

**State and Public School Life and  
Health Insurance Board  
Benefits Sub-Committee  
Minutes  
May 6, 2011**

The Benefits Sub-Committee of the State and Public School Life and Health Insurance Board (hereinafter called the Committee) met on Friday, May 6, 2011 at 9:00 a.m. in the EBD Board Room, 501 Woodlane, Suite 500, Little Rock, Arkansas.

**Members Present**

Jeff Altemus  
Janis Harrison  
Shelby McCook  
Becky Walker  
Gwen Wiggins

**Members Absent**

Lloyd Black  
Bob Alexander

Jason Lee, Executive Director, Employee Benefits Division (EBD).

**Others Present:**

George Platt, Leigh Ann Chrouch, Michelle Hazelette, Doug Shackelford, Stella Greene, Marla Wallace, Pam Lawrence, Kristie Cox, Latryce Taylor, Ellen Justus, Sherri Saxby, Florence Marvin, Sherry Bryant, Cathy Harris, EBD; Rhonda Hill, ACHI-EBD; Ron DeBerry, Barbara Melugin, Kathy Ryan, AR BC/BS Health Advantage; Shonda Rocke, InformedRx; Marc Watts, AR State Employee Association; Rhonda Walthall, AR Highway & Transportation; Sharon Marcum. LifeSynch; Bryan Meldrum, Novasys; Robbie Weaver, AR Children Hospital; Peggy Nabors, AR Education Association;

**Call to Order**

The meeting was called to order by Jeff Altemus, Chairman

**Approval of Minutes**

A request was made by Altemus to approve the April 8, 2011 minutes. Walker made the motion to approve. Wiggins seconded. All were in favor. Minutes approved.

## **BENEFITS STRATEGIC PLANNING WORKGROUP (BSPW) REPORT**

*by George Platt, EBD Chief Operations Officer*

Platt reported the workgroup met on Tuesday, May 3<sup>rd</sup>. The workgroup reviewed the USABLE life insurance plan design for the public school group. George Burks, Regional VP for USABLE attended the meeting and answered questions from the workgroup.

Platt informed the Benefits committee of the operational challenges for EBD and the agencies in implementing the order from the Board to allow the ASE group to elect supplemental life insurance in increments of \$10,000.

Lee explained that currently the PSE group can purchase supplemental life insurance in increments of \$10,000 and the ASE group can purchase supplemental life insurance in increment of \$1,000. Lee said they were trying to achieve parity between the groups; but moving the ASE members already on the plan up to increments of \$10,000 is disruptive to three quarters of the group and an increase in premiums.

McCook made the motion to rescind the part of the previous motion to allow Legislators & Constitutional Officers and State Employees to elect supplemental life insurance in increments of \$10,000. Harrison seconded. All were in favor. Motion carried.

Platt said the workgroup continued their discussion for the general weight management program and they are working with ACHI to develop ways on how to structure the program. The workgroup hopes to have a recommendation to present to the committee in June. The workgroup also started discussions for long term acute care services and talked briefly about dental.

### **2012 PLAN YEAR RATING** *by Cheiron*

Colberg provided an overview of the ASE & PSE Actives and Retires preliminary rates for Plan Year 2012. The committee reviewed benefit options for the Gold, Silver (Tentative), and Bronze (Tentative) plans, rate development and the final rate details.

The committee requested Cheiron bring back pricing scenarios of excess contributions from the bronze plan, allocated to the PSE Non-Medicare eligible school retirees; and also some examples of lower out of pocket maximum for the plans.

**DIRECTOR'S REPORT** *by Jason Lee*

Lee said he will have a broader description of the benefit design for the Gold, Silver and Bronze plans in the next meeting.

Lee explained that last year the Board adopted the U.S. Preventive Services Task Force (USPSTF) recommendations for the 2012 plan year. Lee said some of the plans wellness benefits exceed the task force recommended guidelines and so he would like for the committee to review them in the next meeting.

**Meeting adjourned.**

# AGENDA

**State and Public School Life and Health Insurance Board**

**Benefits Sub-Committee**

**EBD Board Room - 501 Building - 5<sup>th</sup> Floor**

**May 6, 2011      9:00 a.m.**

1. **Call to Order** ..... *Jeff Altemus, Chairman*
2. **Approval of Minutes** ..... *Jeff Altemus, Chairman*
3. **BSPW (workgroup) Report** ..... *George Platt, Deputy Director*
4. **2012 Plan Year Rating** ..... *John Colberg, Cheiron*
5. **Director's Report** ..... *Jason Lee, Executive Director*

**Upcoming Meetings:**

June 3

July 8 – Final Review of 2012 Plan Year Rates (Final Board Review July 19)

# Arkansas State Employees Health Benefits Program

## Preliminary Rates for CY 2012

John Colberg, FSA, MAAA

May 6, 2011





# Topics

	Page Number
1) PSE Actives	2
2) PSE Retirees	4
3) ASE Actives	8
4) ASE Retirees	10
5) Stress Testing	14
Appendices	
A. 2011 Final Rate Details	16
B. Benefit Options	20
C. Assumptions & Methods	22

# PSE Actives

## PSE ACTIVE RATE DEVELOPMENT for CY2012

Plan: Benefit: Experience Period - Service (Incurred) Dates Experience Period - Processed (Paid) Dates	Gold			Silver (based on Gold Actives)			Bronze		
	Medical	Pharmacy	Total	Medical	Pharmacy	Total	Medical	Pharmacy	Total
	2/10 - 1/11	2/10 - 1/11		2/10 - 1/11	2/10 - 1/11		2/10 - 1/11	2/10 - 1/11	
	2/10 - 2/11	2/10 - 2/11		2/10 - 2/11	2/10 - 2/11		2/10 - 2/11	2/10 - 2/11	
	A	B	C	D	E	F	G	H	I
1 Total Incurred Medical & Rx Claims (Experience Period)	\$179,025,721	\$52,902,002	\$231,927,723	\$167,967,091	\$48,253,901	\$216,220,991	\$6,214,080	\$414,886	\$6,628,966
2 <u>Less High Cost Claims Above (Med/Rx)</u>	<b>\$100,000</b>	<b>\$20,000</b>		\$11,434,026	\$3,248,325	\$14,682,351	\$10,301,814	\$2,910,729	\$13,212,542
3 <b>Net Incurred Claims below Pooling Point [1 - 2]</b>	<b>\$167,591,695</b>	<b>\$49,653,677</b>	<b>\$217,245,372</b>	<b>\$157,665,277</b>	<b>\$45,343,172</b>	<b>\$203,008,449</b>	<b>\$5,544,351</b>	<b>\$414,886</b>	<b>\$5,959,238</b>
4 <u>Person Months for Experience Period</u>	742,518	742,518	742,518	714,212	714,212	714,212	62,191	62,191	62,191
5 <b>Net Incurred Claims Per Person Per Month (PPPM) [3 / 4]</b>	<b>\$225.71</b>	<b>\$66.87</b>	<b>\$292.58</b>	<b>\$220.75</b>	<b>\$63.49</b>	<b>\$284.24</b>	<b>\$89.15</b>	<b>\$6.67</b>	<b>\$95.82</b>
6 Change in Benefits During Experience Period	1.0000	1.0000		1.0000	1.0000		1.0000	1.0000	
7 Change in Demographics or Risk During Experience Period	1.0009	1.0005		1.0009	1.0005		0.9869	0.9860	
8 Change in Geographic During Experience Period	0.9991	0.9991		0.9991	0.9991		1.0003	1.0003	
9 a) Annual Trend Rate	7.5%	5.0%		7.5%	5.0%		7.5%	5.0%	
b) Months to Trend	23	23		23	23		23	23	
c) <u>Trend Adjustment</u>	1.1487	1.0980		1.1487	1.0980		1.1487	1.0980	
10 <b>Adjusted Claims Charged PPPM [5 x 6 x 7 x 8 x 9c]</b>	<b>\$259.25</b>	<b>\$73.39</b>	<b>\$332.65</b>	<b>\$253.56</b>	<b>\$69.68</b>	<b>\$323.24</b>	<b>\$101.10</b>	<b>\$7.22</b>	<b>\$108.32</b>
11 <u>Charge for Claims above Pooling Point PPPM</u>	\$15.40	\$4.37	\$19.77	\$14.42	\$4.08	\$18.50	\$10.77	\$0.00	\$10.77
12 <b>Total Claims Charged PPPM [9 + 10]</b>	<b>\$274.65</b>	<b>\$77.77</b>	<b>\$352.42</b>	<b>\$267.98</b>	<b>\$73.76</b>	<b>\$341.74</b>	<b>\$111.86</b>	<b>\$7.22</b>	<b>\$119.09</b>
13 Change in Future Benefits	1.0320	1.0100		0.9767	0.9096		1.0320	1.0000	
14 Change in Future Demographics (Age/Gender/Family) or Risk	1.1088	1.1088		0.7962	0.7962		1.1094	1.1094	
15 Change in Future Geographic	1.0000	1.0000		1.0000	1.0000		1.0000	1.0000	
16 <u>Change in Future Network</u>	0.9734	1.0000		1.0688	1.0000		1.0000	1.0000	
17 <b>Projected Incurred Claim PPPM [13x 14 x15x16]</b>	<b>\$305.92</b>	<b>\$87.09</b>	<b>\$393.01</b>	<b>\$222.75</b>	<b>\$53.42</b>	<b>\$276.17</b>	<b>\$128.07</b>	<b>\$8.01</b>	<b>\$136.09</b>
18 Projected Blended Incurred Claim PPPM	n/a	\$75.13		n/a	\$67.66		n/a	\$56.23	
19 Percent to Use Blended Experience		0%			0%			0%	
20 <b>Rating Incurred Claim PPPM [17 blended with 18]</b>	<b>\$305.92</b>	<b>\$87.09</b>	<b>\$393.01</b>	<b>\$222.75</b>	<b>\$53.42</b>	<b>\$276.17</b>	<b>\$128.07</b>	<b>\$8.01</b>	<b>\$136.09</b>
21 <u>Projected Persons Months</u>	603,355	603,355	603,355	96,437	96,437	96,437	149,733	149,733	149,733
22 <b>Projected Total Incurred Claims [20 x 21]</b>	<b>\$184,578,067</b>	<b>\$52,547,391</b>	<b>\$237,125,459</b>	<b>\$21,481,416</b>	<b>\$5,151,736</b>	<b>\$26,633,152</b>	<b>\$19,176,960</b>	<b>\$1,200,007</b>	<b>\$20,376,967</b>
23 <b>Conversion to Rating Tiers [20 x rating tier x counts]</b>	<b>x tier</b>	<b>Projected</b>		<b>x tier</b>	<b>Projected</b>		<b>x tier</b>	<b>Projected</b>	
Method: <input type="text" value="Historical"/>	<b>factor</b>	<b>Ee Months</b>	<b>PEPM</b>	<b>factor</b>	<b>Ee Months</b>	<b>PEPM</b>	<b>factor</b>	<b>Ee Months</b>	<b>PEPM</b>
a) Employee Only	1.11	336,619	\$435.67	1.13	51,265	\$310.70	1.11	75,451	\$151.03
b) Employee & Spouse	3.26	15,305	\$1,282.68	3.31	2,392	\$914.73	3.22	4,918	\$438.84
c) Employee & Child(ren)	2.07	55,781	\$814.30	2.10	10,006	\$580.71	2.06	8,786	\$279.98
d) Family	3.29	19,603	\$1,292.16	3.34	2,938	\$921.49	3.26	9,844	\$443.26
e) Child(ren) of Medicare Retirees	0.96	224	\$378.63						
24 <b>Rates Balance Confirmation</b>		427,533	<b>\$237,125,459</b>		66,600	<b>\$26,633,152</b>		99,000	<b>\$20,376,967</b>

