

November 4, 2010

EEOICPA LIABILITIES as of SEPTEMBER 30, 2010

PURPOSE

Quality Casualty Consulting (QCC) has been retained by the US Department of Labor (DOL) to estimate liabilities of the government to pay claims under the Energy Employees Occupational Illness Compensation Program Act (EEOICPA). The liabilities are as of the end of the latest fiscal year ending 9/30/10.

This evaluation is for both Part B, which became effective July 31, 2001, and Part E which became effective October 29, 2004. The estimation is based as much as possible on actual experience under the program. It includes no estimate of administrative costs.

Although claims are projected to emerge in the future, we consider only those based on employments before 9/30/10, the as of date. There is no liability calculated for exposure to toxic substances after 9/30/10. There is also no estimate of liability that may result from future law or administrative changes. The estimate does not include any loss adjustment expenses.

CONCLUSIONS

We have estimated liabilities under Part B of the EEOICPA as of 9/30/10 to be \$7,966,241,453, discounted by an interest rate of 4.300%. On an undiscounted basis, the liability is \$12,988,908,067. These numbers are shown in Exhibit 1, Page 1A.

Last year the Part B liabilities were \$4,208,726,174 discounted by an interest rate of 4.715% and \$6,681,514,227 on an undiscounted basis. The estimate of liabilities has increased significantly since last year primarily due to an increased emergence of cancer SEC claims, higher medical costs, and to a lesser extent a lower interest rate used to discount losses.

We have had some difficulty keeping up with the emergence of new SEC locations and awareness programs that have significantly increased the number of claims, particularly SEC claims for the latest fiscal year. Medical cost per case has also increased more than projected last year.

Liabilities under Part E of the Act are estimated to be \$4,148,238,612 discounted by the rate above, and \$6,816,015,864 on an undiscounted basis.

At the end of 2009, the Part E liabilities were estimated to be \$3,854,836,876 discounted by the rate above, and \$6,077,121,631 on an undiscounted basis. The liabilities have increased moderately primarily due to increasing medical costs and a slightly higher claim approval rate.

Exhibit 1, Page 1B, displays a 19 year projected payout of liabilities for Part B excluding Department of Justice RECA Section 5, Part E and DOJ RECA Section 5.

This estimate of liability is an actuarial central estimate in that it represents an expected value over the range of reasonably possible outcomes. There are no recoverables for this coverage.

BACKGROUND ON THE EEOICPA

Under Part B, the act provides a lump sum "indemnity" award of \$150,000 and medical benefits to living claimants who were employed in various energy-related activities either directly for the Department of Energy (DOE), or its contractors and sub-contractors. Claimants may include the survivors of deceased workers who would have been eligible for the awards and, in that case, the lump sum is divided among eligible survivors.

Coverage is coordinated with benefits to certain uranium workers under the Radiation Exposure Compensation Act (RECA). Individuals who have received, or will receive, the \$100,000 indemnity benefit under that act are presumed eligible for a \$50,000 indemnity award under the EEOICPA to "top up" the RECA benefit. Liability for RECA benefits has been transferred by the 2004 amendments so that ground-up payments, including medical, have been assumed by the DOL under the EEOICPA.

Except for some broadening of coverage in the coordination with RECA, Part B coverage is for certain specified diseases only: cancer due to radiation exposure, and beryllium disease or silicosis related to exposure to those elements. These must be related to exposures at covered employment and exposures must satisfy certain temporal requirements. Special cases, workers with beryllium sensitivity, qualify for only certain medical benefits.

In a significant expansion of coverage to employees of contractors and subcontractors of the government, Part E was added to the act, effective October 29, 2004. This extends federal compensation and medical benefits in lieu of state workers compensation benefits for injury and lost income of workers who developed occupational illness as a result of exposure to a broader selection of toxic substances at a DOE facility. This replaced Part D, which provided help to these workers in obtaining state benefits. Old Part D claims have been transferred to the new Part E program. Many claimants already accepted under Part B and RECA have been considered eligible for Part E benefits.

There are detailed requirements, which are only outlined below, that must be fulfilled in order to qualify for benefits under Part B. It should be noted that workers from certain specific locations are in the Special Exposure Cohort (SEC) and have been given favorable status towards acceptance. The SEC is workers who worked at least 250 days at specific locations and for specific dates and have developed certain specific types of cancer. New SEC locations have been added recently.

Claimants must not be suing the government in tort nor be convicted felons. To receive awards, claimants must accept the lump sum payment in full for all claims against the US, DOE and its contractors and sub-contractors. For the purposes of this evaluation, we have assumed that all claimants will accept the EEOICPA award, dropping any lawsuits that may be pending.

THE DATA

Data that has been made available to us are extracts made to our specifications from a database constructed by the program administrators. There are several tables of data, many of which relate to details of the administration of the claims and are not relevant to our estimation. The tables with information useful in the estimation of liabilities contain key information on case (employee) and several with information by claim (which may be either the living employee or one or more of his/her survivors). Extracts requested by us include information on the employee (such as birth date, date of death, and disease), claimant (such as relationship, time of filing and payment), and claim status (relating to eligibility and possible administrative decisions to accept or deny.) We also obtained information on medical condition, claims with SEC status, and payments. These extracts were done as of July 2010. By using our model, we were able to project to an evaluation as of 9/30/10.

In addition to the above extracts, we were able to obtain information on EEOICPA medical payments by case from inception to 7/10 and RECA benefits paid on behalf of DOJ.

We do not have a count of workers by year or location that have been exposed to dangerous substances.

OVERVIEW OF THE ANALYSIS

The general approach to evaluating Part B has been to estimate ultimate case count by medical condition, or disease, and extend that by the dollar value of the indemnity award, \$150,000. The critical injury types in Part B are covered cancers, beryllium disease and chronic silicosis. Beryllium sensitivity is subject to medical awards only, and these cases were separated out. RECA cases which originated from a different program were also separated out.

To best use the available experience, we have estimated future compensation respective of disease. We also separated out medical payments, which will have a different payment pattern than compensation.

Using the RECA indicator field, we first separated out cases resulting from coordination with the Radiation Exposure Compensation Act (RECA), which are mostly radiation-induced cancer and other lung diseases. Prior to the October 2004 changes, these were subject to a \$50,000 “top-up” award per case under EEOICPA. As a result of the October 2004 changes, new RECA cases will be paid the full \$150,000 under EEOICPA. Since it is expected to have a different administration and acceptance rate, RECA is treated as one of the qualifying diseases and these cases are separated out first.

Since the October 2004 revisions, our projections of liability have included the full \$150,000 per claim for RECA claims. However, prior to 2007, the \$100,000 per case paid on behalf of the DOJ on RECA cases was not included in our paid data. For the last several years we have obtained data on payments on behalf of the DOJ and included these amounts in our paid data tables. This year the projected amounts payable on behalf of the DOJ are also displayed separately (Exhibit 1 Page 1B).

We assigned cases to medical condition in the following priority order: RECA, cancer SEC, beryllium disease, chronic silicosis, cancer other than SEC and beryllium sensitivity. If more than one condition appeared for any given case, we used that order to slot the case.

Using the data from our extract, we projected the pattern and ultimate number of reported Part B cases by disease using an exponential decay model. Included in this projection is the emergence pattern for cases, that is, the number of cases projected to be filed each quarter for 20 years into the future.

We did not directly model the detailed process by which these diseases are judged to qualify for an award, but, based on sample recommendation and final approval rates, we selected estimates of the projected final approval rate for cases of each disease.

Separate files were provided for Part E claims with dates, status and payment amount, allowing overlap with Part B claims just as awards are allowed to overlap. At this point, dividing Part E cases by disease seems unnecessary. We projected future emergence of cases in much the same way as for Part B cases. We also used information on the payments to date to estimate an average Part E indemnity award. For Part E we projected cases to be filed each quarter for 35 years into the future.

Medical payments are recorded to case and for cases approved under both Part E and Part B, the medical payments cannot be distinguished. We used a method similar to that of the DOL for allocating medical payments to Part B and Part E. Medical is counted as Part E only if there is no Part B claim or if the Part B claim is denied and the Part E claim is approved. Medical data is presented in Exhibit 2.

We projected the average annual medical benefit paid under Part B to be \$15,000 for 2011, almost 50% higher than the selected Part B medical benefit for 2011 used last year. For Part E we selected \$4,800. The selected escalation rate is 6%, the same as last year.

For Part B, we estimated quarterly average medical benefit per living employee with an approved case. This average medical benefit is taken over a broader base of employees and is thus smaller than the average medical amount paid to claimants actually receiving benefits. We calculated sample averages for Part B in total and for each of the larger disease categories: RECA, cancer SEC and cancer non-SEC. We also calculated an average medical for beryllium disease, chronic silicosis, and beryllium sensitivity combined. The average annual benefit is four times the quarterly.

We also projected the numbers of eligible employee claimants living during each future quarter who could receive ongoing medical benefits. The product of the average medical benefit and the number of eligible employees is the projected medical benefit.

After projecting the number of claims that will be filed and approved, we model our estimate of how long after the claims are filed that they are paid to determine the compensation payment pattern. The number of claims paid times the average benefit is the amount paid.

DETAILED METHODOLOGY

Since the full award inures to the case, not the claim, we consolidated the data to a case basis. We classified cases by disease using claim data, and we prioritized diseases so that cases coded to multiple diseases could be assigned to one disease.

A. Construction of database

For Parts B and E combined:

From the case (.cas) table, we extracted date of birth, date of death, and sex.

Medical amounts paid by case were provided in a table of medical benefits.

For each Part, B and E separately:

From the claim (.claim) table, we determined the case number, the date filed (earliest claim filed), if the claim was for employee, survivors or both, and if the claim was RECA.

From the medical condition table (.med_condition), we determined the disease using the primary medical condition code. We used a priority order if there was more than one disease listed. The priority was as follows: RECA, cancer SEC, beryllium disease,

chronic silicosis, cancer non SEC, beryllium sensitivity, other lung, renal, other, 99 (Other Conditions, Not Listed) and blank. This was used to stratify the cases.

From the claim status table (.claim_status_history), we determined an approval status of each case. We recorded if Final Adjudication Branch (FAB) affirmed or denied an underlying claim, if approval was recommended or denied by the district administrators, or if the case were closed. By assumption, approval of one underlying claim inured to the case.

Paid dates and amounts were taken from the payment (.payment) table. From claim payment data we received, we combine amounts paid by claim to case for each full quarter up to the one ending 6/2010.

For Part B only:

If a claim is indicated as SEC in the SEC table (.emp_sec) or has an “SE” in the status history table (.claim_status_history), the claim was classified as SEC. If any underlying claim was SEC, then the case was coded as SEC in our database.

This year, as the last several years, we have obtained all amounts paid by the DOL on behalf of the DOJ for RECA claims. This is \$100,000 per RECA claim. These amounts are summarized by date paid.

For Part E only:

From the acceptance of payment table, the breakdown of payment by lump sum, wage loss, and impairment was determined.

B. Estimating an emergence pattern of paid cases, respective of disease

1. Estimate the ultimate number of reported cases and an emergence pattern by disease.

Using this model, we estimate ultimate number of reported cases, as well as a pattern of reporting.

We start with the reported case count. Using case counts reported by quarter, we determine a reporting pattern. Using an exponential decay model we determine how many cases are expected to be filed (in a statistical sense) in each of the upcoming quarters. Projections based on the fitted exponential decay model imply few cases will be filed after 2030 for Part B and after 2045 for Part E. We limit the number of years in our case projection exhibits to 20 for Part B and 35 for Part E, not including the 9 completed years. Medical payments are projected out over 50 years. Beyond this time there will undoubtedly be payments, but far fewer and highly discounted for interest. Most of the cases involve workers in their sixties, so these time frames are not unreasonable.

Before fitting the exponential model, some judgment was necessary to adjust quarters with an apparent excess of reported cases, typically the first quarter of the program, which was the third quarter of 2001. There presumably was a backlog of cases brought out by the new program. We excluded this quarter. We also fit the exponential model to data starting third quarter 2004 in order to view more recent trends. We then selected final factors judgmentally by adjusting the fitted parameters to be reasonable and consistent with each other across diseases.

2. Estimate the number of reported cases that will be approved and paid. This we have done using approval rate statistics by disease that we derived from the status history table, so that a sample rate of approval is the number of approved cases divided by the total (approved + disapproved). We look at approval rates based on both the divisional recommendations and the Final Adjudication Branch (FAB) but since there is enough history on FAB approval rates, we generally select an approval rate based on their approval rate.

C. Estimating a payment pattern

1. We start with the emergence pattern estimated as described in Section B.1 above. We assumed Part B cases other than CN-NONSEC are paid one year after they are reported with a three year lag for CN-NONSEC cases. For Part E we assume a one year lag from filing to approval. For some diseases, the payout assumptions lead to a large number of cases expected to be paid in the year following the estimate. To avoid this lump of cases, we spread the difference between the estimated paid cases and the actual number of paid cases to date over five years for RECA, CN-SEC, and CN-NONSEC cases. For CS and BS it is spread over two years and for BD and Part E the correction term is spread over 10 years. The correction terms for CN-SEC and CN-NONSEC are further adjusted to smooth the claim payments. For CN-SEC the correction term is weighted 0.3, 0.3, 0.2, 0.1, 0.1 respectively by year; for CN-NONSEC the correction term is weighted 0.2, 0.4, 0.1, 0.2, and 0.1 respectively by year. The correction for the remaining diseases is spread evenly.
2. Compensation payment amounts are \$150,000 for part B cases. (RECA payments, which were once only \$50,000 under EEOICP, are now also projected at \$150,000). For Part E, we estimated an average award of \$142,000 using analysis described in Exhibit 3, page 6. It is assumed that \$104,000 is paid when the claim is approved and \$38,000, the survivor payment for an employee that has received a payment, is paid out over time based on the application of the mortality data in Exhibit 1 Page 2.
3. Medical payment amounts are derived by estimating an average benefit award per eligible employee and a projection of how many such employee claimants are living in each year after the current. We selected \$15,000 for Part B and \$4,800 for Part E as the average amount paid in 2011. For projecting future medical payments, we retained our estimate of medical inflation at 6%.

4. To project living employee claimants, those eligible for medical benefits, we used mortality rates for existing disabled male retirees from the RP-2000 Mortality Tables published by the Society of Actuaries, as well as our model estimate of new claimants emerging.

DESCRIPTION OF EXHIBITS

Exhibit 1, Page 1A - The Estimate of EEOICPA Liabilities.

Usually, liability is computed as the ultimate incurred minus paid loss to date, where loss is compensation plus medical. In this case, we used our model of the payment stream by disease and directly summed payments starting 10/01/10. We also calculate discounted liabilities using our payment pattern from Exhibit 6 and an interest rate of 4.300%.

Exhibit 1, Page 1B - Separation of Payments on DOJ RECA Section 5

Exhibit 1 Page 1B provides a break out of the projected liability for Part B excluding payments on DOJ RECA Section 5, Part E, and separately payments on DOJ RECA Section 5. These payments are provided on both an undiscounted and a discounted basis.

Exhibit 1, Page 2- Assumptions used in the calculations

The assumptions are for discount rate, approval rate, portion of cases filed by living employee, mortality rates, medical cost and inflation rates.

Exhibit 2 - Summary Medical Paid Loss Data

Averages are taken over several different disease groups.

Exhibit 3 - Summarized Information from our Data Base

Tables 1 through 12 show summarized information from the database.

From this data, we estimated a case approval rate and payments made by disease and year. The approval of a case required only that one underlying claim be approved, and we did not count a case as disapproved if any underlying claim was approved or reopened.

Exhibit 3, Page 6 – Estimate of Part E average compensation award

The various possible types of cases and claimants are weighted to produce a single average award. Because survivors of employees receiving benefits may file a future claim, the weights used in the selection total to more than 100%. For the payout calculation, the average award is split into \$104,000 paid at approval and \$38,000 paid when the employee dies if the employee dies of an eligible condition and there is an eligible survivor.

Exhibit 4 - Estimation of Ultimate Case Count and Emergence Pattern by Disease

To calculate the ultimate number of cases reported by disease, we projected based on reported case counts from the latest 35 quarters in our database. This excluded the third quarter of 2001. We also used a fit to the latest 24 quarters to eliminate some of the fluctuations in the first three years of the program. We fit an exponential decay reporting pattern to the quarterly data. Using actual cases as of 6/30/10, the last complete quarter, and the fitted pattern for projection, we were able to calculate an expected ultimate number of reported cases. We selected exponential parameters that may have differed from the values resulting from the fit on the existing data usually by comparing last years projections for the current year to the actual number of claims filed and by comparing future projection with the latest reported numbers.

In addition to an estimate of an ultimate number of cases, the exponential decay model also gives us a reporting pattern, which we have used to derive a payment pattern for discounting.

Exhibit 5, page 1 - Estimated Ultimate Approved Cases by Disease

Using the selected approval rate by disease from Exhibit 1 and the number of filed claims from Exhibit 4, we calculated the expected number of cases reported by fiscal year that would be approved.

Exhibit 5, page 2 - Estimated Ultimate Paid Cases by Disease

The database gives us information about the difference between the filing date and the approval date. For all Part B diseases except CN-NONSEC, we assumed payout would follow the year after the (approved) case was filed. For CN-NONSEC we assumed payout three years after filing. Part E cases are assumed to be paid 1 year after filing. This assumes that cases will be decided more quickly now that most of the initial backlog of claims has been handled. Further adjustments are made as described in the exhibit and in section C1 of this report.

Exhibit 5, page 3 – Cases Eligible for Medical Expenses

To be eligible for medical, claims must be approved and filed by a living employee. Once he/she becomes eligible, the claimant continues to be eligible in subsequent years, subject to mortality.

Exhibit 6 - Dollars Paid by Disease by Fiscal Year

Exhibit 6 summarizes dollars paid to date by disease and for medical costs as well as the projection of future payments. The projected payments are further summarized by Part on Exhibit 1.

The projected payout of cases is used in conjunction with actual payments to date to derive the payout distribution by fiscal year, which can be used with a selected interest rate to discount the liabilities. The interest rates decreased a little this year compared to last year so the discounted liabilities are somewhat higher than if last years interest rate was used.

Exhibit 7 – Sensitivity Analysis

By far the most sensitive part of our analysis is the projection of ultimate emerged cases. This is especially difficult because we don't really know the true exposure to loss, which is the number of at-risk employees. Though there may have been some estimates in total and maybe by occupation, what we would really like is number of employees by year of employment. As far as we know, this is not available.

Our other selections have less overall impact, but correlation of these is possible and the consequent error in our projection of these could still be quite large. Exhibit 7 shows estimates of liability with some different parameter selections to provide an idea of how much the estimate could vary if different parameters were selected.

