



New York State/SUNY GASB 45 Valuation

*Development of Recommended Actuarial Assumptions
Participating Employer Version*

June 2015

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Executive Summary

At the request of the New York State Department of Civil Service (DCS), Aon Hewitt has developed actuarial assumptions for use by New York State and SUNY for the April 1, 2014 valuation of its obligation for postemployment benefits other than pension plans (OPEB) under Governmental Accounting Standard (GASB) Statement 45. The basis for the development of these assumptions is outlined in our September 10, 2014 report (updated June 2015) to New York State Department of Civil Service (DCS), ***New York State/SUNY Development of Recommended Actuarial Assumptions for 4/1/2014 GASB 45 Actuarial Valuation.*** Employers who are Participating Employers (PEs) of the New York State Health Insurance Program (NYSHIP) may need to value their OPEB obligation under GASB 45. In order to assist PEs with their valuation, and at the request of DCS, Aon Hewitt has prepared this separate report, which presents the excerpts of our reports that may be relevant to the PEs. The assumptions in this report are a Statement of Actuarial Opinion, prepared by Tom Vicente and Mike Morfe. Both Mr. Morfe and Mr. Vicente are Fellows of the Society of Actuaries and are Members of the American Academy of Actuaries and have met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The Actuarial Assumptions Section presents assumptions that we and/or DCS believe may be relevant to the PEs along with some basic rationale for many of the selections. The rest of the report provides more detail and support for development of certain major assumptions.

This report is being provided to PEs solely as guidance. Because Aon Hewitt prepared assumptions strictly for use by the State and SUNY in valuing its OPEB obligation, the assumptions discussed herein may or may not be appropriate for an individual PE. Each employer should assess its own demographics and healthcare environment in order to develop the actuarial assumptions most appropriate for its own population, in consultation with its own actuarial and financial advisors. Furthermore, because some employers provide their retirees or other former employees with other post-employment benefits not through NYSHIP, such as medical benefits through HMOs or other benefits such as dental and life insurance, each PE will need to determine its own actuarial assumptions appropriate for valuing these benefits.

Actuarial Assumptions

Actuarial assumptions are assumptions as to the occurrence of future events affecting OPEB costs. We performed the April 1, 2014 GASB 45 actuarial valuation for New York State and SUNY based on the following Actuarial Assumptions:

MEASUREMENT DATE: The valuation is performed as of April 1, 2014. In the ordinary course of our valuation work, results are to be rolled forward to establish the ARCs for the various Fiscal Years.

DISCOUNT RATE: 3.155% per annum as of April 1, 2014 – the average Short Term Investment Pool rate for the past 20 years, as developed by the Office of State Comptroller. Since the plan is not pre-funded, the discount rate assumption is based on the yield of unrestricted employer assets. This rate is higher than the 3.112% per annum rate used for the April 1, 2012 valuation.

PER-CAPITA PLAN COSTS: GASB 45 indicates that per capita plan costs should be based upon claim costs or age adjusted premiums. State enrollees comprise over 50% of the overall Empire Plan enrollment. Changes in the demographics of State employees and retirees more immediately affect overall Empire Plan costs than other, smaller groups. Therefore, we believe it is more appropriate to establish per capita plan costs for the State's valuation of its liability based on the underlying Empire Plan claim costs of the retiree groups being valued.

For retirees in the Empire Plan, the per capita costs were based on 2013 incurred claims, paid through March 31, 2014, for the hospital, medical, MH/SA, and prescription drug benefit programs for retired participants in the State plan (excluding PA and PE participants), along with enrollment, split between Medicare eligible and non-Medicare eligible participants. The experience was projected to the period April 1, 2014 – March 31, 2015, and adjusted. The age 65 rates are shown below:

Coverage	Non- Medicare Eligible	Medicare Eligible	
		Before EGWP	Reflects EGWP Revenue
Medical	\$11,902	\$1,520	\$1,520
Drug	<u>2,707</u>	<u>2,707</u>	<u>1,729</u>
Total	\$14,609	\$4,227	\$3,249

Certain individuals are enrolled in Medicare Part D prescription Drug Plans (generally low income individuals who qualify for various federal additional benefits). NYSHIP does not

currently provide drug benefits for these individuals.

Exception for PEs: *GASB 45 indicates that per capita plan costs should be developed based on claims cost or age adjusted premium, with the exception for community rated plans based on the current Actuarial Standard of Practice No. 6 (“ASOP 6”). ASOP 6 allows community rated plans to use unadjusted net premium rates charged for both active employees and retirees. The Empire Plan is experience rated at the policyholder lever, but community rated at the PE level. (HMOs are community rated both at the policyholder level and at the PE level.) Since PEs pay the same premium for active and retirees, it would, therefore, generally be permissible under current guidance for PEs to use unadjusted premium rates to establish per capita plan costs. However, proposed changes to the ASOP #6 would change generally accepted actuarial practice to restrict the use of community rated premiums potentially limiting its availability for use by PEs. Each individual PE should determine appropriate assumptions for its own valuation purposes with its own actuary and financial advisors.*

Exhibit 2-1 summarizes the projected Fiscal Year 2015 premiums for HMOs and the Empire Plan. We developed these premiums based on the 2014 net premium rates (effective July 1, 2014), trended to Fiscal Year 2015. The 2015 premium rates were not available as of the preparation of this report, nor were they available when assumptions were set for the April 1, 2014 valuation.

Note for PEs: *Effective July 1, 2012, NYSHIP began including the Medicare Part B Premium reimbursement as a component of cost used to calculate retiree contributions for the Participating Employer employees and retirees. The premiums shown on Exhibit 2-1 reflect this component. The 2013 Empire Plan premium rates reflect the impact of the decision to adopt an EGWP. Since the Empire Plan will provide drug benefits to Medicare retirees through an EGWP, the per capita claims cost assumptions are based on premiums reflecting EGWP. We have estimated the impact of the EGWP on the Empire Plan premiums and indicate that amount on Exhibit 2-1.*

MEDICARE PART B PREMIUM: The State reimburses the Medicare Part B premium of Medicare eligible participants, the cost of which is socialized across all plan participants through plan premium rates. For Fiscal Year 2015, we project the average Medicare Part B premium to be \$1,259 per Medicare eligible individual. This amount is based on the Part B premium rate for 2014 for participants with income of less than \$85,000.

Note for PEs: *PEs using community rated premium rates that reflect Part B premium reimbursement costs would not be expected to separately measure the value of Part B premium reimbursement*

MEDICARE COORDINATION: Medicare is assumed to remain the primary payor for current and future retirees and spouses who are at least age 65. Medicare can also be the primary payor for individuals under age 65 who have been eligible to receive Social Security Disability benefits for 24 months, which in turn starts after a waiting period of 5 months of disability. For valuation purposes, Medicare is assumed to be the primary payor for current retirees and spouses under age 65 if the census data indicated that Medicare is currently the primary payor. Certain individuals who are at least age 65 as of the valuation date are not indicated as being on Medicare in the census data. For valuation purposes, we will assume individuals who have attained age 66 as of the valuation date never go onto Medicare. Individuals who are age 65 but not coded as being on Medicare will be assumed to be affected by an administrative lag and thus are assumed to enroll in Medicare immediately.

We reviewed the census data for disability retirees who have been retired long enough to qualify for Medicare. Based on that data, we have assumed that Medicare will ultimately be the primary payor for 40% of future disabled PFRS participants and 80% of all other future disabled participants. We have assumed for valuation purposes that the average period for qualifying for disability retirement is five months, thus we assume that Medicare commences for disability retirees once they have been on disability retirement for 24 months. We have also assumed that Medicare will be the primary payor for the same proportions of those disability retirees who have been retired less than 24 months once they have been on disability retirement for 24 months. For the remaining participants who are currently disabled or who become disabled, we have assumed that Medicare is the primary payor at age 65.

Note for PEs: *These assumptions may not be appropriate for PEs using community rated premium rates.*

HEALTH CARE COST TREND: Per-capita retiree plan costs and premiums used to establish retiree contribution rates are assumed to increase each year in accordance with the following schedule:

From year	To year	Medical			Rx	EGWP Revenue
		<65	65+			
2014/15 ==>	2015/16	8.25%	5.50%	6.75%	5.00%	
2015/16 ==>	2016/17	7.50%	5.40%	6.50%	5.00%	
2016/17==>	2017/18	6.75%	5.30%	6.25%	5.00%	
2017/18==>	2018/19	6.25%	5.20%	6.00%	5.00%	
2018/19 ==>	2019/20	5.75%	5.10%	5.75%	5.00%	
2019/20 ==>	2020/21	5.50%	5.00%	5.50%	5.00%	
2020/21 ==>	2021/22	5.25%	4.90%	5.25%	5.00%	
2021/22 ==>	2022/23	5.00%	4.80%	5.00%	5.00%	
2022/23 +		4.75%	4.75%	4.75%	4.75%	

The drug trend shown above applies to the drug costs and premiums associated with both the Empire Plan and HMOs. In addition, the non-Medicare eligible medical trend applies for those HMOs which do not distinguish different costs and premiums between non-Medicare and Medicare eligibles.

We assume that average fiscal year Medicare Part B premiums will increase at the same underlying health care trends as for Medical benefits to Medicare retirees.

Note for PEs: *These Medical Pre 65 trend assumptions may not be appropriate for PEs using community rated premium rates.*

AGE RELATED MORBIDITY: To reflect the differences in covered healthcare expenses due to aging, the increase in the per-capita plan costs for each age is assumed to be as follows:

Age	Medical Costs	Rx
40-44	3.0%	4.8%
45-49	3.7%	4.7%
50-54	4.2%	4.7%
55-59	4.4%	4.6%
60-64	3.7%	4.6%
65-69	2.7%	3.8%
70-74	1.8%	2.5%
75-79	2.2%	0.8%
80-84	2.8%	0.2%
85-89	1.4%	0.1%
90+	0.0%	0.0%

The age related morbidity is only applied to the per-capita plan costs for the Empire Plan.

Note for PEs: *This assumption will most likely not apply to PEs using community rated premium rates.*

HIGH COST PLAN EXCISE TAX: The health care reform legislation added a new high cost plan excise tax (also known as the “Cadillac tax”) starting in calendar year 2018. For valuation purposes, we will assume that the value of the tax will be passed back to NYSHIP in higher premium rates and that this additional cost is also shared with the retiree using the same contribution percentages that are applied.

The tax is 40% of the excess of a) the cost of coverage over b) the limit. We will calculate “a” (the cost of coverage) using the premiums that are the basis of retiree contributions (i.e., based on Exhibit 2-1). We will calculate “b” (the limit) starting with the statutory limits (\$10,200 single and \$27,500 family), adjusted for the following:

- Limits will increase from 2018 to 2019 by 3.75% (CPI plus 1%);
- Limits will increase after 2019 by 2.75% (CPI);
- For retirees over age 55 but not on Medicare, the limit will be increased additional dollar amount of \$1,650 for single coverage, \$3,450 for family coverage¹; and
- Accumulated estimated medical/drug trend for the period from 2010 through 2018 for the federal standard Blue Cross/Blue Shield option will be compared with the assumed 55% trend increase embodied in the High Cost Plan Excise Tax statutory language, with trend in excess of 55% applied on the base amount before the additional amount for “early” retirees.

MORTALITY: Based on the experience under the New York State & Local Retirement System and the New York State Teachers’ Retirement System.

In order to reflect future mortality improvement, the mortality is projected generationally using scale MP 2014. The base tables are shown in Exhibit 2-2, which were published effective 2010 for ERS and PFRS and approximately 2013 for TRS. All projections to each payment year start with these tables.

SUNY Campus employees who are not clearly identifiable as PFRS members are valued using TRS assumptions.

¹ Additional Amounts are available at other ages for plans sponsored by an employer where the majority of employees are engaged in high risk professions including law enforcement officers. Since only a minority of the retirees in the NY State valuation is police, we are assuming this exception would not apply. However it may be that a participating employer would qualify for this additional limit.