**Note: The figures presented are preliminary and subject to change.**



# PSE Actives (Cont.)



## PSE Detailed Financials



### Premium Rates

Tier Factor Method **Historical**  
 Historical = from prior years  
 Relation = rates by Ee/Sp/Ch(n)  
 tiers become additive

[Go to Enrollment Changes](#)

### Retiree Subsidy from Actives

	2011	2012
PSE - PEPM	\$11.20	\$11.20
Apply to NME Retirees	N	Y
NME Ret Holdback	\$63.55	\$0.00

[Go to NME Ret](#)

[Go to ME Ret](#)

[Go to ASE](#)

### State/Reserve Contributions

Addl Reserves for Actives (\$ mil)	\$0.0
Addl Reserves for NME Retirees (\$ mil)	\$0.0
Addl Reserves for ME Retirees (\$ mil)	\$2.9
Method for allocating to rating tiers	Same as 2011
For each Rating Tier, e.g. Employee	Silver Bronze
Amount should be what % of Gold	100% 66%

Total Active & Ret (\$ mil)	\$295.5	\$23.5	\$6.6	\$325.6	\$56.6	\$9.3	\$73.9	\$132.3	\$146.5	\$39.4		55,400
Actives	Medical and Pharmacy*	Expenses	Retirement Subsidy	Total Monthly Premium	State Cont. (Act 1842/1421)	Res. Alloc.	School District Contrib.	2012 Total EE Cost	2011 Total EE Cost	Change in Premiums (\$/%)		Assumed Enrollment
<b>Gold</b>												
Employee Only	\$435.67	\$37.52	\$11.20	\$484.39	\$83.91	\$12.30	\$131.00	\$257.18	\$170.34	\$86.84	51%	26,588
Employee & Spouse	1,282.68	37.52	11.20	1,331.40	149.17	21.87	131.00	1,029.36	771.74	257.62	33%	1,143
Employee & Child(ren)	814.30	37.52	11.20	863.02	114.29	16.75	131.00	600.98	436.87	164.11	38%	4,640
Family	1,292.16	37.52	11.20	1,340.88	154.48	22.65	131.00	1,032.75	773.82	258.93	33%	1,629
Est. Monthly Total (\$mil)	\$18.9	\$1.3	\$0.4	\$20.6	\$3.2	\$0.5	\$4.5	\$8.1	\$8.7	\$3.8		34,000
<b>Silver</b>									(2011 HA)			
Employee Only	\$310.70	\$34.82	\$11.20	\$356.72	\$83.91	\$12.30	\$131.00	\$129.51	\$170.34	(\$40.83)	-24%	3,800
Employee & Spouse	914.73	34.82	11.20	960.75	149.17	21.87	131.00	658.71	771.74	(113.03)	-15%	151
Employee & Child(ren)	580.71	34.82	11.20	626.73	114.29	16.75	131.00	364.69	436.87	(72.18)	-17%	806
Family	921.49	34.82	11.20	967.51	154.48	22.65	131.00	659.38	773.82	(114.44)	-15%	243
Est. Monthly Total (\$mil)	\$2.0	\$0.2	\$0.1	\$2.2	\$0.5	\$0.1	\$0.7	\$1.2	\$1.3	-\$0.3		5,000
<b>Bronze</b>												
Employee Only	\$151.03	\$32.38	\$11.20	\$194.61	\$55.38	\$8.12	\$131.00	\$0.11	\$15.10	(\$14.99)	-99%	6,073
Employee & Spouse	438.84	32.38	11.20	482.42	98.45	14.43	131.00	238.54	333.10	(94.56)	-28%	388
Employee & Child(ren)	279.98	32.38	11.20	323.56	75.43	11.06	131.00	106.07	155.36	(49.29)	-32%	720
Family	443.26	32.38	11.20	486.84	101.96	14.95	131.00	238.93	333.70	(94.77)	-28%	820
Est. Monthly Total (\$mil)	\$1.7	\$0.3	\$0.1	\$2.0	\$0.5	\$0.1	\$1.0	\$0.4	\$0.6	-\$0.2		8,000
Total (Monthly) (\$ mil)	\$22.6	\$1.7	\$0.5	\$24.8	\$4.2	\$0.6	\$6.2	\$9.7	\$10.6	\$3.3		47,000
Est Annual Total (\$ mil)	\$271.2	\$20.5	\$6.3	\$298.0	\$50.0	\$7.3	\$73.9	\$116.0	\$127.3	\$39.5		

**Note: The figures presented are preliminary and subject to change.**





# PSE Retirees

## PSE RETIREE RATE DEVELOPMENT for CY2012

Plan:

Benefit:

Experience Period - Service (Incurred) Dates

Experience Period - Processed (Paid) Dates

	Non-Medicare (combined with Act; Gold)			Medicare	
	Medical	Pharmacy	Total	Medical	Total
	2/10 - 1/11	2/10 - 1/11		2/10 - 1/11	
	2/10 - 2/11	2/10 - 2/11		2/10 - 2/11	
1 Total Incurred Medical & Rx Claims (Experience Period)	\$179,025,721	\$52,902,002	\$231,927,723	\$9,140,621	\$9,140,621
2 <u>Less High Cost Claims Above (Med/Rx)</u> <span style="border: 1px solid black; padding: 2px;">\$100,000</span> <span style="border: 1px solid black; padding: 2px;">\$20,000</span>	<u>\$11,434,026</u>	<u>\$3,248,325</u>	<u>\$14,682,351</u>	<u>\$143,707</u>	<u>\$143,707</u>
3 <b>Net Incurred Claims below Pooling Point [1 - 2]</b>	<b>\$167,591,695</b>	<b>\$49,653,677</b>	<b>\$217,245,372</b>	<b>\$8,996,914</b>	<b>\$8,996,914</b>
4 <u>Person Months for Experience Period</u>	742,518	742,518	<b>742,518</b>	<u>\$72,446</u>	<b>72,446</b>
5 <b>Net Incurred Claims Per Person Per Month (PPPM) [3 / 4]</b>	<b>\$225.71</b>	<b>\$66.87</b>	<b>\$292.58</b>	<b>\$124.19</b>	<b>\$124.19</b>
6 Change in Benefits During Experience Period	1.0000	1.0000		1.0000	
7 Change in Demographics or Risk During Experience Period	1.0009	1.0005		0.9993	
8 Change in Geographic During Experience Period	0.9991	0.9991		1.0000	
9 a) Annual Trend Rate	7.5%	5.0%		7.0%	
b) Months to Trend	23	23		23	
c) <u>Trend Adjustment</u>	<u>1.1487</u>	<u>1.0980</u>		<u>1.1385</u>	
10 <b>Adjusted Claims Charged PPPM [5 x 6 x 7 x 8 x 9c]</b>	<b>\$259.25</b>	<b>\$73.39</b>	<b>\$332.65</b>	<b>\$141.29</b>	<b>\$141.29</b>
11 <u>Charge for Claims above Pooling Point PPPM</u>	<u>\$15.40</u>	<u>\$4.37</u>	<u>\$19.77</u>	<u>\$1.98</u>	<u>\$1.98</u>
12 <b>Total Claims Charged PPPM [9 + 10]</b>	<b>\$274.65</b>	<b>\$77.77</b>	<b>\$352.42</b>	<b>\$143.28</b>	<b>\$143.28</b>
13 Change in Future Benefits	1.0320	1.0100		1.0000	
14 Change in Future Demographics (Age/Gender/Family) or Risk	1.1088	1.1088		1.0000	
15 Change in Future Geographic	1.0000	1.0000		1.0000	
16 <u>Change in Future Network</u>	<u>0.9734</u>	<u>1.0000</u>		<u>1.0000</u>	
17 <b>Projected Incurred Claim PPPM [13x 14 x15x16]</b>	<b>\$305.92</b>	<b>\$87.09</b>	<b>\$393.01</b>	<b>\$143.28</b>	<b>\$143.28</b>
18 <u>Projected Persons Months</u>	603,355	603,355	<b>603,355</b>	79,607	<b>79,607</b>
19 <b>Projected Total Incurred Claims [17 x 18]</b>	<b>\$184,578,067</b>	<b>\$52,547,391</b>	<b>\$237,125,459</b>	<b>\$11,405,755</b>	<b>\$11,405,755</b>

