

**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: Vendors' 2017 2nd Quarter Experience Reports.

## 2018 Premium Projections Empire Plan With Drug Coverage

	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
<u>Optimistic Projections</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>
Individual Plan Prime	737.16	779.12	5.7%	722.61	766.82	6.1%
Family Plan Prime	1,846.14	1,953.40	5.8%	1,813.90	1,925.01	6.1%
<b>Aggregate</b>			<b>5.8%</b>			<b>6.1%</b>
<u>Best Estimate Projections</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>
Individual Plan Prime	737.16	795.79	8.0%	722.61	783.49	8.4%
Family Plan Prime	1,846.14	1,995.14	8.1%	1,813.90	1,966.75	8.4%
<b>Aggregate</b>			<b>8.0%</b>			<b>8.4%</b>
<u>Pessimistic Projections</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>
Individual Plan Prime	737.16	812.46	10.2%	722.61	800.16	10.7%
Family Plan Prime	1,846.14	2,036.88	10.3%	1,813.90	2,008.49	10.7%
<b>Aggregate</b>			<b>10.3%</b>			<b>10.7%</b>

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

(2) Represents cost to a participating employer.

## 2018 Premium Projections Empire Plan Without Drug Coverage

	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2017</u>	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>
<u>Optimistic Projections</u>						
Individual Plan Prime	548.57	578.94	5.5%	545.24	574.03	5.3%
Family Plan Prime	1,442.64	1,521.45	5.5%	1,434.09	1,508.62	5.2%
<b>Aggregate</b>			<b>5.5%</b>			<b>5.2%</b>
<u>Best Estimate Projections</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>
Individual Plan Prime	548.57	589.42	7.4%	545.24	584.51	7.2%
Family Plan Prime	1,442.64	1,549.83	7.4%	1,434.09	1,537.00	7.2%
<b>Aggregate</b>			<b>7.4%</b>			<b>7.2%</b>
<u>Pessimistic Projections</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>2018</u>	<u>% Change</u>
Individual Plan Prime	548.57	599.90	9.4%	545.24	594.99	9.1%
Family Plan Prime	1,442.64	1,578.21	9.4%	1,434.09	1,565.38	9.2%
<b>Aggregate</b>			<b>9.4%</b>			<b>9.1%</b>

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

(2) Represents cost to a participating employer.

<b>PARTICIPATING EMPLOYER RATES</b>					
<b>2009-2018 MONTHLY RATES</b>					
<b>REPRESENTS ENROLLEES WITH RX DRUG COVERAGE</b>					
<b>Individual</b>	<b>Gross Rate (1)</b>	<b>% Change</b>	<b>Net Rate (2)</b>	<b>% Change</b>	
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	737.16	6.0%	722.61	6.1%	
2018 Projected	795.79	8.0%	783.49	8.4%	
<b><u>Average Percent Increase</u></b>					
From Inception (1985)		6.9%		6.9%	
Most Recent 10 Years		4.5%		5.0%	
Most Recent 5 Years		5.1%		5.2%	
<b>Family</b>					
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	1,846.14	7.4%	1,813.90	7.8%	
2018 Projected	1,995.14	8.1%	1,966.75	8.4%	
<b><u>Average Percent Increase</u></b>					
From Inception (1985)		7.5%		7.5%	
Most Recent 10 Years		5.4%		5.9%	
Most Recent 5 Years		5.9%		6.0%	

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

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

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

<b>PARTICIPATING EMPLOYER RATES</b>					
<b>2009-2018 MONTHLY RATES</b>					
<b>REPRESENTS ENROLLEES WITHOUT RX DRUG COVERAGE</b>					
<b>Individual</b>	<b>Gross Rate (1)</b>	<b>% Change</b>	<b>Net Rate (2)</b>	<b>% Change</b>	
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	548.57	8.2%	545.24	10.7%	
2018 Projected	589.42	7.4%	584.51	7.2%	
<b><u>Average Percent Increase</u></b>					
From Inception (1985)		6.5%		6.6%	
Most Recent 10 Years		5.2%		5.6%	
Most Recent 5 Years		4.5%		4.7%	
<b>Family</b>					
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	1,442.64	9.4%	1,434.09	11.9%	
2018 Projected	1,549.83	7.4%	1,537.00	7.2%	
<b><u>Average Percent Increase</u></b>					
From Inception (1985)		7.2%		7.3%	
Most Recent 10 Years		6.0%		6.4%	
Most Recent 5 Years		5.5%		5.6%	

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

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

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