



FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION (NICA)

ANALYSIS OF LOSS AND LAE RESERVES
AS OF SEPTEMBER 30, 2025

DECEMBER 2, 2025

EXPERTS WITH **IMPACT**™



December 2, 2025

Melissa Jaacks, CPA
Executive Director
Florida Birth-Related Neurological Injury Compensation Association
PO Box 14567
Tallahassee, FL 32317-4567


Re: Florida Birth-Related Neurological Injury Compensation Association Analysis of Loss and LAE Reserves as of September 30, 2025

Dear Ms. Jaacks:

FTI Consulting, Inc. is pleased to enclose a copy of the above captioned report.

We have enjoyed working on this project and hope you find it satisfactory. Please call if you have any questions or comments.

Sincerely,

**Mark
Crawshaw**  Digitally signed by Mark
Crawshaw
Date: 2025.12.02 16:52:39
-05'00'

Mark Crawshaw, Ph.D., FCAS, MAAA
Senior Managing Director
FTI Consulting, Inc.
200 North Second Street
Madison, Georgia 30650
(706) 342-7750
mark.crawshaw@fticonsulting.com

**Choya
Everett**  Digitally signed by
Choya Everett
Date: 2025.12.02
16:52:59 -05'00'

Choya Everett, ACAS, MAAA
Senior Director
FTI Consulting, Inc.
200 North Second Street
Madison, Georgia 30650
(706) 342-7750
choya.everett@fticonsulting.com

**FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION
ASSOCIATION (NICA)
ANALYSIS OF LOSS AND LAE RESERVES
AS OF SEPTEMBER 30, 2025**

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1 INTRODUCTION

1.1 Purpose

The Florida Birth Related Neurological Injury Compensation Association (NICA) requested FTI Consulting (FTI) to determine NICA’s liability for outstanding loss and loss adjustment expense (LAE) reserves as of September 30, 2025. This report documents our results and methodology.

1.2 Authors

This report and analysis were prepared under the direction of Dr. Crawshaw and Ms. Everett. Dr. Crawshaw is a Fellow of the Casualty Actuarial Society. Ms. Everett is an Associate of the Casualty Actuarial Society. Both are Members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to make the actuarial opinions contained in this report.

2 BACKGROUND

2.1 Overview of NICA’s Operations

NICA was created by Florida Statute (“the Statute”).¹ The Statute replaces the traditional tort liability remedies for defined birth related injuries with a no-fault system² for participating health care providers. Claims must be filed within five years after birth.³ Acceptance of a claim (or not) into the NICA program is decided by an Administrative Law judge.⁴ The Statute defines the benefits provided to claimants.

NICA collects assessments from various medical care providers during each birth year and invests those funds until payments are required on behalf of the claimants.⁵ NICA disburses funds on behalf of claimants to pay for their care. The Statute provides NICA very limited options⁶ for collecting additional

¹ Florida Statutes 766.301 to 766.316

² Florida Statute 766.303

³ Prior to the 1994 birth year, a claim had to be filed within seven years of birth.

⁴ Florida Statute 766.304

⁵ NICA also pays for expenses associated with the claims adjudication process, related litigation, and administrative expenses.

⁶ The Statute provides NICA some ability to assess the insurance industry, as well as collect additional funds from the Office of Insurance Regulation.

funds in the event the amounts collected from the medical care providers are not sufficient to pay its claims.

2.2 Overview of NICA’s Loss and LAE Reserves

NICA’s loss and LAE⁷ reserves represent an estimate of the present-value of all future payments necessary to satisfy the lifetime payments for all claimants born on, or before, the valuation date. These reserves form the vast majority of the liabilities on NICA’s balance sheet.

Due to the lengthy period over which the benefits will be paid out, the estimated impact of inflation and anticipated investment income must be considered in establishing the loss and LAE reserves. In this report, as well as previous actuarial reports, the reserves are valued by inflating future payments and then discounting to present-value. In this process, it is assumed the present-value discount rate exceeds the inflation rate by 1.5% per year. NICA’s actuaries have used this same assumption for many years. It is based on a long-term comparison of investment returns versus inflation rate.

2.3 Categories of Claims

The loss and LAE reserves are intended to provide for all unpaid claims for children born through the valuation date. These include claims accepted into NICA, claims in the adjudication process that may or may not ultimately be accepted, and claims that have not yet been reported (also referred to as IBNR claims). In this report, we use the following abbreviations and categories of claims:

Table 1: Categories of Claims

Category	Subcategory	Description
AA Claims		
AA		Claimant formally accepted into NICA when child was alive.
AA	AAA-Worksheet	Claimant is still alive and for whom NICA has full details and has established a worksheet with estimated life expectancy and projected lifetime benefits considering individual circumstances of the claimant and his/her family.

⁷ Here “loss” refers to the cost of the benefits provided to claimants. Loss adjustment expense (LAE) refers to the other costs associated with paying benefits and resolving claims such as legal expenses, NICA’s administrative expenses etc.

Category	Subcategory	Description
AA	AA-Pipeline	Claimant is alive and is known to NICA. NICA expects claimant to become an AAA claim with a worksheet once claim adjudication and/or gathering of individual details is complete.
AA	AAD	Claimant was alive when accepted into NICA but is now deceased.
AA	AA-IBNR	Projected claims for living claimants for which no petition has yet been filed.
DA Claims		
DA	DA-Reported	Claimant formally accepted when child was deceased or else is a deceased claimant that is expected to be accepted into NICA.
DA	DA-IBNR	Projected claims for deceased claimants for which no petition has yet been filed.
Other Claims		
Denied		Claimant has been denied or is expected to be denied acceptance into NICA.

2.4 NICA’s Case Reserves

NICA develops its own estimates of its claim liabilities referred to as case reserves. These estimates are an important input into the actuarial reserve estimates presented in this report.

For each December 31 valuation, NICA prepares an “AAA -Worksheet” summarizing NICA’s projected lifetime expense payments by expense category and year for each claimant, along with each claimant’s expected remaining life expectancy.⁸ The product of the expense payments and the remaining life expectancy determines NICA’s case reserve estimates for these claims at year end. These case reserve estimates do not include adjustments for future inflation or present-value and assume that all claimants will live exactly to their expected remaining life expectancy. During the year, NICA prepares similar information for additional claims as they are accepted into NICA.

As of September 30, 2025, there were 248 open claims with AAA-Worksheets.

⁸ See section 5 for details regarding life expectancies.

In addition to the AAA-worksheet claims discussed above, NICA also provided case reserve estimates for other categories of claims for which it believes it will make future payments. These include case reserves for (a) deceased claimants in NICA’s program; (b) for living claimants (a.k.a., “AA-pipeline”) that have already been or are expected to be accepted into NICA; and (c) for claimants that are expected to ultimately be denied acceptance into NICA.⁹

2.5 Senate Bill 1786

In May 2021, the Florida Legislature passed Senate Bill 1786 (SB 1786), which resulted in increases to the financial obligations of NICA. This report includes consideration of the changes set forth in SB 1786.

2.6 Medicaid

The estimates shown in this report were determined under the assumption that, on a prospective basis, Medicaid will no longer reimburse NICA claimants for expenses as defined in the Statute (effective August 31, 2021), and these expenses will fall on NICA.

The estimated payments used to project reserves include estimates of all payments that will prospectively be paid by NICA. In addition, because Medicaid has not yet implemented a procedure to transfer and/or bill claims to NICA, we have included an estimated provision for the period between August 31, 2021 and September 30, 2025 for potential future reimbursements due Medicaid.

2.7 Medicaid Settlement

We understand that in late 2022, NICA settled litigation related to payments made by Medicaid in prior years to NICA claimants. Under this settlement, NICA has no further liability to reimburse Medicaid for services provided to NICA claimants prior to August 31, 2021.

⁹ We distinguished between the “AA-pipeline” and “denied” category based on the magnitude of the case reserve established by NICA. In particular, “AA-pipeline” claims are signaled via a case reserve estimate of roughly \$2.8 million.

2.8 Threshold Standard

The Statute sets forth a “threshold” financial standard that NICA must meet in order to continue accepting claimants. The current threshold standard compares 100% of NICA’s available assets and funds that may become available in the subsequent twelve months to its liabilities for filed claims, including liabilities for family care.¹⁰

¹⁰ The current threshold standard became in effect on May 2, 2024. Previously, the threshold standard involved a comparison of 80% of NICA’s available assets and funds that may become available in the subsequent twelve months, to its liabilities for filed claims excluding family care.

3 RECOMMENDATIONS AND CONCLUSIONS

3.1 Recommended Reserve for Losses and LAE as of September 30, 2025

The recommended reserve for losses and LAE (excluding risk margin) as September 30, 2025 is \$1.613 billion (Exhibit 1). This amount is an actuarial central estimate of expected outcomes valued using an annual interest discount rate that is 1.5% higher than the inflation rate.

3.2 Comparison to Prior Reserves

Exhibit 4 provides a time series for reserves and other loss related statistics beginning with the third quarter of 2016. Exhibits 2 and 3 summarize in graphical form, key statistics from Exhibit 4 that drive the loss reserves for NICA. We note the following:

1. The September 30, 2025 reserve for loss and loss adjustment expenses is \$1.613 billion (Exhibit 4, Sheet 5, Row 4). The reserve amount is driven by the number of outstanding AAA claims (i.e., number of living claimants) and the average reserve per outstanding AAA claim (see Exhibit 2).
2. NICA's aggregate reserve increased by \$52.3 million, or 3.4%, from the prior analysis as of June 30, 2025. This increase was primarily driven by an increase (of seven (7)) claims in the inventory of outstanding AAA claims, along with inflation.
3. The average reserve per outstanding AAA claim is shown on Exhibit 4, Row 10, and also graphically on Exhibit 2, Sheet 1. Through year-end 2020, prior to the passage of SB 1786, the average reserve per outstanding claim was running at about \$3.7 million per claim. Post-SB 1786, there was an immediate increase in the average reserve to \$5.0 million per claim through roughly year-end 2023. As of June 30, 2025, the average reserve per outstanding claim was \$5.42 million and increased to \$5.47 million as of September 30, 2025, an increase of 0.9% ($= \$5.47 / \$5.42 - 1.00$).

As of September 30, 2024, the average reserve per outstanding claim was \$5.31 million and increased to \$5.47 million as of September 30, 2025 (an increase of 3.0% ($= \$5.47 / \$5.31 - 1.00$)) over the last year.

4. The number of outstanding AAA claims are shown on Exhibit 4, Row 8 and also graphically on Exhibit 2, Sheet 2. It can be seen that the number of outstanding AAA claims have been increasing at a long-term rate of 3.6% per year in recent years. In the quarter ending September 2025, the number of outstanding AAA claims increased by seven (7) during the quarter.

5. The aggregate claim payments per quarter are shown on Exhibit 4, Row 12 and graphically on Exhibit 3. Prior to passage of SB 1786, aggregate claim payments were running around \$5 million per quarter but increased sharply in 2021 as SB 1786's retroactive payments were made to claimants. Since June 30, 2021, the aggregate payments have varied quite substantially by quarter due to retroactive payments. Quarterly payments were \$14.8 million during the current quarter, the highest since the fourth quarter of 2022. Since first quarter 2023, quarterly aggregate payments have been reasonably stable ranging from \$12 million to \$14.8 million per quarter following the substantial changes to NICA resulting from SB 1786. With respect to future retroactive payments, it is possible that payments may spike again when final billing procedures with Medicaid are established and implemented.
6. Exhibit 4, Row 14 shows the claims incurred (i.e., aggregate amounts paid to claimants plus changes in reserves) per quarter. To be sustainable over the long-run, NICA needs to generate sufficient revenue (via its investments and charges to healthcare providers) to cover these costs plus its overhead costs. The aggregate incurred amount for the year ending September 30, 2025 was \$132.9 million.

