2,078	930	16,931	17,185	3,537
Mass Bay Community College	359	0	1,688	220	3,761	0	4,555	2,800	2,863	4,465	4,506	1,998
Massasoit Community College	165,186	98,504	25,830	25,330	9,519	6,509	41,240	25,361	34,101	56,780	7,713	10,986
Middlesex Community College	0	102,039	0	2,462	2,304	1,047	5,424	79,373	1,506	12,808	8,461	2,050
Mass Maritime Academy	113,835	8,025	10	10,568	11,183	0	7,661	4,134	2,592	20,398	29,304	754
Massachusetts College of Liberal Arts	875	25,434	0	0	0	0	1,873	2,635	0	834	712	4,735
Mt Wachusett Community College	3,777	0	68,604	5,408	0	0	4,437	422	7,427	10,812	4,413	1,488
North Essex Community College	2,855	16,081	40,597	1,614	0	8,423	6,563	3,893	1,750	3,070	756	15,603
North Shore Community College	24,416	9,100	594	3,236	2,642	0	4,340	9,229	7,316	5,807	4,801	2,729
Quinsigamond Community College	80,630	15,031	11,344	55,398	2,840	29,374	20,560	2,819	10,162	24,642	2,585	14,217
Roxbury Community College	5,573	21,093	3,586	0	0	2,943	815	5,936	1,085	128	0	1,014
Springfield Tech Community College	7,253	15,748	73,081	5,325	4,181	1,297	11,151	16,440	48,134	18,874	4,549	12,249
UMass (Dartmouth)	124,780	238,530	73,895	233,379	69,314	32,178	102,778	211,374	53,268	66,379	59,275	23,276
Salem State College	52,201	92,363	11,180	42,560	97,602	11,149	42,953	24,355	24,472	44,861	77,875	17,695
University of Lowell	85,660	10,128	276,185	179,587	76,480	14,358	34,662	19,097	161,121	92,025	37,930	4,311
UMass (Boston)	137,998	148,073	28,466	62,671	97,418	16,708	35,716	46,913	22,427	17,017	32,873	11,697
Worcester State College	6,594	13,638	49,909	12,602	7,945	4,768	8,336	3,409	40,932	10,183	10,018	11,270
Westfield State College	19,387	24,260	97,119	85,648	21,028	39,448	14,179	19,607	35,424	41,894	19,804	18,741
Total	1,286,898	1,124,866	824,741	905,563	557,910	266,597	596,623	676,213	616,427	604,846	472,669	254,702

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4

Calendar Year 2008 Paid Losses

	Indemnity						Medical					
Cluster	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008
Mass College of Art	0	0	0	0	994	1,938	0	0	0	0	1,600	5,305
Berkshire Community College	0	0	0	39,763	414	10,681	0	0	164	1,857	2,135	5,845
Bunker Hill Community College	0	0	0	0	0	8,409	0	0	0	48	1,217	14,412
Bristol Community College	66,234	0	0	650	0	0	2,842	0	0	1,100	305	1,853
Bridgewater State College	0	17,021	0	0	19,937	18,335	205	3,451	113	1,907	17,871	29,687
Cape Cod Community College	0	0	270	0	22,647	4,136	0	208	1,052	12,336	28,728	7,782
Framingham State College	0	0	0	0	28,660	47,679	0	0	17	0	26,221	24,862
Fitchburg State College	0	41,969	0	0	0	7,199	0	0	0	311	6,809	3,240
Greenfield Community College	0	0	0	0	0	16	0	0	0	0	0	3,365
Holyoke Community College	0	0	0	-1,405	11,252	0	0	0	0	3,044	5,800	3,537
Mass Bay Community College	0	0	0	0	336	0	0	0	0	485	844	1,998
Massasoit Community College	25,376	25,494	0	4,502	275	6,509	1,856	5,645	-5	2,580	1,852	10,986
Middlesex Community College	0	17,833	0	0	-1,952	1,047	0	925	0	0	969	2,050
Mass Maritime Academy	0	0	0	0	5,682	0	911	43	0	3,455	24,816	754
Massachusetts College of Liberal Arts	0	0	0	0	0	0	0	0	0	0	0	4,735
Mt Wachusett Community College	0	0	35,207	0	0	0	0	0	620	240	1,723	1,488
North Adams State College	0	0	0	0	0	0	0	0	0	0	0	0
North Essex Community College	0	0	0	0	0	8,423	0	0	0	0	26	15,603
North Shore Community College	0	0	0	0	0	0	0	0	0	0	1,527	2,729
Quinsigamond Community College	0	0	0	23,199	0	29,374	0	0	28	5,230	692	14,217
Roxbury Community College	0	14,884	0	0	0	2,943	0	791	0	0	0	1,014
Springfield Tech Community College	0	0	21,242	0	0	1,297	0	0	76	193	2,119	12,249
UMass (Dartmouth)	0	109,262	0	63,643	50,123	32,178	0	1,867	56	6,222	34,538	23,276
Salem State College	0	33,052	650	4,839	49,291	11,149	0	4,110	63	4,563	25,065	17,695
University of Lowell	0	1,136	52,498	56,369	16,213	14,358	0	0	43,293	15,586	19,513	4,311
UMass (Boston)	0	18,156	6,397	22,365	71,262	16,708	0	1,577	0	4,294	13,666	11,697
Worcester State College	0	0	0	0	65	4,768	0	0	430	1,445	507	11,270
Westfield State College	0	0	30,336	22,799	11,327	39,448	321	27	730	6,883	16,354	18,741
Total	91,610	278,807	146,601	236,724	286,525	266,597	6,136	18,644	46,637	71,778	234,896	254,702

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

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Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		84,821,068			104,778,441	115,817,121	19,957,373	30,996,053		
6/30/82-83		15,620,377	18,344,992		17,905,256	19,029,192	2,284,879	3,408,815		
6/30/83-84		21,579,767	25,422,697		24,887,886	26,211,145	3,308,119	4,631,378		
6/30/84-85	1,632,355	33,749,446	40,235,376	36,249,584	36,489,679	39,432,574	2,740,233	5,683,129	2.235	2.416
6/30/85-86	1,755,421	44,498,546	53,727,218	48,282,750	49,090,354	51,759,684	4,591,808	7,261,139	2.797	2.949
6/30/86-87	2,017,293	49,258,894	57,141,188	54,037,033	52,881,000	55,867,279	3,622,106	6,608,385	2.621	2.769
6/30/87-88	2,675,340	68,954,035	81,065,870	77,088,262	78,241,228	82,118,330	9,287,193	13,164,295	2.925	3.069
6/30/88-89	2,880,999	66,157,019	76,448,166	74,172,916	74,440,235	76,546,799	8,283,216	10,389,779	2.584	2.657
6/30/89-90	2,855,415	63,413,021	73,516,631	72,593,458	72,410,455	73,635,762	8,997,434	10,222,741	2.536	2.579
6/30/90-91	2,682,613	51,061,607	65,174,435	59,932,635	59,319,859	64,682,914	8,258,253	13,621,307	2.211	2.411
6/30/91-92	2,641,036	31,516,723	38,287,121	37,761,395	37,129,380	38,532,341	5,612,657	7,015,618	1.406	1.459
6/30/92-93	2,639,939	21,170,581	26,770,526	26,978,080	26,360,376	27,092,946	5,189,795	5,922,365	0.999	1.026
6/30/93-94	2,801,390	23,022,519	29,426,816	29,766,780	28,833,000	30,361,000	5,810,481	7,338,481	1.029	1.084
6/30/94-95	2,894,918	21,976,747	28,123,059	28,908,287	27,845,000	28,776,000	5,868,253	6,799,253	0.962	0.994
6/30/95-96	3,029,192	20,531,545	26,805,062	27,693,949	26,154,985	27,671,891	5,623,441	7,140,346	0.863	0.914
6/30/96-97	3,621,274	21,162,959	28,288,559	29,480,447	28,278,838	29,470,286	7,115,879	8,307,327	0.781	0.814
6/30/97-98	3,485,251	22,982,339	30,780,987	32,008,184	30,735,642	31,964,556	7,753,302	8,982,217	0.882	0.917
6/30/98-99	3,717,044	21,671,868	30,047,641	31,486,958	30,047,000	31,556,000	8,375,132	9,884,132	0.808	0.849
6/30/99-00	3,911,384	24,751,002	35,597,446	37,031,005	35,597,000	37,030,000	10,845,998	12,278,998	0.910	0.947
6/30/00-01	3,990,080	28,200,826	41,137,623	42,247,977	41,138,000	42,996,000	12,937,174	14,795,174	1.031	1.078
6/30/01-02	4,107,529	25,225,344	38,916,267	40,085,811	38,916,000	40,088,000	13,690,656	14,862,656	0.947	0.976
6/30/02-03	4,081,731	24,134,965	39,223,570	40,905,887	39,224,000	41,428,000	15,089,035	17,293,035	0.961	1.015
6/30/03-04	4,128,759	22,193,540	38,247,473	40,648,704	38,027,000	40,958,000	15,833,460	18,764,460	0.921	0.992
6/30/04-05	4,274,405	20,397,953	39,028,022	41,499,585	39,027,000	42,707,000	18,629,047	22,309,047	0.913	0.999
6/30/05-06	4,561,005	14,539,190	34,292,615	39,078,901	35,667,000	39,209,000	21,127,810	24,669,810	0.782	0.860
6/30/06-07	4,793,519	9,919,464	32,335,584	39,579,636	34,199,000	40,156,000	24,279,536	30,236,536	0.713	0.838
6/30/07-08	4,983,224	4,991,155	35,904,993	45,511,045	38,917,000	46,572,000	33,925,845	41,580,845	0.781	0.935
Total	80,161,118	857,502,497	1,064,289,938	1,033,029,270	1,146,540,614	1,221,669,821	289,038,117	364,167,324		
Tot 6/30/84-08	80,161,118	735,481,286	1,020,522,248	1,033,029,270	998,969,031	1,060,612,363	263,487,745	325,131,077	1.246	1.323

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 1, Exhibit 1, Page 2, Column 3 and Section 1, Exhibit 1, Page 9, Column 8

(4) From Section 1, Exhibit 1, Page 2, Column 8

(5) From Section 1, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Implied Paid LDF	Adjstmnt for Esc. Of Benefits	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		80,894,386							66	55		76
6/30/82-83		14,849,146	1.160	1.020	17,571,947	773,045	18,344,992		8	8	340,350	76
6/30/83-84		19,937,128	1.169	1.020	23,767,885	1,654,812	25,422,697		9	7	547,251	61
6/30/84-85	1,632,355	30,983,182	1.184	1.021	37,436,082	2,799,294	40,235,376	2.465	11	11	586,627	72
6/30/85-86	1,755,421	41,644,745	1.195	1.021	50,812,259	2,914,959	53,727,218	3.061	16	15	611,168	69
6/30/86-87	2,017,293	43,946,144	1.171	1.005	51,718,509	5,422,679	57,141,188	2.833	14	11	706,579	71
6/30/87-88	2,675,340	61,225,020	1.195	1.000	73,148,267	7,917,604	81,065,870	3.030	28	28	425,830	66
6/30/88-89	2,880,999	56,403,282	1.177	1.000	66,407,785	10,040,381	76,448,166	2.654	29	23	434,978	70
6/30/89-90	2,855,415	53,676,223	1.182	1.000	63,418,645	10,097,985	73,516,631	2.575	22	21	463,925	67
6/30/90-91	2,682,613	42,925,167	1.321	1.000	56,685,045	8,489,389	65,174,435	2.430	25	22	625,449	67
6/30/91-92	2,641,036	26,283,250	1.246	1.000	32,738,380	5,548,740	38,287,121	1.450	22	22	293,415	63
6/30/92-93	2,639,939	17,261,464	1.307	1.000	22,559,241	4,211,286	26,770,526	1.014	10	9	588,642	66
6/30/93-94	2,801,390	18,971,484	1.318	1.000	25,012,705	4,414,112	29,426,816	1.050	18	16	377,576	58
6/30/94-95	2,894,918	17,980,888	1.321	1.000	23,745,712	4,377,347	28,123,059	0.971	14	16	360,302	61
6/30/95-96	3,029,192	16,942,675	1.346	1.000	22,806,914	3,998,147	26,805,062	0.885	12	10	586,424	64
6/30/96-97	3,621,274	16,798,807	1.391	1.000	23,366,532	4,922,027	28,288,559	0.781	13	10	656,773	60
6/30/97-98	3,485,251	18,841,212	1.378	1.000	25,965,758	4,815,229	30,780,987	0.883	19	16	445,284	54
6/30/98-99	3,717,044	17,884,931	1.426	1.000	25,498,992	4,548,649	30,047,641	0.808	18	20	380,703	53
6/30/99-00	3,911,384	21,022,134	1.472	1.000	30,934,131	4,663,315	35,597,446	0.910	34	23	430,956	53
6/30/00-01	3,990,080	24,600,463	1.482	1.000	36,460,385	4,677,238	41,137,623	1.031	73	43	275,812	52
6/30/01-02	4,107,529	21,931,812	1.564	1.000	34,310,597	4,605,670	38,916,267	0.947	66	41	301,922	53
6/30/02-03	4,081,731	21,059,553	1.639	1.000	34,509,689	4,713,882	39,223,570	0.961	115	56	240,181	51
6/30/03-04	4,128,759	19,693,522	1.710	1.000	33,674,235	4,573,238	38,247,473	0.926	169	93	150,330	50
6/30/04-05	4,274,405	18,020,724	1.880	1.000	33,874,810	5,153,213	39,028,022	0.913	235	138	114,885	49
6/30/05-06	4,561,005	13,459,435	2.196	1.000	29,562,918	4,729,698	34,292,615	0.752	490	193	83,438	48
6/30/06-07	4,793,519	9,431,881	2.928	1.000	27,616,219	4,719,365	32,335,584	0.675	1,226	468	38,855	47
6/30/07-08	4,983,224	4,973,425	6.106	1.000	30,369,993	5,535,000	35,904,993	0.721		1,259	20,172	45
Total	80,161,118	751,642,081			933,973,634	130,316,304	1,064,289,938		2,762	2,634		

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) From Section 1, Exhibit 1, Page 7

(4) = (6) / (5) / (3). For this All Clusters Combined exhibit only, this column includes the impact of the "Additional Tail consideration".

(5) Based on information from the MA WCRIB. For this All Clusters Combined exhibit only, impacts shown here are for Escalation of Benefits only.

(6) = (3) x (4) x (5)

(7) From Section 1, Exhibit 1, Page 9, Column 13

(8) = (6) + (7)

(9) = (8) / (2) / 10

(10), (11) Provided by Commonwealth of Massachusetts

(12) = Maximum of [{(6) - (3)} / (11)] and 0

(13) Calculated for claimants that had an indemnity payment within the last calendar year.

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	1,632,355	2.991	30,983,182	1.184	33,450,290	2,799,294	36,249,584	2.221	2.049
6/30/85-86	1,755,421	3.712	41,644,745	1.195	45,367,791	2,914,959	48,282,750	2.750	2.584
6/30/86-87	2,017,293	3.485	43,946,144	1.171	48,614,354	5,422,679	54,037,033	2.679	2.410
6/30/87-88	2,675,340	3.526	61,225,020	1.195	69,170,658	7,917,604	77,088,262	2.881	2.585
6/30/88-89	2,880,999	2.963	56,403,282	1.177	64,132,535	10,040,381	74,172,916	2.575	2.226
6/30/89-90	2,855,415	2.802	53,676,223	1.182	62,495,473	10,097,985	72,593,458	2.542	2.189
6/30/90-91	2,682,613	2.029	42,925,167	1.321	51,443,246	8,489,389	59,932,635	2.234	1.918
6/30/91-92	2,641,036	1.338	26,283,250	1.246	32,212,655	5,548,740	37,761,395	1.430	1.220
6/30/92-93	2,639,939	1.069	17,261,464	1.307	22,766,794	4,211,286	26,978,080	1.022	0.862
6/30/93-94	2,801,390	1.084	18,971,484	1.318	25,352,668	4,414,112	29,766,780	1.063	0.905
6/30/94-95	2,894,918	0.993	17,980,888	1.321	24,530,940	4,377,347	28,908,287	0.999	0.847
6/30/95-96	3,029,192	0.895	16,942,675	1.346	23,695,802	3,998,147	27,693,949	0.914	0.782
6/30/96-97	3,621,274	0.767	16,798,807	1.391	24,558,420	4,922,027	29,480,447	0.814	0.678
6/30/97-98	3,485,251	0.858	18,841,212	1.378	27,192,955	4,815,229	32,008,184	0.918	0.780
6/30/98-99	3,717,044	0.778	17,884,931	1.426	26,938,309	4,548,649	31,486,958	0.847	0.725
6/30/99-00	3,911,384	0.888	21,022,134	1.472	32,367,690	4,663,315	37,031,005	0.947	0.828
6/30/00-01	3,990,080	0.993	24,600,463	1.482	37,570,739	4,677,238	42,247,977	1.059	0.942
6/30/01-02	4,107,529	0.902	21,931,812	1.564	35,480,140	4,605,670	40,085,811	0.976	0.864
6/30/02-03	4,081,731	0.904	21,059,553	1.639	36,192,005	4,713,882	40,905,887	1.002	0.887
6/30/03-04	4,128,759	0.889	19,693,522	1.710	36,075,467	4,573,238	40,648,704	0.985	0.874
6/30/04-05	4,274,405	0.869	18,020,724	1.880	36,346,372	5,153,213	41,499,585	0.971	0.850
6/30/05-06	4,561,005	0.749	13,459,435	2.196	34,349,203	4,729,698	39,078,901	0.857	0.753
6/30/06-07	4,793,519	0.766	9,431,881	2.928	34,860,271	4,719,365	39,579,636	0.826	0.727
6/30/07-08	4,983,224	0.850	4,973,425	6.106	39,976,045	5,535,000	45,511,045	0.913	0.802
Total	80,161,118		635,961,421		905,140,824	127,888,447	1,033,029,270		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 1, Exhibit 1, Page 4, Column 10
(4) From Section 1, Exhibit 1, Page 2, Column 3
(5) From Section 1, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 1, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								2.991	2.991
6/30/85-86								3.712	3.712
6/30/86-87								3.485	3.485
6/30/87-88								3.526	3.526
6/30/88-89								2.963	2.963
6/30/89-90								2.802	2.802
6/30/90-91	2,682,613	56,685,045	2.113	0.925	1.955	1.196	2.339	2.102	2.029
6/30/91-92	2,641,036	32,738,380	1.240	1.015	1.258	1.184	1.490	1.417	1.338
6/30/92-93	2,639,939	22,559,241	0.855	1.184	1.012	1.173	1.186	1.126	1.069
6/30/93-94	2,801,390	25,012,705	0.893	1.169	1.043	1.161	1.211	1.124	1.084
6/30/94-95	2,894,918	23,745,712	0.820	1.158	0.950	1.149	1.092	1.036	0.993
6/30/95-96	3,029,192	22,806,914	0.753	1.149	0.865	1.138	0.984	0.926	0.895
6/30/96-97	3,621,274	23,366,532	0.645	1.137	0.734	1.127	0.827	0.800	0.767
6/30/97-98	3,485,251	25,965,758	0.745	1.123	0.836	1.116	0.933	0.880	0.858
6/30/98-99	3,717,044	25,498,992	0.686	1.108	0.760	1.105	0.839	0.797	0.778
6/30/99-00	3,911,384	30,934,131	0.791	1.090	0.862	1.094	0.943	0.915	0.888
6/30/00-01	3,990,080	36,460,385	0.914	1.062	0.971	1.083	1.051	1.014	0.993
6/30/01-02	4,107,529	34,310,597	0.835	1.042	0.870	1.072	0.933	0.934	0.902
6/30/02-03	4,081,731	34,509,689	0.845	1.038	0.877	1.062	0.931	0.930	0.904
6/30/03-04	4,128,759	33,674,235	0.816	1.038	0.846	1.051	0.890	0.932	0.889
6/30/04-05	4,274,405	33,874,810	0.793	1.031	0.817	1.041	0.851	0.921	0.869
6/30/05-06	4,561,005	29,562,918	0.648	1.021	0.662	1.030	0.682	0.837	0.749
6/30/06-07	4,793,519	27,616,219	0.576	1.010	0.582	1.020	0.593	0.950	0.766
6/30/07-08	4,983,224	30,369,993	0.609	1.000	0.609	1.010	0.616		0.850
Total	66,344,294	549,692,255							

Trend Last 4 (ex 07-08):	-12.5%	Avg 3 (x07-08):	0.709
Trend Last 8 (ex 07-08):	-5.7%	Avg 5 (x07-08):	0.789
Trend Last 12 (ex 07-08):	-1.7%	Avg 10 (x07-08):	0.865
Prior Selected Trend:	2.0%	Prior Sel Avg:	0.950
Selected Trend:	1.0%	Sel. Loss Cost:	0.850

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 1, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.960	
(2)	Credibility		96%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.960	
		(Low)		(High)
(5)	Selected Range	0.940		0.970
(6)	Incremental Paid for 2008	1,799,337		1,799,337
(7)	Estimated Reserve	28,189,613		58,178,564
(8)	Paid to Date (82 & Prior)	80,894,386		80,894,386
(9)	Est Ult Paid for 1982 & Prior	109,083,999		139,072,950

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	1,963,606	2,142,815
(11)	Projected Number of Years	2	2
(12)	Estimated Reserve	3,927,211	4,285,629
(13)	Paid to Date (82 & Prior)	80,894,386	79,095,049
(14)	Est Ult Paid for 1982 & Prior	84,821,597	83,380,678
(14a)	Paid Counts During Fiscal Year	58	66
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	96,952,798	111,226,814
(16)	Lump Sum Ultimates	3,958,017	3,958,017
(17)	Ult Loss Including Lump Sums	**100,910,815**	**115,184,831**
(18)	Implied Tail	1.199	1.375
(19)	Ult Loss Inc Lump Sums @6/07	101,094,845	117,156,205

NOTES:

(1) From Section 1, Exhibit 1, Page 6
(2) = (Average of Section 1, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 1, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 1, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 1, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	3,761,035	15.140			
1993	2	3,748,741	15.137	0.997		
1994	3	3,655,655	15.112	0.975		
1995	4	3,194,135	14.977	0.874		
1996	5	3,058,848	14.934	0.958		
1997	6	3,023,014	14.922	0.988		
1998	7	3,014,756	14.919	0.997		
1999	8	2,756,848	14.830	0.914		
2000	9	2,909,790	14.884	1.055	n =	17
2001	10	2,865,446	14.868	0.985	S(x) =	34,000
2002	11	2,547,239	14.751	0.889	S(x-sq) =	68,000,408
2003	12	2,422,167	14.700	0.951	S(xy) =	503,874
2004	13	2,289,077	14.644	0.945	S(y) =	252
2005	14	2,336,964	14.664	1.021	D =	6,936
2006	15	2,051,702	14.534	0.878	slope =	-0.042
2007	16	2,039,778	14.528	0.994	Avg Trend =	0.958
2008	17	1,799,337	14.403	0.882		
					Selected Trend:	**0.960**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.882 = 14.403 / 14.528

Commonwealth of Massachusetts Workers Compensatio
All Clusters Combined
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	858,552	2,079,063	3,017,221	3,810,750	4,609,642	5,393,851	6,194,575	7,153,066	7,958,008	8,806,991	9,470,978	10,033,054	10,617,896	11,118,585	11,511,440	11,832,357	12,136,396	12,447,391	12,810,499	13,089,144	13,380,298	13,654,129	13,942,380	14,231,914	14,539,406	14,849,146
June-84	1,522,536	3,686,963	5,350,672	6,757,899	8,148,886	9,608,045	10,911,357	12,126,179	13,057,188	13,815,581	14,430,389	14,959,403	15,419,688	15,772,255	16,197,151	16,639,612	17,122,286	17,516,764	17,977,580	18,438,292	18,803,484	19,139,323	19,459,619	19,718,217	19,937,128	
June-85	2,512,722	6,084,789	8,830,495	11,054,439	13,342,359	15,590,069	17,427,365	18,998,017	20,498,944	21,563,372	22,525,232	23,442,205	24,219,603	25,046,022	25,818,487	26,459,414	27,121,279	27,778,658	28,406,491	28,976,876	29,543,002	30,030,413	30,523,992	30,983,182		
June-86	3,828,307	9,270,600	13,395,875	16,854,774	20,186,912	22,858,610	24,903,526	26,819,536	28,134,649	29,661,018	30,865,387	32,219,696	33,488,982	34,570,174	35,702,155	36,866,038	37,770,882	38,520,460	39,153,946	39,794,497	40,432,599	41,063,216	41,644,745			
June-87	4,540,457	10,913,697	15,583,325	19,957,432	23,712,974	26,356,678	28,401,253	30,259,862	31,823,542	33,295,483	34,562,410	35,908,967	37,317,032	38,375,710	39,392,496	40,287,844	41,070,876	41,703,092	42,193,153	42,715,548	43,489,344	43,946,144				
June-88	6,620,154	15,480,715	23,458,326	30,204,560	36,116,026	39,838,569	42,256,230	44,503,212	46,313,785	47,917,629	49,366,750	50,785,172	52,214,314	53,499,831	54,758,162	56,029,186	57,216,310	58,242,797	59,272,196	60,251,502	61,225,020					
June-89	6,105,502	16,819,476	24,950,175	31,278,437	35,945,703	38,915,779	41,415,130	43,490,698	45,072,501	46,555,926	47,860,013	49,040,632	50,166,177	51,242,940	52,234,068	53,147,033	54,016,738	54,832,591	55,632,016	56,403,282						
June-90	8,325,393	19,198,639	27,299,181	32,979,315	36,467,113	39,225,080	41,403,021	43,119,245	44,619,978	46,178,291	47,478,622	48,500,081	49,380,975	50,215,035	50,970,670	51,700,073	52,443,554	53,046,968	53,676,223							
June-91	6,727,038	15,771,999	21,820,901	25,665,833	28,606,961	30,755,665	32,249,710	33,434,382	34,630,923	35,639,652	36,661,638	37,733,064	38,765,183	39,734,589	40,612,815	41,479,663	42,275,974	42,925,167								
June-92	5,529,696	11,010,530	14,154,478	16,707,353	18,010,508	19,080,293	19,981,070	20,663,423	21,458,872	22,141,168	22,851,311	23,533,251	24,097,364	24,573,283	25,143,387	25,744,950	26,283,250									
June-93	3,873,223	8,389,572	10,824,326	12,579,041	13,682,345	14,650,572	14,980,197	15,299,706	15,652,059	15,960,508	16,198,969	16,437,335	16,647,751	16,845,525	17,057,906	17,261,464										
June-94	3,781,238	7,763,240	10,451,304	12,041,730	13,184,654	14,033,719	14,780,593	15,679,180	16,229,340	16,777,362	17,232,935	17,804,861	18,235,433	18,616,699	18,971,484											
June-95	4,117,530	8,085,099	10,658,744	12,524,501	13,540,049	14,383,050	15,205,770	15,840,120	16,337,357	16,680,320	17,024,333	17,347,955	17,691,046	17,980,888												
June-96	3,925,641	7,606,581	10,157,406	11,265,946	12,618,021	13,573,564	14,313,197	14,989,243	15,617,069	16,021,237	16,346,275	16,663,225	16,942,675													
June-97	3,802,186	7,776,567	9,916,724	11,863,394	13,377,068	14,556,289	15,406,967	15,928,071	16,176,008	16,397,842	16,558,081	16,798,807														
June-98	3,999,102	8,090,389	11,057,251	13,063,666	14,725,657	15,964,487	16,892,108	17,479,286	18,004,896	18,445,861	18,841,212															
June-99	3,807,499	8,152,795	11,043,621	13,229,580	14,782,416	15,710,384	16,521,760	17,074,054	17,452,452	17,884,931																
June-00	4,950,740	10,538,860	14,135,679	16,504,973	18,268,102	19,419,784	20,242,086	20,650,338	21,022,134																	
June-01	5,803,207	12,402,263	16,670,356	19,654,595	21,577,531	22,938,517	23,908,952	24,600,463																		
June-02	5,765,203	12,277,793	16,238,526	18,865,437	20,310,007	21,368,596	21,931,812																			
June-03	6,502,533	13,090,711	16,966,298	18,968,477	20,360,493	21,059,553																				
June-04	5,782,322	12,007,566	15,781,365	18,294,709	19,693,522																					
June-05	5,772,533	11,867,294	15,701,108	18,020,724																						
June-06	4,757,322	10,205,384	13,459,435																							
June-07	4,763,872	9,431,881																								
June-08	4,973,425																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.422	1.451	1.263	1.210	1.170	1.148	1.155	1.113	1.107	1.075	1.059	1.058	1.047	1.035	1.028	1.026	1.026	1.029	1.022	1.022	1.020	1.021	1.021	1.022	1.021
June-84	2.422	1.451	1.263	1.206	1.179	1.136	1.111	1.077	1.058	1.045	1.037	1.031	1.023	1.027	1.027	1.029	1.023	1.026	1.026	1.020	1.018	1.017	1.013	1.011	
June-85	2.422	1.451	1.252	1.207	1.168	1.118	1.090	1.079	1.052	1.045	1.041	1.033	1.034	1.031	1.025	1.025	1.024	1.023	1.020	1.020	1.016	1.016	1.015		
June-86	2.422	1.445	1.258	1.198	1.132	1.089	1.077	1.049	1.054	1.041	1.044	1.039	1.032	1.033	1.033	1.025	1.020	1.016	1.016	1.016	1.016	1.014			
June-87	2.404	1.428	1.281	1.188	1.111	1.078	1.065	1.052	1.046	1.038	1.039	1.039	1.028	1.026	1.023	1.019	1.015	1.012	1.012	1.018	1.011				
June-88	2.338	1.515	1.288	1.196	1.103	1.061	1.053	1.041	1.035	1.030	1.029	1.028	1.025	1.024	1.023	1.021	1.018	1.018	1.017	1.016					
June-89	2.755	1.483	1.254	1.149	1.083	1.064	1.050	1.036	1.033	1.028	1.025	1.023	1.021	1.019	1.017	1.016	1.015	1.015	1.014						
June-90	2.306	1.422	1.208	1.106	1.076	1.056	1.041	1.035	1.035	1.028	1.022	1.018	1.017	1.015	1.014	1.014	1.012	1.012							
June-91	2.345	1.384	1.176	1.115	1.075	1.049	1.037	1.036	1.029	1.029	1.029	1.027	1.025	1.022	1.021	1.019	1.015								
June-92	1.991	1.286	1.180	1.078	1.059	1.047	1.034	1.038	1.032	1.032	1.030	1.024	1.020	1.023	1.024	1.021									
June-93	2.166	1.290	1.162	1.088	1.071	1.022	1.021	1.023	1.020	1.015	1.015	1.013	1.012	1.013	1.012										
June-94	2.053	1.346	1.152	1.095	1.064	1.053	1.061	1.035	1.034	1.027	1.033	1.024	1.021	1.019											
June-95	1.964	1.318	1.175	1.081	1.062	1.057	1.042	1.031	1.021	1.021	1.019	1.020	1.016												
June-96	1.938	1.335	1.109	1.120	1.076	1.054	1.047	1.042	1.026	1.020	1.019	1.017													
June-97	2.045	1.275	1.196	1.128	1.088	1.058	1.034	1.016	1.014	1.010	1.015														
June-98	2.023	1.367	1.181	1.127	1.084	1.058	1.035	1.030	1.024	1.021															
June-99	2.141	1.355	1.198	1.117	1.063	1.052	1.033	1.022	1.025																
June-00	2.129	1.341	1.168	1.107	1.063	1.042	1.020	1.018																	
June-01	2.137	1.344	1.179	1.098	1.063	1.042	1.029																		
June-02	2.130	1.323	1.162	1.077	1.052	1.026																			
June-03	2.013	1.296	1.118	1.073	1.034																				
June-04	2.077	1.314	1.159	1.076																					
June-05	2.056	1.323	1.148																						
June-06	2.145	1.319																							
June-07	1.980																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.193	1.369	1.197	1.129	1.089	1.066	1.055	1.043	1.038	1.032	1.030	1.028	1.025	1.024	1.023	1.022	1.019	1.019	1.018	1.019	1.016	1.017	1.016	1.016	1.021	
Latest 5	2.054	1.315	1.153	1.086	1.055	1.044	1.030	1.026	1.022	1.020	1.020	1.020	1.019	1.018	1.018	1.018	1.015	1.014	1.016	1.018	1.016					
Latest 3	2.060	1.319	1.142	1.075	1.050	1.037	1.028	1.023	1.021	1.017	1.018	1.020	1.016	1.018	1.019	1.018	1.014	1.015	1.014	1.017	1.014	1.016	1.016			
Volume Wtd																										
All Yrs	2.187	1.372	1.198	1.126	1.084	1.061	1.050	1.040	1.036	1.031	1.029	1.027	1.024	1.023	1.022	1.020	1.017	1.017	1.017	1.018	1.015	1.016	1.016	1.016		
Latest 5	2.052	1.315	1.153	1.086	1.055	1.043	1.030	1.025	1.022	1.020	1.020	1.020	1.020	1.018	1.018	1.018	1.015	1.015	1.016	1.017	1.015					
Latest 3	2.060	1.319	1.141	1.075	1.050	1.037	1.027	1.023	1.021	1.017	1.018	1.020	1.017	1.019	1.020	1.017	1.014	1.015	1.014	1.017	1.014	1.015				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior																										
Selected																										
FacToUlt																										
Percent of Ult																										

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	104,647,917	116,169,901	104,778,441	115,817,121	130,524	0.1%	(352,780)	-0.3%
6/30/82-83	17,881,379	19,000,291	17,905,256	19,029,192	23,877	0.1%	28,901	0.2%
6/30/83-84	24,947,139	26,273,822	24,887,886	26,211,145	(59,253)	-0.2%	(62,676)	-0.2%
6/30/84-85	36,230,679	39,317,574	36,489,679	39,432,574	259,000	0.7%	115,000	0.3%
6/30/85-86	49,049,695	51,874,834	49,090,354	51,759,684	40,659	0.1%	(115,150)	-0.2%
6/30/86-87	52,767,000	56,116,031	52,881,000	55,867,279	114,000	0.2%	(248,752)	-0.4%
6/30/87-88	78,054,402	81,886,093	78,241,228	82,118,330	186,826	0.2%	232,237	0.3%
6/30/88-89	74,223,909	76,439,799	74,440,235	76,546,799	216,326	0.3%	107,000	0.1%
6/30/89-90	71,054,455	72,339,762	72,410,455	73,635,762	1,356,000	1.9%	1,296,000	1.8%
6/30/90-91	58,763,859	64,234,914	59,319,859	64,682,914	556,000	0.9%	448,000	0.7%
6/30/91-92	36,766,662	38,394,655	37,129,380	38,532,341	362,718	1.0%	137,686	0.4%
6/30/92-93	26,440,376	27,427,946	26,360,376	27,092,946	(80,000)	-0.3%	(335,000)	-1.2%
6/30/93-94	28,915,000	30,692,000	28,833,000	30,361,000	(82,000)	-0.3%	(331,000)	-1.1%
6/30/94-95	27,783,000	28,750,000	27,845,000	28,776,000	62,000	0.2%	26,000	0.1%
6/30/95-96	26,282,985	27,825,891	26,154,985	27,671,891	(128,000)	-0.5%	(154,000)	-0.6%
6/30/96-97	28,682,838	30,158,286	28,278,838	29,470,286	(404,000)	-1.4%	(688,000)	-2.3%
6/30/97-98	31,004,642	32,620,556	30,735,642	31,964,556	(269,000)	-0.9%	(656,000)	-2.0%
6/30/98-99	30,076,000	32,304,000	30,047,000	31,556,000	(29,000)	-0.1%	(748,000)	-2.3%
6/30/99-00	36,239,000	38,143,000	35,597,000	37,030,000	(642,000)	-1.8%	(1,113,000)	-2.9%
6/30/00-01	41,776,000	43,840,000	41,138,000	42,996,000	(638,000)	-1.5%	(844,000)	-1.9%
6/30/01-02	40,162,000	41,767,000	38,916,000	40,088,000	(1,246,000)	-3.1%	(1,679,000)	-4.0%
6/30/02-03	40,906,000	43,615,000	39,224,000	41,428,000	(1,682,000)	-4.1%	(2,187,000)	-5.0%
6/30/03-04	39,370,000	41,871,000	38,027,000	40,958,000	(1,343,000)	-3.4%	(913,000)	-2.2%
6/30/04-05	40,271,000	43,813,000	39,027,000	42,707,000	(1,244,000)	-3.1%	(1,106,000)	-2.5%
6/30/05-06	37,196,536	42,315,000	35,667,000	39,209,000	(1,529,536)	-4.1%	(3,106,000)	-7.3%
6/30/06-07	37,710,332	45,576,000	34,199,000	40,156,000	(3,511,332)	-9.3%	(5,420,000)	-11.9%
6/30/07-08								
Total	1,117,202,806	1,192,766,355	1,107,623,614	1,175,097,821	(9,579,191)	-0.9%	(17,668,533)	-1.5%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 1, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	80,894,386	1.287	104,089,806	0.0%	0.0%	0	3,926,682	3,926,682	3.8%	1.016	3,989,352	3,958,017	3,878,720
6/30/82-83	14,849,146	1.183	17,571,947	0.0%	0.0%	0	771,231	771,231	4.4%	1.005	774,859	773,045	773,330
6/30/83-84	19,937,128	1.192	23,767,885	0.0%	0.0%	0	1,642,639	1,642,639	6.9%	1.015	1,666,985	1,654,812	1,660,473
6/30/84-85	30,983,182	1.208	37,436,082	0.0%	0.0%	18,500	2,766,264	2,784,764	7.4%	1.017	2,813,824	2,799,294	2,817,064
6/30/85-86	41,644,745	1.220	50,812,259	0.1%	0.1%	56,745	2,853,801	2,910,546	5.7%	1.023	2,919,372	2,914,959	2,874,751
6/30/86-87	43,946,144	1.177	51,718,509	0.1%	0.2%	93,284	5,312,750	5,406,034	10.5%	1.024	5,439,323	5,422,679	5,443,846
6/30/87-88	61,225,020	1.195	73,148,267	0.1%	0.2%	171,994	7,729,015	7,901,009	10.8%	1.027	7,934,198	7,917,604	7,868,502
6/30/88-89	56,403,282	1.177	66,407,785	0.1%	0.3%	214,638	9,753,738	9,968,376	15.0%	1.037	10,112,386	10,040,381	9,946,159
6/30/89-90	53,676,223	1.182	63,418,645	0.1%	0.4%	283,485	9,736,798	10,020,283	15.8%	1.045	10,175,688	10,097,985	10,035,505
6/30/90-91	42,925,167	1.321	56,685,045	0.1%	0.5%	282,724	8,136,440	8,419,164	14.9%	1.052	8,559,615	8,489,389	8,315,541
6/30/91-92	26,283,250	1.246	32,738,380	0.4%	0.9%	283,796	5,233,473	5,517,269	16.9%	1.066	5,580,211	5,548,740	5,245,453
6/30/92-93	17,261,464	1.307	22,559,241	0.4%	1.3%	283,850	3,909,117	4,192,967	18.6%	1.082	4,229,605	4,211,286	4,218,253
6/30/93-94	18,971,484	1.318	25,012,705	0.0%	1.3%	323,149	4,051,035	4,374,184	17.5%	1.099	4,454,039	4,414,112	4,379,445
6/30/94-95	17,980,888	1.321	23,745,712	0.0%	1.3%	300,408	3,995,859	4,296,267	18.1%	1.116	4,458,427	4,377,347	4,274,622
6/30/95-96	16,942,675	1.346	22,806,914	0.3%	1.6%	365,234	3,588,870	3,954,104	17.3%	1.126	4,042,191	3,998,147	4,028,516
6/30/96-97	16,798,807	1.391	23,366,532	0.2%	1.8%	418,705	4,364,152	4,782,857	20.5%	1.160	5,061,197	4,922,027	4,995,610
6/30/97-98	18,841,212	1.378	25,965,758	0.0%	1.8%	455,128	4,141,127	4,596,255	17.7%	1.216	5,034,203	4,815,229	4,924,121
6/30/98-99	17,884,931	1.426	25,498,992	0.4%	2.2%	553,118	3,786,937	4,340,055	17.0%	1.256	4,757,243	4,548,649	4,439,251
6/30/99-00	21,022,134	1.472	30,934,131	0.5%	2.6%	810,904	3,728,868	4,539,773	14.7%	1.284	4,786,857	4,663,315	4,679,488
6/30/00-01	24,600,463	1.482	36,460,385	0.3%	3.0%	1,076,875	3,600,363	4,677,238	12.8%	1.298	4,671,951	4,677,238	4,550,601
6/30/01-02	21,931,812	1.564	34,310,597	0.9%	3.8%	1,312,139	3,293,532	4,605,670	13.4%	1.407	4,632,446	4,605,670	4,577,011
6/30/02-03	21,059,553	1.639	34,509,689	0.9%	4.7%	1,638,470	3,075,411	4,713,882	13.7%	1.586	4,878,837	4,713,882	4,754,339
6/30/03-04	19,693,522	1.710	33,674,235	1.4%	6.2%	2,073,220	2,500,018	4,573,238	13.6%	1.856	4,640,935	4,573,238	4,456,932
6/30/04-05	18,020,724	1.880	33,874,810	1.9%	8.1%	2,741,953	2,377,229	5,119,182	15.1%	2.672	6,351,967	5,153,213	4,621,257
6/30/05-06	13,459,435	2.196	29,562,918	4.0%	12.1%	3,587,192	1,079,755	4,666,947	15.8%	4.899	5,290,122	4,729,698	4,514,812
6/30/06-07	9,431,881	2.928	27,616,219	2.7%	14.9%	4,108,859	487,583	4,596,442	16.6%	14.698	7,166,339	4,719,365	5,100,000
6/30/07-08	4,973,425	6.106	30,369,993	2.5%	17.4%	5,292,219	17,730	5,309,949	17.5%	50.452	894,517	5,535,000	
Total	751,642,081		1,038,063,440			26,746,589	105,860,417	132,607,006	12.8%		135,316,691	134,274,321	127,373,602

NOTES:
(2) From Section 1, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 1, Exhibit 1, Page 2, Column 6
(5) From Section 1, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 1, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 1, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
All Clusters Combined
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	12,000	46,500	31,000	20,000	184,000	115,000	138,000	550,984	594,000	318,784	155,500	30,000	362,833	369,668	354,998	72,250	145,500	201,500	118,040	28,000	78,125
Jun-83	0	0	0	0	0	20,000	0	32,500	37,500	80,000	153,481	90,750	77,000	110,000	160,000	0	10,000	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	25,750	32,500	110,600	178,437	119,500	233,650	204,200	246,501	48,000	102,001	50,000	30,000	37,500	85,000	45,000	0	0	84,000	0	10,000	0		
Jun-85	0	0	0	98,476	35,500	126,500	146,555	201,250	383,400	565,833	337,200	193,500	294,550	40,000	0	133,500	120,000	30,000	35,000	25,000	0	0	0	0			
Jun-86	0	0	58,000	116,759	213,100	146,344	336,929	826,899	586,995	10,000	147,000	20,000	86,000	37,500	0	0	0	30,000	55,000	64,000	16,000	45,000	58,275				
Jun-87	0	81,440	184,322	246,666	253,462	621,607	1,050,537	509,001	398,456	184,806	186,424	102,671	334,859	406,500	240,000	239,999	50,000	132,000	80,000	10,000	0	0					
Jun-88	0	106,671	200,428	418,500	836,484	1,573,442	1,192,500	711,383	849,000	373,400	305,326	241,507	328,463	0	59,910	0	191,667	65,000	85,333	100,001	90,000						
Jun-89	0	239,195	381,000	997,744	1,789,441	1,630,950	1,022,995	995,502	531,500	332,500	603,811	258,100	276,500	92,500	25,000	18,500	63,500	218,333	116,383	160,284							
Jun-90	0	254,094	1,205,138	1,809,296	1,317,952	1,060,755	985,550	993,000	409,534	438,300	365,512	408,833	40,833	46,000	31,000	25,000	106,000	110,125	129,876								
Jun-91	13,500	438,707	1,994,750	1,433,327	920,426	1,217,840	758,000	203,289	232,000	140,000	100,001	54,000	0	0	70,000	178,100	102,500	280,000									
Jun-92	66,000	830,673	583,116	753,497	838,750	535,501	294,500	221,500	181,500	178,000	202,683	31,250	13,500	122,268	33,368	20,867	326,500										
Jun-93	62,000	654,058	665,328	971,951	408,250	415,801	286,729	103,000	190,000	85,000	12,000	55,000	0	0	0	0											
Jun-94	90,000	679,356	863,227	715,524	525,377	333,501	199,500	201,500	47,500	40,050	0	234,500	71,000	25,000	25,000												
Jun-95	219,963	888,102	977,200	797,324	399,770	225,600	67,000	10,000	70,625	134,875	58,400	35,000	0	112,000													
Jun-96	80,500	705,230	1,049,356	656,831	319,451	110,001	89,167	158,833	123,000	131,001	103,000	62,500	0														
Jun-97	134,365	1,184,751	1,074,000	820,183	422,500	172,251	16,000	140,600	106,501	109,001	167,000	17,000															
Jun-98	408,337	890,613	1,162,675	665,000	431,091	264,909	110,335	161,166	29,000	8,001	10,000																
Jun-99	251,500	439,250	1,042,681	765,621	367,556	218,197	270,076	179,055	73,001	180,000																	
Jun-00	135,731	994,493	726,541	532,050	394,551	264,499	364,884	198,118	118,001																		
Jun-01	108,490	517,820	838,510	515,804	486,170	523,565	239,504	370,500																			
Jun-02	48,000	251,595	619,400	692,914	768,087	556,815	356,721																				
Jun-03	20,000	243,617	973,654	830,735	554,982	452,423																					
Jun-04	47,500	153,200	552,463	917,102	829,753																						
Jun-05	6,157	171,103	840,367	1,359,602																							
Jun-06	0	307,301	772,454																								
Jun-07	36,000	451,583																									
Jun-08	17,730																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	12,000	58,500	89,500	109,500	293,500	408,500	546,500	1,097,484	1,691,484	2,010,268	2,165,768	2,195,768	2,558,601	2,928,269	3,283,267	3,355,517	3,501,017	3,702,517	3,820,557	3,848,557	3,926,682
Jun-83	0	0	0	0	0	20,000	20,000	52,500	90,000	170,000	323,481	414,231	491,231	601,231	761,231	761,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	
Jun-84	0	0	0	0	25,750	58,250	168,850	347,287	466,787	700,437	904,637	1,151,138	1,199,138	1,301,139	1,351,139	1,381,139	1,418,639	1,503,639	1,548,639	1,548,639	1,548,639	1,632,639	1,632,639	1,642,639	1,642,639		
Jun-85	0	0	0	98,476	133,976	260,476	407,031	608,281	991,681	1,557,514	1,894,714	2,088,214	2,382,764	2,422,764	2,422,764	2,556,264	2,676,264	2,706,264	2,741,264	2,766,264	2,766,264	2,766,264	2,766,264	2,766,264			
Jun-86	0	0	58,000	174,759	387,859	534,203	871,132	1,698,031	2,285,026	2,295,026	2,442,026	2,462,026	2,548,026	2,585,526	2,585,526	2,585,526	2,585,526	2,615,526	2,670,526	2,734,526	2,750,526	2,795,526	2,853,801				
Jun-87	0	81,440	265,762	512,428	765,890	1,387,497	2,438,034	2,947,035	3,345,491	3,530,297	3,716,721	3,819,392	4,154,251	4,560,751	4,800,751	5,040,750	5,090,750	5,222,750	5,302,750	5,312,750	5,312,750	5,312,750					
Jun-88	0	106,671	307,099	725,599	1,562,083	3,135,525	4,328,025	5,039,408	5,888,408	6,261,808	6,567,134	6,808,641	7,137,104	7,137,104	7,197,014	7,197,014	7,388,681	7,453,681	7,539,014	7,639,015	7,729,015						
Jun-89	0	239,195	620,195	1,617,939	3,407,380	5,038,330	6,061,325	7,056,827	7,588,327	7,920,827	8,524,638	8,782,738	9,059,238	9,151,738	9,176,738	9,195,238	9,258,738	9,477,071	9,593,454	9,753,738							
Jun-90	0	254,094	1,459,232	3,268,528	4,586,480	5,647,235	6,632,785	7,625,785	8,035,319	8,473,619	8,839,131	9,247,964	9,288,797	9,334,797	9,365,797	9,390,797	9,496,797	9,606,922	9,736,798								
Jun-91	13,500	452,207	2,446,957	3,880,284	4,800,710	6,018,550	6,776,550	6,979,839	7,211,839	7,351,839	7,451,840	7,505,840	7,505,840	7,505,840	7,575,840	7,753,940	7,856,440	8,136,440									
Jun-92	66,000	896,673	1,479,789	2,233,286	3,072,036	3,607,537	3,902,037	4,123,537	4,305,037	4,483,037	4,685,720	4,716,970	4,730,470	4,852,738	4,886,106	4,906,973	5,233,473										
Jun-93	62,000	716,058	1,381,386	2,353,337	2,761,587	3,177,388	3,464,117	3,567,117	3,757,117	3,842,117	3,854,117	3,909,117	3,909,117	3,909,117	3,909,117	3,909,117											
Jun-94	90,000	769,356	1,632,583	2,348,107	2,873,484	3,206,985	3,406,485	3,607,985	3,655,485	3,695,535	3,695,535	3,930,035	4,001,035	4,026,035	4,051,035												
Jun-95	219,963	1,108,065	2,085,265	2,882,589	3,282,359	3,507,959	3,574,959	3,584,959	3,655,584	3,790,459	3,848,859	3,883,859	3,883,859	3,995,859													
Jun-96	80,500	785,730	1,835,086	2,491,917	2,811,368	2,921,369	3,010,536	3,169,369	3,292,369	3,423,370	3,526,370	3,588,870	3,588,870														
Jun-97	134,365	1,319,116	2,393,116	3,213,299	3,635,799	3,808,050	3,824,050	3,964,650	4,071,151	4,180,152	4,347,152	4,364,152															
Jun-98	408,337	1,298,950	2,461,625	3,126,625	3,557,716	3,822,625	3,932,960	4,094,126	4,123,126	4,131,127	4,141,127																
Jun-99	251,500	690,750	1,733,431	2,499,052	2,866,608	3,084,805	3,354,881	3,533,936	3,606,937	3,786,937																	
Jun-00	135,731	1,130,224	1,856,765	2,388,815	2,783,366	3,047,865	3,412,749	3,610,867	3,728,868																		
Jun-01	108,490	626,310	1,464,820	1,980,624	2,466,794	2,990,359	3,229,863	3,600,363																			
Jun-02	48,000	299,595	918,995	1,611,909	2,379,996	2,936,811	3,293,532																				
Jun-03	20,000	263,617	1,237,271	2,068,006	2,622,988	3,075,411																					
Jun-04	47,500	200,700	753,163	1,670,265	2,500,018																						
Jun-05	6,157	177,260	1,017,627	2,377,229																							
Jun-06	0	307,301	1,079,755																								
Jun-07	36,000	487,583																									
Jun-08	17,730																										

Commonwealth of Massachusetts Workers Compensation
All Clusters Combined
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.002	0.001	0.001	0.005	0.006	0.003	0.001	0.000	0.003	0.004	0.003	0.001	0.001	0.002	0.001	0.000	0.001
Jun-83	0.000	0.000	0.000	0.000	0.000	0.001	0.000	0.002	0.002	0.005	0.009	0.005	0.004	0.006	0.009	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.001	0.001	0.005	0.008	0.005	0.010	0.009	0.010	0.002	0.004	0.002	0.001	0.002	0.004	0.002	0.000	0.000	0.004	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.003	0.001	0.003	0.004	0.005	0.010	0.015	0.009	0.005	0.008	0.001	0.000	0.004	0.003	0.001	0.001	0.001	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.001	0.002	0.004	0.003	0.007	0.016	0.012	0.000	0.003	0.000	0.002	0.001	0.000	0.000	0.000	0.001	0.001	0.001	0.000	0.001	0.001				
Jun-87	0.000	0.002	0.004	0.005	0.005	0.012	0.020	0.010	0.008	0.004	0.004	0.002	0.006	0.008	0.005	0.005	0.001	0.003	0.002	0.000	0.000	0.000					
Jun-88	0.000	0.001	0.003	0.006	0.011	0.022	0.016	0.010	0.012	0.005	0.004	0.003	0.004	0.000	0.001	0.000	0.003	0.001	0.001	0.001	0.001						
Jun-89	0.000	0.004	0.006	0.015	0.027	0.025	0.015	0.015	0.008	0.005	0.009	0.004	0.004	0.001	0.000	0.000	0.001	0.003	0.002	0.002							
Jun-90	0.000	0.004	0.019	0.029	0.021	0.017	0.016	0.016	0.006	0.007	0.006	0.006	0.001	0.001	0.000	0.000	0.002	0.002	0.002								
Jun-91	0.000	0.008	0.035	0.025	0.016	0.021	0.013	0.004	0.004	0.002	0.002	0.001	0.000	0.000	0.001	0.003	0.002	0.005									
Jun-92	0.002	0.025	0.018	0.023	0.026	0.016	0.009	0.007	0.006	0.005	0.006	0.001	0.000	0.004	0.001	0.001	0.010										
Jun-93	0.003	0.029	0.029	0.043	0.018	0.018	0.013	0.005	0.008	0.004	0.001	0.002	0.000	0.000	0.000	0.000											
Jun-94	0.004	0.027	0.035	0.029	0.021	0.013	0.008	0.008	0.002	0.002	0.000	0.009	0.003	0.001	0.001												
Jun-95	0.009	0.037	0.041	0.034	0.017	0.010	0.003	0.000	0.003	0.006	0.002	0.001	0.000	0.005													
Jun-96	0.004	0.031	0.046	0.029	0.014	0.005	0.004	0.007	0.005	0.006	0.005	0.003	0.000														
Jun-97	0.006	0.051	0.046	0.035	0.018	0.007	0.001	0.006	0.005	0.005	0.007	0.001															
Jun-98	0.016	0.034	0.045	0.026	0.017	0.010	0.004	0.006	0.001	0.000	0.000																
Jun-99	0.010	0.017	0.041	0.030	0.014	0.009	0.011	0.007	0.003	0.007																	
Jun-00	0.004	0.032	0.023	0.017	0.013	0.009	0.012	0.006	0.004																		
Jun-01	0.003	0.014	0.023	0.014	0.013	0.014	0.007	0.010																			
Jun-02	0.001	0.007	0.018	0.020	0.022	0.016	0.010																				
Jun-03	0.001	0.007	0.028	0.024	0.016	0.013																					
Jun-04	0.001	0.005	0.016	0.027	0.025																						
Jun-05	0.000	0.005	0.025	0.040																							
Jun-06	0.000	0.010	0.026																								
Jun-07	0.001	0.016																									
Jun-08	0.001																										

Averages		*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
Simple Avg																											
All Yrs (ex P)	0.003	0.015	0.022	0.021	0.015	0.012	0.009	0.008	0.006	0.005	0.005	0.004	0.002	0.002	0.002	0.001	0.002	0.002	0.001	0.001	0.000	0.001	0.000	0.000	0.000	0.000	
Latest 5	0.001	0.009	0.023	0.025	0.018	0.012	0.009	0.007	0.004	0.005	0.003	0.003	0.001	0.002	0.001	0.001	0.003	0.003	0.002	0.001	0.000	0.001					
Latest 3	0.001	0.011	0.022	0.030	0.021	0.015	0.010	0.008	0.003	0.004	0.004	0.002	0.001	0.002	0.001	0.001	0.004	0.003	0.002	0.001	0.001	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.002	0.014	0.022	0.021	0.015	0.012	0.009	0.008	0.006	0.005	0.005	0.003	0.002	0.002	0.001	0.001	0.002	0.002	0.001	0.001	0.000	0.000	0.000	0.000			
Latest 10	0.002	0.014	0.029	0.026	0.016	0.011	0.007	0.007	0.004	0.005	0.004	0.003	0.002	0.002	0.001	0.001	0.002										
Latest 5	0.001	0.008	0.023	0.024	0.017	0.012	0.009	0.007	0.004	0.005	0.002	0.002	0.000	0.002	0.001	0.000	0.002	0.003	0.001	0.001	0.000	0.000					

Dev Factor Selection

Prior	
Selected	
FacToUlt	

Commonwealth of Massachusetts Workers Compensation
All Clusters Combined
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	12,000	58,500	89,500	109,500	293,500	408,500	546,500	1,097,484	1,691,484	2,010,268	2,165,768	2,195,768	2,558,601	2,928,269	3,283,267	3,355,517	3,501,017	3,702,517	3,820,557	3,848,557	3,926,682
Jun-83	0	0	0	0	0	20,000	20,000	52,500	90,000	170,000	323,481	414,231	491,231	601,231	761,231	761,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	771,231	
Jun-84	0	0	0	0	25,750	58,250	168,850	347,287	466,787	700,437	904,637	1,151,138	1,199,138	1,301,139	1,351,139	1,381,139	1,418,639	1,503,639	1,548,639	1,548,639	1,548,639	1,632,639	1,632,639	1,642,639	1,642,639		
Jun-85	0	0	0	98,476	133,976	260,476	407,031	608,281	991,681	1,557,514	1,894,714	2,088,214	2,382,764	2,422,764	2,422,764	2,556,264	2,676,264	2,706,264	2,741,264	2,766,264	2,766,264	2,766,264	2,766,264	2,766,264			
Jun-86	0	0	58,000	174,759	387,859	534,203	871,132	1,698,031	2,285,026	2,295,026	2,442,026	2,462,026	2,548,026	2,585,526	2,585,526	2,585,526	2,585,526	2,615,526	2,670,526	2,734,526	2,750,526	2,795,526	2,853,801				
Jun-87	0	81,440	265,762	512,428	765,890	1,387,497	2,438,034	2,947,035	3,345,491	3,530,297	3,716,721	3,819,392	4,154,251	4,560,751	4,800,751	5,040,750	5,090,750	5,222,750	5,302,750	5,312,750	5,312,750	5,312,750					
Jun-88	0	106,671	307,099	725,599	1,562,083	3,135,525	4,328,025	5,039,408	5,888,408	6,261,808	6,567,134	6,808,641	7,137,104	7,137,104	7,197,014	7,197,014	7,388,681	7,453,681	7,539,014	7,639,015	7,729,015						
Jun-89	0	239,195	620,195	1,617,939	3,407,380	5,038,330	6,061,325	7,056,827	7,588,327	7,920,827	8,524,638	8,782,738	9,059,238	9,151,738	9,176,738	9,195,238	9,258,738	9,477,071	9,593,454	9,753,738							
Jun-90	0	254,094	1,459,232	3,268,528	4,586,480	5,647,235	6,632,785	7,625,785	8,035,319	8,473,619	8,839,131	9,247,964	9,288,797	9,334,797	9,365,797	9,390,797	9,496,797	9,606,922	9,736,798								
Jun-91	13,500	452,207	2,446,957	3,880,284	4,800,710	6,018,550	6,776,550	6,979,839	7,211,839	7,351,839	7,451,840	7,505,840	7,505,840	7,505,840	7,575,840	7,753,940	7,856,440	8,136,440									
Jun-92	66,000	896,673	1,479,789	2,233,286	3,072,036	3,607,537	3,902,037	4,123,537	4,305,037	4,483,037	4,685,720	4,716,970	4,730,470	4,852,738	4,886,106	4,906,973	5,233,473										
Jun-93	62,000	716,058	1,381,386	2,353,337	2,761,587	3,177,388	3,464,117	3,567,117	3,757,117	3,842,117	3,854,117	3,909,117	3,909,117	3,909,117	3,909,117	3,909,117											
Jun-94	90,000	769,356	1,632,583	2,348,107	2,873,484	3,206,985	3,406,485	3,607,985	3,655,485	3,695,535	3,695,535	3,930,035	4,001,035	4,026,035	4,051,035												
Jun-95	219,963	1,108,065	2,085,265	2,882,589	3,282,359	3,507,959	3,574,959	3,584,959	3,655,584	3,790,459	3,848,859	3,883,859	3,883,859	3,995,859													
Jun-96	80,500	785,730	1,835,086	2,491,917	2,811,368	2,921,369	3,010,536	3,169,369	3,292,369	3,423,370	3,526,370	3,588,870	3,588,870														
Jun-97	134,365	1,319,116	2,393,116	3,213,299	3,635,799	3,808,050	3,824,050	3,964,650	4,071,151	4,180,152	4,347,152	4,364,152															
Jun-98	408,337	1,298,950	2,461,625	3,126,625	3,557,716	3,822,625	3,932,960	4,094,126	4,123,126	4,131,127	4,141,127																
Jun-99	251,500	690,750	1,733,431	2,499,052	2,866,608	3,084,805	3,354,881	3,533,936	3,606,937	3,786,937																	
Jun-00	135,731	1,130,224	1,856,765	2,388,815	2,783,366	3,047,865	3,412,749	3,610,867	3,728,868																		
Jun-01	108,490	626,310	1,464,820	1,980,624	2,466,794	2,990,359	3,229,863	3,600,363																			
Jun-02	48,000	299,595	918,995	1,611,909	2,379,996	2,936,811	3,293,532																				
Jun-03	20,000	263,617	1,237,271	2,068,006	2,622,988	3,075,411																					
Jun-04	47,500	200,700	753,163	1,670,265	2,500,018																						
Jun-05	6,157	177,260	1,017,627	2,377,229																							
Jun-06	0	307,301	1,079,755																								
Jun-07	36,000	487,583																									
Jun-08	17,730																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs							4.875	1.530	1.223	2.680	1.392	1.338	2.008	1.541	1.188	1.077	1.014	1.165	1.144	1.121	1.022	1.043	1.058	1.032	1.007	1.020	
Jun-83						1.000	2.625	1.714	1.889	1.903	1.281	1.186	1.224	1.266	1.000	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84					2.262	2.899	2.057	1.344	1.501	1.292	1.272	1.042	1.085	1.038	1.022	1.027	1.060	1.030	1.000	1.000	1.054	1.000	1.006	1.000			
Jun-85				1.360	1.944	1.563	1.494	1.630	1.571	1.216	1.102	1.141	1.017	1.000	1.055	1.047	1.011	1.013	1.009	1.000	1.000	1.000	1.000				
Jun-86			3.013	2.219	1.377	1.631	1.949	1.346	1.004	1.064	1.008	1.035	1.015	1.000	1.000	1.000	1.012	1.021	1.024	1.006	1.016	1.021					
Jun-87		3.263	1.928	1.495	1.812	1.757	1.209	1.135	1.055	1.053	1.028	1.088	1.098	1.053	1.050	1.010	1.026	1.015	1.002	1.000	1.000						
Jun-88		2.879	2.363	2.153	2.007	1.380	1.164	1.168	1.063	1.049	1.037	1.048	1.000	1.008	1.000	1.027	1.009	1.011	1.013	1.012							
Jun-89		2.593	2.609	2.106	1.479	1.203	1.164	1.075	1.044	1.076	1.030	1.031	1.010	1.003	1.002	1.007	1.024	1.012	1.017								
Jun-90		5.743	2.240	1.403	1.231	1.175	1.150	1.054	1.055	1.043	1.046	1.004	1.005	1.003	1.003	1.011	1.012	1.014									
Jun-91	33.497	5.411	1.586	1.237	1.254	1.126	1.030	1.033	1.019	1.014	1.007	1.000	1.000	1.009	1.024	1.013	1.036										
Jun-92	13.586	1.650	1.509	1.376	1.174	1.082	1.057	1.044	1.041	1.045	1.007	1.003	1.026	1.007	1.004	1.067											
Jun-93	11.549	1.929	1.704	1.173	1.151	1.090	1.030	1.053	1.023	1.003	1.014	1.000	1.000	1.000	1.000												
Jun-94	8.548	2.122	1.438	1.224	1.116	1.062	1.059	1.013	1.011	1.000	1.063	1.018	1.006	1.006													
Jun-95	5.038	1.882	1.382	1.139	1.069	1.019	1.003	1.020	1.037	1.015	1.009	1.000	1.029														
Jun-96	9.761	2.336	1.358	1.128	1.039	1.031	1.053	1.039	1.040	1.030	1.018	1.000															
Jun-97	9.817	1.814	1.343	1.131	1.047	1.004	1.037	1.027	1.027	1.040	1.004																
Jun-98	3.181	1.895	1.270	1.138	1.074	1.029	1.041	1.007	1.002	1.002																	
Jun-99	2.747	2.509	1.442	1.147	1.076	1.088	1.053	1.021	1.050																		
Jun-00	8.327	1.643	1.287	1.165	1.095	1.120	1.058	1.033																			
Jun-01	5.773	2.339	1.352	1.245	1.212	1.080	1.115																				
Jun-02	6.242	3.067	1.754	1.477	1.234	1.121																					
Jun-03	13.181	4.693	1.671	1.268	1.172																						
Jun-04	4.225	3.753	2.218	1.497																							
Jun-05	28.790	5.741	2.336																								
Jun-06		3.514																									
Jun-07	13.544																										

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	11.113	3.039	1.790	1.404	1.341	1.273	1.281	1.153	1.143	1.115	1.062	1.043	1.040	1.033	1.015	1.022	1.021	1.015	1.009	1.003	1.014	1.005	1.002	1.000	1.000		
Latest 5	14.935	4.154	1.866	1.330	1.158	1.088	1.061	1.025	1.031	1.018	1.022	1.004	1.012	1.005	1.006	1.025	1.021	1.021	1.013	1.004	1.014	1.013					
Latest 3	16.508	4.336	2.075	1.414	1.206	1.107	1.075	1.020	1.026	1.024	1.010	1.006	1.012	1.004	1.009	1.030	1.024	1.012	1.011	1.006	1.005	1.007	1.002	1.011			
Volume Wtd																											
All Yrs (ex P)	7.066	2.430	1.588	1.295	1.207	1.136	1.102	1.068	1.049	1.045	1.032	1.025	1.018	1.012	1.012	1.020	1.020	1.014	1.012	1.005	1.010	1.007	1.002	1.000	1.000		
Latest 5	13.100	4.010	1.800	1.312	1.154	1.084	1.059	1.024	1.030	1.018	1.021	1.004	1.011	1.005	1.007	1.021	1.021	1.014	1.013	1.005	1.010						
Latest 3	23.060	4.160	2.033	1.402	1.205	1.107	1.075	1.020	1.025	1.024	1.010	1.006	1.012	1.005	1.012	1.024	1.023	1.012	1.012	1.007	1.004	1.008	1.002				

Dev Factor Selection

Prior	
Selected	
FacToUlt	
Percent of Ult	

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	13.8%	0.0%	4.9%	3.0%	1.000	1.000
312	86.2%	0.6%	13.8%	0.2%	0.1%	0.981	0.971
300	85.6%	1.1%	14.4%	0.4%	0.3%	0.944	0.919
288	84.5%	0.8%	15.5%	0.3%	0.2%	0.913	0.874
276	83.7%	-1.7%	16.3%	-0.7%	-0.5%	0.883	0.832
264	85.4%	1.7%	14.6%	0.7%	0.5%	0.833	0.762
252	83.7%	-1.2%	16.3%	-0.6%	-0.4%	0.820	0.746
240	84.9%	0.3%	15.1%	0.1%	0.1%	0.773	0.682
228	84.6%	8.9%	15.4%	4.3%	3.0%	0.748	0.649
216	75.7%	-4.6%	24.3%	-2.3%	-1.6%	0.815	0.744
204	80.3%	3.8%	19.7%	2.0%	1.4%	0.738	0.640
192	76.5%	0.7%	23.5%	0.4%	0.3%	0.753	0.663
180	75.8%	0.1%	24.2%	0.1%	0.1%	0.731	0.635
168	75.7%	1.4%	24.3%	0.8%	0.7%	0.705	0.601
156	74.3%	2.4%	25.7%	1.5%	1.2%	0.695	0.589
144	71.9%	-0.7%	28.1%	-0.4%	-0.3%	0.694	0.591
132	72.6%	2.4%	27.4%	1.6%	1.3%	0.660	0.548
120	70.1%	2.2%	29.9%	1.5%	1.3%	0.663	0.554
108	68.0%	0.5%	32.0%	0.3%	0.3%	0.661	0.553
96	67.5%	3.6%	32.5%	2.6%	2.3%	0.640	0.528
84	63.9%	2.9%	36.1%	2.2%	2.0%	0.652	0.545
72	61.0%	2.5%	39.0%	2.0%	1.8%	0.653	0.548
60	58.5%	5.3%	41.5%	4.4%	4.1%	0.649	0.545
48	53.2%	7.7%	46.8%	6.7%	6.3%	0.665	0.566
36	45.5%	11.4%	54.5%	10.3%	9.8%	0.687	0.595
24	34.2%	17.8%	65.8%	16.8%	16.3%	0.716	0.632
12	16.4%	16.4%	83.6%	16.1%	15.9%	0.751	0.676
Total		100.0%					

NOTES:

(2) = 1 / Section 1, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	19,957,373	30,996,053		17,441,417	27,125,379
6/30/82-83	2,284,879	3,408,815	0.981	2,240,508	3,342,618
6/30/83-84	3,308,119	4,631,378	0.944	3,149,053	4,406,374
6/30/84-85	2,740,233	5,683,129	0.913	2,523,521	5,233,772
6/30/85-86	4,591,808	7,261,139	0.883	4,138,021	6,542,898
6/30/86-87	3,622,106	6,608,385	0.833	3,183,860	5,855,186
6/30/87-88	9,287,193	13,164,295	0.820	7,995,340	11,351,905
6/30/88-89	8,283,216	10,389,779	0.773	6,970,113	8,752,291
6/30/89-90	8,997,434	10,222,741	0.748	7,405,710	8,414,660
6/30/90-91	8,258,253	13,621,307	0.815	6,670,039	11,039,353
6/30/91-92	5,612,657	7,015,618	0.738	4,471,451	5,613,194
6/30/92-93	5,189,795	5,922,365	0.753	4,017,530	4,595,523
6/30/93-94	5,810,481	7,338,481	0.731	4,459,605	5,680,892
6/30/94-95	5,868,253	6,799,253	0.705	4,423,673	5,127,748
6/30/95-96	5,623,441	7,140,346	0.695	4,148,090	5,272,480
6/30/96-97	7,115,879	8,307,327	0.694	5,193,341	6,065,721
6/30/97-98	7,753,302	8,982,217	0.660	5,580,508	6,462,268
6/30/98-99	8,375,132	9,884,132	0.663	5,915,314	6,989,932
6/30/99-00	10,845,998	12,278,998	0.661	7,532,066	8,530,253
6/30/00-01	12,937,174	14,795,174	0.640	8,895,407	10,176,383
6/30/01-02	13,690,656	14,862,656	0.652	9,359,262	10,153,952
6/30/02-03	15,089,035	17,293,035	0.653	10,264,902	11,753,575
6/30/03-04	15,833,460	18,764,460	0.649	10,789,795	12,779,296
6/30/04-05	18,629,047	22,309,047	0.665	12,768,047	15,296,296
6/30/05-06	21,127,810	24,669,810	0.687	14,919,460	17,435,172
6/30/06-07	24,279,536	30,236,536	0.716	17,695,598	22,073,645
6/30/07-08	33,925,845	41,580,845	0.751	25,786,572	31,644,666
Total	289,038,117	364,167,324		217,938,204	277,715,428
			(7) Total Discount Factor:	0.754	0.763

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	19,957,373	30,996,053
(9) Projected Number of Years:	N/A	N/A
(10) Projected Paid Loss per Year:	2,923,365	4,617,818
(11) Discounted Value at 4%:	17,441,417	27,125,379

NOTES:
(2), (3) From Section 1, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 1, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	19,957,373	30,996,053		16,377,772	25,487,443
6/30/82-83	2,284,879	3,408,815	0.981	2,219,271	3,310,934
6/30/83-84	3,308,119	4,631,378	0.944	3,074,899	4,301,500
6/30/84-85	2,740,233	5,683,129	0.913	2,425,252	5,030,019
6/30/85-86	4,591,808	7,261,139	0.883	3,937,156	6,224,988
6/30/86-87	3,622,106	6,608,385	0.833	2,994,365	5,528,962
6/30/87-88	9,287,193	13,164,295	0.820	7,448,532	10,584,366
6/30/88-89	8,283,216	10,389,779	0.773	6,426,946	8,074,724
6/30/89-90	8,997,434	10,222,741	0.748	6,761,845	7,683,391
6/30/90-91	8,258,253	13,621,307	0.815	6,041,078	10,013,681
6/30/91-92	5,612,657	7,015,618	0.738	4,027,113	5,066,281
6/30/92-93	5,189,795	5,922,365	0.753	3,573,475	4,092,298
6/30/93-94	5,810,481	7,338,481	0.731	3,955,363	5,059,261
6/30/94-95	5,868,253	6,799,253	0.705	3,895,884	4,516,829
6/30/95-96	5,623,441	7,140,346	0.695	3,619,784	4,603,308
6/30/96-97	7,115,879	8,307,327	0.694	4,515,800	5,275,438
6/30/97-98	7,753,302	8,982,217	0.660	4,826,676	5,588,147
6/30/98-99	8,375,132	9,884,132	0.663	5,077,304	6,003,325
6/30/99-00	10,845,998	12,278,998	0.661	6,423,040	7,275,593
6/30/00-01	12,937,174	14,795,174	0.640	7,564,167	8,654,731
6/30/01-02	13,690,656	14,862,656	0.652	7,956,360	8,629,386
6/30/02-03	15,089,035	17,293,035	0.653	8,729,377	9,991,086
6/30/03-04	15,833,460	18,764,460	0.649	9,204,277	10,897,410
6/30/04-05	18,629,047	22,309,047	0.665	10,948,109	13,117,991
6/30/05-06	21,127,810	24,669,810	0.687	13,000,196	15,197,840
6/30/06-07	24,279,536	30,236,536	0.716	15,665,265	19,553,940
6/30/07-08	33,925,845	41,580,845	0.751	23,258,496	28,555,850
Total	289,038,117	364,167,324		193,947,801	248,318,721
			(7) Total Discount Factor:	0.671	0.682

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	19,957,373	30,996,053
(9) Projected Number of Years:	N/A	N/A
(10) Projected Paid Loss per Year:	2,923,365	4,617,818
(11) Discounted Value at 6%:	16,377,772	25,487,443

NOTES:
(2), (3) From Section 1, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 1, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	110,846,210	122,052,748	90,352,747	20,493,463	31,700,001				1,746,440	1,921,084	8.5%	6.1%
6/30/82-83	19,122,042	20,302,449	16,836,791	2,285,251	3,465,658	85.4%	1.0%	6.9%	153,191	250,848	6.7%	7.2%
6/30/83-84	28,087,068	29,601,200	24,778,555	3,308,513	4,822,646	85.9%	1.0%	7.1%	250,255	376,372	7.6%	7.8%
6/30/84-85	39,619,960	42,580,904	36,788,745	2,831,215	5,792,159	89.5%	1.0%	9.5%	348,449	699,769	12.3%	12.1%
6/30/85-86	54,105,356	56,785,418	49,347,240	4,758,116	7,438,178	89.0%	1.0%	9.1%	464,300	699,806	9.8%	9.4%
6/30/86-87	58,699,397	61,692,862	54,860,726	3,838,671	6,832,136	91.1%	1.0%	11.3%	471,598	771,265	12.3%	11.3%
6/30/87-88	88,121,228	92,020,330	78,414,485	9,706,743	13,605,844	87.1%	1.0%	7.7%	768,705	1,171,606	7.9%	8.6%
6/30/88-89	86,728,465	88,866,024	77,866,750	8,861,715	10,999,275	88.7%	1.0%	8.8%	832,335	1,081,620	9.4%	9.8%
6/30/89-90	85,556,077	86,830,886	75,867,485	9,688,591	10,963,400	88.0%	1.0%	8.3%	1,427,332	1,651,817	14.7%	15.1%
6/30/90-91	71,264,065	76,720,696	62,270,988	8,993,077	14,449,708	84.2%	1.0%	6.3%	957,278	1,458,683	10.6%	10.1%
6/30/91-92	47,484,914	48,993,989	41,246,285	6,238,629	7,747,704	85.5%	2.0%	13.8%	1,295,982	1,566,035	20.8%	20.2%
6/30/92-93	34,425,428	35,249,313	28,675,743	5,749,685	6,573,570	82.3%	2.0%	11.3%	922,183	1,081,824	16.0%	16.5%
6/30/93-94	37,243,000	38,836,000	30,758,518	6,484,482	8,077,482	80.9%	2.0%	10.4%	617,700	772,569	9.5%	9.6%
6/30/94-95	34,944,294	35,943,613	28,468,602	6,475,692	7,475,011	80.3%	2.0%	10.2%	619,446	724,819	9.6%	9.7%
6/30/95-96	33,225,852	34,829,991	26,893,490	6,332,362	7,936,501	79.0%	2.0%	9.5%	906,444	1,176,372	14.3%	14.8%
6/30/96-97	35,372,838	36,657,086	27,407,203	7,965,635	9,249,883	76.1%	2.0%	8.4%	380,876	469,591	4.8%	5.1%
6/30/97-98	37,297,642	38,676,906	28,686,142	8,611,499	9,990,764	75.5%	2.0%	8.2%	767,464	880,574	8.9%	8.8%
6/30/98-99	36,992,000	38,656,000	27,548,530	9,443,470	11,107,470	72.8%	2.0%	7.4%	717,717	856,281	7.6%	7.7%
6/30/99-00	43,690,000	45,287,000	31,432,934	12,257,066	13,854,066	70.7%	3.0%	10.2%	929,467	1,045,165	7.6%	7.5%
6/30/00-01	50,760,000	52,732,000	35,968,264	14,791,737	16,763,737	69.5%	3.2%	10.5%	1,213,410	1,361,627	8.2%	8.1%
6/30/01-02	46,752,000	48,134,000	31,310,361	15,441,639	16,823,639	66.0%	3.5%	10.3%	1,324,281	1,433,020	8.6%	8.5%
6/30/02-03	48,177,000	50,653,000	30,913,042	17,263,958	19,739,958	62.6%	3.4%	9.2%	1,511,171	1,755,446	8.8%	8.9%
6/30/03-04	47,937,000	51,699,900	29,456,087	18,480,913	22,243,813	59.1%	3.4%	8.4%	1,748,926	2,124,059	9.5%	9.5%
6/30/04-05	50,531,000	55,182,200	28,620,827	21,910,173	26,561,373	54.1%	5.0%	10.9%	2,094,066	2,521,905	9.6%	9.5%
6/30/05-06	46,781,000	51,375,350	21,378,181	25,402,819	29,997,169	43.6%	10.6%	18.8%	4,875,632	5,772,974	19.2%	19.2%
6/30/06-07	46,413,000	54,482,000	16,207,205	30,205,795	38,274,795	32.1%	11.4%	16.8%	5,018,618	6,371,820	16.6%	16.6%
6/30/07-08	53,269,000	62,638,000	8,220,436	45,048,564	54,417,564	14.2%	17.9%	20.9%	9,366,485	11,333,402	20.8%	20.8%
Total	1,373,445,835	1,457,479,866	1,040,576,363	332,869,472	416,903,503				41,729,748	51,330,350	12.5%	12.3%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10), (11) Sum of Columns (10), (11) for all clusters
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		5,531,679			6,067,769	6,235,627	536,090	703,949		
6/30/82-83		1,216,414	1,251,080		1,216,785	1,273,257	371	56,843		
6/30/83-84		3,198,788	3,304,010		3,199,182	3,390,055	394	191,267		
6/30/84-85	1,632,355	3,039,299	3,145,587	3,140,007	3,130,282	3,148,329	90,983	109,030	0.192	0.193
6/30/85-86	1,755,421	4,848,695	5,020,909	5,014,993	5,015,002	5,025,734	166,308	177,039	0.286	0.286
6/30/86-87	2,017,293	5,601,832	5,816,858	5,822,351	5,818,397	5,825,583	216,565	223,751	0.288	0.289
6/30/87-88	2,675,340	9,460,451	9,889,911	9,892,996	9,880,000	9,902,000	419,549	441,549	0.369	0.370
6/30/88-89	2,880,999	11,709,730	12,290,704	12,291,144	12,288,230	12,319,225	578,500	609,495	0.427	0.428
6/30/89-90	2,855,415	12,454,464	13,158,423	13,160,319	13,145,622	13,195,123	691,158	740,659	0.460	0.462
6/30/90-91	2,682,613	11,209,381	11,944,695	12,024,206	11,944,205	12,037,782	734,824	828,401	0.445	0.449
6/30/91-92	2,641,036	9,729,562	10,355,916	10,431,244	10,355,534	10,461,647	625,972	732,085	0.392	0.396
6/30/92-93	2,639,939	7,505,162	8,073,014	8,145,943	8,065,052	8,156,367	559,890	651,205	0.306	0.309
6/30/93-94	2,801,390	7,736,000	8,410,366	8,474,313	8,410,000	8,475,000	674,000	739,000	0.300	0.303
6/30/94-95	2,894,918	6,491,856	7,145,247	7,207,317	7,099,294	7,167,613	607,438	675,758	0.245	0.248
6/30/95-96	3,029,192	6,361,945	7,071,940	7,143,504	7,070,867	7,158,100	708,922	796,155	0.233	0.236
6/30/96-97	3,621,274	6,244,244	7,093,645	7,176,581	7,094,000	7,186,800	849,756	942,556	0.196	0.198
6/30/97-98	3,485,251	5,703,803	6,561,931	6,690,469	6,562,000	6,712,350	858,197	1,008,547	0.188	0.193
6/30/98-99	3,717,044	5,876,662	6,945,391	7,100,736	6,945,000	7,100,000	1,068,338	1,223,338	0.187	0.191
6/30/99-00	3,911,384	6,681,932	8,093,379	8,256,916	8,093,000	8,257,000	1,411,068	1,575,068	0.207	0.211
6/30/00-01	3,990,080	7,767,438	9,623,914	9,733,143	9,622,000	9,736,000	1,854,562	1,968,562	0.241	0.244
6/30/01-02	4,107,529	6,085,017	7,835,037	8,047,086	7,836,000	8,046,000	1,750,983	1,960,983	0.191	0.196
6/30/02-03	4,081,731	6,778,078	9,100,204	9,224,706	8,953,000	9,225,000	2,174,922	2,446,922	0.219	0.226
6/30/03-04	4,128,759	7,262,547	10,170,070	10,607,770	9,910,000	10,741,900	2,647,453	3,479,353	0.240	0.260
6/30/04-05	4,274,405	8,222,874	12,363,065	12,242,571	11,504,000	12,475,200	3,281,126	4,252,326	0.269	0.292
6/30/05-06	4,561,005	6,838,991	11,492,185	12,148,548	11,114,000	12,166,350	4,275,009	5,327,359	0.244	0.267
6/30/06-07	4,793,519	6,287,742	13,658,015	13,605,090	12,214,000	14,326,000	5,926,258	8,038,258	0.255	0.299
6/30/07-08	4,983,224	3,229,281	17,923,052	15,029,160	14,352,000	16,066,000	11,122,719	12,836,719	0.288	0.322
Total	80,161,118	183,073,866	227,738,546	222,611,113	226,905,220	235,810,044	43,831,355	52,736,178		
Tot 6/30/84-08	80,161,118	173,126,985	223,183,456	222,611,113	216,421,485	224,911,104	43,294,500	51,784,119	0.270	0.281

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 1, Exhibit 2, Page 2, Column 3
(4) From Section 1, Exhibit 2, Page 2, Column 8
(5) From Section 1, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		5,531,679							29	30	
6/30/82-83		1,216,414	1.028	N/A	1,251,080	N/A	1,251,080		4	5	6,933
6/30/83-84		3,198,788	1.033	N/A	3,304,010	N/A	3,304,010		2	3	35,074
6/30/84-85	1,632,355	3,039,299	1.035	N/A	3,145,587	N/A	3,145,587	0.193	6	8	13,286
6/30/85-86	1,755,421	4,848,695	1.036	N/A	5,020,909	N/A	5,020,909	0.286	14	10	17,221
6/30/86-87	2,017,293	5,601,832	1.038	N/A	5,816,858	N/A	5,816,858	0.288	13	10	21,503
6/30/87-88	2,675,340	9,460,451	1.045	N/A	9,889,911	N/A	9,889,911	0.370	29	20	21,473
6/30/88-89	2,880,999	11,709,730	1.050	N/A	12,290,704	N/A	12,290,704	0.427	31	22	26,408
6/30/89-90	2,855,415	12,454,464	1.057	N/A	13,158,423	N/A	13,158,423	0.461	28	21	33,522
6/30/90-91	2,682,613	11,209,381	1.066	N/A	11,944,695	N/A	11,944,695	0.445	34	32	22,979
6/30/91-92	2,641,036	9,729,562	1.064	N/A	10,355,916	N/A	10,355,916	0.392	20	24	26,098
6/30/92-93	2,639,939	7,505,162	1.076	N/A	8,073,014	N/A	8,073,014	0.306	16	20	28,393
6/30/93-94	2,801,390	7,736,000	1.087	N/A	8,410,366	N/A	8,410,366	0.300	37	30	22,479
6/30/94-95	2,894,918	6,491,856	1.101	N/A	7,145,247	N/A	7,145,247	0.247	29	27	24,200
6/30/95-96	3,029,192	6,361,945	1.112	N/A	7,071,940	N/A	7,071,940	0.233	21	17	41,764
6/30/96-97	3,621,274	6,244,244	1.136	N/A	7,093,645	N/A	7,093,645	0.196	33	29	29,290
6/30/97-98	3,485,251	5,703,803	1.150	N/A	6,561,931	N/A	6,561,931	0.188	49	32	26,816
6/30/98-99	3,717,044	5,876,662	1.182	N/A	6,945,391	N/A	6,945,391	0.187	48	38	28,124
6/30/99-00	3,911,384	6,681,932	1.211	N/A	8,093,379	N/A	8,093,379	0.207	71	50	28,229
6/30/00-01	3,990,080	7,767,438	1.239	N/A	9,623,914	N/A	9,623,914	0.241	121	79	23,500
6/30/01-02	4,107,529	6,085,017	1.288	N/A	7,835,037	N/A	7,835,037	0.191	132	90	19,445
6/30/02-03	4,081,731	6,778,078	1.343	N/A	9,100,204	N/A	9,100,204	0.223	183	119	19,514
6/30/03-04	4,128,759	7,262,547	1.400	N/A	10,170,070	N/A	10,170,070	0.246	306	167	17,410
6/30/04-05	4,274,405	8,222,874	1.503	N/A	12,363,065	N/A	12,363,065	0.289	561	246	16,830
6/30/05-06	4,561,005	6,838,991	1.680	N/A	11,492,185	N/A	11,492,185	0.252	1,622	459	10,138
6/30/06-07	4,793,519	6,287,742	2.172	N/A	13,658,015	N/A	13,658,015	0.285	2,335	1,503	4,904
6/30/07-08	4,983,224	3,229,281	5.550	N/A	17,923,052	N/A	17,923,052	0.360		2,455	5,985
Total	80,161,118	183,073,866			227,738,546		227,738,546		5,774	5,546	

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 1, Exhibit 2, Page 7
(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.
(6) = (3) x (4) x (5)
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	1,632,355	0.198	3,039,299	1.035	3,140,007	N/A	3,140,007	0.192	0.192
6/30/85-86	1,755,421	0.298	4,848,695	1.036	5,014,993	N/A	5,014,993	0.286	0.286
6/30/86-87	2,017,293	0.308	5,601,832	1.038	5,822,351	N/A	5,822,351	0.289	0.289
6/30/87-88	2,675,340	0.387	9,460,451	1.045	9,892,996	N/A	9,892,996	0.370	0.370
6/30/88-89	2,880,999	0.448	11,709,730	1.050	12,291,144	N/A	12,291,144	0.427	0.427
6/30/89-90	2,855,415	0.489	12,454,464	1.057	13,160,319	N/A	13,160,319	0.461	0.461
6/30/90-91	2,682,613	0.500	11,209,381	1.066	12,024,206	N/A	12,024,206	0.448	0.448
6/30/91-92	2,641,036	0.446	9,729,562	1.064	10,431,244	N/A	10,431,244	0.395	0.395
6/30/92-93	2,639,939	0.346	7,505,162	1.076	8,145,943	N/A	8,145,943	0.309	0.309
6/30/93-94	2,801,390	0.334	7,736,000	1.087	8,474,313	N/A	8,474,313	0.303	0.303
6/30/94-95	2,894,918	0.273	6,491,856	1.101	7,207,317	N/A	7,207,317	0.249	0.249
6/30/95-96	3,029,192	0.256	6,361,945	1.112	7,143,504	N/A	7,143,504	0.236	0.236
6/30/96-97	3,621,274	0.210	6,244,244	1.136	7,176,581	N/A	7,176,581	0.198	0.198
6/30/97-98	3,485,251	0.201	5,703,803	1.150	6,690,469	N/A	6,690,469	0.192	0.192
6/30/98-99	3,717,044	0.197	5,876,662	1.182	7,100,736	N/A	7,100,736	0.191	0.191
6/30/99-00	3,911,384	0.220	6,681,932	1.211	8,256,916	N/A	8,256,916	0.211	0.211
6/30/00-01	3,990,080	0.245	7,767,438	1.239	9,733,143	N/A	9,733,143	0.244	0.244
6/30/01-02	4,107,529	0.195	6,085,017	1.288	8,047,086	N/A	8,047,086	0.196	0.196
6/30/02-03	4,081,731	0.230	6,778,078	1.343	9,224,706	N/A	9,224,706	0.226	0.226
6/30/03-04	4,128,759	0.245	7,262,547	1.400	10,607,770	N/A	10,607,770	0.257	0.257
6/30/04-05	4,274,405	0.275	8,222,874	1.503	12,242,571	N/A	12,242,571	0.286	0.286
6/30/05-06	4,561,005	0.249	6,838,991	1.680	12,148,548	N/A	12,148,548	0.266	0.266
6/30/06-07	4,793,519	0.252	6,287,742	2.172	13,605,090	N/A	13,605,090	0.284	0.284
6/30/07-08	4,983,224	0.250	3,229,281	5.550	15,029,160	N/A	15,029,160	0.302	0.302
Total	80,161,118		173,126,985		222,611,113		222,611,113		

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) From Section 1, Exhibit 2, Page 4, Column 10

(4) From Section 1, Exhibit 2, Page 2, Column 3

(5) From Section 1, Exhibit 2, Page 2, Column 4

(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]

(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)

(8) = (6) + (7)

(9) = (8) / (2) / 10

(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.198	0.198
6/30/85-86								0.298	0.298
6/30/86-87								0.308	0.308
6/30/87-88								0.387	0.387
6/30/88-89								0.448	0.448
6/30/89-90								0.489	0.489
6/30/90-91	2,682,613	11,944,695	0.445	1.157	0.515	1.702	0.877	0.485	0.500
6/30/91-92	2,641,036	10,355,916	0.392	1.152	0.452	1.653	0.746	0.440	0.446
6/30/92-93	2,639,939	8,073,014	0.306	1.152	0.352	1.605	0.565	0.339	0.346
6/30/93-94	2,801,390	8,410,366	0.300	1.142	0.343	1.558	0.534	0.326	0.334
6/30/94-95	2,894,918	7,145,247	0.247	1.134	0.280	1.513	0.423	0.266	0.273
6/30/95-96	3,029,192	7,071,940	0.233	1.120	0.261	1.469	0.384	0.251	0.256
6/30/96-97	3,621,274	7,093,645	0.196	1.101	0.216	1.426	0.308	0.204	0.210
6/30/97-98	3,485,251	6,561,931	0.188	1.100	0.207	1.384	0.287	0.195	0.201
6/30/98-99	3,717,044	6,945,391	0.187	1.100	0.205	1.344	0.276	0.188	0.197
6/30/99-00	3,911,384	8,093,379	0.207	1.100	0.228	1.305	0.297	0.213	0.220
6/30/00-01	3,990,080	9,623,914	0.241	1.075	0.259	1.267	0.328	0.230	0.245
6/30/01-02	4,107,529	7,835,037	0.191	1.067	0.203	1.230	0.250	0.187	0.195
6/30/02-03	4,081,731	9,100,204	0.223	1.040	0.232	1.194	0.277	0.228	0.230
6/30/03-04	4,128,759	10,170,070	0.246	1.014	0.250	1.159	0.290	0.240	0.245
6/30/04-05	4,274,405	12,363,065	0.289	1.003	0.290	1.126	0.327	0.261	0.275
6/30/05-06	4,561,005	11,492,185	0.252	1.000	0.252	1.093	0.275	0.246	0.249
6/30/06-07	4,793,519	13,658,015	0.285	1.000	0.285	1.061	0.302	0.220	0.252
6/30/07-08	4,983,224	17,923,052	0.360	1.000	0.360	1.030	0.370		0.250
Total	66,344,294	173,861,065							

Trend Last 4 (ex 07-08):	2.6%	Avg 3 (x07-08):	0.301
Trend Last 8 (ex 07-08):	3.1%	Avg 5 (x07-08):	0.294
Trend Last 12 (ex 07-08):	1.9%	Avg 10 (x07-08):	0.291
Prior Selected Trend:	2.0%	Prior Sel Avg:	0.220
Selected Trend:	3.0%	Sel. Loss Cost:	0.250

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 1, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.890	
(2)	Credibility		90%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.890	
		(Low)		(High)
(5)	Selected Range	0.860		0.910
(6)	Incremental Paid for 2008	71,871		71,871
(7)	Estimated Reserve	441,492		726,694
(8)	Paid to Date (82 & Prior)	5,531,679		5,531,679
(9)	Est Ult Paid for 1982 & Prior	5,973,171		6,258,373

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	70,245	75,180
(11)	Projected Number of Years	3	3
(12)	Estimated Reserve	210,735	225,540
(13)	Paid to Date (82 & Prior)	5,531,679	5,459,808
(14)	Est Ult Paid for 1982 & Prior	5,742,414	5,685,348
(14a)	Paid Counts During Fiscal Year	30	29
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	5,857,793	6,258,373
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**5,857,793**	**6,258,373**
(18)	Implied Tail	1.059	1.131
(19)	Ult Loss Inc Lump Sums @6/07	5,778,241	6,136,849

NOTES:

(1) From Section 1, Exhibit 2, Page 6
(2) = (Average of Section 1, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 1, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 1, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	401,487	12.903			
1993	2	281,130	12.547	0.700		
1994	3	275,063	12.525	0.978		
1995	4	195,978	12.186	0.712		
1996	5	235,244	12.368	1.200		
1997	6	119,211	11.689	0.507		
1998	7	74,969	11.225	0.629		
1999	8	167,971	12.032	2.241		
2000	9	112,165	11.628	0.668	n =	17
2001	10	83,644	11.334	0.746	S(x) =	34,000
2002	11	54,441	10.905	0.651	S(x-sq) =	68,000,408
2003	12	53,298	10.884	0.979	S(xy) =	396,517
2004	13	73,810	11.209	1.385	S(y) =	198
2005	14	86,676	11.370	1.174	D =	6,936
2006	15	71,904	11.183	0.830	slope =	-0.109
2007	16	66,960	11.112	0.931	Avg Trend =	0.891
2008	17	71,871	11.183	1.073		
					Selected Trend:	**0.890**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 1.073 = 11.183 / 11.112

Commonwealth of Massachusetts Workers Compensatio
All Clusters Combined
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	80,157	194,108	281,698	355,785	430,372	505,456	583,349	673,674	790,768	861,582	915,134	975,815	1,007,922	1,082,827	1,139,603	1,141,641	1,147,008	1,150,280	1,152,153	1,152,412	1,154,034	1,170,882	1,177,268	1,193,197	1,205,857	1,216,414
June-84	278,846	675,251	979,952	1,237,679	1,497,148	1,692,853	1,965,008	2,259,281	2,488,041	2,658,528	2,815,940	2,906,236	2,927,914	2,961,604	2,990,903	3,026,971	3,061,107	3,088,013	3,103,364	3,110,882	3,148,274	3,167,361	3,181,238	3,187,495	3,198,788	
June-85	281,180	680,904	988,156	1,248,041	1,524,376	1,767,225	2,056,915	2,259,407	2,404,861	2,595,178	2,656,702	2,691,247	2,723,491	2,743,570	2,791,601	2,825,986	2,858,120	2,885,590	2,909,085	2,936,115	2,962,423	2,989,438	3,016,883	3,039,299		
June-86	525,630	1,272,862	1,847,229	2,295,762	2,801,909	3,261,873	3,656,708	3,915,488	4,146,092	4,242,208	4,302,418	4,368,117	4,405,703	4,495,556	4,540,345	4,569,414	4,631,690	4,679,159	4,717,866	4,751,566	4,788,347	4,826,166	4,848,695			
June-87	679,622	1,645,768	2,495,914	3,175,646	3,758,601	4,235,026	4,616,701	4,839,601	4,982,646	5,092,983	5,194,073	5,273,395	5,401,744	5,450,543	5,483,690	5,500,132	5,518,035	5,536,163	5,551,275	5,565,383	5,582,877	5,601,832				
June-88	1,191,827	3,330,054	5,139,009	6,298,489	7,138,465	7,736,797	8,238,504	8,487,549	8,654,240	8,771,119	8,871,380	8,936,796	8,998,468	9,039,583	9,080,840	9,108,289	9,182,392	9,269,235	9,323,809	9,379,358	9,460,451					
June-89	1,301,800	4,749,050	6,698,392	8,042,212	9,005,556	9,741,252	10,145,151	10,401,975	10,588,606	10,754,116	10,897,219	11,056,485	11,133,041	11,233,906	11,311,779	11,394,541	11,460,208	11,520,998	11,631,220	11,709,730						
June-90	1,971,011	6,207,955	8,378,887	9,502,646	10,377,079	10,866,795	11,178,293	11,460,398	11,654,311	11,744,612	11,853,219	11,929,544	12,013,692	12,102,616	12,193,641	12,288,370	12,363,890	12,414,703	12,454,464							
June-91	2,079,021	6,481,845	8,128,761	9,129,342	9,569,888	9,922,223	10,074,064	10,149,765	10,198,433	10,318,761	10,419,870	10,494,642	10,576,694	10,667,922	10,767,927	10,925,448	11,031,802	11,209,381								
June-92	2,582,717	6,069,511	7,466,854	8,202,774	8,503,875	8,669,993	8,827,343	9,030,623	9,135,160	9,257,875	9,372,582	9,437,134	9,514,021	9,594,979	9,639,410	9,684,641	9,729,562									
June-93	1,951,667	5,170,869	6,081,502	6,489,487	6,751,595	6,861,506	6,914,496	6,958,865	7,037,255	7,082,866	7,132,331	7,201,081	7,259,683	7,329,612	7,401,491	7,505,162										
June-94	2,254,109	4,622,918	5,401,604	5,967,695	6,235,895	6,548,173	6,736,695	6,864,534	6,987,145	7,147,202	7,266,001	7,394,198	7,524,153	7,640,660	7,736,000											
June-95	2,029,019	3,973,539	4,748,104	5,104,898	5,297,904	5,458,376	5,592,474	5,756,438	5,903,503	6,059,664	6,161,322	6,276,889	6,428,588	6,491,856												
June-96	1,766,253	4,182,294	4,865,024	5,174,865	5,452,218	5,598,854	5,739,120	5,855,214	5,980,868	6,100,238	6,209,752	6,290,753	6,361,945													
June-97	1,766,725	3,725,485	4,494,601	4,941,702	5,201,917	5,412,606	5,536,117	5,694,640	5,852,834	5,984,835	6,131,050	6,244,244														
June-98	1,434,653	3,363,240	4,046,082	4,435,465	4,731,267	4,919,954	5,122,526	5,375,830	5,487,330	5,608,858	5,703,803															
June-99	1,427,577	3,215,372	3,912,893	4,351,301	4,694,328	4,986,960	5,249,952	5,556,545	5,746,199	5,876,662																
June-00	1,919,617	4,021,129	4,792,481	5,313,057	5,734,824	6,105,211	6,329,799	6,555,866	6,681,932																	
June-01	1,955,272	4,077,952	5,089,014	5,933,836	6,650,457	7,105,631	7,471,084	7,767,438																		
June-02	1,477,425	3,509,146	4,573,760	5,338,916	5,731,628	5,955,713	6,085,017																			
June-03	969,154	3,818,930	5,475,517	6,135,434	6,529,665	6,778,078																				
June-04	1,457,859	4,815,053	6,238,712	6,959,935	7,262,547																					
June-05	2,296,467	6,044,403	7,443,461	8,222,874																						
June-06	2,480,251	5,605,314	6,838,991																							
June-07	2,697,227	6,287,742																								
June-08	3,229,281																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.422	1.451	1.263	1.210	1.174	1.154	1.155	1.174	1.090	1.062	1.066	1.033	1.074	1.052	1.002	1.005	1.003	1.002	1.000	1.001	1.015	1.005	1.014	1.011	1.009
June-84	2.422	1.451	1.263	1.210	1.131	1.161	1.150	1.101	1.069	1.059	1.032	1.007	1.012	1.010	1.012	1.011	1.009	1.005	1.002	1.012	1.006	1.004	1.002	1.004	
June-85	2.422	1.451	1.263	1.221	1.159	1.164	1.098	1.064	1.079	1.024	1.013	1.012	1.007	1.018	1.012	1.011	1.010	1.008	1.009	1.009	1.009	1.009	1.007		
June-86	2.422	1.451	1.243	1.220	1.164	1.121	1.071	1.059	1.023	1.014	1.015	1.009	1.020	1.010	1.006	1.014	1.010	1.008	1.007	1.008	1.008	1.005			
June-87	2.422	1.517	1.272	1.184	1.127	1.090	1.048	1.030	1.022	1.020	1.015	1.024	1.009	1.006	1.003	1.003	1.003	1.003	1.003	1.003	1.003				
June-88	2.794	1.543	1.226	1.133	1.084	1.065	1.030	1.020	1.014	1.011	1.007	1.007	1.005	1.005	1.003	1.008	1.009	1.006	1.006	1.009					
June-89	3.648	1.410	1.201	1.120	1.082	1.041	1.025	1.018	1.016	1.013	1.015	1.007	1.009	1.007	1.007	1.006	1.005	1.010	1.007						
June-90	3.150	1.350	1.134	1.092	1.047	1.029	1.025	1.017	1.008	1.009	1.006	1.007	1.007	1.008	1.008	1.006	1.004	1.003							
June-91	3.118	1.254	1.123	1.048	1.037	1.015	1.008	1.005	1.012	1.010	1.007	1.008	1.009	1.009	1.015	1.010	1.016								
June-92	2.350	1.230	1.099	1.037	1.020	1.018	1.023	1.012	1.013	1.012	1.007	1.008	1.009	1.005	1.005	1.005									
June-93	2.649	1.176	1.067	1.040	1.016	1.008	1.006	1.011	1.006	1.007	1.010	1.008	1.010	1.010	1.014										
June-94	2.051	1.168	1.105	1.045	1.050	1.029	1.019	1.018	1.023	1.017	1.018	1.018	1.015	1.012											
June-95	1.958	1.195	1.075	1.038	1.030	1.025	1.029	1.026	1.026	1.017	1.019	1.024	1.010												
June-96	2.368	1.163	1.064	1.054	1.027	1.025	1.020	1.021	1.020	1.018	1.013	1.011													
June-97	2.109	1.206	1.099	1.053	1.041	1.023	1.029	1.028	1.023	1.024	1.018														
June-98	2.344	1.203	1.096	1.067	1.040	1.041	1.049	1.021	1.022	1.017															
June-99	2.252	1.217	1.112	1.079	1.062	1.053	1.058	1.034	1.023																
June-00	2.095	1.192	1.109	1.079	1.065	1.037	1.036	1.019																	
June-01	2.086	1.248	1.166	1.121	1.068	1.051	1.040																		
June-02	2.375	1.303	1.167	1.074	1.039	1.022																			
June-03	3.940	1.434	1.121	1.064	1.038																				
June-04	3.303	1.296	1.116	1.043																					
June-05	2.632	1.231	1.105																						
June-06	2.260	1.220																							
June-07	2.331																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.557	1.307	1.152	1.101	1.071	1.059	1.048	1.038	1.029	1.021	1.017	1.013	1.015	1.013	1.008	1.008	1.008	1.006	1.005	1.007	1.008	1.006	1.008	1.007	1.009	
Latest 5	2.893	1.297	1.135	1.076	1.055	1.041	1.042	1.025	1.023	1.019	1.016	1.014	1.010	1.009	1.010	1.007	1.008	1.006	1.006	1.008	1.008					
Latest 3	2.408	1.249	1.114	1.060	1.049	1.037	1.045	1.025	1.022	1.020	1.017	1.018	1.012	1.009	1.011	1.007	1.009	1.006	1.005	1.007	1.007	1.006	1.008			
Volume Wtd																										
All Yrs	2.516	1.273	1.130	1.080	1.055	1.041	1.033	1.023	1.020	1.016	1.013	1.011	1.010	1.009	1.008	1.007	1.008	1.006	1.006	1.007	1.007	1.006	1.006	1.005		
Latest 5	2.684	1.285	1.131	1.075	1.054	1.041	1.042	1.024	1.023	1.018	1.015	1.013	1.010	1.009	1.009	1.007	1.008	1.006	1.006	1.008	1.007					
Latest 3	2.400	1.246	1.113	1.059	1.049	1.038	1.044	1.024	1.022	1.020	1.017	1.018	1.012	1.009	1.011	1.007	1.008	1.006	1.006	1.007	1.006	1.006				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior																										
Selected																										
FacToUlt																										
Percent of Ult																										