1. An exponential decay model is reasonable if there are no exogenous factors, but with existing changes in administration such as awareness programs and the addition of new SEC classes, we see actual changes that cannot fully be modeled. For sensitivity, we tested the impact of increasing and decreasing the selected slope parameter one percentage point, 0.01. This sounds like a small change but the slope parameters are in the range .02 to .09 so .01 is a large percentage change. The increase in slope increased discounted reserves over 55%, while the decrease reduced them 30%. The model is especially sensitive to this selection.
2. The choice of Medical inflation rate can also have great impact. Our selection of 6% is higher than that selected by the Office of Management and Budget (OMB) for projecting FECA medical payments in the DOL model, but is certainly reasonable. Our tests show the impact of varying this assumption is that an 8% rate would increase discounted total reserve 14% and a 4% rate would reduce discounted total reserves 10%.
3. Change in Medical cost per case has a lesser impact on reserves so that a 10% increase in the cost per case increases total reserves only 4.9% while a 10% decrease in that cost reduces reserves by the same percentage. Our choice of medical average cost has moderate impact.
4. Approval rates have a slightly leveraged impact, so that a 10% higher approval rate increases the reserve over 16% while a 10% lower approval rate tends to reduce reserves almost 16%. The approval rates have become more stable for all diseases except possibly Part E. Re-adjudication of previously denied claims has increased the uncertainty of the long term approval rate.

5. Interest rates can have great impact. We used the OMB's recommendations for long term interest rates used in the FECA reserves and see little need for judgmental adjustment. We show a one point change in interest rate can impact reserves about 8-10%.

CHANGES IN METHODOLOGY

There are no significant changes in methodology compared to last year's analysis. Based on the new data, new parameters of the model are selected. In particular the selected medical cost per case is significantly higher than last year. There is a new assumption on Part E claim payments, instead of three years after claim filing, most of the Part E benefit is assumed to be paid one year after the claim is filed. The remaining Part E claim payment is for survivors of employees that have received awards. The timing of those payments is based on the mortality assumptions.

CAVEATS

This work is a good faith estimate of the EEOICPA liabilities. We have used the actual experience as much as possible to make our estimate and also give weight to information from staff about changes in the program that are not yet seen in the data. Nevertheless, the estimate is based partially on judgment. As with all such estimations of future contingent events, this one, even based on known experience, includes uncertainty. Uncertainty is contained in all actuarial estimations of future costs, but is particularly high in this case.

The EEOICPA program is relatively new, with only a short history to serve as an example of possible events especially when compared to a commercial line of insurance such as Workers Compensation or Premises Liability. The EEOICPA experience so far is only a fraction of the ultimate events that will occur as this program plays out. Part E in particular has generated very little experience so we are relying heavily on judgment to produce estimates.

We used the data supplied by the Department of Labor to make this estimate. We examined it for consistency and reasonableness but otherwise relied on the accuracy of the information provided to us.

What actuaries call the exposure to loss - the time, place, people and what they were doing many years ago - is not measured very accurately in comparison to commercial insurance lines of business, where we would have audited payroll by year and location, and comparatively prompt notification of insured events. In this case, eligible claimants were working at several different locations during many different time periods spanning many years in the past.

Qualification for the benefits is based on evolving administrative procedure, again with not much historical experience to model the process. One constant has been that for Part B, the size of the awards: a flat lump sum of \$150,000. This helps reduce possible error in the


estimate. For Part E there are varying possible awards adding another source of error in the estimate.

There are three possible kinds of risk in all estimations. One is parameter risk, or the risk that our model of the process is not accurate. There are many variables that impact the results and it is possible that some of them are not estimated accurately. The parameter risk in this case is sizable.

Another is called process risk. Even if we are able to correctly model the loss process, it is, after all, stochastic, and actual events may depart from what we predict, even if what we predict is correct on average. Actuaries would call this average the true expected losses. Because the possible triggers for an award under the EEOICPA are so complex, process risk is high, and fortuitous events in the future may not follow patterns seen in the data.

The third is model risk. This is the risk that the model is not appropriate for the estimate. For example, the exponential decay model for modeling the number of claims may not be appropriate for this particular coverage.

Judy A. Gillam and William R. Gillam are Principals of Quality Casualty Consulting, LP. We are both members of the American Academy of Actuaries and meet the Qualifications Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Judy A. Gillam, FCAS, MAAA



William R. Gillam, FCAS, MAAA

**ESTIMATED LIABILITY FOR EEOIC
AS OF 9/30/2010**

INCLUDING PAYMENTS MADE ON BEHALF OF DOJ ON RECA CLAIMS

	Part B	Part E	Total
Undiscounted Future Liability	\$12,988,908,067	\$6,816,015,864	\$19,804,923,931
Discounted Liability Using an interest rate of 4.300%	\$7,966,241,453	\$4,148,238,612	\$12,114,480,065

ESTIMATED PAYOUT FOR CURRENT EEOIC LIABILITY

(1)	(2)	(3)	(4)	(5)	(6)	(7)
			PART B	= (3) x (4) PART B	PART E	=(3) x (6) PART E
Fiscal Year	Years of Discount	Discount Factor	Undiscounted Payout	Discounted Payout	Undiscounted Payout	Discounted Payout
10/10-9/11	0.5	0.979	649,290,000	635,654,910	360,498,615	352,928,144
10/11-9/12	1.5	0.939	649,004,100	609,414,850	327,748,252	307,755,609
10/12-9/13	2.5	0.900	619,640,688	557,676,619	321,180,983	289,062,885
10/13-9/14	3.5	0.863	591,238,950	510,239,214	315,849,425	272,578,054
10/14-9/15	4.5	0.827	572,209,666	473,217,394	311,454,978	257,573,267
10/15-9/16	5.5	0.793	541,016,514	429,026,096	307,906,402	244,169,777
10/16-9/17	6.5	0.761	526,083,234	400,349,341	305,053,130	232,145,432
10/17-9/18	7.5	0.729	513,750,414	374,524,052	302,682,862	220,655,806
10/18-9/19	8.5	0.699	501,390,492	350,471,954	300,808,288	210,264,993
10/19-9/20	9.5	0.670	489,611,112	328,039,445	299,143,239	200,425,970
10/20-9/21	10.5	0.643	474,781,041	305,284,209	218,248,305	140,333,660
10/21-9/22	11.5	0.616	463,465,960	285,495,031	211,530,877	130,303,020
10/22-9/23	12.5	0.591	452,527,869	267,443,971	204,562,204	120,896,262
10/23-9/24	13.5	0.566	441,852,820	250,088,696	197,684,430	111,889,387
10/24-9/25	14.5	0.543	430,529,484	233,777,510	190,547,527	103,467,307
10/25-9/26	15.5	0.521	419,181,196	218,393,403	183,301,917	95,500,299
10/26-9/27	16.5	0.499	407,332,330	203,258,833	175,805,794	87,727,091
10/27-9/28	17.5	0.479	395,910,600	189,641,177	168,108,949	80,524,186
10/28-9/29	18.5	0.459	383,858,540	176,191,070	160,294,722	73,575,278
After 9/29			3,466,233,057	1,168,053,678	1,953,604,965	616,462,185
TOTAL			\$12,988,908,067	\$7,966,241,453	\$6,816,015,864	\$4,148,238,612

Column (4) payout is from Exhibit 6 column (9) excluding amounts paid before 9/30/10

Column (6) payout is from Exhibit 6 column (12) excluding amounts paid before 9/30/10

Column (3) is 1 divided by 1 plus the interest rate selected for discounting, raised to the power in column (2)

**ESTIMATED LIABILITY FOR EEOIC
AS OF 9/30/2010**

SEPARATING OUT PAYMENTS ON DOJ RECA SECTION 5

(1) Fiscal Year	(2) PART B Excluding Payments on Behalf of DOJ on RECA Claims	UNDISCOUNTED		(5) Payments on Behalf of DOJ on RECA Claims	(6) = (4) + (5) TOTAL
		(3) PART E	(4) = (2) + (3)		
10/10-9/11	621,190,000	360,498,615	981,688,615	28,100,000	1,009,788,615
10/11-9/12	624,004,100	327,748,252	951,752,352	25,000,000	976,752,352
10/12-9/13	599,140,688	321,180,983	920,321,671	20,500,000	940,821,671
10/13-9/14	574,538,950	315,849,425	890,388,375	16,700,000	907,088,375
10/14-9/15	558,509,666	311,454,978	869,964,644	13,700,000	883,664,644
10/15-9/16	528,216,514	307,906,402	836,122,916	12,800,000	848,922,916
10/16-9/17	515,683,234	305,053,130	820,736,364	10,400,000	831,136,364
10/17-9/18	504,750,414	302,682,862	807,433,276	9,000,000	816,433,276
10/18-9/19	493,990,492	300,808,288	794,798,780	7,400,000	802,198,780
10/19-9/20	483,611,112	299,143,239	782,754,351	6,000,000	788,754,351
10/20-9/21	469,881,041	218,248,305	688,129,346	4,900,000	693,029,346
10/21-9/22	459,465,960	211,530,877	670,996,837	4,000,000	674,996,837
10/22-9/23	449,227,869	204,562,204	653,790,073	3,300,000	657,090,073
10/23-9/24	438,852,820	197,684,430	636,537,250	3,000,000	639,537,250
10/24-9/25	427,929,484	190,547,527	618,477,011	2,600,000	621,077,011
10/25-9/26	417,081,196	183,301,917	600,383,113	2,100,000	602,483,113
10/26-9/27	405,632,330	175,805,794	581,438,124	1,700,000	583,138,124
10/27-9/28	394,410,600	168,108,949	562,519,549	1,500,000	564,019,549
10/28-9/29	382,658,540	160,294,722	542,953,262	1,200,000	544,153,262
After 9/29	3,464,433,057	1,953,604,965	5,418,038,022	1,800,000	5,419,838,022
TOTAL	\$12,813,208,067	\$6,816,015,864	\$19,629,223,931	\$175,700,000	\$19,804,923,931

(7) Fiscal Year	(8) PART B Excluding Payments on Behalf of DOJ on RECA Claims	DISCOUNTED		(11) Payments on Behalf of DOJ on RECA Claims	(12) = (10) + (11) TOTAL
		(9) PART E	(10) = (8) + (9) TOTAL PART B AND PART E Excluding Payments on Behalf of DOJ on RECA Claims		
10/10-9/11	\$608,145,010	\$352,928,144	\$961,073,154	\$27,509,900	\$988,583,054
10/11-9/12	585,939,850	307,755,609	893,695,459	23,475,000	917,170,459
10/12-9/13	539,226,619	289,062,885	828,289,504	18,450,000	846,739,504
10/13-9/14	495,827,114	272,578,054	768,405,168	14,412,100	782,817,268
10/14-9/15	461,887,494	257,573,267	719,460,761	11,329,900	730,790,661
10/15-9/16	418,875,696	244,169,777	663,045,473	10,150,400	673,195,873
10/16-9/17	392,434,941	232,145,432	624,580,373	7,914,400	632,494,773
10/17-9/18	367,963,052	220,655,806	588,618,858	6,561,000	595,179,858
10/18-9/19	345,299,354	210,264,993	555,564,347	5,172,600	560,736,947
10/19-9/20	324,019,445	200,425,970	524,445,415	4,020,000	528,465,415
10/20-9/21	302,133,509	140,333,660	442,467,169	3,150,700	445,617,869
10/21-9/22	283,031,031	130,303,020	413,334,051	2,464,000	415,798,051
10/22-9/23	265,493,671	120,896,262	386,389,933	1,950,300	388,340,233
10/23-9/24	248,390,696	111,889,387	360,280,083	1,698,000	361,978,083
10/24-9/25	232,365,710	103,467,307	335,833,017	1,411,800	337,244,817
10/25-9/26	217,299,303	95,500,299	312,799,602	1,094,100	313,893,702
10/26-9/27	202,410,533	87,727,091	290,137,624	848,300	290,985,924
10/27-9/28	188,922,677	80,524,186	269,446,863	718,500	270,165,363
10/28-9/29	175,640,270	73,575,278	249,215,548	550,800	249,766,348
After 9/29	1,167,276,078	616,462,185	1,783,738,263	777,600	1,784,515,863
TOTAL	\$7,822,582,053	\$4,148,238,612	\$11,970,820,665	\$143,659,400	\$12,114,480,065

Discounted Liability Uses an interest rate of 4.300%

Inputs for Estimation of EEOIC liabilities

Exhibit 1
Page 2

Table 1

Interest Rate to use for Discounting Reserves 4.300%

Table 2

Selected rate of approval of filed claims Actual data is in Exhibit 3 Page 2 Tables 5 and 6.

RECA	94%
BD	54%
CS	19%
CN - SEC	70%
CN - NONSEC	26%
BS	57%
PART E	45%

Table 3

Selected percentage of Cases Filed by Living Employee. These cases are eligible for medical benefits.
Actual data is in Exhibit 3 Page 1 Table 2.

RECA	55%
BD	58%
CS	73%
CN - SEC	50%
CN - NONSEC	56%
BS	99%
PART E	60%

Table 4

Mortality Rates
Assumed Average Age at Filing Claim is 68

(1)	(2)	(3)
Age	Mortality Rate	= 1-(2)
68	0.056909	0.9431
69	0.059613	0.9404
70	0.062583	0.9374
71	0.065841	0.9342
72	0.069405	0.9306
73	0.073292	0.9267
74	0.077512	0.9225
75	0.082067	0.9179
76	0.086951	0.9130
77	0.092149	0.9079
78	0.097640	0.9024
79	0.103392	0.8966
80	0.109372	0.8906
81	0.115544	0.8845
82	0.121877	0.8781
83	0.128343	0.8717
84	0.134923	0.8651
85	0.141603	0.8584
86	0.148374	0.8516
87	0.155235	0.8448
88	0.162186	0.8378
89	0.169233	0.8308
90	0.183408	0.8166
91	0.199769	0.8002
92	0.216605	0.7834
93	0.233662	0.7663
94	0.250693	0.7493
95	0.267491	0.7325
96	0.283905	0.7161
97	0.299852	0.7001
98	0.315296	0.6847
99	0.330207	0.6698
100	0.344556	0.6554
101	0.358628	0.6414
102	0.371685	0.6283

Column (2) Mortality Rates are from Male RP-2000 Rates for Disabled Retiree

Table 5

Selected Part B Medical Annual Cost \$15,000
Selected Part E Medical Annual Cost \$4,800
Medical Inflation Rate = 6%

(1)	(2)	(3)		
Fiscal Year Ending		Avg. Medical Benefit	Part B	Part E
9/11	1	15,000		4,800
9/12	2	15,900		5,088
9/13	3	16,854		5,393
9/14	4	17,865		5,717
9/15	5	18,937		6,060
9/16	6	20,073		6,423
9/17	7	21,278		6,809
9/18	8	22,554		7,217
9/19	9	23,908		7,650
9/20	10	25,342		8,109
9/21	11	26,863		8,596

Column (3) is the medical annual cost times 1 plus the medical inflation rate raised to the power in column (2) - 1
Actual data from Exhibit 2 Table 1.

ESTIMATE OF PAID MEDICAL FOR EEOIC

Exhibit 2
Page 1

Table 1

ALL PARTS B AND E

Actual Medical Paid Quarterly Per all Eligible Cases

(1)	(2)	(3)	(4)	(5) = (4) / (3)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	Average
3Q 2001	49	49	0	0
4Q 2001	397	446	2,153	5
1Q 2002	371	817	302,794	371
2Q 2002	378	1,195	1,537,000	1,286
3Q 2002	398	1,593	1,980,454	1,243
4Q 2002	450	2,043	1,743,499	853
1Q 2003	378	2,421	3,437,996	1,420
2Q 2003	240	2,661	4,334,275	1,629
3Q 2003	173	2,834	5,223,288	1,843
4Q 2003	205	3,039	4,178,941	1,375
1Q 2004	238	3,277	7,171,777	2,189
2Q 2004	214	3,491	6,443,989	1,846
3Q 2004	216	3,707	5,207,840	1,405
4Q 2004	208	3,915	6,833,070	1,745
1Q 2005	244	4,159	7,931,955	1,907
2Q 2005	300	4,459	8,922,026	2,001
3Q 2005	313	4,772	8,827,090	1,850
4Q 2005	296	5,068	7,756,126	1,530
1Q 2006	370	5,438	11,178,399	2,056
2Q 2006	410	5,848	12,058,995	2,062
3Q 2006	476	6,324	10,215,423	1,615
4Q 2006	449	6,773	9,877,751	1,458
1Q 2007	610	7,383	12,842,023	1,739
2Q 2007	902	8,285	14,479,260	1,748
3Q 2007	1,061	9,346	18,300,873	1,958
4Q 2007	960	10,306	17,562,321	1,704
1Q 2008	854	11,160	19,334,129	1,732
2Q 2008	1,031	12,191	22,190,506	1,820
3Q 2008	1,187	13,378	24,691,706	1,846
4Q 2008	1,152	14,530	24,974,928	1,719
1Q 2009	945	15,475	28,093,722	1,815
2Q 2009	1,068	16,543	32,329,986	1,954
3Q 2009	1,080	17,623	37,146,033	2,108
4Q 2009	1,027	18,650	42,027,779	2,254
1Q 2010	1,012	19,662	49,131,487	2,499
2Q 2010	1,033	20,695	54,474,560	2,632
Total	20,695	269,556	522,744,155	1,939

ESTIMATE OF PAID MEDICAL FOR EEOIC

ALL PART B

Actual Medical Paid Quarterly Per all Eligible Cases

Exhibit 2
Page 2

	(1)	(2)	(3)	(4)	(5) = (4) / (3)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	Average	
3Q 2001	49	49	0	0	
4Q 2001	397	446	2,153	5	
1Q 2002	371	817	302,794	371	
2Q 2002	378	1,195	1,537,000	1,286	
3Q 2002	398	1,593	1,980,379	1,243	
4Q 2002	450	2,043	1,743,108	853	
1Q 2003	378	2,421	3,430,989	1,417	
2Q 2003	240	2,661	4,326,848	1,626	
3Q 2003	173	2,834	5,212,941	1,839	
4Q 2003	205	3,039	4,173,314	1,373	
1Q 2004	238	3,277	7,160,201	2,185	
2Q 2004	214	3,491	6,421,976	1,840	
3Q 2004	216	3,707	5,183,924	1,398	
4Q 2004	208	3,915	6,824,268	1,743	
1Q 2005	244	4,159	7,907,470	1,901	
2Q 2005	300	4,459	8,878,255	1,991	
3Q 2005	311	4,770	8,719,243	1,828	
4Q 2005	289	5,059	7,591,548	1,501	
1Q 2006	355	5,414	10,493,607	1,938	
2Q 2006	376	5,790	11,405,482	1,970	
3Q 2006	415	6,205	9,386,287	1,513	
4Q 2006	343	6,548	8,899,325	1,359	
1Q 2007	413	6,961	11,623,684	1,670	
2Q 2007	525	7,486	13,319,535	1,779	
3Q 2007	502	7,988	16,842,509	2,108	
4Q 2007	401	8,389	16,235,375	1,935	
1Q 2008	379	8,768	17,511,808	1,997	
2Q 2008	332	9,100	20,064,991	2,205	
3Q 2008	432	9,532	21,064,851	2,210	
4Q 2008	407	9,939	21,774,482	2,191	
1Q 2009	287	10,226	23,837,739	2,331	
2Q 2009	293	10,519	26,823,830	2,550	
3Q 2009	289	10,808	30,714,949	2,842	
4Q 2009	248	11,056	34,511,575	3,122	
1Q 2010	336	11,392	40,034,238	3,514	
2Q 2010	347	11,739	43,293,890	3,688	
Total	11,739	207,795	459,234,565	2,210	

