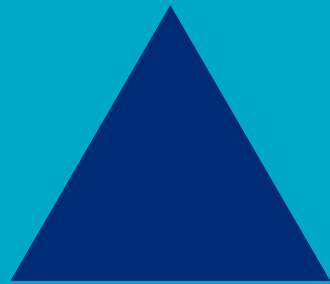


HEALTH WEALTH CAREER

2017 MEDICAL PROPOSALS

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST

MEDICAL PROPOSALS



PROCESS

- We submitted an RFP to Aetna, Group Health Cooperative, and Regence to solicit proposals for the 7 medical plan designs offered today by UHC.
- Group Health declined to quote ESEBT due to the non-Group Health population reflecting higher demographic risk.
- The following slides provide commentary and plan design impact that would occur under a move from UHC to Aetna or Regence.
- Enrollment by plan and tier have been updated with recent census data and is assumed to be similar to plans as of 2016 with UHC.
- To move to Aetna or Regence from the current 2016 renewal with UHC and GHC, it would be an estimated [increase/decrease] of:
 - Aetna “Match Current” : \$____
 - Aetna ACO Options 2 & 5 :
 - Regence :

ASSUMPTIONS/COMMENTARY

- UHC is assumed at a 12% increase, there is a strong chance the renewal will come in above 12%
 - Renewal is scheduled for release toward the end of July
- Population health concerns
 - Most of the carriers noted the higher than average large claim activity
 - There is one individual on the plan that is a hemophiliac

COMMENTARY

- Regence
 - Unable to match current plan designs as offered through UHC
 - Regence proposed their standard plan designs from their school district pool program
 - Regence was unwilling to meet Mercer's request to match current plans
 - The financial comparison for Regence is favorable, but the cost reduction is driven by reductions in benefit value
 - For example, the lowest deductible is \$750
 - Rates are illustrative and subject to WEA and GHC finalized renewals

COMMENTARY

- Aetna
 - The plan designs are similar but do not match exactly
 - They have offered the proposed similar plan designs with and without an ACO option for plans 2 & 5
 - They are not able to administer the COB as currently administered through UHC/WEA
 - Their rates are illustrative and are awaiting additional experience on the hemophiliac
 - Aetna is also offering a \$65,000 wellness/communications/implementation credit
 - Aetna is also offering their upgraded concierge customer service model for Everett understanding the need to provide top tier customer service

REGENCE

PLAN DESIGN OFFERINGS

Innova 750	Innova A	Innova B	Engage 70
Broad Network	Broad Network	Broad Network	Broad Network
\$750 deductible	\$1,000/\$2,000 deductible	\$750/\$1,500 deductible	\$750 deductible
80/60/60% coinsurance	80/60/60% coinsurance	75/50/50% coinsurance	70/70/70% coinsurance
\$3,250 OOP max	\$4,000 OOP max	\$3,500 OOP max	\$5,750 OOP max
\$20/\$35 OV	\$15 OV	\$30/\$45 OV	\$0 OV
Rx \$5/\$20/\$40 \$0 Ded	Rx \$0/30%/30%/35% \$500 Ded (waived for generics)	Rx \$0/\$30/\$45/\$75 \$250 Ded (waived for generics)	Rx \$5/\$20/\$40/\$75 \$0 Ded

Innova 2500	HSA 1500
Broad Network	Broad Network
\$2,500 deductible	\$1,500 deductible
80/60/60% coinsurance	80/60/60% coinsurance
\$5,000 OOP max	\$5,000 OOP max
\$30/\$45 OV	\$0 OV
Rx \$0/\$30/\$45/\$75 \$500 Ded (waived if generic)	coinsurance