3.3 Threshold Calculation

Exhibit 6 provides a summary of the threshold calculation for NICA to continue accepting claims. As of September 30, 2025, NICA passed the revised standard by roughly \$235 million.

4 CONDITIONS AND LIMITATIONS

4.1 Data Sources

Data for this analysis was provided to us by NICA and included:

1. The AAA- Worksheet containing case reserves for each adjudicated claim showing life expectancy and projected future annual payments by category over the lifetime of the claimant evaluated as of December 31, 2024.
2. Quarterly inception to date data by claim, including total payments, outstanding payments, claim status, etc.
3. Information on investments, claim adjustment expenses and numbers of participating healthcare providers.
4. The prior quarterly actuarial reports evaluated as of December 31, 2022 through June 30, 2025 prepared by FTI Consulting, Inc and prior quarterly actuarial reports prepared by Turner Consulting.

While we reviewed the data for reasonableness, we did not audit the data. We are relying on NICA to ensure its accuracy.

4.2 Investment and Inflation Assumptions

The reserve recommendations are presented on a present-value basis using an interest discount rate that is 1.5% greater than the future claims inflation. This is consistent with prior actuarial analyses.

We noted that the investment returns NICA has earned, over the long-term, have exceeded general inflation by about 2.7% per year (Appendix H). Here, general inflation is defined by the consumer price index (CPI) and likely differs from the claims inflation that impacts NICA. For this reason, and considering the uncertainties, we believe it is prudent, and has served NICA well, to use the lower 1.5% investment/inflation differential to value the loss reserves.

4.3 Risk Margin

NICA's loss and LAE reserves represent an actuarial central estimate of the present-value of all future payments necessary to satisfy the lifetime payments for all claimants born on, or before, the valuation date. Any such estimate involves the projection of future contingent events and actual payments will likely vary from projections.

To increase the likelihood that the estimate will reasonably provide for all future payments, we have continued NICA's past practice of estimating an additional explicit risk margin to account for likely variation caused by the following items.

1. The actual remaining years of life of known claims is likely to vary from their expected remaining life; and
2. The number and severity of pipeline and unreported claims are likely to vary from expected values included in our reserve estimate.

The resulting selected risk margin is \$82.0 million (Appendix I).

We note that the explicit risk margin only accounts for a small portion of the financial risk that NICA is exposed to. Much greater sources of risk are uncertainties in future claim cost inflation and discount rates to appropriately present-value the reserves. We have implicitly recognized some of this risk via our somewhat conservative selection of the future interest rate/inflation differential (See Section 4.2 above).

4.4 Inherent Variability

The development of reserves for NICA involves the projection of future contingent events. Actual results are likely to vary from projections. We have, however, used accepted actuarial methods and believe the results are reasonable.

5 ANALYSIS

We analyzed liabilities for the various categories of claims as set forth in Section 2.3 above. The following subsections describe the analysis for each category.

5.1 Analysis of AAA Claims With Worksheet

We developed reserves for AAA claims with reserve worksheets based on their life expectancy and estimated future payments. The final reserve estimate is shown in Appendix A and on Exhibit 1.

5.11 Basis for Life Expectancy (AAA Claims With Reserve Worksheets)

Life expectancy is the average survival time for a group of similar people. It is not a prediction of the actual number of years a person will live but rather it reflects the average of all potential future outcomes considering their probabilities of occurring.

In our analysis, we reference standard life tables (e.g., 2020 Social Security Period Life Table) that set forth probabilities of surviving or dying at various ages for the general population and from which remaining standard life expectancies at any age can be calculated.

The NICA claimants have impaired life expectancies (i.e., remaining life expectancies are less than standard remaining life expectancies at the same age). In our analysis, mortality for NICA's claimants is discussed either in terms of a remaining life expectancy or a mortality table providing all the outcomes and their probabilities. We convert from a given (impaired) life expectancy to a mortality table by assuming that for a given claimant, the ratio of remaining impaired life expectancy to remaining standard life expectancy is constant over all ages. This approach is referred to as PLE (for "proportional life expectancy") and is based on empirical evidence and is common practice.¹¹ It has been used by NICA's actuaries for many years, as well as by opposing actuaries and others in reinsurance arbitrations with NICA.

The mortality assumptions are unchanged from those described in our analysis as of December 31, 2024. Please see the December 31, 2024 report for details regarding the mortality assumptions.

¹¹ See, for example, Estimation of Future Mortality Rates and Life Expectancy in Chronic Medical Conditions; Strauss, Vachon, Shavelle; Journal of Insurance Medicine 2005;37:20-34.

5.12 Basis for Future Payments (AAA Claims With Reserve Worksheets)

The future payments for each claim are based on the payments implied by the case reserves in the AAA-Worksheet provided by NICA with adjustments for future inflation. We believe the AAA-Worksheet case reserves are reasonable for this purpose for the following reasons:

1. The case reserves for each claim were established by NICA staff based on a careful evaluation of each claimant, their families, and circumstances.
2. In the December 31, 2024 analysis, we tested the payment stream implied by the case reserves, in aggregate, against the payments made in calendar years 2023 and 2024 and determined that, in aggregate, the actual payments reasonably validate NICA's estimates.

5.2 Analysis of AAA Pipeline Claims

The number of outstanding pipeline claims is known and does not require estimation. We estimated the average reserve for each AAA pipeline claim based on the estimated average life expectancy at birth for current AA claims. The future payments are based on a combination of the average of the payments implied by the AAA-Worksheet case reserves by age of claimant and actual payments made in calendar years 2023 and 2024. Please refer to the December 31, 2024 report for more details.

5.3 Analysis of AA-IBNR and DA-IBNR Claims

In the lower two sections of Appendix B, Sheet 1, we estimated the reserve based on the estimated number of claims multiplied by the average projected reserve per claim. The number of unreported AA and DA claims are based on a historical review of the incremental claim counts (Appendix C).

The average reserve for each AA-IBNR claim is based on the average reserve selected in the December 31, 2024, adjusted for inflation.

5.4 Analysis of Other Claims Categories

We directly used NICA's estimates of future liabilities (see Exhibit 1) for the other categories of claims.

5.5 Analysis of ULAE

ULAE (“unallocated loss adjustment expenses”) refers to those expenses incurred by NICA to administer the benefits separate and apart from the benefits themselves or legal fees. The reserves on Exhibit 1 include a provision for the estimated future ULAE. As shown in Appendix E, the ULAE reserve is 1.62% of total reserves *excluding ULAE*. This ULAE reserve ratio, which is updated annually at year end, is consistent with the selection in prior analyses. See footnote (d) on Appendix E for more details.

NICA
SUMMARY OF SELECTED RESERVES AS OF SEPTEMBER 30, 2025
(\$000'S)

Item	Unpaid Claim Count	Case Reserve	Projected Reserve	
			Nominal	Inflated and Discounted
(1)	(2)	(3)	(4)	(5)
1 AAA Claims With Worksheets (a)	248	\$ 1,433,948	\$ 1,709,255	\$ 1,211,756
2 AAA Claims Pipeline (b)	20	51,695	192,660	133,080
3 AAA Claims IBNR (b)	27	-	257,684	177,995
4 AAD Claims (c)	13	1,299	1,299	1,299
5 DA Claims Reported (c)	30	4,711	4,711	4,711
6 DA Claims IBNR (b)	9	-	3,431	3,258
7 Denied Claims (c)	62	6,336	6,336	6,336
8 Subtotal	409	\$ 1,497,989	\$ 2,175,375	\$ 1,538,434
9 Outstanding ULAE (d)				25,716
10 Medicaid Reimbursement - Aug 31, 2021 through September 30, 2025 (e)				49,000
Total Reserve Excluding Risk Margin				\$ 1,613,151
11 Risk Margin (f)				82,000
Total Reserve Including Risk Margin				\$ 1,695,151

Notes:

(a) See Appendix A.

(b) See Appendix B, Sheet 1.

(c) See Appendix F, Sheet 2.

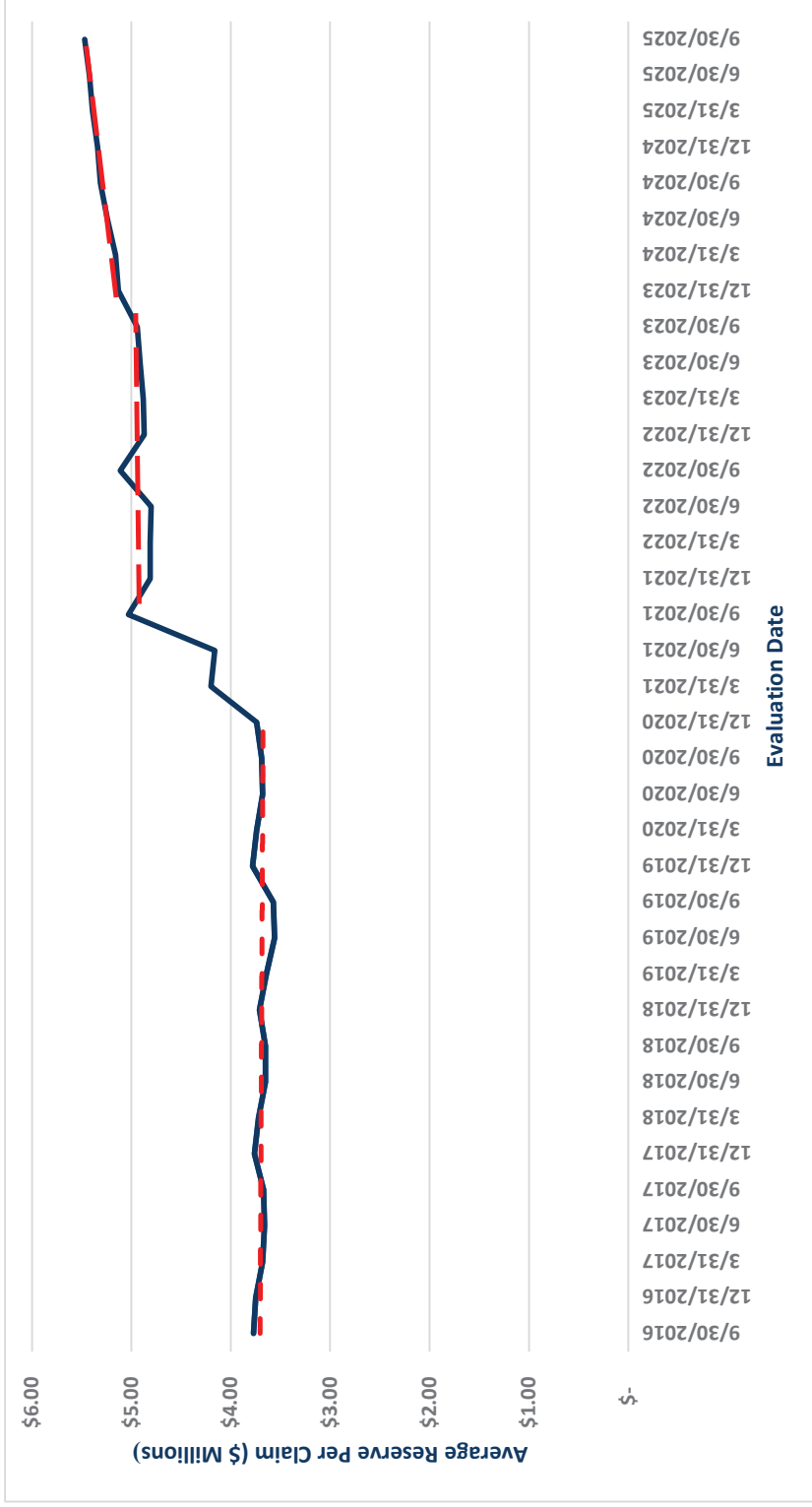
(d) See Appendix E.

(e) Assumes one million dollars a month, starting August 31, 2021.