**Note: The figures presented are preliminary and subject to change.**



# PSE Retirees

## PSE RETIREE RATE DEVELOPMENT for CY2012

### 20 Conversion to Rating Tiers

Method:

Historical

PPPM [17]

	<u>x Non-Med.</u> <u>tier factor</u>	<u>Non-Med.</u> <u>PEPM</u>	<u>x Medicare</u> <u>tier factor</u>	<u>Medicare</u> <u>PEPM</u>	<u>Projected</u> <u>Ret Months</u>	<u>TOTAL</u> <u>PEPM</u>
a) NME Retiree	1.11	\$435.67	-	\$0.00	15,450	\$435.67
b) NME Retiree & NME Spouse	3.26	\$1,282.68	-	\$0.00	1,590	\$1,282.68
c) NME Retiree & Child(ren)	2.07	\$814.30	-	\$0.00	59	\$814.30
d) NME Retiree & NME Spouse & Child(ren)	3.29	\$1,292.16	-	\$0.00	50	\$1,292.16
e) NME Retiree & ME Spouse	1.11	\$435.67	1.00	\$143.28	842	\$578.95
f) NME Retiree & ME Spouse & Child(ren)	2.07	\$814.30	1.00	\$143.28	8	\$957.58
g) ME Retiree	-	\$0.00	1.00	\$143.28	66,160	\$143.28
h) ME Retiree & NME Spouse	1.11	\$435.67	1.00	\$143.28	1,271	\$578.95
i) ME Retiree & Child(ren)	0.96	\$378.63	1.00	\$143.28	174	\$521.90
j) ME Retiree & NME Spouse & Child(ren)	2.07	\$856.48	1.00	\$143.28	37	\$999.76
k) ME Retiree & ME Spouse	-	\$0.00	2.00	\$286.55	5,545	\$286.55
l) ME Retiree & ME Spouse & Child(ren)	0.96	\$378.63	2.00	\$286.55	12	\$665.18
<b>20 Rates Balance Confirmation</b>		<b>\$9,914,451</b>		<b>\$11,405,755</b>		<b>\$21,320,206</b>

**Note: The figures presented are preliminary and subject to change.**

# PSE Retirees (Not Medicare Eligible)



## PSE Detailed Financials



[Go to Enrollment Changes](#)

**Retiree Subsidy from Actives**

**State/Reserve Contributions**

Add Reserves for NME Retirees (\$ mil) **\$0.0**

[Go to Actives](#)

PSE - PEPM

	2011	2012
PSE - PEPM	\$11.20	\$11.20
Apply to NME Retirees	N	Y
NME Ret Holdback	\$63.55	\$0.00

For each Rating Tier, e.g. Employee

Silver Bronze

Amount should be what % of Gold

**100%** **100%**

[Go to ME Ret](#)

[Go to ASE](#)

NME Ret Holdback

Total Active & Ret (\$ mil)	\$295.5	\$23.5	\$6.6	\$325.6	\$56.6	\$9.3	\$73.9	\$126.3	\$146.5	\$39.4		55,400
NME Retirees	Medical and Pharmacy*	Expenses	Retirement Subsidy	Total Monthly Premium		Res. Alloc.		2012 Total Ret. Cost	2011 Total Ret. Cost	Change in Premiums (\$/%)		Assumed Enrollment
<b>Gold</b>												
Retiree Only	\$435.67	\$37.52	\$11.20	\$484.39		\$0.00		\$484.39	\$457.42	\$26.97	6%	1,288
Retiree & NME SP	1,282.68	37.52	11.20	1,331.40		0.00		1,331.40	1,152.01	\$179.39	16%	133
Retiree & Child(ren)	814.30	37.52	11.20	863.02		0.00		863.02	768.28	\$94.74	12%	5
Retiree & NME SP&CH	1,292.16	37.52	11.20	1,340.88		0.00		1,340.88	1,159.82	\$181.06	16%	4
Retiree & ME SP	578.95	37.52	11.20	627.67		0.00		627.67	596.82	\$30.85	5%	70
Retiree & ME SP & CH	957.58	37.52	11.20	1,006.30		0.00		1,006.30	907.71	\$98.59	11%	1
Est. Monthly Total (\$mil)	\$0.8	\$0.1	\$0.0	\$0.9		\$0.0		\$0.9	\$0.8	\$0.1		1,500
<b>Silver</b>												
Employee Only	\$310.70	\$34.82	\$11.20	\$356.72		\$0.00		\$356.72	\$457.42	(\$100.70)	-22%	472
Employee & Spouse	914.73	34.82	11.20	960.75		0.00		960.75	1,152.01	(191.26)	-17%	49
Employee & Child(ren)	580.71	34.82	11.20	626.73		0.00		626.73	768.28	(141.55)	-18%	28
Family	921.49	34.82	11.20	967.51		0.00		967.51	1,159.82	(192.31)	-17%	2
Est. Monthly Total (\$mil)	\$0.2	\$0.0	\$0.0	\$0.2		\$0.0		\$0.0	\$0.3	-\$0.1		550
<b>Bronze</b>												
Employee Only	\$151.03	\$32.38	\$11.20	\$194.61		\$0.00		\$194.61	\$457.42	(\$262.81)	-57%	215
Employee & Spouse	438.84	32.38	11.20	482.42		0.00		482.42	1,152.01	(669.59)	-58%	22
Employee & Child(ren)	279.98	32.38	11.20	323.56		0.00		323.56	768.28	(444.72)	-58%	13
Family	443.26	32.38	11.20	486.84		0.00		486.84	1,159.82	(672.98)	-58%	1
Est. Monthly Total (\$mil)	\$0.0	\$0.0	\$0.0	\$0.1		\$0.0		\$0.1	\$0.1	-\$0.1		250
Total (Monthly) (\$ mil)	\$1.0	\$0.1	\$0.0	\$1.1		\$0.0		\$0.9	\$1.2	(\$0.1)		2,300
Est Annual Total (\$ mil)	\$12.4	\$1.0	\$0.3	\$13.7		\$0.0		\$10.9	\$14.7	-\$0.9		

**Note: The figures presented are preliminary and subject to change.**



# PSE Retirees – Medicare Eligible

CHEIRON

## PSE Detailed Financials

H-scan

Go to Enrollment Changes

### Retiree Contributions

Increase per Medicare Person	\$10.00
Additional increase if have children	\$10.00

### State/Reserve Contributions

Addl Reserves for ME Retirees (\$ mil)	\$2.9
--	-------

Go to Actives

Go to NME Ret

Go to ASE

Total Active & Ret (\$ mil)	\$295.5	\$23.5	\$6.6	\$325.6	\$56.6	\$9.3	\$73.9	\$126.3	\$146.5	\$39.4		55,400
ME Retirees	Medical and Pharmacy*	Expenses	Retirement Subsidy	Total Monthly Premium	Subsidy from Actives	Res. Alloc.		2012 Total Ret. Cost	2011 Total Ret. Cost	Change in Premiums (\$/%)		Assumed Enrollment
Medicare Eligible												
Retiree Only	\$143.28	\$27.04		\$170.32	\$91.94	\$26.94		\$51.44	\$41.44	\$10.00	24%	5,513
Retiree & NME SP	578.95	27.04		605.99	0.00	0.00		605.99	568.37	\$37.62	7%	106
Retiree & Child(ren)	521.90	27.04		548.94	83.35	24.42		441.17	421.17	\$20.00	5%	15
Retiree & NME SP&CH	999.76	27.04		1,026.80	0.00	0.00		1,026.80	877.42	\$149.38	17%	3
Retiree & ME SP	286.55	27.04		313.59	95.13	27.87		190.59	170.59	\$20.00	12%	462
Retiree & ME SP & CH	665.18	27.04		692.22	86.54	25.36		580.32	550.32	\$30.00	5%	1
Est. Monthly Total (\$mil)	\$1.0	\$0.2	\$0.0	\$1.2	\$0.6	\$0.2		\$0.4	\$0.4	\$0.1		6,100
Total (Est. Annual)	\$11.9	\$2.0	\$0.0	\$13.9	\$6.6	\$1.9		\$5.4	\$4.5	\$0.8		