COMPARISON OF UHC AND AETNA MATCH CURRENT RENEWAL RATES AND ANNUALIZED COST

Effective January 1, 2016			Effective January 1, 2017			Effective January 1, 2017				
2016 (CURRENT) Health Plans (UHC & GHC)			2017 (RENEWAL) (ESTIMATED) Health Plans (UHC & GHC)			2017 (ALTERNATIVE) Aetna - Match Current				
Total			Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	% Change Over Renewal
PPO Plan 2						Open Choice PPO - Option 2				
\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$10/\$20/\$35 Rx			\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$10/\$20/\$35 Rx			\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$5/\$20/\$40 Rx				
Employee Only	94	\$882.62	\$988.53	\$105.91	12.00%	\$997.83	\$115.21	\$9.30	13.05%	0.94%
Employee / Spouse	44	\$1,615.24	\$1,809.07	\$193.83	12.00%	\$2,046.97	\$431.73	\$237.90	26.73%	13.15%
Employee / Childrer	50	\$1,178.31	\$1,319.71	\$141.40	12.00%	\$1,421.27	\$242.96	\$101.56	20.62%	7.70%
Employee / Family	37	\$1,936.50	\$2,168.88	\$232.38	12.00%	\$2,507.00	\$570.50	\$338.12	29.46%	15.59%
Annualized Total	225	\$3,415,234	\$3,825,060	\$409,825	12.00%	\$4,172,222	\$756,988	\$347,163	22.17%	9.08%
PPO Plan 3						Open Choice PPO - Option 3				
\$300 Ded; \$30 OVC; \$2,750 OOP; 80%; \$15/\$25/\$40 Rx			\$300 Ded; \$30 OVC; \$2,750 OOP; 80%; \$15/\$25/\$40 Rx			\$300 Ded; \$30 OVC; \$2,950 OOP; 80%; \$15/\$25/\$40 Rx				
Employee Only	178	\$789.89	\$884.68	\$94.79	12.00%	\$650.62	(\$139.27)	(\$234.06)	(17.63%)	(26.46%)
Employee / Spouse	101	\$1,445.54	\$1,619.00	\$173.46	12.00%	\$1,423.44	(\$22.10)	(\$195.56)	(1.53%)	(12.08%)
Employee / Childrer	108	\$1,054.51	\$1,181.05	\$126.54	12.00%	\$957.72	(\$96.79)	(\$223.33)	(9.18%)	(18.91%)
Employee / Family	102	\$1,733.05	\$1,941.02	\$207.97	12.00%	\$1,745.25	\$12.20	(\$195.77)	0.70%	(10.09%)
Annualized Total	489	\$6,927,098	\$7,758,354	\$831,256	12.00%	\$6,492,325	(\$434,773)	(\$1,266,029)	(6.28%)	(16.32%)
PPO Plan 1						Open Choice PPO - Option 1				
\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx			\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx			\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx				
Employee Only	43	\$1,060.79	\$1,188.08	\$127.29	12.00%	\$1,664.83	\$604.04	\$476.75	56.94%	40.13%
Employee / Spouse	16	\$1,941.29	\$2,174.24	\$232.95	12.00%	\$3,267.63	\$1,326.34	\$1,093.39	68.32%	50.29%
Employee / Childrer	20	\$1,416.17	\$1,586.11	\$169.94	12.00%	\$2,311.73	\$895.56	\$725.62	63.24%	45.75%
Employee / Family	11	\$2,327.41	\$2,606.70	\$279.29	12.00%	\$3,970.47	\$1,643.06	\$1,363.77	70.60%	52.32%
Annualized Total	90	\$1,567,194	\$1,755,254	\$188,060	12.00%	\$2,565,354	\$998,160	\$810,100	63.69%	46.15%
PPO Plan 4						Open Choice PPO - Option 4				
\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30% Rx			\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30% Rx			\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$5/\$20/\$40 Rx				
Employee Only	97	\$560.65	\$627.93	\$67.28	12.00%	\$461.81	(\$98.84)	(\$166.12)	(17.63%)	(26.46%)
Employee / Spouse	29	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$1,001.94	(\$24.08)	(\$147.20)	(2.35%)	(12.81%)
Employee / Childrer	50	\$748.47	\$838.29	\$89.82	12.00%	\$679.82	(\$68.65)	(\$158.47)	(9.17%)	(18.90%)
Employee / Family	53	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,238.78	\$8.69	(\$138.92)	0.71%	(10.08%)
Annualized Total	229	\$2,241,071	\$2,510,002	\$268,932	12.00%	\$2,081,978	(\$159,093)	(\$428,024)	(7.10%)	(17.05%)