WITHDRAWAL, DISABILITY, AND RETIREMENT: Rates of decrement as summarized in Exhibits 2-3 through 2-5. The rates are based on the experience under the New York State & Local Retirement System and the New York State Teachers' Retirement System, except as noted.

SUNY Campus employees who are not clearly identifiable as PFRS participants are valued using TRS assumptions, with modifications to the TRS retirement rates. SUNY Hospital employee withdrawal rates are based on actual SUNY hospital experience. Retirement rates for SUNY Syracuse Hospital employees have been modified to reflect SUNY experience. These assumptions have not been altered since the last valuation.

Note for PEs: Each individual PE should determine appropriate assumptions to use for its own valuation purposes. For more information on these assumptions, please see discussion in the Demographic Assumptions Section.

PROJECTED SALARY INCREASE ASSUMPTION: Based on the experience under the New York State & Local Retirement System and the New York State Teachers' Retirement System, as summarized in Exhibit 2-6.

GENERAL INFLATION: 2.75% assumed long-term inflation.

VESTEE COVERAGE: Vestees pay 100% of premium prior to eligibility for retiree medical benefits. Beginning at age 55, we value all vestees – those in HMOs as well as those in the Empire Plan – consistent with our valuation assumption for retirees.

For current vestees, we assume all will opt to switch from vestee status to retiree status at age 55.

For future vested terminations, we have assumed that the following percentage of terminated employees (excluding those terminated due to death, disability or retirement) will elect to remain in their current medical plan option as a vestee:

Age	Percent Electing
Under 40	0%
40-43	5%
44	20%
45-46	30%
47-48	40%
49	50%
50-51	80%
52-54	100%

For those vestees in the Empire Plan, we assume they retire at age 55.

Note for PEs: *These participants will not produce any liability until they retire for those PEs using community rated premium rates.*

PLAN ELECTIONS: 100% of future retirees who are currently participating in NYSHIP coverage are assumed to participate in the retiree medical program at retirement. 100% of Active participants in the NYSHIP opt-out program are assumed to be covered under NYSHIP in retirement. We assume that all retirees (i.e., current actives and current non-Medicare eligible retirees) will participate in their current medical plan option prior to Medicare eligibility, with the exception of active participants in the NYSHIP opt-out program. Those participants are assumed to elect coverage in the Empire Plan at retirement.

For current non-Medicare eligible retirees and future retirees, all who currently participate in the Empire Plan are assumed to remain in the Empire Plan upon becoming eligible for Medicare. For those currently in HMOs, 32% of current non-Medicare retirees and 32% of future retirees will migrate to the Empire Plan upon attainment of Medicare eligibility. The HMO migration assumption for future retirees is unchanged since the previous valuation, and the assumption for current non-Medicare retirees remained the same. This is because a larger portion of current actives are already in the Empire Plan, resulting in less migration at Medicare eligibility.

In all instances, spouses are assumed to participate in the same medical plan option as the retiree. If the retiree is deceased, the spouse is assumed to participate in the same healthcare plan as the retiree would have been assumed to participate in if he or she were alive.

Note for PEs: *This assumption was based on the experience of the State and SUNY retirees. Plan elections and enrollment may differ for a different population.*

DEPENDENTS: For current retirees, actual data is used regarding dependent coverage. For future retirees, we modeled the percentage of active participants married as well as the age difference between the enrollee and spouse, based on data for older actives and recent retirees. We assume 60% of males and 50% of females will be married at retirement, and all married spouses will be covered under NYSHIP. Female spouses are assumed to be 3 years younger than their husbands, and male spouses are assumed to be 2 years older than their wives.

Note for PEs: *This assumption was based on the experience of the State and SUNY retirees. Each PE should consider the demographics of its own population when developing this assumption.*

ASSETS: We assume the State will not set aside any assets to prefund its retiree medical liabilities.

CENSUS DATA: Census data was provided by New York State Department of Civil Service as of April 1, 2014. Reasonable assumptions were made if any data elements are unavailable or if any data elements are not within a reasonable range.

Note for PEs: *Individual agency census data will be provided by DCS upon request.*

SUBSEQUENT EVENTS: We prepared our valuation results in December 2014, based on assumptions originally developed in September 2014. We have not revised our valuation to reflect updated Empire Plan claim experience, Empire Plan premiums, or Medicare Part B premiums, nor any other more recent event except as noted.

EXHIBIT 2-1
Projected NYSHIP Premium Rates
4/1/2013-3/31/2014

Name	Code		Premiums used for Contributions		
			NonRx	Rx	Total
HIP	050	Retiree/SS	\$6,768	\$1,327	\$8,095
		Spouse	\$9,521	\$1,924	\$11,445
MVP Rochester	058	Retiree/SS	\$5,023	\$1,208	\$6,231
		Spouse	\$7,225	\$1,812	\$9,037
Independent Health	059	Retiree/SS	\$6,083	\$1,509	\$7,592
		Spouse	\$7,558	\$3,539	\$11,097
MVP East	060	Retiree/SS	\$5,566	\$1,132	\$6,699
		Spouse	\$8,075	\$1,698	\$9,773
CDPHP Capital	063	Retiree/SS	\$5,769	\$1,146	\$6,915
		Spouse	\$8,344	\$1,719	\$10,063
Blue Choice	066	Retiree/SS	\$5,324	\$984	\$6,308
		Spouse	\$7,819	\$1,503	\$9,321
BlueCross BlueShield of Western New York	067	Retiree/SS	\$5,549	\$1,681	\$7,230
		Spouse	\$7,835	\$2,772	\$10,607
HMO Blue CNY	072	Retiree/SS	\$8,618	\$1,743	\$10,361
		Spouse	\$12,484	\$2,406	\$14,889
HMO Blue Utica/ Watertown	160	Retiree/SS	\$8,768	\$1,590	\$10,359
		Spouse	\$13,655	\$2,369	\$16,024
Aetna	210	Retiree/SS	\$8,816	\$2,210	\$11,026
		Spouse	\$17,254	\$2,711	\$19,965
GHI - Albany	220	Retiree/SS	\$7,499	\$1,936	\$9,436
		Spouse	\$12,023	\$3,000	\$15,023
EBCBS - Upstate	280	Retiree/SS	\$7,438	\$1,844	\$9,282
		Spouse	\$11,649	\$2,951	\$14,600
EBCBS - Downstate	290	Retiree/SS	\$9,324	\$1,942	\$11,266
		Spouse	\$14,691	\$3,107	\$17,799
CDPHP - Central	300	Retiree/SS	\$6,765	\$1,233	\$7,998
		Spouse	\$9,860	\$1,849	\$11,709

EXHIBIT 2-1
Projected NYSHIP Premium Rates
4/1/2013- 3/31/2014

Name	Code		Premiums used for Contributions		
			NonRx	Rx	Total
CDPHP -	310	Retiree/SS	\$6,934	\$1,335	\$8,268
W Hudson Valley		Spouse	\$10,091	\$1,758	\$11,849
EBCBS - Mid-Hudson	320	Retiree/SS	\$9,024	\$2,010	\$11,035
		Spouse	\$14,496	\$2,931	\$17,426
MVP - Central Region	330	Retiree/SS	\$6,276	\$1,206	\$7,482
		Spouse	\$9,101	\$1,809	\$10,910
MVP -	340	Retiree/SS	\$6,071	\$1,123	\$7,194
Mid-Hudson Region		Spouse	\$8,690	\$1,685	\$10,375
GHI - HV & Ulster	350	Retiree/SS	\$8,202	\$1,920	\$10,123
		Spouse	\$13,556	\$2,976	\$16,532
MVP - North	360	Retiree/SS	\$7,533	\$1,354	\$8,888
		Spouse	\$10,991	\$2,032	\$13,023
Empire	360	Retiree/SS	\$5,659	\$1,866	\$7,526
		Spouse	\$8,717	\$2,033	\$10,750

**EXHIBIT 2-2
PRERETIREMENT MORTALITY RATES
MALES**

Age	ERS		PFRS		TRS
	Accidental Death	All other Death	Accidental Death	All other Death	Death*
15	0.001%	0.045%	0.008%	0.035%	
16	0.001%	0.045%	0.008%	0.035%	
17	0.001%	0.045%	0.008%	0.035%	
18	0.001%	0.045%	0.008%	0.035%	
19	0.001%	0.045%	0.008%	0.035%	
20	0.001%	0.045%	0.008%	0.035%	0.0042%
21	0.001%	0.045%	0.008%	0.035%	0.0092%
22	0.001%	0.045%	0.008%	0.035%	0.0107%
23	0.001%	0.045%	0.008%	0.035%	0.0136%
24	0.001%	0.045%	0.008%	0.035%	0.0139%
25	0.001%	0.045%	0.008%	0.035%	0.0147%
26	0.001%	0.045%	0.008%	0.035%	0.0156%
27	0.001%	0.045%	0.008%	0.035%	0.0163%
28	0.001%	0.048%	0.008%	0.035%	0.0178%
29	0.001%	0.052%	0.008%	0.035%	0.0191%
30	0.001%	0.055%	0.008%	0.035%	0.0200%
31	0.001%	0.059%	0.008%	0.036%	0.0229%
32	0.001%	0.062%	0.008%	0.038%	0.0242%
33	0.001%	0.065%	0.008%	0.038%	0.0260%
34	0.001%	0.069%	0.008%	0.038%	0.0279%
35	0.001%	0.072%	0.008%	0.038%	0.0291%
36	0.001%	0.076%	0.008%	0.038%	0.0313%
37	0.001%	0.079%	0.008%	0.038%	0.0330%
38	0.001%	0.082%	0.008%	0.038%	0.0352%
39	0.001%	0.086%	0.008%	0.038%	0.0373%
40	0.001%	0.089%	0.008%	0.038%	0.0394%
41	0.001%	0.093%	0.008%	0.038%	0.0430%
42	0.001%	0.096%	0.008%	0.041%	0.0453%
43	0.001%	0.101%	0.008%	0.045%	0.0513%
44	0.001%	0.104%	0.008%	0.053%	0.0576%
45	0.001%	0.108%	0.008%	0.062%	0.0616%
46	0.001%	0.114%	0.008%	0.071%	0.0656%
47	0.001%	0.122%	0.008%	0.080%	0.0683%
48	0.001%	0.134%	0.008%	0.087%	0.0702%
49	0.001%	0.149%	0.008%	0.091%	0.0721%
50	0.001%	0.164%	0.008%	0.093%	0.0747%
51	0.001%	0.179%	0.008%	0.097%	0.0787%
52	0.001%	0.192%	0.008%	0.106%	0.0800%
53	0.001%	0.204%	0.006%	0.123%	0.0835%
54	0.001%	0.214%	0.006%	0.151%	0.0869%
55	0.001%	0.225%	0.006%	0.188%	0.0937%
56	0.001%	0.235%	0.006%	0.234%	0.1093%
57	0.001%	0.247%	0.006%	0.286%	0.1293%
58	0.001%	0.261%	0.006%	0.344%	0.1416%
59	0.001%	0.276%	0.006%	0.416%	0.1588%
60	0.001%	0.294%	0.006%	0.515%	0.1747%
61	0.001%	0.315%	0.006%	0.525%	0.1897%
62	0.001%	0.341%	0.006%	0.570%	0.2111%
63	0.001%	0.378%	0.006%	0.621%	0.2412%
64	0.001%	0.419%	0.006%	0.682%	0.2892%
65	0.001%	0.464%	0.006%	0.757%	0.3396%
66	0.001%	0.514%	0.006%	0.849%	0.3811%
67	0.001%	0.570%	0.006%	0.956%	0.4599%
68	0.001%	0.632%	0.006%	1.071%	0.5510%
69	0.001%	0.700%	0.006%	1.189%	0.6500%
70	0.001%	0.700%	0.006%	1.189%	0.7502%
71	0.001%	0.700%	0.006%	1.189%	0.8523%
72	0.001%	0.700%	0.006%	1.189%	0.9511%
73	0.001%	0.700%	0.006%	1.189%	1.0552%
74	0.001%	0.700%	0.006%	1.189%	1.1521%
75	0.001%	0.700%	0.006%	1.189%	1.2798%