ESTIMATE OF PAID MEDICAL FOR EEOIC

PART B RECA

Actual Medical Paid Quarterly Per all Eligible Cases

Exhibit 2
Page 3

(1)	(2)	(3)	(4)	(5) = (4) / (3)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	Average
3Q 2001	37	37	0	0
4Q 2001	285	322	800	2
1Q 2002	108	430	82,905	193
2Q 2002	82	512	85,981	168
3Q 2002	108	620	186,475	301
4Q 2002	100	720	201,816	280
1Q 2003	79	799	391,191	490
2Q 2003	47	846	729,448	862
3Q 2003	41	887	1,092,352	1,232
4Q 2003	61	948	946,048	998
1Q 2004	77	1,025	1,249,458	1,219
2Q 2004	82	1,107	1,256,637	1,135
3Q 2004	78	1,185	1,250,506	1,055
4Q 2004	50	1,235	2,799,279	2,267
1Q 2005	109	1,344	3,922,248	2,918
2Q 2005	120	1,464	4,135,793	2,825
3Q 2005	94	1,558	3,658,233	2,348
4Q 2005	82	1,640	2,408,026	1,468
1Q 2006	93	1,733	5,103,030	2,945
2Q 2006	63	1,796	4,984,008	2,775
3Q 2006	104	1,900	3,718,054	1,957
4Q 2006	77	1,977	3,173,809	1,605
1Q 2007	154	2,131	4,446,995	2,087
2Q 2007	257	2,388	5,743,758	2,405
3Q 2007	235	2,623	6,285,384	2,396
4Q 2007	142	2,765	5,879,740	2,126
1Q 2008	111	2,876	6,597,652	2,294
2Q 2008	67	2,943	7,426,143	2,523
3Q 2008	101	3,044	7,219,770	2,372
4Q 2008	80	3,124	7,956,376	2,547
1Q 2009	72	3,196	8,860,823	2,772
2Q 2009	53	3,249	9,416,798	2,898
3Q 2009	61	3,310	12,724,607	3,844
4Q 2009	49	3,359	15,149,744	4,510
1Q 2010	60	3,419	16,530,274	4,835
2Q 2010	47	3,466	18,304,429	5,281
Total	3,466	65,978	173,918,589	2,636

ESTIMATE OF PAID MEDICAL FOR EEOIC

PART B CN-SEC

Actual Medical Paid Quarterly Per all Eligible Cases

Exhibit 2
Page 4

	(1)	(2)	(3)	(4)	(5) = (4) / (3)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	Average	
3Q 2001	12	12	0	0	
4Q 2001	81	93	1,354	15	
1Q 2002	176	269	217,818	810	
2Q 2002	115	384	1,416,380	3,688	
3Q 2002	127	511	1,645,141	3,219	
4Q 2002	99	610	1,276,373	2,092	
1Q 2003	99	709	2,025,361	2,857	
2Q 2003	86	795	2,324,564	2,924	
3Q 2003	44	839	3,100,084	3,695	
4Q 2003	55	894	2,535,899	2,837	
1Q 2004	49	943	4,506,954	4,779	
2Q 2004	45	988	4,018,112	4,067	
3Q 2004	48	1,036	2,980,854	2,877	
4Q 2004	58	1,094	2,926,500	2,675	
1Q 2005	39	1,133	3,045,788	2,688	
2Q 2005	55	1,188	3,326,252	2,800	
3Q 2005	83	1,271	3,358,538	2,642	
4Q 2005	108	1,379	3,622,154	2,627	
1Q 2006	105	1,484	3,878,349	2,613	
2Q 2006	111	1,595	3,966,333	2,487	
3Q 2006	114	1,709	3,615,015	2,115	
4Q 2006	88	1,797	3,643,811	2,028	
1Q 2007	91	1,888	4,639,473	2,457	
2Q 2007	98	1,986	5,069,321	2,553	
3Q 2007	119	2,105	7,078,191	3,363	
4Q 2007	151	2,256	7,199,316	3,191	
1Q 2008	147	2,403	7,180,093	2,988	
2Q 2008	131	2,534	8,133,408	3,210	
3Q 2008	190	2,724	8,918,032	3,274	
4Q 2008	204	2,928	9,548,123	3,261	
1Q 2009	126	3,054	9,373,112	3,069	
2Q 2009	143	3,197	11,280,856	3,529	
3Q 2009	117	3,314	12,362,377	3,730	
4Q 2009	98	3,412	12,719,497	3,728	
1Q 2010	175	3,587	16,184,248	4,512	
2Q 2010	219	3,806	16,442,687	4,320	
Total	3,806	59,927	193,560,370	3,230	

ESTIMATE OF PAID MEDICAL FOR EEOIC

PART B CN-NONSEC

Actual Medical Paid Quarterly Per all Eligible Cases

Exhibit 2
Page 5

(1)	(2)	(3)	(4)	(5)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	= (4) / (3) Average
3Q 2001	0	0	0	
4Q 2001	0	0	0	
1Q 2002	0	0	0	
2Q 2002	0	0	0	
3Q 2002	0	0	1,297	
4Q 2002	2	2	3,694	1,847
1Q 2003	0	2	27,082	13,541
2Q 2003	8	10	15,733	1,573
3Q 2003	12	22	33,711	1,532
4Q 2003	39	61	44,296	726
1Q 2004	33	94	164,101	1,746
2Q 2004	27	121	114,204	944
3Q 2004	32	153	207,798	1,358
4Q 2004	60	213	246,235	1,156
1Q 2005	54	267	263,549	987
2Q 2005	75	342	416,353	1,217
3Q 2005	98	440	541,170	1,230
4Q 2005	69	509	574,857	1,129
1Q 2006	123	632	602,587	953
2Q 2006	151	783	1,446,790	1,848
3Q 2006	152	935	926,583	991
4Q 2006	134	1,069	1,006,620	942
1Q 2007	111	1,180	1,456,586	1,234
2Q 2007	112	1,292	1,481,672	1,147
3Q 2007	73	1,365	2,078,813	1,523
4Q 2007	47	1,412	1,486,938	1,053
1Q 2008	66	1,478	1,992,311	1,348
2Q 2008	74	1,552	2,212,343	1,425
3Q 2008	84	1,636	3,312,344	2,025
4Q 2008	62	1,698	2,694,087	1,587
1Q 2009	49	1,747	3,237,640	1,853
2Q 2009	57	1,804	3,959,780	2,195
3Q 2009	59	1,863	3,555,690	1,909
4Q 2009	56	1,919	4,257,969	2,219
1Q 2010	40	1,959	4,890,668	2,497
2Q 2010	37	1,996	5,098,042	2,554
Total	1,996	28,556	48,351,543	1,693

ESTIMATE OF PAID MEDICAL FOR EEOIC

PART B BD, CS, AND BS

Actual Medical Paid Quarterly Per all Eligible Cases

Exhibit 2
Page 6

(1)	(2)	(3)	(4)	(5) = (4) / (3)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	Average
3Q 2001	0	0	0	0
4Q 2001	31	31	0	0
1Q 2002	87	118	2,070	18
2Q 2002	181	299	34,638	116
3Q 2002	163	462	147,466	319
4Q 2002	249	711	261,225	367
1Q 2003	200	911	986,995	1,083
2Q 2003	99	1,010	1,256,352	1,244
3Q 2003	76	1,086	986,344	908
4Q 2003	50	1,136	647,071	570
1Q 2004	79	1,215	1,239,687	1,020
2Q 2004	60	1,275	1,032,422	810
3Q 2004	58	1,333	744,136	558
4Q 2004	40	1,373	852,053	621
1Q 2005	42	1,415	675,884	478
2Q 2005	50	1,465	999,287	682
3Q 2005	36	1,501	1,160,902	773
4Q 2005	30	1,531	986,511	644
1Q 2006	34	1,565	909,245	581
2Q 2006	51	1,616	1,006,531	623
3Q 2006	45	1,661	1,125,293	677
4Q 2006	44	1,705	1,071,711	629
1Q 2007	57	1,762	1,075,130	610
2Q 2007	58	1,820	1,015,505	558
3Q 2007	75	1,895	1,388,112	733
4Q 2007	61	1,956	1,660,382	849
1Q 2008	55	2,011	1,735,262	863
2Q 2008	60	2,071	2,278,577	1,100
3Q 2008	57	2,128	1,599,965	752
4Q 2008	61	2,189	1,553,703	710
1Q 2009	40	2,229	2,349,243	1,054
2Q 2009	40	2,269	2,139,377	943
3Q 2009	52	2,321	2,051,664	884
4Q 2009	45	2,366	2,356,310	996
1Q 2010	60	2,426	2,402,149	990
2Q 2010	44	2,470	3,411,689	1,381
Total	2,470	53,332	43,142,891	809

ESTIMATE OF PAID MEDICAL FOR EEOIC

Exhibit 2
Page 7

PART E

Actual Medical Paid Quarterly Per all Eligible Cases

(1)	(2)	(3)	(4)	(5)
Paid Quarter	Cases Eligible	Cumulative	Medical Paid	= (4) / (3) Average
2Q 2005 & Prior	0	0	165,439	
3Q 2005	2	2	107,847	53,923
4Q 2005	7	9	164,578	18,286
1Q 2006	15	24	684,792	28,533
2Q 2006	34	58	653,513	11,267
3Q 2006	61	119	829,136	6,968
4Q 2006	106	225	978,426	4,349
1Q 2007	197	422	1,218,339	2,887
2Q 2007	377	799	1,159,725	1,451
3Q 2007	559	1,358	1,458,364	1,074
4Q 2007	559	1,917	1,326,945	692
1Q 2008	475	2,392	1,822,321	762
2Q 2008	699	3,091	2,125,515	688
3Q 2008	755	3,846	3,626,854	943
4Q 2008	745	4,591	3,200,446	697
1Q 2009	658	5,249	4,255,983	811
2Q 2009	775	6,024	5,506,156	914
3Q 2009	791	6,815	6,431,084	944
4Q 2009	779	7,594	7,516,204	990
1Q 2010	676	8,270	9,097,250	1,100
2Q 2010	686	8,956	11,180,670	1,248
Total	8,956	61,761	63,509,590	1,028

Column (2) is from Exhibit 4 Page 3 Table 10

Column (3) is the cumulative sum of column (2)

Column (4) is the total medical from Exhibit 3 Table 11

Eligible cases for medical are all cases with a living employee whether they have received medical benefits or not.

Selected Medical Benefit

PART B

Selected Quarterly Payment \$3,750
Selected Annual Payment \$15,000

PART E

Selected Quarterly Payment \$1,200
Selected Annual Payment \$4,800

Part B selection is based on Part B data and 2009 selected annual medical benefit of \$9,540 (for 2010).

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Table 1

Number of Cases and Claims By Disease

	# Cases	# Claims
RECA	7,348	11,995
BD	4,211	6,434
CS	545	745
CN-SEC	23,100	39,964
CN-NONSEC	25,058	36,318
BS	2,274	2,294
OL	3,053	3,532
RN	465	577
OTHER	4,429	4,902
99	1,322	1,428
PA	1	1
Unknown	314	323
PART B SUBTOTAL	72,120	108,513
PART E - WITH PART B CLAIM	55,907	81,620
PART E - ONLY	7,406	8,244
PART E SUBTOTAL	63,313	89,864
Cases with no Claims	410	0
TOTAL	135,843 *	198,377

*Total number of cases includes cases double counted as Part B and Part E. The total number of cases is 79,936.

Table 2

Cases Filed by Employee or Survivors or Both.

	(1) EMP	(2) SUR	(3) BOTH	(4) Percentage EMP
RECA	3,757	3,326	265	54.7%
BD	2,182	1,753	276	58.4%
CS	362	148	35	72.8%
CN-SEC	9,069	11,658	2,373	49.5%
CN-NONSEC	12,011	11,155	1,892	55.5%
BS	2,238	29	7	98.7%
PART E	34,075	25,136	4,102	60.3%
TOTAL	63,694	53,205	8,950	57.7%

Column (4) is the sum of Columns (1) and (3) divided by sum of columns (1), (2) and (3).

Table 3

Avg. Age of Employee At Time Claim is Filed

Employee Filed Cases Only

Year of Claim Filing	Part B	Number Cases	Part E	Number Cases
2001	67	8,796	66	2,563
2002	65	7,878	66	5,244
2003	65	4,891	65	4,632
2004	67	3,944	67	3,317
2005	67	3,430	68	5,900
2006	67	2,831	67	4,004
2007	68	3,160	67	4,000
2008	68	2,543	68	3,280
2009	68	2,505	67	3,247
2010 *	69	1,597	68	1,986
Total	67	41,575	67	38,173

* 2010 data is for a partial year

Table 4

Sex of Employee

	Male	Female	Blank	Male Percentage
RECA	7,209	125	14	98.3%
BD	3,725	485	1	88.5%
CS	523	20	2	96.3%
CN-SEC	19,996	3,071	33	86.7%
CN-NONSEC	22,077	2,951	30	88.2%
BS	1,813	459	2	79.8%
PART E	54,945	8,023	345	87.3%
Total	110,288	15,134	427	87.9%

Table 5

Percentage of Cases Recommended Accept

	Recommend Accept	Recommend Deny	Percentage Rec Accept
RECA	6,719	446	93.8%
BD	1,988	2,044	49.3%
CS	80	432	15.6%
CN-SEC	13,000	6,588	66.4%
CN-NONSEC	5,442	16,446	24.9%
BS	1,244	972	56.1%
OL	0	2,991	0.0%
RN	0	457	0.0%
OTHER	0	4,335	0.0%
99	1	1,300	0.1%
Unknown	0	139	0.0%
PA	0	1	0.0%
SUBTOTAL EXCL F	28,474	36,151	44.1%
PART E	21,180	33,854	38.5%
TOTAL	49,654	70,005	41.5%

Table 6

Percentage of Cases FAB Accept

	FAB Accept	FAB Deny	Percent FAB Accept
	6,721	417	94.2%
	2,155	1,875	53.5%
	94	411	18.6%
	13,211	5,544	70.4%
	5,534	15,998	25.7%
	1,257	937	57.3%
	0	2,978	0.0%
	0	453	0.0%
	0	4,321	0.0%
	1	1,289	0.1%
	0	138	0.0%
	0	1	0.0%
	28,973	34,362	45.7%
	24,136	30,119	44.5%
	53,109	64,481	45.2%

Table 7

Filed Qtr Actual Cases Filed By Report Quarter

Filed Qtr	PART B											Blank	Subtotal	PART E	TOTAL
	RECA	BD	CS	CN-SEC	CN-NONSEC	BS	OL	RN	OTHER	99	10,090				
No Date	2	0	0	1	7	0	0	0	3	0	15	7	22		
3Q 2001	1,538	813	113	2,745	3,218	182	524	92	657	157	51	2185	12,275		
4Q 2001	356	348	72	1,270	2,655	111	435	76	495	138	47	2059	8,062		
1Q 2002	287	332	40	1,326	2,100	142	350	60	478	145	35	2836	8,131		
2Q 2002	251	256	19	956	1,251	183	246	41	396	99	45	2425	6,168		
3Q 2002	205	140	15	818	905	146	184	33	255	90	37	2056	4,884		
4Q 2002	155	173	16	551	724	88	131	26	192	47	12	1712	3,827		
1Q 2003	107	126	7	629	748	81	131	21	200	44	1	1604	3,699		
2Q 2003	136	126	8	571	744	89	154	17	317	117	2	2159	4,440		
3Q 2003	121	146	13	488	696	68	75	10	133	38	1	2046	3,835		
4Q 2003	156	150	9	500	709	51	66	10	129	39	0	1829	3,648		
1Q 2004	200	194	13	637	787	49	49	7	125	40	1	1844	3,946		
2Q 2004	122	159	7	508	611	39	34	5	85	25	0	1145	2,740		
3Q 2004	140	204	20	602	681	115	47	7	112	21	1	1336	3,286		
4Q 2004	155	88	14	425	460	28	52	4	91	27	0	1732	3,076		
1Q 2005	213	124	12	489	633	57	71	4	78	46	2	2910	4,639		
2Q 2005	275	97	12	498	616	51	53	6	53	16	2	3688	5,367		
3Q 2005	218	76	9	387	543	44	21	2	64	18	2	2280	3,664		
4Q 2005	169	40	8	409	393	24	15	2	25	6	2	1793	2,886		
1Q 2006	185	41	10	399	415	25	18	1	20	6	1	1710	2,831		
2Q 2006	142	36	6	389	370	43	18	1	22	8	5	1481	2,521		
3Q 2006	309	42	7	353	416	42	22	1	22	8	0	1585	2,807		
4Q 2006	225	45	16	409	373	66	33	0	40	18	5	1640	2,870		
1Q 2007	228	51	9	513	621	64	43	2	65	21	0	2058	3,675		
2Q 2007	178	43	6	430	375	41	14	3	31	14	2	1424	2,561		
3Q 2007	122	58	10	441	429	59	9	1	27	11	3	1430	2,600		
4Q 2007	151	44	15	458	400	35	52	4	81	23	1	1339	2,603		
1Q 2008	146	26	6	432	292	40	35	6	42	16	3	1205	2,249		
2Q 2008	135	28	6	532	287	39	29	5	26	17	1	1363	2,468		
3Q 2008	120	25	9	590	335	34	23	2	24	9	3	1370	2,544		
4Q 2008	95	23	5	453	258	23	24	4	24	9	4	1151	2,073		
1Q 2009	87	32	3	527	387	35	28	4	38	9	1	1369	2,520		
2Q 2009	89	16	3	449	287	29	27	4	16	15	3	1110	2,048		
3Q 2009	91	35	6	491	281	47	14	2	13	5	7	1169	2,161		
4Q 2009	90	24	9	676	271	40	10	0	10	5	6	1195	2,336		
1Q 2010	69	25	7	871	296	29	5	0	15	5	8	1349	2,679		
2Q 2010	76	21	4	842	438	30	10	2	22	9	14	1573	3,041		
3Q 2010	5	4	1	35	46	5	1	0	3	1	4	146	251		
Total	7,349	4,211	545	23,100	25,058	2,274	3,053	465	4,429	1,322	314	63,313	135,433		

*Third quarter 2010 data is for an incomplete quarter.