**Note: The figures presented are preliminary and subject to change.**



# ASE Actives

## ASE ACTIVE RATE DEVELOPMENT for CY2012

Plan: Benefit: Experience Period - Service (Incurred) Dates Experience Period - Processed (Paid) Dates	Gold			Silver (based on Gold Actives)			Bronze		
	Medical	Pharmacy	Total	Medical	Pharmacy	Total	Medical	Pharmacy	Total
	2/10 - 1/11	2/10 - 1/11		2/10 - 1/11	2/10 - 1/11		2/10 - 1/11	2/10 - 1/11	
	2/10 - 2/11	2/10 - 2/11		2/10 - 2/11	2/10 - 2/11		2/10 - 2/11	2/10 - 2/11	
	A	B	C	D	E	F	G	H	I
1 Total Incurred Medical & Rx Claims (Experience Period)	\$143,177,761	\$41,753,311	\$184,931,071	\$128,283,829	\$37,205,186	\$165,489,015	\$1,595,219	\$137,985	\$1,733,204
2 Less High Cost Claims Above (Med/Rx)	\$7,046,324	\$3,158,356	\$10,204,680	\$5,952,884	\$2,790,131	\$8,743,015	\$96,970	\$8,333	\$105,303
3 Net Incurred Claims below Pooling Point [1 - 2]	\$136,131,436	\$38,594,955	\$174,726,391	\$122,330,945	\$34,415,055	\$156,746,000	\$1,498,249	\$129,652	\$1,627,901
4 Person Months for Experience Period	599,304	599,304	599,304	560,384	560,384	560,384	19,156	19,156	19,156
5 Net Incurred Claims Per Person Per Month (PPPM) [3 / 4]	\$227.15	\$64.40	\$291.55	\$218.30	\$61.41	\$279.71	\$78.21	\$6.77	\$84.98
6 Change in Benefits During Experience Period	1.0000	1.0000		1.0000	1.0000		1.0000	1.0000	
7 Change in Demographics or Risk During Experience Period	0.9943	0.9945		0.9943	0.9945		0.9964	1.0342	
8 Change in Geographic During Experience Period	1.0000	1.0000		1.0000	1.0000		0.9982	0.9982	
9 a) Annual Trend Rate	7.5%	5.0%		7.5%	5.0%		7.5%	5.0%	
b) Months to Trend	23	23		23	23		23	23	
c) Trend Adjustment	1.1487	1.0980		1.1487	1.0980		1.1487	1.0980	
10 Adjusted Claims Charged PPPM [5 x 6 x 7 x 8 x 9c]	\$259.44	\$70.32	\$329.76	\$249.33	\$67.06	\$316.39	\$89.36	\$7.67	\$97.03
11 Charge for Claims above Pooling Point PPPM	\$11.76	\$5.27	\$17.03	\$10.62	\$4.98	\$15.60	\$5.06	\$0.44	\$5.50
12 Total Claims Charged PPPM [10 + 11]	\$271.19	\$75.59	\$346.79	\$259.95	\$72.04	\$331.99	\$94.42	\$8.11	\$102.53
13 Change in Future Benefits	1.0310	1.0100		0.9580	0.9110		1.0310	1.0100	
14 Change in Future Demographics (Age/Gender/Family) or Risk	1.0353	1.0353		0.7840	0.7840		1.1129	1.1129	
15 Change in Future Geographic	1.0000	1.0000		1.0000	1.0000		1.0000	1.0000	
16 Change in Future Network	0.9857	1.0000		1.0825	1.0000		1.0000	1.0000	
17 Projected Incurred Claim PPPM [13x 14 x15x16]	\$285.33	\$79.04	\$364.37	\$211.34	\$51.45	\$262.79	\$108.33	\$9.11	\$117.45
18 Projected Blended Incurred Claim PPPM	n/a	\$76.75	n/a	n/a	\$69.92	n/a	n/a	\$57.44	n/a
19 Percent to Use Blended Experience		0%			0%			0%	
20 Rating Incurred Claim PPPM [17 blended with 18]	\$285.33	\$79.04	\$364.37	\$211.34	\$51.45	\$262.79	\$108.33	\$9.11	\$117.45
21 Projected Persons Months	551,052	551,052	551,052	59,553	59,553	59,553	26,076	26,076	26,076
22 Projected Total Incurred Claims [20 x 21]	\$157,228,939	\$43,555,639	\$200,784,578	\$12,585,750	\$3,063,873	\$15,649,623	\$2,824,894	\$237,667	\$3,062,561
23 Conversion to Rating Tiers [20 x rating tier x counts]									
Method:	Historical								
	x tier	Projected		x tier	Projected		x tier	Projected	
	factor	Ee Months	PEPM	factor	Ee Months	PEPM	factor	Ee Months	PEPM
a) Employee Only	1.15	187,782	\$419.46	1.14	22,133	\$299.94	1.11	10,727	\$130.89
b) Employee & Spouse	2.91	42,426	\$1,061.99	2.89	4,754	\$759.37	2.78	2,016	\$326.78
c) Employee & Child(ren)	1.79	51,780	\$650.63	1.77	6,070	\$465.23	1.72	1,601	\$201.51
d) Family	3.25	36,377	\$1,184.47	3.22	3,043	\$846.95	3.11	1,856	\$364.79
e) Child(ren) of Medicare Retirees	0.63	792	\$231.16				-		
24 Rates Balance Confirmation		319,157	\$200,784,578		36,000	\$15,649,623		16,200	\$3,062,561

**Note: The figures presented are preliminary and subject to change.**



# ASE Actives



## ASE Detailed Financials



### Premium Rates

Tiering Factor Option **Historical**  
 Historical = from prior years  
 Relation = rates by Ee/Sp/Ch(n)  
 tiers become additive

[Go to Enrollment Changes](#)

[Go to NME Ret](#)

[Go to ME Ret](#)

[Go to PSE](#)

### State / Reserve Contributions

Contribution per Budgeted Position	<b>\$390</b>	
	Employees	Dependents
Contrib. for Gold Plan	<b>75%</b>	<b>50%</b>
Contrib. for Silver Plan	<b>75%</b>	<b>50%</b>
Contrib. for Bronze Plan	<b>100%</b>	<b>50%</b>
Reserve alloc. needed (\$ mil)	<b>\$30.2</b>	

Total Active & Ret (\$ mil)	<b>\$256.7</b>	<b>\$16.9</b>	<b>\$273.6</b>	<b>\$164.1</b>	<b>\$15.1</b>	<b>\$94.4</b>	<b>\$85.3</b>	<b>\$9.1</b>		<b>37,500</b>
Actives	Medical and Pharmacy	Expenses	Total Monthly Premium	State Contributions	Reserve Allocation	2012 EE Total Cost	2011 EE Total Cost	Change in Premiums (\$ / %)		Assumed Enrollment
<b>Gold</b>										
Employee Only	\$419.46	\$40.05	\$459.51	\$315.56	\$29.08	\$114.88	\$95.78	\$19.10	20%	14,059
Employee & Spouse	1,061.99	40.05	1,102.04	609.72	56.18	436.14	367.74	68.40	19%	3,151
Employee & Child(ren)	650.63	40.05	690.68	421.39	38.83	230.46	193.64	36.82	19%	4,238
Family	1,184.47	40.05	1,224.52	665.80	61.34	497.38	419.62	77.76	19%	3,002
Est. Monthly Total (\$mil)	\$15.6	\$1.0	\$16.5	\$10.1	\$0.9	\$5.5	\$4.6	\$0.9		24,450
<b>Silver</b>							(2011 HA)			
Employee Only	\$299.94	\$37.35	\$337.29	\$231.62	\$21.34	\$84.32	\$95.78	(\$11.46)	-12%	1,525
Employee & Spouse	759.37	37.35	796.72	441.96	40.72	314.04	367.74	(53.70)	-15%	283
Employee & Child(ren)	465.23	37.35	502.58	307.30	28.31	166.97	193.64	(26.67)	-14%	449
Family	846.95	37.35	884.30	482.06	44.41	357.83	419.62	(61.79)	-15%	242
Est. Monthly Total (\$mil)	\$1.1	\$0.1	\$1.2	\$0.7	\$0.1	\$0.4	\$0.4	(\$0.1)		2,500
<b>Bronze</b>										
Employee Only	\$130.89	\$34.91	\$165.80	\$151.81	\$13.99	\$0.00	\$7.16	(\$7.16)	-100%	830
Employee & Spouse	326.78	34.91	361.69	241.50	22.25	97.94	154.02	(56.08)	-36%	145
Employee & Child(ren)	201.51	34.91	236.42	184.14	16.97	35.31	60.33	(25.02)	-41%	122
Family	364.79	34.91	399.70	258.90	23.85	116.95	183.54	(66.59)	-36%	152
Est. Monthly Total (\$mil)	\$0.2	\$0.0	\$0.3	\$0.2	\$0.0	\$0.0	\$0.1	(\$0.0)		1,250
Total (Monthly) (\$ mil)	\$16.9	\$1.1	\$18.0	\$11.1	\$1.0	\$5.9	\$5.1	\$0.8		28,200
Est Annual Total (\$ mil)	\$202.6	\$13.4	\$216.0	\$133.2	\$12.3	\$70.5	\$61.1	\$9.4		