*Assumed all deaths are non-accidental

**EXHIBIT 2-2
PRERETIREMENT MORTALITY
RATES FEMALES**

Age	ERS		PFRS		TRS
	Accidental Death	All other Death	Accidental Death	All other Death	Death*
15	0.001%	0.045%	0.008%	0.035%	
16	0.001%	0.045%	0.008%	0.035%	
17	0.001%	0.045%	0.008%	0.035%	
18	0.001%	0.045%	0.008%	0.035%	
19	0.001%	0.045%	0.008%	0.035%	
20	0.001%	0.045%	0.008%	0.035%	0.0040%
21	0.001%	0.045%	0.008%	0.035%	0.0050%
22	0.001%	0.045%	0.008%	0.035%	0.0057%
23	0.001%	0.045%	0.008%	0.035%	0.0068%
24	0.001%	0.045%	0.008%	0.035%	0.0072%
25	0.001%	0.045%	0.008%	0.035%	0.0086%
26	0.001%	0.045%	0.008%	0.035%	0.0102%
27	0.001%	0.045%	0.008%	0.035%	0.0117%
28	0.001%	0.048%	0.008%	0.035%	0.0118%
29	0.001%	0.052%	0.008%	0.035%	0.0119%
30	0.001%	0.055%	0.008%	0.035%	0.0142%
31	0.001%	0.059%	0.008%	0.036%	0.0148%
32	0.001%	0.062%	0.008%	0.038%	0.0163%
33	0.001%	0.065%	0.008%	0.038%	0.0175%
34	0.001%	0.069%	0.008%	0.038%	0.0176%
35	0.001%	0.072%	0.008%	0.038%	0.0186%
36	0.001%	0.076%	0.008%	0.038%	0.0202%
37	0.001%	0.079%	0.008%	0.038%	0.0212%
38	0.001%	0.082%	0.008%	0.038%	0.0222%
39	0.001%	0.086%	0.008%	0.038%	0.0239%
40	0.001%	0.089%	0.008%	0.038%	0.0257%
41	0.001%	0.093%	0.008%	0.038%	0.0277%
42	0.001%	0.096%	0.008%	0.041%	0.0300%
43	0.001%	0.101%	0.008%	0.045%	0.0334%
44	0.001%	0.104%	0.008%	0.053%	0.0361%
45	0.001%	0.108%	0.008%	0.062%	0.0388%
46	0.001%	0.114%	0.008%	0.071%	0.0411%
47	0.001%	0.122%	0.008%	0.080%	0.0432%
48	0.001%	0.134%	0.008%	0.087%	0.0465%
49	0.001%	0.149%	0.008%	0.091%	0.0482%
50	0.001%	0.164%	0.008%	0.093%	0.0511%
51	0.001%	0.179%	0.008%	0.097%	0.0544%
52	0.001%	0.192%	0.008%	0.106%	0.0587%
53	0.001%	0.204%	0.006%	0.123%	0.0622%
54	0.001%	0.214%	0.006%	0.151%	0.0658%
55	0.001%	0.225%	0.006%	0.188%	0.0683%
56	0.001%	0.235%	0.006%	0.234%	0.0724%
57	0.001%	0.247%	0.006%	0.286%	0.0762%
58	0.001%	0.261%	0.006%	0.344%	0.0816%
59	0.001%	0.276%	0.006%	0.416%	0.0895%
60	0.001%	0.294%	0.006%	0.515%	0.0954%
61	0.001%	0.315%	0.006%	0.525%	0.1051%
62	0.001%	0.341%	0.006%	0.570%	0.1114%
63	0.001%	0.378%	0.006%	0.621%	0.1199%
64	0.001%	0.419%	0.006%	0.682%	0.1303%
65	0.001%	0.464%	0.006%	0.757%	0.1458%
66	0.001%	0.514%	0.006%	0.849%	0.1625%
67	0.001%	0.570%	0.006%	0.956%	0.1782%
68	0.001%	0.632%	0.006%	1.071%	0.2011%
69	0.001%	0.700%	0.006%	1.189%	0.2252%
70	0.001%	0.700%	0.006%	1.189%	0.2532%
71	0.001%	0.700%	0.006%	1.189%	0.3019%
72	0.001%	0.700%	0.006%	1.189%	0.3310%
73	0.001%	0.700%	0.006%	1.189%	0.3811%
74	0.001%	0.700%	0.006%	1.189%	0.4123%
75	0.001%	0.700%	0.006%	1.189%	0.4599%

*Assumed all deaths are non-accidental

**EXHIBIT 2-2
POSTRETIREMENT MORTALITY RATES
BASE TABLES**

Age	ERS*				PFRS*	
	Healthy		Disabled		Healthy	Disabled
	Males	Females	Males	Females		
15	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
16	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
17	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
18	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
19	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
20	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
21	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
22	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
23	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
24	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
25	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
26	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
27	0.0450%	0.0450%	0.0900%	0.0900%	0.0350%	0.0700%
28	0.0480%	0.0480%	0.0960%	0.0960%	0.0350%	0.0700%
29	0.0520%	0.0520%	0.1040%	0.1040%	0.0350%	0.0700%
30	0.0550%	0.0550%	0.1100%	0.1100%	0.0350%	0.0700%
31	0.0590%	0.0590%	0.1180%	0.1180%	0.0360%	0.0720%
32	0.0620%	0.0620%	0.1240%	0.1240%	0.0380%	0.0760%
33	0.0650%	0.0650%	0.1300%	0.1300%	0.0380%	0.0760%
34	0.0690%	0.0690%	0.1380%	0.1380%	0.0380%	0.0760%
35	0.0720%	0.0720%	0.1440%	0.1440%	0.0380%	0.0760%
36	0.0760%	0.0760%	0.1520%	0.1520%	0.0380%	0.0760%
37	0.0790%	0.0790%	0.1580%	0.1580%	0.0380%	0.0760%
38	0.0820%	0.0820%	0.1640%	0.1640%	0.0380%	0.0760%
39	0.0860%	0.0860%	0.1720%	0.1720%	0.0380%	0.0760%
40	0.0890%	0.0890%	0.1780%	0.1780%	0.0380%	0.0760%
41	0.0930%	0.0930%	0.1860%	0.1860%	0.0380%	0.0760%
42	0.0960%	0.0960%	0.1920%	0.1920%	0.0410%	0.0820%
43	0.1010%	0.1010%	0.2020%	0.2020%	0.0450%	0.0900%
44	0.1040%	0.1040%	0.2080%	0.2080%	0.0530%	0.1060%
45	0.1080%	0.1080%	0.2160%	0.2160%	0.0620%	0.1240%
46	0.1140%	0.1140%	0.6134%	0.6819%	0.2154%	0.1089%
47	0.1220%	0.1220%	1.0108%	1.1479%	0.1750%	0.1558%
48	0.1340%	0.1340%	1.4081%	1.6138%	0.1814%	0.2028%
49	0.1490%	0.1490%	1.8055%	2.0798%	0.2196%	0.2497%
50	0.1640%	0.1640%	2.2029%	2.5457%	0.2966%	0.4188%
51	0.2626%	0.1995%	2.6949%	2.9629%	0.4094%	0.4455%
52	0.3612%	0.2351%	3.2328%	3.3810%	0.4913%	0.5164%
53	0.4598%	0.2707%	3.6018%	3.6840%	0.5027%	0.6129%
54	0.5584%	0.3063%	3.6361%	3.7216%	0.4468%	0.7017%
55	0.6570%	0.3418%	3.3278%	3.2664%	0.3971%	0.7906%
56	0.6667%	0.3804%	2.9828%	2.7732%	0.4397%	0.8113%
57	0.6300%	0.4259%	2.7454%	2.6106%	0.4831%	0.7993%
58	0.6231%	0.4881%	2.6214%	2.6320%	0.5048%	0.8327%
59	0.6628%	0.5485%	2.5874%	2.5051%	0.5237%	0.8482%
60	0.7234%	0.5830%	2.6395%	2.4945%	0.5543%	0.8156%
61	0.7694%	0.6146%	2.7326%	2.6707%	0.6080%	0.8599%
62	0.8244%	0.6623%	2.8047%	2.7574%	0.7455%	1.0131%
63	0.9043%	0.7372%	2.7545%	2.7289%	0.9150%	1.2273%
64	0.9775%	0.7933%	2.8291%	2.7102%	0.9970%	1.3231%
65	1.0769%	0.8485%	3.2965%	2.7517%	1.0185%	1.3842%
66	1.1558%	0.9016%	3.9137%	2.8207%	1.0307%	1.4427%
67	1.2510%	0.9871%	4.2307%	2.8735%	1.0693%	1.5036%
68	1.4083%	1.0937%	4.1049%	2.9903%	1.1676%	1.5127%
69	1.6465%	1.2256%	3.7832%	3.0847%	1.3253%	1.5084%
70	1.8691%	1.3612%	3.5560%	2.9559%	1.6357%	1.5331%
71	2.0188%	1.4890%	3.8147%	2.7931%	2.1275%	1.6366%
72	2.1641%	1.6200%	4.4102%	2.9654%	2.6885%	1.9754%
73	2.3927%	1.7854%	5.0592%	3.4368%	3.0811%	2.5988%
74	2.6464%	2.0081%	5.5945%	3.9843%	3.4023%	3.5419%
75	2.8981%	2.2882%	5.9878%	4.4292%	3.7354%	4.6338%

EXHIBIT 2-2

POSTRETIREMENT MORTALITY RATES
BASE TABLES

Age	ERS				PFRS	
	Healthy		Disabled		Healthy	Disabled
	Males	Females	Males	Females		
76	3.2044%	2.5142%	6.5554%	4.6050%	3.9722%	5.4766%
77	3.6161%	2.6865%	7.2732%	4.7210%	4.2292%	5.8759%
78	4.0573%	2.8985%	7.9894%	4.9712%	4.6413%	5.9701%
79	4.5040%	3.2313%	8.4615%	5.3190%	5.2365%	5.9621%
80	4.9509%	3.6571%	8.7101%	5.8439%	5.8642%	6.0171%
81	5.4163%	4.1220%	9.0648%	6.6044%	6.4367%	6.3088%
82	6.0186%	4.5992%	9.6003%	7.5310%	6.9767%	6.9355%
83	6.8257%	5.1776%	10.5626%	8.4733%	7.4823%	7.9713%
84	7.8683%	5.8495%	11.2903%	9.2985%	8.0798%	9.3801%
85	8.9799%	6.6055%	12.1129%	9.9185%	8.9031%	10.9617%
86	10.0986%	7.4380%	12.9514%	10.4960%	9.9889%	12.5290%
87	11.1771%	8.3986%	13.7573%	10.9955%	11.2110%	13.8325%
88	12.3671%	9.4775%	14.6038%	11.6564%	12.3896%	14.7268%
89	13.8089%	10.6407%	15.5185%	12.8454%	13.4385%	15.1165%
90	15.5321%	11.9129%	16.8254%	14.3757%	14.3710%	15.0229%
91	16.3831%	12.9768%	17.6004%	15.2948%	15.2904%	15.9039%
92	17.2342%	14.0408%	18.3754%	16.2139%	16.2097%	16.7849%
93	18.0852%	15.1047%	19.1503%	17.1329%	17.1291%	17.6659%
94	18.9363%	16.0907%	19.9253%	18.0520%	18.0484%	18.5469%
95	19.7873%	17.2326%	20.7003%	18.9711%	18.9678%	19.4279%
96	20.6384%	18.2965%	21.4753%	19.8902%	19.8871%	20.3089%
97	21.4895%	19.3605%	22.2502%	20.8092%	20.8065%	21.1899%
98	22.3405%	20.4244%	23.0252%	21.7283%	21.7258%	22.0709%
99	23.1915%	21.4884%	23.8002%	22.6474%	22.6452%	22.9520%
100	24.0426%	22.5523%	24.5752%	23.5665%	23.5645%	23.8330%
101	24.8937%	23.6163%	25.3501%	24.4855%	24.4839%	24.7140%
102	25.7447%	24.6803%	26.1251%	25.4046%	25.4032%	25.5950%
103	26.5958%	25.7442%	26.9001%	26.3237%	26.3226%	26.4760%
104	27.4469%	26.8082%	27.6751%	27.2428%	27.2419%	27.3570%
105	28.2979%	27.8721%	28.4500%	28.1618%	28.1613%	28.2380%
106	29.1489%	28.9361%	29.2250%	29.0809%	29.0806%	29.1190%
107	30.0000%	30.0000%	30.0000%	30.0000%	30.0000%	30.0000%
108	53.3333%	53.3333%	53.3333%	53.3333%	53.3333%	53.3333%
109	76.6666%	76.6666%	76.6666%	76.6666%	76.6666%	76.6666%
110	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