COMPARISON OF UHC AND AETNA MATCH CURRENT RENEWAL RATES AND ANNUALIZED COST

		Effective January 1, 2016	Effective January 1, 2017			Effective January 1, 2017				
		2016 (CURRENT)	2017 (RENEWAL) (ESTIMATED)			2017 (ALTERNATIVE)				
		Health Plans (UHC & GHC)	Health Plans (UHC & GHC)			Aetna - Match Current				
		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
PPO Plan 5						Open Choice PPO - Option 5				
		\$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45 Rx	\$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45 Rx			\$750 Ded; \$30 OVC; \$3,500 OOP; 80%; \$250-\$5/\$20/\$40 Rx				
Employee Only	13	\$560.65	\$627.93	\$67.28	12.00%	\$450.73	(\$109.92)	(\$177.20)	(19.61%)	(28.22%)
Employee / Spouse	4	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$977.89	(\$48.13)	(\$171.25)	(4.69%)	(14.90%)
Employee / Childrer	9	\$748.47	\$838.29	\$89.82	12.00%	\$663.52	(\$84.95)	(\$174.77)	(11.35%)	(20.85%)
Employee / Family	12	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,209.03	(\$21.06)	(\$168.67)	(1.71%)	(12.24%)
Annualized Total	38	\$394,678	\$442,040	\$47,362	12.00%	\$363,013	(\$31,665)	(\$79,027)	(8.02%)	(17.88%)
PPO Plan 6						Open Choice PPO - Option 6				
		\$100 Ded; \$35 OVC; \$4,200 OOP; 65%; \$500-\$0/\$30/\$45 Rx	\$100 Ded; \$35 OVC; \$4,200 OOP; 65%; \$500-\$0/\$30/\$45 Rx			\$100 Ded; \$35 OVC; \$4,000 OOP; 70%; \$500-\$5/\$20/\$40 Rx				
Employee Only	11	\$560.65	\$627.93	\$67.28	12.00%	\$433.64	(\$127.01)	(\$194.29)	(22.65%)	(30.94%)
Employee / Spouse	1	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$940.83	(\$85.19)	(\$208.31)	(8.30%)	(18.13%)
Employee / Childrer	5	\$748.47	\$838.29	\$89.82	12.00%	\$638.36	(\$110.11)	(\$199.93)	(14.71%)	(23.85%)
Employee / Family	6	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,163.22	(\$66.87)	(\$214.48)	(5.44%)	(15.57%)
Annualized Total	23	\$219,793	\$246,168	\$26,376	12.00%	\$190,584	(\$29,209)	(\$55,584)	(13.29%)	(22.58%)
PPO Plan 7 (HDHP)						Open Choice PPO - Option 7 (HSA)				
		\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx	\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx			\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx				
Employee Only	16	\$438.43	\$491.04	\$52.61	12.00%	\$361.13	(\$77.30)	(\$129.91)	(17.63%)	(26.46%)
Employee / Spouse	4	\$802.35	\$898.63	\$96.28	12.00%	\$783.50	(\$18.85)	(\$115.13)	(2.35%)	(12.81%)
Employee / Childrer	6	\$585.31	\$655.55	\$70.24	12.00%	\$531.59	(\$53.72)	(\$123.96)	(9.18%)	(18.91%)
Employee / Family	4	\$961.93	\$1,077.36	\$115.43	12.00%	\$968.71	\$6.78	(\$108.65)	0.70%	(10.08%)
Annualized Total	30	\$211,006	\$236,327	\$25,320	12.00%	\$191,718	(\$19,289)	(\$44,609)	(9.14%)	(18.88%)
HMO (GHC)						GHC HMO				
		No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx	No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx			No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx				
Employee Only	208	\$818.75	\$864.85	\$46.10	5.63%	\$864.85	\$46.10	\$0.00	5.63%	0.00%
Employee / Spouse	83	\$1,547.44	\$1,634.57	\$87.13	5.63%	\$1,634.57	\$87.13	\$0.00	5.63%	0.00%
Employee / Childrer	91	\$1,129.88	\$1,193.49	\$63.61	5.63%	\$1,193.49	\$63.61	\$0.00	5.63%	0.00%
Employee / Family	137	\$1,850.38	\$1,954.56	\$104.18	5.63%	\$1,954.56	\$104.18	\$0.00	5.63%	0.00%
Annualized Total	519	\$7,860,704	\$8,303,293	\$442,589	5.63%	\$8,303,293	\$442,589	\$0	5.63%	0.00%
Combined Total										
		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
Annualized Total	1,582	\$22,222,307	\$24,388,290	\$2,165,983	9.75%	\$23,806,890	\$1,584,583	(\$581,400)	7.13%	(2.38%)
Annualized Increase										(\$581,400)

