

FINAL 2017 EMPIRE PLAN EXPERIENCE
In (000's)

	EMPIRE	UNITED HEALTHCARE MEDICAL				BEACON HEALTH OPTIONS MHSA				CVS CAREMARK	TOTAL
	BLUE CROSS		NY	PA	Combined		NY	PA	Combined	DRUG	
		Core	Enhancement	Enhancement	Combined	Core	Enhancement	Enhancement	Combined		
A Premium (1)	2,993,369	2,457,006	352,015	367,290	3,176,311	176,079	23,672	20,579	220,330	1,944,618	8,334,628
B Incurred Claims (2)	2,895,459	2,262,732	323,442	342,300	2,928,474	183,647	36,359	27,066	247,072	1,693,433	7,764,438
C Administrative Expense (3)	94,065	150,669	16,439	17,409	184,517	11,499	2,195	1,640	15,334	29,903	323,819
D Gain/(Loss) (A-B-C)	3,845	43,605	12,134	7,581	63,320	(19,067)	(14,882)	(8,127)	(42,076)	221,282	246,371

(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 Annual Experience Reports

PROJECTED 2018 EMPIRE PLAN EXPERIENCE
In (000's)

	EMPIRE	UNITED HEALTHCARE MEDICAL				BEACON HEALTH OPTIONS MHSA				CVS CAREMARK	TOTAL	
	BLUE CROSS	Core	NY	PA	Combined	Core	NY	PA	Combined	DRUG		
			Enhancement	Enhancement			Enhancement	Enhancement		Enhancement		
A Premium (1)	3,294,400	2,589,650	347,079	369,822	3,306,551	220,794	37,833	26,728	285,355	2,049,120	8,935,426	
B Incurred Claims (2)	3,154,846	2,469,322	319,771	330,612	3,119,705	201,751	39,610	28,971	270,332	2,023,787	8,568,670	
C Administrative Expense (3)	93,280	163,132	16,312	16,943	196,387	11,788	2,095	1,690	15,573	30,338	335,578	
D Gain/(Loss) (A-B-C)	46,274	(42,804)	10,996	22,267	(9,541)	7,255	(3,872)	(3,933)	(550)	(5,005)	31,178	
	1.40%				-0.29%					-0.19%	-0.24%	0.35%

(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' 2018 1st Quarter Experience Reports.

2019 Premium Projections

Empire Plan

	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>
<u>Optimistic Projections</u>						
Individual Plan Prime	1,022.47	1,077.40	5.4%	1,014.98	1,062.50	4.7%
Family Plan Prime	2,364.48	2,494.32	5.5%	2,348.15	2,460.76	4.8%
Individual Mediprime	449.90	484.23	7.6%	444.39	463.66	4.3%
Family - 1 Mediprime	1,791.89	1,901.15	6.1%	1,777.54	1,861.92	4.7%
Family - 2+ Mediprime	1,219.31	1,307.98	7.3%	1,206.95	1,263.08	4.7%
Aggregate			5.9%			4.7%
<u>Best Estimate Projections</u>						
Individual Plan Prime	1,022.47	1,099.91	7.6%	1,014.98	1,085.01	6.9%
Family Plan Prime	2,364.48	2,546.28	7.7%	2,348.15	2,512.72	7.0%
Individual Mediprime	449.90	497.36	10.5%	444.39	476.79	7.3%
Family - 1 Mediprime	1,791.89	1,943.75	8.5%	1,777.54	1,904.52	7.1%
Family - 2+ Mediprime	1,219.31	1,341.20	10.0%	1,206.95	1,296.30	7.4%
Aggregate			8.2%			7.1%
<u>Pessimistic Projections</u>						
Individual Plan Prime	1,022.47	1,122.39	9.8%	1,014.98	1,107.49	9.1%
Family Plan Prime	2,364.48	2,598.14	9.9%	2,348.15	2,564.58	9.2%
Individual Mediprime	449.90	510.52	13.5%	444.39	489.95	10.3%
Family - 1 Mediprime	1,791.89	1,986.27	10.8%	1,777.54	1,947.04	9.5%
Family - 2+ Mediprime	1,219.31	1,374.39	12.7%	1,206.95	1,329.49	10.2%
Aggregate			10.5%			9.4%

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

(2) Represents cost to a participating agency.

(3) Projected Rates.