*Apply scale MP 2014 on a generational basis with base year of 2007

**EXHIBIT 2-2
POSTRETIREMENT MORTALITY RATES
BASE TABLES**

Age	TRS			
	Healthy		Disabled	
	Male	Female	Male	Female
1	0.0485%	0.0435%		
2	0.0327%	0.0283%		
3	0.0272%	0.0212%		
4	0.0212%	0.0158%		
5	0.0194%	0.0143%		
6	0.0186%	0.0134%		
7	0.0178%	0.0126%		
8	0.0164%	0.0112%		
9	0.0159%	0.0107%		
10	0.0161%	0.0107%		
11	0.0167%	0.0109%		
12	0.0174%	0.0113%		
13	0.0183%	0.0118%		
14	0.0196%	0.0127%		
15	0.0208%	0.0137%		
16	0.0219%	0.0144%		
17	0.0232%	0.0152%		
18	0.0244%	0.0155%		
19	0.0255%	0.0155%		
20	0.0266%	0.0154%		
21	0.0279%	0.0152%		
22	0.0290%	0.0154%		
23	0.0304%	0.0158%		
24	0.0315%	0.0164%		
25	0.0328%	0.0171%		
26	0.0349%	0.0182%		
27	0.0357%	0.0189%		
28	0.0367%	0.0200%		
29	0.0385%	0.0211%		
30	0.0415%	0.0231%	2.1045%	3.7191%
31	0.0466%	0.0275%	2.2268%	3.9790%
32	0.0525%	0.0314%	2.5123%	4.1804%
33	0.0590%	0.0349%	3.0890%	4.2036%
34	0.0656%	0.0380%	3.5471%	4.4687%
35	0.0722%	0.0409%	4.0060%	4.6087%
36	0.0786%	0.0437%	4.5043%	4.7456%
37	0.0845%	0.0464%	5.1671%	4.8137%
38	0.0889%	0.0494%	5.7059%	4.9542%
39	0.0929%	0.0528%	6.0136%	5.0006%
40	0.0968%	0.0576%	6.6075%	5.1448%
41	0.1011%	0.0631%	7.2010%	5.3712%
42	0.1061%	0.0695%	8.1075%	5.6153%
43	0.1119%	0.0764%	8.8267%	5.8391%
44	0.1187%	0.0839%	9.5107%	5.9102%
45	0.1264%	0.0904%	9.8034%	6.0023%
46	0.1336%	0.0970%	9.8073%	6.1115%
47	0.1414%	0.1038%	9.6203%	6.1499%
48	0.1496%	0.1122%	9.2171%	6.2033%
49	0.1583%	0.1213%	9.0039%	6.1267%
50	0.1673%	0.1330%	8.8106%	5.9644%
51	0.1890%	0.1490%	8.5180%	5.9103%
52	0.2030%	0.1668%	8.2046%	5.8019%
53	0.2220%	0.1875%	7.7567%	5.7648%
54	0.2433%	0.2116%	6.9299%	5.6312%
55	0.2538%	0.2355%	5.9562%	5.3003%

**EXHIBIT 2-2
POSTRETIREMENT MORTALITY RATES
BASE TABLES**

TRS				
Age	Healthy		Disabled	
	Male	Female	Male	Female
56	0.2780%	0.2509%	5.0222%	5.0651%
57	0.3056%	0.2672%	4.3923%	4.4260%
58	0.3370%	0.2843%	4.0994%	3.9761%
59	0.3709%	0.3041%	4.0370%	3.6583%
60	0.4093%	0.3267%	4.0254%	3.4142%
61	0.4551%	0.3527%	3.9865%	3.3041%
62	0.5047%	0.3826%	3.9284%	3.1701%
63	0.5638%	0.4168%	3.8507%	3.2287%
64	0.6278%	0.4561%	3.7749%	3.2367%
65	0.7004%	0.5012%	3.8009%	3.2588%
66	0.7867%	0.5529%	3.9816%	3.4360%
67	0.8804%	0.6122%	4.2679%	3.4616%
68	0.9816%	0.6803%	4.5317%	3.4773%
69	1.1014%	0.7584%	4.5826%	3.5903%
70	1.2307%	0.8480%	4.9085%	3.6463%
71	1.3835%	0.9459%	5.0661%	3.7256%
72	1.5565%	1.0631%	5.2953%	3.8447%
73	1.7524%	1.1914%	5.5112%	4.0345%
74	1.9741%	1.3446%	5.8231%	4.2217%
75	2.2362%	1.5125%	6.0057%	4.5375%
76	2.5213%	1.7127%	6.2590%	4.8144%
77	2.8581%	1.9517%	6.3405%	5.1458%
78	3.2405%	2.2155%	6.5189%	5.2913%
79	3.6746%	2.5174%	6.9245%	5.5751%
80	4.1671%	2.8627%	7.5091%	6.0605%
81	4.7254%	3.2576%	8.6987%	7.0429%
82	5.3580%	3.7089%	9.8446%	8.0934%
83	6.0435%	4.2242%	11.1338%	9.0446%
84	6.8492%	4.8122%	12.5188%	10.0878%
85	7.7205%	5.5103%	14.1337%	12.0011%
86	8.6987%	6.3094%	15.8600%	13.8088%
87	9.8446%	7.2230%	17.8646%	14.7979%
88	11.1338%	8.2248%	19.9938%	16.2252%
89	12.5188%	9.4083%	22.3410%	17.6070%
90	14.1337%	10.7017%	25.0439%	18.7908%
91	15.8600%	12.1632%	27.0403%	19.9611%
92	17.8646%	13.3966%	28.8938%	20.9895%
93	19.9938%	14.7979%	31.1066%	22.1434%
94	22.3410%	16.2252%	32.5777%	23.1938%
95	25.0439%	17.6070%	33.9933%	24.4834%
96	27.0403%	18.7908%	35.8628%	25.4498%
97	28.8938%	19.9611%	37.1685%	26.6044%
98	31.1066%	20.9895%	38.3040%	27.9055%
99	32.5777%	22.1434%	39.2003%	29.3116%
100	33.9933%	23.1938%	39.7886%	30.7811%
101	35.8628%	24.4834%	40.0000%	32.2725%
102	37.1685%	25.4498%	40.0000%	33.7441%
103	38.3040%	26.6044%	40.0000%	35.1544%
104	39.2003%	27.9055%	40.0000%	36.4617%
105	39.7886%	29.3116%	40.0000%	37.6246%
106	40.0000%	30.7811%	40.0000%	38.6015%
107	40.0000%	32.2725%	40.0000%	39.3507%
108	40.0000%	33.7441%	40.0000%	39.8308%
109	40.0000%	35.1544%	40.0000%	40.0000%
110	40.0000%	36.4617%	40.0000%	40.0000%

**EXHIBIT 2-3
WITHDRAWAL RATES**

Age	ERS					
	Years of Service					
	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	20.234%	10.857%	7.031%	6.120%	4.429%	2.765%
16	20.234%	10.857%	7.031%	6.120%	4.429%	2.765%
17	20.234%	10.857%	7.031%	6.120%	4.429%	2.765%
18	20.234%	10.857%	7.031%	6.120%	4.429%	2.765%
19	20.234%	10.857%	7.031%	6.120%	4.429%	2.765%
20	20.093%	10.857%	7.031%	6.120%	4.429%	2.765%
21	19.794%	10.857%	7.031%	6.120%	4.429%	2.765%
22	19.394%	10.857%	7.031%	6.120%	4.429%	2.765%
23	18.921%	11.476%	8.404%	6.546%	4.609%	2.765%
24	18.388%	11.909%	9.276%	6.901%	4.738%	2.765%
25	17.820%	12.171%	9.746%	7.167%	4.814%	2.765%
26	17.264%	12.305%	9.966%	7.369%	4.841%	2.765%
27	16.778%	12.338%	10.070%	7.557%	4.833%	2.765%
28	16.400%	12.279%	10.134%	7.776%	4.803%	2.725%
29	16.119%	12.130%	10.176%	8.031%	4.766%	2.678%
30	15.885%	11.894%	10.174%	8.274%	4.729%	2.622%
31	15.636%	11.588%	10.086%	8.425%	4.697%	2.554%
32	15.332%	11.243%	9.876%	8.404%	4.670%	2.477%
33	14.972%	10.888%	9.534%	8.176%	4.644%	2.397%
34	14.583%	10.543%	9.090%	7.774%	4.614%	2.317%
35	14.206%	10.208%	8.602%	7.284%	4.574%	2.240%
36	13.872%	9.871%	8.132%	6.811%	4.518%	2.163%
37	13.596%	9.518%	7.728%	6.439%	4.442%	2.084%
38	13.377%	9.147%	7.411%	6.203%	4.346%	2.002%
39	13.205%	8.774%	7.174%	6.082%	4.234%	1.922%
40	13.063%	8.421%	6.991%	6.021%	4.116%	1.847%
41	12.934%	8.109%	6.836%	5.955%	3.997%	1.784%
42	12.803%	7.849%	6.689%	5.842%	3.886%	1.734%
43	12.664%	7.641%	6.543%	5.668%	3.786%	1.697%
44	12.519%	7.478%	6.401%	5.451%	3.696%	1.667%
45	12.381%	7.349%	6.270%	5.227%	3.614%	1.633%
46	12.269%	7.248%	6.152%	5.029%	3.533%	1.584%
47	12.200%	7.174%	6.047%	4.882%	3.447%	1.515%
48	12.185%	7.125%	5.949%	4.792%	3.356%	1.429%
49	12.220%	7.099%	5.855%	4.749%	3.262%	1.338%
50	12.288%	7.092%	5.770%	4.734%	3.172%	1.258%
51	12.362%	7.097%	5.707%	4.729%	3.095%	1.196%
52	12.414%	7.109%	5.681%	4.717%	3.035%	1.155%
53	12.424%	7.122%	5.705%	4.690%	2.995%	1.131%
54	12.393%	7.137%	5.783%	4.652%	2.969%	1.118%
55	12.340%	7.162%	5.905%	4.612%	2.955%	1.111%
56	12.307%	7.206%	6.053%	4.587%	2.949%	1.109%
57	12.351%	7.287%	6.210%	4.596%	2.951%	1.111%
58	12.529%	7.420%	6.366%	4.653%	2.959%	1.116%
59	12.886%	7.618%	6.517%	4.764%	2.970%	1.122%
60	13.430%	7.888%	6.668%	4.926%	2.984%	1.130%
61	14.115%	8.218%	6.819%	5.129%	2.998%	1.138%
62	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
63	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
64	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
65	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
66	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
67	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
68	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
69	14.818%	8.576%	6.960%	5.351%	3.011%	1.145%
70	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