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	5,990,493	6,161,290	6,067,769	6,235,627	77,276	1.3%	74,338	1.2%
6/30/82-83	1,206,228	1,264,263	1,216,785	1,273,257	10,557	0.9%	8,994	0.7%
6/30/83-84	3,187,889	3,387,027	3,199,182	3,390,055	11,293	0.4%	3,028	0.1%
6/30/84-85	3,111,019	3,128,054	3,130,282	3,148,329	19,263	0.6%	20,275	0.6%
6/30/85-86	5,002,301	5,014,025	5,015,002	5,025,734	12,702	0.3%	11,709	0.2%
6/30/86-87	5,813,397	5,819,583	5,818,397	5,825,583	5,000	0.1%	6,000	0.1%
6/30/87-88	9,846,000	9,866,000	9,880,000	9,902,000	34,000	0.3%	36,000	0.4%
6/30/88-89	12,256,230	12,287,225	12,288,230	12,319,225	32,000	0.3%	32,000	0.3%
6/30/89-90	13,172,622	13,226,123	13,145,622	13,195,123	(27,000)	-0.2%	(31,000)	-0.2%
6/30/90-91	11,826,205	11,892,782	11,944,205	12,037,782	118,000	1.0%	145,000	1.2%
6/30/91-92	10,382,534	10,469,647	10,355,534	10,461,647	(27,000)	-0.3%	(8,000)	-0.1%
6/30/92-93	8,020,052	8,106,367	8,065,052	8,156,367	45,000	0.6%	50,000	0.6%
6/30/93-94	8,366,000	8,407,000	8,410,000	8,475,000	44,000	0.5%	68,000	0.8%
6/30/94-95	7,084,294	7,129,613	7,099,294	7,167,613	15,000	0.2%	38,000	0.5%
6/30/95-96	7,065,867	7,145,100	7,070,867	7,158,100	5,000	0.1%	13,000	0.2%
6/30/96-97	7,057,000	7,162,850	7,094,000	7,186,800	37,000	0.5%	23,950	0.3%
6/30/97-98	6,555,000	6,762,400	6,562,000	6,712,350	7,000	0.1%	(50,050)	-0.7%
6/30/98-99	6,925,000	7,153,000	6,945,000	7,100,000	20,000	0.3%	(53,000)	-0.7%
6/30/99-00	8,131,000	8,332,000	8,093,000	8,257,000	(38,000)	-0.5%	(75,000)	-0.9%
6/30/00-01	9,604,000	9,713,000	9,622,000	9,736,000	18,000	0.2%	23,000	0.2%
6/30/01-02	7,971,000	8,280,000	7,836,000	8,046,000	(135,000)	-1.7%	(234,000)	-2.8%
6/30/02-03	9,120,000	9,402,000	8,953,000	9,225,000	(167,000)	-1.8%	(177,000)	-1.9%
6/30/03-04	10,281,000	11,124,100	9,910,000	10,741,900	(371,000)	-3.6%	(382,200)	-3.4%
6/30/04-05	11,830,000	12,988,700	11,504,000	12,475,200	(326,000)	-2.8%	(513,500)	-4.0%
6/30/05-06	11,791,000	12,971,650	11,114,000	12,166,350	(677,000)	-5.7%	(805,300)	-6.2%
6/30/06-07	13,159,000	14,902,300	12,489,000	14,914,000	(670,000)	-5.1%	11,700	0.1%
6/30/07-08								
Total	214,755,130	222,096,100	212,828,220	220,332,044	(1,926,910)	-0.9%	(1,764,056)	-0.8%

NOTES:

(2), (3) From Aon analysis as of June 30, 2007

(4), (5) From Section 1, Exhibit 2, Page 1, Columns 6, 7

(6) = (4) - (2)

(7) = (4) / (2) - 1

(8) = (5) - (3)

(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	2.8%	0.0%	1.0%	0.6%	1.000	1.000
312	97.2%	0.4%	2.8%	0.2%	0.1%	0.981	0.971
300	96.8%	0.2%	3.2%	0.1%	0.0%	0.948	0.923
288	96.6%	0.1%	3.4%	0.0%	0.0%	0.915	0.877
276	96.6%	0.3%	3.4%	0.1%	0.1%	0.882	0.829
264	96.3%	0.6%	3.7%	0.3%	0.2%	0.857	0.796
252	95.7%	0.4%	4.3%	0.2%	0.1%	0.848	0.784
240	95.3%	0.6%	4.7%	0.3%	0.2%	0.828	0.758
228	94.7%	0.8%	5.3%	0.4%	0.3%	0.818	0.745
216	93.8%	-0.1%	6.2%	-0.1%	0.0%	0.812	0.738
204	94.0%	1.0%	6.0%	0.5%	0.4%	0.777	0.691
192	93.0%	1.0%	7.0%	0.5%	0.4%	0.780	0.697
180	92.0%	1.1%	8.0%	0.6%	0.5%	0.778	0.696
168	90.9%	0.9%	9.1%	0.5%	0.4%	0.777	0.695
156	90.0%	1.9%	10.0%	1.2%	0.9%	0.768	0.684
144	88.0%	1.1%	12.0%	0.7%	0.6%	0.777	0.698
132	86.9%	2.3%	13.1%	1.5%	1.3%	0.767	0.685
120	84.6%	2.1%	15.4%	1.4%	1.2%	0.774	0.695
108	82.6%	1.9%	17.4%	1.3%	1.1%	0.772	0.693
96	80.7%	3.0%	19.3%	2.3%	2.0%	0.765	0.684
84	77.7%	3.2%	22.3%	2.5%	2.2%	0.769	0.690
72	74.5%	3.1%	25.5%	2.5%	2.2%	0.770	0.691
60	71.4%	4.9%	28.6%	4.1%	3.8%	0.766	0.686
48	66.5%	7.0%	33.5%	6.1%	5.7%	0.772	0.695
36	59.5%	13.5%	40.5%	12.2%	11.6%	0.784	0.710
24	46.0%	28.0%	54.0%	26.4%	25.7%	0.810	0.745
12	18.0%	18.0%	82.0%	17.7%	17.5%	0.848	0.795
Total		100.0%					

NOTES:

(2) = 1 / Section 1, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	536,090	703,949		470,891	621,581
6/30/82-83	371	56,843	0.981	371	55,758
6/30/83-84	394	191,267	0.948	394	181,128
6/30/84-85	90,983	109,030	0.915	83,565	100,343
6/30/85-86	166,308	177,039	0.882	148,412	158,193
6/30/86-87	216,565	223,751	0.857	187,748	194,109
6/30/87-88	419,549	441,549	0.848	354,863	373,379
6/30/88-89	578,500	609,495	0.828	480,133	508,291
6/30/89-90	691,158	740,659	0.818	561,898	604,858
6/30/90-91	734,824	828,401	0.812	587,615	663,972
6/30/91-92	625,972	732,085	0.777	491,926	578,344
6/30/92-93	559,890	651,205	0.780	433,486	506,227
6/30/93-94	674,000	739,000	0.778	522,344	572,621
6/30/94-95	607,438	675,758	0.777	466,613	518,745
6/30/95-96	708,922	796,155	0.768	538,333	605,689
6/30/96-97	849,756	942,556	0.777	641,713	712,049
6/30/97-98	858,197	1,008,547	0.767	645,206	759,474
6/30/98-99	1,068,338	1,223,338	0.774	800,601	916,510
6/30/99-00	1,411,068	1,575,068	0.772	1,057,555	1,180,125
6/30/00-01	1,854,562	1,968,562	0.765	1,384,037	1,469,601
6/30/01-02	1,750,983	1,960,983	0.769	1,321,199	1,479,398
6/30/02-03	2,174,922	2,446,922	0.770	1,640,073	1,843,204
6/30/03-04	2,647,453	3,479,353	0.766	2,007,251	2,635,195
6/30/04-05	3,281,126	4,252,326	0.772	2,495,282	3,239,446
6/30/05-06	4,275,009	5,327,359	0.784	3,329,241	4,157,298
6/30/06-07	5,926,258	8,038,258	0.810	4,789,370	6,493,164
6/30/07-08	11,122,719	12,836,719	0.848	9,405,541	10,871,658
Total	43,831,355	52,736,178		34,845,659	42,000,359
			(7) Total Discount Factor:	0.795	0.796

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	536,090	703,949
(9) Projected Number of Years:	3	3
(10) Projected Paid Loss per Year:	178,697	234,650
(11) Discounted Value at 4%:	505,817	664,197

NOTES:
(2), (3) From Section 1, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 1, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Clusters Combined
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	536,090	703,949		443,292	586,643
6/30/82-83	371	56,843	0.971	371	55,238
6/30/83-84	394	191,267	0.923	394	176,410
6/30/84-85	90,983	109,030	0.877	80,205	96,408
6/30/85-86	166,308	177,039	0.829	140,515	149,877
6/30/86-87	216,565	223,751	0.796	175,360	181,364
6/30/87-88	419,549	441,549	0.784	327,732	344,788
6/30/88-89	578,500	609,495	0.758	439,835	466,771
6/30/89-90	691,158	740,659	0.745	510,120	550,371
6/30/90-91	734,824	828,401	0.738	529,892	599,431
6/30/91-92	625,972	732,085	0.691	440,385	519,072
6/30/92-93	559,890	651,205	0.697	385,873	451,498
6/30/93-94	674,000	739,000	0.696	466,018	510,836
6/30/94-95	607,438	675,758	0.695	415,143	461,377
6/30/95-96	708,922	796,155	0.684	477,024	537,117
6/30/96-97	849,756	942,556	0.698	567,867	630,191
6/30/97-98	858,197	1,008,547	0.685	570,628	672,118
6/30/98-99	1,068,338	1,223,338	0.695	707,962	810,365
6/30/99-00	1,411,068	1,575,068	0.693	936,287	1,044,686
6/30/00-01	1,854,562	1,968,562	0.684	1,224,365	1,300,213
6/30/01-02	1,750,983	1,960,983	0.690	1,176,040	1,316,778
6/30/02-03	2,174,922	2,446,922	0.691	1,460,395	1,640,524
6/30/03-04	2,647,453	3,479,353	0.686	1,792,551	2,352,161
6/30/04-05	3,281,126	4,252,326	0.695	2,232,839	2,900,535
6/30/05-06	4,275,009	5,327,359	0.710	3,012,288	3,764,720
6/30/06-07	5,926,258	8,038,258	0.745	4,404,453	5,970,108
6/30/07-08	11,122,719	12,836,719	0.795	8,810,706	10,189,533
Total	43,831,355	52,736,178		31,728,539	38,279,136
			(7) Total Discount Factor:	0.724	0.726

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	536,090	703,949
(9) Projected Number of Years:	3	3
(10) Projected Paid Loss per Year:	178,697	234,650
(11) Discounted Value at 6%:	491,988	646,038

NOTES:
(2), (3) From Section 1, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 1, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		18,358,478			23,561,369	25,871,104	5,202,891	7,512,626		
6/30/82-83		4,381,817	4,952,578		4,828,763	5,076,392	446,946	694,575		
6/30/83-84		7,467,985	9,266,457		9,081,128	9,451,787	1,613,143	1,983,801		
6/30/84-85	181,529	6,780,053	7,132,214	7,016,126	6,848,000	6,916,000	67,947	135,947	3.772	3.810
6/30/85-86	195,215	10,168,308	10,870,373	10,658,815	10,473,000	10,575,000	304,692	406,692	5.365	5.417
6/30/86-87	224,337	13,414,909	14,262,947	14,204,808	13,817,000	13,952,000	402,091	537,091	6.159	6.219
6/30/87-88	262,830	18,382,494	21,288,227	19,588,737	20,438,000	21,288,000	2,055,506	2,905,506	7.776	8.100
6/30/88-89	283,848	19,350,316	20,784,616	20,812,389	20,799,000	20,812,000	1,448,684	1,461,684	7.328	7.332
6/30/89-90	285,041	14,962,973	16,139,200	16,266,705	16,203,000	16,267,000	1,240,027	1,304,027	5.684	5.707
6/30/90-91	267,694	10,855,357	11,773,854	11,753,139	11,181,000	11,290,000	325,643	434,643	4.177	4.217
6/30/91-92	261,403	7,286,753	7,943,245	7,959,154	7,943,000	7,959,000	656,247	672,247	3.039	3.045
6/30/92-93	259,951	4,189,576	4,611,761	4,677,189	4,612,000	4,677,000	422,424	487,424	1.774	1.799
6/30/93-94	257,021	3,456,054	3,815,723	3,855,170	3,816,000	3,855,000	359,946	398,946	1.485	1.500
6/30/94-95	255,811	2,081,529	2,323,445	2,360,379	2,323,000	2,360,000	241,471	278,471	0.908	0.923
6/30/95-96	255,494	2,929,530	3,302,340	3,349,381	3,302,000	3,349,000	372,470	419,470	1.292	1.311
6/30/96-97	270,025	2,467,177	2,798,996	2,847,436	2,799,000	2,847,000	331,823	379,823	1.037	1.054
6/30/97-98	245,319	2,434,441	2,795,705	2,828,987	2,796,000	2,829,000	361,559	394,559	1.140	1.153
6/30/98-99	251,404	2,257,247	2,609,418	2,649,801	2,609,000	2,650,000	351,753	392,753	1.038	1.054
6/30/99-00	255,590	2,057,785	2,418,763	2,456,257	2,419,000	2,456,000	361,215	398,215	0.946	0.961
6/30/00-01	263,866	2,882,098	3,523,817	3,535,367	3,524,000	3,535,000	641,902	652,902	1.336	1.340
6/30/01-02	267,544	2,187,474	2,751,526	2,794,770	2,752,000	2,795,000	564,526	607,526	1.029	1.045
6/30/02-03	274,409	2,722,803	3,573,134	3,589,194	3,573,000	3,589,000	850,197	866,197	1.302	1.308
6/30/03-04	272,327	2,494,524	3,437,100	3,456,335	3,437,000	3,456,000	942,476	961,476	1.262	1.269
6/30/04-05	273,587	2,206,170	3,388,231	3,391,633	3,388,000	3,392,000	1,181,831	1,185,831	1.238	1.240
6/30/05-06	285,078	1,629,876	3,085,051	3,257,422	3,085,000	3,257,000	1,455,124	1,627,124	1.082	1.142
6/30/06-07	298,452	1,063,327	2,876,966	3,314,513	2,877,000	3,315,000	1,813,673	2,251,673	0.964	1.111
6/30/07-08	306,702	492,006	2,745,653	3,530,769	2,746,000	3,531,000	2,253,994	3,038,994	0.895	1.151
Total	6,254,479	168,961,060	174,471,341	160,154,474	195,231,260	201,351,282	26,270,200	32,390,222		
Tot 6/30/84-08	6,254,479	138,752,780	160,252,306	160,154,474	157,760,000	160,952,000	19,007,220	22,199,220	2.522	2.573

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 2, Exhibit 1, Page 2, Column 3 and Section 2, Exhibit 1, Page 9, Column 8

(4) From Section 2, Exhibit 1, Page 2, Column 8

(5) From Section 2, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		17,092,980							15	12		68
6/30/82-83		3,991,417	1.019	1.122	4,561,982	390,595	4,952,578		2	2	285,283	78
6/30/83-84		6,918,835	1.029	1.224	8,716,483	549,974	9,266,457		4	4	449,412	60
6/30/84-85	181,529	5,650,202	1.040	1.021	5,999,534	1,132,680	7,132,214	3.929	0	0		
6/30/85-86	195,215	9,230,664	1.053	1.021	9,923,064	947,309	10,870,373	5.568	1	1	692,400	71
6/30/86-87	224,337	11,347,192	1.067	1.005	12,167,469	2,095,478	14,262,947	6.358	1	1	820,277	78
6/30/87-88	262,830	15,590,731	1.075	1.100	18,440,664	2,847,563	21,288,227	8.100	4	6	474,989	62
6/30/88-89	283,848	15,710,703	1.086	1.000	17,056,395	3,728,221	20,784,616	7.322	5	3	448,564	77
6/30/89-90	285,041	11,610,392	1.093	1.000	12,687,708	3,451,492	16,139,200	5.662	0	1	1,077,316	62
6/30/90-91	267,694	8,289,927	1.100	1.000	9,119,417	2,654,437	11,773,854	4.398	0	1	829,490	76
6/30/91-92	261,403	5,480,341	1.106	1.000	6,063,227	1,880,019	7,943,245	3.039	4	3	194,295	58
6/30/92-93	259,951	3,210,473	1.115	1.000	3,579,186	1,032,575	4,611,761	1.774	1	1	368,713	65
6/30/93-94	257,021	2,487,353	1.122	1.000	2,790,455	1,025,267	3,815,723	1.485	1	1	303,103	65
6/30/94-95	255,811	1,526,329	1.132	1.000	1,727,644	595,801	2,323,445	0.908	0	0		
6/30/95-96	255,494	2,182,890	1.140	1.000	2,489,567	812,773	3,302,340	1.293	0	0		
6/30/96-97	270,025	1,787,627	1.149	1.000	2,053,137	745,860	2,798,996	1.037	1	1	265,510	67
6/30/97-98	245,319	1,926,278	1.153	1.000	2,221,122	574,583	2,795,705	1.140	2	2	147,422	49
6/30/98-99	251,404	1,735,176	1.159	1.000	2,010,773	598,645	2,609,418	1.038	0	1	275,597	54
6/30/99-00	255,590	1,774,284	1.165	1.000	2,066,531	352,232	2,418,763	0.946	3	1	292,247	64
6/30/00-01	263,866	2,630,995	1.185	1.000	3,116,871	406,947	3,523,817	1.335	10	9	53,986	52
6/30/01-02	267,544	1,929,260	1.219	1.000	2,352,182	399,344	2,751,526	1.028	10	6	70,487	53
6/30/02-03	274,409	2,434,780	1.261	1.000	3,070,196	502,937	3,573,134	1.302	18	11	57,765	53
6/30/03-04	272,327	2,220,200	1.314	1.000	2,917,690	519,410	3,437,100	1.262	20	15	46,499	51
6/30/04-05	273,587	2,055,018	1.405	1.000	2,888,231	500,000	3,388,231	1.238	32	22	37,873	47
6/30/05-06	285,078	1,564,874	1.652	1.000	2,585,051	500,000	3,085,051	1.082	74	36	28,338	49
6/30/06-07	298,452	1,054,827	2.253	1.000	2,376,966	500,000	2,876,966	0.964	253	74	17,867	46
6/30/07-08	306,702	492,006	4.564	1.000	2,245,653	500,000	2,745,653	0.895		228	7,691	44
Total	6,254,479	141,925,754			145,227,198	29,244,143	174,471,341		461	442		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 2, Exhibit 1, Page 7
(5) Based on information from the MA WCIRB
(6) = (3) x (4) x (5)
(7) From Section 2, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	181,529	3.309	5,650,202	1.040	5,883,445	1,132,680	7,016,126	3.865	3.241
6/30/85-86	195,215	4.904	9,230,664	1.053	9,711,505	947,309	10,658,815	5.460	4.975
6/30/86-87	224,337	5.443	11,347,192	1.067	12,109,330	2,095,478	14,204,808	6.332	5.398
6/30/87-88	262,830	6.253	15,590,731	1.075	16,741,174	2,847,563	19,588,737	7.453	6.370
6/30/88-89	283,848	6.133	15,710,703	1.086	17,084,169	3,728,221	20,812,389	7.332	6.019
6/30/89-90	285,041	4.978	11,610,392	1.093	12,815,213	3,451,492	16,266,705	5.707	4.496
6/30/90-91	267,694	3.322	8,289,927	1.100	9,098,702	2,654,437	11,753,139	4.391	3.399
6/30/91-92	261,403	2.383	5,480,341	1.106	6,079,136	1,880,019	7,959,154	3.045	2.326
6/30/92-93	259,951	1.621	3,210,473	1.115	3,644,614	1,032,575	4,677,189	1.799	1.402
6/30/93-94	257,021	1.227	2,487,353	1.122	2,829,903	1,025,267	3,855,170	1.500	1.101
6/30/94-95	255,811	0.799	1,526,329	1.132	1,764,578	595,801	2,360,379	0.923	0.690
6/30/95-96	255,494	1.124	2,182,890	1.140	2,536,608	812,773	3,349,381	1.311	0.993
6/30/96-97	270,025	0.899	1,787,627	1.149	2,101,576	745,860	2,847,436	1.055	0.778
6/30/97-98	245,319	1.008	1,926,278	1.153	2,254,404	574,583	2,828,987	1.153	0.919
6/30/98-99	251,404	0.917	1,735,176	1.159	2,051,156	598,645	2,649,801	1.054	0.816
6/30/99-00	255,590	0.912	1,774,284	1.165	2,104,025	352,232	2,456,257	0.961	0.823
6/30/00-01	263,866	1.209	2,630,995	1.185	3,128,420	406,947	3,535,367	1.340	1.186
6/30/01-02	267,544	0.969	1,929,260	1.219	2,395,425	399,344	2,794,770	1.045	0.895
6/30/02-03	274,409	1.147	2,434,780	1.261	3,086,257	502,937	3,589,194	1.308	1.125
6/30/03-04	272,327	1.101	2,220,200	1.314	2,936,925	519,410	3,456,335	1.269	1.078
6/30/04-05	273,587	1.060	2,055,018	1.405	2,891,633	500,000	3,391,633	1.240	1.057
6/30/05-06	285,078	1.060	1,564,874	1.652	2,757,422	500,000	3,257,422	1.143	0.967
6/30/06-07	298,452	1.060	1,054,827	2.253	2,814,513	500,000	3,314,513	1.111	0.943
6/30/07-08	306,702	1.060	492,006	4.564	3,030,769	500,000	3,530,769	1.151	0.988
Total	6,254,479		113,922,522		131,850,900	28,303,573	160,154,474		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 2, Exhibit 1, Page 4, Column 10
(4) From Section 2, Exhibit 1, Page 2, Column 3
(5) From Section 2, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 2, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								3.309	3.309
6/30/85-86								4.904	4.904
6/30/86-87								5.443	5.443
6/30/87-88								6.253	6.253
6/30/88-89								6.133	6.133
6/30/89-90								4.978	4.978
6/30/90-91	267,694	9,119,417	3.407	0.925	3.152	1.196	3.771	3.491	3.322
6/30/91-92	261,403	6,063,227	2.319	1.015	2.355	1.184	2.789	2.411	2.383
6/30/92-93	259,951	3,579,186	1.377	1.184	1.630	1.173	1.911	1.613	1.621
6/30/93-94	257,021	2,790,455	1.086	1.169	1.269	1.161	1.473	1.185	1.227
6/30/94-95	255,811	1,727,644	0.675	1.158	0.782	1.149	0.899	0.817	0.799
6/30/95-96	255,494	2,489,567	0.974	1.149	1.119	1.138	1.274	1.129	1.124
6/30/96-97	270,025	2,053,137	0.760	1.137	0.865	1.127	0.974	0.933	0.899
6/30/97-98	245,319	2,221,122	0.905	1.123	1.016	1.116	1.134	0.999	1.008
6/30/98-99	251,404	2,010,773	0.800	1.108	0.886	1.105	0.979	0.948	0.917
6/30/99-00	255,590	2,066,531	0.809	1.090	0.881	1.094	0.964	0.943	0.912
6/30/00-01	263,866	3,116,871	1.181	1.062	1.255	1.083	1.359	1.164	1.209
6/30/01-02	267,544	2,352,182	0.879	1.042	0.916	1.072	0.982	1.022	0.969
6/30/02-03	274,409	3,070,196	1.119	1.038	1.161	1.062	1.233	1.133	1.147
6/30/03-04	272,327	2,917,690	1.071	1.038	1.112	1.051	1.169	1.090	1.101
6/30/04-05	273,587	2,888,231	1.056	1.031	1.089	1.041	1.133	1.070	1.060
6/30/05-06	285,078	2,585,051	0.907	1.021	0.926	1.030	0.954	1.070	1.060
6/30/06-07	298,452	2,376,966	0.796	1.010	0.804	1.020	0.820	1.070	1.060
6/30/07-08	306,702	2,245,653	0.732	1.000	0.732	1.010	0.740		1.060
Total	4,821,678	55,673,899							

Trend Last 4 (ex 07-08):	-10.7%	Avg 3 (x07-08):	0.969
Trend Last 8 (ex 07-08):	-2.0%	Avg 5 (x07-08):	1.062
Trend Last 12 (ex 07-08):	-0.3%	Avg 10 (x07-08):	1.073
Prior Selected Trend:	1.0%	Prior Sel Avg:	1.070
Selected Trend:	1.0%	Sel. Loss Cost:	1.060

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 2, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.960	
(2)	Credibility		44%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.960	
		(Low)		(High)
(5)	Selected Range	0.950		0.965
(6)	Incremental Paid for 2008	388,693		388,693
(7)	Estimated Reserve	7,385,159		10,653,711
(8)	Paid to Date (82 & Prior)	17,092,980		17,092,980
(9)	Est Ult Paid for 1982 & Prior	24,478,139		27,746,690

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	431,518	455,670
(11)	Projected Number of Years	7	7
(12)	Estimated Reserve	3,020,623	3,189,692
(13)	Paid to Date (82 & Prior)	17,092,980	16,704,287
(14)	Est Ult Paid for 1982 & Prior	20,113,602	19,893,979
(14a)	Paid Counts During Fiscal Year	15	15
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	22,295,871	24,605,606
(16)	Lump Sum Ultimates	1,265,498	1,265,498
(17)	Ult Loss Including Lump Sums	**23,561,369**	**25,871,104**
(18)	Implied Tail	1.304	1.440
(19)	Ult Loss Inc Lump Sums @6/07	23,322,870	26,173,396

NOTES:

(1) From Section 2, Exhibit 1, Page 6
(2) = (Average of Section 2, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 2, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 2, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 2, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	689,918	13.444			
1993	2	793,381	13.584	1.150		
1994	3	677,152	13.426	0.854		
1995	4	616,229	13.331	0.910		
1996	5	581,038	13.273	0.943		
1997	6	667,765	13.412	1.149		
1998	7	676,041	13.424	1.012		
1999	8	626,143	13.347	0.926		
2000	9	638,144	13.366	1.019	n =	17
2001	10	586,837	13.283	0.920	S(x) =	34,000
2002	11	551,859	13.221	0.940	S(x-sq) =	68,000,408
2003	12	510,510	13.143	0.925	S(xy) =	450,550
2004	13	475,438	13.072	0.931	S(y) =	225
2005	14	461,151	13.041	0.970	D =	6,936
2006	15	476,801	13.075	1.034	slope =	-0.036
2007	16	429,059	12.969	0.900	Avg Trend =	0.964
2008	17	388,693	12.871	0.906		
					Selected Trend:	**0.960**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.906 = 12.871 / 12.969

Commonwealth of Massachusetts Workers Compensatio
Department of Mental Retardation - Cluster 1
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	303,088	716,212	1,018,528	1,273,160	1,522,276	1,772,634	2,026,466	2,293,172	2,479,591	2,709,942	2,878,245	2,989,792	3,133,165	3,273,307	3,334,466	3,383,940	3,420,864	3,471,952	3,531,863	3,593,426	3,656,287	3,718,769	3,782,583	3,849,168	3,918,660	3,991,417
June-84	588,752	1,391,250	1,978,503	2,473,129	2,957,038	3,430,512	3,850,638	4,248,292	4,569,012	4,852,567	5,084,077	5,325,765	5,500,225	5,591,777	5,716,071	5,844,905	5,981,927	6,097,750	6,217,962	6,335,407	6,446,404	6,561,447	6,682,092	6,807,737	6,918,835	
June-85	722,238	1,706,685	2,427,085	3,021,356	3,575,162	4,153,362	4,555,210	4,859,145	5,067,185	5,195,242	5,289,258	5,335,046	5,422,572	5,464,010	5,505,997	5,522,923	5,523,036	5,580,502	5,609,877	5,639,252	5,659,166	5,650,202	5,650,202	5,650,202		
June-86	1,095,655	2,589,088	3,658,454	4,589,190	5,452,112	6,125,447	6,630,963	7,055,749	7,268,651	7,575,650	7,835,016	8,089,718	8,284,822	8,452,458	8,677,431	8,856,536	8,960,945	9,024,666	9,066,019	9,108,290	9,147,296	9,188,006	9,230,664			
June-87	1,432,565	3,348,783	4,705,173	6,001,822	7,077,490	7,800,986	8,402,000	9,027,460	9,393,871	9,735,307	10,048,389	10,319,413	10,602,871	10,771,580	10,933,614	11,088,267	11,148,911	11,204,986	11,255,712	11,281,293	11,313,500	11,347,192				
June-88	2,142,725	4,931,624	7,312,968	9,157,962	10,751,119	11,652,385	12,239,990	12,826,004	13,145,803	13,410,989	13,647,380	13,914,189	14,176,053	14,393,869	14,564,189	14,732,219	14,899,699	15,069,301	15,232,127	15,401,826	15,590,731					
June-89	2,139,859	5,737,843	8,345,508	10,235,005	11,538,085	12,380,476	13,056,104	13,607,875	13,950,193	14,223,676	14,460,790	14,677,503	14,820,152	14,959,611	15,088,991	15,215,644	15,354,762	15,504,713	15,612,328	15,710,703						
June-90	2,678,119	5,989,136	8,059,169	9,355,215	10,163,757	10,729,296	11,079,915	11,298,239	11,383,933	11,541,269	11,650,902	11,599,979	11,605,663	11,609,714	11,609,714	11,609,714	11,609,714	11,609,714	11,610,392							
June-91	2,055,995	4,525,519	5,956,270	6,809,892	7,377,934	7,700,162	7,848,119	7,941,980	8,070,661	8,111,443	8,150,308	8,195,730	8,243,748	8,275,457	8,287,806	8,289,633	8,289,633	8,289,927								
June-92	1,556,680	2,907,997	3,613,911	4,262,894	4,511,682	4,736,540	4,868,155	4,962,680	5,049,867	5,098,658	5,131,848	5,177,939	5,259,492	5,311,896	5,373,855	5,435,773	5,480,341									
June-93	931,603	1,916,981	2,439,817	2,755,036	2,906,872	3,136,998	3,162,217	3,209,301	3,219,019	3,198,001	3,197,828	3,197,728	3,197,728	3,197,728	3,204,287	3,210,473										
June-94	923,316	1,598,259	1,935,049	2,093,050	2,066,940	2,146,254	2,134,209	2,198,365	2,247,827	2,310,431	2,340,041	2,380,852	2,417,221	2,452,624	2,487,353											
June-95	684,696	1,108,550	1,371,127	1,495,864	1,512,391	1,513,346	1,516,782	1,516,872	1,519,087	1,525,732	1,525,732	1,526,329	1,526,329	1,526,329												
June-96	662,860	1,328,147	1,644,584	1,839,246	1,990,102	2,077,055	2,112,857	2,140,474	2,201,270	2,201,845	2,202,890	2,202,890	2,182,890													
June-97	698,135	1,214,849	1,461,845	1,657,511	1,722,983	1,773,677	1,788,438	1,787,621	1,785,332	1,785,117	1,785,270	1,787,627														
June-98	573,338	1,086,539	1,414,459	1,559,175	1,673,532	1,729,564	1,772,059	1,810,392	1,842,420	1,881,278	1,926,278															
June-99	474,980	1,002,186	1,286,380	1,461,855	1,602,851	1,676,266	1,728,806	1,734,926	1,734,926	1,735,176																
June-00	554,623	1,006,163	1,264,666	1,446,800	1,556,201	1,579,597	1,684,607	1,741,958	1,774,284																	
June-01	727,441	1,320,455	1,784,558	2,038,666	2,257,429	2,391,407	2,505,985	2,630,995																		
June-02	660,993	1,170,323	1,474,134	1,719,436	1,840,352	1,925,268	1,929,260																			
June-03	681,649	1,386,238	1,930,433	2,233,645	2,345,508	2,434,780																				
June-04	615,642	1,250,196	1,708,083	2,040,603	2,220,200																					
June-05	629,880	1,271,294	1,746,413	2,055,018																						
June-06	562,846	1,157,132	1,564,874																							
June-07	526,806	1,054,827																								
June-08	492,006																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.363	1.422	1.250	1.196	1.164	1.143	1.132	1.081	1.093	1.062	1.039	1.048	1.045	1.019	1.015	1.011	1.015	1.017	1.017	1.017	1.017	1.017	1.018	1.018	1.019
June-84	2.363	1.422	1.250	1.196	1.160	1.122	1.103	1.075	1.062	1.048	1.048	1.033	1.017	1.022	1.023	1.023	1.019	1.020	1.019	1.018	1.018	1.018	1.019	1.016	
June-85	2.363	1.422	1.245	1.183	1.162	1.097	1.067	1.043	1.025	1.018	1.009	1.016	1.008	1.008	1.003	1.000	1.010	1.005	1.005	1.004	0.998	1.000	1.000		
June-86	2.363	1.413	1.254	1.188	1.123	1.083	1.064	1.030	1.042	1.034	1.033	1.024	1.020	1.027	1.021	1.012	1.007	1.005	1.005	1.004	1.004	1.005			
June-87	2.338	1.405	1.276	1.179	1.102	1.077	1.074	1.041	1.036	1.032	1.027	1.027	1.016	1.015	1.014	1.005	1.005	1.005	1.002	1.003	1.003				
June-88	2.302	1.483	1.252	1.174	1.084	1.050	1.048	1.025	1.020	1.018	1.020	1.019	1.015	1.012	1.012	1.011	1.011	1.011	1.011	1.012					
June-89	2.681	1.454	1.226	1.127	1.073	1.055	1.042	1.025	1.020	1.017	1.015	1.010	1.009	1.009	1.008	1.009	1.010	1.007	1.006						
June-90	2.236	1.346	1.161	1.086	1.056	1.033	1.020	1.008	1.014	1.009	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
June-91	2.201	1.316	1.143	1.083	1.044	1.019	1.012	1.016	1.005	1.005	1.006	1.006	1.004	1.001	1.000	1.000	1.000								
June-92	1.868	1.243	1.180	1.058	1.050	1.028	1.019	1.018	1.010	1.007	1.009	1.016	1.010	1.012	1.012	1.008									
June-93	2.058	1.273	1.129	1.055	1.079	1.008	1.015	1.003	0.993	1.000	1.000	1.000	1.000	1.002	1.002										
June-94	1.731	1.211	1.082	0.988	1.038	0.994	1.030	1.022	1.028	1.013	1.017	1.015	1.015	1.014											
June-95	1.619	1.237	1.091	1.011	1.001	1.002	1.000	1.001	1.004	1.000	1.000	1.000	1.000												
June-96	2.004	1.238	1.118	1.082	1.044	1.017	1.013	1.028	1.000	1.000	1.000	0.991													
June-97	1.740	1.203	1.134	1.040	1.029	1.008	1.000	0.999	1.000	1.000	1.001														
June-98	1.895	1.302	1.102	1.073	1.033	1.025	1.022	1.018	1.021	1.024															
June-99	2.110	1.284	1.136	1.096	1.046	1.031	1.004	1.000	1.000																
June-00	1.814	1.257	1.144	1.076	1.015	1.066	1.034	1.019																	
June-01	1.815	1.351	1.142	1.107	1.059	1.048	1.050																		
June-02	1.771	1.260	1.166	1.070	1.046	1.002																			
June-03	2.034	1.393	1.157	1.050	1.038																				
June-04	2.031	1.366	1.195	1.088																					
June-05	2.018	1.374	1.177																						
June-06	2.056	1.352																							
June-07	2.002																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.071	1.334	1.174	1.100	1.069	1.045	1.039	1.025	1.022	1.018	1.015	1.015	1.012	1.012	1.010	1.008	1.009	1.009	1.009	1.010	1.008	1.010	1.012	1.017	1.019	
Latest 5	2.028	1.349	1.167	1.078	1.041	1.034	1.022	1.013	1.005	1.007	1.004	1.004	1.006	1.006	1.004	1.006	1.005	1.005	1.006	1.008	1.008					
Latest 3	2.025	1.364	1.176	1.069	1.048	1.039	1.029	1.012	1.007	1.008	1.001	1.002	1.005	1.009	1.005	1.003	1.003	1.006	1.007	1.006	1.002	1.008	1.012			
Volume Wtd																										
All Yrs	2.141	1.357	1.190	1.114	1.075	1.049	1.042	1.026	1.023	1.019	1.016	1.015	1.012	1.011	1.010	1.008	1.008	1.007	1.008	1.009	1.007	1.009	1.012	1.017		
Latest 5	2.029	1.351	1.167	1.078	1.042	1.034	1.024	1.013	1.005	1.008	1.004	1.007	1.006	1.004	1.005	1.006	1.006	1.006	1.006	1.008	1.007					
Latest 3	2.026	1.364	1.175	1.069	1.048	1.038	1.032	1.012	1.007	1.008	1.001	1.003	1.005	1.009	1.004	1.002	1.004	1.006	1.007	1.007	1.003	1.008				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	*2.035*	*1.378*	*1.173*	*1.076*	*1.043*	*1.036*	*1.020*	*1.018*	*1.011*	*1.005*	*1.006*	*1.010*	*1.009*	*1.007*	*1.007*	*1.008*	*1.008*	*1.008*	*1.006*	*1.009*	*1.009*	*1.012*	*1.015*	*1.015*	*1.024*	
Selected	2.025	1.364	1.175	1.069	1.042	1.034	1.029	1.017	1.005	1.005	1.004	1.007	1.008	1.009	1.006	1.008	1.006	1.007	1.007	1.010	1.008	1.013	1.012	1.011	1.010	1.019
FacToUlt	4.564	2.253	1.652	1.405	1.314	1.261	1.219	1.185	1.165	1.159	1.153	1.149	1.140	1.132	1.122	1.115	1.106	1.100	1.093	1.086	1.075	1.067	1.053	1.040	1.029	1.019
Percent of Ult	21.9%	44.4%	60.5%	71.2%	76.1%	79.3%	82.0%	84.4%	85.9%	86.3%	86.7%	87.1%	87.7%	88.3%	89.1%	89.7%	90.4%	90.9%	91.5%	92.1%	93.0%	93.8%	95.0%	96.1%	97.2%	98.1%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	23,322,870	26,173,396	23,561,369	25,871,104	238,498	1.0%	(302,292)	-1.2%
6/30/82-83	4,776,121	5,021,050	4,828,763	5,076,392	52,642	1.1%	55,342	1.1%
6/30/83-84	9,040,653	9,409,660	9,081,128	9,451,787	40,475	0.4%	42,127	0.4%
6/30/84-85	6,848,000	6,916,000	6,848,000	6,916,000	0	0.0%	0	0.0%
6/30/85-86	10,429,000	10,531,000	10,473,000	10,575,000	44,000	0.4%	44,000	0.4%
6/30/86-87	13,783,000	13,916,000	13,817,000	13,952,000	34,000	0.2%	36,000	0.3%
6/30/87-88	20,451,000	21,302,000	20,438,000	21,288,000	(13,000)	-0.1%	(14,000)	-0.1%
6/30/88-89	20,805,000	20,819,000	20,799,000	20,812,000	(6,000)	0.0%	(7,000)	0.0%
6/30/89-90	14,963,000	15,112,000	16,203,000	16,267,000	1,240,000	8.3%	1,155,000	7.6%
6/30/90-91	11,181,000	11,289,000	11,181,000	11,290,000	0	0.0%	1,000	0.0%
6/30/91-92	7,816,000	7,839,000	7,943,000	7,959,000	127,000	1.6%	120,000	1.5%
6/30/92-93	4,655,000	4,721,000	4,612,000	4,677,000	(43,000)	-0.9%	(44,000)	-0.9%
6/30/93-94	3,821,000	3,852,000	3,816,000	3,855,000	(5,000)	-0.1%	3,000	0.1%
6/30/94-95	2,351,000	2,395,000	2,323,000	2,360,000	(28,000)	-1.2%	(35,000)	-1.5%
6/30/95-96	3,371,000	3,416,000	3,302,000	3,349,000	(69,000)	-2.0%	(67,000)	-2.0%
6/30/96-97	2,832,000	2,894,000	2,799,000	2,847,000	(33,000)	-1.2%	(47,000)	-1.6%
6/30/97-98	2,787,000	2,823,000	2,796,000	2,829,000	9,000	0.3%	6,000	0.2%
6/30/98-99	2,665,000	2,716,000	2,609,000	2,650,000	(56,000)	-2.1%	(66,000)	-2.4%
6/30/99-00	2,455,000	2,508,000	2,419,000	2,456,000	(36,000)	-1.5%	(52,000)	-2.1%
6/30/00-01	3,498,000	3,499,000	3,524,000	3,535,000	26,000	0.7%	36,000	1.0%
6/30/01-02	2,804,000	2,865,000	2,752,000	2,795,000	(52,000)	-1.9%	(70,000)	-2.4%
6/30/02-03	3,613,000	3,614,000	3,573,000	3,589,000	(40,000)	-1.1%	(25,000)	-0.7%
6/30/03-04	3,414,000	3,430,000	3,437,000	3,456,000	23,000	0.7%	26,000	0.8%
6/30/04-05	3,424,000	3,426,000	3,388,000	3,392,000	(36,000)	-1.1%	(34,000)	-1.0%
6/30/05-06	3,169,000	3,385,000	3,085,000	3,257,000	(84,000)	-2.7%	(128,000)	-3.8%
6/30/06-07	2,973,000	3,540,000	2,877,000	3,315,000	(96,000)	-3.2%	(225,000)	-6.4%
6/30/07-08								
Total	191,247,645	197,412,106	192,485,260	197,820,282	1,237,615	0.6%	408,177	0.2%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 2, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	17,092,980	1.372	23,450,738	0.0%	0.0%	0	1,265,498	1,265,498	5.4%	1.000	1,265,498	1,265,498	1,265,498
6/30/82-83	3,991,417	1.143	4,561,982	0.0%	0.0%	0	390,400	390,400	8.6%	1.001	390,790	390,595	390,790
6/30/83-84	6,918,835	1.260	8,716,483	0.0%	0.0%	0	549,150	549,150	6.3%	1.003	550,799	549,974	550,249
6/30/84-85	5,650,202	1.062	5,999,534	0.0%	0.0%	0	1,129,851	1,129,851	18.8%	1.005	1,135,509	1,132,680	1,137,995
6/30/85-86	9,230,664	1.075	9,923,064	0.1%	0.1%	9,923	937,644	947,567	9.5%	1.010	947,051	947,309	954,269
6/30/86-87	11,347,192	1.072	12,167,469	0.1%	0.2%	24,335	2,067,717	2,092,052	17.2%	1.015	2,098,905	2,095,478	2,105,901
6/30/87-88	15,590,731	1.183	18,440,664	0.1%	0.3%	55,322	2,791,763	2,847,085	15.4%	1.020	2,848,041	2,847,563	2,871,668
6/30/88-89	15,710,703	1.086	17,056,395	0.2%	0.5%	85,282	3,639,613	3,724,895	21.8%	1.025	3,731,547	3,728,221	3,705,456
6/30/89-90	11,610,392	1.093	12,687,708	0.2%	0.7%	88,814	3,352,581	3,441,395	27.1%	1.033	3,461,588	3,451,492	3,468,005
6/30/90-91	8,289,927	1.100	9,119,417	0.2%	0.9%	82,075	2,565,430	2,647,505	29.0%	1.037	2,661,369	2,654,437	2,673,139
6/30/91-92	5,480,341	1.106	6,063,227	0.3%	1.2%	72,759	1,806,412	1,879,171	31.0%	1.041	1,880,867	1,880,019	1,727,579
6/30/92-93	3,210,473	1.115	3,579,186	0.3%	1.5%	53,688	979,103	1,032,791	28.9%	1.054	1,032,359	1,032,575	1,040,928
6/30/93-94	2,487,353	1.122	2,790,455	0.3%	1.8%	50,228	968,701	1,018,929	36.5%	1.065	1,031,606	1,025,267	1,034,640
6/30/94-95	1,526,329	1.132	1,727,644	0.3%	2.1%	36,281	555,200	591,481	34.2%	1.081	600,122	595,801	601,700
6/30/95-96	2,182,890	1.140	2,489,567	0.3%	2.4%	59,750	746,640	806,390	32.4%	1.097	819,157	812,773	821,472
6/30/96-97	1,787,627	1.149	2,053,137	0.3%	2.7%	55,435	679,550	734,985	35.8%	1.114	756,734	745,860	753,157
6/30/97-98	1,926,278	1.153	2,221,122	0.3%	3.0%	66,634	508,163	574,797	25.9%	1.130	574,369	574,583	585,558
6/30/98-99	1,735,176	1.159	2,010,773	0.5%	3.5%	70,377	522,071	592,448	29.5%	1.159	604,841	598,645	612,096
6/30/99-00	1,774,284	1.165	2,066,531	0.5%	4.0%	82,661	283,501	366,162	17.7%	1.193	338,301	352,232	356,493
6/30/00-01	2,630,995	1.185	3,116,871	1.0%	5.0%	155,844	251,103	406,947	13.1%	1.229	308,630	406,947	420,810
6/30/01-02	1,929,260	1.219	2,352,182	1.0%	6.0%	141,131	258,214	399,344	17.0%	1.299	335,498	399,344	353,728
6/30/02-03	2,434,780	1.261	3,070,196	1.0%	7.0%	214,914	288,024	502,937	16.4%	1.476	425,029	502,937	501,061
6/30/03-04	2,220,200	1.314	2,917,690	1.4%	8.4%	245,086	274,324	519,410	17.8%	1.694	464,705	519,410	500,000
6/30/04-05	2,055,018	1.405	2,888,231	2.5%	10.9%	314,817	151,152	465,969	16.1%	2.597	392,503	500,000	500,000
6/30/05-06	1,564,874	1.652	2,585,051	3.5%	14.4%	372,247	65,002	437,249	16.9%	4.218	274,201	500,000	500,000
6/30/06-07	1,054,827	2.253	2,376,966	2.9%	17.3%	412,255	8,500	420,755	17.7%	11.008	93,571	500,000	500,000
6/30/07-08	492,006	4.564	2,245,653	2.5%	19.8%	445,621	0	445,621	19.8%	60.546	0	500,000	
Total	141,925,754		168,677,936			3,195,477	27,035,306	30,230,783	17.9%		29,023,591	30,509,641	29,932,193

NOTES:
(2) From Section 2, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 2, Exhibit 1, Page 2, Column 6
(5) From Section 2, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 2, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 2, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensatior
Department of Mental Retardation - Cluster 1
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	12,000	24,000	9,000	0	0	40,000	0	172,000	110,000	50,000	70,500	30,000	208,333	116,667	324,998	0	60,000	35,000	0	3,000	0
Jun-83	0	0	0	0	0	0	0	0	25,500	25,000	52,900	7,000	30,000	95,000	145,000	0	10,000	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	32,500	19,000	0	45,000	108,650	69,000	145,000	0	45,000	0	30,000	10,000	0	45,000	0	0	0	0	0	0		
Jun-85	0	0	0	12,500	32,500	24,500	92,001	128,250	196,400	182,000	70,000	48,500	205,700	0	0	30,000	52,500	30,000	0	25,000	0	0	0	0			
Jun-86	0	0	23,500	19,200	19,100	93,844	174,500	476,000	95,500	0	0	0	36,000	0	0	0	0	0	0	0	0	0	0				
Jun-87	0	36,440	6,089	107,500	67,961	393,241	517,987	205,500	149,499	10,000	92,500	15,000	146,000	125,000	120,000	75,000	0	0	0	0	0	0					
Jun-88	0	9,000	98,700	314,201	299,750	663,711	365,000	263,001	345,000	230,400	71,500	91,500	40,000	0	0	0	0	0	0	0	0						
Jun-89	0	51,500	107,000	525,918	831,350	467,250	201,495	468,000	227,500	96,000	182,000	228,100	128,500	0	0	0	0	33,333	45,833	45,834							
Jun-90	0	83,875	561,509	740,856	246,000	295,600	525,500	290,000	127,241	77,000	235,834	135,833	33,333	0	0	0	0	0	0								
Jun-91	10,000	315,052	866,050	279,500	174,700	509,340	313,000	57,788	15,000	25,000	0	0	0	0	0	0	0	0									
Jun-92	54,000	344,161	128,250	87,501	545,500	236,500	52,500	15,000	30,000	60,000	88,000	0	0	0	0	0	165,000										
Jun-93	33,000	174,000	164,503	395,750	49,500	66,500	75,850	0	20,000	0	0	0	0	0	0	0											
Jun-94	20,500	90,701	289,500	222,500	110,000	82,500	118,000	0	35,000	0	0	0	0	0	0												
Jun-95	4,000	156,500	207,200	162,500	15,000	0	0	10,000	0	0	0	0	0	0													
Jun-96	52,000	212,180	221,000	48,960	42,000	0	48,667	18,833	43,000	35,000	25,000	0	0														
Jun-97	36,500	178,250	214,000	155,300	85,500	10,000	0	0	0	0	0	0															
Jun-98	10,000	108,163	240,000	120,000	30,000	0	0	0	0	0	0																
Jun-99	0	182,500	192,000	113,220	1,824	7,437	11,035	14,055	0	0																	
Jun-00	12,500	57,501	82,000	36,500	38,500	8,500	10,500	27,500	10,000																		
Jun-01	17,500	22,844	43,510	37,903	34,170	41,676	38,500	15,000																			
Jun-02	0	800	23,940	52,775	72,135	32,564	76,000																				
Jun-03	0	0	48,352	99,400	91,822	48,450																					
Jun-04	0	0	88,974	64,100	121,250																						
Jun-05	0	7,500	39,052	104,600																							
Jun-06	0	14,800	50,202																								
Jun-07	0	8,500																									
Jun-08	0																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	12,000	36,000	45,000	45,000	45,000	85,000	85,000	257,000	367,000	417,000	487,500	517,500	725,833	842,500	1,167,498	1,167,498	1,227,498	1,262,498	1,262,498	1,265,498	1,265,498
Jun-83	0	0	0	0	0	0	0	0	25,500	50,500	103,400	110,400	140,400	235,400	380,400	380,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	
Jun-84	0	0	0	0	0	32,500	51,500	51,500	96,500	205,150	274,150	419,150	419,150	464,150	464,150	494,150	504,150	504,150	549,150	549,150	549,150	549,150	549,150	549,150	549,150		
Jun-85	0	0	0	12,500	45,000	69,500	161,501	289,751	486,151	668,151	738,151	786,651	992,351	992,351	992,351	1,022,351	1,074,851	1,104,851	1,104,851	1,129,851	1,129,851	1,129,851	1,129,851	1,129,851			
Jun-86	0	0	23,500	42,700	61,800	155,644	330,144	806,144	901,644	901,644	901,644	901,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644				
Jun-87	0	36,440	42,529	150,029	217,990	611,231	1,129,218	1,334,718	1,484,217	1,494,217	1,586,717	1,601,717	1,747,717	1,872,717	1,992,717	2,067,717	2,067,717	2,067,717	2,067,717	2,067,717	2,067,717	2,067,717					
Jun-88	0	9,000	107,700	421,901	721,651	1,385,362	1,750,362	2,013,363	2,358,363	2,588,763	2,660,263	2,751,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763						
Jun-89	0	51,500	158,500	684,418	1,515,768	1,983,018	2,184,513	2,652,513	2,880,013	2,976,013	3,158,013	3,386,113	3,514,613	3,514,613	3,514,613	3,514,613	3,514,613	3,547,946	3,593,779	3,639,613							
Jun-90	0	83,875	645,384	1,386,240	1,632,240	1,927,840	2,453,340	2,743,340	2,870,581	2,947,581	3,183,415	3,319,248	3,352,581	3,352,581	3,352,581	3,352,581	3,352,581	3,352,581	3,352,581								
Jun-91	10,000	325,052	1,191,102	1,470,602	1,645,302	2,154,642	2,467,642	2,525,430	2,540,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430									
Jun-92	54,000	398,161	526,411	613,912	1,159,412	1,395,912	1,448,412	1,463,412	1,493,412	1,553,412	1,641,412	1,641,412	1,641,412	1,641,412	1,641,412	1,641,412	1,806,412										
Jun-93	33,000	207,000	371,503	767,253	816,753	883,253	959,103	959,103	979,103	979,103	979,103	979,103	979,103	979,103	979,103	979,103											
Jun-94	20,500	111,201	400,701	623,201	733,201	815,701	933,701	933,701	968,701	968,701	968,701	968,701	968,701	968,701	968,701												
Jun-95	4,000	160,500	367,700	530,200	545,200	545,200	545,200	555,200	555,200	555,200	555,200	555,200	555,200	555,200													
Jun-96	52,000	264,180	485,180	534,140	576,140	576,140	624,807	643,640	686,640	721,640	746,640	746,640	746,640														
Jun-97	36,500	214,750	428,750	584,050	669,550	679,550	679,550	679,550	679,550	679,550	679,550	679,550															
Jun-98	10,000	118,163	358,163	478,163	508,163	508,163	508,163	508,163	508,163	508,163	508,163																
Jun-99	0	182,500	374,500	487,720	489,544	496,981	508,016	522,071	522,071	522,071																	
Jun-00	12,500	70,001	152,001	188,501	227,001	235,501	246,001	273,501	283,501																		
Jun-01	17,500	40,344	83,854	121,757	155,927	197,603	236,103	251,103																			
Jun-02	0	800	24,740	77,515	149,650	182,214	258,214																				
Jun-03	0	0	48,352	147,752	239,574	288,024																					
Jun-04	0	0	88,974	153,074	274,324																						
Jun-05	0	7,500	46,552	151,152																							
Jun-06	0	14,800	65,002																								
Jun-07	0	8,500																									
Jun-08	0																										

Commonwealth of Massachusetts Workers Compensatior
Department of Mental Retardation - Cluster 1
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sum

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.001	0.000	0.000	0.000	0.002	0.000	0.007	0.005	0.002	0.003	0.001	0.009	0.005	0.014	0.000	0.003	0.001	0.000	0.000	0.000
Jun-83	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.005	0.012	0.002	0.007	0.021	0.032	0.000	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.000	0.004	0.002	0.000	0.005	0.012	0.008	0.017	0.000	0.005	0.000	0.003	0.001	0.000	0.005	0.000	0.000	0.000	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.002	0.005	0.004	0.015	0.021	0.033	0.030	0.012	0.008	0.034	0.000	0.000	0.005	0.009	0.005	0.000	0.004	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.002	0.002	0.002	0.009	0.018	0.048	0.010	0.000	0.000	0.000	0.004	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Jun-87	0.000	0.003	0.001	0.009	0.006	0.032	0.043	0.017	0.012	0.001	0.008	0.001	0.012	0.010	0.010	0.006	0.000	0.000	0.000	0.000	0.000	0.000					
Jun-88	0.000	0.000	0.005	0.017	0.016	0.036	0.020	0.014	0.019	0.012	0.004	0.005	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						
Jun-89	0.000	0.003	0.006	0.031	0.049	0.027	0.012	0.027	0.013	0.006	0.011	0.013	0.008	0.000	0.000	0.000	0.000	0.002	0.003	0.003							
Jun-90	0.000	0.007	0.044	0.058	0.019	0.023	0.041	0.023	0.010	0.006	0.019	0.011	0.003	0.000	0.000	0.000	0.000	0.000	0.000								
Jun-91	0.001	0.035	0.095	0.031	0.019	0.056	0.034	0.006	0.002	0.003	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000									
Jun-92	0.009	0.057	0.021	0.014	0.090	0.039	0.009	0.002	0.005	0.010	0.015	0.000	0.000	0.000	0.000	0.000	0.027										
Jun-93	0.009	0.049	0.046	0.111	0.014	0.019	0.021	0.000	0.006	0.000	0.000	0.000	0.000	0.000	0.000	0.000											
Jun-94	0.007	0.033	0.104	0.080	0.039	0.030	0.042	0.000	0.013	0.000	0.000	0.000	0.000	0.000	0.000												
Jun-95	0.002	0.091	0.120	0.094	0.009	0.000	0.000	0.006	0.000	0.000	0.000	0.000	0.000	0.000													
Jun-96	0.021	0.085	0.089	0.020	0.017	0.000	0.020	0.008	0.017	0.014	0.010	0.000	0.000														
Jun-97	0.018	0.087	0.104	0.076	0.042	0.005	0.000	0.000	0.000	0.000	0.000	0.000															
Jun-98	0.005	0.049	0.108	0.054	0.014	0.000	0.000	0.000	0.000	0.000	0.000																
Jun-99	0.000	0.091	0.095	0.056	0.001	0.004	0.005	0.007	0.000	0.000																	
Jun-00	0.006	0.028	0.040	0.018	0.019	0.004	0.005	0.013	0.005																		
Jun-01	0.006	0.007	0.014	0.012	0.011	0.013	0.012	0.005																			
Jun-02	0.000	0.000	0.010	0.022	0.031	0.014	0.032																				
Jun-03	0.000	0.000	0.016	0.032	0.030	0.016																					
Jun-04	0.000	0.000	0.030	0.022	0.042																						
Jun-05	0.000	0.003	0.014	0.036																							
Jun-06	0.000	0.006	0.019																								
Jun-07	0.000	0.004																									
Jun-08	0.000																										

Averages		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
Simple Avg																											
All Yrs (ex P)	0.003	0.025	0.041	0.035	0.022	0.016	0.017	0.010	0.009	0.006	0.006	0.004	0.005	0.003	0.003	0.001	0.004	0.001	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	
Latest 5	0.000	0.002	0.018	0.025	0.026	0.010	0.011	0.005	0.004	0.003	0.002	0.000	0.000	0.000	0.000	0.000	0.005	0.000	0.001	0.001	0.000	0.000					
Latest 3	0.000	0.004	0.021	0.030	0.034	0.014	0.017	0.008	0.002	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.009	0.001	0.001	0.001	0.000	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.003	0.024	0.039	0.033	0.019	0.015	0.016	0.009	0.008	0.005	0.006	0.003	0.003	0.001	0.001	0.001	0.002	0.000	0.000	0.001	0.000	0.000	0.000	0.000			
Latest 10	0.001	0.012	0.042	0.033	0.021	0.007	0.012	0.003	0.004	0.002	0.004	0.002	0.002	0.000	0.000	0.001	0.002										
Latest 5	0.000	0.002	0.016	0.026	0.026	0.010	0.008	0.004	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.000	0.000					

Dev Factor Selection																											
Prior	*NA*	*0.025*	*0.029*	*0.035*	*0.025*	*0.014*	*0.010*	*0.010*	*0.010*	*0.005*	*0.005*	*0.003*	*0.003*	*0.003*	*0.003*	*0.003*	*0.003*	*0.003*	*0.002*	*0.002*	*0.002*	*0.001*	*0.001*	*0.001*	*0.000*	*0.000*	
Selected	NA	0.025	0.029	0.035	0.025	0.014	0.010	0.010	0.010	0.005	0.005	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.002	0.002	0.002	0.001	0.001	0.001	0.000	0.000	0.000
FacToUlt	NA	0.198	0.173	0.144	0.109	0.084	0.070	0.060	0.050	0.040	0.035	0.030	0.027	0.024	0.021	0.018	0.015	0.012	0.009	0.007	0.005	0.003	0.002	0.001	0.000	0.000	0.000

Commonwealth of Massachusetts Workers Compensatior
Department of Mental Retardation - Cluster 1
INDEMNITY
Paid Loss Developmen
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	12,000	36,000	45,000	45,000	45,000	85,000	85,000	257,000	367,000	417,000	487,500	517,500	725,833	842,500	1,167,498	1,167,498	1,227,498	1,262,498	1,262,498	1,265,498	1,265,498
Jun-83	0	0	0	0	0	0	0	0	25,500	50,500	103,400	110,400	140,400	235,400	380,400	380,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	390,400	
Jun-84	0	0	0	0	0	32,500	51,500	51,500	96,500	205,150	274,150	419,150	419,150	464,150	464,150	494,150	504,150	504,150	549,150	549,150	549,150	549,150	549,150	549,150	549,150		
Jun-85	0	0	0	12,500	45,000	69,500	161,501	289,751	486,151	668,151	738,151	786,651	992,351	992,351	992,351	1,022,351	1,074,851	1,104,851	1,104,851	1,129,851	1,129,851	1,129,851	1,129,851	1,129,851			
Jun-86	0	0	23,500	42,700	61,800	155,644	330,144	806,144	901,644	901,644	901,644	901,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644	937,644				
Jun-87	0	36,440	42,529	150,029	217,990	611,231	1,129,218	1,334,718	1,484,217	1,494,217	1,586,717	1,601,717	1,747,717	1,872,717	1,992,717	2,067,717	2,067,717	2,067,717	2,067,717	2,067,717	2,067,717	2,067,717					
Jun-88	0	9,000	107,700	421,901	721,651	1,385,362	1,750,362	2,013,363	2,358,363	2,588,763	2,660,263	2,751,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763	2,791,763						
Jun-89	0	51,500	158,500	684,418	1,515,768	1,983,018	2,184,513	2,652,513	2,880,013	2,976,013	3,158,013	3,386,113	3,514,613	3,514,613	3,514,613	3,514,613	3,514,613	3,547,946	3,593,779	3,639,613							
Jun-90	0	83,875	645,384	1,386,240	1,632,240	1,927,840	2,453,340	2,743,340	2,870,581	2,947,581	3,183,415	3,319,248	3,352,581	3,352,581	3,352,581	3,352,581	3,352,581	3,352,581	3,352,581								
Jun-91	10,000	325,052	1,191,102	1,470,602	1,645,302	2,154,642	2,467,642	2,525,430	2,540,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430	2,565,430									
Jun-92	54,000	398,161	526,411	613,912	1,159,412	1,395,912	1,448,412	1,463,412	1,493,412	1,553,412	1,641,412	1,641,412	1,641,412	1,641,412	1,641,412	1,641,412	1,806,412										
Jun-93	33,000	207,000	371,503	767,253	816,753	883,253	959,103	959,103	979,103	979,103	979,103	979,103	979,103	979,103	979,103	979,103											
Jun-94	20,500	111,201	400,701	623,201	733,201	815,701	933,701	933,701	968,701	968,701	968,701	968,701	968,701	968,701	968,701												
Jun-95	4,000	160,500	367,700	530,200	545,200	545,200	545,200	555,200	555,200	555,200	555,200	555,200	555,200	555,200													
Jun-96	52,000	264,180	485,180	534,140	576,140	576,140	624,807	643,640	686,640	721,640	746,640	746,640	746,640														
Jun-97	36,500	214,750	428,750	584,050	669,550	679,550	679,550	679,550	679,550	679,550	679,550	679,550															
Jun-98	10,000	118,163	358,163	478,163	508,163	508,163	508,163	508,163	508,163	508,163	508,163																
Jun-99	0	182,500	374,500	487,720	489,544	496,981	508,016	522,071	522,071	522,071																	
Jun-00	12,500	70,001	152,001	188,501	227,001	235,501	246,001	273,501	283,501																		
Jun-01	17,500	40,344	83,854	121,757	155,927	197,603	236,103	251,103																			
Jun-02	0	800	24,740	77,515	149,650	182,214	258,214																				
Jun-03	0	0	48,352	147,752	239,574	288,024																					
Jun-04	0	0	88,974	153,074	274,324																						
Jun-05	0	7,500	46,552	151,152																							
Jun-06	0	14,800	65,002																								
Jun-07	0	8,500																									
Jun-08	0																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs							3.000	1.250	1.000	1.000	1.889	1.000	3.024	1.428	1.136	1.169	1.062	1.403	1.161	1.386	1.000	1.051	1.029	1.000	1.002	1.000	
Jun-83									1.980	2.048	1.068	1.272	1.677	1.616	1.000	1.026	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84						1.585	1.000	1.874	2.126	1.336	1.529	1.000	1.107	1.000	1.065	1.020	1.000	1.089	1.000	1.000	1.000	1.000	1.000	1.000			
Jun-85				3.600	1.544	2.324	1.794	1.678	1.374	1.105	1.066	1.261	1.000	1.000	1.030	1.051	1.028	1.000	1.023	1.000	1.000	1.000	1.000				
Jun-86			1.817	1.447	2.519	2.121	2.442	1.118	1.000	1.000	1.000	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Jun-87		1.167	3.528	1.453	2.804	1.847	1.182	1.112	1.007	1.062	1.009	1.091	1.072	1.064	1.038	1.000	1.000	1.000	1.000	1.000	1.000						
Jun-88		11.967	3.917	1.710	1.920	1.263	1.150	1.171	1.098	1.028	1.034	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
Jun-89		3.078	4.318	2.215	1.308	1.102	1.214	1.086	1.033	1.061	1.072	1.038	1.000	1.000	1.000	1.000	1.009	1.013	1.013								
Jun-90		7.695	2.148	1.177	1.181	1.273	1.118	1.046	1.027	1.080	1.043	1.010	1.000	1.000	1.000	1.000	1.000	1.000									
Jun-91	32.505	3.664	1.235	1.119	1.310	1.145	1.023	1.006	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
Jun-92	7.373	1.322	1.166	1.889	1.204	1.038	1.010	1.021	1.040	1.057	1.000	1.000	1.000	1.000	1.000	1.101											
Jun-93	6.273	1.795	2.065	1.065	1.081	1.086	1.000	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.000												
Jun-94	5.424	3.603	1.555	1.177	1.113	1.145	1.000	1.037	1.000	1.000	1.000	1.000	1.000	1.000													
Jun-95	40.125	2.291	1.442	1.028	1.000	1.000	1.018	1.000	1.000	1.000	1.000	1.000	1.000														
Jun-96	5.080	1.837	1.101	1.079	1.000	1.084	1.030	1.067	1.051	1.035	1.000	1.000															
Jun-97	5.884	1.997	1.362	1.146	1.015	1.000	1.000	1.000	1.000	1.000	1.000																
Jun-98	11.816	3.031	1.335	1.063	1.000	1.000	1.000	1.000	1.000	1.000																	
Jun-99		2.052	1.302	1.004	1.015	1.022	1.028	1.000	1.000																		
Jun-00	5.600	2.171	1.240	1.204	1.037	1.045	1.112	1.037																			
Jun-01	2.305	2.078	1.452	1.281	1.267	1.195	1.064																				
Jun-02		30.925	3.133	1.931	1.218	1.417																					
Jun-03			3.056	1.621	1.202																						
Jun-04			1.720	1.792																							
Jun-05		6.207	3.247																								
Jun-06		4.392																									
Jun-07																											

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	12.239	5.071	2.107	1.500	1.355	1.300	1.177	1.134	1.162	1.113	1.055	1.052	1.066	1.057	1.012	1.020	1.004	1.013	1.005	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5		13.841	2.522	1.566	1.148	1.136	1.041	1.021	1.010	1.007	1.000	1.000	1.000	1.000	1.000	1.020	1.002	1.002	1.007	1.000	1.000	1.010					
Latest 3		5.299	2.674	1.781	1.229	1.219	1.068	1.012	1.000	1.012	1.000	1.000	1.000	1.000	1.000	1.034	1.003	1.004	1.004	1.000	1.000	1.000	1.000	1.000			
Volume Wtd																											
All Yrs (ex P)	9.217	2.610	1.624	1.307	1.249	1.178	1.116	1.072	1.042	1.044	1.032	1.030	1.013	1.013	1.007	1.013	1.004	1.006	1.006	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5		11.845	2.227	1.520	1.110	1.084	1.026	1.020	1.012	1.007	1.000	1.000	1.000	1.000	1.000	1.012	1.002	1.004	1.007	1.000	1.000						
Latest 3		8.992	2.458	1.754	1.225	1.203	1.057	1.008	1.000	1.013	1.000	1.000	1.000	1.000	1.000	1.022	1.004	1.005	1.005	1.000	1.000	1.000	1.000				

Dev Factor Selection	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Prior	5.500	2.598	1.612	1.446	1.108	1.052	1.033	1.030	1.030	1.025	1.015	1.015	1.015	1.015	1.010	1.008	1.006	1.005	1.005	1.005	1.005	1.005	1.005	1.002	1.002	1.000	
Selected	5.500	2.610	1.624	1.533	1.148	1.136	1.057	1.030	1.030	1.025	1.015	1.015	1.015	1.015	1.010	1.013	1.004	1.005	1.007	1.005	1.005	1.005	1.005	1.002	1.002	1.001	1.000
FacToUlt	60.546	11.008	4.218	2.597	1.694	1.476	1.299	1.229	1.193	1.159	1.130	1.114	1.097	1.081	1.065	1.054	1.041	1.037	1.033	1.025	1.020	1.015	1.010	1.005	1.003	1.001	1.000
Percent of Ult	1.7%	9.1%	23.7%	38.5%	59.0%	67.8%	77.0%	81.4%	83.8%	86.3%	88.5%	89.8%	91.1%	92.5%	93.9%	94.8%	96.0%	96.4%	96.9%	97.5%	98.0%	98.5%	99.0%	99.5%	99.7%	99.9%	100.0%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	1.9%	0.0%	0.7%	0.4%	1.000	1.000
312	98.1%	1.0%	1.9%	0.4%	0.2%	0.981	0.971
300	97.2%	1.1%	2.8%	0.4%	0.3%	0.956	0.935
288	96.1%	1.1%	3.9%	0.5%	0.3%	0.936	0.907
276	95.0%	1.2%	5.0%	0.5%	0.3%	0.918	0.882
264	93.8%	0.8%	6.2%	0.3%	0.2%	0.902	0.859
252	93.0%	0.9%	7.0%	0.4%	0.3%	0.880	0.828
240	92.1%	0.6%	7.9%	0.3%	0.2%	0.861	0.802
228	91.5%	0.6%	8.5%	0.3%	0.2%	0.839	0.772
216	90.9%	0.5%	9.1%	0.3%	0.2%	0.818	0.745
204	90.4%	0.7%	9.6%	0.4%	0.3%	0.797	0.717
192	89.7%	0.6%	10.3%	0.3%	0.2%	0.781	0.696
180	89.1%	0.8%	10.9%	0.4%	0.3%	0.762	0.673
168	88.3%	0.7%	11.7%	0.4%	0.3%	0.750	0.658
156	87.7%	0.6%	12.3%	0.4%	0.3%	0.735	0.639
144	87.1%	0.3%	12.9%	0.2%	0.2%	0.720	0.621
132	86.7%	0.4%	13.3%	0.3%	0.2%	0.700	0.595
120	86.3%	0.4%	13.7%	0.3%	0.3%	0.682	0.575
108	85.9%	1.4%	14.1%	1.0%	0.9%	0.666	0.555
96	84.4%	2.4%	15.6%	1.8%	1.5%	0.672	0.565
84	82.0%	2.7%	18.0%	2.1%	1.9%	0.691	0.592
72	79.3%	3.2%	20.7%	2.6%	2.3%	0.706	0.612
60	76.1%	4.9%	23.9%	4.1%	3.8%	0.719	0.631
48	71.2%	10.6%	28.8%	9.3%	8.7%	0.741	0.659
36	60.5%	16.2%	39.5%	14.6%	14.0%	0.785	0.716
24	44.4%	22.5%	55.6%	21.2%	20.6%	0.820	0.761
12	21.9%	21.9%	78.1%	21.5%	21.3%	0.844	0.791
Total		100.0%					

NOTES:

(2) = 1 / Section 2, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
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Department of Mental Retardation - Cluster 1
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	5,202,891	7,512,626		4,550,371	6,570,431
6/30/82-83	446,946	694,575	0.981	438,267	681,087
6/30/83-84	1,613,143	1,983,801	0.956	1,541,900	1,896,188
6/30/84-85	67,947	135,947	0.936	63,586	127,222
6/30/85-86	304,692	406,692	0.918	279,754	373,405
6/30/86-87	402,091	537,091	0.902	362,656	484,416
6/30/87-88	2,055,506	2,905,506	0.880	1,807,854	2,555,444
6/30/88-89	1,448,684	1,461,684	0.861	1,247,171	1,258,363
6/30/89-90	1,240,027	1,304,027	0.839	1,039,898	1,093,569
6/30/90-91	325,643	434,643	0.818	266,357	355,512
6/30/91-92	656,247	672,247	0.797	522,984	535,735
6/30/92-93	422,424	487,424	0.781	329,742	380,481
6/30/93-94	359,946	398,946	0.762	274,438	304,174
6/30/94-95	241,471	278,471	0.750	181,080	208,826
6/30/95-96	372,470	419,470	0.735	273,799	308,348
6/30/96-97	331,823	379,823	0.720	238,847	273,398
6/30/97-98	361,559	394,559	0.700	252,934	276,020
6/30/98-99	351,753	392,753	0.682	240,019	267,996
6/30/99-00	361,215	398,215	0.666	240,608	265,254
6/30/00-01	641,902	652,902	0.672	431,391	438,783
6/30/01-02	564,526	607,526	0.691	389,905	419,604
6/30/02-03	850,197	866,197	0.706	599,939	611,229
6/30/03-04	942,476	961,476	0.719	677,696	691,358
6/30/04-05	1,181,831	1,185,831	0.741	875,680	878,644
6/30/05-06	1,455,124	1,627,124	0.785	1,141,661	1,276,608
6/30/06-07	1,813,673	2,251,673	0.820	1,487,408	1,846,615
6/30/07-08	2,253,994	3,038,994	0.844	1,901,945	2,564,336
Total	26,270,200	32,390,222		21,657,887	26,943,045
			(7) Total Discount Factor:	0.824	0.832

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	5,202,891	7,512,626
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	743,270	1,073,232
(11) Discounted Value at 4%:	4,550,371	6,570,431

NOTES:
(2), (3) From Section 2, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 2, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	5,202,891	7,512,626		4,273,694	6,170,928
6/30/82-83	446,946	694,575	0.971	434,112	674,631
6/30/83-84	1,613,143	1,983,801	0.935	1,508,634	1,855,279
6/30/84-85	67,947	135,947	0.907	61,595	123,238
6/30/85-86	304,692	406,692	0.882	268,599	358,517
6/30/86-87	402,091	537,091	0.859	345,361	461,315
6/30/87-88	2,055,506	2,905,506	0.828	1,701,424	2,405,003
6/30/88-89	1,448,684	1,461,684	0.802	1,162,359	1,172,789
6/30/89-90	1,240,027	1,304,027	0.772	957,449	1,006,864
6/30/90-91	325,643	434,643	0.745	242,462	323,620
6/30/91-92	656,247	672,247	0.717	470,461	481,931
6/30/92-93	422,424	487,424	0.696	294,015	339,257
6/30/93-94	359,946	398,946	0.673	242,194	268,435
6/30/94-95	241,471	278,471	0.658	158,792	183,123
6/30/95-96	372,470	419,470	0.639	238,138	268,187
6/30/96-97	331,823	379,823	0.621	205,936	235,726
6/30/97-98	361,559	394,559	0.595	215,290	234,940
6/30/98-99	351,753	392,753	0.575	202,130	225,690
6/30/99-00	361,215	398,215	0.555	200,596	221,144
6/30/00-01	641,902	652,902	0.565	362,946	369,166
6/30/01-02	564,526	607,526	0.592	334,005	359,446
6/30/02-03	850,197	866,197	0.612	520,649	530,447
6/30/03-04	942,476	961,476	0.631	594,285	606,266
6/30/04-05	1,181,831	1,185,831	0.659	779,255	781,893
6/30/05-06	1,455,124	1,627,124	0.716	1,041,850	1,165,000
6/30/06-07	1,813,673	2,251,673	0.761	1,380,925	1,714,417
6/30/07-08	2,253,994	3,038,994	0.791	1,783,105	2,404,109
Total	26,270,200	32,390,222		19,980,264	24,941,360
			(7) Total Discount Factor:	0.761	0.770

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	5,202,891	7,512,626
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	743,270	1,073,232
(11) Discounted Value at 6%:	4,273,694	6,170,928

NOTES:
(2), (3) From Section 2, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 2, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
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Department of Mental Retardation - Cluster 1
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	24,794,431	27,111,331	19,560,825	5,233,605	7,550,505				376,353	413,988	7.2%	5.5%
6/30/82-83	5,089,732	5,347,611	4,642,786	446,946	704,825	89.0%	1.0%	9.1%	40,502	63,871	9.1%	9.1%
6/30/83-84	10,439,458	10,880,159	8,826,315	1,613,143	2,053,843	82.8%	1.0%	5.8%	93,787	119,409	5.8%	5.8%
6/30/84-85	7,586,530	7,661,842	7,511,271	75,259	150,571	98.5%	1.5%	101.3%	76,224	152,502	101.3%	101.3%
6/30/85-86	12,106,000	12,209,000	11,761,860	344,140	447,140	96.7%	1.5%	46.1%	158,625	206,100	46.1%	46.1%
6/30/86-87	15,765,000	15,903,000	15,311,262	453,738	591,738	96.7%	1.0%	30.3%	137,440	179,240	30.3%	30.3%
6/30/87-88	22,990,000	23,845,000	20,862,116	2,127,884	2,982,884	89.1%	1.0%	9.2%	194,999	273,351	9.2%	9.2%
6/30/88-89	24,727,000	24,743,000	23,160,050	1,566,950	1,582,950	93.6%	1.0%	15.7%	246,094	248,606	15.7%	15.7%
6/30/89-90	19,999,000	20,072,000	18,640,237	1,358,763	1,431,763	93.0%	1.0%	14.4%	195,114	205,596	14.4%	14.4%
6/30/90-91	14,130,000	14,253,000	13,708,269	421,731	544,731	96.6%	1.5%	44.1%	185,781	239,964	44.1%	44.1%
6/30/91-92	10,398,000	10,425,000	9,657,085	740,915	767,915	92.8%	3.8%	53.0%	392,740	407,052	53.0%	53.0%
6/30/92-93	6,413,000	6,486,000	5,924,609	488,391	561,391	91.9%	0.9%	11.0%	53,559	61,564	11.0%	11.0%
6/30/93-94	5,130,000	5,176,000	4,718,677	411,323	457,323	91.6%	0.3%	3.4%	14,156	15,739	3.4%	3.4%
6/30/94-95	3,258,871	3,305,137	3,008,134	250,737	297,003	91.7%	-0.1%	-1.0%	-2,522	-2,988	-1.0%	-1.0%
6/30/95-96	4,350,000	4,403,000	3,931,903	418,097	471,097	89.8%	1.8%	17.9%	74,663	84,128	17.9%	17.9%
6/30/96-97	3,722,000	3,774,000	3,347,712	374,288	426,288	89.3%	0.5%	4.9%	18,269	20,807	4.9%	4.9%
6/30/97-98	3,580,000	3,617,000	3,179,031	400,969	437,969	88.3%	1.0%	8.4%	33,598	36,698	8.4%	8.4%
6/30/98-99	3,272,000	3,319,000	2,884,598	387,402	434,402	87.5%	0.8%	6.5%	25,224	28,284	6.5%	6.5%
6/30/99-00	3,194,000	3,236,000	2,788,379	405,621	447,621	86.7%	0.8%	6.0%	24,488	27,024	6.0%	6.0%
6/30/00-01	4,657,000	4,669,000	3,944,142	712,858	724,858	84.6%	2.1%	13.9%	99,255	100,926	13.9%	13.9%
6/30/01-02	3,573,000	3,622,000	2,934,243	638,757	687,757	81.6%	3.0%	16.4%	104,645	112,673	16.4%	16.4%
6/30/02-03	4,485,000	4,506,000	3,523,423	961,577	982,577	78.4%	3.2%	14.7%	141,711	144,806	14.7%	14.7%
6/30/03-04	4,316,000	4,337,000	3,226,285	1,089,715	1,110,715	74.6%	3.8%	15.0%	163,110	166,253	15.0%	15.0%
6/30/04-05	4,476,000	4,606,000	3,148,310	1,327,690	1,457,690	69.3%	5.2%	17.1%	226,824	249,034	17.1%	17.1%
6/30/05-06	4,192,000	4,503,000	2,472,521	1,719,479	2,030,479	56.9%	12.5%	28.9%	496,714	586,553	28.9%	28.9%
6/30/06-07	4,132,000	4,709,000	1,809,945	2,322,055	2,899,055	40.9%	15.9%	27.0%	626,281	781,904	27.0%	27.0%
6/30/07-08	4,197,000	5,193,000	910,879	3,286,121	4,282,121	19.4%	21.5%	26.7%	878,348	1,144,569	26.7%	26.7%
Total	234,973,022	241,912,080	205,394,870	29,578,152	36,517,210				5,075,980	6,067,656	17.2%	16.6%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		1,202,348			1,233,062	1,240,227	30,714	37,879		
6/30/82-83		260,969	265,901		260,969	271,219	0	10,250		
6/30/83-84		1,358,330	1,386,769		1,358,330	1,428,372	0	70,042		
6/30/84-85	181,529	731,218	748,020	749,363	738,530	745,842	7,312	14,624	0.407	0.411
6/30/85-86	195,215	1,593,552	1,633,430	1,634,444	1,633,000	1,634,000	39,448	40,448	0.837	0.837
6/30/86-87	224,337	1,896,353	1,947,696	1,950,818	1,948,000	1,951,000	51,647	54,647	0.868	0.870
6/30/87-88	262,830	2,479,622	2,551,851	2,556,544	2,552,000	2,557,000	72,378	77,378	0.971	0.973
6/30/88-89	283,848	3,809,734	3,927,965	3,930,800	3,928,000	3,931,000	118,266	121,266	1.384	1.385
6/30/89-90	285,041	3,677,264	3,795,562	3,804,749	3,796,000	3,805,000	118,736	127,736	1.332	1.335
6/30/90-91	267,694	2,852,912	2,949,338	2,962,893	2,949,000	2,963,000	96,088	110,088	1.102	1.107
6/30/91-92	261,403	2,370,332	2,454,630	2,465,518	2,455,000	2,466,000	84,668	95,668	0.939	0.943
6/30/92-93	259,951	1,735,033	1,801,096	1,809,487	1,801,000	1,809,000	65,967	73,967	0.693	0.696
6/30/93-94	257,021	1,262,624	1,314,281	1,321,184	1,314,000	1,321,000	51,376	58,376	0.511	0.514
6/30/94-95	255,811	926,605	966,288	971,874	935,871	945,137	9,266	18,532	0.366	0.369
6/30/95-96	255,494	1,002,373	1,048,137	1,053,768	1,048,000	1,054,000	45,627	51,627	0.410	0.413
6/30/96-97	270,025	880,535	923,337	926,918	923,000	927,000	42,465	46,465	0.342	0.343
6/30/97-98	245,319	744,590	783,907	787,863	784,000	788,000	39,410	43,410	0.320	0.321
6/30/98-99	251,404	627,351	663,119	668,762	663,000	669,000	35,649	41,649	0.264	0.266
6/30/99-00	255,590	730,593	775,199	780,275	775,000	780,000	44,407	49,407	0.303	0.305
6/30/00-01	263,866	1,062,045	1,133,912	1,133,174	1,133,000	1,134,000	70,955	71,955	0.429	0.430
6/30/01-02	267,544	746,769	821,350	827,342	821,000	827,000	74,231	80,231	0.307	0.309
6/30/02-03	274,409	800,620	911,954	916,823	912,000	917,000	111,380	116,380	0.332	0.334
6/30/03-04	272,327	731,761	881,324	879,271	879,000	881,000	147,239	149,239	0.323	0.324
6/30/04-05	273,587	942,140	1,209,183	1,214,032	1,088,000	1,214,000	145,860	271,860	0.398	0.444
6/30/05-06	285,078	842,645	1,229,495	1,246,283	1,107,000	1,246,000	264,355	403,355	0.388	0.437
6/30/06-07	298,452	746,618	1,394,411	1,370,544	1,255,000	1,394,000	508,382	647,382	0.421	0.467
6/30/07-08	306,702	418,873	1,661,681	1,451,125	1,451,000	1,662,000	1,032,127	1,243,127	0.473	0.542
Total	6,254,479	36,433,810	39,179,836	37,413,855	39,741,762	40,560,797	3,307,952	4,126,987		
Tot 6/30/84-08	6,254,479	33,612,163	37,527,166	37,413,855	36,889,401	37,620,979	3,277,238	4,008,816	0.590	0.602

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 2, Exhibit 2, Page 2, Column 3
(4) From Section 2, Exhibit 2, Page 2, Column 8
(5) From Section 2, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
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Department of Mental Retardation - Cluster 1
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		1,202,348							4	4	
6/30/82-83		260,969	1.019	1.000	265,901	N/A	265,901		1	0	
6/30/83-84		1,358,330	1.021	1.000	1,386,769	N/A	1,386,769		1	2	14,219
6/30/84-85	181,529	731,218	1.023	1.000	748,020	N/A	748,020	0.412	0	0	
6/30/85-86	195,215	1,593,552	1.025	1.000	1,633,430	N/A	1,633,430	0.837	1	1	39,878
6/30/86-87	224,337	1,896,353	1.027	1.000	1,947,696	N/A	1,947,696	0.868	2	1	51,343
6/30/87-88	262,830	2,479,622	1.029	1.000	2,551,851	N/A	2,551,851	0.971	2	3	24,076
6/30/88-89	283,848	3,809,734	1.031	1.000	3,927,965	N/A	3,927,965	1.384	5	4	29,558
6/30/89-90	285,041	3,677,264	1.032	1.000	3,795,562	N/A	3,795,562	1.332	1	1	118,298
6/30/90-91	267,694	2,852,912	1.034	1.000	2,949,338	N/A	2,949,338	1.102	2	3	32,142
6/30/91-92	261,403	2,370,332	1.036	1.000	2,454,630	N/A	2,454,630	0.939	3	4	21,074
6/30/92-93	259,951	1,735,033	1.038	1.000	1,801,096	N/A	1,801,096	0.693	1	3	22,021
6/30/93-94	257,021	1,262,624	1.041	1.000	1,314,281	N/A	1,314,281	0.511	3	2	25,828
6/30/94-95	255,811	926,605	1.043	1.000	966,288	N/A	966,288	0.378	0	0	
6/30/95-96	255,494	1,002,373	1.046	1.000	1,048,137	N/A	1,048,137	0.410	0	1	45,764
6/30/96-97	270,025	880,535	1.049	1.000	923,337	N/A	923,337	0.342	1	1	42,802
6/30/97-98	245,319	744,590	1.053	1.000	783,907	N/A	783,907	0.320	3	1	39,317
6/30/98-99	251,404	627,351	1.057	1.000	663,119	N/A	663,119	0.264	3	3	11,923
6/30/99-00	255,590	730,593	1.061	1.000	775,199	N/A	775,199	0.303	6	1	44,606
6/30/00-01	263,866	1,062,045	1.068	1.000	1,133,912	N/A	1,133,912	0.430	11	10	7,187
6/30/01-02	267,544	746,769	1.100	1.000	821,350	N/A	821,350	0.307	13	13	5,737
6/30/02-03	274,409	800,620	1.139	1.000	911,954	N/A	911,954	0.332	25	16	6,958
6/30/03-04	272,327	731,761	1.204	1.000	881,324	N/A	881,324	0.324	32	20	7,478
6/30/04-05	273,587	942,140	1.283	1.000	1,209,183	N/A	1,209,183	0.442	66	33	8,092
6/30/05-06	285,078	842,645	1.459	1.000	1,229,495	N/A	1,229,495	0.431	222	70	5,526
6/30/06-07	298,452	746,618	1.868	1.000	1,394,411	N/A	1,394,411	0.467	325	271	2,390
6/30/07-08	306,702	418,873	3.967	1.000	1,661,681	N/A	1,661,681	0.542		365	3,405
Total	6,254,479	36,433,810			39,179,836		39,179,836		733	833	

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 2, Exhibit 2, Page 7
(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.
(6) = (3) x (4) x (5)
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
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Department of Mental Retardation - Cluster 1
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	181,529	0.445	731,218	1.023	749,363	N/A	749,363	0.413	0.413
6/30/85-86	195,215	0.858	1,593,552	1.025	1,634,444	N/A	1,634,444	0.837	0.837
6/30/86-87	224,337	0.921	1,896,353	1.027	1,950,818	N/A	1,950,818	0.870	0.870
6/30/87-88	262,830	1.034	2,479,622	1.029	2,556,544	N/A	2,556,544	0.973	0.973
6/30/88-89	283,848	1.417	3,809,734	1.031	3,930,800	N/A	3,930,800	1.385	1.385
6/30/89-90	285,041	1.435	3,677,264	1.032	3,804,749	N/A	3,804,749	1.335	1.335
6/30/90-91	267,694	1.257	2,852,912	1.034	2,962,893	N/A	2,962,893	1.107	1.107
6/30/91-92	261,403	1.060	2,370,332	1.036	2,465,518	N/A	2,465,518	0.943	0.943
6/30/92-93	259,951	0.781	1,735,033	1.038	1,809,487	N/A	1,809,487	0.696	0.696
6/30/93-94	257,021	0.580	1,262,624	1.041	1,321,184	N/A	1,321,184	0.514	0.514
6/30/94-95	255,811	0.431	926,605	1.043	971,874	N/A	971,874	0.380	0.380
6/30/95-96	255,494	0.461	1,002,373	1.046	1,053,768	N/A	1,053,768	0.412	0.412
6/30/96-97	270,025	0.371	880,535	1.049	926,918	N/A	926,918	0.343	0.343
6/30/97-98	245,319	0.352	744,590	1.053	787,863	N/A	787,863	0.321	0.321
6/30/98-99	251,404	0.305	627,351	1.057	668,762	N/A	668,762	0.266	0.266
6/30/99-00	255,590	0.338	730,593	1.061	780,275	N/A	780,275	0.305	0.305
6/30/00-01	263,866	0.425	1,062,045	1.068	1,133,174	N/A	1,133,174	0.429	0.429
6/30/01-02	267,544	0.332	746,769	1.100	827,342	N/A	827,342	0.309	0.309
6/30/02-03	274,409	0.347	800,620	1.139	916,823	N/A	916,823	0.334	0.334
6/30/03-04	272,327	0.319	731,761	1.204	879,271	N/A	879,271	0.323	0.323
6/30/04-05	273,587	0.450	942,140	1.283	1,214,032	N/A	1,214,032	0.444	0.444
6/30/05-06	285,078	0.450	842,645	1.459	1,246,283	N/A	1,246,283	0.437	0.437
6/30/06-07	298,452	0.450	746,618	1.868	1,370,544	N/A	1,370,544	0.459	0.459
6/30/07-08	306,702	0.450	418,873	3.967	1,451,125	N/A	1,451,125	0.473	0.473
Total	6,254,479		33,612,163		37,413,855		37,413,855		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 2, Exhibit 2, Page 4, Column 10
(4) From Section 2, Exhibit 2, Page 2, Column 3
(5) From Section 2, Exhibit 2, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.445	0.445
6/30/85-86								0.858	0.858
6/30/86-87								0.921	0.921
6/30/87-88								1.034	1.034
6/30/88-89								1.417	1.417
6/30/89-90								1.435	1.435
6/30/90-91	267,694	2,949,338	1.102	1.157	1.275	1.428	1.820	1.239	1.257
6/30/91-92	261,403	2,454,630	0.939	1.152	1.081	1.400	1.514	1.039	1.060
6/30/92-93	259,951	1,801,096	0.693	1.152	0.798	1.373	1.096	0.763	0.781
6/30/93-94	257,021	1,314,281	0.511	1.142	0.584	1.346	0.786	0.576	0.580
6/30/94-95	255,811	966,288	0.378	1.134	0.428	1.319	0.565	0.434	0.431
6/30/95-96	255,494	1,048,137	0.410	1.120	0.459	1.294	0.594	0.462	0.461
6/30/96-97	270,025	923,337	0.342	1.101	0.377	1.268	0.478	0.364	0.371
6/30/97-98	245,319	783,907	0.320	1.100	0.351	1.243	0.437	0.352	0.352
6/30/98-99	251,404	663,119	0.264	1.100	0.290	1.219	0.354	0.321	0.305
6/30/99-00	255,590	775,199	0.303	1.100	0.334	1.195	0.399	0.342	0.338
6/30/00-01	263,866	1,133,912	0.430	1.075	0.462	1.172	0.541	0.389	0.425
6/30/01-02	267,544	821,350	0.307	1.067	0.327	1.149	0.376	0.336	0.332
6/30/02-03	274,409	911,954	0.332	1.040	0.346	1.126	0.389	0.348	0.347
6/30/03-04	272,327	881,324	0.324	1.014	0.328	1.104	0.362	0.310	0.319
6/30/04-05	273,587	1,209,183	0.442	1.003	0.444	1.082	0.480	0.450	0.450
6/30/05-06	285,078	1,229,495	0.431	1.000	0.431	1.061	0.458	0.450	0.450
6/30/06-07	298,452	1,394,411	0.467	1.000	0.467	1.040	0.486	0.450	0.450
6/30/07-08	306,702	1,661,681	0.542	1.000	0.542	1.020	0.553		0.450
Total	4,821,678	22,922,643							

Trend Last 4 (ex 07-08):	10.9%	Avg 3 (x07-08):	0.475
Trend Last 8 (ex 07-08):	3.5%	Avg 5 (x07-08):	0.435
Trend Last 12 (ex 07-08):	1.2%	Avg 10 (x07-08):	0.428
Prior Selected Trend:	1.0%	Prior Sel Avg:	0.450
Selected Trend:	2.0%	Sel. Loss Cost:	0.450

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 2, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCIRB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.820	
(2)	Credibility		38%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.863	
		(Low)		(High)
(5)	Selected Range	0.820		0.906
(6)	Incremental Paid for 2008	3,912		3,912
(7)	Estimated Reserve	17,822		37,879
(8)	Paid to Date (82 & Prior)	1,202,348		1,202,348
(9)	Est Ult Paid for 1982 & Prior	1,220,170		1,240,227

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	6,230	10,757
(11)	Projected Number of Years	7	7
(12)	Estimated Reserve	43,607	75,298
(13)	Paid to Date (82 & Prior)	1,202,348	1,198,436
(14)	Est Ult Paid for 1982 & Prior	1,245,955	1,273,733
(14a)	Paid Counts During Fiscal Year	4	4

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	1,233,062	1,240,227
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**1,233,062**	**1,240,227**
(18)	Implied Tail	1.026	1.032
(19)	Ult Loss Inc Lump Sums @6/07	1,259,642	1,264,110

NOTES:

(1) From Section 2, Exhibit 2, Page 6
(2) = (Average of Section 2, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 2, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 2, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	76,171	11.241			
1993	2	75,723	11.235	0.994		
1994	3	63,040	11.052	0.833		
1995	4	28,227	10.248	0.448		
1996	5	63,291	11.055	2.242		
1997	6	29,585	10.295	0.467		
1998	7	13,039	9.476	0.441		
1999	8	13,407	9.504	1.028		
2000	9	11,930	9.387	0.890	n =	17
2001	10	9,078	9.114	0.761	S(x) =	34,000
2002	11	5,110	8.539	0.563	S(x-sq) =	68,000,408
2003	12	6,295	8.748	1.232	S(xy) =	327,974
2004	13	4,115	8.322	0.654	S(y) =	164
2005	14	17,494	9.770	4.251	D =	6,936
2006	15	5,802	8.666	0.332	slope =	-0.179
2007	16	8,975	9.102	1.547	Avg Trend =	0.821
2008	17	3,912	8.272	0.436		
					Selected Trend:	**0.820**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.436 = 8.272 / 9.102

