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May 5, 2008

3rd Quarter 2008 Small Group Rate Adjustment

Market: MSGR, MD Parity, 1-50 VA, 1-50 DC

Below are highlights of our 3rd quarter rate actions for 2008. Rates will be updated shortly in the CareFirst rating systems and in the Wholesaler and DBE's proposal systems. Note that the percentages indicated are incremental changes over the 4/1/08 rate actions.

MSGR (Medical and RX):

- BlueChoice products (including CDH) increased average of 4.1%
- BluePreferred products (including CDH) increased average of 2.9%
- PPN and MPOS increased by 1.1%
- Standard Group Over 65 will increase to \$587.19

VA 1-50 (Medical and RX):

- BlueChoice products (including CDH) increased by 3.4%
- BluePreferred products (including CDH) increased by 3.5%
- CapitalCare increased by 3.4%
- Renewal cap increased to 25% with floor remaining at 0%
- New business discount increased to 20%

DC 1-50 (Medical and RX):

- BlueChoice products (including CDH) increased by 3.4%
- BluePreferred products (including CDH) increased by 1.2%
- Renewal cap increased to 25% with floor remaining at 0%
- New business discount increased to 20%

1-50 Dental and Vision (MSGR/VA/DC):

- No increase

MD Parity (Medical and RX):

- BlueChoice products (including CDH) increased average of 8.5%
- BluePreferred products (including CDH) increased average of 8.7%
- Regional Dental increased by 15%
- No change to Vision
- Renewal Cap increased to 35% with floor remaining at 0%

If you have any questions, please contact your Broker Sales Representative.



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