All estimates based upon the information available at a point in time are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate.

COMPARISON OF UHC AND AETNA ACO OPTIONS 2 & 5 RENEWAL RATES AND ANNUALIZED COST

		Effective January 1, 2016	Effective January 1, 2017			Effective January 1, 2017				
		2016 (CURRENT)	2017 (RENEWAL)			2017 (ALTERNATIVE)				
		Health Plans (UHC & GHC)	Health Plans (UHC & GHC)			Aetna - Match Current & ACO Option 2&5				
		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	% Change Over Renewal
PPO Plan 2						Open Choice PPO - ACO Option 2				
		\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$10/\$20/\$35 Rx	\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$10/\$20/\$35 Rx			\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$5/\$20/\$40 Rx				
Employee Only	94	\$882.62	\$988.53	\$105.91	12.00%	\$873.09	(\$9.53)	(\$115.44)	(1.08%)	(11.68%)
Employee / Spouse	44	\$1,615.24	\$1,809.07	\$193.83	12.00%	\$1,791.08	\$175.84	(\$17.99)	10.89%	(0.99%)
Employee / Childrer	50	\$1,178.31	\$1,319.71	\$141.40	12.00%	\$1,243.60	\$65.29	(\$76.11)	5.54%	(5.77%)
Employee / Family	37	\$1,936.50	\$2,168.88	\$232.38	12.00%	\$2,193.61	\$257.11	\$24.73	13.28%	1.14%
Annualized Total	225	\$3,415,234	\$3,825,060	\$409,825	12.00%	\$3,650,659	\$235,425	(\$174,401)	6.89%	(4.56%)
PPO Plan 3						Open Choice PPO - Option 3				
		\$300 Ded; \$30 OVC; \$2,750 OOP; 80%; \$15/\$25/\$40 Rx	\$300 Ded; \$30 OVC; \$2,750 OOP; 80%; \$15/\$25/\$40 Rx			\$300 Ded; \$30 OVC; \$2,950 OOP; 80%; \$15/\$25/\$40 Rx				
Employee Only	178	\$789.89	\$884.68	\$94.79	12.00%	\$654.36	(\$135.53)	(\$230.32)	(17.16%)	(26.03%)
Employee / Spouse	101	\$1,445.54	\$1,619.00	\$173.46	12.00%	\$1,431.61	(\$13.93)	(\$187.39)	(0.96%)	(11.57%)
Employee / Childrer	108	\$1,054.51	\$1,181.05	\$126.54	12.00%	\$963.21	(\$91.30)	(\$217.84)	(8.66%)	(18.44%)
Employee / Family	102	\$1,733.05	\$1,941.02	\$207.97	12.00%	\$1,755.27	\$22.22	(\$185.75)	1.28%	(9.57%)
Annualized Total	489	\$6,927,098	\$7,758,354	\$831,256	12.00%	\$6,529,595	(\$397,503)	(\$1,228,759)	(5.74%)	(15.84%)
PPO Plan 1						Open Choice PPO - Option 1				
		\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx	\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx			\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx				
Employee Only	43	\$1,060.79	\$1,188.08	\$127.29	12.00%	\$1,674.39	\$613.60	\$486.31	57.84%	40.93%
Employee / Spouse	16	\$1,941.29	\$2,174.24	\$232.95	12.00%	\$3,286.39	\$1,345.10	\$1,112.15	69.29%	51.15%
Employee / Childrer	20	\$1,416.17	\$1,586.11	\$169.94	12.00%	\$2,325.00	\$908.83	\$738.89	64.18%	46.59%
Employee / Family	11	\$2,327.41	\$2,606.70	\$279.29	12.00%	\$3,993.26	\$1,665.85	\$1,386.56	71.58%	53.19%
Annualized Total	90	\$1,567,194	\$1,755,254	\$188,060	12.00%	\$2,580,082	\$1,012,888	\$824,828	64.63%	46.99%
PPO Plan 4						Open Choice PPO - Option 4				
		\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30% Rx	\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30% Rx			\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$5/\$20/\$40 Rx				
Employee Only	97	\$560.65	\$627.93	\$67.28	12.00%	\$464.46	(\$96.19)	(\$163.47)	(17.16%)	(26.03%)
Employee / Spouse	29	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$1,007.69	(\$18.33)	(\$141.45)	(1.79%)	(12.31%)
Employee / Childrer	50	\$748.47	\$838.29	\$89.82	12.00%	\$683.72	(\$64.75)	(\$154.57)	(8.65%)	(18.44%)
Employee / Family	53	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,245.89	\$15.80	(\$131.81)	1.28%	(9.57%)
Annualized Total	229	\$2,241,071	\$2,510,002	\$268,932	12.00%	\$2,093,926	(\$147,145)	(\$416,077)	(6.57%)	(16.58%)