**EXHIBIT 2-3
WITHDRAWAL RATES**

Upstate (Syracuse) Medical Center						
Age	Years of Service					
	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
16	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
17	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
18	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
19	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
20	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
21	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
22	23.000%	18.000%	15.000%	15.000%	11.000%	7.000%
23	22.800%	18.400%	15.000%	15.000%	11.000%	7.000%
24	22.600%	18.800%	15.000%	15.000%	11.000%	7.000%
25	22.400%	19.200%	15.000%	15.000%	11.000%	7.000%
26	22.200%	19.600%	15.000%	15.000%	11.000%	7.000%
27	22.000%	20.000%	15.000%	15.000%	11.000%	7.000%
28	21.800%	20.000%	15.200%	15.200%	11.000%	7.000%
29	21.600%	20.000%	15.400%	15.400%	11.000%	7.000%
30	21.400%	20.000%	15.600%	15.600%	11.000%	7.000%
31	21.200%	20.000%	15.800%	15.800%	11.000%	7.000%
32	21.000%	20.000%	16.000%	16.000%	11.000%	7.000%
33	20.800%	19.400%	15.600%	15.600%	10.800%	6.800%
34	20.600%	18.800%	15.200%	15.200%	10.600%	6.600%
35	20.400%	18.200%	14.800%	14.800%	10.400%	6.400%
36	20.200%	17.600%	14.400%	14.400%	10.200%	6.200%
37	20.000%	17.000%	14.000%	14.000%	10.000%	6.000%
38	19.200%	16.400%	13.800%	13.800%	9.600%	5.600%
39	18.400%	15.800%	13.600%	13.600%	9.200%	5.200%
40	17.600%	15.200%	13.400%	13.400%	8.800%	4.800%
41	16.800%	14.600%	13.200%	13.200%	8.400%	4.400%
42	16.000%	14.000%	13.000%	13.000%	8.000%	4.000%
43	16.000%	13.600%	12.200%	12.200%	7.600%	4.000%
44	16.000%	13.200%	11.400%	11.400%	7.200%	4.000%
45	16.000%	12.800%	10.600%	10.600%	6.800%	4.000%
46	16.000%	12.400%	9.800%	9.800%	6.400%	4.000%
47	16.000%	12.000%	9.000%	9.000%	6.000%	4.000%
48	16.000%	11.400%	8.900%	8.900%	5.800%	4.000%
49	16.000%	10.800%	8.800%	8.800%	5.600%	4.000%
50	16.000%	10.200%	8.700%	8.700%	5.400%	4.000%
51	16.000%	9.600%	8.600%	8.600%	5.200%	4.000%
52	16.000%	9.000%	8.500%	8.500%	5.000%	4.000%
53	16.000%	8.800%	8.400%	8.400%	4.800%	4.000%
54	16.000%	8.600%	8.300%	8.300%	4.600%	4.000%
55	16.000%	8.400%	8.200%	8.200%	4.400%	0.000%
56	16.000%	8.200%	8.100%	8.100%	4.200%	0.000%
57	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
58	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
59	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
60	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
61	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
62	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
63	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
64	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
65	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
66	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
67	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
68	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
69	16.000%	8.000%	8.000%	8.000%	4.000%	0.000%
70	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

**EXHIBIT 2-3
WITHDRAWAL RATES**

Age	Brooklyn Hospital					
	Years of Service					
	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
16	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
17	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
18	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
19	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
20	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
21	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
22	23.000%	18.000%	12.000%	12.000%	9.000%	5.000%
23	22.800%	18.400%	12.000%	12.000%	9.000%	5.000%
24	22.600%	18.800%	12.000%	12.000%	9.000%	5.000%
25	22.400%	19.200%	12.000%	12.000%	9.000%	5.000%
26	22.200%	19.600%	12.000%	12.000%	9.000%	5.000%
27	22.000%	20.000%	12.000%	12.000%	9.000%	5.000%
28	21.800%	20.000%	12.400%	12.400%	9.000%	4.900%
29	21.600%	20.000%	12.800%	12.800%	9.000%	4.800%
30	21.400%	20.000%	13.200%	13.200%	9.000%	4.700%
31	21.200%	20.000%	13.600%	13.600%	9.000%	4.600%
32	21.000%	20.000%	14.000%	14.000%	9.000%	4.500%
33	20.800%	18.600%	13.600%	13.600%	9.000%	4.400%
34	20.600%	17.200%	13.200%	13.200%	9.000%	4.300%
35	20.400%	15.800%	12.800%	12.800%	9.000%	4.200%
36	20.200%	14.400%	12.400%	12.400%	9.000%	4.100%
37	20.000%	13.000%	12.000%	12.000%	9.000%	4.000%
38	19.200%	12.600%	11.000%	11.000%	8.600%	3.800%
39	18.400%	12.200%	10.000%	10.000%	8.200%	3.600%
40	17.600%	11.800%	9.000%	9.000%	7.800%	3.400%
41	16.800%	11.400%	8.000%	8.000%	7.400%	3.200%
42	16.000%	11.000%	7.000%	7.000%	7.000%	3.000%
43	16.000%	10.300%	6.600%	6.600%	6.600%	2.900%
44	16.000%	9.600%	6.200%	6.200%	6.200%	2.800%
45	16.000%	8.900%	5.800%	5.800%	5.800%	2.700%
46	16.000%	8.200%	5.400%	5.400%	5.400%	2.600%
47	16.000%	7.500%	5.000%	5.000%	5.000%	2.500%
48	16.000%	7.400%	5.000%	5.000%	4.700%	2.500%
49	16.000%	7.300%	5.000%	5.000%	4.400%	2.500%
50	16.000%	7.200%	5.000%	5.000%	4.100%	2.500%
51	16.000%	7.100%	5.000%	5.000%	3.800%	2.500%
52	16.000%	7.000%	5.000%	5.000%	3.500%	2.500%
53	16.000%	7.000%	5.000%	5.000%	3.500%	2.500%
54	16.000%	7.000%	5.000%	5.000%	3.500%	2.500%
55	16.000%	7.000%	5.000%	5.000%	3.500%	0.000%
56	16.000%	7.000%	5.000%	5.000%	3.500%	0.000%
57	16.000%	7.000%	5.000%	5.000%	3.500%	0.000%
58	16.000%	7.000%	5.200%	5.200%	3.500%	0.000%
59	16.000%	7.000%	5.400%	5.400%	3.500%	0.000%
60	16.000%	7.000%	5.600%	5.600%	3.500%	0.000%
61	16.000%	7.000%	5.800%	5.800%	3.500%	0.000%
62	16.000%	7.000%	6.000%	6.000%	3.500%	0.000%
63	16.000%	7.200%	6.200%	6.200%	3.500%	0.000%
64	16.000%	7.400%	6.400%	6.400%	3.500%	0.000%
65	16.000%	7.600%	6.600%	6.600%	3.500%	0.000%
66	16.000%	7.800%	6.800%	6.800%	3.500%	0.000%
67	16.000%	8.000%	7.000%	7.000%	3.500%	0.000%
68	16.000%	8.000%	7.000%	7.000%	3.500%	0.000%
69	16.000%	8.000%	7.000%	7.000%	3.500%	0.000%
70	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

**EXHIBIT 2-3
WITHDRAWAL RATES**

Stonybrook Hospital						
Years of Service						
Age	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
16	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
17	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
18	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
19	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
20	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
21	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
22	25.000%	20.000%	15.000%	15.000%	10.000%	7.000%
23	24.600%	20.600%	15.000%	15.000%	10.000%	7.000%
24	24.200%	21.200%	15.000%	15.000%	10.000%	7.000%
25	23.800%	21.800%	15.000%	15.000%	10.000%	7.000%
26	23.400%	22.400%	15.000%	15.000%	10.000%	7.000%
27	23.000%	23.000%	15.000%	15.000%	10.000%	7.000%
28	22.800%	23.400%	15.500%	15.500%	10.300%	7.000%
29	22.600%	23.800%	16.000%	16.000%	10.600%	7.000%
30	22.400%	24.200%	16.500%	16.500%	10.900%	7.000%
31	22.200%	24.600%	17.000%	17.000%	11.200%	7.000%
32	22.000%	25.000%	17.500%	17.500%	11.500%	7.000%
33	21.800%	24.200%	17.000%	17.000%	11.000%	6.800%
34	21.600%	23.400%	16.500%	16.500%	10.500%	6.600%
35	21.400%	22.600%	16.000%	16.000%	10.000%	6.400%
36	21.200%	21.800%	15.500%	15.500%	9.500%	6.200%
37	21.000%	21.000%	15.000%	15.000%	9.000%	6.000%
38	20.800%	19.800%	14.200%	14.200%	8.400%	5.400%
39	20.600%	18.600%	13.400%	13.400%	7.800%	4.800%
40	20.400%	17.400%	12.600%	12.600%	7.200%	4.200%
41	20.200%	16.200%	11.800%	11.800%	6.600%	3.600%
42	20.000%	15.000%	11.000%	11.000%	6.000%	3.000%
43	19.600%	14.600%	10.400%	10.400%	5.800%	3.000%
44	19.200%	14.200%	9.800%	9.800%	5.600%	3.000%
45	18.800%	13.800%	9.200%	9.200%	5.400%	3.000%
46	18.400%	13.400%	8.600%	8.600%	5.200%	3.000%
47	18.000%	13.000%	8.000%	8.000%	5.000%	3.000%
48	17.600%	12.200%	7.600%	7.600%	4.800%	3.000%
49	17.200%	11.400%	7.200%	7.200%	4.600%	3.000%
50	16.800%	10.600%	6.800%	6.800%	4.400%	3.000%
51	16.400%	9.800%	6.400%	6.400%	4.200%	3.000%
52	16.000%	9.000%	6.000%	6.000%	4.000%	3.000%
53	15.800%	8.800%	6.000%	6.000%	4.000%	3.000%
54	15.600%	8.600%	6.000%	6.000%	4.000%	3.000%
55	15.400%	8.400%	6.000%	6.000%	4.000%	0.000%
56	15.200%	8.200%	6.000%	6.000%	4.000%	0.000%
57	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
58	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
59	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
60	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
61	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
62	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
63	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
64	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
65	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
66	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
67	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
68	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
69	15.000%	8.000%	6.000%	6.000%	4.000%	0.000%
70	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

**EXHIBIT 2-3
WITHDRAWAL RATES**

<u>Years of Service</u>	<u>PRFS</u>
0	7.713%
1	4.314%
2	2.352%
3	1.521%
4	1.285%
5	1.218%
6	1.111%
7	0.963%
8	0.809%
9	0.664%
10	0.547%
11	0.448%
12	0.393%
13	0.396%
14	0.418%
15	0.428%
16	0.406%
17	0.338%
18	0.264%
19	0.215%
20	0.215%
21	0.260%
22	0.345%
23	0.345%
24	0.345%
25	0.345%
26	0.345%
27	0.345%
28	0.345%
29	0.345%
30	0.345%
31	0.345%
32	0.345%
33	0.345%
34	0.345%
35	0.345%
36	0.345%
37	0.345%
38	0.345%
39	0.345%
41	0.345%
42	0.345%
43	0.345%
44	0.345%
45	0.345%
46	0.345%
47	0.345%
48	0.345%
49	0.345%
50	0.345%

