

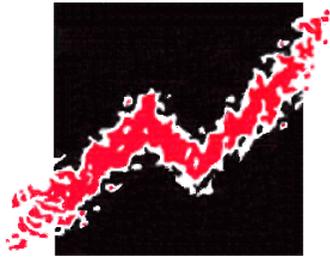
OHI WORKERS COMPENSATION TRUST



ACTUARIAL REPORT

RESERVE ANALYSIS AS OF 12/31/11

January 15, 2013
Casualty Actuarial Consultants, Inc.



Casualty Actuarial Consultants, Inc.

January 17, 2013

Mr. Steven Gidwitz
NCAComp, Inc.
14 Lafayette Square
Suite 700
Buffalo, NY 14203

Dear Mr. Gidwitz:

Enclosed is a copy of Casualty Actuarial Consultants, Inc.'s actuarial report containing a reserve analysis as of 12/31/11 for workers compensation claims incurred by OHI Workers Compensation Trust (OHI).

The findings in this report are based on data provided by NCAComp, Inc. These data and the assumptions noted within should be reviewed for their consistency with the internal records of OHI. Any discrepancies in the completeness, interpretation, or accuracy of the information used may require a revision to this report.

If you should have any questions, please call or write. It is a pleasure to be of service to OHI.

Sincerely,

A handwritten signature in black ink that reads "Thomas P. Langer".

Thomas P. Langer, FCAS, MAAA
Vice President

A handwritten signature in black ink that reads "J. Edward Costner".

J. Edward Costner, ACAS, MAAA
President

enclosure

OHI WORKERS COMPENSATION TRUST

WORKERS COMPENSATION

ACTUARIAL REPORT

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OHI WORKERS COMPENSATION TRUST

WORKERS COMPENSATION

ACTUARIAL REPORT

PURPOSE

This actuarial report, prepared by Casualty Actuarial Consultants, Inc. (CACI), estimates the required reserves retained by Builders Self Insurance Trust (OHI) as of 12/31/11 for workers compensation claims incurred during the 11/1/98-99 through 1/1/09-10 policy periods. CACI is an independent provider of actuarial services. CACI has no affiliation to OHI other than in the capacity as actuary.

The estimated required reserves are based on estimates of ultimate incurred losses and are estimated excluding and including the effects of anticipated investment income. Ultimate incurred losses are defined to be the amounts that will be paid to settle all claims that occur during a policy period. These estimates include a provision for the subsequent development of known claims and for incurred but not reported claims. Losses incurred but not reported (IBNR) are defined throughout this report to include additional development on known claims as well as incurred but not yet reported claims.

The quantitative methodologies and actuarial factors used in this report are specifically developed for the losses and time period described above and may not be appropriate for any other losses or time period.

FINDINGS

The estimates are the product of loss experience, actuarial assumptions, quantitative analysis, and professional judgment. The estimates are expressed in terms of a range that indicates the reliance on assumptions believed to be reasonable and are subject to all the limitations expressed in this report.

RESERVE ANALYSIS

The reserve estimates as of 12/31/11 in the following table should be used for financial reporting purposes as of that date. The estimates reflect excess insurance limits and Second Injury Fund (SIF) recoveries expected for the policy periods under review. However, until all of the claims that occurred on or before 12/31/11 are closed, the actual reserve need remains an estimate. While the loss history of OHI indicates that the required reserve will fall within the range established in this report, the possibility does exist that extraordinary or unexpected circumstances could cause the actual reserve need to be less than or greater than the range. Therefore, the findings cannot be warranted or guaranteed.

ESTIMATED LOSS AND ALAE RESERVES
INCLUDING IBNR FOR 1/1/98-12/31/09 AS OF 12/31/11
(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

	<u>Low</u>	<u>Expected</u>	<u>High</u>
Undiscounted	\$4,090,000	\$4,540,000	\$5,070,000
Disc. At 4.0%	3,570,000	3,960,000	4,420,000

The low and high figures shown are judgmental and are not intended to establish absolute minimums or maximums on the estimates, but rather to depict a reasonable range for the establishment of loss reserves in this particular situation.

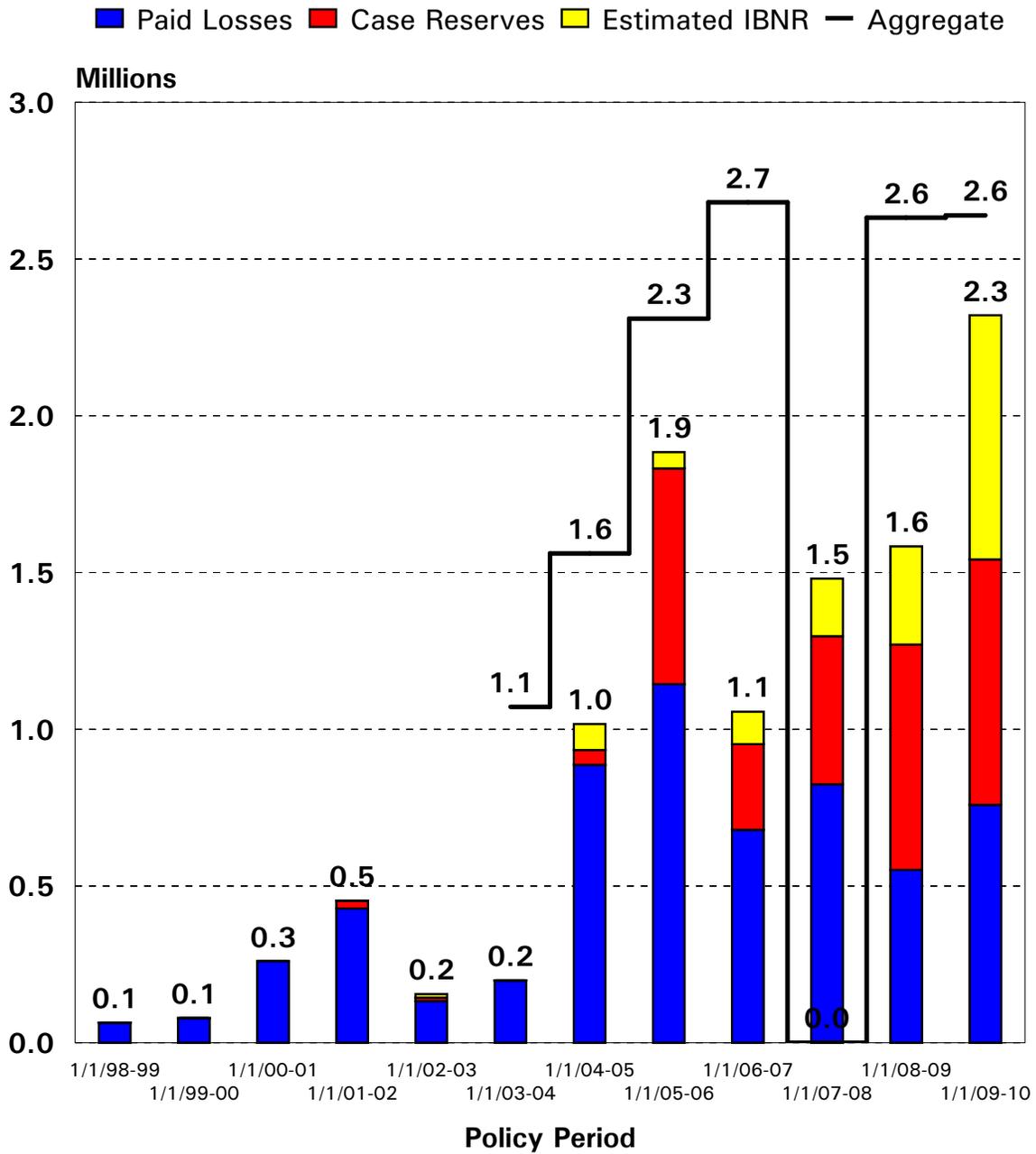
As noted, the reserves are estimated on both undiscounted and discounted for investment income bases. The reserves are shown discounted at 4.0% using OHI's unique historical payout patterns. Establishing loss reserves on a discounted basis requires that future investment income earned on the loss reserves be added to the reserves to strengthen them rather than be recognized as net income. It also assumes that assets equal to the present value of the reserves are available for investment as of the 12/31/11 evaluation date. The accuracy of discounted reserves depends upon the accuracy of the undiscounted estimates, the estimated payout schedule, and the interest rate assumption used to discount the loss payout schedule. If the discounted estimate is used, the management of OHI should carefully review each of these assumptions to assure that they are in agreement with them.

Figure 1 on the following page contains a graphical representation of OHI's estimated retained loss experience as of 12/31/11 including the undiscounted expected loss reserves. Reserves for future assessments at the expected loss level are shown in Table 11. Assessment reserves at the high loss level are shown in Appendix B, Exhibit III. Note that the assessment reserves do not reflect the new assessment guidelines as the proper procedure has not yet been promulgated.

Figure 1

OHI WORKERS COMPENSATION TRUST

ESTIMATED RETAINED LOSS EXPERIENCE AS OF 12/31/11



COMPARISON TO PRIOR REPORT

The ultimate losses estimated in this report are compared to those of the prior actuarial report prepared by the prior actuary in the following table and Figure 2. As shown, the overall increase from the report prepared as of 12/31/10 is \$1,853,958, or 21.3%. Although the comparison is not shown, the increase from the 12/20/11 report prepared by CACI as of 9/8/11 is \$37,273, or 0.4%.

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES (Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

Policy Period	Current Report	Prior Report ¹	Change	Percent Change
1/1/98-99	\$ 64,689	\$ 64,689	\$ 0	+ 0.0%
1/1/99-00	79,162	79,162	0	+ 0.0%
1/1/00-01	260,210	267,845	(7,635)	- 2.9%
1/1/01-02	453,662	465,862	(12,200)	- 2.6%
1/1/02-03	155,259	168,215	(12,956)	- 7.7%
1/1/03-04	199,002	199,651	(649)	- 0.3%
1/1/04-05	1,016,612	1,441,929	(425,317)	-29.5%
1/1/05-06	1,884,169	1,252,632	631,537	+50.4%
1/1/06-07	1,056,341	992,750	63,591	+ 6.4%
1/1/07-08	1,480,503	1,270,999	209,504	+16.5%
1/1/08-09	1,583,253	1,159,250	424,003	+36.6%
1/1/09-10	2,320,540	1,336,460	984,080	+73.6%
	\$10,553,402	\$8,699,444	\$1,853,958	+21.3%

¹ From Table 6 of the prior report dated 4/19/11 and as of 12/31/10.