Commonwealth of Massachusetts Workers Compensatio
Department of Mental Retardation - Cluster 1
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	21,006	49,638	70,591	88,239	105,504	122,855	138,893	160,692	180,838	198,763	206,648	244,385	249,094	254,712	256,363	256,876	257,735	258,257	258,537	258,637	259,334	259,869	260,265	260,719	260,969	260,969
June-84	130,216	307,707	437,592	546,990	654,018	741,928	857,012	959,232	1,050,170	1,118,632	1,160,913	1,192,447	1,199,268	1,203,920	1,225,075	1,249,653	1,268,798	1,290,858	1,296,673	1,300,275	1,316,793	1,333,199	1,342,906	1,349,107	1,358,330	
June-85	89,170	210,713	299,656	374,570	455,180	522,720	582,177	634,207	685,633	702,603	713,358	717,026	720,062	720,920	726,880	729,520	730,301	731,081	731,204	731,204	731,218	731,218	731,218	731,218		
June-86	189,273	447,261	636,052	765,617	939,707	1,103,818	1,243,019	1,358,130	1,444,684	1,485,929	1,499,042	1,514,132	1,520,647	1,537,037	1,547,606	1,553,176	1,564,852	1,567,432	1,573,496	1,575,982	1,582,467	1,586,081	1,593,552			
June-87	243,465	575,319	884,604	1,135,085	1,272,135	1,441,924	1,619,831	1,685,111	1,741,279	1,772,270	1,801,621	1,842,953	1,884,775	1,889,603	1,894,366	1,894,597	1,895,476	1,895,651	1,895,651	1,895,651	1,896,140	1,896,353				
June-88	363,164	980,917	1,485,789	1,802,447	2,044,603	2,209,730	2,337,274	2,381,902	2,440,826	2,450,413	2,453,714	2,458,155	2,468,582	2,469,709	2,470,273	2,472,242	2,472,926	2,474,120	2,475,679	2,476,698	2,479,622					
June-89	524,148	1,718,544	2,367,574	2,805,123	3,095,247	3,298,078	3,424,849	3,485,100	3,510,635	3,573,650	3,625,589	3,649,159	3,663,581	3,699,511	3,725,869	3,746,061	3,765,157	3,783,602	3,796,379	3,809,734						
June-90	721,216	2,076,487	2,697,946	3,042,168	3,365,956	3,509,844	3,547,356	3,618,254	3,660,798	3,669,321	3,673,294	3,674,043	3,675,267	3,676,903	3,676,903	3,676,975	3,676,975	3,677,208	3,677,264							
June-91	573,775	1,832,452	2,336,684	2,570,536	2,690,503	2,737,602	2,767,093	2,783,177	2,796,096	2,807,853	2,815,389	2,817,526	2,821,013	2,824,311	2,824,746	2,835,316	2,844,386	2,852,912								
June-92	682,252	1,646,809	2,002,754	2,139,991	2,195,456	2,229,059	2,250,251	2,258,976	2,271,388	2,282,222	2,299,759	2,312,696	2,324,613	2,341,522	2,353,263	2,361,934	2,370,332									
June-93	530,227	1,313,078	1,537,374	1,593,966	1,619,013	1,650,226	1,662,183	1,669,637	1,672,913	1,676,324	1,679,743	1,683,745	1,688,008	1,694,444	1,700,344	1,735,033										
June-94	507,386	988,866	1,093,334	1,170,915	1,212,098	1,230,432	1,235,833	1,243,122	1,247,382	1,251,645	1,252,686	1,255,338	1,260,284	1,261,941	1,262,624											
June-95	419,212	715,818	815,621	863,086	890,307	917,113	922,985	923,881	924,606	926,605	926,605	926,605	926,605	926,605												
June-96	382,658	780,302	879,753	927,773	959,109	977,572	986,429	994,587	997,113	999,835	999,878	999,878	1,002,373													
June-97	375,777	680,288	796,380	819,630	848,942	854,522	862,163	870,431	872,306	876,115	878,979	880,535														
June-98	271,043	554,887	629,610	674,301	694,718	711,568	723,173	728,434	739,218	743,949	744,590															
June-99	200,054	434,499	509,933	556,932	596,752	611,737	618,749	622,442	625,193	627,351																
June-00	278,690	480,160	554,610	607,363	639,042	681,279	703,362	725,333	730,593																	
June-01	312,280	500,976	665,683	751,467	818,710	893,280	968,370	1,062,045																		
June-02	197,389	476,132	547,189	630,575	673,854	722,281	746,769																			
June-03	163,049	459,264	666,927	739,223	775,337	800,620																				
June-04	79,919	361,725	544,497	684,486	731,761																					
June-05	394,825	766,546	887,167	942,140																						
June-06	318,539	662,581	842,645																							
June-07	310,954	746,618																								
June-08	418,873																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.363	1.422	1.250	1.196	1.164	1.131	1.157	1.125	1.099	1.040	1.183	1.019	1.023	1.006	1.002	1.003	1.002	1.001	1.000	1.003	1.002	1.002	1.002	1.001	1.000
June-84	2.363	1.422	1.250	1.196	1.134	1.155	1.119	1.095	1.065	1.038	1.027	1.006	1.004	1.018	1.020	1.015	1.017	1.005	1.003	1.013	1.012	1.007	1.005	1.007	
June-85	2.363	1.422	1.250	1.215	1.148	1.114	1.089	1.081	1.025	1.015	1.005	1.004	1.001	1.008	1.004	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000		
June-86	2.363	1.422	1.204	1.227	1.175	1.126	1.093	1.064	1.029	1.009	1.010	1.004	1.011	1.007	1.004	1.008	1.002	1.004	1.002	1.004	1.002	1.005			
June-87	2.363	1.538	1.283	1.121	1.133	1.123	1.040	1.033	1.018	1.017	1.023	1.023	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
June-88	2.701	1.515	1.213	1.134	1.081	1.058	1.019	1.025	1.004	1.001	1.002	1.004	1.000	1.000	1.001	1.000	1.000	1.001	1.000	1.001					
June-89	3.279	1.378	1.185	1.103	1.066	1.038	1.018	1.007	1.018	1.015	1.007	1.004	1.010	1.007	1.005	1.005	1.005	1.003	1.004						
June-90	2.879	1.299	1.128	1.106	1.043	1.011	1.020	1.012	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
June-91	3.194	1.275	1.100	1.047	1.018	1.011	1.006	1.005	1.004	1.003	1.001	1.001	1.001	1.000	1.004	1.003	1.003								
June-92	2.414	1.216	1.069	1.026	1.015	1.010	1.004	1.005	1.005	1.008	1.006	1.005	1.007	1.005	1.004	1.004									
June-93	2.476	1.171	1.037	1.016	1.019	1.007	1.004	1.002	1.002	1.002	1.002	1.003	1.004	1.003	1.020										
June-94	1.949	1.106	1.071	1.035	1.015	1.004	1.006	1.003	1.003	1.001	1.002	1.004	1.001	1.001											
June-95	1.708	1.139	1.058	1.032	1.030	1.006	1.001	1.001	1.002	1.000	1.000	1.000	1.000												
June-96	2.039	1.127	1.055	1.034	1.019	1.009	1.008	1.003	1.003	1.000	1.000	1.002													
June-97	1.810	1.171	1.029	1.036	1.007	1.009	1.010	1.002	1.004	1.003	1.002														
June-98	2.047	1.135	1.071	1.030	1.024	1.016	1.007	1.015	1.006	1.001															
June-99	2.172	1.174	1.092	1.071	1.025	1.011	1.006	1.004	1.003																
June-00	1.723	1.155	1.095	1.052	1.066	1.032	1.031	1.007																	
June-01	1.604	1.329	1.129	1.089	1.091	1.084	1.097																		
June-02	2.412	1.149	1.152	1.069	1.072	1.034																			
June-03	2.817	1.452	1.108	1.049	1.033																				
June-04	4.526	1.505	1.257	1.069																					
June-05	1.941	1.157	1.062																						
June-06	2.080	1.272																							
June-07	2.401																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.400	1.290	1.137	1.089	1.066	1.050	1.039	1.027	1.017	1.010	1.018	1.006	1.005	1.005	1.006	1.004	1.003	1.002	1.001	1.003	1.003	1.003	1.002	1.004	1.000	
Latest 5	2.753	1.307	1.142	1.066	1.057	1.036	1.030	1.006	1.004	1.001	1.001	1.003	1.003	1.002	1.007	1.002	1.002	1.002	1.001	1.004	1.003					
Latest 3	2.141	1.311	1.142	1.062	1.065	1.050	1.045	1.009	1.005	1.001	1.001	1.002	1.002	1.003	1.009	1.002	1.003	1.001	1.001	1.002	1.001	1.004	1.002			
Volume Wtd																										
All Yrs	2.387	1.272	1.124	1.079	1.054	1.038	1.026	1.018	1.011	1.007	1.007	1.005	1.004	1.004	1.005	1.003	1.003	1.002	1.002	1.003	1.004	1.004	1.003	1.006		
Latest 5	2.365	1.280	1.132	1.066	1.059	1.039	1.034	1.006	1.004	1.001	1.001	1.003	1.003	1.002	1.005	1.002	1.002	1.002	1.002	1.003	1.004					
Latest 3	2.124	1.270	1.127	1.062	1.065	1.053	1.052	1.009	1.005	1.001	1.001	1.002	1.002	1.003	1.008	1.002	1.003	1.001	1.002	1.002	1.001	1.005				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	2.300	1.280	1.140	1.066	1.056	1.031	1.012	1.005	1.004	1.004	1.004	1.003	1.003	1.003	1.003	1.002	1.001	1.002	1.001	1.004	1.002	1.002	1.002	1.002		1.023
Selected	2.124	1.280	1.137	1.066	1.057	1.036	1.030	1.006	1.004	1.004	1.004	1.003	1.003	1.002	1.003	1.002	1.002	1.002	1.001	1.002	1.002	1.002	1.002	1.002	1.002	1.019
FacToUlt	3.967	1.868	1.459	1.283	1.204	1.139	1.100	1.068	1.061	1.057	1.053	1.049	1.046	1.043	1.041	1.038	1.036	1.034	1.032	1.031	1.029	1.027	1.025	1.023	1.021	1.019
Percent of Ult	25.2%	53.5%	68.5%	77.9%	83.0%	87.8%	90.9%	93.7%	94.2%	94.6%	95.0%	95.4%	95.6%	95.9%	96.1%	96.3%	96.6%	96.7%	96.9%	97.0%	97.2%	97.4%	97.6%	97.8%	97.9%	98.1%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	1,259,642	1,264,110	1,233,062	1,240,227	(26,580)	-2.1%	(23,884)	-1.9%
6/30/82-83	260,969	272,219	260,969	271,219	0	0.0%	(1,000)	-0.4%
6/30/83-84	1,349,107	1,423,905	1,358,330	1,428,372	9,223	0.7%	4,467	0.3%
6/30/84-85	738,530	745,842	738,530	745,842	0	0.0%	0	0.0%
6/30/85-86	1,632,000	1,633,000	1,633,000	1,634,000	1,000	0.1%	1,000	0.1%
6/30/86-87	1,955,000	1,958,000	1,948,000	1,951,000	(7,000)	-0.4%	(7,000)	-0.4%
6/30/87-88	2,563,000	2,568,000	2,552,000	2,557,000	(11,000)	-0.4%	(11,000)	-0.4%
6/30/88-89	3,933,000	3,936,000	3,928,000	3,931,000	(5,000)	-0.1%	(5,000)	-0.1%
6/30/89-90	3,815,000	3,825,000	3,796,000	3,805,000	(19,000)	-0.5%	(20,000)	-0.5%
6/30/90-91	2,956,000	2,969,000	2,949,000	2,963,000	(7,000)	-0.2%	(6,000)	-0.2%
6/30/91-92	2,459,000	2,469,000	2,455,000	2,466,000	(4,000)	-0.2%	(3,000)	-0.1%
6/30/92-93	1,775,000	1,784,000	1,801,000	1,809,000	26,000	1.5%	25,000	1.4%
6/30/93-94	1,321,000	1,328,000	1,314,000	1,321,000	(7,000)	-0.5%	(7,000)	-0.5%
6/30/94-95	935,871	945,137	935,871	945,137	0	0.0%	0	0.0%
6/30/95-96	1,053,000	1,059,000	1,048,000	1,054,000	(5,000)	-0.5%	(5,000)	-0.5%
6/30/96-97	929,000	932,000	923,000	927,000	(6,000)	-0.6%	(5,000)	-0.5%
6/30/97-98	789,000	794,000	784,000	788,000	(5,000)	-0.6%	(6,000)	-0.8%
6/30/98-99	666,000	675,000	663,000	669,000	(3,000)	-0.5%	(6,000)	-0.9%
6/30/99-00	776,000	783,000	775,000	780,000	(1,000)	-0.1%	(3,000)	-0.4%
6/30/00-01	1,048,000	1,050,000	1,133,000	1,134,000	85,000	8.1%	84,000	8.0%
6/30/01-02	807,000	816,000	821,000	827,000	14,000	1.7%	11,000	1.3%
6/30/02-03	914,000	921,000	912,000	917,000	(2,000)	-0.2%	(4,000)	-0.4%
6/30/03-04	857,000	861,000	879,000	881,000	22,000	2.6%	20,000	2.3%
6/30/04-05	1,145,000	1,272,000	1,088,000	1,214,000	(57,000)	-5.0%	(58,000)	-4.6%
6/30/05-06	1,094,000	1,246,000	1,107,000	1,246,000	13,000	1.2%	0	0.0%
6/30/06-07	1,181,000	1,336,000	1,451,000	1,662,000	270,000	22.9%	326,000	24.4%
6/30/07-08								
Total	38,212,120	38,866,214	38,486,762	39,166,797	274,642	0.7%	300,583	0.8%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 2, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	1.9%	0.0%	0.7%	0.4%	1.000	1.000
312	98.1%	0.2%	1.9%	0.1%	0.0%	0.981	0.971
300	97.9%	0.2%	2.1%	0.1%	0.0%	0.946	0.922
288	97.8%	0.2%	2.2%	0.1%	0.0%	0.916	0.878
276	97.6%	0.2%	2.4%	0.1%	0.1%	0.889	0.840
264	97.4%	0.2%	2.6%	0.1%	0.1%	0.864	0.806
252	97.2%	0.2%	2.8%	0.1%	0.1%	0.841	0.775
240	97.0%	0.1%	3.0%	0.0%	0.0%	0.819	0.745
228	96.9%	0.2%	3.1%	0.1%	0.1%	0.794	0.712
216	96.7%	0.2%	3.3%	0.1%	0.1%	0.774	0.686
204	96.6%	0.2%	3.4%	0.1%	0.1%	0.755	0.662
192	96.3%	0.3%	3.7%	0.1%	0.1%	0.742	0.647
180	96.1%	0.2%	3.9%	0.1%	0.1%	0.732	0.635
168	95.9%	0.3%	4.1%	0.2%	0.1%	0.715	0.615
156	95.6%	0.3%	4.4%	0.2%	0.1%	0.705	0.603
144	95.4%	0.4%	4.6%	0.2%	0.2%	0.696	0.592
132	95.0%	0.4%	5.0%	0.3%	0.2%	0.693	0.590
120	94.6%	0.4%	5.4%	0.2%	0.2%	0.688	0.586
108	94.2%	0.6%	5.8%	0.4%	0.4%	0.682	0.579
96	93.7%	2.7%	6.3%	2.0%	1.8%	0.685	0.585
84	90.9%	3.1%	9.1%	2.4%	2.1%	0.756	0.679
72	87.8%	4.8%	12.2%	3.8%	3.5%	0.792	0.725
60	83.0%	5.1%	17.0%	4.3%	3.9%	0.823	0.765
48	77.9%	9.4%	22.1%	8.2%	7.6%	0.835	0.779
36	68.5%	15.0%	31.5%	13.6%	13.0%	0.856	0.806
24	53.5%	28.3%	46.5%	26.7%	26.0%	0.874	0.828
12	25.2%	25.2%	74.8%	24.7%	24.5%	0.893	0.853
Total		100.0%					

NOTES:

(2) = 1 / Section 2, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	30,714	37,879		26,862	33,129
6/30/82-83	0	10,250	0.981	0	10,051
6/30/83-84	0	70,042	0.946	0	66,293
6/30/84-85	7,312	14,624	0.916	6,699	13,399
6/30/85-86	39,448	40,448	0.889	35,066	35,955
6/30/86-87	51,647	54,647	0.864	44,625	47,217
6/30/87-88	72,378	77,378	0.841	60,876	65,081
6/30/88-89	118,266	121,266	0.819	96,858	99,315
6/30/89-90	118,736	127,736	0.794	94,288	101,435
6/30/90-91	96,088	110,088	0.774	74,342	85,174
6/30/91-92	84,668	95,668	0.755	63,949	72,257
6/30/92-93	65,967	73,967	0.742	48,977	54,916
6/30/93-94	51,376	58,376	0.732	37,592	42,714
6/30/94-95	9,266	18,532	0.715	6,629	13,259
6/30/95-96	45,627	51,627	0.705	32,182	36,414
6/30/96-97	42,465	46,465	0.696	29,546	32,329
6/30/97-98	39,410	43,410	0.693	27,296	30,066
6/30/98-99	35,649	41,649	0.688	24,528	28,657
6/30/99-00	44,407	49,407	0.682	30,265	33,673
6/30/00-01	70,955	71,955	0.685	48,626	49,311
6/30/01-02	74,231	80,231	0.756	56,124	60,661
6/30/02-03	111,380	116,380	0.792	88,210	92,169
6/30/03-04	147,239	149,239	0.823	121,175	122,821
6/30/04-05	145,860	271,860	0.835	121,816	227,045
6/30/05-06	264,355	403,355	0.856	226,278	345,257
6/30/06-07	508,382	647,382	0.874	444,265	565,735
6/30/07-08	1,032,127	1,243,127	0.893	922,132	1,110,645
Total	3,307,952	4,126,987		2,769,208	3,474,979
			(7) Total Discount Factor:	0.837	0.842

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	30,714	37,879
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	4,388	5,411
(11) Discounted Value at 4%:	26,862	33,129

NOTES:
(2), (3) From Section 2, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 2, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Retardation - Cluster 1
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	30,714	37,879		25,229	31,114
6/30/82-83	0	10,250	0.971	0	9,956
6/30/83-84	0	70,042	0.922	0	64,548
6/30/84-85	7,312	14,624	0.878	6,422	12,844
6/30/85-86	39,448	40,448	0.840	33,135	33,975
6/30/86-87	51,647	54,647	0.806	41,609	44,025
6/30/87-88	72,378	77,378	0.775	56,059	59,931
6/30/88-89	118,266	121,266	0.745	88,113	90,348
6/30/89-90	118,736	127,736	0.712	84,547	90,956
6/30/90-91	96,088	110,088	0.686	65,892	75,492
6/30/91-92	84,668	95,668	0.662	56,092	63,380
6/30/92-93	65,967	73,967	0.647	42,684	47,861
6/30/93-94	51,376	58,376	0.635	32,600	37,042
6/30/94-95	9,266	18,532	0.615	5,695	11,390
6/30/95-96	45,627	51,627	0.603	27,517	31,136
6/30/96-97	42,465	46,465	0.592	25,153	27,523
6/30/97-98	39,410	43,410	0.590	23,254	25,614
6/30/98-99	35,649	41,649	0.586	20,881	24,396
6/30/99-00	44,407	49,407	0.579	25,702	28,596
6/30/00-01	70,955	71,955	0.585	41,524	42,109
6/30/01-02	74,231	80,231	0.679	50,379	54,451
6/30/02-03	111,380	116,380	0.725	80,759	84,385
6/30/03-04	147,239	149,239	0.765	112,585	114,114
6/30/04-05	145,860	271,860	0.779	113,660	211,843
6/30/05-06	264,355	403,355	0.806	212,946	324,914
6/30/06-07	508,382	647,382	0.828	421,011	536,123
6/30/07-08	1,032,127	1,243,127	0.853	880,669	1,060,706
Total	3,307,952	4,126,987		2,574,117	3,238,772
			(7) Total Discount Factor:	0.778	0.785

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	30,714	37,879
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	4,388	5,411
(11) Discounted Value at 6%:	25,229	31,114

NOTES:
(2), (3) From Section 2, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 2, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		17,495,016			21,853,876	23,330,122	4,358,860	5,835,106		
6/30/82-83		2,275,186	2,464,100		2,402,498	2,525,703	127,312	250,517		
6/30/83-84		2,438,654	2,773,172		2,703,842	2,842,501	265,188	403,847		
6/30/84-85	142,302	3,722,487	4,425,035	3,961,996	3,962,000	4,425,000	239,513	702,513	2.784	3.110
6/30/85-86	153,030	4,445,550	4,935,109	4,815,296	4,815,000	4,935,000	369,450	489,450	3.146	3.225
6/30/86-87	175,859	6,208,413	6,834,221	6,796,042	6,333,000	6,457,000	124,587	248,587	3.601	3.672
6/30/87-88	206,034	10,926,023	12,601,746	11,992,426	12,358,018	12,602,000	1,431,994	1,675,977	5.998	6.116
6/30/88-89	222,510	11,468,539	13,270,068	12,688,903	13,037,602	13,270,000	1,569,063	1,801,461	5.859	5.964
6/30/89-90	223,446	10,949,847	12,781,331	12,236,988	12,237,000	12,781,000	1,287,153	1,831,153	5.477	5.720
6/30/90-91	209,847	7,631,224	8,990,672	8,621,096	8,621,000	8,991,000	989,776	1,359,776	4.108	4.285
6/30/91-92	204,915	4,193,457	4,783,531	4,800,211	4,319,000	4,403,000	125,543	209,543	2.108	2.149
6/30/92-93	176,368	3,357,681	3,878,303	3,957,390	3,878,000	3,957,000	520,319	599,319	2.199	2.244
6/30/93-94	172,727	2,245,329	2,649,364	2,690,542	2,649,000	2,691,000	403,671	445,671	1.534	1.558
6/30/94-95	177,958	2,756,007	3,440,522	3,368,186	3,368,000	3,441,000	611,993	684,993	1.893	1.934
6/30/95-96	175,626	1,922,253	2,295,795	2,360,836	1,961,000	2,000,000	38,747	77,747	1.117	1.139
6/30/96-97	189,700	1,571,537	1,888,359	1,973,222	1,888,000	1,973,000	316,463	401,463	0.995	1.040
6/30/97-98	176,882	2,649,255	3,297,391	3,366,893	3,297,000	3,367,000	647,745	717,745	1.864	1.904
6/30/98-99	188,672	1,669,520	2,142,776	2,262,995	2,143,000	2,263,000	473,480	593,480	1.136	1.199
6/30/99-00	194,073	2,313,702	3,010,291	3,110,246	3,010,000	3,110,000	696,298	796,298	1.551	1.602
6/30/00-01	201,133	3,099,936	4,168,645	4,202,605	4,169,000	4,203,000	1,069,064	1,103,064	2.073	2.090
6/30/01-02	202,655	2,448,489	3,480,554	3,527,775	3,481,000	3,528,000	1,032,511	1,079,511	1.718	1.741
6/30/02-03	202,050	1,791,993	2,609,804	3,143,241	2,610,000	3,143,000	818,007	1,351,007	1.292	1.556
6/30/03-04	189,108	2,768,308	4,500,156	4,331,783	4,332,000	4,500,000	1,563,692	1,731,692	2.291	2.380
6/30/04-05	186,494	2,208,908	3,861,120	3,950,618	3,861,000	3,951,000	1,652,092	1,742,092	2.070	2.119
6/30/05-06	192,742	1,492,332	2,964,988	3,511,060	2,965,000	3,511,000	1,472,668	2,018,668	1.538	1.822
6/30/06-07	202,830	1,045,901	2,867,792	3,634,919	2,868,000	3,635,000	1,822,099	2,589,099	1.414	1.792
6/30/07-08	206,443	637,017	3,508,544	4,188,811	3,509,000	4,189,000	2,871,983	3,551,983	1.700	2.029
Total	4,573,404	115,732,566	124,423,390	119,494,079	142,631,835	150,024,325	26,899,269	34,291,759		
Tot 6/30/84-08	4,573,404	93,523,710	119,186,118	119,494,079	115,671,620	121,326,000	22,147,910	27,802,290	2.529	2.653

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 3, Exhibit 1, Page 2, Column 3 and Section 3, Exhibit 1, Page 9, Column 8

(4) From Section 3, Exhibit 1, Page 2, Column 8

(5) From Section 3, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		16,829,336							15	12		81
6/30/82-83		2,181,186	1.065	1.020	2,369,160	94,940	2,464,100		1	1	187,975	82
6/30/83-84		2,178,653	1.076	1.071	2,510,571	262,601	2,773,172		1	1	331,917	66
6/30/84-85	142,302	3,171,404	1.087	1.123	3,868,441	556,594	4,425,035	3.110	2	2	348,519	64
6/30/85-86	153,030	4,009,622	1.097	1.021	4,492,575	442,534	4,935,109	3.225	1	1	482,953	57
6/30/86-87	175,859	5,376,022	1.108	1.005	5,990,511	843,710	6,834,221	3.886	0	0		
6/30/87-88	206,034	9,391,001	1.120	1.050	11,045,850	1,555,895	12,601,746	6.116	4	4	413,712	69
6/30/88-89	222,510	9,492,897	1.131	1.050	11,269,035	2,001,033	13,270,068	5.964	5	4	444,034	74
6/30/89-90	223,446	8,912,207	1.145	1.050	10,717,233	2,064,097	12,781,331	5.720	3	4	451,256	65
6/30/90-91	209,847	5,965,760	1.163	1.050	7,285,525	1,705,147	8,990,672	4.284	3	1	1,319,765	80
6/30/91-92	204,915	3,201,317	1.176	1.000	3,765,534	1,017,997	4,783,531	2.334	1	2	282,109	56
6/30/92-93	176,368	2,581,602	1.192	1.000	3,078,353	799,949	3,878,303	2.199	1	1	496,751	57
6/30/93-94	172,727	1,886,745	1.207	1.000	2,278,183	371,181	2,649,364	1.534	2	1	391,438	58
6/30/94-95	177,958	2,322,083	1.224	1.050	2,985,249	455,273	3,440,522	1.933	4	3	221,055	66
6/30/95-96	175,626	1,438,193	1.243	1.000	1,787,143	508,653	2,295,795	1.307	0	0		
6/30/96-97	189,700	1,057,037	1.272	1.000	1,344,084	544,276	1,888,359	0.995	1	0		
6/30/97-98	176,882	1,938,454	1.305	1.000	2,530,103	767,288	3,297,391	1.864	1	1	591,648	49
6/30/98-99	188,672	1,249,270	1.340	1.000	1,674,594	468,183	2,142,776	1.136	0	1	425,323	64
6/30/99-00	194,073	1,634,502	1.371	1.000	2,240,104	770,187	3,010,291	1.551	2	1	605,602	59
6/30/00-01	201,133	2,353,436	1.404	1.000	3,305,060	863,585	4,168,645	2.073	6	3	317,208	60
6/30/01-02	202,655	2,013,718	1.446	1.000	2,912,814	567,740	3,480,554	1.717	6	6	149,849	63
6/30/02-03	202,050	1,354,993	1.495	1.000	2,025,551	584,253	2,609,804	1.292	8	3	223,520	46
6/30/03-04	189,108	2,448,308	1.578	1.000	3,863,587	636,568	4,500,156	2.380	14	9	157,253	54
6/30/04-05	186,494	1,834,908	1.712	1.000	3,141,729	719,390	3,861,120	2.070	24	13	100,525	52
6/30/05-06	192,742	1,212,582	1.923	1.000	2,331,483	633,505	2,964,988	1.538	51	12	93,242	52
6/30/06-07	202,830	977,401	2.383	1.000	2,329,113	538,679	2,867,792	1.414	166	41	32,969	49
6/30/07-08	206,443	619,287	4.228	1.000	2,618,544	890,000	3,508,544	1.700		186	10,749	45
Total	4,573,404	97,631,926			103,760,131	20,663,259	124,423,390		322	313		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 3, Exhibit 1, Page 7
(5) Based on information from the MA WCRIB
(6) = (3) x (4) x (5)
(7) From Section 3, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	142,302	2.065	3,171,404	1.087	3,405,402	556,594	3,961,996	2.784	2.393
6/30/85-86	153,030	2.674	4,009,622	1.097	4,372,763	442,534	4,815,296	3.147	2.857
6/30/86-87	175,859	3.352	5,376,022	1.108	5,952,332	843,710	6,796,042	3.864	3.385
6/30/87-88	206,034	4.729	9,391,001	1.120	10,436,531	1,555,895	11,992,426	5.821	5.065
6/30/88-89	222,510	4.650	9,492,897	1.131	10,687,871	2,001,033	12,688,903	5.703	4.803
6/30/89-90	223,446	4.448	8,912,207	1.145	10,172,891	2,064,097	12,236,988	5.476	4.553
6/30/90-91	209,847	3.230	5,965,760	1.163	6,915,948	1,705,147	8,621,096	4.108	3.296
6/30/91-92	204,915	1.892	3,201,317	1.176	3,782,214	1,017,997	4,800,211	2.343	1.846
6/30/92-93	176,368	2.023	2,581,602	1.192	3,157,440	799,949	3,957,390	2.244	1.790
6/30/93-94	172,727	1.458	1,886,745	1.207	2,319,361	371,181	2,690,542	1.558	1.343
6/30/94-95	177,958	1.812	2,322,083	1.224	2,912,912	455,273	3,368,186	1.893	1.637
6/30/95-96	175,626	1.207	1,438,193	1.243	1,852,183	508,653	2,360,836	1.344	1.055
6/30/96-97	189,700	0.918	1,057,037	1.272	1,428,946	544,276	1,973,222	1.040	0.753
6/30/97-98	176,882	1.598	1,938,454	1.305	2,599,605	767,288	3,366,893	1.903	1.470
6/30/98-99	188,672	1.138	1,249,270	1.340	1,794,813	468,183	2,262,995	1.199	0.951
6/30/99-00	194,073	1.345	1,634,502	1.371	2,340,058	770,187	3,110,246	1.603	1.206
6/30/00-01	201,133	1.702	2,353,436	1.404	3,339,020	863,585	4,202,605	2.089	1.660
6/30/01-02	202,655	1.513	2,013,718	1.446	2,960,035	567,740	3,527,775	1.741	1.461
6/30/02-03	202,050	1.800	1,354,993	1.495	2,558,988	584,253	3,143,241	1.556	1.267
6/30/03-04	189,108	1.800	2,448,308	1.578	3,695,215	636,568	4,331,783	2.291	1.954
6/30/04-05	186,494	1.800	1,834,908	1.712	3,231,228	719,390	3,950,618	2.118	1.733
6/30/05-06	192,742	1.800	1,212,582	1.923	2,877,556	633,505	3,511,060	1.822	1.493
6/30/06-07	202,830	1.800	977,401	2.383	3,096,240	538,679	3,634,919	1.792	1.527
6/30/07-08	206,443	1.700	619,287	4.228	3,298,811	890,000	4,188,811	2.029	1.598
Total	4,573,404		76,442,751		99,188,361	20,305,718	119,494,079		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 3, Exhibit 1, Page 4, Column 10
(4) From Section 3, Exhibit 1, Page 2, Column 3
(5) From Section 3, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 3, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								2.065	2.065
6/30/85-86								2.674	2.674
6/30/86-87								3.352	3.352
6/30/87-88								4.729	4.729
6/30/88-89								4.650	4.650
6/30/89-90								4.448	4.448
6/30/90-91	209,847	7,285,525	3.472	0.925	3.213	1.428	4.588	3.247	3.230
6/30/91-92	204,915	3,765,534	1.838	1.015	1.865	1.400	2.612	1.918	1.892
6/30/92-93	176,368	3,078,353	1.745	1.184	2.066	1.373	2.836	1.980	2.023
6/30/93-94	172,727	2,278,183	1.319	1.169	1.541	1.346	2.074	1.374	1.458
6/30/94-95	177,958	2,985,249	1.677	1.158	1.942	1.319	2.563	1.681	1.812
6/30/95-96	175,626	1,787,143	1.018	1.149	1.169	1.294	1.512	1.246	1.207
6/30/96-97	189,700	1,344,084	0.709	1.137	0.806	1.268	1.022	1.030	0.918
6/30/97-98	176,882	2,530,103	1.430	1.123	1.606	1.243	1.997	1.591	1.598
6/30/98-99	188,672	1,674,594	0.888	1.108	0.983	1.219	1.199	1.294	1.138
6/30/99-00	194,073	2,240,104	1.154	1.090	1.258	1.195	1.504	1.431	1.345
6/30/00-01	201,133	3,305,060	1.643	1.062	1.746	1.172	2.045	1.658	1.702
6/30/01-02	202,655	2,912,814	1.437	1.042	1.497	1.149	1.720	1.529	1.513
6/30/02-03	202,050	2,025,551	1.003	1.038	1.040	1.126	1.172	1.800	1.800
6/30/03-04	189,108	3,863,587	2.043	1.038	2.120	1.104	2.341	1.800	1.800
6/30/04-05	186,494	3,141,729	1.685	1.031	1.737	1.082	1.881	1.800	1.800
6/30/05-06	192,742	2,331,483	1.210	1.021	1.235	1.061	1.310	1.800	1.800
6/30/06-07	202,830	2,329,113	1.148	1.010	1.159	1.040	1.206	1.800	1.800
6/30/07-08	206,443	2,618,544	1.268	1.000	1.268	1.020	1.294		1.700
Total	3,450,223	51,496,753							

Trend Last 4 (ex 07-08):	-19.4%	Avg 3 (x07-08):	1.466
Trend Last 8 (ex 07-08):	-1.4%	Avg 5 (x07-08):	1.582
Trend Last 12 (ex 07-08):	1.7%	Avg 10 (x07-08):	1.637
Prior Selected Trend:	4.0%	Prior Sel Avg:	1.800
Selected Trend:	2.0%	Sel. Loss Cost:	1.700

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 3, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.950	
(2)	Credibility		45%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.955	
		(Low)		(High)
(5)	Selected Range	0.930		0.960
(6)	Incremental Paid for 2008	390,409		390,409
(7)	Estimated Reserve	5,186,856		9,369,805
(8)	Paid to Date (82 & Prior)	16,829,336		16,829,336
(9)	Est Ult Paid for 1982 & Prior	22,016,192		26,199,141

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	439,694	482,244
(11)	Projected Number of Years	8	8
(12)	Estimated Reserve	3,517,549	3,857,953
(13)	Paid to Date (82 & Prior)	16,829,336	16,438,927
(14)	Est Ult Paid for 1982 & Prior	20,346,885	20,296,881
(14a)	Paid Counts During Fiscal Year	12	15
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	21,181,539	22,657,785
(16)	Lump Sum Ultimates	672,337	672,337
(17)	Ult Loss Including Lump Sums	**21,853,876**	**23,330,122**
(18)	Implied Tail	1.259	1.346
(19)	Ult Loss Inc Lump Sums @6/07	22,118,823	23,714,430

NOTES:

(1) From Section 3, Exhibit 1, Page 6
(2) = (Average of Section 3, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 3, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 3, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 3, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	750,775	13.529			
1993	2	716,997	13.483	0.955		
1994	3	790,631	13.581	1.103		
1995	4	675,209	13.423	0.854		
1996	5	721,864	13.490	1.069		
1997	6	762,764	13.545	1.057		
1998	7	718,856	13.485	0.942		
1999	8	630,481	13.354	0.877		
2000	9	625,893	13.347	0.993	n =	17
2001	10	614,002	13.328	0.981	S(x) =	34,000
2002	11	594,569	13.296	0.968	S(x-sq) =	68,000,408
2003	12	551,328	13.220	0.927	S(xy) =	452,789
2004	13	536,825	13.193	0.974	S(y) =	226
2005	14	518,060	13.158	0.965	D =	6,936
2006	15	465,230	13.050	0.898	slope =	-0.038
2007	16	463,442	13.046	0.996	Avg Trend =	0.962
2008	17	390,409	12.875	0.842		
					Selected Trend:	**0.950**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.842 = 12.875 / 13.046

Commonwealth of Massachusetts Workers Compensatio
Department of Mental Health - Cluster 2
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	79,308	192,487	287,043	366,841	453,896	544,549	640,359	749,442	914,819	1,077,281	1,197,004	1,318,238	1,411,761	1,487,347	1,551,200	1,663,300	1,725,578	1,794,915	1,844,320	1,889,378	1,935,146	1,980,854	2,027,803	2,076,694	2,127,762	2,181,186
June-84	140,777	341,678	509,522	651,169	805,697	966,187	1,136,616	1,274,005	1,376,021	1,469,295	1,531,586	1,571,197	1,574,113	1,632,297	1,648,271	1,715,119	1,788,667	1,866,433	1,948,603	2,027,969	2,039,380	2,061,132	2,116,425	2,146,711	2,178,653	
June-85	229,548	557,132	830,815	1,036,782	1,282,444	1,536,673	1,759,380	1,967,113	2,201,587	2,336,765	2,327,938	2,488,898	2,562,953	2,635,303	2,683,281	2,681,236	2,703,322	2,765,472	2,829,392	2,893,225	2,958,066	3,025,906	3,097,014	3,171,404		
June-86	424,946	1,031,378	1,515,527	1,911,756	2,265,456	2,545,075	2,747,857	2,913,298	3,035,997	3,203,939	3,246,126	3,354,664	3,430,712	3,506,894	3,646,690	3,769,482	3,845,436	3,884,426	3,884,426	3,901,838	3,936,022	3,971,963	4,009,622			
June-87	556,509	1,350,692	1,993,369	2,579,183	3,116,291	3,554,448	3,811,881	4,007,455	4,213,271	4,383,210	4,532,492	4,672,974	4,887,827	5,019,452	5,138,398	5,229,397	5,303,153	5,343,074	5,369,509	5,376,022	5,376,022	5,376,022				
June-88	996,188	2,332,317	3,514,867	4,556,262	5,500,101	6,017,634	6,366,291	6,722,900	7,030,156	7,360,513	7,651,811	7,905,775	8,097,655	8,296,173	8,504,343	8,714,431	8,884,786	9,012,909	9,145,701	9,284,112	9,391,001					
June-89	974,368	2,808,156	4,300,397	5,491,438	6,395,798	6,912,277	7,273,583	7,577,849	7,816,082	8,040,709	8,232,999	8,388,997	8,540,736	8,681,850	8,813,773	8,957,148	9,087,424	9,215,619	9,374,489	9,492,897						
June-90	1,353,410	3,008,842	4,338,167	5,277,757	5,970,429	6,408,269	6,735,493	6,970,610	7,237,879	7,548,184	7,808,304	7,989,794	8,127,173	8,265,835	8,400,915	8,532,029	8,676,814	8,783,514	8,912,207							
June-91	1,118,653	2,593,016	3,552,946	4,081,060	4,371,249	4,603,681	4,879,272	5,042,637	5,246,506	5,361,660	5,458,410	5,545,863	5,634,530	5,719,796	5,801,980	5,891,283	5,939,454	5,965,760								
June-92	779,443	1,600,490	2,051,414	2,363,890	2,560,991	2,732,954	2,816,302	2,946,286	2,972,351	3,048,807	3,074,042	3,100,183	3,111,601	3,122,928	3,137,949	3,150,571	3,201,317									
June-93	508,042	1,139,423	1,618,359	1,905,411	2,126,599	2,257,595	2,393,075	2,425,099	2,385,748	2,412,183	2,438,986	2,465,788	2,494,233	2,522,478	2,551,473	2,581,602										
June-94	377,925	709,441	935,174	1,117,965	1,249,550	1,323,162	1,417,563	1,481,985	1,569,098	1,629,814	1,690,715	1,751,099	1,818,321	1,857,805	1,886,745											
June-95	574,439	1,025,079	1,426,023	1,674,484	1,757,816	1,829,216	1,892,841	1,966,438	2,053,313	2,075,609	2,139,480	2,201,203	2,270,427	2,322,083												
June-96	465,550	766,030	964,996	1,197,748	1,382,594	1,418,297	1,422,506	1,435,178	1,435,753	1,438,193	1,438,193	1,438,193	1,438,193													
June-97	368,317	714,320	867,272	851,009	922,681	963,841	1,008,538	1,037,840	1,056,559	1,056,947	1,057,037	1,057,037														
June-98	492,131	922,570	1,176,288	1,346,558	1,538,911	1,686,620	1,733,801	1,756,573	1,858,553	1,897,738	1,938,454															
June-99	519,180	827,646	1,011,258	1,112,460	1,171,394	1,215,503	1,243,288	1,247,060	1,247,060	1,249,270																
June-00	421,812	853,733	1,204,737	1,330,009	1,450,814	1,536,528	1,585,725	1,622,250	1,634,502																	
June-01	729,752	1,342,599	1,726,067	1,967,587	2,098,934	2,195,511	2,276,106	2,353,436																		
June-02	623,060	1,199,282	1,469,081	1,634,403	1,755,795	1,921,999	2,013,718																			
June-03	598,151	1,030,113	1,208,133	1,287,181	1,329,302	1,354,993																				
June-04	770,179	1,494,135	1,959,406	2,261,994	2,448,308																					
June-05	665,795	1,274,934	1,639,401	1,834,908																						
June-06	602,391	1,043,862	1,212,582																							
June-07	589,461	977,401																								
June-08	619,287																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.427	1.491	1.278	1.237	1.200	1.176	1.170	1.221	1.178	1.111	1.101	1.071	1.054	1.043	1.072	1.037	1.040	1.028	1.024	1.024	1.024	1.024	1.024	1.025	1.025
June-84	2.427	1.491	1.278	1.237	1.199	1.176	1.121	1.080	1.068	1.042	1.026	1.002	1.037	1.010	1.041	1.043	1.043	1.044	1.041	1.006	1.011	1.027	1.014	1.015	
June-85	2.427	1.491	1.248	1.237	1.198	1.145	1.118	1.119	1.061	0.996	1.069	1.030	1.028	1.018	0.999	1.008	1.023	1.023	1.023	1.022	1.023	1.023	1.024		
June-86	2.427	1.469	1.261	1.185	1.123	1.080	1.060	1.042	1.055	1.013	1.033	1.023	1.022	1.040	1.034	1.020	1.010	1.000	1.004	1.009	1.009	1.009			
June-87	2.427	1.476	1.294	1.208	1.141	1.072	1.051	1.051	1.040	1.034	1.031	1.046	1.027	1.024	1.018	1.014	1.008	1.005	1.001	1.000	1.000				
June-88	2.341	1.507	1.296	1.207	1.094	1.058	1.056	1.046	1.047	1.040	1.033	1.024	1.025	1.025	1.025	1.020	1.014	1.015	1.015	1.012					
June-89	2.882	1.531	1.277	1.165	1.081	1.052	1.042	1.031	1.029	1.024	1.019	1.018	1.017	1.015	1.016	1.015	1.014	1.017	1.013						
June-90	2.223	1.442	1.217	1.131	1.073	1.051	1.035	1.038	1.043	1.034	1.023	1.017	1.017	1.016	1.016	1.017	1.012	1.015							
June-91	2.318	1.370	1.149	1.071	1.053	1.060	1.033	1.040	1.022	1.018	1.016	1.016	1.015	1.014	1.015	1.008	1.004								
June-92	2.053	1.282	1.152	1.083	1.067	1.030	1.046	1.009	1.026	1.008	1.009	1.004	1.004	1.005	1.004	1.016									
June-93	2.243	1.420	1.177	1.116	1.062	1.060	1.013	0.984	1.011	1.011	1.011	1.012	1.011	1.011	1.012										
June-94	1.877	1.318	1.195	1.118	1.059	1.071	1.045	1.059	1.039	1.037	1.036	1.038	1.022	1.016											
June-95	1.784	1.391	1.174	1.050	1.041	1.035	1.039	1.044	1.011	1.031	1.029	1.031	1.023												
June-96	1.645	1.260	1.241	1.154	1.026	1.003	1.009	1.000	1.002	1.000	1.000	1.000													
June-97	1.939	1.214	0.981	1.084	1.045	1.046	1.029	1.018	1.000	1.000	1.000														
June-98	1.875	1.275	1.145	1.143	1.096	1.028	1.013	1.058	1.021	1.021															
June-99	1.594	1.222	1.100	1.053	1.038	1.023	1.003	1.000	1.002																
June-00	2.024	1.411	1.104	1.091	1.059	1.032	1.023	1.008																	
June-01	1.840	1.286	1.140	1.067	1.046	1.037	1.034																		
June-02	1.925	1.225	1.113	1.074	1.095	1.048																			
June-03	1.722	1.173	1.065	1.033	1.019																				
June-04	1.940	1.311	1.154	1.082																					
June-05	1.915	1.286	1.119																						
June-06	1.733	1.162																							
June-07	1.658																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.067	1.354	1.181	1.129	1.086	1.064	1.050	1.047	1.038	1.026	1.029	1.024	1.023	1.020	1.023	1.020	1.019	1.018	1.017	1.012	1.013	1.021	1.021	1.020	1.025	
Latest 5	1.794	1.231	1.118	1.069	1.051	1.033	1.020	1.017	1.007	1.018	1.015	1.017	1.015	1.013	1.013	1.015	1.011	1.010	1.011	1.010	1.013					
Latest 3	1.769	1.253	1.113	1.063	1.053	1.039	1.020	1.022	1.008	1.007	1.010	1.023	1.019	1.011	1.010	1.014	1.010	1.016	1.010	1.007	1.011	1.020	1.021			
Volume Wtd																										
All Yrs	2.081	1.370	1.193	1.129	1.081	1.057	1.044	1.040	1.036	1.026	1.026	1.022	1.021	1.019	1.019	1.017	1.014	1.015	1.014	1.010	1.011	1.019	1.021	1.020		
Latest 5	1.804	1.239	1.123	1.071	1.054	1.035	1.022	1.019	1.009	1.020	1.017	1.016	1.014	1.014	1.014	1.015	1.011	1.012	1.011	1.009	1.011					
Latest 3	1.774	1.262	1.120	1.067	1.056	1.039	1.023	1.025	1.010	1.009	1.013	1.025	1.018	1.010	1.011	1.014	1.011	1.016	1.011	1.008	1.008	1.018				

Dev Factor Selection

Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	*1.854*	*1.262*	*1.121*	*1.085*	*1.066*	*1.033*	*1.030*	*1.028*	*1.026*	*1.027*	*1.027*	*1.023*	*1.014*	*1.014*	*1.013*	*1.013*	*1.012*	*1.012*	*1.013*	*1.010*	*1.010*	*1.010*	*1.010*	*1.010*	*1.068*	
Selected	1.774	1.239	1.123	1.085	1.056	1.033	1.030	1.025	1.022	1.027	1.026	1.023	1.015	1.014	1.013	1.014	1.011	1.016	1.013	1.009	1.011	1.010	1.010	1.010	1.010	1.065
FacToUlt	4.228	2.383	1.923	1.712	1.578	1.495	1.446	1.404	1.371	1.340	1.305	1.272	1.243	1.224	1.207	1.192	1.176	1.163	1.145	1.131	1.120	1.108	1.097	1.087	1.076	1.065
Percent of Ult	23.7%	42.0%	52.0%	58.4%	63.4%	66.9%	69.1%	71.2%	73.0%	74.6%	76.6%	78.6%	80.5%	81.7%	82.8%	83.9%	85.0%	86.0%	87.3%	88.5%	89.3%	90.2%	91.1%	92.0%	93.0%	93.9%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	22,118,823	23,714,430	21,853,876	23,330,122	(264,947)	-1.2%	(384,309)	-1.6%
6/30/82-83	2,579,469	2,711,749	2,402,498	2,525,703	(176,971)	-6.9%	(186,047)	-6.9%
6/30/83-84	2,791,232	2,934,372	2,703,842	2,842,501	(87,389)	-3.1%	(91,871)	-3.1%
6/30/84-85	3,895,000	4,004,000	3,962,000	4,425,000	67,000	1.7%	421,000	10.5%
6/30/85-86	4,786,000	4,908,000	4,815,000	4,935,000	29,000	0.6%	27,000	0.6%
6/30/86-87	6,333,000	6,457,000	6,333,000	6,457,000	0	0.0%	0	0.0%
6/30/87-88	12,252,861	12,490,000	12,358,018	12,602,000	105,157	0.9%	112,000	0.9%
6/30/88-89	12,961,276	13,189,000	13,037,602	13,270,000	76,326	0.6%	81,000	0.6%
6/30/89-90	12,043,000	12,469,000	12,237,000	12,781,000	194,000	1.6%	312,000	2.5%
6/30/90-91	8,612,000	8,834,000	8,621,000	8,991,000	9,000	0.1%	157,000	1.8%
6/30/91-92	4,267,000	4,350,000	4,319,000	4,403,000	52,000	1.2%	53,000	1.2%
6/30/92-93	3,851,000	3,923,000	3,878,000	3,957,000	27,000	0.7%	34,000	0.9%
6/30/93-94	2,602,000	2,623,000	2,649,000	2,691,000	47,000	1.8%	68,000	2.6%
6/30/94-95	3,252,000	3,289,000	3,368,000	3,441,000	116,000	3.6%	152,000	4.6%
6/30/95-96	1,961,000	2,000,000	1,961,000	2,000,000	0	0.0%	0	0.0%
6/30/96-97	1,917,000	2,050,000	1,888,000	1,973,000	(29,000)	-1.5%	(77,000)	-3.8%
6/30/97-98	3,307,000	3,380,000	3,297,000	3,367,000	(10,000)	-0.3%	(13,000)	-0.4%
6/30/98-99	2,179,000	2,377,000	2,143,000	2,263,000	(36,000)	-1.7%	(114,000)	-4.8%
6/30/99-00	3,054,000	3,199,000	3,010,000	3,110,000	(44,000)	-1.4%	(89,000)	-2.8%
6/30/00-01	4,172,000	4,188,000	4,169,000	4,203,000	(3,000)	-0.1%	15,000	0.4%
6/30/01-02	3,347,000	3,424,000	3,481,000	3,528,000	134,000	4.0%	104,000	3.0%
6/30/02-03	2,723,000	3,288,000	2,610,000	3,143,000	(113,000)	-4.1%	(145,000)	-4.4%
6/30/03-04	4,312,000	4,518,000	4,332,000	4,500,000	20,000	0.5%	(18,000)	-0.4%
6/30/04-05	3,848,000	3,942,000	3,861,000	3,951,000	13,000	0.3%	9,000	0.2%
6/30/05-06	3,043,000	3,590,000	2,965,000	3,511,000	(78,000)	-2.6%	(79,000)	-2.2%
6/30/06-07	3,361,000	4,132,000	2,868,000	3,635,000	(493,000)	-14.7%	(497,000)	-12.0%
6/30/07-08								
Total	139,568,661	145,984,552	139,122,835	145,835,325	(445,825)	-0.3%	(149,226)	-0.1%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 3, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	16,829,336	1.302	21,919,662	0.0%	0.0%	0	665,680	665,680	3.0%	1.020	678,994	672,337	672,337
6/30/82-83	2,181,186	1.086	2,369,160	0.0%	0.0%	0	94,000	94,000	4.0%	1.020	95,880	94,940	94,940
6/30/83-84	2,178,653	1.152	2,510,571	0.0%	0.0%	0	260,001	260,001	10.4%	1.020	265,201	262,601	262,601
6/30/84-85	3,171,404	1.220	3,868,441	0.0%	0.0%	0	551,083	551,083	14.2%	1.020	562,105	556,594	558,317
6/30/85-86	4,009,622	1.120	4,492,575	0.1%	0.1%	4,493	435,928	440,421	9.8%	1.020	444,647	442,534	442,520
6/30/86-87	5,376,022	1.114	5,990,511	0.0%	0.1%	5,991	832,391	838,382	14.0%	1.020	849,039	843,710	843,718
6/30/87-88	9,391,001	1.176	11,045,850	0.0%	0.1%	11,046	1,535,022	1,546,068	14.0%	1.020	1,565,722	1,555,895	1,555,839
6/30/88-89	9,492,897	1.187	11,269,035	0.0%	0.1%	11,269	1,975,642	1,986,911	17.6%	1.020	2,015,155	2,001,033	2,004,588
6/30/89-90	8,912,207	1.203	10,717,233	0.0%	0.1%	10,717	2,037,640	2,048,357	19.1%	1.021	2,079,838	2,064,097	1,961,552
6/30/90-91	5,965,760	1.221	7,285,525	0.2%	0.3%	21,857	1,665,464	1,687,321	23.2%	1.035	1,722,974	1,705,147	1,710,075
6/30/91-92	3,201,317	1.176	3,765,534	0.0%	0.3%	11,297	992,140	1,003,437	26.6%	1.041	1,032,558	1,017,997	1,022,270
6/30/92-93	2,581,602	1.192	3,078,353	0.1%	0.4%	11,279	776,079	787,358	25.6%	1.047	812,541	799,949	799,910
6/30/93-94	1,886,745	1.207	2,278,183	0.0%	0.4%	8,347	358,584	366,931	16.1%	1.047	375,431	371,181	349,606
6/30/94-95	2,322,083	1.286	2,985,249	0.2%	0.6%	16,908	433,924	450,832	15.1%	1.059	459,715	455,273	460,395
6/30/95-96	1,438,193	1.243	1,787,143	0.2%	0.8%	14,261	484,060	498,321	27.9%	1.072	518,985	508,653	514,804
6/30/96-97	1,057,037	1.272	1,344,084	0.3%	1.1%	14,757	514,500	529,257	39.4%	1.087	559,294	544,276	552,152
6/30/97-98	1,938,454	1.305	2,530,103	0.2%	1.3%	34,091	710,801	744,892	29.4%	1.111	789,684	767,288	789,669
6/30/98-99	1,249,270	1.340	1,674,594	0.9%	2.2%	37,554	420,250	457,804	27.3%	1.139	478,561	468,183	481,746
6/30/99-00	1,634,502	1.371	2,240,104	0.5%	2.7%	61,437	679,200	740,637	33.1%	1.177	799,738	770,187	784,050
6/30/00-01	2,353,436	1.404	3,305,060	0.8%	3.5%	117,085	746,500	863,585	26.1%	1.236	922,931	863,585	891,207
6/30/01-02	2,013,718	1.446	2,912,814	1.0%	4.6%	132,969	434,771	567,740	19.5%	1.306	567,823	567,740	484,539
6/30/02-03	1,354,993	1.495	2,025,551	2.7%	7.3%	147,253	437,000	584,253	28.8%	1.578	689,458	584,253	613,341
6/30/03-04	2,448,308	1.578	3,863,587	0.9%	8.2%	316,568	320,000	636,568	16.5%	1.680	537,638	636,568	622,632
6/30/04-05	1,834,908	1.712	3,141,729	2.8%	11.0%	345,390	374,000	719,390	22.9%	2.118	792,251	719,390	684,772
6/30/05-06	1,212,582	1.923	2,331,483	4.2%	15.2%	353,755	279,750	633,505	27.2%	3.393	949,321	633,505	501,160
6/30/06-07	977,401	2.383	2,329,113	5.0%	20.2%	470,179	68,500	538,679	23.1%	10.792	739,245	538,679	700,000
6/30/07-08	619,287	4.228	2,618,544	2.4%	22.5%	590,229	17,730	607,959	23.2%	50.452	894,517	890,000	
Total	97,631,926		125,679,792			2,748,731	18,100,640	20,849,371	16.6%		22,199,243	21,335,596	20,358,739

NOTES:
(2) From Section 3, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 3, Exhibit 1, Page 2, Column 6
(5) From Section 3, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 3, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 3, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
Department of Mental Health - Cluster 2
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	0	0	0	20,000	46,500	35,000	0	73,500	50,000	69,180	0	0	97,000	198,000	0	0	0	26,500	25,000	25,000	0
Jun-83	0	0	0	0	0	0	0	15,000	0	20,000	24,000	35,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	0	42,000	0	70,000	40,000	10,001	48,000	0	50,000	0	0	0	0	0	0	0	0	0	0		
Jun-85	0	0	0	25,000	0	28,000	0	31,500	45,000	116,583	190,000	25,000	0	0	0	54,500	35,500	0	0	0	0	0	0	0			
Jun-86	0	0	22,500	27,000	52,500	10,000	24,428	133,500	166,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Jun-87	0	0	14,910	16,000	12,500	60,000	255,275	85,000	106,206	0	27,500	25,000	30,000	90,000	70,000	0	0	40,000	0	0	0	0					
Jun-88	0	17,171	21,420	31,841	231,000	272,884	239,000	113,000	90,000	20,000	53,826	87,507	227,463	0	19,910	0	36,667	25,000	48,333	0	0						
Jun-89	0	79,840	44,000	108,000	417,491	668,500	334,500	165,000	6,500	16,500	57,811	0	0	52,500	0	0	0	0	20,550	4,450							
Jun-90	0	39,218	184,450	480,000	338,500	235,500	155,000	60,000	65,793	0	128,678	106,000	7,500	31,000	31,000	0	0	50,125	124,876								
Jun-91	0	23,609	651,500	370,355	182,000	135,000	97,000	6,000	0	75,000	90,000	0	0	0	35,000	0	0	0									
Jun-92	0	341,000	83,230	201,910	88,000	23,000	125,000	55,000	75,000	0	0	0	0	0	0	0	0										
Jun-93	23,000	109,000	142,400	120,500	84,000	161,300	42,879	0	93,000	0	0	0	0	0	0	0											
Jun-94	5,000	85,000	44,300	28,284	37,000	0	46,000	63,000	0	0	0	0	0	25,000	25,000												
Jun-95	12,000	35,000	45,000	142,024	68,400	16,500	40,000	0	50,000	25,000	0	0	0	0													
Jun-96	0	90,000	144,500	10,000	77,560	27,000	0	100,000	0	15,000	20,000	0	0														
Jun-97	0	76,500	124,000	215,000	0	0	0	15,000	0	0	84,000	0															
Jun-98	53,300	122,501	318,000	16,000	33,091	127,909	20,000	20,000	0	0	0																
Jun-99	48,000	52,250	115,000	130,000	0	7,459	37,541	30,000	0	0																	
Jun-00	20,500	255,500	125,500	82,000	65,200	27,500	62,000	26,000	15,000																		
Jun-01	45,000	221,500	170,000	132,500	67,500	77,500	12,500	20,000																			
Jun-02	0	75,000	68,000	62,100	52,950	32,000	144,721																				
Jun-03	20,000	30,000	107,000	142,500	137,500	0																					
Jun-04	0	28,000	54,000	106,000	132,000																						
Jun-05	0	50,787	151,713	171,500																							
Jun-06	0	18,000	261,750																								
Jun-07	10,000	58,500																									
Jun-08	17,730																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	0	20,000	66,500	101,500	101,500	175,000	225,000	294,180	294,180	294,180	391,180	589,180	589,180	589,180	589,180	615,680	640,680	665,680	665,680
Jun-83	0	0	0	0	0	0	0	15,000	15,000	35,000	59,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	
Jun-84	0	0	0	0	0	0	0	42,000	42,000	112,000	152,000	162,001	210,001	210,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001		
Jun-85	0	0	0	25,000	25,000	53,000	53,000	84,500	129,500	246,083	436,083	461,083	461,083	461,083	461,083	515,583	551,083	551,083	551,083	551,083	551,083	551,083	551,083	551,083			
Jun-86	0	0	22,500	49,500	102,000	112,000	136,428	269,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928				
Jun-87	0	0	14,910	30,910	43,410	103,410	358,685	443,685	549,891	549,891	577,391	602,391	632,391	722,391	792,391	792,391	792,391	832,391	832,391	832,391	832,391	832,391					
Jun-88	0	17,171	38,591	70,432	301,432	574,316	813,316	926,316	1,016,316	1,036,316	1,090,142	1,177,649	1,405,112	1,405,112	1,425,022	1,425,022	1,461,689	1,486,689	1,535,022	1,535,022	1,535,022						
Jun-89	0	79,840	123,840	231,840	649,331	1,317,831	1,652,331	1,817,331	1,823,831	1,840,331	1,898,142	1,898,142	1,898,142	1,950,642	1,950,642	1,950,642	1,950,642	1,950,642	1,971,192	1,975,642							
Jun-90	0	39,218	223,668	703,668	1,042,168	1,277,668	1,432,668	1,492,668	1,558,461	1,558,461	1,687,139	1,793,139	1,800,639	1,831,639	1,862,639	1,862,639	1,862,639	1,912,764	2,037,640								
Jun-91	0	23,609	675,109	1,045,464	1,227,464	1,362,464	1,459,464	1,465,464	1,465,464	1,540,464	1,630,464	1,630,464	1,630,464	1,630,464	1,665,464	1,665,464	1,665,464	1,665,464									
Jun-92	0	341,000	424,230	626,140	714,140	737,140	862,140	917,140	992,140	992,140	992,140	992,140	992,140	992,140	992,140	992,140	992,140										
Jun-93	23,000	132,000	274,400	394,900	478,900	640,200	683,079	683,079	776,079	776,079	776,079	776,079	776,079	776,079	776,079	776,079											
Jun-94	5,000	90,000	134,300	162,584	199,584	199,584	245,584	308,584	308,584	308,584	308,584	308,584	308,584	333,584	358,584												
Jun-95	12,000	47,000	92,000	234,024	302,424	318,924	358,924	358,924	408,924	433,924	433,924	433,924	433,924	433,924													
Jun-96	0	90,000	234,500	244,500	322,060	349,060	349,060	449,060	449,060	464,060	484,060	484,060	484,060														
Jun-97	0	76,500	200,500	415,500	415,500	415,500	415,500	430,500	430,500	430,500	514,500	514,500															
Jun-98	53,300	175,801	493,801	509,801	542,892	670,801	690,801	710,801	710,801	710,801	710,801																
Jun-99	48,000	100,250	215,250	345,250	345,250	352,709	390,250	420,250	420,250	420,250																	
Jun-00	20,500	276,000	401,500	483,500	548,700	576,200	638,200	664,200	679,200																		
Jun-01	45,000	266,500	436,500	569,000	636,500	714,000	726,500	746,500																			
Jun-02	0	75,000	143,000	205,100	258,050	290,050	434,771																				
Jun-03	20,000	50,000	157,000	299,500	437,000	437,000																					
Jun-04	0	28,000	82,000	188,000	320,000																						
Jun-05	0	50,787	202,500	374,000																							
Jun-06	0	18,000	279,750																								
Jun-07	10,000	68,500																									
Jun-08	17,730																										

Commonwealth of Massachusetts Workers Compensation
Department of Mental Health - Cluster 2
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.002	0.002	0.000	0.003	0.002	0.003	0.000	0.000	0.004	0.009	0.000	0.000	0.000	0.001	0.001	0.001	0.000
Jun-83	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.000	0.008	0.010	0.015	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.017	0.000	0.028	0.016	0.004	0.019	0.000	0.020	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.006	0.000	0.007	0.000	0.008	0.012	0.030	0.049	0.006	0.000	0.000	0.000	0.014	0.009	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.005	0.006	0.012	0.002	0.005	0.030	0.037	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Jun-87	0.000	0.000	0.002	0.003	0.002	0.010	0.043	0.014	0.018	0.000	0.005	0.004	0.005	0.015	0.012	0.000	0.000	0.007	0.000	0.000	0.000	0.000					
Jun-88	0.000	0.002	0.002	0.003	0.021	0.025	0.022	0.010	0.008	0.002	0.005	0.008	0.021	0.000	0.002	0.000	0.003	0.002	0.004	0.000	0.000						
Jun-89	0.000	0.007	0.004	0.010	0.037	0.059	0.030	0.015	0.001	0.001	0.005	0.000	0.000	0.005	0.000	0.000	0.000	0.000	0.002	0.000							
Jun-90	0.000	0.004	0.017	0.045	0.032	0.022	0.014	0.006	0.006	0.000	0.012	0.010	0.001	0.003	0.003	0.000	0.000	0.005	0.012								
Jun-91	0.000	0.003	0.089	0.051	0.025	0.019	0.013	0.001	0.000	0.010	0.012	0.000	0.000	0.000	0.005	0.000	0.000	0.000									
Jun-92	0.000	0.091	0.022	0.054	0.023	0.006	0.033	0.015	0.020	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000										
Jun-93	0.007	0.035	0.046	0.039	0.027	0.052	0.014	0.000	0.030	0.000	0.000	0.000	0.000	0.000	0.000	0.000											
Jun-94	0.002	0.037	0.019	0.012	0.016	0.000	0.020	0.028	0.000	0.000	0.000	0.000	0.000	0.011	0.011												
Jun-95	0.004	0.012	0.015	0.048	0.023	0.006	0.013	0.000	0.017	0.008	0.000	0.000	0.000	0.000													
Jun-96	0.000	0.050	0.081	0.006	0.043	0.015	0.000	0.056	0.000	0.008	0.011	0.000	0.000														
Jun-97	0.000	0.057	0.092	0.160	0.000	0.000	0.000	0.011	0.000	0.000	0.062	0.000															
Jun-98	0.021	0.048	0.126	0.006	0.013	0.051	0.008	0.008	0.000	0.000	0.000																
Jun-99	0.029	0.031	0.069	0.078	0.000	0.004	0.022	0.018	0.000	0.000																	
Jun-00	0.009	0.114	0.056	0.037	0.029	0.012	0.028	0.012	0.007																		
Jun-01	0.014	0.067	0.051	0.040	0.020	0.023	0.004	0.006																			
Jun-02	0.000	0.026	0.023	0.021	0.018	0.011	0.050																				
Jun-03	0.010	0.015	0.053	0.070	0.068	0.000																					
Jun-04	0.000	0.007	0.014	0.027	0.034																						
Jun-05	0.000	0.016	0.048	0.055																							
Jun-06	0.000	0.008	0.112																								
Jun-07	0.004	0.025																									
Jun-08	0.007																										

Averages		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
Simple Avg																											
All Yrs (ex P)	0.004	0.026	0.040	0.034	0.020	0.015	0.016	0.014	0.009	0.006	0.012	0.003	0.003	0.003	0.004	0.001	0.001	0.002	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Latest 5	0.002	0.014	0.050	0.043	0.034	0.010	0.022	0.011	0.001	0.003	0.015	0.000	0.000	0.002	0.004	0.000	0.001	0.003	0.004	0.000	0.000	0.000					
Latest 3	0.004	0.016	0.058	0.051	0.040	0.011	0.027	0.012	0.002	0.000	0.025	0.000	0.000	0.004	0.004	0.000	0.000	0.002	0.006	0.000	0.000	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.003	0.024	0.037	0.029	0.019	0.014	0.015	0.012	0.007	0.004	0.009	0.002	0.002	0.002	0.003	0.000	0.000	0.001	0.001	0.000	0.000	0.000	0.000	0.000			
Latest 10	0.005	0.030	0.063	0.042	0.023	0.009	0.014	0.012	0.005	0.002	0.005	0.001	0.001	0.002	0.003	0.000	0.000										
Latest 5	0.001	0.013	0.041	0.041	0.028	0.009	0.019	0.010	0.000	0.003	0.004	0.000	0.000	0.000	0.003	0.000	0.000	0.002	0.002	0.000	0.000	0.000					

Dev Factor Selection																											
Prior	NA	0.024	0.038	0.041	0.028	0.016	0.018	0.013	0.008	0.005	0.010	0.003	0.003	0.002	0.002	0.000	0.001	0.000	0.002	0.000	0.000	0.000	0.000	0.001	0.000	0.000	
Selected	NA	0.024	0.050	0.042	0.028	0.009	0.027	0.010	0.008	0.005	0.009	0.002	0.003	0.002	0.002	0.000	0.001	0.000	0.002	0.000	0.000	0.000	0.000	0.001	0.000	0.000	0.000
FacToUlt	NA	0.225	0.202	0.152	0.110	0.082	0.073	0.046	0.035	0.027	0.022	0.013	0.011	0.008	0.006	0.004	0.004	0.003	0.003	0.001	0.001	0.001	0.001	0.001	0.000	0.000	0.000

Commonwealth of Massachusetts Workers Compensation
Department of Mental Health - Cluster 2
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	0	20,000	66,500	101,500	101,500	175,000	225,000	294,180	294,180	294,180	391,180	589,180	589,180	589,180	589,180	615,680	640,680	665,680	665,680
Jun-83	0	0	0	0	0	0	0	15,000	15,000	35,000	59,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	
Jun-84	0	0	0	0	0	0	0	42,000	42,000	112,000	152,000	162,001	210,001	210,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001	260,001		
Jun-85	0	0	0	25,000	25,000	53,000	53,000	84,500	129,500	246,083	436,083	461,083	461,083	461,083	461,083	515,583	551,083	551,083	551,083	551,083	551,083	551,083	551,083	551,083			
Jun-86	0	0	22,500	49,500	102,000	112,000	136,428	269,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928	435,928				
Jun-87	0	0	14,910	30,910	43,410	103,410	358,685	443,685	549,891	549,891	577,391	602,391	632,391	722,391	792,391	792,391	792,391	832,391	832,391	832,391	832,391	832,391					
Jun-88	0	17,171	38,591	70,432	301,432	574,316	813,316	926,316	1,016,316	1,036,316	1,090,142	1,177,649	1,405,112	1,405,112	1,425,022	1,425,022	1,461,689	1,486,689	1,535,022	1,535,022	1,535,022						
Jun-89	0	79,840	123,840	231,840	649,331	1,317,831	1,652,331	1,817,331	1,823,831	1,840,331	1,898,142	1,898,142	1,898,142	1,950,642	1,950,642	1,950,642	1,950,642	1,950,642	1,971,192	1,975,642							
Jun-90	0	39,218	223,668	703,668	1,042,168	1,277,668	1,432,668	1,492,668	1,558,461	1,558,461	1,687,139	1,793,139	1,800,639	1,831,639	1,862,639	1,862,639	1,862,639	1,912,764	2,037,640								
Jun-91	0	23,609	675,109	1,045,464	1,227,464	1,362,464	1,459,464	1,465,464	1,465,464	1,540,464	1,630,464	1,630,464	1,630,464	1,630,464	1,665,464	1,665,464	1,665,464	1,665,464									
Jun-92	0	341,000	424,230	626,140	714,140	737,140	862,140	917,140	992,140	992,140	992,140	992,140	992,140	992,140	992,140	992,140	992,140										
Jun-93	23,000	132,000	274,400	394,900	478,900	640,200	683,079	683,079	776,079	776,079	776,079	776,079	776,079	776,079	776,079	776,079											
Jun-94	5,000	90,000	134,300	162,584	199,584	199,584	245,584	308,584	308,584	308,584	308,584	308,584	308,584	333,584	358,584												
Jun-95	12,000	47,000	92,000	234,024	302,424	318,924	358,924	358,924	408,924	433,924	433,924	433,924	433,924	433,924													
Jun-96	0	90,000	234,500	244,500	322,060	349,060	349,060	449,060	449,060	464,060	484,060	484,060	484,060														
Jun-97	0	76,500	200,500	415,500	415,500	415,500	415,500	430,500	430,500	430,500	514,500	514,500															
Jun-98	53,300	175,801	493,801	509,801	542,892	670,801	690,801	710,801	710,801	710,801	710,801																
Jun-99	48,000	100,250	215,250	345,250	345,250	352,709	390,250	420,250	420,250	420,250																	
Jun-00	20,500	276,000	401,500	483,500	548,700	576,200	638,200	664,200	679,200																		
Jun-01	45,000	266,500	436,500	569,000	636,500	714,000	726,500	746,500																			
Jun-02	0	75,000	143,000	205,100	258,050	290,050	434,771																				
Jun-03	20,000	50,000	157,000	299,500	437,000	437,000																					
Jun-04	0	28,000	82,000	188,000	320,000																						
Jun-05	0	50,787	202,500	374,000																							
Jun-06	0	18,000	279,750																								
Jun-07	10,000	68,500																									
Jun-08	17,730																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs										3.325	1.526	1.000	1.724	1.286	1.307	1.000	1.000	1.330	1.506	1.000	1.000	1.000	1.045	1.041	1.039	1.000	
Jun-83								1.000	2.333	1.686	1.593	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84								1.000	2.667	1.357	1.066	1.296	1.000	1.238	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Jun-85				1.000	2.120	1.000	1.594	1.533	1.900	1.772	1.057	1.000	1.000	1.000	1.118	1.069	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
Jun-86			2.200	2.061	1.098	1.218	1.979	1.615	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Jun-87			2.073	1.404	2.382	3.469	1.237	1.239	1.000	1.050	1.043	1.050	1.142	1.097	1.000	1.000	1.050	1.000	1.000	1.000	1.000						
Jun-88		2.247	1.825	4.280	1.905	1.416	1.139	1.097	1.020	1.052	1.080	1.193	1.000	1.014	1.000	1.026	1.017	1.033	1.000	1.000							
Jun-89		1.551	1.872	2.801	2.030	1.254	1.100	1.004	1.009	1.031	1.000	1.000	1.028	1.000	1.000	1.000	1.000	1.011	1.002								
Jun-90		5.703	3.146	1.481	1.226	1.121	1.042	1.044	1.000	1.083	1.063	1.004	1.017	1.017	1.000	1.000	1.027	1.065									
Jun-91		28.595	1.549	1.174	1.110	1.071	1.004	1.000	1.051	1.058	1.000	1.000	1.000	1.021	1.000	1.000	1.000										
Jun-92		1.244	1.476	1.141	1.032	1.170	1.064	1.082	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000											
Jun-93	5.739	2.079	1.439	1.213	1.337	1.067	1.000	1.136	1.000	1.000	1.000	1.000	1.000	1.000	1.000												
Jun-94	18.000	1.492	1.211	1.228	1.000	1.230	1.257	1.000	1.000	1.000	1.000	1.000	1.081	1.075													
Jun-95	3.917	1.957	2.544	1.292	1.055	1.125	1.000	1.139	1.061	1.000	1.000	1.000	1.000														
Jun-96		2.606	1.043	1.317	1.084	1.000	1.286	1.000	1.033	1.043	1.000	1.000															
Jun-97		2.621	2.072	1.000	1.000	1.000	1.036	1.000	1.000	1.195	1.000																
Jun-98	3.298	2.809	1.032	1.065	1.236	1.030	1.029	1.000	1.000	1.000																	
Jun-99	2.089	2.147	1.604	1.000	1.022	1.106	1.077	1.000	1.000																		
Jun-00	13.463	1.455	1.204	1.135	1.050	1.108	1.041	1.023																			
Jun-01	5.922	1.638	1.304	1.119	1.122	1.018	1.028																				
Jun-02		1.907	1.434	1.258	1.124	1.499																					
Jun-03	2.500	3.140	1.908	1.459	1.000																						
Jun-04		2.929	2.293	1.702																							
Jun-05		3.987	1.847																								
Jun-06		15.542																									
Jun-07	6.850																										

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	6.864	4.508	1.754	1.506	1.312	1.272	1.171	1.106	1.240	1.145	1.060	1.039	1.021	1.039	1.011	1.009	1.010	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5	4.675	5.501	1.757	1.335	1.063	1.152	1.042	1.005	1.019	1.048	1.000	1.000	1.016	1.023	1.000	1.005	1.019	1.019	1.000	1.000	1.000	1.000					
Latest 3		7.486	2.016	1.473	1.082	1.208	1.048	1.008	1.000	1.079	1.000	1.000	1.027	1.025	1.000	1.000	1.009	1.036	1.001	1.000	1.000	1.000	1.000	1.014			
Volume Wtd																											
All Yrs (ex P)	8.637	2.464	1.570	1.304	1.222	1.163	1.087	1.062	1.031	1.062	1.025	1.028	1.018	1.021	1.005	1.007	1.013	1.026	1.001	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5	7.176	3.897	1.602	1.261	1.065	1.106	1.039	1.006	1.017	1.044	1.000	1.000	1.006	1.016	1.000	1.005	1.015	1.029	1.001	1.000	1.000						
Latest 3	13.729	5.830	1.951	1.466	1.082	1.139	1.043	1.008	1.000	1.065	1.000	1.000	1.016	1.012	1.000	1.000	1.009	1.036	1.001	1.000	1.000	1.000	1.000				

Dev Factor Selection																											
Prior	6.866	3.036	1.749	1.194	1.115	1.077	1.075	1.050	1.034	1.025	1.022	1.014	1.012	1.010	1.000	1.006	1.006	1.006	1.008	1.000	1.000	1.000	1.000	1.000	1.000		1.020
Selected	4.675	3.180	1.602	1.261	1.065	1.208	1.056	1.050	1.034	1.025	1.022	1.014	1.012	1.012	1.000	1.006	1.006	1.014	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.020
FacToUlt	50.452	10.792	3.393	2.118	1.680	1.578	1.306	1.236	1.177	1.139	1.111	1.087	1.072	1.059	1.047	1.047	1.041	1.035	1.021	1.020	1.020	1.020	1.020	1.020	1.020	1.020	1.020
Percent of Ult	2.0%	9.3%	29.5%	47.2%	59.5%	63.4%	76.6%	80.9%	84.9%	87.8%	90.0%	92.0%	93.3%	94.4%	95.5%	95.5%	96.1%	96.7%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	6.1%	0.0%	2.2%	1.3%	1.000	1.000
312	93.9%	0.9%	6.1%	0.3%	0.2%	0.981	0.971
300	93.0%	0.9%	7.0%	0.4%	0.2%	0.948	0.924
288	92.0%	0.9%	8.0%	0.4%	0.2%	0.919	0.883
276	91.1%	0.9%	8.9%	0.4%	0.2%	0.894	0.847
264	90.2%	1.0%	9.8%	0.4%	0.3%	0.871	0.815
252	89.3%	0.8%	10.7%	0.4%	0.2%	0.850	0.787
240	88.5%	1.1%	11.5%	0.5%	0.4%	0.829	0.759
228	87.3%	1.3%	12.7%	0.6%	0.5%	0.813	0.739
216	86.0%	1.0%	14.0%	0.5%	0.3%	0.801	0.723
204	85.0%	1.2%	15.0%	0.6%	0.4%	0.784	0.701
192	83.9%	1.0%	16.1%	0.6%	0.4%	0.770	0.683
180	82.8%	1.1%	17.2%	0.6%	0.5%	0.755	0.664
168	81.7%	1.2%	18.3%	0.7%	0.5%	0.742	0.648
156	80.5%	1.8%	19.5%	1.1%	0.9%	0.730	0.634
144	78.6%	2.0%	21.4%	1.3%	1.0%	0.725	0.630
132	76.6%	2.0%	23.4%	1.3%	1.1%	0.722	0.627
120	74.6%	1.6%	25.4%	1.1%	0.9%	0.717	0.621
108	73.0%	1.8%	27.0%	1.3%	1.1%	0.707	0.610
96	71.2%	2.1%	28.8%	1.5%	1.3%	0.698	0.599
84	69.1%	2.2%	30.9%	1.7%	1.5%	0.692	0.593
72	66.9%	3.5%	33.1%	2.8%	2.6%	0.687	0.587
60	63.4%	5.0%	36.6%	4.2%	3.8%	0.691	0.594
48	58.4%	6.4%	41.6%	5.6%	5.2%	0.702	0.609
36	52.0%	10.0%	48.0%	9.1%	8.7%	0.716	0.628
24	42.0%	18.3%	58.0%	17.3%	16.8%	0.739	0.658
12	23.7%	23.7%	76.3%	23.2%	23.0%	0.775	0.705
Total		100.0%					

NOTES:

(2) = 1 / Section 3, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
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Department of Mental Health - Cluster 2
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	4,358,860	5,835,106		3,741,754	5,009,000
6/30/82-83	127,312	250,517	0.981	124,840	245,652
6/30/83-84	265,188	403,847	0.948	251,357	382,784
6/30/84-85	239,513	702,513	0.919	220,205	645,880
6/30/85-86	369,450	489,450	0.894	330,266	437,539
6/30/86-87	124,587	248,587	0.871	108,481	216,451
6/30/87-88	1,431,994	1,675,977	0.850	1,217,170	1,424,550
6/30/88-89	1,569,063	1,801,461	0.829	1,300,540	1,493,166
6/30/89-90	1,287,153	1,831,153	0.813	1,046,988	1,489,486
6/30/90-91	989,776	1,359,776	0.801	792,853	1,089,239
6/30/91-92	125,543	209,543	0.784	98,395	164,230
6/30/92-93	520,319	599,319	0.770	400,557	461,373
6/30/93-94	403,671	445,671	0.755	304,707	336,410
6/30/94-95	611,993	684,993	0.742	453,918	508,062
6/30/95-96	38,747	77,747	0.730	28,270	56,725
6/30/96-97	316,463	401,463	0.725	229,585	291,250
6/30/97-98	647,745	717,745	0.722	467,745	518,292
6/30/98-99	473,480	593,480	0.717	339,504	425,548
6/30/99-00	696,298	796,298	0.707	492,337	563,045
6/30/00-01	1,069,064	1,103,064	0.698	746,470	770,210
6/30/01-02	1,032,511	1,079,511	0.692	714,669	747,201
6/30/02-03	818,007	1,351,007	0.687	561,841	927,928
6/30/03-04	1,563,692	1,731,692	0.691	1,080,892	1,197,021
6/30/04-05	1,652,092	1,742,092	0.702	1,160,367	1,223,580
6/30/05-06	1,472,668	2,018,668	0.716	1,054,466	1,445,415
6/30/06-07	1,822,099	2,589,099	0.739	1,346,603	1,913,447
6/30/07-08	2,871,983	3,551,983	0.775	2,226,858	2,754,112
Total	26,899,269	34,291,759		20,841,637	26,737,598
			(7) Total Discount Factor:	0.775	0.780

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	4,358,860	5,835,106
(9) Projected Number of Years:	8	8
(10) Projected Paid Loss per Year:	544,857	729,388
(11) Discounted Value at 4%:	3,741,754	5,009,000

NOTES:
(2), (3) From Section 3, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 3, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
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Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	4,358,860	5,835,106		3,484,956	4,665,231
6/30/82-83	127,312	250,517	0.971	123,656	243,324
6/30/83-84	265,188	403,847	0.924	244,918	372,978
6/30/84-85	239,513	702,513	0.883	211,453	620,210
6/30/85-86	369,450	489,450	0.847	312,956	414,606
6/30/86-87	124,587	248,587	0.815	101,541	202,604
6/30/87-88	1,431,994	1,675,977	0.787	1,126,818	1,318,804
6/30/88-89	1,569,063	1,801,461	0.759	1,190,248	1,366,539
6/30/89-90	1,287,153	1,831,153	0.739	950,578	1,352,328
6/30/90-91	989,776	1,359,776	0.723	715,488	982,952
6/30/91-92	125,543	209,543	0.701	87,950	146,797
6/30/92-93	520,319	599,319	0.683	355,422	409,385
6/30/93-94	403,671	445,671	0.664	268,159	296,060
6/30/94-95	611,993	684,993	0.648	396,693	444,012
6/30/95-96	38,747	77,747	0.634	24,551	49,262
6/30/96-97	316,463	401,463	0.630	199,301	252,832
6/30/97-98	647,745	717,745	0.627	406,031	449,910
6/30/98-99	473,480	593,480	0.621	294,262	368,840
6/30/99-00	696,298	796,298	0.610	424,467	485,428
6/30/00-01	1,069,064	1,103,064	0.599	640,684	661,060
6/30/01-02	1,032,511	1,079,511	0.593	611,914	639,768
6/30/02-03	818,007	1,351,007	0.587	480,142	792,995
6/30/03-04	1,563,692	1,731,692	0.594	928,732	1,028,513
6/30/04-05	1,652,092	1,742,092	0.609	1,006,727	1,061,570
6/30/05-06	1,472,668	2,018,668	0.628	924,392	1,267,116
6/30/06-07	1,822,099	2,589,099	0.658	1,198,549	1,703,071
6/30/07-08	2,871,983	3,551,983	0.705	2,023,841	2,503,027
Total	26,899,269	34,291,759		18,734,431	24,099,223
			(7) Total Discount Factor:	0.696	0.703

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	4,358,860	5,835,106
(9) Projected Number of Years:	8	8
(10) Projected Paid Loss per Year:	544,857	729,388
(11) Discounted Value at 6%:	3,484,956	4,665,231

NOTES:
(2), (3) From Section 3, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 3, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
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Department of Mental Health - Cluster 2
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	22,762,242	24,286,408	18,266,315	4,495,926	6,020,093				370,888	407,977	8.2%	6.8%
6/30/82-83	2,536,736	2,666,282	2,409,424	127,312	256,858	92.6%	1.0%	13.5%	17,243	34,788	13.5%	13.5%
6/30/83-84	2,911,432	3,060,548	2,646,244	265,188	414,304	88.6%	1.0%	8.8%	23,307	36,413	8.8%	8.8%
6/30/84-85	4,474,000	4,937,000	4,212,894	261,106	724,106	89.5%	1.0%	9.6%	24,942	69,168	9.6%	9.6%
6/30/85-86	5,080,000	5,200,000	4,698,867	381,133	501,133	91.4%	1.0%	11.7%	44,409	58,391	11.7%	11.7%
6/30/86-87	7,069,000	7,193,000	6,909,642	159,358	283,358	96.9%	1.0%	32.2%	51,337	91,283	32.2%	32.2%
6/30/87-88	14,044,018	14,297,000	12,535,178	1,508,840	1,761,822	88.5%	1.0%	8.7%	130,744	152,666	8.7%	8.7%
6/30/88-89	15,190,602	15,426,000	13,504,283	1,686,319	1,921,717	88.2%	1.0%	8.5%	143,095	163,071	8.5%	8.5%
6/30/89-90	14,294,000	14,840,000	12,886,876	1,407,124	1,953,124	88.5%	2.0%	17.3%	244,001	338,679	17.3%	17.3%
6/30/90-91	10,472,000	10,852,000	9,363,520	1,108,480	1,488,480	87.8%	2.0%	16.4%	182,038	244,442	16.4%	16.4%
6/30/91-92	5,660,000	5,755,000	5,445,129	214,871	309,871	95.4%	2.0%	43.5%	93,484	134,816	43.5%	43.5%
6/30/92-93	4,942,000	5,030,000	4,346,369	595,631	683,631	87.2%	2.0%	15.6%	92,860	106,580	15.6%	15.6%
6/30/93-94	3,314,000	3,361,000	2,860,687	453,313	500,313	85.7%	2.0%	14.0%	63,460	70,040	14.0%	14.0%
6/30/94-95	4,228,000	4,307,000	3,546,071	681,929	760,929	83.1%	3.0%	17.7%	121,015	135,035	17.7%	17.7%
6/30/95-96	2,820,000	2,866,000	2,704,475	115,525	161,525	95.1%	3.0%	61.6%	71,129	99,451	61.6%	61.6%
6/30/96-97	2,445,000	2,542,000	2,073,681	371,319	468,319	83.2%	3.0%	17.8%	66,163	83,447	17.8%	17.8%
6/30/97-98	3,859,000	3,940,000	3,149,257	709,743	790,743	80.8%	3.0%	15.6%	110,670	123,300	15.6%	15.6%
6/30/98-99	2,806,000	2,937,000	2,253,793	552,207	683,207	78.5%	3.0%	13.9%	77,010	95,280	13.9%	13.9%
6/30/99-00	3,687,000	3,802,000	2,898,667	788,333	903,333	77.4%	3.0%	13.3%	104,698	119,972	13.3%	13.3%
6/30/00-01	5,032,000	5,075,000	3,825,079	1,206,921	1,249,921	75.7%	3.0%	12.3%	148,952	154,258	12.3%	12.3%
6/30/01-02	4,136,000	4,203,000	2,974,460	1,161,540	1,228,540	71.3%	4.4%	15.2%	176,416	186,592	15.2%	15.2%
6/30/02-03	3,365,000	3,914,000	2,366,284	998,716	1,547,716	65.0%	6.3%	18.1%	180,478	279,687	18.1%	18.1%
6/30/03-04	5,684,000	5,968,000	3,839,808	1,844,192	2,128,192	65.9%	-0.9%	-2.6%	-48,221	-55,647	-2.6%	-2.6%
6/30/04-05	4,950,000	5,068,000	2,981,141	1,968,859	2,086,859	59.5%	6.4%	15.8%	310,882	329,514	15.8%	15.8%
6/30/05-06	3,953,000	4,613,000	2,176,339	1,776,661	2,436,661	50.8%	8.7%	17.7%	314,333	431,103	17.7%	17.7%
6/30/06-07	4,032,000	4,800,000	1,624,119	2,407,881	3,175,881	36.8%	14.0%	22.2%	534,553	705,051	22.2%	22.2%
6/30/07-08	4,752,000	5,674,000	915,983	3,836,017	4,758,017	17.6%	19.2%	23.3%	893,838	1,108,675	23.3%	23.3%
Total	168,499,030	176,613,239	137,414,587	31,084,444	39,198,652				4,543,725	5,704,031	14.6%	14.6%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		771,299			908,366	956,286	137,067	184,987		
6/30/82-83		134,239	139,187		134,239	140,579	0	6,341		
6/30/83-84		207,590	215,889		207,590	218,047	0	10,457		
6/30/84-85	142,302	490,407	511,542	511,572	512,000	512,000	21,593	21,593	0.360	0.360
6/30/85-86	153,030	253,317	265,027	265,014	265,000	265,000	11,683	11,683	0.173	0.173
6/30/86-87	175,859	701,229	735,844	735,726	736,000	736,000	34,771	34,771	0.419	0.419
6/30/87-88	206,034	1,609,155	1,695,343	1,686,351	1,686,000	1,695,000	76,845	85,845	0.818	0.823
6/30/88-89	222,510	2,035,745	2,155,505	2,152,944	2,153,000	2,156,000	117,255	120,255	0.968	0.969
6/30/89-90	223,446	1,937,028	2,059,186	2,056,725	2,057,000	2,059,000	119,972	121,972	0.921	0.921
6/30/90-91	209,847	1,732,296	1,850,750	1,861,357	1,851,000	1,861,000	118,704	128,704	0.882	0.887
6/30/91-92	204,915	1,251,673	1,341,273	1,352,081	1,341,000	1,352,000	89,327	100,327	0.654	0.660
6/30/92-93	176,368	988,688	1,064,359	1,072,692	1,064,000	1,073,000	75,312	84,312	0.603	0.608
6/30/93-94	172,727	615,358	665,420	669,646	665,000	670,000	49,642	54,642	0.385	0.388
6/30/94-95	177,958	790,063	860,381	865,541	860,000	866,000	69,937	75,937	0.483	0.487
6/30/95-96	175,626	782,222	858,725	865,738	859,000	866,000	76,778	83,778	0.489	0.493
6/30/96-97	189,700	502,144	557,208	568,767	557,000	569,000	54,856	66,856	0.294	0.300
6/30/97-98	176,882	500,001	562,052	573,371	562,000	573,000	61,999	72,999	0.318	0.324
6/30/98-99	188,672	584,273	663,454	674,472	663,000	674,000	78,727	89,727	0.351	0.357
6/30/99-00	194,073	584,965	677,366	691,575	677,000	692,000	92,035	107,035	0.349	0.357
6/30/00-01	201,133	725,143	862,768	872,035	863,000	872,000	137,857	146,857	0.429	0.434
6/30/01-02	202,655	525,972	654,539	675,298	655,000	675,000	129,028	149,028	0.323	0.333
6/30/02-03	202,050	574,291	755,414	770,898	755,000	771,000	180,709	196,709	0.374	0.382
6/30/03-04	189,108	1,071,500	1,468,094	1,352,473	1,352,000	1,468,000	280,500	396,500	0.715	0.776
6/30/04-05	186,494	772,233	1,116,624	1,088,587	1,089,000	1,117,000	316,767	344,767	0.584	0.599
6/30/05-06	192,742	684,007	1,097,439	1,101,517	988,000	1,102,000	303,993	417,993	0.513	0.572
6/30/06-07	202,830	578,217	1,164,112	1,165,199	1,164,000	1,165,000	585,783	586,783	0.574	0.574
6/30/07-08	206,443	278,965	1,484,987	1,243,017	1,243,000	1,485,000	964,035	1,206,035	0.602	0.719
Total	4,573,404	21,682,021	25,482,488	24,872,595	25,867,195	26,588,913	4,185,174	4,906,893		
Tot 6/30/84-08	4,573,404	20,568,893	25,127,412	24,872,595	24,617,000	25,274,000	4,048,108	4,705,108	0.538	0.553

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 3, Exhibit 2, Page 2, Column 3
(4) From Section 3, Exhibit 2, Page 2, Column 8
(5) From Section 3, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		771,299							2	2	
6/30/82-83		134,239	1.037	1.000	139,187	N/A	139,187		1	1	4,949
6/30/83-84		207,590	1.040	1.000	215,889	N/A	215,889		0	0	
6/30/84-85	142,302	490,407	1.043	1.000	511,542	N/A	511,542	0.359	1	2	10,567
6/30/85-86	153,030	253,317	1.046	1.000	265,027	N/A	265,027	0.173	0	0	
6/30/86-87	175,859	701,229	1.049	1.000	735,844	N/A	735,844	0.418	2	2	17,308
6/30/87-88	206,034	1,609,155	1.054	1.000	1,695,343	N/A	1,695,343	0.823	3	3	28,729
6/30/88-89	222,510	2,035,745	1.059	1.000	2,155,505	N/A	2,155,505	0.969	6	4	29,940
6/30/89-90	223,446	1,937,028	1.063	1.000	2,059,186	N/A	2,059,186	0.922	3	2	61,079
6/30/90-91	209,847	1,732,296	1.068	1.000	1,850,750	N/A	1,850,750	0.882	5	3	39,485
6/30/91-92	204,915	1,251,673	1.072	1.000	1,341,273	N/A	1,341,273	0.655	3	2	44,800
6/30/92-93	176,368	988,688	1.077	1.000	1,064,359	N/A	1,064,359	0.603	5	5	15,134
6/30/93-94	172,727	615,358	1.081	1.000	665,420	N/A	665,420	0.385	5	4	12,516
6/30/94-95	177,958	790,063	1.089	1.000	860,381	N/A	860,381	0.483	3	2	35,159
6/30/95-96	175,626	782,222	1.098	1.000	858,725	N/A	858,725	0.489	2	2	38,252
6/30/96-97	189,700	502,144	1.110	1.000	557,208	N/A	557,208	0.294	3	3	18,355
6/30/97-98	176,882	500,001	1.124	1.000	562,052	N/A	562,052	0.318	1	1	62,051
6/30/98-99	188,672	584,273	1.136	1.000	663,454	N/A	663,454	0.352	3	2	39,590
6/30/99-00	194,073	584,965	1.158	1.000	677,366	N/A	677,366	0.349	4	3	30,800
6/30/00-01	201,133	725,143	1.190	1.000	862,768	N/A	862,768	0.429	11	5	27,525
6/30/01-02	202,655	525,972	1.244	1.000	654,539	N/A	654,539	0.323	6	3	42,856
6/30/02-03	202,050	574,291	1.315	1.000	755,414	N/A	755,414	0.374	15	6	30,187
6/30/03-04	189,108	1,071,500	1.370	1.000	1,468,094	N/A	1,468,094	0.776	36	20	19,830
6/30/04-05	186,494	772,233	1.446	1.000	1,116,624	N/A	1,116,624	0.599	53	18	19,133
6/30/05-06	192,742	684,007	1.604	1.000	1,097,439	N/A	1,097,439	0.569	168	31	13,337
6/30/06-07	202,830	578,217	2.013	1.000	1,164,112	N/A	1,164,112	0.574	237	123	4,763
6/30/07-08	206,443	278,965	5.323	1.000	1,484,987	N/A	1,484,987	0.719		247	4,883
Total	4,573,404	21,682,021			25,482,488		25,482,488		578	496	

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 3, Exhibit 2, Page 7
(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.
(6) = (3) x (4) x (5)
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	142,302	0.360	490,407	1.043	511,572	N/A	511,572	0.359	0.359
6/30/85-86	153,030	0.173	253,317	1.046	265,014	N/A	265,014	0.173	0.173
6/30/86-87	175,859	0.417	701,229	1.049	735,726	N/A	735,726	0.418	0.418
6/30/87-88	206,034	0.737	1,609,155	1.054	1,686,351	N/A	1,686,351	0.818	0.818
6/30/88-89	222,510	0.948	2,035,745	1.059	2,152,944	N/A	2,152,944	0.968	0.968
6/30/89-90	223,446	0.903	1,937,028	1.063	2,056,725	N/A	2,056,725	0.920	0.920
6/30/90-91	209,847	0.961	1,732,296	1.068	1,861,357	N/A	1,861,357	0.887	0.887
6/30/91-92	204,915	0.734	1,251,673	1.072	1,352,081	N/A	1,352,081	0.660	0.660
6/30/92-93	176,368	0.670	988,688	1.077	1,072,692	N/A	1,072,692	0.608	0.608
6/30/93-94	172,727	0.418	615,358	1.081	669,646	N/A	669,646	0.388	0.388
6/30/94-95	177,958	0.519	790,063	1.089	865,541	N/A	865,541	0.486	0.486
6/30/95-96	175,626	0.534	782,222	1.098	865,738	N/A	865,738	0.493	0.493
6/30/96-97	189,700	0.355	502,144	1.110	568,767	N/A	568,767	0.300	0.300
6/30/97-98	176,882	0.376	500,001	1.124	573,371	N/A	573,371	0.324	0.324
6/30/98-99	188,672	0.401	584,273	1.136	674,472	N/A	674,472	0.357	0.357
6/30/99-00	194,073	0.403	584,965	1.158	691,575	N/A	691,575	0.356	0.356
6/30/00-01	201,133	0.458	725,143	1.190	872,035	N/A	872,035	0.434	0.434
6/30/01-02	202,655	0.375	525,972	1.244	675,298	N/A	675,298	0.333	0.333
6/30/02-03	202,050	0.406	574,291	1.315	770,898	N/A	770,898	0.382	0.382
6/30/03-04	189,108	0.550	1,071,500	1.370	1,352,473	N/A	1,352,473	0.715	0.715
6/30/04-05	186,494	0.550	772,233	1.446	1,088,587	N/A	1,088,587	0.584	0.584
6/30/05-06	192,742	0.575	684,007	1.604	1,101,517	N/A	1,101,517	0.571	0.571
6/30/06-07	202,830	0.575	578,217	2.013	1,165,199	N/A	1,165,199	0.574	0.574
6/30/07-08	206,443	0.575	278,965	5.323	1,243,017	N/A	1,243,017	0.602	0.602
Total	4,573,404		20,568,893		24,872,595		24,872,595		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 3, Exhibit 2, Page 4, Column 10
(4) From Section 3, Exhibit 2, Page 2, Column 3
(5) From Section 3, Exhibit 2, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.360	0.360
6/30/85-86								0.173	0.173
6/30/86-87								0.417	0.417
6/30/87-88								0.737	0.737
6/30/88-89								0.948	0.948
6/30/89-90								0.903	0.903
6/30/90-91	209,847	1,850,750	0.882	1.157	1.020	1.196	1.220	0.902	0.961
6/30/91-92	204,915	1,341,273	0.655	1.152	0.754	1.184	0.893	0.713	0.734
6/30/92-93	176,368	1,064,359	0.603	1.152	0.695	1.173	0.815	0.645	0.670
6/30/93-94	172,727	665,420	0.385	1.142	0.440	1.161	0.511	0.396	0.418
6/30/94-95	177,958	860,381	0.483	1.134	0.548	1.149	0.630	0.490	0.519
6/30/95-96	175,626	858,725	0.489	1.120	0.547	1.138	0.623	0.520	0.534
6/30/96-97	189,700	557,208	0.294	1.101	0.324	1.127	0.365	0.387	0.355
6/30/97-98	176,882	562,052	0.318	1.100	0.349	1.116	0.390	0.402	0.376
6/30/98-99	188,672	663,454	0.352	1.100	0.387	1.105	0.427	0.414	0.401
6/30/99-00	194,073	677,366	0.349	1.100	0.384	1.094	0.420	0.422	0.403
6/30/00-01	201,133	862,768	0.429	1.075	0.461	1.083	0.499	0.455	0.458
6/30/01-02	202,655	654,539	0.323	1.067	0.345	1.072	0.369	0.406	0.375
6/30/02-03	202,050	755,414	0.374	1.040	0.389	1.062	0.413	0.423	0.406
6/30/03-04	189,108	1,468,094	0.776	1.014	0.787	1.051	0.827	0.550	0.550
6/30/04-05	186,494	1,116,624	0.599	1.003	0.601	1.041	0.625	0.550	0.550
6/30/05-06	192,742	1,097,439	0.569	1.000	0.569	1.030	0.587	0.550	0.575
6/30/06-07	202,830	1,164,112	0.574	1.000	0.574	1.020	0.585	0.550	0.575
6/30/07-08	206,443	1,484,987	0.719	1.000	0.719	1.010	0.727		0.575
Total	3,450,223	17,704,966							

Trend Last 4 (ex 07-08):	-9.5%	Avg 3 (x07-08):	0.599
Trend Last 8 (ex 07-08):	7.7%	Avg 5 (x07-08):	0.607
Trend Last 12 (ex 07-08):	4.5%	Avg 10 (x07-08):	0.514
Prior Selected Trend:	2.0%	Prior Sel Avg:	0.550
Selected Trend:	1.0%	Sel. Loss Cost:	0.575

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 3, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.950	
(2)	Credibility		36%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.912	
		(Low)		(High)
(5)	Selected Range	0.902		0.921
(6)	Incremental Paid for 2008	15,931		15,931
(7)	Estimated Reserve	147,426		184,987
(8)	Paid to Date (82 & Prior)	771,299		771,299
(9)	Est Ult Paid for 1982 & Prior	918,725		956,286

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	15,838	16,023
(11)	Projected Number of Years	8	8
(12)	Estimated Reserve	126,708	128,188
(13)	Paid to Date (82 & Prior)	771,299	755,368
(14)	Est Ult Paid for 1982 & Prior	898,007	883,556
(14a)	Paid Counts During Fiscal Year	2	2
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	908,366	956,286
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**908,366**	**956,286**
(18)	Implied Tail	1.178	1.240
(19)	Ult Loss Inc Lump Sums @6/07	886,506	922,189

NOTES:

(1) From Section 3, Exhibit 2, Page 6
(2) = (Average of Section 3, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 3, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 3, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	51,889	10.857			
1993	2	26,449	10.183	0.510		
1994	3	19,386	9.872	0.733		
1995	4	14,214	9.562	0.733		
1996	5	30,374	10.321	2.137		
1997	6	29,871	10.305	0.983		
1998	7	19,565	9.881	0.655		
1999	8	34,912	10.461	1.784		
2000	9	33,563	10.421	0.961	n =	17
2001	10	21,898	9.994	0.652	S(x) =	34,000
2002	11	10,530	9.262	0.481	S(x-sq) =	68,000,408
2003	12	13,888	9.539	1.319	S(xy) =	337,934
2004	13	14,770	9.600	1.064	S(y) =	169
2005	14	16,486	9.710	1.116	D =	6,936
2006	15	16,533	9.713	1.003	slope =	-0.050
2007	16	15,051	9.619	0.910	Avg Trend =	0.950
2008	17	15,931	9.676	1.058		
					Selected Trend:	**0.950**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 1.058 = 9.676 / 9.619