COMPARISON OF UHC AND AETNA ACO OPTIONS 2 & 5 RENEWAL RATES AND ANNUALIZED COST

		Effective January 1, 2016	Effective January 1, 2017			Effective January 1, 2017				
		2016 (CURRENT)	2017 (RENEWAL)			2017 (ALTERNATIVE)				
		Health Plans (UHC & GHC)	Health Plans (UHC & GHC)			Aetna - Match Current & ACO Option 2&5				
		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
PPO Plan 5						Open Choice PPO - ACO Option 5				
		\$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45 Rx	\$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45 Rx			\$750 Ded; \$30 OVC; \$3,500 OOP; 80%; \$250-\$5/\$20/\$40 Rx				
Employee Only	13	\$560.65	\$627.93	\$67.28	12.00%	\$394.39	(\$166.26)	(\$233.54)	(29.65%)	(37.19%)
Employee / Spouse	4	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$855.65	(\$170.37)	(\$293.49)	(16.60%)	(25.54%)
Employee / Childrer	9	\$748.47	\$838.29	\$89.82	12.00%	\$580.57	(\$167.90)	(\$257.72)	(22.43%)	(30.74%)
Employee / Family	12	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,057.90	(\$172.19)	(\$319.80)	(14.00%)	(23.21%)
Annualized Total	38	\$394,678	\$442,040	\$47,362	12.00%	\$317,635	(\$77,043)	(\$124,405)	(19.52%)	(28.14%)
PPO Plan 6						Open Choice PPO - Option 6				
		\$100 Ded; \$35 OVC; \$4,200 OOP; 65%; \$500-\$0/\$30/\$45 Rx	\$100 Ded; \$35 OVC; \$4,200 OOP; 65%; \$500-\$0/\$30/\$45 Rx			\$100 Ded; \$35 OVC; \$4,000 OOP; 70%; \$500-\$5/\$20/\$40 Rx				
Employee Only	11	\$560.65	\$627.93	\$67.28	12.00%	\$436.13	(\$124.52)	(\$191.80)	(22.21%)	(30.54%)
Employee / Spouse	1	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$946.23	(\$79.79)	(\$202.91)	(7.78%)	(17.66%)
Employee / Childrer	5	\$748.47	\$838.29	\$89.82	12.00%	\$642.02	(\$106.45)	(\$196.27)	(14.22%)	(23.41%)
Employee / Family	6	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,169.90	(\$60.19)	(\$207.80)	(4.89%)	(15.08%)