9 **Note: The figures presented are preliminary and subject to change.**





# ASE Retirees

## ASE RETIREE RATE DEVELOPMENT for CY2012

Plan: Benefit: Experience Period - Service (Incurred) Dates Experience Period - Processed (Paid) Dates	Non-Medicare (combined with Act; Gold)			Medicare		
	Medical	Pharmacy	Total	Medical	Pharmacy	Total
	2/10 - 1/11	2/10 - 1/11		2/10 - 1/11	2/10 - 1/11	
	2/10 - 2/11	2/10 - 2/11		2/10 - 2/11	2/10 - 2/11	
1 Total Incurred Medical & Rx Claims (Experience Period)*	\$143,177,761	\$41,753,311	\$184,931,071	\$14,698,277	\$17,325,796	\$32,024,073
2 <u>Less High Cost Claims Above (Med/Rx)*</u> <b>\$100,000</b> <b>\$20,000</b>	<u>\$7,046,324</u>	<u>\$3,158,356</u>	<u>\$10,204,680</u>	\$187,985	\$1,456,805	<u>\$1,644,789</u>
<b>3 Net Incurred Claims below Pooling Point [1 - 2]</b>	<b>\$136,131,436</b>	<b>\$38,594,955</b>	<b>\$174,726,391</b>	<b>\$14,510,293</b>	<b>\$15,868,991</b>	<b>\$30,379,284</b>
4 <u>Person Months for Experience Period</u>	599,304	599,304	<b>599,304</b>	102,554	102,554	<b>102,554</b>
<b>5 Net Incurred Claims Per Person Per Month (PPPM) [3 / 4]</b>	<b>\$227.15</b>	<b>\$64.40</b>	<b>\$291.55</b>	<b>\$141.49</b>	<b>\$154.74</b>	<b>\$296.23</b>
6 Change in Benefits During Experience Period	1.0000	1.0000		1.0000	1.0000	
7 Change in Demographics or Risk During Experience Period	0.9943	0.9945		0.9997	1.0000	
8 Change in Geographic During Experience Period	1.0000	1.0000		1.0000	1.0000	
9 a) Annual Trend Rate	7.5%	5.0%		7.0%	5.0%	
b) Months to Trend	23	23		23	23	
c) <u>Trend Adjustment</u>	<u>1.1487</u>	<u>1.0980</u>		<u>1.1385</u>	<u>1.0980</u>	
<b>10 Adjusted Claims Charged PPPM [5 x 6 x 7 x 8 x 9c]</b>	<b>\$259.44</b>	<b>\$70.32</b>	<b>\$329.76</b>	<b>\$161.03</b>	<b>\$169.91</b>	<b>\$330.94</b>
11 <u>Charge for Claims above Pooling Point PPPM</u>	<u>\$11.76</u>	<u>\$5.27</u>	<u>\$17.03</u>	<u>\$1.83</u>	<u>\$14.21</u>	<u>\$16.04</u>
<b>12 Total Claims Charged PPPM [10 + 11]</b>	<b>\$271.19</b>	<b>\$75.59</b>	<b>\$346.79</b>	<b>\$162.86</b>	<b>\$184.11</b>	<b>\$346.97</b>
13 Change in Future Benefits (Level/Mgt/Discounts)	1.0310	1.0100		1.0000	1.0000	
14 Change in Future Demographics (Age/Gender/Family) or Risk	1.0353	1.0353		1.0000	1.0000	
15 Change in Future Geographic	1.0000	1.0000		1.0000	1.0000	
16 <u>Change in Future Network</u>	<u>0.9857</u>	<u>1.0000</u>		<u>1.0000</u>	<u>1.0000</u>	
<b>17 Projected Incurred Claim PPPM [13x 14 x15x16]</b>	<b>\$285.33</b>	<b>\$79.04</b>	<b>\$364.37</b>	<b>\$162.86</b>	<b>\$184.11</b>	<b>\$346.97</b>
18 <u>Projected Persons Months</u>	551,052	551,052	<b>551,052</b>	107,714	107,714	<b>107,714</b>
<b>19 Projected Total Incurred Claims [17 x 18]</b>	<b>\$157,228,939</b>	<b>\$43,556,137</b>	<b>\$200,785,076</b>	<b>\$17,542,355</b>	<b>\$19,831,703</b>	<b>\$37,374,058</b>

**Note: The figures presented are preliminary and subject to change.**



# ASE Retirees

## ASE RETIREE RATE DEVELOPMENT for CY2012

20 Conversion to Rating Tiers	PPPM [17]	<u>x Non-Med.</u>	<u>Non-Med.</u>	<u>x Medicare</u>	<u>Medicare</u>	<u>Projected</u>	<u>TOTAL</u>
Method: <span style="border: 1px solid black; padding: 2px;">Historical</span>		<u>tier factor</u>	<u>PEPM</u>	<u>tier factor</u>	<u>PEPM</u>	<u>Ee Months</u>	<u>PEPM</u>
a) NME Retiree		1.15	\$419.47	-	\$0.00	13,032	\$419.47
b) NME Retiree & NME Spouse		2.91	\$1,061.99	-	\$0.00	4,608	\$1,061.99
c) NME Retiree & Child(ren)		1.79	\$650.63	-	\$0.00	528	\$650.63
d) NME Retiree & NME Spouse & Child(ren)		3.25	\$1,184.48	-	\$0.00	355	\$1,184.48
e) NME Retiree & ME Spouse		1.15	\$419.47	1.00	\$346.97	1,776	\$766.44
f) NME Retiree & ME Spouse & Child(ren)		1.79	\$650.63	1.00	\$346.97	100	\$997.60
g) ME Retiree		-	\$0.00	1.00	\$346.97	56,953	\$346.97
h) ME Retiree & NME Spouse		1.15	\$419.47	1.00	\$346.97	4,269	\$766.44
i) ME Retiree & Child(ren)	0.63	0.63	\$231.16	1.00	\$346.97	643	\$578.14
j) ME Retiree & NME Spouse & Child(ren)		1.79	\$765.01	1.00	\$346.97	297	\$1,111.99
k) ME Retiree & ME Spouse		-	\$0.00	2.00	\$693.95	21,690	\$693.95
l) ME Retiree & ME Spouse & Child(ren)		0.63	\$231.16	2.00	\$693.95	148	\$925.11
<b>20 Rates Balance Confirmation</b>			<b>\$14,135,752</b>		<b>\$37,374,058</b>		<b>\$51,509,810</b>

\* Pharmacy Cost for Medicare has subtracted the RDS Subsidy.

**Note: The figures presented are preliminary and subject to change.**



# ASE Retirees – Not Medicare Eligible

CHEIRON

## ASE Detailed Financials

H-scan

Go to Enrollment Changes

State / Reserve Contributions

Go to Actives

Go to ME Ret

Go to PSE

	Retiree	Dependents
Contrib. for Gold Plan	P	30%
Contrib. for Silver Plan	S	30%
Contrib. for Bronze Plan	0%	0%

Total Active & Ret (\$ mil)	\$256.7	\$16.9	\$273.6	\$164.1	\$15.1	\$94.4	\$85.3	\$9.1		37,500
NME Retirees	Medical and Pharmacy*	Expenses	Total Monthly Premium	State Contributions	Reserve Allocation	2012 Ret. Total Cost	2011 Ret. Total Cost	Change in Premiums / %)	(\$	Assumed Enrollment
<b>Gold</b>										
Retiree Only	\$419.47	\$40.05	\$459.52	\$204.90	\$18.88	\$235.74	\$235.74	\$0.00	0%	1,086
Retiree & NME SP	1,061.99	40.05	1,102.04	481.77	44.39	575.88	575.88	0.00	0%	384
Retiree & Child(ren)	650.63	40.05	690.68	229.68	21.16	439.84	439.84	0.00	0%	44
Retiree & NME SP&CH	1,184.48	40.05	1,224.53	281.84	25.97	916.72	916.72	0.00	0%	30
Retiree & ME SP	766.44	40.05	806.49	370.79	34.16	401.54	401.54	0.00	0%	148
Retiree & ME SP & CH	997.60	40.05	1,037.65	394.53	36.35	606.77	606.77	0.00	0%	8
Est. Monthly Total (\$mil)	\$1.0	\$0.1	\$1.1	\$0.5	\$0.0	\$0.6	\$0.6	\$0.0		1,700
<b>Silver</b>										
Employee Only	\$299.94	\$37.35	\$337.29	\$125.00	\$11.52	\$200.77	\$235.74	(\$34.97)	-15%	319
Employee & Spouse	759.37	37.35	796.72	300.27	27.66	468.78	575.88	(107.10)	-19%	113
Employee & Child(ren)	465.23	37.35	502.58	150.57	13.87	338.13	439.84	(101.71)	-23%	56
Family	846.95	37.35	884.30	207.02	19.07	658.21	916.72	(258.51)	-28%	11
Est. Monthly Total (\$mil)	\$0.2	\$0.0	\$0.2	\$0.1	\$0.0	\$0.1	\$0.2	(\$0.0)		500
<b>Bronze</b>										
Employee Only	\$130.89	\$34.91	\$165.80	\$0.00	\$0.00	\$165.80	\$235.74	(\$69.94)	-30%	64
Employee & Spouse	326.78	34.91	361.69	0.00	0.00	361.69	575.88	(214.19)	-37%	23
Employee & Child(ren)	201.51	34.91	236.42	0.00	0.00	236.42	439.84	(203.42)	-46%	11
Family	364.79	34.91	399.70	0.00	0.00	399.70	916.72	(517.02)	-56%	2
Est. Monthly Total (\$mil)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		100
Total (Monthly) (\$ mil)	\$1.3	\$0.1	\$1.4	\$0.6	\$0.1	\$0.7	\$0.8	(\$0.0)		2,300
Est Annual Total (\$ mil)	\$15.2	\$1.0	\$16.2	\$6.8	\$0.6	\$8.8	\$9.2	(\$0.4)		

Note: The figures presented are preliminary and subject to change.