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Table 8

Compensation Actual Dollars Paid By Quarter

Paid Qtr No Date	RECA	BD	CS	CN-SEC	CN-NONSEC	BS	OL	RN	OTHER	99	PA	PART E	TOTAL	RECA Benefits Paid on Behalf of DOJ
	200,000	0	0	150,000	0	0	0	0	0	0	0	0	350,000	
3Q 2001	2,600,000	150,000	0	5,100,000	0	0	0	0	0	0	0	0	7,850,000	
4Q 2001	34,200,000	4,650,000	150,000	22,950,000	0	0	0	0	0	0	0	0	61,950,000	
1Q 2002	22,100,000	11,627,592	1,350,000	60,450,000	0	0	0	0	0	0	0	0	95,527,592	
2Q 2002	18,600,000	25,337,957	1,500,000	53,100,000	0	0	0	0	0	0	0	0	98,537,957	
3Q 2002	14,545,000	18,246,037	450,000	59,125,000	300,000	0	0	0	0	0	0	0	92,666,037	
4Q 2002	14,641,667	17,850,000	300,000	51,450,000	900,000	0	0	0	0	0	0	0	85,141,667	
1Q 2003	12,185,354	18,736,894	900,000	55,650,000	300,000	0	0	0	0	0	0	0	87,772,247	
2Q 2003	6,395,000	12,121,872	600,000	52,500,000	4,500,000	0	0	0	0	0	0	0	76,116,872	
3Q 2003	5,900,000	9,554,240	450,000	27,000,000	14,400,000	0	0	0	0	0	0	0	57,304,240	
4Q 2003	5,880,000	9,300,000	150,000	27,425,000	20,850,000	0	0	0	0	0	0	0	63,605,000	
1Q 2004	6,950,000	13,883,172	150,000	23,850,000	17,850,000	0	0	0	0	0	0	0	62,683,172	
2Q 2004	8,300,000	10,200,000	150,000	24,425,000	17,662,500	0	0	0	0	0	0	0	60,737,500	
3Q 2004	7,740,000	10,200,000	450,000	26,400,000	16,500,000	0	0	0	0	0	0	0	61,290,000	
4Q 2004	4,500,000	8,325,000	150,000	24,450,000	28,200,000	0	0	0	0	0	0	125,000	65,750,000	
1Q 2005	8,750,000	10,650,000	450,000	26,700,000	25,000,000	0	0	0	0	0	0	31,500,000	103,050,000	13,333,333
2Q 2005	9,400,000	9,300,000	750,000	23,145,000	36,450,000	0	0	0	0	0	0	38,475,000	117,520,000	20,734,838
3Q 2005	6,676,669	6,450,000	150,000	47,925,000	52,575,000	0	0	0	0	0	0	130,503,207	244,279,876	22,950,000
4Q 2005	5,588,889	5,250,000	300,000	49,582,500	35,800,000	0	0	0	0	0	0	71,214,731	167,736,120	16,916,667
1Q 2006	6,650,000	5,250,000	300,000	53,290,000	49,350,000	0	0	0	0	0	0	50,576,475	165,416,475	15,091,667
2Q 2006	4,850,000	9,000,000	150,000	56,339,127	55,884,597	0	0	0	0	0	0	78,796,979	205,020,704	13,633,333
3Q 2006	7,100,000	9,000,000	300,000	51,871,250	54,298,350	0	0	0	0	0	0	81,900,215	204,469,815	35,900,000
4Q 2006	6,000,000	5,850,000	150,000	40,356,250	45,500,000	0	0	0	0	0	0	67,372,459	165,228,709	19,625,000
1Q 2007	11,283,333	5,400,000	450,000	61,270,000	47,800,000	0	0	0	0	0	0	82,999,503	209,202,836	28,816,667
2Q 2007	16,700,000	5,387,500	150,000	61,037,143	43,137,500	0	0	0	0	0	0	108,537,714	234,949,857	17,780,000
3Q 2007	17,687,500	6,122,663	750,000	64,995,341	26,925,000	0	0	0	0	0	0	128,124,050	244,604,553	11,604,571
4Q 2007	13,400,000	4,897,500	450,000	82,314,286	21,450,000	0	0	0	0	0	0	121,685,401	244,197,187	11,844,286
1Q 2008	9,683,333	5,062,500	150,000	84,648,571	23,650,000	0	0	0	0	0	0	108,782,710	231,977,115	13,220,000
2Q 2008	5,475,000	4,125,000	300,000	72,364,643	27,153,571	0	0	0	0	0	0	126,346,577	235,764,791	11,900,000
3Q 2008	8,140,000	6,862,500	150,000	92,487,500	31,350,000	0	0	0	0	0	0	130,715,569	269,705,569	8,411,111
4Q 2008	6,614,286	6,000,000	150,000	127,120,714	19,875,000	0	0	0	0	0	0	124,988,863	284,748,863	11,505,000
1Q 2009	6,393,750	4,200,000	600,000	73,216,209	16,050,000	0	0	0	0	0	0	97,466,665	197,926,624	7,680,000
2Q 2009	4,830,000	3,420,000	300,000	64,143,750	17,800,000	0	0	0	0	0	0	99,249,340	189,743,090	8,742,424
3Q 2009	4,800,000	3,570,000	300,000	52,936,250	17,200,000	0	0	0	0	0	0	93,841,848	172,648,098	8,420,000
4Q 2009	4,278,788	2,550,000	0	41,272,500	14,025,000	0	0	0	0	0	0	82,622,805	144,749,093	8,850,000
1Q 2010	4,558,333	3,600,000	600,000	70,935,000	12,300,000	150,000	0	0	0	0	0	77,351,346	169,494,679	6,500,000
2Q 2010	4,233,333	3,862,500	200,000	94,547,500	11,000,000	0	0	0	0	0	0	72,383,531	186,226,864	8,866,234
3Q 2010	316,667	675,000	0	18,872,500	1,335,000	0	0	0	0	0	0	13,523,192	34,722,359	1,200,000
Comp. Paid as of 7/2010	338,146,902	296,667,926	13,850,000	1,925,396,034	807,371,519	150,000	0	0	0	0	0	2,019,083,180	5,400,665,560	323,525,130

*Third quarter 2010 data is for an incomplete quarter.

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Table 9

Paid Qtr	Number of Cases Paid Compensation By Quarter												TOTAL
	RECA	BD	CS	CN-SEC	CN-NONSEC	BS	OL	RN	OTHER	99	PA	PART E	
No Date	4	0	0	1	0	0	0	0	0	0	0	0	5
3Q 2001	52	1	0	34	0	0	0	0	0	0	0	0	87
4Q 2001	684	31	1	153	0	0	0	0	0	0	0	0	869
1Q 2002	438	78	9	403	0	0	0	0	0	0	0	0	928
2Q 2002	368	172	10	354	0	0	0	0	0	0	0	0	904
3Q 2002	291	123	3	394	2	0	0	0	0	0	0	0	813
4Q 2002	285	119	2	343	6	0	0	0	0	0	0	0	755
1Q 2003	239	125	6	371	2	0	0	0	0	0	0	0	743
2Q 2003	124	81	4	350	30	0	0	0	0	0	0	0	589
3Q 2003	116	65	3	180	96	0	0	0	0	0	0	0	460
4Q 2003	116	62	1	183	139	0	0	0	0	0	0	0	501
1Q 2004	139	93	1	159	119	0	0	0	0	0	0	0	511
2Q 2004	162	68	1	164	118	0	0	0	0	0	0	0	513
3Q 2004	155	68	3	176	110	0	0	0	0	0	0	0	512
4Q 2004	90	56	1	163	188	0	0	0	0	0	0	1	499
1Q 2005	171	71	3	178	167	0	0	0	0	0	0	246	836
2Q 2005	184	62	5	155	243	0	0	0	0	0	0	304	953
3Q 2005	134	43	1	320	351	0	0	0	0	0	0	1004	1,853
4Q 2005	108	35	2	331	239	0	0	0	0	0	0	548	1,263
1Q 2006	129	35	2	356	329	0	0	0	0	0	0	386	1,237
2Q 2006	95	60	1	376	373	0	0	0	0	0	0	610	1,515
3Q 2006	142	60	2	347	363	0	0	0	0	0	0	632	1,546
4Q 2006	118	39	1	271	304	0	0	0	0	0	0	541	1,274
1Q 2007	226	36	3	409	319	0	0	0	0	0	0	679	1,672
2Q 2007	332	37	1	409	289	0	0	0	0	0	0	907	1,975
3Q 2007	347	41	5	437	180	0	0	0	0	0	0	1095	2,105
4Q 2007	266	33	3	551	143	0	0	0	0	0	0	1067	2,053
1Q 2008	188	34	1	567	158	0	0	0	0	0	0	966	1,914
2Q 2008	110	28	2	485	182	0	0	0	0	0	0	1173	1,980
3Q 2008	159	46	1	623	210	0	0	0	0	0	0	1287	2,326
4Q 2008	131	40	1	852	133	0	0	0	0	0	0	1248	2,405
1Q 2009	128	28	4	492	107	0	0	0	0	0	0	1008	1,767
2Q 2009	97	23	2	434	119	0	0	0	0	0	0	1070	1,745
3Q 2009	96	24	2	357	115	0	0	0	0	0	0	1001	1,595
4Q 2009	86	17	0	278	94	0	0	0	0	0	0	895	1,370
1Q 2010	90	24	4	476	82	1	0	0	0	0	0	819	1,496
2Q 2010	85	26	2	635	74	0	0	0	0	0	0	761	1,583
3Q 2010	7	5	0	130	10	0	0	0	0	0	0	144	296
Compensation Cases Paid as of 7/2010	6,692	1,989	93	12,897	5,394	1	0	0	0	0	0	18,392	45,458

Table 10

Paid Qtr	Number of Paid Cases Filed By Living Employee (Not Survivor)												TOTAL	BS Cases Approved By Approval Quarter
	RECA	BD	CS	CN-SEC	CN-NONSEC	BS	OL	RN	OTHER	99	PA	PART E*		
No Date	1	0	0	0	0	0	0	0	0	0	0	0	1	0
3Q 2001	36	0	0	12	0	0	0	0	0	0	0	0	48	0
4Q 2001	285	30	1	81	0	0	0	0	0	0	0	0	397	0
1Q 2002	108	71	6	176	0	0	0	0	0	0	0	0	361	10
2Q 2002	82	138	4	115	0	0	0	0	0	0	0	0	339	39
3Q 2002	108	81	3	127	0	0	0	0	0	0	0	0	319	79
4Q 2002	100	87	1	99	2	0	0	0	0	0	0	0	289	161
1Q 2003	79	71	3	99	0	0	0	0	0	0	0	0	252	126
2Q 2003	47	42	4	86	8	0	0	0	0	0	0	0	187	53
3Q 2003	41	30	0	44	12	0	0	0	0	0	0	0	127	46
4Q 2003	61	24	0	55	39	0	0	0	0	0	0	0	179	26
1Q 2004	77	47	1	49	33	0	0	0	0	0	0	0	207	31
2Q 2004	82	33	1	45	27	0	0	0	0	0	0	0	188	26
3Q 2004	78	33	3	48	32	0	0	0	0	0	0	0	194	22
4Q 2004	50	19	0	58	60	0	0	0	0	0	0	0	187	21
1Q 2005	109	29	2	39	54	0	0	0	0	0	0	0	233	11
2Q 2005	120	26	5	55	75	0	0	0	0	0	0	0	281	19
3Q 2005	94	21	0	83	98	0	0	0	0	0	0	2	298	15
4Q 2005	82	14	2	108	69	0	0	0	0	0	0	7	282	14
1Q 2006	93	19	2	105	123	0	0	0	0	0	0	15	357	13
2Q 2006	63	37	1	111	151	0	0	0	0	0	0	34	397	13
3Q 2006	104	26	1	114	152	0	0	0	0	0	0	61	458	18
4Q 2006	77	19	0	88	134	0	0	0	0	0	0	106	424	25
1Q 2007	154	18	0	91	111	0	0	0	0	0	0	197	571	39
2Q 2007	257	13	0	98	112	0	0	0	0	0	0	377	857	45
3Q 2007	235	18	4	119	73	0	0	0	0	0	0	559	1,008	53
4Q 2007	142	16	2	151	47	0	0	0	0	0	0	559	917	43
1Q 2008	111	16	0	147	66	0	0	0	0	0	0	475	815	39
2Q 2008	67	18	1	131	74	0	0	0	0	0	0	699	990	41
3Q 2008	101	29	1	190	84	0	0	0	0	0	0	755	1,160	27
4Q 2008	80	24	0	204	62	0	0	0	0	0	0	745	1,115	37
1Q 2009	72	23	2	126	49	0	0	0	0	0	0	658	930	15
2Q 2009	53	13	1	143	57	0	0	0	0	0	0	775	1,042	26
3Q 2009	61	20	2	117	59	0	0	0	0	0	0	791	1,050	30
4Q 2009	49	13	0	98	56	0	0	0	0	0	0	779	995	32
1Q 2010	60	20	3	175	40	1	0	0	0	0	0	676	975	37
2Q 2010	47	19	2	219	37	0	0	0	0	0	0	686	1,010	23
3Q 2010	3	2	0	55	4	0	0	0	0	0	0	115	179	2
Total Number as of 7/2010	3,469	1,159	58	3,861	2,000	1	0	0	0	0	0	9,071	19,619	1,257

*Third quarter 2010 data is for an incomplete quarter.

Note: Medical payments are coded to case and therefore cannot be allocated between Parts B and E. Medical is counted as Part E only if there is no Part B claim or if the Part B claim is denied and the Part E claim is approved.

Estimation of Part E Average Cost Per case

Benefits Paid to Employee

Impairment Benefits

Amount of Benefit		Number of Cases	Total Amount Paid	Average Amount Paid
Greater Than	Less Than Or Equal To			
0	50,000	3294	80,099,771	24,317
50,000	100,000	2009	147,862,211	73,600
100,000	150,000	1506	188,007,016	124,839
150,000	200,000	815	144,396,505	177,174
200,000	250,000	595	135,856,417	228,330
Total		8219	696,221,920	84,709

Lump Sums

Amount of Benefit		Number of Cases	Total Amount Paid	Average Amount Paid
Greater Than	Less Than Or Equal To			
0	50,000	1	50,000	50,000
50,000	100,000	1	72,500	72,500
100,000	150,000	2	257,500	128,750
150,000	200,000	0	0	0
200,000	250,000	1	207,500	207,500
Total		5	587,500	117,500

Wage Loss Benefits

Amount of Benefit		Number of Cases	Total Amount Paid	Average Amount Paid
Greater Than	Less Than Or Equal To			
0	50,000	222	6,139,124	27,654
50,000	100,000	225	16,584,453	73,709
100,000	150,000	107	13,228,262	123,629
150,000	200,000	45	7,821,784	173,817
200,000	250,000	18	4,223,985	234,666
Total		617	47,997,608	77,792

Additional wage loss benefits may be paid to employees below the normal retirement age.

Total Employee Benefit

Amount of Benefit		Number of Cases	Total Amount Paid	Average Amount Paid
Greater Than	Less Than Or Equal To			
0	50,000	3,214	77,812,456	24,210
50,000	100,000	1,932	142,237,600	73,622
100,000	150,000	1,468	183,213,360	124,805
150,000	200,000	821	145,808,677	177,599
200,000	250,000	840	195,734,936	233,018
Total		8,275	744,807,029	90,007

Maximum Total Benefit, excluding medical, for impairment, wage loss and survivorship is \$250,000.

Benefits Paid to Survivor

Amount of Benefit		Number of Cases	Total Amount Paid	Average Amount Paid
Greater Than	Less Than Or Equal To			
0	50,000	166	4,292,356	25,858
50,000	100,000	286	20,628,465	72,128
100,000	150,000	9,260	1,178,252,804	127,241
150,000	200,000	402	70,381,901	175,079
200,000	250,000	3	720,625	240,208
Total		10,117	1,274,276,151	125,954

Selection of Average Part E Benefit

Employee	60%	\$90,000
Survivor	70%	\$126,000
Average		\$142,000

Selected

\$142,000

Assumes 50% of employees that have received awards will die from covered condition and have eligible survivor to receive award ie:

			Expected Value Paid At Case Approval	At employees death
Employee no survivor payment	30%	\$90,000	\$27,000	0
Employee with survivor payment	30%	\$216,000	\$27,000	\$38,000
Survivor only	40%	\$126,000	\$50,000	0
		\$142,000	\$104,000	\$38,000

The employee benefit is selected based on payments to date. Some employees will receive additional wage loss payments but also some claims are accepted for medical payments only with no impairment.