**EXHIBIT 2-3
WITHDRAWAL RATES**

Age	TRS-Male										
	0 Years of Service	1 Year of Service	2 Years of Service	3 Years of Service	4 Years of Service	5 Years of Service	6 Years of Service	7Years of Service	8 Years of Service	9 Years of Service	At least 10 Years of Service
20	25.9944%	9.3433%	6.4593%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
21	25.9944%	9.3433%	6.4593%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
22	25.9944%	9.3433%	6.4593%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
23	25.9944%	9.3433%	6.4593%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
24	27.2583%	9.3433%	6.4593%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
25	28.5222%	10.0846%	6.4593%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
26	29.7861%	10.8259%	7.0858%	4.8649%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
27	31.0500%	11.5672%	7.7123%	5.1379%	3.7015%	2.2000%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
28	32.3138%	12.3086%	8.3389%	5.4108%	3.9868%	2.4169%	1.2711%	1.0469%	0.9177%	0.8490%	0.7368%
29	33.5777%	13.0499%	8.9654%	5.6838%	4.2721%	2.6338%	1.3989%	1.0469%	0.9177%	0.8490%	0.7368%
30	34.8416%	13.7912%	9.5919%	5.9567%	4.4623%	2.8507%	1.6544%	1.1635%	0.9177%	0.8490%	0.7368%
31	34.4014%	13.8382%	9.5492%	6.2415%	4.5574%	3.0677%	1.9100%	1.3968%	1.1002%	0.8490%	0.7368%
32	33.9612%	13.8851%	9.5065%	6.5263%	4.6525%	3.2846%	2.1655%	1.6300%	1.2828%	0.8884%	0.7368%
33	33.5210%	13.9321%	9.4638%	6.8111%	4.7476%	3.5015%	2.4210%	1.8633%	1.4653%	1.0462%	0.7368%
34	33.0808%	13.9790%	9.4211%	7.0958%	4.8426%	3.7184%	2.6766%	2.0965%	1.6479%	1.2040%	0.7368%
35	32.6406%	14.0260%	9.3783%	7.3806%	4.9377%	3.9353%	2.9321%	2.3297%	1.8304%	1.3303%	0.7368%
36	32.5430%	13.8801%	9.4647%	7.4514%	5.1198%	4.0652%	3.0587%	2.4116%	1.8515%	1.4313%	0.7506%
37	32.4454%	13.7343%	9.5511%	7.5223%	5.3018%	4.1951%	3.1853%	2.4934%	1.8726%	1.5323%	0.7645%
38	32.3478%	13.5885%	9.6374%	7.5931%	5.4839%	4.3250%	3.3119%	2.5753%	1.8936%	1.6333%	0.7783%
39	32.2502%	13.4426%	9.7238%	7.6640%	5.6659%	4.4548%	3.4386%	2.6571%	1.9147%	1.7343%	0.7922%
40	32.1526%	13.2968%	9.8101%	7.7348%	5.8480%	4.5847%	3.5652%	2.7390%	1.9358%	1.8353%	0.8061%
41	31.5621%	13.6402%	10.1321%	7.7187%	5.8465%	4.4883%	3.5483%	2.9326%	2.0588%	1.8597%	0.8304%
42	30.9716%	13.9835%	10.4541%	7.7025%	5.8451%	4.3919%	3.5314%	3.1262%	2.1819%	1.8842%	0.8547%
43	30.3810%	14.3269%	10.7761%	7.6864%	5.8437%	4.2954%	3.5145%	3.3198%	2.3049%	1.9087%	0.8790%
44	29.7905%	14.6703%	11.0981%	7.6702%	5.8423%	4.1990%	3.4976%	3.5134%	2.4280%	1.9331%	0.9033%
45	29.2000%	15.0136%	11.4201%	7.6541%	5.8409%	4.1026%	3.4807%	3.7070%	2.5510%	1.9576%	0.9276%
46	29.0773%	15.4527%	11.6641%	8.0859%	5.9296%	4.3021%	3.6045%	3.9363%	2.6291%	1.9590%	0.8957%
47	28.9546%	15.8918%	11.9082%	8.5177%	6.0184%	4.5016%	3.7284%	4.1656%	2.7071%	1.9603%	0.8638%
48	28.8320%	16.3308%	12.1523%	8.9495%	6.1071%	4.7011%	3.8522%	4.3949%	2.7851%	1.9617%	0.8319%
49	28.7093%	16.7699%	12.3964%	9.3813%	6.1959%	4.9007%	3.9760%	4.6242%	2.8631%	1.9631%	0.8000%
50	28.5866%	17.2090%	12.6404%	9.8131%	6.2847%	5.1002%	4.0998%	4.8535%	2.9412%	1.9645%	0.7681%
51	28.4639%	17.6480%	12.8845%	10.2449%	6.3734%	5.2997%	4.2236%	5.0828%	3.0192%	1.9658%	0.7362%
52	28.3413%	18.0871%	13.1286%	10.6767%	6.4622%	5.4992%	4.3475%	5.3121%	3.0972%	1.9672%	0.7043%
53	28.2186%	18.5262%	13.3727%	11.1085%	6.5509%	5.6988%	4.4713%	5.5414%	3.1753%	1.9686%	0.6724%
54	28.0959%	18.9652%	13.6168%	11.5403%	6.6397%	5.8983%	4.5951%	5.7707%	3.2533%	1.9699%	0.6405%

**EXHIBIT 2-3
WITHDRAWAL RATES**

TRS-Female											
Age	0 Years of Service	1 Year of Service	2 Years of Service	3 Years of Service	4 Years of Service	5 Years of Service	6 Years of Service	7Years of Service	8 Years of Service	9 Years of Service	At least 10 Years of Service
20	24.6985%	9.3652%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
21	24.6985%	9.3652%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
22	25.2705%	9.3652%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
23	26.4144%	10.0160%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
24	27.5583%	10.6668%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
25	28.7022%	11.3175%	6.5741%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
26	29.8461%	11.9683%	7.3589%	5.1834%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
27	30.9900%	12.6190%	8.1437%	5.7103%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
28	32.1339%	13.2698%	8.9285%	6.2371%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
29	33.2779%	13.9205%	9.7132%	6.7640%	5.7959%	4.8790%	4.4087%	3.1433%	3.0269%	2.9859%	2.3495%
30	34.4218%	14.5713%	10.4980%	7.2908%	6.3498%	5.7047%	4.7896%	3.3283%	3.1649%	2.9859%	2.3495%
31	33.7149%	14.3990%	10.2994%	7.6587%	6.6267%	6.5304%	5.1704%	3.6984%	3.4408%	2.9859%	2.3495%
32	33.0080%	14.2268%	10.1008%	8.0267%	6.9037%	6.8562%	5.5512%	4.0686%	3.8771%	3.0520%	2.3495%
33	32.3011%	14.0545%	9.9023%	8.3946%	7.1806%	7.1482%	5.9321%	4.4387%	4.3134%	3.3165%	2.3495%
34	31.5943%	13.8822%	9.7037%	8.7625%	7.4576%	7.2579%	6.3129%	4.8088%	4.7165%	3.5810%	2.3495%
35	30.8874%	13.7100%	9.5051%	9.1304%	7.7345%	7.1809%	6.6937%	5.1790%	5.1195%	3.8455%	2.2675%
36	30.1485%	13.1968%	9.3169%	8.5419%	7.2583%	6.7681%	6.1670%	4.8941%	4.1891%	3.6339%	2.1034%
37	29.4097%	12.6836%	9.1287%	7.9533%	6.7822%	6.3553%	5.6403%	4.6092%	3.8337%	3.4223%	1.9393%
38	28.6709%	12.1704%	8.9405%	7.3647%	6.3060%	5.9425%	5.1135%	4.3243%	3.4782%	3.2107%	1.7752%
39	27.9321%	11.6572%	8.7522%	6.7761%	5.8298%	5.5298%	4.7553%	4.0394%	3.1227%	2.9991%	1.6111%
40	27.1932%	11.1440%	8.5640%	6.1875%	5.3536%	5.1170%	4.3971%	3.7545%	2.7672%	2.7875%	1.4471%
41	27.2086%	11.2626%	8.4583%	6.2068%	5.3566%	4.8726%	4.1349%	3.5634%	2.7143%	2.6346%	1.3501%
42	27.2240%	11.3812%	8.3526%	6.2260%	5.3596%	4.6282%	3.8726%	3.3722%	2.6614%	2.4818%	1.2531%
43	27.2393%	11.4998%	8.2468%	6.2452%	5.3626%	4.3838%	3.6103%	3.1810%	2.6085%	2.3289%	1.1560%
44	27.2547%	11.6185%	8.1411%	6.2644%	5.3656%	4.1395%	3.3481%	2.9899%	2.5555%	2.1760%	1.0590%
45	27.2700%	11.7371%	8.0354%	6.2837%	5.3686%	3.8951%	3.0858%	2.7987%	2.5026%	2.0231%	0.9620%
46	27.6387%	11.9587%	8.3107%	6.4476%	5.3600%	4.0789%	3.1262%	2.8348%	2.5804%	2.0103%	0.9440%
47	28.0073%	12.1803%	8.5860%	6.6116%	5.3514%	4.2628%	3.1667%	2.8708%	2.6581%	1.9974%	0.9259%
48	28.3759%	12.4019%	8.8614%	6.7756%	5.3428%	4.4466%	3.2071%	2.9069%	2.7359%	1.9846%	0.9079%
49	28.7445%	12.6235%	9.1367%	6.9395%	5.3342%	4.6304%	3.2476%	2.9429%	2.8136%	1.9717%	0.8899%
50	29.1131%	12.8450%	9.4120%	7.1035%	5.3256%	4.8143%	3.2880%	2.9790%	2.8914%	1.9589%	0.8718%
51	29.4817%	13.0666%	9.6873%	7.2674%	5.3170%	4.9981%	3.3284%	3.0151%	2.9691%	1.9461%	0.8538%
52	29.8503%	13.2882%	9.9627%	7.4314%	5.3084%	5.1820%	3.3689%	3.0511%	3.0469%	1.9332%	0.8357%
53	24.6985%	9.3652%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%
54	24.6985%	9.3652%	5.7894%	4.6566%	4.9651%	4.0533%	4.0279%	3.1433%	3.0269%	2.9859%	2.3495%

**EXHIBIT 2-4
DISABILITY RATES**

	ERS			PFRS		TRS	
	Accidental Disability		All Other Disability	Accidental Disability*	All Other Disability	Male Disability **	Female Disability **
	Tiers 1 & 2	Tiers 3, 4, 5					
15	0.020%	0.001%	0.067%	0.067%	0.023%		
16	0.020%	0.001%	0.067%	0.067%	0.023%		
17	0.020%	0.001%	0.067%	0.067%	0.023%		
18	0.020%	0.001%	0.067%	0.067%	0.023%		
19	0.020%	0.001%	0.067%	0.067%	0.023%		
20	0.020%	0.001%	0.067%	0.067%	0.023%		
21	0.020%	0.001%	0.067%	0.067%	0.023%		
22	0.020%	0.001%	0.067%	0.067%	0.023%		
23	0.020%	0.001%	0.067%	0.067%	0.023%		
24	0.020%	0.001%	0.067%	0.067%	0.023%		
25	0.020%	0.001%	0.067%	0.067%	0.023%		
26	0.020%	0.001%	0.067%	0.067%	0.023%		
27	0.020%	0.001%	0.067%	0.067%	0.023%		
28	0.020%	0.001%	0.067%	0.067%	0.023%		
29	0.020%	0.001%	0.067%	0.067%	0.023%		
30	0.020%	0.001%	0.067%	0.067%	0.023%	0.0005%	0.0005%
31	0.020%	0.001%	0.067%	0.087%	0.023%	0.0010%	0.0018%
32	0.020%	0.001%	0.067%	0.111%	0.023%	0.0015%	0.0032%
33	0.020%	0.002%	0.067%	0.162%	0.023%	0.0020%	0.0046%
34	0.020%	0.002%	0.067%	0.220%	0.023%	0.0027%	0.0054%
35	0.020%	0.002%	0.067%	0.279%	0.023%	0.0033%	0.0080%
36	0.020%	0.003%	0.078%	0.340%	0.023%	0.0038%	0.0090%
37	0.020%	0.003%	0.093%	0.401%	0.023%	0.0045%	0.0089%
38	0.020%	0.004%	0.112%	0.467%	0.023%	0.0061%	0.0113%
39	0.020%	0.005%	0.133%	0.534%	0.023%	0.0085%	0.0174%
40	0.020%	0.006%	0.152%	0.597%	0.023%	0.0109%	0.0220%
41	0.020%	0.006%	0.171%	0.653%	0.023%	0.0152%	0.0300%
42	0.020%	0.007%	0.187%	0.694%	0.023%	0.0021%	0.0387%
43	0.020%	0.007%	0.201%	0.713%	0.028%	0.0272%	0.0440%
44	0.020%	0.007%	0.214%	0.722%	0.038%	0.0340%	0.0482%
45	0.020%	0.007%	0.229%	0.724%	0.055%	0.0405%	0.0545%
46	0.020%	0.007%	0.248%	0.722%	0.078%	0.0490%	0.0589%
47	0.020%	0.007%	0.274%	0.717%	0.106%	0.0602%	0.0675%
48	0.020%	0.007%	0.308%	0.718%	0.134%	0.0747%	0.0773%
49	0.020%	0.007%	0.346%	0.725%	0.156%	0.0917%	0.0992%
50	0.020%	0.007%	0.383%	0.734%	0.170%	0.1051%	0.1222%
51	0.020%	0.007%	0.413%	0.741%	0.175%	0.1180%	0.1430%
52	0.020%	0.007%	0.435%	0.746%	0.169%	0.1290%	0.1575%
53	0.020%	0.007%	0.477%	0.745%	0.219%	0.1380%	0.1675%
54	0.020%	0.007%	0.523%	0.734%	0.269%	0.1440%	0.1725%
55	0.015%	0.006%	0.574%	0.721%	0.319%		
56	0.015%	0.004%	0.630%	0.709%	0.369%		
57	0.015%	0.002%	0.691%	0.698%	0.419%		
58	0.015%	0.002%	0.758%	0.691%	0.469%		
59	0.015%	0.002%	0.831%	0.691%	0.519%		
60	0.015%	0.002%	0.911%	0.691%	0.569%		
61	0.015%	0.002%	1.000%	0.691%	0.619%		
62	0.015%	0.002%	1.096%	0.691%	0.669%		
63	0.015%	0.002%	1.203%	0.691%	0.719%		
64	0.015%	0.002%	1.319%	0.691%	0.769%		
65	0.015%	0.002%	1.447%	0.691%	0.819%		
66	0.015%	0.002%	1.587%	0.691%	0.869%		
67	0.015%	0.002%	1.741%	0.691%	0.919%		
68	0.015%	0.002%	1.909%	0.691%	0.969%		
69	0.015%	0.002%	2.094%	0.691%	1.019%		
70	0.000%	0.000%	0.000%	0.000%	0.000%		