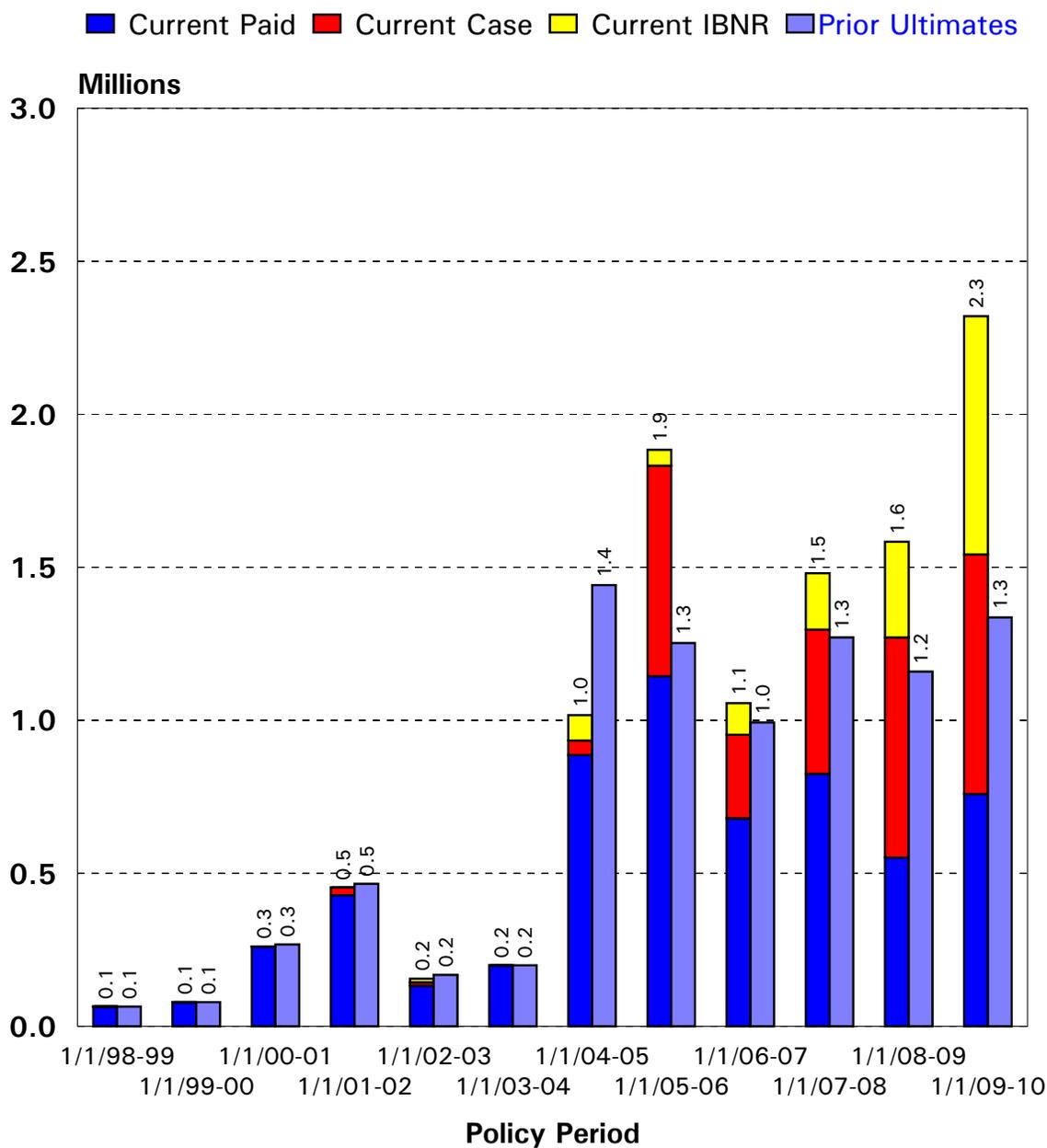
UPDATE OF THE ANALYSIS

As the loss experience of OHI matures, it is important to update this analysis at least annually. Such a report should review changes in the prior periods' losses as well as any new information that might become available.

Figure 2

OHI WORKERS COMPENSATION TRUST

COMPARISON OF EST. ULTIMATE INCURRED LOSSES TO PRIOR REPORT
 (Losses Net of Non-Excess Recoveries Limited to Prior Retentions)



ACTUARIAL ASSUMPTIONS

DEFINITIONS

The term "loss" is defined to include losses and allocated loss adjustment expenses (ALAE) only. ALAE are those expenses that can be directly attributed to a specific claim, such as litigation costs. Loss adjustment expenses that cannot be directly associated with a particular claim, such as administrative expenses, consulting fees, and claims handling fees, are known as unallocated loss adjustment expenses (ULAE). Reserves for unearned premiums, unpaid administrative expenses, contingencies, catastrophes, or future premium deficiencies are not included in the estimates.

The term "estimated ultimate incurred losses" is defined to include a provision for IBNR.

HISTORICAL INFORMATION

For the period under review, OHI has assumed its members' losses as defined by the applicable New York workers compensation statutes. New York loss development factors based on data published by the National Council on Compensation Insurance, Inc. (NCCI) are used along with factors derived from OHI's unique experience to determine the ultimate losses expected to be incurred for the periods analyzed in this report. The selected combined unique and industry factors are then applied to losses limited to the per occurrence retention.

All data used in this report are based on information supplied by NCAComp, Inc. (NCAComp). The 12/31/11 loss run is used as the basis for the current evaluation of loss contained in the report. These data are reviewed for reasonableness and used without audit.

Note that the loss development histories in this report are constructed utilizing the prior actuary's report for OHI as of 12/31/10. The accuracy of the findings in this report depends upon the accuracy of these histories. Any changes in loss development patterns due to changes in third-party administrators may take several reports to be fully realized. CACI will continue to closely monitor OHI's loss development patterns and make any changes necessary in future reports.

RETENTIONS

The retentions for OHI are summarized in the following table.

Policy Period	Specific		Aggregate	
	Retention	ALAE	Retention	Limit
1/1/98-99	\$250,000	included	N/A	N/A
1/1/99-00	250,000	included	N/A	N/A
1/1/00-01	200,000	included	N/A	N/A
1/1/01-02	250,000	included	N/A	N/A
1/1/02-03	350,000	included	N/A	N/A
1/1/03-04 ¹	350,000	included	\$1,071,500	\$1,000,000
1/1/04-05	350,000	included	\$1,560,769	\$1,000,000
1/1/05-06	400,000	included	\$2,309,761	\$1,000,000
1/1/06-07	400,000	included	\$2,680,590	\$2,000,000
1/1/07-08	400,000	included	N/A	N/A
1/1/08-09	400,000	included	\$2,631,730	\$3,000,000
1/1/09-10	400,000	included	\$2,639,299	\$3,000,000

¹ Aggregate period is 10/1/02-03.

It is assumed that the excess insurance will be collectible on all claims that ultimately develop beyond the applicable retentions. An analysis of the collectibility of the excess insurance is beyond the scope of this report.

REVIEW FOR CONSISTENCY

The information used in this report should be reviewed for its consistency with the internal records of OHI. Any discrepancies in the completeness, interpretation, or accuracy of the information may require a revision to this report.

RESERVE ANALYSIS

OVERVIEW

To estimate OHI's discounted required reserves, it is first necessary to develop the current evaluation of loss to ultimate limited to the appropriate retentions. Required reserves are estimated as the difference between the ultimate incurred loss estimates and paid losses. An industry loss payout schedule, along with OHI's unique payout schedule, is used to predict when the required reserves will be paid so that the losses may be discounted to their present value.

Two procedures are used to estimate the ultimate incurred losses to provide a check for reasonableness and consistency. Following is a brief description of each method and the circumstances under which each works best.

Incurred loss development is the most widely used method of estimating ultimate incurred losses. By using the reserves on a claim-by-claim basis, the most recent claims adjusters' estimates are included in the analysis in addition to the cumulative paid losses. Inherent in the incurred loss development technique is the assumption that there are no significant changes in reserving practices.

A paid loss approach attempts to eliminate distortions that can occur in the incurred loss development method when there is a suspected change in reserving procedures. Inherent in paid loss development techniques is the assumption that there are no substantial changes in claims settlement practices.

INCURRED LOSS DEVELOPMENT METHOD

The ultimate cost of claims incurred for a specific time period is usually not known until several years after the close of that period. Loss development factors project the additional cost expected on claims. These factors quantify the late developing aspects of certain losses, such as claims involving medical complications not recognized in the early stages of treatment or verdict values for litigated claims that are different than amounts reserved. They also account for losses that occurred during the policy period but are not reported until a later date.

The calculation and selection of development factors to be applied to incurred losses are shown in Table 1, beginning with OHI's workers compensation losses limited to the prior retentions as of different evaluation dates. For example, in Section A, the table shows losses incurred during 1/1/07-08 evaluated as of 12, 24, 36, and 48 months after the inception of that period. In general, the value of incurred losses increases from one evaluation to the next as a result of IBNR.

Section B of Table 1 displays the rates by which losses develop from year to year (age-to-age factors). For example, the 12 to 24 age-to-age factor for 1/1/07-08 is 1.147. This is the 24 month incurred amount of \$766,888 divided by the 12 month incurred amount of \$668,860. The age-to-age factor of 1.147 means that losses incurred during 1/1/07-08 increased by 14.7% during the 12 to 24 month interval. A loss development factor less than 1.000 indicates that the value of incurred losses decreased, possibly due to claims settling for amounts less than previously reserved.

Table 1

OHI WORKERS COMPENSATION TRUST**INCURRED LOSS DEVELOPMENT FACTORS**

(Losses Limited to Prior Retentions, Net of Non-Excess Recoveries)

A. INCURRED LOSSES¹

Policy Period	Age of Policy Period									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1/1/98-99							64,514	64,514		64,514
1/1/99-00						79,162	79,162		79,162	
1/1/00-01					184,454	200,476		271,794	271,794	271,794
1/1/01-02				239,554	307,254		430,483	434,298	484,405	465,862
1/1/02-03			83,849	80,063		102,528	127,752	140,864	140,864	143,864
1/1/03-04		229,469	240,960		205,397	202,477	199,651	199,651	199,002	
1/1/04-05	148,750	390,316		815,468	938,770	1,031,291	1,064,436	934,022		
1/1/05-06	315,290		855,192	975,143	1,102,121	1,076,883	1,832,050			
1/1/06-07		466,698	578,618	639,957	777,309	952,814				
1/1/07-08	668,860	766,888	823,218	937,053	1,296,699					
1/1/08-09	306,002	424,757	773,419	1,270,668						
1/1/09-10	387,995	886,004	1,541,609							

B. AGE-TO-AGE FACTORS

Policy Period	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-Ultimate
1/1/98-99							1.000			
1/1/99-00						1.000			1.000	
1/1/00-01					1.087			1.000	1.000	
1/1/01-02				1.283			1.009	1.115	0.962	
1/1/02-03			0.955			1.246	1.103	1.000	1.021	
1/1/03-04		1.050			0.986	0.986	1.000	0.997		
1/1/04-05	2.624			1.151	1.099	1.032	0.877			
1/1/05-06			1.140	1.130	0.977	1.701				
1/1/06-07		1.240	1.106	1.215	1.226					
1/1/07-08	1.147	1.073	1.138	1.384						
1/1/08-09	1.388	1.821	1.643							
1/1/09-10	2.284	1.740								
Average	1.861	1.385	1.196	1.233	1.075	1.193	0.998	1.028	0.996	
3Yr Avg	1.606	1.545	1.296	1.243	1.101	1.240	0.993	1.037	0.994	
Industry	1.533	1.235	1.113	1.082	1.047	1.041	1.026	1.021	1.017	1.180
Prior	1.650	1.260	1.130	1.175	1.050	1.040	1.025	1.020	1.010	1.050
Selected	1.650	1.400	1.150	1.200	1.075	1.050	1.020	1.015	1.012	1.050

C. DEVELOPMENT FACTORS

	12-Ultimate	24-Ultimate	36-Ultimate	48-Ultimate	60-Ultimate	72-Ultimate	84-Ultimate	96-Ultimate	108-Ultimate	120-Ultimate
Selected	3.963	2.402	1.716	1.492	1.243	1.156	1.101	1.079	1.063	1.050

¹ Evaluations as of 12/31/10 and prior are from the prior actuarial report.