Annualized Total	23	\$219,793	\$246,168	\$26,376	12.00%	\$191,678	(\$28,115)	(\$54,490)	(12.79%)	(22.14%)
PPO Plan 7 (HDHP)						Open Choice PPO - Option 7 (HSA)				
		\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx	\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx			\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx				
Employee Only	16	\$438.43	\$491.04	\$52.61	12.00%	\$363.20	(\$75.23)	(\$127.84)	(17.16%)	(26.03%)
Employee / Spouse	4	\$802.35	\$898.63	\$96.28	12.00%	\$788.00	(\$14.35)	(\$110.63)	(1.79%)	(12.31%)
Employee / Childrer	6	\$585.31	\$655.55	\$70.24	12.00%	\$534.64	(\$50.67)	(\$120.91)	(8.66%)	(18.44%)
Employee / Family	4	\$961.93	\$1,077.36	\$115.43	12.00%	\$974.27	\$12.34	(\$103.09)	1.28%	(9.57%)
Annualized Total	30	\$211,006	\$236,327	\$25,320	12.00%	\$192,817	(\$18,189)	(\$43,509)	(8.62%)	(18.41%)
HMO (GHC)						GHC HMO				
		No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx	No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx			No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx				
Employee Only	208	\$818.75	\$864.85	\$46.10	5.63%	\$864.85	\$46.10	\$0.00	5.63%	0.00%
Employee / Spouse	83	\$1,547.44	\$1,634.57	\$87.13	5.63%	\$1,634.57	\$87.13	\$0.00	5.63%	0.00%
Employee / Childrer	91	\$1,129.88	\$1,193.49	\$63.61	5.63%	\$1,193.49	\$63.61	\$0.00	5.63%	0.00%
Employee / Family	137	\$1,850.38	\$1,954.56	\$104.18	5.63%	\$1,954.56	\$104.18	\$0.00	5.63%	0.00%
Annualized Total	519	\$7,860,704	\$8,303,293	\$442,589	5.63%	\$8,303,293	\$442,589	\$0	5.63%	0.00%
Combined Total										
		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
Annualized Total	1,582	\$22,222,307	\$24,388,290	\$2,165,983	9.75%	\$23,350,372	\$1,128,065	(\$1,037,918)	5.08%	(4.26%)
Annualized Increase										(\$1,037,918)

All estimates based upon the information available at a point in time are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate.