Commonwealth of Massachusetts Workers Compensatio
Department of Mental Health - Cluster 2
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	6,910	16,771	25,010	31,963	39,548	47,447	55,206	65,979	79,676	97,881	109,437	118,040	122,472	123,657	124,261	124,960	125,364	127,246	128,435	128,594	128,869	130,242	130,978	131,631	133,115	134,239
June-84	15,115	36,685	54,706	69,914	86,505	104,208	114,043	135,514	154,763	169,780	196,611	201,984	204,351	205,488	205,929	206,289	207,062	207,303	207,590	207,590	207,590	207,590	207,590	207,590	207,590	
June-85	45,034	109,301	162,993	208,305	264,045	295,679	375,978	436,398	457,324	469,156	478,993	481,392	482,690	484,957	486,098	486,337	486,602	486,918	487,378	488,092	488,848	489,022	489,458	490,407		
June-86	31,328	76,036	113,387	149,251	177,640	201,245	224,645	234,675	242,982	244,710	248,077	248,146	248,146	248,464	249,109	249,459	249,459	249,734	249,759	250,509	253,317	253,317	253,317			
June-87	76,748	186,273	283,696	389,472	457,883	509,794	575,159	621,158	638,516	650,997	655,971	660,694	667,637	681,728	687,346	690,455	693,082	696,366	698,158	699,573	700,478	701,229				
June-88	178,894	502,531	738,028	895,402	1,063,080	1,183,773	1,248,121	1,279,736	1,298,796	1,310,333	1,339,541	1,367,561	1,385,075	1,399,869	1,424,718	1,427,592	1,445,010	1,498,101	1,524,412	1,550,835	1,609,155					
June-89	179,890	786,968	1,088,315	1,330,240	1,584,004	1,681,826	1,741,013	1,807,955	1,845,172	1,876,501	1,906,158	1,945,202	1,962,565	1,969,371	1,973,430	1,978,126	1,981,710	1,986,429	2,002,120	2,035,745						
June-90	298,701	961,341	1,346,536	1,509,954	1,639,655	1,697,547	1,735,975	1,749,267	1,768,436	1,790,051	1,817,206	1,838,401	1,863,987	1,878,469	1,905,280	1,915,675	1,921,866	1,934,997	1,937,028							
June-91	336,650	1,034,501	1,248,801	1,338,322	1,397,546	1,497,111	1,506,640	1,518,859	1,530,350	1,582,638	1,604,133	1,610,563	1,618,558	1,622,507	1,624,821	1,627,667	1,633,766	1,732,296								
June-92	391,215	804,359	985,930	1,100,607	1,131,087	1,152,839	1,156,897	1,204,770	1,207,427	1,217,326	1,239,794	1,242,292	1,245,829	1,245,829	1,247,305	1,249,031	1,251,673									
June-93	258,020	628,980	745,922	854,118	902,554	912,950	924,291	930,378	935,510	938,871	941,935	946,379	956,312	969,261	977,539	988,688										
June-94	182,635	373,628	418,730	436,391	447,015	469,585	491,352	516,384	534,463	550,753	585,007	594,302	601,406	609,303	615,358											
June-95	212,717	409,284	509,019	570,032	608,100	631,875	651,359	673,340	687,056	708,855	725,773	748,542	771,912	790,063												
June-96	161,311	580,474	655,522	690,974	709,369	717,233	722,565	739,256	747,885	753,899	765,449	771,693	782,222													
June-97	135,202	301,857	352,150	378,182	408,711	433,559	446,704	473,023	486,546	493,154	499,117	502,144														
June-98	160,545	332,451	383,627	422,681	445,088	461,616	487,824	498,965	499,061	499,770	500,001															
June-99	177,752	299,718	340,747	360,722	405,072	439,482	477,272	520,347	561,026	584,273																
June-00	185,350	429,256	483,565	521,929	539,722	558,001	575,939	582,579	584,965																	
June-01	241,669	433,098	500,398	575,365	598,840	628,934	693,180	725,143																		
June-02	174,410	368,134	462,671	501,999	514,827	521,795	525,972																			
June-03	106,077	382,205	468,554	496,191	560,019	574,291																				
June-04	258,429	665,381	856,411	1,022,737	1,071,500																					
June-05	223,896	627,798	728,574	772,233																						
June-06	251,300	520,856	684,007																							
June-07	266,977	578,217																								
June-08	278,965																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.427	1.491	1.278	1.237	1.200	1.164	1.195	1.208	1.228	1.118	1.079	1.038	1.010	1.005	1.006	1.003	1.015	1.009	1.001	1.002	1.011	1.006	1.005	1.011	1.008
June-84	2.427	1.491	1.278	1.237	1.205	1.094	1.188	1.142	1.097	1.158	1.027	1.012	1.006	1.002	1.002	1.004	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	
June-85	2.427	1.491	1.278	1.268	1.120	1.272	1.161	1.048	1.026	1.021	1.005	1.003	1.005	1.002	1.000	1.001	1.001	1.001	1.001	1.002	1.000	1.001	1.002		
June-86	2.427	1.491	1.316	1.190	1.133	1.116	1.045	1.035	1.007	1.014	1.000	1.000	1.001	1.003	1.001	1.000	1.001	1.000	1.003	1.011	1.000	1.000			
June-87	2.427	1.523	1.373	1.176	1.113	1.128	1.080	1.028	1.020	1.008	1.007	1.011	1.021	1.008	1.005	1.004	1.005	1.003	1.002	1.001	1.001				
June-88	2.809	1.469	1.213	1.187	1.114	1.054	1.025	1.015	1.009	1.022	1.021	1.013	1.011	1.018	1.002	1.012	1.037	1.018	1.017	1.038					
June-89	4.375	1.383	1.222	1.191	1.062	1.035	1.038	1.021	1.017	1.016	1.020	1.009	1.003	1.002	1.002	1.002	1.002	1.008	1.017						
June-90	3.218	1.401	1.121	1.086	1.035	1.023	1.008	1.011	1.012	1.015	1.012	1.014	1.008	1.014	1.005	1.003	1.007	1.001							
June-91	3.073	1.207	1.072	1.044	1.071	1.006	1.008	1.008	1.034	1.014	1.004	1.005	1.002	1.001	1.002	1.004	1.060								
June-92	2.056	1.226	1.116	1.028	1.019	1.004	1.041	1.002	1.008	1.018	1.002	1.003	1.000	1.001	1.001	1.002									
June-93	2.438	1.186	1.145	1.057	1.012	1.012	1.007	1.006	1.004	1.003	1.005	1.010	1.014	1.009	1.011										
June-94	2.046	1.121	1.042	1.024	1.050	1.046	1.051	1.035	1.030	1.062	1.016	1.012	1.013	1.010											
June-95	1.924	1.244	1.120	1.067	1.039	1.031	1.034	1.020	1.032	1.024	1.031	1.031	1.024												
June-96	3.598	1.129	1.054	1.027	1.011	1.007	1.023	1.012	1.008	1.015	1.008	1.014													
June-97	2.233	1.167	1.074	1.081	1.061	1.030	1.059	1.029	1.014	1.012	1.006														
June-98	2.071	1.154	1.102	1.053	1.037	1.057	1.023	1.000	1.001	1.000															
June-99	1.686	1.137	1.059	1.123	1.085	1.086	1.090	1.078	1.041																
June-00	2.316	1.127	1.079	1.034	1.034	1.032	1.012	1.004																	
June-01	1.792	1.155	1.150	1.041	1.050	1.102	1.046																		
June-02	2.111	1.257	1.085	1.026	1.014	1.008																			
June-03	3.603	1.226	1.059	1.129	1.025																				
June-04	2.575	1.287	1.194	1.048																					
June-05	2.804	1.161	1.060																						
June-06	2.073	1.313																							
June-07	2.166																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.524	1.285	1.152	1.107	1.071	1.065	1.060	1.039	1.035	1.033	1.016	1.012	1.009	1.006	1.003	1.003	1.014	1.005	1.006	1.009	1.002	1.002	1.002	1.006	1.008	
Latest 5	2.644	1.249	1.110	1.055	1.042	1.057	1.046	1.025	1.019	1.023	1.013	1.014	1.011	1.007	1.004	1.005	1.022	1.006	1.008	1.010	1.002					
Latest 3	2.347	1.254	1.104	1.067	1.030	1.047	1.049	1.027	1.019	1.009	1.015	1.019	1.017	1.007	1.005	1.003	1.023	1.009	1.012	1.017	1.000	1.000	1.002			
Volume Wtd																										
All Yrs	2.512	1.255	1.129	1.086	1.053	1.041	1.036	1.019	1.019	1.019	1.013	1.011	1.008	1.007	1.004	1.004	1.020	1.007	1.012	1.019	1.001	1.001	1.002	1.004		
Latest 5	2.507	1.248	1.117	1.053	1.040	1.058	1.044	1.023	1.020	1.023	1.013	1.013	1.008	1.007	1.004	1.004	1.023	1.007	1.013	1.020	1.001					
Latest 3	2.327	1.251	1.116	1.062	1.031	1.051	1.047	1.027	1.020	1.010	1.016	1.019	1.017	1.006	1.004	1.003	1.021	1.008	1.015	1.025	1.001	1.000				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	2.633	1.252	1.113	1.070	1.044	1.061	1.041	1.028	1.017	1.017	1.016	1.010	1.007	1.005	1.003	1.005	1.003	1.005	1.004	1.005	1.004	1.003	1.003	1.003		1.038
Selected	2.644	1.255	1.110	1.055	1.042	1.057	1.046	1.027	1.020	1.010	1.013	1.011	1.008	1.007	1.004	1.005	1.003	1.005	1.004	1.005	1.004	1.003	1.003	1.003	1.003	1.037
FacToUlt	5.323	2.013	1.604	1.446	1.370	1.315	1.244	1.190	1.158	1.136	1.124	1.110	1.098	1.089	1.081	1.077	1.072	1.068	1.063	1.059	1.054	1.049	1.046	1.043	1.040	1.037
Percent of Ult	18.8%	49.7%	62.3%	69.2%	73.0%	76.0%	80.4%	84.0%	86.4%	88.1%	89.0%	90.1%	91.1%	91.8%	92.5%	92.9%	93.3%	93.6%	94.1%	94.4%	94.9%	95.3%	95.6%	95.9%	96.2%	96.4%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	886,506	922,189	908,366	956,286	21,860	2.5%	34,097	3.7%
6/30/82-83	133,115	139,509	134,239	140,579	1,124	0.8%	1,071	0.8%
6/30/83-84	207,590	218,214	207,590	218,047	0	0.0%	(166)	-0.1%
6/30/84-85	511,000	511,000	512,000	512,000	1,000	0.2%	1,000	0.2%
6/30/85-86	265,000	265,000	265,000	265,000	0	0.0%	0	0.0%
6/30/86-87	736,000	736,000	736,000	736,000	0	0.0%	0	0.0%
6/30/87-88	1,632,000	1,638,000	1,686,000	1,695,000	54,000	3.3%	57,000	3.5%
6/30/88-89	2,123,000	2,124,000	2,153,000	2,156,000	30,000	1.4%	32,000	1.5%
6/30/89-90	2,060,000	2,063,000	2,057,000	2,059,000	(3,000)	-0.1%	(4,000)	-0.2%
6/30/90-91	1,747,000	1,756,000	1,851,000	1,861,000	104,000	6.0%	105,000	6.0%
6/30/91-92	1,342,000	1,350,000	1,341,000	1,352,000	(1,000)	-0.1%	2,000	0.1%
6/30/92-93	1,053,000	1,059,000	1,064,000	1,073,000	11,000	1.0%	14,000	1.3%
6/30/93-94	660,000	662,000	665,000	670,000	5,000	0.8%	8,000	1.2%
6/30/94-95	842,000	845,000	860,000	866,000	18,000	2.1%	21,000	2.5%
6/30/95-96	851,000	856,000	859,000	866,000	8,000	0.9%	10,000	1.2%
6/30/96-97	559,000	578,000	557,000	569,000	(2,000)	-0.4%	(9,000)	-1.6%
6/30/97-98	569,000	587,000	562,000	573,000	(7,000)	-1.2%	(14,000)	-2.4%
6/30/98-99	650,000	668,000	663,000	674,000	13,000	2.0%	6,000	0.9%
6/30/99-00	694,000	714,000	677,000	692,000	(17,000)	-2.4%	(22,000)	-3.1%
6/30/00-01	859,000	870,000	863,000	872,000	4,000	0.5%	2,000	0.2%
6/30/01-02	687,000	719,000	655,000	675,000	(32,000)	-4.7%	(44,000)	-6.1%
6/30/02-03	769,000	793,000	755,000	771,000	(14,000)	-1.8%	(22,000)	-2.8%
6/30/03-04	1,356,000	1,504,000	1,352,000	1,468,000	(4,000)	-0.3%	(36,000)	-2.4%
6/30/04-05	1,128,000	1,193,000	1,089,000	1,117,000	(39,000)	-3.5%	(76,000)	-6.4%
6/30/05-06	961,000	1,068,000	988,000	1,102,000	27,000	2.8%	34,000	3.2%
6/30/06-07	1,176,000	1,441,000	1,243,000	1,485,000	67,000	5.7%	44,000	3.1%
6/30/07-08								
Total	24,457,211	25,279,912	24,703,195	25,423,913	245,983	1.0%	144,002	0.6%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 3, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	3.6%	0.0%	1.3%	0.8%	1.000	1.000
312	96.4%	0.3%	3.6%	0.1%	0.1%	0.981	0.971
300	96.2%	0.3%	3.8%	0.1%	0.1%	0.946	0.920
288	95.9%	0.3%	4.1%	0.1%	0.1%	0.914	0.876
276	95.6%	0.3%	4.4%	0.1%	0.1%	0.886	0.835
264	95.3%	0.4%	4.7%	0.2%	0.1%	0.859	0.799
252	94.9%	0.5%	5.1%	0.2%	0.1%	0.838	0.770
240	94.4%	0.4%	5.6%	0.2%	0.1%	0.821	0.747
228	94.1%	0.5%	5.9%	0.2%	0.2%	0.801	0.722
216	93.6%	0.3%	6.4%	0.1%	0.1%	0.786	0.702
204	93.3%	0.4%	6.7%	0.2%	0.2%	0.765	0.676
192	92.9%	0.4%	7.1%	0.2%	0.2%	0.750	0.657
180	92.5%	0.6%	7.5%	0.4%	0.3%	0.736	0.640
168	91.8%	0.7%	8.2%	0.4%	0.3%	0.729	0.633
156	91.1%	1.0%	8.9%	0.6%	0.5%	0.724	0.628
144	90.1%	1.2%	9.9%	0.7%	0.6%	0.724	0.630
132	89.0%	0.9%	11.0%	0.6%	0.5%	0.726	0.633
120	88.1%	1.7%	11.9%	1.2%	1.0%	0.719	0.626
108	86.4%	2.3%	13.6%	1.7%	1.4%	0.728	0.638
96	84.0%	3.7%	16.0%	2.8%	2.4%	0.741	0.655
84	80.4%	4.3%	19.6%	3.4%	3.0%	0.763	0.685
72	76.0%	3.0%	24.0%	2.4%	2.2%	0.778	0.705
60	73.0%	3.8%	27.0%	3.2%	2.9%	0.774	0.699
48	69.2%	6.8%	30.8%	6.0%	5.6%	0.774	0.698
36	62.3%	12.7%	37.7%	11.5%	10.9%	0.787	0.715
24	49.7%	30.9%	50.3%	29.1%	28.3%	0.813	0.749
12	18.8%	18.8%	81.2%	18.4%	18.2%	0.857	0.808
Total		100.0%					

NOTES:

(2) = 1 / Section 3, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
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Department of Mental Health - Cluster 2
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	137,067	184,987		117,661	158,798
6/30/82-83	0	6,341	0.981	0	6,217
6/30/83-84	0	10,457	0.946	0	9,890
6/30/84-85	21,593	21,593	0.914	19,742	19,742
6/30/85-86	11,683	11,683	0.886	10,348	10,348
6/30/86-87	34,771	34,771	0.859	29,885	29,885
6/30/87-88	76,845	85,845	0.838	64,391	71,932
6/30/88-89	117,255	120,255	0.821	96,216	98,678
6/30/89-90	119,972	121,972	0.801	96,116	97,718
6/30/90-91	118,704	128,704	0.786	93,267	101,124
6/30/91-92	89,327	100,327	0.765	68,329	76,743
6/30/92-93	75,312	84,312	0.750	56,507	63,260
6/30/93-94	49,642	54,642	0.736	36,522	40,200
6/30/94-95	69,937	75,937	0.729	50,992	55,367
6/30/95-96	76,778	83,778	0.724	55,600	60,669
6/30/96-97	54,856	66,856	0.724	39,733	48,425
6/30/97-98	61,999	72,999	0.726	45,026	53,015
6/30/98-99	78,727	89,727	0.719	56,642	64,556
6/30/99-00	92,035	107,035	0.728	66,995	77,914
6/30/00-01	137,857	146,857	0.741	102,094	108,759
6/30/01-02	129,028	149,028	0.763	98,390	113,641
6/30/02-03	180,709	196,709	0.778	140,580	153,027
6/30/03-04	280,500	396,500	0.774	217,152	306,955
6/30/04-05	316,767	344,767	0.774	245,084	266,747
6/30/05-06	303,993	417,993	0.787	239,197	328,898
6/30/06-07	585,783	586,783	0.813	476,193	477,006
6/30/07-08	964,035	1,206,035	0.857	826,468	1,033,935
Total	4,185,174	4,906,893		3,349,129	3,933,448
			(7) Total Discount Factor:	0.800	0.802

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	137,067	184,987
(9) Projected Number of Years:	8	8
(10) Projected Paid Loss per Year:	17,133	23,123
(11) Discounted Value at 4%:	117,661	158,798

NOTES:
(2), (3) From Section 3, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 3, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Mental Health - Cluster 2
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	137,067	184,987		109,586	147,899
6/30/82-83	0	6,341	0.971	0	6,159
6/30/83-84	0	10,457	0.920	0	9,625
6/30/84-85	21,593	21,593	0.876	18,905	18,905
6/30/85-86	11,683	11,683	0.835	9,760	9,760
6/30/86-87	34,771	34,771	0.799	27,790	27,790
6/30/87-88	76,845	85,845	0.770	59,187	66,119
6/30/88-89	117,255	120,255	0.747	87,638	89,880
6/30/89-90	119,972	121,972	0.722	86,618	88,062
6/30/90-91	118,704	128,704	0.702	83,370	90,393
6/30/91-92	89,327	100,327	0.676	60,343	67,773
6/30/92-93	75,312	84,312	0.657	49,514	55,431
6/30/93-94	49,642	54,642	0.640	31,748	34,946
6/30/94-95	69,937	75,937	0.633	44,241	48,036
6/30/95-96	76,778	83,778	0.628	48,195	52,589
6/30/96-97	54,856	66,856	0.630	34,533	42,088
6/30/97-98	61,999	72,999	0.633	39,274	46,243
6/30/98-99	78,727	89,727	0.626	49,253	56,135
6/30/99-00	92,035	107,035	0.638	58,708	68,276
6/30/00-01	137,857	146,857	0.655	90,337	96,235
6/30/01-02	129,028	149,028	0.685	88,326	102,017
6/30/02-03	180,709	196,709	0.705	127,335	138,609
6/30/03-04	280,500	396,500	0.699	196,131	277,241
6/30/04-05	316,767	344,767	0.698	221,206	240,759
6/30/05-06	303,993	417,993	0.715	217,493	299,054
6/30/06-07	585,783	586,783	0.749	439,031	439,780
6/30/07-08	964,035	1,206,035	0.808	778,494	973,918
Total	4,185,174	4,906,893		3,057,016	3,593,723
			(7) Total Discount Factor:	0.730	0.732

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	137,067	184,987
(9) Projected Number of Years:	8	8
(10) Projected Paid Loss per Year:	17,133	23,123
(11) Discounted Value at 6%:	109,586	147,899

NOTES:
(2), (3) From Section 3, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 3, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		3,277,302			4,017,108	4,749,125	739,806	1,471,824		
6/30/82-83		2,747,816	3,741,691		3,648,149	3,928,776	900,333	1,180,960		
6/30/83-84		1,405,260	1,504,802		1,467,182	1,534,898	61,922	129,638		
6/30/84-85	115,008	3,631,861	5,029,615	3,796,159	4,176,000	4,413,000	544,139	781,139	3.631	3.837
6/30/85-86	123,679	6,080,912	9,232,543	6,460,834	7,454,354	7,847,000	1,373,442	1,766,088	6.027	6.345
6/30/86-87	142,129	3,884,640	4,248,995	4,228,102	3,924,000	3,963,000	39,360	78,360	2.761	2.788
6/30/87-88	166,516	6,079,874	7,004,142	6,717,979	6,718,000	7,004,000	638,126	924,126	4.034	4.206
6/30/88-89	179,833	6,647,381	8,102,127	7,328,852	7,329,000	8,102,000	681,619	1,454,619	4.075	4.505
6/30/89-90	180,589	8,846,706	9,986,529	9,927,039	9,927,000	9,987,000	1,080,294	1,140,294	5.497	5.530
6/30/90-91	169,598	8,891,419	14,791,519	10,454,170	10,454,000	14,792,000	1,562,581	5,900,581	6.164	8.722
6/30/91-92	165,612	3,996,013	4,637,115	4,764,202	4,637,000	4,764,000	640,987	767,987	2.800	2.877
6/30/92-93	173,874	3,155,590	3,659,543	3,929,673	3,660,000	3,930,000	504,410	774,410	2.105	2.260
6/30/93-94	185,611	4,713,446	5,579,810	5,852,488	5,580,000	5,852,000	866,554	1,138,554	3.006	3.153
6/30/94-95	193,706	6,146,311	7,490,363	7,744,782	7,490,000	7,745,000	1,343,689	1,598,689	3.867	3.998
6/30/95-96	204,905	4,931,763	6,127,641	6,445,391	6,128,000	6,445,000	1,196,237	1,513,237	2.991	3.145
6/30/96-97	233,704	5,997,062	7,516,968	7,884,041	7,517,000	7,884,000	1,519,938	1,886,938	3.216	3.374
6/30/97-98	221,484	7,549,911	9,751,540	10,117,464	9,752,000	10,117,000	2,202,089	2,567,089	4.403	4.568
6/30/98-99	255,677	7,267,271	9,649,756	10,119,753	9,650,000	10,120,000	2,382,729	2,852,729	3.774	3.958
6/30/99-00	268,079	8,025,216	10,860,232	11,324,455	10,860,000	11,324,000	2,834,784	3,298,784	4.051	4.224
6/30/00-01	278,762	10,483,368	14,678,311	14,965,939	14,678,000	15,714,000	4,194,632	5,230,632	5.265	5.637
6/30/01-02	282,635	8,626,408	12,511,583	12,929,557	12,512,000	12,930,000	3,885,592	4,303,592	4.427	4.575
6/30/02-03	289,398	8,510,769	12,980,197	13,448,688	12,980,000	13,449,000	4,469,231	4,938,231	4.485	4.647
6/30/03-04	293,308	7,351,927	11,908,310	12,898,626	11,908,000	12,899,000	4,556,073	5,547,073	4.060	4.398
6/30/04-05	290,903	7,151,632	12,618,565	13,421,786	12,619,000	14,093,000	5,467,368	6,941,368	4.338	4.845
6/30/05-06	294,215	4,280,890	9,066,118	11,856,532	10,461,000	11,857,000	6,180,110	7,576,110	3.556	4.030
6/30/06-07	289,092	2,851,182	8,190,516	11,523,345	10,054,000	12,100,000	7,202,818	9,248,818	3.478	4.186
6/30/07-08	345,859	1,238,290	7,930,519	14,708,256	11,997,000	14,708,000	10,758,710	13,469,710	3.469	4.253
Total	5,344,176	153,770,219	218,799,050	222,848,113	221,597,792	242,251,799	67,827,574	88,481,580		
Tot 6/30/84-08	5,344,176	146,339,841	213,552,557	222,848,113	212,465,354	232,039,000	66,125,513	85,699,159	3.976	4.342

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 4, Exhibit 1, Page 2, Column 3 and Section 4, Exhibit 1, Page 9, Column 8

(4) From Section 4, Exhibit 1, Page 2, Column 8

(5) From Section 4, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		3,117,302							3	3		79
6/30/82-83		2,566,735	1.046	1.326	3,560,610	181,081	3,741,691		1	1	993,875	60
6/30/83-84		1,386,759	1.051	1.020	1,486,301	18,501	1,504,802		0	0		
6/30/84-85	115,008	3,451,011	1.059	1.327	4,848,765	180,850	5,029,615	4.373	2	2	698,877	70
6/30/85-86	123,679	5,810,912	1.079	1.429	8,962,543	270,000	9,232,543	7.465	3	3	1,050,543	63
6/30/86-87	142,129	3,544,280	1.097	1.005	3,908,635	340,360	4,248,995	2.990	0	0		
6/30/87-88	166,516	5,362,873	1.117	1.050	6,287,141	717,001	7,004,142	4.206	1	1	924,268	48
6/30/88-89	179,833	6,031,181	1.128	1.100	7,485,927	616,200	8,102,127	4.505	3	3	484,915	55
6/30/89-90	180,589	7,914,306	1.144	1.000	9,054,129	932,400	9,986,529	5.530	3	3	379,941	64
6/30/90-91	169,598	8,019,651	1.157	1.500	13,919,751	871,768	14,791,519	8.721	5	7	842,871	61
6/30/91-92	165,612	3,612,762	1.177	1.000	4,253,864	383,251	4,637,115	2.800	1	2	320,551	57
6/30/92-93	173,874	2,518,289	1.200	1.000	3,022,242	637,301	3,659,543	2.105	0	0		
6/30/93-94	185,611	3,876,771	1.223	1.000	4,740,778	839,031	5,579,810	3.006	3	3	288,002	48
6/30/94-95	193,706	5,413,698	1.247	1.000	6,750,565	739,798	7,490,363	3.867	3	3	445,623	45
6/30/95-96	204,905	4,479,763	1.265	1.000	5,666,569	461,071	6,127,641	2.990	2	2	593,403	47
6/30/96-97	233,704	5,229,461	1.287	1.000	6,729,672	787,296	7,516,968	3.216	2	1	1,500,211	54
6/30/97-98	221,484	7,118,193	1.305	1.000	9,285,804	465,736	9,751,540	4.403	6	3	722,537	44
6/30/98-99	255,677	7,099,219	1.329	1.000	9,437,013	212,743	9,649,756	3.774	7	6	389,632	48
6/30/99-00	268,079	7,768,614	1.356	1.000	10,533,378	326,854	10,860,232	4.051	9	5	552,953	50
6/30/00-01	278,762	10,090,085	1.397	1.000	14,091,466	586,845	14,678,311	5.266	27	15	266,759	47
6/30/01-02	282,635	8,352,527	1.442	1.000	12,048,112	463,472	12,511,583	4.427	21	11	335,962	48
6/30/02-03	289,398	8,162,267	1.521	1.000	12,411,562	568,635	12,980,197	4.485	29	12	354,108	49
6/30/03-04	293,308	7,139,497	1.603	1.000	11,447,065	461,245	11,908,310	4.060	42	26	165,676	45
6/30/04-05	290,903	6,941,629	1.739	1.000	12,073,685	544,880	12,618,565	4.338	72	38	135,054	45
6/30/05-06	294,215	4,221,387	2.062	1.000	8,704,262	361,855	9,066,118	3.081	108	52	86,209	44
6/30/06-07	289,092	2,815,182	2.767	1.000	7,790,516	400,000	8,190,516	2.833	193	100	49,753	42
6/30/07-08	345,859	1,238,290	6.001	1.000	7,430,519	500,000	7,930,519	2.293		193	32,084	40
Total	5,344,176	143,282,643			205,930,874	12,868,176	218,799,050		546	495		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 4, Exhibit 1, Page 7
(5) Based on information from the MA WCRIB
(6) = (3) x (4) x (5)
(7) From Section 4, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	115,008	2.565	3,451,011	1.059	3,615,309	180,850	3,796,159	3.301	3.144
6/30/85-86	123,679	4.195	5,810,912	1.079	6,190,834	270,000	6,460,834	5.224	5.006
6/30/86-87	142,129	2.735	3,544,280	1.097	3,887,742	340,360	4,228,102	2.975	2.735
6/30/87-88	166,516	3.672	5,362,873	1.117	6,000,978	717,001	6,717,979	4.034	3.604
6/30/88-89	179,833	3.331	6,031,181	1.128	6,712,652	616,200	7,328,852	4.075	3.733
6/30/89-90	180,589	4.752	7,914,306	1.144	8,994,639	932,400	9,927,039	5.497	4.981
6/30/90-91	169,598	6.785	8,019,651	1.157	9,582,402	871,768	10,454,170	6.164	5.650
6/30/91-92	165,612	3.078	3,612,762	1.177	4,380,951	383,251	4,764,202	2.877	2.645
6/30/92-93	173,874	2.670	2,518,289	1.200	3,292,372	637,301	3,929,673	2.260	1.894
6/30/93-94	185,611	3.360	3,876,771	1.223	5,013,456	839,031	5,852,488	3.153	2.701
6/30/94-95	193,706	4.148	5,413,698	1.247	7,004,984	739,798	7,744,782	3.998	3.616
6/30/95-96	204,905	3.506	4,479,763	1.265	5,984,320	461,071	6,445,391	3.146	2.921
6/30/96-97	233,704	3.584	5,229,461	1.287	7,096,745	787,296	7,884,041	3.374	3.037
6/30/97-98	221,484	4.900	7,118,193	1.305	9,651,728	465,736	10,117,464	4.568	4.358
6/30/98-99	255,677	4.433	7,099,219	1.329	9,907,010	212,743	10,119,753	3.958	3.875
6/30/99-00	268,079	4.589	7,768,614	1.356	10,997,601	326,854	11,324,455	4.224	4.102
6/30/00-01	278,762	5.418	10,090,085	1.397	14,379,093	586,845	14,965,939	5.369	5.158
6/30/01-02	282,635	4.745	8,352,527	1.442	12,466,085	463,472	12,929,557	4.575	4.411
6/30/02-03	289,398	4.762	8,162,267	1.521	12,880,053	568,635	13,448,688	4.647	4.451
6/30/03-04	293,308	4.800	7,139,497	1.603	12,437,381	461,245	12,898,626	4.398	4.240
6/30/04-05	290,903	4.800	6,941,629	1.739	12,876,905	544,880	13,421,786	4.614	4.427
6/30/05-06	294,215	4.800	4,221,387	2.062	11,494,677	361,855	11,856,532	4.030	3.907
6/30/06-07	289,092	4.500	2,815,182	2.767	11,123,345	400,000	11,523,345	3.986	3.848
6/30/07-08	345,859	4.500	1,238,290	6.001	14,208,256	500,000	14,708,256	4.253	4.108
Total	5,344,176		136,211,847		210,179,519	12,668,594	222,848,113		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 4, Exhibit 1, Page 4, Column 10
(4) From Section 4, Exhibit 1, Page 2, Column 3
(5) From Section 4, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 4, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								2.565	2.565
6/30/85-86								4.195	4.195
6/30/86-87								2.735	2.735
6/30/87-88								3.672	3.672
6/30/88-89								3.331	3.331
6/30/89-90								4.752	4.752
6/30/90-91	169,598	13,919,751	8.207	0.925	7.594	1.196	9.084	5.976	6.785
6/30/91-92	165,612	4,253,864	2.569	1.015	2.607	1.184	3.088	3.548	3.078
6/30/92-93	173,874	3,022,242	1.738	1.184	2.058	1.173	2.413	3.282	2.670
6/30/93-94	185,611	4,740,778	2.554	1.169	2.985	1.161	3.465	3.736	3.360
6/30/94-95	193,706	6,750,565	3.485	1.158	4.035	1.149	4.638	4.262	4.148
6/30/95-96	204,905	5,666,569	2.765	1.149	3.176	1.138	3.615	3.835	3.506
6/30/96-97	233,704	6,729,672	2.880	1.137	3.275	1.127	3.690	3.894	3.584
6/30/97-98	221,484	9,285,804	4.193	1.123	4.706	1.116	5.251	5.094	4.900
6/30/98-99	255,677	9,437,013	3.691	1.108	4.089	1.105	4.517	4.777	4.433
6/30/99-00	268,079	10,533,378	3.929	1.090	4.283	1.094	4.684	4.895	4.589
6/30/00-01	278,762	14,091,466	5.055	1.062	5.370	1.083	5.815	5.467	5.418
6/30/01-02	282,635	12,048,112	4.263	1.042	4.440	1.072	4.760	5.050	4.745
6/30/02-03	289,398	12,411,562	4.289	1.038	4.451	1.062	4.725	5.072	4.762
6/30/03-04	293,308	11,447,065	3.903	1.038	4.050	1.051	4.257	4.800	4.800
6/30/04-05	290,903	12,073,685	4.150	1.031	4.280	1.041	4.454	4.800	4.800
6/30/05-06	294,215	8,704,262	2.958	1.021	3.020	1.030	3.111	4.800	4.800
6/30/06-07	289,092	7,790,516	2.695	1.010	2.721	1.020	2.776	4.800	4.500
6/30/07-08	345,859	7,430,519	2.148	1.000	2.148	1.010	2.170		4.500
Total	4,436,422	160,336,823							

Trend Last 4 (ex 07-08):	-14.3%	Avg 3 (x07-08):	3.447
Trend Last 8 (ex 07-08):	-7.2%	Avg 5 (x07-08):	3.865
Trend Last 12 (ex 07-08):	-1.1%	Avg 10 (x07-08):	4.435
Prior Selected Trend:	2.0%	Prior Sel Avg:	4.800
Selected Trend:	1.0%	Sel. Loss Cost:	4.500

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 4, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		1.000	
(2)	Credibility		19%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.968	
		(Low)		(High)
(5)	Selected Range	0.948		0.977
(6)	Incremental Paid for 2008	110,209		110,209
(7)	Estimated Reserve	2,023,523		4,762,050
(8)	Paid to Date (82 & Prior)	3,117,302		3,117,302
(9)	Est Ult Paid for 1982 & Prior	5,140,825		7,879,351

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	103,967	161,764
(11)	Projected Number of Years	3	3
(12)	Estimated Reserve	311,901	485,291
(13)	Paid to Date (82 & Prior)	3,117,302	3,007,093
(14)	Est Ult Paid for 1982 & Prior	3,429,202	3,492,383
(14a)	Paid Counts During Fiscal Year	3	3
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	3,857,108	4,589,125
(16)	Lump Sum Ultimates	160,000	160,000
(17)	Ult Loss Including Lump Sums	**4,017,108**	**4,749,125**
(18)	Implied Tail	1.237	1.472
(19)	Ult Loss Inc Lump Sums @6/07	3,998,610	4,548,345

NOTES:

(1) From Section 4, Exhibit 1, Page 6
(2) = (Average of Section 4, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 4, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 4, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 4, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	188,569	12.147			
1993	2	151,483	11.928	0.803		
1994	3	104,509	11.557	0.690		
1995	4	93,428	11.445	0.894		
1996	5	94,858	11.460	1.015		
1997	6	35,075	10.465	0.370		
1998	7	103,538	11.548	2.952		
1999	8	96,697	11.479	0.934		
2000	9	73,478	11.205	0.760	n =	17
2001	10	66,717	11.108	0.908	S(x) =	34,000
2002	11	70,033	11.157	1.050	S(x-sq) =	68,000,408
2003	12	124,671	11.733	1.780	S(xy) =	391,762
2004	13	92,927	11.440	0.745	S(y) =	196
2005	14	283,599	12.555	3.052	D =	6,936
2006	15	99,838	11.511	0.352	slope =	0.002
2007	16	101,854	11.531	1.020	Avg Trend =	1.002
2008	17	110,209	11.610	1.082		
					Selected Trend:	**1.000**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 1.082 = 11.61 / 11.531

Commonwealth of Massachusetts Workers Compensatio
Department of Corrections - Cluster 3
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	160,888	374,220	534,542	675,661	811,997	954,058	1,116,909	1,304,184	1,471,217	1,635,013	1,757,490	1,859,844	1,949,141	2,029,453	2,148,093	2,178,681	2,205,456	2,235,374	2,318,345	2,353,359	2,388,924	2,424,404	2,461,295	2,499,289	2,538,974	2,566,735
June-84	149,256	331,713	467,188	590,124	701,300	845,012	973,143	1,100,933	1,224,966	1,294,374	1,350,379	1,377,980	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	1,386,759	
June-85	278,562	647,928	925,510	1,158,844	1,390,342	1,636,071	1,810,725	1,948,970	2,082,835	2,178,082	2,319,274	2,402,755	2,445,792	2,537,445	2,628,105	2,728,723	2,834,546	2,914,527	2,998,669	3,082,607	3,169,057	3,258,902	3,352,791	3,451,011		
June-86	597,558	1,389,906	1,985,364	2,475,336	2,928,617	3,253,763	3,464,240	3,764,813	3,935,847	4,097,154	4,211,904	4,374,071	4,479,419	4,611,691	4,746,846	4,891,689	5,026,555	5,162,645	5,288,465	5,417,172	5,551,316	5,691,506	5,810,912			
June-87	463,134	1,057,238	1,522,773	1,934,421	2,261,898	2,491,874	2,659,729	2,799,050	2,901,503	3,021,876	3,103,922	3,271,697	3,314,455	3,410,332	3,452,632	3,495,733	3,527,775	3,544,280	3,544,280	3,544,280	3,544,280	3,544,280				
June-88	759,128	1,737,832	2,686,963	3,506,695	4,220,441	4,682,677	4,893,879	5,026,539	5,141,074	5,203,833	5,239,349	5,242,532	5,243,019	5,243,019	5,260,048	5,288,978	5,318,482	5,326,859	5,355,106	5,361,539	5,362,873					
June-89	680,636	1,738,554	2,435,784	3,057,497	3,492,498	3,784,686	4,070,002	4,251,487	4,490,766	4,687,032	4,846,109	4,998,762	5,152,745	5,318,978	5,453,186	5,596,167	5,742,890	5,832,925	5,929,581	6,031,181						
June-90	1,246,443	2,758,107	3,953,901	4,833,484	5,310,648	5,694,385	6,073,411	6,354,690	6,596,629	6,831,981	7,007,542	7,150,038	7,296,131	7,414,103	7,526,903	7,637,465	7,757,732	7,827,571	7,914,306							
June-91	1,000,517	2,462,230	3,477,661	4,227,150	4,729,807	5,106,814	5,363,266	5,600,518	5,854,394	6,102,795	6,340,515	6,600,177	6,839,938	7,070,212	7,325,430	7,572,623	7,805,418	8,019,651								
June-92	963,115	1,684,344	2,020,505	2,282,563	2,488,454	2,659,321	2,775,749	2,916,157	3,056,759	3,187,754	3,331,193	3,457,174	3,499,791	3,525,037	3,564,269	3,587,669	3,612,762									
June-93	801,947	1,527,666	1,907,058	2,209,630	2,348,676	2,429,818	2,460,521	2,483,853	2,505,893	2,512,506	2,512,506	2,515,387	2,517,666	2,518,289	2,518,289	2,518,289										
June-94	875,165	1,819,302	2,384,278	2,739,772	2,916,720	3,056,071	3,202,146	3,363,364	3,490,849	3,617,239	3,691,543	3,766,820	3,806,934	3,840,602	3,876,771											
June-95	1,066,149	2,306,245	2,941,602	3,493,104	3,941,201	4,297,491	4,665,184	4,944,044	5,062,779	5,143,804	5,226,875	5,309,969	5,385,490	5,413,698												
June-96	1,138,070	2,104,418	2,766,267	3,096,876	3,400,508	3,669,768	3,910,958	4,114,697	4,277,458	4,365,040	4,414,632	4,445,368	4,479,763													
June-97	1,262,694	2,691,990	3,329,480	3,919,297	4,322,162	4,636,666	4,943,217	5,112,087	5,158,225	5,193,663	5,222,438	5,229,461														
June-98	1,638,670	3,196,042	4,206,538	4,955,846	5,569,408	6,119,997	6,488,625	6,735,243	6,883,928	7,016,935	7,118,193															
June-99	1,336,118	2,975,082	4,075,622	4,979,874	5,739,985	6,193,457	6,542,142	6,776,193	6,959,053	7,099,219																
June-00	1,879,439	3,995,519	5,337,812	6,367,281	6,972,119	7,368,789	7,595,232	7,618,785	7,768,614																	
June-01	2,226,443	4,927,848	6,754,618	8,128,201	8,912,524	9,501,364	9,916,815	10,090,085																		
June-02	2,224,570	4,640,913	6,255,872	7,251,577	7,851,163	8,205,089	8,352,527																			
June-03	2,532,484	5,029,957	6,520,088	7,358,736	7,963,011	8,162,267																				
June-04	2,147,040	4,500,943	5,865,460	6,696,306	7,139,497																					
June-05	2,241,999	4,614,395	5,992,285	6,941,629																						
June-06	1,249,906	3,009,799	4,221,387																							
June-07	1,380,680	2,815,182																								
June-08	1,238,290																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.326	1.428	1.264	1.202	1.175	1.171	1.168	1.128	1.111	1.075	1.058	1.048	1.041	1.058	1.014	1.012	1.014	1.037	1.015	1.015	1.015	1.015	1.015	1.016	1.011
June-84	2.222	1.408	1.263	1.188	1.205	1.152	1.131	1.113	1.057	1.043	1.020	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
June-85	2.326	1.428	1.252	1.200	1.177	1.107	1.076	1.069	1.046	1.065	1.036	1.018	1.037	1.036	1.038	1.039	1.028	1.029	1.028	1.028	1.028	1.029	1.029		
June-86	2.326	1.428	1.247	1.183	1.111	1.065	1.087	1.045	1.041	1.028	1.039	1.024	1.030	1.029	1.031	1.028	1.027	1.024	1.024	1.025	1.025	1.021			
June-87	2.283	1.440	1.270	1.169	1.102	1.067	1.052	1.037	1.041	1.027	1.054	1.013	1.029	1.012	1.012	1.009	1.005	1.000	1.000	1.000	1.000				
June-88	2.289	1.546	1.305	1.204	1.110	1.045	1.027	1.023	1.012	1.007	1.001	1.000	1.000	1.003	1.005	1.006	1.002	1.005	1.001	1.000					
June-89	2.554	1.401	1.255	1.142	1.084	1.075	1.045	1.056	1.044	1.034	1.032	1.031	1.032	1.025	1.026	1.026	1.016	1.017	1.017						
June-90	2.213	1.434	1.222	1.099	1.072	1.067	1.046	1.038	1.036	1.026	1.020	1.020	1.016	1.015	1.015	1.016	1.009	1.011							
June-91	2.461	1.412	1.216	1.119	1.080	1.050	1.044	1.045	1.042	1.039	1.041	1.036	1.034	1.036	1.034	1.031	1.027								
June-92	1.749	1.200	1.130	1.090	1.069	1.044	1.051	1.048	1.043	1.045	1.038	1.012	1.007	1.011	1.007	1.007									
June-93	1.905	1.248	1.159	1.063	1.035	1.013	1.009	1.009	1.003	1.000	1.001	1.001	1.000	1.000	1.000										
June-94	2.079	1.311	1.149	1.065	1.048	1.048	1.050	1.038	1.036	1.021	1.020	1.011	1.009	1.009											
June-95	2.163	1.275	1.187	1.128	1.090	1.086	1.060	1.024	1.016	1.016	1.016	1.014	1.005												
June-96	1.849	1.315	1.120	1.098	1.079	1.066	1.052	1.040	1.020	1.011	1.007	1.008													
June-97	2.132	1.237	1.177	1.103	1.073	1.066	1.034	1.009	1.007	1.006	1.001														
June-98	1.950	1.316	1.178	1.124	1.099	1.060	1.038	1.022	1.019	1.014															
June-99	2.227	1.370	1.222	1.153	1.079	1.056	1.036	1.027	1.020																
June-00	2.126	1.336	1.193	1.095	1.057	1.031	1.003	1.020																	
June-01	2.213	1.371	1.203	1.096	1.066	1.044	1.017																		
June-02	2.086	1.348	1.159	1.083	1.045	1.018																			
June-03	1.986	1.296	1.129	1.082	1.025																				
June-04	2.096	1.303	1.142	1.066																					
June-05	2.058	1.299	1.158																						
June-06	2.408	1.403																							
June-07	2.039																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.163	1.356	1.200	1.125	1.089	1.066	1.054	1.044	1.035	1.029	1.026	1.017	1.019	1.020	1.017	1.017	1.014	1.015	1.012	1.011	1.014	1.016	1.015	1.008	1.011	
Latest 5	2.118	1.330	1.158	1.084	1.054	1.042	1.026	1.023	1.017	1.014	1.009	1.009	1.011	1.014	1.016	1.017	1.012	1.011	1.014	1.011	1.014					
Latest 3	2.168	1.335	1.143	1.077	1.045	1.031	1.019	1.023	1.015	1.010	1.008	1.011	1.005	1.007	1.013	1.018	1.017	1.011	1.006	1.008	1.018	1.017	1.015			
Volume Wtd																										
All Yrs	2.123	1.342	1.185	1.110	1.073	1.054	1.041	1.035	1.029	1.024	1.024	1.018	1.019	1.020	1.019	1.019	1.016	1.015	1.013	1.012	1.017	1.020	1.019	1.010		
Latest 5	2.091	1.324	1.159	1.085	1.053	1.040	1.024	1.023	1.017	1.013	1.009	1.010	1.014	1.018	1.020	1.019	1.013	1.012	1.014	1.012	1.017					
Latest 3	2.142	1.326	1.142	1.077	1.046	1.031	1.018	1.023	1.016	1.011	1.008	1.011	1.005	1.008	1.020	1.020	1.018	1.011	1.007	1.009	1.019	1.021				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	2.188	1.324	1.188	1.102	1.069	1.058	1.038	1.030	1.020	1.019	1.017	1.018	1.017	1.021	1.020	1.020	1.013	1.015	1.012	1.018	1.018	1.015	1.010	1.008	1.049	
Selected	2.168	1.342	1.185	1.085	1.054	1.054	1.033	1.030	1.020	1.019	1.014	1.017	1.014	1.020	1.019	1.019	1.018	1.011	1.014	1.011	1.018	1.017	1.019	1.008	1.004	1.046
FacToUlt	6.001	2.767	2.062	1.739	1.603	1.521	1.442	1.397	1.356	1.329	1.305	1.287	1.265	1.247	1.223	1.200	1.177	1.157	1.144	1.128	1.117	1.097	1.079	1.059	1.051	1.046
Percent of Ult	16.7%	36.1%	48.5%	57.5%	62.4%	65.8%	69.3%	71.6%	73.8%	75.2%	76.7%	77.7%	79.1%	80.2%	81.8%	83.3%	84.9%	86.4%	87.4%	88.6%	89.6%	91.2%	92.7%	94.4%	95.2%	95.6%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	3,998,610	4,548,345	4,017,108	4,749,125	18,498	0.5%	200,780	4.4%
6/30/82-83	3,624,111	3,902,889	3,648,149	3,928,776	24,038	0.7%	25,887	0.7%
6/30/83-84	1,478,709	1,546,957	1,467,182	1,534,898	(11,527)	-0.8%	(12,059)	-0.8%
6/30/84-85	4,094,000	4,696,000	4,176,000	4,413,000	82,000	2.0%	(283,000)	-6.0%
6/30/85-86	7,643,695	8,046,000	7,454,354	7,847,000	(189,341)	-2.5%	(199,000)	-2.5%
6/30/86-87	3,924,000	3,963,000	3,924,000	3,963,000	0	0.0%	0	0.0%
6/30/87-88	6,737,000	6,747,000	6,718,000	7,004,000	(19,000)	-0.3%	257,000	3.8%
6/30/88-89	7,265,000	8,028,000	7,329,000	8,102,000	64,000	0.9%	74,000	0.9%
6/30/89-90	9,897,000	9,956,000	9,927,000	9,987,000	30,000	0.3%	31,000	0.3%
6/30/90-91	10,137,000	14,549,000	10,454,000	14,792,000	317,000	3.1%	243,000	1.7%
6/30/91-92	4,660,000	4,917,000	4,637,000	4,764,000	(23,000)	-0.5%	(153,000)	-3.1%
6/30/92-93	3,701,000	4,171,000	3,660,000	3,930,000	(41,000)	-1.1%	(241,000)	-5.8%
6/30/93-94	5,609,000	6,030,000	5,580,000	5,852,000	(29,000)	-0.5%	(178,000)	-3.0%
6/30/94-95	7,509,000	7,812,000	7,490,000	7,745,000	(19,000)	-0.3%	(67,000)	-0.9%
6/30/95-96	6,179,000	6,655,000	6,128,000	6,445,000	(51,000)	-0.8%	(210,000)	-3.2%
6/30/96-97	7,602,000	8,136,000	7,517,000	7,884,000	(85,000)	-1.1%	(252,000)	-3.1%
6/30/97-98	9,822,000	10,305,000	9,752,000	10,117,000	(70,000)	-0.7%	(188,000)	-1.8%
6/30/98-99	9,677,000	10,406,000	9,650,000	10,120,000	(27,000)	-0.3%	(286,000)	-2.7%
6/30/99-00	10,987,000	11,690,000	10,860,000	11,324,000	(127,000)	-1.2%	(366,000)	-3.1%
6/30/00-01	14,996,000	16,021,000	14,678,000	15,714,000	(318,000)	-2.1%	(307,000)	-1.9%
6/30/01-02	13,093,000	13,676,000	12,512,000	12,930,000	(581,000)	-4.4%	(746,000)	-5.5%
6/30/02-03	13,688,000	14,315,000	12,980,000	13,449,000	(708,000)	-5.2%	(866,000)	-6.0%
6/30/03-04	12,638,000	13,517,000	11,908,000	12,899,000	(730,000)	-5.8%	(618,000)	-4.6%
6/30/04-05	13,445,000	14,728,000	12,619,000	14,093,000	(826,000)	-6.1%	(635,000)	-4.3%
6/30/05-06	10,764,536	12,568,000	10,461,000	11,857,000	(303,536)	-2.8%	(711,000)	-5.7%
6/30/06-07	11,208,332	13,427,000	10,054,000	12,100,000	(1,154,332)	-10.3%	(1,327,000)	-9.9%
6/30/07-08								
Total	214,377,992	234,357,191	209,600,792	227,543,799	(4,777,200)	-2.2%	(6,813,392)	-2.9%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 4, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	3,117,302	1.355	4,223,116	0.0%	0.0%	0	160,000	160,000	3.8%	1.000	160,000	160,000	160,000
6/30/82-83	2,566,735	1.387	3,560,610	0.0%	0.0%	0	181,081	181,081	5.1%	1.000	181,081	181,081	181,081
6/30/83-84	1,386,759	1.072	1,486,301	0.0%	0.0%	0	18,501	18,501	1.2%	1.000	18,501	18,501	18,501
6/30/84-85	3,451,011	1.405	4,848,765	0.0%	0.0%	0	180,850	180,850	3.7%	1.000	180,850	180,850	180,850
6/30/85-86	5,810,912	1.542	8,962,543	0.0%	0.0%	0	270,000	270,000	3.0%	1.000	270,000	270,000	270,000
6/30/86-87	3,544,280	1.103	3,908,635	0.0%	0.0%	0	340,360	340,360	8.7%	1.000	340,360	340,360	340,360
6/30/87-88	5,362,873	1.172	6,287,141	0.0%	0.0%	0	717,001	717,001	11.4%	1.000	717,001	717,001	717,001
6/30/88-89	6,031,181	1.241	7,485,927	0.0%	0.0%	0	616,200	616,200	8.2%	1.000	616,200	616,200	616,200
6/30/89-90	7,914,306	1.144	9,054,129	0.0%	0.0%	0	932,400	932,400	10.3%	1.000	932,400	932,400	927,400
6/30/90-91	8,019,651	1.736	13,919,751	0.0%	0.0%	0	871,768	871,768	6.3%	1.000	871,768	871,768	872,378
6/30/91-92	3,612,762	1.177	4,253,864	0.0%	0.0%	0	383,251	383,251	9.0%	1.000	383,251	383,251	383,519
6/30/92-93	2,518,289	1.200	3,022,242	0.0%	0.0%	0	637,301	637,301	21.1%	1.000	637,301	637,301	639,505
6/30/93-94	3,876,771	1.223	4,740,778	0.0%	0.0%	2,350	836,675	839,025	17.7%	1.003	839,038	839,031	843,399
6/30/94-95	5,413,698	1.247	6,750,565	0.1%	0.1%	10,097	732,613	742,710	11.0%	1.006	736,886	739,798	712,806
6/30/95-96	4,479,763	1.265	5,666,569	0.1%	0.2%	14,142	452,000	466,142	8.2%	1.009	456,000	461,071	467,868
6/30/96-97	5,229,461	1.287	6,729,672	0.2%	0.4%	30,255	767,601	797,856	11.9%	1.012	776,737	787,296	780,683
6/30/97-98	7,118,193	1.305	9,285,804	0.2%	0.6%	60,318	431,718	492,036	5.3%	1.018	439,436	465,736	482,624
6/30/98-99	7,099,219	1.329	9,437,013	0.2%	0.9%	82,443	168,052	250,495	2.7%	1.041	174,991	212,743	229,817
6/30/99-00	7,768,614	1.356	10,533,378	0.3%	1.2%	123,621	256,602	380,223	3.6%	1.066	273,485	326,854	333,367
6/30/00-01	10,090,085	1.397	14,091,466	0.2%	1.4%	193,562	393,283	586,845	4.2%	1.102	433,411	586,845	600,827
6/30/01-02	8,352,527	1.442	12,048,112	0.2%	1.6%	189,591	273,881	463,472	3.8%	1.160	317,713	463,472	491,703
6/30/02-03	8,162,267	1.521	12,411,562	0.2%	1.8%	220,133	348,502	568,635	4.6%	1.258	438,306	568,635	612,586
6/30/03-04	7,139,497	1.603	11,447,065	0.4%	2.2%	248,815	212,430	461,245	4.0%	1.476	313,538	461,245	523,712
6/30/04-05	6,941,629	1.739	12,073,685	0.6%	2.8%	334,877	210,003	544,880	4.5%	2.202	462,454	544,880	569,120
6/30/05-06	4,221,387	2.062	8,704,262	0.7%	3.5%	302,352	59,503	361,855	4.2%	3.652	217,304	361,855	401,097
6/30/06-07	2,815,182	2.767	7,790,516	0.6%	4.1%	320,322	36,000	356,322	4.6%	13.472	485,007	400,000	400,000
6/30/07-08	1,238,290	6.001	7,430,519	0.8%	4.9%	366,300	0	366,300	4.9%	66.554	0	500,000	
Total	143,282,643		210,153,991			2,499,178	10,487,576	12,986,754	6.2%		11,673,019	13,028,176	12,756,404

NOTES:
(2) From Section 4, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 4, Exhibit 1, Page 2, Column 6
(5) From Section 4, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 4, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 4, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
Department of Corrections - Cluster 3
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	0	0	15,000	0	0	0	57,500	26,000	0	60,000	0	0	0	0	0	0	1,500	0	0	0	0
Jun-83	0	0	0	0	0	0	0	17,500	0	35,000	41,581	41,000	46,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	0	0	18,500	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0		
Jun-85	0	0	0	11,000	0	0	20,000	0	69,000	0	42,000	0	38,850	0	0	0	0	0	0	0	0	0	0	0			
Jun-86	0	0	0	30,000	68,000	10,000	40,000	27,000	50,000	0	45,000	0	0	0	0	0	0	0	0	0	0	0	0				
Jun-87	0	20,000	25,000	22,500	22,500	27,000	38,250	25,001	11,250	85,000	0	37,000	14,859	0	0	0	0	12,000	0	0	0	0					
Jun-88	0	31,500	17,000	20,000	40,000	191,500	199,000	23,000	102,000	30,000	60,000	0	0	0	0	0	0	3,000	0	1	0						
Jun-89	0	5,000	70,500	4,500	125,000	86,200	157,000	70,000	30,000	49,500	0	0	0	0	0	18,500	0	0	0	0							
Jun-90	0	16,700	104,500	133,000	151,700	139,500	73,000	98,000	40,000	170,000	1,000	0	0	0	0	0	0	0	5,000								
Jun-91	0	19,996	27,700	321,471	173,500	181,000	68,000	0	40,000	40,000	1	0	0	0	0	100	0	0									
Jun-92	0	30,500	94,000	95,000	50,000	90,000	0	0	0	0	0	11,250	0	0	12,501	0	0										
Jun-93	0	122,600	116,000	160,700	27,000	80,001	119,000	0	0	0	12,000	0	0	0	0	0											
Jun-94	52,000	162,000	181,925	221,000	101,000	77,500	7,500	7,500	0	15,750	0	4,500	6,000	0	0												
Jun-95	18,613	172,000	187,000	82,000	135,000	70,000	10,000	0	0	25,000	0	1,000	0	32,000													
Jun-96	0	35,000	32,000	335,000	0	0	0	0	12,000	15,000	23,000	0	0														
Jun-97	59,500	268,000	190,500	120,000	43,000	24,000	16,000	20,600	0	9,001	0	17,000															
Jun-98	56,500	160,501	125,715	0	10,000	29,000	20,800	12,201	9,000	8,001	0																
Jun-99	0	0	20,000	1	91,750	12,800	20,500	15,000	8,001	0																	
Jun-00	0	27,501	5,000	85,500	78,101	17,500	28,500	4,500	10,000																		
Jun-01	8,490	1	74,500	89,900	93,000	73,389	33,503	20,500																			
Jun-02	0	10,000	43,880	99,500	47,501	66,000	7,000																				
Jun-03	0	58,500	110,001	81,000	77,501	21,500																					
Jun-04	0	21,923	84,502	80,002	26,003																						
Jun-05	0	12,500	108,002	89,501																							
Jun-06	0	35,001	24,502																								
Jun-07	0	36,000																									
Jun-08	0																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	15,000	15,000	15,000	15,000	72,500	98,500	98,500	158,500	158,500	158,500	158,500	158,500	158,500	158,500	160,000	160,000	160,000	160,000	160,000
Jun-83	0	0	0	0	0	0	0	17,500	17,500	52,500	94,081	135,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	
Jun-84	0	0	0	0	0	0	0	0	18,500	18,500	18,500	18,500	18,500	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501		
Jun-85	0	0	0	11,000	11,000	11,000	31,000	31,000	100,000	100,000	142,000	142,000	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850			
Jun-86	0	0	0	30,000	98,000	108,000	148,000	175,000	225,000	225,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000				
Jun-87	0	20,000	45,000	67,500	90,000	117,000	155,250	180,251	191,501	276,501	276,501	313,501	328,360	328,360	328,360	328,360	328,360	340,360	340,360	340,360	340,360	340,360					
Jun-88	0	31,500	48,500	68,500	108,500	300,000	499,000	522,000	624,000	654,000	714,000	714,000	714,000	714,000	714,000	714,000	714,000	717,000	717,000	717,001	717,001						
Jun-89	0	5,000	75,500	80,000	205,000	291,200	448,200	518,200	548,200	597,700	597,700	597,700	597,700	597,700	597,700	616,200	616,200	616,200	616,200	616,200							
Jun-90	0	16,700	121,200	254,200	405,900	545,400	618,400	716,400	756,400	926,400	927,400	927,400	927,400	927,400	927,400	927,400	927,400	927,400	932,400								
Jun-91	0	19,996	47,696	369,167	542,667	723,667	791,667	791,667	831,667	871,667	871,668	871,668	871,668	871,668	871,668	871,768	871,768	871,768									
Jun-92	0	30,500	124,500	219,500	269,500	359,500	359,500	359,500	359,500	359,500	359,500	370,750	370,750	370,750	383,251	383,251	383,251										
Jun-93	0	122,600	238,600	399,300	426,300	506,301	625,301	625,301	625,301	625,301	637,301	637,301	637,301	637,301	637,301	637,301											
Jun-94	52,000	214,000	395,925	616,925	717,925	795,425	802,925	810,425	810,425	826,175	826,175	830,675	836,675	836,675	836,675												
Jun-95	18,613	190,613	377,613	459,613	594,613	664,613	674,613	674,613	674,613	699,613	699,613	700,613	700,613	732,613													
Jun-96	0	35,000	67,000	402,000	402,000	402,000	402,000	402,000	414,000	429,000	452,000	452,000	452,000														
Jun-97	59,500	327,500	518,000	638,000	681,000	705,000	721,000	741,600	741,600	750,601	750,601	767,601															
Jun-98	56,500	217,001	342,716	342,716	352,716	381,716	402,516	414,717	423,717	431,718	431,718																
Jun-99	0	0	20,000	20,001	111,751	124,551	145,051	160,051	168,052	168,052																	
Jun-00	0	27,501	32,501	118,001	196,102	213,602	242,102	246,602	256,602																		
Jun-01	8,490	8,491	82,991	172,891	265,891	339,280	372,783	393,283																			
Jun-02	0	10,000	53,880	153,380	200,881	266,881	273,881																				
Jun-03	0	58,500	168,501	249,501	327,002	348,502																					
Jun-04	0	21,923	106,425	186,427	212,430																						
Jun-05	0	12,500	120,502	210,003																							
Jun-06	0	35,001	59,503																								
Jun-07	0	36,000																									
Jun-08	0																										

Commonwealth of Massachusetts Workers Compensation
Department of Corrections - Cluster 3
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.000	0.000	0.000	0.014	0.006	0.000	0.014	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Jun-83	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.005	0.000	0.010	0.012	0.012	0.013	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.012	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.002	0.000	0.000	0.004	0.000	0.014	0.000	0.009	0.000	0.008	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.000	0.003	0.008	0.001	0.004	0.003	0.006	0.000	0.005	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Jun-87	0.000	0.005	0.006	0.006	0.006	0.007	0.010	0.006	0.003	0.022	0.000	0.009	0.004	0.000	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000					
Jun-88	0.000	0.005	0.003	0.003	0.006	0.030	0.032	0.004	0.016	0.005	0.010	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						
Jun-89	0.000	0.001	0.009	0.001	0.017	0.012	0.021	0.009	0.004	0.007	0.000	0.000	0.000	0.000	0.000	0.002	0.000	0.000	0.000	0.000							
Jun-90	0.000	0.002	0.012	0.015	0.017	0.015	0.008	0.011	0.004	0.019	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001								
Jun-91	0.000	0.001	0.002	0.023	0.012	0.013	0.005	0.000	0.003	0.003	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000									
Jun-92	0.000	0.007	0.022	0.022	0.012	0.021	0.000	0.000	0.000	0.000	0.000	0.003	0.000	0.000	0.003	0.000	0.000										
Jun-93	0.000	0.041	0.038	0.053	0.009	0.026	0.039	0.000	0.000	0.000	0.004	0.000	0.000	0.000	0.000	0.000											
Jun-94	0.011	0.034	0.038	0.047	0.021	0.016	0.002	0.002	0.000	0.003	0.000	0.001	0.001	0.000	0.000												
Jun-95	0.003	0.025	0.028	0.012	0.020	0.010	0.001	0.000	0.000	0.004	0.000	0.000	0.000	0.005													
Jun-96	0.000	0.006	0.006	0.059	0.000	0.000	0.000	0.000	0.002	0.003	0.004	0.000	0.000														
Jun-97	0.009	0.040	0.028	0.018	0.006	0.004	0.002	0.003	0.000	0.001	0.000	0.003															
Jun-98	0.006	0.017	0.014	0.000	0.001	0.003	0.002	0.001	0.001	0.001	0.000																
Jun-99	0.000	0.000	0.002	0.000	0.010	0.001	0.002	0.002	0.001	0.000																	
Jun-00	0.000	0.003	0.000	0.008	0.007	0.002	0.003	0.000	0.001																		
Jun-01	0.001	0.000	0.005	0.006	0.007	0.005	0.002	0.001																			
Jun-02	0.000	0.001	0.004	0.008	0.004	0.005	0.001																				
Jun-03	0.000	0.005	0.009	0.007	0.006	0.002																					
Jun-04	0.000	0.002	0.007	0.007	0.002																						
Jun-05	0.000	0.001	0.009	0.007																							
Jun-06	0.000	0.004	0.003																								
Jun-07	0.000	0.005																									
Jun-08	0.000																										

Averages		*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
Simple Avg																											
All Yrs (ex P)	0.001	0.008	0.010	0.013	0.008	0.008	0.007	0.003	0.004	0.004	0.003	0.002	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Latest 5	0.000	0.003	0.006	0.007	0.005	0.003	0.002	0.002	0.001	0.002	0.001	0.001	0.000	0.001	0.001	0.000	0.000	0.001	0.000	0.000	0.000	0.000					
Latest 3	0.000	0.003	0.006	0.007	0.004	0.004	0.002	0.001	0.001	0.001	0.001	0.001	0.000	0.002	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.001	0.007	0.009	0.012	0.007	0.008	0.006	0.002	0.003	0.004	0.002	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Latest 10	0.000	0.002	0.007	0.008	0.005	0.004	0.002	0.001	0.001	0.002	0.001	0.000	0.000	0.000	0.000	0.000	0.000										
Latest 5	0.000	0.004	0.007	0.007	0.006	0.003	0.002	0.001	0.001	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000					

Dev Factor Selection																											
Prior	*NA*	*0.008*	*0.008*	*0.007*	*0.006*	*0.004*	*0.002*	*0.002*	*0.002*	*0.003*	*0.002*	*0.002*	*0.002*	*0.001*	*0.001*	*0.001*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	
Selected	NA	0.008	0.006	0.007	0.006	0.004	0.002	0.002	0.002	0.003	0.002	0.002	0.002	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
FacToUlt	NA	0.049	0.041	0.035	0.028	0.022	0.018	0.016	0.014	0.012	0.009	0.006	0.004	0.002	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Commonwealth of Massachusetts Workers Compensation
Department of Corrections - Cluster 3
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	15,000	15,000	15,000	15,000	72,500	98,500	98,500	158,500	158,500	158,500	158,500	158,500	158,500	158,500	160,000	160,000	160,000	160,000	160,000
Jun-83	0	0	0	0	0	0	0	17,500	17,500	52,500	94,081	135,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	181,081	
Jun-84	0	0	0	0	0	0	0	0	18,500	18,500	18,500	18,500	18,500	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501	18,501		
Jun-85	0	0	0	11,000	11,000	11,000	31,000	31,000	100,000	100,000	142,000	142,000	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850	180,850			
Jun-86	0	0	0	30,000	98,000	108,000	148,000	175,000	225,000	225,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000				
Jun-87	0	20,000	45,000	67,500	90,000	117,000	155,250	180,251	191,501	276,501	276,501	313,501	328,360	328,360	328,360	328,360	328,360	340,360	340,360	340,360	340,360	340,360					
Jun-88	0	31,500	48,500	68,500	108,500	300,000	499,000	522,000	624,000	654,000	714,000	714,000	714,000	714,000	714,000	714,000	714,000	717,000	717,000	717,001	717,001						
Jun-89	0	5,000	75,500	80,000	205,000	291,200	448,200	518,200	548,200	597,700	597,700	597,700	597,700	597,700	597,700	616,200	616,200	616,200	616,200	616,200							
Jun-90	0	16,700	121,200	254,200	405,900	545,400	618,400	716,400	756,400	926,400	927,400	927,400	927,400	927,400	927,400	927,400	927,400	927,400	932,400								
Jun-91	0	19,996	47,696	369,167	542,667	723,667	791,667	791,667	831,667	871,667	871,668	871,668	871,668	871,668	871,668	871,768	871,768	871,768									
Jun-92	0	30,500	124,500	219,500	269,500	359,500	359,500	359,500	359,500	359,500	359,500	370,750	370,750	370,750	383,251	383,251	383,251										
Jun-93	0	122,600	238,600	399,300	426,300	506,301	625,301	625,301	625,301	625,301	637,301	637,301	637,301	637,301	637,301	637,301											
Jun-94	52,000	214,000	395,925	616,925	717,925	795,425	802,925	810,425	810,425	826,175	826,175	830,675	836,675	836,675	836,675												
Jun-95	18,613	190,613	377,613	459,613	594,613	664,613	674,613	674,613	674,613	699,613	699,613	700,613	700,613	732,613													
Jun-96	0	35,000	67,000	402,000	402,000	402,000	402,000	402,000	414,000	429,000	452,000	452,000	452,000														
Jun-97	59,500	327,500	518,000	638,000	681,000	705,000	721,000	741,600	741,600	750,601	750,601	767,601															
Jun-98	56,500	217,001	342,716	342,716	352,716	381,716	402,516	414,717	423,717	431,718	431,718																
Jun-99	0	0	20,000	20,001	111,751	124,551	145,051	160,051	168,052	168,052																	
Jun-00	0	27,501	32,501	118,001	196,102	213,602	242,102	246,602	256,602																		
Jun-01	8,490	8,491	82,991	172,891	265,891	339,280	372,783	393,283																			
Jun-02	0	10,000	53,880	153,380	200,881	266,881	273,881																				
Jun-03	0	58,500	168,501	249,501	327,002	348,502																					
Jun-04	0	21,923	106,425	186,427	212,430																						
Jun-05	0	12,500	120,502	210,003																							
Jun-06	0	35,001	59,503																								
Jun-07	0	36,000																									
Jun-08	0																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs									1.000	1.000	1.000	4.833	1.359	1.000	1.609	1.000	1.000	1.000	1.000	1.000	1.000	1.009	1.000	1.000	1.000	1.000	
Jun-83								1.000	3.000	1.792	1.436	1.341	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84									1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Jun-85				1.000	1.000	2.818	1.000	3.226	1.000	1.420	1.000	1.274	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
Jun-86				3.267	1.102	1.370	1.182	1.286	1.000	1.200	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Jun-87		2.250	1.500	1.333	1.300	1.327	1.161	1.062	1.444	1.000	1.134	1.047	1.000	1.000	1.000	1.000	1.037	1.000	1.000	1.000	1.000						
Jun-88		1.540	1.412	1.584	2.765	1.663	1.046	1.195	1.048	1.092	1.000	1.000	1.000	1.000	1.000	1.000	1.004	1.000	1.000	1.000							
Jun-89		15.100	1.060	2.563	1.420	1.539	1.156	1.058	1.090	1.000	1.000	1.000	1.000	1.000	1.031	1.000	1.000	1.000	1.000								
Jun-90		7.257	2.097	1.597	1.344	1.134	1.158	1.056	1.225	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.005									
Jun-91		2.385	7.740	1.470	1.334	1.094	1.000	1.051	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
Jun-92		4.082	1.763	1.228	1.334	1.000	1.000	1.000	1.000	1.000	1.031	1.000	1.000	1.034	1.000	1.000											
Jun-93		1.946	1.674	1.068	1.188	1.235	1.000	1.000	1.000	1.019	1.000	1.000	1.000	1.000	1.000												
Jun-94	4.115	1.850	1.558	1.164	1.108	1.009	1.009	1.000	1.019	1.000	1.005	1.007	1.000	1.000													
Jun-95	10.241	1.981	1.217	1.294	1.118	1.015	1.000	1.000	1.037	1.000	1.001	1.000	1.046														
Jun-96		1.914	6.000	1.000	1.000	1.000	1.000	1.030	1.036	1.054	1.000	1.000															
Jun-97	5.504	1.582	1.232	1.067	1.035	1.023	1.029	1.000	1.012	1.000	1.023																
Jun-98	3.841	1.579	1.000	1.029	1.082	1.054	1.030	1.022	1.019	1.000																	
Jun-99			1.000	5.587	1.115	1.165	1.103	1.050	1.000																		
Jun-00		1.182	3.631	1.662	1.089	1.133	1.019	1.041																			
Jun-01	1.000	9.774	2.083	1.538	1.276	1.099	1.055																				
Jun-02		5.388	2.847	1.310	1.329	1.026																					
Jun-03		2.880	1.481	1.311	1.066																						
Jun-04		4.854	1.752	1.139																							
Jun-05		9.640	1.743																								
Jun-06		1.700																									
Jun-07																											

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	4.940	4.152	2.252	1.660	1.263	1.261	1.056	1.181	1.175	1.099	1.042	1.048	1.004	1.003	1.003	1.000	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5		4.893	1.981	1.392	1.175	1.095	1.047	1.028	1.021	1.011	1.006	1.001	1.009	1.007	1.006	1.000	1.008	1.008	1.000	1.000	1.000	1.002					
Latest 3		5.398	1.658	1.253	1.223	1.086	1.059	1.037	1.010	1.018	1.008	1.002	1.015	1.011	1.000	1.000	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000			
Volume Wtd																											
All Yrs (ex P)	7.382	2.169	1.697	1.280	1.199	1.125	1.046	1.054	1.064	1.029	1.015	1.015	1.005	1.002	1.004	1.000	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5		3.689	1.826	1.366	1.174	1.083	1.039	1.020	1.024	1.007	1.007	1.002	1.009	1.003	1.005	1.000	1.004	1.002	1.000	1.000	1.000						
Latest 3		4.126	1.633	1.256	1.203	1.084	1.053	1.033	1.013	1.014	1.009	1.003	1.015	1.007	1.000	1.000	1.000	1.002	1.000	1.000	1.000	1.000	1.000				

Dev Factor Selection																											
Prior	4.940	4.778	2.026	1.492	1.176	1.122	1.040	1.034	1.024	1.023	1.008	1.003	1.003	1.003	1.003	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Selected	4.940	3.689	1.658	1.492	1.174	1.084	1.053	1.034	1.024	1.023	1.006	1.003	1.003	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
FacToUlt	66.554	13.472	3.652	2.202	1.476	1.258	1.160	1.102	1.066	1.041	1.018	1.012	1.009	1.006	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	1.5%	7.4%	27.4%	45.4%	67.8%	79.5%	86.2%	90.7%	93.8%	96.0%	98.2%	98.8%	99.1%	99.4%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	4.4%	0.0%	1.6%	0.9%	1.000	1.000
312	95.6%	0.4%	4.4%	0.1%	0.1%	0.981	0.971
300	95.2%	0.8%	4.8%	0.3%	0.2%	0.946	0.921
288	94.4%	1.8%	5.6%	0.7%	0.4%	0.919	0.882
276	92.7%	1.5%	7.3%	0.6%	0.4%	0.907	0.866
264	91.2%	1.6%	8.8%	0.7%	0.5%	0.891	0.843
252	89.6%	0.9%	10.4%	0.4%	0.3%	0.875	0.822
240	88.6%	1.2%	11.4%	0.6%	0.4%	0.853	0.792
228	87.4%	1.0%	12.6%	0.5%	0.3%	0.836	0.769
216	86.4%	1.5%	13.6%	0.8%	0.5%	0.817	0.743
204	84.9%	1.6%	15.1%	0.8%	0.6%	0.805	0.728
192	83.3%	1.6%	16.7%	0.8%	0.6%	0.793	0.714
180	81.8%	1.6%	18.2%	0.9%	0.7%	0.781	0.699
168	80.2%	1.1%	19.8%	0.7%	0.5%	0.770	0.684
156	79.1%	1.3%	20.9%	0.8%	0.7%	0.753	0.663
144	77.7%	1.1%	22.3%	0.7%	0.5%	0.740	0.647
132	76.7%	1.4%	23.3%	0.9%	0.8%	0.723	0.626
120	75.2%	1.5%	24.8%	1.0%	0.8%	0.712	0.613
108	73.8%	2.1%	26.2%	1.5%	1.3%	0.701	0.600
96	71.6%	2.3%	28.4%	1.7%	1.5%	0.697	0.597
84	69.3%	3.6%	30.7%	2.8%	2.4%	0.694	0.593
72	65.8%	3.4%	34.2%	2.7%	2.5%	0.700	0.603
60	62.4%	4.9%	37.6%	4.1%	3.8%	0.700	0.605
48	57.5%	9.0%	42.5%	7.8%	7.3%	0.709	0.617
36	48.5%	12.4%	51.5%	11.2%	10.7%	0.734	0.650
24	36.1%	19.5%	63.9%	18.4%	17.8%	0.759	0.682
12	16.7%	16.7%	83.3%	16.3%	16.2%	0.788	0.720
Total		100.0%					

NOTES:

(2) = 1 / Section 4, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	739,806	1,471,824		698,030	1,388,711
6/30/82-83	900,333	1,180,960	0.981	882,849	1,158,027
6/30/83-84	61,922	129,638	0.946	58,568	122,618
6/30/84-85	544,139	781,139	0.919	500,127	717,957
6/30/85-86	1,373,442	1,766,088	0.907	1,245,634	1,601,742
6/30/86-87	39,360	78,360	0.891	35,056	69,791
6/30/87-88	638,126	924,126	0.875	558,637	809,010
6/30/88-89	681,619	1,454,619	0.853	581,583	1,241,135
6/30/89-90	1,080,294	1,140,294	0.836	902,961	953,112
6/30/90-91	1,562,581	5,900,581	0.817	1,276,013	4,818,448
6/30/91-92	640,987	767,987	0.805	515,693	617,869
6/30/92-93	504,410	774,410	0.793	400,247	614,491
6/30/93-94	866,554	1,138,554	0.781	677,199	889,764
6/30/94-95	1,343,689	1,598,689	0.770	1,034,233	1,230,506
6/30/95-96	1,196,237	1,513,237	0.753	900,988	1,139,747
6/30/96-97	1,519,938	1,886,938	0.740	1,124,335	1,395,814
6/30/97-98	2,202,089	2,567,089	0.723	1,592,983	1,857,023
6/30/98-99	2,382,729	2,852,729	0.712	1,696,544	2,031,193
6/30/99-00	2,834,784	3,298,784	0.701	1,987,931	2,313,318
6/30/00-01	4,194,632	5,230,632	0.697	2,925,599	3,648,170
6/30/01-02	3,885,592	4,303,592	0.694	2,695,253	2,985,200
6/30/02-03	4,469,231	4,938,231	0.700	3,126,725	3,454,843
6/30/03-04	4,556,073	5,547,073	0.700	3,191,391	3,885,557
6/30/04-05	5,467,368	6,941,368	0.709	3,874,996	4,919,694
6/30/05-06	6,180,110	7,576,110	0.734	4,534,550	5,558,841
6/30/06-07	7,202,818	9,248,818	0.759	5,465,184	7,017,599
6/30/07-08	10,758,710	13,469,710	0.788	8,480,239	10,617,105
Total	67,827,574	88,481,580		50,963,551	67,057,285
			(7) Total Discount Factor:	0.751	0.758

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	739,806	1,471,824
(9) Projected Number of Years:	3	3
(10) Projected Paid Loss per Year:	246,602	490,608
(11) Discounted Value at 4%:	698,030	1,388,711

NOTES:
(2), (3) From Section 4, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 4, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	739,806	1,471,824		678,945	1,350,743
6/30/82-83	900,333	1,180,960	0.971	874,481	1,147,050
6/30/83-84	61,922	129,638	0.921	57,008	119,352
6/30/84-85	544,139	781,139	0.882	480,192	689,339
6/30/85-86	1,373,442	1,766,088	0.866	1,189,054	1,528,987
6/30/86-87	39,360	78,360	0.843	33,189	66,074
6/30/87-88	638,126	924,126	0.822	524,819	760,036
6/30/88-89	681,619	1,454,619	0.792	539,867	1,152,112
6/30/89-90	1,080,294	1,140,294	0.769	830,518	876,646
6/30/90-91	1,562,581	5,900,581	0.743	1,161,346	4,385,445
6/30/91-92	640,987	767,987	0.728	466,563	559,004
6/30/92-93	504,410	774,410	0.714	360,176	552,971
6/30/93-94	866,554	1,138,554	0.699	605,681	795,797
6/30/94-95	1,343,689	1,598,689	0.684	919,426	1,093,911
6/30/95-96	1,196,237	1,513,237	0.663	793,414	1,003,667
6/30/96-97	1,519,938	1,886,938	0.647	982,821	1,220,131
6/30/97-98	2,202,089	2,567,089	0.626	1,379,126	1,607,719
6/30/98-99	2,382,729	2,852,729	0.613	1,460,094	1,748,101
6/30/99-00	2,834,784	3,298,784	0.600	1,701,417	1,979,906
6/30/00-01	4,194,632	5,230,632	0.597	2,503,619	3,121,968
6/30/01-02	3,885,592	4,303,592	0.593	2,305,675	2,553,712
6/30/02-03	4,469,231	4,938,231	0.603	2,693,275	2,975,907
6/30/03-04	4,556,073	5,547,073	0.605	2,755,694	3,355,090
6/30/04-05	5,467,368	6,941,368	0.617	3,370,987	4,279,804
6/30/05-06	6,180,110	7,576,110	0.650	4,015,346	4,922,356
6/30/06-07	7,202,818	9,248,818	0.682	4,914,533	6,310,533
6/30/07-08	10,758,710	13,469,710	0.720	7,748,734	9,701,275
Total	67,827,574	88,481,580		45,346,000	59,857,634
			(7) Total Discount Factor:	0.669	0.676

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	739,806	1,471,824
(9) Projected Number of Years:	3	3
(10) Projected Paid Loss per Year:	246,602	490,608
(11) Discounted Value at 6%:	678,945	1,350,743

NOTES:
(2), (3) From Section 4, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 4, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	4,272,518	5,050,740	3,482,022	790,496	1,568,718				118,923	130,815	15.0%	8.3%
6/30/82-83	3,812,898	4,105,037	2,912,565	900,333	1,192,472	73.6%	0.5%	1.9%	17,032	22,558	1.9%	1.9%
6/30/83-84	2,197,596	2,319,477	2,135,674	61,922	183,803	94.6%	0.5%	9.2%	5,691	16,894	9.2%	9.2%
6/30/84-85	4,543,000	4,786,000	3,984,839	558,161	801,161	85.4%	1.0%	6.9%	38,306	54,984	6.9%	6.9%
6/30/85-86	8,032,354	8,431,000	6,630,917	1,401,437	1,800,083	80.6%	1.0%	5.1%	72,067	92,567	5.1%	5.1%
6/30/86-87	4,607,000	4,647,000	4,524,263	82,737	122,737	97.8%	2.0%	90.1%	74,525	110,555	90.1%	90.1%
6/30/87-88	7,943,000	8,233,000	7,221,384	721,616	1,011,616	89.3%	2.0%	18.7%	134,695	188,825	18.7%	18.7%
6/30/88-89	8,604,000	9,379,000	7,826,311	777,689	1,552,689	87.0%	2.0%	15.4%	120,025	239,635	15.4%	15.4%
6/30/89-90	11,943,000	12,012,000	10,696,225	1,246,775	1,315,775	89.3%	2.0%	18.7%	233,100	246,000	18.7%	18.7%
6/30/90-91	12,814,000	17,171,000	11,030,251	1,783,749	6,140,749	73.6%	2.0%	7.6%	134,988	464,712	7.6%	7.6%
6/30/91-92	6,387,000	6,534,000	5,569,929	817,071	964,071	86.2%	2.5%	18.1%	148,183	174,842	18.1%	18.1%
6/30/92-93	5,152,000	5,447,000	4,476,712	675,288	970,288	84.5%	2.5%	16.1%	108,737	156,238	16.1%	16.1%
6/30/93-94	7,207,000	7,504,000	6,127,240	1,079,760	1,376,760	83.3%	2.5%	15.0%	161,655	206,120	15.0%	15.0%
6/30/94-95	9,010,000	9,290,000	7,447,923	1,562,077	1,842,077	81.4%	2.5%	13.4%	209,935	247,565	13.4%	13.4%
6/30/95-96	7,779,000	8,118,000	6,326,365	1,452,635	1,791,635	79.6%	2.5%	12.3%	177,949	219,476	12.3%	12.3%
6/30/96-97	9,443,000	9,830,000	7,605,396	1,837,604	2,224,604	78.9%	2.5%	11.9%	217,961	263,864	11.9%	11.9%
6/30/97-98	11,727,000	12,140,000	9,165,502	2,561,498	2,974,498	76.8%	2.5%	10.8%	276,081	320,594	10.8%	10.8%
6/30/98-99	11,729,000	12,269,000	8,921,775	2,807,225	3,347,225	74.4%	2.5%	9.6%	268,235	319,833	9.6%	9.6%
6/30/99-00	13,260,000	13,799,000	9,877,394	3,382,606	3,921,606	73.0%	1.3%	5.0%	168,916	195,831	5.0%	5.0%
6/30/00-01	18,032,000	19,100,000	12,984,729	5,047,271	6,115,271	69.9%	2.5%	8.3%	419,741	508,559	8.3%	8.3%
6/30/01-02	14,945,000	15,451,000	10,363,312	4,581,688	5,087,688	68.2%	1.7%	5.5%	251,984	279,813	5.5%	5.5%
6/30/02-03	15,747,000	16,417,000	10,499,182	5,247,818	5,917,818	65.3%	2.9%	8.4%	438,900	494,935	8.4%	8.4%
6/30/03-04	14,596,000	15,871,000	9,162,949	5,433,051	6,708,051	60.1%	5.1%	12.9%	700,135	864,439	12.9%	12.9%
6/30/04-05	16,006,000	17,615,000	9,200,389	6,805,611	8,414,611	54.7%	5.4%	12.0%	814,806	1,007,444	12.0%	12.0%
6/30/05-06	13,551,000	15,092,000	5,845,131	7,705,869	9,246,869	40.8%	13.9%	23.5%	1,811,862	2,174,194	23.5%	23.5%
6/30/06-07	12,750,000	15,192,000	3,851,323	8,898,677	11,340,677	27.6%	13.2%	18.3%	1,627,451	2,074,061	18.3%	18.3%
6/30/07-08	15,894,000	18,873,000	1,777,498	14,116,502	17,095,502	10.2%	17.3%	19.3%	2,726,814	3,302,253	19.3%	19.3%
Total	271,984,365	294,676,254	189,647,201	82,337,164	105,029,053				11,478,697	14,377,608	13.9%	13.7%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		204,720			255,410	301,615	50,690	96,894		
6/30/82-83		164,749	172,805		164,749	176,261	0	11,512		
6/30/83-84		730,414	769,195		730,414	784,579	0	54,165		
6/30/84-85	115,008	352,978	373,206	367,378	367,000	373,000	14,022	20,022	0.319	0.324
6/30/85-86	123,679	550,005	584,432	577,690	578,000	584,000	27,995	33,995	0.467	0.472
6/30/86-87	142,129	639,623	683,058	683,728	683,000	684,000	43,377	44,377	0.481	0.481
6/30/87-88	166,516	1,141,510	1,225,121	1,228,901	1,225,000	1,229,000	83,490	87,490	0.736	0.738
6/30/88-89	179,833	1,178,930	1,276,535	1,274,906	1,275,000	1,277,000	96,070	98,070	0.709	0.710
6/30/89-90	180,589	1,849,519	2,024,824	2,016,032	2,016,000	2,025,000	166,481	175,481	1.116	1.121
6/30/90-91	169,598	2,138,832	2,359,863	2,378,846	2,360,000	2,379,000	221,168	240,168	1.392	1.403
6/30/91-92	165,612	1,573,916	1,750,288	1,769,720	1,750,000	1,770,000	176,084	196,084	1.057	1.069
6/30/92-93	173,874	1,321,122	1,492,252	1,517,190	1,492,000	1,517,000	170,878	195,878	0.858	0.872
6/30/93-94	185,611	1,413,794	1,626,695	1,652,260	1,627,000	1,652,000	213,206	238,206	0.877	0.890
6/30/94-95	193,706	1,301,613	1,520,132	1,544,720	1,520,000	1,545,000	218,387	243,387	0.785	0.798
6/30/95-96	204,905	1,394,601	1,651,324	1,673,430	1,651,000	1,673,000	256,399	278,399	0.806	0.816
6/30/96-97	233,704	1,608,334	1,925,646	1,946,136	1,926,000	1,946,000	317,666	337,666	0.824	0.833
6/30/97-98	221,484	1,615,592	1,974,860	2,023,358	1,975,000	2,023,000	359,408	407,408	0.892	0.913
6/30/98-99	255,677	1,654,503	2,078,723	2,149,049	2,079,000	2,149,000	424,497	494,497	0.813	0.841
6/30/99-00	268,079	1,852,179	2,399,885	2,474,653	2,400,000	2,475,000	547,821	622,821	0.895	0.923
6/30/00-01	278,762	2,501,361	3,353,865	3,385,902	3,354,000	3,386,000	852,639	884,639	1.203	1.215
6/30/01-02	282,635	1,736,904	2,433,334	2,521,378	2,433,000	2,521,000	696,096	784,096	0.861	0.892
6/30/02-03	289,398	1,988,413	2,912,286	2,967,772	2,767,000	2,968,000	778,587	979,587	0.956	1.026
6/30/03-04	293,308	1,811,022	2,829,492	2,972,352	2,688,000	2,972,000	876,978	1,160,978	0.916	1.013
6/30/04-05	290,903	2,048,757	3,521,594	3,387,066	3,387,000	3,522,000	1,338,243	1,473,243	1.164	1.211
6/30/05-06	294,215	1,564,242	3,089,527	3,234,647	3,090,000	3,235,000	1,525,758	1,670,758	1.050	1.100
6/30/06-07	289,092	1,000,141	2,696,417	3,091,573	2,696,000	3,092,000	1,695,859	2,091,859	0.933	1.070
6/30/07-08	345,859	539,208	3,896,621	3,966,199	3,897,000	4,165,000	3,357,792	3,625,792	1.127	1.204
Total	5,344,176	35,876,982	50,621,984	50,804,886	50,386,573	52,424,455	14,509,591	16,547,473		
Tot 6/30/84-08	5,344,176	34,777,099	49,679,984	50,804,886	49,236,000	51,162,000	14,458,901	16,384,901	0.921	0.957

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 4, Exhibit 2, Page 2, Column 3
(4) From Section 4, Exhibit 2, Page 2, Column 8
(5) From Section 4, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		204,720							4	2	
6/30/82-83		164,749	1.049	1.000	172,805	N/A	172,805		1	1	8,056
6/30/83-84		730,414	1.053	1.000	769,195	N/A	769,195		0	0	
6/30/84-85	115,008	352,978	1.057	1.000	373,206	N/A	373,206	0.325	2	1	20,228
6/30/85-86	123,679	550,005	1.063	1.000	584,432	N/A	584,432	0.473	6	3	11,476
6/30/86-87	142,129	639,623	1.068	1.000	683,058	N/A	683,058	0.481	1	1	43,435
6/30/87-88	166,516	1,141,510	1.073	1.000	1,225,121	N/A	1,225,121	0.736	3	1	83,611
6/30/88-89	179,833	1,178,930	1.083	1.000	1,276,535	N/A	1,276,535	0.710	4	2	48,803
6/30/89-90	180,589	1,849,519	1.095	1.000	2,024,824	N/A	2,024,824	1.121	8	7	25,044
6/30/90-91	169,598	2,138,832	1.103	1.000	2,359,863	N/A	2,359,863	1.391	13	11	20,094
6/30/91-92	165,612	1,573,916	1.112	1.000	1,750,288	N/A	1,750,288	1.057	3	5	35,274
6/30/92-93	173,874	1,321,122	1.130	1.000	1,492,252	N/A	1,492,252	0.858	2	2	85,565
6/30/93-94	185,611	1,413,794	1.151	1.000	1,626,695	N/A	1,626,695	0.876	11	7	30,415
6/30/94-95	193,706	1,301,613	1.168	1.000	1,520,132	N/A	1,520,132	0.785	8	10	21,852
6/30/95-96	204,905	1,394,601	1.184	1.000	1,651,324	N/A	1,651,324	0.806	7	6	42,787
6/30/96-97	233,704	1,608,334	1.197	1.000	1,925,646	N/A	1,925,646	0.824	11	8	39,664
6/30/97-98	221,484	1,615,592	1.222	1.000	1,974,860	N/A	1,974,860	0.892	18	11	32,661
6/30/98-99	255,677	1,654,503	1.256	1.000	2,078,723	N/A	2,078,723	0.813	16	14	30,301
6/30/99-00	268,079	1,852,179	1.296	1.000	2,399,885	N/A	2,399,885	0.895	25	18	30,428
6/30/00-01	278,762	2,501,361	1.341	1.000	3,353,865	N/A	3,353,865	1.203	48	31	27,500
6/30/01-02	282,635	1,736,904	1.401	1.000	2,433,334	N/A	2,433,334	0.861	45	28	24,873
6/30/02-03	289,398	1,988,413	1.465	1.000	2,912,286	N/A	2,912,286	1.006	54	30	30,796
6/30/03-04	293,308	1,811,022	1.562	1.000	2,829,492	N/A	2,829,492	0.965	85	41	24,841
6/30/04-05	290,903	2,048,757	1.719	1.000	3,521,594	N/A	3,521,594	1.211	127	66	22,316
6/30/05-06	294,215	1,564,242	1.975	1.000	3,089,527	N/A	3,089,527	1.050	256	87	17,532
6/30/06-07	289,092	1,000,141	2.696	1.000	2,696,417	N/A	2,696,417	0.933	351	201	8,439
6/30/07-08	345,859	539,208	7.227	1.000	3,896,621	N/A	3,896,621	1.127		367	9,148
Total	5,344,176	35,876,982			50,621,984		50,621,984		1,109	961	

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3), (4) From Section 4, Exhibit 2, Page 7

(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.

