

2016 PROJECTED EMPIRE PLAN EXPERIENCE
In (000's)

	EMPIRE BLUE CROSS	UNITED HEALTHCARE MEDICAL				BEACON HEALTH OPTIONS MHSA				CVS CAREMARK DRUG	TOTAL
		Core	Enhancement	Enhancement	Combined	Core	Enhancement	Enhancement	Combined		
A Premium (1)	2,739,221	2,250,582	315,236	323,736	2,889,554	160,930	24,085	18,598	203,613	1,932,751	7,765,139
B Incurred Claims (2)	2,737,739	2,209,510	318,376	328,063	2,855,949	158,835	20,387	17,885	197,107	1,724,382	7,515,177
C Administrative Expense (3)	97,029	152,082	15,692	16,141	183,915	12,422	1,588	1,396	15,406	29,172	325,522
D Gain/(Loss) (A-B-C)	(95,547)	(111,010)	(18,832)	(20,468)	(150,310)	(10,327)	2,110	(683)	(8,900)	179,197	(75,560)

(1) Earned Premium - Premium which pays for coverage for the period reported (accrual basis).

(2) Incurred Claims - Represents the cost of covered services provided during the period reported by the insurance company (accrual basis).

(3) Administrative Expenses - All charges by the insurance carrier other than for the payment of claims. Includes carrier's cost to administer the program, interest charges, and other retention.

Source: Vendors' 2016 2nd Quarter Experience Reports.

2017 Premium Projections Empire Plan With Drug Coverage

	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
<u>Optimistic Projections</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Individual Coverage	695.47	723.24	4.0%	680.91	710.16	4.3%
Family Coverage	1,719.56	1,808.33	5.2%	1,682.33	1,779.23	5.8%
Aggregate			5.0%			5.5%
<u>Best Estimate Projections</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Individual Coverage	695.47	738.43	6.2%	680.91	725.35	6.5%
Family Coverage	1,719.56	1,846.39	7.4%	1,682.33	1,817.29	8.0%
Aggregate			7.2%			7.8%
<u>Pessimistic Projections</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Individual Coverage	695.47	753.63	8.4%	680.91	740.55	8.8%
Family Coverage	1,719.56	1,884.45	9.6%	1,682.33	1,855.35	10.3%
Aggregate			9.4%			10.0%

(1) Represents premiums set to fund all self insured costs.

(2) Represents cost to a participating employer.

2017 Premium Projections Empire Plan Without Drug Coverage

	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2016</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
<u>Optimistic Projections</u>						
Individual Coverage	506.79	541.84	6.9%	492.32	538.58	9.4%
Family Coverage	1,318.09	1,417.49	7.5%	1,281.05	1,409.12	10.0%
Aggregate			7.4%			9.9%
<u>Best Estimate Projections</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Individual Coverage	506.79	551.42	8.8%	492.32	548.16	11.3%
Family Coverage	1,318.09	1,443.46	9.5%	1,281.05	1,435.09	12.0%
Aggregate			9.4%			11.9%
<u>Pessimistic Projections</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Individual Coverage	506.79	561.01	10.7%	492.32	557.75	13.3%
Family Coverage	1,318.09	1,469.43	11.5%	1,281.05	1,461.06	14.1%
Aggregate			11.4%			13.9%

(1) Represents premiums set to fund all self insured costs.

(2) Represents cost to a participating employer.

PARTICIPATING EMPLOYER RATES				
2008-2017 MONTHLY RATES				
REPRESENTS ENROLLEES WITH RX DRUG COVERAGE				
	Gross Rate (1)	% Change	Net Rate (2)	% Change
Individual				
2008	517.06	4.7%	483.37	4.5%
2009	508.00	-1.8%	481.52	-0.4%
2010	536.22	5.6%	499.07	3.6%
2011	599.25	11.8%	561.83	12.6%
2012 (3)	646.04	7.8%	612.26	9.0%
2013	622.25	-3.7%	609.56	-0.4%
2014	633.04	1.7%	617.51	1.3%
2015	656.23	3.7%	641.39	3.9%
2016	695.47	6.0%	680.91	6.2%
2017 Projected	738.43	6.2%	725.35	6.5%
<u>Average Percent Increase</u>				
From Inception (1985)		6.9%		6.9%
Most Recent 10 Years		4.2%		4.7%
Most Recent 5 Years		2.8%		3.5%
Family				
2008	1,191.70	6.0%	1,118.71	5.9%
2009	1,190.98	-0.1%	1,132.44	1.2%
2010	1,248.31	4.8%	1,165.06	2.9%
2011	1,390.76	11.4%	1,308.84	12.3%
2012 (3)	1,500.45	7.9%	1,423.94	8.8%
2013	1,499.54	-0.1%	1,470.65	3.3%
2014	1,534.36	2.3%	1,499.61	2.0%
2015	1,595.52	4.0%	1,559.83	4.0%
2016	1,719.56	7.8%	1,682.33	7.9%
2017 Projected	1,846.39	7.4%	1,817.29	8.0%
<u>Average Percent Increase</u>				
From Inception (1985)		7.4%		7.5%
Most Recent 10 Years		5.1%		5.6%
Most Recent 5 Years		4.3%		5.0%

(1) Represents premiums charged by the carriers (2006-2013) and premiums set to fund all self insured costs (2014-2017).

(2) Represents the premium charged to a participating employer.

(3) Reflects rates effective 7/1/2012.

PARTICIPATING EMPLOYER RATES				
2008-2017 MONTHLY RATES				
REPRESENTS ENROLLEES WITHOUT RX DRUG COVERAGE				
Individual	Gross Rate (1)	% Change	Net Rate (2)	% Change
2008	358.10	5.7%	343.35	6.6%
2009	359.79	0.5%	346.01	0.8%
2010	383.85	6.7%	361.11	4.4%
2011	422.70	10.1%	407.98	13.0%
2012 (3)	470.89	11.4%	450.01	10.3%
2013	473.37	0.5%	466.99	3.8%
2014	472.25	-0.2%	464.40	-0.6%
2015	493.41	4.5%	481.69	3.7%
2016	506.79	2.7%	492.32	2.2%
2017 Projected	551.42	8.8%	548.16	11.3%
<u>Average Percent Increase</u>				
From Inception (1985)		6.5%		6.6%
Most Recent 10 Years		5.1%		5.5%
Most Recent 5 Years		3.3%		4.1%
Family				
2008	870.96	7.5%	835.62	8.4%
2009	883.85	1.5%	850.83	1.8%
2010	938.53	6.2%	884.48	4.0%
2011	1,034.74	10.3%	999.11	13.0%
2012 (3)	1,142.72	10.4%	1,092.47	9.3%
2013	1,190.63	4.2%	1,174.47	7.5%
2014	1,198.84	0.7%	1,179.71	0.4%
2015	1,257.61	4.9%	1,228.40	4.1%
2016	1,318.09	4.8%	1,281.05	4.3%
2017 Projected	1,443.46	9.5%	1,435.09	12.0%
<u>Average Percent Increase</u>				
From Inception (1985)		7.2%		7.3%
Most Recent 10 Years		6.0%		6.5%
Most Recent 5 Years		4.8%		5.7%

(1) Represents premiums charged by the carriers (2006-2013) and premiums set to fund all self insured costs (2014-2017).

(2) Represents the premium charged to a participating employer.

(3) Reflects rates effective 7/1/2012.