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR RECA CASES**

Exhibit 4

Parameters for fitted curve
m -0.0257 5.4902 b
Starting 3Q 2004
m -0.0464 6.0484 b
Selected Parameters for
m -0.0464 6.0484 b

CASES BY QUARTER

	(1)	(2)	HIDE	(3)	(4)	(5)	(6) = (3) + (5)	(7)	(8)	(9) =(4) x (8)	(10)	(11) =(9) x (10)	(12)
Quarter Filed	Year	t		Number of Cases	Judgmental Adjustment	y	ln(y)	Selected Approval Rate	Estimated Approved Cases	Case Amount	Estimated Ultimate Compensation	Approved Cases By Fiscal Year	
3	2023	88	1.96580	7	Projected			0.94	7	150,000	1,050,000	30	
4	2023	89	1.91941	7	Projected			0.94	7	150,000	1,050,000	0	
1	2024	90	1.87302	7	Projected			0.94	7	150,000	1,050,000	0	
2	2024	91	1.82663	6	Projected			0.94	6	150,000	900,000	0	
3	2024	92	1.78023	6	Projected			0.94	6	150,000	900,000	26	
4	2024	93	1.73384	6	Projected			0.94	6	150,000	900,000	0	
1	2025	94	1.68745	5	Projected			0.94	5	150,000	750,000	0	
2	2025	95	1.64105	5	Projected			0.94	5	150,000	750,000	0	
3	2025	96	1.59466	5	Projected			0.94	5	150,000	750,000	21	
4	2025	97	1.54827	5	Projected			0.94	5	150,000	750,000	0	
1	2026	98	1.50187	4	Projected			0.94	4	150,000	600,000	0	
2	2026	99	1.45548	4	Projected			0.94	4	150,000	600,000	0	
3	2026	100	1.40909	4	Projected			0.94	4	150,000	600,000	17	
4	2026	101	1.36269	4	Projected			0.94	4	150,000	600,000	0	
1	2027	102	1.31630	4	Projected			0.94	4	150,000	600,000	0	
2	2027	103	1.26991	4	Projected			0.94	4	150,000	600,000	0	
3	2027	104	1.22351	3	Projected			0.94	3	150,000	450,000	15	
4	2027	105	1.17712	3	Projected			0.94	3	150,000	450,000	0	
1	2028	106	1.13073	3	Projected			0.94	3	150,000	450,000	0	
2	2028	107	1.08434	3	Projected			0.94	3	150,000	450,000	0	
3	2028	108	1.03794	3	Projected			0.94	3	150,000	450,000	12	
4	2028	109	0.99155	3	Projected			0.94	3	150,000	450,000	0	
1	2029	110	0.94516	3	Projected			0.94	3	150,000	450,000	0	
2	2029	111	0.89876	2	Projected			0.94	2	150,000	300,000	0	
3	2029	112	0.85237	2	Projected			0.94	2	150,000	300,000	10	
4	2029	113	0.80598	2	Projected			0.94	2	150,000	300,000	0	
1	2030	114	0.75958	2	Projected			0.94	2	150,000	300,000	0	
2	2030	115	0.71319	2	Projected			0.94	2	150,000	300,000	0	
3	2030	116	0.66680	2	Projected			0.94	2	150,000	300,000	8	
				9,061					8,527		819,450,000	8,527	

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
Column (8) is from Exhibit 1 Page 2 Table 2
Column (12) is the sum of column (9) for rows in the fiscal year

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR BERYLLIUM DISEASE CASES**

Exhibit 4

Parameters for fitted curve
m -0.0802 5.6452 b
Starting 3Q 2004
m -0.0734 5.4660 b
Parameters Selected for
m -0.0700 5.6000 b

CASES BY QUARTER

Quarter Filed	Year	(1) t	(2) Number of Cases	(3) Actual	(4) Judgmental Adjustment	(5) y	(6) ln(y) = (3) + (5)	(7) ln(y)	(8) Selected Approval Rate	(9) Approved Cases =(4) x (8)	(10) Case Amount	(11) Estimated Ultimate Compensation =(9) x (10)	(12) Approved Cases By Fiscal Year
3	2001		813	Actual	0	813	6.70073	0.54	439	150,000	65,850,000	439	
4	2001	1	348	Actual	0	348	5.85220	0.54	188	150,000	28,200,000	0	
1	2002	2	332	Actual	0	332	5.80513	0.54	179	150,000	26,850,000	0	
2	2002	3	256	Actual	0	256	5.54518	0.54	138	150,000	20,700,000	0	
3	2002	4	140	Actual	0	140	4.94164	0.54	76	150,000	11,400,000	581	
4	2002	5	173	Actual	0	173	5.15329	0.54	93	150,000	13,950,000	0	
1	2003	6	126	Actual	0	126	4.83628	0.54	68	150,000	10,200,000	0	
2	2003	7	126	Actual	0	126	4.83628	0.54	68	150,000	10,200,000	0	
3	2003	8	146	Actual	0	146	4.98361	0.54	79	150,000	11,850,000	308	
4	2003	9	150	Actual	0	150	5.01064	0.54	81	150,000	12,150,000	0	
1	2004	10	194	Actual	0	194	5.26786	0.54	105	150,000	15,750,000	0	
2	2004	11	159	Actual	0	159	5.06890	0.54	86	150,000	12,900,000	0	
3	2004	12	204	Actual	0	204	5.31812	0.54	110	150,000	16,500,000	382	
4	2004	13	88	Actual	0	88	4.47734	0.54	48	150,000	7,200,000	0	
1	2005	14	124	Actual	0	124	4.82028	0.54	67	150,000	10,050,000	0	
2	2005	15	97	Actual	0	97	4.57471	0.54	52	150,000	7,800,000	0	
3	2005	16	76	Actual	0	76	4.33073	0.54	41	150,000	6,150,000	208	
4	2005	17	40	Actual	0	40	3.68888	0.54	22	150,000	3,300,000	0	
1	2006	18	41	Actual	0	41	3.71357	0.54	22	150,000	3,300,000	0	
2	2006	19	36	Actual	0	36	3.58352	0.54	19	150,000	2,850,000	0	
3	2006	20	42	Actual	0	42	3.73767	0.54	23	150,000	3,450,000	86	
4	2006	21	45	Actual	0	45	3.80666	0.54	24	150,000	3,600,000	0	
1	2007	22	51	Actual	0	51	3.93183	0.54	28	150,000	4,200,000	0	
2	2007	23	43	Actual	0	43	3.76120	0.54	23	150,000	3,450,000	0	
3	2007	24	58	Actual	0	58	4.06044	0.54	31	150,000	4,650,000	106	
4	2007	25	44	Actual	0	44	3.78419	0.54	24	150,000	3,600,000	0	
1	2008	26	26	Actual	0	26	3.25810	0.54	14	150,000	2,100,000	0	
2	2008	27	28	Actual	0	28	3.33220	0.54	15	150,000	2,250,000	0	
3	2008	28	25	Actual	0	25	3.21888	0.54	14	150,000	2,100,000	67	
4	2008	29	23	Actual	0	23	3.13549	0.54	12	150,000	1,800,000	0	
1	2009	30	32	Actual	0	32	3.46574	0.54	17	150,000	2,550,000	0	
2	2009	31	16	Actual	0	16	2.77259	0.54	9	150,000	1,350,000	0	
3	2009	32	35	Actual	0	35	3.55535	0.54	19	150,000	2,850,000	57	
4	2009	33	24	Actual	0	24	3.17805	0.54	13	150,000	1,950,000	0	
1	2010	34	25	Actual	0	25	3.21888	0.54	14	150,000	2,100,000	0	
2	2010	35	21	Actual	0	21	3.04452	0.54	11	150,000	1,650,000	0	
3	2010	36	22	Projected				0.54	12	150,000	1,800,000	50	
4	2010	37	20	Projected				0.54	11	150,000	1,650,000	0	
1	2011	38	19	Projected				0.54	10	150,000	1,500,000	0	
2	2011	39	18	Projected				0.54	10	150,000	1,500,000	0	
3	2011	40	16	Projected				0.54	9	150,000	1,350,000	40	
4	2011	41	15	Projected				0.54	8	150,000	1,200,000	0	
1	2012	42	14	Projected				0.54	8	150,000	1,200,000	0	
2	2012	43	13	Projected				0.54	7	150,000	1,050,000	0	
3	2012	44	12	Projected				0.54	6	150,000	900,000	29	
4	2012	45	12	Projected				0.54	6	150,000	900,000	0	
1	2013	46	11	Projected				0.54	6	150,000	900,000	0	
2	2013	47	10	Projected				0.54	5	150,000	750,000	0	
3	2013	48	9	Projected				0.54	5	150,000	750,000	22	
4	2013	49	9	Projected				0.54	5	150,000	750,000	0	
1	2014	50	8	Projected				0.54	4	150,000	600,000	0	
2	2014	51	8	Projected				0.54	4	150,000	600,000	0	
3	2014	52	7	Projected				0.54	4	150,000	600,000	17	
4	2014	53	7	Projected				0.54	4	150,000	600,000	0	
1	2015	54	6	Projected				0.54	3	150,000	450,000	0	
2	2015	55	6	Projected				0.54	3	150,000	450,000	0	
3	2015	56	5	Projected				0.54	3	150,000	450,000	13	
4	2015	57	5	Projected				0.54	3	150,000	450,000	0	
1	2016	58	5	Projected				0.54	3	150,000	450,000	0	
2	2016	59	4	Projected				0.54	2	150,000	300,000	0	
3	2016	60	4	Projected				0.54	2	150,000	300,000	10	
4	2016	61	4	Projected				0.54	2	150,000	300,000	0	
1	2017	62	4	Projected				0.54	2	150,000	300,000	0	
2	2017	63	3	Projected				0.54	2	150,000	300,000	0	
3	2017	64	3	Projected				0.54	2	150,000	300,000	8	
4	2017	65	3	Projected				0.54	2	150,000	300,000	0	
1	2018	66	3	Projected				0.54	2	150,000	300,000	0	
2	2018	67	2	Projected				0.54	1	150,000	150,000	0	
3	2018	68	2	Projected				0.54	1	150,000	150,000	6	
4	2018	69	2	Projected				0.54	1	150,000	150,000	0	
1	2019	70	2	Projected				0.54	1	150,000	150,000	0	

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR BERYLLIUM DISEASE CASES**

Exhibit 4

Parameters for fitted curve
m -0.0802 5.6452 b
Starting 3Q 2004
m -0.0734 5.4660 b
Parameters Selected for
m -0.0700 5.6000 b

CASES BY QUARTER

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
						= (3) + (5)			= (4) x (8)		= (9) x (10)	
Quarter Filed	Year	t	Number of Cases	Judgmental Adjustment	y	ln(y)	Selected Approval Rate	Approved Cases	Case Amount	Estimated Ultimate Compensation	Approved Cases By Fiscal Year	
2	2019	71	2 Projected				0.54	1	150,000	150,000	0	
3	2019	72	2 Projected				0.54	1	150,000	150,000	4	
4	2019	73	2 Projected				0.54	1	150,000	150,000	0	
1	2020	74	2 Projected				0.54	1	150,000	150,000	0	
2	2020	75	1 Projected				0.54	1	150,000	150,000	0	
3	2020	76	1 Projected				0.54	1	150,000	150,000	4	
4	2020	77	1 Projected				0.54	1	150,000	150,000	0	
1	2021	78	1 Projected				0.54	1	150,000	150,000	0	
2	2021	79	1 Projected				0.54	1	150,000	150,000	0	
3	2021	80	1 Projected				0.54	1	150,000	150,000	4	
4	2021	81	1 Projected				0.54	1	150,000	150,000	0	
1	2022	82	1 Projected				0.54	1	150,000	150,000	0	
2	2022	83	1 Projected				0.54	1	150,000	150,000	0	
3	2022	84	1 Projected				0.54	1	150,000	150,000	4	
4	2022	85	1 Projected				0.54	1	150,000	150,000	0	
1	2023	86	1 Projected				0.54	1	150,000	150,000	0	
2	2023	87	1 Projected				0.54	1	150,000	150,000	0	
3	2023	88	1 Projected				0.54	1	150,000	150,000	4	
4	2023	89	1 Projected				0.54	1	150,000	150,000	0	
1	2024	90	0 Projected				0.54	0	150,000	0	0	
2	2024	91	0 Projected				0.54	0	150,000	0	0	
3	2024	92	0 Projected				0.54	0	150,000	0	1	
4	2024	93	0 Projected				0.54	0	150,000	0	0	
1	2025	94	0 Projected				0.54	0	150,000	0	0	
2	2025	95	0 Projected				0.54	0	150,000	0	0	
3	2025	96	0 Projected				0.54	0	150,000	0	0	
4	2025	97	0 Projected				0.54	0	150,000	0	0	
1	2026	98	0 Projected				0.54	0	150,000	0	0	
2	2026	99	0 Projected				0.54	0	150,000	0	0	
3	2026	100	0 Projected				0.54	0	150,000	0	0	
4	2026	101	0 Projected				0.54	0	150,000	0	0	
1	2027	102	0 Projected				0.54	0	150,000	0	0	
2	2027	103	0 Projected				0.54	0	150,000	0	0	
3	2027	104	0 Projected				0.54	0	150,000	0	0	
4	2027	105	0 Projected				0.54	0	150,000	0	0	
1	2028	106	0 Projected				0.54	0	150,000	0	0	
2	2028	107	0 Projected				0.54	0	150,000	0	0	
3	2028	108	0 Projected				0.54	0	150,000	0	0	
4	2028	109	0 Projected				0.54	0	150,000	0	0	
1	2029	110	0 Projected				0.54	0	150,000	0	0	
2	2029	111	0 Projected				0.54	0	150,000	0	0	
3	2029	112	0 Projected				0.54	0	150,000	0	0	
4	2029	113	0 Projected				0.54	0	150,000	0	0	
1	2030	114	0 Projected				0.54	0	150,000	0	0	
2	2030	115	0 Projected				0.54	0	150,000	0	0	
3	2030	116	0 Projected				0.54	0	150,000	0	0	
			4,523					2,450		367,500,000	2,450	

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
 Column (8) is from Exhibit 1 Page 2 Table 2
 Column (12) is the sum of column (9) for rows in the fiscal year

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR CHRONIC SILICOSIS CASES**

Exhibit 4

Parameters for fitted curve
 m -0.0436 3.0511 b
 Starting 3Q 2004
 m -0.0461 3.1495 b
 Parameters Selected for
 m -0.0461 3.1495 b

CASES BY QUARTER

(1)	(2)	(3)	(4)	(5)	(6) = (3) + (5)	(7) ln(y)	-8.00	(9) =(4) x (8)	(10)	(11) =(9) x (10)	(12) Approved Cases By Fiscal Year
Quarter Filed	Year	Number of Cases	Judgmental Adjustment	y			Selected Approval Rate	Approved Cases	Case Amount	Estimated Ultimate Compensation	
3	2001	113 Actual	0	113	4.72739	0.19	21	150,000	3,150,000	21	
4	2001	72 Actual	0	72	4.27667	0.19	14	150,000	2,100,000	0	
1	2002	40 Actual	0	40	3.68888	0.19	8	150,000	1,200,000	0	
2	2002	19 Actual	0	19	2.94444	0.19	4	150,000	600,000	0	
3	2002	15 Actual	0	15	2.70805	0.19	3	150,000	450,000	29	
4	2002	16 Actual	0	16	2.77259	0.19	3	150,000	450,000	0	
1	2003	7 Actual	0	7	1.94591	0.19	1	150,000	150,000	0	
2	2003	8 Actual	0	8	2.07944	0.19	2	150,000	300,000	0	
3	2003	13 Actual	0	13	2.56495	0.19	2	150,000	300,000	8	
4	2003	9 Actual	0	9	2.19722	0.19	2	150,000	300,000	0	
1	2004	13 Actual	0	13	2.56495	0.19	2	150,000	300,000	0	
2	2004	7 Actual	0	7	1.94591	0.19	1	150,000	150,000	0	
3	2004	20 Actual	0	20	2.99573	0.19	4	150,000	600,000	9	
4	2004	14 Actual	0	14	2.63906	0.19	3	150,000	450,000	0	
1	2005	12 Actual	0	12	2.48491	0.19	2	150,000	300,000	0	
2	2005	12 Actual	0	12	2.48491	0.19	2	150,000	300,000	0	
3	2005	9 Actual	0	9	2.19722	0.19	2	150,000	300,000	9	
4	2005	8 Actual	0	8	2.07944	0.19	2	150,000	300,000	0	
1	2006	10 Actual	0	10	2.30259	0.19	2	150,000	300,000	0	
2	2006	6 Actual	0	6	1.79176	0.19	1	150,000	150,000	0	
3	2006	7 Actual	0	7	1.94591	0.19	1	150,000	150,000	6	
4	2006	16 Actual	0	16	2.77259	0.19	3	150,000	450,000	0	
1	2007	9 Actual	0	9	2.19722	0.19	2	150,000	300,000	0	
2	2007	6 Actual	0	6	1.79176	0.19	1	150,000	150,000	0	
3	2007	10 Actual	0	10	2.30259	0.19	2	150,000	300,000	8	
4	2007	15 Actual	0	15	2.70805	0.19	3	150,000	450,000	0	
1	2008	6 Actual	0	6	1.79176	0.19	1	150,000	150,000	0	
2	2008	27 Actual	0	27	3.29014	0.19	5	150,000	750,000	0	
3	2008	9 Actual	0	9	2.19722	0.19	2	150,000	300,000	7	
4	2008	5 Actual	0	5	1.60944	0.19	1	150,000	150,000	0	
1	2009	3 Actual	0	3	1.09861	0.19	1	150,000	150,000	0	
2	2009	3 Actual	0	3	1.09861	0.19	1	150,000	150,000	0	
3	2009	6 Actual	0	6	1.79176	0.19	1	150,000	150,000	4	
4	2009	9 Actual	0	9	2.19722	0.19	2	150,000	300,000	0	
1	2010	7 Actual	0	7	1.94591	0.19	1	150,000	150,000	0	
2	2010	4 Actual	0	4	1.38629	0.19	1	150,000	150,000	0	
3	2010	4 Projected				0.19	1	150,000	150,000	5	
4	2010	4 Projected				0.19	1	150,000	150,000	0	
1	2011	4 Projected				0.19	1	150,000	150,000	0	
2	2011	39 Projected				0.19	1	150,000	150,000	0	
3	2011	40 Projected				0.19	1	150,000	150,000	4	
4	2011	41 Projected				0.19	1	150,000	150,000	0	
1	2012	42 Projected				0.19	1	150,000	150,000	0	
2	2012	43 Projected				0.19	1	150,000	150,000	0	
3	2012	44 Projected				0.19	1	150,000	150,000	4	
4	2012	45 Projected				0.19	1	150,000	150,000	0	
1	2013	46 Projected				0.19	1	150,000	150,000	0	
2	2013	47 Projected				0.19	1	150,000	150,000	0	
3	2013	48 Projected				0.19	1	150,000	150,000	4	
4	2013	49 Projected				0.19	0	150,000	0	0	
1	2014	50 Projected				0.19	0	150,000	0	0	
2	2014	51 Projected				0.19	0	150,000	0	0	
3	2014	52 Projected				0.19	0	150,000	0	0	
4	2014	53 Projected				0.19	0	150,000	0	0	
1	2015	54 Projected				0.19	0	150,000	0	0	
2	2015	55 Projected				0.19	0	150,000	0	0	
3	2015	56 Projected				0.19	0	150,000	0	0	
4	2015	57 Projected				0.19	0	150,000	0	0	
1	2016	58 Projected				0.19	0	150,000	0	0	
2	2016	59 Projected				0.19	0	150,000	0	0	
3	2016	60 Projected				0.19	0	150,000	0	0	
4	2016	61 Projected				0.19	0	150,000	0	0	
1	2017	62 Projected				0.19	0	150,000	0	0	
2	2017	63 Projected				0.19	0	150,000	0	0	
3	2017	64 Projected				0.19	0	150,000	0	0	
4	2017	65 Projected				0.19	0	150,000	0	0	
1	2018	66 Projected				0.19	0	150,000	0	0	
2	2018	67 Projected				0.19	0	150,000	0	0	
3	2018	68 Projected				0.19	0	150,000	0	0	
4	2018	69 Projected				0.19	0	150,000	0	0	
1	2019	70 Projected				0.19	0	150,000	0	0	

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR CHRONIC SILICOSIS CASES**

Exhibit 4

Parameters for fitted curve
 m -0.0436 3.0511 b
 Starting 3Q 2004
 m -0.0461 3.1495 b
 Parameters Selected for
 m -0.0461 3.1495 b

