

**The School Board of Broward County
Group Long Term Disability - RFP 22-033V
Cost Analysis**

| CURRENT RATES | CNA GROUP BENEFITS |
|---|---|
| How will renewal rates be determined after the rate guarantee period? Explain your renewal formula and process including credibility, retention level, reserving and target loss ratio. | Each renewal will include the last full policy year available until five years of data are available. After five years, pricing analysis will evaluate the last five full years of data on a rolling basis. Until we have five full years of CNA claims experience; renewals will be a combination of the CNA experience and the experience the group brought to CNA. |

Core Plan

| CURRENT RATES | | CNA GROUP BENEFITS | | | | |
|---------------------------|-----------------------|-----------------------|------|------|----------------|------|
| | | 2002 | 2003 | 2004 | 2005 | 2006 |
| Estimated Monthly Payroll | \$50,297,875 | \$50,297,875 | | | Did Not Submit | |
| Rate per \$100 | 0.225 | 0.37 | 0.37 | 0.37 | | |
| Annual Premium | \$1,358,042.63 | \$2,233,225.65 | | | | |
| Rate Guarantee | | 3 Years | | | | |
| Annual Total | \$4,140,661.60 | \$6,951,579.56 | | | | |

Buy-Up-Plan

| CURRENT RATES | | CNA GROUP BENEFITS | | | | |
|---------------------------|-----------------|--------------------|------|------|----------------|------|
| | | 2002 | 2003 | 2004 | 2005 | 2006 |
| Estimated Monthly Payroll | \$50,409,764.00 | \$50,409,764.00 | | | Did Not Submit | |
| Rate per \$100 | 0.46 | 0.78 | 0.78 | 0.78 | | |
| Annual Premium | \$2,782,618.97 | \$4,718,353.91 | | | | |
| Rate Guarantee | | 3 Years | | | | |