The bottom of Table 1, Section B shows several averages of age-to-age factors. The average is the mean of all the age-to-age factors in the column. The weighted average weights the factors for individual years by the magnitude of losses for that given year, thereby giving more weight to periods with higher losses. The weighted average is the sum of the losses from one age divided by the sum of the losses from the previous age for corresponding periods. The industry factors are based on the NCCI's factors for New York. The average, weighted average, industry, and historical factors are evaluated, and the factors selected as most representative of OHI's expected loss development are shown.

Computation of the loss development factors is based on the selected age-to-age factors. For instance, the 12 to ultimate factor is calculated by multiplying the 12 to 24 month age-to-age factor by the 24 to ultimate loss development factor ($3.963 = 1.650 \times 2.402$).

In Section A of Table 2, incurred losses are limited to the specific retention for each of the prior policy periods. As shown, 7 claims are in excess of the per occurrence retention as of 12/31/11. Section B of Table 2 estimates ultimate incurred losses by multiplying the limited incurred losses by development factors interpolated from Table 1. For example, Table 2 shows that the limited incurred losses for the 1/1/09-10 period evaluated at \$1,541,609 on 12/31/11 are estimated to ultimately cost \$2,645,401 due to IBNR. The loss development factor of 1.716 means that the losses are expected to ultimately cost 71.6% more than the incurred losses evaluated on 12/31/11.

Table 2

OHI WORKERS COMPENSATION TRUST**ESTIMATED ULTIMATE INCURRED LOSSES
INCURRED LOSS DEVELOPMENT**

(Losses Net of Non-Excess Recoveries)

A. LIMITATION OF LOSSES TO SPECIFIC RETENTION

Policy Period	Unlimited Incurred Losses as of 12/31/11	Specific Retention ¹	No. of Claims Incurred in Excess of Retention	Losses Incurred in Excess of Retention	Limited Incurred Losses as of 12/31/11
1/1/98-99	\$ 64,689	\$250,000	0	\$ 0	\$ 64,689
1/1/99-00	79,162	250,000	0	0	79,162
1/1/00-01	1,016,918	200,000	1	756,708	260,210
1/1/01-02	847,538	250,000	1	393,876	453,662
1/1/02-03	143,864	350,000	0	0	143,864
1/1/03-04	199,002	350,000	0	0	199,002
1/1/04-05	1,016,861	350,000	1	82,839	934,022
1/1/05-06	3,176,473	400,000	2	1,344,423	1,832,050
1/1/06-07	1,024,313	400,000	1	71,499	952,814
1/1/07-08	1,545,772	400,000	1	249,073	1,296,699
1/1/08-09	1,270,668	400,000	0	0	1,270,668
1/1/09-10	1,541,609	400,000	0	0	1,541,609
	\$11,926,869		7	\$2,898,418	\$9,028,451

B. ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Limited Incurred Losses as of 12/31/11	Age of Policy Period in Months	Incurred Loss Development Factor	Estimated Ultimate Incurred Losses ²
1/1/98-99	\$ 64,689	168.0	1.017	\$ 65,789
1/1/99-00	79,162	156.0	1.023	80,983
1/1/00-01	260,210	144.0	1.031	262,077
1/1/01-02	453,662	132.0	1.039	461,605
1/1/02-03	143,864	120.0	1.050	151,057
1/1/03-04	199,002	108.0	1.063	211,539
1/1/04-05	934,022	96.0	1.079	980,160
1/1/05-06	1,832,050	84.0	1.101	1,936,287
1/1/06-07	952,814	72.0	1.156	1,039,053
1/1/07-08	1,296,699	60.0	1.243	1,514,597
1/1/08-09	1,270,668	48.0	1.492	1,895,837
1/1/09-10	1,541,609	36.0	1.716	2,645,401
	\$9,028,451			\$11,244,385

¹ Including ALAE for all years.² Excess losses are not developed.

PAID LOSS DEVELOPMENT METHOD

The paid loss procedure employs a similar analysis based on paid loss data. This estimation technique has the advantage of not being influenced by changes in the loss reserve estimates of the adjusters at the expense of requiring larger development factors at a given age than the incurred method. The paid development method is shown in Table 3 and Table 4.

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES

The results of the methods are compared in Section A of Table 5, and a selection is made of the estimated ultimate incurred losses. Incurred losses as of 12/31/11 are selected for when either all claims are closed or the only open claims are in excess of the specific retention. The average of the incurred method and incurred losses is selected when the paid method is less than incurred losses. Otherwise, the average of the methods greater than incurred losses is selected. The selection procedure is depicted in Figure 3.

Section B of Table 5 limits the selected ultimate incurred losses to the aggregate retention in place for each period. As shown, estimated ultimate incurred losses are not expected to penetrate the aggregate retention in any period at the expected loss level.

Table 3

OHI WORKERS COMPENSATION TRUST**PAID LOSS DEVELOPMENT FACTORS**

(Losses Limited to Prior Retentions, Net of Non-Excess Recoveries)

A. PAID LOSSES¹

Policy Period	Age of Policy Period									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1/1/98-99							64,514	64,514	64,514	64,514
1/1/99-00						79,162	79,162	79,162	79,162	79,162
1/1/00-01					160,644	189,270	219,442	241,478	268,093	271,037
1/1/01-02				162,254	227,804	267,868	332,854	364,496	388,977	408,523
1/1/02-03			75,036	77,194	83,401	92,449	116,848	120,253	129,223	132,883
1/1/03-04		194,841	201,222	230,330	179,122	199,450	199,651	199,651	199,002	
1/1/04-05	82,017	293,533	378,186	498,601	594,425	820,770	920,402	886,690		
1/1/05-06	153,953	365,425	597,099	740,691	892,850	929,020	1,143,943			
1/1/06-07	101,274	258,636	366,935	561,947	661,837	679,512				
1/1/07-08	246,403	460,288	638,391	791,350	824,634					
1/1/08-09	127,458	281,055	420,527	551,723						
1/1/09-10	141,978	544,677	759,102							

B. AGE-TO-AGE FACTORS

Policy Period	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-Ultimate
1/1/98-99							1.000	1.000	1.000	
1/1/99-00						1.000	1.000	1.000	1.000	
1/1/00-01					1.178	1.159	1.100	1.110	1.011	
1/1/01-02				1.404	1.176	1.243	1.095	1.067	1.050	
1/1/02-03			1.029	1.080	1.108	1.264	1.029	1.075	1.028	
1/1/03-04		1.033	1.145	0.778	1.113	1.001	1.000	0.997		
1/1/04-05	3.579	1.288	1.318	1.192	1.381	1.121	0.963			
1/1/05-06	2.374	1.634	1.240	1.205	1.041	1.231				
1/1/06-07	2.554	1.419	1.531	1.178	1.027					
1/1/07-08	1.868	1.387	1.240	1.042						
1/1/08-09	2.205	1.496	1.312							
1/1/09-10	3.836	1.394								
Average	2.736	1.379	1.259	1.126	1.146	1.146	1.027	1.042	1.018	
3Yr Avg	2.636	1.426	1.361	1.142	1.150	1.118	0.997	1.046	1.030	
Industry	2.490	1.463	1.229	1.149	1.098	1.069	1.051	1.042	1.034	1.395
Prior	2.550	1.450	1.250	1.190	1.125	1.140	1.050	1.065	1.030	1.200
Selected	2.550	1.430	1.270	1.180	1.110	1.160	1.040	1.060	1.030	1.200

C. DEVELOPMENT FACTORS

	12-Ultimate	24-Ultimate	36-Ultimate	48-Ultimate	60-Ultimate	72-Ultimate	84-Ultimate	96-Ultimate	108-Ultimate	120-Ultimate
Selected	9.585	3.759	2.629	2.070	1.754	1.580	1.362	1.310	1.236	1.200

¹ Evaluations as of 12/31/10 and prior are from the prior actuarial report.

Table 4

OHI WORKERS COMPENSATION TRUST**ESTIMATED ULTIMATE INCURRED LOSSES
PAID LOSS DEVELOPMENT**

(Losses Net of Non-Excess Recoveries)

A. LIMITATION OF LOSSES TO SPECIFIC RETENTION

Policy Period	Unlimited Paid Losses as of 12/31/11	Specific Retention ¹	No. of Claims Paid in Excess of Retention	Losses Paid in Excess of Retention	Limited Paid Losses as of 12/31/11
1/1/98-99	\$ 64,689	\$250,000	0	\$ 0	\$ 64,689
1/1/99-00	79,162	250,000	0	0	79,162
1/1/00-01	349,537	200,000	1	89,327	260,210
1/1/01-02	428,800	250,000	0	0	428,800
1/1/02-03	132,883	350,000	0	0	132,883
1/1/03-04	199,002	350,000	0	0	199,002
1/1/04-05	969,529	350,000	1	82,839	886,690
1/1/05-06	1,143,943	400,000	0	0	1,143,943
1/1/06-07	679,512	400,000	0	0	679,512
1/1/07-08	824,634	400,000	0	0	824,634
1/1/08-09	551,723	400,000	0	0	551,723
1/1/09-10	759,102	400,000	0	0	759,102
	\$6,182,516		2	\$172,166	\$6,010,350

B. ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Limited Paid Losses as of 12/31/11	Age of Policy Period in Months	Paid Loss Development Factor	Estimated Ultimate Incurred Losses ²
1/1/98-99	\$ 64,689	168.0	1.107	\$ 71,611
1/1/99-00	79,162	156.0	1.125	89,057
1/1/00-01	260,210	144.0	1.146	269,001
1/1/01-02	428,800	132.0	1.171	502,125
1/1/02-03	132,883	120.0	1.200	159,460
1/1/03-04	199,002	108.0	1.236	245,966
1/1/04-05	886,690	96.0	1.310	1,053,064
1/1/05-06	1,143,943	84.0	1.362	1,558,050
1/1/06-07	679,512	72.0	1.580	1,073,629
1/1/07-08	824,634	60.0	1.754	1,446,408
1/1/08-09	551,723	48.0	2.070	1,142,067
1/1/09-10	759,102	36.0	2.629	1,995,679
	\$6,010,350			\$9,606,117

¹ Including ALAE for all years.² Excess losses are not developed.

Table 5

OHI WORKERS COMPENSATION TRUST**SELECTED ESTIMATED ULTIMATE INCURRED LOSSES**

(Losses Net of Non-Excess Recoveries Limited to Prior Specific Retentions)

A. SELECTED ULTIMATE INCURRED LOSSES

Policy Period	Incurred Losses as of 12/31/11	Estimation Method		Selected Estimated Ultimate Incurred Losses ¹
		Incurred Loss Development	Paid Loss Development	
1/1/98-99	\$ 64,689	\$ 65,789	\$ 71,611	\$ 64,689 ³
1/1/99-00	79,162	80,983	89,057	79,162 ³
1/1/00-01	260,210	262,077	269,001	260,210 ³
1/1/01-02	453,662	461,605	502,125	453,662 ³
1/1/02-03	143,864	151,057	159,460	155,259 ³
1/1/03-04	199,002	211,539	245,966	199,002 ³
1/1/04-05	934,022	980,160	1,053,064	1,016,612 ⁴
1/1/05-06	1,832,050	1,936,287	1,558,050 ²	1,884,169 ⁴
1/1/06-07	952,814	1,039,053	1,073,629	1,056,341
1/1/07-08	1,296,699	1,514,597	1,446,408	1,480,503
1/1/08-09	1,270,668	1,895,837	1,142,067 ²	1,583,253 ⁴
1/1/09-10	1,541,609	2,645,401	1,995,679	2,320,540
	\$9,028,451	\$11,244,385	\$9,606,117	\$10,553,402

B. LIMITATION TO THE AGGREGATE

Policy Period	Selected Estimated Ultimate Incurred Losses	Aggregate Retention	Limited Estimated Ultimate Incurred Losses
1/1/98-99	\$ 64,689	N/A	\$ 64,689
1/1/99-00	79,162	N/A	79,162
1/1/00-01	260,210	N/A	260,210
1/1/01-02	453,662	N/A	453,662
1/1/02-03	155,259	N/A	155,259
1/1/03-04	199,002	\$1,071,500 ⁵	199,002
1/1/04-05	1,016,612	\$1,560,769	1,016,612
1/1/05-06	1,884,169	\$2,309,761	1,884,169
1/1/06-07	1,056,341	\$2,680,590	1,056,341
1/1/07-08	1,480,503	N/A	1,480,503
1/1/08-09	1,583,253	\$2,631,730	1,583,253
1/1/09-10	2,320,540	\$2,639,299	2,320,540
	\$10,553,402		\$10,553,402

¹ Selected the average of the methods unless otherwise noted. In the average, methods less than incurred losses are excluded.