CASES BY QUARTER

Quarter Filed	Year	(1) t	(2) Number of Cases	(3) 1 Projected	(4) Judgmental Adjustment	(5) y	(6) ln(y) = (3) + (5)	(7) -8.00	(8) Selected Approval Rate	(9) Approved Cases =(4) x (8)	(10) Case Amount	(11) Estimated Ultimate Compensation =(9) x (10)	(12) Approved Cases By Fiscal Year
2	2019	71	1 Projected					0.19	0	150,000	0	0	
3	2019	72	1 Projected					0.19	0	150,000	0	0	
4	2019	73	1 Projected					0.19	0	150,000	0	0	
1	2020	74	1 Projected					0.19	0	150,000	0	0	
2	2020	75	1 Projected					0.19	0	150,000	0	0	
3	2020	76	1 Projected					0.19	0	150,000	0	0	
4	2020	77	1 Projected					0.19	0	150,000	0	0	
1	2021	78	1 Projected					0.19	0	150,000	0	0	
2	2021	79	1 Projected					0.19	0	150,000	0	0	
3	2021	80	1 Projected					0.19	0	150,000	0	0	
4	2021	81	1 Projected					0.19	0	150,000	0	0	
1	2022	82	1 Projected					0.19	0	150,000	0	0	
2	2022	83	1 Projected					0.19	0	150,000	0	0	
3	2022	84	0 Projected					0.19	0	150,000	0	0	
4	2022	85	0 Projected					0.19	0	150,000	0	0	
1	2023	86	0 Projected					0.19	0	150,000	0	0	
2	2023	87	0 Projected					0.19	0	150,000	0	0	
3	2023	88	0 Projected					0.19	0	150,000	0	0	
4	2023	89	0 Projected					0.19	0	150,000	0	0	
1	2024	90	0 Projected					0.19	0	150,000	0	0	
2	2024	91	0 Projected					0.19	0	150,000	0	0	
3	2024	92	0 Projected					0.19	0	150,000	0	0	
4	2024	93	0 Projected					0.19	0	150,000	0	0	
1	2025	94	0 Projected					0.19	0	150,000	0	0	
2	2025	95	0 Projected					0.19	0	150,000	0	0	
3	2025	96	0 Projected					0.19	0	150,000	0	0	
4	2025	97	0 Projected					0.19	0	150,000	0	0	
1	2026	98	0 Projected					0.19	0	150,000	0	0	
2	2026	99	0 Projected					0.19	0	150,000	0	0	
3	2026	100	0 Projected					0.19	0	150,000	0	0	
4	2026	101	0 Projected					0.19	0	150,000	0	0	
1	2027	102	0 Projected					0.19	0	150,000	0	0	
2	2027	103	0 Projected					0.19	0	150,000	0	0	
3	2027	104	0 Projected					0.19	0	150,000	0	0	
4	2027	105	0 Projected					0.19	0	150,000	0	0	
1	2028	106	0 Projected					0.19	0	150,000	0	0	
2	2028	107	0 Projected					0.19	0	150,000	0	0	
3	2028	108	0 Projected					0.19	0	150,000	0	0	
4	2028	109	0 Projected					0.19	0	150,000	0	0	
1	2029	110	0 Projected					0.19	0	150,000	0	0	
2	2029	111	0 Projected					0.19	0	150,000	0	0	
3	2029	112	0 Projected					0.19	0	150,000	0	0	
4	2029	113	0 Projected					0.19	0	150,000	0	0	
1	2030	114	0 Projected					0.19	0	150,000	0	0	
2	2030	115	0 Projected					0.19	0	150,000	0	0	
3	2030	116	0 Projected					0.19	0	150,000	0	0	
			635							118	17,700,000	118	

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
 Column (8) is from Exhibit 1 Page 2 Table 2
 Column (12) is the sum of column (9) for rows in the fiscal year

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR CANCER SEC CASES**

Exhibit 4

Parameters for fitted curve
m -0.0104 6.4937 b
Starting 3Q 2004
m 0.0183 5.7611 b
Parameters Selected for
m -0.0200 7.4000 b

CASES BY QUARTER

Quarter Filed	Year	(1) t	(2) Number of Cases	(3) Actual	(4) Judgmental Adjustment	(5) y	(6) ln(y)	(7) Selected Approval Rate	(8) Approved Cases	(9) Case Amount	(10) Estimated Ultimate Compensation	(11) Approved Cases By Fiscal Year
3	2001		2,746	Actual	0	2746	7.91790	0.7	1922	150,000	288,300,000	1,922
4	2001	1	1,270	Actual	0	1270	7.14677	0.7	889	150,000	133,350,000	0
1	2002	2	1,326	Actual	0	1326	7.18992	0.7	928	150,000	139,200,000	0
2	2002	3	956	Actual	0	956	6.86276	0.7	669	150,000	100,350,000	0
3	2002	4	818	Actual	0	818	6.70686	0.7	573	150,000	85,950,000	3,059
4	2002	5	551	Actual	0	551	6.31173	0.7	386	150,000	57,900,000	0
1	2003	6	629	Actual	0	629	6.44413	0.7	440	150,000	66,000,000	0
2	2003	7	571	Actual	0	571	6.34739	0.7	400	150,000	60,000,000	0
3	2003	8	488	Actual	0	488	6.19032	0.7	342	150,000	51,300,000	1,568
4	2003	9	500	Actual	0	500	6.21461	0.7	350	150,000	52,500,000	0
1	2004	10	637	Actual	0	637	6.45677	0.7	446	150,000	66,900,000	0
2	2004	11	508	Actual	0	508	6.23048	0.7	356	150,000	53,400,000	0
3	2004	12	602	Actual	0	602	6.40026	0.7	421	150,000	63,150,000	1,573
4	2004	13	425	Actual	0	425	6.05209	0.7	298	150,000	44,700,000	0
1	2005	14	489	Actual	0	489	6.19236	0.7	342	150,000	51,300,000	0
2	2005	15	498	Actual	0	498	6.21060	0.7	349	150,000	52,350,000	0
3	2005	16	387	Actual	0	387	5.95842	0.7	271	150,000	40,650,000	1,260
4	2005	17	409	Actual	0	409	6.01372	0.7	286	150,000	42,900,000	0
1	2006	18	399	Actual	0	399	5.98896	0.7	279	150,000	41,850,000	0
2	2006	19	389	Actual	0	389	5.96358	0.7	272	150,000	40,800,000	0
3	2006	20	353	Actual	0	353	5.86647	0.7	247	150,000	37,050,000	1,084
4	2006	21	409	Actual	0	409	6.01372	0.7	286	150,000	42,900,000	0
1	2007	22	513	Actual	0	513	6.24028	0.7	359	150,000	53,850,000	0
2	2007	23	430	Actual	0	430	6.06379	0.7	301	150,000	45,150,000	0
3	2007	24	441	Actual	0	441	6.08904	0.7	309	150,000	46,350,000	1,255
4	2007	25	458	Actual	0	458	6.12687	0.7	321	150,000	48,150,000	0
1	2008	26	432	Actual	0	432	6.06843	0.7	302	150,000	45,300,000	0
2	2008	27	532	Actual	0	532	6.27664	0.7	372	150,000	55,800,000	0
3	2008	28	590	Actual	0	590	6.38012	0.7	413	150,000	61,950,000	1,408
4	2008	29	453	Actual	0	453	6.11589	0.7	317	150,000	47,550,000	0
1	2009	30	527	Actual	0	527	6.26720	0.7	369	150,000	55,350,000	0
2	2009	31	449	Actual	0	449	6.10702	0.7	314	150,000	47,100,000	0
3	2009	32	491	Actual	0	491	6.19644	0.7	344	150,000	51,600,000	1,344
4	2009	33	676	Actual	0	676	6.51619	0.7	473	150,000	70,950,000	0
1	2010	34	871	Actual	0	871	6.76964	0.7	610	150,000	91,500,000	0
2	2010	35	842	Actual	0	842	6.73578	0.7	589	150,000	88,350,000	0
3	2010	36	796	Projected				0.7	557	150,000	83,550,000	2,229
4	2010	37	781	Projected				0.7	547	150,000	82,050,000	0
1	2011	38	765	Projected				0.7	536	150,000	80,400,000	0
2	2011	39	750	Projected				0.7	525	150,000	78,750,000	0
3	2011	40	735	Projected				0.7	515	150,000	77,250,000	2,123
4	2011	41	721	Projected				0.7	505	150,000	75,750,000	0
1	2012	42	706	Projected				0.7	494	150,000	74,100,000	0
2	2012	43	692	Projected				0.7	484	150,000	72,600,000	0
3	2012	44	679	Projected				0.7	475	150,000	71,250,000	1,958
4	2012	45	665	Projected				0.7	466	150,000	69,900,000	0
1	2013	46	652	Projected				0.7	456	150,000	68,400,000	0
2	2013	47	639	Projected				0.7	447	150,000	67,050,000	0
3	2013	48	626	Projected				0.7	438	150,000	65,700,000	1,807
4	2013	49	614	Projected				0.7	430	150,000	64,500,000	0
1	2014	50	602	Projected				0.7	421	150,000	63,150,000	0
2	2014	51	590	Projected				0.7	413	150,000	61,950,000	0
3	2014	52	578	Projected				0.7	405	150,000	60,750,000	1,669
4	2014	53	567	Projected				0.7	397	150,000	59,550,000	0
1	2015	54	556	Projected				0.7	389	150,000	58,350,000	0
2	2015	55	545	Projected				0.7	382	150,000	57,300,000	0
3	2015	56	534	Projected				0.7	374	150,000	56,100,000	1,542
4	2015	57	523	Projected				0.7	366	150,000	54,900,000	0
1	2016	58	513	Projected				0.7	359	150,000	53,850,000	0
2	2016	59	503	Projected				0.7	352	150,000	52,800,000	0
3	2016	60	493	Projected				0.7	345	150,000	51,750,000	1,422
4	2016	61	483	Projected				0.7	338	150,000	50,700,000	0
1	2017	62	473	Projected				0.7	331	150,000	49,650,000	0
2	2017	63	464	Projected				0.7	325	150,000	48,750,000	0
3	2017	64	455	Projected				0.7	319	150,000	47,850,000	1,313
4	2017	65	446	Projected				0.7	312	150,000	46,800,000	0
1	2018	66	437	Projected				0.7	306	150,000	45,900,000	0
2	2018	67	428	Projected				0.7	300	150,000	45,000,000	0
3	2018	68	420	Projected				0.7	294	150,000	44,100,000	1,212
4	2018	69	412	Projected				0.7	288	150,000	43,200,000	0
1	2019	70	403	Projected				0.7	282	150,000	42,300,000	0
2	2019	71	395	Projected				0.7	277	150,000	41,550,000	0
3	2019	72	388	Projected				0.7	272	150,000	40,800,000	1,119

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR CANCER SEC CASES**

Exhibit 4

Parameters for fitted curve
m -0.0104 6.4937 b
Starting 3Q 2004
m 0.0183 5.7611 b
Parameters Selected for
m -0.0200 7.4000 b

CASES BY QUARTER

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
						= (3) + (5)			=(4) x (8)		=(9) x (10)	
Quarter Filed	Year	t	Number of Cases	Judgmental Adjustment	y	ln(y)	Selected Approval Rate	Approved Cases	Case Amount	Estimated Ultimate Compensation	Approved Cases By Fiscal Year	
4	2019	73	380	Projected			0.7	266	150,000	39,900,000	0	
1	2020	74	372	Projected			0.7	260	150,000	39,000,000	0	
2	2020	75	365	Projected			0.7	256	150,000	38,400,000	0	
3	2020	76	358	Projected			0.7	251	150,000	37,650,000	1,033	
4	2020	77	351	Projected			0.7	246	150,000	36,900,000	0	
1	2021	78	344	Projected			0.7	241	150,000	36,150,000	0	
2	2021	79	337	Projected			0.7	236	150,000	35,400,000	0	
3	2021	80	330	Projected			0.7	231	150,000	34,650,000	954	
4	2021	81	324	Projected			0.7	227	150,000	34,050,000	0	
1	2022	82	317	Projected			0.7	222	150,000	33,300,000	0	
2	2022	83	311	Projected			0.7	218	150,000	32,700,000	0	
3	2022	84	305	Projected			0.7	214	150,000	32,100,000	881	
4	2022	85	299	Projected			0.7	209	150,000	31,350,000	0	
1	2023	86	293	Projected			0.7	205	150,000	30,750,000	0	
2	2023	87	287	Projected			0.7	201	150,000	30,150,000	0	
3	2023	88	281	Projected			0.7	197	150,000	29,550,000	812	
4	2023	89	276	Projected			0.7	193	150,000	28,950,000	0	
1	2024	90	270	Projected			0.7	189	150,000	28,350,000	0	
2	2024	91	265	Projected			0.7	186	150,000	27,900,000	0	
3	2024	92	260	Projected			0.7	182	150,000	27,300,000	750	
4	2024	93	255	Projected			0.7	179	150,000	26,850,000	0	
1	2025	94	250	Projected			0.7	175	150,000	26,250,000	0	
2	2025	95	245	Projected			0.7	172	150,000	25,800,000	0	
3	2025	96	240	Projected			0.7	168	150,000	25,200,000	694	
4	2025	97	235	Projected			0.7	165	150,000	24,750,000	0	
1	2026	98	230	Projected			0.7	161	150,000	24,150,000	0	
2	2026	99	226	Projected			0.7	158	150,000	23,700,000	0	
3	2026	100	221	Projected			0.7	155	150,000	23,250,000	639	
4	2026	101	217	Projected			0.7	152	150,000	22,800,000	0	
1	2027	102	213	Projected			0.7	149	150,000	22,350,000	0	
2	2027	103	209	Projected			0.7	146	150,000	21,900,000	0	
3	2027	104	204	Projected			0.7	143	150,000	21,450,000	590	
4	2027	105	200	Projected			0.7	140	150,000	21,000,000	0	
1	2028	106	196	Projected			0.7	137	150,000	20,550,000	0	
2	2028	107	192	Projected			0.7	134	150,000	20,100,000	0	
3	2028	108	189	Projected			0.7	132	150,000	19,800,000	543	
4	2028	109	185	Projected			0.7	130	150,000	19,500,000	0	
1	2029	110	181	Projected			0.7	127	150,000	19,050,000	0	
2	2029	111	178	Projected			0.7	125	150,000	18,750,000	0	
3	2029	112	174	Projected			0.7	122	150,000	18,300,000	504	
4	2029	113	171	Projected			0.7	120	150,000	18,000,000	0	
1	2030	114	167	Projected			0.7	117	150,000	17,550,000	0	
2	2030	115	164	Projected			0.7	115	150,000	17,250,000	0	
3	2030	116	161	Projected			0.7	113	150,000	16,950,000	465	
			55,322					38,732		5,809,800,000	38,732	

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
Column (8) is from Exhibit 1 Page 2 Table 2
Column (12) is the sum of column (9) for rows in the fiscal year

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR CANCER NON SEC CASES**

Exhibit 4

Parameters for fitted curve
m -0.0463 7.0878 b
Starting 3Q 2004
m -0.0303 6.6894 b
Parameters Selected for
m -0.0400 7.3000 b

CASES BY QUARTER

Quarter Filed	Year	(1) t	(2) Number of Cases	(3) Actual	(4) Judgmental Adjustment	(5) y	(6) ln(y)	(7) -8.00	(8) Selected Approval Rate	(9) Approved Cases	(10) Case Amount	(11) Estimated Ultimate Compensation	(12) Approved Cases By Fiscal Year
3	2001		3,225	Actual	0	3225	8.07869		0.26	839	150,000	125,850,000	839
4	2001	1	2,655	Actual	0	2655	7.88420		0.26	690	150,000	103,500,000	0
1	2002	2	2,100	Actual	0	2100	7.64969		0.26	546	150,000	81,900,000	0
2	2002	3	1,251	Actual	0	1251	7.13170		0.26	325	150,000	48,750,000	0
3	2002	4	905	Actual	0	905	6.80793		0.26	235	150,000	35,250,000	1,796
4	2002	5	724	Actual	0	724	6.58479		0.26	188	150,000	28,200,000	0
1	2003	6	748	Actual	0	748	6.61740		0.26	194	150,000	29,100,000	0
2	2003	7	744	Actual	0	744	6.61204		0.26	193	150,000	28,950,000	0
3	2003	8	696	Actual	0	696	6.54535		0.26	181	150,000	27,150,000	756
4	2003	9	709	Actual	0	709	6.56386		0.26	184	150,000	27,600,000	0
1	2004	10	787	Actual	0	787	6.66823		0.26	205	150,000	30,750,000	0
2	2004	11	611	Actual	0	611	6.41510		0.26	159	150,000	23,850,000	0
3	2004	12	681	Actual	0	681	6.52356		0.26	177	150,000	26,550,000	725
4	2004	13	460	Actual	0	460	6.13123		0.26	120	150,000	18,000,000	0
1	2005	14	633	Actual	0	633	6.45047		0.26	165	150,000	24,750,000	0
2	2005	15	616	Actual	0	616	6.42325		0.26	160	150,000	24,000,000	0
3	2005	16	543	Actual	0	543	6.29711		0.26	141	150,000	21,150,000	586
4	2005	17	393	Actual	0	393	5.97381		0.26	102	150,000	15,300,000	0
1	2006	18	415	Actual	0	415	6.02828		0.26	108	150,000	16,200,000	0
2	2006	19	370	Actual	0	370	5.91350		0.26	96	150,000	14,400,000	0
3	2006	20	416	Actual	0	416	6.03069		0.26	108	150,000	16,200,000	414
4	2006	21	373	Actual	0	373	5.92158		0.26	97	150,000	14,550,000	0
1	2007	22	621	Actual	0	621	6.43133		0.26	161	150,000	24,150,000	0
2	2007	23	375	Actual	0	375	5.92693		0.26	98	150,000	14,700,000	0
3	2007	24	429	Actual	0	429	6.06146		0.26	112	150,000	16,800,000	468
4	2007	25	400	Actual	0	400	5.99146		0.26	104	150,000	15,600,000	0
1	2008	26	292	Actual	0	292	5.67675		0.26	76	150,000	11,400,000	0
2	2008	27	287	Actual	0	287	5.65948		0.26	75	150,000	11,250,000	0
3	2008	28	335	Actual	0	335	5.81413		0.26	87	150,000	13,050,000	342
4	2008	29	258	Actual	0	258	5.55296		0.26	67	150,000	10,050,000	0
1	2009	30	387	Actual	0	387	5.95842		0.26	101	150,000	15,150,000	0
2	2009	31	287	Actual	0	287	5.65948		0.26	75	150,000	11,250,000	0
3	2009	32	281	Actual	0	281	5.63835		0.26	73	150,000	10,950,000	316
4	2009	33	271	Actual	0	271	5.60212		0.26	70	150,000	10,500,000	0
1	2010	34	296	Actual	0	296	5.69036		0.26	77	150,000	11,550,000	0
2	2010	35	438	Actual	0	438	6.08222		0.26	114	150,000	17,100,000	0
3	2010	36	351	Projected					0.26	91	150,000	13,650,000	352
4	2010	37	337	Projected					0.26	88	150,000	13,200,000	0
1	2011	38	324	Projected					0.26	84	150,000	12,600,000	0
2	2011	39	311	Projected					0.26	81	150,000	12,150,000	0
3	2011	40	299	Projected					0.26	78	150,000	11,700,000	331
4	2011	41	287	Projected					0.26	75	150,000	11,250,000	0
1	2012	42	276	Projected					0.26	72	150,000	10,800,000	0
2	2012	43	265	Projected					0.26	69	150,000	10,350,000	0
3	2012	44	255	Projected					0.26	66	150,000	9,900,000	282
4	2012	45	245	Projected					0.26	64	150,000	9,600,000	0
1	2013	46	235	Projected					0.26	61	150,000	9,150,000	0
2	2013	47	226	Projected					0.26	59	150,000	8,850,000	0
3	2013	48	217	Projected					0.26	56	150,000	8,400,000	240
4	2013	49	209	Projected					0.26	54	150,000	8,100,000	0
1	2014	50	200	Projected					0.26	52	150,000	7,800,000	0
2	2014	51	192	Projected					0.26	50	150,000	7,500,000	0
3	2014	52	185	Projected					0.26	48	150,000	7,200,000	204
4	2014	53	178	Projected					0.26	46	150,000	6,900,000	0
1	2015	54	171	Projected					0.26	44	150,000	6,600,000	0
2	2015	55	164	Projected					0.26	43	150,000	6,450,000	0
3	2015	56	158	Projected					0.26	41	150,000	6,150,000	174
4	2015	57	151	Projected					0.26	39	150,000	5,850,000	0
1	2016	58	145	Projected					0.26	38	150,000	5,700,000	0
2	2016	59	140	Projected					0.26	36	150,000	5,400,000	0
3	2016	60	134	Projected					0.26	35	150,000	5,250,000	148
4	2016	61	129	Projected					0.26	34	150,000	5,100,000	0
1	2017	62	124	Projected					0.26	32	150,000	4,800,000	0
2	2017	63	119	Projected					0.26	31	150,000	4,650,000	0
3	2017	64	114	Projected					0.26	30	150,000	4,500,000	127
4	2017	65	110	Projected					0.26	29	150,000	4,350,000	0
1	2018	66	106	Projected					0.26	28	150,000	4,200,000	0
2	2018	67	101	Projected					0.26	26	150,000	3,900,000	0
3	2018	68	98	Projected					0.26	25	150,000	3,750,000	108
4	2018	69	94	Projected					0.26	24	150,000	3,600,000	0
1	2019	70	90	Projected					0.26	23	150,000	3,450,000	0
2	2019	71	86	Projected					0.26	22	150,000	3,300,000	0
3	2019	72	83	Projected					0.26	22	150,000	3,300,000	91