(6) = (3) x (4) x (5)

(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)

(8) = (6) + (7)

(9) = (8) / (2) / 10

(10), (11) Provided by Commonwealth of Massachusetts

(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	115,008	0.231	352,978	1.057	367,378	N/A	367,378	0.319	0.319
6/30/85-86	123,679	0.380	550,005	1.063	577,690	N/A	577,690	0.467	0.467
6/30/86-87	142,129	0.488	639,623	1.068	683,728	N/A	683,728	0.481	0.481
6/30/87-88	166,516	0.769	1,141,510	1.073	1,228,901	N/A	1,228,901	0.738	0.738
6/30/88-89	179,833	0.698	1,178,930	1.083	1,274,906	N/A	1,274,906	0.709	0.709
6/30/89-90	180,589	1.065	1,849,519	1.095	2,016,032	N/A	2,016,032	1.116	1.116
6/30/90-91	169,598	1.511	2,138,832	1.103	2,378,846	N/A	2,378,846	1.403	1.403
6/30/91-92	165,612	1.173	1,573,916	1.112	1,769,720	N/A	1,769,720	1.069	1.069
6/30/92-93	173,874	0.983	1,321,122	1.130	1,517,190	N/A	1,517,190	0.873	0.873
6/30/93-94	185,611	0.982	1,413,794	1.151	1,652,260	N/A	1,652,260	0.890	0.890
6/30/94-95	193,706	0.873	1,301,613	1.168	1,544,720	N/A	1,544,720	0.797	0.797
6/30/95-96	204,905	0.875	1,394,601	1.184	1,673,430	N/A	1,673,430	0.817	0.817
6/30/96-97	233,704	0.877	1,608,334	1.197	1,946,136	N/A	1,946,136	0.833	0.833
6/30/97-98	221,484	1.012	1,615,592	1.222	2,023,358	N/A	2,023,358	0.914	0.914
6/30/98-99	255,677	0.948	1,654,503	1.256	2,149,049	N/A	2,149,049	0.841	0.841
6/30/99-00	268,079	1.017	1,852,179	1.296	2,474,653	N/A	2,474,653	0.923	0.923
6/30/00-01	278,762	1.248	2,501,361	1.341	3,385,902	N/A	3,385,902	1.215	1.215
6/30/01-02	282,635	0.970	1,736,904	1.401	2,521,378	N/A	2,521,378	0.892	0.892
6/30/02-03	289,398	1.067	1,988,413	1.465	2,967,772	N/A	2,967,772	1.025	1.025
6/30/03-04	293,308	1.100	1,811,022	1.562	2,972,352	N/A	2,972,352	1.013	1.013
6/30/04-05	290,903	1.100	2,048,757	1.719	3,387,066	N/A	3,387,066	1.164	1.164
6/30/05-06	294,215	1.150	1,564,242	1.975	3,234,647	N/A	3,234,647	1.099	1.099
6/30/06-07	289,092	1.150	1,000,141	2.696	3,091,573	N/A	3,091,573	1.069	1.069
6/30/07-08	345,859	1.150	539,208	7.227	3,966,199	N/A	3,966,199	1.147	1.147
Total	5,344,176		34,777,099		50,804,886		50,804,886		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 4, Exhibit 2, Page 4, Column 10
(4) From Section 4, Exhibit 2, Page 2, Column 3
(5) From Section 4, Exhibit 2, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.231	0.231
6/30/85-86								0.380	0.380
6/30/86-87								0.488	0.488
6/30/87-88								0.769	0.769
6/30/88-89								0.698	0.698
6/30/89-90								1.065	1.065
6/30/90-91	169,598	2,359,863	1.391	1.157	1.610	1.428	2.299	1.412	1.511
6/30/91-92	165,612	1,750,288	1.057	1.152	1.217	1.400	1.704	1.129	1.173
6/30/92-93	173,874	1,492,252	0.858	1.152	0.989	1.373	1.358	0.978	0.983
6/30/93-94	185,611	1,626,695	0.876	1.142	1.001	1.346	1.347	0.963	0.982
6/30/94-95	193,706	1,520,132	0.785	1.134	0.890	1.319	1.174	0.856	0.873
6/30/95-96	204,905	1,651,324	0.806	1.120	0.902	1.294	1.167	0.848	0.875
6/30/96-97	233,704	1,925,646	0.824	1.101	0.908	1.268	1.151	0.847	0.877
6/30/97-98	221,484	1,974,860	0.892	1.100	0.981	1.243	1.219	1.043	1.012
6/30/98-99	255,677	2,078,723	0.813	1.100	0.894	1.219	1.090	1.001	0.948
6/30/99-00	268,079	2,399,885	0.895	1.100	0.985	1.195	1.177	1.050	1.017
6/30/00-01	278,762	3,353,865	1.203	1.075	1.293	1.172	1.515	1.204	1.248
6/30/01-02	282,635	2,433,334	0.861	1.067	0.918	1.149	1.055	1.021	0.970
6/30/02-03	289,398	2,912,286	1.006	1.040	1.046	1.126	1.178	1.087	1.067
6/30/03-04	293,308	2,829,492	0.965	1.014	0.978	1.104	1.080	1.100	1.100
6/30/04-05	290,903	3,521,594	1.211	1.003	1.215	1.082	1.315	1.100	1.100
6/30/05-06	294,215	3,089,527	1.050	1.000	1.050	1.061	1.114	1.200	1.150
6/30/06-07	289,092	2,696,417	0.933	1.000	0.933	1.040	0.970	1.200	1.150
6/30/07-08	345,859	3,896,621	1.127	1.000	1.127	1.020	1.149		1.150
Total	4,436,422	43,512,808							

Trend Last 4 (ex 07-08):	-2.8%	Avg 3 (x07-08):	1.133
Trend Last 8 (ex 07-08):	-0.8%	Avg 5 (x07-08):	1.132
Trend Last 12 (ex 07-08):	1.2%	Avg 10 (x07-08):	1.171
Prior Selected Trend:	2.0%	Prior Sel Avg:	1.200
Selected Trend:	2.0%	Sel. Loss Cost:	1.150

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 4, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.970	
(2)	Credibility		20%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.906	
		(Low)		(High)
(5)	Selected Range	0.897		0.915
(6)	Incremental Paid for 2008	8,983		8,983
(7)	Estimated Reserve	78,261		96,894
(8)	Paid to Date (82 & Prior)	204,720		204,720
(9)	Est Ult Paid for 1982 & Prior	282,981		301,615

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	7,706	5,607
(11)	Projected Number of Years	3	3
(12)	Estimated Reserve	23,118	16,822
(13)	Paid to Date (82 & Prior)	204,720	195,737
(14)	Est Ult Paid for 1982 & Prior	227,839	212,559
(14a)	Paid Counts During Fiscal Year	2	4

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	255,410	301,615
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**255,410**	**301,615**
(18)	Implied Tail	1.248	1.473
(19)	Ult Loss Inc Lump Sums @6/07	246,409	299,018

NOTES:

(1) From Section 4, Exhibit 2, Page 6
(2) = (Average of Section 4, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 4, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 4, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	24,180	10.093			
1993	2	4,649	8.444	0.192		
1994	3	4,226	8.349	0.909		
1995	4	2,463	7.809	0.583		
1996	5	3,867	8.260	1.570		
1997	6	12,692	9.449	3.282		
1998	7	3,736	8.226	0.294		
1999	8	1,455	7.283	0.389		
2000	9	13,993	9.546	9.617	n =	17
2001	10	18,860	9.845	1.348	S(x) =	34,000
2002	11	1,907	7.553	0.101	S(x-sq) =	68,000,408
2003	12	725	6.586	0.380	S(xy) =	286,843
2004	13	1,808	7.500	2.494	S(y) =	143
2005	14	2,687	7.896	1.486	D =	6,936
2006	15	3,792	8.241	1.411	slope =	-0.032
2007	16	10,343	9.244	2.728	Avg Trend =	0.968
2008	17	8,983	9.103	0.869		
					Selected Trend:	**0.970**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.869 = 9.103 / 9.244

Commonwealth of Massachusetts Workers Compensatio
Department of Corrections - Cluster 3
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	11,197	26,045	37,203	47,025	56,514	66,401	72,814	83,440	107,442	118,641	128,866	135,800	137,783	138,069	140,735	141,596	141,596	141,914	142,318	142,318	142,318	142,748	144,456	154,891	160,448	164,749
June-84	52,670	137,962	203,703	257,882	317,818	352,402	422,888	501,855	591,716	647,521	689,358	721,711	724,550	728,685	728,693	728,709	728,709	728,709	729,143	729,143	729,143	730,066	730,414	730,414	730,414	
June-85	24,581	57,175	81,670	103,231	128,616	150,557	165,276	184,340	192,621	201,787	208,269	211,465	217,592	220,213	229,343	238,016	247,437	257,231	266,584	280,985	298,608	318,573	337,983	352,978		
June-86	48,446	112,684	160,960	207,617	233,762	263,664	302,247	319,414	339,302	351,896	365,470	378,302	387,035	413,763	422,216	433,663	460,852	480,856	494,886	512,562	523,474	541,163	550,005			
June-87	77,936	181,278	229,911	293,653	369,221	440,930	473,706	485,578	509,980	540,282	563,925	581,583	602,759	614,805	618,094	621,890	624,842	627,889	633,482	636,887	638,336	639,623				
June-88	139,053	319,817	519,537	680,966	823,361	912,703	998,546	1,039,983	1,059,846	1,072,337	1,112,168	1,116,550	1,122,900	1,125,982	1,127,653	1,131,576	1,136,086	1,139,881	1,139,671	1,140,874	1,141,510					
June-89	131,654	415,398	576,800	731,889	811,584	895,533	936,684	955,349	999,849	1,017,126	1,032,040	1,060,186	1,074,102	1,089,934	1,108,376	1,126,235	1,147,403	1,157,458	1,164,985	1,178,930						
June-90	233,608	695,685	1,052,182	1,224,162	1,354,697	1,427,692	1,488,096	1,536,324	1,567,188	1,604,683	1,637,523	1,658,777	1,680,547	1,714,885	1,752,807	1,778,979	1,821,497	1,836,851	1,849,519							
June-91	236,602	942,522	1,192,208	1,419,689	1,530,020	1,581,521	1,621,661	1,644,367	1,676,462	1,699,513	1,748,257	1,799,332	1,845,064	1,889,995	1,951,997	2,058,075	2,109,105	2,138,832								
June-92	391,819	811,780	1,023,022	1,084,480	1,141,810	1,171,673	1,196,735	1,319,302	1,369,241	1,426,734	1,445,752	1,475,976	1,501,400	1,542,584	1,553,065	1,562,833	1,573,916									
June-93	344,830	901,476	1,061,794	1,155,998	1,198,560	1,220,287	1,266,026	1,272,695	1,293,165	1,297,361	1,300,910	1,301,951	1,307,475	1,311,803	1,319,110	1,321,122										
June-94	431,268	816,076	959,344	1,052,996	1,141,756	1,231,287	1,271,524	1,296,482	1,314,355	1,335,010	1,357,475	1,376,074	1,390,533	1,402,752	1,413,794											
June-95	351,310	722,998	906,028	985,528	1,057,961	1,106,846	1,136,019	1,186,110	1,209,822	1,232,732	1,266,835	1,285,546	1,294,524	1,301,613												
June-96	344,486	709,731	859,884	962,823	1,085,060	1,150,008	1,181,678	1,213,854	1,256,984	1,305,951	1,334,696	1,371,532	1,394,601													
June-97	404,402	880,944	1,029,045	1,129,661	1,192,806	1,242,248	1,291,581	1,332,755	1,404,699	1,468,293	1,534,845	1,608,334														
June-98	352,321	850,419	1,071,815	1,188,934	1,283,207	1,349,964	1,408,091	1,486,280	1,529,830	1,572,573	1,615,592															
June-99	335,840	780,685	1,009,719	1,120,546	1,237,603	1,345,867	1,452,103	1,561,531	1,613,648	1,654,503																
June-00	496,994	1,118,525	1,328,041	1,481,979	1,601,386	1,717,688	1,766,903	1,812,535	1,852,179																	
June-01	553,191	1,161,108	1,486,434	1,729,264	2,113,882	2,296,440	2,415,155	2,501,361																		
June-02	441,054	954,595	1,190,752	1,457,269	1,628,226	1,698,307	1,736,904																			
June-03	268,200	928,702	1,552,091	1,775,257	1,904,289	1,988,413																				
June-04	152,994	1,174,712	1,612,636	1,744,790	1,811,022																					
June-05	504,986	1,476,366	1,809,319	2,048,757																						
June-06	456,471	1,195,789	1,564,242																							
June-07	537,825	1,000,141																								
June-08	539,208																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.326	1.428	1.264	1.202	1.175	1.097	1.146	1.288	1.104	1.086	1.054	1.015	1.002	1.019	1.006	1.000	1.002	1.003	1.000	1.000	1.003	1.012	1.072	1.036	1.027
June-84	2.619	1.477	1.266	1.232	1.109	1.200	1.187	1.179	1.094	1.065	1.047	1.004	1.006	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.001	1.000	1.000	1.000	
June-85	2.326	1.428	1.264	1.246	1.171	1.098	1.115	1.045	1.048	1.032	1.015	1.029	1.012	1.041	1.038	1.040	1.040	1.036	1.054	1.063	1.067	1.061	1.044		
June-86	2.326	1.428	1.290	1.126	1.128	1.146	1.057	1.062	1.037	1.039	1.035	1.023	1.069	1.020	1.027	1.063	1.043	1.029	1.036	1.021	1.034	1.016			
June-87	2.326	1.268	1.277	1.257	1.194	1.074	1.025	1.050	1.059	1.044	1.031	1.036	1.020	1.005	1.006	1.005	1.005	1.009	1.005	1.002	1.002				
June-88	2.300	1.624	1.311	1.209	1.109	1.094	1.041	1.019	1.012	1.037	1.004	1.006	1.003	1.001	1.003	1.004	1.003	1.000	1.001	1.001					
June-89	3.155	1.389	1.269	1.109	1.103	1.046	1.020	1.047	1.017	1.015	1.027	1.013	1.015	1.017	1.016	1.019	1.009	1.007	1.012						
June-90	2.978	1.512	1.163	1.107	1.054	1.042	1.032	1.020	1.024	1.020	1.013	1.013	1.020	1.022	1.015	1.024	1.008	1.007							
June-91	3.984	1.265	1.191	1.078	1.034	1.025	1.014	1.020	1.014	1.029	1.029	1.025	1.024	1.033	1.054	1.025	1.014								
June-92	2.072	1.260	1.060	1.053	1.026	1.021	1.102	1.038	1.042	1.013	1.021	1.017	1.027	1.007	1.006	1.007									
June-93	2.614	1.178	1.089	1.037	1.018	1.037	1.005	1.016	1.003	1.003	1.001	1.004	1.003	1.006	1.002										
June-94	1.892	1.176	1.098	1.084	1.078	1.033	1.020	1.014	1.016	1.017	1.014	1.011	1.009	1.008											
June-95	2.058	1.253	1.088	1.073	1.046	1.026	1.044	1.020	1.019	1.028	1.015	1.007	1.005												
June-96	2.060	1.212	1.120	1.127	1.060	1.028	1.027	1.036	1.039	1.022	1.028	1.017													
June-97	2.178	1.168	1.098	1.056	1.041	1.040	1.032	1.054	1.045	1.045	1.048														
June-98	2.414	1.260	1.109	1.079	1.052	1.043	1.056	1.029	1.028	1.027															
June-99	2.325	1.293	1.110	1.104	1.087	1.079	1.075	1.033	1.025																
June-00	2.251	1.187	1.116	1.081	1.073	1.029	1.026	1.022																	
June-01	2.099	1.280	1.163	1.222	1.086	1.052	1.036																		
June-02	2.164	1.247	1.224	1.117	1.043	1.023																			
June-03	3.463	1.671	1.144	1.073	1.044																				
June-04	7.678	1.373	1.082	1.038																					
June-05	2.924	1.226	1.132																						
June-06	2.620	1.308																							
June-07	1.860																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.680	1.330	1.171	1.123	1.082	1.062	1.056	1.055	1.037	1.033	1.025	1.016	1.017	1.015	1.016	1.019	1.014	1.011	1.015	1.014	1.021	1.022	1.039	1.018	1.027	
Latest 5	3.709	1.365	1.149	1.106	1.067	1.045	1.045	1.035	1.031	1.028	1.021	1.011	1.014	1.015	1.019	1.016	1.008	1.010	1.022	1.017	1.021					
Latest 3	2.468	1.302	1.119	1.076	1.058	1.034	1.046	1.028	1.033	1.032	1.030	1.011	1.006	1.007	1.021	1.019	1.010	1.004	1.006	1.008	1.034	1.026	1.039			
Volume Wtd																										
All Yrs	2.509	1.296	1.140	1.100	1.063	1.045	1.041	1.034	1.028	1.027	1.023	1.014	1.016	1.014	1.017	1.017	1.011	1.008	1.011	1.009	1.017	1.017	1.021	1.006		
Latest 5	3.007	1.349	1.144	1.106	1.066	1.044	1.043	1.034	1.031	1.028	1.022	1.011	1.015	1.016	1.021	1.017	1.009	1.008	1.014	1.009	1.017					
Latest 3	2.449	1.296	1.120	1.074	1.060	1.036	1.043	1.028	1.032	1.032	1.031	1.012	1.006	1.007	1.024	1.019	1.011	1.005	1.006	1.006	1.027	1.018				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	*2.715*	*1.331*	*1.142*	*1.106*	*1.068*	*1.047*	*1.043*	*1.034*	*1.029*	*1.023*	*1.016*	*1.013*	*1.017*	*1.017*	*1.019*	*1.015*	*1.014*	*1.008*	*1.011*	*1.013*	*1.005*	*1.005*	*1.005*	*1.004*		*1.053*
Selected	2.680	1.365	1.149	1.100	1.067	1.045	1.045	1.035	1.031	1.028	1.021	1.011	1.014	1.015	1.019	1.016	1.008	1.008	1.011	1.009	1.005	1.005	1.005	1.004	1.004	1.049
FacToUlt	7.227	2.696	1.975	1.719	1.562	1.465	1.401	1.341	1.296	1.256	1.222	1.197	1.184	1.168	1.151	1.130	1.112	1.103	1.095	1.083	1.073	1.068	1.063	1.057	1.053	1.049
Percent of Ult	13.8%	37.1%	50.6%	58.2%	64.0%	68.3%	71.4%	74.6%	77.2%	79.6%	81.8%	83.5%	84.5%	85.6%	86.9%	88.5%	89.9%	90.6%	91.3%	92.4%	93.2%	93.6%	94.1%	94.6%	95.0%	95.3%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	246,409	299,018	255,410	301,615	9,001	3.7%	2,597	0.9%
6/30/82-83	160,448	172,274	164,749	176,261	4,301	2.7%	3,987	2.3%
6/30/83-84	730,414	787,389	730,414	784,579	0	0.0%	(2,810)	-0.4%
6/30/84-85	354,000	359,000	367,000	373,000	13,000	3.7%	14,000	3.9%
6/30/85-86	571,000	578,000	578,000	584,000	7,000	1.2%	6,000	1.0%
6/30/86-87	685,000	685,000	683,000	684,000	(2,000)	-0.3%	(1,000)	-0.1%
6/30/87-88	1,240,000	1,243,000	1,225,000	1,229,000	(15,000)	-1.2%	(14,000)	-1.1%
6/30/88-89	1,278,000	1,280,000	1,275,000	1,277,000	(3,000)	-0.2%	(3,000)	-0.2%
6/30/89-90	2,023,000	2,034,000	2,016,000	2,025,000	(7,000)	-0.3%	(9,000)	-0.4%
6/30/90-91	2,368,000	2,371,000	2,360,000	2,379,000	(8,000)	-0.3%	8,000	0.3%
6/30/91-92	1,781,000	1,792,000	1,750,000	1,770,000	(31,000)	-1.7%	(22,000)	-1.2%
6/30/92-93	1,532,000	1,556,000	1,492,000	1,517,000	(40,000)	-2.6%	(39,000)	-2.5%
6/30/93-94	1,657,000	1,677,000	1,627,000	1,652,000	(30,000)	-1.8%	(25,000)	-1.5%
6/30/94-95	1,555,000	1,572,000	1,520,000	1,545,000	(35,000)	-2.3%	(27,000)	-1.7%
6/30/95-96	1,668,000	1,681,000	1,651,000	1,673,000	(17,000)	-1.0%	(8,000)	-0.5%
6/30/96-97	1,896,000	1,912,000	1,926,000	1,946,000	30,000	1.6%	34,000	1.8%
6/30/97-98	1,987,000	2,055,000	1,975,000	2,023,000	(12,000)	-0.6%	(32,000)	-1.6%
6/30/98-99	2,099,000	2,206,000	2,079,000	2,149,000	(20,000)	-1.0%	(57,000)	-2.6%
6/30/99-00	2,439,000	2,536,000	2,400,000	2,475,000	(39,000)	-1.6%	(61,000)	-2.4%
6/30/00-01	3,380,000	3,390,000	3,354,000	3,386,000	(26,000)	-0.8%	(4,000)	-0.1%
6/30/01-02	2,497,000	2,621,000	2,433,000	2,521,000	(64,000)	-2.6%	(100,000)	-3.8%
6/30/02-03	2,841,000	3,047,000	2,767,000	2,968,000	(74,000)	-2.6%	(79,000)	-2.6%
6/30/03-04	2,878,000	3,113,000	2,688,000	2,972,000	(190,000)	-6.6%	(141,000)	-4.5%
6/30/04-05	3,396,000	3,588,000	3,387,000	3,522,000	(9,000)	-0.3%	(66,000)	-1.8%
6/30/05-06	3,156,000	3,388,000	3,090,000	3,235,000	(66,000)	-2.1%	(153,000)	-4.5%
6/30/06-07	3,523,000	3,853,000	2,696,000	3,092,000	(827,000)	-23.5%	(761,000)	-19.8%
6/30/07-08								
Total	47,941,271	49,795,682	46,489,573	48,259,455	(1,451,698)	-3.0%	(1,536,227)	-3.1%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 4, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	4.7%	0.0%	1.6%	1.0%	1.000	1.000
312	95.3%	0.4%	4.7%	0.1%	0.1%	0.981	0.971
300	95.0%	0.4%	5.0%	0.1%	0.1%	0.946	0.920
288	94.6%	0.5%	5.4%	0.2%	0.1%	0.914	0.876
276	94.1%	0.5%	5.9%	0.2%	0.1%	0.887	0.838
264	93.6%	0.5%	6.4%	0.2%	0.1%	0.863	0.804
252	93.2%	0.8%	6.8%	0.4%	0.2%	0.840	0.773
240	92.4%	1.0%	7.6%	0.5%	0.3%	0.826	0.755
228	91.3%	0.7%	8.7%	0.3%	0.2%	0.816	0.742
216	90.6%	0.7%	9.4%	0.4%	0.3%	0.799	0.721
204	89.9%	1.4%	10.1%	0.7%	0.5%	0.784	0.701
192	88.5%	1.6%	11.5%	0.9%	0.7%	0.781	0.699
180	86.9%	1.3%	13.1%	0.7%	0.6%	0.779	0.698
168	85.6%	1.2%	14.4%	0.7%	0.5%	0.770	0.686
156	84.5%	0.9%	15.5%	0.6%	0.4%	0.759	0.672
144	83.5%	1.7%	16.5%	1.1%	0.9%	0.744	0.653
132	81.8%	2.2%	18.2%	1.5%	1.2%	0.740	0.649
120	79.6%	2.4%	20.4%	1.7%	1.4%	0.741	0.652
108	77.2%	2.6%	22.8%	1.9%	1.6%	0.741	0.652
96	74.6%	3.2%	25.4%	2.4%	2.1%	0.740	0.652
84	71.4%	3.1%	28.6%	2.4%	2.1%	0.741	0.655
72	68.3%	4.3%	31.7%	3.4%	3.1%	0.739	0.652
60	64.0%	5.8%	36.0%	4.9%	4.5%	0.743	0.658
48	58.2%	7.5%	41.8%	6.6%	6.2%	0.751	0.669
36	50.6%	13.5%	49.4%	12.3%	11.7%	0.762	0.683
24	37.1%	23.3%	62.9%	21.9%	21.3%	0.786	0.715
12	13.8%	13.8%	86.2%	13.6%	13.4%	0.816	0.755
Total		100.0%					

NOTES:

(2) = 1 / Section 4, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	50,690	96,894		47,827	91,423
6/30/82-83	0	11,512	0.981	0	11,289
6/30/83-84	0	54,165	0.946	0	51,224
6/30/84-85	14,022	20,022	0.914	12,820	18,306
6/30/85-86	27,995	33,995	0.887	24,838	30,162
6/30/86-87	43,377	44,377	0.863	37,413	38,275
6/30/87-88	83,490	87,490	0.840	70,103	73,462
6/30/88-89	96,070	98,070	0.826	79,351	81,003
6/30/89-90	166,481	175,481	0.816	135,845	143,189
6/30/90-91	221,168	240,168	0.799	176,806	191,995
6/30/91-92	176,084	196,084	0.784	137,982	153,654
6/30/92-93	170,878	195,878	0.781	133,460	152,986
6/30/93-94	213,206	238,206	0.779	166,174	185,659
6/30/94-95	218,387	243,387	0.770	168,185	187,439
6/30/95-96	256,399	278,399	0.759	194,503	211,192
6/30/96-97	317,666	337,666	0.744	236,223	251,095
6/30/97-98	359,408	407,408	0.740	265,976	301,498
6/30/98-99	424,497	494,497	0.741	314,459	366,313
6/30/99-00	547,821	622,821	0.741	405,756	461,307
6/30/00-01	852,639	884,639	0.740	630,612	654,279
6/30/01-02	696,096	784,096	0.741	516,013	581,247
6/30/02-03	778,587	979,587	0.739	575,358	723,893
6/30/03-04	876,978	1,160,978	0.743	651,243	862,141
6/30/04-05	1,338,243	1,473,243	0.751	1,005,264	1,106,673
6/30/05-06	1,525,758	1,670,758	0.762	1,162,280	1,272,737
6/30/06-07	1,695,859	2,091,859	0.786	1,332,724	1,643,929
6/30/07-08	3,357,792	3,625,792	0.816	2,741,136	2,959,918
Total	14,509,591	16,547,473		11,222,352	12,806,288
			(7) Total Discount Factor:	0.773	0.774

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	50,690	96,894
(9) Projected Number of Years:	3	3
(10) Projected Paid Loss per Year:	16,897	32,298
(11) Discounted Value at 4%:	47,827	91,423

NOTES:
(2), (3) From Section 4, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 4, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Department of Corrections - Cluster 3
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	50,690	96,894		46,520	88,923
6/30/82-83	0	11,512	0.971	0	11,182
6/30/83-84	0	54,165	0.920	0	49,856
6/30/84-85	14,022	20,022	0.876	12,276	17,530
6/30/85-86	27,995	33,995	0.838	23,448	28,473
6/30/86-87	43,377	44,377	0.804	34,853	35,657
6/30/87-88	83,490	87,490	0.773	64,503	67,593
6/30/88-89	96,070	98,070	0.755	72,523	74,033
6/30/89-90	166,481	175,481	0.742	123,603	130,285
6/30/90-91	221,168	240,168	0.721	159,442	173,139
6/30/91-92	176,084	196,084	0.701	123,370	137,383
6/30/92-93	170,878	195,878	0.699	119,378	136,844
6/30/93-94	213,206	238,206	0.698	148,758	166,201
6/30/94-95	218,387	243,387	0.686	149,869	167,026
6/30/95-96	256,399	278,399	0.672	172,253	187,033
6/30/96-97	317,666	337,666	0.653	207,395	220,453
6/30/97-98	359,408	407,408	0.649	233,399	264,570
6/30/98-99	424,497	494,497	0.652	276,592	322,202
6/30/99-00	547,821	622,821	0.652	357,409	406,341
6/30/00-01	852,639	884,639	0.652	555,778	576,636
6/30/01-02	696,096	784,096	0.655	455,806	513,428
6/30/02-03	778,587	979,587	0.652	507,887	639,003
6/30/03-04	876,978	1,160,978	0.658	576,726	763,492
6/30/04-05	1,338,243	1,473,243	0.669	895,688	986,044
6/30/05-06	1,525,758	1,670,758	0.683	1,042,655	1,141,743
6/30/06-07	1,695,859	2,091,859	0.715	1,212,499	1,495,630
6/30/07-08	3,357,792	3,625,792	0.755	2,533,796	2,736,029
Total	14,509,591	16,547,473		10,106,426	11,536,729
			(7) Total Discount Factor:	0.697	0.697

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	50,690	96,894
(9) Projected Number of Years:	3	3
(10) Projected Paid Loss per Year:	16,897	32,298
(11) Discounted Value at 6%:	46,520	88,923

NOTES:
(2), (3) From Section 4, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 4, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		1,968,972			2,356,771	2,542,770	387,799	573,798		
6/30/82-83		134,406	139,996		138,000	140,000	3,594	5,594		
6/30/83-84		188,031	194,774		192,000	196,000	3,969	7,969		
6/30/84-85	139,178	1,574,726	1,968,376	1,606,484	1,606,000	1,968,000	31,274	393,274	1.154	1.414
6/30/85-86	149,671	1,317,125	1,923,022	1,350,347	1,350,000	1,636,684	32,875	319,560	0.902	1.094
6/30/86-87	171,999	1,961,793	2,893,222	2,055,415	2,055,000	2,893,000	93,207	931,207	1.195	1.682
6/30/87-88	201,511	1,910,196	2,106,388	2,067,129	2,067,000	2,106,000	156,804	195,804	1.026	1.045
6/30/88-89	206,011	1,676,540	1,902,302	1,857,831	1,858,000	1,902,000	181,460	225,460	0.902	0.923
6/30/89-90	206,006	522,038	602,819	606,717	603,000	607,000	80,962	84,962	0.293	0.295
6/30/90-91	189,307	2,121,100	2,507,836	2,470,717	2,471,000	2,508,000	349,900	386,900	1.305	1.325
6/30/91-92	188,230	2,145,310	2,849,668	2,616,031	2,616,000	2,850,000	470,690	704,690	1.390	1.514
6/30/92-93	192,221	450,365	528,327	541,686	455,000	473,000	4,635	22,635	0.237	0.246
6/30/93-94	203,766	569,935	1,101,510	824,578	825,000	1,102,000	255,065	532,065	0.405	0.541
6/30/94-95	204,442	761,806	974,173	1,004,604	770,000	800,000	8,194	38,194	0.377	0.391
6/30/95-96	211,792	591,722	774,882	802,551	598,000	622,000	6,278	30,278	0.282	0.294
6/30/96-97	240,609	512,427	706,468	732,467	706,000	732,000	193,573	219,573	0.293	0.304
6/30/97-98	239,416	463,804	600,613	634,021	601,000	634,000	137,196	170,196	0.251	0.265
6/30/98-99	240,064	670,275	887,325	909,621	887,000	910,000	216,725	239,725	0.369	0.379
6/30/99-00	262,199	1,216,150	1,694,972	1,727,556	1,695,000	1,728,000	478,850	511,850	0.646	0.659
6/30/00-01	274,893	1,137,811	1,616,072	1,648,162	1,616,000	1,648,000	478,189	510,189	0.588	0.600
6/30/01-02	264,006	770,123	1,088,672	1,108,510	1,089,000	1,109,000	318,877	338,877	0.412	0.420
6/30/02-03	261,467	668,289	957,307	1,019,996	957,000	1,020,000	288,711	351,711	0.366	0.390
6/30/03-04	274,600	268,295	435,855	568,178	436,000	568,000	167,705	299,705	0.159	0.207
6/30/04-05	253,275	392,223	789,333	787,679	788,000	789,000	395,777	396,777	0.311	0.312
6/30/05-06	329,111	334,354	778,959	905,282	779,000	905,000	444,646	570,646	0.237	0.275
6/30/06-07	343,116	212,144	796,793	944,483	797,000	944,000	584,856	731,856	0.232	0.275
6/30/07-08	342,627	136,833	1,034,072	1,019,308	968,000	1,034,000	831,167	897,167	0.283	0.302
Total	5,589,518	24,676,792	31,853,736	29,809,353	31,279,771	34,367,454	6,602,979	9,690,662		
Tot 6/30/84-08	5,589,518	22,385,383	31,518,965	29,809,353	28,593,000	31,488,684	6,207,617	9,103,301	0.512	0.563

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 5, Exhibit 1, Page 2, Column 3 and Section 5, Exhibit 1, Page 9, Column 8

(4) From Section 5, Exhibit 1, Page 2, Column 8

(5) From Section 5, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		1,880,932							1	1		73
6/30/82-83		134,406	1.021	1.020	139,996	0	139,996		0	0		
6/30/83-84		160,531	1.021	1.020	167,274	27,500	194,774		0	0		
6/30/84-85	139,178	1,530,726	1.026	1.225	1,924,376	44,000	1,968,376	1.414	1	1	393,651	69
6/30/85-86	149,671	1,257,125	1.037	1.429	1,863,022	60,000	1,923,022	1.285	1	1	605,897	69
6/30/86-87	171,999	1,838,793	1.070	1.408	2,770,222	123,000	2,893,222	1.682	2	2	465,714	57
6/30/87-88	201,511	1,821,696	1.108	1.000	2,017,888	88,500	2,106,388	1.045	1	1	196,192	58
6/30/88-89	206,011	1,608,540	1.140	1.000	1,834,302	68,000	1,902,302	0.923	1	1	225,763	59
6/30/89-90	206,006	471,448	1.171	1.000	552,229	50,590	602,819	0.293	0	0		
6/30/90-91	189,307	1,912,600	1.202	1.000	2,299,336	208,500	2,507,836	1.325	2	1	386,736	73
6/30/91-92	188,230	1,976,310	1.233	1.100	2,680,668	169,000	2,849,668	1.514	3	2	352,179	55
6/30/92-93	192,221	292,355	1.267	1.000	370,317	158,010	528,327	0.275	0	0		
6/30/93-94	203,766	559,634	1.300	1.500	1,091,183	10,327	1,101,510	0.541	1	1	531,548	44
6/30/94-95	204,442	624,606	1.338	1.000	835,867	138,306	974,173	0.477	0	0		
6/30/95-96	211,792	475,722	1.380	1.000	656,730	118,152	774,882	0.366	0	0		
6/30/96-97	240,609	472,427	1.405	1.000	663,869	42,598	706,468	0.294	0	0		
6/30/97-98	239,416	320,304	1.411	1.000	451,938	148,675	600,613	0.251	1	0		
6/30/98-99	240,064	476,775	1.433	1.000	683,259	204,066	887,325	0.370	1	1	206,484	59
6/30/99-00	262,199	1,036,650	1.439	1.000	1,492,115	202,857	1,694,972	0.646	3	1	455,465	46
6/30/00-01	274,893	967,811	1.452	1.000	1,405,317	210,754	1,616,072	0.588	3	2	218,753	52
6/30/01-02	264,006	577,623	1.496	1.000	864,197	224,475	1,088,672	0.412	1	1	286,574	62
6/30/02-03	261,467	478,317	1.539	1.000	736,151	221,156	957,307	0.366	28	3	85,945	55
6/30/03-04	274,600	212,295	1.647	1.000	349,632	86,222	435,855	0.159	25	2	68,669	52
6/30/04-05	253,275	349,273	1.823	1.000	636,849	152,484	789,333	0.312	6	5	57,515	53
6/30/05-06	329,111	271,354	2.168	1.000	588,301	190,658	778,959	0.237	21	8	39,618	49
6/30/06-07	343,116	212,144	2.999	1.000	636,219	160,574	796,793	0.232	42	17	24,946	51
6/30/07-08	342,627	136,833	6.388	1.000	874,072	160,000	1,034,072	0.302		64	11,519	46
Total	5,589,518	22,057,229			28,585,332	3,268,404	31,853,736		144	115		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 5, Exhibit 1, Page 7
(5) Based on information from the MA WCRIB
(6) = (3) x (4) x (5)
(7) From Section 5, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	139,178	0.884	1,530,726	1.026	1,562,484	44,000	1,606,484	1.154	1.123
6/30/85-86	149,671	0.626	1,257,125	1.037	1,290,347	60,000	1,350,347	0.902	0.862
6/30/86-87	171,999	0.828	1,838,793	1.070	1,932,415	123,000	2,055,415	1.195	1.124
6/30/87-88	201,511	0.801	1,821,696	1.108	1,978,629	88,500	2,067,129	1.026	0.982
6/30/88-89	206,011	0.715	1,608,540	1.140	1,789,831	68,000	1,857,831	0.902	0.869
6/30/89-90	206,006	0.281	471,448	1.171	556,127	50,590	606,717	0.295	0.270
6/30/90-91	189,307	1.098	1,912,600	1.202	2,262,217	208,500	2,470,717	1.305	1.195
6/30/91-92	188,230	1.323	1,976,310	1.233	2,447,031	169,000	2,616,031	1.390	1.300
6/30/92-93	192,221	0.226	292,355	1.267	383,676	158,010	541,686	0.282	0.200
6/30/93-94	203,766	0.542	559,634	1.300	814,251	10,327	824,578	0.405	0.400
6/30/94-95	204,442	0.468	624,606	1.338	866,299	138,306	1,004,604	0.491	0.424
6/30/95-96	211,792	0.357	475,722	1.380	684,399	118,152	802,551	0.379	0.323
6/30/96-97	240,609	0.313	472,427	1.405	689,868	42,598	732,467	0.304	0.287
6/30/97-98	239,416	0.237	320,304	1.411	485,346	148,675	634,021	0.265	0.203
6/30/98-99	240,064	0.315	476,775	1.433	705,556	204,066	909,621	0.379	0.294
6/30/99-00	262,199	0.610	1,036,650	1.439	1,524,699	202,857	1,727,556	0.659	0.582
6/30/00-01	274,893	0.549	967,811	1.452	1,437,408	210,754	1,648,162	0.600	0.523
6/30/01-02	264,006	0.350	577,623	1.496	884,035	224,475	1,108,510	0.420	0.335
6/30/02-03	261,467	0.350	478,317	1.539	798,839	221,156	1,019,996	0.390	0.306
6/30/03-04	274,600	0.250	212,295	1.647	481,956	86,222	568,178	0.207	0.176
6/30/04-05	253,275	0.250	349,273	1.823	635,195	152,484	787,679	0.311	0.251
6/30/05-06	329,111	0.250	271,354	2.168	714,625	190,658	905,282	0.275	0.217
6/30/06-07	343,116	0.250	212,144	2.999	783,908	160,574	944,483	0.275	0.228
6/30/07-08	342,627	0.250	136,833	6.388	859,308	160,000	1,019,308	0.297	0.251
Total	5,589,518		19,881,360		26,568,449	3,240,904	29,809,353		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 5, Exhibit 1, Page 4, Column 10
(4) From Section 5, Exhibit 1, Page 2, Column 3
(5) From Section 5, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 5, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.884	0.884
6/30/85-86								0.626	0.626
6/30/86-87								0.828	0.828
6/30/87-88								0.801	0.801
6/30/88-89								0.715	0.715
6/30/89-90								0.281	0.281
6/30/90-91	189,307	2,299,336	1.215	0.925	1.124	1.000	1.124	1.072	1.098
6/30/91-92	188,230	2,680,668	1.424	1.015	1.446	1.000	1.446	1.200	1.323
6/30/92-93	192,221	370,317	0.193	1.184	0.228	1.000	0.228	0.223	0.226
6/30/93-94	203,766	1,091,183	0.536	1.169	0.626	1.000	0.626	0.458	0.542
6/30/94-95	204,442	835,867	0.409	1.158	0.473	1.000	0.473	0.462	0.468
6/30/95-96	211,792	656,730	0.310	1.149	0.356	1.000	0.356	0.359	0.357
6/30/96-97	240,609	663,869	0.276	1.137	0.314	1.000	0.314	0.313	0.313
6/30/97-98	239,416	451,938	0.189	1.123	0.212	1.000	0.212	0.261	0.237
6/30/98-99	240,064	683,259	0.285	1.108	0.315	1.000	0.315	0.315	0.315
6/30/99-00	262,199	1,492,115	0.569	1.090	0.620	1.000	0.620	0.599	0.610
6/30/00-01	274,893	1,405,317	0.511	1.062	0.543	1.000	0.543	0.554	0.549
6/30/01-02	264,006	864,197	0.327	1.042	0.341	1.000	0.341	0.350	0.350
6/30/02-03	261,467	736,151	0.282	1.038	0.292	1.000	0.292	0.350	0.350
6/30/03-04	274,600	349,632	0.127	1.038	0.132	1.000	0.132	0.250	0.250
6/30/04-05	253,275	636,849	0.251	1.031	0.259	1.000	0.259	0.250	0.250
6/30/05-06	329,111	588,301	0.179	1.021	0.182	1.000	0.182	0.250	0.250
6/30/06-07	343,116	636,219	0.185	1.010	0.187	1.000	0.187	0.250	0.250
6/30/07-08	342,627	874,072	0.255	1.000	0.255	1.000	0.255		0.250
Total	4,515,142	17,316,022							

Trend Last 4 (ex 07-08):	7.2%	Avg 3 (x07-08):	0.210
Trend Last 8 (ex 07-08):	-16.8%	Avg 5 (x07-08):	0.211
Trend Last 12 (ex 07-08):	-6.0%	Avg 10 (x07-08):	0.308
Prior Selected Trend:	0.0%	Prior Sel Avg:	0.250
Selected Trend:	0.0%	Sel. Loss Cost:	0.250

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 5, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.940	
(2)	Credibility		16%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.957	
		(Low)		(High)
(5)	Selected Range	0.947		0.976
(6)	Incremental Paid for 2008	31,541		31,541
(7)	Estimated Reserve	566,986		1,283,154
(8)	Paid to Date (82 & Prior)	1,880,932		1,880,932
(9)	Est Ult Paid for 1982 & Prior	2,447,918		3,164,086

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	34,769	50,222
(11)	Projected Number of Years	6	6
(12)	Estimated Reserve	208,612	301,329
(13)	Paid to Date (82 & Prior)	1,880,932	1,849,392
(14)	Est Ult Paid for 1982 & Prior	2,089,544	2,150,721
(14a)	Paid Counts During Fiscal Year	1	1
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	2,268,731	2,454,730
(16)	Lump Sum Ultimates	88,040	88,040
(17)	Ult Loss Including Lump Sums	**2,356,771**	**2,542,770**
(18)	Implied Tail	1.206	1.305
(19)	Ult Loss Inc Lump Sums @6/07	2,346,175	2,540,753

NOTES:

(1) From Section 5, Exhibit 1, Page 6
(2) = (Average of Section 5, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 5, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 5, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 5, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	105,743	11.569			
1993	2	106,772	11.578	1.010		
1994	3	104,490	11.557	0.979		
1995	4	93,231	11.443	0.892		
1996	5	83,819	11.336	0.899		
1997	6	71,966	11.184	0.859		
1998	7	75,700	11.235	1.052		
1999	8	69,564	11.150	0.919		
2000	9	65,140	11.084	0.936	n =	17
2001	10	69,462	11.149	1.066	S(x) =	34,000
2002	11	72,621	11.193	1.045	S(x-sq) =	68,000,408
2003	12	73,534	11.206	1.013	S(xy) =	378,910
2004	13	73,411	11.204	0.998	S(y) =	189
2005	14	77,899	11.263	1.061	D =	6,936
2006	15	44,021	10.692	0.565	slope =	-0.062
2007	16	28,745	10.266	0.653	Avg Trend =	0.938
2008	17	31,541	10.359	1.097		
					Selected Trend:	**0.940**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 1.097 = 10.359 / 10.266

Commonwealth of Massachusetts Workers Compensatio
University of Massachusetts (Amherst) - Cluster
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	9,901	27,199	38,094	47,389	62,514	76,567	110,541	128,600	128,600	128,600	128,600	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406	134,406
June-84	12,002	32,972	46,180	57,447	75,782	92,840	110,643	140,015	147,985	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	160,531	
June-85	96,162	264,176	369,998	460,278	608,898	675,356	769,715	839,890	909,635	972,316	1,027,903	1,068,427	1,096,448	1,126,464	1,157,182	1,193,170	1,230,415	1,270,584	1,311,388	1,352,093	1,394,014	1,437,567	1,483,096	1,530,726		
June-86	62,242	170,991	239,486	289,205	386,115	436,793	545,340	637,721	703,230	742,718	771,694	801,514	833,158	865,475	902,795	941,906	984,064	1,026,987	1,069,806	1,113,907	1,159,474	1,207,370	1,257,125			
June-87	114,930	315,736	434,426	540,241	638,550	728,426	816,220	883,030	959,990	1,087,438	1,157,085	1,228,783	1,294,957	1,353,217	1,408,627	1,466,232	1,524,982	1,583,672	1,643,019	1,705,167	1,769,184	1,838,793				
June-88	145,512	388,262	580,167	742,458	913,661	1,023,389	1,122,499	1,187,899	1,243,915	1,301,898	1,363,345	1,426,364	1,496,845	1,538,376	1,582,716	1,627,788	1,673,942	1,720,105	1,757,371	1,788,805	1,821,696					
June-89	149,323	412,040	585,718	734,611	862,714	940,958	1,000,308	1,091,299	1,155,714	1,209,050	1,258,035	1,312,045	1,364,494	1,425,132	1,470,732	1,496,093	1,522,212	1,550,498	1,578,865	1,608,540						
June-90	147,842	316,313	418,270	483,765	493,004	500,207	470,618	470,618	471,448	471,448	471,448	471,448	471,448	471,448	471,448	471,448	471,448	471,448	471,448							
June-91	221,834	616,722	912,374	1,121,784	1,264,030	1,316,233	1,389,392	1,447,121	1,486,680	1,550,949	1,590,832	1,657,948	1,707,507	1,756,977	1,801,084	1,841,720	1,882,581	1,912,600								
June-92	172,146	475,588	707,613	916,461	996,673	1,097,913	1,173,097	1,245,955	1,399,954	1,481,116	1,564,487	1,649,535	1,732,053	1,809,950	1,869,935	1,921,123	1,976,310									
June-93	81,038	222,727	276,572	310,192	330,479	348,662	351,823	276,708	276,708	292,355	292,355	292,355	292,355	292,355	292,355	292,355										
June-94	106,895	214,659	321,406	344,959	362,159	373,504	398,819	422,133	440,603	460,274	479,091	498,642	518,380	538,584	559,634											
June-95	150,379	381,117	506,335	558,037	585,924	605,733	622,315	624,606	624,606	624,606	624,606	624,606	624,606	624,606												
June-96	188,667	308,485	416,852	435,702	459,899	469,932	470,598	475,072	475,222	475,722	475,722	475,722	475,722													
June-97	106,252	219,810	296,841	353,903	388,354	412,255	429,409	446,564	464,289	472,427	472,427	472,427														
June-98	89,150	206,061	269,266	292,631	307,643	318,681	318,681	318,681	319,304	320,304	320,304															
June-99	79,713	235,741	363,483	410,110	440,701	457,432	467,619	476,062	476,685	476,775																
June-00	199,557	423,727	611,687	721,978	842,583	936,681	993,407	1,021,874	1,036,650																	
June-01	195,155	433,892	620,127	728,970	802,692	874,675	926,705	967,811																		
June-02	134,258	318,384	436,848	510,454	554,485	576,982	577,623																			
June-03	110,118	229,192	295,970	379,354	446,784	478,317																				
June-04	119,754	192,578	206,484	211,562	212,295																					
June-05	118,177	251,133	297,710	349,273																						
June-06	109,288	227,014	271,354																							
June-07	130,909	212,144																								
June-08	136,833																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.747	1.401	1.244	1.319	1.225	1.444	1.163	1.000	1.000	1.000	1.045	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
June-84	2.747	1.401	1.244	1.319	1.225	1.192	1.265	1.057	1.085	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
June-85	2.747	1.401	1.244	1.323	1.109	1.140	1.091	1.083	1.069	1.057	1.039	1.026	1.027	1.027	1.031	1.031	1.033	1.032	1.031	1.031	1.031	1.032	1.032		
June-86	2.747	1.401	1.208	1.335	1.131	1.249	1.169	1.103	1.056	1.039	1.039	1.039	1.039	1.043	1.043	1.045	1.044	1.042	1.041	1.041	1.041	1.041			
June-87	2.747	1.376	1.244	1.182	1.141	1.121	1.082	1.087	1.133	1.064	1.062	1.054	1.045	1.041	1.041	1.040	1.038	1.037	1.038	1.038	1.039				
June-88	2.668	1.494	1.280	1.231	1.120	1.097	1.058	1.047	1.047	1.047	1.046	1.049	1.028	1.029	1.028	1.028	1.028	1.022	1.018	1.018					
June-89	2.759	1.422	1.254	1.174	1.091	1.063	1.091	1.059	1.046	1.041	1.043	1.040	1.044	1.032	1.017	1.017	1.019	1.018	1.019						
June-90	2.140	1.322	1.157	1.019	1.015	0.941	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
June-91	2.780	1.479	1.230	1.127	1.041	1.056	1.042	1.027	1.043	1.026	1.042	1.030	1.029	1.025	1.023	1.022	1.016								
June-92	2.763	1.488	1.295	1.088	1.102	1.068	1.062	1.124	1.058	1.056	1.054	1.050	1.045	1.033	1.027	1.029									
June-93	2.748	1.242	1.122	1.065	1.055	1.009	0.786	1.000	1.057	1.000	1.000	1.000	1.000	1.000	1.000										
June-94	2.008	1.497	1.073	1.050	1.031	1.068	1.058	1.044	1.045	1.041	1.041	1.040	1.039	1.039											
June-95	2.534	1.329	1.102	1.050	1.034	1.027	1.004	1.000	1.000	1.000	1.000	1.000	1.000												
June-96	1.635	1.351	1.045	1.056	1.022	1.001	1.010	1.000	1.001	1.000	1.000	1.000													
June-97	2.069	1.350	1.192	1.097	1.062	1.042	1.040	1.040	1.018	1.000	1.000														
June-98	2.311	1.307	1.087	1.051	1.036	1.000	1.000	1.002	1.003	1.000															
June-99	2.957	1.542	1.128	1.075	1.038	1.022	1.018	1.001	1.000																
June-00	2.123	1.444	1.180	1.167	1.112	1.061	1.029	1.014																	
June-01	2.223	1.429	1.176	1.101	1.090	1.059	1.044																		
June-02	2.371	1.372	1.168	1.086	1.041	1.001																			
June-03	2.081	1.291	1.282	1.178	1.071																				
June-04	1.608	1.072	1.025	1.003																					
June-05	2.125	1.185	1.173																						
June-06	2.077	1.195																							
June-07	1.621																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.374	1.366	1.181	1.141	1.085	1.083	1.053	1.038	1.039	1.023	1.027	1.023	1.023	1.022	1.019	1.021	1.020	1.019	1.021	1.021	1.022	1.018	1.011	1.000	1.000	
Latest 5	1.902	1.223	1.165	1.107	1.070	1.029	1.026	1.012	1.004	1.008	1.008	1.018	1.023	1.019	1.013	1.019	1.020	1.024	1.029	1.026	1.022					
Latest 3	1.941	1.151	1.160	1.089	1.067	1.040	1.030	1.006	1.007	1.000	1.000	1.013	1.013	1.024	1.017	1.017	1.012	1.013	1.025	1.032	1.037	1.024	1.011			
Volume Wtd																										
All Yrs	2.326	1.383	1.189	1.130	1.078	1.065	1.049	1.048	1.047	1.035	1.037	1.034	1.032	1.030	1.026	1.027	1.026	1.026	1.027	1.029	1.035	1.032	1.027	1.000		
Latest 5	1.890	1.238	1.174	1.120	1.077	1.038	1.030	1.012	1.004	1.008	1.008	1.029	1.030	1.026	1.020	1.023	1.023	1.026	1.028	1.030	1.035					
Latest 3	1.926	1.156	1.175	1.102	1.070	1.046	1.033	1.009	1.007	1.000	1.000	1.012	1.014	1.031	1.023	1.023	1.015	1.018	1.025	1.031	1.037	1.034				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	2.130	1.390	1.166	1.121	1.063	1.037	1.022	1.015	1.013	1.016	1.016	1.024	1.033	1.029	1.027	1.027	1.028	1.028	1.029	1.034	1.032	1.026	1.010	1.010	1.039	
Selected	2.130	1.383	1.189	1.107	1.070	1.029	1.030	1.009	1.004	1.016	1.004	1.018	1.032	1.030	1.026	1.027	1.026	1.026	1.027	1.029	1.035	1.032	1.010	1.005	1.000	1.021
FacToUlt	6.388	2.999	2.168	1.823	1.647	1.539	1.496	1.452	1.439	1.433	1.411	1.405	1.380	1.338	1.300	1.267	1.233	1.202	1.171	1.140	1.108	1.070	1.037	1.026	1.021	1.021
Percent of Ult	15.7%	33.3%	46.1%	54.8%	60.7%	65.0%	66.8%	68.9%	69.5%	69.8%	70.9%	71.2%	72.4%	74.7%	76.9%	78.9%	81.1%	83.2%	85.4%	87.7%	90.3%	93.4%	96.5%	97.4%	97.9%	97.9%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	2,346,175	2,540,753	2,356,771	2,542,770	10,596	0.5%	2,017	0.1%
6/30/82-83	138,000	140,000	138,000	140,000	0	0.0%	0	0.0%
6/30/83-84	192,000	196,000	192,000	196,000	0	0.0%	0	0.0%
6/30/84-85	1,597,000	2,052,000	1,606,000	1,968,000	9,000	0.6%	(84,000)	-4.1%
6/30/85-86	1,343,000	1,708,834	1,350,000	1,636,684	7,000	0.5%	(72,150)	-4.2%
6/30/86-87	2,048,000	3,120,000	2,055,000	2,893,000	7,000	0.3%	(227,000)	-7.3%
6/30/87-88	2,101,000	2,166,000	2,067,000	2,106,000	(34,000)	-1.6%	(60,000)	-2.8%
6/30/88-89	1,888,000	1,955,000	1,858,000	1,902,000	(30,000)	-1.6%	(53,000)	-2.7%
6/30/89-90	630,000	630,000	603,000	607,000	(27,000)	-4.3%	(23,000)	-3.7%
6/30/90-91	2,514,000	2,587,000	2,471,000	2,508,000	(43,000)	-1.7%	(79,000)	-3.1%
6/30/91-92	2,608,000	2,910,000	2,616,000	2,850,000	8,000	0.3%	(60,000)	-2.1%
6/30/92-93	455,000	473,000	455,000	473,000	0	0.0%	0	0.0%
6/30/93-94	802,000	1,118,000	825,000	1,102,000	23,000	2.9%	(16,000)	-1.4%
6/30/94-95	770,000	800,000	770,000	800,000	0	0.0%	0	0.0%
6/30/95-96	598,000	622,000	598,000	622,000	0	0.0%	0	0.0%
6/30/96-97	741,000	759,000	706,000	732,000	(35,000)	-4.7%	(27,000)	-3.6%
6/30/97-98	631,000	680,000	601,000	634,000	(30,000)	-4.8%	(46,000)	-6.8%
6/30/98-99	922,000	934,000	887,000	910,000	(35,000)	-3.8%	(24,000)	-2.6%
6/30/99-00	1,755,000	1,756,000	1,695,000	1,728,000	(60,000)	-3.4%	(28,000)	-1.6%
6/30/00-01	1,684,000	1,707,000	1,616,000	1,648,000	(68,000)	-4.0%	(59,000)	-3.5%
6/30/01-02	1,167,000	1,174,000	1,089,000	1,109,000	(78,000)	-6.7%	(65,000)	-5.5%
6/30/02-03	928,000	987,000	957,000	1,020,000	29,000	3.1%	33,000	3.3%
6/30/03-04	461,000	595,000	436,000	568,000	(25,000)	-5.4%	(27,000)	-4.5%
6/30/04-05	797,000	821,000	788,000	789,000	(9,000)	-1.1%	(32,000)	-3.9%
6/30/05-06	882,000	955,000	779,000	905,000	(103,000)	-11.7%	(50,000)	-5.2%
6/30/06-07	1,008,000	1,080,000	797,000	944,000	(211,000)	-20.9%	(136,000)	-12.6%
6/30/07-08								
Total	31,006,175	34,466,587	30,311,771	33,333,454	(694,404)	-2.2%	(1,133,132)	-3.3%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 5, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	1,880,932	1.256	2,361,731	0.0%	0.0%	0	88,040	88,040	3.7%	1.000	88,040	88,040	88,040
6/30/82-83	134,406	1.042	139,996	0.0%	0.0%	0	0	0	0.0%	1.000	0	0	0
6/30/83-84	160,531	1.042	167,274	0.0%	0.0%	0	27,500	27,500	16.4%	1.000	27,500	27,500	27,500
6/30/84-85	1,530,726	1.257	1,924,376	0.0%	0.0%	0	44,000	44,000	2.3%	1.000	44,000	44,000	44,000
6/30/85-86	1,257,125	1.482	1,863,022	0.0%	0.0%	0	60,000	60,000	3.2%	1.000	60,000	60,000	60,000
6/30/86-87	1,838,793	1.507	2,770,222	0.0%	0.0%	0	123,000	123,000	4.4%	1.000	123,000	123,000	123,000
6/30/87-88	1,821,696	1.108	2,017,888	0.0%	0.0%	0	88,500	88,500	4.4%	1.000	88,500	88,500	88,500
6/30/88-89	1,608,540	1.140	1,834,302	0.0%	0.0%	0	68,000	68,000	3.7%	1.000	68,000	68,000	68,000
6/30/89-90	471,448	1.171	552,229	0.0%	0.0%	0	50,590	50,590	9.2%	1.000	50,590	50,590	50,590
6/30/90-91	1,912,600	1.202	2,299,336	0.0%	0.0%	0	208,500	208,500	9.1%	1.000	208,500	208,500	208,500
6/30/91-92	1,976,310	1.356	2,680,668	0.0%	0.0%	0	169,000	169,000	6.3%	1.000	169,000	169,000	169,000
6/30/92-93	292,355	1.267	370,317	0.0%	0.0%	0	158,010	158,010	42.7%	1.000	158,010	158,010	158,405
6/30/93-94	559,634	1.950	1,091,183	0.0%	0.0%	0	10,301	10,301	0.9%	1.005	10,353	10,327	10,906
6/30/94-95	624,606	1.338	835,867	0.1%	0.1%	836	137,200	138,036	16.5%	1.010	138,575	138,306	139,908
6/30/95-96	475,722	1.380	656,730	0.2%	0.3%	1,970	116,000	117,970	18.0%	1.020	118,335	118,152	119,829
6/30/96-97	472,427	1.405	663,869	0.3%	0.6%	3,983	40,000	43,983	6.6%	1.030	41,213	42,598	44,295
6/30/97-98	320,304	1.411	451,938	0.4%	1.0%	4,519	143,500	148,019	32.8%	1.041	149,330	148,675	151,135
6/30/98-99	476,775	1.433	683,259	0.5%	1.5%	10,249	193,500	203,749	29.8%	1.056	204,382	204,066	198,559
6/30/99-00	1,036,650	1.439	1,492,115	0.7%	2.2%	32,827	179,500	212,327	14.2%	1.077	193,387	202,857	181,184
6/30/00-01	967,811	1.452	1,405,317	0.7%	2.9%	40,754	170,000	210,754	15.0%	1.118	190,112	210,754	224,009
6/30/01-02	577,623	1.496	864,197	0.8%	3.7%	31,975	192,500	224,475	26.0%	1.229	236,586	224,475	232,149
6/30/02-03	478,317	1.539	736,151	0.5%	4.2%	31,184	189,972	221,156	30.0%	1.390	264,010	221,156	151,997
6/30/03-04	212,295	1.647	349,632	4.4%	8.6%	30,222	56,000	86,222	24.7%	1.757	98,377	86,222	49,427
6/30/04-05	349,273	1.823	636,849	8.6%	17.2%	109,534	42,950	152,484	23.9%	7.287	312,985	152,484	144,629
6/30/05-06	271,354	2.168	588,301	4.5%	21.7%	127,658	63,000	190,658	32.4%	9.477	597,037	190,658	165,682
6/30/06-07	212,144	2.999	636,219	3.5%	25.2%	160,574	0	160,574	25.2%	31.984	0	160,574	200,000
6/30/07-08	136,833	6.388	874,072	4.0%	29.2%	255,569	0	255,569	29.2%	31.984	0	160,000	
Total	22,057,229		30,947,062			841,855	2,619,563	3,461,418	11.2%		3,639,822	3,356,444	3,099,245

NOTES:
(2) From Section 5, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 5, Exhibit 1, Page 2, Column 6
(5) From Section 5, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 5, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 5, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
University of Massachusetts (Amherst) - Cluster 4
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	0	0	7,000	0	0	0	0	0	54,000	0	0	0	0	0	0	0	0	0	27,040	0	0
Jun-83	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27,500	0	0	0	0	0	0	0	0		
Jun-85	0	0	0	0	0	16,500	0	0	0	0	0	27,500	0	0	0	0	0	0	0	0	0	0	0	0			
Jun-86	0	0	0	0	0	0	0	0	50,000	0	10,000	0	0	0	0	0	0	0	0	0	0	0	0				
Jun-87	0	0	0	0	0	10,000	37,500	0	10,000	0	0	0	19,000	46,500	0	0	0	0	0	0	0	0					
Jun-88	0	0	0	12,500	12,500	0	43,500	0	0	0	0	0	0	0	0	0	0	0	20,000	0	0						
Jun-89	0	0	0	0	14,000	0	0	9,000	45,000	0	0	0	0	0	0	0	0	0	0	0							
Jun-90	0	0	0	33,000	8,000	9,590	0	0	0	0	0	0	0	0	0	0	0	0	0								
Jun-91	0	0	0	30,000	20,000	60,000	46,500	0	27,000	0	0	0	0	0	25,000	0	0	0									
Jun-92	0	5,000	0	100,500	0	0	0	27,500	0	0	0	0	0	36,000	0	0	0										
Jun-93	0	20,010	43,000	10,000	0	10,000	0	75,000	0	0	0	0	0	0	0	0											
Jun-94	0	0	1	0	0	0	0	0	0	10,300	0	0	0	0	0												
Jun-95	0	37,200	35,000	40,000	25,000	0	0	0	0	0	0	0	0	0													
Jun-96	0	0	16,000	0	25,000	37,500	37,500	0	0	0	0	0	0														
Jun-97	0	0	0	0	0	0	0	0	0	40,000	0	0															
Jun-98	0	0	88,500	0	30,000	25,000	0	0	0	0	0																
Jun-99	0	40,000	93,500	27,500	0	22,500	0	0	0	10,000																	
Jun-00	0	0	23,000	27,500	75,000	0	24,000	0	30,000																		
Jun-01	0	17,500	72,500	50,000	0	30,000	0	0																			
Jun-02	0	24,000	18,000	52,500	63,000	35,000	0																				
Jun-03	0	9,000	26,500	32,000	30,000	92,472																					
Jun-04	0	6,000	0	0	50,000																						
Jun-05	0	24,450	18,500	0																							
Jun-06	0	35,000	28,000																								
Jun-07	0	0																									
Jun-08	0																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	7,000	7,000	7,000	7,000	7,000	7,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	88,040	88,040	88,040
Jun-83	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500		
Jun-85	0	0	0	0	0	16,500	16,500	16,500	16,500	16,500	16,500	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000			
Jun-86	0	0	0	0	0	0	0	0	50,000	50,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000				
Jun-87	0	0	0	0	0	10,000	47,500	47,500	57,500	57,500	57,500	57,500	76,500	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000					
Jun-88	0	0	0	12,500	25,000	25,000	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	88,500	88,500	88,500						
Jun-89	0	0	0	0	14,000	14,000	14,000	23,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000							
Jun-90	0	0	0	33,000	41,000	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590								
Jun-91	0	0	0	30,000	50,000	110,000	156,500	156,500	183,500	183,500	183,500	183,500	183,500	183,500	208,500	208,500	208,500	208,500									
Jun-92	0	5,000	5,000	105,500	105,500	105,500	105,500	133,000	133,000	133,000	133,000	133,000	133,000	169,000	169,000	169,000	169,000										
Jun-93	0	20,010	63,010	73,010	73,010	83,010	83,010	158,010	158,010	158,010	158,010	158,010	158,010	158,010	158,010	158,010											
Jun-94	0	0	1	1	1	1	1	1	1	10,301	10,301	10,301	10,301	10,301	10,301												
Jun-95	0	37,200	72,200	112,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200													
Jun-96	0	0	16,000	16,000	41,000	78,500	116,000	116,000	116,000	116,000	116,000	116,000	116,000														
Jun-97	0	0	0	0	0	0	0	0	0	40,000	40,000	40,000															
Jun-98	0	0	88,500	88,500	118,500	143,500	143,500	143,500	143,500	143,500	143,500																
Jun-99	0	40,000	133,500	161,000	161,000	183,500	183,500	183,500	183,500	193,500																	
Jun-00	0	0	23,000	50,500	125,500	125,500	149,500	149,500	179,500																		
Jun-01	0	17,500	90,000	140,000	140,000	170,000	170,000	170,000																			
Jun-02	0	24,000	42,000	94,500	157,500	192,500	192,500																				
Jun-03	0	9,000	35,500	67,500	97,500	189,972																					
Jun-04	0	6,000	6,000	6,000	56,000																						
Jun-05	0	24,450	42,950	42,950																							
Jun-06	0	35,000	63,000																								
Jun-07	0	0																									
Jun-08	0																										

Commonwealth of Massachusetts Workers Compensation
University of Massachusetts (Amherst) - Cluster 4
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.023	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.011	0.000	0.000
Jun-83	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.164	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.000	0.000	0.009	0.000	0.000	0.000	0.000	0.000	0.014	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.027	0.000	0.005	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Jun-87	0.000	0.000	0.000	0.000	0.000	0.004	0.014	0.000	0.004	0.000	0.000	0.000	0.007	0.017	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000					
Jun-88	0.000	0.000	0.000	0.006	0.006	0.000	0.022	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.010	0.000	0.000						
Jun-89	0.000	0.000	0.000	0.000	0.008	0.000	0.000	0.005	0.025	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000							
Jun-90	0.000	0.000	0.000	0.060	0.014	0.017	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000								
Jun-91	0.000	0.000	0.000	0.013	0.009	0.026	0.020	0.000	0.012	0.000	0.000	0.000	0.000	0.000	0.011	0.000	0.000	0.000									
Jun-92	0.000	0.002	0.000	0.037	0.000	0.000	0.000	0.010	0.000	0.000	0.000	0.000	0.000	0.013	0.000	0.000	0.000										
Jun-93	0.000	0.054	0.116	0.027	0.000	0.027	0.000	0.203	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000											
Jun-94	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.009	0.000	0.000	0.000	0.000	0.000												
Jun-95	0.000	0.045	0.042	0.048	0.030	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000													
Jun-96	0.000	0.000	0.024	0.000	0.038	0.057	0.057	0.000	0.000	0.000	0.000	0.000	0.000														
Jun-97	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.060	0.000	0.000															
Jun-98	0.000	0.000	0.196	0.000	0.066	0.055	0.000	0.000	0.000	0.000	0.000																
Jun-99	0.000	0.059	0.137	0.040	0.000	0.033	0.000	0.000	0.000	0.015																	
Jun-00	0.000	0.000	0.015	0.018	0.050	0.000	0.016	0.000	0.020																		
Jun-01	0.000	0.012	0.052	0.036	0.000	0.021	0.000	0.000																			
Jun-02	0.000	0.028	0.021	0.061	0.073	0.041	0.000																				
Jun-03	0.000	0.012	0.036	0.043	0.041	0.126																					
Jun-04	0.000	0.017	0.000	0.000	0.143																						
Jun-05	0.000	0.038	0.029	0.000																							
Jun-06	0.000	0.059	0.048																								
Jun-07	0.000	0.000																									
Jun-08	0.000																										

Averages		*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
Simple Avg																											
All Yrs (ex P)	0.000	0.013	0.030	0.017	0.022	0.020	0.006	0.011	0.005	0.005	0.000	0.001	0.000	0.002	0.001	0.000	0.016	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Latest 5	0.000	0.025	0.027	0.028	0.061	0.044	0.003	0.000	0.004	0.015	0.000	0.000	0.000	0.003	0.002	0.000	0.000	0.000	0.002	0.000	0.000	0.000					
Latest 3	0.000	0.033	0.026	0.014	0.086	0.062	0.005	0.000	0.007	0.025	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.000	0.012	0.024	0.016	0.017	0.015	0.004	0.001	0.004	0.002	0.000	0.000	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Latest 10	0.000	0.021	0.042	0.017	0.037	0.026	0.002	0.001	0.001	0.003	0.000	0.000	0.000	0.002	0.000	0.000	0.000										
Latest 5	0.000	0.023	0.029	0.026	0.055	0.032	0.000	0.000	0.000	0.005	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000					

Dev Factor Selection																											
Prior	*NA*	*0.040*	*0.032*	*0.045*	*0.035*	*0.028*	*0.005*	*0.008*	*0.007*	*0.007*	*0.005*	*0.004*	*0.003*	*0.002*	*0.001*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	
Selected	NA	0.040	0.035	0.045	0.086	0.044	0.005	0.008	0.007	0.007	0.005	0.004	0.003	0.002	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
FacToUlt	NA	0.292	0.252	0.217	0.172	0.086	0.042	0.037	0.029	0.022	0.015	0.010	0.006	0.003	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Commonwealth of Massachusetts Workers Compensation
University of Massachusetts (Amherst) - Cluster 4
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	7,000	7,000	7,000	7,000	7,000	7,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	88,040	88,040	88,040
Jun-83	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500		
Jun-85	0	0	0	0	0	16,500	16,500	16,500	16,500	16,500	16,500	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000			
Jun-86	0	0	0	0	0	0	0	0	50,000	50,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000				
Jun-87	0	0	0	0	0	10,000	47,500	47,500	57,500	57,500	57,500	57,500	76,500	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000					
Jun-88	0	0	0	12,500	25,000	25,000	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	68,500	88,500	88,500	88,500						
Jun-89	0	0	0	0	14,000	14,000	14,000	23,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000							
Jun-90	0	0	0	33,000	41,000	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590	50,590								
Jun-91	0	0	0	30,000	50,000	110,000	156,500	156,500	183,500	183,500	183,500	183,500	183,500	183,500	208,500	208,500	208,500	208,500									
Jun-92	0	5,000	5,000	105,500	105,500	105,500	105,500	133,000	133,000	133,000	133,000	133,000	133,000	169,000	169,000	169,000	169,000										
Jun-93	0	20,010	63,010	73,010	73,010	83,010	83,010	158,010	158,010	158,010	158,010	158,010	158,010	158,010	158,010	158,010											
Jun-94	0	0	1	1	1	1	1	1	1	10,301	10,301	10,301	10,301	10,301	10,301												
Jun-95	0	37,200	72,200	112,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200													
Jun-96	0	0	16,000	16,000	41,000	78,500	116,000	116,000	116,000	116,000	116,000	116,000	116,000														
Jun-97	0	0	0	0	0	0	0	0	0	40,000	40,000	40,000															
Jun-98	0	0	88,500	88,500	118,500	143,500	143,500	143,500	143,500	143,500	143,500																
Jun-99	0	40,000	133,500	161,000	161,000	183,500	183,500	183,500	183,500	193,500																	
Jun-00	0	0	23,000	50,500	125,500	125,500	149,500	149,500	179,500																		
Jun-01	0	17,500	90,000	140,000	140,000	170,000	170,000	170,000																			
Jun-02	0	24,000	42,000	94,500	157,500	192,500	192,500																				
Jun-03	0	9,000	35,500	67,500	97,500	189,972																					
Jun-04	0	6,000	6,000	6,000	56,000																						
Jun-05	0	24,450	42,950	42,950																							
Jun-06	0	35,000	63,000																								
Jun-07	0	0																									
Jun-08	0																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs									1.000	1.000	1.000	1.000	1.000	8.714	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.443	1.000	1.000	
Jun-83																											
Jun-84																	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Jun-85						1.000	1.000	1.000	1.000	1.000	2.667	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
Jun-86									1.000	1.200	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Jun-87						4.750	1.000	1.211	1.000	1.000	1.000	1.330	1.608	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
Jun-88				2.000	1.000	2.740	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.292	1.000	1.000							
Jun-89					1.000	1.000	1.643	2.957	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
Jun-90				1.242	1.234	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000									
Jun-91				1.667	2.200	1.423	1.000	1.173	1.000	1.000	1.000	1.000	1.000	1.136	1.000	1.000	1.000										
Jun-92		1.000	21.100	1.000	1.000	1.000	1.261	1.000	1.000	1.000	1.000	1.000	1.271	1.000	1.000	1.000											
Jun-93		3.149	1.159	1.000	1.137	1.000	1.904	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000												
Jun-94			1.000	1.000	1.000	1.000	1.000	1.000	10301.000	1.000	1.000	1.000	1.000	1.000													
Jun-95		1.941	1.554	1.223	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000														
Jun-96			1.000	2.563	1.915	1.478	1.000	1.000	1.000	1.000	1.000	1.000															
Jun-97										1.000	1.000																
Jun-98			1.000	1.339	1.211	1.000	1.000	1.000	1.000	1.000																	
Jun-99		3.338	1.206	1.000	1.140	1.000	1.000	1.000	1.054																		
Jun-00			2.196	2.485	1.000	1.191	1.000	1.201																			
Jun-01		5.143	1.556	1.000	1.214	1.000	1.000																				
Jun-02		1.750	2.250	1.667	1.222	1.000																					
Jun-03		3.944	1.901	1.444	1.948																						
Jun-04		1.000	1.000	9.333																							
Jun-05		1.757	1.000																								
Jun-06		1.800																									
Jun-07																											

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)		2.482	2.917	1.998	1.281	1.411	1.120	1.181	736.718	1.014	1.128	1.028	1.080	1.014	1.000	1.000	1.000	1.042	1.000	1.000	1.000	1.000	1.000	1.000	#DIV/0!		
Latest 5		2.050	1.541	3.186	1.305	1.038	1.000	1.050	1.014	1.000	1.000	1.000	1.054	1.027	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Latest 3		1.519	1.300	4.148	1.462	1.064	1.000	1.067	1.027	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.097	1.000	1.000	1.000	1.000	1.000	1.222			
Volume Wtd																											
All Yrs (ex P)		3.120	1.673	1.356	1.271	1.131	1.077	1.117	1.044	1.008	1.025	1.017	1.083	1.027	1.000	1.035	1.000	1.045	1.000	1.000	1.000	1.000	1.000	1.000	#DIV/0!		
Latest 5		1.924	1.621	1.608	1.264	1.029	1.000	1.051	1.086	1.000	1.000	1.000	1.058	1.044	1.000	1.000	1.000	1.054	1.000	1.000	1.000						
Latest 3		1.710	1.379	1.851	1.399	1.049	1.000	1.063	1.153	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.107	1.000	1.000	1.000	1.000	1.000				

Dev Factor Selection																											
Prior	1.000	3.375	1.717	1.370	1.160	1.151	1.099	1.038	1.020	1.015	1.010	1.010	1.010	1.005	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Selected	1.000	3.375	1.300	4.148	1.264	1.131	1.099	1.038	1.020	1.015	1.010	1.010	1.010	1.005	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
FacToUlt	31.984	31.984	9.477	7.287	1.757	1.390	1.229	1.118	1.077	1.056	1.041	1.030	1.020	1.010	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	3.1%	3.1%	10.6%	13.7%	56.9%	72.0%	81.4%	89.4%	92.8%	94.7%	96.1%	97.1%	98.0%	99.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	2.1%	0.0%	0.7%	0.4%	1.000	1.000
312	97.9%	0.0%	2.1%	0.0%	0.0%	0.981	0.971
300	97.9%	0.5%	2.1%	0.2%	0.1%	0.943	0.916
288	97.4%	1.0%	2.6%	0.4%	0.2%	0.921	0.885
276	96.5%	3.0%	3.5%	1.3%	0.8%	0.911	0.872
264	93.4%	3.1%	6.6%	1.4%	0.9%	0.924	0.891
252	90.3%	2.6%	9.7%	1.2%	0.8%	0.918	0.883
240	87.7%	2.3%	12.3%	1.1%	0.7%	0.904	0.862
228	85.4%	2.2%	14.6%	1.1%	0.7%	0.887	0.838
216	83.2%	2.1%	16.8%	1.0%	0.8%	0.869	0.814
204	81.1%	2.1%	18.9%	1.1%	0.8%	0.852	0.791
192	78.9%	2.0%	21.1%	1.1%	0.8%	0.835	0.769
180	76.9%	2.2%	23.1%	1.2%	0.9%	0.819	0.747
168	74.7%	2.3%	25.3%	1.3%	1.0%	0.804	0.728
156	72.4%	1.3%	27.6%	0.8%	0.6%	0.790	0.710
144	71.2%	0.3%	28.8%	0.2%	0.1%	0.770	0.683
132	70.9%	1.1%	29.1%	0.7%	0.6%	0.743	0.648
120	69.8%	0.3%	30.2%	0.2%	0.2%	0.724	0.624
108	69.5%	0.6%	30.5%	0.4%	0.4%	0.699	0.593
96	68.9%	2.0%	31.1%	1.5%	1.3%	0.678	0.567
84	66.8%	1.9%	33.2%	1.4%	1.3%	0.672	0.562
72	65.0%	4.3%	35.0%	3.4%	3.1%	0.664	0.554
60	60.7%	5.9%	39.3%	4.9%	4.5%	0.675	0.571
48	54.8%	8.7%	45.2%	7.6%	7.1%	0.692	0.595
36	46.1%	12.8%	53.9%	11.6%	11.0%	0.717	0.628
24	33.3%	17.7%	66.7%	16.7%	16.2%	0.745	0.665
12	15.7%	15.7%	84.3%	15.4%	15.2%	0.772	0.699
Total		100.0%					

NOTES:

(2) = 1 / Section 5, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	387,799	573,798		345,592	511,348
6/30/82-83	3,594	5,594	0.981	3,524	5,485
6/30/83-84	3,969	7,969	0.943	3,742	7,514
6/30/84-85	31,274	393,274	0.921	28,790	362,033
6/30/85-86	32,875	319,560	0.911	29,953	291,155
6/30/86-87	93,207	931,207	0.924	86,142	860,630
6/30/87-88	156,804	195,804	0.918	144,014	179,833
6/30/88-89	181,460	225,460	0.904	163,964	203,722
6/30/89-90	80,962	84,962	0.887	71,777	75,323
6/30/90-91	349,900	386,900	0.869	304,116	336,274
6/30/91-92	470,690	704,690	0.852	400,881	600,175
6/30/92-93	4,635	22,635	0.835	3,872	18,910
6/30/93-94	255,065	532,065	0.819	208,847	435,656
6/30/94-95	8,194	38,194	0.804	6,589	30,714
6/30/95-96	6,278	30,278	0.790	4,962	23,933
6/30/96-97	193,573	219,573	0.770	149,013	169,027
6/30/97-98	137,196	170,196	0.743	101,879	126,384
6/30/98-99	216,725	239,725	0.724	156,837	173,481
6/30/99-00	478,850	511,850	0.699	334,560	357,616
6/30/00-01	478,189	510,189	0.678	324,129	345,819
6/30/01-02	318,877	338,877	0.672	214,244	227,682
6/30/02-03	288,711	351,711	0.664	191,656	233,477
6/30/03-04	167,705	299,705	0.675	113,266	202,417
6/30/04-05	395,777	396,777	0.692	274,076	274,768
6/30/05-06	444,646	570,646	0.717	318,721	409,037
6/30/06-07	584,856	731,856	0.745	435,771	545,300
6/30/07-08	831,167	897,167	0.772	641,523	692,464
Total	6,602,979	9,690,662		5,062,441	7,700,180
			(7) Total Discount Factor:	0.767	0.795

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	387,799	573,798
(9) Projected Number of Years:	6	6
(10) Projected Paid Loss per Year:	64,633	95,633
(11) Discounted Value at 4%:	345,592	511,348

NOTES:
(2), (3) From Section 5, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 5, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	387,799	573,798		327,357	484,366
6/30/82-83	3,594	5,594	0.971	3,491	5,433
6/30/83-84	3,969	7,969	0.916	3,637	7,302
6/30/84-85	31,274	393,274	0.885	27,665	347,891
6/30/85-86	32,875	319,560	0.872	28,659	278,570
6/30/86-87	93,207	931,207	0.891	83,045	829,680
6/30/87-88	156,804	195,804	0.883	138,440	172,873
6/30/88-89	181,460	225,460	0.862	156,414	194,341
6/30/89-90	80,962	84,962	0.838	67,867	71,220
6/30/90-91	349,900	386,900	0.814	284,933	315,063
6/30/91-92	470,690	704,690	0.791	372,134	557,137
6/30/92-93	4,635	22,635	0.769	3,564	17,404
6/30/93-94	255,065	532,065	0.747	190,497	397,377
6/30/94-95	8,194	38,194	0.728	5,964	27,800
6/30/95-96	6,278	30,278	0.710	4,459	21,506
6/30/96-97	193,573	219,573	0.683	132,286	150,054
6/30/97-98	137,196	170,196	0.648	88,896	110,279
6/30/98-99	216,725	239,725	0.624	135,303	149,662
6/30/99-00	478,850	511,850	0.593	283,853	303,415
6/30/00-01	478,189	510,189	0.567	271,260	289,413
6/30/01-02	318,877	338,877	0.562	179,157	190,394
6/30/02-03	288,711	351,711	0.554	159,806	194,677
6/30/03-04	167,705	299,705	0.571	95,734	171,085
6/30/04-05	395,777	396,777	0.595	235,424	236,019
6/30/05-06	444,646	570,646	0.628	279,033	358,103
6/30/06-07	584,856	731,856	0.665	388,777	486,494
6/30/07-08	831,167	897,167	0.699	581,232	627,386
Total	6,602,979	9,690,662		4,528,887	6,994,944
			(7) Total Discount Factor:	0.686	0.722

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	387,799	573,798
(9) Projected Number of Years:	6	6
(10) Projected Paid Loss per Year:	64,633	95,633
(11) Discounted Value at 6%:	327,357	484,366

NOTES:
(2), (3) From Section 5, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 5, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	2,467,602	2,664,138	2,071,155	396,447	592,983				29,648	32,613	7.5%	5.5%
6/30/82-83	229,124	233,127	225,530	3,594	7,597	97.6%	0.0%	0.0%	0	0	0.0%	0.0%
6/30/83-84	224,907	230,331	220,938	3,969	9,393	97.1%	0.0%	0.0%	0	0	0.0%	0.0%
6/30/84-85	1,679,757	2,042,488	1,647,753	32,004	394,735	88.5%	0.5%	4.4%	1,396	17,215	4.4%	4.4%
6/30/85-86	1,400,571	1,687,756	1,367,195	33,376	320,561	88.5%	0.5%	4.4%	1,456	13,985	4.4%	4.4%
6/30/86-87	2,234,000	3,072,000	2,137,630	96,370	934,370	80.6%	0.5%	2.6%	2,480	24,050	2.6%	2.6%
6/30/87-88	2,267,000	2,306,000	2,106,096	160,904	199,904	92.1%	0.5%	6.3%	10,197	12,668	6.3%	6.3%
6/30/88-89	2,160,000	2,204,000	1,970,633	189,367	233,367	90.3%	0.5%	5.2%	9,774	12,046	5.2%	5.2%
6/30/89-90	761,890	767,463	679,355	82,535	88,108	88.8%	0.5%	4.5%	3,699	3,948	4.5%	4.5%
6/30/90-91	2,861,000	2,900,000	2,497,806	363,194	402,194	86.7%	0.5%	3.8%	13,669	15,136	3.8%	3.8%
6/30/91-92	3,166,000	3,403,000	2,673,340	492,660	729,660	81.4%	1.0%	5.4%	26,477	39,213	5.4%	5.4%
6/30/92-93	729,000	749,000	712,440	16,560	36,560	96.4%	1.0%	27.8%	4,608	10,172	27.8%	27.8%
6/30/93-94	1,293,000	1,571,000	1,015,263	277,737	555,737	70.9%	1.0%	3.4%	9,544	19,096	3.4%	3.4%
6/30/94-95	1,078,423	1,111,476	1,067,175	11,248	44,301	97.5%	1.0%	39.4%	4,434	17,465	39.4%	39.4%
6/30/95-96	859,000	885,000	835,707	23,293	49,293	95.8%	1.0%	24.0%	5,597	11,843	24.0%	24.0%
6/30/96-97	909,000	937,000	700,394	208,606	236,606	75.9%	2.0%	8.3%	17,299	19,621	8.3%	8.3%
6/30/97-98	802,000	837,000	648,346	153,654	188,654	79.1%	2.0%	9.6%	14,714	18,066	9.6%	9.6%
6/30/98-99	1,096,000	1,121,000	860,168	235,832	260,832	77.6%	4.0%	17.9%	42,108	46,572	17.9%	17.9%
6/30/99-00	2,030,000	2,063,000	1,514,470	515,530	548,530	74.0%	4.0%	15.4%	79,321	84,399	15.4%	15.4%
6/30/00-01	1,997,000	2,030,000	1,471,887	525,113	558,113	73.1%	4.0%	14.9%	78,086	82,994	14.9%	14.9%
6/30/01-02	1,398,000	1,418,000	1,032,697	365,303	385,303	73.3%	4.0%	15.0%	54,819	57,821	15.0%	15.0%
6/30/02-03	1,244,000	1,308,000	899,863	344,137	408,137	70.5%	2.8%	9.6%	32,955	39,083	9.6%	9.6%
6/30/03-04	610,000	749,000	402,536	207,464	346,464	59.2%	11.3%	27.7%	57,425	95,899	27.7%	27.7%
6/30/04-05	1,169,000	1,171,000	663,714	505,286	507,286	56.7%	13.0%	30.0%	151,800	152,400	30.0%	30.0%
6/30/05-06	1,225,000	1,368,000	618,279	606,721	749,721	47.7%	9.0%	17.3%	104,840	129,550	17.3%	17.3%
6/30/06-07	1,134,000	1,352,000	380,425	753,575	971,575	30.6%	17.1%	24.6%	185,509	239,174	24.6%	24.6%
6/30/07-08	1,516,000	1,820,000	311,199	1,204,801	1,508,801	18.7%	11.9%	14.7%	176,971	221,626	14.7%	14.7%
Total	38,541,274	42,000,779	30,731,994	7,809,280	11,268,785				1,118,825	1,416,657	14.3%	12.6%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		102,183			110,831	121,368	8,648	19,185		
6/30/82-83		91,124	92,205		91,124	93,127	0	2,003		
6/30/83-84		32,907	33,331		32,907	34,331	0	1,424		
6/30/84-85	139,178	73,027	74,041	73,999	73,757	74,488	730	1,461	0.053	0.054
6/30/85-86	149,671	50,070	50,816	50,839	50,571	51,071	501	1,001	0.034	0.034
6/30/86-87	171,999	175,836	178,992	178,657	179,000	179,000	3,164	3,164	0.104	0.104
6/30/87-88	201,511	195,901	200,015	199,714	200,000	200,000	4,099	4,099	0.099	0.099
6/30/88-89	206,011	294,094	301,772	301,694	302,000	302,000	7,906	7,906	0.147	0.147
6/30/89-90	206,006	157,317	162,231	162,559	158,890	160,463	1,573	3,146	0.077	0.078
6/30/90-91	189,307	376,706	390,416	391,938	390,000	392,000	13,294	15,294	0.206	0.207
6/30/91-92	188,230	528,030	549,983	552,579	550,000	553,000	21,970	24,970	0.292	0.294
6/30/92-93	192,221	262,075	274,336	276,060	274,000	276,000	11,925	13,925	0.143	0.144
6/30/93-94	203,766	445,327	467,669	468,512	468,000	469,000	22,673	23,673	0.230	0.230
6/30/94-95	204,442	305,369	323,087	325,503	308,423	311,476	3,054	6,107	0.151	0.152
6/30/95-96	211,792	243,985	260,615	262,525	261,000	263,000	17,015	19,015	0.123	0.124
6/30/96-97	240,609	187,967	202,786	204,648	203,000	205,000	15,033	17,033	0.084	0.085
6/30/97-98	239,416	184,542	201,083	203,126	201,000	203,000	16,458	18,458	0.084	0.085
6/30/98-99	240,064	189,893	208,982	211,088	209,000	211,000	19,107	21,107	0.087	0.088
6/30/99-00	262,199	298,320	334,875	335,147	335,000	335,000	36,680	36,680	0.128	0.128
6/30/00-01	274,893	334,076	382,194	380,635	381,000	382,000	46,924	47,924	0.139	0.139
6/30/01-02	264,006	262,574	308,976	308,804	309,000	309,000	46,426	46,426	0.117	0.117
6/30/02-03	261,467	231,574	287,620	287,369	287,000	288,000	55,426	56,426	0.110	0.110
6/30/03-04	274,600	134,242	174,201	180,726	174,000	181,000	39,758	46,758	0.063	0.066
6/30/04-05	253,275	271,491	382,094	381,462	381,000	382,000	109,509	110,509	0.150	0.151
6/30/05-06	329,111	283,925	445,873	463,232	446,000	463,000	162,075	179,075	0.136	0.141
6/30/06-07	343,116	168,280	336,608	408,495	337,000	408,000	168,720	239,720	0.098	0.119
6/30/07-08	342,627	174,365	786,301	547,673	548,000	786,000	373,635	611,635	0.160	0.229
Total	5,589,518	6,055,202	7,411,104	7,156,986	7,261,503	7,633,325	1,206,301	1,578,123		
Tot 6/30/84-08	5,589,518	5,828,988	7,285,568	7,156,986	7,026,641	7,384,499	1,197,653	1,555,511	0.126	0.132

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 5, Exhibit 2, Page 2, Column 3
(4) From Section 5, Exhibit 2, Page 2, Column 8
(5) From Section 5, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		102,183							1	1	
6/30/82-83		91,124	1.012	1.000	92,205	N/A	92,205		0	0	
6/30/83-84		32,907	1.013	1.000	33,331	N/A	33,331		0	0	
6/30/84-85	139,178	73,027	1.014	1.000	74,041	N/A	74,041	0.053	0	1	1,014
6/30/85-86	149,671	50,070	1.015	1.000	50,816	N/A	50,816	0.034	0	1	746
6/30/86-87	171,999	175,836	1.018	1.000	178,992	N/A	178,992	0.104	2	2	1,578
6/30/87-88	201,511	195,901	1.021	1.000	200,015	N/A	200,015	0.099	2	2	2,057
6/30/88-89	206,011	294,094	1.026	1.000	301,772	N/A	301,772	0.146	1	1	7,678
6/30/89-90	206,006	157,317	1.031	1.000	162,231	N/A	162,231	0.079	0	0	
6/30/90-91	189,307	376,706	1.036	1.000	390,416	N/A	390,416	0.206	1	1	13,710
6/30/91-92	188,230	528,030	1.042	1.000	549,983	N/A	549,983	0.292	1	3	7,318
6/30/92-93	192,221	262,075	1.047	1.000	274,336	N/A	274,336	0.143	0	0	
6/30/93-94	203,766	445,327	1.050	1.000	467,669	N/A	467,669	0.230	1	2	11,171
6/30/94-95	204,442	305,369	1.058	1.000	323,087	N/A	323,087	0.158	0	0	
6/30/95-96	211,792	243,985	1.068	1.000	260,615	N/A	260,615	0.123	0	0	
6/30/96-97	240,609	187,967	1.079	1.000	202,786	N/A	202,786	0.084	0	0	
6/30/97-98	239,416	184,542	1.090	1.000	201,083	N/A	201,083	0.084	2	2	8,270
6/30/98-99	240,064	189,893	1.101	1.000	208,982	N/A	208,982	0.087	1	1	19,089
6/30/99-00	262,199	298,320	1.123	1.000	334,875	N/A	334,875	0.128	4	3	12,185
6/30/00-01	274,893	334,076	1.144	1.000	382,194	N/A	382,194	0.139	4	3	16,039
6/30/01-02	264,006	262,574	1.177	1.000	308,976	N/A	308,976	0.117	5	7	6,629
6/30/02-03	261,467	231,574	1.242	1.000	287,620	N/A	287,620	0.110	16	16	3,503
6/30/03-04	274,600	134,242	1.298	1.000	174,201	N/A	174,201	0.063	15	2	19,980
6/30/04-05	253,275	271,491	1.407	1.000	382,094	N/A	382,094	0.151	44	11	10,055
6/30/05-06	329,111	283,925	1.570	1.000	445,873	N/A	445,873	0.135	128	29	5,584
6/30/06-07	343,116	168,280	2.000	1.000	336,608	N/A	336,608	0.098	157	113	1,490
6/30/07-08	342,627	174,365	4.510	1.000	786,301	N/A	786,301	0.229		181	3,381
Total	5,589,518	6,055,202			7,411,104		7,411,104		385	382	

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 5, Exhibit 2, Page 7
(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.
(6) = (3) x (4) x (5)
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	139,178	0.051	73,027	1.014	73,999	N/A	73,999	0.053	0.053
6/30/85-86	149,671	0.035	50,070	1.015	50,839	N/A	50,839	0.034	0.034
6/30/86-87	171,999	0.093	175,836	1.018	178,657	N/A	178,657	0.104	0.104
6/30/87-88	201,511	0.092	195,901	1.021	199,714	N/A	199,714	0.099	0.099
6/30/88-89	206,011	0.145	294,094	1.026	301,694	N/A	301,694	0.146	0.146
6/30/89-90	206,006	0.084	157,317	1.031	162,559	N/A	162,559	0.079	0.079
6/30/90-91	189,307	0.229	376,706	1.036	391,938	N/A	391,938	0.207	0.207
6/30/91-92	188,230	0.327	528,030	1.042	552,579	N/A	552,579	0.294	0.294
6/30/92-93	192,221	0.163	262,075	1.047	276,060	N/A	276,060	0.144	0.144
6/30/93-94	203,766	0.238	445,327	1.050	468,512	N/A	468,512	0.230	0.230
6/30/94-95	204,442	0.180	305,369	1.058	325,503	N/A	325,503	0.159	0.159
6/30/95-96	211,792	0.137	243,985	1.068	262,525	N/A	262,525	0.124	0.124
6/30/96-97	240,609	0.095	187,967	1.079	204,648	N/A	204,648	0.085	0.085
6/30/97-98	239,416	0.094	184,542	1.090	203,126	N/A	203,126	0.085	0.085
6/30/98-99	240,064	0.097	189,893	1.101	211,088	N/A	211,088	0.088	0.088
6/30/99-00	262,199	0.129	298,320	1.123	335,147	N/A	335,147	0.128	0.128
6/30/00-01	274,893	0.135	334,076	1.144	380,635	N/A	380,635	0.138	0.138
6/30/01-02	264,006	0.117	262,574	1.177	308,804	N/A	308,804	0.117	0.117
6/30/02-03	261,467	0.110	231,574	1.242	287,369	N/A	287,369	0.110	0.110
6/30/03-04	274,600	0.074	134,242	1.298	180,726	N/A	180,726	0.066	0.066
6/30/04-05	253,275	0.150	271,491	1.407	381,462	N/A	381,462	0.151	0.151
6/30/05-06	329,111	0.150	283,925	1.570	463,232	N/A	463,232	0.141	0.141
6/30/06-07	343,116	0.140	168,280	2.000	408,495	N/A	408,495	0.119	0.119
6/30/07-08	342,627	0.140	174,365	4.510	547,673	N/A	547,673	0.160	0.160
Total	5,589,518		5,828,988		7,156,986		7,156,986		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 5, Exhibit 2, Page 4, Column 10
(4) From Section 5, Exhibit 2, Page 2, Column 3
(5) From Section 5, Exhibit 2, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.051	0.051
6/30/85-86								0.035	0.035
6/30/86-87								0.093	0.093
6/30/87-88								0.092	0.092
6/30/88-89								0.145	0.145
6/30/89-90								0.084	0.084
6/30/90-91	189,307	390,416	0.206	1.157	0.239	1.196	0.285	0.220	0.229
6/30/91-92	188,230	549,983	0.292	1.152	0.337	1.184	0.399	0.317	0.327
6/30/92-93	192,221	274,336	0.143	1.152	0.164	1.173	0.193	0.161	0.163
6/30/93-94	203,766	467,669	0.230	1.142	0.262	1.161	0.304	0.214	0.238
6/30/94-95	204,442	323,087	0.158	1.134	0.179	1.149	0.206	0.180	0.180
6/30/95-96	211,792	260,615	0.123	1.120	0.138	1.138	0.157	0.137	0.137
6/30/96-97	240,609	202,786	0.084	1.101	0.093	1.127	0.105	0.097	0.095
6/30/97-98	239,416	201,083	0.084	1.100	0.092	1.116	0.103	0.096	0.094
6/30/98-99	240,064	208,982	0.087	1.100	0.096	1.105	0.106	0.098	0.097
6/30/99-00	262,199	334,875	0.128	1.100	0.140	1.094	0.154	0.117	0.129
6/30/00-01	274,893	382,194	0.139	1.075	0.149	1.083	0.162	0.120	0.135
6/30/01-02	264,006	308,976	0.117	1.067	0.125	1.072	0.134	0.108	0.117
6/30/02-03	261,467	287,620	0.110	1.040	0.114	1.062	0.121	0.105	0.110
6/30/03-04	274,600	174,201	0.063	1.014	0.064	1.051	0.068	0.083	0.074
6/30/04-05	253,275	382,094	0.151	1.003	0.151	1.041	0.158	0.150	0.150
6/30/05-06	329,111	445,873	0.135	1.000	0.135	1.030	0.140	0.150	0.150
6/30/06-07	343,116	336,608	0.098	1.000	0.098	1.020	0.100	0.150	0.140
6/30/07-08	342,627	786,301	0.229	1.000	0.229	1.010	0.232		0.140
Total	4,515,142	6,317,699							

Trend Last 4 (ex 07-08):	12.2%	Avg 3 (x07-08):	0.132
Trend Last 8 (ex 07-08):	-3.5%	Avg 5 (x07-08):	0.117
Trend Last 12 (ex 07-08):	0.1%	Avg 10 (x07-08):	0.124
Prior Selected Trend:	1.0%	Prior Sel Avg:	0.150
Selected Trend:	1.0%	Sel. Loss Cost:	0.140

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 5, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		1.000	
(2)	Credibility		12%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.903	
		(Low)		(High)
(5)	Selected Range	0.894		0.912
(6)	Incremental Paid for 2008	1,845		1,845
(7)	Estimated Reserve	15,594		19,185
(8)	Paid to Date (82 & Prior)	102,183		102,183
(9)	Est Ult Paid for 1982 & Prior	117,777		121,368

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	851	236
(11)	Projected Number of Years	2	2
(12)	Estimated Reserve	1,702	472
(13)	Paid to Date (82 & Prior)	102,183	100,338
(14)	Est Ult Paid for 1982 & Prior	103,885	100,810
(14a)	Paid Counts During Fiscal Year	1	1

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	110,831	121,368
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**110,831**	**121,368**
(18)	Implied Tail	1.085	1.188
(19)	Ult Loss Inc Lump Sums @6/07	101,775	103,294

NOTES:

(1) From Section 5, Exhibit 2, Page 6
(2) = (Average of Section 5, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 5, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 5, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	9,975	9.208			
1993	2	1,394	7.240	0.140		
1994	3	30,337	10.320	21.763		
1995	4	-7,026		-0.232		
1996	5	2,087	7.643	-0.297		
1997	6	418	6.035	0.200		
1998	7	0		0.000		
1999	8	390	5.966			
2000	9	1,546	7.343	3.964	n =	17
2001	10	0		0.000	S(x) =	34,000
2002	11	0			S(x-sq) =	68,000,408
2003	12	0			S(xy) =	
2004	13	1,400	7.244		S(y) =	
2005	14	0		0.000	D =	6,936
2006	15	424	6.050		slope =	
2007	16	284	5.649	0.670		
2008	17	1,845	7.520	6.499	Avg Trend =	
					Selected Trend:	**1.000**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 6.499 = 7.52 / 5.649

Commonwealth of Massachusetts Workers Compensatio
University of Massachusetts (Amherst) - Cluster
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	7,015	19,272	26,992	33,578	44,296	54,254	69,123	86,430	87,691	89,009	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124	91,124
June-84	2,065	5,673	7,945	9,884	13,039	15,948	22,112	25,109	27,259	27,620	27,620	29,236	29,236	29,236	29,774	29,774	33,170	32,907	32,907	32,907	32,907	32,907	32,907	32,907	32,907	
June-85	5,341	14,673	20,551	25,565	32,019	36,080	42,108	45,751	51,440	65,690	69,695	65,951	67,047	67,047	67,068	67,485	69,103	70,526	70,577	71,427	71,777	71,777	71,777	73,027		
June-86	4,254	11,686	16,367	29,076	33,757	37,603	39,971	43,583	45,896	47,123	47,123	47,123	47,123	47,123	48,153	48,153	48,153	48,153	48,503	49,375	49,375	49,375	50,070			
June-87	17,332	47,614	74,474	96,432	115,240	124,178	130,253	135,326	138,193	142,828	144,778	146,075	148,983	150,159	151,984	152,431	153,300	154,154	156,424	159,661	167,912	175,836				
June-88	21,776	71,312	105,389	144,783	150,052	156,889	162,436	164,340	165,770	169,300	170,433	171,904	172,900	173,563	174,460	176,155	179,540	184,256	189,906	193,501	195,901					
June-89	31,748	113,449	180,690	213,618	227,584	232,537	247,318	252,055	260,621	266,739	270,947	278,041	284,182	288,891	291,536	292,751	293,625	293,975	294,069	294,094						
June-90	19,060	117,509	146,705	152,013	155,556	157,028	157,217	157,317	157,317	157,317	157,317	157,317	157,317	157,317	157,317	157,317	157,317	157,317	157,317							
June-91	49,629	201,675	266,883	315,231	324,767	338,441	344,037	344,920	345,667	349,590	353,310	355,602	356,167	359,042	361,717	364,813	366,594	376,706								
June-92	93,121	216,421	309,712	382,754	413,527	441,551	469,869	498,257	502,052	506,299	508,720	511,219	517,091	518,976	521,249	523,045	528,030									
June-93	81,970	229,344	254,404	256,957	260,901	261,422	261,544	261,544	261,544	262,036	262,075	262,075	262,075	262,075	262,075	262,075										
June-94	77,508	161,802	222,213	282,819	289,168	318,109	326,227	327,931	339,521	345,752	357,217	392,989	403,792	437,920	445,327											
June-95	86,716	239,689	284,148	295,763	301,706	303,344	303,490	305,369	305,369	305,369	305,369	305,369	305,369	305,369												
June-96	81,054	187,654	205,831	215,693	219,869	225,627	237,068	241,239	242,923	243,938	243,985	243,985	243,985													
June-97	61,666	103,895	129,694	181,008	185,516	187,189	187,267	187,617	187,617	187,967	187,967	187,967														
June-98	40,014	98,284	119,324	134,344	139,107	141,779	147,819	148,338	149,621	183,281	184,542															
June-99	57,055	145,931	161,873	165,175	173,370	179,001	181,785	183,278	186,735	189,893																
June-00	78,904	144,101	178,359	211,117	245,711	260,589	272,440	284,728	298,320																	
June-01	78,435	185,081	235,180	264,482	271,555	289,614	313,258	334,076																		
June-02	42,493	107,557	182,137	222,791	235,866	244,961	262,574																			
June-03	25,041	124,452	162,035	187,240	223,402	231,574																				
June-04	58,014	123,410	131,529	133,995	134,242																					
June-05	90,145	204,953	256,853	271,491																						
June-06	104,747	269,295	283,925																							
June-07	90,114	168,280																								
June-08	174,365																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.747	1.401	1.244	1.319	1.225	1.274	1.250	1.015	1.015	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
June-84	2.747	1.400	1.244	1.319	1.223	1.387	1.136	1.086	1.013	1.000	1.059	1.000	1.000	1.018	1.000	1.114	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
June-85	2.747	1.401	1.244	1.252	1.127	1.167	1.087	1.124	1.277	1.061	0.946	1.017	1.000	1.000	1.006	1.024	1.021	1.001	1.012	1.005	1.000	1.000	1.017		
June-86	2.747	1.401	1.777	1.161	1.114	1.063	1.090	1.053	1.027	1.000	1.000	1.000	1.000	1.022	1.000	1.000	1.000	1.007	1.018	1.000	1.000	1.014			
June-87	2.747	1.564	1.295	1.195	1.078	1.049	1.039	1.021	1.034	1.014	1.009	1.020	1.008	1.012	1.003	1.006	1.006	1.015	1.021	1.052	1.047				
June-88	3.275	1.478	1.374	1.036	1.046	1.035	1.012	1.009	1.021	1.007	1.009	1.006	1.004	1.005	1.010	1.019	1.026	1.031	1.019	1.012					
June-89	3.573	1.593	1.182	1.065	1.022	1.064	1.019	1.034	1.023	1.016	1.026	1.022	1.017	1.009	1.004	1.003	1.001	1.000	1.000						
June-90	6.165	1.248	1.036	1.023	1.009	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
June-91	4.064	1.323	1.181	1.030	1.042	1.017	1.003	1.002	1.011	1.011	1.006	1.002	1.008	1.007	1.009	1.005	1.028								
June-92	2.324	1.431	1.236	1.080	1.068	1.064	1.060	1.008	1.008	1.005	1.005	1.011	1.004	1.004	1.003	1.010									
June-93	2.798	1.109	1.010	1.015	1.002	1.000	1.000	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000										
June-94	2.088	1.373	1.273	1.022	1.100	1.026	1.005	1.035	1.018	1.033	1.100	1.027	1.085	1.017											
June-95	2.764	1.185	1.041	1.020	1.005	1.000	1.006	1.000	1.000	1.000	1.000	1.000	1.000												
June-96	2.315	1.097	1.048	1.019	1.026	1.051	1.018	1.007	1.004	1.000	1.000	1.000													
June-97	1.685	1.248	1.396	1.025	1.009	1.000	1.002	1.000	1.002	1.000	1.000														
June-98	2.456	1.214	1.126	1.035	1.019	1.043	1.004	1.009	1.225	1.007															
June-99	2.558	1.109	1.020	1.050	1.032	1.016	1.008	1.019	1.017																
June-00	1.826	1.238	1.184	1.164	1.061	1.045	1.045	1.048																	
June-01	2.360	1.271	1.125	1.027	1.067	1.082	1.066																		
June-02	2.531	1.693	1.223	1.059	1.039	1.072																			
June-03	4.970	1.302	1.156	1.193	1.037																				
June-04	2.127	1.066	1.019	1.002																					
June-05	2.274	1.253	1.057																						
June-06	2.571	1.054																							
June-07	1.867																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.813	1.311	1.195	1.096	1.064	1.073	1.045	1.026	1.041	1.011	1.011	1.007	1.010	1.008	1.003	1.018	1.008	1.007	1.010	1.011	1.009	1.004	1.006	1.000	1.000	
Latest 5	2.762	1.274	1.116	1.089	1.047	1.051	1.025	1.016	1.050	1.008	1.020	1.008	1.019	1.006	1.003	1.007	1.012	1.011	1.014	1.014	1.009					
Latest 3	2.237	1.124	1.077	1.085	1.047	1.066	1.040	1.025	1.081	1.002	1.000	1.009	1.028	1.007	1.004	1.005	1.010	1.010	1.013	1.021	1.016	1.005	1.006			
Volume Wtd																										
All Yrs	2.538	1.260	1.149	1.060	1.045	1.043	1.029	1.016	1.024	1.010	1.015	1.009	1.016	1.007	1.004	1.009	1.012	1.008	1.010	1.018	1.019	1.003	1.006	1.000		
Latest 5	2.419	1.225	1.116	1.089	1.049	1.055	1.032	1.019	1.036	1.010	1.026	1.010	1.021	1.007	1.004	1.007	1.014	1.010	1.011	1.022	1.019					
Latest 3	2.254	1.125	1.077	1.091	1.048	1.067	1.045	1.030	1.071	1.002	1.000	1.011	1.035	1.008	1.004	1.006	1.013	1.009	1.011	1.026	1.027	1.005				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	2.363	1.317	1.141	1.093	1.043	1.037	1.015	1.007	1.010	1.010	1.010	1.010	1.010	1.006	1.005	1.005	1.005	1.005	1.005	1.005	1.003	1.003	1.001	1.001		1.013
Selected	2.254	1.274	1.116	1.085	1.045	1.055	1.029	1.019	1.020	1.010	1.010	1.010	1.010	1.007	1.003	1.005	1.005	1.005	1.005	1.005	1.003	1.003	1.001	1.001	1.001	1.012
FacToUlt	4.510	2.000	1.570	1.407	1.298	1.242	1.177	1.144	1.123	1.101	1.090	1.079	1.068	1.058	1.050	1.047	1.042	1.036	1.031	1.026	1.021	1.018	1.015	1.014	1.013	1.012
Percent of Ult	22.2%	50.0%	63.7%	71.1%	77.1%	80.5%	85.0%	87.4%	89.1%	90.9%	91.8%	92.7%	93.6%	94.5%	95.2%	95.5%	96.0%	96.5%	97.0%	97.5%	97.9%	98.2%	98.5%	98.6%	98.8%	

Commonwealth of Massachusetts
Workers Compensation
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University of Massachusetts (Amherst) - Cluster 4
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	101,775	103,294	110,831	121,368	9,056	8.9%	18,074	17.5%
6/30/82-83	91,124	93,200	91,124	93,127	0	0.0%	(73)	-0.1%
6/30/83-84	32,907	34,358	32,907	34,331	0	0.0%	(27)	-0.1%
6/30/84-85	72,495	73,213	73,757	74,488	1,263	1.7%	1,275	1.7%
6/30/85-86	49,869	50,363	50,571	51,071	702	1.4%	709	1.4%
6/30/86-87	171,000	171,000	179,000	179,000	8,000	4.7%	8,000	4.7%
6/30/87-88	198,000	199,000	200,000	200,000	2,000	1.0%	1,000	0.5%
6/30/88-89	303,000	303,000	302,000	302,000	(1,000)	-0.3%	(1,000)	-0.3%
6/30/89-90	158,890	160,463	158,890	160,463	0	0.0%	0	0.0%
6/30/90-91	382,000	383,000	390,000	392,000	8,000	2.1%	9,000	2.3%
6/30/91-92	547,000	550,000	550,000	553,000	3,000	0.5%	3,000	0.5%
6/30/92-93	276,000	277,000	274,000	276,000	(2,000)	-0.7%	(1,000)	-0.4%
6/30/93-94	462,000	463,000	468,000	469,000	6,000	1.3%	6,000	1.3%
6/30/94-95	308,423	311,476	308,423	311,476	0	0.0%	0	0.0%
6/30/95-96	263,000	265,000	261,000	263,000	(2,000)	-0.8%	(2,000)	-0.8%
6/30/96-97	205,000	207,000	203,000	205,000	(2,000)	-1.0%	(2,000)	-1.0%
6/30/97-98	202,000	204,000	201,000	203,000	(1,000)	-0.5%	(1,000)	-0.5%
6/30/98-99	208,000	210,000	209,000	211,000	1,000	0.5%	1,000	0.5%
6/30/99-00	318,000	319,000	335,000	335,000	17,000	5.3%	16,000	5.0%
6/30/00-01	353,000	356,000	381,000	382,000	28,000	7.9%	26,000	7.3%
6/30/01-02	288,000	289,000	309,000	309,000	21,000	7.3%	20,000	6.9%
6/30/02-03	275,000	275,000	287,000	288,000	12,000	4.4%	13,000	4.7%
6/30/03-04	180,000	193,000	174,000	181,000	(6,000)	-3.3%	(12,000)	-6.2%
6/30/04-05	389,000	394,000	381,000	382,000	(8,000)	-2.1%	(12,000)	-3.0%
6/30/05-06	519,000	544,000	446,000	463,000	(73,000)	-14.1%	(81,000)	-14.9%
6/30/06-07	430,000	497,000	337,000	408,000	(93,000)	-21.6%	(89,000)	-17.9%
6/30/07-08								
Total	6,784,482	6,925,367	6,713,503	6,847,325	(70,980)	-1.0%	(78,042)	-1.1%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 5, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Amherst) - Cluster 4
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	1.2%	0.0%	0.4%	0.3%	1.000	1.000
312	98.8%	0.1%	1.2%	0.0%	0.0%	0.981	0.971
300	98.7%	0.1%	1.3%	0.0%	0.0%	0.946	0.921
288	98.6%	0.1%	1.4%	0.0%	0.0%	0.915	0.876
276	98.5%	0.3%	1.5%	0.1%	0.1%	0.886	0.836
264	98.2%	0.3%	1.8%	0.1%	0.1%	0.874	0.819
252	97.9%	0.5%	2.1%	0.2%	0.1%	0.860	0.801
240	97.5%	0.5%	2.5%	0.2%	0.2%	0.856	0.797
228	97.0%	0.5%	3.0%	0.2%	0.2%	0.849	0.787
216	96.5%	0.5%	3.5%	0.2%	0.2%	0.839	0.774
204	96.0%	0.5%	4.0%	0.3%	0.2%	0.827	0.759
192	95.5%	0.3%	4.5%	0.2%	0.1%	0.815	0.743
180	95.2%	0.7%	4.8%	0.4%	0.3%	0.797	0.719
168	94.5%	0.9%	5.5%	0.5%	0.4%	0.794	0.716
156	93.6%	0.9%	6.4%	0.6%	0.4%	0.794	0.717
144	92.7%	0.9%	7.3%	0.6%	0.5%	0.791	0.714
132	91.8%	0.9%	8.2%	0.6%	0.5%	0.785	0.707
120	90.9%	1.8%	9.1%	1.2%	1.0%	0.777	0.697
108	89.1%	1.7%	10.9%	1.2%	1.0%	0.785	0.709
96	87.4%	2.4%	12.6%	1.8%	1.6%	0.785	0.709
84	85.0%	4.5%	15.0%	3.5%	3.1%	0.791	0.718
72	80.5%	3.5%	19.5%	2.8%	2.5%	0.811	0.744
60	77.1%	6.0%	22.9%	5.0%	4.6%	0.810	0.743
48	71.1%	7.4%	28.9%	6.4%	6.0%	0.821	0.757
36	63.7%	13.7%	36.3%	12.4%	11.8%	0.828	0.766
24	50.0%	27.8%	50.0%	26.2%	25.5%	0.847	0.791
12	22.2%	22.2%	77.8%	21.7%	21.5%	0.874	0.827
Total		100.0%					

NOTES:

(2) = 1 / Section 5, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
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University of Massachusetts (Amherst) - Cluster 4
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	8,648	19,185		8,319	18,454
6/30/82-83	0	2,003	0.981	0	1,964
6/30/83-84	0	1,424	0.946	0	1,346
6/30/84-85	730	1,461	0.915	668	1,336
6/30/85-86	501	1,001	0.886	444	887
6/30/86-87	3,164	3,164	0.874	2,764	2,764
6/30/87-88	4,099	4,099	0.860	3,525	3,525
6/30/88-89	7,906	7,906	0.856	6,771	6,771
6/30/89-90	1,573	3,146	0.849	1,335	2,670
6/30/90-91	13,294	15,294	0.839	11,148	12,825
6/30/91-92	21,970	24,970	0.827	18,175	20,657
6/30/92-93	11,925	13,925	0.815	9,722	11,352
6/30/93-94	22,673	23,673	0.797	18,061	18,857
6/30/94-95	3,054	6,107	0.794	2,423	4,847
6/30/95-96	17,015	19,015	0.794	13,504	15,091
6/30/96-97	15,033	17,033	0.791	11,887	13,468
6/30/97-98	16,458	18,458	0.785	12,917	14,487
6/30/98-99	19,107	21,107	0.777	14,849	16,403
6/30/99-00	36,680	36,680	0.785	28,806	28,806
6/30/00-01	46,924	47,924	0.785	36,841	37,626
6/30/01-02	46,426	46,426	0.791	36,741	36,741
6/30/02-03	55,426	56,426	0.811	44,969	45,780
6/30/03-04	39,758	46,758	0.810	32,216	37,888
6/30/04-05	109,509	110,509	0.821	89,900	90,721
6/30/05-06	162,075	179,075	0.828	134,229	148,308
6/30/06-07	168,720	239,720	0.847	142,865	202,984
6/30/07-08	373,635	611,635	0.874	326,431	534,364
Total	1,206,301	1,578,123		1,009,508	1,330,923
			(7) Total Discount Factor:	0.837	0.843

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	8,648	19,185
(9) Projected Number of Years:	2	2
(10) Projected Paid Loss per Year:	4,324	9,593
(11) Discounted Value at 4%:	8,319	18,454

NOTES:
(2), (3) From Section 5, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 5, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
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University of Massachusetts (Amherst) - Cluster 4
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	8,648	19,185		8,165	18,114
6/30/82-83	0	2,003	0.971	0	1,946
6/30/83-84	0	1,424	0.921	0	1,311
6/30/84-85	730	1,461	0.876	640	1,279
6/30/85-86	501	1,001	0.836	419	837
6/30/86-87	3,164	3,164	0.819	2,592	2,592
6/30/87-88	4,099	4,099	0.801	3,284	3,284
6/30/88-89	7,906	7,906	0.797	6,302	6,302
6/30/89-90	1,573	3,146	0.787	1,238	2,476
6/30/90-91	13,294	15,294	0.774	10,289	11,837
6/30/91-92	21,970	24,970	0.759	16,679	18,956
6/30/92-93	11,925	13,925	0.743	8,866	10,352
6/30/93-94	22,673	23,673	0.719	16,296	17,015
6/30/94-95	3,054	6,107	0.716	2,186	4,372
6/30/95-96	17,015	19,015	0.717	12,199	13,633
6/30/96-97	15,033	17,033	0.714	10,730	12,158
6/30/97-98	16,458	18,458	0.707	11,629	13,042
6/30/98-99	19,107	21,107	0.697	13,316	14,710
6/30/99-00	36,680	36,680	0.709	25,995	25,995
6/30/00-01	46,924	47,924	0.709	33,261	33,970
6/30/01-02	46,426	46,426	0.718	33,316	33,316
6/30/02-03	55,426	56,426	0.744	41,264	42,008
6/30/03-04	39,758	46,758	0.743	29,533	34,733
6/30/04-05	109,509	110,509	0.757	82,889	83,646
6/30/05-06	162,075	179,075	0.766	124,198	137,225
6/30/06-07	168,720	239,720	0.791	133,439	189,593
6/30/07-08	373,635	611,635	0.827	308,849	505,582
Total	1,206,301	1,578,123		937,574	1,240,285
			(7) Total Discount Factor:	0.777	0.786