(f) See Appendix I.

NICA

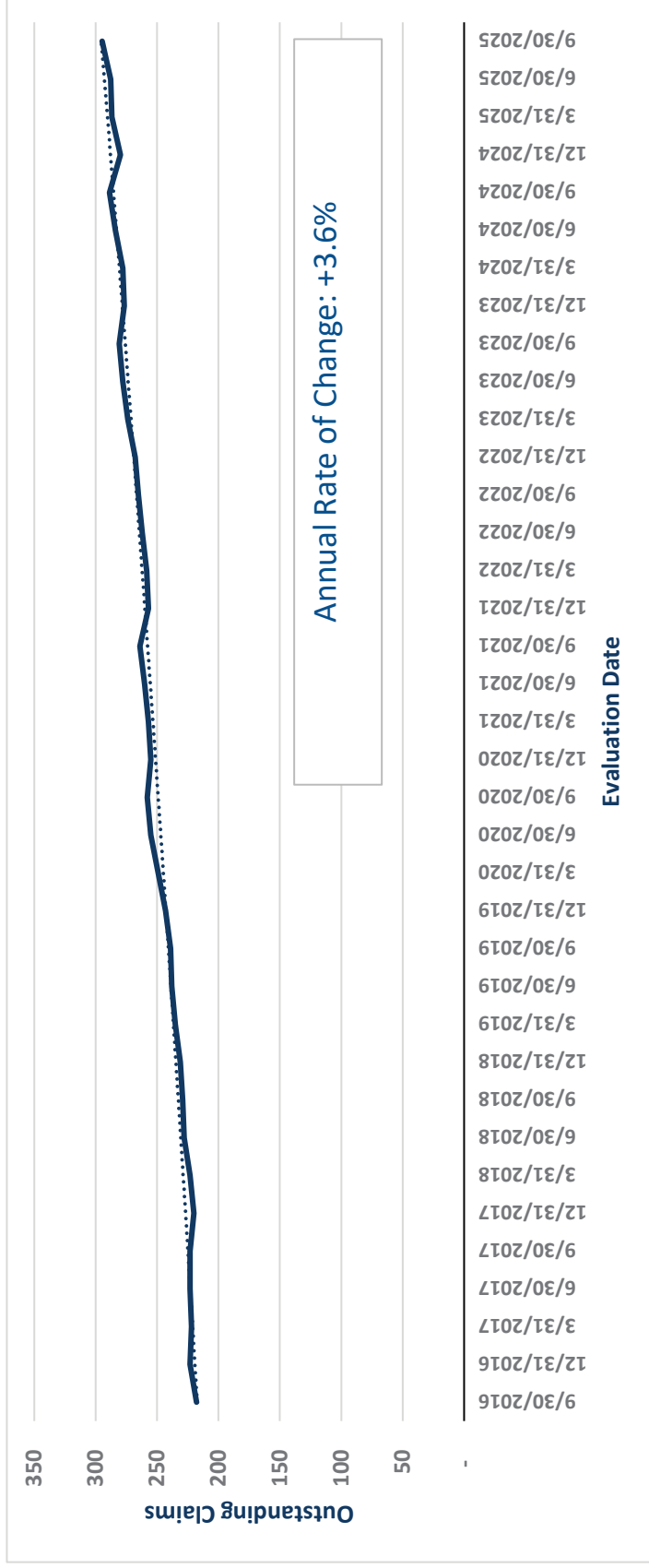
SUMMARY OF AVERAGE RESERVE PER AAA CLAIM



Note: Based on , Row (10). AAA claims relate to accepted, living claimants.

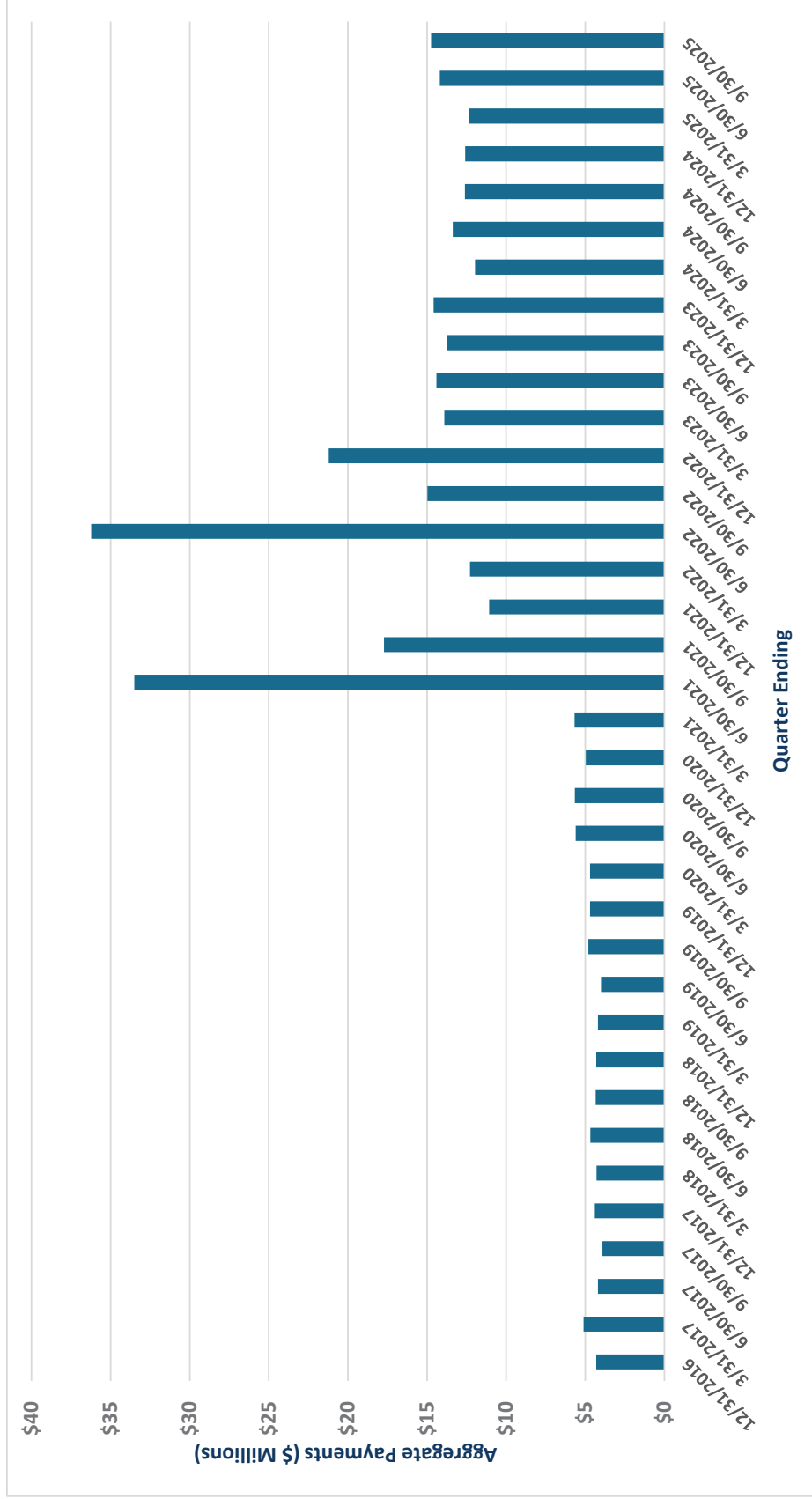
NICA

NUMBER OF OUTSTANDING AAA CLAIMS



Note: Based on , Row (8). AAA claims relate to accepted, living claimants.

NICA
 PAYMENTS BY QUARTER FOR ALL CLAIMS



Note: Based on , Row (12).

NICA
SUMMARY OF CLAIM PAYMENTS AND RESERVES
(\$ MILLIONS)

Item	9/30/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	3/31/2018
(1) Reserve for Future Benefits (a)	\$ 810.3	\$ 826.2	\$ 806.6	\$ 805.7	\$ 806.4	\$ 814.4	\$ 816.5
(2) ULAE Reserves (a)	11.1	11.1	11.1	11.1	12.7	12.8	12.8
(3) Estimated Reimbursement due to Medicaid (a)	-	-	-	-	-	-	-
(4) Total Reserves	\$ 821.4	\$ 837.3	\$ 817.7	\$ 816.8	\$ 819.1	\$ 827.1	\$ 829.3
(5) - Change in Quarter		15.9	(19.6)	(0.9)	2.4	8.0	2.1
(6) Number of Open Accepted Claims - AAA Claims (b)	187	193	189	190	191	191	193
(7) Number IBNR Claims Excluding DA (a)	31	30	33	33	32	29	30
(8) Total Outstanding AAA Claims	218	223	222	223	223	220	223
(9) - Change in Quarter		5.0	(1.0)	1.0	-	(3.0)	3.0
(10) Average Reserve per AAA Claim [(4) / (8)]	\$ 3.77	\$ 3.75	\$ 3.68	\$ 3.66	\$ 3.67	\$ 3.76	\$ 3.72
(11) Inception to Date Claim Payments (a)	\$ 200.9	\$ 205.2	\$ 210.3	\$ 214.5	\$ 218.4	\$ 222.8	\$ 227.1
(12) - Change in Quarter		4.3	5.1	4.2	3.9	4.4	4.3
(13) Inception to Date Incurred Expenses [(4) + (11)]	\$ 1,022.3	\$ 1,042.5	\$ 1,028.0	\$ 1,031.3	\$ 1,037.5	\$ 1,049.9	\$ 1,056.4
(14) Claims Incurred in Quarter [(5) + (12)]		20.2	(14.5)	3.3	6.3	12.4	6.4
(15) Average Number of Open Claims		190	191	190	191	191	192
(16) Average Paid Per Open Claim	\$	\$ 0.023	\$ 0.027	\$ 0.022	\$ 0.020	\$ 0.023	\$ 0.022

Notes:
(a) Exhibit 1 for 12-31-2022 and subsequent; Turner Section I, Exhibit I for prior evaluations.
(b) Appendix F for 12-31-2022 and subsequent; Turner Section VI, Exhibit IV or Exhibit X for prior evaluations.

NICA
SUMMARY OF CLAIM PAYMENTS AND RESERVES
(\$ MILLIONS)

Item	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019
(1) Reserve for Future Benefits (a)	\$ 819.7	\$ 823.1	\$ 843.3	\$ 841.4	\$ 836.0	\$ 840.1	\$ 903.8
(2) ULAE Reserves (a)	12.7	12.6	13.2	13.2	12.2	12.1	14.4
(3) Estimated Reimbursement due to Medicaid (a)	-	-	-	-	-	-	-
(4) Total Reserves	\$ 832.4	\$ 835.7	\$ 856.5	\$ 854.6	\$ 848.2	\$ 852.2	\$ 918.1
(5) - Change in Quarter	3.1	3.3	20.8	(1.9)	(6.4)	4.0	65.9
(6) Number of Open Accepted Claims - AAA Claims (b)	198	198	200	203	206	208	215
(7) Number IBNR Claims Excluding DA (a)	30	31	31	32	32	31	28
(8) Total Outstanding AAA Claims	228	229	231	235	238	239	243
(9) - Change in Quarter	5.0	1.0	2.0	4.0	3.0	1.0	4.0
(10) Average Reserve per AAA Claim [(4) / (8)]	\$ 3.65	\$ 3.65	\$ 3.71	\$ 3.64	\$ 3.56	\$ 3.57	\$ 3.78
(11) Inception to Date Claim Payments (a)	\$ 231.8	\$ 236.1	\$ 240.4	\$ 244.6	\$ 248.6	\$ 253.4	\$ 258.1
(12) - Change in Quarter	4.7	4.3	4.3	4.2	4.0	4.8	4.7
(13) Inception to Date Incurred Expenses [(4) + (11)]	\$ 1,064.2	\$ 1,071.8	\$ 1,096.9	\$ 1,099.2	\$ 1,096.8	\$ 1,105.6	\$ 1,176.2
(14) Claims Incurred in Quarter [(5) + (12)]	7.8	7.6	25.1	2.3	(2.4)	8.8	70.6
(15) Average Number of Open Claims	196	198	199	202	205	207	212
(16) Average Paid Per Open Claim	\$ 0.024	\$ 0.022	\$ 0.022	\$ 0.021	\$ 0.020	\$ 0.023	\$ 0.022

Notes:

(a) Exhibit 1 for 12-31-2022 and subsequent; Turner Section I, Exhibit I for prior evaluations.

