



Blue Cross
of California

An Independent Licensee of the Blue Cross Association

REFUNDING CALCULATION

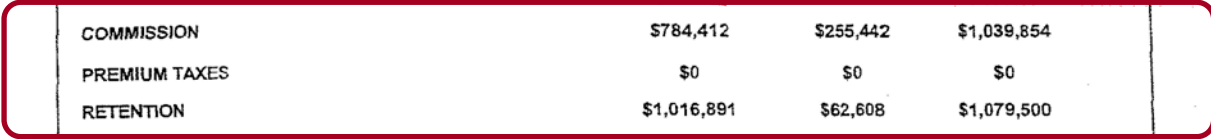
Santa Ana USD

Prudent Buyer

EFFECTIVE DATE
7/1/2002

CALCULATION- COMPONENTS	MEDICAL	PHARMACY	TOTAL
MEDICAL PAID CLAIMS 01/01/01 TO 01/01/02	\$10,609,600	\$1,336,951	\$11,946,551
DRUG PAID CLAIMS 08/01/01 TO 01/01/02			
ADJUSTMENT FOR BENEFIT MODIFICATION	\$0	\$0	\$0
CREDIT FOR LARGE CLAIMS	—(\$536,742)	\$0	(\$536,742)
ADJUSTED PAID CLAIMS	\$10,072,858	\$1,336,951	\$11,409,809
BEGINNING RESERVE	\$2,007,400	\$0	\$2,007,400
ENDING RESERVE	\$2,330,659	\$241,445	\$2,572,104
ADJUSTED PAID CLAIMS	\$10,396,117	\$1,578,396	\$11,974,513
EXPOSURE (MED) 01/01/01 TO 01/01/02	32,163	13,430	-
EXPOSURE (RX) 08/01/01 TO 01/01/02			
CLAIMS COST PER CONTRACT	\$323.23	\$117.53	
TREND	1.2236	1.2252	
PROJECTED CURRENT COST PER CONTRACT	\$395.51	\$143.99	
ESTIMATED BCC DISCOUNT SAVINGS	\$0.00	\$0.00	
PROJECTED BCC COST PER CONTRACT	\$395.51	\$143.99	
ADJUSTMENT FOR PROPOSED BENEFIT MOD	\$7.12	\$0.00	
ADJUSTED INCURRED COST PER CONTRACT	\$402.63	\$143.99	
PROJECTED PARTICIPATION	31,992	31,992	-
ADJUSTED PROJECTED PAID CLAIMS	\$12,880,939	\$4,606,528	\$17,487,467
ADJUSTED PROJECTED PAID CLAIMS**	\$12,880,939	\$4,606,528	\$17,487,467
MARGIN 4.00%	\$515,238	\$184,261	\$699,499
LARGE CLAIMS	\$490,764	\$0	\$490,764
COMMISSION	\$784,412	\$255,442	\$1,039,854
PREMIUM TAXES	\$0	\$0	\$0
RETENTION	\$1,016,891	\$62,608	\$1,079,500
REQUIRED RENEWAL PREMIUM	\$15,688,244	\$5,108,840	\$20,797,083
CURRENT PREMIUM	\$13,828,508	\$4,805,469	\$18,633,977
REQUIRED RENEWAL ADJUSTMENT	1.1345	1.0631	1.1161

KMEBS re-typed this worksheet and combined these two lines to hide its commission



**SEE ATTACHED CALCULATION NOTES PAGE.

MLC