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	8,648	19,185
(9) Projected Number of Years:	2	2
(10) Projected Paid Loss per Year:	4,324	9,593
(11) Discounted Value at 6%:	8,165	18,114

NOTES:
(2), (3) From Section 5, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 5, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4

Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		1,329,412			1,329,412	1,329,412	0	0		
6/30/82-83		306,340	314,167		306,340	313,999	0	7,659		
6/30/83-84		1,443,839	1,479,525		1,472,716	1,501,593	28,877	57,754		
6/30/84-85	90,571	852,745	881,913	865,092	869,800	886,855	17,055	34,110	0.960	0.979
6/30/85-86	97,399	2,517,941	2,620,828	2,565,991	2,566,000	2,621,000	48,059	103,059	2.635	2.691
6/30/86-87	111,929	3,070,184	3,737,718	3,138,841	3,139,000	3,438,279	68,816	368,095	2.804	3.072
6/30/87-88	131,134	2,583,578	2,924,333	2,664,525	2,665,000	2,794,429	81,422	210,852	2.032	2.131
6/30/88-89	151,343	2,623,646	2,738,487	2,751,040	2,676,119	2,754,828	52,473	131,182	1.768	1.820
6/30/89-90	112,226	3,243,583	3,418,092	3,423,925	3,308,455	3,405,762	64,872	162,179	2.948	3.035
6/30/90-91	112,428	1,101,823	1,165,163	1,165,282	1,123,859	1,156,914	22,036	55,091	1.000	1.029
6/30/91-92	122,872	1,518,304	1,610,976	1,617,652	1,548,670	1,594,219	30,366	75,915	1.260	1.297
6/30/92-93	129,919	638,167	680,936	691,769	650,930	670,075	12,763	31,908	0.501	0.516
6/30/93-94	142,718	1,715,927	1,836,374	1,858,830	1,836,000	1,859,000	120,073	143,073	1.286	1.303
6/30/94-95	152,788	521,127	549,389	557,278	549,000	557,000	27,873	35,873	0.359	0.365
6/30/95-96	164,973	491,723	521,995	530,382	501,557	511,392	9,834	19,669	0.304	0.310
6/30/96-97	193,880	422,390	439,321	447,808	430,838	439,286	8,448	16,896	0.222	0.227
6/30/97-98	192,992	545,727	602,606	610,624	556,642	567,556	10,915	21,829	0.288	0.294
6/30/98-99	191,535	629,546	674,855	685,960	675,000	686,000	45,454	56,454	0.352	0.358
6/30/99-00	169,941	685,976	763,038	767,267	763,000	767,000	77,024	81,024	0.449	0.451
6/30/00-01	171,840	737,973	808,674	813,309	809,000	813,000	71,027	75,027	0.471	0.473
6/30/01-02	183,110	339,569	391,424	403,055	391,000	403,000	51,431	63,431	0.214	0.220
6/30/02-03	195,846	573,386	697,827	698,324	698,000	698,000	124,614	124,614	0.356	0.356
6/30/03-04	229,073	899,409	1,151,678	1,153,646	1,152,000	1,154,000	252,591	254,591	0.503	0.504
6/30/04-05	211,119	178,589	254,161	369,999	254,000	370,000	75,411	191,411	0.120	0.175
6/30/05-06	266,856	456,237	940,991	919,877	920,000	941,000	463,763	484,763	0.345	0.353
6/30/06-07	273,358	292,028	758,368	863,297	758,000	863,000	465,972	570,972	0.277	0.316
6/30/07-08	295,477	199,585	1,279,167	1,170,583	1,171,000	1,279,000	971,415	1,079,415	0.396	0.433
Total	4,095,326	29,918,753	33,242,003	30,734,359	33,121,338	34,375,599	3,202,585	4,456,846		
Tot 6/30/84-08	4,095,326	26,839,162	31,448,311	30,734,359	30,012,870	31,230,596	3,173,708	4,391,434	0.733	0.763

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 6, Exhibit 1, Page 2, Column 3 and Section 6, Exhibit 1, Page 9, Column 8

(4) From Section 6, Exhibit 1, Page 2, Column 8

(5) From Section 6, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		1,242,912							0	0		
6/30/82-83		271,340	1.009	1.020	279,167	35,000	314,167		0	0		
6/30/83-84		1,219,902	1.009	1.020	1,255,588	223,937	1,479,525		0	0		
6/30/84-85	90,571	837,745	1.014	1.021	866,913	15,000	881,913	0.974	0	0		
6/30/85-86	97,399	2,421,446	1.021	1.021	2,524,333	96,495	2,620,828	2.691	1	0		
6/30/86-87	111,929	2,762,266	1.029	1.206	3,429,800	307,918	3,737,718	3.339	1	1	667,533	77
6/30/87-88	131,134	2,353,096	1.041	1.100	2,693,851	230,482	2,924,333	2.230	2	2	170,378	69
6/30/88-89	151,343	2,245,396	1.051	1.000	2,360,237	378,250	2,738,487	1.809	0	0		
6/30/89-90	112,226	2,830,333	1.062	1.000	3,004,842	413,250	3,418,092	3.046	0	0		
6/30/90-91	112,428	887,647	1.071	1.000	950,987	214,176	1,165,163	1.036	0	0		
6/30/91-92	122,872	1,163,553	1.080	1.000	1,256,225	354,751	1,610,976	1.311	0	0		
6/30/92-93	129,919	494,916	1.086	1.000	537,685	143,251	680,936	0.524	0	0		
6/30/93-94	142,718	1,304,675	1.092	1.000	1,425,122	411,252	1,836,374	1.287	1	1	120,447	66
6/30/94-95	152,788	273,127	1.103	1.000	301,389	248,000	549,389	0.360	0	0		
6/30/95-96	164,973	253,697	1.115	1.000	282,778	239,216	521,995	0.316	0	0		
6/30/96-97	193,880	113,590	1.121	1.000	127,333	311,988	439,321	0.227	0	0		
6/30/97-98	192,992	445,227	1.123	1.000	500,148	102,458	602,606	0.312	0	0		
6/30/98-99	191,535	287,796	1.132	1.000	325,883	348,972	674,855	0.352	1	0		
6/30/99-00	169,941	487,559	1.142	1.000	556,727	206,311	763,038	0.449	0	0		
6/30/00-01	171,840	431,926	1.148	1.000	496,048	312,626	808,674	0.471	2	1	64,122	73
6/30/01-02	183,110	244,070	1.163	1.000	283,947	107,477	391,424	0.214	0	0		
6/30/02-03	195,846	501,970	1.184	1.000	594,272	103,555	697,827	0.356	3	3	30,767	50
6/30/03-04	229,073	624,409	1.291	1.000	806,008	345,671	1,151,678	0.503	4	4	45,400	51
6/30/04-05	211,119	111,589	1.466	1.000	163,645	90,516	254,161	0.120	4	0		
6/30/05-06	266,856	423,237	1.698	1.000	718,518	222,474	940,991	0.353	13	4	73,820	47
6/30/06-07	273,358	222,028	2.217	1.000	492,251	266,117	758,368	0.277	48	11	24,566	45
6/30/07-08	295,477	199,585	4.405	1.000	879,167	400,000	1,279,167	0.433		53	12,822	45
Total	4,095,326	24,655,036			27,112,863	6,129,141	33,242,003		80	80		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 6, Exhibit 1, Page 7
(5) Based on information from the MA WCRIB
(6) = (3) x (4) x (5)
(7) From Section 6, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	90,571	0.992	837,745	1.014	850,092	15,000	865,092	0.955	0.939
6/30/85-86	97,399	2.395	2,421,446	1.021	2,469,496	96,495	2,565,991	2.635	2.535
6/30/86-87	111,929	2.162	2,762,266	1.029	2,830,923	307,918	3,138,841	2.804	2.529
6/30/87-88	131,134	1.577	2,353,096	1.041	2,434,043	230,482	2,664,525	2.032	1.856
6/30/88-89	151,343	1.730	2,245,396	1.051	2,372,790	378,250	2,751,040	1.818	1.568
6/30/89-90	112,226	2.767	2,830,333	1.062	3,010,675	413,250	3,423,925	3.051	2.683
6/30/90-91	112,428	0.847	887,647	1.071	951,106	214,176	1,165,282	1.036	0.846
6/30/91-92	122,872	1.096	1,163,553	1.080	1,262,901	354,751	1,617,652	1.317	1.028
6/30/92-93	129,919	0.519	494,916	1.086	548,518	143,251	691,769	0.532	0.422
6/30/93-94	142,718	1.185	1,304,675	1.092	1,447,578	411,252	1,858,830	1.302	1.014
6/30/94-95	152,788	0.252	273,127	1.103	309,278	248,000	557,278	0.365	0.202
6/30/95-96	164,973	0.221	253,697	1.115	291,166	239,216	530,382	0.321	0.176
6/30/96-97	193,880	0.106	113,590	1.121	135,820	311,988	447,808	0.231	0.070
6/30/97-98	192,992	0.297	445,227	1.123	508,166	102,458	610,624	0.316	0.263
6/30/98-99	191,535	0.220	287,796	1.132	336,988	348,972	685,960	0.358	0.176
6/30/99-00	169,941	0.348	487,559	1.142	560,956	206,311	767,267	0.451	0.330
6/30/00-01	171,840	0.310	431,926	1.148	500,684	312,626	813,309	0.473	0.291
6/30/01-02	183,110	0.200	244,070	1.163	295,578	107,477	403,055	0.220	0.161
6/30/02-03	195,846	0.305	501,970	1.184	594,770	103,555	698,324	0.357	0.304
6/30/03-04	229,073	0.356	624,409	1.291	807,975	345,671	1,153,646	0.504	0.353
6/30/04-05	211,119	0.250	111,589	1.466	279,483	90,516	369,999	0.175	0.132
6/30/05-06	266,856	0.250	423,237	1.698	697,403	222,474	919,877	0.345	0.261
6/30/06-07	273,358	0.250	222,028	2.217	597,180	266,117	863,297	0.316	0.218
6/30/07-08	295,477	0.250	199,585	4.405	770,583	400,000	1,170,583	0.396	0.261
Total	4,095,326		21,920,882		24,864,155	5,870,204	30,734,359		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 6, Exhibit 1, Page 4, Column 10
(4) From Section 6, Exhibit 1, Page 2, Column 3
(5) From Section 6, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 6, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.992	0.992
6/30/85-86								2.395	2.395
6/30/86-87								2.162	2.162
6/30/87-88								1.577	1.577
6/30/88-89								1.730	1.730
6/30/89-90								2.767	2.767
6/30/90-91	112,428	950,987	0.846	0.925	0.783	1.196	0.936	0.912	0.847
6/30/91-92	122,872	1,256,225	1.022	1.015	1.038	1.184	1.229	1.154	1.096
6/30/92-93	129,919	537,685	0.414	1.184	0.490	1.173	0.574	0.547	0.519
6/30/93-94	142,718	1,425,122	0.999	1.169	1.167	1.161	1.355	1.203	1.185
6/30/94-95	152,788	301,389	0.197	1.158	0.228	1.149	0.263	0.276	0.252
6/30/95-96	164,973	282,778	0.171	1.149	0.197	1.138	0.224	0.245	0.221
6/30/96-97	193,880	127,333	0.066	1.137	0.075	1.127	0.084	0.138	0.106
6/30/97-98	192,992	500,148	0.259	1.123	0.291	1.116	0.325	0.303	0.297
6/30/98-99	191,535	325,883	0.170	1.108	0.188	1.105	0.208	0.251	0.220
6/30/99-00	169,941	556,727	0.328	1.090	0.357	1.094	0.391	0.338	0.348
6/30/00-01	171,840	496,048	0.289	1.062	0.307	1.083	0.332	0.312	0.310
6/30/01-02	183,110	283,947	0.155	1.042	0.162	1.072	0.173	0.239	0.200
6/30/02-03	195,846	594,272	0.303	1.038	0.315	1.062	0.334	0.295	0.305
6/30/03-04	229,073	806,008	0.352	1.038	0.365	1.051	0.384	0.346	0.356
6/30/04-05	211,119	163,645	0.078	1.031	0.080	1.041	0.083	0.250	0.250
6/30/05-06	266,856	718,518	0.269	1.021	0.275	1.030	0.283	0.250	0.250
6/30/06-07	273,358	492,251	0.180	1.010	0.182	1.020	0.185	0.250	0.250
6/30/07-08	295,477	879,167	0.298	1.000	0.298	1.010	0.301		0.250
Total	3,400,724	10,698,132							

Trend Last 4 (ex 07-08):	-8.2%	Avg 3 (x07-08):	0.184
Trend Last 8 (ex 07-08):	-8.3%	Avg 5 (x07-08):	0.254
Trend Last 12 (ex 07-08):	1.4%	Avg 10 (x07-08):	0.270
Prior Selected Trend:	1.0%	Prior Sel Avg:	0.250
Selected Trend:	1.0%	Sel. Loss Cost:	0.250

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 6, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.860	
(2)	Credibility		12%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.948	
		(Low)		(High)
(5)	Selected Range	0.939		0.967
(6)	Incremental Paid for 2008	0		0
(7)	Estimated Reserve	0		0
(8)	Paid to Date (82 & Prior)	1,242,912		1,242,912
(9)	Est Ult Paid for 1982 & Prior	1,242,912		1,242,912

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	0	0
(11)	Projected Number of Years	1	1
(12)	Estimated Reserve	0	0
(13)	Paid to Date (82 & Prior)	1,242,912	1,242,912
(14)	Est Ult Paid for 1982 & Prior	1,242,912	1,242,912
(14a)	Paid Counts During Fiscal Year	0	0

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	1,242,912	1,242,912
(16)	Lump Sum Ultimates	86,500	86,500
(17)	Ult Loss Including Lump Sums	**1,329,412**	**1,329,412**
(18)	Implied Tail	1.000	1.000
(19)	Ult Loss Inc Lump Sums @6/07	1,329,412	1,329,412

NOTES:

(1) From Section 6, Exhibit 1, Page 6
(2) = (Average of Section 6, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 6, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 6, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 6, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	92,878	11.439			
1993	2	83,290	11.330	0.897		
1994	3	82,744	11.324	0.993		
1995	4	76,872	11.250	0.929		
1996	5	73,496	11.205	0.956		
1997	6	42,425	10.655	0.577		
1998	7	43,683	10.685	1.030		
1999	8	44,262	10.698	1.013		
2000	9	49,469	10.809	1.118	n =	12
2001	10	47,733	10.773	0.965	S(x) =	23,970
2002	11	28,782	10.268	0.603	S(x-sq) =	47,880,218
2003	12	12,543	9.437	0.436	S(xy) =	259,401
2004	13	0			S(y) =	130
2005	14	0			D =	1,716
2006	15	0			slope =	-0.137
2007	16	0			Avg Trend =	0.863
2008	17	0				
					Selected Trend:	**0.860**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0 = 0 / 0

Commonwealth of Massachusetts Workers Compensatio
University of Massachusetts (Medical Center) - Cluster
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	20,333	51,116	80,072	103,773	130,398	141,779	176,965	199,729	221,812	232,715	258,415	258,415	263,521	253,827	259,034	264,240	271,340	271,340	271,340	271,340	271,340	271,340	271,340	271,340	271,340	271,340
June-84	57,600	144,806	226,837	293,981	343,659	432,433	537,475	627,523	702,624	756,969	803,646	836,058	882,478	912,918	944,937	977,381	1,013,642	1,052,979	1,095,405	1,138,804	1,183,544	1,219,902	1,219,902	1,219,902	1,219,902	
June-85	63,759	160,290	251,092	325,415	403,737	509,752	570,921	613,784	663,935	693,110	702,075	726,654	753,001	779,914	809,196	840,064	837,165	837,745	837,745	837,745	837,745	837,745	837,745	837,745		
June-86	154,113	387,438	606,915	783,976	961,962	1,132,149	1,274,833	1,393,763	1,502,381	1,636,065	1,751,114	1,854,218	1,962,657	2,114,127	2,191,041	2,271,411	2,297,923	2,325,043	2,352,163	2,379,342	2,408,086	2,421,446	2,421,446			
June-87	166,736	419,172	641,668	854,284	1,072,274	1,249,198	1,388,337	1,542,716	1,758,390	1,875,672	1,986,394	2,093,920	2,135,258	2,199,362	2,260,862	2,284,043	2,302,892	2,321,741	2,340,539	2,359,336	2,708,676	2,762,266				
June-88	174,358	435,032	660,480	866,856	1,054,956	1,195,356	1,302,385	1,395,569	1,488,786	1,568,531	1,652,757	1,723,638	1,803,152	1,884,392	1,957,379	2,019,197	2,082,510	2,146,026	2,212,010	2,280,936	2,353,096					
June-89	244,759	583,650	955,229	1,207,778	1,405,394	1,580,598	1,710,863	1,867,443	1,974,910	2,078,269	2,163,384	2,208,386	2,233,112	2,239,652	2,239,652	2,245,396	2,245,396	2,245,396	2,245,396	2,245,396						
June-90	351,648	811,854	1,353,747	1,739,540	2,053,362	2,300,598	2,503,649	2,605,537	2,726,706	2,654,988	2,740,214	2,830,333	2,830,333	2,830,333	2,830,333	2,830,333	2,830,333	2,830,333	2,830,333							
June-91	156,076	357,539	517,757	630,387	728,239	832,901	871,395	947,686	887,647	887,647	887,647	887,647	887,647	887,647	887,647	887,647	887,647	887,647								
June-92	261,100	669,245	900,334	1,044,793	1,152,142	1,241,017	1,237,974	1,112,699	1,137,295	1,163,553	1,163,553	1,163,553	1,163,553	1,163,553	1,163,553	1,163,553	1,163,553									
June-93	206,631	396,390	480,534	554,071	597,393	614,181	494,916	494,916	494,916	494,916	494,916	494,916	494,916	494,916	494,916	494,916										
June-94	247,518	643,612	941,958	1,088,319	1,200,112	1,123,946	1,143,130	1,179,142	1,181,321	1,181,499	1,181,499	1,246,051	1,265,620	1,286,180	1,304,675											
June-95	205,179	254,027	345,287	415,297	285,940	285,940	285,940	286,111	286,111	286,111	286,111	273,127	273,127	273,127												
June-96	155,417	406,013	576,300	245,663	246,118	246,118	246,697	246,697	253,697	253,697	253,697	253,697	253,697													
June-97	97,433	256,318	57,502	85,876	119,079	124,761	113,590	113,590	113,590	113,590	113,590	113,590														
June-98	240,727	143,983	232,600	419,169	444,399	445,227	445,227	445,227	445,227	445,227	445,227															
June-99	58,149	198,506	223,119	274,795	288,604	286,087	287,457	287,658	287,796	287,796																
June-00	139,725	319,021	396,283	425,910	459,317	480,109	487,559	487,559	487,559																	
June-01	103,272	231,200	298,053	357,230	397,007	413,694	429,139	431,926																		
June-02	111,843	169,158	211,386	237,447	244,070	244,070	244,070																			
June-03	103,346	214,476	266,732	299,619	422,566	501,970																				
June-04	158,939	366,873	493,674	593,313	624,409																					
June-05	66,383	103,442	111,589	111,589																						
June-06	148,922	299,710	423,237																							
June-07	129,667	222,028																								
June-08	199,585																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.514	1.566	1.296	1.257	1.087	1.248	1.129	1.111	1.049	1.110	1.000	1.020	0.963	1.021	1.020	1.027	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
June-84	2.514	1.566	1.296	1.169	1.258	1.243	1.168	1.120	1.077	1.062	1.040	1.056	1.034	1.035	1.034	1.037	1.039	1.040	1.040	1.039	1.031	1.000	1.000	1.000	
June-85	2.514	1.566	1.296	1.241	1.263	1.120	1.075	1.082	1.044	1.013	1.035	1.036	1.036	1.038	1.038	0.997	1.001	1.000	1.000	1.000	1.000	1.000	1.000		
June-86	2.514	1.566	1.292	1.227	1.177	1.126	1.093	1.078	1.089	1.070	1.059	1.058	1.077	1.036	1.037	1.012	1.012	1.012	1.012	1.012	1.006	1.000			
June-87	2.514	1.531	1.331	1.255	1.165	1.111	1.111	1.140	1.067	1.059	1.054	1.020	1.030	1.028	1.010	1.008	1.008	1.008	1.008	1.148	1.020				
June-88	2.495	1.518	1.312	1.217	1.133	1.090	1.072	1.067	1.054	1.054	1.043	1.046	1.045	1.039	1.032	1.031	1.030	1.031	1.031	1.032					
June-89	2.385	1.637	1.264	1.164	1.125	1.082	1.092	1.058	1.052	1.041	1.021	1.011	1.003	1.000	1.003	1.000	1.000	1.000	1.000						
June-90	2.309	1.667	1.285	1.180	1.120	1.088	1.041	1.047	0.974	1.032	1.033	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
June-91	2.291	1.448	1.218	1.155	1.144	1.046	1.088	0.937	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
June-92	2.563	1.345	1.160	1.103	1.077	0.998	0.899	1.022	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000									
June-93	1.918	1.212	1.153	1.078	1.028	0.806	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
June-94	2.600	1.464	1.155	1.103	0.937	1.017	1.032	1.002	1.000	1.000	1.055	1.016	1.016	1.014											
June-95	1.238	1.359	1.203	0.689	1.000	1.000	1.001	1.000	1.000	1.000	0.955	1.000	1.000												
June-96	2.612	1.419	0.426	1.002	1.000	1.002	1.000	1.028	1.000	1.000	1.000	1.000													
June-97	2.631	0.224	1.493	1.387	1.048	0.910	1.000	1.000	1.000	1.000	1.000														
June-98	0.598	1.615	1.802	1.060	1.002	1.000	1.000	1.000	1.000	1.000															
June-99	3.414	1.124	1.232	1.050	0.991	1.005	1.001	1.000	1.000																
June-00	2.283	1.242	1.075	1.078	1.045	1.016	1.000	1.000																	
June-01	2.239	1.289	1.199	1.111	1.042	1.037	1.006																		
June-02	1.512	1.250	1.123	1.028	1.000	1.000																			
June-03	2.075	1.244	1.123	1.410	1.188																				
June-04	2.308	1.346	1.202	1.052																					
June-05	1.558	1.079	1.000																						
June-06	2.013	1.412																							
June-07	1.712																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.213	1.362	1.215	1.137	1.087	1.047	1.042	1.038	1.025	1.028	1.020	1.019	1.016	1.018	1.016	1.011	1.010	1.011	1.013	1.039	1.011	1.000	1.000	1.000	1.000	
Latest 5	1.933	1.266	1.129	1.136	1.053	1.012	1.001	1.006	1.000	1.000	1.002	1.003	1.003	1.003	1.001	1.006	1.008	1.010	1.010	1.046	1.011					
Latest 3	1.761	1.279	1.108	1.164	1.077	1.018	1.002	1.000	1.000	1.000	0.985	1.005	1.005	1.005	1.000	1.000	1.000	1.010	1.013	1.064	1.008	1.000	1.000			
Volume Wtd																										
All Yrs	2.156	1.403	1.197	1.139	1.098	1.059	1.050	1.048	1.030	1.034	1.032	1.021	1.022	1.017	1.015	1.009	1.010	1.011	1.014	1.053	1.014	1.000	1.000	1.000		
Latest 5	1.987	1.306	1.158	1.122	1.063	1.013	1.002	1.005	1.000	1.000	1.022	1.006	1.005	1.003	1.001	1.007	1.008	1.009	1.012	1.055	1.014					
Latest 3	1.812	1.336	1.152	1.142	1.090	1.020	1.002	1.000	1.000	1.000	0.980	1.011	1.010	1.006	1.000	1.000	1.000	1.009	1.013	1.064	1.011	1.000				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	2.234	1.273	1.199	1.136	1.034	1.021	1.013	1.016	1.009	1.008	1.009	1.010	1.012	1.009	1.008	1.008	1.010	1.010	1.010	1.010	1.009	1.008	1.007	1.005	1.012	
Selected	1.987	1.306	1.158	1.136	1.090	1.018	1.013	1.006	1.008	1.008	1.002	1.006	1.010	1.010	1.005	1.006	1.008	1.009	1.010	1.010	1.011	1.008	1.007	1.005	1.000	1.009
FacToUlt	4.405	2.217	1.698	1.466	1.291	1.184	1.163	1.148	1.142	1.132	1.123	1.121	1.115	1.103	1.092	1.086	1.080	1.071	1.062	1.051	1.041	1.029	1.021	1.014	1.009	1.009
Percent of Ult	22.7%	45.1%	58.9%	68.2%	77.5%	84.5%	86.0%	87.1%	87.6%	88.3%	89.0%	89.2%	89.7%	90.6%	91.5%	92.0%	92.6%	93.3%	94.2%	95.1%	96.1%	97.2%	97.9%	98.6%	99.1%	99.1%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	1,329,412	1,329,412	1,329,412	1,329,412	0	0.0%	0	0.0%
6/30/82-83	306,340	313,999	306,340	313,999	0	0.0%	0	0.0%
6/30/83-84	1,472,716	1,501,593	1,472,716	1,501,593	0	0.0%	0	0.0%
6/30/84-85	869,800	886,855	869,800	886,855	0	0.0%	0	0.0%
6/30/85-86	2,591,000	2,651,000	2,566,000	2,621,000	(25,000)	-1.0%	(30,000)	-1.1%
6/30/86-87	3,113,000	3,484,031	3,139,000	3,438,279	26,000	0.8%	(45,752)	-1.3%
6/30/87-88	2,614,000	2,921,936	2,665,000	2,794,429	51,000	2.0%	(127,507)	-4.4%
6/30/88-89	2,676,119	2,754,828	2,676,119	2,754,828	0	0.0%	0	0.0%
6/30/89-90	3,308,455	3,405,762	3,308,455	3,405,762	0	0.0%	0	0.0%
6/30/90-91	1,123,859	1,156,914	1,123,859	1,156,914	0	0.0%	0	0.0%
6/30/91-92	1,548,670	1,594,219	1,548,670	1,594,219	0	0.0%	0	0.0%
6/30/92-93	650,930	670,075	650,930	670,075	0	0.0%	0	0.0%
6/30/93-94	1,841,000	1,869,000	1,836,000	1,859,000	(5,000)	-0.3%	(10,000)	-0.5%
6/30/94-95	556,000	569,000	549,000	557,000	(7,000)	-1.3%	(12,000)	-2.1%
6/30/95-96	501,557	511,392	501,557	511,392	0	0.0%	0	0.0%
6/30/96-97	430,838	439,286	430,838	439,286	0	0.0%	0	0.0%
6/30/97-98	556,642	567,556	556,642	567,556	0	0.0%	0	0.0%
6/30/98-99	691,000	711,000	675,000	686,000	(16,000)	-2.3%	(25,000)	-3.5%
6/30/99-00	790,000	790,000	763,000	767,000	(27,000)	-3.4%	(23,000)	-2.9%
6/30/00-01	789,000	793,000	809,000	813,000	20,000	2.5%	20,000	2.5%
6/30/01-02	406,000	431,000	391,000	403,000	(15,000)	-3.7%	(28,000)	-6.5%
6/30/02-03	644,000	653,000	698,000	698,000	54,000	8.4%	45,000	6.9%
6/30/03-04	1,161,000	1,179,000	1,152,000	1,154,000	(9,000)	-0.8%	(25,000)	-2.1%
6/30/04-05	306,000	447,000	254,000	370,000	(52,000)	-17.0%	(77,000)	-17.2%
6/30/05-06	926,000	932,000	920,000	941,000	(6,000)	-0.6%	9,000	1.0%
6/30/06-07	935,000	973,000	758,000	863,000	(177,000)	-18.9%	(110,000)	-11.3%
6/30/07-08								
Total	32,138,338	33,535,858	31,950,338	33,096,599	(188,000)	-0.6%	(439,258)	-1.3%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 6, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	1,242,912	1.000	1,242,912	0.0%	0.0%	0	86,500	86,500	7.0%	1.000	86,500	86,500	86,500
6/30/82-83	271,340	1.029	279,167	0.0%	0.0%	0	35,000	35,000	12.5%	1.000	35,000	35,000	35,000
6/30/83-84	1,219,902	1.029	1,255,588	0.0%	0.0%	0	223,937	223,937	17.8%	1.000	223,937	223,937	223,937
6/30/84-85	837,745	1.035	866,913	0.0%	0.0%	0	15,000	15,000	1.7%	1.000	15,000	15,000	15,000
6/30/85-86	2,421,446	1.042	2,524,333	0.0%	0.0%	0	96,495	96,495	3.8%	1.000	96,495	96,495	96,495
6/30/86-87	2,762,266	1.242	3,429,800	0.0%	0.0%	0	307,918	307,918	9.0%	1.000	307,918	307,918	307,918
6/30/87-88	2,353,096	1.145	2,693,851	0.0%	0.0%	0	230,482	230,482	8.6%	1.000	230,482	230,482	230,482
6/30/88-89	2,245,396	1.051	2,360,237	0.0%	0.0%	0	378,250	378,250	16.0%	1.000	378,250	378,250	378,250
6/30/89-90	2,830,333	1.062	3,004,842	0.0%	0.0%	0	413,250	413,250	13.8%	1.000	413,250	413,250	413,250
6/30/90-91	887,647	1.071	950,987	0.0%	0.0%	0	214,176	214,176	22.5%	1.000	214,176	214,176	214,176
6/30/91-92	1,163,553	1.080	1,256,225	0.0%	0.0%	0	354,751	354,751	28.2%	1.000	354,751	354,751	354,751
6/30/92-93	494,916	1.086	537,685	0.0%	0.0%	0	143,251	143,251	26.6%	1.000	143,251	143,251	143,251
6/30/93-94	1,304,675	1.092	1,425,122	0.0%	0.0%	0	411,252	411,252	28.9%	1.000	411,252	411,252	411,252
6/30/94-95	273,127	1.103	301,389	0.0%	0.0%	0	248,000	248,000	82.3%	1.000	248,000	248,000	249,240
6/30/95-96	253,697	1.115	282,778	0.0%	0.0%	0	238,026	238,026	84.2%	1.010	240,406	239,216	240,607
6/30/96-97	113,590	1.121	127,333	0.1%	0.1%	169	308,800	308,969	242.6%	1.020	315,007	311,988	313,649
6/30/97-98	445,227	1.123	500,148	0.0%	0.2%	870	100,500	101,370	20.3%	1.030	103,545	102,458	103,697
6/30/98-99	287,796	1.132	325,883	0.0%	0.2%	567	341,750	342,317	105.0%	1.041	355,626	348,972	355,317
6/30/99-00	487,559	1.142	556,727	0.2%	0.3%	1,944	198,417	200,361	36.0%	1.070	212,261	206,311	213,265
6/30/00-01	431,926	1.148	496,048	1.0%	1.3%	6,579	306,047	312,626	63.0%	1.098	336,130	312,626	274,864
6/30/01-02	244,070	1.163	283,947	2.9%	4.2%	11,978	95,499	107,477	37.9%	1.175	112,239	107,477	107,185
6/30/02-03	501,970	1.184	594,272	1.2%	5.4%	32,139	71,416	103,555	17.4%	1.226	87,543	103,555	109,657
6/30/03-04	624,409	1.291	806,008	3.4%	8.8%	70,671	275,000	345,671	42.9%	1.284	353,074	345,671	327,260
6/30/04-05	111,589	1.466	163,645	5.6%	14.4%	23,516	67,000	90,516	55.3%	1.406	94,183	90,516	114,233
6/30/05-06	423,237	1.698	718,518	12.0%	26.4%	189,474	33,000	222,474	31.0%	1.937	63,906	222,474	269,569
6/30/06-07	222,028	2.217	492,251	13.5%	39.8%	196,117	70,000	266,117	54.1%	4.655	325,829	266,117	300,000
6/30/07-08	199,585	4.405	879,167	9.0%	48.8%	429,182	0	429,182	48.8%	4.655	0	400,000	
Total	24,655,036		28,355,775			963,205	5,263,717	6,226,922	22.0%		5,758,011	6,215,641	5,888,806

NOTES:
(2) From Section 6, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 6, Exhibit 1, Page 2, Column 6
(5) From Section 6, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 6, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 6, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
University of Massachusetts (Medical Center) - Cluster 4
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	26,500	0	0	0	0	0	0	0	60,000	0	0	0	0	0
Jun-83	0	0	0	0	0	20,000	0	0	0	0	0	0	0	15,000	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	25,750	0	0	36,687	25,000	0	35,500	17,000	0	0	0	0	0	0	0	0	0	84,000	0	0	0		
Jun-85	0	0	0	0	0	0	0	0	0	0	5,000	0	0	0	0	0	0	0	10,000	0	0	0	0	0			
Jun-86	0	0	0	0	0	0	23,000	15,000	10,995	10,000	0	0	0	37,500	0	0	0	0	0	0	0	0	0				
Jun-87	0	0	8,323	0	0	43,000	9,000	5,000	0	30,000	38,424	25,671	112,500	36,000	0	0	0	0	0	0	0	0					
Jun-88	0	0	0	0	10,482	6,500	21,000	46,000	29,000	0	45,000	32,500	0	0	40,000	0	0	0	0	0	0						
Jun-89	0	0	16,000	76,750	27,500	0	75,000	15,000	0	0	143,000	0	25,000	0	0	0	0	0	0	0							
Jun-90	0	0	47,500	50,000	3,000	72,500	51,250	50,500	77,200	51,300	0	10,000	0	0	0	0	0	0	0								
Jun-91	0	6,300	28,000	0	88,376	13,000	30,000	41,500	7,000	0	0	0	0	0	0	0	0	0									
Jun-92	0	0	80,001	43,500	79,250	35,000	117,000	0	0	0	0	0	0	0	0	0	0										
Jun-93	0	28,000	1	22,500	52,750	40,000	0	0	0	0	0	0	0	0	0	0											
Jun-94	0	68,500	118,500	39,375	92,877	79,500	0	0	12,500	0	0	0	0	0	0												
Jun-95	0	158,500	29,500	35,000	25,000	0	0	0	0	0	0	0	0	0													
Jun-96	0	25,000	162,356	22,670	0	0	0	0	28,000	0	0	0	0														
Jun-97	15,000	113,800	110,000	0	70,000	0	0	0	0	0	0	0															
Jun-98	1,500	62,500	15,000	0	21,500	0	0	0	0	0	0																
Jun-99	0	33,750	125,000	160,000	23,000	0	0	0	0	0																	
Jun-00	5,000	72,513	47,154	18,750	0	0	25,000	30,000	0																		
Jun-01	0	71,047	80,000	60,000	0	50,000	0	45,000																			
Jun-02	0	9,000	38,999	30,000	17,500	0	0																				
Jun-03	0	16,416	55,000	0	0	0																					
Jun-04	0	65,000	30,000	125,000	55,000																						
Jun-05	0	0	67,000	0																							
Jun-06	0	15,000	18,000																								
Jun-07	0	70,000																									
Jun-08	0																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	86,500	86,500	86,500	86,500	86,500	86,500
Jun-83	0	0	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	
Jun-84	0	0	0	0	25,750	25,750	25,750	62,437	87,437	87,437	122,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	223,937	223,937	223,937	223,937		
Jun-85	0	0	0	0	0	0	0	0	0	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	15,000	15,000	15,000	15,000	15,000	15,000			
Jun-86	0	0	0	0	0	0	23,000	38,000	48,995	58,995	58,995	58,995	58,995	96,495	96,495	96,495	96,495	96,495	96,495	96,495	96,495	96,495	96,495				
Jun-87	0	0	8,323	8,323	8,323	51,323	60,323	65,323	65,323	95,323	133,747	159,418	271,918	307,918	307,918	307,918	307,918	307,918	307,918	307,918	307,918	307,918					
Jun-88	0	0	0	0	10,482	16,982	37,982	83,982	112,982	112,982	157,982	190,482	190,482	190,482	230,482	230,482	230,482	230,482	230,482	230,482	230,482						
Jun-89	0	0	16,000	92,750	120,250	120,250	195,250	210,250	210,250	210,250	353,250	353,250	378,250	378,250	378,250	378,250	378,250	378,250	378,250	378,250							
Jun-90	0	0	47,500	97,500	100,500	173,000	224,250	274,750	351,950	403,250	403,250	413,250	413,250	413,250	413,250	413,250	413,250	413,250	413,250								
Jun-91	0	6,300	34,300	34,300	122,676	135,676	165,676	207,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176									
Jun-92	0	0	80,001	123,501	202,751	237,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751										
Jun-93	0	28,000	28,001	50,501	103,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251											
Jun-94	0	68,500	187,000	226,375	319,252	398,752	398,752	398,752	411,252	411,252	411,252	411,252	411,252	411,252	411,252												
Jun-95	0	158,500	188,000	223,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000													
Jun-96	0	25,000	187,356	210,026	210,026	210,026	210,026	210,026	238,026	238,026	238,026	238,026	238,026														
Jun-97	15,000	128,800	238,800	238,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800															
Jun-98	1,500	64,000	79,000	79,000	100,500	100,500	100,500	100,500	100,500	100,500	100,500																
Jun-99	0	33,750	158,750	318,750	341,750	341,750	341,750	341,750	341,750	341,750																	
Jun-00	5,000	77,513	124,667	143,417	143,417	143,417	168,417	198,417	198,417																		
Jun-01	0	71,047	151,047	211,047	211,047	261,047	261,047	306,047																			
Jun-02	0	9,000	47,999	77,999	95,499	95,499	95,499																				
Jun-03	0	16,416	71,416	71,416	71,416	71,416																					
Jun-04	0	65,000	95,000	220,000	275,000																						
Jun-05	0	0	67,000	67,000																							
Jun-06	0	15,000	33,000																								
Jun-07	0	70,000																									
Jun-08	0																										

Commonwealth of Massachusetts Workers Compensation
University of Massachusetts (Medical Center) - Cluster 4
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.021	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.048	0.000	0.000	0.000	0.000	0.000
Jun-83	0.000	0.000	0.000	0.000	0.000	0.072	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.054	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.021	0.000	0.000	0.029	0.020	0.000	0.028	0.014	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.067	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.012	0.000	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.000	0.000	0.000	0.000	0.009	0.006	0.004	0.004	0.000	0.000	0.000	0.015	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Jun-87	0.000	0.000	0.002	0.000	0.000	0.013	0.003	0.001	0.000	0.009	0.011	0.007	0.033	0.010	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000					
Jun-88	0.000	0.000	0.000	0.000	0.004	0.002	0.008	0.017	0.011	0.000	0.017	0.012	0.000	0.000	0.015	0.000	0.000	0.000	0.000	0.000	0.000						
Jun-89	0.000	0.000	0.007	0.033	0.012	0.000	0.032	0.006	0.000	0.000	0.061	0.000	0.011	0.000	0.000	0.000	0.000	0.000	0.000	0.000							
Jun-90	0.000	0.000	0.016	0.017	0.001	0.024	0.017	0.017	0.026	0.017	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.000	0.000								
Jun-91	0.000	0.007	0.029	0.000	0.093	0.014	0.032	0.044	0.007	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000									
Jun-92	0.000	0.000	0.064	0.035	0.063	0.028	0.093	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000										
Jun-93	0.000	0.052	0.000	0.042	0.098	0.074	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000											
Jun-94	0.000	0.048	0.083	0.028	0.065	0.056	0.000	0.000	0.009	0.000	0.000	0.000	0.000	0.000	0.000												
Jun-95	0.000	0.526	0.098	0.116	0.083	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000													
Jun-96	0.000	0.088	0.574	0.080	0.000	0.000	0.000	0.000	0.099	0.000	0.000	0.000	0.000														
Jun-97	0.118	0.894	0.864	0.000	0.550	0.000	0.000	0.000	0.000	0.000	0.000	0.000															
Jun-98	0.003	0.125	0.030	0.000	0.043	0.000	0.000	0.000	0.000	0.000	0.000																
Jun-99	0.000	0.104	0.384	0.491	0.071	0.000	0.000	0.000	0.000	0.000																	
Jun-00	0.009	0.130	0.085	0.034	0.000	0.000	0.045	0.054	0.000																		
Jun-01	0.000	0.143	0.161	0.121	0.000	0.101	0.000	0.091																			
Jun-02	0.000	0.032	0.137	0.106	0.062	0.000	0.000																				
Jun-03	0.000	0.028	0.093	0.000	0.000	0.000																					
Jun-04	0.000	0.081	0.037	0.155	0.068																						
Jun-05	0.000	0.000	0.409	0.000																							
Jun-06	0.000	0.021	0.025																								
Jun-07	0.000	0.142																									
Jun-08	0.000																										

Averages		*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
Simple Avg																											
All Yrs (ex P)	0.005	0.097	0.129	0.055	0.056	0.018	0.012	0.014	0.010	0.002	0.008	0.002	0.003	0.006	0.001	0.000	0.000	0.000	0.001	0.000	0.000	0.013	0.000	0.000	0.000	0.000	
Latest 5	0.000	0.054	0.140	0.076	0.026	0.020	0.009	0.029	0.020	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.013					
Latest 3	0.000	0.054	0.157	0.052	0.043	0.034	0.015	0.048	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.000	0.066	0.102	0.036	0.034	0.015	0.008	0.010	0.005	0.001	0.004	0.002	0.001	0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Latest 10	0.000	0.083	0.167	0.062	0.041	0.007	0.000	0.007	0.002	0.000	0.000	0.000	0.001	0.001	0.000	0.000	0.000										
Latest 5	0.000	0.043	0.089	0.076	0.021	0.000	0.000	0.018	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000					

Dev Factor Selection																											
Prior	*NA*	*0.087*	*0.142*	*0.120*	*0.054*	*0.032*	*0.012*	*0.010*	*0.010*	*0.002*	*0.002*	*0.001*	*0.001*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	
Selected	NA	0.090	0.135	0.120	0.056	0.034	0.012	0.029	0.010	0.002	0.000	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
FacToUlt	NA	0.488	0.398	0.264	0.144	0.088	0.054	0.042	0.013	0.003	0.002	0.002	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Commonwealth of Massachusetts Workers Compensation
University of Massachusetts (Medical Center) - Cluster 4
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	86,500	86,500	86,500	86,500	86,500	86,500
Jun-83	0	0	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	
Jun-84	0	0	0	0	25,750	25,750	25,750	62,437	87,437	87,437	122,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	139,937	223,937	223,937	223,937	223,937		
Jun-85	0	0	0	0	0	0	0	0	0	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	15,000	15,000	15,000	15,000	15,000	15,000			
Jun-86	0	0	0	0	0	0	23,000	38,000	48,995	58,995	58,995	58,995	58,995	96,495	96,495	96,495	96,495	96,495	96,495	96,495	96,495	96,495	96,495				
Jun-87	0	0	8,323	8,323	8,323	51,323	60,323	65,323	65,323	95,323	133,747	159,418	271,918	307,918	307,918	307,918	307,918	307,918	307,918	307,918	307,918	307,918					
Jun-88	0	0	0	0	10,482	16,982	37,982	83,982	112,982	112,982	157,982	190,482	190,482	190,482	230,482	230,482	230,482	230,482	230,482	230,482	230,482						
Jun-89	0	0	16,000	92,750	120,250	120,250	195,250	210,250	210,250	210,250	353,250	353,250	378,250	378,250	378,250	378,250	378,250	378,250	378,250	378,250							
Jun-90	0	0	47,500	97,500	100,500	173,000	224,250	274,750	351,950	403,250	403,250	413,250	413,250	413,250	413,250	413,250	413,250	413,250	413,250								
Jun-91	0	6,300	34,300	34,300	122,676	135,676	165,676	207,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176	214,176									
Jun-92	0	0	80,001	123,501	202,751	237,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751	354,751										
Jun-93	0	28,000	28,001	50,501	103,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251	143,251											
Jun-94	0	68,500	187,000	226,375	319,252	398,752	398,752	398,752	411,252	411,252	411,252	411,252	411,252	411,252	411,252												
Jun-95	0	158,500	188,000	223,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000													
Jun-96	0	25,000	187,356	210,026	210,026	210,026	210,026	210,026	238,026	238,026	238,026	238,026	238,026														
Jun-97	15,000	128,800	238,800	238,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800	308,800															
Jun-98	1,500	64,000	79,000	79,000	100,500	100,500	100,500	100,500	100,500	100,500	100,500																
Jun-99	0	33,750	158,750	318,750	341,750	341,750	341,750	341,750	341,750	341,750																	
Jun-00	5,000	77,513	124,667	143,417	143,417	143,417	168,417	198,417	198,417																		
Jun-01	0	71,047	151,047	211,047	211,047	261,047	261,047	306,047																			
Jun-02	0	9,000	47,999	77,999	95,499	95,499	95,499																				
Jun-03	0	16,416	71,416	71,416	71,416	71,416																					
Jun-04	0	65,000	95,000	220,000	275,000																						
Jun-05	0	0	67,000	67,000																							
Jun-06	0	15,000	33,000																								
Jun-07	0	70,000																									
Jun-08	0																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs														1.000	1.000	1.000	1.000	1.000	1.000	1.000	3.264	1.000	1.000	1.000	1.000	1.000	
Jun-83						1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.750	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84					1.000	1.000	2.425	1.400	1.000	1.406	1.138	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.600	1.000	1.000	1.000			
Jun-85											1.000	1.000	1.000	1.000	1.000	1.000	1.000	3.000	1.000	1.000	1.000	1.000	1.000				
Jun-86							1.652	1.289	1.204	1.000	1.000	1.000	1.636	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Jun-87			1.000	1.000	6.166	1.175	1.083	1.000	1.459	1.403	1.192	1.706	1.132	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
Jun-88					1.620	2.237	2.211	1.345	1.000	1.398	1.206	1.000	1.000	1.210	1.000	1.000	1.000	1.000	1.000	1.000							
Jun-89			5.797	1.296	1.000	1.624	1.077	1.000	1.000	1.680	1.000	1.071	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
Jun-90			2.053	1.031	1.721	1.296	1.225	1.281	1.146	1.000	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000									
Jun-91		5.444	1.000	3.577	1.106	1.221	1.250	1.034	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
Jun-92			1.544	1.642	1.173	1.492	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000											
Jun-93		1.000	1.804	2.045	1.387	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000												
Jun-94		2.730	1.211	1.410	1.249	1.000	1.000	1.031	1.000	1.000	1.000	1.000	1.000	1.000													
Jun-95		1.186	1.186	1.112	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000														
Jun-96		7.494	1.121	1.000	1.000	1.000	1.000	1.133	1.000	1.000	1.000	1.000															
Jun-97	8.587	1.854	1.000	1.293	1.000	1.000	1.000	1.000	1.000	1.000	1.000																
Jun-98	42.667	1.234	1.000	1.272	1.000	1.000	1.000	1.000	1.000	1.000																	
Jun-99		4.704	2.008	1.072	1.000	1.000	1.000	1.000	1.000																		
Jun-00	15.503	1.608	1.150	1.000	1.000	1.174	1.178	1.000																			
Jun-01		2.126	1.397	1.000	1.237	1.000	1.172																				
Jun-02		5.333	1.625	1.224	1.000	1.000																					
Jun-03		4.350	1.000	1.000	1.000																						
Jun-04		1.462	2.316	1.250																							
Jun-05			1.000																								
Jun-06		2.200																									
Jun-07																											

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	22.252	3.052	1.623	1.366	1.426	1.179	1.237	1.089	1.051	1.126	1.037	1.055	1.117	1.017	1.000	1.000	1.000	1.250	1.000	1.000	1.120	1.000	1.000	1.000	1.000		
Latest 5		3.336	1.468	1.095	1.047	1.035	1.070	1.027	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.120	1.000					
Latest 3		1.831	1.439	1.158	1.079	1.058	1.117	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Volume Wtd																											
All Yrs (ex P)	38.922	2.404	1.378	1.244	1.131	1.116	1.087	1.058	1.028	1.089	1.027	1.047	1.031	1.015	1.000	1.000	1.000	1.006	1.000	1.000	1.141	1.000	1.000	1.000	1.000		
Latest 5		2.983	1.497	1.100	1.058	1.027	1.064	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.141						
Latest 3		2.438	1.536	1.196	1.132	1.050	1.097	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				

Dev Factor Selection																											
Prior	1.000	2.408	1.392	1.059	1.047	1.043	1.036	1.027	1.031	1.010	1.010	1.010	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		1.000
Selected	1.000	2.404	1.378	1.095	1.047	1.043	1.070	1.027	1.028	1.010	1.010	1.010	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
FacToUlt	4.655	4.655	1.937	1.406	1.284	1.226	1.175	1.098	1.070	1.041	1.030	1.020	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	21.5%	21.5%	51.6%	71.1%	77.9%	81.6%	85.1%	91.1%	93.5%	96.1%	97.1%	98.0%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	0.9%	0.0%	0.3%	0.2%	1.000	1.000
312	99.1%	0.0%	0.9%	0.0%	0.0%	0.981	0.971
300	99.1%	0.5%	0.9%	0.2%	0.1%	0.943	0.916
288	98.6%	0.7%	1.4%	0.3%	0.2%	0.933	0.903
276	97.9%	0.8%	2.1%	0.3%	0.2%	0.925	0.891
264	97.2%	1.1%	2.8%	0.5%	0.3%	0.914	0.877
252	96.1%	1.0%	3.9%	0.4%	0.3%	0.907	0.867
240	95.1%	0.9%	4.9%	0.4%	0.3%	0.893	0.848
228	94.2%	0.9%	5.8%	0.4%	0.3%	0.879	0.828
216	93.3%	0.7%	6.7%	0.4%	0.3%	0.862	0.805
204	92.6%	0.6%	7.4%	0.3%	0.2%	0.844	0.780
192	92.0%	0.5%	8.0%	0.3%	0.2%	0.824	0.753
180	91.5%	0.9%	8.5%	0.5%	0.4%	0.803	0.726
168	90.6%	0.9%	9.4%	0.5%	0.4%	0.793	0.713
156	89.7%	0.5%	10.3%	0.3%	0.2%	0.782	0.699
144	89.2%	0.2%	10.8%	0.1%	0.1%	0.762	0.674
132	89.0%	0.7%	11.0%	0.5%	0.4%	0.737	0.642
120	88.3%	0.7%	11.7%	0.5%	0.4%	0.725	0.627
108	87.6%	0.5%	12.4%	0.4%	0.3%	0.714	0.614
96	87.1%	1.1%	12.9%	0.8%	0.7%	0.698	0.595
84	86.0%	1.5%	14.0%	1.2%	1.0%	0.696	0.594
72	84.5%	7.0%	15.5%	5.6%	5.1%	0.699	0.600
60	77.5%	9.3%	22.5%	7.8%	7.1%	0.768	0.692
48	68.2%	9.3%	31.8%	8.1%	7.6%	0.809	0.746
36	58.9%	13.8%	41.1%	12.5%	11.9%	0.824	0.764
24	45.1%	22.4%	54.9%	21.1%	20.5%	0.839	0.784
12	22.7%	22.7%	77.3%	22.3%	22.0%	0.857	0.807
Total		100.0%					

NOTES:

(2) = 1 / Section 6, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	0	0		0	0
6/30/82-83	0	7,659	0.981	0	7,510
6/30/83-84	28,877	57,754	0.943	27,227	54,454
6/30/84-85	17,055	34,110	0.933	15,915	31,829
6/30/85-86	48,059	103,059	0.925	44,454	95,329
6/30/86-87	68,816	368,095	0.914	62,924	336,583
6/30/87-88	81,422	210,852	0.907	73,859	191,267
6/30/88-89	52,473	131,182	0.893	46,880	117,200
6/30/89-90	64,872	162,179	0.879	57,007	142,517
6/30/90-91	22,036	55,091	0.862	19,003	47,507
6/30/91-92	30,366	75,915	0.844	25,625	64,063
6/30/92-93	12,763	31,908	0.824	10,513	26,283
6/30/93-94	120,073	143,073	0.803	96,431	114,903
6/30/94-95	27,873	35,873	0.793	22,097	28,440
6/30/95-96	9,834	19,669	0.782	7,686	15,372
6/30/96-97	8,448	16,896	0.762	6,440	12,879
6/30/97-98	10,915	21,829	0.737	8,046	16,092
6/30/98-99	45,454	56,454	0.725	32,967	40,945
6/30/99-00	77,024	81,024	0.714	55,008	57,865
6/30/00-01	71,027	75,027	0.698	49,586	52,378
6/30/01-02	51,431	63,431	0.696	35,790	44,141
6/30/02-03	124,614	124,614	0.699	87,100	87,100
6/30/03-04	252,591	254,591	0.768	193,966	195,502
6/30/04-05	75,411	191,411	0.809	61,010	154,857
6/30/05-06	463,763	484,763	0.824	382,004	399,302
6/30/06-07	465,972	570,972	0.839	391,148	479,287
6/30/07-08	971,415	1,079,415	0.857	832,897	925,497
Total	3,202,585	4,456,846		2,645,584	3,739,100
			(7) Total Discount Factor:	0.826	0.839

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	0	0
(9) Projected Number of Years:	1	1
(10) Projected Paid Loss per Year:	0	0
(11) Discounted Value at 4%:	0	0

NOTES:
(2), (3) From Section 6, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 6, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	0	0		0	0
6/30/82-83	0	7,659	0.971	0	7,439
6/30/83-84	28,877	57,754	0.916	26,460	52,920
6/30/84-85	17,055	34,110	0.903	15,397	30,794
6/30/85-86	48,059	103,059	0.891	42,844	91,876
6/30/86-87	68,816	368,095	0.877	60,332	322,714
6/30/87-88	81,422	210,852	0.867	70,574	182,760
6/30/88-89	52,473	131,182	0.848	44,483	111,208
6/30/89-90	64,872	162,179	0.828	53,686	134,215
6/30/90-91	22,036	55,091	0.805	17,742	44,355
6/30/91-92	30,366	75,915	0.780	23,689	59,223
6/30/92-93	12,763	31,908	0.753	9,611	24,028
6/30/93-94	120,073	143,073	0.726	87,145	103,838
6/30/94-95	27,873	35,873	0.713	19,873	25,577
6/30/95-96	9,834	19,669	0.699	6,874	13,748
6/30/96-97	8,448	16,896	0.674	5,695	11,389
6/30/97-98	10,915	21,829	0.642	7,004	14,007
6/30/98-99	45,454	56,454	0.627	28,522	35,424
6/30/99-00	77,024	81,024	0.614	47,328	49,785
6/30/00-01	71,027	75,027	0.595	42,253	44,633
6/30/01-02	51,431	63,431	0.594	30,542	37,668
6/30/02-03	124,614	124,614	0.600	74,721	74,721
6/30/03-04	252,591	254,591	0.692	174,709	176,093
6/30/04-05	75,411	191,411	0.746	56,220	142,699
6/30/05-06	463,763	484,763	0.764	354,249	370,290
6/30/06-07	465,972	570,972	0.784	365,151	447,433
6/30/07-08	971,415	1,079,415	0.807	783,465	870,569
Total	3,202,585	4,456,846		2,448,569	3,479,405
			(7) Total Discount Factor:	0.765	0.781

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	0	0
(9) Projected Number of Years:	1	1
(10) Projected Paid Loss per Year:	0	0
(11) Discounted Value at 6%:	0	0

NOTES:
(2), (3) From Section 6, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 6, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	1,455,812	1,462,132	1,455,812	0	6,320				0	0		
6/30/82-83	327,672	335,649	327,566	106	8,083	98.8%	0.5%	40.5%	43	3,274	40.5%	40.5%
6/30/83-84	1,523,932	1,553,573	1,494,800	29,132	58,773	97.1%	0.5%	17.5%	5,099	10,288	17.5%	17.5%
6/30/84-85	1,033,339	1,052,834	1,015,470	17,869	37,364	97.4%	0.5%	18.9%	3,375	7,056	18.9%	18.9%
6/30/85-86	2,782,432	2,840,662	2,733,296	49,136	107,367	97.2%	0.5%	18.0%	8,827	19,288	18.0%	18.0%
6/30/86-87	3,537,000	3,836,279	3,467,541	69,459	368,738	94.1%	1.0%	16.8%	11,687	62,045	16.8%	16.8%
6/30/87-88	3,000,000	3,129,429	2,917,922	82,078	211,508	95.2%	1.0%	20.9%	17,136	44,158	20.9%	20.9%
6/30/88-89	3,167,349	3,268,054	3,112,432	54,917	155,622	96.7%	1.0%	30.6%	16,786	47,568	30.6%	30.6%
6/30/89-90	3,865,186	3,987,422	3,797,545	67,641	189,877	96.7%	1.0%	30.5%	20,626	57,900	30.5%	30.5%
6/30/90-91	1,427,065	1,473,696	1,403,520	23,545	70,176	96.8%	1.0%	31.0%	7,287	21,720	31.0%	31.0%
6/30/91-92	2,221,204	2,296,867	2,187,492	33,712	109,375	96.8%	1.0%	31.6%	10,645	34,536	31.6%	31.6%
6/30/92-93	1,048,102	1,085,031	1,033,363	14,739	51,668	96.9%	1.0%	32.1%	4,735	16,597	32.1%	32.1%
6/30/93-94	2,532,000	2,556,000	2,405,941	126,059	150,059	94.6%	2.0%	36.9%	46,458	55,302	36.9%	36.9%
6/30/94-95	968,000	977,000	936,521	31,479	40,479	96.3%	2.0%	54.1%	17,017	21,883	54.1%	54.1%
6/30/95-96	886,424	913,492	874,675	11,749	38,817	97.2%	2.0%	71.2%	8,364	27,634	71.2%	71.2%
6/30/96-97	626,838	645,086	615,599	11,239	29,486	96.8%	2.0%	62.5%	7,020	18,418	62.5%	62.5%
6/30/97-98	1,002,642	1,036,906	985,988	16,653	50,918	96.7%	0.1%	3.4%	559	1,709	3.4%	3.4%
6/30/98-99	982,000	993,000	931,160	50,840	61,840	94.3%	5.0%	87.6%	44,555	54,195	87.6%	87.6%
6/30/99-00	939,000	944,000	854,488	84,512	89,512	90.8%	5.0%	54.1%	45,722	48,428	54.1%	54.1%
6/30/00-01	1,021,000	1,026,000	934,167	86,833	91,833	91.3%	5.0%	57.3%	49,743	52,607	57.3%	57.3%
6/30/01-02	559,000	574,000	486,423	72,577	87,577	85.9%	5.0%	35.4%	25,672	30,978	35.4%	35.4%
6/30/02-03	903,000	906,000	750,312	152,688	155,688	83.0%	2.9%	17.1%	26,077	26,589	17.1%	17.1%
6/30/03-04	1,504,000	1,529,900	1,191,734	312,266	338,166	78.6%	4.4%	20.5%	63,972	69,278	20.5%	20.5%
6/30/04-05	459,000	605,200	340,707	118,293	264,493	64.0%	14.5%	40.4%	47,787	106,847	40.4%	40.4%
6/30/05-06	1,257,000	1,305,350	703,612	553,388	601,738	54.9%	9.1%	20.2%	111,847	121,619	20.2%	20.2%
6/30/06-07	1,104,000	1,241,000	502,836	601,164	738,164	42.9%	12.0%	21.1%	126,661	155,526	21.1%	21.1%
6/30/07-08	1,632,000	1,888,000	362,934	1,269,066	1,525,066	20.6%	22.3%	28.0%	355,953	427,758	28.0%	28.0%
Total	41,764,996	43,462,562	37,823,856	3,941,140	5,638,706				1,083,653	1,543,200	27.5%	27.4%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		126,400			126,400	132,720	0	6,320		
6/30/82-83		21,226	21,226		21,332	21,651	106	425		
6/30/83-84		50,961	50,961		51,216	51,980	255	1,019		
6/30/84-85	90,571	162,725	162,725	162,725	163,539	165,980	814	3,255	0.181	0.183
6/30/85-86	97,399	215,355	215,355	215,355	216,432	219,662	1,077	4,307	0.222	0.226
6/30/86-87	111,929	397,356	397,754	397,785	398,000	398,000	644	644	0.356	0.356
6/30/87-88	131,134	334,344	335,013	335,080	335,000	335,000	656	656	0.255	0.255
6/30/88-89	151,343	488,786	490,254	490,367	491,230	513,225	2,444	24,439	0.325	0.339
6/30/89-90	112,226	553,962	556,181	556,492	556,732	581,660	2,770	27,698	0.496	0.518
6/30/90-91	112,428	301,697	303,209	303,468	303,205	316,782	1,508	15,085	0.270	0.282
6/30/91-92	122,872	669,188	673,114	673,751	672,534	702,647	3,346	33,459	0.547	0.572
6/30/92-93	129,919	395,196	397,869	398,374	397,172	414,956	1,976	19,760	0.306	0.319
6/30/93-94	142,718	690,014	695,832	696,809	696,000	697,000	5,987	6,987	0.488	0.488
6/30/94-95	152,788	415,394	419,316	419,971	419,000	420,000	3,606	4,606	0.274	0.275
6/30/95-96	164,973	382,952	386,956	387,651	384,867	402,100	1,915	19,148	0.233	0.244
6/30/96-97	193,880	193,209	195,526	196,385	196,000	205,800	2,791	12,591	0.101	0.106
6/30/97-98	192,992	440,261	446,432	446,748	446,000	469,350	5,739	29,089	0.231	0.243
6/30/98-99	191,535	301,615	307,371	307,494	307,000	307,000	5,385	5,385	0.160	0.160
6/30/99-00	169,941	168,512	176,098	177,046	176,000	177,000	7,488	8,488	0.104	0.104
6/30/00-01	171,840	196,194	212,101	213,200	212,000	213,000	15,806	16,806	0.123	0.124
6/30/01-02	183,110	146,854	167,501	170,686	168,000	171,000	21,146	24,146	0.092	0.093
6/30/02-03	195,846	176,926	205,233	208,018	205,000	208,000	28,074	31,074	0.105	0.106
6/30/03-04	229,073	292,325	351,791	358,153	352,000	375,900	59,675	83,575	0.154	0.164
6/30/04-05	211,119	162,118	205,460	224,468	205,000	235,200	42,882	73,082	0.097	0.111
6/30/05-06	266,856	247,375	336,819	346,586	337,000	364,350	89,625	116,975	0.126	0.137
6/30/06-07	273,358	210,808	345,731	360,159	346,000	378,000	135,192	167,192	0.127	0.138
6/30/07-08	295,477	163,349	580,054	460,524	461,000	609,000	297,651	445,651	0.156	0.206
Total	4,095,326	7,905,103	8,635,881	8,507,293	8,643,658	9,086,962	738,555	1,181,859		
Tot 6/30/84-08	4,095,326	7,706,516	8,563,694	8,507,293	8,444,710	8,880,612	738,194	1,174,096	0.206	0.217

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 6, Exhibit 2, Page 2, Column 3
(4) From Section 6, Exhibit 2, Page 2, Column 8
(5) From Section 6, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		126,400							0	0	
6/30/82-83		21,226	1.000	1.000	21,226	N/A	21,226		0	0	
6/30/83-84		50,961	1.000	1.000	50,961	N/A	50,961		0	0	
6/30/84-85	90,571	162,725	1.000	1.000	162,725	N/A	162,725	0.180	0	0	
6/30/85-86	97,399	215,355	1.000	1.000	215,355	N/A	215,355	0.221	0	0	
6/30/86-87	111,929	397,356	1.001	1.000	397,754	N/A	397,754	0.355	1	0	
6/30/87-88	131,134	334,344	1.002	1.000	335,013	N/A	335,013	0.255	1	1	669
6/30/88-89	151,343	488,786	1.003	1.000	490,254	N/A	490,254	0.324	0	0	
6/30/89-90	112,226	553,962	1.004	1.000	556,181	N/A	556,181	0.496	0	0	
6/30/90-91	112,428	301,697	1.005	1.000	303,209	N/A	303,209	0.270	0	0	
6/30/91-92	122,872	669,188	1.006	1.000	673,114	N/A	673,114	0.548	0	0	
6/30/92-93	129,919	395,196	1.007	1.000	397,869	N/A	397,869	0.306	0	0	
6/30/93-94	142,718	690,014	1.008	1.000	695,832	N/A	695,832	0.488	1	1	5,818
6/30/94-95	152,788	415,394	1.009	1.000	419,316	N/A	419,316	0.274	1	1	3,922
6/30/95-96	164,973	382,952	1.010	1.000	386,956	N/A	386,956	0.235	0	0	
6/30/96-97	193,880	193,209	1.012	1.000	195,526	N/A	195,526	0.101	1	1	2,317
6/30/97-98	192,992	440,261	1.014	1.000	446,432	N/A	446,432	0.231	1	1	6,171
6/30/98-99	191,535	301,615	1.019	1.000	307,371	N/A	307,371	0.160	2	2	2,878
6/30/99-00	169,941	168,512	1.045	1.000	176,098	N/A	176,098	0.104	2	1	7,586
6/30/00-01	171,840	196,194	1.081	1.000	212,101	N/A	212,101	0.123	3	2	7,953
6/30/01-02	183,110	146,854	1.141	1.000	167,501	N/A	167,501	0.091	1	3	6,882
6/30/02-03	195,846	176,926	1.160	1.000	205,233	N/A	205,233	0.105	4	2	14,153
6/30/03-04	229,073	292,325	1.203	1.000	351,791	N/A	351,791	0.154	14	7	8,495
6/30/04-05	211,119	162,118	1.267	1.000	205,460	N/A	205,460	0.097	27	2	21,671
6/30/05-06	266,856	247,375	1.362	1.000	336,819	N/A	336,819	0.126	133	20	4,472
6/30/06-07	273,358	210,808	1.640	1.000	345,731	N/A	345,731	0.126	176	110	1,227
6/30/07-08	295,477	163,349	3.551	1.000	580,054	N/A	580,054	0.196		175	2,381
Total	4,095,326	7,905,103			8,635,881		8,635,881		368	329	

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 6, Exhibit 2, Page 7
(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.
(6) = (3) x (4) x (5)
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	90,571	0.195	162,725	1.000	162,725	N/A	162,725	0.180	0.180
6/30/85-86	97,399	0.239	215,355	1.000	215,355	N/A	215,355	0.221	0.221
6/30/86-87	111,929	0.383	397,356	1.001	397,785	N/A	397,785	0.355	0.355
6/30/87-88	131,134	0.281	334,344	1.002	335,080	N/A	335,080	0.256	0.256
6/30/88-89	151,343	0.349	488,786	1.003	490,367	N/A	490,367	0.324	0.324
6/30/89-90	112,226	0.565	553,962	1.004	556,492	N/A	556,492	0.496	0.496
6/30/90-91	112,428	0.316	301,697	1.005	303,468	N/A	303,468	0.270	0.270
6/30/91-92	122,872	0.637	669,188	1.006	673,751	N/A	673,751	0.548	0.548
6/30/92-93	129,919	0.364	395,196	1.007	398,374	N/A	398,374	0.307	0.307
6/30/93-94	142,718	0.569	690,014	1.008	696,809	N/A	696,809	0.488	0.488
6/30/94-95	152,788	0.320	415,394	1.009	419,971	N/A	419,971	0.275	0.275
6/30/95-96	164,973	0.275	382,952	1.010	387,651	N/A	387,651	0.235	0.235
6/30/96-97	193,880	0.138	193,209	1.012	196,385	N/A	196,385	0.101	0.101
6/30/97-98	192,992	0.243	440,261	1.014	446,748	N/A	446,748	0.231	0.231
6/30/98-99	191,535	0.164	301,615	1.019	307,494	N/A	307,494	0.161	0.161
6/30/99-00	169,941	0.117	168,512	1.045	177,046	N/A	177,046	0.104	0.104
6/30/00-01	171,840	0.132	196,194	1.081	213,200	N/A	213,200	0.124	0.124
6/30/01-02	183,110	0.106	146,854	1.141	170,686	N/A	170,686	0.093	0.093
6/30/02-03	195,846	0.115	176,926	1.160	208,018	N/A	208,018	0.106	0.106
6/30/03-04	229,073	0.170	292,325	1.203	358,153	N/A	358,153	0.156	0.156
6/30/04-05	211,119	0.140	162,118	1.267	224,468	N/A	224,468	0.106	0.106
6/30/05-06	266,856	0.140	247,375	1.362	346,586	N/A	346,586	0.130	0.130
6/30/06-07	273,358	0.140	210,808	1.640	360,159	N/A	360,159	0.132	0.132
6/30/07-08	295,477	0.140	163,349	3.551	460,524	N/A	460,524	0.156	0.156
Total	4,095,326		7,706,516		8,507,293		8,507,293		

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) From Section 6, Exhibit 2, Page 4, Column 10

(4) From Section 6, Exhibit 2, Page 2, Column 3

(5) From Section 6, Exhibit 2, Page 2, Column 4

(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]

(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)

(8) = (6) + (7)

(9) = (8) / (2) / 10

(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.195	0.195
6/30/85-86								0.239	0.239
6/30/86-87								0.383	0.383
6/30/87-88								0.281	0.281
6/30/88-89								0.349	0.349
6/30/89-90								0.565	0.565
6/30/90-91	112,428	303,209	0.270	1.157	0.312	1.000	0.312	0.320	0.316
6/30/91-92	122,872	673,114	0.548	1.152	0.631	1.000	0.631	0.642	0.637
6/30/92-93	129,919	397,869	0.306	1.152	0.353	1.000	0.353	0.375	0.364
6/30/93-94	142,718	695,832	0.488	1.142	0.557	1.000	0.557	0.582	0.569
6/30/94-95	152,788	419,316	0.274	1.134	0.311	1.000	0.311	0.329	0.320
6/30/95-96	164,973	386,956	0.235	1.120	0.263	1.000	0.263	0.288	0.275
6/30/96-97	193,880	195,526	0.101	1.101	0.111	1.000	0.111	0.165	0.138
6/30/97-98	192,992	446,432	0.231	1.100	0.254	1.000	0.254	0.232	0.243
6/30/98-99	191,535	307,371	0.160	1.100	0.176	1.000	0.176	0.151	0.164
6/30/99-00	169,941	176,098	0.104	1.100	0.114	1.000	0.114	0.119	0.117
6/30/00-01	171,840	212,101	0.123	1.075	0.133	1.000	0.133	0.131	0.132
6/30/01-02	183,110	167,501	0.091	1.067	0.098	1.000	0.098	0.114	0.106
6/30/02-03	195,846	205,233	0.105	1.040	0.109	1.000	0.109	0.121	0.115
6/30/03-04	229,073	351,791	0.154	1.014	0.156	1.000	0.156	0.170	0.170
6/30/04-05	211,119	205,460	0.097	1.003	0.098	1.000	0.098	0.170	0.140
6/30/05-06	266,856	336,819	0.126	1.000	0.126	1.000	0.126	0.170	0.140
6/30/06-07	273,358	345,731	0.126	1.000	0.126	1.000	0.126	0.170	0.140
6/30/07-08	295,477	580,054	0.196	1.000	0.196	1.000	0.196		0.140
Total	3,400,724	6,406,412							

Trend Last 4 (ex 07-08):	-3.6%	Avg 3 (x07-08):	0.117
Trend Last 8 (ex 07-08):	1.0%	Avg 5 (x07-08):	0.123
Trend Last 12 (ex 07-08):	-5.0%	Avg 10 (x07-08):	0.139
Prior Selected Trend:	0.0%	Prior Sel Avg:	0.170
Selected Trend:	0.0%	Sel. Loss Cost:	0.140

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 6, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.750	
(2)	Credibility		17%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.866	
		(Low)		(High)
(5)	Selected Range	0.857		0.875
(6)	Incremental Paid for 2008	0		0
(7)	Estimated Reserve	0		0
(8)	Paid to Date (82 & Prior)	126,400		126,400
(9)	Est Ult Paid for 1982 & Prior	126,400		126,400

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	0	0
(11)	Projected Number of Years	2	2
(12)	Estimated Reserve	0	0
(13)	Paid to Date (82 & Prior)	126,400	126,400
(14)	Est Ult Paid for 1982 & Prior	126,400	126,400
(14a)	Paid Counts During Fiscal Year	0	0

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	126,400	132,720
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**126,400**	**132,720**
(18)	Implied Tail	1.000	1.050
(19)	Ult Loss Inc Lump Sums @6/07	126,400	132,720

NOTES:

(1) From Section 6, Exhibit 2, Page 6
(2) = (Average of Section 6, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 6, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 6, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	1,277	7.152			
1993	2	1,933	7.567	1.514		
1994	3	2,959	7.993	1.531		
1995	4	30,696	10.332	10.374		
1996	5	1,619	7.390	0.053		
1997	6	7,074	8.864	4.369		
1998	7	5,136	8.544	0.726		
1999	8	26,679	10.192	5.195		
2000	9	8,683	9.069	0.325	n =	12
2001	10	453	6.116	0.052	S(x) =	23,970
2002	11	573	6.351	1.265	S(x-sq) =	47,880,218
2003	12	16	2.773	0.028	S(xy) =	184,417
2004	13	0	0.000	0.000	S(y) =	92
2005	14	0	0.000	0.000	D =	1,716
2006	15	0	0.000	0.000	slope =	-0.246
2007	16	0	0.000	0.000	Avg Trend =	0.754
2008	17	0	0.000	0.000		
					Selected Trend:	**0.750**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0 = 0 / 0

Commonwealth of Massachusetts Workers Compensatio
University of Massachusetts (Medical Center) - Cluster
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	1,234	3,103	4,861	6,300	7,916	9,821	13,039	13,611	14,794	16,517	16,901	19,950	21,086	21,192	21,226	21,226	21,226	21,226	21,226	21,226	21,226	21,226	21,226	21,226	21,226	21,226
June-84	2,119	5,327	8,344	10,814	13,588	16,986	18,288	23,404	25,737	31,059	49,301	49,301	49,616	49,616	49,616	49,911	50,261	50,611	50,611	50,611	50,961	50,961	50,961	50,961	50,961	
June-85	12,116	30,459	47,713	61,836	82,871	90,557	102,192	116,196	126,162	134,269	144,586	146,053	155,423	156,868	159,570	160,025	160,725	160,725	162,725	162,725	162,725	162,725	162,725	162,725		
June-86	20,894	52,527	82,283	109,226	113,177	157,428	181,217	194,111	201,338	202,138	203,815	204,040	204,668	207,774	211,955	212,780	212,780	212,780	215,180	215,355	215,355	215,355	215,355			
June-87	31,042	78,039	128,883	164,579	225,534	253,273	269,701	290,822	307,535	321,418	343,535	347,855	391,585	394,847	396,769	397,163	397,163	397,163	397,163	397,163	397,356	397,356				
June-88	38,803	100,851	169,323	220,047	246,044	269,806	298,617	307,956	313,205	317,782	319,598	322,343	325,039	329,817	329,817	329,817	331,017	332,429	332,429	333,094	334,344					
June-89	23,530	123,605	224,861	257,852	314,169	363,076	415,231	428,349	431,502	433,102	439,481	459,235	462,320	479,638	484,373	488,387	488,786	488,786	488,786	488,786						
June-90	50,815	273,859	359,066	409,059	478,183	534,786	577,745	596,162	604,078	543,745	548,041	553,962	553,962	553,962	553,962	553,962	553,962	553,962	553,962							
June-91	100,348	235,116	278,654	299,094	305,642	311,577	324,200	331,771	300,441	301,585	301,697	301,697	301,697	301,697	301,697	301,697	301,697	301,697								
June-92	214,704	524,294	598,233	667,108	699,896	707,764	731,353	668,555	669,244	669,244	669,188	669,188	669,188	669,188	669,188	669,188	669,188									
June-93	170,873	375,060	420,253	430,949	444,131	448,308	394,918	395,196	395,196	395,196	395,196	395,196	395,196	395,196	395,196	395,196										
June-94	300,512	596,595	667,456	713,591	730,452	676,827	679,845	681,410	682,760	684,108	684,108	684,335	686,279	687,551	690,014											
June-95	224,267	378,724	433,955	457,533	409,745	410,858	411,003	411,481	412,287	412,616	413,407	414,199	414,911	415,394												
June-96	167,356	393,930	501,689	378,074	378,587	378,666	378,667	379,037	379,508	382,952	382,952	382,952	382,952													
June-97	130,080	273,734	170,451	178,673	186,292	189,102	189,531	190,062	190,753	191,531	192,270	193,209														
June-98	153,489	249,584	276,046	301,383	308,237	314,372	326,267	379,647	404,376	420,822	440,261															
June-99	74,009	144,825	187,509	205,821	213,634	225,729	262,895	277,050	296,551	301,615																
June-00	42,966	116,743	129,805	138,406	149,847	152,795	156,525	163,267	168,512																	
June-01	66,977	112,847	134,511	164,585	186,174	191,353	193,876	196,194																		
June-02	51,704	99,105	124,129	132,683	137,298	144,909	146,854																			
June-03	24,338	126,639	167,817	173,658	176,063	176,926																				
June-04	83,690	216,265	266,643	284,876	292,325																					
June-05	70,794	151,383	161,299	162,118																						
June-06	111,267	215,773	247,375																							
June-07	135,214	210,808																								
June-08	163,349																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.515	1.567	1.296	1.257	1.241	1.328	1.044	1.087	1.116	1.023	1.180	1.057	1.005	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
June-84	2.514	1.566	1.296	1.257	1.250	1.077	1.280	1.100	1.207	1.587	1.000	1.006	1.000	1.000	1.006	1.007	1.007	1.000	1.000	1.007	1.000	1.000	1.000	1.000	
June-85	2.514	1.566	1.296	1.340	1.093	1.128	1.137	1.086	1.064	1.077	1.010	1.064	1.009	1.017	1.003	1.004	1.000	1.012	1.000	1.000	1.000	1.000	1.000		
June-86	2.514	1.566	1.327	1.036	1.391	1.151	1.071	1.037	1.004	1.008	1.001	1.003	1.015	1.020	1.004	1.000	1.000	1.011	1.001	1.000	1.000	1.000			
June-87	2.514	1.652	1.277	1.370	1.123	1.065	1.078	1.057	1.045	1.069	1.013	1.126	1.008	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000				
June-88	2.599	1.679	1.300	1.118	1.097	1.107	1.031	1.017	1.015	1.006	1.009	1.008	1.015	1.000	1.000	1.004	1.004	1.000	1.002	1.004					
June-89	5.253	1.819	1.147	1.218	1.156	1.144	1.032	1.007	1.004	1.015	1.045	1.007	1.037	1.010	1.008	1.001	1.000	1.000	1.000						
June-90	5.389	1.311	1.139	1.169	1.118	1.080	1.032	1.013	0.900	1.008	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
June-91	2.343	1.185	1.073	1.022	1.019	1.041	1.023	0.906	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
June-92	2.442	1.141	1.115	1.049	1.011	1.033	0.914	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000									
June-93	2.195	1.120	1.025	1.031	1.009	0.881	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
June-94	1.985	1.119	1.069	1.024	0.927	1.004	1.002	1.002	1.002	1.000	1.000	1.003	1.002	1.004											
June-95	1.689	1.146	1.054	0.896	1.003	1.000	1.001	1.002	1.001	1.002	1.002	1.002	1.001												
June-96	2.354	1.274	0.754	1.001	1.000	1.000	1.001	1.001	1.009	1.000	1.000	1.000													
June-97	2.104	0.623	1.048	1.043	1.015	1.002	1.003	1.004	1.004	1.004	1.005														
June-98	1.626	1.106	1.092	1.023	1.020	1.038	1.164	1.065	1.041	1.046															
June-99	1.957	1.295	1.098	1.038	1.057	1.165	1.054	1.070	1.017																
June-00	2.717	1.112	1.066	1.083	1.020	1.024	1.043	1.032																	
June-01	1.685	1.192	1.224	1.131	1.028	1.013	1.012																		
June-02	1.917	1.252	1.069	1.035	1.055	1.013																			
June-03	5.203	1.325	1.035	1.014	1.005																				
June-04	2.584	1.233	1.068	1.026																					
June-05	2.138	1.066	1.005																						
June-06	1.939	1.146																							
June-07	1.559																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.570	1.294	1.125	1.099	1.078	1.065	1.049	1.027	1.025	1.053	1.018	1.020	1.007	1.005	1.002	1.002	1.001	1.003	1.000	1.002	1.000	1.000	1.000	1.000	1.000	
Latest 5	2.685	1.205	1.080	1.058	1.033	1.051	1.055	1.035	1.014	1.010	1.001	1.001	1.001	1.001	1.002	1.001	1.001	1.002	1.001	1.002	1.000					
Latest 3	1.879	1.148	1.036	1.025	1.029	1.017	1.036	1.056	1.021	1.017	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.001	1.000	1.000	1.000			
Volume Wtd																										
All Yrs	2.210	1.187	1.069	1.058	1.037	1.038	1.020	1.013	1.001	1.016	1.008	1.013	1.007	1.004	1.002	1.001	1.001	1.002	1.001	1.002	1.000	1.000	1.000	1.000		
Latest 5	2.165	1.195	1.074	1.053	1.033	1.056	1.068	1.036	1.015	1.010	1.001	1.001	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.002	1.000					
Latest 3	1.822	1.158	1.042	1.024	1.027	1.017	1.038	1.060	1.025	1.020	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.002	1.000	1.000				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	2.367	1.214	1.092	1.060	1.038	1.067	1.057	1.028	1.026	1.003	1.002	1.002	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000		1.000
Selected	2.165	1.205	1.074	1.053	1.037	1.017	1.055	1.035	1.025	1.005	1.002	1.002	1.001	1.001	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000
FacToUlt	3.551	1.640	1.362	1.267	1.203	1.160	1.141	1.081	1.045	1.019	1.014	1.012	1.010	1.009	1.008	1.007	1.006	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000
Percent of Ult	28.2%	61.0%	73.4%	78.9%	83.1%	86.2%	87.7%	92.5%	95.7%	98.1%	98.6%	98.8%	99.0%	99.1%	99.2%	99.3%	99.4%	99.5%	99.6%	99.7%	99.8%	99.9%	100.0%	100.0%	100.0%	

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	126,400	132,720	126,400	132,720	0	0.0%	0	0.0%
6/30/82-83	21,332	21,651	21,332	21,651	0	0.0%	0	0.0%
6/30/83-84	51,216	51,980	51,216	51,980	0	0.0%	0	0.0%
6/30/84-85	163,539	165,980	163,539	165,980	0	0.0%	0	0.0%
6/30/85-86	216,432	219,662	216,432	219,662	0	0.0%	0	0.0%
6/30/86-87	398,000	398,000	398,000	398,000	0	0.0%	0	0.0%
6/30/87-88	334,000	334,000	335,000	335,000	1,000	0.3%	1,000	0.3%
6/30/88-89	491,230	513,225	491,230	513,225	0	0.0%	0	0.0%
6/30/89-90	556,732	581,660	556,732	581,660	0	0.0%	0	0.0%
6/30/90-91	303,205	316,782	303,205	316,782	0	0.0%	0	0.0%
6/30/91-92	672,534	702,647	672,534	702,647	0	0.0%	0	0.0%
6/30/92-93	397,172	414,956	397,172	414,956	0	0.0%	0	0.0%
6/30/93-94	694,000	695,000	696,000	697,000	2,000	0.3%	2,000	0.3%
6/30/94-95	419,000	420,000	419,000	420,000	0	0.0%	0	0.0%
6/30/95-96	384,867	402,100	384,867	402,100	0	0.0%	0	0.0%
6/30/96-97	195,000	206,850	196,000	205,800	1,000	0.5%	(1,050)	-0.5%
6/30/97-98	428,000	449,400	446,000	469,350	18,000	4.2%	19,950	4.4%
6/30/98-99	309,000	309,000	307,000	307,000	(2,000)	-0.6%	(2,000)	-0.6%
6/30/99-00	175,000	177,000	176,000	177,000	1,000	0.6%	0	0.0%
6/30/00-01	220,000	221,000	212,000	213,000	(8,000)	-3.6%	(8,000)	-3.6%
6/30/01-02	175,000	181,000	168,000	171,000	(7,000)	-4.0%	(10,000)	-5.5%
6/30/02-03	221,000	225,000	205,000	208,000	(16,000)	-7.2%	(17,000)	-7.6%
6/30/03-04	380,000	401,100	352,000	375,900	(28,000)	-7.4%	(25,200)	-6.3%
6/30/04-05	235,000	287,700	205,000	235,200	(30,000)	-12.8%	(52,500)	-18.2%
6/30/05-06	381,000	433,650	337,000	364,350	(44,000)	-11.5%	(69,300)	-16.0%
6/30/06-07	489,000	594,300	346,000	378,000	(143,000)	-29.2%	(216,300)	-36.4%
6/30/07-08								
Total	8,437,658	8,856,362	8,182,658	8,477,962	(255,000)	-3.0%	(378,400)	-4.3%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 6, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
312	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
300	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
288	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
276	100.0%	0.1%	0.0%	0.0%	0.0%	1.000	1.000
264	99.9%	0.1%	0.1%	0.0%	0.0%	0.981	0.971
252	99.8%	0.1%	0.2%	0.0%	0.0%	0.962	0.944
240	99.7%	0.1%	0.3%	0.0%	0.0%	0.943	0.917
228	99.6%	0.1%	0.4%	0.0%	0.0%	0.925	0.892
216	99.5%	0.1%	0.5%	0.0%	0.0%	0.908	0.867
204	99.4%	0.1%	0.6%	0.0%	0.0%	0.889	0.840
192	99.3%	0.2%	0.7%	0.1%	0.1%	0.871	0.816
180	99.2%	0.1%	0.8%	0.1%	0.0%	0.866	0.810
168	99.1%	0.1%	0.9%	0.1%	0.0%	0.848	0.786
156	99.0%	0.2%	1.0%	0.1%	0.1%	0.831	0.763
144	98.8%	0.2%	1.2%	0.1%	0.1%	0.822	0.752
132	98.6%	0.5%	1.4%	0.3%	0.3%	0.818	0.747
120	98.1%	2.4%	1.9%	1.7%	1.4%	0.837	0.774
108	95.7%	3.2%	4.3%	2.3%	1.9%	0.904	0.867
96	92.5%	4.8%	7.5%	3.6%	3.1%	0.917	0.883
84	87.7%	1.5%	12.3%	1.1%	1.0%	0.920	0.887
72	86.2%	3.1%	13.8%	2.5%	2.3%	0.895	0.851
60	83.1%	4.2%	16.9%	3.5%	3.2%	0.883	0.834
48	78.9%	5.5%	21.1%	4.8%	4.5%	0.875	0.823
36	73.4%	12.5%	26.6%	11.3%	10.8%	0.870	0.817
24	61.0%	32.8%	39.0%	30.9%	30.1%	0.883	0.835
12	28.2%	28.2%	71.8%	27.6%	27.4%	0.909	0.871
Total		100.0%					

NOTES:

(2) = 1 / Section 6, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
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University of Massachusetts (Medical Center) - Cluster 4
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	0	6,320		0	6,079
6/30/82-83	106	425	1.000	106	425
6/30/83-84	255	1,019	1.000	255	1,019
6/30/84-85	814	3,255	1.000	814	3,255
6/30/85-86	1,077	4,307	1.000	1,077	4,307
6/30/86-87	644	644	0.981	631	631
6/30/87-88	656	656	0.962	631	631
6/30/88-89	2,444	24,439	0.943	2,305	23,054
6/30/89-90	2,770	27,698	0.925	2,563	25,632
6/30/90-91	1,508	15,085	0.908	1,370	13,696
6/30/91-92	3,346	33,459	0.889	2,973	29,734
6/30/92-93	1,976	19,760	0.871	1,721	17,212
6/30/93-94	5,987	6,987	0.866	5,182	6,048
6/30/94-95	3,606	4,606	0.848	3,058	3,906
6/30/95-96	1,915	19,148	0.831	1,592	15,918
6/30/96-97	2,791	12,591	0.822	2,295	10,354
6/30/97-98	5,739	29,089	0.818	4,693	23,789
6/30/98-99	5,385	5,385	0.837	4,509	4,509
6/30/99-00	7,488	8,488	0.904	6,771	7,675
6/30/00-01	15,806	16,806	0.917	14,490	15,407
6/30/01-02	21,146	24,146	0.920	19,461	22,222
6/30/02-03	28,074	31,074	0.895	25,128	27,814
6/30/03-04	59,675	83,575	0.883	52,676	73,773
6/30/04-05	42,882	73,082	0.875	37,520	63,944
6/30/05-06	89,625	116,975	0.870	77,969	101,762
6/30/06-07	135,192	167,192	0.883	119,311	147,552
6/30/07-08	297,651	445,651	0.909	270,528	405,041
Total	738,555	1,181,859		659,630	1,055,389
			(7) Total Discount Factor:	0.893	0.893

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	0	6,320
(9) Projected Number of Years:	2	2
(10) Projected Paid Loss per Year:	0	3,160
(11) Discounted Value at 4%:	0	6,079

NOTES:
(2), (3) From Section 6, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 6, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

University of Massachusetts (Medical Center) - Cluster 4
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	0	6,320		0	5,967
6/30/82-83	106	425	1.000	106	425
6/30/83-84	255	1,019	1.000	255	1,019
6/30/84-85	814	3,255	1.000	814	3,255
6/30/85-86	1,077	4,307	1.000	1,077	4,307
6/30/86-87	644	644	0.971	625	625
6/30/87-88	656	656	0.944	619	619
6/30/88-89	2,444	24,439	0.917	2,242	22,418
6/30/89-90	2,770	27,698	0.892	2,470	24,702
6/30/90-91	1,508	15,085	0.867	1,308	13,083
6/30/91-92	3,346	33,459	0.840	2,812	28,121
6/30/92-93	1,976	19,760	0.816	1,613	16,131
6/30/93-94	5,987	6,987	0.810	4,847	5,657
6/30/94-95	3,606	4,606	0.786	2,834	3,620
6/30/95-96	1,915	19,148	0.763	1,462	14,619
6/30/96-97	2,791	12,591	0.752	2,099	9,469
6/30/97-98	5,739	29,089	0.747	4,286	21,725
6/30/98-99	5,385	5,385	0.774	4,171	4,171
6/30/99-00	7,488	8,488	0.867	6,489	7,356
6/30/00-01	15,806	16,806	0.883	13,957	14,840
6/30/01-02	21,146	24,146	0.887	18,760	21,422
6/30/02-03	28,074	31,074	0.851	23,897	26,451
6/30/03-04	59,675	83,575	0.834	49,769	69,702
6/30/04-05	42,882	73,082	0.823	35,311	60,180
6/30/05-06	89,625	116,975	0.817	73,208	95,548
6/30/06-07	135,192	167,192	0.835	112,848	139,559
6/30/07-08	297,651	445,651	0.871	259,382	388,354
Total	738,555	1,181,859		627,262	1,003,344
			(7) Total Discount Factor:	0.849	0.849

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	0	6,320
(9) Projected Number of Years:	2	2
(10) Projected Paid Loss per Year:	0	3,160
(11) Discounted Value at 6%:	0	5,967

NOTES:
(2), (3) From Section 6, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 6, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		2,698,183			4,038,076	4,652,245	1,339,893	1,954,063		
6/30/82-83		743,272	759,774		758,137	773,003	14,865	29,731		
6/30/83-84		917,731	937,370		936,086	954,440	18,355	36,709		
6/30/84-85	249,035	1,492,038	1,526,698	1,498,139	1,521,879	1,551,720	29,841	59,682	0.611	0.623
6/30/85-86	267,811	1,868,908	1,917,191	1,877,903	1,878,000	1,917,000	9,092	48,092	0.701	0.716
6/30/86-87	307,762	2,337,234	2,587,085	2,349,442	2,349,000	2,587,000	11,766	249,766	0.763	0.841
6/30/87-88	360,569	3,751,768	4,477,251	3,776,549	3,714,210	4,126,900	-37,557	375,133	1.030	1.145
6/30/88-89	371,471	1,515,210	1,535,842	1,539,357	1,545,514	1,590,971	30,304	75,761	0.416	0.428
6/30/89-90	374,816	3,057,688	3,125,176	3,112,053	3,112,000	3,125,000	54,312	67,312	0.830	0.834
6/30/90-91	350,048	1,393,607	1,445,205	1,444,578	1,445,000	1,445,000	51,393	51,393	0.413	0.413
6/30/91-92	356,084	1,354,941	1,902,820	1,445,424	1,506,710	1,674,122	151,769	319,181	0.423	0.470
6/30/92-93	383,583	1,147,496	1,230,224	1,246,545	1,170,446	1,204,871	22,950	57,375	0.305	0.314
6/30/93-94	439,244	978,773	1,414,968	1,097,796	1,098,000	1,415,000	119,227	436,227	0.250	0.322
6/30/94-95	437,287	1,327,549	1,449,063	1,462,686	1,449,000	1,463,000	121,451	135,451	0.331	0.335
6/30/95-96	459,490	1,269,047	1,411,994	1,432,262	1,294,428	1,332,499	25,381	63,452	0.282	0.290
6/30/96-97	540,181	1,008,897	1,143,174	1,172,470	1,143,000	1,172,000	134,103	163,103	0.212	0.217
6/30/97-98	518,613	1,548,861	1,802,498	1,813,221	1,802,000	1,813,000	253,139	264,139	0.347	0.350
6/30/98-99	536,523	1,116,901	1,344,093	1,375,687	1,344,000	1,444,000	227,099	327,099	0.251	0.269
6/30/99-00	583,551	1,182,336	1,458,128	1,507,274	1,458,000	1,507,000	275,664	324,664	0.250	0.258
6/30/00-01	628,836	1,397,290	1,823,618	1,856,594	1,824,000	1,857,000	426,710	459,710	0.290	0.295
6/30/01-02	646,243	1,952,846	2,632,011	2,631,147	2,631,000	2,632,000	678,154	679,154	0.407	0.407
6/30/02-03	630,315	1,058,435	1,574,713	1,587,041	1,575,000	1,587,000	516,565	528,565	0.250	0.252
6/30/03-04	647,755	1,084,236	1,783,023	1,730,845	1,731,000	1,872,000	646,764	787,764	0.267	0.289
6/30/04-05	784,398	824,739	1,589,731	1,762,949	1,590,000	1,763,000	765,261	938,261	0.203	0.225
6/30/05-06	747,901	905,565	2,178,900	2,180,161	2,179,000	2,289,000	1,273,435	1,383,435	0.291	0.306
6/30/06-07	810,859	557,910	1,879,908	2,175,645	1,880,000	2,176,000	1,322,090	1,618,090	0.232	0.268
6/30/07-08	816,343	266,597	1,779,123	2,143,275	1,779,000	2,143,000	1,512,403	1,876,403	0.218	0.263
Total	12,248,722	38,758,059	46,709,579	44,219,044	48,752,486	52,067,771	9,994,427	13,309,712		
Tot 6/30/84-08	12,248,722	34,398,873	45,012,436	44,219,044	43,020,187	45,688,083	8,621,314	11,289,209	0.351	0.373

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 7, Exhibit 1, Page 2, Column 3 and Section 7, Exhibit 1, Page 9, Column 8

(4) From Section 7, Exhibit 1, Page 2, Column 8

(5) From Section 7, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		2,682,433							4	3		75
6/30/82-83		716,272	1.003	1.020	732,774	27,000	759,774		0	0		
6/30/83-84		837,731	1.003	1.020	857,370	80,000	937,370		0	0		
6/30/84-85	249,035	1,393,062	1.004	1.021	1,427,722	98,976	1,526,698	0.613	0	0		
6/30/85-86	267,811	1,833,907	1.005	1.021	1,882,190	35,001	1,917,191	0.716	0	0		
6/30/86-87	307,762	2,215,734	1.006	1.106	2,465,585	121,500	2,587,085	0.841	1	1	249,851	82
6/30/87-88	360,569	3,456,925	1.008	1.200	4,182,408	294,843	4,477,251	1.242	3	2	362,742	68
6/30/88-89	371,471	1,302,910	1.016	1.000	1,323,542	212,300	1,535,842	0.413	0	0		
6/30/89-90	374,816	2,807,976	1.024	1.000	2,875,464	249,712	3,125,176	0.834	4	4	16,872	77
6/30/90-91	350,048	1,160,107	1.044	1.000	1,211,588	233,617	1,445,205	0.413	1	0		
6/30/91-92	356,084	1,133,758	1.059	1.400	1,681,416	221,404	1,902,820	0.534	1	1	547,658	48
6/30/92-93	383,583	986,496	1.084	1.000	1,068,902	161,322	1,230,224	0.321	0	0		
6/30/93-94	439,244	819,773	1.094	1.400	1,255,490	159,478	1,414,968	0.322	1	1	435,717	49
6/30/94-95	437,287	958,344	1.125	1.000	1,078,376	370,686	1,449,063	0.331	1	2	60,016	57
6/30/95-96	459,490	927,586	1.152	1.000	1,068,646	343,347	1,411,994	0.307	0	0		
6/30/96-97	540,181	784,015	1.169	1.000	916,708	226,465	1,143,174	0.212	1	3	44,231	55
6/30/97-98	518,613	1,288,861	1.195	1.000	1,539,768	262,730	1,802,498	0.348	3	4	62,727	64
6/30/98-99	536,523	943,651	1.235	1.000	1,164,982	179,111	1,344,093	0.251	1	2	110,666	59
6/30/99-00	583,551	844,236	1.302	1.000	1,099,365	358,763	1,458,128	0.250	0	0		
6/30/00-01	628,836	1,123,788	1.351	1.000	1,518,762	304,856	1,823,618	0.290	3	2	197,487	49
6/30/01-02	646,243	1,509,596	1.405	1.000	2,121,677	510,334	2,632,011	0.407	6	3	204,027	54
6/30/02-03	630,315	895,935	1.507	1.000	1,350,041	224,672	1,574,713	0.250	4	2	227,053	58
6/30/03-04	647,755	967,736	1.614	1.000	1,562,184	220,839	1,783,023	0.275	10	11	54,041	54
6/30/04-05	784,398	726,139	1.861	1.000	1,351,244	238,487	1,589,731	0.203	13	8	78,138	47
6/30/05-06	747,901	855,565	2.183	1.000	1,867,427	311,474	2,178,900	0.291	40	13	77,836	51
6/30/06-07	810,859	517,910	3.067	1.000	1,588,322	291,587	1,879,908	0.232	82	37	28,930	50
6/30/07-08	816,343	266,597	6.017	1.000	1,604,123	175,000	1,779,123	0.218		82	16,311	52
Total	12,248,722	33,957,044			40,796,074	5,913,505	46,709,579		179	181		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 7, Exhibit 1, Page 7
(5) Based on information from the MA WCRIB
(6) = (3) x (4) x (5)
(7) From Section 7, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	249,035	0.586	1,393,062	1.004	1,399,163	98,976	1,498,139	0.602	0.562
6/30/85-86	267,811	0.649	1,833,907	1.005	1,842,902	35,001	1,877,903	0.701	0.688
6/30/86-87	307,762	0.643	2,215,734	1.006	2,227,942	121,500	2,349,442	0.763	0.724
6/30/87-88	360,569	0.843	3,456,925	1.008	3,481,706	294,843	3,776,549	1.047	0.966
6/30/88-89	371,471	0.417	1,302,910	1.016	1,327,057	212,300	1,539,357	0.414	0.357
6/30/89-90	374,816	0.618	2,807,976	1.024	2,862,341	249,712	3,112,053	0.830	0.764
6/30/90-91	350,048	0.342	1,160,107	1.044	1,210,961	233,617	1,444,578	0.413	0.346
6/30/91-92	356,084	0.453	1,133,758	1.059	1,224,020	221,404	1,445,424	0.406	0.344
6/30/92-93	383,583	0.334	986,496	1.084	1,085,223	161,322	1,246,545	0.325	0.283
6/30/93-94	439,244	0.314	819,773	1.094	938,318	159,478	1,097,796	0.250	0.214
6/30/94-95	437,287	0.275	958,344	1.125	1,092,000	370,686	1,462,686	0.334	0.250
6/30/95-96	459,490	0.266	927,586	1.152	1,088,915	343,347	1,432,262	0.312	0.237
6/30/96-97	540,181	0.207	784,015	1.169	946,004	226,465	1,172,470	0.217	0.175
6/30/97-98	518,613	0.310	1,288,861	1.195	1,550,490	262,730	1,813,221	0.350	0.299
6/30/98-99	536,523	0.248	943,651	1.235	1,196,576	179,111	1,375,687	0.256	0.223
6/30/99-00	583,551	0.225	844,236	1.302	1,148,512	358,763	1,507,274	0.258	0.197
6/30/00-01	628,836	0.262	1,123,788	1.351	1,551,738	304,856	1,856,594	0.295	0.247
6/30/01-02	646,243	0.328	1,509,596	1.405	2,120,814	510,334	2,631,147	0.407	0.328
6/30/02-03	630,315	0.220	895,935	1.507	1,362,370	224,672	1,587,041	0.252	0.216
6/30/03-04	647,755	0.220	967,736	1.614	1,510,005	220,839	1,730,845	0.267	0.233
6/30/04-05	784,398	0.220	726,139	1.861	1,524,462	238,487	1,762,949	0.225	0.194
6/30/05-06	747,901	0.250	855,565	2.183	1,868,687	311,474	2,180,161	0.292	0.250
6/30/06-07	810,859	0.250	517,910	3.067	1,884,058	291,587	2,175,645	0.268	0.232
6/30/07-08	816,343	0.250	266,597	6.017	1,968,275	175,000	2,143,275	0.263	0.241
Total	12,248,722		29,720,608		38,412,539	5,806,505	44,219,044		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 7, Exhibit 1, Page 4, Column 10
(4) From Section 7, Exhibit 1, Page 2, Column 3
(5) From Section 7, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 7, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.586	0.586
6/30/85-86								0.649	0.649
6/30/86-87								0.643	0.643
6/30/87-88								0.843	0.843
6/30/88-89								0.417	0.417
6/30/89-90								0.618	0.618
6/30/90-91	350,048	1,211,588	0.346	0.925	0.320	1.196	0.383	0.364	0.342
6/30/91-92	356,084	1,681,416	0.472	1.015	0.479	1.184	0.568	0.426	0.453
6/30/92-93	383,583	1,068,902	0.279	1.184	0.330	1.173	0.387	0.338	0.334
6/30/93-94	439,244	1,255,490	0.286	1.169	0.334	1.161	0.388	0.295	0.314
6/30/94-95	437,287	1,078,376	0.247	1.158	0.286	1.149	0.328	0.264	0.275
6/30/95-96	459,490	1,068,646	0.233	1.149	0.267	1.138	0.304	0.265	0.266
6/30/96-97	540,181	916,708	0.170	1.137	0.193	1.127	0.217	0.221	0.207
6/30/97-98	518,613	1,539,768	0.297	1.123	0.333	1.116	0.372	0.286	0.310
6/30/98-99	536,523	1,164,982	0.217	1.108	0.241	1.105	0.266	0.256	0.248
6/30/99-00	583,551	1,099,365	0.188	1.090	0.205	1.094	0.225	0.244	0.225
6/30/00-01	628,836	1,518,762	0.242	1.062	0.257	1.083	0.278	0.267	0.262
6/30/01-02	646,243	2,121,677	0.328	1.042	0.342	1.072	0.367	0.314	0.328
6/30/02-03	630,315	1,350,041	0.214	1.038	0.222	1.062	0.236	0.220	0.220
6/30/03-04	647,755	1,562,184	0.241	1.038	0.250	1.051	0.263	0.220	0.220
6/30/04-05	784,398	1,351,244	0.172	1.031	0.178	1.041	0.185	0.220	0.220
6/30/05-06	747,901	1,867,427	0.250	1.021	0.255	1.030	0.263	0.250	0.250
6/30/06-07	810,859	1,588,322	0.196	1.010	0.198	1.020	0.202	0.250	0.250
6/30/07-08	816,343	1,604,123	0.197	1.000	0.197	1.010	0.198		0.250
Total	10,317,258	25,049,021							