(b) Appendix F for 12-31-2022 and subsequent; Turner Section VI, Exhibit IV or Exhibit X for prior evaluations.

NICA
SUMMARY OF CLAIM PAYMENTS AND RESERVES
(\$ MILLIONS)

Item	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021
(1) Reserve for Future Benefits (a)	\$ 917.1	\$ 924.7	\$ 938.6	\$ 937.6	\$ 1,064.6	\$ 1,066.2	\$ 1,311.9	\$ 1,214.8
(2) ULAE Reserves (a)	14.4	14.3	14.2	14.9	15.0	14.9	14.8	20.2
(3) Estimated Reimbursement due to Medicaid (a)	-	-	-	-	-	-	-	-
(4) Total Reserves	\$ 931.5	\$ 939.0	\$ 952.8	\$ 952.5	\$ 1,079.6	\$ 1,081.1	\$ 1,326.7	\$ 1,235.0
(5) - Change in Quarter	13.4	7.5	13.8	(0.3)	127.1	1.5	245.6	(91.7)
(6) Number of Open Accepted Claims - AAA Claims (b)	222	227	229	226	228	233	235	230
(7) Number IBNR Claims Excluding DA (a)	27	28	29	29	29	27	29	27
(8) Total Outstanding AAA Claims	249	255	258	255	257	260	264	257
(9) - Change in Quarter	6.0	6.0	3.0	(3.0)	2.0	3.0	4.0	(7.0)
(10) Average Reserve per AAA Claim [(4) / (8)]	\$ 3.74	\$ 3.68	\$ 3.69	\$ 3.74	\$ 4.20	\$ 4.16	\$ 5.03	\$ 4.81
(11) Inception to Date Claim Payments (a)	\$ 262.8	\$ 268.4	\$ 274.1	\$ 279.0	\$ 284.7	\$ 318.2	\$ 335.9	\$ 347.0
(12) - Change in Quarter	4.7	5.6	5.7	5.0	5.7	33.5	17.7	11.1
(13) Inception to Date Incurred Expenses [(4) + (11)]	\$ 1,194.3	\$ 1,207.4	\$ 1,226.9	\$ 1,231.6	\$ 1,364.3	\$ 1,399.3	\$ 1,662.6	\$ 1,582.0
(14) Claims Incurred in Quarter [(5) + (12)]	18.1	13.1	19.5	4.7	132.7	35.0	263.3	(80.6)
(15) Average Number of Open Claims	219	225	228	228	227	231	234	233
(16) Average Paid Per Open Claim	\$ 0.021	\$ 0.025	\$ 0.025	\$ 0.022	\$ 0.025	\$ 0.145	\$ 0.076	\$ 0.048

Notes:
(a) Exhibit 1 for 12-31-2022 and subsequent; Turner Section I, Exhibit I for prior evaluations.
(b) Appendix F for 12-31-2022 and subsequent; Turner Section VI, Exhibit IV or Exhibit X for prior evaluations.

NICA
SUMMARY OF CLAIM PAYMENTS AND RESERVES
(\$ MILLIONS)

Item	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023
(1) Reserve for Future Benefits (a)	\$ 1,223.6	\$ 1,238.4	\$ 1,321.0	\$ 1,266.6	\$ 1,295.4	\$ 1,318.9	\$ 1,339.0	\$ 1,368.9
(2) ULAE Reserves (a)	20.2	20.2	20.2	20.8	21.3	21.7	22.1	22.6
(3) Estimated Reimbursement due to Medicaid (a)	-	-	14.0	16.0	19.0	22.0	25.0	28.0
(4) Total Reserves	\$ 1,243.8	\$ 1,258.6	\$ 1,355.1	\$ 1,303.4	\$ 1,335.7	\$ 1,362.6	\$ 1,386.1	\$ 1,419.5
(5) - Change in Quarter	8.8	14.8	96.5	(51.7)	32.3	27.0	23.5	33.4
(6) Number of Open Accepted Claims - AAA Claims (b)	232	233	238	241	247	251	254	250
(7) Number IBNR Claims Excluding DA (a)	27	29	27	27	27	27	27	27
(8) Total Outstanding AAA Claims	259	262	265	268	274	278	281	277
(9) - Change in Quarter	1.5	3.5	3.0	2.8	6.0	4.0	3.0	(4.0)
(10) Average Reserve per AAA Claim [(4) / (8)]	\$ 4.81	\$ 4.80	\$ 5.11	\$ 4.87	\$ 4.88	\$ 4.91	\$ 4.94	\$ 5.13
(11) Inception to Date Claim Payments (a)	\$ 359.3	\$ 395.5	\$ 410.5	\$ 431.7	\$ 445.6	\$ 460.0	\$ 473.8	\$ 488.4
(12) - Change in Quarter	12.3	36.2	15.0	21.2	13.9	14.4	13.7	14.6
(13) Inception to Date Incurred Expenses [(4) + (11)]	\$ 1,603.1	\$ 1,654.2	\$ 1,765.6	\$ 1,735.1	\$ 1,781.3	\$ 1,822.7	\$ 1,859.9	\$ 1,907.9
(14) Claims Incurred in Quarter [(5) + (12)]	21.1	51.0	111.5	(30.5)	46.2	41.4	37.2	48.0
(15) Average Number of Open Claims	231	233	236	240	244	249	253	252
(16) Average Paid Per Open Claim	\$ 0.053	\$ 0.156	\$ 0.063	\$ 0.088	\$ 0.057	\$ 0.058	\$ 0.054	\$ 0.058

Notes:
(a) Exhibit 1 for 12-31-2022 and subsequent; Turner Section I, Exhibit I for prior evaluations.
(b) Appendix F for 12-31-2022 and subsequent; Turner Section VI, Exhibit IV or Exhibit X for prior evaluations.

NICA
SUMMARY OF CLAIM PAYMENTS AND RESERVES
(\$ MILLIONS)

Item	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025
(1) Reserve for Future Benefits (a)	\$ 1,379.6	\$ 1,430.5	\$ 1,472.7	\$ 1,430.7	\$ 1,478.7	\$ 1,489.9	\$ 1,538.4
(2) ULAE Reserves (a)	22.9	23.7	24.5	23.8	24.7	24.9	25.7
(3) Estimated Reimbursement due to Medicaid (a)	31.0	34.0	37.0	40.0	43.0	46.0	49.0
(4) Total Reserves	\$ 1,433.5	\$ 1,488.3	\$ 1,534.1	\$ 1,494.5	\$ 1,546.3	\$ 1,560.8	\$ 1,613.2
(5) - Change in Quarter	14.0	54.8	45.9	(39.6)	51.8	14.5	52.3
(6) Number of Open Accepted Claims - AAA Claims (b)	251	257	259	253	260	261	268
(7) Number IBNR Claims Excluding DA (a)	27	27	30	27	27	27	27
(8) Total Outstanding AAA Claims	278	284	289	280	287	288	295
(9) - Change in Quarter	1.0	6.0	5.0	(9.0)	7.0	1.0	7.0
(10) Average Reserve per AAA Claim [(4) / (8)]	\$ 5.16	\$ 5.24	\$ 5.31	\$ 5.34	\$ 5.39	\$ 5.42	\$ 5.47
(11) Inception to Date Claim Payments (a)	\$ 500.3	\$ 513.7	\$ 526.3	\$ 538.9	\$ 551.2	\$ 565.4	\$ 580.1
(12) - Change in Quarter	12.0	13.4	12.6	12.6	12.3	14.2	14.8
(13) Inception to Date Incurred Expenses [(4) + (11)]	\$ 1,933.8	\$ 2,001.9	\$ 2,060.4	\$ 2,033.4	\$ 2,097.5	\$ 2,126.2	\$ 2,193.3
(14) Claims Incurred in Quarter [(5) + (12)]	25.9	68.2	58.5	(27.0)	64.1	28.7	67.1
(15) Average Number of Open Claims	251	254	258	256	257	261	265
(16) Average Paid Per Open Claim	\$ 0.048	\$ 0.053	\$ 0.049	\$ 0.049	\$ 0.048	\$ 0.054	\$ 0.056

Notes:
(a) Exhibit 1 for 12-31-2022 and subsequent; Turner Section I, Exhibit I for prior evaluations.
(b) Appendix F for 12-31-2022 and subsequent; Turner Section VI, Exhibit IV or Exhibit X for prior evaluations.

NICA

SUMMARY OF RESERVES AS OF SEPTEMBER 30, 2025 - CURRENT DOLLARS

Birth Year	Paid Loss and ALAE (a)	Incurred Loss and ALAE (a)	Case Outstanding Loss & ALAE (a)	Indicated IBNR / Bulk Reserves (b)	Selected Total Outstanding Loss & ALAE (c)
(1)	(2)	(3)	(4)	(5)	(6)
1989	\$ 20,072,732.23	\$ 38,468,176.83	\$ 18,395,444.60	\$ 20,000.00	\$ 18,415,444.60
1990	10,192,404.41	23,665,419.66	13,473,015.25	257,859.78	13,730,875.03
1991	14,981,201.77	31,111,910.51	16,130,708.74	333,470.27	16,464,179.01
1992	24,302,685.10	63,746,816.04	39,444,130.94	331,451.17	39,775,582.11
1993	30,018,169.10	60,811,783.52	30,793,614.42	426,081.24	31,219,695.66
1994	12,283,358.99	33,035,092.39	20,751,733.40	50,000.00	20,801,733.40
1995	17,543,093.59	47,239,236.54	29,696,142.95	100,000.00	29,796,142.95
1996	16,486,118.22	38,316,178.02	21,830,059.80	909,195.60	22,739,255.40
1997	20,841,590.28	64,226,228.89	43,384,638.61	1,557,315.87	44,941,954.48
1998	35,891,433.74	93,945,456.67	58,054,022.93	4,366,444.72	62,420,467.65
1999	18,282,451.49	28,895,365.29	10,612,913.80	2,691,898.81	13,304,812.61
2000	10,759,956.92	23,115,340.84	12,355,383.92	1,236,683.63	13,592,067.55
2001	14,126,415.16	28,026,839.53	13,900,424.37	1,921,019.00	15,821,443.37
2002	32,677,803.04	91,809,147.42	59,131,344.38	9,093,746.96	68,225,091.34
2003	10,358,957.48	23,102,514.85	12,743,557.37	2,206,308.58	14,949,865.95
2004	13,683,101.57	62,348,101.10	48,664,999.53	4,098,329.15	52,763,328.68
2005	16,856,971.37	43,611,758.92	26,754,787.55	5,085,502.49	31,840,290.04
2006	21,516,302.04	77,338,916.27	55,822,614.23	6,944,185.80	62,766,800.03
2007	19,854,887.41	40,932,112.04	21,077,224.63	7,542,279.21	28,619,503.84
2008	16,135,766.35	73,241,160.66	57,105,394.31	9,204,993.57	66,310,387.88
2009	19,449,206.24	66,150,142.55	46,700,936.31	10,198,997.12	56,899,933.43
2010	8,369,422.97	39,933,272.27	31,563,849.30	3,133,297.06	34,697,146.36
2011	14,510,528.41	62,533,130.29	48,022,601.88	12,326,859.86	60,349,461.74
2012	9,706,117.47	50,785,089.81	41,078,972.34	6,754,457.04	47,833,429.38
2013	12,989,566.07	43,217,464.99	30,227,898.92	10,285,450.07	40,513,348.99
2014	15,464,478.91	47,045,726.66	31,581,247.75	16,619,867.60	48,201,115.35
2015	18,775,720.23	102,446,899.09	83,671,178.86	23,586,805.07	107,257,983.93
2016	7,854,232.27	52,864,631.31	45,010,399.04	9,973,576.31	54,983,975.35
2017	15,703,849.74	90,010,761.19	74,306,911.45	18,394,558.43	92,701,469.88
2018	23,014,963.00	150,457,687.16	127,442,724.16	23,732,383.44	151,175,107.60
2019	12,469,392.92	72,080,769.59	59,611,376.67	23,151,565.03	82,762,941.70
2020	11,139,398.43	68,603,748.39	57,464,349.96	33,390,362.96	90,854,712.92
2021	10,743,280.08	48,285,357.11	37,542,077.03	34,162,481.67	71,704,558.70
2022	13,483,320.03	116,481,953.66	102,998,633.63	43,047,636.23	146,046,269.86
2023	5,708,877.33	41,682,954.30	35,974,076.97	90,530,247.88	126,504,324.85
2024	3,519,899.23	24,587,250.62	21,067,351.39	133,597,038.89	154,664,390.28
2025	374,226.16	13,976,380.65	13,602,154.49	126,124,102.29	139,726,256.78
Total	\$ 580,141,879.75	\$ 2,078,130,775.63	\$ 1,497,988,895.88	\$ 677,386,452.79	\$ 2,175,375,348.67