# ASE Retirees – Medicare Eligible



## ASE Detailed Financials



[Go to Enrollment Changes](#)

[State / Reserve Contributions](#)

[Go to Actives](#)

[Go to NME Ret](#)

[Go to PSE](#)

Contrib. for Gold Plan

Retiree      Dependents

**P**

**40%**

Total Active & Ret (\$ mil)	\$256.7	\$16.9	\$273.6	\$164.1	\$15.1	\$94.4	\$85.3	\$9.1		37,500
ME Retirees	Medical and Pharmacy*	Expenses	Total Monthly Premium	State Contributions	Reserve Allocation	2012 Ret. Total Cost	2011 Ret. Total Cost	Change in Premiums / %)	(\$	Assumed Enrollment
Medicare Eligible										
Retiree Only	\$346.97	\$29.54	\$376.51	\$237.51	\$21.88	\$117.12	\$117.12	\$0.00	0%	4,746
Retiree & NME SP	766.44	29.54	795.98	319.80	29.46	446.72	446.72	0.00	0%	356
Retiree & Child(ren)	578.14	29.54	607.68	268.11	24.71	314.86	314.86	0.00	0%	54
Retiree & NME SP&CH	1,111.99	29.54	1,141.53	455.11	41.94	644.48	644.48	0.00	0%	25
Retiree & ME SP	693.95	29.54	723.49	407.46	37.54	278.49	278.49	0.00	0%	1,807
Retiree & ME SP & CH	925.11	29.54	954.65	438.05	40.36	476.24	476.24	0.00	0%	12
Est. Monthly Total (\$ mil)	\$3.2	\$0.2	\$3.5	\$2.0	\$0.2	\$1.3	\$1.3	\$0.0		7,000
Total (Est. Annual)	\$38.9	\$2.5	\$41.4	\$24.1	\$2.2	\$15.1	\$15.1	\$0.0		

**Note: The figures presented are preliminary and subject to change.**



# Stress-Testing

- State/Reserve Contributions
- Enrollment
  - Migration to silver/bronze
  - Addition of employees waiving coverage
- Health Risks



# Appendices

# Appendix A – PSE Actives

## 10/1/10-12/31/12 Final Rate Details

Actives	Medical and Pharmacy*	Expenses	Corp Health	Retirement Subsidy	Base Monthly Premium	Act 1842 Contrib.	Act 1421 Contrib.	Res. Alloc.	School District Contrib.	2011 EE Total Cost	2010 EE Total Cost	Change in Premiums (\$ / %)	Assumed Enrollment
<b>Health Advantage</b>													
Employee Only	\$347.70	\$37.84	\$6.04	\$11.20	\$402.78	\$57.97	\$24.94	\$18.53	\$131.00	\$170.34	\$152.69	\$17.65 12%	30,042
Employee & Spouse	1,032.36	37.84	9.08	11.20	1,090.48	103.06	44.17	40.51	131.00	771.74	721.45	50.29 7%	1,557
Employee & Child(ren)	653.29	37.84	7.86	11.20	710.19	78.96	33.84	29.52	131.00	436.87	406.05	30.82 8%	5,134
Family	1,036.06	37.84	13.08	11.20	1,098.18	106.73	45.75	40.88	131.00	773.82	723.40	50.42 7%	1,795
Est. Monthly Total (mil \$)	\$17.3	\$1.5	\$0.3	\$0.4	\$19.4	\$2.5	\$1.1	\$0.8	\$5.0	\$10.0	\$9.1	\$0.9	38,528
<b>NovaSys</b>													
Employee Only	\$385.00	\$24.21	\$6.04	\$11.20	\$426.44	\$57.97	\$24.94	\$18.53	\$131.00	\$194.00	\$173.33	\$20.67 12%	2,962
Employee & Spouse	1,113.21	24.21	9.08	11.20	1,157.70	103.06	44.17	40.51	131.00	838.96	779.05	59.91 8%	116
Employee & Child(ren)	710.43	24.21	7.86	11.20	753.70	78.96	33.84	29.52	131.00	480.38	443.21	37.17 8%	520
Family	1,117.23	24.21	13.08	11.20	1,165.72	106.73	45.75	40.88	131.00	841.36	781.20	60.16 8%	182
Est. Monthly Total (mil \$)	\$1.8	\$0.1	\$0.0	\$0.0	\$2.0	\$0.2	\$0.1	\$0.1	\$0.5	\$1.1	\$1.0	\$0.1	3,780
<b>NovaSys HD PPO</b>													
Employee Only	\$206.10	\$24.21	\$6.04	\$11.20	\$247.54	\$57.97	\$24.94	\$18.53	\$131.00	\$15.10	\$48.19	(\$33.09) -69%	1,855
Employee & Spouse	607.35	24.21	9.08	11.20	651.84	103.06	44.17	40.51	131.00	333.10	429.93	(96.83) -23%	154
Employee & Child(ren)	385.42	24.21	7.86	11.20	428.68	78.96	33.84	29.52	131.00	155.36	217.98	(62.62) -29%	241
Family	609.56	24.21	13.08	11.20	658.06	106.73	45.75	40.88	131.00	333.70	430.84	(97.14) -23%	293
Est. Monthly Total (mil \$)	\$0.7	\$0.1	\$0.0	\$0.0	\$0.9	\$0.2	\$0.1	\$0.1	\$0.3	\$0.2	\$0.3	-\$0.1	2,543
Total (Monthly) (mil \$)	\$19.9	\$1.6	\$0.3	\$0.5	\$22.3	\$2.9	\$1.3	\$1.0	\$5.9	\$11.2	\$10.4	\$0.8	44,851
Est. Annual Total (mil \$)	\$238.3	\$19.3	\$3.6	\$6.0	\$267.3	\$35.0	\$15.0	\$11.8	\$70.5	\$134.9	\$124.9	\$10.0	



# Appendix A – PSE Retirees 2011 Final Rate Details

Retirees	Medical	Prescription Drug	Corp Health		Total Monthly Premium	Subsidy from Active Employees	Reserve Allocation			2010 Total Cost	2009 Total Cost	Change in Retiree Premiums (\$ / %)	Assumed Enrollment
<b>Non-Medicare Eligible</b>													
Retiree Only	\$413.54	\$37.84	\$6.04		\$457.42	\$0.00				\$457.42	\$527.62	(\$70.20) -13%	1,818
Retiree & NME SP	1,105.09	37.84	9.08		1,152.01	0.00				1,152.01	1,213.72	(\$61.71) -5%	204
Retiree & Child(ren)	722.58	37.84	7.86		768.28	0.00				768.28	939.28	(\$171.00) -18%	11
Retiree & NME SP&CH	1,108.90	37.84	13.08		1,159.82	0.00				1,159.82	1,900.80	(\$740.98) -39%	2
Retiree & ME SP	552.96	37.84	6.04		596.82	0.00				596.82	609.70	(\$12.88) -2%	-
Retiree & ME SP & CH	862.01	37.84	7.86		907.71	0.00				907.71	1,004.01	(\$96.30) -10%	-
Est. Monthly Total (mil \$)	\$1.0	\$0.1	\$0.0		\$1.1	\$0.0				\$1.1	\$1.2	-\$0.1	2,035
<b>Medicare Eligible</b>													
Retiree Only	\$134.75	\$15.41	Not Offered		\$150.16	\$108.72				\$41.44	\$41.44	\$0.00 0%	4,739
Retiree & NME SP	552.96	15.41	Not Offered		568.37	-				568.37	674.34	(\$105.97) -16%	136
Retiree & Child(ren)	443.79	15.41	Not Offered		459.20	38.03				421.17	421.17	\$0.00 0%	12
Retiree & NME SP&CH	862.01	15.41	Not Offered		877.42	-				877.42	1,054.07	(\$176.65) -17%	3
Retiree & ME SP	269.50	15.41	Not Offered		284.91	114.32				170.59	170.59	\$0.00 0%	440
Retiree & ME SP & CH	578.55	15.41	Not Offered		593.96	43.64				550.32	550.32	\$0.00 0%	2
Est. Monthly Total (mil \$)	\$0.8	\$0.1	\$0.0		\$0.9	\$0.6				\$0.4	\$0.4	\$0.0	5,332
Total (Est. Monthly)	\$1.8	\$0.2	\$0.0		\$2.0	\$0.6				\$1.4	\$1.6	(\$0.2)	7,367
Est. Annual Total (mil \$)	\$21.9	\$1.9	\$0.2		\$24.0	\$6.8				\$17.2	\$19.1	-\$1.9	