Trend Last 4 (ex 07-08):	-3.4%	Avg 3 (x07-08):	0.216
Trend Last 8 (ex 07-08):	-2.5%	Avg 5 (x07-08):	0.230
Trend Last 12 (ex 07-08):	-1.6%	Avg 10 (x07-08):	0.265
Prior Selected Trend:	1.5%	Prior Sel Avg:	0.250
Selected Trend:	1.0%	Sel. Loss Cost:	0.250

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 7, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		1.015	
(2)	Credibility		18%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.970	
		(Low)		(High)
(5)	Selected Range	0.960		0.980
(6)	Incremental Paid for 2008	120,810		120,810
(7)	Estimated Reserve	2,926,633		5,847,518
(8)	Paid to Date (82 & Prior)	2,682,433		2,682,433
(9)	Est Ult Paid for 1982 & Prior	5,609,066		8,529,950

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	115,854	111,008
(11)	Projected Number of Years	7	7
(12)	Estimated Reserve	810,979	777,054
(13)	Paid to Date (82 & Prior)	2,682,433	2,561,623
(14)	Est Ult Paid for 1982 & Prior	3,493,412	3,338,677
(14a)	Paid Counts During Fiscal Year	3	4
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	4,022,326	4,636,495
(16)	Lump Sum Ultimates	15,750	15,750
(17)	Ult Loss Including Lump Sums	**4,038,076**	**4,652,245**
(18)	Implied Tail	1.500	1.728
(19)	Ult Loss Inc Lump Sums @6/07	3,859,500	4,446,692

NOTES:

(1) From Section 7, Exhibit 1, Page 6
(2) = (Average of Section 7, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 7, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 7, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 7, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	96,383	11.476			
1993	2	98,686	11.500	1.024		
1994	3	90,507	11.413	0.917		
1995	4	91,599	11.425	1.012		
1996	5	82,524	11.321	0.901		
1997	6	95,179	11.464	1.153		
1998	7	100,117	11.514	1.052		
1999	8	101,445	11.527	1.013		
2000	9	91,541	11.425	0.902	n =	17
2001	10	95,087	11.463	1.039	S(x) =	34,000
2002	11	101,860	11.531	1.071	S(x-sq) =	68,000,408
2003	12	103,466	11.547	1.016	S(xy) =	391,410
2004	13	103,217	11.545	0.998	S(y) =	196
2005	14	106,270	11.574	1.030	D =	6,936
2006	15	111,087	11.618	1.045	slope =	0.015
2007	16	115,666	11.658	1.041	Avg Trend =	1.015
2008	17	120,810	11.702	1.044		
					Selected Trend:	**1.015**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 1.044 = 11.702 / 11.658

Commonwealth of Massachusetts Workers Compensatio
Massachusetts Colleges & Universities - Cluster
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	54,010	142,576	208,148	264,888	314,931	357,219	371,053	469,928	488,830	527,760	553,935	571,859	597,183	632,418	652,652	668,547	668,547	676,026	716,272	716,272	716,272	716,272	716,272	716,272	716,272	716,272
June-84	99,917	266,707	383,604	485,764	576,711	646,670	708,919	756,240	783,256	798,348	807,607	799,910	809,636	819,761	830,411	841,202	837,731	837,731	837,731	837,731	837,731	837,731	837,731	837,731	837,731	
June-85	145,363	376,000	561,409	702,017	806,337	944,094	1,041,045	1,113,616	1,165,340	1,204,638	1,251,307	1,274,495	1,298,633	1,324,024	1,393,062	1,393,062	1,393,062	1,393,062	1,393,062	1,393,062	1,393,062	1,393,062	1,393,062	1,393,062		
June-86	146,844	393,892	560,427	714,824	852,275	1,013,300	1,126,822	1,223,737	1,303,796	1,350,669	1,397,048	1,447,454	1,502,391	1,555,201	1,632,671	1,697,735	1,756,102	1,781,294	1,805,911	1,830,855	1,833,907	1,833,907	1,833,907			
June-87	205,350	542,065	782,031	964,915	1,140,809	1,261,213	1,366,787	1,443,695	1,510,844	1,568,560	1,627,834	1,689,585	1,754,007	1,801,170	1,862,691	1,928,482	1,995,204	2,043,636	2,086,293	2,127,530	2,170,638	2,215,734				
June-88	264,730	647,871	957,840	1,332,415	1,600,031	1,789,064	2,016,553	2,143,780	2,273,154	2,384,070	2,485,765	2,581,511	2,687,118	2,803,766	2,927,359	3,052,144	3,156,171	3,229,466	3,302,225	3,377,918	3,456,925					
June-89	203,700	458,930	663,759	873,071	1,047,827	1,143,271	1,198,464	1,232,178	1,250,874	1,282,165	1,292,717	1,298,047	1,302,239	1,302,910	1,302,910	1,302,910	1,302,910	1,302,910	1,302,910	1,302,910						
June-90	251,034	593,345	877,389	1,070,415	1,170,169	1,310,507	1,405,772	1,541,316	1,646,975	1,785,002	1,902,032	2,022,921	2,130,629	2,240,435	2,354,155	2,465,796	2,583,494	2,694,389	2,807,976							
June-91	210,725	476,992	661,310	747,971	826,820	877,501	964,982	1,043,288	1,062,987	1,078,493	1,092,473	1,107,416	1,121,900	1,136,365	1,154,741	1,159,007	1,160,107	1,160,107								
June-92	230,185	473,793	612,524	709,857	752,262	788,923	831,701	862,151	886,987	914,044	968,299	997,727	1,032,093	1,067,423	1,093,472	1,120,923	1,133,758									
June-93	250,714	541,198	609,220	695,349	761,795	896,967	969,498	986,209	986,209	986,209	986,496	986,496	986,496	986,496	986,496	986,496										
June-94	142,078	335,638	434,332	540,452	602,360	665,759	700,338	683,894	702,764	722,297	742,006	760,225	779,419	799,569	819,773											
June-95	115,982	327,962	450,743	510,570	656,919	704,734	751,757	811,410	863,231	899,192	899,252	902,615	916,017	958,344												
June-96	206,256	426,449	543,267	632,734	711,202	763,750	825,421	867,895	906,744	927,586	927,586	927,586	927,586													
June-97	184,229	328,446	444,786	555,024	612,566	653,987	680,550	699,551	720,522	739,692	759,525	784,015														
June-98	204,733	326,969	438,428	556,503	656,266	750,818	946,526	1,035,878	1,116,871	1,200,899	1,288,861															
June-99	178,965	393,824	642,327	727,290	775,010	801,143	828,610	857,804	888,093	943,651																
June-00	277,497	570,937	719,211	779,101	816,241	839,009	844,236	844,236	844,236																	
June-01	211,269	540,991	786,054	907,942	982,546	1,034,355	1,086,105	1,123,788																		
June-02	189,348	645,495	949,546	1,190,744	1,315,603	1,438,839	1,509,596																			
June-03	291,166	554,149	689,280	758,177	839,325	895,935																				
June-04	217,692	446,380	618,082	776,430	967,736																					
June-05	230,521	418,799	624,539	726,139																						
June-06	295,643	638,840	855,565																							
June-07	271,385	517,910																								
June-08	266,597																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.640	1.460	1.273	1.189	1.134	1.039	1.266	1.040	1.080	1.050	1.032	1.044	1.059	1.032	1.024	1.000	1.011	1.060	1.000	1.000	1.000	1.000	1.000	1.000	1.000
June-84	2.669	1.438	1.266	1.187	1.121	1.096	1.067	1.036	1.019	1.012	0.990	1.012	1.013	1.013	1.013	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
June-85	2.587	1.493	1.250	1.149	1.171	1.103	1.070	1.046	1.034	1.039	1.019	1.019	1.020	1.052	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
June-86	2.682	1.423	1.275	1.192	1.189	1.112	1.086	1.065	1.036	1.034	1.036	1.038	1.035	1.050	1.040	1.034	1.014	1.014	1.014	1.002	1.000	1.000			
June-87	2.640	1.443	1.234	1.182	1.106	1.084	1.056	1.047	1.038	1.038	1.038	1.038	1.027	1.034	1.035	1.035	1.024	1.021	1.020	1.020	1.021				
June-88	2.447	1.478	1.391	1.201	1.118	1.127	1.063	1.060	1.049	1.043	1.039	1.041	1.043	1.044	1.043	1.034	1.023	1.023	1.023	1.023					
June-89	2.253	1.446	1.315	1.200	1.091	1.048	1.028	1.015	1.025	1.008	1.004	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000						
June-90	2.364	1.479	1.220	1.093	1.120	1.073	1.096	1.069	1.084	1.066	1.064	1.053	1.052	1.051	1.047	1.048	1.043	1.042							
June-91	2.264	1.386	1.131	1.105	1.061	1.100	1.081	1.019	1.015	1.013	1.014	1.013	1.013	1.016	1.004	1.001	1.000								
June-92	2.058	1.293	1.159	1.060	1.049	1.054	1.037	1.029	1.031	1.059	1.030	1.034	1.034	1.024	1.025	1.011									
June-93	2.159	1.126	1.141	1.096	1.177	1.081	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
June-94	2.362	1.294	1.244	1.115	1.105	1.052	0.977	1.028	1.028	1.027	1.025	1.025	1.026	1.025											
June-95	2.828	1.374	1.133	1.287	1.073	1.067	1.079	1.064	1.042	1.000	1.004	1.015	1.046												
June-96	2.068	1.274	1.165	1.124	1.074	1.081	1.051	1.045	1.023	1.000	1.000	1.000													
June-97	1.783	1.354	1.248	1.104	1.068	1.041	1.028	1.030	1.027	1.027	1.032														
June-98	1.597	1.341	1.269	1.179	1.144	1.261	1.094	1.078	1.075	1.073															
June-99	2.201	1.631	1.132	1.066	1.034	1.034	1.035	1.035	1.063																
June-00	2.057	1.260	1.083	1.048	1.028	1.006	1.000	1.000																	
June-01	2.561	1.453	1.155	1.082	1.053	1.050	1.035																		
June-02	3.409	1.471	1.254	1.105	1.094	1.049																			
June-03	1.903	1.244	1.100	1.107	1.067																				
June-04	2.051	1.385	1.256	1.246																					
June-05	1.817	1.491	1.163																						
June-06	2.161	1.339																							
June-07	1.908																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.299	1.391	1.211	1.142	1.099	1.078	1.061	1.039	1.039	1.031	1.022	1.024	1.028	1.028	1.021	1.016	1.013	1.020	1.008	1.008	1.004	1.000	1.000	1.000	1.000	
Latest 5	1.968	1.386	1.186	1.118	1.055	1.080	1.038	1.038	1.046	1.025	1.012	1.015	1.024	1.023	1.015	1.019	1.018	1.020	1.011	1.009	1.004					
Latest 3	1.962	1.405	1.173	1.153	1.071	1.035	1.023	1.038	1.055	1.033	1.012	1.013	1.024	1.017	1.010	1.020	1.014	1.022	1.014	1.015	1.007	1.000	1.000			
Volume Wtd																										
All Yrs	2.242	1.387	1.211	1.139	1.099	1.080	1.058	1.042	1.041	1.033	1.026	1.027	1.030	1.033	1.026	1.023	1.018	1.021	1.012	1.012	1.006	1.000	1.000	1.000		
Latest 5	1.972	1.382	1.189	1.115	1.059	1.072	1.040	1.040	1.048	1.028	1.011	1.015	1.023	1.029	1.021	1.026	1.023	1.023	1.014	1.013	1.006					
Latest 3	1.975	1.395	1.170	1.146	1.074	1.039	1.024	1.041	1.058	1.038	1.011	1.013	1.023	1.016	1.010	1.028	1.022	1.026	1.017	1.017	1.008	1.000				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	2.009	1.373	1.203	1.098	1.058	1.078	1.043	1.048	1.042	1.027	1.021	1.018	1.025	1.023	1.025	1.024	1.022	1.017	1.009	1.004	1.002	1.001	1.001	1.001	1.005	
Selected	1.962	1.405	1.173	1.153	1.071	1.072	1.040	1.038	1.055	1.033	1.022	1.015	1.024	1.029	1.010	1.023	1.014	1.020	1.008	1.008	1.002	1.001	1.001	1.001	1.000	1.003
FacToUlt	6.017	3.067	2.183	1.861	1.614	1.507	1.405	1.351	1.302	1.235	1.195	1.169	1.152	1.125	1.094	1.084	1.059	1.044	1.024	1.016	1.008	1.006	1.005	1.004	1.003	1.003
Percent of Ult	16.6%	32.6%	45.8%	53.7%	61.9%	66.4%	71.2%	74.0%	76.8%	81.0%	83.7%	85.5%	86.8%	88.9%	91.4%	92.3%	94.4%	95.8%	97.7%	98.4%	99.2%	99.4%	99.5%	99.6%	99.7%	99.7%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	3,859,500	4,446,692	4,038,076	4,652,245	178,575	4.6%	205,553	4.6%
6/30/82-83	758,137	773,003	758,137	773,003	0	0.0%	0	0.0%
6/30/83-84	936,086	954,440	936,086	954,440	0	0.0%	0	0.0%
6/30/84-85	1,521,879	1,551,720	1,521,879	1,551,720	0	0.0%	0	0.0%
6/30/85-86	1,882,000	1,924,000	1,878,000	1,917,000	(4,000)	-0.2%	(7,000)	-0.4%
6/30/86-87	2,311,000	2,546,000	2,349,000	2,587,000	38,000	1.6%	41,000	1.6%
6/30/87-88	3,731,541	4,146,157	3,714,210	4,126,900	(17,331)	-0.5%	(19,257)	-0.5%
6/30/88-89	1,545,514	1,590,971	1,545,514	1,590,971	0	0.0%	0	0.0%
6/30/89-90	3,035,000	3,054,000	3,112,000	3,125,000	77,000	2.5%	71,000	2.3%
6/30/90-91	1,443,000	1,445,000	1,445,000	1,445,000	2,000	0.1%	0	0.0%
6/30/91-92	1,515,992	1,684,436	1,506,710	1,674,122	(9,282)	-0.6%	(10,314)	-0.6%
6/30/92-93	1,170,446	1,204,871	1,170,446	1,204,871	0	0.0%	0	0.0%
6/30/93-94	1,121,000	1,530,000	1,098,000	1,415,000	(23,000)	-2.1%	(115,000)	-7.5%
6/30/94-95	1,444,000	1,456,000	1,449,000	1,463,000	5,000	0.3%	7,000	0.5%
6/30/95-96	1,294,428	1,332,499	1,294,428	1,332,499	0	0.0%	0	0.0%
6/30/96-97	1,152,000	1,200,000	1,143,000	1,172,000	(9,000)	-0.8%	(28,000)	-2.3%
6/30/97-98	1,766,000	1,769,000	1,802,000	1,813,000	36,000	2.0%	44,000	2.5%
6/30/98-99	1,344,000	1,464,000	1,344,000	1,444,000	0	0.0%	(20,000)	-1.4%
6/30/99-00	1,522,000	1,595,000	1,458,000	1,507,000	(64,000)	-4.2%	(88,000)	-5.5%
6/30/00-01	1,816,000	1,855,000	1,824,000	1,857,000	8,000	0.4%	2,000	0.1%
6/30/01-02	2,660,000	2,722,000	2,631,000	2,632,000	(29,000)	-1.1%	(90,000)	-3.3%
6/30/02-03	1,570,000	1,579,000	1,575,000	1,587,000	5,000	0.3%	8,000	0.5%
6/30/03-04	1,537,000	1,632,000	1,731,000	1,872,000	194,000	12.6%	240,000	14.7%
6/30/04-05	1,555,000	1,761,000	1,590,000	1,763,000	35,000	2.3%	2,000	0.1%
6/30/05-06	2,177,000	2,294,000	2,179,000	2,289,000	2,000	0.1%	(5,000)	-0.2%
6/30/06-07	1,907,000	2,256,000	1,880,000	2,176,000	(27,000)	-1.4%	(80,000)	-3.5%
6/30/07-08								
Total	46,575,524	49,766,788	46,973,486	49,924,771	397,962	0.9%	157,983	0.3%

NOTES:

(2), (3) From Aon analysis as of June 30, 2007

(4), (5) From Section 7, Exhibit 1, Page 1, Columns 6, 7

(6) = (4) - (2)

(7) = (4) / (2) - 1

(8) = (5) - (3)

(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	2,682,433	1.614	4,329,410	0.0%	0.0%	0	15,750	15,750	0.4%	1.000	15,750	15,750	15,750
6/30/82-83	716,272	1.023	732,774	0.0%	0.0%	0	27,000	27,000	3.7%	1.000	27,000	27,000	27,000
6/30/83-84	837,731	1.023	857,370	0.0%	0.0%	0	80,000	80,000	9.3%	1.000	80,000	80,000	80,000
6/30/84-85	1,393,062	1.025	1,427,722	0.0%	0.0%	0	98,976	98,976	6.9%	1.000	98,976	98,976	98,976
6/30/85-86	1,833,907	1.026	1,882,190	0.0%	0.0%	0	35,001	35,001	1.9%	1.000	35,001	35,001	35,001
6/30/86-87	2,215,734	1.113	2,465,585	0.0%	0.0%	0	121,500	121,500	4.9%	1.000	121,500	121,500	121,500
6/30/87-88	3,456,925	1.210	4,182,408	0.0%	0.0%	0	294,843	294,843	7.0%	1.000	294,843	294,843	294,843
6/30/88-89	1,302,910	1.016	1,323,542	0.0%	0.0%	0	212,300	212,300	16.0%	1.000	212,300	212,300	212,300
6/30/89-90	2,807,976	1.024	2,875,464	0.0%	0.0%	0	249,712	249,712	8.7%	1.000	249,712	249,712	249,837
6/30/90-91	1,160,107	1.044	1,211,588	0.0%	0.0%	0	233,500	233,500	19.3%	1.001	233,734	233,617	208,709
6/30/91-92	1,133,758	1.483	1,681,416	0.0%	0.0%	0	221,183	221,183	13.2%	1.002	221,626	221,404	146,476
6/30/92-93	986,496	1.084	1,068,902	0.0%	0.0%	0	161,000	161,000	15.1%	1.004	161,645	161,322	161,484
6/30/93-94	819,773	1.532	1,255,490	0.0%	0.0%	0	159,000	159,000	12.7%	1.006	159,956	159,478	159,638
6/30/94-95	958,344	1.125	1,078,376	0.0%	0.0%	0	369,205	369,205	34.2%	1.008	372,168	370,686	371,245
6/30/95-96	927,586	1.152	1,068,646	0.0%	0.0%	0	341,461	341,461	32.0%	1.011	345,234	343,347	343,865
6/30/96-97	784,015	1.169	916,708	0.0%	0.0%	0	224,882	224,882	24.5%	1.014	228,049	226,465	227,318
6/30/97-98	1,288,861	1.195	1,539,768	0.0%	0.0%	0	260,000	260,000	16.9%	1.021	265,461	262,730	268,551
6/30/98-99	943,651	1.235	1,164,982	0.4%	0.4%	4,545	173,250	177,795	15.3%	1.041	180,427	179,111	187,760
6/30/99-00	844,236	1.302	1,099,365	0.8%	1.2%	13,236	338,100	351,336	32.0%	1.083	366,190	358,763	370,937
6/30/00-01	1,123,788	1.351	1,518,762	0.9%	2.1%	31,354	273,502	304,856	20.1%	1.120	306,296	304,856	270,632
6/30/01-02	1,509,596	1.405	2,121,677	1.1%	3.2%	67,084	443,250	510,334	24.1%	1.205	534,267	510,334	514,514
6/30/02-03	895,935	1.507	1,350,041	1.4%	4.6%	62,172	162,500	224,672	16.6%	1.251	203,368	224,672	207,049
6/30/03-04	967,736	1.614	1,562,184	2.1%	6.7%	104,339	116,500	220,839	14.1%	1.327	154,547	220,839	152,479
6/30/04-05	726,139	1.861	1,351,244	3.7%	10.4%	139,887	98,600	238,487	17.6%	2.332	229,931	238,487	215,510
6/30/05-06	855,565	2.183	1,867,427	3.6%	14.0%	261,474	50,000	311,474	16.7%	5.218	260,906	311,474	302,785
6/30/06-07	517,910	3.067	1,588,322	1.8%	15.8%	251,587	40,000	291,587	18.4%	10.212	408,476	291,587	300,000
6/30/07-08	266,597	6.017	1,604,123	2.3%	18.1%	291,030	0	291,030	18.1%	26.490	0	175,000	
Total	33,957,044		45,125,485			1,226,707	4,801,015	6,027,722	13.4%		5,767,362	5,929,255	5,544,159

NOTES:
(2) From Section 7, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 7, Exhibit 1, Page 2, Column 6
(5) From Section 7, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 7, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 7, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
Massachusetts Colleges & Universities - Cluster 4
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	2,750	13,000	0	0	0	0	0	0	0	0	0	0	0	0
Jun-83	0	0	0	0	0	0	0	0	12,000	0	0	0	0	0	15,000	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	0	46,500	16,000	0	0	17,500	0	0	0	0	0	0	0	0	0	0	0	0	0		
Jun-85	0	0	0	19,976	0	5,000	0	7,500	15,000	51,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Jun-86	0	0	0	0	0	0	1	0	35,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Jun-87	0	0	0	0	0	27,500	0	20,000	30,000	0	0	0	0	44,000	0	0	0	0	0	0	0	0					
Jun-88	0	0	22,500	0	37,000	30,000	82,000	43,343	15,000	31,000	0	0	0	0	0	0	0	17,000	17,000	0	0						
Jun-89	0	33,000	0	6,800	0	67,500	0	30,000	0	0	75,000	0	0	0	0	0	0	0	0	0							
Jun-90	0	0	25,211	30,000	35,001	76,500	30,000	0	53,000	0	0	0	0	0	0	0	0	0	0								
Jun-91	0	0	48,000	32,500	0	0	0	73,000	0	0	0	0	0	0	0	25,000	30,000	25,000									
Jun-92	0	0	15,000	89,500	0	0	0	12,000	0	20,000	9,683	0	0	0	0	0	75,000										
Jun-93	0	62,500	18,000	31,500	37,000	0	0	12,000	0	0	0	0	0	0	0	0											
Jun-94	3,000	0	25,000	15,000	16,000	65,000	0	35,000	0	0	0	0	0	0	0												
Jun-95	0	105,500	102,500	54,800	40,405	22,500	0	0	20,625	22,875	0	0	0	0													
Jun-96	22,500	97,000	10,000	15,500	70,461	20,000	0	0	40,000	66,000	0	0	0														
Jun-97	0	49,500	113,000	12,382	20,000	30,000	0	0	0	0	0	0															
Jun-98	0	80,000	90,000	25,000	25,000	0	0	40,000	0	0	0																
Jun-99	0	6,250	10,000	92,000	65,000	0	0	0	0	0																	
Jun-00	0	95,000	136,850	12,000	44,250	20,000	30,000	0	0																		
Jun-01	27,500	2,500	62,500	74,001	47,000	0	10,001	50,000																			
Jun-02	48,000	18,250	64,500	112,500	75,000	105,000	20,000																				
Jun-03	0	52,500	30,000	45,000	0	35,000																					
Jun-04	0	7,000	0	22,000	87,500																						
Jun-05	0	15,000	38,600	45,000																							
Jun-06	0	30,000	20,000																								
Jun-07	0	40,000																									
Jun-08	0																										

Cumulative Lump Sum Payments

Acc Yr Ending	*12*	*24*	*36*	*48*	*60*	*72*	*84*	*96*	*108*	*120*	*132*	*144*	*156*	*168*	*180*	*192*	*204*	*216*	*228*	*240*	*252*	*264*	*276*	*288*	*300*	*312*	*324*
All Prior Yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	2,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750
Jun-83	0	0	0	0	0	0	0	0	12,000	12,000	12,000	12,000	12,000	12,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	
Jun-84	0	0	0	0	0	0	0	46,500	62,500	62,500	62,500	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000		
Jun-85	0	0	0	19,976	19,976	24,976	24,976	32,476	47,476	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976			
Jun-86	0	0	0	0	0	0	1	1	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001				
Jun-87	0	0	0	0	0	27,500	27,500	47,500	77,500	77,500	77,500	77,500	77,500	121,500	121,500	121,500	121,500	121,500	121,500	121,500	121,500	121,500					
Jun-88	0	0	22,500	22,500	59,500	89,500	171,500	214,843	229,843	260,843	260,843	260,843	260,843	260,843	260,843	260,843	260,843	277,843	294,843	294,843	294,843						
Jun-89	0	33,000	33,000	39,800	39,800	107,300	107,300	137,300	137,300	137,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300							
Jun-90	0	0	25,211	55,211	90,212	166,712	196,712	196,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712								
Jun-91	0	0	48,000	80,500	80,500	80,500	80,500	153,500	153,500	153,500	153,500	153,500	153,500	153,500	153,500	178,500	208,500	233,500									
Jun-92	0	0	15,000	104,500	104,500	104,500	104,500	116,500	116,500	136,500	146,183	146,183	146,183	146,183	146,183	146,183	221,183										
Jun-93	0	62,500	80,500	112,000	149,000	149,000	149,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000											
Jun-94	3,000	3,000	28,000	43,000	59,000	124,000	124,000	159,000	159,000	159,000	159,000	159,000	159,000	159,000	159,000												
Jun-95	0	105,500	208,000	262,800	303,205	325,705	325,705	325,705	346,330	369,205	369,205	369,205	369,205	369,205													
Jun-96	22,500	119,500	129,500	145,000	215,461	235,461	235,461	235,461	275,461	341,461	341,461	341,461	341,461														
Jun-97	0	49,500	162,500	174,882	194,882	224,882	224,882	224,882	224,882	224,882	224,882	224,882															
Jun-98	0	80,000	170,000	195,000	220,000	220,000	220,000	260,000	260,000	260,000	260,000																
Jun-99	0	6,250	16,250	108,250	173,250	173,250	173,250	173,250	173,250	173,250																	
Jun-00	0	95,000	231,850	243,850	288,100	308,100	338,100	338,100	338,100																		
Jun-01	27,500	30,000	92,500	166,501	213,501	213,501	223,502	273,502																			
Jun-02	48,000	66,250	130,750	243,250	318,250	423,250	443,250																				
Jun-03	0	52,500	82,500	127,500	127,500	162,500																					
Jun-04	0	7,000	7,000	29,000	116,500																						
Jun-05	0	15,000	53,600	98,600																							
Jun-06	0	30,000	50,000																								
Jun-07	0	40,000																									
Jun-08	0																										

Commonwealth of Massachusetts Workers Compensation
Massachusetts Colleges & Universities - Cluster 4
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.003	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Jun-83	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.016	0.000	0.000	0.000	0.000	0.000	0.020	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.054	0.019	0.000	0.000	0.020	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Jun-85	0.000	0.000	0.000	0.014	0.000	0.004	0.000	0.005	0.011	0.036	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.019	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Jun-87	0.000	0.000	0.000	0.000	0.000	0.011	0.000	0.008	0.012	0.000	0.000	0.000	0.000	0.018	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000					
Jun-88	0.000	0.000	0.005	0.000	0.009	0.007	0.020	0.010	0.004	0.007	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.004	0.000	0.000						
Jun-89	0.000	0.025	0.000	0.005	0.000	0.051	0.000	0.023	0.000	0.000	0.057	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000							
Jun-90	0.000	0.000	0.009	0.010	0.012	0.027	0.010	0.000	0.018	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000								
Jun-91	0.000	0.000	0.040	0.027	0.000	0.000	0.000	0.060	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.021	0.025	0.021									
Jun-92	0.000	0.000	0.009	0.053	0.000	0.000	0.000	0.007	0.000	0.012	0.006	0.000	0.000	0.000	0.000	0.000	0.045										
Jun-93	0.000	0.058	0.017	0.029	0.035	0.000	0.000	0.011	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000											
Jun-94	0.002	0.000	0.020	0.012	0.013	0.052	0.000	0.028	0.000	0.000	0.000	0.000	0.000	0.000	0.000												
Jun-95	0.000	0.098	0.095	0.051	0.037	0.021	0.000	0.000	0.019	0.021	0.000	0.000	0.000	0.000													
Jun-96	0.021	0.091	0.009	0.015	0.066	0.019	0.000	0.000	0.037	0.062	0.000	0.000	0.000														
Jun-97	0.000	0.054	0.123	0.014	0.022	0.033	0.000	0.000	0.000	0.000	0.000	0.000															
Jun-98	0.000	0.052	0.058	0.016	0.016	0.000	0.000	0.026	0.000	0.000	0.000																
Jun-99	0.000	0.005	0.009	0.079	0.056	0.000	0.000	0.000	0.000	0.000																	
Jun-00	0.000	0.086	0.124	0.011	0.040	0.018	0.027	0.000	0.000																		
Jun-01	0.018	0.002	0.041	0.049	0.031	0.000	0.007	0.033																			
Jun-02	0.023	0.009	0.030	0.053	0.035	0.049	0.009																				
Jun-03	0.000	0.039	0.022	0.033	0.000	0.026																					
Jun-04	0.000	0.004	0.000	0.014	0.056																						
Jun-05	0.000	0.011	0.029	0.033																							
Jun-06	0.000	0.016	0.011																								
Jun-07	0.000	0.025																									
Jun-08	0.000																										

Averages		*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
Simple Avg																											
All Yrs (ex P)	0.002	0.023	0.027	0.023	0.019	0.015	0.004	0.014	0.009	0.008	0.004	0.001	0.000	0.001	0.002	0.002	0.007	0.003	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Latest 5	0.000	0.019	0.018	0.036	0.033	0.019	0.009	0.012	0.007	0.017	0.000	0.000	0.000	0.000	0.000	0.004	0.014	0.005	0.001	0.000	0.000	0.000					
Latest 3	0.000	0.017	0.013	0.027	0.030	0.025	0.014	0.011	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.007	0.023	0.007	0.001	0.000	0.000	0.000	0.000				
Olympic Avg																											
All Yrs (ex P)	0.002	0.021	0.024	0.021	0.018	0.014	0.003	0.012	0.007	0.005	0.000	0.000	0.000	0.000	0.000	0.000	0.003	0.001	0.000	0.000	0.000	0.000	0.000	0.000			
Latest 10	0.002	0.020	0.040	0.028	0.037	0.021	0.002	0.009	0.002	0.004	0.001	0.000	0.000	0.000	0.000	0.000	0.003										
Latest 5	0.000	0.017	0.020	0.038	0.036	0.015	0.005	0.009	0.000	0.007	0.000	0.000	0.000	0.000	0.000	0.000	0.008	0.001	0.000	0.000	0.000	0.000					

Dev Factor Selection																											
Prior	*NA*	*0.023*	*0.024*	*0.032*	*0.031*	*0.017*	*0.011*	*0.009*	*0.009*	*0.008*	*0.004*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	
Selected	NA	0.023	0.018	0.036	0.037	0.021	0.014	0.011	0.009	0.008	0.004	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
FacToUlt	NA	0.181	0.158	0.140	0.104	0.067	0.046	0.032	0.021	0.012	0.004	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Commonwealth of Massachusetts Workers Compensation
Massachusetts Colleges & Universities - Cluster 4
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	2,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750
Jun-83	0	0	0	0	0	0	0	0	12,000	12,000	12,000	12,000	12,000	12,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	
Jun-84	0	0	0	0	0	0	0	46,500	62,500	62,500	62,500	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000		
Jun-85	0	0	0	19,976	19,976	24,976	24,976	32,476	47,476	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976	98,976			
Jun-86	0	0	0	0	0	0	1	1	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001				
Jun-87	0	0	0	0	0	27,500	27,500	47,500	77,500	77,500	77,500	77,500	77,500	121,500	121,500	121,500	121,500	121,500	121,500	121,500	121,500	121,500					
Jun-88	0	0	22,500	22,500	59,500	89,500	171,500	214,843	229,843	260,843	260,843	260,843	260,843	260,843	260,843	260,843	260,843	277,843	294,843	294,843	294,843						
Jun-89	0	33,000	33,000	39,800	39,800	107,300	107,300	137,300	137,300	137,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300	212,300							
Jun-90	0	0	25,211	55,211	90,212	166,712	196,712	196,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712	249,712								
Jun-91	0	0	48,000	80,500	80,500	80,500	80,500	153,500	153,500	153,500	153,500	153,500	153,500	153,500	153,500	178,500	208,500	233,500									
Jun-92	0	0	15,000	104,500	104,500	104,500	104,500	116,500	116,500	136,500	146,183	146,183	146,183	146,183	146,183	146,183	221,183										
Jun-93	0	62,500	80,500	112,000	149,000	149,000	149,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000	161,000											
Jun-94	3,000	3,000	28,000	43,000	59,000	124,000	124,000	159,000	159,000	159,000	159,000	159,000	159,000	159,000	159,000												
Jun-95	0	105,500	208,000	262,800	303,205	325,705	325,705	325,705	346,330	369,205	369,205	369,205	369,205	369,205													
Jun-96	22,500	119,500	129,500	145,000	215,461	235,461	235,461	235,461	275,461	341,461	341,461	341,461	341,461														
Jun-97	0	49,500	162,500	174,882	194,882	224,882	224,882	224,882	224,882	224,882	224,882	224,882															
Jun-98	0	80,000	170,000	195,000	220,000	220,000	220,000	260,000	260,000	260,000	260,000																
Jun-99	0	6,250	16,250	108,250	173,250	173,250	173,250	173,250	173,250	173,250																	
Jun-00	0	95,000	231,850	243,850	288,100	308,100	338,100	338,100	338,100																		
Jun-01	27,500	30,000	92,500	166,501	213,501	213,501	223,502	273,502																			
Jun-02	48,000	66,250	130,750	243,250	318,250	423,250	443,250																				
Jun-03	0	52,500	82,500	127,500	127,500	162,500																					
Jun-04	0	7,000	7,000	29,000	116,500																						
Jun-05	0	15,000	53,600	98,600																							
Jun-06	0	30,000	50,000																								
Jun-07	0	40,000																									
Jun-08	0																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs														5.727	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Jun-83									1.000	1.000	1.000	1.000	1.000	2.250	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84								1.344	1.000	1.000	1.280	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
Jun-85				1.000	1.250	1.000	1.300	1.462	2.085	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
Jun-86							1.000	35001.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
Jun-87						1.000	1.727	1.632	1.000	1.000	1.000	1.000	1.568	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
Jun-88			1.000	2.644	1.504	1.916	1.253	1.070	1.135	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.065	1.061	1.000	1.000							
Jun-89		1.000	1.206	1.000	2.696	1.000	1.280	1.000	1.000	1.546	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
Jun-90			2.190	1.634	1.848	1.180	1.000	1.269	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000									
Jun-91			1.677	1.000	1.000	1.000	1.907	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.163	1.168	1.120										
Jun-92			6.967	1.000	1.000	1.000	1.115	1.000	1.172	1.071	1.000	1.000	1.000	1.000	1.000	1.513											
Jun-93		1.288	1.391	1.330	1.000	1.000	1.081	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000												
Jun-94	1.000	9.333	1.536	1.372	2.102	1.000	1.282	1.000	1.000	1.000	1.000	1.000	1.000	1.000													
Jun-95		1.972	1.263	1.154	1.074	1.000	1.000	1.063	1.066	1.000	1.000	1.000	1.000														
Jun-96	5.311	1.084	1.120	1.486	1.093	1.000	1.000	1.170	1.240	1.000	1.000	1.000															
Jun-97		3.283	1.076	1.114	1.154	1.000	1.000	1.000	1.000	1.000	1.000																
Jun-98		2.125	1.147	1.128	1.000	1.000	1.182	1.000	1.000	1.000																	
Jun-99		2.600	6.662	1.600	1.000	1.000	1.000	1.000	1.000																		
Jun-00		2.441	1.052	1.181	1.069	1.097	1.000	1.000																			
Jun-01	1.091	3.083	1.800	1.282	1.000	1.047	1.224																				
Jun-02	1.380	1.974	1.860	1.308	1.330	1.047																					
Jun-03		1.571	1.545	1.000	1.275																						
Jun-04		1.000	4.143	4.017																							
Jun-05		3.573	1.840																								
Jun-06		1.667																									
Jun-07																											

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	2.196	2.533	2.193	1.458	1.317	1.076	1.197	#######	1.100	1.039	1.019	1.000	1.044	1.104	1.015	1.068	1.021	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5		1.957	2.238	1.758	1.135	1.038	1.081	1.034	1.061	1.000	1.000	1.000	1.000	1.000	1.033	1.136	1.037	1.037	1.000	1.000	1.000	1.000					
Latest 3		2.080	2.509	2.109	1.201	1.064	1.075	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.054	1.227	1.040	1.020	1.000	1.000	1.000	1.000	1.000	1.000			
Volume Wtd																											
All Yrs (ex P)	7.871	2.102	1.479	1.276	1.190	1.057	1.135	1.084	1.070	1.031	1.007	1.000	1.022	1.009	1.016	1.074	1.032	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Latest 5		1.897	1.815	1.313	1.143	1.045	1.076	1.032	1.069	1.000	1.000	1.000	1.000	1.000	1.027	1.100	1.040	1.019	1.000	1.000	1.000						
Latest 3		2.127	1.783	1.407	1.212	1.064	1.068	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.054	1.183	1.037	1.023	1.000	1.000	1.000	1.000	1.000				

Dev Factor Selection																											
Prior	2.594	2.240	2.080	1.275	1.060	1.029	1.034	1.034	1.040	1.020	1.007	1.003	1.003	1.002	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000		1.000
Selected	2.594	1.957	2.238	1.758	1.060	1.038	1.076	1.034	1.040	1.020	1.007	1.003	1.003	1.002	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
FacToUlt	26.490	10.212	5.218	2.332	1.327	1.251	1.205	1.120	1.083	1.041	1.021	1.014	1.011	1.008	1.006	1.004	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent of Ult	3.8%	9.8%	19.2%	42.9%	75.4%	79.9%	83.0%	89.3%	92.3%	96.0%	97.9%	98.6%	98.9%	99.2%	99.4%	99.6%	99.8%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	0.3%	0.0%	0.1%	0.1%	1.000	1.000
312	99.7%	0.0%	0.3%	0.0%	0.0%	0.981	0.971
300	99.7%	0.1%	0.3%	0.0%	0.0%	0.943	0.916
288	99.6%	0.1%	0.4%	0.0%	0.0%	0.924	0.890
276	99.5%	0.1%	0.5%	0.0%	0.0%	0.906	0.865
264	99.4%	0.2%	0.6%	0.1%	0.1%	0.889	0.841
252	99.2%	0.7%	0.8%	0.3%	0.2%	0.885	0.837
240	98.4%	0.8%	1.6%	0.4%	0.3%	0.913	0.876
228	97.7%	1.9%	2.3%	0.9%	0.6%	0.912	0.875
216	95.8%	1.4%	4.2%	0.7%	0.5%	0.924	0.891
204	94.4%	2.1%	5.6%	1.1%	0.8%	0.910	0.872
192	92.3%	0.9%	7.7%	0.5%	0.4%	0.904	0.863
180	91.4%	2.5%	8.6%	1.4%	1.1%	0.881	0.830
168	88.9%	2.1%	11.1%	1.2%	0.9%	0.877	0.826
156	86.8%	1.3%	13.2%	0.8%	0.6%	0.865	0.810
144	85.5%	1.8%	14.5%	1.2%	0.9%	0.845	0.782
132	83.7%	2.7%	16.3%	1.8%	1.5%	0.831	0.764
120	81.0%	4.2%	19.0%	2.9%	2.4%	0.825	0.756
108	76.8%	2.8%	23.2%	2.0%	1.7%	0.827	0.760
96	74.0%	2.8%	26.0%	2.1%	1.8%	0.815	0.745
84	71.2%	4.8%	28.8%	3.7%	3.3%	0.803	0.729
72	66.4%	4.4%	33.6%	3.6%	3.2%	0.802	0.728
60	61.9%	8.2%	38.1%	6.9%	6.3%	0.796	0.720
48	53.7%	7.9%	46.3%	6.9%	6.5%	0.803	0.731
36	45.8%	13.2%	54.2%	12.0%	11.4%	0.803	0.731
24	32.6%	16.0%	67.4%	15.1%	14.6%	0.813	0.745
12	16.6%	16.6%	83.4%	16.3%	16.1%	0.820	0.754
Total		100.0%					

NOTES:

(2) = 1 / Section 7, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	1,339,893	1,954,063		1,171,850	1,708,994
6/30/82-83	14,865	29,731	0.981	14,577	29,154
6/30/83-84	18,355	36,709	0.943	17,306	34,612
6/30/84-85	29,841	59,682	0.924	27,580	55,159
6/30/85-86	9,092	48,092	0.906	8,240	43,588
6/30/86-87	11,766	249,766	0.889	10,461	222,057
6/30/87-88	-37,557	375,133	0.885	-33,255	332,162
6/30/88-89	30,304	75,761	0.913	27,668	69,170
6/30/89-90	54,312	67,312	0.912	49,553	61,414
6/30/90-91	51,393	51,393	0.924	47,463	47,463
6/30/91-92	151,769	319,181	0.910	138,161	290,562
6/30/92-93	22,950	57,375	0.904	20,750	51,874
6/30/93-94	119,227	436,227	0.881	105,005	384,193
6/30/94-95	121,451	135,451	0.877	106,563	118,847
6/30/95-96	25,381	63,452	0.865	21,958	54,894
6/30/96-97	134,103	163,103	0.845	113,310	137,814
6/30/97-98	253,139	264,139	0.831	210,418	219,561
6/30/98-99	227,099	327,099	0.825	187,371	269,878
6/30/99-00	275,664	324,664	0.827	228,053	268,590
6/30/00-01	426,710	459,710	0.815	347,937	374,845
6/30/01-02	678,154	679,154	0.803	544,828	545,632
6/30/02-03	516,565	528,565	0.802	414,345	423,971
6/30/03-04	646,764	787,764	0.796	514,537	626,710
6/30/04-05	765,261	938,261	0.803	614,673	753,630
6/30/05-06	1,273,435	1,383,435	0.803	1,022,288	1,110,594
6/30/06-07	1,322,090	1,618,090	0.813	1,074,595	1,315,184
6/30/07-08	1,512,403	1,876,403	0.820	1,239,724	1,538,096
Total	9,994,427	13,309,712		8,245,959	11,088,648
			(7) Total Discount Factor:	0.825	0.833

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	1,339,893	1,954,063
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	191,413	279,152
(11) Discounted Value at 4%:	1,171,850	1,708,994

NOTES:
(2), (3) From Section 7, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 7, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	1,339,893	1,954,063		1,100,598	1,605,082
6/30/82-83	14,865	29,731	0.971	14,439	28,877
6/30/83-84	18,355	36,709	0.916	16,818	33,637
6/30/84-85	29,841	59,682	0.890	26,555	53,110
6/30/85-86	9,092	48,092	0.865	7,863	41,592
6/30/86-87	11,766	249,766	0.841	9,895	210,036
6/30/87-88	-37,557	375,133	0.837	-31,422	313,846
6/30/88-89	30,304	75,761	0.876	26,549	66,373
6/30/89-90	54,312	67,312	0.875	47,530	58,906
6/30/90-91	51,393	51,393	0.891	45,781	45,781
6/30/91-92	151,769	319,181	0.872	132,336	278,313
6/30/92-93	22,950	57,375	0.863	19,812	49,531
6/30/93-94	119,227	436,227	0.830	99,012	362,266
6/30/94-95	121,451	135,451	0.826	100,365	111,934
6/30/95-96	25,381	63,452	0.810	20,550	51,374
6/30/96-97	134,103	163,103	0.782	104,881	127,561
6/30/97-98	253,139	264,139	0.764	193,373	201,776
6/30/98-99	227,099	327,099	0.756	171,761	247,394
6/30/99-00	275,664	324,664	0.760	209,576	246,829
6/30/00-01	426,710	459,710	0.745	317,717	342,287
6/30/01-02	678,154	679,154	0.729	494,319	495,048
6/30/02-03	516,565	528,565	0.728	376,074	384,811
6/30/03-04	646,764	787,764	0.720	465,560	567,057
6/30/04-05	765,261	938,261	0.731	559,357	685,809
6/30/05-06	1,273,435	1,383,435	0.731	930,575	1,010,958
6/30/06-07	1,322,090	1,618,090	0.745	984,482	1,204,896
6/30/07-08	1,512,403	1,876,403	0.754	1,140,400	1,414,868
Total	9,994,427	13,309,712		7,584,757	10,239,952
			(7) Total Discount Factor:	0.759	0.769

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	1,339,893	1,954,063
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	191,413	279,152
(11) Discounted Value at 6%:	1,100,598	1,605,082

NOTES:
(2), (3) From Section 7, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 7, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior yrs	4,419,640	5,061,646	3,004,650	1,414,991	2,056,997				130,835	143,918	9.2%	7.0%
6/30/82-83	811,448	826,578	796,317	15,131	30,261	97.2%	0.5%	18.0%	2,730	5,460	18.0%	18.0%
6/30/83-84	963,997	982,491	945,504	18,493	36,987	97.1%	0.5%	17.5%	3,244	6,488	17.5%	17.5%
6/30/84-85	1,635,334	1,665,739	1,604,929	30,405	60,810	97.2%	0.5%	18.1%	5,502	11,004	18.1%	18.1%
6/30/85-86	2,263,000	2,301,000	2,253,255	9,745	47,745	98.7%	0.5%	39.7%	3,868	18,952	39.7%	39.7%
6/30/86-87	2,587,397	2,826,583	2,574,445	12,952	252,138	95.1%	0.5%	10.2%	1,323	25,747	10.2%	10.2%
6/30/87-88	4,339,210	4,751,900	4,375,719	-36,509	376,181	96.3%	1.0%	26.8%	-9,771	100,682	26.8%	26.8%
6/30/88-89	1,972,514	2,017,971	1,940,364	32,150	77,607	97.2%	1.0%	36.4%	11,689	28,216	36.4%	36.4%
6/30/89-90	3,652,000	3,665,000	3,593,598	58,402	71,402	98.2%	2.0%	112.7%	65,842	80,498	112.7%	112.7%
6/30/90-91	1,922,000	1,923,000	1,866,079	55,921	56,921	97.1%	2.0%	68.1%	38,109	38,791	68.1%	68.1%
6/30/91-92	2,235,710	2,404,122	2,074,126	161,583	329,996	89.4%	2.0%	18.9%	30,503	62,294	18.9%	18.9%
6/30/92-93	1,679,326	1,716,282	1,653,844	25,482	62,438	97.4%	2.0%	77.2%	19,683	48,229	77.2%	77.2%
6/30/93-94	1,633,000	1,951,000	1,501,758	131,242	449,242	83.8%	2.0%	12.3%	16,206	55,474	12.3%	12.3%
6/30/94-95	1,982,000	1,997,000	1,845,231	136,769	151,769	92.7%	3.0%	41.4%	56,582	62,788	41.4%	41.4%
6/30/95-96	1,902,428	1,942,499	1,850,889	51,539	91,610	96.3%	3.0%	80.6%	41,529	73,819	80.6%	80.6%
6/30/96-97	1,736,000	1,766,000	1,565,157	170,843	200,843	89.4%	3.0%	28.3%	48,290	56,770	28.3%	28.3%
6/30/97-98	2,259,000	2,272,000	1,970,527	288,473	301,473	87.0%	3.0%	23.0%	66,467	69,463	23.0%	23.0%
6/30/98-99	1,710,000	1,815,000	1,448,362	261,638	366,638	82.2%	3.0%	16.8%	44,038	61,712	16.8%	16.8%
6/30/99-00	2,001,000	2,057,000	1,663,189	337,811	393,811	82.0%	3.0%	16.6%	56,211	65,529	16.6%	16.6%
6/30/00-01	2,456,000	2,496,000	1,956,323	499,677	539,677	79.0%	4.0%	19.1%	95,228	102,852	19.1%	19.1%
6/30/01-02	3,229,000	3,237,000	2,477,910	751,090	759,090	76.6%	4.0%	17.1%	128,635	130,005	17.1%	17.1%
6/30/02-03	2,143,000	2,162,000	1,551,168	591,832	610,832	72.1%	4.6%	16.4%	97,043	100,159	16.4%	16.4%
6/30/03-04	2,524,000	2,692,000	1,757,791	766,209	934,209	67.4%	4.7%	14.3%	109,609	133,642	14.3%	14.3%
6/30/04-05	2,344,000	2,593,000	1,441,168	902,832	1,151,832	58.4%	9.0%	21.7%	195,624	249,577	21.7%	21.7%
6/30/05-06	3,025,000	3,213,000	1,510,410	1,514,590	1,702,590	48.4%	10.0%	19.3%	292,388	328,681	19.3%	19.3%
6/30/06-07	2,696,000	3,161,000	1,030,580	1,665,420	2,130,420	35.2%	13.2%	20.4%	340,099	435,058	20.4%	20.4%
6/30/07-08	2,831,000	3,202,000	521,300	2,309,700	2,680,700	17.3%	17.9%	21.7%	500,085	580,412	21.7%	21.7%
Total	62,953,005	66,698,813	50,774,592	12,178,413	15,924,221				2,391,593	3,076,220	19.6%	19.3%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		306,467			381,565	409,401	75,098	102,934		
6/30/82-83		53,045	53,045		53,310	53,575	265	530		
6/30/83-84		27,773	27,773		27,912	28,051	139	278		
6/30/84-85	249,035	112,891	112,891	112,891	113,455	114,020	564	1,129	0.046	0.046
6/30/85-86	267,811	384,347	384,347	384,347	385,000	384,000	653	-347	0.144	0.143
6/30/86-87	307,762	237,211	237,448	237,463	238,397	239,583	1,186	2,372	0.077	0.078
6/30/87-88	360,569	623,951	625,200	625,190	625,000	625,000	1,049	1,049	0.173	0.173
6/30/88-89	371,471	425,154	426,857	426,947	427,000	427,000	1,846	1,846	0.115	0.115
6/30/89-90	374,816	535,910	539,670	539,854	540,000	540,000	4,090	4,090	0.144	0.144
6/30/90-91	350,048	472,472	477,215	477,861	477,000	478,000	4,528	5,528	0.136	0.137
6/30/91-92	356,084	719,185	728,584	729,602	729,000	730,000	9,815	10,815	0.205	0.205
6/30/92-93	383,583	506,348	515,598	516,830	508,880	511,411	2,532	5,063	0.133	0.133
6/30/93-94	439,244	522,984	534,970	536,025	535,000	536,000	12,016	13,016	0.122	0.122
6/30/94-95	437,287	517,682	533,213	533,616	533,000	534,000	15,318	16,318	0.122	0.122
6/30/95-96	459,490	581,842	607,680	610,165	608,000	610,000	26,158	28,158	0.132	0.133
6/30/96-97	540,181	556,260	593,289	593,708	593,000	594,000	36,740	37,740	0.110	0.110
6/30/97-98	518,613	421,666	456,863	459,210	457,000	459,000	35,334	37,334	0.088	0.089
6/30/98-99	536,523	331,461	366,057	370,791	366,000	371,000	34,539	39,539	0.068	0.069
6/30/99-00	583,551	480,853	542,717	550,284	543,000	550,000	62,147	69,147	0.093	0.094
6/30/00-01	628,836	559,032	632,357	638,584	632,000	639,000	72,968	79,968	0.101	0.102
6/30/01-02	646,243	525,064	597,610	605,351	598,000	605,000	72,936	79,936	0.093	0.094
6/30/02-03	630,315	492,733	568,264	575,434	568,000	575,000	75,267	82,267	0.090	0.091
6/30/03-04	647,755	673,555	793,388	820,310	793,000	820,000	119,445	146,445	0.122	0.127
6/30/04-05	784,398	616,429	753,509	830,479	754,000	830,000	137,571	213,571	0.096	0.106
6/30/05-06	747,901	604,845	845,775	924,419	846,000	924,000	241,155	319,155	0.113	0.124
6/30/06-07	810,859	472,669	816,285	984,667	816,000	985,000	343,331	512,331	0.101	0.121
6/30/07-08	816,343	254,702	1,051,867	1,058,975	1,052,000	1,059,000	797,298	804,298	0.129	0.130
Total	12,248,722	12,016,533	13,822,473	14,143,002	14,200,519	14,631,042	2,183,987	2,614,509		
Tot 6/30/84-08	12,248,722	11,629,248	13,741,655	14,143,002	13,737,732	14,140,015	2,108,485	2,510,767	0.112	0.115

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 7, Exhibit 2, Page 2, Column 3
(4) From Section 7, Exhibit 2, Page 2, Column 8
(5) From Section 7, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		306,467							4	4	
6/30/82-83		53,045	1.000	1.000	53,045	N/A	53,045		0	0	
6/30/83-84		27,773	1.000	1.000	27,773	N/A	27,773		0	0	
6/30/84-85	249,035	112,891	1.000	1.000	112,891	N/A	112,891	0.045	0	0	
6/30/85-86	267,811	384,347	1.000	1.000	384,347	N/A	384,347	0.144	0	0	
6/30/86-87	307,762	237,211	1.001	1.000	237,448	N/A	237,448	0.077	0	0	
6/30/87-88	360,569	623,951	1.002	1.000	625,200	N/A	625,200	0.173	3	2	624
6/30/88-89	371,471	425,154	1.004	1.000	426,857	N/A	426,857	0.115	0	0	
6/30/89-90	374,816	535,910	1.007	1.000	539,670	N/A	539,670	0.144	4	2	1,880
6/30/90-91	350,048	472,472	1.010	1.000	477,215	N/A	477,215	0.136	0	0	
6/30/91-92	356,084	719,185	1.013	1.000	728,584	N/A	728,584	0.205	1	1	9,398
6/30/92-93	383,583	506,348	1.018	1.000	515,598	N/A	515,598	0.134	0	0	
6/30/93-94	439,244	522,984	1.023	1.000	534,970	N/A	534,970	0.122	2	2	5,993
6/30/94-95	437,287	517,682	1.030	1.000	533,213	N/A	533,213	0.122	2	2	7,765
6/30/95-96	459,490	581,842	1.044	1.000	607,680	N/A	607,680	0.132	2	1	25,837
6/30/96-97	540,181	556,260	1.067	1.000	593,289	N/A	593,289	0.110	3	3	12,343
6/30/97-98	518,613	421,666	1.083	1.000	456,863	N/A	456,863	0.088	3	3	11,732
6/30/98-99	536,523	331,461	1.104	1.000	366,057	N/A	366,057	0.068	4	2	17,298
6/30/99-00	583,551	480,853	1.129	1.000	542,717	N/A	542,717	0.093	2	3	20,621
6/30/00-01	628,836	559,032	1.131	1.000	632,357	N/A	632,357	0.101	10	5	14,665
6/30/01-02	646,243	525,064	1.138	1.000	597,610	N/A	597,610	0.092	11	7	10,364
6/30/02-03	630,315	492,733	1.153	1.000	568,264	N/A	568,264	0.090	7	6	12,589
6/30/03-04	647,755	673,555	1.178	1.000	793,388	N/A	793,388	0.122	22	16	7,490
6/30/04-05	784,398	616,429	1.222	1.000	753,509	N/A	753,509	0.096	47	20	6,854
6/30/05-06	747,901	604,845	1.398	1.000	845,775	N/A	845,775	0.113	169	48	5,019
6/30/06-07	810,859	472,669	1.727	1.000	816,285	N/A	816,285	0.101	229	146	2,354
6/30/07-08	816,343	254,702	4.130	1.000	1,051,867	N/A	1,051,867	0.129		250	3,189
Total	12,248,722	12,016,533			13,822,473		13,822,473		525	523	

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 7, Exhibit 2, Page 7
(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.
(6) = (3) x (4) x (5)
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	249,035	0.049	112,891	1.000	112,891	N/A	112,891	0.045	0.045
6/30/85-86	267,811	0.135	384,347	1.000	384,347	N/A	384,347	0.144	0.144
6/30/86-87	307,762	0.082	237,211	1.001	237,463	N/A	237,463	0.077	0.077
6/30/87-88	360,569	0.172	623,951	1.002	625,190	N/A	625,190	0.173	0.173
6/30/88-89	371,471	0.121	425,154	1.004	426,947	N/A	426,947	0.115	0.115
6/30/89-90	374,816	0.151	535,910	1.007	539,854	N/A	539,854	0.144	0.144
6/30/90-91	350,048	0.155	472,472	1.010	477,861	N/A	477,861	0.137	0.137
6/30/91-92	356,084	0.227	719,185	1.013	729,602	N/A	729,602	0.205	0.205
6/30/92-93	383,583	0.152	506,348	1.018	516,830	N/A	516,830	0.135	0.135
6/30/93-94	439,244	0.133	522,984	1.023	536,025	N/A	536,025	0.122	0.122
6/30/94-95	437,287	0.125	517,682	1.030	533,616	N/A	533,616	0.122	0.122
6/30/95-96	459,490	0.145	581,842	1.044	610,165	N/A	610,165	0.133	0.133
6/30/96-97	540,181	0.111	556,260	1.067	593,708	N/A	593,708	0.110	0.110
6/30/97-98	518,613	0.094	421,666	1.083	459,210	N/A	459,210	0.089	0.089
6/30/98-99	536,523	0.078	331,461	1.104	370,791	N/A	370,791	0.069	0.069
6/30/99-00	583,551	0.104	480,853	1.129	550,284	N/A	550,284	0.094	0.094
6/30/00-01	628,836	0.109	559,032	1.131	638,584	N/A	638,584	0.102	0.102
6/30/01-02	646,243	0.102	525,064	1.138	605,351	N/A	605,351	0.094	0.094
6/30/02-03	630,315	0.099	492,733	1.153	575,434	N/A	575,434	0.091	0.091
6/30/03-04	647,755	0.150	673,555	1.178	820,310	N/A	820,310	0.127	0.127
6/30/04-05	784,398	0.150	616,429	1.222	830,479	N/A	830,479	0.106	0.106
6/30/05-06	747,901	0.150	604,845	1.398	924,419	N/A	924,419	0.124	0.124
6/30/06-07	810,859	0.150	472,669	1.727	984,667	N/A	984,667	0.121	0.121
6/30/07-08	816,343	0.130	254,702	4.130	1,058,975	N/A	1,058,975	0.130	0.130
Total	12,248,722		11,629,248		14,143,002		14,143,002		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 7, Exhibit 2, Page 4, Column 10
(4) From Section 7, Exhibit 2, Page 2, Column 3
(5) From Section 7, Exhibit 2, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.049	0.049
6/30/85-86								0.135	0.135
6/30/86-87								0.082	0.082
6/30/87-88								0.172	0.172
6/30/88-89								0.121	0.121
6/30/89-90								0.151	0.151
6/30/90-91	350,048	477,215	0.136	1.157	0.158	1.196	0.189	0.152	0.155
6/30/91-92	356,084	728,584	0.205	1.152	0.236	1.184	0.279	0.218	0.227
6/30/92-93	383,583	515,598	0.134	1.152	0.155	1.173	0.182	0.150	0.152
6/30/93-94	439,244	534,970	0.122	1.142	0.139	1.161	0.161	0.126	0.133
6/30/94-95	437,287	533,213	0.122	1.134	0.138	1.149	0.159	0.112	0.125
6/30/95-96	459,490	607,680	0.132	1.120	0.148	1.138	0.169	0.142	0.145
6/30/96-97	540,181	593,289	0.110	1.101	0.121	1.127	0.136	0.101	0.111
6/30/97-98	518,613	456,863	0.088	1.100	0.097	1.116	0.108	0.091	0.094
6/30/98-99	536,523	366,057	0.068	1.100	0.075	1.105	0.083	0.080	0.078
6/30/99-00	583,551	542,717	0.093	1.100	0.102	1.094	0.112	0.106	0.104
6/30/00-01	628,836	632,357	0.101	1.075	0.108	1.083	0.117	0.110	0.109
6/30/01-02	646,243	597,610	0.092	1.067	0.099	1.072	0.106	0.106	0.102
6/30/02-03	630,315	568,264	0.090	1.040	0.094	1.062	0.100	0.104	0.099
6/30/03-04	647,755	793,388	0.122	1.014	0.124	1.051	0.131	0.150	0.150
6/30/04-05	784,398	753,509	0.096	1.003	0.096	1.041	0.100	0.150	0.150
6/30/05-06	747,901	845,775	0.113	1.000	0.113	1.030	0.117	0.150	0.150
6/30/06-07	810,859	816,285	0.101	1.000	0.101	1.020	0.103	0.150	0.150
6/30/07-08	816,343	1,051,867	0.129	1.000	0.129	1.010	0.130		0.130
Total	10,317,258	11,415,241							

Trend Last 4 (ex 07-08):	-4.6%	Avg 3 (x07-08):	0.107
Trend Last 8 (ex 07-08):	0.4%	Avg 5 (x07-08):	0.110
Trend Last 12 (ex 07-08):	-0.9%	Avg 10 (x07-08):	0.108
Prior Selected Trend:	2.0%	Prior Sel Avg:	0.150
Selected Trend:	1.0%	Sel. Loss Cost:	0.130

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 7, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		1.000	
(2)	Credibility		24%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.917	
		(Low)		(High)
(5)	Selected Range	0.908		0.926
(6)	Incremental Paid for 2008	8,213		8,213
(7)	Estimated Reserve	80,835		102,934
(8)	Paid to Date (82 & Prior)	306,467		306,467
(9)	Est Ult Paid for 1982 & Prior	387,302		409,401

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	9,909	9,795
(11)	Projected Number of Years	7	7
(12)	Estimated Reserve	69,361	68,567
(13)	Paid to Date (82 & Prior)	306,467	298,254
(14)	Est Ult Paid for 1982 & Prior	375,828	366,821
(14a)	Paid Counts During Fiscal Year	4	4

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	381,565	409,401
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**381,565**	**409,401**
(18)	Implied Tail	1.245	1.336
(19)	Ult Loss Inc Lump Sums @6/07	382,060	424,444

NOTES:

(1) From Section 7, Exhibit 2, Page 6
(2) = (Average of Section 7, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 7, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 7, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	31,197	10.348			
1993	2	17,697	9.781	0.567		
1994	3	8,752	9.077	0.495		
1995	4	6,932	8.844	0.792		
1996	5	3,727	8.223	0.538		
1997	6	2,222	7.706	0.596		
1998	7	9,087	9.115	4.090		
1999	8	5,853	8.675	0.644		
2000	9	12,069	9.398	2.062	n =	17
2001	10	7,279	8.893	0.603	S(x) =	34,000
2002	11	8,308	9.025	1.141	S(x-sq) =	68,000,408
2003	12	8,142	9.005	0.980	S(xy) =	309,030
2004	13	19,519	9.879	2.397	S(y) =	155
2005	14	7,873	8.971	0.403	D =	6,936
2006	15	11,471	9.348	1.457	slope =	-0.004
2007	16	10,042	9.215	0.875	Avg Trend =	0.996
2008	17	8,213	9.014	0.818		
					Selected Trend:	**1.000**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.818 = 9.014 / 9.215

Commonwealth of Massachusetts Workers Compensatio
Massachusetts Colleges & Universities - Cluster
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	5,425	13,479	21,113	27,654	30,220	32,596	38,756	40,003	49,390	49,452	49,902	49,902	49,902	52,680	52,680	52,680	52,680	53,045	53,045	53,045	53,045	53,045	53,045	53,045	53,045	53,045
June-84	3,642	9,520	14,025	17,952	20,550	23,119	24,788	27,281	27,458	27,458	27,458	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	27,773	
June-85	13,476	35,975	51,552	65,364	72,959	79,579	86,331	95,092	106,398	110,557	111,969	111,969	112,255	112,573	112,891	112,891	112,891	112,891	112,891	112,891	112,891	112,891	112,891	112,891		
June-86	33,919	90,663	130,143	159,111	250,739	286,799	294,926	297,883	299,398	302,212	307,822	320,541	325,361	342,239	344,332	347,860	364,047	376,849	380,765	383,694	384,347	384,347	384,347			
June-87	33,322	88,558	133,068	167,433	202,414	217,655	221,836	226,928	230,316	231,634	233,141	233,163	235,329	236,440	236,440	236,440	236,440	237,211	237,211	237,211	237,211	237,211				
June-88	59,518	204,414	290,147	350,533	381,836	423,661	513,908	554,667	558,927	578,241	580,791	582,947	585,666	587,383	588,760	590,429	611,904	620,480	621,465	623,581	623,951					
June-89	62,198	211,475	294,554	322,576	356,178	387,366	391,897	394,643	397,103	398,291	400,332	413,505	414,824	415,958	415,958	424,869	425,154	425,154	425,154	425,154						
June-90	50,219	295,860	408,825	438,277	465,544	487,856	501,254	508,956	511,410	519,157	521,054	521,523	523,073	526,415	531,243	532,370	532,613	534,177	535,910							
June-91	73,392	311,241	360,552	400,955	419,114	437,552	445,905	451,717	456,911	463,872	466,034	467,206	468,330	470,247	472,258	472,472	472,472	472,472								
June-92	221,188	477,478	560,364	598,339	631,891	641,232	646,926	650,216	653,117	658,289	666,600	671,991	681,366	690,612	701,403	710,623	719,185									
June-93	150,073	407,193	449,884	478,264	489,794	496,554	498,030	498,889	501,701	503,184	504,152	505,509	506,348	506,348	506,348	506,348										
June-94	156,060	302,215	335,354	369,121	403,159	421,734	441,218	452,877	461,708	470,189	479,925	489,958	504,404	513,367	522,984											
June-95	109,792	244,835	298,417	304,966	313,919	317,775	323,966	336,940	345,737	404,548	417,872	419,186	507,915	517,682												
June-96	187,362	423,531	463,708	493,442	512,072	523,060	559,979	563,249	572,255	575,372	578,197	581,714	581,842													
June-97	169,255	306,866	359,926	403,511	440,040	450,988	458,674	483,346	503,475	519,848	535,734	556,260														
June-98	130,372	302,957	339,295	363,480	383,927	388,726	391,919	417,459	417,733	418,585	421,666															
June-99	97,937	205,527	246,679	296,667	310,533	318,692	324,215	326,063	327,858	331,461																
June-00	149,711	324,594	408,387	446,980	464,695	474,595	478,979	480,612	480,853																	
June-01	146,796	329,001	398,588	483,338	524,021	540,381	553,789	559,032																		
June-02	113,531	244,127	383,389	485,433	511,686	522,029	525,064																			
June-03	68,006	374,633	451,946	472,102	486,597	492,733																				
June-04	226,665	540,314	610,680	654,910	673,555																					
June-05	267,264	502,730	569,792	616,429																						
June-06	266,086	533,067	604,845																							
June-07	237,774	472,669																								
June-08	254,702																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.485	1.566	1.310	1.093	1.079	1.189	1.032	1.235	1.001	1.009	1.000	1.000	1.056	1.000	1.000	1.000	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
June-84	2.614	1.473	1.280	1.145	1.125	1.072	1.101	1.006	1.000	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
June-85	2.670	1.433	1.268	1.116	1.091	1.085	1.101	1.119	1.039	1.013	1.000	1.003	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
June-86	2.673	1.435	1.223	1.576	1.144	1.028	1.010	1.005	1.009	1.019	1.041	1.015	1.052	1.006	1.010	1.047	1.035	1.010	1.008	1.002	1.000	1.000			
June-87	2.658	1.503	1.258	1.209	1.075	1.019	1.023	1.015	1.006	1.007	1.000	1.009	1.005	1.000	1.000	1.000	1.003	1.000	1.000	1.000	1.000				
June-88	3.434	1.419	1.208	1.089	1.110	1.213	1.079	1.008	1.035	1.004	1.004	1.005	1.003	1.002	1.003	1.036	1.014	1.002	1.003	1.001					
June-89	3.400	1.393	1.095	1.104	1.088	1.012	1.007	1.006	1.003	1.005	1.033	1.003	1.003	1.000	1.021	1.001	1.000	1.000	1.000						
June-90	5.891	1.382	1.072	1.062	1.048	1.027	1.015	1.005	1.015	1.004	1.001	1.003	1.006	1.009	1.002	1.000	1.003	1.003							
June-91	4.241	1.158	1.112	1.045	1.044	1.019	1.013	1.011	1.015	1.005	1.003	1.002	1.004	1.004	1.000	1.000	1.000								
June-92	2.159	1.174	1.068	1.056	1.015	1.009	1.005	1.004	1.008	1.013	1.008	1.014	1.014	1.016	1.013	1.012									
June-93	2.713	1.105	1.063	1.024	1.014	1.003	1.002	1.006	1.003	1.002	1.003	1.002	1.000	1.000	1.000										
June-94	1.937	1.110	1.101	1.092	1.046	1.046	1.026	1.019	1.018	1.021	1.021	1.029	1.018	1.019											
June-95	2.230	1.219	1.022	1.029	1.012	1.019	1.040	1.026	1.170	1.033	1.003	1.212	1.019												
June-96	2.260	1.095	1.064	1.038	1.021	1.071	1.006	1.016	1.005	1.005	1.006	1.000													
June-97	1.813	1.173	1.121	1.091	1.025	1.017	1.054	1.042	1.033	1.031	1.038														
June-98	2.324	1.120	1.071	1.056	1.012	1.008	1.065	1.001	1.002	1.007															
June-99	2.099	1.200	1.203	1.047	1.026	1.017	1.006	1.006	1.011																
June-00	2.168	1.258	1.095	1.040	1.021	1.009	1.003	1.001																	
June-01	2.241	1.212	1.213	1.084	1.031	1.025	1.009																		
June-02	2.150	1.570	1.266	1.054	1.020	1.006																			
June-03	5.509	1.206	1.045	1.031	1.013																				
June-04	2.384	1.130	1.072	1.028																					
June-05	1.881	1.133	1.082																						
June-06	2.003	1.135																							
June-07	1.988																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.717	1.275	1.144	1.096	1.050	1.045	1.032	1.029	1.022	1.011	1.011	1.021	1.014	1.005	1.005	1.010	1.007	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	
Latest 5	2.753	1.235	1.136	1.047	1.022	1.013	1.028	1.013	1.044	1.019	1.014	1.051	1.011	1.010	1.007	1.010	1.004	1.003	1.002	1.000	1.000					
Latest 3	1.957	1.133	1.066	1.038	1.021	1.013	1.006	1.002	1.015	1.014	1.016	1.080	1.012	1.011	1.005	1.004	1.001	1.002	1.001	1.001	1.000	1.000	1.000			
Volume Wtd																										
All Yrs	2.391	1.207	1.110	1.070	1.038	1.034	1.023	1.014	1.022	1.012	1.012	1.024	1.012	1.007	1.006	1.013	1.008	1.003	1.003	1.001	1.000	1.000	1.000	1.000		
Latest 5	2.274	1.194	1.123	1.046	1.022	1.013	1.027	1.014	1.038	1.019	1.015	1.043	1.011	1.010	1.007	1.011	1.005	1.003	1.003	1.001	1.000					
Latest 3	1.956	1.133	1.068	1.037	1.022	1.014	1.006	1.002	1.017	1.014	1.017	1.069	1.012	1.012	1.006	1.005	1.001	1.002	1.002	1.001	1.000	1.000				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	2.426	1.250	1.147	1.056	1.024	1.017	1.025	1.016	1.023	1.018	1.010	1.023	1.014	1.004	1.005	1.004	1.003	1.003	1.003	1.002	1.001	1.001	1.000	1.000		1.000
Selected	2.391	1.235	1.144	1.038	1.021	1.013	1.006	1.002	1.022	1.019	1.016	1.021	1.014	1.007	1.005	1.005	1.003	1.003	1.003	1.002	1.001	1.001	1.000	1.000	1.000	1.000
FacToUlt	4.130	1.727	1.398	1.222	1.178	1.153	1.138	1.131	1.129	1.104	1.083	1.067	1.044	1.030	1.023	1.018	1.013	1.010	1.007	1.004	1.002	1.001	1.000	1.000	1.000	1.000
Percent of Ult	24.2%	57.9%	71.5%	81.8%	84.9%	86.7%	87.9%	88.4%	88.6%	90.5%	92.3%	93.8%	95.7%	97.1%	97.8%	98.2%	98.7%	99.0%	99.3%	99.6%	99.8%	99.9%	100.0%	100.0%	100.0%	

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	382,060	424,444	381,565	409,401	(495)	-0.1%	(15,043)	-3.5%
6/30/82-83	53,310	53,575	53,310	53,575	0	0.0%	0	0.0%
6/30/83-84	27,912	28,051	27,912	28,051	0	0.0%	0	0.0%
6/30/84-85	113,455	114,020	113,455	114,020	0	0.0%	0	0.0%
6/30/85-86	385,000	385,000	385,000	384,000	0	0.0%	(1,000)	-0.3%
6/30/86-87	238,397	239,583	238,397	239,583	0	0.0%	0	0.0%
6/30/87-88	626,000	626,000	625,000	625,000	(1,000)	-0.2%	(1,000)	-0.2%
6/30/88-89	428,000	428,000	427,000	427,000	(1,000)	-0.2%	(1,000)	-0.2%
6/30/89-90	540,000	540,000	540,000	540,000	0	0.0%	0	0.0%
6/30/90-91	479,000	479,000	477,000	478,000	(2,000)	-0.4%	(1,000)	-0.2%
6/30/91-92	723,000	724,000	729,000	730,000	6,000	0.8%	6,000	0.8%
6/30/92-93	508,880	511,411	508,880	511,411	0	0.0%	0	0.0%
6/30/93-94	527,000	527,000	535,000	536,000	8,000	1.5%	9,000	1.7%
6/30/94-95	527,000	528,000	533,000	534,000	6,000	1.1%	6,000	1.1%
6/30/95-96	619,000	621,000	608,000	610,000	(11,000)	-1.8%	(11,000)	-1.8%
6/30/96-97	574,000	576,000	593,000	594,000	19,000	3.3%	18,000	3.1%
6/30/97-98	458,000	459,000	457,000	459,000	(1,000)	-0.2%	0	0.0%
6/30/98-99	367,000	373,000	366,000	371,000	(1,000)	-0.3%	(2,000)	-0.5%
6/30/99-00	546,000	555,000	543,000	550,000	(3,000)	-0.5%	(5,000)	-0.9%
6/30/00-01	645,000	652,000	632,000	639,000	(13,000)	-2.0%	(13,000)	-2.0%
6/30/01-02	618,000	629,000	598,000	605,000	(20,000)	-3.2%	(24,000)	-3.8%
6/30/02-03	590,000	601,000	568,000	575,000	(22,000)	-3.7%	(26,000)	-4.3%
6/30/03-04	839,000	868,000	793,000	820,000	(46,000)	-5.5%	(48,000)	-5.5%
6/30/04-05	837,000	946,000	754,000	830,000	(83,000)	-9.9%	(116,000)	-12.3%
6/30/05-06	980,000	1,044,000	846,000	924,000	(134,000)	-13.7%	(120,000)	-11.5%
6/30/06-07	1,060,000	1,181,000	816,000	985,000	(244,000)	-23.0%	(196,000)	-16.6%
6/30/07-08								
Total	13,692,014	14,113,084	13,148,519	13,572,042	(543,495)	-4.0%	(541,043)	-3.8%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 7, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

Massachusetts Colleges & Universities - Cluster 4
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
312	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
300	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
288	100.0%	0.0%	0.0%	0.0%	0.0%	1.000	1.000
276	100.0%	0.1%	0.0%	0.0%	0.0%	1.000	1.000
264	99.9%	0.1%	0.1%	0.0%	0.0%	0.981	0.971
252	99.8%	0.2%	0.2%	0.1%	0.1%	0.962	0.944
240	99.6%	0.3%	0.4%	0.1%	0.1%	0.953	0.931
228	99.3%	0.3%	0.7%	0.1%	0.1%	0.944	0.918
216	99.0%	0.3%	1.0%	0.1%	0.1%	0.929	0.897
204	98.7%	0.5%	1.3%	0.3%	0.2%	0.913	0.875
192	98.2%	0.4%	1.8%	0.2%	0.2%	0.907	0.867
180	97.8%	0.7%	2.2%	0.4%	0.3%	0.894	0.848
168	97.1%	1.3%	2.9%	0.8%	0.6%	0.887	0.840
156	95.7%	2.0%	4.3%	1.2%	1.0%	0.893	0.849
144	93.8%	1.5%	6.2%	0.9%	0.7%	0.898	0.855
132	92.3%	1.7%	7.7%	1.2%	0.9%	0.885	0.838
120	90.5%	1.9%	9.5%	1.3%	1.1%	0.875	0.824
108	88.6%	0.2%	11.4%	0.1%	0.1%	0.865	0.810
96	88.4%	0.5%	11.6%	0.4%	0.4%	0.835	0.768
84	87.9%	1.2%	12.1%	0.9%	0.8%	0.810	0.736
72	86.7%	1.8%	13.3%	1.5%	1.3%	0.797	0.718
60	84.9%	3.1%	15.1%	2.6%	2.4%	0.792	0.713
48	81.8%	10.3%	18.2%	9.0%	8.4%	0.799	0.723
36	71.5%	13.6%	28.5%	12.3%	11.8%	0.845	0.787
24	57.9%	33.7%	42.1%	31.8%	30.9%	0.867	0.816
12	24.2%	24.2%	75.8%	23.7%	23.5%	0.899	0.859
Total		100.0%					

NOTES:

(2) = 1 / Section 7, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
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Massachusetts Colleges & Universities - Cluster 4
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	75,098	102,934		65,679	90,025
6/30/82-83	265	530	1.000	265	530
6/30/83-84	139	278	1.000	139	278
6/30/84-85	564	1,129	1.000	564	1,129
6/30/85-86	653	-347	1.000	653	-347
6/30/86-87	1,186	2,372	0.981	1,163	2,326
6/30/87-88	1,049	1,049	0.962	1,008	1,008
6/30/88-89	1,846	1,846	0.953	1,759	1,759
6/30/89-90	4,090	4,090	0.944	3,860	3,860
6/30/90-91	4,528	5,528	0.929	4,207	5,137
6/30/91-92	9,815	10,815	0.913	8,965	9,879
6/30/92-93	2,532	5,063	0.907	2,296	4,593
6/30/93-94	12,016	13,016	0.894	10,739	11,633
6/30/94-95	15,318	16,318	0.887	13,593	14,480
6/30/95-96	26,158	28,158	0.893	23,368	25,154
6/30/96-97	36,740	37,740	0.898	32,984	33,881
6/30/97-98	35,334	37,334	0.885	31,288	33,059
6/30/98-99	34,539	39,539	0.875	30,233	34,609
6/30/99-00	62,147	69,147	0.865	53,781	59,839
6/30/00-01	72,968	79,968	0.835	60,900	66,742
6/30/01-02	72,936	79,936	0.810	59,115	64,788
6/30/02-03	75,267	82,267	0.797	59,971	65,548
6/30/03-04	119,445	146,445	0.792	94,584	115,964
6/30/04-05	137,571	213,571	0.799	109,866	170,560
6/30/05-06	241,155	319,155	0.845	203,716	269,607
6/30/06-07	343,331	512,331	0.867	297,557	444,025
6/30/07-08	797,298	804,298	0.899	716,609	722,901
Total	2,183,987	2,614,509		1,888,862	2,252,968
			(7) Total Discount Factor:	0.865	0.862

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	75,098	102,934
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	10,728	14,705
(11) Discounted Value at 4%:	65,679	90,025

NOTES:
(2), (3) From Section 7, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 7, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
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Massachusetts Colleges & Universities - Cluster 4
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	75,098	102,934		61,686	84,551
6/30/82-83	265	530	1.000	265	530
6/30/83-84	139	278	1.000	139	278
6/30/84-85	564	1,129	1.000	564	1,129
6/30/85-86	653	-347	1.000	653	-347
6/30/86-87	1,186	2,372	0.971	1,152	2,304
6/30/87-88	1,049	1,049	0.944	990	990
6/30/88-89	1,846	1,846	0.931	1,718	1,718
6/30/89-90	4,090	4,090	0.918	3,755	3,755
6/30/90-91	4,528	5,528	0.897	4,064	4,961
6/30/91-92	9,815	10,815	0.875	8,590	9,466
6/30/92-93	2,532	5,063	0.867	2,194	4,388
6/30/93-94	12,016	13,016	0.848	10,192	11,040
6/30/94-95	15,318	16,318	0.840	12,862	13,702
6/30/95-96	26,158	28,158	0.849	22,196	23,894
6/30/96-97	36,740	37,740	0.855	31,412	32,267
6/30/97-98	35,334	37,334	0.838	29,604	31,280
6/30/98-99	34,539	39,539	0.824	28,455	32,575
6/30/99-00	62,147	69,147	0.810	50,363	56,035
6/30/00-01	72,968	79,968	0.768	56,040	61,416
6/30/01-02	72,936	79,936	0.736	53,652	58,801
6/30/02-03	75,267	82,267	0.718	54,042	59,068
6/30/03-04	119,445	146,445	0.713	85,120	104,361
6/30/04-05	137,571	213,571	0.723	99,471	154,422
6/30/05-06	241,155	319,155	0.787	189,696	251,052
6/30/06-07	343,331	512,331	0.816	280,222	418,157
6/30/07-08	797,298	804,298	0.859	685,257	691,273
Total	2,183,987	2,614,509		1,774,353	2,113,064
			(7) Total Discount Factor:	0.812	0.808

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	75,098	102,934
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	10,728	14,705
(11) Discounted Value at 6%:	61,686	84,551

NOTES:
(2), (3) From Section 7, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 7, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Pd Loss Including Lump Sum	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		39,693,706			47,621,831	53,342,343	7,928,124	13,648,637		
6/30/82-83		5,031,540	5,972,686		5,823,369	6,271,320	791,829	1,239,780		
6/30/83-84		7,718,266	9,266,597		9,034,932	9,729,927	1,316,666	2,011,661		
6/30/84-85	714,731	15,695,536	19,271,525	17,505,588	17,506,000	19,272,000	1,810,464	3,576,464	2.449	2.696
6/30/85-86	768,615	18,099,802	22,228,153	20,553,564	20,554,000	22,228,000	2,454,198	4,128,198	2.674	2.892
6/30/86-87	883,277	18,381,721	22,577,000	21,264,382	21,264,000	22,577,000	2,882,279	4,195,279	2.407	2.556
6/30/87-88	1,346,746	25,320,103	30,663,784	30,280,916	30,281,000	32,197,000	4,960,897	6,876,897	2.248	2.391
6/30/88-89	1,465,984	22,875,387	28,114,724	27,194,543	27,195,000	28,115,000	4,319,613	5,239,613	1.855	1.918
6/30/89-90	1,473,293	21,830,185	27,463,485	27,020,031	27,020,000	27,463,000	5,189,815	5,632,815	1.834	1.864
6/30/90-91	1,383,691	19,067,077	24,500,187	24,023,654	24,024,000	24,500,000	4,956,923	5,432,923	1.736	1.771
6/30/91-92	1,341,919	11,021,945	14,559,764	14,558,720	14,559,000	15,288,000	3,537,055	4,266,055	1.085	1.139
6/30/92-93	1,324,022	8,231,706	12,181,432	11,933,828	11,934,000	12,181,000	3,702,294	3,949,294	0.901	0.920
6/30/93-94	1,400,303	9,343,054	13,029,068	13,587,375	13,029,000	13,587,000	3,685,946	4,243,946	0.930	0.970
6/30/94-95	1,472,926	8,382,418	11,896,104	12,410,372	11,896,000	12,410,000	3,513,582	4,027,582	0.808	0.843
6/30/95-96	1,556,911	8,395,506	12,370,415	12,773,146	12,370,000	13,412,000	3,974,494	5,016,494	0.795	0.861
6/30/96-97	1,953,175	9,183,469	13,795,273	14,423,004	13,795,000	14,423,000	4,611,532	5,239,532	0.706	0.738
6/30/97-98	1,890,544	7,790,340	11,930,634	12,636,975	11,931,000	12,637,000	4,140,660	4,846,660	0.631	0.668
6/30/98-99	2,053,169	8,061,107	12,739,418	13,483,141	12,739,000	13,483,000	4,677,893	5,421,893	0.620	0.657
6/30/99-00	2,177,952	9,269,837	15,392,022	16,137,950	15,392,000	16,138,000	6,122,163	6,868,163	0.707	0.741
6/30/00-01	2,170,750	8,462,350	14,518,486	15,226,001	14,518,000	15,226,000	6,055,650	6,763,650	0.669	0.701
6/30/01-02	2,261,335	8,900,436	16,060,495	16,690,996	16,060,000	16,691,000	7,159,564	7,790,564	0.710	0.738
6/30/02-03	2,228,246	8,809,290	16,830,589	17,419,403	16,831,000	17,942,000	8,021,710	9,132,710	0.755	0.805
6/30/03-04	2,222,588	7,326,841	15,031,351	16,509,291	15,031,000	16,509,000	7,704,159	9,182,159	0.676	0.743
6/30/04-05	2,274,629	7,435,692	16,526,881	17,814,921	16,527,000	18,349,000	9,091,308	10,913,308	0.727	0.807
6/30/05-06	2,445,102	5,439,937	15,277,608	16,448,566	15,278,000	16,449,000	9,838,063	11,009,063	0.625	0.673
6/30/06-07	2,575,811	3,896,971	14,965,241	17,123,434	14,965,000	17,123,000	11,068,029	13,226,029	0.581	0.665
6/30/07-08	2,669,773	2,020,827	17,627,915	18,750,043	16,747,000	19,688,000	14,726,173	17,667,173	0.627	0.737
Total	42,055,492	325,685,049	434,790,838	425,769,848	473,926,132	507,231,590	148,241,083	181,546,541		
Tot 6/30/84-08	42,055,492	273,241,536	419,551,555	425,769,848	411,446,000	437,888,000	138,204,464	164,646,464	0.978	1.041

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3) Sum of Section 8, Exhibit 1, Page 2, Column 3 and Section 8, Exhibit 1, Page 9, Column 8

(4) From Section 8, Exhibit 1, Page 2, Column 8

(5) From Section 8, Exhibit 1, Page 3, Column 8

(6), (7) Selected based on (3), (4), and (5)

(8) = (6) - (3)

(9) = (7) - (3)

(10) = (6) / (2) / 10

(11) = (7) / (2) / 10

Commonwealth of Massachusetts
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Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Accident Year	Payroll (000's)	Paid Loss Excluding Lump Sum	Paid LDF	Adjstmnt for Benefit Escl'n/ Add'l Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim	Average Age
All Prior Yrs		38,048,492							28	24		76
6/30/82-83		4,987,790	1.110	1.071	5,928,257	44,429	5,972,686		4	4	235,117	78
6/30/83-84		7,234,716	1.132	1.071	8,774,299	492,299	9,266,597		4	2	769,791	61
6/30/84-85	714,731	14,949,032	1.155	1.072	18,500,331	771,194	19,271,525	2.696	6	6	591,883	76
6/30/85-86	768,615	17,081,069	1.178	1.052	21,164,533	1,063,620	22,228,153	2.892	9	9	453,718	72
6/30/86-87	883,277	16,861,857	1.202	1.036	20,986,288	1,590,712	22,577,000	2.556	9	6	687,405	71
6/30/87-88	1,346,746	23,248,699	1.225	1.000	28,480,464	2,183,319	30,663,784	2.277	13	12	435,980	69
6/30/88-89	1,465,984	20,011,654	1.253	1.000	25,078,347	3,036,377	28,114,724	1.918	15	12	422,224	71
6/30/89-90	1,473,293	19,129,560	1.282	1.000	24,527,041	2,936,444	27,463,485	1.864	12	9	599,720	64
6/30/90-91	1,383,691	16,689,475	1.312	1.000	21,898,443	2,601,744	24,500,187	1.771	14	12	434,081	69
6/30/91-92	1,341,919	9,715,209	1.342	1.000	13,037,447	1,522,318	14,559,764	1.085	12	12	276,853	69
6/30/92-93	1,324,022	7,177,333	1.381	1.100	10,902,555	1,278,877	12,181,432	0.920	8	7	532,175	67
6/30/93-94	1,400,303	8,036,532	1.422	1.000	11,431,493	1,597,575	13,029,068	0.930	9	8	424,370	63
6/30/94-95	1,472,926	6,862,701	1.467	1.000	10,066,622	1,829,482	11,896,104	0.808	6	8	400,490	65
6/30/95-96	1,556,911	7,184,823	1.511	1.000	10,855,480	1,514,934	12,370,415	0.795	10	8	458,832	69
6/30/96-97	1,953,175	7,354,650	1.568	1.000	11,531,729	2,263,544	13,795,273	0.706	8	5	835,416	63
6/30/97-98	1,890,544	5,803,895	1.626	1.000	9,436,875	2,493,759	11,930,634	0.631	6	6	605,497	55
6/30/98-99	2,053,169	6,093,043	1.674	1.000	10,202,488	2,536,930	12,739,418	0.620	8	9	456,605	53
6/30/99-00	2,177,952	7,476,289	1.732	1.000	12,945,911	2,446,111	15,392,022	0.707	17	15	364,641	53
6/30/00-01	2,170,750	7,002,422	1.789	1.000	12,526,861	1,991,625	14,518,486	0.669	22	11	502,222	54
6/30/01-02	2,261,335	7,305,019	1.879	1.000	13,727,667	2,332,828	16,060,495	0.710	22	14	458,761	52
6/30/02-03	2,228,246	7,231,292	1.981	1.000	14,321,915	2,508,674	16,830,589	0.755	25	22	322,301	50
6/30/03-04	2,222,588	6,081,077	2.093	1.000	12,728,069	2,303,282	15,031,351	0.676	54	26	255,654	53
6/30/04-05	2,274,629	6,002,168	2.269	1.000	13,619,427	2,907,455	16,526,881	0.727	84	52	146,486	53
6/30/05-06	2,445,102	4,910,437	2.600	1.000	12,767,876	2,509,733	15,277,608	0.625	183	68	115,551	50
6/30/06-07	2,575,811	3,632,388	3.415	1.000	12,402,832	2,562,409	14,965,241	0.581	442	188	46,651	49
6/30/07-08	2,669,773	2,020,827	7.283	1.000	14,717,915	2,910,000	17,627,915	0.660		453	28,029	46
Total	42,055,492	288,132,449			382,561,163	52,229,676	434,790,838		1,030	1,008		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3), (4) From Section 8, Exhibit 1, Page 7
(5) Based on information from the MA WCRIB
(6) = (3) x (4) x (5)
(7) From Section 8, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10), (11) Provided by Commonwealth of Massachusetts
(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss Excluding Lump Sum	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	714,731	1.863	14,949,032	1.155	16,734,394	771,194	17,505,588	2.449	2.341
6/30/85-86	768,615	2.072	17,081,069	1.178	19,489,944	1,063,620	20,553,564	2.674	2.536
6/30/86-87	883,277	1.895	16,861,857	1.202	19,673,670	1,590,712	21,264,382	2.407	2.227
6/30/87-88	1,346,746	1.960	23,248,699	1.225	28,097,596	2,183,319	30,280,916	2.248	2.086
6/30/88-89	1,465,984	1.400	20,011,654	1.253	24,158,165	3,036,377	27,194,543	1.855	1.648
6/30/89-90	1,473,293	1.528	19,129,560	1.282	24,083,586	2,936,444	27,020,031	1.834	1.635
6/30/90-91	1,383,691	1.438	16,689,475	1.312	21,421,910	2,601,744	24,023,654	1.736	1.548
6/30/91-92	1,341,919	0.971	9,715,209	1.342	13,036,402	1,522,318	14,558,720	1.085	0.971
6/30/92-93	1,324,022	0.952	7,177,333	1.381	10,654,952	1,278,877	11,933,828	0.901	0.805
6/30/93-94	1,400,303	0.951	8,036,532	1.422	11,989,800	1,597,575	13,587,375	0.970	0.856
6/30/94-95	1,472,926	0.793	6,862,701	1.467	10,580,890	1,829,482	12,410,372	0.843	0.718
6/30/95-96	1,556,911	0.774	7,184,823	1.511	11,258,212	1,514,934	12,773,146	0.820	0.723
6/30/96-97	1,953,175	0.679	7,354,650	1.568	12,159,460	2,263,544	14,423,004	0.738	0.623
6/30/97-98	1,890,544	0.596	5,803,895	1.626	10,143,217	2,493,759	12,636,975	0.668	0.537
6/30/98-99	2,053,169	0.587	6,093,043	1.674	10,946,210	2,536,930	13,483,141	0.657	0.533
6/30/99-00	2,177,952	0.675	7,476,289	1.732	13,691,839	2,446,111	16,137,950	0.741	0.629
6/30/00-01	2,170,750	0.651	7,002,422	1.789	13,234,376	1,991,625	15,226,001	0.701	0.610
6/30/01-02	2,261,335	0.667	7,305,019	1.879	14,358,169	2,332,828	16,690,996	0.738	0.635
6/30/02-03	2,228,246	0.696	7,231,292	1.981	14,910,729	2,508,674	17,419,403	0.782	0.669
6/30/03-04	2,222,588	0.700	6,081,077	2.093	14,206,009	2,303,282	16,509,291	0.743	0.639
6/30/04-05	2,274,629	0.700	6,002,168	2.269	14,907,466	2,907,455	17,814,921	0.783	0.655
6/30/05-06	2,445,102	0.600	4,910,437	2.600	13,938,834	2,509,733	16,448,566	0.673	0.570
6/30/06-07	2,575,811	0.600	3,632,388	3.415	14,561,026	2,562,409	17,123,434	0.665	0.565
6/30/07-08	2,669,773	0.600	2,020,827	7.283	15,840,043	2,910,000	18,750,043	0.702	0.593
Total	42,055,492		237,861,451		374,076,900	51,692,948	425,769,848		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 8, Exhibit 1, Page 4, Column 10
(4) From Section 8, Exhibit 1, Page 2, Column 3
(5) From Section 8, Exhibit 1, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) From Section 8, Exhibit 1, Page 9, Column 13
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Exp Ult Loss Excluding Lump Sum	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								1.863	1.863
6/30/85-86								2.072	2.072
6/30/86-87								1.895	1.895
6/30/87-88								1.960	1.960
6/30/88-89								1.400	1.400
6/30/89-90								1.528	1.528
6/30/90-91	1,383,691	21,898,443	1.583	0.925	1.464	1.196	1.752	1.411	1.438
6/30/91-92	1,341,919	13,037,447	0.972	1.015	0.986	1.184	1.168	0.956	0.971
6/30/92-93	1,324,022	10,902,555	0.823	1.184	0.975	1.173	1.143	0.930	0.952
6/30/93-94	1,400,303	11,431,493	0.816	1.169	0.954	1.161	1.108	0.947	0.951
6/30/94-95	1,472,926	10,066,622	0.683	1.158	0.791	1.149	0.910	0.795	0.793
6/30/95-96	1,556,911	10,855,480	0.697	1.149	0.801	1.138	0.911	0.747	0.774
6/30/96-97	1,953,175	11,531,729	0.590	1.137	0.671	1.127	0.757	0.687	0.679
6/30/97-98	1,890,544	9,436,875	0.499	1.123	0.560	1.116	0.625	0.632	0.596
6/30/98-99	2,053,169	10,202,488	0.497	1.108	0.550	1.105	0.608	0.623	0.587
6/30/99-00	2,177,952	12,945,911	0.594	1.090	0.648	1.094	0.709	0.703	0.675
6/30/00-01	2,170,750	12,526,861	0.577	1.062	0.613	1.083	0.664	0.689	0.651
6/30/01-02	2,261,335	13,727,667	0.607	1.042	0.632	1.072	0.678	0.701	0.667
6/30/02-03	2,228,246	14,321,915	0.643	1.038	0.667	1.062	0.708	0.725	0.696
6/30/03-04	2,222,588	12,728,069	0.573	1.038	0.594	1.051	0.625	0.700	0.700
6/30/04-05	2,274,629	13,619,427	0.599	1.031	0.618	1.041	0.643	0.700	0.700
6/30/05-06	2,445,102	12,767,876	0.522	1.021	0.533	1.030	0.549	0.700	0.600
6/30/06-07	2,575,811	12,402,832	0.482	1.010	0.486	1.020	0.496	0.700	0.600
6/30/07-08	2,669,773	14,717,915	0.551	1.000	0.551	1.010	0.557		0.600
Total	35,402,847	229,121,604							

Trend Last 4 (ex 07-08):	-7.2%	Avg 3 (x07-08):	0.563
Trend Last 8 (ex 07-08):	-3.4%	Avg 5 (x07-08):	0.604
Trend Last 12 (ex 07-08):	-2.2%	Avg 10 (x07-08):	0.630
Prior Selected Trend:	2.0%	Prior Sel Avg:	0.700
Selected Trend:	1.0%	Sel. Loss Cost:	0.600

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 8, Exhibit 1, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Aon analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.950	
(2)	Credibility		65%	
(3)	Average Pmt Trend Statewide		0.960	
(4)	Credibility Weighted Trend		0.953	
		(Low)		(High)
(5)	Selected Range	0.949		0.973
(6)	Incremental Paid for 2008	757,677		757,677
(7)	Estimated Reserve	14,019,885		27,304,430
(8)	Paid to Date (82 & Prior)	38,048,492		38,048,492
(9)	Est Ult Paid for 1982 & Prior	52,068,377		65,352,922

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	837,805	881,907
(11)	Projected Number of Years	7	7
(12)	Estimated Reserve	5,864,633	6,173,352
(13)	Paid to Date (82 & Prior)	38,048,492	37,290,815
(14)	Est Ult Paid for 1982 & Prior	43,913,125	43,464,168
(14a)	Paid Counts During Fiscal Year	24	28

		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	45,951,938	51,672,451
(16)	Lump Sum Ultimates	1,669,892	1,669,892
(17)	Ult Loss Including Lump Sums	**47,621,831**	**53,342,343**
(18)	Implied Tail	1.208	1.358
(19)	Ult Loss Inc Lump Sums @6/07	47,672,527	53,416,872

NOTES:

(1) From Section 8, Exhibit 1, Page 6
(2) = (Average of Section 8, Exhibit 1, Page 6, Column 3 / 3,000,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 8, Exhibit 1, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 8, Exhibit 1, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) From Section 8, Exhibit 1, Page 9, Column 13
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	1,836,769	14.424			
1993	2	1,798,132	14.402	0.979		
1994	3	1,805,622	14.406	1.004		
1995	4	1,547,567	14.252	0.857		
1996	5	1,421,249	14.167	0.918		
1997	6	1,347,840	14.114	0.948		
1998	7	1,296,821	14.075	0.962		
1999	8	1,188,256	13.988	0.916		
2000	9	1,366,125	14.127	1.150	n =	17
2001	10	1,385,608	14.142	1.014	S(x) =	34,000
2002	11	1,127,515	13.936	0.814	S(x-sq) =	68,000,408
2003	12	1,046,115	13.861	0.928	S(xy) =	476,626
2004	13	1,007,259	13.823	0.963	S(y) =	238
2005	14	889,985	13.699	0.884	D =	6,936
2006	15	854,725	13.659	0.960	slope =	-0.053
2007	16	901,012	13.711	1.054	Avg Trend =	0.947
2008	17	757,677	13.538	0.841		
					Selected Trend:	**0.950**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 0.841 = 13.538 / 13.711