COMPARISON OF UHC AND REGENCE RENEWAL RATES AND ANNUALIZED COST

Effective January 1, 2016		Effective January 1, 2017			Effective January 1, 2017				
2016 (CURRENT) Health Plans (UHC & GHC)		2017 (RENEWAL) Health Plans (UHC & GHC)			2017 (ALTERNATIVE) Regence				
PPO Plan 2		Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	% Change Over Renewal
		\$200 Ded; \$25 OVC; \$1,500 OOP; 80%; \$10/\$20/\$35 Rx			Engage 70 \$750 Ded; \$0 OVC; \$5750 OOP; 70%; \$5/\$20/\$40/\$75 Rx				
Employee Only	94	\$882.62	\$988.53	\$105.91	12.00%	\$709.21	(\$173.41)	(\$279.32)	(19.65%) (28.26%)
Employee / Spouse	44	\$1,615.24	\$1,809.07	\$193.83	12.00%	\$1,297.89	(\$317.35)	(\$511.18)	(19.65%) (28.26%)
Employee / Childrer	50	\$1,178.31	\$1,319.71	\$141.40	12.00%	\$946.83	(\$231.48)	(\$372.88)	(19.65%) (28.25%)
Employee / Family	37	\$1,936.50	\$2,168.88	\$232.38	12.00%	\$1,555.99	(\$380.51)	(\$612.89)	(19.65%) (28.26%)
Annualized Total	225	\$3,415,234	\$3,825,060	\$409,825	12.00%	\$2,744,232	(\$671,002)	(\$1,080,827)	(19.65%) (28.26%)
PPO Plan 3		Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	% Change Over Renewal
		\$300 Ded; \$30 OVC; \$2,750 OOP; 80%; \$15/\$25/\$40 Rx			Innova 2500 \$2500 Ded; \$30 OVC; \$5,000 OOP; 80%; \$500 - \$0/\$30/\$45/\$75 Rx				
Employee Only	178	\$789.89	\$884.68	\$94.79	12.00%	\$675.43	(\$114.46)	(\$209.25)	(14.49%) (23.65%)
Employee / Spouse	101	\$1,445.54	\$1,619.00	\$173.46	12.00%	\$1,236.09	(\$209.45)	(\$382.91)	(14.49%) (23.65%)
Employee / Childrer	108	\$1,054.51	\$1,181.05	\$126.54	12.00%	\$901.74	(\$152.77)	(\$279.31)	(14.49%) (23.65%)
Employee / Family	102	\$1,733.05	\$1,941.02	\$207.97	12.00%	\$1,481.89	(\$251.16)	(\$459.13)	(14.49%) (23.65%)
Annualized Total	489	\$6,927,098	\$7,758,354	\$831,256	12.00%	\$5,923,348	(\$1,003,750)	(\$1,835,006)	(14.49%) (23.65%)
PPO Plan 1		Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	% Change Over Renewal
		\$200 Ded; \$15 OVC; \$500 OOP; 90%; \$10/\$15/\$30 Rx			Innova 750 \$750 Ded; \$20 OVC; \$3250 OOP; 80%; \$5/\$20/\$40 Rx				
Employee Only	43	\$1,060.79	\$1,188.08	\$127.29	12.00%	\$928.72	(\$132.07)	(\$259.36)	(12.45%) (21.83%)
Employee / Spouse	16	\$1,941.29	\$2,174.24	\$232.95	12.00%	\$1,699.63	(\$241.66)	(\$474.61)	(12.45%) (21.83%)
Employee / Childrer	20	\$1,416.17	\$1,586.11	\$169.94	12.00%	\$1,239.88	(\$176.29)	(\$346.23)	(12.45%) (21.83%)
Employee / Family	11	\$2,327.41	\$2,606.70	\$279.29	12.00%	\$2,037.60	(\$289.81)	(\$569.10)	(12.45%) (21.83%)
Annualized Total	90	\$1,567,194	\$1,755,254	\$188,060	12.00%	\$1,372,083	(\$195,111)	(\$383,171)	(12.45%) (21.83%)