* Includes performance of duty

** Assumes all disabilities are non-coincidental

**EXHIBIT 2-5
RETIREMENT RATES**

ERS – Tier 1				ERS Tiers 2, 3 & 4			
<u>Age</u>	<u>Years of Service</u>			<u>Age</u>	<u>Years of Service</u>		
	<u><20</u>	<u>20-29.99</u>	<u>> = 30</u>		<u><20</u>	<u>20-29.99</u>	<u>> = 30</u>
55	16.985%	34.977%	77.499%	55	6.104%	8.557%	52.920%
56	9.286%	13.929%	26.808%	56	3.934%	4.906%	22.003%
57	7.541%	11.619%	23.320%	57	3.914%	5.009%	20.460%
58	9.055%	12.956%	21.587%	58	4.074%	5.577%	20.046%
59	10.371%	15.469%	21.164%	59	4.432%	6.675%	20.753%
60	10.331%	17.394%	21.365%	60	5.010%	8.128%	22.153%
61	13.785%	21.229%	24.184%	61	8.517%	17.608%	27.655%
62	19.152%	34.528%	35.390%	62	16.114%	38.328%	43.853%
63	15.155%	25.017%	23.024%	63	11.587%	24.354%	27.483%
64	17.236%	29.052%	23.115%	64	12.806%	23.489%	26.645%
65	22.845%	29.262%	26.254%	65	17.112%	29.605%	32.224%
66	23.898%	31.788%	26.292%	66	16.638%	29.648%	33.716%
67	19.844%	28.362%	22.238%	67	13.248%	22.934%	25.711%
68	15.865%	31.095%	20.547%	68	13.195%	21.522%	27.720%
69	19.512%	26.244%	18.605%	69	14.120%	22.938%	26.998%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

ERS – Tier 5				Upstate (Syracuse) Medical Center – ERS as Modified – Tiers 2, 3, 4, & 5			
<u>Age</u>	<u>Years of Service</u>			<u>Age</u>	<u>Years of Service</u>		
	<u><20</u>	<u>20-29.99</u>	<u>> = 30</u>		<u><20</u>	<u>20-29.99</u>	<u>> = 30</u>
55	4.883%	6.846%	8.557%	55	10.736%	17.654%	28.216%
56	3.147%	3.925%	4.906%	56	9.036%	14.348%	20.938%
57	3.131%	4.007%	5.009%	57	9.252%	14.614%	18.393%
58	3.259%	4.462%	5.577%	58	9.740%	16.300%	21.279%
59	3.546%	5.340%	6.675%	59	11.366%	19.244%	24.370%
60	4.008%	6.502%	8.128%	60	12.824%	23.536%	23.707%
61	6.814%	14.086%	17.608%	61	20.910%	32.988%	32.988%
62	36.114%	48.328%	48.328%	62	20.910%	39.194%	43.710%
63	11.587%	24.354%	24.354%	63	14.090%	25.830%	31.095%
64	12.806%	23.489%	23.489%	64	14.543%	23.372%	24.977%
65	17.112%	29.605%	29.605%	65	19.902%	31.101%	27.759%
66	16.638%	29.648%	29.648%	66	15.511%	24.229%	22.960%
67	13.248%	22.934%	22.934%	67	14.727%	21.717%	21.737%
68	13.195%	21.522%	21.522%	68	14.148%	21.250%	20.472%
69	14.120%	22.938%	22.938%	69	15.790%	21.035%	21.862%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

**EXHIBIT 2-5
RETIREMENT RATES**

Stony Brook Hospital and Brooklyn Hospital – Tier 1				Stony Brook Hospital and Brooklyn Hospital – Tiers 2, 3, 4 & 5			
Age	Years of Service			Age	Years of Service		
	<20	20-29.99	>= 30		<20	20-29.99	>= 30
55	14.087%	21.760%	38.944%	55	5.368%	8.827%	28.216%
56	9.632%	15.181%	24.928%	56	4.518%	7.174%	20.938%
57	7.848%	13.186%	22.767%	57	4.626%	7.307%	18.393%
58	9.751%	14.383%	22.665%	58	4.870%	8.150%	21.279%
59	10.448%	16.200%	23.762%	59	5.683%	9.622%	24.370%
60	12.185%	17.497%	24.040%	60	6.412%	11.768%	23.707%
61	15.143%	23.394%	29.058%	61	11.522%	20.838%	32.988%
62	24.581%	39.194%	37.573%	62	20.910%	39.194%	43.710%
63	18.617%	25.830%	26.772%	63	14.090%	25.830%	31.095%
64	19.317%	23.372%	24.977%	64	14.543%	23.372%	24.977%
65	27.247%	31.101%	27.759%	65	19.902%	31.101%	27.759%
66	18.252%	24.229%	22.960%	66	15.511%	24.229%	22.960%
67	17.492%	21.717%	21.737%	67	14.727%	21.717%	21.737%
68	16.929%	21.250%	20.472%	68	14.148%	21.250%	20.472%
69	18.523%	21.035%	21.862%	69	15.790%	21.035%	21.862%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

Years of Service	ERS (Corrections)	ERS (Corrections)
	Tiers 1 & 2	Tier 3
25	20.915%	32.263%
26	22.135%	20.498%
27	22.418%	13.916%
28	21.834%	12.099%
29	20.314%	12.864%
30	18.023%	14.713%
31	15.638%	15.638%
32	15.787%	15.787%
33	18.173%	18.173%
34	20.559%	20.559%
35	23.067%	23.067%
36	27.093%	27.093%
37	33.205%	33.205%
38	38.247%	38.247%
39	39.053%	39.053%
40	39.053%	39.053%
41	39.053%	39.053%
42	39.053%	39.053%
43	39.053%	39.053%
44	39.053%	39.053%
45	39.053%	39.053%
46	39.053%	39.053%
47	39.053%	39.053%
48	39.053%	39.053%
49	39.053%	39.053%
50	100.000%	100.000%

**EXHIBIT 2-5
RETIREMENT RATES**

Age	TRS					
	Tier 1		Tiers 2, 3, 4		Tiers 5, 6	
	Males	Females	Males	Females	Males	Females
55	31.1756%	31.1774%	3.4627%	4.2183%	1.7313%	2.1092%
56	25.4224%	24.9599%	2.9994%	3.6835%	1.4997%	1.8418%
57	18.7021%	16.3685%	2.8821%	3.5166%	1.4411%	1.7583%
58	20.1230%	17.3078%	3.7932%	4.0023%	1.8966%	2.0012%
59	21.7976%	17.7174%	3.4563%	4.2266%	1.7281%	2.1133%
60	22.5532%	19.0579%	4.7151%	4.8490%	2.3575%	2.4245%
61	22.7859%	20.4671%	5.3363%	6.2749%	2.6682%	3.1375%
62	21.1386%	22.1966%	21.1386%	22.1966%	21.1386%	22.1966%
63	17.8082%	18.1851%	17.8082%	18.1851%	17.8082%	18.1851%
64	13.4752%	15.9849%	13.4752%	15.9849%	13.4752%	15.9849%
65	17.4277%	20.0559%	17.4277%	20.0559%	17.4277%	20.0559%
66	19.7891%	18.9809%	19.7891%	18.9809%	19.7891%	18.9809%
67	11.5544%	16.1544%	11.5544%	16.1544%	11.5544%	16.1544%
68	12.6412%	16.9583%	12.6412%	16.9583%	12.6412%	16.9583%
69	9.5163%	15.7879%	9.5163%	15.7879%	9.5163%	15.7879%
70	13.4313%	16.9101%	13.4313%	16.9101%	13.4313%	16.9101%
71	13.2847%	17.3372%	13.2847%	17.3372%	13.2847%	17.3372%
72	8.3523%	12.3957%	8.3523%	12.3957%	8.3523%	12.3957%
73	6.0934%	12.6204%	6.0934%	12.6204%	6.0934%	12.6204%
74	14.0439%	11.8774%	14.0439%	11.8774%	14.0439%	11.8774%
75	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

**EXHIBIT 2-6
 SALARY SCALE**

Service	ERS	PFRS
0	10.30%	29.76%
1	8.68%	29.76%
2	7.49%	18.33%
3	6.69%	12.19%
4	6.21%	9.11%
5	5.92%	7.41%
6	5.70%	6.34%
7	5.49%	5.73%
8	5.27%	5.36%
9	5.05%	5.09%
10	4.86%	4.85%
11	4.72%	4.62%
12	4.60%	4.46%
13	4.52%	4.33%
14	4.48%	4.32%
15	4.40%	4.41%
16	4.31%	4.57%
17	4.24%	4.74%
18	4.19%	4.82%
19	4.14%	4.68%
20	4.06%	4.42%
21	3.95%	4.28%
22	3.86%	4.24%
23	3.81%	4.18%
24	3.81%	4.15%
25	3.81%	4.22%
26	3.79%	4.36%
27	3.77%	4.50%
28	3.74%	4.54%
29	3.71%	4.41%
30	3.68%	4.24%
31	3.66%	4.12%
32	3.63%	4.08%
33	3.61%	4.08%
34	3.58%	4.08%
35	3.56%	4.08%
36	3.53%	4.08%
37	3.51%	4.08%
38	3.47%	4.08%
39	3.43%	4.08%
40	3.36%	4.08%
41	3.36%	4.08%
42	3.36%	4.08%
43	3.36%	4.08%
44	3.36%	4.08%
45	3.36%	4.08%
46	3.36%	4.08%
47	3.36%	4.08%
48	3.36%	4.08%
49	3.36%	4.08%
50	3.36%	4.08%
51	3.36%	4.08%
52	3.36%	4.08%
53	3.36%	4.08%
54	3.36%	4.08%
55	3.36%	4.08%

**EXHIBIT 2-6
SALARY SCALE**

Age	TRS	
	M	Females
20	12.03%	11.98%
21	12.01%	11.77%
22	11.98%	11.62%
23	11.84%	11.39%
24	11.52%	11.01%
25	10.91%	10.35%
26	10.18%	9.54%
27	9.09%	8.57%
28	8.41%	7.70%
29	7.77%	7.20%
30	7.48%	6.84%
31	7.18%	6.60%
32	6.91%	6.44%
33	6.65%	6.36%
34	6.46%	6.30%
35	6.27%	6.26%
36	6.15%	6.22%
37	6.11%	6.14%
38	5.93%	6.02%
39	5.76%	5.91%
40	5.61%	5.82%
41	5.45%	5.72%
42	5.32%	5.62%
43	5.24%	5.53%
44	5.17%	5.46%
45	5.04%	5.39%
46	4.85%	5.30%
47	4.69%	5.23%
48	4.56%	5.16%
49	4.48%	5.06%
50	4.40%	4.97%
51	4.33%	4.85%
52	4.28%	4.74%
53	4.22%	4.61%
54	4.15%	4.49%
55	4.01%	4.42%
56	3.88%	4.35%
57	3.82%	4.24%
58	3.74%	4.16%
59	3.72%	4.13%
60	3.64%	4.10%
61	3.52%	4.02%
62	3.47%	3.93%
63	3.38%	3.86%
64	3.16%	3.83%
65	2.94%	3.76%
66	2.63%	3.67%
67	2.49%	3.52%
68	2.50%	3.41%
69	2.54%	3.29%
70	2.59%	3.28%
71	2.47%	3.26%
72	2.41%	3.25%
73	2.41%	3.22%
74	2.39%	3.09%
75	2.38%	3.08%

Health Care Trend

The health care cost trend assumption is used to project the current year per capita plan costs, premium rates, and Medicare Part B premiums into the future. These costs are applied to the surviving covered population to determine the stream of future payments. GASB 45 states that “The selection of all actuarial assumptions, including the health care cost trend rate... should be guided by actuarial standards” and should be based on actual experience of the covered group to the extent the experience of the group is credible. GASB 45 defines the healthcare cost trend rate as:

The rate of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

Increases in medical costs can be volatile, as a result, this assumption is subject to wide variation and there can be a wide range of acceptable assumptions. In addition, our experience has shown that past cost increases are not necessarily indicative of future cost increases. Therefore, judgment is required in developing this assumption.