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR CANCER NON SEC CASES**

Exhibit 4

Parameters for fitted curve
m -0.0463 7.0878 b
Starting 3Q 2004
m -0.0303 6.6894 b
Parameters Selected for
m -0.0400 7.3000 b

CASES BY QUARTER

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	-8.00	(9)	(10)	(11)	(12)
						= (3) + (5)			=(4) x (8)		= (9) x (10)	Approved Cases By Fiscal Year
Quarter Filed	Year	Number of t Cases	Judgmental Adjustment				ln(y)	Selected Approval Rate	Approved Cases	Case Amount	Estimated Ultimate Compensation	
4	2019	73	80 Projected					0.26	21	150,000	3,150,000	0
1	2020	74	77 Projected					0.26	20	150,000	3,000,000	0
2	2020	75	74 Projected					0.26	19	150,000	2,850,000	0
3	2020	76	71 Projected					0.26	18	150,000	2,700,000	78
4	2020	77	68 Projected					0.26	18	150,000	2,700,000	0
1	2021	78	65 Projected					0.26	17	150,000	2,550,000	0
2	2021	79	63 Projected					0.26	16	150,000	2,400,000	0
3	2021	80	60 Projected					0.26	16	150,000	2,400,000	67
4	2021	81	58 Projected					0.26	15	150,000	2,250,000	0
1	2022	82	56 Projected					0.26	15	150,000	2,250,000	0
2	2022	83	54 Projected					0.26	14	150,000	2,100,000	0
3	2022	84	51 Projected					0.26	13	150,000	1,950,000	57
4	2022	85	49 Projected					0.26	13	150,000	1,950,000	0
1	2023	86	47 Projected					0.26	12	150,000	1,800,000	0
2	2023	87	46 Projected					0.26	12	150,000	1,800,000	0
3	2023	88	44 Projected					0.26	11	150,000	1,650,000	48
4	2023	89	42 Projected					0.26	11	150,000	1,650,000	0
1	2024	90	40 Projected					0.26	10	150,000	1,500,000	0
2	2024	91	39 Projected					0.26	10	150,000	1,500,000	0
3	2024	92	37 Projected					0.26	10	150,000	1,500,000	41
4	2024	93	36 Projected					0.26	9	150,000	1,350,000	0
1	2025	94	34 Projected					0.26	9	150,000	1,350,000	0
2	2025	95	33 Projected					0.26	9	150,000	1,350,000	0
3	2025	96	32 Projected					0.26	8	150,000	1,200,000	35
4	2025	97	31 Projected					0.26	8	150,000	1,200,000	0
1	2026	98	29 Projected					0.26	8	150,000	1,200,000	0
2	2026	99	28 Projected					0.26	7	150,000	1,050,000	0
3	2026	100	27 Projected					0.26	7	150,000	1,050,000	30
4	2026	101	26 Projected					0.26	7	150,000	1,050,000	0
1	2027	102	25 Projected					0.26	7	150,000	1,050,000	0
2	2027	103	24 Projected					0.26	6	150,000	900,000	0
3	2027	104	23 Projected					0.26	6	150,000	900,000	26
4	2027	105	22 Projected					0.26	6	150,000	900,000	0
1	2028	106	21 Projected					0.26	5	150,000	750,000	0
2	2028	107	20 Projected					0.26	5	150,000	750,000	0
3	2028	108	20 Projected					0.26	5	150,000	750,000	21
4	2028	109	19 Projected					0.26	5	150,000	750,000	0
1	2029	110	18 Projected					0.26	5	150,000	750,000	0
2	2029	111	17 Projected					0.26	4	150,000	600,000	0
3	2029	112	17 Projected					0.26	4	150,000	600,000	18
4	2029	113	16 Projected					0.26	4	150,000	600,000	0
1	2030	114	15 Projected					0.26	4	150,000	600,000	0
2	2030	115	15 Projected					0.26	4	150,000	600,000	0
3	2030	116	14 Projected					0.26	4	150,000	600,000	16
			33,604						8,736		1,310,400,000	8,736

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
Column (8) is from Exhibit 1 Page 2 Table 2
Column (12) is the sum of column (9) for rows in the fiscal year

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR BERYLLIUM SENSITIVITY CASES**

Exhibit 4

Parameters for fitted curve
m -0.0386 4.6262 b
Starting 3Q 2004
m -0.0205 4.1762 b
Parameters Selected for
m -0.0386 4.8000 b

CASES BY QUARTER

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
					= (3) + (5)			=(4) x (8)		=(9) x (10)	
Quarter Filed	Year	Number of Cases	Judgmental Adjustment		y	ln(y)	Selected Approval Rate	Approved Cases	Case Amount	Estimated Ultimate Compensation	Approved Cases By Fiscal Year
3	2001	182 Actual	0	182	5.20401	0.57	104	0	0	104	
4	2001	111 Actual	0	111	4.70953	0.57	63	0	0	0	
1	2002	142 Actual	0	142	4.95583	0.57	81	0	0	0	
2	2002	183 Actual	0	183	5.20949	0.57	104	0	0	0	
3	2002	146 Actual	0	146	4.98361	0.57	83	0	0	331	
4	2002	88 Actual	0	88	4.47734	0.57	50	0	0	0	
1	2003	81 Actual	0	81	4.39445	0.57	46	0	0	0	
2	2003	89 Actual	0	89	4.48864	0.57	51	0	0	0	
3	2003	68 Actual	0	68	4.21951	0.57	39	0	0	186	
4	2003	51 Actual	0	51	3.93183	0.57	29	0	0	0	
1	2004	49 Actual	0	49	3.89182	0.57	28	0	0	0	
2	2004	39 Actual	0	39	3.66356	0.57	22	0	0	0	
3	2004	115 Actual	0	115	4.74493	0.57	66	0	0	145	
4	2004	28 Actual	0	28	3.33220	0.57	16	0	0	0	
1	2005	57 Actual	0	57	4.04305	0.57	32	0	0	0	
2	2005	51 Actual	0	51	3.93183	0.57	29	0	0	0	
3	2005	44 Actual	0	44	3.78419	0.57	25	0	0	102	
4	2005	24 Actual	0	24	3.17805	0.57	14	0	0	0	
1	2006	25 Actual	0	25	3.21888	0.57	14	0	0	0	
2	2006	43 Actual	0	43	3.76120	0.57	25	0	0	0	
3	2006	42 Actual	0	42	3.73767	0.57	24	0	0	77	
4	2006	66 Actual	0	66	4.18965	0.57	38	0	0	0	
1	2007	64 Actual	0	64	4.15888	0.57	36	0	0	0	
2	2007	41 Actual	0	41	3.71357	0.57	23	0	0	0	
3	2007	59 Actual	0	59	4.07754	0.57	34	0	0	131	
4	2007	35 Actual	0	35	3.55535	0.57	20	0	0	0	
1	2008	40 Actual	0	40	3.68888	0.57	23	0	0	0	
2	2008	39 Actual	0	39	3.66356	0.57	22	0	0	0	
3	2008	34 Actual	0	34	3.52636	0.57	19	0	0	84	
4	2008	23 Actual	0	23	3.13549	0.57	13	0	0	0	
1	2009	35 Actual	0	35	3.55535	0.57	20	0	0	0	
2	2009	29 Actual	0	29	3.36730	0.57	17	0	0	0	
3	2009	47 Actual	0	47	3.85015	0.57	27	0	0	77	
4	2009	40 Actual	0	40	3.68888	0.57	23	0	0	0	
1	2010	29 Actual	0	29	3.36730	0.57	17	0	0	0	
2	2010	30 Actual	0	30	3.40120	0.57	17	0	0	0	
3	2010	30 Projected				0.57	17	0	0	74	
4	2010	29 Projected				0.57	17	0	0	0	
1	2011	28 Projected				0.57	16	0	0	0	
2	2011	27 Projected				0.57	15	0	0	0	
3	2011	26 Projected				0.57	15	0	0	63	
4	2011	25 Projected				0.57	14	0	0	0	
1	2012	24 Projected				0.57	14	0	0	0	
2	2012	23 Projected				0.57	13	0	0	0	
3	2012	22 Projected				0.57	13	0	0	54	
4	2012	21 Projected				0.57	12	0	0	0	
1	2013	21 Projected				0.57	12	0	0	0	
2	2013	20 Projected				0.57	11	0	0	0	
3	2013	19 Projected				0.57	11	0	0	46	
4	2013	18 Projected				0.57	10	0	0	0	
1	2014	18 Projected				0.57	10	0	0	0	
2	2014	17 Projected				0.57	10	0	0	0	
3	2014	16 Projected				0.57	9	0	0	39	
4	2014	16 Projected				0.57	9	0	0	0	
1	2015	15 Projected				0.57	9	0	0	0	
2	2015	15 Projected				0.57	9	0	0	0	
3	2015	14 Projected				0.57	8	0	0	35	
4	2015	13 Projected				0.57	7	0	0	0	
1	2016	13 Projected				0.57	7	0	0	0	
2	2016	12 Projected				0.57	7	0	0	0	
3	2016	12 Projected				0.57	7	0	0	28	
4	2016	12 Projected				0.57	7	0	0	0	
1	2017	11 Projected				0.57	6	0	0	0	
2	2017	11 Projected				0.57	6	0	0	0	
3	2017	10 Projected				0.57	6	0	0	25	
4	2017	10 Projected				0.57	6	0	0	0	
1	2018	10 Projected				0.57	6	0	0	0	
2	2018	9 Projected				0.57	5	0	0	0	
3	2018	9 Projected				0.57	5	0	0	22	
4	2018	8 Projected				0.57	5	0	0	0	
1	2019	8 Projected				0.57	5	0	0	0	

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR BERYLLIUM SENSITIVITY CASES**

Exhibit 4

Parameters for fitted curve
 m -0.0386 4.6262 b
 Starting 3Q 2004
 m -0.0205 4.1762 b
 Parameters Selected for
 m -0.0386 4.8000 b

CASES BY QUARTER

Quarter Filed	Year	(1) (2)	(3) Number of Cases	(4) Judgmental Adjustment	(5) y	(6) = (3) + (5)	(7) ln(y)	(8) Selected Approval Rate	(9) Approved Cases	(10) Case Amount	(11) Estimated Ultimate Compensation	(12) Approved Cases By Fiscal Year
2	2019	71	8 Projected					0.57	5	0	0	0
3	2019	72	8 Projected					0.57	5	0	0	20
4	2019	73	7 Projected					0.57	4	0	0	0
1	2020	74	7 Projected					0.57	4	0	0	0
2	2020	75	7 Projected					0.57	4	0	0	0
3	2020	76	6 Projected					0.57	3	0	0	15
4	2020	77	6 Projected					0.57	3	0	0	0
1	2021	78	6 Projected					0.57	3	0	0	0
2	2021	79	6 Projected					0.57	3	0	0	0
3	2021	80	6 Projected					0.57	3	0	0	12
4	2021	81	5 Projected					0.57	3	0	0	0
1	2022	82	5 Projected					0.57	3	0	0	0
2	2022	83	5 Projected					0.57	3	0	0	0
3	2022	84	5 Projected					0.57	3	0	0	12
4	2022	85	5 Projected					0.57	3	0	0	0
1	2023	86	4 Projected					0.57	2	0	0	0
2	2023	87	4 Projected					0.57	2	0	0	0
3	2023	88	4 Projected					0.57	2	0	0	9
4	2023	89	4 Projected					0.57	2	0	0	0
1	2024	90	4 Projected					0.57	2	0	0	0
2	2024	91	4 Projected					0.57	2	0	0	0
3	2024	92	3 Projected					0.57	2	0	0	8
4	2024	93	3 Projected					0.57	2	0	0	0
1	2025	94	3 Projected					0.57	2	0	0	0
2	2025	95	3 Projected					0.57	2	0	0	0
3	2025	96	3 Projected					0.57	2	0	0	8
4	2025	97	3 Projected					0.57	2	0	0	0
1	2026	98	3 Projected					0.57	2	0	0	0
2	2026	99	3 Projected					0.57	2	0	0	0
3	2026	100	3 Projected					0.57	2	0	0	8
4	2026	101	2 Projected					0.57	1	0	0	0
1	2027	102	2 Projected					0.57	1	0	0	0
2	2027	103	2 Projected					0.57	1	0	0	0
3	2027	104	2 Projected					0.57	1	0	0	4
4	2027	105	2 Projected					0.57	1	0	0	0
1	2028	106	2 Projected					0.57	1	0	0	0
2	2028	107	2 Projected					0.57	1	0	0	0
3	2028	108	2 Projected					0.57	1	0	0	4
4	2028	109	2 Projected					0.57	1	0	0	0
1	2029	110	2 Projected					0.57	1	0	0	0
2	2029	111	2 Projected					0.57	1	0	0	0
3	2029	112	2 Projected					0.57	1	0	0	4
4	2029	113	2 Projected					0.57	1	0	0	0
1	2030	114	1 Projected					0.57	1	0	0	0
2	2030	115	1 Projected					0.57	1	0	0	0
3	2030	116	1 Projected					0.57	1	0	0	4
			3,033						1,731		0	1,731

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
 Column (8) is from Exhibit 1 Page 2 Table 2
 Column (12) is the sum of column (9) for rows in the fiscal year

**PROJECTED APPROVED CASES BY QUARTER FILED
FOR PART E CASES**

Exhibit 4

Parameters for fitted curve
 m -0.0178 7.7405 b
 Starting 3Q 2004
 -0.0266 7.9781
 Parameters Selected for
 m -0.0266 7.9781 b

CASES BY QUARTER

Quarter Filed	(1) Year	(2) t	(3) Number of Cases	(4) Judgmental Adjustment	(5) y	(6) ln(y)	(7) = (3) + (5)	(8) Selected Approval Rate	(9) Approved Cases	(10) Case Amount	(11) Estimated Ultimate Compensation	(12) Approved Cases By Fiscal Year
1	2027	102	193 Projected					0.45	87	142,000	12,354,000	0
2	2027	103	188 Projected					0.45	85	142,000	12,070,000	0
3	2027	104	183 Projected					0.45	82	142,000	11,644,000	344
4	2027	105	179 Projected					0.45	81	142,000	11,502,000	0
1	2028	106	174 Projected					0.45	78	142,000	11,076,000	0
2	2028	107	169 Projected					0.45	76	142,000	10,792,000	0
3	2028	108	165 Projected					0.45	74	142,000	10,508,000	309
4	2028	109	161 Projected					0.45	72	142,000	10,224,000	0
1	2029	110	156 Projected					0.45	70	142,000	9,940,000	0
2	2029	111	152 Projected					0.45	68	142,000	9,656,000	0
3	2029	112	148 Projected					0.45	67	142,000	9,514,000	277
4	2029	113	144 Projected					0.45	65	142,000	9,230,000	0
1	2030	114	141 Projected					0.45	63	142,000	8,946,000	0
2	2030	115	137 Projected					0.45	62	142,000	8,804,000	0
3	2030	116	133 Projected					0.45	60	142,000	8,520,000	250
4	2030	116	133 Projected					0.45	60	142,000	8,520,000	0
1	2031	117	130 Projected					0.45	59	142,000	8,378,000	0
2	2031	118	126 Projected					0.45	57	142,000	8,094,000	0
3	2031	119	123 Projected					0.45	55	142,000	7,810,000	231
4	2031	120	120 Projected					0.45	54	142,000	7,668,000	0
1	2032	121	117 Projected					0.45	53	142,000	7,526,000	0
2	2032	122	114 Projected					0.45	51	142,000	7,242,000	0
3	2032	123	111 Projected					0.45	50	142,000	7,100,000	208
4	2032	124	108 Projected					0.45	49	142,000	6,958,000	0
1	2033	125	105 Projected					0.45	47	142,000	6,674,000	0
2	2033	126	102 Projected					0.45	46	142,000	6,532,000	0
3	2033	127	99 Projected					0.45	45	142,000	6,390,000	187
4	2033	128	97 Projected					0.45	44	142,000	6,248,000	0
1	2034	129	94 Projected					0.45	42	142,000	5,964,000	0
2	2034	130	92 Projected					0.45	41	142,000	5,822,000	0
3	2034	131	89 Projected					0.45	40	142,000	5,680,000	167
4	2034	132	87 Projected					0.45	39	142,000	5,538,000	0
1	2035	133	85 Projected					0.45	38	142,000	5,396,000	0
2	2035	134	83 Projected					0.45	37	142,000	5,254,000	0
3	2035	135	80 Projected					0.45	36	142,000	5,112,000	150
4	2035	136	78 Projected					0.45	35	142,000	4,970,000	0
1	2036	137	76 Projected					0.45	34	142,000	4,828,000	0
2	2036	138	74 Projected					0.45	33	142,000	4,686,000	0
3	2036	139	72 Projected					0.45	32	142,000	4,544,000	134
4	2036	140	70 Projected					0.45	32	142,000	4,544,000	0
1	2037	141	69 Projected					0.45	31	142,000	4,402,000	0
2	2037	142	67 Projected					0.45	30	142,000	4,260,000	0
3	2037	143	65 Projected					0.45	29	142,000	4,118,000	122
4	2037	144	63 Projected					0.45	28	142,000	3,976,000	0
1	2038	145	62 Projected					0.45	28	142,000	3,976,000	0
2	2038	146	60 Projected					0.45	27	142,000	3,834,000	0
3	2038	147	58 Projected					0.45	26	142,000	3,692,000	109
4	2038	148	57 Projected					0.45	26	142,000	3,692,000	0
1	2039	149	55 Projected					0.45	25	142,000	3,550,000	0
2	2039	150	54 Projected					0.45	24	142,000	3,408,000	0
3	2039	151	53 Projected					0.45	24	142,000	3,408,000	99
4	2039	152	51 Projected					0.45	23	142,000	3,266,000	0
1	2040	153	50 Projected					0.45	23	142,000	3,266,000	0
2	2040	154	49 Projected					0.45	22	142,000	3,124,000	0
3	2040	155	47 Projected					0.45	21	142,000	2,982,000	89
4	2040	156	46 Projected					0.45	21	142,000	2,982,000	0
1	2041	157	45 Projected					0.45	20	142,000	2,840,000	0
2	2041	158	44 Projected					0.45	20	142,000	2,840,000	0
3	2041	159	42 Projected					0.45	19	142,000	2,698,000	80
4	2041	160	41 Projected					0.45	18	142,000	2,556,000	0
1	2042	161	40 Projected					0.45	18	142,000	2,556,000	0
2	2042	162	39 Projected					0.45	18	142,000	2,556,000	0
3	2042	163	38 Projected					0.45	17	142,000	2,414,000	71
4	2042	164	37 Projected					0.45	17	142,000	2,414,000	0
1	2043	165	36 Projected					0.45	16	142,000	2,272,000	0
2	2043	166	35 Projected					0.45	16	142,000	2,272,000	0
3	2043	167	34 Projected					0.45	15	142,000	2,130,000	64
4	2043	168	33 Projected					0.45	15	142,000	2,130,000	0
1	2044	169	33 Projected					0.45	15	142,000	2,130,000	0
2	2044	170	32 Projected					0.45	14	142,000	1,988,000	0
3	2044	171	31 Projected					0.45	14	142,000	1,988,000	58
4	2044	172	30 Projected					0.45	14	142,000	1,988,000	0
1	2045	173	29 Projected					0.45	13	142,000	1,846,000	0
2	2045	174	28 Projected					0.45	13	142,000	1,846,000	0
3	2045	175	28 Projected					0.45	13	142,000	1,846,000	53