COMPARISON OF UHC AND REGENCE RENEWAL RATES AND ANNUALIZED COST

		Effective January 1, 2016	Effective January 1, 2017			Effective January 1, 2017				
		2016 (CURRENT) Health Plans (UHC & GHC)	2017 (RENEWAL) Health Plans (UHC & GHC)			2017 (ALTERNATIVE) Regence				
PPO Plan 4, 5, 6		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
		\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30% Rx \$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45 Rx \$100 Ded; \$35 OVC; \$4,200 OOP; 65%; \$500-\$0/\$30/\$45 Rx	\$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30% Rx \$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45 Rx \$100 Ded; \$35 OVC; \$4,200 OOP; 65%; \$500-\$0/\$30/\$45 Rx			Innova A & B \$1,000 Ded; \$15 OVC; \$4,000 OOP; 80%; \$500-\$0/30%/30%/35% Rx \$750 Ded; \$30 OVC; \$3,500 OOP; 75%; \$250-\$0/\$30/\$45/\$75 Rx				
Employee Only	121	\$560.65	\$627.93	\$67.28	12.00%	\$788.00	\$227.35	\$160.07	40.55%	25.49%
Employee / Spouse	34	\$1,026.02	\$1,149.14	\$123.12	12.00%	\$1,442.11	\$416.09	\$292.97	40.55%	25.49%
Employee / Childrer	64	\$748.47	\$838.29	\$89.82	12.00%	\$1,052.02	\$303.55	\$213.73	40.56%	25.50%
Employee / Family	71	\$1,230.09	\$1,377.70	\$147.61	12.00%	\$1,728.87	\$498.78	\$351.17	40.55%	25.49%
Annualized Total	290	\$2,855,542	\$3,198,211	\$342,669	12.00%	\$4,013,505	\$1,157,964	\$815,295	40.55%	25.49%
PPO Plan 7 (HDHP)		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
		\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx	\$1,500 Ded; \$4,000 OOP; 80%; 20% Rx			HSA 1500 \$1,500 Ded; \$5,000 OOP; 80%; 20% Rx				
Employee Only	16	\$438.43	\$491.04	\$52.61	12.00%	\$600.79	\$162.36	\$109.75	37.03%	22.35%
Employee / Spouse	4	\$802.35	\$898.63	\$96.28	12.00%	\$1,099.50	\$297.15	\$200.87	37.03%	22.35%
Employee / Childrer	6	\$585.31	\$655.55	\$70.24	12.00%	\$802.10	\$216.79	\$146.55	37.04%	22.36%
Employee / Family	4	\$961.93	\$1,077.36	\$115.43	12.00%	\$1,318.14	\$356.21	\$240.78	37.03%	22.35%
Annualized Total	30	\$211,006	\$236,327	\$25,320	12.00%	\$289,150	\$78,143	\$52,823	37.03%	22.35%
HMO (GHC)		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
		No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx	No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx			GHC HMO No Ded; \$15 OV; \$2,000 OOP; No Coins; \$10/20/NC Rx				
Employee Only	208	\$818.75	\$864.85	\$46.10	5.63%	\$864.85	\$46.10	\$0.00	5.63%	0.00%
Employee / Spouse	83	\$1,547.44	\$1,634.57	\$87.13	5.63%	\$1,634.57	\$87.13	\$0.00	5.63%	0.00%
Employee / Childrer	91	\$1,129.88	\$1,193.49	\$63.61	5.63%	\$1,193.49	\$63.61	\$0.00	5.63%	0.00%
Employee / Family	137	\$1,850.38	\$1,954.56	\$104.18	5.63%	\$1,954.56	\$104.18	\$0.00	5.63%	0.00%
Annualized Total	519	\$7,860,704	\$8,303,293	\$442,589	5.63%	\$8,303,293	\$442,589	\$0	5.63%	0.00%
Combined Total		Total	Total	\$ Increase	% Change	Total	\$ Increase Over Current	\$ Increase Over Renewal	% Change Over Current	Over Renewal
Annualized Total	1,643	\$22,836,778	\$25,076,498	\$2,239,720	9.81%	\$22,645,611	-\$191,166	(\$2,430,887)	(0.84%)	(9.69%)
Annualized Increase						(\$2,430,887)				

All estimates based upon the information available at a point in time are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate.

NEXT STEPS

- Review the formal WEA renewal release and prepare a financial scenario under this option to be presented in August
- Receive the UHC renewal, scheduled for end of July to include June claims experience, and update financial comparison with actual UHC renewal rates
- Consider finalist meeting with Aetna?

MAKE
TOMORROW,
TODAY