Based on a detailed analysis of the trend assumption, which considered the Actuarial Standard of Practice No. 6 (ASOP #6) - *Measuring Retiree Group Benefit Obligations*, research published by the Society of Actuaries entitled *Modeling Long Term Healthcare Cost Trends*, and other publications by actuaries and health care professionals regarding short-term medical cost increases and expected long-term health care spending, we believe that an appropriate trend assumption for valuing retiree health care liabilities should:

- Consider separate short-term trend rates for major cost components such as medical and prescription drug services;
- Be based primarily on the “core” trend components - medical inflation, utilization, and intensity of services, and exclude the impact of the aging of the covered population;
- Include short-term rates established with an emphasis towards the influences of the health care marketplace as a whole, while also considering the cost characteristics of the plan;
- Assume that over the long-term, health care costs ultimately will be constrained by the public’s ability and willingness to pay the higher cost of medical services; and
- Reflect the effect of future technology improvements on the long-term health care costs.

A typical retiree medical valuation uses health care trend rates that initially reflect recent experience in conjunction with the overall healthcare marketplace. Estimated marketplace trends are developed using a consistent series of market-wide data including: S&P Healthcare

Economic Index, Carrier Surveys, CMS National Health Expenditures, Client Experience Monitoring Reports, CMS Trustees Report, Healthcare Components of CPI-W, and Pharmacy Benefit Manager Trend Reports. A separate trend assumption has been added to estimate the growth in expected EGWP revenue.

Initial trend rates are then assumed to grade down to an ultimate level that implies the National Health Expenditure (NHE) stabilizes as a percentage of Gross Domestic Product (GDP). In other words, the ultimate trend rate is equal to price inflation plus real GDP growth plus any allowances for leveraging of plan design variables, Medicare integration, and other cost drivers. The length of the select period — the period of time before the ultimate trend rate is reached — and the trend rate pattern during the select period have been developed by taking into account reasonable expectations for the ultimate portion of GDP consumed by the Health Care sector.

Demographic Assumptions

Demographic assumptions are rates of mortality, disability, withdrawal and retirement. With the exception of SUNY Campus employees, most State employees are covered by the Employees' Retirement System (ERS) and, to a lesser extent, by the Police & Fire Retirement System (PFRS). We reviewed the April 1, 2012 demographic assumptions adopted for use by the New York State & Local Retirement System to value participants in ERS and PFRS and concluded that these assumptions generally form a reasonable basis for our valuation.

Note for PEs: *The New York State & Local Retirement System applied mortality improvement by projecting the rates using Scale MP 2014 generationally for the post-retirement mortality of current retirees. For post-retirement mortality for current active participants, generational mortality improvement was approximated on a static basis due to constraints with the ERS systems. Aon Hewitt's systems have the capability to apply generational mortality improvements to all post-retirement mortality, and thus we used generational mortality for all participants. Each individual PE should determine the assumption about mortality improvement after consulting with their actuary.*

We have not reflected any difference in demographic assumptions for Tier VI (new retirement provisions), since this population is still relatively new.

We did not examine the detailed experience underlying the development of those assumptions. The assumptions were based on the experience of ERS and PFRS as a whole, and do not reflect any potential differences in termination rates between State employees and employees of PAs and PEs. No adjustments were made for the possibility that an employee could terminate from the State but remain covered under ERS or PFRS with a different employer.

Since census data relating to job type was not readily available to Aon Hewitt, we used a blended postretirement mortality assumption in past years by assuming that retirees were split as follows:

Gender	Clerks	Laborers
Males	85%	15%
Females	92.5%	7.5%

Note for PEs: *These blended assumptions were based on the proportion of State retirees who were clerks as compared to laborers and may differ for a particular PE.*

The New York State & Local Retirement System actuary determined this population split.

The New York State & Local Retirement System values ERS and PFRS beneficiaries using a separate mortality table. However, because the beneficiary population is not fully credible and because beneficiaries under a retirement plan can be other than the retiree's spouse, we did not use the beneficiary mortality table but rather used the retiree table.

At the request of SUNY, for the 2008 valuation, the plan performed a study of the withdrawal and retirement rates for the three SUNY hospitals. The hospitals proved to have significantly higher withdrawal rates than would have been expected based on the overall experience under the New York State & Local Retirement System, even after adjusting for the anticipated numbers of terminations due to death or disability. The overall number of terminations for each hospital was credible, although the various age and service cells were not necessarily credible on their own. Based on the separate data provided, but with consideration of the experience at the other hospitals and of NYS ERS rates used in 2008, the plan developed three separate withdrawal assumption tables, included in Exhibit 2-3. We have continued using those assumptions for the April 1, 2014 valuation.

Given the relative smaller number of SUNY hospital employees who terminated with age and service that would qualify them for retirement benefits, the plan has not developed a complete set of retirement rates for each of the three hospitals. However, the retirement patterns for Syracuse look significantly different than the ERS rates used in the 2008 valuation, as well as different than those of the other two hospitals. Thus, a modification of the retirement assumption for Syracuse for Tiers 2, 3 and 4 at ages less than 62, as indicated in Exhibit 2-5 was developed. We have continued using both the Syracuse adjusted assumptions and the Brooklyn/Stony Brook unadjusted 2008 assumptions for the April 1, 2014 valuation.

We note that the SUNY hospital experience based withdrawal and retirement rates we are using were developed in consideration of ERS rates that are no longer current. However, we have not updated our assumption to reflect the more recent ERS rates, as we would prefer to examine more recent SUNY hospital experience along with the more recent experience based ERS rates. We also note that we have not adjusted retirement rates for Tier V SUNY hospital employees, again preferring to consider retirement rates in context of a complete termination study.

The situation is somewhat more complex for SUNY Campus employees. While some SUNY campus employees – primarily staff and not the professors – are in ERS, many are in the New York State Teachers' Retirement System (TRS), with the majority purchasing an annuity from TIAA-CREF. No demographic assumptions are readily available for those who are in TIAA-CREF. Moreover, our valuation data is missing the retirement system information for a significant portion of the Campus employees. Given these factors, we continue to recommend that a single set of demographic assumptions be used for the SUNY Campus employees (other than those identifiable as PFRS).

Note for PEs: *The SUNY Hospital assumptions are based on the experience of particular employers and are not likely to be representative of the experience of any other particular PE.*

We reviewed the most recent demographic assumptions provided to us by the actuary for TRS and believe they are generally useful as a starting point for setting the assumptions to be used in valuing SUNY Campus employees. We did not examine the detailed experience underlying the development of those assumptions for purposes of this valuation.

We were informed by the TRS staff that the TRS mortality is based on the most recent experience period and has been projected using Scale AA to 2013. To be consistent with our assumptions for ERS and PFRS, and because future mortality improvement has a much greater impact on the measurement of post-retirement medical costs than pension costs, we intend to apply further mortality improvements on the post-retirement mortality by projecting the rates using Scale MP 2014 generationally.

We recommend that the TRS retirement assumptions used in the previous valuation continue to be used for this valuation. These rates were a modified version of the previous TRS retirement assumptions based on various statistics provided by SUNY for the 2008 valuation, including counts of Campus retirements over the past few years. We recommend not reflecting the structure of higher retirement rates that is applied in the TRS assumptions to employees eligible for “full” unreduced pensions². A more detailed study based on individual SUNY Campus employment histories might lead to different assumptions, but we believe it is unlikely that the results of such a study would produce any significant increase in measured liability.

The new TRS experience rates appear to anticipate overall lower turnover than had the previous rates. The overall number of employees who had terminated from SUNY based on statistics provided to the plan in 2008 was higher than had been anticipated based on the TRS assumption in use at the time of the 2008 valuation. It is possible that much of that turnover is within adjunct faculty employees, many of whom never joined either a Retirement System or NYSHIP, thus we had not adjusted the withdrawal rates for higher campus turnover. A more detailed study based on individual SUNY Campus employment histories might lead to different assumptions, but we believe it is unlikely that the results of such a study would produce any significant increase in measured liability. We recommend that a study of SUNY campus turnover experience (termination and retirement) be performed prior to the April 1, 2016 valuation.

² TRS uses higher retirement rates at ages 55 through 61 for employees in Tier 1 and those in Tiers 2, 3 and 4 who have at least 30 years of service.

Health Care Reform Considerations

The Patient Protection and Affordable Care Act (PPACA), was signed March 23, 2010, with further changes enacted by the Health Care and Education Reconciliation Act (HCERA), signed March 30, 2010. This report has discussed various assumptions that were modified based on considerations under health care reform legislation. This section discusses particular legislative changes that were reflected in our assumptions. We have not identified any other specific provision of healthcare reform that would be expected to have a significant impact on the measured obligation. As additional guidance on the legislation is issued, we will continue to monitor any potential impacts.

Expansion of Child Coverage to Age 26— Health reform mandates that coverage be offered to any child, dependent or not, through age 26, consistent with coverage for any other dependent. New York State insurance law mandates coverage to age 29, but on a fully contributory basis. We have assumed that the impact of this increase is reflected in the underlying rates and the claims experience.

High Cost Plan Excise Tax— Health care reform includes various revenue raisers, one of which is the high cost plan excise tax. The expected impact of the excise tax on high cost health plans was reflected through adjusted trend rates. For the excise tax, the per capita claim amounts used in the valuation were trended forward using the unleveraged trend rates from the valuation and compared to the statutory threshold levels indexed at CPI (except for 2018 where an additional 1% was applied, per the statute). Any excess of the indexed plan costs over the indexed statutory threshold level (in 2018 and after) had a 40% tax applied and was adjusted to reflect an assumed 35% corporate tax rate. The unleveraged trend rates for 2017 and after were then adjusted to reflect any additional costs due to the excise tax to produce the leveraged trend rates used for the valuation.

Qualifications

Aon Hewitt has developed these recommended actuarial assumptions solely for the purpose of enabling New York State to value its obligation under GASB 45. Use of this report for any other purpose may not be appropriate and may result in mistaken conclusions due to failure to understand applicable assumptions, methodologies, or inapplicability of the report for that purpose. No one may make any representations or warranties based on any statements or conclusions contained in this report without the written consent of Aon Hewitt.

Our projections are based on plan provisions, premium, claim and enrollment data provided to us by the Department of Civil Service and the four Empire Plan insurers. In selecting the discount rate assumption, we relied upon information provided to us by the Office of State Comptroller. In selecting the demographic assumptions, we relied upon analyses of historic experience and recommendations for assumptions under the New York State Employees Retirement System and the New York State Teachers' Retirement System prepared by the actuaries for those Systems, as well as census information provided to us by SUNY.

The recommendations in this report are a Statement of Actuarial Opinion, prepared by Tom Vicente and Mike Morfe. Both Mr. Morfe and Mr. Vicente are Fellows of the Society of Actuaries and are Members of the American Academy of Actuaries and have met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.