# Appendix A – ASE Actives 2011 Final Rate Details

Actives	Medical and Pharmacy	Expenses	Corp Health	Total Monthly Premium	State Contributions	Reserve Allocation	2011 EE Total Cost	2010 EE Total Cost	Change in Premiums (\$ / %)	Assumed Enrollment
<b>Health Advantage</b>										
Employee Only	\$359.09	\$36.47	\$6.00	\$401.56	\$305.78	\$0.00	\$95.78	\$95.78	\$0.00 0%	14,614
Employee & Spouse	912.33	36.47	12.00	960.80	593.06	0.00	367.74	367.74	0.00 0%	3,563
Employee & Child(ren)	556.69	36.47	9.60	602.76	409.12	0.00	193.64	193.64	0.00 0%	4,217
Family	1,011.13	36.47	19.80	1,067.40	647.78	0.00	419.62	419.62	0.00 0%	3,134
Est. Monthly Total (\$ mil)	\$14.0	\$0.9	\$0.2	\$15.2	\$10.3	\$0.0	\$4.8	\$4.8	\$0.0	25,528
<b>NovaSys</b>										
Employee Only	\$399.13	\$22.84	\$6.00	\$427.97	\$305.78	\$0.00	\$122.19	\$96.36	\$25.83 27%	756
Employee & Spouse	991.81	22.84	12.00	1,026.65	593.06	0.00	433.59	369.18	64.41 17%	141
Employee & Child(ren)	610.82	22.84	9.60	643.26	409.12	0.00	234.14	194.54	39.60 20%	209
Family	1,097.65	22.84	19.80	1,140.29	647.78	0.00	492.50	421.22	71.28 17%	121
Est. Monthly Total (\$ mil)	\$0.7	\$0.0	\$0.0	\$0.7	\$0.5	\$0.0	\$0.3	\$0.2	\$0.0	1,227
<b>NovaSys HD PPO</b>										
Employee Only	\$284.10	\$22.84	\$6.00	\$312.94	\$305.78	\$0.00	\$7.16	\$20.60	(\$13.44) -65%	578
Employee & Spouse	712.24	22.84	12.00	747.08	593.06	0.00	154.02	187.34	(33.32) -18%	127
Employee & Child(ren)	437.01	22.84	9.60	469.45	409.12	0.00	60.33	80.86	(20.53) -25%	103
Family	788.69	22.84	19.80	831.33	647.78	0.00	183.54	220.42	(36.88) -17%	120
Est. Monthly Total (\$ mil)	\$0.4	\$0.0	\$0.0	\$0.4	\$0.4	\$0.0	\$0.1	\$0.1	(\$0.0)	928
Total (Monthly) (\$ mil)	\$15.1	\$1.0	\$0.3	\$16.3	\$11.2	\$0.0	\$5.2	\$5.1	\$0.0	27,683
Est Annual Total (\$ mil)	\$181.3	\$11.8	\$3.0	\$196.1	\$134.3	\$0.0	\$61.9	\$61.5	\$0.3	



# Appendix A – ASE Retirees 2011 Final Rate Details

Retirees	Medical and Pharmacy Expenses	Corp Health	Total Monthly Premium	State Contributions	Reserve Allocation	2011 Ret. Total Cost	2010 Ret. Total Cost	Change in Premiums (\$ / %)	Assumed Enrollment	
<b>Non-Medicare Eligible</b>										
Retiree Only	\$359.09	\$36.47	\$6.00	\$401.56	\$165.82	\$0.00	\$235.74	\$235.74	\$0.00 0%	1,360
Retiree & NME SP	912.33	36.47	12.00	960.80	384.92	0.00	575.88	575.88	0.00 0%	488
Retiree & Child(ren)	556.69	36.47	9.60	602.76	162.92	0.00	439.84	439.84	0.00 0%	57
Retiree & NME SP&CH	1,011.13	36.47	19.80	1,067.40	150.68	0.00	916.72	916.72	0.00 0%	33
Retiree & ME SP	696.35	36.47	6.00	738.82	337.28	0.00	401.54	401.54	0.00 0%	-
Retiree & ME SP & CH	893.94	36.47	9.60	940.01	333.24	0.00	606.77	606.77	0.00 0%	-
Est. Monthly Total (\$ mil)	\$1.0	\$0.1	\$0.0	\$1.1	\$0.4	\$0.0	\$0.7	\$0.7	\$0.0	1,938
<b>Medicare Eligible</b>										
Retiree Only	\$332.33	\$15.41	Not Offered	\$347.74	\$230.62	\$0.00	\$117.12	\$117.12	\$0.00 0%	4,641
Retiree & NME SP	696.35	15.41	Not Offered	711.76	265.04	0.00	446.72	446.72	0.00 0%	533
Retiree & Child(ren)	529.93	15.41	Not Offered	545.34	230.48	0.00	314.86	314.86	0.00 0%	44
Retiree & NME SP&CH	893.94	15.41	Not Offered	909.35	264.87	0.00	644.48	644.48	0.00 0%	27
Retiree & ME SP	664.67	15.41	Not Offered	680.08	401.59	0.00	278.49	278.49	0.00 0%	1,785
Retiree & ME SP & CH	862.27	15.41	Not Offered	877.68	401.44	0.00	476.24	476.24	0.00 0%	16
Est. Monthly Total (\$ mil)	\$3.2	\$0.1	\$0.0	\$3.3	\$2.0	\$0.0	\$1.3	\$1.3	\$0.0	7,045
Total (Est. Monthly)	\$4.2	\$0.2	\$0.0	\$4.4	\$2.4	\$0.0	\$2.0	\$2.0	\$0.0	8,983
Total (Est. Annual)	\$49.9	\$2.2	\$0.2	\$52.2	\$28.6	\$0.0	\$23.7	\$23.7	\$0.0	



# Appendix B - Benefit Options

<b>Benefit Option Name:</b>	<b>Gold</b>	<b>Silver (Tentative)</b>	<b>Bronze (Tentative)</b>
<b>Last Modified:</b>	<b>1/1/2012</b>	<b>1/1/2012</b>	<b>1/1/2012</b>
<b>Plan Coverage Relative Value:</b>	<b>1.00</b>	<b>0.92</b>	<b>0.82</b>
<b>Provider Network:</b>	<b>Health Advantage</b>	<b>TBD</b>	<b>TBD</b>
<b><u>In-Network (INN) Benefits</u></b>			
Deductible (Individual / Family)	None / None	\$500 / \$1000	\$1500 / \$3000
Coinsurance	20%	20%	20%
Copays			
Office Visit (OV)-Primary Care (PCP)	\$25	\$35	Ded. & Coins.
OV - Specialist Care Provider (SCP)	\$35	\$50	Ded. & Coins.
Urgent Care (UC)	\$100	\$150	Ded. & Coins.
Hospital Emergency Room (ER) Non-admitted	\$100	\$150	Ded. & Coins.
Outpatient Surgery	\$100 then Ded. & Coins.	\$100 then Ded. & Coins.	Ded. & Coins.
Hospital Inpatient	\$250 then Ded. & Coins.	\$250 then Ded. & Coins.	Ded. & Coins.
Out-of-Pocket Max (Individual / Family)	\$1500 / \$3000	\$2000 / \$4000	\$2500 / \$5000
<b><u>Out-of-Network (OON) Benefits</u><sup>1</sup></b>			
Deductible (Individual / Family)	\$1000 / \$2000	\$1000 / \$2000	\$3000 / \$6000
Coinsurance	40%	40%	40%
Out-of-Pocket (OOP) Max (Individual / Family)	\$5000 / \$10000	\$5000 / \$10000	\$5000 / \$10000
<b>Annual Maximum INN / OON</b>	<b>Unlimited / \$1,000,000</b>	<b>Unlimited / \$1,000,000</b>	<b>Unlimited / \$1,000,000</b>
<b><u>Prescription Drugs</u></b>			
Separate Deductible then the following Copays:			
Retail (30 Days) - Generic/Formulary /Non-Form.	\$10 / \$30 / \$60	\$15 / \$35 / \$70	Ded. & Coins.
Mail Order (90 Days) - Generic/Form. /Non-Form.	\$10 / \$30	\$15 / \$35	Ded. & Coins.
<b><u>Selected Detail Benefits</u></b>			
Mental Health (MH) / Substance Abuse (SA):	IP: \$250 then Ded & Coins; OP: Ded & Coins	IP: \$250 then Ded & Coins; OP: Ded & Coins	Ded. & Coins.
Psychiatry	INN: \$25 Copay; OON: Ded & Coins.	INN: \$35 Copay; OON: Ded & Coins.	Ded. & Coins.
Rehabilitation (i.e., speech, occup. physical):	Ded & Coins.	Ded & Coins.	Ded. & Coins.
Chiropractors:	\$35 then Ded & Coins	\$35 then Ded & Coins	Ded. & Coins.
Hearing Aids:	No Cost; Limit of \$1400 per ear every 3 years	No Cost; Limit of \$1400 per ear every 3 years	Ded. & Coins.
Preventive Care:	INN: No Cost; OON: Coins. except immun. no cost	INN: No Cost; OON: Coins. except immun. no cost	INN: No Cost; OON: Coins. except immun. no cost



# Appendix B - Benefit Options (Cont.)

<b>Medical Management</b>			
PCP referral to specialists required:	No	No	No
Inpatient:	Health Advantage (HA) - Patient Responsible	TBD	TBD
Outpatient:	Selected	Selected	Selected
Case Management:	Yes	Yes	Yes
Disease Management:	Yes, select conditions	Yes, select conditions	Yes, select conditions
Wellness	Yes	Yes	Yes
Nurse-Line / Informed Decision Support:	Yes	Yes	Yes
<b>Medicare Integration:</b>			
Coordination of Benefits	Yes, same as NME	Not Available	Not Available
Non- Medicare Benefits Covered:	Non-Par & Non-Accepting		
Non- Medicare Providers Covered:	Non-Par & Non-Accepting		
Pharmacy Covered:			
<b>Vision Care Services</b>			
Exam every 24 months - INN	\$35 Copay	\$35 Copay	\$35 Copay
<b>Flexible Spending Account Offered:</b>			
	Yes	Yes	Yes
<b>Health Savings Account Offered:</b>			
	No	No	Yes
<b>Life Insurance (ASE Only)</b>			
Prior to Age 65	\$10,000	\$10,000	\$10,000
From Age 65 to Age 69	\$5,000	\$5,000	\$5,000
From Age 70 on	\$4,000	\$4,000	\$4,000

<sup>1</sup>When an in-network provider is not available within 50 miles for a hospital and 25 miles for all other providers, then in-network



# Appendix C

## Assumptions & Methods

### Total Rate Projection Methodology:

The H-Scan model methodology includes several options when projecting rates. First, choose a period for the per person per month (PPM) experience period. These claims are trended to the projection period, starting from 1/1/2012 using the trend factors below (or those input by the user of H-scan). Next, decide which groups to combine for rating. This includes the options of whether or not to blend ASE and PSE, Actives and Non-Medicare Eligible (NME) Retirees, and NovaSys and NovaSys HD. Once the rating groups are set, decide on the appropriate tiering factors, primarily deciding whether or not to use the current tiering factors. The resulting rates will reflect the decisions displayed in the Rating Options. For expenses, we relied on actual and expected vendor fees plus estimated EBD expenses.