² Less than incurred losses as of 12/31/11.

³ Selected incurred losses as of 12/31/11 since all non-excess claims are closed.

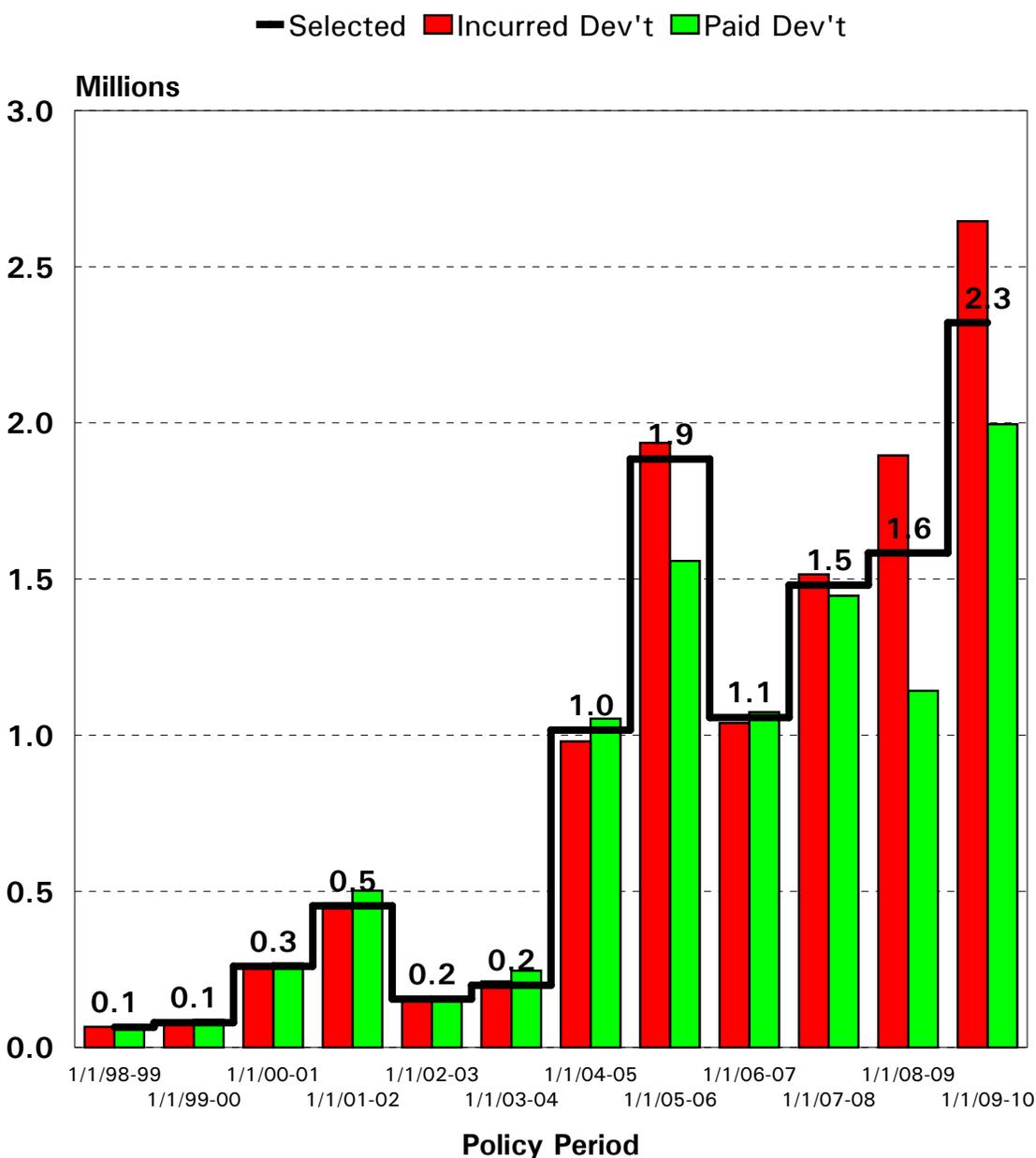
⁴ Selected the average of the incurred method and incurred losses.

⁵ Aggregate period is 10/1/02-03.

Figure 3

OHI WORKERS COMPENSATION TRUST

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Losses Net of Non-Excess Recoveries Limited to Prior Specific Retentions)



ESTIMATED REQUIRED RESERVES

The required reserves as of 12/31/11 are estimated in Table 6. The estimated ultimate incurred, incurred, and paid losses as of 12/31/11 are summarized in Section A. In Section B of Table 6, case reserves are shown as the difference between the incurred and paid losses as of 12/31/11. IBNR is estimated as the difference between the ultimate losses and incurred losses. Total required reserves as of 12/31/11 are then estimated by adding the case reserves and estimated IBNR.

DISCOUNTED ESTIMATED REQUIRED RESERVES

Table 7 presents two types of paid to incurred loss ratios that are used to check the reasonableness of the estimates. Section A shows paid losses divided by incurred losses at different evaluation dates. This analysis assists in detecting changes in payment patterns and reserving practices. If payment patterns and reserving practices are consistent between periods, the numbers within each column will be fairly close.

Section B of Table 7 compares the paid losses to the estimated ultimate incurred losses. These ratios serve two purposes. First, they test the reasonableness of the selected estimated ultimate incurred losses. If losses are paid at a consistent rate, there is a sufficient volume of losses, and there are no distorting effects from large claims, the ratio of paid losses to estimated ultimate incurred losses should be fairly consistent within each column. Second, the ratios

Table 6

OHI WORKERS COMPENSATION TRUST**ESTIMATED REQUIRED RESERVES AS OF 12/31/11**

(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

A. SUMMARY OF LOSSES

Policy Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11
1/1/98-99	\$ 64,689	\$ 64,689	\$ 64,689
1/1/99-00	79,162	79,162	79,162
1/1/00-01	260,210	260,210	260,210
1/1/01-02	453,662	453,662	428,800
1/1/02-03	155,259	143,864	132,883
1/1/03-04	199,002	199,002	199,002
1/1/04-05	1,016,612	934,022	886,690
1/1/05-06	1,884,169	1,832,050	1,143,943
1/1/06-07	1,056,341	952,814	679,512
1/1/07-08	1,480,503	1,296,699	824,634
1/1/08-09	1,583,253	1,270,668	551,723
1/1/09-10	2,320,540	1,541,609	759,102
	\$10,553,402	\$9,028,451	\$6,010,350

B. ESTIMATED REQUIRED RESERVES AS OF 12/31/11

Policy Period	Case Reserves as of 12/31/11	Estimated IBNR as of 12/31/11	Estimated Required Reserves as of 12/31/11
1/1/98-99	\$ 0	\$ 0	\$ 0
1/1/99-00	0	0	0
1/1/00-01	0	0	0
1/1/01-02	24,862	0	24,862
1/1/02-03	10,981	11,395	22,376
1/1/03-04	0	0	0
1/1/04-05	47,332	82,590	129,922
1/1/05-06	688,107	52,119	740,226
1/1/06-07	273,302	103,527	376,829
1/1/07-08	472,065	183,804	655,869
1/1/08-09	718,945	312,585	1,031,530
1/1/09-10	782,507	778,931	1,561,438
	\$3,018,101	\$1,524,951	\$4,543,052

Table 7

OHI WORKERS COMPENSATION TRUST**PAID TO INCURRED RATIOS**

(Losses Limited to Prior Retentions, Net of Non-Excess Recoveries)

A. PAID/INCURRED LOSSES

Policy Period	Age of Policy Period									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1/1/98-99							1.000	1.000	1.000	1.000
1/1/99-00						1.000	1.000	1.000	1.000	1.000
1/1/00-01					0.871	0.944				
1/1/01-02				0.677	0.741		0.773	0.839	0.803	0.877
1/1/02-03			0.895	0.964		0.902	0.915	0.854	0.917	0.924
1/1/03-04		0.849	0.835		0.872	0.985	1.000	1.000	1.000	
1/1/04-05	0.551	0.752		0.611	0.633	0.796	0.865	0.949		
1/1/05-06	0.488		0.698	0.760	0.810	0.863	0.624			
1/1/06-07		0.554	0.634	0.878	0.851	0.713				
1/1/07-08	0.368	0.600	0.775	0.845	0.636					
1/1/08-09	0.417	0.662	0.544	0.434						
1/1/09-10	0.366	0.615	0.492							

B. PAID/ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Age of Policy Period										Estimated Ultimate Incurred Losses
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	
1/1/98-99							0.997	0.997	0.997	0.997	\$ 64,689
1/1/99-00						1.000	1.000	1.000	1.000	1.000	79,162
1/1/00-01					0.617	0.727	0.843	0.928	1.030	1.042	260,210
1/1/01-02				0.358	0.502	0.590	0.734	0.803	0.857	0.901	453,662
1/1/02-03			0.483	0.497	0.537	0.595	0.753	0.775	0.832	0.856	155,259
1/1/03-04		0.979	1.011	1.157	0.900	1.002	1.003	1.003	1.000		199,002
1/1/04-05	0.081	0.289	0.372	0.490	0.585	0.807	0.905	0.872			1,016,612
1/1/05-06	0.082	0.194	0.317	0.393	0.474	0.493	0.607				1,884,169
1/1/06-07	0.096	0.245	0.347	0.532	0.627	0.643					1,056,341
1/1/07-08	0.166	0.311	0.431	0.535	0.557						1,480,503
1/1/08-09	0.081	0.178	0.266	0.348							1,583,253
1/1/09-10	0.061	0.235	0.327								<u>2,320,540</u>
Average	0.095	0.347	0.444	0.539	0.600	0.732	0.855	0.911	0.953	0.959	\$10,553,402
3 Yr Avg	0.103	0.241	0.341	0.472	0.553	0.648	0.838	0.883	0.896	0.933	
Industry	0.105	0.261	0.382	0.469	0.539	0.592	0.633	0.665	0.693	0.717	
Prior	0.100	0.250	0.350	0.500	0.575	0.650	0.725	0.800	0.840	0.880	
Selected ¹	0.100	0.250	0.350	0.500	0.575	0.650	0.725	0.800	0.840	0.880	

¹ Selected 0.910, 0.940, 0.960, 0.980, and 1.000 at 132 through and 180 months, respectively.

provide an estimate of the payout schedule of the losses used to allocate the required reserves to the period in which they are expected to be paid. The selected payout schedule is shown at the bottom of Section B.

In Section A of Table 8, the undiscounted required reserves are assigned to the period in which they are expected to be paid using the unique payout schedule from Table 7. In Section B, the expected payments are then discounted at 4.0% per year under the assumption that each payment is made in the middle of each period.