Commonwealth of Massachusetts Workers Compensatio
All Other - Clusters 5-17 & 95
INDEMNITY
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	231,024	575,253	850,794	1,079,038	1,313,630	1,547,045	1,752,282	2,008,011	2,253,139	2,495,680	2,697,289	2,900,500	3,128,719	3,307,827	3,431,589	3,539,243	3,710,205	3,863,378	3,993,953	4,130,963	4,277,923	4,408,084	4,548,681	4,684,745	4,831,991	4,987,790
June-84	474,232	1,177,837	1,738,838	2,206,285	2,688,699	3,194,391	3,593,923	3,979,171	4,253,324	4,483,497	4,692,563	4,887,962	5,105,946	5,268,212	5,510,171	5,713,715	5,953,029	6,114,581	6,330,589	6,551,091	6,749,135	6,911,821	7,056,179	7,158,846	7,234,716	
June-85	977,090	2,372,578	3,464,586	4,349,747	5,275,439	6,134,761	6,920,369	7,655,499	8,408,427	8,983,219	9,607,477	10,145,930	10,640,204	11,178,862	11,641,664	12,100,236	12,599,733	13,016,766	13,426,358	13,778,892	14,131,892	14,427,029	14,710,082	14,949,032		
June-86	1,346,949	3,307,907	4,829,702	6,090,487	7,340,375	8,352,083	9,113,471	9,830,455	10,384,747	11,054,823	11,652,485	12,298,057	12,995,823	13,464,328	13,904,681	14,437,279	14,899,857	15,315,399	15,687,156	16,043,093	16,396,498	16,749,018	17,081,069			
June-87	1,601,233	3,880,011	5,503,885	7,082,566	8,405,662	9,270,533	9,956,299	10,556,456	11,085,673	11,623,420	12,106,294	12,632,595	13,327,657	13,820,597	14,335,672	14,795,690	15,267,959	15,661,703	15,953,801	16,321,920	16,607,046	16,861,857				
June-88	2,137,513	5,007,777	7,745,041	10,041,912	12,075,717	13,478,064	14,314,633	15,200,521	15,990,897	16,687,795	17,326,343	17,991,163	18,710,472	19,340,236	19,962,128	20,594,429	21,200,720	21,738,131	22,267,656	22,756,365	23,248,699					
June-89	1,712,857	5,080,303	7,663,780	9,679,037	11,203,387	12,173,513	13,105,806	13,862,567	14,433,962	15,035,025	15,605,979	16,156,892	16,752,699	17,314,807	17,864,824	18,333,675	18,761,144	19,180,530	19,588,446	20,011,654						
June-90	2,296,897	5,721,042	8,298,538	10,219,139	11,305,744	12,281,818	13,134,163	13,878,235	14,556,408	15,345,419	15,898,180	16,435,568	16,919,598	17,383,167	17,777,202	18,153,288	18,514,019	18,829,999	19,129,560							
June-91	1,963,238	4,739,981	6,742,583	8,047,589	9,308,882	10,318,373	10,933,284	11,411,152	12,022,048	12,546,665	13,141,453	13,738,283	14,329,913	14,888,135	15,354,127	15,837,750	16,311,134	16,689,475								
June-92	1,567,027	3,199,073	4,248,177	5,126,895	5,548,304	5,823,625	6,278,092	6,617,495	6,955,659	7,247,236	7,617,889	7,987,140	8,298,781	8,572,496	8,940,354	9,365,337	9,715,209									
June-93	1,093,248	2,645,187	3,492,766	4,149,352	4,610,531	4,966,351	5,148,147	5,423,620	5,783,566	6,064,338	6,275,882	6,484,665	6,664,357	6,833,263	7,010,090	7,177,333										
June-94	1,108,341	2,442,329	3,499,107	4,117,213	4,786,813	5,345,023	5,784,388	6,350,297	6,596,878	6,855,808	7,108,040	7,401,172	7,629,538	7,841,336	8,036,532											
June-95	1,320,706	2,682,119	3,617,627	4,377,145	4,799,858	5,146,590	5,470,951	5,690,639	5,928,230	6,125,266	6,322,277	6,510,106	6,695,050	6,862,701												
June-96	1,108,821	2,267,039	3,245,140	3,817,977	4,427,598	4,928,644	5,324,160	5,709,230	6,066,925	6,359,154	6,633,555	6,919,769	7,184,823													
June-97	1,085,126	2,350,834	3,458,998	4,440,774	5,289,243	5,991,102	6,443,225	6,730,818	6,877,491	7,036,406	7,147,793	7,354,650														
June-98	760,353	2,208,225	3,319,672	3,933,784	4,535,498	4,913,580	5,187,189	5,377,292	5,538,593	5,683,480	5,803,895															
June-99	1,160,394	2,519,810	3,441,432	4,263,196	4,763,871	5,080,496	5,423,838	5,694,351	5,858,839	6,093,043																
June-00	1,478,087	3,369,760	4,601,283	5,433,894	6,170,827	6,679,071	7,051,320	7,313,676	7,476,289																	
June-01	1,609,875	3,605,278	4,700,879	5,525,999	6,126,399	6,527,511	6,768,096	7,002,422																		
June-02	1,821,131	4,134,238	5,441,659	6,321,376	6,748,539	7,056,349	7,305,019																			
June-03	2,185,619	4,646,586	6,055,662	6,651,765	7,013,996	7,231,292																				
June-04	1,753,076	3,756,461	4,930,176	5,714,500	6,081,077																					
June-05	1,819,778	3,933,297	5,289,170	6,002,168																						
June-06	1,788,326	3,829,026	4,910,437																							
June-07	1,734,963	3,632,388																								
June-08	2,020,827																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.490	1.479	1.268	1.217	1.178	1.133	1.146	1.122	1.108	1.081	1.075	1.079	1.057	1.037	1.031	1.048	1.041	1.034	1.034	1.036	1.030	1.032	1.030	1.031	1.032
June-84	2.484	1.476	1.269	1.219	1.188	1.125	1.107	1.069	1.054	1.047	1.042	1.045	1.032	1.046	1.037	1.042	1.027	1.035	1.035	1.030	1.024	1.021	1.015	1.011	
June-85	2.428	1.460	1.255	1.213	1.163	1.128	1.106	1.098	1.068	1.069	1.056	1.049	1.051	1.041	1.039	1.041	1.033	1.031	1.026	1.026	1.021	1.020	1.016		
June-86	2.456	1.460	1.261	1.205	1.138	1.091	1.079	1.056	1.065	1.054	1.055	1.057	1.036	1.033	1.038	1.032	1.028	1.024	1.023	1.022	1.021	1.020			
June-87	2.423	1.419	1.287	1.187	1.103	1.074	1.060	1.050	1.049	1.042	1.043	1.055	1.037	1.037	1.032	1.032	1.026	1.019	1.023	1.017	1.015				
June-88	2.343	1.547	1.297	1.203	1.116	1.062	1.062	1.052	1.044	1.038	1.038	1.040	1.034	1.032	1.032	1.029	1.025	1.024	1.022	1.022					
June-89	2.966	1.509	1.263	1.157	1.087	1.077	1.058	1.041	1.042	1.038	1.035	1.037	1.034	1.032	1.026	1.023	1.022	1.021	1.022						
June-90	2.491	1.451	1.231	1.106	1.086	1.069	1.057	1.049	1.054	1.036	1.034	1.029	1.027	1.023	1.021	1.020	1.017	1.016							
June-91	2.414	1.422	1.194	1.157	1.108	1.060	1.044	1.054	1.044	1.047	1.045	1.043	1.039	1.031	1.031	1.030	1.023								
June-92	2.041	1.328	1.207	1.082	1.050	1.078	1.054	1.051	1.042	1.051	1.048	1.039	1.033	1.043	1.048	1.037									
June-93	2.420	1.320	1.188	1.111	1.077	1.037	1.054	1.066	1.049	1.035	1.033	1.028	1.025	1.026	1.024										
June-94	2.204	1.433	1.177	1.163	1.117	1.082	1.098	1.039	1.039	1.037	1.041	1.031	1.028	1.025											
June-95	2.031	1.349	1.210	1.097	1.072	1.063	1.040	1.042	1.033	1.032	1.030	1.028	1.025												
June-96	2.045	1.431	1.177	1.160	1.113	1.080	1.072	1.063	1.048	1.043	1.043	1.038													
June-97	2.166	1.471	1.284	1.191	1.133	1.075	1.045	1.022	1.023	1.016	1.029														
June-98	2.904	1.503	1.185	1.153	1.083	1.056	1.037	1.030	1.026	1.021															
June-99	2.172	1.366	1.239	1.117	1.066	1.068	1.050	1.029	1.040																
June-00	2.280	1.365	1.181	1.136	1.082	1.056	1.037	1.022																	
June-01	2.239	1.304	1.176	1.109	1.065	1.037	1.035																		
June-02	2.270	1.316	1.162	1.068	1.046	1.035																			
June-03	2.126	1.303	1.098	1.054	1.031																				
June-04	2.143	1.312	1.159	1.064																					
June-05	2.161	1.345	1.135																						
June-06	2.141	1.282																							
June-07	2.094																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.317	1.402	1.213	1.144	1.100	1.074	1.065	1.053	1.049	1.043	1.043	1.043	1.035	1.034	1.033	1.034	1.027	1.026	1.026	1.025	1.022	1.023	1.020	1.021	1.032	
Latest 5	2.133	1.312	1.146	1.086	1.058	1.050	1.041	1.033	1.034	1.030	1.035	1.033	1.030	1.030	1.030	1.028	1.023	1.021	1.023	1.023	1.022					
Latest 3	2.132	1.313	1.131	1.062	1.047	1.043	1.041	1.027	1.030	1.027	1.034	1.033	1.026	1.031	1.034	1.029	1.021	1.021	1.022	1.020	1.019	1.020	1.020			
Volume Wtd																										
All Yrs	2.299	1.398	1.212	1.140	1.095	1.070	1.061	1.050	1.047	1.042	1.042	1.041	1.035	1.033	1.032	1.031	1.025	1.023	1.024	1.023	1.021	1.021	1.018	1.019		
Latest 5	2.133	1.312	1.144	1.084	1.057	1.049	1.040	1.032	1.034	1.030	1.035	1.033	1.032	1.029	1.029	1.027	1.023	1.021	1.023	1.022	1.021					
Latest 3	2.133	1.313	1.129	1.062	1.047	1.043	1.040	1.027	1.029	1.027	1.034	1.033	1.026	1.032	1.034	1.027	1.021	1.021	1.022	1.021	1.019	1.020				

Dev Factor Selection																										
Industry 1	2.732	1.544	1.206	1.101	1.052	1.023	1.018																			
Industry 2		1.806	1.309	1.145	1.069	1.033	1.019	1.015	1.011	1.004	1.011	1.005	1.004	1.003	1.003	1.002	1.004	1.003	1.002	1.003						
Prior	*2.168*	*1.320*	*1.155*	*1.097*	*1.069*	*1.058*	*1.058*	*1.037*	*1.034*	*1.033*	*1.042*	*1.034*	*1.030*	*1.033*	*1.032*	*1.027*	*1.024*	*1.024*	*1.026*	*1.024*	*1.022*	*1.024*	*1.022*	*1.020*	*1.120*	
Selected	2.133	1.313	1.146	1.084	1.057	1.054	1.050	1.033	1.034	1.030	1.037	1.038	1.030	1.031	1.030	1.029	1.023	1.023	1.023	1.023	1.019	1.020	1.020	1.020	1.020	1.110
FacToUlt	7.283	3.415	2.600	2.269	2.093	1.981	1.879	1.789	1.732	1.674	1.626	1.568	1.511	1.467	1.422	1.381	1.342	1.312	1.282	1.253	1.225	1.202	1.178	1.155	1.132	1.110
Percent of Ult	13.7%	29.3%	38.5%	44.1%	47.8%	50.5%	53.2%	55.9%	57.8%	59.7%	61.5%	63.8%	66.2%	68.2%	70.3%	72.4%	74.5%	76.2%	78.0%	79.8%	81.6%	83.2%	84.9%	86.6%	88.3%	90.1%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	47,672,527	53,416,872	47,621,831	53,342,343	(50,696)	-0.1%	(74,530)	-0.1%
6/30/82-83	5,699,201	6,137,601	5,823,369	6,271,320	124,168	2.2%	133,719	2.2%
6/30/83-84	9,035,743	9,730,801	9,034,932	9,729,927	(811)	0.0%	(873)	0.0%
6/30/84-85	17,405,000	19,211,000	17,506,000	19,272,000	101,000	0.6%	61,000	0.3%
6/30/85-86	20,375,000	22,106,000	20,554,000	22,228,000	179,000	0.9%	122,000	0.6%
6/30/86-87	21,255,000	22,630,000	21,264,000	22,577,000	9,000	0.0%	(53,000)	-0.2%
6/30/87-88	30,167,000	32,113,000	30,281,000	32,197,000	114,000	0.4%	84,000	0.3%
6/30/88-89	27,083,000	28,103,000	27,195,000	28,115,000	112,000	0.4%	12,000	0.0%
6/30/89-90	27,178,000	27,713,000	27,020,000	27,463,000	(158,000)	-0.6%	(250,000)	-0.9%
6/30/90-91	23,753,000	24,374,000	24,024,000	24,500,000	271,000	1.1%	126,000	0.5%
6/30/91-92	14,351,000	15,100,000	14,559,000	15,288,000	208,000	1.4%	188,000	1.2%
6/30/92-93	11,957,000	12,265,000	11,934,000	12,181,000	(23,000)	-0.2%	(84,000)	-0.7%
6/30/93-94	13,119,000	13,670,000	13,029,000	13,587,000	(90,000)	-0.7%	(83,000)	-0.6%
6/30/94-95	11,901,000	12,429,000	11,896,000	12,410,000	(5,000)	0.0%	(19,000)	-0.2%
6/30/95-96	12,378,000	13,289,000	12,370,000	13,412,000	(8,000)	-0.1%	123,000	0.9%
6/30/96-97	14,008,000	14,680,000	13,795,000	14,423,000	(213,000)	-1.5%	(257,000)	-1.8%
6/30/97-98	12,135,000	13,096,000	11,931,000	12,637,000	(204,000)	-1.7%	(459,000)	-3.5%
6/30/98-99	12,598,000	13,696,000	12,739,000	13,483,000	141,000	1.1%	(213,000)	-1.6%
6/30/99-00	15,676,000	16,605,000	15,392,000	16,138,000	(284,000)	-1.8%	(467,000)	-2.8%
6/30/00-01	14,821,000	15,777,000	14,518,000	15,226,000	(303,000)	-2.0%	(551,000)	-3.5%
6/30/01-02	16,685,000	17,475,000	16,060,000	16,691,000	(625,000)	-3.7%	(784,000)	-4.5%
6/30/02-03	17,740,000	19,179,000	16,831,000	17,942,000	(909,000)	-5.1%	(1,237,000)	-6.4%
6/30/03-04	15,847,000	17,000,000	15,031,000	16,509,000	(816,000)	-5.1%	(491,000)	-2.9%
6/30/04-05	16,896,000	18,688,000	16,527,000	18,349,000	(369,000)	-2.2%	(339,000)	-1.8%
6/30/05-06	16,235,000	18,591,000	15,278,000	16,449,000	(957,000)	-5.9%	(2,142,000)	-11.5%
6/30/06-07	16,318,000	20,168,000	14,965,000	17,123,000	(1,353,000)	-8.3%	(3,045,000)	-15.1%
6/30/07-08								
Total	462,288,471	497,243,274	457,179,132	487,543,590	(5,109,339)	-1.1%	(9,699,684)	-2.0%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 8, Exhibit 1, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Calculation of Ultimate Lump Sum Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Loss Excluding Lump Sum	Implied Cumulative LDF	Ult Loss Excluding Lump Sum	Selected Incr Lump Sum % Outstdg	Cumulative Lump Sum % Outstdg	Total Lump Sum Outstdg	Paid Lump Sum to Date	Est Ult Lump Sum - Incr Method	Ultimate Lump Sum Percentage	Lump Sum LDF	Est Ult Lump Sum - Paid Method	Selected Est Ultimate Lump Sums	Prior Est Ultimate Lump Sums
All Prior Yrs	38,048,492	1.283	48,812,195	0.0%	0.0%	0	1,645,214	1,645,214	3.4%	1.030	1,694,570	1,669,892	1,590,595
6/30/82-83	4,987,790	1.189	5,928,257	0.0%	0.0%	0	43,750	43,750	0.7%	1.031	45,108	44,429	44,519
6/30/83-84	7,234,716	1.213	8,774,299	0.0%	0.0%	0	483,550	483,550	5.5%	1.036	501,047	492,299	497,685
6/30/84-85	14,949,032	1.238	18,500,331	0.1%	0.1%	18,500	746,504	765,004	4.1%	1.041	777,384	771,194	781,926
6/30/85-86	17,081,069	1.239	21,164,533	0.1%	0.2%	42,329	1,018,733	1,061,062	5.0%	1.047	1,066,178	1,063,620	1,016,466
6/30/86-87	16,861,857	1.245	20,986,288	0.1%	0.3%	62,959	1,519,864	1,582,823	7.5%	1.052	1,598,602	1,590,712	1,601,449
6/30/87-88	23,248,699	1.225	28,480,464	0.1%	0.4%	105,626	2,071,404	2,177,030	7.6%	1.057	2,189,608	2,183,319	2,110,169
6/30/88-89	20,011,654	1.253	25,078,347	0.1%	0.5%	118,087	2,863,733	2,981,820	11.9%	1.079	3,090,934	3,036,377	2,961,364
6/30/89-90	19,129,560	1.282	24,527,041	0.3%	0.8%	183,954	2,700,625	2,884,579	11.8%	1.107	2,988,310	2,936,444	2,964,871
6/30/90-91	16,689,475	1.312	21,898,443	0.1%	0.8%	178,793	2,377,602	2,556,395	11.7%	1.113	2,647,094	2,601,744	2,428,564
6/30/91-92	9,715,209	1.342	13,037,447	0.7%	1.5%	199,741	1,306,736	1,506,477	11.6%	1.177	1,538,159	1,522,318	1,441,858
6/30/92-93	7,177,333	1.519	10,902,555	0.5%	2.0%	218,883	1,054,373	1,273,256	11.7%	1.218	1,284,497	1,278,877	1,274,770
6/30/93-94	8,036,532	1.422	11,431,493	0.3%	2.3%	262,224	1,306,522	1,568,746	13.7%	1.245	1,626,403	1,597,575	1,570,004
6/30/94-95	6,862,701	1.467	10,066,622	0.1%	2.3%	236,286	1,519,717	1,756,003	17.4%	1.252	1,902,961	1,829,482	1,739,329
6/30/95-96	7,184,823	1.511	10,855,480	0.2%	2.5%	275,112	1,210,683	1,485,795	13.7%	1.275	1,544,074	1,514,934	1,520,071
6/30/96-97	7,354,650	1.568	11,531,729	0.2%	2.7%	314,106	1,828,819	2,142,925	18.6%	1.304	2,384,163	2,263,544	2,324,356
6/30/97-98	5,803,895	1.626	9,436,875	0.3%	3.1%	288,695	1,986,445	2,275,140	24.1%	1.365	2,712,377	2,493,759	2,542,886
6/30/98-99	6,093,043	1.674	10,202,488	0.3%	3.4%	347,382	1,968,064	2,315,446	22.7%	1.402	2,758,415	2,536,930	2,373,956
6/30/99-00	7,476,289	1.732	12,945,911	0.4%	3.8%	495,178	1,793,548	2,288,727	17.7%	1.452	2,603,496	2,446,111	2,440,192
6/30/00-01	7,002,422	1.789	12,526,861	0.4%	4.2%	531,697	1,459,928	1,991,625	15.9%	1.489	2,174,442	1,991,625	1,868,252
6/30/01-02	7,305,019	1.879	13,727,667	1.1%	5.4%	737,411	1,595,417	2,332,828	17.0%	1.585	2,528,322	2,332,828	2,393,193
6/30/02-03	7,231,292	1.981	14,321,915	1.1%	6.5%	930,676	1,577,998	2,508,674	17.5%	1.756	2,771,122	2,508,674	2,558,647
6/30/03-04	6,081,077	2.093	12,728,069	1.8%	8.3%	1,057,518	1,245,764	2,303,282	18.1%	2.183	2,719,055	2,303,282	2,281,423
6/30/04-05	6,002,168	2.269	13,619,427	2.5%	10.8%	1,473,931	1,433,524	2,907,455	21.3%	2.838	4,067,659	2,907,455	2,392,993
6/30/05-06	4,910,437	2.600	12,767,876	4.7%	15.5%	1,980,233	529,500	2,509,733	19.7%	5.529	2,927,448	2,509,733	2,374,518
6/30/06-07	3,632,388	3.415	12,402,832	3.0%	18.5%	2,297,826	264,583	2,562,409	20.7%	19.329	5,114,212	2,562,409	2,700,000
6/30/07-08	2,020,827	7.283	14,717,915	1.3%	19.8%	2,914,289	0	2,914,289	19.8%	79.618	0	2,910,000	
Total	288,132,449		431,373,357			15,271,437	37,552,600	52,824,037	12.2%		57,255,642	53,899,568	49,794,055

NOTES:
(2) From Section 8, Exhibit 1, Page 2, Column 3
(3) = (4) / (2)
(4) From Section 8, Exhibit 1, Page 2, Column 6
(5) From Section 8, Exhibit 1, Page 11
(6) Downward sum of (5)
(7) = (6) x (4)
(8) From Section 8, Exhibit 1, Page 10
(9) = (7) + (8)
(10) = (9) / (4)
(11) From Section 8, Exhibit 1, Page 12
(12) = (8) x (11)
(13) Selected based on (9) and (12)
(14) From Aon analysis as of June 30, 2007

Commonwealth of Massachusetts Workers Compensation
All Other - Clusters 5-17 & 95
INDEMNITY
Lump Sum Development
Incremental Lump Sum Payments

Acc Yr Ending	0-12	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324
All Prior Yrs	0	0	0	0	0	0	0	22,500	0	0	137,500	40,000	80,500	250,234	367,000	139,604	85,000	0	57,500	55,001	30,000	12,250	84,000	140,000	66,000	0	78,125
Jun-83	0	0	0	0	0	0	0	0	0	0	35,000	7,750	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
Jun-84	0	0	0	0	0	0	91,600	53,250	15,000	55,000	59,700	57,000	0	57,000	0	0	0	85,000	0	0	0	0	0	10,000	0		
Jun-85	0	0	0	30,000	3,000	52,500	34,554	34,000	58,000	215,750	30,200	92,500	50,000	40,000	0	49,000	32,000	0	25,000	0	0	0	0	0			
Jun-86	0	0	12,000	40,559	73,500	32,500	75,000	175,399	179,500	0	92,000	20,000	50,000	0	0	0	0	30,000	55,000	64,000	16,000	45,000	58,275				
Jun-87	0	25,000	130,000	100,666	150,501	60,866	192,525	168,500	91,501	59,806	28,000	0	12,500	65,000	50,000	164,999	50,000	80,000	80,000	10,000	0	0					
Jun-88	0	49,000	40,808	39,958	205,752	408,847	243,000	223,039	268,000	62,000	75,000	30,000	61,000	0	0	0	155,000	20,000	0	100,000	90,000						
Jun-89	0	69,855	143,500	275,776	374,100	341,500	255,000	238,502	222,500	170,500	146,000	30,000	123,000	40,000	25,000	0	63,500	185,000	50,000	110,000							
Jun-90	0	114,301	281,968	342,440	535,751	231,565	150,800	494,500	46,300	140,000	0	157,000	0	15,000	0	25,000	106,000	60,000	0								
Jun-91	3,500	73,750	373,500	399,501	281,850	319,500	203,500	25,001	143,000	0	10,000	54,000	0	0	10,000	153,000	72,500	255,000									
Jun-92	12,000	110,012	182,635	135,586	76,000	151,001	0	112,000	76,500	98,000	105,000	20,000	13,500	86,268	20,867	20,867	86,500										
Jun-93	6,000	137,948	181,424	231,001	158,000	58,000	49,000	16,000	77,000	85,000	0	55,000	0	0	0	0											
Jun-94	9,500	273,155	204,001	189,365	168,500	29,001	28,000	96,000	0	14,000	0	230,000	65,000	0	0												
Jun-95	185,350	223,402	371,000	281,000	90,965	116,600	17,000	0	0	62,000	58,400	34,000	0	80,000													
Jun-96	6,000	246,050	463,500	224,701	104,430	25,501	3,000	40,000	0	1	35,000	62,500	0														
Jun-97	23,365	498,701	322,500	317,501	204,000	108,251	0	105,000	106,501	60,000	83,000	0															
Jun-98	287,037	356,948	285,460	504,000	281,500	83,000	69,535	88,965	20,000	0	10,000																
Jun-99	203,500	124,500	487,181	242,900	185,982	168,001	201,000	120,000	65,000	170,000																	
Jun-00	97,731	486,478	307,037	269,800	93,500	190,999	184,884	110,118	53,001																		
Jun-01	10,000	182,428	335,500	71,500	244,500	251,000	145,000	220,000																			
Jun-02	0	114,545	362,081	283,539	440,001	286,251	109,000																				
Jun-03	0	77,201	596,801	430,835	218,160	255,001																					
Jun-04	47,500	25,277	294,987	520,000	358,000																						
Jun-05	6,157	60,866	417,500	949,001																							
Jun-06	0	159,500	370,000																								
Jun-07	26,000	238,583																									
Jun-08	0																										

Cumulative Lump Sum Payments

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	22,500	22,500	22,500	160,000	200,000	280,500	530,734	897,734	1,037,338	1,122,338	1,122,338	1,179,838	1,234,839	1,264,839	1,277,089	1,361,089	1,501,089	1,567,089	1,567,089	1,645,214
Jun-83	0	0	0	0	0	0	0	0	0	0	35,000	42,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	
Jun-84	0	0	0	0	0	0	91,600	144,850	159,850	214,850	274,550	331,550	331,550	388,550	388,550	388,550	388,550	473,550	473,550	473,550	473,550	473,550	473,550	483,550	483,550		
Jun-85	0	0	0	30,000	33,000	85,500	120,054	154,054	212,054	427,804	458,004	550,504	600,504	640,504	640,504	689,504	721,504	721,504	746,504	746,504	746,504	746,504	746,504	746,504			
Jun-86	0	0	12,000	52,559	126,059	158,559	233,559	408,958	588,458	588,458	680,458	700,458	750,458	750,458	750,458	750,458	750,458	780,458	835,458	899,458	915,458	960,458	1,018,733				
Jun-87	0	25,000	155,000	255,666	406,167	467,033	659,558	828,058	919,559	979,365	1,007,365	1,007,365	1,019,865	1,084,865	1,134,865	1,299,864	1,349,864	1,429,864	1,509,864	1,519,864	1,519,864	1,519,864					
Jun-88	0	49,000	89,808	129,766	335,518	744,365	987,365	1,210,404	1,478,404	1,540,404	1,615,404	1,645,404	1,706,404	1,706,404	1,706,404	1,706,404	1,861,404	1,881,404	1,881,404	1,981,404	2,071,404						
Jun-89	0	69,855	213,355	489,131	863,231	1,204,731	1,459,731	1,698,233	1,920,733	2,091,233	2,237,233	2,267,233	2,390,233	2,430,233	2,455,233	2,455,233	2,518,733	2,703,733	2,753,733	2,863,733							
Jun-90	0	114,301	396,269	738,709	1,274,460	1,506,025	1,656,825	2,151,325	2,197,625	2,337,625	2,337,625	2,494,625	2,494,625	2,509,625	2,509,625	2,534,625	2,640,625	2,700,625	2,700,625								
Jun-91	3,500	77,250	450,750	850,251	1,132,101	1,451,601	1,655,101	1,680,102	1,823,102	1,823,102	1,833,102	1,887,102	1,887,102	1,887,102	1,897,102	2,050,102	2,122,602	2,377,602									
Jun-92	12,000	122,012	304,647	440,233	516,233	667,234	667,234	779,234	855,734	953,734	1,058,734	1,078,734	1,092,234	1,178,502	1,199,369	1,220,236	1,306,736										
Jun-93	6,000	143,948	325,372	556,373	714,373	772,373	821,373	837,373	914,373	999,373	999,373	1,054,373	1,054,373	1,054,373	1,054,373	1,054,373											
Jun-94	9,500	282,655	486,656	676,021	844,521	873,522	901,522	997,522	997,522	1,011,522	1,011,522	1,241,522	1,306,522	1,306,522	1,306,522												
Jun-95	185,350	408,752	779,752	1,060,752	1,151,717	1,268,317	1,285,317	1,285,317	1,285,317	1,347,317	1,405,717	1,439,717	1,439,717	1,519,717													
Jun-96	6,000	252,050	715,550	940,251	1,044,681	1,070,182	1,073,182	1,113,182	1,113,182	1,113,183	1,148,183	1,210,683	1,210,683														
Jun-97	23,365	522,066	844,566	1,162,067	1,366,067	1,474,318	1,474,318	1,579,318	1,685,819	1,745,819	1,828,819	1,828,819															
Jun-98	287,037	643,985	929,445	1,433,445	1,714,945	1,797,945	1,867,480	1,956,445	1,976,445	1,976,445	1,986,445																
Jun-99	203,500	328,000	815,181	1,058,081	1,244,063	1,412,064	1,613,064	1,733,064	1,798,064	1,968,064																	
Jun-00	97,731	584,209	891,246	1,161,046	1,254,546	1,445,545	1,630,429	1,740,547	1,793,548																		
Jun-01	10,000	192,428	527,928	599,428	843,928	1,094,928	1,239,928	1,459,928																			
Jun-02	0	114,545	476,626	760,165	1,200,166	1,486,417	1,595,417																				
Jun-03	0	77,201	674,002	1,104,837	1,322,997	1,577,998																					
Jun-04	47,500	72,777	367,764	887,764	1,245,764																						
Jun-05	6,157	67,023	484,523	1,433,524																							
Jun-06	0	159,500	529,500																								
Jun-07	26,000	264,583																									
Jun-08	0																										

Commonwealth of Massachusetts Workers Compensation
All Other - Clusters 5-17 & 95
INDEMNITY
Lump Sum Development
Incremental Lump Sums as a % of Ultimate Losses Excluding Lump Sums

Acc Yr Ending	*0-12*	*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
All Prior Yrs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.003	0.001	0.002	0.005	0.008	0.003	0.002	0.000	0.001	0.001	0.001	0.000	0.002	0.003	0.001	0.000	0.002
Jun-83	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Jun-84	0.000	0.000	0.000	0.000	0.000	0.000	0.010	0.006	0.002	0.006	0.007	0.006	0.000	0.006	0.000	0.000	0.000	0.010	0.000	0.000	0.000	0.000	0.000	0.001	0.000		
Jun-85	0.000	0.000	0.000	0.002	0.000	0.003	0.002	0.002	0.003	0.012	0.002	0.005	0.003	0.002	0.000	0.003	0.002	0.000	0.001	0.000	0.000	0.000	0.000	0.000			
Jun-86	0.000	0.000	0.001	0.002	0.003	0.002	0.004	0.008	0.008	0.000	0.004	0.001	0.002	0.000	0.000	0.000	0.000	0.001	0.003	0.003	0.001	0.002	0.003				
Jun-87	0.000	0.001	0.006	0.005	0.007	0.003	0.009	0.008	0.004	0.003	0.001	0.000	0.001	0.003	0.002	0.008	0.002	0.004	0.004	0.000	0.000	0.000					
Jun-88	0.000	0.002	0.001	0.001	0.007	0.014	0.009	0.008	0.009	0.002	0.003	0.001	0.002	0.000	0.000	0.000	0.005	0.001	0.000	0.004	0.003						
Jun-89	0.000	0.003	0.006	0.011	0.015	0.014	0.010	0.010	0.009	0.007	0.006	0.001	0.005	0.002	0.001	0.000	0.003	0.007	0.002	0.004							
Jun-90	0.000	0.005	0.011	0.014	0.022	0.009	0.006	0.020	0.002	0.006	0.000	0.006	0.000	0.001	0.000	0.001	0.004	0.002	0.000								
Jun-91	0.000	0.003	0.017	0.018	0.013	0.015	0.009	0.001	0.007	0.000	0.000	0.002	0.000	0.000	0.000	0.007	0.003	0.012									
Jun-92	0.001	0.008	0.014	0.010	0.006	0.012	0.000	0.009	0.006	0.008	0.008	0.002	0.001	0.007	0.002	0.002	0.007										
Jun-93	0.001	0.013	0.017	0.021	0.014	0.005	0.004	0.001	0.007	0.008	0.000	0.005	0.000	0.000	0.000	0.000											
Jun-94	0.001	0.024	0.018	0.017	0.015	0.003	0.002	0.008	0.000	0.001	0.000	0.020	0.006	0.000	0.000												
Jun-95	0.018	0.022	0.037	0.028	0.009	0.012	0.002	0.000	0.000	0.006	0.006	0.003	0.000	0.008													
Jun-96	0.001	0.023	0.043	0.021	0.010	0.002	0.000	0.004	0.000	0.000	0.003	0.006	0.000														
Jun-97	0.002	0.043	0.028	0.028	0.018	0.009	0.000	0.009	0.009	0.005	0.007	0.000															
Jun-98	0.030	0.038	0.030	0.053	0.030	0.009	0.007	0.009	0.002	0.000	0.001																
Jun-99	0.020	0.012	0.048	0.024	0.018	0.016	0.020	0.012	0.006	0.017																	
Jun-00	0.008	0.038	0.024	0.021	0.007	0.015	0.014	0.009	0.004																		
Jun-01	0.001	0.015	0.027	0.006	0.020	0.020	0.012	0.018																			
Jun-02	0.000	0.008	0.026	0.021	0.032	0.021	0.008																				
Jun-03	0.000	0.005	0.042	0.030	0.015	0.018																					
Jun-04	0.004	0.002	0.023	0.041	0.028																						
Jun-05	0.000	0.004	0.031	0.070																							
Jun-06	0.000	0.012	0.029																								
Jun-07	0.002	0.019																									
Jun-08	0.000																										

Averages		*12-24*	*24-36*	*36-48*	*48-60*	*60-72*	*72-84*	*84-96*	*96-108*	*108-120*	*120-132*	*132-144*	*144-156*	*156-168*	*168-180*	*180-192*	*192-204*	*204-216*	*216-228*	*228-240*	*240-252*	*252-264*	*264-276*	*276-288*	*288-300*	*300-312*	*312-324*
Simple Avg																											
All Yrs (ex P)	0.003	0.012	0.020	0.019	0.013	0.010	0.006	0.007	0.004	0.005	0.003	0.004	0.001	0.002	0.000	0.002	0.003	0.004	0.001	0.002	0.001	0.000	0.001	0.000	0.000	0.000	
Latest 5	0.001	0.009	0.030	0.033	0.020	0.018	0.012	0.011	0.004	0.006	0.003	0.007	0.001	0.003	0.000	0.002	0.004	0.005	0.002	0.002	0.001	0.000					
Latest 3	0.001	0.012	0.028	0.047	0.025	0.020	0.011	0.013	0.004	0.007	0.004	0.003	0.002	0.003	0.001	0.003	0.005	0.007	0.001	0.003	0.001	0.001	0.001				
Olympic Avg																											
All Yrs (ex P)	0.002	0.011	0.020	0.018	0.013	0.009	0.006	0.007	0.004	0.004	0.003	0.003	0.001	0.002	0.000	0.001	0.002	0.004	0.001	0.001	0.000	0.000	0.000	0.000			
Latest 10	0.002	0.014	0.030	0.030	0.018	0.013	0.006	0.008	0.004	0.004	0.003	0.003	0.001	0.001	0.000	0.002	0.002										
Latest 5	0.001	0.007	0.029	0.031	0.021	0.018	0.011	0.010	0.004	0.004	0.003	0.005	0.000	0.002	0.000	0.001	0.004	0.005	0.002	0.002	0.000	0.000					

Dev Factor Selection																											
Prior	*NA*	*0.035*	*0.028*	*0.029*	*0.021*	*0.018*	*0.015*	*0.010*	*0.006*	*0.002*	*0.003*	*0.003*	*0.002*	*0.002*	*0.001*	*0.003*	*0.003*	*0.003*	*0.002*	*0.002*	*0.001*	*0.001*	*0.001*	*0.001*	*0.001*	*0.000*	
Selected	NA	0.013	0.030	0.047	0.025	0.018	0.011	0.011	0.004	0.004	0.003	0.003	0.002	0.002	0.001	0.003	0.005	0.007	0.001	0.003	0.001	0.001	0.001	0.001	0.001	0.000	0.000
FacToUlt	NA	0.198	0.185	0.155	0.108	0.083	0.065	0.054	0.042	0.038	0.034	0.031	0.027	0.025	0.023	0.023	0.020	0.015	0.008	0.008	0.005	0.004	0.003	0.002	0.001	0.000	0.000

Commonwealth of Massachusetts Workers Compensation
All Other - Clusters 5-17 & 95
INDEMNITY
Paid Loss Development
Paid Loss - Lump Sum only

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324
All Prior Yrs	0	0	0	0	0	0	0	22,500	22,500	22,500	160,000	200,000	280,500	530,734	897,734	1,037,338	1,122,338	1,122,338	1,179,838	1,234,839	1,264,839	1,277,089	1,361,089	1,501,089	1,567,089	1,567,089	1,645,214
Jun-83	0	0	0	0	0	0	0	0	0	0	35,000	42,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	43,750	
Jun-84	0	0	0	0	0	0	91,600	144,850	159,850	214,850	274,550	331,550	331,550	388,550	388,550	388,550	388,550	473,550	473,550	473,550	473,550	473,550	473,550	483,550	483,550		
Jun-85	0	0	0	30,000	33,000	85,500	120,054	154,054	212,054	427,804	458,004	550,504	600,504	640,504	640,504	689,504	721,504	721,504	746,504	746,504	746,504	746,504	746,504	746,504			
Jun-86	0	0	12,000	52,559	126,059	158,559	233,559	408,958	588,458	588,458	680,458	700,458	750,458	750,458	750,458	750,458	750,458	780,458	835,458	899,458	915,458	960,458	1,018,733				
Jun-87	0	25,000	155,000	255,666	406,167	467,033	659,558	828,058	919,559	979,365	1,007,365	1,007,365	1,019,865	1,084,865	1,134,865	1,299,864	1,349,864	1,429,864	1,509,864	1,519,864	1,519,864	1,519,864					
Jun-88	0	49,000	89,808	129,766	335,518	744,365	987,365	1,210,404	1,478,404	1,540,404	1,615,404	1,645,404	1,706,404	1,706,404	1,706,404	1,706,404	1,861,404	1,881,404	1,881,404	1,981,404	2,071,404						
Jun-89	0	69,855	213,355	489,131	863,231	1,204,731	1,459,731	1,698,233	1,920,733	2,091,233	2,237,233	2,267,233	2,390,233	2,430,233	2,455,233	2,455,233	2,518,733	2,703,733	2,753,733	2,863,733							
Jun-90	0	114,301	396,269	738,709	1,274,460	1,506,025	1,656,825	2,151,325	2,197,625	2,337,625	2,337,625	2,494,625	2,494,625	2,509,625	2,509,625	2,534,625	2,640,625	2,700,625	2,700,625								
Jun-91	3,500	77,250	450,750	850,251	1,132,101	1,451,601	1,655,101	1,680,102	1,823,102	1,823,102	1,833,102	1,887,102	1,887,102	1,887,102	1,897,102	2,050,102	2,122,602	2,377,602									
Jun-92	12,000	122,012	304,647	440,233	516,233	667,234	667,234	779,234	855,734	953,734	1,058,734	1,078,734	1,092,234	1,178,502	1,199,369	1,220,236	1,306,736										
Jun-93	6,000	143,948	325,372	556,373	714,373	772,373	821,373	837,373	914,373	999,373	999,373	1,054,373	1,054,373	1,054,373	1,054,373	1,054,373											
Jun-94	9,500	282,655	486,656	676,021	844,521	873,522	901,522	997,522	997,522	1,011,522	1,011,522	1,241,522	1,306,522	1,306,522	1,306,522												
Jun-95	185,350	408,752	779,752	1,060,752	1,151,717	1,268,317	1,285,317	1,285,317	1,285,317	1,347,317	1,405,717	1,439,717	1,439,717	1,519,717													
Jun-96	6,000	252,050	715,550	940,251	1,044,681	1,070,182	1,073,182	1,113,182	1,113,182	1,113,183	1,148,183	1,210,683	1,210,683														
Jun-97	23,365	522,066	844,566	1,162,067	1,366,067	1,474,318	1,474,318	1,579,318	1,685,819	1,745,819	1,828,819	1,828,819															
Jun-98	287,037	643,985	929,445	1,433,445	1,714,945	1,797,945	1,867,480	1,956,445	1,976,445	1,976,445	1,986,445																
Jun-99	203,500	328,000	815,181	1,058,081	1,244,063	1,412,064	1,613,064	1,733,064	1,798,064	1,968,064																	
Jun-00	97,731	584,209	891,246	1,161,046	1,254,546	1,445,545	1,630,429	1,740,547	1,793,548																		
Jun-01	10,000	192,428	527,928	599,428	843,928	1,094,928	1,239,928	1,459,928																			
Jun-02	0	114,545	476,626	760,165	1,200,166	1,486,417	1,595,417																				
Jun-03	0	77,201	674,002	1,104,837	1,322,997	1,577,998																					
Jun-04	47,500	72,777	367,764	887,764	1,245,764																						
Jun-05	6,157	67,023	484,523	1,433,524																							
Jun-06	0	159,500	529,500																								
Jun-07	26,000	264,583																									
Jun-08	0																										

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
All Prior Yrs								1.000	1.000	7.111	1.250	1.403	1.892	1.691	1.156	1.082	1.000	1.051	1.047	1.024	1.010	1.066	1.103	1.044	1.000	1.050	
Jun-83											1.221	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
Jun-84							1.581	1.104	1.344	1.278	1.208	1.000	1.172	1.000	1.000	1.000	1.219	1.000	1.000	1.000	1.000	1.000	1.021	1.000			
Jun-85				1.100	2.591	1.404	1.283	1.376	2.017	1.071	1.202	1.091	1.067	1.000	1.077	1.046	1.000	1.035	1.000	1.000	1.000	1.000	1.000				
Jun-86			4.380	2.398	1.258	1.473	1.751	1.439	1.000	1.156	1.029	1.071	1.000	1.000	1.000	1.000	1.040	1.070	1.077	1.018	1.049	1.061					
Jun-87		6.200	1.649	1.589	1.150	1.412	1.255	1.111	1.065	1.029	1.000	1.012	1.064	1.046	1.145	1.038	1.059	1.056	1.007	1.000	1.000						
Jun-88		1.833	1.445	2.586	2.219	1.326	1.226	1.221	1.042	1.049	1.019	1.037	1.000	1.000	1.000	1.091	1.011	1.000	1.053	1.045							
Jun-89		3.054	2.293	1.765	1.396	1.212	1.163	1.131	1.089	1.070	1.013	1.054	1.017	1.010	1.000	1.026	1.073	1.018	1.040								
Jun-90		3.467	1.864	1.725	1.182	1.100	1.298	1.022	1.064	1.000	1.067	1.000	1.006	1.000	1.010	1.042	1.023	1.000									
Jun-91	22.071	5.835	1.886	1.331	1.282	1.140	1.015	1.085	1.000	1.005	1.029	1.000	1.000	1.005	1.081	1.035	1.120										
Jun-92	10.168	2.497	1.445	1.173	1.293	1.000	1.168	1.098	1.115	1.110	1.019	1.013	1.079	1.018	1.017	1.071											
Jun-93	23.991	2.260	1.710	1.284	1.081	1.063	1.019	1.092	1.093	1.000	1.055	1.000	1.000	1.000	1.000												
Jun-94	29.753	1.722	1.389	1.249	1.034	1.032	1.106	1.000	1.014	1.000	1.227	1.052	1.000	1.000													
Jun-95	2.205	1.908	1.360	1.086	1.101	1.013	1.000	1.000	1.048	1.043	1.024	1.000	1.056														
Jun-96	42.008	2.839	1.314	1.111	1.024	1.003	1.037	1.000	1.000	1.031	1.054	1.000															
Jun-97	22.344	1.618	1.376	1.176	1.079	1.000	1.071	1.067	1.036	1.048	1.000																
Jun-98	2.244	1.443	1.542	1.196	1.048	1.039	1.048	1.010	1.000	1.005																	
Jun-99	1.612	2.485	1.298	1.176	1.135	1.142	1.074	1.038	1.095																		
Jun-00	5.978	1.526	1.303	1.081	1.152	1.128	1.068	1.030																			
Jun-01	19.243	2.744	1.135	1.408	1.297	1.132	1.177																				
Jun-02		4.161	1.595	1.579	1.239	1.073																					
Jun-03		8.730	1.639	1.197	1.193																						
Jun-04	1.532	5.053	2.414	1.403																							
Jun-05	10.886	7.229	2.959																								
Jun-06		3.320																									
Jun-07	10.176																										

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	312-324	To Ult
Simple Avg																											
All Yrs (ex P)	14.587	3.496	1.800	1.431	1.303	1.150	1.186	1.107	1.126	1.060	1.078	1.025	1.035	1.007	1.030	1.035	1.061	1.022	1.025	1.011	1.010	1.015	1.007	1.000	1.000		
Latest 5	7.531	5.699	1.948	1.334	1.203	1.103	1.088	1.029	1.036	1.025	1.072	1.013	1.027	1.005	1.022	1.053	1.057	1.057	1.035	1.013	1.010	1.025					
Latest 3	6.209	5.201	2.337	1.393	1.243	1.111	1.106	1.026	1.043	1.028	1.026	1.017	1.019	1.006	1.033	1.049	1.072	1.006	1.033	1.021	1.016	1.020	1.007	1.015			
Volume Wtd																											
All Yrs (ex P)	4.949	2.431	1.591	1.295	1.182	1.108	1.119	1.070	1.060	1.040	1.047	1.022	1.024	1.007	1.030	1.043	1.058	1.020	1.034	1.019	1.012	1.026	1.008	1.000	1.000		
Latest 5	8.048	5.157	1.891	1.300	1.196	1.098	1.082	1.030	1.037	1.026	1.060	1.013	1.025	1.004	1.022	1.049	1.057	1.019	1.037	1.019	1.012						
Latest 3	15.272	4.617	2.245	1.369	1.235	1.109	1.100	1.025	1.042	1.026	1.022	1.017	1.021	1.006	1.042	1.046	1.069	1.007	1.036	1.024	1.014	1.027	1.008				

Dev Factor Selection																											
Prior	4.119	3.505	1.617	1.288	1.229	1.111	1.064	1.038	1.020	1.042	1.055	1.029	1.026	1.008	1.020	1.031	1.041	1.025	1.023	1.006	1.005	1.005	1.005	1.005	1.005		1.030
Selected	4.119	3.496	1.948	1.300	1.243	1.108	1.064	1.026	1.036	1.026	1.047	1.022	1.019	1.006	1.022	1.035	1.057	1.006	1.025	1.021	1.005	1.005	1.005	1.005	1.005	1.001	1.030
FacToUlt	79.618	19.329	5.529	2.838	2.183	1.756	1.585	1.489	1.452	1.402	1.365	1.304	1.275	1.252	1.245	1.218	1.177	1.113	1.107	1.079	1.057	1.052	1.047	1.041	1.036	1.031	1.030
Percent of Ult	1.3%	5.2%	18.1%	35.2%	45.8%	56.9%	63.1%	67.1%	68.9%	71.3%	73.2%	76.7%	78.4%	79.9%	80.3%	82.1%	85.0%	89.8%	90.4%	92.6%	94.6%	95.1%	95.5%	96.0%	96.5%	97.0%	97.1%

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	9.9%	0.0%	3.5%	2.1%	1.000	1.000
312	90.1%	1.8%	9.9%	0.6%	0.4%	0.981	0.971
300	88.3%	1.7%	11.7%	0.7%	0.4%	0.949	0.925
288	86.6%	1.7%	13.4%	0.7%	0.4%	0.921	0.885
276	84.9%	1.7%	15.1%	0.7%	0.5%	0.896	0.850
264	83.2%	1.6%	16.8%	0.7%	0.4%	0.874	0.819
252	81.6%	1.8%	18.4%	0.8%	0.6%	0.852	0.790
240	79.8%	1.8%	20.2%	0.8%	0.6%	0.834	0.766
228	78.0%	1.8%	22.0%	0.9%	0.6%	0.817	0.743
216	76.2%	1.7%	23.8%	0.9%	0.6%	0.800	0.721
204	74.5%	2.1%	25.5%	1.1%	0.8%	0.783	0.699
192	72.4%	2.1%	27.6%	1.2%	0.9%	0.770	0.684
180	70.3%	2.1%	29.7%	1.2%	0.9%	0.758	0.668
168	68.2%	2.0%	31.8%	1.2%	0.9%	0.745	0.653
156	66.2%	2.4%	33.8%	1.5%	1.2%	0.732	0.637
144	63.8%	2.3%	36.2%	1.4%	1.2%	0.722	0.626
132	61.5%	1.8%	38.5%	1.2%	1.0%	0.712	0.613
120	59.7%	2.0%	40.3%	1.4%	1.1%	0.697	0.595
108	57.8%	1.9%	42.2%	1.3%	1.1%	0.685	0.581
96	55.9%	2.7%	44.1%	2.0%	1.7%	0.672	0.566
84	53.2%	2.7%	46.8%	2.1%	1.9%	0.665	0.559
72	50.5%	2.7%	49.5%	2.2%	2.0%	0.659	0.552
60	47.8%	3.7%	52.2%	3.1%	2.9%	0.651	0.544
48	44.1%	5.6%	55.9%	4.9%	4.6%	0.650	0.543
36	38.5%	9.2%	61.5%	8.3%	7.9%	0.657	0.554
24	29.3%	15.6%	70.7%	14.7%	14.3%	0.677	0.581
12	13.7%	13.7%	86.3%	13.5%	13.3%	0.711	0.625
Total		100.0%					

NOTES:

(2) = 1 / Section 8, Exhibit 1, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	7,928,124	13,648,637		6,933,820	11,936,894
6/30/82-83	791,829	1,239,780	0.981	776,452	1,215,704
6/30/83-84	1,316,666	2,011,661	0.949	1,248,952	1,908,205
6/30/84-85	1,810,464	3,576,464	0.921	1,667,319	3,293,690
6/30/85-86	2,454,198	4,128,198	0.896	2,199,719	3,700,140
6/30/86-87	2,882,279	4,195,279	0.874	2,518,140	3,665,258
6/30/87-88	4,960,897	6,876,897	0.852	4,227,061	5,859,639
6/30/88-89	4,319,613	5,239,613	0.834	3,602,308	4,369,534
6/30/89-90	5,189,815	5,632,815	0.817	4,237,526	4,599,239
6/30/90-91	4,956,923	5,432,923	0.800	3,964,236	4,344,911
6/30/91-92	3,537,055	4,266,055	0.783	2,769,712	3,340,560
6/30/92-93	3,702,294	3,949,294	0.770	2,851,849	3,042,111
6/30/93-94	3,685,946	4,243,946	0.758	2,792,976	3,215,793
6/30/94-95	3,513,582	4,027,582	0.745	2,619,192	3,002,352
6/30/95-96	3,974,494	5,016,494	0.732	2,910,427	3,673,459
6/30/96-97	4,611,532	5,239,532	0.722	3,331,812	3,785,539
6/30/97-98	4,140,660	4,846,660	0.712	2,946,504	3,448,895
6/30/98-99	4,677,893	5,421,893	0.697	3,262,071	3,780,890
6/30/99-00	6,122,163	6,868,163	0.685	4,193,569	4,704,565
6/30/00-01	6,055,650	6,763,650	0.672	4,070,295	4,546,176
6/30/01-02	7,159,564	7,790,564	0.665	4,764,573	5,184,493
6/30/02-03	8,021,710	9,132,710	0.659	5,283,295	6,015,026
6/30/03-04	7,704,159	9,182,159	0.651	5,018,046	5,980,730
6/30/04-05	9,091,308	10,913,308	0.650	5,907,245	7,091,123
6/30/05-06	9,838,063	11,009,063	0.657	6,465,770	7,235,374
6/30/06-07	11,068,029	13,226,029	0.677	7,494,889	8,956,213
6/30/07-08	14,726,173	17,667,173	0.711	10,463,387	12,553,056
Total	148,241,083	181,546,541		108,521,144	134,449,572
			(7) Total Discount Factor:	0.732	0.741

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	7,928,124	13,648,637
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	1,132,589	1,949,805
(11) Discounted Value at 4%:	6,933,820	11,936,894

NOTES:
(2), (3) From Section 8, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 8, Exhibit 1, Page 13, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Indemnity

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	7,928,124	13,648,637		6,512,221	11,211,093
6/30/82-83	791,829	1,239,780	0.971	769,092	1,204,181
6/30/83-84	1,316,666	2,011,661	0.925	1,217,422	1,860,032
6/30/84-85	1,810,464	3,576,464	0.885	1,602,395	3,165,437
6/30/85-86	2,454,198	4,128,198	0.850	2,087,181	3,510,840
6/30/86-87	2,882,279	4,195,279	0.819	2,361,003	3,436,539
6/30/87-88	4,960,897	6,876,897	0.790	3,917,879	5,431,043
6/30/88-89	4,319,613	5,239,613	0.766	3,307,025	4,011,362
6/30/89-90	5,189,815	5,632,815	0.743	3,854,218	4,183,212
6/30/90-91	4,956,923	5,432,923	0.721	3,573,327	3,916,464
6/30/91-92	3,537,055	4,266,055	0.699	2,473,980	2,983,876
6/30/92-93	3,702,294	3,949,294	0.684	2,530,874	2,699,723
6/30/93-94	3,685,946	4,243,946	0.668	2,462,674	2,835,488
6/30/94-95	3,513,582	4,027,582	0.653	2,294,771	2,630,472
6/30/95-96	3,974,494	5,016,494	0.637	2,531,798	3,195,564
6/30/96-97	4,611,532	5,239,532	0.626	2,884,880	3,277,744
6/30/97-98	4,140,660	4,846,660	0.613	2,536,955	2,969,516
6/30/98-99	4,677,893	5,421,893	0.595	2,785,233	3,228,213
6/30/99-00	6,122,163	6,868,163	0.581	3,555,804	3,989,087
6/30/00-01	6,055,650	6,763,650	0.566	3,425,687	3,826,203
6/30/01-02	7,159,564	7,790,564	0.559	4,000,748	4,353,349
6/30/02-03	8,021,710	9,132,710	0.552	4,424,710	5,037,529
6/30/03-04	7,704,159	9,182,159	0.544	4,189,562	4,993,306
6/30/04-05	9,091,308	10,913,308	0.543	4,940,138	5,930,197
6/30/05-06	9,838,063	11,009,063	0.554	5,454,750	6,104,016
6/30/06-07	11,068,029	13,226,029	0.581	6,432,847	7,687,097
6/30/07-08	14,726,173	17,667,173	0.625	9,197,719	11,034,617
Total	148,241,083	181,546,541		95,324,895	118,706,204
			(7) Total Discount Factor:	0.643	0.654

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	7,928,124	13,648,637
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	1,132,589	1,949,805
(11) Discounted Value at 6%:	6,512,221	11,211,093

NOTES:
(2), (3) From Section 8, Exhibit 1, Page 1, Columns 8, 9
(4) From Section 8, Exhibit 1, Page 13, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Total Indemnity (Including Lump Sums) + Medical

Calculation of Fiscal Year 7/1/07-08 Payments

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						Cumulative	Incremental Paid		Estimated Payments from		FY 7/1/08 - 6/30/09	
Accident	Est Ult Losses	Est Ult Losses	Paid Losses	Reserves	Reserves	Percent	as a % of	as a % of	7/1/08 - 6/30/09		as a % of Reserves	
Year	(Low)	(High)	to Date	(Low)	(High)	Paid	Ultimates	Reserves	(Low)	(High)	(Low)	(High)
All Prior Yrs	50,673,966	56,416,353	42,511,968	8,161,998	13,904,385				719,793	791,772	8.8%	5.7%
6/30/82-83	6,314,431	6,788,165	5,522,602	791,829	1,265,562	84.3%	1.5%	9.6%	75,642	120,897	9.6%	9.6%
6/30/83-84	9,825,745	10,574,622	8,509,079	1,316,666	2,065,543	83.4%	1.5%	9.0%	119,125	186,880	9.0%	9.0%
6/30/84-85	18,668,000	20,435,000	16,811,589	1,856,411	3,623,411	86.0%	1.5%	10.7%	198,705	387,840	10.7%	10.7%
6/30/85-86	22,441,000	24,116,000	19,901,851	2,539,149	4,214,149	85.5%	1.0%	6.9%	175,048	290,522	6.9%	6.9%
6/30/86-87	22,900,000	24,215,000	19,935,944	2,964,056	4,279,056	84.6%	1.0%	6.5%	192,806	278,344	6.5%	6.5%
6/30/87-88	33,538,000	35,458,000	28,396,070	5,141,930	7,061,930	82.3%	1.0%	5.7%	290,705	399,255	5.7%	5.7%
6/30/88-89	30,907,000	31,828,000	26,352,676	4,554,324	5,475,324	84.0%	1.0%	6.3%	284,871	342,479	6.3%	6.3%
6/30/89-90	31,041,000	31,487,000	25,573,650	5,467,350	5,913,350	81.8%	2.2%	12.2%	664,951	719,195	12.2%	12.2%
6/30/90-91	27,638,000	28,148,000	22,401,542	5,236,458	5,746,458	80.3%	1.5%	7.6%	395,407	433,917	7.6%	7.6%
6/30/91-92	17,417,000	18,176,000	13,639,183	3,777,817	4,536,817	76.6%	3.7%	15.7%	593,951	713,282	15.7%	15.7%
6/30/92-93	14,462,000	14,736,000	10,528,406	3,933,594	4,207,594	72.1%	4.5%	16.2%	638,002	682,443	16.2%	16.2%
6/30/93-94	16,134,000	16,717,000	12,128,953	4,005,047	4,588,047	73.8%	2.0%	7.6%	306,222	350,798	7.6%	7.6%
6/30/94-95	14,419,000	14,956,000	10,617,548	3,801,452	4,338,452	72.3%	1.6%	5.6%	212,984	243,071	5.6%	5.6%
6/30/95-96	14,629,000	15,702,000	10,369,475	4,259,525	5,332,525	68.4%	3.9%	12.4%	527,213	660,021	12.4%	12.4%
6/30/96-97	16,491,000	17,163,000	11,499,264	4,991,736	5,663,736	68.3%	0.0%	0.1%	5,873	6,664	0.1%	0.1%
6/30/97-98	14,068,000	14,834,000	9,587,490	4,480,510	5,246,510	66.3%	2.0%	5.9%	265,375	310,744	5.9%	5.9%
6/30/98-99	15,397,000	16,202,000	10,248,674	5,148,326	5,953,326	64.9%	1.5%	4.2%	216,546	250,406	4.2%	4.2%
6/30/99-00	18,579,000	19,386,000	11,836,347	6,742,653	7,549,653	62.4%	2.5%	6.7%	450,110	503,982	6.7%	6.7%
6/30/00-01	17,565,000	18,336,000	10,851,936	6,713,064	7,484,064	60.5%	1.9%	4.8%	322,404	359,432	4.8%	4.8%
6/30/01-02	18,912,000	19,629,000	11,041,316	7,870,684	8,587,684	57.3%	3.2%	7.4%	582,109	635,138	7.4%	7.4%
6/30/02-03	20,290,000	21,440,000	11,322,811	8,967,189	10,117,189	54.3%	3.0%	6.6%	594,007	670,186	6.6%	6.6%
6/30/03-04	18,703,000	20,553,000	9,874,983	8,828,017	10,678,017	50.3%	4.0%	8.0%	702,896	850,195	8.0%	8.0%
6/30/04-05	21,127,000	23,524,000	10,845,398	10,281,602	12,678,602	48.6%	1.7%	3.4%	346,343	427,088	3.4%	3.4%
6/30/05-06	19,578,000	21,281,000	8,051,889	11,526,111	13,229,111	39.4%	9.2%	15.1%	1,743,647	2,001,274	15.1%	15.1%
6/30/06-07	20,565,000	24,027,000	7,007,978	13,557,022	17,019,022	31.4%	8.0%	11.6%	1,578,063	1,981,047	11.6%	11.6%
6/30/07-08	22,447,000	25,988,000	3,420,644	19,026,356	22,567,356	14.1%	17.3%	20.2%	3,834,473	4,548,108	20.2%	20.2%
Total	554,730,142	592,116,140	388,789,265	165,940,878	203,326,876				16,037,274	19,144,979	9.7%	9.4%

NOTES:

(2) Exhibit 1, Page 1, Column (4) + Exhibit 2, Page 1, Column (4)
(3) Exhibit 1, Page 1, Column (5) + Exhibit 2, Page 1, Column (5)
(4) Exhibit 1, Page 1, Column (2) + Exhibit 2, Page 1, Column (2)
(5) = (2) - (4)
(6) = (3) - (4)
(7) = (4) / Average of Columns (2), (3)
(8) = (7) - Prior Year's (7)
(9) = (8) / (1.00 - (7))
(10) = (5) * (9)
(11) = (6) * (9)
(12) = (10) / (5)
(13) = (11) / (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Summary of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Accident Year	Payroll (000's)	Paid Loss	Ult Loss - Paid Loss Method	Ult Loss - Paid BF Method	Aon Selected Ult (Low)	Aon Selected Ult (High)	Outstanding Losses (Low)	Outstanding Losses (High)	Ult Loss Cost (Low)	Ult Loss Cost (High)
All Prior Yrs		2,818,262			3,052,135	3,074,010	233,873	255,749		
6/30/82-83		491,063	506,710		491,063	516,845	0	25,782		
6/30/83-84		790,813	820,092		790,813	844,695	0	53,882		
6/30/84-85	714,731	1,116,052	1,163,161	1,162,078	1,162,000	1,163,000	45,948	46,948	0.163	0.163
6/30/85-86	768,615	1,802,048	1,887,503	1,887,304	1,887,000	1,888,000	84,952	85,952	0.246	0.246
6/30/86-87	883,277	1,554,224	1,636,066	1,638,175	1,636,000	1,638,000	81,776	83,776	0.185	0.185
6/30/87-88	1,346,746	3,075,967	3,257,369	3,261,216	3,257,000	3,261,000	181,033	185,033	0.242	0.242
6/30/88-89	1,465,984	3,477,288	3,711,816	3,713,486	3,712,000	3,713,000	234,712	235,712	0.253	0.253
6/30/89-90	1,473,293	3,743,464	4,020,769	4,023,908	4,021,000	4,024,000	277,536	280,536	0.273	0.273
6/30/90-91	1,383,691	3,334,465	3,613,905	3,647,843	3,614,000	3,648,000	279,535	313,535	0.261	0.264
6/30/91-92	1,341,919	2,617,238	2,858,043	2,887,993	2,858,000	2,888,000	240,762	270,762	0.213	0.215
6/30/92-93	1,324,022	2,296,700	2,527,505	2,555,310	2,528,000	2,555,000	231,300	258,300	0.191	0.193
6/30/93-94	1,400,303	2,785,899	3,105,499	3,129,877	3,105,000	3,130,000	319,101	344,101	0.222	0.224
6/30/94-95	1,472,926	2,235,130	2,522,831	2,546,092	2,523,000	2,546,000	287,870	310,870	0.171	0.173
6/30/95-96	1,556,911	1,973,969	2,258,502	2,290,226	2,259,000	2,290,000	285,031	316,031	0.145	0.147
6/30/96-97	1,953,175	2,315,796	2,695,851	2,740,020	2,696,000	2,740,000	380,204	424,204	0.138	0.140
6/30/97-98	1,890,544	1,797,150	2,136,733	2,196,794	2,137,000	2,197,000	339,850	399,850	0.113	0.116
6/30/98-99	2,053,169	2,187,567	2,657,684	2,719,079	2,658,000	2,719,000	470,433	531,433	0.129	0.132
6/30/99-00	2,177,952	2,566,510	3,187,238	3,247,937	3,187,000	3,248,000	620,490	681,490	0.146	0.149
6/30/00-01	2,170,750	2,389,586	3,046,717	3,109,612	3,047,000	3,110,000	657,414	720,414	0.140	0.143
6/30/01-02	2,261,335	2,140,880	2,851,727	2,938,227	2,852,000	2,938,000	711,120	797,120	0.126	0.130
6/30/02-03	2,228,246	2,513,521	3,459,432	3,498,392	3,459,000	3,498,000	945,479	984,479	0.155	0.157
6/30/03-04	2,222,588	2,548,142	3,671,781	4,044,487	3,672,000	4,044,000	1,123,858	1,495,858	0.165	0.182
6/30/04-05	2,274,629	3,409,706	5,174,601	5,116,477	4,600,000	5,175,000	1,190,294	1,765,294	0.202	0.228
6/30/05-06	2,445,102	2,611,952	4,447,255	4,831,862	4,300,000	4,832,000	1,688,048	2,220,048	0.176	0.198
6/30/06-07	2,575,811	3,111,007	6,904,451	6,224,452	5,600,000	6,904,000	2,488,993	3,792,993	0.217	0.268
6/30/07-08	2,669,773	1,399,818	8,461,541	6,301,648	5,700,000	6,300,000	4,300,182	4,900,182	0.214	0.236
Total	42,055,492	63,104,216	82,584,781	79,712,496	80,804,010	84,884,550	17,699,795	21,780,334		
Tot 6/30/84-08	42,055,492	59,004,079	81,257,978	79,712,496	76,470,000	80,449,000	17,465,921	21,444,921	0.182	0.191

NOTES:

(2) Provided by Commonwealth of Massachusetts
(3) From Section 8, Exhibit 2, Page 2, Column 3
(4) From Section 8, Exhibit 2, Page 2, Column 8
(5) From Section 8, Exhibit 2, Page 3, Column 8
(6), (7) Selected based on (3), (4), and (5)
(8) = (6) - (3)
(9) = (7) - (3)
(10) = (6) / (2) / 10
(11) = (7) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Paid Loss Development Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year	Payroll (000's)	Paid Loss	Paid LDF	Adjustment for Tail	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Paid Counts 7/1/06-07	Paid Counts 7/1/07-08	Average Outstanding Claim
All Prior Yrs		2,818,262							14	17	
6/30/82-83		491,063	1.032	1.000	506,710	N/A	506,710		1	3	5,216
6/30/83-84		790,813	1.037	1.000	820,092	N/A	820,092		1	1	29,280
6/30/84-85	714,731	1,116,052	1.042	1.000	1,163,161	N/A	1,163,161	0.163	3	4	11,777
6/30/85-86	768,615	1,802,048	1.047	1.000	1,887,503	N/A	1,887,503	0.246	7	5	17,091
6/30/86-87	883,277	1,554,224	1.053	1.000	1,636,066	N/A	1,636,066	0.185	5	4	20,461
6/30/87-88	1,346,746	3,075,967	1.059	1.000	3,257,369	N/A	3,257,369	0.242	15	8	22,675
6/30/88-89	1,465,984	3,477,288	1.067	1.000	3,711,816	N/A	3,711,816	0.253	15	11	21,321
6/30/89-90	1,473,293	3,743,464	1.074	1.000	4,020,769	N/A	4,020,769	0.273	12	9	30,812
6/30/90-91	1,383,691	3,334,465	1.084	1.000	3,613,905	N/A	3,613,905	0.261	13	14	19,960
6/30/91-92	1,341,919	2,617,238	1.092	1.000	2,858,043	N/A	2,858,043	0.213	9	9	26,756
6/30/92-93	1,324,022	2,296,700	1.100	1.000	2,527,505	N/A	2,527,505	0.191	8	10	23,081
6/30/93-94	1,400,303	2,785,899	1.115	1.000	3,105,499	N/A	3,105,499	0.222	14	12	26,633
6/30/94-95	1,472,926	2,235,130	1.129	1.000	2,522,831	N/A	2,522,831	0.171	15	12	23,975
6/30/95-96	1,556,911	1,973,969	1.144	1.000	2,258,502	N/A	2,258,502	0.145	10	7	40,648
6/30/96-97	1,953,175	2,315,796	1.164	1.000	2,695,851	N/A	2,695,851	0.138	14	13	29,235
6/30/97-98	1,890,544	1,797,150	1.189	1.000	2,136,733	N/A	2,136,733	0.113	21	13	26,122
6/30/98-99	2,053,169	2,187,567	1.215	1.000	2,657,684	N/A	2,657,684	0.129	19	14	33,580
6/30/99-00	2,177,952	2,566,510	1.242	1.000	3,187,238	N/A	3,187,238	0.146	28	21	29,559
6/30/00-01	2,170,750	2,389,586	1.275	1.000	3,046,717	N/A	3,046,717	0.140	34	23	28,571
6/30/01-02	2,261,335	2,140,880	1.332	1.000	2,851,727	N/A	2,851,727	0.126	51	29	24,512
6/30/02-03	2,228,246	2,513,521	1.376	1.000	3,459,432	N/A	3,459,432	0.155	62	43	21,998
6/30/03-04	2,222,588	2,548,142	1.441	1.000	3,671,781	N/A	3,671,781	0.165	102	61	18,420
6/30/04-05	2,274,629	3,409,706	1.518	1.000	5,174,601	N/A	5,174,601	0.227	197	96	18,384
6/30/05-06	2,445,102	2,611,952	1.703	1.000	4,447,255	N/A	4,447,255	0.182	546	174	10,548
6/30/06-07	2,575,811	3,111,007	2.219	1.000	6,904,451	N/A	6,904,451	0.268	860	539	7,038
6/30/07-08	2,669,773	1,399,818	6.045	1.000	8,461,541	N/A	8,461,541	0.317		870	8,117
Total	42,055,492	63,104,216			82,584,781		82,584,781		2,076	2,022	

NOTES:

(2) Provided by Commonwealth of Massachusetts

(3), (4) From Section 8, Exhibit 2, Page 7

(5) Based on information from the MA WCRIB 9/1/08 filing. Consideration for development beyond 252 months made in selection of LDF's.

(6) = (3) x (4) x (5)

(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)

(8) = (6) + (7)

(9) = (8) / (2) / 10

(10), (11) Provided by Commonwealth of Massachusetts

(12) = Maximum of [{(6) - (3)} / (11)] and 0

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Paid Bornhuetter-Ferguson Method

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	A Priori Loss Rate	Paid Loss	Paid LDF	Ultimate Loss Excluding Lump Sum	Est Ult Lump Sum Payments	Ultimate Loss Including Lump Sum	Ultimate Loss Cost	Ultimate Loss Cost Excluding Lump Sum
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85	714,731	0.159	1,116,052	1.042	1,162,078	N/A	1,162,078	0.163	0.163
6/30/85-86	768,615	0.245	1,802,048	1.047	1,887,304	N/A	1,887,304	0.246	0.246
6/30/86-87	883,277	0.190	1,554,224	1.053	1,638,175	N/A	1,638,175	0.185	0.185
6/30/87-88	1,346,746	0.247	3,075,967	1.059	3,261,216	N/A	3,261,216	0.242	0.242
6/30/88-89	1,465,984	0.255	3,477,288	1.067	3,713,486	N/A	3,713,486	0.253	0.253
6/30/89-90	1,473,293	0.276	3,743,464	1.074	4,023,908	N/A	4,023,908	0.273	0.273
6/30/90-91	1,383,691	0.293	3,334,465	1.084	3,647,843	N/A	3,647,843	0.264	0.264
6/30/91-92	1,341,919	0.239	2,617,238	1.092	2,887,993	N/A	2,887,993	0.215	0.215
6/30/92-93	1,324,022	0.214	2,296,700	1.100	2,555,310	N/A	2,555,310	0.193	0.193
6/30/93-94	1,400,303	0.239	2,785,899	1.115	3,129,877	N/A	3,129,877	0.224	0.224
6/30/94-95	1,472,926	0.185	2,235,130	1.129	2,546,092	N/A	2,546,092	0.173	0.173
6/30/95-96	1,556,911	0.161	1,973,969	1.144	2,290,226	N/A	2,290,226	0.147	0.147
6/30/96-97	1,953,175	0.154	2,315,796	1.164	2,740,020	N/A	2,740,020	0.140	0.140
6/30/97-98	1,890,544	0.133	1,797,150	1.189	2,196,794	N/A	2,196,794	0.116	0.116
6/30/98-99	2,053,169	0.146	2,187,567	1.215	2,719,079	N/A	2,719,079	0.132	0.132
6/30/99-00	2,177,952	0.161	2,566,510	1.242	3,247,937	N/A	3,247,937	0.149	0.149
6/30/00-01	2,170,750	0.154	2,389,586	1.275	3,109,612	N/A	3,109,612	0.143	0.143
6/30/01-02	2,261,335	0.141	2,140,880	1.332	2,938,227	N/A	2,938,227	0.130	0.130
6/30/02-03	2,228,246	0.162	2,513,521	1.376	3,498,392	N/A	3,498,392	0.157	0.157
6/30/03-04	2,222,588	0.220	2,548,142	1.441	4,044,487	N/A	4,044,487	0.182	0.182
6/30/04-05	2,274,629	0.220	3,409,706	1.518	5,116,477	N/A	5,116,477	0.225	0.225
6/30/05-06	2,445,102	0.220	2,611,952	1.703	4,831,862	N/A	4,831,862	0.198	0.198
6/30/06-07	2,575,811	0.220	3,111,007	2.219	6,224,452	N/A	6,224,452	0.242	0.242
6/30/07-08	2,669,773	0.220	1,399,818	6.045	6,301,648	N/A	6,301,648	0.236	0.236
Total	42,055,492		59,004,079		79,712,496		79,712,496		

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 8, Exhibit 2, Page 4, Column 10
(4) From Section 8, Exhibit 2, Page 2, Column 3
(5) From Section 8, Exhibit 2, Page 2, Column 4
(6) = (4) + [{1 - {1 / (5)}} x (3) x (2) x 10]
(7) Lump Sum Payments are considered in the Indemnity analysis (Section 1)
(8) = (6) + (7)
(9) = (8) / (2) / 10
(10) = (6) / (2) / 10

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Calculation of Initial Expected Loss Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Accident Year	Payroll (000's)	Expected Ult Loss	Unadjusted Loss Cost	Benefit Level Factor	Adjusted Loss Cost	Trend Factor	Trended Adjusted Loss Cost	Prior Selected Loss Cost	Current Selected Loss Cost
All Prior Yrs									
6/30/82-83									
6/30/83-84									
6/30/84-85								0.159	0.159
6/30/85-86								0.245	0.245
6/30/86-87								0.190	0.190
6/30/87-88								0.247	0.247
6/30/88-89								0.255	0.255
6/30/89-90								0.276	0.276
6/30/90-91	1,383,691	3,613,905	0.261	1.157	0.302	2.026	0.612	0.284	0.293
6/30/91-92	1,341,919	2,858,043	0.213	1.152	0.245	1.948	0.478	0.234	0.239
6/30/92-93	1,324,022	2,527,505	0.191	1.152	0.220	1.873	0.412	0.208	0.214
6/30/93-94	1,400,303	3,105,499	0.222	1.142	0.253	1.801	0.456	0.224	0.239
6/30/94-95	1,472,926	2,522,831	0.171	1.134	0.194	1.732	0.336	0.176	0.185
6/30/95-96	1,556,911	2,258,502	0.145	1.120	0.162	1.665	0.270	0.160	0.161
6/30/96-97	1,953,175	2,695,851	0.138	1.101	0.152	1.601	0.243	0.156	0.154
6/30/97-98	1,890,544	2,136,733	0.113	1.100	0.124	1.539	0.191	0.142	0.133
6/30/98-99	2,053,169	2,657,684	0.129	1.100	0.142	1.480	0.211	0.150	0.146
6/30/99-00	2,177,952	3,187,238	0.146	1.100	0.161	1.423	0.229	0.160	0.161
6/30/00-01	2,170,750	3,046,717	0.140	1.075	0.151	1.369	0.206	0.157	0.154
6/30/01-02	2,261,335	2,851,727	0.126	1.067	0.135	1.316	0.177	0.148	0.141
6/30/02-03	2,228,246	3,459,432	0.155	1.040	0.161	1.265	0.204	0.162	0.162
6/30/03-04	2,222,588	3,671,781	0.165	1.014	0.168	1.217	0.204	0.220	0.220
6/30/04-05	2,274,629	5,174,601	0.227	1.003	0.228	1.170	0.267	0.220	0.220
6/30/05-06	2,445,102	4,447,255	0.182	1.000	0.182	1.125	0.205	0.220	0.220
6/30/06-07	2,575,811	6,904,451	0.268	1.000	0.268	1.082	0.290	0.220	0.220
6/30/07-08	2,669,773	8,461,541	0.317	1.000	0.317	1.040	0.330		0.220
Total	35,402,847	65,581,296							

Trend Last 4 (ex 07-08):	12.6%	Avg 3 (x07-08):	0.254
Trend Last 8 (ex 07-08):	7.6%	Avg 5 (x07-08):	0.234
Trend Last 12 (ex 07-08):	4.3%	Avg 10 (x07-08):	0.218
Prior Selected Trend:	3.0%	Prior Sel Avg:	0.220
Selected Trend:	4.0%	Sel. Loss Cost:	0.220

NOTES:
(2) Provided by Commonwealth of Massachusetts
(3) From Section 8, Exhibit 2, Page 2, Column 6
(4) = (3) / (2) / 10
(5) Based on information from the MA WCRIB
(6) = (4) x (5)
(7) Based on Selected Trend from (6)
(8) = (6) x (7)
(9) From Prior Aon Analysis as of June 30, 2007
(10) Selected based on (8) and (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Calculation of 1982 & Prior Reserves (Page 1)

Method 1

(1)	Average Payment Trend		0.900	
(2)	Credibility		63%	
(3)	Average Pmt Trend Statewide		0.890	
(4)	Credibility Weighted Trend		0.896	
		(Low)		(High)
(5)	Selected Range	0.887		0.905
(6)	Incremental Paid for 2008	32,986		32,986
(7)	Estimated Reserve	259,768		315,155
(8)	Paid to Date (82 & Prior)	2,818,262		2,818,262
(9)	Est Ult Paid for 1982 & Prior	3,078,030		3,133,417

Method 2

		(Current)	(Prior)
(10)	Avg Incremental Paid (3 yrs)	29,711	32,761
(11)	Projected Number of Years	7	7
(12)	Estimated Reserve	207,978	229,328
(13)	Paid to Date (82 & Prior)	2,818,262	2,785,276
(14)	Est Ult Paid for 1982 & Prior	3,026,240	3,014,604
(14a)	Paid Counts During Fiscal Year	17	14
		(Low)	(High)
(15)	Sel Ult Excluding Lump Sums	3,052,135	3,074,010
(16)	Lump Sum Ultimates	N/A	N/A
(17)	Ult Loss Including Lump Sums	**3,052,135**	**3,074,010**
(18)	Implied Tail	1.083	1.091
(19)	Ult Loss Inc Lump Sums @6/07	2,987,700	3,015,514

NOTES:

(1) From Section 8, Exhibit 2, Page 6
(2) = (Average of Section 8, Exhibit 2, Page 6, Column 3 / 175,000) ^ 0.5
(3) Average Statewide Trend
(4) = (1) x (2) + (4) x {1 - (2)}
(5) Selected judgmentally based on (4)
(6), (14a) Provided by Commonwealth of Massachusetts
(7) = (6) x (5) / {1 - (5)}
(8), (16) From Section 8, Exhibit 2, Page 2, Column 3
(9) = (7) + (8)
(10) Avg of 3 latest years from Section 8, Exhibit 2, Page 6, Column 3
(11) Selected judgmentally
(12) = (10 x (11)
(14) = (12) + (13)
(15) = Average of (9) and (14)
(16) Lump Sums are considered in Indemnity analysis (Section 1)
(17) = (15) + (16)
(18) = (15) / (8)
(19) From Prior Aon Analysis as of June 30, 2007

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Calculation of 1982 & Prior Reserves (Page 2)

(1)	(2)	(3)	(4)	(5)		
Year	X	Incremental Paids	LN	Average Observed Trend		Trend Calculations
1992	1	206,798	12.239			
1993	2	153,285	11.940	0.741		
1994	3	146,363	11.894	0.955		
1995	4	120,472	11.699	0.823		
1996	5	130,279	11.777	1.081		
1997	6	37,349	10.528	0.287		
1998	7	24,406	10.103	0.653		
1999	8	85,275	11.354	3.494		
2000	9	30,381	10.322	0.356	n =	17
2001	10	26,076	10.169	0.858	S(x) =	34,000
2002	11	28,013	10.240	1.074	S(x-sq) =	68,000,408
2003	12	24,232	10.095	0.865	S(xy) =	368,418
2004	13	32,198	10.380	1.329	S(y) =	184
2005	14	42,136	10.649	1.309	D =	6,936
2006	15	33,882	10.431	0.804	slope =	-0.123
2007	16	22,266	10.011	0.657	Avg Trend =	0.877
2008	16	32,986	10.404	1.481		
					Selected Trend:	**0.900**

NOTES:

(3) 2008 provided by Commonwealth of Massachusetts. Prior years from Aon analysis as of June 30, 2007

(4) LN [(3)]

(5) Ex. 2008: 1.481 = 10.404 / 10.011

Commonwealth of Massachusetts Workers Compensatio
All Other - Clusters 5-17 & 95
MEDICAL
Paid Loss Development
Paid Loss (Excluding Lump Sum)

Acc Yr Ending	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312
June-83	27,370	65,800	95,928	121,026	146,374	172,082	195,518	223,519	270,937	291,319	312,256	316,614	336,461	401,393	453,214	453,179	457,283	457,468	457,468	457,468	458,118	472,628	476,174	480,561	485,930	491,063
June-84	73,019	172,377	253,637	324,243	391,630	438,262	505,877	586,886	610,938	636,458	664,679	683,784	693,120	716,886	724,043	734,862	745,334	749,852	758,667	762,583	783,107	784,865	788,687	788,743	790,813	
June-85	91,462	222,608	324,021	409,170	488,686	592,053	702,853	747,423	785,283	911,116	929,832	957,391	968,422	980,992	1,009,751	1,031,712	1,051,061	1,066,218	1,077,726	1,088,791	1,096,356	1,103,232	1,110,832	1,116,052		
June-86	197,516	482,005	708,037	875,864	1,053,127	1,211,316	1,370,683	1,467,692	1,572,492	1,608,200	1,631,069	1,655,833	1,672,723	1,699,156	1,716,974	1,724,323	1,731,547	1,743,355	1,755,277	1,764,089	1,780,012	1,796,528	1,802,048			
June-87	199,777	488,687	761,278	928,992	1,116,174	1,247,272	1,326,215	1,394,678	1,416,827	1,433,554	1,451,102	1,461,072	1,470,676	1,482,961	1,498,691	1,507,156	1,517,732	1,527,729	1,533,186	1,539,237	1,545,443	1,554,224				
June-88	390,619	1,150,212	1,830,796	2,204,311	2,429,489	2,580,235	2,679,602	2,758,965	2,816,870	2,872,713	2,895,135	2,917,336	2,938,306	2,953,260	2,965,159	2,980,478	3,005,909	3,019,968	3,040,247	3,060,774	3,075,967					
June-89	348,632	1,379,611	1,965,598	2,380,914	2,616,790	2,882,836	2,988,159	3,078,524	3,143,724	3,188,707	3,222,672	3,251,157	3,271,467	3,290,603	3,312,237	3,338,112	3,358,373	3,385,594	3,459,727	3,477,288						
June-90	597,392	1,787,214	2,367,627	2,727,013	2,917,488	3,052,042	3,170,650	3,294,118	3,385,084	3,460,338	3,498,784	3,525,521	3,559,539	3,594,665	3,616,129	3,673,092	3,699,660	3,720,191	3,743,464							
June-91	708,625	1,924,338	2,444,979	2,785,515	2,902,296	3,018,419	3,064,528	3,074,954	3,092,506	3,113,710	3,131,050	3,142,716	3,165,865	3,200,123	3,230,691	3,265,408	3,303,782	3,334,465								
June-92	588,418	1,588,370	1,986,839	2,229,495	2,290,208	2,325,875	2,375,312	2,430,547	2,462,691	2,497,761	2,542,769	2,553,772	2,574,534	2,586,268	2,593,937	2,607,986	2,617,238									
June-93	415,674	1,315,738	1,611,871	1,719,235	1,836,642	1,871,759	1,907,504	1,930,526	1,977,226	2,009,894	2,048,320	2,106,226	2,144,269	2,190,485	2,240,879	2,296,700										
June-94	598,740	1,383,736	1,705,173	1,941,862	2,012,247	2,200,199	2,290,696	2,346,328	2,406,956	2,509,745	2,549,583	2,601,202	2,677,455	2,727,826	2,785,899											
June-95	625,005	1,262,191	1,500,916	1,627,990	1,716,166	1,770,565	1,843,652	1,919,317	2,018,626	2,068,939	2,105,461	2,177,442	2,207,352	2,235,130												
June-96	442,026	1,106,672	1,298,637	1,506,086	1,588,152	1,626,688	1,672,734	1,723,992	1,784,200	1,838,291	1,904,595	1,938,999	1,973,969													
June-97	490,343	1,177,901	1,656,955	1,851,037	1,939,610	2,054,998	2,100,197	2,157,406	2,207,438	2,247,927	2,302,138	2,315,796														
June-98	326,869	974,658	1,226,365	1,350,342	1,476,983	1,551,929	1,637,433	1,716,707	1,747,491	1,769,878	1,797,150															
June-99	484,930	1,204,187	1,456,433	1,645,438	1,757,364	1,866,452	1,932,933	2,065,834	2,135,187	2,187,567																
June-00	687,002	1,407,750	1,709,714	1,905,283	2,094,421	2,260,264	2,375,651	2,506,812	2,566,510																	
June-01	555,924	1,355,841	1,668,220	1,965,335	2,137,275	2,265,629	2,333,456	2,389,586																		
June-02	456,844	1,259,496	1,683,493	1,908,166	2,029,871	2,101,432	2,140,880																			
June-03	314,443	1,423,035	2,006,147	2,291,763	2,403,958	2,513,521																				
June-04	598,148	1,733,246	2,216,316	2,434,141	2,548,142																					
June-05	744,557	2,314,627	3,030,458	3,409,706																						
June-06	971,841	2,207,952	2,611,952																							
June-07	1,118,370	3,111,007																								
June-08	1,399,818																									

Age-to-Age Factors

Acc Yr Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312
June-83	2.404	1.458	1.262	1.209	1.176	1.136	1.143	1.212	1.075	1.072	1.014	1.063	1.193	1.129	1.000	1.009	1.000	1.000	1.000	1.001	1.032	1.008	1.009	1.011	1.011
June-84	2.361	1.471	1.278	1.208	1.119	1.154	1.160	1.041	1.042	1.044	1.029	1.014	1.034	1.010	1.015	1.014	1.006	1.012	1.005	1.027	1.002	1.005	1.000	1.003	
June-85	2.434	1.456	1.263	1.194	1.212	1.187	1.063	1.051	1.160	1.021	1.030	1.012	1.013	1.029	1.022	1.019	1.014	1.011	1.010	1.007	1.006	1.007	1.005		
June-86	2.440	1.469	1.237	1.202	1.150	1.132	1.071	1.071	1.023	1.014	1.015	1.010	1.016	1.010	1.004	1.004	1.007	1.007	1.005	1.009	1.009	1.003			
June-87	2.446	1.558	1.220	1.201	1.117	1.063	1.052	1.016	1.012	1.012	1.007	1.007	1.008	1.011	1.006	1.007	1.007	1.004	1.004	1.004	1.006				
June-88	2.945	1.592	1.204	1.102	1.062	1.039	1.030	1.021	1.020	1.008	1.008	1.007	1.005	1.004	1.005	1.009	1.005	1.007	1.007	1.005					
June-89	3.957	1.425	1.211	1.099	1.102	1.037	1.030	1.021	1.014	1.011	1.009	1.006	1.006	1.007	1.008	1.006	1.008	1.022	1.005						
June-90	2.992	1.325	1.152	1.070	1.046	1.039	1.039	1.028	1.022	1.011	1.008	1.010	1.010	1.006	1.016	1.007	1.006	1.006							
June-91	2.716	1.271	1.139	1.042	1.040	1.015	1.003	1.006	1.007	1.006	1.004	1.007	1.011	1.010	1.011	1.012	1.009								
June-92	2.699	1.251	1.122	1.027	1.016	1.021	1.023	1.013	1.014	1.018	1.004	1.008	1.005	1.003	1.005	1.004									
June-93	3.165	1.225	1.067	1.068	1.019	1.019	1.012	1.024	1.017	1.019	1.028	1.018	1.022	1.023	1.025										
June-94	2.311	1.232	1.139	1.036	1.093	1.041	1.024	1.026	1.043	1.016	1.020	1.029	1.019	1.021											
June-95	2.019	1.189	1.085	1.054	1.032	1.041	1.041	1.052	1.025	1.018	1.034	1.014	1.013												
June-96	2.504	1.173	1.160	1.054	1.024	1.028	1.031	1.035	1.030	1.036	1.018	1.018													
June-97	2.402	1.407	1.117	1.048	1.059	1.022	1.027	1.023	1.018	1.024	1.006														
June-98	2.982	1.258	1.101	1.094	1.051	1.055	1.048	1.018	1.013	1.015															
June-99	2.483	1.209	1.130	1.068	1.062	1.036	1.069	1.034	1.025																
June-00	2.049	1.215	1.114	1.099	1.079	1.051	1.055	1.024																	
June-01	2.439	1.230	1.178	1.087	1.060	1.030	1.024																		
June-02	2.757	1.337	1.133	1.064	1.035	1.019																			
June-03	4.526	1.410	1.142	1.049	1.046																				
June-04	2.898	1.279	1.098	1.047																					
June-05	3.109	1.309	1.125																						
June-06	2.272	1.183																							
June-07	2.782																								

Averages	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264-276	276-288	288-300	300-312	To Ult
Simple Avg																										
All Yrs	2.724	1.330	1.160	1.097	1.076	1.058	1.050	1.040	1.033	1.022	1.016	1.016	1.027	1.022	1.011	1.009	1.007	1.008	1.005	1.009	1.011	1.006	1.005	1.007	1.011	
Latest 5	3.117	1.303	1.135	1.069	1.056	1.038	1.045	1.027	1.022	1.022	1.021	1.017	1.014	1.013	1.013	1.007	1.007	1.009	1.006	1.010	1.011					
Latest 3	2.721	1.257	1.122	1.053	1.047	1.033	1.049	1.025	1.019	1.025	1.019	1.020	1.018	1.016	1.014	1.008	1.008	1.012	1.005	1.006	1.007	1.005	1.005			
Volume Wtd																										
All Yrs	2.696	1.297	1.142	1.074	1.060	1.041	1.037	1.028	1.024	1.016	1.013	1.012	1.014	1.013	1.011	1.008	1.007	1.010	1.006	1.008	1.009	1.005	1.004	1.006		
Latest 5	2.879	1.292	1.132	1.067	1.056	1.037	1.044	1.027	1.022	1.021	1.021	1.018	1.013	1.012	1.013	1.008	1.007	1.010	1.006	1.008	1.009					
Latest 3	2.693	1.256	1.122	1.052	1.047	1.034	1.048	1.025	1.019	1.025	1.019	1.021	1.018	1.015	1.013	1.008	1.008	1.012	1.005	1.006	1.007	1.005				

Dev Factor Selection																										
Industry 1	2.073	1.180	1.075	1.034	1.021	1.016	1.012																			
Industry 2		1.346	1.110	1.053	1.030	1.018	1.015	1.011	1.012	1.011	1.011	1.010	1.007	1.007	1.007	1.006	1.006	1.005	1.005	1.005						
Prior	*2.721*	*1.313*	*1.125*	*1.067*	*1.058*	*1.039*	*1.046*	*1.032*	*1.026*	*1.023*	*1.021*	*1.015*	*1.013*	*1.010*	*1.009*	*1.008*	*1.006*	*1.010*	*1.006*	*1.008*	*1.006*	*1.005*	*1.005*	*1.005*		*1.033*
Selected	2.724	1.303	1.122	1.053	1.047	1.033	1.045	1.027	1.022	1.022	1.021	1.017	1.014	1.013	1.013	1.008	1.008	1.009	1.006	1.008	1.006	1.005	1.005	1.005	1.005	1.032
FacToUlt	6.045	2.219	1.703	1.518	1.441	1.376	1.332	1.275	1.242	1.215	1.189	1.164	1.144	1.129	1.115	1.100	1.092	1.084	1.074	1.067	1.059	1.053	1.047	1.042	1.037	1.032
Percent of Ult	16.5%	45.1%	58.7%	65.9%	69.4%	72.7%	75.1%	78.4%	80.5%	82.3%	84.1%	85.9%	87.4%	88.6%	89.7%	90.9%	91.6%	92.3%	93.1%	93.7%	94.4%	95.0%	95.5%	95.9%	96.4%	

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Comparison of Ultimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ultimate Loss		Ultimate Loss		Change in Ultimate Loss		Change in Ultimate Loss	
Accident	As of 6/07		As of 6/08		(Dollar)	(Percent)	(Dollar)	(Percent)
Year	Low	High	Low	High	Low	Low	High	High
All Prior Yrs	2,987,700	3,015,514	3,052,135	3,074,010	64,435	2.2%	58,496	1.9%
6/30/82-83	485,930	511,835	491,063	516,845	5,132	1.1%	5,010	1.0%
6/30/83-84	788,743	843,130	790,813	844,695	2,070	0.3%	1,565	0.2%
6/30/84-85	1,158,000	1,159,000	1,162,000	1,163,000	4,000	0.3%	4,000	0.3%
6/30/85-86	1,883,000	1,883,000	1,887,000	1,888,000	4,000	0.2%	5,000	0.3%
6/30/86-87	1,630,000	1,632,000	1,636,000	1,638,000	6,000	0.4%	6,000	0.4%
6/30/87-88	3,253,000	3,258,000	3,257,000	3,261,000	4,000	0.1%	3,000	0.1%
6/30/88-89	3,700,000	3,703,000	3,712,000	3,713,000	12,000	0.3%	10,000	0.3%
6/30/89-90	4,019,000	4,022,000	4,021,000	4,024,000	2,000	0.0%	2,000	0.0%
6/30/90-91	3,591,000	3,618,000	3,614,000	3,648,000	23,000	0.6%	30,000	0.8%
6/30/91-92	2,858,000	2,882,000	2,858,000	2,888,000	0	0.0%	6,000	0.2%
6/30/92-93	2,478,000	2,504,000	2,528,000	2,555,000	50,000	2.0%	51,000	2.0%
6/30/93-94	3,045,000	3,055,000	3,105,000	3,130,000	60,000	2.0%	75,000	2.5%
6/30/94-95	2,497,000	2,508,000	2,523,000	2,546,000	26,000	1.0%	38,000	1.5%
6/30/95-96	2,227,000	2,261,000	2,259,000	2,290,000	32,000	1.4%	29,000	1.3%
6/30/96-97	2,699,000	2,751,000	2,696,000	2,740,000	(3,000)	-0.1%	(11,000)	-0.4%
6/30/97-98	2,122,000	2,214,000	2,137,000	2,197,000	15,000	0.7%	(17,000)	-0.8%
6/30/98-99	2,626,000	2,712,000	2,658,000	2,719,000	32,000	1.2%	7,000	0.3%
6/30/99-00	3,183,000	3,248,000	3,187,000	3,248,000	4,000	0.1%	0	0.0%
6/30/00-01	3,099,000	3,174,000	3,047,000	3,110,000	(52,000)	-1.7%	(64,000)	-2.0%
6/30/01-02	2,899,000	3,025,000	2,852,000	2,938,000	(47,000)	-1.6%	(87,000)	-2.9%
6/30/02-03	3,510,000	3,540,000	3,459,000	3,498,000	(51,000)	-1.5%	(42,000)	-1.2%
6/30/03-04	3,791,000	4,184,000	3,672,000	4,044,000	(119,000)	-3.1%	(140,000)	-3.3%
6/30/04-05	4,700,000	5,308,000	4,600,000	5,175,000	(100,000)	-2.1%	(133,000)	-2.5%
6/30/05-06	4,700,000	5,248,000	4,300,000	4,832,000	(400,000)	-8.5%	(416,000)	-7.9%
6/30/06-07	5,300,000	6,000,000	5,600,000	6,904,000	300,000	5.7%	904,000	15.1%
6/30/07-08								
Total	75,230,374	78,259,479	75,104,010	78,584,550	(126,363)	-0.2%	325,071	0.4%

NOTES:
(2), (3) From Aon analysis as of June 30, 2007
(4), (5) From Section 8, Exhibit 2, Page 1, Columns 6, 7
(6) = (4) - (2)
(7) = (4) / (2) - 1
(8) = (5) - (3)
(9) = (5) / (3) - 1

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Calculation of Discount Factors

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maturity	Cumulative Paid Loss Development	Incremental Paid Loss Development	Percent Unpaid	Pres Value of Increm. Pmts (4%)	Pres Value of Increm. Pmts (6%)	Discount Factor At: 4%	6%
324	100.0%	3.1%	0.0%	1.1%	0.7%	1.000	1.000
312	96.9%	0.5%	3.1%	0.2%	0.1%	0.981	0.971
300	96.4%	0.5%	3.6%	0.2%	0.1%	0.948	0.924
288	95.9%	0.5%	4.1%	0.2%	0.1%	0.920	0.883
276	95.5%	0.5%	4.5%	0.2%	0.1%	0.894	0.848
264	95.0%	0.6%	5.0%	0.2%	0.2%	0.872	0.816
252	94.4%	0.7%	5.6%	0.3%	0.2%	0.852	0.790
240	93.7%	0.6%	6.3%	0.3%	0.2%	0.839	0.772
228	93.1%	0.8%	6.9%	0.4%	0.3%	0.821	0.749
216	92.3%	0.7%	7.7%	0.3%	0.3%	0.810	0.735
204	91.6%	0.7%	8.4%	0.4%	0.3%	0.796	0.716
192	90.9%	1.2%	9.1%	0.6%	0.5%	0.782	0.699
180	89.7%	1.1%	10.3%	0.6%	0.5%	0.777	0.694
168	88.6%	1.2%	11.4%	0.7%	0.5%	0.770	0.686
156	87.4%	1.5%	12.6%	0.9%	0.7%	0.763	0.678
144	85.9%	1.8%	14.1%	1.1%	0.9%	0.760	0.675
132	84.1%	1.8%	15.9%	1.2%	1.0%	0.759	0.674
120	82.3%	1.8%	17.7%	1.2%	1.0%	0.755	0.670
108	80.5%	2.1%	19.5%	1.5%	1.3%	0.750	0.663
96	78.4%	3.4%	21.6%	2.5%	2.2%	0.746	0.659
84	75.1%	2.4%	24.9%	1.9%	1.7%	0.753	0.669
72	72.7%	3.3%	27.3%	2.6%	2.4%	0.747	0.661
60	69.4%	3.5%	30.6%	2.9%	2.7%	0.746	0.661
48	65.9%	7.2%	34.1%	6.2%	5.8%	0.744	0.659
36	58.7%	13.7%	41.3%	12.4%	11.8%	0.762	0.683
24	45.1%	28.5%	54.9%	26.9%	26.1%	0.794	0.725
12	16.5%	16.5%	83.5%	16.2%	16.1%	0.838	0.782
Total		100.0%					

NOTES:

(2) = 1 / Section 8, Exhibit 2, Page 2, Column 4

(3) Incremental % based on (2)

(4) = 1 - (2)

(5) = [(3) / 1.04] ^ {[(1) - 6] / 12}

(6) = [(3) / 1.06] ^ {[(1) - 6] / 12}

(7), (8) Discount factor based on (5), (6)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Outstanding Loss Discounting - 4.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	4.0%	(Low)	(High)
All Prior Yrs	233,873	255,749		204,542	223,674
6/30/82-83	0	25,782	0.981	0	25,281
6/30/83-84	0	53,882	0.948	0	51,078
6/30/84-85	45,948	46,948	0.920	42,257	43,177
6/30/85-86	84,952	85,952	0.894	75,986	76,881
6/30/86-87	81,776	83,776	0.872	71,268	73,011
6/30/87-88	181,033	185,033	0.852	154,329	157,739
6/30/88-89	234,712	235,712	0.839	196,873	197,712
6/30/89-90	277,536	280,536	0.821	227,890	230,354
6/30/90-91	279,535	313,535	0.810	226,474	254,021
6/30/91-92	240,762	270,762	0.796	191,552	215,420
6/30/92-93	231,300	258,300	0.782	180,802	201,907
6/30/93-94	319,101	344,101	0.777	248,074	267,509
6/30/94-95	287,870	310,870	0.770	221,732	239,448
6/30/95-96	285,031	316,031	0.763	217,585	241,250
6/30/96-97	380,204	424,204	0.760	289,046	322,496
6/30/97-98	339,850	399,850	0.759	258,009	303,561
6/30/98-99	470,433	531,433	0.755	355,381	401,463
6/30/99-00	620,490	681,490	0.750	465,180	510,911
6/30/00-01	657,414	720,414	0.746	490,474	537,476
6/30/01-02	711,120	797,120	0.753	535,355	600,098
6/30/02-03	945,479	984,479	0.747	705,857	734,973
6/30/03-04	1,123,858	1,495,858	0.746	838,204	1,115,652
6/30/04-05	1,190,294	1,765,294	0.744	885,833	1,313,755
6/30/05-06	1,688,048	2,220,048	0.762	1,285,573	1,690,731
6/30/06-07	2,488,993	3,792,993	0.794	1,976,455	3,011,933
6/30/07-08	4,300,182	4,900,182	0.838	3,602,238	4,104,855
Total	17,699,795	21,780,334		13,946,969	17,146,364
			(7) Total Discount Factor:	0.788	0.787

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	233,873	255,749
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	33,410	36,536
(11) Discounted Value at 4%:	204,542	223,674

NOTES:
(2), (3) From Section 8, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 8, Exhibit 2, Page 9, Column 7
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)

Commonwealth of Massachusetts
Workers Compensation
Reserve Analysis at June 30, 2008

All Other - Clusters 5-17 & 95
Medical

Outstanding Loss Discounting - 6.0%

(1)	(2)	(3)	(4)	(5)	(6)
	Undiscounted		Discount	Discounted	
Accident	Outstanding Losses		Factor at	Outstanding Losses	
Year	(Low)	(High)	6.0%	(Low)	(High)
All Prior Yrs	233,873	255,749		192,105	210,074
6/30/82-83	0	25,782	0.971	0	25,042
6/30/83-84	0	53,882	0.924	0	49,773
6/30/84-85	45,948	46,948	0.883	40,584	41,467
6/30/85-86	84,952	85,952	0.848	72,024	72,872
6/30/86-87	81,776	83,776	0.816	66,739	68,371
6/30/87-88	181,033	185,033	0.790	143,090	146,251
6/30/88-89	234,712	235,712	0.772	181,298	182,071
6/30/89-90	277,536	280,536	0.749	207,888	210,135
6/30/90-91	279,535	313,535	0.735	205,527	230,526
6/30/91-92	240,762	270,762	0.716	172,500	193,994
6/30/92-93	231,300	258,300	0.699	161,623	180,490
6/30/93-94	319,101	344,101	0.694	221,576	238,935
6/30/94-95	287,870	310,870	0.686	197,455	213,232
6/30/95-96	285,031	316,031	0.678	193,202	214,215
6/30/96-97	380,204	424,204	0.675	256,544	286,234
6/30/97-98	339,850	399,850	0.674	229,183	269,644
6/30/98-99	470,433	531,433	0.670	315,294	356,178
6/30/99-00	620,490	681,490	0.663	411,621	452,087
6/30/00-01	657,414	720,414	0.659	433,468	475,008
6/30/01-02	711,120	797,120	0.669	475,801	533,342
6/30/02-03	945,479	984,479	0.661	625,211	651,000
6/30/03-04	1,123,858	1,495,858	0.661	742,686	988,517
6/30/04-05	1,190,294	1,765,294	0.659	784,614	1,163,641
6/30/05-06	1,688,048	2,220,048	0.683	1,152,093	1,515,184
6/30/06-07	2,488,993	3,792,993	0.725	1,805,403	2,751,266
6/30/07-08	4,300,182	4,900,182	0.782	3,364,259	3,833,671
Total	17,699,795	21,780,334		12,651,791	15,553,219
			(7) Total Discount Factor:	0.715	0.714

	Discount Calculation for All Prior Years	
	(Low)	(High)
(8) Estimated Total Reserve:	233,873	255,749
(9) Projected Number of Years:	7	7
(10) Projected Paid Loss per Year:	33,410	36,536
(11) Discounted Value at 6%:	192,105	210,074

NOTES:
(2), (3) From Section 8, Exhibit 2, Page 1, Columns 8, 9
(4) From Section 8, Exhibit 2, Page 9, Column 8
(5) = (2) x (4)
(6) = (3) x (4)
(7) = Sum of (5) / Sum of (2) and Sum of (6) / Sum of (3)
(10) = (8) / (9)