### Total Rate Projection Assumptions:

**Population Projection:** As shown in the detailed financials

**Investment return\*:** 0%

ASE / PSE Annual Trend*:	Medical	Behavioral Health	Pharmacy	Life	Expenses
non-Medicare:	7.50%	0.00%	5.00%	0.00%	0.00%
Medicare:	7.00%	0.00%	5.00%	0.00%	0.00%

\* Unless otherwise shown in the screen capture. Please see additional analyses on following page.

**ASE / PSE Benefit Ratio:** As Shown on Rating Worksheet

**ASE / PSE Change in Geo Factors:** As Shown on Rating Worksheet

**ASE / PSE Change in Demo Factors:** As Shown on Rating Worksheet

**ASE / PSE Change in Network:** As Shown on Rating Worksheet

Expenses:	Per Subscriber Per Month	Actives	Actives	Actives	Retirees	Retirees	EBD*	Rx
		Health Adv/Gold	NovaSys/Silver	HD/Bronze	Non-Medicare	Medicare		
	ASE 2010	\$27.13	\$13.90	\$13.90	\$20.74	\$15.41	\$8.34	\$1.15
	ASE 2011	\$27.53	\$13.90	\$13.90	\$20.74	\$15.41	\$7.80	\$1.15
	ASE 2012	\$27.04	\$24.34	\$21.90	\$29.70	\$29.70	\$16.72	\$2.50
	PSE 2010	\$27.13	\$13.90	\$13.90	\$20.74	\$15.41	\$6.21	\$0.91
	PSE 2011	\$27.53	\$13.90	\$13.90	\$20.74	\$15.41	\$9.26	\$1.45
	PSE 2012	\$27.04	\$24.34	\$21.90	\$27.04	\$27.04	\$8.18	\$2.30

\* Assumed to include UAM expenses (both Rx and Medical), EAP, weight management, smoking cessation, and Integrail cost. This applies to Actives for 2010, and for Actives & NME retirees thereafter.

**Rx Rebates:** None Assumed

**Part D Subsidy:** The Part D Subsidy is assumed to be approximately 15.5% of Incurred Rx Claims

**Seasonality:** We have not used seasonality factors, instead we are requiring that the base and projected period be for an annual period.



# Appendix C

## Assumptions & Methods (Cont.)

### Used for Incurred Claims Development:

**Method:** We calculated the Paid-to-Date claims by network provider and major rate structure (Actives, Non-Medicare Retirees v. Medicare Retirees) by using the claims triangles for Health Advantage and the individual claims and eligibility databases for NovaSys and InformedRx. To determine the relationship and family tiers, we link each claim to the eligibility database. Also, we use the Plan ID in the eligibility data for each month to determine whether a member should be considered as part of the Active, Non-Medicare Retiree or Medicare Retiree Plan. Finally, we applied the below completion factors to the Paid-to-Date claims to calculate the Incurred claims.

#### ASE / PSE Paid-to-Date Claims:

Health Advantage: Service dates from January 1, 2010 to December 31, 2010 and process dates from January 1, 2009 to February 28, 2011.  
 NovaSys: Service dates from January 1, 2010 to February 28, 2011 and process dates from January 1, 2009 to February 28, 2011.  
 Pharmacy: Service dates from January 1, 2010 to February 28, 2011 and process dates from January 1, 2009 to February 28, 2011.

#### ASE / PSE Completion Factors:

Health Advantage: We used the data from lag reports with service dates from January 1, 2008 to February 28, 2011 and process dates from January 1, 2008 to February 28, 2011 to develop the completion factors.  
 NovaSys: We used the individual claims database with service dates from January 1, 2008 to February 28, 2011 and process dates from January 1, 2008 to February 28, 2011 to develop the completion factors. We aggregated the data by network provider and major rate structure (Actives, Non-Medicare Retirees v. Medicare Retirees)  
 Pharmacy: We used the individual claims database with service dates from January 1, 2008 to February 28, 2011 and process dates from January 1, 2008 to February 28, 2011 to develop the completion factors. We aggregated the data by network provider and major rate structure (Actives, Non-Medicare Retirees v. Medicare Retirees)

ASE						<u>ARHealth Non-</u>	<u>Pharmacy Non-</u>	<u>ARHealth Medicare</u>	<u>Pharmacy</u>
		<u>Health Advantage</u>	<u>NovaSys</u>	<u>HD PPO</u>	<u>Pharmacy</u>	<u>Medicare Retirees</u>	<u>Medicare Retirees</u>	<u>Retirees</u>	<u>Medicare Retirees</u>
	January-10	0.999	0.994	0.978	1.000	1.000	1.000	0.997	1.000
	February-10	0.999	0.992	0.977	1.000	0.999	1.000	0.996	1.000
	March-10	0.998	0.991	0.973	1.000	0.998	0.999	0.996	1.000
	April-10	0.998	0.990	0.973	1.000	0.998	0.999	0.995	1.000
	May-10	0.996	0.988	0.969	1.000	0.997	0.998	0.993	1.000
	June-10	0.995	0.984	0.967	1.000	0.997	0.997	0.990	1.000
	July-10	0.995	0.982	0.963	1.000	0.986	0.996	0.988	1.000
	August-10	0.993	0.976	0.951	0.999	0.986	0.996	0.984	0.999
	September-10	0.988	0.967	0.920	0.999	0.980	0.995	0.972	0.999
	October-10	0.978	0.956	0.898	0.999	0.972	0.994	0.962	0.999
	November-10	0.946	0.906	0.854	0.999	0.959	0.993	0.941	0.998
	December-10	0.896	0.865	0.821	0.999	0.912	0.992	0.894	0.998
	January-11	0.755	0.686	0.658	0.999	0.763	0.991	0.661	0.997
	February-11	0.252	0.191	0.162	0.999	0.237	0.991	0.048	0.997

PSE						<u>ARHealth Non-</u>	<u>Pharmacy Non-</u>	<u>ARHealth Medicare</u>	<u>Pharmacy</u>
		<u>Health Advantage</u>	<u>NovaSys</u>	<u>HD PPO</u>	<u>Pharmacy</u>	<u>Medicare Retirees</u>	<u>Medicare Retirees</u>	<u>Retirees</u>	<u>Medicare Retirees</u>
	January-10	0.998	0.999	0.994	1.000	0.996	1.000	0.999	1.000
	February-10	0.998	0.999	0.994	1.000	0.995	1.000	0.998	1.000
	March-10	0.998	0.997	0.992	1.000	0.995	1.000	0.984	1.000
	April-10	0.997	0.996	0.992	1.000	0.991	1.000	0.982	1.000
	May-10	0.996	0.995	0.991	1.000	0.990	1.000	0.981	1.000
	June-10	0.993	0.993	0.989	1.000	0.989	1.000	0.979	1.000
	July-10	0.992	0.992	0.986	1.000	0.985	1.000	0.972	1.000
	August-10	0.990	0.988	0.978	1.000	0.982	1.000	0.967	1.000
	September-10	0.984	0.984	0.965	0.999	0.970	1.000	0.959	1.000
	October-10	0.972	0.977	0.919	0.999	0.955	1.000	0.949	1.000
	November-10	0.951	0.964	0.893	0.999	0.940	1.000	0.928	1.000
	December-10	0.889	0.928	0.811	0.999	0.894	1.000	0.882	1.000
	January-11	0.743	0.774	0.645	0.999	0.745	1.000	0.670	1.000
	February-11	0.244	0.228	0.166	0.999	0.250	1.000	0.049	1.000

Note that Life and Behavioral health are insured. Therefore, no completion factors are needed. Actual premium was used and trended.



# Appendix C

## Assumptions & Methods (Cont.)

### Rating Tier Methodology:

To develop the rates by family status, we take the prior approved rating tier factors and multiply them by a factor to adjust for the current enrollment selection for each of the major groupings: Active - Health Advantage, Actives: NovaSys, Actives - HD PPO, Non-Medicare Retirees, and Medicare Retirees. We further adjusted the mixed split with a Medicare and Non-Medicare covered adult to be the same.

### Allocation of Rate Methodology:

Once the total rates are developed, we split the contributions to cover the rates first by removing the costs that have already been legislated to be covered from reserves. We then allow the user to select the methodology for allocating the remainder of the rates. The total actual cost may be somewhat impacted by the desired allocation as participant selection of Plan option and coverage could be impacted.

### Rate Allocation Assumptions:

	<u>Actives</u>	<u>Retirees</u>		
<b>Previously adopted reserves allocations:</b>				
ASE / PSE 2010:	\$0.00	\$0.00		
ASE / PSE 2011:	\$0.00	\$0.00		
ASE / PSE 2012:	\$0.00	\$0.00		
<b><u>ASE</u></b>				
State Contribution per Budget Position per Month:	\$390		<b><u>PSE</u></b>	
Interest Income:	\$0		District Contribution per Enrolled per Month:	\$131
			Additional State Contributions (in Millions):	\$50
			Interest Income:	\$0

\* Unless otherwise shown in the screen capture.

### Standard Statements:

**Reliance Statement:** In preparing our report, we relied without audit, on information (some oral and some written) supplied by the Employee Benefits Division and the Plan's vendors. This information includes, but is not limited to, the plan provisions, employee data, and financial information.

**Results presented in this presentation are preliminary and should not be used for final rates.**