Table 8

OHI WORKERS COMPENSATION TRUST

DISCOUNTED ESTIMATED REQUIRED RESERVES AS OF 12/31/11
(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

A. ESTIMATED PAYOUT SCHEDULE, UNDISCOUNTED

Policy Period	Expected Amount Paid in Interval												Total
	1/1/12-12/31/12	1/1/13-12/31/13	1/1/14-12/31/14	1/1/15-12/31/15	1/1/16-12/31/16	1/1/17-12/31/17	1/1/18-12/31/18	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22	1/1/23-12/31/23	
1/1/98-99	0												0
1/1/99-00	0												0
1/1/00-01	0												0
1/1/01-02	8,287	5,525	5,525	5,525									24,862
1/1/02-03	5,594	5,594	3,729	3,729	3,730								22,376
1/1/03-04	0	0	0	0	0								0
1/1/04-05	25,984	25,984	19,488	19,488	12,992	12,992	12,994						129,922
1/1/05-06	201,880	107,669	107,669	80,752	80,752	53,835	53,835	53,834					740,226
1/1/06-07	80,749	80,749	43,066	43,066	32,300	32,300	21,533	21,533	21,533				376,829
1/1/07-08	115,742	115,742	115,742	61,729	61,729	46,297	46,297	30,864	30,863	30,863			655,869
1/1/08-09	154,730	154,730	154,730	154,730	82,522	82,522	61,892	61,892	41,261	41,261	41,260		1,031,530
1/1/09-10	360,332	180,166	180,166	180,166	180,166	96,088	96,088	72,066	48,044	48,044	48,046		1,561,438
	953,298	676,159	630,115	549,185	454,191	324,034	292,639	240,189	165,724	120,168	89,304	48,046	4,543,052

B. ESTIMATED PAYOUT SCHEDULE, DISCOUNTED AT 4.0%

Policy Period	Expected Amount Paid in Interval												Total
	1/1/12-12/31/12	1/1/13-12/31/13	1/1/14-12/31/14	1/1/15-12/31/15	1/1/16-12/31/16	1/1/17-12/31/17	1/1/18-12/31/18	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22	1/1/23-12/31/23	
1/1/98-99	0												0
1/1/99-00	0												0
1/1/00-01	0												0
1/1/01-02	8,126	5,209	5,009	4,816									23,160
1/1/02-03	5,485	5,274	3,381	3,251	3,127								20,518
1/1/03-04	0	0	0	0	0								0
1/1/04-05	25,479	24,499	17,668	16,988	10,890	10,471	10,070						116,065
1/1/05-06	197,960	101,517	97,613	70,394	67,687	43,389	41,720	40,115					660,395
1/1/06-07	79,181	76,135	39,044	37,542	27,074	26,033	16,687	16,046	15,428				333,170
1/1/07-08	113,494	109,129	104,932	53,811	51,742	37,314	35,879	22,999	22,114	21,263			572,677
1/1/08-09	151,725	145,890	140,279	134,883	69,170	66,510	47,984	46,119	29,564	28,426	27,332		887,862
1/1/09-10	353,335	169,872	163,339	157,057	151,016	77,444	74,465	53,701	51,635	33,100	31,827	30,604	1,347,395
	934,785	637,525	571,265	478,742	380,706	261,161	226,785	178,980	118,741	82,789	59,159	30,604	3,961,242

HISTORICAL PROFITABILITY ANALYSIS

When evaluating the estimates, it is important to review the underwriting results by policy period to evaluate the program's direction. Section A of Table 9 and Figure 4 present a comparison of the funds available to pay claims to the estimated ultimate incurred losses. As shown, it is estimated that OHI will show an underwriting loss in every year of operation except 1/1/98-99, 1/1/99-00, 1/1/02-03, and 1/1/03-04.

Investment income is combined with the underwriting results to estimate net income by policy period in Section B. As shown, the estimated net loss for all periods combined is expected to be \$4,624,520. The total estimated net income does not include future investment income on the loss reserves from all years, estimated in Table 8.

Loss ratios are shown in Table 10 to further illustrate OHI's underwriting results.

Table 11 calculates the assessment reserve as a percentage of indemnity losses.

Table 9

OHI WORKERS COMPENSATION TRUST**HISTORICAL PROFITABILITY ANALYSIS
DOLLARS**(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)
(Excluding Taxes)

A. ESTIMATED UNDERWRITING INCOME

Policy Period	Premium ¹	Operating Expenses ¹	Funds Available For Claims	Estimated Ultimate Incurred Losses	Estimated Underwriting Income
1/1/98-99	\$ 224,158	\$ 126,801	\$ 97,357	\$ 64,689	\$ 32,668
1/1/99-00	231,245	119,180	112,065	79,162	32,903
1/1/00-01	262,933	153,545	109,388	260,210	(150,822)
1/1/01-02	439,876	240,629	199,247	453,662	(254,415)
1/1/02-03	611,727	402,528	209,199	155,259	53,940
1/1/03-04	813,783	495,511	318,272	199,002	119,270
1/1/04-05	1,236,118	708,389	527,729	1,016,612	(488,883)
1/1/05-06	1,652,958	910,908	742,050	1,884,169	(1,142,119)
1/1/06-07	1,825,957	1,255,536	570,421	1,056,341	(485,920)
1/1/07-08	2,220,079	796,085	1,423,994	1,480,503	(56,509)
1/1/08-09	2,158,766	1,370,670	788,096	1,583,253	(795,157)
1/1/09-10	1,737,388	1,161,468	575,920	2,320,540	(1,744,620)
	\$13,414,988	\$7,741,250	\$5,673,738	\$10,553,402	(\$4,879,664)

B. ESTIMATED NET INCOME

Policy Period	Estimated Underwriting Income	Investment Income ¹	Estimated Net Income
1/1/98-99	\$ 32,668	\$ 4,308	\$ 36,976
1/1/99-00	32,903	9,100	42,003
1/1/00-01	(150,822)	8,677	(142,145)
1/1/01-02	(254,415)	6,974	(247,441)
1/1/02-03	53,940	1,383	55,323
1/1/03-04	119,270	21,124	140,394
1/1/04-05	(488,883)	19,535	(469,348)
1/1/05-06	(1,142,119)	29,821	(1,112,298)
1/1/06-07	(485,920)	79,884	(406,036)
1/1/07-08	(56,509)	89,045	32,536
1/1/08-09	(795,157)	(107,706)	(902,863)
1/1/09-10	(1,744,620)	92,999	(1,651,621)
	(\$4,879,664)	\$255,144	(\$4,624,520)

¹ Based on audited financials.
Operating expenses include WCB assessment.

Figure 4

OHI WORKERS COMPENSATION TRUST

**HISTORICAL PROFITABILITY ANALYSIS
DOLLARS**

(Losses Net of Recoveries Limited to Prior Retentions)
(Excluding Taxes)

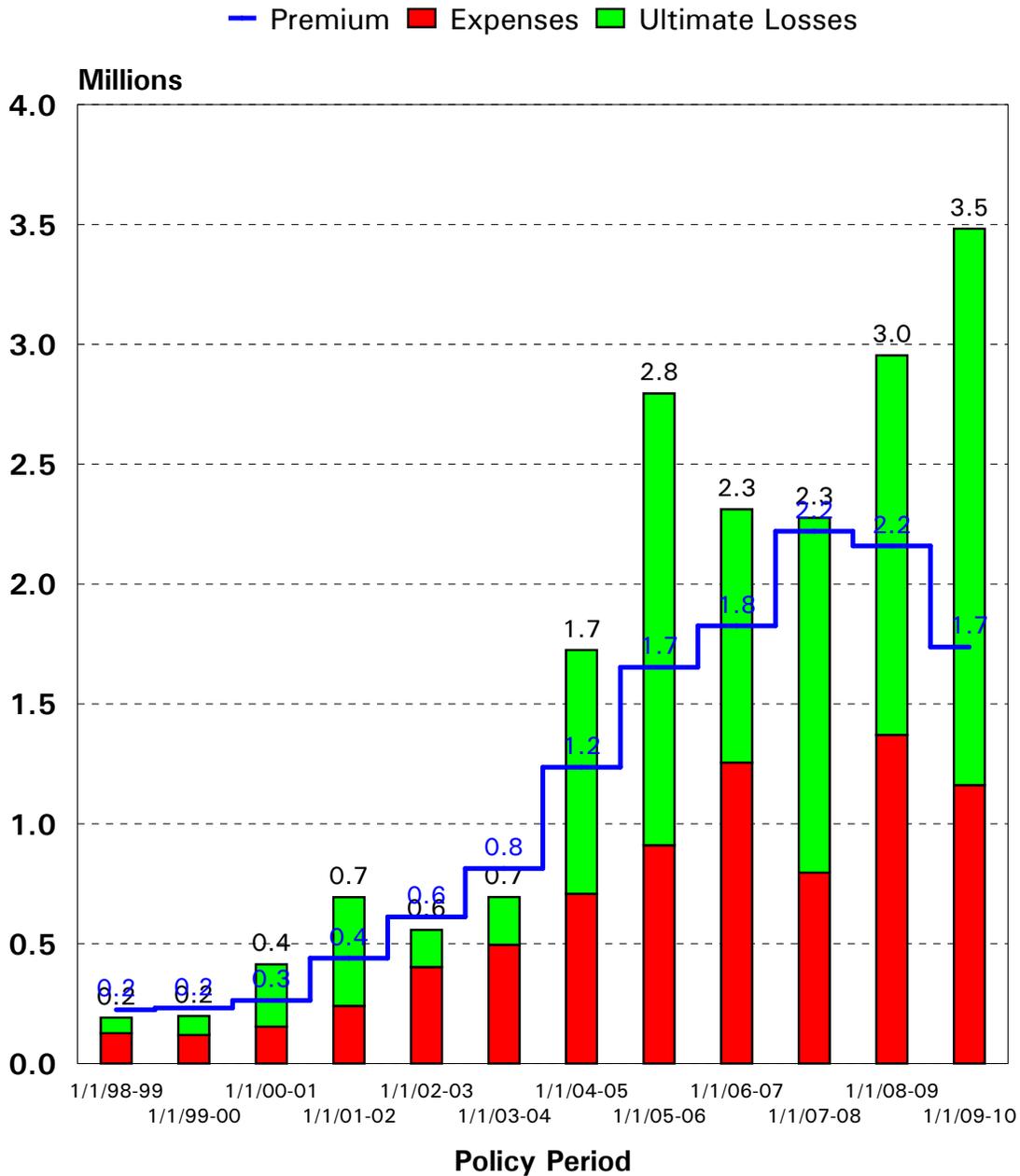


Table 10

OHI WORKERS COMPENSATION TRUST**LOSS RATIOS**

(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

Policy Period	Paid Loss Ratio as of 12/31/11	Incurred Loss Ratio as of 12/31/11	Estimated Ultimate Loss Ratio	Permissible Loss Ratio ¹
1/1/98-99	0.29	0.29	0.29	0.43
1/1/99-00	0.34	0.34	0.34	0.48
1/1/00-01	0.99	0.99	0.99	0.42
1/1/01-02	0.97	1.03	1.03	0.45
1/1/02-03	0.22	0.24	0.25	0.34
1/1/03-04	0.24	0.24	0.24	0.39
1/1/04-05	0.72	0.76	0.82	0.43
1/1/05-06	0.69	1.11	1.14	0.45
1/1/06-07	0.37	0.52	0.58	0.31
1/1/07-08	0.37	0.58	0.67	0.64
1/1/08-09	0.26	0.59	0.73	0.37
1/1/09-10	0.44	0.89	1.34	0.33
			0.79	0.42

¹ Equal to the ratio of funds available for claims to premium.