Notes: (a) Provided by NICA.
 (b) [(6) - (4)]
 (c) Nominal reserves from Exhibit 1 split by birth year.

NICA

SUMMARY OF RESERVES AS OF SEPTEMBER 30, 2025 - DISCOUNTED & INFLATED

Birth Year	Case Outstanding Loss & ALAE (a)	Indicated IBNR / Bulk Loss & ALAE	Total Outstanding Loss & ALAE (b)	Inflation and Present Value Factor (c)
(1)	(7)	(8) = (9) - (7)	(9)	(10)
1989	\$ 13,877,130.94	\$ 15,087.58	\$ 13,892,218.52	0.7544
1990	11,017,941.09	210,872.17	11,228,813.25	0.8178
1991	12,655,770.30	261,632.84	12,917,403.14	0.7846
1992	29,814,604.73	250,533.74	30,065,138.47	0.7559
1993	23,063,336.48	319,119.90	23,382,456.37	0.7490
1994	14,759,772.76	35,562.75	14,795,335.50	0.7113
1995	21,903,227.58	73,757.82	21,976,985.40	0.7376
1996	16,505,796.41	687,446.46	17,193,242.87	0.7561
1997	31,592,560.29	1,134,032.62	32,726,592.91	0.7282
1998	43,804,189.54	3,294,665.26	47,098,854.80	0.7545
1999	8,346,928.48	2,117,145.89	10,464,074.37	0.7865
2000	9,415,034.61	942,376.15	10,357,410.76	0.7620
2001	10,506,206.56	1,451,942.90	11,958,149.45	0.7558
2002	44,081,170.91	6,779,196.69	50,860,367.60	0.7455
2003	10,251,169.10	1,774,798.17	12,025,967.28	0.8044
2004	34,063,145.81	2,868,632.18	36,931,777.99	0.7000
2005	19,311,392.14	3,670,675.11	22,982,067.25	0.7218
2006	39,823,915.34	4,953,989.91	44,777,905.25	0.7134
2007	16,621,837.17	5,947,962.27	22,569,799.44	0.7886
2008	41,464,570.08	6,683,801.16	48,148,371.24	0.7261
2009	33,412,055.08	7,296,844.14	40,708,899.22	0.7154
2010	20,713,523.11	2,056,201.08	22,769,724.19	0.6562
2011	33,170,794.56	8,514,568.56	41,685,363.11	0.6907
2012	28,540,964.61	4,692,880.77	33,233,845.38	0.6948
2013	22,405,777.60	7,623,867.85	30,029,645.44	0.7412
2014	22,978,966.26	12,092,852.69	35,071,818.95	0.7276
2015	59,781,796.88	16,852,416.91	76,634,213.79	0.7145
2016	30,514,672.83	6,761,557.87	37,276,230.70	0.6779
2017	51,206,541.63	12,676,098.41	63,882,640.04	0.6891
2018	86,442,200.10	16,097,266.06	102,539,466.15	0.6783
2019	42,784,850.65	16,616,563.95	59,401,414.60	0.7177
2020	38,106,722.22	22,142,376.75	60,249,098.97	0.6631
2021	26,417,586.92	24,039,435.23	50,457,022.15	0.7037
2022	68,254,925.03	28,526,720.01	96,781,645.04	0.6627
2023	24,504,109.32	61,665,601.40	86,169,710.72	0.6812
2024	14,729,753.86	93,407,636.42	108,137,390.28	0.6992
2025	9,447,997.98	87,605,258.80	97,053,256.78	0.6946
Total	\$ 1,066,292,938.95	\$ 472,141,378.44	\$ 1,538,434,317.39	

(11) Estimated Outstanding ULAE (d)	\$ 25,716,435.94
(12) Estimated Medicaid Reimbursement Expenses (e)	\$ 49,000,000.00
(13) Total Outstanding Loss & LAE (f)	\$ 1,613,150,753.33

Notes: (a) [(10) x Exh 5, Sheet 1, Col (4)]. (d) See Appendix E.
 (b) Reserves from Exhibit 1 by birth year. (e) See Exhibit 1.
 (c) [(9) ÷ Exh 5, Sheet 1, Col (6)]. (f) [Col (9), Total + (11) + (12)].

NICA

ULTIMATE CLAIM SEVERITY PER AA CLAIM - CURRENT DOLLARS (in thousands)

Birth Year	Paid Loss and ALAE (a)	Outstanding Loss and ALAE		Ultimate Loss and ALAE		Ultimate Claim Counts AA Claims (c)	Ultimate Claim Severity (d)	
		Current Dollars (a)	Inflated & Discounted (b)	Current Dollars	Inflated & Discounted		Current Dollars	Inflated & Discounted
(1)	(2)	(3)	(4)	(5) = [(2)+(3)]	(6) = [(2)+(4)]	(7)	(8) = [(5)/(7)]	(9) = [(6)/(7)]
2015	\$ 18,776	\$ 107,258	\$ 76,634	\$ 126,034	\$ 95,410	14	\$ 9,002	\$ 6,815
2016	7,854	54,984	37,276	62,838	45,130	7	8,977	6,447
2017	15,704	92,701	63,883	108,405	79,586	13	8,339	6,122
2018	23,015	151,175	102,539	174,190	125,554	18	9,677	6,975
2019	12,469	82,763	59,401	95,232	71,871	12	7,903	5,964
2020	11,139	90,855	60,249	101,994	71,388	11	9,532	6,672
2021	10,743	71,705	50,457	82,448	61,200	11	7,852	5,829
2022	13,483	146,046	96,782	159,530	110,265	15	10,393	7,183
2023	5,709	126,504	86,170	132,213	91,879	13	9,978	6,934
2024	3,520	154,664	108,137	158,184	111,657	16	10,140	7,158
2025	374	139,726	97,053	140,100	97,427	14	9,797	6,813
Total	\$ 122,787	\$ 1,218,382	\$ 838,582	\$ 1,341,169	\$ 961,369	144	\$ 9,330	\$ 6,688

Notes: (a) Exhibit 5, Sheet 1.
(b) Exhibit 5, Sheet 2.
(c) Appendix C, Sheet 1.

NICA

SUMMARY OF RESERVES AS OF SEPTEMBER 30, 2025

LOSS AND LAE RESERVES FOR THRESHOLD CALCULATION
(\$000'S)

A: Determination of Liabilities For Threshold Calculation

(1)	Total Reserve Excluding Risk Margin (a)	\$	1,613,151
(2)	AAA IBNR Reserves (b)		177,995
(3)	DA IBNR Reserves (b)		3,258
(4)	Subtotal	\$	181,253
(5)	Present Value Loss and LAE Reserves on Filed Claims [(1)-(4)]	\$	1,431,898

B: Assets For Threshold Calculation

(6)	Invested Assets (c)	\$	1,551,357
(7)	Cash (c)		2,724
(8)	Income on Invested Funds (d)		76,843
(9)	Future Assessments Health Care Providers (d)		36,000
(10)	Subtotal	\$	1,666,924
(11)	Assets for Threshold Calculation [(100% x (10))]	\$	1,666,924

C: Threshold Test

(12)	Assets Excess of Threshold [(11) - (5)]	\$	235,026
(13)	Pass/Fail		Pass

Notes:

- (a) See Exhibit 1.
- (b) See Exhibit 1.
- (c) Provided by NICA.
- (d) Exhibit 6, Sheet 2.

NICA

THRESHOLD CALCULATION AS OF SEPTEMBER 30, 2025 (\$000'S)

1. Funds Available Within The Next 12 Months	
a. Income on Invested Funds (See 2 Below)	\$ 76,843
b. Future Assessments Health Care Providers (a)	36,000
c. Total = (1a.)+(1b.)	\$ 112,843
2. Return On Invested Assets	
a. Investment at Current Market Value (a)	\$ 1,551,357
b. Estimated Assessments in next 12 Months (a)	36,000
c. Estimated Expenditures next 12 Months	(65,000)
d. Subtotal	\$ 1,522,357
e. Average Invested Assets = (2a. + 2d.) ÷ 2	\$ 1,536,857
f. Expected Prospective Return (%)	5%
g. Expected Prospective Return (\$) = (e.) x (f.)	\$ 76,843

Notes:

(a) Provided by NICA.

NICA

ANALYSIS OF RESERVES AS OF SEPTEMBER 30, 2025

SELECTED RESERVES FOR AAA CLAIMS WITH RESERVE WORKSHEETS
(\$000'S)

Item (1)	Number of Claims (2)	Case Reserve (3)	Projected Reserve	
			Nominal (4)	Inflated and Discounted (5)
Scenario 1 (a)				
Reserve	248	\$ 1,433,948	\$ 1,433,572	\$ 1,037,249
Supplement for Expected Development	-	-	-	-
Total	248	\$ 1,433,948	\$ 1,433,572	\$ 1,037,249
Scenario 2 (a)				
Reserve	248	\$ 1,433,948	\$ 1,433,572	\$ 1,037,249
Supplement for Expected Development	-	-	275,683	174,507
Total	248	\$ 1,433,948	\$ 1,709,255	\$ 1,211,756
Selected (b)				
Reserve	248	\$ 1,433,948	\$ 1,433,572	\$ 1,037,249
Supplement for Expected Development	-	-	275,683	174,507
Total	248	\$ 1,433,948	\$ 1,709,255	\$ 1,211,756

Notes:

(a) Projected reserves are based on Case Reserve Method.

(b) Based on Scenario 2.