104,909

47,212

6,704,104,000

47,212

Column (3) lines 1-28 are from Exhibit 3 Page 2 Table 7, remaining lines projected using a fitted exponential curve
 Column (8) is from Exhibit 1 Page 2 Table 2
 Column (12) is the sum of column (9) for rows in the fiscal year

Table 1

ESTIMATED CASES BY FISCAL YEAR FILED THAT ARE ULTIMATELY APPROVED UNDER EEOIC

(1) Fiscal Year Filed	(2) RECA	(3) BD	(4) CS	(5) CN - SEC	(6) CN-NON SEC	(7) BS	(8) PART E	(9) TOTAL
7/01-9/01	1,448	439	21	1,922	839	104	986	5,759
10/01-9/02	1,034	581	29	3,059	1,796	331	4,219	11,049
10/02-9/03	489	308	8	1,568	756	186	3,385	6,700
10/03-9/04	582	382	9	1,573	725	145	2,769	6,185
10/04-9/05	810	208	9	1,260	586	102	4,775	7,750
10/05-9/06	756	86	6	1,084	414	77	2,956	5,379
10/06-9/07	708	106	8	1,255	468	131	2,949	5,625
10/07-9/08	519	67	7	1,408	342	84	2,375	4,802
10/08-9/09	341	57	4	1,344	316	77	2,160	4,299
10/09-9/10	296	50	5	2,229	352	74	2,357	5,363
10/10-9/11	267	40	4	2,123	331	63	1,886	4,714
10/11-9/12	222	29	4	1,958	282	54	1,695	4,244
10/12-9/13	184	22	4	1,807	240	46	1,524	3,827
10/13-9/14	154	17	0	1,669	204	39	1,370	3,453
10/14-9/15	128	13	0	1,542	174	35	1,232	3,124
10/15-9/16	104	10	0	1,422	148	28	1,108	2,820
10/16-9/17	90	8	0	1,313	127	25	996	2,559
10/17-9/18	74	6	0	1,212	108	22	896	2,318
10/18-9/19	60	4	0	1,119	91	20	805	2,099
10/19-9/20	49	4	0	1,033	78	15	724	1,903
10/20-9/21	40	4	0	954	67	12	651	1,728
10/21-9/22	33	4	0	881	57	12	584	1,571
10/22-9/23	30	4	0	812	48	9	526	1,429
10/23-9/24	26	1	0	750	41	8	473	1,299
10/24-9/25	21	0	0	694	35	8	426	1,184
10/25-9/26	17	0	0	639	30	8	383	1,077
10/26-9/27	15	0	0	590	26	4	344	979
10/27-9/28	12	0	0	543	21	4	309	889
10/28-9/29	10	0	0	504	18	4	277	813
10/29-9/30	8	0	0	465	16	4	250	743
10/30-9/31							231	231
10/31-9/32							208	208
10/32-9/33							187	187
10/33-9/34							167	167
10/34-9/35							150	150
10/35-9/36							134	134
10/36-9/37							122	122
10/37-9/38							109	109
10/38-9/39							99	99
10/39-9/40							89	89
10/40-9/41							80	80
10/41-9/42							71	71
10/42-9/43							64	64
10/43-9/44							58	58
10/44-9/45							53	53
Total	8,527	2,450	118	38,732	8,736	1,731	47,212	107,506

Columns (2) - (8) Data are from Exhibit 4 Column (12) for the respective disease

Table 2

Fiscal Yr Pd	ESTIMATED NUMBER OF PAID CASES BY FISCAL YEAR							BS Claims
	RECA	BD	CS	CN - SEC	CN-NON SEC	PART E	TOTAL	Approved
7/01-9/01	56	1	0	35	0	0	92	0
10/01-9/02	1,781	404	23	1,304	2	0	3,514	128
10/02-9/03	764	390	15	1,244	134	0	2,547	386
10/03-9/04	572	291	6	682	486	0	2,037	105
10/04-9/05	579	232	10	816	949	1,555	4,141	66
10/05-9/06	474	190	7	1,410	1,304	2,176	5,561	58
10/06-9/07	1,023	153	10	1,526	1,092	3,222	7,026	162
10/07-9/08	723	141	7	2,226	693	4,493	8,283	150
10/08-9/09	452	115	9	2,135	474	4,327	7,512	108
10/09-9/10	346	94	8	2,024	324	3,236	6,032	115
10/10-9/11	281	75	8	2,551	367	3,109	6,391	79
10/11-9/12	250	62	7	2,444	366	2,643	5,772	71
10/12-9/13	205	51	4	2,172	365	2,452	5,249	46
10/13-9/14	167	44	4	1,914	356	2,281	4,766	39
10/14-9/15	137	39	0	1,776	295	2,127	4,374	35
10/15-9/16	128	35	0	1,542	240	1,989	3,934	28
10/16-9/17	104	32	0	1,422	204	1,865	3,627	25
10/17-9/18	90	30	0	1,313	174	1,753	3,360	22
10/18-9/19	74	28	0	1,212	148	1,653	3,115	20
10/19-9/20	60	26	0	1,119	127	1,562	2,894	15
10/20-9/21	49	4	0	1,033	108	724	1,918	12
10/21-9/22	40	4	0	954	91	651	1,740	12
10/22-9/23	33	4	0	881	78	584	1,580	9
10/23-9/24	30	4	0	812	67	526	1,439	8
10/24-9/25	26	1	0	750	57	473	1,307	8
10/25-9/26	21	0	0	694	48	426	1,189	8
10/26-9/27	17	0	0	639	41	383	1,080	4
10/27-9/28	15	0	0	590	35	344	984	4
10/28-9/29	12	0	0	543	30	309	894	4
10/29-9/30	10	0	0	504	26	277	817	4
10/30-9/31	8	0	0	465	21	250	744	0
10/31-9/32		0	0	0	18	231	249	0
10/32-9/33					16	208	224	
10/33-9/34					0	187	187	
10/34-9/35						167	167	
10/35-9/36						150	150	
10/36-9/37						134	134	
10/37-9/38						122	122	
10/38-9/39						109	109	
10/39-9/40						99	99	
10/40-9/41						89	89	
10/41-9/42						80	80	
10/42-9/43						71	71	
10/43-9/44						64	64	
10/44-9/45						58	58	
10/45-9/46						53	53	
10/46-9/47						0	0	
10/47-9/48						0	0	
10/48-9/49						0	0	
10/49-9/50								
Total	8,527	2,450	118	38,732	8,736	47,212	105,775	1,731

The first nine rows for each disease are actual data from Exhibit 3 Page 4 Table 9. For 10/09-9/10 the number of claims paid in the last quarter is assumed to be the same as the number paid in the prior quarter. For RECA, the 10/10-9/11 fiscal year is calculated as the number of cases approved from 10/09-9/10 from Table 1 plus a correction term of 1/5 of the difference in the number of cases approved from 7/01 through 9/09 from Table 1 and the number of cases approved from 7/01 through 9/10 from the first ten rows of this table. This is based on an assumption that RECA cases are paid one year after they are filed. The remaining fiscal years are calculated as the number of claims approved in the prior year with fiscal years through 10/14-9/15 containing the correction term.

The remaining Part B diseases are similar with the assumption used is that a case is paid one year after it is filed for BD, CS, CN-SEC, BS and three years for CN-NONSEC. The correction term for is spread over 5 years for RECA, CN-SEC and CN-NONSEC. The correction term is spread over 2 years for CS and BS and 10 years for BD. The correction term for CN-SEC and CN-NONSEC are further adjusted to smooth out the claim payments so for CN-SEC the correction term is weighted .3,.3,.2,.1,.1 and for CN-NONSEC it is spread .2,.4,.1,.2,.1. Part E claims are assumed to be paid 1 year after they are filed. The correction term for Part E is spread evenly over 10 years.

The number of BD cases includes BS cases paid and the number of RECA cases includes cases from all other otherwise non-covered diseases.

Table 3

ESTIMATED CASES ELIGIBLE FOR MEDICAL EXPENSES

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Fiscal Year Paid	RECA	BD	CS	CN - SEC	CN-NON SEC	BS	PART B NEW MEDICAL	PART E NEW MEDICAL	PART B ONGOING MEDICAL	PART E ONGOING MEDICAL
7/01-9/01	37	0	0	12	0	0	49	0	49	0
10/01-9/02	583	320	14	499	0	128	1,544	0	1,590	0
10/02-9/03	267	230	8	328	22	386	1,241	0	2,741	0
10/03-9/04	298	137	5	197	131	105	873	0	3,453	0
10/04-9/05	373	95	7	235	287	66	1,063	2	4,309	2
10/05-9/06	342	96	6	438	495	58	1,435	117	5,478	119
10/06-9/07	723	68	4	396	430	162	1,783	1,239	6,917	1,351
10/07-9/08	421	79	4	619	271	150	1,544	2,488	8,021	3,762
10/08-9/09	266	80	5	590	227	108	1,276	2,969	8,776	6,513
10/09-9/10	203	72	7	711	170	115	1,278	2,827	9,468	8,956
10/10-9/11	146	41	6	1,203	171	79	1,646	1,759	10,466	10,175
10/11-9/12	130	34	5	1,152	170	71	1,562	1,496	11,299	11,038
10/12-9/13	106	28	3	1,024	170	46	1,377	1,387	11,872	11,715
10/13-9/14	87	24	3	903	166	39	1,222	1,291	12,230	12,229
10/14-9/15	71	21	0	837	137	35	1,101	1,204	12,418	12,595
10/15-9/16	66	19	0	727	112	28	952	1,125	12,418	12,828
10/16-9/17	54	18	0	671	95	25	863	1,055	12,303	12,945
10/17-9/18	47	16	0	619	81	22	785	992	12,091	12,961
10/18-9/19	38	15	0	572	69	20	714	935	11,799	12,887
10/19-9/20	31	14	0	528	59	15	647	884	11,436	12,737
10/20-9/21	25	2	0	487	50	12	576	410	11,007	12,096
10/21-9/22	21	2	0	450	42	12	527	368	10,540	11,426
10/22-9/23	17	2	0	415	36	9	479	330	10,043	10,737
10/23-9/24	16	2	0	383	31	8	440	298	9,530	10,041
10/24-9/25	13	1	0	354	27	8	403	268	9,006	9,346
10/25-9/26	11	0	0	327	22	8	368	241	8,477	8,660
10/26-9/27	9	0	0	301	19	4	333	217	7,946	7,989
10/27-9/28	8	0	0	278	16	4	306	195	7,425	7,339
10/28-9/29	6	0	0	256	14	4	280	175	6,916	6,714
10/29-9/30	5	0	0	238	12	4	259	157	6,426	6,119
10/30-9/31	4	0	0	219	10	0	233	141	5,951	5,554
10/31-9/32		0	0	0	8	0	8	131	5,292	5,025
10/32-9/33					7		7	118	4,686	4,528
10/33-9/34					0		0	106	4,124	4,066
10/34-9/35								94	3,613	3,638
10/35-9/36								85	3,150	3,246
10/36-9/37								76	2,732	2,890
10/37-9/38								69	2,356	2,569
10/38-9/39								62	2,022	2,281
10/39-9/40								56	1,726	2,023
10/40-9/41								50	1,465	1,794
10/41-9/42								45	1,236	1,591
10/42-9/43								40	1,036	1,409
10/43-9/44								36	864	1,248
10/44-9/45								33	715	1,108
10/45-9/46								30	588	984
10/46-9/47								0	479	850
10/47-9/48								0	388	733
10/48-9/49								0	311	631
10/49-9/50									247	542
10/50-9/51									195	464
10/51-9/52									151	397
10/52-9/53									116	338
10/53-9/54									88	287
10/54-9/55									65	242
10/55-9/56									47	204
10/56-9/57									34	171
10/57-9/58									24	143
10/58-9/59									16	118
10/59-9/60									11	97
Total	4,424	1,416	77	15,969	3,557	1,731	27,174	25,601	300,178	282,451

The first nine rows of the new medical are from Exhibit 3 Table 10. The third quarter 2010 is estimated to be the same as the prior quarter. For each disease, the number of new cases eligible for medical payments is the estimated number of paid cases from Exhibit 5 Table 1 times the percentage filed by a living employee from Exhibit 1 Page 2 Table 3 times a mortality factor based on the assumption that the percentage of living employees filing claims will decrease over time. The age at filing a claim is assumed to be 68. The claimants from the prior year are 69 and 2 years prior 70, etc. The probabilities of living an additional year are from Exhibit 1 Table 4.

The ongoing medical is estimated as the new medical plus each prior years new medical with a mortality factor applied.

Part B medical in column (8) is the sum of columns (2) through (7).

Assumes that a claimant is eligible for medical treatment in the same year as the claim is paid.

Assumption Sensitivity Analysis

This exhibit is used to show the impact of varying some of the major assumptions used in the analysis.

		Undiscounted Future Liability			Discounted Future Liability			Percentage Change In Total Discounted Future Liability
		Part B	Part E	Total	Part B	Part E	Total	
Current Assumptions		\$12,988,908,067	\$6,816,015,864	\$19,804,923,931	\$7,966,241,453	\$4,148,238,612	\$12,114,480,065	
Number of Claims Filed								
Current	Selected slope of fitted curve	12,988,908,067	6,816,015,864	19,804,923,931	7,966,241,453	4,148,238,612	12,114,480,065	0.0%
RECA	-0.0464							
BD	-0.0700							
CS	-0.0461							
CN - SEC	-0.0200							
CN - NONSEC	-0.0400							
BS	-0.0386							
PART E	-0.0266							
More claims	Add .01 to slope	21,646,393,073	12,307,186,465	33,953,579,538	12,297,496,747	6,537,190,704	18,834,687,451	55.5%
RECA	-0.0364							
BD	-0.0600							
CS	-0.0361							
CN - SEC	-0.0100							
CN - NONSEC	-0.0300							
BS	-0.0286							
PART E	-0.0166							
Fewer claims	Subtract .01 from slope	8,247,044,554	4,640,807,604	12,887,852,158	5,411,884,121	3,055,275,459	8,467,159,580	-30.1%
RECA	-0.0564							
BD	-0.0800							
CS	-0.0561							
CN - SEC	-0.0300							
CN - NONSEC	-0.0500							
BS	-0.0486							
PART E	-0.0366							
Medical Inflation Rate								
Current	6%	12,988,908,067	6,816,015,864	19,804,923,931	7,966,241,453	4,148,238,612	12,114,480,065	0.0%
	8%	16,184,074,778	8,111,531,357	24,295,606,135	9,239,502,939	4,612,390,978	13,851,893,917	14.3%
	4%	10,852,778,694	5,996,050,249	16,848,828,943	7,056,617,943	3,826,484,154	10,883,102,097	-10.2%
Medical Cost Per Case B and E								
Current - Part B	\$15,000	12,988,908,067	6,816,015,864	19,804,923,931	7,966,241,453	4,148,238,612	12,114,480,065	0.0%
Part E	\$4,800							
10% Higher Part B	\$16,500	13,825,410,054	7,113,880,227	20,939,290,281	8,411,617,894	4,299,320,998	12,710,938,892	4.9%
Part E	\$5,280							
10% Lower Part B	\$13,500	12,152,449,859	6,518,221,630	18,670,671,489	7,520,893,151	3,997,207,032	11,518,100,183	-4.9%
Part E	\$4,320							
Approval Rates								
Current		12,988,908,067	6,816,015,864	19,804,923,931	7,966,241,453	4,148,238,612	12,114,480,065	0.0%
RECA	94%							
BD	54%							
CS	19%							
CN - SEC	70%							
CN - NONSEC	26%							
BS	57%							
PART E	45%							
10% Higher		\$14,900,222,912	\$7,936,425,868	\$22,836,648,780	9,239,090,375	4,852,073,174	14,091,163,549	16.3%
RECA	100%							
BD	59%							
CS	21%							
CN - SEC	77%							
CN - NONSEC	29%							
BS	63%							
PART E	50%							
10% Lower		\$10,981,985,630	\$5,926,990,424	16,908,976,054	\$6,626,030,685	\$3,587,249,102	\$10,213,279,787	-15.7%
RECA	85%							
BD	49%							
CS	17%							
CN - SEC	63%							
CN - NONSEC	23%							
BS	51%							
PART E	41%							
Interest Rate used to Discount Reserves								
Current	4.300%	12,988,908,067	6,816,015,864	19,804,923,931	\$7,966,241,453	\$4,148,238,612	\$12,114,480,065	0.0%
	5.300%	12,988,908,067	6,816,015,864	19,804,923,931	7,263,484,389	3,786,524,436	11,050,008,825	-8.8%
	3.300%	12,988,908,067	6,816,015,864	19,804,923,931	8,801,208,962	4,581,425,490	13,382,634,452	10.5%