Table 11

OHI WORKERS COMPENSATION TRUST

ESTIMATED ASSESSMENT ACCRUAL AS OF 12/31/11

(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

Policy Period	Estimated Ultimate Incurred Losses	Estimated Ultimate Indemnity Losses ¹	Indemnity Paid as of 12/31/11 ²	Indemnity Reserves as of 12/31/11	Assessment Rate	Assessment Accrual
Total Through 12/31/11	\$10,553,402	\$6,068,206	\$3,291,826	\$2,776,380	0.34	\$943,969

¹ Equal to 57.5% of total ultimate losses based on incurred losses as of 12/31/11.

² From the loss run provided by NCAComp Inc.

³ Current assessment rate applied to indemnity losses only.

DESCRIPTION OF APPENDICES

Appendix A contains a listing of losses greater than or equal to \$100,000 as of 12/31/11.

Appendix B calculates required loss reserves and assessment reserves as of 12/31/11 at the high loss level.

Appendix C calculates the ULAE reserve as of 12/31/11 at expected and high levels.

Appendix D estimates unlimited loss reserves as of 12/31/11. The results are then used to calculate the recoverable amounts as of 12/31/11.

QUALIFICATIONS AND LIMITATIONS

The estimates in this report depend upon:

- The actuarial assumptions, quantitative analysis, and professional judgment expressed in this report;
- The completeness and accuracy of the discussion of OHI's insurance coverages expressed in this report;
- The completeness and accuracy of data provided by NCAComp;
- The accuracy of the loss development histories contained in the prior actuarial report as of 12/31/10;
- The reliability of historical and industry loss experience to serve as an indicator of future loss experience;
- The appropriateness of the discount rate and patterns used in this report; and
- The accuracy of the assessment reserves calculated using the prior method.

It is important to note that while the estimates are shown for each period, the actual losses incurred for a particular period may be higher than or lower than the amounts shown. However, the amounts shown for the total of all periods is expected to be reasonable.

Future reports or updates of this analysis should review the indications for the prior periods in addition to estimating the losses for the current policy period. Material changes in any of the assumptions or information upon which the findings are based will require a reevaluation of the results of this report and a possible revision of those findings.

CONSULTATION

It is important to recognize that the professional opinion given in this report is based on the judgment and experience of CACI, and an analysis by another actuary will not necessarily arrive at the same conclusion. In the event that there is any need to consult with another actuary on the opinions or findings contained in this report, both actuaries should make themselves available for supplemental advice and consultation.

This report is intended for the use of OHI and NCAComp. If the report is released to any third party, it should be released in its entirety. Please advise CACI if this report is released to any third parties.

OHI WORKERS COMPENSATION TRUST

WORKERS COMPENSATION

APPENDIX A

INCURRED LOSSES OF \$ 100,000 OR GREATER

Appendix A

OHI WORKERS COMPENSATION TRUST

INCURRED LOSSES OF \$100,000 OR GREATER
(Losses Net of Non-Excess Recoveries)

Policy Period	Claimant	Accident Date	Status	Incurred Losses as of 8/31/11	Incurred Losses as of 9/8/11	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11
1/1/98-99							
1/1/99-00							
1/1/00-01		9/11/00	Open	878,661	955,435	956,708	289,327
1/1/01-02		8/29/01	Open	643,876	643,876	643,876	225,138
1/1/02-03		2/9/02	Open	107,960	107,960	107,960	96,979
1/1/03-04							
1/1/04-05		3/17/04	Closed	162,337	162,337	162,337	162,337
		3/29/04	Closed	432,839	432,839	432,839	432,839
		11/23/04	Open	110,933	110,933	110,933	108,733
		12/6/04	Open	178,917	182,265	182,265	137,133
1/1/05-06		1/10/05	Open	745,953	745,953	745,953	166,184
		2/24/05	Closed	132,182	132,182	132,182	132,182
		8/12/05	Open	238,644	238,644	238,644	32,701
		9/30/05	Closed	148,882	148,882	148,882	148,882
		10/17/05	Closed	113,889	113,889	113,889	113,889
		11/21/05	Open	1,092,777	1,248,122	1,398,470	191,947
		11/28/05	Closed	143,564	<	<	<
1/1/06-07		2/22/06	Open	471,499	471,499	471,499	135,988
		8/23/06	Closed	207,607	196,170	196,170	196,170
1/1/07-08		2/3/07	Open	219,465	558,671	649,073	165,005
		9/13/07	Open	327,976	385,303	385,303	249,095
		11/15/07	Open	143,446	153,522	153,522	55,330
1/1/08-09		2/7/08	Open	173,640	274,961	274,961	149,982
		4/9/08	Open	111,432	111,432	111,432	48,273
		4/18/08	Open	197,435	222,274	222,274	84,082
		9/26/08	Open	<	207,030	207,030	41,620
		10/1/08	Open	184,598	248,458	248,458	82,614
1/1/09-10		2/18/09	Open	167,274	275,980	240,980	118,680
		3/9/09	Open	<	308,086	321,346	66,752
		4/6/09	Open	<	114,320	114,320	90,908
		8/26/09	Open	126,986	132,328	132,328	66,458
		10/28/09	Open	153,101	153,101	182,261	105,768
		12/11/09	Open	116,324	168,187	168,187	52,816

OHI WORKERS COMPENSATION TRUST

WORKERS COMPENSATION

APPENDIX B

RESERVES AT HIGH LOSS LEVEL

OHI WORKERS COMPENSATION TRUST**SELECTED ESTIMATED ULTIMATE INCURRED LOSSES - HIGH LOSS LEVEL**
(Losses Net of Non-Excess Recoveries Limited to Prior Specific Retentions)

A. SELECTED HIGH ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Incurred Losses as of 12/31/11	Estimation Method		Selected Estimated Ultimate Incurred Losses ¹
		Incurred Loss Development	Paid Loss Development	
1/1/98-99	\$ 64,689	\$ 65,789	\$ 71,611	\$ 64,689
1/1/99-00	79,162	80,983	89,057	79,162
1/1/00-01	260,210	262,077	269,001	260,210
1/1/01-02	453,662	461,605	502,125	458,199
1/1/02-03	143,864	151,057	159,460	159,460
1/1/03-04	199,002	211,539	245,966	199,002
1/1/04-05	934,022	980,160	1,053,064	1,053,064
1/1/05-06	1,832,050	1,936,287	1,558,050 ²	1,956,287
1/1/06-07	952,814	1,039,053	1,073,629	1,098,629
1/1/07-08	1,296,699	1,514,597	1,446,408	1,579,597
1/1/08-09	1,270,668	1,895,837	1,142,067 ²	1,686,164
1/1/09-10	1,541,609	2,645,401	1,995,679	2,482,978
	\$9,028,451	\$11,244,385	\$9,606,117	\$11,077,441

B. LIMITATION TO THE AGGREGATE

Policy Period	Selected Estimated Ultimate Incurred Losses	Aggregate Retention	Limited Estimated Ultimate Incurred Losses
1/1/98-99	\$ 64,689	N/A	\$ 64,689
1/1/99-00	79,162	N/A	79,162
1/1/00-01	260,210	N/A	260,210
1/1/01-02	458,199	N/A	458,199
1/1/02-03	159,460	N/A	159,460
1/1/03-04	199,002	\$1,071,500 ⁴	199,002
1/1/04-05	1,053,064	\$1,560,769	1,053,064
1/1/05-06	1,956,287	\$2,309,761	1,956,287
1/1/06-07	1,098,629	\$2,680,590	1,098,629
1/1/07-08	1,579,597	N/A	1,579,597
1/1/08-09	1,686,164	\$2,631,730	1,686,164
1/1/09-10	2,482,978	\$2,639,299	2,482,978
	\$11,077,441		\$11,077,441

¹ Selected judgmentally after considering the number of open claims, case reserve level, and variation of the methods.² Less than incurred losses as of 12/31/11.³ Limited by the aggregate retention.⁴ Aggregate period is 10/1/02-03.

OHI WORKERS COMPENSATION TRUST**ESTIMATED REQUIRED RESERVES AS OF 12/31/11 - HIGH LOSS LEVEL**

(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

A. SUMMARY OF LOSSES

Policy Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11
1/1/98-99	\$ 64,689	\$ 64,689	\$ 64,689
1/1/99-00	79,162	79,162	79,162
1/1/00-01	260,210	260,210	260,210
1/1/01-02	458,199	453,662	428,800
1/1/02-03	159,460	143,864	132,883
1/1/03-04	199,002	199,002	199,002
1/1/04-05	1,053,064	934,022	886,690
1/1/05-06	1,956,287	1,832,050	1,143,943
1/1/06-07	1,098,629	952,814	679,512
1/1/07-08	1,579,597	1,296,699	824,634
1/1/08-09	1,686,164	1,270,668	551,723
1/1/09-10	2,482,978	1,541,609	759,102
	\$11,077,441	\$9,028,451	\$6,010,350

B. ESTIMATED REQUIRED RESERVES AS OF 12/31/11 - HIGH LOSS LEVEL

Policy Period	Case Reserves as of 12/31/11	Estimated IBNR as of 12/31/11	Estimated Required Reserves as of 12/31/11
1/1/98-99	\$ 0	\$ 0	\$ 0
1/1/99-00	0	0	0
1/1/00-01	0	0	0
1/1/01-02	24,862	4,537	29,399
1/1/02-03	10,981	15,596	26,577
1/1/03-04	0	0	0
1/1/04-05	47,332	119,042	166,374
1/1/05-06	688,107	124,237	812,344
1/1/06-07	273,302	145,815	419,117
1/1/07-08	472,065	282,898	754,963
1/1/08-09	718,945	415,496	1,134,441
1/1/09-10	782,507	941,369	1,723,876
	\$3,018,101	\$2,048,990	\$5,067,091

OHI WORKERS COMPENSATION TRUST

ESTIMATED ASSESSMENT ACCRUAL AS OF 12/31/11 - HIGH LOSS LEVEL

(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)

Policy Period	Estimated Ultimate Incurred Losses	Estimated Ultimate Indemnity Losses ¹	Indemnity Paid as of 12/31/11 ²	Indemnity Reserves as of 12/31/11	Assessment Rate	Assessment Accrual
Total Through 12/31/11	\$11,077,441	\$6,369,529	\$3,291,826	\$3,077,703	0.34	\$1,046,419

¹ Equal to 57.5% of total ultimate losses based on incurred losses as of 12/31/11.

² From the loss run provided by NCA.

³ Current assessment rate applied to indemnity losses only.