NICA

ANALYSIS OF RESERVES AS OF SEPTEMBER 30, 2025

SELECTED RESERVES FOR AA PIPELINE AND IBNR CLAIMS AND DA IBNR CLAIMS (\$000'S)

Birth Year	Number of Claims (a)	Projected Reserve	
		Nominal (b)	Inflated and Discounted (c)
(1)	(2)	(3)	(4)
AA Pipeline Claims			
2018	-	\$ -	\$ -
2019	-	-	-
2020	2.00	19,266	13,308
2021	1.00	9,633	6,654
2022	1.00	9,633	6,654
2023	4.00	38,532	26,616
2024	7.00	67,431	46,578
<u>2025</u>	<u>5.00</u>	<u>48,165</u>	<u>33,270</u>
Total	20.00	\$ 192,660	\$ 133,080
AA IBNR Claims			
2018	-	\$ -	\$ -
2019	0.05	482	333
2020	0.70	6,743	4,658
2021	1.50	14,450	9,981
2022	2.35	22,638	15,637
2023	4.25	40,940	28,280
2024	8.60	82,844	57,224
<u>2025</u>	<u>9.30</u>	<u>89,587</u>	<u>61,882</u>
Total	26.75	\$ 257,684	\$ 177,995
DA IBNR Claims			
2018	-	\$ -	\$ -
2019	-	-	-
2020	-	-	-
2021	0.25	95	90
2022	0.68	255	242
2023	1.48	558	530
2024	2.85	1,077	1,023
<u>2025</u>	<u>3.83</u>	<u>1,446</u>	<u>1,373</u>
Total	9.08	\$ 3,431	\$ 3,258

Notes:

- (a) See Appendix C, Sheet 1 for IBNR counts and Appendix F, Sheet 2 for pipeline counts
 (b) [(2) x Projected Reserve Per Claim in Appendix B, Sheet 2].

NICA
ANALYSIS OF IBNR CLAIMS

SELECTED ULTIMATE AND IBNR CLAIM COUNTS

Birth Year	DA Claims			AA Claims		
	Reported Count (a)	IBNR (b)	Ultimate Count (c)	Reported Count (a)	IBNR (d)	Ultimate Count (e)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	3.00	0.00	3.00	8.00	0.00	8.00
2014	3.00	0.00	3.00	10.00	0.00	10.00
2015	6.00	0.00	6.00	14.00	0.00	14.00
2016	4.00	0.00	4.00	7.00	0.00	7.00
2017	2.00	0.00	2.00	13.00	0.00	13.00
2018	10.00	0.00	10.00	18.00	0.00	18.00
2019	4.00	0.00	4.00	12.00	0.05	12.05
2020	5.00	0.00	5.00	10.00	0.70	10.70
2021	12.00	0.25	12.25	9.00	1.50	10.50
2022	11.00	0.68	11.68	13.00	2.35	15.35
2023	4.00	1.48	5.48	9.00	4.25	13.25
2024	7.00	2.85	9.85	7.00	8.60	15.60
2025	2.00	3.83	5.83	5.00	9.30	14.30
Total	73.00	9.08	82.08	135.00	26.75	161.75

Notes: (a) Based on data provided by NICA.
 (b) Based on Sheet 2a.
 (c) [(2) + (3)]
 (d) Based on Sheet 3a.
 (e) [(5) + (6)]

NICA
ANALYSIS OF IBNR CLAIMS
DA CLAIMS

REPORTED CLAIM COUNT DEVELOPMENT

Birth Year	Age of Development (Months)											
	3	6	9	12	15	18	21	24	27	30	33	36
2018-4	-	-	2	3	4	4	4	4	4	4	4	4
2019-1	-	-	-	-	-	1	1	1	1	1	3	2
2019-2	-	-	-	-	-	-	-	-	-	-	-	-
2019-3	-	-	-	-	-	1	1	1	1	1	1	1
2019-4	-	-	-	1	-	-	-	-	-	1	1	1
2020-1	-	-	-	-	-	-	1	1	1	1	1	1
2020-2	-	-	-	1	1	1	1	1	1	2	2	2
2020-3	-	-	-	-	-	-	-	-	-	-	-	-
2020-4	-	-	-	-	1	1	1	1	1	1	2	2
2021-1	-	-	1	1	1	1	1	1	1	1	2	2
2021-2	-	1	2	3	3	3	3	3	3	3	3	3
2021-3	-	-	-	-	-	-	1	2	2	2	2	2
2021-4	-	-	-	1	1	2	5	5	5	5	5	5
2022-1	-	-	-	1	1	2	2	2	2	4	4	4
2022-2	-	-	1	1	1	1	1	1	1	1	1	2
2022-3	-	-	-	-	-	-	1	1	2	2	2	2
2022-4	-	-	-	-	1	2	2	2	2	2	2	2
2023-1	-	-	1	1	1	1	1	1	1	1	1	-
2023-2	-	-	1	1	1	1	2	2	2	2	-	-
2023-3	-	-	-	-	-	-	1	1	1	-	-	-
2023-4	-	-	-	-	-	-	-	-	-	-	-	-
2024-1	-	-	-	1	3	3	3	-	-	-	-	-
2024-2	-	-	-	-	2	1	-	-	-	-	-	-
2024-3	-	-	1	1	1	-	-	-	-	-	-	-
2024-4	-	1	2	2	-	-	-	-	-	-	-	-
2025-1	-	-	1	-	-	-	-	-	-	-	-	-
2025-2	-	1	-	-	-	-	-	-	-	-	-	-
2025-3	-	-	-	-	-	-	-	-	-	-	-	-

Birth Year	Incremental Claim Counts											
	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39
2018-4	-	2	1	1	-	-	-	-	-	-	-	-
2019-1	-	-	-	-	1	-	-	-	-	2	(1)	-
2019-2	-	-	-	-	-	-	-	-	-	-	-	-
2019-3	-	-	-	-	1	-	-	-	-	-	-	-
2019-4	-	-	1	(1)	-	-	-	-	1	-	-	-
2020-1	-	-	-	-	-	1	-	-	-	-	-	-
2020-2	-	-	1	-	-	-	-	-	1	-	-	-
2020-3	-	-	-	-	-	-	-	-	-	-	-	-
2020-4	-	-	-	1	-	-	-	-	-	1	-	-
2021-1	-	1	-	-	-	-	-	-	-	1	-	-
2021-2	1	1	1	-	-	-	-	-	-	-	-	-
2021-3	-	-	-	-	-	1	1	-	-	-	-	-
2021-4	-	-	1	-	1	3	-	-	-	-	-	-
2022-1	-	-	1	-	1	-	-	-	2	-	-	-
2022-2	-	1	-	-	-	-	-	-	-	-	1	-
2022-3	-	-	-	-	-	1	-	1	-	-	-	-
2022-4	-	-	-	1	1	-	-	-	-	-	-	-
2023-1	-	1	-	-	-	-	-	-	-	-	-	-
2023-2	-	1	-	-	-	1	-	-	-	-	-	-
2023-3	-	-	-	-	-	1	-	-	-	-	-	-
2023-4	-	-	-	-	-	-	-	-	-	-	-	-
2024-1	-	-	1	2	-	-	-	-	-	-	-	-
2024-2	-	-	-	2	(1)	-	-	-	-	-	-	-
2024-3	-	1	-	-	-	-	-	-	-	-	-	-
2024-4	1	1	-	-	-	-	-	-	-	-	-	-
2025-1	-	1	-	-	-	-	-	-	-	-	-	-
2025-2	1	-	-	-	-	-	-	-	-	-	-	-
2025-3	-	-	-	-	-	-	-	-	-	-	-	-
Avg All	0.111	0.385	0.280	0.250	0.174	0.364	0.048	0.050	0.211	0.222	0.000	0.000
Avg Latest 2	0.500	1.000	0.000	1.000	-0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Avg Latest 3	0.667	1.000	0.000	1.333	-0.333	0.333	0.000	0.000	0.000	0.000	0.333	0.000
Avg Latest 5	0.400	0.600	0.200	0.800	-0.200	0.400	0.000	0.200	0.000	0.000	0.200	0.000
Prior Selected	0.200	0.200	0.175	0.150	0.100	0.100	0.075	0.075	0.075	0.050	0.050	0.050
Selected Incremental	0.200	0.200	0.175	0.150	0.100	0.100	0.075	0.075	0.075	0.050	0.050	0.050
Cumulative	1.475	1.275	1.075	0.900	0.750	0.650	0.550	0.475	0.400	0.325	0.275	0.225

Notes: Counts provided by NICA.

NICA
ANALYSIS OF IBNR CLAIMS
DA CLAIMS

REPORTED CLAIM COUNT DEVELOPMENT

Birth Year	Age of Development (Months)												
	39	42	45	48	51	54	57	60	63	66	69	72	
2018-4	4	4	4	4	4	4	4	5	5	5	5	5	
2019-1	2	2	2	2	2	2	2	2	2	2	2	2	
2019-2	-	-	-	-	-	-	-	-	-	-	-	-	
2019-3	1	1	1	1	1	1	1	1	1	1	1	1	
2019-4	1	1	1	1	1	1	1	1	1	1	1	1	
2020-1	1	1	1	1	1	1	1	1	1	1	1	1	
2020-2	2	2	2	2	2	2	2	2	2	2	2	2	
2020-3	-	-	-	-	-	-	-	-	-	-	-	-	
2020-4	2	2	2	2	2	2	2	2	2	2	2	2	
2021-1	2	2	2	2	2	2	2	2	2	2	2	2	
2021-2	3	3	3	3	3	3	3	3	3	3	3	3	
2021-3	2	2	2	2	2	2	2	2	2	2	2	2	
2021-4	5	5	5	5	5	5	5	5	5	5	5	5	
2022-1	4	5	5	5	5	5	5	5	5	5	5	5	
2022-2	2	2	2	2	2	2	2	2	2	2	2	2	
2022-3	2	2	2	2	2	2	2	2	2	2	2	2	
2022-4	2	2	2	2	2	2	2	2	2	2	2	2	
2023-1													
2023-2													
2023-3													
2023-4													
2024-1													
2024-2													
2024-3													
2024-4													
2025-1													
2025-2													
2025-3													

Birth Year	Link Ratios											
	39-42	42-45	45-48	48-51	51-54	54-57	57-60	60-63	63-66	66-69	69-72	72-75
2018-4	-	-	-	-	-	-	1	-	-	-	-	-
2019-1	-	-	-	-	-	-	-	-	-	-	-	-
2019-2	-	-	-	-	-	-	-	-	-	-	-	-
2019-3	-	-	-	-	-	-	-	-	-	-	-	-
2019-4	-	-	-	-	-	-	-	-	-	-	-	-
2020-1	-	-	-	-	-	-	-	-	-	-	-	-
2020-2	-	-	-	-	-	-	-	-	-	-	-	-
2020-3	-	-	-	-	-	-	-	-	-	-	-	-
2020-4	-	-	-	-	-	-	-	-	-	-	-	-
2021-1	-	-	-	-	-	-	-	-	-	-	-	-
2021-2	-	-	-	-	-	-	-	-	-	-	-	-
2021-3	-	-	-	-	-	-	-	-	-	-	-	-
2021-4	-	-	-	-	-	-	-	-	-	-	-	-
2022-1	1	-	-	-	-	-	-	-	-	-	-	-
2022-2	-	-	-	-	-	-	-	-	-	-	-	-
2022-3	-	-	-	-	-	-	-	-	-	-	-	-
2022-4	-	-	-	-	-	-	-	-	-	-	-	-
2023-1	-	-	-	-	-	-	-	-	-	-	-	-
2023-2	-	-	-	-	-	-	-	-	-	-	-	-
2023-3	-	-	-	-	-	-	-	-	-	-	-	-
2023-4	-	-	-	-	-	-	-	-	-	-	-	-
2024-1	-	-	-	-	-	-	-	-	-	-	-	-
2024-2	-	-	-	-	-	-	-	-	-	-	-	-
2024-3	-	-	-	-	-	-	-	-	-	-	-	-
2024-4	-	-	-	-	-	-	-	-	-	-	-	-
2025-1	-	-	-	-	-	-	-	-	-	-	-	-
2025-2	-	-	-	-	-	-	-	-	-	-	-	-
2025-3	-	-	-	-	-	-	-	-	-	-	-	-
Avg All	0.067	0.000	0.000	0.000	0.000	0.000	0.111	0.000	0.000	0.000	0.000	0.000
Avg Latest 2	0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Avg Latest 3	0.333	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Avg Latest 5	0.200	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Prior Selected	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.000	0.000	0.000	0.000	0.000
Selected Incremental	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.000	0.000	0.000	0.000	0.000
Cumulative	0.175	0.150	0.125	0.100	0.075	0.050	0.025	0.000	0.000	0.000	0.000	0.000

Notes: Counts provided by NICA.

