

PROJECTED 2017 EMPIRE PLAN EXPERIENCE
In (000's)

	EMPIRE	UNITED HEALTHCARE MEDICAL				BEACON HEALTH OPTIONS MHSA				CVS CAREMARK	TOTAL
	BLUE CROSS	Core	NY Enhancement	PA Enhancement	Combined	Core	NY Enhancement	PA Enhancement	Combined	DRUG	
A Premium (1)	2,994,317	2,455,507	351,731	367,123	3,174,361	176,156	23,682	20,594	220,432	1,943,962	8,333,072
B Incurred Claims (2)	2,976,354	2,233,489	326,184	344,729	2,904,402	188,133	30,605	21,374	240,112	1,775,412	7,896,280
C Administrative Expense (3)	94,019	158,785	16,365	17,270	192,420	12,011	1,996	1,388	15,395	30,175	332,009
D Gain/(Loss) (A-B-C)	(76,056)	63,233	9,182	5,124	77,539	(23,988)	(8,919)	(2,168)	(35,075)	138,375	104,783

(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 vendor (accrual basis).

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

Source: Vendor 2017 2nd Quarter Reports

2018 Premium Projections

Excelsior Plan

<u>Optimistic Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2017</u>	<u>2018 (3)</u>	<u>% Change</u>	<u>2017</u>	<u>2018 (3)</u>	<u>% Change</u>
Individual Plan Prime	848.79	910.16	7.2%	839.75	901.81	7.4%
Family Plan Prime	1,951.83	2,095.40	7.4%	1,931.72	2,076.58	7.5%
Individual Mediprime	386.06	410.57	6.3%	370.77	399.80	7.8%
Family - 1 Mediprime	1,489.10	1,595.81	7.2%	1,462.74	1,574.56	7.6%
Family - 2+ Mediprime	1,026.36	1,096.21	6.8%	993.74	1,072.54	7.9%
Aggregate			7.2%			7.6%

<u>Best Estimate Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2017</u>	<u>2018 (3)</u>	<u>% Change</u>	<u>2017</u>	<u>2018 (3)</u>	<u>% Change</u>
Individual Plan Prime	848.79	929.18	9.5%	839.75	920.83	9.7%
Family Plan Prime	1,951.83	2,139.12	9.6%	1,931.72	2,120.30	9.8%
Individual Mediprime	386.06	421.62	9.2%	370.77	410.85	10.8%
Family - 1 Mediprime	1,489.10	1,631.55	9.6%	1,462.74	1,610.30	10.1%
Family - 2+ Mediprime	1,026.36	1,123.98	9.5%	993.74	1,100.31	10.7%
Aggregate			9.5%			9.9%

<u>Pessimistic Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2017</u>	<u>2018 (3)</u>	<u>% Change</u>	<u>2017</u>	<u>2018 (3)</u>	<u>% Change</u>
Individual Plan Prime	848.79	948.19	11.7%	839.75	939.84	11.9%
Family Plan Prime	1,951.83	2,182.85	11.8%	1,931.72	2,164.03	12.0%
Individual Mediprime	386.06	432.65	12.1%	370.77	421.88	13.8%
Family - 1 Mediprime	1,489.10	1,667.30	12.0%	1,462.74	1,646.05	12.5%
Family - 2+ Mediprime	1,026.36	1,151.75	12.2%	993.74	1,128.08	13.5%
Aggregate			11.9%			12.3%

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

(2) Represents cost to a participating agency.

(3) Projected Rates.

EMPIRE PLAN
PA 5 TIER GROUP RATES
2009 - 2018 Monthly Rates

	Gross Rate(1)	% Change	Net Rate(2)	% Change
Individual Planprime				
2009	630.73	-0.5%	598.58	1.0%
2010	660.24	4.7%	612.34	2.3%
2011	734.00	11.2%	693.92	13.3%
2012	751.55	2.4%	712.75	2.7%
2013	779.91	3.8%	767.98	7.7%
2014	789.31	1.2%	771.54	0.5%
2015	830.01	5.2%	805.05	4.3%
2016	874.17	5.3%	849.01	5.5%
2017	957.11	9.5%	944.39	11.2%
2018	1,042.10	8.9%	1,031.98	9.3%
Average Percent Increase				
From Inception of 5 Tier Structure (1996)		7.2%		7.6%
Most Recent 10 Years		5.2%		5.8%
Most Recent 5 Years		6.0%		6.2%
Family Planprime				
2009	1,350.26	0.3%	1,282.17	1.9%
2010	1,431.43	6.0%	1,330.93	3.8%
2011	1,598.49	11.7%	1,513.92	13.7%
2012	1,645.31	2.9%	1,562.80	3.2%
2013	1,712.76	4.1%	1,686.56	7.9%
2014	1,752.26	2.3%	1,714.19	1.6%
2015	1,862.59	6.3%	1,808.86	5.5%
2016	1,980.96	6.4%	1,926.21	6.5%
2017	2,188.54	10.5%	2,160.64	12.2%
2018	2,385.87	9.0%	2,363.32	9.4%
Average Percent Increase				
From Inception of 5 Tier Structure (1996)		7.2%		7.6%
Most Recent 10 Years		5.9%		6.6%
Most Recent 5 Years		6.9%		7.0%
Individual Medprime				
2009	384.38	-3.2%	359.22	-0.3%
2010	400.76	4.3%	367.37	2.3%
2011	446.90	11.5%	405.64	10.4%
2012	447.66	0.2%	419.24	3.4%
2013	409.85	-8.4%	399.33	-4.7%
2014	424.22	3.5%	408.77	2.4%
2015	412.95	-2.7%	401.84	-1.7%
2016	459.28	11.2%	452.79	12.7%
2017	439.91	-4.2%	421.40	-6.9%
2018	478.61	8.8%	465.93	10.6%
Average Percent Increase				
From Inception of 5 Tier Structure (1996)		4.0%		4.5%
Most Recent 10 Years		2.1%		2.8%
Most Recent 5 Years		3.3%		3.4%