OHI WORKERS COMPENSATION TRUST**HISTORICAL PROFITABILITY ANALYSIS - HIGH LOSS LEVEL
DOLLARS**(Losses Net of Non-Excess Recoveries Limited to Prior Retentions)
(Excluding Taxes)

A. ESTIMATED UNDERWRITING INCOME

Policy Period	Premium ¹	Operating Expenses ¹	Funds Available For Claims	Estimated Ultimate Incurred Losses	Estimated Underwriting Income
1/1/98-99	\$ 224,158	\$ 126,801	\$ 97,357	\$ 64,689	\$ 32,668
1/1/99-00	231,245	119,180	112,065	79,162	32,903
1/1/00-01	262,933	153,545	109,388	260,210	(150,822)
1/1/01-02	439,876	240,629	199,247	458,199	(258,952)
1/1/02-03	611,727	402,528	209,199	159,460	49,739
1/1/03-04	813,783	495,511	318,272	199,002	119,270
1/1/04-05	1,236,118	708,389	527,729	1,053,064	(525,335)
1/1/05-06	1,652,958	910,908	742,050	1,956,287	(1,214,237)
1/1/06-07	1,825,957	1,255,536	570,421	1,098,629	(528,208)
1/1/07-08	2,220,079	796,085	1,423,994	1,579,597	(155,603)
1/1/08-09	2,158,766	1,370,670	788,096	1,686,164	(898,068)
1/1/09-10	1,737,388	1,161,468	575,920	2,482,978	(1,907,058)
	\$13,414,988	\$7,741,250	\$5,673,738	\$11,077,441	(\$5,403,703)

B. ESTIMATED NET INCOME

Policy Period	Estimated Underwriting Income	Investment Income ¹	Estimated Net Income
1/1/98-99	\$ 32,668	\$ 4,308	\$ 36,976
1/1/99-00	32,903	9,100	42,003
1/1/00-01	(150,822)	8,677	(142,145)
1/1/01-02	(258,952)	6,974	(251,978)
1/1/02-03	49,739	1,383	51,122
1/1/03-04	119,270	21,124	140,394
1/1/04-05	(525,335)	19,535	(505,800)
1/1/05-06	(1,214,237)	29,821	(1,184,416)
1/1/06-07	(528,208)	79,884	(448,324)
1/1/07-08	(155,603)	89,045	(66,558)
1/1/08-09	(898,068)	(107,706)	(1,005,774)
1/1/09-10	(1,907,058)	92,999	(1,814,059)
	(\$5,403,703)	\$255,144	(\$5,148,559)

¹ Based on audited financials.

Operating expenses include WCB assessment.

OHI WORKERS COMPENSATION TRUST
WORKERS COMPENSATION

APPENDIX C

ULAE RESERVES

Appendix C, Exhibit I

OHI WORKERS COMPENSATION TRUST

ESTIMATED ULTIMATE CLAIM COUNT
(Includes Claims Without Cost)

Policy Period	Claim Count as of 12/31/11	Age of Policy Period in Months	Incurred Loss Development Factor ¹	Estimated Ultimate Claim Count
1/1/98-99	11	168.0	1.000	11
1/1/99-00	16	156.0	1.000	16
1/1/00-01	12	144.0	1.000	12
1/1/01-02	22	132.0	1.000	22
1/1/02-03	20	120.0	1.000	20
1/1/03-04	23	108.0	1.000	23
1/1/04-05	32	96.0	1.000	32
1/1/05-06	50	84.0	1.000	50
1/1/06-07	41	72.0	1.000	41
1/1/07-08	56	60.0	1.000	56
1/1/08-09	37	48.0	1.000	37
1/1/09-10	34	36.0	1.000	34
	354			354

¹ Assumes 90% and 100% of the claims are reported at 12 and 24 months, respectively.

OHI WORKERS COMPENSATION TRUST

ESTIMATED ULAE RESERVES AS OF 12/31/11
(Including Claims Closed Without Cost)

A. ESTIMATED NUMBER OF UNPAID CLAIMS

Policy Period	Estimated Ultimate Claim Count	Total Reported Claims as of 12/31/11	Total Closed Claims as of 12/31/11	Total Open Claims as of 12/31/11	Estimated Open Plus IBNR Claims as of 12/31/11
1/1/98-99	11	11	11	0	0
1/1/99-00	16	16	16	0	0
1/1/00-01	12	12	11	1	1
1/1/01-02	22	22	21	1	1
1/1/02-03	20	20	19	1	1
1/1/03-04	23	23	23	0	0
1/1/04-05	32	32	30	2	2
1/1/05-06	50	50	45	5	5
1/1/06-07	41	41	38	3	3
1/1/07-08	56	56	52	4	4
1/1/08-09	37	37	30	7	7
1/1/09-10	34	34	22	12	12
	354	354	318	36	36

B. ESTIMATED NUMBER OF CLOSURES BY CALENDAR YEAR

Policy Period	Estimated Number of Claims Closing During ¹												Total
	1/1/12-13	1/1/13-14	1/1/14-15	1/1/15-16	1/1/16-17	1/1/17-18	1/1/18-19	1/1/19-20	1/1/20-21	1/1/21-22	1/1/22-23	1/1/23-24	
1/1/98-99	0	0	0	0	0	0	0	0	0	0	0	0	0
1/1/99-00	0	0	0	1	0	0	0	0	0	0	0	0	1
1/1/00-01	0	0	0	0	1	0	0	0	0	0	0	0	1
1/1/01-02	0	0	0	0	0	0	0	0	0	0	0	0	1
1/1/02-03	0	0	0	0	0	0	0	0	0	0	0	0	1
1/1/03-04	0	0	0	0	0	0	0	0	0	0	0	0	0
1/1/04-05	0	0	0	0	0	0	1	0	0	0	0	0	2
1/1/05-06	1	1	1	0	1	0	0	1	0	0	0	0	5
1/1/06-07	1	0	0	0	0	1	0	0	1	0	0	0	3
1/1/07-08	1	1	1	0	0	1	0	0	0	1	0	0	4
1/1/08-09	1	1	1	0	1	1	0	1	0	1	1	0	7
1/1/09-10	2	1	1	1	1	1	1	1	1	0	1	1	12
	6	4	3	2	5	4	2	3	2	2	2	1	36

OHI WORKERS COMPENSATION TRUST

ESTIMATED ULAE RESERVES AS OF 12/31/11
(Including Claims Closed Without Cost)

C. ESTIMATED OPEN PLUS IBNR CLAIMS

Policy Period	1/1/12	1/1/13	1/1/14	1/1/15	1/1/16	1/1/17	1/1/18	1/1/19	1/1/20	1/1/21	1/1/22	1/1/23
1/1/98-99	0											
1/1/99-00	0											
1/1/00-01	1	1	1									
1/1/01-02	1	1	1	1								
1/1/02-03	1	1	1	1	1							
1/1/03-04	0	0	0	0	0	0						
1/1/04-05	2	2	2	2	2	1	1					
1/1/05-06	5	4	3	2	2	1	1	1				
1/1/06-07	3	2	2	2	2	2	1	1	1			
1/1/07-08	4	3	2	2	2	2	1	1	1	1		
1/1/08-09	7	6	5	5	5	4	3	3	2	2	1	
1/1/09-10	12	10	9	8	7	6	5	4	3	2	2	1
	36	30	26	23	21	16	12	10	7	5	3	1

D. ESTIMATED OPEN CLAIMS BY CALENDAR YEAR

Policy Period	1/1/12-13	1/1/13-14	1/1/14-15	1/1/15-16	1/1/16-17	1/1/17-18	1/1/18-19	1/1/19-20	1/1/20-21	1/1/21-22	1/1/22-23	1/1/23-24
1/1/98-99	0											
1/1/99-00	0											
1/1/00-01	1	1	1	1								
1/1/01-02	1	1	1	1	1							
1/1/02-03	1	1	1	1	1	1						
1/1/03-04	0	0	0	0	0	0						
1/1/04-05	2	2	2	2	2	1	1					
1/1/05-06	5	4	3	2	2	1	1	1				
1/1/06-07	3	2	2	2	2	2	1	1	1			
1/1/07-08	4	3	2	2	2	2	1	1	1	1		
1/1/08-09	7	6	5	5	5	4	3	3	2	2	1	
1/1/09-10	12	10	9	8	7	6	5	4	3	2	2	1
	36	30	26	23	21	16	12	10	7	5	3	1

OHI WORKERS COMPENSATION TRUST

ESTIMATED ULAE RESERVES AS OF 12/31/11
(Including Claims Closed Without Cost)

E. ESTIMATED ULAE AS OF 12/31/11 - EXPECTED LEVEL

Policy Period	Estimated ULAE for Claims Open During Calendar Year ²												Total Estimated ULAE as of 12/31/11
	1/1/12-13	1/1/13-14	1/1/14-15	1/1/15-16	1/1/16-17	1/1/17-18	1/1/18-19	1/1/19-20	1/1/20-21	1/1/21-22	1/1/22-23	1/1/23-24	
1/1/98-99	\$ 0												\$ 0
1/1/99-00	0												0
1/1/00-01	700	\$ 721	\$ 743	\$ 765	\$ 788	\$ 811	\$ 836	\$ 861	\$ 887	\$ 913	\$ 941	\$ 969	9,081
1/1/01-02	700	721	743	765	788	811	836	861	887	913	941	969	2,164
1/1/02-03	700	721	743	765	788	811	836	861	887	913	941	969	2,929
1/1/03-04	0	0	0	0	0	0	0	0	0	0	0	0	3,717
1/1/04-05	1,400	1,442	1,486	1,530	1,576	1,622	1,668	1,714	1,761	1,808	1,855	1,902	0
1/1/05-06	3,500	2,884	2,229	1,530	1,576	1,622	1,668	1,714	1,761	1,808	1,855	1,902	9,081
1/1/06-07	2,100	1,442	1,486	1,530	1,576	1,622	1,668	1,714	1,761	1,808	1,855	1,902	14,227
1/1/07-08	2,800	2,163	1,486	1,530	1,576	1,622	1,668	1,714	1,761	1,808	1,855	1,902	12,340
1/1/08-09	4,900	4,326	3,715	3,825	3,940	4,055	4,170	4,285	4,400	4,515	4,630	4,745	14,674
1/1/09-10	8,400	7,210	6,687	6,120	5,516	4,866	4,180	3,444	2,661	1,826	941	969	33,582
	\$25,200	\$21,630	\$19,318	\$17,595	\$16,548	\$12,976	\$10,032	\$8,610	\$6,209	\$4,565	\$2,823	\$969	\$146,475

F. ESTIMATED ULAE AS OF 12/31/11 - HIGH LEVEL

Policy Period	Estimated ULAE for Claims Open During Calendar Year ³												Total Estimated ULAE as of 12/31/11
	1/1/12-13	1/1/13-14	1/1/14-15	1/1/15-16	1/1/16-17	1/1/17-18	1/1/18-19	1/1/19-20	1/1/20-21	1/1/21-22	1/1/22-23	1/1/23-24	
1/1/98-99	\$ 0												\$ 0
1/1/99-00	0												0
1/1/00-01	900	\$ 927	\$ 955	\$ 983	\$ 1,013	\$ 1,043	\$ 1,075	\$ 1,107	\$ 1,140	\$ 1,174	\$ 1,210	\$ 1,246	2,782
1/1/01-02	900	927	955	983	1,013	1,043	1,075	1,107	1,140	1,174	1,210	1,246	3,765
1/1/02-03	900	927	955	983	1,013	1,043	1,075	1,107	1,140	1,174	1,210	1,246	4,778
1/1/03-04	0	0	0	0	0	0	0	0	0	0	0	0	0
1/1/04-05	1,800	1,854	1,910	1,966	2,026	2,086	2,146	2,206	2,266	2,326	2,386	2,446	11,674
1/1/05-06	4,500	3,708	2,865	1,966	2,026	2,086	2,146	2,206	2,266	2,326	2,386	2,446	18,290
1/1/06-07	2,700	1,854	1,910	1,966	2,026	2,086	2,146	2,206	2,266	2,326	2,386	2,446	15,864
1/1/07-08	3,600	2,781	1,910	1,966	2,026	2,086	2,146	2,206	2,266	2,326	2,386	2,446	18,865
1/1/08-09	6,300	5,562	4,775	4,915	5,065	5,215	5,365	5,515	5,665	5,815	5,965	6,115	43,173
1/1/09-10	10,800	9,270	8,595	7,864	7,091	6,258	5,375	4,428	3,420	2,348	1,210	1,246	69,115
	\$32,400	\$27,810	\$24,830	\$22,609	\$21,273	\$16,688	\$12,900	\$11,070	\$7,980	\$5,870	\$3,630	\$1,246	\$188,306

¹ Based on the payout schedule in Table 7.