2019 Premium Projections

Excelsior Plan

<u>Optimistic Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>
Individual Plan Prime	906.82	960.97	6.0%	901.65	949.03	5.3%
Family Plan Prime	2,110.94	2,238.03	6.0%	2,099.52	2,210.96	5.3%
Individual Mediprime	395.39	426.18	7.8%	390.93	408.84	4.6%
Family - 1 Mediprime	1,599.51	1,703.25	6.5%	1,588.79	1,670.77	5.2%
Family - 2+ Mediprime	1,088.08	1,168.45	7.4%	1,078.06	1,130.56	4.9%
Aggregate			6.3%			5.2%

<u>Best Estimate Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>
Individual Plan Prime	906.82	980.52	8.1%	901.65	968.58	7.4%
Family Plan Prime	2,110.94	2,283.43	8.2%	2,099.52	2,256.36	7.5%
Individual Mediprime	395.39	437.61	10.7%	390.93	420.27	7.5%
Family - 1 Mediprime	1,599.51	1,740.52	8.8%	1,588.79	1,708.04	7.5%
Family - 2+ Mediprime	1,088.08	1,197.63	10.1%	1,078.06	1,159.74	7.6%
Aggregate			8.6%			7.5%

<u>Pessimistic Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>	<u>2018</u>	<u>2019 (3)</u>	<u>% Change</u>
Individual Plan Prime	906.82	999.99	10.3%	901.65	988.05	9.6%
Family Plan Prime	2,110.94	2,328.68	10.3%	2,099.52	2,301.61	9.6%
Individual Mediprime	395.39	449.04	13.6%	390.93	431.70	10.4%
Family - 1 Mediprime	1,599.51	1,777.73	11.1%	1,588.79	1,745.25	9.8%
Family - 2+ Mediprime	1,088.08	1,226.77	12.7%	1,078.06	1,188.88	10.3%
Aggregate			10.9%			9.8%

(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
2010 - 2019 Monthly Rates**

	Gross Rate(1)	% Change	Net Rate(2)	% Change
Individual Planprime				
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	1,022.47	6.8%	1,014.98	7.5%
2019	1,099.91	7.6%	1,085.01	6.9%
Average Percent Increase				
From Inception of 5 Tier Structure (1996)		7.1%		7.5%
Most Recent 10 Years		5.8%		6.2%
Most Recent 5 Years		6.9%		7.1%
Family Planprime				
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	2,364.48	8.0%	2,348.15	8.7%
2019	2,546.28	7.7%	2,512.72	7.0%
Average Percent Increase				
From Inception of 5 Tier Structure (1996)		7.2%		7.6%
Most Recent 10 Years		6.6%		7.0%
Most Recent 5 Years		7.8%		8.0%
Individual Medprime				
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	449.90	2.3%	444.39	5.5%
2019	497.36	10.5%	476.79	7.3%
Average Percent Increase				
From Inception of 5 Tier Structure (1996)		4.0%		4.4%
Most Recent 10 Years		2.8%		3.0%
Most Recent 5 Years		3.4%		3.4%

(1) Represents premiums paid to the vendors (2010-2013) and premiums set to fund all self insured costs (2014-2019).
(2) Represents cost to a participating agency.

EMPIRE PLAN PA 5 TIER GROUP RATES 2010 - 2019 Monthly Rates
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	Gross Rate(1)	% Change	Net Rate(2)	% Change
Family - 1 Medprime				
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	1,791.89	7.2%	1,777.54	8.5%
2019 projected	1,943.75	8.5%	1,904.52	7.1%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		6.1%		6.5%
Most Recent 10 Years		5.9%		6.3%
Most Recent 5 Years		7.0%		7.1%
Family - 2 or More Medprime				
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	1,219.31	5.6%	1,206.95	8.3%
2019 projected	1,341.20	10.0%	1,296.30	7.4%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		4.8%		5.2%
Most Recent 10 Years		4.7%		5.0%
Most Recent 5 Years		5.7%		5.7%

(1) Represents premiums paid to the vendors (2010-2013) and premiums set to fund all self insured costs (2014-2019).
(2) Represents cost to a participating agency.

**EMPIRE PLAN
PA 2 TIER GROUP RATES
2010 - 2019 Monthly Rates
(For Illustrative Purposes Only)**

	Gross Rate(1)	% Change	Net Rate(2)	% Change
Individual				
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	770.58	6.4%	764.28	7.6%
2019 projected	836.16	8.5%	818.23	7.1%
Average Percent Increase				
From Inception (1986)		6.8%		6.9%
Most Recent 10 Years		4.8%		5.2%
Most Recent 5 Years		6.2%		6.3%
Family				
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	1,979.89	6.6%	1,965.09	7.6%
2019 projected	2,139.24	8.0%	2,098.97	6.8%
Average Percent Increase				
From Inception (1986)		7.5%		7.5%
Most Recent 10 Years		5.7%		6.1%
Most Recent 5 Years		6.8%		6.9%

(1) Represents premiums paid to the vendors (2010-2013) and premiums set to fund all self insured costs (2014-2019)

(2) Represents cost to a participating agency.