(1) Represents premiums paid to the carriers (2009-2013) and premiums set to fund all self insured costs (2014-2018).
(2) Represents cost to a participating agency.

EMPIRE PLAN PA 5 TIER GROUP RATES 2009 - 2018 Monthly Rates				
	Gross Rate(1)	% Change	Net Rate(2)	% Change
Family - 1 Medprime				
2009	1,103.90	-0.5%	1,042.81	1.6%
2010	1,171.95	6.2%	1,085.94	4.1%
2011	1,311.39	11.9%	1,225.62	12.9%
2012	1,341.42	2.3%	1,269.28	3.6%
2013	1,342.71	0.1%	1,317.93	3.8%
2014	1,387.18	3.3%	1,351.42	2.5%
2015	1,445.54	4.2%	1,405.68	4.0%
2016	1,566.06	8.3%	1,530.00	8.8%
2017	1,671.33	6.7%	1,637.63	7.0%
2018	1,822.39	9.0%	1,797.25	9.7%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		6.0%		6.5%
Most Recent 10 Years		5.2%		5.8%
Most Recent 5 Years		6.3%		6.4%
Family - 2 or More Medprime				
2009	857.54	-1.8%	803.45	1.1%
2010	912.48	6.4%	840.98	4.7%
2011	1,024.28	12.3%	937.31	11.5%
2012	1,037.53	1.3%	975.77	4.1%
2013	972.66	-6.3%	949.28	-2.7%
2014	1,022.11	5.1%	988.69	4.2%
2015	1,028.48	0.6%	1,002.46	1.4%
2016	1,151.17	11.9%	1,133.77	13.1%
2017	1,154.11	0.3%	1,114.63	-1.7%
2018	1,258.94	9.1%	1,231.25	10.5%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		4.7%		5.2%
Most Recent 10 Years		3.9%		4.6%
Most Recent 5 Years		5.4%		5.5%

(1) Represents premiums paid to the carriers (2009-2013) and premiums set to fund all self insured costs (2014-2018).

(2) Represents cost to a participating agency.

**EMPIRE PLAN
PA 2 TIER GROUP RATES
2009 - 2018 Monthly Rates
(For Illustrative Purposes Only)**

	Gross Rate(1)	% Change	Net Rate(2)	% Change
Individual				
2009	527.09	-1.8%	497.91	-0.2%
2010	557.46	5.8%	515.75	3.6%
2011	621.78	11.5%	581.69	12.8%
2012	619.95	-0.3%	584.75	0.5%
2013	608.23	-1.9%	594.58	1.7%
2014	619.05	1.8%	602.57	1.3%
2015	643.84	4.0%	624.64	3.7%
2016	681.30	5.8%	663.86	6.3%
2017	724.25	6.3%	710.27	7.0%
2018	783.70	8.2%	773.17	8.9%
Average Percent Increase				
From Inception (1986)		6.8%		6.8%
Most Recent 10 Years		3.9%		4.6%
Most Recent 5 Years		5.2%		5.4%
Family				
2009	1,230.02	-0.3%	1,165.24	1.3%
2010	1,297.06	5.5%	1,203.56	3.3%
2011	1,441.84	11.2%	1,353.97	12.5%
2012	1,478.23	2.5%	1,398.52	3.3%
2013	1,502.55	1.6%	1,471.47	5.2%
2014	1,539.35	2.4%	1,502.31	2.1%
2015	1,604.08	4.2%	1,557.93	3.7%
2016	1,722.49	7.4%	1,678.01	7.7%
2017	1,856.96	7.8%	1,825.69	8.8%
2018	2,016.52	8.6%	1,992.22	9.1%
Average Percent Increase				
From Inception (1986)		7.5%		7.5%
Most Recent 10 Years		5.1%		5.7%
Most Recent 5 Years		6.1%		6.3%

(1) Represents premiums paid to the carriers (2009-2013) and premiums set to fund all self insured costs (2014-2018)

(2) Represents cost to a participating agency.