² Based on estimated ULAE of \$700 per open claim per year, increased 3.0% per year for trend.

³ Based on estimated ULAE of \$900 per open claim per year, increased 3.0% per year for trend.

OHI WORKERS COMPENSATION TRUST
WORKERS COMPENSATION

APPENDIX D

UNLIMITED LOSSES AND RECOVERABLES

OHI WORKERS COMPENSATION TRUST**ESTIMATED REQUIRED RESERVES AS OF 12/31/11 - EXPECTED LOSS LEVEL**
(Unlimited Losses, Net of Non-Excess Recoveries)

A. SUMMARY OF LOSSES

Policy Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11
1/1/98-99	\$ 64,689	\$ 64,689	\$ 64,689
1/1/99-00	79,162	79,162	79,162
1/1/00-01	1,016,918	1,016,917	349,537
1/1/01-02	847,538	847,538	428,800
1/1/02-03	155,259	143,864	132,883
1/1/03-04	199,002	199,002	199,002
1/1/04-05	1,106,776	1,016,861	969,529
1/1/05-06	3,266,839	3,176,473	1,143,943
1/1/06-07	1,135,609	1,024,313	679,512
1/1/07-08	1,764,882	1,545,772	824,634
1/1/08-09	1,583,253	1,270,668	551,723
1/1/09-10	2,320,540	1,541,609	759,102
	\$13,540,467	\$11,926,868	\$6,182,516

B. ESTIMATED REQUIRED RESERVES AS OF 12/31/11 - EXPECTED LOSS LEVEL

Policy Period	Case Reserves as of 12/31/11	Estimated IBNR as of 12/31/11	Estimated Required Reserves as of 12/31/11
1/1/98-99	\$ 0	\$ 0	\$ 0
1/1/99-00	0	0	0
1/1/00-01	667,380	1	667,381
1/1/01-02	418,738	0	418,738
1/1/02-03	10,981	11,395	22,376
1/1/03-04	0	0	0
1/1/04-05	47,332	89,915	137,247
1/1/05-06	2,032,530	90,366	2,122,896
1/1/06-07	344,801	111,296	456,097
1/1/07-08	721,138	219,110	940,248
1/1/08-09	718,945	312,585	1,031,530
1/1/09-10	782,507	778,931	1,561,438
	\$5,744,352	\$1,613,599	\$7,357,951

Appendix D, Exhibit II

OHI WORKERS COMPENSATION TRUST

ESTIMATED RECOVERABLE RESERVES AS OF 12/31/11 - EXPECTED LOSS LEVEL
(Unlimited Losses, Net of Non-Excess Recoveries)

Policy Period	Unlimited Estimated Required Reserves as of 12/31/11 ¹	Limited Estimated Required Reserves as of 12/31/11 ²	Estimated Recoverable Reserves as of 12/31/11 ³
1/1/98-99	\$ 0	\$ 0	\$ 0
1/1/99-00	0	0	0
1/1/00-01	667,381	0	667,381
1/1/01-02	418,738	24,862	393,876
1/1/02-03	22,376	22,376	0
1/1/03-04	0	0	0
1/1/04-05	137,247	129,922	7,325
1/1/05-06	2,122,896	740,226	1,382,670
1/1/06-07	456,097	376,829	79,268
1/1/07-08	940,248	655,869	284,379
1/1/08-09	1,031,530	1,031,530	0
1/1/09-10	1,561,438	1,561,438	0
	<u>\$7,357,951</u>	<u>\$4,543,052</u>	<u>\$2,814,899</u>

¹ From Appendix D, Exhibit I.

² From Table 6.

³ All recoverables are specific retention recoverables.

OHI WORKERS COMPENSATION TRUST**LOSSES IN EXCESS OF AGGREGATE ATTACHMENT POINT - EXPECTED LOSS LEVEL**
(Losses Net of Non-Excess Recoveries Limited to Prior Specific Retentions)

A. SUMMARY OF LOSSES

Policy/ Reinsurance Period ¹	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11	Aggregate Attachment Point ¹
1/1/98-99	\$ 64,689	\$ 64,689	\$ 64,689	N/A
1/1/99-00	79,162	79,162	79,162	N/A
1/1/00-01	260,210	260,209	260,209	N/A
1/1/01-02	453,662	453,662	428,800	N/A
1/1/02-03	155,259	143,864	132,883	N/A
1/1/03-04	199,002	199,002	199,002	\$1,071,500
1/1/04-05	1,016,612	933,812	886,480	\$1,560,769
1/1/05-06	1,884,169	1,832,050	1,143,943	\$2,309,761
1/1/06-07	1,056,341	952,813	679,512	\$2,680,590
1/1/07-08	1,480,503	1,296,699	824,634	N/A
1/1/08-09	1,583,253	1,270,668	551,723	\$2,631,730
1/1/09-10	2,320,540	1,541,609	759,102	\$2,639,299
	\$10,553,402	\$9,028,239	\$6,010,139	

B. AGGREGATE LOSSES AT 12/31/11

Policy/ Reinsurance Period ¹	Paid Losses In Excess of Attachment Point as of 12/31/11	Case Reserves In Excess of Attachment Point as of 12/31/11	IBNR In Excess of Attachment Point as of 12/31/11
1/1/98-99	\$0	\$0	\$0
1/1/99-00	0	0	0
1/1/00-01	0	0	0
1/1/01-02	0	0	0
1/1/02-03	0	0	0
1/1/03-04	0	0	0
1/1/04-05	0	0	0
1/1/05-06	0	0	0
1/1/06-07	0	0	0
1/1/07-08	0	0	0
1/1/08-09	0	0	0
1/1/09-10	0	0	0
	\$0	\$0	\$0

¹ The aggregate retention shown period for 1/1/03-04 actually covers 10/1/02-03. Losses are expected to be retained within the retention.

Appendix D, Exhibit IV

OHI WORKERS COMPENSATION TRUST

ESTIMATED REQUIRED RESERVES AS OF 12/31/11 - HIGH LOSS LEVEL
(Unlimited Losses, Net of Non-Excess Recoveries)

A. SUMMARY OF LOSSES

Policy Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11
1/1/98-99	\$ 64,689	\$ 64,689	\$ 64,689
1/1/99-00	79,162	79,162	79,162
1/1/00-01	1,016,918	1,016,917	349,537
1/1/01-02	856,013	847,538	428,800
1/1/02-03	159,460	143,864	132,883
1/1/03-04	199,002	199,002	199,002
1/1/04-05	1,146,461	1,016,861	969,529
1/1/05-06	3,391,879	3,176,473	1,143,943
1/1/06-07	1,181,070	1,024,313	679,512
1/1/07-08	1,883,010	1,545,772	824,634
1/1/08-09	1,686,164	1,270,668	551,723
1/1/09-10	2,482,978	1,541,609	759,102
	\$14,146,806	\$11,926,868	\$6,182,516

B. ESTIMATED REQUIRED RESERVES AS OF 12/31/11 - HIGH LOSS LEVEL

Policy Period	Case Reserves as of 12/31/11	Estimated IBNR as of 12/31/11	Estimated Required Reserves as of 12/31/11
1/1/98-99	\$ 0	\$ 0	\$ 0
1/1/99-00	0	0	0
1/1/00-01	667,380	1	667,381
1/1/01-02	418,738	8,475	427,213
1/1/02-03	10,981	15,596	26,577
1/1/03-04	0	0	0
1/1/04-05	47,332	129,600	176,932
1/1/05-06	2,032,530	215,406	2,247,936
1/1/06-07	344,801	156,757	501,558
1/1/07-08	721,138	337,238	1,058,376
1/1/08-09	718,945	415,496	1,134,441
1/1/09-10	782,507	941,369	1,723,876
	\$5,744,352	\$2,219,938	\$7,964,290

Appendix D, Exhibit V

OHI WORKERS COMPENSATION TRUST

ESTIMATED RECOVERABLE RESERVES AS OF 12/31/11 - HIGH LOSS LEVEL
(Unlimited Losses, Net of Non-Excess Recoveries)

Policy Period	Unlimited Estimated Required Reserves as of 12/31/11 ¹	Limited Estimated Required Reserves as of 12/31/11 ²	Estimated Recoverable Reserves as of 12/31/11 ³
1/1/98-99	\$ 0	\$ 0	\$ 0
1/1/99-00	0	0	0
1/1/00-01	667,381	0	667,381
1/1/01-02	427,213	29,399	397,814
1/1/02-03	26,577	26,577	0
1/1/03-04	0	0	0
1/1/04-05	176,932	166,374	10,558
1/1/05-06	2,247,936	812,344	1,435,592
1/1/06-07	501,558	419,117	82,441
1/1/07-08	1,058,376	754,963	303,413
1/1/08-09	1,134,441	1,134,441	0
1/1/09-10	1,723,876	1,723,876	0
	\$7,964,290	\$5,067,091	\$2,897,199

¹ From Appendix D, Exhibit IV.

² From Appendix B, Exhibit II.

³ All recoverables are specific retention recoverables.

OHI WORKERS COMPENSATION TRUST**LOSSES IN EXCESS OF AGGREGATE ATTACHMENT POINT - HIGH LOSS LEVEL**

(Losses Net of Non-Excess Recoveries Limited to Prior Specific Retentions)

A. SUMMARY OF LOSSES

Policy/ Reinsurance Period ¹	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/11	Paid Losses as of 12/31/11	Aggregate Attachment Point ¹
1/1/98-99	\$ 64,689	\$ 64,689	\$ 64,689	N/A
1/1/99-00	79,162	79,162	79,162	N/A
1/1/00-01	260,210	260,209	260,209	N/A
1/1/01-02	458,199	453,662	428,800	N/A
1/1/02-03	159,460	143,864	132,883	N/A
1/1/03-04	199,002	199,002	199,002	\$1,071,500
1/1/04-05	1,053,064	933,812	886,480	\$1,560,769
1/1/05-06	1,956,287	1,832,050	1,143,943	\$2,309,761
1/1/06-07	1,098,629	952,813	679,512	\$2,680,590
1/1/07-08	1,579,597	1,296,699	824,634	N/A
1/1/08-09	1,686,164	1,270,668	551,723	\$2,631,730
1/1/09-10	2,482,978	1,541,609	759,102	\$2,639,299
	\$11,077,441	\$9,028,239	\$6,010,139	

B. AGGREGATE LOSSES AT 12/31/11

Policy/ Reinsurance Period ¹	Paid Losses In Excess of Attachment Point as of 12/31/11	Case Reserves In Excess of Attachment Point as of 12/31/11	IBNR In Excess of Attachment Point as of 12/31/11
1/1/98-99	\$0	\$0	\$0
1/1/99-00	0	0	0
1/1/00-01	0	0	0
1/1/01-02	0	0	0
1/1/02-03	0	0	0
1/1/03-04	0	0	0
1/1/04-05	0	0	0
1/1/05-06	0	0	0
1/1/06-07	0	0	0
1/1/07-08	0	0	0
1/1/08-09	0	0	0
1/1/09-10	0	0	0
	\$0	\$0	\$0

¹ The aggregate retention shown period for 1/1/03-04 actually covers 10/1/02-03. Losses are expected to be retained within the retention.