NICA
ANALYSIS OF IBNR CLAIMS
AA CLAIMS

REPORTED CLAIM COUNT DEVELOPMENT

Birth Year	Age of Development (Months)											
	3	6	9	12	15	18	21	24	27	30	33	36
2018-4	-	-	-	-	2	2	2	2	2	2	2	2
2019-1	-	-	-	2	4	4	4	4	5	6	5	5
2019-2	-	1	-	-	-	2	1	1	1	2	1	1
2019-3	-	1	1	2	2	2	2	3	3	3	3	3
2019-4	-	-	-	-	1	1	1	2	2	2	2	2
2020-1	-	-	-	-	1	1	2	2	2	2	2	2
2020-2	-	-	-	-	-	-	-	-	-	-	-	-
2020-3	-	-	-	-	3	4	4	4	5	4	4	4
2020-4	-	-	3	3	2	2	2	2	2	2	2	2
2021-1	-	-	-	-	-	1	1	2	3	3	2	2
2021-2	-	-	-	-	-	-	-	1	1	1	1	1
2021-3	-	-	-	-	-	1	1	3	2	2	2	2
2021-4	-	-	-	1	2	2	2	3	3	3	3	3
2022-1	-	-	1	-	1	2	3	3	3	3	3	3
2022-2	-	-	-	1	2	3	2	4	6	5	3	3
2022-3	-	1	2	2	6	5	4	4	4	4	4	4
2022-4	-	-	-	1	1	1	2	4	4	4	3	3
2023-1	-	-	1	1	1	1	1	1	1	2	2	
2023-2	-	-	-	-	-	-	-	2	2	3		
2023-3	-	-	-	2	4	2	2	2	2			
2023-4	-	-	1	1	1	1	1	2				
2024-1	-	-	-	1	1	-	1					
2024-2	-	-	-	1	2	3						
2024-3	-	-	3	2	1							
2024-4	-	-	-	2								
2025-1	-	2	3									
2025-2	-	2										
2025-3	-											

Birth Year	Incremental Claim Counts											
	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39
2018-4	-	-	-	2	-	-	-	-	-	-	-	-
2019-1	-	-	2	2	-	-	-	1	1	(1)	-	-
2019-2	1	(1)	-	-	2	(1)	-	-	1	(1)	-	-
2019-3	1	-	1	-	-	-	1	-	-	-	-	-
2019-4	-	-	-	1	-	-	1	-	-	-	-	-
2020-1	-	-	-	1	-	1	-	-	-	-	-	1
2020-2	-	-	-	-	-	-	-	-	-	-	-	-
2020-3	-	-	-	3	1	-	-	1	(1)	-	-	-
2020-4	-	3	-	(1)	-	-	-	-	-	-	-	-
2021-1	-	-	-	-	1	-	1	1	-	(1)	-	-
2021-2	-	-	-	-	-	-	1	-	-	-	-	1
2021-3	-	-	-	-	1	-	2	(1)	-	-	-	-
2021-4	-	-	1	1	-	-	1	-	-	-	-	-
2022-1	-	1	(1)	1	1	1	-	-	-	-	-	-
2022-2	-	-	1	1	1	(1)	2	2	(1)	(2)	-	-
2022-3	1	1	-	4	(1)	(1)	-	-	-	-	-	-
2022-4	-	-	1	-	-	1	2	-	-	(1)	-	-
2023-1	-	1	-	-	-	-	-	-	1	-	-	-
2023-2	-	-	-	-	-	-	2	-	1	-	-	-
2023-3	-	-	2	2	(2)	-	-	-	-	-	-	-
2023-4	-	1	-	-	-	-	1	-	-	-	-	-
2024-1	-	-	1	-	(1)	1	-	-	-	-	-	-
2024-2	-	-	1	1	1	-	-	-	-	-	-	-
2024-3	-	3	(1)	(1)	-	-	-	-	-	-	-	-
2024-4	-	-	2	-	-	-	-	-	-	-	-	-
2025-1	2	1	-	-	-	-	-	-	-	-	-	-
2025-2	2	-	-	-	-	-	-	-	-	-	-	-
2025-3	-	-	-	-	-	-	-	-	-	-	-	-
Avg All	0.259	0.385	0.400	0.708	0.174	0.045	0.667	0.200	0.105	-0.333	0.000	0.125
Avg Latest 2	2.000	0.500	0.500	0.000	0.000	0.500	0.500	0.000	1.000	-0.500	0.000	0.000
Avg Latest 3	1.333	1.333	0.667	0.000	0.000	0.333	1.000	0.000	0.667	-0.333	0.000	0.000
Avg Latest 5	0.800	0.800	0.600	0.400	-0.400	0.200	1.000	0.000	0.200	-0.600	0.000	0.000
Prior Selected	0.250	0.250	0.250	0.300	0.300	0.300	0.300	0.300	0.150	0.150	0.100	0.100
Selected Incremental	0.250	0.250	0.250	0.300	0.300	0.300	0.300	0.300	0.150	0.150	0.100	0.100
Cumulative	3.350	3.100	2.850	2.600	2.300	2.000	1.700	1.400	1.100	0.950	0.800	0.700

Notes: Counts provided by NICA.

NICA
ANALYSIS OF IBNR CLAIMS
AA CLAIMS

REPORTED CLAIM COUNT DEVELOPMENT

Birth Year	Age of Development (Months)											
	39	42	45	48	51	54	57	60	63	66	69	72
2018-4	2	2	2	2	2	2	2	2	2	2	2	2
2019-1	5	5	5	5	5	5	5	5	5	5	5	5
2019-2	1	1	1	1	2	2	3	3	3	2	2	2
2019-3	3	3	3	3	3	3	3	3	3	3	3	3
2019-4	2	2	2	2	2	2	2	2	2	2	2	2
2020-1	3	2	2	2	2	2	2	2	2	2	2	
2020-2	-	-	-	-	-	-	-	-	-	-	-	-
2020-3	4	4	5	5	5	5	5	6	6			
2020-4	2	2	2	3	2	2	2	2				
2021-1	2	2	2	2	2	2	2					
2021-2	2	2	2	2	1	1						
2021-3	2	2	3	3	3							
2021-4	3	3	3	3								
2022-1	3	3	3									
2022-2	3	3										
2022-3	4											
2022-4												
2023-1												
2023-2												
2023-3												
2023-4												
2024-1												
2024-2												
2024-3												
2024-4												
2025-1												
2025-2												
2025-3												

Birth Year	Link Ratios											
	39-42	42-45	45-48	48-51	51-54	54-57	57-60	60-63	63-66	66-69	69-72	72-75
2018-4	-	-	-	-	-	-	-	-	-	-	-	-
2019-1	-	-	-	-	-	-	-	-	-	-	-	-
2019-2	-	-	-	1	-	1	-	-	(1)	-	-	-
2019-3	-	-	-	-	-	-	-	-	-	-	-	-
2019-4	-	-	-	-	-	-	-	-	-	-	-	-
2020-1	(1)	-	-	-	-	-	-	-	-	-	-	-
2020-2	-	-	-	-	-	-	-	-	-	-	-	-
2020-3	-	1	-	-	-	-	1	-	-	-	-	-
2020-4	-	-	1	(1)	-	-	-	-	-	-	-	-
2021-1	-	-	-	-	-	-	-	-	-	-	-	-
2021-2	-	-	-	(1)	-	-	-	-	-	-	-	-
2021-3	-	1	-	-	-	-	-	-	-	-	-	-
2021-4	-	-	-	-	-	-	-	-	-	-	-	-
2022-1	-	-	-	-	-	-	-	-	-	-	-	-
2022-2	-	-	-	-	-	-	-	-	-	-	-	-
2022-3	-	-	-	-	-	-	-	-	-	-	-	-
2022-4	-	-	-	-	-	-	-	-	-	-	-	-
2023-1	-	-	-	-	-	-	-	-	-	-	-	-
2023-2	-	-	-	-	-	-	-	-	-	-	-	-
2023-3	-	-	-	-	-	-	-	-	-	-	-	-
2023-4	-	-	-	-	-	-	-	-	-	-	-	-
2024-1	-	-	-	-	-	-	-	-	-	-	-	-
2024-2	-	-	-	-	-	-	-	-	-	-	-	-
2024-3	-	-	-	-	-	-	-	-	-	-	-	-
2024-4	-	-	-	-	-	-	-	-	-	-	-	-
2025-1	-	-	-	-	-	-	-	-	-	-	-	-
2025-2	-	-	-	-	-	-	-	-	-	-	-	-
2025-3	-	-	-	-	-	-	-	-	-	-	-	-
Avg All	-0.067	0.143	0.077	-0.083	0.000	0.100	0.111	0.000	-0.143	0.000	0.000	0.000
Avg Latest 2	0.000	0.000	0.000	-0.500	0.000	0.000	0.500	0.000	0.000	0.000	0.000	0.000
Avg Latest 3	0.000	0.333	0.000	-0.333	0.000	0.000	0.333	0.000	0.000	0.000	0.000	0.000
Avg Latest 5	0.000	0.200	0.200	-0.400	0.000	0.000	0.200	0.000	-0.200	0.000	0.000	
Prior Selected	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Selected Incremental	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Cumulative	0.600	0.550	0.500	0.450	0.400	0.350	0.300	0.250	0.200	0.150	0.100	0.050

Notes: Counts provided by NICA.

NICA
REVIEW OF LIFE EXPECTANCY

Not applicable for interim analyses.

Included in year-end analyses only when life expectancies are refreshed.

NICA
ANALYSIS OF RESERVES AS OF SEPTEMBER 30, 2025

ANALYSIS OF UNALLOCATED LOSS ADJUSTMENT EXPENSE (ULAE) RESERVE
(\$000'S)

Evaluation Date	Total Reserves excluding ULAE Expense (a)	ULAE Reserve (b)	Ratio of ULAE Reserve to Total Reserve excl. ULAE (c)
(1)	(2)	(3)	(4)
12/31/2020	937,583	14,948	1.59%
12/31/2021	1,214,800	20,200	1.66%
12/31/2022	1,282,621	20,779	1.62%
12/31/2023	1,396,883	22,630	1.62%
12/31/2024	1,470,716	23,826	1.62%
6/30/2025	1,535,935	24,882	1.62%

(5) Selected (d)	1.62%
(6) Total Loss Reserve Excluding ULAE as of 9/30/2025 (e)	\$ 1,587,434
(7) Indicated ULAE Reserve (f)	\$ 25,716

Notes:

(a) Prior reserve analyses; See Exhibit 4; Exclude ULAE Reserves.

(b) Prior reserve analyses; See Exhibit 4, Row (2).

(c) = (3) ÷ (2)

(d) The ULAE reserve ratio is updated annually at year end based on the ratio of paid ULAE to benefit payments. As of 12-2024, the indicated ratio ranged from 1.49% to 1.85%, and we selected 1.62% consistent with the selection in the prior year analysis. See the 12-2024 report for more details.

(e) See Exhibit 1; Excludes ULAE Reserves and Risk Margin.

