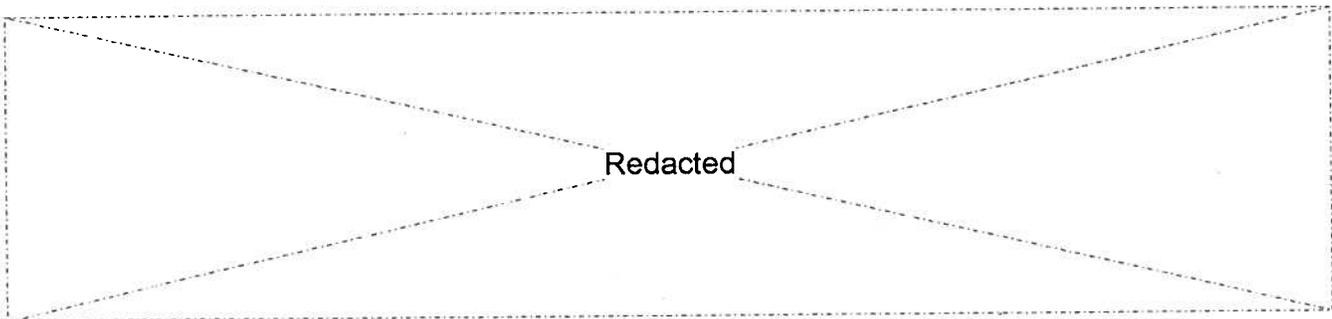

From: Shea, David A.
Sent: Thursday, September 03, 2009 9:43 AM
To: Busch, Fritz; Clamp, Dee; Curley, Bryan
Cc: Shane, Barry; Bal, Rajeev G.; Spiech, Steven; Lee, Jimmy; Oatman, James E.
Subject: Discussions Today

Even though it was somewhat painful, I think we reached a good point in truing up the 2010 Plan. Here are my take-aways for changes by state but please feel free to override me if this doesn't jive with your understanding:

East



Central



Redacted

West

CDI: Add 3.5% - 4.0% to rate increase, add 1.0% to margin for adverse selection to ultimately keep MLR flat

DMHC: Add 2.0% to projected claims for adverse selection to lower the margin to flat

Redacted

Bryan, I'll need you to update the bridge for the CA changes since I don't have the level of detail for the splits above. I can take care of all the other changes and forward to you.

Please correct any of the above. Thanks.

David Shea | VP, Individual Pricing | WellPoint

[Redacted]