(f) = (5) x (6)

NICA

LOSS AND COUNT SUMMARY BY BIRTH YEAR AS OF SEPTEMBER 30, 2025
CURRENT DOLLARS (\$000'S)

Birth Year	Paid Loss and ALAE	Reported Loss and ALAE	Case Outstanding Loss & ALAE	Accepted Claim Counts with Open Claim Status		
				AAA	AAD	DA
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1989	\$ 20,073	\$ 38,468	\$ 18,395	3	-	-
1990	10,192	23,665	13,473	3	-	-
1991	14,981	31,112	16,131	4	-	-
1992	24,303	63,747	39,444	8	-	-
1993	30,018	60,812	30,794	6	-	-
1994	12,283	33,035	20,752	3	-	-
1995	17,543	47,239	29,696	5	-	-
1996	16,486	38,316	21,830	5	-	-
1997	20,842	64,226	43,385	8	-	-
1998	35,891	93,945	58,054	11	-	-
1999	18,282	28,895	10,613	3	-	-
2000	10,760	23,115	12,355	3	-	-
2001	14,126	28,027	13,900	3	-	-
2002	32,678	91,809	59,131	12	-	-
2003	10,359	23,103	12,744	3	-	-
2004	13,683	62,348	48,665	5	-	-
2005	16,857	43,612	26,755	5	-	-
2006	21,516	77,339	55,823	8	-	-
2007	19,855	40,932	21,077	6	-	-
2008	16,136	73,241	57,105	9	-	-
2009	19,449	66,150	46,701	10	-	-
2010	8,369	39,933	31,564	5	-	-
2011	14,511	62,533	48,023	10	-	-
2012	9,706	50,785	41,079	7	-	-
2013	12,990	43,217	30,228	6	-	-
2014	15,464	47,046	31,581	8	-	-
2015	18,776	102,447	83,671	14	-	-
2016	7,854	52,865	45,010	7	-	-
2017	15,704	90,011	74,307	12	-	-
2018	23,015	150,458	127,443	16	-	-
2019	12,469	72,081	59,611	11	-	-
2020	11,139	68,604	57,464	9	-	-
2021	10,743	48,285	37,542	7	-	-
2022	13,483	116,482	102,999	12	-	3
2023	5,709	41,683	35,974	9	-	-
2024	3,520	24,587	21,067	7	-	-
2025	374	13,976	13,602	5	-	1
Total	\$ 580,142	\$ 2,078,131	\$ 1,497,989	268	-	4

Note: Data provided by NICA.

Losses and ALAE in (2) through (4) includes all claims. Counts in (5) through (7) include open, accepted claims only.

NICA

LOSS AND COUNT SUMMARY BY AS OF SEPTEMBER 30, 2025 OTHER THAN WORKSHEET CLAIMS (\$000s)

Birth Year	Case Outstanding - Current Dollars (\$000's)				Count of Claims with Case Reserves			
	AAA-Pipeline	AAD	DA	Denied	AAA-Pipeline	AAD	DA	Denied
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1989	\$ -	\$ 200	\$ 205	\$ -	-	1	1	-
1990	-	-	-	-	-	-	-	-
1991	-	-	-	-	-	-	-	-
1992	-	270	75	-	-	1	1	-
1993	-	-	-	-	-	-	-	-
1994	-	200	-	-	-	1	-	-
1995	-	-	200	-	-	-	1	-
1996	-	-	255	-	-	-	1	-
1997	-	-	200	-	-	-	2	-
1998	-	-	400	-	-	-	2	-
1999	-	-	445	-	-	-	2	-
2000	-	17	200	-	-	1	1	-
2001	-	-	220	-	-	-	2	-
2002	-	-	190	-	-	-	1	-
2003	-	-	380	-	-	-	2	-
2004	-	-	190	-	-	-	1	-
2005	-	4	-	-	-	1	-	-
2006	-	-	-	-	-	-	-	-
2007	-	124	-	-	-	2	-	-
2008	-	-	-	-	-	-	-	-
2009	-	190	-	-	-	1	-	-
2010	-	-	19	-	-	-	1	-
2011	-	-	-	-	-	-	-	-
2012	-	-	95	-	-	-	1	-
2013	-	18	-	-	-	1	-	-
2014	-	13	-	-	-	1	-	-
2015	-	-	380	-	-	-	2	-
2016	-	-	0	-	-	-	1	-
2017	-	-	-	13	-	-	-	3
2018	-	212	36	32	-	1	2	2
2019	-	-	109	36	-	-	1	2
2020	4,416	-	-	95	2	-	-	5
2021	2,859	29	-	89	1	1	-	4
2022	2,821	21	730	2,295	1	1	2	6
2023	10,770	-	4	314	4	-	1	14
2024	17,755	-	6	3,306	7	-	1	20
2025	13,074	-	371	157	5	-	1	6
Total	\$ 51,695	\$ 1,299	\$ 4,711	\$ 6,336	20	13	30	62

Note: Data provided by NICA.

NICA

ANALYSIS OF RESERVES AS OF SEPTEMBER 30, 2025
RESERVES BY BIRTH YEAR FOR AAA CLAIMS WITH WORKSHEETS ONLY
INFLATED AND DISCOUNTED (\$000'S)

Birth Year	Nursing Care	Medical	All Other	Total
(1)	(2)	(3)	(4)	(5)
1989	\$ 10,914	\$ 107	\$ 2,466	\$ 13,487
1990	9,481	67	1,681	11,229
1991	10,607	115	2,195	12,917
1992	24,379	252	5,089	29,720
1993	19,403	169	3,810	23,382
1994	11,674	123	2,799	14,595
1995	15,302	1,517	4,958	21,777
1996	12,755	163	4,020	16,938
1997	26,096	378	6,053	32,527
1998	38,160	689	7,850	46,699
1999	8,491	65	1,463	10,019
2000	7,793	80	2,267	10,141
2001	9,537	105	2,097	11,738
2002	41,052	321	9,298	50,670
2003	7,518	66	4,062	11,646
2004	30,101	1,804	4,837	36,742
2005	18,769	684	3,525	22,978
2006	36,155	847	7,776	44,778
2007	18,714	161	3,571	22,446
2008	29,325	442	18,381	48,148
2009	33,586	319	6,614	40,519
2010	17,876	276	4,598	22,751
2011	34,616	354	6,716	41,685
2012	26,823	277	6,039	33,139
2013	25,473	184	4,355	30,011
2014	28,423	533	6,102	35,058
2015	58,953	495	16,806	76,254
2016	30,527	309	6,441	37,276
2017	49,935	519	13,415	63,870
2018	85,188	753	16,318	102,259
2019	50,567	386	7,970	58,924
2020	32,319	312	9,557	42,188
2021	28,125	190	5,300	33,614
2022	54,831	544	15,828	71,203
2023	26,526	243	3,657	30,426
2024	-	-	-	-
2025	-	-	-	-
Total	\$ 969,993	\$ 13,848	\$ 227,914	\$ 1,211,756

Notes: Based on Case Reserve Method, Scenario 2.

NICA

SUMMARY OF HISTORICAL INFLATION AND INVESTMENT RETURNS

Year	CPI All Items % Change (a)	Actual Investment Return (b)	Investment Return Less CPI (4) = (3) - (2)
(1)	(2)	(3)	(4)
1991	3.1%	5.9%	2.8%
1992	2.9%	3.3%	0.4%
1993	2.7%	3.1%	0.4%
1994	2.7%	3.6%	0.9%
1995	2.5%	7.0%	4.4%
1996	3.3%	5.8%	2.5%
1997	1.7%	6.1%	4.4%
1998	1.6%	6.2%	4.6%
1999	2.7%	4.5%	1.9%
2000	3.4%	13.1%	9.7%
2001	1.6%	4.0%	2.4%
2002	2.4%	-8.5%	-10.9%
2003	1.9%	20.0%	18.1%
2004	3.3%	10.3%	7.0%
2005	3.4%	8.9%	5.5%
2006	2.5%	12.8%	10.2%
2007	4.1%	8.7%	4.6%
2008	0.1%	-27.2%	-27.3%
2009	2.7%	20.0%	17.3%
2010	1.5%	13.4%	11.9%
2011	3.0%	-0.1%	-3.1%
2012	1.7%	10.9%	9.1%
2013	1.5%	12.6%	11.1%
2014	0.8%	5.6%	4.9%
2015	0.7%	-1.8%	-2.6%
2016	2.1%	6.7%	4.6%
2017	2.1%	13.8%	11.7%
2018	1.9%	-6.7%	-8.6%
2019	2.3%	21.1%	18.9%
2020	1.4%	14.1%	12.7%
2021	7.0%	6.0%	-1.0%
2022	6.8%	-23.3%	-30.1%
2023	4.1%	12.2%	8.1%
2024	2.9%	6.0%	3.0%
<u>Averages (c):</u>			
2010-2024	2.6%	5.5%	2.8%
2000-2009	2.5%	5.2%	2.7%
1991-1999	2.6%	5.0%	2.5%
1991-2024	2.6%	5.3%	2.7%

Notes:

- (a) Ibbotson's 2023 SBBI Yearbook, Stocks, Bonds, Bills, and Inflation; Federal Reserve Economic Data for 2023 and 2024.
- (b) NICA Investment Recap Summary; Ratio of Sum of Interest Income and Unrealized Gain/Loss to the Market Value Beginning Balance.
- (c) Geometric average over the given time period.

NICA

SUMMARY OF RESERVES AS OF SEPTEMBER 30, 2025 CALCULATION OF RISK MARGIN (\$000s)

1. Risk: Time Lived Varying from Remaining Loss Expectancy (RLE)		
a. Number of Outstanding AA Claims	268	Exhibit 1, Col (2): AAA-Worksheet and Pipeline
b. Assumed Average CV of RLE	0.5	Based on AAA-Worksheet Claims
c. CV of Aggregate RLE	3%	= (b.) ÷ sqrt(a.)
d. Aggregate Reserve - Nominal	1,901,915	Exhibit 1, Col (4): AAA-Worksheet and Pipeline
e. Variance	3,374,327,720	= [(c.) x (d.)]^2
2. Risk: Cost of IBNR AA Claims		
a. Expected Number of Claims	26.75	Exhibit 1, Col (2): AAA IBNR
b. Variance of Number of Claims	26.75	Assumes Poisson Distribution
c. CV Claim Severity	1	Based on judgment
d. CV of Aggregate Reserve	27%	= sqrt[(1.0 + (c.) x (c.)) ÷ (b.)]
e. Aggregate Reserve - Nominal	257,684	Exhibit 1, Col (4): AAA IBNR
f. Variance	4,964,564,027	= [(d.) x (e.)]^2
3. Risk: Cost of Outstanding for Other Claims		
a. Number of Outstanding Other Claims	105	Exhibit 1, Col (2): AAD+DA Reported+Denied
b. Assumed Severity CV	1	Based on judgment
c. CV of Aggregate Reserve	10%	= (b.) ÷ sqrt(a.)
d. Aggregate Reserve - Nominal	12,346	Exhibit 1, Col (4): AAD+DA Reported+Denied
e. Variance	1,451,585	= [(c.) x (d.)]^2
4. Risk: Cost of IBNR DA Claims		
a. Expected Number of Claims	9.075	Exhibit 1
b. Variance of Number of Claims	9.075	Assumes Poisson Distribution
c. CV claim Severity	1	Based on judgment
d. CV of Aggregate Reserve	47%	= sqrt[(1.0 + (c.) x (c.)) ÷ (b.)]
e. Aggregate Reserve - Nominal	3,431	Exhibit 1
f. Variance	2,594,327	= [(d.) x (e.)]^2
5. Risk Margin		
a. Total Variance	8,342,937,659	= 1(e.) + 2(f.) + 3(e.) + 4(f.)
b. Standard Deviation	91,340	= sqrt(a.)
c. Aggregate Reserve - Nominal	2,175,375	Exhibit 1, Col(4)
d. Aggregate Reserve - Discounted	1,538,434	Exhibit 1, Col(5)
e. Average Discount	0.71	= (d.) ÷ (c.)
f. Standard Deviation - Discounted Reserves	64,596	= (b.) x (e.)
g. Z: 90th percentile of standard normal	1.28	90th percentile of standard normal distribution
h. 90% confidence level	82,783	= (f.) x (g.)
Minimum Risk Margin	82,000	Risk Margin at June 30, 2025
Selected Risk Margin	82,000	